



TRIMBLE
energy group

Monthly Market Overview December 2024

During December, 22 of the 46 publicly traded TSX E&P companies (with assets focused predominately in Canada) rose in value, while 24 companies fell month-over-month. Of those companies that had an increase in their share price, the rise ranged from 0.04% (**Topaz Energy Corp.**) to **Prairie Provident Resources Inc.**'s 42.86% jump to \$0.05/share, from \$0.035/share on results on its recent drilling program. On a combined basis, the TSX E&P group had an average increase of 0.57% while on a median basis it was down 0.42%.

As for the companies listed on the TSX Venture Exchange, only two companies were in the green month-over-month, seven were flat and the remaining 12 companies suffered a drop. Overall, the group had an average decrease of 8.40% and a median drop of 2.66%.

Oil prices continued to be rangebound during December with WTI crude oil prices bouncing between USD \$66.98/bbl and USD \$72.08/bbl, much like during November. WTI ended the month up 5.82% at USD \$71.96/bbl. Edmonton Par closed up 2.44% at USD \$64.74/bbl while WCS edged up 2.31% to USD \$57.06/bbl. During the month, China manufacturing activity expanded in December, the third consecutive month of improvement and Chinese authorities issued a record 3 trillion yuan (USD \$411.0 billion) in special treasury bonds in 2025 to revive economic growth. OPEC and its allies delayed their plan to start raising output until April 2025 against a backdrop of falling prices. Putting pressure on oil included expectations from the IEA that global oil supply will exceed demand in 2025 and record oil production from the United States.

NYMEX natural gas prices increased 4.46% to USD \$3.51/MMBtu while AECO climbed another 15.37% to \$2.04/MMBtu and averaged \$2.08/MMBtu during the month. NYMEX prices climbed on an increase in the amount of natural gas flowing to liquefied natural gas (LNG) export plants, and forecasts for more cold weather in January leading to increased heating demand.

Below we illustrate the changes in commodities and in the Canadian dollar during December 2024; the Canadian dollar fell 2.66% to \$0.6954.

	WTI Oil (\$USD/bbl)	WCS (\$USD/bbl)	Cdn Light (\$USD/bbl)	NYMEX (\$USD/MMBtu)	AECO (\$CAD/MMBtu)	CDN\$/USD\$
December 2024 Average	\$69.72	\$62.67	\$64.97	\$3.39	\$2.08	0.7023
End of December 2024	\$71.96	\$57.06	\$64.74	\$3.51	\$2.04	0.6954
End of November 2024	\$68.00	\$55.77	\$63.20	\$3.36	\$1.77	0.7143
Month-over-Month Change	5.82%	2.31%	2.44%	4.46%	15.37%	-2.66%

Sources: TradingView, Oilprice.com, Oilsands Magazine

TSX-Listed E&P (Canadian Focused Operations) December 2024 Share Price Movements

As previously mentioned, 22 of the 46 publicly traded TSX E&P companies (with assets focused predominately in Canada) rose in value while the remaining 24 companies fell month-over-month.

The top performer in December was **Prairie Provident Resources Inc.**, which jumped 42.86%, climbing from \$0.035/share to \$0.05/share. Prairie Provident provided an update on its Basal Quartz drilling program in the Michichi area of Alberta that commenced in October. The two wells drilled in October are on production bringing the company's corporate production up to approximately 2,800 boe/d. The Company stated that it "has identified more than 40 Basal Quartz potential drilling opportunities on its Michichi lands alone. These drilling opportunities are not booked in the most recent independent evaluation of Prairie Provident's reserves data, effective December 31, 2023."

Pieridae Energy Limited was the second-best performer in December, rising 22.73% to \$0.27/share. Pieridae provided its 2025 production guidance of 23,000 to 25,000 boe/d, which assumes that approximately 9,400 boe/d of voluntary production shut-ins in Central AB, Northern AB, and Northeast BC persist throughout 2025. Pieridae stated its "2025 capital budget of \$25-\$30 million will focus on a high-impact well and facility optimization program funded with the equity raised during Q3 and Q4 2024." Pieridae also announced that its "legacy fixed price sulphur contract, which was entered into in 2019, expires on December 31, 2025. Under this contract, Pieridae receives a net fixed price of approximately \$6/tonne for the majority of its sulphur production of approximately 1,400 tonnes per day. Beginning January 1, 2026, the Company will receive market price for all sulphur production, less normal deductions for transportation, handling, and marketing representing a significant potential revenue opportunity. As of November 30, 2024, the spot west coast sulphur price was approximately US\$143/tonne, prior to transportation and marketing costs."

Gran Tierra Energy Inc. notched third spot, climbing 9.67% to \$10.55/share as it continued to rally from the news of its strategic joint venture transaction and partnership with **Logan Energy Corp.** on a portion of Gran Tierra's Simonette Montney assets. The transaction closed in December.

TSX-Listed E&P (Canadian Focused Operations) December 2024 Share Price Movements

Company	TSX Ticker	December 2024 % Change	End of December 2024	End of November 2024
Prairie Provident Resources Inc.	PPR	42.86%	\$0.05	\$0.035
Pieridae Energy Limited	PEA	22.73%	\$0.27	\$0.22
Gran Tierra Energy Inc.	GTE	9.67%	\$10.55	\$9.62
Advantage Energy Ltd.	AAV	9.56%	\$9.86	\$9.00
Bonterra Energy Corp.	BNE	8.96%	\$3.77	\$3.46
Tamarack Valley Energy Ltd.	TVE	7.40%	\$4.79	\$4.46
International Petroleum Corporation	IPCO	5.92%	\$16.81	\$15.87
Yangarra Resources Ltd.	YGR	5.88%	\$1.08	\$1.02
Kiwetinohk Energy Corp.	KEC	5.42%	\$16.35	\$15.51
Obsidian Energy Ltd.	OBE	4.37%	\$8.36	\$8.01
Kelt Exploration Ltd.	KEL	4.31%	\$7.02	\$6.73
Athabasca Oil Corporation	ATH	3.70%	\$5.33	\$5.14
Pine Cliff Energy Ltd.	PNE	3.41%	\$0.91	\$0.88
Peyto Exploration & Development Corp.	PEY	3.07%	\$17.14	\$16.63
Paramount Resources Ltd.	POU	2.94%	\$31.82	\$31.34
Birchcliff Energy Ltd.	BIR	2.46%	\$5.42	\$5.29
Petrus Resources Ltd.	PRQ	2.08%	\$1.47	\$1.44
NuVista Energy Ltd.	NVA	1.84%	\$13.82	\$13.57
Surge Energy Inc.	SGY	1.40%	\$5.78	\$5.70
ARC Resources Ltd.	ARX	1.01%	\$26.07	\$25.81
Tourmaline Oil Corp.	TOU	0.67%	\$66.52	\$66.08
Topaz Energy Corp.	TPZ	0.04%	\$27.85	\$27.84
Whitecap Resources Inc.	WCP	-0.29%	\$10.20	\$10.23
Veren Inc.	VRN	-0.54%	\$7.39	\$7.43
Greenfire Resources Ltd.	GFR	-0.78%	\$10.14	\$10.22
Strathcona Resources Ltd.	SCR	-1.04%	\$31.51	\$31.84
Cardinal Energy Ltd.	CJ	-1.22%	\$6.48	\$6.56
Cenovus Energy Inc.	CVE	-1.76%	\$21.79	\$22.18
Spartan Delta Corp.	SDE	-2.54%	\$3.45	\$3.54
Tenaz Energy Corp.	TNZ	-2.70%	\$14.03	\$14.42
InPlay Oil Corp.	IPO	-3.89%	\$1.73	\$1.80
Headwater Exploration Inc.	HWX	-3.92%	\$6.61	\$6.88
Questerre Energy Corporation	QEC	-4.17%	\$0.23	\$0.24
Rubellite Energy Inc.	RBV	-4.93%	\$2.12	\$2.23
Saturn Oil & Gas Inc.	SOIL	-5.68%	\$2.16	\$2.29
PrairieSky Royalty Ltd.	PSK	-5.72%	\$28.03	\$29.73
Vermilion Energy Inc.	VET	-5.85%	\$13.53	\$14.37
MEG Energy Corp.	MEG	-6.35%	\$23.60	\$25.20
Canadian Natural Resources Limited	CNQ	-6.61%	\$44.38	\$47.52
Baytex Energy Corp.	BTE	-7.04%	\$3.70	\$3.98
Gear Energy Ltd.	GXE	-7.41%	\$0.50	\$0.54
Suncor Energy Inc.	SU	-7.90%	\$51.31	\$55.71
Freehold Royalties Ltd.	FRU	-8.18%	\$12.79	\$13.93
Ovintiv Inc.	OVV	-8.60%	\$58.32	\$63.81
Journey Energy Inc.	JOY	-11.68%	\$1.89	\$2.14
Imperial Oil Limited	IMO	-14.56%	\$88.59	\$103.69
Average Increase/Decrease			0.57%	
Median Increase/Decrease			-0.42%	
Number of Companies with Share Price Increases			22	
Number of Companies Flat Month Over Month			0	
Number of Companies with Share Price Declines			24	
Largest Share Price Increase			42.86%	
Largest Share Price Decline			-14.56%	

The three worst-performing stocks in December 2024 were **Imperial Oil Limited**, **Journey Energy Inc.**, and **Ovintiv Inc.** Imperial declined 14.56%, Journey fell 11.68%, while Ovintiv dropped 8.60%.

TSX-Venture Listed E&P (Canadian Focused Operations) December 2024 Share Price Movements

As previously mentioned, and outlined below, during December 2024, there were only two TSX-V listed companies that had an increase in their share price, while seven were flat and the remaining 12 companies experienced a drop.

Westgate Energy Inc. had the largest increase in December, rising 24.32% to \$0.23/share. Westgate was able to recover the market cap that it lost during October and built on its sideways movement during November. Westgate released its Q3 2024 financial and operating results highlighting a successful summer drilling program, improved operating netbacks and peak corporate production subsequent to the end of the quarter to 290 boe/d. The average production in the third quarter of 2024 was 213 boe/d.

ROK Resources Inc. experienced the second largest increase and was the only other company to see a positive move during the month. ROK rose \$0.01/share or 5.88% to end the month and year at \$0.18/share after reaching a low of \$0.15/share.

On a combined basis, the TSX-V E&P companies had an average decrease of 8.40% and a median fall of 2.66%. The biggest decliners were **PetroFrontier Corp.**, **Tenth Avenue Petroleum Corp.**, and **Canadian Spirit Resources Inc.** PetroFrontier fell 50% to \$0.02/share, while Tenth Avenue fell 36.84% and Canadian Spirit fell 25% month over month.

Company	TSX Ticker	December 2024 % Change	End of December 2024	End of November 2024
Westgate Energy Inc.	WGT	24.32%	\$0.23	\$0.19
ROK Resources Inc.	ROK	5.88%	\$0.18	\$0.17
Altima Resources Ltd.	ARH	0.00%	\$0.16	\$0.16
Coelacanth Energy Inc.	CEI	0.00%	\$0.80	\$0.80
Petrolympic Ltd.	PCQ	0.00%	\$0.04	\$0.04
Prospera Energy Inc.	PEI	0.00%	\$0.03	\$0.03
Pulse Oil Corp.	PUL	0.00%	\$0.02	\$0.02
Tuktu Resources Ltd.	TUK	0.00%	\$0.09	\$0.09
Vital Energy Inc.	VUX	0.00%	\$0.20	\$0.20
Highwood Oil Company Ltd.	HAM	-0.17%	\$6.01	\$6.02
Hemisphere Energy Corporation	HME	-2.66%	\$1.83	\$1.88
Source Rock Royalties Ltd.	SRR	-4.44%	\$0.86	\$0.90
Lycos Energy Inc.	LCX	-6.14%	\$2.60	\$2.77
Logan Energy Corp.	LGN	-10.83%	\$0.70	\$0.79
Criterion Energy Ltd.	CEQ	-12.50%	\$0.07	\$0.08
Cobra Venture Corporation	CBV	-14.29%	\$0.12	\$0.14
Fiddlehead Resources Corp.	FHR	-21.43%	0.11	0.14
Wescan Energy Corp.	WCE	-22.22%	\$0.07	\$0.09
Canadian Spirit Resources Inc.	SPI	-25.00%	\$0.03	\$0.04
Tenth Avenue Petroleum Corp.	TPC	-36.84%	\$0.06	\$0.10
PetroFrontier Corp.	PFC	-50.00%	\$0.02	\$0.04
Average Increase/Decrease			-8.40%	
Median Increase/Decrease			-2.66%	
Number of Companies with Share Price Increases			2	
Number of Companies Flat Month Over Month			7	
Number of Companies with Share Price Declines			12	
Max Share Price Increase			24.32%	
Greatest Share Price Decline			-50.00%	

Canadian E&P M&A Activity in December 2024

In December 2024, there were a number of upstream M&A transactions announced in the Canadian oil & natural gas sector.

Vermilion Energy Inc. announced it has entered into an arrangement agreement to acquire **Westbrick Energy Ltd.** for total consideration of \$1.075 billion. Westbrick's assets are located in the Deep Basin with estimated 2025 production of approximately 50,000 boe/d (25% liquids), includes approximately 1.1 million (770,000 net) acres of land and four operated gas plants with total capacity of 102 MMcf/d. Westbrick's properties are "contiguous and complementary to Vermilion's legacy Deep Basin assets providing significant operational and financial synergies, including: capital efficiency improvements, infrastructure optimization, gas marketing opportunities, and other corporate synergies." The Acquisition excludes undeveloped Duvernay rights on approximately 300,000 (290,000 net) acres of land which will be retained by the shareholders of Westbrick. Vermilion has identified over 700 locations in the Ellerslie, Notikewin, Rock Creek, Falher, Cardium, Wilrich and Niton formations on Westbrick's

land. The estimated PDP reserves of Westbrick are 92.0 MMboe while they total 256.0 MMboe on a 2P basis. Vermilion forecasts the 2025 net operating income from the Westbrick assets at \$275.0 million. Based on the \$1.075 billion purchase price, the acquisition metrics are \$21,500/boe/d, 3.9X forecasted NOI, \$11.68/boe for the PDP reserves and \$4.20/boe on a 2P basis.

Parallax Energy Operating Inc., a wholly owned subsidiary of **Parallax Energy, L.P.**, announced that it closed the acquisition of **Vesta Energy Ltd.**, which has a significant land position in the East Shale Basin of the Duvernay light oil window in Central Alberta and production of approximately 17,000 boe/d (75% light oil). The financial terms of the transaction were not disclosed. Parallax funded the acquisition utilizing its equity commitment from funds managed by **Carnelian Energy Capital Management, L.P.** and borrowings from a new reserves-based credit facility.

Gear Energy Ltd. announced that it entered into an arrangement agreement with **Cenovus Energy Inc.** pursuant to which Cenovus will acquire all of the issued and outstanding common shares of Gear, excluding its assets in Central Alberta, Southeast Saskatchewan, and its Tucker Lake properties which will be transferred to a newly formed entity to be named **Lotus Creek Exploration Inc.**, for \$110.0 million in cash. Cenovus will acquire Gear's remaining heavy oil assets which have production of approximately 3,700 boe/d (91% liquids). Lotus Creek will be led by Mr. Kevin Johnson as President and CEO and Gear's current management team. Lotus Creek will retain 1,700 boe/d (80% liquids).

Under the terms of the arrangement, each holder of Gear shares will receive \$0.607 in total consideration per Gear share, consisting of (i) \$0.607 in cash per Gear share; (ii) 0.3035 common shares in Lotus Creek per Gear share; or a combination of the cash and shares.

Baytex Energy Corp. announced that it closed the sale of its Kerrobert thermal asset located in southwest Saskatchewan, for net proceeds of approximately \$42.0 million. Production from the asset was approximately 2,000 bbl/d (100% heavy oil) yielding a sales metric of \$21,000/boe/d. The purchaser of the assets was recently announced as **Northern Hawk Energy Ltd.**, a company that is backed by **ARC Financial Corp.**

Surge Energy Inc. announced it sold its non-core property in the Valhalla area for \$9.5 million. The estimated 2025 production from the property was forecast to be approximately 1,250 boe/d (45% liquids). Based on the \$9.5 million sales price, the transaction was completed at \$7,600/boe/d.

On December 6, 2024, **Lynx Energy ULC** acquired **Ghost River Resources Inc.** The company will continue to operate as Ghost River Resources Inc. No financial details of the transaction were announced. According to **XI Technologies'** Assetbook, Ghost River had corporate production of approximately 1,630 boe/d (89% liquids) in east central Alberta in the Provost, Altario, Hayter and Wildmere areas and in the Innisfail area of central Alberta.

Trio Petroleum Corp., a California-based oil and gas company, announced that it entered into a non-binding Letter of Intent for the acquisition of a 100% working interest in certain petroleum and natural gas properties held by **Novacor Exploration Ltd.**, which are located in the Lloydminster, Saskatchewan heavy oil region for \$2.0 million through the payment of cash and shares of Trio. The assets include seven producing wells located on two properties; the wells produce heavy crude oil from the McLaren/Sparky and Lloydminster formations. Current production is approximately 70 bbl/d with "potential for 4 additional re-entry wells and two fully equipped locations to be reactivated each capable of an additional 70 barrels in total per day".

Yangarra Resources Ltd. announced that it completed a farm-in on 11 contiguous sections in the Chambers area of Alberta which are adjacent to existing Yangarra lands and infrastructure. Yangarra stated that the lands have multi-zone potential in the Cardium and Belly River formations. Yangarra has identified up to "50 tier-one" locations of which two wells need to be drilled in 2025 to earn the farm-in lands.

Razor Energy Corp. and together with its wholly owned subsidiaries, **Blade Energy Services Corp.** and **Razor Holdings GP Corp.**, (collectively, the "Corporation") announced that on December 11, 2024 it closed a sales transaction and ancillary steps pursuant to a subscription agreement between Razor Energy, as vendor, and **Texcal Energy Canada Inc.** whereby Texcal acquired all of the outstanding equity securities of the Corporation for nominal consideration of \$0.00001 per common share and will be wholly owned by Texcal and will no longer be a reporting issuer in Canada. Pursuant to the Transaction Approval Order by the courts, certain excluded assets, contracts, and liabilities of the Corporation, which were not included in the Transaction, have been transferred to and vested in a newly-incorporated entity ("ResidualCo"). ResidualCo is anticipated to remain subject to the CCAA proceedings, pending further order of the court.

Board of Director & Executive Changes in December 2024

On December 23, 2024, **Greenfire Resources Ltd.** announced the reconstitution of its board of directors under the terms of an Investor Agreement with **Waterous Energy Fund** ("WEF"); the changes were effective immediately. Mr. Matthew Perkal, Mr. Robert Logan and Mr. Jonathan Klesch agreed to resign from the board. All six nominees proposed by WEF as part of Greenfire's November 18, 2024 shareholder meeting requisition (Mr. Adam Waterous, Mr. Andrew Kim, Mr. David Roosth, Mr. Henry Hager, Mr. Brian Heald and Mr. David Knight Legg) were appointed to the board. Mr. Waterous becomes Chairman of the Board. Mr. Heald and Mr. Knight Legg are considered independent directors.

Mr. Tom Ebborn, who joined Greenfire's board on December 9, 2024, remained on the board of directors and was appointed Lead Director. Under the terms of the Investor Agreement, WEF has agreed to vote in favor of Mr. Ebborn at the May 6, 2025 shareholder meeting. Mr. Derek Aylesworth will remain on the board but in accordance with the terms of the Investor Agreement will not be nominated for re-election at the May 6, 2025 shareholder meeting.

Mr. Ebborn has over 40 years of oil and gas industry experience, with tenure as a corporate director at companies with SAGD assets and spent over a decade of his career in energy investment banking and capital markets. Mr. Ebborn has served as a Strategic Advisor to **North West Refining Inc.** since 2019 and was CFO of North West Refining from 2012 to 2019. He also served on the board of directors of **Athabasca Oil Corporation** from 2018 through 2023, **Repsol Canada** (formerly **Talisman Energy Inc.**) from 2013 through 2017, and **Nexen Inc.** from 2011 through 2013. Mr.

Ebbert holds a Bachelor of Science degree in Geological Engineering from **Queen's University** and an MBA from the Ivey Business School at **Western University**.

Tenaz Energy Corp. announced the appointment of Mr. Adam Iwanicki as Vice President of Marketing. Mr. Iwanicki has more than twenty years of marketing, risk management and market research experience in global commodities and currencies. He most recently Director of Marketing for **Vermilion Energy**, with earlier positions at **Baytex Energy**, **ARC Resources**, and **BP p.l.c.** Mr. Iwanicki has a Bachelor of Arts degree in Economics and International Relations from the **University of Calgary** and a Master's degree in International Relations from **Jagiellonian University** in Poland. Tenaz also announced the appointment of Mr. Jamie Gagner as Vice President and General Counsel. Mr. Gagner has served as Corporate Secretary since the formation of Tenaz as a public company in 2021. He has over twenty-five years of experience in public markets securities, corporate governance and M&A. Mr. Gagner was most recently a partner at **Lawson Lundell LLP** and previously at **Norton Rose Fulbright LLP**. He has a Bachelor of Laws degree from the **University of Saskatchewan** and Bachelor of Arts degree from the **University of British Columbia** (Political Science and History) and is a member of the **Law Society of Alberta**.

Headwater Exploration Inc. announced a number of executive changes as part of its succession plan that were effective January 1st, 2025. These changes include the promotion of Mr. Jeff Magee (current Engineering Manager) to Vice President Engineering, Mr. Terry Danku (current Vice President Engineering) was promoted to Executive Vice President while Mr. Wade Hein (current Production Manager) was promoted to Vice President Operations. Mr. Jon Grimwood (current Vice President New Ventures) will step back from his executive position at Headwater but will remain full-time as a senior technical advisor.

Miscellaneous News Announced in December 2024

On December 9, it was announced by the **Municipal District of Greenview** that it entered into a "groundbreaking partnership" with **O'Leary Ventures** to build an off-grid natural gas and geothermal power infrastructure to support the largest AI data centre industrial park in the world. The **Industrial Park 'Wonder Valley'** in the **Greenview Industrial Gateway** ("GIG") near Grande Prairie signed a Letter of Intent with O'Leary Ventures for the purchase and development of thousands of acres of land within and south of the GIG. It was stated that "Wonder Valley, which will be rolled out in multiple phases, marks the creation of an entirely new industry sector for the region and country. The scope and scale of this development will provide a massive influx of job opportunities during construction and beyond, bringing long-term employment and driving economic growth. With the addition of job opportunities and a highly skilled workforce, the development will also stimulate a significant rise in tax revenue, bolstering local and regional Economies." Alberta Minister of Technology and Innovation, Nate Glubish stated "The GIG project is proof that Alberta is a destination of choice for data centres and their corresponding power generation infrastructure. This exciting announcement from O'Leary Ventures demonstrates that the work our government has done over the last nine months to promote Alberta to data centre operators and investors is paying off. Alberta is open for business, and we're just getting started." Kevin O'Leary stated, "My joint venture team led by Paul Palandjian, CEO O'Leary Ventures and Carl Agren, CEO, HPC and AI Data Centres, has sourced what we believe is the most compelling site in all North America to generate and offer 7.5 GW of low-cost power to hyperscalers over the next 5-10 years. Given existing permits, proximity to stranded sources of natural gas, pipeline infrastructure, water and a fiber optic network within just a few kilometers of the Greenview Industrial Gateway, we will be in the ground and up and running sooner than any scale project of its kind. The first phase of 1.4 GW will be approximately US\$ 2 billion with subsequent annual roll out of redundant power in 1 GW increments. The total investment over the lifetime of the project will be over \$70 billion when considering the infrastructure, power, data centres and ancillary structures." Earlier in December, Minister Nate Glubish stated "he's hoping to see \$100 billion worth of artificial intelligence data centres under construction within the next five years" and "we're already working with about a dozen companies that are looking very seriously at setting up a data centre in Alberta."

It was announced that the **Biden administration** will offer oil and gas drilling leases in **Alaska's Arctic National Wildlife Refuge** ("ANWR") at a sale on Jan. 9. The agency will make 400,000 acres (161,874 hectares) available to drillers at the auction, the minimum required by a 2017 law that mandated the sale. ANWR is estimated to have up to 11.8 billion barrels of recoverable oil. Alaska's elected officials have sought for years to open drilling in the reserve to secure jobs and revenues for the state. The previous administration of President-elect Donald Trump sold oil and gas leases in ANWR for the first and only time in 2021, but Biden's **Interior Department** canceled them in 2023, citing a flawed environmental analysis.

The **United States** hit **North Korea** and **Russia** with new sanctions that the Treasury Department said targeted Pyongyang's financial activities and military support to Moscow. The sanctions, which list North Korean banks, generals and other officials as well as Russian oil shipping companies, are the latest U.S. measures aimed at disrupting North Korea's support of Russia's war in Ukraine. The North Korean banks targeted include **Golden Triangle Bank** and **Korea Mandal Credit Bank**. North Korea has sent military equipment and more than 10,000 troops to Russia to support its war against Ukraine.

The **Biden administration** increased its sanctions on **Iran**, targeting 35 entities and vessels that it said transported illicit Iranian petroleum to foreign markets as part of what the U.S. Treasury Department called Tehran's "shadow fleet." The sanctions build on those previously imposed on Oct. 11 and come in response to Iran's Oct. 1 attack on Israel and to its announced nuclear escalations. It was further announced that "Iran continues to direct revenues from its petroleum trade toward the development of its nuclear program, proliferation of its ballistic missile and unmanned aerial vehicle technology, and sponsorship of its regional terrorist proxies, risking further destabilizing the region."

U.S. President-elect Donald Trump has continued to cause a stir globally as he proposes sweeping tariffs which will affect most of its trading partners, including Canada and Mexico. His plan to charge 25% tariffs on Canada unless it cracks down on drugs and its border has resulted in Premiers to take the matter seriously while the Federal government is largely asleep at the wheel and has done little to address the concerns apart from Justin Trudeau going down to see Donald Trump for a quick visit.

In addition, specific to the EV revolution, Trump's transition team is recommending sweeping changes to cut off support for electric vehicles and charging stations and to strengthen measures blocking cars, components and battery materials from China. While campaigning, Trump vowed to ease regulations on fossil-fuel cars and roll back what he called President Joe Biden's EV mandate. It was also recommended that his administration impose tariffs on all battery materials globally in a bid to boost U.S. production.

It was announced that **Canada** is examining the use of export taxes on major commodities including uranium, oil and potash it exports to the U.S. if President-elect Donald Trump goes ahead with his threat to impose tariffs. Export levies would be a last resort for Canada and retaliatory tariffs against U.S.-made goods and export controls on certain Canadian products.

U.S. President-elect Donald Trump stated that any person or company investing at least \$1.0 billion into the U.S. "will receive fully expedited approvals and permits, including, but in no way limited to, all Environmental approvals." According to reports, "Trump's transition team is working on a package to roll out within days of his taking office on Jan. 20 to approve export permits for liquefied natural gas projects and to increase oil drilling on federal lands and off the U.S. coast." Trump also plans to repeal some aspects of President Joe Biden's regulations and climate legislation, such as tax credits for electric vehicles and new clean power plant standards that aim to phase out coal and natural gas.

Norway, western Europe's largest oil and gas producer, with a total output of just over 4 million barrels of oil equivalent per day (boed), announced that it aims to extend production for decades to come and that its oil and natural gas companies expect record capital investments in the oil and gas sector to 275 billion Norwegian crowns (USD\$24.68 billion) in 2025, up from 263.7 billion in 2024. The increased oil and natural gas investment activity is the result of an increased scope at several ongoing field developments in combination with the drilling of extra wells at existing Offshore fields.

On December 13, 2024, **Venture Global LNG** announced that it produced its first liquefied natural gas ("LNG") from its Plaquemines plant in Louisiana. This marks the first new U.S. plant in two years to produce LNG, beating Cheniere Energy's Corpus Christi midscale expansion project to market. Venture Global stated, "With first production 30 months after the project received the financial go-ahead, Venture Global has now built two of the fastest greenfield LNG projects to move from financial approval to producing first LNG." When fully completed, Plaquemines will be one of the largest LNG plants in the world and help keep the United States ranked as the world's largest exporter of the super-chilled fuel.

On December 30, 2024, **Cheniere Energy, Inc.** announced that LNG was produced for the first time from the first train of its Corpus Christi Stage 3 Liquefaction Project. The commissioning process continues, and Cheniere expects substantial completion of Train 1 to be achieved at the end of the first quarter of 2025, over six months ahead of the guaranteed completion date. Upon substantial completion, **Bechtel Energy, Inc.** will transfer care, custody and control of the completed train to Cheniere. CCL Stage 3 consists of seven midscale trains, with an expected total production capacity of over 10 million tonnes per annum ("mtpa") of LNG. Upon substantial completion of all seven trains of CCL Stage 3, the expected total production capacity of the Corpus Christi liquefaction facility will be over 25 mtpa of LNG.

Australia's **Woodside Energy** announced that it and **Chevron Inc.** agreed to swap interests in a number of energy projects with Chevron making a cash payment of up to \$400 million to Woodside. Under the terms of the deal, Woodside will acquire Chevron's stake in the North West Shelf (NWS) Project, the NWS Oil Project and the Angel Carbon Capture and Storage Project, all located in Western Australia while Chevron will obtain Woodside's interests in the Wheatstone and Julimar-Brunello Projects.

The **EIA** announced that the U.S. net crude oil imports are forecast to fall by 20% next year to 1.9 million barrels per day, their lowest since 1971, while it expects the United States to produce 13.52 million bpd in 2025, up from 13.24 million bpd in 2024. The EIA further stated that global oil demand is expected to average around 104.3 million bpd next year, down from its previous forecast of 104.4 million bpd. Global oil output is now expected to average 104.2 million bpd in 2025, down from the prior forecast of 104.7 million bpd.

In addition to the reconstitution of its board of directors previously mentioned, **Greenfire Resources Ltd.** announced the termination of its amended and restated Shareholder Rights Plan dated December 7, 2024 and the acquisition of additional Greenfire securities by WEF whereby WEF acquired all the common shares and warrants of Greenfire held by **Brigade Capital Management LP** and **M3-Brigade Sponsor III LP**, at a price of US \$7.83/share, increasing WEF's interest to 56.5% of the issued and outstanding common shares in Greenfire. Concurrently, Greenfire and WEF executed an agreement under which WEF has agreed to continue Greenfire's Strategic Review process.

Due to WEF's interest in Greenfire increasing to 56.5%, Greenfire announced that it commenced a change of control offer ("Change of Control Offer") relating to its outstanding 12.000% Senior Secured Notes due 2028. The consideration for each US\$1,000 principal amount of Notes tendered and not withdrawn, pursuant to the Change of Control Offer, subject to proration, will be US\$1,010 (101% of the principal amount thereof), plus accrued and unpaid interest to, but not including, the date the notes are purchased by the Issuer. The Change of Control Offer commenced on December 27, 2024 and expires at 5:00 pm, New York City time, on February 19, 2025.

South of the border, it was announced that **Lucero Energy Corp.**, which is listed on the TSX and has its corporate office in Calgary, entered into an all-stock transaction with **Vitesse Energy, Inc.**, whereby Vitesse will acquire Lucero which has assets in South Dakota. Through the transaction, each outstanding common share of Lucero will be exchanged for 0.01239 of a share of Vitesse common stock, with approximately 8,175,000 shares of common stock expected to be issued at closing. After closing, existing Vitesse stockholders are expected to own approximately 80% and existing Lucero shareholders are expected to own approximately 20% of the Company on a fully diluted basis. Following the closing of the transaction, the board of directors of Vitesse will increase to nine members and will comprise the seven current members of Vitesse's board and two nominees currently serving on Lucero's board, namely Mr. Gary Reaves and Mr. Bruce Chernoff.

Freehold Royalties Ltd. announced that it entered into a definitive agreement with a private seller to acquire mineral title and royalty interests in the core of the Midland Basin in Texas for approximately \$216.0 million. The royalty interests include 1,250 – 1,350 boe/d (81% liquids) with estimated 2025 net royalty revenue of approximately \$31.0 million. The acquisition includes ~244,000 gross drilling acres, expanding its core Midland Basin footprint by ~35%. Approximately 95% of the production from the assets is operated by **ExxonMobil** and **Diamondback Energy**.

More than 25% of the lands are characterized as undeveloped with no prior horizontal drilling activity. Freehold has an option to acquire up to an additional \$65 million interest in the acquired assets, on the same terms and conditions, up until the closing of the deal.

Concurrent with the announcement of the transaction, Freehold entered into a bought deal financing which was later upsized. Ultimately, Freehold issued approximately 13.3 million common shares at a price of \$13.00/share for total gross proceeds of approximately \$172.5 million.

Equinor UK Ltd., a subsidiary of **Equinor ASA** and **Shell UK Limited**, a subsidiary of **Shell plc** announced the two would combine their UK offshore oil & gas assets and expertise to form a new company which will be the UK North Sea's biggest independent producer. It was stated that "the incorporated joint venture (IJV) will be set up to sustain domestic oil and gas production and security of energy supply in the UK." Upon completion of the deal, the new independent producer will be jointly owned by Equinor (50%) and Shell (50%). The joint venture will include Equinor's equity interests in Mariner, Rosebank and Buzzard, and Shell's equity interests in Shearwater, Penguins, Gannet, Nelson, Pierce, Jackdaw, Victory, Clair and Schiehallion. A range of exploration licenses will also be part of the transaction.

Paramount Resources Ltd. announced that following its asset disposition to **Ovintiv Inc.** that it plans, subject to shareholder approval, for a \$15.00/share special distribution to the holders of its class A common share (the "Special Distribution"). The Special Distribution is expected to be comprised of a return of capital to shareholders in the amount of \$12.00/share and a special dividend in the amount of \$3.00/share. The Special Distribution would amount to an aggregate distribution of approximately \$2.2 billion. A special meeting of the Shareholders will be held on Wednesday, January 29, 2025 at 10:00 a.m. (Mountain Time).

International Petroleum Corporation announced that the TSX approved its notice of intention to renew its normal course issuer bid ("NCIB") to purchase, through the facilities of the TSX and/or Nasdaq Stockholm, up to 7,465,356 common shares commencing on December 5, 2024 and ending on December 4, 2025.

Kiwetinohk Energy Corp. announced that the TSX approved its notice to renew its NCIB for its common shares. Kiwetinohk may purchase up to 2,188,237 common shares under the NCIB from December 23, 2024, to December 22, 2025.

Vermilion Energy Inc. announced that it purchased approximately 9.1 million shares in 2024, reducing its share count to approximately 154.5 million shares.

In addition, Vermilion announced that its board of directors approved an 8% increase to its quarterly cash dividend to \$0.13/share, effective with the Q1 2025 dividend payable on April 15, 2025.

Headwater Exploration Inc. announced a 10% increase to the quarterly dividend to \$0.11/share beginning in 2025.

Financings Announced in December 2024

During the month, there were a few financings announced.

Canadian Natural Resources Limited announced the pricing of 5- and 10-year US notes for aggregate proceeds of \$1.5 billion and a 7 year CDN \$500.0 million note.

As previously mentioned, **Freehold Royalties Ltd.** completed an upsized bought deal equity financing in conjunction with its acquisition of certain mineral title and royalty interests in the core of the Midland Basin in Texas for approximately \$216.0 million. Pursuant to the equity financing and the over-allotment option, Freehold issued approximately 13.3 million common shares at a price of \$13.00/share for total gross proceeds of approximately \$172.5 million.

Cardinal Energy Ltd. announced that it entered into a bought-deal financing of 50,000 units for gross proceeds of \$50.0 million. Each unit will comprise of one senior subordinated unsecured debenture due March 31, 2030, with a par value of \$1,000 each and 65 common share purchase warrants. Each warrant will entitle the holder to acquire one common share of Cardinal at a price of \$7.00/share for a period of three years following the closing date. Cardinal will use the net proceeds of the offering to repay outstanding indebtedness on its senior credit facility, further the completion of its Reford thermal project, accelerate the development of future thermal projects and for general corporate purposes. The debentures will bear interest at a rate of 7.75% per annum, payable semi-annually in arrears on the last business day of March and September of each year commencing on March 31, 2025.

Prospera Energy Inc. announced that it has amended its \$11,000,000 promissory note, originally dated July 7, 2024, in collaboration with its principal lender. The principal balance, which was previously increased by \$500,000 to \$11,500,000, has now been further increased by an additional \$700,000, bringing the total principal amount to \$12,200,000 as of December 16, 2024. The note retains its original terms, including a 12% interest rate and a two-year maturity, with no other changes.

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.

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Thank you,

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