**merger call**

**Danny Brown CEO** [00:00:01] Courses and drive continuous improvement. Slide four of our investor presentation gives a gives gives a good summary of the merits of the deal. As you can see, this combination checks all the boxes between operating financial and strategic goals. It enhances scale and asset quality. Additionally, it delivers accretion on all key financial metrics, which is boosted by significant synergies that we'll get into. Additionally, the combination improves our financial strength and returns, which of course supports our pure leading return of capital profile. Turning to slide five. You can see the terms of the combination. The merger consideration is structured as 90% stock and 10% cash. Each enter plus common share will be exchanged for 0.10125 shares of common stock and $1.84 per share in cash at this exchange ratio and the respective share prices on February 20th, 2024, the combined company would have an enterprise value of approximately $11 billion, inclusive of Inter Plus's net debt. Pro forma for the transaction, core shareholders will own approximately 67% and Inter Plus shareholders will own approximately 33% of the combined company on a fully diluted basis. Following close of the transaction, the board of directors will increase to 11 members, which will consist of seven representatives from Kord and four representatives from Inter Plus. Ian will join the board and serve as advisor to the CEO. The core executive leadership team will continue to run the combined company. The combination has been unanimously approved by the Board of Directors of both companies. Currently, we are expecting to close by midyear 2024. Standard regulatory approvals are needed in both U.S. and Canada, plus a shareholder vote including HSR review. This is a bill that is good for our shareholders. Good for. Good for consumers. As we should be able to access and ultimately produce more resource than either company would have otherwise been able to do stand alone and good for our communities. Since as a larger organization, we'll be able to commit more time and resources to reducing our environmental footprint and focusing on local communities. Turning to slide six. We believe this transaction creates a combined company with meaningful scale. The combined organization will have approximately 1.3 million net acres, with 98% of that in the Williston Basin. Additionally, combined fourth quarter 23 production is 279,000 barrels of oil equivalent per day, with over 90% of that in the Williston Basin. The transaction also combines high quality inventory, which supports sustainable free cash flow through the different commodity cycles. We believe Coordinator Plus have some of the best inventory in Boston. To illustrate the point, since 2022, Combined Coordinator Plus have brought 30% of the top 100 wells online. When looking at greater than six months of oil production while bringing only 15% of the wells online over the same timeframe, our combined position represents approximately ten years of low cost development at the current pace, with significant upside beyond that. While a standalone inventory of both companies has compelling returns, the combination expands our three mile lateral opportunity, and we will continue to pursue additional long or additional longer laterals. Given the success we've had over the past two years just to flush this three mile opportunity out a little more over the course of 2023, cord made significant progress in drilling, completing and cleaning out three mile wells. Drilling times have been reduced by roughly 25% since the beginning of 2023, with the now only taking 10 to 11 days on average on the clean outside. We've made strong progress over the course of the year and reached an essentially all 30 plus three mile wells right on line in the second half. We get asked frequently if there could be upside to our implied 80% productivity assumption for the third mile. We believe this is a possibility, especially in light of our progress on clean outs over the past year. However, it will take a little more time, likely until the end of this year, to get sufficient production history to effectively analyze the three mile declines and determine whether we can increase our r uplift assumptions from 140% to 150%. The Inter plus teams in the early innings of pivoting to three mile laterals and already have over 10% of their inventory set. We see meaningful opportunity to increase this percentage and enter plus high quality acreage, which supports better economics and more free cash flow. Additionally, we're continuing to evaluate four mile laterals, and we expect to drill our first four milers at the end of this year. If successful, these initiatives should further improve returns. On slide seven, you can see our pro-forma market cap is over $10 billion, significantly increasing our size, positioning the combined company nicely within our new large cap peer group. The combined oil cut is high at 56% and positions us well given the current commodity backdrop. Slide eight shows inventory quality and depth, as estimated by an independent research firm, which tries to use similar modeling methods across each company represented. The key takeaway is their analysis shows the pro forma caught right in the mix, with large cap names on inventory depth and quality. While we evaluate our inventory differently than inverse, we believe that they are objective and try to be consistent. With this in mind, the scale of the combined company is competitive with large cap peers. Moving to slide nine. As we think about potential synergies, the opportunity is significant. The combined company expects to benefit from administrative capital and operating synergies of up to 150 million per year. Administrative synergies are expected to begin immediately in 2024 and increase in 2025 up to $40 million. Capital synergies are expected to increase to up to $55 million during 2025, and operating synergies initiate in 2025 and are expected to increase up to $55 million in 2026. The combined company will leverage best practices to further advance efficiencies across the business. The after tax present value of synergies is expected to exceed $750 million. As you are aware, this is a cross-border transaction. The team has evaluated the tracks, the tax ramifications, and we do not expect there to be much tax leakage on a pro forma basis. To expand on this bit. The core team has made great progress reducing downtime through the course of 2023. As a combined company, we see additional opportunity to make progress on improving downtime, which is important given base production is the vast majority of any year's volumes. Additionally, we'll be looking at ways to drive low down through field standardization, data analytics, lower failure rates, among other items. You can refer to the appendix for more detail on synergy potential. I should note our respective teams have spent considerable time together and look forward to digging in on further synergies. We are confident we can deliver based on the capability and level of rigor from both teams. Now turning to slide ten. We see our superior profitability. Our higher high oil cut of 56% underpins healthy cash margins. As we just discussed, we are focused on expanding margins further through a variety of initiatives. Additionally, the transaction is accretive to all financial metrics. Any accretion didn't come at the cost of financial strength. We maintain our best in class credit profile with net debt to EBITDA of 0.2 times at close, and minimal near-term maturities, with leverage well below peers. We have additional flexibility for strategic initiatives and return of capital. Turning to slide 11. Core has significantly outperformed our new large cap peers over the past several years through a combination of mergers, acquisitions and divestitures, focus on returns, and returning significant capital to shareholder. All of this was done while maintaining a healthy balance sheet. Notably, Portage paid $45 per share in dividends since 2021, while the underlying equity has appreciated significantly as well. So accretion is obviously important to shareholder returns. And as we discussed earlier, the outlook is strong on that front. The pro forma company expects approximately $1.2 billion of free cash flow and a reinvestment rate of approximately 51% in 2024. At $79 per barrel WTI and 250 per MMBtu nine Max gas return of capital. Following closing is expected to remain, of course towards pre combination level of 75% plus of free cash flow. Given the strong balance sheet, cord's base dividend remains unchanged at $5 per year. The base dividend will continue to be supplemented by share repurchases and variable dividends. Slide 12 shows our relative valuation and yield, which we view as attractive seeing as they are based on pro-forma analyst consensus expectations and don't include the impact of synergies. And finally, slide 13 summarizes the merits of the deal. And I think it's important to note that both Core and Inter plus have maintained a disciplined approach to M&A. We're confident the combination is the right move and will result in significant value creation for both of our respective shareholders. Additionally, both Court and Andrew Plus have a tremendous track record of being responsible corporate citizens and respecting all of our stakeholders. We remain committed to ESG and sustainability and capitalizing on combine best practices. We also remain committed to supporting the communities where we operate and look forward to building on on each company's relationship with the nation and their leadership. To some things up, the combined company is expected to generate significant free cash flow from its low cost asset base, improve efficiencies and execute disciplined capital spending through business cycles. With that, I'll turn the call over to Ian to provide some thoughts on the combination.

**Ian Dungas CEO Enerplus** [00:09:26] Thanks, Danny. I believe the value enhancing opportunities from this combination are compelling. This transaction represents a unique opportunity to derive meaningful cost and operational synergies and improving profitability profile, and will position the pro forma business to continue to deliver strong value creation on a sustainable basis over the long term. We are excited about the opportunities our combination creates for our shareholders, our people and all of our other stakeholders. The combined footprint is remarkable. And plus this core inventory is a strong complement to cord's position. Building on the success the court has had with three mile laterals across, our position should drive further upside to the Premier, to our Premier Williston position. We see significant opportunity to expand to longer laterals and believe the combined company is in a strong position to be the basin leader on this front. As Danny noted, we believe the transaction is very good for shareholders of both companies. It is an excellent strategic fit. It is accretive to key financial metrics while retaining a pristine balance sheet. The large stock component provides US shareholders with a strong near-term return on their investment and further upside from ownership in the combined entity. On the operational side, both companies have a strong execution track record over the last few years. Drilling and completion times have improved for both companies and currently rank in the top tier for Wilson operators. Additionally, the enhanced size and scale that comes with this combination supports more consistent activity, which lends itself to more efficient operations. You can see these benefits highlighted in the synergies announced. The core team has a proven track record of executing on integration and synergy capture, as we saw with the integrations of QP, wedding, Oasis and last year's Xto acquisition. On the plus side, we've also been active in the indie market in recent years and have a lot of integration experience to bring to bear. We look forward to working with the core team to capture these savings and make our combined business better to deliver more value to shareholders. And finally, on a personal note, it has been a privilege to lead us over these past 11 years. I want to thank our employees and their families for their dedication and all the hard work over the years that has allowed us to build such a great organization. We are now ready to get going on the integration with the goal of making an even stronger, more competitive company. Together, we will achieve things that no other company could on a standalone basis. And with that, I will hand it back over to Danny.

**Danny Brown CEO** [00:12:24] Thank you Ian. So in closing, I just want to say that we are very excited and happy to announce this transaction and believe the combination of the two companies premier asset bases, operational abilities and technical acumen will drive further success and create a stronger, larger company position to deliver competitive returns and pure leading shareholder distributions. Thanks for listening. And now we'll turn the call over to Q&A.

**Speaker 3** [00:12:49] Thank you. Ladies and gentlemen, we will now begin the question and answer session. Should you have a question, please press the star followed by the one on your telephone keypad. You will create a written form acknowledging request. Questions will be taken in the order received. Should you wish to cancel your request, please press the star forwarded to. Once again, that is star and one to ask a question. One moment please. For your first question. Your first question comes on the line of Derrick Whitfield from Stifel. Please go ahead.

[00:13:24] Good afternoon all and congrats to you both on the transaction.

**Danny Brown CEO** [00:13:28] Thanks, Derek.

**Ian Dungas CEO Enerplus** [00:13:30] For my first question, I wanted to lean in on operational synergies. Could you walk through some of the different synergy drivers on page 16 and cost per foot terms?

**Danny Brown CEO** [00:13:43] Thanks for the question, Derek. I think as we as we think about our, opportunity to improve from DMV standpoint, you know, we're leaning a little bit on some of the experience we had on with Oasis Whiting, where we were able to use some of the best combined practices of both organizations. And so we used Oasis practices in some areas. We use whiting practices in other areas. And, and really by having that open, that open dialog, we were able to just really glean and, and use different bit technology, use different casing profiles. And it really allowed us to get, to improve there. So, you know, when we think about the DNC for this transaction, we've had the teams together at a very high level because we really haven't been able to involve too many people in this, in this approach so far. But even through that, very short period of time, we've been able to identify, you know, up to 55 million in synergies, associated with that. So it you know, some of this includes expanding into three mile laterals, and some of it improves just the overall process that we think we'll, we'll be able to drill and complete that. But I'm going to ask, Darren, maybe to expand on a just a little more.

**Ian Dungas CEO Enerplus** [00:14:45] Yeah. Thank you Danny. I'm happy happy to expand further on that. You know, you look at, court's performance in, in the first quarter, we drilled our fastest two mile wells Spud to rig release in 7.4 days. We're averaging two mile wells in 8.9 day spud rig release. Looking at three mile wells, we drilled our fastest well at nine and a half days. Spud rig released this quarter, and over the fourth quarter we averaged 10.3 days. Spud rig release those in general, or one and a half days to two days faster than than what we were seeing on the inner plus. And so that will be a, synergy that we can capture just almost immediately. The, the fact that we're drilling 70 to 75% of the cord wells this year were planned to be three mile laterals. And we're also going to expand what Inner Plus had planned this year, and that it'll take time for us to, to do all the permitting work and regulatory work to make that happen. But, clearly cord has demonstrated quite the ability on Three Mile Wells, and you'll see us doing that going forward post Post-closing.

**Danny Brown CEO** [00:15:53] I think the other thing to mention on a DCE standpoint, Eric, is we've also, just from a facilities perspective, one thing that we really did, have, I think, or maybe leading the, the baseline is the way we approach our facilities and doing a standardized modular facility approach. And so these ended up being, much less expensive. Then stick building your facilities on location. And it's also a lot, it's a lot safer. And it's a better environmental footprint as well. So that's that's another part sort of the synergy that will, that will roll through into the overall DC, any cost.

**Ian Dungas CEO Enerplus** [00:16:26] Thanks, guys. And then it's my follow up with respect to the synergy. Could you talk to the delayed nature of implementation? I imagine in part it's when you're going to change out lift, but any other color you could add would be would be greatly appreciated.

**Danny Brown CEO** [00:16:42] So I think you're hitting on it there. Again, you know, our experience again, we're able to lean a little bit on the recent transaction with Oasis widening. What we saw there is it took about a year before we saw the operational synergies roll through. And part of that is and I'll give an example, you know, one of the legacy organizations in the previous transaction had a different, a different rod installation practice and a different material practice than the other, which led to a much longer run times on our, on our rod, pumps. And so we had a lower failure rate failure rate over time. So when you have that lower failure rate, you don't have to do the repair work. But that takes time, to sort of bear fruit. And so, as we think about these operational practices, some of it's about reducing future failure rate and it's the lack of future work overs and future, employee that really, that really rolls through. And so that's, that's part of that delay is just, you, you implement different operating practices and then you see the, see the benefit of a later. And that's certainly what we saw at Whiting without whiting in wages.

**Ian Dungas CEO Enerplus** [00:17:42] And congrats on the transaction. There.

**Speaker 3** [00:17:49] Thank you. And your next question comes from the line of Neil Dickman from Turin Securities. Please go ahead.

**Ian Dungas CEO Enerplus** [00:17:55] At Purdue guys, congrats. Certainly seems to make a lot of sense. Danny, my first question, you've definitely listed now a long list of potential savings. I'm curious. Excuse me about, potential marketing or office opportunities, given you all now will be the dominant player in the basin.

**Danny Brown CEO** [00:18:14] Well, Neil, you know, I say we.

**Ian Dungas CEO Enerplus** [00:18:16] When we.

**Danny Brown CEO** [00:18:17] Probably won't get too much into marketing. We need, we won't get the teams together to start talking about any of that until sometime post close. From a, from an office perspective, I think both companies.

**Ian Dungas CEO Enerplus** [00:18:27] Had good, good.

**Danny Brown CEO** [00:18:29] Contracts with folks in the basin. Both had, premier programs. I think the real savings we may see from that sort of practice isn't so much through, per job savings, although, you know, we could see some of that, but it's really about the operational efficiency we're going to pick up through the program. And so you can imagine have running one completion crew, but not being able to run it through the course of the year. If you're able to find a longer contract because you've got that program through the entire course of the year, you're going to do, you're able to not only get contract, see contract savings, but your operation is actually much more efficient as well. So your per job cost goes down on two fronts.

**Ian Dungas CEO Enerplus** [00:19:04] So that's.

**Danny Brown CEO** [00:19:04] Kind of how we're thinking about it right.

**Ian Dungas CEO Enerplus** [00:19:06] Now. Makes sense. And then, I would just say kind of what your anticipation for effective date and assume closed and then what type of, if any, lock up will be.

**Danny Brown CEO** [00:19:18] So looking at, looking at anticipated clothes, you know, potentially, by mid-year.

**Ian Dungas CEO Enerplus** [00:19:25] Okay then any like up on the gas.

**Danny Brown CEO** [00:19:28] No.

**Ian Dungas CEO Enerplus** [00:19:30] Thank you.

**Speaker 3** [00:19:35] Thank you. And your next question comes from the line of Oliver Wang from TPG. Please go ahead.

**Ian Dungas CEO Enerplus** [00:19:45] Good afternoon all and congrats on the deal and thanks for taking my questions. I just took quick question on the longer laterals. I know in the past you have highlighted 55 to 60% of remaining inventory being conducive to three mile lateral development on a standalone basis, and it looks like you all are highlighting greater than 40% of pro-forma inventory in that bucket, which doesn't really imply that many and plus locations falling into that three mile lateral bucket. So just kind of wondering how much of that an R plus inventory could be developed at three mile laterals potentially. And if there are any sort of leasehold limitations that are preventing you from doing so. Gotcha. Yeah. So, you know, what I think about that is, they just started an hour plus to start thinking about getting through multilateralism. So I think we mentioned it in our prepared remarks here are just over 10% set up for three miles, but we have not actually had, the time to do the Tetris work, to continue to figure out what that would look like on a pro forma basis combined. And on top of that, there's just a lot of permitting work that needs to be done. So we actually think there's more upside to the 40% number we announced. We just wanted to start conservatively in order to, be able to move that up over time. Awesome. That's helpful. And just one other question on the completion side of things. I know you all have generally run more conservative spacing to maximize per, well, hours. Are you all planning to make any changes with respect to the type of spacing that or plus have previously been running on their asset base? They were probably running a few extra wells, including a couple in the 3 or 4, depending on where you are in the basin.

**Danny Brown CEO** [00:21:35] Yeah. I think as we get the teams together, you know, we've got a spacing philosophy that's generally a little wider. Has wells that are a little longer at some somewhat due to the geometry we have with some larger completions. And that's worked well for us over time. I think as we get the teams together, we're going to evaluate on really on DSU and sort of a, DSU by DSU basis. What's the appropriate development methodology for that specific area? And so we will one of the things we know is that if we, you know, we don't want to over capitalize areas. But by the same token, what we don't want to do is space out too wide so that we're, we're missing high return opportunities within that DSU. So I think we you may see spacing a little wider as we move forward, but it's something we need to get the teams together and share. Best practice is to share learnings. And it's one of the opportunities for actually value enhancement as we think about this deal.

**Ian Dungas CEO Enerplus** [00:22:24] And some of the details. Congrats again guys!

**Speaker 3** [00:22:30] Thank you. And your next question comes from the line of David Dekel bomb from T Callan. Please go ahead.

**Ian Dungas CEO Enerplus** [00:22:38] Congrats on the deal everyone. I appreciate the time tonight. There's. I am curious. Just, you know, I know you said that you wouldn't issue pro forma guidance until the deal closes. But I guess can you sort of give us a sense of the the appropriate rig and frac crew program? Are are you baking in a better balance of rigs versus completion crews? I think you alluded to it in your last, comments. Danny, on just having a dedicated crew for a longer duration time. Is that is that inherently what's driving that, that 55 million CapEx? And I guess, like, what does that balance look like between the two companies, pro forma?

**Danny Brown CEO** [00:23:22] Yeah. I think as we as we move forward, it's going to take as you can imagine. So there is an inertia to a development program. And so you've got to get all your permits done. You've got you've got your infrastructure laid out. And so, you know, unfortunately we can't they don't they don't move really quickly. And so and we haven't been able to get the teams together to really work a performance development plan in detail. And some we'll have some restrictions on doing that up until close. And so we will as through the transition process will develop a combined development program. Clearly we've got assumptions we're using now. But refine that as we move forward and then post close. We'll, we'll roll out a full new development plan for the for the post closed organization. And in that process, you know, one of the advantages we will get with this is more continuous operations, and, and a better balance of being able to run operations continuously. And when I say better balance, just not the not the need to start and stop cruises as the year moves on, because the overall pro forma program will be larger and we should be able to pick up some operational benefit as a result of that.

**Ian Dungas CEO Enerplus** [00:24:26] If I appreciate the response. You know, I know it's curious. How are you thinking going forward now? You know, with with this deal, you guys both scale up. You know, you're staying in basin and consolidating this area and there's obviously some ample synergies there. Does this change, you know, how you think about the the company's position in the marketplace going forward? Or do you anticipate this being sort of the beginning of a further consolidation in the basin that's been, you know, already fairly heavily consolidated?

**Danny Brown CEO** [00:25:03] Well, I'd say it's hard to speculate on what's. What happens moving forward. Really kind of focused on on this deal and what this deal does for both of our respective organizations.

**Ian Dungas CEO Enerplus** [00:25:15] Mike. Yeah. I think that another way to think about it, David, is like, we've got about, on the courtside, 100 a day of production, within our plus, we're adding we're getting to about 150 day production. We're still only about 12 to 13% of of the bacon. You know, it's not we there's a lot of players still, and I get it that it's somewhat consolidated. We certainly have some big players, in the basin. I think that's just puts us in a really nice, position now, and we'll continue to look at, what can further be done in the basin. But certainly other people in other basins have consolidated way more than where the Bakken is. And so we think there's still continued opportunities, and we're just in a good position overall. Appreciate the responses. Guys like David.

**Speaker 3** [00:26:07] Thank you once again. Should you have a question, please press star ten, the number one on your telephone keypad. Your next question comes from the line of Ken Abbott from Bank of America. Please go ahead.

**Ian Dungas CEO Enerplus** [00:26:18] Thank you very much for taking our questions. Just to go back to David's question. Excuse me. Just go back to David's question that was just asked on the, you know, looking at potential opportunities to further consolidate in the bargain. You did mention the fact that you have a strong balance sheet posted, still roughly about 0.2 times. Would you want some time? It would. Would you be willing to act? If it came available? Would you be willing to act on something soon? Sooner versus later? Or do you want this, or do you want to see the synergies from this transaction?

**Danny Brown CEO** [00:26:54] Again, John, I'd say it's kind of hard to speculate on on sort of future hypothetical, hypothetical opportunities. I think the, the strong pro forma balance sheet we've got, we have is going to give us a lot of flexibility. And that could give us flexibility from our returning capital standpoint, the weather resiliency with, commodity price fluctuations, fluctuations, or to pursue different, growth opportunities. And so, you know, I think we'll take those things as a, as the, as we see them in the future.

**Ian Dungas CEO Enerplus** [00:27:20] But the number one priority is going to be putting these companies together, really coming together to get the best out of both organizations.

**Danny Brown CEO** [00:27:29] Both organizations have done an incredible job. And, and we can learn from each other and get better, though. So that's going to be the first and foremost is we're going to get the.

**Ian Dungas CEO Enerplus** [00:27:37] Most out of, putting these two companies together.

**Danny Brown CEO** [00:27:40] Absolutely.

**Ian Dungas CEO Enerplus** [00:27:42] And just looking at people from our portfolio. I mean, there's a, you know, on an enterprises side, there is a position in in Appalachia. Will there be opportunities for divestitures coming out of this?

**Danny Brown CEO** [00:27:56] Yeah. I think as we look at the appellation position it represents about, it's a great it's in a great spot in the basin core, core position in the basin with a good operator. It represents only about 2% of the pro forma EBITDA. So I think it's we you know, it's a very small portion of the overall, of the overall company. And as we look at, we'll sort of treat it like other all aspects of our portfolio will continually, continually evaluate sort of all aspects of our portfolio. And should they stay in or should they not stay in?

**Ian Dungas CEO Enerplus** [00:28:23] Thank you very much for taking our questions. Thanks, John.

**Speaker 3** [00:28:28] Thank you. And your next question comes in the line of Kevin McCurdy from Pickering Energy Partners. Please proceed.

**Ian Dungas CEO Enerplus** [00:28:36] Hey. Good afternoon, and congratulations on, potentially becoming the largest Wilson producer. Just just one question for me. We kind of expected you guys to have a mid-single digit cash tax, rate in 2024. Can you remind us where Inner Plus is? And you know what, if any, you would expect there to be a change, after this transaction. Yeah. So we've done a bunch of work on, that cash tax side. The combined entity is going to have a very similar type of type of cash tax profile going forward. We don't think that there is a lot of tax leakage in, in the transaction overall. So we'll continue to, give a little bit more guidance on that going forward. But it's in a similar neighborhood to where, what we've been talking about on the court said. Yeah, maybe a hair less, but. Yeah, very. It'll be similar on a profile on our faces. And is that going to continue out past 2024? Correct. That'll be, that'll be continuing on that, that. Thanks, guys. Thanks for having.

**Speaker 3** [00:29:53] Thank you once again, that is Tara. And want to ask a question? There are no further questions at this time, Mr. Brown. Please proceed.

**Danny Brown CEO** [00:30:09] I'd just like to thank everybody for joining the call today.