



Premier Liquids-Rich Montney Opportunity

*Large, contiguous, de-risked, multiple
decade development opportunity*

Strictly Private and Confidential
November 2023



Premier Liquids-Rich Montney Opportunity⁽¹⁾

World Class Asset Base	<ul style="list-style-type: none"> ▪ Saguaro has a 50% non-operated working interest in a large, de-risked, contiguous Montney asset in North East British Columbia <ul style="list-style-type: none"> ▪ 114,094 gross (57,047 net) liquids-rich acre position ▪ 100% de-risked through the development of Saguaro and adjacent lands ▪ 112 horizontal Montney wells have been drilled to date on Saguaro lands⁽²⁾ with 2022 average net production of 11,207 Boe/d⁽³⁾ and total proved reserves of ~153 MMBoe at year end 2022⁽⁴⁾
Extensive Future Development Potential	<ul style="list-style-type: none"> ▪ Extensive inventory of 1,100+ development locations across land base⁽⁵⁾ ▪ Unique, over pressured reservoir with high permeability and liquids-rich stacked potential <ul style="list-style-type: none"> ▪ Multi-layer development with reservoir up to 265 m thick ▪ Shallow depths (1,400-1,900 m) reduce capital costs
Strong Financial Position with No Debt	<ul style="list-style-type: none"> ▪ Strong asset performance and low sustaining capital requirements <ul style="list-style-type: none"> ▪ ~\$70 MM free cash flow generated in 2022 ▪ ~\$40 MM distributed to shareholders in August 2022 as a return of capital ▪ Strong liquidity positions Saguaro to weather weak commodity prices and fund 2023 development without incurring debt
Top Tier Operating Partner	<ul style="list-style-type: none"> ▪ Asset is operated by Tourmaline Oil Corp. (TSE:TOU), the largest natural gas producer in Canada⁽⁶⁾ <ul style="list-style-type: none"> ▪ As a large, active producer, Tourmaline is in a position to efficiently manage capital expenditures through economies of scale ▪ Best in class capital efficiencies, even after accounting for inflationary headwinds and the lowest capital cost operator in the WCSB⁽⁶⁾⁽⁷⁾
Infrastructure, Egress, and LNG Upside	<ul style="list-style-type: none"> ▪ Owned infrastructure reduces operating costs and supports long-term production growth ▪ Physically connected to five gas pricing hubs across North America ▪ Ideally located to provide long-term supply to pending West Coast LNG projects

1. See advisories and definitions on pages 14 and 15 hereof. In particular, please see the advisories respecting the non-GAAP measure contained on this page: Free Cash Flow.

2. Wells drilled as of September 30, 2023.

3. 2022 average net production consists of 53 MMcf/d of natural gas, 1,636 Bbl/d of oil and condensate and 748 Bbl/d of natural gas liquids (propane and butane).

4. Based on Sproule Associates Limited ("Sproule") reserves evaluation prepared for Saguaro dated effective December 31, 2022 and based on Sproule pricing as of December 31, 2022.

5. Assumes four wells per section per Montney target as described on page 5 hereof.

6. As per Tourmaline's published Corporate Presentation dated November 2023.

7. WCSB is the Western Canadian Sedimentary Basin.



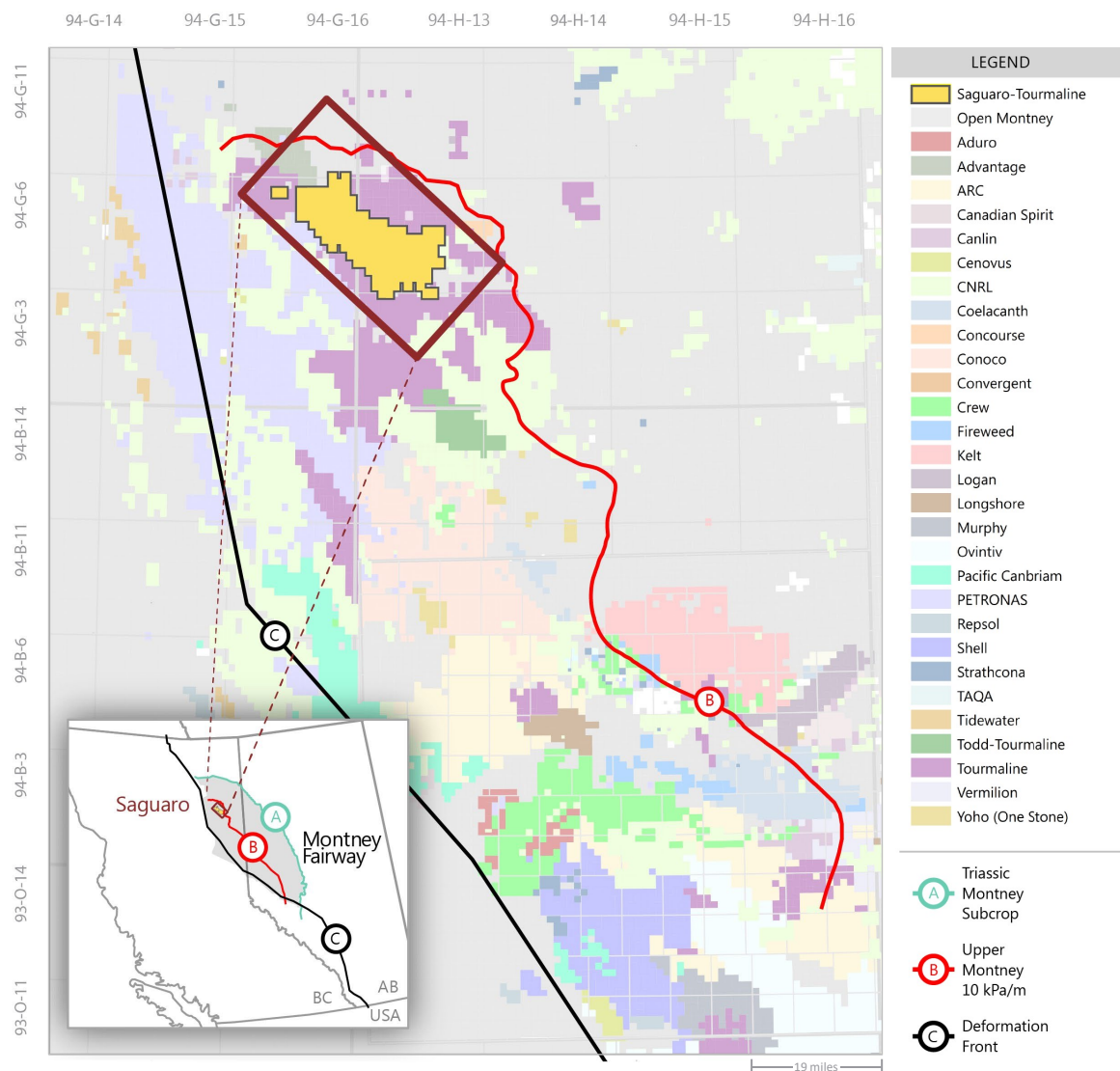
High Quality Asset in One of North America's Leading Oil & Gas Plays⁽¹⁾

- Saguaro is a debt free, privately-held pure play Montney producer with a large, contiguous land position in the Northeast British Columbia Montney
 - The Montney is a large, world class oil and gas play with leading supply costs and economics
- 50% non-operated working interest in 114,094 gross (57,047 net) acres which are unencumbered by a ROFR⁽²⁾
- 100% de-risked through the development of Saguaro and adjacent lands
- Operated by Tourmaline, Canada's largest natural gas producer with best in class capital efficiencies⁽³⁾

1. See advisories on pages 14 and 15 hereof.

2. Effective April 1, 2021, Saguaro completed a disposition of a 50% working interest in all of Saguaro's assets to Tourmaline Oil Corp. Disposition was inclusive of a 50% working interest in all Saguaro assets including, but not limited to, land, wells, infrastructure and facilities.

3. As per Tourmaline's published Corporate Presentation dated November 2023.



Overview of Saguaro's Assets⁽¹⁾

- Saguaro's assets include 50% non-operated working interest in:

Land

- 165 contiguous gross (82.5 net) sections (114,094 gross (57,047 net) acres)

Montney Wells

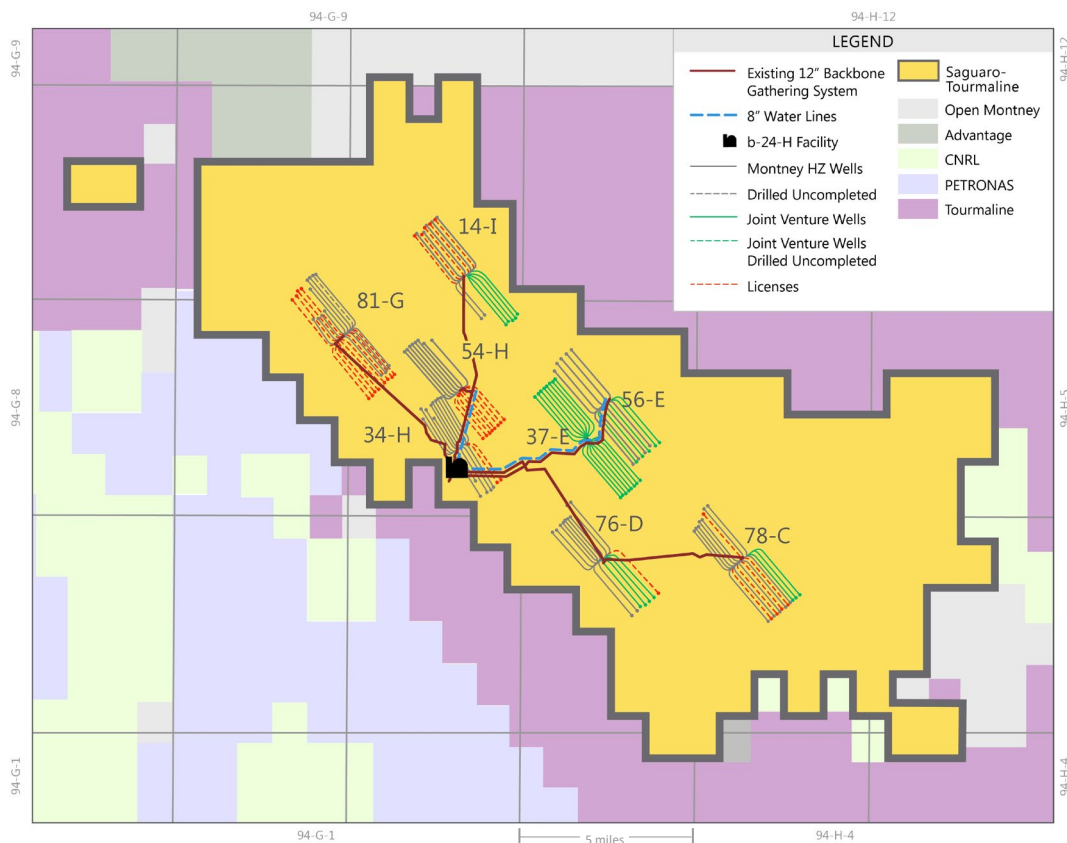
- 112 wells drilled to date⁽²⁾

Facilities

- 140 MMcf/d b-24-H compression and dehydration facility with 40 MMcf/d amine sweetening
- Water treatment and storage facility

Infrastructure

- 43.1 km of 12" raw gas gathering pipelines supports future development
- 13.4 km of water lines to cost effectively transport water for completion operations
- 13.9 km of sales gas lines to connect facility to multiple third party gathering lines
- Tenure holder to 85.5 km of roads



- Saguaro owns a 50% non-operated working interest in all critical infrastructure across its large, contiguous land base**

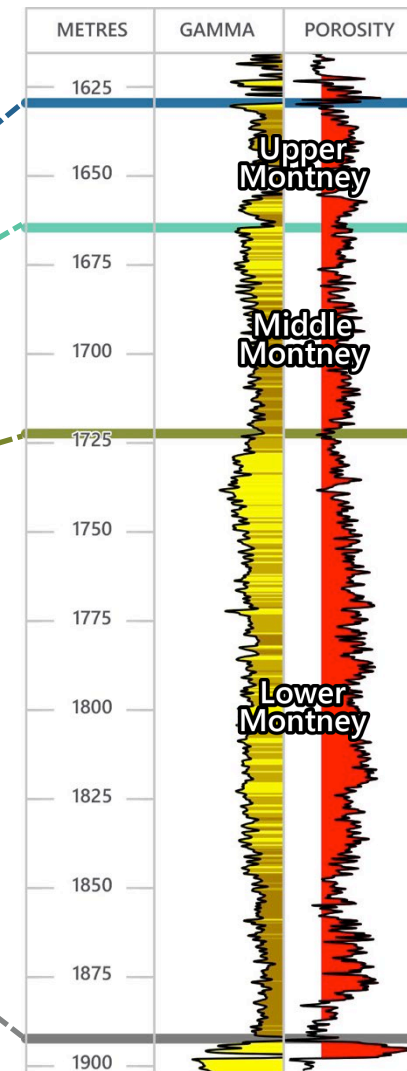
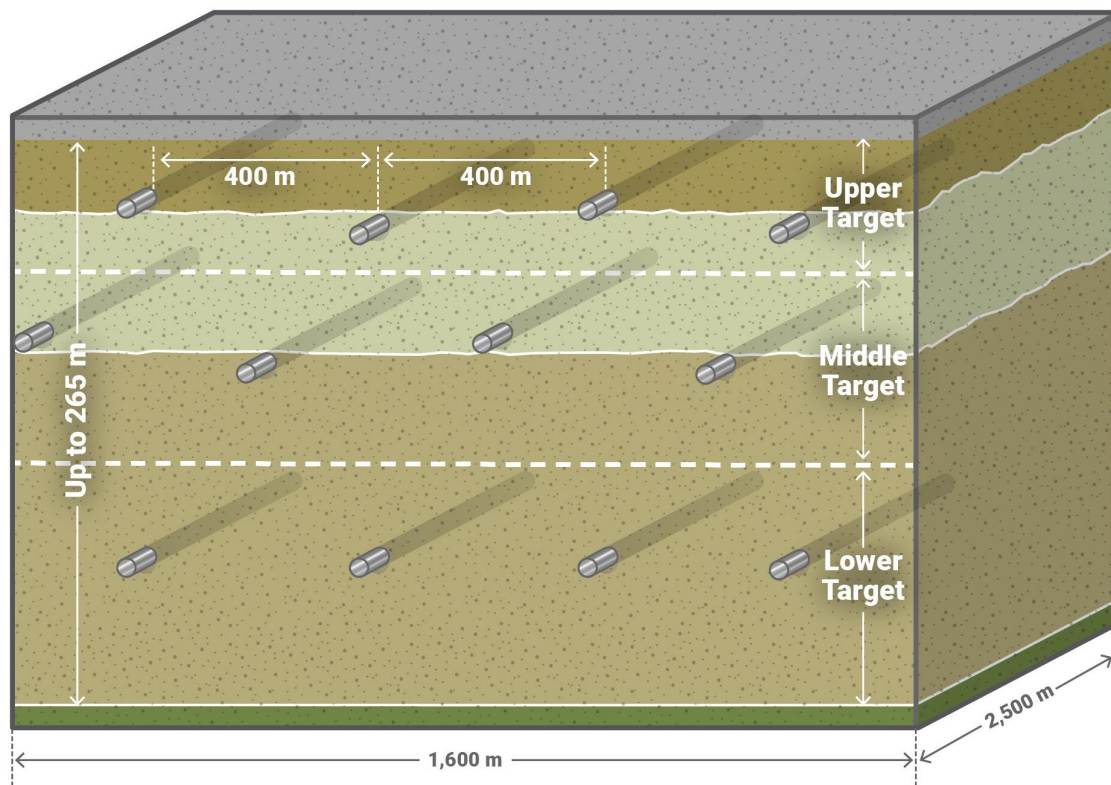
1. See advisories on pages 14 and 15 hereof.

2. Wells drilled as of September 30, 2023.



Stacked Zone Exploitation Multiplies Productive Potential⁽¹⁾⁽²⁾

- Stacked reservoir ideally situated in a regional sweet spot
 - Liquids-rich stacked potential
 - Over pressured at 11-15 kPa/m with good permeability
 - Gross pay up to 265 m across 3 stacked porous zones
- Shallow depth of 1,400-1,900 m reduces cost and improves economics



1. See advisories on pages 14 and 15 hereof.

2. Porosity from Nutech Petrophysical analysis. 3% porosity cut off.

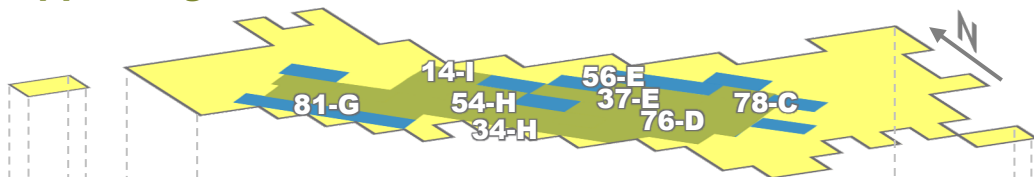


Substantial Reserves with Significant Unbooked Potential⁽¹⁾

- High quality asset has allowed impressive, consistent reserve growth to date and provides large future growth potential
- All three Montney targets proven productive with 112 gross wells drilled to date⁽³⁾:
 - 41 Upper Target
 - 67 Middle Target
 - 4 Lower Target
- Upper and Middle targets are full-scale development ready with 108 wells drilled and optimization efforts well advanced⁽³⁾
- Lower target currently in the delineation phase exhibiting higher condensate gas ratio and substantial future upside

Reserve Bookings⁽²⁾

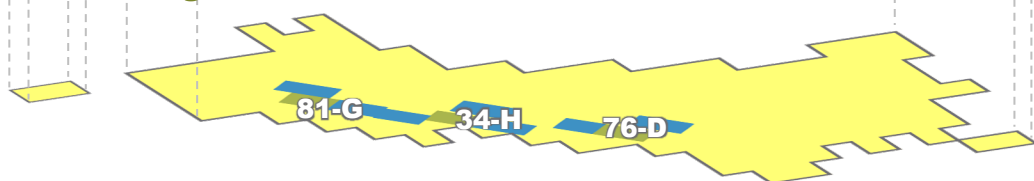
Upper Target



Middle Target



Lower Target



■ Proved
■ Probable

- **Scale and quality of land base supports impressive growth and capital efficiencies with a drilling inventory of 1,100+ locations⁽⁴⁾**

1. See advisories and definitions on pages 14 and 15 hereof.

2. Illustration based on Sproule's reserves evaluation prepared for Saguaro dated effective December 31, 2022.

3. Wells drilled as of September 30, 2023.

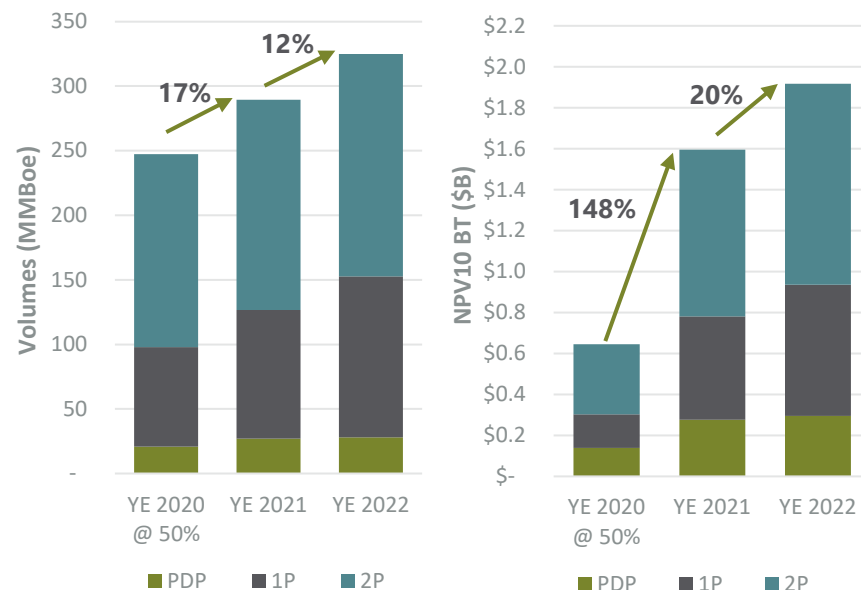
4. Assumes four wells per section per Montney target as described on page 5 hereof.



Sproule December 31, 2022 Reserves Summary⁽¹⁾⁽²⁾

Company Gross Reserves	Proved Developed Producing (PDP)	Total Proved (1P)	Total Proved Plus Probable (2P)
Total Reserves (MBoe)⁽³⁾	28,115	152,713	324,887
NPV10 (BT \$MM)	\$295	\$936	\$1,917
NPV10 (BT \$/Boe)	\$10.48	\$6.13	\$5.90
F&D (Incl. FDC) (\$/Boe)	\$8.35	\$11.44	\$12.18
FD&A (Incl. FDC) (\$/Boe)	\$8.38	\$11.45	\$12.19
Production Replacement	126%	739%	970%
Recycle Ratio – FD&A	3.76	2.75	2.59
RLI (years)	7.3	37.4	74.2
Locations (#)	93	293	425

Consistent Growth in Reserves⁽⁴⁾

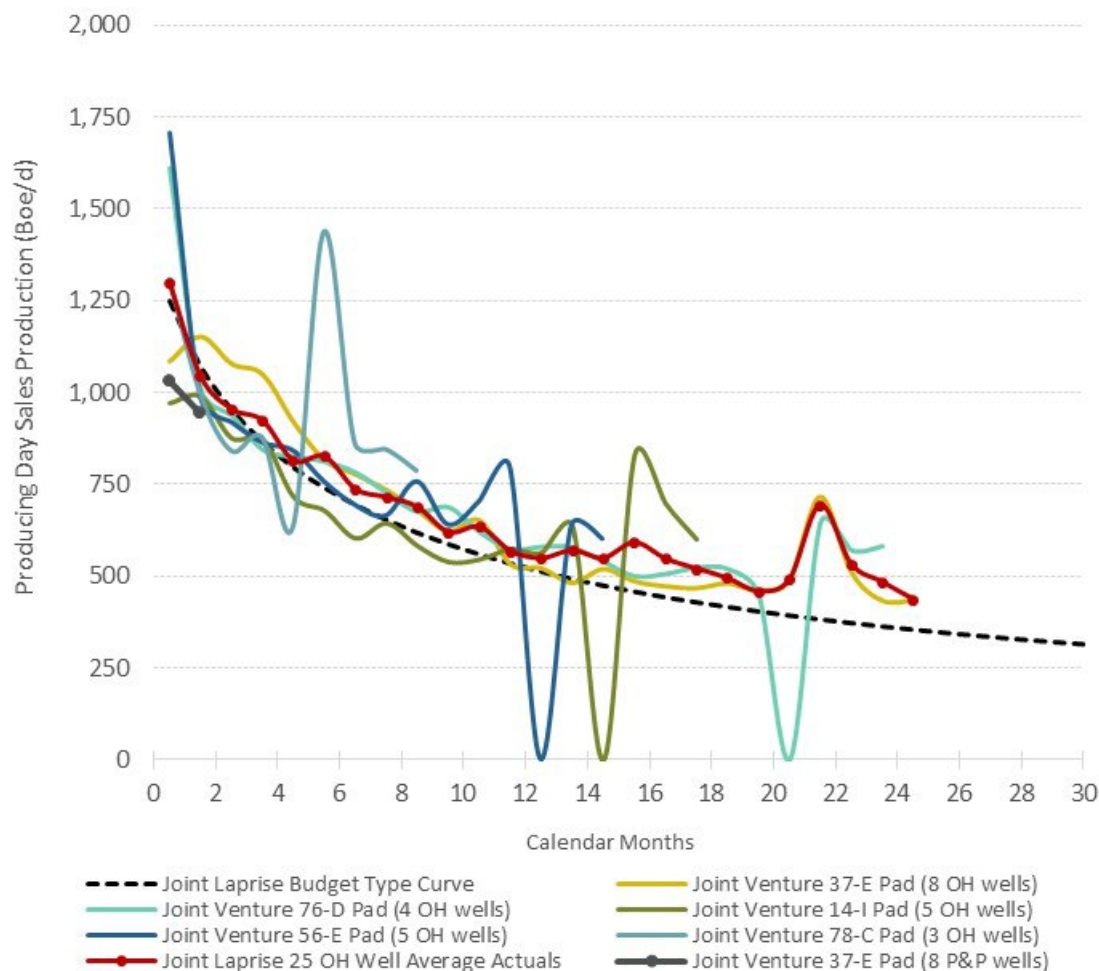


- Continued year over year reserves growth across all categories through development program and increases to Sproule type curves as a result of historical well performance

1. See advisories and definitions on pages 14 and 15 hereof. In particular, please see the advisories respecting the following non-GAAP measures contained on this page: Finding and Development Costs (F&D), Finding, Development & Acquisition Costs (FD&A) and Recycle Ratio – FD&A.
2. Based on a reserves evaluation prepared for Saguaro by Sproule Associates Limited, an independent qualified reserves evaluator, dated effective December 31, 2022 and based on Sproule pricing as of December 31, 2022. FD&A and F&D includes Future Development Costs (FDC).
3. PDP reserves are comprised of 80% natural gas, 20% natural gas liquids (NGLs), 0.1% Oil. 1P and 2P reserves are comprised of 79% Gas, 21% NGLs. 1P includes 334.7 MBoe of net Proved Developed Non-Producing reserves.
4. Year End 2020 and Year End 2021 reserves based on Sproule reserves evaluation prepared for Saguaro dated effective December 31, 2020 and December 31, 2021, respectively and based on Sproule pricing as of December 31, 2020 and December 31, 2021, respectively. For comparison purposes only, Saguaro management has adjusted the reserves volumes and values as at December 31, 2020 to reflect the 50% asset disposition in April 2021, which adjustments have not been reviewed by Sproule.



Joint Venture Wells Consistently Meeting Type Curve⁽¹⁾⁽²⁾



1. See advisories and definitions on pages 14 and 15 hereof.

2. Joint Laprise Budget Type Curve and Joint Laprise 25 Open Hole Well Average Curve are derived based on public data to January 31, 2023, as well as on Saguaro's internal planning. Joint Venture well production results are based on public data updated to September 30, 2023.

		Joint Laprise Budget Type Curve ⁽²⁾	Joint Laprise 25 Open Hole Well Average Curve ⁽²⁾
HZ Length	meters	2,500	2,500
IP30	Sales (MMcf/d)	5.3	5.3
	Sales (Boe/d)	1,196	1,229
	CGR (Bbl/MMcf)	40	42
EUR	Sales (Bcf)	6.9	7.6
	Liquids (MBoe)	257	275
	Sales (MBoe)	1,408	1,547

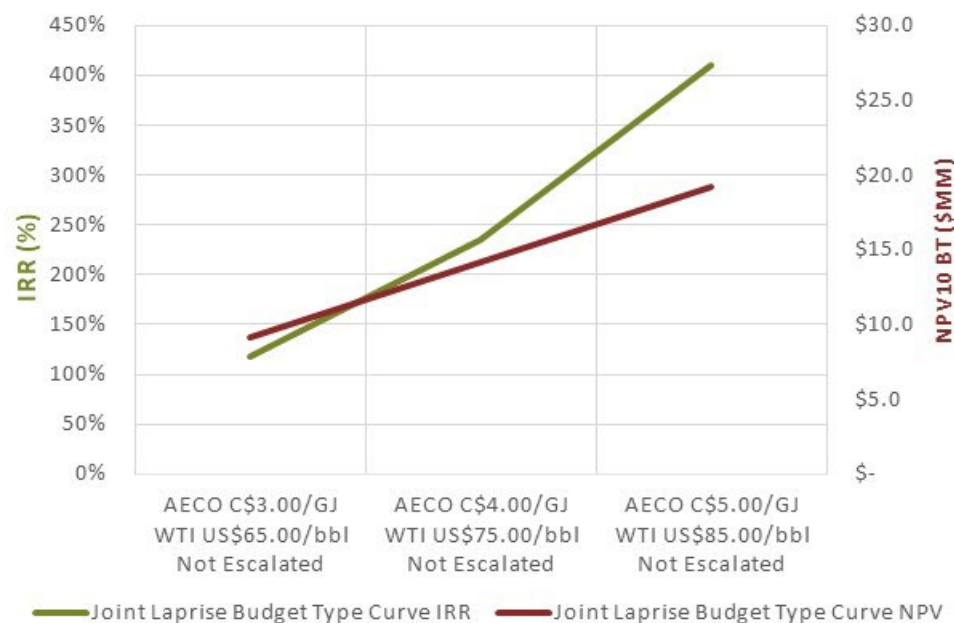
- 33 Joint Venture wells drilled to date
 - Q2-Q3 2023 production interruptions due to British Columbia wildfires and third party facility turnaround
- 25 Open Hole (OH) ball drop wells with sand loading at 1.3 tonne/m
 - Well results remain on trend with expectations
- Eight Cased Hole Plug and Perf wells were recently completed with sand loading at 2.0 tonne/m
 - Currently flowing at restricted rates due to infrastructure limitations



Competitive Single Well Economics at Flat Prices⁽¹⁾⁽²⁾⁽³⁾

Based on Flat Pricing AECO C\$4.00/GJ, WTI US\$75/Bbl & \$0.74 US\$/C\$ FX	Joint Laprise Budget Type Curve ⁽⁴⁾	Joint Laprise 25 Open Hole Well Average Curve ⁽⁴⁾
Horizontal Well Length (m)	2,500 m	2,500 m
D&C Cost⁽⁵⁾ (\$MM)	\$5.4	\$5.4
IRR (BT %)	214%	257%
NPV0 (BT \$MM)	\$26.5	\$29.2
NPV10 (BT \$MM)	\$13.8	\$15.4
Net PIR0 (x)	4.7	5.2
Net PIR10 (x)	2.5	2.7
Payout (months)	9	8

Single Well Sensitivities

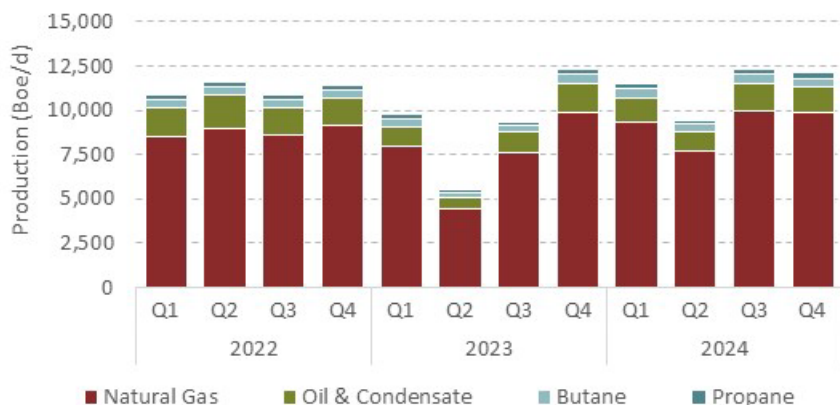


Joint Venture Budget Type Curve generates robust single well economics and attractive payouts

1. See advisories and definitions on pages 14 and 15 hereof.
2. Single well economics include drilling, completions, and equipping costs which are based on historical results prior to 50% working interest disposition in April 2021. Single well economics do not include G&A, land costs, field infrastructure costs or undeveloped land value.
3. Other than the noted pricing assumptions, all assumptions and inputs used to derive single well economics are based on Saguaro's historical results prior to 50% working interest disposition in April 2021 or on publicly available information and include: 2,500 m wells; a heating value of 1,175 Btu/scf; and NGLs pricing relative to WTI: C5+ 99%; C4 50%; C3 45%.
4. Joint Laprise Budget Type Curve and Joint Laprise 25 Open Hole Well Average Curve are derived based on public data to January 31, 2023 as well as on Saguaro's internal planning.
5. D&C cost represents costs (expressed on a gross basis) for drilling and completions in 2022 and are based on Saguaro's historical results prior to 50% working interest disposition in April 2021.



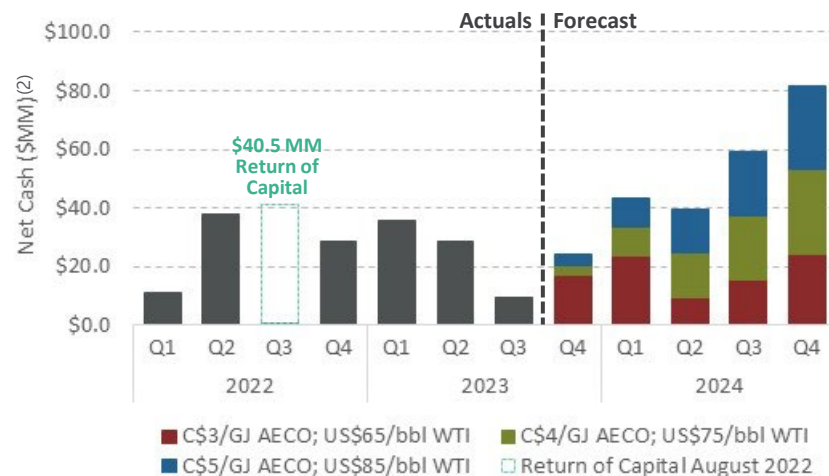
Strong Cash Position Expected to Fund Future Development Despite Low Current Natural Gas Prices⁽¹⁾⁽²⁾



- All debt was eliminated in April 2021 positioning the Company to work towards generating meaningful free cash flow
 - \$40.5 MM return of capital to shareholders in August 2022

- Strong liquidity positions Saguaro to weather weak commodity prices and fund development through 2024 without incurring debt**

- Forecast assumes development to maintain facility at near full capacity which maximizes operational efficiencies
 - Q2 and Q3 2023 production was impacted by British Columbia wildfires and access to third party processing capacity
- Modest development capital is required to maintain production⁽²⁾



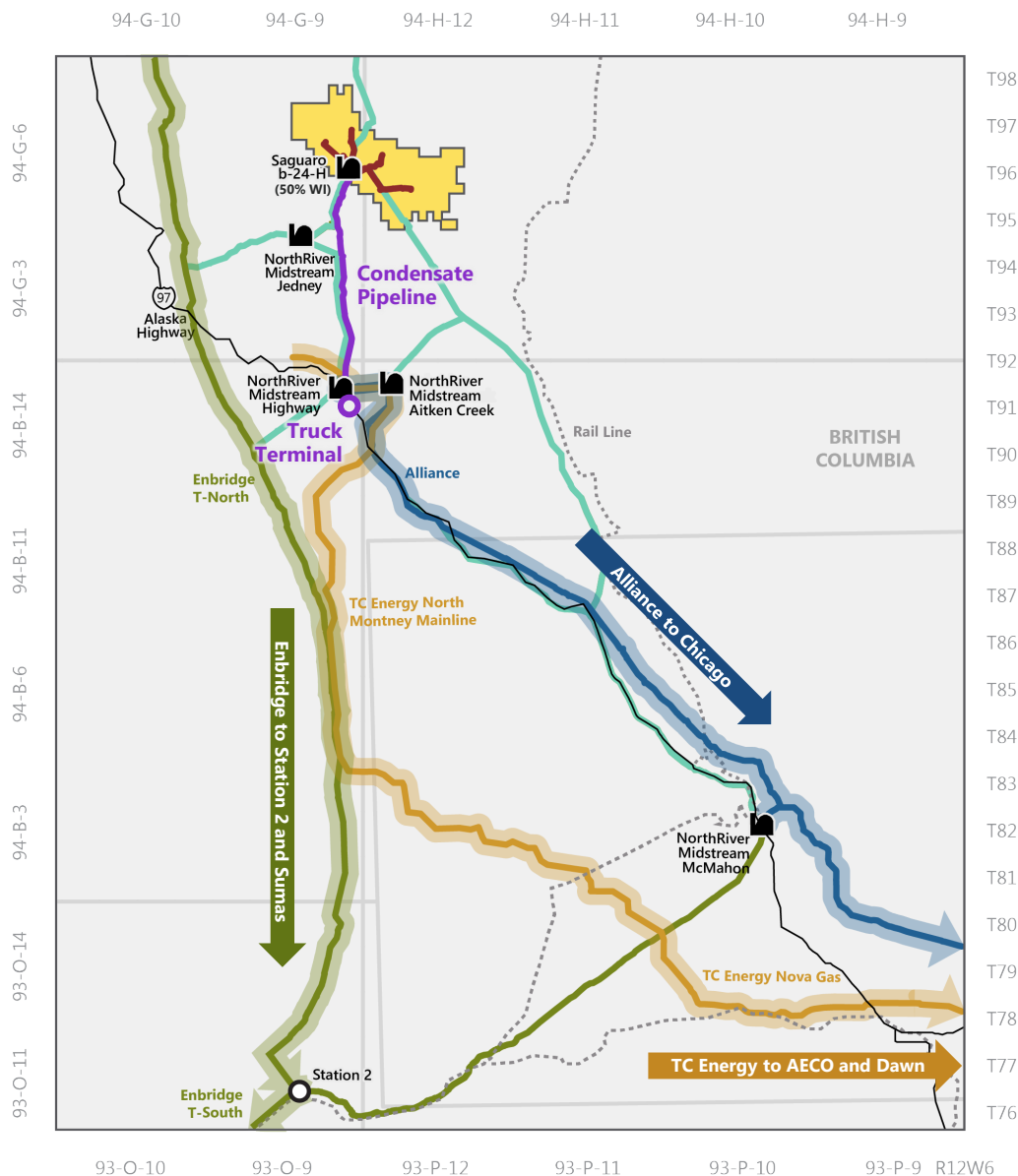
1. See advisories and definitions on pages 14 and 15 hereof. In particular, please see the advisories respecting the non-GAAP measure contained on this page: Free Cash Flow.

2. Production, capital and net cash position forecasts are Saguaro's current expectations, before tax, based on Saguaro's internal preliminary planning, Saguaro's historical results prior to 50% working interest disposition in April 2021 and current market conditions, including flat pricing October 2023 to December 2024, and are subject to change. Net cash position is cash net of working capital, debt, and returns of capital.



Transportation and Natural Gas Market Access⁽¹⁾

- Connected to three NorthRiver processing facilities (Jedney, Highway or McMahon)
 - Processing at multiple third party plants provides access to numerous long-haul pipeline options with diversified end markets
 - Physically connected to five gas pricing hubs across North America
 - AECO, Station 2, Sumas, Chicago, and Dawn
 - Firm service transportation commitments on Enbridge T-North pipeline, Enbridge T-South pipeline and TC Energy North Montney Mainline⁽²⁾
 - Connected to 49 km 6" condensate pipeline from b-24-H facility to truck terminal on the Alaska Highway
- Existing market access allows market diversification and resulting netback improvement



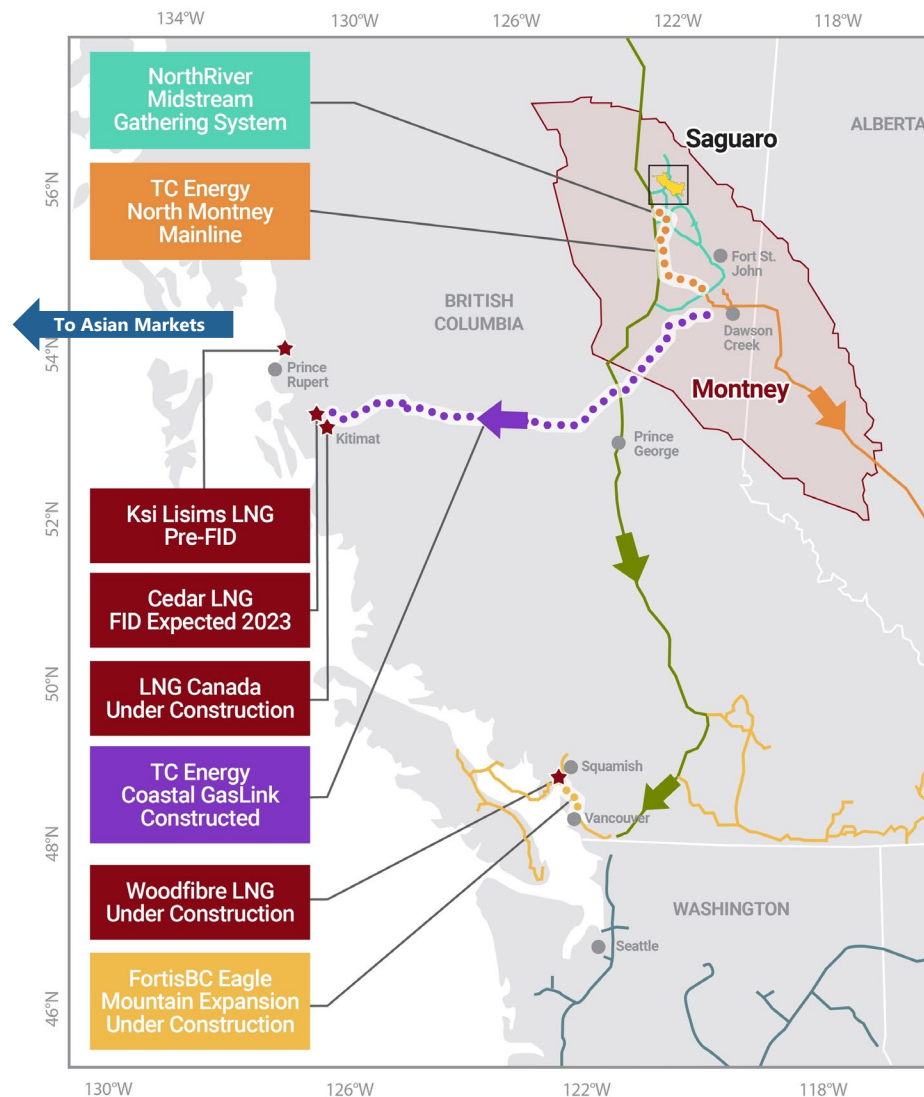
1. See advisories on pages 14 and 15 hereof.

2. Connection to North Montney Mainline to be completed.



Strategically Positioned for West Coast LNG Development⁽¹⁾

- Saguaro's assets are ideally positioned to provide long-term natural gas supply to West Coast LNG projects
 - LNG Canada project will require a total of ~4 Bcf/d of natural gas supply should both Phase 1 and Phase 2 proceed
 - Phase 1 approved and expected onstream 2025-2026
 - Phase 2 pending FID
 - Several LNG Canada participants are short gas supply even for Phase 1
 - Coastal GasLink pipeline to LNG Canada mechanically complete in November 2023
 - Additional LNG facilities and pipelines have been proposed
- Canada, and the Montney specifically, has a competitive geographical advantage to address the supply gap with growing Asian markets
- Canadian gas producers are also beginning to access growing USGC LNG capacity
 - Tourmaline has a marketing arrangement to ship 140 MMcf/d to Cheniere LNG⁽²⁾



1. See advisories on pages 14 and 15 hereof.

2. As per Tourmaline's published Corporate Presentation dated November 2023.



Corporate Information

Officers

Stacy Knull	President & Chief Executive Officer
Scott Carrothers	Vice President Finance & Chief Financial Officer
Darcy McLaughlin	Vice President Engineering
Esther Troyan	Vice President Land & Business Development

Directors

Michael Graham	Chairman
James C. (Pep) Lough	Independent Businessman
M. Scott Bratt	Independent Businessman
Robert Chaisson	Independent Businessman
Stacy Knull	President & Chief Executive Officer
Richard Aube	Pine Brook Road Partners LLC
Connor Johns	Pine Brook Road Partners LLC
Cameron McVeigh	Camcor Partners Inc.

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Advisories

The information contained in this presentation does not purport to be all inclusive or to contain all information respecting Saguaro and its operations, assets, production, financial position, profitability, future development plans or other aspects of its business that interested parties may require. Interested parties are encouraged to conduct their own analysis and review of Saguaro, including of the information contained in this presentation. Information in relation to Saguaro's prior performance is not indicative of the future performance characteristics of Saguaro. Without limitation, interested parties should consider the advice of their financial, legal, accounting, tax and other advisors and such other factors they consider in investigating and analyzing Saguaro.

Forward Looking Statements. Certain statements included in this presentation (the "Presentation") constitute forward looking statements or forward looking information under applicable securities legislation. Such forward looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward looking statements or information typically contain 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 statements or information in this Presentation include, but are not limited to, statements or information with respect to: Saguaro Resources Ltd.'s ("Saguaro" or the "Corporation") business strategy, focus, priorities, objectives and growth opportunities; the future development potential of the Corporation's assets; statements with respect to the performance characteristics of Saguaro's oil and natural gas properties and wells including their low sustaining capital requirements; that strong liquidity positions Saguaro to weather weak commodity prices and fund 2023 development without incurring debt; expectations that Saguaro's operating partner is in a position to efficiently manage capital expenditures through economies of scale; that Saguaro's owned infrastructure are ideally positioned to provide long-term supply to West Coast LNG projects and will support low operating costs and long-term production growth; that Saguaro's reserves have significant unbooked potential; that Saguaro's land base supports impressive growth and capital efficiencies; statements with respect to reserves growth and potential drilling locations; Saguaro's expectations of competitive single well economics at flat prices; estimated internal rates of return, profit to investment ratios and payout periods, which include a number of assumptions including respecting well length, heating values, pricing, capital, operating and other costs, royalties and taxes; that Saguaro's strong cash position expected to fund future development despite low commodity prices; production forecast by product and forecasted net cash position based on various commodity prices; the Company's ability to generate meaningful free cash flow; expectations that modest capital will be required to maintain production; expectations that the Corporation's existing market access will allow market diversification and netback improvement; Saguaro's expectations that global LNG demand will grow significantly; expectations regarding development of the LNG Canada project and future demand for natural gas from the project. In addition, the statements contained herein relating to "reserves" are by their nature forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be can be profitably produced in the future.

Type Well Production and Economics. This Presentation contains references to type well, or "type curve", production and economics, which are derived, at least in part, from available information respecting the well economics of other companies and, as such, there is no guarantee that Saguaro will achieve the stated or similar results, capital costs and return costs per well. Any references to peak rates, test rates, EUR, IP30 or initial production rates or declines are useful for confirming the presence of hydrocarbons, however, such rates and declines are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long term performance or ultimate recovery. In addition, such rates or declines may also include recovered fluids used in well completion stimulation. Readers are cautioned not to place reliance on such rates in calculating aggregate production for the Corporation.

Assumptions. Forward looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Corporation believes that the expectations reflected in such forward looking statements or information are reasonable, undue reliance should not be placed on forward looking statements because the Corporation can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this Presentation, assumptions have been made regarding, among other things: commodity prices; the accuracy of geological and geophysical data and its interpretations of that data; estimated decline rates; the ability of the operator of the Corporation's assets to successfully operate the assets; the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the timely receipt of any required regulatory approvals; the ability of the Corporation to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the Corporation to operate in a safe, efficient and effective manner; the ability of the Corporation to obtain financing on acceptable terms; that the Corporation will have sufficient cash flow, debt or equity or other financial resources to fund its capital and operating expenditures as needed; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Corporation to secure adequate product transportation; availability of pipelines; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Corporation operates; that the estimates of the Corporation's reserve volumes and assumptions related thereto are accurate in all material respects; the ability of the Corporation to successfully market its oil and natural gas products; that Saguaro will maintain its existing market access; that Saguaro's facilities will operate at full capacity and maximize operational efficiencies; price forecasts; and certain costs, expenses and capital expenditures to be incurred by the Corporation going forward. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

Risks and Uncertainties. Forward looking statements or information are 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 Corporation and described in the forward looking statements or information. These risks and uncertainties which may cause actual results to differ materially from the forward looking statements or information include, among other things: the ability of management to execute its business plan; general economic and business conditions; the risk of instability affecting the jurisdictions in which the Corporation operates; the risks of the oil and natural gas industry generally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand; the possibility that government policies or laws may change or governmental approvals may be delayed or withheld; risks and uncertainties involving geology of oil and natural gas deposits; the uncertainty of reserves estimates and reserves life; the ability of the Corporation to add production and reserves through acquisition, development and exploration activities; the Corporation's ability to enter into or renew leases; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production (including decline rates), costs and expenses; fluctuations in oil and natural gas prices, foreign currency exchange rates and interest rates; risks inherent in the Corporation's marketing operations, including credit risk; uncertainty in amounts and timing of royalty payments; health, safety and environmental risks; risks associated with potential future lawsuits and regulatory actions against the Corporation; uncertainties as to the availability and cost of financing; changes in income tax rates; changes in incentive programs related to the oil and gas industry; availability of pipelines; that legal actions may have an adverse effect on Saguaro's financial position or operations; financial risks affecting the value of the Corporation's investments; the risk that Saguaro's oil and natural gas properties may not have low sustaining capital requirements; the risk that Saguaro will not have strong liquidity and will not be in a position to weather weak commodity prices and fund 2023 development without incurring debt; the risk that Saguaro's operating partner may not efficiently manage capital expenditures through economies of scale; the risk that Saguaro's owned infrastructure is not ideally located to provide long-term supply to West Coast LNG projects or will not support low operating costs and long-term production growth; that risk that Saguaro's reserves do not have significant unbooked potential; the risk that Saguaro's land base will not support impressive growth or capital efficiencies; the risk that Saguaro's actual single well economics at flat prices, internal rates of return, profit to investment ratios, payout periods and production volumes and net cash amounts are less attractive to Saguaro than Saguaro's expectations or forecasts regarding same; the risk that Saguaro's strong cash position will not fully fund future development; the risk that greater amounts of capital than anticipated may be required to maintain production; the risk that the Corporation's existing market access will not result in market diversification or netback improvement; and the risk that global LNG demand may weaken or that the development of the LNG Canada project is delayed. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

Distributions. The payment of shareholder distributions, including but not limited to the payment of returns of capital and the amount thereof is uncertain. Any decision by the Corporation to pay distributions on its shares (including the actual amount, the declaration date and the payment date in connection therewith) will be subject to the discretion of the Board of Directors of Saguaro and may depend on a variety of factors, including, without limitation the Corporation's business performance, commodity prices, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, contractual restrictions, creditor approval and satisfaction of the solvency tests imposed on the Corporation under applicable corporate law. There can be no assurance that the Corporation will pay distributions to shareholders in the future.

No Obligation to Update. The forward looking statements or information contained in this Presentation are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise unless required by applicable securities laws. The forward looking statements or information contained in this Presentation are expressly qualified by this cautionary statement.

Future Oriented Financial Information and Financial Outlook. This Presentation, contains Future Oriented Financial Information and Financial Outlook (collectively, "FOFI") within the meaning of applicable securities laws about the Corporation's potential financial position, including, but not limited to: the information contained in the slides entitled "Competitive Single Well Economics at Flat Prices" and "Strong Cash Position Expected to Fund Future Development Despite Low Current Natural Gas Prices" (including, without restriction, estimated internal rates of return, profit to investment ratios and payout periods; the statement that strong liquidity positions Saguaro to weather weak commodity prices and fund development through 2024 without incurring debt; and Saguaro's forecasted net cash position based on various commodity prices). The FOFI has been prepared by Saguaro's management to provide an outlook of the Corporation's activities and results. The FOFI has been prepared based on a number of assumptions including the assumptions discussed under the heading "Forward Looking Statements" and assumptions with respect to the costs, expenses and capital expenditures to be incurred by the Corporation, capital equipment and operating costs, foreign exchange rates, taxation rates for the Corporation, general and administrative expenses and the prices to be paid for the Corporation's production. Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the FOFI or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all of those costs, expenditures, prices and operating results are not objectively determinable. **The actual results of operations of the Corporation and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this Presentation, and such variation may be material.** The Corporation and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is highly subjective and subject to numerous risks including the risks discussed under the heading "Forward Looking Statements", it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, Saguaro undertakes no obligation to update such FOFI and forward looking statements and information.



Advisories (cont'd)

Specified Financial Measures and Definitions

Throughout this Presentation, Saguardo discloses certain measures to analyze financial performance, financial position and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under International Financial Reporting Standards ("IFRS") and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income (loss) and comprehensive income (loss), cash provided by operating activities, and cash used in investing activities, as indicators of Saguardo's performance.

Finding and Development Costs (F&D) and Finding, Development and Acquisition Costs (FD&A) are non-GAAP ratios that help explain the cost of finding and developing additional oil and gas reserves. FD&A costs are determined by dividing capital expenditures in the period plus the change in future development capital (FDC) costs plus acquisition costs divided by BOE reserve additions in the period.

Free Cash Flow is a non-GAAP financial measure and is calculated as funds from operations less capital expenditures. Saguardo uses free cash flow as an indicator of the efficiency and liquidity of the Corporation's business by measuring its cash available after capital expenditures.

Recycle Ratio – FD&A is a non-GAAP ratio that measures the profit per barrel of oil to the costs of finding and developing that barrel of oil. The recycle ratio is determined by dividing the annual operating netback before financial contracts per boe by the FD&A costs in the period.

Oil and Gas Advisories

Future Drilling Locations. Unless otherwise expressly stated, the information in this Presentation pertaining to future drilling locations or drilling inventories is based solely on internal estimates made by management and such locations have not been reflected in any independent reserve or resource evaluations prepared pursuant to National Instrument 51-101 ("NI 51-101"). Similarly, unless otherwise expressly stated, the information in this Presentation pertaining to targeted reserve volumes from future drilling is intended to indicate that in making its internal drilling decisions, the Corporation seeks to target drilling locations that, based on previous drilling results and its own internal assessments, it believes will on average ultimately generate the indicated volumes. This document discloses drilling locations which are unbooked locations and are internal estimates based on Saguardo's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources and have been identified by management as an estimation of multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Saguardo will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Finding and Development Costs. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year.

Reserves. The reserve estimates disclosed on slides 2, 6 and 7 are based on reserves evaluations prepared by Sproule Associates Limited for Saguardo with an effective date of December 31, 2022, December 31, 2021, and December 31, 2020 as applicable and using Sproule's forecast prices at December 31, 2022, December 31, 2021 and December 31, 2020, respectively. Other than the reserves estimates disclosed on slides 2, 6 and 7, any recovery or reserves estimates provided herein are Saguardo's internal estimates only and are not derived from an independent reserves evaluation. There is no guarantee that the reserves will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward looking statements. "EUR" is not indicative of reserves, nor is it a category of resources recognized by the COGE Handbook. Estimates of the net present value of the future net revenue from Saguardo's reserves do not represent the fair market value of Saguardo's reserves. Reserves estimates contained herein have been made assuming that funding is likely to be available to Saguardo for the development of the applicable property.

Definitions of Oil and Gas Resources and Reserves

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates as follows:

Proved Reserves 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 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.

Pay Thickness. Estimates of pay thickness are considered to be anticipated results or information that indicate the potential value or quantities of resources under NI 51-101. Such estimates have been prepared by management of Saguardo and have not been prepared or reviewed by an independent qualified reserves evaluator or auditor. The risks associated with estimates of pay thickness include, but are not limited to, the risk that Saguardo's exploration and development drilling and related activities may provide different results; the risk that Saguardo may encounter unexpected drilling results; the occurrence of unexpected events involved in the exploration for, and the operation and development of, oil and gas; delays in anticipated timing of drilling and completion of wells; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves.

Boe Presentation. All Boe conversions in the report are derived by converting gas to oil at the ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent. Boe may be misleading, particularly if used in isolation. A Boe conversion rate of 1 Boe: 6 Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio of oil compared to natural gas, based on current prevailing prices, is significantly different than the energy equivalency ratio of 1 Boe: 6 Mcf, utilizing a conversion ratio may be misleading.

Definitions

Certain oil and gas metrics. Finding, development and acquisition costs, finding and development costs and the metrics set forth below do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in documents provided by Saguardo to shareholders to give readers additional measures to evaluate the Saguardo's performance; however, such measures are not reliable indicators of the future performance of the Saguardo and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon.

EUR: Estimated Ultimate Recovery. An approximation of the quantity of oil or gas that is potentially recoverable or has already been recovered from a reserve or well.

FDC: Future Development Costs. Estimated capital required as of December 31, 2022 to develop reserves identified in each reserve classification.

IP30: The average production rate over a 30 day period.

IRR: Rate of return. IRR is the discount rate required to arrive at a NPV equal to zero. Rates of return set forth in this presentation are for illustrative purposes. There is no guarantee that such rates of return will be achieved in the future.

Net Present Value (NPV): The anticipated net present value of the future net revenue (before tax) discounted at a rate (NPV0 for undiscounted future net revenue and NPV10 for future net revenue discounted by 10%) associated with the type curves or reserves categories presented, as applicable.

Payout: The anticipated time required (in months) to recover the drill, complete, and well equipping capital based on the field level revenue generated from the assumed type curve. The field level revenue is the revenue received based on the assumed commodity prices less estimated royalties, operating expenses, and transportation costs.

Production Replacement: is calculated by dividing reserves net volume additions by the current annual production and expressed as a percentage. Production Replacement does not have a standardized meaning and therefore may not be comparable with the calculation of similar measures for other entities.

Profit to Investment Ratio (PIR): The ratio of payoff to investment for the project. For example, a net PIR (PIR0 for undiscounted future cash flow and PIR10 for future cash flow discounted by 10%) of \$1.50 represents for every \$1.00 of investment, the project will return the invested \$1.00 plus an additional \$1.50 of profit for a total cash flow of \$2.50. The net PIR of such a project would be \$1.50 while the gross PIR would be \$2.50.

All dollar amounts in the presentation are in Canadian dollars.

Abbreviations: Bbl/d is barrels per day; Boe/d is barrels of oil equivalent per day; Boe is one barrel of oil equivalent. MBoe is one thousand barrels of oil equivalent; MMBoe is one million barrels of oil equivalent; MMcf is one million cubic feet; MMcf/d is one million cubic feet per day; Bcf is one billion cubic feet; and tonne/m is tonne per metre.

