



Corporate Presentation

January 2012

Instinct For Energy



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.

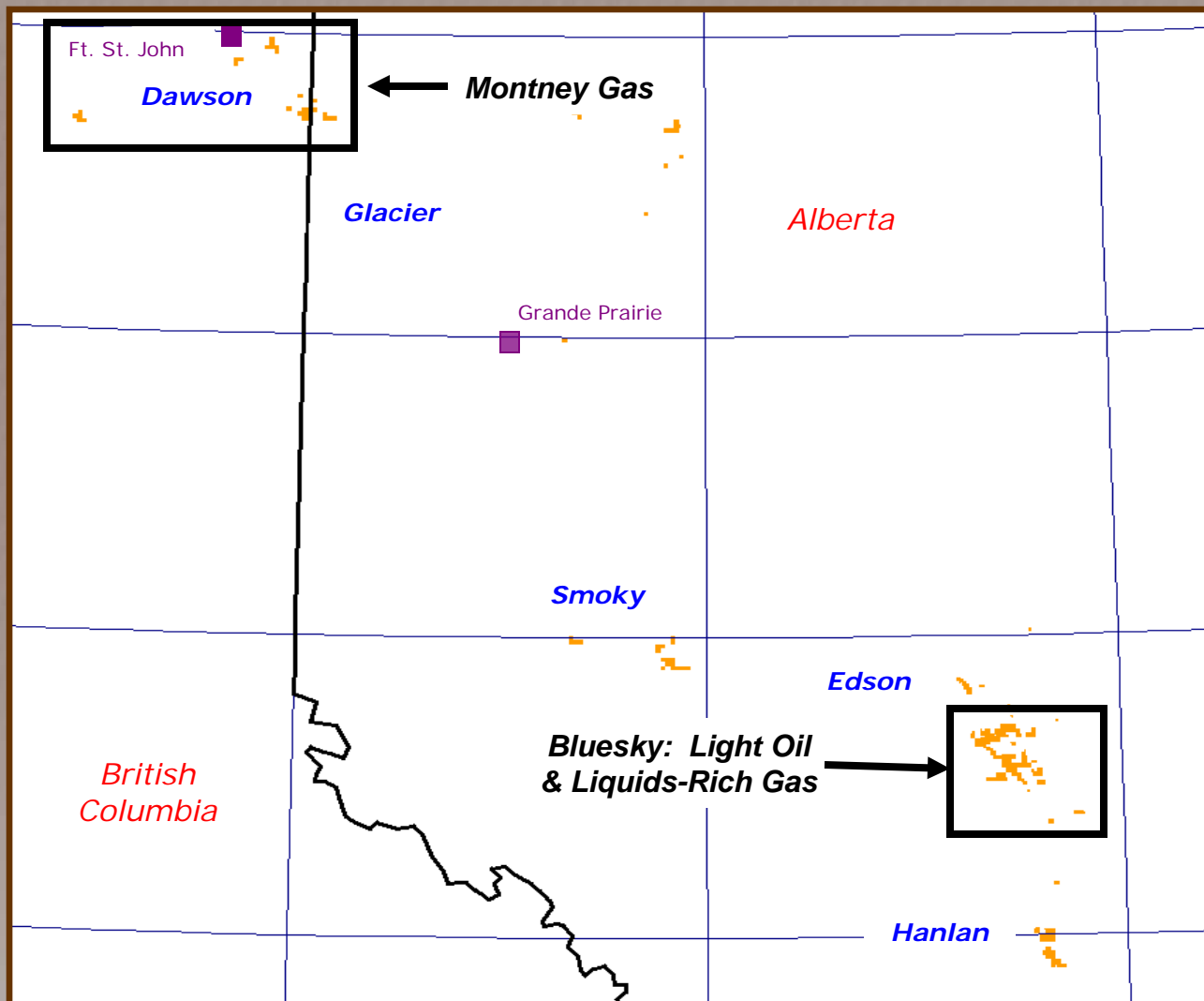


Crocotta 2011 Revised Guidance

	<u>2011</u> <u>Average</u>	<u>2011</u> <u>Exit</u>
<u>Production</u>		
Light Oil & NGLs (bopd)	1,195	2,170
Gas (mmcf)	15.2	26.0
Total (boepd)	3,725	6,500
 <u>Financial</u>		
Revenue (\$mm)**	55.9	98.5
Cash Flow (\$MM)**	30.5	63.5
Cash Flow per basic share (\$)**	0.39	0.72
Net Debt (\$mm)	30.0	30.0
Bank Credit Facility		
Capex (\$mm)	79.4	79.4
Tax Pools	225.0	225.0
Shares Outstanding - basic (mm)	78.8	88.1
- fully diluted (mm)	99.6	99.6

**2011 "Exit" based on January 1, 2012 GLJ pricing (\$US 97.00/bbl WTI; \$3.49/mcf AECO; and \$0.98 US exchange rate).




Focus Areas

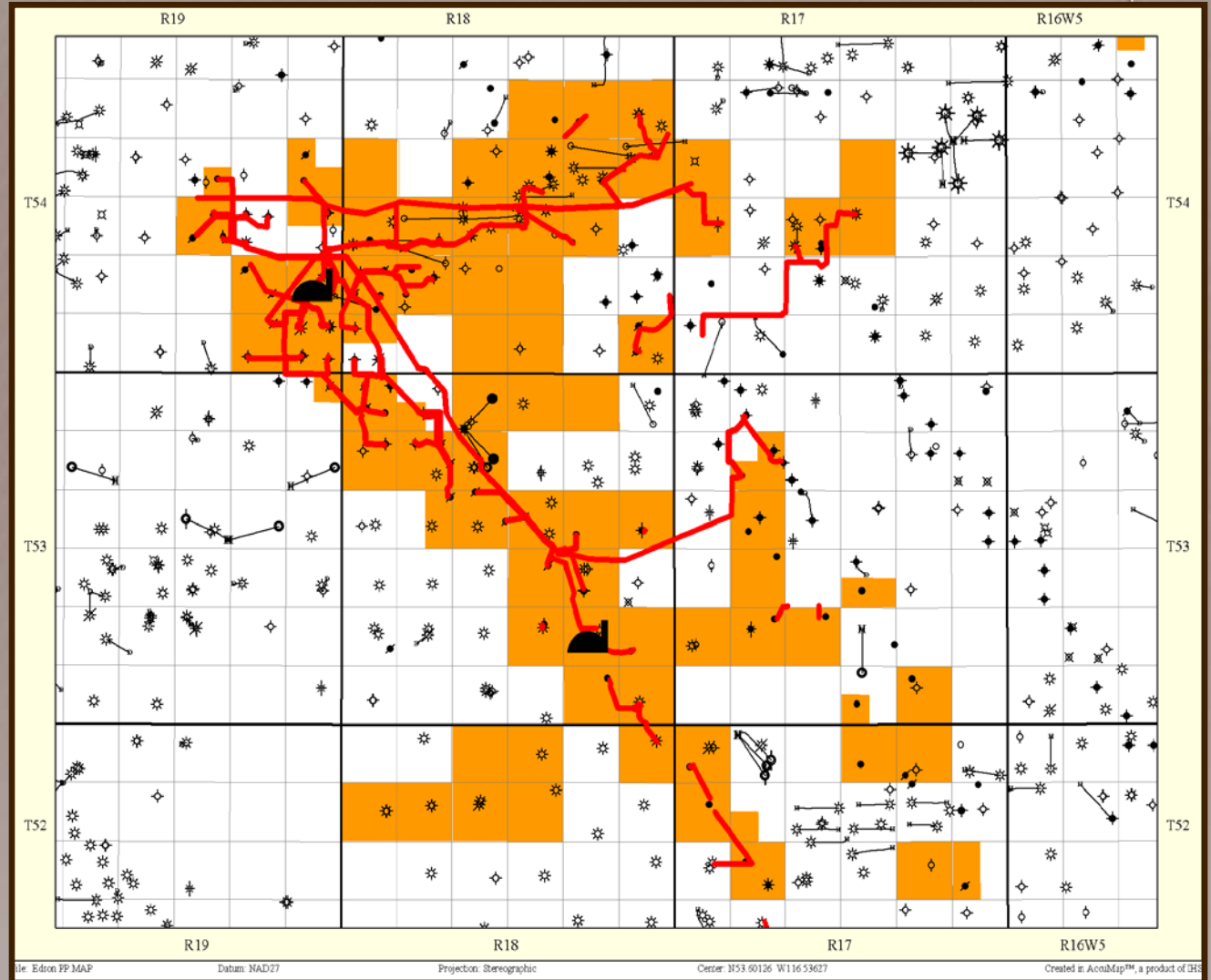


Edson

- **Multiple productive zones in area including Bluesky (light oil & liquids-rich gas), Cardium (light oil) & Notikewin (liquids-rich gas)**
- **Ownership & control of facilities & pipelines**
- **75% Avg. W.I. in over 75 sections of land**
- **Over 40 recompletions and 65 drilling locations identified**

LEGEND




-  **Crocotta Land**
-  **Crocotta Gathering lines**
-  **Gas Plant**

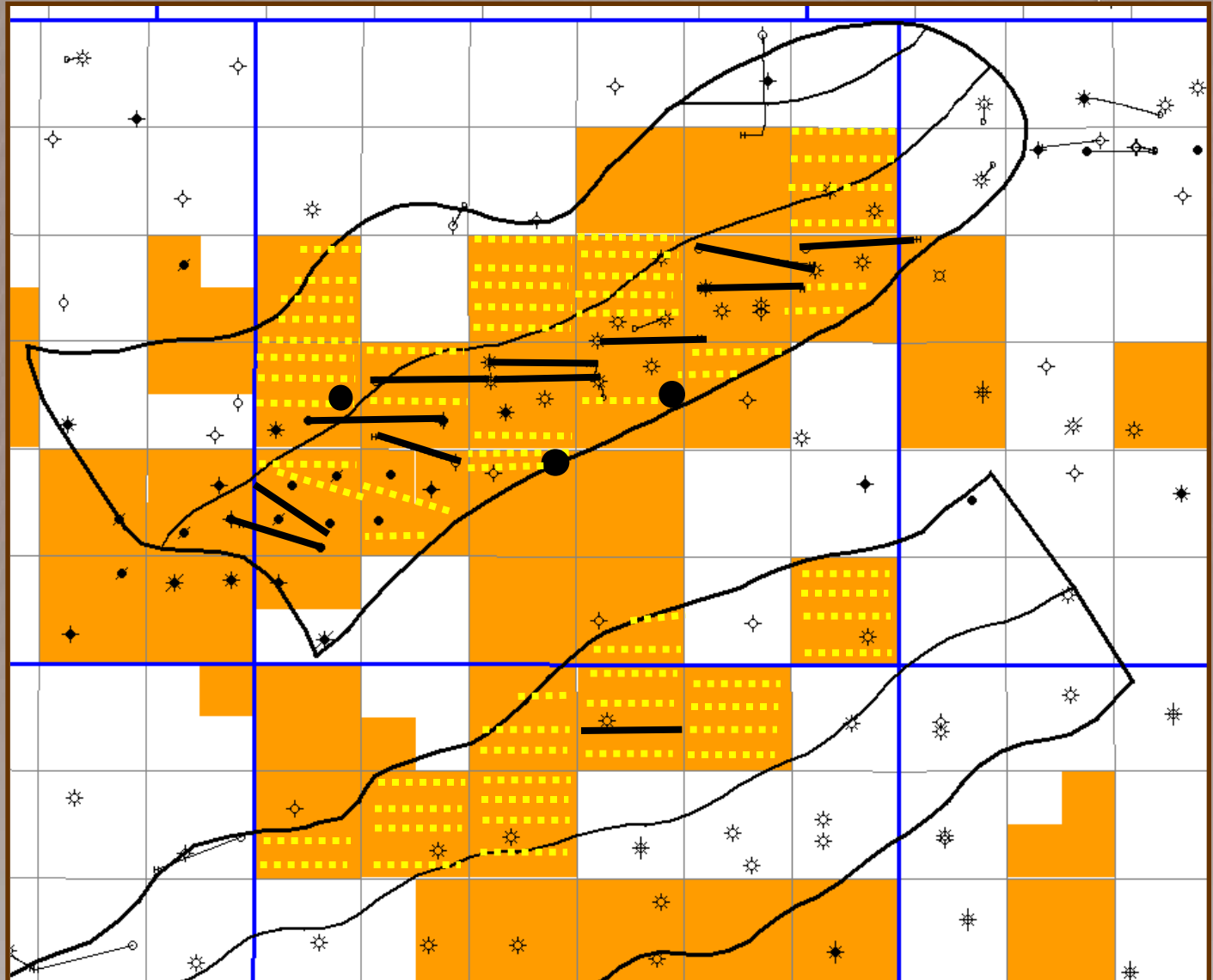


Edson Bluesky Oil & Liquids-rich Gas Hztl Wells

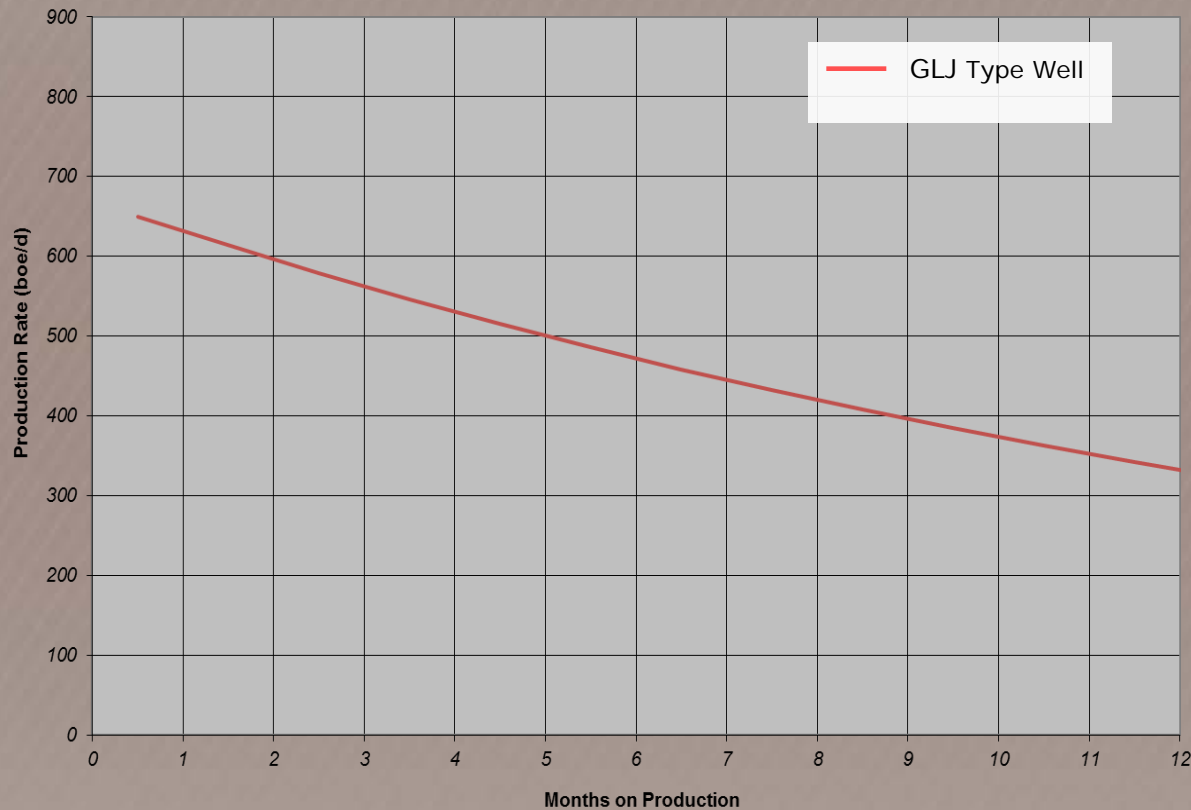
- *Approximately 18-20 OGIP per section*
- *12 hztl Bluesky wells drilled to date*
- *Over 50 hztl locations remaining*

LEGEND

-  Hztl Wells
-  Vertical Wells
-  Hztl Locations



Edson Bluesky Liquids–Rich Gas



Bluesky Hz Gas Well

Performance Indicator Type Well

Drill & Case (\$K)	2,700
Complete (\$K)	2,800
Tie-in (\$K)	300
Total (\$K)	5,800

Liquids Gas Total

Initial Q-3mo. (boe/d)	236	376	612
Year 1 Avg. Q (boe/d)	185	295	480
Recoverable Reserves (mboe)	301	479	780

NPV10 (\$K)*	12,158
PV10 (\$K)**	17,308
IRR (%)	170
Payout (yrs)	0.80
F&D (\$/boe)	7.44
Cap. Eff. Q-12mo. (\$/boe/d)	12,083

* NPV – Net Present Value is defined as “the present value of future cash flows minus the initial capital.”

** PV – Present Value is defined as “the present value of future cash flows.”

Note: – Economics based on GLJ 2012 price forecast (\$US 90.00/bbl; \$4.36/mcf AECO; and \$0.98 US exchange rate).



Economic Comparison of Cardium, Viking, Bakken & Bluesky

<i>Per well</i>	Cardium**	Viking**	Bilateral Bakken**	Bluesky Gas*
DCE&T (\$000)	3,000	1,200	2,580	5,800
Avg Yr 1 Production (boe/d)	120	40	95	480
Reserves (mboe)	188	79	173	780
NPV10% (\$000)	3,900	1,400	3,100	12,158
Rate of return	55%	50%	90%	170%
Payout (years)	1.6	1.8	1.2	0.8
F&D (\$/boe)	15.94	15.19	14.95	7.44
Efficiency (\$/boe/d)	25,000	30,000	27,157	12,083




*Based on GLJ Price Forecast for 2012 (\$US 90.00/bbl WTI; \$4.36/mcf AECO; and \$0.98 US exchange rate).

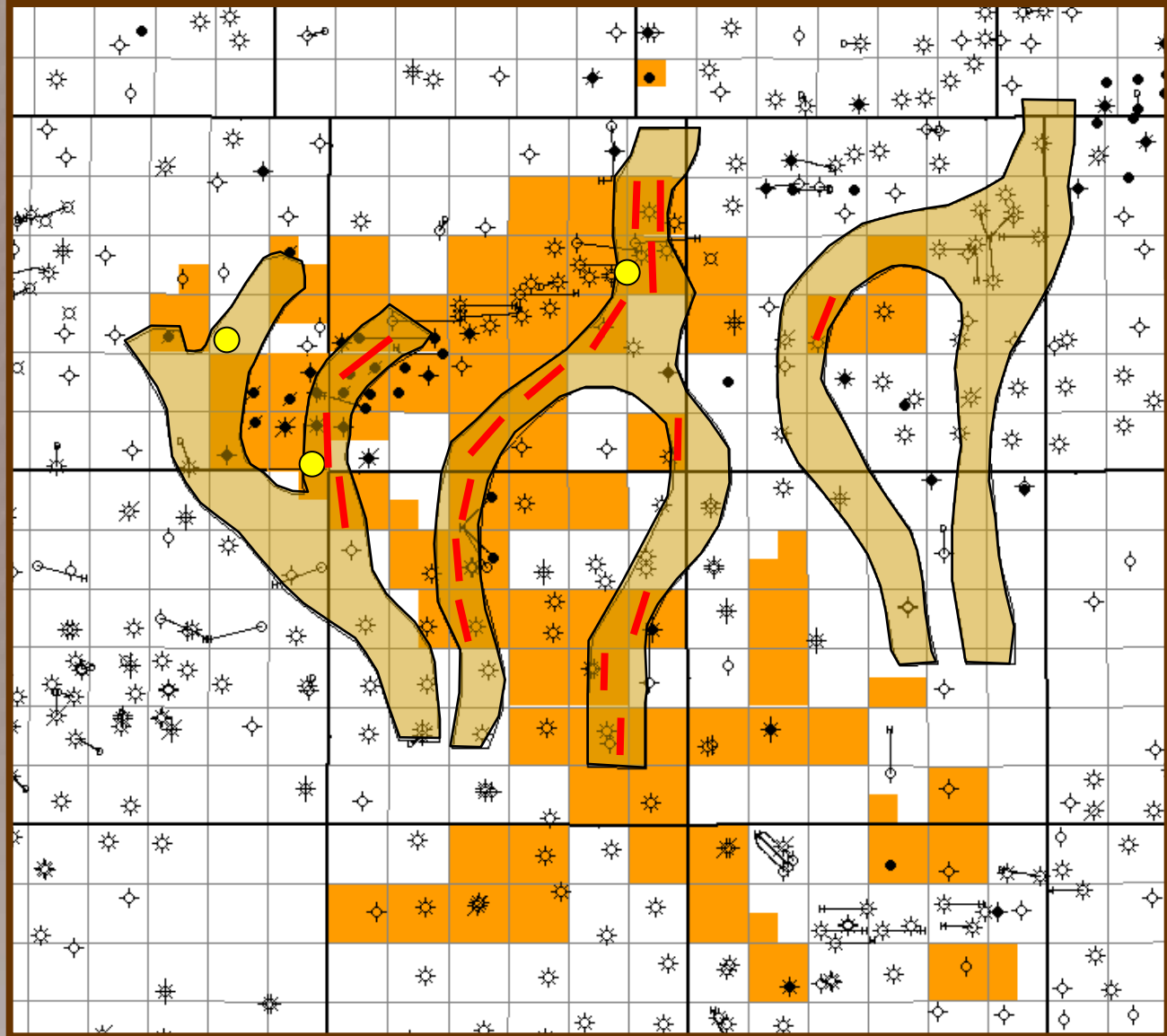
**Based on public information from one or more of BXE, PBN, WFE, NVS, and CPO. Avg. oil price used was \$80 WTI.

Edson Notikewan Development

- *Over 15 hztl locations identified*
- *Vertical producers and well control mitigate risk*

LEGEND

-  Crocotta Lands
-  Vertical Well
-  Hztl Location





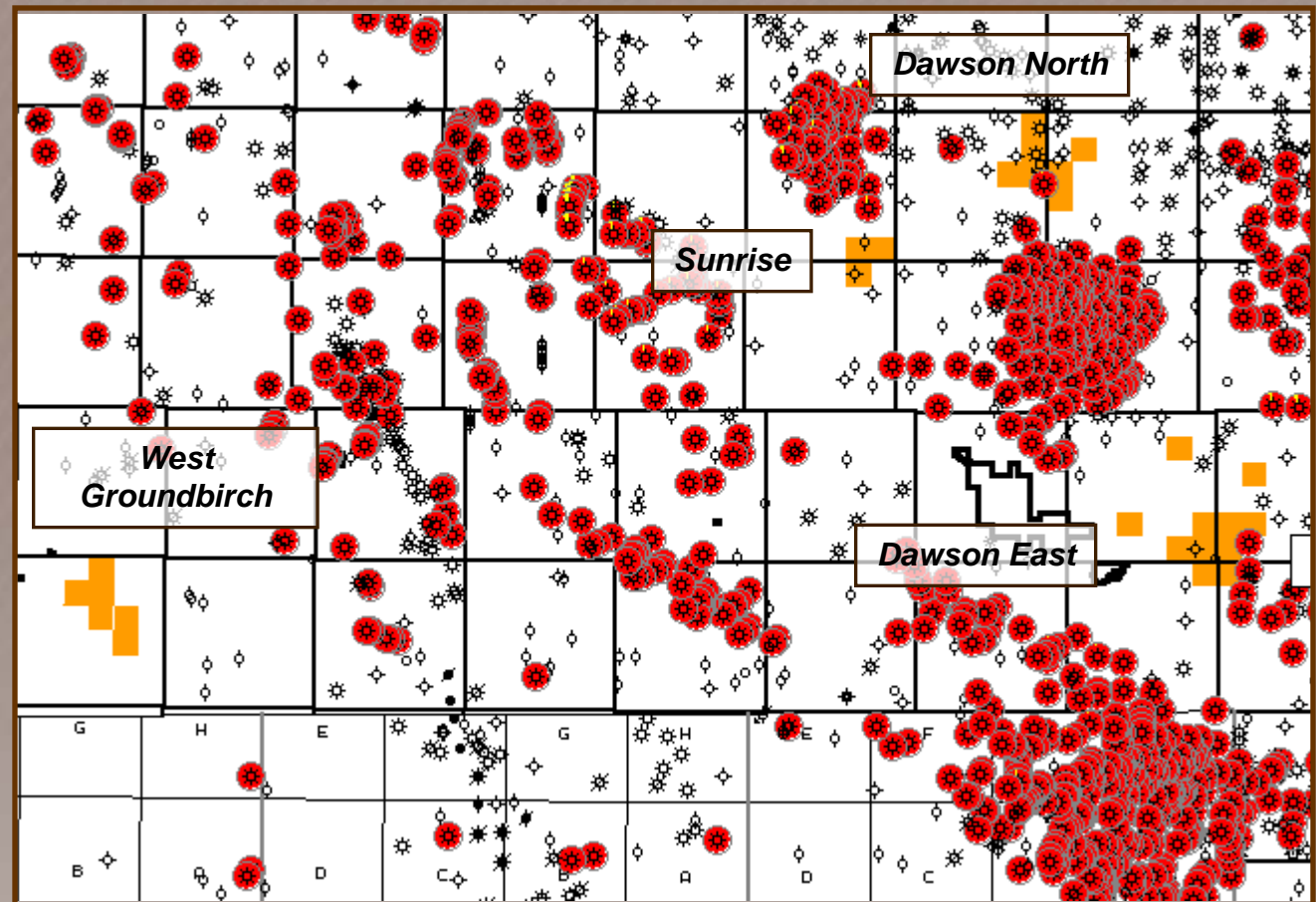
*VRO Hztl Type Well – avg. IP of 5.0 mmcf/d (25 bbls/mmcf of ngls); reserves of 326-978 mboe.

Dawson & Groundbirch Montney

- *Over 22 net sections*
- *Avg. OGIP of >80 BCF per section*
- *Commercial developments on-going on offsetting lands*

LEGEND

-  Crocotta Lands
-  Montney Producers





Dawson – Sunrise Montney

- OGIP estimated at 75 BCF per section
- High rate wells completed recently in area by ARC and TOU
- Infrastructure accessible in area

LEGEND

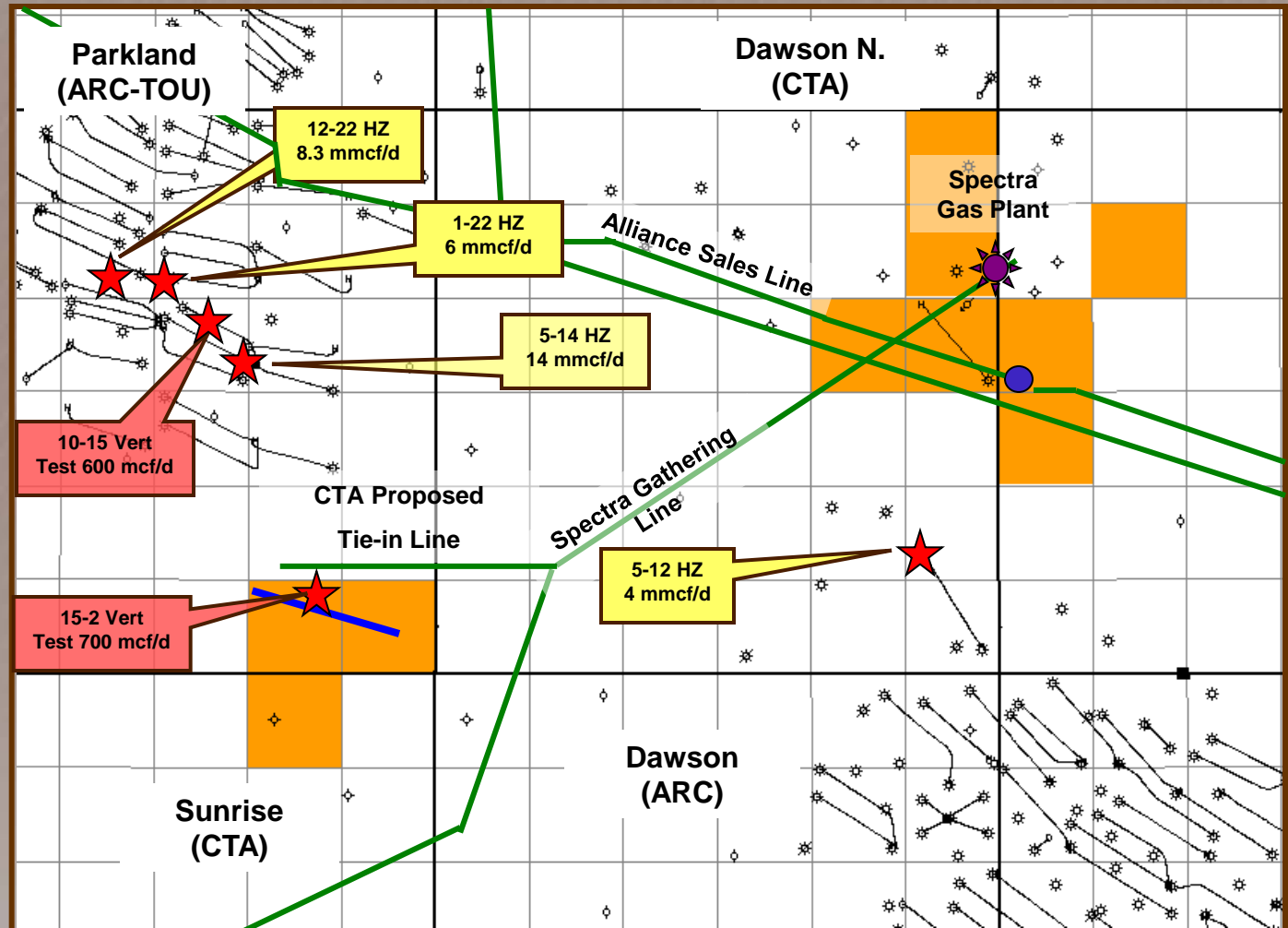
-  Crocotta Lands
-  Key Wells

2011

- One vertical drill 
- One hztl drill 

2012+

- Large hztl development in 3 Montney zones tested



Dawson – Sunrise Montney

00/10-15-080-16W6/0

00/15-02-080-16W6/0

ELEV. NB : 585.2
WELL TD : 2,952

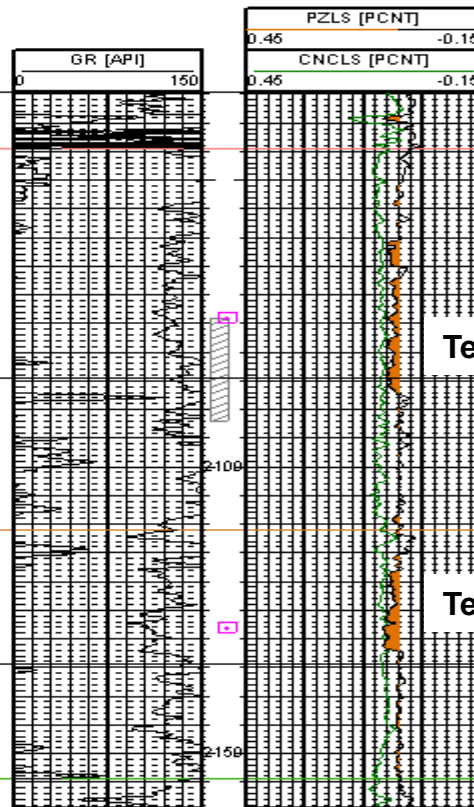
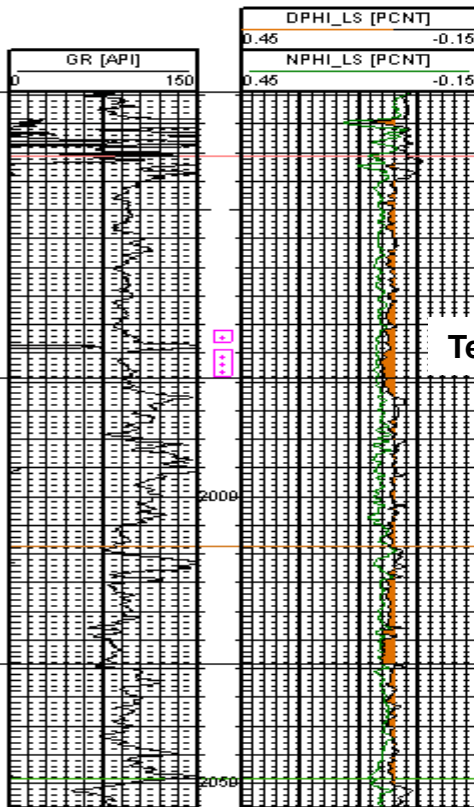
ELEV. NB : 704
WELL TD : 2,396

11/9/2008
Fin at TD : GO LT
ALTIA HERITAGE 10-15-80-1

Crocotta Sunrise 15-2-80-16

40 meters net pay

45 meters net pay



Top Montney

Test 600 mcf/d

Test 700 mcf/d

Test 350 mcf/d

Mid Mtn marker

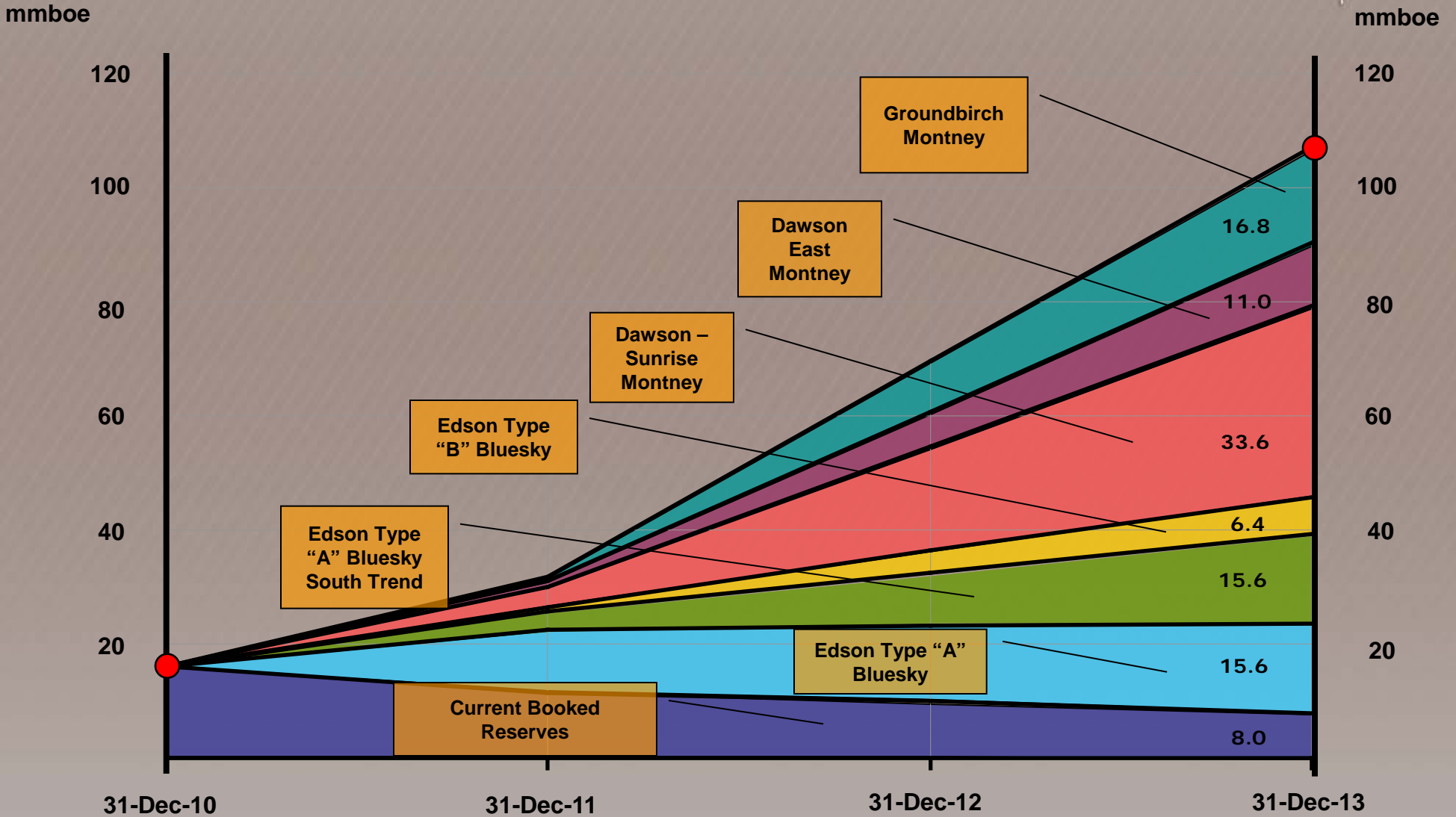
**Offsetting Montney
horizontal wells**

- 1-22 Hz 6 mmcf/d**
- 12-22 Hz 8.3 mmcf/d**
- 5-14 Hz 14.2 mmcf/d**

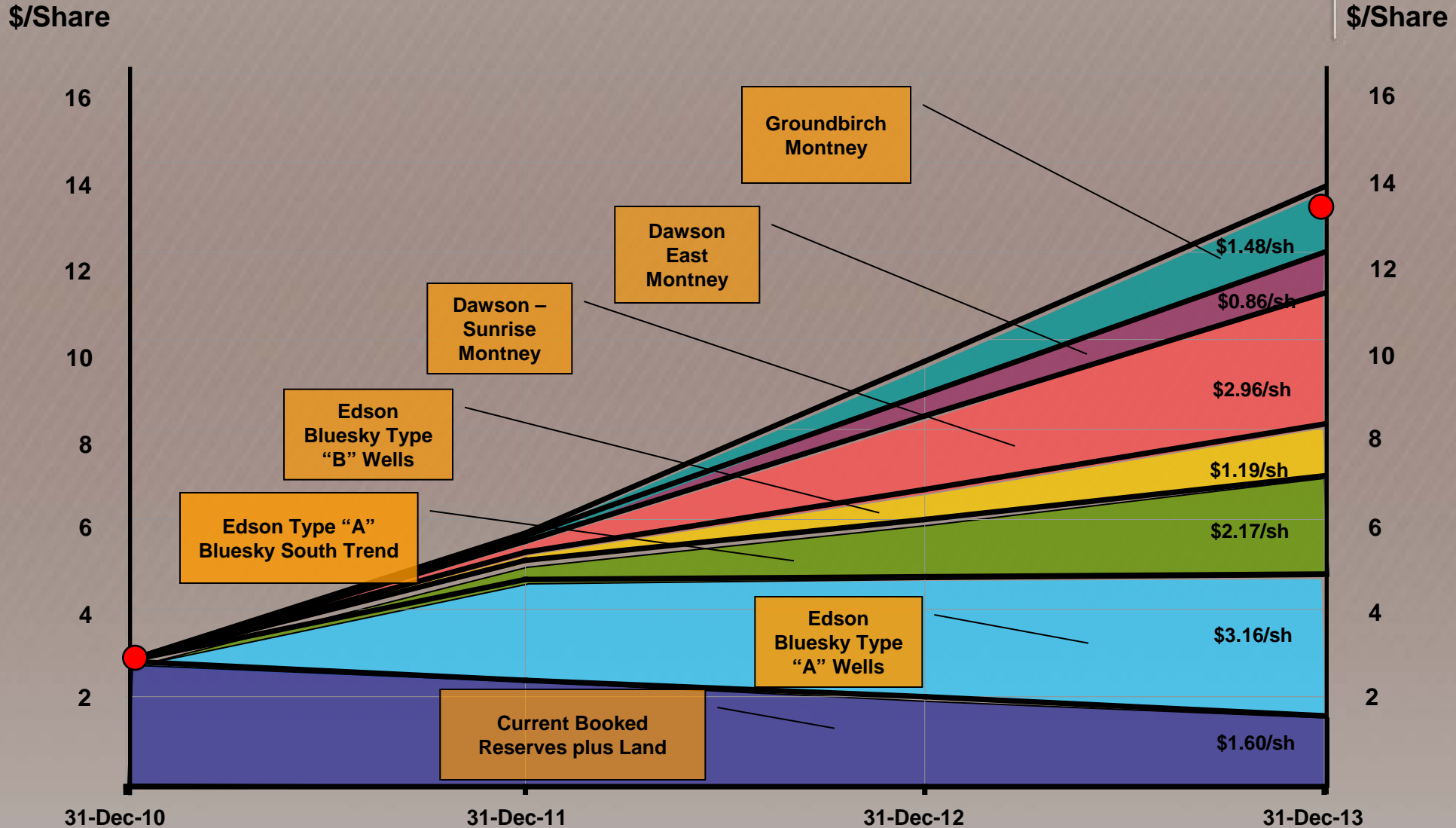
OGIP 45 bcf / sec

OGIP 40 bcf / sec

Reserves by Project & Time



Value/Share by Project & Time



Why Crocotta?

- CTA has an inventory of approximately 45 net low risk Bluesky liquids-rich gas and oil locations.
- Exceptional economics in Bluesky hztl wells with every well adding approximately \$0.10-\$0.20/sh value.
- CTA's Edson land base is in a multi-zone area with competitors drilling horizontal wells for other horizons (Cardium oil, Notikewin gas, Wilrich gas)
- Large OGIP in B.C. Montney, strategically placed for LNG export.
- CTA has an inventory of over 100 net Montney locations for future development.



Management & Directors

Management

Robert J. Zakresky, CA President & CEO

Terry L. Trudeau, P.Eng. VP Operations & COO

Nolan Chicoine, MPAcc, CA VP Finance & CFO

Weldon Dueck, B.Sc., P.Eng. VP Business Development

Helmut R. Eckert, P.Land VP Land

R.D. (Rick) Sereda, M.Sc, P.Geol VP Exploration

Kevin Keith VP Production

Directors

Larry G. Moeller, CA, CBV Chairman

Brian Boulanger

Gary W. Burns

Don D. Copeland, P.Eng.

Don Cowie

Daryl H. Gilbert, P.Eng.

Brian Krausert

Patricia Phillips

Robert J. Zakresky, CA