HIGHWOOD
ASSET MANAGEMENT LTD.

February 2024

Corporate Presentation

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This Presentation contains information regarding Highwood Asset Management Ltd. ("Highwood") and the acquisitions by Highwood (collectively, the "Acquisitions") of Boulder Energy Ltd. ("Brazeau"), Castlegate Energy Ltd. ("Castlegate") and Shale Petroleum Ltd. ("Shale") which closed on August 3, 2023.

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Specifically, this Presentation contains certain statements and information that are forward-looking statements or information within the meaning of applicable securities laws. See the "Forward-Looking Statements" disclaimer on slide 21 for more information. Additionally, this Presentation contains certain oil and gas information presented in accordance with generally accepted industry practices in Canada and National Instrument 51-101 — Standards of Disclosure for Oil and Gas Activities. See the "Oil and Gas Measures and Metrics" disclaimer on slide 22 for more information. Further, this Presentation contains certain specified financial measures that are not prepared in accordance with International Financial Reporting Standards. See the "Non-GAAP Financial Measures" disclaimer on slide 23 for more information.

Highwood Management Team

Joel MacLeod – *Executive Chairman*

Joel is a Chartered Accountant who currently owns ~32% (non-diluted) of Highwood's common shares and was the founding CEO in 2012. Mr. MacLeod brings a successful track record of generating significant shareholder returns (including Predator Oil, Predator Midstream, Battle River, Fireweed). Mr. MacLeod was the founding Chairman and CEO of both Tidewater Midstream Ltd. and Tidewater Renewables Ltd. where the consolidated entity grew from $0 to approximately $250 million of annualized EBITDA. Mr. MacLeod has over 20 years of oil and gas experience and has been involved in transactions totaling over $5 billion in value.

Greg Macdonald – *President & Chief Executive Officer*

Greg is a Professional Engineer with over 20 years of oil and gas experience in Canada and the U.S. Previously, Mr. Macdonald was the VP, Engineering of Tidewater Midstream & Infrastructure Ltd., a public oil & gas midstream company; prior thereto, Mr. Macdonald worked in various engineering roles at both private and public oil and gas companies.

Chris Allchorne – *Chief Financial Officer*

Chris is a Chartered Accountant with over 10 years of financial and management experience with public and private companies; previously, Mr. Allchorne was the Controller of Highwood, and prior to that Assurance Manager at Collins Barrow Calgary LLP.

Kelly McDonald – *Vice President Exploration*

Kelly is a Professional Geologist with over 28 years of oil and gas experience in Canada, US, and Australia. Previously, Mr. McDonald has been an officer of several oil and gas companies over the last 10 years and has been intricately involved in exploration and development of both conventional and unconventional assets and reservoirs in many basins.

Strong team focused on continuing to acquire, integrate and develop high quality conventional assets

Conventional Asset Consolidation Strategy

Generational Opportunity	▪ Acquired high quality, sustainable oil-weighted assets with significant inventory at attractive purchase multiples (2.2x EV/12-month Period Ending June 30, 2024 Field NOI, 0.8x PDP, 0.5x 1P)[1,2,3,4,5,6] ▪ Initial leverage of ~1.2x on 2024E EBITDA, spending ~60% of EBITDA to grow production > 25% while deleveraging by 0.4x by year-end 2024[1,2,3,4] – Significant credit support with traditional low cost $100 million RBC/ATB led RBL ▪ **Team executing extremely well with current production > 5000 boe/d and one of few companies planning for 25% annual growth combined with 25% debt reduction**
Attractive Shareholder Economics	▪ Company expected to generate 25% free cash flow yields[1,2,3] – $88 million of debt (incl. deferred acquisition payments) repaid in <3 years while growing production to ~5 Mboe/d ▪ Ability to redeploy free cash flow with meaningful inventory at >100% IRRs[2,3] ▪ Expect to evaluate return of capital to shareholders in 18–24 months
Highwood Team	▪ Experienced management team with track record of successful transactions ▪ High degree of alignment with management owning ~35% of Highwood's common shares (and total insider ownership in excess of 50%) ▪ Deep technical expertise, including multi-lateral development, with ~75 years of combined experience
Highwood Plan	▪ Expected to continue to acquire high quality oil assets and execute on organic development to grow beyond 30,000 boe/d in the medium term

Highwood has assembled a portfolio of high-quality assets to lay the foundation to create shareholder value

Highwood Asset Management[1]

Market Summary

Ticker Symbol	TSXV: HAM
Current Shares Outstanding[2]	15.1 million

Estimates[4,5]

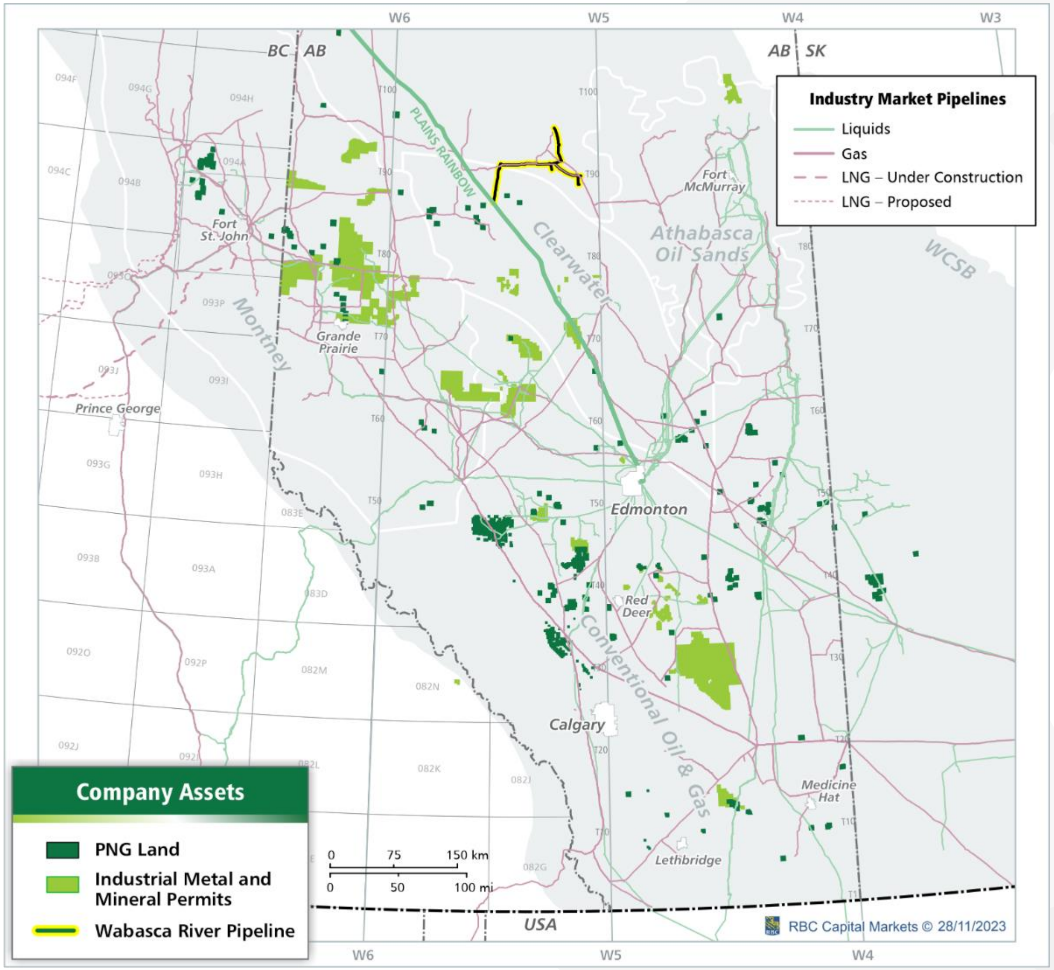
Operating Metrics		12-Month Period Ending June 30, 2024	2024E
Production	(Mboe/d)	4.7	5.2
Liquids	(%)	76%	78%
Adjusted EBITDA[3]	($MM)	$62	$72
CAPEX[3]	($MM)	($38)	($40)
Free Cash Flow[3]	($MM)	$18	$23

Oil Weighted Reserves[6]	Volume	RLI[7]	NPV10
	MMboe	#	$MM
PDP Reserves	12.9	~8	$186
1P Reserves	23.9	~14	$295
2P Reserves	41.4	~24	$516

		Booked	Unbooked	Total[9]
Inventory Locations (Net)[8]	(#)	72	63	135
		Multi Lateral	Frac	Total[9]
Locations by Type (Net)[8]	(#)	60	75	135

Midstream Assets	Cash flow of $2.5 - $3.5 million annually
Emerging Portfolio Assets	Over 3.8 million acres of industrial metal and mineral permits across Alberta & British Columbia

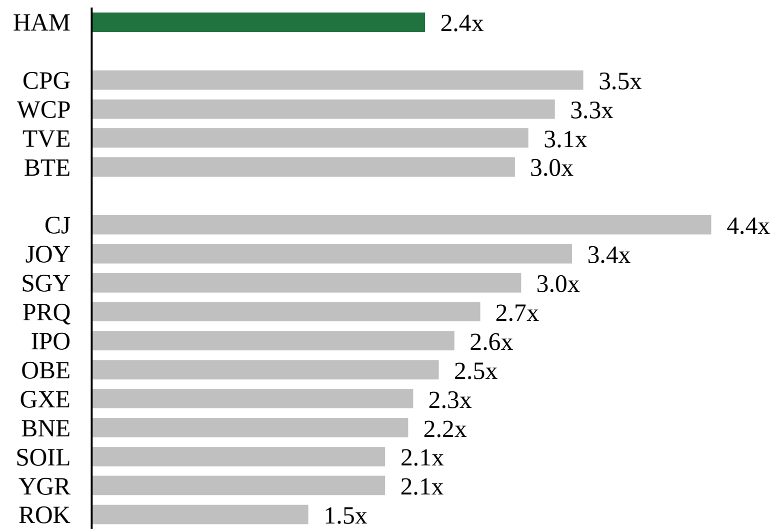
Asset Portfolio



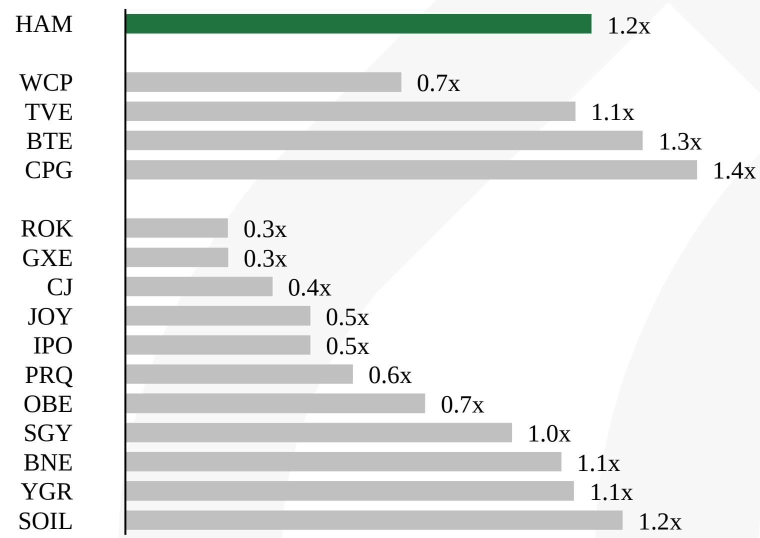
Highwood has assembled a meaningful conventional oil footprint

Peer Benchmarking[1,2,3] - Exceptional Forecasted Total Returns

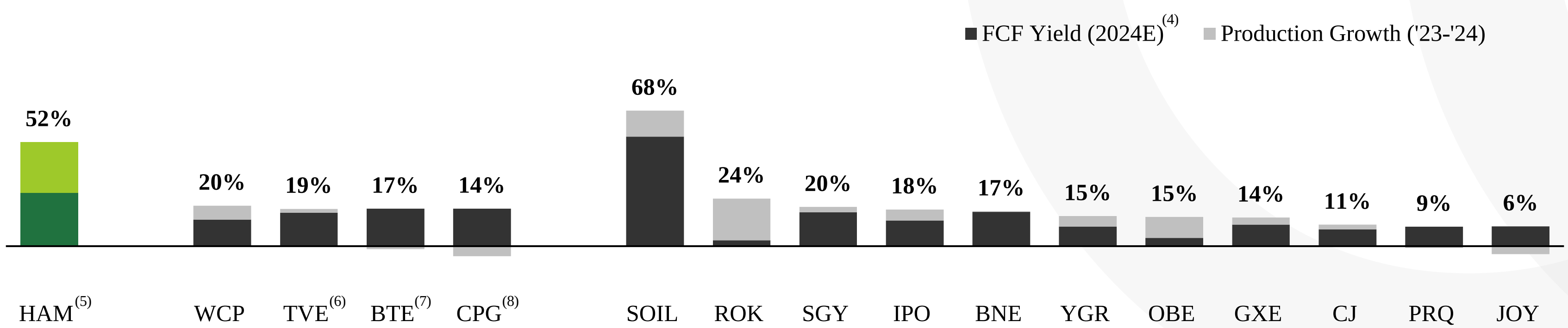
EV / 2024E EBITDA *(x)*



Current Net Debt / 2024E EBITDA *(x)*



Illustrative Implied Total Return



Highwood has a differentiated total return proposition

Key Investment Highlights[1]

Significant free cash flow generation potential at a range of commodity prices
- Low sustaining capital and capital efficiency drives free cash flow conversion at strip pricing
- Self-funded growth plan on strip pricing with further upside potential on rising oil prices

High netback oil-weighted assets with low capital efficiency
- Ability to hold production flat for >10 years of high confidence drilling inventory
- 135 net inventory locations provide significant running room for development of assets[7]

Prudent use of leverage has material impact to driving outsized equity returns
- Acquired assets near all-time low cash flow multiples supported by traditional Canadian credit facility
- Initial leverage of ~1.2x is expected to be reduced to ~0.9x while growing production to >5Mboe/d[2,4,6]

Downside protected with low WTI free cash flow breakeven and commodity hedges
- 2024E WTI corporate FCF breakeven of ~US$44/bbl including interest and growth capital[3]
- 65% net after royalty PDP production expected to insulate Highwood from downside commodity environment

Committed management team with track record of creating value for shareholders
- Management ownership ~35%
- Deep technical expertise, including multi-lateral development, with ~75 years of combined experience

~$342 million of tax pools (~$113 million immediately deductible)[5]
- Tax horizon of >3 years at US$70/bbl WTI[2]
- Ability to increase pools with follow-on tuck in acquisitions

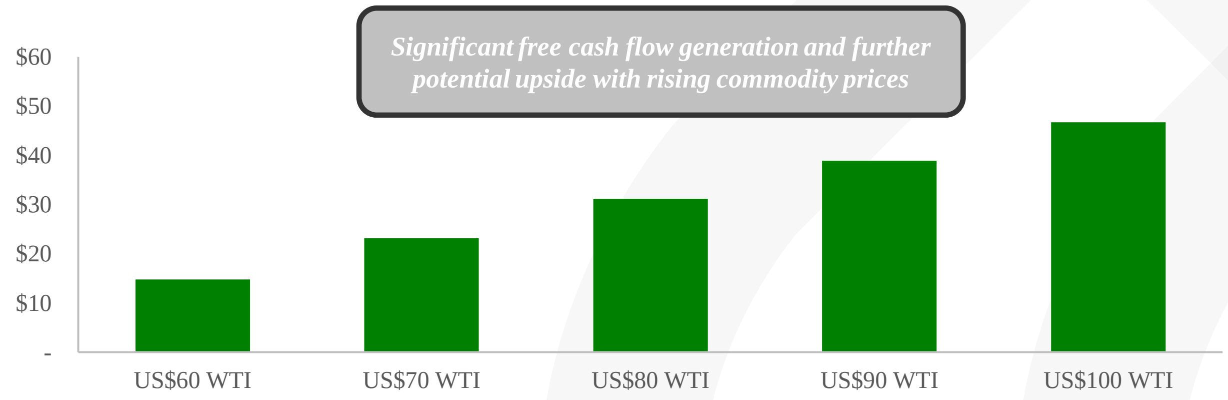
One of few companies planning for 25% annual production growth while reducing debt by 25%

High Netback, Sustainable Oil Production[1]

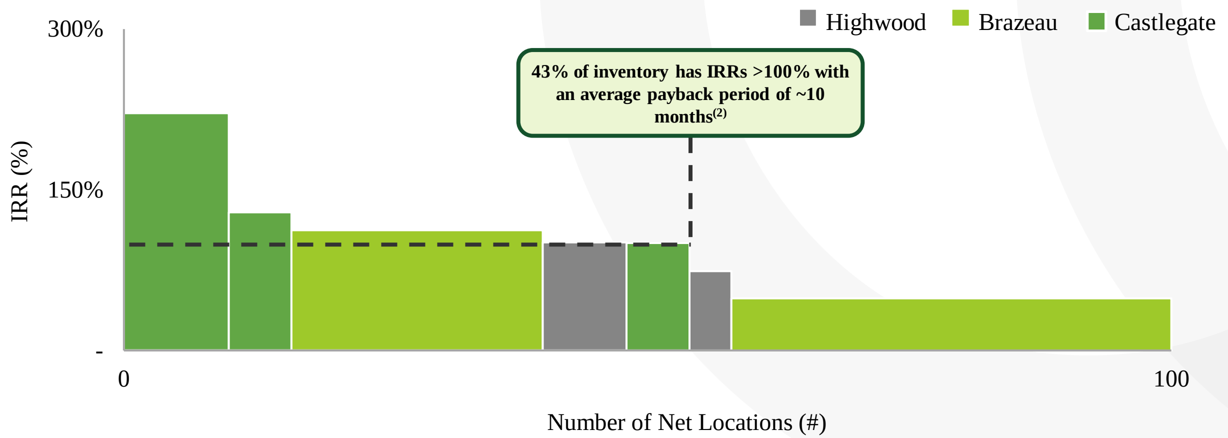
Highlights

- **Meaningful production and high confidence booked and unbooked drilling locations to support future development**
  - 2024E production of ~5.2 Mboe/d production (78% liquids)
  - Current production of > 5.0 Mboe/d (~78% liquids) and outperforming previous forecast
- **Expected to generate free cash flow at a range of commodity prices**
  - 2024E Field NOI of ~$78 million[2,4]
  - 2024E WTI corporate FCF breakeven of ~US$44/bbl including interest and growth capital[3,4]
- **PDP Reserves of $186 million[5]**
- **135 net drilling locations[6]**
  - Ability to hold production flat for >10 years of high confidence drilling inventory
  - ~11 net wells drilled in 2024E

2024E Free Cash Flow Sensitivity *($ millions)*[2,3,4]



Portfolio Inventory *(Flat US$70 WTI)*[2,5,7]



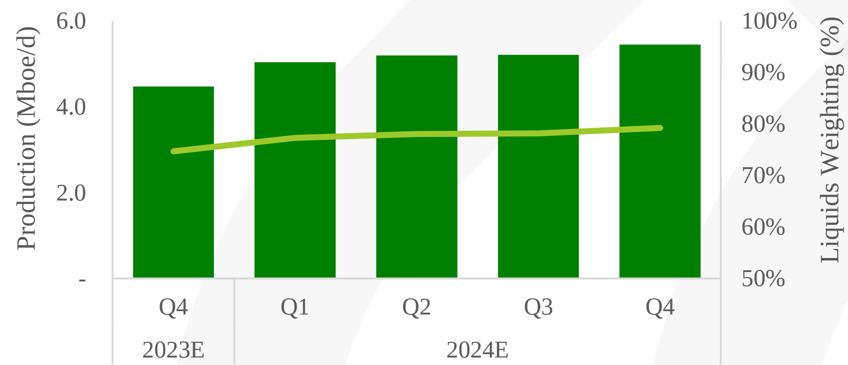
Ability to generate free cash flow with depth of inventory to hold production flat for >10 years

Downside Protection with Further Upside Potential to Rising Prices[1]

Highlights

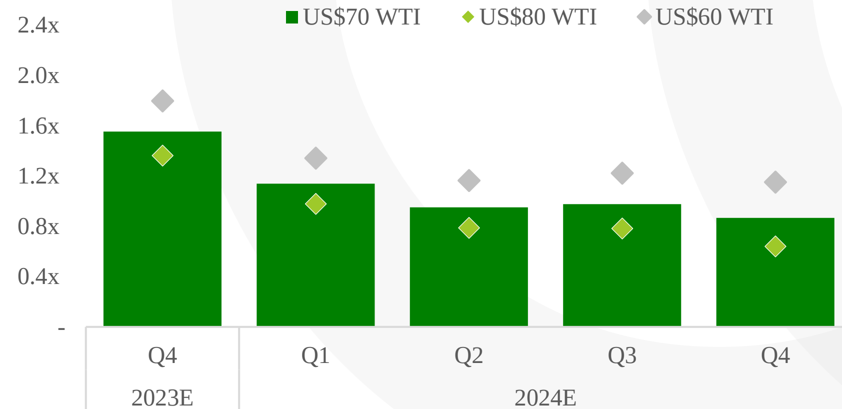
- Production forecast supported by high confidence booked and unbooked drilling locations to support future development
  - 2024E production of ~5.2 Mboe/d production (78% liquids)
  - Current production of > 5.0 Mboe/d (~78% liquids) and outperforming previous forecast
- Prudent use of leverage to acquire high quality assets
  - Balance sheet rapidly de-levers through free cash flow generation and production growth

Illustrative Production Forecast *(Mboe/d)*



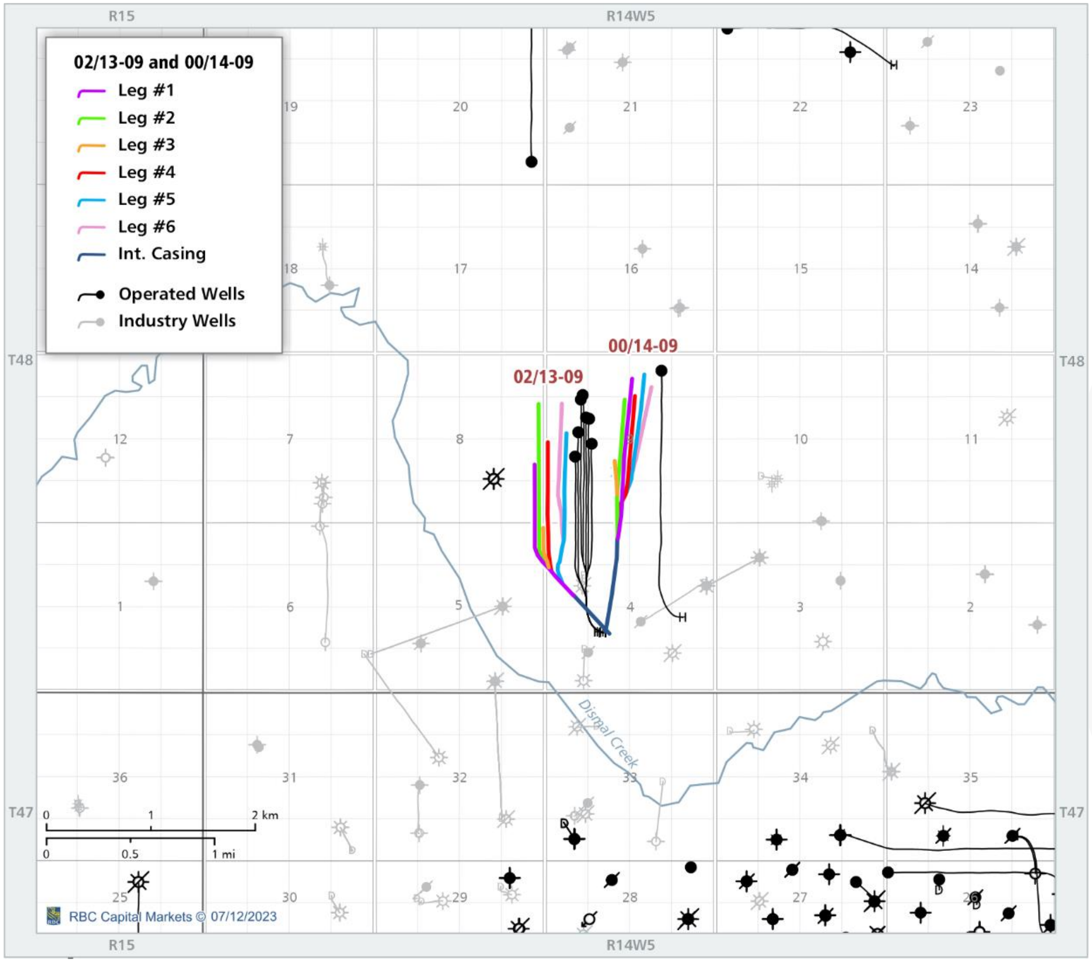
Net Debt Forecast *($ millions)*[2,3]

Net Debt / LQA EBITDA Forecast[2,3]



Free cash flow profile expected to drive rapid deleveraging at a range of commodity prices

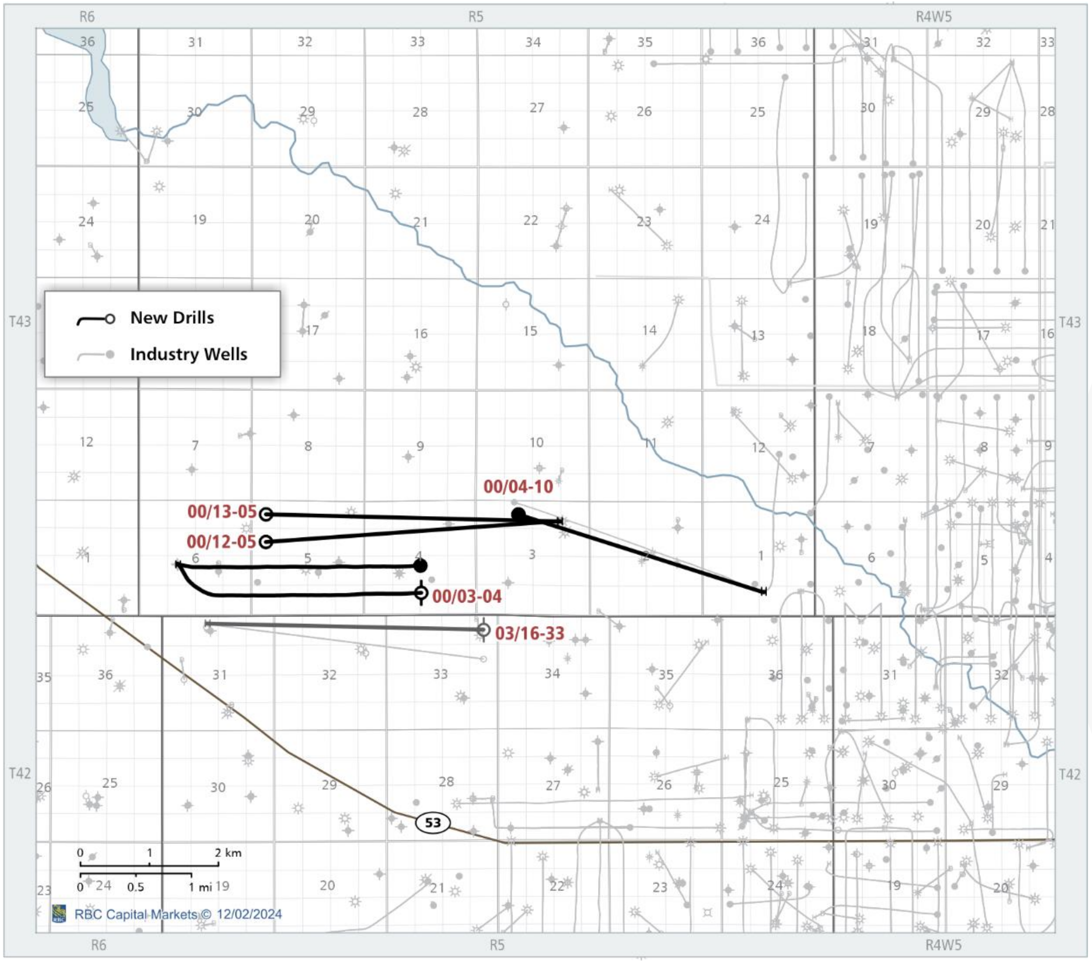
Brazeau – Operational Update



- **On September 16, 2023,** Highwood commenced its drilling program spudding the 102/13-09-048-14W5 MLOH well (the "13-09 well") at Brazeau, which offsets the 12-09-048-14W5 MLOH well
  - After ~90 days of production, the 13-09 well has averaged approximately 275 bbls/d of light oil which is in line with the projected type curve for this well
- **On October 21, 2023,** the Company spud a second MLOH well at Brazeau 14-09-048-14W5 (the "14-09 well"), with the rig being released on November 19, 2023
  - The 14-09 well has been producing for ~60 days and also continues to deliver on type curve expectations
- Total capital costs for the 13-09 well and the 14-09 well was in line with the projected type curve forecast for these wells
- High netback light oil production with 45 day cycle times

Strong initial results at Brazeau with wells producing in line with type curve expectations and on budget

Wilson Creek – Operational Update



- **On November 21, 2023,** Highwood spud a third well, 04-10-043-05W5 (the "04-10 well") at Wilson Creek
  - The 04-10 well has averaged total production of ~450 boe/d over the past 7 days, above the projected type curve for this well
- **On January 27, 2024,** Highwood brought its second Wilson Creek well online, the 100/03-04-043-05W5 (the "03-04 well")
  - This well directly offsets the successful 102/06-04-043-05W5 well that achieved payout in under six months
  - The well has produced ~1,000 bbl/d of light oil, and total production >1,300 boe/d over the past 7 days
- Strong production rates have more than offset increased frac intensity, which has resulted in capital costs 30-40% higher than initially projected
- New 2024 wells at 03/16-33, 00/12-05 and 00/13-05 offset to 02/06-04 well
- Light sweet oil with ~45 day cycle times

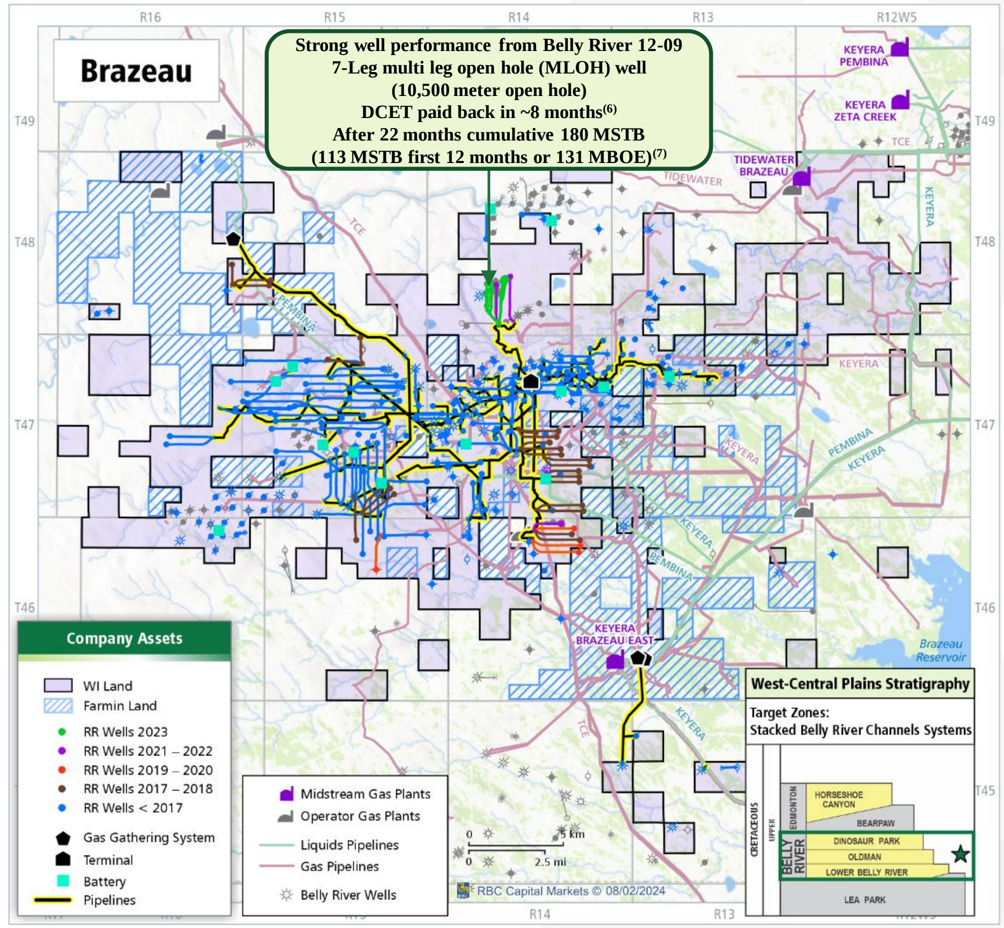
New wells drilled at Wilson Creek directly offsets the existing 102/06-04 well which achieved payout in under six months

Overview of Brazeau – Multi Lateral Development

Highlights
(12-month period ending June 30, 2024)

Production	Production	*boe/d*	2,700
	Liquids Weighting	*%*	74%
Financial[1,2]	Field Cash Flow	*$/boe*	$34.91
	Sustaining Breakeven[4]	*US$/bbl*	$41
	Asset Free Cash Flow	*$MM*	$17
Reserves[3]	PDP	*MMboe*	10.3
	1P	*MMboe*	18.5
	2P	*MMboe*	26.4
Inventory[5]	Booked (net)	*#*	47
	Unbooked (net)	*#*	19

Asset Map



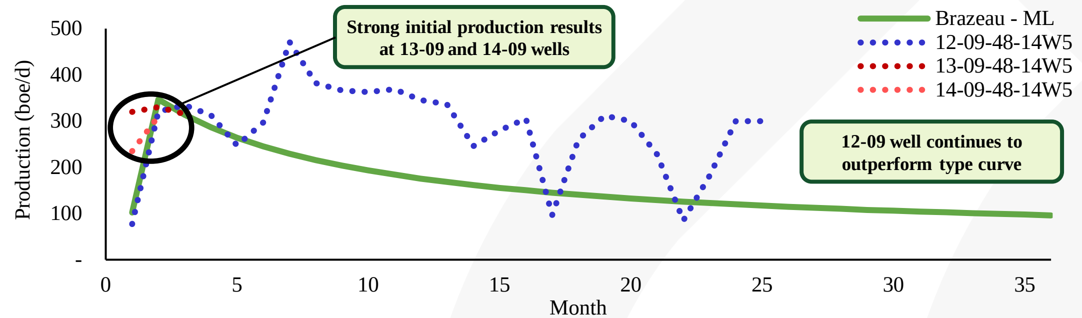
Oil-weighted production with potential to generate free cash flow and meaningful depth of inventory

Overview of Brazeau (Continued)

Highlights

- **Purchase Price of $98 million for Brazeau Assets from West Lake Resources**
  - Established oil-weighted assets producing ~2,700 boe/d (74% liquids) on an NTM basis
- **High quality, low capital-intensive asset with inventory in place to grow**
  - 2024E Field NOI of ~$41 million[1,4]
  - 2024E WTI sustaining free cash flow breakeven of US$41/bbl[3,4]
- **PDP Reserves of $116 million[5]**
- **Tax pools in excess of $290 million, including non-capital losses in excess of $80 million[6]**

Type Curve Overview[7]



Illustrative Well Economics *(Flat US$70 WTI)*[1,2]

		Brazeau - Multi-Lateral
DCET	*$MM*	$4.0
IP30	*boe/d*	343
EUR	*Mboe*	311
BT IRR[3]	*%*	112%
Payback Period	*Months*	11.0
NPV10	*$MM*	$4.8
Capital Efficiency	*$/boe/d*	$19,931
F&D	*$/boe*	$12.87
12 Month Average Netback	*$/boe*	$57.17
Recycle Ratio	*x*	4.4x

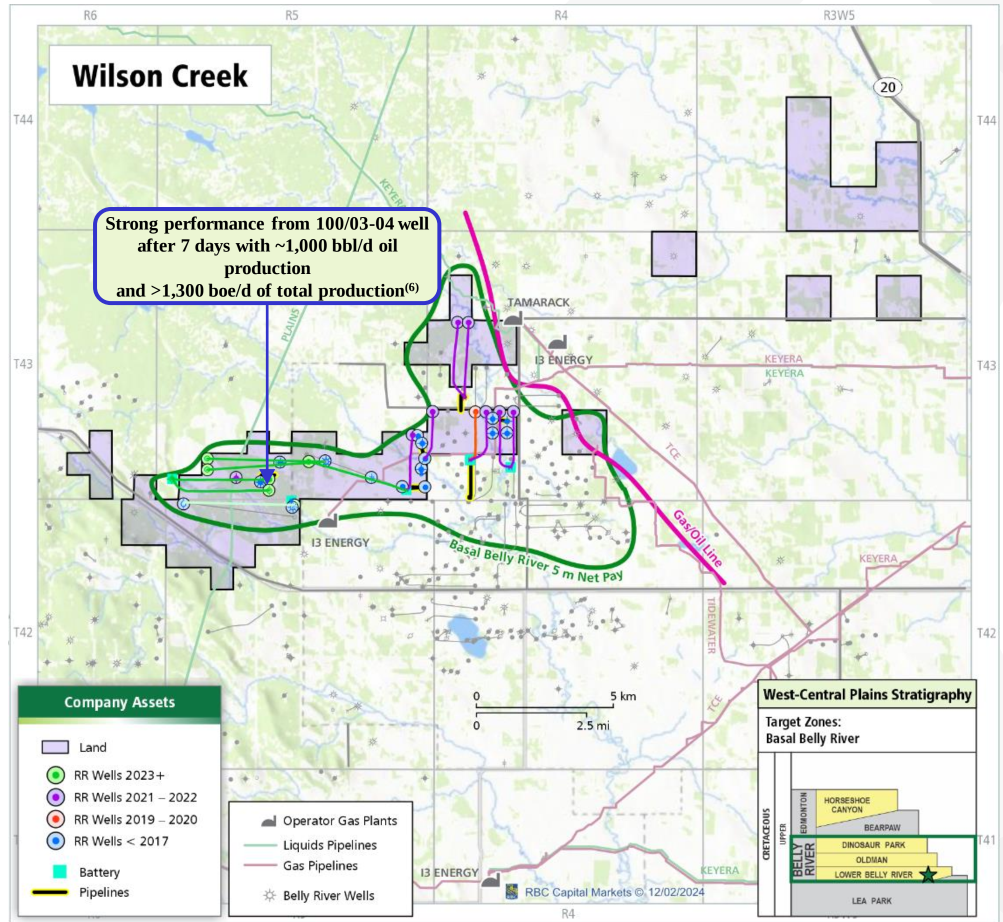
Low decline, high netback oil-weighted assets that are expected to deliver strong returns and ~12-month payback periods

Overview of Wilson Creek

Highlights
(12-month Period Ending June 30, 2024)

Production	Production	*boe/d*	1,400
	Liquids Weighting	*%*	85%
Financial[1,2]	Field Cash Flow	*$/boe*	$54.66
	Sustaining Breakeven[4]	*US$/bbl*	$34
	Asset Free Cash Flow	*$MM*	$17
Reserves[3]	PDP	*MMboe*	1.3
	1P	*MMboe*	1.8
	2P	*MMboe*	4.2
Inventory[5]	Booked (net)	*#*	11
	Unbooked (net)	*#*	11

Asset Map



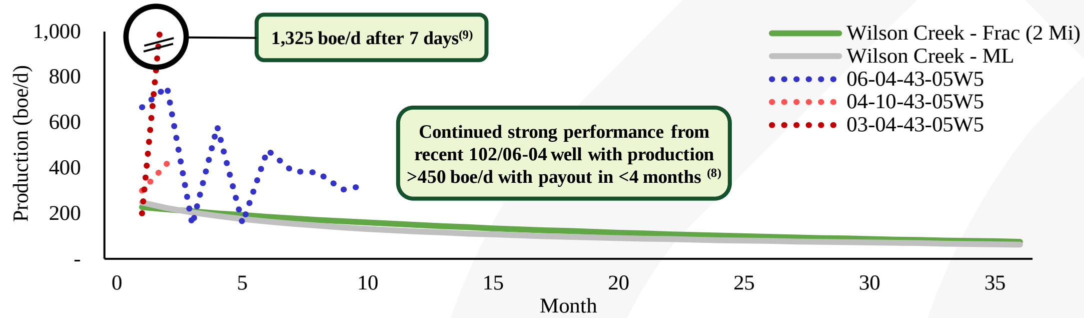
Attractive netbacks underpinned by a low breakeven and free cash flow generating capabilities

Overview of Wilson Creek (Continued)

Highlights

- **Purchase Price of ~$34 million for Belly River Assets in the Wilson Creek area of Alberta in a corporate transaction[1]**
  - Established oil-weighted assets producing ~1,400 boe/d (85% liquids) on an NTM basis
- **High quality oil asset with low recovery factors and further potential upside with rising commodity prices**
  - 2024E Field NOI of ~$31 million[3,5]
  - 2024E WTI sustaining free cash flow breakeven of US$34/bbl[4,5]
- **PDP Reserves of $40 million[6]**
- **Future consolidation opportunities in the Gilby/Wilson fairway**

Type Curve Overview[7]



Illustrative Well Economics *(Flat US$70 WTI)*[2,3]

		Wilson Creek – Frac (2 Mi)	Wilson Creek - Multi-Lateral
DCET	*$MM*	$3.7	$2.9
IP30	*boe/d*	225	245
EUR	*Mboe*	328	214
BT IRR[3]	*%*	129%	222%
BT Payback Period	*months*	11.0	8.0
NPV10	*$MM*	$6.8	$5.6
Capital Efficiency	*$/boe/d*	$24,395	$20,452
F&D	*$/boe*	$11.39	$13.40
12 Month Average Netback	*$/boe*	$62.48	$60.09
Recycle Ratio	*x*	5.5x	4.5x

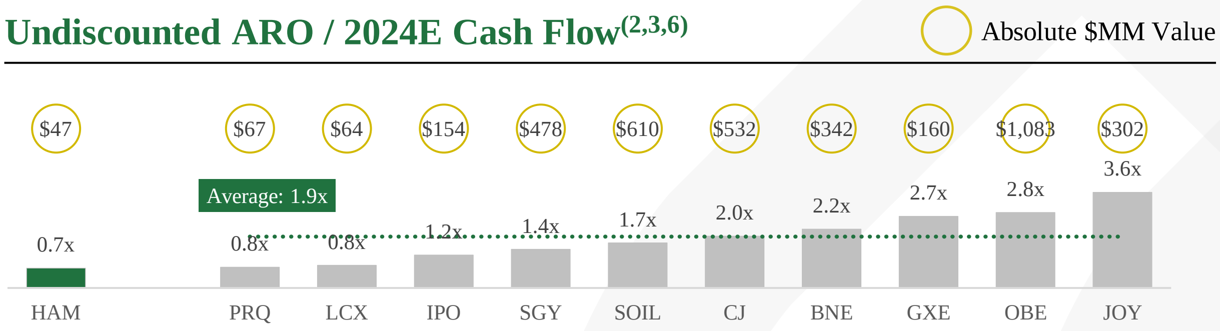
High netback oil-weighted assets with attractive recycle ratios and payback periods

Tax Pools and Liability Positioning[1]

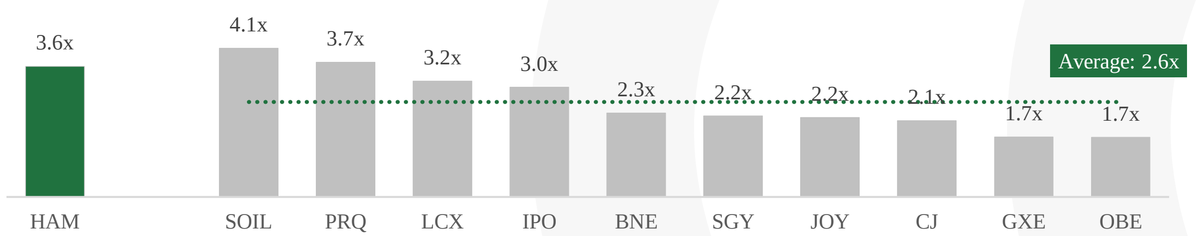
Highlights

- **Illustrative liabilities and tax pools benchmark attractive relative to peers**
  - Peer estimates assume consensus estimates
- **Undiscounted ARO / 2024E Cash Flow of 0.7x vs. peer average of 1.9x[2,3,6]**
- **Liability management rating (LMR) of >3x vs. peer average of 2.6x[4]**
- **Tax pools with potential to shelter near-term cash flow generation and accelerate growth**
  - ~$113 million of immediately deductible tax pools[5]

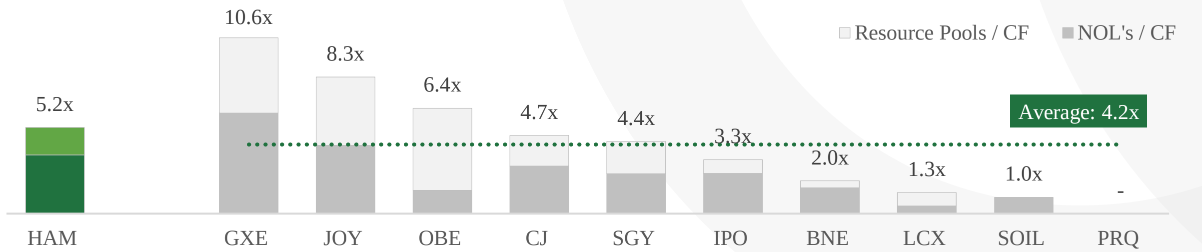
Undiscounted ARO / 2024E Cash Flow[2,3,6]



LMR[4]



Tax Pools / 2024E Cash Flow[2,5]



Clean asset base with minimal asset retirement obligations and meaningful tax pools

Corporate Information

Management and Board of Directors

Management	Position
Joel MacLeod, CA	Executive Chairman
Greg Macdonald, P.Eng.	President & CEO, Director
Chris Allchorne, CA	CFO
Kelly McDonald, P.Geol.	VP, Exploration

Board Member	Position
Steve Holyoake, P.Eng.	Director
David Gardner	Director
Garrett Ulmer, P.Eng.	Director
Ryan Mooney, P.Eng., CFA	Director

Corporate Partnerships

Reserve Engineers	GLJ Petroleum Consultants Ltd.
Auditors	RSM Canada LLP
Counsel	DLA Piper (Canada) LLP

Contact Information

Contact Information	Main: (403) 719-0499 Fax: (587) 296-4916
Address	Suite 500, 600 3rd Avenue SW Calgary, AB T2P 0G5

Notes

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1. All disclosure assumes that each of the Acquisitions were completed effective July 1, 2023 rather than on the actual closing date of the Acquisitions (August 3, 2023). See "Forward-Looking Statements" disclaimer.
2. Free Cash Flow Yield 2024E; Price Deck for management estimates: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD. Based on HAM management projections and not IQRE forecasts.
3. See "Non-GAAP Financial Measures" disclaimer.
4. Leverage calculated as net debt divided by 2024E Adjusted EBITDA. See "Non-GAAP Financial Measures" disclaimer.
5. All reserve figures based on the Reports (as defined in "Oil and Gas Measures and Metrics" disclaimer) for the respective Acquisitions; See "Oil and Gas Measures and Metrics" disclaimer.
6. EV = purchase price for each of the respective Acquisitions.

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1. All disclosure assumes that each of the Acquisitions were completed effective July 1, 2023 rather than on the actual closing date of the Acquisitions (August 3, 2023). See "Forward-Looking Statements" disclaimer.
2. Includes fully diluted shares outstanding as at September 11, 2023.
3. See "Non-GAAP Financial Measures" disclaimer.
4. Price Deck for management estimates: Actuals and Strip Pricing as at June 23, 2023 through Q2'23; Thereafter: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD. Based on HAM management projections and not IQRE forecasts.
5. Cash flow figures include illustrative hedges for total of 65% of net after royalty PDP production.
6. All reserve figures based on the Reports (as defined in "Oil and Gas Measures and Metrics" disclaimer) for the respective Acquisitions; See "Oil and Gas Measures and Metrics" disclaimer.
7. RLI calculated as the amount of relevant reserves category divided by total estimated estimated production during the 12-month period ending June 30, 2024 as at Q3 2023E; See "Oil and Gas Measures and Metrics Disclaimer".
8. Includes booked and unbooked locations; booked locations based on the Reports for the respective Acquisitions, unbooked locations estimated by Highwood management. See "Oil and Gas Measures and Metrics" disclaimer.
9. Figures may not add due to rounding.

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1. Peer estimates as per FactSet Consensus as at February 9, 2024
2. All pro forma disclosure assumes that each of the proposed Acquisitions are completed effective July 1, 2023. See "Forward-Looking Statements" disclaimer. HAM management estimates on the following price deck: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
3. See "Non-GAAP Financial Measures" disclaimer.
4. Free Cash Flow yield calculated as 2024E Free Cash Flow divided by market capitalization
5. HAM 2023E production of ~4.1 Mboe/d assumes that each of the Acquisitions were completed effective Jan 1, 2023. See "Forward-Looking Statements" disclaimer.
6. TVE 2023E production reflected to normalize for impact of Cardium divestiture of ~6.0Mboe/d in 2023E
7. BTE 2023E production adjusted to reflect standalone consensus estimates as at February 24, 2023 of 87.1 Mboe/d for Baytex plus estimated Ranger NTM production at closing of 68.5 Mboe/d for total estimated 2023E production of 155.6 Mboe/d
8. CPG 2023E production adjusted for the acquisition of Spartan Delta, the North Dakota divestiture and the acquisition of Hammerhead Resources for total 2023E production of 213.0 Mboe/d

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1. All disclosure assumes that each of the Acquisitions were completed effective July 1, 2023 rather than on the actual closing date of the Acquisitions (August 3, 2023). See "Forward-Looking Statements" disclaimer.
2. Price Deck for management estimates: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
3. Illustrative hedges for total of 65% of net after royalty PDP production. See "Non-GAAP Financial Measures" disclaimer.
4. Cash flow figures include illustrative hedges for total of 65% of net after royalty PDP production.
5. Tax pools as at December 31, 2021; immediately deductible pools include Net Operating Losses and Canadian Exploration Expenses.
6. Leverage calculated as Net Debt / 2024E EBITDA. See "Non-GAAP Financial Measures" disclaimer.
7. Includes 72 booked and 63 unbooked locations; booked locations based on the Reports for the respective Acquisitions, unbooked locations estimated by Highwood management. See "Oil and Gas Measures and Metrics" disclaimer.

Notes

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1. All pro forma disclosure assumes that each of the proposed Acquisitions are completed effective July 1, 2023. See "Forward-Looking Statements" disclaimer.
2. Price Deck for management estimates: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; AECO: C$2.75/GJ; FX: 0.74 CAD/USD; MSW Diff: US$3.50/bbl.
3. Cash flow figures assume all proposed Acquisitions are completed and include illustrative hedges for total of 65% of net after royalty PDP production.
4. See "Non-GAAP Financial Measures" disclaimer.
5. All reserve figures based on the Reports (as defined in "Oil and Gas Measures and Metrics" disclaimer) for the respective Acquisitions; See "Oil and Gas Measures and Metrics" disclaimer.
6. Includes booked and unbooked locations; booked locations based on the Reports for the respective Acquisitions, unbooked locations estimated by Highwood management. See "Oil and Gas Measures and Metrics" disclaimer.
7. Excludes 9 total net locations from Shale and 26 total net locations from Highwood; See "Oil and Gas Measures and Metrics" disclaimer.

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1. All disclosure assumes that each of the Acquisitions were completed effective July 1, 2023 rather than on the actual closing date of the Acquisitions (August 3, 2023). See "Forward-Looking Statements" disclaimer.
2. Price Deck for management estimates: Actuals and Strip Pricing as at June 23, 2023 through Q2'23; Thereafter: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
3. Cash flow figures include illustrative hedges for total of 65% of net after royalty PDP production. See "Non-GAAP Financial Measures" disclaimer.

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1. Price Deck for management estimates: Actuals and Strip Pricing as at June 23, 2023 through Q2'23; Thereafter: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
2. See "Non-GAAP Financial Measures" disclaimer.
3. All reserve figures based on the Brazeau Report (as defined in "Oil and Gas Measures and Metrics" disclaimer); See "Oil and Gas Measures and Metrics" disclaimer.
4. 2024E sustaining breakeven assuming production held flat at ~2,500 boe/d and DCET capital costs of ~$4 million.
5. Booked locations as per Brazeau Report, unbooked locations estimated by management; See "Oil and Gas Measures and Metrics" disclaimer.
6. Based on actual production data; Price Deck: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
7. MSTB = Thousand Stock Tank Barrels; See "Forward-Looking Statements" disclaimer.

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1. Price Deck for management estimates: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
2. See "Oil and Gas Measures and Metrics" disclaimer.
3. 2024E sustaining breakeven assuming production held flat at ~2,500 boe/d and DCET capital costs of ~$4 million.
4. See "Non-GAAP Financial Measures" disclaimer.
5. All reserve figures based on the Brazeau Report (as defined in "Oil and Gas Measures and Metrics" disclaimer); See "Oil and Gas Measures and Metrics" disclaimer.
6. Tax pools as at December 31, 2021.
7. Brazeau type curve estimated by Highwood management team as of April 1, 2023. The information presented in the type curve has not been independently evaluated, audited or reviewed and is based on historical data, extrapolations therefrom and management's professional judgement, which involves a high degree of subjectivity. For these reasons, actual production volumes may differ from our estimates herein and the differences could be significant. See "Oil and Gas Measures and Metrics" disclaimer.

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1. Price Deck for management estimates: Actuals and Strip Pricing as at June 23, 2023 through Q2'23; Thereafter: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
2. See "Non-GAAP Financial Measures" disclaimer.
3. All reserve figures based on the Castlegate Report (as defined in "Oil and Gas Measures and Metrics" disclaimer); See "Oil and Gas Measures and Metrics" disclaimer.
4. 2024E sustaining breakeven assuming production held flat at ~1,000 boe/d and DCET capital costs of ~$3 million.
5. Booked locations as per Castlegate Report, unbooked locations estimated by management; See "Oil and Gas Measures and Metrics" disclaimer.
6. See "Oil and Gas Measures and Metrics" disclaimer.

Notes

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1. The purchase price for the Castlegate Acquisition is $36.7 million (plus a payment for $4.2 million of working capital) with the Company assuming $7.2 million of working capital on closing of such Acquisition, resulting in a net purchase price of approximately $34 million.
2. See "Oil and Gas Measures and Metrics" disclaimer.
3. Price Deck for management estimates: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
4. 2024E sustaining breakeven assuming production held flat at ~1,000 boe/d and DCET capital costs of ~$3 million.
5. See "Non-GAAP Financial Measures" disclaimer.
6. All reserve figures based on the Castlegate Report (as defined in "Oil and Gas Measures and Metrics" disclaimer); See "Oil and Gas Measures and Metrics" disclaimer. Based on working interest reserves of the Castlegate Business before deduction of royalties and without including any royalty interest reserves.
7. Wilson Creek – ML type curve estimated by Highwood management team as of April 1, 2023. The information presented in the ML type curve has not been independently evaluated, audited or reviewed and is based on historical data, extrapolations therefrom and management's professional judgement, which involves a high degree of subjectivity. For these reasons, actual production volumes may differ from our estimates herein and the differences could be significant; Wilson Creek – Frac (2 Mi) utilized from Castlegate Report. See "Oil and Gas Measures and Metrics" disclaimer.
8. Production figures based on average production >50 days and payback assumes 100% run-time; See "Oil and Gas Measures and Metrics" disclaimer.
9. See "Oil and Gas Measures and Metrics" disclaimer.

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1. All disclosure assumes that each of the Acquisitions were completed effective July 1, 2023 rather than on the actual closing date of the Acquisitions (August 3, 2023). See "Forward-Looking Statements" disclaimer.
2. Peer cash flow estimates as per FactSet Consensus as at June 23, 2023; HAM management estimates on the following price deck: WTI: US$70.00/bbl; WCS Diff: US$14.00/bbl; MSW Diff: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.
3. ARO as per XI Assetbook and corporate disclosures.
4. Peers LMR as per XI Assetbook.
5. Tax pools as at December 31, 2021; immediately deductible pools include Net Operating Losses and Canadian Exploration Expenses.
6. Undiscounted ARO = working interest abandonment and reclamation expenses; See "Non-GAAP Financial Measures" disclaimer.

Disclaimer – Forward-Looking Statements

This Presentation contains certain statements and information, including forward-looking statements within the meaning of the "safe harbor" provisions of applicable securities laws, and which are collectively referred to herein as "forward-looking statements". The forward-looking statements contained in this Presentation are based on Highwood's current expectations, estimates, projections and assumptions in light of its experience and its perception of historical trends. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect" and similar expressions, as they relate to Highwood or the Acquisitions, are intended to identify forward-looking statements.

In particular, this Presentation contains forward-looking statements, including certain financial outlooks, pertaining to, without limitation, the following: expectations about industry activities and development opportunities, including general market conditions for 2023 and thereafter; expectations regarding the Acquisitions, including the anticipated synergies and benefits thereof; expectations regarding Highwood's financial and operational performance, including anticipated reserves volumes and production forecasts; Highwood's medium-term growth plan and expectations regarding the future share ownership of Highwood insiders.

The forward-looking statements are based on certain assumptions that Highwood has made in respect thereof as at the date of this Presentation regarding, among other things: completion of each of the Acquisitions on the terms and within the timeline described in this Presentation; that the anticipated benefits of the Acquisitions can be achieved in the manner expected by Highwood; prevailing commodity prices and the availability and cost of capital to fund future capital requirements and future operating costs.

Although Highwood believes the expectations and material factors and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties that could cause actual events or results to differ materially, including, but not limited to: the failure to complete one or more of the Acquisitions, or that one or more of the Acquisitions will be completed on terms materially different from the terms described in this Presentation; the inability to realize the anticipated benefits, results and/or synergies of the Acquisitions; commodity price volatility and adverse general economic, political and market conditions. This list of risk factors should not be construed as exhaustive.

Readers are cautioned not to place undue reliance on such forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur and the predictions, forecasts, projections and other forward-looking statements may not occur, which may cause Highwood's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by this Presentation.

Management of Highwood approved the financial outlook contained in this Presentation on July 5, 2023. The purpose of such financial outlook is to assist readers in understanding our expected and targeted financial results following completion of the Acquisitions, and this information may not be appropriate for other purposes. The forward-looking statements contained in this Presentation speak only as of the date of this Presentation. Highwood does not undertake any obligation to publicly update or revise any forward-looking statements or information contained herein, except as required by applicable laws. The forward-looking statements contained in this Presentation are expressly qualified by this cautionary statement.

Disclaimer – Oil and Gas Measures and Metrics

Disclosure in this Presentation of oil and gas information is presented in accordance with generally accepted industry practices in Canada and National Instrument 51-101- Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Specifically, the oil and gas information regarding the Acquisitions presented in this Presentation is based on:, (i) in respect of Boulder, the reserves report prepared by McDaniel & Associates Consultants Ltd. and dated April 3, 2023 evaluating the crude oil, natural gas and natural gas liquids attributable to Boulder's properties at January 1, 2023 (the "Brazeau Report"), (ii) in respect of Castlegate, the reserves report prepared by GLJ Ltd. and dated May 24, 2023 evaluating the crude oil, natural gas and natural gas liquids attributable to Castlegate's properties at January 1, 2023 (the "Castlegate Report"), and (iii) in respect of Shale, the reserves report prepared by GLJ Ltd. and dated January 18, 2023 evaluating the crude oil, natural gas and natural gas liquids attributable to Shale's properties at January 1, 2023 (the "Shale Report", and together with the Brazeau Report and the Castlegate Report, the "Reports"). Highwood has not engaged in any independent verification of the Brazeau Report, the Castlegate Report or the Shale Report, nor any of the contents thereof.

This presentation contains oil and gas metrics commonly used in the oil and gas industry, including "RLI", "2P RLI", "IP30", "DCET", "EUR", "BT IRR ", "NPV10", "F&D", "netback" and "recycle ratio". These oil and gas metrics do not have any standardized meaning and therefore they should not be used to make comparisons and readers should not place undue reliance on such metrics. Further, these metrics have not been independently evaluated, audited or reviewed and are based on historical data, extrapolations therefrom and management's professional judgement, which involves a high degree of subjectivity. For these reasons, actual metrics attributable to any particular group of properties may differ from our estimates herein and the differences could be significant.

"RLI" means reserves life index and is calculated based on the amount for the relevant reserves category divided by total estimated production during the 12-month period ending June 30, 2024.

"2P RLI" means proven and probable reserves life index and is calculated as proven and probable reserves divided by total estimated production during the 12-month period ending June 30, 2024.

"IP 7" means 7 day average initial production rate.

"IP 30" means 30 day average initial production rate.

"DCET" means drilling, completion, equipment and tie-in.

"EUR" means estimated ultimate recovery, being those quantities of petroleum that are estimated, on a given date, to be potentially recoverable from an accumulation, plus those quantities already produced.

"BT IRR" means before tax internal rate of recovery.

"NPV10" represents the anticipated net present value of the future net revenue discounted at a rate of 10% associated with the reserves associated with the acquired assets.

"F&D" means estimated finding and development costs on a boe basis. F&D costs presented in this Presentation are calculated as follows: (Total Capex per well / recoverable resource per well).

"12 Month Average Netback" is used to evaluate potential operating performance of the acquired assets. Netback is calculated as follows: (Revenue – Royalties – Operating Expenses).

"Recycle Ratio" is used as a measure of operating performance and profitability. Recycle Ratio is calculated as follows: (12 Month Average Netback / F&D).

"IQRE" means Independent Qualified Reserves Evaluator.

"Proved Developed Producing" or "PDP" 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.

"Proved" or "1P" reserves are those that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Reported reserves should target at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves under a specific set of economic conditions.

"Proved plus Probable" or "2P" reserves are those that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved plus probable reserves. Reported reserves should target at least a 50 percent probability that the probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves under a specific set of economic conditions.

The net present value of future net revenues attributable to reserves and resources included in this Presentation do not represent the fair market value of such reserves and resources. There is no assurance that the forecast prices and costs assumptions will be attained, and variances could be material. The recovery and reserve estimates of reserves and resources provided in this Presentation are estimates only and there is no guarantee that the estimated reserves or resources will be recovered. Actual reserves and resources may be greater or less than the estimates provided in this Presentation. The estimates of reserves and future net revenue for individual properties in this Presentation may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. This Presentation discloses potential future drilling locations in two categories: (a) booked locations; and (b) unbooked locations. Booked locations are proposed drilling locations identified in the Reports that have proved and/or probable reserves, as applicable, attributed to them in the Reports. Unbooked locations are internal estimates based on prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal technical analysis review. Unbooked locations have been identified by members of management who are qualified reserves evaluators in accordance with NI 51-101 based on evaluation of applicable geologic, seismic, engineering, production and reserves information. Unbooked locations do not have proved or probable reserves attributed to them in the Reports. Highwood's ability to drill and develop these locations and the drilling locations on which Highwood actually drills wells depends on a number of known and unknown risks and uncertainties. As a result of these risks and uncertainties, there can be no assurance that the potential future drilling locations identified in this Presentation will ever be drilled or if Highwood will be able to produce crude oil, natural gas and natural gas liquids from these or any other potential drilling locations.

All oil and natural gas equivalency volumes have been derived using the ratio of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf:1 Bbl). Equivalency measures may be misleading, particularly if used in isolation. A conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head.

References to "liquids" in this Presentation refer to, collectively, heavy crude oil, light crude oil and medium crude oil combined, and natural gas liquids.

Disclaimer – Non-GAAP Financial Measures

This Presentation includes certain specified financial measures that are not prepared in accordance with International Financial Reporting Standards ("GAAP"). These financial measures, and other measures and ratios derived therefrom, do not have standardized meanings prescribed by GAAP and Highwood's method of calculating these measures may differ from the method used by other companies and, accordingly, they may not be comparable to similar measures presented by other companies. These specified financial measures should not be considered as an alternative to, or more meaningful than, measures of financial performance determined in accordance with GAAP. Readers are cautioned that these specified financial measures should not be construed as an alternative to other measures of financial performance calculated in accordance with GAAP. These specified financial measures provide additional information that management believes is meaningful in describing Highwood's operational performance, liquidity and capacity to fund capital expenditures and other activities. Management of Highwood believes that the presentation of these specified financial measures provide useful information to investors and shareholders as the measures provide increased transparency and the ability to better analyze performance.

Below is a description of each specified financial measure disclosed in this Presentation, including the composition of each specified financial measure and an explanation of how each specified financial measure provides useful information to investors and the additional purposes, if any, for which management uses each specified financial measure.

"Adjusted EBITDA" is calculated as revenue less hedging losses / (gains), plus royalty revenues, less royalties, transportation expenses and operating expenses and general and administrative expenses.

"Asset Free Cash Flow" is calculated as Field NOI less total capital expenditures.

"Capital Expenditures" or "Capex" is comprised of property, plant and equipment expenditures and exploration and evaluation asset expenditures and excludes any corporate or property acquisitions, respectively. Highwood uses capital expenditures to monitor its capital investments relative to those budgeted by the Company on an annual basis. Highwood's capital budget excludes acquisition and disposition activities as well as the accounting impact of any accrual changes or payments under certain lease arrangements. The most directly comparable GAAP measure for capital expenditures is cash flow used in investing activities. Capital Expenditures is calculated as Cash flow from (used in) investment activities, adding back changes in non-cash working capital, property acquisitions expenditures or property disposition proceeds.

"Cash Flow" is calculated as EBITDA less interest expenses, office lease expenses and cash taxes. Cash Flow is not adjusted for changes in working capital.

"Corporate Free Cash Flow breakeven" is calculated as the WTI price in US dollars in which Free Cash Flow is approximately zero under the currently contemplated development plan and interest. Other prices are held constant at WCS differential: US$14.00/bbl; MSW differential: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.

"DAFCF Yield" is calculated by taking the 2024E DAFCF = (2024E Free Cash Flow + 2024E Interest) and dividing by enterprise value.

"Debt Adjusted Cash Flow" or "DACF" is calculated as Cash Flow plus interest expenses.

"EV / DACF" is calculated as enterprise value divided by debt adjusted cash flow.

"Field Cash Flow" is calculated as Field NOI divided by production.

"Field Net Operating Income" or "Field NOI" is calculated as product revenue plus other asset revenues less royalties, transportation expenses and operating expenses.

"Free Cash Flow" or "FCF" is calculated as EBITDA less interest expenses, office lease expenses, cash taxes, and capital expenditures.

"Free Cash Flow Yield" is calculated as Free Cash Flow divided by the equity of the applicable Acquisition, Highwood or its peers.

"Last Quarter Annualized EBITDA" or "LQA EBITDA" is calculated as EBITDA for the applicable three-month period multiplied by four.

"Net Debt" is calculated as Highwood's anticipated total debt under its credit facilities plus outstanding deferred acquisition payments less cash balances.

"Net Debt / 2024E Cash Flow" is calculated by taking the net debt of each company and dividing by the 2024E cash flow.

"Net Debt / LQA EBITDA " is calculated as net debt at the ending period of each financial quarter divided by the LQA EBITDA of that respective quarter.

"Price / Cash Flow" is calculated as the market capitalization divided by cash flow.

"Sustaining Breakeven" is calculated as the WTI price in US dollars in which Free Cash Flow is approximately zero while holding production flat. Other prices are held constant at WCS differential: US$14.00/bbl; MSW differential: US$3.50/bbl; AECO: C$2.75/GJ; 0.74 CAD/USD.

"Tax Pools / Cash Flow" is calculated by taking the sum of the applicable company tax pools (COGPE, NOL, CEE, CDE, SR&ED and UCC) and dividing by cash flow.

"Undiscounted ARO / Cash Flow" is calculated by taking the sum of undiscounted ARO and dividing by cash flow.