High Growth, Oil-Focused US Bakken Operator

TSXV: PSH | OTCQX: PSHIF

October 2019

PetroShale

Investment Opportunity

PetroShale

- **Pure-play North Dakota Bakken producer focused on top-tier acreage quality**
- **Bakken Basin features ample take-away capacity, attractive differentials and abundant service providers**
- **High torque to WTI oil prices and no exposure to Canadian egress issues**
- **Robust liquidity profile**
- **Stacked oil pay provides key advantages**
  - Land base offers significant horizontal drilling opportunities across as many as four oil zones
  - Stacked pay acts as an acreage multiplier vs. single formation plays
- **Active drilling and completions program providing material production and reserve growth**
- **Minimal lease expirations with 94% of acreage held by production**
- **Strong technical management team with significant operational, financial and acquisitions experience**

PetroShale's operated Stoneham #16 Rig

About PetroShale

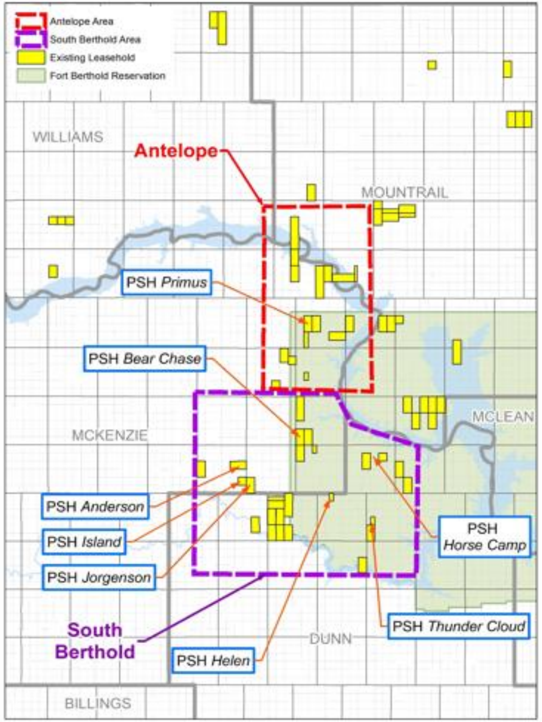
PetroShale

Pure-play North Dakota Bakken light oil producer whose core assets are in the heart of prolific parts of the play

Market & Capitalization	*$CAD unless otherwise indicated*
Trading symbol (TSX-V)	PSH
Common shares outstanding	192.2 MM
Insider ownership of common shares	35%
Market capitalization (@ $0.60/share)(1)	$115 MM
Preferred shares redemption value(2)	$95 MM
Bank Debt(3)	$132 MM
Enterprise value(4)	$342 MM
Operations *(reserves data as at Dec 31, 2018(5))*	
Average August production	~12,000 boe/d
Q2 2019 avg daily production (87% liquids)	5,940 boe/d
Total proved reserves; NPV_{10}	49.2 MMboe; US$655 MM
Total proved plus probable reserves; NPV_{10}	62.8 MMboe; US$851 MM

(1) Market capitalization is based on total issued & outstanding common shares.
(2) Represents the redemption value of the US$75 MM preferred shares in $CAD based on the fixed exchange rate of CAD/USD 0.795 used to determine the exchange of such preferred shares to common shares. Preferred shares are considered a compound financial instrument for accounting purposes and as a result, a liability component of $86.5MM and an equity component of C$7.5 MM are reflected on our consolidated balance sheet as at June 30, 2019.
(3) Balance as of June 30, 2019. PetroShale's senior bank facility has a borrowing base of US$140 MM and the Company currently has drawn ~US$116 MM under the facility leaving US$24 MM undrawn.
(4) Enterprise value is the sum of market capitalization, preferred shares redemption value and bank debt.
(5) Reserves estimates are based on an evaluation of our assets performed by Netherland, Sewell & Associates, Inc. ("NSAI") all with an effective date of December 31, 2018 and are valued at a 10 percent discount rate and the NSAI December 31, 2018 forecast prices.

PSH LAND BASE



Operations & Financial Update and 2019 Outlook

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Operations & Financial Update

- Average August 2019 production of approximately 12,000 boe/d
- Seven gross (5.8 net) wells brought on-line since the middle of June at Bear Chase and Thunder Cloud
- Capital expenditures of $61.6MM in Q2 2019 directed toward the drilling of seven gross (4.4 net) wells and completing of nine (7.4 net) wells
- Strong operating netback in Q2 2019 of $33.22/boe due to higher realized prices and lower operating costs

2019 Outlook

- Planned remainder of year activities under 1 operated rig include:
    - Initiated production from four gross (3.5 net) wells at Helen and Primus East in September
    - Finish fracing and put on-line three gross (1.5 net) wells at Anderson
    - Begin fracing two gross (1.2 net) wells at Jorgenson East
    - Commence drilling two gross (1.2 net) wells at Jorgenson West

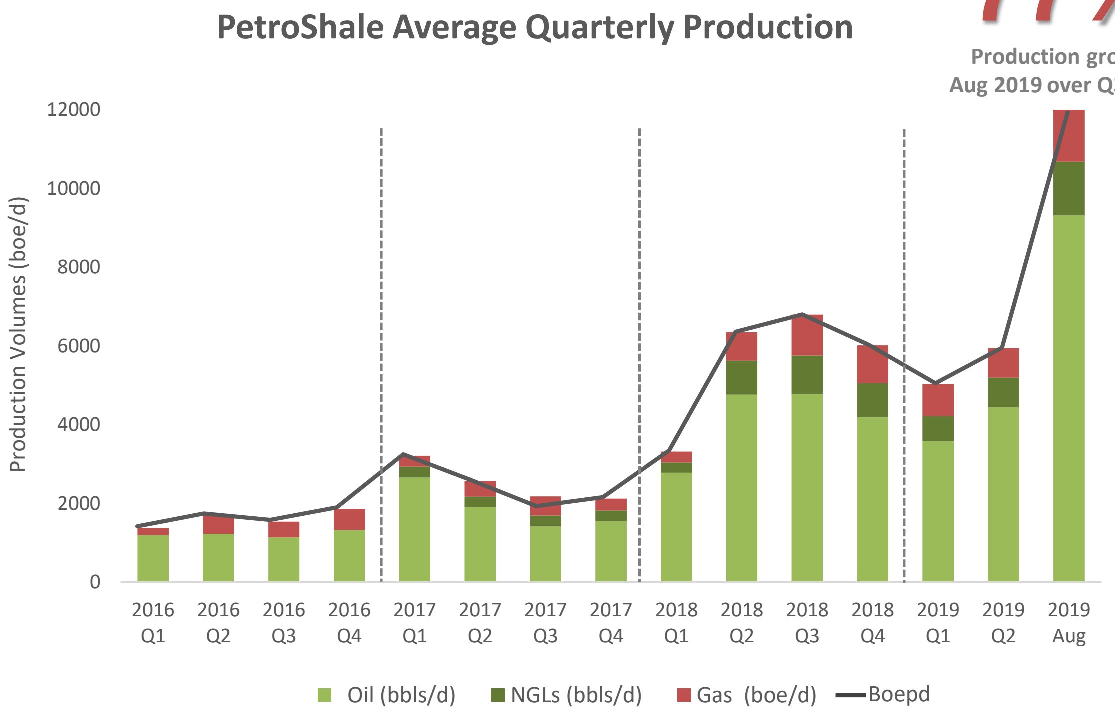
PetroShale Operated Horse Camp Wells

(1) See “Forward-Looking Statements”.

Material Production Growth

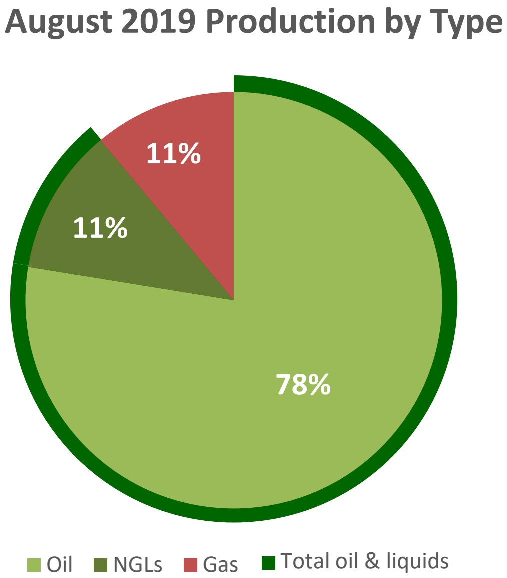
PetroShale

PetroShale has achieved strong production growth with more growth opportunities ahead



77%

Production growth
Aug 2019 over Q3 2018



89%

Total Liquids Production

2018 Reserves Highlights

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Reserves		NPV10
PDP: **+122%** to 12.3 MMboe	→	**+125%** to US$208MM
TP: **+61%** to 49.2 MMboe	→	**+53%** to US$655MM
P+P: **+71%** to 62.8 MMboe	→	**+73%** to US$851MM

$5.14
P+P NAV / basic share(1)

- **TP reserves per share (weighted average fully diluted) of $5.11 and P+P reserves per share (weighted average fully diluted) of $6.63**
- **F&D costs(2) per boe were $7.82 for P+P and $22.76 for TP; FD&A(2) costs per boe were $12.94 for P+P and $17.86 for TP**
- **Recycle ratios of 4.7 and 2.9 for P+P F&D and FD&A**

(1) After adjusting for total debt of US$181.9MM with $11MM assumed for undeveloped land
(2) Including change in future development capital
(3) Based on 2018 operating netback prior to hedging of $37.07 per boe

Reserve Quality & Concentration of Operatorship

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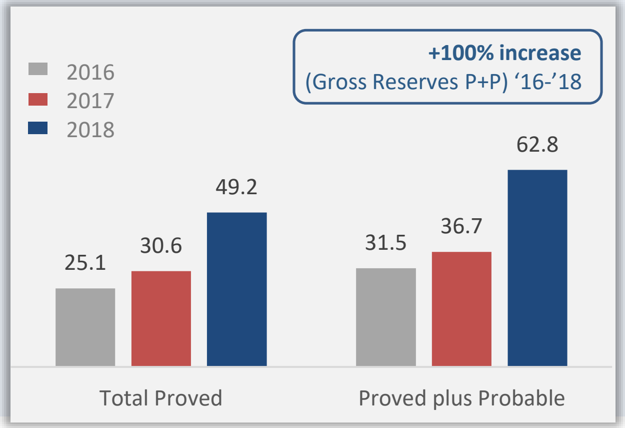
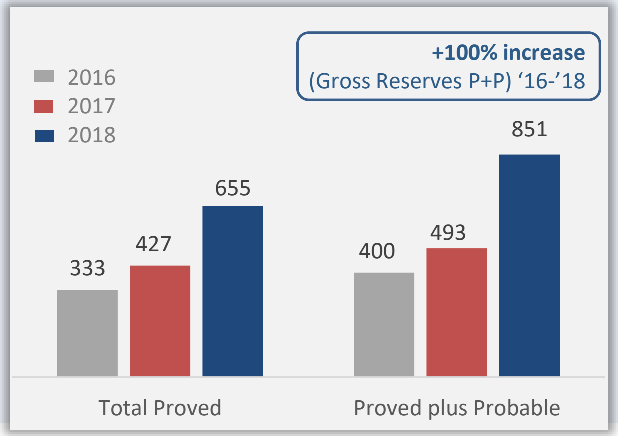
Demonstration of value creation

Gross Reserves[1] (MMboe)



Before Tax NPV10[1] (US$MM)



PetroShale's Assets are Operated by PetroShale and other Top Tier Companies

~70%

of net future locations[2] are operated by **PetroShale**

~20%

of net future locations[2] are operated by **EOG, Slawson and Enerplus**

(1) Based on the NSAI reserve report as at December 31, of the respective year, evaluated under NI 51-101 and using the respective year end NSAI price forecast.
(2) See "Advisory Statements – Drilling Locations".

Significant Drill Bit Growth With Increased Well Density

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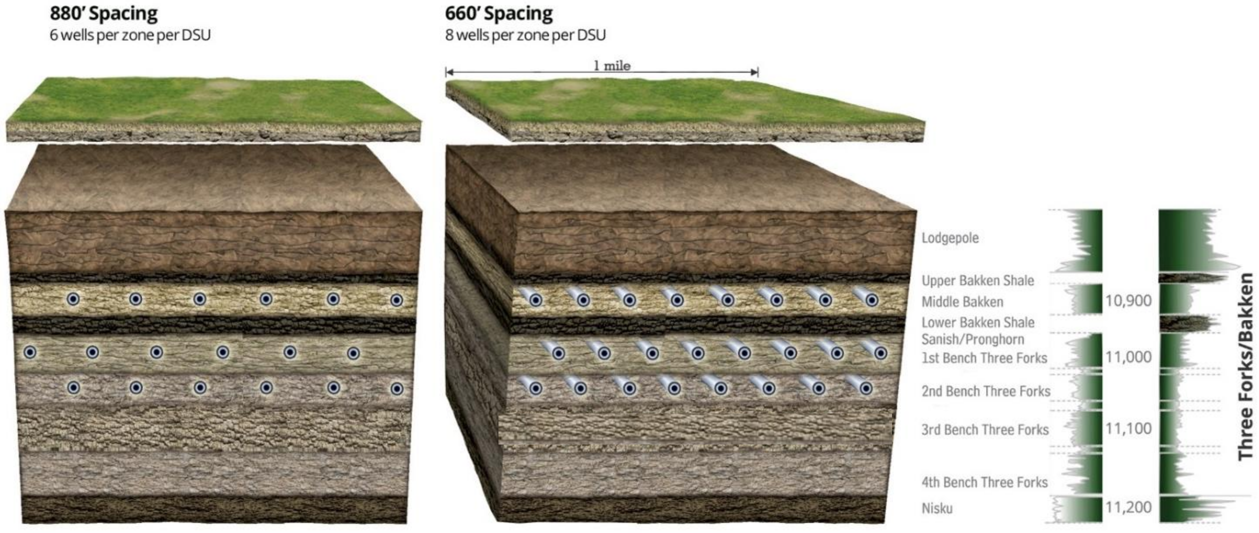
- PetroShale's Proved + Probable (2P) booked locations = **53.1 net**
- PetroShale's 2P booked locations by reservoir = 45% Middle Bakken, 42% Three Forks 1 and 12% Three Forks 2

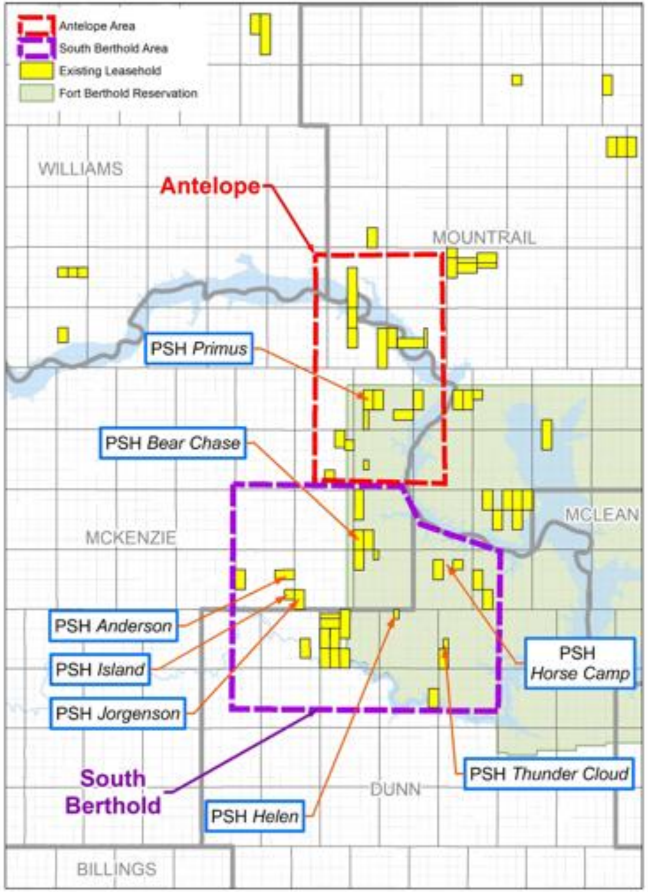
- PetroShale's locations with between well spacing of 880 ft = **76.9 net P+P locations**(1)
- PetroShale's locations with between well spacing of 660 ft = **108.5 net P+P locations**(1)



(1) See "Advisory Statements – Drilling Locations". Based on independent reserves evaluation as prepared by Netherland, Sewell & Associates Inc.("NSAI") as of December 31, 2018 and not adjusted for 2019 activity.

High Quality Well Locations and Acreage in Heart of the Core

PetroShale



PetroShale Future Net Drilling Locations(1)(2)

Area	Assumes 880' Spacing	Assumes 660' Spacing
Antelope	23.2	31.9
South Berthold	50.8	72.3
South Mountrail	1.0	1.4
Sanish	1.8	2.6
Stockyard	0.2	0.2
Total	**76.9**	**108.5**

- **53.1** net locations are booked(2)
- **~70%** of locations(2) operated by PetroShale

(1) Net locations are based on Company interests.
(2) See "Advisory Statements – Drilling Locations". Based on independent reserves evaluation as prepared by Netherland, Sewell & Associates Inc.("NSAI") as of December 31, 2018 and not adjusted for 2019 activity.

Fort Berthold Type Curves – Strong Economics

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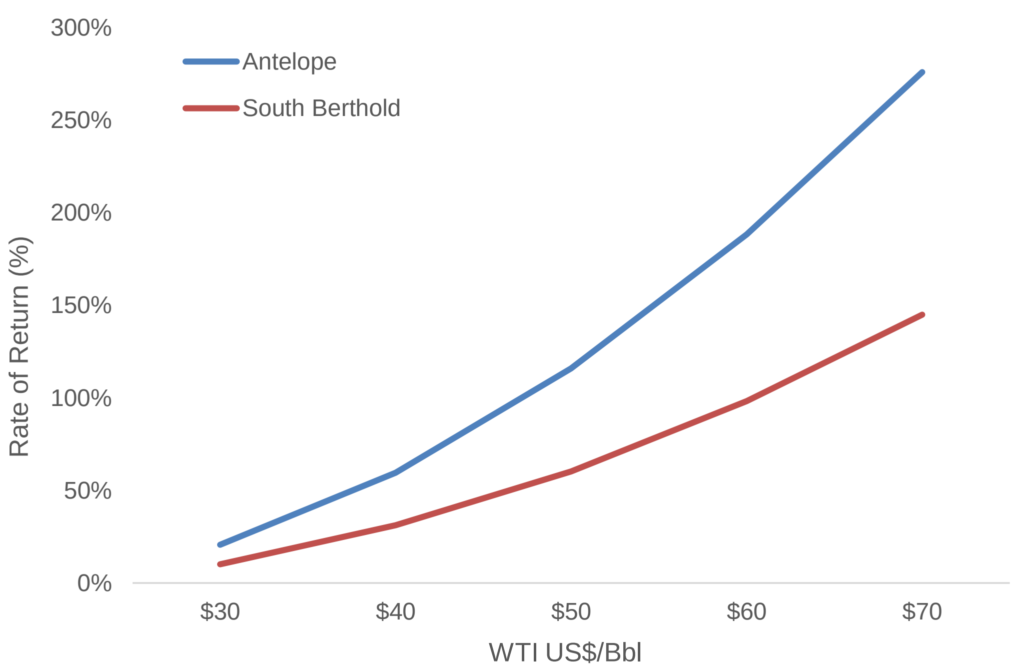
EVEN WITH LOW OIL PRICES

Antelope Type Well	
Drilling & Completion Costs ($US)	$8.0 MM
1 Year Cum (Mboe)	370
EUR (Mboe)	1,250
30 Day IP (bopd)	1,285
Payout (years)	0.7
P/I	1.7
NPV_{10} ($US)	$14.0 MM

South Berthold Type Well	
Drilling & Completion Costs ($US)	$8.0 MM
1 Year Cum (Mboe)	275
EUR (Mboe)	1,050
30 Day IP (bopd)	1,100
Payout (years)	1.0
P/I	1.2
NPV_{10} ($US)	$10.0 MM

Rate of Return / Oil Price Sensitivities



WTI ($US/bbl) Assumptions: Flat $55.00.
Oil differential = US$4.00/bbl.
Drilling & completion costs including facilities and tie-in. Two-mile lateral length.

Acreage Quality Validated by Recent Drilling Results

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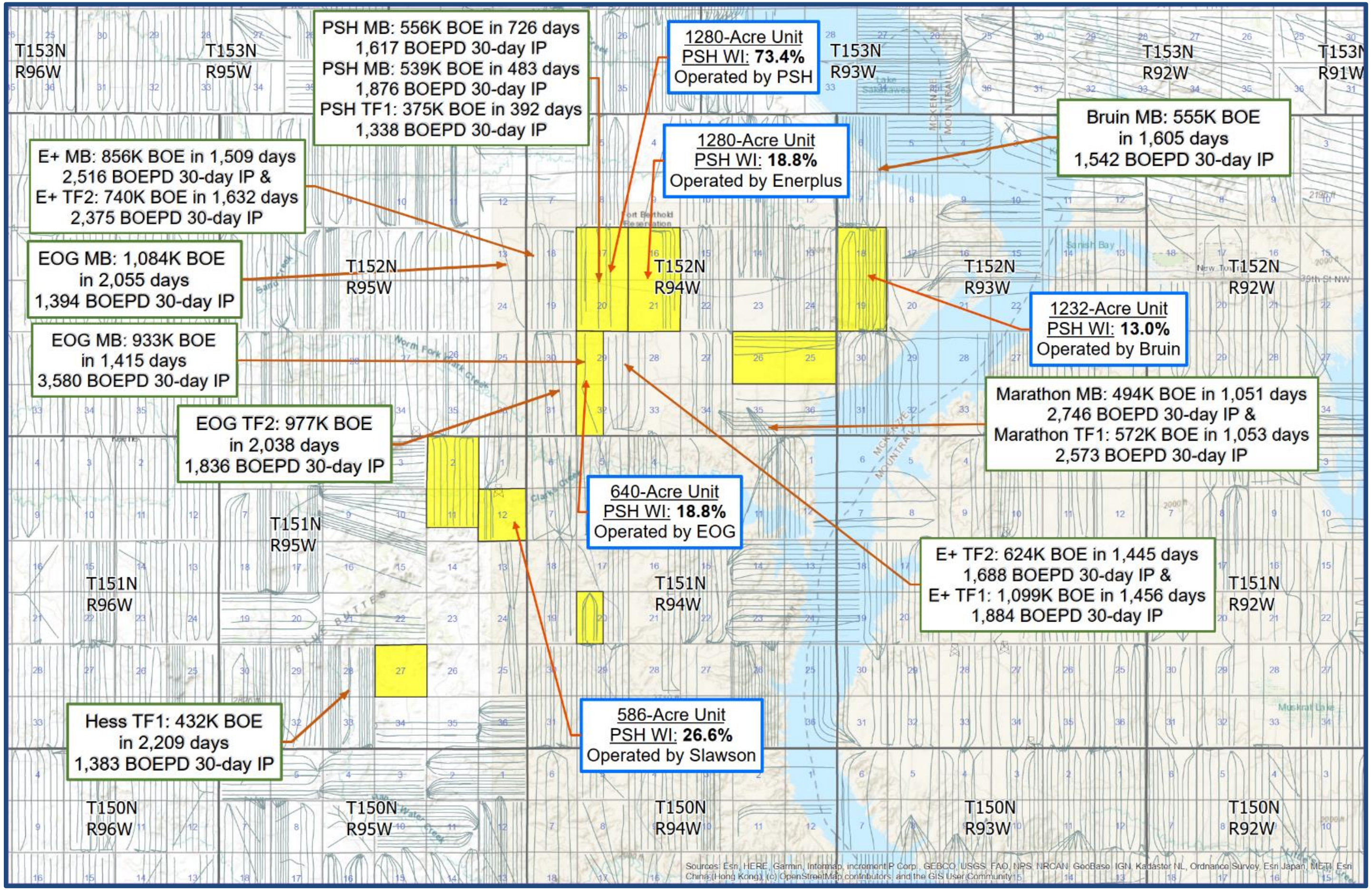
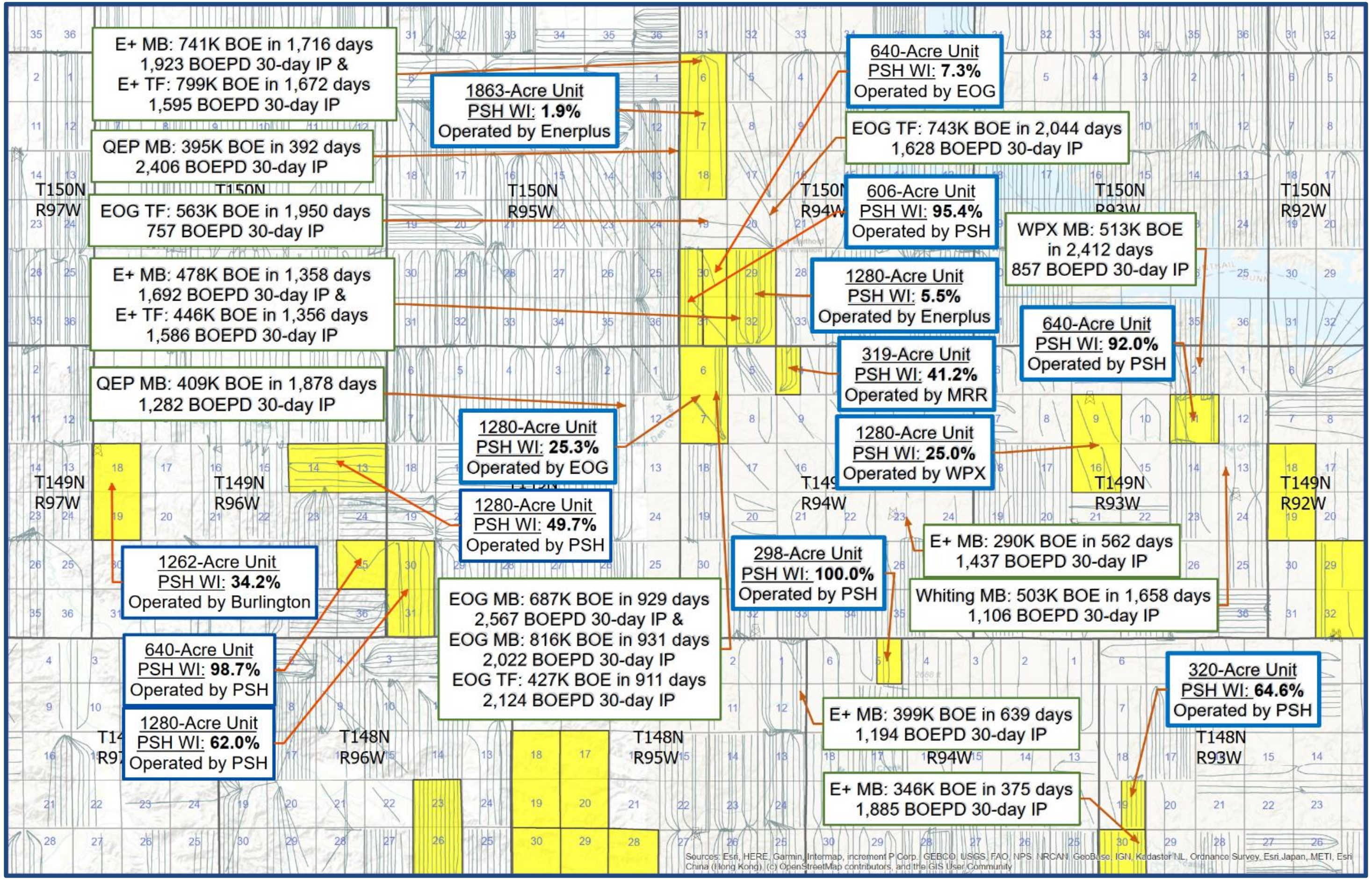
Antelope



Acreage Quality Validated by Recent Drilling Results

PetroShale

South Berthold



MARKETING

- PetroShale's production is not subject to egress issues which are currently impacting Canadian operators
- Commissioning of the Dakota Access Pipeline ("DAPL") in 2017 has eliminated the need to ship crude by rail from the basin and significantly narrowed WTI differentials to less than US$5/bbl
- Bakken oil differentials in the first half of 2019 narrowed from Q4 2018, and we anticipate further improvements in our netback as a result of both stable WTI oil prices and Bakken differentials
- Capacity at DAPL will be expanded from 570mbo/d to 1.1mmbo/d by the beginning of 2021
- Phillips 66 / Bridger Pipeline announced the construction of the Liberty Pipeline, estimated to be another 350mbo/d of new capacity by 2021

Our Responsibility

PetroShale

PetroShale is committed to upholding the highest standard of Environmental, Social and Governance criteria using our CASE principles

Commitment

We uphold our commitment to responsibility by ensuring the health and safety of all stakeholders, focusing on continuous improvement and going beyond words to truly demonstrate trust and integrity

Accountability

We are defined by the way we conduct everyday business, and our strong governance strategy ensures accountability and the highest standards of professional practice across the organization

Sustainability & Environment

We recognize the importance of protecting the areas in which we operate and are actively working to care for our surroundings through:

- Use of closed loop drilling systems
- Continuous flaring reduction initiatives
- Pipeline connections in lieu of trucking, reducing lifecycle GHG emissions
- A comprehensive asset integrity program to prevent potential negative impact

Investment Summary

PetroShale

- **Pure-play North Dakota Bakken light oil producer with a continuous drilling and development program**
- **Large number of high quality drilling locations with plans to execute high intensity fracs to provide material production and reserve growth**
- **Robust liquidity profile**
- **High torque to WTI oil prices and no exposure to Canadian egress issues**
- **Successfully completed several strategic acquisitions, enhancing high quality drilling inventory**
- **Experienced and invested management team with strong capital partner in First Reserve**

PetroShale's Operated Rig

Unique opportunity for exposure to pure-play ND Bakken operator with sizeable inventory of Tier 1 drilling locations and significant near-term growth

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Netherland, Sewell & Associates Inc.

BANKERS

Bank of Nova Scotia

INVESTOR RELATIONS

5 Quarters Investor Relations, Inc.

Advisory Statements

PetroShale

FORWARD-LOOKING STATEMENTS

Certain information set forth in this presentation, including (among other things): PetroShale's proposed development opportunities, business plans and intentions, expectations for realizing certain benefits from higher well density spacing within its DSUs (including as described below under "Drilling Locations"), the Company's belief that more development opportunities exist within its core focus areas, expectations from near-term drilling activity, timing of drilling and well completion activity, expected results from wells following a 'type curve', and the Company's investment summary, including the potential set forth therein, may constitute forward-looking statements under applicable securities laws and necessarily involve substantial known and unknown risks and uncertainties. In addition, statements relating to "reserves" are deemed to be forward-looking as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and can be profitably produced in the future. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond PetroShale's control, including without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, volatility in production rates, environmental risks, inability to obtain drilling rigs or other services, capital expenditure costs, including drilling, completion and facility costs, unexpected decline rates in wells, wells not performing as expected, delays resulting from or inability to obtain required third party and regulatory approvals, ability to access sufficient capital from internal and external sources, inability to access gas transportation and processing infrastructure, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, and the uncertainty of estimates and projections of production, costs and expenses. Management believes there is a reasonable basis for the forward-looking statements contained in this presentation.

With respect to forward-looking statements contained in this presentation, PetroShale has made a number of assumptions. The key assumptions underlying the aforementioned forward-looking statements include assumptions regarding (among other things): that increased well density within a drilling spacing unit will provide additional economic drilling locations (as set forth herein); the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required third party and regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; that the net proceeds of the Offered Shares will remain consistent with those stated in the Company's short form prospectus; the timing of drilling plans and completion operations; the ability of the operator of the projects in which the Company has an interest in operating the field in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms; field production rates, decline rates and ultimate resource recovery from wells; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company 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 the Company operates; and the ability of the Company to successfully market its oil and natural gas production. Certain or all of the forgoing assumptions may prove to be untrue.

PetroShale's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Additional information on these and other factors that could affect PetroShale'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). The forward-looking statements contained in this document are made as at the date of this presentation and PetroShale does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

***NON-IFRS MEASURES:** Within this presentation, references are made to "operating netback", "operating netback prior to hedging", and "adjusted EBITDA", which are not recognized measures under IFRS and therefore may not be comparable to performance measures presented by others. Adjusted EBITDA represents cash flow from operating activities prior to changes in non-cash working capital. Operating netback represents revenue, plus or minus any realized gain or loss on financial derivatives, less royalties, production taxes, operating costs and transportation expense, with the net amount divided by the working interest production volumes to derive the operating netback on a per Boe basis. Operating netback prior to hedging represents operating netback prior to any realized gain or loss on financial derivatives. The Company believes that adjusted EBITDA provides useful information to the reader in that it measures the Company's ability to generate funds to service its debt and other obligations and to fund its operations, without the impact of changes in non-cash working capital which can vary based solely on timing of settlement of accounts receivable and accounts payable. Management believes that in addition to net income (loss) and cash flow from operating activities, operating netback and adjusted EBITDA are useful supplemental measures as they assist in the determination of the Company's operating performance, leverage and liquidity. Operating netback is commonly used by investors to assess performance of oil and gas properties and the possible impact of future commodity price changes on energy producers. Readers are cautioned, however, that these measures should not be construed as an alternative to net income (loss) or cash flow from (used in) operating activities as determined in accordance with IFRS as an indication of our performance or value.*

Advisory Statements, Cont'd

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ANALOGOUS INFORMATION: In this presentation, PetroShale has provided certain information on the production rate of a well on properties adjacent to the Company's acreage which is "analogous information" as defined by applicable securities laws. This analogous information is derived from publicly available information sources which the Company believes are predominantly independent in nature. Some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with Canadian Oil & Gas Evaluation Handbook. Regardless, estimates by engineering and geotechnical practitioners may vary and the differences may be significant. PetroShale believes that the provision of this analogous information is relevant to PetroShale's activities and forecasting, given its property ownership in the area; however, readers are cautioned that there is no certainty that the forecasts provided herein based on analogous information will be accurate.

INITIAL PRODUCTION RATES: Any references in this presentation to well-flow test results and/or initial production rates are useful in confirming the presence of hydrocarbons, however, such test results and rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such test results and rates in calculating the aggregate production for the Company. Well-flow test results and initial production rates may be estimated based on other third party estimates or limited data available at the time. Well-flow test result data should be considered to be preliminary until a pressure transient analysis and/or well-test interpretation has been carried out. In all cases in this presentation, well-flow test results and initial production results are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

DRILLING LOCATIONS: This presentation discloses drilling locations in two categories: (i) proved and probable locations; and (ii) un-booked locations. Proved plus probable drilling locations set forth herein are based on the Company's most recent independent reserves evaluation as prepared by Netherland, Sewell & Associates Inc.("**NSAI**") as of December 31, 2018, updated for the acquisition of additional working interests in existing drilling spacing units ("**DSUs**") where drilling locations have been booked as proved and probable locations. Unbooked locations are internal estimates based on the Company's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Of the 505 gross (76.9 net) drilling locations identified herein on 880' spacing, 258 gross (53.1 net) are proved plus probable locations, and 247 gross (23.8 net) are unbooked locations. Of the 725 gross (108.5 net) drilling locations identified herein on 660' spacing, 258 gross (53.1 net) are proved plus probable locations, and 467 gross (55.4 net) are unbooked locations. Unbooked locations have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill any unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations may have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, management has less certainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

BOE. Where amounts are expressed on a barrel of oil equivalent ("**Boe**") basis, natural gas volumes have been converted to Boe using a ratio of 6,000 cubic feet of natural gas to one barrel of oil (6 Mcf: 1 Bbl). **This Boe conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given 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 Mcf: 1 Bbl, utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value. In this presentation, mboe refers to thousands of barrels of oil equivalent**.

COMPANY INTERESTS. Company interest means, in relation to the Company's interest in production and reserves, the Company's working interest (operating and non-operating) before the deduction of royalties payable and including such entity's royalty interest in production and reserves. Where volumes of reserves have been presented, they have been presented as company working interest, gross of royalties unless otherwise indicated. Where volumes of production have been presented, they have been presented as company working interest, gross of royalties, except where otherwise noted. Company net revenue interests is the share of production to the Company after all burdens, such as royalties and overriding royalties, have been deducted from the Company's working interest. Relative price deck used by NSAI in their reserves evaluation has been disclosed within our 2018 Annual Information Form available on our SEDAR profile. There is no assurance that the forecast prices and cost assumption will be attained and variances could be material The recovery and reserve estimates of our tight oil and shale gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual tight oil and shale gas reserves may be greater than or less than the estimates provided herein. It should not be assumed that the discounted future revenue estimated by NSAI represents the fair market value of the reserves.

Advisory Statements, Cont'd

PetroShale

RESERVES DISCLOSURES. Estimates pertaining to the Company's reserves and the net present value of future net revenue attributable thereto are based upon the independent engineering evaluation of the crude oil, natural gas liquids and natural gas reserves of the Company prepared by NSAI, the Company's independent reserves evaluator, as at December 31, 2018 dated March 12, 2019, which is prepared in accordance NI 51-101 and the COGE Handbook. The estimates pertaining to reserves provided in this presentation are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves and the estimated number of potential undeveloped drilling locations to which reserves have been attributed, may be greater than or less than the estimates provided in this presentation and the differences may be material. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. Estimates of net present value of future net revenue attributable to the Company's reserves do not represent fair market value and there is uncertainty that the net present value of future net revenue will be realized. There is no assurance that the forecast price and cost assumptions applied by NSAI in evaluating PetroShale's reserves will be attained and variances could be material. The reserves information contained in this presentation should be reviewed in conjunction with the annual information form of the Company dated April 10th, 2019 for the year ended December 31, 2018 which is available on SEDAR and contains important additional information regarding the independent reserve evaluation that was conducted by NSAI and a description of, and important information about, the reserves terms used in this presentation.

NOTICE TO U.S. READERS. The Company's reserves information contained in this presentation has generally been prepared in accordance with Canadian disclosure standards, which are not comparable in all respects to United States disclosure standards. Reserves categories such as "proved reserves" and "probable reserves" may be defined differently under Canadian requirements than the definitions contained in the United States Securities and Exchange Commission ("SEC") rules. In addition, under Canadian disclosure requirements and industry practice, reserves and production are reported using gross volumes, which are volumes prior to deduction of royalty and similar payments. The practice in the United States is to report reserves and production using net volumes, after deduction of applicable royalties and similar payments. Canadian disclosure requirements require that forecasted commodity prices be used for reserves evaluations, while the SEC mandates the use of an average of first day of the month price for the 12 months prior to the end of the reporting period.

Selected Definitions

"**COGE Handbook**" means the Canadian Oil and Gas Evaluation Handbook maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter), as amended from time to time.

"**NI 51-101**" means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities.*

"**reserves**" are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on: (i) analysis of drilling, geological, geophysical and engineering data; (ii) the use of established technology; and (iii) specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates.

"**proved reserves**" or ("**1P reserves**") are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"**probable reserves**" or ("**2P reserves**") are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves or ("**P+P reserves**").

Certain Abbreviations:

- bbl means barrel
- boe/d means barrel of oil equivalent per day
- EUR means estimated ultimate recovery
- MMboe means million barrels of oil equivalent
- MM means millions
- IP30 means 30 day average initial production rate