



June 4, 2019

## CANADIAN CORPORATE FINANCIAL ADVISOR APPOINTED

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### Highlights:

- GMP FirstEnergy appointed as Canadian corporate financial advisor
- Independent energy specialist investment bank with extensive advisory and underwriting experience in the Montney and other plays in Canada
- GMP FirstEnergy will assist the Company in unlocking shareholder value in its Canadian portfolio, via investment, partnerships or a corporate transaction to advance its high quality Montney asset
- Recent transaction activity points to continued demand for liquids rich Montney projects in anticipation of increased demand from LNG.

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**Calima Energy Limited (ASX:CE1)** (“Calima” or the “Company”) is pleased to announce that it has appointed **GMP FirstEnergy**, a leading independent Calgary-based independent investment bank, to act as corporate financial adviser to the Company in Canada. GMP FirstEnergy and Calima will prepare and structure a process that positions the Company for success in unlocking shareholder value in its Canadian portfolio. This could be realized either through, investment interest, partnerships or a corporate transaction to advance its development-ready liquids rich natural gas asset in the Montney. GMP FirstEnergy has substantial transaction experience in mergers, acquisitions and divestitures, corporate and asset financing and securing third party investment with extensive Montney experience.

### Alan Stein, Calima’s Managing Director commented:

*“The appointment of a highly experienced Canadian energy investment bank with particular experience in the Montney will assist us in translating our extraordinary drilling results into value for shareholders. By using existing infrastructure, we can put in place the building blocks of a profitable project at today’s prices, which can be scaled up dramatically as the full impact of the LNG-driven demand is felt across the whole basin. We believe this will offer a compelling proposition to other international oil companies and to LNG traders and buyers. Calima’s management team have worked with GMP FirstEnergy previously and we are confident they will be able to assist in maximising the value of this world-class opportunity*”





The potential interest amongst international oil companies, LNG traders and consumers looking to acquire reserves in the Montney to backstop Western Canada's LNG Projects is typified by the recent acquisition of the privately-owned Montney producer, Canbriam Energy Inc., by Pacific Oil & Gas Ltd. Pacific Oil & Gas Ltd. is the developer of the planned Woodfibre LNG export terminal being constructed at Squamish in British Columbia. The Woodfibre project is projected to produce around 2 million tonnes per annum (mtpa). This is relatively small in comparison to LNG Canada's project at Kitimat in British Columbia, operated by Shell, which will produce up to 13 mtpa during Phase 1 and up to 24 mtpa during Phase 2. The Chevron and Woodside LNG project, also at Kitimat, recently applied to almost double its plant capacity to 18 mtpa. Calima is well positioned to benefit from the anticipated increase in interest in the Montney driven by these new projects, underpinned by continued strong demand for condensate from heavy oil producers in Alberta.

The extremely successful three-well drilling program completed by Calima during Q1 2019 validated earlier management predictions that the Calima lands are a northern extension to the liquids-rich Montney fairway. Both horizontal wells are now suspended as future producers. The Company has entered into negotiations to secure access to existing local pipeline infrastructure, linked with regional pipeline and gas processing facilities, that have the capacity to accept production from the Calima Lands of up to 50 mmcf/d and 2,500 bbl/d of natural gas liquids for minimal capital investment.

**McDaniel & Associates Consultants Limited**, one of Canada's leading independent reserve auditors, has been commissioned to prepare a resources and reserves statement for the Calima Lands with an effective date of April 1, 2019. The statement, prepared in accordance with the standards set out in the Canadian Oil and Gas Evaluation Handbook (COGEH) and National Instrument (NI 51-101) will be available during June.

For further information visit [www.calimaenergy.com](http://www.calimaenergy.com) or contact:

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## About Calima Energy

**Calima Energy Limited (ASX:CE1)** is an international oil and gas company with more than 72,000 acres of drilling rights prospective for the Montney Formation in British Columbia, the most active oil and gas play in Canada. Calima's neighbours in the Montney include international operators Shell, ConocoPhillips and Petronas Canada, as well as Canadian producers Black Swan Energy, Saguaro Resources and Painted Pony Energy. The region's liquids-rich hydrocarbon reserves are being targeted for LNG export alongside domestic and international oil market opportunities.

