ELECTRIC DRILL AND SLIM HOLE

The future for exploration and production of oil and gas

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Expertise acquired by Squatex with slim hole drilling lead to the creation of Caron Technologie International (CTI)

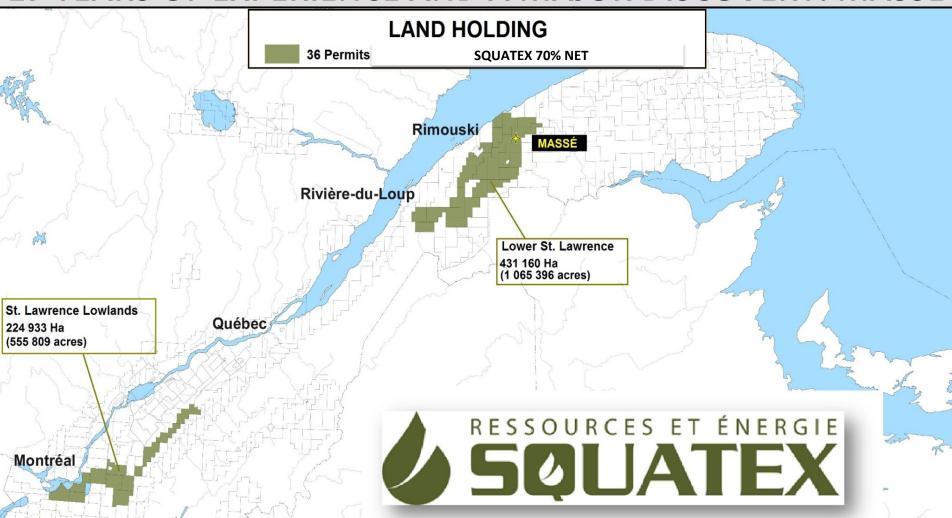
Jean-Claude Caron, president of Squatex for the last 17 years, has a very respectful vision of oil and gas development

In carrying the various exploration work of Squatex, he realized the importance of having a minimal environmental impact and the need to use various experts and advanced equipment to carry out his operations

As the necessary equipment was not always available, he created in 2014 the independent company CTI to optimize exploration and production tools that would be more efficient from an environmental point of view and would also be more socially acceptable

SQUATEX

17 YEARS OF EXPERIENCE AND A MAJOR DISCOVERY: MASSÉ

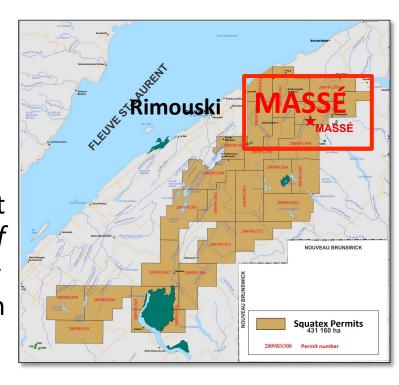


656 093 Hectares (1 621 205 Acres)

THE MASSÉ STRUCTURE

CONVENTIONAL RESERVOIRS OF POROUS HYDROTHERMAL DOLOMITES (HTD)

Sproule in place hydrocarbon assessment report over 5.2km²: «Average probability of **52.2 million** barrels of oil and **53.6 BCF** of gas» Studies show that the dolomitized zone can extend over **80km²**



Slim Hole stratigraphic drillings allowed the discovery of the Massé structure in 2013

THE COMPANY



Expertise and Activities

Complete range of eco-friendly services for the oil and gas industry

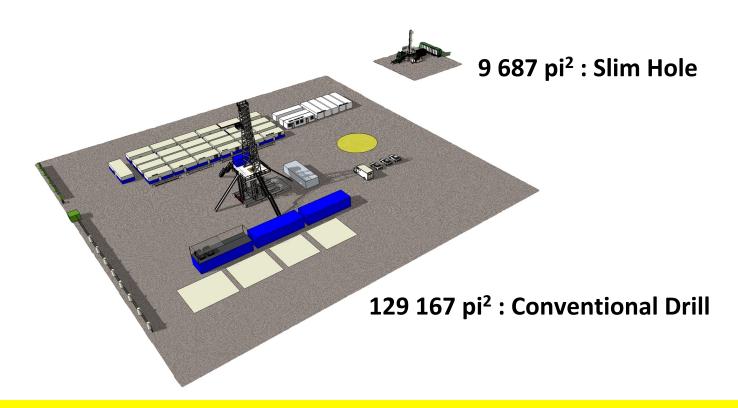
- * Electric drilling without CO² emission in the atmosphere
- Coring or destructive drilling, tests, logging and other measuring instruments at the cutting edge of technology
- Vertical drilling with controlled deviation or lateral hole up to the horizontal
- Depth capacity of 3500 meters in 3 "or 1800 meters in 5"
- * Team of seasoned professionals (engineers, geologists and technicians)

Research & Development in Quebec for technological applications adapted to the needs of the planet

* Partnership with companies, research centers and universities

Why the "Slim Hole"

Reduced area affected by the facilities



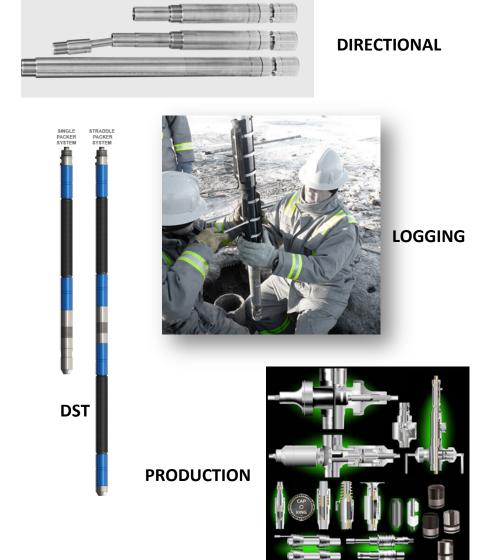
SIZE OF THE DRILLING SITE: 7.5% of the conventional site

SLIM HOLE TESTS AND PRODUCTION

Logging tools are the same as for a 10 " borehole, however, the recorded results are more accurate for a 3" hole

Small diameter well testing tools (DSTs) exist and are used all over the world to measure the same production parameters

In Slim Hole, completion and production techniques for hydrocarbon wells exist and are proven



CTI DRILL 001

CONCEPT OF SELF-CONTAINED ELECTRIC DRILL (PENDING PATENT)





CTI: ELECTRIC ACCUMULATOR

- For its drill concept, CTI proposes the use of high-power accumulators replacing diesel generators to make electrical drilling possible in remote areas
- The power pack of CTI will have a power of 4MWh giving an autonomy of 13 hours each
- This system will allow to operate a 100% electric drilling independently



Example of High power accumulator

100% Electric CTI Drill

Electricity as a source of energy for drilling is the solution of the future for a minimal environmental impact

The use of 100% electric slim hole drilling **eliminates** carbon emissions into the atmosphere

Dramatic decrease in the sound level of drilling operations

Elimination of the risk of surface contamination by diesel

ADVANTAGE SLIM HOLE AND ELECTRICITY

Reduced fears and nuisances
for residents near the drilling site

Electric Slim Hole 3"

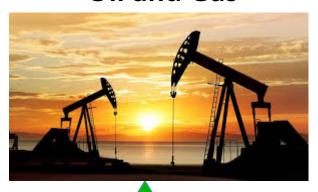
Conventional Drilling 10"

Reduction of the quantities of water used: 90% less (Objective 0% drinking water)	40 000 Litres	400 000 Litres
Reduced drilling additives used: 90% less	1200 Litres	12 000 Litres
U se of non-toxic product that does not accumulate in the environment	100%	Unknown
Reduction of cuttings of 3 "vs 10" over 2000m: 91% less	9 m ³	101.34 m ³
Reduction of road traffic and weight of equipment on the roads	100 000 Kg	950 000 Kg
No CO ² emissions from the drill into the atmosphere (Also: noticeable decrease in noise level)	0	119 Tonnes



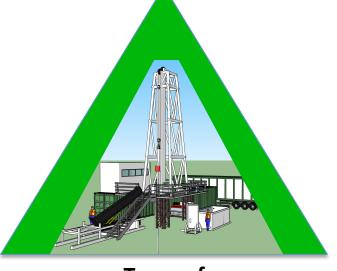
MULTIDISCIPLINARY DRILLING COMPANY

Oil and Gas



Geothermal





Team of Expert Consultants

Mines





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Thank You

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