



CORPORATE UPDATE

Second Quarter 2022



WHO WE ARE

Low Cost, High Margin Oil & Gas Company



- **Sustainable** organic cash flow generation
- **Flexible** and **disciplined** development plan
- Basin leading **low-cost operations**
- **Diversified** commodity mix
- **Low leverage** profile
- **Returning capital** to shareholders
- **ESG** in our DNA

1H 2022
Production¹
~22 Mboe/d

1H 2022
LOE/Boe²
\$2.90

1H 2022
Reinvestment Rate³
~54%

Q2 2022
LTM Leverage
~0.1x

1H 2022
LFCF⁴
~\$47mm

1H 2022
Dividend
~\$32mm

1. 1H 2022 liquids mix of ~55%

2. Focus Area only, which represents ~90% of total company production

3. Defined as total cost incurred divided by adjusted EBITDA

4. Levered FCF is defined as adjusted EBITDA plus proceeds from divestitures less total costs incurred and interest expense

HOW WE DO IT

Execution of Our Strategy



LOW COST OPERATIONS

Meaningful **cost reductions** driven by **operational efficiencies** provide resilient, self-funding **cash flow generation**

FLEXIBLE DEVELOPMENT PLAN

Diversified asset base and modest capital program not tied to obligations or expirations allow for **control of where, when and what we drill**

LOW LEVERAGE PROFILE

Continuing to improve our **low leverage** profile by **paying down debt** & investing in **high-confidence, high-return projects**

POSITIONED TO ENHANCE SCALE

Leveraging operational **expertise** and **strong balance sheet** to **opportunistically** transact in A&D and M&A markets

RETURN OF CAPITAL

Prioritizing free cash flow generation, **delivering material** and **sustainable value** to shareholders

ESG

Focused on what matters, **anchored** in our **Core Values**



“The Canvas strategy has proven to be **self-sustaining** and **scalable**. We generate **basin-leading production margins** on a foundation of low-cost operations. We prudently re-invest a portion of free cash flow to maintain production and our asset base.

Further, we have demonstrated our ability to **effectively allocate capital to the drill bit and accretive acquisitions**, and to high-grade our assets with timely divestitures.

Following this strategy has resulted in a **strong, de-levered balance sheet**, and the ability to **distribute meaningful cash** to investors.”

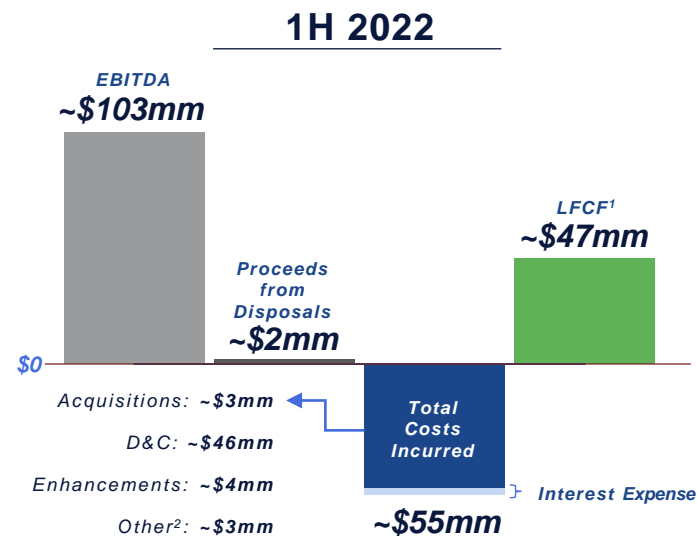
- **Chuck Duginski, CEO**

RECENT ACHIEVEMENTS

FINANCIAL

1H 2022 HIGHLIGHTS

- Achieved EBITDA of \$103mm (**\$159mm unhedged**)
- Invested ~\$55mm of capex (entirely self-funded)
- Paid down \$10mm in RBL borrowings
- **Converted 2L Note** into equity
- **Reduced** net leverage to **0.1x**
- **Generated \$47mm of levered free cash flow**
- Initiated **return of capital** distribution program that includes a fixed and variable component



OPERATIONAL & BUSINESS DEVELOPMENT

- **No significant spills or safety incidents** in 2022
- **Re-started single rig operated drilling program** in December 2021 and **added a second operated rig in June 2022**
- Brought online 7 laterals in Canadian County in 1H 2022
 - **ROR projections >200%**³
- **Lowered per unit costs** for 1H 2022 LOE and cash G&A⁴ by 24% and 31%, respectively, as compared to FY 2019
- 1H 2022 leasing program **added ~4,000 net acres** in Development Areas
 - Q3 2021 closed **significant accretive acquisition** in our Focus Area and **divested non-core assets**

1. Levered FCF is defined as adjusted EBITDA plus proceeds from divestitures less total costs incurred and interest expense through June 30, 2022 actuals

2. Other includes capitalized G&A, capitalized interest and ARO

3. Utilizing 8/31/22 NYMEX

4. Cash G&A adjusted for restructuring and other non-recurring expenses

ASSET OVERVIEW

Concentrated acreage position in the oil and liquid-rich gas window of the Anadarko Basin

Net Acres Q2 2022

| | |
|------------------|----------|
| Total Company | ~227,000 |
| Focus Area | ~143,000 |
| Development Area | ~93,000 |

Large production base with a diversified commodity mix

- 1H 2022 ~55% liquids (~21% oil)
- Optionality in development between oil and gas wells based on commodity cycle

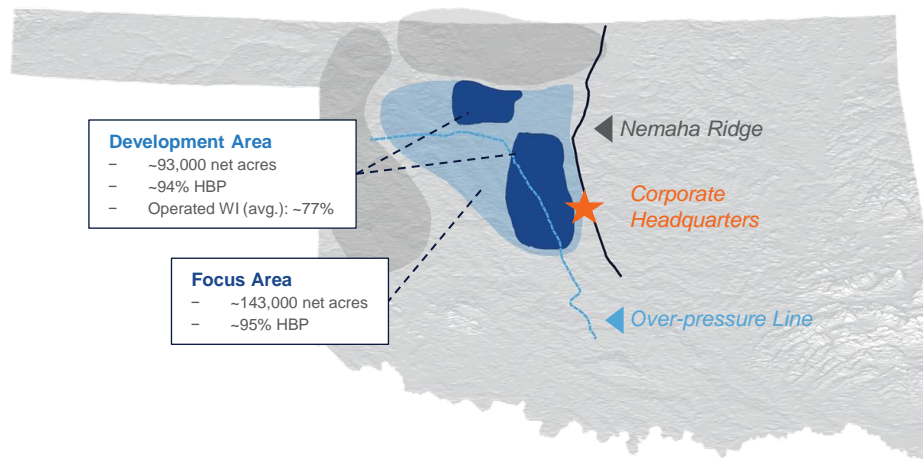
Significant operational control & flexibility in our Development Area with no material commitments

Development Area Q2 2022

| | |
|---------------------------------|------|
| Held-by-production | ~94% |
| Operatorship | ~69% |
| Operated drilling spacing units | >120 |

Attractive near-term development with significant upside potential

- Demonstrated ability to replace our drilled inventory at current activity cadence
- Meaningful economic undeveloped value, beyond conservative PUD bookings
- High-grading returns and profitability through disciplined development



RECENT TRANSACTION HIGHLIGHTS

Acquisitions

- In 2021, added **~41,000 net acres** and **~1,900 net barrels of oil equivalent per day** of additional production within existing Focus and Development Areas
- 1H 2022 **added an additional 4,000+ net acres** in Development Areas

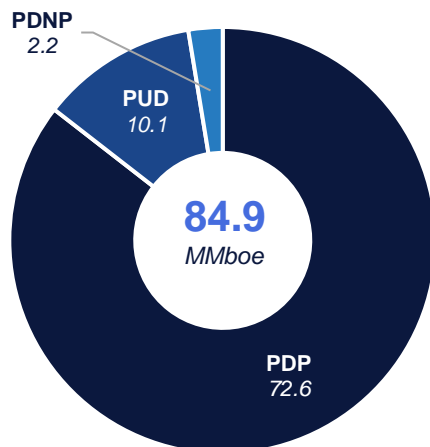
Divestitures

- In 2021, **accelerated deleveraging** through sale of legacy asset outside of Focus Area (**paring higher LOE properties and reducing near term P&A liabilities**)
- Plans to **monetize additional legacy assets in 2022**

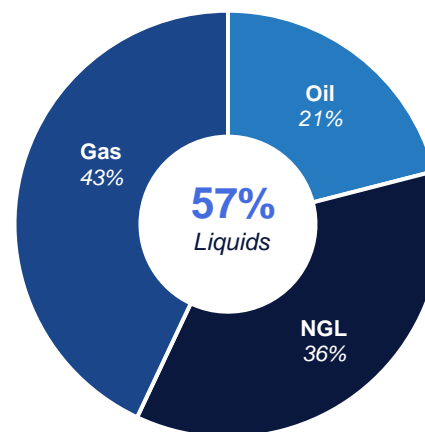
Q2 2022 PROVED RESERVES



88% PROVED DEVELOPED (MMBOE)



RESERVES MIX (%)



Q2 2022 TOTAL PROVED RESERVES¹

| Reserve Category | Net Oil (MMBo) | Net Gas (BCF) | Net NGL (MMBo) | Net (MMBoe) | % of Total Proved | PV-10 | PV-10 |
|---------------------|----------------|---------------|----------------|-------------|-------------------|--------------------|---|
| | | | | | | SEC Pricing (\$mm) | August 31, 2022 NYMEX (\$mm) ² |
| PDP | 14.3 | 189.1 | 26.8 | 72.6 | 86% | \$1,043 | \$879 |
| PDNP | 0.5 | 6.0 | 0.6 | 2.2 | 2.5% | \$28 | \$23 |
| PUD | 3.2 | 23.6 | 2.9 | 10.1 | 12% | \$155 | \$116 |
| Total Proved | 18.0 | 218.7 | 30.4 | 84.9 | 100% | \$1,226 | \$1,018 |

Note: numbers may not foot due to rounding
 1. SEC Reserves as of Q2 2022
 2. PV-10 utilizing August 31, 2022 NYMEX forward pricing

LEVERAGING EXPERIENCE, DRIVING EFFICIENCIES

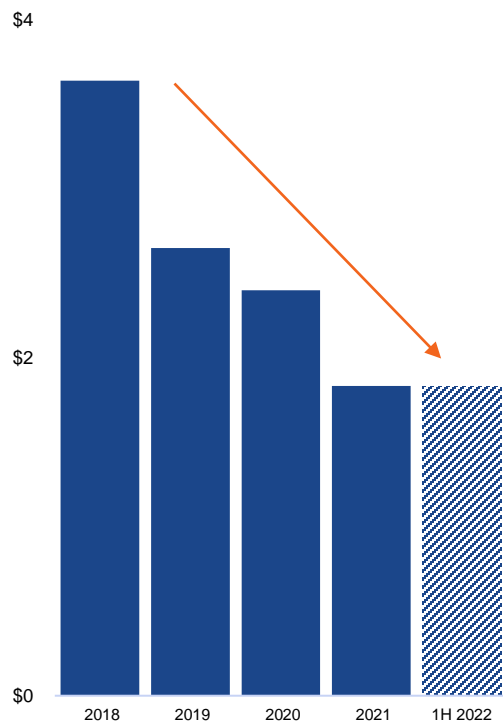


Maximizing profitability through continued focus on cash flow from existing production and exceptional returns from drilling program in an inflationary cost environment

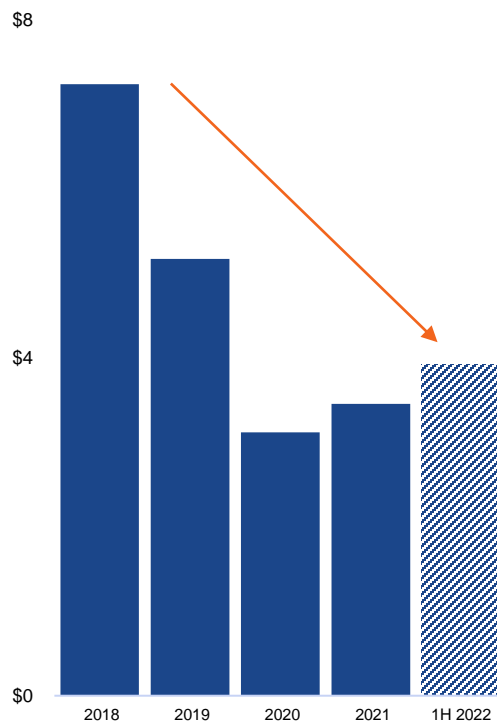
50%
Cash G&A per Boe Reduction
(1H 2022 vs. 2018)

46%
LOE per Boe Reduction
(1H 2022 vs. 2018)

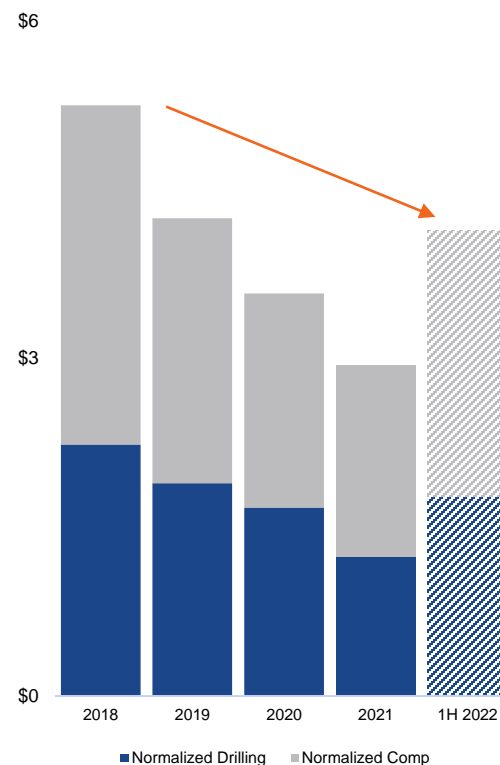
20% - 25%
Avg. D&C Capital Reduction
(1H2022 vs. 2018)



Annual Cash G&A Expense^{2,3}
(\$ per barrel of oil equivalent)



Annual Total Lease Operating Expense²
(\$ per barrel of oil equivalent)



Normalized Average Annual Merge Miss Capital^{1,2}
(\$ in millions)

1. Drilling and completion costs for 4,800 foot lateral averaged on a well-by-well basis
2. 2022 Drilling & Completion, LOE and G&A figures based on actuals through June 30, 2022
3. Cash G&A adjusted for restructuring and other non-recurring expenses

TOP QUARTILE MARGINS AMONGST PEERS

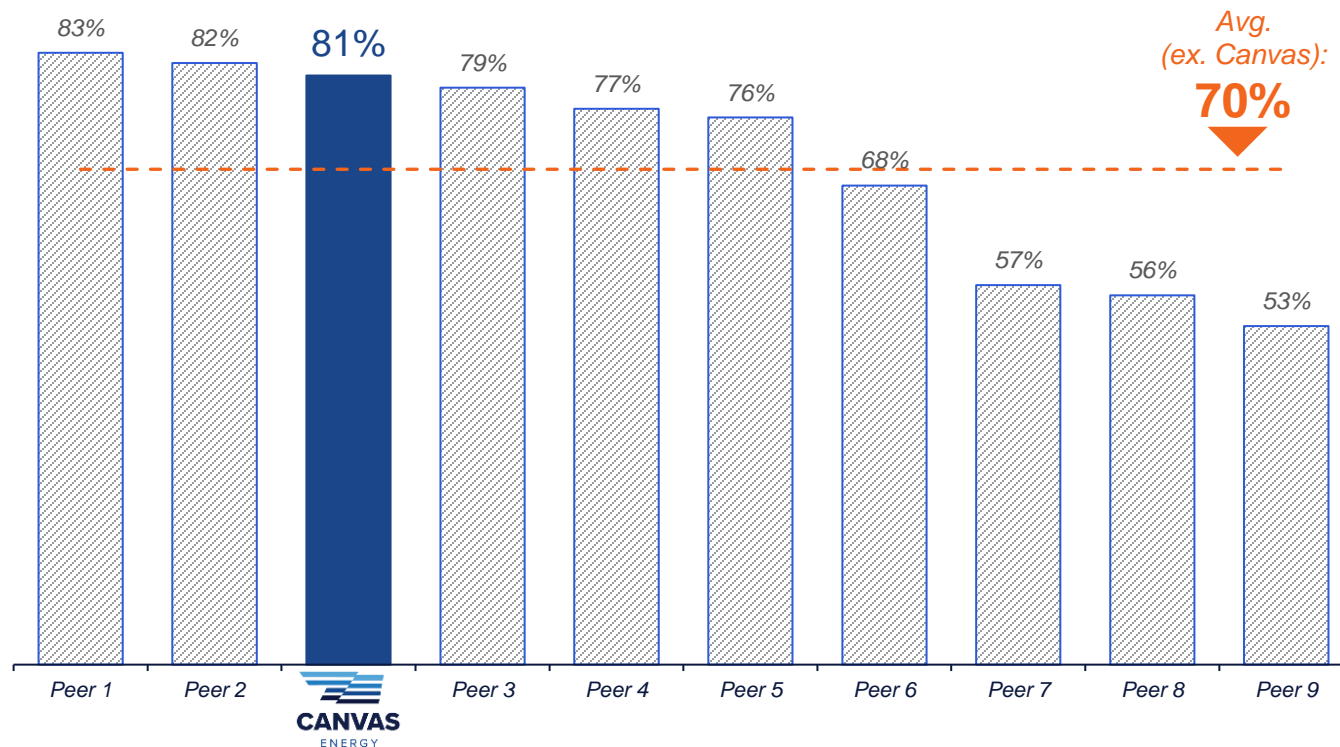
1H 2022



Improving Efficiencies Yielding Compelling Margins

ADJUSTED GROSS OPERATING MARGIN vs. PUBLIC OPERATOR PEER GROUP

Adjusted Gross Operating Margin^{1,2}
(%)



Note: Peer companies: AMPY, BRY, CDEV, CPE, DVN, ESTE, LPI, SD and SM

Source: Peer data from company filings and Capital IQ

1. Gross margin defined as total commodity revenue (excluding derivatives) less direct operating expenses divided by total commodity revenue (excluding derivatives)

2. Data through 1H 2022

FINANCIAL POSITION



HIGHLIGHTS

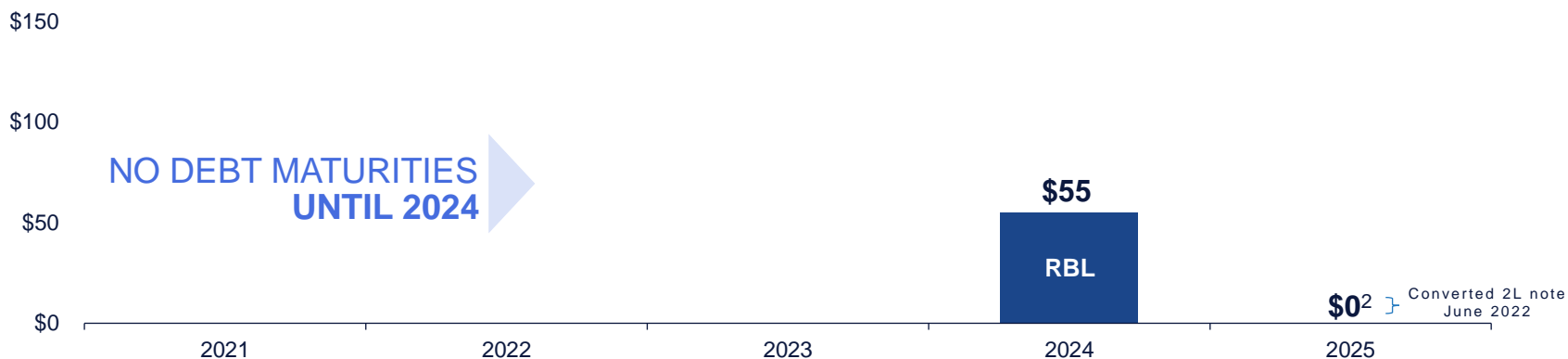
- No near-term maturities
- Peer-leading leverage profile
- Revolving credit facility with borrowing base of \$175mm
 - **2021** – paid down \$62mm of RBL
 - **1H 2022** – paid down \$10mm of RBL
- 2L convertible note with face value of ~\$37mm
 - **Q2 2022** – note converted

CAPITALIZATION

| <i>\$ in millions</i> | Q2 2022 |
|-----------------------------------|-------------|
| Cash | \$30 |
| Credit Facility | \$55 |
| Other Debt | \$1 |
| 1L Net Debt | \$25 |
| 2L Convertible Notes ² | \$- |
| Total Net Debt | \$25 |

| <i>Leverage¹</i> | Q2 2022 |
|-------------------------------------|-------------|
| 1L Net Debt to TTM EBITDA | 0.1x |
| Total Net Debt to TTM EBITDA | 0.1x |

DEBT MATURITY PROFILE (\$MM)



1. Bank defined Q2 2022 trailing twelve month estimated adjusted EBITDA of ~\$178mm
 2. Balance prior to June 2022 conversion was ~\$37mm

DELIVERING ON OUR COMMITMENT TO ESG



> *We conduct business and operations in a safe and ethical manner. Our values lead us to constantly improve our performance as a safe and efficient, environmentally conscious, and results-oriented operator.*

| Environment | Society | Governance |
|--|---|---|
| <p><i>Delivering great results over long term requires consistent efforts to minimize our environmental footprint</i></p> | <p><i>We put people first – ensuring the safety of our neighbors and co-workers, investing in our communities, and promoting wellness</i></p> | <p><i>Our culture fosters integrity and accountability through regular and transparent communication</i></p> |
| <ul style="list-style-type: none"> – We strive to always have gas gathering facilities in place to avoid routine flaring and venting of gas – We conduct semi-annual leak inspections through an independent third party on all wells completed – We minimize emissions through the use of grid electric power when available, piping our produced water, and otherwise limiting miles driven – We develop spill prevention and control plans for all storage facilities, and conduct annual inspections per the guidelines of a third party professional engineer – We manage our waste streams responsibly and perform audits of major disposal facilities | <ul style="list-style-type: none"> – We have a zero-incident safety culture <ul style="list-style-type: none"> • Comprehensive, behavior-based safety program • Companywide safety awareness • Contractor management – We are a good neighbor in the communities where we live and work – We invest in our communities through local businesses and charities – We provide professional and personal development to our employees – We support employee wellness and provide flexible work arrangements for a healthy work-life balance | <ul style="list-style-type: none"> – Our Board of Directors has been purposefully composed and organized <ul style="list-style-type: none"> • Direct shareholder representation • Independent directors with deep industry experience – We require independent thought, fresh contributions and relevant experience from our Directors – We ensure key financial, operational and value-oriented metrics are subjected to systematic independent scrutiny – Our compensation is tied to operational, financial and ESG performance – Our employees have a voice through regular two-way communication with senior management |

























PETROLEUM BASED PRODUCTS AND FUELS BENEFIT THE LIVES OF PEOPLE AROUND THE WORLD IMMEASURABLY. WE ARE RESPONSIBLE ENVIRONMENTAL AND FINANCIAL STEWARDS WHO ARE PROUD TO FIND AND DEVELOP THIS VALUABLE NATURAL RESOURCE.



APPENDIX

OUR LEADERSHIP TEAM



| Name | Position | Experience | Years Experience |
|---|--|--|------------------|
|  Charles "Chuck" Duginski | President, CEO & Chairman |      <ul style="list-style-type: none"> - Chief Operating Officer, Senior Vice President and member of Tapstone Energy Board of Directors - Chief Operating Officer of Echo Energy - Vice President, Southern Region (Mid-Con) Production at Continental Resources | 25+ |
|  Justin Byrne | Senior Vice President, General Counsel & Secretary |     <ul style="list-style-type: none"> - Associate General Counsel and Assistant Corporate Secretary at SandRidge Energy - Counsel at Devon Energy - Counsel at Kerr-McGee Corporation - Partner in private law practice | 20+ |
|  Clint Calhoun | Vice President, Resource Development |   <ul style="list-style-type: none"> - Co-founder and Vice President of Engineering at Travis Peak Resources, a Merge / SCOOP focused EnCap portfolio company - Asset Manager of SCOOP / STACK at Newfield Exploration | 20+ |
|  Josh Walker | Vice President, Operations |    <ul style="list-style-type: none"> - Innovation manager at Chesapeake Energy, where he assembled and led a team focused on operations research and development, new and emerging technologies and data analytics - Drilling, completions and production engineer at Anadarko Petroleum | 20+ |
|  Patrick Graham | Vice President, Finance |     <ul style="list-style-type: none"> - Director, Finance & Investor Relations at Ascent Resources - Director at Clear Ridge Capital - Senior Financial Analyst at Level 3 - Financial Analyst at Williams | 20+ |
|  Josh Kerbo | Vice President, Accounting & Controller |    <ul style="list-style-type: none"> - Vice President, Accounting & Controller at Tapstone Energy - Manager, Accounting at SandRidge Energy - Regional Controller at Diamondback Energy Services | 20+ |

OUR LEADERSHIP TEAM



| Name | Experience |
|---|---|
| <p>Chuck Duginski <i>President, CEO and Chairman</i></p> |  <ul style="list-style-type: none"> • Former Chief Operating Officer, Senior Vice President and member of Tapstone Energy Board of Directors • Former Chief Operating Officer of Echo Energy • Former Vice President, Southern Region (Mid-Con) Production at Continental Resources |
| <p>Craig Kelleher <i>Director</i></p> |  <ul style="list-style-type: none"> • Co-founder and current Co-CIO of Millstreet Capital Management LLC • Co-founder of Prelude Asset Management LLC, a spinoff of Partners HealthCare System, Inc. • Current board member of ETX Energy, Knight Energy and US Shale Solutions |
| <p>Craig Carlozzi <i>Director</i></p> |  <ul style="list-style-type: none"> • Current Director of Alternatives & Portfolio Manager at Longfellow Investment Management Co. • Current board member of US Shale Solutions and Millstreet Capital Acquisition Corp. • Founder of BulwarkBay Investment Group, LLC • Former Managing Director and partner at MAST Capital Management, LLC • Former Analyst at Bank of America Merrill Lynch |
| <p>Samuel Barker <i>Director</i></p> |  <ul style="list-style-type: none"> • Current Portfolio Manager and CFA Charter Holder at Amzak Capital Management • Former investment analyst at ECM Asset Management • Formerly held various roles at GE including GE's internal audit group |
| <p>Jason Hammerman <i>Director</i></p> |  <ul style="list-style-type: none"> • Current Senior Vice President at Avenue Capital Management II, LP • Former Investment banking analyst at Jefferies Group • Former Independent Director of Jones Energy and Connacher Oil & Gas |
| <p>James S. Addison <i>Director</i></p> |  <ul style="list-style-type: none"> • Current President of JSA Energy, LLC • Current board member of WildFire Energy • Former Chief Executive Officer of Hawkwood Energy LLC • Former President and Chief Executive Officer of Travis Peak Resources • Former Independent Director of Jones Energy (Chairman) and Chisholm Energy Holdings, LLC |
| <p>Mark Castiglione <i>Director</i></p> |  <ul style="list-style-type: none"> • Current partner at Meridian Energy LLC • Former Chief Executive Officer of Alta Mesa Resources, Inc. • Former Senior Advisor to SandRidge Energy |

OUR KEY INVESTORS



Current Investment

 ETX Energy

Current Investment

 Knight Energy Services

Current Investment

 Talos Energy

Realized Investment

 Transocean Ltd.

Current Investment

 Amplify Energy

Current Investment

 PureWest Energy

Current Investment

 US Shale Solutions

Realized Investment

 U.S. Well Services

Realized Investment

 Whiting Petroleum

Realized Investment

 EP Energy

Current Investment

 Fieldwood Energy

Realized Investment

 Jones Energy



CANVAS

ENERGY