Bonterra Energy Shareholders:

REJECT THE HOSTILE BID

Hostile Bid at a

SIGNIFICANT DISCOUNT

to Bonterra's trading price

Lack of plan creates substantial shareholder

RISK & UNCERTAINTY

Bonterra Energy Corp.

Dear Fellow Shareholders of Bonterra Energy Corp.:

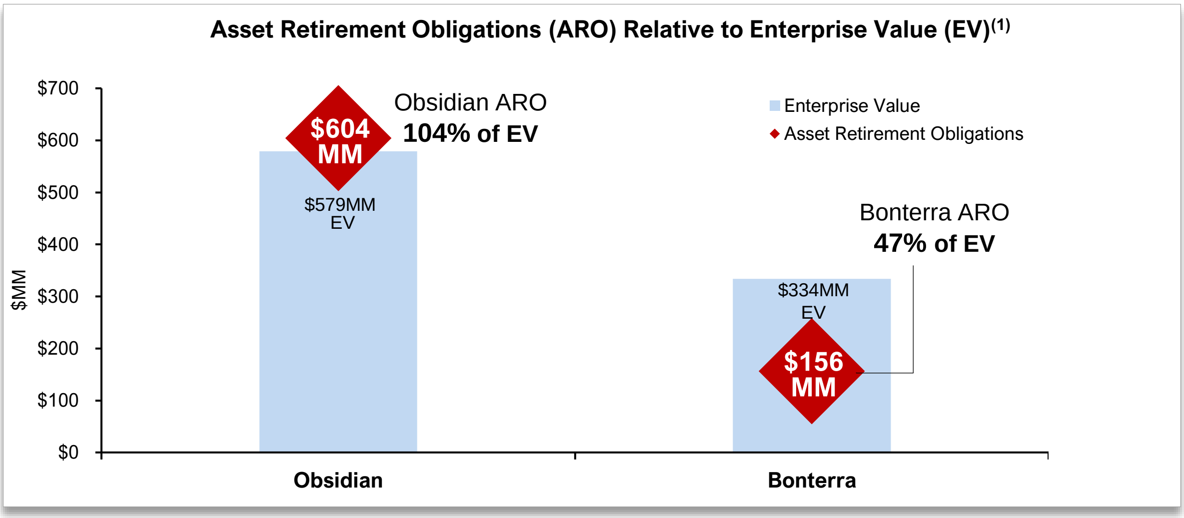
On September 21, 2020, Obsidian Energy Ltd. ("Obsidian") formally commenced a hostile negative premium "take-under" bid (the "Hostile Bid") to acquire all of Bonterra Energy Corp.'s ("Bonterra") issued and outstanding common shares (the "Bonterra Shares") in exchange for shares of Obsidian on the basis of two (2) common shares of Obsidian for each Bonterra Share. By now, you have likely received materials from Obsidian asking you to tender your Bonterra Shares to the Hostile Bid.

YOUR BOARD UNANIMOUSLY REJECTS THE HOSTILE BID

Bonterra's Board of Directors appointed a Special Committee to thoroughly review and assess the Hostile Bid, which has received a written opinion from its financial advisor, Peters & Co. Limited, to the effect that, as of the date thereof and based upon and subject to the assumptions, limitations and qualifications set forth therein, the consideration offered pursuant to the Hostile Bid is inadequate, from a financial point of view, to Bonterra Shareholders (the "Shareholders"). In addition, Bonterra has already received notice that in excess of **30%** of Shareholders **WILL NOT TENDER**, including all members of Management and Directors.

Your Board recommends Shareholders **REJECT** the Hostile Bid for the following reasons:

- X The Hostile Bid represented a 29% discounted "take-under" offer price when initially announced
- X Obsidian includes a going concern note in its take-over bid circular such that Shareholders should consider if they would be tendering into an insolvent company
- X Obsidian's U.S. activist investor-led management team lacks a demonstrated track record of creating shareholder value and has stated in its take-over bid circular it has no plans for Bonterra's assets
- X The Hostile Bid is highly opportunistic and timed to deprive Shareholders of recent positive market changes and value-increasing initiatives
- X The Hostile Bid is highly conditional with substantial completion risk
- X Obsidian's higher environmental liabilities leave Shareholders carrying a disproportionate allocation of long-term obligations



(1) Obsidian undiscounted and uninflated ARO as per Obsidian Q2/2020 financials (effective June 30, 2020). Bonterra uninflated and undiscounted ARO as per Bonterra management disclosure (effective June 30, 2020). Enterprise value based on June 30, 2020 net debt, utilizing the USD/CAD exchange rate as at October 5, 2020, and closing share prices as at October 5, 2020. Net debt calculated as long/short term indebtedness plus lease liabilities (including office lease provisions), less any working capital surplus (excluding risk management contracts).

Bonterra's Value Increasing Initiatives

Bonterra has the people, assets and strategic plan to successfully continue pursuing the development of our high-quality assets in a prudent, cost effective and efficient manner. The Hostile Bid does not attribute any value to the potential future success of Bonterra's actions to increase shareholder value. Bonterra is positioned to take rapid action to leverage an improved pricing environment with an ongoing focus on generating funds flow[1] and continuing to evaluate and implement opportunities to further capture cost savings and operational efficiencies.

Our initiatives include:

✓ **Approval for up to $104 million** of committed credit availability from BDC, EDC and SRP, subject to legal and banking agreements;

✓ **Further net debt reduction focus** by continuing to target proactive cost reduction initiatives supported by our low corporate decline rate of approximately 21%;

✓ Continuing to responsibly **develop Bonterra's more than 700 identified multi-zone drill locations**, including 298 (net) booked locations on over 470 sections of land; and

✓ **Building on cost reductions** achieved during the first half of 2020, which included lowering annual operating costs and G&A by ~$5 million, a 7% improvement over 2019 levels.

On behalf of the Board of Directors, we thank you for your continued support.

Sincerely,

Signed "Rodger Tourigny"

Rodger Tourigny
Chair of the Special Committee

THIS BID IS NOT IN BONTERRA SHAREHOLDERS' BEST INTERESTS

DO NOT TENDER YOUR SHARES

IF YOU HAVE ALREADY TENDERED YOUR COMMON SHARES TO THE HOSTILE BID, YOU CAN WITHDRAW THEM BY CONTACTING YOUR BROKER.

For assistance, contact Laurel Hill Advisory Group toll free at 1-877-452-7184 (416-304-0211 outside North America) or assistance@laurelhill.com.

(1) Funds flow does not have any standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. See "Use of Non-IFRS Financial Measures" in Bonterra's Management's Discussion & Analysis.

In order to

REJECT THE UNSOLICITED OFFER

Shareholders do not need to take any action

QUESTIONS MAY BE DIRECTED TO THE INFORMATION AGENT

LAUREL HILL ADVISORY GROUP

North American Toll Free: 1-877-452-7184

Outside North America: 416-304-0211

Email: assistance@laurelhill.com

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