Craft Oil LTD

Corporate Presentation

December 2016

FORWARD LOOKING INFORMATION

This document contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information.

More particularly and without limitation, this document contains forward looking statements and information relating to the Company's risk management program, oil, NGLs and natural gas production, capital programs, oil, NGLs, and natural gas commodity prices, and debt levels. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the availability of capital to undertake planned activities and the availability and cost of labour and services.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. The forward-looking statements and information contained in this document are made as of the date hereof for the purpose of providing the readers with the Company's expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Corporate History

- Craft Oil was formed out of a strategic combination of Tournament Exploration ("Tournament") and Chinook/WOGH Alberta assets (excluding Montney) on June 10, 2016 (effective May 1, 2016). Craft June 2016 production averaged 4,379 boe/d (33% Oil and NGL).

- On June 13, 2016 Craft entered into a Credit Agreement with Macquarie Bank Limited ("Macquarie") consisting of two tranches:
  - Tranche A - 3 yr term loan of $18.2 million, used for the purchase and assignment of debt owed to Tournament's senior secured lender. Craft pays interest on this loan at an annual rate of 8% plus CDOR ("Canadian Dollar Offered Rate"),
  - Tranche B - $81.2 million facility, currently unused but available to Craft Oil for acquisition and development purposes, subject to approval by Macquarie. Tranche B funds are available to Craft for a term of 2 years as of June 13, 2016. Upon advancement of Tranche B funds Craft will pay interest equivalent to Tranche A.

- On September 29th, 2016 Craft signed a Purchase and Sale Agreement to sell certain assets in Alberta to Manitok Energy Inc. ("Manitok") for gross proceeds of $13.5 million. Proceeds are comprised of $9 million cash and $4.5 million of units. Each unit is comprised of $100 principal amount of "Collateralized Exchange Listed Notes" or "CEL Notes™" due 2021 with an interest rate of 10.5% per annum and 164 common share purchase warrants exercisable into one common share at a price equal to $0.18 per common share until November 15, 2021.

- Post closing of the Manitok transaction (effective October 1, 2016), Craft holds one core property in the Grande Prairie area and two smaller, non-core assets, at Whitecourt/Paddle River and Thornbury/Portage, all in the province of Alberta.

- Upon closing of the Manitok transaction, Craft has focused on creating shareholder value through reactivation of shut in production and optimization of our producing assets. As a result of this initiative retained asset field estimated production has increased to 2,654 boe/d (31% oil and NGL) in November from September 2016 field estimated production of 2,400 boe/d (31% oil and NGL).

Corporate Strategy

To be excellent at our "Craft" we must adapt, stay focused, attract capital, be cost conscious and create value through efficient, successful execution. Craft's management team developed a strategy that includes the following key components:

1. **Rationalization of non-core assets**:
    - Effective October 1, 2016 Craft divested 15 of 18 producing areas. The sale of these assets did not factor into Craft's long term growth plans and contributed to:
        - Debt reduction,
        - Reduction of Craft's asset retirement obligation,
        - Increase in Craft's LMR rating with the AER (from 1.5 to approximately 1.9),
        - A more Focused asset base.
    - In conjunction with the non-core asset disposition this part of the business plan will be substantially completed, however, Craft will continue to rationalize non-core assets that do not contribute to our long term plans.

2. **Increase Cash Flow:**
    - Increase shareholder value with minimal capital and position Craft to attract equity:
        - Aggressively reduce operating expenses,
        - Optimize our existing producing/suspended assets,
        - Maximize third party throughput at Craft owned facilities.

3. **Acquire and Exploit**:
    - Craft will take advantage of the current market to acquire quality acquisitions at attractive metrics. Initially we will focus on acquisitions that enhance our:
        - Cash flow base,
        - Scale of operations,
        - Portfolio of visible and repeatable drilling opportunity,
        - As commodity prices increase we will create a greater percentage of our share equity growth through the drill bit.

Corporate Information

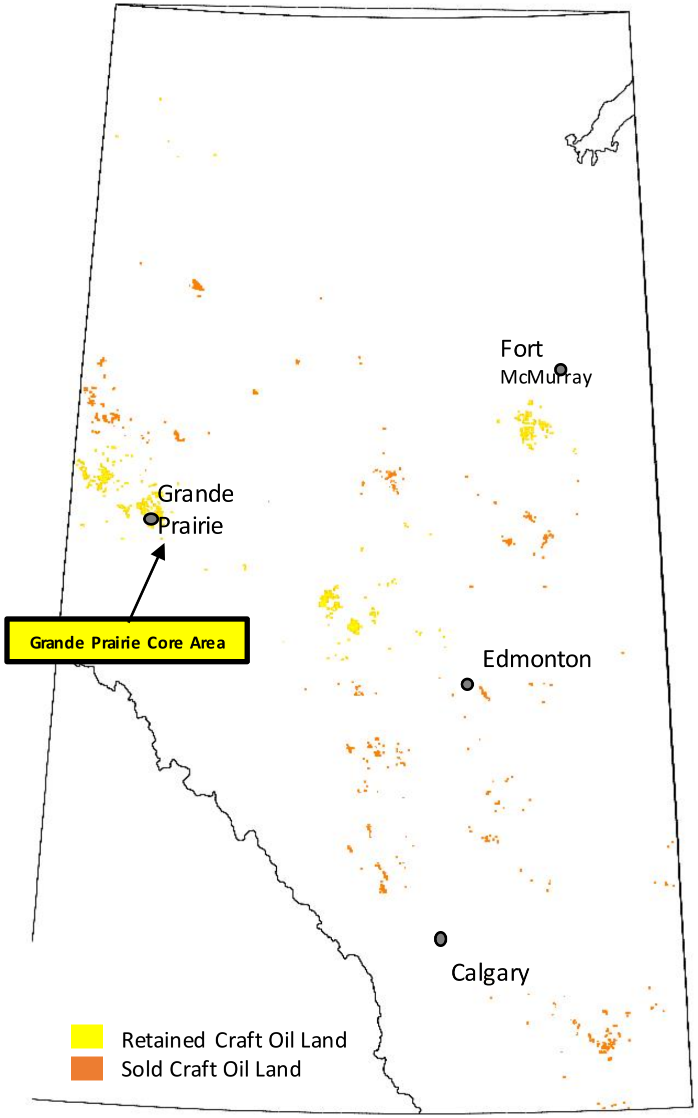
Craft Oil - 2017 Forecast		Base Production
Production [1,2]	Oil (bbls/d)	468
	Gas (mcf/d)	9,796
	NGL (bbls/d)	246
	Total (boe/d)	2,347
Land	Net Acres & (% WI)	250,537 (64%)
	Net Undeveloped Acres & (% WI)	80,212 (64%)
Drilling Locations	Dunvegan, Doe Creek and Charlie Lake	126 Gross / 89 Net
Net Income [3]	(MM$) or ($/boe)	8.4 or ($9.90/boe)
Cash Flow [3]	(MM$)	5.0
Net Debt [4] **(2017 Opening Balance)**	(MM$)	1.5
Net Debt / Cash Flow [3][4]	($/$)	0.3
Operating Cost [2]	($/boe)	11.87
Royalty [2,3]	(%)	8
Shares Outstanding	Basic & FD	217,502,790 / 253,252,790

Note:

1. Yr End 2016 Independent Engineering Report currently being completed by McDaniel's and Associates
2. Craft Oil internal forecast of 2017 average production and costs
3. Craft Oil internal annual estimate for 2017 (Flat WTI oil price of $US 51.20 /bbl and flat AECO gas price of $CDN 2.56/GJ)
4. Craft Oil internal estimate

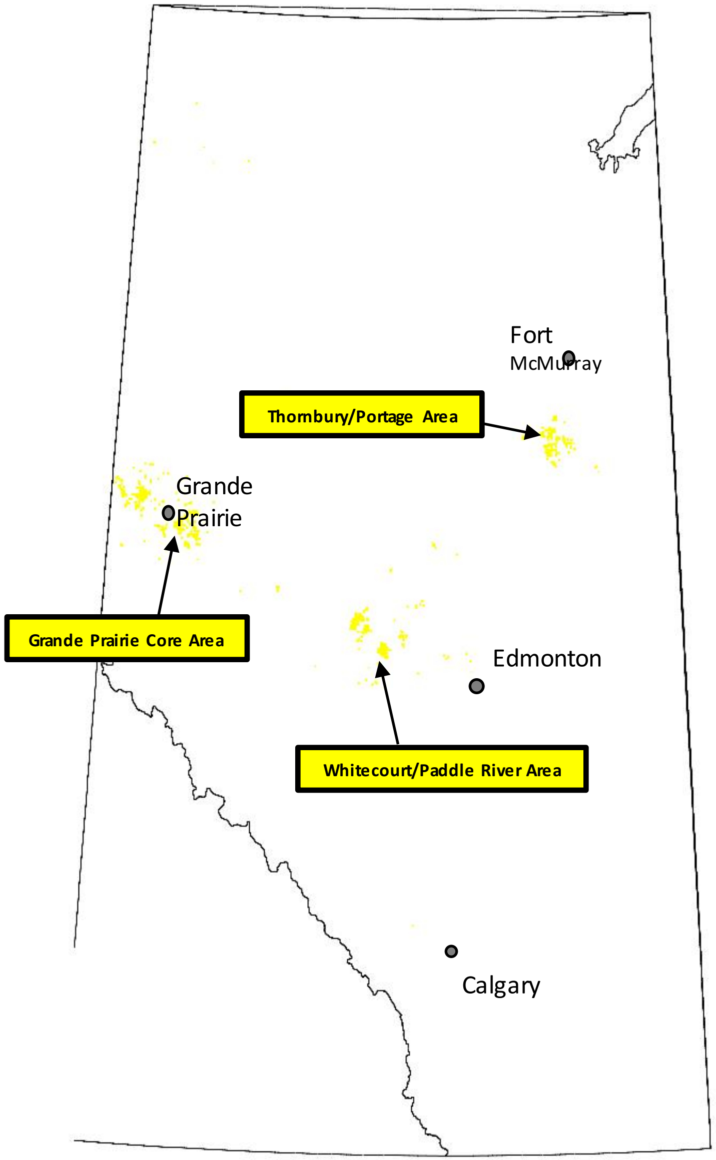
Craft Oil – Original Asset Base, June 2016

- Craft's original asset base was formed as a combination of Tournament Exploration Ltd. and Chinook/WOGH Alberta (excluding Montney) lands and had the following characteristics:
  - Total production (June 2016): 4,300 boe/d (33% NGL)
  - 18 producing areas, consisting of one core area (Grande Prairie) and 17 non-core areas
  - Liability Management Rating ("LMR") of 1.5 and substantial Asset Retirement Obligations ("ARO")
- As part of the Manitok disposition, Craft disposed of 15 producing areas leaving the Corporation with 3 remaining areas (the "Retained Assets")



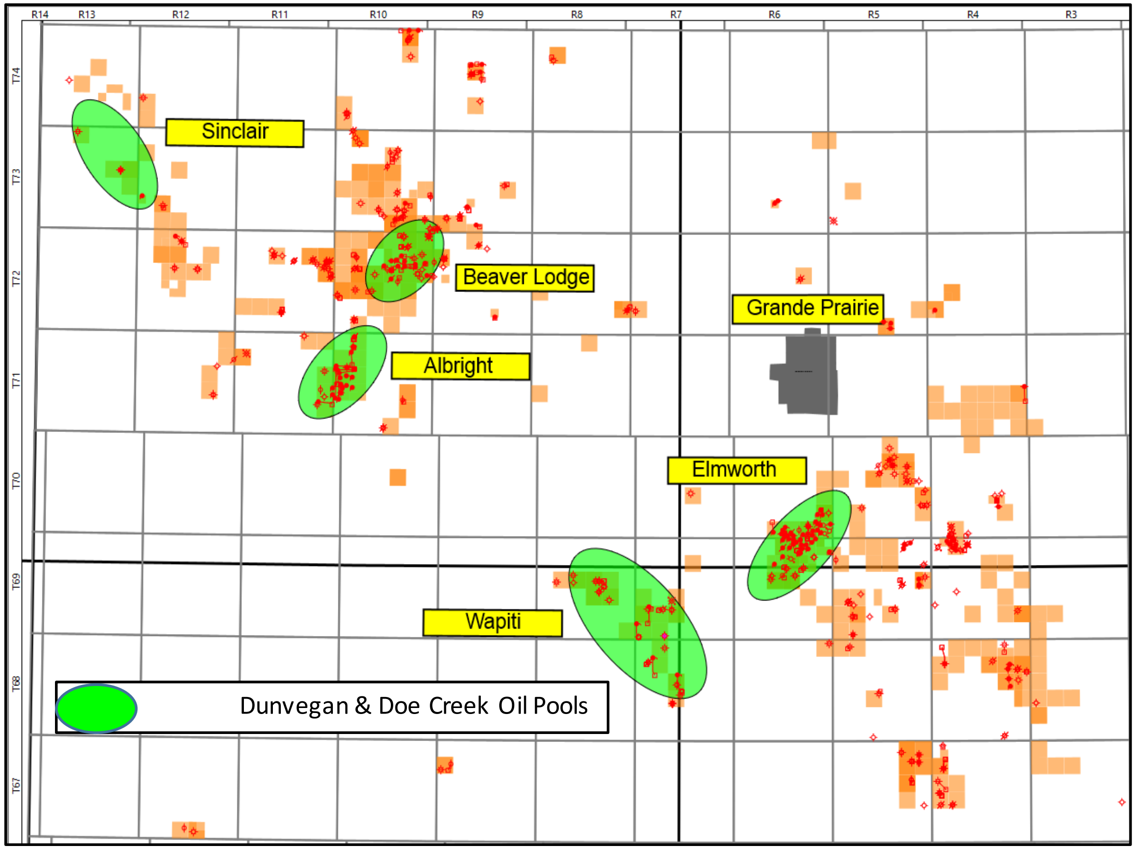
Craft Oil – Retained Asset Base

- Craft's Retained Assets are comprised of one core area (Grande Prairie) and two smaller areas (Whitecourt / Paddle River and Thornbury / Portage) with the following characteristics:
  - Reactivation of shut in production and optimization intiatives have increased average production from 2,400 boe/d, in September 2016 to 2,654 boe/d in November:
    - Oil: 570 bbls/d
    - Gas: 11,088 mcf/d
    - NGL: 236 bbls/d
  - **Craft has identified up to 1,000 boe/d of additional production to be reactivated for less than $2 million of capital**
  - High WI and operated Grand Prairie core area
  - Large undeveloped land base
  - Focused and efficient operations
  - Liability Management Rating ("LMR") 1.9, increasing to > 2 by year end with further asset optimization



Grande Prairie Core Area

- Dunvegan and Doe Creek Oil
- November production of 2,175 boe/d (36% Oil & NGL), comprised of:
  - Oil: 570 bbls/d
  - Gas: 8,350 mcf/d
  - NGL: 213 bbls/d
- Drilling locations identified:
  - Dunvegan, Doe Creek and Charlie Lake
  - 126 gross (89 Net)
- Future water flood upside in the Dunvegan and Doe Creek
- Numerous operated and controlled batteries and compressor stations
- Strong land position:
  - 179,365 acres (gross)
  - 119,486 acres (net)
  - 58,671 acres (net undeveloped)



Corporate Hedging

(Post Manitok Transaction)

Hedge Volume After Royalty Average Volume & Prices		
	Rate	Price
OIL (Dec 16 – Dec 17)	(bbls/day)	(WTI US $/bbl)
	214	$51.20
GAS (2017)	(GJ/day)	(AECO CAD $/GJ)
	7,269	$2.56
Gas (2018)	1,385	$2.56

Management & Directors

Directors	Management
Brian M. Krausert, B.Sc. Chair	Trevor Spagrud, President & CEO
Herb C. Pinder, LLB, MBA	Larry Hammond, COO
M. Brent Ronald, B.Sc., P. Geol.	Sheldon Nedjelski, Vice-President Land
Walter Vrataric, B. Comm.	Don Almond, Manager Operations
Robert Zakresky, CA	Lance Jensen, Manager Operations
Trevor Spagrud, P.Eng.	Marg Rogers, Controller
	Caura Wood, Corporate Secretary & IR
	Joe Sobochan, Chief Geologist