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## **PIERIDAE RELEASES Q4 AND 2021 RESULTS**

*Upstream Focused Company with a Viable LNG Option  
New President & COO and CFO Promotions Announced*

### **Key Highlights:**

- Generated \$57.7 million Adjusted Funds Flow from Operations<sup>1</sup> (“AFFO”) in 2021 an increase of 115% year over year from \$26.9 million in 2020 to \$57.7 million
- Generated \$84.1 million Net Operating Income<sup>1</sup> (“NOI”) in 2021, an increase of 66% year over year, from \$50.7 million in 2020
- Increased petroleum and natural gas revenue to \$334.7 million in 2021 up 41% from \$238.1 million in 2020
- Production averaged 40,562 barrels of oil equivalent per day (“boe/d”) in 2021 , a marginal decrease from 42,000 boe/d in 2020 in the midst of two planned facility turnarounds or planned maintenance shutdowns
- The proved developed producing (“PDP”) base decline rate of the corporation is now at ~ 10% (based on 2022 PDP forecasts), one of the lowest in the industry
- Maintained safe, reliable operations during the pandemic with historical low recordable injuries and without any material loss of productivity during the fourth quarter and year ended December 31, 2021

**CALGARY, ALBERTA – March 24, 2022 - Pieridae Energy Limited (“Pieridae” or the “Company”) (PEA.TO)** released its 2021 financial and operating results today, highlighted by year-over-year growth in Adjusted Funds Flow From Operations (up 115% to \$57.7 million) and a 66% increase in Net Operating income to \$84.1 million.

“We have transformed as a company in the past year following the completion of our strategic review and the suspension of the Goldboro LNG Project,” said Pieridae’s Chief Executive Officer, Alfred Sorensen. “Pieridae has adjusted its strategy to one of focusing on building the upstream side of our business, while maintaining optionality for an LNG Project. We believe there is great value in developing our Foothills assets, holding one of the largest land bases in the area, and we will work to demonstrate that it is an economic place to drill. The potential start of our 2022 drilling program, projected for the second half of the year, would bring on new production, help fill up our gas plants, lower per-unit operating costs and increase revenue. We also know we must lower debt financing costs and develop and execute a carbon management plan which is aligned to our environmental, social and governance (“ESG”) vision.

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<sup>1</sup> NOI and AFFO are non-GAAP measures. They do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Refer to the “non-GAAP measures” section on page 20 of the Company’s most recent MD&A.

“While we continue to believe that an LNG project at our Goldboro site could be an economically compelling and nation building opportunity, what Pieridae needs in order to continue development of the project is a commitment of support from the Government of Canada that this initiative is a national priority. If it is deemed to be, then pipeline capacity to transport the gas to the East Coast would need to be worked out. We must find an investment partner and also hope the Mi’kmaq remain involved as partners so that they might share in the benefits of a future project,” concluded Sorensen.

Financial and operational information is set out below and should be read in conjunction with Pieridae’s 2021 Annual Report which includes the Corporation’s audited annual consolidated financial statements and the related management’s discussion and analysis (“MD&A”). In addition, the Corporation today announces the filing of its Annual Information Form (“AIF”) for the year ended December 31, 2021 that contains the Corporation’s reserves and other oil and natural gas information, as required under National Instrument 51-101 Standards of Disclosure of Oil and Gas Activities. The AIF, Annual Report, audited consolidated financial statements and MD&A are available for review at [www.sedar.com](http://www.sedar.com) and on the Company’s website.

### **New President & COO and CFO Named**

We are pleased to announce a pair of important promotions within the Company at the Senior Leadership Team level. Darcy Reding becomes President & Chief Operating Officer (“COO”), after serving as the Company’s COO since joining Pieridae in April 2021. As well, interim Chief Financial Officer (“CFO”) Adam Gray is no longer fulfilling the role on an interim basis and is promoted to CFO.

“Both Darcy and Adam have played significant roles during a challenging year at Pieridae to influence the operations side of our business, moving us toward our goal of being a successful Foothills producer and increasing returns to our shareholders,” said Pieridae’s Chief Executive Officer, Alfred Sorensen. “We congratulate them both on their promotions and look forward to what they will accomplish in the months and years ahead.”

### **Financial Performance**

During 2021, the Company generated cashflow from operations of \$51.1 million, and AFFO of \$57.7 million, an increase of 115% compared to the same period in 2020. Higher realized prices for natural gas, NGLs and condensate contributed significantly to higher cashflows, offset by lower production, increased operating costs and royalties largely driven by the increase in commodity prices, and first-half costs associated with the Goldboro LNG Project.

Trends in petroleum and natural gas revenue are primarily associated with fluctuations in the total volume produced and prices the Company receives for its production. We were able to mitigate our production decline to 3% during 2021; increases in realized prices during the year was the primary driver of the 41% increase in petroleum and natural gas revenue from \$238.1 million in 2020 to \$334.7 million in 2021. That said, fixed price physical forward sales contracts in place during the year did not allow us to take full advantage of the increase in commodity prices.

2021 was a year of change for Pieridae, with challenges faced on a number of fronts as we have discussed. Events highlighted earlier in this release impacted our business, operations, cash flows and net income (loss) during the past four quarters. Throughout these events Pieridae remained committed to and impressed by the operational resilience of our assets and our team.

## Annual Highlights

(\$ 000s unless otherwise noted)	2021	2020	2019
<b>Production</b>			
Natural gas (mcf/day)	199,793	201,040	121,263
Condensate (bbl/day)	2,877	3,020	807
NGLs (bbl/day)	4,386	5,473	1,379
Sulphur (ton/day)	1,530	1,985	410
Total production (boe/d) <sup>(1)</sup>	40,562	42,000	22,397
<b>Reserves</b>			
Net proved plus probable ("2P") reserves <sup>(2)</sup>	1,002,134	976,147	1,062,453
<b>Financial</b>			
Net loss	(39,790)	(100,693)	(71,573)
Net loss per share basic and diluted	(0.25)	(0.64)	(0.73)
Net operating income <sup>(3)</sup>	84,085	50,723	25,001
Cashflow provided by (used in) operating activities	51,117	2,234	(51,772)
Adjusted funds flow from operations <sup>(3)</sup>	57,692	26,866	608
Total assets	622,540	612,651	602,474
Working capital deficit	(87,666)	(19,615)	19,105
Capital expenditures	34,972	17,243	169,167
Development expenses	4,750	18,742	9,150
Long-term debt <sup>(4)</sup>	231,581	219,555	202,913

<sup>(1)</sup> Total production excludes sulphur.

<sup>(2)</sup> Estimated pre-tax net present value of discounted cash flows from reserves using a 10% discount rate.

<sup>(3)</sup> Refer to the "non-GAAP measures" on page 20 of the Company's most recent MD&A.

<sup>(4)</sup> Long-term debt includes current and long-term portion and reflects accretion of the \$50 million deferred fee over the four-year term of the loan; refer to note 12 of the consolidated financial statements.

## Quarterly Highlights

(\$ 000s unless otherwise noted)	2021				2020			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Production</b>								
Natural gas (mcf/day)	198,596	191,439	194,232	215,179	212,220	184,080	208,689	199,234
Condensate (bbl/day)	2,851	2,555	2,950	3,158	3,259	2,807	3,166	2,850
NGLs (bbl/day)	5,354	4,133	3,083	4,975	6,171	4,722	5,843	5,156
Sulphur (ton/day)	1,185	1,518	1,710	1,713	1,829	2,232	1,970	1,906
Total production (boe/d)	41,304	38,595	38,404	43,997	44,800	38,209	43,791	41,211
<b>Financial</b>								
Realized natural gas price (\$/mcf)	3.67	2.70	2.59	2.63	2.16	1.70	1.87	2.25
Benchmark natural gas price (\$/mcf)	4.69	3.59	3.11	3.16	2.67	2.14	1.98	1.94
Realized condensate price (\$/bbl)	69.71	65.33	68.08	58.40	53.48	44.67	39.94	67.74
Benchmark condensate price (\$/bbl)	100.10	70.25	64.82	59.05	56.01	38.40	35.83	46.83
Net income (loss)	4,661	(14,846)	(10,058)	(19,547)	(45,968)	(29,845)	(13,396)	(11,484)
Net income (loss) per share, basic	0.03	(0.09)	(0.06)	(0.12)	(0.29)	(0.19)	(0.09)	(0.07)
Net income (loss) per share, diluted	0.03	(0.09)	(0.06)	(0.12)	(0.29)	(0.19)	(0.09)	(0.07)
Net operating income (loss) <sup>(1)</sup>	30,845	17,920	14,444	20,876	12,829	(646)	19,301	19,239
Cashflow provided by (used in) operating activities	21,139	6,885	12,093	11,000	2,362	(4,541)	(2,013)	6,426
Adjusted funds flow from operations <sup>(1)</sup>	23,317	10,981	8,516	14,878	8,535	(6,779)	12,466	12,644
Total assets	622,540	560,782	575,690	557,696	612,651	583,942	588,415	609,437
Working capital (deficit) surplus	(87,665)	(52,534)	(47,862)	(28,314)	(19,615)	(9,164)	15,109	15,596
Capital expenditures	1,493	9,852	17,959	5,668	8,926	6,033	264	2,020
Development expenses	225	783	(4,862)	8,604	8,682	2,472	4,129	3,459

<sup>(1)</sup> Refer to the "non-GAAP measures" on page 20 of the Company's most recent MD&A.

## Operations Performance

Production in the fourth quarter of 2021 decreased by 8% compared to the same quarter in 2020 due to the temporary shut-in of production in Central Alberta due to partner disputes, unplanned downtime at Waterton for maintenance repairs, unseasonably cold weather in December 2021 and normal production declines.

During 2021, production decreased 3% compared to 2020. The calculated 2021 decline rate in the independent reserve evaluator's year-end 2020 reserve report was 8% on a total proved plus probable basis. During 2021, the Company successfully endeavoured to mitigate this decline through numerous optimization and maintenance activities. These relatively low-cost investments generated significant internal rates of return. Production was negatively impacted during 2021 by the major planned facility turnarounds at Jumping Pound and Caroline in April and September respectively, mitigated to the extent possible by volume re-direction to third-party facilities during the turnarounds. During 2021, Pieridae also increased production from minor working interest acquisitions in the Waterton and Jumping Pound areas.

The Company continues to execute a commodity risk management program governed by its Hedge Policy. Over the past 12 months, our debt lender temporarily waived and/or amended their requirement to have 60% of forecast base production hedged on an 18-month rolling average basis, in order to allow the Company to take advantage of strengthening natural gas and NGL prices, and to recognize the credit implications of hedging into a rising commodity price market. During 2021, the Company's primary hedging tools were physical fixed price forward sales contracts. As of December 31, 2021, 56,900 GJ/d of fixed price natural gas contracts were in place at a weighted-average price of \$2.50/GJ over a term of 15 months, as further described in note 19 of the consolidated financial statements. As of March 23, 2022, physical fixed-price forward sales contracts representing 92,007 GJ/d of natural gas hedged at an average price of \$2.92/GJ for 2022 and 17,500 GJ/d for Q1 2023 at \$2.88/GJ are in place. In addition, condensate hedges (C\$WTI basis) averaging 659 bbl/d for 2022 at an average price of C\$107.98/bbl are in place.

## Strategic Review

On July 26, 2021, Pieridae announced it had initiated a formal process to identify, examine and consider a range of strategic alternatives with a view to enhancing shareholder value. Such strategic alternatives may have included a corporate sale, merger, a sale of a material portion of Pieridae's assets or other transactions.

"Shareholders and the Company have invested heavily in the Goldboro LNG Project for a number of years and we have acquired and consolidated a large base of Foothills upstream assets, so it is prudent for us to look for ways to ensure an appropriate return is found for the investments made to date," said Pieridae Chief Executive Officer Alfred Sorensen.

Pieridae's Board of Directors had authorized the creation of a special committee to review and evaluate potential strategic alternatives and transactions. Pieridae as well hired Peters & Co. to advise the strategic review committee and the Company during the strategic review process.

On January 24, 2022, the company announced the strategic review process had wrapped up. Ultimately, the special committee concluded that the various alternatives presented were not compelling relative to the Company's stand-alone prospects. The restructuring of Pieridae's credit agreement announced January 4, 2022 played a role in the special committee's conclusion. The full Pieridae Board supported and approved the committee's recommendation.

## Goldboro LNG

On July 2, 2021, the company announced a future path for its Goldboro LNG Project. While Pieridae had made progress in advancing the Project, as of June 30, 2021, we were not able to meet all of the key conditions necessary to make a positive final investment decision. It became apparent that cost pressures and time constraints due to COVID-19 made building the LNG Project difficult. We began to assess options and analyzed strategic alternatives that could make an LNG Project more compatible in the future with a changing environment. The main option analyzed was a floating LNG vessel in the same Nova Scotia location.

Early in 2022, we became witness to rising tensions between Russia and Ukraine which placed global energy security of supply front and centre. Pieridae's project could provide potential solutions to help alleviate supply issues, including of a net zero emissions floating LNG facility.

The first step is ensuring Pieridae has an investment partner.

## AER Shell Licence Transfer

On January 31, 2022, Shell and Pieridae filed a request with the Alberta Energy Regulator ("AER") to withdraw the licence transfer application for the Foothills assets from Shell to Pieridae. The AER approved the request.

After changes to AER regulations late in 2021, both Shell and Pieridae decided to revise the application and plan to resubmit at a future date under the new regulatory framework. Pieridae continues to own the Foothills Assets and has responsibility for their continued safe operation. Shell remains the licensee of record.

## COVID-19 Response

Many companies have or are incorporating plans to have their employees return to work for what may be the other side of the pandemic. At Pieridae, we have followed provincial guidelines since COVID became an issue in the spring of 2020. With the Government of Alberta lifting the vast majority of restrictions, early March saw the beginning of a return to the work environment at Pieridae.

The company feels it is important to restart both culture building and in-person collaboration. Being able to see each other face to face is the best way to accomplish both goals.

Employees and contractors deserve recognition for adjusting to a sometimes extremely difficult work environment over the last two years. Pieridae navigated its way through the COVID quagmire without suffering any significant loss of productivity, and in many instances thriving. A tangible example of this was a pair of large turnarounds, which are planned maintenance shutdowns, at two of our gas complexes: Jumping Pound and Caroline. Both were safely completed very close to budget and on time and that took a significant amount of planning and effort.

Throughout this significant work, Pieridae successfully maintained its focus on safety, as evidenced by total reportable injury frequency ("TRIF") of 0.26 as compared to an annual target of 0.34 and 2020 annual TRIF of 0.34.

## 2021 Developments

### **New Chief Operating Officer Hired**

On April 1 2021, the Company hired an industry veteran with senior level experience operating complex sour gas assets as its new COO, someone well positioned to take full advantage of the opportunities Pieridae's assets offer. Professional engineer Darcy Reding brought 30+ years of experience to the role along with a proven track record.

"We needed someone with a proven record of building a resource base and economically bringing on new reserves that will be critical to filling our gas plants and delivering long-term success," said Pieridae CEO Alfred Sorensen. "Darcy has previously managed a billion-dollar multi-year program to successfully grow production volumes."

### **Exploring the Feasibility of a Large-Scale Carbon Capture and Storage Project**

On May 27, 2021, we announced our intent to explore the feasibility of developing a Caroline Carbon Capture Power Complex. This large-scale carbon capture and sequestration and blue power production complex would be located at Pieridae's Caroline Gas Complex in Alberta. The Caroline opportunity has the potential to capture and store underground up to three million tonnes of CO<sub>2</sub> annually from the gas processing facility, power production and third parties. The underground depleted gas reservoir that would store the carbon has enough capacity to sequester up to 100 million tonnes of CO<sub>2</sub> over three-plus decades.

Our goal in 2022 is to conduct an updated feasibility study for the project. If the concept makes sense, it would be a key part of our carbon management plan which we also aim to develop and deliver this year. That plan would be aligned with our ongoing ESG work.

### **Pieridae Releases its Inaugural ESG Report**

On June 22, 2021, we were excited to announce the publishing of Pieridae Energy's inaugural ESG Report. This report is the continuation of our sustainability journey to demonstrate Pieridae's commitment to achieving an authentic ESG outcome through caring deeply about what we stand for as a Company, and by responding to our stakeholders' needs and concerns.

"A commitment to ESG has been a big part of Pieridae Energy throughout our history," said Pieridae's Chief Executive Officer Alfred Sorensen. "It wasn't always called ESG, of course, but we have consistently built respectful relationships with Indigenous Peoples, communities and other stakeholders as well as focusing on meeting and exceeding environmental regulatory and governance standards. It's been that way from the beginning of this Company, shaped by a strong framework of responsible governance."

### **Updated Credit Agreement Reached With TEC**

On January 4, 2022, Pieridae announced it had reached an agreement with its senior secured lender, Third Eye Capital Corporation, to extend payment of the \$50 million term loan deferred fee and to amend certain other terms and covenants of the Credit Agreement first signed with TEC in October of 2019, related to the purchase of Shell's Foothills assets.

Under the updated terms of the Credit Agreement, the \$50 million deferred fee is now incorporated as part of the overall loan due on October 16, 2023. However, the deferred fee will not accrue interest while outstanding. Additionally, certain other modifications to the Credit Agreement were negotiated, including

the continued waiver of the requirement to hedge 60% production on an 18-month rolling basis, through the end of February 2022. This allowed Pieridae to take better advantage of stronger commodity prices.

## Reserves

### Highlights

Pieridae's net PDP reserve volumes at December 31, 2021 are 131.3 MMboe, an increase of 3% year over year. Economic factors, led by price forecast increases partially offset by higher operating and capital maintenance assumptions, contributed 12.4 MMboe of the year-over-year increase, resource acquisitions contributed 1.3 MMboe and technical revisions a further 4.7 MMboe, offset by production during 2021 of 14.8 MMboe.

Total net 1P reserve volumes were 202.6 MMboe, an increase of 15% compared to the prior year. The increase is primarily due to the addition of proved undeveloped drilling locations, offset by 2021 production and economic truncations from higher operating and capital maintenance assumptions. Pieridae's total net 2P reserve volumes were 269.2 MMboe, an increase of 13% compared to the prior year with increases primarily due to the addition of proved plus probable undeveloped drilling locations, offset by 2021 production and economic truncations from higher operating and capital maintenance assumptions.

Pieridae added eight new gross proved undeveloped reserve locations ("PUD"s) and eight new gross proved plus probable reserve locations ("P+PUD"s) in 2021, for a total of 26 and 28 respective gross undeveloped drilling locations. Total undiscounted future development capital included in our reserve estimate is \$300.8 million 1P and \$ 439.1 million 2P.

The Company's 2P reserves as at December 31, 2021 were estimated to have a pre-tax net present value of \$1,002.1 million using a 10% discount rate, compared to \$976.1 million in the prior year. The increase in value was primarily due to higher commodity price forecasts and additional, undeveloped drilling locations, partially offset by modifications to certain operating cost, capital maintenance and royalty assumptions.

### 2021 Independent Reserves Evaluation

The following tables are based on the Reserves Report prepared by Deloitte, an independent qualified reserves evaluator, effective as of December 31, 2021 and dated and prepared as of March 14, 2022 (the "Deloitte Reserves Report"). The tables show the estimated share of Pieridae's oil, natural gas and NGL reserves in its properties and the present value of estimated future net revenue for these reserves, after provision for Alberta gas cost allowance, using forecast price and cost assumptions. The Deloitte Reserves Report was prepared in accordance with the standards included in the COGE Handbook and NI 51-101.

Stated reserves are company gross basis (working interest before deduction of royalties without the inclusion of any royalty interest) unless otherwise noted. In addition to the information disclosed in this news release, more detailed information will be included in the corporation's AIF for the year ended December 31, 2021.

## Canadian Domestic Forecast <sup>(1)</sup>

Year	Light Oil		Natural Gas	Natural Gas Liquids			Operating Cost Inflation Rate (%/Year)	Exchange Rate (\$US/\$Cdn)
	Canadian Light Sweet Crude <sup>(2)</sup> 40° API (\$Cdn/Bbl)	Alberta AECO (\$Cdn/Mcf)	Edmonton Propane (\$Cdn/Bbl)	Edmonton Butane (\$Cdn/Bbl)	Edmonton Pentanes Plus (\$Cdn/Bbl)			
<b>Historical</b>								
2013	93.36	3.17	38.54	77.44	103.52	0.90%	0.97	
2014	94.00	4.50	42.93	59.43	101.47	1.90%	0.91	
2015	57.00	2.69	5.35	33.70	55.15	1.10%	0.78	
2016	52.22	2.16	8.71	31.45	52.43	1.40%	0.75	
2017	62.11	2.16	27.56	40.96	62.85	1.60%	0.77	
2018	75.39	1.61	29.54	45.93	81.62	2.30%	0.77	
2019	66.93	1.80	27.00	39.40	62.65	1.50%	0.75	
2020	45.90	2.25	15.81	20.82	46.58	0.75%	0.75	
2021	79.80	3.61	45.92	40.30	81.87	3.30%	0.80	
<b>Forecast</b>								
2022	85.43	3.58	43.71	37.34	90.21	0.00%	0.80	
2023	79.36	3.22	35.40	48.92	83.90	2.25%	0.80	
2024	76.07	3.07	33.88	46.93	80.67	2.00%	0.80	
2025	77.59	3.14	34.55	47.88	82.29	2.00%	0.80	
2026	79.13	3.20	35.24	48.83	93.94	2.00%	0.80	
2027	80.73	3.26	35.94	49.80	85.62	2.00%	0.80	
2028	82.33	3.33	36.67	50.80	87.33	2.00%	0.80	
2029	83.98	3.40	37.39	51.81	89.073	2.00%	0.80	
2030	85.66	3.46	38.14	52.85	90.84	2.00%	0.80	
<i>Escalation rate of 2% thereafter</i>								

<sup>(1)</sup> Forecast prices were estimated using the average of the escalated price forecasts of four independent reserve evaluators, namely Deloitte LLP, GLJ Petroleum Consultants Ltd., McDaniels & Associates Consultants Ltd. and Sproule Associates Limited. There is no assurance that the forecast prices and forecast factors used by Deloitte in the Deloitte Report will prove accurate and variances could be material.

<sup>(2)</sup> Edmonton Par prior to 2013.

## Reserve Life Index ("RLI")

Based on these latest reserves updates for the 2021-year-end process, Pieridae's 2P RLI is 17.7 years.

## Net Present Value Summary

Pieridae's crude oil, natural gas and NGLs reserves were evaluated using the four-consultant average ("IC4") forecast pricing and foreign exchange rates on January 1, 2022, as described above. The NPV value is prior to the provision for interest, debt service charges and general and administrative ("G&A") expense. It should not be assumed that the NPV of future net revenue estimated by Deloitte represents the fair market value of Pieridae's reserves.

The following tables summarize the undiscounted value and the present value, discounted at 5%, 10%, 15% and 20%, of Pieridae's estimated future net present value of revenue based on forecast price and cost assumptions as of December 31, 2021.

## Summary of Before-Tax Present Value of Future Net Revenue on December 31, 2021 <sup>(1)</sup>

Reserves Category <sup>(2)</sup>	Before Income Tax, Discounted at (%/year)					Unit Value Before Income Tax, Discounted at 10%/year
	0% (M\$)	5% (M\$)	10% (M\$)	15% (M\$)	20% (M\$)	\$/BOE
<b>Proved</b>						
<i>Developed Producing</i>	336,361	492,368	427,675	369,719	326,391	3.82
<i>Developed Non-Producing</i>	102,420	71,011	51,326	38,248	29,127	3.43
<i>Undeveloped</i>	642,486	407,772	273,200	189,808	135,026	5.96
<b>Total Proved</b>	<b>1,081,267</b>	<b>971,151</b>	<b>752,202</b>	<b>597,775</b>	<b>490,544</b>	<b>4.36</b>
<b>Total Probable</b>	<b>767,173</b>	<b>410,511</b>	<b>249,932</b>	<b>166,191</b>	<b>117,660</b>	<b>4.41</b>
<b>Total Proved + Probable</b>	<b>1,848,440</b>	<b>1,381,662</b>	<b>1,002,134</b>	<b>763,966</b>	<b>608,203</b>	<b>4.37</b>

<sup>(1)</sup> Future net revenue is estimated using forecast prices and costs – see “Pricing Assumptions – Forecast Prices and Costs – December 31, 2021” in the Company’s AIF.

<sup>(2)</sup> Values reflect abandonment and reclamation costs for all wells, facilities, and pipelines and for all future locations assigned reserves in the Deloitte Reserves Report in the aggregate amount of \$429.6 million (undiscounted) for total proved reserves and 440.1 million (undiscounted) for total proved plus probable reserves.

## Reserve Volume

The corporation was able to protect base production throughout the year due to optimization and maintenance programs, the results of which provide one of the lowest corporate declines amongst our peers. These relatively low-cost investments generated attractive rates of return and significantly improved our already low production decline. Key optimization projects included plunger lift optimization and liquid loading mitigation in the wellbore, and gas compression optimization at surface.

## Summary of Oil and Gas Reserves as of December 31, 2021

Reserves Category	Light/Medium Crude Oil		Conventional Natural Gas <sup>(1)</sup>		Natural Gas Liquids		Sulphur	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mmcf)	Net (Mmcf)	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mlt)	Net (Mlt)
<b>Proved</b>								
<i>Developed Producing <sup>(2)</sup></i>	-	4.1	626,993	542,385	26,811	21,509	5,610	4,575
<i>Developed Non-Producing <sup>(3)</sup></i>	-	-	108,511	87,930	401	292	154	128
<i>Undeveloped <sup>(4)</sup></i>	-	-	207,091	181,630	18,316	15,577	2,588	2,104
<b>Total Proved</b>	-	<b>4.1</b>	<b>942,596</b>	<b>811,944</b>	<b>45,528</b>	<b>37,377</b>	<b>8,352</b>	<b>6,806</b>
<b>Total Probable</b>	-	<b>0.2</b>	<b>306,055</b>	<b>262,771</b>	<b>15,583</b>	<b>12,876</b>	<b>2,795</b>	<b>2,290</b>
<b>Total Proved + Probable</b>	-	<b>4.3</b>	<b>1,248,651</b>	<b>1,074,715</b>	<b>61,111</b>	<b>50,253</b>	<b>11,147</b>	<b>9,096</b>

<sup>(1)</sup> Natural gas volumes include associated, and non-associated gas.

<sup>(2)</sup> “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.

<sup>(3)</sup> “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.

<sup>(4)</sup> “Undeveloped” reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

<sup>(5)</sup> Gross refers to the working interest volumes before royalty deductions.

## 2022 Outlook:

<i>(\$ 000s unless otherwise noted)</i>	2021 Actual Results	2022 Guidance
Total production (boe/d)	40,562	39,000 – 42,000
Net operating income <sup>(1)(2)</sup>	84,085	100,000 – 130,000
Implied Operating Netback (\$/boe) <sup>(2)</sup>	5.68	7.02 – 8.48
Sustaining capital expenditures <sup>(3)</sup>	26,488	17,000 – 22,000
Development capital expenditures <sup>(4)</sup>	7,212	17,000 – 25,000

<sup>(1)</sup> Refer to the “non-GAAP measures” section on pages 20 of the Company’s latest MD&A

<sup>(2)</sup> Assumes average 2022 AECO price of \$3.83/mcf and average 2022 WTI price of USD\$80.28/bbl, inclusive of fixed price forward sales contracts in place as at March 23, 2022

<sup>(3)</sup> Comprised of facility maintenance and turnaround capital expenditures

<sup>(4)</sup> Comprised of seismic, development and land capital expenditures

Pieridae’s near-term priority is to strengthen its balance sheet through sustaining production, maintain rigorous cost control across its operations and administration, and to deliver accretive non-core asset dispositions and related commercial optimization activities. As mentioned earlier in the release, we plan to begin a drilling program in the second half of 2022.

## About Pieridae:

Pieridae is a majority Canadian-owned corporation based in Calgary that was founded in 2011. The Company is focused on the exploration, extraction and processing of natural gas as well as analyzing options for a reconfigured LNG Project that fits with the current environment and would supply Europe and other markets. Pieridae provides the energy to fuel people’s daily lives while supporting the environment and the transition to a lower-carbon economy. After completion of all the transactions disclosed in this news release, Pieridae has 157,645,871 common shares issued and outstanding which trade on the TSX (PEA.TO).

### For further information please contact:

**Alfred Sorensen, Chief Executive Officer**

Telephone: (403) 261-5900

**James Millar, Director, External Relations**

Telephone: (403) 261-5900

## Forward-Looking Statements

Certain statements contained herein may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively "forward-looking statements"). Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue", "shall", "estimate", "expect", "propose", "might", "project", "predict", "forecast" and similar expressions may be used to identify these forward-looking statements.

Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of resources estimates, environmental risks, competition from other producers, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits or synergies from acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources and the risk factors outlined under "Risk Factors" and elsewhere herein. The recovery and resources estimate of Pieridae's reserves provided herein are estimates only and there is no guarantee that the estimated resources will be recovered. As a

consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such forward-looking statements, but which may prove to be incorrect. Although Pieridae believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements because Pieridae can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Pieridae operates; the timely receipt of any required regulatory approvals; the ability of Pieridae to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects which Pieridae has an interest in, to operate the field in a safe, efficient and effective manner; the ability of Pieridae to obtain financing on acceptable terms; the ability to replace and expand oil and natural gas resources through acquisition, development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of Pieridae to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Pieridae operates; timing and amount of capital expenditures, future sources of funding, production levels, weather conditions, success of exploration and development activities, access to gathering, processing and pipeline systems, advancing technologies, and the ability of Pieridae to successfully market its oil and natural gas products.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Pieridae's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)), and at Pieridae's website ([www.pieridaeenergy.com](http://www.pieridaeenergy.com)). Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and Pieridae assumes no obligation to update or review them to reflect new events or circumstances except as required by Applicable Securities Laws.

Forward-looking statements contained herein concerning the oil and gas industry and Pieridae's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which Pieridae believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Pieridae is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

Barrels of oil equivalent (“boes”) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

***Neither TSX nor its Regulation Services Provider (as that term is defined in policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.***