CALIMA ENERGY

Building a Reserve Base In The Liquids Rich Montney Formation Canada

May 2019

Alan Stein – Managing Director

ASX:CE1

DISCLAIMER

This presentation has been prepared by Calima Energy Limited (Company), based on information available as at the date of this presentation. The information in this presentation is provided in summary form and does not contain all information necessary to make an investment decision.

The purpose of this presentation is to provide general information about the Company. It is not recommended that any person makes any investment decision in relation to the Company based solely on this presentation. This presentation does not necessarily contain all information which may be material to the making of a decision in relation to the Company. Any investor should make its own independent assessment and determination as to the Company's prospects prior to making any investment decision, and should not rely on the information in this presentation for that purpose.

This presentation does not involve or imply a recommendation or a statement of opinion in respect of whether to buy, sell or hold securities in the Company. The securities issued by the Company are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the shares or that there will be an increase in the value of the shares in the future.

This presentation contains certain statements which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. No representation or warranty, express or implied, is made by the Company that the matters stated in this presentation will be achieved or prove to be correct. Recipients of this presentation must make their own investigations and inquiries regarding all assumptions, risks, uncertainties and contingencies which may affect the future operations of the Company or the Company's securities.

The Company does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this document. Recipients of this document should carefully consider whether the securities issued by the Company are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

This presentation is presented for informational purposes only. It is not intended to be, and is not, a prospectus, product disclosure statement, offering memorandum or private placement memorandum for the purpose of Chapter 6D of the Corporations Act 2001. Except for statutory liability which cannot be excluded, the Company, its officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this presentation and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. The Company accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

The petroleum resources information in presentation is based on, and fairly represents, information and supporting documentation in a report compiled by technical employees of McDaniel and Associates Ltd, a leading independent Canadian petroleum consulting firm registered with the Association of Professional Engineers and Geoscientists of Alberta, and was subsequently reviewed by Mr Mark Sofield, a consultant to the Company. Mr Sofield holds a BSc. Geology (Hons), is a Geologist with over 20 years of experience in petroleum geology, geophysics, prospect generation and evaluations, prospect and project level resource and risk estimation and is a member of the American Association of Petroleum Geologists. Mr Sofield has consented to the inclusion of the petroleum resources information in this announcement in the form and context in which it appears.

Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discover and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The prospective resources have also been classified using a deterministic method of petroleum reserves estimation having an evaluation date of December 31st, 2017.

Print date 14-05-19

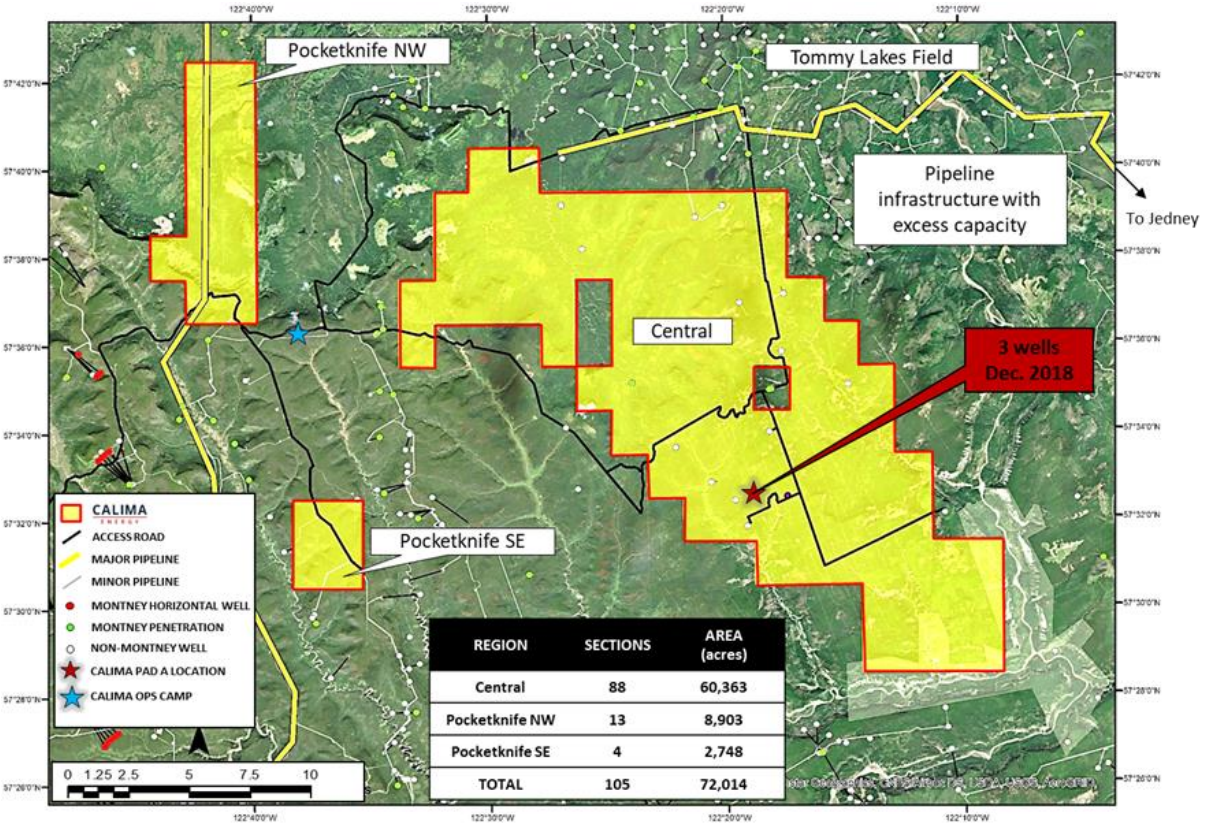
SNAPSHOT

Predicted a northern extension to the liquids rich Montney fairway in NE BC.

Built a 72,000 acre land position and drilled three wells, validating prediction.

Assembling the building blocks for future development while minimising dilution.

Deliver optimal pathway to value creation via a strategic process.



REGION	SECTIONS	AREA (acres)
Central	88	60,363
Pocketknife NW	13	8,903
Pocketknife SE	4	2,748
TOTAL	105	72,014

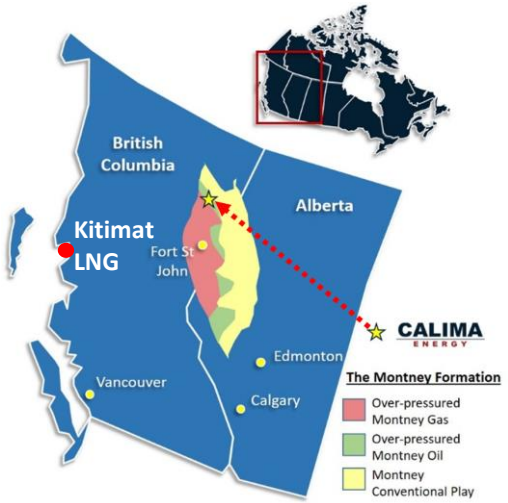
For map location see slide --

INTRODUCTION TO CALIMA

CALIMA ENERGY

Capital Structure

Ordinary Shares	**1,444 M**
Management Perf. Equity[1]	**55.5 M**
Market Capitalisation[2]	**$40 M**
Cash & Securities[3]	**$9.0 M**



Shareholders

Institutions	**21.15%**
Board/Management/Founders[5]	**19.89%**
Tribeca Inv. Partners	**10.25%**
Total	**51.29%**

Calima Lands

72,000 acres of Montney drilling rights

35,000 acres to be converted to 10 year production rights

Calima currently valued <$600 per acre

(1) Includes performance shares, performance rights ($0.15) and options ($0.09 and $0.12). For details see prospectus dated June 30th 2017
(2) Based on the closing price on May 7th 2019
(3) As at March 31st 2018 but before adjustments for invoices from the drilling campaign not yet due.
(4) Appendix 1 – Net prospective resource 376 mmboe
(5) Founders includes former major shareholders of TSV Montney Limited and TMK Montney Limited who entered into voluntary escrow agreements until April 2019

ROADMAP FOR OUR BUSINESS

CALIMA ENERGY

Create

- Built a 72,000 acre Montney land position in NE BC
- Drilled 3 wells to prove extension of liquids rich Montney fairway
- Well performance matches or exceeds adjacent Operators – Initial rate >1,600 boepd

Build

- Well results will lead to a significantly upgraded reserves report - expected June
- Secure access to existing pipelines and infrastructure to support reserves bookings and increase strategic value for a future owner/partner
- Use existing wells to finance tie-in pipeline and minimise dilution

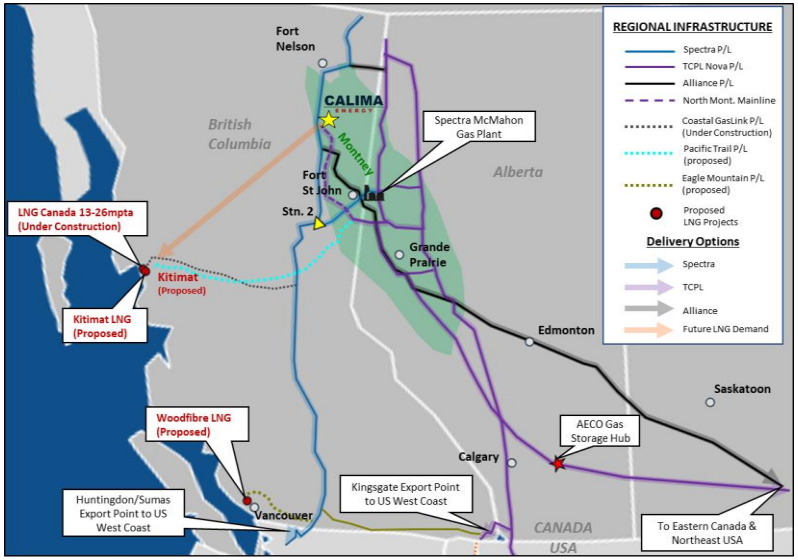
Realise

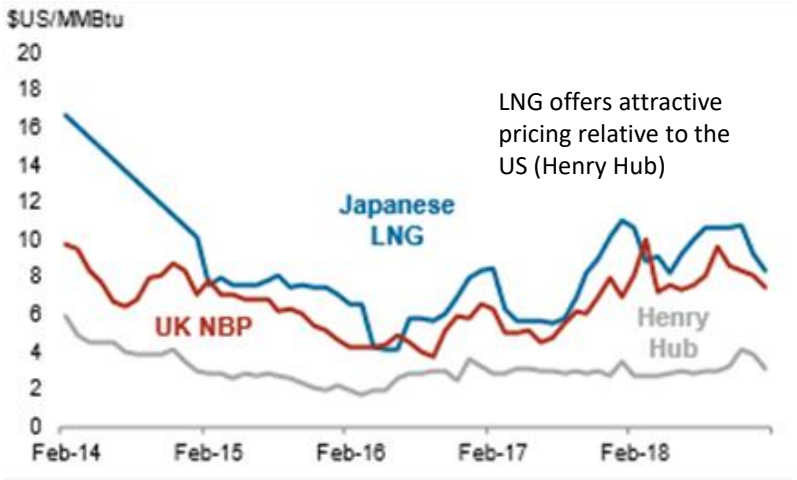
- Implement a structured process to advance investment interest and/or partnerships to create a pathway to create optimum shareholder value.

STAY THE COURSE

WESTERN CANADA - POISED FOR GROWTH THROUGH LNG

- Strong demand for condensate in western Canada - pricing close to WTI.
- International Energy Agency predicts global natural gas consumption to grow by 45% over the next 25 years.
- Montney gas reserves equivalent to half total reserves of Qatar.
- Oil sands industry gas demand to grow 45% to 8 bcf/d by 2023.
- Canadian Government has approved five significant LNG projects.
- Shell, Petronas and partners have commenced construction of the 28 mtpa LNG Canada project at Kitimat in BC;
  - At C$40 billion, Canada's biggest ever infrastructure project.
  - Phase 1 will consume 30% of all the gas produced in western Canada .
  - LNG Canada partners have only half the gas reserves required to fill Phases 1 and 2[(1)]
- Woodside and Chevron have applied to double the size of their Kitimat LNG project to 18 mtpa.
- LNG from western Canada has a unit cost 50% lower than equivalent Australian projects.
- Calima can access[(2)] the NorthRiver (Brookfield) pipeline and processing network which is strategically positioned to support Montney growth and LNG development.
- NorthRiver offers access to multiple egress options; NGTL, Alliance and Westcoast.



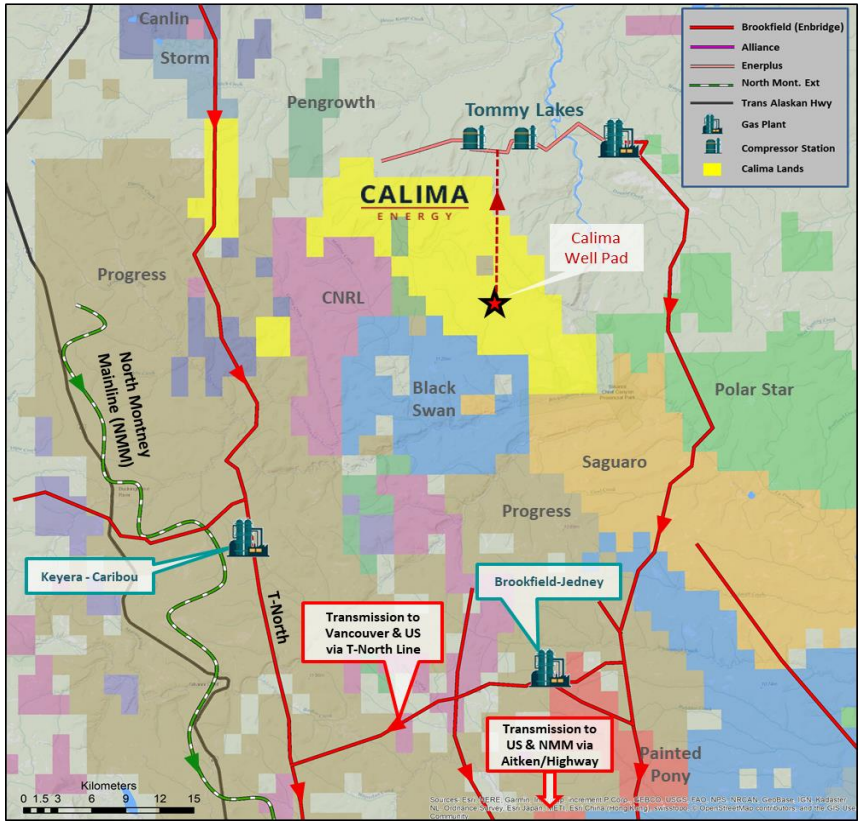


LNG offers attractive pricing relative to the US (Henry Hub)

(1) WoodMackenzie (2) Via Tommy Lakes Infrastructure (Slide 6)

BUILDING BLOCKS TO NAV GROWTH

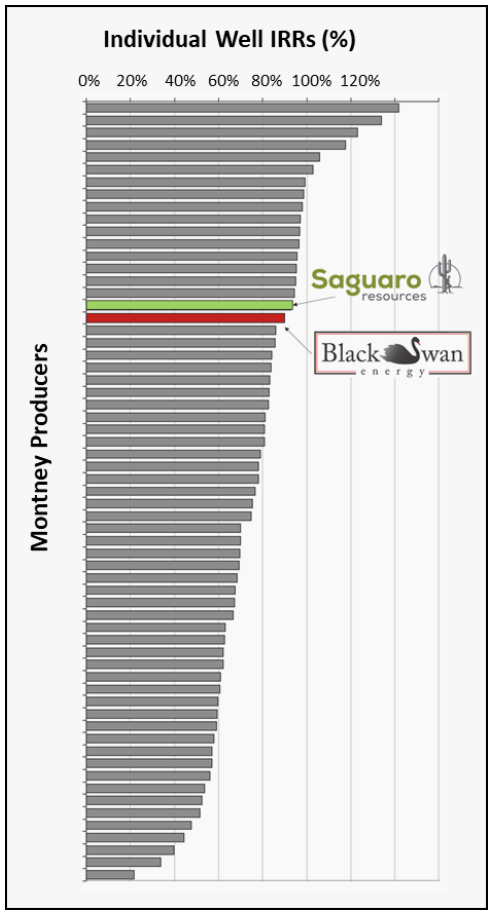
Calima assembling the building blocks of a world-class development project creating value with minimal dilution to deliver a pathway to growth for shareholders through a strategic process.



- Connect to Enbridge's Tommy Lakes infrastructure via a 20 km pipeline.
- Tommy Lakes has capacity to handle up to 8,000 boepd (50 mmcf/d) with scope for further expansion.
- Field is in final stages of life so the pipeline facilities can be accessed at minimal cost.
- Connected to NorthRiver's Jedney processing plant which offers multiple options to link to the US and to new LNG terminals.
- Pipeline can be debt funded (C$15m) via revenue from Calima's existing wells – minimal dilution to shareholders.
- Strategy is cash flow neutral but will
  - Secure access to key infrastructure and egress
  - Establish production profile and liquids ratio
  - Allow reserve booking and access to reserve-based lending
- Significantly enhances the appeal of the Calima Lands to investors, partners and potential acquirers.
- Calima has earned the right to convert c. 50% of its current land position to 10-year production leases.

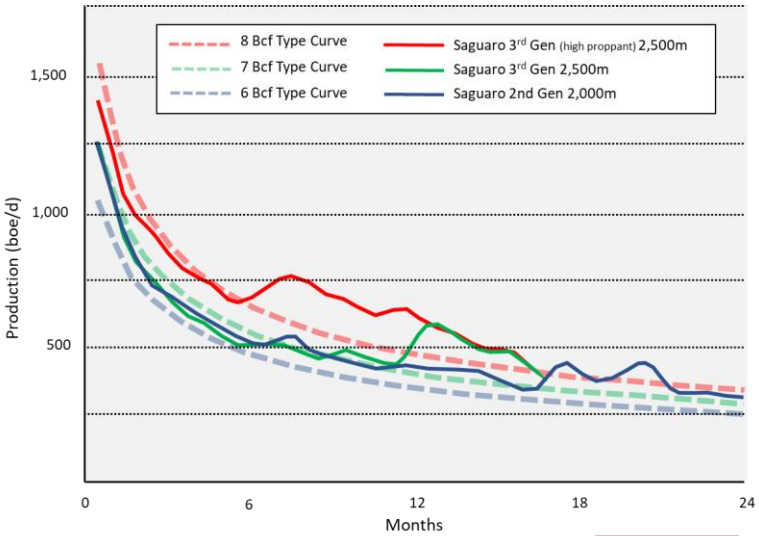
DRILLING – THE ANALOGUE

Montney Producers Ranked by IRR per Well[3]



Saguaro's recent 8 bcf type curve wells deliver top tier performance.

Saguaro Type Curves[1]



SAGUARO TYPE CURVES	7 bcf	8 bcf
Generation	2nd	3rd
Hz Length m	2,000	2,500
IP 30 Raw mmcf/d	6.1	7.4
IP 30 Sales mboe/d	1.2	1.5
EUR Raw bcf	7.3	8.3
Eur Sales mmboe	1.4	1.6
Half Cycle IRR %	34 (46)	46 (75)

Calima's target - Match the Saguaro 8bcf type curve

- Saguaro Resources has drilled more than 60 wells in the acreage immediately adjacent to Calima[1]
- Saguaro results provide a direct analogue for Calima[2]
- **Saguaro - Top tier Montney producer[3]**
- 114,000 acres
- C$600 M invested
- 16,485 boe/d ave. production 2018
- 50 bbls/mmcf liquids yield (CGR)
- 70% of liquids are high value condensate (C5+)
- 60% of revenue from liquids (50% from condensate)
- **2018 Netback - $14.90 per boe**

(1) Saguaro Corporate Presentation February 2019. Half cycle IRR's based on AECO $1.50 GJ and WTI US$60 bbl. IRR upside case in parentheses based on AECO C$2.00 GJ and WTI US$65.00 bbl.
(2) Appendix One Slides 6-12. (3) Cormark Securities, May 2018 - Individual well IRR (half-cycle) based on WTI at US$60 and AECO at C$2.50 mcf.

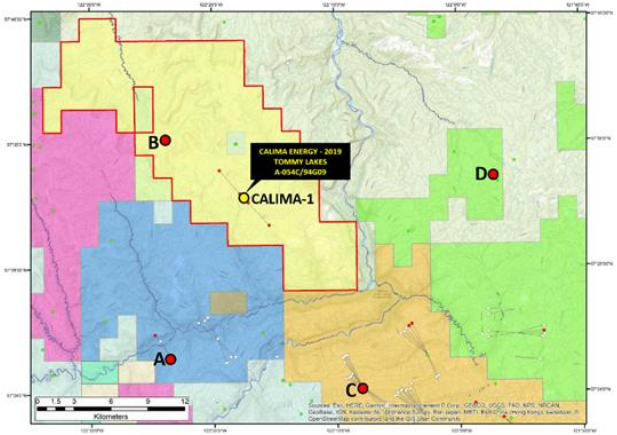
DRILLING - PROVED EXTENSION OF LIQUIDS RICH MONTNEY

CALIMA ENERGY

Log Analysis – Peer Group Comparison[4]

Compiled for Calima Energy (March 2019) by; NUTECH		LOCATION A	LOCATION B	CALIMA ENERGY CALIMA-1	LOCATION C	LOCATION D
UPPER TARGET (tested with Calima-3)	Porosity (%)	3.8	4.5	**5.3**	4.1	4.1
	Hydrocarbon Sat. (1-Sw) %	67.8	87.7	**87.5**	68.7	82.6
	Thickness (m)	48	49	**46**	38	35
	Clay (%)	18.6	16.6	**14.3**	18.2	16.1
	TOC (%)	1.48	2.13	**1.7**	1.36	2.0
MIDDLE TARGET (tested with Calima-2)	Porosity (%)	3.7	4.1	**4.5**	3.8	3.4
	Hydrocarbon Sat. (1-Sw) %	67.7	82.0	**75.2**	65.9	48.5
	Thickness (m)	73	70	**73**	65	64
	Clay (%)	23.7	23.3	**20.6**	20.8	18.8
	TOC (%)	1.05	1.33	**1.3**	0.92	0.93
LOWER TARGET (upside potential)	Porosity (%)	4.3	5.1	**4.9**	4.7	4.5
	Hydrocarbon Sat. (1-Sw) %	70.3	72.5	**62.0**	63.1	62.7
	Thickness (m)	146	132	**136**	158	136
	Clay (%)	30.0	27.4	**27.0**	30.2	28.4
	TOC (%)	0.87	0.87	**1.1**	0.65	0.59

Log analysis of peer group wells highlights the superior reservoir parameters encountered at Calima-1 at all Montney intervals – specifically Porosity and Hydrocarbon Saturation.



Objective	CALIMA ENERGY
1. Stratigraphy	✓
2. Reservoir Quality	✓ ✓
3. Condensate	✓
4. Hydrocarbon Sat.	✓ ✓
5. Illus. Gas-In-Place	✓ ✓
6. Production Rate [1]	✓ ✓
7. Cond/Gas Ratio [2]	✓
8. Type Curve [3]	✓

✓ Matches offset operator

✓✓ Exceeds offset operator

- Calima's 2019 drilling (1 x vertical, 2x horizontal) demonstrated that the prospectivity encountered by Saguaro extends into the Calima Lands.
- Saguaro are a top tier Montney producer based on IRR per well.
- Calima drilling campaign met or exceeded all objectives.
- **Further details in Appendix One**

(1) The initial 48 hour gas production rate of Calima-2 appears to plot within the top quartile of the peer group (Appendix 1, Slide 6). (2) Based on a total liquids yield assuming that liquids recovered from processing equals liquids recovered from the well-head (Appendix 1, Slide 8). (3) Based on initial production rate (Appendix 1 Slide 6-10) and an assumed IP 30 Management expects type curves to be comparable with latest type curves reported by Saguaro. (4) ASX Announcement 8th April 2019, Appendix 1 Slide 7

RESERVES REPORT – UPDATED JUNE 2019

CALIMA ENERGY

Key Strategy
Reserves and Resource Growth

McDaniel 2018 Reserves Report (1)

March 2018	Calima Lands Gross	Calima Lands Net
Natural Gas (Tcf)	2.16	1.69
Condensate (Mmbbl)	54.20	45.30
Natural Gas Liquids (Mmbbl)	60.22	48.88
Total Liquids (Mmbbl)	**114.42**	**95.20**
TOTAL (Mmboe)	**475.79**	**376.76**

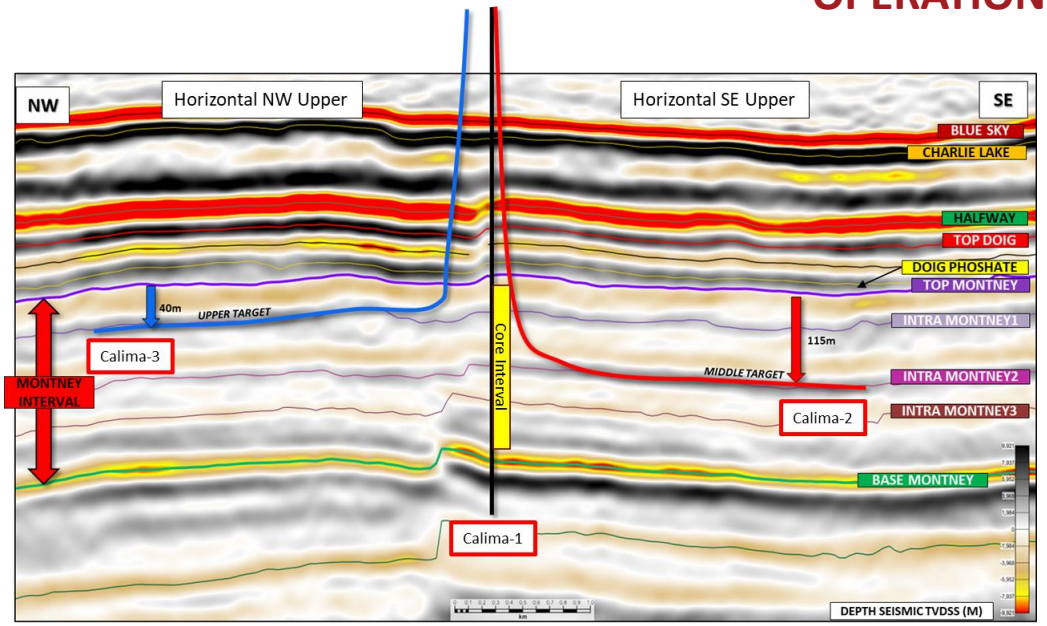
BEST ESTIMATE GROSS UNRISKED PROSPECTIVE RESOURCES

- McDaniel & Associates have been commissioned to update the March 2018 reserves report(2).
- Expected June 2019.
- Drilling results suggest there will be a significant uplift.
- **Estimate Ultimate Recovery (EUR)** – Expect an Increase closer to 7-8 bcf per well to match adjacent Operator (2018; 5.6-6.8 bcf). ✓
- **Condensate Gas Ratio(3) (CGR)** – Confirm 2018 expectation of 50 bbl/mmcf.
- **Condensate/Natural Gas Liquids (NGL) Ratio(4)** – Gas analysis suggests a 70/30 ratio of higher value condensate vs lower value NGL's (2018; 46/54). ✓✓
- **Well Locations** – 2018 report considered only 400 well locations, at Upper and Middle Target. Update report can consider additional locations based on core data over the Lower Target. ✓✓
- **Category** – Significant proportion of the prospective resources can be converted to the contingent category and upon completion of commercial arrangements some of the contingent resources can be converted to reserves. ✓

✓ Upgrade ✓✓ Significant upgrade

(1) Appendix 2 (2) Prepared in accordance with the standards set out in the Canadian Oil and Gas Evaluation Handbook (COGEH) and National Instrument (NI 51-101) and classified in accordance with the Society of Petroleum Engineers Petroleum Resources Management System (SPE-PRMS). (3) Condensate Gas Ratio. The sum of all the liquids expected to be recovered per million cubic feet of gas. These liquids are recovered at the wellhead and from further processing and are comprised of condensate (C5+) and other Natural Gas Liquids such as propane (C3) and butane (C4). (4) Ratio of Condensate (C5+) to other NGL's (C3-4) based on the total volumes defined as best estimate of gross unrisked prospective resources. In the 2018 report propane (C3) was assumed to be priced at a 65% discount to condensate and butane at a 40% discount. Recent drilling results (Appendix 1 Slide 6-10) suggest that Calima wells should deliver similar ratios of condensate vs NGL's as adjacent Operators.

OPERATIONS

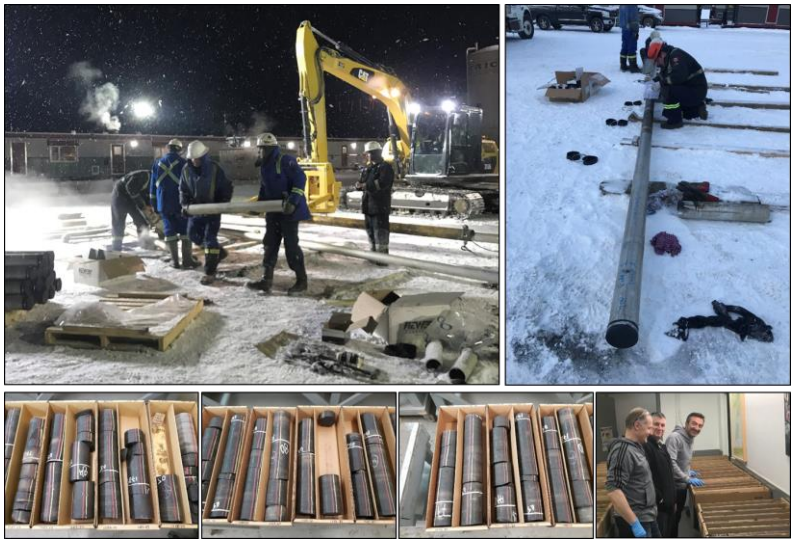


Drilled	9,353 m of rock
Pumped	55,000 m^3 of water
Injected	7,830 tonnes of frac sand
Camp	7,000 nights
Catered	21,000 meals
Drank	4,000 litres of coffee
Managed	500 truck heavy movements

Calima-1 - Vertical pilot hole, logged and cored (230 m entire Montney)

Calima-2 - 2,508 m horizontal producer – 92 stage frac, 30m spacing, 1.5 t/m proppant

Calima-3 – 2,562 m horizontal producer – 92 stage frac, 30m spacing, 1.5 t/m proppant



- No significant health, safety or environmental incidents.
- 10% overspend against budget (c.C$2.6 million)
  - Extensive one off costs to drill the area for the first time (construction, water management, transportation)
  - No benefit from economies of scale
- Expect typical costs to drill, complete and equip each future well to be C$6.8 million which compares against adjacent Operator drilling similar wells for C$5.8 million.

CALIMA ENERGY

- Drilling programme met or exceeded expectations.
- Updated reserve report June 2019.
- The building blocks for an 8,000 boepd development plan can be put in place with limited additional investment.
- Plan to use existing wells to finance pipeline construction.

- Implementing a structured process to evaluate and progress investment interest and/or partnerships to create a pathway to shareholder value.

(1) Appendix 1 – Net prospective resource 376 mmboe

CALIMA
ENERGY

CALIMA
ENERGY

Contact us:
Calima Energy Limited
1A /1 Alvan Street, Subiaco WA 6008, Australia
Tel: +61 8 6500 3270
Fax: +61 8 6500 3275
info@calimaenergy.com
www.calimaenergy.com
ASX:CE1

twitter.com/CalimaEnergy

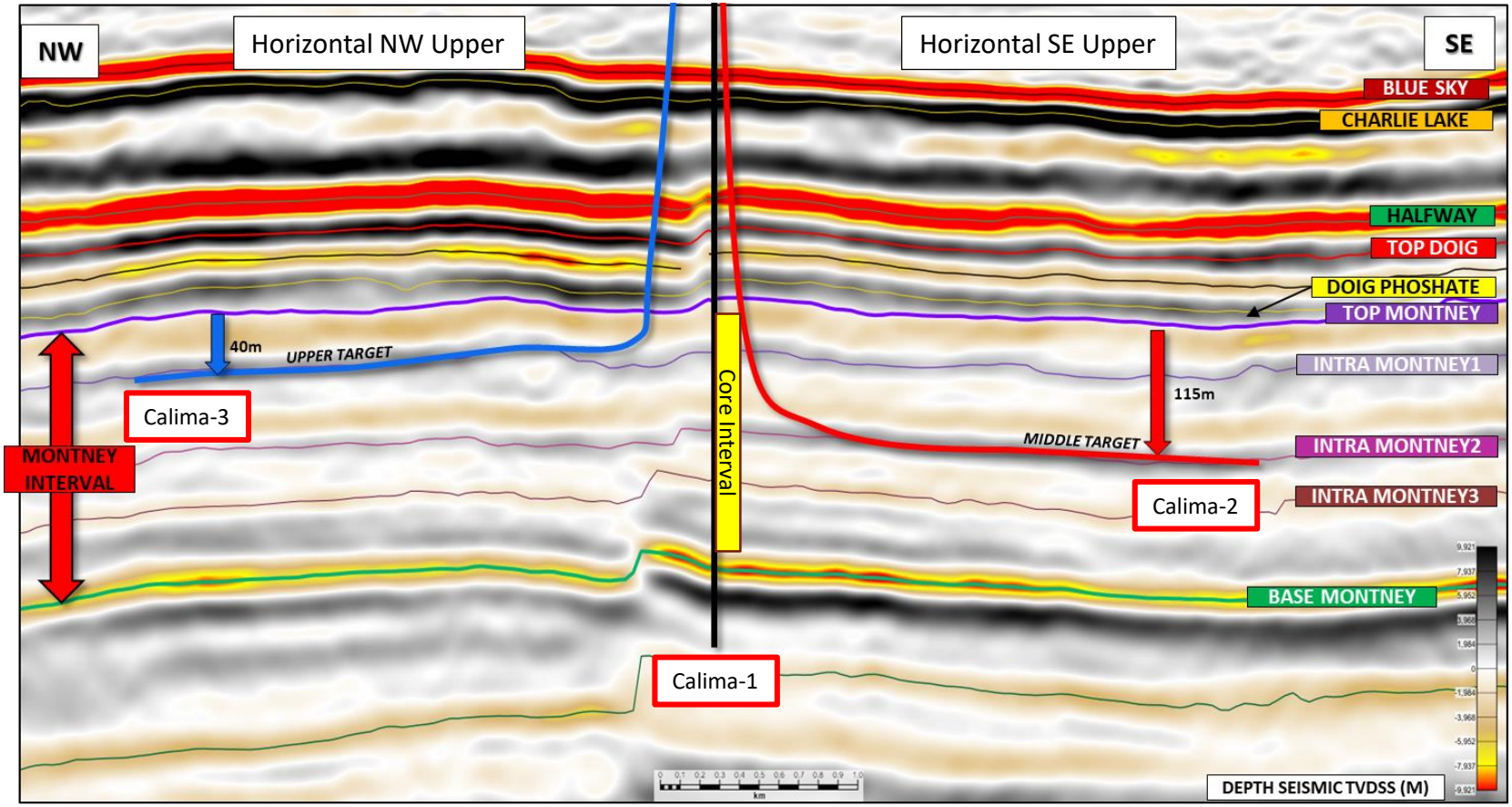
linkedin.com/company/calima-energy.com

facebook.com/CalimaEnergy

instagram.com/calimaenergy

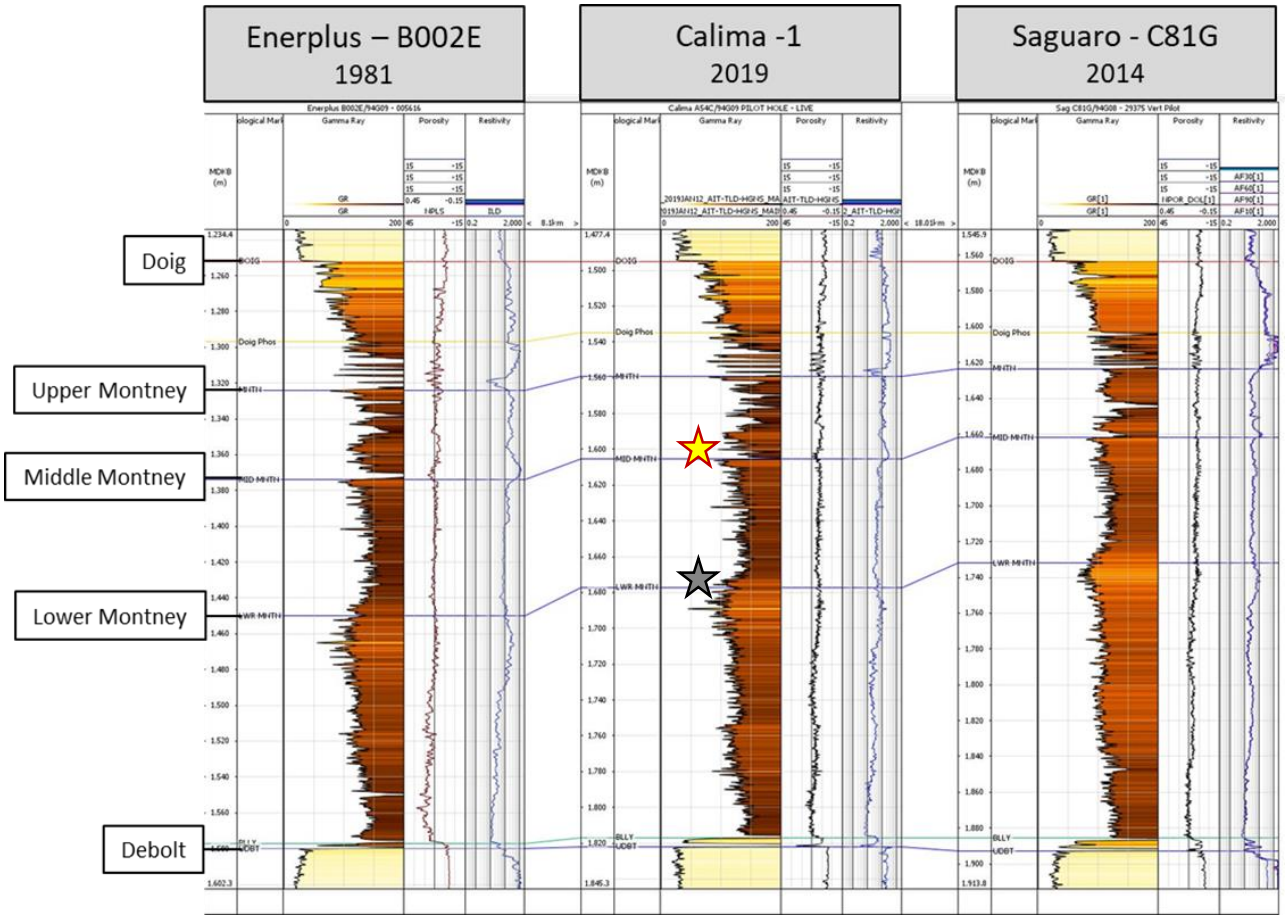
APPENDIX ONE – DRILLING RESULTS

2019 DRILLING



- Drilled 1 x vertical well and 2 x horizontal well.
- Collected core and wireline logs over the whole Montney section.
- Production testing of the horizontal wells successful. Suspended as future producers.

CALIMA-1 VERTICAL WELL



Enerplus B002E
Older well located within the Calima Lands. Drilled to test deeper target before the unconventional, potential of the Montney was understood.

8 km to the NW

Calima -1
Calima-1 vertical pilot hole

Saguaro C81G
Saguaro vertical pilot hole on one of their early multi-well producing pads

18 km to the SE

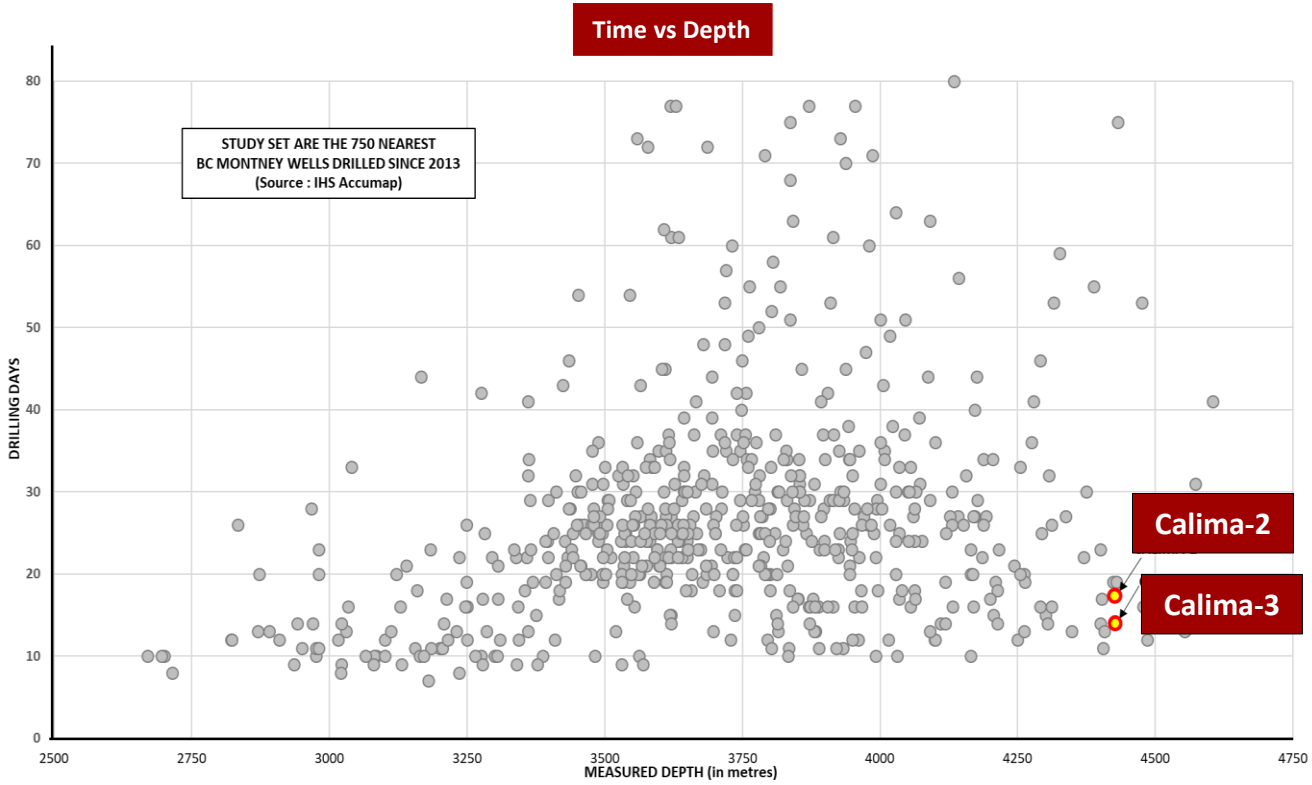
- Demonstrated that the Montney geology across the Calima Lands is very similar to Saguaro's.
- Presence of gas and condensate confirmed by laboratory analysis of core samples.
- Porosity and hydrocarbon saturation higher than comparable Saguaro wells based on log analysis.
- Targets for horizontal wells (Upper and Middle) match the same target intervals favoured by Saguaro.

Calima-3

Calima-2

DRILLING PERFORMANCE

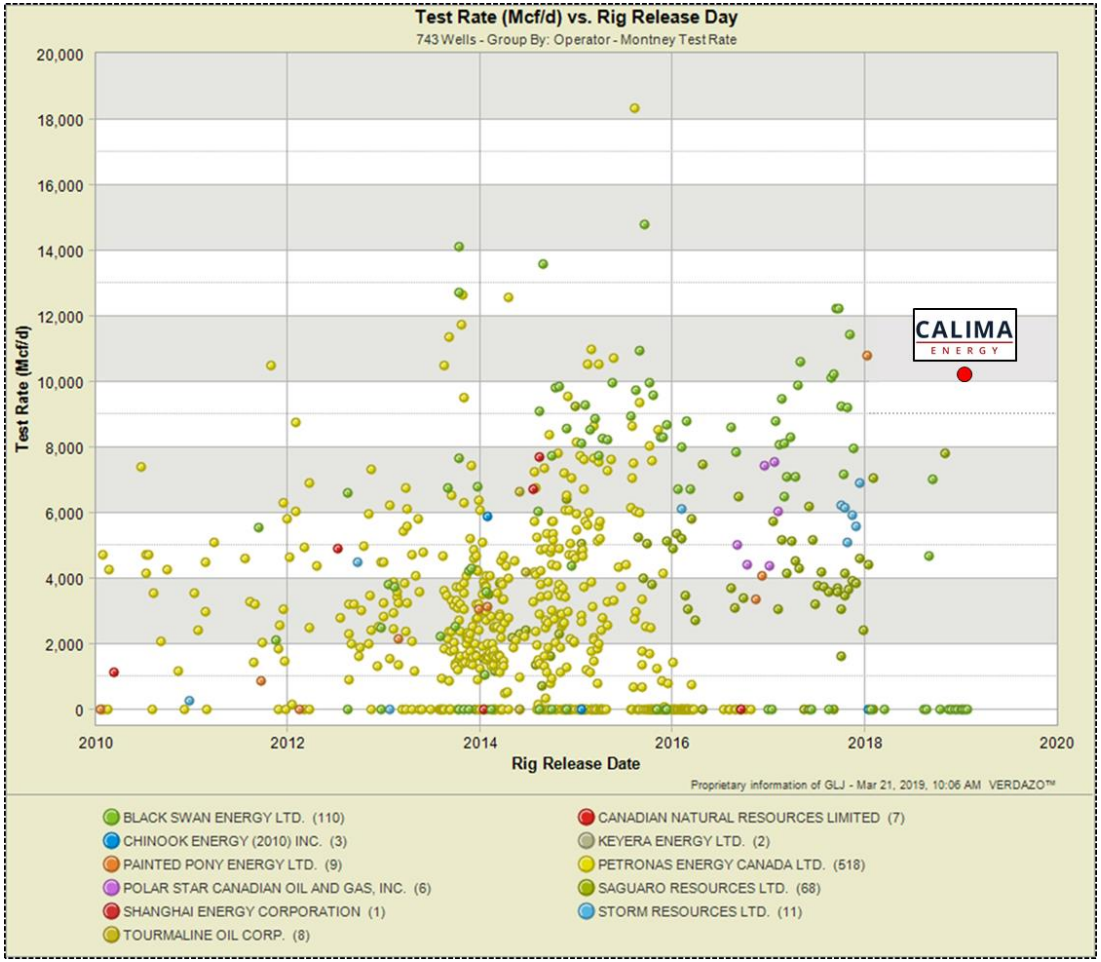
CALIMA ENERGY



- Relationship with CWL Energy provides operations support.
- CWL has experience with most other Operators in the region.
- Permitting.
- Stakeholder relationships.
- Site construction.
- Accommodation and support logistics.
- Top quartile drilling performance.
- No major HSE reports.

CWL ENERGY MANAGEMENT

PRODUCTION TESTING – CALIMA-2



Test rate (mmcf/d) after 48 hours vs rig release date. The Calima-2 maximum gas rate during clean-up at 10.2 mmcf/d plots within the top quartile of the peer group.

Results

- Maximum gas rate **10.2** mmcf/d
- Maximum liquid rate **151** bbl/d at gas rate of **8.4** mmcf/d

In analysing the results Michael Morgan, Director of Analytics at GLJ Petroleum Consultants in Calgary commented;

"In reviewing the test results, it looks like the Calima-2 well is going to meet its primary objective in matching or exceeding the performance of adjacent wells. Gas and light oil or condensate flow rates compare very favourably with the peer group at this early stage of testing.

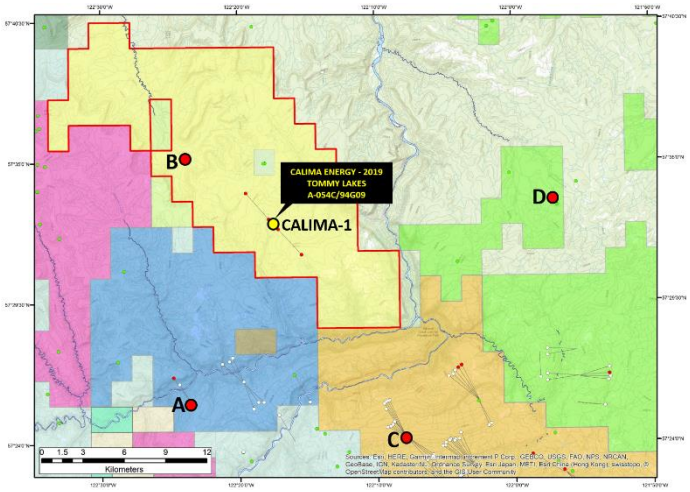
The condensate recovery rates are typical for wells in the liquids rich zone of the Montney and the liquid chromatography results are also typical for condensates recovered from wells adjacent to the Calima Lands".

(1) The numbers of barrels recovered at the well-head is not indicative of the total number of barrels typically won from production. Based on expected deep cut recoveries through standard processing facilities in the area the liquids recoveries would be expected to more than double after treatment. For this analysis the Company has determined that plant recoveries are equal to well head recoveries. The liquid rate and condensate to gas ratio is therefore based on the sum of the total liquids recovered at the well head plus the total liquids assumed to be recoverable after gas processing.

(2) GLJ Petroleum Consultants have been retained by the company to provide analysis of the production test results. https://gljpc.com/

LOG ANALYSIS – PEER GROUP COMPARISON

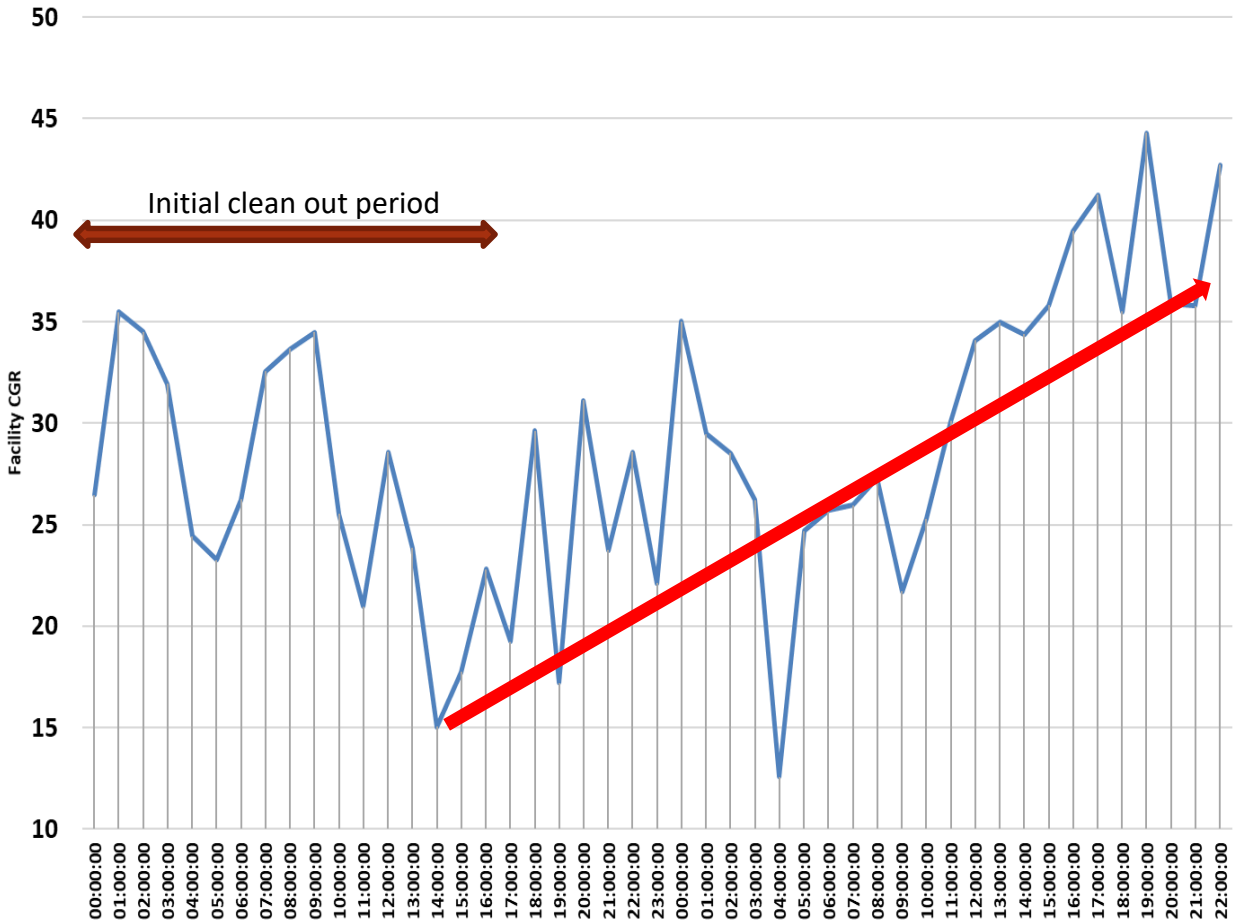
Compiled for Calima Energy (March 2019) by; NUTECH		LOCATION A	LOCATION B	CALIMA ENERGY CALIMA-1	LOCATION C	LOCATION D
UPPER TARGET (tested with Calima-3)	Porosity (%)	3.8	4.5	**5.3**	4.1	4.1
	Hydrocarbon Sat. (1-Sw) %	67.8	87.7	**87.5**	68.7	82.6
	Thickness (m)	48	49	**46**	38	35
	Clay (%)	18.6	16.6	**14.3**	18.2	16.1
	TOC (%)	1.48	2.13	**1.7**	1.36	2.0
MIDDLE TARGET (tested with Calima-2)	Porosity (%)	3.7	4.1	**4.5**	3.8	3.4
	Hydrocarbon Sat. (1-Sw) %	67.7	82.0	**75.2**	65.9	48.5
	Thickness (m)	73	70	**73**	65	64
	Clay (%)	23.7	23.3	**20.6**	20.8	18.8
	TOC (%)	1.05	1.33	**1.3**	0.92	0.93
LOWER TARGET (upside potential)	Porosity (%)	4.3	5.1	**4.9**	4.7	4.5
	Hydrocarbon Sat. (1-Sw) %	70.3	72.5	**62.0**	63.1	62.7
	Thickness (m)	146	132	**136**	158	136
	Clay (%)	30.0	27.4	**27.0**	30.2	28.4
	TOC (%)	0.87	0.87	**1.1**	0.65	0.59



- Log analysis of peer group wells highlights the superior reservoir parameters encountered at Calima-1 at all Montney intervals – specifically **Porosity** and **Hydrocarbon Saturation.**
- Porosity is a measure of available pore space and has a direct influence on the volumes of hydrocarbon in place.
- Hydrocarbon saturation is the volume of pore space not filled with water.
- These log derived results are also validated by the Calima-1 core data.
- Calima's favourable production test results can likely be explained by the optimal rock characteristics.
- Well B is located in Calima Lands and exhibits favourable rock properties. This well offers itself as a de-risked future well pad location.

CONDENSATE GAS RATIO – CALIMA-2

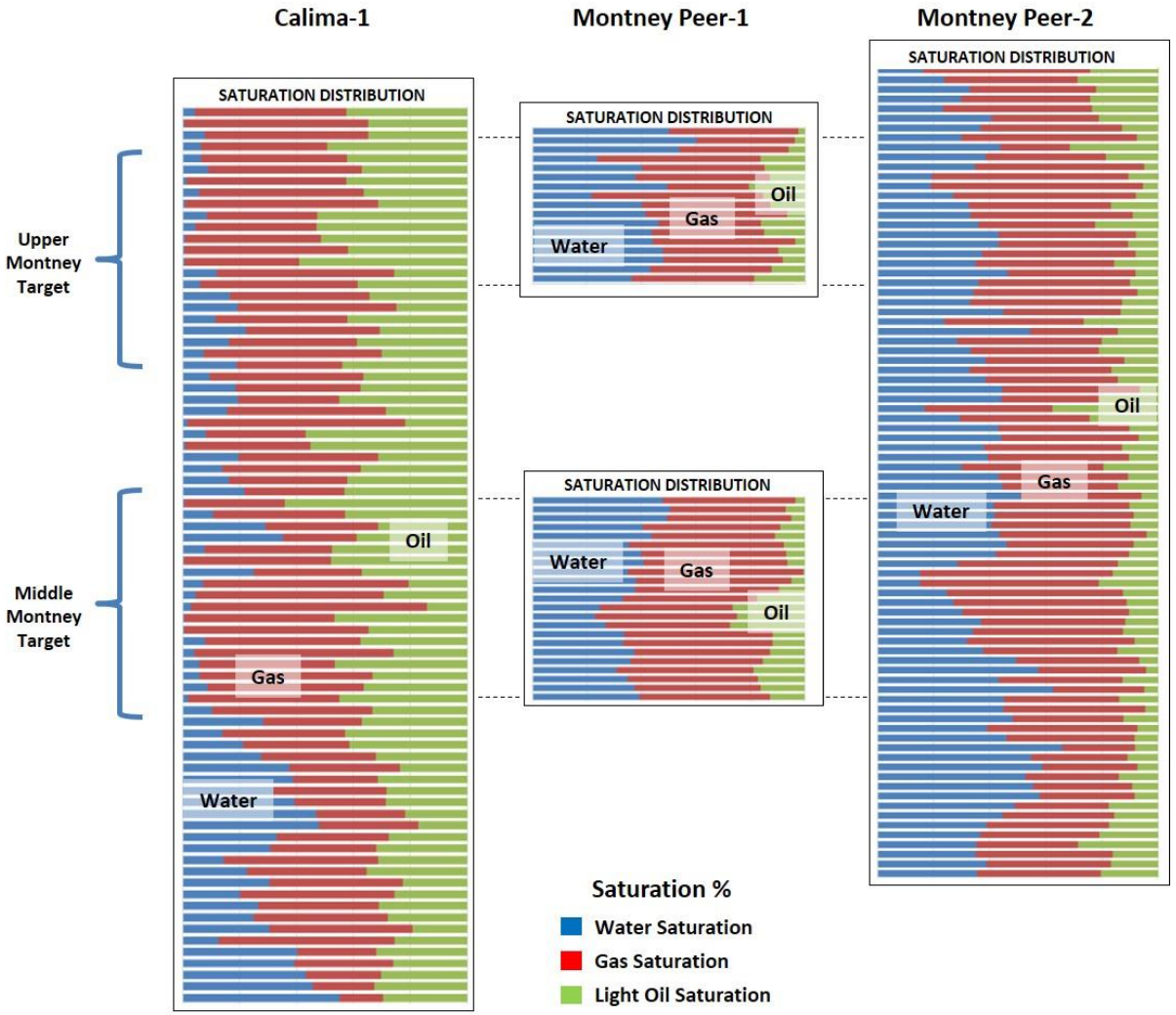
Calima-2 Variation In Condensate Gas Ratio[1] While Testing



- After the initial clean out period the condensate gas ratio (CGR) climbed steadily.
- This is in-line with other wells in the area where optimum CGR is expected to occur after a period of production and optimisation.
- Saguaro achieves an average Facility CGR of 50bbl/mmcf.
- Calima-2 had gone beyond 40 bbl/mmcf[1] on the initial test and the rate was still climbing.

(1) CGR shown here is the total yield of condensate (C5+) including other NGL's (C3-4). The CGR is determined based on the sum of total liquids recovered at the well head plus the total liquids recovered after gas processing. Company has assumed that plant yields are equal to well head yields based on analysis of adjacent Operators.

OIL SATURATION – CORE ANALYSIS CALIMA-1

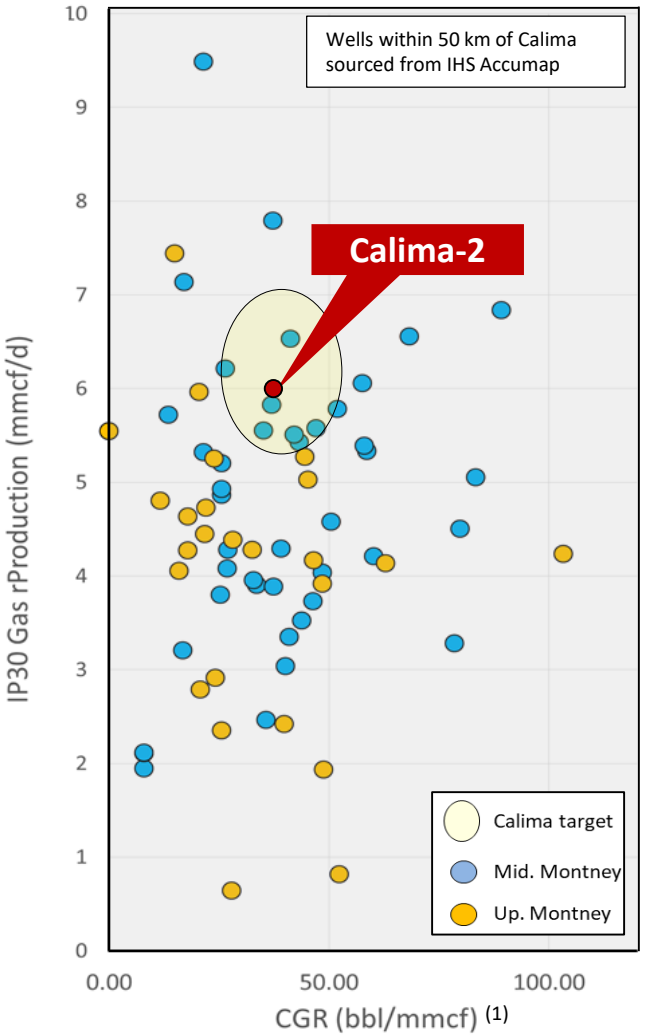


- Core analysis shows that the Calima-1 well has higher oil saturations than cores collected from adjacent wells(1).
- Oil saturations of up to 59% (Upper Montney) and 64% (Middle Montney) were determined from core analysis.
- This probably explains why the initial CGR results from Calima-2 are so encouraging.
- **The original 2014 mapping predicted that the Calima Lands would be more liquids rich than the lands being developed by adjacent Operator.**

(1) Analysis undertaken by different labs

CALIMA-2 - PEER GROUP IP 30 AND CGR RESULTS

IP30 Gas vs Condensate Gas Ratio



Calima-2

Test Results

- Public domain data from wells within a 50 km radius of Calima show variation in initial production rates (IP30) and in the CGR.
- Calima's pre-testing target zone(2) outlined in yellow.

Calima-2 test results have hit the target.

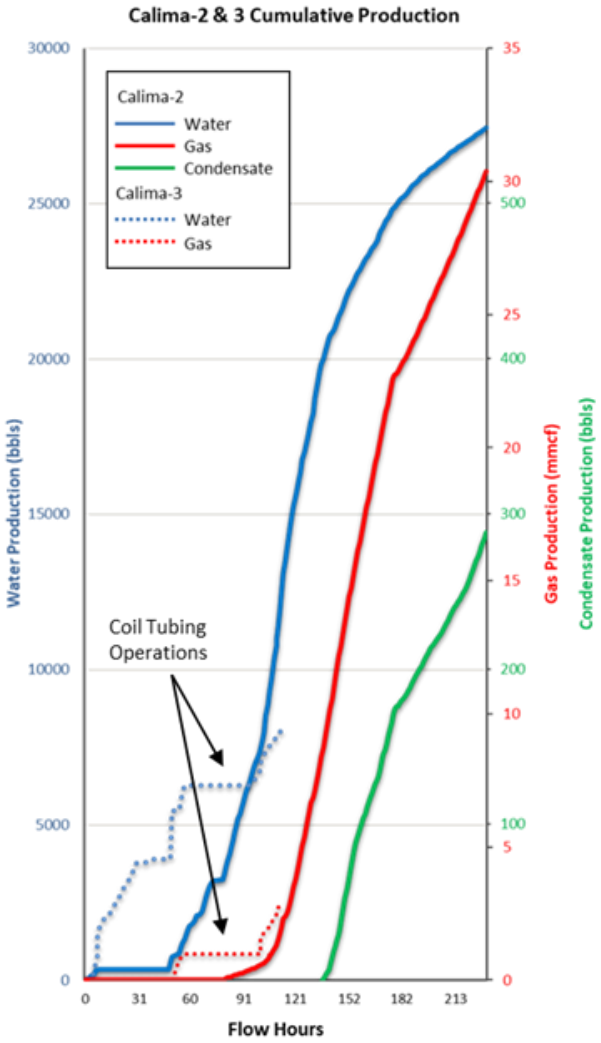
(1) CGR shown here is the total yield of condensate (C5+) including other NGL's (C3-4). The CGR is determined based on the sum of total liquids recovered at the well head plus the total liquids recovered after gas processing. Company has assumed that plant yields are equal to well head yields based on analysis of adjacent Operators. IP 30 is estimated to be 60% of initial peak rate based on comparison with adjacent Operators. Provisional results only.

(2) ASX release 14th March, 2019

CALIMA-3 OFF TO A STRONG START

CALIMA ENERGY

Cumulative Production



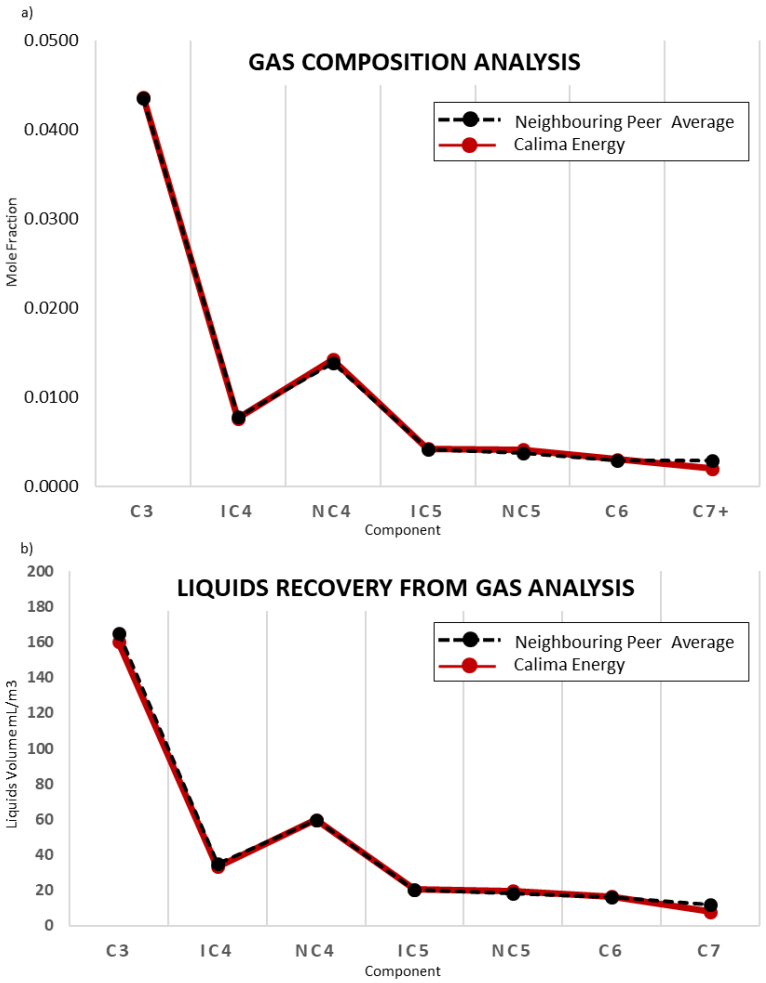
Calima-2 & 3

Test Results

- Calima-3 started flowing at a faster rate than Calima-2.
- Sand blockages were cleared using coiled tubing in the normal manner.
- Warm weather resulted in the test being terminated early due to deteriorating road conditions.
- The early test results combined with core and log data and analogue support from Calima-2 provide the basis of an early analysis of potential performance.
- Calima-3 has the potential to outperform Calima-2.

Calima-3 on track to outperform Calima-2

GAS ANALYSIS



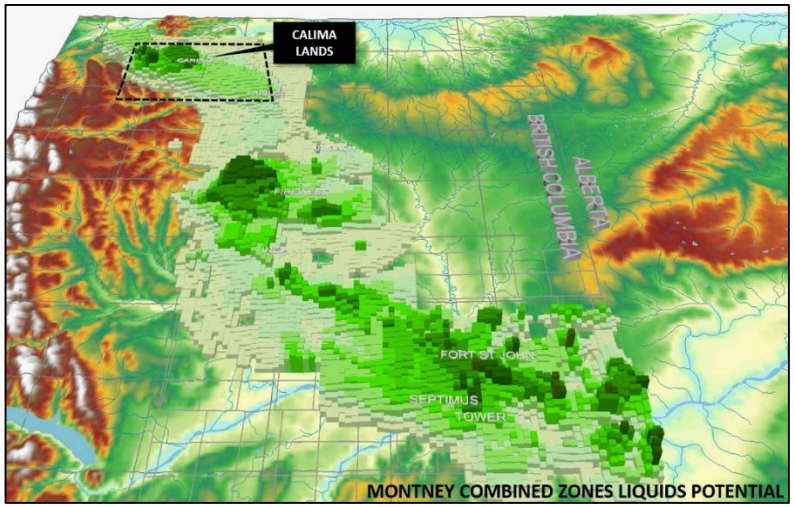
- The adjacent Operator report that liquids recovered at the well-head account for approximately half of the total recovered liquids. These well-head liquids are dominated by Condensate/light oil (C5+).
- A comparable amount of liquids, inclusive of Condensate/light oil (C5+) and Natural Gas Liquids (NGLs - C2-C4), are recovered during gas processing.
- Calima's gas compositions are very similar to those of the adjacent Operator's wells, where approximately 70% of the total liquids recovered are higher-value condensate or light oil, with the remainder being NGLs.
- The condensates or light oils recovered from the Calima gas samples are also similar in terms of their physical and chemical characteristics to those recovered from the adjacent wells.
- Calima's predrill resource estimate (released March 14, 2018) was based on an approximately even (50/50) split of light oil or condensate and NGLs. The Company now believes that a 70/30 Light oil/NGL split is a more appropriate estimate.
- The gas and liquids analyses will be a key input to the revised McDaniel and Associates reserves audit expected in May 2019.
- A significantly larger recovery of higher-value* light oil or condensate from each well will result in substantially improved economics.

* Propane (C3) is 35% of Edmonton, Butane (C4) is 60% of Edmonton, Condensate (C5+) is 100% of Edmonton.

ORIGINAL MAPPING

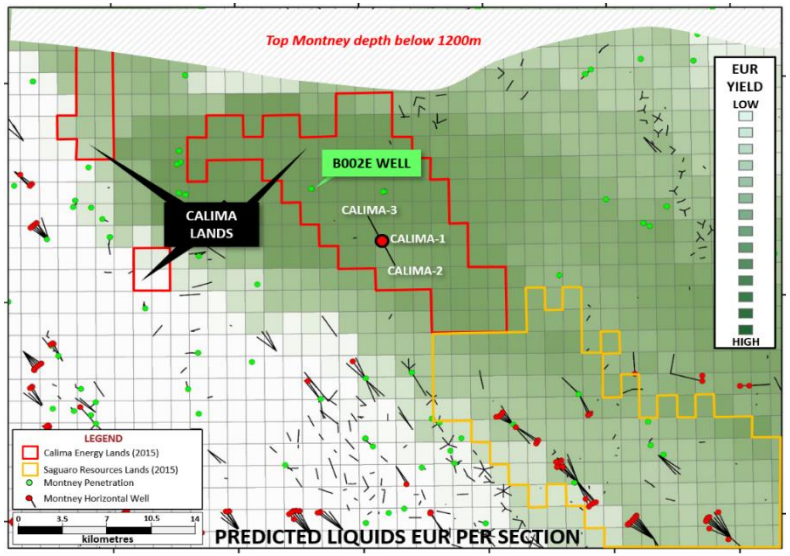
CALIMA ENERGY

Liquids Yield Regional Mapping (2014)

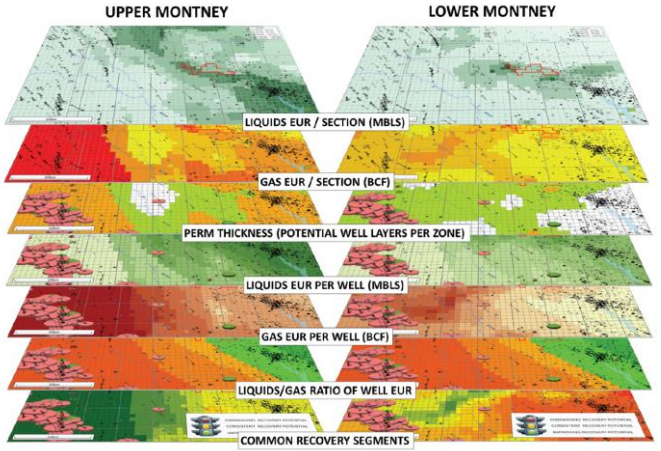


- Calima's original sweet spot mapping in 2014 predicted liquids potential in the north, beyond the known limits of the Montney play.
- Calima built a land position in the north.
- Regional and local mapping of EUR per section was calibrated against production data and government well database to ground truth the Calima predictions.
- The yield predictions have been validated by Calima's 2018/19 drilling program and condensate and gas analysis that confirmed that Calima Lands are indeed located in a liquids-rich sweet spot.
- These results confirm that the liquids-rich belt of the prolific Montney Play extends further into NE British Columbia.

Liquids Yield Local Mapping (2014)



A New Way To Map The Montney



Common Recovery Segment Mapping.
Example from Inga area NE British Columbia.
From, Cockerill & Hughes, CSEG Recorder, March 2016.

2019 DRILLING

Objectives	CALIMA ENERGY
1. Stratigraphy	✓
2. Reservoir Quality	✓✓
3. Condensate	✓
4. Hydrocarbon Sat.	✓✓
5. Illus. Gas-In-Place	✓✓
6. Production Rate (1)	✓✓
7. Cond/Gas Ratio (2)	✓
8. Type Curve (3)	✓

✓ Matches offset operator ✓✓ Exceeds offset operator

- Calima's 2019 drilling (1 x vertical, 2x horizontal) demonstrated that the prospectivity encountered by Saguaro extends into the Calima Lands.
- Saguaro are a top tier Montney producer based on IRR per well.
- Calima drilling campaign met or exceeded all objectives.
- Further details in Appendix One.

Calima has opened an extension of the sought after liquids rich zone of the Montney.

(1) The initial 48 hour gas production rate of Calima-2 appears to plot within the top quartile of the peer group (Slide 10).
(2) Based on a total liquids yield assuming that liquids recovered from processing equals liquids recovered from the well-head (slide 11).
(3) Based on initial production rate (Slide 10) and an assumed IP 30 (Slide 11) Management expects type curves to be comparable with latest type curves reported by Saguaro.

APPENDIX TWO – 2018 RESERVE AUDITORS REPORT

APPENDIX 1 - RESOURCE AUDIT BY McDANIEL & ASSOCIATES [1]

	Calima Lands Gross	Calima Lands Net
Natural Gas (Tcf)	2.16	1.69
Condensate (Mmbbl)	54.20	45.30
Natural Gas Liquids[2] (Mmbbl)	60.22	48.88
Total Liquids (Mmbbl)[3]	**114.42**	**95.20**
TOTAL (Mmboe)[4]	**475.79**	**376.76**

BEST ESTIMATE GROSS UNRISKED PROSPECTIVE RESOURCES [1, 5]

- McDaniel estimates based on 400 locations using 70% of available drainage area.
- Assumes a two layer development of Upper and Lower Montney whereas Saguaro are developing three layers into the Upper Middle and Lower Montney.
- Estimated ultimate recovery (EUR) from individual wells; 6.8 bcf Upper Montney and 5.6 bcf Lower Montney. [1]
- Saguaro EUR's now trending towards 8 bcf.
- Calima Lands are of sufficient scale to warrant standalone development.

(1) ASX announcement dated March 14th 2018 - McDaniel & Associates Resource Report

(2) Natural Gas Liquids (propane and butane) volumes do not include Condensate.

(3) Sum of Condensate and Natural Gas Liquids. Based on public domain data and the results of wells drilled on adjacent land McDaniel estimate that the average condensate to gas ratio for wells in the Calima Lands would be 23 bbl/MMcf (wellhead condensate/gas ratio). Additional liquids would be stripped from the gas upon processing.

(4) Barrels of Oil Equivalent based on 6:1 for Natural Gas, 1:1 for Condensate and C5+, 1:1 for Ethane,1:1 for Propane, 1:1 for Butanes. BOE's may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

(5) Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discover and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The project maturity sub-class is Prospect which means that the project is regarded as sufficiently well defined to represent a viable drilling target. The prospective resources have also been classified using a deterministic method of petroleum reserves estimation having an evaluation date of December 31st, 2017.

APPENDIX THREE – HISTORY, BOARD & MANAGEMENT

CALIMA BOARD

Alan Stein
Managing Director

Dr Stein has more than 30 years' experience in the international oil and gas industry. He was one of the founding partners of the geoscience consultancy IKODA Limited based in London and Perth and was the founding Managing Director of Fusion Oil & Gas plc and Ophir Energy plc.

Dr Stein is currently the Non-Executive Chairman of Hanno Resources Ltd and Sea Captaur Limited and is a Non-Executive Director of Bahari Holding Company Limited.

Glenn Whiddon
Chairman

Mr Whiddon has an extensive background in equity capital markets, banking and corporate advisory, with a specific focus on natural resources. Glenn holds a degree in Economics and has extensive corporate and management experience. He is currently Director of a number of Australian and international public listed companies in the resources sector.

Mr Whiddon was formerly Executive Chairman, Chief Executive Officer and President of Grove Energy Limited, a European and Mediterranean oil and gas exploration and development company, with operations in Italy, Romania, Slovenia, Tunisia and the UK and Dutch North Seas.

Mr Whiddon is currently a director of Auroch Minerals Limited, Statesman Resources Limited and Fraser Range Metals Group Limited.

Jonathan Taylor
Technical Director

Mr Taylor has more than 30 years' experience in the international oil and gas industry. He started his career with Amerada Hess in the UK before moving to Clyde Petroleum plc. He relocated to Perth in 1998 to take up the role of Technical Director at Fusion Oil & Gas plc. Following the sale of Fusion, Mr Taylor, together with Dr Stein, was one of the two founding executive directors of Ophir Energy plc serving initially as its Technical Director.

Mr Taylor is currently a non-executive director of Octant Petroleum, Helium One Limited and Citra Partners Ltd.

Neil Hackett
Non-Executive Director
Member of the Audit & Risk Committee & Remuneration Committee

Mr Hackett holds a Bachelor of Economics from the University of Western Australia, Post-graduate qualifications in Applied Finance and Investment, and is a Graduate (Order of Merit) with the Australian Institute of Company Directors.

Mr Hackett is currently Non-executive Chairman of Australian Securities Exchange listed entity Ardiden Ltd (ADV), and previous NED of African Chrome Fields Ltd (ACF), Modun Resources Ltd (MOU) and has held various ASX Company Secretary positions including Sundance Resources Ltd, Ampella Mining Ltd, and ThinkSmart Ltd. Mr Hackett is currently Chairman of WA State Government peak cycling organisation West Cycle Inc and company secretary of industrial footwear manufacturer Steel Blue Pty Ltd.

CALIMA MANAGEMENT

Mike Dobovich
Country Manager (Canada)

Mr Dobovich has over 20 years of experience in the oil and gas industry in Canada and the US. A graduate of the Land Acquisition and Management program of Olds College, he has been involved in the development and operations of onshore oil and gas plays, SAGD oil sands as well as offshore exploration. Mr. Dobovich has extensive experience in Stakeholder and Aboriginal Engagement as well as Regulatory and Environmental process in multiple jurisdictions. He recently held a position on the Senior Leadership Team of Statoil Canada as the Head of Safety and Sustainability.

Aaron Bauer
Operations Manager (Canada)

Mr Bauer is an engineer with more than 15 years of drilling and completions experience in the Montney and other resource plays in Canada. He has worked for large companies such as Caltex and Burlington Resources as well as West Valley Energy, a private equity funded start-up where he was VP Operations involved in all aspects of business development including commercial modelling and scenario planning.

Ed Mason
IR Advisor

Mr. Mason has more than twenty years' experience working for global investment banks such as Bank of America Merrill Lynch, HSBC, Renaissance Capital and, more recently, Royal Bank of Canada in senior leadership roles focused on the natural resources sector and spanning equities, derivatives and capital markets.

Justin Norris
Montney Sub-Surface Project Leader

Mr Norris is a geophysicist with over 20 years of experience in the international oil and gas industry across a wide variety of jurisdictions and geological regions. He entered the industry as a Schlumberger graduate and had several international postings before leaving the service industry. Mr Norris took up the role of chief geophysicist at Fusion Oil & Gas plc and Ophir Energy plc and headed Ophir's New Ventures team in London.

Justin is a member of the Society of Exploration Geophysics (SEG), Petroleum Exploration Society of Great Britain (PESGB), European Association of Geoscientists and Engineers (EAGE) and the American Association of Petroleum Geologists (AAPG).

Mark Freeman
Business Development

Mr Freeman is a Chartered Accountant with more than 20 years' experience in corporate finance and the resources industry. He has considerable experience in strategic planning, business development, mergers, acquisitions and project management. Mr Freeman has worked with a number of successful public resource companies and since 2015 has been providing strategic advice to TSVM.

A graduate of the University of Western Australia with a Bachelor of Commerce, Mr Freeman also holds a Graduate Diploma in Applied Finance from the Securities Institute of Australia. Mr Freeman will take responsibility for merger integration and also business development for the enlarged group.

CALIMA – HISTORICAL PATHWAY

CALIMA ENERGY

2014-2016	2017	2018	2019 (Q1)
• Remapping the liquids potential of the Montney by TMK Montney using more than 1,400 wells • Havoc Partners acquires 11% of TMK Montney • Build acreage position indirectly through JV between TMK Montney and TSV Montney • Havoc makes farmin offer to TMK and TSV to build direct equity interest via three stage earn-in deal.	• Fold the farmin deal into Azonto Petroleum • Management agreement between Havoc Partners and Azonto. • Completion of farmin deal. • Relisting of Azonto as Calima Energy. • Strengthen balance sheet at the same time as re-listing. • Take over Operatorship of the Montney Project and complete acreage build to 72,000 acres.	• Construction of drilling pad. • Reserve auditor report by McDaniel & Associates • Simultaneous takeover offers to TMK and TSV to lift ownership of the project to 100% • Raise $25m through oversubscribed placing • Completion of permitting process for initial drilling	• Drill one vertical and two horizontal wells. • Initial test results deliver top quartile performance on test • Drilling results prove up an extension of the sought after liquids rich Montney play across the Calima Lands