MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2017 AND SEPTEMBER 30, 2016

November 29, 2017

LETTER TO OUR SHAREHOLDERS

Dear Shareholder:

We are pleased to update you on Karve's progress since completing our Provost acquisition on August 15, 2017.

In the third quarter of 2017, we completed a non-brokered and brokered equity financing raising an total of $143.5 million to fund the Provost acquisition. The financing was completed at a price of $2.00 per share and was well supported by our existing shareholder base, many of whom participated in our initial financing at $1.00 per share in Q2 2016. We now understand that the non-brokered and brokered equity financing was the only deal of significance in the Western Canadian Sedimentary Basin that closed during Q3 2017.

The Company paid $120.5 million after closing adjustments for the Provost assets which were producing 6,500 BOE/d (45% liquids) at the time of acquisition and according to management estimates contain approximately 1.0 billion barrels of original oil in place in the highly profitable Viking formation. The acquisition metrics were attractive at $18,500 per flowing BOE/d of production (based on 6,500 BOE/d) and 4.2 times cash flow based on January 2017 to April 2017 annualized net operating income. The assets consist of 1.1 million acres of land at 92% working interest, of which 164,000 acres are fee title. The assets also include a vast operated infrastructure network with 33 oil batteries and 8 gas plants of which many are earning third party processing revenue. Upon closing of the acquisition, Karve proforma production was 8,600 BOE/d with 2,100 BOE/d from Karve's Legacy assets and 6,500 BOE/d from the Provost acquisition. Current production is 10,300 BOE/d which equates to 20% organic growth in production in just over three months. As a result of the acquisition, the Karve family has increased from 16 to 37 in Calgary and from 11 to 74 in Provost; we are now fully staffed.

As of November 29, 2017, we have brought 57 horizontal Viking wells on production which has increased production on the legacy Karve asset from 450 BOE/d to over 3,500 BOE/d currently. Before the end of 2017 we will bring on an additional 10 horizontal Viking wells for a total of 67 horizontal Viking wells in 2017. Since closing the Provost acquisition, we have drilled, completed and brought on production 28 wells on the recently acquired assets and are encouraged by the preliminary results.

As at September 30, 2017 we were in a positive working capital position of approximately $15.6 million. In addition to our working capital balance, we increased our credit revolving operating demand facility from $13.0 million to $25.0 million in the third quarter, adding to our financial flexibility.

Our 2018 capital program consists of spending $112.2 million, drilling 100 horizontal Viking wells for $90.6 million, and waterflood, facility and abandonment capital of $21.6 million. Based on strip pricing as of November 24, 2017, we estimate 2018 average production of 11,500 BOE/d with an exit rate of 12,400 BOE/d giving Karve approximately $90.0 million of cash flow. To support our 2018 capital program, we have hedged oil volumes of 500 bbl/d at an average price of Cdn $70.77 WTI and have purchased a floor at Cdn $64.00 WTI for 1,500 bbl/d of production.

You will find enclosed the Karve Energy Inc. unaudited interim consolidated financial statements and MD&A for the three months and nine months ended September 30, 2017. These financial statements have been prepared in accordance with International Financial Reporting Standards. If you would like to be added to our email distribution list to receive financial statements and MD&A by email, please send your request to info@karveenergy.com.We look forward to reporting our progress to you and thank all of our shareholders for their ongoing support.

On behalf of the Board of Directors,

Signed "Bob Chaisson"

Bob Chaisson
Chief Executive Officer
Karve Energy Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis ("MD&A") is a review of Karve Energy Inc.'s ("Karve" or the "Company") results and management's analysis of its financial performance for the period from January 1, 2017 to September 30, 2017 ("nine months ended September 30, 2017"). It is dated November 29, 2017 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2017 and the audited financial statements for the year ended December 31, 2016. Both statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The MD&A contains non-generally accepted accounting principles ("non-GAAP") measures and forward-looking statements and readers are cautioned that the MD&A should be read in conjunction with Karve's disclosure under "Non-GAAP Measurements" and "Forward-Looking Information and Statements" included at the end of this MD&A. All amounts are in Canadian dollars unless otherwise noted.

DESCRIPTION OF THE COMPANY

Karve is a growth-oriented, private oil and natural gas company whose principal business activities are the acquisition, exploration and development of oil and natural gas properties in Western Canada.

The Company was incorporated under the laws of the Province of Alberta on January 30, 2014, under the name "1799380 Alberta Ltd.". On June 16, 2014, the Company changed its name to "Bruin Oil & Gas Inc." ("Bruin") and on September 15, 2016, the Company changed its name to "Karve Energy Inc.". The consolidated financial information of the Company is comprised of Karve and its wholly owned subsidiary "DTC Energy Inc.".

OPERATIONAL AND FINANCIAL SUMMARY

	For the three months ended		For the nine months ended	
FINANCIAL *(Canadian $000, except per share and per boe amounts)*	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Net loss from continuing operations	(2,632)	(2,810)	(4,778)	(6,795)
Per basic and diluted shares	(0.03)	(0.04)	(0.06)	(0.17)
Net income from discontinued operations	-	-	-	18
Funds flow from (used for) operations (1)	4,654	(652)	12,462	(2,556)
Per basic and diluted shares (1)	0.05	(0.01)	0.16	(0.06)
Adjusted funds flow from (used for) operations (1)	6,521	(592)	14,549	(2,390)
Per basic and diluted shares (1)	0.07	(0.01)	0.19	(0.06)
Cash flow from (used for) continuing operations	(519)	(1,177)	4,737	(2,515)
Per basic and diluted shares	(0.01)	(0.02)	0.06	(0.06)
Capital expenditures	27,584	994	47,920	1,087
Acquisitions	120,518	862	120,526	21,082
Dispositions	-	-	(451)	-
Total net capital expenditures	148,102	1,856	167,995	22,169
Net working capital (1)	15,625	34,190	15,625	34,190
Total assets	253,706	67,034	253,706	67,034
Shares outstanding, weighted average (000s)	99,429	63,879	76,438	39,824
OPERATIONAL				
Sales volumes				
Oil (bbl/d)	3,283	341	2,098	137
NGLs (bbl/d)	226	5	80	3
Natural gas (mcf/d)	12,553	747	4,821	289
Total (boe/d)	**5,602**	**470**	**2,982**	**188**
Average sales prices (excludes hedging gains and losses)				
Oil ($/bbl)	51.45	49.97	54.37	50.00
NGLs ($/bbl)	41.70	53.07	42.68	53.50
Natural gas ($/mcf)	1.49	2.40	1.67	2.27
Boe basis ($/boe)	**35.18**	**40.59**	**42.11**	**40.66**
Field netback ($/boe)				
Sales price	35.18	40.59	42.11	40.66
Royalties	(2.37)	(2.47)	(2.64)	(2.41)
Operating expense	(17.29)	(38.14)	(16.89)	(37.39)
Transportation expense	(1.60)	(2.03)	(2.15)	(2.03)
Field netback (1)	**13.92**	**(2.05)**	**20.43**	**(1.17)**

(1) Non-GAAP measure, see page 15 for details.

SALES VOLUMES

Sales volumes averaged 5,602 boe/d during the three months ended September 30, 2017 compared to 470 boe/d for the three months ended September 30, 2016. The increase in sales volumes is due to the three months ended September 30, 2017 including 46 days of production from the Provost acquisition which closed on August 15, 2017 whereas the comparative period includes the results from the Viking property acquisition which closed on June 15, 2016.

The property acquired in the Provost Acquisition was approximately 45% liquids weighted at the time of acquisition and therefore the Company's product mix has decreased from 91% liquids to 63% liquids. It is management's intention to increase the liquids weighting of the acquired property through horizontal drilling of Viking light oil wells.

	For the three months ended		For the nine months ended	
	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Sales volumes				
Oil (bbl/d)	3,283	341	2,098	137
NGLs (bbl/d)	226	5	80	3
Natural gas (mcf/d)	12,553	747	4,821	289
Total (boe/d)	**5,602**	**470**	**2,982**	**188**

SALES PRICES AND REVENUE

For the three months ended September 30, 2017, the Company generated revenue of $18.1 million (three months ended September 30, 2016 - $1.8 million) on average sales volumes of 5,602 boe/d. Revenue is recorded before transportation expenses. The average sales price per boe for the three months ended September 30, 2017 was $35.18 compared to $40.59 for the three months ended September 30, 2016. The decrease relates to a change in the Company's sales product mix due to the property acquired in the Provost acquisition being approximately 55% natural gas weighted at the time of acquisition. This change in sales product mix resulted in the Company being more gas weighted and realizing a lower corporate total price per boe. It is management's intention to increase the liquids weighting and of the acquired property through horizontal drilling of Viking light oil wells.

	For the three months ended		For the nine months ended	
($000s, except per boe amounts) (1)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Crude oil	15,540	1,567	31,149	1,870
Natural gas liquids	868	24	937	27
Natural gas	1,725	165	2,200	180
TOTAL PETROLEUM AND NATURAL GAS SALES	**18,133**	**1,756**	**34,286**	**2,077**
Processing fee income	510	-	510	-
Royalty income	226	-	226	-
Interest income	33	65	119	157
TOTAL PETROLEUM AND NATURAL GAS SALES AND OTHER INCOME	**18,902**	**1,821**	**35,141**	**2,234**

(1) Revenue for the nine months ended September 30, 2016 includes $31,000 presented as income from discontinued operations in the consolidated statement of net loss and comprehensive loss.

	For the three months ended		For the nine months ended	
KARVE AVERAGE REALIZED PRICE (1)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Revenue ($000s)	18,133	1,756	34,286	2,077
Oil ($/bbl)	51.45	49.97	54.37	50.00
NGLs ($/bbl)	41.70	53.07	42.68	53.50
Natural gas ($/mcf)	1.49	2.40	1.67	2.27
Karve realized price ($/boe)	**35.18**	**40.59**	**42.11**	**40.66**
AVERAGE BENCHMARK PRICES (2)				
Crude oil - WTI ($US/bbl)	48.18	44.94	49.30	41.33
Crude oil - Canadian light sweet ($CDN/bbl)	57.15	54.19	60.57	50.14
Natural gas - AECO-C spot ($CDN/mcf)	1.61	2.36	2.36	1.87
Exchange Rate - ($US/$CAD)	0.798	0.767	0.766	0.757

(1) Excludes hedging gains and losses.

(2) Average benchmark pricing obtained from U.S. Energy Information Administration and Sproule Associates Limited.

DERIVATIVE CONTRACTS

It is the Company's policy to hedge a portion of its crude oil sales through the use of financial derivative contracts. In accordance with standard industry practice, derivative contracts are marked to market.

The Company's crude oil commodity contract to sell 300 barrels per day of oil at an average Nymex West Texas Intermediate ("WTI") fixed price of $72.25 CAD per barrel effective April 1, 2017 terminated on September 30, 2017. The components of the gain (loss) on the financial derivative contract is as follows:

	For the three months ended		For the nine months ended	
($000s)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Realized gain on financial derivative contracts	329	-	528	-
Unrealized loss on financial derivative contracts	(336)	-	-	-
GAIN (LOSS) ON FINANCIAL DERIVATIVE CONTRACTS	**(7)**	**-**	**528**	**-**

The Company recognized a realized gain of $329,000 for the three months ended September 30, 2017 (three months ended September 30, 2016 – nil) and a realized gain of $528,000 for the nine months ended September 30, 2017 (nine months ended September 30, 2016 – nil). The Company recognized an unrealized loss of $336,000 for the three months ended September 30, 2017 (three months ended September 30, 2016 – nil).

Subsequent to September 30, 2017, the Company entered into the following commodity contracts:

WTI CRUDE OIL DERIVATIVE CONTRACTS

Type	Term	Basis (1)	Volume (Bbl/d)	Swap Price ($CAD/Bbl) (1)
Fixed price swap	Jan. 1/18 - Dec. 31/18	WTI	300	70.55
Fixed price swap	Jan. 1/18 - Dec. 31/18	WTI	200	71.10
TOTAL VOLUME AND WEIGHTED AVERAGE PRICE			**500**	**70.77**

(1) Nymex WTI monthly average in $CAD.

Type	Term	Basis (1)	Volume (Bbl/d)	Sold Put Price ($CAD/Bbl) (1)
Put option	Jan. 1/18 - Dec. 31/18	WTI	1,500	64.00
TOTAL VOLUME AND WEIGHTED AVERAGE PRICE			**1,500**	**64.00**

(1) Nymex WTI monthly average in $CAD.

NATURAL GAS DERIVATIVE CONTRACTS

Type	Term	Basis (1)	Volume (GJ/d)	Fixed Price ($CAD/GJ) (1)
Physical Delivery	Nov. 1/17 - Jan. 1/18	NGTL NIT	10,000	2.195
Physical Delivery	Nov. 1/17 - Jan. 1/18	NGTL NIT	2,000	2.200
TOTAL VOLUME AND WEIGHTED AVERAGE PRICE			**12,000**	**2.196**

(1) NGTL NIT index pricing in $CAD.

ROYALTIES

Royalties include Crown, freehold and gross overriding royalties. Royalty expense for the three months ended September 30, 2017 was $1.2 million ($2.37 per boe) compared to $107,000 ($2.47 per boe) for the three months ended September 30, 2016. For the three months ended September 30, 2017, the Company's royalty rate was 6.7% of revenues (three months ended September 30, 2016 – 6.1%), a slight increase due to different royalty rates between the acquired Provost assets and the legacy Viking producing property. Royalty rates are expected to remain low due to the high percentage of Crown lands, the Alberta Governments Crown royalty incentive program, and the Company's fee title lands acquired in the Provost acquisition.

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Royalties (1)	1,221	107	2,149	123
Royalties as a % of revenue	6.7%	6.1%	6.3%	5.9%
Per boe ($)	2.37	2.47	2.64	2.41

(1) Royalties for the nine months ended September 30, 2016 includes $2,000 presented as income from discontinued operations in the consolidated statement of net loss and comprehensive loss.

OPERATING EXPENSE

Operating expenses include activities in the field required to operate wells and facilities, lift to surface, gather, process and in-field trucking of production. Operating expenses were $8.9 million ($17.29 per boe) during the three months ended September 30, 2017 and $1.7 million ($38.14 per boe) for the three months ended September 30, 2016. Operating expenses per boe decreased during the three months ended September 30, 2017 compared to the quarter ended September 30, 2016 due to additional production from the Provost acquisition and new horizontal oil wells brought on production.

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Operating expense [1]	8,911	1,650	13,750	1,910
Per boe ($)	17.29	38.14	16.89	37.39

(1) Operating expense for the nine months ended September 30, 2016 includes $11,000 presented as income from discontinued operations in the consolidated statement of net loss and comprehensive loss.

TRANSPORTATION EXPENSE

Transportation expense includes costs paid to third parties for transporting clean oil, sales gas, and associated liquids to the pipeline or processing plant point of sale. Transportation expenses were $827,000 ($1.60 per boe) during the three months ended September 30, 2017 and $88,000 ($2.03 per boe) for the three months ended September 30, 2016. The decrease in transportation expense per boe in the current period is due to a higher percentage of natural gas production due to the Provost Acquisition which costs less to transport, whereas the majority of oil sales were trucked to sales points in the comparative three months ended September 30, 2016.

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Transportation expense	827	88	1,749	88
Per boe ($)	1.60	2.03	2.15	2.03

FIELD NETBACK

The components of field netbacks are summarized in the following table:

	For the three months ended Sept. 30, 2017		For the three months ended Sept. 30, 2016	
($000s, except per boe amounts)	$	$/boe	$	$/boe
Revenue	18,133	35.18	1,756	40.59
Royalties	(1,221)	(2.37)	(107)	(2.47)
Operating expense	(8,911)	(17.29)	(1,650)	(38.14)
Transportation expense	(827)	(1.60)	(88)	(2.03)
FIELD NETBACK ($) [1]	**7,174**	**13.92**	**(89)**	**(2.05)**

(1) Non-GAAP measure, see page 15 for details.

	For the nine months ended Sept. 30, 2017		For the nine months ended Sept. 30, 2016	
($000s, except per boe amounts)	$	$/boe	$	$/boe
Revenue	34,286	42.11	2,077	40.66
Royalties	(2,149)	(2.64)	(123)	(2.41)
Operating expense	(13,750)	(16.89)	(1,910)	(37.39)
Transportation expense	(1,749)	(2.15)	(88)	(2.03)
FIELD NETBACK ($) [1]	**16,638**	**20.43**	**(44)**	**(1.17)**

(1) Non-GAAP measure, see page 15 for details.

GENERAL AND ADMINISTRATION EXPENSE ("G&A")

The following are the main components of G&A for the three months ended September 30, 2017 and September 30, 2016:

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Staff and consulting costs	1,888	424	3,458	1,988
Professional fees	112	101	278	257
Office and rent costs	245	143	766	293
Other	101	44	215	91
General and administration expense (Gross)	2,346	712	4,717	2,629
Capitalized G&A and overhead recovery	(542)	(101)	(1,062)	(101)
General and administration expense (Net)	1,804	611	3,655	2,528
Per boe ($)	3.50	14.12	4.49	49.49

General and administrative expenses (net) for the three months ended September 30, 2017 were $1.8 million ($3.50 per boe) and $611,000 ($14.12 per boe) for the three months ended September 30, 2016. The increase in gross G&A during the three months ended September 30, 2017 compared to the prior quarter relates to additional staff hired as a result of the Provost acquisition, accrued bonuses, and higher office expenses as a result of additional office staff. The decrease in G&A (net) per boe relates to increased sales volumes in the current period.

OTHER INCOME

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Processing fee income	510	-	510	-
Royalty income	226	-	226	-
Interest income	33	65	119	157
Total other income	769	65	855	157
Per boe ($)	1.49	1.50	1.05	3.07

Other income for the three months ended September 30, 2017 was $769,000 ($1.49 per boe) and $65,000 ($1.50 per boe) for the three months ended September 30, 2016. The increase in other income is due to processing fee income and royalty income streams acquired in the Provost Acquisition. Processing fee income relates to the Company processing third party oil and gas volumes through Karve owned and operated facilities which were acquired in the Provost Acquisition. Royalty income relates to freehold royalties, gross overriding royalties, royalties paid to the Company on fee title lands, and net profit interests which were acquired in the Provost Acquisition.

Interest income relates to interest earned on cash held which is currently earning 85 basis points annually. Interest income decreased from $65,000 during the three months ended September 30, 2016 to $33,000 during the three months ended September 30, 2017 due to lower cash balances on hand.

SHARE-BASED COMPENSATION EXPENSE ("SBC")

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Share-based compensation - options	307	504	1,416	743
Share-based compensation - cancelled options	-	-	-	849
Share-based compensation - performance warrants	466	794	3,047	846
Share-based compensation - cancelled performance warrants	-	-	-	174
Share-based compensation - founder shares	-	-	-	635
Share based compensation expense	773	1,298	4,463	3,247
Per boe ($)	1.50	30.00	5.48	63.57

Share-based compensation ("SBC") is an estimate of the fair value of the share options and performance warrants granted by the Company using the Black-Scholes valuation methodology at the grant date. The Black-Scholes pricing model requires the Company to make assumptions including share volatility, a risk-free rate, and expected life of the options and performance warrants.

All issued and outstanding stock options and performance warrants to the previous Bruin management team were cancelled on June 15, 2016.

During the nine months ended September 30, 2017, a total of 546,666 stock options were exercised at a weighted average exercise price of $0.91 per share for total proceeds of $499,000.

During the nine months ended September 30, 2017, 7,016,000 stock options were approved for issuance by the Board of Directors at a weighted average exercise price of $2.00 per option (year ended December 31, 2016 – 6,365,000). The weighted average fair value of options granted during the nine months ended September 30, 2017 is $0.89 per option. During the nine months ended September 30, 2017, 17,477,000 performance warrants were approved for issuance by the Board of Directors at a weighted average exercise price of $3.80 per warrant (year ended December 31, 2016 – 16,125,000). The weighted average fair value of warrants granted during the nine months ended September 30, 2017 is $0.54 per warrant.

SBC expense related to stock options for the three months ended September 30, 2017, was $307,000 (three months ended September 30, 2016 - $504,000) and SBC expense related to performance warrants for the three months ended September 30, 2017, was $466,000 (three months ended September 30, 2016 - $794,000) using the graded vesting method.

As at September 30, 2017, 12.8 million stock options and 33.6 million performance warrants were outstanding. The weighted average exercise price of stock options and performance warrants outstanding was $1.48 per option and $2.89 per warrant. The weighted average fair value of stock options and performance warrants outstanding was $0.73 per option and $0.47 per warrant.

At September 30, 2017, 1,675,001 stock options and 6,540,000 performance warrants were exercisable.

Subsequent to September 30, 2017, 177,500 stock options were granted to certain employees of the Company at an exercise price of $2.00 per share under the Company's Stock Option Plan.

Subsequent to September 30, 2017, 280,000 performance warrants were granted to certain employees of the Company.

DEPLETION, DEPRECIATION AND AMORTIZATION

Depletion, depreciation and amortization ("DD&A") are associated with Viking zone production assets in the Alberta Viking and also include the depreciation and amortization of corporate assets such as computer equipment. The net carrying value of production assets is depleted using the unit-of-production method by determining the ratio of production in the period to the related proved plus probable reserves and estimated future development costs necessary to bring those reserves into production.

During the three months ended September 30, 2017 depletion expense was $6.5 million (three months ended September 30, 2016, $701,000) due to increases in production, net carrying value, and future development costs from Provost assets acquired during the three months ended September 30, 2017.

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Depletion	6,494	701	11,893	811
Depreciation and amortization	7	3	14	5
Total DD&A ($)	6,501	704	11,907	816
Per boe ($)	12.61	16.27	14.62	15.97

INCOME TAX

	For the three months ended		For the nine months ended	
($000s, except per boe amounts)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Current income tax expense (recovery)	-	-	-	-
Deferred income tax expense (recovery)	(589)	-	(23)	-
Total income tax expense (recovery) ($)	(589)	-	(23)	-
Per boe ($)	(1.14)	-	(0.03)	-

At September 30, 2017, the deferred income tax asset increased to $5.2 million (as at December 31, 2016 - $4.6 million) resulting in a deferred tax recovery of $23,000 for the nine months ended September 30, 2017 (nine months ended September 30, 2016 – nil) and $568,000 being recognized directly in equity related to share issue costs incurred on the issuance of shares. The Company has tax pools of $202 million at September 30, 2017.

CAPITAL EXPENDITURES & ACQUISITIONS

Additions to property, plant and equipment for the three months ended September 30, 2017 consisted of the following.

	For the three months ended		For the nine months ended	
($000s)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Acquisitions	120,518	862	120,526	23,568
Dispositions	-	-	(451)	-
Drilling	8,939	169	17,579	169
Completions	12,871	754	19,237	754
Facilities and well equipment	5,627	-	10,667	-
Land acquisitions	15	37	296	123
Office equipment	132	34	141	42
TOTAL NET CAPITAL EXPENDITURES AND ACQUISITIONS ($000s)	**148,102**	**1,856**	**167,995**	**24,656**

During the three months ended September 30, 2017, the Company drilled 26 (25.8 net) and completed 29 (28.8 net) horizontal wells. The Company also performed facilities upgrades to increase the processing capacity at a major oil battery.

ACQUISITION OF OIL AND GAS ASSETS

Provost Acquisition

On August 15, 2017, the Company closed an acquisition of certain oil and gas assets in the Provost area of Alberta (the "Provost Acquisition") for a total purchase price of $120.5 million. The assets acquired in the Provost Acquisition complement Karve's existing assets at Consort and Hamilton Lake and the Company believes the nature and characteristics of the assets are complementary to Karve's light oil focused strategy in the Viking formation. The assets acquired consist of producing oil and gas properties, reserves, facilities, undeveloped land, and seismic. The effective date of the acquisition was January 1, 2017.

The following table summarizes the aggregate fair value of net assets acquired and the allocation of the purchase price:

($000s)	
Net working capital	5,991
Exploration and evaluation assets	17,125
Property, plant and equipment	116,394
Decommissioning liabilities	(19,042)
FAIR VALUE OF NET ASSETS ACQUIRED	**120,468**

CONSIDERATION	
Cash	120,468
TOTAL PURCHASE PRICE	**120,468**

(1) The fair values allocated to the net assets acquired were estimated based on information available at the time of the preparation of this MD&A. The amount of cash consideration, after closing adjustments, was estimated based on an interim statement of adjustments. The actual amounts which will ultimately be recognized by the Company upon finalizing the accounting for the property acquisition may differ from these estimates.

During the nine months ended September 30, 2017, the Company incurred $2.0 million of transaction costs for the Provost Acquisition which were recorded as "Transaction costs" in the Company's consolidated statement of net loss and comprehensive loss. For the period ended December 31, 2016, the Company incurred $106,000 of transaction costs related to the Viking Acquisition.

The Company's consolidated statement of net loss and comprehensive loss includes the results of the operations for the period following closing of the Provost Acquisition on August 15, 2017. The Company's net loss and comprehensive loss for the nine months ended September 30, 2017 includes $8.6 million of revenue and $1.9 million of operating income relating to the acquired assets. If the acquisition had closed on January 1, 2017, pro-forma revenue and operating income are estimated to have been $81.8 million and $33.4 million respectively for the nine months ended September 30, 2017. Operating income is defined as revenue, net of royalties less operating and transportation expenses. This pro-forma information is not necessarily indicative of the results of operations that would have occurred had the acquisition been in effect on the date indicated, or the results that may be obtained in the future.

Viking Acquisition

On June 15, 2016, the Company closed an acquisition of oil and gas assets located in the Alberta Viking formation (the "Viking Acquisition") for a total purchase price of $22.7 million. The assets acquired consist of producing properties, reserves, facilities, and undeveloped land. The effective date of the acquisition was April 1, 2016.

The following table summarizes the aggregate fair value of net assets acquired and the allocation of the purchase price:

($000s)	
Exploration and evaluation assets	7,889
Property, plant and equipment	20,692
Decommissioning liabilities	(5,872)
FAIR VALUE OF NET ASSETS ACQUIRED	**22,709**
CONSIDERATION	
Cash	22,709
TOTAL PURCHASE PRICE	**22,709**

PROPERTY DISPOSITION AND DISCONTINUED OPERATIONS

On January 15, 2016, the Company completed a disposition of all its producing oil and natural gas properties located Fiske, Saskatchewan for proceeds of $2.5 million after closing adjustments. The carrying value of assets and associated decommissioning liabilities disposed during the previous year ended December 31, 2016 are summarized below.

($000s)	
Property, plant and equipment	2,679
Decommissioning liabilities	(193)
CARRYING VALUE OF NET ASSETS DISPOSED	**2,486**
Cash proceeds, after closing adjustments	2,486
GAIN (LOSS) ON SALE OF ASSETS	**-**

During the nine months ended September 30, 2017, the remaining undeveloped land in Fiske, Saskatchewan was disposed of for $451,000. There was no gain or loss in this sale. As a result of this disposal the Company no longer has operations in Saskatchewan.

DECOMMISSIONING LIABILITY

At September 30, 2017, the Company recorded a decommissioning liability of $23.3 million for the future abandonment and reclamation of Karve's properties (December 31, 2016 – $7.2 million). On the consolidated statement of financial position, $2.1 million is presented as a current liability as managements intends to decommission the wells within the next 12 months and the remaining $21.2 million is presented as a long term liability.

The estimated decommissioning liability includes assumptions in respect of actual costs to abandon wells and reclaim the property, the time frame in which such costs will be incurred as well as annual inflation factors in order to calculate the discounted total future liability. The Company estimates that its total undiscounted amount of cash flow required to settle its decommissioning liability is approximately $232.9 million, which will be incurred over the remaining life of the assets with the majority of costs to be incurred between 2037 and 2057. The estimated future cash flows have been discounted using a credit adjusted rate of 8 % percent and an inflation rate of 2 %. During the third quarter of 2017, the Company recorded a revision to its estimated decommissioning liability as a result of a decrease in the costs estimates, based on recent actual decommissioning costs incurred. At September 30, 2017, a 1 % decrease in the discount rate used would create approximately a $6.0 million increase in the decommissioning liability, and a 1 % increase in the discount rate used would create approximately a $4.4 million decrease in the decommissioning liability.

REVOLVING OPERATING DEMAND FACILITY

On September 27, 2017, the Company's revolving operating demand facility with a Canadian chartered bank (the "facility") was increased from $13.0 million to $25.0 million. As at September 30, 2017, nil was drawn on the facility. The facility bears interest at rates ranging from prime plus 1.00 to 2.50 %, depending on the net debt to cash-flow ratio in the previous quarter, and is subject to an annual standby fee on the undrawn portion of between 0.20 to 0.50 %. The facility requires that the Company maintain a working capital ratio of not less than 1 : 1 with customary adjustments for undrawn amounts on the facility and the mark-to-market impact of financial derivative contracts.

SHARE CAPITAL

($000s except for share amounts)	Number	Amount ($)
Common Shares		
Balance at December 31, 2015	25,789,280	32,649
Issued for cash	38,963,324	40,530
Share issue costs, net of deferred tax ($447,000)	-	(173)
BALANCE AT DECEMBER 31, 2016	**64,752,604**	**73,006**
Issued for cash	71,750,000	143,500
Issued on exercise of options	546,666	499
Allocation of contributed surplus - exercise of options	-	309
Share issue costs, net of deferred tax ($568,000)	-	(1,533)
BALANCE AT SEPTEMBER 30, 2017	**137,049,270**	**215,781**

During the nine months ended September 30, 2017, the Corporation issued 71,750,000 shares at a price of $2.00 per share for proceeds of $143.5 million less share issuance costs of $2.1 million ($1.5 million net of tax).

During the nine months ended September 30, 2017, 546,666 vested stock options were exercised at a weighted average exercise price of $0.91 per share for gross and net proceeds of $499,000.

On June 14, 2016, the remaining put-call option was exercised for $7.0 million ($6.6 million net of share issuance costs) resulting in the issuance of 4,375,000 common shares and the cancellation of 4,375,000 special voting preferred shares. In connection with the put-call option exercise, the Company incurred $385,000 of share issuance costs ($281,000 net of deferred tax).

In June 2016, the Company completed a series of private placement financings, issuing 28,058,824 common shares for gross proceeds of $27.0 million less $216,000 in share issuance costs ($158,000 net of deferred tax). The financings were comprised of:

(i) 7,058,824 common shares issued to certain members of the Karve management team at $0.85 per share for gross proceeds of $6.0 million.

(ii) 21,000,000 common shares issued to other investors at $1.00 per share for gross proceeds of $21.0 million.

In July and August 2016, the Company completed a series of private placement financings, issuing 6,239,500 common shares at a price of $1.00 per share for gross proceeds of $6.2 million less $19,000 in share issuance costs ($14,000 net of deferred tax).

In August 2016, the Company issued 43,000 common shares at $1.00 per common share to a related party.

In August 2016, the Company issued a total of 247,000 common shares at a price of $1.00 per share as purchase consideration for asset acquisitions and consulting services provided.

Concurrent to the equity issuances (not including the put-call option or equity issued as consideration for asset acquisitions and consulting services) that closed during the previous year ended December 31, 2016, 34,298,324 share purchase warrants were issued. Each share purchase warrant entitles the holder to purchase one common share of the Company for a nominal amount in the event of a loss incurred by the Company in excess of $450,000 which relates to a condition that existed prior to the June 15, 2016 recapitalization date. The share purchase warrants expired on June 15, 2017 without being exercised.

SUPPLEMENTARY QUARTERLY INFORMATION

($000s)	For the quarter ended Sept. 30, 2017	For the quarter ended Jun. 30, 2017	For the quarter ended Mar. 31, 2017	For the quarter ended Dec. 31, 2016	For the quarter ended Sept. 30, 2016
Petroleum and natural gas sales	18,133	10,017	6,136	2,601	1,756
Funds flow from (used for) operations (1)	4,654	4,728	3,080	(340)	(652)
AVERAGE SALES VOLUMES					
Oil (bbl/d)	3,283	1,874	1,114	457	341
Natural gas liquids (bbl/d)	226	7	6	7	5
Natural gas (Mcf/d)	12,553	1,037	744	792	747
TOTAL PRODUCTION (BOE/d)	**5,602**	**2,054**	**1,244**	**596**	**470**
AVERAGE BENCHMARK PRICES					
Crude oil - WTI ($US/bbl)	48.18	48.27	51.90	49.29	44.94
Crude oil - Canadian light sweet ($CDN/bbl)	57.15	59.72	64.74	60.76	54.19
Natural gas - AECO-C spot ($CDN/mcf)	1.61	2.69	2.69	3.11	2.36
Exchange Rate - ($US/$CAD)	0.80	0.74	0.76	0.75	0.77
FIELD NETBACK ($/BOE)					
Revenue	35.18	53.61	54.82	47.45	40.59
Royalties	(2.37)	(3.03)	(3.23)	(2.80)	(2.47)
Operating expense	(17.29)	(14.72)	(18.66)	(29.74)	(38.14)
Transportation expense	(1.60)	(3.09)	(3.07)	(2.34)	(2.03)
FIELD NETBACK ($/BOE) (1)	**13.92**	**32.77**	**29.86**	**12.57**	**(2.05)**
General and administration	(3.50)	(7.84)	(3.45)	(23.43)	(14.12)
Other income	1.49	0.14	0.54	1.81	1.50
Realized hedging	0.64	1.06	-	-	-
CASHFLOW NETBACK ($/BOE)	**12.55**	**26.13**	**26.95**	**(9.05)**	**(14.67)**

(1) Non-GAAP measure, see page 15 for details.

During the quarter ended September 30, 2017, the Company's daily production increased due to the Provost acquisition which closed on August 15, 2017. The property acquired in the Provost acquisition was approximately 45% liquids weighted at the time of acquisition and therefore the Company's product mix has decreased from 91% liquids to 63% liquids. This change in product mix has resulted in a lower field netback for the quarter ended September 30, 2017 because a higher proportion of the Company's sales are natural gas which results in a lower corporate total revenue per boe.

It is management's intention to increase the liquids weighting of the acquired property through future horizontal drilling of Viking light oil wells.

NET INCOME SUMMARY

	For the three months ended Sept. 30, 2017		For the three months ended Sept. 30, 2016	
($000s, except per boe amounts)	$	$/boe	$	$/boe
Petroleum and natural gas sales	18,133	35.18	1,756	40.59
Royalties	(1,221)	(2.37)	(107)	(2.47)
NET REVENUE	**16,912**	**32.82**	**1,649**	**38.11**
Loss on financial derivative contracts	(7)	(0.01)	-	-
Other income	769	1.49	65	1.50
TOTAL REVENUE AND OTHER INCOME	**17,674**	**34.29**	**1,714**	**39.62**
Operating	8,911	17.29	1,650	38.14
Transportation	827	1.60	88	2.03
General and administration	1,804	3.50	611	14.12
Depletion, depreciation and amortization	6,501	12.61	704	16.27
Accretion	265	0.51	123	2.84
Share-based compensation	773	1.50	1,298	30.00
Exploration and evaluation - expiries	-	-	50	1.16
Transaction costs	1,814	3.52	-	-
LOSS FROM OPERATIONS BEFORE TAXES	**(3,221)**	**(6.25)**	**(2,810)**	**(64.95)**
Deferred income tax expense (recovery)	(589)	(1.14)	-	-
NET LOSS AND COMPREHENSIVE LOSS	**(2,632)**	**(5.11)**	**(2,810)**	**(64.95)**

(1) For all financial statement line items above, amounts presented as income from discontinued operations in the consolidated statement of net loss and comprehensive loss have been presented in their original revenue or expense line item for comparison purposes within this MD&A.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Future minimum payments under operating leases and pipeline transportation agreements as at September 30, 2017 are as follows:

	2017	2018	2019	2020	2021	Therafter	Total
Operating leases	61,343	340,633	503,123	596,984	164,145	-	1,666,228
Pipeline transportation	11,753	11,689	-	-	-	-	23,442
Total annual commitments	**73,096**	**352,322**	**503,123**	**596,984**	**164,145**	**-**	**1,689,670**

The Deferred lease liability of $291,000 presented on the consolidated statement of financial position represents the difference between cash lease payments and accounting operating lease payments on the Company's office lease which are recognized on a straight-line basis over the life of the lease. In the early years of the lease, the cash outflow is less than the accounting operating lease payment which gives rise to the deferred lease liability.

RELATED PARTY DISCLOSURES

The Company incurred a total of $363,000 (nine months ended September 30, 2016 -$291,000) for legal services provided by a law firm where the Corporate Secretary is a partner of this law firm. As at September 30, 2017, $29,000 in fees for these legal services are included in accounts payable (nine months ended September 30, 2016 - $35,000). In the comparative period ended September 30, 2016, a previous Director of the Company, until June 15, 2016, was a Director of a company which received office rental payments of $42,000 from Karve.

CAPITAL RESOURCES AND LIQUIDITY

EQUITY

The Company is authorized to issue an unlimited number of common shares and preferred shares. As at September 30, 2017, there were 137,049,270 common shares outstanding (December 31, 2016 - 64,752,604).

As at November 29, 2017, the date of this MD&A, there were 137,049,270 common shares, 13,011,834 stock options and 33,882,000 performance warrants outstanding.

LIQUIDITY

The Company relies on operating cash flows, debt, and equity issuances to fund its capital requirements and provide liquidity. From time to time, the Company expects to access capital markets to meets its capital programs. Future liquidity depends primarily on cash flow generated from operations and the ability to access equity markets.

SUBSEQUENT EVENTS

Derivative Contracts

Subsequent to September 30, 2017, the Company entered into the following derivative contracts:

WTI CRUDE OIL DERIVATIVE CONTRACTS

Type	Term	Basis (1)	Volume (Bbl/d)	Swap Price ($CAD/Bbl) (1)
Fixed price swap	Jan. 1/18 - Dec. 31/18	WTI	300	70.55
Fixed price swap	Jan. 1/18 - Dec. 31/18	WTI	200	71.10
TOTAL VOLUME AND WEIGHTED AVERAGE PRICE			**500**	**70.77**

(1) Nymex WTI monthly average in $CAD.

Type	Term	Basis (1)	Volume (Bbl/d)	Sold Put Price ($CAD/Bbl) (1)
Put option	Jan. 1/18 - Dec. 31/18	WTI	1,500	64.00
TOTAL VOLUME AND WEIGHTED AVERAGE PRICE			**1,500**	**64.00**

(1) Nymex WTI monthly average in $CAD.

NATURAL GAS DERIVATIVE CONTRACTS

Type	Term	Basis [1]	Volume (GJ/d)	Fixed Price ($CAD/GJ) [1]
Physical Delivery	Nov. 1/17 - Jan. 1/18	NGTL NIT	10,000	2.195
Physical Delivery	Nov. 1/17 - Jan. 1/18	NGTL NIT	2,000	2.200
TOTAL VOLUME AND WEIGHTED AVERAGE PRICE			**12,000**	**2.196**

(1) NGTL NIT index pricing in $CAD.

Option and Performance Warrant Grant

Subsequent to September 30, 2017, 177,500 stock options were granted to certain employees of the Company at an exercise price of $2.00 per share under the Company's Stock Option Plan.

Subsequent to September 30, 2017, 280,000 performance warrants were granted to certain employees of the Company.

OFF BALANCE SHEET ARRANGEMENTS

Karve has certain lease agreements that were entered into in the normal course of operations, all of which are discussed in the "Contractual Obligations and Commitments" section above.

All leases have been treated as operating leases whereby the lease payments are included in operating expenses or general and administrative expenses depending on the nature of the lease. No asset or liability value has been assigned to these leases on the consolidated statement of financial position as at September 30, 2017.

RECENT DEVELOPMENTS

Extractive Sector Transparency Measures Act

The Extractive Sector Transparency Measures Act ("ESTMA") came into effect June 1, 2015 and introduces new reporting and transparency obligations for Canadian oil and gas producers. The Company expects to report under ESTMA based on meeting the $20 million asset and $40 million revenue criteria for the 2017 fiscal period.

FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain information in this MD&A is forward-looking and is subject to important risks and uncertainties. The results or events predicted in this information may differ materially from actual results or events. Factors which could cause actual results or events to differ materially from current expectations include the ability of the Company to implement its strategic initiatives, the availability and price of energy commodities, government and regulatory decisions, plant availability, competitive factors in the oil and gas industry and prevailing economic conditions in the regions the Company operates. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. The Company believes the expectations reflected in forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct. These forward-looking statements are as of the date of this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required pursuant to applicable securities laws.

Forward-looking statements concerning expected operating and economic conditions are based upon prior year results as well as assumptions that increases in market activity and growth will be consistent with industry activity in Canada. Forward-looking statements concerning the availability of funding for future operations are based upon the assumption that the sources of funding which the Company has relied upon in the past will continue to be available to the Company on terms favorable to the Company and that future economic and operating conditions will not limit the Company's access to debt and equity markets. Forward-looking statements in respect of the costs anticipated being associated with the acquisition of oil and gas properties are based upon assumptions that future acquisition costs will not significantly increase from past acquisitions. Many of these factors, expectations and assumptions are based on management's knowledge and experience in the industry and on public disclosure of industry participants and analysts related to anticipated exploration and development programs, the effect of changes to regulatory, taxation and royalty regimes. The Company believes that the material factors, expectations and assumptions reflected in the forward-looking statements and information are reasonable; however, no assurances can be given that these factors, expectations and assumptions will prove to be correct.

Forward-looking statements involving significant risks and uncertainties should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in these forward-looking statements. The Company cannot assure investors that actual results will be consistent with the forward-looking statements and readers are cautioned not to place undue reliance on them.

The Company's actual results could differ materially from those anticipated in such forward-looking statements as a result of the risk factors set forth below and elsewhere in this document; general economic conditions in Canada; changes in the level of capital expenditures, volatility in market prices for oil and natural gas, risks inherent in the Company's ability to acquire any economic interest in certain oil and gas assets and then to generate sufficient cash flow from operations to meet its current and future obligations, the Company's ability to access external sources of debt and equity capital, changes in legislation and the regulatory environment, including uncertainties with respect to uncertainties in weather and temperature affecting the duration of the oilfield drilling activities, competition, sourcing, pricing and availability of oil field services, consumables, component parts, equipment, suppliers, facilities, and skilled management, technical and field personnel, liabilities and risks, including environmental liabilities and risks, inherent in oil and natural gas operations, credit risk to which the Company is exposed in the conduct of its business, and changes to the royalty regimes applicable to entities.

Although forward-looking statements contained in this MD&A are based upon what the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements in this MD&A are expressly qualified by this cautionary statement. Unless otherwise required by law, Karve does not intend, or assume any obligation, to update these forward-looking statements.

BARRELS OF OIL EQUIVALENT

The term referred to herein in respect of barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet to one boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this MD&A are derived from converting gas to oil in the ratio of six thousand cubic feet to one barrel of oil. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

NON-GAAP MEASUREMENTS

The MD&A contains the term funds flow from operations which should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with IFRS as an indicator of the Company's performance. The reconciliation between cash flow from operating activities and funds flow from operations can be found in the statement of cash flows in the annual financial statements and is presented before the change in non-cash operating working capital. The Company reconciles funds flow from (used for) operations and adjusted funds flow from (used for) operations to cash flow from operating activities, which is the most directly comparable measure calculated in accordance with IFRS, as follows:

	For the three months ended		For the nine months ended	
($000s)	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Cash flow from (used for) continuing operations	(519)	(1,177)	4,737	(2,515)
Change in non-cash working capital from operating activities	5,173	525	7,725	(41)
FUNDS FLOW FROM (USED FOR) OPERATIONS	**4,654**	**(652)**	**12,462**	**(2,556)**
Transaction costs	1,814	-	2,016	106
Decommissioning expenditures	53	60	71	60
ADJUSTED FUNDS FLOW FROM (USED FOR) OPERATIONS	**6,521**	**(592)**	**14,549**	**(2,390)**

The Company presents funds flow from operations per share whereby per share amounts are calculated consistent with the calculation of earnings per share. The MD&A contains other terms such as field netback and net working capital which are not recognized measures under IFRS. Management believes these measures are useful supplemental information. Field netback is the amount of revenues received on a per unit of production basis after the royalties, operating costs, and transportation costs are deducted and used to assess profitability on a per boe basis. Net working capital represents current assets less current liabilities (excluding derivative assets and current portion decommissioning liability) and is used to assess efficiency, liquidity and the general financial strength of the Company. Readers are cautioned however, that these measures should not be construed as an alternative to other terms such as current and long-term debt or net earnings in accordance with IFRS as measures of performance. The Company's method of calculating these measures may differ from other companies, and accordingly, such measures may not be comparable to measures used by other companies.

CORPORATE INFORMATION

HEAD OFFICE	DIRECTORS
Karve Energy Inc. 1700, 205 5th Avenue SW Calgary, Alberta T2P 2V7 (587) 393-8301	Donald Engle[A C] Chairman, Independent Businessman
	Bob Chaisson Karve Energy Inc.
	Howard Crone[A R] Independent Businessman
BANKER	James (Pep) Lough[A C] Independent Businessman
ATB Financial 600, 444 7 AVE SW Calgary, Alberta T2P 0X8	Steven Smith[A] Independent Businessman
RESERVE ENGINEERS	Dave Pearce[R C] Azimuth Capital Management
Sproule Associates Limited 900, 140 4 AVE SW Calgary, Alberta T2P 3N3	Daryl Gilbert[R] JOG Capital Corp.
LEGAL COUNSEL	Mitch Putnam[R C] 32 Degrees Capital
McCarthy Tetrault 4000, 421 - 7th Avenue SW Calgary, Alberta T2P 4K9	**OFFICERS**
	Bob Chaisson Chief Executive Officer
AUDITORS	Derek Kreba President
PricewaterhouseCoopers LLP 3100, 111 5 AVE SW Calgary, Alberta T2P 5L3	Ken McNeill Executive Vice President, Corporate Development
TRANSFER AGENT	Shane Helwer Vice President, Finance & Chief Financial Officer
Computershare Trust Company of Canada 600, 530 8 AVE SW Calgary, Alberta T2P 3S8	Silas Ehlers Vice President, Exploration
	Justin Crawford Vice President, Operations
	Clifford Brown Vice President, Engineering
	Sony Gill Corporate Secretary

[A] Denotes member of the Audit Committee.
[R] Denotes member of the Reserves Committee.
[C] Denotes member of the Compensation Committee.

FOR MORE INFORMATION, PLEASE CONTACT:

Bob Chaisson	Shane Helwer
Chief Executive Officer	Vice President, Finance & Chief Financial Officer
587-393-8308	587-393-8302
bob.chaisson@karveenergy.com	shane.helwer@karveenergy.com