

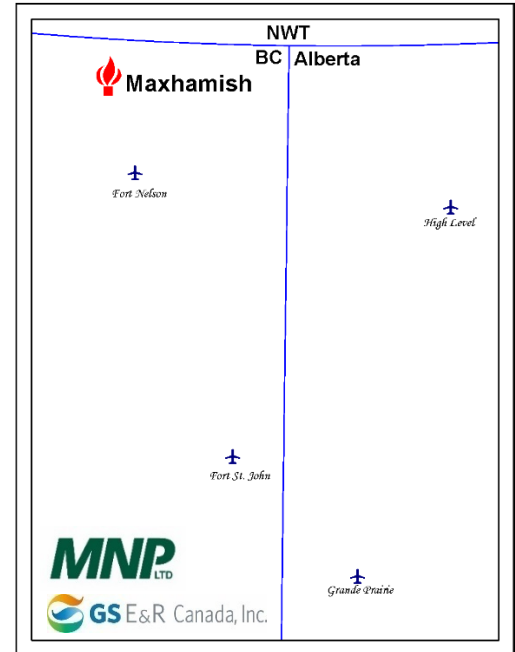
**Property Sale:
Maxhamish, Northeastern B.C.
946 boe/d (5.5 MMcf/d, 33 bbl/d)**



On March 11, 2021, **GS E&R Canada Inc.** (“GSER” or the “Company”) filed a Notice of Intention to Make a Proposal (the “NOI”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “BIA”) with the Office of the Superintendent of Bankruptcy. **MNP Ltd.** consented to act as trustee under the NOI (the “Proposal Trustee”).

GSER has filed an application for among other relief, an order approving a proposed sales and investment solicitation process (the “SISP”), which is to be managed by the Proposal Trustee with the assistance of **Sayer Energy Advisors** (“Sayer”). The Proposal Trustee has engaged Sayer to assist the Proposal Trustee with the sale of all of GSER’s oil and natural gas interests in the *Maxhamish* area of British Columbia (the “Property”). A copy of the SISP is found on Sayer’s website at www.sayeradvisors.com.

Production net to GSER from *Maxhamish* in November 2020 was approximately 946 boe/d (5.5 MMcf/d of natural gas and 33 barrels of natural gas liquids per day) from the Chinkeh Formation.



The Company’s net operating income from *Maxhamish* in November 2020 was approximately \$254,000 or \$3.0 million on an annualized basis.

As of March 12, 2021, GSER had total deemed assets of \$20.1 million, deemed liabilities of \$24.4 million (net deemed assets of (\$4.3 million)) with an LMR of 0.83. The Company’s asset value and LMR ratio include a deposit of \$3,887,258 in place with the BC Oil and Gas Commission (“BCOGC”).

PROCESS & TIMELINE

Sayer Energy Advisors is accepting offers relating to this process until **12:00 pm on Thursday May 13, 2021**.

Timeline	
Week of April 12, 2021	Preliminary Information Distributed
April 12, 2021	Data Room Opens
May 13, 2021	Bid Deadline
May 1, 2021	Effective Date
June 2021	Closing Date

Sayer Energy Advisors does not conduct a “second-round” bidding process; the intention is to attempt to conclude transactions with the parties submitting the most acceptable proposals at the conclusion of the process.

Sayer Energy Advisors is accepting offers from interested parties as outlined in the SISP until noon on Thursday May 13, 2021.





Maxhamish Property

NTS 094-O-06 – 094-O-14

In the *Maxhamish* area of northeastern British Columbia, the Company holds mainly a 100% working interest in over 114,000 gross acres of land with wells producing natural gas from the *Chinkeh "A" Pool*.

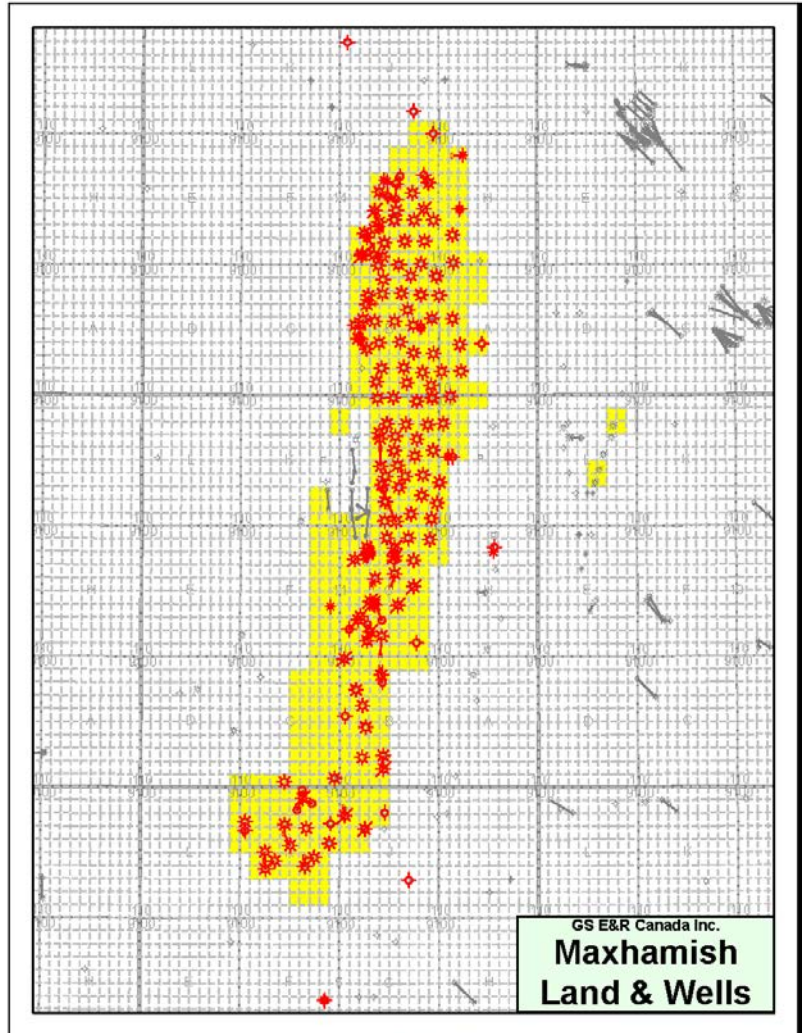
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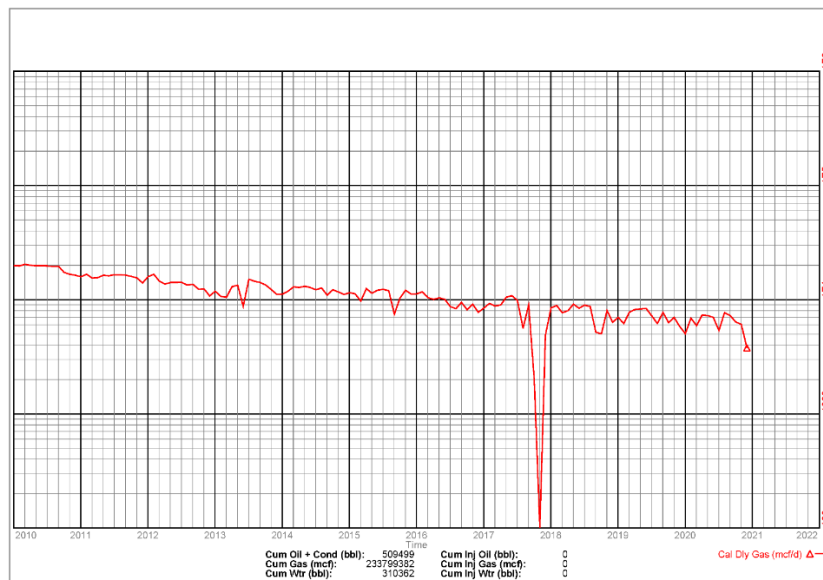
The Lower Cretaceous Chinkeh Formation is the primary target at *Maxhamish*, and is found at a depth of approximately 1,600 metres. Additional upside has been identified in the Garbutt, Scatter, Mattson and Besa River formations.

The previous operator had a review conducted on the *Chinkeh "A" Pool* as well as a CBM Report done in June 2005 utilizing core analysis.

The Company has ownership in substantial facilities and infrastructure associated with the Property. Details on the facilities are available on Sayer's website at www.sayeradvisors.com.



Maxhamish, British Columbia - Group Plot of GSER's Chinkeh Natural Gas Wells





Maxhamish Reserves

Sproule Associates Limited (“Sproule”) prepared an independent reserves evaluation of the Property as part of the Company’s year-end reporting (the “Sproule Report”). The Sproule Report is effective December 31, 2019 using Sproule’s October 31, 2019 forecast pricing.

Sproule estimated that, as of December 31, 2019, the *Maxhamish* property contained remaining proved plus probable reserves of 14.2 Bcf of natural gas and 751,000 barrels of natural gas liquids (3.1 million boe), with an estimated net present value of \$10.2 million using forecast pricing at a 10% discount. The net present value of the Property’s proved developed producing reserves was estimated to be approximately \$5.8 million using forecast pricing at a 10% discount.

In addition to the total proved plus probable reserves, Sproule assigned total possible reserves of approximately 47.1 Bcf of natural gas and 2.5 million barrels of natural gas liquids (10.4 million boe) with an estimated net present value of \$12.2 million using forecast pricing at a 10% discount.

GS E&R Canada Inc. as of December 31, 2019							
COMPANY GROSS RESERVES				PV BEFORE TAX			
	Oil	Natural Gas	Ngl	Total	5%	10%	15%
	Mbbl	MMcf	Mbbl	MBOE	(000s)		
Proved Developed Producing	0	10,994	583	2,415	\$6,397	\$5,811	\$4,888
Proved Non-Producing/Undeveloped	0	1,217	65	267	\$3,387	\$2,489	\$1,894
Total Proved	0	12,211	647	2,682	\$9,784	\$8,300	\$6,782
Probable	0	1,951	103	429	\$2,840	\$1,884	\$1,322
Total Proved Plus Probable	0	14,162	751	3,111	\$12,624	\$10,184	\$8,104

The reserve estimates and forecasts of production and revenues for the Company’s properties were prepared within the context of the Company’s year-end evaluation, which was an evaluation of all of the Company’s properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the “Total” row may not correspond to the total of the values presented due to rounding.

Maxhamish LMR as of March 12, 2021

As of March 12, 2021, GSER had total deemed assets of \$20.1 million, deemed liabilities of \$24.4 million (net deemed assets of (\$4.3 million)) with an LMR of 0.83.

The Company’s asset value and LMR ratio include a deposit of \$3,887,258 in place with the BCOGC.

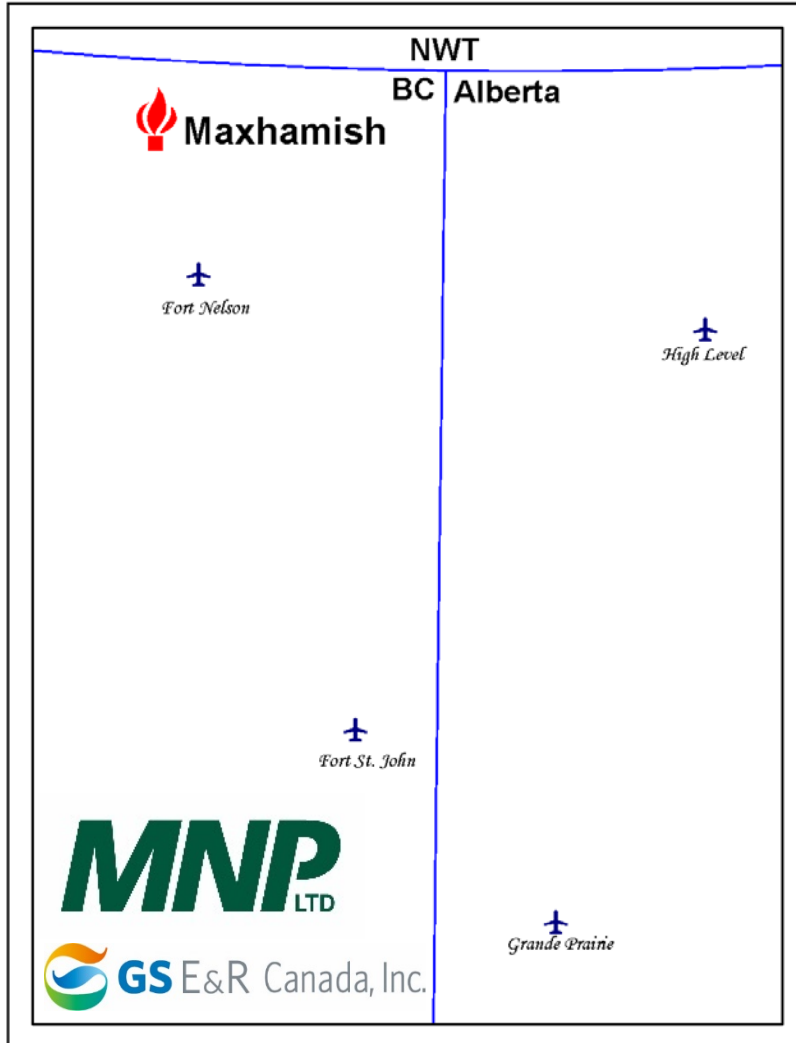
Deemed Asset Amount	Deemed Liability Amount	Net Asset Amount	LMR Ratio
\$20,128,992	\$24,442,930	(\$4,313,938)	0.83

Additional information relating to GSER’s dormant site reclamation program is available in the virtual data room for parties that sign a confidentiality agreement.





MNP Ltd. GS E&R Canada Inc. Property Sale Spring 2021



Parties wishing to receive access to the Confidential Information with detailed technical information relating to this opportunity should execute the Confidentiality Agreement which is available on Sayer Energy Advisors' website (www.sayeradvisors.com) and return one copy to Sayer Energy Advisors by courier, email (tpavic@sayeradvisors.com) or fax (403.266.4467).

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

To receive further information on the Property please contact Tom Pavic, Ben Rye or Grazina Palmer at 403.266.6133.

