KAISEN
Energy Corp.

CORPORATE PRESENTATION

CONFIDENTIAL

APRIL 2019

FORWARD-LOOKING INFORMATION ADVISORY

This presentation provides our assessment of Kaisen's future plans and operations as at April 2, 2019 and contains forward-looking information including: future commodity prices; the Company's ability to develop its existing assets; the Company's ability to aggregate complementary assets at attractive prices; the Company's ability to be a successful operator in a low commodity price environment; the success of executing capital projects; the success of implementing enhanced oil recovery projects including water-flooding, polymer flooding and thermal stimulation; the Company's ability to successfully pursue land consolidation in the heavy oil fairway; competition for, among other things, capital and acquisitions of reserves, additional petroleum and natural gas assets and undeveloped lands; incorrect assessments of the value of acquisitions; risks related to the environment and changing environmental laws in relation to oil and gas operations; geological, technical, drilling and completions, processing and handling issues associated with petroleum and natural gas development activities by third parties; claims made or legal actions brought or realized against the Company or its properties or assets; a failure by the Company to hire or retain key personnel; general economic, market and business conditions; and changes in tax or environmental laws or royalty or incentive programs relating to the oil and natural gas industry.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; as the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity prices and exchange rate fluctuations, changes in legislation affecting the oil and gas industry and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

With respect to forward looking information contained in this letter, we have made the following assumptions, including the success of optimization and efficiency improvement projects, including the cyclic steam and waterflood projects discussed herein, the availability of capital, current legislation, receipt of required regulatory approval, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the Company's growth strategy, general economic conditions, availability of required equipment and services and prevailing commodity prices.

The reader is cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits we will derive from them. The forward-looking information contained herein is expressly qualified by this cautionary statement. Kaisen does not assume any obligation to publicly update or revise any forward-looking information to reflect new events or circumstances.

Kaisen Energy Corp.

- Heavy oil producer in Lloydminster area of Western Canada
  - Produces ~1000 bpd
  - Top quartile producer in the area (based on production volume)
- Focus on:
  - Conventional heavy oil
  - Significant EOR potential – waterflood, polymer flood, thermal
  - Utilizing technical expertise and heavy oil experience to create shareholder value
- Repositioned company in 2018 with lower cost structure, production enhancement, improved marketing strategies and strong technical focus
  - Positioned to thrive with improving commodity prices

Corporate Profile

Shares Outstanding:	45.4mm
Convertible Debs:	$7.5mm committed (convertible in to 150mm shares) $5.6mm drawn
Production:	~1000boepd
Reserves (2018YE):	0.8mmboe (PDP) 5.1mmboe (Proved) 11.8mmboe (P+P)
Corporate Information:	Auditors – Ernst & Young Bankers – ATB Financial Evaluation Engineers – Sproule Legal Counsel – Burnet, Duckworth & Palmer LLP

KAISEN TRANSFORMATION

2018 Accomplishments

- Significant reduction in cost structure
  - G&A costs
  - Better prices in hedges go-forward
  - Operating costs
- Significant debt reduction
  - Successfully raised $7.5mm to pay down debt & complete low risk projects
  - $2.3mm undrawn at end of 2018
  - Established platform for growth
- Prioritize projects with:
  - Low risk profiles for well optimizations
  - Low drilling risk
  - High, quick impact cashflow adds

New Focus

- Determined focus to build cashflow
- Disciplined capital investment
- Preserving financial strength
- Relentless pursuit of shareholder value
  - Accountable to shareholders
- Complements high quality asset base, high quality technical team

GO-FORWARD POSITIONING

2019

- Improved oil pricing
- Improved hedging levels
  - Still hedged but at better pricing levels than 2018
- Costs continue to improve
  - Legacy cost issues expire over time (leases, software,….)
- Short-term imperatives:
  - Reduce debt
  - Increase cashflow
  - Improve economies of scale
  - Consolidate assets (sales, swaps,…) to ensure efficiency in all areas
- Pivot to low risk, growth investments
  - $10k/boepd volume adds

Beyond

- Excellent platform for growth with:
  - Large reserve base and OOIP
  - Strong technical/operational team
  - Recognized leadership in managing these sort of assets
  - Appropriate cost structure
- Significant low risk, growth opportunity
  - $10k/boepd volume adds
  - EOR implementation projects

Why Heavy Oil in Saskatchewan?

Strengths

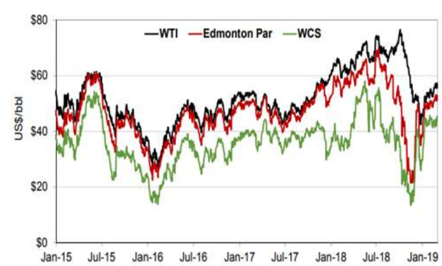
- Large Resource Potential
- Non-complex projects
  - Shallow drilling
  - Nominal frac'ing
- Low Capital Investment
  - $450K Verticals
  - $750K Horizontals
- Quick to react to market conditions
  - Quick spud to onstream
  - No long lead times on projects
  - Better access to market access alternatives (pipelines, rail)

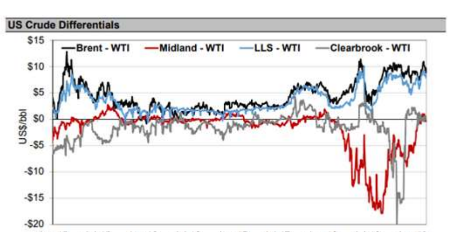
Strengths

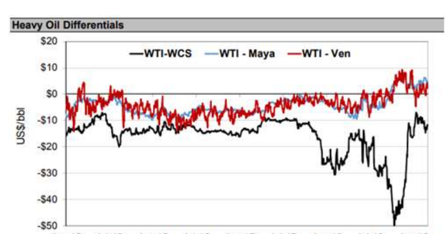
- Stable Regulatory Regime
- Competitive Royalties
- Desirable oil quality characteristics
  - Heavy oil but not as heavy as oilsands
  - Better viscosity
- Competitive Royalties
- **Attractive rate of return on investments with current prices**

Attractive Wellhead Prices in 2019

- Growing production in western Canada and lack of egress created significant local competition that resulted in massive differentials for Canadian oil
- Steps taken by government have contributed to significantly improved local prices

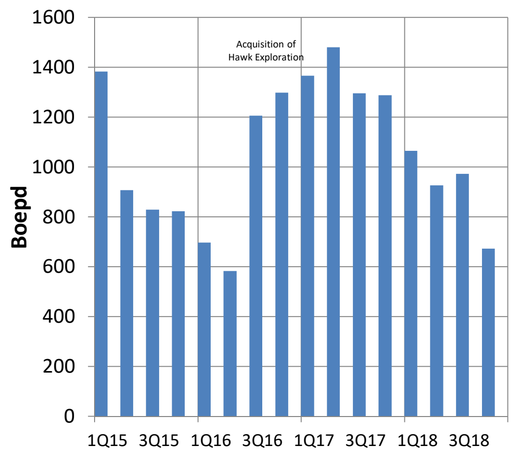






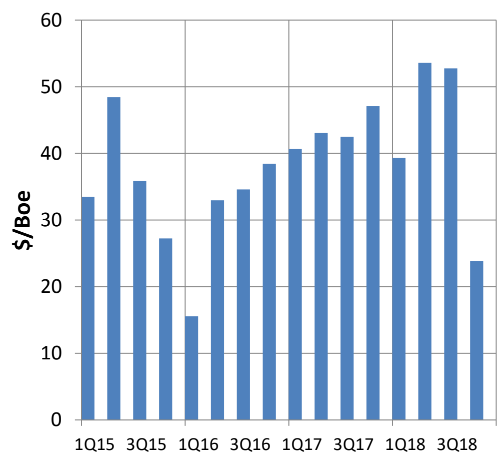
Production

- Recent production limited decline driven by restricted capex investment
- Have initiated Lone Rock polymer project to deliver low decline production and improved cashflow with low EOR royalty
- Substantially improved production in Edam in last 2 quarters
- Reduced production in 2018Q4 given low wellhead prices



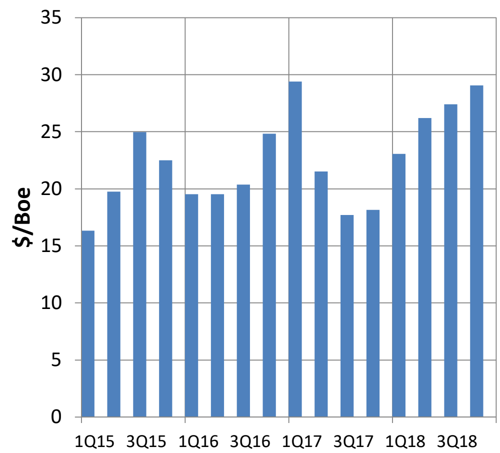
Wellhead price

- Improving wellhead prices over the past couple years
- Driving production optimization projects
- Using marketing strategies (eg. railway) to improve wellhead prices



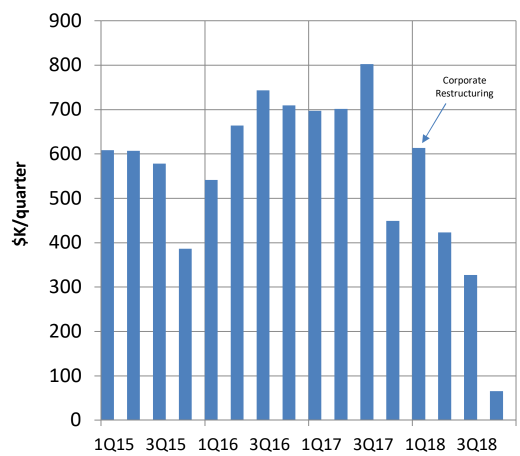
OPERATING COSTS

- Focused on reducing operating costs wherever possible with:
  - Efficiencies
  - Improved operating practices
  - Pursuing economies of scale in local areas



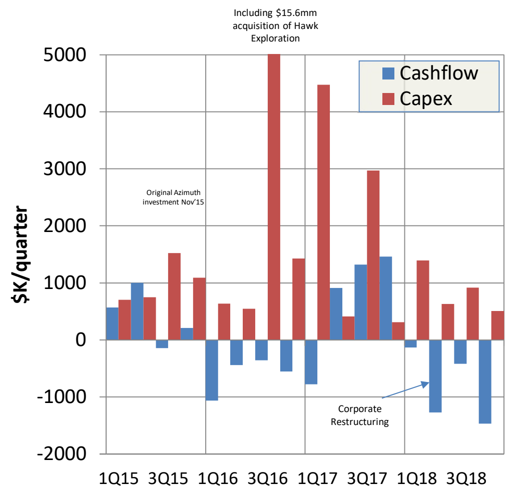
G&A COSTS

- Significant improvement with cost reduction initiatives



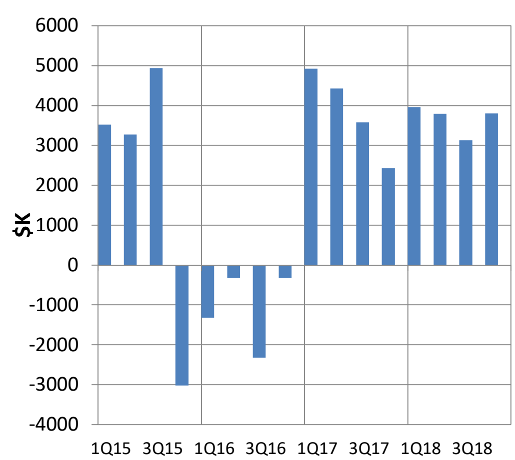
CASHFLOW AND CAPEX

- Improving cashflow is priority through initiatives across the company
- Disciplined capex program
- Manage capex investment relative to cash availability
- Q2/Q3 2018 cashflow >$1.6mm excluding restructuring expenses and hedging losses



NET DEBT

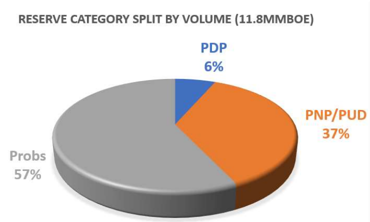
- Recent financing restores balance sheet strength
- Focused on high capital efficiency in projects
- $2.3mm undrawn on committed financing at end of 2018

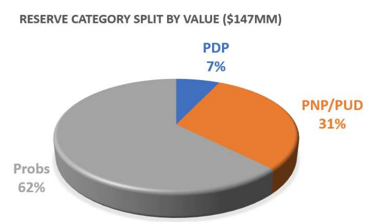


YE 2018 Reserves

- Substantial resource base
  - Deep inventory with 138 undeveloped locations booked (72 horizontals; 66 verticals)
  - High % in undeveloped/probable categories – migrating to PDP

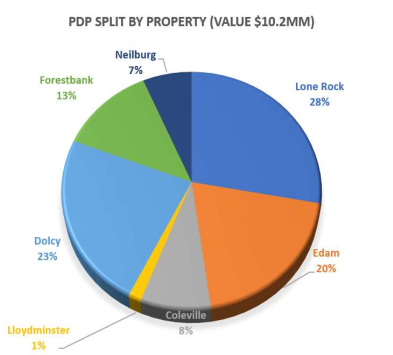
	PDP	Proved	P+P
Volumes, mboe	764	5090	11832
PV10, $mm	10.2	55.2	146.5

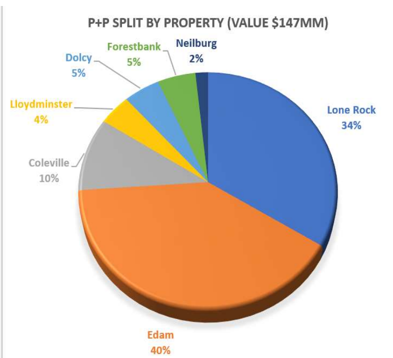




YE2018 Reserves

- High opportunity in pools with large OOIP and low recovery %



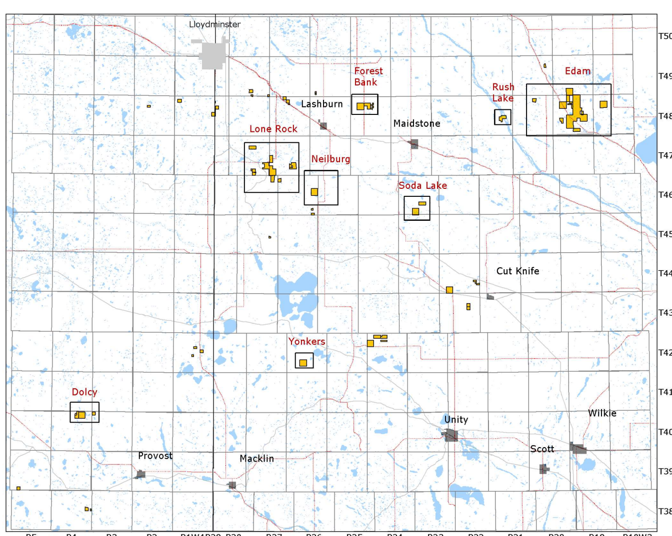


Deep Portfolio of Opportunities

Play	Drilled to Date	Remaining Primary Inventory	Capital Required ($millions)	Primary Reserve Potential (MMBoe)
Coleville HZ	2	>40	$40	4.4
Lone Rock Sparky HZ*	6	12	$10	0.6
Edam HZ	0	33	$26	3.6
Edam VT	5	41	$19	2.7
Lone Rock Lloyd HZ	0	27	$20	1.1
Other	2	40	$20	2.0
TOTAL	**15**	**223**	**$135**	**14.4**

Notes:
- Currently 138 locations and 11.8 million bbls booked
- Table excludes Waterflood, Polymer and Thermal EOR opportunities

Kaisen Land Holdings

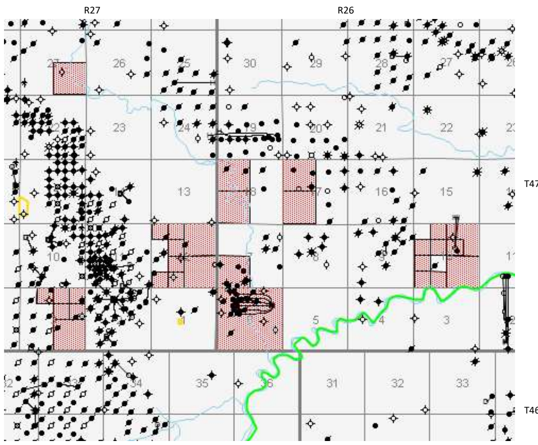


Coleville (Eureka) south (31-23W3)

LONE ROCK

Highlights

- ~3K acres of 100% Lands
- Initiating multi-well polymer flood project
- Current drilling inventory of ~40 Horizontal wells
- OOIP of 30 MMbbls
- Recent production limited by lack of pressure support



LONE ROCK

Exploitation Strategy

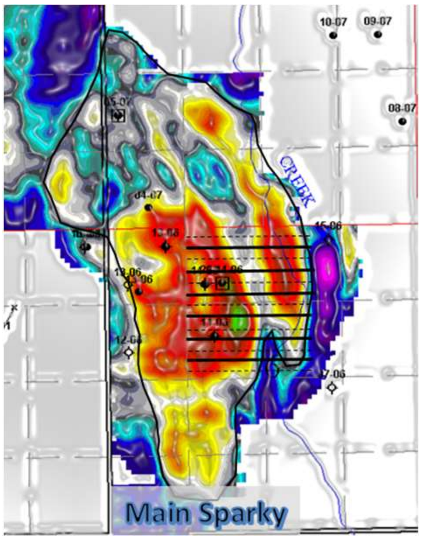
- Re-processed 3D in Q4/16
- Re-mapped Sparky pool with seismic and well control
- Received EOR polymer flood approval in Aug'17

Strategic Drilling

- Drilled 6 Hz producers in 2017
- Future drilling timing dependent on EOR performance

EOR Strategy

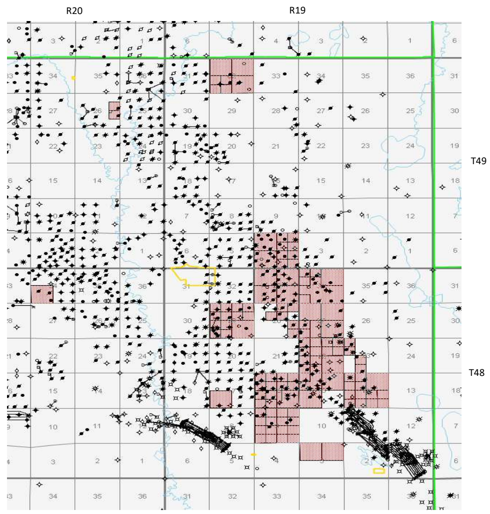
- Implementing polymer flood in 20mmbbl EOR area
- 25-30% recovery potential through polymer EOR



EDAM

Highlights

- ~8K acres of 100% Lands
- OOIP of 175 MMbbls
- Current drilling inventory ~74 wells
- Significant EOR potential including small scale Thermal (offsets successful Husky and Serafina thermal SAGD projects that have added 30kbpd since 2016)



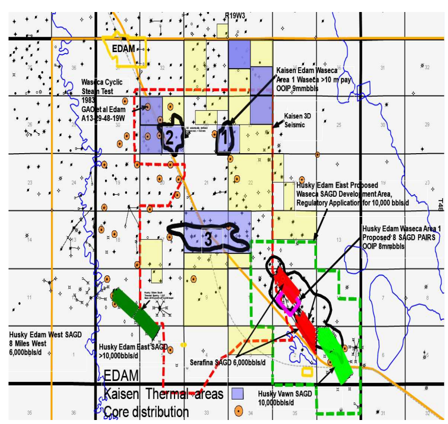
EDAM

Exploitation Strategy

- Participated with Husky on extensive 3D program
- Re-mapped Waseca pool with seismic and well control
- Identified over 70 drilling locations to recover an incremental 6mmbbls of oil from a pool of 175mmbbls
- Identified 30mmbbls of potential thermal EOR projects for further value creation

EOR Strategy

- Thermal EOR study with Sproule
- Initiated pilot facility design cost estimate with 3rd party engineering firm
- Initiated source water license

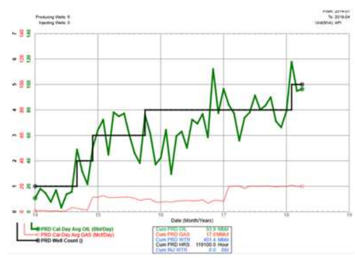


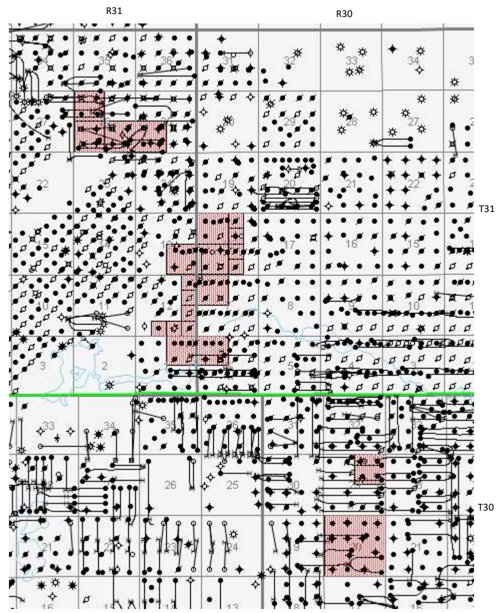
COLEVILLE

Highlights

- ~2.4K acres of 100% Lands
- OOIP of 80+ MMbbls
- Current drilling inventory >40 wells
- Optimal development strategy is horizontal drilling with follow-up EOR

Early Stage Development





COLEVILLE

Exploitation Strategy

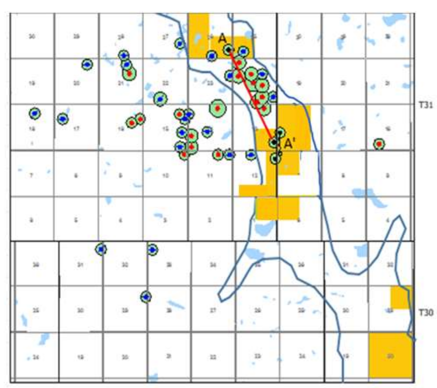
- 29 km2 3D program in 2017
- Re-mapped pool with seismic and well control
- Identified over 40+ drilling locations to recover a potential incremental 6mmbbls of oil from a pool of 100+mmbbls

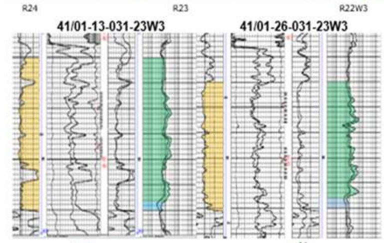
Strategic Drilling

- Drilled 1 hz well in 2018

EOR Strategy

- Build out full exploitation plan for pool with view towards EOR to increase recoverable reserves from 6% to 15%+





Price Risk Management

- 2019
  - 300bpd — Cdn$71/bbl WTI — thru end of 2019
  - 300bpd — US$20.80/bbl WTI-WCS differential — thru end of 2019
  - 200bpd — US$17.55/bbl WTI-WCS differential — thru end of 2019
- 2020
  - 500bpd — US$60/bbl WTI ceiling — January-December 2020

Management Team

- Strong technical team with significant experience in heavy oil

John Zahary Managing Director	▪ Former President & CEO of Petrovera Resources, Viking Energy, Harvest Energy & Sunshine Oilsands ▪ Professional Engineer with extensive experience with companies involved in heavy oil, oilsands, light and medium oil and natural gas production as well as companies with downstream, refining, marketing and midstream assets ▪ B. Sc in Mechanical Engineering from University of Calgary and M.Phil in Management Studies from the University of Oxford
Chris McGinnis VP, Operations & Engineering	▪ 18 years of oil and gas experience including Development and Production Engineering Manager roles at Penn West Petroleum, and production, facility, and exploitation engineering roles with Husky Energy, Acclaim Energy, and Canetic Resources focused on heavy oil ▪ B. Sc in Mech. Engineering from the University of Saskatchewan and an MBA from Royal Roads University ▪ Practicing member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), and the Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS)
Andy Kramchynski VP, Exploration	▪ Professional Geologist with 30+ years of oil and gas experience in the Western Canadian Sedimentary Basin ▪ Executive, technical and founder positions with companies engaged in heavy, medium and light oil and natural gas including Richland Petroleum, Chain Energy, Morpheus Energy and Tandem Energy ▪ B. Sc. in Geological Engineering and a B. Sc. in Geology from the University of Saskatchewan
Corey Bannerman Field Superintendent	▪ 30+ years of oil and gas experience including drilling and well servicing operations, field and battery operations, and wellsite/construction supervision ▪ Prior employers include Westar Petroleum, Stampeder Exploration, Husky Oil, Anderson Exploration, Devon, and Acclaim Energy ▪ Roles of increasing responsibility at Canetic as Service Rig Coordinator, and as Completions Superintendent at PennWest ▪ Experienced in heavy oil, medium oil, light Viking oil and shallow gas
Greg Beaumont Sr Production Technologist	▪ 27 years of oil and gas experience mainly as a Field Production Technologist with companies including PanCanadian, EnCana, Acclaim, Canetic, PennWest, Black Shire and Twin Butte Production Superintendent at Emerge ▪ Focused primarily on heavy and medium oil production in east central Alberta and west central Saskatchewan including primary, waterflood EOR, and high volume lift. ▪ Diploma in Electrical Engineering Technology from the Northern Alberta Institute of Technology; Practicing member of The Alberta Society of Engineering Technologists currently designated as a Certified Engineering Technologist.
Rachelle Barnard Sr Exec Assistant & Office Manager	▪ 25 years of executive level administrative experience ▪ Has held Executive Assistant positions at CNRL, Exshaw Energy, Anadarko Canada, Dundee Securities and Shell Canada ▪ Broad expertise in professional office management

Board of Directors

- Experienced Board with significant expertise in heavy oil and corporate governance
- Azimuth owns 66% of common shares and 71% after conversion of debentures

Evan Hazell	▪ Involved in the global oil and gas industry for over 35 years, initially as a petroleum engineer and sequentially as an investment banker ▪ B.Sc degree in Chemical Engineering from Queen's University, M.Eng from the University of Calgary and MBA from the University of Michigan ▪ Registered Professional Engineer in Alberta
Ed Chwyl	▪ Retired businessman with over 45 years of experience in the oil and gas industry in North America, most notably as Pres&CEO of Tarragon Oil and Gas Limited from 1989 to 1998 ▪ Prior thereto held various technical and executive positions within the oil and gas industry in Canada and the United States ▪ B.Sc degree in Chemical Engineering and M.Sc degree in Petroleum Engineering from the University of Alberta
Chris Hooper	▪ Managing Director with Azimuth Capital Management ▪ Previously at Alberta Investment Management Corporation (AIMCo), one of Canada's largest endowment fund/pension fund managers, where he was active in institutional private equity and infrastructure portfolios worth over $2.7 billion. ▪ B.Comm in Finance with Distinction from the University of Alberta. He is a CFA charterholder and has ICD.D designation
Dave Pearce	▪ Deputy Managing Partner at Azimuth Capital Management ▪ Former President & CEO of Northrock Resources and held senior roles at Fletcher Challenge and TAQA North ▪ B.Sc in Mechanical Engineering (Honours)
Richard Ramsay	▪ Chief Operating Officer of Baytex Energy Corp. ▪ 25 years of experience in the Canadian oil and gas industry including Chief Operating Officer of TAQA North Ltd and a variety of technical and management positions with Northrock Resources Ltd., Fletcher Challenge Energy Canada Inc., Amoco Canada Petroleum Ltd. and Dome Petroleum ▪ B.Sc degree with Distinction in Mechanical Engineering from the University of Saskatchewan - Practicing member of the Association of Professional Engineers and Geoscientists of Alberta
John Zahary	▪ Former President & CEO of public and private companies ▪ 30+ years of upstream and downstream experience

What Differentiates Kaisen?

- **Opportunity to significantly improve short-term performance metrics**
  - Recent restructuring provides opportunity to capture value for investors
  - Balance sheet restored with significant opportunity in assets
  - Focus on increasing production and cashflow
  - Strong support from major shareholders
  - Committed team executing on behalf of shareholders
- **Massive resource potential relative to size**
  - Very significant asset base with booked and un-booked opportunities
  - EOR potential (polymer flooding and thermal development) in its infancy but significant and steps being made to pursue

Contact Information

KAISEN
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For further information please contact:

Rachelle Barnard
Email: info@kaisenenergy.com

400, 522 – 11th Avenue SW
Calgary, Alberta T2R 0C8
Main (587) 350-5760
Fax (587) 350-5770