

**Topaz Resources, Inc. (“Topaz”)** is an independent oil and gas company focusing on acquisitions, production enhancement and developmental drilling within proven producing areas of North-Central-West Texas.

#### **The Topaz Team**

- Proven track record of successfully executing acquisition, drilling, reserve growth and monetizing strategies
- Team has drilled or participated in over 250 oil & gas wells in the immediate region
- Team has accumulated leasehold positions and experience in drilling wells and project development within key areas of North-Central Texas
- Enhanced team through strategic relationship with Red River Management LLC  
([www.redrivermanagement.com](http://www.redrivermanagement.com))

#### **Corporate Info**

Listing: OTC PINK : TOPZ  
Fiscal Year-End: Dec. 31<sup>st</sup>  
Head Office: Post Falls, Idaho  
Regional Office: Denton, Texas

#### **Share Structure (as at Sept 30, 2018)**

Issued & Outstanding: 42,614,136

#### **Strategic Focus:**

Topaz’s area of operation is focused on shallow oil and natural gas properties in established production areas within North-Central-West Texas. Our objectives are to increase shareholder value, to enhance cash flows and to grow our proven reserve values by pursuing an “acquire and develop” strategy of:

- Remaining focused in our area of operation within north, central and west Texas where our team has a competitive advantage
- Driving growth through internally generated projects
- Exploiting and drilling core properties to increase revenue and cash flow and to maximize reserve growth
- Strategic reserve and leasehold acquisitions to supplement cashflow and to complement our “acquire and develop” growth strategy
- Achieving operational control of our properties to manage our costs and development schedules
- Maintaining a conservative financial position to preserve our financial flexibility
- Positioning to monetize assets as markets and opportunities warrant

#### **Assets and Projects of Interest:**

- Mineral leases covering almost 2,400 acres within Archer County in North Texas for development of shallow oil reserves
- 80 producing oil wells in the Gunsight zone at 1100 ft. depth
- Behind Pipe reserves in the Thomas Sand zone at 875-925 ft. depth
- 60 additional drill locations in the Gunsight zone , plus about 40 potential multiple completions in Thomas Sand zone
- 4 production facilities including tanks, separators, flowlines
- 4 water injection wells and waterlines

#### **2017 - 2019 Acquisition and Development Program:**

Archer County: Phase 1 development program involves reactivation and minor workovers of the existing 80 producing wells at a projected cost of \$240,000 to increase production to a range of 250 to 500 barrels of oil per day (BOPD). Phase 2 involves exploiting untouched pay zones behind pipe in about 20 existing wells adding another 400 to 500 BOPD. Phase 3 involves drilling up to 60 additional new wells to further develop production and the lease acreage. Each new well is expected to cost \$70,000 with initial production ranging from 10 to 30 BOPD in the Gunsight zone plus an additional 10 to 30 BOPD from completions in the Thomas Sand zone to increase total production to a range of 2000 to over 4000 BOPD per Base Case vs. Average Case projections.



#### **Contact**

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