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Questerre Energy Corporation v. The Attorney General of Québec, The Government of Québec, and The Minister of Energy and Natural Resources

Expert Report

Report Date: August 30, 2024

STRICTLY PRVILEGED AND CONFIDENTIAL – SUBJECT TO SOLICITOR PRIVILEGE

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August 30, 2024

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Place Iberville 3
2960 Laurier Boulevard, Suite 500
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Attention: Maîtres Marc-André Gravel and Charles-Francis Roy

Dear Sirs:

Subject: Questerre Energy Corporation v. The Attorney General of Québec, The Government of Québec, and The Minister of Energy and Natural Resources

C.S. n° 200-17-028534-188 and C.S. n° 200-17-033326-224

Deloitte LLP ("Deloitte") has been retained by Gravel Bernier Vaillancourt Avocats ("Counsel"), on behalf of Questerre Energy Corporation ("Questerre" or the "Company"), in connection with Counsel's representation of the Company in the dispute (the "Dispute") regarding Questerre v. The Attorney General of Québec, The Government of Québec (the "GoQ"), and The Minister of Energy and Natural Resources (whose duties and responsibilities with regard to energy were transferred to the Minister of Economy, Science, and Innovation on October 20, 2022).

The Dispute relates to an alleged disguised or illegal expropriation of Questerre's exploration licenses and associated property rights to hydrocarbon and storage assets in Québec, which was caused, *inter alia*, by the following actions initiated by the GoQ:

- Introduction of regulations including a prohibition of hydraulic fracturing in shale associated with the production of natural gas and the prohibition of oil and gas activities within 1,000 metres from urbanized areas and bodies of water, both of which came into effect on September 20, 2018. These prohibitions prevented Questerre from developing its natural gas assets in Québec; and
- The enactment on April 13, 2022 of Bill 21 *An Act mainly to end petroleum exploration and production, and the public financing of those activities*, S.Q. 2022, c. 10 ("Bill 21"), the provisions of which came fully into force on August 23, 2022. It is our understanding that section 1 of Bill 21 introduced the *Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine*, C.Q.L.R., c. R-1.01 (the "Act"), which puts an end to exploration for petroleum and underground reservoirs and production of petroleum and brine in Québec and resulted in the revocation and cancellation of Questerre's exploration license agreements between the GoQ and the Company at relevant times.

Deloitte was formally retained by Counsel to quantify the economic losses, if any, incurred by the Company in connection with the Dispute. We have also been engaged to assess the value of the subject exploration licenses to the GoQ, as mentioned below. We were asked to provide an expert report (the "Report" or the "Expert Report") in relation to the Dispute.

Practice Standards and Duty of the Expert

We prepared this Report in adherence to the Canadian Institute of Chartered Business Valuators' (the "CICBV") requirements for both a Comprehensive Valuation Report and an Expert Report, both of which are defined, as follows, in the CICBV's Practice Standard No. 110 and Practice Standard No. 310, respectively:

> *A Comprehensive Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on a comprehensive review and analysis of the business, its industry and all other relevant factors, adequately corroborated and generally set out in a detailed Valuation Report.*
>
> *An Expert Report is defined as any written communication other than a Valuation Report, containing a conclusion as to the quantum of financial gain/loss, or any conclusion of a financial nature in the context of litigation or a dispute, prepared by an Expert acting independently.*

The undersigned, Mr. Rob Koller, is the author of the Report and is a partner in Deloitte's Value Advisory group. He is a Chartered Professional Accountant, Chartered Accountant, and Chartered Business Valuator with over 25 years of experience in the fields of business valuation and litigation support. Mr. Koller's curriculum vitae is appended as Appendix A of this Report.

We confirm that Mr. Koller, the principal expert, and other professionals involved in the preparation of the Report acted independently and objectively in completing this engagement. Mr. Koller confirms that he is aware that, as an expert, his duty is to assist the Superior Court of Québec (the "Court") and not to be an advocate for any party. The Report has been prepared in conformity with that duty and Mr. Koller confirms that should his testimony at Court be required to support the Report, the duty extends to his testimony. Included as Appendix B is the Declaration Regarding the Carrying Out of the Mission of an Expert, under article 235 of the *Code of Civil Procedure of Québec*, signed by Mr. Koller.

Deloitte is to be paid a fee for the Report based on time spent. In addition, Deloitte is to be reimbursed for its reasonable out-of-pocket expenses. No part of Deloitte's fee is contingent upon the comments discussed in the Report, any action or event contemplated in the Report, or any outcome of the Dispute.

Purpose

We understand that you require the Expert Report in connection with the Dispute. We further understand that our Report may be entered as evidence in the Court and any other related proceedings.

Currency of Report

Unless otherwise stated, all dollar amounts expressed in this Report are in Canadian dollars ("CAD").

Scope of Review

Our scope of review is contained in Appendix C of the Report.

Restrictions, Qualifications, and Major Assumptions

This letter should be read in conjunction with the attached Report.

Our Report is solely for use in connection with the stated purpose above. It is not intended for general circulation or publication nor is it to be reproduced or used for any purpose other than that outlined above without our written permission in each specific instance. We do not assume any responsibility or liability for losses incurred by any parties as a result of the circulation, publication, reproduction, or use of the Report contrary to the provisions of this paragraph.

We reserve the right to review all calculations and comments included or referred to in our Report and, if we consider it necessary, to revise our Report in light of any information, which becomes known to us after the date of the Report.

The information contained in the Report, and upon which we have relied, is believed to be accurate. However, we have not audited or otherwise verified the information relied upon in preparing our comments.

Further restrictions and qualifications are contained in Appendix D and our major assumptions are contained in Appendix E, which are both appended to the Report.

Summary of the Expert Report

Based upon the scope of our review, which is reflected in Appendix C of the attached Report, and subject to the restrictions and qualifications, and major assumptions, as outlined in Appendix D and Appendix E of the attached Report, respectively, our opinions on the economic losses incurred by the Company under three scenarios are, as follows:

In CAD thousands (rounded)	Low	Midpoint	High
Scenario 1 - Economic loss, as at September 30, 2018	$703,720	$781,890	$860,070
Scenario 2 – Economic loss, as at August 31, 2022	$715,870	$795,710	$875,540
Scenario 3 – Economic loss, as at August 31, 2022	$3,946,500	$4,394,050	$4,841,600

We have been asked by Counsel to quantity Questerre's economic losses under the three scenarios based on the following assumptions:

- **Scenario 1** – The GoQ breached its contractual obligations under Questerre's exploration licenses and illegally expropriated the Company's property rights on **September 20, 2018**,[1] which is the date that the regulations introduced by the GoQ, including a prohibition of hydraulic fracturing in shale associated with the production of natural gas and the prohibition of oil and gas activities within 1,000 metres from urbanized areas and bodies of water, prevented the Company from further developing its natural gas assets in Québec;
- **Scenario 2** – The GoQ breached its contractual obligations under Questerre's exploration licenses and illegally expropriated the Company's property rights on **August 23, 2022**, which is the date that Bill 21 came fully into force, which put an end to exploration for petroleum and underground reservoirs and production of petroleum and brine in Québec and resulted in the revocation and cancellation of Questerre's exploration license agreements between the GoQ and the Company at relevant times; and
- **Scenario 3** – The GoQ breached its contractual obligations under Questerre's exploration licenses and illegally expropriated the Company's property rights on **August 23, 2022**, the date that Bill 21 came fully into force. This scenario assumes that Questerre would have continued to develop its natural gas assets in Québec after September 20, 2018, up until August 23, 2022. This assumed further development of the natural gas assets during this period of time would have enhanced the value of these assets, as at August 23, 2022.

The above-noted amounts do not include any consideration for potential economic losses incurred by Questerre associated with the GoQ's revocation of the Company's rights to explore for underground storage reservoirs for carbon sequestration on the lands covered by its exploration licenses nor the hydrocarbon potential of any other prospective formations other than the Utica Shale associated with the Company's licenses.

Scenario 1 and **Scenario 2** assume that, but for the regulations that came into effect in September 2018 and the revocation of Questerre's oil and gas exploration licenses in August 2022, the Company could have sold its exploration licenses and associated property rights on or about September 30, 2018 or August 31, 2022, respectively, without further developing its natural gas assets. However, as at each of those dates, Questerre was only able to undertake minimal development activity to enhance the value of its Québec assets due to the GoQ's actions. Based on discussions with management of Questerre and the information we reviewed in developing this Report, we understand that the Company had no intention to sell its exploration licenses and associated property rights at those dates. Rather, it is our understanding that Questerre would have undertaken development of the lands associated with its exploration licenses by drilling wells and continuing development over the life of the natural gas reserves and resources, which would have allowed the Company to increase and realize additional value from these assets. **Scenario 3** assumes that Questerre would have continued to develop its natural gas assets in Québec after September 20, 2018, up until August 23, 2022.

[1] Our valuation dates are at the month ends following the economic loss dates.

As of August 23, 2022, due to the revocation of the Company's exploration licenses and the associated natural gas discovery made by Questerre on these licenses, the GoQ essentially acquired this discovery. Therefore, the GoQ holds an option to exploit and sell the natural gas, as well as to explore for underground storage reservoirs for carbon sequestration, on the lands associated with Questerre's exploration licenses. Although, as at the date of this Report, there is a ban on oil and gas development in Québec, this ban could be lifted at any time by the GoQ, which would allow the GoQ to develop natural gas resources for its own benefit.

Consequently, the GoQ obtained the value of the subject exploration licenses and corresponding potential, as at August 23, 2022, which is equal to the economic loss value set forth above under Scenario 2. Further, the economic loss determined under Scenario 2 is also from the perspective of the value of the subject underlying natural gas assets to the GoQ. This is for the Court to decide.

It is our professional opinion that the economic loss determined under Scenario 3 reflected above is the most relevant because the alleged wrongful actions of the GoQ prevented Questerre from realizing additional value from its Québec exploration licenses and property rights to exploit and develop the natural gas resources discovered for production and sale to the market. Stated differently, Questerre incurred a loss due to its inability to develop the lands associated with its exploration licenses because of the GoQ's actions. As evaluated by GLJ Ltd. ("GLJ"), the recoverable resources on a best estimate basis of the Company's Québec assets were approximately 19.3 trillion cubic feet[2] of natural gas, as at June 30, 2018. But for the September 2018 regulations that were put into force by the GoQ that prohibited, *inter alia*, hydraulic fracturing in shale to produce natural gas and prohibited oil and gas activities within 1,000 metres from urbanized areas and bodies of water, Questerre could have continued with the exploration, development, and production of its natural gas assets such that at the time of the August 23, 2022 revocation of the Company's exploration licenses by the GoQ, the value of these assets would have been enhanced when compared to the value of them, as at September 30, 2018 (i.e., the economic loss under Scenario 1), or as at August 31, 2022 under the assumption that no further development occurred between September 2018 and August 2022 (i.e., the economic loss under Scenario 2). Again, this is for the Court to decide.

In the preparation of the Report, we relied on the work of GLJ, which is a global energy consulting firm. In the context of the Dispute, GLJ issued the report titled "Questerre Energy Corporation – Utica Reserves and Resources Scenario Assessments" dated August 8, 2024 (the "GLJ Report"). Scenario 1, Scenario 2, and Scenario 3 are based on Case 1, Case 2, and Case 3, respectively, as reflected in the GLJ Report.

Finally, the GoQ produced the Government's Regulatory Impact Analysis for Bill 21 in January 2022, which provides, *inter alia*, an estimate of the total value of the indemnity program:[3]

> *L'estimation de la valeur totale liée au programme d'indemnisation1 pourrait atteindre près de 85 millions de dollars, sur présentation des pièces justificatives à remettre ou, plus précisément, près de 74 millions de dollars, déduction faite de toutes aides fiscales reçues antérieurement, puisque celles-ci seront remboursées par les personnes visées aux fins de l'impôt et après réception de l'indemnité.*
>
> *[Office translation]*
>
> *The estimated total value of the compensation program could be as high as or close to $85 million, upon presentation of the supporting documents to be or, more precisely, close to $74 million, net of any tax assistance previously received, since this will be reimbursed by the persons concerned for tax purposes and after receipt of the indemnity.*
>
> *It should be noted that, in the context of the present regulatory impact analysis, this compensation program covers otherwise represented by the accepted term "loss of earnings."*

[2] The GLJ Report – Appendix II.

[3] Analyse d'impact réglementaire - Projet de loi visant principalement à mettre fin à la recherche et à la production d'hydrocarbures ainsi qu'au financement public de ces activités (quebec.ca), p.4.

The estimated value of the compensation program does not correlate with the value of Questerre's assets and does not indemnify the Company's economic losses incurred.

The accompanying Report, including schedules and appendices, provides the basis of our findings and the methodologies leading to our conclusions.

Yours truly,

Deloitte LLP

Rob Koller, CA, CPA, CBV
Strategy, Risk, & Transactions
Deloitte LLP

Enclosures (Report, schedules, and appendices)

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Schedules and Exhibits

To facilitate referencing, the first number in the schedule name refers to the scenario number and the second number refers to the schedule number. For example, "Schedule 1 – 1" refers to Schedule 1 of Scenario 1.

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Schedule 1 – 4.3	Weighted Average Cost of Capital – Possible Reserves
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Schedule 1 – 5	Reserve Adjustment Factors – Fair Market Value by Reserve and Resource Category
Schedule 1 – 6.1	Guideline Public Company Multiples
Schedule 1 – 6.2	Guideline Public Company Descriptions
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Exhibit 1 – 1	2018 SPEE Report – Reserve Adjustment Factors
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Scenario 2

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Schedule 2 – 2.7	Discounted Cash Flow – Contingent Resources
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Schedule 3 – 7.3	Guideline Precedent Transaction Multiples
Exhibit 3 – 1	2022 SPEE Report – Reserve Adjustment Factors
Exhibit 3 – 2	2022 SPEE Report – Risk Adjusted Discounted Rates

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1 Engagement and Report Overview

Deloitte has been retained by Counsel, on behalf of Questerre, to provide an Expert Report in connection with Counsel's representation of the Company in the Dispute. Please refer to Appendix N – Glossary of Terms for descriptions of capitalized and defined terms, as well as full form acronyms used throughout the Report.

1.1 Overview of the Dispute

1. The Dispute relates to an alleged disguised or illegal expropriation of Questerre's rights to explore for and produce hydrocarbons on the lands associated with 22 exploration licenses representing over 3,750 square kilometers of total surface area in the St. Lawrence Lowlands in the Province of Québec, as well as the rights to explore for underground storage assets on these lands. This is the result of an alleged shifting of, and arbitrary changes to, government policy ranging from the active promotion of resource exploration to the prohibition of development projects associated with the vast energy potential discovered by the Company in the Province of Québec.[4]

2. Questerre alleges that the disguised or illegal expropriation was initiated by the GoQ through the enactment of regulations that came into effect on September 20, 2018. These regulations prohibited, *inter alia*, the following:[5]

   a. The use of fracturing techniques in shale or at a vertical depth of less than 1,000 meters from the surface of the ground, as well as in a well whose collar is located in a hydrous environment;

   b. Any exploration or production activity within 1,000 meters of an urbanization perimeter and within such a perimeter; and

   c. Any exploration or production activity within a hydrous environment and within 1,000 meters of such an environment.

3. Questerre claims that the above-referenced hydraulic fracturing[6] ban and increased minimum setback distances specifically targeted its exploration licenses assets and made it impossible to develop the hydrocarbons (i.e., natural gas resources) present on the territories in the Province of Québec covered by these exploration licenses. Questerre legally challenged the GoQ's decision to implement the subject regulations by filing a legal brief with the Court that requested a judicial review to have them set aside. The Company's motion was made on the basis that the regulations prohibiting hydraulic fracturing and mandating increased setback distances were *ultra vires*, contrary to independent scientific studies, and did not comply with the consultation requirements detailed in Québec legislation for the enactment of regulations.

4. Subsequently, the GoQ announced in the fall of 2021 that they would stop all hydrocarbon exploration and production activities in Québec, which was made official with the passing of Bill 21 on April 13, 2022. Bill 21 is titled *An Act mainly to end petroleum exploration and production and the public financing of those activities*, S.Q. 2022, c. 10. Further, it is our understanding that section 1 of Bill 21 introduced the *Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine*, C.Q.L.R., c. R-101, and that the Act puts an end to the exploration for hydrocarbons or underground reservoirs, the production of hydrocarbons, and the exploitation of brine. The GoQ ordered that Bill 21 come fully into force on August 23, 2022. According to the Amended Application, Bill 21 revoked real rights in immovable property related to oil and gas resources, including those held by the Company.

5. It is our understanding Questerre's position is that Bill 21 does not revoke its rights to explore for reservoirs for carbon sequestration. This is for the Court to decide. However, for certainty, this report does not consider the potential economic losses associated with these rights.

[4] The Amended Application dated August 7, 2023.
[5] The Amended Application dated August 7, 2023.
[6] Throughout the Report, there are numerous references to both technical and non-technical terms, which are specific and common to the oil and gas industry. To facilitate a more in-depth understanding of this industry and to provide context for these terms, please refer Appendix G – Overview of the Oil and Gas Industry.

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6. On August 7, 2023, Questerre filed the Amended Application with the Court, complementing its original and distinct application of October 2018, which was also later amended in July 2021, to set aside the regulations prohibiting hydraulic fracturing and increasing minimum setback distances, and to have sections of the Act declared invalid. In addition to its claim that the GoQ's introduction of the subject regulations in 2018 represents a disguised expropriation without compensation and with no demonstrated public utility, the Amended Application also notes the alleged violation of the Company's rights under the *Civil Code of Québec*, C.Q.L.R., c. C.C.Q.-1991, the *Charter of Human Rights and Freedoms*, C.Q.L.R., c. C.-12, and the constitution. The Amended Application further details the unclear and ambiguous nature of Bill 21, the GoQ's liability and breach of its duty to act in good faith, to honor its contractual commitments, and to consult. Overall, the Amended Application alleges that sections of the Act are unconstitutional and violates Questerre's rights as a property owner and investor.

7. The following are the key grievances and relief sought by the Company in the Amended Application:

   a. The Company seeks a declaration from the Court that sections of the Act are unconstitutional, null, invalid, and inoperative *ab initio*, and that it has never had any legal effect on Questerre's licenses.

   b. The Company seeks a declaration from the Court that sections of the Act contravene the *Charter of Human Rights and Freedoms* and are null, void, and of no force and effect pursuant to Section 52 of this Charter.

   c. The Company claims that it was induced to invest significantly in hydrocarbon projects over a decade due to the GoQ's publications, public statements, and scientific studies. However, the GoQ's course of conduct since 2010 and, more recently, the adoption of regulations effectively prohibiting development and the enactment of Bill 21 frustrated the Company's legitimate expectations, breaching the GoQ's duty of loyalty and cooperation. Questerre further claims that the GoQ also attempted to terminate its contractual relationship in bad faith and took advantage of the breach of contract to Questerre's detriment. By illegally expropriating the Company's natural gas assets without fair and prior compensation, Questerre alleges that the GoQ stripped it of real property rights. As a result, the Company claims damages for the GoQ's liability and breach of the GoQ's duty of good faith.

   d. Questerre claims that the GoQ breached its consultation obligations by enacting Bill 21 and is seeking a declaration from the Court that provisions of the Act are null, invalid, and inoperative.

   e. Questerre claims that the GoQ's actions constitute an expropriation of its rights, which renders the GoQ liable to pay just and prior compensation to the Company, and that the GoQ has failed to pay such compensation.

   f. Questerre also seeks a declaration that the expropriation suffered by it contravenes Article 952 of the *Civil Code of Québec* and the *Expropriation Act*, C.Q.L.R., c. E-24, and constitutes an illicit and intentional infringement of Questerre's rights recognized by section 6 and section 49 of the *Québec Charter of Human Rights and Freedoms*.

   g. Questerre claims that its rights and interests in the exploration licenses listed in the Amended Application have been unconstitutionally and illegally expropriated by the GoQ.

   h. The Company seeks "*damages for the loss of value of its property and assets, including, but not limited to, loss of investment, loss of use, loss of resource, and loss of profits, to be perfected upon the production of the Expert Report, with interest and additional compensation from the date of the summons"* [office translation].

   i. Questerre also seeks damages for the costs of closing the wells (i.e., wells drilled under the revoked licenses) and restoring the sites.

   j. Finally, the Company claims that the Province of Québec has been unjustly enriched at its expense in that Québec benefits from the natural gas discovery associated with the Company's exploration licenses, which will always remain the assets of Québec.

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1.2 Engagement Purpose

8. In connection with the Dispute, we have been engaged by Counsel to quantify the economic losses, if any, incurred by the Company in connection with the Dispute based on an evaluation of petroleum reserves and resources in the licensed area by GLJ. We have also been engaged to assess the value of the subject exploration licenses to the GoQ. We prepared this Report in adherence to the CICBV's requirements for both a Comprehensive Valuation Report and an Expert Report, both of which are defined, as follows, in the CICBV's Practice Standard No. 110 and Practice Standard No. 310, respectively:

> *A Comprehensive Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on a comprehensive review and analysis of the business, its industry and all other relevant factors, adequately corroborated and generally set out in a detailed Valuation Report.*
>
> *An Expert Report is defined as any written communication other than a Valuation Report, containing a conclusion as to the quantum of financial gain/loss, or any conclusion of a financial nature in the context of litigation or a dispute, prepared by an Expert acting independently.*

9. We understand that our Report may be entered as evidence in the Court and any other related proceedings.

10. None of our comments herein should be construed as opinions or conclusions regarding liability or other legal matters that are beyond our scope of expertise and subject to legal determination.

11. The terms of the engagement agreement between Counsel and Deloitte provide that Deloitte is to be paid a fee for the Report based on time spent. In addition, Deloitte is to be reimbursed for its reasonable out-of-pocket expenses. No part of Deloitte's fee is contingent upon the comments discussed in the Report, any action or event contemplated in the Report, or any outcome of the Dispute. The principal expert and other staff involved in the preparation of the Report acted independently and objectively in completing this engagement.

1.3 Report Overview

12. The Report contains the following major sections and appendices. This overview is meant to assist the reader in understanding the structure of the Report.

Table 1:

Section number / Appendix letter	Description
1. Engagement and Report Overview	Overview of the Dispute, engagement purpose, and overview of the Report.
2. Company Overview	Overview of Questerre including its history of operations in Québec and its related natural gas assets in that province. This includes a comparison of these assets in relation to Canada and Québec natural gas demand, as well as to the reserves of certain natural gas producers in the Western Canadian Sedimentary Basin. It also provides an analysis of the Company's share price movements in relation to various events.
3. Deloitte Approach and Analysis	Discussion on the causation of the economic losses incurred by Questerre, a description of Deloitte's scenarios for the quantification of the economic losses, as well as a details regarding Deloitte's quantification of these economic losses under various scenarios.

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Section number / Appendix letter	Description
4. Conclusions	Summary of the Deloitte determined economic losses incurred by the Company under various scenarios.
A. Curriculum Vitae of the Expert	Curriculum vitae of Rob Koller, CPA, CA, CBV
B. Declaration Regarding the Carrying Out of the Mission of an Expert	Expert witness declaration.
C. Scope of Review	List of the information and documents Deloitte relied upon in developing the Report.
D. Restrictions and Qualifications	List of the restrictions and qualifications pertaining to the Report.
E. Major Assumptions	List of the major assumptions relating to the Report.
F. Economic Overview	Discussion regarding the economic conditions, as at the various economic loss dates for the economic loss scenarios.
G. Overview of the Oil and Gas Industry	Discussion of the fundamentals of the industry in which Questerre operates.
H. Natural Gas Industry Overview	Discussion of natural gas pricing and conditions, as at the various economic loss dates for the economic loss scenarios.
I. Shale Gas in North America	Discussion of shale natural gas, which is the nature of Questerre's Québec natural gas assets.
J. Valuation Approaches	Overview of various valuation approaches.
K. Weighted Average Cost of Capital	Details regarding Deloitte's determination of the WACCs for various economic loss scenarios.
L. Overview of the Society of Petroleum Evaluation Engineers Survey	Overview of the SPEE Survey, which is used in the quantification of economic losses incurred by Questerre.
M. Timeline of Events	Timeline of events in relation to the Dispute.

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Section number / Appendix letter	Description
N. Glossary of Terms	Descriptions of capitalized and defined terms, as well as full form acronyms used throughout the Report.

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2 Company Overview[7]

13. Questerre is an energy technology and innovation company that specializes in the acquisition, exploration, and development of oil and gas projects. The Company primarily focuses on non-conventional projects such as tight oil, oil shale, shale oil, and shale gas. It holds assets in Alberta, Saskatchewan, Manitoba, Québec, and the Kingdom of Jordan.

14. Questerre is publicly listed on the Toronto Stock Exchange in Canada and the Oslo Stock Exchange in Norway.

15. Questerre was incorporated under the *Companies Act (Alberta)* in 1971 and was formerly known as Westpro Equipment Ltd. before changing its name to Questerre Energy Corporation in 2000.

16. Questerre initially operated as an oil and gas exploration and production company with minority interests in several producing properties in Western Canada. In November 2000, a new management team was assembled and Questerre changed its focus to pursuing what management believes will be scalable high-impact projects in Canada.

17. The Company acquired an interest in two projects in 2001 being the Beaver River Field located in northeast British Columbia and the St. Lawrence Lowlands situated in Québec. Since late 2004, the Company has also been developing a portfolio of conventional oil and gas assets, primarily in Alberta and Saskatchewan.

18. The Company's current exploration and development activities include development of liquids-rich natural gas in west central Alberta, development of its light oil assets in southeast Saskatchewan, evaluating the oil shale potential in the Kingdom of Jordan, and, prior to the alleged wrongdoings of the GoQ, assessing the Utica gas discovery in the St. Lawrence Lowlands, Québec.

2.1 Questerre's History of Operations in Québec and Related Natural Gas Assets

19. Since 2001, Questerre's activities primarily focused on the development of unconventional natural gas resources, specifically shale gas, in the St. Lawrence Lowlands region of Québec.

20. Questerre originally acquired its exploration licenses in the St. Lawrence Lowlands in 2003. It formed a joint venture with its founding shareholder, Terrenex, in 2000 to develop these licenses. The Company subsequently acquired Terrenex in 2008. Terrenex previously held the licenses since 1998. Terrenex's predecessors, Terrenex Ventures Inc. and Exploration Terrenex Inc. (collectively referred to as "Terrenex et al."), previously held licenses in Québec since 1989. In conjunction with its joint venture partners, Terrenex et al. completed exploration work including the acquisition of seismic data and the drilling and testing of three exploration wells at a cost of over $25 million.

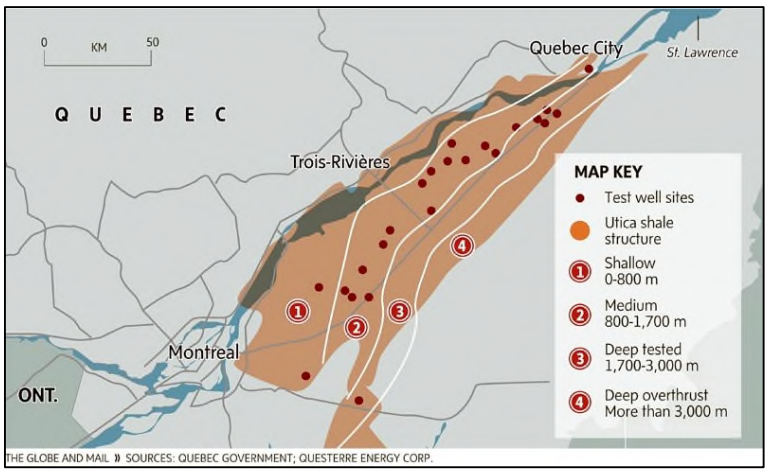
21. Questerre and its then partner, Repsol (formerly, Talisman Energy Inc.), and others, conducted a successful vertical test well program (i.e., the initial test wells) commencing in 2005 and continuing into 2008 and 2009, which revealed the presence of significant natural gas resources in the Utica Shale formation. This led to a pilot horizontal well program in 2010 to assess the commercial potential of the Utica Shale formation in Québec (i.e., the subsequent test wells, and collectively with the initial test wells, the Test Wells). However, the pilot program was suspended in the fall of 2010 due to the GoQ initiating an environmental assessment of shale gas development in the province.

[7] Annual Information Form of the Company for the year ended December 31, 2022.

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22. The Québec Lowlands are situated south of the St. Lawrence River between Montreal and Québec City. The potential of the Québec Lowlands is complemented by proximity to one of the largest natural gas markets in North America and a well-established distribution network. The area is prospective for natural gas in several horizons with the primary target being the Utica Shale formation. Secondary targets include the shallower Lorraine and the deeper Trenton Black-River carbonate and Potsdam sandstone formations.

Figure 1:



Source: Marcellus Drilling News.[8]

23. According to the *2009-2010 Budget – Budget Plan – Finances Québec – March 19, 2009*, "Québec's geology is conducive to the presence of natural gas, mainly in the St. Lawrence Lowlands, where gas shale is found. Exploration work done in this region in 2008 has produced impressive results: Québec's gas shale could contain between 35,000 and 163,000 billion cubic feet of natural gas. If one quarter of the gas shale potential were recovered, production could satisfy Québec's needs for more than 40 years. At the February 2009 natural gas price, this represents a value of $45 billion."

Table 2:

Québec's Estimate Shale Gas Potential	
Theoretical potential	35,000 Bcf to 163,000 Bcf
Commercial potential (25%)	8,750 Bcf to 40,750 Bcf
Consumption reserve (Note 1)	41 years to 190 years
Production value (Note 2)	$45 billion to $210 billion

Note 1: Based on 2007 annual consumption of 215 Bcf.
Note 2: According to the February 2009 price of natural gas of $5.15 per Mcf.
Source: 2009-2010 Budget – Budget Plan – Finance Québec – March 19, 2009.

24. Between 2009 and 2016, the GoQ requested, produced, and commissioned several studies on oil and gas activities and the environmental, health, and safety concerns related to them. Among other findings, a final *Strategic Environmental Assessment* report notes the following: [9]

a. Onshore hydrocarbon potential is currently concentrated within a few large geological regions located in the sedimentary basin of the southern part of the province: The St. Lawrence Lowlands, the Gaspe Peninsula, Anticosti Island, and the Lower St. Lawrence.

[8] https://marcellusdrilling.com/2020/01/questerre-energy-closes-on-deal-to-buy-753k-utica-acres-in-quebec/
[9] Amended Application dated August 7, 2023.

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b. The St. Lawrence Lowlands region has a long history or exploration. Knowledge is extensive. Its potential is considerable. Its main resource is unconventional natural gas. The potential for unconventional natural gas is incommensurate with that of conventional natural gas, in a ratio of 1,000 to 1:

- Conventional gas: 182 Bcf.
- Unconventional gas (Utica Shale): Between 100 and 300 Tcf.
- Unconventional oil (Utica Shale): 1.87 billion barrels.

25. Following public consultation, these extensive studies concluded that oil and gas operations are safe, as long as best practices by industry are followed. In December 2016, the GoQ passed Bill 106, which included the enactment of the *Petroleum Resources Act* C.Q.L.R., c. H-4.2, to govern the future development of petroleum resources in Québec. This legislation did not include any prohibition on hydraulic fracturing or any prohibition on the exploration and development of natural gas in Québec.

26. In September 2017, the GoQ published draft regulations required for the implementation of the *Petroleum Resources Act*. The purpose of the *Petroleum Resources Act* was to: (i) replace the existing oil and gas statutory framework set by the *Mining Act*, C.Q.L.R., c. H-13.1; and (ii) govern the development of petroleum resources while ensuring the safety of persons and property, environmental protection, and optimal recovery of the resource in compliance with the greenhouse gas emission reduction targets set by the GoQ.

27. On June 4, 2018, the Company announced the execution of a binding letter of intent with a senior exploration and production company, which was Repsol, to settle outstanding litigation and acquire all their assets in the St. Lawrence Lowlands.

28. According to this press release, pursuant to the letter of intent, Questerre was to acquire the exploration rights to 753,000 net acres in the Lowlands, as well as other assets. Upon closing of the transaction, as consideration and a component of the acquisition cost of the licenses, both parties were to release each other from all claims related to outstanding litigation. Other consideration including cash and the security required for the assumption of abandonment and reclamation liabilities was indicated to be approximately $16.0 million in aggregate.

29. On June 4, 2018, Questerre also reported that it recently obtained an independent assessment of its damages related to the above-referenced outstanding litigation, ranging up to $243 million.

30. In September 2018, the GoQ's regulations associated with the *Petroleum Resources Act* came into effect, which included restrictions on oil and gas activities, including the prohibition of hydraulic fracturing in shale and increasing the minimum setbacks from urbanized areas and bodies of water. Questerre challenged the validity of these regulations by filing an application with the Court in September 2018, requesting a judicial review to have the restrictions set aside. The Company's motion was made on the basis that the regulations prohibiting hydraulic fracturing and increasing minimum setback distances were *ultra vires*, contrary to independent scientific studies, and did not comply with the consultation requirements detailed in Québec legislation for the enactment of regulations.

31. After the introduction of the regulations discussed above, which effectively prevented Questerre from developing and producing hydrocarbons and natural gas from the lands associated with its exploration licenses, the acquisition of Repsol's assets in the St. Lawrence Lowlands closed effective December 31, 2019, with requisite government approvals received in early 2020.

32. The purchase and sale agreement between Repsol and Questerre was dated March 4, 2019, with an effective date of February 1, 2018. Prior to closing adjustments, the total consideration for this acquisition recorded in the Company's audited December 31, 2019 financial statements was approximately $67.3 million.[10] The mutual release of litigation, as noted above, accounted for $58.5 million of this consideration with the other components including cash and the assumption of liabilities accounting for the remaining $8.8 million. Based on a review of the report prepared by Siebert Valuation Services Ltd. dated April 19, 2018 and entitled *Questerre Energy Corporation and Talisman Energy Inc./Talisman Energy Canada – Addendum to March 29, 2018 Expert Report*, the value assigned to

[10] 2019 Annual Report – Questerre Energy Corporation, page 63.

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the release of litigation represents the lower end of the range of the damages assessment. According to Management, the lower end was chosen due to the risk of realizing the value of the acquired assets based on the regulations associated with the *Petroleum Resources Act* that were enacted in 2018. It is our understanding, based on discussions with Management, that Questerre elected to proceed with this acquisition despite the enactment of the regulations on the basis that the regulations were, *ultra vires*, contrary to independent scientific studies, and did not comply with the consultation requirements detailed in Québec legislation for the enactment of the regulations.

33. GLJ evaluated and assessed Questerre's Québec recoverable resources on a best estimate basis, including the assets acquired from Repsol, to be approximately 19.0 Tcf on June 30, 2018, as shown in the table below:

Table 3:

Best Estimate Resources, as at June 30, 2018	Unrisked
	MMcf
Contingent resources	3,388,986
Prospective resources	15,649,296
Total	**19,038,282**

Source: The GLJ Report – Appendix II.

34. It is our understanding that Questerre re-engineered the potential development of its exploration licenses to virtually eliminate emissions from producing natural gas. In 2019 the Company submitted its clean energy proposal to the GoQ.[11]

35. In compliance with the GoQ's requirements to obtain social acceptability for its project, Questerre entered into profit sharing agreements with local towns and First Nations, including the Abenakis of Wolinak. Polling data from 2018 and 2021 suggested that by a margin of approximately 2:1 decided Québecers supported local natural gas development, if conducted with best practices for the industry.[12]

36. Following the announcement by the GoQ in the fall of 2021 regarding its plans to introduce legislation to prohibit oil and gas activities, the Company subsequently impaired the full accounting carrying amount of its exploration and evaluation assets in Québec of $103.8 million, as of December 31, 2021, which is reflected in Questerre's December 31, 2021 Annual Report. Included in this amount is $67.3 million related to the acquisition of assets from Repsol, as discussed in paragraph 32, and the remaining $36.5 million represents the Company's accounting book carrying costs related to its original working interest share of these assets.

37. In this annual report, the Company also reported qualifying exploration and development expenditures of $164.6 million were incurred on its exploration licenses in Québec from 2006 to 2021.

38. On August 23, 2022, Bill 21 and the Act came into full effect. The Act revoked petroleum exploration and production licenses, including the exploration licenses held by the Company. It provides that the GoQ must establish a compensation program pertaining to the revocation of licenses. The Act requires, in particular, the holders of revoked licenses to permanently close wells and restore sites according to the terms and conditions determined by the GoQ. The Act validates the regulations made under the authority of the *Petroleum Resources Act*, which effectively limit or prohibit, directly or indirectly, exploration for petroleum and underground reservoirs and production of petroleum and brine, as well as the collection by the GoQ of the annual fees for oil and gas activities. As a result of the enactment of Bill 21 and the Act, it is our understanding that the GoQ has revoked all exploration licenses held by the Company, which we understand are immovable real rights, effectively expropriating Questerre's assets in the province for notional compensation.

39. The table below reflects the Company's recoverable resources in Québec on a best estimate basis, as evaluated by GLJ, to be approximately 19.4 Tcf, as at August 31, 2022, which is shortly after Bill 21 and the Act came fully into effect in August 2022.

[11] 2019 Pilot Plan - Final.docx
[12] Leger poll for the Association de l'Energie du Québec dated October 28, 2021.

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Table 4:

Best Estimate Resources, as at August 31, 2022	Unrisked MMcf
Contingent resources	3,971,682
Prospective resources	15,437,910
Total	**19,409,592**

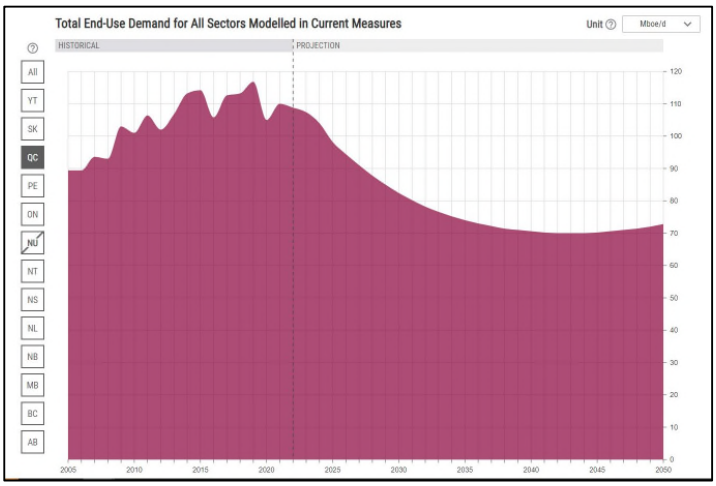
Source: The GLJ Report – Appendix II.

2.2 Questerre's Québec Natural Gas Assets in Relation to Canada and Québec Demand

40. According to data published by the CER, in 2018, Canada's daily natural gas demand was 2,000.8 Mboe/d[13] and Québec's was 113.2 Mboe/d,[14] resulting in annual demand of 4.4 Tcf[15] and 247.9 Bcf,[16] respectively. The Company's recoverable resources on a best estimate basis of approximately 19.0 Tcf[17] could alone meet Canada's demand for approximately 4.3 years and Québec's demand for approximately 76.8 years based on 2018 levels. However, considering the expected decrease in natural gas demand due to renewable energy alternatives and Canada's net-zero emissions targets, as well as when considering other sources of natural gas supply, the yearly figures computed above for the Company's resources could potentially be higher. The charts below show the historical and forecast demand of natural gas in Québec under three different scenarios, as provided by the CER:

a. 'Current Measures' scenario – The Current Measures scenario assumes limited action in Canada to reduce greenhouse gas emissions beyond existing measures and does not require that Canada achieve net-zero emissions. In this scenario the CER assumed limited future global climate action. This scenario assumes an average forecast daily demand of approximately 79.0 Mboe/d in Québec from 2023 to 2050. Under this scenario, the Company's resources of approximately 19.0 Tcf could alone meet Québec's demand for 110.0 years.

Figure 2:



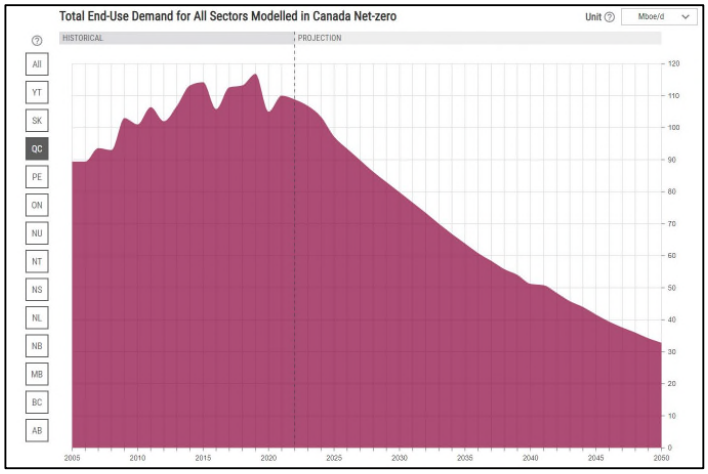
Source: CER 2023 Energy Future Report – https://apps2.cer-rec.gc.ca/energy-future

b. 'Canada Net-zero' scenario – The 'Canada Net-zero' scenario assumes Canada also achieves net-zero emissions by 2050, but the rest of the world moves more slowly to reduce greenhouse gas emissions. This scenario assumes an average forecast daily demand of 64.0 Mboe/d in Québec from 2023 to 2050. Under this scenario, the Company's resources of approximately 19.0 Tcf could alone meet Québec's demand for 135.8 years.

[13] Source: Exploring Canada's Energy Future - Canada Energy Regulator (cer-rec.gc.ca)
[14] Source: Exploring Canada's Energy Future – Canada Energy Regulator (cer-rec.gc.ca)
[15] Using the conversion factor, 1 boe = 6 Mcf.
[16] Using the conversion factor, 1 boe = 6 Mcf.
[17] The GLJ Report – Appendix II.

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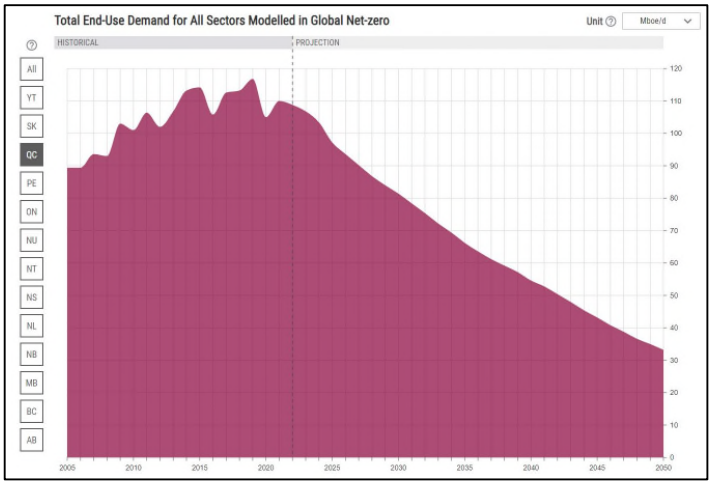
Figure 3:



Source: CER 2023 Energy Future Report – https://apps2.cer-rec.gc.ca/energy-future

c. 'Global Net-zero' scenario – The Global Net-zero scenario assumes Canada achieves net-zero emissions by 2050. This scenario also assumes the rest of the world reduces emissions enough to limit global warming to 1.5 degrees Celsius. This scenario assumes an average forecast daily demand of 65.0 Mboe/d in Québec from 2023 to 2050. Under this scenario, the Company's resources of approximately 19.0 Tcf could alone meet Québec's demand for 133.7 years.

Figure 4:



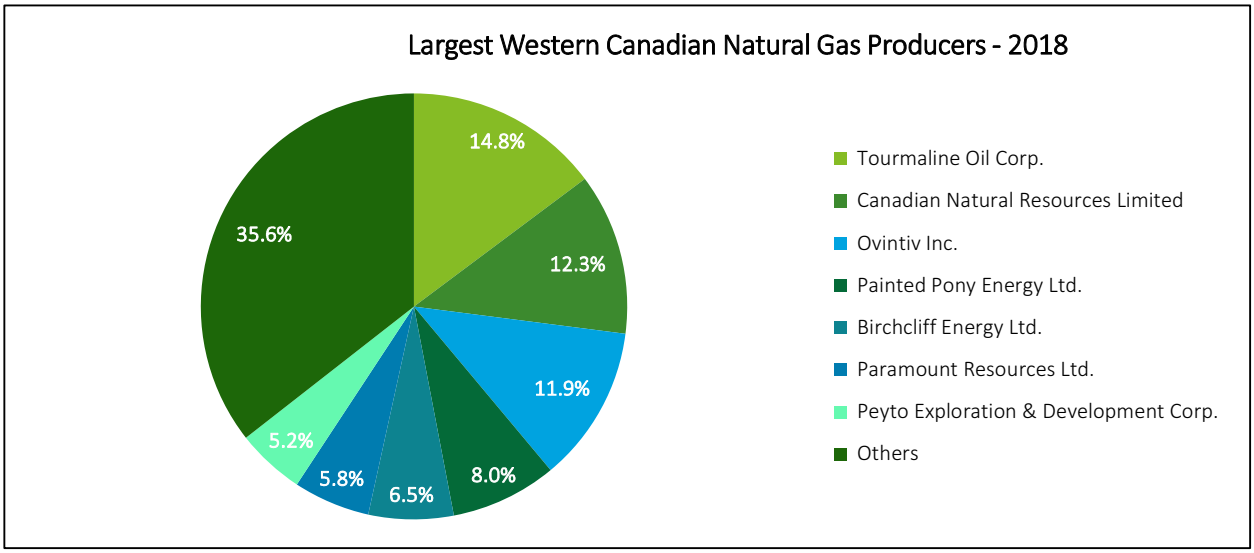
Source: CER 2023 Energy Future Report – https://apps2.cer-rec.gc.ca/energy-future

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2.3 Questerre's Québec Natural Gas Assets in Relation to Canadian Natural Gas Producers

41. The chart below shows the largest natural gas producers in Western Canada, which owned more than 60 percent of the total natural gas reserves in the Western Canadian Sedimentary Basin, being the largest natural gas basin in Canada, in 2018:

Figure 5:



Source: Annual Information Forms of the companies for the year ended December 31, 2018.

42. The table below reflects the total proved plus probable (i.e., 2P) reserves of these top natural gas players, as at December 31, 2018. Tourmaline Oil Corp. had the most natural gas reserves at 11.7 Tcf. In comparison to this, Questerre's approximately 19.0 Tcf[18] resources is significant.

Table 5:

Top Gas Players	Market Capitalization	2P Natural Gas Reserves	% Gas
	$ millions	*Tcf*	
Tourmaline Oil Corp.	$ 4,619	11.71	79.4%
Canadian Natural Resources Limited	39,728	9.73	12.1%
Ovintiv Inc.	7,563	9.45	42.2%
Painted Pony Energy Ltd.	240	6.38	92.8%
Birchcliff Energy Ltd.	808	5.13	85.3%
Paramount Resources Ltd.	941	4.59	57.0%
Peyto Exploration & Development Corp.	1,167	4.11	85.4%

Source: Annual Information Forms of the companies for the year ended December 31, 2018.

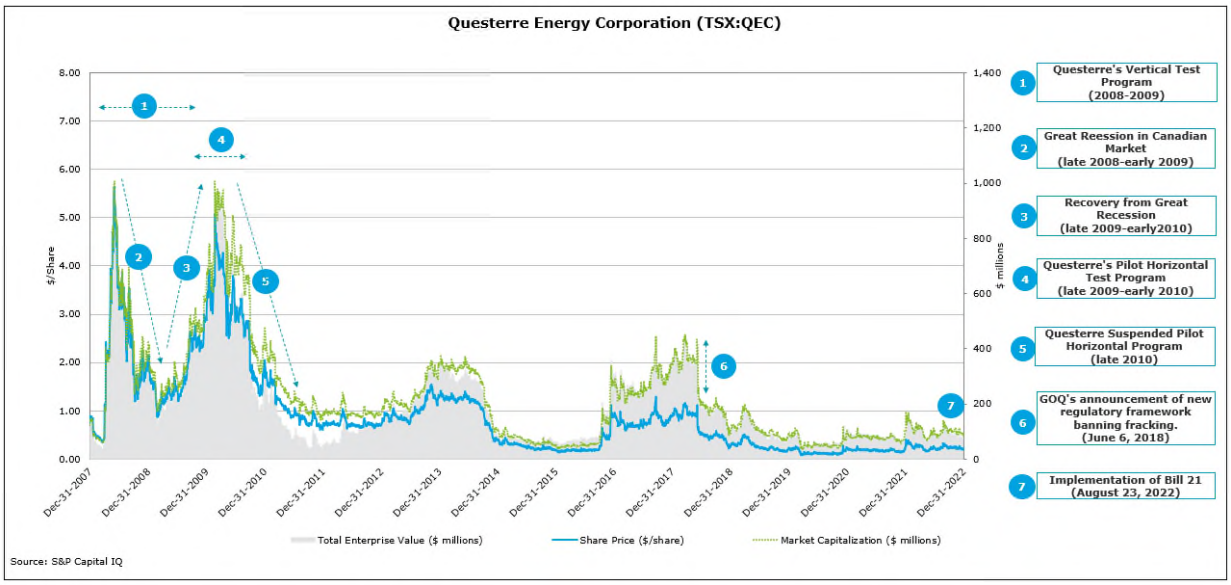
[18] The GLJ Report – Appendix II.

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2.4 Questerre Share Price Movement

43. Questerre is a publicly traded company that is listed on both the Toronto Stock Exchange in Canada and the Oslo Stock Exchange in Norway. The Company's share price has been subject to price fluctuations over time, as reflected in the chart below, which, in large part, tracks the development of its assets in Québec from January 1, 2008, to December 31, 2022:

Figure 6:



Questerre's Vertical Test Program (2008 - 2009)

44. As discussed in paragraph 21, Questerre and Repsol, as well as others, conducted a successful vertical test well program in 2008 and 2009 resulting in the initial Test Wells, which discovered significant natural gas resources in the Utica Shale formation. This contributed to a significant increase in the Company's share price and market capitalization, rising from $0.82/share and $138.5 million, respectively, on April 1, 2008, to $5.63/share and $1,008.5 million, respectively, on June 2, 2008. The increase in market capitalization between these two dates was $870.0 million. At the time, Questerre did not have any other material assets besides its assets in Québec. Further, the Company only held an approximate 25 percent interest in its exploration licenses and underlying natural gas resources compared to an approximate 100 percent interest, as of August 2022, which was prior to Bill 21 and the Act coming into effect.

Great Recession in Canadian Market (Late 2008 – Early 2009)

45. The economic downturn caused by the Great Recession[19] that originated in the US in December 2007 and affected the Canadian market between late 2008 and early 2009 contributed to a decline in share price and market capitalization after June 2, 2008, reaching as low as $0.88/share and $173.6 million, respectively, on February 24, 2009.

[19] The Great Recession began in December 2007 and lasted until June 2009. The Great Recession was a global economic downturn that was triggered by the collapse of the housing market in the US. The financial crisis that followed had a ripple effect throughout the global economy, leading to a significant increase in unemployment rates and a decrease in economic growth. While the official end of the Great Recession was in 2009, its effects were felt for several years afterward, with many countries experiencing slow economic growth and high levels of unemployment. The Canadian market was affected by the Great Recession in late 2008 and early 2009. The recession hit Canada later than the US because the Canadian economy was not as heavily reliant on the housing market and subprime mortgages as the US economy was. Additionally, the Canadian banking sector was more tightly regulated and more conservative in its lending practices, which helped to insulate it from some of the worst effects of the recession.

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Recovery from Great Recession and Questerre's Pilot Horizontal Test Program (Late 2009 – Early 2010)

46. The Company's share price and market capitalization began to recover in mid-2009, showing a recovery from the Great Recession, reaching $5.05/share and $1,008.5 million, respectively, on February 23, 2010, which was an $835.0 million increase in market capitalization from February 24, 2009. This coincided with the initial results from the Company's initial horizontal well program (i.e., the subsequent Test Wells) to assess the commercial potential of the Utica Shale formation in Québec. At this time, Questerre continued to hold an approximate 25 percent interest in its exploration licenses and underlying natural gas resources.

Questerre Suspended Pilot Horizontal Program (Late 2010)

47. Questerre's share price started to decline again reaching $0.68/share on October 4, 2011, which resulted in a market capitalization of $157.8 million. This represented a decline in market capitalization of $850.8 million from February 23, 2010. This follows from the GoQ initiating an environmental assessment of shale gas in the province in the fall of 2010 and the Company suspending its exploration program.

GoQ's Announcement of New Regulatory Framework Banning Fracking (June 6, 2018)

48. On June 7, 2018, Questerre's share price dropped by more than 30 percent on the Toronto Stock Exchange[20] losing more than $120.0 million of market capitalization. The primary reason for this significant movement was the announcement[21] by the GoQ on June 6, 2018 that it would be implementing a new regulatory framework for oil and gas exploration and development in the province. The new framework included a hydraulic fracturing ban in shale and increased minimum setback distances. Questerre investors reacted negatively to this announcement. At the time, Questerre held approximately a 25 percent interest in the Québec exploration licenses and associated rights to produce the natural gas resources, as the transaction with Repsol discussed in paragraph 27 was not completed, compared to an approximate 100 percent interest, as at August 23, 2022, which is the date that Bill 21 and the Act came fully into force. These both negatively impacted oil and gas exploration and production activities in Québec.

49. Questerre, which had been exploring for natural gas in Québec's Utica Shale formation and had been planning to use hydraulic fracturing to extract the gas, was one of the companies most affected by the new regulations. The Company had invested significant resources in its Québec operations and had been hoping to develop a new source of natural gas for the province.

50. The new regulations were expected to significantly impact the Company's ability to operate in Québec and develop its natural gas assets, as they effectively prohibited development of these assets. From the share price chart above, the lost market capitalization of more than $120.0 million represents a significant portion of the market's perceived value of Questerre's resources at the time of approximately 6.6 Tcf in Québec. This excluded the additional land acquired by the Company in the transaction that was announced on June 4, 2018.

Implementation of Bill 21 (August 23, 2022)

51. On August 23, 2022, Bill 21 and the Act came into full effect. The Act revoked petroleum exploration and production licenses, including the exploration licenses held by the Company. Questerre's share price reached $0.24/share on that date, which resulted in a market capitalization of $264.5 million. This represented a decline in market capitalization of $163.8 million from June 7, 2018.

[20]Source: https://financialpost.com/investing/questerre-shares-plunge-33-after-quebec-proposes-fracking-ban
[21]Source: https://www.cbc.ca/news/canada/montreal/quebec-fracking-ban-1.4694327

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3 Deloitte Approach and Analysis

3.1 Causation of the Economic Losses

52. As set forth in the Amended Application, in relation to the Dispute, "… the Company claims fair compensation from the Defendants for the loss of its property and assets, including the loss of investment, expected use and resource, as well as the loss of profits …," as a result of the following two events, which, based on our understanding, resulted in the alleged illegal expropriation and subsequent revocation of Questerre's exploration licenses and property rights to exploit and develop the natural gas resources discovered for production and sale to the market:

    a. Regulations prohibiting hydraulic fracturing and increasing minimum setback distances in the Province of Québec, which were effective on September 20, 2018. Questerre alleges that these regulations specifically targeted its exploration licenses assets and made it impossible to develop the hydrocarbons (i.e., natural gas assets) present on the territories in the Province of Québec covered by these exploration licenses, which effectively resulted in the expropriation of these licenses and associated property rights; and

    b. Enactment of Bill 21 on August 23, 2022, which effectively prohibited all oil and gas activities in the Province of Québec and revoked all petroleum exploration licenses held by the Company and associated rights to put the natural gas discovered into production.

3.2 Deloitte's Scenarios for the Quantification of the Economic Losses

53. Based on the Amended Application, it is our understanding that an owner of property must be paid fair compensation in exchange for the expropriation of that property. Compensation for expropriation is based on the value of the expropriated property and the loss directly caused by the expropriation.[22]

54. We further understand that, based on the Amended Application, exploration licenses are administrative contracts that subject the GoQ to the obligation to act in good faith both at the time the contract comes into being and at the time of its execution and termination.

55. Questerre has also claimed that in effecting the above provisions, the GoQ has been unjustly enriched at the Company's expense.

56. When considering the above, the economic losses incurred by Questerre due to the alleged illegal expropriation of the Company's property rights to hydrocarbon assets in Québec caused by various actions by the GoQ can be determined from a **fair market value** perspective. That is, the fair market value of Questerre's exploration licenses and the property rights to exploit and develop the natural gas resources discovered for production and sale to the market, but for the alleged wrongful actions of the GoQ. Economic losses from this perspective are based on the fair market value that a notional purchaser of the exploration licenses and associated property rights would pay the Company, as at certain dates, but for the GoQ's alleged wrongful actions, which are further discussed below.

57. Fair market value is based on the value of lost future cash flows, as at a valuation date, that an owner of the subject exploration licenses could have earned from the further development and production of the natural gas reserves and resources associated with these licenses in Québec, but for the alleged wrongful actions of the GoQ.

58. Economic losses from a fair market value perspective determine amounts that place the injured party in a position that it would have enjoyed had the injury/incident not occurred.

[22] Amended Application dated August 7, 2023.

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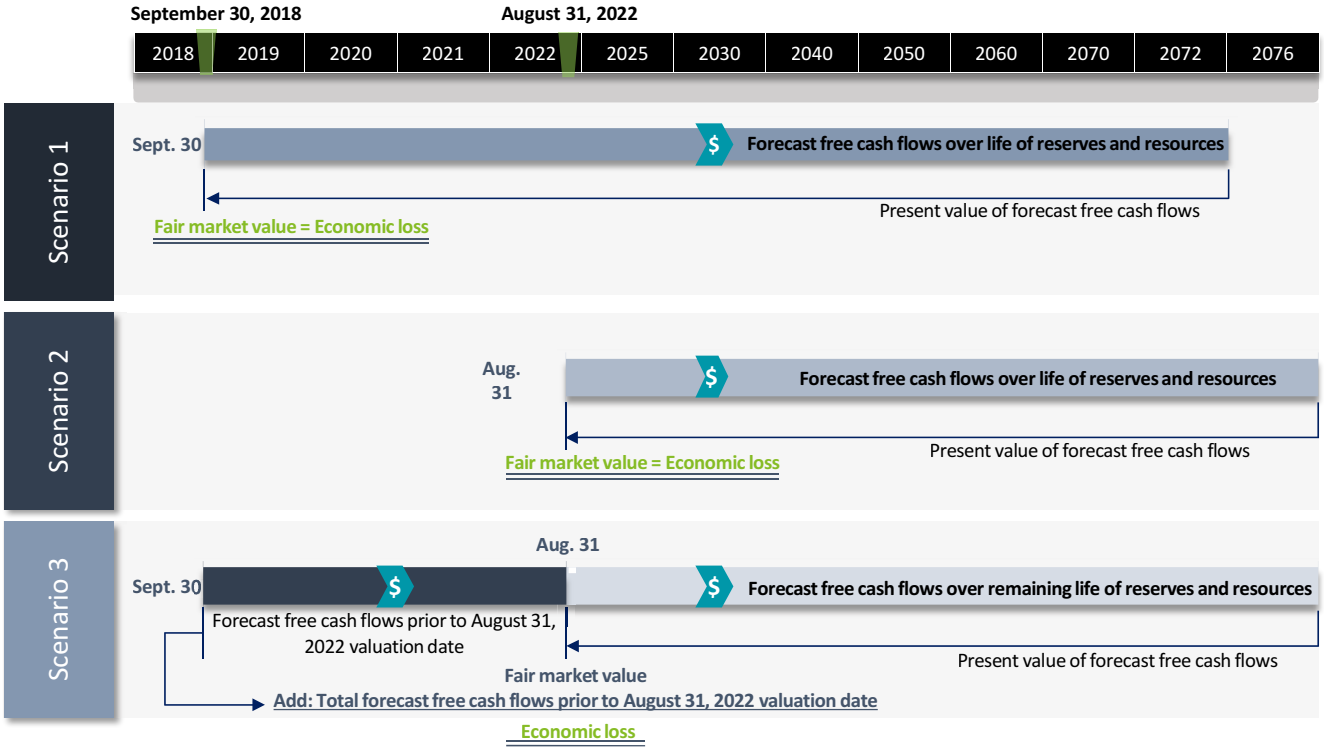
59. We quantified the economic losses incurred by Questerre in connection with the Dispute under three scenarios, which are discussed in the ensuing sections of the Report and are summarized below:

Table 6:

In CAD thousands (rounded)	GLJ Case #	Low	Midpoint	High	Schedule #
Scenario 1 - Economic loss, as at September 30, 2018	1	$703,720	$781,890	$860,070	1 – 1
Scenario 2 – Economic loss, as at August 31, 2022	2	$715,870	$795,710	$875,540	2 – 1
Scenario 3 – Economic loss, as at August 31, 2022	3	$3,946,500	$4,394,050	$4,841,600	3 – 1.1

60. The following chart visually depicts the determination of economic losses under each of the three scenarios:

Figure 7:



a. Scenario 1: Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

The economic loss in this scenario is assessed from a fair market value perspective assuming an effective expropriation on September 20, 2018, which is the date that regulations instituted by the GoQ came into effect. These regulations banned, *inter alia*, hydraulic fracturing and increased minimum setback distances, which made it impossible for Questerre or any other third party to develop the hydrocarbons present on the territories associated with the Company's exploration licenses in the Province of Québec. In this situation, the Company experienced an economic loss because the GoQ allegedly illegally expropriated the subject exploration licenses and associated property rights that the Company could have sold to a notional purchaser for fair market value. In other words, the subject regulations prevented Questerre from realizing the fair market value of the development potential of its exploration licenses, as at September 20, 2018.

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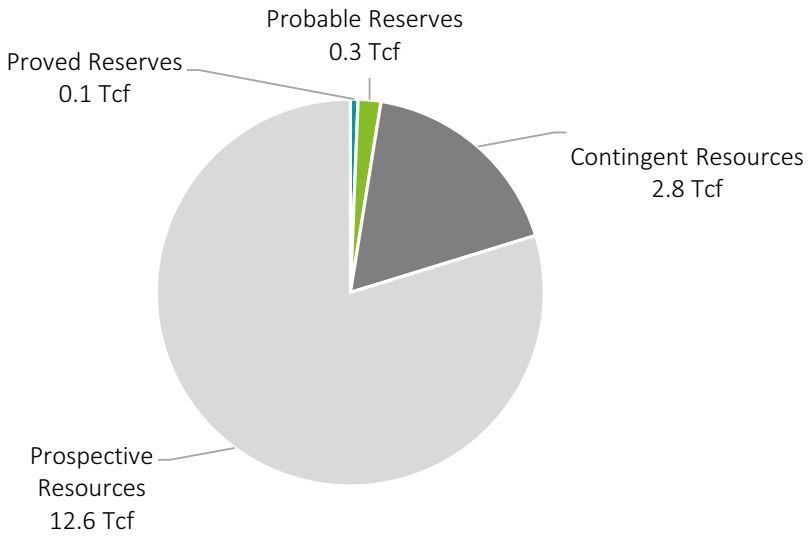
This scenario takes into account that, as at September 20, 2018, Questerre was only able to conduct a successful vertical test well program and an initial pilot horizontal test program that commenced in 2005 and continued into 2008 and early 2010, resulting in the Test Wells which revealed the presence of significant natural gas resources in the Utica Shale formation, as discussed in paragraph 21. However, the Company was unable to conduct further development of its assets due to the GoQ initiating in 2010 an environmental assessment of shale gas development in the province, as discussed in paragraph 21, the lack of GoQ regulations, and the related uncertainty it caused during the period prior to September 20, 2018.

To quantify the economic loss under this scenario, we prepared a fair market valuation, as at September 30, 2018, using Case 1 that is effective, as at that date, and is reflected in the GLJ Report. Although the subject regulations instituted by the GoQ came into effect on September 20, 2018, it is our understanding that reserve engineers, such as GLJ, prepare reserve and resource reports, as at month ends. As such, the economic loss computed under this scenario is, as at September 30, 2018.

Case 1 of the GLJ Report forecasts cash flows to be generated from the development, exploitation, and production of the natural gas reserves and resources from the lands associated with the Company's exploration licenses on a forward-looking basis and assumes that there were no government actions prohibiting development of Questerre's Utica Shale assets. It relies upon 3CA forecast natural gas pricing, as at that date.

According to GLJ, under this scenario, the total recoverable reserves and resources on a best estimate basis, as at September 30, 2018, is approximately 15.8 Tcf, the composition of which is shown in the chart below:

Figure 8:



Source: The GLJ Report – Case 1.

In addition to the best estimate volumes, Case 1 of the GLJ Report also reflects possible reserves of approximately 0.3 Tcf. This is the high estimate of recoverable volumes associated with the wells identified by GLJ as meeting the criteria to assign reserves. While possible reserves do not reflect a best estimate forecast, we placed a value on the associated forecast cash flows from this reserves category by applying appropriate risk factors and discount rates.

As reflected in the above chart, of the total best estimate recoverable natural gas reserves and resources of 15.8 Tcf, GLJ classified 0.4 Tcf, which is approximately 2.5 percent, as being **proved and probable reserves**, with the remainder being **contingent and prospective resources**. With **possible reserves** included in the best estimate volumes, a total of 0.7 Tcf, which is approximately 4.3 percent of the total volumes considered within the fair market valuation, is classified as reserves. All else held equal, the value per Mcf of **reserves** is higher than that for **resources** due to the former category having a lower risk, alternatively described as having a higher chance of commerciality, because of technical and non-technical considerations than the latter category.

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For clarity, it should be noted that the June 30, 2018 resource report, as included in Appendix II of the GLJ Report, estimates a total recoverable volume of 19.6 Tcf for the total best estimate reserves and resources. The difference between the 15.8 Tcf in GLJ's Case 1 forecast and the 19.6 Tcf in the June 30, 2018 resource report is understood to be primarily due to the prospective resources estimate within the resource report not being subject to a 50-year cash flow forecast and simply reflecting a total recoverable volume for that resource category. However, it is our understanding that Case 1, as prepared by GLJ, captures only a subset of the recoverable volume potential for the lands using an assumed development schedule and a limitation of a 50-year cash flow projection, which is the standard for reserves and resources forecasts.

It is our understanding that, as at September 30, 2018, GLJ would have classified only a minimal amount of the estimated natural gas volumes as reserves based solely on data obtained from the Test Wells. During the period from when the Test Wells program ended in 2010 to September 30, 2018, there was a lack of GoQ oil and gas regulations and legislation. This caused uncertainty and, consequently, prevented Questerre from further developing and delineating its natural gas assets after the Test Wells were drilled by expending further capital to drill additional wells and obtain additional technical data during this period. Consequently, GLJ could only consider the limited technical data obtained from the existing Test Wells when assigning reserves in this scenario.

b. Scenario 2: Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

The economic loss in this scenario is also assessed from a fair market value perspective assuming an effective expropriation on August 23, 2022, which is the date when Bill 21 enacted by the GoQ came fully into effect. In this situation, the Company experienced an economic loss because the GoQ revoked all exploration licenses and associated real property rights held by the Company, which Questerre could have sold to a notional purchaser for fair market value. In other words, Bill 21 and the Act prevented Questerre from realizing the fair market value of the development potential of its exploration licenses, as at August 23, 2022.

Similar to Scenario 1, this scenario takes into account that, as at August 23, 2022, Questerre was only able to complete the Test Wells, as discussed in paragraph 21. However, the Company was unable to conduct further development of its assets due to the lack of GoQ regulations and the related uncertainty caused during the period from when the Test Wells program ended in 2010 to September 20, 2018, as well as due to the regulations banning, *inter alia*, hydraulic fracturing and increased minimum setback distances that came into effect on September 20, 2018, which made it impossible for Questerre or any other third party to develop the hydrocarbons present on the territories in the Province of Québec associated with the Company's exploration licenses.

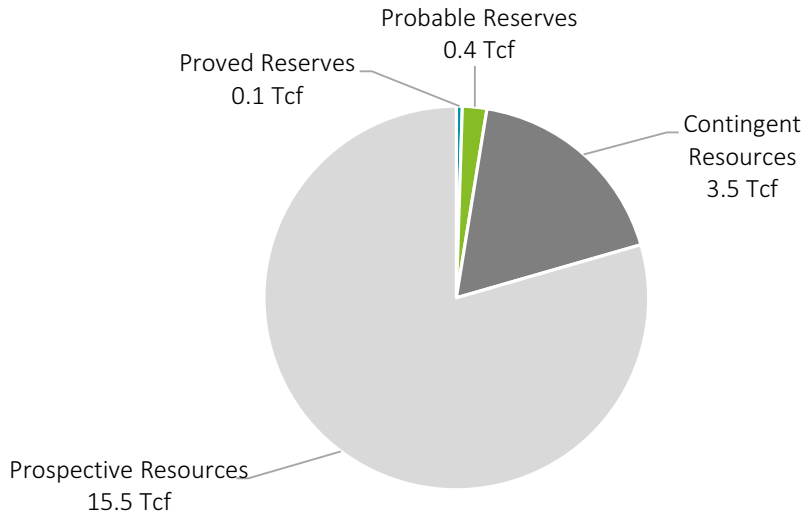
To quantify the economic loss under this scenario, we prepared a fair market valuation, as at August 31, 2022, using Case 2 that is effective, as at that date, and is reflected in the GLJ Report. Although Bill 21 and the Act came fully into effect on August 23, 2022, it is our understanding that reserve engineers, such as GLJ, prepare reserve and resource reports, as at month ends. As such, the economic loss computed under this scenario is, as at August 31, 2022.

Case 2 of the GLJ Report forecasts cash flows to be generated from the development, exploitation, and production of the natural gas reserves and resources from the lands associated with the Company's exploration licenses on a forward-looking basis and assumes that there were no government actions prohibiting development of Questerre's Utica Shale assets. It relies upon the most recent 3CA forecast natural gas pricing available, as at August 23, 2022, which is the pricing forecast, as of July 1, 2022. 3CA forecasts are generally available only on a quarterly basis. This approach was taken to ensure that the valuation accurately reflects the existing market conditions and the most up-to-date pricing information available on August 23, 2022.

According to GLJ, under this scenario, the total recoverable reserves and resources on a best estimate basis, as at August 31, 2022, is approximately 19.5 Tcf, the composition of which is shown in the chart below:

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Figure 9:



Source: The GLJ Report – Case 2.

In addition to the best estimate volumes, Case 2 of the GLJ Report also reflects possible reserves of approximately 0.3 Tcf. Again, this is the high estimate of recoverable volumes associated with the wells identified by GLJ as meeting the criteria to assign reserves. As with Scenario 1, while possible reserves do not reflect a best estimate forecast, in Scenario 2 we placed a value on the associated forecast cash flows from this reserves category by applying appropriate risk factors and discount rates.

As reflected in the above chart, of the total best estimate recoverable natural gas reserves and resources of 19.5 Tcf, GLJ classified 0.5 Tcf, which is approximately 2.6 percent, as being **proved and probable reserves**, with the remainder being **contingent and prospective resources**. With **possible reserves** included in the best estimate volumes, a total of 0.9 Tcf, which is approximately 4.3 percent of the total volumes considered within the fair market valuation, is classified as reserves. All else held equal, the value per Mcf of **reserves** is higher than that for **resources** due to the former category having a lower risk, alternatively described as having a higher chance of commerciality, because of technical and non-technical considerations than the latter category.

Similar to Scenario 1, it is our understanding that, as at August 31, 2022, GLJ would have classified only a minimal amount of the estimated natural gas volumes as reserves based solely on data obtained from the Test Wells. During the period from when the Test Wells program ended in 2010 to September 30, 2018, there was a lack of GoQ oil and gas regulations and legislation. This caused uncertainty and, consequently, prevented Questerre from further developing and delineating its natural gas assets after the Test Wells were drilled by expending further capital to drill additional wells and obtain additional technical data during this period. Further, after September 20, 2018, due to the regulations banning, *inter alia*, hydraulic fracturing and increased minimum setback distances that came into effect on September 20, 2018, the Company could not further develop and delineate its natural gas assets and obtain additional technical data prior to August 31, 2022. Consequently, GLJ could only consider the limited technical data obtained from the existing Test Wells when assigning reserves in this scenario.

c. Scenario 3: Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

Similar to Scenario 2, the economic loss under this scenario is also from a fair market value perspective assuming an effective expropriation on August 23, 2022, which is the date when Bill 21 enacted by the GoQ came fully into effect. In this situation, the Company experienced an economic loss because the GoQ revoked all exploration licenses and associated property rights held by the Company, which Questerre could have sold to a notional purchaser for fair market value. In other words, Bill 21 prevented Questerre from realizing the fair market value of the development potential of its exploration licenses, as at August 23, 2022.

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What differentiates Scenario 3 from Scenario 2 is that Scenario 3 assumes that, but for the GoQ's actions, the Company would have further developed its natural gas assets between September 20, 2018 and August 23, 2022. GLJ has assumed that development drilling would have occurred at a pace and manner consistent with that of a "reasonable" oil and gas company with similar asset types such that a portion of the Company's resources would have been converted into reserves due to the additional technical data acquired through the drilling.[23]

The rationale for this scenario is that the GoQ's alleged wrongful actions in September 2018 prevented Questerre from further developing its assets. As such, on August 23, 2022 when the GoQ revoked the Company's exploration licenses, it took from Questerre these licenses and prevented it from realizing their fair market value, which would have been enhanced by drilling certain wells, in addition to the Test Wells previously drilled, between September 20, 2018 and August 23, 2022. The enhanced value associated with this scenario results from the additional development that would have converted more of the resources to reserves than those that were considered reserves only because of the Test Wells.

In the context of the Dispute, Scenario 3 considers both the September 20, 2018 regulations that, *inter alia*, banned hydraulic fracturing and increased setback distances, and the August 23, 2022 revocation of oil and gas licenses under the premise of economic loss incurred due to both events.

To quantify the economic loss under this scenario, we prepared a fair market valuation, as at August 31, 2022, using Case 3 that is effective, as at that date, and is reflected in the GLJ Report. Although Bill 21 came into effect on August 23, 2022, it is our understanding that reserve engineers, such as GLJ, prepare reserve and resource reports, as at month ends. As such, the economic loss computed under this scenario is, as at August 31, 2022.

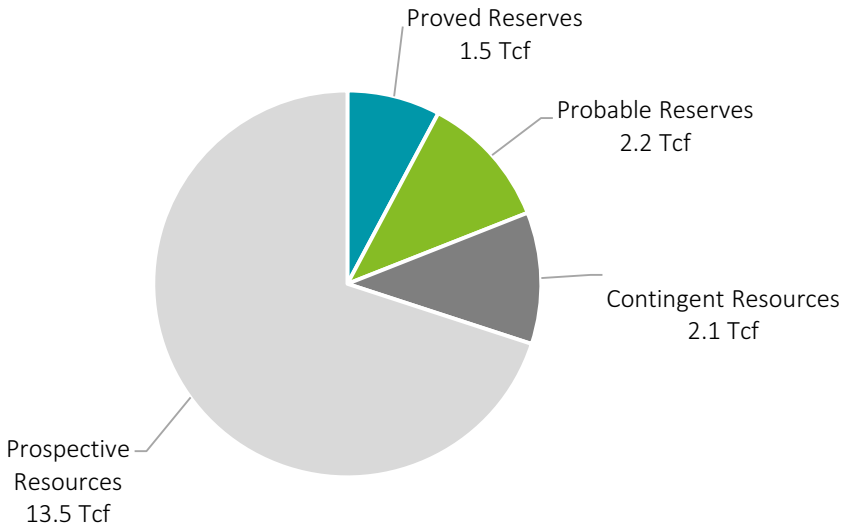
Case 3 of the GLJ Report forecasts cash flows to be generated from the exploitation, development, and production of the natural gas reserves and resources from the lands associated with the Company's exploration licenses on a forward-looking basis and assumes that, as at August 31, 2022, there were no government actions prohibiting development of Questerre's Utica Shale assets. As noted above, it is assumed that, but for the regulations instituted by the GoQ that came into effect on September 20, 2018, Questerre would have further developed the natural gas assets between that date and August 23, 2022. Like Scenario 2, Scenario 3 relies upon the most recent 3CA forecast natural gas pricing available, as at August 23, 2022, which is the pricing forecast, as of July 1, 2022. This approach was taken to ensure that the valuation accurately reflects the existing market conditions and the most up-to-date pricing information available on August 23, 2022.

[23] The GLJ Report, page 10 of 628.

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According to GLJ, under this scenario, the total recoverable reserves and resources on a best estimate basis, as at August 31, 2022, is approximately 19.3 Tcf, the composition of which is shown in the chart below:

Figure 10:



Source: The GLJ Report – Case 3.

In addition to the best estimate volumes, Case 3 of the GLJ Report also reflects possible reserves of approximately 2.4 Tcf. Again, this is the high estimate of recoverable volumes associated with the wells identified by GLJ as meeting the criteria to assign reserves. As with Scenario 1 and Scenario 2, while possible reserves do not reflect a best estimate forecast, in Scenario 3 we placed a value on the associated forecast cash flows from this reserves category by applying appropriate risk factors and discount rates.

As reflected in the above chart, of the total best estimate recoverable natural gas reserves and resources of 19.3 Tcf, GLJ classified 3.7 Tcf, which is approximately 19.0 percent, as being **proved and probable reserves**, with the remainder being **contingent and prospective resources**. With **possible reserves** included in the best estimate volumes, a total of 6.0 Tcf, which is approximately 27.8 percent of the total volumes considered within the fair market valuation, is classified as reserves. All else held equal, the value per Mcf of **reserves** is higher than that for **resources** due to the former category having a lower risk, alternatively described as having a higher chance of commerciality, because of technical and non-technical considerations than the latter category.

Although both Case 2 and Case 3 have the same effective date of August 31, 2022, the best estimate volumes are lower in Case 3 compared to Case 2 by 0.3 Tcf due to the volume of natural gas that is assumed to have been produced prior to the effective date of August 31, 2022 in Case 3. Case 2 does not assume that any natural gas production would have occurred prior to the August 31, 2022 effective date. However, Case 3 does assume that production would have occurred from the development wells that are assumed to be drilled between 2018 and 2022 and, therefore, the remaining volume of the combined reserves and resources, as at the August 31, 2022 effective date, is less in Case 3 than in Case 2.

Scenario 1 and Scenario 2 consider that, based on our understanding, GLJ would have classified only a minimal amount of the estimated recoverable natural gas volumes as reserves based solely on data obtained from the Test Wells. The premise under Scenario 1 is that during the period from when the Test Wells program ended in 2010 to September 30, 2018, there was a lack of GoQ oil and gas regulations and legislation. This caused uncertainty and, consequently, prevented Questerre from further developing and delineating its natural gas assets after the Test Wells were drilled by expending further capital to drill additional wells and obtain additional technical data during this period. The basis under Scenario 2 is that, in addition to the factors noted for Scenario 1 that are set forth above, after September 20, 2018, due to the regulations banning, *inter alia*, hydraulic fracturing and increased minimum setback distances that came into effect on September 20, 2018, the Company could not further develop and delineate its natural gas assets and obtain additional technical data

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prior to August 31, 2022. Consequently, GLJ could only consider the limited technical data obtained from the existing Test Wells when assigning reserves in each of these scenarios.

Unlike Scenario 1 and Scenario 2, under Scenario 3, GLJ considers the assumed development of the natural gas assets that could have occurred between September 2018 and August 2022. As set forth in the GLJ Report, "This case (i.e., Case 3) assumes that, but-for the Government of Québec's September 2018 Bill 21 regulations, the Company would have developed its Utica assets at a pace and manner consistent with that of a 'reasonable' oil and gas company, between September 2018 and August 2022, such that a portion of the Company's resources would have been converted into reserves."[24] Also, in its report GLJ states, "To establish a 'reasonable' unconventional resource play reserves development profile for the Case 3 But-For Assessment, publicly reported reserves disclosures and Annual Information Forms (AIFs) were obtained from SEDAR (https://www.sedarplus.ca) for comparable Canadian Montney unconventional operations."[25]

As noted above, this development is assumed to result in a larger percentage of the natural gas assets being classified as reserves, as at August 31, 2022. The reason for this is, but for the GoQ's alleged wrongful actions resulting in what we understand was an effective expropriation of the Company's subject exploration licenses and associated property rights on September 20, 2018, which is the date that the regulations banning, *inter alia*, hydraulic fracturing and increased minimum setback distances, GLJ forecasts that Questerre would have spent approximately $1.3 billion in capital expenditures, as reflected on our Schedule 3 – 2.1, to develop its Québec Utica Shale assets resulting in 79 wells being on production, as at August 31, 2022. Therefore, under GLJ's Case 3, GLJ assumes that there would have been additional technical data, but for the GoQ's actions, when assigning reserves, as at August 31, 2022. Based on our understanding, the additional technical data would have been acquired through the drilling of new wells that would improve the understanding of the geology of the reservoir, which allows expanding the known boundaries of the reservoir. This results in additional lands to be classified as reserves. Additionally, bringing these wells on production would support the understanding of well productivity and allow for the classification of volumes into categories with greater commercial certainty. This results in GLJ classifying a greater portion of the natural gas assets as reserves under Scenario 3 when compared to both Scenario 1 and Scenario 2.

When computing the economic loss under Scenario 3, it is also necessary to consider the cash flows that are forecast to be generated between September 30, 2018 and August 31, 2022. The reason is that this scenario assumes that during this period, Questerre would have further developed its natural gas assets by drilling, completing, and equipping certain well sites, installing gathering and compression infrastructure, processing facilities, and tie-ins to pipelines to bring the natural gas to sales points. This assumed development would have required the Company to incur approximately $1.9 billion of operating and capital costs, which are cash outflows, as well as realize any cash inflows related to the sale of natural gas production, during this period. In other words, it is necessary to consider the cash flow impacts that would need to be incurred to enhance the fair market value of the exploration licenses and associated natural gas assets, as at August 31, 2022. This is further discussed below in Section 3.3.7.

GLJ has forecast the above-discussed cash flows in Appendix I of the GLJ Report by incorporating actual natural gas pricing realized during the period from September 2018 to August 2022. In determining the economic loss under Scenario 3, the sum of these forecast cash flows during this period, which we have risk adjusted, are summed with the determined fair market value of the exploration licenses and associated property rights held by the Company, as at August 31, 2022.

[24] Page 9 pf 703 of the GLJ Report.
[25] Page 11 of 703 of the GLJ Report.

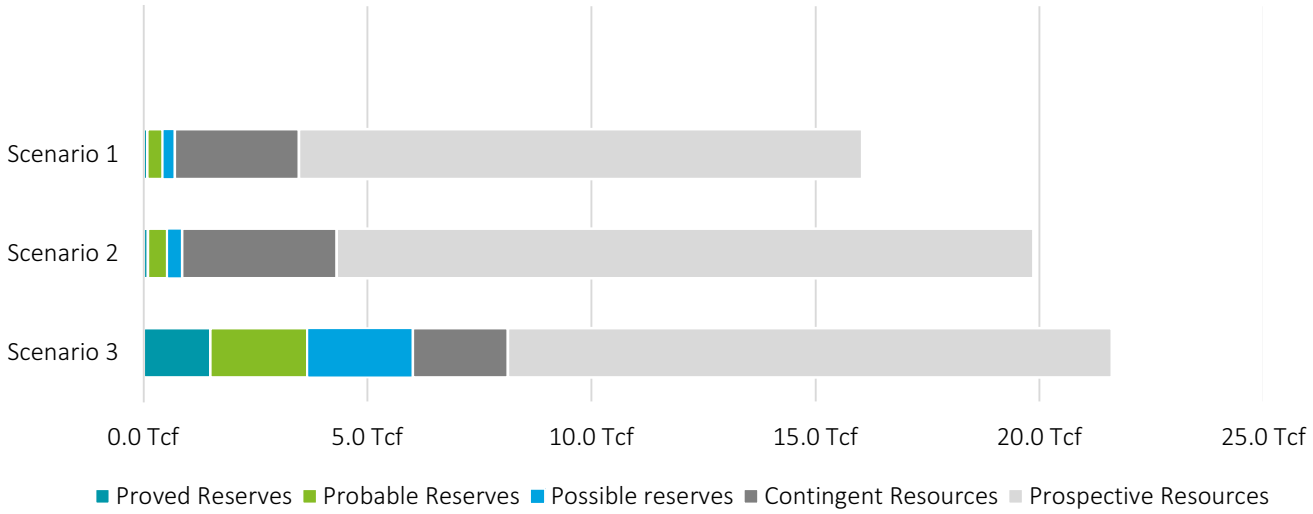
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61. The following table and graph summarize the recoverable volumes of reserves and resources considered within the fair market valuations, by category, for each scenario, as at each of the assumed valuation dates. This information was obtained from the GLJ Report:

Table 7:

	Reserves			Resources (Best Estimate)		Total Recoverable Resources
	Proved	Probable	Possible	Contingent	Prospective	
	Tcf	Tcf	Tcf	Tcf	Tcf	Tcf
Scenario 1	0.1	0.3	0.3	2.8	12.6	16.0
Scenario 2	0.1	0.4	0.3	3.5	15.5	19.9
Scenario 3	1.5	2.2	2.4	2.1	13.5	21.6

Figure 11:



62. As noted above in paragraph 58, the economic losses determined under a fair market value perspective are meant to place Questerre in a position that it would have enjoyed had the alleged wrongful actions of the GoQ not occurred. Having asserted this, it is our professional opinion that the economic loss determined under Scenario 3 detailed above is the most relevant. However, this is for the Court to decide.

63. Scenario 3 is the most relevant scenario because it is our understanding that the alleged wrongful actions of the GoQ prevented Questerre from realizing additional value from its Québec exploration licenses and property rights to exploit and develop the natural gas resources discovered for production and sale to the market. Stated differently, Questerre incurred a loss due to its inability to develop the lands associated with its exploration licenses because of the GoQ's actions. But for the September 2018 regulations that were put into force by the GoQ that prohibited, *inter alia*, hydraulic fracturing in shale to produce natural gas and prohibited oil and gas activities within 1,000 metres from urbanized areas and bodies of water, Questerre could have continued with the exploration, development, and production of its natural gas assets such that at the time of the August 23, 2022 revocation of the Company's exploration licenses by the GoQ, the value of these assets would have been enhanced when compared to the value of them, as at September 30, 2018 (i.e., the economic loss under Scenario 1), or as at August 31, 2022 under the assumption that no further development occurred between September 2018 and August 2022 (i.e., the economic loss under Scenario 2).

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64. Scenario 1 and Scenario 2 assume that, but for the regulations that came into effect in September 2018 and the revocation of Questerre's oil and gas exploration licenses in August 2022, the Company could have sold its exploration licenses and associated property rights on or about September 30, 2018 or August 31, 2022, respectively, without further developing its natural gas assets. However, as at each of those dates, Questerre was only able to undertake minimal development activity to enhance the value of its Québec assets due to the GoQ's actions. Based on discussions with Management and the information we reviewed in developing this Report, we understand that the Company had no intention to sell its exploration licenses and associated property rights at those dates. Rather, it is our understanding that Questerre would have undertaken development of the lands associated with its exploration licenses by drilling wells and continuing development over the life of the natural gas reserves and resources, which would have allowed the Company to increase and realize additional value from these assets.

65. As set forth above, the economic losses determined under the scenarios noted above are meant to place Questerre in a position that it would have enjoyed had the alleged wrongful actions of the GoQ not occurred. Further, the economic loss determined under Scenario 2 is also from the perspective of the value of the subject underlying natural gas assets to the GoQ. Again, this is for the Court to decide.

66. As of August 23, 2022, due to the revocation of the Company's exploration licenses and the associated natural gas discovery made by Questerre on these licenses, the GoQ essentially acquired this discovery. Therefore, the GoQ holds an option to exploit and sell the natural gas, as well as to explore for underground storage reservoirs for carbon sequestration, on the lands associated with Questerre's exploration licenses. Although, as at the date of this Report, there is a ban on oil and gas development in Québec, this ban could be lifted at any time by the GoQ, which would allow the GoQ to develop natural gas resources for its own benefit.

67. Consequently, the GoQ obtained the value of the subject exploration licenses and corresponding potential, as at August 23, 2022, which is equal to the economic loss value set forth above under Scenario 2.

3.3 Deloitte's Quantification of the Economic Losses

68. For Scenario 1, Scenario 2, and Scenario 3 we prepared fair market valuations in the process of determining economic losses, as discussed in paragraph 56. These were prepared, as at the following dates, using the GLJ Report, which incorporates 3CA forecast natural gas pricing, as at or close to each of those dates:

Table 8:

Scenarios	Valuation Dates
Scenario 1	September 30, 2018
Scenario 2 and Scenario 3	August 31, 2022 (Note 1)

Note 1: These scenarios have an effective date of August 31, 2022 and incorporate 3CA forecast pricing, as at July 31, 2022, which is reflected in the GLJ Report.

69. Economic losses from this perspective, as discussed in paragraph 56, are based on the fair market value that a notional purchaser of the exploration licenses and associated property rights would pay the Company, as at the dates noted above.

70. As discussed above in Section 3.2, the fair market value determined under Scenario 3 is based on the assumption that, but for the GoQ's actions, the Company would have further developed its natural gas assets by drilling, completing, and equipping certain well sites, installing gathering and compression infrastructure, processing facilities, and tie-ins to pipelines to bring the natural gas to sales points during the period commencing on September 20, 2018 and ending on August 23, 2022. This would have enhanced the value of Questerre's natural gas assets, as at August 31, 2022. However, this assumed development would have required the Company to incur operating and capital costs, which are cash outflows, as well as realize any cash inflows related to the sale of natural gas production, during this period. Consequently, the total of these assumed cash flows during the period September 30, 2018 to

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August 31, 2022, as forecast by GLJ,[26] needs to be summed with the fair market value of the natural gas assets, as at August 31, 2022 and determined under Scenario 3, to derive the total economic loss under Scenario 3.

71. For the purpose of our fair market valuations, fair market value is defined as the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, each acting at arm's length in an open an unrestricted market, when neither is under compulsion to buy or to sell and when both have reasonable knowledge of the relevant facts. This definition is set forth in the International Valuation Glossary – Business Valuation.[27]

72. Fair market value, as defined above, is a concept of value, which may or may not equal the purchase/sale price in an actual market transaction. Within the marketplace there may exist "special purchasers" who may be willing to pay higher prices because of reduced or eliminated competition, ensured source of sales, cost savings arising on business combinations following acquisitions, or other synergies, which could be enjoyed by the purchaser.

73. Given the nature and stated purpose of this engagement, we could not have exposed Questerre's Québec exploration licenses and associated property rights to the marketplace on the September 30, 2018 and August 31, 2022 valuation dates to determine whether some special purchasers, for their own reasons, might perceive values different from those determined by us, as at those dates, under Scenario 1, Scenario 2, and Scenario 3.

74. As discussed in paragraphs 27, 28, 31, and 32, on June 4, 2018, Questerre executed a binding letter of intent with Repsol to settle outstanding litigation and to acquire Repsol's exploration rights to 753,000 net acres in the St. Lawrence Lowlands, as well as other assets. The purchase and sale agreement between these two parties was dated March 4, 2019 with an effective date of February 1, 2018 and a closing date of December 31, 2019. Prior to closing adjustments, the total consideration paid by Questerre was approximately $67.3 million.

75. It is our opinion that the purchase consideration noted above is not representative of the fair market value of Questerre's Québec exploration licenses and associated property rights. It is reasonable to assume that the alleged wrongful actions of the GoQ, which include the September 2018 regulations prohibiting hydraulic fracturing in shale and increasing the minimum setbacks from urbanized areas and bodies of water, had a negative impact on the price paid by the Company to Repsol for the subject assets. Further, without being able to discuss with management of Repsol, we do not know whether there were any factors impacting price outside the definition of fair market value.

3.3.1. Selected Fair Market Valuation Approaches and Methodologies

Income Approach Fair Market Valuations – Discounted Cash Flow Analyses

76. Please refer to Appendix J – Valuation Approaches for a discussion on the fundamental approaches to determine fair market value. Based on our experience in valuations, corporate mergers, acquisitions, and divestitures, as well as considering the subject exploration licenses and the property rights to exploit and develop the natural gas reserves and resources discovered for production and sale to the market, the income approach, more specifically the DCF method, is the most appropriate valuation approach to determine fair market values for these Questerre Québec assets under various fair market value scenarios. In selecting the appropriate method for valuing the subject natural gas assets, we were particularly influenced by the following factors:

- This is the approach that a notional purchaser would likely use when contemplating an acquisition of the exploration licenses and rights to exploit the associated natural gas assets in Québec;
- Forecast cash flows are available for the subject natural gas assets, as reflected in the GLJ Report;
- The subject natural gas assets were expected to generate income and the future cash flows can be reasonably estimated; and
- The cash flows are based on a depleting reserve and resource base where production fluctuates annually, and the reserves and resources have a finite life.

[26] See Appendix I of the GLJ Report for these cash flows.
[27] International-Valuation-Glossary-Business-Valuation_EN.pdf (cbvinstitute.com)

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77. Under a DCF method, the present value of future cash flows expected to be generated by the natural gas reserves and resources is calculated, on an after-tax basis, to yield the value of the reserves and resources. We determined the values of the reserves and resources on an after-tax basis wherein corporate income taxes are deducted from annual forecast cash flows before discounting with the resulting after-tax cash flows being discounted using after-tax discount rates.

78. In our DCF analyses we utilized appropriate discount rates applied to forecast cash flows expected to be generated by the subject natural gas reserve and resource estimates. Our selections of appropriate discount rates are supported and validated through information obtained from the SPEE Surveys. The SPEE Survey approach is a form of the market approach. That is, we compared our selected discount rates for each reserve and resource category to the implied discount rates required to equate the fair market values determined under the SPEE Survey approach, as discussed in the following paragraph, when using the forecast cash flows of the various reserves and resources categories in the DCF analyses.

SPEE Survey Approach Fair Market Valuations

79. As another approach to determine fair market values for Questerre's exploration licenses and rights to exploit the associated natural gas assets in Québec under various scenarios, we used the RAFs published in the SPEE Surveys. More specifically, we applied applicable RAFs based on the reserve and resource categories' unrisked values (i.e., the BT NPV10 values) reflected in the GLJ Report to determine the fair market values of these categories. We then determined the implied discount rates required to equate these values when using the forecast cash flows for the various reserves and resources categories in the DCF analyses. These implied discount rates were then used as benchmarks to determine the reasonableness of the discount rates (i.e., the WACCs) applied to the forecast cash flows for various reserves and resources categories in our DCF analyses. Please refer to Appendix L – Overview of the Society of Petroleum Evaluation Engineers' Survey for an overview of the SPEE Survey and RAFs.

Market Approach – Guideline Public Company and Guideline Precedent Transaction Analysis

80. In addition to the income and SPEE Survey approaches, we utilized the GPC and GPT market approaches as secondary approaches to provide additional support to our fair market value conclusions.

81. Generally, the Canadian oil and gas industry uses the common measure of recoverable resource value to Mcf of the sum of reserves and resources (also known as 'recoverable resources') to assess the relative value of the oil and gas assets of companies of different sizes. Under the market approach, we compared the $/recoverable resources multiples (i.e., $/Mcf) implied by our DCF method to those of the GPCs with similar assets and GPTs involving similar assets.

82. For Scenario 3, under the market approach, we also compared the implied $/average daily production multiples of the subject natural gas assets of the Company implied by our DCF method to those of the GPCs with similar assets and GPTs involving similar assets.

83. Under Scenario 1 and Scenario 2, as the Company's Québec assets were pending development and there was no actual production of natural gas, production-based valuation multiples (i.e., $/average daily production multiples) were not assessed.

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3.3.2. Income Approach Fair Market Valuations- Discounted Cash Flow Analyses

84. The DCF analyses for the subject natural gas assets are presented on the following schedules:[28]

Table 9:

Reserves/Resources Category	Scenario 1	Scenario 2	Scenario 3
Proved reserves	1 – 2.1 and 2.2	2 – 2.1 and 2.2	3 – 3.1 and 3.2
Probable reserves	1 – 2.3 and 2.4	2 – 2.3 and 2.4	3 – 3.3 and 3.4
Possible reserves	1 – 2.5 and 2.6	2 – 2.5 and 2.6	3 – 3.5 and 3.6
Contingent resources	1 – 2.7 and 2.8	2 – 2.7 and 2.8	3 – 3.7 and 3.8
Prospective resources	1 – 2.9 and 2.10	2 – 2.9 and 2.10	3 – 3.9 and 3.10

85. Our DCF method and calculations for each reserve/resource category in each of the above-referred scenarios are identical and consistent with the following exceptions:

a. Our selected WACCs vary by scenario and by categories of the natural gas reserves and resources. As we move from proved, to probable, and to possible reserve categories, and then to contingent and to prospective resource categories, the WACC to be applied to each of these reserve/resource categories' forecast cash flows generally increases due to the increased risk of recovery and commerciality associated with each category. For example, proved reserves are those that have already been discovered and are expected to be recovered with a high degree of certainty. Contingent resources are those that are discovered, but are not yet considered commercial, and prospective resources are those that are believed to exist, but have not yet been discovered. The WACCs for contingent and prospective resources are higher than the WACC for proved reserves because of the increased risk to commerciality from technical and non-technical considerations, which results in lower values per Mcf for these classifications of resources when compared to proved reserves, all else held equal; and

b. The WACC determined under Scenario 1 is as at September 30, 2018, while the WACCs determined under both Scenario 2 and Scenario 3 are as at August 31, 2022.

86. Our DCF analyses for Scenario 1, Scenario 2, and Scenario 3 are discussed below and the computation are outlined in the following table:

Table 10: Discounted Cash Flow Analyses – Reserves and Resources

Inputs	Source of Inputs	
Natural gas price ($/Mcf)	GLJ Report	Forecast cash flows
Multiply: Annual production volume (MMcf)	GLJ Report	
Equals: Sales revenue		
Less: Royalty burden	GLJ Report	
Less: Operating expenses	GLJ Report	
Less: Net profits interest burden	GLJ Report	
Equals: Net production revenue		
Less: Abandonment and reclamation costs	GLJ Report	
Equals: Operating income		
Less: Income taxes	Deloitte	
Equals: After-tax cash flows		
Less: Capital expenditures	GLJ Report	
Equals: Forecast free cash flows		
Multiply: Present value factor	Deloitte	Risk factor
Equals: Present value of annual forecast free cash flows		Fair market value *

* Fair market value = Present value of forecast cash flows

[28] To facilitate referencing, the first number in the schedule name refers to the scenario number and the second number refers to the schedule number. For example, "Schedule 1 – 2.1" refers to Schedule 2.1 of Scenario 1.

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a. Forecast operating income before taxes and capital expenditures was estimated by GLJ by multiplying forecast annual production by 3CA forecast prices to compute sales revenue. From sales revenues GLJ deducted estimated regime burdens (i.e., royalties), operating expenses, net profits interest burden, and abandonment and reclamation costs over the remaining life of the natural gas assets, as reflected in the GLJ Report, to arrive at operating income.

   For the contingent and prospective resource categories, we used the "best estimate" forecast operating income before taxes and capital expenditures estimated by GLJ. According to Canadian Oil and Gas Evaluation Handbook, the "best estimate" is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.

b. As the forecast cash flows for the reserves and resources in the GLJ Report were prepared on a pre-tax basis, we tax effected the forecast operating income for each year. The reason for this is that a notional purchaser of the subject exploration licenses would have to pay taxes on the taxable income forecast to be generated from the exploitation and production of the natural gas assets.

   When computing income taxes, we considered that the fair market valuations contemplate asset transactions (i.e., the price that a hypothetical buyer would pay for the subject exploration licenses and associated property rights). Consequently, the assumed opening tax basis is the fair market value of the subject assets, as at the applicable valuation date. For forecast years after the valuation date, the tax depreciation and depletion on the tax asset balances, as well those for future capital expenditures, were deducted from operating income to arrive at the taxable income, on an unlevered basis, based on Canadian tax rules.

   Please refer to Appendix E – Major Assumptions and the accompanying schedules for more details on the assumptions underlying the tax calculations.

c. Capital expenditures are defined as the capital outlays required to generate revenues. That is, these expenditures are required to be made in order to extract, process, and distribute natural gas from the underground reservoirs for sale. The costs relate primarily to drilling, completions, and equipping well sites, installing gathering and compression infrastructure, processing facilities, and tie-ins to pipelines to bring the natural gas to sales points. These expenditures, as forecast by GLJ, were deducted from the after-tax cash flows to arrive at free cash flows. Tax depreciation on capital expenditures, if any, was considered in the aforementioned tax computations.

   In a fair market value determination, it is assumed that a notional purchaser would have the ability to finance forecast capital expenditures. Consequently, for the fair market value scenarios to compute the economic losses incurred by Questerre, we assumed that a notional purchaser of the Company's exploration licenses would be able to finance the capital expenditures forecast in the GLJ Report.

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d. The free cash flows for each year were then present valued using a WACC, as discussed in Appendix K – Weighted Average Cost of Capital. We applied the following WACC ranges to the reserves and resources categories for each of the valuation scenarios:

Table 11:

Reserves and Resources Category	Scenario 1	Scenario 2	Scenario 3
Proved reserves	12.3% to 14.9%	11.6% to 13.6%	10.0% to 14.3%
Probable reserves	21.4% to 25.9%	23.6% to 28.0%	23.5% to 29.0%
Possible reserves	52.8% to 63.3%	60.5% to 71.6%	59.5% to 76.1%
Contingent resources	35.3% to 37.9%	40.2% to 43.1%	28.8% to 30.6%
Prospective resources	28.0% to 29.8%	37.8% to 40.0%	28.9% to 30.2%

The WACC represents a risk-adjusted rate of return or a 'hurdle rate' (minimum acceptable return) and generally consist of a weighted average of the after-tax cost of debt and the cost of equity where consideration for the weighting is based on GPCs or a theoretical optimal amount for the industry debt to equity ratio, measured at market values. The WACCs for the various natural gas reserves and resources categories associated with Questerre's Québec exploration licenses were determined based on a review of the characteristics of the natural gas assets, macro-economic factors, and after consideration of several factors including the cost of equity and debt capital.

Our DCF analyses considered unrisked reserve volumes, as well as unrisked contingent and prospective resource volumes. Please refer Appendix G – Overview of Oil and Gas Industry for a discussion of chance of commerciality. Chance of commerciality is a function of two components, a product of 'chance of development' and 'chance of discovery.' We incorporated the chance of commerciality in our selection of discount rates for each resource category.

e. The sum of the discounted free cash flows reflects the fair market values of the reserves and resources categories.

f. Based on the foregoing, the fair market values of the natural gas reserves and resources categories for each of the scenarios using the DCF method are, as follows, as reflected on Schedule 1-1, Schedule 2-1, and Schedule 3 – 1.2 for Scenario 1, Scenario 2, and Scenario 3, respectively. The total of these values represents the fair market value of Questerre's Québec exploration licenses and the property rights to exploit and develop the natural gas resources discovered for production and sale to the market, prior to the consideration of G&A expenses, which is discussed below in Section 3.3.5.

Table 12:

Scenario 1	Fair market value conclusion		
(CAD thousands, unless otherwise stated)	Low	Midpoint	High
Value of proved reserves before general and administrative expenses	$ 33,480	$ 37,200	$ 40,920
Value of probable reserves before general and administrative expenses	152,725	169,694	186,663
Value of possible reserves before general and administrative expenses	67,126	74,584	82,043
Value of contingent resources before general and administrative expenses	193,227	214,697	236,166
Value of prospective resources before general and administrative expenses	270,941	301,045	331,150
Value of oil and gas resources before general and administrative expenses, as at September 30, 2018	**$ 717,498**	**$ 797,220**	**$ 876,942**

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Table 13:

Scenario 2	Fair market value conclusion		
(CAD thousands, unless otherwise stated)	Low	Midpoint	High
Value of proved reserves before general and administrative expenses	$ 44,084	$ 48,983	$ 53,881
Value of probable reserves before general and administrative expenses	188,236	209,152	230,067
Value of possible reserves before general and administrative expenses	78,362	87,069	95,776
Value of contingent resources before general and administrative expenses	235,174	261,305	287,435
Value of prospective resources before general and administrative expenses	187,340	208,156	228,972
Value of oil and gas resources before general and administrative expenses, as at August 31, 2022	**$ 733,198**	**$ 814,665**	**$ 896,131**

Table 14:

Scenario 3	Fair market value conclusion		
(CAD thousands, unless otherwise stated)	Low	Midpoint	High
Value of proved reserves before general and administrative expenses	$ 2,029,057	$ 2,254,508	$ 2,479,959
Value of probable reserves before general and administrative expenses	1,141,542	1,268,380	1,395,218
Value of possible reserves before general and administrative expenses	669,899	744,332	818,765
Value of contingent resources before general and administrative expenses	103,384	114,871	126,358
Value of prospective resources before general and administrative expenses	116,785	129,761	142,737
Value of oil and gas reserves and resources before general and administrative expenses, as at August 31, 2022	**$ 4,060,666**	**$ 4,511,852**	**$ 4,963,037**

3.3.3. SPEE Survey Approach Fair Market Valuations

87. The SPEE Survey analyses for the subject natural gas assets are presented on Schedule 1–- 5, Schedule 2–- 5, and Schedule 3–- 6 for Scenario 1, Scenario 2, and Scenario 3, respectively.

88. As noted in paragraph 79, as another approach to determine fair market values for the natural gas assets associated with Questerre's Québec exploration licenses under various scenarios, we used the RAFs published in the SPEE Surveys. More specifically, we applied RAFs to the BT NPV10 values reflected in the GLJ Report for the reserves/resources categories to determine the fair market values of these categories.

89. We considered the following RAFs, which are based on the 2018 SPEE Survey for Scenario 1 and the 2022 SPEE Survey for Scenario 2 and Scenario 3. Please refer to Appendix L – Overview of the Society of Petroleum Evaluation Engineers Survey, which outlines the RAFs from the 2018 and 2022 SPEE Surveys:

Table 15:

RAFs	Scenario 1	Scenario 2	Scenario 3
Proved reserves	61.0%	59.0%	77.7%
Probable reserves	37.0%	31.0%	34.4%
Possible reserves	16.0%	13.0%	16.0%
Contingent resources	8.0%	6.0%	6.0%
Prospective resources	5.0%	2.0%	2.0%

90. As reflected on Schedule 1 – 5, Schedule 2 – 5, and Schedule 3 – 6, the selected RAFs are based on mean (i.e., average) figures for the various reserves and resources categories set forth in the SPEE Surveys.

91. The RAFs used in our SPEE Survey analyses for the subject natural gas assets inherently incorporate the chance of commerciality for the contingent and prospective resources. Please refer Appendix G – Overview of Oil and Gas Industry for a discussion of chance of commerciality. Chance of commerciality is a function of two components, a product of 'chance of development' and 'chance of discovery.'

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92. When determining the RAFs for the reserves categories (i.e., proved reserves, probable reserves, and possible reserves), we took into consideration the development status of each of these categories, as reflected in the GLJ Report. As further detailed in paragraph G.37 of Appendix G – Overview of the Oil and Gas Industry, each of the reserve categories may be divided into developed and undeveloped categories.

93. As reflected on Exhibit 1 – 1, Exhibit 2 – 1, and Exhibit 3 – 1 for Scenario 1, Scenario 2, and Scenario 3, respectively, the SPEE Surveys list RAFs for the various subcategories of the reserves and resources. These subcategories are, as follows:

- Producing;
- Shut in;
- Behind pipe; and
- Undeveloped.

94. Scenario 1 and Scenario 2 assume that, as at September 20, 2018 and August 23, 2022, respectively, Questerre was only able to complete the Test Wells, as discussed in paragraph 21. However, the Company was unable to conduct further development of its assets due to the GoQ initiating in 2010 an environmental assessment of shale gas development in the province, as discussed in paragraph 21, the lack of GoQ regulations prior to September 20, 2018, as well as due to the regulations banning hydraulic fracturing and increased minimum setback distances that came into effect on September 20, 2018, all of which made it impossible for Questerre or any other third party to develop the hydrocarbons present on the territories in the Province of Québec associated with the Company's exploration licenses. Consequently, the GLJ Report only reflects undeveloped natural gas volumes for all the reserves categories. Therefore, our selection of the RAFs for these scenarios is based on the means (i.e., averages) of the undeveloped subcategories.

95. Unlike Scenario 1 and Scenario 2, Scenario 3 assumes that, but for the GoQ's actions, the Company would have further developed its natural gas assets commencing on September 20, 2018 and ending on August 23, 2022. Accordingly, the GLJ Report for this scenario reflects both producing and undeveloped natural gas volumes for each of the reserves and resources categories. Therefore, our selection of the RAFs for this scenario is based on the weighted average using NPV10 figures and the mean (i.e., average) RAFs of both the producing and undeveloped subcategories.

96. The RAFs for the producing subcategories are greater than those for the undeveloped subcategories because of decreased risk to commerciality from technical and non-technical considerations. For example, capital expenditures are required to convert undeveloped reserves to producing reserves. Hence, all else held equal, an Mcf of reserves to be produced from producing wells has a greater value than an Mcf of reserves to be produced from wells that are undeveloped.

97. Our fair market values of the reserves and resources categories were computed by applying the relevant RAFs for each category, as shown in the table above, to the BT NPV10 values reflected in the GLJ Report, as at September 30, 2018 for Scenario 1, and as at August 31, 2022 for Scenario 2 and Scenario 3. The use of BT NPV10 values is a standardized approach taken in the oil and gas industry. The 10 percent discount rate associated with the determination of BT NPV10 values is a proxy for an unrisked discount rate that does not include any asset specific risk.

98. The following risked values were derived for each scenario and each reserve and resource category, as reflected on Schedule 1 – 5, Schedule 2 – 5, and Schedule 3 – 6 for Scenario 1, Scenario 2, and Scenario 3, respectively. The total of these values represents the fair market value of Questerre's Québec exploration licenses and the property rights to exploit and develop the natural gas resources discovered for production and sale to the market prior to the consideration of G&A expenses, which is discussed below in Section 3.3.5.

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Table 16:

Scenario 1	Unrisked value Low	Unrisked value High	Reserve adjustment factors	Risked value Low	Risked value High
(CAD thousands, unless otherwise stated)					
Proved reserves	$ 54,885	$ 67,082	61.0%	$ 33,480	$ 40,920
Probable reserves	412,769	504,496	37.0%	152,725	186,663
Possible reserves	419,537	512,767	16.0%	67,126	82,043
Total 3P reserves	$ 887,191	$ 1,084,345	28.6%	$ 253,330	$ 309,626
Contingent resources	$ 2,415,337	$ 2,952,078	8.0%	$ 193,227	$ 236,166
Prospective resources	5,418,812	6,622,992	5.0%	270,941	331,150
Total resources	$ 7,834,149	$ 9,575,070	5.9%	$ 464,168	$ 567,316
Fair market value of oil and gas reserves and resources	**$ 8,721,340**	**$ 10,659,415**	**8.2%**	**$ 717,498**	**$ 876,942**

Table 17:

Scenario 2	Unrisked value Low	Unrisked value High	Reserve adjustment factors	Risked value Low	Risked value High
(CAD thousands, unless otherwise stated)					
Proved reserves	$ 74,719	$ 91,324	59.0%	$ 44,084	$ 53,881
Probable reserves	607,214	742,151	31.0%	188,236	230,067
Possible reserves	602,787	736,740	13.0%	78,362	95,776
Total 3P reserves	$ 1,284,721	$ 1,570,214	24.2%	$ 310,683	$ 379,724
Contingent resources	$ 3,919,574	$ 4,790,590	6.0%	$ 235,174	$ 287,435
Prospective resources	9,367,024	11,448,585	2.0%	187,340	228,972
Total resources	$ 13,286,597	$ 16,239,175	3.2%	$ 422,515	$ 516,407
Fair market value of oil and gas reserves and resources	**$ 14,571,318**	**$ 17,809,389**	**5.0%**	**$ 733,198**	**$ 896,131**

Table 18:

Scenario 3	Unrisked value Low	Unrisked value High	Reserve adjustment factors	Risked value Low	Risked value High
(CAD thousands, unless otherwise stated)					
Proved reserves	$ 2,611,539	$ 3,191,881	77.7%	$ 2,029,057	$ 2,479,959
Probable reserves	3,319,743	4,057,463	34.4%	1,141,542	1,395,218
Possible reserves	4,181,946	5,111,268	16.0%	669,899	818,765
Total 3P reserves	$ 10,113,228	$ 12,360,612	38.0%	$ 3,840,497	$ 4,693,941
Contingent resources	$ 1,723,070	$ 2,105,974	6.0%	$ 103,384	$ 126,358
Prospective resources	5,839,238	7,136,846	2.0%	116,785	142,737
Total resources	$ 7,562,308	$ 9,242,820	2.9%	$ 220,169	$ 269,095
Fair market value of oil and gas reserves and resources	**$ 17,675,536**	**$ 21,603,432**	**23.0%**	**$ 4,060,666**	**$ 4,963,037**

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99. The implied discount rates required to equate the above-noted risked values when using the forecast cash flows for the various reserves and resources categories in the DCF analyses discussed in Section 3.3.2 are, as follows:

Table 19:

Implied Discount Rates	Scenario 1	Scenario 2	Scenario 3
Proved reserves	12.3% to 14.9%	11.6% to 13.6%	10.0% to 14.3%
Probable reserves	21.4% to 25.9%	23.6% to 28.0%	23.5% to 29.0%
Possible reserves	52.8% to 63.3%	60.5% to 71.6%	59.5% to 76.1%
Contingent resources	35.3% to 37.9%	40.2% to 43.1%	28.8% to 30.6%
Prospective resources	28.0% to 29.8%	37.8% to 40.0%	28.9% to 30.2%

100. These implied discount rates were then used as benchmarks to determine the reasonableness of the discount rates (i.e., the WACCs) applied to the forecast cash flows for various reserves and resources categories in our DCF analyses discussed in Section 3.3.2. Please see the discussion in the following section starting at paragraph 106 for an analysis of the reasonability of the discount rates.

3.3.4. Comparison and Analysis of Fair Market Values of Natural Gas Reserves and Resources Categories Between Scenarios

101. This section of the Report discusses various aspects of the fair market valuations of the natural gas reserves and resources associated with Questerre's Québec exploration licenses.

102. The midpoints of the fair market values of the reserves and resources categories determined under the income approach, which are addressed in Section 3.3.2, and those determined under the SPEE Survey approach, which are set forth in Section 3.3.3, are equal to each other and are summarized in the following table:

Table 20:

	Fair market value conclusion (midpoint)		
	Scenario 1	Scenario 2	Scenario 3
Proved reserves	$ 37,200	$ 48,983	$ 2,254,508
Probable reserves	169,694	209,152	1,268,380
Possible reserves	74,584	87,069	744,332
Total 3P reserves	$ 281,478	$ 345,204	$ 4,267,219
Contingent resources	$ 214,697	$ 261,305	$ 114,871
Prospective resources	301,045	208,156	129,761
Total resources - Best estimate basis	$ 515,742	$ 469,461	$ 244,632
Totals	**$ 797,220**	**$ 814,665**	**$ 4,511,852**

103. The proportion of fair market value between reserves and resources differs between Scenario 1 and Scenario 2 when compared to Scenario 3, as expected. The following table reflects these proportions:

Table 21:

	Percent of fair market value		
	Scenario 1	Scenario 2	Scenario 3
Total 3P reserves	35.3%	42.4%	94.6%
Total resources - Best estimate basis	64.7%	57.6%	5.4%
Totals	**100.0%**	**100.0%**	**100.0%**

104. Scenario 3 has a much greater proportion of reserves value in relation to resources value when compared to Scenario 1 and Scenario 2. The reason for this is Scenario 3 assumes that, but for the GoQ's actions, the Company would have further developed its natural gas assets commencing on September 20, 2018 and ending on August 23, 2022.

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105. The rationale for Scenario 3 is that the GoQ's alleged wrongful actions in September 2018 prevented Questerre from further developing its assets. As such, on August 23, 2022 when the GoQ revoked the Company's exploration licenses, it took from Questerre these licenses and prevented it from realizing their fair market value, which would have been enhanced by drilling certain wells, in addition to the Test Wells previously drilled, between September 20, 2018 and August 23, 2022. This enhanced value results from the additional development that would have converted more of the resources to reserves than those considered reserves based on the Test Wells. Consequently, the fair market value of the total reserves determined under Scenario 3 is greater than those determined under Scenario 1 and Scenario 2.

106. The midpoints of the discount rates (i.e., the WACCs) used in the DCF analyses to determine the fair market values of the various reserves and resources categories under the income approach, which are discussed in paragraph 86.d, are equal to the midpoint implied discount rates required to equate the fair market values of the various reserves and resources categories determined under the SPEE Survey approach when using the forecast cash flows for these various categories in the DCF analyses, which are discussed in paragraph 99. These discount rates are summarized in the following table:

Table 22:

	Discount rates (midpoint)		
	Scenario 1	Scenario 2	Scenario 3
Proved reserves	13.6%	12.6%	12.1%
Probable reserves	23.6%	25.8%	26.2%
Possible reserves	58.1%	66.0%	67.8%
Total 3P reserves	30.5%	32.7%	26.6%
Contingent resources	36.6%	41.6%	29.7%
Prospective resources	28.9%	38.9%	29.6%
Total resources - Best estimate basis	32.1%	40.3%	29.6%
Weighted Averages	**31.8%**	**38.7%**	**27.3%**

107. For all three scenarios the discount rates for proved reserves are lower than those for probable and possible reserves. Also, the discount rates for probable reserves are lower than those for possible reserves, as well as those for both contingent and prospective resources. As set forth in paragraph 85.a, as we move from proved, to probable, and to possible reserve categories, and then to contingent and to prospective resource categories, the WACC to be applied to each of these reserve/resource categories' forecast cash flows generally increases due to the increased risk of recovery and commerciality associated with each category.

108. As reflected in the above table, the discount rates for possible reserves are greater than those for contingent and prospective resources. This is contrary to the logical ordering of discount rates noted in the above paragraph. However, the reason for this is that the forecast cash flows provided by GLJ include capital expenditures for proved and probable reserves, as well as contingent and prospective resources, while there are none included in the forecast cash flows for possible reserves. Therefore, the possible reserves volumes reflect the incremental volumes associated with the development in the proved and probable reserves categories only, and there is no additional development contemplated by GLJ within the possible reserves category. Consequently, the forecast free cash flows for possible reserves are not decreased by capital expenditures and this results in higher discount rates being required to determine the fair market values of this reserves category. Stated differently, if the possible reserve category included capital expenditures similar to the proved and probable reserve categories, the forecast cash flows for the possible reserves category would be lower. Consequently, a lower discount rate would be required to determine the fair market value of this reserves category.

109. When considering the previous paragraph, due to the allocation of forecast capital expenditures between reserve categories, when assessing the reasonability of discount rates, the weighted average discount rates for reserves should be compared to those for resources. As shown in the above table, for all three scenarios the weighted average discount rates for reserves are lower than those for resources. This is consistent with the logic set forth in paragraph 107.

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110. Also, as reflected in the above table, the weighted average discount rates for reserves and resources of 26.6 percent and 29.6 percent, respectively, in Scenario 3 are lower than those of 32.7 percent and 40.3 percent, respectively, in Scenario 2. This is despite both of these scenarios having the same August 31, 2022 valuation date. The reason for this is Scenario 3 assumes that, but for the GoQ's actions, the Company would have further developed its natural gas assets commencing on September 20, 2018 and ending on August 23, 2022. During this period, GLJ forecasts significant capital expenditures would have been incurred by Questerre. Consequently, the cash flows forecast by GLJ to occur after the August 31, 2022 effective dates in their Case 2 and Case 3 for our Scenario 2 and Scenario 3 have different profiles and timing. As such, different discount rates are required to be applied to the forecast cash flows in each of these scenarios in order to equate to the fair market values determined under the SPEE Survey Approach for these scenarios.

111. Another factor contributing to the lower discount rates in Scenario 3 when compared to Scenario 2 is that all the reserve categories in Scenario 2 only reflect **undeveloped** natural gas volumes. This is because this scenario assumes that Questerre was only able to complete the Test Wells and was unable to conduct any further development of its assets due to the alleged wrongful actions of the GoQ. On the other hand, the GLJ Report for Scenario 3 reflects both **producing** and **undeveloped** natural gas volumes for each of the reserves categories due to the assumed further development of the Company's natural gas assets between September 2018 and August 2022. As discussed in paragraph 96, more risk is associated with undeveloped reserves than for developed reserves.

112. Underlying the fair market values determined for each of the scenarios are the reserves and resources volumes reflected in the GLJ Report for the various scenarios, which are summarized below:

Table 23:

	Total reserves and resources (Mmcf)		
	Scenario 1	Scenario 2	Scenario 3
Proved reserves	78,772	96,746	1,497,264
Probable reserves	343,254	430,603	2,162,674
Possible reserves	275,698	331,163	2,353,357
Total 3P reserves	697,725	858,512	6,013,295
Contingent resources	2,771,772	3,452,232	2,119,648
Prospective resources	12,571,112	15,549,217	13,478,876
Total resources - Best estimate basis	15,342,884	19,001,449	15,598,525
Totals	**16,040,609**	**19,859,961**	**21,611,819**

113. As reflected in the table above, the total recoverable reserves and resources volumes, on a best estimate basis, plus possible reserves in Scenario 1 of approximately 16.0 Tcf are lower than those for Scenario 2 and Scenario 3 of roughly 19.9 Tcf and 21.6 Tcf, respectively. This is primarily attributed to Scenario 1 having a valuation date of September 30, 2018 whereas the valuation date for Scenario 2 and Scenario 3 is August 31, 2022.

114. When determining fair market value in a notional context, valuation theory dictates that only information known or knowable at the valuation date may be considered. The reason for this is, as at that date, a hypothetical willing and able buyer and a hypothetical willing and able seller could only use information that is known or knowable when determining the highest price at which property would change hands between them.

115. It is our understanding that the technology used to extract natural gas from underground reservoirs advanced between September 2018 and August 2022, which contributes to higher volumes being able to be produced. We understand that GLJ factored this into their analyses.

116. Finally, the summation of reserves and resources volumes, on a best estimate basis, plus possible reserves reflected in the above table shows a difference between Scenario 2 and Scenario 3 even though both scenarios have the same August 31, 2022 valuation date. This is attributed to additional volumes being assigned by GLJ for Scenario 3, which are associated with the assumed development of Questerre's natural gas assets between September 2018 and August 2022. The volumes that are considered reserves in Scenario 3 reflect different levels of certainty associated with the contingent and prospective resource categories beyond the best estimated certainty volumes, as

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represented in the table above. As such, the total volumes reflected in the table above are greater in Scenario 3 compared to Scenario 2.

117. The following table summarizes the midpoint fair market values per Mcf for each reserve and resource category for all three scenarios, as reflected on Schedule 1 – 1, Schedule 2 – 1, and Schedule 3 – 1.2 for Scenario 1, Scenario 2, and Scenario 3, respectively:

Table 24:

	$/mcf (midpoint) Scenario 1	Scenario 2	Scenario 3
Proved reserves	$ 0.47	$ 0.51	$ 1.51
Probable reserves	0.49	0.49	0.59
Possible reserves	0.27	0.26	0.32
Total 3P reserves	$ 0.40	$ 0.40	$ 0.71
Contingent resources	$ 0.08	$ 0.08	$ 0.05
Prospective resources	0.02	0.01	0.01
Total resources - Best estimate basis	$ 0.03	$ 0.02	$ 0.02
Totals	**$ 0.05**	**$ 0.04**	**$ 0.21**

118. As expected, in general, the $/Mcf values in order of highest to lowest are for proved, probable, and possible reserves, and then contingent and prospective resources. The reason for this is that there is increased risk of recovery and commerciality, as we move from proved reserves to prospective resources. All else held equal, the greater the risk, the lower the value.

119. Also, it is reasonable that the $/Mcf values for the various reserves and resources categories for Scenario 1 and Scenario 2 are comparable. Aside from having different valuation dates (i.e., September 30, 2018 and August 31, 2022 for Scenario 1 and Scenario 2, respectively), both of these scenarios assume that, aside from the Test Wells, there is no further development of the lands associated with the Company's exploration licenses and advancement of natural gas production.

120. Finally, as expected, the $/Mcf values for the various reserves categories for Scenario 3 are higher than those for Scenario 1 and Scenario 2. This is because Scenario 1 and Scenario 2 assume that Questerre was only able to complete the Test Wells and was unable to conduct any further development of its assets due to the reasons set forth in paragraph 60.b. On the other hand, Scenario 3 assumes further development of the Company's natural gas assets between September 2018 and August 2022, which enhances the value of reserves, as at August 31, 2022.

3.3.5. General and Administrative Expenses

121. In determining economic losses, we deducted the fair market value of G&A expenses. We assumed that when determining the fair market value of Questerre's exploration licenses and the property rights to exploit and develop the natural gas resources discovered for production and sale to the market, a notional purchaser would consider incremental G&A expenses that it would need to incur after the acquisition date of these assets. These incremental G&A expenses would need to be incurred to realize the fair market values of the various reserves and resources categories determined using the DCF and SPEE Survey analyses.

122. Since the GLJ Report does not take G&A expenses into consideration, we calculated the negative fair market value of these expenses using a DCF method. Based on information provided by Management, we forecast the after-tax G&A expenses that would need to be incurred over the production life of the natural gas assets. The present values of these amounts, as at various valuation dates, were determined by discounting the forecast after-tax amounts by the WACCs determined for the proved reserves category. Since these WACCs are less than those for the probable and possible reserve categories, as well as those for the contingent and prospective resource categories, the resulting negative fair market values for G&A expenses are greater than if the WACCs for these other reserves and resources categories were used. This results in lower economic losses being computed.

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123. The DCF analyses for the G&A expenses are presented on the following schedules and summarized in the table below:

Table 25:

Scenario 1	Scenario 2	Scenario 3
1 – 3.1 and 3.2	2 – 3.1 and 3.2	3 – 4.1 and 4.2

Table 26:

	Fair market value (midpoint)		
	Scenario 1	Scenario 2	Scenario 3
Sum of net present value of general and administrative expenses	$ 15,327	$ 18,959	$ 20,055

3.3.6. Market Approach – Guideline Public Company and Guideline Precedent Transaction Analysis

124. The market approach analyses for the subject natural gas assets are presented on the following schedules:

Table 27:

	Scenario 1	Scenario 2	Scenario 3
GPC multiples and descriptions	1 – 6.1 and 6.2	2 – 6.1 and 6.2	3 – 7.1 and 7.2
GPT multiples	1 – 6.3	2 – 6.3	3 – 7.3

125. We considered the market approach as a cross-check to corroborate our DCF value conclusions. In this regard, we undertook the following for Scenario 1, Scenario 2, and Scenario 3:

a. Compared the implied $/recoverable resource multiples of the subject natural gas assets of the Company with the range of resource multiples observed for the GPCs; and

b. Compared the implied $/recoverable resource multiples with the resource multiples implied in the GPTs involving assets somewhat similar to those of the subject natural gas assets of the Company and indexed against Henry Hub spot prices.

126. In addition, with respect to Scenario 3, which assumes that, but for the GoQ's actions, Questerre would have further developed and produced its natural gas assets between September 20, 2018 and August 23, 2022, we also compared the implied $/average daily production multiples of the subject natural gas assets of the Company with the range of production multiples observed for the GPCs and the GPTs. We used the 2022 forecast average daily production of the subject natural gas assets of the Company, which is based on Case 3 of the GLJ Report that is used for Scenario 3. GLJ assumed that development drilling would have occurred at a pace and manner consistent with that of a "reasonable" oil and gas company with similar asset types such that a portion of Questerre's resources would have been converted into reserves due to the additional technical data acquired through the drilling. As such, GLJ assumed that in Case 3 there would have been actual production of natural gas, as at August 31, 2022.

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3.3.6.1 Guideline Public Company Analysis

127. We compared the $/recoverable resource multiples implied in our DCF values, net of G&A expenses, at mid-point values to the range of multiples observed for the GPCs. Due to the lack of pure play E&P companies operating in the Québec Utica Shale, we considered Canadian and US E&P companies primarily focused on dry natural gas assets in determining an appropriate group of GPCs. Our GPC analysis is summarized in the table below:

Table 28:

$/recoverable resources	Scenario 1	Scenario 2	Scenario 3
GPC – Range	$0.05 to $1.56	$0.32 to $2.58	$0.32 to $2.58
GPC – First Quartile	$0.35	$0.37	$0.37
GPC – Median	$0.68	$1.08	$1.08
Questerre – Recoverable reserves and resources	$0.05	$0.04	$0.21

128. Questerre's implied $/recoverable reserves and resources multiples are low and outside the range observed for the GPCs. This is considered reasonable, since the recoverable resources of most GPCs are predominantly comprised of reserves when compared to Questerre whose recoverable reserves and resources are primarily comprised of contingent and prospective resources, which have an increased risk of recovery and commerciality associated from technical and non-technical considerations.

129. In addition, for Scenario 3, we compared the $/average daily production multiples implied in our DCF values, net of G&A expenses, at mid-point values to the range of multiples observed for the GPCs. Our analysis is summarized in the table below:

Table 29:

$/average daily production ($/Mcf/d)	Scenario 3
GPC – Range	$1,956 to $12,454
GPC – First Quartile	$4,823
GPC – Median	$6,416
Questerre – Recoverable reserves and resources	$7,505

130. Questerre's implied $/average daily production multiple based on its recoverable resource value is above the median multiple of the GPCs. This is considered reasonable because, based on the GLJ Report for Case 3, the forecast average daily production volumes for Questerre for 2022 are low due to the early stage of production of the Company's natural gas assets. Consequently, the denominator (i.e., the average daily production) is low in relation to the total value of the natural gas assets, as at August 31, 2022, which results in a higher multiple. Unlike Questerre's Québec operations, the GPCs have more mature operations and, therefore, their average daily production figures are higher in relation to the total value of their assets.

3.3.6.2 Guideline Precedent Transaction Analysis

131. We compared the $/recoverable resource multiples implied in our DCF values, net of G&A expenses, at mid-point values to the range of multiples observed for the GPTs. Due to the lack of pure play E&P transactions in the Québec Utica Shale, we considered E&P transactions in the US Utica Shale, which is also primarily a dry natural gas play within the Appalachian Basin. As noted in paragraph 75, it is our opinion that the price paid by Questerre to Repsol for exploration rights in the St. Lawrence Lowlands, as well as other considerations and assets, is not representative of the fair market value of these assets. In addition, we also considered E&P transactions in other natural gas focused

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regions of Québec. However, no meaningful data was publicly available for our analysis. Our GPT analysis is summarized in the table below:

Table 30:

$/recoverable resources	Scenario 1	Scenario 2	Scenario 3
GPT – Range (Indexed)	$0.20 to $1.32	$0.43 to $1.55	$0.43 to $1.55
GPT – First Quartile (Indexed)	$0.21	$0.59	$0.59
GPT – Median (Indexed)	$0.48	$0.73	$0.73
Questerre – Recoverable reserves and resources	$0.05	$0.04	$0.21

132. The implied $/recoverable reserves and resources multiples of Questerre are low and outside the range observed for the GPTs. However, it is important to note that for most GPTs publicly available information only contemplates reserves and not resources. Information regarding contingent and prospective resources is usually not disclosed publicly for natural gas assets, making it difficult to draw meaningful comparisons between Questerre's implied $/recoverable reserves and resources multiples and those of the GPTs.

133. In addition, for Scenario 3, we compared the $/average daily production multiples implied in our DCF values, net of G&A expenses, at mid-point values to the range of multiples observed for the GPTs. Our analysis is summarized in the table below:

Table 31:

$/average daily production ($/Mcf/d)	Scenario 3
GPC – Range	$1,956 to $12,454
GPC – First Quartile	$5,072
GPC – Median	$6,371
Questerre – Recoverable reserves and resources	$7,505

134. Questerre's implied $/average daily production multiple based on its recoverable resource value is above the median multiple of the GPCs. As discussed above in paragraph 130, this is likely due to the assumed early stage of production of the Company's natural gas assets, as at August 31, 2022

135. Based on the foregoing, the market approach analyses support the values derived under the DCF method.

3.3.7. Scenario 3 Adjustment Required to Determine Economic Loss

136. As discussed in paragraph 70, the fair market value determined under Scenario 3 is based on the assumption that, but for the GoQ's actions, the Company would have further developed its natural gas assets by drilling, completing, and equipping certain well sites, installing gathering and compression infrastructure, processing facilities, and tie-ins to pipelines to bring the natural gas to sales points during the period commencing on September 20, 2018 and ending on August 23, 2022. This would have enhanced the value of Questerre's natural gas assets, as at August 31, 2022. However, this assumed development would have required the Company to incur operating and capital costs, which are cash outflows, as well as realize any cash inflows related to the sale of natural gas production, during this period. Consequently, the total of these assumed cash flows during the period September 30, 2018 to August 31, 2022, as forecast by GLJ in Appendix I of the GLJ Report, needs to be summed with the fair market value of the natural gas assets, as at August 31, 2022 and determined under Scenario 3, to derive the total economic loss under Scenario 3. GLJ incorporated certain assumptions regarding the development of the land associated with Questerre's exploration licenses and related natural gas production. The cash flow analysis for the subject natural

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gas assets for the period from September 2018 to August 2022 is presented on Schedule 3 – 2.1, Schedule 3 – 2.2, and Schedule 3 – 2.3, and is discussed below.

a. Forecast operating income before taxes and capital expenditures was estimated by GLJ by multiplying forecast annual production by spot commodity prices from September 30, 2018 to August 31, 2022.

   Unlike the fair market value determinations discussed in Section 3.3.2, which incorporate 3CA forecast prices at various valuation dates, the forecast sales revenue is based on the GLJ Report that incorporates actual natural gas pricing from September 30, 2018 to August 31, 2022. The reason for this is Scenario 3 assumes that Questerre would have further developed the natural gas assets during this time period.

   From sales revenues GLJ deducted estimated regime burdens (i.e., royalties), operating expenses, and net profits interest burden over the September 30, 2018 to August 31, 2022 period, as reflected in the GLJ Report, to arrive at net production revenue, which is equal to operating income, as no abandonment and reclamation costs are forecast during the period.

b. We then risk adjusted the net production revenue by applying an applicable RAF that is computed on a weighted average of the reserve and resource categories volumes and the RAFs applicable for those categories based on the 2022 SPEE Survey.

c. From the risk adjusted operating income, we deducted G&A expenses, as GLJ does not take these into consideration, to determine income before taxes. The Company would have to incur these expenses during the period September 30, 2018 to August 31, 2022 to further develop the natural gas assets. We forecast the pre-tax G&A expenses based on information provided by Management.

d. As the GLJ Report was prepared on a pre-tax basis, we tax effected the forecast income before taxes for each year. The reason for this is that Questerre would have to pay taxes on the taxable income forecast to be generated from the exploitation and production of the natural gas assets.

   When computing income taxes, the opening tax basis is based on the tax pools associated with the Company's Québec assets, as at September 30, 2018, as provided by Management. This is unlike the computation of fair market values in which the assumed opening tax basis is the fair market value of the subject assets, as at the applicable valuation date, which is discussed in paragraph 86.b. Scenario 3 assumes that Questerre would continue to own the subject exploration licenses and associated property rights after September 30, 2018 and, therefore, it is necessary to use the Company's existing tax pools at that time.

e. Capital expenditures, as forecast by GLJ, were deducted from the after-tax cash flows to arrive at free cash flows. Tax depreciation on capital expenditures, if any, was considered in the aforementioned tax computations.

   Unlike the fair market value determinations, it is necessary to consider the Company's ability to finance the capital expenditures forecast in the GLJ Report during the period September 30, 2018 to August 31, 2022. It is also necessary to consider the forecast operating income to be generated from the sale of the extracted natural gas during this period, as forecast by GLJ. The following table reflects the annual forecast capital expenditure amounts and the cumulative free cash flows to be generated during the period 2018 to 2022:

Table 32:

	2018	2019	2020	2021	2022
In CAD thousands (rounded)					
After-tax cash flows	$(556)	$(2,264)	$151,625	$322,173	$559,514
Less: Capital expenditures	-	(30,000)	(439,000)	(349,000)	(310,241)
Free cash flows	$(556)	$(32,264)	$(287,375)	$(26,827)	$249,273
Cumulative cash flows	$(556)	$(32,820)	$(320,195)	$(347,022)	$(97,748)

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As reflected in the table above, the maximum forecast negative cumulative free cash flow amount is approximately $347.0 million. Questerre would have to finance this forecast amount. Based on discussions with Management, they have indicated that the Company would have been able to raise equity capital do so. This is for the Court to decide.

Questerre has demonstrated an ability to raise equity capital in the past. During the period of the Test Wells between 2008 and 2010, inclusive, the Company raised in aggregate $204.9 million in equity capital. Subsequent to 2010 and until 2019, Questerre raised in aggregate $122.7 million in equity capital. The following summarizes equity amounts raised since 2003, totaling $374.0 million, as reflected in press releases issued by the Company:

Table 33:

Date	Type of capital raise	Common shares issued	Gross proceeds	Price per common share
May 3, 2019	Private placement	38.9 million	$14.5 million	$0.38
October 9, 2017	Private placement	34.9 million	$31.2 million	$0.89
February 17, 2017	Private placement	30.8 million	$24.3 million	$0.79
January 23, 2017	Public offering	3.0 million	$1.5 million	$0.49
November 7, 2016	Private placement	15.2 million	$7.4 million	$0.49
July 29, 2016	Public offering	26.4 million	$4.8 million	$0.18
December 23, 2013	Public offering	5.9 million	$9.1 million	$1.55
December 2, 2013	Public offering	23.5 million	$29.9 million	$1.28
March 2, 2010	Private placement	19.9 million	$85.9 million	$4.30
March 2, 2010	Public offering	10.0 million	$43.1 million	$4.30
June 12, 2008	Public offering	1.1 million	$5.3 million	$4.70
June 10, 2008	Public offering	7.5 million	$35.3 million	$4.70
June 3, 2008	Private placement	7.5 million	$35.3 million	$4.70
December 13, 2007	Private placement	2.5 million	$2.0 million	$0.80
December 13, 2007	Public offering	1.0 million	$1.0 million	$1.00
June 28, 2006	Private placement	9.7 million	$10.0 million	$1.03
September 20, 2005	Private placement	9.9 million	$8.2 million	$0.82
June 6, 2005	Public offering	30.0 million	$10.0 million	$0.33
May 4, 2005	Private placement	3.1 million	$1.0 million	$0.32
December 22, 2004	Private placement	12.5 million	$3.6 million	$0.29
February 17, 2004	Private placement	2.5 million	$3.2 million	$1.25
January 21, 2004	Private placement	0.9 million	$1.0 million	$1.11
December 22, 2003	Private placement	1.5 million	$1.7 million	$1.11
December 22, 2003	Private placement	4.5 million	$4.5 million	$1.00
September 26, 2003	Private placement	0.1 million	$0.2 million	$1.60

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3.3.8. Deloitte's Quantification of Economic Losses Conclusions

137. Based on the foregoing analyses, our opinions on the economic losses incurred by the Company in connection with the Dispute are, as follows, for Scenario 1, Scenario 2, and Scenario 3, which are reflected on Schedule 1 for each of these scenarios:

Table 34:

Scenario 1	Fair market value conclusion		
(CAD thousands, unless otherwise stated)	**Low**	**Midpoint**	**High**
Value of proved reserves before general and administrative expenses	$ 33,480	$ 37,200	$ 40,920
Value of probable reserves before general and administrative expenses	152,725	169,694	186,663
Value of possible reserves before general and administrative expenses	67,126	74,584	82,043
Value of contingent resources before general and administrative expenses	193,227	214,697	236,166
Value of prospective resources before general and administrative expenses	270,941	301,045	331,150
Value of oil and gas resources before general and administrative expenses, as at September 30, 2018	**$ 717,498**	**$ 797,220**	**$ 876,942**
Less: Value of general and administrative expenses, as at September 30, 2018	(13,780)	(15,327)	(16,874)
Total economic losses, as at September 30, 2018	**$ 703,718**	**$ 781,893**	**$ 860,068**
Total economic losses, as at September 30, 2018 (rounded)	**$ 703,720**	**$ 781,890**	**$ 860,070**

Table 35:

Scenario 2	Fair market value conclusion		
(CAD thousands, unless otherwise stated)	**Low**	**Midpoint**	**High**
Value of proved reserves before general and administrative expenses	$ 44,084	$ 48,983	$ 53,881
Value of probable reserves before general and administrative expenses	188,236	209,152	230,067
Value of possible reserves before general and administrative expenses	78,362	87,069	95,776
Value of contingent resources before general and administrative expenses	235,174	261,305	287,435
Value of prospective resources before general and administrative expenses	187,340	208,156	228,972
Value of oil and gas resources before general and administrative expenses, as at August 31, 2022	**$ 733,198**	**$ 814,665**	**$ 896,131**
Less: Value of general and administrative expenses, as at August 31, 2022	(17,329)	(18,959)	(20,589)
Total economic loss, as at August 31, 2022	**$ 715,869**	**$ 795,705**	**$ 875,542**
Total economic loss, as at August 31, 2022	**$ 715,870**	**$ 795,710**	**$ 875,540**

Table 36:

Scenario 3	Fair market value conclusion		
(CAD thousands, unless otherwise stated)	**Low**	**Midpoint**	**High**
Value of proved reserves before general and administrative expenses	$ 2,029,057	$ 2,254,508	$ 2,479,959
Value of probable reserves before general and administrative expenses	1,141,542	1,268,380	1,395,218
Value of possible reserves before general and administrative expenses	669,899	744,332	818,765
Value of contingent resources before general and administrative expenses	103,384	114,871	126,358
Value of prospective resources before general and administrative expenses	116,785	129,761	142,737
Value of oil and gas reserves and resources before general and administrative expenses, as at August 31, 2022	**$ 4,060,666**	**$ 4,511,852**	**$ 4,963,037**
Less: Value of general and administrative expenses, as at August 31, 2022	(16,421)	(20,055)	(23,690)
Value of oil and gas reserves and resources after general and administrative expenses, as at August 31, 2022	**$ 4,044,246**	**$ 4,491,796**	**$ 4,939,346**
Less: Value of cash flows from September 30, 2018 to August 31, 2022	(97,748)	(97,748)	(97,748)
Total economic loss, as at August 31, 2022	**$ 3,946,497**	**$ 4,394,048**	**$ 4,841,598**
Total economic loss, as at August 31, 2022 (rounded)	**$ 3,946,500**	**$ 4,394,050**	**$ 4,841,600**

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4 Conclusions

138. Based upon the scope of our review, which is reflected in Appendix C, and subject to the restrictions and qualifications, and major assumptions, as outlined in Appendix D and Appendix E, respectively, our opinions on the economic losses incurred by the Company under three scenarios are, as follows:

Table 37:

In CAD thousands (rounded)	GLJ Case #	Low	Midpoint	High	Schedule #
Scenario 1 - Economic loss, as at September 30, 2018	1	$703,720	$781,890	$860,070	1 – 1
Scenario 2 – Economic loss, as at August 31, 2022	2	$715,870	$795,710	$875,540	2 – 1
Scenario 3 – Economic loss, as at August 31, 2022	3	$3,946,500	$4,394,050	$4,841,600	3 – 1.1

139. We have been asked by Counsel to quantity Questerre's economic losses under the three scenarios based on the following assumptions:

- **Scenario 1** – The GoQ breached its contractual obligations under Questerre's exploration licenses and illegally expropriated the Company's property rights on **September 20, 2018**,[29] which is the date that the regulations introduced by the GoQ, including a prohibition of hydraulic fracturing in shale associated with the production of natural gas and the prohibition of oil and gas activities within 1,000 metres from urbanized areas and bodies of water, prevented the Company from further developing its natural gas assets in Québec;
- **Scenario 2** – The GoQ breached its contractual obligations under Questerre's exploration licenses and illegally expropriated the Company's property rights on **August 23, 2022**, which is the date that Bill 21 came fully into force, which put an end to exploration for petroleum and underground reservoirs and production of petroleum and brine in Québec and resulted in the revocation and cancellation of Questerre's exploration license agreements between the GoQ and the Company at relevant times; and
- **Scenario 3** – The GoQ breached its contractual obligations under Questerre's exploration licenses and illegally expropriated the Company's property rights on **August 23, 2022**, the date that Bill 21 came fully into force. This scenario assumes that Questerre would have continued to develop its natural gas assets in Québec after September 20, 2018, up until August 23, 2022. This assumed further development of the natural gas assets during this period of time would have enhanced the value of these assets, as at August 23, 2022.

140. The above-noted amounts do not include any consideration for potential economic losses incurred by Questerre associated with the GoQ's revocation of the Company's rights to explore for underground storage reservoirs for carbon sequestration on the lands covered by its exploration licenses nor the hydrocarbon potential of any other prospective formations other than the Utica Shale associated with the Company's licenses.

141. **Scenario 1** and **Scenario 2** assume that, but for the regulations that came into effect in September 2018 and the revocation of Questerre's oil and gas exploration licenses in August 2022, the Company could have sold its exploration licenses and associated property rights on or about September 30, 2018 or August 31, 2022, respectively, without further developing its natural gas assets. However, as at each of those dates, Questerre was only able to undertake minimal development activity to enhance the value of its Québec assets due to the GoQ's actions. Based on discussions with Management and the information we reviewed in developing this Report, we understand that the Company had no intention to sell its exploration licenses and associated property rights at those dates. Rather, it is our understanding that Questerre would have undertaken development of the lands associated with its exploration licenses by drilling wells and continuing development over the life of the natural gas reserves and resources, which would have allowed the Company to increase and realize additional value from these assets. **Scenario 3** assumes that Questerre would have continued to develop its natural gas assets in Québec after September 20, 2018, up until August 23, 2022.

[29] Our valuation dates are at the month ends following the economic loss dates.

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142. As of August 23, 2022, due to the revocation of the Company's exploration licenses and the associated natural gas discovery made by Questerre on these licenses, the GoQ essentially acquired this discovery. Therefore, the GoQ holds an option to exploit and sell the natural gas, as well as to explore for underground storage reservoirs for carbon sequestration, on the lands associated with Questerre's exploration licenses. Although, as at the date of this Report, there is a ban on oil and gas development in Québec, this ban could be lifted at any time by the GoQ, which would allow the GoQ to develop natural gas resources for its own benefit.

143. Consequently, the GoQ obtained the value of the subject exploration licenses and corresponding potential, as at August 23, 2022, which is equal to the economic loss value set forth above under Scenario 2. Further, the economic loss determined under Scenario 2 is also from the perspective of the value of the subject underlying natural gas assets to the GoQ. This is for the Court to decide.

144. It is our professional opinion that the economic loss determined under Scenario 3 reflected above is the most relevant because the alleged wrongful actions of the GoQ prevented Questerre from realizing additional value from its Québec exploration licenses and property rights to exploit and develop the natural gas resources discovered for production and sale to the market. Stated differently, Questerre incurred a loss due to its inability to develop the lands associated with its exploration licenses because of the GoQ's actions. As evaluated by GLJ, the recoverable resources of the Company's Québec assets were approximately 19.0 Tcf[30] of natural gas, as at June 30, 2018. But for the September 2018 regulations that were put into force by the GoQ that prohibited, *inter alia*, hydraulic fracturing in shale to produce natural gas and prohibited oil and gas activities within 1,000 metres from urbanized areas and bodies of water, Questerre could have continued with the exploration, development, and production of its natural gas assets such that at the time of the August 23, 2022 revocation of the Company's exploration licenses by the GoQ, the value of these assets would have been enhanced when compared to the value of them, as at September 30, 2018 (i.e., the economic loss under Scenario 1), or as at August 31, 2022 under the assumption that no further development occurred between September 2018 and August 2022 (i.e., the economic loss under Scenario 2). Again, this is for the Court to decide.

145. In the preparation of the Report, we relied on the GLJ Report. Scenario 1, Scenario 2, and Scenario 3 are based on Case 1, Case 2, and Case 3, respectively, as reflected in that report.

146. Finally, the GoQ produced the Government's Regulatory Impact Analysis for Bill 21 in January 2022, which provides, *inter alia*, an estimate of the total value of the indemnity program:[31]

> *L'estimation de la valeur totale liée au programme d'indemnisation1 pourrait atteindre près de 85 millions de dollars, sur présentation des pièces justificatives à remettre ou, plus précisément, près de 74 millions de dollars, déduction faite de toutes aides fiscales reçues antérieurement, puisque celles-ci seront remboursées par les personnes visées aux fins de l'impôt et après réception de l'indemnité.*
>
> *[Office translation]*
>
> *The estimated total value of the compensation program could be as high as or close to $85 million, upon presentation of the supporting documents to be or, more precisely, close to $74 million, net of any tax assistance previously received, since this will be reimbursed by the persons concerned for tax purposes and after receipt of the indemnity.*
>
> *It should be noted that, in the context of the present regulatory impact analysis, this compensation program covers otherwise represented by the accepted term "loss of earnings."*

147. The estimated value of the compensation program does not correlate with the value of Questerre's assets and does not indemnify the Company's economic losses incurred.

[30] The GLJ Report – Appendix II.

[31] Analyse d'impact réglementaire - Projet de loi visant principalement à mettre fin à la recherche et à la production d'hydrocarbures ainsi qu'au financement public de ces activités (quebec.ca), p.4.

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Appendices

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Appendix A – Curriculum Vitae of the Expert

Rob Koller, CPA, CA, CBV

Profile

Rob Koller is a Partner, Deloitte LLP, Calgary, Alberta, within the Financial Advisory Services department specializing in business valuations, litigation support and damage quantification, and business insurance claims consulting.

He has been qualified as an expert witness in the Court of Queen's Bench of Alberta, the Court of Queen's Bench of Saskatchewan, the Supreme Court of British Columbia, at the Alberta Municipal Government Board, and for various affidavits related to Court of Queen's Bench of Alberta matters.



Partner
Financial Advisory
Value Advisory
Calgary, AB
Phone: (403) 503-1370
Email: rkoller@deloitte.ca

Experience

Rob has participated in damage quantification and valuation assignments for the purposes of:

- Damage quantification for litigation
- Business interruption insurance
- Shareholder disputes
- Taxation restructuring
- Estate freezes
- Acquisitions, mergers, divestitures, and reorganizations
- Financings
- Matrimonial equalization payments
- Appraisal remedies / minority squeeze-outs
- Employee buyouts
- Personal injury claims
- Oppression remedies
- Purchase price allocations
- Impairment testing for financial statements
- Fair value determinations

He has been involved with or responsible for the following major business interruption claims, valuation, and damage quantification assignments:

- Determined the fair market value of all the natural gas assets in Alberta owned by a senior Canadian oil and natural gas company for purposes of supporting property tax appeals. Related expert witness testimony was provided at the Alberta Municipal Government Board;
- Determined the economic loss caused by the alleged breach of right of first refusal provisions with respect to the approximately $25 million sale of interests in select oil and gas properties in Saskatchewan and provided related expert witness testimony in the Court of Queen's Bench of Saskatchewan;

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- Determined the potential economic loss in a claim under the rules of the North American Free Trade Agreement made by an oil and gas exploration and production company against the Government of Canada resulting from the revocation of an exploration permit;
- Engaged on behalf of the defendants to a major damage claim with respect to an oil and gas litigation assignment. The defendants were accused by the carried interest owner of breaching their fiduciary duty to assure the earliest feasible marketing of oil and gas from a natural gas field;
- Prepared an expert witness report assessing the financial impact of a contractual dispute between a drilling contractor and an oil and gas exploration and production company;
- Assisted a company with a $900 million insurance loss resulting from a fire at its petroleum upgrading facility in Northern Alberta;
- Aided in the quantification and presentation of a $500 million US loss of income claim related to a major petroleum refining facility submitted by a large multinational public company. Assistance was also provided in preparation for and conducting various depositions, as well as mediation meetings;
- Prepared an estimate of value as to the fair market value of an oil and gas drilling company in Saskatchewan for shareholder dispute purposes;
- Prepared an opinion of value as to the fair market value of a company involved in the design and sale of drilling mud systems to oil and gas companies in Alberta and Saskatchewan. The valuation was required in relation to a dispute over the purchase price of the company;
- Conducted financial modelling, valuation, and related financial statement goodwill impairment testing related to the Federal Government of Canada's $4.4 billion acquisition of Kinder Morgan Canada Limited's existing and expansion Trans Mountain pipeline business;
- Prepared independent, formal valuations, under Multilateral Instrument 61-101, and fairness opinions related to Paramount Resources Ltd.'s acquisition of Trilogy Energy Corp., which was immediately proceeded by Paramount's acquisition of Apache Canada Ltd. The value of the subject transactions was approximately $1.5 billion. Deloitte was co-engaged by each of the special committees of the board of directors of Paramount and Trilogy. In preparing the formal valuations and fairness opinions, the upstream and midstream assets of Paramount, Apache, and Trilogy were valued;
- Determined the fair value of various oil and gas assets located in the Quifa, Llanos, and La Creciente fields in Colombia, as well as fields in Peru for financial statement impairment testing purposes for a public company with daily production of approximately 75,000 barrels of oil equivalent per day. This included oil and gas reserves, as well as midstream assets such as pipelines and water treatment facilities;
- Valued the oil and gas reserves of numerous public and private oil and gas exploration and production companies for financial statement reporting purposes;
- Conducted various purchase price allocation engagements for financial statement reporting purposes related to the acquisition of various oil and gas exploration and production companies and assets, as well as various oilfield services companies and assets;
- Prepared an independent formal valuation under Multilateral Instrument 61-101 and a fairness opinion in connection with the arrangement agreement among an entity owned by various shareholders of Macro Enterprises Inc. ("Macro") and Macro to effect a going private transaction of Macro by way of a plan of arrangement under Division 5 of Par 9 of the Business Corporations Act (British Columbia). The enterprise value of the subject transaction was approximately $105 million. Deloitte conducted related quantitative financial modelling, financial analysis, as well as assessed the qualitative considerations of the arrangement;
- Determined the fair market value for an oil and gas company for submission to the Alberta Stock Exchange in relation to an Issuer Bid Circular;
- Prepared an independent formal valuation under Multilateral Instrument 61-101 and a fairness opinion in connection with the arrangement agreement among Strad Inc. ("Strad") and 2238399 Alberta Ltd. to effect a going private transaction of Strad by way of a plan of arrangement under Section 193 of the Business Corporations Act (Alberta). The value of the subject transaction was approximately $150 million. Deloitte conducted related quantitative financial modelling, financial analysis, as well as assessed the qualitative considerations of the arrangement;

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- Prepared a fairness opinion in connection with the arrangement agreement among Critical Control Energy Services Corp. (the "Entity"), 2209021 Ontario Inc., and Alykhan Mamdani providing for the re-arrangement and re-organization of the ownership structure of the Entity. Deloitte conducted quantitative financial modelling and valuation analysis, as well as an assessment of the qualitative components of the arrangement, to assess the fairness to various classes of shareholders;
- Prepared an estimate of value for tax purposes of certain legal entities of a global oilfield services company focused on providing technology-based products and services. The parent company is listed on the New York Stock Exchange with a current market capitalization in excess of $95 billion;
- Prepared the purchase price allocation for financial reporting purposes for Akita Drilling Ltd.'s September 2018 acquisition of Xtreme Drilling Corporation for total consideration of approximately $170 million;
- Prepared the purchase price allocation for the acquisition of a company involved in the logistics and accommodation space of the oilfield services sector. The acquirer was a Canadian publicly listed company;
- Prepared the purchase price allocation for the acquisition of a company focused on providing transloading services for oil and gas companies. The purchase price was in excess of $100 million;
- Prepared the purchase price allocation for financial accounting purposes of a $450 million natural gas cavern storage business;
- Determined the fair market value of a 300,000 barrel per day petroleum refining facility located in Eastern North America;
- Prepared two valuations of an oil and gas drilling company with operations across South America;
- Prepared and presented a business interruption claim for a 300 MW combined cycle power generation facility located in the Northeastern United States;
- Acted as an expert witness in the Supreme Court of British Columbia regarding the potential quantum of economic damages incurred by the owner of a company that was a licensed international and domestic air carrier, an approved flight training unit, and an approved maintenance organization based in the province of British Columbia;
- Assisted in the quantification of a $100 million US loss of income claim submitted by a major ammonia-based fertilizer producing public company in the United States;
- Assisted in the preparation of a business interruption insurance claim for a large phosphate fertilizer manufacturing facility owned by a multinational public company;
- Determined the fair market value for an underground utility construction company with revenues of $12.3 million for shareholder dispute arbitration purposes;
- Engaged on behalf of the plaintiffs concerning an alleged breach of contract and alleged misrepresentations in the potato growing and processing industries. Responsible for creating an economic damages model and related expert opinion report;
- Due to an appointment by the Court, valued a Regina based company specializing in the construction of deep pile foundation systems for the purposes of resolving a shareholder dispute;
- Prepared an estimate of value for a large private company with operations in ready-mix concrete for residential and commercial markets, aggregates sourced from company owned or leased pits, and asphalt production for paving contractors and municipal governments. Total annual revenues of the company were in excess of $500 million;
- Pursuant to an arrangement agreement whereby a related majority shareholding group offered to purchase all of the shares held by minority shareholders to facilitate the privatization of one of the largest bulk transportation companies in North America with an enterprise value of approximately $250 million, prepared both a formal valuation, as required by Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions, as well as fairness opinion;
- Prepared a business interruption claim for an 80 MW cogeneration power generation facility located in Alberta;
- Valued a 105 MW combined cycle power generation facility for property taxation purposes and provided related testimony at a Board hearing;
- Prepared an opinion of value (for organization purposes) of an Alberta based construction company with annual revenues approximating $60 million;

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- Determined the fair market value of an ammonia-based fertilizer manufacturing plant with annual revenues exceeding $60 million US;
- Prepared spreadsheet models used to forecast cash flows and other financial data for a property management and property brokerage company prior to obtaining a listing on the Alberta Stock Exchange;
- Determined the fair market value for a resort with revenues of $9.1 million for a potential buyout of various shareholders by an existing shareholder;
- Valued a land developer with $94.2 million of assets for submission to the Alberta Stock Exchange;
- Valued two printing companies each with revenues of approximately $25 million for purposes of a potential merger;
- Valued the restricted shares of a company with investments in significant mining operations in Australia for tax purposes;
- Determined the fair market value of preferred shares of a private company that were donated to a major charitable organization. The valuation was required to substantiate the amount of the charitable donation receipt;
- Determined the fair market value of a management contract for a resort hotel held by a hotel management company to assist management of the later mentioned company evaluate the potential buyout of the contract;
- Valued numerous hotel and farming companies controlled by a single family for corporate reorganization purposes; and
- Prepared an estimate of value for tax purposes of a large company providing passenger transportation services, which includes the transportation of workers in the Alberta oil sands.

Education/Professional Designations

Bachelor of Commerce (With Great Distinction),
University of Saskatchewan – 1994

Chartered Professional Accountants of Alberta – 1997

Canadian Institute of Chartered Business Valuators – 1998

Attended American Society of Appraisers Business Valuation Course
201 – 1998, 203 – 2001 and 204 – 2002

Professional and Community Affairs

Member of the Chartered Professional Accountants of Alberta

Member of the Canadian Institute of Chartered Business Valuators

Presentations Given:

- The Canadian Bar Association - Civil Litigation section in Saskatchewan - “Damage Quantification Issues Normally Encountered in Loss Calculations” – 1999
- The Law Society of Alberta – Bar Admission Course – “Valuing a Business” – Spring 2000
- Legal Education Society of Alberta – “Understanding Financial Statements, Valuing a Business, and Damage Quantification Issues” – Fall 2000 and Spring 2002
- Numerous Calgary law firms – “Understanding Financial Statements, Valuing a Business, and Damage Quantification Issues” – 2000 to 2005
- The Institute of Chartered Accountants of Alberta – “Introduction to Business Valuations” – Fall 2000 to 2005
- The Canadian Institute of Chartered Business Valuators’ 2011 Western Canadian Business Valuation Conference – “Recent Developments for Expert Witnesses”
- Canadian Bar Association, British Columbia – Department of Justice - “What to Expect from Your Expert? Practice, Tactics and Strategy” – 2015
- Alternative Dispute Resolution of Canada’s 2015 National Conference – “Expert Witnesses in Arbitration” Panel
- The Chartered Business Valuators Institute’s 2022 Congress – “Private Company Valuation in a Dispute Setting”

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Publications

- "Will Daubert become standard for expert evidence?" The Lawyers Weekly. January 2002:12.
- "Blockage discounts affect determination of fair market value" The Lawyers Weekly. March 2003:07.

Industry Focus

Has experience in the following business sectors:

- Petroleum refining
- Oil & gas exploration, development, and servicing
- Electricity generation
- Gasoline service stations
- Construction
- Printing
- Fertilizer manufacturing
- Industrial manufacturing
- Agriculture
- Transportation
- Major grocery retail
- Hospitality industry
- Property management and real estate

Languages

English

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Appendix B – Declaration Regarding the Carrying Out of the Mission of an Expert

B.1 I declare that I will carry out my mission as an expert with objectivity, impartiality, and rigour. To enlighten the Court in making its decision, I will give my opinion on the basis of my qualifications concerning the points submitted to me, taking into account the facts relating to the Dispute or, if my services are required as a court bailiff, I will make an ascertainment describing the materials facts or situation of which I have personal knowledge.

B.2 I will, on request, provide the Court and the parties with details on my professional qualifications, the progress of my work and, if applicable, the instructions received from a party. I will also comply with the time limits given to me and, if necessary, request the directives from the Court that are necessary to carry out my mission.



Rob Koller, CPA, CA, CBV
Partner

August 30, 2024

Date

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Appendix C – Scope of Review

In preparing our Report, we reviewed and relied upon the following information and documentation:

Reference	Description
1.	The Amended Application dated August 7, 2023
2.	The GLJ Report
3.	Historical annual information forms, financial statements, management discussion and analysis documents, press releases, and other publicly filed documents for Questerre
4.	Energy Made Simple, Global Energy Research Report, RBC Capital Markets, July 2012
5.	Research databases and platforms used: • Deloitte paid subscriptions: S&P Capital IQ, Bloomberg, and Enverus DrillingInfo • Publicly accessed: Sedar, website of the Company and the GPCs, CER, US Treasury, Aswath Damodaran, and US EIA websites
6.	Canada Revenue Agency website / *Canadian Income Tax Act* for the following items: • Tax rates; • CCA rates; and • Accelerated depreciation
7.	BP Statistical Review of World Energy – 2018 (67th Edition) and 2022 (71st Edition)
8.	EIU Energy Reports for Canada – July 2018 and July 2022
9.	Commodity price forecasts by Sproule, McDaniel, and GLJ, as at September 30, 2018 and June 30, 2022; and historical spot natural gas prices from GLJ website
10.	• EIU Country Forecast Reports for Canada – September 2018, August 2022, and September 2022 • EIU One-Click Report for North America – September 2018 and August 2022
11.	Annual SPEE Surveys for the years 2011, 2018, and 2022

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Reference	Description
12.	Equity risk premium, as published by Deloitte Advisory Research
13.	2009-2010 Budget – Budget Plan – Finance Québec – March 19, 2009
14.	2019 Pilot Plan – Final.docx
15.	Profit sharing agreement dated October 8, 2020 between Questerre and the Municipalite de Saint-Edouard-de-Lotbiniere
16.	Leger poll for the Association de l'Energie du Québec dated October 28, 2021
17.	Document prepared by Ipsos entitled "Québec Oil and Gas Association – Assessing the Potential of Québec as a Natural Gas Producer" and dated June 2018
18.	Presentation "4th EXHIBITION ON MINING & OIL INVESTMENT" dated November 18, 1999 by the Ministry of Natural Resources of Québec
19.	Purchase and Sale Agreement dated March 4, 2019 between Repsol Oil & Gas Canada Inc. and Questerre Energy Corporation
20.	Report prepared by Siebert Valuation Services Ltd. dated March 29, 2018 and entitled *Questerre Energy Corporation and Talisman Energy Inc./Talisman Energy Canada – Expert Report – Quantification of Loss*
21.	Report prepared by Siebert Valuation Services Ltd. dated April 19, 2018 and entitled *Questerre Energy Corporation and Talisman Energy Inc./Talisman Energy Canada – Addendum to March 29, 2018 Expert Report*
22.	Canadian Oil and Gas Evaluation Handbook
23.	A letter of representation obtained from Management wherein certain representations and warranties that were made to us were confirmed. This includes a general representation that Management has no information or knowledge of any facts or material information not specifically noted in the Report, which, in its view, would reasonably be expected to affect the conclusions expressed herein.

Unless otherwise specified, we have not audited or otherwise verified the information relied upon in completing the Report.

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Appendix D – Restrictions and Qualifications

D.1 In accordance with the engagement agreement between Counsel and Deloitte, this Report has been provided for purposes of the Dispute.

D.2 This Report is not intended for circulation or publication, nor is it to be reproduced for any purpose other than as described herein, without our prior express written permission in each specific instance. Notwithstanding the foregoing, we hereby acknowledge that this Report may be used in civil proceedings for which it was commissioned and we will not unreasonably withhold our consent for such use.

D.3 We do not assume any responsibility or liability for losses incurred by Counsel, the Company, the Defendants, or any other parties because of the circulation, publication, or reproduction or use of this Report contrary to the provisions of this Report.

D.4 Without limiting the generality of the foregoing, our Report, or any references thereto or summaries thereof or any other oral or written opinions or advice of Deloitte including the contents of any oral or written presentations made by us in connection with this engagement and references to us or any material provided by us, shall not be used, published, or distributed in whole or in part in any way or to any other person without our prior written consent.

D.5 Deloitte has relied upon the completeness, accuracy, and fair presentation of all the financial and other information, data, advice, opinions, or representations (collectively, the "Information") obtained by it from Counsel, Management, and public sources. Therefore, the validity of our conclusions relies on the integrity of such Information. The Report is conditional upon the completeness, accuracy, and fair presentation of such Information. We were not under any obligation or agreement to investigate the accuracy of any third-party Information. Except as expressly described herein, Deloitte has not attempted to verify independently the completeness, accuracy, or fair presentation of the Information.

D.6 Management has represented and warranted to Deloitte that it has no information or knowledge of any facts or material information not specifically noted in this Report which, in its view, would reasonably be expected to affect the analyses and comments herein.

D.7 Should any of the Information provided to us not be factual or correct, or should we be asked to consider different information or assumptions, our conclusions could differ from that expressed herein, and the differences could be significant.

D.8 No opinion, counsel, or interpretation is intended in matters that require legal or other appropriate professional advice. It is assumed that such opinion, counsel, or interpretations have been or will be obtained from the appropriate professional sources. To the extent that there are legal issues relating to assets, properties, or business interests or issues relating to compliance with applicable laws, regulations, and policies, Deloitte assumes no responsibility.

D.9 The Report is rendered on the basis of securities markets, economic, financial, and general business conditions prevailing, as at the various valuation and economic losses dates, and the condition and prospects, financial and otherwise, of Questerre, as they were reflected in the Information. In the analyses and in preparing the Report, Deloitte made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, all of which are beyond the control of Deloitte.

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D.10 This Report must be considered as a whole and selecting portions of the Report, or the factors noted by us, without considering all factors and analyses together, could create a misleading view of the process underlying this Report. The preparation of this Report was a complex process, considers various scenarios, and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor, calculation, or analysis.

D.11 The Report was prepared as at the date reflected herein and Deloitte disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Report, which may come or be brought to Deloitte's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Report after the date hereof, Deloitte reserves the right to change, modify, or withdraw the Report.

D.12 We reserve the right, but will be under no obligation, to review this Report and, if we consider it necessary, to revise this Report in light of any information, which becomes known to us after the date of this Report.

D.13 In preparing this Report, we have made certain assumptions, as described throughout this Report. Should any of these assumptions prove inappropriate, our calculations and analyses, as expressed in this Report could change, possibly materially. We caution the reader in this regard.

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Appendix E – Major Assumptions

In addition to the assumptions outlined throughout the Report, as well as the accompanying appendices and schedules, we relied on the following major assumptions:

E.1 The statements of facts contained in this Report are true and accurate;

E.2 Financial information obtained from Capital IQ, Bloomberg, and other sources listed in our Report and schedules is complete, accurate, and free of material misstatements;

E.3 The underlying before-tax cash flows, as reflected in the GLJ Report, are reasonable and representative of GLJ's and the Company's best estimates of forecast operating results, under each given scenario, unless otherwise indicated;

E.4 The information incorporated by GLJ in the GLJ Report for cash flow forecasts that are effective, as at September 30, 2018 and August 31, 2022, was known or knowable, as at September 20, 2018 and August 23, 2022, respectively. Also, there were no significant events that occurred between September 20 and 30, 2018, as well as between August 23 and 31, 2022, that would have resulted in GLJ providing different cash flow forecasts, as at each of those dates, when compared to those produced by GLJ that are effective, as at September 30, 2018 and August 31, 2022;

E.5 Based on discussions with Management, Questerre would have been able to raise equity capital to fund the maximum forecast negative cumulative free cash flow amounts reflected in Scenario 3;

E.6 The effective income tax rate applicable to the taxable business income forecast to be generated by the Company in Québec is 26.5 percent and 26.7 percent depending on the economic loss quantification scenario;

E.7 Capital expenditures, as reflected in the GLJ Report, have been appropriately allocated to Canadian oil and gas property, capital cost allowance Class 41, Canadian development expenses, and Canadian exploration expenses tax pools;

E.8 Our fair market value analyses for Scenario 1, Scenario 2, and Scenario 3 are prepared under the premise of a hypothetical asset transaction where a step-up in the tax basis of the assets is assumed. The total fair market values of the assets are assumed to be allocated 20.0 percent as capital cost allowance Class 41 assets and 80.0 percent as Canadian oil and gas property assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools;

E.9 We assumed that at the end of the life of the reserves and resources, the remaining depreciable asset bases and tax loss pools, if any, cannot be applied to other assets and have, therefore, not calculated the net present value of such remaining balances;

E.10 In relation to the Company's assets in Québec, Questerre does not have any associated contingent liabilities, environmental issues, unusual contractual obligations, litigation pending or threatened, or substantial commitments other than as disclosed in this Report; and

E.11 Any other assumptions, as specifically set out in this Report or the accompanying schedules.

Should any of the above assumptions not be accurate or should any of the other information provided to us not be factual or correct, our conclusions could be significantly different. The above major assumptions are inherently limited by the restrictions discussed herein.

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Appendix F – Economic Overview

F.1 The economic losses scenarios analyses consider the dates of September 30, 2018 and August 31, 2022. To ensure the relevance and reliability of our analyses, we reviewed the September 2018 and August 2022 Country Forecast Reports for Canada, as published by the EIU. This allowed us to base our assessments on the most current and reliable data available, as of the relevant dates. The following contains excerpts and summaries of the expressed expectations.

Economic Outlook of Canada – September 2018

F.2 Relevant Canadian economic statistics for the period preceding September 30, 2018 and forecast economic indicators are outlined in the following table with commentary provided below:

Table 1 – Economic Statistics and Indicators – September 2018

	2017(A)	2018(B)	2019(B)	2020(B)	2021(B)	2022(B)
Real GDP growth (%)	3.0	2.1	1.8	1.7	1.9	2.0
Consumer price inflation (average; %)	1.6	2.3	2.0	1.5	1.7	2.0
Money market rate (average; %)	1.1	1.7	2.2	2.0	1.8	2.1
Unemployment rate (average; %)	6.3	5.8	5.9	6.2	6.1	6.0
Exchange rate (average; C$:US$)	1.30	1.29	1.31	1.27	1.29	1.27

A – EIU estimate; B – EIU forecast

F.3 According to the forecast, as of September 2018, the Canadian economy is slowing down after fast-paced growth in 2017, with a GDP growth rate of 3.0 percent. The moderation in growth is attributed to rising interest rates, mixed retail spending, and increasing fuel costs. As a result, private consumption growth is expected to slow down to an average of 2.3 percent per year in 2018-2019, compared to 3.4 percent in 2017. However, the government will maintain its expansionary fiscal policy, and business investment will continue to grow. Despite the downside risks posed by the escalating trade dispute with the US, export growth is still expected in 2018. Real GDP growth is expected to moderate to 2.1 percent in 2018, then slow down further to 1.8 percent in 2019. The US economy's cyclical downturn in 2020, due to trade barriers, higher interest rates, and rising debt levels, will disrupt the Canadian economy, resulting in a slight contraction of overall Canadian exports. However, the economy is expected to bounce back in 2021-2022, with an annual average growth rate of 2.0 percent due to government spending on infrastructure and stronger trade ties with the EU and members of the CPTPP.

F.4 In 2017, strong economic growth led to some inflationary pressure, with consumer price inflation rising from 1.0 percent to 3.0 percent by July 2018. Geopolitical tensions in the Middle East are expected to contribute to higher oil prices, leading to heightened inflation in 2018. However, gradual monetary tightening by the BoC is expected to keep inflation close to its target of 2.0 percent. In 2019, inflation is expected to remain around the target rate. The mild economic slowdown in 2020 will lead to a moderation in inflation before it picks up again in 2021-2022, as the economy strengthens.

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F.5 In 2017, the Canadian dollar recovered after losing about a quarter of its value against the US dollar in 2014 due to plunging oil prices. Tightening monetary policy and a broader improvement in the global economy supported the Canadian dollar in the first half of 2017. However, the US dollar has strengthened in recent months due to the strength of the US economy and concerns over rising trade protectionism. The Canadian dollar is expected to depreciate slightly in the second half of 2018, with a full-year average of C$1.29:US$1.00. In 2019, faster economic growth and monetary tightening in the US relative to Canada will work against the currency. In 2020, a US cyclical slowdown will drive capital to the US, but the Canadian dollar is expected to appreciate again once calm is restored, averaging C$1.27:US$1.00 in 2022.

F.6 Since July 2017, the BoC has raised its policy rate by 100 basis points, reflecting the healthy growth of the economy in the first half of 2017. The BoC is expected to keep rates stable for the remainder of 2018, with another 50 basis points increase in 2019. However, the slowdown in household spending growth, volatility in the housing market, uncertainty over North American Free Trade Agreement, and broader US-led protectionist sentiment will prevent the BoC from moving more aggressively. The BoC will continue to raise rates until 2020 when they will loosen its policy rate due to the US entering a cyclical slowdown, which will cause the Canadian economy to slow. Another period of slow tightening will begin in 2021. The Federal Reserve is expected to raise rates more regularly than the BoC in the coming years, keeping the US policy rate higher than its Canadian equivalent.

Economic Outlook of Canada – August 2022

F.7 Relevant Canadian economic statistics for the period preceding August 23, 2022 and forecast economic indicators are outlined in the following table with commentary provided below:

Table 2 – Economic Statistics and Indicators – August 2022

	2021(A)	2022(B)	2023(B)	2024(B)	2025(B)	2026(B)
Real GDP growth (%)	4.5	3.6	2.3	2.3	2.0	2.1
Consumer price inflation (average; %)	3.4	7.0	3.3	2.1	2.1	1.8
Money market rate (average; %)	0.3	1.8	3.5	3.5	3.5	3.5
Unemployment rate (average; %)	7.4	5.3	5.3	5.4	5.4	5.5
Exchange rate (average; C$:US$)	1.25	1.27	1.29	1.31	1.32	1.33

A – EIU estimate; B – EIU forecast

F.8 As of August 2022, it is forecast that Canadian real GDP will grow by 3.6 percent in 2022, but domestic demand growth will moderate due to rising borrowing costs and elevated energy and food prices. However, pent-up household demand and fiscal stimulus will prevent a sharper slowdown. The economy will be partially shielded from the negative effects of the Ukraine conflict by global demand and high prices for Canadian commodity exports. In 2023, real GDP is expected to grow by 2.3 percent, but the BoC's aggressive tightening measures may start to weigh on consumer spending and business investment, increasing the risk of a hard landing for the economy. Growth will return to pre-pandemic rates over the rest of the forecast period, averaging 2.1 percent per year in 2024-2026. The government will run a tighter fiscal policy, but investment growth will be supported by interest in green energy and the completion of planned oil and gas pipelines. Enhanced trade ties with the EU and members of the CPTPP will also underpin export expansion.

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F.9 As of August 2022, there has been upward pressure on global commodity prices due to the Russia-Ukraine conflict, resulting in higher petrol and food prices in Canada. This has led to an increase in the forecast for average consumer price inflation in 2022 to 7.0 percent, the highest in four decades. However, the impact of monetary tightening by the BoC and the easing of oil and non-oil commodity prices in 2023 will help to cool inflation, which is forecasted to average 3.3 percent in 2023. Despite regular planned increases to the federal government's carbon tax, high housing costs, and inter-provincial trade barriers, price growth is expected to slow to an average of 2.0 percent in 2024-2026.

F.10 As of August 2022, it is forecasted that the Canadian dollar will continue to be supported by solid economic growth and high oil prices in 2022, with an average exchange rate of C$1.27:US$1.00. However, in the years 2023-2026, it is expected that the Canadian dollar will be impacted by higher US interest rates, lower global oil prices, and current-account deficits. Despite these factors, Canada's access to international debt markets and continued economic growth will limit the depreciation of the currency. It is expected that the Canadian dollar will average C$1.33:US$1.00 in 2026.

F.11 As of August 2022, the BoC has raised its overnight rate by 225 basis points since March 2021, with the most recent increase in July 2022 to 2.5 percent. The central bank is pursuing a contractionary monetary policy to rein in inflation, which reached a near-40-year high of 7.9 percent in June 2022. The BoC is expected to continue tightening monetary policy with a 50-basis-point increase in the overnight rate in September 2022, followed by typical 25-basis-point rises throughout the remainder of the year. This will push the policy rate to 3.5 percent by the end of 2022, above the upper end of the central bank's estimate for the "neutral rate" of 2-3 percent. Two additional increases of 25 basis points each are possible in 2023 if inflation remains high. The housing market has begun to cool amid rising borrowing costs, but a deep and widespread correction appears unlikely due to strong population growth.

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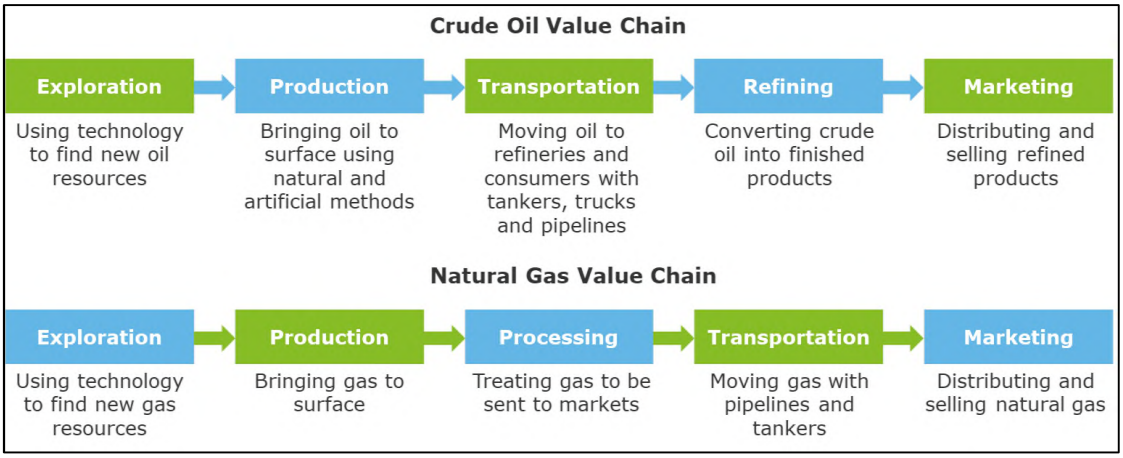
Appendix G – Overview of the Oil and Gas Industry[32]

G.1 The oil and gas industry is a critical component of the global economy, providing two of the most important energy sources in the world: crude oil and natural gas. These valuable resources are found in sedimentary rocks, formed over millions of years through the accumulation of sand, silt, and the remains of plants and animals. With a wide range of applications, oil and gas are used in everyday products such as electronics, cosmetics, clothing, heating fuel, transportation fuel, and electricity. The industry also creates employment opportunities and supports numerous other industries including steel, transportation, and engineering. Additionally, producing companies pay royalties and taxes in most jurisdictions, contributing to government revenues.

Value Chain

G.2 The oil and gas industry can be sub-divided into three components of the value chain: Upstream, Midstream, and Downstream, as outlined below:

Figure 1: Oil and Gas Value Chain



Source: Energy Made Simple, Global Energy Research Report, RBC Capital Markets, July 2012.

G.3 Upstream – The upstream segment includes the E&P of oil and natural gas and all associated activities. Aside from pure E&P companies, this segment also encompasses many service companies such as rig operators, seismic and drilling contractors, pressure pumpers, engineering and scientific firms, and suppliers. One key measure of profitability for upstream producers is the field netback, or gross profit generated per barrel of oil equivalent produced, factoring in standard costs. It is calculated as: Realized Price – Royalties – Operating Costs – Transportation Costs (all on an equivalent per-barrel basis). Questerre is classified as an upstream company.

G.4 Midstream – The midstream segment transports oil and natural gas from upstream producing areas to downstream refineries. This segment consists of pipeline systems to move hydrocarbons, processing facilities that extract sulfur and natural gas liquids, storage facilities for end products, and other transportation systems to move products by truck, rail, or tanker.

[32] Source: Energy Made Simple, Global Energy Research Report, RBC Capital Markets, July 2012.

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G.5 Downstream – The downstream segment refines, markets, and distributes end user products, such as gasoline, jet fuel, heating oil, diesel, and propane, to name a few. This segment consists of refineries, petrochemical companies, natural gas distribution utilities, oil product wholesalers, and local retail fueling stations. The wide range of end products varies according to the type of crude oil processed, along with the design and complexity of each refinery. Processes can be altered to produce more gasoline in the summer months or more heating oil in winter.

G.6 Many companies choose to focus on one segment of the value chain, such as pureplay E&P companies (upstream) like Questerre and Canadian Natural Resources Ltd., pipeline companies (midstream) such as Enbridge Inc. or TC Energy Corporation, or refiners (downstream) such as Valero Energy Corporation. However, some companies choose an integrated business model, exploring for and producing hydrocarbons, transporting them through their own pipelines, and refining them into end products at their own refineries. These companies are referred to as integrated oil and gas companies, and include large companies such as Suncor Energy Inc. and Cenovus Energy Inc.

Crude Oil

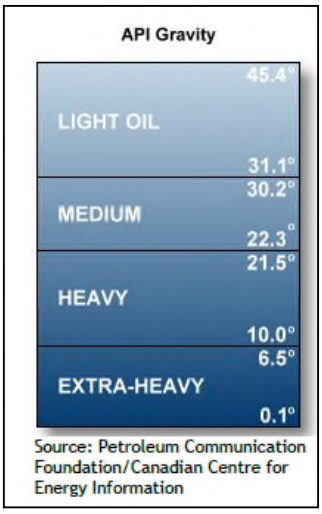
G.7 Crude oil is a significant global energy source that is refined into numerous end-user products, such as transportation fuels (gasoline, diesel), lubricants, heating fuels, plastics, clothing, cosmetics, and electricity.

G.8 It is a liquid mixture of hydrogen and carbon atoms, known as hydrocarbons, that are found in underground reservoirs within sedimentary rocks. Crude oil is often mixed with other substances such as natural gas, carbon dioxide, saltwater, sulfur, and sand, which are separated from the liquid after extraction.

G.9 Crude oil is considered a global commodity due to its relatively low transportation costs by tankers. However, regional factors can affect crude prices. Oil prices are determined by various quality benchmarks and fluctuate based on global supply and demand. In contrast, natural gas is regionally priced due to its higher transportation costs and not occurring naturally in liquid form.

G.10 The American Petroleum Institute (API) gravity scale measures the quality of crude oil, with higher gravity indicating lighter and better quality oil. Lighter crude oil is priced higher than heavier oil.

Figure 2: API Gravity Scale for Crude Oil



Source: Petroleum Communication Foundation/Canadian Centre for Energy Information

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G.11 The sulfur content of crude oil also affects its quality, with higher sulfur content making the oil sour and lower sulfur content making it sweet. Sweet crude is easier to refine and is typically priced higher than sour crude.

Table 1 – Classification of Crude Oil

Type	Description
Light Oil	Light oil has good flow properties through wells and pipelines and can be refined into a large variety of transportation fuels including gasoline, diesel, and jet fuel. Light, sweet crude oil, such as West Texas Intermediate (WTI), commands a relatively high price per barrel due to its desirable properties.
Heavy Oil	Heavy oil is rich in carbon and requires additional pumping to flow through wells and pipelines. It is more difficult to extract than lighter crudes and requires more complex refining processes. Heavy oil is typically refined into a smaller proportion of natural gasoline and diesel fuel components. As a result of the more complex extraction, transportation, and refining processes, heavy oil is sold at a lower price per barrel compared to light oil.
Bitumen	Bitumen is a semi-solid hydrocarbon mixture found in the oil sands of Canada. It is often diluted with condensate or synthetic crude oil to produce diluted bitumen (dilbit) or synthetic bitumen (synbit) so that it can be transported through pipelines. Blended bitumen can be sold directly to the market at a lower price than light crude oil or upgraded to synthetic crude oil.
Synthetic Crude	Synthetic crude oil is created by upgrading conventional heavy oil or oil sands bitumen through the addition of hydrogen and/or removal of carbon. This process transforms it into a synthetic light, sweet crude oil mixture. Synthetic crude oil generally sells at a premium compared to other crude oil grades. However, the premiums can be affected where there are pipeline constraints.

G.12 Crude oil is extracted using various techniques from a wide range of sources, such as conventional onshore oilfields, deep-water basins, and Canadian oil sands. Many of the world's conventional oil sources are declining, and the reservoirs that were once abundant and easy to locate are now more challenging and expensive to develop. Consequently, crude oil production is increasingly focused on unconventional reservoirs, including shale oil, offshore deep-water oil, and oil sands, which have a higher marginal cost of production than conventional sources. The distinction between conventional and unconventional production is discussed in paragraph G.26 below.

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G.13 There are several popular crude oil benchmarks that are used in the oil and gas industry to track the price of crude oil and to facilitate trading and hedging activities. Some of the most widely used benchmarks include the following:

Table 2 – Popular Crude Oil Benchmarks

Benchmark	Description
Brent Crude	This is a benchmark for crude oil prices that is based on oil production in the North Sea. It is used to price two-thirds of the world's internationally traded crude oil supplies.
WTI	This is a benchmark for crude oil prices that is based on oil production in the US. It is the most commonly referenced crude oil benchmark in North America.
Dubai Crude	This is a benchmark for crude oil prices that is based on oil production in the Middle East. It is used to price crude oil supplies in Asia and is the benchmark for crude oil prices in the Gulf Cooperation Council countries.
OPEC Basket	This is a basket of crude oil blends produced by the member countries of the Organization of the Petroleum Exporting Countries (OPEC). The OPEC Basket is used as a benchmark for crude oil prices in many countries around the world.
Urals Crude	This is a benchmark for crude oil prices that is based on oil production in Russia. It is used to price crude oil supplies in Europe and is the benchmark for crude oil prices in many Eastern European countries.

G.14 Canadian crude oil is typically measured against the WTI benchmark. The price of Canadian crude is typically quoted as a differential to the WTI benchmark price. The most commonly traded Canadian crude oil grades are Western Canadian Select (WCS) and Edmonton Par. WCS is a heavy crude oil with a high sulfur content, while Edmonton Par is a light crude oil with low sulfur content. The price differential between Canadian crude oil and the WTI benchmark is influenced by several factors, such as transportation costs, pipeline capacity, and supply and demand dynamics. For example, if there is a shortage of pipeline capacity to transport Canadian crude oil to refineries, the price differential may widen, as Canadian crude oil producers are forced to sell their oil at a discount to the WTI benchmark price. In recent years, the price differential between Canadian crude oil and the WTI benchmark has been volatile due to several factors, such as the expansion of US shale oil production, changes in pipeline capacity, and geopolitical tensions affecting global oil markets. As a result, Canadian crude oil producers have been exploring alternative transportation options, such as rail and marine transport, to access new markets and reduce their reliance on traditional pipeline infrastructure.

Natural Gas

G.15 Natural gas is a mixture of mainly methane (CH_4) and varying amounts of heavier hydrocarbons, including ethane, propane, butane, and pentanes. It may also contain non-hydrocarbon substances such as carbon dioxide, nitrogen, sulfur, and/or helium. Natural gas liquids (NGLs) and non-hydrocarbons are removed from the methane at gas processing plants before it is sold to end-users, with NGLs also sold for commercial use. Natural gas can be found in association with oil, known as 'associated gas,' or on its own, known as 'non-associated gas.'

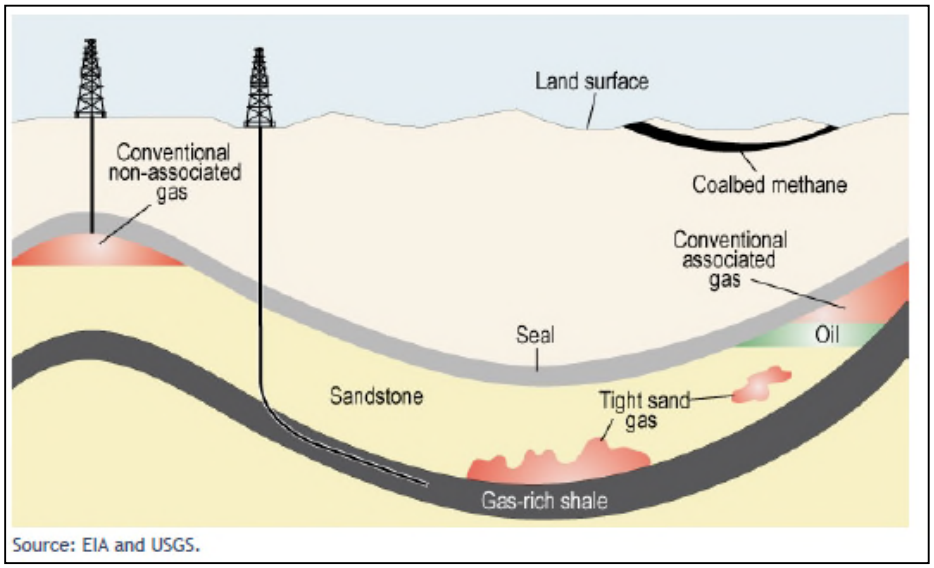
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G.16 Energy companies are using unconventional methods to extract natural gas from challenging areas, such as tight gas, shale gas, and coalbed methane, as technology advances.

Table 3 – Natural Gas Sources

Source	Description
Conventional Gas Accumulations	Natural gas remains trapped by an overlying impermeable formation, called the seal, when it migrates from its source rock into an overlying sandstone formation.
Tight Sand Gas	Natural gas is diffused over larger areas instead of accumulating in larger concentrations due to reduced rock permeability and limited migration ability.
Shale Gas	Natural gas that is trapped in shale formations, or fine-grained sedimentary rocks, from which it is unable to migrate. An abundance of North American shale gas discoveries in recent years has weighed on natural gas prices.
Coal Bed Methane	Natural gas produced from underground coal seams and is virtually 100 percent methane.

Figure 3: Geologic Nature – Major Sources of Natural Gas



Source: EIA and USGS.

G.17 Natural gas is a cleaner energy source than crude oil or coal, producing less carbon dioxide per unit of energy output. The abundance of shale gas supply has led to power generation becoming one of the fastest growing uses of natural gas. It is also used for cooking, heating, transportation, and as a cleaner-burning alternative to gasoline and diesel. Additionally, natural gas is an important input for fertilizer production and in-situ oil sands production.

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G.18 Natural gas prices are mainly influenced by regional market forces due to the challenges of storing or transporting it. Unlike crude oil, natural gas cannot be transported over long distances by vehicle or pipeline across oceans. It must be converted into liquefied natural gas before being transported by tankers and then re-gasified at its destination. Therefore, natural gas prices vary significantly in different parts of the world. However, the factors affecting pricing are similar to those of crude oil, including extraction costs, transportation charges, pipeline capacity, demand changes due to weather, and supply and demand balance.

G.19 'Liquids-rich' or 'wet' natural gas refers to natural gas with high levels of NGL content. Many companies are targeting liquids-rich natural gas plays due to the abundance of shale gas discoveries, which offer higher priced NGLs that can be sold in addition to the dry gas. NGLs have various uses as fuels and sources of feedstock for petrochemicals and crude oil refining. Examples of liquids-rich plays are the Utica, Eagle Ford, and Duvernay shales, while the Marcellus and Haynesville shales are primarily dry gas plays.

G.20 There are several natural gas benchmarks that are commonly used in the energy industry. These benchmarks are used by energy traders, producers, and consumers to determine the market value of natural gas and to negotiate contracts for the buying and selling of natural gas. Some of the most popular natural gas benchmarks include the following:

Table 4 – Popular Natural Gas Benchmarks

Benchmark	Description
Henry Hub	This is a natural gas pipeline located in Louisiana, US, and is widely considered the industry standard for pricing natural gas in North America.
National Balancing Point (NBP)	This is a virtual trading hub for natural gas in the United Kingdom and is used as a benchmark for pricing natural gas in Europe.
Japan Korea Marker (JKM)	This is a benchmark for liquefied natural gas prices in Asia and is used to price liquefied natural gas contracts in the region.
Title Transfer Facility (TTF)	This is a virtual trading hub for natural gas in the Netherlands and is used as a benchmark for pricing natural gas in Europe.
Alberta AECO	This is a natural gas pricing benchmark in Canada and is used to price natural gas contracts in Western Canada.

Geology and Formative Process

G.21 Oil and natural gas are formed over millions of years from the remains of phytoplankton, which are microscopic, photosynthetic organisms that live near the surface of open aquatic environments. These remains accumulate in sedimentary basins, which are subsided geographic features. The organic matter is buried by other sediments derived from weathered onshore landscapes that are transported to where they are ultimately deposited. This process generally occurs in coastal environments, although lakes can also accumulate significant sedimentary deposits.

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G.22 The pressure and heat resulting from the weight of these sediments alter carbon bonds in the organic matter, leading to the formation of kerogen. With further pressure and heat, the kerogen matures and is converted to liquid (oil and NGLs) and gaseous (natural gas) hydrocarbons in a process known as catagenesis. Alternatively, natural gas can be formed by microorganisms referred to as methanogens that exist in extreme environments, including deep within the Earth's crust.

G.23 Oil and gas are typically discovered in association with each other, although their proportion depends on the processes driving maturation in the basin. Oil generally implies a lower degree of maturation, NGLs represent intermediate maturation, while natural gas represents the final stage of hydrocarbon maturation before being considered over mature. Over mature compounds lack the energy-storing bonds that make hydrocarbons commercially valuable.

G.24 As oil and gas are formed, their lower densities make them buoyant relative to the surrounding rocks and subsurface water. This causes them to migrate toward the surface, as they are expelled from the source rocks from which the organic material was derived. Hydrocarbons tend to accumulate when they encounter confined porous rock units. In some cases, these units are also permeable, meaning that the porous spaces are connected to the extent that hydrocarbons can flow through them if exposed to differential pressures. These post-migration accumulations have come to be known as conventional reservoirs.

G.25 However, with the advent of directional drilling and hydraulic fracturing (fracking), the low-permeability source rock can also be produced economically. These accumulations are typically referred to as unconventional reservoirs. Although the term is something of a misnomer, as reservoir implies porosity and permeability conditions typically associated with conventional E&P, unconventional reservoirs have become increasingly important in recent years. The unconventional techniques have revolutionized the oil and gas industry enabling the extraction of previously inaccessible reserves and increasing the global supply of oil and gas.

Table 5 – Popular Unconventional Techniques in Oil and Gas Extraction:

Techniques	Description
Hydraulic Fracturing	This technique involves the injection of water, sand, and chemicals at high pressure to create fractures in the rock formation and release trapped oil and gas.
Directional Drilling	This technique involves drilling a well at an angle to the vertical to access oil and gas reserves that are difficult to reach with conventional drilling techniques.
Coalbed Methane Extraction	This technique involves the extraction of natural gas from coal seams by pumping water out of the coal seam, which reduces the pressure and releases the gas.
Enhanced Oil Recovery (EOR):	This technique involves injecting fluids, such as water, steam, or chemicals, into the reservoir to increase the pressure and improve the recovery of oil.

G.26 One of the key differences between conventional and unconventional reservoirs is the decline rate. Conventional reservoirs typically have a slower decline rate, meaning that they produce more oil or gas over a longer period of time. Unconventional reservoirs, on the other hand, have a faster decline rate, meaning that they produce more oil or gas initially, but decline more rapidly. This is due to the fact that unconventional reservoirs require hydraulic fracturing to produce the hydrocarbons, which can cause the rock to become damaged and less productive over time.

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G.27 Geologists and geophysicists are crucial in the oil and gas industry, as they use well control and seismic surveys to locate geological structures that may contain oil and natural gas reservoirs. Seismic surveys involve creating a sound wave and observing the response to determine underground geological structures. Oil and natural gas wells are created by drilling holes into the reservoir rock with a drilling rig. Historically, vertical wells were used, but horizontal drilling has become more common, allowing for increased reservoir contact. Fracture stimulation techniques have also evolved, allowing for improved hydrocarbon flow from tight rock formations, which vary in tonnage, interval spacing, and use of fluids, as engineers will design specific fracture techniques for a given formation.

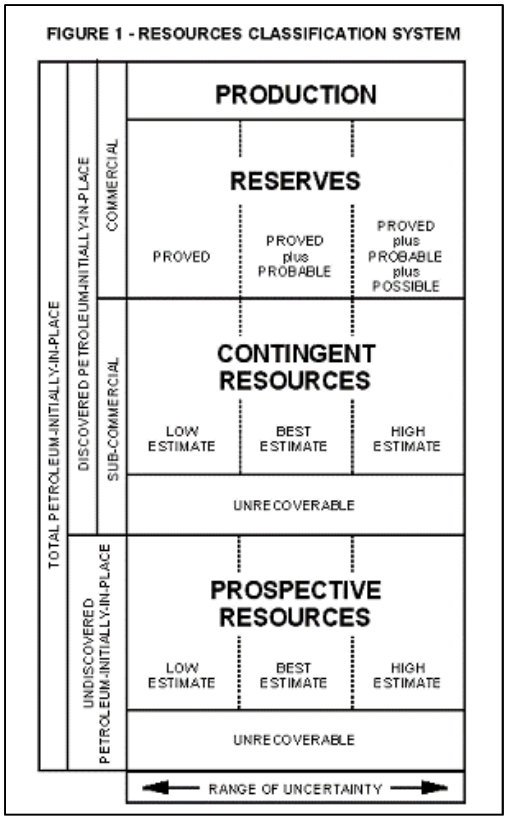
Reserves and Resources[33]

G.28 Oil and gas reserves and resources are volumes that are anticipated to be commercially recoverable at some point in the future. These are located in underground reservoirs and cannot be readily inspected or quantified with precision. Instead, estimates are made based on the evaluation of data, which provides evidence of the quantity of hydrocarbons present in a given reservoir.

G.29 Reserve and resource estimators are highly skilled professionals who utilize their experience and judgment when calculating these volumes, which inherently involves a degree of subjectivity and uncertainty. However, these estimates are necessary in order to determine whether it is economic to develop a discovered field, balancing the projected reserves and resources against the investment required.

G.30 As outlined in Figure 4 below, the SPE classifies reserves into three categories: Proved, Probable, and Possible; and resources into two categories: Contingent and Prospective.

Figure 4: Reserves and Resources – Classification



Source: The SPE.

[33] Additional source considered: The SPE.

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G.31 The horizontal axis represents the range of uncertainty in the estimated potentially recoverable volume for an accumulation, whereas the vertical axis represents the level of status/maturity of the accumulation. Many organizations choose to further subdivide each resource category using the vertical axis to classify accumulations on the basis of the commercial decisions required to move an accumulation towards production.

G.32 The Low, Best, and High Estimates of potentially recoverable volumes should reflect some comparability with the reserves categories of Proved, Proved plus Probable, and Proved plus Probable plus Possible, respectively. While there may be a significant risk that sub-commercial or undiscovered accumulations will not achieve commercial production, it is useful to consider the range of potentially recoverable volumes independently of such a risk.

G.33 In general, for quantities to be upgraded (i.e., from resources to reserves or from possible to probable), additional certainty of recoverability must be established by gathering more data. This can be accomplished through additional drilling, closer monitoring of production volumes, or institution of a pilot project, among other things.

G.34 It is recognized that some ambiguity may exist between the definitions of contingent resources and unproved reserves. This is a reflection of variations in current industry practice. The SPE recommends that if the degree of commitment is not such that the accumulation is expected to be developed and placed on production within a reasonable timeframe, the estimated recoverable volumes for the accumulation be classified as Contingent Resources. Contingent Resources may include, for example, accumulations for which there is currently no viable market, or where commercial recovery is dependent on the development of new technology, or where evaluation of the accumulation is still at an early stage.[34]

Reserves

G.35 Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on the following:

- An analysis of drilling, geological, geophysical, and engineering data;
- The use of established technology; and
- Specified economic conditions, which are generally accepted as being reasonable and shall be disclosed.

G.36 Reserves are classified according to degree of certainty associated with the estimates, as follows:

- Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely the actual remaining quantities recovered will exceed the estimated proved reserves (typically, 90 percent certainty).
- Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the proved plus probable reserves (typically, 50 percent certainty).
- Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the proved plus probable plus possible reserves (typically, 10 percent certainty)

G.37 Each of the reserve categories (i.e., proved, probable, and possible) may be divided into developed and undeveloped categories:

- Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to cost of drilling a well) to put reserves on production. The developed category may be sub-divided into the following:
    - Developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production and the date of resumption of production must be known with reasonable certainty.

[34]Source: petroleum-resources-classification-system-definitions (spe.org)

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  - **Developed non-producing reserves** are those reserves that either have not been on production or have previously been on production, but are shut-in, and the date of resumption of production is unknown.
- **Undeveloped reserves** are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production.

Resources

G.38 Resources have less certainty relative to reserves, since they are not yet technically or commercially recoverable, and can be classified as either Contingent or Prospective. Essentially, existing technology dictates that only a certain proportion of resources can be produced economically at any given time. Further, transportation routes to market are critical because resources may not be commercial, if there is no infrastructure in place (i.e., pipelines) to deliver them to downstream markets.

G.39 **Contingent resources** represent the quantity of oil and natural gas estimated to be potentially recoverable from known accumulations using established technology or technology under development, but which do not currently qualify as reserves or commercially recoverable due to one or more contingencies.

G.40 **Prospective resources** represent the quantity of oil and natural gas estimated to be potentially recoverable from undiscovered accumulations by application of future development projects.

G.41 Contingent resources have the potential for recoverability, but certain technical or commercial hurdles must be overcome before increasing the probability of recovery. Prospective resources are volumes that are estimated to be potentially recoverable on the basis of indirect evidence from reservoirs that have not yet been drilled.

G.42 The chance of commerciality for resources, whether they are contingent or prospective, depends on several factors. These factors include the geological characteristics of the resource, the size and location of the resource, the cost of extraction and production, and the current market demand and price for the resource. Resources that are closer to existing infrastructure and have lower extraction costs have a higher chance of commerciality. Additionally, resources that are in high demand and have a favorable market price also have a higher chance of commerciality. However, there is always a degree of uncertainty when it comes to resource exploration and development, and the chance of commerciality can vary depending on a variety of factors.

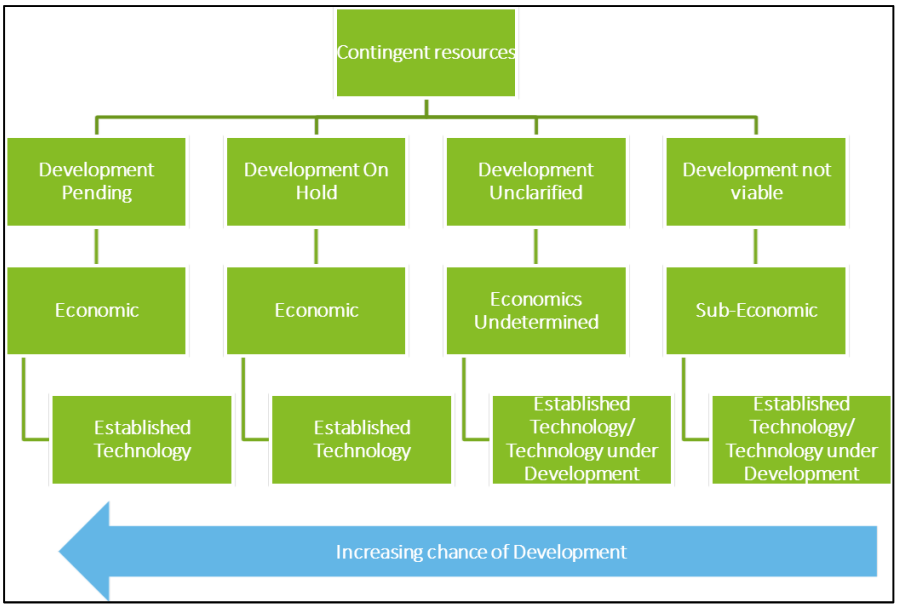
G.43 For contingent resources, the chance of commerciality refers to chance of development, which is contingent on the outcome of the factors discussed above. For prospective resources, the chance of commerciality also includes a factor for chance of discovery, since these resources are yet to be discovered. Once discovered, they are re-classified to become contingent resources, which will be only subject to chance of development. Once the chance of development is 100 percent, the contingent resources become reserves.

G.44 Prospective/Contingent resources are classified as Low Estimate/1C, Best Estimate/2C, and High Estimate/3C, which are analogous to the Proved, Proved plus Probable, and Proved plus Probable plus Possible classifications used for reserves.

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G.45 Each of the contingent resources categories (low, best, high estimate) may be divided into the following categories based on development/economic status. To move a contingent resource to a reserve, it must be commercially economic, typically at the project level:

Figure 5: Contingent Resources – Sub-Classification



- Development pending: These are contingent resources that are likely to be developed in the near future, pending the resolution of certain contingencies. The contingencies may include regulatory approvals, commercial agreements, or technical challenges. An example of development pending resources could be an oil field that has been discovered, but requires further appraisal drilling before it can be developed.
- Development on hold: These are contingent resources that are not currently being developed due to commercial or technical reasons, but may be developed in the future if the conditions change. For example, an oil field may be put on hold due to low oil prices or lack of infrastructure, but could become economically viable in the future, if oil prices rise or new infrastructure is built.
- Development unclarified: These are contingent resources that require further technical or commercial evaluation before a decision can be made regarding their development. For example, an oil field may have been discovered, but requires further evaluation to determine the size and quality of the reservoir.
- Development not viable: These are contingent resources that are unlikely to be developed due to technical or commercial reasons. For example, an oil field may be too small or too difficult to access to be economically viable.

G.46 Resource engineers, in their evaluation reports, tend to provide a summary of both risked and unrisked Prospective/Contingent resources. The SPEE defines risked and unrisked oil and gas resources, as follows:

- Unrisked resources are those that are estimated without any consideration given to the probability of the contingencies being resolved. This means that the resource estimate does not take into account the chance of success, which is also known as the chance of commerciality, in resolving the contingencies.
- Risked resources, on the other hand, are those that are assessed with consideration given to the chance of success of the contingencies being resolved. This means that the probability of the contingencies being resolved and the resources being recoverable are factored into the calculation of the resource estimate.

G.47 The main difference between risked and unrisked resources is the level of uncertainty that is factored into the estimate. Risked resources take into account the likelihood of contingencies being resolved, which reduces the uncertainty associated with the estimate. Unrisked resources, on the other hand, do not take into account this uncertainty, which means that the estimate is more uncertain.

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G.48 The summary of risked and unrisked resources in the evaluation report provides a clear picture of the potential hydrocarbon resources that a company may have, taking into account both the potential risks and uncertainties associated with the contingencies. This information is important for decision-making purposes, such as determining the feasibility of a project or assessing the overall value of a company's assets.

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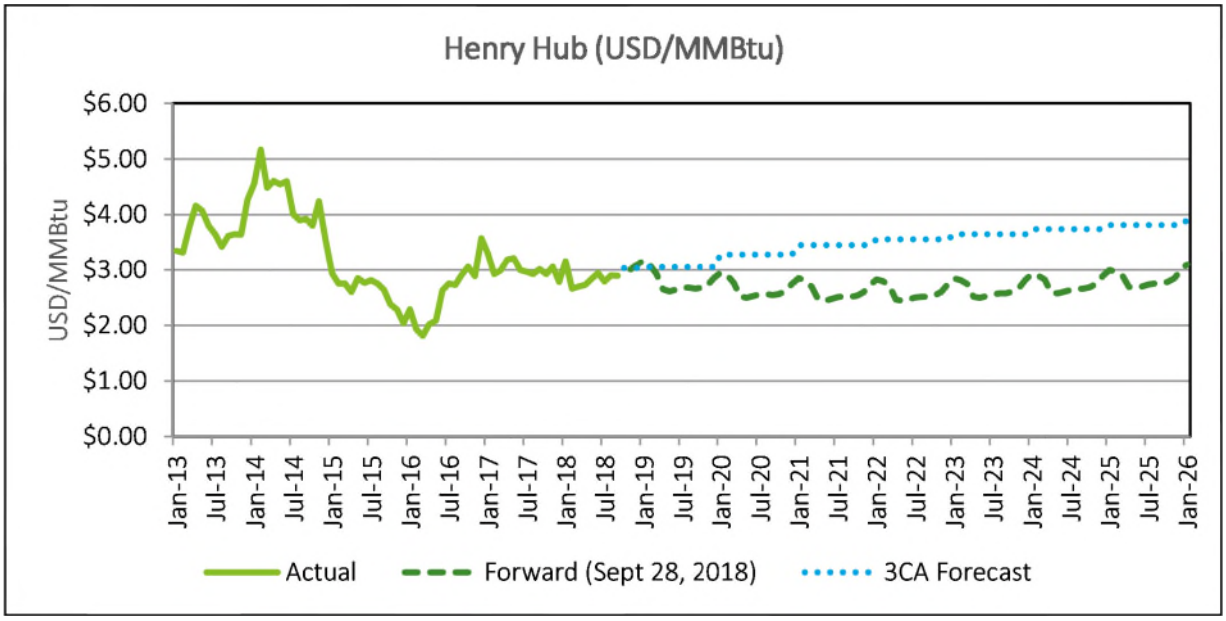
Appendix H – Natural Gas Industry Overview

Natural Gas Pricing

H.1 The forecast pricing in the GLJ Report is based on US Gulf Coast Henry Hub natural gas prices, with marketing and price adjustments applied to determine the forecast realized price for Questerre. Therefore, we focused our discussion on the historical and forecast expectations of Henry Hub natural gas prices.

September 30, 2018

Figure 1:



Source: Actual – GLJ Price Charts;[35]
Forward (Sept 28, 2018) – Bloomberg; and
3CA Forecast – Price forecasts from the websites of GLJ, Sproule, and McDaniel, as at September 30, 2018.

H.2 Actual Pricing – From January 2013 mid 2014, prices for natural gas at the Henry Hub in Louisiana fluctuated, but generally increased from approximately US$3.25/MMBtu to a high of over US$5.00/MMBtu. From mid-2014 to mid-2016, prices at Henry Hub decreased due to an increase of production from US natural gas producers. As at September 30, 2018, the price of natural gas at Henry Hub was just under US$3.00/MMBtu.

H.3 3CA Forecast Pricing – The 3CA pricing consists of the average forecast price of three independent qualified reserve engineer consultants being GLJ, Sproule, and McDaniel. The 3CA price forecast is as at September 30, 2018. The Henry Hub 3CA price was forecast to increase steadily per year from approximately US$3.00/MMBtu, as at September 30, 3018, to approximately US$4.00/MMBtu by the end of 2025.

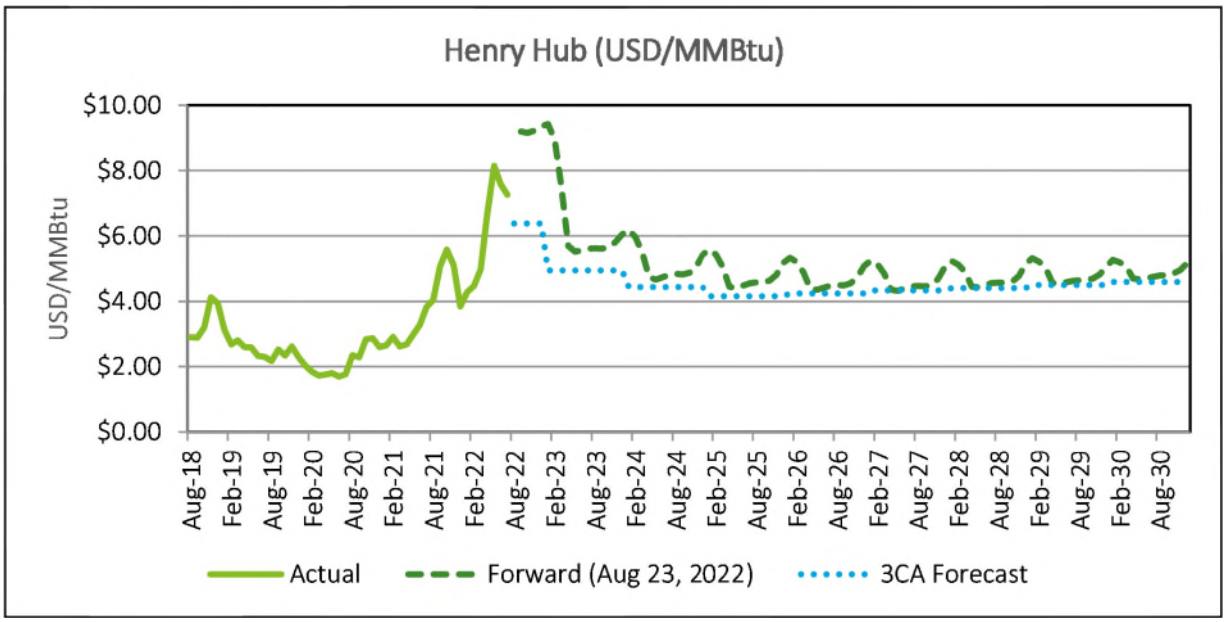
[35] https://www.gljpc.com/price-forecasts/price-charts/

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H.4 Forward Pricing – The forward strip pricing for natural gas is determined based on traded prices for future contracts on the New York Mercantile Exchange, as at September 30, 2018, for settlement at future dates. As at September 30, 2018, the forward strip price for natural gas was expected to fluctuate below US$3.00/MMBtu over the forecast period.

August 31, 2022

Figure 2:



Source: Actual – GLJ Price Charts;
Forward (August 23, 2022) – Bloomberg; and
3CA Forecast – Price forecasts from the websites of GLJ, Sproule, and McDaniel, as at July 1, 2022.

H.5 Actual Pricing – Record production of natural gas in the US in 2018 and 2019[36] led to a surplus of supply, which put downward pressure on prices.[37] The impact of the worldwide COVID-19 pandemic in early 2020 also put downward pressure on prices. From the peak in 2014 to mid-2020, prices of natural gas followed a downward trend, with the lowest monthly average price of US$1.70/MMBtu experienced in June 2020. From mid-2020 to 2022, Henry Hub prices increased steadily, as economies recovered from the COVID-19 mandates, spiking at US$8.14/MMBtu in May 2022 in response to Russia's ongoing war with Ukraine.

H.6 3CA Pricing Forecast Pricing – The most recent 3CA forecast, as at August 31, 2022, was dated July 1, 2022. This 3CA forecast had Henry Hub prices decreasing over the near term from 2022 to 2025 then increasing at inflationary rates beyond 2025.

H.7 Forward Pricing – As at August 23, 2022, the higher-than-average strip prices for Henry Hub were forecast to decline over the near term, before settling around US$5.00/MMBtu over the forecast period.

Natural Gas Industry Update

September 30, 2018[38]

H.8 In October 2016, the federal government announced it would impose a tax on carbon emissions. Under the proposal, the ten provinces and three territories could either introduce a direct carbon tax of at least $10/tonne

[36] US natural gas production grew again in 2019, increasing by 10 percent, US Energy Information Administration, Today in Energy, March 10, 2020.
[37] Natural gas prices in 2019 were the lowest in the past three years, US Energy Information Administration, Today in Energy, January 9, 2020.
[38] Unless otherwise stated, all information in this section comes from the EIU Energy Report, issued semi-annually, for Canada, as at July 2018.

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by the end of 2018 or adopt a cap-and-trade system. If a province fails to do either, the federal government would implement a tax of $10/tonne, rising by $10 each year until it reaches $50/tonne in 2022.

H.9 According to BP Statistical Review of World Energy 2018, Canada's total proved reserves of natural gas were 66.5 trillion cubic feet or approximately 1.0 percent of the total world reserves. Total production of natural gas in Canada in 2017 was 176.3 billion cubic meters or 6.2 Tcf. This production represented approximately 4.8 percent of total world production in 2017 and is an increase of 3.0 percent from Canada's total 2016 production.

H.10 According to the EIU's country report for Canada, as at September 30, 2018, total natural gas production in Canada was expected to continue to rise over the forecast period, but exports to the US would be constrained by the abundance of new shale gas supply in the US. Canada would, therefore, be forced to seek alternative markets for its natural gas.

H.11 A shift in new technologies resulted in shale gas resources becoming economical, with significant reserves in the US. Within Canada, large shale gas resources have been found in Québec, Alberta, and British Columbia. As at September 30, 2018, only British Columbia had commercialized these resources. In some parts of Canada, shale gas projects face stiff opposition from environmental groups and high regulatory hurdles. Québec announced in June 2018 that it would ban fracking for shale gas throughout the province, as well as conventional oil and gas drilling in 13 designated waterways.

August 31, 2022[39]

H.12 The federal carbon tax, which was increased to $50/tonne in April 2022, will continue to rise annually until it reaches $170/tonne in 2030. In March 2021 the Supreme Court of Canada ruled that the federal carbon-pollution pricing mechanism was constitutional, following legal challenges by the governments of Alberta, Ontario, and Saskatchewan.

H.13 Canada's proven natural gas reserves were estimated to be approximately 10.0 Tcf in 2019, or about one percent of the world's deposits.

H.14 According to BP Statistical Review of World Energy 2022, total production of natural gas in Canada in 2021 was 172.3 billion cubic meters, or 6.1 Tcf, which represented approximately 4.3 percent of total world production in 2021 and an increase of 4.3 percent from Canada's total 2020 production.

H.15 According to the EIU country report for Canada, as at August 23, 2022, total natural gas production in Canada was expected to increase to over 7.1 Tcf in 2031 due to higher expenditures on drilling activities, improved investor sentiment amid high global natural gas prices over the next few years, and efforts to feed expansions in local gas-based power generation and export capacity in the forecast period.

H.16 Sanctions imposed against Russia by Canada and other Western countries following the start of the Russia-Ukraine war in late February 2022 were expected to help support the local oil and gas industry and its efforts to build associated infrastructure and to ramp up production. Exports were likely to increase amid rising global fossil-fuel prices and surging demand for alternatives to Russian energy.

H.17 According to the EIU, federal authorities reportedly planned to boost domestic gas output by 100,000 boe/day by the end of 2022.

[39] Unless otherwise stated, all information in this section comes from the EIU Energy Report, issued semi-annually, for Canada, as at July 2022.

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Appendix I – Shale Gas in North America

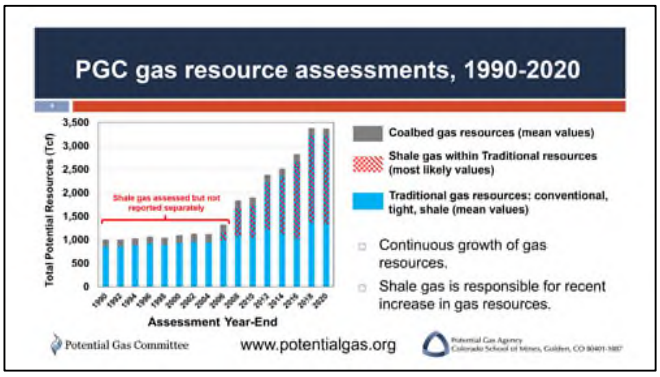
I.1 Shale gas is considered an "unconventional" resource. The gas is located generally deep underground within shale rock formations. Advances in horizontal drilling and fracking have enabled natural gas producers to begin tapping this supply source in a significant way.

United States Shale Gas[40]

I.2 The US has access to significant natural gas resources. With its extensive natural gas resource base and new technology innovations, the US has become the largest producer of natural gas in the world.

I.3 A comprehensive review of the US supply resource base can be found in the Potential Gas Committee's 2020 biennial report: 'Potential Supply of Natural Gas in the United States,' released in fall 2021. This report finds that the US possesses a total technically recoverable natural gas resource base of 3,368 trillion cubic feet (Tcf). As can be seen in the chart image below, the US domestic resource base has grown exponentially during the 14 years from 2006 and 2020 due to the advancement of shale gas development.

Figure 1: Potential Gas Committee Gas Resource Assessments, 1990-2020



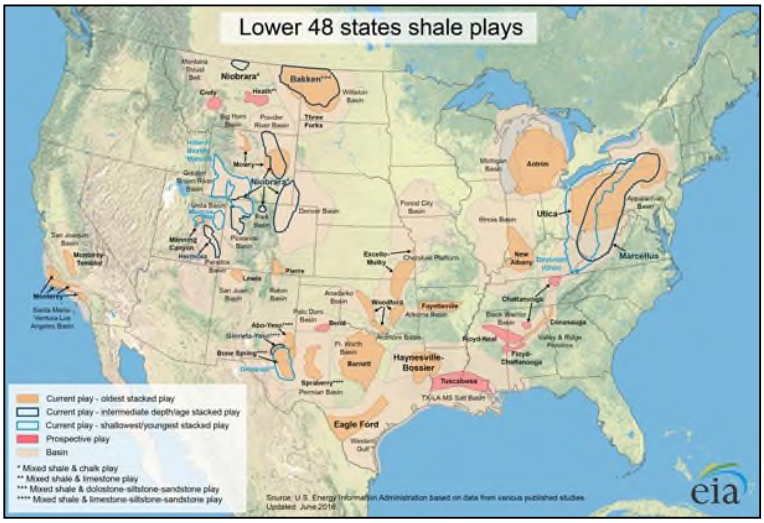
Source: Northeast Gas Association.

I.4 The Potential Gas Committee noted that shale gas accounts for 63 percent of the US's total potential resources at 2,130 Tcf. Further, "The Atlantic area ranks as the country's richest resource area with 39 percent of total US gas resources," led by the Marcellus and Utica Shale plays in the Appalachian basin. The chart below shows the US shale plays across its lower 48 states.

[40] a) US EIA Website: https://www.eia.gov/energyexplained/natural-gas/where-our-natural-gas-comes-from.php; and
b) https://www.northeastgas.org/nat_gas_supply_trends.php

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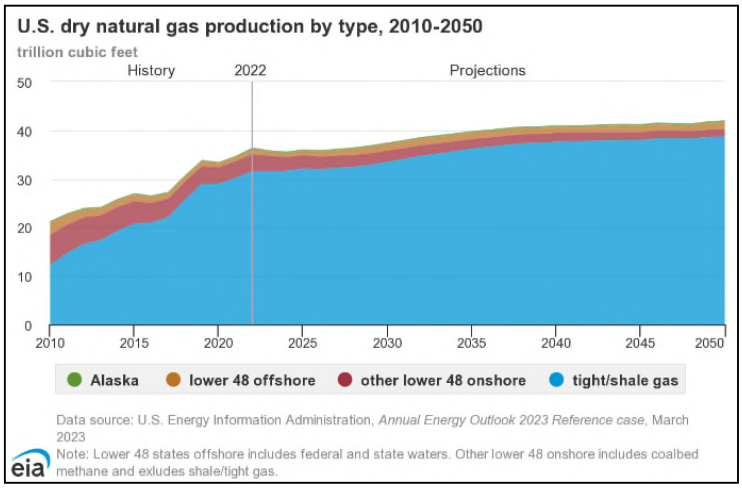
Figure 2: United States Shale Plays



Source: US EIA

I.5 The US set a new record for annual production in 2022 and also set a new record for annual consumption. A key reason for this strong production trend of recent years is the growing role of shale and unconventional gas production. According to projections in the US 'Annual Energy Outlook 2023,' the majority of US dry natural gas production through 2050 will be from shale and tight gas[41] resources. It states that *"In the Reference case, US natural gas production increases by 15% from 2022 to 2050. Across all cases, domestic production outpaces domestic consumption. [S]hale gas and associated dissolved natural gas from oil formations are the primary sources of long-term growth of domestic natural gas production through 2050. Increased production wells in the Permian Basin (Southwest region) are the primary driver behind associated dissolved natural gas growth. Increases in shale gas production mainly comes from the Texas-Louisiana Salt Basin (Gulf Coast Region) and the Appalachian Basin (East Region)."*

Figure 3: United States Natural Gas Production, 2010 – 2050 (Tcf)



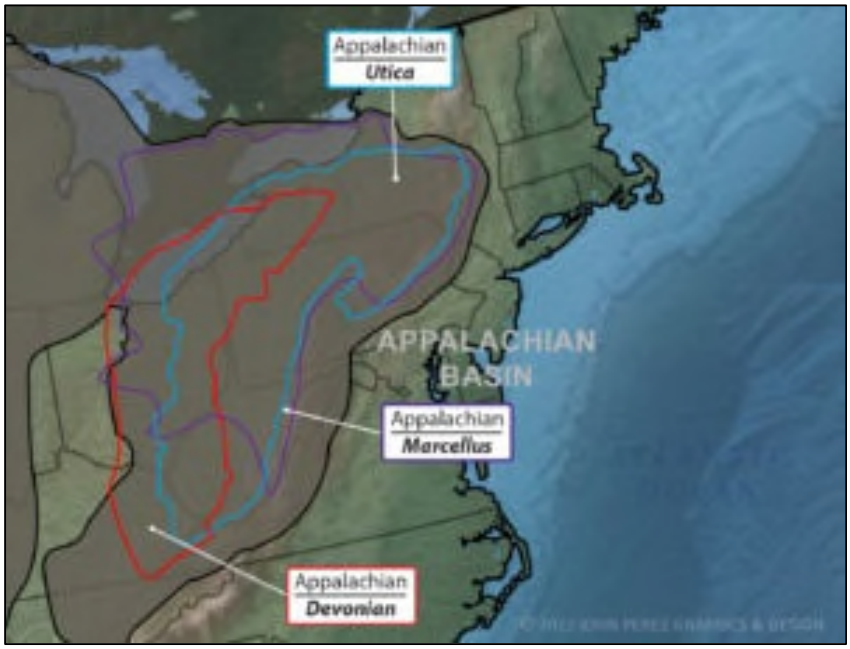
Source: US EIA website.

[41] Tight gas: Another low permeability rock formations for natural gas similar to shale.

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I.6 As noted above, the largest producing shale area in the US is the Appalachian Basin and its Marcellus Shale and Utica Shale plays. These shale gas formations extend from West Virginia into Ohio, Pennsylvania, and New York. Shale production is occurring in Ohio, Pennsylvania, and West Virginia; unconventional drilling is not permitted in New York.

Figure 4: US Shale Plays in Appalachian Basin



Source: https://www.geoart.com/2022/02/14/appalachian-basin-marcellus-shale-utica-shale/

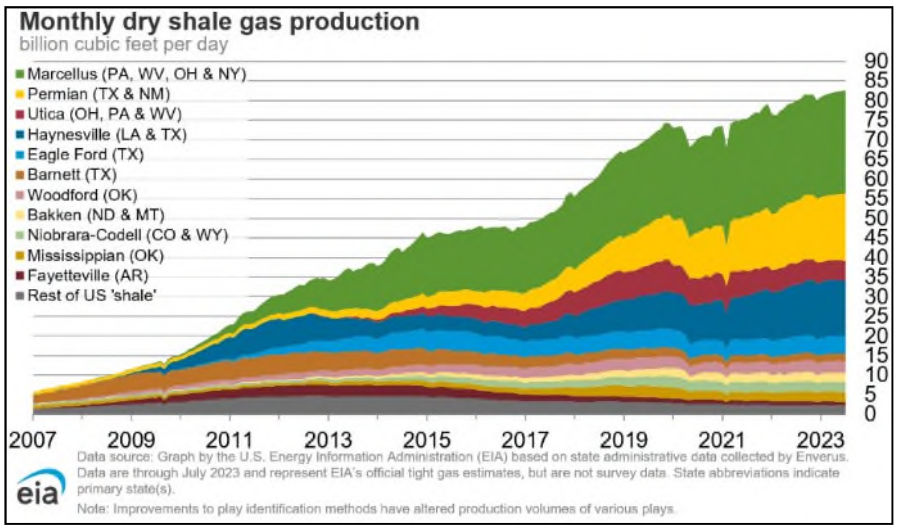
I.7 The Marcellus Shale is the third largest and most active shale play in the US, behind the Permian and Eagleford shale plays in Texas. Despite containing a lot of natural gas, it was challenging to develop due to its large geographic area and low concentration of recoverable natural gas per acre. However, production increased from 2005 to 2007 due to the use of horizontal drilling and fracking processes.

I.8 The Utica Shale, which stretches southwest from New York and Québec, Canada to Tennessee, lies several thousand feet beneath the Marcellus Shale formation. The Utica Shale overlaps largely with the Marcellus Shale, however, is much deeper than the Marcellus Shale. The shale from Utica has historically been difficult to develop due to its depth and low permeability, but advances in horizontal drilling and fracking have made production in Ohio and western Pennsylvania particularly prolific. Horizontal drilling allows for more efficient access to reserves, while fracking allows for greater extraction of oil and natural gas, making previously cost-prohibitive reserves like the Utica Shale more viable.

I.9 Production in the Appalachian region has grown steadily in the last decade, to nearly 35 Bcf/d as of early 2023. According to the US EIA, Appalachian production represented 29 percent of all US natural gas production in 2022. The US EIA underscored the region's key role by observing: "In 2022, the Appalachia region in the Northeast produced more natural gas than any other US region." Currently, the Marcellus Shale play is the largest source of natural gas from shale in the US.

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Figure 5: Monthly Dry Shale Gas Production in the United States



Source: US EIA website.

I.10 As of December 31, 2021, the US EIA reported that the Marcellus Shale formation's total proved natural gas reserves were estimated to be around 144 Tcf. Additionally, the US EIA reported that the Utica Shale formation's total proved natural gas reserves were estimated to be around 32 Tcf. [42]

I.11 The Marcellus Shale is one of the largest gas fields in the world, with total recoverable reserves estimated to be between 609 to 998 Tcf, just slightly smaller than the South Pars/North Dome gas field of Qatar and Iran. Its gas-in-place dwarfs all conventional fields in the world, with the ten largest conventional fields combined not equaling the in-place reserves of the Marcellus Shale. The Utica Shale is found below the Marcellus Shale and has total recoverable reserves ranging from 508 to 834 Tcf, making it the third largest gas accumulation in the world. However, most of the development thus far has focused on the shallow liquids-rich portions, with the deeper dry gas portions largely undeveloped due to higher drilling costs. [43]

Figure 6 – Recoverable Resources in the Marcellus Shale and the Utica Shale Plays

EVALUATION OF TECHNICALLY-RECOVERABLE RESOURCES IN THE MARCELLUS AND UTICA SHALE GAS PLAYS OF THE APPALACHIAN BASIN

Exhibit 4-8. Summary of TRR estimates (tcfg) for the Marcellus and Utica shale gas plays

Play	State	dTRR			rTRR			uTRR		
		base	*+15%*	*-30%*	*base*	*+15%*	*-30%*	*base*	*+15%*	*-30%*
Marcellus	PA	139.4	160.4	97.6	501.2	576.3	350.8	640.6	736.7	448.4
	WV	40.3	46.4	28.2	174.2	200.3	122.0	214.5	240.6	148.2
	OH	0.3	0.3	0.2	4.7	5.4	3.3	5.0	5.7	3.5
	NY	0.0	0.0	0.0	12.9	14.9	9.1	12.9	14.9	9.1
	Basin	**180.0**	**207.1**	**126.0**	**693.0**	**796.7**	**485.2**	**873.0**	**997.9**	**609.2**
Utica gas	PA	4.2	4.8	2.9	513.9	591.0	359.8	518.1	595.8	362.7
	OH	34.9	40.1	24.4	85.4	98.3	59.8	120.3	138.3	84.2
	WV	1.9	2.1	1.3	84.8	97.5	59.4	86.6	99.6	60.7
	Basin	**41.0**	**47.0**	**28.6**	**684.1**	**786.8**	**479.0**	**725.0**	**833.7**	**507.6**

Source: US Department of Energy, Office of Scientific and Technical Information, June 23, 2021. [44]

[42] Source: https://www.eia.gov/naturalgas/crudeoilreserves/archive/2021/
[43] Source: https://www.realclearenergy.org/articles/2022/04/04/americas_natural_gas_juggernaut_825258.html
[44] Source: https://doi.org/10.2172/1805223

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I.12 The Appalachian basin is an important region for the oil and gas industry in the US for several reasons:[45]

a. Natural gas production: The Appalachian Basin is one of the largest natural gas-producing regions in the US. The development of shale gas resources using fracking and horizontal drilling has transformed the region into a major natural gas producer, helping to reduce US dependence on foreign natural gas imports.

b. Petrochemical production: The region's abundant natural gas resources have also spurred the growth of the petrochemical industry in the US. Ethane and other NGLs produced in the Appalachian basin are used as feedstocks for the production of chemicals and plastics, driving economic growth and job creation in the region.

c. Energy security: The Appalachian basin's abundant natural gas resources have helped to improve US energy security by reducing reliance on foreign energy sources. This has important geopolitical implications, as it reduces the need for the US to rely on unstable or unfriendly foreign suppliers of oil and gas.

d. Infrastructure: The region's natural gas production has also driven investment in infrastructure such as pipelines, processing plants, and export facilities, creating jobs and economic growth in the region and across the country.

Canadian Shale Gas[46]

I.13 The principal Canadian shale gas plays are the Horn River basin and Montney shales in northeast British Columbia, the Colorado Group of Alberta and Saskatchewan, the Utica Shale of Québec, and the Horton Bluff shale of New Brunswick and Nova Scotia.

Figure 7 – Major Shale Basins in Canada



Source: CER website.

[45] Source: https://rextag.com/blog/Appalachian-O-G-Basin-2022-Review

[46] Source: A Primer for Understanding Canadian Shale Gas - Energy Briefing Note - November 2009 (cer-rec.gc.ca); Québec's Shale and Tight Resources (canada.ca); https://www.cer-rec.gc.ca/en/data-analysis/energy-markets/provincial-territorial-energy-profiles/provincial-territorial-energy-profiles-canada.html; CERI_Study_154_Full_Report.pdf (canada.ca)

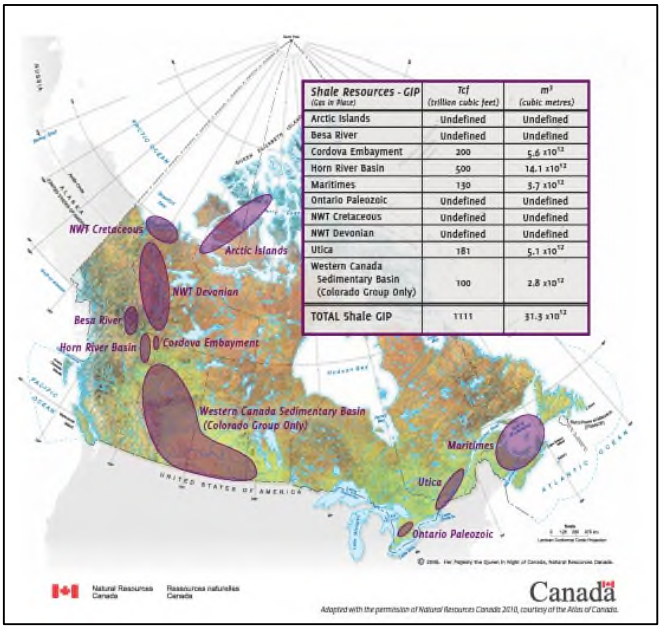
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Source: US EIA.

I.14 The CER noted that the Canadian production of conventional natural gas is declining and is expected to continue declining over the next few years. In response, the industry has been shifting its exploration focus towards unconventional natural gas (i.e., natural gas that can be produced from non-traditional, low permeability reservoirs such as shales or coals).

Figure 8 – Shale Resources in Canada – 2010



Shale Resources - GIP (Gas in Place)	Tcf (trillion cubic feet)	m^3 (cubic metres)
Arctic Islands	Undefined	Undefined
Besa River	Undefined	Undefined
Cordova Embayment	200	5.6×10^{12}
Horn River Basin	500	14.1×10^{12}
Maritimes	130	3.7×10^{12}
Ontario Paleozoic	Undefined	Undefined
NWT Cretaceous	Undefined	Undefined
NWT Devonian	Undefined	Undefined
Utica	181	5.1×10^{12}
Western Canada Sedimentary Basin (Colorado Group Only)	100	2.8×10^{12}
TOTAL Shale GIP	1111	31.3×10^{12}

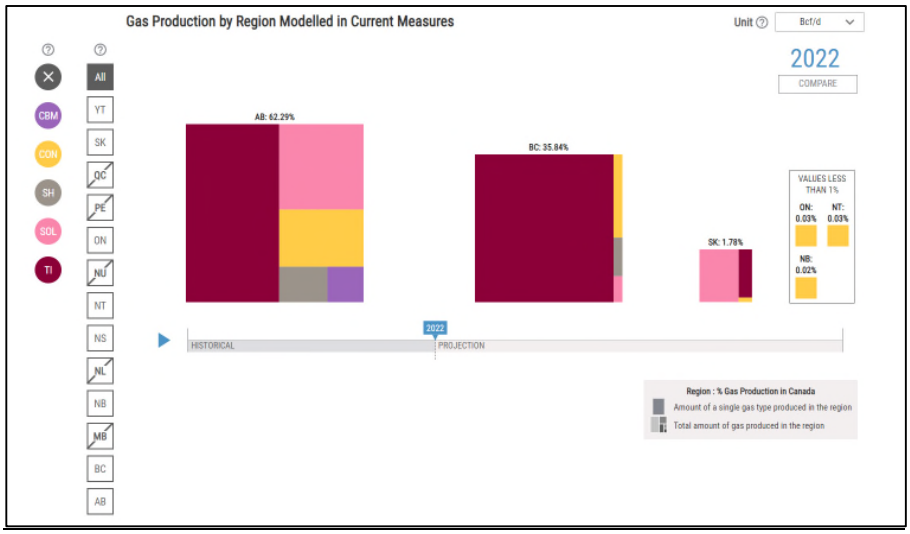
Source: 'Understanding Shale Gas in Canada' report by Canadian Society for Unconventional Gas, Uploaded March 2021.[47]

[47] Understanding Shale Gas in Canada - oilandgasinfo.ca

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I.15 In 2022, Canada's natural gas production averaged 17.4 Bcf/d, which included 11.5 Bcf/d and 0.7 Bcf/d produced from unconventional sources such as tight gas and shale gas, respectively. Alberta and British Columbia accounted for almost 98 percent of Canadian production. Both provinces have increasing shares of tight gas production. Smaller amounts of natural gas are produced in Saskatchewan, New Brunswick, Ontario, and the Northwest Territories. There is no natural gas production in Québec.

Figure 9 – Canada Natural Gas Production and Composition – 2022



Source: CER website (Exploring Canada's Energy Future – Canada Energy Regulator (cer-rec.gc.ca))

I.16 Canada has a large network of natural gas pipelines, with TC Energy's Canadian Mainline being the primary long-haul pipeline. Almost all Canadian-produced natural gas exported to the US is transported via pipeline. Most natural gas imports are delivered through pipelines in southern Ontario, with several traditional export points now operating primarily as import points. The Trans-Québec and Maritimes (TQM) pipeline connects to TC Energy's Canadian Mainline near Saint Lazare and transports natural gas for use in Québec, as well as for export through an interconnection with the Portland Natural Gas Transmission System at East Hereford. Historically, Québec was a consumer of western Canadian natural gas. More recently, growing gas production in the US, reversal of export points in Ontario, and additional interconnects between Ontario and Québec have enabled higher deliveries of US gas into Québec.

I.17 Québec's oil and natural gas resources are defined by six separate sedimentary zones: St. Lawrence Lowlands, Lower St. Lawrence, St. Lawrence Estuary (Anticosti Island), Gaspé Peninsula, Gulf of St. Lawrence, and Northern Québec. E&P companies have primarily focused their search for oil and natural gas in the area from the St. Lawrence Lowlands extending up the St. Lawrence River. The gas-rich Utica is located in the St. Lawrence Lowlands and contain Québec's largest estimated natural gas resources.

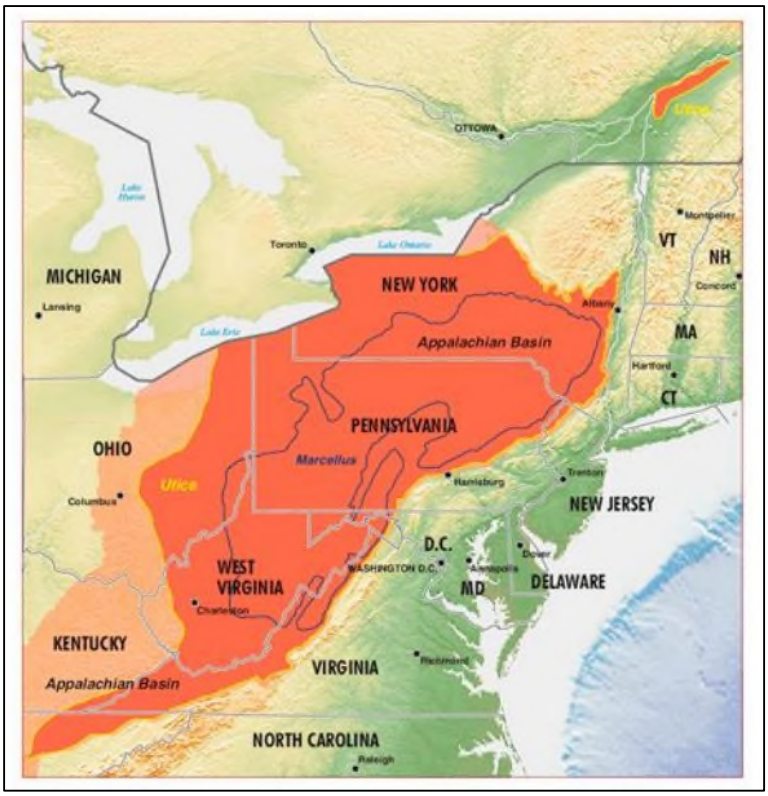
I.18 In Québec, the Utica Shale gas play is located adjacent to the TQM Pipeline, which has significant room for production additions and serves the Montreal and Québec City markets, as well as connects to pipelines serving the northeastern US. Given the Utica's proximity to US Northeast markets, the gas is expected to command a premium to the New York Mercantile Exchange Henry Hub benchmark price (commodity price setting exchange, as all other gas used in the province is imported and bears transportation costs), whereas the more developed and active shale plays in northeastern British Columbia are located far from consuming markets. This means gas from those plays incur transportation costs.

I.19 The Utica Shale has been subdivided into two distinct geological formations, Lower Utica and Upper Utica, with the latter exhibiting higher gas potential. From 2006 to 2010, 29 wells were drilled in the Utica Shale. T hey included 18 vertical wells and 11 horizontal wells. 18 wells were fractured (11 vertical wells and seven horizontal wells). A moratorium was imposed in 2013 on shale gas exploration activities in the St. Lawrence Lowlands.

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I.20 The Utica Shale is an ancient black shale found in the Appalachian Basin, stretching from Pennsylvania and New York to Québec. It is among the oldest and most widespread black shales in North America and is named after Utica, New York. Figure 10 shows the location of the Utica Shale. Québec's Utica is shown in the top right of the figure:

Figure 10 – Map of Utica Shale in North America



Source: An Assessment of the Economic and Competitive Attributes of Oil and Natural Gas Development In Québec, Canadian Energy Research Institute, Study No. 154, November 2015[48]

I.21 According to the Canadian Energy Research Institute's assessment in November 2015,[49] "Questerre, with just under one million acres, has its original gas-in-place (OGIP) for the Utica Shale estimated between 135 Tcf and 232 Tcf on a gross basis with a best estimate of 155 Tcf and unrisked recoverable prospective resources ranging from 6 Tcf to 55 Tcf with a best estimate of 18 Tcf."

[48] Source: CERI_Study_154_Full_Report.pdf (canada.ca)

[49] Source: CERI_Study_154_Full_Report.pdf (canada.ca)

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Appendix J – Valuation Approaches

General Approaches

There are two fundamental approaches to determine fair market value. These are the liquidation approach and the going concern approach.

A liquidation value would be used if the business is not viable on a going concern or if the return on the assets on a going concern basis is not adequate. This value is the net realizable value on an orderly disposition made in a manner that would minimize the loss or taxes thereon.

The going concern approach assumes a continuing business enterprise with a potential for economic future earnings. Where a business has commercial value as a going concern three approaches to valuation are commonly referred to as the following:

- Income approach;
- Market approach; and
- Cost approach.

Within each category a variety of methodologies exist to assist in the estimation of fair market value. The nature and characteristics of the asset or business indicate which approach and methodology are most appropriate for valuation. The following sections contain a brief overview of the theoretical basis for each approach, as well as a discussion of the specific methodologies relevant to the analyses performed.

Valuation Approach	Description
Income Approach	The income approach measures the value of an asset or business by the present value of its future net economic benefits to be enjoyed over the life of the asset or business. These benefits may include earnings, cost savings, tax deductions, and proceeds from disposition. The steps followed in applying this approach include estimating the expected cash flows attributable to the asset or business over its life and converting these cash flows to present value through discounting. The discount rate selected incorporates an appropriate return for the time value of money, the expected rate of inflation, and any specific risks associated with the particular asset or business. The discount rate selected is generally based on rates of return from alternative investments of similar type and quality, as at the valuation date.
Market Approach	The market approach measures the value of an asset or business based on what other purchasers in the marketplace have paid for assets or businesses, which can be considered reasonably similar to those being valued. When the market approach is applied, data on guideline transactions or guideline public companies are collected to inform on the prices paid for reasonably similar assets or businesses. Considerations and adjustments are made to the guideline precedent transactions or guideline public companies, as necessary, to compensate for differences in financial condition, operating performance, economic, environmental, and political factors. Application of the market approach results in an estimate of the price the owner might reasonably expect to receive from the sale of the subject asset or business in the notional marketplace.

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Valuation Approach	Description
Cost Approach	The cost approach is based on the premise that a prudent third-party purchaser would pay no more for an asset than its replacement cost. The cost to replace an asset would include all costs necessary to construct a similar asset of equivalent utility at prices applicable at the time of reconstruction. To the extent that the assets being valued provide less utility than a newly constructed asset, the reproduction or replacement cost would be adjusted to reflect appropriate physical deterioration, functional obsolescence, and economic obsolescence.

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Appendix K – Weighted Average Cost of Capital

K.1 As discussed in Section 3.3.2, we calculated WACCs for the Company's reserves and resources categories to discount the forecast cash flows in our DCF analyses for the various scenarios for the quantification of economic losses incurred by Questerre.

K.2 The WACC represents a risk-adjusted rate of return or a 'hurdle rate' (minimum acceptable return) and generally consist of a weighted average of the after-tax cost of debt and the cost of equity where consideration for the weighting is based on GPCs or a theoretical optimal amount for the industry debt to equity ratio, measured at market values. The WACCs for the various reserves/resources categories of the Questerre Québec natural gas assets were determined based on a review of the asset characteristics, macro-economic factors, and after consideration of several factors including the cost of equity and debt capital.

Costs of Equity

K.3 In the determination of the cost of equity, the capital asset pricing model was used. The capital asset pricing model takes into account various measures of risk, including the following:

a) A risk-free rate of return ("Rf");
b) A general equity risk premium ("ERP");
c) A measure of the specific risk of the industry in which the company operates. The capital asset pricing model refers to this risk as the beta coefficient ("β");
d) A size premium ("SP");
e) An asset specific risk premium ("ASRP"); and
f) A country adjustment factor ("CAF").

K.4 The capital asset pricing model calculates the cost of equity by the following formula:

$$\textit{Cost of equity} = Rf + (ERP \times \beta) + SP + ASRP + CAF$$

K.5 Based on the above and the analysis herein the cost of equity was determined to be the following, which is inclusive of the country inflation differential adjustment, as discussed later in this appendix:

Table 1:

Reserve and Resource Category	Scenario 1	Scenario 2	Scenario 3
Proved reserves	13.4% to 16.1%	14.8% to 16.3%	12.6% to 17.3%
Probable reserves	22.2% to 26.7%	26.0% to 30.6%	25.9% to 31.7%
Possible reserves	52.7% to 63.2%	61.0% to 72.1%	60.0% to 76.6%
Contingent resources	35.2% to 37.8%	40.6% to 43.5%	29.2% to 31.0%
Prospective resources	27.9% to 29.7%	38.2% to 40.4%	29.3% to 30.6%

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Risk-free Rates

K.6 The risk-free rate represents the rate of return associated with low-risk long-term investments free of default risk and is generally employed as a proxy for time-value-of-money risks such as inflation. A proxy for the risk-free rate is often selected to be the long-term yield on government bonds. We selected the following risk-free rates based on the 20-Year US Treasury Constant Maturity Yields:

Table 2:

	Scenario 1	Scenario 2	Scenario 3
Risk-free rates	3.1%	3.5%	3.5%

Equity Risk Premiums

K.7 An equity risk premium provides an allowance for additional risks associated with an investment in common shares relative to an investment in government bonds. The market equity risk premium is determined based on the average additional return over and above the risk-free rate that investors have earned on public company stocks, in general. We considered numerous published third-party studies that provide a statistical examination of common stocks, small company stocks, long-term corporate bonds, long-term government bonds, treasury bills, and inflation. These studies indicate that investments in equity securities in the US equity market have provided consistent premiums over long-term government bonds in a range of five percent to seven percent.

K.8 We selected the following equity risk premiums based on Deloitte Advisory Equity Risk Premium Research:

Table 3:

	Scenario 1	Scenario 2	Scenario 3
Equity risk premiums	6.0%	6.3%	6.3%

Beta Coefficients

K.9 To adjust for the differing risks of particular industries versus the equity market in general, the capital asset pricing model uses a multiple of the equity risk premium (i.e., the beta coefficient) that reflects the volatility of the return on a stock relative to the stock market in general. This beta factor considers industry specific volatility. The Blume-Adjusted betas are based on a study that identified betas are subject to mean reversion over time. The adjustment of the five-year betas is completed by the following formula:

Blume-Adjusted levered equity beta = (Unadjusted levered equity beta x 0.67) + (0.33 x 1)

K.10 In our assessment of the beta coefficient, we considered the five-year adjusted levered betas of GPCs operating in the same or similar industry and sourced this information from Capital IQ.

K.11 In order to remove the effect of leverage (debt) in the levered equity beta for each GPC, we performed a calculation to convert the levered equity beta to an unlevered equity beta. In this way, we used the following formula to calculate the unlevered equity betas of the GPCs:

Unlevered equity beta = Blume-Adjusted levered equity beta / [1 + (1 - tax rate) × debt-to-equity]

K.12 Based on our calculations of the unlevered equity betas for the GPCs and analysis of median and average statistics, we selected unlevered equity betas for the WACCs. In this way, this assumption incorporates market data that is consistent with assumptions of market participants (i.e., GPCs). The selected unlevered equity betas, which represent the median unlevered betas of the GPCs, are, as follows:

Table 4:

	Scenario 1	Scenario 2	Scenario 3
Unlevered betas	0.85	0.91	0.91

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K.13 We revised the unlevered equity betas to incorporate the selected (e.g., target) capital structures, as discussed later. That is, we calculated relevered equity betas with the following calculation:

Relevered equity beta = Unlevered equity beta × [1 + (1-tax rate) × debt-to-equity]

K.14 For the purposes of relevering the betas we considered the following tax rates based on the assumption that a notional purchaser would have a similar tax rate.

Table 5:

	Scenario 1	Scenario 2	Scenario 3
Corporate tax rates	26.7%	26.5%	26.5%

K.15 The relevered equity betas were determined to be, as follows:

Table 6:

Relevered Equity Betas	Scenario 1	Scenario 2	Scenario 3
Proved reserves	0.91 to 1.01	1.13 to 1.25	1.13 to 1.25
Probable reserves	0.84 to 0.93	0.93 to 1.03	0.93 to 1.03
Possible reserves	0.81 to 0.89	0.86 to 0.95	0.86 to 0.95
Contingent resources	0.81 to 0.89	0.86 to 0.95	0.86 to 0.95
Prospective resources	0.81 to 0.89	0.86 to 0.95	0.86 to 0.95

Size Premiums

K.16 We did not separately incorporate size premiums in determining appropriate unsystematic risk premiums. Rather, we considered size premiums in the asset specific risk premiums discussed below. Generally, oil and gas E&P companies have relatively few barriers to accessing end markets. Within the petroleum industry, oil and gas is sold via exchanges, which specify the quality characteristics of traded product. Given that product is standardized and is not demanded by customers based on specific consumer related preferences, an entity's size does not affect its ability to sell oil and gas to end consumers. As such, size premiums were excluded in arriving at the costs of equity for the various economic loss scenarios.

Asset Specific Risk Premiums

K.17 The asset specific risk premium corresponds to risk related to asset specific factors that are not already accounted for in the selected beta or other aspects of the WACC. Factors to be considered include business risk and financial risk that are specific to the subject company or assets and not pervasive to the industry.

K.18 We determined the asset specific risk premiums to be in the following ranges for the various economic loss scenarios:

Table 7:

Asset Specific Risk Premiums	Scenario 1	Scenario 2	Scenario 3
Proved reserves	4.8% to 6.9%	4.2% to 4.8%	2.0% to 5.8%
Probable reserves	14.0% to 18.0%	16.7% to 20.5%	16.6% to 21.6%
Possible reserves	44.7% to 54.7%	52.1% to 62.5%	51.1% to 67.0%
Contingent resources	27.2% to 29.3%	31.7% to 33.9%	20.3% to 21.4%
Prospective resources	19.9% to 21.2%	29.3% to 30.8%	20.4% to 21.0%

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K.19 The asset specific risk premiums factor in any risk/uncertainty associated with the recovery/development of the various reserves/resources categories including geological risk, engineering risk, economic risk, political risk, and financial risk, as discussed below:

- Geological risk refers to uncertainties related to the subsurface geology of the reservoir, such as the size, shape, and quality of the reservoir;
- Engineering risk refers to uncertainties related to the engineering and production aspects of the oil and gas field, such as the effectiveness of recovery techniques;
- Economic risk refers to uncertainties related to the market conditions, such as the forecast price of oil or gas. This risk is typically factored into the WACC partially through betas and an additional risk adjustment through the asset specific risk premium based on the subject company/asset's exposure to this risk factor relative to the GPCs' exposures;
- Political risk refers to uncertainties related to the regulatory and political environment, such as changes in taxes or regulations. This risk is typically factored into the WACC partially through betas and an additional risk adjustment through the asset specific risk premium based on the subject company/asset's exposure to this risk factor relative to the GPCs' exposures. In our analysis, we have assumed that the alleged wrongful actions of the GoQ have not occurred; and
- Financial risk refers to the uncertainty associated with the cost of capital, including interest rate risk, inflation risk, and credit risk. This risk is factored into the WACC through market inputs such as risk-free rate, the equity risk premium, selected bond yields for the cost of debt, and inflation adjustments.

K.20 The Annual Information Forms issued by Questerre list various risk factors attributable to the Company and/or its assets. Not all of these risk factors relate to Questerre's Québec natural gas assets. Further, it is not possible to quantify each of these risk factors in the asset specific risk premiums. However, the asset specific risk premiums set forth above are meant to incorporate these, as well as potentially other, risk factors.

K.21 The asset specific risk premiums also factor in the chance of commerciality for the contingent and prospective resources. Please refer Appendix G – Overview of Oil and Gas Industry for a discussion of chance of commerciality.

K.22 Further, for all three scenarios the asset specific risk premiums for proved reserves are lower than those for probable and possible reserves. Also, the asset specific risk premiums for probable reserves are lower than those for possible reserves, as well as those for both contingent and prospective resources. As we move from proved, to probable, and to possible reserve categories, and then to contingent and to prospective resource categories, the asset specific risk premiums applicable for each of these reserve/resource categories generally increases due to the increased risk of recovery and commerciality associated with each category. As an example, the asset specific risk premium for proved reserves differs from that for contingent and prospective resources because the level of risk associated with the recovery and commerciality of these classifications of reserves and resources is different. Proved reserves are those that have already been discovered and are expected to be produced with a high degree of certainty. Contingent resources are those that are known to exist, but are not yet considered commercial, and prospective resources are those that are believed to exist, but have not yet been discovered. The asset specific risk premiums for contingent and prospective resources are higher than the asset specific risk premium for proved reserves because of the increased risk to commerciality from technical and non-technical considerations, which results in a lower values per Mcf for these classifications of resources when compared to proved reserves, all else held equal.

K.23 However, as reflected in the above table, the asset specific risk premiums for possible reserves are greater than those for contingent and prospective resources. This is contrary to the logical ordering of asset specific risk premiums noted in the above paragraph. The reason for this is set forth in paragraph 108 of the Report.

K.24 Due to the allocation of forecast capital expenditures between reserve categories, when assessing the reasonability of discount rates, the weighted average discount rates for **reserves** should be compared to those for **resources**. As shown in the following table, for all three scenarios the weighted average discount rates for reserves are lower than those for resources. As such, on balance, the asset specific risk premiums for the various reserves and resources categories are reasonable.

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Table 8:

	Discount rates (midpoint) Scenario 1	Scenario 2	Scenario 3
Proved reserves	13.6%	12.6%	12.1%
Probable reserves	23.6%	25.8%	26.2%
Possible reserves	58.1%	66.0%	67.8%
Total 3P reserves	30.5%	32.7%	26.6%
Contingent resources	36.6%	41.6%	29.7%
Prospective resources	28.9%	38.9%	29.6%
Total resources - Best estimate basis	32.1%	40.3%	29.6%
Weighted Averages	**31.8%**	**38.7%**	**27.3%**

Country Adjustment Factors

K.25 The country adjustment factor is the risk of investing in a country that may negatively affect operating profits and/or the valuation of businesses, business interests, and/or assets in a specific country. Country adjustment factors for Canada were selected based on the country risk premium for cost of equity calculations, as published by Professor Aswath Damodaran. [50]

K.26 We determined the Country adjustment factors to be in the following ranges for the various economic loss scenarios:

Table 9:

	Scenario 1	Scenario 2	Scenario 3
Country adjustment factor	0.0% to 0.0%	0.0% to 0.2%	0.0% to 0.2%

Costs of Debt

K.27 We computed a pre-tax cost of debt in the following ranges based on the assumed cost of debt of a notional purchaser of Questerre's Québec natural gas assets while taking into consideration the following inputs:

a) Long-term BB rated USD US Energy Bond yields on the low end and B rated USD US Energy Bond yields on the high end, as shown below:

Table 10:

	Scenario 1	Scenario 2	Scenario 3
US Energy Bond yields	7.4% to 10.5%	7.1% to 11.3%	7.1% to 11.3%

b) Country adjustment factors for Canada to the US, as published by Professor Aswath Damodaran in his country risk premium research.

Table 11:

	Scenario 1	Scenario 2	Scenario 3
Country adjustment factors	0.0% to 0.0%	0.0% to 0.1%	0.0% to 0.1%

[50] Aswath Damodaran is a well-known finance professor and valuation expert who teaches at the Stern School of Business at New York University. He is widely recognized for his work on corporate finance and valuation, and has authored several books on these topics. Professor Damodaran is also known for his research on investment strategies, risk management, and market trends. He is a sought-after speaker and consultant, and has worked with numerous companies and organizations around the world.

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K.28 The pre-tax costs of debt were then adjusted to an after-tax rate using the tax rates noted above in paragraph K.14 resulting in the following ranges of after-tax costs of debt.

Table 12:

	Scenario 1	Scenario 2	Scenario 3
After-tax costs of debt	5.4% to 7.7%	5.2% to 8.4%	5.2% to 8.4%

Capital Structures

K.29 We applied the following debt-to-capital ratios based on the historical debt-to-capital ratios within the industry and how a potential purchaser may finance the notional purchase of various reserve/resource categories of Questerre's Québec natural gas assets.

K.30 Considering the increasing level of risk associated with the recovery/development, as we move from proved, to probable, and to possible reserve categories, and then to contingent and to prospective resource categories, a notional purchaser may not be able to finance the acquisition of resources with the same level of debt financing that would be provided to acquire reserves. As such, we applied lower debt-to-capital ratios for resources relative to the reserves.

Table 13:

Debt-to-Capital	Scenario 1	Scenario 2	Scenario 3
Proved reserves	15.0%	30.0%	30.0%
Probable reserves	5.0%	10.0%	10.0%
Possible reserves	0.0%	0.0%	0.0%
Contingent resources	0.0%	0.0%	0.0%
Prospective resources	0.0%	0.0%	0.0%

Country Inflation Differential Adjustments

K.31 As our WACC inputs are US dollar denominated and our analyses are in Canadian dollars, we applied inflation differentials to our WACCs to equate to Canadian denominated WACCs. We applied the difference between the average consumer price inflation for Canada and US, as published by the EIU.

WACC Conclusion

K.32 Based on the foregoing analyses and assuming a long-term market-based capital structure, we determined the appropriate WACC ranges for the various economic losses scenarios to be, as follows:

Table 14:

WACC	Scenario 1	Scenario 2	Scenario 3
Proved reserves	12.3% to 14.9%	11.6% to 13.6%	10.0% to 14.3%
Probable reserves	21.4% to 25.9%	23.6% to 28.0%	23.5% to 29.0%
Possible reserves	52.8% to 63.3%	60.5% to 71.6%	59.5% to 76.1%
Contingent resources	35.3% to 37.9%	40.2% to 43.1%	28.8% to 30.6%
Prospective resources	28.0% to 29.8%	37.8% to 40.0%	28.9% to 30.2%

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Appendix L – Overview of the Society of Petroleum Evaluation Engineers Survey

The Society of Petroleum Evaluation Engineers[51]

L.1 The SPEE is a professional organization that serves the oil and gas industry worldwide. It was founded in the early 1900s and has since grown to become one of the largest organizations of its kind, with more than 119,000 members in 138 countries.

L.2 The SPEE is dedicated to promoting the exchange of technical information among its members, as well as advancing the development of new technologies and practices in the oil and gas industry. It achieves these goals through a variety of activities, including technical conferences, workshops, training courses, and publications.

L.3 The society also provides a range of resources and services to its members, including online communities, career development tools, and networking opportunities. It also supports student chapters at universities around the world, providing opportunities for students to learn about the industry and connect with professionals.

L.4 Overall, the SPEE plays an important role in advancing the oil and gas industry, promoting collaboration and innovation among its members, and supporting the development of the next generation of industry professionals.

The Society of Petroleum Evaluation Engineers Annual Survey of Parameters Used in Property Evaluation[52]

L.5 The SPEE Survey is conducted annually by the SPEE to obtain opinions from the evaluation community regarding a number of economic parameters used primarily in the US and Canada to evaluate oil and gas properties.

L.6 The purpose of this survey is to capture and analyze (1) opinions regarding a set of volatile economic parameters including projections of future oil and gas prices, drilling and operating costs, and inflation, and (2) opinions on the factors and methods used in valuing oil and gas properties.

L.7 The SPEE Survey also aggregates opinions regarding other topics of relevance to reserve/resource reporting, which vary from year to year.

L.8 Overall, the SPEE Survey is a valuable resource providing useful insights, benchmarks, and information for industry professionals involved in the valuation of oil and gas properties.

Reserve Adjustment Factors and Risk Adjusted Discount Rates

L.9 According to the 2011 SPEE Survey,[53] most evaluations of oil and gas reserves are initially performed in an unrisked manner, with reserve categorizations (proved, probable, and possible) and reserve subdivisions (producing, non-producing/behind pipe, and undeveloped) serving as the only indicators of relative risk, although these indicators are qualitative at best. In order to develop a value from unrisked DCF models, risk factors may be applied. Two of the most common methods of incorporating risk into DCF models include risking the reserves (i.e., application of RAFs) and risking the discount rate (i.e., application of a RADR). This SPEE Survey provides the following discussion of risk and definitions for each of these two risking concepts:

[51] https://www.spe.org/en/about/
[52] Annual SPEE Parameter Survey – SPEE.
[53] https://www.carec.com.pe/biblioteca/biblio/6/87/SPEE%20Survey%202011.pdf

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Figure 1: Discussion of RAFs and RADRs in the 2011 SPEE Survey

Compensation for Risk

Some evaluators compensate for risk (including reserve risk) through the use of an increased discount rate called the "Risk Adjusted Discount Rate"; others do not, choosing instead to handle risk exclusively with "Reserve Adjustment Factors". Please review the detailed definitions of the Risk Adjusted Discount Rate and Reserve Adjustment Factors provided below, before proceeding to the following questions. These questions explore the ways in which evaluators use each approach to adjust acquisition price and value for reserve risk.

Risk Adjusted Discount Rate (RADR)

When an evaluator uses increased discounting to account for risk in evaluating the acquisition price or value of an oil/gas asset, that evaluator is using a Risk Adjusted Discount Rate. The Risk Adjusted Discount Rate should include a consideration for the "cost of capital", a profit or expected rate of return for the buyer and any risk/uncertainty that the evaluator may choose to impute to the asset. Because the Risk Adjusted Discount Rate is defined to include both a profit for the buyer and a compensation for risk, it is fully expected that it will be larger than the firm's "cost of debt" or "cost of capital".

Reserve Adjustment Factors (RAFs)

These factors are used to downward-adjust reserves (or the cash flows derived there from) for risk by reserve status and category, and these factors are generally expressed as a percentage. Some evaluators apply the Reserve Adjustment Factors to the estimated reserve volume (STB or MCF) in order to arrive at a risk adjusted reserve volume before performing cash flow analysis. Other evaluators perform the cash flow analysis on unrisked volumes, and then risk-adjust the cash flows by applying the Reserve Adjustment Factors to the cash flows ($) for each reserves category. NOTE FOR BANKING/ENERGY FINANCE RESPONDENTS: This is NOT the advance rate, but the adjustment that will allow the same advance rate to be used for all categories of reserves.

L.10 Over time, the use of RAFs and RADRs has become a common practice in the valuation of reserves and resources. These factors are informative in determining the present value of forecast cash flows associated with oil and gas assets.

L.11 The RAF is applied in the valuation of oil and gas properties by adjusting the unrisked value of the estimated recoverable reserves and resources to account for the various risks and uncertainties. Unrisked value is calculated by discounting the estimated before-tax future cash flows using an 'Unrisked Discount Rate,' which is discussed as follows in the 2011 SPEE Survey:[54]

Figure 2: Discussion of Unrisked Discount Rates in the 2011 SPEE Survey

Unrisked Discount Rates

An important variable within DCF analysis is the use of a prescribed discount rate. The U.S. Securities and Exchange Commission regulations and the Canadian National Instrument 51-101 regulations both require that DCFs be calculated and reported using a 10% discount rate. These governmental authorities recognize, and even explicitly state, that the use of a 10% discounted present worth is not intended to reflect a fair market value, rather the 10% discount rate provides a consistent basis for comparing discounted future net revenues of different companies. The Petroleum Resources Management System (PRMS) provides more latitude in selecting a discount rate for DCF calculations. The PRMS calls for *"The application of an appropriate discount rate that reasonably reflects the weighted average cost of capital or the minimum acceptable rate of return applicable to the entity at the time of the evaluation".* It is not uncommon to perform a DCF analysis at various discount rates in order to determine the sensitivity of discounted future net revenue to the discount rate. Most third party consultants tend to use a standard discount rate for a primary DCF calculation while providing secondary discounting calculations at a series of other discount rates. Many consultants use a standard discount rate of 10% for primary discount calculations, generally for consistency with governmental regulations and standard comparative analysis, not because the rate is thought to include any risking and not because the resulting discounted future net revenue is thought to represent a fair market value.

For the purposes of this Survey, respondents were provided with the following definition of Unrisked Discount Rate, expressed on a yearly basis, as shown below:

Unrisked Discount Rate

The "Unrisked Discount Rate" is a rate used to calculate the unrisked present value of a future cash flow profile. The "Unrisked Discount Rate" is sometimes considered equivalent to the "cost of capital", which equals the "cost of debt" plus the "cost of equity" (i.e., the opportunity cost of the company's capital). This is an unrisked Discount Rate.

As a precursor to Survey questions regarding risk and discounting of future cash flows to account for that risk, respondents were asked to report their Unrisked Discount Rate in accordance with the definition provided

[54] Source: https://www.carec.com.pe/biblioteca/biblio/6/87/SPEE%20Survey%202011.pdf

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L.12 Figure 2 makes a reference to a 'standard discount rate' used as an unrisked discount rate to compute an unrisked value of the reserves. The SPEE Survey askes its participants what percent discount rate they use as their standard discount rate in DCF evaluations. Both the 2018 and the 2022 surveys have a strong concentration of responses around pre-tax discount rates in the range of nine percent to 10 percent to be used as standard discount rates.

L.13 The RADR is applied in the valuation of oil and gas properties by using it to discount the estimated future cash flows from the properties to determine the net present values of these forecast cash flows. The RADR reflects the level of risk associated with the forecast cash flows. The higher the RADR, the lower the present value of the cash flows and the converse is also true.

L.14 As reflected in Figure 3 and Figure 5 below, the RAF for proved reserves is higher than the RAFs for contingent and prospective resources. This is because proved reserves have a higher degree of certainty associated with recoverable volumes and are typically closer to production. Contingent resources have a lower degree of certainty of both commerciality and recovery and may require additional development or fulfillment of project contingencies before they can be produced. Production from prospective resources is even less certain, as it is considered "undiscovered" and may require significant exploration and development activity and expenses before this resource category can be classified as reserves. Therefore, the RAFs for contingent and prospective resources are typically lower to account for the increased uncertainty and risk, which results in lower values per Mcf for these classifications of resources when compared to proved reserves, all else held equal.

L.15 Similarly, as reflected in Figure 4 and Figure 6 below, the RADR for proved reserves differs from the RADRs for contingent and prospective resources because of the level of risk associated with these types of reserves/resources is different. Proved reserves are those that have already been discovered and are expected to be produced with a high degree of certainty. Contingent resources are those that are known to exist, but are not yet commercially viable, and prospective resources are those that are believed to exist, but have not yet been discovered. The RADRs for contingent and prospective resources will be higher than the RADR for proved reserves because of the increased risk to commerciality from technical and non-technical considerations, which results in a lower value per Mcf for these classifications of resources when compared to proved reserves, all else held equal.

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L.16 The determination of the economic losses in relation to the Dispute considers the dates of September 30, 2018, August 23, 2022, and September 30, 2022. Consequently, we reviewed the 2018 and 2022 SPEE Surveys. This allowed us to base our assessments on the most current and reliable data available, as of the relevant economic losses dates. Based on these SPEE Surveys, the RAFs and RADRs are, as follows:

Figure 3: RAFs from the 2018 SPEE Survey

RAFs by Reserves Category

		P90	mean	P50	P10	count
Proved reserves	Producing	90	97	100	100	76
	Shut in	74	82	85	97	68
	Behind pipe	61	78	80	95	72
	Undeveloped	38	61	60	90	77
Probable reserves	Producing	25	54	53	80	52
	Shut in	0	42	50	75	49
	Behind pipe	10	41	45	60	54
	Undeveloped	10	37	40	50	68
Possible reserves	Producing	0	26	20	60	47
	Shut in	0	18	10	50	46
	Behind pipe	0	17	10	40	51
	Undeveloped	0	16	10	33	65
Contingent resources	Producing	0	10	5	25	32
	Shut in	0	8	5	25	35
	Behind pipe	0	9	0	25	38
	Undeveloped	0	8	0	25	51
Prospective resources	Producing	0	7	0	15	31
	Shut in	0	3	0	10	32
	Behind pipe	0	5	0	14	34
	Undeveloped	0	5	0	11	50

Figure 4: RADRs from the 2018 SPEE Survey

RADRs by reserves category

	P90	mean	P50	P10	count
Proved developed producing reserves	8	12	10	15	49
Proved developed non-producing reserves	10	16	15	23	46
Proved undeveloped reserves	12	21	20	25	48
Probable reserves	18	31	25	50	43
Possible reserves	20	37	30	81	40

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Figure 5: RAFs from the 2022 SPEE Survey

Discounted Cash Flow RAFs by Reserves Category (%)						
		P90	P50	Mean	P10	count
Proved reserves	Producing	90	100	96	100	47
	Shut in	75	85	85	98	45
	Behind pipe	67	80	79	90	45
	Undeveloped	33	60	59	82	47
Probable reserves	Producing	20	50	45	70	36
	Shut in	4	40	37	56	35
	Behind pipe	0	35	33	50	40
	Undeveloped	4	30	31	50	45
Possible reserves	Producing	0	20	23	50	33
	Shut in	0	10	17	30	32
	Behind pipe	0	10	17	30	36
	Undeveloped	0	10	13	30	42
Contingent resources	Producing	0	20	11	30	21
	Shut in	0	5	7	20	21
	Behind pipe	0	5	7	15	23
	Undeveloped	0	5	6	12	29
Prospective resources	Producing	N/A	N/A	N/A	N/A	N/A
	Shut in	N/A	N/A	N/A	N/A	N/A
	Behind pipe	N/A	N/A	N/A	N/A	N/A
	Undeveloped	0	5	2	5	26

Figure 6: RADRs from the 2022 SPEE Survey

Operated RADRs by reserves category (% pa)					
	P90	P50	Mean	P10	Count
Proved developed producing reserves	9	10	13	15	31
Proved developed non-producing reserves	12	15	18	20	31
Proved undeveloped reserves	15	20	25	30	31
Probable reserves	20	29	27	39	24
Possible reserves	17	40	37	50	23

Non-Operated RADRs by reserves category (% pa)					
	P90	P50	Mean	P10	Count
Proved developed producing reserves	10	10	15	17	29
Proved developed non-producing reserves	12	15	20	30	28
Proved undeveloped reserves	15	21	26	40	28
Probable reserves	20	30	31	49	22
Possible reserves	25	40	40	50	21

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L.17 In the SPEE Survey, P10, P50, and P90 are percentiles that represent the range of possible outcomes for the given metric (i.e., RAFs and RADRs):

- P10 represents the 10th percentile, which is the lowest 10 percent of possible outcomes;
- P90 represents the 90th percentile, which is the highest 10 percent of possible outcomes; and
- P50 represents the 50th percentile, which is the median or most likely outcome.

L.18 Overall, we believe that the SPEE Survey is informative in determining the value of oil and gas assets. By providing valuable data on industry norms and practices, the survey can help valuation professionals make informed decisions about risk adjustments and discount rates, ultimately leading to more accurate valuations.

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Appendix M – Timeline of Events

M.1 The relevant timeline of events is, as follows:

Date / Period	Key Event
2005 to 2010	• The Test Wells were drilled.
2011	• The GoQ introduced *An Act to limit oil and gas activities*, which exempted holders of a license to explore for petroleum, natural gas, and underground reservoirs from performing the exploration work required by the *Mining Act*. • The GoQ released an environmental evaluation of hydraulic fracturing in Québec, which was conducted by the Bureau d'audiences publiques sur l'environnement.
2014	• In June 2014, *An Act to amend the Act to limit oil and gas activities and other legislative provisions* was enacted to extend the application of the *Act to limit oil and gas activities*. • In December 2014, the Bureau d'audiences publiques sur l'environnement released its report on exploration and production of shale gas the Utica Shale in the St. Lawrence Lowlands, which recommended to conduct research on hydraulic fracturing and to implement regulations to protect the environment and public health in relation with hydrocarbon exploration and production.
May 2014	• The GoQ announced its action plan for hydrocarbon development, which included the pursuit of a global strategic environmental assessment on the hydrocarbon sector and the modernization of the legislative and regulatory framework for hydrocarbon resources.
2009-2016	• Four strategic environmental assessments were completed, providing recommendations on social, environmental, economic, safety, transport, and greenhouse gas issues. The modernization of the legislative and regulatory framework governing hydrocarbons in Québec was identified as necessary. GoQ Energy policy 2030 recognized natural gas as a profitable transition energy for Quebec.
December 2016	• The GoQ passed Bill 106, which included the enactment of the *Petroleum Resources Act* to govern the future development of petroleum resources in Québec. The bill was passed after almost six years of extensive studies and public consultation.
March 2017	• The GoQ adopted several amendments to the *Environment Quality Act* mainly to modernize the environmental schemes it prescribes.
September 2017	• The GoQ drafted regulations required for the implementation of the *Petroleum Resources Act*. The purpose of the *Petroleum Resources Act* was: (i) to replace the existing oil and gas statutory framework set by the *Québec Mining Act*; and (ii) to govern the development of petroleum resources while ensuring the safety of persons and property, environmental protection, and optimal recovery of the resource, in compliance with the greenhouse gas emission reduction targets set by the GoQ.

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Date / Period	Key Event
June 4, 2018	• The Company announced an acquisition of the exploration rights to 753,000 net acres in the St. Lawrence Lowlands from Repsol. The acquisition closed effective December 31, 2019, with requisite government approvals received in early 2020 and with an effective adjustment date of February 1, 2018.
June 6, 2018	• The GoQ announced new measures that would amend draft regulations of the *Petroleum Resources Act* that were announced in September 2017, prohibiting hydraulic fracturing, banning oil and gas drilling in 13 waterways across the province, and restricting drilling near urban areas.
June 7, 2018	• Questerre's stock dipped more than 30 percent, largely as a result of the announcement on June 6, 2018.[55]
September and October, 2018	• On September 20, 2018, the *Petroleum Resources Act* and associated regulations came into force, which included restrictions on oil and gas activities, such as the prohibition of hydraulic fracturing of shale and increasing the minimum setbacks from urbanized areas and bodies of water. • On October 19, 2018, Questerre challenged the validity of these regulations by filing an application with the Court, requesting a judicial review to have them set aside. The Company's motion was made on the basis that the regulations prohibiting hydraulic fracturing were *ultra vires*, contrary to independent scientific studies, and did not comply with the consultation requirements detailed in Québec legislation for the enactment of regulations.
August 23, 2022	• Bill 21 and the Act came fully into force, revoking petroleum exploration and production licenses, including the exploration licenses held by the Company. The Act validated the regulations made under the authority of the *Petroleum Resources Act*, certain decisions which effectively limit or prohibit, directly or indirectly, exploration for petroleum and underground reservoirs and production of petroleum and brine, as well as the collection by the GoQ of the annual fees for oil and gas activities.
December 22, 2022	• The Company filed the Amended Application to have the Court declare Bill 21 and the Act unconstitutional and invalid, complementing its original and distinct claim filed in 2018, and amended on July 7, 2021, against the regulations of the *Petroleum Resources Act*. On August 7, 2023, the application against Bill 21 and the Act were amended.

[55] Source: Financial Post, June 7, 2018 (Questerre shares plunge 33% after Québec proposes fracking ban | Financial Post).

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Appendix N – Glossary of Terms

A glossary of terms used in the Report is set forth, as follows:

Term	Description
1P	Proved reserves
2P	Proved + probable reserves
3CA	Three consultant average, which represents average of price forecasts published by Sproule, McDaniel, and GLJ
3P	Proved + probable + possible reserves
Act	The *Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine*, C.Q.L.R., c. R-1.01
Amended Application	Amended Application to Institute Proceedings, Amended Application for Judicial Review and Amended Application for Stay and Suspension of Proceedings (Art. 141, 142 and 529 et seq. C.P.C) dated August 7, 2023 (C.S. N° 200-17-033326-224)
Bcf	Billion (B) cubic feet (cf) (= 1,000 MMcf)
Bill 21	An Act to substantially end the exploration for and production of oil and gas and the public financing of such activities, which came fully into force on August 23, 2022
BoC	Bank of Canada
boe	Barrels of oil equivalent (= 6 Mcf)
BT NPV10	Before-tax net present values determined using a 10.0 percent discount rate
CER	Canada Energy Regulator
CICBV	Canadian Institute of Chartered Business Valuators
Charter of Human Rights and Freedoms	*Charter of Human Rights and Freedoms*, C.Q.L.R., c. C.-12
Company	Questerre Energy Corporation
Counsel	Gravel Bernier Vaillancourt Avocats
Court	Superior Court of Québec

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Term	Description
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific-Partnership
Defendants	The Attorney General of Québec, The Government of Québec, and The Minister of Energy and Natural Resources
Deloitte	Deloitte LLP
DCF	Discounted cash flow
Dispute	The subject dispute between the Company and the Defendants, as outlined in the Amended Application dated August 7, 2023
E&P	Exploration and production
EIU	Economic Intelligence Unit
EU	European Union
Expert Report or Report	Subject expert report prepared by Deloitte in accordance with the Canadian Institute of Chartered Business Valuators' Practice Standard No. 310
Fed	Federal Reserve
G&A	General and administrative
GDP	Gross domestic product
GLJ	GLJ Ltd.
GLJ Report	GLJ report titled "Questerre Energy Corporation – Utica Reserves and Resource Scenario Assessments" dated August 8, 2024
GoQ	Government of Québec
GPCs	Guideline public companies
GPTs	Guideline precedent transactions
Management	Senior management of Questerre
Mboe	Thousand (M) barrels of oil equivalent (boe) (=1,000 boe)
Mboe/d	Thousand (M) barrels of oil equivalent (boe) per day (d)
McDaniel	McDaniel & Associates Consultants Limited
Mcf	Thousand (M) cubic feet (cf)

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Term	Description
Mining Act	*Mining Act*, C.Q.L.R., c. M-13.1
MMBtu	Million British thermal units
MMcf	Million (MM) cubic feet (cf) (=1,000 Mcf)
NGLs	Natural gas liquids
NPV	Net present value
NPV10	Net present value calculated using a pre-tax discount rate of 10.0 percent
Petroleum Resources Act	*Petroleum Resources Act*, C.Q.L.R., c. H-4.2
Questerre	Questerre Energy Corporation
RADR	Risk-adjusted discount rate
RAF	Reserve adjustment factor
Repsol	Repsol Oil & Gas Canada Inc.
SPEE	Society of Petroleum Evaluation Engineers
SPEE Survey	Society of Petroleum Evaluation Engineers Annual Survey of Parameters Used in Property Evaluation
Sproule	Sproule Associates Limited
Tcf	Trillion (T) cubic feet (cf) (= 1,000 Bcf)
Terrenex	Terrenex Acquisition Corporation
Test Wells	The test wells drilled by Questerre and its then partner, Repsol, and others, on the lands associated with its Québec exploration licenses that commenced in 2005 and continued into 2008 and 2010, which revealed significant natural gas resources in the Utica Shale formation. These wells are in the following areas: • Becancour / Ste. Sophie-de-Levrard; • St. Edouard-de-Lotbiniere; • La Visitation-de-Yamaska; • St. David; • St. Francois-du-Lac / Pierreville; and • St. Louis.
US	United States of America

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Term	Description
US EIA	US Energy Information Administration
WACC	Weighted average cost of capital
WTI	West Texas Intermediate

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Schedules

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

Schedule 1 - 1

Economic Loss Summary

	A	B	C	D	E	F	G	H	I	J	K
		Notes	**Reference**	**Fair market value conclusion**			**Percentage of total value**	**Total reserves / resources (Mmcf)**	**Percentage of total volume**	**$/mcf**	**Weighted average cost of capital/ Implied risk adjusted discount rate**
1				**Low**	**Midpoint**	**High**				**Midpoint**	**Midpoint**
2											
3	Value of proved reserves before general and administrative expenses	[1]	Schedule 1 - 2.1 & Schedule 1 - 5	$ 33,480	$ 37,200	$ 40,920	4.7%	78,772	0.5%	$ 0.47	13.6%
4	Value of probable reserves before general and administrative expenses	[1]	Schedule 1 - 2.3 & Schedule 1 - 5	152,725	169,694	186,663	21.3%	343,254	2.1%	0.49	23.6%
5	Value of possible reserves before general and administrative expenses	[1]	Schedule 1 - 2.5 & Schedule 1 - 5	67,126	74,584	82,043	9.4%	275,698	1.7%	0.27	58.1%
6	Value of contingent resources before general and administrative expenses	[1]	Schedule 1 - 2.7 & Schedule 1 - 5	193,227	214,697	236,166	26.9%	2,771,772	17.3%	0.08	36.6%
7	Value of prospective resources before general and administrative expenses	[1]	Schedule 1 - 2.9 & Schedule 1 - 5	270,941	301,045	331,150	37.8%	12,571,112	78.4%	0.02	28.9%
8											
9	**Value of oil and gas resources before general and administrative expenses, as at September 30, 2018**			**$ 717,498**	**$ 797,220**	**$ 876,942**	**100.0%**	**16,040,609**	**100.0%**	**$ 0.05**	**31.9%**
10											
11	Less: Value of general and administrative expenses, as at September 30, 2018	[2]	Schedule 1 - 3.1	(13,780)	(15,327)	(16,874)					
12											
13	**Total economic losses, as at September 30, 2018**			**$ 703,718**	**$ 781,893**	**$ 860,068**					
14											
15	**Total economic losses, as at September 30, 2018 (rounded)**			**$ 703,720**	**$ 781,890**	**$ 860,070**					

Notes:

[1] Values may not tie to supporting schedules due to rounding.

[2] The GLJ Report did not take future general and administrative ("G&A") expenses into consideration. As a result, G&A expenses were calculated separately.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 5.59	$ 5.33	$ 5.39	$ 5.45	$ 5.51	$ 5.57	$ 5.65	$ 5.71	$ 5.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	21,300	9,585	6,404	4,857	3,942	3,313	2,870	2,535	2,279
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ 119,068	$ 51,040	$ 34,492	$ 26,457	$ 21,716	$ 18,463	$ 16,217	$ 14,464	$ 13,265
9															
10															
11	Less: Royalty burdens	[1]			-	-	(13,771)	(5,569)	(3,764)	(2,887)	(2,370)	(2,015)	(1,770)	(1,578)	(1,448)
12	Less: Operating expenses	[1]			-	-	(12,257)	(6,410)	(4,849)	(4,107)	(3,683)	(3,402)	(3,215)	(3,083)	(2,991)
13	Less: Net profits interest burden	[1]			-	-	-	-	-	(456)	(470)	(391)	(337)	(294)	(265)
14	Net production revenue				$ -	$ -	$ 93,040	$ 39,060	$ 25,880	$ 19,007	$ 15,193	$ 12,655	$ 10,896	$ 9,509	$ 8,562
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ 93,040	$ 39,060	$ 25,880	$ 19,007	$ 15,193	$ 12,655	$ 10,896	$ 9,509	$ 8,562
18															
19															
20	Less: Income taxes		Schedule 1 - 2.2		-	-	(1,616)	(4,874)	(952)	(1,528)	(2,044)	(1,881)	(1,781)	(1,677)	(1,619)
21	After-tax cash flows				$ -	$ -	$ 91,423	$ 34,187	$ 24,928	$ 17,479	$ 13,148	$ 10,774	$ 9,115	$ 7,831	$ 6,942
22															
23	Less: Capital expenditures	[1]			-	(4,518)	(124,743)	(1,486)	(8,309)	(3,057)	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ (4,518)**	**$ (33,319)**	**$ 32,700**	**$ 16,618**	**$ 14,422**	**$ 13,148**	**$ 10,774**	**$ 9,115**	**$ 7,831**	**$ 6,942**
25															
26															
27	**Low**														
28	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
30	Present value factor at		Schedule 1 - 4.1	14.9%	*0.98*	*0.90*	*0.78*	*0.68*	*0.59*	*0.52*	*0.45*	*0.39*	*0.34*	*0.30*	*0.26*
31	**Net present value of free cash flows**				**$ -**	**$ (4,071)**	**$ (26,140)**	**$ 22,336**	**$ 9,883**	**$ 7,468**	**$ 5,928**	**$ 4,229**	**$ 3,115**	**$ 2,330**	**$ 1,798**
32															
33															
34	**High**														
35	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
37	Present value factor at		Schedule 1 - 4.1	12.3%	*0.99*	*0.92*	*0.82*	*0.73*	*0.65*	*0.58*	*0.51*	*0.46*	*0.41*	*0.36*	*0.32*
38	**Net present value of free cash flows**				**$ -**	**$ (4,140)**	**$ (27,172)**	**$ 23,737**	**$ 10,738**	**$ 8,295**	**$ 6,731**	**$ 4,910**	**$ 3,697**	**$ 2,827**	**$ 2,231**
39															
40															
41					**Low**		**Mid**		**High**						
42															
43	Sum of the net present value of free cash flows				$ 33,480		$ 37,200		$ 40,920						
44	**Fair market value of proved reserves before G&A expenses**				**$ 33,480**		**$ 37,200**		**$ 40,920**						
45															
46	Total proved reserves (Mmcf)				78,772		78,772		78,772						
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.43**		**$ 0.47**		**$ 0.52**						

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	Price														
2	Natural gas ($/mcf)	[1]			$ 5.92	$ 6.05	$ 6.18	$ 6.30	$ 6.42	$ 6.55	$ 6.68	$ 6.81	$ 6.95	$ 7.09	$ 7.23
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			2,062	1,888	1,741	1,611	1,483	1,369	1,264	1,170	1,077	994	918
6															
7	Sales revenue														
8	Natural gas	[1]			$ 12,213	$ 11,427	$ 10,758	$ 10,145	$ 9,526	$ 8,970	$ 8,446	$ 7,974	$ 7,487	$ 7,050	$ 6,639
9															
10															
11	Less: Royalty burdens	[1]			(1,333)	(1,247)	(1,174)	(1,107)	(1,040)	(979)	(922)	(870)	(817)	(769)	(725)
12	Less: Operating expenses	[1]			(2,918)	(2,868)	(2,832)	(2,805)	(2,776)	(2,755)	(2,738)	(2,726)	(2,714)	(2,708)	(2,705)
13	Less: Net profits interest burden	[1]			(239)	(219)	(203)	(187)	(171)	(157)	(144)	(131)	(119)	(107)	(96)
14	Net production revenue				$ 7,723	$ 7,092	$ 6,550	$ 6,046	$ 5,539	$ 5,079	$ 4,643	$ 4,246	$ 3,837	$ 3,466	$ 3,113
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 7,723	$ 7,092	$ 6,550	$ 6,046	$ 5,539	$ 5,079	$ 4,643	$ 4,246	$ 3,837	$ 3,466	$ 3,113
18															
19															
20	Less: Income taxes		Schedule 1 - 2.2		(1,538)	(1,476)	(1,411)	(1,337)	(1,248)	(1,161)	(1,074)	(991)	(900)	(817)	(736)
21	After-tax cash flows				$ 6,185	$ 5,616	$ 5,139	$ 4,710	$ 4,291	$ 3,918	$ 3,570	$ 3,256	$ 2,937	$ 2,649	$ 2,377
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 6,185**	**$ 5,616**	**$ 5,139**	**$ 4,710**	**$ 4,291**	**$ 3,918**	**$ 3,570**	**$ 3,256**	**$ 2,937**	**$ 2,649**	**$ 2,377**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
30	Present value factor at		Schedule 1 - 4.1	14.9%	*0.23*	*0.20*	*0.17*	*0.15*	*0.13*	*0.11*	*0.10*	*0.09*	*0.07*	*0.06*	*0.06*
31	**Net present value of free cash flows**				**$ 1,395**	**$ 1,103**	**$ 879**	**$ 701**	**$ 556**	**$ 442**	**$ 351**	**$ 279**	**$ 219**	**$ 172**	**$ 134**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
37	Present value factor at		Schedule 1 - 4.1	12.3%	*0.29*	*0.25*	*0.23*	*0.20*	*0.18*	*0.16*	*0.14*	*0.13*	*0.11*	*0.10*	*0.09*
38	**Net present value of free cash flows**				**$ 1,769**	**$ 1,430**	**$ 1,165**	**$ 950**	**$ 771**	**$ 626**	**$ 508**	**$ 412**	**$ 331**	**$ 266**	**$ 212**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.38	$ 7.52	$ 7.67	$ 7.83	$ 7.98	$ 8.14	$ 8.31	$ 8.47	$ 8.64	$ 8.82	$ 8.98
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			850	782	722	667	617	568	524	484	448	412	34
6															
7	Sales revenue														
8	Natural gas	[1]			$ 6,268	$ 5,885	$ 5,542	$ 5,218	$ 4,926	$ 4,626	$ 4,356	$ 4,101	$ 3,872	$ 3,636	$ 301
9															
10															
11	Less: Royalty burdens	[1]			(684)	(642)	(605)	(569)	(538)	(505)	(475)	(448)	(423)	(397)	(33)
12	Less: Operating expenses	[1]			(2,707)	(2,709)	(2,716)	(2,726)	(2,739)	(2,753)	(2,771)	(2,791)	(2,815)	(2,839)	(238)
13	Less: Net profits interest burden	[1]			(86)	(76)	(67)	(58)	(49)	(41)	(33)	(26)	(19)	(12)	(1)
14	Net production revenue				$ 2,790	$ 2,457	$ 2,154	$ 1,865	$ 1,600	$ 1,327	$ 1,076	$ 837	$ 616	$ 388	$ 29
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 2,790	$ 2,457	$ 2,154	$ 1,865	$ 1,600	$ 1,327	$ 1,076	$ 837	$ 616	$ 388	$ 29
18															
19															
20	Less: Income taxes		Schedule 1 - 2.2		(661)	(581)	(509)	(439)	(374)	(307)	(245)	(185)	(130)	(73)	20
21	After-tax cash flows				$ 2,129	$ 1,876	$ 1,645	$ 1,426	$ 1,226	$ 1,020	$ 831	$ 651	$ 485	$ 315	$ 49
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 2,129**	**$ 1,876**	**$ 1,645**	**$ 1,426**	**$ 1,226**	**$ 1,020**	**$ 831**	**$ 651**	**$ 485**	**$ 315**	**$ 49**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
30	Present value factor at		Schedule 1 - 4.1	14.9%	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*	*0.01*
31	**Net present value of free cash flows**				**$ 105**	**$ 80**	**$ 61**	**$ 46**	**$ 35**	**$ 25**	**$ 18**	**$ 12**	**$ 8**	**$ 4**	**$ 1**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
37	Present value factor at		Schedule 1 - 4.1	12.3%	*0.08*	*0.07*	*0.06*	*0.06*	*0.05*	*0.04*	*0.04*	*0.04*	*0.03*	*0.03*	*0.02*
38	**Net present value of free cash flows**				**$ 169**	**$ 133**	**$ 104**	**$ 80**	**$ 61**	**$ 45**	**$ 33**	**$ 23**	**$ 15**	**$ 9**	**$ 1**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			-	-	-	-	-	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	(3,514)	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ -	$ -	$ (3,514)	$ -	$ -	$ -	$ -	$ -	$ -
18															
19															
20	Less: Income taxes		Schedule 1 - 2.2		25	22	-	-	-	-	-	-	-	-	-
21	After-tax cash flows				$ 25	$ 22	$ -	$ -	$ (3,514)	$ -	$ -	$ -	$ -	$ -	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 25**	**$ 22**	**$ -**	**$ -**	**$ (3,514)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
30	Present value factor at		Schedule 1 - 4.1	14.9%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ -**	**$ -**	**$ (22)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
37	Present value factor at		Schedule 1 - 4.1	12.3%	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
38	**Net present value of free cash flows**				**$ 1**	**$ 0**	**$ -**	**$ -**	**$ (49)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			-	-	-	-	-	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18															
19															
20	Less: Income taxes		Schedule 1 - 2.2		-	-	-	-	-	-	-	-	-	-	-
21	After-tax cash flows				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
30	Present value factor at		Schedule 1 - 4.1	14.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
37	Present value factor at		Schedule 1 - 4.1	12.3%	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.2

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.1	$ -	$ -	$ 93,040	$ 39,060	$ 25,880	$ 19,007	$ 15,193	$ 12,655	$ 10,896	$ 9,509	$ 8,562
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(2,976)	(2,678)	(2,411)	(2,169)	(1,953)	(1,757)	(1,582)	(1,423)	(1,281)	(1,153)	(1,038)
6	Class 41				(930)	(1,627)	(1,221)	(915)	(687)	(515)	(386)	(290)	(217)	(163)	(122)
7	CDE				-	-	(23,193)	(16,235)	(11,365)	(7,955)	(5,569)	(3,898)	(2,729)	(1,910)	(1,337)
8	CEE				-	(4,518)	(47,431)	(1,486)	(8,309)	(3,057)	-	-	-	-	-
9	Taxable income before non-capital losses				$ (3,906)	$ (8,824)	$ 18,784	$ 18,254	$ 3,567	$ 5,723	$ 7,656	$ 7,044	$ 6,669	$ 6,283	$ 6,065
10															
11	Less: Loss carry forward claimed				-	-	(12,730)	-	-	-	-	-	-	-	-
12	Taxable income				$ (3,906)	$ (8,824)	$ 6,054	$ 18,254	$ 3,567	$ 5,723	$ 7,656	$ 7,044	$ 6,669	$ 6,283	$ 6,065
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ 1,616**	**$ 4,874**	**$ 952**	**$ 1,528**	**$ 2,044**	**$ 1,881**	**$ 1,781**	**$ 1,677**	**$ 1,619**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 3,906	$ 12,730	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				3,906	8,824	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(12,730)	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 3,906	$ 12,730	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 3,906	$ 12,730	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 37,200	[4]	80.0%	$ 29,760	$ 26,784	$ 24,105	$ 21,695	$ 19,525	$ 17,573	$ 15,816	$ 14,234	$ 12,811	$ 11,530	$ 10,377
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 29,760	$ 26,784	$ 24,105	$ 21,695	$ 19,525	$ 17,573	$ 15,816	$ 14,234	$ 12,811	$ 11,530	$ 10,377
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 2,976	$ 2,678	$ 2,411	$ 2,169	$ 1,953	$ 1,757	$ 1,582	$ 1,423	$ 1,281	$ 1,153	$ 1,038
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 2,976	$ 2,678	$ 2,411	$ 2,169	$ 1,953	$ 1,757	$ 1,582	$ 1,423	$ 1,281	$ 1,153	$ 1,038
36	Ending balance		[2]		$ 26,784	$ 24,105	$ 21,695	$ 19,525	$ 17,573	$ 15,816	$ 14,234	$ 12,811	$ 11,530	$ 10,377	$ 9,339
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 37,200	[4]	20.0%	$ 7,440	$ 6,510	$ 4,882	$ 3,662	$ 2,746	$ 2,060	$ 1,545	$ 1,159	$ 869	$ 652	$ 489
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 7,440	$ 6,510	$ 4,882	$ 3,662	$ 2,746	$ 2,060	$ 1,545	$ 1,159	$ 869	$ 652	$ 489
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 930	$ 1,627	$ 1,221	$ 915	$ 687	$ 515	$ 386	$ 290	$ 217	$ 163	$ 122
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 930	$ 1,627	$ 1,221	$ 915	$ 687	$ 515	$ 386	$ 290	$ 217	$ 163	$ 122
47	Ending balance		[2]		$ 6,510	$ 4,882	$ 3,662	$ 2,746	$ 2,060	$ 1,545	$ 1,159	$ 869	$ 652	$ 489	$ 367
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 37,200	[4]	0.0%	$ -	$ -	$ -	$ 54,118	$ 37,883	$ 26,518	$ 18,562	$ 12,994	$ 9,096	$ 6,367	$ 4,457
52	Additions		[5]		-	-	77,311	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ 77,311	$ 54,118	$ 37,883	$ 26,518	$ 18,562	$ 12,994	$ 9,096	$ 6,367	$ 4,457
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ 16,235	$ 11,365	$ 7,955	$ 5,569	$ 3,898	$ 2,729	$ 1,910	$ 1,337
56	Claim on current year additions				-	-	23,193	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ 23,193	$ 16,235	$ 11,365	$ 7,955	$ 5,569	$ 3,898	$ 2,729	$ 1,910	$ 1,337
58	Ending balance		[2]		$ -	$ -	$ 54,118	$ 37,883	$ 26,518	$ 18,562	$ 12,994	$ 9,096	$ 6,367	$ 4,457	$ 3,120
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 37,200	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	4,518	47,431	1,486	8,309	3,057	-	-	-	-	-
64	Total balance before claim				$ -	$ 4,518	$ 47,431	$ 1,486	$ 8,309	$ 3,057	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	4,518	47,431	1,486	8,309	3,057	-	-	-	-	-
68	Claim				$ -	$ 4,518	$ 47,431	$ 1,486	$ 8,309	$ 3,057	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.1	$ 7,723	$ 7,092	$ 6,550	$ 6,046	$ 5,539	$ 5,079	$ 4,643	$ 4,246	$ 3,837	$ 3,466	$ 3,113
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(934)	(841)	(756)	(681)	(613)	(551)	(496)	(447)	(402)	(362)	(326)
6	Class 41				(92)	(69)	(52)	(39)	(29)	(22)	(16)	(12)	(9)	(7)	(5)
7	CDE				(936)	(655)	(459)	(321)	(225)	(157)	(110)	(77)	(54)	(38)	(26)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 5,762	$ 5,527	$ 5,283	$ 5,006	$ 4,672	$ 4,349	$ 4,021	$ 3,710	$ 3,372	$ 3,059	$ 2,755
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 5,762	$ 5,527	$ 5,283	$ 5,006	$ 4,672	$ 4,349	$ 4,021	$ 3,710	$ 3,372	$ 3,059	$ 2,755
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 1,538**	**$ 1,476**	**$ 1,411**	**$ 1,337**	**$ 1,248**	**$ 1,161**	**$ 1,074**	**$ 991**	**$ 900**	**$ 817**	**$ 736**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 37,200	[4]	80.0%	$ 9,339	$ 8,405	$ 7,565	$ 6,808	$ 6,127	$ 5,515	$ 4,963	$ 4,467	$ 4,020	$ 3,618	$ 3,256
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 9,339	$ 8,405	$ 7,565	$ 6,808	$ 6,127	$ 5,515	$ 4,963	$ 4,467	$ 4,020	$ 3,618	$ 3,256
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 934	$ 841	$ 756	$ 681	$ 613	$ 551	$ 496	$ 447	$ 402	$ 362	$ 326
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 934	$ 841	$ 756	$ 681	$ 613	$ 551	$ 496	$ 447	$ 402	$ 362	$ 326
36	Ending balance		[2]		$ 8,405	$ 7,565	$ 6,808	$ 6,127	$ 5,515	$ 4,963	$ 4,467	$ 4,020	$ 3,618	$ 3,256	$ 2,931
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 37,200	[4]	20.0%	$ 367	$ 275	$ 206	$ 155	$ 116	$ 87	$ 65	$ 49	$ 37	$ 28	$ 21
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 367	$ 275	$ 206	$ 155	$ 116	$ 87	$ 65	$ 49	$ 37	$ 28	$ 21
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 92	$ 69	$ 52	$ 39	$ 29	$ 22	$ 16	$ 12	$ 9	$ 7	$ 5
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 92	$ 69	$ 52	$ 39	$ 29	$ 22	$ 16	$ 12	$ 9	$ 7	$ 5
47	Ending balance		[2]		$ 275	$ 206	$ 155	$ 116	$ 87	$ 65	$ 49	$ 37	$ 28	$ 21	$ 15
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 37,200	[4]	0.0%	$ 3,120	$ 2,184	$ 1,529	$ 1,070	$ 749	$ 524	$ 367	$ 257	$ 180	$ 126	$ 88
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 3,120	$ 2,184	$ 1,529	$ 1,070	$ 749	$ 524	$ 367	$ 257	$ 180	$ 126	$ 88
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 936	$ 655	$ 459	$ 321	$ 225	$ 157	$ 110	$ 77	$ 54	$ 38	$ 26
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 936	$ 655	$ 459	$ 321	$ 225	$ 157	$ 110	$ 77	$ 54	$ 38	$ 26
58	Ending balance		[2]		$ 2,184	$ 1,529	$ 1,070	$ 749	$ 524	$ 367	$ 257	$ 180	$ 126	$ 88	$ 62
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 37,200	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.1	$ 2,790	$ 2,457	$ 2,154	$ 1,865	$ 1,600	$ 1,327	$ 1,076	$ 837	$ 616	$ 388	$ 29
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(293)	(264)	(237)	(214)	(192)	(173)	(156)	(140)	(126)	(114)	(102)
6	Class 41				(4)	(3)	(2)	(2)	(1)	(1)	(1)	(1)	(0)	(0)	(0)
7	CDE				(19)	(13)	(9)	(6)	(4)	(3)	(2)	(2)	(1)	(1)	(1)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 2,474	$ 2,178	$ 1,906	$ 1,644	$ 1,402	$ 1,150	$ 918	$ 695	$ 488	$ 274	$ (74)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 2,474	$ 2,178	$ 1,906	$ 1,644	$ 1,402	$ 1,150	$ 918	$ 695	$ 488	$ 274	$ (74)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 661**	**$ 581**	**$ 509**	**$ 439**	**$ 374**	**$ 307**	**$ 245**	**$ 185**	**$ 130**	**$ 73**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (74)
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (20)**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	74
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	74
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	(74)
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 37,200	[4]	80.0%	$ 2,931	$ 2,638	$ 2,374	$ 2,136	$ 1,923	$ 1,731	$ 1,557	$ 1,402	$ 1,262	$ 1,135	$ 1,022
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 2,931	$ 2,638	$ 2,374	$ 2,136	$ 1,923	$ 1,731	$ 1,557	$ 1,402	$ 1,262	$ 1,135	$ 1,022
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 293	$ 264	$ 237	$ 214	$ 192	$ 173	$ 156	$ 140	$ 126	$ 114	$ 102
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 293	$ 264	$ 237	$ 214	$ 192	$ 173	$ 156	$ 140	$ 126	$ 114	$ 102
36	Ending balance		[2]		$ 2,638	$ 2,374	$ 2,136	$ 1,923	$ 1,731	$ 1,557	$ 1,402	$ 1,262	$ 1,135	$ 1,022	$ 920
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 37,200	[4]	20.0%	$ 15	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 15	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 37,200	[4]	0.0%	$ 62	$ 43	$ 30	$ 21	$ 15	$ 10	$ 7	$ 5	$ 4	$ 2	$ 2
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 62	$ 43	$ 30	$ 21	$ 15	$ 10	$ 7	$ 5	$ 4	$ 2	$ 2
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 19	$ 13	$ 9	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 19	$ 13	$ 9	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1
58	Ending balance		[2]		$ 43	$ 30	$ 21	$ 15	$ 10	$ 7	$ 5	$ 4	$ 2	$ 2	$ 1
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 37,200	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.1	$ -	$ -	$ -	$ -	$ (3,514)	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(92)	(83)	(74)	(67)	(60)	(54)	(49)	(44)	(40)	(36)	(32)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (92)	$ (83)	$ (75)	$ (67)	$ (3,574)	$ (54)	$ (49)	$ (44)	$ (40)	$ (36)	$ (32)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (92)	$ (83)	$ (75)	$ (67)	$ (3,574)	$ (54)	$ (49)	$ (44)	$ (40)	$ (36)	$ (32)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ (92)	$ (83)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ (25)**	**$ (22)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ 75	$ 142	$ 3,716	$ 3,771	$ 3,820	$ 3,864	$ 3,903	$ 3,939
21	Additions				92	83	75	67	3,574	54	49	44	40	36	32
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 92	$ 83	$ 75	$ 142	$ 3,716	$ 3,771	$ 3,820	$ 3,864	$ 3,903	$ 3,939	$ 3,971
24	Less: Loss carry back claimed				(92)	(83)									
25	Ending tax loss pool		[2]		$ -	$ -	$ 75	$ 142	$ 3,716	$ 3,771	$ 3,820	$ 3,864	$ 3,903	$ 3,939	$ 3,971
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 37,200	[4]	80.0%	$ 920	$ 828	$ 745	$ 670	$ 603	$ 543	$ 489	$ 440	$ 396	$ 356	$ 321
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 920	$ 828	$ 745	$ 670	$ 603	$ 543	$ 489	$ 440	$ 396	$ 356	$ 321
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 92	$ 83	$ 74	$ 67	$ 60	$ 54	$ 49	$ 44	$ 40	$ 36	$ 32
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 92	$ 83	$ 74	$ 67	$ 60	$ 54	$ 49	$ 44	$ 40	$ 36	$ 32
36	Ending balance		[2]		$ 828	$ 745	$ 670	$ 603	$ 543	$ 489	$ 440	$ 396	$ 356	$ 321	$ 289
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 37,200	[4]	20.0%	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 37,200	[4]	0.0%	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 37,200	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	O	O
			Notes	Reference	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(29)	(26)	(23)	(21)	(19)	(17)	(15)	(14)	(12)	(11)	(10)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (29)	$ (26)	$ (23)	$ (21)	$ (19)	$ (17)	$ (15)	$ (14)	$ (12)	$ (11)	$ (10)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (29)	$ (26)	$ (23)	$ (21)	$ (19)	$ (17)	$ (15)	$ (14)	$ (12)	$ (11)	$ (10)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ 3,971	$ 4,000	$ 4,026	$ 4,049	$ 4,070	$ 4,089	$ 4,106	$ 4,122	$ 4,136	$ 4,148	$ 4,159
21	Additions				29	26	23	21	19	17	15	14	12	11	10
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 4,000	$ 4,026	$ 4,049	$ 4,070	$ 4,089	$ 4,106	$ 4,122	$ 4,136	$ 4,148	$ 4,159	$ 4,169
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 4,000	$ 4,026	$ 4,049	$ 4,070	$ 4,089	$ 4,106	$ 4,122	$ 4,136	$ 4,148	$ 4,159	$ 4,169
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 37,200	[4]	80.0%	$ 289	$ 260	$ 234	$ 210	$ 189	$ 170	$ 153	$ 138	$ 124	$ 112	$ 101
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 289	$ 260	$ 234	$ 210	$ 189	$ 170	$ 153	$ 138	$ 124	$ 112	$ 101
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 29	$ 26	$ 23	$ 21	$ 19	$ 17	$ 15	$ 14	$ 12	$ 11	$ 10
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 29	$ 26	$ 23	$ 21	$ 19	$ 17	$ 15	$ 14	$ 12	$ 11	$ 10
36	Ending balance		[2]		$ 260	$ 234	$ 210	$ 189	$ 170	$ 153	$ 138	$ 124	$ 112	$ 101	$ 91
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 37,200	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 37,200	[4]	0.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 37,200	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[0]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.3

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 5.59	$ 5.33	$ 5.39	$ 5.45	$ 5.51	$ 5.57	$ 5.65	$ 5.71	$ 5.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	33,480	18,873	30,684	32,442	25,276	18,789	15,502	13,383	11,897
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ 187,160	$ 100,502	$ 165,272	$ 176,755	$ 139,218	$ 104,701	$ 87,607	$ 76,355	$ 69,247
9															
10															
11	Less: Royalty burdens	[1]			-	-	(23,266)	(11,023)	(18,858)	(19,938)	(15,044)	(11,235)	(9,409)	(8,206)	(7,445)
12	Less: Operating expenses	[1]			-	-	(18,219)	(11,250)	(18,606)	(20,580)	(17,395)	(14,086)	(12,477)	(11,482)	(10,822)
13	Less: Net profits interest burden	[1]			-	-	-	-	(571)	(1,390)	(1,060)	(919)	(822)	(743)	(691)
14	Net production revenue				$ -	$ -	$ 145,675	$ 78,229	$ 127,237	$ 134,847	$ 105,719	$ 78,461	$ 64,899	$ 55,925	$ 50,289
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ 145,675	$ 78,229	$ 127,237	$ 134,847	$ 105,719	$ 78,461	$ 64,899	$ 55,925	$ 50,289
18															
19															
20	Less: Income taxes		Schedule 1 - 2.4		-	-	(10,769)	(12,781)	(18,656)	(18,942)	(19,378)	(14,346)	(12,342)	(11,116)	(10,465)
21	After-tax cash flows				$ -	$ -	$ 134,906	$ 65,448	$ 108,581	$ 115,905	$ 86,341	$ 64,115	$ 52,558	$ 44,808	$ 39,823
22															
23	Less: Capital expenditures	[1]			-	-	(105,610)	-	(69,811)	(71,599)	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ -**	**$ 29,296**	**$ 65,448**	**$ 38,770**	**$ 44,306**	**$ 86,341**	**$ 64,115**	**$ 52,558**	**$ 44,808**	**$ 39,823**
25															
26															
27	**Low**														
28	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
30	Present value factor at		Schedule 1 - 4.2	25.9%	*0.97*	*0.84*	*0.67*	*0.53*	*0.42*	*0.34*	*0.27*	*0.21*	*0.17*	*0.13*	*0.11*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 19,577**	**$ 34,749**	**$ 16,354**	**$ 14,848**	**$ 22,989**	**$ 13,563**	**$ 8,833**	**$ 5,983**	**$ 4,225**
32															
33															
34	**High**														
35	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
37	Present value factor at		Schedule 1 - 4.2	21.4%	*0.98*	*0.86*	*0.71*	*0.59*	*0.48*	*0.40*	*0.33*	*0.27*	*0.22*	*0.18*	*0.15*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 20,870**	**$ 38,421**	**$ 18,755**	**$ 17,661**	**$ 28,361**	**$ 17,354**	**$ 11,723**	**$ 8,236**	**$ 6,031**
39															
40															
41					**Low**	**Mid**	**High**								
42															
43	Sum of the net present value of free cash flows				$ 152,725	$ 169,694	$ 186,663								
44	**Fair market value of probable reserves before G&A expenses**				**$ 152,725**	**$ 169,694**	**$ 186,663**								
45															
46	Total probable reserves (Mmcf)				343,254	343,254	343,254								
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.44**	**$ 0.49**	**$ 0.54**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.3

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	Price														
2	Natural gas ($/mcf)	[1]			$ 5.92	$ 6.05	$ 6.18	$ 6.30	$ 6.42	$ 6.55	$ 6.68	$ 6.81	$ 6.95	$ 7.09	$ 7.23
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			10,711	9,798	9,046	8,420	7,824	7,306	6,825	6,392	5,954	5,562	5,195
6															
7	Sales revenue														
8	Natural gas	[1]			$ 63,446	$ 59,290	$ 55,895	$ 53,008	$ 50,242	$ 47,851	$ 45,595	$ 43,560	$ 41,387	$ 39,434	$ 37,572
9															
10															
11	Less: Royalty burdens	[1]			(6,823)	(6,378)	(6,014)	(5,704)	(5,407)	(5,150)	(4,907)	(4,688)	(4,454)	(4,244)	(4,044)
12	Less: Operating expenses	[1]			(10,314)	(9,952)	(9,673)	(9,460)	(9,256)	(9,091)	(8,942)	(8,817)	(8,680)	(8,567)	(8,465)
13	Less: Net profits interest burden	[1]			(644)	(609)	(579)	(550)	(520)	(493)	(467)	(444)	(419)	(396)	(374)
14	Net production revenue				$ 45,664	$ 42,351	$ 39,630	$ 37,294	$ 35,060	$ 33,118	$ 31,279	$ 29,611	$ 27,835	$ 26,227	$ 24,688
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 45,664	$ 42,351	$ 39,630	$ 37,294	$ 35,060	$ 33,118	$ 31,279	$ 29,611	$ 27,835	$ 26,227	$ 24,688
18															
19															
20	Less: Income taxes		Schedule 1 - 2.4		(9,859)	(9,441)	(9,066)	(8,709)	(8,319)	(7,962)	(7,600)	(7,258)	(6,868)	(6,510)	(6,158)
21	After-tax cash flows				$ 35,806	$ 32,910	$ 30,564	$ 28,584	$ 26,741	$ 25,156	$ 23,680	$ 22,353	$ 20,966	$ 19,717	$ 18,530
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 35,806**	**$ 32,910**	**$ 30,564**	**$ 28,584**	**$ 26,741**	**$ 25,156**	**$ 23,680**	**$ 22,353**	**$ 20,966**	**$ 19,717**	**$ 18,530**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
30	Present value factor at		Schedule 1 - 4.2	25.9%	*0.08*	*0.07*	*0.05*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*
31	**Net present value of free cash flows**				**$ 3,018**	**$ 2,204**	**$ 1,626**	**$ 1,208**	**$ 898**	**$ 671**	**$ 502**	**$ 376**	**$ 281**	**$ 210**	**$ 157**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
37	Present value factor at		Schedule 1 - 4.2	21.4%	*0.12*	*0.10*	*0.08*	*0.07*	*0.06*	*0.05*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*
38	**Net present value of free cash flows**				**$ 4,469**	**$ 3,384**	**$ 2,590**	**$ 1,996**	**$ 1,539**	**$ 1,193**	**$ 925**	**$ 720**	**$ 556**	**$ 431**	**$ 334**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.38	$ 7.52	$ 7.67	$ 7.83	$ 7.98	$ 8.14	$ 8.31	$ 8.47	$ 8.64	$ 8.82	$ 8.99
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			4,866	4,532	4,233	3,954	3,703	3,448	3,221	3,008	2,817	2,623	2,797
6															
7	Sales revenue														
8	Natural gas	[1]			$ 35,891	$ 34,098	$ 32,486	$ 30,949	$ 29,563	$ 28,084	$ 26,754	$ 25,487	$ 24,343	$ 23,123	$ 25,149
9															
10															
11	Less: Royalty burdens	[1]			(3,863)	(3,670)	(3,497)	(3,331)	(3,182)	(3,023)	(2,880)	(2,744)	(2,621)	(2,489)	(2,712)
12	Less: Operating expenses	[1]			(8,384)	(8,293)	(8,223)	(8,162)	(8,119)	(8,068)	(8,035)	(8,010)	(7,999)	(7,984)	(10,611)
13	Less: Net profits interest burden	[1]			(354)	(333)	(313)	(295)	(278)	(260)	(244)	(228)	(213)	(198)	(189)
14	Net production revenue				$ 23,290	$ 21,802	$ 20,453	$ 19,161	$ 17,984	$ 16,733	$ 15,596	$ 14,505	$ 13,509	$ 12,452	$ 11,637
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 23,290	$ 21,802	$ 20,453	$ 19,161	$ 17,984	$ 16,733	$ 15,596	$ 14,505	$ 13,509	$ 12,452	$ 11,637
18															
19															
20	Less: Income taxes		Schedule 1 - 2.4		(5,835)	(5,481)	(5,159)	(4,846)	(4,561)	(4,252)	(3,971)	(3,700)	(3,452)	(3,185)	(2,982)
21	After-tax cash flows				$ 17,455	$ 16,321	$ 15,294	$ 14,315	$ 13,423	$ 12,481	$ 11,625	$ 10,806	$ 10,058	$ 9,267	$ 8,655
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 17,455**	**$ 16,321**	**$ 15,294**	**$ 14,315**	**$ 13,423**	**$ 12,481**	**$ 11,625**	**$ 10,806**	**$ 10,058**	**$ 9,267**	**$ 8,655**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
30	Present value factor at		Schedule 1 - 4.2	25.9%	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 117**	**$ 87**	**$ 65**	**$ 48**	**$ 36**	**$ 27**	**$ 20**	**$ 14**	**$ 11**	**$ 8**	**$ 6**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
37	Present value factor at		Schedule 1 - 4.2	21.4%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 259**	**$ 200**	**$ 154**	**$ 119**	**$ 92**	**$ 70**	**$ 54**	**$ 41**	**$ 32**	**$ 24**	**$ 19**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.3

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.17	$ 9.35	$ 9.54	$ 9.73	$ 9.93	$ 10.13	$ 10.33	$ 10.54	$ 10.75	$ 10.96	$ 11.18
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			2,639	2,467	2,294	2,139	1,995	1,865	1,734	1,617	1,508	1,164	569
6															
7	Sales revenue														
8	Natural gas	[1]			$ 24,205	$ 23,082	$ 21,891	$ 20,820	$ 19,802	$ 18,883	$ 17,909	$ 17,033	$ 16,200	$ 12,754	$ 6,358
9															
10															
11	Less: Royalty burdens	[1]			(2,611)	(2,490)	(2,361)	(2,246)	(2,136)	(2,037)	(1,932)	(1,837)	(1,747)	(1,368)	(675)
12	Less: Operating expenses	[1]			(10,885)	(10,938)	(10,986)	(11,050)	(11,124)	(11,211)	(11,296)	(11,394)	(11,501)	(9,398)	(4,635)
13	Less: Net profits interest burden	[1]			(170)	(152)	(133)	(115)	(98)	(83)	(66)	(51)	(36)	(18)	-
14	Net production revenue				$ 10,539	$ 9,503	$ 8,411	$ 7,409	$ 6,444	$ 5,553	$ 4,615	$ 3,750	$ 2,914	$ 1,971	$ 1,048
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	3,514	-	-	-	-	-	-
17	Operating income				$ 10,539	$ 9,503	$ 8,411	$ 7,409	$ 9,958	$ 5,553	$ 4,615	$ 3,750	$ 2,914	$ 1,971	$ 1,048
18															
19															
20	Less: Income taxes		Schedule 1 - 2.4		(2,701)	(2,436)	(2,155)	(1,896)	(2,585)	(1,416)	(1,173)	(948)	(730)	(483)	(241)
21	After-tax cash flows				$ 7,838	$ 7,067	$ 6,256	$ 5,513	$ 7,373	$ 4,137	$ 3,442	$ 2,802	$ 2,185	$ 1,488	$ 808
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 7,838**	**$ 7,067**	**$ 6,256**	**$ 5,513**	**$ 7,373**	**$ 4,137**	**$ 3,442**	**$ 2,802**	**$ 2,185**	**$ 1,488**	**$ 808**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
30	Present value factor at		Schedule 1 - 4.2	25.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 4**	**$ 3**	**$ 2**	**$ 1**	**$ 2**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
37	Present value factor at		Schedule 1 - 4.2	21.4%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 14**	**$ 10**	**$ 8**	**$ 5**	**$ 6**	**$ 3**	**$ 2**	**$ 1**	**$ 1**	**$ 0**	**$ 0**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.3

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.40	$ 11.63	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			444	259	-	-	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 5,065	$ 3,011	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(537)	(320)	-	-	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			(3,872)	(2,380)	-	-	-	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ 657	$ 311	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	(8,670)	-	(2,870)	(2,947)	-	-	-	-
17	Operating income				$ 657	$ 311	$ -	$ (8,670)	$ -	$ (2,870)	$ (2,947)	$ -	$ -	$ -	$ -
18															
19															
20	Less: Income taxes		Schedule 1 - 2.4		(140)	(51)	28	191	-	-	-	-	-	-	-
21	After-tax cash flows				$ 516	$ 259	$ 28	$ (8,478)	$ -	$ (2,870)	$ (2,947)	$ -	$ -	$ -	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 516**	**$ 259**	**$ 28**	**$ (8,478)**	**$ -**	**$ (2,870)**	**$ (2,947)**	**$ -**	**$ -**	**$ -**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
30	Present value factor at		Schedule 1 - 4.2	25.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ -**	**$ (0)**	**$ (0)**	**$ -**	**$ -**	**$ -**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
37	Present value factor at		Schedule 1 - 4.2	21.4%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ (1)**	**$ -**	**$ (0)**	**$ (0)**	**$ -**	**$ -**	**$ -**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.4

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.3	$ -	$ -	$ 145,675	$ 78,229	$ 127,237	$ 134,847	$ 105,719	$ 78,461	$ 64,899	$ 55,925	$ 50,289
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(13,576)	(12,218)	(10,996)	(9,897)	(8,907)	(8,016)	(7,215)	(6,493)	(5,844)	(5,259)	(4,733)
6	Class 41				(4,242)	(7,424)	(5,568)	(4,176)	(3,132)	(2,349)	(1,762)	(1,321)	(991)	(743)	(557)
7	CDE				-	-	(23,268)	(16,288)	(26,782)	(34,522)	(24,165)	(16,916)	(11,841)	(8,289)	(5,802)
8	CEE				-	-	(28,050)	-	(18,542)	(19,017)	-	-	-	-	-
9	Taxable income before non-capital losses				$ (17,818)	$ (19,642)	$ 77,792	$ 47,869	$ 69,874	$ 70,942	$ 72,577	$ 53,731	$ 46,223	$ 41,633	$ 39,196
10															
11	Less: Loss carry forward claimed				-	-	(37,460)	-	-	-	-	-	-	-	-
12	Taxable income				$ (17,818)	$ (19,642)	$ 40,332	$ 47,869	$ 69,874	$ 70,942	$ 72,577	$ 53,731	$ 46,223	$ 41,633	$ 39,196
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ 10,769**	**$ 12,781**	**$ 18,656**	**$ 18,942**	**$ 19,378**	**$ 14,346**	**$ 12,342**	**$ 11,116**	**$ 10,465**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 17,818	$ 37,460	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				17,818	19,642	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(37,460)	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 17,818	$ 37,460	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 17,818	$ 37,460	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 169,694	[4]	80.0%	$ 135,755	$ 122,180	$ 109,962	$ 98,966	$ 89,069	$ 80,162	$ 72,146	$ 64,931	$ 58,438	$ 52,594	$ 47,335
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 135,755	$ 122,180	$ 109,962	$ 98,966	$ 89,069	$ 80,162	$ 72,146	$ 64,931	$ 58,438	$ 52,594	$ 47,335
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 13,576	$ 12,218	$ 10,996	$ 9,897	$ 8,907	$ 8,016	$ 7,215	$ 6,493	$ 5,844	$ 5,259	$ 4,733
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 13,576	$ 12,218	$ 10,996	$ 9,897	$ 8,907	$ 8,016	$ 7,215	$ 6,493	$ 5,844	$ 5,259	$ 4,733
36	Ending balance		[2]		$ 122,180	$ 109,962	$ 98,966	$ 89,069	$ 80,162	$ 72,146	$ 64,931	$ 58,438	$ 52,594	$ 47,335	$ 42,601
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 169,694	[4]	20.0%	$ 33,939	$ 29,696	$ 22,272	$ 16,704	$ 12,528	$ 9,396	$ 7,047	$ 5,285	$ 3,964	$ 2,973	$ 2,230
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 33,939	$ 29,696	$ 22,272	$ 16,704	$ 12,528	$ 9,396	$ 7,047	$ 5,285	$ 3,964	$ 2,973	$ 2,230
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 4,242	$ 7,424	$ 5,568	$ 4,176	$ 3,132	$ 2,349	$ 1,762	$ 1,321	$ 991	$ 743	$ 557
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 4,242	$ 7,424	$ 5,568	$ 4,176	$ 3,132	$ 2,349	$ 1,762	$ 1,321	$ 991	$ 743	$ 557
47	Ending balance		[2]		$ 29,696	$ 22,272	$ 16,704	$ 12,528	$ 9,396	$ 7,047	$ 5,285	$ 3,964	$ 2,973	$ 2,230	$ 1,672
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 169,694	[4]	0.0%	$ -	$ -	$ -	$ 54,292	$ 38,004	$ 62,491	$ 80,551	$ 56,386	$ 39,470	$ 27,629	$ 19,340
52	Additions		[5]		-	-	77,560	-	51,269	52,582	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ 77,560	$ 54,292	$ 89,273	$ 115,074	$ 80,551	$ 56,386	$ 39,470	$ 27,629	$ 19,340
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ 16,288	$ 11,401	$ 18,747	$ 24,165	$ 16,916	$ 11,841	$ 8,289	$ 5,802
56	Claim on current year additions				-	-	23,268	-	15,381	15,775	-	-	-	-	-
57	Claim				$ -	$ -	$ 23,268	$ 16,288	$ 26,782	$ 34,522	$ 24,165	$ 16,916	$ 11,841	$ 8,289	$ 5,802
58	Ending balance		[2]		$ -	$ -	$ 54,292	$ 38,004	$ 62,491	$ 80,551	$ 56,386	$ 39,470	$ 27,629	$ 19,340	$ 13,538
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 169,694	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	28,050	-	18,542	19,017	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ 28,050	$ -	$ 18,542	$ 19,017	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	28,050	-	18,542	19,017	-	-	-	-	-
68	Claim				$ -	$ -	$ 28,050	$ -	$ 18,542	$ 19,017	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.3	$ 45,664	$ 42,351	$ 39,630	$ 37,294	$ 35,060	$ 33,118	$ 31,279	$ 29,611	$ 27,835	$ 26,227	$ 24,688
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(4,260)	(3,834)	(3,451)	(3,106)	(2,795)	(2,516)	(2,264)	(2,038)	(1,834)	(1,650)	(1,485)
6	Class 41				(418)	(314)	(235)	(176)	(132)	(99)	(74)	(56)	(42)	(31)	(24)
7	CDE				(4,061)	(2,843)	(1,990)	(1,393)	(975)	(683)	(478)	(334)	(234)	(164)	(115)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 36,925	$ 35,360	$ 33,954	$ 32,619	$ 31,157	$ 29,820	$ 28,463	$ 27,183	$ 25,725	$ 24,381	$ 23,065
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 36,925	$ 35,360	$ 33,954	$ 32,619	$ 31,157	$ 29,820	$ 28,463	$ 27,183	$ 25,725	$ 24,381	$ 23,065
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 9,859**	**$ 9,441**	**$ 9,066**	**$ 8,709**	**$ 8,319**	**$ 7,962**	**$ 7,600**	**$ 7,258**	**$ 6,868**	**$ 6,510**	**$ 6,158**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 169,694	[4]	80.0%	$ 42,601	$ 38,341	$ 34,507	$ 31,056	$ 27,951	$ 25,156	$ 22,640	$ 20,376	$ 18,339	$ 16,505	$ 14,854
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 42,601	$ 38,341	$ 34,507	$ 31,056	$ 27,951	$ 25,156	$ 22,640	$ 20,376	$ 18,339	$ 16,505	$ 14,854
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 4,260	$ 3,834	$ 3,451	$ 3,106	$ 2,795	$ 2,516	$ 2,264	$ 2,038	$ 1,834	$ 1,650	$ 1,485
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 4,260	$ 3,834	$ 3,451	$ 3,106	$ 2,795	$ 2,516	$ 2,264	$ 2,038	$ 1,834	$ 1,650	$ 1,485
36	Ending balance		[2]		$ 38,341	$ 34,507	$ 31,056	$ 27,951	$ 25,156	$ 22,640	$ 20,376	$ 18,339	$ 16,505	$ 14,854	$ 13,369
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 169,694	[4]	20.0%	$ 1,672	$ 1,254	$ 941	$ 706	$ 529	$ 397	$ 298	$ 223	$ 167	$ 126	$ 94
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1,672	$ 1,254	$ 941	$ 706	$ 529	$ 397	$ 298	$ 223	$ 167	$ 126	$ 94
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 418	$ 314	$ 235	$ 176	$ 132	$ 99	$ 74	$ 56	$ 42	$ 31	$ 24
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 418	$ 314	$ 235	$ 176	$ 132	$ 99	$ 74	$ 56	$ 42	$ 31	$ 24
47	Ending balance		[2]		$ 1,254	$ 941	$ 706	$ 529	$ 397	$ 298	$ 223	$ 167	$ 126	$ 94	$ 71
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 169,694	[4]	0.0%	$ 13,538	$ 9,477	$ 6,634	$ 4,644	$ 3,251	$ 2,275	$ 1,593	$ 1,115	$ 780	$ 546	$ 382
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 13,538	$ 9,477	$ 6,634	$ 4,644	$ 3,251	$ 2,275	$ 1,593	$ 1,115	$ 780	$ 546	$ 382
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 4,061	$ 2,843	$ 1,990	$ 1,393	$ 975	$ 683	$ 478	$ 334	$ 234	$ 164	$ 115
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 4,061	$ 2,843	$ 1,990	$ 1,393	$ 975	$ 683	$ 478	$ 334	$ 234	$ 164	$ 115
58	Ending balance		[2]		$ 9,477	$ 6,634	$ 4,644	$ 3,251	$ 2,275	$ 1,593	$ 1,115	$ 780	$ 546	$ 382	$ 268
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 169,694	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.4

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.3	$ 23,290	$ 21,802	$ 20,453	$ 19,161	$ 17,984	$ 16,733	$ 15,596	$ 14,505	$ 13,509	$ 12,452	$ 11,637
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,337)	(1,203)	(1,083)	(975)	(877)	(789)	(710)	(639)	(575)	(518)	(466)
6	Class 41				(18)	(13)	(10)	(7)	(6)	(4)	(3)	(2)	(2)	(1)	(1)
7	CDE				(80)	(56)	(39)	(28)	(19)	(13)	(9)	(7)	(5)	(3)	(2)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 21,855	$ 20,529	$ 19,321	$ 18,151	$ 17,082	$ 15,926	$ 14,873	$ 13,857	$ 12,927	$ 11,930	$ 11,168
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 21,855	$ 20,529	$ 19,321	$ 18,151	$ 17,082	$ 15,926	$ 14,873	$ 13,857	$ 12,927	$ 11,930	$ 11,168
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 5,835**	**$ 5,481**	**$ 5,159**	**$ 4,846**	**$ 4,561**	**$ 4,252**	**$ 3,971**	**$ 3,700**	**$ 3,452**	**$ 3,185**	**$ 2,982**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 169,694	[4]	80.0%	$ 13,369	$ 12,032	$ 10,829	$ 9,746	$ 8,771	$ 7,894	$ 7,105	$ 6,394	$ 5,755	$ 5,179	$ 4,661
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 13,369	$ 12,032	$ 10,829	$ 9,746	$ 8,771	$ 7,894	$ 7,105	$ 6,394	$ 5,755	$ 5,179	$ 4,661
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,337	$ 1,203	$ 1,083	$ 975	$ 877	$ 789	$ 710	$ 639	$ 575	$ 518	$ 466
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,337	$ 1,203	$ 1,083	$ 975	$ 877	$ 789	$ 710	$ 639	$ 575	$ 518	$ 466
36	Ending balance		[2]		$ 12,032	$ 10,829	$ 9,746	$ 8,771	$ 7,894	$ 7,105	$ 6,394	$ 5,755	$ 5,179	$ 4,661	$ 4,195
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 169,694	[4]	20.0%	$ 71	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7	$ 5	$ 4
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 71	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7	$ 5	$ 4
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 18	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 18	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
47	Ending balance		[2]		$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7	$ 5	$ 4	$ 3
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 169,694	[4]	0.0%	$ 268	$ 187	$ 131	$ 92	$ 64	$ 45	$ 31	$ 22	$ 15	$ 11	$ 8
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 268	$ 187	$ 131	$ 92	$ 64	$ 45	$ 31	$ 22	$ 15	$ 11	$ 8
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 80	$ 56	$ 39	$ 28	$ 19	$ 13	$ 9	$ 7	$ 5	$ 3	$ 2
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 80	$ 56	$ 39	$ 28	$ 19	$ 13	$ 9	$ 7	$ 5	$ 3	$ 2
58	Ending balance		[2]		$ 187	$ 131	$ 92	$ 64	$ 45	$ 31	$ 22	$ 15	$ 11	$ 8	$ 5
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 169,694	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.4

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.3	$ 10,539	$ 9,503	$ 8,411	$ 7,409	$ 9,958	$ 5,553	$ 4,615	$ 3,750	$ 2,914	$ 1,971	$ 1,048
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(420)	(378)	(340)	(306)	(275)	(248)	(223)	(201)	(181)	(163)	(146)
6	Class 41				(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(2)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 10,117	$ 9,124	$ 8,070	$ 7,102	$ 9,682	$ 5,305	$ 4,392	$ 3,549	$ 2,734	$ 1,808	$ 902
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 10,117	$ 9,124	$ 8,070	$ 7,102	$ 9,682	$ 5,305	$ 4,392	$ 3,549	$ 2,734	$ 1,808	$ 902
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 2,701**	**$ 2,436**	**$ 2,155**	**$ 1,896**	**$ 2,585**	**$ 1,416**	**$ 1,173**	**$ 948**	**$ 730**	**$ 483**	**$ 241**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 169,694	[4]	80.0%	$ 4,195	$ 3,776	$ 3,398	$ 3,058	$ 2,753	$ 2,477	$ 2,230	$ 2,007	$ 1,806	$ 1,625	$ 1,463
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 4,195	$ 3,776	$ 3,398	$ 3,058	$ 2,753	$ 2,477	$ 2,230	$ 2,007	$ 1,806	$ 1,625	$ 1,463
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 420	$ 378	$ 340	$ 306	$ 275	$ 248	$ 223	$ 201	$ 181	$ 163	$ 146
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 420	$ 378	$ 340	$ 306	$ 275	$ 248	$ 223	$ 201	$ 181	$ 163	$ 146
36	Ending balance		[2]		$ 3,776	$ 3,398	$ 3,058	$ 2,753	$ 2,477	$ 2,230	$ 2,007	$ 1,806	$ 1,625	$ 1,463	$ 1,317
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 169,694	[4]	20.0%	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 169,694	[4]	0.0%	$ 5	$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 5	$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 169,694	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.4

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.3	$ 657	$ 311	$ -	$ (8,670)	$ -	$ (2,870)	$ (2,947)	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(132)	(118)	(107)	(96)	(86)	(78)	(70)	(63)	(57)	(51)	(46)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 525	$ 192	$ (107)	$ (8,766)	$ (86)	$ (2,947)	$ (3,017)	$ (63)	$ (57)	$ (51)	$ (46)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 525	$ 192	$ (107)	$ (8,766)	$ (86)	$ (2,947)	$ (3,017)	$ (63)	$ (57)	$ (51)	$ (46)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 140**	**$ 51**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ (107)	$ (717)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ (28)**	**$ (191)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	8,049	$ 8,135	$ 11,082	$ 14,100	$ 14,163	$ 14,219	$ 14,270
21	Additions				-	-	107	8,766	86	2,947	3,017	63	57	51	46
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ 107	$ 8,766	$ 8,135	$ 11,082	$ 14,100	$ 14,163	$ 14,219	$ 14,270	$ 14,316
24	Less: Loss carry back claimed				-	-	(107)	(717)	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ 8,049	$ 8,135	$ 11,082	$ 14,100	$ 14,163	$ 14,219	$ 14,270	$ 14,316
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 169,694	[4]	80.0%	$ 1,317	$ 1,185	$ 1,066	$ 960	$ 864	$ 777	$ 700	$ 630	$ 567	$ 510	$ 459
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,317	$ 1,185	$ 1,066	$ 960	$ 864	$ 777	$ 700	$ 630	$ 567	$ 510	$ 459
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 132	$ 118	$ 107	$ 96	$ 86	$ 78	$ 70	$ 63	$ 57	$ 51	$ 46
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 132	$ 118	$ 107	$ 96	$ 86	$ 78	$ 70	$ 63	$ 57	$ 51	$ 46
36	Ending balance		[2]		$ 1,185	$ 1,066	$ 960	$ 864	$ 777	$ 700	$ 630	$ 567	$ 510	$ 459	$ 413
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 169,694	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 169,694	[4]	0.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 169,694	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.5

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 5.59	$ 5.33	$ 5.39	$ 5.45	$ 5.51	$ 5.57	$ 5.65	$ 5.71	$ 5.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	23,945	14,029	18,020	18,486	15,518	12,449	10,737	9,564	8,711
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ 133,855	$ 74,706	$ 97,059	$ 100,715	$ 85,470	$ 69,371	$ 60,680	$ 54,569	$ 50,699
9															
10															
11	Less: Royalty burdens	[1]			-	-	(18,001)	(9,322)	(11,560)	(11,974)	(9,810)	(7,514)	(6,537)	(5,882)	(5,466)
12	Less: Operating expenses	[1]			-	-	(12,233)	(7,312)	(9,579)	(10,038)	(8,584)	(7,026)	(6,182)	(5,617)	(5,218)
13	Less: Net profits interest burden	[1]			-	-	-	-	(1,307)	(1,076)	(934)	(831)	(760)	(701)	(663)
14	Net production revenue				$ -	$ -	$ 103,622	$ 58,072	$ 74,612	$ 77,627	$ 66,141	$ 54,000	$ 47,201	$ 42,370	$ 39,352
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ 103,622	$ 58,072	$ 74,612	$ 77,627	$ 66,141	$ 54,000	$ 47,201	$ 42,370	$ 39,352
18															
19															
20	Less: Income taxes		Schedule 1 - 2.6		-	-	(21,327)	(13,854)	(18,509)	(19,510)	(16,606)	(13,501)	(11,801)	(10,608)	(9,886)
21	After-tax cash flows				$ -	$ -	$ 82,294	$ 44,218	$ 56,103	$ 58,117	$ 49,535	$ 40,499	$ 35,401	$ 31,762	$ 29,466
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ -**	**$ 82,294**	**$ 44,218**	**$ 56,103**	**$ 58,117**	**$ 49,535**	**$ 40,499**	**$ 35,401**	**$ 31,762**	**$ 29,466**
25															
26															
27	**Low**														
28	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
30	Present value factor at		Schedule 1 - 4.3	63.3%	*0.94*	*0.69*	*0.42*	*0.26*	*0.16*	*0.10*	*0.06*	*0.04*	*0.02*	*0.01*	*0.01*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 34,853**	**$ 11,468**	**$ 8,911**	**$ 5,653**	**$ 2,951**	**$ 1,477**	**$ 791**	**$ 435**	**$ 247**
32															
33															
34	**High**														
35	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
37	Present value factor at		Schedule 1 - 4.3	52.8%	*0.95*	*0.73*	*0.48*	*0.31*	*0.20*	*0.13*	*0.09*	*0.06*	*0.04*	*0.02*	*0.02*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 39,142**	**$ 13,762**	**$ 11,425**	**$ 7,744**	**$ 4,319**	**$ 2,311**	**$ 1,322**	**$ 776**	**$ 471**
39															
40															
41					**Low**		**Mid**		**High**						
42															
43	Sum of the net present value of free cash flows				$ 67,126		$ 74,584		$ 82,043						
44	**Fair market value of possible reserves before G&A expenses**				**$ 67,126**		**$ 74,584**		**$ 82,043**						
45															
46	Total possible reserves (Mmcf)				275,698		275,698		275,698						
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.24**		**$ 0.27**		**$ 0.30**						

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.5

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	Price														
2	Natural gas ($/mcf)	[1]			$ 5.92	$ 6.05	$ 6.18	$ 6.30	$ 6.42	$ 6.55	$ 6.68	$ 6.81	$ 6.95	$ 7.09	$ 7.23
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			7,997	7,437	6,979	6,622	6,273	5,977	5,706	5,464	5,203	4,966	4,738
6															
7	Sales revenue														
8	Natural gas	[1]			$ 47,372	$ 45,005	$ 43,127	$ 41,688	$ 40,280	$ 39,146	$ 38,123	$ 37,238	$ 36,163	$ 35,206	$ 34,264
9															
10															
11	Less: Royalty burdens	[1]			(5,109)	(4,854)	(4,652)	(4,498)	(4,346)	(4,224)	(4,114)	(4,018)	(3,902)	(3,799)	(3,697)
12	Less: Operating expenses	[1]			(4,886)	(4,635)	(4,437)	(4,294)	(4,149)	(4,032)	(3,927)	(3,835)	(3,725)	(3,626)	(3,529)
13	Less: Net profits interest burden	[1]			(628)	(603)	(583)	(568)	(552)	(538)	(524)	(512)	(497)	(484)	(471)
14	Net production revenue				$ 36,750	$ 34,913	$ 33,455	$ 32,329	$ 31,233	$ 30,351	$ 29,558	$ 28,872	$ 28,039	$ 27,297	$ 26,567
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 36,750	$ 34,913	$ 33,455	$ 32,329	$ 31,233	$ 30,351	$ 29,558	$ 28,872	$ 28,039	$ 27,297	$ 26,567
18															
19															
20	Less: Income taxes		Schedule 1 - 2.6		(9,263)	(8,835)	(8,500)	(8,247)	(7,996)	(7,797)	(7,618)	(7,463)	(7,266)	(7,091)	(6,916)
21	After-tax cash flows				$ 27,487	$ 26,078	$ 24,955	$ 24,082	$ 23,237	$ 22,554	$ 21,940	$ 21,409	$ 20,773	$ 20,206	$ 19,651
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 27,487**	**$ 26,078**	**$ 24,955**	**$ 24,082**	**$ 23,237**	**$ 22,554**	**$ 21,940**	**$ 21,409**	**$ 20,773**	**$ 20,206**	**$ 19,651**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
30	Present value factor at		Schedule 1 - 4.3	63.3%	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 141**	**$ 82**	**$ 48**	**$ 28**	**$ 17**	**$ 10**	**$ 6**	**$ 4**	**$ 2**	**$ 1**	**$ 1**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
37	Present value factor at		Schedule 1 - 4.3	52.8%	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 287**	**$ 178**	**$ 112**	**$ 71**	**$ 45**	**$ 28**	**$ 18**	**$ 12**	**$ 7**	**$ 5**	**$ 3**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.38	$ 7.52	$ 7.67	$ 7.83	$ 7.98	$ 8.14	$ 8.31	$ 8.47	$ 8.64	$ 8.82	$ 8.99
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			4,532	4,309	4,108	3,916	3,741	3,554	3,385	3,223	3,076	2,919	2,778
6															
7	Sales revenue														
8	Natural gas	[1]			$ 33,427	$ 32,423	$ 31,529	$ 30,651	$ 29,870	$ 28,942	$ 28,115	$ 27,306	$ 26,585	$ 25,735	$ 24,978
9															
10															
11	Less: Royalty burdens	[1]			(3,607)	(3,499)	(3,402)	(3,307)	(3,223)	(3,123)	(3,034)	(2,946)	(2,869)	(2,777)	(2,695)
12	Less: Operating expenses	[1]			(3,443)	(3,339)	(3,247)	(3,157)	(3,076)	(2,981)	(2,896)	(2,812)	(2,738)	(2,651)	(2,573)
13	Less: Net profits interest burden	[1]			(459)	(445)	(433)	(420)	(410)	(397)	(385)	(374)	(364)	(352)	(342)
14	Net production revenue				$ 25,918	$ 25,140	$ 24,447	$ 23,766	$ 23,161	$ 22,442	$ 21,801	$ 21,173	$ 20,614	$ 19,955	$ 19,368
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 25,918	$ 25,140	$ 24,447	$ 23,766	$ 23,161	$ 22,442	$ 21,801	$ 21,173	$ 20,614	$ 19,955	$ 19,368
18															
19															
20	Less: Income taxes		Schedule 1 - 2.6		(6,761)	(6,570)	(6,399)	(6,230)	(6,080)	(5,899)	(5,737)	(5,578)	(5,436)	(5,267)	(5,117)
21	After-tax cash flows				$ 19,157	$ 18,570	$ 18,048	$ 17,536	$ 17,080	$ 16,543	$ 16,064	$ 15,595	$ 15,178	$ 14,688	$ 14,252
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 19,157**	**$ 18,570**	**$ 18,048**	**$ 17,536**	**$ 17,080**	**$ 16,543**	**$ 16,064**	**$ 15,595**	**$ 15,178**	**$ 14,688**	**$ 14,252**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
30	Present value factor at		Schedule 1 - 4.3	63.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
37	Present value factor at		Schedule 1 - 4.3	52.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 2**	**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.17	$ 9.35	$ 9.54	$ 9.73	$ 9.93	$ 10.13	$ 10.33	$ 10.54	$ 10.75	$ 10.96	$ 11.18
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			2,643	2,520	2,390	2,272	2,160	2,059	1,951	1,854	1,761	1,922	2,330
6															
7	Sales revenue														
8	Natural gas	[1]			$ 24,238	$ 23,578	$ 22,806	$ 22,118	$ 21,446	$ 20,846	$ 20,150	$ 19,528	$ 18,922	$ 21,072	$ 26,047
9															
10															
11	Less: Royalty burdens	[1]			(2,615)	(2,544)	(2,461)	(2,386)	(2,314)	(2,249)	(2,174)	(2,107)	(2,042)	(2,281)	(2,820)
12	Less: Operating expenses	[1]			(2,496)	(2,428)	(2,349)	(2,278)	(2,209)	(2,147)	(2,075)	(2,011)	(1,949)	(4,116)	(8,933)
13	Less: Net profits interest burden	[1]			(332)	(323)	(312)	(303)	(293)	(285)	(275)	(267)	(259)	(256)	(251)
14	Net production revenue				$ 18,795	$ 18,283	$ 17,685	$ 17,151	$ 16,630	$ 16,165	$ 15,625	$ 15,142	$ 14,673	$ 14,418	$ 14,042
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 18,795	$ 18,283	$ 17,685	$ 17,151	$ 16,630	$ 16,165	$ 15,625	$ 15,142	$ 14,673	$ 14,418	$ 14,042
18															
19															
20	Less: Income taxes		Schedule 1 - 2.6		(4,969)	(4,837)	(4,682)	(4,543)	(4,408)	(4,287)	(4,146)	(4,019)	(3,896)	(3,831)	(3,732)
21	After-tax cash flows				$ 13,826	$ 13,446	$ 13,003	$ 12,607	$ 12,222	$ 11,878	$ 11,479	$ 11,123	$ 10,776	$ 10,588	$ 10,310
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 13,826**	**$ 13,446**	**$ 13,003**	**$ 12,607**	**$ 12,222**	**$ 11,878**	**$ 11,479**	**$ 11,123**	**$ 10,776**	**$ 10,588**	**$ 10,310**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
30	Present value factor at		Schedule 1 - 4.3	63.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
37	Present value factor at		Schedule 1 - 4.3	52.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.5

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.40	$ 11.63	$ 11.86	$ 12.10	$ 12.34	$ 12.59	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			2,286	2,312	2,428	2,280	2,147	2,022	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 26,064	$ 26,894	$ 28,804	$ 27,592	$ 26,506	$ 25,463	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(2,821)	(2,906)	(3,107)	(2,977)	(2,859)	(2,747)	-	-	-	-	-
12	Less: Operating expenses	[1]			(9,769)	(11,343)	(13,823)	(13,915)	(14,025)	(14,143)	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(230)	(210)	(191)	(170)	(152)	(133)	-	-	-	-	-
14	Net production revenue				$ 13,243	$ 12,435	$ 11,683	$ 10,530	$ 9,470	$ 8,439	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	8,670	-	2,870	2,947	-	-	-	(16,401)
17	Operating income				$ 13,243	$ 12,435	$ 11,683	$ 19,199	$ 9,470	$ 11,309	$ 2,947	$ -	$ -	$ -	$ (16,401)
18															
19															
20	Less: Income taxes		Schedule 1 - 2.6		(3,520)	(3,306)	(3,107)	(5,115)	(2,518)	(3,010)	4,387	7	7	-	-
21	After-tax cash flows				$ 9,723	$ 9,129	$ 8,576	$ 14,084	$ 6,952	$ 8,298	$ 7,335	$ 7	$ 7	$ -	$ (16,401)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 9,723**	**$ 9,129**	**$ 8,576**	**$ 14,084**	**$ 6,952**	**$ 8,298**	**$ 7,335**	**$ 7**	**$ 7**	**$ -**	**$ (16,401)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
30	Present value factor at		Schedule 1 - 4.3	63.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (0)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
37	Present value factor at		Schedule 1 - 4.3	52.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.6

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
					For the years ending December 31,									
			Notes	Reference	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.5	$ -	$ -	$ 103,622	$ 58,072	$ 74,612	$ 77,627	$ 66,141	$ 54,000	$ 47,201	$ 42,370	$ 39,352
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(5,967)	(5,370)	(4,833)	(4,350)	(3,915)	(3,523)	(3,171)	(2,854)	(2,568)	(2,312)	(2,080)
6	Class 41				(1,865)	(3,263)	(2,447)	(1,835)	(1,377)	(1,032)	(774)	(581)	(436)	(327)	(245)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (7,831)	$ (8,633)	$ 96,341	$ 51,887	$ 69,321	$ 73,071	$ 62,196	$ 50,565	$ 44,197	$ 39,732	$ 37,027
10															
11	Less: Loss carry forward claimed				-	-	(16,465)	-	-	-	-	-	-	-	-
12	Taxable income				$ (7,831)	$ (8,633)	$ 79,877	$ 51,887	$ 69,321	$ 73,071	$ 62,196	$ 50,565	$ 44,197	$ 39,732	$ 37,027
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ 21,327**	**$ 13,854**	**$ 18,509**	**$ 19,510**	**$ 16,606**	**$ 13,501**	**$ 11,801**	**$ 10,608**	**$ 9,886**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 7,831	$ 16,465	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				7,831	8,633	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(16,465)	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 7,831	$ 16,465	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 7,831	$ 16,465	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 74,584	[4]	80.0%	$ 59,668	$ 53,701	$ 48,331	$ 43,498	$ 39,148	$ 35,233	$ 31,710	$ 28,539	$ 25,685	$ 23,116	$ 20,805
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 59,668	$ 53,701	$ 48,331	$ 43,498	$ 39,148	$ 35,233	$ 31,710	$ 28,539	$ 25,685	$ 23,116	$ 20,805
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 5,967	$ 5,370	$ 4,833	$ 4,350	$ 3,915	$ 3,523	$ 3,171	$ 2,854	$ 2,568	$ 2,312	$ 2,080
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 5,967	$ 5,370	$ 4,833	$ 4,350	$ 3,915	$ 3,523	$ 3,171	$ 2,854	$ 2,568	$ 2,312	$ 2,080
36	Ending balance		[2]		$ 53,701	$ 48,331	$ 43,498	$ 39,148	$ 35,233	$ 31,710	$ 28,539	$ 25,685	$ 23,116	$ 20,805	$ 18,724
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 74,584	[4]	20.0%	$ 14,917	$ 13,052	$ 9,789	$ 7,342	$ 5,506	$ 4,130	$ 3,097	$ 2,323	$ 1,742	$ 1,307	$ 980
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 14,917	$ 13,052	$ 9,789	$ 7,342	$ 5,506	$ 4,130	$ 3,097	$ 2,323	$ 1,742	$ 1,307	$ 980
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1,865	$ 3,263	$ 2,447	$ 1,835	$ 1,377	$ 1,032	$ 774	$ 581	$ 436	$ 327	$ 245
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1,865	$ 3,263	$ 2,447	$ 1,835	$ 1,377	$ 1,032	$ 774	$ 581	$ 436	$ 327	$ 245
47	Ending balance		[2]		$ 13,052	$ 9,789	$ 7,342	$ 5,506	$ 4,130	$ 3,097	$ 2,323	$ 1,742	$ 1,307	$ 980	$ 735
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
					For the years ending December 31,									
			Notes	Reference	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.5	$ 36,750	$ 34,913	$ 33,455	$ 32,329	$ 31,233	$ 30,351	$ 29,558	$ 28,872	$ 28,039	$ 27,297	$ 26,567
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,872)	(1,685)	(1,517)	(1,365)	(1,229)	(1,106)	(995)	(896)	(806)	(725)	(653)
6	Class 41				(184)	(138)	(103)	(78)	(58)	(44)	(33)	(25)	(18)	(14)	(10)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 34,693	$ 33,090	$ 31,835	$ 30,886	$ 29,946	$ 29,202	$ 28,530	$ 27,952	$ 27,215	$ 26,558	$ 25,904
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 34,693	$ 33,090	$ 31,835	$ 30,886	$ 29,946	$ 29,202	$ 28,530	$ 27,952	$ 27,215	$ 26,558	$ 25,904
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 9,263**	**$ 8,835**	**$ 8,500**	**$ 8,247**	**$ 7,996**	**$ 7,797**	**$ 7,618**	**$ 7,463**	**$ 7,266**	**$ 7,091**	**$ 6,916**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 74,584	[4]	80.0%	$ 18,724	$ 16,852	$ 15,167	$ 13,650	$ 12,285	$ 11,057	$ 9,951	$ 8,956	$ 8,060	$ 7,254	$ 6,529
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 18,724	$ 16,852	$ 15,167	$ 13,650	$ 12,285	$ 11,057	$ 9,951	$ 8,956	$ 8,060	$ 7,254	$ 6,529
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,872	$ 1,685	$ 1,517	$ 1,365	$ 1,229	$ 1,106	$ 995	$ 896	$ 806	$ 725	$ 653
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,872	$ 1,685	$ 1,517	$ 1,365	$ 1,229	$ 1,106	$ 995	$ 896	$ 806	$ 725	$ 653
36	Ending balance		[2]		$ 16,852	$ 15,167	$ 13,650	$ 12,285	$ 11,057	$ 9,951	$ 8,956	$ 8,060	$ 7,254	$ 6,529	$ 5,876
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 74,584	[4]	20.0%	$ 735	$ 551	$ 413	$ 310	$ 233	$ 174	$ 131	$ 98	$ 74	$ 55	$ 41
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 735	$ 551	$ 413	$ 310	$ 233	$ 174	$ 131	$ 98	$ 74	$ 55	$ 41
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 184	$ 138	$ 103	$ 78	$ 58	$ 44	$ 33	$ 25	$ 18	$ 14	$ 10
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 184	$ 138	$ 103	$ 78	$ 58	$ 44	$ 33	$ 25	$ 18	$ 14	$ 10
47	Ending balance		[2]		$ 551	$ 413	$ 310	$ 233	$ 174	$ 131	$ 98	$ 74	$ 55	$ 41	$ 31
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.6

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
					For the years ending December 31,									
			Notes	Reference	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	**Income taxes**													
2	Net operating income			Schedule 1 - 2.5	$ 25,918	$ 25,140	$ 24,447	$ 23,766	$ 23,161	$ 22,442	$ 21,801	$ 21,173	$ 20,614	$ 19,955	$ 19,368
3														
4	Less: Allowable tax pool claims			From below										
5	COGPE				(588)	(529)	(476)	(428)	(386)	(347)	(312)	(281)	(253)	(228)	(205)
6	Class 41				(8)	(6)	(4)	(3)	(2)	(2)	(1)	(1)	(1)	(1)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 25,323	$ 24,605	$ 23,967	$ 23,335	$ 22,773	$ 22,093	$ 21,487	$ 20,891	$ 20,360	$ 19,727	$ 19,163
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 25,323	$ 24,605	$ 23,967	$ 23,335	$ 22,773	$ 22,093	$ 21,487	$ 20,891	$ 20,360	$ 19,727	$ 19,163
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 6,761**	**$ 6,570**	**$ 6,399**	**$ 6,230**	**$ 6,080**	**$ 5,899**	**$ 5,737**	**$ 5,578**	**$ 5,436**	**$ 5,267**	**$ 5,117**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 74,584	[4]	80.0%	$ 5,876	$ 5,288	$ 4,759	$ 4,284	$ 3,855	$ 3,470	$ 3,123	$ 2,810	$ 2,529	$ 2,276	$ 2,049
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 5,876	$ 5,288	$ 4,759	$ 4,284	$ 3,855	$ 3,470	$ 3,123	$ 2,810	$ 2,529	$ 2,276	$ 2,049
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 588	$ 529	$ 476	$ 428	$ 386	$ 347	$ 312	$ 281	$ 253	$ 228	$ 205
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 588	$ 529	$ 476	$ 428	$ 386	$ 347	$ 312	$ 281	$ 253	$ 228	$ 205
36	Ending balance		[2]		$ 5,288	$ 4,759	$ 4,284	$ 3,855	$ 3,470	$ 3,123	$ 2,810	$ 2,529	$ 2,276	$ 2,049	$ 1,844
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 74,584	[4]	20.0%	$ 31	$ 23	$ 17	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 31	$ 23	$ 17	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 8	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 8	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0
47	Ending balance		[2]		$ 23	$ 17	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2	$ 1
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.5	$ 18,795	$ 18,283	$ 17,685	$ 17,151	$ 16,630	$ 16,165	$ 15,625	$ 15,142	$ 14,673	$ 14,418	$ 14,042
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(184)	(166)	(149)	(134)	(121)	(109)	(98)	(88)	(79)	(71)	(64)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 18,610	$ 18,117	$ 17,535	$ 17,016	$ 16,509	$ 16,056	$ 15,527	$ 15,054	$ 14,593	$ 14,347	$ 13,978
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 18,610	$ 18,117	$ 17,535	$ 17,016	$ 16,509	$ 16,056	$ 15,527	$ 15,054	$ 14,593	$ 14,347	$ 13,978
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 4,969**	**$ 4,837**	**$ 4,682**	**$ 4,543**	**$ 4,408**	**$ 4,287**	**$ 4,146**	**$ 4,019**	**$ 3,896**	**$ 3,831**	**$ 3,732**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 74,584	[4]	80.0%	$ 1,844	$ 1,660	$ 1,494	$ 1,344	$ 1,210	$ 1,089	$ 980	$ 882	$ 794	$ 714	$ 643
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,844	$ 1,660	$ 1,494	$ 1,344	$ 1,210	$ 1,089	$ 980	$ 882	$ 794	$ 714	$ 643
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 184	$ 166	$ 149	$ 134	$ 121	$ 109	$ 98	$ 88	$ 79	$ 71	$ 64
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 184	$ 166	$ 149	$ 134	$ 121	$ 109	$ 98	$ 88	$ 79	$ 71	$ 64
36	Ending balance		[2]		$ 1,660	$ 1,494	$ 1,344	$ 1,210	$ 1,089	$ 980	$ 882	$ 794	$ 714	$ 643	$ 579
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 74,584	[4]	20.0%	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.6

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.5	$ 13,243	$ 12,435	$ 11,683	$ 19,199	$ 9,470	$ 11,309	$ (16,401)	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(58)	(52)	(47)	(42)	(38)	(34)	(31)	(28)	(25)	(22)	(20)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 13,185	$ 12,383	$ 11,636	$ 19,157	$ 9,432	$ 11,274	$ (16,432)	$ (28)	$ (25)	$ (22)	$ (20)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 13,185	$ 12,383	$ 11,636	$ 19,157	$ 9,432	$ 11,274	$ (16,432)	$ (28)	$ (25)	$ (22)	$ (20)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 3,520**	**$ 3,306**	**$ 3,107**	**$ 5,115**	**$ 2,518**	**$ 3,010**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (16,432)	$ (28)	$ (25)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (4,387)**	**$ (7)**	**$ (7)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22
21	Additions				-	-	-	-	-	-	16,432	28	25	22	20
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 16,432	$ 28	$ 25	$ 22	$ 43
24	Less: Loss carry back claimed				-	-	-	-	-	-	(16,432)	(28)	(25)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22	$ 43
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 74,584	[4]	80.0%	$ 579	$ 521	$ 469	$ 422	$ 380	$ 342	$ 308	$ 277	$ 249	$ 224	$ 202
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 579	$ 521	$ 469	$ 422	$ 380	$ 342	$ 308	$ 277	$ 249	$ 224	$ 202
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 58	$ 52	$ 47	$ 42	$ 38	$ 34	$ 31	$ 28	$ 25	$ 22	$ 20
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 58	$ 52	$ 47	$ 42	$ 38	$ 34	$ 31	$ 28	$ 25	$ 22	$ 20
36	Ending balance		[2]		$ 521	$ 469	$ 422	$ 380	$ 342	$ 308	$ 277	$ 249	$ 224	$ 202	$ 182
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 74,584	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 74,584	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ 5.33	$ 5.39	$ 5.45	$ 5.51	$ 5.57	$ 5.65	$ 5.71	$ 5.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	50,475	116,226	191,962	342,788	264,592	204,227	152,997	126,768
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ 268,786	$ 626,028	$ 1,045,635	$ 1,888,051	$ 1,474,410	$ 1,154,110	$ 872,916	$ 737,831
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	(32,588)	(73,433)	(120,188)	(216,960)	(160,928)	(124,825)	(93,303)	(78,865)
12	Less: Operating expenses	[1]			-	-	-	(28,573)	(68,458)	(117,563)	(215,250)	(180,719)	(151,121)	(124,098)	(110,877)
13	Less: Net profits interest burden	[1]			-	-	-	-	(1,967)	(4,740)	(7,454)	(9,313)	(8,786)	(7,207)	(6,268)
14	Net production revenue				$ -	$ -	$ -	$ 207,625	$ 482,170	$ 803,144	$ 1,448,388	$ 1,123,449	$ 869,377	$ 648,309	$ 541,821
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ -	$ 207,625	$ 482,170	$ 803,144	$ 1,448,388	$ 1,123,449	$ 869,377	$ 648,309	$ 541,821
18															
19															
20	Less: Income taxes		Schedule 1 - 2.8		-	-	-	-	(13,170)	(101,449)	(204,772)	(208,454)	(173,832)	(131,883)	(115,447)
21	After-tax cash flows				$ -	$ -	$ -	$ 207,625	$ 468,999	$ 701,695	$ 1,243,616	$ 914,995	$ 695,545	$ 516,426	$ 426,374
22															
23	Less: Capital expenditures	[1]			-	(18,852)	(84,749)	(229,359)	(499,947)	(632,255)	(1,060,438)	(125,389)	-	-	-
24	**Free cash flows**				**$ -**	**$ (18,852)**	**$ (84,749)**	**$ (21,734)**	**$ (30,948)**	**$ 69,439**	**$ 183,178**	**$ 789,607**	**$ 695,545**	**$ 516,426**	**$ 426,374**
25															
26															
27	**Low**														
28	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
30	Present value factor at		Schedule 1 - 4.4	37.9%	*0.96*	*0.79*	*0.57*	*0.41*	*0.30*	*0.22*	*0.16*	*0.11*	*0.08*	*0.06*	*0.04*
31	**Net present value of free cash flows**				**$ -**	**$ (14,803)**	**$ (48,249)**	**$ (8,971)**	**$ (9,262)**	**$ 15,068**	**$ 28,820**	**$ 90,074**	**$ 57,528**	**$ 30,969**	**$ 18,539**
32															
33															
34	**High**														
35	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
37	Present value factor at		Schedule 1 - 4.4	35.3%	*0.96*	*0.80*	*0.59*	*0.44*	*0.32*	*0.24*	*0.18*	*0.13*	*0.10*	*0.07*	*0.05*
38	**Net present value of free cash flows**				**$ -**	**$ (15,022)**	**$ (49,923)**	**$ (9,465)**	**$ (9,964)**	**$ 16,529**	**$ 32,235**	**$ 102,727**	**$ 66,899**	**$ 36,722**	**$ 22,414**
39															
40															
41				**Low**	**Mid**	**High**									
42															
43	Sum of the net present value of free cash flows			$ 193,227	$ 214,697	$ 236,166									
44	**Fair market value of contingent resources before G&A expenses**			**$ 193,227**	**$ 214,697**	**$ 236,166**									
45															
46	Total contingent resources (Mmcf)			2,771,772	2,771,772	2,771,772									
47															
48	**Value metric before G&A expenses ($/Mcf)**			**$ 0.07**	**$ 0.08**	**$ 0.09**									

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	Price														
2	Natural gas ($/mcf)	[1]			$ 5.92	$ 6.05	$ 6.18	$ 6.30	$ 6.42	$ 6.55	$ 6.68	$ 6.81	$ 6.95	$ 7.09	$ 7.23
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			108,958	96,374	86,768	79,349	72,865	67,556	62,888	58,776	54,649	50,956	47,514
6															
7	Sales revenue														
8	Natural gas	[1]			$ 645,404	$ 583,172	$ 536,157	$ 499,541	$ 467,898	$ 442,486	$ 420,145	$ 400,527	$ 379,852	$ 361,271	$ 343,600
9															
10															
11	Less: Royalty burdens	[1]			(68,988)	(62,338)	(57,314)	(53,401)	(50,019)	(47,302)	(44,914)	(42,817)	(40,606)	(38,620)	(36,731)
12	Less: Operating expenses	[1]			(102,220)	(96,424)	(92,248)	(89,283)	(86,782)	(84,937)	(83,423)	(82,205)	(80,896)	(79,817)	(78,850)
13	Less: Net profits interest burden	[1]			(5,551)	(5,049)	(4,653)	(4,333)	(4,045)	(3,803)	(3,580)	(3,379)	(3,167)	(2,974)	(2,790)
14	Net production revenue				$ 468,645	$ 419,362	$ 381,943	$ 352,524	$ 327,052	$ 306,444	$ 288,228	$ 272,126	$ 255,183	$ 239,860	$ 225,229
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 468,645	$ 419,362	$ 381,943	$ 352,524	$ 327,052	$ 306,444	$ 288,228	$ 272,126	$ 255,183	$ 239,860	$ 225,229
18															
19															
20	Less: Income taxes		Schedule 1 - 2.8		(104,346)	(97,127)	(91,325)	(86,429)	(81,724)	(77,710)	(73,908)	(70,369)	(66,393)	(62,700)	(59,084)
21	After-tax cash flows				$ 364,299	$ 322,235	$ 290,618	$ 266,095	$ 245,329	$ 228,734	$ 214,320	$ 201,757	$ 188,790	$ 177,160	$ 166,145
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 364,299**	**$ 322,235**	**$ 290,618**	**$ 266,095**	**$ 245,329**	**$ 228,734**	**$ 214,320**	**$ 201,757**	**$ 188,790**	**$ 177,160**	**$ 166,145**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
30	Present value factor at		Schedule 1 - 4.4	37.9%	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 11,485**	**$ 7,365**	**$ 4,816**	**$ 3,197**	**$ 2,137**	**$ 1,445**	**$ 982**	**$ 670**	**$ 455**	**$ 309**	**$ 210**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
37	Present value factor at		Schedule 1 - 4.4	35.3%	*0.04*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 14,158**	**$ 9,259**	**$ 6,173**	**$ 4,179**	**$ 2,848**	**$ 1,963**	**$ 1,360**	**$ 947**	**$ 655**	**$ 454**	**$ 315**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.38	$ 7.52	$ 7.67	$ 7.83	$ 7.98	$ 8.14	$ 8.31	$ 8.47	$ 8.64	$ 8.82	$ 8.99
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			44,421	41,302	38,512	35,910	33,572	31,215	29,106	27,140	25,373	23,592	21,998
6															
7	Sales revenue														
8	Natural gas	[1]			$ 327,656	$ 310,749	$ 295,549	$ 281,092	$ 268,049	$ 254,217	$ 241,783	$ 229,956	$ 219,286	$ 207,970	$ 197,797
9															
10															
11	Less: Royalty burdens	[1]			(35,027)	(33,219)	(31,594)	(30,049)	(28,655)	(27,176)	(25,847)	(24,582)	(23,442)	(22,232)	(21,145)
12	Less: Operating expenses	[1]			(78,076)	(77,222)	(76,561)	(75,994)	(75,591)	(75,127)	(74,825)	(74,606)	(74,525)	(74,398)	(74,410)
13	Less: Net profits interest burden	[1]			(2,623)	(2,446)	(2,285)	(2,132)	(1,992)	(1,844)	(1,709)	(1,581)	(1,463)	(1,339)	(1,225)
14	Net production revenue				$ 211,931	$ 197,862	$ 185,109	$ 172,917	$ 161,811	$ 150,071	$ 139,401	$ 129,187	$ 119,856	$ 110,001	$ 101,017
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 211,931	$ 197,862	$ 185,109	$ 172,917	$ 161,811	$ 150,071	$ 139,401	$ 129,187	$ 119,856	$ 110,001	$ 101,017
18															
19															
20	Less: Income taxes		Schedule 1 - 2.8		(55,748)	(52,152)	(48,869)	(45,707)	(42,814)	(39,737)	(36,934)	(34,245)	(31,785)	(29,179)	(26,803)
21	After-tax cash flows				$ 156,183	$ 145,710	$ 136,240	$ 127,210	$ 118,997	$ 110,334	$ 102,467	$ 94,942	$ 88,071	$ 80,821	$ 74,214
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 156,183**	**$ 145,710**	**$ 136,240**	**$ 127,210**	**$ 118,997**	**$ 110,334**	**$ 102,467**	**$ 94,942**	**$ 88,071**	**$ 80,821**	**$ 74,214**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
30	Present value factor at		Schedule 1 - 4.4	37.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 143**	**$ 97**	**$ 66**	**$ 44**	**$ 30**	**$ 20**	**$ 14**	**$ 9**	**$ 6**	**$ 4**	**$ 3**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
37	Present value factor at		Schedule 1 - 4.4	35.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 219**	**$ 151**	**$ 104**	**$ 72**	**$ 50**	**$ 34**	**$ 23**	**$ 16**	**$ 11**	**$ 7**	**$ 5**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.17	$ 9.35	$ 9.54	$ 9.73	$ 9.93	$ 10.13	$ 10.33	$ 10.54	$ 10.75	$ 10.96	$ 11.18
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			20,512	19,177	17,830	16,626	15,502	14,493	13,476	12,565	11,716	10,954	10,023
6															
7	Sales revenue														
8	Natural gas	[1]			$ 188,122	$ 179,393	$ 170,136	$ 161,814	$ 153,899	$ 146,758	$ 139,185	$ 132,377	$ 125,902	$ 120,060	$ 112,047
9															
10															
11	Less: Royalty burdens	[1]			(20,110)	(19,177)	(18,188)	(17,298)	(16,452)	(15,689)	(14,879)	(14,151)	(13,459)	(12,834)	(11,974)
12	Less: Operating expenses	[1]			(74,495)	(74,698)	(74,869)	(75,159)	(75,513)	(75,971)	(76,408)	(76,949)	(77,548)	(78,238)	(77,420)
13	Less: Net profits interest burden	[1]			(1,117)	(1,017)	(911)	(815)	(722)	(637)	(547)	(464)	(384)	(310)	(228)
14	Net production revenue				$ 92,401	$ 84,502	$ 76,168	$ 68,542	$ 61,211	$ 54,462	$ 47,351	$ 40,813	$ 34,511	$ 28,678	$ 22,425
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 92,401	$ 84,502	$ 76,168	$ 68,542	$ 61,211	$ 54,462	$ 47,351	$ 40,813	$ 34,511	$ 28,678	$ 22,425
18															
19															
20	Less: Income taxes		Schedule 1 - 2.8		(24,522)	(22,429)	(20,218)	(18,195)	(16,249)	(14,456)	(12,566)	(10,829)	(9,153)	(7,602)	(5,938)
21	After-tax cash flows				$ 67,879	$ 62,073	$ 55,950	$ 50,347	$ 44,963	$ 40,005	$ 34,784	$ 29,984	$ 25,358	$ 21,076	$ 16,487
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 67,879**	**$ 62,073**	**$ 55,950**	**$ 50,347**	**$ 44,963**	**$ 40,005**	**$ 34,784**	**$ 29,984**	**$ 25,358**	**$ 21,076**	**$ 16,487**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
30	Present value factor at		Schedule 1 - 4.4	37.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 2**	**$ 1**	**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
37	Present value factor at		Schedule 1 - 4.4	35.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 3**	**$ 2**	**$ 2**	**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.40	$ 11.63	$ 11.86	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			8,592	6,491	3,937	842	210	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 97,970	$ 75,490	$ 46,690	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(10,459)	(8,045)	(4,987)	(1,094)	(279)	-	-	-	-	-	-
12	Less: Operating expenses	[1]			(70,950)	(56,836)	(36,330)	(8,025)	(2,088)	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(146)	(72)	(26)	-	-	-	-	-	-	-	-
14	Net production revenue				$ 16,415	$ 10,537	$ 5,347	$ (9,119)	$ (2,366)	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	(8,862)	(23,583)	(18,879)	(49,185)	(44,381)	(7,326)	-
17	Operating income				$ 16,415	$ 10,537	$ 5,347	$ (9,119)	$ (11,228)	$ (23,583)	$ (18,879)	$ (49,185)	$ (44,381)	$ (7,326)	$ -
18															
19															
20	Less: Income taxes		Schedule 1 - 2.8		(4,338)	(2,773)	(1,392)	2,467	3,027	1,137	-	-	-	-	-
21	After-tax cash flows				$ 12,077	$ 7,763	$ 3,955	$ (6,652)	$ (8,201)	$ (22,446)	$ (18,879)	$ (49,185)	$ (44,381)	$ (7,326)	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 12,077**	**$ 7,763**	**$ 3,955**	**$ (6,652)**	**$ (8,201)**	**$ (22,446)**	**$ (18,879)**	**$ (49,185)**	**$ (44,381)**	**$ (7,326)**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
30	Present value factor at		Schedule 1 - 4.4	37.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
37	Present value factor at		Schedule 1 - 4.4	35.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.8

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.7	$ -	$ -	$ -	$ 207,625	$ 482,170	$ 803,144	$ 1,448,388	$ 1,123,449	$ 869,377	$ 648,309	$ 541,821
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(17,176)	(15,458)	(13,912)	(12,521)	(11,269)	(10,142)	(9,128)	(8,215)	(7,394)	(6,654)	(5,989)
6	Class 41				(5,367)	(9,393)	(7,045)	(5,284)	(3,963)	(2,972)	(2,229)	(1,672)	(1,254)	(940)	(705)
7	CDE				-	-	-	(47,471)	(125,926)	(221,148)	(388,439)	(299,532)	(209,673)	(146,771)	(102,740)
8	CEE				-	(18,852)	(84,749)	(71,122)	(190,960)	(188,923)	(281,655)	(33,303)	-	-	-
9	Taxable income before non-capital losses				$ (22,543)	$ (43,704)	$ (105,706)	$ 71,228	$ 150,052	$ 379,959	$ 766,938	$ 780,726	$ 651,057	$ 493,943	$ 432,387
10															
11	Less: Loss carry forward claimed				-	-	-	(71,228)	(100,725)	-	-	-	-	-	-
12	Taxable income				$ (22,543)	$ (43,704)	$ (105,706)	$ -	$ 49,327	$ 379,959	$ 766,938	$ 780,726	$ 651,057	$ 493,943	$ 432,387
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ 13,170**	**$ 101,449**	**$ 204,772**	**$ 208,454**	**$ 173,832**	**$ 131,883**	**$ 115,447**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 22,543	$ 66,247	$ 171,952	$ 100,725	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				22,543	43,704	105,706	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	(71,228)	(100,725)	-	-	-	-	-	-
23	Tax loss pool				$ 22,543	$ 66,247	$ 171,952	$ 100,725	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 22,543	$ 66,247	$ 171,952	$ 100,725	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 214,697	[4]	80.0%	$ 171,757	$ 154,582	$ 139,123	$ 125,211	$ 112,690	$ 101,421	$ 91,279	$ 82,151	$ 73,936	$ 66,542	$ 59,888
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 171,757	$ 154,582	$ 139,123	$ 125,211	$ 112,690	$ 101,421	$ 91,279	$ 82,151	$ 73,936	$ 66,542	$ 59,888
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 17,176	$ 15,458	$ 13,912	$ 12,521	$ 11,269	$ 10,142	$ 9,128	$ 8,215	$ 7,394	$ 6,654	$ 5,989
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 17,176	$ 15,458	$ 13,912	$ 12,521	$ 11,269	$ 10,142	$ 9,128	$ 8,215	$ 7,394	$ 6,654	$ 5,989
36	Ending balance		[2]		$ 154,582	$ 139,123	$ 125,211	$ 112,690	$ 101,421	$ 91,279	$ 82,151	$ 73,936	$ 66,542	$ 59,888	$ 53,899
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 214,697	[4]	20.0%	$ 42,939	$ 37,572	$ 28,179	$ 21,134	$ 15,851	$ 11,888	$ 8,916	$ 6,687	$ 5,015	$ 3,761	$ 2,821
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 42,939	$ 37,572	$ 28,179	$ 21,134	$ 15,851	$ 11,888	$ 8,916	$ 6,687	$ 5,015	$ 3,761	$ 2,821
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 5,367	$ 9,393	$ 7,045	$ 5,284	$ 3,963	$ 2,972	$ 2,229	$ 1,672	$ 1,254	$ 940	$ 705
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 5,367	$ 9,393	$ 7,045	$ 5,284	$ 3,963	$ 2,972	$ 2,229	$ 1,672	$ 1,254	$ 940	$ 705
47	Ending balance		[2]		$ 37,572	$ 28,179	$ 21,134	$ 15,851	$ 11,888	$ 8,916	$ 6,687	$ 5,015	$ 3,761	$ 2,821	$ 2,116
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 214,697	[4]	0.0%	$ -	$ -	$ -	$ -	$ 110,766	$ 293,828	$ 516,012	$ 906,357	$ 698,909	$ 489,236	$ 342,465
52	Additions		[5]		-	-	-	158,237	308,987	443,333	778,783	92,085	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ 158,237	$ 419,754	$ 737,160	$ 1,294,795	$ 998,442	$ 698,909	$ 489,236	$ 342,465
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ 33,230	$ 88,148	$ 154,804	$ 271,907	$ 209,673	$ 146,771	$ 102,740
56	Claim on current year additions				-	-	-	47,471	92,696	133,000	233,635	27,626	-	-	-
57	Claim				$ -	$ -	$ -	$ 47,471	$ 125,926	$ 221,148	$ 388,439	$ 299,532	$ 209,673	$ 146,771	$ 102,740
58	Ending balance		[2]		$ -	$ -	$ -	$ 110,766	$ 293,828	$ 516,012	$ 906,357	$ 698,909	$ 489,236	$ 342,465	$ 239,726
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 214,697	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	18,852	84,749	71,122	190,960	188,923	281,655	33,303	-	-	-
64	Total balance before claim				$ -	$ 18,852	$ 84,749	$ 71,122	$ 190,960	$ 188,923	$ 281,655	$ 33,303	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	18,852	84,749	71,122	190,960	188,923	281,655	33,303	-	-	-
68	Claim				$ -	$ 18,852	$ 84,749	$ 71,122	$ 190,960	$ 188,923	$ 281,655	$ 33,303	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
						For the years ending December 31,									
			Notes	Reference	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.7	$ 468,645	$ 419,362	$ 381,943	$ 352,524	$ 327,052	$ 306,444	$ 288,228	$ 272,126	$ 255,183	$ 239,860	$ 225,229
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(5,390)	(4,851)	(4,366)	(3,929)	(3,536)	(3,183)	(2,864)	(2,578)	(2,320)	(2,088)	(1,879)
6	Class 41				(529)	(397)	(298)	(223)	(167)	(126)	(94)	(71)	(53)	(40)	(30)
7	CDE				(71,918)	(50,342)	(35,240)	(24,668)	(17,267)	(12,087)	(8,461)	(5,923)	(4,146)	(2,902)	(2,031)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 390,809	$ 363,772	$ 342,039	$ 323,704	$ 306,081	$ 291,048	$ 276,808	$ 263,554	$ 248,664	$ 234,830	$ 221,289
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 390,809	$ 363,772	$ 342,039	$ 323,704	$ 306,081	$ 291,048	$ 276,808	$ 263,554	$ 248,664	$ 234,830	$ 221,289
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 104,346**	**$ 97,127**	**$ 91,325**	**$ 86,429**	**$ 81,724**	**$ 77,710**	**$ 73,908**	**$ 70,369**	**$ 66,393**	**$ 62,700**	**$ 59,084**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 214,697	[4]	80.0%	$ 53,899	$ 48,509	$ 43,658	$ 39,293	$ 35,363	$ 31,827	$ 28,644	$ 25,780	$ 23,202	$ 20,882	$ 18,794
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 53,899	$ 48,509	$ 43,658	$ 39,293	$ 35,363	$ 31,827	$ 28,644	$ 25,780	$ 23,202	$ 20,882	$ 18,794
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 5,390	$ 4,851	$ 4,366	$ 3,929	$ 3,536	$ 3,183	$ 2,864	$ 2,578	$ 2,320	$ 2,088	$ 1,879
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 5,390	$ 4,851	$ 4,366	$ 3,929	$ 3,536	$ 3,183	$ 2,864	$ 2,578	$ 2,320	$ 2,088	$ 1,879
36	Ending balance		[2]		$ 48,509	$ 43,658	$ 39,293	$ 35,363	$ 31,827	$ 28,644	$ 25,780	$ 23,202	$ 20,882	$ 18,794	$ 16,914
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 214,697	[4]	20.0%	$ 2,116	$ 1,587	$ 1,190	$ 893	$ 669	$ 502	$ 377	$ 282	$ 212	$ 159	$ 119
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 2,116	$ 1,587	$ 1,190	$ 893	$ 669	$ 502	$ 377	$ 282	$ 212	$ 159	$ 119
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 529	$ 397	$ 298	$ 223	$ 167	$ 126	$ 94	$ 71	$ 53	$ 40	$ 30
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 529	$ 397	$ 298	$ 223	$ 167	$ 126	$ 94	$ 71	$ 53	$ 40	$ 30
47	Ending balance		[2]		$ 1,587	$ 1,190	$ 893	$ 669	$ 502	$ 377	$ 282	$ 212	$ 159	$ 119	$ 89
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 214,697	[4]	0.0%	$ 239,726	$ 167,808	$ 117,466	$ 82,226	$ 57,558	$ 40,291	$ 28,204	$ 19,742	$ 13,820	$ 9,674	$ 6,772
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 239,726	$ 167,808	$ 117,466	$ 82,226	$ 57,558	$ 40,291	$ 28,204	$ 19,742	$ 13,820	$ 9,674	$ 6,772
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 71,918	$ 50,342	$ 35,240	$ 24,668	$ 17,267	$ 12,087	$ 8,461	$ 5,923	$ 4,146	$ 2,902	$ 2,031
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 71,918	$ 50,342	$ 35,240	$ 24,668	$ 17,267	$ 12,087	$ 8,461	$ 5,923	$ 4,146	$ 2,902	$ 2,031
58	Ending balance		[2]		$ 167,808	$ 117,466	$ 82,226	$ 57,558	$ 40,291	$ 28,204	$ 19,742	$ 13,820	$ 9,674	$ 6,772	$ 4,740
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 214,697	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.8

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.7	$ 211,931	$ 197,862	$ 185,109	$ 172,917	$ 161,811	$ 150,071	$ 139,401	$ 129,187	$ 119,856	$ 110,001	$ 101,017
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,691)	(1,522)	(1,370)	(1,233)	(1,110)	(999)	(899)	(809)	(728)	(655)	(590)
6	Class 41				(22)	(17)	(13)	(9)	(7)	(5)	(4)	(3)	(2)	(2)	(1)
7	CDE				(1,422)	(995)	(697)	(488)	(341)	(239)	(167)	(117)	(82)	(57)	(40)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 208,795	$ 195,327	$ 183,029	$ 171,187	$ 160,353	$ 148,827	$ 138,331	$ 128,258	$ 119,044	$ 109,286	$ 100,386
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 208,795	$ 195,327	$ 183,029	$ 171,187	$ 160,353	$ 148,827	$ 138,331	$ 128,258	$ 119,044	$ 109,286	$ 100,386
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 55,748**	**$ 52,152**	**$ 48,869**	**$ 45,707**	**$ 42,814**	**$ 39,737**	**$ 36,934**	**$ 34,245**	**$ 31,785**	**$ 29,179**	**$ 26,803**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 214,697	[4]	80.0%	$ 16,914	$ 15,223	$ 13,700	$ 12,330	$ 11,097	$ 9,988	$ 8,989	$ 8,090	$ 7,281	$ 6,553	$ 5,898
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 16,914	$ 15,223	$ 13,700	$ 12,330	$ 11,097	$ 9,988	$ 8,989	$ 8,090	$ 7,281	$ 6,553	$ 5,898
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,691	$ 1,522	$ 1,370	$ 1,233	$ 1,110	$ 999	$ 899	$ 809	$ 728	$ 655	$ 590
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,691	$ 1,522	$ 1,370	$ 1,233	$ 1,110	$ 999	$ 899	$ 809	$ 728	$ 655	$ 590
36	Ending balance		[2]		$ 15,223	$ 13,700	$ 12,330	$ 11,097	$ 9,988	$ 8,989	$ 8,090	$ 7,281	$ 6,553	$ 5,898	$ 5,308
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 214,697	[4]	20.0%	$ 89	$ 67	$ 50	$ 38	$ 28	$ 21	$ 16	$ 12	$ 9	$ 7	$ 5
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 89	$ 67	$ 50	$ 38	$ 28	$ 21	$ 16	$ 12	$ 9	$ 7	$ 5
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 22	$ 17	$ 13	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 22	$ 17	$ 13	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1
47	Ending balance		[2]		$ 67	$ 50	$ 38	$ 28	$ 21	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 214,697	[4]	0.0%	$ 4,740	$ 3,318	$ 2,323	$ 1,626	$ 1,138	$ 797	$ 558	$ 390	$ 273	$ 191	$ 134
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 4,740	$ 3,318	$ 2,323	$ 1,626	$ 1,138	$ 797	$ 558	$ 390	$ 273	$ 191	$ 134
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1,422	$ 995	$ 697	$ 488	$ 341	$ 239	$ 167	$ 117	$ 82	$ 57	$ 40
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 1,422	$ 995	$ 697	$ 488	$ 341	$ 239	$ 167	$ 117	$ 82	$ 57	$ 40
58	Ending balance		[2]		$ 3,318	$ 2,323	$ 1,626	$ 1,138	$ 797	$ 558	$ 390	$ 273	$ 191	$ 134	$ 94
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 214,697	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.8

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.7	$ 92,401	$ 84,502	$ 76,168	$ 68,542	$ 61,211	$ 54,462	$ 47,351	$ 40,813	$ 34,511	$ 28,678	$ 22,425
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(531)	(478)	(430)	(387)	(348)	(313)	(282)	(254)	(228)	(206)	(185)
6	Class 41				(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(28)	(20)	(14)	(10)	(7)	(5)	(3)	(2)	(2)	(1)	(1)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 91,841	$ 84,003	$ 75,724	$ 68,145	$ 60,856	$ 54,143	$ 47,065	$ 40,557	$ 34,281	$ 28,471	$ 22,239
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 91,841	$ 84,003	$ 75,724	$ 68,145	$ 60,856	$ 54,143	$ 47,065	$ 40,557	$ 34,281	$ 28,471	$ 22,239
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 24,522**	**$ 22,429**	**$ 20,218**	**$ 18,195**	**$ 16,249**	**$ 14,456**	**$ 12,566**	**$ 10,829**	**$ 9,153**	**$ 7,602**	**$ 5,938**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 214,697	[4]	80.0%	$ 5,308	$ 4,777	$ 4,299	$ 3,869	$ 3,482	$ 3,134	$ 2,821	$ 2,539	$ 2,285	$ 2,056	$ 1,851
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 5,308	$ 4,777	$ 4,299	$ 3,869	$ 3,482	$ 3,134	$ 2,821	$ 2,539	$ 2,285	$ 2,056	$ 1,851
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 531	$ 478	$ 430	$ 387	$ 348	$ 313	$ 282	$ 254	$ 228	$ 206	$ 185
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 531	$ 478	$ 430	$ 387	$ 348	$ 313	$ 282	$ 254	$ 228	$ 206	$ 185
36	Ending balance		[2]		$ 4,777	$ 4,299	$ 3,869	$ 3,482	$ 3,134	$ 2,821	$ 2,539	$ 2,285	$ 2,056	$ 1,851	$ 1,666
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 214,697	[4]	20.0%	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 214,697	[4]	0.0%	$ 94	$ 66	$ 46	$ 32	$ 23	$ 16	$ 11	$ 8	$ 5	$ 4	$ 3
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 94	$ 66	$ 46	$ 32	$ 23	$ 16	$ 11	$ 8	$ 5	$ 4	$ 3
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 28	$ 20	$ 14	$ 10	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 28	$ 20	$ 14	$ 10	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1
58	Ending balance		[2]		$ 66	$ 46	$ 32	$ 23	$ 16	$ 11	$ 8	$ 5	$ 4	$ 3	$ 2
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 214,697	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.8

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	Reference	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.7	$ 16,415	$ 10,537	$ 5,347	$ (9,119)	$ (11,228)	$ (23,583)	$ (18,879)	$ (49,185)	$ (44,381)	$ (7,326)	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(167)	(150)	(135)	(121)	(109)	(98)	(89)	(80)	(72)	(65)	(58)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 16,248	$ 10,386	$ 5,212	$ (9,240)	$ (11,338)	$ (23,681)	$ (18,968)	$ (49,265)	$ (44,453)	$ (7,391)	$ (58)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 16,248	$ 10,386	$ 5,212	$ (9,240)	$ (11,338)	$ (23,681)	$ (18,968)	$ (49,265)	$ (44,453)	$ (7,391)	$ (58)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 4,338**	**$ 2,773**	**$ 1,392**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ (9,240)	$ (11,338)	$ (4,260)	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ (2,467)**	**$ (3,027)**	**$ (1,137)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 19,421	$ 38,389	$ 87,654	$ 132,107	$ 139,498
21	Additions				-	-	-	9,240	11,338	23,681	18,968	49,265	44,453	7,391	58
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ 9,240	$ 11,338	$ 23,681	$ 38,389	$ 87,654	$ 132,107	$ 139,498	$ 139,556
24	Less: Loss carry back claimed				-	-	-	(9,240)	(11,338)	(4,260)	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ 19,421	$ 38,389	$ 87,654	$ 132,107	$ 139,498	$ 139,556
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 214,697	[4]	80.0%	$ 1,666	$ 1,499	$ 1,349	$ 1,214	$ 1,093	$ 984	$ 885	$ 797	$ 717	$ 645	$ 581
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,666	$ 1,499	$ 1,349	$ 1,214	$ 1,093	$ 984	$ 885	$ 797	$ 717	$ 645	$ 581
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 167	$ 150	$ 135	$ 121	$ 109	$ 98	$ 89	$ 80	$ 72	$ 65	$ 58
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 167	$ 150	$ 135	$ 121	$ 109	$ 98	$ 89	$ 80	$ 72	$ 65	$ 58
36	Ending balance		[2]		$ 1,499	$ 1,349	$ 1,214	$ 1,093	$ 984	$ 885	$ 797	$ 717	$ 645	$ 581	$ 523
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 214,697	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 214,697	[4]	0.0%	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Depreciation claim allowance*	Schedule 1 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 214,697	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.9

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ 5.45	$ 5.51	$ 5.57	$ 5.65	$ 5.71	$ 5.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	25,626	55,572	72,796	111,208	177,035	233,279
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ 139,675	$ 306,150	$ 405,711	$ 628,579	$ 1,010,227	$ 1,357,880
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	(16,766)	(35,324)	(45,950)	(71,678)	(115,180)	(153,195)
12	Less: Operating expenses	[1]			-	-	-	-	-	(14,990)	(34,154)	(46,914)	(73,525)	(119,716)	(163,281)
13	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ 107,919	$ 236,672	$ 312,847	$ 483,376	$ 775,331	$ 1,041,404
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ -	$ -	$ -	$ -	$ -	$ 107,919	$ 236,672	$ 312,847	$ 483,376	$ 775,331	$ 1,041,404
17															
18															
19	Less: Income taxes		Schedule 1 - 2.10		-	-	-	-	-	-	-	(36,363)	(61,992)	(104,652)	(159,279)
20	After-tax cash flows				$ -	$ -	$ -	$ -	$ -	$ 107,919	$ 236,672	$ 276,485	$ 421,384	$ 670,679	$ 882,124
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	(173,559)	(177,030)	(180,571)	(368,364)	(563,597)	(574,869)
23	**Free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (65,640)**	**$ 59,642**	**$ 95,914**	**$ 53,020**	**$ 107,082**	**$ 307,256**
24															
25															
26	**Low**														
27	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
29	Present value factor at		Schedule 1 - 4.5	29.8%	*0.97*	*0.82*	*0.63*	*0.49*	*0.38*	*0.29*	*0.22*	*0.17*	*0.13*	*0.10*	*0.08*
30	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (19,015)**	**$ 13,312**	**$ 16,494**	**$ 7,025**	**$ 10,932**	**$ 24,169**
31															
32															
33	**High**														
34	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
36	Present value factor at		Schedule 1 - 4.5	28.0%	*0.97*	*0.83*	*0.65*	*0.51*	*0.40*	*0.31*	*0.24*	*0.19*	*0.15*	*0.12*	*0.09*
37	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (20,308)**	**$ 14,416**	**$ 18,111**	**$ 7,822**	**$ 12,341**	**$ 27,664**
38															
39															
40				**Low**		**Mid**		**High**							
41															
42	Sum of the net present value of free cash flows			$ 270,941		$ 301,045		$ 331,150							
44	**Fair market value of prospective resources before G&A expenses**			**$ 270,941**		**$ 301,045**		**$ 331,150**							
45															
46	Total prospective resources (Mmcf)			12,571,112		12,571,112		12,571,112							
47															
48	**Value metric pre G&A ($/Mcf)**			**$ 0.02**		**$ 0.02**		**$ 0.03**							

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.9

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	Price														
2	Natural gas ($/mcf)	[1]			$ 5.92	$ 6.05	$ 6.18	$ 6.30	$ 6.42	$ 6.55	$ 6.68	$ 6.81	$ 6.95	$ 7.09	$ 7.23
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			296,177	355,964	398,438	433,905	462,878	489,381	487,610	480,428	482,042	487,869	494,829
6															
7	Sales revenue														
8	Natural gas	[1]			$ 1,754,568	$ 2,154,139	$ 2,462,169	$ 2,731,784	$ 2,972,476	$ 3,205,514	$ 3,257,709	$ 3,273,947	$ 3,350,663	$ 3,458,997	$ 3,578,506
9															
10															
11	Less: Royalty burdens	[1]			(197,629)	(241,284)	(274,314)	(303,233)	(329,094)	(354,146)	(357,625)	(358,554)	(366,921)	(378,655)	(391,584)
12	Less: Operating expenses	[1]			(213,855)	(265,784)	(308,717)	(348,717)	(385,911)	(422,781)	(440,141)	(452,719)	(471,915)	(494,765)	(519,182)
13	Net production revenue				$ 1,343,084	$ 1,647,071	$ 1,879,138	$ 2,079,834	$ 2,257,471	$ 2,428,586	$ 2,459,943	$ 2,462,675	$ 2,511,827	$ 2,585,576	$ 2,667,740
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 1,343,084	$ 1,647,071	$ 1,879,138	$ 2,079,834	$ 2,257,471	$ 2,428,586	$ 2,459,943	$ 2,462,675	$ 2,511,827	$ 2,585,576	$ 2,667,740
17															
18															
19	Less: Income taxes		Schedule 1 - 2.10		(202,102)	(265,151)	(313,182)	(355,735)	(394,130)	(432,152)	(462,344)	(466,588)	(481,102)	(500,672)	(521,406)
20	After-tax cash flows				$ 1,140,982	$ 1,381,921	$ 1,565,956	$ 1,724,099	$ 1,863,341	$ 1,996,434	$ 1,997,599	$ 1,996,086	$ 2,030,725	$ 2,084,904	$ 2,146,334
21															
22	Less: Capital expenditures	[1]			(781,821)	(797,458)	(813,407)	(829,675)	(846,269)	(863,194)	(660,343)	(673,550)	(687,021)	(700,762)	(714,777)
23	**Free cash flows**				**$ 359,161**	**$ 584,463**	**$ 752,549**	**$ 894,424**	**$ 1,017,072**	**$ 1,133,240**	**$ 1,337,255**	**$ 1,322,536**	**$ 1,343,703**	**$ 1,384,142**	**$ 1,431,557**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
29	Present value factor at		Schedule 1 - 4.5	29.8%	*0.06*	*0.05*	*0.04*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*
30	**Net present value of free cash flows**				**$ 21,768**	**$ 27,293**	**$ 27,077**	**$ 24,796**	**$ 21,725**	**$ 18,651**	**$ 16,957**	**$ 12,922**	**$ 10,115**	**$ 8,028**	**$ 6,398**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
36	Present value factor at		Schedule 1 - 4.5	28.0%	*0.07*	*0.05*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*
37	**Net present value of free cash flows**				**$ 25,264**	**$ 32,118**	**$ 32,308**	**$ 29,999**	**$ 26,650**	**$ 23,198**	**$ 21,386**	**$ 16,523**	**$ 13,115**	**$ 10,555**	**$ 8,528**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.9

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.38	$ 7.52	$ 7.67	$ 7.83	$ 7.98	$ 8.14	$ 8.31	$ 8.47	$ 8.64	$ 8.82	$ 8.99
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			477,580	453,894	443,843	437,989	435,178	431,547	429,727	428,333	376,892	315,135	279,749
6															
7	Sales revenue														
8	Natural gas	[1]			$ 3,522,741	$ 3,415,045	$ 3,406,222	$ 3,428,526	$ 3,474,638	$ 3,514,577	$ 3,569,755	$ 3,629,333	$ 3,257,120	$ 2,777,967	$ 2,515,368
9															
10															
11	Less: Royalty burdens	[1]			(383,287)	(370,873)	(370,084)	(372,611)	(377,673)	(382,082)	(388,116)	(394,621)	(349,142)	(295,576)	(267,635)
12	Less: Operating expenses	[1]			(524,457)	(523,104)	(532,234)	(544,900)	(560,353)	(575,532)	(592,637)	(610,566)	(580,857)	(536,476)	(514,450)
13	Net production revenue				$ 2,614,996	$ 2,521,068	$ 2,503,903	$ 2,511,015	$ 2,536,612	$ 2,556,962	$ 2,589,002	$ 2,624,145	$ 2,327,121	$ 1,945,915	$ 1,733,282
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 2,614,996	$ 2,521,068	$ 2,503,903	$ 2,511,015	$ 2,536,612	$ 2,556,962	$ 2,589,002	$ 2,624,145	$ 2,327,121	$ 1,945,915	$ 1,733,282
17															
18															
19	Less: Income taxes		Schedule 1 - 2.10		(536,868)	(519,869)	(520,151)	(524,647)	(532,473)	(537,757)	(545,345)	(553,172)	(545,764)	(466,601)	(425,666)
20	After-tax cash flows				$ 2,078,128	$ 2,001,198	$ 1,983,752	$ 1,986,368	$ 2,004,139	$ 2,019,205	$ 2,043,656	$ 2,070,973	$ 1,781,357	$ 1,479,315	$ 1,307,616
21															
22	Less: Capital expenditures	[1]			(486,048)	(495,769)	(505,685)	(515,798)	(526,114)	(536,637)	(547,369)	(558,317)	-	-	-
23	**Free cash flows**				**$ 1,592,079**	**$ 1,505,429**	**$ 1,478,067**	**$ 1,470,570**	**$ 1,478,024**	**$ 1,482,568**	**$ 1,496,287**	**$ 1,512,656**	**$ 1,781,357**	**$ 1,479,315**	**$ 1,307,616**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
29	Present value factor at		Schedule 1 - 4.5	29.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 5,482**	**$ 3,994**	**$ 3,021**	**$ 2,316**	**$ 1,794**	**$ 1,386**	**$ 1,078**	**$ 840**	**$ 762**	**$ 487**	**$ 332**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
36	Present value factor at		Schedule 1 - 4.5	28.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 7,410**	**$ 5,474**	**$ 4,198**	**$ 3,263**	**$ 2,562**	**$ 2,008**	**$ 1,583**	**$ 1,250**	**$ 1,150**	**$ 746**	**$ 515**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.9

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.17	$ 9.35	$ 9.54	$ 9.73	$ 9.93	$ 10.13	$ 10.33	$ 10.54	$ 10.75	$ 10.96	$ 11.18
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			253,455	232,752	213,998	198,179	184,065	171,739	159,555	148,748	138,697	129,668	120,565
6															
7	Sales revenue														
8	Natural gas	[1]			$ 2,324,532	$ 2,177,349	$ 2,041,956	$ 1,928,833	$ 1,827,298	$ 1,739,025	$ 1,647,965	$ 1,567,073	$ 1,490,410	$ 1,421,252	$ 1,347,913
9															
10															
11	Less: Royalty burdens	[1]			(247,330)	(231,670)	(217,264)	(205,228)	(194,424)	(185,032)	(175,343)	(166,737)	(158,580)	(151,221)	(143,418)
12	Less: Operating expenses	[1]			(499,909)	(489,960)	(481,335)	(475,106)	(470,179)	(466,724)	(463,101)	(460,637)	(458,727)	(457,706)	(456,382)
13	Net production revenue				$ 1,577,293	$ 1,455,720	$ 1,343,356	$ 1,248,499	$ 1,162,695	$ 1,087,269	$ 1,009,520	$ 939,699	$ 873,104	$ 812,325	$ 748,114
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 1,577,293	$ 1,455,720	$ 1,343,356	$ 1,248,499	$ 1,162,695	$ 1,087,269	$ 1,009,520	$ 939,699	$ 873,104	$ 812,325	$ 748,114
17															
18															
19	Less: Income taxes		Schedule 1 - 2.10		(395,109)	(370,418)	(345,859)	(324,345)	(304,107)	(285,842)	(266,397)	(248,677)	(231,544)	(215,772)	(198,947)
20	After-tax cash flows				$ 1,182,184	$ 1,085,302	$ 997,498	$ 924,154	$ 858,587	$ 801,426	$ 743,123	$ 691,021	$ 641,560	$ 596,554	$ 549,166
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ 1,182,184**	**$ 1,085,302**	**$ 997,498**	**$ 924,154**	**$ 858,587**	**$ 801,426**	**$ 743,123**	**$ 691,021**	**$ 641,560**	**$ 596,554**	**$ 549,166**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
29	Present value factor at		Schedule 1 - 4.5	29.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 231**	**$ 164**	**$ 116**	**$ 83**	**$ 59**	**$ 43**	**$ 30**	**$ 22**	**$ 16**	**$ 11**	**$ 8**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
36	Present value factor at		Schedule 1 - 4.5	28.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 364**	**$ 261**	**$ 187**	**$ 136**	**$ 98**	**$ 72**	**$ 52**	**$ 38**	**$ 27**	**$ 20**	**$ 14**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.9

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		Notes	**Reference**		**2062**	**2063**	**2064**	**2065**	**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.40	$ 11.63	$ 11.86	$ 12.10	$ 12.34	$ 12.59	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			112,420	104,789	97,496	90,069	83,365	76,645	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 1,281,981	$ 1,218,859	$ 1,156,714	$ 1,089,975	$ 1,029,018	$ 964,984	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(136,403)	(129,687)	(123,074)	(115,973)	(109,487)	(102,674)	-	-	-	-	-
12	Less: Operating expenses	[1]			(455,942)	(455,709)	(452,073)	(446,652)	(441,526)	(431,924)	-	-	-	-	-
13	Net production revenue				$ 689,636	$ 633,464	$ 581,567	$ 527,350	$ 478,004	$ 430,386	$ -	$ -	$ -	$ -	$ -
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	(1,776)	(7,191)	(7,335)	(9,366)	(481,942)
16	Operating income				$ 689,636	$ 633,464	$ 581,567	$ 527,350	$ 478,004	$ 430,386	$ (1,776)	$ (7,191)	$ (7,335)	$ (9,366)	$ (481,942)
17															
18															
19	Less: Income taxes		Schedule 1 - 2.10		(183,560)	(168,721)	(154,978)	(140,582)	(127,464)	(114,790)	567	1,992	2,015	-	-
20	After-tax cash flows				$ 506,076	$ 464,743	$ 426,590	$ 386,768	$ 350,541	$ 315,596	$ (1,208)	$ (5,199)	$ (5,320)	$ (9,366)	$ (481,942)
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ 506,076**	**$ 464,743**	**$ 426,590**	**$ 386,768**	**$ 350,541**	**$ 315,596**	**$ (1,208)**	**$ (5,199)**	**$ (5,320)**	**$ (9,366)**	**$ (481,942)**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
29	Present value factor at		Schedule 1 - 4.5	29.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 6**	**$ 4**	**$ 3**	**$ 2**	**$ 1**	**$ 1**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
36	Present value factor at		Schedule 1 - 4.5	28.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 10**	**$ 7**	**$ 5**	**$ 4**	**$ 3**	**$ 2**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (1)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.10

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.9	$ -	$ -	$ -	$ -	$ -	$ 107,919	$ 236,672	$ 312,847	$ 483,376	$ 775,331	$ 1,041,404
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(24,084)	(21,675)	(19,508)	(17,557)	(15,801)	(14,221)	(12,799)	(11,519)	(10,367)	(9,330)	(8,397)
6	Class 41				(7,526)	(13,171)	(9,878)	(7,409)	(5,556)	(4,167)	(3,125)	(2,344)	(1,758)	(1,319)	(989)
7	CDE				-	-	-	-	-	(38,238)	(65,770)	(85,822)	(141,233)	(223,034)	(282,779)
8	CEE				-	-	-	-	-	(46,098)	(47,020)	(47,960)	(97,838)	(149,693)	(152,686)
9	Taxable income before non-capital losses				$ (31,610)	$ (34,846)	$ (29,386)	$ (24,965)	$ (21,358)	$ 5,194	$ 107,958	$ 165,202	$ 232,179	$ 391,955	$ 596,552
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	(5,194)	(107,958)	(29,012)	-	-	-
12	Taxable income				$ (31,610)	$ (34,846)	$ (29,386)	$ (24,965)	$ (21,358)	$ -	$ -	$ 136,189	$ 232,179	$ 391,955	$ 596,552
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 36,363**	**$ 61,992**	**$ 104,652**	**$ 159,279**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 31,610	$ 66,456	$ 95,841	$ 120,807	$ 142,165	$ 136,970	$ 29,012	$ -	$ -	$ -
21	Additions				31,610	34,846	29,386	24,965	21,358	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	(5,194)	(107,958)	(29,012)	-	-	-
23	Tax loss pool				$ 31,610	$ 66,456	$ 95,841	$ 120,807	$ 142,165	$ 136,970	$ 29,012	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 31,610	$ 66,456	$ 95,841	$ 120,807	$ 142,165	$ 136,970	$ 29,012	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 301,045	[4]	80.0%	$ 240,836	$ 216,752	$ 195,077	$ 175,570	$ 158,013	$ 142,211	$ 127,990	$ 115,191	$ 103,672	$ 93,305	$ 83,974
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 240,836	$ 216,752	$ 195,077	$ 175,570	$ 158,013	$ 142,211	$ 127,990	$ 115,191	$ 103,672	$ 93,305	$ 83,974
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 24,084	$ 21,675	$ 19,508	$ 17,557	$ 15,801	$ 14,221	$ 12,799	$ 11,519	$ 10,367	$ 9,330	$ 8,397
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 24,084	$ 21,675	$ 19,508	$ 17,557	$ 15,801	$ 14,221	$ 12,799	$ 11,519	$ 10,367	$ 9,330	$ 8,397
36	Ending balance		[2]		$ 216,752	$ 195,077	$ 175,570	$ 158,013	$ 142,211	$ 127,990	$ 115,191	$ 103,672	$ 93,305	$ 83,974	$ 75,577
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 301,045	[4]	20.0%	$ 60,209	$ 52,683	$ 39,512	$ 29,634	$ 22,226	$ 16,669	$ 12,502	$ 9,376	$ 7,032	$ 5,274	$ 3,956
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 60,209	$ 52,683	$ 39,512	$ 29,634	$ 22,226	$ 16,669	$ 12,502	$ 9,376	$ 7,032	$ 5,274	$ 3,956
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 7,526	$ 13,171	$ 9,878	$ 7,409	$ 5,556	$ 4,167	$ 3,125	$ 2,344	$ 1,758	$ 1,319	$ 989
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 7,526	$ 13,171	$ 9,878	$ 7,409	$ 5,556	$ 4,167	$ 3,125	$ 2,344	$ 1,758	$ 1,319	$ 989
47	Ending balance		[2]		$ 52,683	$ 39,512	$ 29,634	$ 22,226	$ 16,669	$ 12,502	$ 9,376	$ 7,032	$ 5,274	$ 3,956	$ 2,967
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 301,045	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ 89,223	$ 153,463	$ 200,252	$ 329,544	$ 520,414
52	Additions		[5]		-	-	-	-	-	127,461	130,010	132,611	270,526	413,904	422,182
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ 127,461	$ 219,233	$ 286,074	$ 470,777	$ 743,448	$ 942,596
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ 26,767	$ 46,039	$ 60,076	$ 98,863	$ 156,124
56	Claim on current year additions				-	-	-	-	-	38,238	39,003	39,783	81,158	124,171	126,655
57	Claim				$ -	$ -	$ -	$ -	$ -	$ 38,238	$ 65,770	$ 85,822	$ 141,233	$ 223,034	$ 282,779
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ 89,223	$ 153,463	$ 200,252	$ 329,544	$ 520,414	$ 659,817
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 301,045	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	46,098	47,020	47,960	97,838	149,693	152,686
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ 46,098	$ 47,020	$ 47,960	$ 97,838	$ 149,693	$ 152,686
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	46,098	47,020	47,960	97,838	149,693	152,686
68	Claim				$ -	$ -	$ -	$ -	$ -	$ 46,098	$ 47,020	$ 47,960	$ 97,838	$ 149,693	$ 152,686
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.9	$ 1,343,084	$ 1,647,071	$ 1,879,138	$ 2,079,834	$ 2,257,471	$ 2,428,586	$ 2,459,943	$ 2,462,675	$ 2,511,827	$ 2,585,576	$ 2,667,740
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(7,558)	(6,802)	(6,122)	(5,510)	(4,959)	(4,463)	(4,016)	(3,615)	(3,253)	(2,928)	(2,635)
6	Class 41				(742)	(556)	(417)	(313)	(235)	(176)	(132)	(99)	(74)	(56)	(42)
7	CDE				(370,196)	(434,832)	(483,592)	(521,308)	(551,365)	(576,134)	(548,780)	(532,542)	(524,144)	(521,292)	(522,383)
8	CEE				(207,654)	(211,807)	(216,043)	(220,364)	(224,771)	(229,266)	(175,389)	(178,897)	(182,474)	(186,124)	(189,846)
9	Taxable income before non-capital losses				$ 756,936	$ 993,074	$ 1,172,964	$ 1,332,340	$ 1,476,142	$ 1,618,547	$ 1,731,626	$ 1,747,522	$ 1,801,881	$ 1,875,177	$ 1,952,833
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 756,936	$ 993,074	$ 1,172,964	$ 1,332,340	$ 1,476,142	$ 1,618,547	$ 1,731,626	$ 1,747,522	$ 1,801,881	$ 1,875,177	$ 1,952,833
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 202,102**	**$ 265,151**	**$ 313,182**	**$ 355,735**	**$ 394,130**	**$ 432,152**	**$ 462,344**	**$ 466,588**	**$ 481,102**	**$ 500,672**	**$ 521,406**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 301,045	[4]	80.0%	$ 75,577	$ 68,019	$ 61,217	$ 55,096	$ 49,586	$ 44,627	$ 40,165	$ 36,148	$ 32,533	$ 29,280	$ 26,352
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 75,577	$ 68,019	$ 61,217	$ 55,096	$ 49,586	$ 44,627	$ 40,165	$ 36,148	$ 32,533	$ 29,280	$ 26,352
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 7,558	$ 6,802	$ 6,122	$ 5,510	$ 4,959	$ 4,463	$ 4,016	$ 3,615	$ 3,253	$ 2,928	$ 2,635
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 7,558	$ 6,802	$ 6,122	$ 5,510	$ 4,959	$ 4,463	$ 4,016	$ 3,615	$ 3,253	$ 2,928	$ 2,635
36	Ending balance		[2]		$ 68,019	$ 61,217	$ 55,096	$ 49,586	$ 44,627	$ 40,165	$ 36,148	$ 32,533	$ 29,280	$ 26,352	$ 23,717
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 301,045	[4]	20.0%	$ 2,967	$ 2,225	$ 1,669	$ 1,252	$ 939	$ 704	$ 528	$ 396	$ 297	$ 223	$ 167
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 2,967	$ 2,225	$ 1,669	$ 1,252	$ 939	$ 704	$ 528	$ 396	$ 297	$ 223	$ 167
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 742	$ 556	$ 417	$ 313	$ 235	$ 176	$ 132	$ 99	$ 74	$ 56	$ 42
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 742	$ 556	$ 417	$ 313	$ 235	$ 176	$ 132	$ 99	$ 74	$ 56	$ 42
47	Ending balance		[2]		$ 2,225	$ 1,669	$ 1,252	$ 939	$ 704	$ 528	$ 396	$ 297	$ 223	$ 167	$ 125
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 301,045	[4]	0.0%	$ 659,817	$ 863,790	$ 1,014,609	$ 1,128,381	$ 1,216,385	$ 1,286,518	$ 1,344,312	$ 1,280,487	$ 1,242,598	$ 1,223,002	$ 1,216,348
52	Additions		[5]		574,168	585,651	597,364	609,312	621,498	633,928	484,955	494,654	504,547	514,638	524,931
53	Total balance before claim				$ 1,233,985	$ 1,449,441	$ 1,611,973	$ 1,737,692	$ 1,837,883	$ 1,920,445	$ 1,829,267	$ 1,775,140	$ 1,747,145	$ 1,737,639	$ 1,741,278
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 197,945	$ 259,137	$ 304,383	$ 338,514	$ 364,915	$ 385,955	$ 403,294	$ 384,146	$ 372,779	$ 366,900	$ 364,904
56	Claim on current year additions				172,250	175,695	179,209	182,793	186,449	190,178	145,486	148,396	151,364	154,391	157,479
57	Claim				$ 370,196	$ 434,832	$ 483,592	$ 521,308	$ 551,365	$ 576,134	$ 548,780	$ 532,542	$ 524,144	$ 521,292	$ 522,383
58	Ending balance		[2]		$ 863,790	$ 1,014,609	$ 1,128,381	$ 1,216,385	$ 1,286,518	$ 1,344,312	$ 1,280,487	$ 1,242,598	$ 1,223,002	$ 1,216,348	$ 1,218,895
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 301,045	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		207,654	211,807	216,043	220,364	224,771	229,266	175,389	178,897	182,474	186,124	189,846
64	Total balance before claim				$ 207,654	$ 211,807	$ 216,043	$ 220,364	$ 224,771	$ 229,266	$ 175,389	$ 178,897	$ 182,474	$ 186,124	$ 189,846
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				207,654	211,807	216,043	220,364	224,771	229,266	175,389	178,897	182,474	186,124	189,846
68	Claim				$ 207,654	$ 211,807	$ 216,043	$ 220,364	$ 224,771	$ 229,266	$ 175,389	$ 178,897	$ 182,474	$ 186,124	$ 189,846
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.10

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.9	$ 2,614,996	$ 2,521,068	$ 2,503,903	$ 2,511,015	$ 2,536,612	$ 2,556,962	$ 2,589,002	$ 2,624,145	$ 2,327,121	$ 1,945,915	$ 1,733,282
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(2,372)	(2,135)	(1,921)	(1,729)	(1,556)	(1,400)	(1,260)	(1,134)	(1,021)	(919)	(827)
6	Class 41				(31)	(23)	(18)	(13)	(10)	(7)	(6)	(4)	(3)	(2)	(2)
7	CDE				(472,754)	(440,156)	(419,521)	(407,305)	(401,027)	(398,950)	(399,861)	(402,911)	(282,038)	(197,426)	(138,198)
8	CEE				(129,096)	(131,677)	(134,311)	(136,997)	(139,737)	(142,532)	(145,383)	(148,290)	-	-	-
9	Taxable income before non-capital losses				$ 2,010,743	$ 1,947,077	$ 1,948,133	$ 1,964,971	$ 1,994,282	$ 2,014,072	$ 2,042,492	$ 2,071,806	$ 2,044,059	$ 1,747,568	$ 1,594,255
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 2,010,743	$ 1,947,077	$ 1,948,133	$ 1,964,971	$ 1,994,282	$ 2,014,072	$ 2,042,492	$ 2,071,806	$ 2,044,059	$ 1,747,568	$ 1,594,255
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 536,868**	**$ 519,869**	**$ 520,151**	**$ 524,647**	**$ 532,473**	**$ 537,757**	**$ 545,345**	**$ 553,172**	**$ 545,764**	**$ 466,601**	**$ 425,666**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 301,045	[4]	80.0%	$ 23,717	$ 21,345	$ 19,211	$ 17,290	$ 15,561	$ 14,005	$ 12,604	$ 11,344	$ 10,209	$ 9,188	$ 8,270
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 23,717	$ 21,345	$ 19,211	$ 17,290	$ 15,561	$ 14,005	$ 12,604	$ 11,344	$ 10,209	$ 9,188	$ 8,270
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 2,372	$ 2,135	$ 1,921	$ 1,729	$ 1,556	$ 1,400	$ 1,260	$ 1,134	$ 1,021	$ 919	$ 827
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 2,372	$ 2,135	$ 1,921	$ 1,729	$ 1,556	$ 1,400	$ 1,260	$ 1,134	$ 1,021	$ 919	$ 827
36	Ending balance		[2]		$ 21,345	$ 19,211	$ 17,290	$ 15,561	$ 14,005	$ 12,604	$ 11,344	$ 10,209	$ 9,188	$ 8,270	$ 7,443
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 301,045	[4]	20.0%	$ 125	$ 94	$ 70	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 125	$ 94	$ 70	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 31	$ 23	$ 18	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 31	$ 23	$ 18	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3	$ 2	$ 2
47	Ending balance		[2]		$ 94	$ 70	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7	$ 5
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 301,045	[4]	0.0%	$ 1,218,895	$ 1,103,093	$ 1,027,030	$ 978,882	$ 950,378	$ 935,729	$ 930,884	$ 933,009	$ 940,125	$ 658,088	$ 460,661
52	Additions		[5]		356,953	364,092	371,374	378,801	386,377	394,105	401,987	410,027	-	-	-
53	Total balance before claim				$ 1,575,847	$ 1,467,185	$ 1,398,403	$ 1,357,683	$ 1,336,756	$ 1,329,834	$ 1,332,870	$ 1,343,036	$ 940,125	$ 658,088	$ 460,661
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 365,668	$ 330,928	$ 308,109	$ 293,665	$ 285,114	$ 280,719	$ 279,265	$ 279,903	$ 282,038	$ 197,426	$ 138,198
56	Claim on current year additions				107,086	109,228	111,412	113,640	115,913	118,231	120,596	123,008	-	-	-
57	Claim				$ 472,754	$ 440,156	$ 419,521	$ 407,305	$ 401,027	$ 398,950	$ 399,861	$ 402,911	$ 282,038	$ 197,426	$ 138,198
58	Ending balance		[2]		$ 1,103,093	$ 1,027,030	$ 978,882	$ 950,378	$ 935,729	$ 930,884	$ 933,009	$ 940,125	$ 658,088	$ 460,661	$ 322,463
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 301,045	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		129,096	131,677	134,311	136,997	139,737	142,532	145,383	148,290	-	-	-
64	Total balance before claim				$ 129,096	$ 131,677	$ 134,311	$ 136,997	$ 139,737	$ 142,532	$ 145,383	$ 148,290	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				129,096	131,677	134,311	136,997	139,737	142,532	145,383	148,290	-	-	-
68	Claim				$ 129,096	$ 131,677	$ 134,311	$ 136,997	$ 139,737	$ 142,532	$ 145,383	$ 148,290	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.9	$ 1,577,293	$ 1,455,720	$ 1,343,356	$ 1,248,499	$ 1,162,695	$ 1,087,269	$ 1,009,520	$ 939,699	$ 873,104	$ 812,325	$ 748,114
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(744)	(670)	(603)	(543)	(488)	(439)	(396)	(356)	(320)	(288)	(260)
6	Class 41				(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(96,739)	(67,717)	(47,402)	(33,181)	(23,227)	(16,259)	(11,381)	(7,967)	(5,577)	(3,904)	(2,733)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 1,479,808	$ 1,387,332	$ 1,295,351	$ 1,214,775	$ 1,138,979	$ 1,070,570	$ 997,743	$ 931,376	$ 867,207	$ 808,133	$ 745,122
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 1,479,808	$ 1,387,332	$ 1,295,351	$ 1,214,775	$ 1,138,979	$ 1,070,570	$ 997,743	$ 931,376	$ 867,207	$ 808,133	$ 745,122
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 395,109**	**$ 370,418**	**$ 345,859**	**$ 324,345**	**$ 304,107**	**$ 285,842**	**$ 266,397**	**$ 248,677**	**$ 231,544**	**$ 215,772**	**$ 198,947**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 301,045	[4]	80.0%	$ 7,443	$ 6,698	$ 6,029	$ 5,426	$ 4,883	$ 4,395	$ 3,955	$ 3,560	$ 3,204	$ 2,883	$ 2,595
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 7,443	$ 6,698	$ 6,029	$ 5,426	$ 4,883	$ 4,395	$ 3,955	$ 3,560	$ 3,204	$ 2,883	$ 2,595
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 744	$ 670	$ 603	$ 543	$ 488	$ 439	$ 396	$ 356	$ 320	$ 288	$ 260
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 744	$ 670	$ 603	$ 543	$ 488	$ 439	$ 396	$ 356	$ 320	$ 288	$ 260
36	Ending balance		[2]		$ 6,698	$ 6,029	$ 5,426	$ 4,883	$ 4,395	$ 3,955	$ 3,560	$ 3,204	$ 2,883	$ 2,595	$ 2,336
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 301,045	[4]	20.0%	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 301,045	[4]	0.0%	$ 322,463	$ 225,724	$ 158,007	$ 110,605	$ 77,423	$ 54,196	$ 37,937	$ 26,556	$ 18,589	$ 13,013	$ 9,109
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 322,463	$ 225,724	$ 158,007	$ 110,605	$ 77,423	$ 54,196	$ 37,937	$ 26,556	$ 18,589	$ 13,013	$ 9,109
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 96,739	$ 67,717	$ 47,402	$ 33,181	$ 23,227	$ 16,259	$ 11,381	$ 7,967	$ 5,577	$ 3,904	$ 2,733
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 96,739	$ 67,717	$ 47,402	$ 33,181	$ 23,227	$ 16,259	$ 11,381	$ 7,967	$ 5,577	$ 3,904	$ 2,733
58	Ending balance		[2]		$ 225,724	$ 158,007	$ 110,605	$ 77,423	$ 54,196	$ 37,937	$ 26,556	$ 18,589	$ 13,013	$ 9,109	$ 6,376
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 301,045	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 2.10

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Taxes - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	**Income taxes**														
2	Net operating income			Schedule 1 - 2.9	$ 689,636	$ 633,464	$ 581,567	$ 527,350	$ 478,004	$ 430,386	$ (1,776)	$ (7,191)	$ (7,335)	$ (9,366)	$ (481,942)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(234)	(210)	(189)	(170)	(153)	(138)	(124)	(112)	(101)	(90)	(81)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(1,913)	(1,339)	(937)	(656)	(459)	(321)	(225)	(158)	(110)	(77)	(54)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 687,490	$ 631,915	$ 580,441	$ 526,524	$ 477,392	$ 429,927	$ (2,125)	$ (7,461)	$ (7,546)	$ (9,534)	$ (482,078)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 687,490	$ 631,915	$ 580,441	$ 526,524	$ 477,392	$ 429,927	$ (2,125)	$ (7,461)	$ (7,546)	$ (9,534)	$ (482,078)
13	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
14	**Income taxes**				**$ 183,560**	**$ 168,721**	**$ 154,978**	**$ 140,582**	**$ 127,464**	**$ 114,790**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (2,125)	$ (7,461)	$ (7,546)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (567)**	**$ (1,992)**	**$ (2,015)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,534
21	Additions				-	-	-	-	-	-	2,125	7,461	7,546	9,534	482,078
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 2,125	$ 7,461	$ 7,546	$ 9,534	$ 491,612
24	Less: Loss carry back claimed				-	-	-	-	-	-	(2,125)	(7,461)	(7,546)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,534	$ 491,612
26															
27	**COGPE**														
28	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 301,045	[4]	80.0%	$ 2,336	$ 2,102	$ 1,892	$ 1,703	$ 1,532	$ 1,379	$ 1,241	$ 1,117	$ 1,005	$ 905	$ 814
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 2,336	$ 2,102	$ 1,892	$ 1,703	$ 1,532	$ 1,379	$ 1,241	$ 1,117	$ 1,005	$ 905	$ 814
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 234	$ 210	$ 189	$ 170	$ 153	$ 138	$ 124	$ 112	$ 101	$ 90	$ 81
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 234	$ 210	$ 189	$ 170	$ 153	$ 138	$ 124	$ 112	$ 101	$ 90	$ 81
36	Ending balance		[2]		$ 2,102	$ 1,892	$ 1,703	$ 1,532	$ 1,379	$ 1,241	$ 1,117	$ 1,005	$ 905	$ 814	$ 733
37															
38	**Class 41**														
39	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 301,045	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Depreciation claim allowance*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 301,045	[4]	0.0%	$ 6,376	$ 4,463	$ 3,124	$ 2,187	$ 1,531	$ 1,072	$ 750	$ 525	$ 368	$ 257	$ 180
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 6,376	$ 4,463	$ 3,124	$ 2,187	$ 1,531	$ 1,072	$ 750	$ 525	$ 368	$ 257	$ 180
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1,913	$ 1,339	$ 937	$ 656	$ 459	$ 321	$ 225	$ 158	$ 110	$ 77	$ 54
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 1,913	$ 1,339	$ 937	$ 656	$ 459	$ 321	$ 225	$ 158	$ 110	$ 77	$ 54
58	Ending balance		[2]		$ 4,463	$ 3,124	$ 2,187	$ 1,531	$ 1,072	$ 750	$ 525	$ 368	$ 257	$ 180	$ 126
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 1 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 301,045	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal depreciation rules.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The step-up in tax basis is treated as

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	General and administrative expenses before tax shield	[1]	Schedule 1 - 3.2		$ 561	$ 2,270	$ 2,316	$ 2,362	$ 2,409	$ 2,458	$ 2,507	$ 2,557	$ 2,608	$ 2,660	$ 2,713
2															
3	Less: Income taxes	[2]		26.7%	(150)	(606)	(618)	(631)	(643)	(656)	(669)	(683)	(696)	(710)	(724)
4	**General and administrative expenses after tax shield**				**$ 411**	**$ 1,664**	**$ 1,697**	**$ 1,731**	**$ 1,766**	**$ 1,801**	**$ 1,837**	**$ 1,874**	**$ 1,912**	**$ 1,950**	**$ 1,989**
5															
6															
7	**Low**														
8	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
10	Present value factor at		Schedule 1 - 4.1	14.9%	*0.98*	*0.90*	*0.78*	*0.68*	*0.59*	*0.52*	*0.45*	*0.39*	*0.34*	*0.30*	*0.26*
11	**Net present value of general and administrative expenses after tax shield**				**$ 404**	**$ 1,500**	**$ 1,332**	**$ 1,183**	**$ 1,050**	**$ 933**	**$ 828**	**$ 736**	**$ 653**	**$ 580**	**$ 515**
12															
13															
14	**High**														
15	Percent of year remaining				25%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75	7.75	8.75	9.75
17	Present value factor at		Schedule 1 - 4.1	12.3%	*0.99*	*0.92*	*0.82*	*0.73*	*0.65*	*0.58*	*0.51*	*0.46*	*0.41*	*0.36*	*0.32*
18	**Net present value of general and administrative expenses after tax shield**				**$ 405**	**$ 1,525**	**$ 1,384**	**$ 1,257**	**$ 1,141**	**$ 1,036**	**$ 941**	**$ 854**	**$ 775**	**$ 704**	**$ 639**
19															
20															
21				**Low**	**Mid**	**High**									
22															
23	Sum of the net present value of general and administrative expenses after tax shield			$ 13,780	$ 15,327	$ 16,874									
24															
25	**Fair market value of general and administrative expenses**			**$ 13,780**	**$ 15,327**	**$ 16,874**									

Notes:

[1] General and administrative expenses for 2018 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 3.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
1	General and administrative expenses before tax shield	[1]			$ 2,768	$ 2,823	$ 2,879	$ 2,937	$ 2,996	$ 3,056	$ 3,117	$ 3,179	$ 3,243	$ 3,308	$ 3,374
2															
3	Less: Income taxes	[2]		26.7%	(739)	(754)	(769)	(784)	(800)	(816)	(832)	(849)	(866)	(883)	(901)
4	**General and administrative expenses after tax shield**				**$ 2,029**	**$ 2,069**	**$ 2,111**	**$ 2,153**	**$ 2,196**	**$ 2,240**	**$ 2,285**	**$ 2,330**	**$ 2,377**	**$ 2,424**	**$ 2,473**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
10	Present value factor at		Schedule 1 - 4.1	14.9%	*0.23*	*0.20*	*0.17*	*0.15*	*0.13*	*0.11*	*0.10*	*0.09*	*0.07*	*0.06*	*0.06*
11	**Net present value of general and administrative expenses after tax shield**				**$ 458**	**$ 406**	**$ 361**	**$ 320**	**$ 285**	**$ 253**	**$ 224**	**$ 199**	**$ 177**	**$ 157**	**$ 140**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				10.75	11.75	12.75	13.75	14.75	15.75	16.75	17.75	18.75	19.75	20.75
17	Present value factor at		Schedule 1 - 4.1	12.3%	*0.29*	*0.25*	*0.23*	*0.20*	*0.18*	*0.16*	*0.14*	*0.13*	*0.11*	*0.10*	*0.09*
18	**Net present value of general and administrative expenses after tax shield**				**$ 580**	**$ 527**	**$ 478**	**$ 434**	**$ 394**	**$ 358**	**$ 325**	**$ 295**	**$ 268**	**$ 243**	**$ 221**

Notes:

[1] General and administrative expenses for 2018 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
1	General and administrative expenses before tax shield	[1]			$ 3,441	$ 3,510	$ 3,580	$ 3,652	$ 3,725	$ 3,799	$ 3,875	$ 3,953	$ 4,032	$ 4,113	$ 4,195
2															
3	Less: Income taxes	[2]		26.7%	(919)	(937)	(956)	(975)	(995)	(1,014)	(1,035)	(1,055)	(1,077)	(1,098)	(1,120)
4	**General and administrative expenses after tax shield**				**$ 2,522**	**$ 2,573**	**$ 2,624**	**$ 2,677**	**$ 2,730**	**$ 2,785**	**$ 2,841**	**$ 2,897**	**$ 2,955**	**$ 3,014**	**$ 3,075**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
10	Present value factor at		Schedule 1 - 4.1	14.9%	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*	*0.01*
11	**Net present value of general and administrative expenses after tax shield**				**$ 124**	**$ 110**	**$ 98**	**$ 87**	**$ 77**	**$ 68**	**$ 61**	**$ 54**	**$ 48**	**$ 43**	**$ 38**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				21.75	22.75	23.75	24.75	25.75	26.75	27.75	28.75	29.75	30.75	31.75
17	Present value factor at		Schedule 1 - 4.1	12.3%	*0.08*	*0.07*	*0.06*	*0.06*	*0.05*	*0.04*	*0.04*	*0.04*	*0.03*	*0.03*	*0.02*
18	**Net present value of general and administrative expenses after tax shield**				**$ 201**	**$ 182**	**$ 165**	**$ 150**	**$ 136**	**$ 124**	**$ 112**	**$ 102**	**$ 93**	**$ 84**	**$ 76**

Notes:

[1] General and administrative expenses for 2018 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
1	General and administrative expenses before tax shield	[1]			$ 4,279	$ 4,364	$ 4,452	$ 4,541	$ 4,631	$ 4,724	$ 4,818	$ 4,915	$ 5,013	$ 5,113	$ 5,216
2															
3	Less: Income taxes	[2]		26.7%	(1,142)	(1,165)	(1,189)	(1,212)	(1,237)	(1,261)	(1,287)	(1,312)	(1,339)	(1,365)	(1,393)
4	**General and administrative expenses after tax shield**				**$ 3,136**	**$ 3,199**	**$ 3,263**	**$ 3,328**	**$ 3,395**	**$ 3,463**	**$ 3,532**	**$ 3,603**	**$ 3,675**	**$ 3,748**	**$ 3,823**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
10	Present value factor at		Schedule 1 - 4.1	14.9%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
11	**Net present value of general and administrative expenses after tax shield**				**$ 34**	**$ 30**	**$ 26**	**$ 24**	**$ 21**	**$ 19**	**$ 16**	**$ 15**	**$ 13**	**$ 12**	**$ 10**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				32.75	33.75	34.75	35.75	36.75	37.75	38.75	39.75	40.75	41.75	42.75
17	Present value factor at		Schedule 1 - 4.1	12.3%	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
18	**Net present value of general and administrative expenses after tax shield**				**$ 69**	**$ 63**	**$ 57**	**$ 52**	**$ 47**	**$ 43**	**$ 39**	**$ 35**	**$ 32**	**$ 29**	**$ 26**

Notes:

[1] General and administrative expenses for 2018 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 3.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072
1	General and administrative expenses before tax shield	[1]			$ 5,320	$ 5,426	$ 5,535	$ 5,646	$ 5,759	$ 5,874	$ 5,991	$ 6,111	$ 6,233	$ 6,358	$ 6,485
2															
3	Less: Income taxes	[2]		26.7%	(1,420)	(1,449)	(1,478)	(1,507)	(1,538)	(1,568)	(1,600)	(1,632)	(1,664)	(1,698)	(1,731)
4	**General and administrative expenses after tax shield**				**$ 3,900**	**$ 3,978**	**$ 4,057**	**$ 4,138**	**$ 4,221**	**$ 4,305**	**$ 4,392**	**$ 4,479**	**$ 4,569**	**$ 4,660**	**$ 4,754**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
10	Present value factor at		Schedule 1 - 4.1	14.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
11	**Net present value of general and administrative expenses after tax shield**				**$ 9**	**$ 8**	**$ 7**	**$ 6**	**$ 6**	**$ 5**	**$ 4**	**$ 4**	**$ 4**	**$ 3**	**$ 3**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				43.75	44.75	45.75	46.75	47.75	48.75	49.75	50.75	51.75	52.75	53.75
17	Present value factor at		Schedule 1 - 4.1	12.3%	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
18	**Net present value of general and administrative expenses after tax shield**				**$ 24**	**$ 22**	**$ 20**	**$ 18**	**$ 16**	**$ 15**	**$ 13**	**$ 12**	**$ 11**	**$ 10**	**$ 9**

Notes:

[1] General and administrative expenses for 2018 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 1 - 3.2**

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C
		Notes	2018
		[1]	
1	Quebec staff	$	193
2	Legal and advisory services		338
3	AGC / QEA / Other		26
4	Quebec Government/Public relations		46
5	QEA (Conference and miscellaneous other)		44
6	Travel		53
7	Public relations new hire		88
8	Field operator		102
9	Monitoring committee (Pilot and committee costs)		66
10	Drilling and completions engineer		158
11	Production engineer		158
12	Geologist/Geophysicist		158
13	Mineral rentals		215
14	Surface rentals/Property taxes		92
15	SCVF Monitoring/Ongoing		175
16	Additional drilling and completion engineer		158
17	Additional facilities engineer		158
18	**Annual general and administrative expenses**	**$**	**2,226**

Notes:

[1] The values of expected general and administration expenses were obtained from the 2022 operational budget, as provided by Management and deflated to September 30, 2018 using the monthly consumer price index published by Statistics Canada.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 4.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Weighted Average Cost of Capital - Proved Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 4,161	$ -	$ 4,161	$ -	$ 4,205	$ 8,366	49.7%	50.3%	21.0%	1.04	37.0%	0.71
2	NYSE:CNX	CNX Resources Corporation	2,207	-	2,207	-	3,049	5,255	42.0%	58.0%	21.0%	1.35	42.6%	0.85
3	TSX:HWX	Headwater Exploration Inc.	-	-	-	-	47	47	0.0%	100.0%	27.0%	0.93	0.0%	0.93
4	TSX:PEA	Pieridae Energy Limited	0	-	0	-	127	127	0.0%	100.0%	27.0%	n/a	0.0%	n/a
5	NYSE:AR	Antero Resources Corporation	5,487	-	5,487	-	5,616	11,103	49.4%	50.6%	21.0%	1.00	38.6%	0.67
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	9,812	-	9,812	1,671	-	11,483	85.4%	14.6%	21.0%	n/a	n/a	n/a
7	NYSE:CTRA	Coterra Energy Inc.	1,286	-	1,286	-	9,935	11,221	11.5%	88.5%	21.0%	0.92	12.5%	0.82
8	TSX:PNE	Pine Cliff Energy Ltd.	47	-	47	-	74	120	38.7%	61.3%	27.0%	1.33	20.1%	1.12
9	TSX:QEC	Questerre Energy Corporation	12	-	12	-	147	160	7.6%	92.4%	26.7%	1.41	9.9%	1.30
10														
11								**Average**	**31.6%**	**68.4%**			**20.1%**	**0.92**
12								**Median**	**38.7%**	**61.3%**			**16.3%**	**0.85**
13														
14								**Selected**	**15.0%**	**85.0%**			**Median**	**0.85**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.81	0.89
18	Debt-to-equity	[7]	17.6%	17.6%
19	Selected subject tax rate	[8]	26.7%	26.7%
20	Relevered equity beta	[9]	**0.91**	**1.01**
21				
22	Risk free rate	[10]	3.1%	3.1%
23	Equity risk premium	[11]	6.0%	6.0%
24	Relevered equity beta		0.91	1.01
25	Cost of equity capital	[12]	**8.6%**	**9.2%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	4.8%	6.9%
30	Country adjustment factor	[15]	0.0%	0.0%
31				
32	**Subject's cost of equity capital**		**13.4%**	**16.1%**
33				
34	Pre-tax cost of debt	[16]	7.4%	10.5%
35	Add: Country adjustment factor	[17]	0.0%	0.0%
36	Subject's estimated pre-tax cost of debt capital		7.4%	10.5%
37	Tax rate	[8]	26.7%	26.7%
38				
39	**After-tax cost of debt**		**5.4%**	**7.7%**
40				
41	Debt-to-capital	[7]	15.0%	15.0%
42	Equity-to-capital	[7]	85.0%	85.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**12.2%**	**14.8%**
44				
45	Local forecast inflation	[19]	2.0%	2.0%
46	US forecast inflation	[19]	1.9%	1.9%
47	**Weighted average cost of capital - Local currency denominated**		**12.3%**	**14.9%**
48				
49	**Weighted average cost of capital (rounded)**		**12.3%**	**14.9%**
			0.123	0.149

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of September 28, 2018.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for specific reserve and resource oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in January 2018 data published by Professor Aswath Damodaran.
[16] Based on the 20 year BB-rated US Energy debt yield on the low end and the 20 year B-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, January 2018.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 4.2

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Weighted Average Cost of Capital - Probable Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 4,161	$ -	$ 4,161	$ -	$ 4,205	$ 8,366	49.7%	50.3%	21.0%	1.04	37.0%	0.71
2	NYSE:CNX	CNX Resources Corporation	2,207	-	2,207	-	3,049	5,255	42.0%	58.0%	21.0%	1.35	42.6%	0.85
3	TSX:HWX	Headwater Exploration Inc.	-	-	-	-	47	47	0.0%	100.0%	27.0%	0.93	0.0%	0.93
4	TSX:PEA	Pieridae Energy Limited	0	-	0	-	127	127	0.0%	100.0%	27.0%	n/a	0.0%	n/a
5	NYSE:AR	Antero Resources Corporation	5,487	-	5,487	-	5,616	11,103	49.4%	50.6%	21.0%	1.00	38.6%	0.67
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	9,812	-	9,812	1,671	-	11,483	85.4%	14.6%	21.0%	n/a	n/a	n/a
7	NYSE:CTRA	Coterra Energy Inc.	1,286	-	1,286	-	9,935	11,221	11.5%	88.5%	21.0%	0.92	12.5%	0.82
8	TSX:PNE	Pine Cliff Energy Ltd.	47	-	47	-	74	120	38.7%	61.3%	27.0%	1.33	20.1%	1.12
9	TSX:QEC	Questerre Energy Corporation	12	-	12	-	147	160	7.6%	92.4%	26.7%	1.41	9.9%	1.30
10														
11								**Average**	**31.6%**	**68.4%**			**20.1%**	**0.92**
12								**Median**	**38.7%**	**61.3%**			**16.3%**	**0.85**
13														
14								**Selected**	**5.0%**	**95.0%**			**Median**	**0.85**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.81	0.89
18	Debt-to-equity	[7]	5.3%	5.3%
19	Selected subject tax rate	[8]	26.7%	26.7%
20	Relevered equity beta	[9]	**0.84**	**0.93**
21				
22	Risk free rate	[10]	3.1%	3.1%
23	Equity risk premium	[11]	6.0%	6.0%
24	Relevered equity beta		0.84	0.93
25	Cost of equity capital	[12]	**8.2%**	**8.7%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	14.0%	18.0%
30	Country adjustment factor	[15]	0.0%	0.0%
31				
32	**Subject's cost of equity capital**		**22.2%**	**26.7%**
33				
34	Pre-tax cost of debt	[16]	7.4%	10.5%
35	Add: Country adjustment factor	[17]	0.0%	0.0%
36	Subject's estimated pre-tax cost of debt capital		7.4%	10.5%
37	Tax rate	[8]	26.7%	26.7%
38				
39	**After-tax cost of debt**		**5.4%**	**7.7%**
40				
41	Debt-to-capital	[7]	5.0%	5.0%
42	Equity-to-capital	[7]	95.0%	95.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**21.3%**	**25.7%**
44				
45	Local forecast inflation	[19]	2.0%	2.0%
46	US forecast inflation	[19]	1.9%	1.9%
47	**Weighted average cost of capital - Local currency denominated**		**21.4%**	**25.9%**
48				
49	**Weighted average cost of capital (rounded)**		**21.4%**	**25.9%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of September 28, 2018.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for specific reserve and resource oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in January 2018 data published by Professor Aswath Damodaran.
[16] Based on the 20 year BB-rated US Energy debt yield on the low end and the 20 year B-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, January 2018.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 4.3

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Weighted Average Cost of Capital - Possible Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 4,161	$ -	$ 4,161	$ -	$ 4,205	$ 8,366	49.7%	50.3%	21.0%	1.04	37.0%	0.71
2	NYSE:CNX	CNX Resources Corporation	2,207	-	2,207	-	3,049	5,255	42.0%	58.0%	21.0%	1.35	42.6%	0.85
3	TSX:HWX	Headwater Exploration Inc.	-	-	-	-	47	47	0.0%	100.0%	27.0%	0.93	0.0%	0.93
4	TSX:PEA	Pieridae Energy Limited	0	-	0	-	127	127	0.0%	100.0%	27.0%	n/a	0.0%	n/a
5	NYSE:AR	Antero Resources Corporation	5,487	-	5,487	-	5,616	11,103	49.4%	50.6%	21.0%	1.00	38.6%	0.67
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	9,812	-	9,812	1,671	-	11,483	85.4%	14.6%	21.0%	n/a	n/a	n/a
7	NYSE:CTRA	Coterra Energy Inc.	1,286	-	1,286	-	9,935	11,221	11.5%	88.5%	21.0%	0.92	12.5%	0.82
8	TSX:PNE	Pine Cliff Energy Ltd.	47	-	47	-	74	120	38.7%	61.3%	27.0%	1.33	20.1%	1.12
9	TSX:QEC	Questerre Energy Corporation	12	-	12	-	147	160	7.6%	92.4%	26.7%	1.41	9.9%	1.30
10														
11								**Average**	**31.6%**	**68.4%**			**20.1%**	**0.92**
12								**Median**	**38.7%**	**61.3%**			**16.3%**	**0.85**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.85**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.81	0.89
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.7%	26.7%
20	Relevered equity beta	[9]	**0.81**	**0.89**
21				
22	Risk free rate	[10]	3.1%	3.1%
23	Equity risk premium	[11]	6.0%	6.0%
24	Relevered equity beta		0.81	0.89
25	Cost of equity capital	[12]	**8.0%**	**8.5%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	44.7%	54.7%
30	Country adjustment factor	[15]	0.0%	0.0%
31				
32	**Subject's cost of equity capital**		**52.7%**	**63.2%**
33				
34	Pre-tax cost of debt	[16]	7.4%	10.5%
35	Add: Country adjustment factor	[17]	0.0%	0.0%
36	Subject's estimated pre-tax cost of debt capital		7.4%	10.5%
37	Tax rate	[8]	26.7%	26.7%
38				
39	**After-tax cost of debt**		**5.4%**	**7.7%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**52.7%**	**63.2%**
44				
45	Local forecast inflation	[19]	2.0%	2.0%
46	US forecast inflation	[19]	1.9%	1.9%
47	**Weighted average cost of capital - Local currency denominated**		**52.8%**	**63.3%**
48				
49	**Weighted average cost of capital (rounded)**		**52.8%**	**63.3%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of September 28, 2018.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for specific reserve and resource oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in January 2018 data published by Professor Aswath Damodaran.
[16] Based on the 20 year BB-rated US Energy debt yield on the low end and the 20 year B-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, January 2018.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 4.4

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Weighted Average Cost of Capital - Contingent Resources

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 4,161	$ -	$ 4,161	$ -	$ 4,205	$ 8,366	49.7%	50.3%	21.0%	1.04	37.0%	0.71
2	NYSE:CNX	CNX Resources Corporation	2,207	-	2,207	-	3,049	5,255	42.0%	58.0%	21.0%	1.35	42.6%	0.85
3	TSX:HWX	Headwater Exploration Inc.	-	-	-	-	47	47	0.0%	100.0%	27.0%	0.93	0.0%	0.93
4	TSX:PEA	Pieridae Energy Limited	0	-	0	-	127	127	0.0%	100.0%	27.0%	n/a	0.0%	n/a
5	NYSE:AR	Antero Resources Corporation	5,487	-	5,487	-	5,616	11,103	49.4%	50.6%	21.0%	1.00	38.6%	0.67
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	9,812	-	9,812	1,671	-	11,483	85.4%	14.6%	21.0%	n/a	n/a	n/a
7	NYSE:CTRA	Coterra Energy Inc.	1,286	-	1,286	-	9,935	11,221	11.5%	88.5%	21.0%	0.92	12.5%	0.82
8	TSX:PNE	Pine Cliff Energy Ltd.	47	-	47	-	74	120	38.7%	61.3%	27.0%	1.33	20.1%	1.12
9	TSX:QEC	Questerre Energy Corporation	12	-	12	-	147	160	7.6%	92.4%	26.7%	1.41	9.9%	1.30
10														
11								**Average**	**31.6%**	**68.4%**			**20.1%**	**0.92**
12								**Median**	**38.7%**	**61.3%**			**16.3%**	**0.85**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.85**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.81	0.89
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.7%	26.7%
20	Relevered equity beta	[9]	**0.81**	**0.89**
21				
22	Risk free rate	[10]	3.1%	3.1%
23	Equity risk premium	[11]	6.0%	6.0%
24	Relevered equity beta		0.81	0.89
25	Cost of equity capital	[12]	**8.0%**	**8.5%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	27.2%	29.3%
30	Country adjustment factor	[15]	0.0%	0.0%
31				
32	**Subject's cost of equity capital**		**35.2%**	**37.8%**
33				
34	Pre-tax cost of debt	[16]	7.4%	10.5%
35	Add: Country adjustment factor	[17]	0.0%	0.0%
36	Subject's estimated pre-tax cost of debt capital		7.4%	10.5%
37	Tax rate	[8]	26.7%	26.7%
38				
39	**After-tax cost of debt**		**5.4%**	**7.7%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**35.2%**	**37.8%**
44				
45	Local forecast inflation	[19]	2.0%	2.0%
46	US forecast inflation	[19]	1.9%	1.9%
47	**Weighted average cost of capital - Local currency denominated**		**35.3%**	**37.9%**
48				
49	**Weighted average cost of capital (rounded)**		**35.3%**	**37.9%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of September 28, 2018.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for specific reserve and resource oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in January 2018 data published by Professor Aswath Damodaran.
[16] Based on the 20 year BB-rated US Energy debt yield on the low end and the 20 year B-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, January 2018.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 4.5

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Weighted Average Cost of Capital - Prospective Resources

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 4,161	$ -	$ 4,161	$ -	$ 4,205	$ 8,366	49.7%	50.3%	21.0%	1.04	37.0%	0.71
2	NYSE:CNX	CNX Resources Corporation	2,207	-	2,207	-	3,049	5,255	42.0%	58.0%	21.0%	1.35	42.6%	0.85
3	TSX:HWX	Headwater Exploration Inc.	-	-	-	-	47	47	0.0%	100.0%	27.0%	0.93	0.0%	0.93
4	TSX:PEA	Pieridae Energy Limited	0	-	0	-	127	127	0.0%	100.0%	27.0%	n/a	0.0%	n/a
5	NYSE:AR	Antero Resources Corporation	5,487	-	5,487	-	5,616	11,103	49.4%	50.6%	21.0%	1.00	38.6%	0.67
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	9,812	-	9,812	1,671	-	11,483	85.4%	14.6%	21.0%	n/a	n/a	n/a
7	NYSE:CTRA	Coterra Energy Inc.	1,286	-	1,286	-	9,935	11,221	11.5%	88.5%	21.0%	0.92	12.5%	0.82
8	TSX:PNE	Pine Cliff Energy Ltd.	47	-	47	-	74	120	38.7%	61.3%	27.0%	1.33	20.1%	1.12
9	TSX:QEC	Questerre Energy Corporation	12	-	12	-	147	160	7.6%	92.4%	26.7%	1.41	9.9%	1.30
10														
11								**Average**	**31.6%**	**68.4%**			**20.1%**	**0.92**
12								**Median**	**38.7%**	**61.3%**			**16.3%**	**0.85**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.85**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.81	0.89
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.7%	26.7%
20	Relevered equity beta	[9]	**0.81**	**0.89**
21				
22	Risk free rate	[10]	3.1%	3.1%
23	Equity risk premium	[11]	6.0%	6.0%
24	Relevered equity beta		0.81	0.89
25	Cost of equity capital	[12]	**8.0%**	**8.5%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	19.9%	21.2%
30	Country adjustment factor	[15]	0.0%	0.0%
31				
32	**Subject's cost of equity capital**		**27.9%**	**29.7%**
33				
34	Pre-tax cost of debt	[16]	7.4%	10.5%
35	Add: Country adjustment factor	[17]	0.0%	0.0%
36	Subject's estimated pre-tax cost of debt capital		7.4%	10.5%
37	Tax rate	[8]	26.7%	26.7%
38				
39	**After-tax cost of debt**		**5.4%**	**7.7%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**27.9%**	**29.7%**
44				
45	Local forecast inflation	[19]	2.0%	2.0%
46	US forecast inflation	[19]	1.9%	1.9%
47	**Weighted average cost of capital - Local currency denominated**		**28.0%**	**29.8%**
48				
49	**Weighted average cost of capital (rounded)**		**28.0%**	**29.8%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of September 28, 2018.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for specific reserve and resource oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in January 2018 data published by Professor Aswath Damodaran.
[16] Based on the 20 year BB-rated US Energy debt yield on the low end and the 20 year B-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, January 2018.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 5

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Reserve Adjustment Factors - Fair Market Value by Reserve and Resource Category

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M
		Unrisked value		Percent of unrisked value total	Reserve adjustment factors	Risked value		Percent of risked value total	Total reserves and resources (Mmcf)	$/mcf		Implied risk adjusted discount rate	
		Low	High			Low	High			Low	High	Low	High
		[1]	[1]		[2]	[3]	[3]		[4]			[5]	[5]
1	Proved reserves	$ 54,885	$ 67,082	0.6%	61.0%	$ 33,480	$ 40,920	4.7%	78,772	$ 0.43	$ 0.52	12.3%	14.9%
2	Probable reserves	412,769	504,496	4.7%	37.0%	152,725	186,663	21.3%	343,254	0.44	0.54	21.4%	25.9%
3	Possible reserves	419,537	512,767	4.8%	16.0%	67,126	82,043	9.4%	275,698	0.24	0.30	52.8%	63.3%
4	Total 3P reserves	$ 887,191	$ 1,084,345	10.2%	28.6%	$ 253,330	$ 309,626	35.3%	697,725	$ 0.36	$ 0.44	27.8%	33.3%
5													
6	Contingent resources	$ 2,415,337	$ 2,952,078	27.7%	8.0%	$ 193,227	$ 236,166	26.9%	2,771,772	$ 0.07	$ 0.09	35.3%	37.9%
7	Prospective resources	5,418,812	6,622,992	62.1%	5.0%	270,941	331,150	37.8%	12,571,112	0.02	0.03	28.0%	29.8%
8	Total resources	$ 7,834,149	$ 9,575,070	89.8%	5.9%	$ 464,168	$ 567,316	64.7%	15,342,884	$ 0.03	$ 0.04	30.9%	33.2%
9													
10	**Fair market value of oil and gas reserves and resources**	**$ 8,721,340**	**$ 10,659,415**	**100.0%**	**8.2%**	**$ 717,498**	**$ 876,942**	**100.0%**	**16,040,609**	**$ 0.04**	**$ 0.05**	**30.4%**	**33.2%**

Notes:

[1] Unrisked values were obtained from the GLJ Report. For the purposes of the reserve adjustment factor ("RAF") analysis we took the net present value ("NPV") at 10.0 percent figures from the GLJ Report.

	NPV 10%	Unrisked value (Low -10%)	Unrisked value (High +10%)
Proved reserves	$ 60,983	$ 54,885	$ 67,082
Probable reserves	458,632	412,769	504,496
Possible reserves	466,152	419,537	512,767
Contingent resources	2,683,707	2,415,337	2,952,078
Prospective resources	6,020,902	5,418,812	6,622,992

[2] The selected RAFs are based on the 2022 Society of Petroleum Evaluation Engineers ("SPEE") report, as well as qualitative factors related to each reserve/resource category and are calculated, as follows:

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report	Weighted RAF
			Exhibit 1 - 1	
Proved reserves				
Developed and producing	$ -	0.0%	97.0%	0.0%
Undeveloped and not producing	60,983	100.0%	61.0%	61.0%
Total	$ 60,983	100.0%		61.0%

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report	Weighted RAF
			Exhibit 1 - 1	
Probable reserves				
Developed and producing	$ -	0.0%	54.0%	0.0%
Undeveloped and not producing	458,632	100.0%	37.0%	37.0%
Total	$ 458,632	100.0%		37.0%

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report	Weighted RAF
			Exhibit 1 - 1	
Possible reserves				
Developed and producing	$ -	0.0%	26.0%	0.0%
Undeveloped and not producing	466,152	100.0%	16.0%	16.0%
Total	$ 466,152	100.0%		16.0%

[3] The risked values are determined by multiplying the selected RAFs to the unrisked values.

[4] Based on the GLJ Report.

[5] The implied risk adjusted discount rate ("RADR") for each reserve and resource type is computed on the associated discounted cash flow schedules.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 6.1

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Guideline Public Company Multiples

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Company name	**Enterprise value (EV)**	**Recoverable reserve / resource value, before book value of ARO**	**Recoverable reserve / resource value, net of book value of ARO (RV)**	**Production**	**Proved reserves**	**Probable reserves**	**Possible reserves**	**Contingent resources**	**Prospective resources**	**Recoverable reserves / resources**	**Gas weighting**	**Reserves / Recoverable resources**	**$ / Recoverable reserves and resources**
1					*Mcfe/d*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*%*		*$/mcfe*
2			[1]	[1]	[2]	[3]	[3]	[3]	[3]	[3]		[3]		
3														
4	Range Resources Corporation	$ 10,813,318	$ 10,472,450	$ 10,071,545	2,266,673	14,643,555	NA	NA	NA	NA	14,643,555	67.2%	100.0%	$ 0.69
5	CNX Resources Corporation	7,692,595	6,719,931	6,699,231	1,359,081	7,210,575	NA	NA	NA	NA	7,210,575	94.1%	100.0%	0.93
6	Antero Resources Corporation	15,331,130	11,077,897	11,023,954	2,538,198	16,567,072	NA	NA	NA	NA	16,567,072	63.9%	100.0%	0.67
7	Chesapeake Energy Corporation	14,997,441	15,323,191	15,085,342	3,245,000	10,586,915	NA	NA	NA	NA	10,586,915	75.1%	100.0%	1.42
8	Coterra Energy Inc.	14,096,568	14,372,934	14,310,622	1,934,520	9,198,388	NA	NA	NA	NA	9,198,388	96.0%	100.0%	1.56
9	Headwater Exploration Inc.	4,908	11,909	3,162	4,200	17,117	4,394	NA	44,936	-	66,447	99.2%	32.4%	0.05
10	Pieridae Energy Limited	152,939	156,151	154,960	-	-	-	NA	91,622	135,620	227,242	NA	0.0%	0.68
11	Pine Cliff Energy Ltd.	150,803	321,316	131,223	118,327	274,134	96,872	NA	-	-	371,006	93.5%	100.0%	0.35
12	Questerre Energy Corporation	176,533	183,842	170,962	10,870	52,062	55,418	NA	313,421	944,281	1,365,181	44.8%	7.9%	0.13
13														
14	**Minimum**											**44.8%**	**0.0%**	**$ 0.05**
15	**First quartile**											**66.4%**	**32.4%**	**0.35**
16	**Average**											**79.2%**	**71.1%**	**0.72**
17	**Median**											**84.3%**	**100.0%**	**0.68**
18	**Adjusted average**											**81.6%**	**77.2%**	**0.70**
19	**Third quartile**											**94.5%**	**100.0%**	**0.93**
20	**Maximum**											**99.2%**	**100.0%**	**1.56**
21														
22				Schedule 1 - 1		[4]	[4]	[4]	[4]	[4]		[4]		
23	Proved reserves			$ 37,200	NA	78,772	NA	NA	NA	NA	78,772	100.0%	100.0%	$ 0.47
24	Probable reserves			169,694	NA	NA	343,254	NA	NA	NA	343,254	100.0%	100.0%	0.49
25	Possible reserves			74,584	NA	NA	NA	275,698	NA	NA	275,698	100.0%	100.0%	0.27
26	Contingent resources			214,697	NA	NA	NA	NA	2,771,772	NA	2,771,772	100.0%	0.0%	0.08
27	Prospective resources			301,045	NA	NA	NA	NA	NA	12,571,112	12,571,112	100.0%	0.0%	0.02
28														
29														
30	Proved reserves (i.e., 1P)			$ 37,200	NA	78,772	NA	NA	NA	NA	78,772	100.0%	100.0%	$ 0.47
31	Proved plus probable reserves (i.e., 2P)			206,894	NA	78,772	343,254	NA	NA	NA	422,027	100.0%	100.0%	0.49
32	Proved plus probable plus possible reserves (i.e., 3P)			281,478	NA	78,772	343,254	275,698	NA	NA	697,725	100.0%	100.0%	0.40
33	3P reserves plus contingent resources			496,175	NA	78,772	343,254	275,698	2,771,772	NA	3,469,497	100.0%	20.1%	0.14
34	3P reserves plus contingent resources plus prospective resources			797,220	NA	78,772	343,254	275,698	2,771,772	12,571,112	16,040,609	100.0%	4.3%	0.05
35	**Recoverable resources, before G&A**			**797,220**	**NA**	**78,772**	**343,254**	**275,698**	**2,771,772**	**12,571,112**	**16,040,609**	**100.0%**	**4.3%**	**0.05**
36	**Recoverable resources, net of G&A**			**781,893**	**NA**	**78,772**	**343,254**	**275,698**	**2,771,772**	**12,571,112**	**16,040,609**	**100.0%**	**4.3%**	**0.05**

Notes:

[1] Recoverable resource value is computed by eliminating all assets and liabilities except oil and gas properties from the enterprise value.

[2] Production, as available in the most recent management discussion and analysis document of the companies, as at or before September 30, 2018.

[3] Reserve data is as per the most recent available annual information form of the companies, as at September 30, 2018, and adjusted for actual production, acquisitions, and divestitures for the period up to the Valuation Date.

[4] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Source: S&P Capital IQ (and its affiliates, as applicable), Copyright © 2022.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 6.2

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

Guideline Public Company Descriptions

	A	B	C
	Ticker	**Company name**	**Description**
1	NYSE:RRC	Range Resources Corporation	Range Resources Corporation operates as an independent natural gas, natural gas liquids (NGLs), and oil company in the United States. The company engages in the exploration, development, and acquisition of natural gas and oil properties. It markets and sells natural gas and NGLs to utilities, marketing and midstream companies, and industrial users; petrochemical end users, marketers/traders, and natural gas processors; and oil and condensate to crude oil processors, transporters, and refining and marketing companies. The company was formerly known as Lomak Petroleum, Inc. and changed its name to Range Resources Corporation in 1998. The company was founded in 1976 and is headquartered in Fort Worth, Texas.
2	NYSE:CNX	CNX Resources Corporation	CNX Resources Corporation, an independent natural gas and midstream company, acquires, explores for, develops, and produces natural gas properties in the Appalachian Basin. The company operates in two segments, Shale and Coalbed Methane (CBM). It produces and sells pipeline quality natural gas primarily for gas wholesalers. The company owns rights to extract natural gas in Pennsylvania, West Virginia, and Ohio, as well as rights to extract natural gas from other shale and shallow oil and gas positions in Illinois, Indiana, New York, and Virginia. It also owns rights to extract CBM in Virginia, West Virginia, Pennsylvania, Ohio, Illinois, Indiana, and New Mexico. In addition, the company designs, builds, and operates natural gas gathering systems to move gas from the wellhead to interstate pipelines or other local sales points; owns and operates approximately 2,600 miles of natural gas gathering pipelines, as well as various natural gas processing facilities. It also offers turn-key solutions for water sourcing, delivery, and disposal for its natural gas operations and for third parties. The company was formerly known as CONSOL Energy Inc. and changed its name to CNX Resources Corporation in November 2017. CNX Resources Corporation was founded in 1860 and is headquartered in Canonsburg, Pennsylvania.
3	TSX:HWX	Headwater Exploration Inc.	Headwater Exploration Inc. engages in the exploration, development, and production of petroleum and natural gas in Canada. It holds interest in the Marten Hills area located in Alberta; and McCully Field area located in New Brunswick. The company was formerly known as Corridor Resources Inc. and changed its name to Headwater Exploration Inc. in March 2020. Headwater Exploration Inc. incorporated in 1996 and is headquartered in Calgary, Canada.
4	TSX:PEA	Pieridae Energy Limited	Pieridae Energy Limited operates as an energy producing company in Canada. It develops, produces, and processes natural gas, natural gas liquids, condensate, and sulphur. The company was founded in 2011 and is headquartered in Calgary, Canada.
5	NYSE:AR	Antero Resources Corporation	Antero Resources Corporation, an independent oil and natural gas company, engages in the development, production, exploration, and acquisition of natural gas, natural gas liquids (NGLs), and oil properties in the United States. It operates through three segments: Exploration, Development and Production of Natural Gas, NGLs and Oil; Marketing and Utilization of Excess Firm Transportation Capacity; and Midstream Services Through Our Equity Method Investment in Antero Midstream. As of December 31, 2022, the company had approximately 504,000 net acres in the Appalachian Basin; and 174,000 net acres in the Upper Devonian Shale. It also owned and operated 620 miles of gas gathering pipelines in the Appalachian Basin; and 34 compressor stations. The company was formerly known as Antero Resources Appalachian Corporation and changed its name to Antero Resources Corporation in June 2013. Antero Resources Corporation was incorporated in 2002 and is headquartered in Denver, Colorado.
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	Chesapeake Energy Corporation, an independent exploration and production company, engages in the acquisition, exploration, and development of properties to produce oil, natural gas, and natural gas liquids from underground reservoirs in the United States. The company holds interests in natural gas resource plays in the Marcellus Shale in the northern Appalachian Basin in Pennsylvania and the Haynesville/Bossier Shales in northwestern Louisiana. The company was founded in 1989 and is headquartered in Oklahoma City, Oklahoma.
7	NYSE:CTRA	Coterra Energy Inc.	Coterra Energy Inc., an independent oil and gas company, engages in the development, exploration and production of oil, natural gas, and natural gas liquids in the United States. The company primarily focuses on the Marcellus Shale with approximately 183,000 net acres in the dry gas window of the play located in Susquehanna County, Pennsylvania. It also holds Permian Basin properties with approximately 307,000 net acres; and Anadarko Basin properties with approximately 182,000 net acres located in Oklahoma. In addition, the company operates natural gas and saltwater disposal gathering systems in Texas. It sells its natural gas to industrial customers, local distribution companies, oil and gas marketers, major energy companies, pipeline companies, and power generation facilities. The company was incorporated in 1989 and is headquartered in Houston, Texas.
8	TSX:PNE	Pine Cliff Energy Ltd.	Pine Cliff Energy Ltd. engages in the acquisition, exploration, development, and production of oil, natural gas, and natural gas liquids in the Western Canadian Sedimentary Basin. The company primarily holds interest in oil and gas properties in the Southern Alberta, Southern Saskatchewan, and Edson areas, as well as in the Viking and Ghost Pine area of Central Alberta. It also explores for precious metals in Ontario, the Northwest Territories, Nunavut, Canada, Utah, and the United States. The company was incorporated in 2004 and is headquartered in Calgary, Canada.
9	TSX:QEC	Questerre Energy Corporation	Questerre Energy Corporation acquires, explores, and develops non-conventional oil and gas projects in Canada. It produces tight oil, oil shale, shale oil, and shale gas. The company primarily holds 40,960 acres located in Kakwa, west central Alberta, including a 25% working interest in 10,080 acres in Kakwa Central; 50% working interest in 4,480 acres in Kakwa North; 50% interest in 22,400 acres in Kakwa West; and 50% interest in 3,840 acres in Kakwa South. It also holds 100% working interest in 11,035 acres located in Antler, Saskatchewan; and oil shale assets in Jordan. The company was formerly known as Westpro Equipment Ltd. and changed its name to Questerre Energy Corporation in December 2000. The company was incorporated in 1971 and is headquartered in Calgary, Canada.

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 1 - 6.3

Scenario 1 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on September 20, 2018

As at September 30, 2018

(CAD thousands, unless otherwise stated)

Guideline Precedent Transaction Multiples

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
																Indexed against Henry Hub spot price
	Date	Deal type	Acquirer	Target company	Total acquisition cost	Proved reserves	Probable reserves	Possible reserves	Contingent resources	Prospective resources	Recoverable resources	Production	2P gas weighting	Reserves/ Recoverable resources	$/Recoverable resources	$/Recoverable resources
						Mmcfe	Mmcfe	Mmcfe	Mmcfe	Mmcfe	Sum (F to J)	Mcfe/d	%	%	$/Mcfe	$/Mcfe [1]
1	**Quebec Transactions**															
2	3/15/2010	Acreage	TransAmerican Energy Inc	Undisclosed Seller	$ 224.1	NA	NA	NA	NA	NA	-	NA	NA	NA	NA	NA
3	6/16/2008	Corporate	Altai Resources	Petro St-Pierre Inc	24,079.0	NA	NA	NA	NA	NA	-	NA	NA	NA	NA	NA
4	1/30/2008	Acreage	Molopo Australia NL	Undisclosed Seller	3,205.8	NA	NA	NA	NA	NA	-	NA	NA	NA	NA	NA
5	5/27/2003	Property	Gastem	Questerre Energy Corporation	1,579.5	NA	NA	NA	NA	NA	-	NA	NA	NA	NA	NA
6																
7	**Utica Transactions**															
8	8/27/2018	Corporate	Eclipse Resources	Blue Ridge Mountain Resources Inc	345,900	452,136	-	-	NA	NA	452,136	121,980	81.9%	100.0%	$ 0.77	0.76
9	6/29/2018	Property	Ascent Resources Utica LLC	CNX Resources, Hess, Utica Minerals Development LLC, Salt Fork Resources LLC	1,500,000	1,099,980	-	-	NA	NA	1,099,980	216,000	NA	100.0%	$ 1.36	1.32
10	1/29/2018	Acreage	The Carlyle Group	Blue Ridge Mountain Resources Inc	56,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
11	12/31/2017	Acreage	Undisclosed Buyer	Eclipse Resources	800	-	-	-	NA	NA	-	-	NA	NA	NA	NA
12	12/11/2017	Property	Eclipse Resources	Travis Peak Resources LLC	93,700	-	-	-	NA	NA	-	6,480	NA	NA	NA	NA
13	8/31/2017	Acreage	Utica Minerals Development LLC, Ascent Resources Utica LLC	Chesapeake Energy	98,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
14	8/2/2017	JV	Sequel Energy LLC	Eclipse Resources	325,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
15	3/31/2017	Acreage	Undisclosed Buyer	Consol	77,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
16	12/19/2016	Property	Undisclosed Buyer	Eclipse Resources	63,800	-	-	-	NA	NA	-	1,000	NA	NA	NA	NA
17	12/7/2016	Acreage	Gulfport Energy	Undisclosed Seller	87,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
18	10/26/2016	Acreage	Undisclosed Buyer	Murray Energy Corp	63,600	-	-	-	NA	NA	-	-	NA	NA	NA	NA
19	8/11/2015	JV	Undisclosed Buyer	Magnum Hunter Resources Corp	430,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
20	7/31/2015	Acreage	Ascent Resources Utica LLC	Hess	110,100	-	-	-	NA	NA	-	-	NA	NA	NA	NA
21	6/9/2015	Property	Gulfport Energy	Ascent Resources Utica LLC	319,000	-	-	-	NA	NA	-	14,600	NA	NA	NA	NA
22	5/26/2015	Acreage	Antero Resources	Magnum Hunter Resources Corp	40,800	-	-	-	NA	NA	-	-	NA	NA	NA	NA
23	4/15/2015	Corporate	Gulfport Energy	Paloma Partners III LLC	301,300	-	-	-	NA	NA	-	-	NA	NA	NA	NA
24	1/14/2015	Property	Antero Resources	Hall Drilling LLC	240,000	29,000	-	971,000	NA	NA	1,000,000	20,000	100.0%	100.0%	0.24	0.21
25	11/5/2014	Acreage	Antero Resources	Undisclosed Seller	185,000	-	-	650,000	NA	NA	650,000	-	NA	100.0%	0.28	0.20
26	7/30/2014	Acreage	PDC Energy	Undisclosed Seller	35,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
27	6/6/2014	Acreage	Magnum Hunter Resources Corp	MNW Energy LLC	45,900	-	-	-	NA	NA	-	-	NA	NA	NA	NA
28	2/26/2014	Property	Gulfport Energy	Rhino Resource Partners LP	185,000	-	-	-	NA	NA	-	6,000	NA	NA	NA	NA
29	2/3/2014	Acreage	American Energy Partners LP	Exxon Mobil	600,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
30	2/3/2014	Acreage	American Energy Partners LP	Paloma Partners II LLC	442,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
31	1/29/2014	Acreage	American Energy Partners LP	Hess	924,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
32	10/31/2013	Acreage	Carrizo	ACP III Utica LLC	73,200	-	-	-	NA	NA	-	-	NA	NA	NA	NA
33	9/30/2013	Acreage	Undisclosed Buyer	Eclipse Resources	8,500	-	-	-	NA	NA	-	-	NA	NA	NA	NA
34	8/12/2013	Acreage	Magnum Hunter Resources Corp	MNW Energy LLC	104,300	-	-	-	NA	NA	-	-	NA	NA	NA	NA
35	8/9/2013	Acreage	American Energy Partners LP	EnerVest, EV Energy Partners	284,300	-	-	-	NA	NA	-	-	NA	NA	NA	NA
36	1/15/2013	Acreage	Carrizo	ACP III Utica LLC	63,000	-	-	-	NA	NA	-	-	NA	NA	NA	NA
37																
38																
39	**Minimum**												**81.9%**	**100.0%**	**$ 0.24**	**$ 0.20**
40	**First quartile**												**86.4%**	**100.0%**	**0.27**	**0.21**
41	**Average**												**90.9%**	**100.0%**	**0.66**	**0.62**
42	**Median**												**90.9%**	**100.0%**	**0.52**	**0.48**
43	**Adjusted average**												**NA**	**100.0%**	**0.52**	**0.48**
44	**Third quartile**												**95.5%**	**100.0%**	**0.91**	**0.90**
45	**Maximum**												**100.0%**	**100.0%**	**1.36**	**1.32**
46																
47					Schedule 1 - 1	[2]	[2]	[2]	[2]	[2]			[2]			
48	Proved reserves				$ 37,200	78,772	NA	NA	NA	NA	78,772	NA	100.0%	100.0%	$ 0.47	$ 0.47
49	Probable reserves				169,694	NA	343,254	NA	NA	NA	343,254	NA	100.0%	100.0%	0.49	0.49
50	Possible reserves				74,584	NA	NA	275,698	NA	NA	275,698	NA	100.0%	100.0%	0.27	0.27
51	Contingent resources				214,697	NA	NA	NA	2,771,772	NA	2,771,772	NA	100.0%	0.0%	0.08	0.08
52	Prospective resources				301,045	NA	NA	NA	NA	12,571,112	12,571,112	NA	100.0%	0.0%	0.02	0.02
53																
54																
55	1P reserves				$ 37,200	78,772	NA	NA	NA	NA	78,772	NA	100.0%	100.0%	$ 0.47	$ 0.47
56	2P reserves				206,894	78,772	343,254	NA	NA	NA	422,027	NA	100.0%	100.0%	0.49	0.49
57	3P reserves				281,478	78,772	343,254	275,698	NA	NA	697,725	NA	100.0%	100.0%	0.40	0.40
58	3P reserves plus contingent resources				496,175	78,772	343,254	275,698	2,771,772	NA	3,469,497	NA	100.0%	20.1%	0.14	0.14
59	3P reserves plus contingent and prospective resources				797,220	78,772	343,254	275,698	2,771,772	12,571,112	16,040,609	NA	100.0%	4.3%	0.05	0.05
60	**Recoverable resources, before G&A**				**$ 797,220**	**78,772**	**343,254**	**275,698**	**2,771,772**	**12,571,112**	**16,040,609**	**NA**	**100.0%**	**4.3%**	**$ 0.05**	**$ 0.05**
61	**Recoverable resources, net of G&A**				**$ 781,893**	**78,772**	**343,254**	**275,698**	**2,771,772**	**12,571,112**	**16,040,609**	**NA**	**100.0%**	**4.3%**	**$ 0.05**	**$ 0.05**

Notes:

[1] To facilitate a like-for-like and meaningful comparison of the asset's implied multiples with those of the precedent transactions, we indexed the multiples observed for the precedent transactions against the Henry Hub spot pricing, as at the respective transaction closing dates.

[2] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Source: Enverus.

Appendix A

Reserve Adjustment Factors (RAF) Detail

SPEE
SOCIETY OF PETROLEUM EVALUATION ENGINEERS

RAFs by Reserves Category

		P90	mean	P50	P10	count
Proved reserves	Producing	90	97	100	100	76
	Shut in	74	82	85	97	68
	Behind pipe	61	78	80	95	72
	Undeveloped	38	61	60	90	77
Probable reserves	Producing	25	54	53	80	52
	Shut in	0	42	50	75	49
	Behind pipe	10	41	45	60	54
	Undeveloped	10	37	40	50	68
Possible reserves	Producing	0	26	20	60	47
	Shut in	0	18	10	50	46
	Behind pipe	0	17	10	40	51
	Undeveloped	0	16	10	33	65
Contingent resources	Producing	0	10	5	25	32
	Shut in	0	8	5	25	35
	Behind pipe	0	9	0	25	38
	Undeveloped	0	8	0	25	51
Prospective resources	Producing	0	7	0	15	31
	Shut in	0	3	0	10	32
	Behind pipe	0	5	0	14	34
	Undeveloped	0	5	0	11	50

Appendix A

Risk Adjusted Discount Rates (RADR) Detail

SPEE
SOCIETY OF PETROLEUM EVALUATION ENGINEERS

RADRs by reserves category					
	P90	mean	P50	P10	count
Proved developed producing reserves	8	12	10	15	49
Proved developed non-producing reserves	10	16	15	23	46
Proved undeveloped reserves	12	21	20	25	48
Probable reserves	18	31	25	50	43
Possible reserves	20	37	30	81	40

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Listing of Schedules

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Economic Loss Summary

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K
		Notes	Reference	Fair market value conclusion			Percentage of total value	Total reserves / resources (Mmcf)	Percentage of total volume	$/mcf	Weighted average cost of capital/ Implied risk adjusted discount rate
1				Low	Midpoint	High				Midpoint	Midpoint
2											
3	Value of proved reserves before general and administrative expenses	[1]	Schedule 2 - 2.1 & Schedule 2 - 5	$ 44,084	$ 48,983	$ 53,881	6.0%	96,746	0.5%	$ 0.51	12.6%
4	Value of probable reserves before general and administrative expenses	[1]	Schedule 2 - 2.3 & Schedule 2 - 5	188,236	209,152	230,067	25.7%	430,603	2.2%	0.49	25.8%
5	Value of possible reserves before general and administrative expenses	[1]	Schedule 2 - 2.5 & Schedule 2 - 5	78,362	87,069	95,776	10.7%	331,163	1.7%	0.26	66.0%
6	Value of contingent resources before general and administrative expenses	[1]	Schedule 2 - 2.7 & Schedule 2 - 5	235,174	261,305	287,435	32.1%	3,452,232	17.4%	0.08	41.6%
7	Value of prospective resources before general and administrative expenses	[1]	Schedule 2 - 2.9 & Schedule 2 - 5	187,340	208,156	228,972	25.6%	15,549,217	78.3%	0.01	38.9%
8											
9	**Value of oil and gas resources before general and administrative expenses, as at August 31, 2022**			**$ 733,198**	**$ 814,665**	**$ 896,131**	**100.0%**	**19,859,961**	**100.0%**	**$ 0.04**	**37.7%**
10											
11	Less: Value of general and administrative expenses, as at August 31, 2022	[2]	Schedule 2 - 3.1	(17,329)	(18,959)	(20,589)					
12											
13	**Total economic loss, as at August 31, 2022**			**$ 715,869**	**$ 795,705**	**$ 875,542**					
14											
15	**Total economic loss, as at August 31, 2022**			**$ 715,870**	**$ 795,710**	**$ 875,540**					

Notes:

[1] Values may not tie to supporting schedules due to rounding.

[2] The GLJ Report does not take general and administrative ("G&A") expenses into consideration. As a result, G&A expenses were calculated separately.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 6.44	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	26,155	11,614	7,738	5,861	4,754	3,993	3,458	3,054	2,745
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ 168,316	$ 70,795	$ 48,111	$ 37,162	$ 30,746	$ 26,334	$ 23,272	$ 20,970	$ 19,224
9															
10															
11	Less: Royalty burdens	[1]			-	-	(20,591)	(7,795)	(5,250)	(4,056)	(3,355)	(2,874)	(2,540)	(2,289)	(2,098)
12	Less: Operating expenses	[1]			-	-	(14,789)	(7,327)	(5,353)	(4,412)	(3,870)	(3,505)	(3,257)	(3,078)	(2,949)
13	Less: Net profits interest burden	[1]			-	-	-	-	(813)	(861)	(706)	(599)	(524)	(468)	(425)
14	Net production revenue				$ -	$ -	$ 132,936	$ 55,673	$ 36,695	$ 27,833	$ 22,815	$ 19,356	$ 16,951	$ 15,135	$ 13,752
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ 132,936	$ 55,673	$ 36,695	$ 27,833	$ 22,815	$ 19,356	$ 16,951	$ 15,135	$ 13,752
18															
19															
20	Less: Income taxes		Schedule 2 - 2.2		-	-	-	(3,564)	(2,048)	(2,601)	(3,223)	(3,044)	(2,935)	(2,834)	(2,742)
21	After-tax cash flows				$ -	$ -	$ 132,936	$ 52,108	$ 34,647	$ 25,233	$ 19,592	$ 16,312	$ 14,016	$ 12,301	$ 11,009
22															
23	Less: Capital expenditures	[1]			-	(5,852)	(201,851)	(1,956)	(8,907)	(3,460)	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ (5,852)**	**$ (68,915)**	**$ 50,152**	**$ 25,740**	**$ 21,773**	**$ 19,592**	**$ 16,312**	**$ 14,016**	**$ 12,301**	**$ 11,009**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 2 - 4.1	13.6%	*0.98*	*0.90*	*0.79*	*0.70*	*0.61*	*0.54*	*0.48*	*0.42*	*0.37*	*0.32*	*0.29*
31	**Net present value of free cash flows**				**$ -**	**$ (5,261)**	**$ (54,538)**	**$ 34,937**	**$ 15,783**	**$ 11,752**	**$ 9,309**	**$ 6,822**	**$ 5,160**	**$ 3,986**	**$ 3,140**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 2 - 4.1	11.6%	*0.98*	*0.91*	*0.82*	*0.73*	*0.66*	*0.59*	*0.53*	*0.47*	*0.42*	*0.38*	*0.34*
38	**Net present value of free cash flows**				**$ -**	**$ (5,338)**	**$ (56,310)**	**$ 36,706**	**$ 16,874**	**$ 12,785**	**$ 10,305**	**$ 7,685**	**$ 5,914**	**$ 4,650**	**$ 3,727**
39															
40															
41					**Low**	**Mid**	**High**								
42															
43	Sum of the net present value of free cash flows				$ 44,084	$ 48,983	$ 53,881								
44	**Fair market value of proved reserves before G&A expenses**				**$ 44,084**	**$ 48,983**	**$ 53,881**								
45															
46	Total proved reserves (Mmcf)				96,746	96,746	96,746								
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.46**	**$ 0.51**	**$ 0.56**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			2,483	2,273	2,091	1,929	1,770	1,628	1,498	1,382	1,268	1,166	1,073
6															
7	Sales revenue														
8	Natural gas	[1]			$ 17,729	$ 16,566	$ 15,535	$ 14,614	$ 13,676	$ 12,834	$ 12,044	$ 11,332	$ 10,605	$ 9,952	$ 9,339
9															
10															
11	Less: Royalty burdens	[1]			(1,935)	(1,808)	(1,695)	(1,595)	(1,492)	(1,401)	(1,314)	(1,237)	(1,157)	(1,086)	(1,019)
12	Less: Operating expenses	[1]			(2,843)	(2,766)	(2,702)	(2,648)	(2,592)	(2,546)	(2,504)	(2,470)	(2,436)	(2,408)	(2,385)
13	Less: Net profits interest burden	[1]			(389)	(360)	(334)	(311)	(288)	(267)	(247)	(229)	(210)	(194)	(178)
14	Net production revenue				$ 12,563	$ 11,633	$ 10,804	$ 10,060	$ 9,303	$ 8,621	$ 7,978	$ 7,396	$ 6,801	$ 6,264	$ 5,757
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 12,563	$ 11,633	$ 10,804	$ 10,060	$ 9,303	$ 8,621	$ 7,978	$ 7,396	$ 6,801	$ 6,264	$ 5,757
18															
19															
20	Less: Income taxes		Schedule 2 - 2.2		(2,628)	(2,529)	(2,419)	(2,305)	(2,167)	(2,035)	(1,903)	(1,779)	(1,646)	(1,524)	(1,407)
21	After-tax cash flows				$ 9,935	$ 9,103	$ 8,385	$ 7,755	$ 7,136	$ 6,586	$ 6,075	$ 5,617	$ 5,155	$ 4,740	$ 4,351
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 9,935**	**$ 9,103**	**$ 8,385**	**$ 7,755**	**$ 7,136**	**$ 6,586**	**$ 6,075**	**$ 5,617**	**$ 5,155**	**$ 4,740**	**$ 4,351**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 2 - 4.1	13.6%	*0.25*	*0.22*	*0.19*	*0.17*	*0.15*	*0.13*	*0.12*	*0.10*	*0.09*	*0.08*	*0.07*
31	**Net present value of free cash flows**				**$ 2,494**	**$ 2,012**	**$ 1,631**	**$ 1,328**	**$ 1,076**	**$ 874**	**$ 710**	**$ 578**	**$ 467**	**$ 378**	**$ 305**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 2 - 4.1	11.6%	*0.30*	*0.27*	*0.24*	*0.22*	*0.20*	*0.17*	*0.16*	*0.14*	*0.13*	*0.11*	*0.10*
38	**Net present value of free cash flows**				**$ 3,013**	**$ 2,473**	**$ 2,040**	**$ 1,690**	**$ 1,393**	**$ 1,152**	**$ 951**	**$ 788**	**$ 648**	**$ 533**	**$ 439**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			990	908	836	769	709	651	599	551	508	466	429
6															
7	Sales revenue														
8	Natural gas	[1]			$ 8,788	$ 8,223	$ 7,717	$ 7,242	$ 6,814	$ 6,377	$ 5,984	$ 5,616	$ 5,284	$ 4,945	$ 4,640
9															
10															
11	Less: Royalty burdens	[1]			(959)	(897)	(842)	(790)	(744)	(696)	(653)	(613)	(577)	(540)	(506)
12	Less: Operating expenses	[1]			(2,367)	(2,350)	(2,338)	(2,329)	(2,325)	(2,321)	(2,321)	(2,325)	(2,332)	(2,340)	(2,351)
13	Less: Net profits interest burden	[1]			(164)	(149)	(136)	(124)	(112)	(101)	(90)	(80)	(71)	(62)	(53)
14	Net production revenue				$ 5,297	$ 4,827	$ 4,401	$ 3,999	$ 3,633	$ 3,259	$ 2,919	$ 2,598	$ 2,304	$ 2,004	$ 1,730
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 5,297	$ 4,827	$ 4,401	$ 3,999	$ 3,633	$ 3,259	$ 2,919	$ 2,598	$ 2,304	$ 2,004	$ 1,730
18															
19															
20	Less: Income taxes		Schedule 2 - 2.2		(1,299)	(1,186)	(1,084)	(986)	(897)	(805)	(721)	(642)	(568)	(493)	(424)
21	After-tax cash flows				$ 3,998	$ 3,641	$ 3,317	$ 3,013	$ 2,736	$ 2,454	$ 2,198	$ 1,956	$ 1,736	$ 1,510	$ 1,305
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 3,998**	**$ 3,641**	**$ 3,317**	**$ 3,013**	**$ 2,736**	**$ 2,454**	**$ 2,198**	**$ 1,956**	**$ 1,736**	**$ 1,510**	**$ 1,305**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 2 - 4.1	13.6%	*0.06*	*0.05*	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*
31	**Net present value of free cash flows**				**$ 247**	**$ 198**	**$ 159**	**$ 127**	**$ 101**	**$ 80**	**$ 63**	**$ 49**	**$ 39**	**$ 30**	**$ 22**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 2 - 4.1	11.6%	*0.09*	*0.08*	*0.07*	*0.06*	*0.06*	*0.05*	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*
38	**Net present value of free cash flows**				**$ 361**	**$ 294**	**$ 240**	**$ 196**	**$ 159**	**$ 128**	**$ 103**	**$ 82**	**$ 65**	**$ 51**	**$ 39**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			395	364	334	307	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 4,355	$ 4,097	$ 3,834	$ 3,598	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(475)	(447)	(418)	(393)	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			(2,364)	(2,381)	(2,399)	(2,419)	-	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(45)	(38)	(31)	(24)	-	-	-	-	-	-	-
14	Net production revenue				$ 1,470	$ 1,231	$ 987	$ 763	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	(2,992)	-	-
17	Operating income				$ 1,470	$ 1,231	$ 987	$ 763	$ -	$ -	$ -	$ -	$ (2,992)	$ -	$ -
18															
19															
20	Less: Income taxes		Schedule 2 - 2.2		(359)	(299)	(237)	(180)	20	18	16	-	-	-	-
21	After-tax cash flows				$ 1,111	$ 932	$ 750	$ 583	$ 20	$ 18	$ 16	$ -	$ (2,992)	$ -	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 1,111**	**$ 932**	**$ 750**	**$ 583**	**$ 20**	**$ 18**	**$ 16**	**$ -**	**$ (2,992)**	**$ -**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 2 - 4.1	13.6%	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 17**	**$ 12**	**$ 9**	**$ 6**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (16)**	**$ -**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 2 - 4.1	11.6%	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
38	**Net present value of free cash flows**				**$ 30**	**$ 22**	**$ 16**	**$ 11**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (33)**	**$ -**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			-	-	-	-	-	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18															
19															
20	Less: Income taxes		Schedule 2 - 2.2		-	-	-	-	-	-	-	-	-	-	-
21	After-tax cash flows				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 2 - 4.1	13.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 2 - 4.1	11.6%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.2

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.1	$ -	$ -	$ 132,936	$ 55,673	$ 36,695	$ 27,833	$ 22,815	$ 19,356	$ 16,951	$ 15,135	$ 13,752
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(5,878)	(3,331)	(2,998)	(2,698)	(2,428)	(2,185)	(1,967)	(1,770)	(1,593)	(1,434)	(1,290)
6	Class 41				(3,674)	(1,531)	(1,148)	(861)	(646)	(484)	(363)	(272)	(204)	(153)	(115)
7	CDE				-	-	(66,177)	(24,265)	(16,985)	(11,890)	(8,323)	(5,826)	(4,078)	(2,855)	(1,998)
8	CEE				-	(5,852)	(54,791)	(1,956)	(8,907)	(3,460)	-	-	-	-	-
9	Taxable income before non-capital losses				$ (9,552)	$ (10,713)	$ 7,822	$ 25,893	$ 7,729	$ 9,814	$ 12,162	$ 11,488	$ 11,075	$ 10,693	$ 10,348
10															
11	Less: Loss carry forward claimed				-	-	(7,822)	(12,443)	-	-	-	-	-	-	-
12	Taxable income				$ (9,552)	$ (10,713)	$ -	$ 13,450	$ 7,729	$ 9,814	$ 12,162	$ 11,488	$ 11,075	$ 10,693	$ 10,348
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ 3,564**	**$ 2,048**	**$ 2,601**	**$ 3,223**	**$ 3,044**	**$ 2,935**	**$ 2,834**	**$ 2,742**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 9,552	$ 20,265	$ 12,443	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				9,552	10,713	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(7,822)	(12,443)	-	-	-	-	-	-	-
23	Tax loss pool				$ 9,552	$ 20,265	$ 12,443	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 9,552	$ 20,265	$ 12,443	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 48,983	[4]	80.0%	$ 39,186	$ 33,308	$ 29,977	$ 26,980	$ 24,282	$ 21,854	$ 19,668	$ 17,701	$ 15,931	$ 14,338	$ 12,904
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 39,186	$ 33,308	$ 29,977	$ 26,980	$ 24,282	$ 21,854	$ 19,668	$ 17,701	$ 15,931	$ 14,338	$ 12,904
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 5,878	$ 3,331	$ 2,998	$ 2,698	$ 2,428	$ 2,185	$ 1,967	$ 1,770	$ 1,593	$ 1,434	$ 1,290
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 5,878	$ 3,331	$ 2,998	$ 2,698	$ 2,428	$ 2,185	$ 1,967	$ 1,770	$ 1,593	$ 1,434	$ 1,290
36	Ending balance		[2]		$ 33,308	$ 29,977	$ 26,980	$ 24,282	$ 21,854	$ 19,668	$ 17,701	$ 15,931	$ 14,338	$ 12,904	$ 11,614
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 48,983	[4]	20.0%	$ 9,797	$ 6,123	$ 4,592	$ 3,444	$ 2,583	$ 1,937	$ 1,453	$ 1,090	$ 817	$ 613	$ 460
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 9,797	$ 6,123	$ 4,592	$ 3,444	$ 2,583	$ 1,937	$ 1,453	$ 1,090	$ 817	$ 613	$ 460
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 3,674	$ 1,531	$ 1,148	$ 861	$ 646	$ 484	$ 363	$ 272	$ 204	$ 153	$ 115
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 3,674	$ 1,531	$ 1,148	$ 861	$ 646	$ 484	$ 363	$ 272	$ 204	$ 153	$ 115
47	Ending balance		[2]		$ 6,123	$ 4,592	$ 3,444	$ 2,583	$ 1,937	$ 1,453	$ 1,090	$ 817	$ 613	$ 460	$ 345
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 48,983	[4]	0.0%	$ -	$ -	$ -	$ 80,883	$ 56,618	$ 39,633	$ 27,743	$ 19,420	$ 13,594	$ 9,516	$ 6,661
52	Additions		[5]		-	-	147,060	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ 147,060	$ 80,883	$ 56,618	$ 39,633	$ 27,743	$ 19,420	$ 13,594	$ 9,516	$ 6,661
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ 24,265	$ 16,985	$ 11,890	$ 8,323	$ 5,826	$ 4,078	$ 2,855	$ 1,998
56	Claim on current year additions				-	-	66,177	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ 66,177	$ 24,265	$ 16,985	$ 11,890	$ 8,323	$ 5,826	$ 4,078	$ 2,855	$ 1,998
58	Ending balance		[2]		$ -	$ -	$ 80,883	$ 56,618	$ 39,633	$ 27,743	$ 19,420	$ 13,594	$ 9,516	$ 6,661	$ 4,663
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 48,983	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	5,852	54,791	1,956	8,907	3,460	-	-	-	-	-
64	Total balance before claim				$ -	$ 5,852	$ 54,791	$ 1,956	$ 8,907	$ 3,460	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	5,852	54,791	1,956	8,907	3,460	-	-	-	-	-
68	Claim				$ -	$ 5,852	$ 54,791	$ 1,956	$ 8,907	$ 3,460	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.2

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.1	$ 12,563	$ 11,633	$ 10,804	$ 10,060	$ 9,303	$ 8,621	$ 7,978	$ 7,396	$ 6,801	$ 6,264	$ 5,757
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,161)	(1,045)	(941)	(847)	(762)	(686)	(617)	(555)	(500)	(450)	(405)
6	Class 41				(86)	(65)	(48)	(36)	(27)	(20)	(15)	(12)	(9)	(6)	(5)
7	CDE				(1,399)	(979)	(685)	(480)	(336)	(235)	(165)	(115)	(81)	(56)	(40)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 9,916	$ 9,543	$ 9,129	$ 8,698	$ 8,178	$ 7,680	$ 7,181	$ 6,714	$ 6,212	$ 5,751	$ 5,308
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 9,916	$ 9,543	$ 9,129	$ 8,698	$ 8,178	$ 7,680	$ 7,181	$ 6,714	$ 6,212	$ 5,751	$ 5,308
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 2,628**	**$ 2,529**	**$ 2,419**	**$ 2,305**	**$ 2,167**	**$ 2,035**	**$ 1,903**	**$ 1,779**	**$ 1,646**	**$ 1,524**	**$ 1,407**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 48,983	[4]	80.0%	$ 11,614	$ 10,452	$ 9,407	$ 8,467	$ 7,620	$ 6,858	$ 6,172	$ 5,555	$ 4,999	$ 4,499	$ 4,050
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 11,614	$ 10,452	$ 9,407	$ 8,467	$ 7,620	$ 6,858	$ 6,172	$ 5,555	$ 4,999	$ 4,499	$ 4,050
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,161	$ 1,045	$ 941	$ 847	$ 762	$ 686	$ 617	$ 555	$ 500	$ 450	$ 405
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,161	$ 1,045	$ 941	$ 847	$ 762	$ 686	$ 617	$ 555	$ 500	$ 450	$ 405
36	Ending balance		[2]		$ 10,452	$ 9,407	$ 8,467	$ 7,620	$ 6,858	$ 6,172	$ 5,555	$ 4,999	$ 4,499	$ 4,050	$ 3,645
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 48,983	[4]	20.0%	$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35	$ 26	$ 19
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35	$ 26	$ 19
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 86	$ 65	$ 48	$ 36	$ 27	$ 20	$ 15	$ 12	$ 9	$ 6	$ 5
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 86	$ 65	$ 48	$ 36	$ 27	$ 20	$ 15	$ 12	$ 9	$ 6	$ 5
47	Ending balance		[2]		$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35	$ 26	$ 19	$ 15
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 48,983	[4]	0.0%	$ 4,663	$ 3,264	$ 2,285	$ 1,599	$ 1,120	$ 784	$ 549	$ 384	$ 269	$ 188	$ 132
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 4,663	$ 3,264	$ 2,285	$ 1,599	$ 1,120	$ 784	$ 549	$ 384	$ 269	$ 188	$ 132
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1,399	$ 979	$ 685	$ 480	$ 336	$ 235	$ 165	$ 115	$ 81	$ 56	$ 40
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 1,399	$ 979	$ 685	$ 480	$ 336	$ 235	$ 165	$ 115	$ 81	$ 56	$ 40
58	Ending balance		[2]		$ 3,264	$ 2,285	$ 1,599	$ 1,120	$ 784	$ 549	$ 384	$ 269	$ 188	$ 132	$ 92
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 48,983	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	Reference	For the years ending December 31, 2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.1	$ 5,297	$ 4,827	$ 4,401	$ 3,999	$ 3,633	$ 3,259	$ 2,919	$ 2,598	$ 2,304	$ 2,004	$ 1,730
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(364)	(328)	(295)	(266)	(239)	(215)	(194)	(174)	(157)	(141)	(127)
6	Class 41				(4)	(3)	(2)	(2)	(1)	(1)	(1)	(0)	(0)	(0)	(0)
7	CDE				(28)	(19)	(14)	(9)	(7)	(5)	(3)	(2)	(2)	(1)	(1)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 4,901	$ 4,477	$ 4,090	$ 3,723	$ 3,386	$ 3,038	$ 2,722	$ 2,421	$ 2,145	$ 1,861	$ 1,602
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 4,901	$ 4,477	$ 4,090	$ 3,723	$ 3,386	$ 3,038	$ 2,722	$ 2,421	$ 2,145	$ 1,861	$ 1,602
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 1,299**	**$ 1,186**	**$ 1,084**	**$ 986**	**$ 897**	**$ 805**	**$ 721**	**$ 642**	**$ 568**	**$ 493**	**$ 424**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 48,983	[4]	80.0%	$ 3,645	$ 3,280	$ 2,952	$ 2,657	$ 2,391	$ 2,152	$ 1,937	$ 1,743	$ 1,569	$ 1,412	$ 1,271
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 3,645	$ 3,280	$ 2,952	$ 2,657	$ 2,391	$ 2,152	$ 1,937	$ 1,743	$ 1,569	$ 1,412	$ 1,271
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 364	$ 328	$ 295	$ 266	$ 239	$ 215	$ 194	$ 174	$ 157	$ 141	$ 127
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 364	$ 328	$ 295	$ 266	$ 239	$ 215	$ 194	$ 174	$ 157	$ 141	$ 127
36	Ending balance		[2]		$ 3,280	$ 2,952	$ 2,657	$ 2,391	$ 2,152	$ 1,937	$ 1,743	$ 1,569	$ 1,412	$ 1,271	$ 1,144
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 48,983	[4]	20.0%	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1	$ 1	$ 1
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1	$ 1	$ 1
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1	$ 1	$ 1	$ 1
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 48,983	[4]	0.0%	$ 92	$ 65	$ 45	$ 32	$ 22	$ 15	$ 11	$ 8	$ 5	$ 4	$ 3
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 92	$ 65	$ 45	$ 32	$ 22	$ 15	$ 11	$ 8	$ 5	$ 4	$ 3
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 28	$ 19	$ 14	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 28	$ 19	$ 14	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1
58	Ending balance		[2]		$ 65	$ 45	$ 32	$ 22	$ 15	$ 11	$ 8	$ 5	$ 4	$ 3	$ 2
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 48,983	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.1	$ 1,470	$ 1,231	$ 987	$ 763	$ -	$ -	$ -	$ -	$ (2,992)	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(114)	(103)	(93)	(83)	(75)	(68)	(61)	(55)	(49)	(44)	(40)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 1,355	$ 1,127	$ 894	$ 679	$ (75)	$ (68)	$ (61)	$ (55)	$ (3,041)	$ (44)	$ (40)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 1,355	$ 1,127	$ 894	$ 679	$ (75)	$ (68)	$ (61)	$ (55)	$ (3,041)	$ (44)	$ (40)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 359**	**$ 299**	**$ 237**	**$ 180**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ (75)	$ (68)	$ (61)	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ (20)**	**$ (18)**	**$ (16)**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	55	$ 3,096	$ 3,141
21	Additions				-	-	-	-	75	68	61	55	3,041	44	40
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ 75	$ 68	$ 61	$ 55	$ 3,096	$ 3,141	$ 3,180
24	Less: Loss carry back claimed				-	-	-	-	(75)	(68)	(61)	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 55	$ 3,096	$ 3,141	$ 3,180
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 48,983	[4]	80.0%	$ 1,144	$ 1,029	$ 926	$ 834	$ 750	$ 675	$ 608	$ 547	$ 492	$ 443	$ 399
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,144	$ 1,029	$ 926	$ 834	$ 750	$ 675	$ 608	$ 547	$ 492	$ 443	$ 399
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 114	$ 103	$ 93	$ 83	$ 75	$ 68	$ 61	$ 55	$ 49	$ 44	$ 40
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 114	$ 103	$ 93	$ 83	$ 75	$ 68	$ 61	$ 55	$ 49	$ 44	$ 40
36	Ending balance		[2]		$ 1,029	$ 926	$ 834	$ 750	$ 675	$ 608	$ 547	$ 492	$ 443	$ 399	$ 359
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 48,983	[4]	20.0%	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 48,983	[4]	0.0%	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 48,983	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	O	O
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(36)	(32)	(29)	(26)	(24)	(21)	(19)	(17)	(15)	(14)	(13)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (36)	$ (32)	$ (29)	$ (26)	$ (24)	$ (21)	$ (19)	$ (17)	$ (15)	$ (14)	$ (13)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (36)	$ (32)	$ (29)	$ (26)	$ (24)	$ (21)	$ (19)	$ (17)	$ (15)	$ (14)	$ (13)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ 3,180	$ 3,216	$ 3,249	$ 3,278	$ 3,304	$ 3,327	$ 3,349	$ 3,368	$ 3,385	$ 3,400	$ 3,414
21	Additions				36	32	29	26	24	21	19	17	15	14	13
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 3,216	$ 3,249	$ 3,278	$ 3,304	$ 3,327	$ 3,349	$ 3,368	$ 3,385	$ 3,400	$ 3,414	$ 3,427
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 3,216	$ 3,249	$ 3,278	$ 3,304	$ 3,327	$ 3,349	$ 3,368	$ 3,385	$ 3,400	$ 3,414	$ 3,427
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 48,983	[4]	80.0%	$ 359	$ 323	$ 291	$ 262	$ 235	$ 212	$ 191	$ 172	$ 154	$ 139	$ 125
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 359	$ 323	$ 291	$ 262	$ 235	$ 212	$ 191	$ 172	$ 154	$ 139	$ 125
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 36	$ 32	$ 29	$ 26	$ 24	$ 21	$ 19	$ 17	$ 15	$ 14	$ 13
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 36	$ 32	$ 29	$ 26	$ 24	$ 21	$ 19	$ 17	$ 15	$ 14	$ 13
36	Ending balance		[2]		$ 323	$ 291	$ 262	$ 235	$ 212	$ 191	$ 172	$ 154	$ 139	$ 125	$ 113
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 48,983	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 48,983	[4]	0.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 48,983	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions	-	[0]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.3

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 6.44	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	42,109	23,782	38,425	40,561	31,580	23,483	19,380	16,732	14,876
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ 271,016	$ 144,966	$ 238,908	$ 257,212	$ 204,230	$ 154,865	$ 130,445	$ 114,907	$ 104,196
9															
10															
11	Less: Royalty burdens	[1]			-	-	(34,925)	(17,334)	(28,125)	(29,974)	(22,802)	(16,731)	(14,011)	(12,350)	(11,203)
12	Less: Operating expenses	[1]			-	-	(22,980)	(13,859)	(22,810)	(24,978)	(20,629)	(16,341)	(14,236)	(12,920)	(12,033)
13	Less: Net profits interest burden	[1]			-	-	-	(3,558)	(2,705)	(1,909)	(1,626)	(1,428)	(1,290)	(1,185)	(1,105)
14	Net production revenue				$ -	$ -	$ 213,111	$ 110,216	$ 185,268	$ 200,350	$ 159,174	$ 120,366	$ 100,908	$ 88,453	$ 79,855
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ 213,111	$ 110,216	$ 185,268	$ 200,350	$ 159,174	$ 120,366	$ 100,908	$ 88,453	$ 79,855
18															
19															
20	Less: Income taxes		Schedule 2 - 2.4		-	-	(8,536)	(18,726)	(24,987)	(27,919)	(31,067)	(23,651)	(20,553)	(18,736)	(17,536)
21	After-tax cash flows				$ -	$ -	$ 204,575	$ 91,490	$ 160,281	$ 172,431	$ 128,107	$ 96,714	$ 80,356	$ 69,717	$ 62,319
22															
23	Less: Capital expenditures	[1]			-	-	(182,841)	-	(109,235)	(102,020)	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ -**	**$ 21,734**	**$ 91,490**	**$ 51,046**	**$ 70,411**	**$ 128,107**	**$ 96,714**	**$ 80,356**	**$ 69,717**	**$ 62,319**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 2 - 4.2	28.0%	*0.96*	*0.81*	*0.64*	*0.50*	*0.39*	*0.30*	*0.24*	*0.19*	*0.14*	*0.11*	*0.09*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 13,823**	**$ 45,466**	**$ 19,822**	**$ 21,363**	**$ 30,370**	**$ 17,915**	**$ 11,631**	**$ 7,884**	**$ 5,507**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 2 - 4.2	23.6%	*0.97*	*0.84*	*0.68*	*0.55*	*0.44*	*0.36*	*0.29*	*0.24*	*0.19*	*0.15*	*0.12*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 14,738**	**$ 50,198**	**$ 22,662**	**$ 25,293**	**$ 37,236**	**$ 22,746**	**$ 15,292**	**$ 10,735**	**$ 7,764**
39															
40															
41					**Low**	**Mid**	**High**								
42															
43	Sum of the net present value of free cash flows				$ 188,236	$ 209,151	$ 230,067								
44	**Fair market value of probable reserves before G&A expenses**				**$ 188,236**	**$ 209,151**	**$ 230,067**								
45															
46	Total probable reserves (Mmcf)				430,603	430,603	430,603								
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.44**	**$ 0.49**	**$ 0.53**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			13,393	12,250	11,300	10,506	9,746	9,080	8,461	7,905	7,345	6,844	6,377
6															
7	Sales revenue														
8	Natural gas	[1]			$ 95,646	$ 89,275	$ 83,954	$ 79,596	$ 75,317	$ 71,578	$ 68,033	$ 64,832	$ 61,444	$ 58,397	$ 55,499
9															
10															
11	Less: Royalty burdens	[1]			(10,287)	(9,604)	(9,034)	(8,565)	(8,105)	(7,703)	(7,322)	(6,978)	(6,613)	(6,285)	(5,974)
12	Less: Operating expenses	[1]			(11,341)	(10,834)	(10,429)	(10,107)	(9,792)	(9,525)	(9,277)	(9,060)	(8,829)	(8,628)	(8,442)
13	Less: Net profits interest burden	[1]			(1,035)	(980)	(930)	(886)	(838)	(796)	(755)	(718)	(679)	(643)	(609)
14	Net production revenue				$ 72,983	$ 67,856	$ 63,562	$ 60,038	$ 56,582	$ 53,554	$ 50,679	$ 48,076	$ 45,324	$ 42,840	$ 40,474
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 72,983	$ 67,856	$ 63,562	$ 60,038	$ 56,582	$ 53,554	$ 50,679	$ 48,076	$ 45,324	$ 42,840	$ 40,474
18															
19															
20	Less: Income taxes		Schedule 2 - 2.4		(16,504)	(15,729)	(15,026)	(14,422)	(13,759)	(13,153)	(12,547)	(11,981)	(11,353)	(10,779)	(10,222)
21	After-tax cash flows				$ 56,479	$ 52,128	$ 48,535	$ 45,616	$ 42,823	$ 40,401	$ 38,132	$ 36,095	$ 33,971	$ 32,061	$ 30,252
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 56,479**	**$ 52,128**	**$ 48,535**	**$ 45,616**	**$ 42,823**	**$ 40,401**	**$ 38,132**	**$ 36,095**	**$ 33,971**	**$ 32,061**	**$ 30,252**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 2 - 4.2	28.0%	*0.07*	*0.05*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*
31	**Net present value of free cash flows**				**$ 3,900**	**$ 2,812**	**$ 2,046**	**$ 1,503**	**$ 1,102**	**$ 812**	**$ 599**	**$ 443**	**$ 326**	**$ 240**	**$ 177**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 2 - 4.2	23.6%	*0.10*	*0.08*	*0.07*	*0.05*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*
38	**Net present value of free cash flows**				**$ 5,694**	**$ 4,252**	**$ 3,203**	**$ 2,436**	**$ 1,850**	**$ 1,413**	**$ 1,079**	**$ 826**	**$ 629**	**$ 481**	**$ 367**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			5,957	5,535	5,157	4,804	4,488	4,169	3,884	3,618	3,379	3,139	2,924
6															
7	Sales revenue														
8	Natural gas	[1]			$ 52,884	$ 50,115	$ 47,626	$ 45,259	$ 43,122	$ 40,861	$ 38,827	$ 36,894	$ 35,150	$ 33,304	$ 31,644
9															
10															
11	Less: Royalty burdens	[1]			(5,692)	(5,394)	(5,127)	(4,872)	(4,642)	(4,399)	(4,180)	(3,972)	(3,784)	(3,585)	(3,407)
12	Less: Operating expenses	[1]			(8,283)	(8,111)	(7,966)	(7,832)	(7,721)	(7,600)	(7,501)	(7,412)	(7,341)	(7,263)	(7,204)
13	Less: Net profits interest burden	[1]			(579)	(546)	(517)	(488)	(463)	(436)	(411)	(388)	(366)	(344)	(323)
14	Net production revenue				$ 38,330	$ 36,064	$ 34,017	$ 32,066	$ 30,296	$ 28,426	$ 26,736	$ 25,123	$ 23,658	$ 22,111	$ 20,710
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 38,330	$ 36,064	$ 34,017	$ 32,066	$ 30,296	$ 28,426	$ 26,736	$ 25,123	$ 23,658	$ 22,111	$ 20,710
18															
19															
20	Less: Income taxes		Schedule 2 - 2.4		(9,713)	(9,163)	(8,664)	(8,185)	(7,750)	(7,284)	(6,862)	(6,458)	(6,090)	(5,698)	(5,343)
21	After-tax cash flows				$ 28,617	$ 26,901	$ 25,353	$ 23,880	$ 22,546	$ 21,143	$ 19,874	$ 18,666	$ 17,568	$ 16,413	$ 15,367
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 28,617**	**$ 26,901**	**$ 25,353**	**$ 23,880**	**$ 22,546**	**$ 21,143**	**$ 19,874**	**$ 18,666**	**$ 17,568**	**$ 16,413**	**$ 15,367**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 2 - 4.2	28.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 131**	**$ 96**	**$ 71**	**$ 52**	**$ 38**	**$ 28**	**$ 21**	**$ 15**	**$ 11**	**$ 8**	**$ 6**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 2 - 4.2	23.6%	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 281**	**$ 214**	**$ 163**	**$ 124**	**$ 95**	**$ 72**	**$ 55**	**$ 42**	**$ 32**	**$ 24**	**$ 18**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			2,724	2,544	2,363	2,201	2,333	2,175	2,017	1,876	1,745	1,627	1,509
6															
7	Sales revenue														
8	Natural gas	[1]			$ 30,066	$ 28,642	$ 27,136	$ 25,782	$ 27,871	$ 26,510	$ 25,077	$ 23,789	$ 22,567	$ 21,465	$ 20,305
9															
10															
11	Less: Royalty burdens	[1]			(3,237)	(3,084)	(2,922)	(2,776)	(3,006)	(2,859)	(2,705)	(2,566)	(2,434)	(2,315)	(2,190)
12	Less: Operating expenses	[1]			(7,153)	(7,117)	(7,077)	(7,051)	(9,474)	(9,495)	(9,512)	(9,544)	(9,585)	(9,640)	(9,693)
13	Less: Net profits interest burden	[1]			(303)	(286)	(267)	(250)	(250)	(229)	(207)	(187)	(167)	(150)	(131)
14	Net production revenue				$ 19,373	$ 18,155	$ 16,871	$ 15,705	$ 15,141	$ 13,927	$ 12,654	$ 11,493	$ 10,381	$ 9,360	$ 8,291
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	2,992	-	-
17	Operating income				$ 19,373	$ 18,155	$ 16,871	$ 15,705	$ 15,141	$ 13,927	$ 12,654	$ 11,493	$ 13,373	$ 9,360	$ 8,291
18															
19															
20	Less: Income taxes		Schedule 2 - 2.4		(5,004)	(4,694)	(4,366)	(4,067)	(3,927)	(3,614)	(3,284)	(2,984)	(3,488)	(2,430)	(2,152)
21	After-tax cash flows				$ 14,369	$ 13,461	$ 12,505	$ 11,638	$ 11,213	$ 10,313	$ 9,369	$ 8,509	$ 9,885	$ 6,930	$ 6,139
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 14,369**	**$ 13,461**	**$ 12,505**	**$ 11,638**	**$ 11,213**	**$ 10,313**	**$ 9,369**	**$ 8,509**	**$ 9,885**	**$ 6,930**	**$ 6,139**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 2 - 4.2	28.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 4**	**$ 3**	**$ 2**	**$ 2**	**$ 1**	**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 2 - 4.2	23.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 14**	**$ 10**	**$ 8**	**$ 6**	**$ 5**	**$ 3**	**$ 3**	**$ 2**	**$ 2**	**$ 1**	**$ 1**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.85	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			1,404	1,305	1,217	1,129	817	425	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 19,262	$ 18,273	$ 17,381	$ 16,441	$ 12,129	$ 6,446	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(2,077)	(1,971)	(1,874)	(1,773)	(1,299)	(685)	-	-	-	-	-
12	Less: Operating expenses	[1]			(9,759)	(9,833)	(9,919)	(10,004)	(7,656)	(4,030)	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(114)	(98)	(82)	(67)	(33)	-	-	-	-	-	-
14	Net production revenue				$ 7,312	$ 6,372	$ 5,505	$ 4,598	$ 3,140	$ 1,731	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	(7,530)	(4,929)
17	Operating income				$ 7,312	$ 6,372	$ 5,505	$ 4,598	$ 3,140	$ 1,731	$ -	$ -	$ -	$ (7,530)	$ (4,929)
18															
19															
20	Less: Income taxes		Schedule 2 - 2.4		(1,897)	(1,652)	(1,426)	(1,189)	(805)	(435)	1,328	19	17	-	-
21	After-tax cash flows				$ 5,415	$ 4,720	$ 4,079	$ 3,409	$ 2,334	$ 1,296	$ 1,328	$ 19	$ 17	$ (7,530)	$ (4,929)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 5,415**	**$ 4,720**	**$ 4,079**	**$ 3,409**	**$ 2,334**	**$ 1,296**	**$ 1,328**	**$ 19**	**$ 17**	**$ (7,530)**	**$ (4,929)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 2 - 4.2	28.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ (0)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 2 - 4.2	23.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ (0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.4

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.3	$ -	$ -	$ 213,111	$ 110,216	$ 185,268	$ 200,350	$ 159,174	$ 120,366	$ 100,908	$ 88,453	$ 79,855
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(25,098)	(14,222)	(12,800)	(11,520)	(10,368)	(9,331)	(8,398)	(7,558)	(6,802)	(6,122)	(5,510)
6	Class 41				(15,686)	(6,536)	(4,902)	(3,676)	(2,757)	(2,068)	(1,551)	(1,163)	(872)	(654)	(491)
7	CDE				-	-	(66,425)	(24,356)	(56,675)	(63,191)	(31,991)	(22,394)	(15,676)	(10,973)	(7,681)
8	CEE				-	-	(35,230)	-	(21,178)	(20,404)	-	-	-	-	-
9	Taxable income before non-capital losses				$ (40,785)	$ (20,758)	$ 93,754	$ 70,663	$ 94,290	$ 105,356	$ 117,234	$ 89,250	$ 77,558	$ 70,704	$ 66,173
10															
11	Less: Loss carry forward claimed				-	-	(61,543)	-	-	-	-	-	-	-	-
12	Taxable income				$ (40,785)	$ (20,758)	$ 32,211	$ 70,663	$ 94,290	$ 105,356	$ 117,234	$ 89,250	$ 77,558	$ 70,704	$ 66,173
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ 8,536**	**$ 18,726**	**$ 24,987**	**$ 27,919**	**$ 31,067**	**$ 23,651**	**$ 20,553**	**$ 18,736**	**$ 17,536**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 40,785	$ 61,543	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				40,785	20,758	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(61,543)	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 40,785	$ 61,543	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 40,785	$ 61,543	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 209,151	[4]	80.0%	$ 167,321	$ 142,223	$ 128,001	$ 115,201	$ 103,681	$ 93,313	$ 83,981	$ 75,583	$ 68,025	$ 61,222	$ 55,100
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 167,321	$ 142,223	$ 128,001	$ 115,201	$ 103,681	$ 93,313	$ 83,981	$ 75,583	$ 68,025	$ 61,222	$ 55,100
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 25,098	$ 14,222	$ 12,800	$ 11,520	$ 10,368	$ 9,331	$ 8,398	$ 7,558	$ 6,802	$ 6,122	$ 5,510
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 25,098	$ 14,222	$ 12,800	$ 11,520	$ 10,368	$ 9,331	$ 8,398	$ 7,558	$ 6,802	$ 6,122	$ 5,510
36	Ending balance		[2]		$ 142,223	$ 128,001	$ 115,201	$ 103,681	$ 93,313	$ 83,981	$ 75,583	$ 68,025	$ 61,222	$ 55,100	$ 49,590
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 209,151	[4]	20.0%	$ 41,830	$ 26,144	$ 19,608	$ 14,706	$ 11,029	$ 8,272	$ 6,204	$ 4,653	$ 3,490	$ 2,617	$ 1,963
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 41,830	$ 26,144	$ 19,608	$ 14,706	$ 11,029	$ 8,272	$ 6,204	$ 4,653	$ 3,490	$ 2,617	$ 1,963
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 15,686	$ 6,536	$ 4,902	$ 3,676	$ 2,757	$ 2,068	$ 1,551	$ 1,163	$ 872	$ 654	$ 491
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 15,686	$ 6,536	$ 4,902	$ 3,676	$ 2,757	$ 2,068	$ 1,551	$ 1,163	$ 872	$ 654	$ 491
47	Ending balance		[2]		$ 26,144	$ 19,608	$ 14,706	$ 11,029	$ 8,272	$ 6,204	$ 4,653	$ 3,490	$ 2,617	$ 1,963	$ 1,472
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 209,151	[4]	0.0%	$ -	$ -	$ -	$ 81,186	$ 56,830	$ 88,212	$ 106,637	$ 74,646	$ 52,252	$ 36,577	$ 25,604
52	Additions		[5]		-	-	147,611	-	88,057	81,616	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ 147,611	$ 81,186	$ 144,887	$ 169,828	$ 106,637	$ 74,646	$ 52,252	$ 36,577	$ 25,604
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ 24,356	$ 17,049	$ 26,464	$ 31,991	$ 22,394	$ 15,676	$ 10,973	$ 7,681
56	Claim on current year additions				-	-	66,425	-	39,625	36,727	-	-	-	-	-
57	Claim				$ -	$ -	$ 66,425	$ 24,356	$ 56,675	$ 63,191	$ 31,991	$ 22,394	$ 15,676	$ 10,973	$ 7,681
58	Ending balance		[2]		$ -	$ -	$ 81,186	$ 56,830	$ 88,212	$ 106,637	$ 74,646	$ 52,252	$ 36,577	$ 25,604	$ 17,923
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 209,151	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	35,230	-	21,178	20,404	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ 35,230	$ -	$ 21,178	$ 20,404	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	35,230	-	21,178	20,404	-	-	-	-	-
68	Claim				$ -	$ -	$ 35,230	$ -	$ 21,178	$ 20,404	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.3	$ 72,983	$ 67,856	$ 63,562	$ 60,038	$ 56,582	$ 53,554	$ 50,679	$ 48,076	$ 45,324	$ 42,840	$ 40,474
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(4,959)	(4,463)	(4,017)	(3,615)	(3,254)	(2,928)	(2,635)	(2,372)	(2,135)	(1,921)	(1,729)
6	Class 41				(368)	(276)	(207)	(155)	(116)	(87)	(66)	(49)	(37)	(28)	(21)
7	CDE				(5,377)	(3,764)	(2,635)	(1,844)	(1,291)	(904)	(633)	(443)	(310)	(217)	(152)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 62,279	$ 59,353	$ 56,703	$ 54,423	$ 51,921	$ 49,634	$ 47,345	$ 45,213	$ 42,842	$ 40,674	$ 38,572
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 62,279	$ 59,353	$ 56,703	$ 54,423	$ 51,921	$ 49,634	$ 47,345	$ 45,213	$ 42,842	$ 40,674	$ 38,572
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 16,504**	**$ 15,729**	**$ 15,026**	**$ 14,422**	**$ 13,759**	**$ 13,153**	**$ 12,547**	**$ 11,981**	**$ 11,353**	**$ 10,779**	**$ 10,222**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 209,151	[4]	80.0%	$ 49,590	$ 44,631	$ 40,168	$ 36,151	$ 32,536	$ 29,282	$ 26,354	$ 23,719	$ 21,347	$ 19,212	$ 17,291
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 49,590	$ 44,631	$ 40,168	$ 36,151	$ 32,536	$ 29,282	$ 26,354	$ 23,719	$ 21,347	$ 19,212	$ 17,291
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 4,959	$ 4,463	$ 4,017	$ 3,615	$ 3,254	$ 2,928	$ 2,635	$ 2,372	$ 2,135	$ 1,921	$ 1,729
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 4,959	$ 4,463	$ 4,017	$ 3,615	$ 3,254	$ 2,928	$ 2,635	$ 2,372	$ 2,135	$ 1,921	$ 1,729
36	Ending balance		[2]		$ 44,631	$ 40,168	$ 36,151	$ 32,536	$ 29,282	$ 26,354	$ 23,719	$ 21,347	$ 19,212	$ 17,291	$ 15,562
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 209,151	[4]	20.0%	$ 1,472	$ 1,104	$ 828	$ 621	$ 466	$ 349	$ 262	$ 197	$ 147	$ 111	$ 83
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1,472	$ 1,104	$ 828	$ 621	$ 466	$ 349	$ 262	$ 197	$ 147	$ 111	$ 83
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 368	$ 276	$ 207	$ 155	$ 116	$ 87	$ 66	$ 49	$ 37	$ 28	$ 21
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 368	$ 276	$ 207	$ 155	$ 116	$ 87	$ 66	$ 49	$ 37	$ 28	$ 21
47	Ending balance		[2]		$ 1,104	$ 828	$ 621	$ 466	$ 349	$ 262	$ 197	$ 147	$ 111	$ 83	$ 62
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 209,151	[4]	0.0%	$ 17,923	$ 12,546	$ 8,782	$ 6,147	$ 4,303	$ 3,012	$ 2,109	$ 1,476	$ 1,033	$ 723	$ 506
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 17,923	$ 12,546	$ 8,782	$ 6,147	$ 4,303	$ 3,012	$ 2,109	$ 1,476	$ 1,033	$ 723	$ 506
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 5,377	$ 3,764	$ 2,635	$ 1,844	$ 1,291	$ 904	$ 633	$ 443	$ 310	$ 217	$ 152
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 5,377	$ 3,764	$ 2,635	$ 1,844	$ 1,291	$ 904	$ 633	$ 443	$ 310	$ 217	$ 152
58	Ending balance		[2]		$ 12,546	$ 8,782	$ 6,147	$ 4,303	$ 3,012	$ 2,109	$ 1,476	$ 1,033	$ 723	$ 506	$ 354
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 209,151	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.4

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.3	$ 38,330	$ 36,064	$ 34,017	$ 32,066	$ 30,296	$ 28,426	$ 26,736	$ 25,123	$ 23,658	$ 22,111	$ 20,710
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,556)	(1,401)	(1,261)	(1,134)	(1,021)	(919)	(827)	(744)	(670)	(603)	(543)
6	Class 41				(16)	(12)	(9)	(7)	(5)	(4)	(3)	(2)	(2)	(1)	(1)
7	CDE				(106)	(74)	(52)	(36)	(26)	(18)	(13)	(9)	(6)	(4)	(3)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 36,652	$ 34,577	$ 32,695	$ 30,888	$ 29,245	$ 27,486	$ 25,893	$ 24,368	$ 22,980	$ 21,503	$ 20,164
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 36,652	$ 34,577	$ 32,695	$ 30,888	$ 29,245	$ 27,486	$ 25,893	$ 24,368	$ 22,980	$ 21,503	$ 20,164
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 9,713**	**$ 9,163**	**$ 8,664**	**$ 8,185**	**$ 7,750**	**$ 7,284**	**$ 6,862**	**$ 6,458**	**$ 6,090**	**$ 5,698**	**$ 5,343**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 209,151	[4]	80.0%	$ 15,562	$ 14,006	$ 12,605	$ 11,345	$ 10,210	$ 9,189	$ 8,270	$ 7,443	$ 6,699	$ 6,029	$ 5,426
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 15,562	$ 14,006	$ 12,605	$ 11,345	$ 10,210	$ 9,189	$ 8,270	$ 7,443	$ 6,699	$ 6,029	$ 5,426
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,556	$ 1,401	$ 1,261	$ 1,134	$ 1,021	$ 919	$ 827	$ 744	$ 670	$ 603	$ 543
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,556	$ 1,401	$ 1,261	$ 1,134	$ 1,021	$ 919	$ 827	$ 744	$ 670	$ 603	$ 543
36	Ending balance		[2]		$ 14,006	$ 12,605	$ 11,345	$ 10,210	$ 9,189	$ 8,270	$ 7,443	$ 6,699	$ 6,029	$ 5,426	$ 4,883
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 209,151	[4]	20.0%	$ 62	$ 47	$ 35	$ 26	$ 20	$ 15	$ 11	$ 8	$ 6	$ 5	$ 4
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 62	$ 47	$ 35	$ 26	$ 20	$ 15	$ 11	$ 8	$ 6	$ 5	$ 4
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
47	Ending balance		[2]		$ 47	$ 35	$ 26	$ 20	$ 15	$ 11	$ 8	$ 6	$ 5	$ 4	$ 3
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 209,151	[4]	0.0%	$ 354	$ 248	$ 174	$ 122	$ 85	$ 60	$ 42	$ 29	$ 20	$ 14	$ 10
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 354	$ 248	$ 174	$ 122	$ 85	$ 60	$ 42	$ 29	$ 20	$ 14	$ 10
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 106	$ 74	$ 52	$ 36	$ 26	$ 18	$ 13	$ 9	$ 6	$ 4	$ 3
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 106	$ 74	$ 52	$ 36	$ 26	$ 18	$ 13	$ 9	$ 6	$ 4	$ 3
58	Ending balance		[2]		$ 248	$ 174	$ 122	$ 85	$ 60	$ 42	$ 29	$ 20	$ 14	$ 10	$ 7
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 209,151	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.4

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.3	$ 19,373	$ 18,155	$ 16,871	$ 15,705	$ 15,141	$ 13,927	$ 12,654	$ 11,493	$ 13,373	$ 9,360	$ 8,291
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(488)	(440)	(396)	(356)	(320)	(288)	(260)	(234)	(210)	(189)	(170)
6	Class 41				(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(2)	(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 18,882	$ 17,714	$ 16,474	$ 15,348	$ 14,819	$ 13,638	$ 12,394	$ 11,259	$ 13,162	$ 9,171	$ 8,121
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 18,882	$ 17,714	$ 16,474	$ 15,348	$ 14,819	$ 13,638	$ 12,394	$ 11,259	$ 13,162	$ 9,171	$ 8,121
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 5,004**	**$ 4,694**	**$ 4,366**	**$ 4,067**	**$ 3,927**	**$ 3,614**	**$ 3,284**	**$ 2,984**	**$ 3,488**	**$ 2,430**	**$ 2,152**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 209,151	[4]	80.0%	$ 4,883	$ 4,395	$ 3,956	$ 3,560	$ 3,204	$ 2,884	$ 2,595	$ 2,336	$ 2,102	$ 1,892	$ 1,703
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 4,883	$ 4,395	$ 3,956	$ 3,560	$ 3,204	$ 2,884	$ 2,595	$ 2,336	$ 2,102	$ 1,892	$ 1,703
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 488	$ 440	$ 396	$ 356	$ 320	$ 288	$ 260	$ 234	$ 210	$ 189	$ 170
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 488	$ 440	$ 396	$ 356	$ 320	$ 288	$ 260	$ 234	$ 210	$ 189	$ 170
36	Ending balance		[2]		$ 4,395	$ 3,956	$ 3,560	$ 3,204	$ 2,884	$ 2,595	$ 2,336	$ 2,102	$ 1,892	$ 1,703	$ 1,532
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 209,151	[4]	20.0%	$ 3	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 3	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 209,151	[4]	0.0%	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 5	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 209,151	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.4

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.3	$ 7,312	$ 6,372	$ 5,505	$ 4,598	$ 3,140	$ 1,731	$ (4,929)	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(153)	(138)	(124)	(112)	(101)	(90)	(81)	(73)	(66)	(59)	(53)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 7,159	$ 6,234	$ 5,381	$ 4,486	$ 3,039	$ 1,641	$ (5,010)	$ (73)	$ (66)	$ (59)	$ (53)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 7,159	$ 6,234	$ 5,381	$ 4,486	$ 3,039	$ 1,641	$ (5,010)	$ (73)	$ (66)	$ (59)	$ (53)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 1,897**	**$ 1,652**	**$ 1,426**	**$ 1,189**	**$ 805**	**$ 435**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (5,010)	$ (73)	$ (66)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (1,328)**	**$ (19)**	**$ (17)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	59
21	Additions				-	-	-	-	-	-	5,010	73	66	59	53
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 5,010	$ 73	$ 66	$ 59	$ 113
24	Less: Loss carry back claimed				-	-	-	-	-	-	(5,010)	(73)	(66)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 59	$ 113
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 209,151	[4]	80.0%	$ 1,532	$ 1,379	$ 1,241	$ 1,117	$ 1,005	$ 905	$ 814	$ 733	$ 660	$ 594	$ 534
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,532	$ 1,379	$ 1,241	$ 1,117	$ 1,005	$ 905	$ 814	$ 733	$ 660	$ 594	$ 534
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 153	$ 138	$ 124	$ 112	$ 101	$ 90	$ 81	$ 73	$ 66	$ 59	$ 53
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 153	$ 138	$ 124	$ 112	$ 101	$ 90	$ 81	$ 73	$ 66	$ 59	$ 53
36	Ending balance		[2]		$ 1,379	$ 1,241	$ 1,117	$ 1,005	$ 905	$ 814	$ 733	$ 660	$ 594	$ 534	$ 481
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 209,151	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 209,151	[4]	0.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 209,151	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 6.44	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	29,638	17,285	22,240	22,812	19,116	15,331	13,224	11,780	10,729
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ 190,751	$ 105,364	$ 138,276	$ 144,658	$ 123,625	$ 101,104	$ 89,009	$ 80,895	$ 75,148
9															
10															
11	Less: Royalty burdens	[1]			-	-	(25,658)	(14,109)	(18,167)	(18,205)	(14,938)	(11,792)	(9,932)	(8,772)	(8,102)
12	Less: Operating expenses	[1]			-	-	(15,566)	(9,279)	(12,177)	(12,759)	(10,892)	(8,912)	(7,842)	(7,125)	(6,619)
13	Less: Net profits interest burden	[1]			-	-	(3,068)	(3,877)	(1,833)	(1,544)	(1,369)	(1,232)	(1,134)	(1,059)	(1,002)
14	Net production revenue				$ -	$ -	$ 146,459	$ 78,098	$ 106,099	$ 112,150	$ 96,425	$ 79,168	$ 70,102	$ 63,939	$ 59,425
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ 146,459	$ 78,098	$ 106,099	$ 112,150	$ 96,425	$ 79,168	$ 70,102	$ 63,939	$ 59,425
18															
19															
20	Less: Income taxes		Schedule 2 - 2.6		-	-	(30,070)	(19,020)	(26,668)	(28,462)	(24,455)	(20,017)	(17,730)	(16,196)	(15,086)
21	After-tax cash flows				$ -	$ -	$ 116,390	$ 59,079	$ 79,431	$ 83,688	$ 71,970	$ 59,151	$ 52,372	$ 47,743	$ 44,339
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ -**	**$ -**	**$ 116,390**	**$ 59,079**	**$ 79,431**	**$ 83,688**	**$ 71,970**	**$ 59,151**	**$ 52,372**	**$ 47,743**	**$ 44,339**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 2 - 4.3	71.6%	*0.91*	*0.64*	*0.37*	*0.22*	*0.13*	*0.07*	*0.04*	*0.02*	*0.01*	*0.01*	*0.00*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 43,215**	**$ 12,781**	**$ 10,012**	**$ 6,147**	**$ 3,080**	**$ 1,475**	**$ 761**	**$ 404**	**$ 219**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 2 - 4.3	60.5%	*0.92*	*0.67*	*0.42*	*0.26*	*0.16*	*0.10*	*0.06*	*0.04*	*0.02*	*0.02*	*0.01*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ 48,890**	**$ 15,466**	**$ 12,959**	**$ 8,509**	**$ 4,560**	**$ 2,336**	**$ 1,289**	**$ 732**	**$ 424**
39															
40															
41					**Low**		**Mid**		**High**						
42															
43	Sum of the net present value of free cash flows				$ 78,362		$ 87,069		$ 95,776						
44	**Fair market value of possible reserves before G&A expenses**				**$ 78,362**		**$ 87,069**		**$ 95,776**						
45															
46	Total possible reserves (Mmcf)				331,163		331,163		331,163						
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.24**		**$ 0.26**		**$ 0.29**						

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			9,851	9,163	8,611	8,172	7,742	7,376	7,039	6,734	6,405	6,107	5,821
6															
7	Sales revenue														
8	Natural gas	[1]			$ 70,349	$ 66,776	$ 63,980	$ 61,917	$ 59,829	$ 58,141	$ 56,596	$ 55,230	$ 53,583	$ 52,112	$ 50,663
9															
10															
11	Less: Royalty burdens	[1]			(7,587)	(7,202)	(6,902)	(6,681)	(6,456)	(6,274)	(6,107)	(5,960)	(5,782)	(5,623)	(5,467)
12	Less: Operating expenses	[1]			(6,199)	(5,882)	(5,639)	(5,458)	(5,274)	(5,125)	(4,989)	(4,868)	(4,723)	(4,594)	(4,466)
13	Less: Net profits interest burden	[1]			(950)	(911)	(882)	(861)	(836)	(814)	(792)	(773)	(749)	(729)	(708)
14	Net production revenue				$ 55,613	$ 52,781	$ 50,558	$ 48,918	$ 47,263	$ 45,928	$ 44,708	$ 43,629	$ 42,328	$ 41,166	$ 40,023
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 55,613	$ 52,781	$ 50,558	$ 48,918	$ 47,263	$ 45,928	$ 44,708	$ 43,629	$ 42,328	$ 41,166	$ 40,023
18															
19															
20	Less: Income taxes		Schedule 2 - 2.6		(14,150)	(13,464)	(12,932)	(12,547)	(12,153)	(11,838)	(11,550)	(11,295)	(10,977)	(10,694)	(10,413)
21	After-tax cash flows				$ 41,464	$ 39,317	$ 37,626	$ 36,371	$ 35,110	$ 34,089	$ 33,158	$ 32,334	$ 31,351	$ 30,472	$ 29,610
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 41,464**	**$ 39,317**	**$ 37,626**	**$ 36,371**	**$ 35,110**	**$ 34,089**	**$ 33,158**	**$ 32,334**	**$ 31,351**	**$ 30,472**	**$ 29,610**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 2 - 4.3	71.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 119**	**$ 66**	**$ 37**	**$ 21**	**$ 12**	**$ 7**	**$ 4**	**$ 2**	**$ 1**	**$ 1**	**$ 0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 2 - 4.3	60.5%	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 247**	**$ 146**	**$ 87**	**$ 52**	**$ 32**	**$ 19**	**$ 12**	**$ 7**	**$ 4**	**$ 3**	**$ 2**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			5,562	5,283	5,030	4,789	4,569	4,335	4,123	3,921	3,737	3,542	3,366
6															
7	Sales revenue														
8	Natural gas	[1]			$ 49,371	$ 47,833	$ 46,459	$ 45,111	$ 43,906	$ 42,489	$ 41,221	$ 39,981	$ 38,872	$ 37,579	$ 36,422
9															
10															
11	Less: Royalty burdens	[1]			(5,327)	(5,161)	(5,013)	(4,868)	(4,738)	(4,585)	(4,448)	(4,314)	(4,194)	(4,055)	(3,930)
12	Less: Operating expenses	[1]			(4,352)	(4,217)	(4,095)	(3,977)	(3,870)	(3,745)	(3,634)	(3,524)	(3,427)	(3,313)	(3,211)
13	Less: Net profits interest burden	[1]			(690)	(668)	(649)	(630)	(613)	(593)	(575)	(557)	(542)	(523)	(507)
14	Net production revenue				$ 39,002	$ 37,787	$ 36,702	$ 35,637	$ 34,686	$ 33,566	$ 32,565	$ 31,586	$ 30,710	$ 29,688	$ 28,774
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 39,002	$ 37,787	$ 36,702	$ 35,637	$ 34,686	$ 33,566	$ 32,565	$ 31,586	$ 30,710	$ 29,688	$ 28,774
18															
19															
20	Less: Income taxes		Schedule 2 - 2.6		(10,162)	(9,858)	(9,586)	(9,318)	(9,079)	(8,793)	(8,538)	(8,288)	(8,064)	(7,801)	(7,565)
21	After-tax cash flows				$ 28,840	$ 27,929	$ 27,116	$ 26,319	$ 25,607	$ 24,773	$ 24,027	$ 23,298	$ 22,646	$ 21,888	$ 21,209
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 28,840**	**$ 27,929**	**$ 27,116**	**$ 26,319**	**$ 25,607**	**$ 24,773**	**$ 24,027**	**$ 23,298**	**$ 22,646**	**$ 21,888**	**$ 21,209**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 2 - 4.3	71.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 2 - 4.3	60.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			3,197	3,045	2,883	2,737	2,598	2,472	2,339	2,219	2,105	2,002	1,892
6															
7	Sales revenue														
8	Natural gas	[1]			$ 35,293	$ 34,282	$ 33,112	$ 32,065	$ 31,044	$ 30,131	$ 29,079	$ 28,138	$ 27,222	$ 26,402	$ 25,462
9															
10															
11	Less: Royalty burdens	[1]			(3,808)	(3,699)	(3,573)	(3,460)	(3,350)	(3,251)	(3,137)	(3,036)	(2,937)	(2,849)	(2,747)
12	Less: Operating expenses	[1]			(3,111)	(3,022)	(2,919)	(2,827)	(2,737)	(2,656)	(2,563)	(2,480)	(2,400)	(2,327)	(2,245)
13	Less: Net profits interest burden	[1]			(491)	(477)	(461)	(446)	(432)	(419)	(404)	(391)	(378)	(367)	(354)
14	Net production revenue				$ 27,882	$ 27,084	$ 26,160	$ 25,333	$ 24,526	$ 23,805	$ 22,974	$ 22,230	$ 21,507	$ 20,859	$ 20,117
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 27,882	$ 27,084	$ 26,160	$ 25,333	$ 24,526	$ 23,805	$ 22,974	$ 22,230	$ 21,507	$ 20,859	$ 20,117
18															
19															
20	Less: Income taxes		Schedule 2 - 2.6		(7,335)	(7,129)	(6,889)	(6,674)	(6,464)	(6,276)	(6,059)	(5,865)	(5,676)	(5,507)	(5,312)
21	After-tax cash flows				$ 20,548	$ 19,955	$ 19,271	$ 18,659	$ 18,062	$ 17,528	$ 16,915	$ 16,365	$ 15,831	$ 15,352	$ 14,805
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 20,548**	**$ 19,955**	**$ 19,271**	**$ 18,659**	**$ 18,062**	**$ 17,528**	**$ 16,915**	**$ 16,365**	**$ 15,831**	**$ 15,352**	**$ 14,805**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 2 - 4.3	71.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 2 - 4.3	60.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.86	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			1,794	1,700	1,616	1,527	1,680	1,921	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 24,621	$ 23,804	$ 23,072	$ 22,237	$ 24,955	$ 29,113	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(2,656)	(2,568)	(2,489)	(2,399)	(2,701)	(3,151)	-	-	-	-	-
12	Less: Operating expenses	[1]			(2,170)	(2,098)	(2,034)	(1,960)	(4,338)	(8,004)	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(342)	(331)	(320)	(309)	(318)	(326)	-	-	-	-	-
14	Net production revenue				$ 19,453	$ 18,807	$ 18,229	$ 17,569	$ 17,598	$ 17,632	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	7,530	(7,741)
17	Operating income				$ 19,453	$ 18,807	$ 18,229	$ 17,569	$ 17,598	$ 17,632	$ -	$ -	$ -	$ 7,530	$ (7,741)
18															
19															
20	Less: Income taxes		Schedule 2 - 2.6		(5,138)	(4,969)	(4,817)	(4,643)	(4,652)	(4,662)	2,060	8	7	-	-
21	After-tax cash flows				$ 14,315	$ 13,838	$ 13,412	$ 12,925	$ 12,946	$ 12,969	$ 2,060	$ 8	$ 7	$ 7,530	$ (7,741)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 14,315**	**$ 13,838**	**$ 13,412**	**$ 12,925**	**$ 12,946**	**$ 12,969**	**$ 2,060**	**$ 8**	**$ 7**	**$ 7,530**	**$ (7,741)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 2 - 4.3	71.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**(0)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 2 - 4.3	60.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**(0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.6

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.5	$ -	$ -	$ 146,459	$ 78,098	$ 106,099	$ 112,150	$ 96,425	$ 79,168	$ 70,102	$ 63,939	$ 59,425
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(10,448)	(5,921)	(5,329)	(4,796)	(4,316)	(3,885)	(3,496)	(3,147)	(2,832)	(2,549)	(2,294)
6	Class 41				(6,530)	(2,721)	(2,041)	(1,531)	(1,148)	(861)	(646)	(484)	(363)	(272)	(204)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (16,979)	$ (8,642)	$ 139,090	$ 71,772	$ 100,635	$ 107,405	$ 92,284	$ 75,537	$ 66,907	$ 61,118	$ 56,926
10															
11	Less: Loss carry forward claimed				-	-	(25,620)	-	-	-	-	-	-	-	-
12	Taxable income				$ (16,979)	$ (8,642)	$ 113,470	$ 71,772	$ 100,635	$ 107,405	$ 92,284	$ 75,537	$ 66,907	$ 61,118	$ 56,926
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ 30,070**	**$ 19,020**	**$ 26,668**	**$ 28,462**	**$ 24,455**	**$ 20,017**	**$ 17,730**	**$ 16,196**	**$ 15,086**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 16,979	$ 25,620	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				16,979	8,642	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(25,620)	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 16,979	$ 25,620	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 16,979	$ 25,620	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 87,069	[4]	80.0%	$ 69,655	$ 59,207	$ 53,286	$ 47,958	$ 43,162	$ 38,846	$ 34,961	$ 31,465	$ 28,319	$ 25,487	$ 22,938
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 69,655	$ 59,207	$ 53,286	$ 47,958	$ 43,162	$ 38,846	$ 34,961	$ 31,465	$ 28,319	$ 25,487	$ 22,938
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 10,448	$ 5,921	$ 5,329	$ 4,796	$ 4,316	$ 3,885	$ 3,496	$ 3,147	$ 2,832	$ 2,549	$ 2,294
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 10,448	$ 5,921	$ 5,329	$ 4,796	$ 4,316	$ 3,885	$ 3,496	$ 3,147	$ 2,832	$ 2,549	$ 2,294
36	Ending balance		[2]		$ 59,207	$ 53,286	$ 47,958	$ 43,162	$ 38,846	$ 34,961	$ 31,465	$ 28,319	$ 25,487	$ 22,938	$ 20,644
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 87,069	[4]	20.0%	$ 17,414	$ 10,884	$ 8,163	$ 6,122	$ 4,592	$ 3,444	$ 2,583	$ 1,937	$ 1,453	$ 1,090	$ 817
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 17,414	$ 10,884	$ 8,163	$ 6,122	$ 4,592	$ 3,444	$ 2,583	$ 1,937	$ 1,453	$ 1,090	$ 817
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 6,530	$ 2,721	$ 2,041	$ 1,531	$ 1,148	$ 861	$ 646	$ 484	$ 363	$ 272	$ 204
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 6,530	$ 2,721	$ 2,041	$ 1,531	$ 1,148	$ 861	$ 646	$ 484	$ 363	$ 272	$ 204
47	Ending balance		[2]		$ 10,884	$ 8,163	$ 6,122	$ 4,592	$ 3,444	$ 2,583	$ 1,937	$ 1,453	$ 1,090	$ 817	$ 613
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.6

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
						For the years ending December 31,									
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.5	$ 55,613	$ 52,781	$ 50,558	$ 48,918	$ 47,263	$ 45,928	$ 44,708	$ 43,629	$ 42,328	$ 41,166	$ 40,023
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(2,064)	(1,858)	(1,672)	(1,505)	(1,354)	(1,219)	(1,097)	(987)	(889)	(800)	(720)
6	Class 41				(153)	(115)	(86)	(65)	(48)	(36)	(27)	(20)	(15)	(12)	(9)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 53,396	$ 50,808	$ 48,800	$ 47,348	$ 45,860	$ 44,672	$ 43,583	$ 42,621	$ 41,424	$ 40,355	$ 39,294
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 53,396	$ 50,808	$ 48,800	$ 47,348	$ 45,860	$ 44,672	$ 43,583	$ 42,621	$ 41,424	$ 40,355	$ 39,294
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 14,150**	**$ 13,464**	**$ 12,932**	**$ 12,547**	**$ 12,153**	**$ 11,838**	**$ 11,550**	**$ 11,295**	**$ 10,977**	**$ 10,694**	**$ 10,413**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 87,069	[4]	80.0%	$ 20,644	$ 18,580	$ 16,722	$ 15,050	$ 13,545	$ 12,190	$ 10,971	$ 9,874	$ 8,887	$ 7,998	$ 7,198
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 20,644	$ 18,580	$ 16,722	$ 15,050	$ 13,545	$ 12,190	$ 10,971	$ 9,874	$ 8,887	$ 7,998	$ 7,198
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 2,064	$ 1,858	$ 1,672	$ 1,505	$ 1,354	$ 1,219	$ 1,097	$ 987	$ 889	$ 800	$ 720
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 2,064	$ 1,858	$ 1,672	$ 1,505	$ 1,354	$ 1,219	$ 1,097	$ 987	$ 889	$ 800	$ 720
36	Ending balance		[2]		$ 18,580	$ 16,722	$ 15,050	$ 13,545	$ 12,190	$ 10,971	$ 9,874	$ 8,887	$ 7,998	$ 7,198	$ 6,478
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 87,069	[4]	20.0%	$ 613	$ 460	$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 613	$ 460	$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 153	$ 115	$ 86	$ 65	$ 48	$ 36	$ 27	$ 20	$ 15	$ 12	$ 9
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 153	$ 115	$ 86	$ 65	$ 48	$ 36	$ 27	$ 20	$ 15	$ 12	$ 9
47	Ending balance		[2]		$ 460	$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35	$ 26
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.6

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.5	$ 39,002	$ 37,787	$ 36,702	$ 35,637	$ 34,686	$ 33,566	$ 32,565	$ 31,586	$ 30,710	$ 29,688	$ 28,774
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(648)	(583)	(525)	(472)	(425)	(383)	(344)	(310)	(279)	(251)	(226)
6	Class 41				(6)	(5)	(4)	(3)	(2)	(2)	(1)	(1)	(1)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 38,347	$ 37,199	$ 36,173	$ 35,162	$ 34,259	$ 33,182	$ 32,220	$ 31,275	$ 30,430	$ 29,437	$ 28,548
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 38,347	$ 37,199	$ 36,173	$ 35,162	$ 34,259	$ 33,182	$ 32,220	$ 31,275	$ 30,430	$ 29,437	$ 28,548
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 10,162**	**$ 9,858**	**$ 9,586**	**$ 9,318**	**$ 9,079**	**$ 8,793**	**$ 8,538**	**$ 8,288**	**$ 8,064**	**$ 7,801**	**$ 7,565**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 87,069	[4]	80.0%	$ 6,478	$ 5,831	$ 5,247	$ 4,723	$ 4,250	$ 3,825	$ 3,443	$ 3,099	$ 2,789	$ 2,510	$ 2,259
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 6,478	$ 5,831	$ 5,247	$ 4,723	$ 4,250	$ 3,825	$ 3,443	$ 3,099	$ 2,789	$ 2,510	$ 2,259
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 648	$ 583	$ 525	$ 472	$ 425	$ 383	$ 344	$ 310	$ 279	$ 251	$ 226
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 648	$ 583	$ 525	$ 472	$ 425	$ 383	$ 344	$ 310	$ 279	$ 251	$ 226
36	Ending balance		[2]		$ 5,831	$ 5,247	$ 4,723	$ 4,250	$ 3,825	$ 3,443	$ 3,099	$ 2,789	$ 2,510	$ 2,259	$ 2,033
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 87,069	[4]	20.0%	$ 26	$ 19	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 26	$ 19	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 6	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 6	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0
47	Ending balance		[2]		$ 19	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1	$ 1
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.6

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.5	$ 27,882	$ 27,084	$ 26,160	$ 25,333	$ 24,526	$ 23,805	$ 22,974	$ 22,230	$ 21,507	$ 20,859	$ 20,117
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(203)	(183)	(165)	(148)	(133)	(120)	(108)	(97)	(88)	(79)	(71)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 27,679	$ 26,901	$ 25,995	$ 25,184	$ 24,393	$ 23,685	$ 22,866	$ 22,133	$ 21,419	$ 20,780	$ 20,046
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 27,679	$ 26,901	$ 25,995	$ 25,184	$ 24,393	$ 23,685	$ 22,866	$ 22,133	$ 21,419	$ 20,780	$ 20,046
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 7,335**	**$ 7,129**	**$ 6,889**	**$ 6,674**	**$ 6,464**	**$ 6,276**	**$ 6,059**	**$ 5,865**	**$ 5,676**	**$ 5,507**	**$ 5,312**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 87,069	[4]	80.0%	$ 2,033	$ 1,830	$ 1,647	$ 1,482	$ 1,334	$ 1,200	$ 1,080	$ 972	$ 875	$ 788	$ 709
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 2,033	$ 1,830	$ 1,647	$ 1,482	$ 1,334	$ 1,200	$ 1,080	$ 972	$ 875	$ 788	$ 709
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 203	$ 183	$ 165	$ 148	$ 133	$ 120	$ 108	$ 97	$ 88	$ 79	$ 71
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 203	$ 183	$ 165	$ 148	$ 133	$ 120	$ 108	$ 97	$ 88	$ 79	$ 71
36	Ending balance		[2]		$ 1,830	$ 1,647	$ 1,482	$ 1,334	$ 1,200	$ 1,080	$ 972	$ 875	$ 788	$ 709	$ 638
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 87,069	[4]	20.0%	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.6

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.5	$ 19,453	$ 18,807	$ 18,229	$ 17,569	$ 17,598	$ 17,632	$ (7,741)	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(64)	(57)	(52)	(47)	(42)	(38)	(34)	(31)	(27)	(25)	(22)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 19,389	$ 18,750	$ 18,177	$ 17,522	$ 17,556	$ 17,594	$ (7,775)	$ (31)	$ (27)	$ (25)	$ (22)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 19,389	$ 18,750	$ 18,177	$ 17,522	$ 17,556	$ 17,594	$ (7,775)	$ (31)	$ (27)	$ (25)	$ (22)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 5,138**	**$ 4,969**	**$ 4,817**	**$ 4,643**	**$ 4,652**	**$ 4,662**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (7,775)	$ (31)	$ (27)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (2,060)**	**$ (8)**	**$ (7)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	25
21	Additions				-	-	-	-	-	-	7,775	31	27	25	22
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 7,775	$ 31	$ 27	$ 25	$ 47
24	Less: Loss carry back claimed				-	-	-	-	-	-	(7,775)	(31)	(27)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25	$ 47
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 87,069	[4]	80.0%	$ 638	$ 574	$ 517	$ 465	$ 419	$ 377	$ 339	$ 305	$ 275	$ 247	$ 222
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 638	$ 574	$ 517	$ 465	$ 419	$ 377	$ 339	$ 305	$ 275	$ 247	$ 222
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 64	$ 57	$ 52	$ 47	$ 42	$ 38	$ 34	$ 31	$ 27	$ 25	$ 22
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 64	$ 57	$ 52	$ 47	$ 42	$ 38	$ 34	$ 31	$ 27	$ 25	$ 22
36	Ending balance		[2]		$ 574	$ 517	$ 465	$ 419	$ 377	$ 339	$ 305	$ 275	$ 247	$ 222	$ 200
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 87,069	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 87,069	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	62,908	144,799	239,077	426,914	329,158	253,979	190,205	157,582
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ 383,503	$ 900,454	$ 1,515,829	$ 2,760,942	$ 2,170,626	$ 1,709,482	$ 1,306,206	$ 1,103,742
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	(48,464)	(110,579)	(182,398)	(331,076)	(248,222)	(188,999)	(140,940)	(118,328)
12	Less: Operating expenses	[1]			-	-	-	(35,533)	(84,491)	(143,999)	(263,098)	(215,338)	(176,069)	(141,065)	(123,770)
13	Less: Net profits interest burden	[1]			-	-	-	-	(2,412)	(8,887)	(13,892)	(17,164)	(13,555)	(11,324)	(9,896)
14	Net production revenue				$ -	$ -	$ -	$ 299,506	$ 702,972	$ 1,180,545	$ 2,152,876	$ 1,689,902	$ 1,330,859	$ 1,012,877	$ 851,749
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ -	$ 299,506	$ 702,972	$ 1,180,545	$ 2,152,876	$ 1,689,902	$ 1,330,859	$ 1,012,877	$ 851,749
18															
19															
20	Less: Income taxes		Schedule 2 - 2.8		-	-	-	-	(12,987)	(141,666)	(332,370)	(333,430)	(280,632)	(217,516)	(189,670)
21	After-tax cash flows				$ -	$ -	$ -	$ 299,506	$ 689,985	$ 1,038,879	$ 1,820,505	$ 1,356,472	$ 1,050,227	$ 795,361	$ 662,079
22															
23	Less: Capital expenditures	[1]			-	(24,421)	(73,533)	(390,728)	(738,547)	(887,737)	(1,362,215)	(154,880)	-	-	-
24	**Free cash flows**				**$ -**	**$ (24,421)**	**$ (73,533)**	**$ (91,222)**	**$ (48,562)**	**$ 151,142**	**$ 458,290**	**$ 1,201,592**	**$ 1,050,227**	**$ 795,361**	**$ 662,079**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 2 - 4.4	43.1%	*0.94*	*0.74*	*0.52*	*0.36*	*0.25*	*0.18*	*0.12*	*0.09*	*0.06*	*0.04*	*0.03*
31	**Net present value of free cash flows**				**$ -**	**$ (18,115)**	**$ (38,130)**	**$ (33,067)**	**$ (12,305)**	**$ 26,772**	**$ 56,748**	**$ 104,009**	**$ 63,548**	**$ 33,643**	**$ 19,577**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 2 - 4.4	40.2%	*0.95*	*0.75*	*0.54*	*0.38*	*0.27*	*0.20*	*0.14*	*0.10*	*0.07*	*0.05*	*0.04*
38	**Net present value of free cash flows**				**$ -**	**$ (18,425)**	**$ (39,580)**	**$ (35,030)**	**$ (13,304)**	**$ 29,540**	**$ 63,902**	**$ 119,529**	**$ 74,532**	**$ 40,269**	**$ 23,914**
39															
40															

		Low	Mid	High
41				
42				
43	Sum of the net present value of free cash flows	$ 235,174	$ 261,305	$ 287,435
44	**Fair market value of contingent resources before G&A expenses**	**$ 235,174**	**$ 261,305**	**$ 287,435**
45				
46	Total contingent resources (Mmcf)	3,452,232	3,452,232	3,452,232
47				
48	**Value metric before G&A expenses ($/Mcf)**	**$ 0.07**	**$ 0.08**	**$ 0.08**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			135,435	119,789	107,845	98,608	90,507	83,830	77,891	72,623	67,351	62,639	58,257
6															
7	Sales revenue														
8	Natural gas	[1]			$ 967,208	$ 872,970	$ 801,264	$ 747,108	$ 699,451	$ 660,811	$ 626,274	$ 595,588	$ 563,403	$ 534,469	$ 507,022
9															
10															
11	Less: Royalty burdens	[1]			(103,454)	(93,316)	(85,653)	(79,865)	(74,772)	(70,641)	(66,949)	(63,668)	(60,228)	(57,135)	(54,201)
12	Less: Operating expenses	[1]			(112,316)	(104,522)	(98,794)	(94,601)	(90,977)	(88,158)	(85,712)	(83,616)	(81,402)	(79,487)	(77,715)
13	Less: Net profits interest burden	[1]			(8,830)	(8,059)	(7,448)	(6,974)	(6,535)	(6,164)	(5,818)	(5,506)	(5,178)	(4,882)	(4,600)
14	Net production revenue				$ 742,608	$ 667,073	$ 609,369	$ 565,668	$ 527,167	$ 495,848	$ 467,795	$ 442,798	$ 416,595	$ 392,966	$ 370,507
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 742,608	$ 667,073	$ 609,369	$ 565,668	$ 527,167	$ 495,848	$ 467,795	$ 442,798	$ 416,595	$ 392,966	$ 370,507
18															
19															
20	Less: Income taxes		Schedule 2 - 2.8		(171,187)	(158,517)	(148,403)	(140,477)	(132,860)	(126,395)	(120,267)	(114,577)	(108,304)	(102,529)	(96,931)
21	After-tax cash flows				$ 571,420	$ 508,556	$ 460,966	$ 425,191	$ 394,308	$ 369,454	$ 347,529	$ 328,221	$ 308,291	$ 290,437	$ 273,575
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 571,420**	**$ 508,556**	**$ 460,966**	**$ 425,191**	**$ 394,308**	**$ 369,454**	**$ 347,529**	**$ 328,221**	**$ 308,291**	**$ 290,437**	**$ 273,575**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 2 - 4.4	43.1%	*0.02*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 11,811**	**$ 7,348**	**$ 4,656**	**$ 3,002**	**$ 1,946**	**$ 1,275**	**$ 838**	**$ 553**	**$ 363**	**$ 239**	**$ 158**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 2 - 4.4	40.2%	*0.03*	*0.02*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 14,725**	**$ 9,349**	**$ 6,046**	**$ 3,978**	**$ 2,632**	**$ 1,759**	**$ 1,181**	**$ 796**	**$ 533**	**$ 358**	**$ 241**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			54,325	50,382	46,857	43,579	40,638	37,688	35,051	32,599	30,399	28,192	26,220
6															
7	Sales revenue														
8	Natural gas	[1]			$ 482,254	$ 456,193	$ 432,766	$ 410,541	$ 390,486	$ 369,384	$ 350,415	$ 332,420	$ 316,181	$ 299,095	$ 283,735
9															
10															
11	Less: Royalty burdens	[1]			(51,553)	(48,767)	(46,263)	(43,887)	(41,743)	(39,487)	(37,459)	(35,536)	(33,800)	(31,973)	(30,331)
12	Less: Operating expenses	[1]			(76,191)	(74,569)	(73,191)	(71,932)	(70,879)	(69,749)	(68,820)	(67,993)	(67,335)	(66,618)	(66,069)
13	Less: Net profits interest burden	[1]			(4,345)	(4,077)	(3,835)	(3,605)	(3,396)	(3,176)	(2,978)	(2,789)	(2,617)	(2,437)	(2,273)
14	Net production revenue				$ 350,165	$ 328,781	$ 309,478	$ 291,118	$ 274,469	$ 256,972	$ 241,158	$ 226,103	$ 212,430	$ 198,067	$ 185,061
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 350,165	$ 328,781	$ 309,478	$ 291,118	$ 274,469	$ 256,972	$ 241,158	$ 226,103	$ 212,430	$ 198,067	$ 185,061
18															
19															
20	Less: Income taxes		Schedule 2 - 2.8		(91,802)	(86,329)	(81,360)	(76,607)	(72,281)	(67,713)	(63,577)	(59,631)	(56,044)	(52,269)	(48,848)
21	After-tax cash flows				$ 258,363	$ 242,451	$ 228,117	$ 214,511	$ 202,187	$ 189,259	$ 177,581	$ 166,471	$ 156,385	$ 145,798	$ 136,213
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 258,363**	**$ 242,451**	**$ 228,117**	**$ 214,511**	**$ 202,187**	**$ 189,259**	**$ 177,581**	**$ 166,471**	**$ 156,385**	**$ 145,798**	**$ 136,213**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 2 - 4.4	43.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 104**	**$ 68**	**$ 45**	**$ 30**	**$ 19**	**$ 13**	**$ 8**	**$ 5**	**$ 4**	**$ 2**	**$ 2**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 2 - 4.4	40.2%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 162**	**$ 109**	**$ 73**	**$ 49**	**$ 33**	**$ 22**	**$ 15**	**$ 10**	**$ 7**	**$ 4**	**$ 3**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			24,386	22,740	21,089	19,614	18,242	17,011	15,776	14,672	13,646	12,725	11,801
6															
7	Sales revenue														
8	Natural gas	[1]			$ 269,164	$ 256,015	$ 242,180	$ 229,744	$ 217,944	$ 207,298	$ 196,096	$ 186,025	$ 176,472	$ 167,851	$ 158,780
9															
10															
11	Less: Royalty burdens	[1]			(28,774)	(27,368)	(25,889)	(24,560)	(23,298)	(22,160)	(20,963)	(19,886)	(18,865)	(17,943)	(16,974)
12	Less: Operating expenses	[1]			(65,606)	(65,284)	(64,920)	(64,695)	(64,544)	(64,511)	(64,449)	(64,505)	(64,625)	(64,846)	(65,048)
13	Less: Net profits interest burden	[1]			(2,117)	(1,975)	(1,826)	(1,691)	(1,562)	(1,444)	(1,320)	(1,208)	(1,100)	(1,001)	(898)
14	Net production revenue				$ 172,667	$ 161,387	$ 149,545	$ 138,799	$ 128,540	$ 119,183	$ 109,364	$ 100,426	$ 91,882	$ 84,061	$ 75,862
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 172,667	$ 161,387	$ 149,545	$ 138,799	$ 128,540	$ 119,183	$ 109,364	$ 100,426	$ 91,882	$ 84,061	$ 75,862
18															
19															
20	Less: Income taxes		Schedule 2 - 2.8		(45,586)	(42,615)	(39,494)	(36,660)	(33,955)	(31,486)	(28,894)	(26,535)	(24,279)	(22,213)	(20,047)
21	After-tax cash flows				$ 127,081	$ 118,772	$ 110,051	$ 102,138	$ 94,585	$ 87,696	$ 80,469	$ 73,892	$ 67,604	$ 61,848	$ 55,815
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 127,081**	**$ 118,772**	**$ 110,051**	**$ 102,138**	**$ 94,585**	**$ 87,696**	**$ 80,469**	**$ 73,892**	**$ 67,604**	**$ 61,848**	**$ 55,815**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 2 - 4.4	43.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 2 - 4.4	40.2%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 2**	**$ 1**	**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
					For the years ending December 31,											
		Notes	Reference		2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077
1	Price															
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.86	$ 15.15	$ -	$ -	$ -	$ -	$ -	$ -
3																
4	Production volume															
5	Natural gas (Mmcf)	[1]			10,975	10,208	9,519	8,828	8,210	7,464	-	-	-	-	-	-
6																
7	Sales revenue															
8	Natural gas	[1]			$ 150,627	$ 142,892	$ 135,911	$ 128,567	$ 121,964	$ 113,097	$ -	$ -	$ -	$ -	$ -	$ -
9																
10																
11	Less: Royalty burdens	[1]			(16,102)	(15,275)	(14,529)	(13,744)	(13,038)	(12,085)	-	-	-	-	-	-
12	Less: Operating expenses	[1]			(65,350)	(65,710)	(66,156)	(66,593)	(67,116)	(65,866)	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(803)	(712)	(629)	(541)	(461)	(369)	-	-	-	-	-	-
14	Net production revenue				$ 68,372	$ 61,195	$ 54,598	$ 47,689	$ 41,349	$ 34,778	$ -	$ -	$ -	$ -	$ -	$ -
15																
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	(10,611)	-	(86,107)	(8,894)
17	Operating income				$ 68,372	$ 61,195	$ 54,598	$ 47,689	$ 41,349	$ 34,778	$ -	$ -	$ (10,611)	$ -	$ (86,107)	$ (8,894)
18																
19																
20	Less: Income taxes		Schedule 2 - 2.8		(18,068)	(16,171)	(14,427)	(12,601)	(10,924)	(9,186)	27	24	2,834	-	-	-
21	After-tax cash flows				$ 50,304	$ 45,024	$ 40,170	$ 35,089	$ 30,425	$ 25,592	$ 27	$ 24	$ (7,777)	$ -	$ (86,107)	$ (8,894)
22																
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 50,304**	**$ 45,024**	**$ 40,170**	**$ 35,089**	**$ 30,425**	**$ 25,592**	**$ 27**	**$ 24**	**$ (7,777)**	**$ -**	**$ (86,107)**	**$ (8,894)**
25																
26																
27	**Low**															
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83	54.83
30	Present value factor at		Schedule 2 - 4.4	43.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ -**	**$ (0)**	**$ (0)**
32																
33																
34	**High**															
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83	54.83
37	Present value factor at		Schedule 2 - 4.4	40.2%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ -**	**$ (0)**	**$ (0)**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	Reference	For the years ending December 31, 2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.7	$ -	$ -	$ -	$ 299,506	$ 702,972	$ 1,180,545	$ 2,152,876	$ 1,689,902	$ 1,330,859	$ 1,012,877	$ 851,749
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(31,357)	(17,769)	(15,992)	(14,393)	(12,953)	(11,658)	(10,492)	(9,443)	(8,499)	(7,649)	(6,884)
6	Class 41				(19,598)	(8,166)	(6,124)	(4,593)	(3,445)	(2,584)	(1,938)	(1,453)	(1,090)	(817)	(613)
7	CDE				-	-	-	(135,890)	(288,642)	(432,099)	(604,400)	(387,741)	(262,281)	(183,596)	(128,517)
8	CEE				-	(24,421)	(73,533)	(88,750)	(207,845)	(199,616)	(281,819)	(33,038)	-	-	-
9	Taxable income before non-capital losses				$ (50,954)	$ (50,355)	$ (95,650)	$ 55,880	$ 190,086	$ 534,589	$ 1,254,227	$ 1,258,227	$ 1,058,990	$ 820,815	$ 715,734
10															
11	Less: Loss carry forward claimed				-	-	-	(55,880)	(141,079)	-	-	-	-	-	-
12	Taxable income				$ (50,954)	$ (50,355)	$ (95,650)	$ -	$ 49,007	$ 534,589	$ 1,254,227	$ 1,258,227	$ 1,058,990	$ 820,815	$ 715,734
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ 12,987**	**$ 141,666**	**$ 332,370**	**$ 333,430**	**$ 280,632**	**$ 217,516**	**$ 189,670**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 50,954	$ 101,309	$ 196,959	$ 141,079	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				50,954	50,355	95,650	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	(55,880)	(141,079)	-	-	-	-	-	-
23	Tax loss pool				$ 50,954	$ 101,309	$ 196,959	$ 141,079	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 50,954	$ 101,309	$ 196,959	$ 141,079	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 261,305	[4]	80.0%	$ 209,044	$ 177,687	$ 159,919	$ 143,927	$ 129,534	$ 116,581	$ 104,923	$ 94,430	$ 84,987	$ 76,489	$ 68,840
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 209,044	$ 177,687	$ 159,919	$ 143,927	$ 129,534	$ 116,581	$ 104,923	$ 94,430	$ 84,987	$ 76,489	$ 68,840
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 31,357	$ 17,769	$ 15,992	$ 14,393	$ 12,953	$ 11,658	$ 10,492	$ 9,443	$ 8,499	$ 7,649	$ 6,884
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 31,357	$ 17,769	$ 15,992	$ 14,393	$ 12,953	$ 11,658	$ 10,492	$ 9,443	$ 8,499	$ 7,649	$ 6,884
36	Ending balance		[2]		$ 177,687	$ 159,919	$ 143,927	$ 129,534	$ 116,581	$ 104,923	$ 94,430	$ 84,987	$ 76,489	$ 68,840	$ 61,956
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 261,305	[4]	20.0%	$ 52,261	$ 32,663	$ 24,497	$ 18,373	$ 13,780	$ 10,335	$ 7,751	$ 5,813	$ 4,360	$ 3,270	$ 2,452
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 52,261	$ 32,663	$ 24,497	$ 18,373	$ 13,780	$ 10,335	$ 7,751	$ 5,813	$ 4,360	$ 3,270	$ 2,452
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 19,598	$ 8,166	$ 6,124	$ 4,593	$ 3,445	$ 2,584	$ 1,938	$ 1,453	$ 1,090	$ 817	$ 613
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 19,598	$ 8,166	$ 6,124	$ 4,593	$ 3,445	$ 2,584	$ 1,938	$ 1,453	$ 1,090	$ 817	$ 613
47	Ending balance		[2]		$ 32,663	$ 24,497	$ 18,373	$ 13,780	$ 10,335	$ 7,751	$ 5,813	$ 4,360	$ 3,270	$ 2,452	$ 1,839
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 261,305	[4]	0.0%	$ -	$ -	$ -	$ -	$ 166,088	$ 408,148	$ 664,170	$ 1,140,167	$ 874,268	$ 611,988	$ 428,392
52	Additions	-	[5]		-	-	-	301,978	530,702	688,122	1,080,397	121,842	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ 301,978	$ 696,790	$ 1,096,269	$ 1,744,567	$ 1,262,009	$ 874,268	$ 611,988	$ 428,392
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ 49,826	$ 122,444	$ 199,251	$ 342,050	$ 262,281	$ 183,596	$ 128,517
56	Claim on current year additions				-	-	-	135,890	238,816	309,655	405,149	45,691	-	-	-
57	Claim				$ -	$ -	$ -	$ 135,890	$ 288,642	$ 432,099	$ 604,400	$ 387,741	$ 262,281	$ 183,596	$ 128,517
58	Ending balance		[2]		$ -	$ -	$ -	$ 166,088	$ 408,148	$ 664,170	$ 1,140,167	$ 874,268	$ 611,988	$ 428,392	$ 299,874
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 261,305	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	24,421	73,533	88,750	207,845	199,616	281,819	33,038	-	-	-
64	Total balance before claim				$ -	$ 24,421	$ 73,533	$ 88,750	$ 207,845	$ 199,616	$ 281,819	$ 33,038	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	24,421	73,533	88,750	207,845	199,616	281,819	33,038	-	-	-
68	Claim				$ -	$ 24,421	$ 73,533	$ 88,750	$ 207,845	$ 199,616	$ 281,819	$ 33,038	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
						For the years ending December 31,									
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.7	$ 742,608	$ 667,073	$ 609,369	$ 565,668	$ 527,167	$ 495,848	$ 467,795	$ 442,798	$ 416,595	$ 392,966	$ 370,507
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(6,196)	(5,576)	(5,018)	(4,517)	(4,065)	(3,658)	(3,293)	(2,963)	(2,667)	(2,400)	(2,160)
6	Class 41				(460)	(345)	(259)	(194)	(145)	(109)	(82)	(61)	(46)	(35)	(26)
7	CDE				(89,962)	(62,974)	(44,081)	(30,857)	(21,600)	(15,120)	(10,584)	(7,409)	(5,186)	(3,630)	(2,541)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 645,990	$ 598,179	$ 560,010	$ 530,100	$ 501,357	$ 476,961	$ 453,837	$ 432,364	$ 408,696	$ 386,901	$ 365,779
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 645,990	$ 598,179	$ 560,010	$ 530,100	$ 501,357	$ 476,961	$ 453,837	$ 432,364	$ 408,696	$ 386,901	$ 365,779
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 171,187**	**$ 158,517**	**$ 148,403**	**$ 140,477**	**$ 132,860**	**$ 126,395**	**$ 120,267**	**$ 114,577**	**$ 108,304**	**$ 102,529**	**$ 96,931**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 261,305	[4]	80.0%	$ 61,956	$ 55,760	$ 50,184	$ 45,166	$ 40,649	$ 36,584	$ 32,926	$ 29,633	$ 26,670	$ 24,003	$ 21,603
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 61,956	$ 55,760	$ 50,184	$ 45,166	$ 40,649	$ 36,584	$ 32,926	$ 29,633	$ 26,670	$ 24,003	$ 21,603
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 6,196	$ 5,576	$ 5,018	$ 4,517	$ 4,065	$ 3,658	$ 3,293	$ 2,963	$ 2,667	$ 2,400	$ 2,160
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 6,196	$ 5,576	$ 5,018	$ 4,517	$ 4,065	$ 3,658	$ 3,293	$ 2,963	$ 2,667	$ 2,400	$ 2,160
36	Ending balance		[2]		$ 55,760	$ 50,184	$ 45,166	$ 40,649	$ 36,584	$ 32,926	$ 29,633	$ 26,670	$ 24,003	$ 21,603	$ 19,442
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 261,305	[4]	20.0%	$ 1,839	$ 1,380	$ 1,035	$ 776	$ 582	$ 436	$ 327	$ 246	$ 184	$ 138	$ 104
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1,839	$ 1,380	$ 1,035	$ 776	$ 582	$ 436	$ 327	$ 246	$ 184	$ 138	$ 104
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 460	$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35	$ 26
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 460	$ 345	$ 259	$ 194	$ 145	$ 109	$ 82	$ 61	$ 46	$ 35	$ 26
47	Ending balance		[2]		$ 1,380	$ 1,035	$ 776	$ 582	$ 436	$ 327	$ 246	$ 184	$ 138	$ 104	$ 78
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 261,305	[4]	0.0%	$ 299,874	$ 209,912	$ 146,938	$ 102,857	$ 72,000	$ 50,400	$ 35,280	$ 24,696	$ 17,287	$ 12,101	$ 8,471
52	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 299,874	$ 209,912	$ 146,938	$ 102,857	$ 72,000	$ 50,400	$ 35,280	$ 24,696	$ 17,287	$ 12,101	$ 8,471
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 89,962	$ 62,974	$ 44,081	$ 30,857	$ 21,600	$ 15,120	$ 10,584	$ 7,409	$ 5,186	$ 3,630	$ 2,541
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 89,962	$ 62,974	$ 44,081	$ 30,857	$ 21,600	$ 15,120	$ 10,584	$ 7,409	$ 5,186	$ 3,630	$ 2,541
58	Ending balance		[2]		$ 209,912	$ 146,938	$ 102,857	$ 72,000	$ 50,400	$ 35,280	$ 24,696	$ 17,287	$ 12,101	$ 8,471	$ 5,929
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 261,305	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	Reference	For the years ending December 31, 2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.7	$ 350,165	$ 328,781	$ 309,478	$ 291,118	$ 274,469	$ 256,972	$ 241,158	$ 226,103	$ 212,430	$ 198,067	$ 185,061
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,944)	(1,750)	(1,575)	(1,417)	(1,276)	(1,148)	(1,033)	(930)	(837)	(753)	(678)
6	Class 41				(19)	(15)	(11)	(8)	(6)	(5)	(3)	(3)	(2)	(1)	(1)
7	CDE				(1,779)	(1,245)	(872)	(610)	(427)	(299)	(209)	(146)	(103)	(72)	(50)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 346,422	$ 325,771	$ 307,020	$ 289,082	$ 272,760	$ 255,521	$ 239,912	$ 225,024	$ 211,488	$ 197,240	$ 184,332
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 346,422	$ 325,771	$ 307,020	$ 289,082	$ 272,760	$ 255,521	$ 239,912	$ 225,024	$ 211,488	$ 197,240	$ 184,332
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 91,802**	**$ 86,329**	**$ 81,360**	**$ 76,607**	**$ 72,281**	**$ 67,713**	**$ 63,577**	**$ 59,631**	**$ 56,044**	**$ 52,269**	**$ 48,848**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 261,305	[4]	80.0%	$ 19,442	$ 17,498	$ 15,748	$ 14,173	$ 12,756	$ 11,481	$ 10,332	$ 9,299	$ 8,369	$ 7,532	$ 6,779
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 19,442	$ 17,498	$ 15,748	$ 14,173	$ 12,756	$ 11,481	$ 10,332	$ 9,299	$ 8,369	$ 7,532	$ 6,779
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,944	$ 1,750	$ 1,575	$ 1,417	$ 1,276	$ 1,148	$ 1,033	$ 930	$ 837	$ 753	$ 678
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,944	$ 1,750	$ 1,575	$ 1,417	$ 1,276	$ 1,148	$ 1,033	$ 930	$ 837	$ 753	$ 678
36	Ending balance		[2]		$ 17,498	$ 15,748	$ 14,173	$ 12,756	$ 11,481	$ 10,332	$ 9,299	$ 8,369	$ 7,532	$ 6,779	$ 6,101
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 261,305	[4]	20.0%	$ 78	$ 58	$ 44	$ 33	$ 25	$ 18	$ 14	$ 10	$ 8	$ 6	$ 4
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 78	$ 58	$ 44	$ 33	$ 25	$ 18	$ 14	$ 10	$ 8	$ 6	$ 4
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 19	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1	$ 1
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 19	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1	$ 1
47	Ending balance		[2]		$ 58	$ 44	$ 33	$ 25	$ 18	$ 14	$ 10	$ 8	$ 6	$ 4	$ 3
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 261,305	[4]	0.0%	$ 5,929	$ 4,151	$ 2,905	$ 2,034	$ 1,424	$ 997	$ 698	$ 488	$ 342	$ 239	$ 167
52	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 5,929	$ 4,151	$ 2,905	$ 2,034	$ 1,424	$ 997	$ 698	$ 488	$ 342	$ 239	$ 167
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1,779	$ 1,245	$ 872	$ 610	$ 427	$ 299	$ 209	$ 146	$ 103	$ 72	$ 50
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 1,779	$ 1,245	$ 872	$ 610	$ 427	$ 299	$ 209	$ 146	$ 103	$ 72	$ 50
58	Ending balance		[2]		$ 4,151	$ 2,905	$ 2,034	$ 1,424	$ 997	$ 698	$ 488	$ 342	$ 239	$ 167	$ 117
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 261,305	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.7	$ 172,667	$ 161,387	$ 149,545	$ 138,799	$ 128,540	$ 119,183	$ 109,364	$ 100,426	$ 91,882	$ 84,061	$ 75,862
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(610)	(549)	(494)	(445)	(400)	(360)	(324)	(292)	(263)	(236)	(213)
6	Class 41				(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(35)	(25)	(17)	(12)	(8)	(6)	(4)	(3)	(2)	(1)	(1)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 172,021	$ 160,813	$ 149,033	$ 138,341	$ 128,131	$ 118,816	$ 109,035	$ 100,132	$ 91,617	$ 83,823	$ 75,648
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 172,021	$ 160,813	$ 149,033	$ 138,341	$ 128,131	$ 118,816	$ 109,035	$ 100,132	$ 91,617	$ 83,823	$ 75,648
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 45,586**	**$ 42,615**	**$ 39,494**	**$ 36,660**	**$ 33,955**	**$ 31,486**	**$ 28,894**	**$ 26,535**	**$ 24,279**	**$ 22,213**	**$ 20,047**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 261,305	[4]	80.0%	$ 6,101	$ 5,491	$ 4,942	$ 4,448	$ 4,003	$ 3,603	$ 3,242	$ 2,918	$ 2,626	$ 2,364	$ 2,127
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 6,101	$ 5,491	$ 4,942	$ 4,448	$ 4,003	$ 3,603	$ 3,242	$ 2,918	$ 2,626	$ 2,364	$ 2,127
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 610	$ 549	$ 494	$ 445	$ 400	$ 360	$ 324	$ 292	$ 263	$ 236	$ 213
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 610	$ 549	$ 494	$ 445	$ 400	$ 360	$ 324	$ 292	$ 263	$ 236	$ 213
36	Ending balance		[2]		$ 5,491	$ 4,942	$ 4,448	$ 4,003	$ 3,603	$ 3,242	$ 2,918	$ 2,626	$ 2,364	$ 2,127	$ 1,915
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 261,305	[4]	20.0%	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 261,305	[4]	0.0%	$ 117	$ 82	$ 57	$ 40	$ 28	$ 20	$ 14	$ 10	$ 7	$ 5	$ 3
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 117	$ 82	$ 57	$ 40	$ 28	$ 20	$ 14	$ 10	$ 7	$ 5	$ 3
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 35	$ 25	$ 17	$ 12	$ 8	$ 6	$ 4	$ 3	$ 2	$ 1	$ 1
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 35	$ 25	$ 17	$ 12	$ 8	$ 6	$ 4	$ 3	$ 2	$ 1	$ 1
58	Ending balance		[2]		$ 82	$ 57	$ 40	$ 28	$ 20	$ 14	$ 10	$ 7	$ 5	$ 3	$ 2
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 261,305	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077
1	**Income taxes**															
2	Net operating income			Schedule 2 - 2.7	$ 68,372	$ 61,195	$ 54,598	$ 47,689	$ 41,349	$ 34,778	$ -	$ -	$ (10,611)	$ -	$ (86,107)	$ (8,894)
3																
4	Less: Allowable tax pool claims			From below												
5	COGPE				(191)	(172)	(155)	(140)	(126)	(113)	(102)	(92)	(82)	(74)	(67)	(60)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 68,180	$ 61,022	$ 54,442	$ 47,549	$ 41,224	$ 34,665	$ (102)	$ (92)	$ (10,694)	$ (74)	$ (86,174)	$ (8,954)
10																
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 68,180	$ 61,022	$ 54,442	$ 47,549	$ 41,224	$ 34,665	$ (102)	$ (92)	$ (10,694)	$ (74)	$ (86,174)	$ (8,954)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 18,068**	**$ 16,171**	**$ 14,427**	**$ 12,601**	**$ 10,924**	**$ 9,186**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15																
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (102)	$ (92)	$ (10,694)	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (27)**	**$ (24)**	**$ (2,834)**	**$ -**	**$ -**	**$ -**
18																
19	**Tax loss pool**															
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	74	$ 86,248
21	Additions				-	-	-	-	-	-	102	92	10,694	74	86,174	8,954
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 102	$ 92	$ 10,694	$ 74	$ 86,248	$ 95,202
24	Less: Loss carry back claimed				-	-	-	-	-	-	(102)	(92)	(10,694)	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 74	$ 86,248	$ 95,202
26																
27	**COGPE**															
28	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 261,305	[4]	80.0%	$ 1,915	$ 1,723	$ 1,551	$ 1,396	$ 1,256	$ 1,131	$ 1,018	$ 916	$ 824	$ 742	$ 668	$ 601
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,915	$ 1,723	$ 1,551	$ 1,396	$ 1,256	$ 1,131	$ 1,018	$ 916	$ 824	$ 742	$ 668	$ 601
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 191	$ 172	$ 155	$ 140	$ 126	$ 113	$ 102	$ 92	$ 82	$ 74	$ 67	$ 60
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 191	$ 172	$ 155	$ 140	$ 126	$ 113	$ 102	$ 92	$ 82	$ 74	$ 67	$ 60
36	Ending balance		[2]		$ 1,723	$ 1,551	$ 1,396	$ 1,256	$ 1,131	$ 1,018	$ 916	$ 824	$ 742	$ 668	$ 601	$ 541
37																
38	**Class 41**															
39	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 261,305	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48																
49	**CDE**															
50	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 261,305	[4]	0.0%	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-											
57	Claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59																
60	**CEE**															
61	*Accelerated depreciation*	Schedule 2 - 2.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 261,305	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.9

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ 6.34	$ 6.47	$ 6.60	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	31,951	69,222	90,640	138,488	220,458	290,426
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ 202,671	$ 447,741	$ 597,796	$ 932,289	$ 1,514,168	$ 2,034,369
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	(25,246)	(54,349)	(70,909)	(110,565)	(179,828)	(239,254)
12	Less: Operating expenses	[1]			-	-	-	-	-	(18,717)	(42,097)	(57,208)	(89,498)	(145,568)	(197,414)
13	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ 158,708	$ 351,296	$ 469,680	$ 732,225	$ 1,188,772	$ 1,597,701
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ -	$ -	$ -	$ -	$ -	$ 158,708	$ 351,296	$ 469,680	$ 732,225	$ 1,188,772	$ 1,597,701
17															
18															
19	Less: Income taxes		Schedule 2 - 2.10		-	-	-	-	-	-	(26,782)	(78,045)	(113,412)	(191,147)	(291,165)
20	After-tax cash flows				$ -	$ -	$ -	$ -	$ -	$ 158,708	$ 324,514	$ 391,634	$ 618,814	$ 997,625	$ 1,306,536
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	(244,867)	(224,623)	(219,498)	(447,777)	(685,098)	(698,800)
23	**Free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (86,159)**	**$ 99,891**	**$ 172,136**	**$ 171,037**	**$ 312,527**	**$ 607,736**
24															
25															
26	**Low**														
27	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
29	Present value factor at		Schedule 2 - 4.5	40.0%	*0.95*	*0.76*	*0.54*	*0.39*	*0.28*	*0.20*	*0.14*	*0.10*	*0.07*	*0.05*	*0.04*
30	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (16,924)**	**$ 14,013**	**$ 17,245**	**$ 12,237**	**$ 15,969**	**$ 22,177**
31															
32															
33	**High**														
34	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
36	Present value factor at		Schedule 2 - 4.5	37.8%	*0.95*	*0.77*	*0.56*	*0.40*	*0.29*	*0.21*	*0.15*	*0.11*	*0.08*	*0.06*	*0.04*
37	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (18,278)**	**$ 15,377**	**$ 19,227**	**$ 13,863**	**$ 18,380**	**$ 25,935**
38															
39															
40				**Low**		**Mid**		**High**							
41															
42	Sum of the net present value of free cash flows			$ 187,340		$ 208,156		$ 228,972							
43	**Fair market value of prospective resources before G&A expenses**			**$ 187,340**		**$ 208,156**		**$ 228,972**							
44															
45	Total prospective resources (Mmcf)			15,549,217		15,549,217		15,549,217							
46															
47	**Value metric pre G&A ($/Mcf)**			**$ 0.01**		**$ 0.01**		**$ 0.01**							

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.9

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			368,719	443,086	495,891	539,980	575,993	608,928	606,607	597,599	599,544	606,706	615,244
6															
7	Sales revenue														
8	Natural gas	[1]			$ 2,633,429	$ 3,229,206	$ 3,684,521	$ 4,091,350	$ 4,451,497	$ 4,800,147	$ 4,877,383	$ 4,901,079	$ 5,015,400	$ 5,176,817	$ 5,354,665
9															
10															
11	Less: Royalty burdens	[1]			(308,078)	(375,378)	(424,972)	(468,930)	(507,891)	(545,687)	(549,936)	(549,348)	(561,450)	(579,188)	(598,679)
12	Less: Operating expenses	[1]			(257,515)	(318,418)	(367,559)	(412,717)	(454,048)	(494,722)	(510,763)	(521,285)	(540,095)	(563,357)	(588,389)
13	Net production revenue				$ 2,067,836	$ 2,535,410	$ 2,891,990	$ 3,209,703	$ 3,489,558	$ 3,759,737	$ 3,816,684	$ 3,830,445	$ 3,913,855	$ 4,034,272	$ 4,167,597
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 2,067,836	$ 2,535,410	$ 2,891,990	$ 3,209,703	$ 3,489,558	$ 3,759,737	$ 3,816,684	$ 3,830,445	$ 3,913,855	$ 4,034,272	$ 4,167,597
17															
18															
19	Less: Income taxes		Schedule 2 - 2.10		(370,205)	(469,405)	(545,075)	(614,530)	(676,778)	(738,405)	(776,080)	(784,500)	(808,646)	(840,659)	(874,706)
20	After-tax cash flows				$ 1,697,631	$ 2,066,005	$ 2,346,915	$ 2,595,173	$ 2,812,780	$ 3,021,332	$ 3,040,604	$ 3,045,944	$ 3,105,209	$ 3,193,613	$ 3,292,891
21															
22	Less: Capital expenditures	[1]			(950,368)	(969,376)	(988,763)	(1,008,538)	(1,028,709)	(1,049,283)	(802,702)	(818,756)	(835,131)	(851,834)	(868,870)
23	**Free cash flows**				**$ 747,262**	**$ 1,096,629**	**$ 1,358,152**	**$ 1,586,635**	**$ 1,784,071**	**$ 1,972,049**	**$ 2,237,903**	**$ 2,227,189**	**$ 2,270,078**	**$ 2,341,780**	**$ 2,424,020**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
29	Present value factor at		Schedule 2 - 4.5	40.0%	*0.03*	*0.02*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 19,474**	**$ 20,409**	**$ 18,051**	**$ 15,060**	**$ 12,094**	**$ 9,547**	**$ 7,737**	**$ 5,499**	**$ 4,003**	**$ 2,949**	**$ 2,180**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
36	Present value factor at		Schedule 2 - 4.5	37.8%	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 23,140**	**$ 24,641**	**$ 22,144**	**$ 18,771**	**$ 15,315**	**$ 12,284**	**$ 10,115**	**$ 7,305**	**$ 5,402**	**$ 4,044**	**$ 3,037**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.9

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			593,557	563,886	551,169	543,649	539,887	535,097	532,548	530,530	466,105	388,977	344,704
6															
7	Sales revenue														
8	Natural gas	[1]			$ 5,269,119	$ 5,105,903	$ 5,090,581	$ 5,121,556	$ 5,187,826	$ 5,244,643	$ 5,324,060	$ 5,409,962	$ 4,847,797	$ 4,126,625	$ 3,730,094
9															
10															
11	Less: Royalty burdens	[1]			(585,015)	(563,978)	(562,119)	(565,819)	(573,298)	(579,750)	(588,643)	(598,227)	(526,797)	(440,583)	(396,896)
12	Less: Operating expenses	[1]			(589,330)	(582,482)	(588,890)	(599,632)	(613,740)	(627,302)	(643,126)	(659,809)	(616,850)	(557,150)	(526,082)
13	Net production revenue				$ 4,094,775	$ 3,959,443	$ 3,939,572	$ 3,956,105	$ 4,000,788	$ 4,037,591	$ 4,092,290	$ 4,151,926	$ 3,704,151	$ 3,128,892	$ 2,807,116
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 4,094,775	$ 3,959,443	$ 3,939,572	$ 3,956,105	$ 4,000,788	$ 4,037,591	$ 4,092,290	$ 4,151,926	$ 3,704,151	$ 3,128,892	$ 2,807,116
17															
18															
19	Less: Income taxes		Schedule 2 - 2.10		(887,605)	(862,562)	(863,912)	(871,945)	(885,344)	(895,166)	(908,669)	(926,057)	(883,815)	(760,671)	(695,914)
20	After-tax cash flows				$ 3,207,170	$ 3,096,881	$ 3,075,660	$ 3,084,159	$ 3,115,444	$ 3,142,425	$ 3,183,621	$ 3,225,869	$ 2,820,336	$ 2,368,220	$ 2,111,201
21															
22	Less: Capital expenditures	[1]			(590,832)	(602,648)	(614,701)	(626,995)	(639,535)	(652,326)	(665,373)	(649,972)	-	-	-
23	**Free cash flows**				**$ 2,616,338**	**$ 2,494,232**	**$ 2,460,958**	**$ 2,457,164**	**$ 2,475,909**	**$ 2,490,099**	**$ 2,518,249**	**$ 2,575,897**	**$ 2,820,336**	**$ 2,368,220**	**$ 2,111,201**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
29	Present value factor at		Schedule 2 - 4.5	40.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 1,680**	**$ 1,144**	**$ 806**	**$ 575**	**$ 414**	**$ 297**	**$ 215**	**$ 157**	**$ 123**	**$ 73**	**$ 47**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
36	Present value factor at		Schedule 2 - 4.5	37.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 2,379**	**$ 1,646**	**$ 1,178**	**$ 854**	**$ 624**	**$ 455**	**$ 334**	**$ 248**	**$ 197**	**$ 120**	**$ 78**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.9

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			311,756	285,773	262,251	242,387	224,658	209,155	193,865	180,289	167,677	156,359	145,009
6															
7	Sales revenue														
8	Natural gas	[1]			$ 3,441,051	$ 3,217,335	$ 3,011,582	$ 2,839,151	$ 2,684,103	$ 2,548,865	$ 2,409,787	$ 2,285,846	$ 2,168,456	$ 2,062,529	$ 1,951,070
9															
10															
11	Less: Royalty burdens	[1]			(366,128)	(342,324)	(320,432)	(302,086)	(285,589)	(271,199)	(256,401)	(243,214)	(230,724)	(219,453)	(207,594)
12	Less: Operating expenses	[1]			(504,557)	(488,861)	(474,837)	(463,825)	(454,432)	(446,863)	(439,053)	(432,661)	(426,936)	(422,311)	(417,300)
13	Net production revenue				$ 2,570,367	$ 2,386,150	$ 2,216,313	$ 2,073,240	$ 1,944,082	$ 1,830,803	$ 1,714,333	$ 1,609,971	$ 1,510,796	$ 1,420,765	$ 1,326,176
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 2,570,367	$ 2,386,150	$ 2,216,313	$ 2,073,240	$ 1,944,082	$ 1,830,803	$ 1,714,333	$ 1,609,971	$ 1,510,796	$ 1,420,765	$ 1,326,176
17															
18															
19	Less: Income taxes		Schedule 2 - 2.10		(647,539)	(608,778)	(570,813)	(537,831)	(507,059)	(479,460)	(450,291)	(423,824)	(398,375)	(375,102)	(350,446)
20	After-tax cash flows				$ 1,922,828	$ 1,777,372	$ 1,645,499	$ 1,535,409	$ 1,437,023	$ 1,351,343	$ 1,264,042	$ 1,186,148	$ 1,112,420	$ 1,045,663	$ 975,730
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ 1,922,828**	**$ 1,777,372**	**$ 1,645,499**	**$ 1,535,409**	**$ 1,437,023**	**$ 1,351,343**	**$ 1,264,042**	**$ 1,186,148**	**$ 1,112,420**	**$ 1,045,663**	**$ 975,730**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
29	Present value factor at		Schedule 2 - 4.5	40.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 30**	**$ 20**	**$ 13**	**$ 9**	**$ 6**	**$ 4**	**$ 3**	**$ 2**	**$ 1**	**$ 1**	**$ 1**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
36	Present value factor at		Schedule 2 - 4.5	37.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 51**	**$ 34**	**$ 23**	**$ 16**	**$ 11**	**$ 7**	**$ 5**	**$ 3**	**$ 2**	**$ 2**	**$ 1**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.9

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.86	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			134,865	125,430	116,964	108,474	100,885	93,828	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 1,850,880	$ 1,755,831	$ 1,670,056	$ 1,579,806	$ 1,498,672	$ 1,421,714	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(196,934)	(186,820)	(177,694)	(168,091)	(159,459)	(151,270)	-	-	-	-	-
12	Less: Operating expenses	[1]			(413,374)	(410,000)	(407,541)	(404,796)	(402,955)	(401,588)	-	-	-	-	-
13	Net production revenue				$ 1,240,572	$ 1,159,011	$ 1,084,821	$ 1,006,919	$ 936,258	$ 868,856	$ -	$ -	$ -	$ -	$ -
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	(392,800)
16	Operating income				$ 1,240,572	$ 1,159,011	$ 1,084,821	$ 1,006,919	$ 936,258	$ 868,856	$ -	$ -	$ -	$ -	$ (392,800)
17															
18															
19	Less: Income taxes		Schedule 2 - 2.10		(328,049)	(306,638)	(287,120)	(266,577)	(247,923)	(230,112)	99	74	56	-	-
20	After-tax cash flows				$ 912,523	$ 852,373	$ 797,700	$ 740,342	$ 688,335	$ 638,744	$ 99	$ 74	$ 56	$ -	$ (392,800)
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ 912,523**	**$ 852,373**	**$ 797,700**	**$ 740,342**	**$ 688,335**	**$ 638,744**	**$ 99**	**$ 74**	**$ 56**	**$ -**	**$ (392,800)**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
29	Present value factor at		Schedule 2 - 4.5	40.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (0)**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
36	Present value factor at		Schedule 2 - 4.5	37.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.9	$ -	$ -	$ -	$ -	$ -	$ 158,708	$ 351,296	$ 469,680	$ 732,225	$ 1,188,772	$ 1,597,701
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(24,979)	(14,155)	(12,739)	(11,465)	(10,319)	(9,287)	(8,358)	(7,522)	(6,770)	(6,093)	(5,484)
6	Class 41				(15,612)	(6,505)	(4,879)	(3,659)	(2,744)	(2,058)	(1,544)	(1,158)	(868)	(651)	(488)
7	CDE				-	-	-	-	-	(89,028)	(100,254)	(122,454)	(206,788)	(323,277)	(352,803)
8	CEE				-	-	-	-	-	(47,027)	(44,329)	(44,035)	(89,831)	(137,441)	(140,190)
9	Taxable income before non-capital losses				$ (40,590)	$ (20,659)	$ (17,618)	$ (15,124)	$ (13,063)	$ 11,308	$ 196,811	$ 294,510	$ 427,968	$ 721,309	$ 1,098,736
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	(11,308)	(95,747)	-	-	-	-
12	Taxable income				$ (40,590)	$ (20,659)	$ (17,618)	$ (15,124)	$ (13,063)	$ -	$ 101,064	$ 294,510	$ 427,968	$ 721,309	$ 1,098,736
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 26,782**	**$ 78,045**	**$ 113,412**	**$ 191,147**	**$ 291,165**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 40,590	$ 61,250	$ 78,868	$ 93,992	$ 107,055	$ 95,747	$ -	$ -	$ -	$ -
21	Additions				40,590	20,659	17,618	15,124	13,063	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	(11,308)	(95,747)	-	-	-	-
23	Tax loss pool				$ 40,590	$ 61,250	$ 78,868	$ 93,992	$ 107,055	$ 95,747	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 40,590	$ 61,250	$ 78,868	$ 93,992	$ 107,055	$ 95,747	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 208,156	[4]	80.0%	$ 166,525	$ 141,546	$ 127,392	$ 114,652	$ 103,187	$ 92,868	$ 83,582	$ 75,223	$ 67,701	$ 60,931	$ 54,838
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 166,525	$ 141,546	$ 127,392	$ 114,652	$ 103,187	$ 92,868	$ 83,582	$ 75,223	$ 67,701	$ 60,931	$ 54,838
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 24,979	$ 14,155	$ 12,739	$ 11,465	$ 10,319	$ 9,287	$ 8,358	$ 7,522	$ 6,770	$ 6,093	$ 5,484
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 24,979	$ 14,155	$ 12,739	$ 11,465	$ 10,319	$ 9,287	$ 8,358	$ 7,522	$ 6,770	$ 6,093	$ 5,484
36	Ending balance		[2]		$ 141,546	$ 127,392	$ 114,652	$ 103,187	$ 92,868	$ 83,582	$ 75,223	$ 67,701	$ 60,931	$ 54,838	$ 49,354
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 208,156	[4]	20.0%	$ 41,631	$ 26,020	$ 19,515	$ 14,636	$ 10,977	$ 8,233	$ 6,175	$ 4,631	$ 3,473	$ 2,605	$ 1,954
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 41,631	$ 26,020	$ 19,515	$ 14,636	$ 10,977	$ 8,233	$ 6,175	$ 4,631	$ 3,473	$ 2,605	$ 1,954
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 15,612	$ 6,505	$ 4,879	$ 3,659	$ 2,744	$ 2,058	$ 1,544	$ 1,158	$ 868	$ 651	$ 488
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 15,612	$ 6,505	$ 4,879	$ 3,659	$ 2,744	$ 2,058	$ 1,544	$ 1,158	$ 868	$ 651	$ 488
47	Ending balance		[2]		$ 26,020	$ 19,515	$ 14,636	$ 10,977	$ 8,233	$ 6,175	$ 4,631	$ 3,473	$ 2,605	$ 1,954	$ 1,465
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 208,156	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ 108,812	$ 188,852	$ 241,861	$ 393,019	$ 617,399
52	Additions		[5]		-	-	-	-	-	197,840	180,294	175,464	357,946	547,657	558,611
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ 197,840	$ 289,105	$ 364,316	$ 599,807	$ 940,676	$ 1,176,010
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ 32,644	$ 56,656	$ 72,558	$ 117,906	$ 185,220
56	Claim on current year additions				-	-	-	-	-	89,028	67,610	65,799	134,230	205,372	167,583
57	Claim				$ -	$ -	$ -	$ -	$ -	$ 89,028	$ 100,254	$ 122,454	$ 206,788	$ 323,277	$ 352,803
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ 108,812	$ 188,852	$ 241,861	$ 393,019	$ 617,399	$ 823,207
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 208,156	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	47,027	44,329	44,035	89,831	137,441	140,190
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ 47,027	$ 44,329	$ 44,035	$ 89,831	$ 137,441	$ 140,190
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	47,027	44,329	44,035	89,831	137,441	140,190
68	Claim				$ -	$ -	$ -	$ -	$ -	$ 47,027	$ 44,329	$ 44,035	$ 89,831	$ 137,441	$ 140,190
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.9	$ 2,067,836	$ 2,535,410	$ 2,891,990	$ 3,209,703	$ 3,489,558	$ 3,759,737	$ 3,816,684	$ 3,830,445	$ 3,913,855	$ 4,034,272	$ 4,167,597
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(4,935)	(4,442)	(3,998)	(3,598)	(3,238)	(2,914)	(2,623)	(2,361)	(2,125)	(1,912)	(1,721)
6	Class 41				(366)	(275)	(206)	(155)	(116)	(87)	(65)	(49)	(37)	(28)	(21)
7	CDE				(474,875)	(564,884)	(632,540)	(684,641)	(725,949)	(759,799)	(724,360)	(703,402)	(692,659)	(689,144)	(690,769)
8	CEE				(190,658)	(194,471)	(198,361)	(202,328)	(206,374)	(210,502)	(161,034)	(164,255)	(167,540)	(170,891)	(174,308)
9	Taxable income before non-capital losses				$ 1,397,001	$ 1,771,338	$ 2,056,886	$ 2,318,982	$ 2,553,881	$ 2,786,436	$ 2,928,603	$ 2,960,379	$ 3,051,496	$ 3,172,298	$ 3,300,778
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 1,397,001	$ 1,771,338	$ 2,056,886	$ 2,318,982	$ 2,553,881	$ 2,786,436	$ 2,928,603	$ 2,960,379	$ 3,051,496	$ 3,172,298	$ 3,300,778
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 370,205**	**$ 469,405**	**$ 545,075**	**$ 614,530**	**$ 676,778**	**$ 738,405**	**$ 776,080**	**$ 784,500**	**$ 808,646**	**$ 840,659**	**$ 874,706**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 208,156	[4]	80.0%	$ 49,354	$ 44,419	$ 39,977	$ 35,979	$ 32,381	$ 29,143	$ 26,229	$ 23,606	$ 21,245	$ 19,121	$ 17,209
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 49,354	$ 44,419	$ 39,977	$ 35,979	$ 32,381	$ 29,143	$ 26,229	$ 23,606	$ 21,245	$ 19,121	$ 17,209
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 4,935	$ 4,442	$ 3,998	$ 3,598	$ 3,238	$ 2,914	$ 2,623	$ 2,361	$ 2,125	$ 1,912	$ 1,721
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 4,935	$ 4,442	$ 3,998	$ 3,598	$ 3,238	$ 2,914	$ 2,623	$ 2,361	$ 2,125	$ 1,912	$ 1,721
36	Ending balance		[2]		$ 44,419	$ 39,977	$ 35,979	$ 32,381	$ 29,143	$ 26,229	$ 23,606	$ 21,245	$ 19,121	$ 17,209	$ 15,488
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 208,156	[4]	20.0%	$ 1,465	$ 1,099	$ 824	$ 618	$ 464	$ 348	$ 261	$ 196	$ 147	$ 110	$ 83
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1,465	$ 1,099	$ 824	$ 618	$ 464	$ 348	$ 261	$ 196	$ 147	$ 110	$ 83
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 366	$ 275	$ 206	$ 155	$ 116	$ 87	$ 65	$ 49	$ 37	$ 28	$ 21
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 366	$ 275	$ 206	$ 155	$ 116	$ 87	$ 65	$ 49	$ 37	$ 28	$ 21
47	Ending balance		[2]		$ 1,099	$ 824	$ 618	$ 464	$ 348	$ 261	$ 196	$ 147	$ 110	$ 83	$ 62
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 208,156	[4]	0.0%	$ 823,207	$ 1,108,042	$ 1,318,062	$ 1,475,926	$ 1,597,495	$ 1,693,881	$ 1,772,864	$ 1,690,172	$ 1,641,271	$ 1,616,204	$ 1,608,003
52	Additions		[5]		759,710	774,904	790,403	806,211	822,335	838,782	641,668	654,501	667,591	680,943	694,562
53	Total balance before claim				$ 1,582,917	$ 1,882,946	$ 2,108,465	$ 2,282,136	$ 2,419,830	$ 2,532,663	$ 2,414,532	$ 2,344,673	$ 2,308,863	$ 2,297,147	$ 2,302,565
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 246,962	$ 332,413	$ 395,419	$ 442,778	$ 479,249	$ 508,164	$ 531,859	$ 507,052	$ 492,381	$ 484,861	$ 482,401
56	Claim on current year additions				227,913	232,471	237,121	241,863	246,700	251,634	192,500	196,350	200,277	204,283	208,369
57	Claim				$ 474,875	$ 564,884	$ 632,540	$ 684,641	$ 725,949	$ 759,799	$ 724,360	$ 703,402	$ 692,659	$ 689,144	$ 690,769
58	Ending balance		[2]		$ 1,108,042	$ 1,318,062	$ 1,475,926	$ 1,597,495	$ 1,693,881	$ 1,772,864	$ 1,690,172	$ 1,641,271	$ 1,616,204	$ 1,608,003	$ 1,611,795
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 208,156	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		190,658	194,471	198,361	202,328	206,374	210,502	161,034	164,255	167,540	170,891	174,308
64	Total balance before claim				$ 190,658	$ 194,471	$ 198,361	$ 202,328	$ 206,374	$ 210,502	$ 161,034	$ 164,255	$ 167,540	$ 170,891	$ 174,308
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				190,658	194,471	198,361	202,328	206,374	210,502	161,034	164,255	167,540	170,891	174,308
68	Claim				$ 190,658	$ 194,471	$ 198,361	$ 202,328	$ 206,374	$ 210,502	$ 161,034	$ 164,255	$ 167,540	$ 170,891	$ 174,308
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.9	$ 4,094,775	$ 3,959,443	$ 3,939,572	$ 3,956,105	$ 4,000,788	$ 4,037,591	$ 4,092,290	$ 4,151,926	$ 3,704,151	$ 3,128,892	$ 2,807,116
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,549)	(1,394)	(1,255)	(1,129)	(1,016)	(915)	(823)	(741)	(667)	(600)	(540)
6	Class 41				(15)	(12)	(9)	(7)	(5)	(4)	(3)	(2)	(2)	(1)	(1)
7	CDE				(625,229)	(582,185)	(554,944)	(538,824)	(530,548)	(527,821)	(529,041)	(526,189)	(368,333)	(257,833)	(180,483)
8	CEE				(118,530)	(120,900)	(123,318)	(125,785)	(128,300)	(130,866)	(133,484)	(130,438)	-	-	-
9	Taxable income before non-capital losses				$ 3,349,452	$ 3,254,953	$ 3,260,046	$ 3,290,360	$ 3,340,919	$ 3,377,985	$ 3,428,939	$ 3,494,556	$ 3,335,150	$ 2,870,458	$ 2,626,092
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 3,349,452	$ 3,254,953	$ 3,260,046	$ 3,290,360	$ 3,340,919	$ 3,377,985	$ 3,428,939	$ 3,494,556	$ 3,335,150	$ 2,870,458	$ 2,626,092
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 887,605**	**$ 862,562**	**$ 863,912**	**$ 871,945**	**$ 885,344**	**$ 895,166**	**$ 908,669**	**$ 926,057**	**$ 883,815**	**$ 760,671**	**$ 695,914**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 208,156	[4]	80.0%	$ 15,488	$ 13,939	$ 12,545	$ 11,291	$ 10,162	$ 9,145	$ 8,231	$ 7,408	$ 6,667	$ 6,000	$ 5,400
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 15,488	$ 13,939	$ 12,545	$ 11,291	$ 10,162	$ 9,145	$ 8,231	$ 7,408	$ 6,667	$ 6,000	$ 5,400
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,549	$ 1,394	$ 1,255	$ 1,129	$ 1,016	$ 915	$ 823	$ 741	$ 667	$ 600	$ 540
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,549	$ 1,394	$ 1,255	$ 1,129	$ 1,016	$ 915	$ 823	$ 741	$ 667	$ 600	$ 540
36	Ending balance		[2]		$ 13,939	$ 12,545	$ 11,291	$ 10,162	$ 9,145	$ 8,231	$ 7,408	$ 6,667	$ 6,000	$ 5,400	$ 4,860
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 208,156	[4]	20.0%	$ 62	$ 46	$ 35	$ 26	$ 20	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 62	$ 46	$ 35	$ 26	$ 20	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 15	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 15	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
47	Ending balance		[2]		$ 46	$ 35	$ 26	$ 20	$ 15	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 208,156	[4]	0.0%	$ 1,611,795	$ 1,458,868	$ 1,358,431	$ 1,294,870	$ 1,257,257	$ 1,237,944	$ 1,231,583	$ 1,234,430	$ 1,227,775	$ 859,443	$ 601,610
52	Additions		[5]		472,302	481,748	491,383	501,211	511,235	521,460	531,889	519,534	-	-	-
53	Total balance before claim				$ 2,084,097	$ 1,940,616	$ 1,849,815	$ 1,796,081	$ 1,768,492	$ 1,759,404	$ 1,763,472	$ 1,753,964	$ 1,227,775	$ 859,443	$ 601,610
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 483,539	$ 437,660	$ 407,529	$ 388,461	$ 377,177	$ 371,383	$ 369,475	$ 370,329	$ 368,333	$ 257,833	$ 180,483
56	Claim on current year additions				141,691	144,524	147,415	150,363	153,371	156,438	159,567	155,860	-	-	-
57	Claim				$ 625,229	$ 582,185	$ 554,944	$ 538,824	$ 530,548	$ 527,821	$ 529,041	$ 526,189	$ 368,333	$ 257,833	$ 180,483
58	Ending balance		[2]		$ 1,458,868	$ 1,358,431	$ 1,294,870	$ 1,257,257	$ 1,237,944	$ 1,231,583	$ 1,234,430	$ 1,227,775	$ 859,443	$ 601,610	$ 421,127
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 208,156	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		118,530	120,900	123,318	125,785	128,300	130,866	133,484	130,438	-	-	-
64	Total balance before claim				$ 118,530	$ 120,900	$ 123,318	$ 125,785	$ 128,300	$ 130,866	$ 133,484	$ 130,438	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				118,530	120,900	123,318	125,785	128,300	130,866	133,484	130,438	-	-	-
68	Claim				$ 118,530	$ 120,900	$ 123,318	$ 125,785	$ 128,300	$ 130,866	$ 133,484	$ 130,438	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.10

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.9	$ 2,570,367	$ 2,386,150	$ 2,216,313	$ 2,073,240	$ 1,944,082	$ 1,830,803	$ 1,714,333	$ 1,609,971	$ 1,510,796	$ 1,420,765	$ 1,326,176
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(486)	(437)	(394)	(354)	(319)	(287)	(258)	(232)	(209)	(188)	(169)
6	Class 41				(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(126,338)	(88,437)	(61,906)	(43,334)	(30,334)	(21,234)	(14,864)	(10,404)	(7,283)	(5,098)	(3,569)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 2,443,542	$ 2,297,276	$ 2,154,013	$ 2,029,551	$ 1,913,429	$ 1,809,282	$ 1,699,211	$ 1,599,334	$ 1,503,303	$ 1,415,478	$ 1,322,438
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 2,443,542	$ 2,297,276	$ 2,154,013	$ 2,029,551	$ 1,913,429	$ 1,809,282	$ 1,699,211	$ 1,599,334	$ 1,503,303	$ 1,415,478	$ 1,322,438
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 647,539**	**$ 608,778**	**$ 570,813**	**$ 537,831**	**$ 507,059**	**$ 479,460**	**$ 450,291**	**$ 423,824**	**$ 398,375**	**$ 375,102**	**$ 350,446**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 208,156	[4]	80.0%	$ 4,860	$ 4,374	$ 3,937	$ 3,543	$ 3,189	$ 2,870	$ 2,583	$ 2,325	$ 2,092	$ 1,883	$ 1,695
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 4,860	$ 4,374	$ 3,937	$ 3,543	$ 3,189	$ 2,870	$ 2,583	$ 2,325	$ 2,092	$ 1,883	$ 1,695
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 486	$ 437	$ 394	$ 354	$ 319	$ 287	$ 258	$ 232	$ 209	$ 188	$ 169
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 486	$ 437	$ 394	$ 354	$ 319	$ 287	$ 258	$ 232	$ 209	$ 188	$ 169
36	Ending balance		[2]		$ 4,374	$ 3,937	$ 3,543	$ 3,189	$ 2,870	$ 2,583	$ 2,325	$ 2,092	$ 1,883	$ 1,695	$ 1,525
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 208,156	[4]	20.0%	$ 3	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 3	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 208,156	[4]	0.0%	$ 421,127	$ 294,789	$ 206,352	$ 144,447	$ 101,113	$ 70,779	$ 49,545	$ 34,682	$ 24,277	$ 16,994	$ 11,896
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 421,127	$ 294,789	$ 206,352	$ 144,447	$ 101,113	$ 70,779	$ 49,545	$ 34,682	$ 24,277	$ 16,994	$ 11,896
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 126,338	$ 88,437	$ 61,906	$ 43,334	$ 30,334	$ 21,234	$ 14,864	$ 10,404	$ 7,283	$ 5,098	$ 3,569
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 126,338	$ 88,437	$ 61,906	$ 43,334	$ 30,334	$ 21,234	$ 14,864	$ 10,404	$ 7,283	$ 5,098	$ 3,569
58	Ending balance		[2]		$ 294,789	$ 206,352	$ 144,447	$ 101,113	$ 70,779	$ 49,545	$ 34,682	$ 24,277	$ 16,994	$ 11,896	$ 8,327
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 208,156	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 2.10

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Taxes - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	**Income taxes**														
2	Net operating income			Schedule 2 - 2.9	$ 1,240,572	$ 1,159,011	$ 1,084,821	$ 1,006,919	$ 936,258	$ 868,856	$ -	$ -	$ -	$ -	$ (392,800)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(153)	(137)	(124)	(111)	(100)	(90)	(81)	(73)	(66)	(59)	(53)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(2,498)	(1,749)	(1,224)	(857)	(600)	(420)	(294)	(206)	(144)	(101)	(71)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 1,237,922	$ 1,157,125	$ 1,083,473	$ 1,005,951	$ 935,559	$ 868,346	$ (375)	$ (279)	$ (210)	$ (160)	$ (392,924)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 1,237,922	$ 1,157,125	$ 1,083,473	$ 1,005,951	$ 935,559	$ 868,346	$ (375)	$ (279)	$ (210)	$ (160)	$ (392,924)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 328,049**	**$ 306,638**	**$ 287,120**	**$ 266,577**	**$ 247,923**	**$ 230,112**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (375)	$ (279)	$ (210)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (99)**	**$ (74)**	**$ (56)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	160
21	Additions				-	-	-	-	-	-	375	279	210	160	392,924
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 375	$ 279	$ 210	$ 160	$ 393,084
24	Less: Loss carry back claimed				-	-	-	-	-	-	(375)	(279)	(210)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 160	$ 393,084
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 208,156	[4]	80.0%	$ 1,525	$ 1,373	$ 1,235	$ 1,112	$ 1,001	$ 901	$ 811	$ 729	$ 657	$ 591	$ 532
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,525	$ 1,373	$ 1,235	$ 1,112	$ 1,001	$ 901	$ 811	$ 729	$ 657	$ 591	$ 532
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 153	$ 137	$ 124	$ 111	$ 100	$ 90	$ 81	$ 73	$ 66	$ 59	$ 53
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 153	$ 137	$ 124	$ 111	$ 100	$ 90	$ 81	$ 73	$ 66	$ 59	$ 53
36	Ending balance		[2]		$ 1,373	$ 1,235	$ 1,112	$ 1,001	$ 901	$ 811	$ 729	$ 657	$ 591	$ 532	$ 479
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 208,156	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 208,156	[4]	0.0%	$ 8,327	$ 5,829	$ 4,080	$ 2,856	$ 1,999	$ 1,400	$ 980	$ 686	$ 480	$ 336	$ 235
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 8,327	$ 5,829	$ 4,080	$ 2,856	$ 1,999	$ 1,400	$ 980	$ 686	$ 480	$ 336	$ 235
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 2,498	$ 1,749	$ 1,224	$ 857	$ 600	$ 420	$ 294	$ 206	$ 144	$ 101	$ 71
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 2,498	$ 1,749	$ 1,224	$ 857	$ 600	$ 420	$ 294	$ 206	$ 144	$ 101	$ 71
58	Ending balance		[2]		$ 5,829	$ 4,080	$ 2,856	$ 1,999	$ 1,400	$ 980	$ 686	$ 480	$ 336	$ 235	$ 165
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 2 - 2.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 208,156	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	General and administrative expenses before tax shield	[1]	Schedule 2 - 3.2		$ 849	$ 2,591	$ 2,643	$ 2,696	$ 2,750	$ 2,805	$ 2,861	$ 2,918	$ 2,977	$ 3,036	$ 3,097
2															
3	Less: Income taxes	[2]		26.5%	(225)	(687)	(700)	(714)	(729)	(743)	(758)	(773)	(789)	(805)	(821)
4	**General and administrative expenses after tax shield**				**$ 624**	**$ 1,905**	**$ 1,943**	**$ 1,982**	**$ 2,021**	**$ 2,062**	**$ 2,103**	**$ 2,145**	**$ 2,188**	**$ 2,232**	**$ 2,276**
5															
6															
7	**Low**														
8	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
10	Present value factor at		Schedule 2 - 4.1	13.6%	*0.98*	*0.90*	*0.79*	*0.70*	*0.61*	*0.54*	*0.48*	*0.42*	*0.37*	*0.32*	*0.29*
11	**Net present value of general and administrative expenses after tax shield**				**$ 611**	**$ 1,712**	**$ 1,537**	**$ 1,380**	**$ 1,239**	**$ 1,113**	**$ 999**	**$ 897**	**$ 805**	**$ 723**	**$ 649**
12															
13															
14	**High**														
15	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
17	Present value factor at		Schedule 2 - 4.1	11.6%	*0.98*	*0.91*	*0.82*	*0.73*	*0.66*	*0.59*	*0.53*	*0.47*	*0.42*	*0.38*	*0.34*
18	**Net present value of general and administrative expenses after tax shield**				**$ 613**	**$ 1,737**	**$ 1,587**	**$ 1,450**	**$ 1,325**	**$ 1,211**	**$ 1,106**	**$ 1,010**	**$ 923**	**$ 843**	**$ 771**
19															
20															
21				**Low**		**Mid**		**High**							
22															
23	Sum of the net present value of general and administrative expenses after tax shield			$ 17,329		$ 18,959		$ 20,589							
24															
25	**Fair market value of general and administrative expenses**			**$ 17,329**		**$ 18,959**		**$ 20,589**							

Notes:

[1] General and administrative expenses for 2022 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	General and administrative expenses before tax shield	[1]			$ 3,159	$ 3,222	$ 3,286	$ 3,352	$ 3,419	$ 3,488	$ 3,557	$ 3,629	$ 3,701	$ 3,775	$ 3,851
2															
3	Less: Income taxes	[2]		26.5%	(837)	(854)	(871)	(888)	(906)	(924)	(943)	(962)	(981)	(1,000)	(1,020)
4	**General and administrative expenses after tax shield**				**$ 2,322**	**$ 2,368**	**$ 2,416**	**$ 2,464**	**$ 2,513**	**$ 2,563**	**$ 2,615**	**$ 2,667**	**$ 2,720**	**$ 2,775**	**$ 2,830**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
10	Present value factor at		Schedule 2 - 4.1	13.6%	*0.25*	*0.22*	*0.19*	*0.17*	*0.15*	*0.13*	*0.12*	*0.10*	*0.09*	*0.08*	*0.07*
11	**Net present value of general and administrative expenses after tax shield**				**$ 583**	**$ 523**	**$ 470**	**$ 422**	**$ 379**	**$ 340**	**$ 305**	**$ 274**	**$ 246**	**$ 221**	**$ 198**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
17	Present value factor at		Schedule 2 - 4.1	11.6%	*0.30*	*0.27*	*0.24*	*0.22*	*0.20*	*0.17*	*0.16*	*0.14*	*0.13*	*0.11*	*0.10*
18	**Net present value of general and administrative expenses after tax shield**				**$ 704**	**$ 643**	**$ 588**	**$ 537**	**$ 491**	**$ 448**	**$ 409**	**$ 374**	**$ 342**	**$ 312**	**$ 285**

Notes:

[1] General and administrative expenses for 2022 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 3.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	General and administrative expenses before tax shield	[1]			$ 3,928	$ 4,006	$ 4,086	$ 4,168	$ 4,251	$ 4,336	$ 4,423	$ 4,512	$ 4,602	$ 4,694	$ 4,788
2															
3	Less: Income taxes	[2]		26.5%	(1,041)	(1,062)	(1,083)	(1,105)	(1,127)	(1,149)	(1,172)	(1,196)	(1,219)	(1,244)	(1,269)
4	**General and administrative expenses after tax shield**				**$ 2,887**	**$ 2,945**	**$ 3,003**	**$ 3,063**	**$ 3,125**	**$ 3,187**	**$ 3,251**	**$ 3,316**	**$ 3,382**	**$ 3,450**	**$ 3,519**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
10	Present value factor at		Schedule 2 - 4.1	13.6%	*0.06*	*0.05*	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*
11	**Net present value of general and administrative expenses after tax shield**				**$ 178**	**$ 160**	**$ 144**	**$ 129**	**$ 116**	**$ 104**	**$ 93**	**$ 84**	**$ 75**	**$ 68**	**$ 61**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
17	Present value factor at		Schedule 2 - 4.1	11.6%	*0.09*	*0.08*	*0.07*	*0.06*	*0.06*	*0.05*	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*
18	**Net present value of general and administrative expenses after tax shield**				**$ 261**	**$ 238**	**$ 218**	**$ 199**	**$ 182**	**$ 166**	**$ 152**	**$ 139**	**$ 127**	**$ 116**	**$ 106**

Notes:

[1] General and administrative expenses for 2022 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	General and administrative expenses before tax shield	[1]			$ 4,883	$ 4,981	$ 5,081	$ 5,182	$ 5,286	$ 5,392	$ 5,500	$ 5,610	$ 5,722	$ 5,836	$ 5,953
2															
3	Less: Income taxes	[2]		26.5%	(1,294)	(1,320)	(1,346)	(1,373)	(1,401)	(1,429)	(1,457)	(1,487)	(1,516)	(1,547)	(1,578)
4	**General and administrative expenses after tax shield**				**$ 3,589**	**$ 3,661**	**$ 3,734**	**$ 3,809**	**$ 3,885**	**$ 3,963**	**$ 4,042**	**$ 4,123**	**$ 4,206**	**$ 4,290**	**$ 4,375**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
10	Present value factor at		Schedule 2 - 4.1	13.6%	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*
11	**Net present value of general and administrative expenses after tax shield**				**$ 54**	**$ 49**	**$ 44**	**$ 39**	**$ 35**	**$ 32**	**$ 29**	**$ 26**	**$ 23**	**$ 21**	**$ 19**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
17	Present value factor at		Schedule 2 - 4.1	11.6%	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
18	**Net present value of general and administrative expenses after tax shield**				**$ 97**	**$ 88**	**$ 81**	**$ 74**	**$ 67**	**$ 61**	**$ 56**	**$ 51**	**$ 47**	**$ 43**	**$ 39**

Notes:

[1] General and administrative expenses for 2022 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 3.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
					For the years ending December 31,											
		Notes	Reference		2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077
1	General and administrative expenses before tax shield	[1]			$ 6,072	$ 6,193	$ 6,317	$ 6,444	$ 6,573	$ 6,704	$ 6,838	$ 6,975	$ 7,114	$ 7,257	$ 7,402	$ 7,550
2																
3	Less: Income taxes	[2]		26.5%	(1,609)	(1,641)	(1,674)	(1,708)	(1,742)	(1,777)	(1,812)	(1,848)	(1,885)	(1,923)	(1,961)	(2,001)
4	**General and administrative expenses after tax shield**				**$ 4,463**	**$ 4,552**	**$ 4,643**	**$ 4,736**	**$ 4,831**	**$ 4,927**	**$ 5,026**	**$ 5,126**	**$ 5,229**	**$ 5,334**	**$ 5,440**	**$ 5,549**
5																
6																
7	**Low**															
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83	54.83
10	Present value factor at		Schedule 2 - 4.1	13.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
11	**Net present value of general and administrative expenses after tax shield**				**$ 17**	**$ 15**	**$ 13**	**$ 12**	**$ 11**	**$ 10**	**$ 9**	**$ 8**	**$ 7**	**$ 6**	**$ 6**	**$ 5**
12																
13																
14	**High**															
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83	54.83
17	Present value factor at		Schedule 2 - 4.1	11.6%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
18	**Net present value of general and administrative expenses after tax shield**				**$ 36**	**$ 33**	**$ 30**	**$ 27**	**$ 25**	**$ 23**	**$ 21**	**$ 19**	**$ 17**	**$ 16**	**$ 14**	**$ 13**

Notes:

[1] General and administrative expenses for 2022 are prorated for partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 2 - 3.2**

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	
		Notes		**2022 Budget**
		[1]		
1	Quebec staff		$	220
2	Legal and advisory services			386
3	AGC / QEA / Other			30
4	Quebec Government/Public relations			53
5	QEA (Conference and miscellaneous other)			50
6	Travel			60
7	Public relations new hire			100
8	Field operator			116
9	Monitoring committee (Pilot and committee costs)			75
10	Drilling and completions engineer			180
11	Production engineer			180
12	Geologist/Geophysicist			180
13	Mineral rentals			246
14	Surface rentals/Property taxes			105
15	SCVF Monitoring/Ongoing			200
16	Additional drilling and completion engineer			180
17	Additional facilities engineer			180
18	**Annual general and administrative expenses**		**$**	**2,541**

Notes:

[1] The values of expected general and administration expenses were obtained from the 2022 operational budget, as provided by Management.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 4.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Proved Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**30.0%**	**70.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	42.9%	42.9%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**1.13**	**1.25**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		1.13	1.25
25	Cost of equity capital	[12]	**10.6%**	**11.3%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	4.2%	4.8%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**14.8%**	**16.3%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	30.0%	30.0%
42	Equity-to-capital	[7]	70.0%	70.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**11.9%**	**13.9%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**11.6%**	**13.6%**
48				
49	**Weighted average cost of capital (rounded)**		**11.6%**	**13.6%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 4.2

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Probable Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**10.0%**	**90.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	11.1%	11.1%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.93**	**1.03**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.93	1.03
25	Cost of equity capital	[12]	**9.3%**	**9.9%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	16.7%	20.5%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**26.0%**	**30.6%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	10.0%	10.0%
42	Equity-to-capital	[7]	90.0%	90.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**23.9%**	**28.4%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**23.6%**	**28.0%**
48				
49	**Weighted average cost of capital (rounded)**		**23.6%**	**28.0%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 4.3

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Possible Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.86**	**0.95**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.86	0.95
25	Cost of equity capital	[12]	**8.9%**	**9.4%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	52.1%	62.5%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**61.0%**	**72.1%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**61.0%**	**72.1%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**60.5%**	**71.6%**
48				
49	**Weighted average cost of capital (rounded)**		**60.5%**	**71.6%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 4.4

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Contingent Resources

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.86**	**0.95**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.86	0.95
25	Cost of equity capital	[12]	**8.9%**	**9.4%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	31.7%	33.9%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**40.6%**	**43.5%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**40.6%**	**43.5%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**40.2%**	**43.1%**
48				
49	**Weighted average cost of capital (rounded)**		**40.2%**	**43.1%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 4.5

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Prospective Resources

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.86**	**0.95**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.86	0.95
25	Cost of equity capital	[12]	**8.9%**	**9.4%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	29.3%	30.8%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**38.2%**	**40.4%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**38.2%**	**40.4%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**37.8%**	**40.0%**
48				
49	**Weighted average cost of capital (rounded)**		**37.8%**	**40.0%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 5

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Reserve Adjustment Factors - Fair Market Value by Reserve and Resource Category

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M
		Unrisked value		Percent of unrisked value total	Reserve adjustment factors	Risked value		Percent of risked value total	Total reserves and resources (Mmcf)	$/mcf		Implied risk adjusted discount rate	
		Low	High			Low	High			Low	High	Low	High
		[1]	[1]		[2]	[3]	[3]		[4]			[5]	[5]
1	Proved reserves	$ 74,719	$ 91,324	0.5%	59.0%	$ 44,084	$ 53,881	6.0%	96,746	$ 0.46	$ 0.56	11.6%	13.6%
2	Probable reserves	607,214	742,151	4.2%	31.0%	188,236	230,067	25.7%	430,603	0.44	0.53	23.6%	28.0%
3	Possible reserves	602,787	736,740	4.1%	13.0%	78,362	95,776	10.7%	331,163	0.24	0.29	60.5%	71.6%
4	Total 3P reserves	$ 1,284,721	$ 1,570,214	8.8%	24.2%	$ 310,683	$ 379,724	42.4%	858,512	$ 0.36	$ 0.44	30.0%	35.4%
5													
6	Contingent resources	$ 3,919,574	$ 4,790,590	26.9%	6.0%	$ 235,174	$ 287,435	32.1%	3,452,232	$ 0.07	$ 0.08	40.2%	43.1%
7	Prospective resources	9,367,024	11,448,585	64.3%	2.0%	187,340	228,972	25.6%	15,549,217	0.01	0.01	37.8%	40.0%
8	Total resources	$ 13,286,597	$ 16,239,175	91.2%	3.2%	$ 422,515	$ 516,407	57.6%	19,001,449	$ 0.02	$ 0.03	39.0%	41.6%
9													
10	**Fair market value of oil and gas reserves and resources**	**$ 14,571,318**	**$ 17,809,389**	**100.0%**	**5.0%**	**$ 733,198**	**$ 896,131**	**100.0%**	**19,859,961**	**$ 0.04**	**$ 0.05**	**37.1%**	**40.3%**

Notes:

[1] Unrisked values were obtained from the GLJ Report. For the purposes of the reserve adjustment factor ("RAF") analysis we took the net present value ("NPV") at 10.0 percent figures from the GLJ Report.

	NPV 10%	Unrisked value (Low -10%)	Unrisked value (High +10%)
Proved reserves	$ 83,022	$ 74,719	$ 91,324
Probable reserves	674,682	607,214	742,151
Possible reserves	669,763	602,787	736,740
Contingent resources	4,355,082	3,919,574	4,790,590
Prospective resources	10,407,804	9,367,024	11,448,585

[2] The selected RAFs are based on the 2022 Society of Petroleum Evaluation Engineers ("SPEE") report, as well as qualitative factors related to each reserve/resource category and are calculated, as follows:

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report	Weighted RAF
			Exhibit 2 - 1	
Proved reserves				
Developed and producing	$ -	0.0%	96.0%	0.0%
Undeveloped and not producing	83,022	100.0%	59.0%	59.0%
Total	$ 83,022	100.0%		59.0%

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report	Weighted RAF
			Exhibit 2 - 1	
Probable reserves				
Developed and producing	$ -	0.0%	45.0%	0.0%
Undeveloped and not producing	674,682	100.0%	31.0%	31.0%
Total	$ 674,682	100.0%		31.0%

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report	Weighted RAF
			Exhibit 2 - 1	
Possible reserves				
Developed and producing	$ -	0.0%	23.0%	0.0%
Undeveloped and not producing	669,763	100.0%	13.0%	13.0%
Total	$ 669,763	100.0%		13.0%

[3] The risked values are determined by multiplying the selected RAFs to the unrisked values.

[4] Based on the GLJ Report.

[5] The implied risk adjusted discount rate ("RADR") for each reserve and resource type is computed on the associated discounted cash flow schedules.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 6.1

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Guideline Public Company Multiples

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Company name	**Enterprise value (EV)**	**Recoverable reserve / resource value, before book value of ARO**	**Recoverable reserve / resource value, net of book value of ARO (RV)**	**Production**	**Proved reserves**	**Probable reserves**	**Possible reserves**	**Contingent resources**	**Prospective resources**	**Recoverable reserves / resources**	**Gas weighting**	**Reserves / Recoverable resources**	**$ / Recoverable resources**
					Mcfe/d	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*%*		*$/mcfe*
1			[1]	[1]	[2]	[3]	[3]	[3]	[3]	[3]		[3]		
2														
3	Range Resources Corporation	$ 13,587,929	$ 15,500,516	$ 15,361,841	2,072,266	17,283,730	NA	NA	NA	NA	17,283,753	85.8%	100.0%	$ 0.89
4	CNX Resources Corporation	7,216,124	3,707,988	3,594,043	1,619,685	9,625,733	NA	NA	NA	NA	9,625,749	90.9%	100.0%	0.37
5	Headwater Exploration Inc.	1,250,707	903,398	903,398	72,536	452,254	383,442	NA	NA	NA	835,728	58.2%	54.1%	1.08
6	Pieridae Energy Limited	400,943	580,309	441,217	225,557	1,215,764	162,947	NA	NA	NA	1,378,728	77.2%	88.2%	0.32
7	Antero Resources Corporation	19,114,418	21,114,682	21,042,311	3,198,913	17,734,000	NA	NA	NA	NA	17,734,015	57.0%	100.0%	1.19
8	Chesapeake Energy Corporation	19,602,646	22,749,342	22,315,270	3,985,007	8,637,725	NA	NA	NA	NA	8,637,731	80.9%	100.0%	2.58
9	Coterra Energy Inc.	33,890,281	37,172,222	36,830,889	3,806,593	16,693,692	NA	NA	NA	NA	16,693,704	85.3%	100.0%	2.21
10	Pine Cliff Energy Ltd.	655,800	818,837	607,784	126,023	294,677	52,588	NA	NA	NA	347,273	83.8%	84.9%	1.75
11	Questerre Energy Corporation	85,566	81,168	61,951	9,655	100,772	94,549	NA	NA	NA	195,376	54.3%	51.6%	0.32
12														
13	**Minimum**										**195,376**	**54.3%**	**51.6%**	**$ 0.32**
14	**First quartile**										**3,193,479**	**62.9%**	**84.9%**	**0.37**
15	**Average**										**8,081,340**	**74.8%**	**86.5%**	**1.19**
16	**Median**										**8,637,731**	**80.9%**	**100.0%**	**1.08**
17	**Adjusted average**										**7,828,952**	**75.5%**	**89.6%**	**1.12**
18	**Third quartile**										**16,693,704**	**85.3%**	**100.0%**	**1.75**
19	**Maximum**										**17,734,015**	**90.9%**	**100.0%**	**2.58**
20														
21				Schedule 2 - 1		[4]	[4]	[4]	[4]	[4]	[4]	[4]		
22	Proved reserves			$ 48,983	NA	96,746	NA	NA	NA	NA	96,746	100.0%	NA	$ 0.51
23	Probable reserves			209,152	NA	NA	430,603	NA	NA	NA	527,349	100.0%	NA	0.49
24	Possible reserves			87,069	NA	NA	NA	331,163	NA	NA	858,512	100.0%	NA	0.26
25	Contingent resources			261,305	NA	NA	NA	NA	3,452,232	NA	4,310,743	100.0%	NA	0.08
26	Prospective resources			208,156	NA	NA	NA	NA	NA	15,549,217	19,859,961	100.0%	NA	0.01
27														
28														
29	Proved reserves (i.e., 1P)			$ 48,983	NA	96,746	NA	NA	NA	NA	96,746	100.0%	0.5%	$ 0.51
30	Proved plus probable reserves (i.e., 2P)			258,134	NA	96,746	430,603	NA	NA	NA	527,349	100.0%	2.7%	0.49
31	Proved plus probable plus possible reserves (i.e., 3P)			345,204	NA	96,746	430,603	331,163	NA	NA	858,512	100.0%	4.3%	0.40
32	3P reserves plus contingent resources			606,508	NA	96,746	430,603	331,163	3,452,232	NA	4,310,743	100.0%	NA	0.14
33	3P reserves plus contingent resources plus prospective resources			814,665	NA	96,746	430,603	331,163	3,452,232	15,549,217	19,859,961	100.0%	NA	0.04
34	**Recoverable resources, before G&A**			**814,665**	**NA**	**96,746**	**430,603**	**331,163**	**3,452,232**	**15,549,217**	**19,859,961**	**100.0%**	**NA**	**$ 0.04**
35	**Recoverable resources, net of G&A**			**795,705**	**NA**	**96,746**	**430,603**	**331,163**	**3,452,232**	**15,549,217**	**19,859,961**	**100.0%**	**NA**	**$ 0.04**

Notes:

[1] Recoverable resource value is computed by eliminating all assets and liabilities except oil and gas properties from the enterprise value.

[2] Production data, as available in the most recent management discussion and analysis document of the companies, as at or before August 31, 2022.

[3] Reserves and resources data is as per the most recent available annual information form of the companies, as at August 31, 2022, and adjusted for actual production, acquisitions, and divestitures for the period up to the Valuation Date.

[4] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

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Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 2 - 6.2**

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Guideline Public Company Descriptions

	A	B	C
	Ticker	**Company name**	**Description**
1	NYSE:RRC	Range Resources Corporation	Range Resources Corporation operates as an independent natural gas, natural gas liquids (NGLs), and oil company in the United States. The company engages in the exploration, development, and acquisition of natural gas and oil properties. It markets and sells natural gas and NGLs to utilities, marketing and midstream companies, and industrial users; petrochemical end users, marketers/traders, and natural gas processors; and oil and condensate to crude oil processors, transporters, and refining and marketing companies. The company was formerly known as Lomak Petroleum, Inc. and changed its name to Range Resources Corporation in 1998. The company was founded in 1976 and is headquartered in Fort Worth, Texas.
2	NYSE:CNX	CNX Resources Corporation	CNX Resources Corporation, an independent natural gas and midstream company, acquires, explores for, develops, and produces natural gas properties in the Appalachian Basin. The company operates in two segments, Shale and Coalbed Methane (CBM). It produces and sells pipeline quality natural gas primarily for gas wholesalers. The company owns rights to extract natural gas in Pennsylvania, West Virginia, and Ohio, as well as rights to extract natural gas from other shale and shallow oil and gas positions in Illinois, Indiana, New York, and Virginia. It also owns rights to extract CBM in Virginia, West Virginia, Pennsylvania, Ohio, Illinois, Indiana, and New Mexico. In addition, the company designs, builds, and operates natural gas gathering systems to move gas from the wellhead to interstate pipelines or other local sales points; owns and operates approximately 2,600 miles of natural gas gathering pipelines, as well as various natural gas processing facilities. It also offers turn-key solutions for water sourcing, delivery, and disposal for its natural gas operations and for third parties. The company was formerly known as CONSOL Energy Inc. and changed its name to CNX Resources Corporation in November 2017. CNX Resources Corporation was founded in 1860 and is headquartered in Canonsburg, Pennsylvania.
3	TSX:HWX	Headwater Exploration Inc.	Headwater Exploration Inc. engages in the exploration, development, and production of petroleum and natural gas in Canada. It holds interest in the Marten Hills area located in Alberta; and McCully Field area located in New Brunswick. The company was formerly known as Corridor Resources Inc. and changed its name to Headwater Exploration Inc. in March 2020. Headwater Exploration Inc. incorporated in 1996 and is headquartered in Calgary, Canada.
4	TSX:PEA	Pieridae Energy Limited	Pieridae Energy Limited operates as an energy producing company in Canada. It develops, produces, and processes natural gas, natural gas liquids, condensate, and sulphur. The company was founded in 2011 and is headquartered in Calgary, Canada.
5	NYSE:AR	Antero Resources Corporation	Antero Resources Corporation, an independent oil and natural gas company, engages in the development, production, exploration, and acquisition of natural gas, natural gas liquids (NGLs), and oil properties in the United States. It operates through three segments: Exploration, Development and Production of Natural Gas, NGLs and Oil; Marketing and Utilization of Excess Firm Transportation Capacity; and Midstream Services Through Our Equity Method Investment in Antero Midstream. As of December 31, 2022, the company had approximately 504,000 net acres in the Appalachian Basin; and 174,000 net acres in the Upper Devonian Shale. It also owned and operated 620 miles of gas gathering pipelines in the Appalachian Basin; and 34 compressor stations. The company was formerly known as Antero Resources Appalachian Corporation and changed its name to Antero Resources Corporation in June 2013. Antero Resources Corporation was incorporated in 2002 and is headquartered in Denver, Colorado.
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	Chesapeake Energy Corporation, an independent exploration and production company, engages in the acquisition, exploration, and development of properties to produce oil, natural gas, and natural gas liquids from underground reservoirs in the United States. The company holds interests in natural gas resource plays in the Marcellus Shale in the northern Appalachian Basin in Pennsylvania and the Haynesville/Bossier Shales in northwestern Louisiana. The company was founded in 1989 and is headquartered in Oklahoma City, Oklahoma.
7	NYSE:CTRA	Coterra Energy Inc.	Coterra Energy Inc., an independent oil and gas company, engages in the development, exploration and production of oil, natural gas, and natural gas liquids in the United States. The company primarily focuses on the Marcellus Shale with approximately 183,000 net acres in the dry gas window of the play located in Susquehanna County, Pennsylvania. It also holds Permian Basin properties with approximately 307,000 net acres; and Anadarko Basin properties with approximately 182,000 net acres located in Oklahoma. In addition, the company operates natural gas and saltwater disposal gathering systems in Texas. It sells its natural gas to industrial customers, local distribution companies, oil and gas marketers, major energy companies, pipeline companies, and power generation facilities. The company was incorporated in 1989 and is headquartered in Houston, Texas.
8	TSX:PNE	Pine Cliff Energy Ltd.	Pine Cliff Energy Ltd. engages in the acquisition, exploration, development, and production of oil, natural gas, and natural gas liquids in the Western Canadian Sedimentary Basin. The company primarily holds interest in oil and gas properties in the Southern Alberta, Southern Saskatchewan, and Edson areas, as well as in the Viking and Ghost Pine area of Central Alberta. It also explores for precious metals in Ontario, the Northwest Territories, Nunavut, Canada, Utah, and the United States. The company was incorporated in 2004 and is headquartered in Calgary, Canada.
9	TSX:QEC	Questerre Energy Corporation	Questerre Energy Corporation acquires, explores, and develops non-conventional oil and gas projects in Canada. It produces tight oil, oil shale, shale oil, and shale gas. The company primarily holds 40,960 acres located in Kakwa, west central Alberta, including a 25% working interest in 10,080 acres in Kakwa Central; 50% working interest in 4,480 acres in Kakwa North; 50% interest in 22,400 acres in Kakwa West; and 50% interest in 3,840 acres in Kakwa South. It also holds 100% working interest in 11,035 acres located in Antler, Saskatchewan; and oil shale assets in Jordan. The company was formerly known as Westpro Equipment Ltd. and changed its name to Questerre Energy Corporation in December 2000. The company was incorporated in 1971 and is headquartered in Calgary, Canada.

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 2 - 6.3

Scenario 2 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on August 23, 2022

As at August 31, 2022

Guideline Precedent Transaction Descriptions

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
					Oil and gas assets									Indexed against Henry Hub spot price
	Date	Deal type	Acquirer	Target company	Total acquisition cost	1P reserves	2P reserves	3P Reserves	Contingent and Prospective resources	Recoverable resources	Production	Gas weighting	$/Resource	$/Recoverable resources
1						Mmcfe	Mmcfe	Mmcfe	Mmcfe	Mmcfe H + I	Mcfe/d	%	$/Mcfe	$/Mcfe [1]
2														
3														
4	4/30/2022	Property	Paramount Resources Ltd	Undisclosed Seller	$ 31,100	NA	NA	NA	NA	-	7,800	NA	NA	NA
5	4/1/2022	Corporate	Journey Energy Inc	Undisclosed Seller	13,180	NA	42,174	NA	NA	42,174	3,732	NA	0.31	0.56
6	11/30/2021	Corporate	InPlay Oil Corp	Prairie Storm Resources Corp	32,050	127,800	160,800	NA	NA	288,600	10,800	60.6%	0.11	0.43
7	8/19/2021	Corporate	Journey Energy Inc	Briko Energy Corp	4,722	13,512	17,544	NA	NA	31,056	3,660	NA	0.15	0.69
8	4/1/2021	Property	Northern Oil & Gas Inc, Arch Energy Partners, EQT	Reliance	250,000	856,338	NA	NA	NA	856,338	150,000	NA	0.29	NA
9	1/4/2021	Corporate	Whitecap Resources Inc	NAL Resources Ltd	118,366	326,490	411,042	NA	NA	737,532	162,000	64.9%	0.16	1.08
10	11/30/2020	Property	EQT	Chevron	735,000	1,399,998	NA	NA	NA	1,399,998	450,000	NA	0.53	NA
11	11/13/2020	Corporate	Southwestern Energy	Montage Resources	874,000	2,730,200	NA	NA	NA	2,730,200	551,700	NA	0.32	NA
12	10/23/2020	Property	OWS Acquisition Co LLC	Harvest Oil & Gas Corp	20,500	99,600	NA	NA	NA	99,600	29,300	NA	0.21	NA
13	9/4/2020	Property	i3 Energy Ltd	Gain Energy Ltd	59,082	NA	416,400	NA	NA	416,400	63,870	NA	0.14	0.77
14	7/31/2020	Property	National Fuel Gas	Shell	541,000	709,980	NA	NA	NA	709,980	250,000	NA	0.76	NA
15	5/26/2020	Property	Diversified Gas & Oil Plc	EQT	125,000	288,000	NA	NA	NA	288,000	54,000	NA	0.43	NA
16	1/22/2020	Acreage	Questerre Energy Corporation	REPSOL	16,100	NA	NA	NA	NA	-			NA	NA
17	9/19/2019	Property	Diversified Gas & Oil Plc	EdgeMarc Energy Holdings LLC	50,000	156,000	NA	NA	NA	156,000	64,998	NA	0.32	NA
18	8/13/2019	Property	Tourmaline Oil Corp	Canadian Non-Operated Resources Corp	132,248	NA	372,000	NA	NA	372,000	33,600	NA	0.36	1.55
19	2/28/2019	Corporate	Eclipse Resources	Blue Ridge Mountain Resources Inc	345,900	452,136	NA	NA	NA	452,136	121,980	NA	0.77	NA
20	2/22/2019	Property	Clearview Resources Ltd	Undisclosed Seller	7,202	NA	NA	NA	NA	-	1,800	NA	NA	NA
21	1/31/2018	Property	Clearview Resources Ltd	Bashaw Oil Corp	2,750	NA	NA	NA	NA	-	660	NA	NA	NA
22	8/31/2018	Property	Ascent Resources Utica LLC	CNX Resources, Hess, Utica Minerals Development LLC, Salt Fork Resources LLC	1,500,000	1,099,980	NA	NA	NA	1,099,980	216,000	NA	1.36	NA
23														
24														
25	**Minimum**											**14.2%**	**$ 0.11**	**$ 0.43**
26	**First quartile**											**28.3%**	**0.53**	**0.92**
27	**Average**											**43.9%**	**0.41**	**0.85**
28	**Median**											**33.5%**	**1.69**	**0.73**
29	**Adjusted average**											**NA**	**0.37**	**0.77**
30	**Third quartile**											**63.8%**	**0.48**	**1.00**
31	**Maximum**											**64.9%**	**1.36**	**1.55**
32														
33					Schedule 2 - 5	[2]	[2]	[2]	[2]		Schedule 2 - 6.1	[2]		
34	Proved reserves				$ 48,983	96,746	NA	NA	NA	96,746	NA	100.0%	NA	$ 0.51
35	Probable reserves				209,152	NA	430,603	NA	NA	527,349	NA	100.0%	NA	0.49
36	Possible reserves				87,069	NA	NA	331,163	NA	858,512	NA	100.0%	NA	0.26
33	Contingent resources				261,305	NA	NA	NA	3,452,232	4,310,743	NA	100.0%	NA	0.08
34	Prospective resources				208,156	NA	NA	NA	15,549,217	19,859,961	NA	100.0%	NA	0.01
35														
36					Schedule 2 - 5	[2]	[2]	[2]	[2]		Schedule 2 - 6.1	[2]		
36	1P reserves				$ 48,983	96,746	NA	NA	NA	96,746	NA	100.0%	NA	$ 0.51
36	2P reserves				258,134	96,746	430,603	NA	NA	527,349	NA	100.0%	NA	0.49
37	3P reserves				345,204	96,746	430,603	331,163	NA	858,512	NA	100.0%	NA	0.40
37	3P reserves plus contingent resources				606,508	96,746	430,603	331,163	3,452,232	4,310,743	NA	100.0%	NA	0.14
38	3P reserves plus contingent and prospective resources				814,665	96,746	430,603	331,163	15,549,217	16,407,729	NA	100.0%	NA	0.05
39	**Recoverable resources, before G&A**				**814,665**	**96,746**	**430,603**	**331,163**	**15,549,217**	**16,407,729**	**NA**	**100.0%**	**NA**	**$ 0.05**
40	**Recoverable resources, net of G&A**				**795,705**	**96,746**	**430,603**	**331,163**	**19,001,449**	**16,407,729**	**NA**	**100.0%**	**NA**	**$ 0.05**

Notes:

[1] To facilitate a like-for-like and meaningful comparison of the asset's implied multiples with those of the precedent transactions, we indexed the multiples observed for the precedent transactions against the Henry Hub spot pricing, as at the respective transaction closing dates.

[2] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Source: Enverus.

Appendix A

Discounted Cash Flow Reserve Adjustment Factors (RAF) Detail

Discounted Cash Flow RAFs by Reserves Category (%)

		P90	P50	Mean	P10	count
Proved reserves	Producing	90	100	96	100	47
	Shut in	75	85	85	98	45
	Behind pipe	67	80	79	90	45
	Undeveloped	33	60	59	82	47
Probable reserves	Producing	20	50	45	70	36
	Shut in	4	40	37	56	35
	Behind pipe	0	35	33	50	40
	Undeveloped	4	30	31	50	45
Possible reserves	Producing	0	20	23	50	33
	Shut in	0	10	17	30	32
	Behind pipe	0	10	17	30	36
	Undeveloped	0	10	13	30	42
Contingent resources	Producing	0	20	11	30	21
	Shut in	0	5	7	20	21
	Behind pipe	0	5	7	15	23
	Undeveloped	0	5	6	12	29
Prospective resources	Producing	N/A	N/A	N/A	N/A	N/A
	Shut in	N/A	N/A	N/A	N/A	N/A
	Behind pipe	N/A	N/A	N/A	N/A	N/A
	Undeveloped	0	5	2	5	26

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Appendix A

Risk Adjusted Discount Rates (RADR) Detail - Operated

SPEE
SOCIETY OF PETROLEUM EVALUATION ENGINEERS

Operated RADRs by reserves category (% pa)					
	P90	P50	Mean	P10	Count
Proved developed producing reserves	9	10	13	15	31
Proved developed non-producing reserves	12	15	18	20	31
Proved undeveloped reserves	15	20	25	30	31
Probable reserves	20	29	27	39	24
Possible reserves	17	40	37	50	23

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 1.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Economic Loss Summary

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F
		Notes	Reference			
1				Low	Midpoint	High
2						
3	**Value of oil and gas reserves and resources after general and administrative expenses, as at August 31, 2022**		Schedule 3 - 1.2	**$ 4,044,246**	**$ 4,491,796**	**$ 4,939,346**
4						
5	Add: Value of cash flows from September 30, 2018 to August 31, 2022		Schedule 3 - 2.1	(97,748)	(97,748)	(97,748)
6						
7	**Total economic loss, as at August 31, 2022**			**$ 3,946,497**	**$ 4,394,048**	**$ 4,841,598**
8						
9	**Total economic loss, as at August 31, 2022 (rounded)**			**$ 3,946,500**	**$ 4,394,050**	**$ 4,841,600**

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 1.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Valuation of Reserves and Resources - Summary

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K
		Notes	Reference	Fair market value conclusion			Percentage of total value	Total reserves / resources (Mmcf)	Percentage of total volume	$/mcf	Weighted average cost of capital / implied risk adjusted discount rate
1				Low	Midpoint	High				Midpoint	Midpoint
2											
3	Value of proved reserves before general and administrative expenses	[1]	Schedule 3 - 3.1 & Schedule 3 - 6	$ 2,029,057	$ 2,254,508	$ 2,479,959	50.0%	1,497,264	6.9%	$ 1.51	12.1%
4	Value of probable reserves before general and administrative expenses	[1]	Schedule 3 - 3.3 & Schedule 3 - 6	1,141,542	1,268,380	1,395,218	28.1%	2,162,674	10.0%	0.59	26.2%
5	Value of possible reserves before general and administrative expenses	[1]	Schedule 3 - 3.5 & Schedule 3 - 6	669,899	744,332	818,765	16.5%	2,353,357	10.9%	0.32	67.8%
6	Value of contingent resources before general and administrative expenses	[1]	Schedule 3 - 3.7 & Schedule 3 - 6	103,384	114,871	126,358	2.5%	2,119,648	9.8%	0.05	29.7%
7	Value of prospective resources before general and administrative expenses	[1]	Schedule 3 - 3.9 & Schedule 3 - 6	116,785	129,761	142,737	2.9%	13,478,876	62.4%	0.01	29.6%
8											
9	**Value of oil and gas reserves and resources before general and administrative expenses, as at August 31, 2022**			**$ 4,060,666**	**$ 4,511,852**	**$ 4,963,037**	**100.0%**	**21,611,819**	**100.0%**	**$ 0.21**	**26.2%**
10											
11	Less: Value of general and administrative expenses, as at August 31, 2022	[2]	Schedule 3 - 4.1	(16,421)	(20,055)	(23,690)					
12											
13	**Value of oil and gas reserves and resources after general and administrative expenses, as at August 31, 2022**			**$ 4,044,246**	**$ 4,491,796**	**$ 4,939,346**					

Notes:

[1] Values may not tie to the supporting schedules due to rounding.

[2] The GLJ Report does not take general and administrative ("G&A") expenses into consideration. As a result, G&A expenses were calculated separately.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 3 - 2.1**

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Cash Flows - September 30, 2018 to August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I
		Notes	Reference		3 months 2018	For the years ending December 31, 2019	2020	2021	2022
1	Price								
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ 3.55	$ 5.44	$ 9.52
3									
4	Production volume								
5	Natural gas (Mmcf)	[1]			-	-	97,903	142,756	218,465
6									
7	Sales revenue								
8	Natural gas	[1]			$ -	$ -	$ 347,556	$ 776,593	$ 2,079,787
9									
10									
11	Less: Royalty burdens	[1]			-	-	(44,000)	(98,000)	(259,000)
12	Less: Operating expenses	[1]			-	-	(51,000)	(75,000)	(115,000)
13	Less: Net profits interest burden	[1]			-	-	-	-	(34,000)
14	Net production revenue				$ -	$ -	$ 252,556	$ 603,593	$ 1,671,787
15									
16	Weighted volume reserve adjustment factor	[2]			63.9%	63.9%	63.9%	63.9%	63.9%
17	Risk adjusted production revenue				$ -	$ -	$ 161,384	$ 385,698	$ 1,068,277
18									
19	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-
20	Operating income				$ -	$ -	$ 161,384	$ 385,698	$ 1,068,277
21									
22	Less: General and administrative expenses	[3]			(556)	(2,264)	(2,280)	(2,358)	(2,541)
23	Income before taxes				$ (556)	$ (2,264)	$ 159,104	$ 383,340	$ 1,065,736
24									
25	Less: Income taxes		Schedule 3 - 2.3		-	-	(7,478)	(61,167)	(225,314)
26	After-tax cash flows				$ (556)	$ (2,264)	$ 151,625	$ 322,173	$ 840,423
27									
28	Less: Capital expenditures	[1]			-	(30,000)	(439,000)	(349,000)	(466,000)
29	**Annual free cash flows**				**$ (556)**	**$ (32,264)**	**$ (287,375)**	**$ (26,827)**	**$ 374,423**
30									
31									
32	Percent of year remaining				25%	100%	100%	100%	67%
33	**Free cash flows**				**$ (556)**	**$ (32,264)**	**$ (287,375)**	**$ (26,827)**	**$ 374,423**
34									
35									
36					**Low**	**Mid**	**High**		
37									
38	**Sum of the free cash flows**				**$ (97,748)**	**$ (97,748)**	**$ (97,748)**		

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

[2] Weighted volume reserve adjustment factor based on the 2022 forecast reserve production by reserve category and the volume reserve adjustment factors ("RAFs") by production category from the 2022 Society of Petroleum Evaluation Engineers ("SPEE") annual survey, as shown below.

	Mmcf	Percent of total	Mean RAF from SPEE report	Weighted RAF
Proved producing	105,439	48.3%	97.0%	46.8%
Probable producing	44,338	20.3%	47.0%	9.5%
Possible producing	68,688	31.4%	24.0%	7.5%
Total	218,465	100.0%		63.9%

[3] General and administrative expenses are calculated, as follows:

			2018	2019	2020	2021	2022
Annual general and administrative expenses before inflation		Schedule 3 - 2.2	$ 2,226	$ 2,226	$ 2,264	$ 2,280	$ 2,358
Annual consumer price index inflation factor	[a]			1.7%	0.7%	3.4%	7.8%
Annual general and administrative expenses after inflation	[b]		$ 556	$ 2,264	$ 2,280	$ 2,358	$ 2,541

[a] Annual inflation is computed using the monthly CPI data from Statistics Canada.

[b] General and administrative expenses for 2018 are prorated for a partial year. Amounts thereafter are increased annually at 2.0 percent.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 3 - 2.2**

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

General and Administrative Expenses - September 30, 2018 to August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C
		Notes	**2018**
		[1]	
1	Quebec staff	$	193
2	Legal & advisory services		338
3	AGC / QEA / Other		26
4	Quebec government/Public relations		46
5	QEA (Conference and miscellaneous other)		44
6	Travel		53
7	Public relations new hire		88
8	Field operator		102
9	Monitoring committee (Pilot and committee costs)		66
10	Drilling and completions engineer		158
11	Production engineer		158
12	Geologist/Geophysicist		158
13	Mineral rentals		215
14	Surface rentals/Property taxes		92
15	SCVF Monitoring/Ongoing		175
16	Additional drilling and completion engineer		158
17	Additional facilities engineer		158
18	**Annual general and administrative expenses**	**$**	**2,226**

Notes:

[1] The values of expected general and administration expenses were obtained from the 2022 operational budget, as provided by Management, and deflated to September 30, 2018 using the monthly consumer price index published by Statistics Canada.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 3 - 2.3**

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - September 30, 2018 to August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I
					3 months	For the years ending December 31,			
			Notes	Reference	2018	2019	2020	2021	2022
1	**Income taxes**								
2	Income before taxes			Schedule 3 - 2.1	$ (556)	$ (2,264)	$ 159,104	$ 383,340	$ 1,065,736
3									
4	Less: Allowable tax pool claims			From below					
5	COGPE				-	-	-	-	-
6	Class 41				-	-	(35,375)	(97,281)	(155,586)
7	CDE				-	(9,000)	(53,100)	(56,970)	(66,279)
8	CEE				(30,800)				
8	Taxable income before non-capital losses				$ (31,356)	$ (11,264)	$ 70,629	$ 229,089	$ 843,871
9									
10	Less: Loss carry forward claimed				-	-	(42,620)	-	-
11	Taxable income				$ (31,356)	$ (11,264)	$ 28,008	$ 229,089	$ 843,871
12	Tax rate		[1]	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%
13	**Income taxes**				**$ -**	**$ -**	**$ 7,478**	**$ 61,167**	**$ 225,314**
14									
15	Loss carry back				$ -	$ -	$ -	$ -	$ -
16	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
17									
18	**Tax loss pool**								
19	Opening tax loss pool				$ -	$ 31,356	$ 42,620	$ -	$ -
20	Additions				31,356	11,264	-	-	-
21	Less: Tax loss claimed				-	-	(42,620)	-	-
22	Tax loss pool				$ 31,356	$ 42,620	$ -	$ -	$ -
23	Less: Loss carry back claimed						-	-	-
24	Ending tax loss pool				$ 31,356	$ 42,620	$ -	$ -	$ -
25									
26	**COGPE**								
27	*Depreciation claim allowance*		[2]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
28	Opening balance	$ -	[3]		$ -	$ -	$ -	$ -	$ -
29	Additions		[4]		-	-	-	-	-
30	Total balance before claim				$ -	$ -	$ -	$ -	$ -
31	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
32	Claim on opening balance				$ -	$ -	$ -	$ -	$ -
33	Claim on current year additions				-	-	-	-	-
34	Claim				$ -	$ -	$ -	$ -	$ -
35	Ending balance				$ -	$ -	$ -	$ -	$ -
36									
37	**Class 41**								
38	*Depreciation claim allowance*		[2]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
39	Opening balance	$ -	[3]		$ -	$ -	$ -	$ 247,625	$ 433,344
40	Additions		[4]		-	-	283,000	283,000	378,000
41	Total balance before claim				$ -	$ -	$ 283,000	$ 530,625	$ 811,344
42	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
43	Claim on opening balance				$ -	$ -	$ -	$ 61,906	$ 108,336
44	Claim on current year additions				-	-	35,375	35,375	47,250
45	Claim				$ -	$ -	$ 35,375	$ 97,281	$ 155,586
46	Ending balance				$ -	$ -	$ 247,625	$ 433,344	$ 655,758
47									
48	**CDE**								
49	*Depreciation claim allowance*		[2]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
50	Opening balance	$ -	[3]		$ -	$ -	$ 21,000	$ 123,900	$ 132,930
51	Additions		[4]		-	30,000	156,000	66,000	88,000
52	Total balance before claim				$ -	$ 30,000	$ 177,000	$ 189,900	$ 220,930
53	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
54	Claim on opening balance				$ -	$ -	$ 6,300	$ 37,170	$ 39,879
55	Claim on current year additions				-	9,000	46,800	19,800	26,400
56	Claim				$ -	$ 9,000	$ 53,100	$ 56,970	$ 66,279
57	Ending balance				$ -	$ 21,000	$ 123,900	$ 132,930	$ 154,651
58									
59	**CEE**								
60	*Depreciation claim allowance*		[2]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
61	Opening balance	$ 30,800	[3]		$ 30,800	$ -	$ -	$ -	$ -
62	Additions		[4]		-	-	-	-	-
63	Total balance before claim				$ 30,800	$ -	$ -	$ -	$ -
64	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
65	Claim on opening balance				$ 30,800	$ -	$ -	$ -	$ -
66	Claim on current year additions				-	-	-	-	-
67	Claim				$ 30,800	$ -	$ -	$ -	$ -
68	Ending balance				$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at September 30, 2018.

[2] Based on the substantively enacted Canadian federal depreciation rules.

[3] Opening tax pools, as provided by Management.

[4] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.01	$ 7.10	$ 6.44	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			34,828	114,134	141,524	143,329	160,276	120,187	88,103	71,288	60,635	53,030	47,361
6															
7	Sales revenue														
8	Natural gas	[1]			$ 313,808	$ 809,896	$ 910,952	$ 873,752	$ 996,661	$ 762,000	$ 569,791	$ 470,122	$ 408,130	$ 364,181	$ 331,732
9															
10															
11	Less: Royalty burdens	[1]			(36,382)	(92,846)	(104,656)	(99,914)	(114,679)	(84,274)	(61,902)	(51,053)	(44,310)	(39,531)	(36,004)
12	Less: Operating expenses	[1]			(19,986)	(67,419)	(86,518)	(91,943)	(106,071)	(86,956)	(70,430)	(62,070)	(56,997)	(53,538)	(51,111)
13	Less: Net profits interest burden	[1]			(2,934)	(10,248)	(9,259)	(9,965)	(10,629)	(11,928)	(12,876)	(10,710)	(9,205)	(8,133)	(7,338)
14	Net production revenue				$ 254,506	$ 639,383	$ 710,519	$ 671,930	$ 765,282	$ 578,842	$ 424,583	$ 346,290	$ 297,619	$ 262,979	$ 237,278
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 254,506	$ 639,383	$ 710,519	$ 671,930	$ 765,282	$ 578,842	$ 424,583	$ 346,290	$ 297,619	$ 262,979	$ 237,278
18															
19															
20	Less: Income taxes		Schedule 3 - 3.2		-	(18,246)	(66,682)	(60,221)	(73,418)	(87,366)	(60,669)	(50,456)	(45,467)	(42,297)	(40,113)
21	After-tax cash flows				$ 254,506	$ 621,137	$ 643,837	$ 611,709	$ 691,863	$ 491,476	$ 363,914	$ 295,834	$ 252,152	$ 220,682	$ 197,165
22															
23	Less: Capital expenditures	[1]			-	(288,547)	(405,239)	(353,620)	(430,871)	-	-	-	-	-	-
24	**Free cash flows**				**$ 254,506**	**$ 332,590**	**$ 238,598**	**$ 258,090**	**$ 260,993**	**$ 491,476**	**$ 363,914**	**$ 295,834**	**$ 252,152**	**$ 220,682**	**$ 197,165**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 3 - 5.1	14.3%	*0.98*	*0.89*	*0.78*	*0.68*	*0.60*	*0.52*	*0.46*	*0.40*	*0.35*	*0.31*	*0.27*
31	**Net present value of free cash flows**				**$ 248,886**	**$ 297,513**	**$ 186,743**	**$ 176,737**	**$ 156,375**	**$ 257,644**	**$ 166,916**	**$ 118,721**	**$ 88,536**	**$ 67,796**	**$ 52,997**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 3 - 5.1	10.0%	*0.98*	*0.92*	*0.84*	*0.76*	*0.69*	*0.63*	*0.57*	*0.52*	*0.48*	*0.43*	*0.39*
38	**Net present value of free cash flows**				**$ 250,497**	**$ 307,252**	**$ 200,448**	**$ 197,176**	**$ 181,326**	**$ 310,515**	**$ 209,088**	**$ 154,571**	**$ 119,809**	**$ 95,355**	**$ 77,474**
39															
40															

		Low	Mid	High
41				
42				
43	Sum of the net present value of free cash flows	$ 2,029,057	$ 2,254,508	$ 2,479,959
44	**Fair market value of proved reserves before G&A expenses**	**$ 2,029,057**	**$ 2,254,508**	**$ 2,479,959**
45				
46	Total proved reserves (Mmcf)	1,497,264	1,497,264	1,497,264
47				
48	**Value metric before G&A expenses ($/Mcf)**	**$ 1.36**	**$ 1.51**	**$ 1.66**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			42,603	38,765	35,475	32,661	29,956	27,561	25,357	23,391	21,460	19,744	18,166
6															
7	Sales revenue														
8	Natural gas	[1]			$ 304,249	$ 282,504	$ 263,572	$ 247,461	$ 231,502	$ 217,254	$ 203,882	$ 191,836	$ 179,516	$ 168,467	$ 158,099
9															
10															
11	Less: Royalty burdens	[1]			(33,018)	(30,656)	(28,600)	(26,851)	(25,120)	(23,574)	(22,123)	(20,816)	(19,479)	(18,280)	(17,155)
12	Less: Operating expenses	[1]			(49,140)	(47,660)	(46,459)	(45,509)	(44,577)	(43,804)	(43,118)	(42,559)	(41,987)	(41,536)	(41,156)
13	Less: Net profits interest burden	[1]			(6,663)	(6,126)	(5,655)	(5,253)	(4,854)	(4,496)	(4,159)	(3,854)	(3,542)	(3,260)	(2,994)
14	Net production revenue				$ 215,428	$ 198,063	$ 182,857	$ 169,848	$ 156,952	$ 145,380	$ 134,482	$ 124,607	$ 114,509	$ 105,392	$ 96,794
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 215,428	$ 198,063	$ 182,857	$ 169,848	$ 156,952	$ 145,380	$ 134,482	$ 124,607	$ 114,509	$ 105,392	$ 96,794
18															
19															
20	Less: Income taxes		Schedule 3 - 3.2		(37,935)	(36,193)	(34,463)	(32,889)	(31,020)	(29,250)	(27,459)	(25,781)	(23,915)	(22,203)	(20,541)
21	After-tax cash flows				$ 177,494	$ 161,869	$ 148,395	$ 136,959	$ 125,931	$ 116,130	$ 107,022	$ 98,826	$ 90,594	$ 83,189	$ 76,253
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 177,494**	**$ 161,869**	**$ 148,395**	**$ 136,959**	**$ 125,931**	**$ 116,130**	**$ 107,022**	**$ 98,826**	**$ 90,594**	**$ 83,189**	**$ 76,253**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 3 - 5.1	14.3%	*0.24*	*0.21*	*0.18*	*0.16*	*0.14*	*0.12*	*0.11*	*0.09*	*0.08*	*0.07*	*0.06*
31	**Net present value of free cash flows**				**$ 41,743**	**$ 33,308**	**$ 26,716**	**$ 21,574**	**$ 17,356**	**$ 14,004**	**$ 11,292**	**$ 9,123**	**$ 7,317**	**$ 5,879**	**$ 4,715**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 3 - 5.1	10.0%	*0.36*	*0.32*	*0.30*	*0.27*	*0.24*	*0.22*	*0.20*	*0.18*	*0.17*	*0.15*	*0.14*
38	**Net present value of free cash flows**				**$ 63,424**	**$ 52,600**	**$ 43,852**	**$ 36,805**	**$ 30,775**	**$ 25,808**	**$ 21,629**	**$ 18,163**	**$ 15,141**	**$ 12,644**	**$ 10,540**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			16,757	15,374	14,145	13,014	12,005	11,014	10,133	9,323	8,600	7,890	7,259
6															
7	Sales revenue														
8	Natural gas	[1]			$ 148,757	$ 139,204	$ 130,637	$ 122,596	$ 115,353	$ 107,945	$ 101,301	$ 95,066	$ 89,449	$ 83,705	$ 78,553
9															
10															
11	Less: Royalty burdens	[1]			(16,141)	(15,105)	(14,175)	(13,303)	(12,517)	(11,713)	(10,992)	(10,315)	(9,706)	(9,083)	(8,524)
12	Less: Operating expenses	[1]			(40,876)	(40,590)	(40,401)	(40,270)	(40,221)	(40,169)	(40,196)	(40,272)	(40,415)	(40,559)	(40,769)
13	Less: Net profits interest burden	[1]			(2,752)	(2,505)	(2,282)	(2,071)	(1,878)	(1,682)	(1,503)	(1,334)	(1,180)	(1,022)	(878)
14	Net production revenue				$ 88,987	$ 81,004	$ 73,779	$ 66,953	$ 60,737	$ 54,381	$ 48,609	$ 43,144	$ 38,149	$ 33,041	$ 28,383
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 88,987	$ 81,004	$ 73,779	$ 66,953	$ 60,737	$ 54,381	$ 48,609	$ 43,144	$ 38,149	$ 33,041	$ 28,383
18															
19															
20	Less: Income taxes		Schedule 3 - 3.2		(19,014)	(17,378)	(15,888)	(14,456)	(13,146)	(11,762)	(10,502)	(9,295)	(8,187)	(7,027)	(5,967)
21	After-tax cash flows				$ 69,973	$ 63,627	$ 57,891	$ 52,496	$ 47,591	$ 42,619	$ 38,107	$ 33,850	$ 29,962	$ 26,014	$ 22,416
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 69,973**	**$ 63,627**	**$ 57,891**	**$ 52,496**	**$ 47,591**	**$ 42,619**	**$ 38,107**	**$ 33,850**	**$ 29,962**	**$ 26,014**	**$ 22,416**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 3 - 5.1	14.3%	*0.05*	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*
31	**Net present value of free cash flows**				**$ 3,785**	**$ 3,012**	**$ 2,397**	**$ 1,902**	**$ 1,509**	**$ 1,182**	**$ 925**	**$ 719**	**$ 557**	**$ 423**	**$ 319**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 3 - 5.1	10.0%	*0.13*	*0.11*	*0.10*	*0.09*	*0.09*	*0.08*	*0.07*	*0.06*	*0.06*	*0.05*	*0.05*
38	**Net present value of free cash flows**				**$ 8,795**	**$ 7,273**	**$ 6,018**	**$ 4,962**	**$ 4,091**	**$ 3,332**	**$ 2,709**	**$ 2,188**	**$ 1,761**	**$ 1,391**	**$ 1,090**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.42	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			6,169	5,183	4,029	3,032	1,996	1,182	326	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 68,090	$ 58,352	$ 46,262	$ 35,514	$ 23,841	$ 14,397	$ 4,046	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(7,382)	(6,325)	(5,024)	(3,861)	(2,608)	(1,577)	(442)	-	-	-	-
12	Less: Operating expenses	[1]			(36,961)	(33,111)	(27,333)	(21,812)	(15,154)	(9,481)	(2,761)	-	-	-	-
13	Less: Net profits interest burden	[1]			(712)	(567)	(417)	(295)	(182)	(100)	(25)	-	-	-	-
14	Net production revenue				$ 23,035	$ 18,348	$ 13,488	$ 9,545	$ 5,896	$ 3,239	$ 818	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	(4,185)	(4,174)	(5,172)	(7,788)	(4,903)	(7,517)	(6,777)
17	Operating income				$ 23,035	$ 18,348	$ 13,488	$ 9,545	$ 1,710	$ (935)	$ (4,355)	$ (7,788)	$ (4,903)	$ (7,517)	$ (6,777)
18															
19															
20	Less: Income taxes		Schedule 3 - 3.2		(4,706)	(3,604)	(2,443)	(1,511)	463	1,072	1,511	-	-	-	-
21	After-tax cash flows				$ 18,329	$ 14,744	$ 11,045	$ 8,034	$ 2,173	$ 137	$ (2,844)	$ (7,788)	$ (4,903)	$ (7,517)	$ (6,777)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 18,329**	**$ 14,744**	**$ 11,045**	**$ 8,034**	**$ 2,173**	**$ 137**	**$ (2,844)**	**$ (7,788)**	**$ (4,903)**	**$ (7,517)**	**$ (6,777)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 3 - 5.1	14.3%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 228**	**$ 161**	**$ 105**	**$ 67**	**$ 16**	**$ 1**	**$ (16)**	**$ (38)**	**$ (21)**	**$ (28)**	**$ (22)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 3 - 5.1	10.0%	*0.04*	*0.04*	*0.04*	*0.03*	*0.03*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*
38	**Net present value of free cash flows**				**$ 810**	**$ 593**	**$ 404**	**$ 267**	**$ 66**	**$ 4**	**$ (71)**	**$ (177)**	**$ (101)**	**$ (141)**	**$ (116)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		Notes	**Reference**		**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			-	-	-	-	-	-	-	-	-	-	-
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			(5,274)	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ (5,274)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18															
19															
20	Less: Income taxes		Schedule 3 - 3.2		-	-	-	-	-	-	-	-	-	-	-
21	After-tax cash flows				$ (5,274)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ (5,274)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 3 - 5.1	14.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ (15)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 3 - 5.1	10.0%	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
38	**Net present value of free cash flows**				**$ (82)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.1	$ 254,506	$ 639,383	$ 710,519	$ 671,930	$ 765,282	$ 578,842	$ 424,583	$ 346,290	$ 297,619	$ 262,979	$ 237,278
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(270,541)	(153,307)	(137,976)	(124,178)	(111,760)	(100,584)	(90,526)	(81,473)	(73,326)	(65,993)	(59,394)
6	Class 41				(169,088)	(70,453)	(52,840)	(39,630)	(29,723)	(22,292)	(16,719)	(12,539)	(9,404)	(7,053)	(5,290)
7	CDE				-	(103,828)	(181,446)	(203,557)	(252,544)	(126,281)	(88,397)	(61,878)	(43,314)	(30,320)	(21,224)
8	CEE				-	(57,818)	(86,627)	(77,315)	(94,205)	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (185,123)	$ 253,977	$ 251,631	$ 227,250	$ 277,050	$ 329,685	$ 228,941	$ 190,400	$ 171,574	$ 159,612	$ 151,370
10															
11	Less: Loss carry forward claimed				-	(185,123)	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (185,123)	$ 68,853	$ 251,631	$ 227,250	$ 277,050	$ 329,685	$ 228,941	$ 190,400	$ 171,574	$ 159,612	$ 151,370
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ 18,246**	**$ 66,682**	**$ 60,221**	**$ 73,418**	**$ 87,366**	**$ 60,669**	**$ 50,456**	**$ 45,467**	**$ 42,297**	**$ 40,113**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 185,123	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				185,123	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	(185,123)	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 185,123	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 185,123	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 2,254,508	[4]	80.0%	$ 1,803,606	$ 1,533,065	$ 1,379,759	$ 1,241,783	$ 1,117,605	$ 1,005,844	$ 905,260	$ 814,734	$ 733,260	$ 659,934	$ 593,941
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,803,606	$ 1,533,065	$ 1,379,759	$ 1,241,783	$ 1,117,605	$ 1,005,844	$ 905,260	$ 814,734	$ 733,260	$ 659,934	$ 593,941
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 270,541	$ 153,307	$ 137,976	$ 124,178	$ 111,760	$ 100,584	$ 90,526	$ 81,473	$ 73,326	$ 65,993	$ 59,394
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 270,541	$ 153,307	$ 137,976	$ 124,178	$ 111,760	$ 100,584	$ 90,526	$ 81,473	$ 73,326	$ 65,993	$ 59,394
36	Ending balance		[2]		$ 1,533,065	$ 1,379,759	$ 1,241,783	$ 1,117,605	$ 1,005,844	$ 905,260	$ 814,734	$ 733,260	$ 659,934	$ 593,941	$ 534,547
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 2,254,508	[4]	20.0%	$ 450,902	$ 281,813	$ 211,360	$ 158,520	$ 118,890	$ 89,168	$ 66,876	$ 50,157	$ 37,618	$ 28,213	$ 21,160
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 450,902	$ 281,813	$ 211,360	$ 158,520	$ 118,890	$ 89,168	$ 66,876	$ 50,157	$ 37,618	$ 28,213	$ 21,160
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 169,088	$ 70,453	$ 52,840	$ 39,630	$ 29,723	$ 22,292	$ 16,719	$ 12,539	$ 9,404	$ 7,053	$ 5,290
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 169,088	$ 70,453	$ 52,840	$ 39,630	$ 29,723	$ 22,292	$ 16,719	$ 12,539	$ 9,404	$ 7,053	$ 5,290
47	Ending balance		[2]		$ 281,813	$ 211,360	$ 158,520	$ 118,890	$ 89,168	$ 66,876	$ 50,157	$ 37,618	$ 28,213	$ 21,160	$ 15,870
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 2,254,508	[4]	0.0%	$ -	$ -	$ 126,901	$ 264,067	$ 336,815	$ 420,937	$ 294,656	$ 206,259	$ 144,381	$ 101,067	$ 70,747
52	Additions		[5]		-	230,729	318,613	276,305	336,666	-	-	-	-	-	-
53	Total balance before claim				$ -	$ 230,729	$ 445,513	$ 540,372	$ 673,481	$ 420,937	$ 294,656	$ 206,259	$ 144,381	$ 101,067	$ 70,747
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ 38,070	$ 79,220	$ 101,044	$ 126,281	$ 88,397	$ 61,878	$ 43,314	$ 30,320	$ 21,224
56	Claim on current year additions				-	103,828	143,376	124,337	151,500	-	-	-	-	-	-
57	Claim				$ -	$ 103,828	$ 181,446	$ 203,557	$ 252,544	$ 126,281	$ 88,397	$ 61,878	$ 43,314	$ 30,320	$ 21,224
58	Ending balance		[2]		$ -	$ 126,901	$ 264,067	$ 336,815	$ 420,937	$ 294,656	$ 206,259	$ 144,381	$ 101,067	$ 70,747	$ 49,523
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 2,254,508	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	57,818	86,627	77,315	94,205	-	-	-	-	-	-
64	Total balance before claim				$ -	$ 57,818	$ 86,627	$ 77,315	$ 94,205	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	57,818	86,627	77,315	94,205	-	-	-	-	-	-
68	Claim				$ -	$ 57,818	$ 86,627	$ 77,315	$ 94,205	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.1	$ 215,428	$ 198,063	$ 182,857	$ 169,848	$ 156,952	$ 145,380	$ 134,482	$ 124,607	$ 114,509	$ 105,392	$ 96,794
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(53,455)	(48,109)	(43,298)	(38,968)	(35,072)	(31,564)	(28,408)	(25,567)	(23,010)	(20,709)	(18,638)
6	Class 41				(3,967)	(2,976)	(2,232)	(1,674)	(1,255)	(942)	(706)	(530)	(397)	(298)	(223)
7	CDE				(14,857)	(10,400)	(7,280)	(5,096)	(3,567)	(2,497)	(1,748)	(1,224)	(856)	(600)	(420)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 143,149	$ 136,578	$ 130,047	$ 124,110	$ 117,058	$ 110,377	$ 103,620	$ 97,287	$ 90,245	$ 83,785	$ 77,513
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 143,149	$ 136,578	$ 130,047	$ 124,110	$ 117,058	$ 110,377	$ 103,620	$ 97,287	$ 90,245	$ 83,785	$ 77,513
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 37,935**	**$ 36,193**	**$ 34,463**	**$ 32,889**	**$ 31,020**	**$ 29,250**	**$ 27,459**	**$ 25,781**	**$ 23,915**	**$ 22,203**	**$ 20,541**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 2,254,508	[4]	80.0%	$ 534,547	$ 481,092	$ 432,983	$ 389,685	$ 350,716	$ 315,645	$ 284,080	$ 255,672	$ 230,105	$ 207,094	$ 186,385
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 534,547	$ 481,092	$ 432,983	$ 389,685	$ 350,716	$ 315,645	$ 284,080	$ 255,672	$ 230,105	$ 207,094	$ 186,385
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 53,455	$ 48,109	$ 43,298	$ 38,968	$ 35,072	$ 31,564	$ 28,408	$ 25,567	$ 23,010	$ 20,709	$ 18,638
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 53,455	$ 48,109	$ 43,298	$ 38,968	$ 35,072	$ 31,564	$ 28,408	$ 25,567	$ 23,010	$ 20,709	$ 18,638
36	Ending balance		[2]		$ 481,092	$ 432,983	$ 389,685	$ 350,716	$ 315,645	$ 284,080	$ 255,672	$ 230,105	$ 207,094	$ 186,385	$ 167,746
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 2,254,508	[4]	20.0%	$ 15,870	$ 11,902	$ 8,927	$ 6,695	$ 5,021	$ 3,766	$ 2,825	$ 2,118	$ 1,589	$ 1,192	$ 894
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 15,870	$ 11,902	$ 8,927	$ 6,695	$ 5,021	$ 3,766	$ 2,825	$ 2,118	$ 1,589	$ 1,192	$ 894
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 3,967	$ 2,976	$ 2,232	$ 1,674	$ 1,255	$ 942	$ 706	$ 530	$ 397	$ 298	$ 223
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 3,967	$ 2,976	$ 2,232	$ 1,674	$ 1,255	$ 942	$ 706	$ 530	$ 397	$ 298	$ 223
47	Ending balance		[2]		$ 11,902	$ 8,927	$ 6,695	$ 5,021	$ 3,766	$ 2,825	$ 2,118	$ 1,589	$ 1,192	$ 894	$ 670
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 2,254,508	[4]	0.0%	$ 49,523	$ 34,666	$ 24,266	$ 16,986	$ 11,890	$ 8,323	$ 5,826	$ 4,078	$ 2,855	$ 1,998	$ 1,399
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 49,523	$ 34,666	$ 24,266	$ 16,986	$ 11,890	$ 8,323	$ 5,826	$ 4,078	$ 2,855	$ 1,998	$ 1,399
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 14,857	$ 10,400	$ 7,280	$ 5,096	$ 3,567	$ 2,497	$ 1,748	$ 1,224	$ 856	$ 600	$ 420
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 14,857	$ 10,400	$ 7,280	$ 5,096	$ 3,567	$ 2,497	$ 1,748	$ 1,224	$ 856	$ 600	$ 420
58	Ending balance		[2]		$ 34,666	$ 24,266	$ 16,986	$ 11,890	$ 8,323	$ 5,826	$ 4,078	$ 2,855	$ 1,998	$ 1,399	$ 979
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 2,254,508	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.1	$ 88,987	$ 81,004	$ 73,779	$ 66,953	$ 60,737	$ 54,381	$ 48,609	$ 43,144	$ 38,149	$ 33,041	$ 28,383
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(16,775)	(15,097)	(13,587)	(12,229)	(11,006)	(9,905)	(8,915)	(8,023)	(7,221)	(6,499)	(5,849)
6	Class 41				(168)	(126)	(94)	(71)	(53)	(40)	(30)	(22)	(17)	(13)	(9)
7	CDE				(294)	(206)	(144)	(101)	(71)	(49)	(35)	(24)	(17)	(12)	(8)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 71,751	$ 65,576	$ 59,953	$ 54,553	$ 49,607	$ 44,387	$ 39,630	$ 35,074	$ 30,894	$ 26,518	$ 22,516
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 71,751	$ 65,576	$ 59,953	$ 54,553	$ 49,607	$ 44,387	$ 39,630	$ 35,074	$ 30,894	$ 26,518	$ 22,516
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 19,014**	**$ 17,378**	**$ 15,888**	**$ 14,456**	**$ 13,146**	**$ 11,762**	**$ 10,502**	**$ 9,295**	**$ 8,187**	**$ 7,027**	**$ 5,967**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 2,254,508	[4]	80.0%	$ 167,746	$ 150,972	$ 135,875	$ 122,287	$ 110,058	$ 99,053	$ 89,147	$ 80,233	$ 72,209	$ 64,988	$ 58,490
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 167,746	$ 150,972	$ 135,875	$ 122,287	$ 110,058	$ 99,053	$ 89,147	$ 80,233	$ 72,209	$ 64,988	$ 58,490
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 16,775	$ 15,097	$ 13,587	$ 12,229	$ 11,006	$ 9,905	$ 8,915	$ 8,023	$ 7,221	$ 6,499	$ 5,849
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 16,775	$ 15,097	$ 13,587	$ 12,229	$ 11,006	$ 9,905	$ 8,915	$ 8,023	$ 7,221	$ 6,499	$ 5,849
36	Ending balance		[2]		$ 150,972	$ 135,875	$ 122,287	$ 110,058	$ 99,053	$ 89,147	$ 80,233	$ 72,209	$ 64,988	$ 58,490	$ 52,641
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 2,254,508	[4]	20.0%	$ 670	$ 503	$ 377	$ 283	$ 212	$ 159	$ 119	$ 89	$ 67	$ 50	$ 38
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 670	$ 503	$ 377	$ 283	$ 212	$ 159	$ 119	$ 89	$ 67	$ 50	$ 38
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 168	$ 126	$ 94	$ 71	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 168	$ 126	$ 94	$ 71	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9
47	Ending balance		[2]		$ 503	$ 377	$ 283	$ 212	$ 159	$ 119	$ 89	$ 67	$ 50	$ 38	$ 28
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 2,254,508	[4]	0.0%	$ 979	$ 685	$ 480	$ 336	$ 235	$ 165	$ 115	$ 81	$ 56	$ 40	$ 28
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 979	$ 685	$ 480	$ 336	$ 235	$ 165	$ 115	$ 81	$ 56	$ 40	$ 28
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 294	$ 206	$ 144	$ 101	$ 71	$ 49	$ 35	$ 24	$ 17	$ 12	$ 8
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 294	$ 206	$ 144	$ 101	$ 71	$ 49	$ 35	$ 24	$ 17	$ 12	$ 8
58	Ending balance		[2]		$ 685	$ 480	$ 336	$ 235	$ 165	$ 115	$ 81	$ 56	$ 40	$ 28	$ 19
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 2,254,508	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Proved Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.1	$ 23,035	$ 18,348	$ 13,488	$ 9,545	$ 1,710	$ (935)	$ (4,355)	$ (7,788)	$ (4,903)	$ (7,517)	$ (6,777)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(5,264)	(4,738)	(4,264)	(3,838)	(3,454)	(3,108)	(2,798)	(2,518)	(2,266)	(2,039)	(1,835)
6	Class 41				(7)	(5)	(4)	(3)	(2)	(2)	(1)	(1)	(1)	(1)	(0)
7	CDE				(6)	(4)	(3)	(2)	(1)	(1)	(1)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 17,758	$ 13,601	$ 9,217	$ 5,703	$ (1,747)	$ (4,046)	$ (7,154)	$ (10,307)	$ (7,170)	$ (9,558)	$ (8,613)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 17,758	$ 13,601	$ 9,217	$ 5,703	$ (1,747)	$ (4,046)	$ (7,154)	$ (10,307)	$ (7,170)	$ (9,558)	$ (8,613)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 4,706**	**$ 3,604**	**$ 2,443**	**$ 1,511**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ (1,747)	$ (4,046)	$ (5,703)	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ (463)**	**$ (1,072)**	**$ (1,511)**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	1,452	$ 11,759	$ 18,929	$ 28,487
21	Additions				-	-	-	-	1,747	4,046	7,154	10,307	7,170	9,558	8,613
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ 1,747	$ 4,046	$ 7,154	$ 11,759	$ 18,929	$ 28,487	$ 37,100
24	Less: Loss carry back claimed				-	-	-	-	(1,747)	(4,046)	(5,703)	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	1,452	$ 11,759	$ 18,929	$ 28,487	$ 37,100
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 2,254,508	[4]	80.0%	$ 52,641	$ 47,377	$ 42,639	$ 38,375	$ 34,538	$ 31,084	$ 27,975	$ 25,178	$ 22,660	$ 20,394	$ 18,355
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 52,641	$ 47,377	$ 42,639	$ 38,375	$ 34,538	$ 31,084	$ 27,975	$ 25,178	$ 22,660	$ 20,394	$ 18,355
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 5,264	$ 4,738	$ 4,264	$ 3,838	$ 3,454	$ 3,108	$ 2,798	$ 2,518	$ 2,266	$ 2,039	$ 1,835
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 5,264	$ 4,738	$ 4,264	$ 3,838	$ 3,454	$ 3,108	$ 2,798	$ 2,518	$ 2,266	$ 2,039	$ 1,835
36	Ending balance		[2]		$ 47,377	$ 42,639	$ 38,375	$ 34,538	$ 31,084	$ 27,975	$ 25,178	$ 22,660	$ 20,394	$ 18,355	$ 16,519
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 2,254,508	[4]	20.0%	$ 28	$ 21	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 28	$ 21	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0
47	Ending balance		[2]		$ 21	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 2,254,508	[4]	0.0%	$ 19	$ 14	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 19	$ 14	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 6	$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 6	$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 14	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 2,254,508	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	O	O
			Notes	**Reference**	**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.1	$ (5,274)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,652)	(1,487)	(1,338)	(1,204)	(1,084)	(975)	(878)	(790)	(711)	(640)	(576)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (6,926)	$ (1,487)	$ (1,338)	$ (1,204)	$ (1,084)	$ (976)	$ (878)	$ (790)	$ (711)	$ (640)	$ (576)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (6,926)	$ (1,487)	$ (1,338)	$ (1,204)	$ (1,084)	$ (976)	$ (878)	$ (790)	$ (711)	$ (640)	$ (576)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ 37,100	$ 44,026	$ 45,513	$ 46,852	$ 48,056	$ 49,140	$ 50,116	$ 50,994	$ 51,784	$ 52,495	$ 53,135
21	Additions				6,926	1,487	1,338	1,204	1,084	976	878	790	711	640	576
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 44,026	$ 45,513	$ 46,852	$ 48,056	$ 49,140	$ 50,116	$ 50,994	$ 51,784	$ 52,495	$ 53,135	$ 53,711
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 44,026	$ 45,513	$ 46,852	$ 48,056	$ 49,140	$ 50,116	$ 50,994	$ 51,784	$ 52,495	$ 53,135	$ 53,711
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 2,254,508	[4]	80.0%	$ 16,519	$ 14,867	$ 13,381	$ 12,042	$ 10,838	$ 9,754	$ 8,779	$ 7,901	$ 7,111	$ 6,400	$ 5,760
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 16,519	$ 14,867	$ 13,381	$ 12,042	$ 10,838	$ 9,754	$ 8,779	$ 7,901	$ 7,111	$ 6,400	$ 5,760
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,652	$ 1,487	$ 1,338	$ 1,204	$ 1,084	$ 975	$ 878	$ 790	$ 711	$ 640	$ 576
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,652	$ 1,487	$ 1,338	$ 1,204	$ 1,084	$ 975	$ 878	$ 790	$ 711	$ 640	$ 576
36	Ending balance		[2]		$ 14,867	$ 13,381	$ 12,042	$ 10,838	$ 9,754	$ 8,779	$ 7,901	$ 7,111	$ 6,400	$ 5,760	$ 5,184
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 2,254,508	[4]	20.0%	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 2,254,508	[4]	0.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.1	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 2,254,508	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.3

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.01	$ 7.10	$ 6.44	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			14,371	49,482	62,832	65,919	75,016	123,696	150,780	169,211	151,696	114,211	94,204
6															
7	Sales revenue														
8	Natural gas	[1]			$ 129,488	$ 351,124	$ 404,431	$ 401,852	$ 466,481	$ 784,278	$ 975,155	$ 1,115,903	$ 1,021,040	$ 784,322	$ 659,829
9															
10															
11	Less: Royalty burdens	[1]			(16,491)	(44,032)	(50,120)	(49,396)	(56,945)	(95,412)	(115,909)	(131,100)	(116,209)	(86,126)	(71,554)
12	Less: Operating expenses	[1]			(7,261)	(25,365)	(32,878)	(35,233)	(40,930)	(70,744)	(89,907)	(104,786)	(97,918)	(77,453)	(66,668)
13	Less: Net profits interest burden	[1]			(4,569)	(8,497)	(8,704)	(9,711)	(10,503)	(12,497)	(13,493)	(16,388)	(18,744)	(18,164)	(15,648)
14	Net production revenue				$ 101,166	$ 273,230	$ 312,729	$ 307,512	$ 358,103	$ 605,624	$ 755,846	$ 863,630	$ 788,168	$ 602,580	$ 505,959
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 101,166	$ 273,230	$ 312,729	$ 307,512	$ 358,103	$ 605,624	$ 755,846	$ 863,630	$ 788,168	$ 602,580	$ 505,959
18															
19															
20	Less: Income taxes		Schedule 3 - 3.4		-	(312)	(54,425)	(57,069)	(73,804)	(98,017)	(133,919)	(155,070)	(151,307)	(125,588)	(108,192)
21	After-tax cash flows				$ 101,166	$ 272,919	$ 258,305	$ 250,443	$ 284,300	$ 507,607	$ 621,927	$ 708,560	$ 636,861	$ 476,991	$ 397,767
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	(292,186)	(298,029)	(303,990)	(150,680)	-	-
24	**Free cash flows**				**$ 101,166**	**$ 272,919**	**$ 258,305**	**$ 250,443**	**$ 284,300**	**$ 215,421**	**$ 323,898**	**$ 404,570**	**$ 486,181**	**$ 476,991**	**$ 397,767**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 3 - 5.2	29.0%	*0.96*	*0.81*	*0.63*	*0.49*	*0.38*	*0.29*	*0.23*	*0.18*	*0.14*	*0.11*	*0.08*
31	**Net present value of free cash flows**				**$ 96,948**	**$ 220,650**	**$ 161,856**	**$ 121,628**	**$ 107,011**	**$ 62,844**	**$ 73,234**	**$ 70,896**	**$ 66,032**	**$ 50,210**	**$ 32,452**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 3 - 5.2	23.5%	*0.97*	*0.84*	*0.68*	*0.55*	*0.45*	*0.36*	*0.29*	*0.24*	*0.19*	*0.16*	*0.13*
38	**Net present value of free cash flows**				**$ 97,666**	**$ 228,924**	**$ 175,501**	**$ 137,831**	**$ 126,738**	**$ 77,787**	**$ 94,737**	**$ 95,850**	**$ 93,301**	**$ 74,147**	**$ 50,084**
39															
40															
41					**Low**	**Mid**	**High**								
42															
43	Sum of the net present value of free cash flows				$ 1,141,542	$ 1,268,380	$ 1,395,218								
44	**Fair market value of probable reserves before G&A expenses**				**$ 1,141,542**	**$ 1,268,380**	**$ 1,395,218**								
45															
46	Total probable reserves (Mmcf)				2,162,674	2,162,674	2,162,674								
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.53**	**$ 0.59**	**$ 0.65**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			81,663	72,978	66,315	61,092	56,403	52,489	48,996	45,923	42,821	40,040	37,437
6															
7	Sales revenue														
8	Natural gas	[1]			$ 583,194	$ 531,833	$ 492,708	$ 462,871	$ 435,887	$ 413,753	$ 393,946	$ 376,617	$ 358,208	$ 341,642	$ 325,815
9															
10															
11	Less: Royalty burdens	[1]			(63,183)	(57,634)	(53,404)	(50,176)	(47,255)	(44,859)	(42,713)	(40,835)	(38,839)	(37,043)	(35,327)
12	Less: Operating expenses	[1]			(60,114)	(55,743)	(52,497)	(50,058)	(47,866)	(46,104)	(44,551)	(43,219)	(41,797)	(40,542)	(39,355)
13	Less: Net profits interest burden	[1]			(13,797)	(12,554)	(11,604)	(10,879)	(10,223)	(9,684)	(9,200)	(8,777)	(8,327)	(7,922)	(7,534)
14	Net production revenue				$ 446,100	$ 405,903	$ 375,203	$ 351,758	$ 330,543	$ 313,107	$ 297,482	$ 283,786	$ 269,244	$ 256,136	$ 243,599
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 446,100	$ 405,903	$ 375,203	$ 351,758	$ 330,543	$ 313,107	$ 297,482	$ 283,786	$ 269,244	$ 256,136	$ 243,599
18															
19															
20	Less: Income taxes		Schedule 3 - 3.4		(98,285)	(91,989)	(87,069)	(83,256)	(79,448)	(76,216)	(73,154)	(70,376)	(67,204)	(64,285)	(61,420)
21	After-tax cash flows				$ 347,815	$ 313,914	$ 288,134	$ 268,501	$ 251,095	$ 236,891	$ 224,328	$ 213,410	$ 202,040	$ 191,851	$ 182,178
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 347,815**	**$ 313,914**	**$ 288,134**	**$ 268,501**	**$ 251,095**	**$ 236,891**	**$ 224,328**	**$ 213,410**	**$ 202,040**	**$ 191,851**	**$ 182,178**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 3 - 5.2	29.0%	*0.06*	*0.05*	*0.04*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*
31	**Net present value of free cash flows**				**$ 21,993**	**$ 15,384**	**$ 10,944**	**$ 7,904**	**$ 5,729**	**$ 4,189**	**$ 3,075**	**$ 2,267**	**$ 1,663**	**$ 1,224**	**$ 901**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 3 - 5.2	23.5%	*0.10*	*0.08*	*0.07*	*0.05*	*0.04*	*0.04*	*0.03*	*0.02*	*0.02*	*0.02*	*0.01*
38	**Net present value of free cash flows**				**$ 35,474**	**$ 25,934**	**$ 19,281**	**$ 14,554**	**$ 11,025**	**$ 8,425**	**$ 6,462**	**$ 4,980**	**$ 3,819**	**$ 2,937**	**$ 2,259**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			35,092	32,712	30,577	28,579	26,781	24,957	23,321	21,791	20,413	19,017	17,766
6															
7	Sales revenue														
8	Natural gas	[1]			$ 311,517	$ 296,197	$ 282,405	$ 269,234	$ 257,336	$ 244,604	$ 233,143	$ 222,203	$ 212,321	$ 201,758	$ 192,250
9															
10															
11	Less: Royalty burdens	[1]			(33,777)	(32,116)	(30,621)	(29,193)	(27,903)	(26,522)	(25,280)	(24,093)	(23,022)	(21,877)	(20,846)
12	Less: Operating expenses	[1]			(38,307)	(37,174)	(36,179)	(35,244)	(34,425)	(33,538)	(32,767)	(32,047)	(31,425)	(30,749)	(30,170)
13	Less: Net profits interest burden	[1]			(7,183)	(6,807)	(6,468)	(6,144)	(5,850)	(5,536)	(5,253)	(4,982)	(4,736)	(4,474)	(4,237)
14	Net production revenue				$ 232,250	$ 220,100	$ 209,137	$ 198,653	$ 189,158	$ 179,007	$ 169,843	$ 161,080	$ 153,137	$ 144,658	$ 136,997
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 232,250	$ 220,100	$ 209,137	$ 198,653	$ 189,158	$ 179,007	$ 169,843	$ 161,080	$ 153,137	$ 144,658	$ 136,997
18															
19															
20	Less: Income taxes		Schedule 3 - 3.4		(58,795)	(55,900)	(53,271)	(50,732)	(48,424)	(45,916)	(43,648)	(41,468)	(39,489)	(37,355)	(35,424)
21	After-tax cash flows				$ 173,454	$ 164,200	$ 155,865	$ 147,921	$ 140,734	$ 133,091	$ 126,195	$ 119,612	$ 113,648	$ 107,304	$ 101,573
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 173,454**	**$ 164,200**	**$ 155,865**	**$ 147,921**	**$ 140,734**	**$ 133,091**	**$ 126,195**	**$ 119,612**	**$ 113,648**	**$ 107,304**	**$ 101,573**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 3 - 5.2	29.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 665**	**$ 488**	**$ 359**	**$ 264**	**$ 195**	**$ 143**	**$ 105**	**$ 77**	**$ 57**	**$ 42**	**$ 30**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 3 - 5.2	23.5%	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 1,742**	**$ 1,336**	**$ 1,027**	**$ 790**	**$ 609**	**$ 466**	**$ 358**	**$ 275**	**$ 212**	**$ 162**	**$ 124**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			17,106	16,520	16,099	15,688	15,415	15,054	14,731	14,003	13,024	12,145	11,263
6															
7	Sales revenue														
8	Natural gas	[1]			$ 188,806	$ 185,994	$ 184,878	$ 183,758	$ 184,168	$ 183,452	$ 183,110	$ 177,546	$ 168,429	$ 160,201	$ 151,544
9															
10															
11	Less: Royalty burdens	[1]			(20,479)	(20,175)	(20,045)	(19,919)	(19,951)	(19,881)	(19,856)	(19,255)	(18,267)	(17,374)	(16,435)
12	Less: Operating expenses	[1]			(33,693)	(37,397)	(42,990)	(48,464)	(55,148)	(60,965)	(67,802)	(70,798)	(71,097)	(71,496)	(71,881)
13	Less: Net profits interest burden	[1]			(4,039)	(3,853)	(3,655)	(3,461)	(3,272)	(3,078)	(2,864)	(2,625)	(2,372)	(2,140)	(1,897)
14	Net production revenue				$ 130,594	$ 124,569	$ 118,188	$ 111,914	$ 105,797	$ 99,528	$ 92,588	$ 84,868	$ 76,693	$ 69,190	$ 61,330
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	4,185	4,174	5,172	7,788	4,903	7,517	6,777
17	Operating income				$ 130,594	$ 124,569	$ 118,188	$ 111,914	$ 109,982	$ 103,702	$ 97,760	$ 92,657	$ 81,596	$ 76,708	$ 68,108
18															
19															
20	Less: Income taxes		Schedule 3 - 3.4		(33,817)	(32,301)	(30,681)	(29,083)	(28,629)	(27,017)	(25,489)	(24,178)	(21,285)	(20,023)	(17,775)
21	After-tax cash flows				$ 96,777	$ 92,269	$ 87,507	$ 82,831	$ 81,353	$ 76,686	$ 72,272	$ 68,479	$ 60,311	$ 56,684	$ 50,333
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 96,777**	**$ 92,269**	**$ 87,507**	**$ 82,831**	**$ 81,353**	**$ 76,686**	**$ 72,272**	**$ 68,479**	**$ 60,311**	**$ 56,684**	**$ 50,333**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 3 - 5.2	29.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 22**	**$ 17**	**$ 12**	**$ 9**	**$ 7**	**$ 5**	**$ 4**	**$ 3**	**$ 2**	**$ 1**	**$ 1**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 3 - 5.2	23.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 96**	**$ 74**	**$ 57**	**$ 44**	**$ 35**	**$ 26**	**$ 20**	**$ 16**	**$ 11**	**$ 8**	**$ 6**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.3

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		Notes	**Reference**		**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.85	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			10,242	9,020	7,819	6,431	5,326	4,207	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 140,558	$ 126,263	$ 111,641	$ 93,662	$ 79,114	$ 63,737	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(15,238)	(13,687)	(12,106)	(10,159)	(8,599)	(6,936)	-	-	-	-	-
12	Less: Operating expenses	[1]			(70,108)	(65,519)	(60,014)	(50,498)	(43,914)	(36,371)	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(1,656)	(1,412)	(1,186)	(990)	(798)	(613)	-	-	-	-	-
14	Net production revenue				$ 53,556	$ 45,645	$ 38,336	$ 32,015	$ 25,802	$ 19,817	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			5,274	-	-	-	-	(6,957)	(7,111)	(20,047)	(6,095)	(9,377)	(40,141)
17	Operating income				$ 58,830	$ 45,645	$ 38,336	$ 32,015	$ 25,802	$ 12,860	$ (7,111)	$ (20,047)	$ (6,095)	$ (9,377)	$ (40,141)
18															
19															
20	Less: Income taxes		Schedule 3 - 3.4		(15,343)	(11,874)	(9,959)	(8,304)	(6,676)	(3,262)	2,015	5,430	1,721	-	-
21	After-tax cash flows				$ 43,486	$ 33,771	$ 28,376	$ 23,710	$ 19,126	$ 9,598	$ (5,095)	$ (14,617)	$ (4,374)	$ (9,377)	$ (40,141)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 43,486**	**$ 33,771**	**$ 28,376**	**$ 23,710**	**$ 19,126**	**$ 9,598**	**$ (5,095)**	**$ (14,617)**	**$ (4,374)**	**$ (9,377)**	**$ (40,141)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 3 - 5.2	29.0%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 3 - 5.2	23.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 4**	**$ 3**	**$ 2**	**$ 1**	**$ 1**	**$ 0**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.4

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.3	$ 101,166	$ 273,230	$ 312,729	$ 307,512	$ 358,103	$ 605,624	$ 755,846	$ 863,630	$ 788,168	$ 602,580	$ 505,959
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(152,206)	(86,250)	(77,625)	(69,862)	(62,876)	(56,589)	(50,930)	(45,837)	(41,253)	(37,128)	(33,415)
6	Class 41				(95,128)	(39,637)	(29,728)	(22,296)	(16,722)	(12,541)	(9,406)	(7,055)	(5,291)	(3,968)	(2,976)
7	CDE				-	-	-	-	-	(102,736)	(124,996)	(159,104)	(137,709)	(87,566)	(61,296)
8	CEE				-	-	-	-	-	(63,883)	(65,161)	(66,464)	(32,944)	-	-
9	Taxable income before non-capital losses				$ (146,168)	$ 147,344	$ 205,377	$ 215,353	$ 278,506	$ 369,875	$ 505,354	$ 585,171	$ 570,971	$ 473,917	$ 408,271
10															
11	Less: Loss carry forward claimed				-	(146,168)	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (146,168)	$ 1,176	$ 205,377	$ 215,353	$ 278,506	$ 369,875	$ 505,354	$ 585,171	$ 570,971	$ 473,917	$ 408,271
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ 312**	**$ 54,425**	**$ 57,069**	**$ 73,804**	**$ 98,017**	**$ 133,919**	**$ 155,070**	**$ 151,307**	**$ 125,588**	**$ 108,192**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 146,168	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				146,168	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	(146,168)	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 146,168	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 146,168	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 1,268,380	[4]	80.0%	$ 1,014,704	$ 862,498	$ 776,248	$ 698,624	$ 628,761	$ 565,885	$ 509,297	$ 458,367	$ 412,530	$ 371,277	$ 334,149
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 1,014,704	$ 862,498	$ 776,248	$ 698,624	$ 628,761	$ 565,885	$ 509,297	$ 458,367	$ 412,530	$ 371,277	$ 334,149
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 152,206	$ 86,250	$ 77,625	$ 69,862	$ 62,876	$ 56,589	$ 50,930	$ 45,837	$ 41,253	$ 37,128	$ 33,415
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 152,206	$ 86,250	$ 77,625	$ 69,862	$ 62,876	$ 56,589	$ 50,930	$ 45,837	$ 41,253	$ 37,128	$ 33,415
36	Ending balance		[2]		$ 862,498	$ 776,248	$ 698,624	$ 628,761	$ 565,885	$ 509,297	$ 458,367	$ 412,530	$ 371,277	$ 334,149	$ 300,735
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 1,268,380	[4]	20.0%	$ 253,676	$ 158,547	$ 118,911	$ 89,183	$ 66,887	$ 50,165	$ 37,624	$ 28,218	$ 21,164	$ 15,873	$ 11,904
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 253,676	$ 158,547	$ 118,911	$ 89,183	$ 66,887	$ 50,165	$ 37,624	$ 28,218	$ 21,164	$ 15,873	$ 11,904
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 95,128	$ 39,637	$ 29,728	$ 22,296	$ 16,722	$ 12,541	$ 9,406	$ 7,055	$ 5,291	$ 3,968	$ 2,976
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 95,128	$ 39,637	$ 29,728	$ 22,296	$ 16,722	$ 12,541	$ 9,406	$ 7,055	$ 5,291	$ 3,968	$ 2,976
47	Ending balance		[2]		$ 158,547	$ 118,911	$ 89,183	$ 66,887	$ 50,165	$ 37,624	$ 28,218	$ 21,164	$ 15,873	$ 11,904	$ 8,928
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 1,268,380	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ 125,567	$ 233,440	$ 311,862	$ 291,888	$ 204,322
52	Additions		[5]		-	-	-	-	-	228,303	232,869	237,526	117,736	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ 228,303	$ 358,436	$ 470,966	$ 429,598	$ 291,888	$ 204,322
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ 37,670	$ 70,032	$ 93,559	$ 87,566	$ 61,296
56	Claim on current year additions				-	-	-	-	-	102,736	87,326	89,072	44,151	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ 102,736	$ 124,996	$ 159,104	$ 137,709	$ 87,566	$ 61,296
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ 125,567	$ 233,440	$ 311,862	$ 291,888	$ 204,322	$ 143,025
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 1,268,380	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	63,883	65,161	66,464	32,944	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ 63,883	$ 65,161	$ 66,464	$ 32,944	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	63,883	65,161	66,464	32,944	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ 63,883	$ 65,161	$ 66,464	$ 32,944	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.4

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.3	$ 446,100	$ 405,903	$ 375,203	$ 351,758	$ 330,543	$ 313,107	$ 297,482	$ 283,786	$ 269,244	$ 256,136	$ 243,599
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(30,073)	(27,066)	(24,359)	(21,924)	(19,731)	(17,758)	(15,982)	(14,384)	(12,946)	(11,651)	(10,486)
6	Class 41				(2,232)	(1,674)	(1,256)	(942)	(706)	(530)	(397)	(298)	(223)	(168)	(126)
7	CDE				(42,908)	(30,035)	(21,025)	(14,717)	(10,302)	(7,211)	(5,048)	(3,534)	(2,474)	(1,731)	(1,212)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 370,887	$ 347,127	$ 328,564	$ 314,175	$ 299,803	$ 287,607	$ 276,054	$ 265,571	$ 253,602	$ 242,586	$ 231,775
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 370,887	$ 347,127	$ 328,564	$ 314,175	$ 299,803	$ 287,607	$ 276,054	$ 265,571	$ 253,602	$ 242,586	$ 231,775
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 98,285**	**$ 91,989**	**$ 87,069**	**$ 83,256**	**$ 79,448**	**$ 76,216**	**$ 73,154**	**$ 70,376**	**$ 67,204**	**$ 64,285**	**$ 61,420**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 1,268,380	[4]	80.0%	$ 300,735	$ 270,661	$ 243,595	$ 219,235	$ 197,312	$ 177,581	$ 159,823	$ 143,840	$ 129,456	$ 116,511	$ 104,860
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 300,735	$ 270,661	$ 243,595	$ 219,235	$ 197,312	$ 177,581	$ 159,823	$ 143,840	$ 129,456	$ 116,511	$ 104,860
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 30,073	$ 27,066	$ 24,359	$ 21,924	$ 19,731	$ 17,758	$ 15,982	$ 14,384	$ 12,946	$ 11,651	$ 10,486
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 30,073	$ 27,066	$ 24,359	$ 21,924	$ 19,731	$ 17,758	$ 15,982	$ 14,384	$ 12,946	$ 11,651	$ 10,486
36	Ending balance		[2]		$ 270,661	$ 243,595	$ 219,235	$ 197,312	$ 177,581	$ 159,823	$ 143,840	$ 129,456	$ 116,511	$ 104,860	$ 94,374
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 1,268,380	[4]	20.0%	$ 8,928	$ 6,696	$ 5,022	$ 3,767	$ 2,825	$ 2,119	$ 1,589	$ 1,192	$ 894	$ 670	$ 503
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 8,928	$ 6,696	$ 5,022	$ 3,767	$ 2,825	$ 2,119	$ 1,589	$ 1,192	$ 894	$ 670	$ 503
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 2,232	$ 1,674	$ 1,256	$ 942	$ 706	$ 530	$ 397	$ 298	$ 223	$ 168	$ 126
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 2,232	$ 1,674	$ 1,256	$ 942	$ 706	$ 530	$ 397	$ 298	$ 223	$ 168	$ 126
47	Ending balance		[2]		$ 6,696	$ 5,022	$ 3,767	$ 2,825	$ 2,119	$ 1,589	$ 1,192	$ 894	$ 670	$ 503	$ 377
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 1,268,380	[4]	0.0%	$ 143,025	$ 100,118	$ 70,082	$ 49,058	$ 34,340	$ 24,038	$ 16,827	$ 11,779	$ 8,245	$ 5,772	$ 4,040
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 143,025	$ 100,118	$ 70,082	$ 49,058	$ 34,340	$ 24,038	$ 16,827	$ 11,779	$ 8,245	$ 5,772	$ 4,040
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 42,908	$ 30,035	$ 21,025	$ 14,717	$ 10,302	$ 7,211	$ 5,048	$ 3,534	$ 2,474	$ 1,731	$ 1,212
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 42,908	$ 30,035	$ 21,025	$ 14,717	$ 10,302	$ 7,211	$ 5,048	$ 3,534	$ 2,474	$ 1,731	$ 1,212
58	Ending balance		[2]		$ 100,118	$ 70,082	$ 49,058	$ 34,340	$ 24,038	$ 16,827	$ 11,779	$ 8,245	$ 5,772	$ 4,040	$ 2,828
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 1,268,380	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.3	$ 232,250	$ 220,100	$ 209,137	$ 198,653	$ 189,158	$ 179,007	$ 169,843	$ 161,080	$ 153,137	$ 144,658	$ 136,997
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(9,437)	(8,494)	(7,644)	(6,880)	(6,192)	(5,573)	(5,015)	(4,514)	(4,062)	(3,656)	(3,291)
6	Class 41				(94)	(71)	(53)	(40)	(30)	(22)	(17)	(13)	(9)	(7)	(5)
7	CDE				(848)	(594)	(416)	(291)	(204)	(143)	(100)	(70)	(49)	(34)	(24)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 221,870	$ 210,942	$ 201,023	$ 191,442	$ 182,733	$ 173,270	$ 164,711	$ 156,484	$ 149,017	$ 140,961	$ 133,677
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 221,870	$ 210,942	$ 201,023	$ 191,442	$ 182,733	$ 173,270	$ 164,711	$ 156,484	$ 149,017	$ 140,961	$ 133,677
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 58,795**	**$ 55,900**	**$ 53,271**	**$ 50,732**	**$ 48,424**	**$ 45,916**	**$ 43,648**	**$ 41,468**	**$ 39,489**	**$ 37,355**	**$ 35,424**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 1,268,380	[4]	80.0%	$ 94,374	$ 84,936	$ 76,443	$ 68,798	$ 61,919	$ 55,727	$ 50,154	$ 45,139	$ 40,625	$ 36,562	$ 32,906
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 94,374	$ 84,936	$ 76,443	$ 68,798	$ 61,919	$ 55,727	$ 50,154	$ 45,139	$ 40,625	$ 36,562	$ 32,906
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 9,437	$ 8,494	$ 7,644	$ 6,880	$ 6,192	$ 5,573	$ 5,015	$ 4,514	$ 4,062	$ 3,656	$ 3,291
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 9,437	$ 8,494	$ 7,644	$ 6,880	$ 6,192	$ 5,573	$ 5,015	$ 4,514	$ 4,062	$ 3,656	$ 3,291
36	Ending balance		[2]		$ 84,936	$ 76,443	$ 68,798	$ 61,919	$ 55,727	$ 50,154	$ 45,139	$ 40,625	$ 36,562	$ 32,906	$ 29,615
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 1,268,380	[4]	20.0%	$ 377	$ 283	$ 212	$ 159	$ 119	$ 89	$ 67	$ 50	$ 38	$ 28	$ 21
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 377	$ 283	$ 212	$ 159	$ 119	$ 89	$ 67	$ 50	$ 38	$ 28	$ 21
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 94	$ 71	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7	$ 5
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 94	$ 71	$ 53	$ 40	$ 30	$ 22	$ 17	$ 13	$ 9	$ 7	$ 5
47	Ending balance		[2]		$ 283	$ 212	$ 159	$ 119	$ 89	$ 67	$ 50	$ 38	$ 28	$ 21	$ 16
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 1,268,380	[4]	0.0%	$ 2,828	$ 1,980	$ 1,386	$ 970	$ 679	$ 475	$ 333	$ 233	$ 163	$ 114	$ 80
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 2,828	$ 1,980	$ 1,386	$ 970	$ 679	$ 475	$ 333	$ 233	$ 163	$ 114	$ 80
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 848	$ 594	$ 416	$ 291	$ 204	$ 143	$ 100	$ 70	$ 49	$ 34	$ 24
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 848	$ 594	$ 416	$ 291	$ 204	$ 143	$ 100	$ 70	$ 49	$ 34	$ 24
58	Ending balance		[2]		$ 1,980	$ 1,386	$ 970	$ 679	$ 475	$ 333	$ 233	$ 163	$ 114	$ 80	$ 56
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 1,268,380	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.3	$ 130,594	$ 124,569	$ 118,188	$ 111,914	$ 109,982	$ 103,702	$ 97,760	$ 92,657	$ 81,596	$ 76,708	$ 68,108
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(2,962)	(2,665)	(2,399)	(2,159)	(1,943)	(1,749)	(1,574)	(1,416)	(1,275)	(1,147)	(1,033)
6	Class 41				(4)	(3)	(2)	(2)	(1)	(1)	(1)	(1)	(0)	(0)	(0)
7	CDE				(17)	(12)	(8)	(6)	(4)	(3)	(2)	(1)	(1)	(1)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 127,611	$ 121,889	$ 115,779	$ 109,747	$ 108,034	$ 101,950	$ 96,184	$ 91,238	$ 80,320	$ 75,559	$ 67,074
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 127,611	$ 121,889	$ 115,779	$ 109,747	$ 108,034	$ 101,950	$ 96,184	$ 91,238	$ 80,320	$ 75,559	$ 67,074
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 33,817**	**$ 32,301**	**$ 30,681**	**$ 29,083**	**$ 28,629**	**$ 27,017**	**$ 25,489**	**$ 24,178**	**$ 21,285**	**$ 20,023**	**$ 17,775**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 1,268,380	[4]	80.0%	$ 29,615	$ 26,654	$ 23,989	$ 21,590	$ 19,431	$ 17,488	$ 15,739	$ 14,165	$ 12,748	$ 11,474	$ 10,326
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 29,615	$ 26,654	$ 23,989	$ 21,590	$ 19,431	$ 17,488	$ 15,739	$ 14,165	$ 12,748	$ 11,474	$ 10,326
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 2,962	$ 2,665	$ 2,399	$ 2,159	$ 1,943	$ 1,749	$ 1,574	$ 1,416	$ 1,275	$ 1,147	$ 1,033
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 2,962	$ 2,665	$ 2,399	$ 2,159	$ 1,943	$ 1,749	$ 1,574	$ 1,416	$ 1,275	$ 1,147	$ 1,033
36	Ending balance		[2]		$ 26,654	$ 23,989	$ 21,590	$ 19,431	$ 17,488	$ 15,739	$ 14,165	$ 12,748	$ 11,474	$ 10,326	$ 9,294
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 1,268,380	[4]	20.0%	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 1,268,380	[4]	0.0%	$ 56	$ 39	$ 27	$ 19	$ 13	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 56	$ 39	$ 27	$ 19	$ 13	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 17	$ 12	$ 8	$ 6	$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 17	$ 12	$ 8	$ 6	$ 4	$ 3	$ 2	$ 1	$ 1	$ 1	$ 0
58	Ending balance		[2]		$ 39	$ 27	$ 19	$ 13	$ 9	$ 7	$ 5	$ 3	$ 2	$ 2	$ 1
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 1,268,380	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.4

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Probable Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	**Reference**	**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.3	$ 58,830	$ 45,645	$ 38,336	$ 32,015	$ 25,802	$ 12,860	$ (7,111)	$ (20,047)	$ (6,095)	$ (9,377)	$ (40,141)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(929)	(836)	(753)	(678)	(610)	(549)	(494)	(445)	(400)	(360)	(324)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 57,900	$ 44,809	$ 37,583	$ 31,337	$ 25,192	$ 12,311	$ (7,605)	$ (20,491)	$ (6,495)	$ (9,737)	$ (40,465)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 57,900	$ 44,809	$ 37,583	$ 31,337	$ 25,192	$ 12,311	$ (7,605)	$ (20,491)	$ (6,495)	$ (9,737)	$ (40,465)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 15,343**	**$ 11,874**	**$ 9,959**	**$ 8,304**	**$ 6,676**	**$ 3,262**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (7,605)	$ (20,491)	$ (6,495)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (2,015)**	**$ (5,430)**	**$ (1,721)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,737
21	Additions				-	-	-	-	-	-	7,605	20,491	6,495	9,737	40,465
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 7,605	$ 20,491	$ 6,495	$ 9,737	$ 50,202
24	Less: Loss carry back claimed				-	-	-	-	-	-	(7,605)	(20,491)	(6,495)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,737	$ 50,202
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 1,268,380	[4]	80.0%	$ 9,294	$ 8,364	$ 7,528	$ 6,775	$ 6,098	$ 5,488	$ 4,939	$ 4,445	$ 4,001	$ 3,601	$ 3,240
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 9,294	$ 8,364	$ 7,528	$ 6,775	$ 6,098	$ 5,488	$ 4,939	$ 4,445	$ 4,001	$ 3,601	$ 3,240
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 929	$ 836	$ 753	$ 678	$ 610	$ 549	$ 494	$ 445	$ 400	$ 360	$ 324
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 929	$ 836	$ 753	$ 678	$ 610	$ 549	$ 494	$ 445	$ 400	$ 360	$ 324
36	Ending balance		[2]		$ 8,364	$ 7,528	$ 6,775	$ 6,098	$ 5,488	$ 4,939	$ 4,445	$ 4,001	$ 3,601	$ 3,240	$ 2,916
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 1,268,380	[4]	20.0%	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 1,268,380	[4]	0.0%	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.3	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 1,268,380	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ 9.01	$ 7.10	$ 6.44	$ 6.10	$ 6.22	$ 6.34	$ 6.47	$ 6.59	$ 6.73	$ 6.87	$ 7.00
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			23,070	77,886	97,865	102,850	116,415	123,088	123,159	125,502	114,919	96,016	84,471
6															
7	Sales revenue														
8	Natural gas	[1]			$ 207,860	$ 552,661	$ 629,942	$ 626,992	$ 723,915	$ 780,430	$ 796,526	$ 827,659	$ 773,513	$ 659,380	$ 591,661
9															
10															
11	Less: Royalty burdens	[1]			(27,498)	(72,222)	(81,121)	(79,804)	(91,511)	(97,806)	(98,644)	(101,315)	(92,189)	(75,949)	(66,102)
12	Less: Operating expenses	[1]			(11,656)	(39,929)	(51,441)	(55,251)	(63,799)	(68,774)	(70,194)	(72,963)	(68,143)	(58,072)	(52,114)
13	Less: Net profits interest burden	[1]			(7,953)	(12,860)	(14,693)	(13,876)	(16,506)	(19,493)	(18,821)	(19,590)	(18,898)	(16,219)	(14,203)
14	Net production revenue				$ 160,752	$ 427,650	$ 482,686	$ 478,061	$ 552,099	$ 594,357	$ 608,867	$ 633,792	$ 594,282	$ 509,140	$ 459,241
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 160,752	$ 427,650	$ 482,686	$ 478,061	$ 552,099	$ 594,357	$ 608,867	$ 633,792	$ 594,282	$ 509,140	$ 459,241
18															
19															
20	Less: Income taxes		Schedule 3 - 3.6		(4,136)	(93,750)	(111,217)	(112,355)	(133,928)	(146,754)	(151,967)	(159,730)	(150,247)	(128,531)	(116,040)
21	After-tax cash flows				$ 156,616	$ 333,899	$ 371,469	$ 365,707	$ 418,171	$ 447,603	$ 456,900	$ 474,062	$ 444,036	$ 380,609	$ 343,202
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 156,616**	**$ 333,899**	**$ 371,469**	**$ 365,707**	**$ 418,171**	**$ 447,603**	**$ 456,900**	**$ 474,062**	**$ 444,036**	**$ 380,609**	**$ 343,202**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 3 - 5.3	76.1%	*0.91*	*0.62*	*0.35*	*0.20*	*0.11*	*0.06*	*0.04*	*0.02*	*0.01*	*0.01*	*0.00*
31	**Net present value of free cash flows**				**$ 142,481**	**$ 208,235**	**$ 131,539**	**$ 73,529**	**$ 47,739**	**$ 29,014**	**$ 16,816**	**$ 9,907**	**$ 5,269**	**$ 2,564**	**$ 1,313**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 3 - 5.3	59.5%	*0.92*	*0.68*	*0.42*	*0.27*	*0.17*	*0.10*	*0.07*	*0.04*	*0.03*	*0.02*	*0.01*
38	**Net present value of free cash flows**				**$ 144,866**	**$ 226,222**	**$ 157,822**	**$ 97,432**	**$ 69,863**	**$ 46,894**	**$ 30,017**	**$ 19,530**	**$ 11,471**	**$ 6,166**	**$ 3,487**
39															
40															
41					**Low**	**Mid**	**High**								
42															
43	Sum of the net present value of free cash flows				$ 669,899	$ 744,332	$ 818,765								
44	**Fair market value of probable reserves before G&A expenses**				**$ 669,899**	**$ 744,332**	**$ 818,765**								
45															
46	Total probable reserves (Mmcf)				2,353,357	2,353,357	2,353,357								
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.28**	**$ 0.32**	**$ 0.35**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			76,287	70,294	65,498	61,669	58,072	55,068	52,361	50,010	47,548	45,339	43,217
6															
7	Sales revenue														
8	Natural gas	[1]			$ 544,804	$ 512,275	$ 486,634	$ 467,241	$ 448,793	$ 434,088	$ 421,002	$ 410,139	$ 397,754	$ 386,852	$ 376,129
9															
10															
11	Less: Royalty burdens	[1]			(59,588)	(55,596)	(52,769)	(50,668)	(48,669)	(47,076)	(45,659)	(44,482)	(43,139)	(41,957)	(40,794)
12	Less: Operating expenses	[1]			(48,009)	(45,123)	(42,886)	(41,186)	(39,561)	(38,265)	(37,112)	(36,153)	(35,062)	(34,101)	(33,156)
13	Less: Net profits interest burden	[1]			(13,116)	(12,347)	(11,729)	(11,262)	(10,817)	(10,462)	(10,147)	(9,885)	(9,587)	(9,324)	(9,065)
14	Net production revenue				$ 424,091	$ 399,209	$ 379,250	$ 364,126	$ 349,746	$ 338,284	$ 328,085	$ 319,619	$ 309,966	$ 301,470	$ 293,114
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 424,091	$ 399,209	$ 379,250	$ 364,126	$ 349,746	$ 338,284	$ 328,085	$ 319,619	$ 309,966	$ 301,470	$ 293,114
18															
19															
20	Less: Income taxes		Schedule 3 - 3.6		(107,360)	(101,321)	(96,518)	(92,937)	(89,504)	(86,801)	(84,395)	(82,416)	(80,093)	(78,052)	(76,025)
21	After-tax cash flows				$ 316,731	$ 297,888	$ 282,732	$ 271,188	$ 260,241	$ 251,483	$ 243,690	$ 237,203	$ 229,873	$ 223,419	$ 217,089
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 316,731**	**$ 297,888**	**$ 282,732**	**$ 271,188**	**$ 260,241**	**$ 251,483**	**$ 243,690**	**$ 237,203**	**$ 229,873**	**$ 223,419**	**$ 217,089**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 3 - 5.3	76.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 688**	**$ 367**	**$ 198**	**$ 108**	**$ 59**	**$ 32**	**$ 18**	**$ 10**	**$ 5**	**$ 3**	**$ 2**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 3 - 5.3	59.5%	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 2,018**	**$ 1,190**	**$ 708**	**$ 426**	**$ 256**	**$ 155**	**$ 94**	**$ 58**	**$ 35**	**$ 21**	**$ 13**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			41,292	39,224	37,353	35,560	33,934	32,196	30,625	29,123	27,762	26,313	25,004
6															
7	Sales revenue														
8	Natural gas	[1]			$ 366,557	$ 355,165	$ 344,985	$ 334,995	$ 326,069	$ 315,561	$ 306,166	$ 296,974	$ 288,753	$ 279,160	$ 270,579
9															
10															
11	Less: Royalty burdens	[1]			(39,756)	(38,520)	(37,416)	(36,332)	(35,364)	(34,225)	(33,206)	(32,209)	(31,317)	(30,277)	(29,346)
12	Less: Operating expenses	[1]			(32,312)	(31,308)	(30,411)	(29,530)	(28,743)	(27,817)	(26,989)	(26,178)	(25,453)	(24,608)	(23,852)
13	Less: Net profits interest burden	[1]			(8,835)	(8,560)	(8,315)	(8,074)	(7,859)	(7,606)	(7,379)	(7,158)	(6,959)	(6,728)	(6,521)
14	Net production revenue				$ 285,655	$ 276,777	$ 268,843	$ 261,059	$ 254,103	$ 245,914	$ 238,593	$ 231,429	$ 225,023	$ 217,547	$ 210,860
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 285,655	$ 276,777	$ 268,843	$ 261,059	$ 254,103	$ 245,914	$ 238,593	$ 231,429	$ 225,023	$ 217,547	$ 210,860
18															
19															
20	Less: Income taxes		Schedule 3 - 3.6		(74,216)	(72,014)	(70,046)	(68,104)	(66,370)	(64,297)	(62,445)	(60,625)	(58,998)	(57,080)	(55,365)
21	After-tax cash flows				$ 211,439	$ 204,763	$ 198,797	$ 192,954	$ 187,733	$ 181,617	$ 176,148	$ 170,804	$ 166,025	$ 160,466	$ 155,495
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 211,439**	**$ 204,763**	**$ 198,797**	**$ 192,954**	**$ 187,733**	**$ 181,617**	**$ 176,148**	**$ 170,804**	**$ 166,025**	**$ 160,466**	**$ 155,495**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 3 - 5.3	76.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 3 - 5.3	59.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 8**	**$ 5**	**$ 3**	**$ 2**	**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			23,755	22,624	21,424	20,340	19,308	18,373	17,385	16,493	15,644	14,875	14,065
6															
7	Sales revenue														
8	Natural gas	[1]			$ 262,203	$ 254,706	$ 246,022	$ 238,253	$ 230,680	$ 223,902	$ 216,095	$ 209,107	$ 202,310	$ 196,222	$ 189,246
9															
10															
11	Less: Royalty burdens	[1]			(28,438)	(27,625)	(26,683)	(25,840)	(25,019)	(24,284)	(23,437)	(22,679)	(21,942)	(21,281)	(20,525)
12	Less: Operating expenses	[1]			(23,113)	(22,452)	(21,687)	(21,002)	(20,335)	(19,737)	(19,049)	(18,433)	(17,834)	(17,297)	(16,682)
13	Less: Net profits interest burden	[1]			(6,320)	(6,139)	(5,930)	(5,742)	(5,560)	(5,396)	(5,208)	(5,040)	(4,876)	(4,729)	(4,561)
14	Net production revenue				$ 204,332	$ 198,491	$ 191,723	$ 185,669	$ 179,767	$ 174,485	$ 168,401	$ 162,956	$ 157,659	$ 152,914	$ 147,478
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 204,332	$ 198,491	$ 191,723	$ 185,669	$ 179,767	$ 174,485	$ 168,401	$ 162,956	$ 157,659	$ 152,914	$ 147,478
18															
19															
20	Less: Income taxes		Schedule 3 - 3.6		(53,687)	(52,185)	(50,433)	(48,866)	(47,336)	(45,966)	(44,381)	(42,963)	(41,581)	(40,344)	(38,921)
21	After-tax cash flows				$ 150,645	$ 146,306	$ 141,290	$ 136,802	$ 132,431	$ 128,519	$ 124,019	$ 119,993	$ 116,077	$ 112,571	$ 108,557
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 150,645**	**$ 146,306**	**$ 141,290**	**$ 136,802**	**$ 132,431**	**$ 128,519**	**$ 124,019**	**$ 119,993**	**$ 116,077**	**$ 112,571**	**$ 108,557**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 3 - 5.3	76.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 3 - 5.3	59.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.5

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		Notes	**Reference**		**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.86	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			13,568	13,362	13,277	13,344	13,263	13,268	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 186,206	$ 187,051	$ 189,574	$ 194,341	$ 197,035	$ 201,046	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(20,201)	(20,293)	(20,563)	(21,076)	(21,350)	(21,781)	-	-	-	-	-
12	Less: Operating expenses	[1]			(18,389)	(22,987)	(28,643)	(29,963)	(33,259)	(38,877)	-	-	-	-	-
13	Less: Net profits interest burden	[1]			(4,428)	(4,313)	(4,211)	(4,299)	(4,273)	(4,212)	-	-	-	-	-
14	Net production revenue				$ 143,187	$ 139,458	$ 136,158	$ 139,003	$ 138,153	$ 136,176	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	6,957	7,111	7,093	6,095	9,377	(41,771)
17	Operating income				$ 143,187	$ 139,458	$ 136,158	$ 139,003	$ 138,153	$ 143,133	$ 7,111	$ 7,093	$ 6,095	$ 9,377	$ (41,771)
18															
19															
20	Less: Income taxes		Schedule 3 - 3.6		(37,800)	(36,826)	(35,965)	(36,730)	(36,516)	(37,845)	(1,808)	(1,811)	(1,553)	(2,429)	5,792
21	After-tax cash flows				$ 105,387	$ 102,632	$ 100,193	$ 102,273	$ 101,637	$ 105,288	$ 5,303	$ 5,282	$ 4,542	$ 6,948	$ (35,978)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 105,387**	**$ 102,632**	**$ 100,193**	**$ 102,273**	**$ 101,637**	**$ 105,288**	**$ 5,303**	**$ 5,282**	**$ 4,542**	**$ 6,948**	**$ (35,978)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 3 - 5.3	76.1%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**(0)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 3 - 5.3	59.5%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**(0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.6

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.5	$ 160,752	$ 427,650	$ 482,686	$ 478,061	$ 552,099	$ 594,357	$ 608,867	$ 633,792	$ 594,282	$ 509,140	$ 459,241
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(89,320)	(50,615)	(45,553)	(40,998)	(36,898)	(33,208)	(29,887)	(26,899)	(24,209)	(21,788)	(19,609)
6	Class 41				(55,825)	(23,260)	(17,445)	(13,084)	(9,813)	(7,360)	(5,520)	(4,140)	(3,105)	(2,329)	(1,746)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 15,608	$ 353,775	$ 419,688	$ 423,979	$ 505,388	$ 553,789	$ 573,460	$ 602,753	$ 566,969	$ 485,023	$ 437,886
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 15,608	$ 353,775	$ 419,688	$ 423,979	$ 505,388	$ 553,789	$ 573,460	$ 602,753	$ 566,969	$ 485,023	$ 437,886
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 4,136**	**$ 93,750**	**$ 111,217**	**$ 112,355**	**$ 133,928**	**$ 146,754**	**$ 151,967**	**$ 159,730**	**$ 150,247**	**$ 128,531**	**$ 116,040**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 744,332	[4]	80.0%	$ 595,466	$ 506,146	$ 455,531	$ 409,978	$ 368,980	$ 332,082	$ 298,874	$ 268,987	$ 242,088	$ 217,879	$ 196,091
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 595,466	$ 506,146	$ 455,531	$ 409,978	$ 368,980	$ 332,082	$ 298,874	$ 268,987	$ 242,088	$ 217,879	$ 196,091
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 89,320	$ 50,615	$ 45,553	$ 40,998	$ 36,898	$ 33,208	$ 29,887	$ 26,899	$ 24,209	$ 21,788	$ 19,609
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 89,320	$ 50,615	$ 45,553	$ 40,998	$ 36,898	$ 33,208	$ 29,887	$ 26,899	$ 24,209	$ 21,788	$ 19,609
36	Ending balance		[2]		$ 506,146	$ 455,531	$ 409,978	$ 368,980	$ 332,082	$ 298,874	$ 268,987	$ 242,088	$ 217,879	$ 196,091	$ 176,482
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 744,332	[4]	20.0%	$ 148,866	$ 93,041	$ 69,781	$ 52,336	$ 39,252	$ 29,439	$ 22,079	$ 16,559	$ 12,420	$ 9,315	$ 6,986
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 148,866	$ 93,041	$ 69,781	$ 52,336	$ 39,252	$ 29,439	$ 22,079	$ 16,559	$ 12,420	$ 9,315	$ 6,986
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 55,825	$ 23,260	$ 17,445	$ 13,084	$ 9,813	$ 7,360	$ 5,520	$ 4,140	$ 3,105	$ 2,329	$ 1,746
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 55,825	$ 23,260	$ 17,445	$ 13,084	$ 9,813	$ 7,360	$ 5,520	$ 4,140	$ 3,105	$ 2,329	$ 1,746
47	Ending balance		[2]		$ 93,041	$ 69,781	$ 52,336	$ 39,252	$ 29,439	$ 22,079	$ 16,559	$ 12,420	$ 9,315	$ 6,986	$ 5,239
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.5	$ 424,091	$ 399,209	$ 379,250	$ 364,126	$ 349,746	$ 338,284	$ 328,085	$ 319,619	$ 309,966	$ 301,470	$ 293,114
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(17,648)	(15,883)	(14,295)	(12,866)	(11,579)	(10,421)	(9,379)	(8,441)	(7,597)	(6,837)	(6,154)
6	Class 41				(1,310)	(982)	(737)	(553)	(414)	(311)	(233)	(175)	(131)	(98)	(74)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 405,133	$ 382,344	$ 364,218	$ 350,707	$ 337,752	$ 327,552	$ 318,473	$ 311,003	$ 302,238	$ 294,535	$ 286,887
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 405,133	$ 382,344	$ 364,218	$ 350,707	$ 337,752	$ 327,552	$ 318,473	$ 311,003	$ 302,238	$ 294,535	$ 286,887
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 107,360**	**$ 101,321**	**$ 96,518**	**$ 92,937**	**$ 89,504**	**$ 86,801**	**$ 84,395**	**$ 82,416**	**$ 80,093**	**$ 78,052**	**$ 76,025**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 744,332	[4]	80.0%	$ 176,482	$ 158,834	$ 142,950	$ 128,655	$ 115,790	$ 104,211	$ 93,790	$ 84,411	$ 75,970	$ 68,373	$ 61,536
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 176,482	$ 158,834	$ 142,950	$ 128,655	$ 115,790	$ 104,211	$ 93,790	$ 84,411	$ 75,970	$ 68,373	$ 61,536
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 17,648	$ 15,883	$ 14,295	$ 12,866	$ 11,579	$ 10,421	$ 9,379	$ 8,441	$ 7,597	$ 6,837	$ 6,154
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 17,648	$ 15,883	$ 14,295	$ 12,866	$ 11,579	$ 10,421	$ 9,379	$ 8,441	$ 7,597	$ 6,837	$ 6,154
36	Ending balance		[2]		$ 158,834	$ 142,950	$ 128,655	$ 115,790	$ 104,211	$ 93,790	$ 84,411	$ 75,970	$ 68,373	$ 61,536	$ 55,382
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 744,332	[4]	20.0%	$ 5,239	$ 3,930	$ 2,947	$ 2,210	$ 1,658	$ 1,243	$ 933	$ 699	$ 525	$ 393	$ 295
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 5,239	$ 3,930	$ 2,947	$ 2,210	$ 1,658	$ 1,243	$ 933	$ 699	$ 525	$ 393	$ 295
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 1,310	$ 982	$ 737	$ 553	$ 414	$ 311	$ 233	$ 175	$ 131	$ 98	$ 74
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 1,310	$ 982	$ 737	$ 553	$ 414	$ 311	$ 233	$ 175	$ 131	$ 98	$ 74
47	Ending balance		[2]		$ 3,930	$ 2,947	$ 2,210	$ 1,658	$ 1,243	$ 933	$ 699	$ 525	$ 393	$ 295	$ 221
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.5	$ 285,655	$ 276,777	$ 268,843	$ 261,059	$ 254,103	$ 245,914	$ 238,593	$ 231,429	$ 225,023	$ 217,547	$ 210,860
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(5,538)	(4,984)	(4,486)	(4,037)	(3,634)	(3,270)	(2,943)	(2,649)	(2,384)	(2,146)	(1,931)
6	Class 41				(55)	(41)	(31)	(23)	(18)	(13)	(10)	(7)	(6)	(4)	(3)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 280,062	$ 271,751	$ 264,326	$ 256,998	$ 250,452	$ 242,631	$ 235,640	$ 228,773	$ 222,633	$ 215,397	$ 208,926
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 280,062	$ 271,751	$ 264,326	$ 256,998	$ 250,452	$ 242,631	$ 235,640	$ 228,773	$ 222,633	$ 215,397	$ 208,926
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 74,216**	**$ 72,014**	**$ 70,046**	**$ 68,104**	**$ 66,370**	**$ 64,297**	**$ 62,445**	**$ 60,625**	**$ 58,998**	**$ 57,080**	**$ 55,365**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 744,332	[4]	80.0%	$ 55,382	$ 49,844	$ 44,859	$ 40,373	$ 36,336	$ 32,702	$ 29,432	$ 26,489	$ 23,840	$ 21,456	$ 19,310
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 55,382	$ 49,844	$ 44,859	$ 40,373	$ 36,336	$ 32,702	$ 29,432	$ 26,489	$ 23,840	$ 21,456	$ 19,310
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 5,538	$ 4,984	$ 4,486	$ 4,037	$ 3,634	$ 3,270	$ 2,943	$ 2,649	$ 2,384	$ 2,146	$ 1,931
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 5,538	$ 4,984	$ 4,486	$ 4,037	$ 3,634	$ 3,270	$ 2,943	$ 2,649	$ 2,384	$ 2,146	$ 1,931
36	Ending balance		[2]		$ 49,844	$ 44,859	$ 40,373	$ 36,336	$ 32,702	$ 29,432	$ 26,489	$ 23,840	$ 21,456	$ 19,310	$ 17,379
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 744,332	[4]	20.0%	$ 221	$ 166	$ 124	$ 93	$ 70	$ 53	$ 39	$ 30	$ 22	$ 17	$ 12
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 221	$ 166	$ 124	$ 93	$ 70	$ 53	$ 39	$ 30	$ 22	$ 17	$ 12
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 55	$ 41	$ 31	$ 23	$ 18	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 55	$ 41	$ 31	$ 23	$ 18	$ 13	$ 10	$ 7	$ 6	$ 4	$ 3
47	Ending balance		[2]		$ 166	$ 124	$ 93	$ 70	$ 53	$ 39	$ 30	$ 22	$ 17	$ 12	$ 9
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.6

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Possible Reserves

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.5	$ 204,332	$ 198,491	$ 191,723	$ 185,669	$ 179,767	$ 174,485	$ 168,401	$ 162,956	$ 157,659	$ 152,914	$ 147,478
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(1,738)	(1,564)	(1,408)	(1,267)	(1,140)	(1,026)	(924)	(831)	(748)	(673)	(606)
6	Class 41				(2)	(2)	(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 202,592	$ 196,925	$ 190,314	$ 184,401	$ 178,626	$ 173,458	$ 167,477	$ 162,124	$ 156,910	$ 152,241	$ 146,872
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 202,592	$ 196,925	$ 190,314	$ 184,401	$ 178,626	$ 173,458	$ 167,477	$ 162,124	$ 156,910	$ 152,241	$ 146,872
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 53,687**	**$ 52,185**	**$ 50,433**	**$ 48,866**	**$ 47,336**	**$ 45,966**	**$ 44,381**	**$ 42,963**	**$ 41,581**	**$ 40,344**	**$ 38,921**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 744,332	[4]	80.0%	$ 17,379	$ 15,641	$ 14,077	$ 12,670	$ 11,403	$ 10,262	$ 9,236	$ 8,313	$ 7,481	$ 6,733	$ 6,060
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 17,379	$ 15,641	$ 14,077	$ 12,670	$ 11,403	$ 10,262	$ 9,236	$ 8,313	$ 7,481	$ 6,733	$ 6,060
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 1,738	$ 1,564	$ 1,408	$ 1,267	$ 1,140	$ 1,026	$ 924	$ 831	$ 748	$ 673	$ 606
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 1,738	$ 1,564	$ 1,408	$ 1,267	$ 1,140	$ 1,026	$ 924	$ 831	$ 748	$ 673	$ 606
36	Ending balance		[2]		$ 15,641	$ 14,077	$ 12,670	$ 11,403	$ 10,262	$ 9,236	$ 8,313	$ 7,481	$ 6,733	$ 6,060	$ 5,454
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 744,332	[4]	20.0%	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	**Reference**	**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.5	$ 143,187	$ 139,458	$ 136,158	$ 139,003	$ 138,153	$ 143,133	$ 7,111	$ 7,093	$ 6,095	$ 9,377	$ (41,771)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(545)	(491)	(442)	(398)	(358)	(322)	(290)	(261)	(235)	(211)	(190)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 142,642	$ 138,967	$ 135,716	$ 138,606	$ 137,795	$ 142,811	$ 6,821	$ 6,832	$ 5,861	$ 9,166	$ (41,961)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 142,642	$ 138,967	$ 135,716	$ 138,606	$ 137,795	$ 142,811	$ 6,821	$ 6,832	$ 5,861	$ 9,166	$ (41,961)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 37,800**	**$ 36,826**	**$ 35,965**	**$ 36,730**	**$ 36,516**	**$ 37,845**	**$ 1,808**	**$ 1,811**	**$ 1,553**	**$ 2,429**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (21,858)
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (5,792)**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	41,961
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 41,961
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	(21,858)
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	20,102
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 744,332	[4]	80.0%	$ 5,454	$ 4,908	$ 4,418	$ 3,976	$ 3,578	$ 3,220	$ 2,898	$ 2,609	$ 2,348	$ 2,113	$ 1,902
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 5,454	$ 4,908	$ 4,418	$ 3,976	$ 3,578	$ 3,220	$ 2,898	$ 2,609	$ 2,348	$ 2,113	$ 1,902
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 545	$ 491	$ 442	$ 398	$ 358	$ 322	$ 290	$ 261	$ 235	$ 211	$ 190
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 545	$ 491	$ 442	$ 398	$ 358	$ 322	$ 290	$ 261	$ 235	$ 211	$ 190
36	Ending balance		[2]		$ 4,908	$ 4,418	$ 3,976	$ 3,578	$ 3,220	$ 2,898	$ 2,609	$ 2,348	$ 2,113	$ 1,902	$ 1,711
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 744,332	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.5	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 744,332	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.7

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 6.74	$ 6.87	$ 7.01
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	-	-	-	16,998	68,241	196,699
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 114,497	$ 468,767	$ 1,378,006
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	-	-	-	(14,423)	(57,226)	(167,552)
12	Less: Operating expenses	[1]			-	-	-	-	-	-	-	-	(10,534)	(43,686)	(129,158)
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 89,540	$ 367,855	$ 1,081,296
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 89,540	$ 367,855	$ 1,081,296
18															
19															
20	Less: Income taxes		Schedule 3 - 3.8		-	-	-	-	-	-	-	-	-	-	(127,050)
21	After-tax cash flows				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 89,540	$ 367,855	$ 954,246
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	(22,136)	(260,980)	(562,488)	(758,029)
24	**Free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (22,136)**	**$ (171,440)**	**$ (194,633)**	**$ 196,217**
25															
26															
27	**Low**														
28	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
30	Present value factor at		Schedule 3 - 5.4	30.6%	*0.96*	*0.80*	*0.61*	*0.47*	*0.36*	*0.27*	*0.21*	*0.16*	*0.12*	*0.09*	*0.07*
31	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (3,568)**	**$ (21,155)**	**$ (18,388)**	**$ 14,193**
32															
33															
34	**High**														
35	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
37	Present value factor at		Schedule 3 - 5.4	28.8%	*0.96*	*0.81*	*0.63*	*0.49*	*0.38*	*0.29*	*0.23*	*0.18*	*0.14*	*0.11*	*0.08*
38	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (3,918)**	**$ (23,552)**	**$ (20,753)**	**$ 16,239**
39															
40															
41					**Low**	**Mid**	**High**								
42															
43	Sum of the net present value of free cash flows				$ 103,384	$ 114,871	$ 126,358								
44	**Fair market value of contingent resources before G&A expenses**				**$ 103,384**	**$ 114,871**	**$ 126,358**								
45															
46	Total contingent resources (Mmcf)				2,119,648	2,119,648	2,119,648								
47															
48	**Value metric before G&A expenses ($/Mcf)**				**$ 0.05**	**$ 0.05**	**$ 0.06**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ 7.14	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			281,999	201,592	148,301	115,683	96,270	83,378	73,945	66,862	60,883	56,114	52,029
6															
7	Sales revenue														
8	Natural gas	[1]			$ 2,013,818	$ 1,469,126	$ 1,101,795	$ 876,455	$ 743,976	$ 657,234	$ 594,539	$ 548,340	$ 509,297	$ 478,790	$ 452,819
9															
10															
11	Less: Royalty burdens	[1]			(240,243)	(166,826)	(120,397)	(94,243)	(79,517)	(70,085)	(63,380)	(58,451)	(54,287)	(51,033)	(48,264)
12	Less: Operating expenses	[1]			(192,105)	(145,938)	(114,415)	(94,938)	(83,623)	(76,341)	(71,185)	(67,488)	(64,431)	(62,134)	(60,243)
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ 1,581,469	$ 1,156,363	$ 866,983	$ 687,274	$ 580,837	$ 510,808	$ 459,974	$ 422,401	$ 390,579	$ 365,624	$ 344,312
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 1,581,469	$ 1,156,363	$ 866,983	$ 687,274	$ 580,837	$ 510,808	$ 459,974	$ 422,401	$ 390,579	$ 365,624	$ 344,312
18															
19															
20	Less: Income taxes		Schedule 3 - 3.8		(293,866)	(222,401)	(177,494)	(145,429)	(128,127)	(117,212)	(109,101)	(102,904)	(97,112)	(92,354)	(88,011)
21	After-tax cash flows				$ 1,287,604	$ 933,962	$ 689,489	$ 541,844	$ 452,710	$ 393,596	$ 350,873	$ 319,496	$ 293,467	$ 273,270	$ 256,301
22															
23	Less: Capital expenditures	[1]			(633,192)	(169,316)	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 654,412**	**$ 764,646**	**$ 689,489**	**$ 541,844**	**$ 452,710**	**$ 393,596**	**$ 350,873**	**$ 319,496**	**$ 293,467**	**$ 273,270**	**$ 256,301**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
30	Present value factor at		Schedule 3 - 5.4	30.6%	*0.06*	*0.04*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*
31	**Net present value of free cash flows**				**$ 36,240**	**$ 32,420**	**$ 22,381**	**$ 13,466**	**$ 8,614**	**$ 5,734**	**$ 3,913**	**$ 2,728**	**$ 1,919**	**$ 1,368**	**$ 982**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
37	Present value factor at		Schedule 3 - 5.4	28.8%	*0.06*	*0.05*	*0.04*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
38	**Net present value of free cash flows**				**$ 42,038**	**$ 38,125**	**$ 26,683**	**$ 16,276**	**$ 10,555**	**$ 7,123**	**$ 4,928**	**$ 3,483**	**$ 2,483**	**$ 1,795**	**$ 1,307**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			48,487	44,965	41,819	38,894	36,269	33,636	31,283	29,095	27,131	25,161	23,401
6															
7	Sales revenue														
8	Natural gas	[1]			$ 430,428	$ 407,147	$ 386,238	$ 366,403	$ 348,504	$ 329,671	$ 312,741	$ 296,680	$ 282,187	$ 266,938	$ 253,230
9															
10															
11	Less: Royalty burdens	[1]			(45,877)	(43,395)	(41,167)	(39,053)	(37,145)	(35,138)	(33,333)	(31,621)	(30,077)	(28,451)	(26,990)
12	Less: Operating expenses	[1]			(58,675)	(57,039)	(55,618)	(54,301)	(53,163)	(51,953)	(50,918)	(49,969)	(49,168)	(48,310)	(47,597)
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ 325,876	$ 306,713	$ 289,452	$ 273,049	$ 258,195	$ 242,580	$ 228,490	$ 215,089	$ 202,943	$ 190,177	$ 178,642
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 325,876	$ 306,713	$ 289,452	$ 273,049	$ 258,195	$ 242,580	$ 228,490	$ 215,089	$ 202,943	$ 190,177	$ 178,642
18															
19															
20	Less: Income taxes		Schedule 3 - 3.8		(84,044)	(79,615)	(75,499)	(71,477)	(67,772)	(63,799)	(60,184)	(56,718)	(53,562)	(50,225)	(47,202)
21	After-tax cash flows				$ 241,832	$ 227,098	$ 213,953	$ 201,572	$ 190,423	$ 178,781	$ 168,306	$ 158,371	$ 149,381	$ 139,952	$ 131,440
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 241,832**	**$ 227,098**	**$ 213,953**	**$ 201,572**	**$ 190,423**	**$ 178,781**	**$ 168,306**	**$ 158,371**	**$ 149,381**	**$ 139,952**	**$ 131,440**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
30	Present value factor at		Schedule 3 - 5.4	30.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 710**	**$ 510**	**$ 368**	**$ 265**	**$ 192**	**$ 138**	**$ 99**	**$ 72**	**$ 52**	**$ 37**	**$ 27**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
37	Present value factor at		Schedule 3 - 5.4	28.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 957**	**$ 697**	**$ 510**	**$ 373**	**$ 273**	**$ 199**	**$ 146**	**$ 106**	**$ 78**	**$ 57**	**$ 41**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			21,764	20,295	18,822	17,505	16,281	15,182	14,080	13,095	12,179	11,357	10,532
6															
7	Sales revenue														
8	Natural gas	[1]			$ 240,225	$ 228,490	$ 216,143	$ 205,044	$ 194,512	$ 185,011	$ 175,013	$ 166,025	$ 157,499	$ 149,805	$ 141,710
9															
10															
11	Less: Royalty burdens	[1]			(25,604)	(24,353)	(23,037)	(21,854)	(20,732)	(19,719)	(18,654)	(17,696)	(16,787)	(15,967)	(15,104)
12	Less: Operating expenses	[1]			(46,956)	(46,437)	(45,875)	(45,433)	(45,052)	(44,772)	(44,461)	(44,249)	(44,090)	(44,016)	(43,918)
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ 167,665	$ 157,699	$ 147,230	$ 137,756	$ 128,728	$ 120,519	$ 111,898	$ 104,080	$ 96,622	$ 89,823	$ 82,687
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
17	Operating income				$ 167,665	$ 157,699	$ 147,230	$ 137,756	$ 128,728	$ 120,519	$ 111,898	$ 104,080	$ 96,622	$ 89,823	$ 82,687
18															
19															
20	Less: Income taxes		Schedule 3 - 3.8		(44,319)	(41,697)	(38,938)	(36,439)	(34,056)	(31,889)	(29,610)	(27,544)	(25,572)	(23,774)	(21,886)
21	After-tax cash flows				$ 123,346	$ 116,002	$ 108,292	$ 101,317	$ 94,672	$ 88,631	$ 82,288	$ 76,536	$ 71,050	$ 66,049	$ 60,801
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 123,346**	**$ 116,002**	**$ 108,292**	**$ 101,317**	**$ 94,672**	**$ 88,631**	**$ 82,288**	**$ 76,536**	**$ 71,050**	**$ 66,049**	**$ 60,801**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
30	Present value factor at		Schedule 3 - 5.4	30.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 19**	**$ 14**	**$ 10**	**$ 7**	**$ 5**	**$ 4**	**$ 3**	**$ 2**	**$ 1**	**$ 1**	**$ 1**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
37	Present value factor at		Schedule 3 - 5.4	28.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 30**	**$ 22**	**$ 16**	**$ 12**	**$ 8**	**$ 6**	**$ 4**	**$ 3**	**$ 2**	**$ 2**	**$ 1**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.7

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		Notes	**Reference**		**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.86	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			9,795	9,110	8,495	7,879	7,327	6,815	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 134,433	$ 127,529	$ 121,299	$ 114,744	$ 108,851	$ 103,261	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(14,328)	(13,593)	(12,929)	(12,230)	(11,602)	(11,006)	-	-	-	-	-
12	Less: Operating expenses	[1]			(43,905)	(43,938)	(44,043)	(44,132)	(44,293)	(44,494)	-	-	-	-	-
13	Less: Net profits interest burden	[1]			-	-	-	-	-	-	-	-	-	-	-
14	Net production revenue				$ 76,199	$ 69,998	$ 64,328	$ 58,382	$ 52,956	$ 47,761	$ -	$ -	$ -	$ -	$ -
15															
16	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	(67,717)
17	Operating income				$ 76,199	$ 69,998	$ 64,328	$ 58,382	$ 52,956	$ 47,761	$ -	$ -	$ -	$ -	$ (67,717)
18															
19															
20	Less: Income taxes		Schedule 3 - 3.8		(20,170)	(18,529)	(17,028)	(15,455)	(14,019)	(12,643)	-	-	-	-	-
21	After-tax cash flows				$ 56,029	$ 51,469	$ 47,299	$ 42,927	$ 38,938	$ 35,118	$ -	$ -	$ -	$ -	$ (67,717)
22															
23	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
24	**Free cash flows**				**$ 56,029**	**$ 51,469**	**$ 47,299**	**$ 42,927**	**$ 38,938**	**$ 35,118**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (67,717)**
25															
26															
27	**Low**														
28	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
29	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
30	Present value factor at		Schedule 3 - 5.4	30.6%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
31	**Net present value of free cash flows**				**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (0)**
32															
33															
34	**High**														
35	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
36	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
37	Present value factor at		Schedule 3 - 5.4	28.8%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
38	**Net present value of free cash flows**				**$ 1**	**$ 1**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (0)**

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.8

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income		Schedule 3 - 3.7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 89,540	$ 367,855	$ 1,081,296
3															
4	Less: Allowable tax pool claims		From below												
5	COGPE				(13,785)	(7,811)	(7,030)	(6,327)	(5,694)	(5,125)	(4,612)	(4,151)	(3,736)	(3,362)	(3,026)
6	Class 41				(8,615)	(3,590)	(2,692)	(2,019)	(1,514)	(1,136)	(852)	(639)	(479)	(359)	(270)
7	CDE				-	-	-	-	-	-	-	-	(72,397)	(182,012)	(270,515)
8	CEE				-	-	-	-	-	-	-	(22,136)	(67,922)	(173,652)	(183,799)
9	Taxable income before non-capital losses			$ (22,400)	$ (11,401)	$ (9,722)	$ (8,346)	$ (7,209)	$ (6,261)	$ (5,464)	$ (26,927)	$ (54,994)	$ 8,470	$ 623,687
10															
11	Less: Loss carry forward claimed			-	-	-	-	-	-	-	-	-	(8,470)	(144,254)
12	Taxable income			$ (22,400)	$ (11,401)	$ (9,722)	$ (8,346)	$ (7,209)	$ (6,261)	$ (5,464)	$ (26,927)	$ (54,994)	$ -	$ 479,432
13	Tax rate	[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 127,050**
15															
16	Loss carry back			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool			$ -	$ 22,400	$ 33,801	$ 43,523	$ 51,870	$ 59,078	$ 65,339	$ 70,804	$ 97,730	$ 152,724	$ 144,254
21	Additions			22,400	11,401	9,722	8,346	7,209	6,261	5,464	26,927	54,994	-	-
22	Less: Tax loss claimed			-	-	-	-	-	-	-	-	-	(8,470)	(144,254)
23	Tax loss pool			$ 22,400	$ 33,801	$ 43,523	$ 51,870	$ 59,078	$ 65,339	$ 70,804	$ 97,730	$ 152,724	$ 144,254	$ -
24	Less: Loss carry back claimed			-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool	[2]		$ 22,400	$ 33,801	$ 43,523	$ 51,870	$ 59,078	$ 65,339	$ 70,804	$ 97,730	$ 152,724	$ 144,254	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 114,871	[4]	80.0%	$ 91,897	$ 78,112	$ 70,301	$ 63,271	$ 56,944	$ 51,250	$ 46,125	$ 41,512	$ 37,361	$ 33,625	$ 30,262
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 91,897	$ 78,112	$ 70,301	$ 63,271	$ 56,944	$ 51,250	$ 46,125	$ 41,512	$ 37,361	$ 33,625	$ 30,262
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 13,785	$ 7,811	$ 7,030	$ 6,327	$ 5,694	$ 5,125	$ 4,612	$ 4,151	$ 3,736	$ 3,362	$ 3,026
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 13,785	$ 7,811	$ 7,030	$ 6,327	$ 5,694	$ 5,125	$ 4,612	$ 4,151	$ 3,736	$ 3,362	$ 3,026
36	Ending balance	[2]			$ 78,112	$ 70,301	$ 63,271	$ 56,944	$ 51,250	$ 46,125	$ 41,512	$ 37,361	$ 33,625	$ 30,262	$ 27,236
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 114,871	[4]	20.0%	$ 22,974	$ 14,359	$ 10,769	$ 8,077	$ 6,058	$ 4,543	$ 3,407	$ 2,556	$ 1,917	$ 1,438	$ 1,078
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 22,974	$ 14,359	$ 10,769	$ 8,077	$ 6,058	$ 4,543	$ 3,407	$ 2,556	$ 1,917	$ 1,438	$ 1,078
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 8,615	$ 3,590	$ 2,692	$ 2,019	$ 1,514	$ 1,136	$ 852	$ 639	$ 479	$ 359	$ 270
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 8,615	$ 3,590	$ 2,692	$ 2,019	$ 1,514	$ 1,136	$ 852	$ 639	$ 479	$ 359	$ 270
47	Ending balance	[2]			$ 14,359	$ 10,769	$ 8,077	$ 6,058	$ 4,543	$ 3,407	$ 2,556	$ 1,917	$ 1,438	$ 1,078	$ 809
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 114,871	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 120,661	$ 327,486
52	Additions		[5]		-	-	-	-	-	-	-	-	193,058	388,836	574,230
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 193,058	$ 509,498	$ 901,716
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 36,198	$ 98,246
56	Claim on current year additions				-	-	-	-	-	-	-	-	72,397	145,814	172,269
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 72,397	$ 182,012	$ 270,515
58	Ending balance	[2]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 120,661	$ 327,486	$ 631,201
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 114,871	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions	-	[5]		-	-	-	-	-	-	-	22,136	67,922	173,652	183,799
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,136	$ 67,922	$ 173,652	$ 183,799
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	22,136	67,922	173,652	183,799
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,136	$ 67,922	$ 173,652	$ 183,799
69	Ending balance	[2]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
						For the years ending December 31,									
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.7	$ 1,581,469	$ 1,156,363	$ 866,983	$ 687,274	$ 580,837	$ 510,808	$ 459,974	$ 422,401	$ 390,579	$ 365,624	$ 344,312
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(2,724)	(2,451)	(2,206)	(1,986)	(1,787)	(1,608)	(1,447)	(1,303)	(1,172)	(1,055)	(950)
6	Class 41				(202)	(152)	(114)	(85)	(64)	(48)	(36)	(27)	(20)	(15)	(11)
7	CDE				(340,618)	(278,392)	(194,875)	(136,412)	(95,489)	(66,842)	(46,789)	(32,753)	(22,927)	(16,049)	(11,234)
8	CEE				(128,998)	(36,117)	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 1,108,927	$ 839,251	$ 669,788	$ 548,791	$ 483,497	$ 442,310	$ 411,701	$ 388,319	$ 366,460	$ 348,504	$ 332,117
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 1,108,927	$ 839,251	$ 669,788	$ 548,791	$ 483,497	$ 442,310	$ 411,701	$ 388,319	$ 366,460	$ 348,504	$ 332,117
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 293,866**	**$ 222,401**	**$ 177,494**	**$ 145,429**	**$ 128,127**	**$ 117,212**	**$ 109,101**	**$ 102,904**	**$ 97,112**	**$ 92,354**	**$ 88,011**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 114,871	[4]	80.0%	$ 27,236	$ 24,513	$ 22,061	$ 19,855	$ 17,870	$ 16,083	$ 14,474	$ 13,027	$ 11,724	$ 10,552	$ 9,497
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 27,236	$ 24,513	$ 22,061	$ 19,855	$ 17,870	$ 16,083	$ 14,474	$ 13,027	$ 11,724	$ 10,552	$ 9,497
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 2,724	$ 2,451	$ 2,206	$ 1,986	$ 1,787	$ 1,608	$ 1,447	$ 1,303	$ 1,172	$ 1,055	$ 950
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 2,724	$ 2,451	$ 2,206	$ 1,986	$ 1,787	$ 1,608	$ 1,447	$ 1,303	$ 1,172	$ 1,055	$ 950
36	Ending balance		[2]		$ 24,513	$ 22,061	$ 19,855	$ 17,870	$ 16,083	$ 14,474	$ 13,027	$ 11,724	$ 10,552	$ 9,497	$ 8,547
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 114,871	[4]	20.0%	$ 809	$ 606	$ 455	$ 341	$ 256	$ 192	$ 144	$ 108	$ 81	$ 61	$ 46
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 809	$ 606	$ 455	$ 341	$ 256	$ 192	$ 144	$ 108	$ 81	$ 61	$ 46
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 202	$ 152	$ 114	$ 85	$ 64	$ 48	$ 36	$ 27	$ 20	$ 15	$ 11
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 202	$ 152	$ 114	$ 85	$ 64	$ 48	$ 36	$ 27	$ 20	$ 15	$ 11
47	Ending balance		[2]		$ 606	$ 455	$ 341	$ 256	$ 192	$ 144	$ 108	$ 81	$ 61	$ 46	$ 34
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 114,871	[4]	0.0%	$ 631,201	$ 794,776	$ 649,582	$ 454,708	$ 318,295	$ 222,807	$ 155,965	$ 109,175	$ 76,423	$ 53,496	$ 37,447
52	Additions		[5]		504,193	133,198	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 1,135,394	$ 927,974	$ 649,582	$ 454,708	$ 318,295	$ 222,807	$ 155,965	$ 109,175	$ 76,423	$ 53,496	$ 37,447
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 189,360	$ 238,433	$ 194,875	$ 136,412	$ 95,489	$ 66,842	$ 46,789	$ 32,753	$ 22,927	$ 16,049	$ 11,234
56	Claim on current year additions				151,258	39,960	-	-	-	-	-	-	-	-	-
57	Claim				$ 340,618	$ 278,392	$ 194,875	$ 136,412	$ 95,489	$ 66,842	$ 46,789	$ 32,753	$ 22,927	$ 16,049	$ 11,234
58	Ending balance		[2]		$ 794,776	$ 649,582	$ 454,708	$ 318,295	$ 222,807	$ 155,965	$ 109,175	$ 76,423	$ 53,496	$ 37,447	$ 26,213
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 114,871	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		128,998	36,117	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ 128,998	$ 36,117	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				128,998	36,117	-	-	-	-	-	-	-	-	-
68	Claim				$ 128,998	$ 36,117	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.7	$ 325,876	$ 306,713	$ 289,452	$ 273,049	$ 258,195	$ 242,580	$ 228,490	$ 215,089	$ 202,943	$ 190,177	$ 178,642
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(855)	(769)	(692)	(623)	(561)	(505)	(454)	(409)	(368)	(331)	(298)
6	Class 41				(9)	(6)	(5)	(4)	(3)	(2)	(2)	(1)	(1)	(1)	(0)
7	CDE				(7,864)	(5,505)	(3,853)	(2,697)	(1,888)	(1,322)	(925)	(648)	(453)	(317)	(222)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 317,149	$ 300,432	$ 284,902	$ 269,725	$ 255,744	$ 240,752	$ 227,109	$ 214,032	$ 202,120	$ 189,528	$ 178,121
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 317,149	$ 300,432	$ 284,902	$ 269,725	$ 255,744	$ 240,752	$ 227,109	$ 214,032	$ 202,120	$ 189,528	$ 178,121
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 84,044**	**$ 79,615**	**$ 75,499**	**$ 71,477**	**$ 67,772**	**$ 63,799**	**$ 60,184**	**$ 56,718**	**$ 53,562**	**$ 50,225**	**$ 47,202**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 114,871	[4]	80.0%	$ 8,547	$ 7,692	$ 6,923	$ 6,231	$ 5,608	$ 5,047	$ 4,542	$ 4,088	$ 3,679	$ 3,311	$ 2,980
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 8,547	$ 7,692	$ 6,923	$ 6,231	$ 5,608	$ 5,047	$ 4,542	$ 4,088	$ 3,679	$ 3,311	$ 2,980
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 855	$ 769	$ 692	$ 623	$ 561	$ 505	$ 454	$ 409	$ 368	$ 331	$ 298
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 855	$ 769	$ 692	$ 623	$ 561	$ 505	$ 454	$ 409	$ 368	$ 331	$ 298
36	Ending balance		[2]		$ 7,692	$ 6,923	$ 6,231	$ 5,608	$ 5,047	$ 4,542	$ 4,088	$ 3,679	$ 3,311	$ 2,980	$ 2,682
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 114,871	[4]	20.0%	$ 34	$ 26	$ 19	$ 14	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 34	$ 26	$ 19	$ 14	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 9	$ 6	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 9	$ 6	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0
47	Ending balance		[2]		$ 26	$ 19	$ 14	$ 11	$ 8	$ 6	$ 5	$ 3	$ 3	$ 2	$ 1
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 114,871	[4]	0.0%	$ 26,213	$ 18,349	$ 12,844	$ 8,991	$ 6,294	$ 4,406	$ 3,084	$ 2,159	$ 1,511	$ 1,058	$ 740
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 26,213	$ 18,349	$ 12,844	$ 8,991	$ 6,294	$ 4,406	$ 3,084	$ 2,159	$ 1,511	$ 1,058	$ 740
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 7,864	$ 5,505	$ 3,853	$ 2,697	$ 1,888	$ 1,322	$ 925	$ 648	$ 453	$ 317	$ 222
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 7,864	$ 5,505	$ 3,853	$ 2,697	$ 1,888	$ 1,322	$ 925	$ 648	$ 453	$ 317	$ 222
58	Ending balance		[2]		$ 18,349	$ 12,844	$ 8,991	$ 6,294	$ 4,406	$ 3,084	$ 2,159	$ 1,511	$ 1,058	$ 740	$ 518
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 114,871	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.8

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.7	$ 167,665	$ 157,699	$ 147,230	$ 137,756	$ 128,728	$ 120,519	$ 111,898	$ 104,080	$ 96,622	$ 89,823	$ 82,687
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(268)	(241)	(217)	(196)	(176)	(158)	(143)	(128)	(115)	(104)	(94)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(155)	(109)	(76)	(53)	(37)	(26)	(18)	(13)	(9)	(6)	(4)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 167,241	$ 157,349	$ 146,936	$ 137,507	$ 128,515	$ 120,335	$ 111,738	$ 103,939	$ 96,497	$ 89,712	$ 82,589
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 167,241	$ 157,349	$ 146,936	$ 137,507	$ 128,515	$ 120,335	$ 111,738	$ 103,939	$ 96,497	$ 89,712	$ 82,589
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 44,319**	**$ 41,697**	**$ 38,938**	**$ 36,439**	**$ 34,056**	**$ 31,889**	**$ 29,610**	**$ 27,544**	**$ 25,572**	**$ 23,774**	**$ 21,886**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 114,871	[4]	80.0%	$ 2,682	$ 2,414	$ 2,173	$ 1,955	$ 1,760	$ 1,584	$ 1,425	$ 1,283	$ 1,155	$ 1,039	$ 935
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 2,682	$ 2,414	$ 2,173	$ 1,955	$ 1,760	$ 1,584	$ 1,425	$ 1,283	$ 1,155	$ 1,039	$ 935
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 268	$ 241	$ 217	$ 196	$ 176	$ 158	$ 143	$ 128	$ 115	$ 104	$ 94
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 268	$ 241	$ 217	$ 196	$ 176	$ 158	$ 143	$ 128	$ 115	$ 104	$ 94
36	Ending balance		[2]		$ 2,414	$ 2,173	$ 1,955	$ 1,760	$ 1,584	$ 1,425	$ 1,283	$ 1,155	$ 1,039	$ 935	$ 842
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 114,871	[4]	20.0%	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 114,871	[4]	0.0%	$ 518	$ 363	$ 254	$ 178	$ 124	$ 87	$ 61	$ 43	$ 30	$ 21	$ 15
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 518	$ 363	$ 254	$ 178	$ 124	$ 87	$ 61	$ 43	$ 30	$ 21	$ 15
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 155	$ 109	$ 76	$ 53	$ 37	$ 26	$ 18	$ 13	$ 9	$ 6	$ 4
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 155	$ 109	$ 76	$ 53	$ 37	$ 26	$ 18	$ 13	$ 9	$ 6	$ 4
58	Ending balance		[2]		$ 363	$ 254	$ 178	$ 124	$ 87	$ 61	$ 43	$ 30	$ 21	$ 15	$ 10
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 114,871	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.8

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Contingent Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.7	$ 76,199	$ 69,998	$ 64,328	$ 58,382	$ 52,956	$ 47,761	$ -	$ -	$ -	$ -	$ (67,717)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(84)	(76)	(68)	(61)	(55)	(50)	(45)	(40)	(36)	(33)	(29)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(3)	(2)	(2)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 76,111	$ 69,920	$ 64,258	$ 58,320	$ 52,900	$ 47,711	$ (45)	$ (41)	$ (36)	$ (33)	$ (67,746)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 76,111	$ 69,920	$ 64,258	$ 58,320	$ 52,900	$ 47,711	$ (45)	$ (41)	$ (36)	$ (33)	$ (67,746)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 20,170**	**$ 18,529**	**$ 17,028**	**$ 15,455**	**$ 14,019**	**$ 12,643**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (45)	$ (41)	$ (36)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (12)**	**$ (11)**	**$ (10)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	33
21	Additions				-	-	-	-	-	-	45	41	36	33	67,746
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 45	$ 41	$ 36	$ 33	$ 67,779
24	Less: Loss carry back claimed				-	-	-	-	-	-	(45)	(41)	(36)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 33	$ 67,779
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 114,871	[4]	80.0%	$ 842	$ 758	$ 682	$ 614	$ 552	$ 497	$ 447	$ 403	$ 362	$ 326	$ 293
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 842	$ 758	$ 682	$ 614	$ 552	$ 497	$ 447	$ 403	$ 362	$ 326	$ 293
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 84	$ 76	$ 68	$ 61	$ 55	$ 50	$ 45	$ 40	$ 36	$ 33	$ 29
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 84	$ 76	$ 68	$ 61	$ 55	$ 50	$ 45	$ 40	$ 36	$ 33	$ 29
36	Ending balance		[2]		$ 758	$ 682	$ 614	$ 552	$ 497	$ 447	$ 403	$ 362	$ 326	$ 293	$ 264
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 114,871	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 114,871	[4]	0.0%	$ 10	$ 7	$ 5	$ 4	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 10	$ 7	$ 5	$ 4	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0
58	Ending balance		[2]		$ 7	$ 5	$ 4	$ 2	$ 2	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.7	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 114,871	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.9

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	-	-	-	-	-	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			-	-	-	-	-	-	-	-	-	-	-
12	Less: Operating expenses	[1]			-	-	-	-	-	-	-	-	-	-	-
13	Net production revenue				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17															
18															
19	Less: Income taxes		Schedule 3 - 3.10		-	-	-	-	-	-	-	-	-	-	-
20	After-tax cash flows				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
24															
25															
26	**Low**														
27	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
29	Present value factor at		Schedule 3 - 5.5	30.2%	*0.96*	*0.80*	*0.62*	*0.47*	*0.36*	*0.28*	*0.21*	*0.16*	*0.13*	*0.10*	*0.07*
30	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
31															
32															
33	**High**														
34	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
36	Present value factor at		Schedule 3 - 5.5	28.9%	*0.96*	*0.81*	*0.63*	*0.49*	*0.38*	*0.29*	*0.23*	*0.18*	*0.14*	*0.11*	*0.08*
37	**Net present value of free cash flows**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
38															
39															
40					**Low**	**Mid**	**High**								
41															
42	Sum of the net present value of free cash flows				$ 116,785	$ 129,761	$ 142,737								
43	**Fair market value of prospective resources before G&A expenses**				**$ 116,785**	**$ 129,761**	**$ 142,737**								
44															
45	Total prospective resources (Mmcf)				13,478,876	13,478,876	13,478,876								
46															
47	**Value metric pre G&A ($/Mcf)**				**$ 0.01**	**$ 0.01**	**$ 0.01**								

Notes:

[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	Price														
2	Natural gas ($/mcf)	[1]			$ -	$ 7.29	$ 7.43	$ 7.58	$ 7.73	$ 7.88	$ 8.04	$ 8.20	$ 8.37	$ 8.53	$ 8.70
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			-	11,394	107,727	210,587	284,081	376,440	441,350	492,643	533,992	570,902	594,602
6															
7	Sales revenue														
8	Natural gas	[1]			$ -	$ 83,113	$ 800,591	$ 1,595,696	$ 2,195,617	$ 2,967,557	$ 3,548,781	$ 4,040,398	$ 4,467,099	$ 4,871,374	$ 5,174,986
9															
10															
11	Less: Royalty burdens	[1]			-	(10,486)	(98,943)	(193,015)	(260,572)	(349,044)	(413,122)	(466,279)	(512,374)	(556,147)	(587,651)
12	Less: Operating expenses	[1]			-	(7,622)	(74,317)	(150,445)	(210,172)	(286,938)	(347,547)	(400,627)	(448,375)	(494,530)	(531,915)
13	Net production revenue				$ -	$ 65,006	$ 627,331	$ 1,252,235	$ 1,724,873	$ 2,331,575	$ 2,788,111	$ 3,173,491	$ 3,506,349	$ 3,820,698	$ 4,055,420
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ -	$ 65,006	$ 627,331	$ 1,252,235	$ 1,724,873	$ 2,331,575	$ 2,788,111	$ 3,173,491	$ 3,506,349	$ 3,820,698	$ 4,055,420
17															
18															
19	Less: Income taxes		Schedule 3 - 3.10		-	-	(53,462)	(209,728)	(294,509)	(415,007)	(510,882)	(593,727)	(666,694)	(737,549)	(806,207)
20	After-tax cash flows				$ -	$ 65,006	$ 573,869	$ 1,042,507	$ 1,430,364	$ 1,916,569	$ 2,277,228	$ 2,579,765	$ 2,839,655	$ 3,083,149	$ 3,249,212
21															
22	Less: Capital expenditures	[1]			-	(182,808)	(618,589)	(756,404)	(900,757)	(1,049,283)	(1,070,269)	(1,091,674)	(1,113,508)	(1,135,778)	(1,012,965)
23	**Free cash flows**				**$ -**	**$ (117,803)**	**$ (44,720)**	**$ 286,103**	**$ 529,607**	**$ 867,285**	**$ 1,206,959**	**$ 1,488,090**	**$ 1,726,147**	**$ 1,947,371**	**$ 2,236,247**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
29	Present value factor at		Schedule 3 - 5.5	30.2%	*0.06*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*
30	**Net present value of free cash flows**				**$ -**	**$ (5,178)**	**$ (1,509)**	**$ 7,416**	**$ 10,543**	**$ 13,258**	**$ 14,169**	**$ 13,416**	**$ 11,951**	**$ 10,354**	**$ 9,131**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
36	Present value factor at		Schedule 3 - 5.5	28.9%	*0.06*	*0.05*	*0.04*	*0.03*	*0.02*	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
37	**Net present value of free cash flows**				**$ -**	**$ (5,832)**	**$ (1,717)**	**$ 8,523**	**$ 12,238**	**$ 15,546**	**$ 16,782**	**$ 16,050**	**$ 14,442**	**$ 12,639**	**$ 11,258**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	Price														
2	Natural gas ($/mcf)	[1]			$ 8.88	$ 9.05	$ 9.24	$ 9.42	$ 9.61	$ 9.80	$ 10.00	$ 10.20	$ 10.40	$ 10.61	$ 10.82
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			580,434	579,546	586,528	595,673	597,660	561,269	544,378	535,610	531,518	526,856	506,336
6															
7	Sales revenue														
8	Natural gas	[1]			$ 5,152,702	$ 5,247,745	$ 5,417,193	$ 5,611,694	$ 5,742,926	$ 5,501,126	$ 5,442,309	$ 5,461,752	$ 5,528,418	$ 5,589,542	$ 5,479,104
9															
10															
11	Less: Royalty burdens	[1]			(579,649)	(588,591)	(607,103)	(628,412)	(641,297)	(609,094)	(601,373)	(603,737)	(611,294)	(618,237)	(603,094)
12	Less: Operating expenses	[1]			(539,167)	(556,769)	(581,248)	(608,277)	(629,748)	(616,718)	(619,708)	(629,861)	(644,447)	(658,849)	(657,682)
13	Net production revenue				$ 4,033,886	$ 4,102,385	$ 4,228,842	$ 4,375,004	$ 4,471,881	$ 4,275,314	$ 4,221,228	$ 4,228,154	$ 4,272,678	$ 4,312,456	$ 4,218,327
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 4,033,886	$ 4,102,385	$ 4,228,842	$ 4,375,004	$ 4,471,881	$ 4,275,314	$ 4,221,228	$ 4,228,154	$ 4,272,678	$ 4,312,456	$ 4,218,327
17															
18															
19	Less: Income taxes		Schedule 3 - 3.10		(815,247)	(836,942)	(871,488)	(909,471)	(951,866)	(923,281)	(918,439)	(925,853)	(940,470)	(951,876)	(968,645)
20	After-tax cash flows				$ 3,218,639	$ 3,265,443	$ 3,357,354	$ 3,465,534	$ 3,520,015	$ 3,352,033	$ 3,302,790	$ 3,302,301	$ 3,332,208	$ 3,360,580	$ 3,249,683
21															
22	Less: Capital expenditures	[1]			(886,248)	(903,973)	(922,052)	(940,493)	(798,628)	(652,326)	(665,373)	(678,680)	(692,254)	(706,099)	(358,328)
23	**Free cash flows**				**$ 2,332,392**	**$ 2,361,471**	**$ 2,435,302**	**$ 2,525,041**	**$ 2,721,387**	**$ 2,699,707**	**$ 2,637,417**	**$ 2,623,621**	**$ 2,639,954**	**$ 2,654,481**	**$ 2,891,355**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
29	Present value factor at		Schedule 3 - 5.5	30.2%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 7,314**	**$ 5,686**	**$ 4,503**	**$ 3,586**	**$ 2,968**	**$ 2,261**	**$ 1,696**	**$ 1,296**	**$ 1,001**	**$ 773**	**$ 647**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
36	Present value factor at		Schedule 3 - 5.5	28.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 9,108**	**$ 7,154**	**$ 5,723**	**$ 4,603**	**$ 3,848**	**$ 2,961**	**$ 2,244**	**$ 1,732**	**$ 1,352**	**$ 1,054**	**$ 891**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	Price														
2	Natural gas ($/mcf)	[1]			$ 11.04	$ 11.26	$ 11.48	$ 11.71	$ 11.95	$ 12.19	$ 12.43	$ 12.68	$ 12.93	$ 13.19	$ 13.45
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			414,705	360,888	322,482	293,337	269,116	248,877	229,712	213,119	198,008	184,596	171,194
6															
7	Sales revenue														
8	Natural gas	[1]			$ 4,577,289	$ 4,062,977	$ 3,703,231	$ 3,435,941	$ 3,215,253	$ 3,032,928	$ 2,855,370	$ 2,702,088	$ 2,560,712	$ 2,435,005	$ 2,303,385
9															
10															
11	Less: Royalty burdens	[1]			(491,661)	(432,634)	(394,024)	(365,584)	(342,103)	(322,704)	(303,811)	(287,502)	(272,460)	(259,085)	(245,080)
12	Less: Operating expenses	[1]			(582,561)	(540,833)	(512,795)	(492,965)	(477,320)	(465,122)	(453,433)	(443,958)	(435,612)	(428,724)	(421,408)
13	Net production revenue				$ 3,503,068	$ 3,089,510	$ 2,796,412	$ 2,577,392	$ 2,395,830	$ 2,245,103	$ 2,098,126	$ 1,970,628	$ 1,852,641	$ 1,747,196	$ 1,636,897
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	-
16	Operating income				$ 3,503,068	$ 3,089,510	$ 2,796,412	$ 2,577,392	$ 2,395,830	$ 2,245,103	$ 2,098,126	$ 1,970,628	$ 1,852,641	$ 1,747,196	$ 1,636,897
17															
18															
19	Less: Income taxes		Schedule 3 - 3.10		(837,181)	(754,912)	(696,369)	(651,720)	(612,981)	(579,602)	(545,249)	(514,680)	(485,666)	(459,302)	(431,178)
20	After-tax cash flows				$ 2,665,886	$ 2,334,598	$ 2,100,043	$ 1,925,672	$ 1,782,849	$ 1,665,501	$ 1,552,877	$ 1,455,949	$ 1,366,974	$ 1,287,895	$ 1,205,719
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ 2,665,886**	**$ 2,334,598**	**$ 2,100,043**	**$ 1,925,672**	**$ 1,782,849**	**$ 1,665,501**	**$ 1,552,877**	**$ 1,455,949**	**$ 1,366,974**	**$ 1,287,895**	**$ 1,205,719**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
29	Present value factor at		Schedule 3 - 5.5	30.2%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 458**	**$ 308**	**$ 213**	**$ 150**	**$ 107**	**$ 76**	**$ 55**	**$ 39**	**$ 28**	**$ 21**	**$ 15**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
36	Present value factor at		Schedule 3 - 5.5	28.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 637**	**$ 433**	**$ 302**	**$ 215**	**$ 154**	**$ 112**	**$ 81**	**$ 59**	**$ 43**	**$ 31**	**$ 23**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
		Notes	**Reference**		**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**
1	Price														
2	Natural gas ($/mcf)	[1]			$ 13.72	$ 14.00	$ 14.28	$ 14.56	$ 14.86	$ 15.15	$ -	$ -	$ -	$ -	$ -
3															
4	Production volume														
5	Natural gas (Mmcf)	[1]			159,218	148,080	138,085	128,061	119,103	110,771	-	-	-	-	-
6															
7	Sales revenue														
8	Natural gas	[1]			$ 2,185,103	$ 2,072,891	$ 1,971,627	$ 1,865,079	$ 1,769,295	$ 1,678,440	$ -	$ -	$ -	$ -	$ -
9															
10															
11	Less: Royalty burdens	[1]			(232,495)	(220,556)	(209,781)	(198,444)	(188,253)	(178,586)	-	-	-	-	-
12	Less: Operating expenses	[1]			(415,349)	(409,912)	(405,527)	(400,773)	(397,057)	(393,870)	-	-	-	-	-
13	Net production revenue				$ 1,537,260	$ 1,442,424	$ 1,356,319	$ 1,265,862	$ 1,183,985	$ 1,105,984	$ -	$ -	$ -	$ -	$ -
14															
15	Less: Abandonment and reclamation costs	[1]			-	-	-	-	-	-	-	-	-	-	(350,094)
16	Operating income				$ 1,537,260	$ 1,442,424	$ 1,356,319	$ 1,265,862	$ 1,183,985	$ 1,105,984	$ -	$ -	$ -	$ -	$ (350,094)
17															
18															
19	Less: Income taxes		Schedule 3 - 3.10		(405,548)	(380,959)	(358,522)	(334,818)	(313,307)	(292,768)	225	160	115	-	-
20	After-tax cash flows				$ 1,131,712	$ 1,061,464	$ 997,797	$ 931,045	$ 870,678	$ 813,216	$ 225	$ 160	$ 115	$ -	$ (350,094)
21															
22	Less: Capital expenditures	[1]			-	-	-	-	-	-	-	-	-	-	-
23	**Free cash flows**				**$ 1,131,712**	**$ 1,061,464**	**$ 997,797**	**$ 931,045**	**$ 870,678**	**$ 813,216**	**$ 225**	**$ 160**	**$ 115**	**$ -**	**$ (350,094)**
24															
25															
26	**Low**														
27	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
29	Present value factor at		Schedule 3 - 5.5	30.2%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
30	**Net present value of free cash flows**				**$ 11**	**$ 8**	**$ 6**	**$ 4**	**$ 3**	**$ 2**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (0)**
31															
32															
33	**High**														
34	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
35	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83
36	Present value factor at		Schedule 3 - 5.5	28.9%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
37	**Net present value of free cash flows**				**$ 17**	**$ 12**	**$ 9**	**$ 6**	**$ 5**	**$ 3**	**$ 0**	**$ 0**	**$ 0**	**$ -**	**$ (0)**

Notes:
[1] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 3.10

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Taxes - Prospective Resources

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.9	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(15,571)	(8,824)	(7,941)	(7,147)	(6,433)	(5,789)	(5,210)	(4,689)	(4,220)	(3,798)	(3,418)
6	Class 41				(9,732)	(4,055)	(3,041)	(2,281)	(1,711)	(1,283)	(962)	(722)	(541)	(406)	(304)
7	CDE				-	-	-	-	-	-	-	-	-	-	-
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ (25,303)	$ (12,879)	$ (10,983)	$ (9,428)	$ (8,143)	$ (7,072)	$ (6,173)	$ (5,411)	$ (4,762)	$ (4,204)	$ (3,723)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ (25,303)	$ (12,879)	$ (10,983)	$ (9,428)	$ (8,143)	$ (7,072)	$ (6,173)	$ (5,411)	$ (4,762)	$ (4,204)	$ (3,723)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ 25,303	$ 38,182	$ 49,165	$ 58,593	$ 66,736	$ 73,808	$ 79,981	$ 85,392	$ 90,154	$ 94,358
21	Additions				25,303	12,879	10,983	9,428	8,143	7,072	6,173	5,411	4,762	4,204	3,723
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 25,303	$ 38,182	$ 49,165	$ 58,593	$ 66,736	$ 73,808	$ 79,981	$ 85,392	$ 90,154	$ 94,358	$ 98,081
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 25,303	$ 38,182	$ 49,165	$ 58,593	$ 66,736	$ 73,808	$ 79,981	$ 85,392	$ 90,154	$ 94,358	$ 98,081
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
29	Opening balance	$ 129,761	[4]	80.0%	$ 103,809	$ 88,237	$ 79,414	$ 71,472	$ 64,325	$ 57,893	$ 52,103	$ 46,893	$ 42,204	$ 37,983	$ 34,185
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 103,809	$ 88,237	$ 79,414	$ 71,472	$ 64,325	$ 57,893	$ 52,103	$ 46,893	$ 42,204	$ 37,983	$ 34,185
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 15,571	$ 8,824	$ 7,941	$ 7,147	$ 6,433	$ 5,789	$ 5,210	$ 4,689	$ 4,220	$ 3,798	$ 3,418
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 15,571	$ 8,824	$ 7,941	$ 7,147	$ 6,433	$ 5,789	$ 5,210	$ 4,689	$ 4,220	$ 3,798	$ 3,418
36	Ending balance		[2]		$ 88,237	$ 79,414	$ 71,472	$ 64,325	$ 57,893	$ 52,103	$ 46,893	$ 42,204	$ 37,983	$ 34,185	$ 30,766
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*50.0%*
40	Opening balance	$ 129,761	[4]	20.0%	$ 25,952	$ 16,220	$ 12,165	$ 9,124	$ 6,843	$ 5,132	$ 3,849	$ 2,887	$ 2,165	$ 1,624	$ 1,218
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 25,952	$ 16,220	$ 12,165	$ 9,124	$ 6,843	$ 5,132	$ 3,849	$ 2,887	$ 2,165	$ 1,624	$ 1,218
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 9,732	$ 4,055	$ 3,041	$ 2,281	$ 1,711	$ 1,283	$ 962	$ 722	$ 541	$ 406	$ 304
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 9,732	$ 4,055	$ 3,041	$ 2,281	$ 1,711	$ 1,283	$ 962	$ 722	$ 541	$ 406	$ 304
47	Ending balance		[2]		$ 16,220	$ 12,165	$ 9,124	$ 6,843	$ 5,132	$ 3,849	$ 2,887	$ 2,165	$ 1,624	$ 1,218	$ 913
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*150.0%*	*125.0%*	*125.0%*	*125.0%*	*125.0%*	*100.0%*
51	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
58	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.9	$ -	$ 65,006	$ 627,331	$ 1,252,235	$ 1,724,873	$ 2,331,575	$ 2,788,111	$ 3,173,491	$ 3,506,349	$ 3,820,698	$ 4,055,420
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(3,077)	(2,769)	(2,492)	(2,243)	(2,019)	(1,817)	(1,635)	(1,472)	(1,324)	(1,192)	(1,073)
6	Class 41				(228)	(171)	(128)	(96)	(72)	(54)	(41)	(30)	(23)	(17)	(13)
7	CDE				-	(43,840)	(179,035)	(306,722)	(430,721)	(553,139)	(643,865)	(712,506)	(765,791)	(808,431)	(808,826)
8	CEE				-	(36,674)	(124,098)	(151,746)	(180,705)	(210,502)	(214,712)	(219,006)	(223,386)	(227,854)	(203,216)
9	Taxable income before non-capital losses				$ (3,305)	$ (18,449)	$ 321,577	$ 791,428	$ 1,111,356	$ 1,566,063	$ 1,927,858	$ 2,240,477	$ 2,515,825	$ 2,783,204	$ 3,042,292
10															
11	Less: Loss carry forward claimed				-	-	(119,835)	-	-	-	-	-	-	-	-
12	Taxable income				$ (3,305)	$ (18,449)	$ 201,742	$ 791,428	$ 1,111,356	$ 1,566,063	$ 1,927,858	$ 2,240,477	$ 2,515,825	$ 2,783,204	$ 3,042,292
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ -**	**$ -**	**$ 53,462**	**$ 209,728**	**$ 294,509**	**$ 415,007**	**$ 510,882**	**$ 593,727**	**$ 666,694**	**$ 737,549**	**$ 806,207**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ 98,081	$ 101,386	$ 119,835	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				3,305	18,449	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	(119,835)	-	-	-	-	-	-	-	-
23	Tax loss pool				$ 101,386	$ 119,835	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ 101,386	$ 119,835	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 129,761	[4]	80.0%	$ 30,766	$ 27,690	$ 24,921	$ 22,429	$ 20,186	$ 18,167	$ 16,351	$ 14,716	$ 13,244	$ 11,920	$ 10,728
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 30,766	$ 27,690	$ 24,921	$ 22,429	$ 20,186	$ 18,167	$ 16,351	$ 14,716	$ 13,244	$ 11,920	$ 10,728
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 3,077	$ 2,769	$ 2,492	$ 2,243	$ 2,019	$ 1,817	$ 1,635	$ 1,472	$ 1,324	$ 1,192	$ 1,073
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 3,077	$ 2,769	$ 2,492	$ 2,243	$ 2,019	$ 1,817	$ 1,635	$ 1,472	$ 1,324	$ 1,192	$ 1,073
36	Ending balance		[2]		$ 27,690	$ 24,921	$ 22,429	$ 20,186	$ 18,167	$ 16,351	$ 14,716	$ 13,244	$ 11,920	$ 10,728	$ 9,655
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 129,761	[4]	20.0%	$ 913	$ 685	$ 514	$ 385	$ 289	$ 217	$ 163	$ 122	$ 91	$ 69	$ 51
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 913	$ 685	$ 514	$ 385	$ 289	$ 217	$ 163	$ 122	$ 91	$ 69	$ 51
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 228	$ 171	$ 128	$ 96	$ 72	$ 54	$ 41	$ 30	$ 23	$ 17	$ 13
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 228	$ 171	$ 128	$ 96	$ 72	$ 54	$ 41	$ 30	$ 23	$ 17	$ 13
47	Ending balance		[2]		$ 685	$ 514	$ 385	$ 289	$ 217	$ 163	$ 122	$ 91	$ 69	$ 51	$ 39
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ 102,294	$ 417,749	$ 715,685	$ 1,005,016	$ 1,290,658	$ 1,502,351	$ 1,662,513	$ 1,786,845	$ 1,886,338
52	Additions		[5]		-	146,134	494,491	604,658	720,052	838,782	855,557	872,668	890,122	907,924	809,749
53	Total balance before claim				$ -	$ 146,134	$ 596,785	$ 1,022,407	$ 1,435,737	$ 1,843,797	$ 2,146,215	$ 2,375,019	$ 2,552,635	$ 2,694,769	$ 2,696,087
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ -	$ -	$ 30,688	$ 125,325	$ 214,706	$ 301,505	$ 387,197	$ 450,705	$ 498,754	$ 536,053	$ 565,901
56	Claim on current year additions				-	43,840	148,347	181,397	216,016	251,634	256,667	261,800	267,037	272,377	242,925
57	Claim				$ -	$ 43,840	$ 179,035	$ 306,722	$ 430,721	$ 553,139	$ 643,865	$ 712,506	$ 765,791	$ 808,431	$ 808,826
58	Ending balance		[2]		$ -	$ 102,294	$ 417,749	$ 715,685	$ 1,005,016	$ 1,290,658	$ 1,502,351	$ 1,662,513	$ 1,786,845	$ 1,886,338	$ 1,887,261
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	36,674	124,098	151,746	180,705	210,502	214,712	219,006	223,386	227,854	203,216
64	Total balance before claim				$ -	$ 36,674	$ 124,098	$ 151,746	$ 180,705	$ 210,502	$ 214,712	$ 219,006	$ 223,386	$ 227,854	$ 203,216
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	36,674	124,098	151,746	180,705	210,502	214,712	219,006	223,386	227,854	203,216
68	Claim				$ -	$ 36,674	$ 124,098	$ 151,746	$ 180,705	$ 210,502	$ 214,712	$ 219,006	$ 223,386	$ 227,854	$ 203,216
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.9	$ 4,033,886	$ 4,102,385	$ 4,228,842	$ 4,375,004	$ 4,471,881	$ 4,275,314	$ 4,221,228	$ 4,228,154	$ 4,272,678	$ 4,312,456	$ 4,218,327
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(965)	(869)	(782)	(704)	(633)	(570)	(513)	(462)	(416)	(374)	(337)
6	Class 41				(10)	(7)	(5)	(4)	(3)	(2)	(2)	(1)	(1)	(1)	(1)
7	CDE				(778,714)	(761,887)	(754,443)	(753,655)	(719,082)	(659,795)	(621,423)	(597,754)	(584,441)	(578,442)	(490,842)
8	CEE				(177,795)	(181,350)	(184,977)	(188,677)	(160,217)	(130,866)	(133,484)	(136,153)	(138,876)	(141,654)	(71,886)
9	Taxable income before non-capital losses				$ 3,076,402	$ 3,158,272	$ 3,288,634	$ 3,431,965	$ 3,591,946	$ 3,484,080	$ 3,465,807	$ 3,493,783	$ 3,548,944	$ 3,591,985	$ 3,655,262
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 3,076,402	$ 3,158,272	$ 3,288,634	$ 3,431,965	$ 3,591,946	$ 3,484,080	$ 3,465,807	$ 3,493,783	$ 3,548,944	$ 3,591,985	$ 3,655,262
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 815,247**	**$ 836,942**	**$ 871,488**	**$ 909,471**	**$ 951,866**	**$ 923,281**	**$ 918,439**	**$ 925,853**	**$ 940,470**	**$ 951,876**	**$ 968,645**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 129,761	[4]	80.0%	$ 9,655	$ 8,689	$ 7,820	$ 7,038	$ 6,335	$ 5,701	$ 5,131	$ 4,618	$ 4,156	$ 3,740	$ 3,366
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 9,655	$ 8,689	$ 7,820	$ 7,038	$ 6,335	$ 5,701	$ 5,131	$ 4,618	$ 4,156	$ 3,740	$ 3,366
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 965	$ 869	$ 782	$ 704	$ 633	$ 570	$ 513	$ 462	$ 416	$ 374	$ 337
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 965	$ 869	$ 782	$ 704	$ 633	$ 570	$ 513	$ 462	$ 416	$ 374	$ 337
36	Ending balance		[2]		$ 8,689	$ 7,820	$ 7,038	$ 6,335	$ 5,701	$ 5,131	$ 4,618	$ 4,156	$ 3,740	$ 3,366	$ 3,030
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 129,761	[4]	20.0%	$ 39	$ 29	$ 22	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 39	$ 29	$ 22	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 10	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 10	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2	$ 1	$ 1	$ 1	$ 1
47	Ending balance		[2]		$ 29	$ 22	$ 16	$ 12	$ 9	$ 7	$ 5	$ 4	$ 3	$ 2	$ 2
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 129,761	[4]	0.0%	$ 1,887,261	$ 1,817,000	$ 1,777,736	$ 1,760,367	$ 1,758,528	$ 1,677,858	$ 1,539,522	$ 1,449,988	$ 1,394,760	$ 1,363,696	$ 1,349,699
52	Additions		[5]		708,453	722,622	737,075	751,816	638,411	521,460	531,889	542,527	553,377	564,445	286,442
53	Total balance before claim				$ 2,595,714	$ 2,539,622	$ 2,514,810	$ 2,512,183	$ 2,396,939	$ 2,199,317	$ 2,071,411	$ 1,992,514	$ 1,948,137	$ 1,928,141	$ 1,636,140
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 566,178	$ 545,100	$ 533,321	$ 528,110	$ 527,559	$ 503,357	$ 461,857	$ 434,996	$ 418,428	$ 409,109	$ 404,910
56	Claim on current year additions				212,536	216,787	221,122	225,545	191,523	156,438	159,567	162,758	166,013	169,333	85,933
57	Claim				$ 778,714	$ 761,887	$ 754,443	$ 753,655	$ 719,082	$ 659,795	$ 621,423	$ 597,754	$ 584,441	$ 578,442	$ 490,842
58	Ending balance		[2]		$ 1,817,000	$ 1,777,736	$ 1,760,367	$ 1,758,528	$ 1,677,858	$ 1,539,522	$ 1,449,988	$ 1,394,760	$ 1,363,696	$ 1,349,699	$ 1,145,298
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		177,795	181,350	184,977	188,677	160,217	130,866	133,484	136,153	138,876	141,654	71,886
64	Total balance before claim				$ 177,795	$ 181,350	$ 184,977	$ 188,677	$ 160,217	$ 130,866	$ 133,484	$ 136,153	$ 138,876	$ 141,654	$ 71,886
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				177,795	181,350	184,977	188,677	160,217	130,866	133,484	136,153	138,876	141,654	71,886
68	Claim				$ 177,795	$ 181,350	$ 184,977	$ 188,677	$ 160,217	$ 130,866	$ 133,484	$ 136,153	$ 138,876	$ 141,654	$ 71,886
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
			Notes	Reference	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.9	$ 3,503,068	$ 3,089,510	$ 2,796,412	$ 2,577,392	$ 2,395,830	$ 2,245,103	$ 2,098,126	$ 1,970,628	$ 1,852,641	$ 1,747,196	$ 1,636,897
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(303)	(273)	(245)	(221)	(199)	(179)	(161)	(145)	(130)	(117)	(106)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(343,589)	(240,513)	(168,359)	(117,851)	(82,496)	(57,747)	(40,423)	(28,296)	(19,807)	(13,865)	(9,706)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 3,159,175	$ 2,848,725	$ 2,627,808	$ 2,459,319	$ 2,313,135	$ 2,187,177	$ 2,057,542	$ 1,942,187	$ 1,832,703	$ 1,733,214	$ 1,627,086
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 3,159,175	$ 2,848,725	$ 2,627,808	$ 2,459,319	$ 2,313,135	$ 2,187,177	$ 2,057,542	$ 1,942,187	$ 1,832,703	$ 1,733,214	$ 1,627,086
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 837,181**	**$ 754,912**	**$ 696,369**	**$ 651,720**	**$ 612,981**	**$ 579,602**	**$ 545,249**	**$ 514,680**	**$ 485,666**	**$ 459,302**	**$ 431,178**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Additions				-	-	-	-	-	-	-	-	-	-	-
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Less: Loss carry back claimed				-	-	-	-	-	-	-	-	-	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 129,761	[4]	80.0%	$ 3,030	$ 2,727	$ 2,454	$ 2,209	$ 1,988	$ 1,789	$ 1,610	$ 1,449	$ 1,304	$ 1,174	$ 1,056
30	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 3,030	$ 2,727	$ 2,454	$ 2,209	$ 1,988	$ 1,789	$ 1,610	$ 1,449	$ 1,304	$ 1,174	$ 1,056
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 303	$ 273	$ 245	$ 221	$ 199	$ 179	$ 161	$ 145	$ 130	$ 117	$ 106
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 303	$ 273	$ 245	$ 221	$ 199	$ 179	$ 161	$ 145	$ 130	$ 117	$ 106
36	Ending balance		[2]		$ 2,727	$ 2,454	$ 2,209	$ 1,988	$ 1,789	$ 1,610	$ 1,449	$ 1,304	$ 1,174	$ 1,056	$ 951
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 129,761	[4]	20.0%	$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 2	$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 1	$ 1	$ 1	$ 1	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 129,761	[4]	0.0%	$ 1,145,298	$ 801,709	$ 561,196	$ 392,837	$ 274,986	$ 192,490	$ 134,743	$ 94,320	$ 66,024	$ 46,217	$ 32,352
52	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 1,145,298	$ 801,709	$ 561,196	$ 392,837	$ 274,986	$ 192,490	$ 134,743	$ 94,320	$ 66,024	$ 46,217	$ 32,352
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 343,589	$ 240,513	$ 168,359	$ 117,851	$ 82,496	$ 57,747	$ 40,423	$ 28,296	$ 19,807	$ 13,865	$ 9,706
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 343,589	$ 240,513	$ 168,359	$ 117,851	$ 82,496	$ 57,747	$ 40,423	$ 28,296	$ 19,807	$ 13,865	$ 9,706
58	Ending balance		[2]		$ 801,709	$ 561,196	$ 392,837	$ 274,986	$ 192,490	$ 134,743	$ 94,320	$ 66,024	$ 46,217	$ 32,352	$ 22,646
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions		[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
			Notes	Reference	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076
1	**Income taxes**														
2	Net operating income			Schedule 3 - 3.9	$ 1,537,260	$ 1,442,424	$ 1,356,319	$ 1,265,862	$ 1,183,985	$ 1,105,984	$ -	$ -	$ -	$ -	$ (350,094)
3															
4	Less: Allowable tax pool claims			From below											
5	COGPE				(95)	(86)	(77)	(69)	(62)	(56)	(51)	(45)	(41)	(37)	(33)
6	Class 41				(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
7	CDE				(6,794)	(4,756)	(3,329)	(2,330)	(1,631)	(1,142)	(799)	(560)	(392)	(274)	(192)
8	CEE				-	-	-	-	-	-	-	-	-	-	-
9	Taxable income before non-capital losses				$ 1,530,371	$ 1,437,582	$ 1,352,913	$ 1,263,463	$ 1,182,291	$ 1,104,786	$ (850)	$ (605)	$ (433)	$ (311)	$ (350,319)
10															
11	Less: Loss carry forward claimed				-	-	-	-	-	-	-	-	-	-	-
12	Taxable income				$ 1,530,371	$ 1,437,582	$ 1,352,913	$ 1,263,463	$ 1,182,291	$ 1,104,786	$ (850)	$ (605)	$ (433)	$ (311)	$ (350,319)
13	Tax rate		[1]	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
14	**Income taxes**				**$ 405,548**	**$ 380,959**	**$ 358,522**	**$ 334,818**	**$ 313,307**	**$ 292,768**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
15															
16	Loss carry back				$ -	$ -	$ -	$ -	$ -	$ -	$ (850)	$ (605)	$ (433)	$ -	$ -
17	**Return of taxes on loss claimed**				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (225)**	**$ (160)**	**$ (115)**	**$ -**	**$ -**
18															
19	**Tax loss pool**														
20	Opening tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 311
21	Additions				-	-	-	-	-	-	850	605	433	311	350,319
22	Less: Tax loss claimed				-	-	-	-	-	-	-	-	-	-	-
23	Tax loss pool				$ -	$ -	$ -	$ -	$ -	$ -	$ 850	$ 605	$ 433	$ 311	$ 350,630
24	Less: Loss carry back claimed				-	-	-	-	-	-	(850)	(605)	(433)	-	-
25	Ending tax loss pool		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 311	$ 350,630
26															
27	**COGPE**														
28	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
29	Opening balance	$ 129,761	[4]	80.0%	$ 951	$ 856	$ 770	$ 693	$ 624	$ 561	$ 505	$ 455	$ 409	$ 368	$ 332
30	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
31	Total balance before claim				$ 951	$ 856	$ 770	$ 693	$ 624	$ 561	$ 505	$ 455	$ 409	$ 368	$ 332
32	Deductibility rate			10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
33	Claim on opening balance				$ 95	$ 86	$ 77	$ 69	$ 62	$ 56	$ 51	$ 45	$ 41	$ 37	$ 33
34	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
35	Claim				$ 95	$ 86	$ 77	$ 69	$ 62	$ 56	$ 51	$ 45	$ 41	$ 37	$ 33
36	Ending balance		[2]		$ 856	$ 770	$ 693	$ 624	$ 561	$ 505	$ 455	$ 409	$ 368	$ 332	$ 298
37															
38	**Class 41**														
39	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*	*50.0%*
40	Opening balance	$ 129,761	[4]	20.0%	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
41	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
42	Total balance before claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
43	Deductibility rate			25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
44	Claim on opening balance				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
45	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
46	Claim				$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
47	Ending balance		[2]		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
48															
49	**CDE**														
50	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
51	Opening balance	$ 129,761	[4]	0.0%	$ 22,646	$ 15,852	$ 11,097	$ 7,768	$ 5,437	$ 3,806	$ 2,664	$ 1,865	$ 1,306	$ 914	$ 640
52	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
53	Total balance before claim				$ 22,646	$ 15,852	$ 11,097	$ 7,768	$ 5,437	$ 3,806	$ 2,664	$ 1,865	$ 1,306	$ 914	$ 640
54	Deductibility rate			30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
55	Claim on opening balance				$ 6,794	$ 4,756	$ 3,329	$ 2,330	$ 1,631	$ 1,142	$ 799	$ 560	$ 392	$ 274	$ 192
56	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
57	Claim				$ 6,794	$ 4,756	$ 3,329	$ 2,330	$ 1,631	$ 1,142	$ 799	$ 560	$ 392	$ 274	$ 192
58	Ending balance		[2]		$ 15,852	$ 11,097	$ 7,768	$ 5,437	$ 3,806	$ 2,664	$ 1,865	$ 1,306	$ 914	$ 640	$ 448
59															
60	**CEE**														
61	*Accelerated depreciation*	Schedule 3 - 3.9	[3]		*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
62	Opening balance	$ 129,761	[4]	0.0%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
63	Additions	-	[5]		-	-	-	-	-	-	-	-	-	-	-
64	Total balance before claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
65	Deductibility rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
66	Claim on opening balance				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
67	Claim on current year additions				-	-	-	-	-	-	-	-	-	-	-
68	Claim				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
69	Ending balance		[2]		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes:

[1] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

[2] The remaining balances of the depreciation and tax loss pools are not expected to have any value to a notional purchaser, since the asset will no longer generate any taxable income beyond its economic life.

[3] Based on the substantively enacted Canadian federal accelerated depreciation rules, which allow a company to claim a one-time bonus depreciation on capital expenditures incurred between January 1, 2018 and December 31, 2027 in the year in which such expenditures are incurred.

[4] As a part of a hypothetical asset transaction, a step-up in the tax basis of the asset is assumed. The total fair market value of the asset is assumed to be allocated 20.0 percent as CCA Class 41 assets and 80.0 percent as COGPE assets, in line with generally accepted approaches with respect to the valuation of oil and gas assets in Canada. The accelerated depreciation rules are applicable to such allocated fair market values, being considered as capital additions. The step-up in tax basis is treated as the opening tax pools.

[5] Capital additions for development expenses and tangible expenses based on the GLJ Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 4.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	General and administrative expenses before tax shield	[1]	Schedule 3 - 4.2		$ 849	$ 2,591	$ 2,643	$ 2,696	$ 2,750	$ 2,805	$ 2,861	$ 2,918	$ 2,977	$ 3,036	$ 3,097
2															
3	Less: Income taxes	[2]		26.5%	(225)	(687)	(700)	(714)	(729)	(743)	(758)	(773)	(789)	(805)	(821)
4	**General and administrative expenses after tax shield**				**$ 624**	**$ 1,905**	**$ 1,943**	**$ 1,982**	**$ 2,021**	**$ 2,062**	**$ 2,103**	**$ 2,145**	**$ 2,188**	**$ 2,232**	**$ 2,276**
5															
6															
7	**Low**														
8	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
10	Present value factor at		Schedule 3 - 5.1	14.3%	*0.98*	*0.89*	*0.78*	*0.68*	*0.60*	*0.52*	*0.46*	*0.40*	*0.35*	*0.31*	*0.27*
11	**Net present value of general and administrative expenses after tax shield**				**$ 610**	**$ 1,704**	**$ 1,521**	**$ 1,357**	**$ 1,211**	**$ 1,081**	**$ 965**	**$ 861**	**$ 768**	**$ 686**	**$ 612**
12															
13															
14	**High**														
15	Percent of year remaining				33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				0.17	0.83	1.83	2.83	3.83	4.83	5.83	6.83	7.83	8.83	9.83
17	Present value factor at		Schedule 3 - 5.1	10.0%	*0.98*	*0.92*	*0.84*	*0.76*	*0.69*	*0.63*	*0.57*	*0.52*	*0.48*	*0.43*	*0.39*
18	**Net present value of general and administrative expenses after tax shield**				**$ 614**	**$ 1,760**	**$ 1,632**	**$ 1,514**	**$ 1,404**	**$ 1,303**	**$ 1,208**	**$ 1,121**	**$ 1,040**	**$ 964**	**$ 894**
19															
20															
21				**Low**	**Mid**	**High**									
22															
23	Sum of the net present value of general and administrative expenses after tax shield			$ 16,421	$ 20,055	$ 23,690									
24															
25	**Fair market value of general and administrative expenses**			**$ 16,421**	**$ 20,055**	**$ 23,690**									

Notes:

[1] General and administrative expenses for 2022 are prorated for a partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 4.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
1	General and administrative expenses before tax shield	[1]			$ 3,159	$ 3,222	$ 3,286	$ 3,352	$ 3,419	$ 3,488	$ 3,557	$ 3,629	$ 3,701	$ 3,775	$ 3,851
2															
3	Less: Income taxes	[2]		26.5%	(837)	(854)	(871)	(888)	(906)	(924)	(943)	(962)	(981)	(1,000)	(1,020)
4	**General and administrative expenses after tax shield**				**$ 2,322**	**$ 2,368**	**$ 2,416**	**$ 2,464**	**$ 2,513**	**$ 2,563**	**$ 2,615**	**$ 2,667**	**$ 2,720**	**$ 2,775**	**$ 2,830**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
10	Present value factor at		Schedule 3 - 5.1	14.3%	*0.24*	*0.21*	*0.18*	*0.16*	*0.14*	*0.12*	*0.11*	*0.09*	*0.08*	*0.07*	*0.06*
11	**Net present value of general and administrative expenses after tax shield**				**$ 546**	**$ 487**	**$ 435**	**$ 388**	**$ 346**	**$ 309**	**$ 276**	**$ 246**	**$ 220**	**$ 196**	**$ 175**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				10.83	11.83	12.83	13.83	14.83	15.83	16.83	17.83	18.83	19.83	20.83
17	Present value factor at		Schedule 3 - 5.1	10.0%	*0.36*	*0.32*	*0.30*	*0.27*	*0.24*	*0.22*	*0.20*	*0.18*	*0.17*	*0.15*	*0.14*
18	**Net present value of general and administrative expenses after tax shield**				**$ 830**	**$ 770**	**$ 714**	**$ 662**	**$ 614**	**$ 570**	**$ 528**	**$ 490**	**$ 455**	**$ 422**	**$ 391**

Notes:

[1] General and administrative expenses for 2022 are prorated for a partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
1	General and administrative expenses before tax shield	[1]			$ 3,928	$ 4,006	$ 4,086	$ 4,168	$ 4,251	$ 4,336	$ 4,423	$ 4,512	$ 4,602	$ 4,694	$ 4,788
2															
3	Less: Income taxes	[2]		26.5%	(1,041)	(1,062)	(1,083)	(1,105)	(1,127)	(1,149)	(1,172)	(1,196)	(1,219)	(1,244)	(1,269)
4	**General and administrative expenses after tax shield**				**$ 2,887**	**$ 2,945**	**$ 3,003**	**$ 3,063**	**$ 3,125**	**$ 3,187**	**$ 3,251**	**$ 3,316**	**$ 3,382**	**$ 3,450**	**$ 3,519**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
10	Present value factor at		Schedule 3 - 5.1	14.3%	*0.05*	*0.05*	*0.04*	*0.04*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*	*0.01*
11	**Net present value of general and administrative expenses after tax shield**				**$ 156**	**$ 139**	**$ 124**	**$ 111**	**$ 99**	**$ 88**	**$ 79**	**$ 70**	**$ 63**	**$ 56**	**$ 50**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				21.83	22.83	23.83	24.83	25.83	26.83	27.83	28.83	29.83	30.83	31.83
17	Present value factor at		Schedule 3 - 5.1	10.0%	*0.13*	*0.11*	*0.10*	*0.09*	*0.09*	*0.08*	*0.07*	*0.06*	*0.06*	*0.05*	*0.05*
18	**Net present value of general and administrative expenses after tax shield**				**$ 363**	**$ 337**	**$ 312**	**$ 290**	**$ 269**	**$ 249**	**$ 231**	**$ 214**	**$ 199**	**$ 184**	**$ 171**

Notes:

[1] General and administrative expenses for 2022 are prorated for a partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
					For the years ending December 31,										
		Notes	Reference		2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
1	General and administrative expenses before tax shield	[1]			$ 4,883	$ 4,981	$ 5,081	$ 5,182	$ 5,286	$ 5,392	$ 5,500	$ 5,610	$ 5,722	$ 5,836	$ 5,953
2															
3	Less: Income taxes	[2]		26.5%	(1,294)	(1,320)	(1,346)	(1,373)	(1,401)	(1,429)	(1,457)	(1,487)	(1,516)	(1,547)	(1,578)
4	**General and administrative expenses after tax shield**				**$ 3,589**	**$ 3,661**	**$ 3,734**	**$ 3,809**	**$ 3,885**	**$ 3,963**	**$ 4,042**	**$ 4,123**	**$ 4,206**	**$ 4,290**	**$ 4,375**
5															
6															
7	**Low**														
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
10	Present value factor at		Schedule 3 - 5.1	14.3%	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.00*	*0.00*	*0.00*	*0.00*
11	**Net present value of general and administrative expenses after tax shield**				**$ 45**	**$ 40**	**$ 36**	**$ 32**	**$ 28**	**$ 25**	**$ 23**	**$ 20**	**$ 18**	**$ 16**	**$ 14**
12															
13															
14	**High**														
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				32.83	33.83	34.83	35.83	36.83	37.83	38.83	39.83	40.83	41.83	42.83
17	Present value factor at		Schedule 3 - 5.1	10.0%	*0.04*	*0.04*	*0.04*	*0.03*	*0.03*	*0.03*	*0.03*	*0.02*	*0.02*	*0.02*	*0.02*
18	**Net present value of general and administrative expenses after tax shield**				**$ 159**	**$ 147**	**$ 137**	**$ 127**	**$ 117**	**$ 109**	**$ 101**	**$ 94**	**$ 87**	**$ 81**	**$ 75**

Notes:

[1] General and administrative expenses for 2022 are prorated for a partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 4.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Discounted Cash Flow - General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
		Notes	**Reference**		**2066**	**2067**	**2068**	**2069**	**2070**	**2071**	**2072**	**2073**	**2074**	**2075**	**2076**	**2077**
1	General and administrative expenses before tax shield	[1]			$ 6,072	$ 6,193	$ 6,317	$ 6,444	$ 6,573	$ 6,704	$ 6,838	$ 6,975	$ 7,114	$ 7,257	$ 7,402	$ 7,550
2																
3	Less: Income taxes	[2]		26.5%	(1,609)	(1,641)	(1,674)	(1,708)	(1,742)	(1,777)	(1,812)	(1,848)	(1,885)	(1,923)	(1,961)	(2,001)
4	**General and administrative expenses after tax shield**				**$ 4,463**	**$ 4,552**	**$ 4,643**	**$ 4,736**	**$ 4,831**	**$ 4,927**	**$ 5,026**	**$ 5,126**	**$ 5,229**	**$ 5,334**	**$ 5,440**	**$ 5,549**
5																
6																
7	**Low**															
8	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83	54.83
10	Present value factor at		Schedule 3 - 5.1	14.3%	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
11	**Net present value of general and administrative expenses after tax shield**				**$ 13**	**$ 11**	**$ 10**	**$ 9**	**$ 8**	**$ 7**	**$ 6**	**$ 6**	**$ 5**	**$ 5**	**$ 4**	**$ 4**
12																
13																
14	**High**															
15	Percent of year remaining				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
16	Periods discounting				43.83	44.83	45.83	46.83	47.83	48.83	49.83	50.83	51.83	52.83	53.83	54.83
17	Present value factor at		Schedule 3 - 5.1	10.0%	*0.02*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*	*0.01*
18	**Net present value of general and administrative expenses after tax shield**				**$ 69**	**$ 64**	**$ 60**	**$ 55**	**$ 51**	**$ 48**	**$ 44**	**$ 41**	**$ 38**	**$ 35**	**$ 33**	**$ 30**

Notes:

[1] General and administrative expenses for 2022 are prorated for a partial year. Amounts thereafter are increased annually at 2.0 percent.

[2] Based on enacted combined federal and Quebec provincial corporate tax rate effective in the jurisdiction where the subject assets are located, as at the Valuation Date.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 3 - 4.2**

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

General and Administrative Expenses

(CAD thousands, unless otherwise stated)

	A	B	C
		Notes	2022 Budget
		[1]	
1	Quebec staff	$	220
2	Legal and advisory services		386
3	AGC / QEA / Other		30
4	Quebec Government/Public relations		53
5	QEA (Conference and miscellaneous other)		50
6	Travel		60
7	Public relations new hire		100
8	Field operator		116
9	Monitoring committee (Pilot and committee costs)		75
10	Drilling and completions engineer		180
11	Production engineer		180
12	Geologist/Geophysicist		180
13	Mineral rentals		246
14	Surface rentals/Property taxes		105
15	SCVF Monitoring/Ongoing		200
16	Additional drilling and completion engineer		180
17	Additional facilities engineer		180
18	**Annual general and administrative expenses**	**$**	**2,541**

Notes:

[1] The values of expected general and administration expenses were obtained from the 2022 operational budget, as provided by Management.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 5.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Proved Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**30.0%**	**70.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	42.9%	42.9%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**1.13**	**1.25**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		1.13	1.25
25	Cost of equity capital	[12]	**10.6%**	**11.3%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	2.0%	5.8%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**12.6%**	**17.3%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	30.0%	30.0%
42	Equity-to-capital	[7]	70.0%	70.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**10.4%**	**14.6%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**10.0%**	**14.3%**
48				
49	**Weighted average cost of capital (rounded)**		**10.0%**	**14.3%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 5.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Probable Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**10.0%**	**90.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	11.1%	11.1%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.93**	**1.03**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.93	1.03
25	Cost of equity capital	[12]	**9.3%**	**9.9%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	16.6%	21.6%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**25.9%**	**31.7%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	10.0%	10.0%
42	Equity-to-capital	[7]	90.0%	90.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**23.8%**	**29.4%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**23.5%**	**29.0%**
48				
49	**Weighted average cost of capital (rounded)**		**23.5%**	**29.0%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .

[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.

[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.

[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.

[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.

[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]

[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.

[8] Based on substantively enacted federal and Quebec provincial tax rates.

[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]

[10] 20-Year US Treasury rate. Source: S&P Capital IQ.

[11] Source: Deloitte Advisory research, as of July 31, 2022.

[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]

[13] Size premium not applicable/warranted for resource specific oil and gas assets.

[14] Risk premium based on qualitative factors that reflect asset specific risks.

[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .

[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.

[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.

[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]

[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 5.3

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Possible Reserves

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.86**	**0.95**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.86	0.95
25	Cost of equity capital	[12]	**8.9%**	**9.4%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	51.1%	67.0%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**60.0%**	**76.6%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**60.0%**	**76.6%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**59.5%**	**76.1%**
48				
49	**Weighted average cost of capital (rounded)**		**59.5%**	**76.1%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of July 31, 2022.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for resource specific oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .
[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 5.4

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Contingent Resources

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.86**	**0.95**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.86	0.95
25	Cost of equity capital	[12]	**8.9%**	**9.4%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	20.3%	21.4%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**29.2%**	**31.0%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**29.2%**	**31.0%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**28.8%**	**30.6%**
48				
49	**Weighted average cost of capital (rounded)**		**28.8%**	**30.6%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of July 31, 2022.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for resource specific oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .
[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 5.5

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Weighted Average Cost of Capital - Prospective Resources

(in USD millions, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	Ticker	Guideline public companies:	Total book value of debt [1]	Lease liabilities included in total debt [1]	Adjusted debt [1]	Total book value of preferred [1]	Total market value of equity [2]	Total market value of capital	Debt to capital	Equity to capital	Historical effective tax rate [3]	Levered equity beta [4]	Historical debt to capital [5]	Unlevered equity beta [6]
1	NYSE:RRC	Range Resources Corporation	$ 2,385	$ 22	$ 2,362	$ -	$ 8,147	$ 10,509	22.5%	77.5%	21.0%	1.03	53.4%	0.54
2	NYSE:CNX	CNX Resources Corporation	2,425	180	2,244	-	3,350	5,594	40.1%	59.9%	21.0%	0.73	50.3%	0.41
3	TSX:HWX	Headwater Exploration Inc.	1	1	-	-	1,078	1,078	0.0%	100.0%	23.0%	1.03	0.0%	1.03
4	TSX:PEA	Pieridae Energy Limited	173	2	171	-	161	332	51.4%	48.6%	23.0%	2.07	52.0%	1.13
5	NYSE:AR	Antero Resources Corporation	4,934	3,356	1,578	-	12,927	14,505	10.9%	89.1%	21.0%	1.39	50.7%	0.76
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	3,091	45	3,046	-	12,130	15,176	20.1%	79.9%	21.0%	1.09	19.9%	0.91
7	NYSE:CTRA	Coterra Energy Inc.	3,420	295	3,125	11	24,114	27,250	11.5%	88.5%	22.0%	0.82	13.5%	0.73
8	TSX:PNE	Pine Cliff Energy Ltd.	3	3	-	-	521	521	0.0%	100.0%	23.0%	1.40	34.1%	1.00
9	TSX:QEC	Questerre Energy Corporation	0	0	0	-	78	78	0.0%	100.0%	26.5%	1.11	13.4%	1.00
10														
11								**Average**	**17.4%**	**82.6%**			**31.9%**	**0.83**
12								**Median**	**11.5%**	**88.5%**			**34.1%**	**0.91**
13														
14								**Selected**	**0.0%**	**100.0%**			**Median**	**0.91**

		Notes	Low	High
15				
16				
17	Unlevered equity beta		0.86	0.95
18	Debt-to-equity	[7]	0.0%	0.0%
19	Selected subject tax rate	[8]	26.5%	26.5%
20	Relevered equity beta	[9]	**0.86**	**0.95**
21				
22	Risk free rate	[10]	3.5%	3.5%
23	Equity risk premium	[11]	6.3%	6.3%
24	Relevered equity beta		0.86	0.95
25	Cost of equity capital	[12]	**8.9%**	**9.4%**
26				
27	*Unsystematic risk factors:*			
28	Size premium	[13]	0.0%	0.0%
29	Asset specific risk	[14]	20.4%	21.0%
30	Country adjustment factor	[15]	0.0%	0.2%
31				
32	**Subject's cost of equity capital**		**29.3%**	**30.6%**
33				
34	Pre-tax cost of debt	[16]	7.1%	11.3%
35	Add: Country adjustment factor	[17]	0.0%	0.1%
36	Subject's estimated pre-tax cost of debt capital		7.1%	11.4%
37	Tax rate	[8]	26.5%	26.5%
38				
39	**After-tax cost of debt**		**5.2%**	**8.4%**
40				
41	Debt-to-capital	[7]	0.0%	0.0%
42	Equity-to-capital	[7]	100.0%	100.0%
43	**Weighted average cost of capital - USD denominated**	[18]	**29.3%**	**30.6%**
44				
45	Local forecast inflation	[19]	1.8%	1.8%
46	US forecast inflation	[19]	2.1%	2.1%
47	**Weighted average cost of capital - Local currency denominated**		**28.9%**	**30.2%**
48				
49	**Weighted average cost of capital (rounded)**		**28.9%**	**30.2%**

Notes:

[1] Book value of debt used as an approximation of market value. For purposes of calculating capital structure, any preferred equity was added to equity at book value. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ .
[2] Represents market capitalization, as at the Valuation Date. Source: S&P Capital IQ.
[3] Based on the historical effective tax rate for the guideline public companies. Where applicable, the tax rates were normalized to reflect the long-term effective rates. S&P Capital IQ.
[4] Capital IQ beta based on five-year historical weekly data. Where guideline public company historical trading data is limited, the beta time period has been adjusted based on available trading data.
[5] Based on five-year average debt to market value of invested capital, as at Valuation Date. Debt has been adjusted to exclude lease liabilities. Source: S&P Capital IQ.
[6] Unlevered equity beta = Levered equity beta / [1 + (1 - Tax rate) x Debt-to-equity]
[7] The selected debt to capital is based on how a notional purchaser would finance the purchase of similar assets.
[8] Based on substantively enacted federal and Quebec provincial tax rates.
[9] Levered equity beta = Unlevered equity beta x [1 + (1 - Tax rate) x Debt-to-equity]
[10] 20-Year US Treasury rate. Source: S&P Capital IQ.
[11] Source: Deloitte Advisory research, as of July 31, 2022.
[12] Cost of equity capital = Risk free rate + [Equity beta x Equity risk premium]
[13] Size premium not applicable/warranted for resource specific oil and gas assets.
[14] Risk premium based on qualitative factors that reflect asset specific risks.
[15] Based on the range of country risk premiums, as reflected in the July 2022 data published by Professor Aswath Damodaran .
[16] Based on the 20 year BBB-rated US Energy debt yield on the low end and the 20 year BB-rated US Energy debt yield on the high end. Source: S&P Capital IQ.
[17] Based on rating-based default spread on the low end and CDS spread between Canada and US on the high end. Source: Damodaran, July 2022.
[18] WACC = [(Debt-to-capital x Cost of debt x (1 - Tax rate)] + [Equity-to-capital X Cost of equity capital]
[19] Source: Economic Intelligence Unit, Country Report.

Questerre Energy Corporation

Quantification of Alleged Economic Losses **Schedule 3 - 6**

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Reserve Adjustment Factors - Fair Market Value by Reserve and Resource Category

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M
		Unrisked value		Percent of unrisked value total	Reserve adjustment factors	Risked value		Percent of risked value total	Total resources (Mmcf)	$/mcf		Implied risk adjusted discount rate	
		Low	High			Low	High			Low	High	Low	High
		[1]	[1]		[2]	[3]	[3]		[4]			[5]	[5]
1	Proved reserves	$ 2,611,539	$ 3,191,881	14.8%	77.7%	$ 2,029,057	$ 2,479,959	50.0%	1,497,264	$ 1.36	$ 1.66	10.0%	14.3%
2	Probable reserves	3,319,743	4,057,463	18.8%	34.4%	1,141,542	1,395,218	28.1%	2,162,674	0.53	0.65	23.5%	29.0%
3	Possible reserves	4,181,946	5,111,268	23.7%	16.0%	669,899	818,765	16.5%	2,353,357	0.28	0.35	59.5%	76.1%
4	Total 3P reserves	$ 10,113,228	$ 12,360,612	57.2%	38.0%	$ 3,840,497	$ 4,693,941	94.6%	6,013,295	$ 0.64	$ 0.78	23.4%	29.8%
5													
6	Contingent resources	$ 1,723,070	$ 2,105,974	9.7%	6.0%	$ 103,384	$ 126,358	2.5%	2,119,648	$ 0.05	$ 0.06	28.8%	30.6%
7	Prospective resources	5,839,238	7,136,846	33.0%	2.0%	116,785	142,737	2.9%	13,478,876	0.01	0.01	28.9%	30.2%
8	Total resources	$ 7,562,308	$ 9,242,820	42.8%	2.9%	$ 220,169	$ 269,095	5.4%	15,598,525	$ 0.01	$ 0.02	28.9%	30.4%
9													
10	**Fair market value of oil and gas reserves and resources**	**$ 17,675,536**	**$ 21,603,432**	**100.0%**	**23.0%**	**$ 4,060,666**	**$ 4,963,037**	**100.0%**	**21,611,819**	**$ 0.19**	**$ 0.23**	**24.7%**	**29.9%**

Notes:

[1] Unrisked values were obtained from the GLJ Report. For the purposes of the reserve adjustment factor ("RAF") analysis we took the net present value ("NPV") at 10.0 percent figures from the GLJ Report.

	NPV 10%	Unrisked value (Low -10%)	Unrisked value (High +10%)
Proved reserves	$ 2,901,710	$ 2,611,539	$ 3,191,881
Probable reserves	3,688,603	3,319,743	4,057,463
Possible reserves	4,646,607	4,181,946	5,111,268
Contingent resources	1,914,522	1,723,070	2,105,974
Prospective resources	6,488,042	5,839,238	7,136,846

[2] The selected RAFs are based on the 2022 Society of Petroleum Evaluation Engineers ("SPEE") report, as well as qualitative factors related to each reserve/resource category and are calculated, as follows:

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report Exhibit 3 - 1	Weighted RAF
Proved reserves				
Developed and producing	$ 1,466,213	50.5%	96.0%	48.5%
Undeveloped and not producing	1,435,497	49.5%	59.0%	29.2%
Total	$ 2,901,710	100.0%		77.7%

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report Exhibit 3 - 1	Weighted RAF
Probable reserves				
Developed and producing	$ 701,893	24.2%	45.0%	10.9%
Undeveloped and not producing	2,199,817	75.8%	31.0%	23.5%
Total	$ 3,688,603	100.0%		34.4%

	NPV 10%	Percent of NPV 10%	Mean RAF from SPEE report Exhibit 3 - 1	Weighted RAF
Possible reserves				
Developed and producing	$ 875,976	30.2%	23.0%	6.9%
Undeveloped and not producing	2,025,734	69.8%	13.0%	9.1%
Total	$ 4,646,607	100.0%		16.0%

[3] The risked values are determined by multiplying the selected RAFs to the unrisked values.

[4] Based on the GLJ Report.

[5] The implied risk adjusted discount rate ("RADR") for each reserve and resource type is computed on the associated discounted cash flow schedules.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 7.1

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Guideline Public Company Multiples

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
	Company name	**Enterprise value (EV)**	**Recoverable reserve / resource value, before book value of ARO**	**Recoverable reserve / resource value, net of book value of ARO (RV)**	**Production**	**Proved reserves**	**Probable reserves**	**Possible reserves**	**Contingent resources**	**Prospective resources**	**Recoverable reserves / resources**	**Gas weighting**	**$ / Production per day**	**Reserves / Recoverable reserves and resources**	**$ / Recoverable reserves and resources**
					Mcfe/d	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*Mmcfe*	*%*	*$/Mcfe/d*		*$/mcfe*
1			[1]	[1]	[2]	[3]	[3]	[3]	[3]	[3]	[3]	[3]			
2															
3	Range Resources Corporation	$ 13,587,929	$ 15,500,516	$ 15,361,841	2,072,266	17,283,730	NA	NA	NA	NA	17,283,753	85.8%	$ 7,413	100.0%	$ 0.89
4	CNX Resources Corporation	7,216,124	3,707,988	3,594,043	1,619,685	9,625,733	NA	NA	NA	NA	9,625,749	90.9%	2,219	100.0%	0.37
5	Headwater Exploration Inc.	1,250,707	903,398	903,398	72,536	452,254	383,442	NA	NA	NA	835,728	58.2%	12,454	54.1%	1.08
6	Pieridae Energy Limited	400,943	580,309	441,217	225,557	1,215,764	162,947	NA	NA	NA	1,378,728	77.2%	1,956	88.2%	0.32
7	Antero Resources Corporation	19,114,418	21,114,682	21,042,311	3,198,913	17,734,000	NA	NA	NA	NA	17,734,015	57.0%	6,578	100.0%	1.19
8	Chesapeake Energy Corporation	19,602,646	22,749,342	22,315,270	3,985,007	8,637,725	NA	NA	NA	NA	8,637,731	80.9%	5,600	100.0%	2.58
9	Coterra Energy Inc.	33,890,281	37,172,222	36,830,889	3,806,593	16,693,692	NA	NA	NA	NA	16,693,704	85.3%	9,676	100.0%	2.21
10	Pine Cliff Energy Ltd.	655,800	818,837	607,784	126,023	294,677	52,588	NA	NA	NA	347,273	83.8%	4,823	84.9%	1.75
11	Questerre Energy Corporation	85,566	81,168	61,951	9,655	100,772	94,549	NA	NA	NA	195,376	54.3%	6,416	51.6%	0.32
12															
13	**Minimum**										**195,376**	**54.3%**	**$ 1,956**	**51.6%**	**$ 0.32**
14	**First quartile**										**835,728**	**58.2%**	**4,823**	**84.9%**	**0.37**
15	**Average**										**8,081,340**	**74.8%**	**6,348**	**86.5%**	**1.19**
16	**Median**										**8,637,731**	**80.9%**	**6,416**	**100.0%**	**1.08**
17	**Adjusted average**										**7,828,952**	**75.5%**	**6,104**	**89.6%**	**1.12**
18	**Third quartile**										**16,693,704**	**85.3%**	**7,413**	**100.0%**	**1.75**
19	**Maximum**										**17,734,015**	**90.9%**	**12,454**	**100.0%**	**2.58**
20															
21				Schedule 3 - 1.2	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]			
22	Proved reserves			$ 2,254,508	598,534	1,497,264	NA	NA	NA	NA	1,497,264	100.0%	$ 3,767	NA	$ 1.51
23	Probable reserves			1,268,380	598,534	NA	2,162,674	NA	NA	NA	3,659,938	100.0%	2,119	NA	0.59
24	Possible reserves			744,332	598,534	NA	NA	2,353,357	NA	NA	6,013,295	100.0%	1,244	NA	0.32
25	Contingent resources			114,871	598,534	NA	NA	NA	2,119,648	NA	8,132,943	100.0%	192	NA	0.05
26	Prospective resources			129,761	598,534	NA	NA	NA	NA	13,478,876	21,611,819	100.0%	217	NA	0.01
27															
28															
29	Proved reserves (i.e., 1P)			$ 2,254,508	598,534	1,497,264	NA	NA	NA	NA	1,497,264	100.0%	$ 3,767	6.9%	$ 1.51
30	Proved plus probable reserves (i.e., 2P)			3,522,887	598,534	1,497,264	2,162,674	NA	NA	NA	3,659,938	100.0%	5,886	16.9%	0.96
31	Proved plus probable plus possible reserves (i.e., 3P)			4,267,219	598,534	1,497,264	2,162,674	2,353,357	NA	NA	6,013,295	100.0%	7,129	27.8%	0.71
32	3P reserves plus contingent resources			4,382,091	598,534	1,497,264	2,162,674	2,353,357	2,119,648	NA	8,132,943	100.0%	7,321	NA	0.54
33	3P reserves plus contingent resources plus prospective resources			4,511,852	598,534	1,497,264	2,162,674	2,353,357	2,119,648	13,478,876	21,611,819	100.0%	7,538	NA	0.21
34	**Recoverable resources, before G&A**			**$ 4,511,852**	**598,534**	**1,497,264**	**2,162,674**	**2,353,357**	**2,119,648**	**13,478,876**	**21,611,819**	**100.0%**	**$ 7,538**	**NA**	**$ 0.21**
35	**Recoverable resources, net of G&A**			**$ 4,491,796**	**598,534**	**1,497,264**	**2,162,674**	**2,353,357**	**2,119,648**	**13,478,876**	**21,611,819**	**100.0%**	**$ 7,505**	**NA**	**$ 0.21**

Notes:

[1] Recoverable resource value is computed by eliminating all assets and liabilities except oil and gas properties from the enterprise value.

[2] Production data, as available in the most recent management discussion and analysis document of the companies, as at or before August 23, 2022.

[3] Reserves and resources data is as per the most recent available annual information form of the companies, as at August 23, 2022, and adjusted for actual production, acquisitions, and divestitures for the period up to the Valuation Date.

[4] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Source: S&P Capital IQ (and its affiliates, as applicable), Copyright © 2022.

Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 7.2

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

Guideline Public Company Descriptions

	A	B	C
	Ticker	**Company name**	**Description**
1	NYSE:RRC	Range Resources Corporation	Range Resources Corporation operates as an independent natural gas, natural gas liquids (NGLs), crude oil, and condensate company in the United States. The company engages in the exploration, development, and acquisition of natural gas and crude oil properties located in the Appalachian region. It sells natural gas to utilities, marketing and midstream companies, and industrial users; NGLs to petrochemical end users, marketers/traders, and natural gas processors; and oil and condensate to crude oil processors, transporters, and refining and marketing companies. The company was formerly known as Lomak Petroleum Inc. and changed its name to Range Resources Corporation in August 1998. Range Resources Corporation was founded in 1976 and is headquartered in Fort Worth, Texas.
2	NYSE:CNX	CNX Resources Corporation	CNX Resources Corporation, an independent natural gas and midstream company, engages in the acquisition, exploration, development, and production of natural gas properties in the Appalachian Basin. The company operates in two segments, Shale and Coalbed Methane (CBM). It produces and sells pipeline quality natural gas primarily for gas wholesalers. The company owns rights to extract natural gas from shale properties in Pennsylvania, West Virginia, and Ohio, as well as rights to extract natural gas from other shale and shallow oil and gas formations in Illinois, Indiana, New York, and Virginia. It also owns rights to extract CBM in Virginia, West Virginia, Pennsylvania, Ohio, Illinois, Indiana, and New Mexico. In addition, the company designs, builds, and operates natural gas gathering systems to move gas from the wellhead to interstate pipelines or other local sales points; owns and operates approximately 2,600 miles of natural gas gathering pipelines, as well as various natural gas processing facilities. It also offers turn-key solutions for water sourcing, delivery, and disposal for its natural gas operations and for third parties. The company was formerly known as CONSOL Energy Inc. and changed its name to CNX Resources Corporation in November 2017. CNX Resources Corporation was founded in 1860 and is headquartered in Canonsburg, Pennsylvania.
3	TSX:HWX	Headwater Exploration Inc.	Headwater Exploration Inc. engages in the exploration, development, and production of petroleum and natural gas in Canada. It holds interest in the Marten Hills area located in Alberta, and McCully Field area located in New Brunswick. The company was formerly known as Corridor Resources Inc. and changed its name to Headwater Exploration Inc. in March 2020. Headwater Exploration Inc. incorporated in 1996 and is headquartered in Calgary, Canada.
4	TSX:PEA	Pieridae Energy Limited	Pieridae Energy Limited operates as an integrated midstream and upstream energy company in Canada. It develops, produces, and processes natural gas, natural gas liquids, condensate, and sulphur. The company is headquartered in Calgary, Canada.
5	NYSE:AR	Antero Resources Corporation	Antero Resources Corporation, an independent oil and natural gas company, engages in the development, production, exploration, and acquisition of natural gas, natural gas liquids (NGLs), and oil properties in the United States. It operates in three segments: Exploration and Development; Marketing; and Equity Method Investment in Antero Midstream. As of December 31, 2023, the company had approximately 515,000 net acres in the Appalachian Basin; and approximately 172,000 net acres in the Upper Devonian Shale. Its gathering and compression systems also comprise 631 miles of gas gathering pipelines in the Appalachian Basin. The company was formerly known as Antero Resources Appalachian Corporation and changed its name to Antero Resources Corporation in June 2013. Antero Resources Corporation was incorporated in 2002 and is headquartered in Denver, Colorado.
6	Nasdaqgs:CHK	Chesapeake Energy Corporation	Chesapeake Energy Corporation operates as an independent exploration and production company in the United States. It engages in acquisition, exploration, and development of properties to produce oil, natural gas, and natural gas liquids from underground reservoirs. The company holds interests in natural gas resource plays in the Marcellus Shale in the northern Appalachian Basin in Pennsylvania and the Haynesville/Bossier Shales in northwestern Louisiana. As of December 31, 2023, the company owns a portfolio of onshore U.S. unconventional natural gas assets, including interests in approximately 5,000 natural gas wells. Chesapeake Energy Corporation was founded in 1989 and is based in Oklahoma City, Oklahoma.
7	NYSE:CTRA	Coterra Energy Inc.	Coterra Energy Inc., an independent oil and gas company, engages in the development, exploration, and production of oil, natural gas, and natural gas liquids in the United States. The company's properties include the Marcellus Shale with approximately 186,000 net acres in the dry gas window of the play located in Susquehanna County, Pennsylvania; Permian Basin properties with approximately 296,000 net acres located in west Texas and southeast New Mexico; and Anadarko Basin properties with approximately 182,000 net acres located in Oklahoma. It also operates natural gas and saltwater gathering and disposal systems in Texas. The company sells its natural gas to industrial customers, local distribution companies, oil and gas marketers, major energy companies, pipeline companies, and power generation facilities. Coterra Energy Inc. was incorporated in 1989 and is headquartered in Houston, Texas.
8	TSX:PNE	Pine Cliff Energy Ltd.	Pine Cliff Energy Ltd. engages in the acquisition, exploration, development, and production of natural gas and crude oil in the Western Canadian Sedimentary Basin. The company primarily holds interest in oil and gas properties in the Viking and Ghost Pine area of Central Alberta, as well as in the Southern Alberta, Southern Saskatchewan, and Edson areas. The company was incorporated in 2004 and is based in Calgary, Canada.
9	TSX:QEC	Questerre Energy Corporation	Questerre Energy Corporation, an energy technology and innovation company, acquires, explores, and develops non-conventional oil and gas projects in Canada. It produces tight oil, oil shale, shale oil, and shale gas. The company primarily holds 40,320 acres located in Kakwa, Alberta, including 25% working interest in 10,080 acres in Kakwa Central; 50% working interest in 4,480 acres in Kakwa North; 50% interest in 22,040 acres in Kakwa West; and 50% interest in 3,840 acres in Kakwa South. It also has 100% working interest in 11,316 acres located in Antler, Saskatchewan; and oil shale assets in Jordan. The company was formerly known as Westpro Equipment Ltd. and changed its name to Questerre Energy Corporation in December 2000. The company was incorporated in 1971 and is headquartered in Calgary, Canada.

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Questerre Energy Corporation

Quantification of Alleged Economic Losses

Schedule 3 - 7.3

Scenario 3 - Economic loss incurred under the assumption of a breach of contract and illegal expropriation on both September 20, 2018 and August 23, 2022

As at August 31, 2022

(CAD thousands, unless otherwise stated)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
					Oil and gas assets										Indexed against Henry Hub spot price	
	Date	Deal type	Acquirer	Target company	Total acquisition cost	1P reserves	2P reserves	3P Reserves	Contingent and Prospective resources	Recoverable resources	Production	Gas weighting	$/Resource	$/daily production	$/Recoverable resources	$/daily production
1						Mmcfe	Mmcfe	Mmcfe	Mmcfe	Mmcfe H+I	Mcfe/d	%	$/Mcfe	$/Mcfe/d	$/Mcfe [1]	$/Mcfe/d [1]
2																
3																
4	4/30/2022	Property	Paramount Resources Ltd	Undisclosed Seller	$ 31,100	NA	NA	NA	NA	-	7,800	NA	NA	$ 3,987	NA	$ 5,683
5	4/1/2022	Corporate	Journey Energy Inc	Undisclosed Seller	13,180	NA	42,174	NA	NA	42,174	3,732	NA	0.31	3,532	0.56	6,341
6	11/30/2021	Corporate	InPlay Oil Corp	Prairie Storm Resources Corp	32,050	127,800	160,800	NA	NA	288,600	10,800	60.6%	0.11	2,968	0.43	6,401
7	8/19/2021	Corporate	Journey Energy Inc	Briko Energy Corp	4,722	13,512	17,544	NA	NA	31,056	3,660	NA	0.15	1,290	0.69	3,285
8	4/1/2021	Property	Northern Oil & Gas Inc, Arch Energy Partners, EQT	Reliance	250,000	856,338	NA	NA	NA	856,338	150,000	NA	0.29	1,667	NA	5,565
9	1/4/2021	Corporate	Whitecap Resources Inc	NAL Resources Ltd	118,366	326,490	411,042	NA	NA	737,532	162,000	64.9%	0.16	731	1.08	2,740
10	11/30/2020	Property	EQT	Chevron	735,000	1,399,998	NA	NA	NA	1,399,998	450,000	NA	0.53	1,633	NA	5,256
11	11/13/2020	Corporate	Southwestern Energy	Montage Resources	874,000	2,730,200	NA	NA	NA	2,730,200	551,700	NA	0.32	1,584	NA	7,535
12	10/23/2020	Property	OWS Acquisition Co LLC	Harvest Oil & Gas Corp	20,500	99,600	NA	NA	NA	99,600	29,300	NA	0.21	700	NA	3,832
13	9/4/2020	Property	i3 Energy Ltd	Gain Energy Ltd	59,082	NA	416,400	NA	NA	416,400	63,870	NA	0.14	925	0.77	5,011
14	7/31/2020	Property	National Fuel Gas	Shell	541,000	709,980	NA	NA	NA	709,980	250,000	NA	0.76	2,164	NA	11,787
15	5/26/2020	Property	Diversified Gas & Oil Plc	EQT	125,000	288,000	NA	NA	NA	288,000	54,000	NA	0.43	2,315	NA	13,199
16	1/22/2020	Acreage	Questerre Energy Corporation	REPSOL	16,100	NA	NA	NA	NA	-	-	NA	NA	NA	NA	NA
17	9/19/2019	Property	Diversified Gas & Oil Plc	EdgeMarc Energy Holdings LLC	50,000	156,000	NA	NA	NA	156,000	64,998	NA	0.32	769	NA	3,319
18	8/13/2019	Property	Tourmaline Oil Corp	Canadian Non-Operated Resources Corp	132,248	NA	372,000	NA	NA	372,000	33,600	NA	0.36	3,936	1.55	17,132
19	2/28/2019	Corporate	Eclipse Resources	Blue Ridge Mountain Resources Inc	345,900	452,136	NA	NA	NA	452,136	121,980	NA	0.77	2,836	NA	9,634
20	2/22/2019	Property	Clearview Resources Ltd	Undisclosed Seller	7,202	NA	NA	NA	NA	-	1,800	NA	NA	4,001	NA	14,238
21	1/31/2018	Property	Clearview Resources Ltd	Bashaw Oil Corp	2,750	NA	NA	NA	NA	-	660	NA	NA	4,167	NA	12,163
22	8/31/2018	Property	Ascent Resources Utica LLC	CNX Resources, Hess, Utica Minerals Development LLC, Salt Fork Resources LLC	1,500,000	1,099,980	NA	NA	NA	1,099,980	216,000	NA	1.36	6,944	NA	23,510
23																
24																
25	**Minimum**											**60.6%**	**$ 0.11**	**700**	**$ 0.43**	**$ 2,740**
26	**First quartile**											**61.7%**	**0.18**	**1,364**	**0.59**	**5,072**
27	**Average**											**62.7%**	**0.41**	**1,539**	**0.85**	**8,702**
28	**Median**											**62.7%**	**0.32**	**2,239**	**0.73**	**6,371**
29	**Adjusted average**											**NA**	**0.37**	**2,407**	**0.77**	**8,149**
30	**Third quartile**											**63.8%**	**0.48**	**3,835**	**1.00**	**12,069**
31	**Maximum**											**64.9%**	**1.36**	**6,944**	**1.55**	**23,510**
32																
33					Schedule 3 - 1.2	[2]	[2]	[2]	[2]	[2]	Schedule 3 - 7.1	[2]				
34	Proved reserves				$ 2,254,508	1,497,264	NA	NA	NA	1,497,264	598,534	100.0%	NA	$ 3,767	$ 1.51	$ 3,767
35	Probable reserves				1,268,380	NA	2,162,674	NA	NA	3,659,938	598,534	100.0%	NA	2,119	0.59	2,119
36	Possible reserves				744,332	NA	NA	2,353,357	NA	6,013,295	598,534	100.0%	NA	1,244	0.32	1,244
37	Contingent resources				114,871	NA	NA	NA	2,119,648	8,132,943	598,534	100.0%	NA	192	0.05	192
38	Prospective resources				129,761	NA	NA	NA	13,478,876	21,611,819	598,534	100.0%	NA	217	0.01	217
39																
40					Schedule 3 - 1.2	[2]	[2]	[2]	[2]	[2]	Schedule 3 - 7.1	[2]				
41	1P reserves				$ 2,254,508	1,497,264	NA	NA	NA	1,497,264	598,534	100.0%	$ 1.51	$ 3,767	$ 1.51	$ 3,767
42	2P reserves				3,522,887	1,497,264	2,162,674	NA	NA	3,659,938	598,534	100.0%	0.96	5,886	0.96	5,886
43	3P reserves				4,267,219	1,497,264	2,162,674	2,353,357	NA	6,013,295	598,534	100.0%	0.71	7,129	0.71	7,129
44	3P reserves plus contingent resources				4,382,091	1,497,264	2,162,674	2,353,357	2,119,648	8,132,943	598,534	100.0%	0.54	7,321	0.54	7,321
45	3P reserves plus contingent and prospective resources				4,511,852	1,497,264	2,162,674	2,353,357	13,478,876	21,611,819	598,534	100.0%	0.21	7,538	0.21	7,538
46	**Recoverable resources, before G&A**				**4,511,852**	**1,497,264**	**2,162,674**	**2,353,357**	**13,478,876**	**21,611,819**	**598,534**	**100.0%**	**0.21**	**$ 7,538**	**$ 0.21**	**$ 7,538**
47	**Recoverable resources, net of G&A**				**4,491,796**	**1,497,264**	**2,162,674**	**2,353,357**	**15,598,525**	**21,611,819**	**598,534**	**100.0%**	**0.21**	**$ 7,505**	**$ 0.21**	**$ 7,505**

Notes:

[1] To facilitate a like-for-like and meaningful comparison of the asset's implied multiples with those of the precedent transactions, we indexed the multiples observed for the precedent transactions against the Henry Hub spot pricing, as at the respective transaction closing dates.

[2] Values obtained from the GLJ Report. Slight differences between values in the GLJ Report and the recalculated values presented are attributable to rounding differences.

Source: Enverus.

Appendix A

Discounted Cash Flow Reserve Adjustment Factors (RAF) Detail

Discounted Cash Flow RAFs by Reserves Category (%)						
		P90	P50	Mean	P10	count
Proved reserves	Producing	90	100	96	100	47
	Shut in	75	85	85	98	45
	Behind pipe	67	80	79	90	45
	Undeveloped	33	60	59	82	47
Probable reserves	Producing	20	50	45	70	36
	Shut in	4	40	37	56	35
	Behind pipe	0	35	33	50	40
	Undeveloped	4	30	31	50	45
Possible reserves	Producing	0	20	23	50	33
	Shut in	0	10	17	30	32
	Behind pipe	0	10	17	30	36
	Undeveloped	0	10	13	30	42
Contingent resources	Producing	0	20	11	30	21
	Shut in	0	5	7	20	21
	Behind pipe	0	5	7	15	23
	Undeveloped	0	5	6	12	29
Prospective resources	Producing	N/A	N/A	N/A	N/A	N/A
	Shut in	N/A	N/A	N/A	N/A	N/A
	Behind pipe	N/A	N/A	N/A	N/A	N/A
	Undeveloped	0	5	2	5	26

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Appendix A

Risk Adjusted Discount Rates (RADR) Detail - Operated

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Operated RADRs by reserves category (% pa)					
	P90	P50	Mean	P10	Count
Proved developed producing reserves	9	10	13	15	31
Proved developed non-producing reserves	12	15	18	20	31
Proved undeveloped reserves	15	20	25	30	31
Probable reserves	20	29	27	39	24
Possible reserves	17	40	37	50	23



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