

# Crescent Point's Commitment to Saskatchewan

SIMSA Saskatchewan Suppliers' Energy Update

Kayley Crasto- Team Lead, Supply Chain Management

March 24, 2021

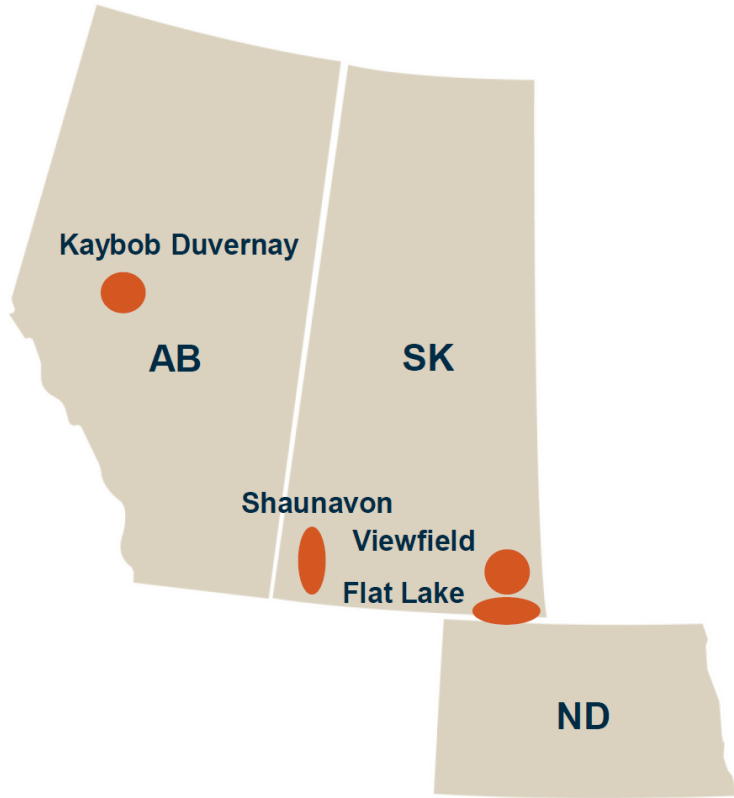


**CRESCENT POINT**

## Agenda

- Crescent Point Background
- Look Back
- Current Status
- Outlook for Saskatchewan Activity
- Vendor Information

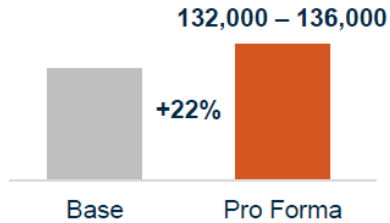
# Crescent Point Overview



● Key Focus Areas

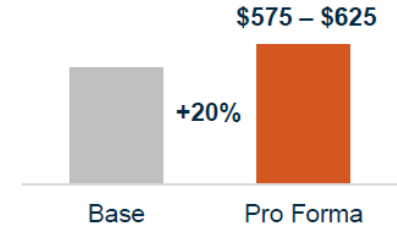
## Production

(boe/d)



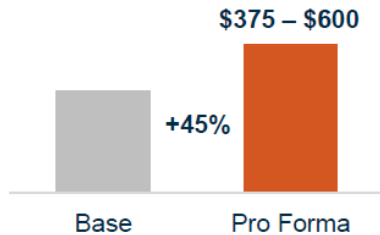
## Development Capital

(\$MM)



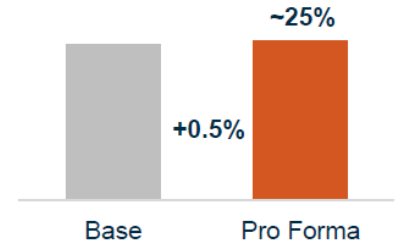
## Excess Cash Flow

(\$MM)

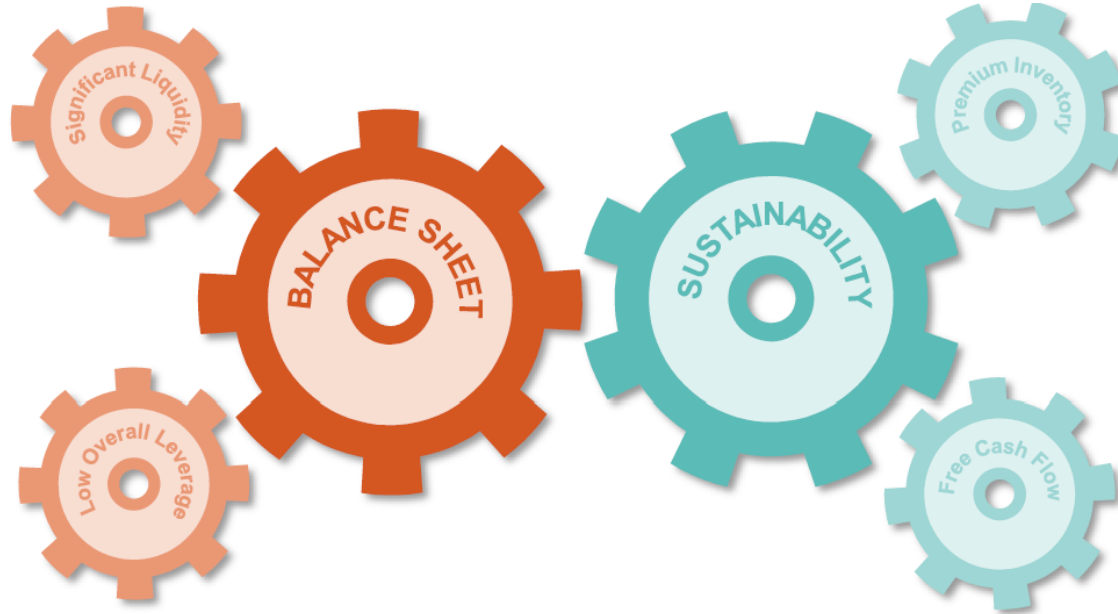


## 2021 Decline Rate

(%)



# Crescent Point Principles for Success



Strategic initiatives supported by strong ESG focus



**“What Happened...**

**...and What the Future May Look Like”**

# January 2020 to Present

## CPG Share Price and WTI from 2020 to Present



— Crescent Point Share Price — WTI Price (USD)

## Crescent Point's 2020 Journey

- Reduced capital spending by 40% to \$665 million
- Voluntarily shut in non-economic production
- Increased hedging protection
  - Hedging gain of \$246.4 million in 2020
- Lowered costs further- G&A, CapEx, OpEx reduction
  - ~10% further reduction since 2019
- Ultimately, reported a net loss of \$2.52 Billion
  - Write down of assets due to oil price
  - 49% less revenue in 2020 vs 2019
- Timely pivot to digital office structure
  - Operational Technology platform implemented prior to 2020
  - Office closures forcing virtual work environment

## 2021: “...and what the future may look like”

- WTI (USD) has risen from \$50.83 (Jan 4, 2021) to \$61.42 (Mar 19, 2021)
- CPG share price has risen from \$3.03 (Jan 4, 2021) to \$5.43 (Mar 19, 2021)
- February 17, 2021- announcement of Crescent Point entering agreement with Shell Canada to acquire Kaybob Duvernay assets in Alberta for \$900 Million for 30,000 boepd
- Revised 2021 Guidance:
  - \$610-660 Million Capital Spend
  - Annual average production of 132,000- 136,000 boepd



# Crescent Point Kaybob Acquisition from Shell Canada



## Transaction

Acquiring **Shell's Kaybob Duvernay** assets in Alberta

---

**Total consideration of \$900MM**  
(\$700MM cash &  
50MM shares issued to Shell)

---

Transaction expected to close in  
**April 2021**



## Asset Attributes

**Core of the condensate rich fairway**  
& ownership in key infrastructure

---

**High-Margin Production of  
~30,000 boe/d**  
(57% condensate, 8% NGL & 35% shale gas)

---

**~500 net sections** of contiguous  
land & **inventory of >10 years**



## Accretive Metrics

**<3.0x**  
Net Operating Income

---

**\$30,000**  
per flowing boe

---

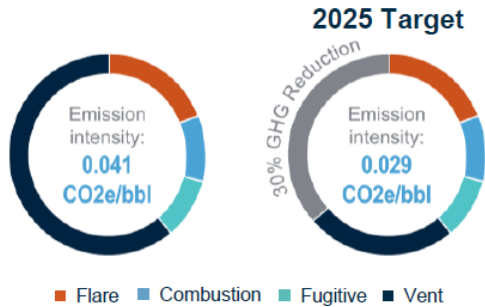
**>2.0x**  
2P Recycle Ratio  
(Including FDC)

# Crescent Point's 2021 Strategic Outlook in Saskatchewan

- Capital Program
  - Over 200 wells to be drilled and completed in Saskatchewan
- Strong Waterflood Program
  - Anticipated 100+ Injector Conversions
  - All Saskatchewan Based
- Active Abandonment Program
  - Record well count year for program
  - Over 450 scheduled in Saskatchewan alone
  - Government of Saskatchewan's Accelerated Site Closure Plan (ASCP) allotment of funds

# Commitment to Mission

## Corporate GHG Emissions

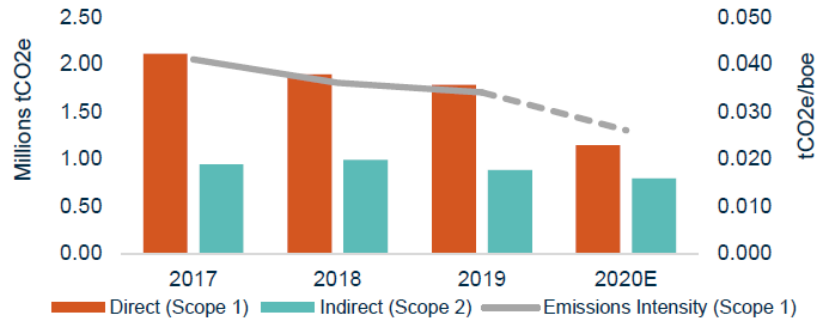


## Women in Leadership



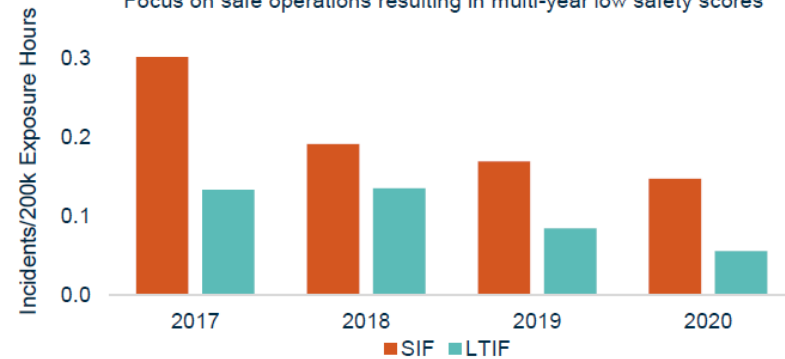
## Environmental Focus

On track for 30% reduction in direct emission intensity by 2025



## Safety-Centric Culture

Focus on safe operations resulting in multi-year low safety scores



**Strong diversity of board skills and experiences with oversight of ESG strategy and execution**

## Vendor Mix at Crescent Point

- 1032 qualified vendors in Avetta
- 76% of our vendors do work in Saskatchewan
- Vendors who do work for each business unit:

|                      | Totals      | % of Total |
|----------------------|-------------|------------|
| <b>Suppliers</b>     | <b>1032</b> |            |
| Indigenous Ownership | 35          | 3%         |
| Drilling             | 374         | 36%        |
| Completions          | 557         | 54%        |
| Facilities           | 439         | 43%        |
| Environmental        | 19          | 2%         |
| Geology              | 11          | 1%         |
| Abandonment          | 287         | 28%        |
| Operations           | 702         | 68%        |

# Prospective Vendors: Doing Business with Crescent Point



- QuickVett via Avetta- Crescent Point's Vendor Pre-Qualification tool
- Slated to be available for registration April 2021
- Create a profile with a collection of corporate information, services provided, and health and safety data
- Nominal fee for use of service; would offset yearly subscription fee if a vendor of Crescent Point



***Bringing energy to our world  
– the right way***



**CRESCENT POINT**