

September 2021 Activity Update

September 2021 production averaged 5,881 boe/d compared to 6,065 boe/d in August. Volumes were comprised of 15% light oil and 31% total liquids. The decrease in production month over month is a result of limitations associated with third party processing infrastructure. A force majeure event at a Fort Saskatchewan fractionation facility led to widespread restrictions on NGL processing capacity and access to pipeline space. As a result, approximately 335 boe/d of non-operated production in Ferrier was shut-in for the last 10 days of the month. Additionally, third party gas reprocessing arrangements continued to be restricted which further impacted production by approximately 175 boe/d.

Capital of approximately \$1.2 million was spent during the month. This capital was directed toward Cardium development in Ferrier and North Ferrier. Petrus' approach to capital spending remains disciplined and flexible as we continue to evaluate capital investment in the context of broader market conditions.

On September 22nd, Petrus closed transactions that significantly reduced the company's net debt. Through these transactions the company issued \$25.8 million in equity and used the proceeds to eliminate its \$39.4 million second lien term loan and pay down \$10 million of its first lien loan. These reductions, combined with regular debt repayments, lowered total net debt by \$50.2 million, from \$110.3 million at the end of the second quarter of 2021 to \$60.1 million at September 30th, 2021; a 46% decrease. Additionally, the term of the first lien loan was extended from December 31, 2021 to May 31, 2022 and the syndicate of lenders has since reconfirmed the Company's borrowing base of \$64.8 million.

The material reduction in debt associated with these transactions has substantially strengthened the company's balance sheet and provided Petrus with the flexibility required to invest in the development of its quality assets. The company is well positioned to capitalize on recent improvements in commodity prices.

Capital Investment (\$000s) (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.	1 mo.
	2018	2019	2020	2021 Q1	2021 Q2	Jul-21	Aug-21	Sep-21
Drill & Complete	16,510	12,871	11,477	6,663	(74)	3,240	135	1,085
Equip & Tie-in	4,177	2,001	1,412	727	373	222	105	(106)
Facility	-	1,634	200	110	172	1,045	-	125
Geological	-	-	-	-	-	-	-	-
Land & Lease	1,635	37	92	145	94	10	(10)	10
Other	1,776	1,530	1,117	263	198	74	74	50
Total Capital	24,098	18,073	14,298	7,908	763	4,591	304	1,164

Net Acquisition/(Disposition)	(448)	(651)	-	-	(100)	-	1	
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Average Daily Production (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.	1 mo.
	2018	2019	2020	2021 Q1	2021 Q2	Jul-21	Aug-21	Sep-21
Gas (mcf/d)	37,101	32,032	27,640	22,985	24,291	23,217	24,170	24,420
Oil (bbl/d)	1,402	1,616	1,021	919	1,214	911	1,019	882
NGLs (bbl/d)	1,433	1,351	980	1,163	1,046	1,085	1,018	929
Total (BOE₆/d)	9,019	8,306	6,608	5,912	6,309	5,866	6,065	5,881
Light Oil Weighting (%)	16%	19%	15%	16%	19%	16%	17%	15%
Total Liquids Weighting (%)	31%	36%	30%	35%	36%	34%	34%	31%

Benchmark Average Prices (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.	1 mo.
	2018	2019	2020	2021 Q1	2021 Q2	Jul-21	Aug-21	Sep-21
AECO 5A (C\$/GJ)	1.42	1.67	2.09	2.99	2.93	3.74	2.95	3.54
AECO 7A (C\$/GJ)	1.45	1.54	2.12	2.77	2.70	3.25	3.32	3.50
WTI (US\$/Bbl)	64.77	57.03	39.41	57.84	66.07	72.43	67.71	71.54
Mixed Sweet Blend (C\$/Bbl)	69.13	69.03	45.69	68.63	76.16	85.85	80.23	86.43
CAD/US FX	0.77	0.75	0.75	0.79	0.81	0.80	0.79	0.79

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

*Audited annual financial information.