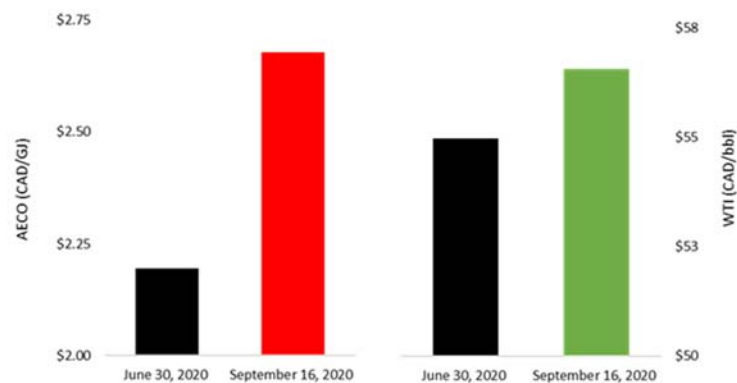


August 2020 Activity Update

Since March 2020, there has been unprecedented stress on both oil and natural gas prices as the world adjusts to the global COVID-19 pandemic. Accordingly, many energy companies in North America, and around the world, have dramatically reduced their capital budgets. As debt repayment remains Petrus' top priority, the Company also reduced its second and third quarter capital budgets to only include non-discretionary maintenance capital, with no drilling operations in either quarter.

Over the past few months, commodity prices have been steadily strengthening. Since June 30, 2020, the future commodity prices of Alberta natural gas and Canadian dollar West Texas Intermediate oil have increased by approximately 22% and 3% respectively for 2021 as noted in the table below (Source: CIBC Daily Energy Update). If the improved forecast prices are realized, Petrus' 2021 operating netback and funds flow would be expected to increase, which would potentially allow the Company to moderately increase future capital spending, while still prioritizing and expanding debt repayment.



Over the past five years, Petrus has made significant efforts to reduce debt levels, decrease both operating and general and administrative costs and balance the production base between natural gas and light oil and liquids. Since the end of 2015, the Company has reduced net debt by \$106 million or 47% to the end of June 2020, and continues to prioritize debt repayment and further balance sheet improvement. With current commodity pricing, management believes new wells drilled in Petrus' core area of Ferrier can deliver payouts in under one year. Further, management believes Petrus is one of the lowest cost producers in the Western Canadian Sedimentary Basin and it is well positioned to prosper with the recent improvement in commodity prices.

The Company continues to explore opportunities to access government support programs put in place during the COVID-19 pandemic including increased debt facilities from the EDC, wage subsidies, and well abandonment and reclamation subsidies. Petrus is committed to maintaining its financial flexibility and the Company will determine capital expenditures on a quarterly basis as the year progresses. Management anticipates that the 2020 capital plan will be funded by funds flow, and will continue to systematically reduce debt each quarter. Objectives of the 2020 capital plan are to reduce debt, and maintain production rates.

Petrus continues to be conservative in capital spending with an estimated \$0.2 million in August 2020. The Company budgeted amounts for maintenance capital only during the second quarter of 2020. Petrus' Board of Directors has approved a third quarter 2020 capital budget of \$0.7 million, which provides for non-discretionary maintenance capital similar to the second quarter.

Estimated August 2020 average production is 6,546 boe/d, comprised of 17% light oil and 33% total liquids. August production volumes were up 158 boe/d from July volumes as previously restricted volumes were restored for the full month with the continued improvement in commodity prices. The Company had been producing two new wells drilled at Ferrier in Q1/2020 at significantly restricted rates until late July.

Capital Investment (\$000s) (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.
	2017	2018	2019	Q1 2020	Q2 2020	Jul-20	Aug-20
Drill & Complete	51,283	16,510	12,871	7,511	70	15	212
Equip & Tie-in	5,670	4,177	2,001	690	-	(62)	(94)
Facility	12,948	-	1,634	105	24	-	-
Geological	227	-	-	-	-	-	-
Land & Lease	343	1,635	37	18	12	5	1
Other	2,279	1,776	1,530	331	199	98	103
Total Capital	72,750	24,098	18,073	8,655	305	56	222

Net Acquisition/(Disposition)	4,741	(448)	(651)	-	-	-	-
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Average Daily Production (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.
	2017	2018	2019	Q1 2020	Q2 2020	Jul-20	Aug-20
Gas (mcf/d)	46,625	37,101	32,032	30,604	27,630	25,970	26,272
Oil (bbl/d)	1,854	1,402	1,616	1,134	867	1,111	1,142
NGLs (bbl/d)	1,086	1,433	1,351	1,088	819	949	1,025
Total (BOE₆/d)	10,711	9,019	8,306	7,323	6,291	6,388	6,546
Light Oil Weighting (%)	17%	16%	19%	15%	14%	17%	17%
Total Liquids Weighting (%)	27%	31%	36%	30%	27%	32%	33%

Benchmark Average Prices (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.
	2017	2018	2019	Q1 2020	Q2 2020	Jul-20	Aug-20
AECO 5A (C\$/GJ)	2.04	1.42	1.67	1.93	1.89	1.89	2.05
AECO 7A (C\$/GJ)	2.30	1.45	1.54	2.03	1.81	1.79	1.89
WTI (US\$/Bbl)	50.95	64.77	57.03	46.17	27.81	40.77	42.39
Mixed Sweet Blend (C\$/Bbl)	62.28	69.13	69.03	52.20	32.17	49.38	49.72
CAD/US FX	0.77	0.77	0.75	0.74	0.74	0.74	0.76

Note 1: Tables include estimated information based on operations data; actual reported results may vary.

*Audited annual financial information.

READER ADVISORIES

This document contains forward-looking statements. More particularly, this document contains statements concerning commodity prices, expected impact of improved commodity prices on Petrus' 2021 operating netback and funds flow and ability to increase capital spending and expand debt repayment, management's belief of payout timing on wells drilled in Ferrier and positioning of Petrus to prosper. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Petrus, including with respect to forecast commodity prices, capital expenditures and operating and transportation costs. Although Petrus 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 Petrus can give no assurance that they will prove to be correct. 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 and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures). Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

The forward-looking statements contained in this document are made as of the date hereof and Petrus 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 so required by applicable securities laws.