



OVERVIEW

INFORMATION

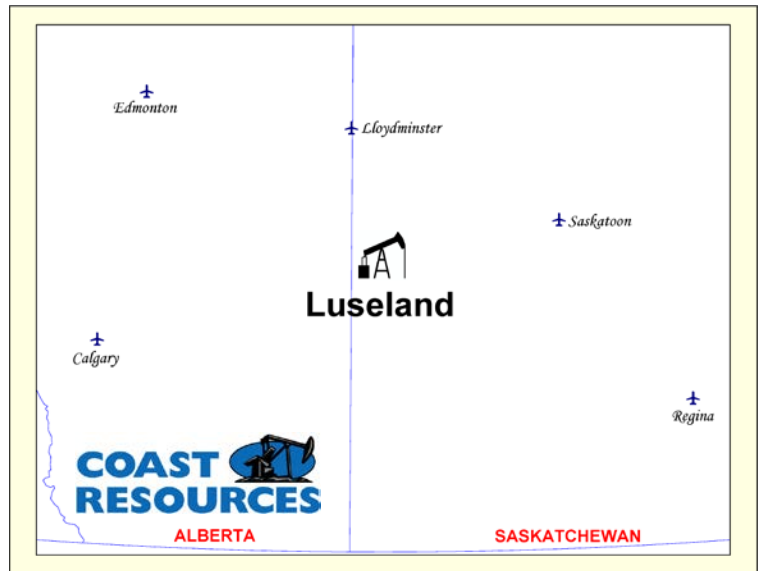
Property Divestiture
Luseland, SW Saskatchewan
210 boe/d Production



Coast Resources Ltd. and related parties (collectively “Coast” or the “Company”) have engaged Sayer Energy Advisors to assist with the sale of a heavy oil property in the *Luseland*, Saskatchewan area.

Recent production net to the Company from its seven producing Bakken oil wells at *Luseland* has averaged approximately 160 barrels of oil per day, along with 300 Mcf/d of solution gas sales, for total net sales of 210 boe/d.

The Company has identified potential to drill up to nine additional Bakken oil wells on its land at *Luseland*. The estimated cost to drill, complete and equip the wells is approximately \$750,000 per well. Only three of the wells have been assigned reserves in the Company’s independent reserve report.



Coast’s wells at *Luseland* all produce to single well batteries. Power is provided by associated natural gas production, with surplus natural gas sold to *Nexen Marketing Limited*. The Company’s oil is sold to *Shell Trading Canada* under a 30-day evergreen contract and trucked to the rail terminal at Unity. Water is trucked to *Northern Blizzard Resources Inc.*’s facilities in the area.

PROCESS & TIMELINE

Sayer Energy Advisors is accepting cash offers to acquire the Property until **12:00 pm on Thursday, March 20, 2014**.

Timeline	
Week of February 17, 2014	Preliminary Information Distributed
Week of February 24, 2014	Data Room Opens
March 20, 2014	Bid Deadline
March 1, 2014	Effective Date
May 2014	Closing Date

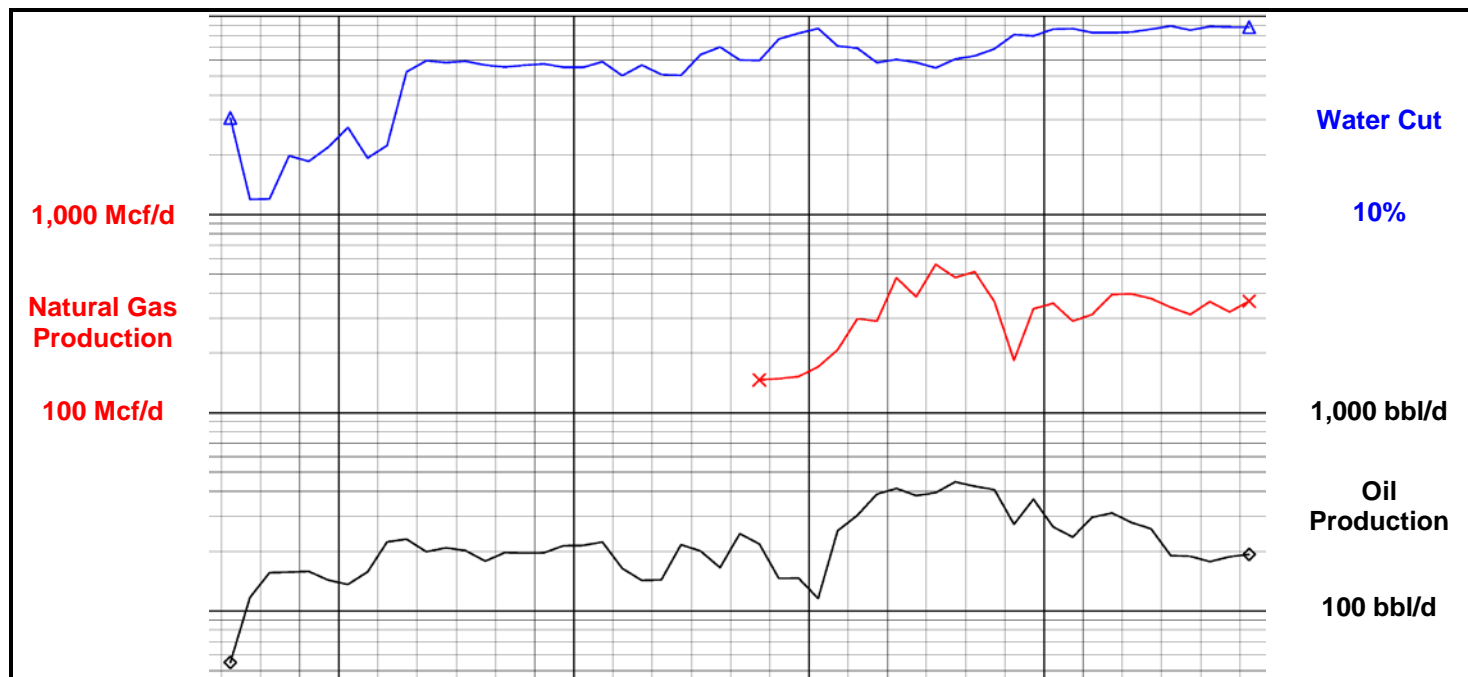
Sayer Energy Advisors does not conduct a “second-round” bidding process; the intention is to attempt to close the sale of the Property with the party submitting the most acceptable proposal at the conclusion of the process.

Sayer Energy Advisors is accepting cash offers from interested parties until noon on Thursday, March 20, 2014.

PRODUCTION

Recent production net to Coast from its seven producing Bakken oil wells at *Luseland* has averaged approximately 160 barrels of oil per day, with raw natural gas production of approximately 350 Mcf/d (300 Mcf/d of sales).

Luseland, Saskatchewan
Group Plot of Coast's Bakken Oil Wells



RESERVES & VALUE

Sproule Associates Limited (“Sproule”) prepared a report on the Property for Coast specifically for this divestiture (the “Sproule Report”). The Sproule Report is effective December 31, 2013 using Sproule’s December 31, 2013 forecast pricing.

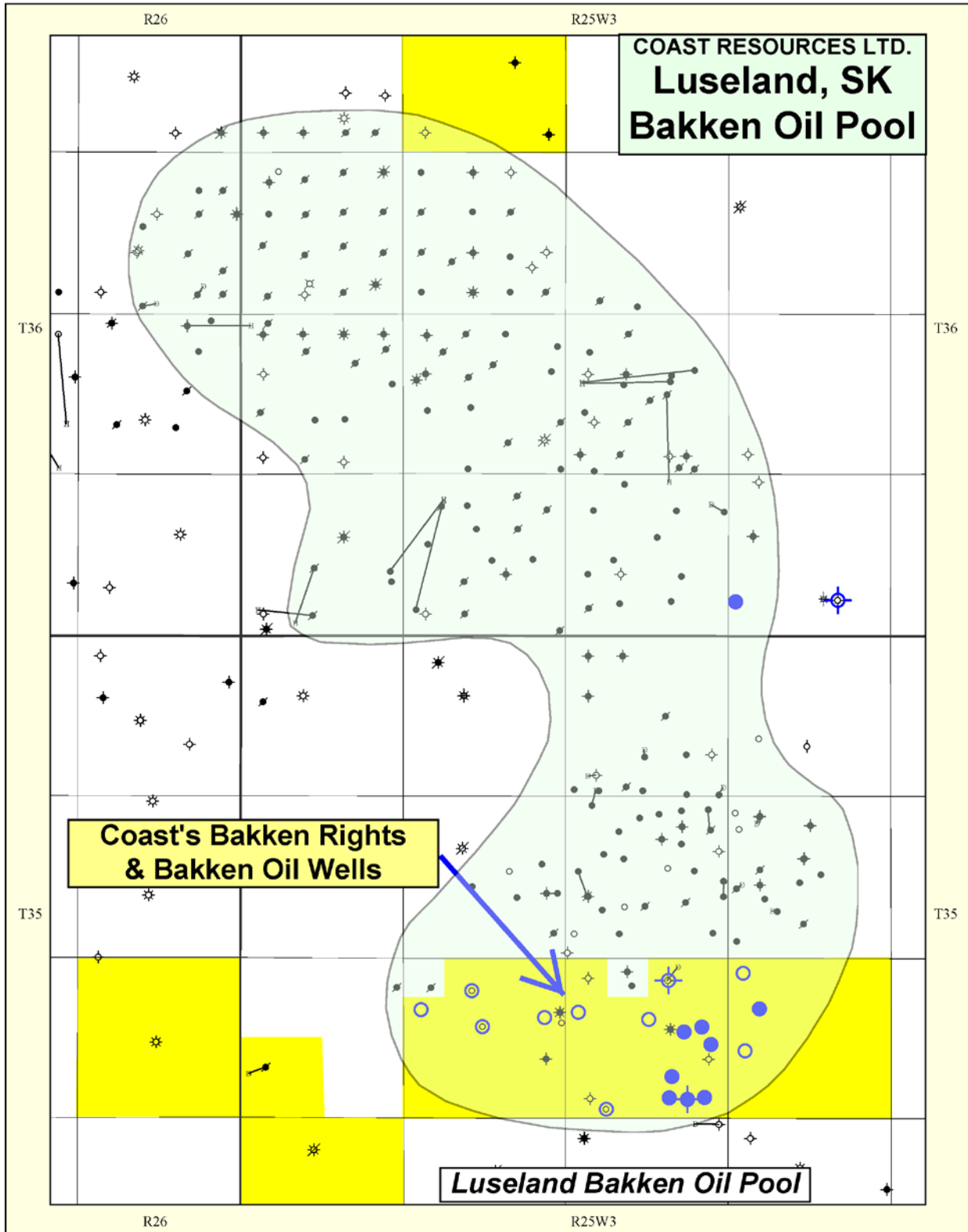
Sproule estimates that the *Luseland* property contains remaining proved plus probable reserves of 517,000 barrels of oil and 525 MMcf of natural gas (605,000 boe), with an estimated net present value of \$11.2 million using forecast pricing at a 10% discount.

RESERVES SUMMARY TOTAL OFFERING	Sproule Associates Limited as of December 31, 2013							
	COMPANY GROSS RESERVES				PRESENT VALUE BEFORE TAX			
	Oil Mbbbl	Nat. Gas MMcf	Ngl Mbbbl	Total MBOE	0%	5%	10%	15%
Proved Developed Producing	204	389	0	269	\$6,624	\$5,884	\$5,298	\$4,825
Proved Undeveloped	52	0	0	52	\$1,628	\$1,445	\$1,296	\$1,172
Total Proved	256	389	0	321	\$8,252	\$7,329	\$6,593	\$5,997
Probable	261	136	0	284	\$6,985	\$5,642	\$4,649	\$3,894
Total Proved Plus Probable	517	525	0	605	\$15,237	\$12,972	\$11,242	\$9,890

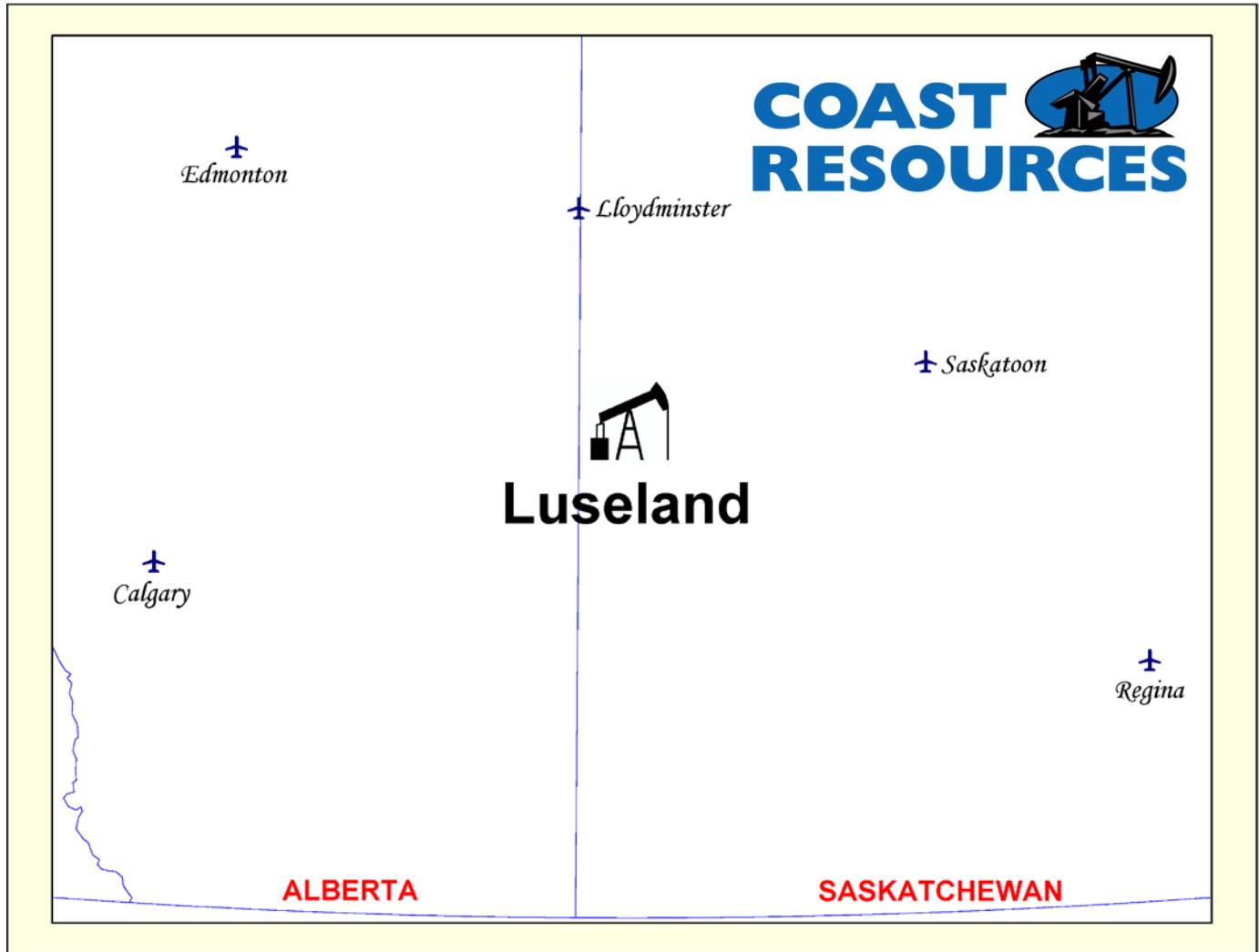
The reserve estimates and forecasts of production and revenues for the Property were prepared for this divestiture. Values in the “Total” row may not correspond to the total of the values presented due to rounding.

Bakken Formation

Coast has identified potential to drill up to nine additional Bakken oil wells on its land, as illustrated on the following plat. Only three of the wells have been assigned reserves in the Company's independent reserve report.



Coast Resources Ltd. Luseland, Saskatchewan Oil Property Divestiture Winter 2014



CONTACT

Parties wishing to receive a detailed Confidential Information Binder with additional information relating to this opportunity should execute the Confidentiality Agreement which is available on the web at www.sayeradvisors.com and return one copy to Sayer by courier, email (ryoung@sayeradvisors.com) or fax (403.266.4467).

Included in the Confidential Information Package is the following: detailed land information, the Sproule Report, most recent net operations summary and other relevant technical information.

To receive further information on the Property or to schedule a time to visit the Data Room, which is situated at Sayer's office, please contact Ryan Ferguson Young, Rob Panek, Tom Pavic, Ben Rye, Jill Switzer or Alan Tambosso at 403.266.6133.

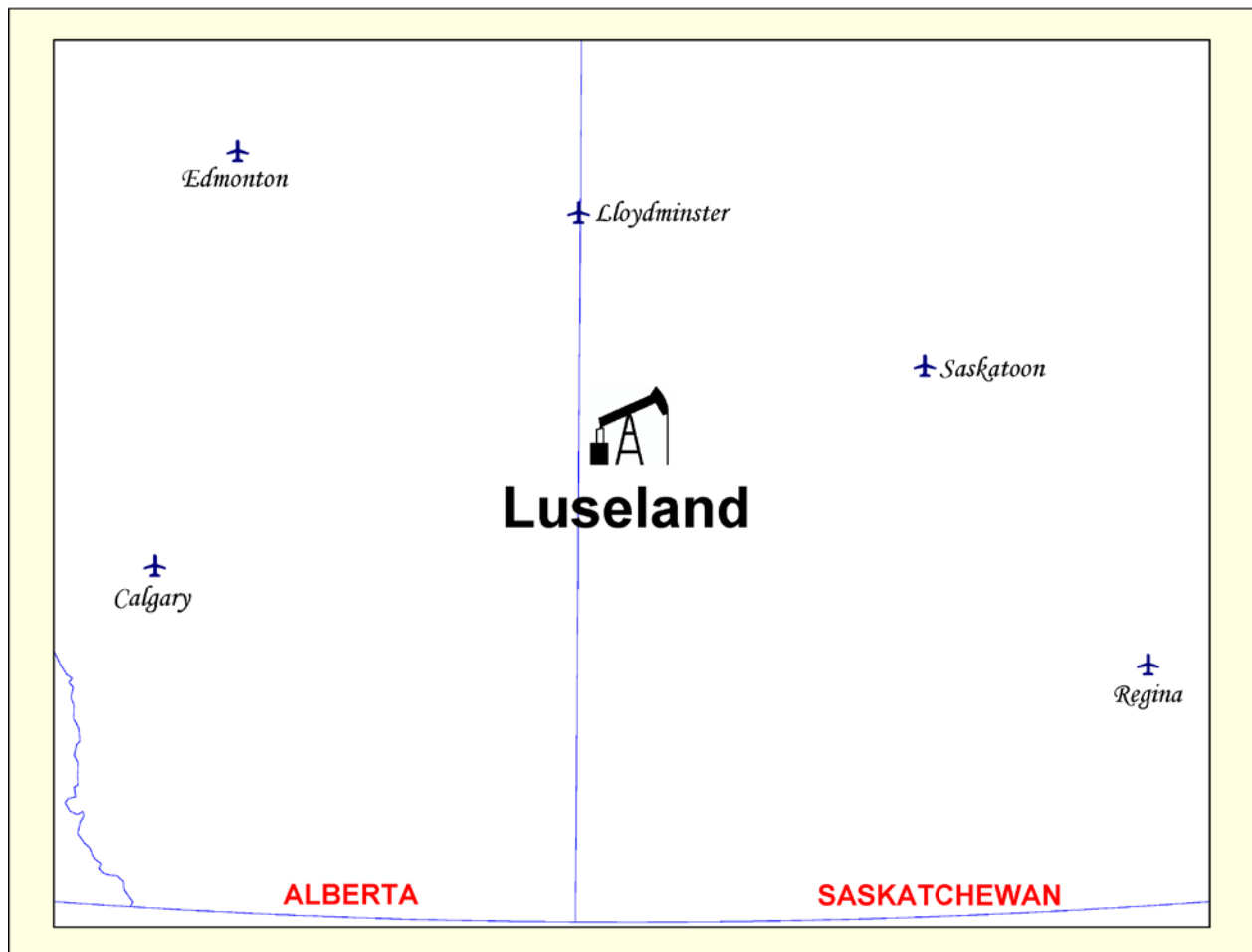
Luseland Property**Township 35-36 Range 25 W3**

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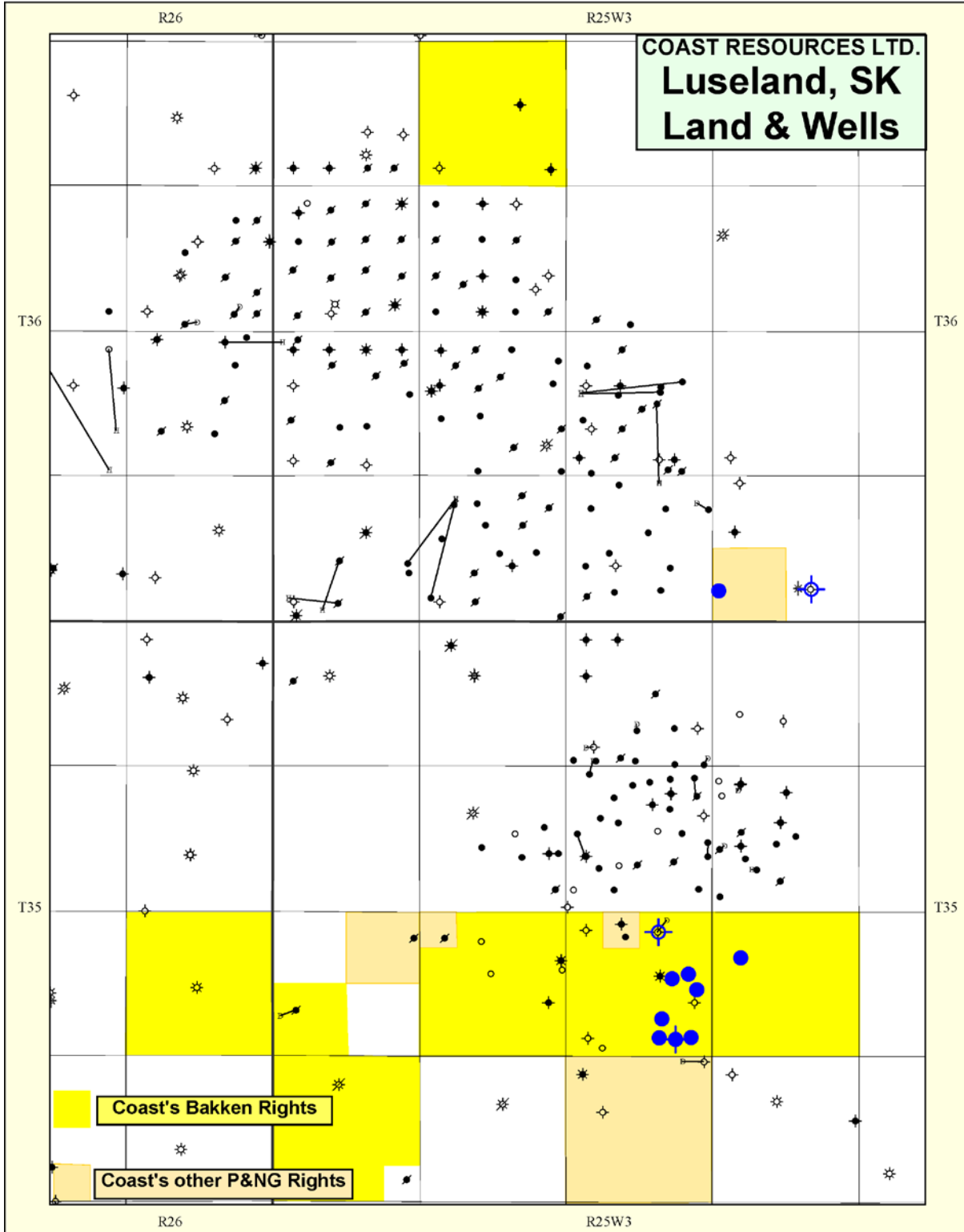
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**Luseland, Saskatchewan
Property Location Map**



Land

Coast holds a 100% working interest in seven producing Bakken oil wells, as well as various working interests in other P&NG rights at *Luseland*. The Company's lands are shown on the following map.

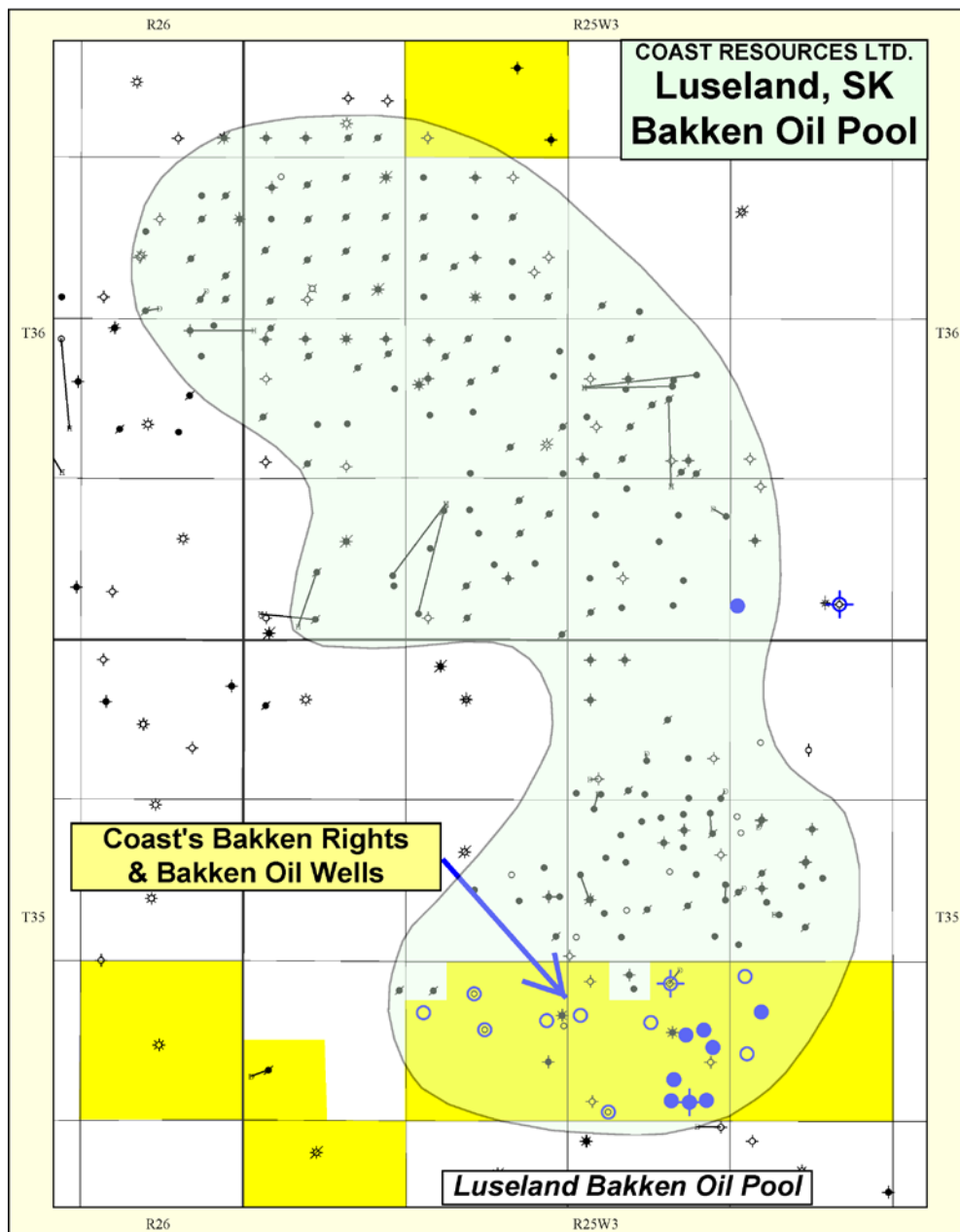


Bakken Formation

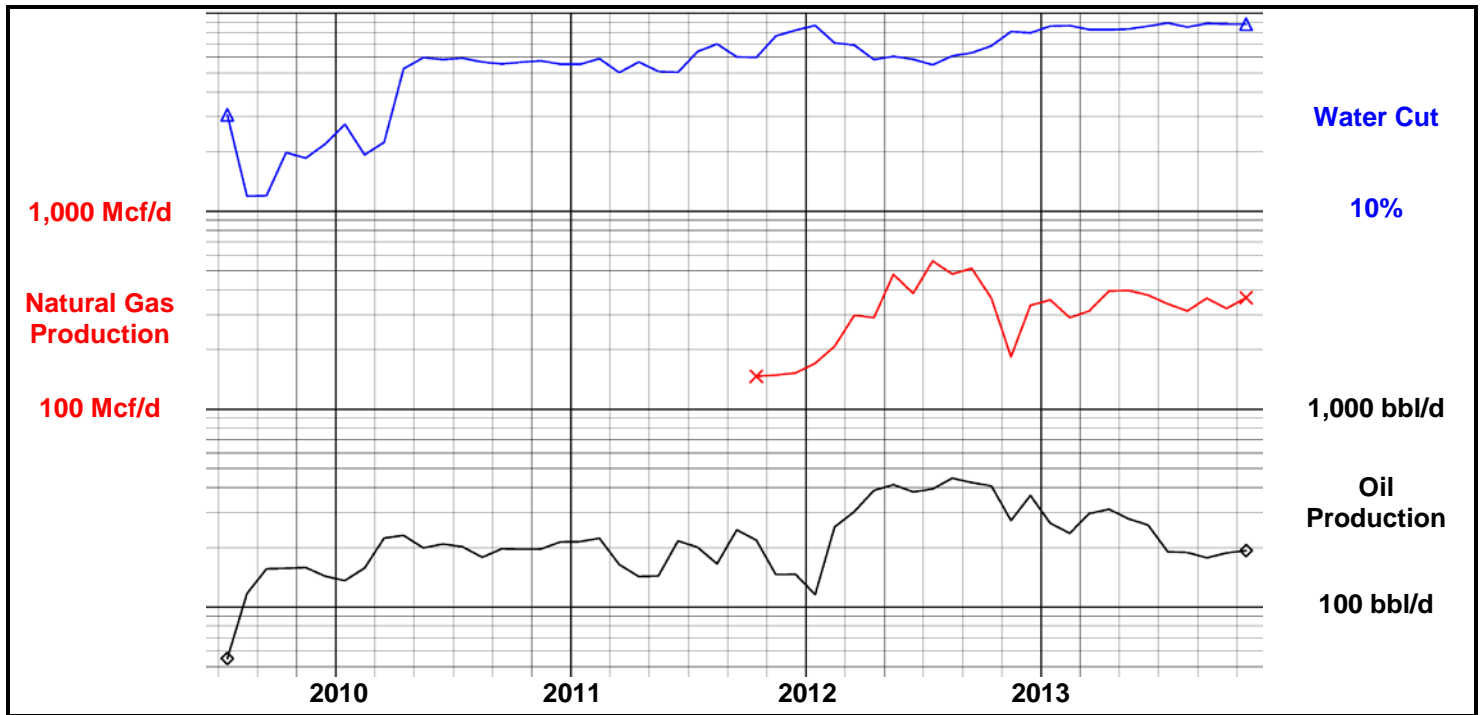
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Luseland, Saskatchewan Bakken Oil Pool



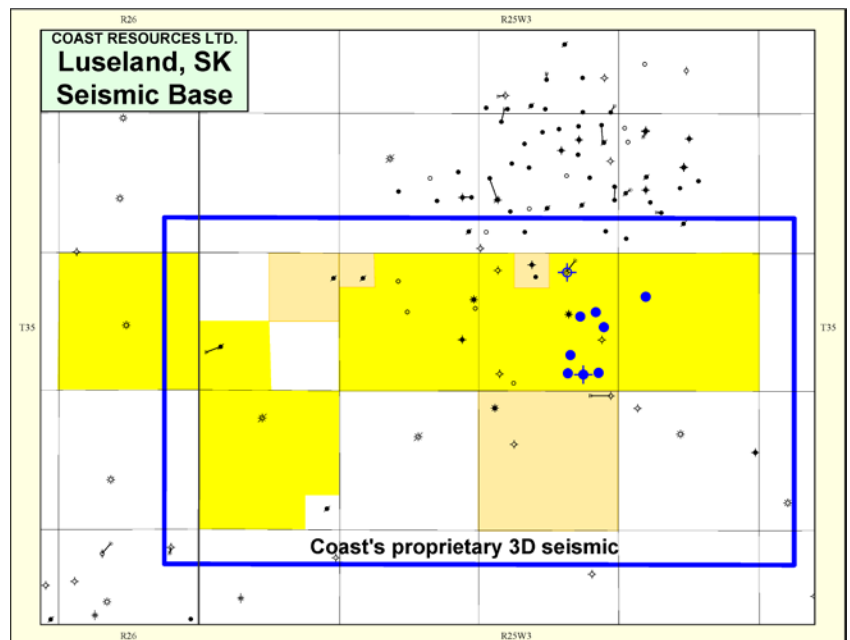
**Luseland, Saskatchewan
Group Plot of Coast's Bakken Oil Wells**



Luseland Seismic

Coast has proprietary 3D seismic over a portion of its lands at *Luseland*, as illustrated on the offsetting plat.

The Company's interpretations of the seismic are available for viewing on the workstation which is in the Data Room located in Sayer's office by parties which have executed a Confidentiality Agreement.



As a member of *The Association of Professional Engineers and Geoscientists of Alberta* ("APEGA"), Sayer Energy Advisors adheres to the "Guidelines for Ethical Use of Geophysical Data" which APEGA first published in May 2010. The complete document summarizing the APEGA guidelines can be downloaded from APEGA's website, where it can be found at <http://www.apega.ca/pdf/Guidelines/EthicalUseOfGeophysicalData.pdf>. In order to ensure that the rights of all data owners are recognized and respected, the copying of data and the opportunity to view uninterpreted licensed data are activities that are not permitted in a Sayer Data Room.

Luseland Reserves

Sproule Associates Limited (“Sproule”) prepared an independent reserves evaluation of Coast’s *Luseland* property specifically for this divestiture (the “Sproule Report”). The Sproule Report is effective December 31, 2013 using Sproule’s December 31, 2013 forecast pricing.

Sproule estimates that the *Luseland* property contains remaining proved plus probable reserves of 517,000 barrels of oil and 525 MMcf of natural gas (605,000 boe), with an estimated net present value of \$11.2 million using forecast pricing at a 10% discount.

Sproule Limited as of December 31, 2013							
	COMPANY GROSS RESERVES				PV BEFORE TAX		
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The reserve estimates and forecasts of production and revenues for the Company’s properties were prepared specifically for this divestiture. Values in the “Total” row may not correspond to the total of the values presented due to rounding.

Luseland Well List

	Location						Status	Formation	Operator	W.I.
	lsd	sec	tpw	rge	mer					
101	13	16	035	25	3	2	Gas	Mannville	Northern Blizzard	37.5%
111	05	19	035	25	3	0	Suspended Oil	Bakken	Coast	100%
101	01	21	035	25	3	2	Oil	Bakken	Coast	100%
101	02	21	035	25	3	2	Oil	Bakken	Coast	100%
111	07	21	035	25	3	0	Oil	Bakken	Coast	100%
141	08	21	035	25	3	0	Oil	Bakken	Coast	100%
121	09	21	035	25	3	0	Oil	Bakken	Coast	100%
112	10	21	035	25	3	0	Oil	Bakken	Coast	100%
141	12	22	035	25	3	0	Oil	Bakken	Coast	80%
131	04	03	036	25	3	2	Suspended Oil	Mannville	Coast	100%

RECIPIENT COMPANY LETTERHEAD

_____, 2014

**Coast Resources Ltd.
c/o Sayer Energy Advisors
1620, 540 - 5th Avenue SW
Calgary, AB T2P 0M2**

Attention: Ryan Ferguson Young

Dear Mr. Ferguson Young:

Re: **Confidentiality Agreement
Luseland, SK Property Divestiture**

_____ (“Recipient”) has expressed an interest in the purchase of certain oil and natural gas interests owned by Coast Resources Ltd. (“Coast”) in the Luseland area of Saskatchewan (the “Property”). Coast is prepared to provide the Recipient access to certain information relating to the Property, including but not limited to land schedules, financial results, marketing materials, geological and geophysical information and other documentation (“Confidential Information”). In consideration of Coast providing the Confidential Information, Recipient agrees as follows:

1. Recipient acknowledges that all Confidential Information provided to Recipient is proprietary to Coast and its joint venture partners except for Confidential Information which is set out and described in Clause 5.
2. The Confidential Information shall be kept in the strictest of confidence and shall not be used for any purpose whatsoever other than evaluating a possible transaction between Recipient and Coast. The Confidential Information shall not be disclosed to any person other than Recipient and to such of its directors, employees, agents, consultants, representatives and advisors (the “Representatives”) who have a need to know such information for the purpose of appraising the Property. Recipient shall take all steps that are necessary to ensure that its Representatives are aware of the terms and conditions of this Agreement and that such terms and conditions are binding upon any and all of its Representatives. Upon request, Recipient shall provide Coast with a list of the Representatives who have received the Confidential Information.
3. Recipient agrees that it and its Representatives shall not disclose to any person or publish or disperse in any form, any terms, conditions or other facts with respect to any possible transaction relating to the Property for which the Confidential Information was disclosed.
4. Notwithstanding the foregoing terms, Recipient shall be permitted to disclose such Confidential Information that is required to be disclosed pursuant to any law, rule or regulation. In the event that Recipient receives a request or legal directive to disclose Confidential Information, Recipient shall promptly provide written and verbal notification to Coast of such a request. Recipient shall consult with Coast on the advisability of taking steps to resist or narrow such request or directive. If disclosure is deemed advisable, Recipient shall cooperate with Coast in any attempt that Coast may make to obtain an order or other

reliable assurance that confidential treatment will be accorded by the requesting or directing party to the information required to be disclosed.

5. The restrictions set forth in Clauses 2 and 3 above shall not apply to any part of the Confidential Information which is:
 - (a) now in the public domain or becomes part of the public domain other than through an act of the Recipient or its Representatives; or
 - (b) in the lawful possession of the Recipient prior to its disclosure by Coast; or
 - (c) subject to disclosure required by law, rule or regulation provided that Coast is given notice pursuant to Clause 4 prior to such disclosure; or
 - (d) made available to the Recipient or its Representatives from a source who may reasonably be believed to legally hold such information and who is not bound to Coast under a confidentiality agreement.

6. Recipient acknowledges the competitive value of the Confidential Information. Accordingly, without limitation and in addition to any rights of Coast and its joint venture partners against the Recipient arising by any breach hereof, the Recipient shall:
 - (a) be liable to Coast for all losses, costs, damages and expenses whatsoever which they may suffer, sustain, pay or incur; and in addition,
 - (b) indemnify Coast against any and all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by Coast or which Coast may suffer, sustain, pay or incur;

resulting from disclosure by the Recipient, or its Representatives, of all or any part or parts of the Confidential Information.

7. At any time, at the request of Coast, Recipient shall immediately return or cause to be returned to Coast all of the Confidential Information which may have been released to the Recipient. Recipient shall not retain any copies or other reproductions or extracts of the Confidential Information. Furthermore, Recipient shall, if so requested by Coast, provide certification from an officer of the Recipient to Coast that the terms and conditions of this Clause have been complied with. The Recipient will return all requested Confidential Information except to the extent that computer systems are back-up or archived. The Recipient will be able to retain a copy of any analysis of Confidential Information in respect to a possible transaction with Coast for any internal management and/or board of directors recommendations or approvals.

8. Recipient understands and agrees that no contract or agreement providing for the sale of the Property shall be deemed to exist between the Recipient and Coast unless and until a definitive offer to purchase has been accepted in writing by Coast. For greater clarity the Recipient acknowledges that this Agreement does not constitute a definitive offer to purchase. Recipient hereby waives, in advance, any claims (including, without limitation,

- breach of contract) in connection with the sale of the Property unless and until a definitive offer to purchase from Recipient has been accepted in writing by Coast.
9. This Confidentiality Agreement shall remain in force for a period of one year from the date hereof, or until such time as all of the Confidential Information becomes part of the public domain through conventional processes and through no violation of this Agreement, whichever comes first.
 10. Recipient understands that in providing access to the Confidential Information, Coast makes no representation or warranty as to the accuracy or completeness of the Confidential Information. Recipient agrees that neither Coast nor anyone representing Coast shall have any liability to the Recipient or any of its Representatives as a result of the use of the information by it or its Representatives.
 11. This Agreement shall be construed and determined according to the laws of the Province of Alberta.
 12. Recipient acknowledges and agrees that Coast may be irreparably injured by a breach of this Confidentiality Agreement that could not be adequately compensated for by damages. Coast and its joint venture partners shall be entitled to equitable relief, including injunctive relief and specific performance, in the event of a breach of any of the provisions of this Confidentiality Agreement. Such remedies shall be in addition to all other remedies available at law or in equity.
 13. Recipient understands and agrees that:
 - (a) Coast shall be free to conduct the process for the sale of the Property in its sole discretion and shall determine, without limitation, the course and nature of negotiations with any prospective buyer and the acceptance of a definitive offer to purchase without prior notice to the Recipient, its Representatives or any other person or corporate entity; and
 - (b) Recipient shall not have any claims whatsoever against Coast or any of its directors, officers, stockholders, owners, affiliates, representatives, advisors or agents arising out of or relating to the sale of the Property other than as a party to a definitive offer to purchase accepted in writing by Coast and then only against Coast and in accordance with the terms of said offer to purchase.
 14. Recipient hereby acknowledges that it is aware and that it will advise its Representatives privy to the Confidential Information that applicable security laws prohibit any person who has received from an issuer material, non-public information concerning the matters which are the subject of this Agreement from purchasing or selling securities of such issuer or from communicating such information to any other person, under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.
 15. Recipient shall not initiate or arrange, directly or indirectly, or maintain contact regarding Coast's business operations, prospects or finances (except as contemplated herein and for those contacts made in the ordinary course of business unrelated to the possible transaction) with any officer, director, employee, consultant or other representative of Coast,

or with any customer, supplier, sales representative, or competitor of Coast except with the express written permission of Coast. Any such permission granted by Coast may be revoked at any time.

16. If any provision of this agreement is wholly or partially unenforceable for any reason, such unenforceability shall not affect the enforceability of the balance of this Confidentiality Agreement.
17. This Confidentiality Agreement shall be binding upon, and enure to the benefit of, the parties hereto, and their respective successors and permitted assigns.

The Recipient accepts the Confidential Information to be provided relating to the Property subject to the terms and conditions set forth in this Confidentiality Agreement.

Yours truly,

COMPANY NAME

OFFICER'S SIGNATURE

OFFICER'S PRINTED NAME & TITLE

Check here if you wish to receive information electronically only

NAME OF CONTACT PERSON TO FORWARD INFORMATION

CONTACT MAILING ADDRESS

TELEPHONE NUMBER

EMAIL ADDRESS

Option to Attach Business Card Here:

SAYER ENERGY ADVISORS
Non-Core Property Divestiture

COAST RESOURCES LTD.
Winter 2014

Accepted by Coast Resources Ltd. this ____ day of _____, 2014

David F. Wilson
President