



OPPORTUNITY RICH, TECHNICALLY DRIVEN

February 7, 2012

Forward-looking Statements

Certain information regarding the Corporation in this presentation including management's assessment of future plans and operations, timing of drilling and tie-in of wells, productive capacity of the new wells and productive capacity from different wells, expected production rates, drilling success rates, dates of commencement of production, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, unexpected decline rates in wells, wells not performing as expected, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhausted. Additional information on these and other factors that could effect the Corporation's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). Furthermore, the forward looking statements contained in this presentation are made as at the date of this presentation and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

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KORBY ZIMMERMAN
PINECREST ENERGY INC.

Capitalization

- TSX-V Trading Symbol PRY
- Capital Structure
 - Basic 195.6 million
 - Fully Diluted (Average Strike Price \$0.82) 240.0 million
- Insider Holdings
 - Basic 13.6%
 - Fully Diluted 26.9%

Corporate Profile

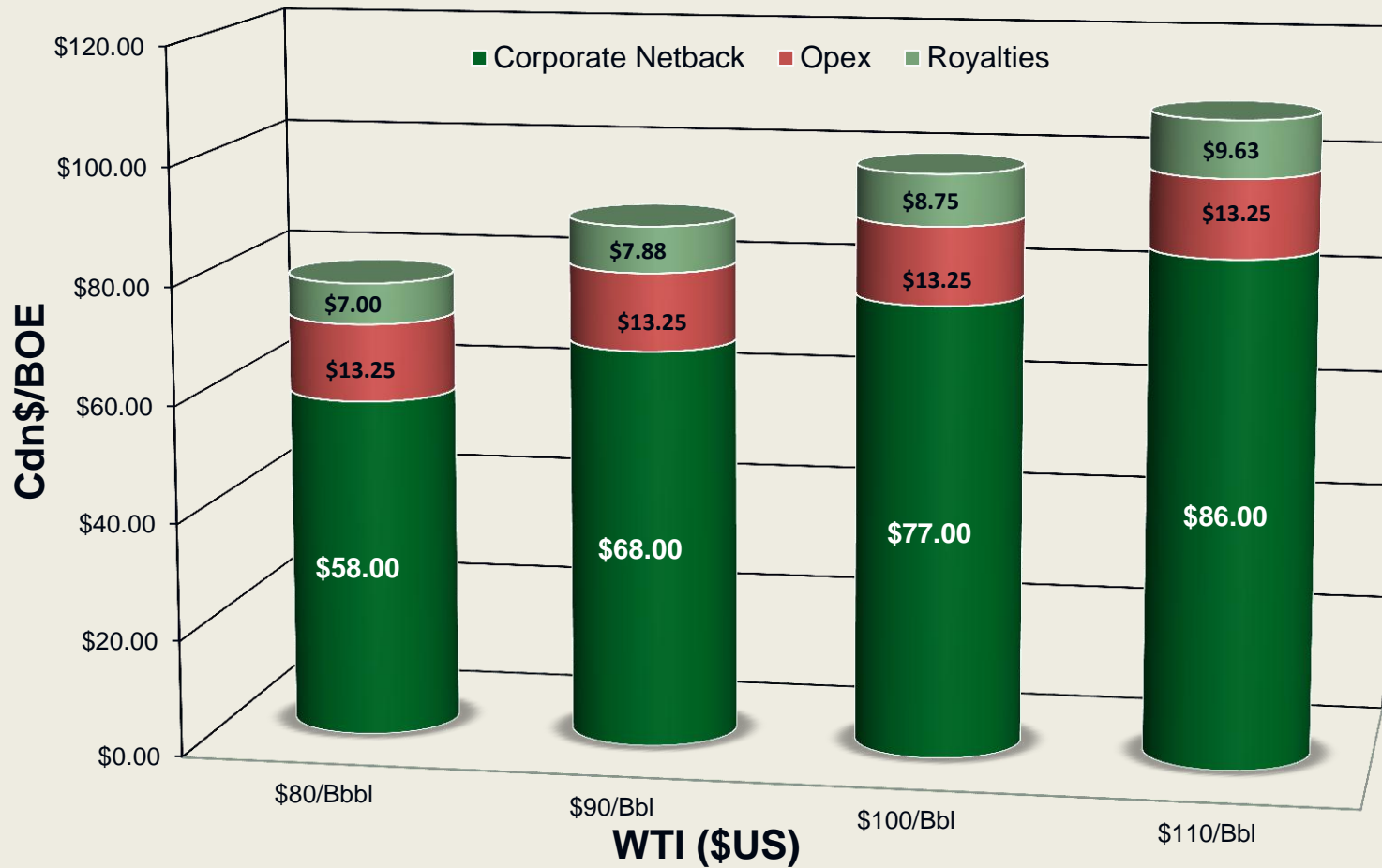
- December 31, 2011 Exit Rate > 3,500 Boed
- Oil Weighting 99% light oil
- 2012 Hedged Production of 1,500 boed \$98.27/bbl
- Debt & Working Capital (Year end 2011) (\$26 million)
- Credit Facility \$75 million
- Land
 - Gross Acres/Sections 161,358/252
 - Net Acres/Sections 150,960/236

- Light oil focus
 - Identify and acquire a dominant position in large light oil-in-place resource-style reservoirs; and
 - Utilize horizontal drilling and multistage fracturing to unlock potential reserves
- Operatorship and control
 - Completion methodology
 - Control capital allocation/cost/pace of operations
- Grow through a combination of strategic acquisitions and development/exploitation drilling
- Per share results – cost effective growth in reserves, production and cash flow
- Maintain strong balance sheet/financial flexibility

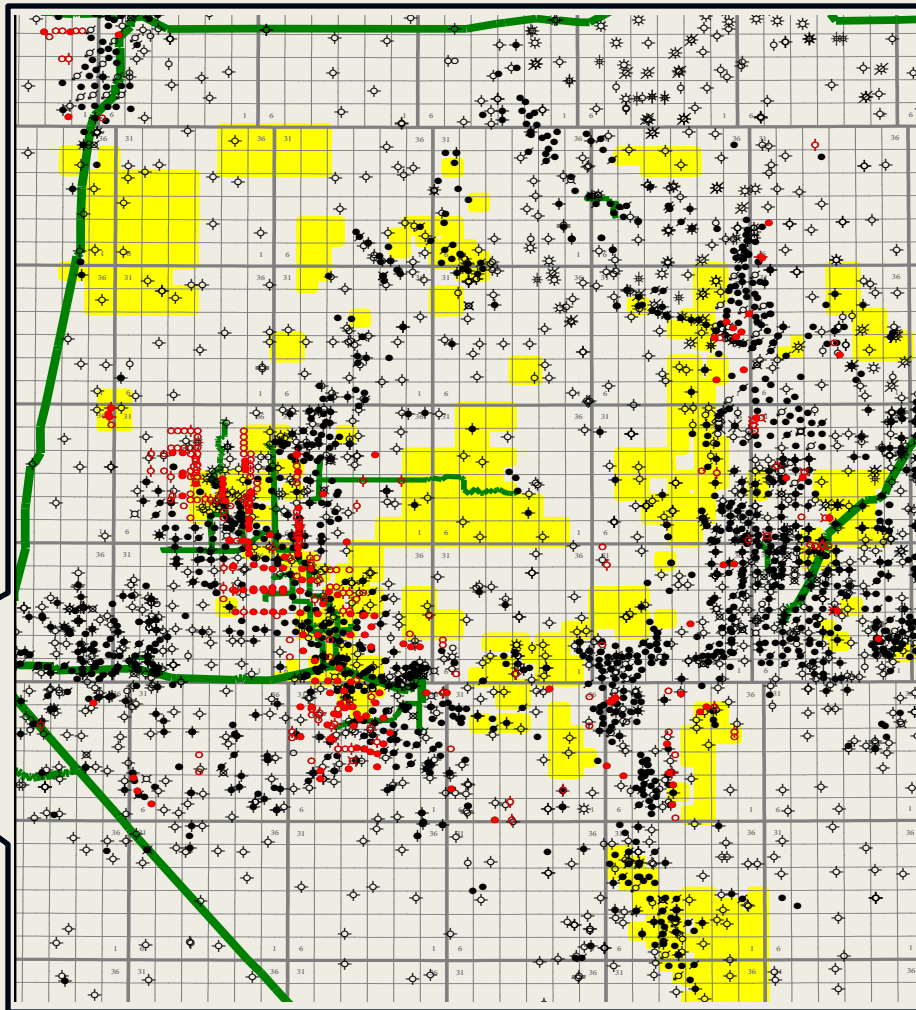
2012 Capital Budget

- 2012 Total Capital Budget (incl. land) \$166 million
 - ~ 29 net wells
- Assumptions:
 - Op. Expense \$13.25/Boe
 - Royalties 8.75%
 - WTI \$85 USD
 - Exchange Rate \$1.00 \$USD/CDN
- Year end Working Capital (\$83 million) @ \$85 WTI
(\$67 million) @\$100 WTI
- Year end Exit Production 5,000 – 5,200 Boed

Top Tier Netback



Red Earth Core Area – Slave Point Exploitation

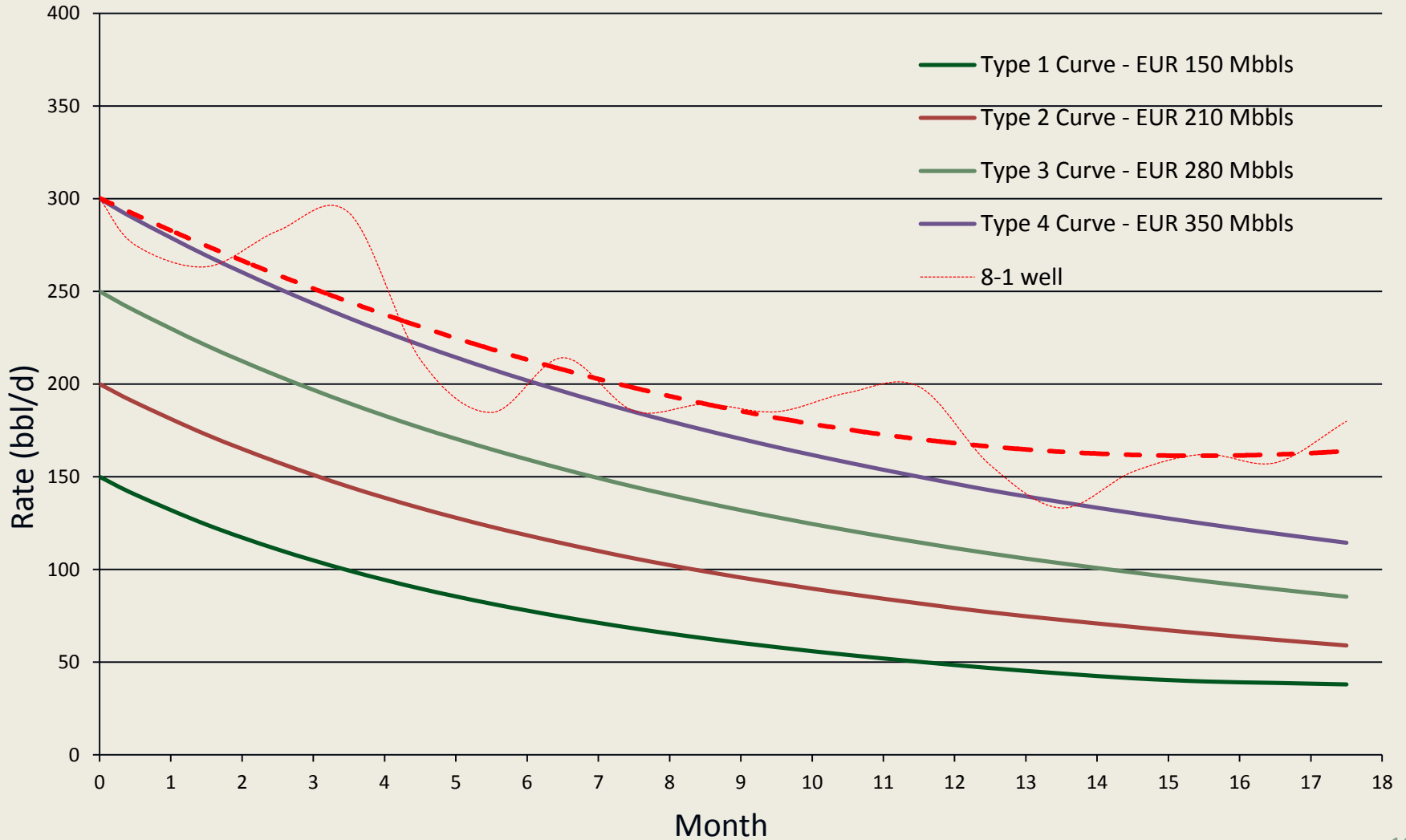


Area Activity

- > 2,500 wells drilled through Slave Point zone (green wells)
- >370 hz Slave Point licensed to date
- 270 horizontal wells drilled to date
- > 36 months of production history
- Large oil in place
- PRY - 230 sections (net)
- PRY - Avg. 94% W.I.



Slave Point Type Curves

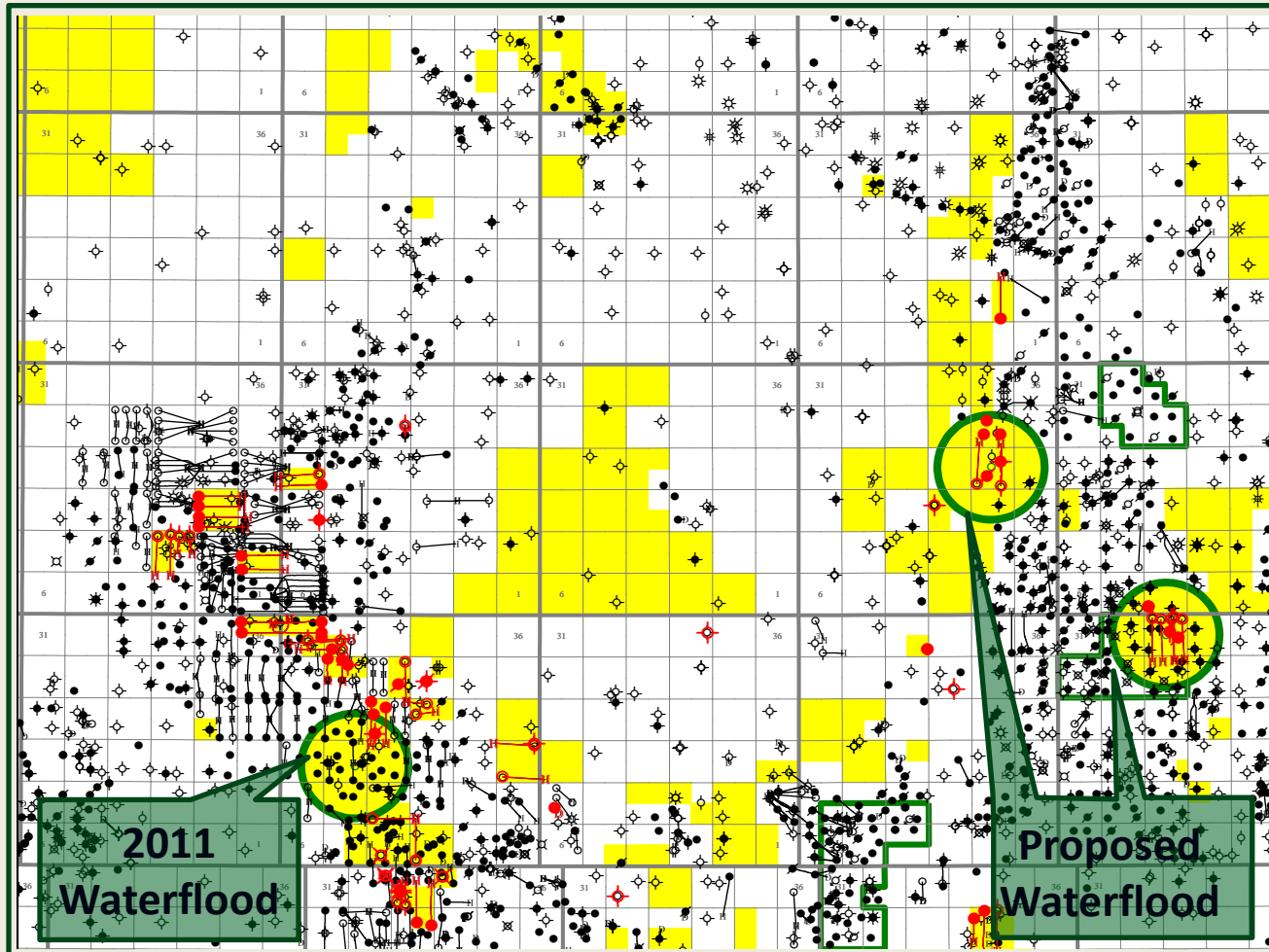


Type Curve Optics

	Type 1	Type 2	Type 3	Type 4
IP (bopd)	150	200	250	300
Estimated Reserves (Mbbbls)	150	210	280	350
Capital (MM\$)	4.9	4.9	4.9	4.9
NPV BT (MM\$)				
0%	5,518	9,853	14,124	18,368
5%	2,838	5,894	8,571	11,308
10%	1,491	4,049	6,202	8,446
F&D (\$/bbl)	32.67	23.33	17.50	14.00
Netback (\$/bbl)	86.37	87.04	87.42	87.63
Recycle Ratio	2.6	3.7	5.0	6.3
Rate of Return (%)	22%	61%	122%	221%
Payout (yrs)	3.5	1.4	0.9	0.7
Breakeven Price (\$/bbl)				
@NPV 0% BT	59.88	48.01	41.51	36.93
@NPV 5% BT	71.27	55.72	47.65	41.91
@NPV 10% BT	83.23	63.58	53.84	46.90

- Sproule Associates Limited Type Curves for 1,400m long horizontal well
- Average of December 31, 2011 escalated price forecasts (Sproule, GLJ, AJM Deloitte, McDaniel and Insite)
- Netback based on \$100 Cdn/bbl Edmonton 40° API less royalties and operating costs

Red Earth Core Area – Slave Point Exploitation



● 2010/11 Drilling

Waterflood

Initial response

- ~ 3 to 4 months

Full response

- ~ 12 months

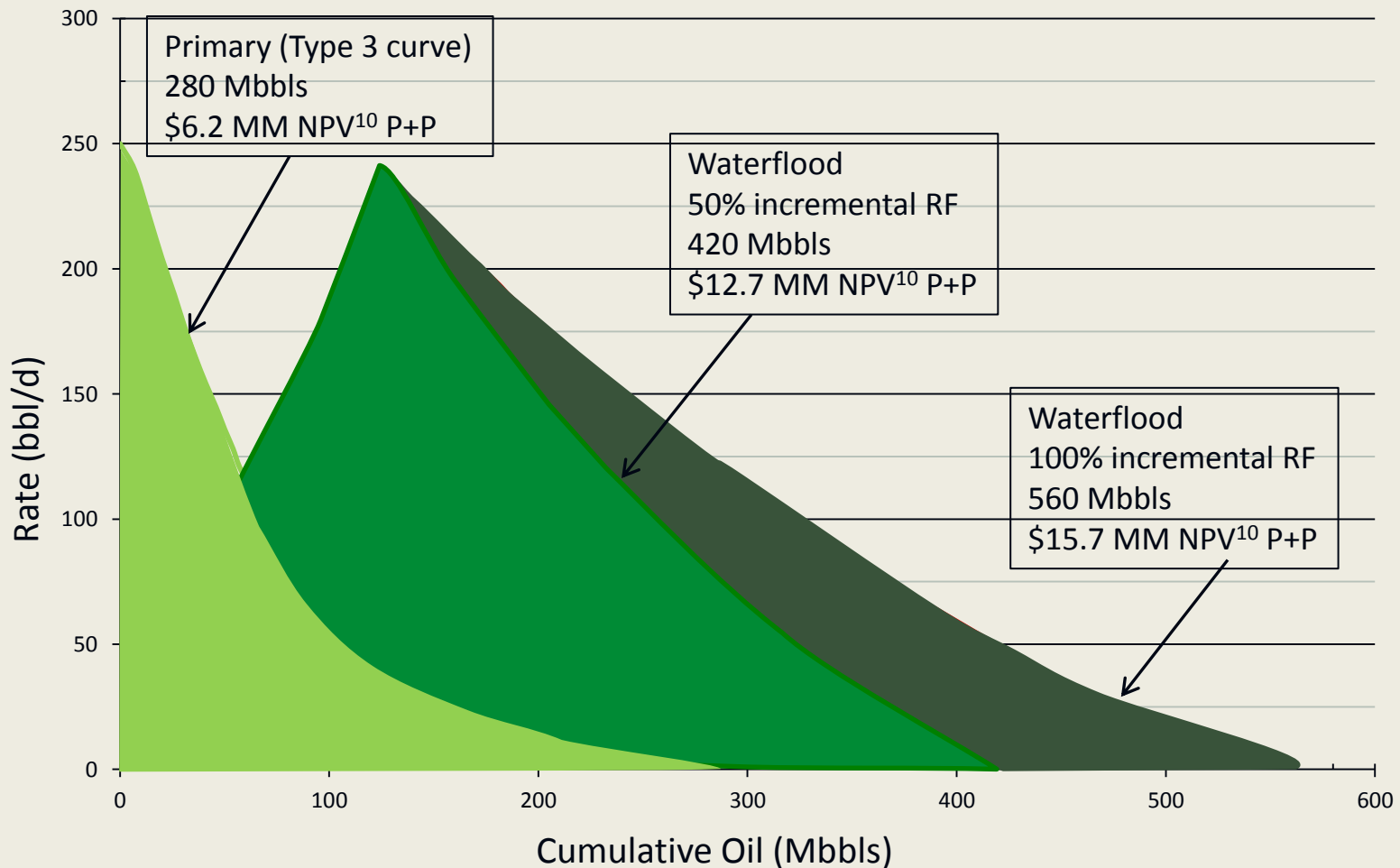
Recovery over Primary

- 50% to 100%

Production Increase

- 2x to 2.5x

Potential Waterflood Upside



- Average of December 31, 2011 escalated price forecasts (Sproule, GLJ, AJM Deloitte, McDaniel and Insite)

Slave Point Risked Potential – Primary Recovery

Reserves per well ⁽¹⁾⁽²⁾

4 wells per section

350 mboe

BT NPV¹⁰ P+P \$8.446 MM

4 infill wells per section

175 mboe

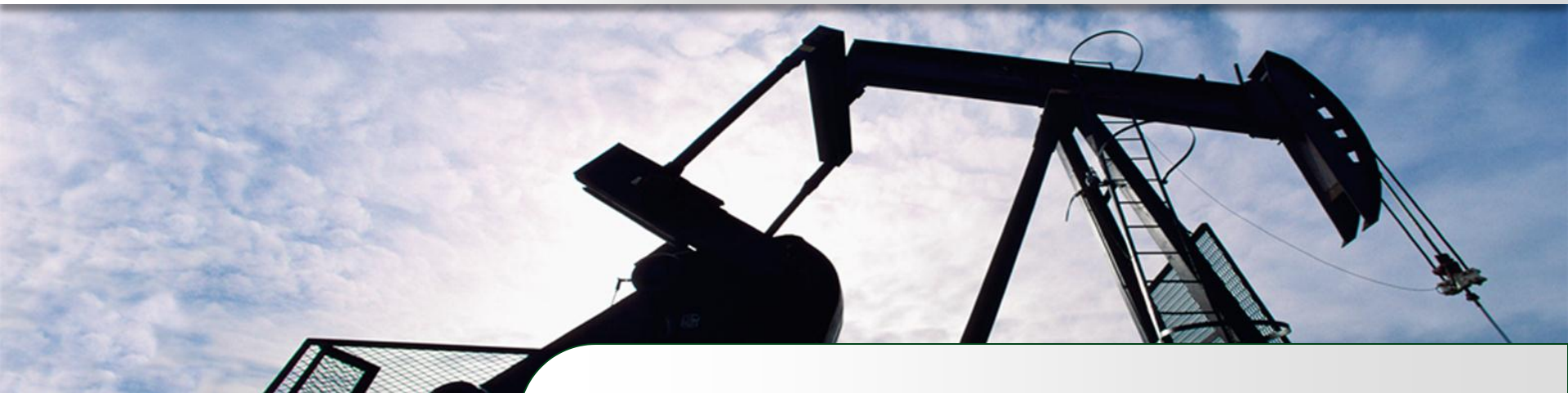
BT NPV¹⁰ P+P \$4.386 MM

	4 wells/section	8 wells/section
Risked Locations (net)	230	460
Potential Reserves (mboe) (1)	80,500	120,750
Capital Required (MM)	\$1,127	\$2,254
Potential NPV @ 10% BT (MM) ⁽¹⁾	\$1,943	\$2,951
Potential NAV (\$/FD share) ⁽¹⁾	\$8.11	\$12.32

Average December 31, 2011 escalated price forecasts (Sproule, GLJ, AJM Deloitte, McDaniel, and Insite)

(1) Does not include waterflood upside

(2) Company internal estimates



www.pinecrestenergy.com

TSX-V: "PRY"

Slave Point Type Curves

Sproule Associates Limited Slave Point Type Curves

* Assumes 1,400 m horizontal leg

