

INFORMATION MEMORANDUM

Scollard Energy Ltd.

September 2017
Receivership Process

SCOLLARD ENERGY LTD.

DESCRIPTION OF THE PROCESS

FTI Consulting Canada Inc. (“FTI Consulting” or the “Receiver”), acting in its capacity as Receiver of Scollard Energy Ltd. (“Scollard” or the “Company”), has engaged GMP FirstEnergy as financial advisor in relation to Scollard and the sale of any or all of the assets of the Company (the “Assets”). All transactions shall be subject to approval of the Court of Queen’s Bench of Alberta.

- » A Confidentiality Agreement (“CA”) is attached.
 - Parties who execute a CA will have access to the confidential information in an online data room, which will open the week of October 2, 2017.
 - ***Sproule & McDaniel (the “Evaluators”) have completed NI 51-101 compliant reserves reports with an effective date of December 31, 2016 utilizing Sproule’s January 1, 2017 forecast pricing.***
 - A Value Navigator reserves database will be available in the online data room.
- » Technical presentations with Scollard’s management team will be available starting the week of October 9, 2017 upon request, subject to management availability.
 - GMP FirstEnergy will coordinate and manage the data room and technical presentations.
 - A confidential data room presentation booklet will be made available.
- » The date for submission of proposals will be November 1, 2017; participating parties will be notified via email, or an update in the virtual data room, of any changes.
 - A detailed bidding instructions document will be made available to parties who have executed a CA.
 - GMP FirstEnergy reserves the exclusive right to alter the process, close the data rooms and/or change the date for proposals and reserves the right to decline any or all offers.
 - All assets will be purchased on an “as is, where is” basis and a draft Asset Purchase Agreement will be available in the VDR
- » The purchaser is responsible for its own due diligence. The Receiver, the Company and GMP FirstEnergy make no representation or warranty as to the accuracy or completeness of this document or the information contained herein.

To minimize the disruption to Scollard, inquiries related to this strategic alternatives process should be directed to the appropriate GMP FirstEnergy personnel at:

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October 2017							November 2017							December 2017						
Sun	Mon	Tues	Wed	Thur	Fri	Sat	Sun	Mon	Tues	Wed	Thur	Fri	Sat	Sun	Mon	Tues	Wed	Thur	Fri	Sat
1	2	3	4	5	6	7	5	6	7	1	2	3	4	3	4	5	6	7	8	9
8	9	10	11	12	13	14	12	13	14	15	16	17	18	10	11	12	13	14	15	16
15	16	17	18	19	20	21	19	20	21	22	23	24	25	17	18	19	20	21	22	23
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29	30	31																		

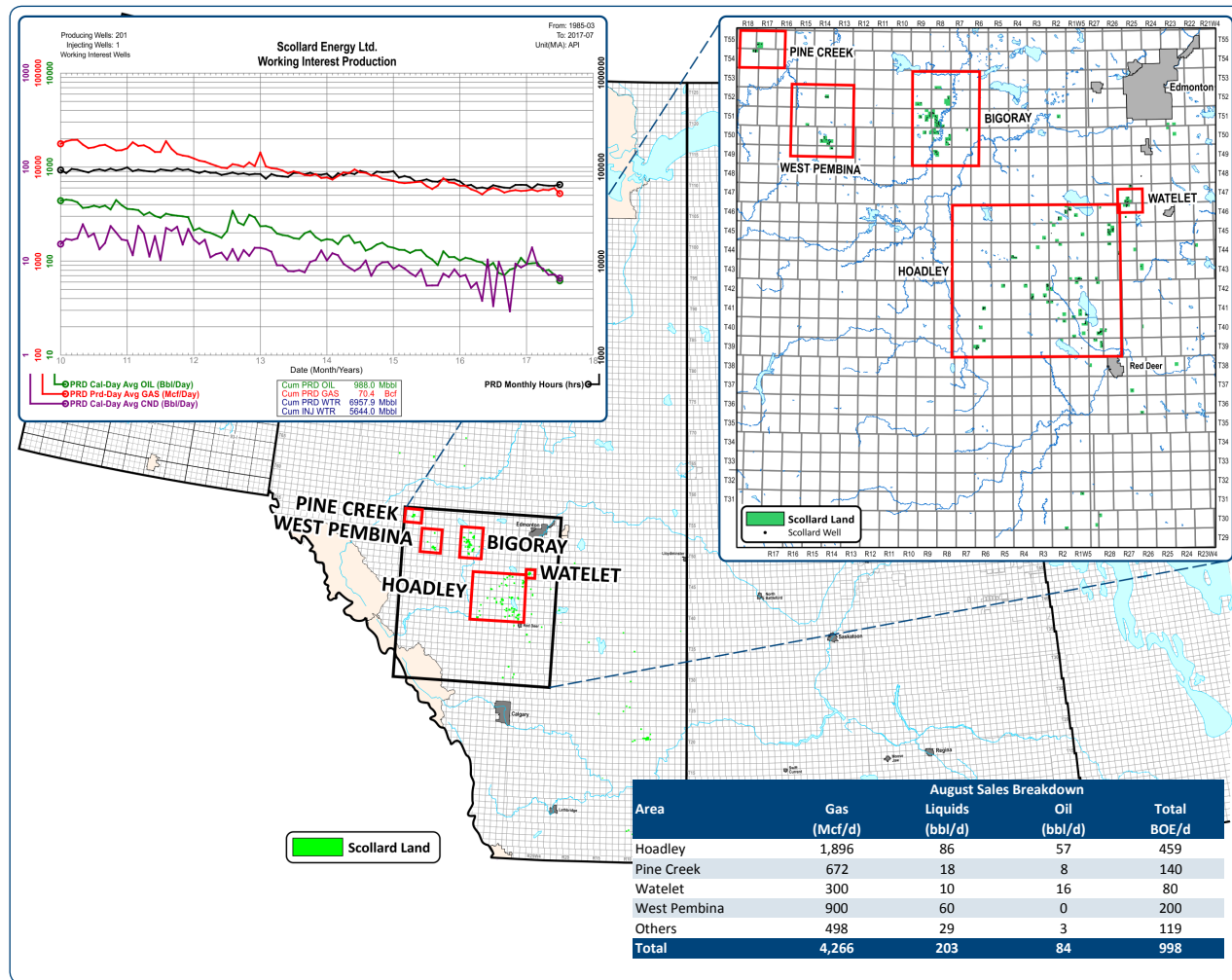
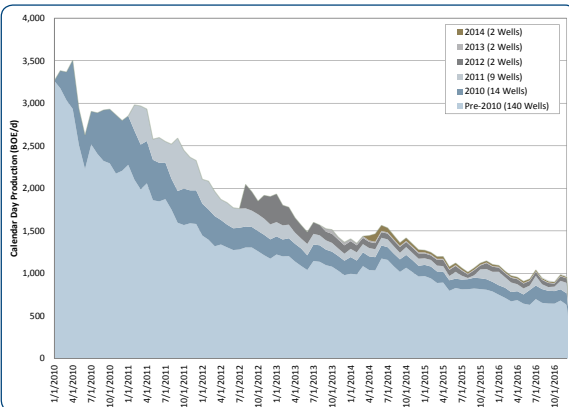
- Week of October 2 - Confidential Data Rooms Open
- Week of October 9 - Management Presentations Begin, Upon Request
- November 1 - Bids Due

SCOLLARD ENERGY LTD.

ASSET OVERVIEW

- » Scollard is a central Alberta, W5 focused, producer with a large economic inventory of Glauconitic, Spirit River, Cardium and Ellerslie drilling opportunities across four core areas.
- » August 2017 field estimated production of 998 BOE/d (84 bbl/d of oil, 203 bbl/d of NGLs and 4.3 MMcf/d of natural gas; 72% gas).
- » Limited activity over the last 4 years with 2 wells drilled since 2014, has resulted in an established low decline, liquids rich gas and oil production base as well as under utilized existing infrastructure for future growth.
 - Notable recent offsetting activity in core areas has helped to unlock additional upside both in inventory and type curve performance.
- » Total Proved reserves of 6.9 MMBOE (69% gas) and P+P reserves of 12.1 MMBOE (69% gas).
 - 37 (28.3 net) booked locations; additional 98 (73.2 net) unbooked locations at Hoadley and West Pembina.
- » LMR of 1.30 as of September 5, 2017.

HISTORICAL W.I. PRODUCTION BY VINTAGE



Scollard Energy Ltd. - Production & Reserves Summary												
Total Offering	Production			YTD 2017	Reserves Volumes						Reserves Values	
	August 2017				NOI (M\$)	Total Proved			Proved plus Probable			Pre-tax NPV@10%
	Liquids (bbl/d)	Gas (Mcf/d)	Total (BOE/d)	Liquids (Mbbbl)		Gas (MMcf)	Total (MBOE)	Liquids (Mbbbl)	Gas (MMcf)	Total (MBOE)	TP (M\$)	P+P (M\$)
Scollard Energy Ltd.	287	4,265	998	1,100	2,175	28,513	6,927	3,707	50,315	12,093	42,460	77,029

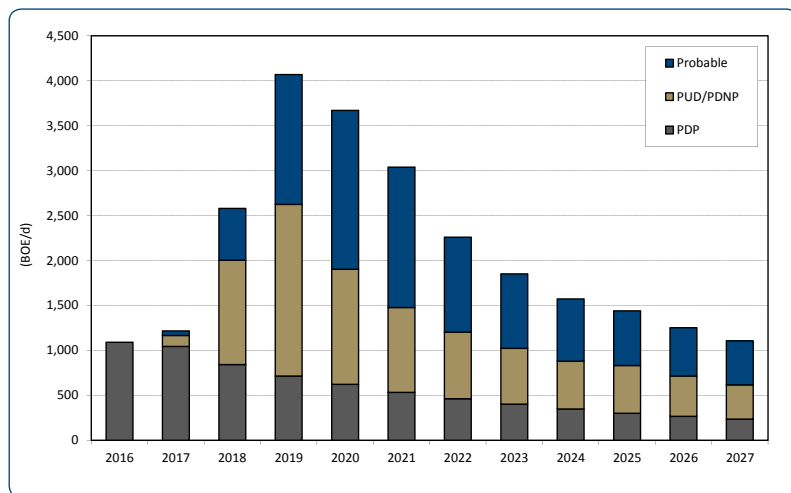
Reserves as at December 31, 2016 as per Sproule Associates Ltd. & McDaniel & Associates Ltd. using Sproule January 2017 forecast pricing. Production is from August 2017 field estimates. NPV's shown are before tax.

SCOLLARD ENERGY LTD.

RESERVES, PRODUCTION AND FINANCIAL FORECAST

- » Sproule and McDaniel have completed NI-51-101 compliant reserve reports effective December 31, 2016, utilizing Sproule January 2017 forecast pricing.
 - Sproule evaluated Scollard's reserves prior to the acquisition of Successor; McDaniel evaluated Successor's reserves using Sproule's January 2017 forecast pricing.
 - Total Proved reserves account for 57% of Proved Plus Probable reserves (12.1 MMBOE); P+P pre-tax NPV10 value of \$77 million.
- » Forecast production to reach more than 4,000 BOE/d by 2019 with development funded from forecasted cash flow.

SCOLLARD PRODUCTION FORECAST BY RESERVES CATEGORY



Reserves Category	Company Interest Reserves					Pre-tax NPV discounted @		
	Oil	NGL	Gas	Total	Gas Split	5%	10%	15%
	(Mbbbl)	(Mbbbl)	(MMcf)	(MBOE)		(M\$)	(M\$)	(M\$)
Proved Producing	184	570	11,029	2,592	71%	25,472	21,240	18,253
Proved Non-Producing	13	53	1,218	269	75%	1,726	1,283	974
Proved Undeveloped	171	1,184	16,267	4,066	67%	31,723	19,937	12,832
Total Proved	368	1,807	28,513	6,927	69%	58,921	42,460	32,060
Probable	411	1,121	21,802	5,166	70%	50,954	34,570	24,752
Proved plus Probable	779	2,928	50,315	12,093	69%	109,875	77,029	56,812

Reserves as at December 31, 2016 as per Sproule Associates Ltd. & McDaniel & Associates Ltd.
Reserves using Sproule January 2017 forecast pricing. NPV's shown are before tax.

Scollard Energy Ltd. - Financial Summary

		Actual 2016	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021	Forecast 2022
Production Rates								
Oil	(bbl/d)	105	170	224	255	266	216	143
NGL	(bbl/d)	228	247	613	980	881	733	551
Gas	(Mcf/d)	4,536	4,844	10,484	17,024	15,153	12,563	9,405
Total	(BOE/d)	1,090	1,224	2,585	4,073	3,673	3,042	2,261
Operating Income								
Revenue								
Oil Revenue	(M\$)	1,774	3,258	5,083	6,189	6,807	5,597	3,715
NGL Revenue	(M\$)	1,855	3,009	9,307	15,263	13,939	11,933	9,279
Gas Revenue	(M\$)	3,910	6,514	13,923	22,053	23,901	20,156	15,543
Other Revenue	(M\$)	75	462	332	299	114	69	64
Total Revenue	(M\$)	7,613	13,242	28,645	43,805	44,761	37,754	28,601
Expenses								
Royalties & Min. Tax	(M\$)	462	1,398	1,991	2,314	2,495	2,479	2,123
Op. and Trans. Costs	(M\$)	6,601	4,716	8,637	13,009	12,583	11,197	9,317
Other Costs	(M\$)	0	0	0	0	0	0	175
Total Expenses	(M\$)	7,063	6,114	10,627	15,324	15,078	13,676	11,615
Net Operating Income	(M\$)	550	7,128	18,017	28,481	29,683	24,079	16,987
Capital Expenses	(M\$)	290	-	-	-	-	-	-
Capital Requirements	(M\$)	-	7,383	17,866	22,722	13,541	-	-
Calculated Values								
Realized Oil Price	(\$/bbl)	46.03	52.63	62.21	66.48	69.81	71.02	71.31
Realized NGL Price	(\$/bbl)	22.19	33.32	41.57	42.66	43.22	44.63	46.12
Realized Gas Price	(\$/Mcf)	2.36	3.68	3.64	3.55	4.31	4.40	4.53
Realized Price	(\$/BOE)	19.09	29.63	30.36	29.47	33.30	34.00	34.65
Royalty Rate		6%	11%	7%	5%	6%	7%	7%
Op. and Trans. Costs	(\$/BOE)	16.55	10.55	9.15	8.75	9.36	10.08	11.50
Netback	(\$/BOE)	1.38	15.95	19.10	19.16	22.08	21.68	20.58

Notes:

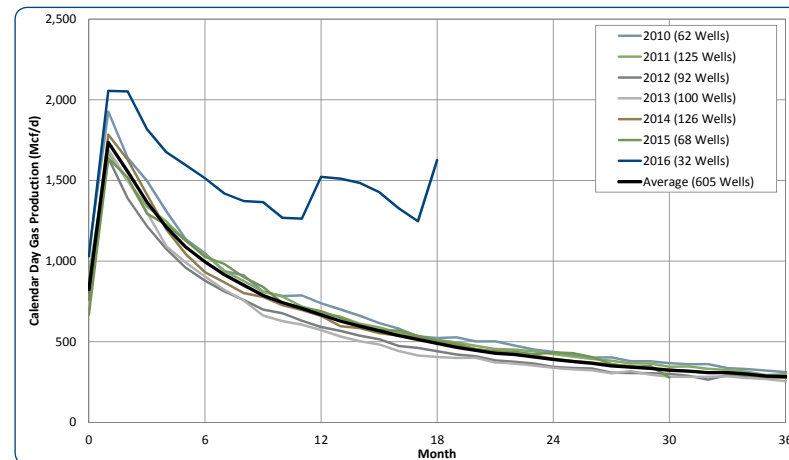
Reserves as at December 31, 2016 as per Sproule Associates Ltd. & McDaniel & Associates Ltd. using Sproule January 2017 forecast pricing.
Actuals are from Lease Operating Statements to December 31, 2016.
Forecasts are based on Sproule Proved plus Probable Category.
Numbers may not match summaries or add due to rounding.

SCOLLARD ENERGY LTD.

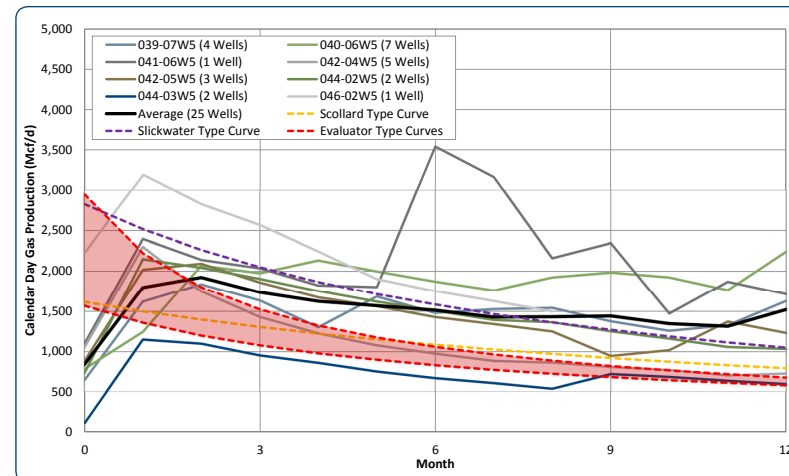
HOADLEY OVERVIEW

- » Scollard holds 26 (16 net) sections of Glauconitic rights at Hoadley, directly offsetting established production and new drilling activity across the Glauconitic barrier bar trend.
- » Well performance has been very consistent year-over-year from 2010 through 2015.
 - 2016 results have seen a significant step change in well performance across the Hoadley trend with a transition to hybrid slickwater fracturing (from foam fracs); 2016 production rates have exceeded previous years with average flat to inclining first year production.
- » 18 (13.6 net) booked Glauconitic locations at Hoadley with a conservative type curve in context of the recent 2016 slickwater results; 50 (29.3 net) unbooked locations.
 - Economics have improved materially with slickwater fracs and subsequent performance.
- » Scollard owns 2 major facilities with the majority of gas processed at Keyera Rimbey.

OFFSET HOADLEY GLAUCONITIC HZ TYPE WELL BY VINTAGE

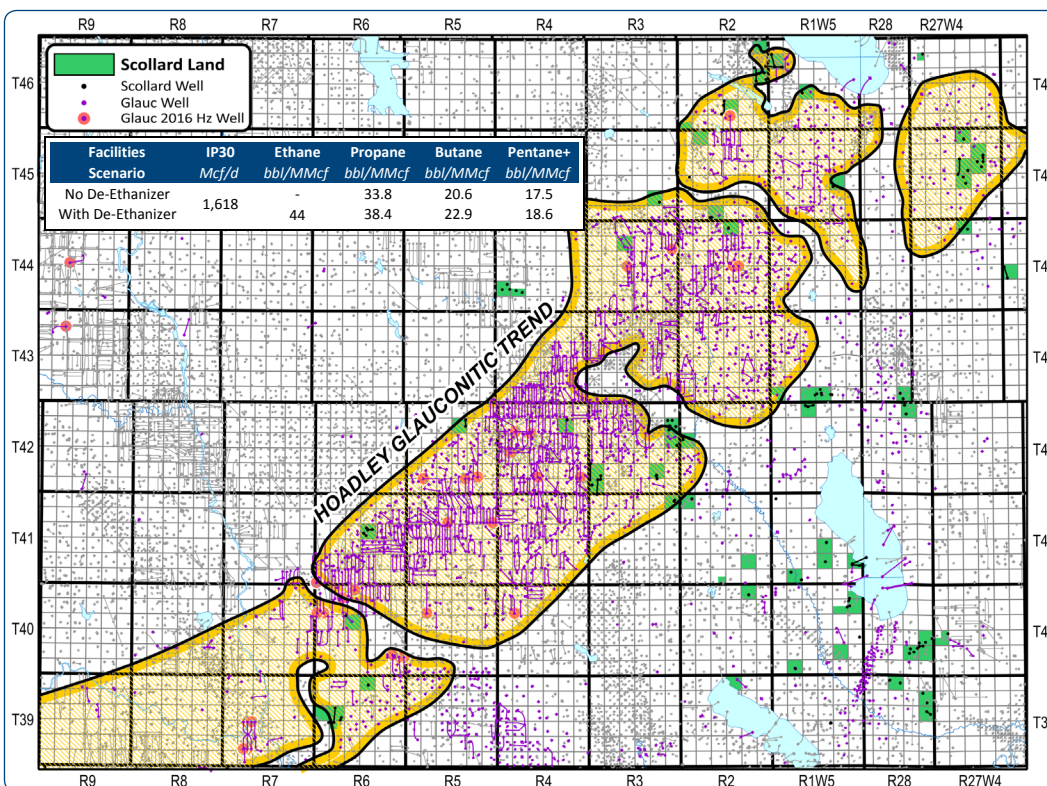


2016 OFFSET HOADLEY GLAUCONITIC HZ TYPE WELL BY AREA



Formation	Completion/Facilities	IP30 BOE/d	EUR MBOE	CAPEX MMS	ROR %	Payout Years	BTNPV10 MS
Glauconitic	No De-Ethanizer	270	255	2.3	28%	2.8	967
Glauconitic	With De-Ethanizer	293	293	2.3	30%	2.7	1,066
Glauconitic	Hybrid Slickwater No De-Ethanizer	471	310	2.3	58%	1.5	1,767
Glauconitic	Hybrid Slickwater With De-Ethanizer	356	356	2.3	63%	1.4	1,888

Economics based on Sproule January 2017 Price Deck



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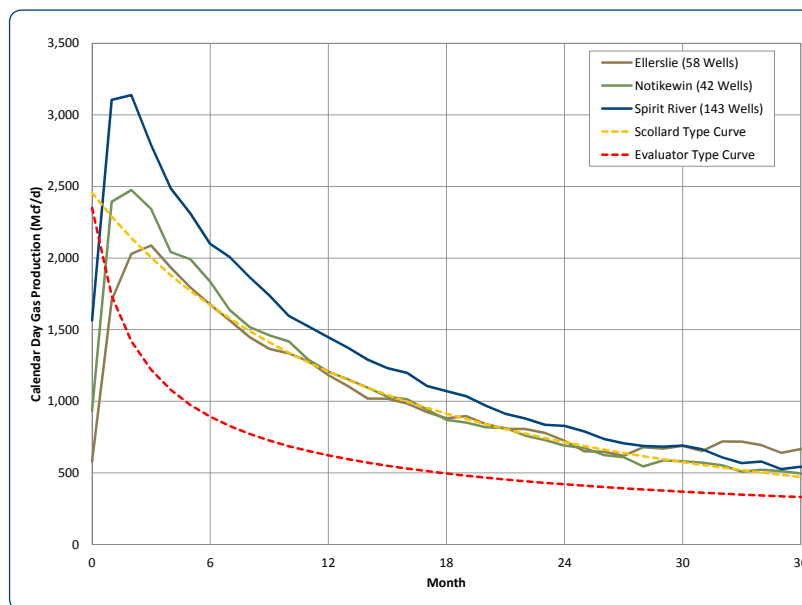
WEST PEMBINA OVERVIEW

- » Competitor activity directly adjacent to Scollard's land at West Pembina have focused predominantly on the Spirit River, Ellerslie, Rock Creek, Cardium and Viking.
- » Spirit River development in West Pembina has remained active since 2010, with over 140 Spirit River wells drilled and placed on production. Scollard has developed an internal type curve based on these offsetting wells.
 - With an estimated capital cost of \$2.5 MM, Notikewin wells are highly economic with >100% ROR and one year payout (Sproule January 2017 price forecast).
- » Sproule has booked 6 Proved Undeveloped Notikewin locations; an additional 6 Probable Viking re-completions have been booked at West Pembina (100% W.I.).
 - Notable unbooked upside identified in multiple horizons which trend across the acreage.
- » Scollard owns and operates a gathering system and compressor station at 14-3-50-14W5 connected to several Keyera gas plants (current processing at Keyera Pembina North).

WEST PEMBINA UNBOOKED LOCATIONS BY FORMATION

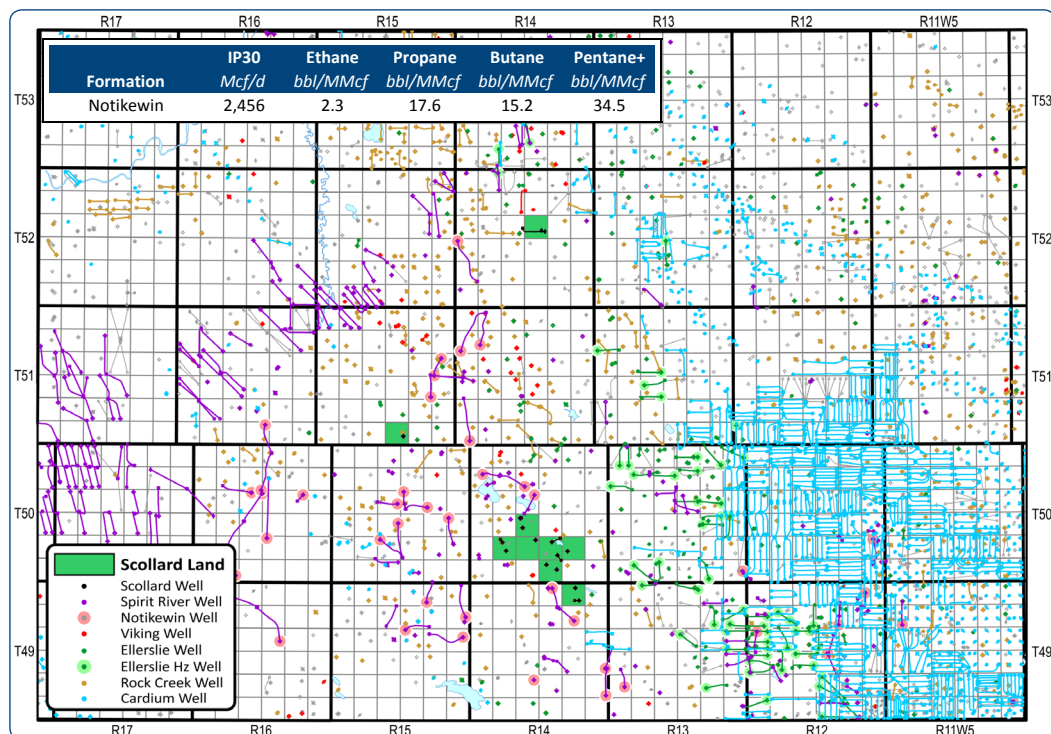
Formation	Booked Locations	Unbooked Gross	Unbooked Net	Recoverable (Net MBOE)
Cardium Hz	-	20	18.4	1,653.8
Ellerslie Hz	-	10	9.3	3,854.2
Falher Hz	-	2	2.0	833.3
Notikewin Hz	6.0	4	3.5	3,958.3
Rock Creek Hz	-	2	2.0	733.3
Viking Hz	-	5	4.3	1,770.8
Commingle Vt	-	5	4.5	1,200.0
TOTAL	6.0	48	43.9	14,003.8

OFFSET HORIZONTAL TYPE WELLS BY FORMATION (2010+)



Scollard Forecast	IP30 BOE/d	EUR MBOE	CAPEX MM\$	ROR %	Payout Years	BTNPV10 M\$
Notikewin	409	411	2.5	129%	1.0	3,915

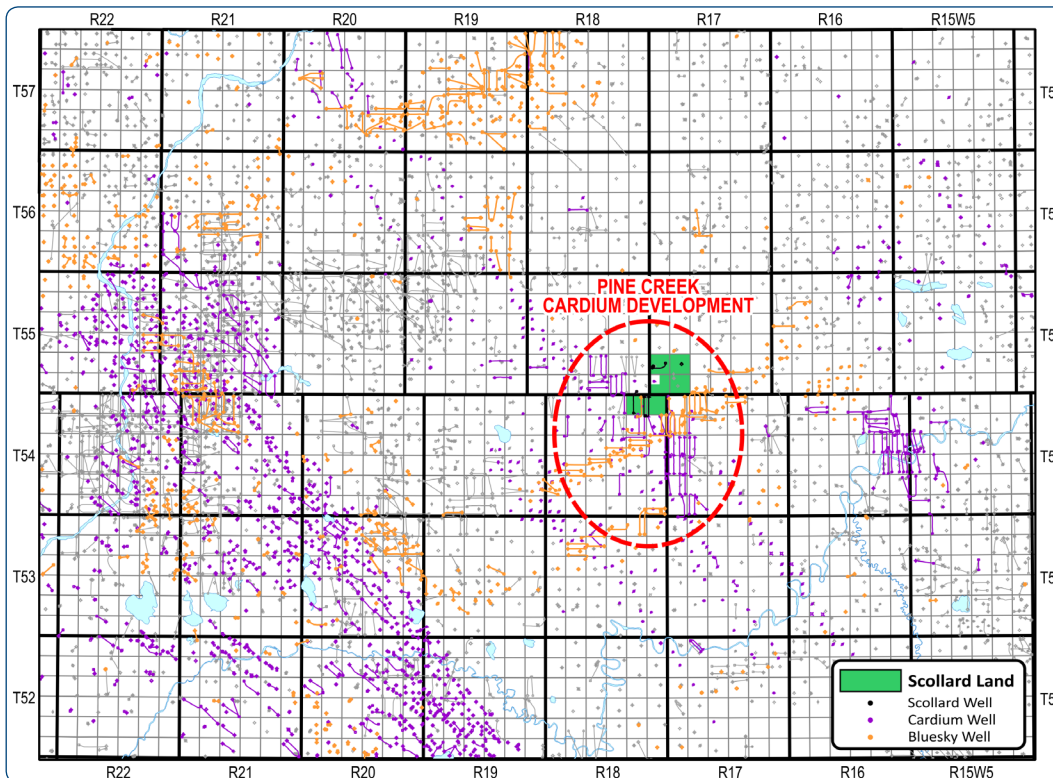
Economics based on Sproule January 2017 Price Deck



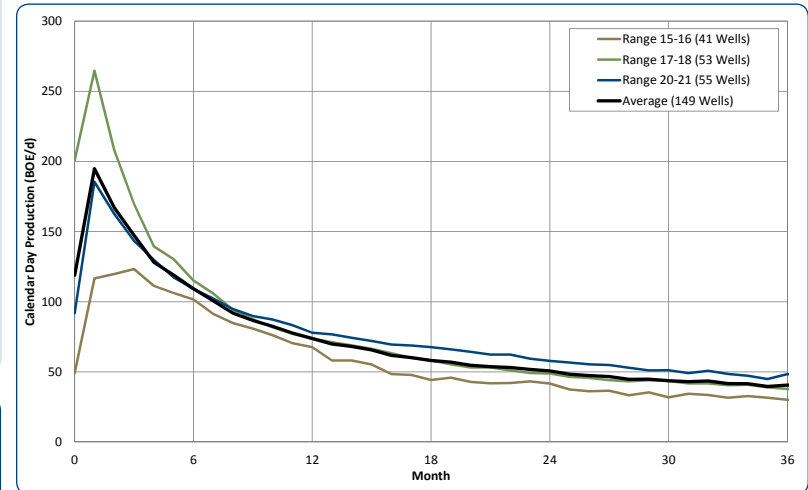
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PINE CREEK OVERVIEW

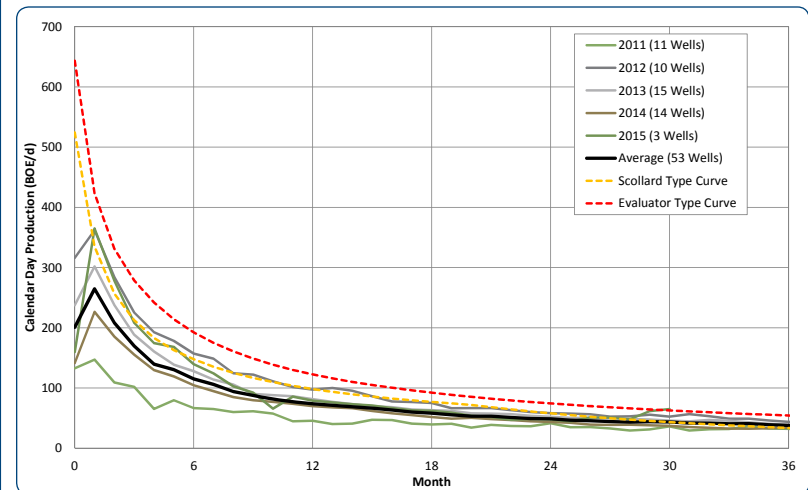
- » At Pine Creek, Scollard is focused on the development of the Cardium, with horizontal production reaching an average IP30 rate of 264 BOE/d (36% liquids) directly offsetting the Company's land position; operated and non-operated (Long Run and Pine Cliff).
 - Results have varied year-over-year, with 2012, 2013 and 2015 results outperforming the average type curve; with improved drilling and completion techniques, Scollard believes it is able to achieve results similar to wells drilled in 2012.
- » Adjacent Cardium pools to the east and west average a lower IP30 rate (<200 BOE/d; 26% raw liquids), but follow a similar decline rate after 6 months of production.
 - Scollard has developed an internal Cardium type curve based on directly offsetting results.
- » McDaniel has booked 6 (2.8 net) Probable Cardium locations (5 Long Run operated).



CARDIUM HZ PERFORMANCE BY AREA (2010+)



RGE 17-18W5 CARDIUM HZ PERFORMANCE BY VINTAGE



Scollard Forecast	IP30 BOE/d	EUR MBOE	CAPEX MM\$	ROR %	Payout Years	BTNPV10 M\$
Cardium	524	161	2.7	26%	2.1	413

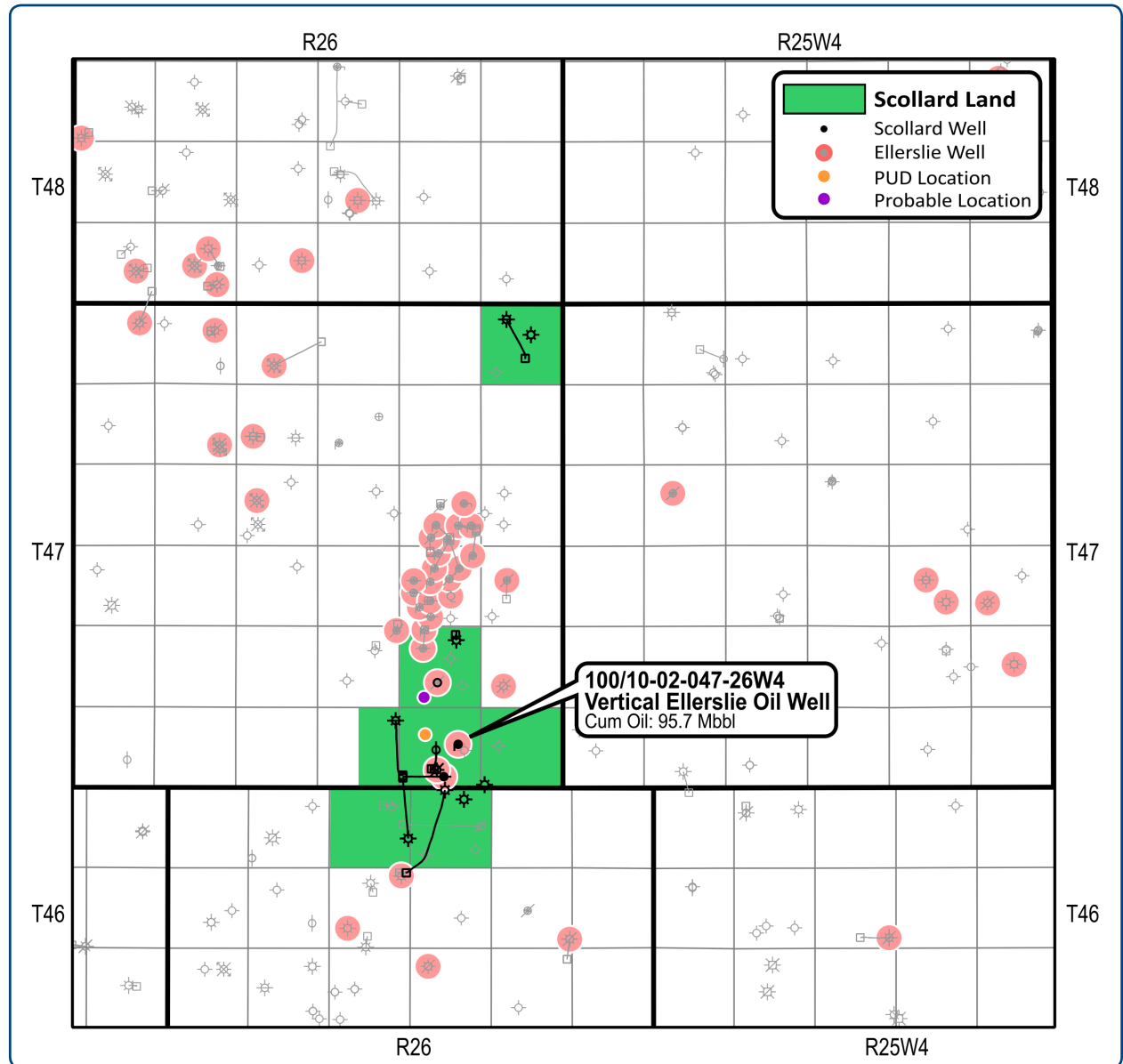
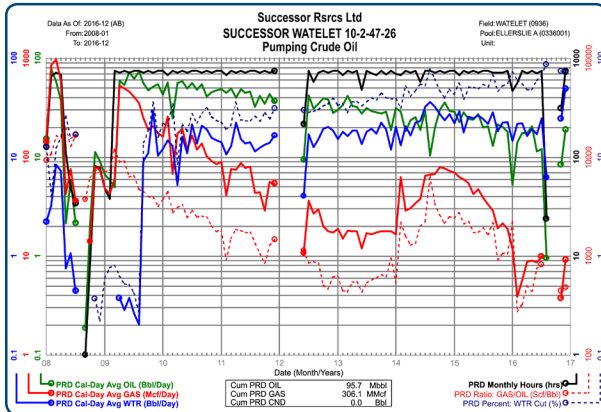
Economics based on Sproule January 2017 Price Deck

SCOLLARD ENERGY LTD.

WATELET OVERVIEW

- » Watelet has seen limited activity in recent years, however legacy Ellerslie producers in the area continue to produce at low decline rates, maintaining very stable oil production rates of 10 bbl/d or greater per well.
- A vertical Ellerslie well drilled in Q4 2007 (100/10-02-047-26W4/00) has produced over 99 Mbbbl of oil to date, exhibiting flat production and is currently producing ~20 bbl/d and has a 6 meter unperforated gas cap.
- » 2 (2 net) booked locations (1 PUD, 1 Probable); have been recognized by McDaniel with a total capital requirement of \$2 MM.
- » In addition to the Ellerslie vertical wells, Scollard also has 4 operated producing Mannville gas wells with an average working interest of 84.7%.
- » August 2017 field estimated production of 80 BOE/d (20 bbl/d of oil, 10 bbl/d of NGLs and 0.3 MMcf/d of natural gas; 65% gas).

100/10-02-047-26W4/00 ELLERSLIE PRODUCER



SCOLLARD ENERGY LTD.

FORECAST PRICING ASSUMPTIONS

SPOULE FORECAST PRICE ASSUMPTIONS - January 2017											
YEAR	COST INFLATION (%)	EDMONTON LIGHT (\$/BBL)	SK CROMER LIGHT (\$/BBL)	25° API @ HARDISTY (\$/BBL)	WCS (\$/BBL)	CONDENSATE/P ENTANES+ (\$/BBL)	BUTANE (\$/BBL)	PROPANE (\$/BBL)	ETHANE (\$/BBL)	AECO (\$/MCF)	CREC (\$/MCF)
2017	2.00%	65.58	64.58	53.77	53.12	67.95	47.60	22.74	9.52	3.44	4.39
2018	2.00%	74.51	73.51	62.59	61.85	75.61	55.49	28.04	9.06	3.27	4.17
2019	2.00%	78.24	77.24	65.72	64.94	78.82	57.65	30.64	8.92	3.22	4.02
2020	2.00%	80.64	79.64	67.74	66.93	80.47	58.80	32.27	10.82	3.91	4.61
2021	2.00%	82.25	81.25	69.09	68.27	82.15	59.98	33.95	11.08	4.00	4.70
2022	2.00%	83.90	82.90	70.47	69.64	83.86	61.18	35.68	11.35	4.10	4.80
2023	2.00%	85.58	84.58	71.88	71.03	85.61	62.40	37.46	11.62	4.19	4.89
2024	2.00%	87.29	86.29	73.32	72.45	87.39	63.65	39.30	11.90	4.29	4.99
2025	2.00%	89.03	88.03	74.79	73.90	89.21	64.92	41.19	12.18	4.40	5.10
2026	2.00%	90.81	89.81	76.28	75.38	91.07	66.22	43.13	12.47	4.50	5.20
2027	2.00%	92.63	91.63	77.81	76.88	92.96	67.54	45.14	12.76	4.61	5.31
2028	2.00%	94.48	93.46	79.37	78.42	94.82	68.89	46.04	13.02	4.70	5.41
2029	2.00%	96.37	95.33	80.95	79.99	96.72	70.27	46.96	13.28	4.79	5.52
2030	2.00%	98.30	97.24	82.57	81.59	98.65	71.68	47.90	13.54	4.89	5.63
2031	2.00%	100.27	99.18	84.22	83.22	100.62	73.11	48.86	13.81	4.99	5.74
2032	2.00%	102.27	101.17	85.91	84.88	102.64	74.57	49.84	14.09	5.08	5.86
2033	2.00%	104.32	103.19	87.63	86.58	104.69	76.06	50.84	14.37	5.19	5.97
2034	2.00%	106.4	105.25	89.38	88.31	106.78	77.59	51.85	14.66	5.29	6.09

DISCLAIMER

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This document may include certain statements, estimates, forecasts and projections provided by the Company and with respect to the anticipated future performance of the assets. Such statements, estimates, forecasts and projections reflect various assumptions made by the Company and/or GMP FirstEnergy concerning anticipated results, which may or may not prove to be correct. No representations or warranties are made as to the accuracy of such statements, estimates, forecasts or projections.

Unless otherwise noted:

- » All dollar values contained herein are in C\$ (M is thousands, MM is millions).
- » All oil and gas equivalent volumes are converted at 6 Mcf/bbl.