



## **CLEARVIEW RESOURCES LTD. REPORTS 2023 Q2 RESULTS AND ANNOUNCES SPECIAL MEETING**

**CALGARY, ALBERTA** – August 29, 2023 – **Clearview Resources Ltd.** (“Clearview” or the “Company”) is pleased to announce its financial and operational results for the three and six months ended June 30, 2023.

“Following a record year for Clearview in 2022, completing its asset rationalization process in the first quarter of 2023 by disposing of two additional non-operated, non-core properties and the recent drilling of the Company’s first well in five years, Clearview is pleased to announce a timeline for the declaration of a dividend”, commented Rod Hume, Clearview’s CEO. “With the improvement in crude oil prices over the past couple months and modest recovery of natural gas prices from the second quarter of 2023, the outlook for commodity prices has improved. As such, Clearview is in a stronger position to implement a return to shareholders.”

### **ANNOUNCEMENT OF SPECIAL MEETING**

In order to affect the Company’s ability to issue dividends to its shareholders, Clearview intends to reduce its stated capital pursuant to the provisions of the *Business Corporations Act (Alberta)*(the “ABCA”). As such the Board of Directors of Clearview has resolved to hold a special meeting of shareholders on October 24, 2023 for shareholders to consider and, if determined advisable, approve a reduction in the stated capital of Clearview’s common shares (the “Special Meeting”). The record date for determining Shareholders entitled to receive notice of and vote at the Special Meeting has been fixed as the close of business on September 23, 2023. Assuming shareholder approval for the reduction of stated capital is received, Clearview intends to declare a dividend as soon as reasonably practicable following the Special Meeting and in any event prior to the end of the year.

Shareholders entitled to vote at the Special Meeting will receive detailed information about the requisitioned matters in the form of a management information circular in advance of the Special Meeting. Shareholders are not required to take any action at this time in respect of the Special Meeting.

### **FINANCIAL and OPERATIONAL RESULTS**

Production for the six months ended June 30, 2023 was down 21% to 1,622 boe/d versus the comparative period of 2022 at 2,052 boe/d. The decrease was primarily due to the disposition of four non-core properties in the fourth quarter of 2022 and the first quarter of 2023, production downtime in the second quarter of 2023 as a result of wildfires and subsequent overland flooding and natural declines of approximately 12% per year. Additionally, the Company did not implement a recompletion/optimization program in the first half of 2023. The Company’s identified projects were primarily natural gas focused and as a result of the decrease in natural gas prices in the first half of 2023, these projects were postponed. Production for the second quarter of 2023 decreased by 28% versus the comparative period of 2022 and was primarily due to the above mentioned dispositions and the production downtime due to the wildfires and overland flooding.

Adjusted funds flow for the six months ended June 30, 2023 totaled \$2.4 million, a decrease of 58% compared to the same period of 2022. The decrease was a result of the lower production over the period and lower commodity prices, in particular natural gas prices, which decreased 68% from the comparative second quarter of 2022 and 53% versus the comparative six months ended June 30, 2022. The decrease in revenue was partially offset by lower royalties resulting from the sliding scale nature of Crown royalties,

lower operating costs due to lower production and the above mentioned dispositions and no realized loss on financial instruments in 2023 versus \$3.9 million in the first six months of 2022. Capital expenditures<sup>(1)</sup> for the six months ended June 30, 2023 were \$0.7 million and decommissioning expenditures funded by Clearview were \$0.6 million which resulted in a working capital surplus of \$2.5 million at June 30, 2023, including cash on hand of \$3.9 million. The Company continues to have no outstanding bank debt since repayment of the debt in 2022. The working capital surplus will be used to fund the drilling of a Cardium horizontal well in the third quarter of 2023. The Company's convertible debentures of \$1.2 million remain outstanding as of June 30, 2023.

Subsequent to the end of the quarter, the Company's lender reconfirmed, subject to final documentation, the Company's credit facility at \$10 million with no changes to the terms of the credit agreement and a review date of June 30, 2024.

#### Notes

- (1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures or ratios of other entities. See "Non-IFRS Measures" contained within this press release.

## FINANCIAL and OPERATING HIGHLIGHTS

### Financial

(\$ thousands except per share amounts)	Three months ended			Six months ended		
	June 30 2023	June 30 2022	% Change	June 30 2023	June 30 2022	% Change
Oil and natural gas sales	4,985	12,821	(61)	12,119	22,980	(47)
Adjusted funds flow <sup>(1)</sup>	843	3,246	(74)	2,373	5,703	(58)
Per share – basic <sup>(2)</sup>	0.07	0.28	(75)	0.20	0.49	(59)
Per share – diluted <sup>(2)</sup>	0.07	0.25	(72)	0.20	0.48	(58)
Cash provided by operating activities	224	2,382	(91)	2,134	4,715	(55)
Per share – basic	0.02	0.20	(90)	0.18	0.40	(55)
Per share - diluted	0.02	0.19	(89)	0.18	0.37	(51)
Net earnings (loss)	(840)	3,848	(122)	(1,593)	2,191	(173)
Per share – basic	(0.07)	0.33	(121)	(0.14)	0.19	(174)
Per share - diluted	(0.07)	0.30	(123)	(0.14)	0.18	(178)
Net debt (surplus) <sup>(1)</sup>				(1,245)	5,019	(125)
Average shares outstanding	11,724	11,671	-	11,712	11,671	-

- (1) Capital management measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See "Non-IFRS Measures" contained within this press release.

- (2) Supplementary financial measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See "Non-IFRS Measures" contained within this press release.

### Production

	Three months ended			Six months ended		
	June 30 2023	June 30 2022	% Change	June 30 2023	June 30 2022	% Change
Oil – bbl/d	315	446	(29)	376	441	(15)
Natural gas liquids – bbl/d	354	482	(27)	378	487	(22)
Total liquids – bbl/d	669	928	(28)	754	928	(19)
Natural gas – mcf/d	4,660	6,528	(29)	5,209	6,745	(23)
Total – boe/d	1,446	2,016	(28)	1,622	2,052	(21)

## Realized sales prices <sup>(1)</sup>

	Three months ended			Six months ended		
	June 30 2023	June 30 2022	% Change	June 30 2023	June 30 2022	% Change
Oil – \$/bbl	93.99	132.15	(29)	93.45	120.96	(23)
NGLs – \$/bbl	38.89	66.66	(42)	43.75	64.36	(32)
Natural gas – \$/mcf	2.45	7.64	(68)	2.93	6.27	(53)
Total – \$/boe	37.91	69.89	(46)	41.27	61.88	(33)

(1) Supplementary financial measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See “Non-IFRS Measures” contained within this press release.

## Netback analysis <sup>(1)</sup>

Barrel of oil equivalent (\$/boe)	Three months ended			Six months ended		
	June 30 2023	June 30 2022	% Positive (Negative)	June 30 2023	June 30 2022	% Positive (Negative)
Realized sales price	37.91	69.89	(46)	41.27	61.88	(33)
Royalties	(2.70)	(11.41)	76	(5.03)	(10.71)	53
Processing income	0.24	0.62	(61)	0.27	0.67	(60)
Transportation	(2.31)	(1.83)	(26)	(2.25)	(1.65)	(36)
Operating	(20.28)	(20.01)	(1)	(20.83)	(19.65)	(6)
Operating netback <sup>(2)</sup>	12.86	37.26	(65)	13.43	30.54	(56)
Realized gain (loss) – financial instruments	-	(13.80)	100	-	(10.50)	100
General and administrative	(6.22)	(4.79)	(30)	(5.02)	(3.66)	(37)
Transaction costs	(0.05)	-	(100)	(0.08)	-	(100)
Cash finance costs <sup>(2)</sup>	(0.16)	(0.99)	84	(0.25)	(1.02)	75
Corporate netback <sup>(2)</sup>	6.43	17.68	(64)	8.08	15.36	(47)

(1) % Positive (Negative) is expressed as being positive (better performance in the category) or negative (reduced performance in the category) in relation to operating netback, corporate netback and net earnings.

(2) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures or ratios of other entities. See “Non-IFRS Measures” contained within this press release.

## OPERATIONS

As previously disclosed, Clearview’s production in certain areas was affected by the Alberta wildfires and overland flooding in the second quarter. Production was also impacted by both planned and unplanned third-party facility outages. The wildfires did not cause damage to any of the Company’s assets or infrastructure, while the overland flooding did have some minor impacts to roads and bridges that have now been mostly resolved. Clearview would like to thank its field operations staff for their proficient and diligent response to the wildfire and flooding issues; both in reacting to the threats of the wildfires and their timely response in bringing Clearview’s production back on-stream. The Company would also like to thank the tireless efforts of first responders and firefighters in battling the wildfires. They not only keep our communities safe but also protect valuable energy infrastructure in Alberta.

Clearview completed a pipeline connection of a suspended well in its Pembina field to a third-party gathering system in June of 2023. The well was brought on production in the second week of July and is currently producing approximately 40 boe/d (27% oil and natural gas liquids) for a production efficiency of approximately \$5,000 per flowing boe.

Subsequent to the second quarter, Clearview drilled its first well in five years on its Wilson Creek property at 15-25-043-05W5 (“15-25”). The extended-reach, horizontal well targeting light oil in the Cardium

formation was drilled to a total depth of 4,767 meters. The Company's working interest in the 15-25 well is 67% as working interest partners elected to participate in the drilling operation. Completion operations have commenced with fracs expected to be pumped in the 107 stages installed in the horizontal section of the well. 15-25 is anticipated to be placed on production before the end of September.

Operated spending on decommissioning projects in 2023 began in the first quarter and has been forecast at approximately \$0.9 million for the year. The Company abandoned six (4.8 net) wells in the second quarter, focused on an area closure project in east-central Alberta. Subsequent to the quarter, Clearview abandoned one (0.4 net) well in Wilson Creek. The Company is also performing environmental site assessments on numerous locations throughout central and southern Alberta.

## **OUTLOOK**

Clearview's strategy is to provide liquidity for its shareholders while maintaining its assets, and as such has called for a special meeting of the shareholders to affect required changes to the Company's stated capital to allow for returns to shareholders as per the ABCA. Management and the Board of Directors continue to monitor the outlook for commodity prices and forecast adjusted funds flow to determine the appropriate timing for providing additional returns to shareholders.

Clearview would like to thank its shareholders for their continued support as we evaluate our internal development plans and external opportunities to grow production volumes and adjusted funds flow towards providing liquidity for shareholders.

Clearview's June 30, 2023 interim financial statements and management's discussion and analysis are available on the Company's website at [www.clearviewres.com](http://www.clearviewres.com) and SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **FOR FURTHER INFORMATION PLEASE CONTACT:**

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## **Reader Advisory**

### ***Note Regarding Forward-Looking Statements***

This press release contains forward-looking statements and forward-looking information (collectively “forward-looking information”) within the meaning of applicable securities laws relating to the Company’s plans and other aspects of our anticipated future operations, management focus, strategies, financial, operating and production results, industry conditions, commodity prices and business opportunities. Specifically, this press release has forward looking information with respect to: the timing and anticipated receipt of required shareholder approval in respect of the reduction of stated capital; the anticipated timing of the declaration and payment of a dividend; the anticipated timing of the holding of the Special Meeting; future drilling plans, reactivation opportunities and optimization projects; realized results from the Company’s optimization program; expected cash provided by continuing operations; future asset retirement obligations and decommissioning costs; shareholder returns and the costs to implement the same; future capital expenditures, including the amount and nature thereof; oil and natural gas prices and demand; expansion and other development trends of the oil and gas industry; overall growth strategy; the impact of Alberta forest fires on production. Forward-looking information typically uses words such as “anticipate”, “believe”, “project”, “expect”, “goal”, “plan”, “intend” or similar words suggesting future outcomes, statements that actions, events or conditions “may”, “would”, “could” or “will” be taken or occur in the future. Statements relating to “reserves” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

The forward-looking information is based on certain key expectations and assumptions made by our management, including expectations and assumptions concerning prevailing commodity prices and differentials, exchange rates, applicable royalty rates and tax laws; the impact government assistance programs will have on the Company; the impact on energy demands going forward and the inability of certain entities, including OPEC to agree on crude oil production output constraints; the impact on commodity prices, production and cash flow due to production shut-ins; the impact of regional and/or global health related events on energy demand; global energy policies going forward; our ability to execute our plans as described herein; global energy policies going forward; future exchange rates; future debt levels; the availability and cost of financing, labour and services; the impact of increasing competition and the ability to market oil and natural gas successfully and our ability to access capital. Although Clearview believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Clearview can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature such information involves inherent risks and uncertainties which could include the possibility that Clearview will not be able to execute some or all of its ongoing programs; general economic and political conditions in Canada, the U.S. and globally, and in particular, the effect that those conditions have on commodity prices and our access to capital; further fluctuations in the price of crude oil, natural gas liquids and natural gas; fluctuations in foreign exchange or interest rates; adverse changes to differentials for crude oil and natural gas produced in Canada as compared to other markets and worsened transportation restrictions. Our actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide securityholders with a more complete perspective on our future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this press release and we disclaim any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

This press release contained future-oriented financial information (“FOFI”) about Clearview’s projected 2023 adjusted funds flow, which is subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. The actual results of Clearview and the resulting financial results will likely vary from the amounts set forth herein and such variation may be material. Clearview and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management’s best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, Clearview undertakes no obligation to update such FOFI. FOFI contained in this press release was made as of the date of this press release and was provided for purposes of providing further information about Clearview’s anticipated future business operations. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

### ***Non-IFRS Measures***

Throughout this press release and other materials disclosed by the Company, Clearview uses certain measures to analyze financial performance, financial position and cash flow. These non-IFRS and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-IFRS and other financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of Clearview’s performance. Management believes that the presentation of these non-IFRS and other financial measures provides useful information to shareholders and investors in

understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency and the ability to better analyze Clearview's business performance.

## Capital Management Measures

### Adjusted Funds Flow

Adjusted funds flow represents cash provided by operating activities before changes in operating non-cash working capital and decommissioning expenditures. The Company considers this metric as a key measure that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment, to repay debt and return capital to shareholders. Management believes that this measure provides an insightful assessment of the Company's operations on a continuing basis by eliminating the actual settlements of decommissioning obligations, the timing of which is discretionary. Adjusted funds flow should not be considered as an alternative to or more meaningful than cash provided by operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Clearview's determination of adjusted funds flow may not be comparable to that reported by other companies. Clearview also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. Please refer to Note 14(d) "Capital Management" in Clearview's June 30, 2023 financial statements for additional disclosure on Adjusted Funds Flow.

### Net Debt

Clearview closely monitors its capital structure with a goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (current assets, excluding financial derivatives, less current liabilities, excluding financial derivatives, less convertible debentures) to assess financial strength, capacity to finance future development and to assist in assessing the liquidity of the Company. Please refer to Note 14(d) "Capital Management" in Clearview's June 30, 2023 financial statements for additional disclosure on Net Debt.

## Non-IFRS Measures and Ratios

### Capital Expenditures

Capital expenditures equals additions to property, plant & equipment and additions to exploration & evaluation assets. Clearview considers capital expenditures to be a useful measure of adjusted funds flow used for capital reinvestment. The most directly comparable IFRS measure to capital expenditures is additions to property, plant & equipment and additions to exploration & evaluation assets.

### Cash Finance Costs per boe

Cash finance costs per boe is calculated by dividing cash finance costs by total production volumes sold in the period. Management considers cash finance costs per boe an important measure to evaluate the Company's cost of debt financing relative to the Company's corporate netback per boe. The most directly comparable IFRS measure to cash financing costs is finance costs.

	Three months ended		Six months ended	
	June 30 2023	June 30 2022	June 30 2023	June 30 2022
Finance costs	160	429	352	777
Accretion of decommissioning obligations and convertible debentures	(139)	(248)	(280)	(399)
Cash finance costs	21	181	72	378

### Operating Netback per boe

Operating netback per boe is calculated by dividing operating netback by total production volumes sold in the period. Operating netback equals oil and natural gas sales plus processing income, less royalties, transportation expenses and operating expenses. Management considers operating netback per boe an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

### Corporate Netback per boe

Corporate netback per boe is calculated as operating netback less general and administrative expenses and finance costs, plus/(minus) realized gains (losses) on financial instruments, minus(plus) other costs (income), plus accretion of decommissioning obligations and convertible debentures divided by total production volumes sold in the period. Management considers corporate netback per boe an important measure to assist management and investors in assessing Clearview's overall cash profitability.

## **Supplementary Financial Measures**

**Adjusted funds flow per share** is comprised of adjusted funds flow divided by the basic weighted average common shares.

**Adjusted funds flow per diluted share** is comprised of adjusted funds flow divided by the diluted weighted average common shares.

**Realized sales price – oil** is comprised of light crude oil commodity sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's oil production.

**Realized sales price - ngl** is comprised of natural gas liquids commodity sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's ngl production.

**Realized sales price – natural gas** is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's natural gas production.

**Realized sales price – total** is comprised of oil and natural gas sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's total production on a boe basis.

## **Oil and Gas Advisories**

This press release contains certain oil and gas metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in this document to provide readers with additional measures to evaluate our performance however, such measures are not reliable indicators of our future performance and future performance may not compare to our performance in previous periods and therefore such metrics should not be unduly relied upon. Specifically, this press release contains the following metrics:

- Boe means barrel of oil equivalent on the basis of 6 mcf of natural gas to 1 bbl of oil. The term "boe" 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. In addition, given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6: 1, using a conversion on a 6: 1 basis may be misleading as an indication of value.

## **Abbreviations**

Bbl	barrel
Boe	barrel of oil equivalent
Mbbl	thousands of barrels
Mboe	thousands of barrels of oil equivalent
MMboe	million barrels of oil equivalent
mcf	thousand cubic feet
MMbtu	millions of British thermal units
MMcf	million cubic feet