Oil-Focused, Balanced Portfolio Pure Play
Delivering both steady production growth and high impact exploration

TSXV: TAL
AIM: PTAL
PetroTal – A Balanced, High-Impact Pure Play

A balanced portfolio of producing oil assets and significant exploration upside

- PetroTal is a Peru-focused exploration & production company listed on the London AIM (PTAL) and Canadian TSX-V (TAL) markets
- The company is executing on a balanced portfolio of producing fields with infrastructure in place and high impact exploration
- Strong balance sheet with no debt
- 100% Brent-linked oil production – current rate of 8,000 b/d, with clear line of site to >10,000 b/d by end 2019
- Peru pure-play, benefiting from a stable, pro-business government and a favourable fiscal regime
- Proven execution – PetroTal achieved first production at our flagship Bretaña field in June 2018, under budget and ahead of schedule
- Based on analogous producing fields in the area, potential to increase the 2P recovery factor at Bretaña from 12% to 24%, driving material low-risk upside, while production uplift improves netbacks
- Significant upcoming catalysts – multiple leads on exploration Block 107 have an aggregate un-risked prospective resources estimate of up to 4.6 billion barrels of oil; expected farmout in 2020 will initiate new drilling
- Highly experienced management and technical teams with proven success in Peru
Multiple Paths to Higher Value

PetroTal can grow reserves through both better reservoir delineation and exploration drilling

**Block 95 (100% WI) – **Breña - Producing Asset w/ Upside

<table>
<thead>
<tr>
<th>NSAI Reserves Assessment (as of 12/31/18)</th>
<th>MMBbls 1</th>
<th>Original Oil in Place</th>
<th>Reserves</th>
<th>Recovery Factor</th>
<th>Net-to-gross pay estimate 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1P</td>
<td>199</td>
<td>17.9</td>
<td>9%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>2P</td>
<td>330</td>
<td>39.4</td>
<td>12%</td>
<td>68%</td>
<td></td>
</tr>
<tr>
<td>3P</td>
<td>500</td>
<td>80.0</td>
<td>16%</td>
<td>86%</td>
<td></td>
</tr>
</tbody>
</table>

1) Gross including in-field oil used
2) Brentena 2XD well showed a net-to-gross pay ratio of 78%, supporting 2P OOIP

- Operations optimization drove a ~90% increase in 2P NPV-10 to $535 million - additional potential savings identified
- Five horizontal oil producers target ~22 mbo of 2P reserves
- November 2019 production of 8,000 b/d exceeded forecasts; supporting revised Q4 estimate of 7,500 b/d and target exit rate of 11,000 to 13,000 b/d with phase one of processing facilities to be installed late December 2019

**Block 107 (100% WI) – **Multiple High-Impact Prospects

- 534 mbo1 at Osheki prospect located in the Ucayali basin; on trend with several well-delineated large fields in eastern Peru
- Several leads to be de-risked by Osheki that combined could contain 4.6 bbo2 of unrisked prospective recoverable resources
- Farmout process underway – timeline to complete exploration commitment extended to late 2021

1) Mean Prospective estimate NSAI Resource Assessment, effective as of June 30, 2018
2) Forecast only, actual results may differ. See “Disclaimers – Forward-Looking Information”.
**World-class oil field ramping up production**

- 100% oil production from five completed wells, nominal gas
- First production June 2018 - ahead of schedule and under budget, with 4X increase in output over <10 months
- Full field EIA approved for continued development
- Common well pad minimizes footprint and increases efficiencies; facility riverside location simplifies logistics
- Multiple export routes options available including pipeline to Pacific coast
- Contracts in place with PetroPeru for inventory management during transport
- Plan in place and space available for expansion of processing facilities in parallel with production growth to 20,000 b/d

**Phased Development**

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Production (b/d)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>YE 2018</td>
<td>2,000</td>
<td>✔️</td>
</tr>
<tr>
<td>Mid-2019</td>
<td>5,000</td>
<td>✔️</td>
</tr>
<tr>
<td>End Sept 2019</td>
<td>~8,000</td>
<td>✔️</td>
</tr>
<tr>
<td>YE 2019</td>
<td>11-13,000</td>
<td>On track¹</td>
</tr>
<tr>
<td>YE 2020</td>
<td>20,000+</td>
<td>On track²</td>
</tr>
</tbody>
</table>

1) Assuming ongoing drilling campaign
2) Assuming increase in 2P recovery rate; self-funded capital program
... to Reach Free Cash Flow Fast!

Bretaña Crude Oil Field Production, since June 1, 2018

Dec 2019 Estimate
Bretaña: Single Pad Reduces Footprint and Costs
Bretaña: Simple, Consistent Structure

- Field structure and continuity of reservoir delineated by multiple wells
- Consistent correlations, no variation in petrophysical properties
- Simple 4 way closing anticline - 15km field length
- 2XD well showed net pay of 18.7 meters, as per prognosis – high net-to-gross pay ratio in the well supports 2P+ reserve estimates
- Up-to-date 3D seismic acquired in 2014
- Consistent oil-water contact (OWC) across the structure
- Consistency of field supports development via multiple horizontal wells
- 4H horizontal well online in Oct 2019, produced 200,000 bbls in first 35 days - 5H completion expected Dec 2019
- NSAI estimates the Envidia prospect, to the SE of main field, holds 5.6 MMBOE Mean Prospective Resources

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1) Company plans to install Electric Submersible Pumps in all horizontal oil wells, starting with the BN95-3 well
Bretaña: Analog Fields Support Reserve Upside

- The Bretaña field is on trend with multiple other large-scale oil-rich fields in the Maranon Basin, part of a larger play across Peru, Ecuador and Colombia, that to date has produced more than 2.9 billion bbl\(^1\)

- Bretaña’s current estimated 2P recovery factor of 12% is based on three wells & one core drilled by the previous operator

- NSAI’s 2P estimate of 39.4 mbo is based on a 68% net-to-gross pay ratio; the Bretaña 2XD well showed a net-to-gross pay ratio of 78%

- Analog fields in region with similar reservoir characteristics have achieved >20% recovery factors

- NSAI has increased Bretaña’s 1P recovery factor from 7.4% to 9.1%; recent wells and analog fields support 2P RF of >24%

<table>
<thead>
<tr>
<th>Field</th>
<th>API Gravity</th>
<th>OOIP mmbbl</th>
<th>EUR(^2)/2P mmbbl</th>
<th>Recovery Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bretaña</td>
<td>19.4°</td>
<td>330</td>
<td>39.4</td>
<td>12.0%</td>
</tr>
<tr>
<td>Capahuari N.</td>
<td>35.2°</td>
<td>48</td>
<td>20.0</td>
<td>41.7%</td>
</tr>
<tr>
<td>Shiviyacu</td>
<td>20.2°</td>
<td>331</td>
<td>120.8</td>
<td>36.5%</td>
</tr>
<tr>
<td>Carmen</td>
<td>19.7°</td>
<td>45</td>
<td>13.5</td>
<td>30.0%</td>
</tr>
<tr>
<td>Yanayacu</td>
<td>19.0°</td>
<td>65</td>
<td>23.6</td>
<td>36.3%</td>
</tr>
<tr>
<td>San Jacinto</td>
<td>12.5°</td>
<td>209</td>
<td>46.3</td>
<td>22.2%</td>
</tr>
<tr>
<td>Jibaro/Jibarito</td>
<td>10.8°</td>
<td>414</td>
<td>103.2</td>
<td>24.9%</td>
</tr>
</tbody>
</table>

2) Estimated Ultimate Recovery
Bretaña: Multiple Export Options, Improving Netbacks

1. **Bayovar Port (20,000 b/d):** oil is currently barged to Saramuro and piped to Bayovar, providing access to Talara Refinery & Lima

2. **Iquitos Refinery (1,200 b/d):** Shortest route to market, barging with delivery in 3 days

3. **Conchan Refinery in Lima (1,500 b/d):** Two deliveries to date via trucking

4. **Talara Refinery (20,000 b/d):** Preferred option after upgrade project is complete at the end of 2020

5. **El Milagro Refinery (1,500 b/d):** Currently idle

6. **Pucallpa Refinery (2,500 b/d):** Smaller scale option, currently idle; but adds potential to tap IMO 2020 market for low sulfur fuels

7. **Exports via Perenco’s Manati FSO (20,000 b/d):** most expensive route but provides assurance of cash flows

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1) 200,000 bbls sold 8/19 and 217,000 bbls 10/19 via spot contract
Bretaña: Cash Engine Fully Funds Expansion

- The steady increase in production at Bretaña combined with improving netbacks generates sufficient cash flows at forecast oil prices to fully fund the 2020 drilling campaign and infrastructure buildout.

- Bretaña operating netbacks increase with production:

<table>
<thead>
<tr>
<th>Production Rates</th>
<th>@ 5,000 b/d</th>
<th>@ 10,000 b/d</th>
<th>@ 15,000 b/d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent</td>
<td>$65.00</td>
<td>$65.00</td>
<td>$65.00</td>
</tr>
<tr>
<td>minus Quality Discount</td>
<td>($6.75)</td>
<td>($6.75)</td>
<td>($6.75)</td>
</tr>
<tr>
<td>minus Royalty1</td>
<td>($2.37)</td>
<td>($2.66)</td>
<td>($3.02)</td>
</tr>
<tr>
<td>minus Lifting Costs</td>
<td>($10.00)</td>
<td>($5.21)</td>
<td>($4.40)</td>
</tr>
<tr>
<td>minus Transportation</td>
<td>($10.94)</td>
<td>($11.97)</td>
<td>($12.31)</td>
</tr>
<tr>
<td><strong>Operating Netbacks</strong></td>
<td><strong>$34.94</strong></td>
<td><strong>$38.40</strong></td>
<td><strong>$38.52</strong></td>
</tr>
</tbody>
</table>

- Cash flows fund the methodical buildout of processing capacity, supporting the staged increases in production (see slide 16):

<table>
<thead>
<tr>
<th>Capacity Stage</th>
<th>Oil b/d</th>
<th>Water b/d</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Testing Facility</td>
<td>5,000</td>
<td>9,000</td>
<td>On line</td>
</tr>
<tr>
<td>Central Processing Facility #1</td>
<td>10,000</td>
<td>40,000</td>
<td>Installed Dec 2019</td>
</tr>
<tr>
<td>Central Processing Facility #2</td>
<td>20,000</td>
<td>80,000</td>
<td>Installed 2020</td>
</tr>
<tr>
<td>Central Processing Facility #3</td>
<td>20,000</td>
<td>120,000</td>
<td>Post-2020</td>
</tr>
</tbody>
</table>

- The (i) ongoing horizontal drilling campaign (5 near-term wells targeting >22 mbo of 2P reserves), (ii) conservative estimates of reserve improvements to be in line with analog fields, and (iii) increased processing capacity support a forecast average 2020 production rate in excess of 12,500 b/d.

PetroTal can achieve these milestones entirely with internally generated cash flows.
Bretaña: Working to Complete the CPF-2 Earlier

CPF-1 facilities and tanks now under construction ➔

CPF-1 facilities and tanks under construction are shown shaded, with the future CPF-2 facilities and tanks shown in maroon ➔

With the CPF-2 we will have 90,000 barrels of oil storage capacity and 20,000 barrels of diluent storage!!
Block 107: Osheki Prospect – Farm Out Process Ongoing

Potential Resource

- Osheki Structure is a sub-thrust play similar to the Cusiana complex in the Llanos Foothills of Colombia
  - Mean Estimate Unrisked prospective resources of 534 MMBO
- 2-D seismic completed with drilling permits approved
- De-risked with new 3D Geologic Model supporting Cretaceous reservoirs with oil charge from high quality Permian source rocks
- Constitución, which is adjacent to a new road, could be considered an initial target to de-risk Block 107

Exploration Strategy

- Farm out process underway
- Exploration commitment extended to late 2021

<table>
<thead>
<tr>
<th></th>
<th>High Estimate Unrisked Prospective Resources (MMBO)</th>
<th>Mean Estimate Unrisked Prospective Resources (MMBO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Osheki</td>
<td>1,289</td>
<td>534</td>
</tr>
<tr>
<td>Bajo Pozuzo</td>
<td>2,634</td>
<td>1,016</td>
</tr>
<tr>
<td>San Juan</td>
<td>192</td>
<td>147</td>
</tr>
<tr>
<td>Constitución</td>
<td>98</td>
<td>78</td>
</tr>
<tr>
<td>Lead A</td>
<td>369</td>
<td>39</td>
</tr>
<tr>
<td>Total</td>
<td>4,582</td>
<td>1,815</td>
</tr>
</tbody>
</table>

1) Mean estimate NSAI Resource Assessment, effective date of June 30, 2018
2) High estimate NSAI Resource Assessment, effective date of June 30, 2018.
Committed to Developing the Communities We Serve

- 7 full time CSR employees
- CSR team with +100 years of combined experience
- Committed Annual budget
- CSR is part of the Key Performance Indicators of all employees and management
- Commitment at Board level. HSE & CSR Committee approves the guidelines, and the Board is provided monthly updates

**CSR Team Engaged with Local Communities**
- In Block 95 at Bretaña with 2,000 inhabitants, as well as the 18 communities of the Puinahua District
- In Block 107 with the indigenous Ashaninka and Yanesha ethnic groups, as well as foreign settlers

**Rebuilding Identity of Indigenous Communities**
- Promoting processes to rebuild their identity
- Strengthening indigenous organizations
- Working with a network of NGOs, producers, and local and central government organizations

**Investments in Sensitive Areas**
- Pacaya-Samiria National Reserve
- San Matías–San Carlos Forest Reserve
- Oxampampa-Ashaninka-Yanesha Biosphere Reserve

**Our Strategy**
- Sustainability of the projects based on strategic relationships with the local population and NGOs
- Being active members of the committees that manage the reserved or protected areas
- Having a team with experience working in sensitive areas while caring for the environment
- To be recognized as a conscious user of the land that is committed to and respected for contributing to local development.

**Four Pillars of CSR: Commitment to Employees, Communities, Environment, and Ethics**
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Legal Counsel (Canada): Stikeman Elliott LLP  
Independent Reservoir Engineers: Netherland Sewell & Associates Inc. (NSAI)  
Auditors: Deloitte (Canada)
Bretaña Wells Demonstrate Cross-Field Consistency

<table>
<thead>
<tr>
<th>Well</th>
<th>Location</th>
<th>Depth 1</th>
<th>Depth 2</th>
<th>Depth 3</th>
<th>Depth 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>BN-3D</td>
<td>NW</td>
<td>400 m</td>
<td>717 m</td>
<td>785 m</td>
<td>6437 m</td>
</tr>
<tr>
<td>BN-2XD</td>
<td>NW</td>
<td>400 m</td>
<td>717 m</td>
<td>785 m</td>
<td>6437 m</td>
</tr>
<tr>
<td>BN-1</td>
<td>NW</td>
<td>400 m</td>
<td>717 m</td>
<td>785 m</td>
<td>6437 m</td>
</tr>
<tr>
<td>BN-1XD</td>
<td>NW</td>
<td>400 m</td>
<td>717 m</td>
<td>785 m</td>
<td>6437 m</td>
</tr>
<tr>
<td>B SUR-1X</td>
<td>SE</td>
<td>400 m</td>
<td>717 m</td>
<td>785 m</td>
<td>6437 m</td>
</tr>
</tbody>
</table>

Cross Section Shows Continuity of Vivian Formation and Excellent Oil Sands in 1WD Well
Bretaña Processing Capacity Phases for 2P Case
Peru – Stable, Pro-Business and Tax-Friendly

- **Stable & Growing Pro-Business Country**
  - 5.9% average GDP growth over the past decade; projected 3.8% average over next two years
  - Democratic, investment grade government with stable/positive outlook: A3 (Moody’s) / BBB+ (S&P and Fitch)
  - Standardized contracts signed into law by supreme decree
  - Excellent fiscal/royalty terms and tax regime
    - Royalty 5-20% based on production (est. 8.25% at peak)
    - Corporate tax 32% (> $310m in NOL’s to offset tax liability for next 4-5 years)

- **Established Oil & Gas Industry**
  - Domestic production of 154k b/d with domestic consumption of 267k b/d\(^1\)
  - Established infrastructure with capacity and transparent pricing
  - Operators include Pluspetrol, CNPC, Repsol, Hunt, CEPSA, Perenco, Ecopetrol, Anadarko, Tullow, Shell, GeoPark
  - Oilfield services: Baker Hughes, Sertecpet, Halliburton, Schlumberger, Weatherford, ENI / Petrex

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Talara Refinery: Key Market for Breñaña Oil

-$3B expansion & upgrade, expected completion 2020

Peru Oil Consumption


1) BP Statistical Review of World Energy 2019
Disclaimers

Forward-Looking Information

Certain information included in this presentation constitutes forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “propose”, “project” or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this presentation may include, but is not limited, statements about: the Company's corporate strategy; potential development opportunities and drilling locations; expectations and assumptions concerning the success of future drilling, development, transportation and marketing activities; access to diversified markets; intention of engaging joint venture partners to drill the Osheki prospect; future debt and equity financings and use of proceeds; the performance of existing wells; the performance of new wells; decline rates; recovery factors; the successful application of technology and the geological characteristics of properties; capital program and capital budgets; future production levels; cash flow; debt; primary and secondary recovery potentials and implementation thereof; potential acquisitions; regulatory processes; drilling, completion and operating costs; commodity prices and netbacks; realization of anticipated benefits of acquisitions; NPV-10 valuations; and CSR activities and commitments. Statements relating to “reserves” and “prospective resources” are also deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or prospective resources described exist in the quantities predicted or estimated and that the reserves or prospective resources can be profitably produced in the future.

The forward-looking information is based on certain key expectations and assumptions made by the Company, including, but not limited to, expectations and assumptions concerning the ability of existing infrastructure to deliver production and the anticipated capital expenditures associated therewith, reservoir characteristics, recovery factor, exploration upside, prevailing commodity prices and the actual prices received for PetroTal's products, the availability and performance of drilling rigs, facilities, pipelines, other oilfield services and skilled labor, royalty regimes and exchange rates, the application of regulatory and licensing requirements, the accuracy of PetroTal’s geological interpretation of its drilling and land opportunities, current legislation, receipt of required regulatory approval, the success of future drilling and development activities, the performance of new wells, the Company's growth strategy, general economic conditions, availability of required equipment and services and prevailing commodity prices. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration, production and transportation; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve and resource estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety, environmental and regulatory risks), commodity price and exchange rate fluctuations, legal, political and economic instability in Peru, access to transportation routes and markets for the Company's production, changes in legislation affecting the oil and gas industry, and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Please refer to the risk factors identified in the Company's annual information form and management’s discussion and analysis for the year ended December 31, 2018 which are available on SEDAR at www.sedar.com. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the proposed management and described in the forward-looking information. The forward-looking information contained in this presentation is made as of the date hereof and the proposed management undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this presentation is expressly qualified by this cautionary statement.

Financial Outlook

This presentation contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about PetroTal's prospective results of operations, production, cash flow, netbacks, NPV-10, operating costs, royalties, corporate tax and components thereof, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs and the assumption outlined in the Non-GAAP measures section below. FOFI contained in this presentation was made as of the date of this presentation and was provided for the purpose of providing further information about PetroTal's anticipated future business operations. PetroTal disclaims any intention or obligation to update or revise any FOFI contained in this presentation, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this presentation should not be used for purposes other than for which it is disclosed herein.
Reserves Disclosure. The reserve estimates contained herein were derived from a reserves assessment and evaluation prepared by Netherland Sewell & Associates, Inc. (“NSAI”), a qualified independent reserves evaluator, with an effective date of December 31, 2018 (the “NSAI Reserves Report”). The NSAI Reserves Report has been prepared in accordance with definitions, standards and procedures contained in NI 51-101 – Standards of Disclosure for Oil and Gas Activities (“NI 51-101”) and the Canadian Oil and Gas Evaluation Handbook (the “COGE Handbook”). The reserve estimates contained herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Volumes of reserves have been presented based on a company interest. Readers should give attention to the estimates of individual classes of reserves and appreciate the differing probabilities of recovery associated with each category as explained herein. The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation.

Resources Disclosure. The prospective resource estimates contained herein were derived from a resource assessment and evaluation prepared by NSAI, a qualified independent reserves evaluator, with an effective date of June 30, 2018 (the “NSAI Resources Report”). The NSAI Resources Report has been prepared in accordance with definitions, standards and procedures contained in NI 51-101 and the COGE Handbook. Prospective resources are the quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. All of the prospective resources have been classified as light oil with a gravity of 46 degrees API. There is uncertainty that it will be commercially viable to produce any portion of the resources in the event that it is discovered. “Unrisked Prospective Resources” are 100% of the volumes estimated to be recoverable from the field in the event that it is discovered and developed. NSAI has determined that a 16% chance of discovery is appropriate for the prospective resources based on an assessment of a number of criteria. The estimates of prospective resources provided in this presentation are estimates only and there is no guarantee that the estimated prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources evaluated. Not only are such prospective resources estimates based on that information which is currently available, but such estimates are also subject to uncertainties inherent in the application of judgmental factors in interpreting such information. Prospective resources should not be confused with those quantities of petroleum that are associated with contingent resources or reserves due to the additional risks involved. Because of the uncertainty of commerciality and the lack of sufficient exploration drilling, the prospective resources estimated herein cannot be classified as contingent resources or reserves. The quantities that might actually be recovered, should they be discovered and developed, may differ significantly from the estimates herein. The prospective resources estimates that are referred to herein are risked as to chance of discovery. Risks that could impact the chance of discovery include, without limitation, geological uncertainty, political and social issues, and availability of capital. In general, the significant factors that may change the prospective resources estimates include further delineation drilling, which could change the estimates either positively or negatively, future technology improvements, which would positively affect the estimates, and additional processing capacity that could affect the volumes recoverable or type of production. Additional facility design work, development plans, reservoir studies and delineation drilling is expected to be completed by PetroTal in accordance with its long-term resource development plan.

Oil and Gas Metrics. This presentation contains metrics commonly used in the oil and natural gas industry, such as netback and NPV-10. “Netback” equals total petroleum sales less quality discount, lifting costs, transportation costs and royalty payments calculated on a bbl basis. “NPV-10” or similar expressions represents the net present value (net of capex) of net income discounted at 10%, with net income reflecting the indicated oil, liquids and natural gas prices and IP rate, less internal estimates of operating costs and royalties. It should not be assumed that the future net revenues estimated by PetroTal’s independent reserves evaluators represent the fair market value of the reserves, nor should it be assumed that PetroTal’s internally estimated value of its undeveloped land holdings or any estimates referred to herein from third parties represent the fair market value of the lands. These terms have been calculated by management and do not have a standardized meaning and may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons. Management uses these oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare Tamarack’s operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this presentation, should not be relied upon for investment or other purposes.

Reserve Categories. Reserves are classified according to the degree of certainty associated with the estimates. Proved reserves (1P) are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Probable reserves (2P) are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Possible reserves (3P) are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Resource Categories. Prospective resources are classified according to the degree of certainty associated with the estimates. The following classification of prospective resources used in the presentation: Low Estimate (or 1C) means there is at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate. Best Estimate (or 2C) means there is at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate. High Estimate (or 3C) means there is at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.
**Disclaimers (continued)**

**BOE Disclosure.** The term barrels of oil equivalent ("BOE") may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet per barrel (6Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

**Analogous Information.** Certain information in this document may constitute "analogous information" as defined in NI 51-101, including, but not limited to, information relating to areas, wells and/or operations that are in geographical proximity to or on-trend with lands held by PetroTal and production information related to wells that are believed to be on trend with PetroTal's properties. Such information has been obtained from government sources, regulatory agencies or other industry participants. Management of PetroTal believes the information may be relevant to help define the reservoir characteristics in which PetroTal may hold an interest and such information has been presented to help demonstrate the basis for PetroTal's business plans and strategies.

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**OOIP Disclosure.** The term original-oil-in-place ("OOIP") is equivalent to total petroleum initially-in-place ("TPIIP"). TPIIP, as defined in the COGE Handbook, is that quantity of petroleum that is estimated to exist in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. A portion of the TPIIP is considered undiscovered and there is no certainty that any portion of such undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of such undiscovered resources. With respect to the portion of the TPIIP that is considered discovered resources, there is no certainty that it will be commercially viable to produce any portion of such discovered resources. A significant portion of the estimated volumes of TPIIP will never be recovered.

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All figures in US dollars unless otherwise denoted.

**Abbreviations**

- **bbl**: barrel
- **API**: an indication of the specific gravity of crude oil measured on the American Petroleum Institute gravity scale. Liquid petroleum with a specified gravity of 28° API or higher is generally referred to as light crude oil
- **bopd, b/d**: barrel of oil per day
- **mbo**: million barrels of oil
- **NGL**: natural gas liquids
- **bbo**: billion barrels of oil
- **NGL**: natural gas liquids
- **NPV**: net present value
- **API**: American Petroleum Institute
- **mcf**: million cubic feet
- **Bcf/d**: billion cubic feet per day
- **LTT**: Long term test
- **IRR**: internal rate of return
- **WI**: working interest
- **EUR**: estimated ultimate recovery