

**Artis 2025 Property Tax Review
Kneehill County Presentation**



ARTIS EXPLORATION
LTD

April 22, 2025

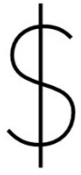


Artis Background

- Artis is a private company, incorporated in 2015 focused on the exploration and development of the Duvernay sweet oil play in the Three Hills area within Kneehill County. This unique play (Trochu Duvernay Shale Basin) was founded and developed by Artis and Artis is currently the major operator focusing on the Duvernay in the Basin.
- Artis has invested significant amount of capital over the last 10 years, increasing oil production, generating royalties and creating jobs for the benefit of Albertans, exclusively in Kneehill County.
- Artis' growth has been fully organic, driven through the drill bit, which has resulted in the utilization of local services and contractors, collaboration with local landowners and significant contributions to the community. This includes supporting local accommodations and restaurants.

Artis Background con't

Artis supports and nurtures relationships in Kneehill County, where we currently have four field offices.



Invested approximately \$5MM in donations and financial partnerships within the greater Kneehill County, Towns of Three Hills, Trochu, and Linden



7 scholarships awarded to local students 2023 & 2024



Sponsorship of the Three Hills Junior B hockey team



Contributions to the local food banks

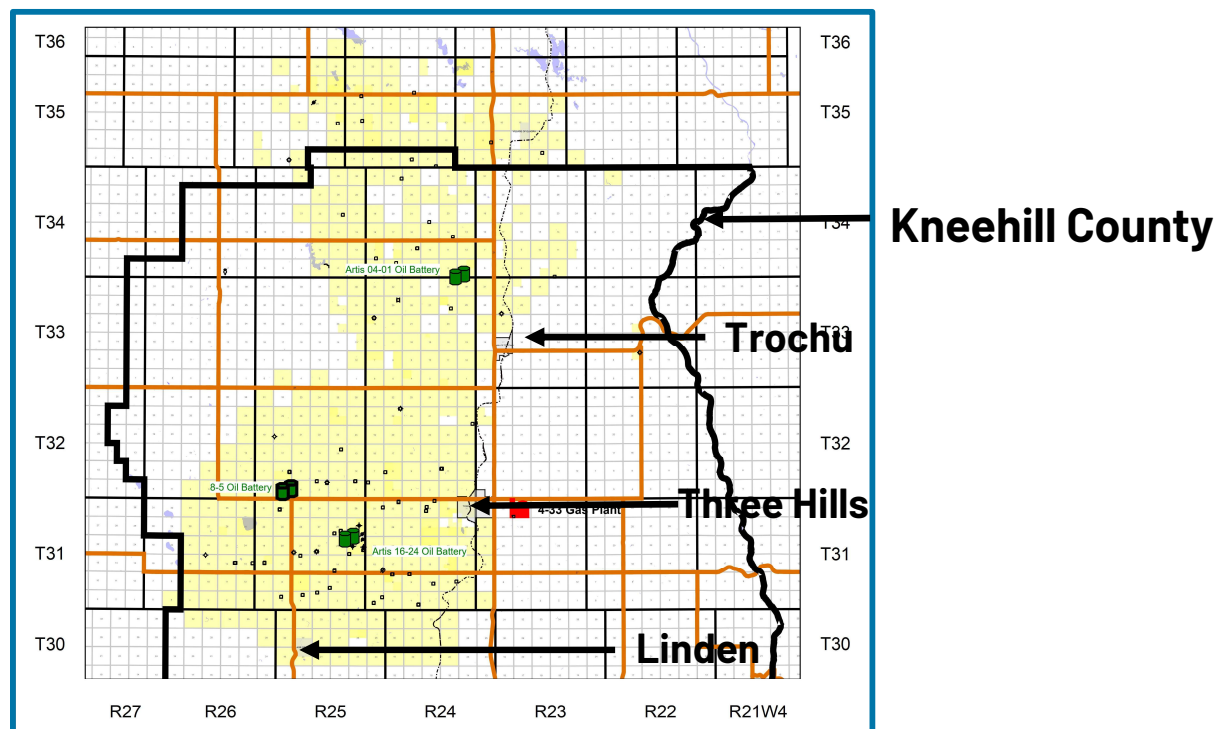


Regular donations to the Trochu Library, Huxley Community Centre and the Elnora Brahma Rama are only a few of the local events and charities in which we participate

Artis Background con't

- In addition to our philanthropic efforts and community impact initiatives, Artis has demonstrated being a good steward for Kneehill County.
 - Artis participates in roaming security to reduce crime in the greater Three Hills/Trochu area.
 - Dust control, road maintenance (grading & gravel) and speed control on roads throughout the MD.
 - Construction of water disposal pipelines to reduce truck traffic.
 - Artis' operations prioritize the hiring of local staff and oilfield services.
 - Artis hires seven summer students per year from the community.
 - In 2017, Artis purchased an oil facility in Three Hills from a junior oil & gas company and directed the purchase price to pay an outstanding receivable with delinquent property taxes owing to Kneehill County.

Current Operations & Future Development Plans

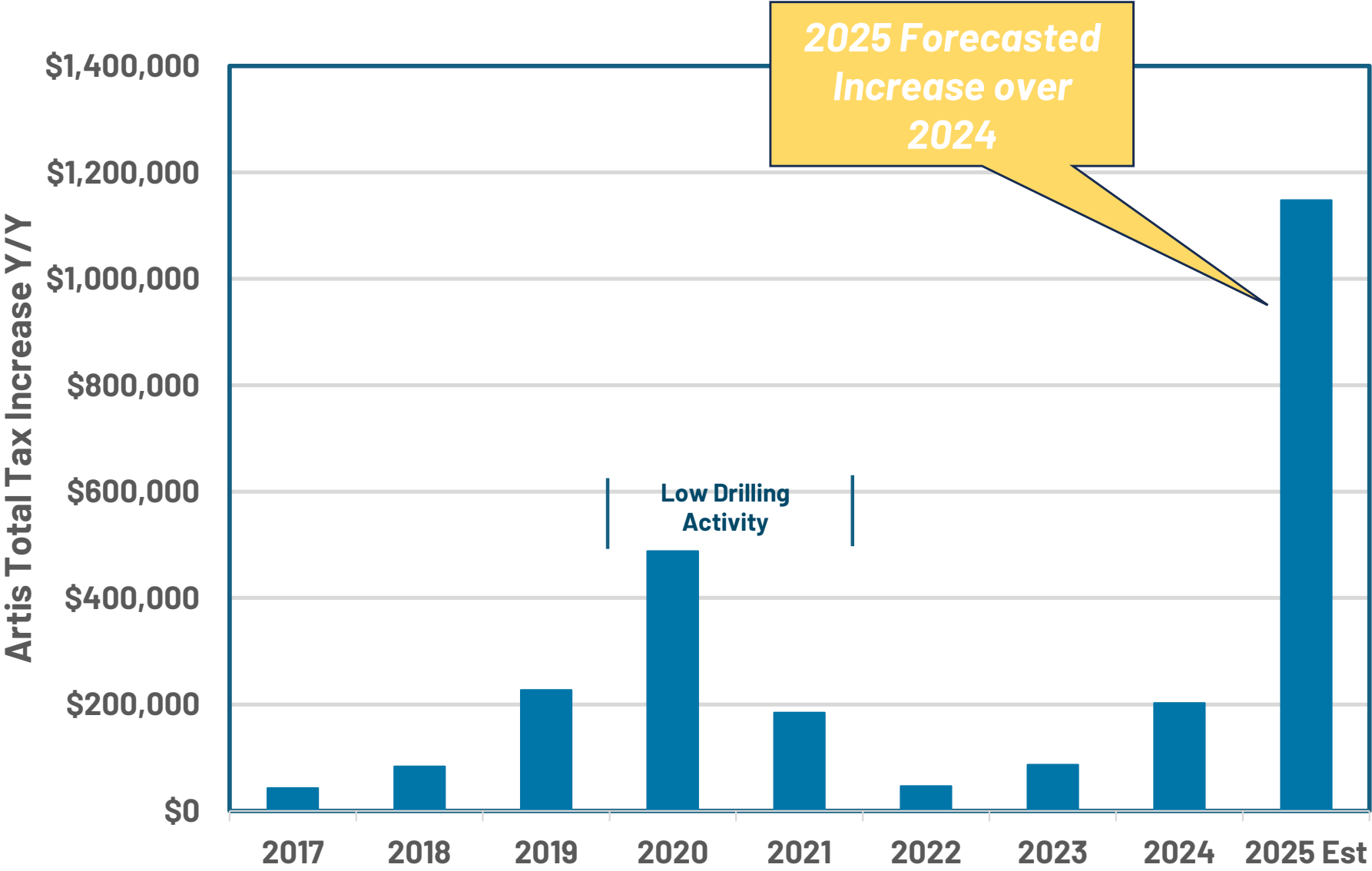


- Asset/production growth from 100 boepd to ~12,700 boepd over 10 years has been almost exclusively in Kneehill County.
- Artis takes great pride in maintaining excellent relationships with all of our stakeholders and is committed to making ongoing positive impacts in the community.

Annual Property Tax Increases



Depiction of the incremental change to Artis' annual tax levies



Artis Property Tax In Summary



New Taxable Assessments (2025)

- Previously exempt wells & pipelines: \$45.3M
- New 2024 constructions (wells/pipelines): \$19.3M
- Total New Linear Assessment: \$64.6M

Municipal Tax Impact (at 2024 mill rate)

- Total Increase in Linear Tax: +\$1M*
- Linear Tax Levy Increase: **+126%** vs. 2024

Additional Non-Linear Assessments (2025)

- New surface facility inventory: \$6.6M
- Estimated Additional Tax: \$100K

*Includes 5% increase in standardized assessment calculation for wells and pipelines in 2025