

Adonai Resources II Corporation Information Memorandum



SE Saskatchewan Midale and Frobisher Light Oil Development Opportunity

Adonai Resources II Corporation (“Adonai”) has initiated a strategic alternatives process and has retained Peters & Co. Limited (“Peters & Co.”) as its exclusive financial advisor to solicit and evaluate various strategic options available to Adonai.

Adonai is open to evaluating a variety of proposals, including: a corporate sale, a sale of specific assets, an amalgamation or merger, or any other value maximizing alternatives (each a “Potential Transaction”). Preference will be given to corporate sale proposals. Confidential information will be made available to parties who execute a confidentiality agreement.

Adonai’s assets consist of conventional Midale and Frobisher light oil developments in SE Saskatchewan within a highly active region of the productive fairway.

Highlights

- **Established Operating Position:** Lands prospective for Midale and Frobisher development in an active fairway, with September light oil production of ~385 bbl/d driving netbacks of ~\$68/ bbl (July-August 2023 Avg.)
- **Poised for Development:** Recent delineation activity has solidified the underlying inventory, with the assets ready for material growth through the deployment of additional capital
- **Strong Drilling Economics:** Identified inventory provides strong economic returns of 100-200+% and payouts of 0.5-1.1 years based on \$75WTI flat pricing
- **Inventory:** A deep internal inventory of 46 gross development locations in the Midale and Frobisher, with just over half of the locations currently booked
- **Extensive Seismic Library:** Nearly ~16 mi² of proprietary 3D seismic coverage at Carievale/ Workman, with licenced copies of an additional ~15 mi² of trade 3D seismic at West Carnduff, Elcott, and Florence
- **Attractive Corporate Attributes:** Adonai has a clean balance sheet with no bank debt, total ARO of less than \$1MM (undiscounted and uninflated), and tax pools of \$6.5MM

Asset Map

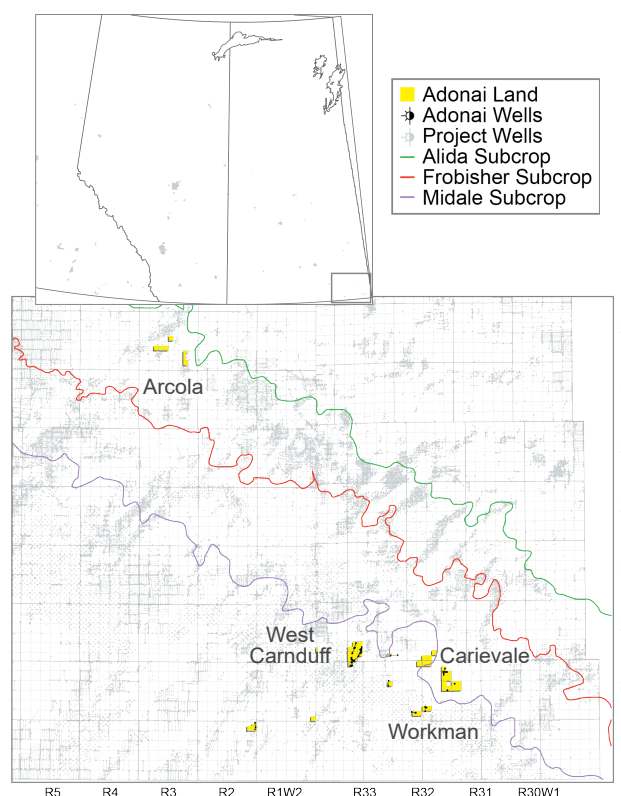


Table of Contents

- Highlights. 1
- Asset Overview 2
- Corporate Overview. 3
- Process Details and Contacts 4
- Disclaimer 5

PETERS & CO. LIMITED

Callum J. Moore
Principal
403.261.2217
cmoore@petersco.com

Thomas K. Schenk
Principal & Head, A&D
403.261.2294
tschenk@petersco.com

Franklin P. Eldridge
Vice President, A&D
403.261.2287
feldridge@petersco.com

Kris M. Hokazono
Technical Advisor, A&D
403.261.2297
khokazono@petersco.com

Darren P. Juss
Associate, A&D
403.261.2272
djuss@petersco.com

Kendra G. Kohut
Analyst
403.261.2256
kkohut@petersco.com

Adonai Operational Overview

	Curr. Prod. ¹		Reserves ²				NOI	Netback	Identified Locations Gross
	Total boe/d	Liquids %	PDP \$MM PV10	TPP \$MM PV10	PDP Mboe	TPP Mboe	Ann Q3 '23 ³ \$MM	Q3 2023 ³ \$/boe	
Total	385	100%	Reserves Currently Being Finalized				\$8.5	\$68.32	46

¹ Field estimated production for September 2023

² Reserves in process with McDaniel

³ As per lease operating statements for July and August 2023

This Information Memorandum is prepared solely for the use of certain qualified Interested Parties to provide information only. The information contained herein, while obtained from sources that we believe to be reliable, is not guaranteed as to its accuracy or completeness. This Information Memorandum is for information purposes only and does not constitute an offer to sell or a solicitation to buy securities of Adonai Resources II Corporation.

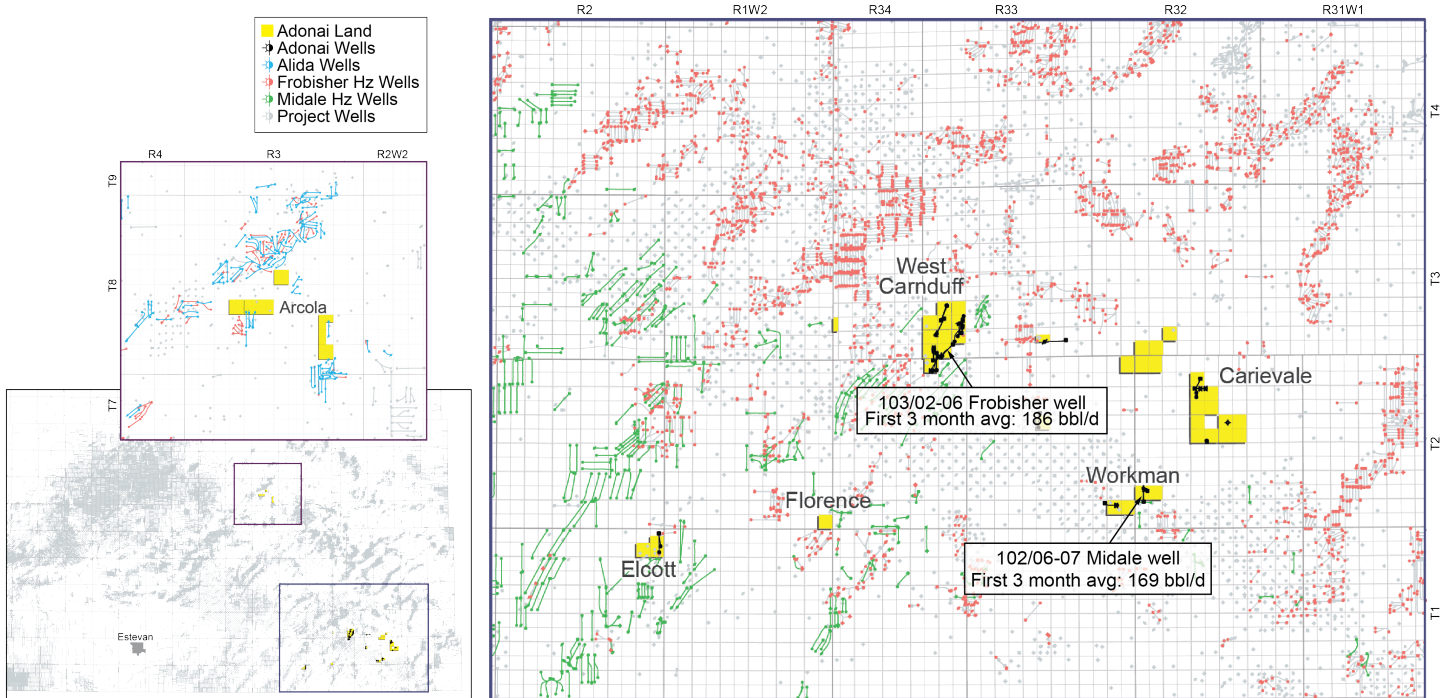




Adonai Asset Overview

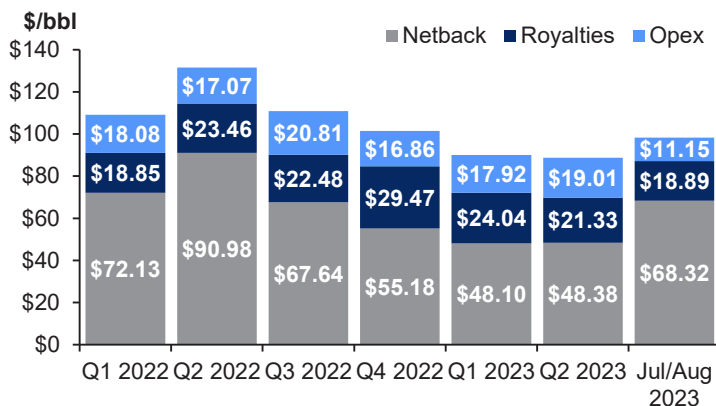
Sustainable and High Return Light Oil Development Opportunity

Asset Overview

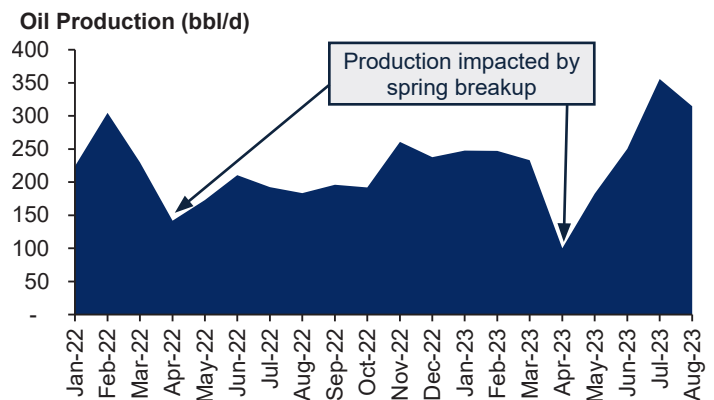


- Seismically defined conventional open hole Mississippian subcrop targets
- Extensive 3D seismic coverage allows for additional exploration and the continued expansion of development prospects
- Midale and Frobisher inventory provides strong economic returns of 100-200+% and payouts of 0.5-1.1 years based on \$75WTI flat pricing
- With identified inventory of 46 gross locations, the assets have the potential to reach a plateau of ~500 bbl/d and hold flat for up to ten years
- Central battery is in place at West Carnduff which leads to increased operational efficiency, lower field costs, and simplifies the eventual conservation of associated gas volumes
- Gas conservation to an existing area plant would significantly reduce flared volumes, this pathway has been reviewed and discussed with an area midstream operator and would be considered actionable in the near term

Historical Corporate Netbacks



Historical Corporate Production



Process Details and Contacts

Adonai Resources II Corporation (“**Adonai**”) has initiated a strategic alternatives process and has retained Peters & Co. Limited (“**Peters & Co.**”) as its exclusive financial advisor to solicit and evaluate various strategic options available to Adonai.

Adonai is open to evaluating a variety of proposals, including: a corporate sale, a sale of specific assets, an amalgamation or merger, or any other value maximizing alternatives (each a “**Potential Transaction**”). Preference will be given to corporate sale proposals.

Process: Adonai is soliciting proposals for Potential Transactions involving the company as described within this document and the Virtual Data Room (“**VDR**”).

Confidentiality Agreement: To receive a confidentiality agreement (“**CA**”) please contact any of the Peters & Co. representatives listed below.

Confidential Information: Access to confidential information will require execution of a CA. Parties that execute the CA may receive access to the VDR containing corporate, technical, and financial information.

Timeline: Transaction proposal deadline will be communicated to parties that execute a CA.

Inquiries: Peters & Co. will act as the sole contact for all parties who have expressed an interest in this process (“**Interested Parties**”). The directors, officers and employees of Adonai should not be contacted directly. All communications and inquiries should be directed to one of the Peters & Co. representatives listed below.

Contacts

Callum J. Moore

Principal
403.261.2217
cmoore@petersco.com

Thomas K. Schenk

Principal & Head, A&D
403.261.2294
tschenk@petersco.com

Franklin P. Eldridge

Vice President, A&D
403.261.2287
feldridge@petersco.com

Kris M. Hokazono

Technical Advisor, A&D
403.261.2297
khokazono@petersco.com

Kendra G. Kohut

Analyst
403.261.2256
kkohut@petersco.com

Darren P. Juss

Associate, A&D
403.261.2272
djuss@petersco.com

Peters & Co. Limited | 2300 Jamieson Place | 308 Fourth Avenue SW | Calgary, Alberta, Canada | T2P 0H7

Disclaimer

This Information Memorandum is based on information provided by Adonai from its own records and from other sources. The Information Memorandum is being distributed, on behalf of Adonai, by Peters & Co., the Company's financial advisor, solely for the use by certain qualified Interested Parties. The sole purpose of the Information Memorandum is to assist Interested Parties in determining whether or not to proceed with further investigation of a potential transaction.

The information contained herein (the "**Information**") has been prepared in good faith to assist Interested Parties in completing their own independent evaluation of the assets, but does not purport to be all inclusive or to contain all of the information that an Interested Party may desire or that may be required by an Interested Party to properly evaluate the assets. In all cases, the Interested Parties should conduct their own independent investigation and analysis of the assets and the data set forth in this Information Memorandum.

Peters & Co. has not independently verified any of the Information contained herein. Neither Peters & Co., the Company nor their respective affiliates make any representation or warranty (expressed or implied) as to the accuracy or completeness of this Information Memorandum.

Neither Peters & Co., the Company nor their respective affiliates will assume any liability for the Interested Parties' use of this Information Memorandum or any other oral, written or other communication transmitted to the Interested Parties during the course of its determination.

Adonai and Peters & Co. expressly disclaim any and all liability and responsibility for and associated with the quality, accuracy, completeness or materiality of the Information.

Any Interested Party will conduct its own independent evaluation and analysis of the Information and satisfy itself as to the quality, accuracy, completeness and materiality of the same. Each Interested Party will rely solely on its own independent evaluation and analysis of the Information when deciding whether or not to proceed with a Transaction.

This Information Memorandum may include certain statements, estimates, forecasts and projections provided by the Company and with respect to the anticipated future performance of the assets. Such statements, estimates, forecasts and projections reflect various assumptions made by the Company and / or Peters & Co. concerning anticipated results, which may or may not prove to be correct. No representations or warranties are made as to the accuracy of such statements, estimates, forecasts or projections. The only Information that will have any legal effect will be that specifically represented or warranted in a definitive agreement, when, as and if executed, with respect to a possible Transaction and executed on behalf of the Company.

NEITHER THIS INFORMATION MEMORANDUM NOR ITS DELIVERY TO AN INTERESTED PARTY SHALL CONSTITUTE OR BE CONSTRUED TO BE AN OFFER TO SELL ANY SECURITIES OF THE COMPANY. THIS INFORMATION MEMORANDUM SHALL NOT BE DEEMED AN INDICATION OF THE STATE OF AFFAIRS OF THE COMPANY NOR CONSTITUTE ANY INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.