



**TRIMBLE**  
energy group

## Monthly Market Overview December 2023

During December, 43 of the 48 publicly traded TSX E&P companies (with assets focused predominately in Canada) declined in value; only three companies had an increase in their share price and one company was flat month-over-month. Of those companies that had an increase in their share price, the rise ranged from 5.65% (**Petrus Resources Ltd.**) to **Athabasca Oil Corporation's** 7.47% rise. **Hammerhead Energy Inc.** is no longer on our list, following its acquisition by **Crescent Point Energy Corp.** On a combined basis, the TSX E&P group had an average decrease of 6.06% and median drop of 5.44%. The declines ranged from 0.41% (**Topaz Energy Corp.**) to **Tamarack Valley Energy Ltd.'s** 16.58% slide.

As for the companies listed on the TSX Venture Exchange, three companies had an increase in their share price, four were flat and the remaining 15 companies experienced a drop. Overall, the group had average and median decreases of 8.22% and 6.92% respectively.

Oil prices dropped in December, with WTI crude oil closing down 5.98% at USD \$71.11/bbl while Edmonton Par dropped 8.40% and WCS fell 2.09%. The drops were on the back of rising inventories and expectations of oversupplies and softer fuel demand in 2024. These factors overshadowed the bullish tones which included an upbeat forecast from the International Energy Agency on oil demand and calls for a weaker US dollar, the US government continuing to buy oil to replenish US Strategic Oil Reserves and potential trade route disruptions in the Red Sea. In addition, while OPEC+ announced a combined 2.2 million barrels-per-day (bpd) voluntary output cut for the first quarter of 2024, the market was unimpressed with the degree of the cut and is skeptical the group will comply with the cuts.

Natural gas prices experienced significant declines in December due to milder weather and ample output which increased storage. NYMEX natural gas fell 13.04% to USD \$2.37/MMBtu and had its largest yearly decline since 2006 while AECO plummeted 41.87% to CDN \$1.42/MMBtu.

Below we illustrate the changes in commodities and in the Canadian dollar during December 2023; the Canadian dollar increased 2.32% to 0.7545.

	WTI Oil (\$USD/bbl)	WCS (\$USD/bbl)	Cdn Light (\$USD/bbl)	NYMEX (\$USD/MMBtu)	AECO (\$CAD/MMBtu)	CDN\$/USD\$
<b>December 2023 Average</b>	\$72.45	\$52.39	\$63.62	\$2.56	\$2.06	0.7499
<b>End of December 2023</b>	\$71.11	\$53.41	\$62.02	\$2.37	\$1.42	0.7545
<b>End of November 2023</b>	\$75.63	\$54.55	\$67.71	\$2.73	\$2.44	0.7374
<b>Month-over-Month Change</b>	-5.98%	-2.09%	-8.40%	-13.04%	-41.87%	2.32%

Sources: Daily Oil Bulletin, TradingView, Oilprice.com

## TSX-Listed E&P (Canadian Focused Operations) December 2023 Share Price Movements

As previously mentioned, the vast majority (43 companies) of the 48 E&P companies (with domestic assets) on the TSX fell in value in December, while one company was flat and only three were in the green.

The top performer in December was **Athabasca Oil Corporation** which increased 7.47% from \$3.88/share to \$4.17/share. Athabasca announced it entered into transaction agreements to create **Duvernay Energy Corporation** with **Cenovus Energy Inc.** Athabasca and Cenovus will jointly contribute assets into Duvernay Energy. Athabasca will own a 70% equity interest in Duvernay Energy with Cenovus owning the remaining 30% equity interest while Athabasca will manage Duvernay Energy through a management and operating services agreement. Duvernay Energy's board of directors will include three members nominated by Athabasca and one member nominated by Cenovus. On inception, Duvernay Energy will have strong liquidity including seed capital of \$40 million, a \$50 million new credit facility and 2,000 boe/d of production.

**Pieridae Energy Limited** was the second-best performer in December, rising 6.06% to \$0.35/share. Pieridae announced that it obtained the requisite shareholder approval to (i) issue the common shares issuable to its lender, **Prudential Financial, Inc.**, pursuant to the share purchase warrants granted to Prudential in June 2023 and (ii) repay in full the remaining principal amount, accrued interest and conversion fee owing to **Erikson National Energy Inc.** under the CAD\$20 million bridge loan provided by Erikson on June 13, 2023.

**Petrus Resources Ltd.** rounded out the top three performers, rising 5.65% to \$1.31/share. Recall that in November, Petrus was the third best performer when it increased 7.83%.

## TSX-Listed E&P (Canadian Focused Operations) December 2023 Share Price Movements

Company	TSX Ticker	December 2023 % Change	End of December 2023	End of November 2023
Athabasca Oil Corporation	ATH	7.47%	\$4.17	\$3.88
Pieridae Energy Limited	PEA	6.06%	\$0.35	\$0.33
Petrus Resources Ltd.	PRQ	5.65%	\$1.31	\$1.24
Prairie Provident Resources Inc.	PPR	0.00%	\$0.07	\$0.07
Topaz Energy Corp.	TPZ	-0.41%	\$19.38	\$19.46
Imperial Oil Limited	IMO	-1.27%	\$75.48	\$76.45
Spartan Delta Corp.	SDE	-1.32%	\$2.98	\$3.02
Freehold Royalties Ltd.	FRU	-1.72%	\$13.69	\$13.93
Saturn Oil & Gas Inc.	SOIL	-2.22%	\$2.20	\$2.25
i3 Energy plc	ITE	-2.78%	\$0.18	\$0.18
Paramount Resources Ltd.	POU	-2.96%	\$25.93	\$26.72
Ovintiv Inc.	OVV	-3.29%	\$58.16	\$60.14
Peyto Exploration & Development Corp.	PEY	-3.76%	\$12.04	\$12.51
Crescent Point Energy Corp.	CPG	-3.77%	\$9.19	\$9.55
Strathcona Resources Ltd.	SCR	-3.90%	\$21.43	\$22.30
Canadian Natural Resources Limited	CNQ	-4.19%	\$66.81	\$69.61
International Petroleum Corporation	IPCO	-4.42%	\$15.77	\$16.50
Gear Energy Ltd.	GXE	-4.48%	\$0.64	\$0.67
Pine Cliff Energy Ltd.	PNE	-4.93%	\$1.35	\$1.42
Suncor Energy Inc.	SU	-5.12%	\$42.45	\$44.74
InPlay Oil Corp.	IPO	-5.15%	\$2.21	\$2.33
Journey Energy Inc.	JOY	-5.16%	\$3.86	\$4.07
Questerre Energy Corporation	QEC	-5.26%	\$0.18	\$0.19
Whitecap Resources Inc.	WCP	-5.44%	\$8.87	\$9.38
Crew Energy Inc.	CR	-5.61%	\$4.54	\$4.81
NuVista Energy Ltd.	NVA	-5.80%	\$11.04	\$11.72
Perpetual Energy Inc.	PMT	-6.52%	\$0.43	\$0.46
Cardinal Energy Ltd.	CJ	-6.82%	\$6.28	\$6.74
Vermilion Energy Inc.	VET	-6.83%	\$15.97	\$17.14
PrairieSky Royalty Ltd.	PSK	-6.94%	\$23.20	\$24.93
Yangarra Resources Ltd.	YGR	-7.25%	\$1.28	\$1.38
MEG Energy Corp.	MEG	-7.76%	\$23.67	\$25.66
Cenovus Energy Inc.	CVE	-8.27%	\$22.08	\$24.07
Advantage Energy Ltd.	AAV	-8.28%	\$8.53	\$9.30
ARC Resources Ltd.	ARX	-9.10%	\$19.67	\$21.64
Tourmaline Oil Corp.	TOU	-9.27%	\$59.59	\$65.68
Tenaz Energy Corp.	TNZ	-9.45%	\$3.93	\$4.34
Rubellite Energy Inc.	RBV	-10.67%	\$2.01	\$2.25
Birchcliff Energy Ltd.	BIR	-11.08%	\$5.78	\$6.50
Kiwetinohk Energy Corp.	KEC	-11.74%	\$11.35	\$12.86
Headwater Exploration Inc.	HWX	-11.97%	\$6.25	\$7.10
Obsidian Energy Ltd.	OBE	-12.29%	\$8.99	\$10.25
Bonterra Energy Corp.	BNE	-13.55%	\$5.23	\$6.05
Kelt Exploration Ltd.	KEL	-14.75%	\$5.72	\$6.71
Surge Energy Inc.	SGY	-15.84%	\$6.48	\$7.70
Baytex Energy Corp.	BTE	-16.25%	\$4.38	\$5.23
Tamarack Valley Energy Ltd.	TVE	-16.58%	\$3.07	\$3.68
Average Increase/Decrease		-6.06%		
Median Increase/Decrease		-5.44%		
Number of Companies with Share Price Increases		3		
Number of Companies Flat Month Over Month		1		
Number of Companies with Share Price Declines		43		
Largest Share Price Increase		7.47%		
Largest Share Price Decline		-16.58%		

The three worst-performing stocks in December 2023 were **Tamarack Valley Energy Ltd.**, **Baytex Energy Corp.** and **Surge Energy Inc.** Tamarack Valley dropped 16.58% in December, Baytex declined 16.25% and Surge fell 15.84%.

## TSX-Venture Listed E&P (Canadian Focused Operations) December 2023 Share Price Movements

As previously mentioned, and outlined below, during December 2023, three TSX-Venture listed E&P companies (with operations focused mainly in Canada) had an increase in their share price, four were flat and the remaining 15 companies experienced a drop.

**Altima Resources Ltd.** had the largest increase for the second consecutive month, jumping an additional 25% and ending the year at \$0.05/share. In November, Altima spiked 100% to \$0.04/share.

**Tenth Avenue Petroleum Corporation** had the second largest increase in December, rising 20% from \$0.10/share to \$0.12/share.

**Criterion Energy Ltd.** rounded out the top three best performers in December, increasing 8.33% or \$0.01/share to \$0.13/share. Recall that in November, Criterion was the second-best performer when it rose 50%.

On a combined basis, the TSX-V E&P companies fell an average 8.22% and 6.92% on a median basis month-over-month. The biggest decliners were **Resolute Resources Ltd.**, **Tuktu Resources Ltd.** and **Pulse Oil Corp.** Resolute fell 45.16% during December; recall that in November, Resolute plummeted 57.53% on poor drilling results. Tuktu dropped 28.57%, matching the revised price of its equity financing of \$0.05/unit and Pulse fell 22.22%.

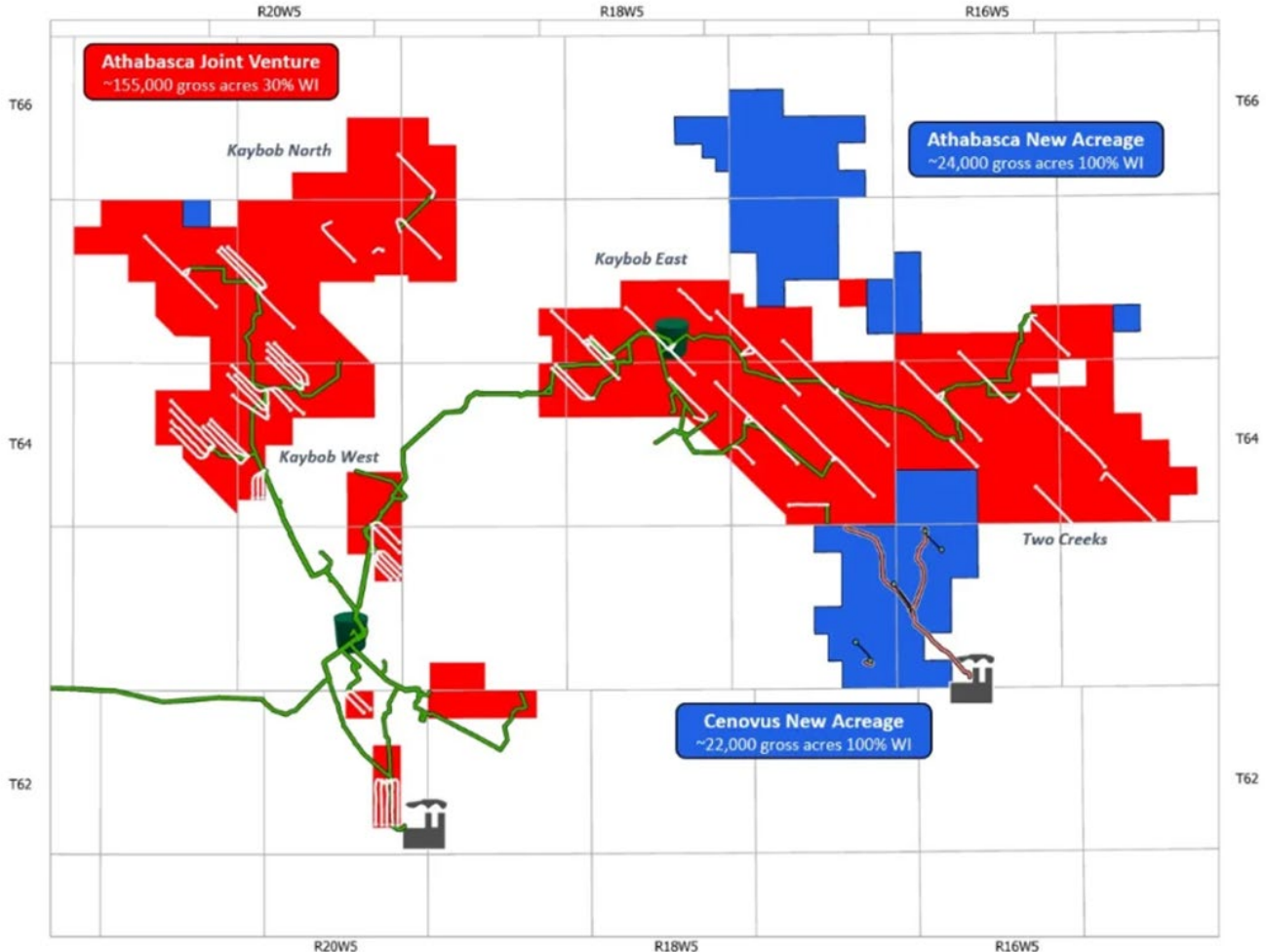
Company	TSX-V Ticker	December 2023 % Change	End of December 2023	End of November 2023
Altima Resources Ltd.	ARH	25.00%	\$0.05	\$0.04
Tenth Avenue Petroleum Corp.	TPC	20.00%	\$0.12	\$0.10
Criterion Energy Ltd.	CEQ	8.33%	\$0.13	\$0.12
Canadian Spirit Resources Inc.	SPI	0.00%	\$0.05	\$0.05
Cypress Hills Resource Corp.	CHY	0.00%	\$0.06	\$0.06
Hemisphere Energy Corporation	HME	0.00%	\$1.29	\$1.29
Source Rock Royalties Ltd.	SRR	0.00%	\$0.83	\$0.83
Highwood Oil Company Ltd.	HAM	-1.64%	\$4.80	\$4.88
Lycos Energy Inc.	LCX	-2.94%	\$3.30	\$3.40
ROK Resources Inc.	ROK	-3.03%	\$0.32	\$0.33
Coelacanth Energy Inc.	CEI	-3.85%	\$0.75	\$0.78
Prospera Energy Inc.	PEI	-10.00%	\$0.09	\$0.10
Logan Energy Corp.	LGN	-11.11%	\$0.80	\$0.90
PetroFrontier Corp.	PFC	-14.29%	\$0.06	\$0.07
Vital Energy Inc.	VUX	-15.38%	\$0.22	\$0.26
Wescan Energy Corp.	WCE	-16.67%	\$0.05	\$0.06
Cobra Venture Corporation	CBV	-17.65%	\$0.14	\$0.17
Petrolympic Ltd.	PCQ	-20.00%	\$0.04	\$0.05
Razor Energy Corp.	RZE	-21.67%	\$0.24	\$0.30
Pulse Oil Corp.	PUL	-22.22%	\$0.04	\$0.05
Tuktu Resources Ltd.	TUK	-28.57%	\$0.05	\$0.07
Resolute Resources Ltd.	RRL	-45.16%	\$0.09	\$0.16
Average Increase/Decrease		-8.22%		
Median Increase/Decrease		-6.92%		
Number of Companies with Share Price Increases		3		
Number of Companies Flat Month Over Month		4		
Number of Companies with Share Price Declines		15		
Max Share Price Increase		25.00%		
Greatest Share Price Decline		-45.16%		

## Canadian E&P M&A Activity in December 2023

In December 2023, there were a number of M&A transactions announced in the Canadian oil & natural gas sector.

As previously mentioned, **Athabasca Oil Corporation** announced it has entered into transaction agreements to create **Duvernay Energy Corporation** with **Cenovus Energy Inc.** Duvernay Energy will be a standalone self-funded entity.

Athabasca and Cenovus will jointly contribute assets into Duvernay Energy. Athabasca will own a 70% equity interest in Duvernay Energy with Cenovus owning the balance while Athabasca will manage Duvernay Energy through a management and operating services agreement. Duvernay Energy's board of directors will include three members nominated by Athabasca and one member nominated by Cenovus.



On inception, Duvernay Energy will have strong liquidity including seed capital of \$40 million (\$22.0 million from Athabasca) and a new \$50 million credit facility. Athabasca is also contributing ~\$20 million in expenditures related to Q4 2023 drilling operations on a 100% working interest multi-well pad and long lead inventory for future activity.

Duvernay Energy will be positioned with “unparalleled pure-play exposure to the prolific Kaybob Duvernay resource play”. Duvernay Energy's assets will be primarily located in the volatile oil region.

In addition to the company's existing joint venture assets, Duvernay Energy has exposure to ~46,000 acres of 100% working interest operated lands contiguous to its existing Duvernay assets. This acreage includes new lands strategically acquired by Athabasca through Crown land sales over the last 18 months and Cenovus's contribution of Kaybob acreage. In total, Duvernay Energy will have exposure to ~200,000 gross acres in the liquids rich and oil windows with ~500 gross future well locations. The assets are serviced by existing infrastructure including two operated oil batteries with a gas pipeline network connected to both the Pembina Gas Infrastructure KA facility and the Keyera Simonette facility. Liquids are directly connected to the Pembina Peace liquids system. Duvernay Energy will also own an 8.1% working interest in the 7-4-63-16W5 gas facility.

Duvernay Energy will have current production of approximately 2,000 boe/d (75% liquids).

**Crescent Point Energy Corp.** announced that it entered into agreements to dispose of its Swan Hills and Turner Valley assets in Alberta for total proceeds of approximately \$140 million. Crescent Point forecasted production from these assets to average approximately 5,000 boe/d (75% liquids) in 2024. Based on the \$140 million sale price, the assets were sold for an aggregate price of \$28,000/boe/d.

**Source Rock Royalties Ltd.** announced that it closed the acquisition of a gross overriding royalty in 60,800 net acres (95 sections) of largely contiguous land in the Figure Lake area of central Alberta from **Rubellite Energy Inc.** for \$8.0 million. The GORR has a 1.5% royalty rate until cumulative royalty revenue received by Source Rock equals the purchase price, at which time the royalty rate reduces to 1.0%. Production from the GORR lands is entirely from the Clearwater Formation and generated 43 bbl/d of heavy oil royalty production in October 2023. The GORR lands are 80% undeveloped and consist of 36 currently producing horizontal wells. As part of the transaction, Source Rock has received a drilling commitment for 59 additional horizontal wells to be drilled on the GORR lands prior to June 30, 2026, and includes non-performance damages for each commitment well not drilled subject to specific extension provisions if the WTI crude oil futures contract price declines materially for extended periods of time.

**Prospera Energy Inc.** announced that it completed a \$3,000,000 GORR financing which bears a 1% royalty on Prospera's revenue from its Cuthbert properties and is re-purchasable in 12 months for \$3,480,000. If closing occurs after November 30, 2024, and if royalty payments for any quarter does not exceed \$250,000 per quarter prior to the closing date, the purchase price will increase by \$139,200 for each of those quarters where the royalty payments were less than \$250,000 per quarter. The funds from the transaction will be used to conduct the horizontal well development program on Prospera's Cuthbert properties. The initial royalty rate of 1% up to and including November 30, 2024, jumps to 16% after November 30, 2024, up to and including May 31, 2025, and then to 22% after May 31, 2025, if the royalty interest has not been repurchased. Failure to remit royalty payments will result in the company paying, in addition to those funds, interest at 18% per annum, compounded monthly.

## **Board of Director & Executive Changes in December 2023**

**Prairie Provident Resources Inc.** announced the appointment of Mr. Ryan Rawlyk to its board of directors effective January 1, 2024. The appointment coincides with the previous announcement appointing Mr. Rawlyk as Prairie Provident's President & CEO effective January 1, 2024.

**PrairieSky Royalty Ltd.** announced the appointment of Mr. Glenn McNamara to its board of directors effective December 4, 2023. Mr. McNamara is a Professional Engineer with more than forty years of oil and gas exploration and production experience in progressively more senior roles in Canada and across a variety of international regions, including South America, the United States, Europe and Asia Pacific. He most recently served as President & CEO and a director of **Heritage Royalty** and prior to Heritage was President of **BG Canada** and held several senior executive positions with **ExxonMobil, ExxonMobil Canada, and Mobil Oil Canada**, including President of **ExxonMobil Canada West**.

The **Canada Energy Regulator** ("CER") announced that Ms. Tracy Sletto had been appointed to the role of CEO. Ms. Sletto, who has acted as the CEO of the CER for the past five months, will serve as CEO for a six-year term effective December 15, 2023.

Ms. Sletto has been with the CER since 2011 in a variety of roles, including Executive Vice-President, People, Innovation and Results and Chief Financial Officer; Executive Vice-President, Transparency and Strategic Engagement; Executive Vice-President, Regulatory; and several Vice-President roles.

Before joining the CER, she worked with the federal department of **Western Economic Diversification Canada**. She began her public service career with the **Government of Saskatchewan** and had a variety of leadership roles with the Departments of Finance, Post-Secondary Education & Skills Training, and Executive Council. She has a Master of Public Administration from **Queen's University** and a Bachelor of Arts from the **University of Saskatchewan**.

**Hemisphere Energy Corporation** announced the appointment of Ms. Ashley Ramsden-Wood as Chief Development Officer. Ms. Ramsden-Wood has served as Vice President of Engineering at Hemisphere since 2014.

**Prospera Energy Inc.** announced the appointment of Mr. Chris Ludtke, CPA, CMA, as CFO from his position of VP of Finance & Accounting. Mr. Ludtke replaces Mr. Matthew Kenna; Mr. Kenna has been appointed to Prospera's board of directors.

In addition, Prospera announced the appointment of Mr. John McMahon as VP of Operations.

**Suncor Energy Inc.** announced that Mr. Kent Ferguson would join the company in January 2024 as Senior Vice President, Strategy, Sustainability and Corporate Development. Mr. Ferguson was most recently Managing Director and Co-Head of Global Energy at RBC Capital Markets. He is a CFA charter holder and holds a Bachelor of Commerce degree from the **University of Saskatchewan**.

**Surge Energy Inc.** announced that Mr. Dan Kelly, CA, CPA has been promoted to Vice President, Finance and Controller. Mr. Kelly has been with Surge for over 9 years. In addition, Mr. Grant Cutforth, P. Geol. has been promoted to Vice President, Business Development. Mr. Cutforth has also been with the company for over 9 years.

**Tourmaline Oil Corp.** announced that as part of its succession plan, Mr. Earl McKinnon has been appointed COO. Mr. McKinnon has served as the Vice President, Operations of Tourmaline since 2015. Mr. Al Bush, who joined Tourmaline in 2009 and served as COO from 2013 to 2023, will continue as a member of Tourmaline's senior management team as Vice President, Corporate Affairs and will ensure an orderly transition of the COO responsibilities.

In addition, Ms. Sarah Tait, Controller at Tourmaline, was appointed Vice President, Finance, Mr. Jamie Heard, Manager, Capital Markets, was appointed Vice President, Capital Markets, and Ms. Katie Beck, Associate General Counsel and Corporate Secretary, was appointed General Counsel and Corporate Secretary.

## Miscellaneous News Announced in December 2023

On December 7, 2023, the Government of Canada published a **Regulatory Framework for an Oil and Gas Sector Greenhouse Gas Emissions Cap** to outline key design details of the proposed approach to setting a cap on emissions and seek public comment. It was announced that they want to reduce carbon emissions by up to 38% by 2030 from 2019 levels. In response, some exploration and production companies have stated that they are “not in a rush to accelerate emissions cuts until they see if unpopular Prime Minister Justin Trudeau survives long enough to implement his proposed oil and gas emissions cap.” Also, Alberta Premier Danielle Smith has vowed to create a “constitutional shield” against the cap.

It was announced that the Canadian government is backing up to \$2.0 billion in new commercial loans for **Trans Mountain Corp.**

This came after it was announced that the CER denied Trans Mountain’s request for a variance on a section of oil pipeline being built in British Columbia. Recall that TMX had asked to be allowed to install smaller diameter pipe in a 1.4-mile (2.3-km) section of the oil pipeline after encountering “very challenging” construction conditions due to the hardness of the rock in a mountainous area between Hope and Chilliwack.

The **Alberta Indigenous Opportunities Corporation (AIOC)** announced that it closed a \$20.5 million deal that will provide five Indigenous Nations, now united as **Niyanin Nations LP (Niyanin)**, the opportunity to partner as investors in a **NuVista Energy Ltd.** 15-megawatt cogeneration unit at NuVista’s Wembley Gas Plant. Through the investment, Niyanin and NuVista collectively will own a majority interest in the project. Through their investment, Niyanin will be able to receive their share of economic returns from the project.

Earlier in December, **Tamarack Valley Energy Ltd.** and 12 First Nation and Métis communities (the “Indigenous Communities”) announced that they entered into a series of definitive agreements whereby the Indigenous Communities, collectively through a newly formed entity called **Wapiscanis Waseskwan Nipiy Holding Limited Partnership (“WWN”)**, would acquire an 85% non-operated working interest in the newly formed **Clearwater Infrastructure Limited Partnership (“CIP”)** and Tamarack will transfer \$172.0 million of certain Clearwater midstream assets to the CIP for total consideration consisting of \$146.2 million in cash and a 15% operated working interest in the CIP. The AIOC provided WWN with a \$150.0 million loan guarantee for the transaction; this is the second largest deal for the AIOC both in terms of the number of participating communities and the financial value.

This deal followed the recent announcement that the **Government of Alberta** would be increasing AIOC’s loan guarantee capacity from \$1.0 billion to \$2.0 billion, with a further increase in loan guarantee capacity to \$3 billion in fiscal 2024-2025.

It was announced that Angola was quitting **OPEC+**. There will be little to no impact on production volumes as Angola has struggled to produce its permitted 1.5 million barrels a day. While there will have little to no impact to production, it may be signaling additional tensions within the coalition.

An auction of Gulf of Mexico drilling rights raised USD \$382.0 million in proceeds for the Biden Administration. The auction total was the highest of any federal offshore oil and natural gas lease sale since 2015. Some of the 26 purchasers included **Shell, Hess, Anadarko, BP, Chevron, Repsol** and **Equinor**. The sale will likely be the last opportunity for oil and natural gas companies to bid on Gulf of Mexico rights until 2025.

**Pembina Pipeline Corporation** announced that it has entered into an agreement to acquire all of Enbridge Inc.’s interests in the Alliance, Aux Sable and NRGreen joint ventures for approximately \$3.1 billion, including approximately \$327 million of assumed debt, representing Enbridge’s proportionate share of the indebtedness of Alliance.

**Freehold Royalties Ltd.** announced that it entered into definitive agreements with two private sellers to acquire Permian mineral title and royalty assets located in the Midland basin in Texas and the Delaware basin in New Mexico and Texas for approximately \$112.0 million. The assets acquired include approximately 123,000 gross acres concentrated in the core of the Permian basin, comprised of 2,670 net royalty acres (normalized to 1/8th); 76% Midland, 24% Delaware. Over 40% of the acquired assets net royalty acres are undeveloped, providing significant future activity potential. Freehold forecasts the assets will have average 2024 production of 600 boe/d with operating funds from operations of approximately \$15.0 million.

**Canada Growth Fund Inc. and Advantage Energy Ltd.** announced that CGF has entered into a strategic investment agreement with **Entropy Inc.**, a subsidiary of Advantage. Entropy is a Calgary-based developer of technologically-advanced carbon capture and sequestration projects. As part of the investment agreement, CGF has agreed to a \$200 million investment in Entropy coupled with a fixed-price carbon credit purchase agreement of up to one million tonnes per annum. CGF will nominate one member to the Entropy board of directors.

**Journey Energy Inc.** announced that it entered into an agreement with its largest shareholder and term debt provider, **Alberta Investment Management Corporation**, to extend the maturity of its term debt repayments. Previously, there was a balloon payment on April 30, 2024 for \$24.7 million and a second one on October 31, 2024 for \$19.1 million. These repayments will now be subject to a much smaller balloon payment with the balance being amortized over monthly amounts. For the first maturity in April, \$12.7 million of principal will be paid on April 30, 2024 and then repayments of \$1.0 million per month (plus accrued interest) will be paid from May 2024 to April of 2025. For the second maturity in October, \$10.1 million will be repaid on October 31, 2024 and then six monthly payments of \$1.5 million (plus accrued interest) will be made from November of 2024 to April of 2025. The new repayment schedule is aligned with Journey’s current repayment commitment to **Enerplus Corporation** under the vendor-take-back obligation from the acquisition of assets from Enerplus in October of 2022.

**Imperial Oil Limited** announced that it had taken up and paid for 19,108,280 common shares at a price of \$78.50/share for an aggregate purchase price of \$1.5 billion. **Exxon Mobil Corporation**, Imperial’s majority shareholder, made a proportionate tender under the offer in order to maintain its proportionate share ownership at approximately 69.6 percent.

**Kiwetinohk Energy Corp.** announced that the TSX approved its notice to renew its normal course issuer bid (NCIB) to purchase up to 2,183,477 common shares under the NCIB, representing 5% of the 43,669,544 issued and outstanding common shares as of December 8, 2023. Under its

most recent NCIB, Kiwetinohk purchased 598,147 common shares have been purchased on the open market under the NCIB at a weighted average price of \$12.74 /share.

**Vermilion Energy Inc.** announced that it would increase its quarterly cash dividend by 20% to \$0.12/share, effective with the Q1 2024 dividend payable in April 2024. Vermilion also stated that the European Union published a review of the temporary windfall tax and subsequent market developments in the energy sector, and it has not proposed to extend the mandate beyond 2023.

**Pieridae Energy Limited** announced that it obtained the requisite shareholder approval to (i) issue the common shares issuable to its lender, Prudential, pursuant to the share purchase warrants granted to Prudential in June 2023 and (ii) repay in full the remaining principal amount, accrued interest and conversion fee owing to Erikson National Energy Inc. under the \$20 million bridge loan provided by Erikson on June 13, 2023, via the issuance of common shares of the company.

**Razor Energy Corp.** announced near the end of December that as a result of financial disputes with the operator of the Judy Creek Gas Plant, the operator has restricted access and has ceased processing Razor's Swan Hills natural gas production. Razor indicated that it estimates approximately 1,110 boe/d, including 626 barrels per day of light oil and 387 bbl/d of NGLs has been curtailed. Razor continues to look at various commercial and legal options to remedy this situation and restore production.

## **Financings Announced in December 2023**

During the month, there was one financing announced as outlined below.

**Tuktu Resources Ltd.** announced that it completed a brokered private placement of 31,938,299 units of the company at a price of \$0.05/unit for gross proceeds of \$1.6 million, including a partial exercise of the agent's over-allotment provision. Each unit is comprised of one common share and one warrant with an exercise price of \$0.075 for a period of 36 months from the closing of the offering. Earlier in December, Tuktu announced that its previously announced financing expired. That financing was for gross proceeds of \$2.5 million at \$0.06/unit with each warrant exercisable at \$0.0975. The net proceeds of the financing are being used to fund the previously announced asset acquisition that has closed in escrow awaiting AER approval and for working capital purposes.

## **Contact Us!**

If you have any questions, please don't hesitate to ask.

At Trimble, we are focused on supporting the corporate lifecycle from early-stage resource evaluation, exploration and development to end-stage exit strategies, and everything in between.

Our team of engineers, geoscientists, technologists and business professionals have a broad depth of experience in reserve and resource evaluations, mergers, acquisitions and divestments, resource development and asset management. The suite of services that we offer allows us to approach your business holistically in order to serve you better.

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