



MOSAIC PRICE FILE - RELEASE NOTES

Enclosed within this .zip are files for Mosaic 2016 and prior. These files contain all tax, royalty, par/reference pricing, benchmark pricing and exchange rate information relevant to the most recent month end. It is important to load all four (4) decks for the associated forecast month.

These files also contain Alberta Modernized Royalty Framework (MRF) data. These files may be imported into either MRF or pre-MRF versions of the program.

If you encounter any difficulties, please do not hesitate to [contact Sproule](#).

New This Month (2017-09-30):

This release includes Consensus price decks, based on the average of Sproule, GLJ and McDaniel forecasts, and Constant price decks. Sproule will generate and publish these on a quarterly basis.

Changes for this month's release include those made to incorporate updates to pricing, exchange rate assumptions and inflation as of September 30, 2017. Please note that these files now include pricing forecasts needed for the MRF and there are certain assumptions that have been made regarding the MRF pricing forecasts. These assumptions include forecasts of hydrocarbon par pricing for oil, natural gas, natural gas liquids and the C* Capital Cost Index (C* CCI). These values may require updating once the AER releases more clarifying details regarding the MRF calculations.

Price Forecast Adjustment Notice – September 30, 2017

Sproule has adjusted its September 30, 2017 price forecast as outlined in the table below:



| | August 31, 2017 Forecast | | September 30, 2017 Forecast | |
|---------------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
| | Propane at Mt. Belvieu (\$USD/bbl) | Propane at Edmonton (\$CAD/bbl) | Propane at Mt. Belvieu (\$USD/bbl) | Propane at Edmonton (\$CAD/bbl) |
| 2017 3mo. Est | 24.21 | 18.18 | 37.60 | 35.97 |
| 2018 | 26.40 | 20.93 | 30.25 | 25.74 |
| 2019 | 31.85 | 27.06 | 32.50 | 27.85 |
| 2020+ | 35.00 | 29.81 | 35.00 | 29.81 |

Increased Asian demand resulting from low inventories and an anticipated cold winter has put upward pressure on propane prices. Sproule anticipates this momentum continues for the remainder of 2017, into 2018, and tailing off in 2019. We have increased our Propane outlook for these three years, with no change to our 2020 and beyond expectations.