*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws. Accordingly, except as permitted by the Underwriting Agreement (as defined herein) and pursuant to an exemption from the registration requirements of the 1933 Act and applicable state securities laws, these securities may not be offered or sold within the United States. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

***Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada.*** *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of NuVista Energy Ltd., at Suite 3500, 700 – 2nd Street S.W., Calgary, Alberta T2P 2W2, Telephone (403) 538-8500 and are also available electronically at www.sedar.com.*

**New Issue** **February 28, 2011**

**SHORT FORM PROSPECTUS**

NUVISTA ENERGY LTD

**$33,250,000**
**3,500,000 Common Shares**

**Price $9.50 per Common Share**

NuVista Energy Ltd. ("**NuVista**" or the "**Corporation**") is hereby qualifying for distribution 3,500,000 common shares ("**Offered Shares**") in the capital of NuVista at a price of $9.50 per Offered Share (the "**Offering**"). The terms of the Offering, including the offering price of the Offered Shares offered under this short form prospectus, were determined by negotiation between the Corporation and TD Securities Inc., on its own behalf and on behalf of BMO Nesbitt Burns Inc., CIBC World Markets Inc., Peters & Co. Limited, RBC Dominion Securities Inc., Scotia Capital Inc., FirstEnergy Capital Corp. and Cormark Securities Inc. (collectively, the "**Underwriters**"). See "*Plan of Distribution*".

The issued and outstanding Common Shares (as herein defined) are listed on the Toronto Stock Exchange (the "**TSX**") under the trading symbol "NVA". On February 14, 2011, the last trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSX was $9.79. On February 25, 2011, the last trading day prior to the filing of this short form prospectus, the closing price of the Common Shares on the TSX was $9.83. The TSX has conditionally approved the listing of the Offered Shares distributed under this short form prospectus. Listing is subject to the Corporation fulfilling all of the requirements of the TSX on or before May 19, 2011.

| | Price to Public | Underwriters' Fee[(1)] | Net Proceeds to the Corporation[(1)(2)] |
|---|---|---|---|
| **Per Common Share** | $9.50 | $0.4275 | $9.0725 |
| **Total** | $33,250,000 | $1,496,250 | $31,753,750 |

Notes:

(1) The fee payable to the Underwriters is 4.5% of the gross proceeds of the Offering (the "**Underwriters' Fee**"). See "*Plan of Distribution*".

(2) Before deducting expenses of the Offering, estimated to be $350,000 (exclusive of GST), which will be deducted from the general funds of NuVista.

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Corporation and delivered and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement (as defined herein) referred to under "*Plan of Distribution*" and subject to approval of certain legal matters relating to the Offering on behalf of the Corporation by Burnet, Duckworth & Palmer LLP, and on behalf of the Underwriters by Stikeman Elliott LLP.

**The Underwriters propose to offer the Offered Shares initially at the offering price specified above. After a reasonable effort has been made to sell all the Offered Shares at the price specified, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. Any such reduction will not affect the proceeds received by NuVista. See "*Plan of Distribution*".**

**TD Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., RBC Dominion Securities Inc. and Scotia Capital Inc. are, directly or indirectly, wholly-owned subsidiaries of Canadian chartered banks that are lenders to NuVista, and to which NuVista is currently indebted. Consequently, NuVista may be considered a "connected issuer" of these Underwriters within the meaning of applicable Canadian securities legislation. See "*Relationship Among NuVista and Certain Underwriters*".**

Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Offered Shares shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus. It is expected that closing of the Offering will occur on or about March 8, 2011 or such other date as the Corporation and the Underwriters may agree. Except in certain limited circumstances, including where a Common Share certificate requires the addition of a legend under applicable securities laws of the United States: (i) Offered Shares will be represented by a global certificate issued in registered form to CDS (as defined herein) in "book-entry only" form, or deposited directly with CDS; (ii) no certificates evidencing the Common Shares will be issued to purchasers of Offered Shares; and (iii) purchasers of Offered Shares will receive only a customer confirmation from the Underwriter or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Share is purchased. See "*Plan of Distribution*".

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail on the open market in accordance with applicable market stabilization rules. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

Ontario Teachers' Pension Plan Board ("**Teachers'**") beneficially owns, or exercises control or direction over, directly or indirectly, an aggregate of 14,526,249 Common Shares as at February 17, 2011, which represents approximately 16.3% of the issued and outstanding Common Shares. Bissett Investment Management, a division of Franklin Templeton Investments Corp. ("**Bissett**") beneficially owns, or exercises control or direction over, directly or indirectly 11,004,459 Common Shares of NuVista as at February 17, 2011, which represents approximately 12.4% of the issued and outstanding Common Shares. NuVista has entered into a letter of intent with Teachers' and Bissett which contemplates that NuVista will, concurrently with the Offering, complete a private placement (the "**Concurrent Private Placement**") with Teachers' and Bissett, pursuant to which Teachers' and Bissett will each purchase on a "private placement" basis, 3,500,000 Common Shares (the "**Placement Common Shares**") at a price of $9.50 per Placement Common Share for gross proceeds to NuVista of $66.5 million. This short form prospectus does not qualify the distribution of the Placement Common Shares issuable pursuant to the Concurrent Private Placement. The Placement Common Shares issued pursuant to the Concurrent Private Placement will be subject to a statutory hold period. The Concurrent Private Placement is subject to a number of conditions including completion of definitive documentation, the concurrent closing of this Offering, and the approval of the TSX. The TSX has conditionally approved the listing of the Placement Common Shares. Listing of such securities is subject to the Corporation fulfilling all of the requirements of the TSX including closing the Concurrent Private Placement on or before April 1, 2011. See "*Concurrent Private Placement*".

In the opinion of Burnet, Duckworth & Palmer LLP, counsel to the Corporation, and Stikeman Elliott LLP, counsel to the Underwriters, based on the provisions of the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**") in force on the date hereof, proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and the current published administrative policies and assessing practices of the Canada Revenue Agency, provided the Common Shares are listed on a designed stock exchange (which includes the TSX) at the time of acquisition by a Registered Plan (defined below), the Offered Shares will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, tax-free savings accounts ("**TFSAs**"), deferred profit sharing plans, registered education savings plans and registered disability savings plans (each a "**Registered Plan**"). See "*Eligibility for Investment*".

**An investment in the securities offered hereunder is speculative and involves a high degree of risk. The risk factors identified under the headings "*Risk Factors*" and "*Special Note Regarding Forward-Looking Statements*" in this short form prospectus and in the AIF (as defined herein) should be carefully reviewed and evaluated by prospective subscribers before purchasing the securities being offered hereunder. An investment in the Offered Shares is suitable for only those investors who are willing to risk a loss of their entire investment.**

The Offered Shares may be sold only in those jurisdictions where offers and sales are permitted. This short form prospectus is not an offer to sell or a solicitation of an offer to buy the Offered Shares in any jurisdiction where it is unlawful. Investors should rely only on the information contained in or incorporated by reference in this short form prospectus. The Corporation has not authorized anyone to provide investors with different information. Investors should not assume that the information contained in this short form prospectus is accurate as of any date other than the date of this short form prospectus.

The Corporation's head office is located at Suite 3500, 700 – 2$^{nd}$ Street S.W., Calgary, Alberta T2P 2W2, and its registered office is located at Suite 1400, 350 – 7$^{th}$ Avenue S.W., Calgary, Alberta, T2P 3N9.

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## SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this short form prospectus and in certain documents incorporated by reference into this short form prospectus, constitute forward-looking statements. These statements relate to future events or NuVista's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "budget", "forecast" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. NuVista believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this short form prospectus should not be unduly relied upon. These statements speak only as of the date of this short form prospectus or the date of the documents incorporated by reference, as the case may be.

In particular, this short form prospectus and the documents incorporated by reference herein contain forward-looking statements pertaining to the following:

- the use of proceeds from the Offering and the Concurrent Private Placement;
- completion of the Offering and the Concurrent Private Placement;
- the timing of the development of NuVista's asset base;
- land expiries;
- abandonment and reclamation costs;
- the performance characteristics of oil and natural gas properties;
- the quantity of reserves;
- oil and natural gas production levels;
- NuVista's 2011 capital expenditure programs and the timing thereof;
- anticipated 2011 cash flow;
- the source of funding for NuVista's activities;
- NuVista's 2011 and 2012 drilling and development plans and locations and the results therefrom;
- projections of market prices and costs;
- facility construction;
- NuVista's ongoing focus, strategy and growth plans;
- the tax horizon of NuVista;
- supply and demand for oil and natural gas;
- expectations regarding NuVista's ability to raise capital and to continually add to reserves through acquisitions and development; and
- treatment under government regulatory and taxation regimes.

The forward-looking statements in this short form prospectus and the documents incorporated by reference herein are based on certain key expectations and assumptions made by NuVista, including prevailing commodity prices and exchange rates; applicable royalty rates and tax laws; future well production rates; reserves and resource volumes; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour and services; the satisfaction of the conditions of closing of the Offering and Concurrent Private Placement on the timing planned, and the receipt, in a timely matter, of regulatory and other required approvals.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this short form prospectus and the AIF but are not limited to:

- volatility in market prices for oil and natural gas;
- liabilities and risks inherent in oil and natural gas operations;
- uncertainties associated with estimating reserves;

- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of acquisitions;
- geological, technical, drilling and processing problems;
- changes in general economic, market and business conditions;
- the accuracy of oil and gas reserves estimates and estimated production levels as they are affected by exploration and development drilling and estimated decline rates;
- the uncertainties in regard to the timing of exploration and development program;
- fluctuations in the costs of borrowing;
- the use of derivative financial instruments;
- political or economic developments;
- ability to obtain regulatory approvals; and
- the occurrence of unexpected events.

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future.

**Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this short form prospectus and the documents incorporated by reference herein are expressly qualified by this cautionary statement. Neither NuVista, nor any of the Underwriters undertakes any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.**

## SELECTED DEFINITIONS

In this short form prospectus, the abbreviations and terms set forth below have the meanings indicated:

"**AIF**" means the annual information form of NuVista dated March 31, 2010 for the year ended December 31, 2009;

"**Bissett**" means Bissett Investment Management, a division of Franklin Templeton Investments Corp.;

"**Business Day**" means a day, other than a Saturday or Sunday, or a statutory holiday, on which major Canadian chartered banks are open for business in Calgary, Alberta;

"**CDS**" means CDS Clearing and Depository Services Inc.;

"**Common Shares**" means the common shares of NuVista;

"**Concurrent Private Placement**" means the concurrent private placement with Teachers' and Bissett, pursuant to which Teachers' and Bissett would collectively purchase on a "private placement" basis, an aggregate of 7,000,000 Placement Common Shares at $9.50 per Placement Common Share for gross proceeds to NuVista of $66.5 million described under "*Concurrent Private Placement*";

"**Current Credit Facility**" has the meaning set out in Note 1 to the table under "*Capitalization of NuVista*";

"**GAAP**" means generally accepted accounting principles in Canada;

"**GLJ**" means GLJ Petroleum Consultants Ltd., independent petroleum consultants of Calgary, Alberta;

"**GLJ Report**" means the report of GLJ evaluating as of December 31, 2010, NuVista's crude oil, natural gas and natural gas liquids reserves with and dated February 18, 2011;

"**Offering**" means the offering of 3,500,000 Offered Shares at a price of $9.50 per Offered Share pursuant to this short form prospectus;

"**Participant**" means a participant in the depository service of CDS;

"**Performance Shares**" means the Class B performance shares of NuVista, as presently constituted;

"**Placement Common Shares**" means the Common Shares issued pursuant to the Concurrent Private Placement;

"**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5th Supp), as amended, including the regulations promulgated thereunder;

"**Teachers'**" means Ontario Teachers' Pension Plan Board;

"**TSX**" means the Toronto Stock Exchange;

"**Underwriters**" means, collectively, TD Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Peters & Co. Limited, RBC Dominion Securities Inc., Scotia Capital Inc., FirstEnergy Capital Corp. and Cormark Securities Inc.;

"**Underwriting Agreement**" means the agreement dated as of February 15, 2011 among NuVista and the Underwriters in respect of the Offering; and

"**United States**" or "**U.S.**" means the United States of America.

Words importing the singular number only include the plural, and vice versa, and words importing any gender include all genders.

All dollar amounts set forth in this short form prospectus are in Canadian dollars, except where otherwise indicated.

## CONVENTIONS

Certain terms used herein are defined in the "*Selected Definitions*". Certain other terms used herein but not defined herein are defined in National Instrument 51-101 – *Standards for Oil and Gas Activities* of the Canadian Securities Administrators ("**NI 51-101**") and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101. All financial information herein has been presented in Canadian dollars in accordance with GAAP.

## CONVERSIONS

The following table sets forth certain conversions between Standard Imperial Units and the International System of Units (or metric units).

| To Convert From | To | Multiply By |
|---|---|---|
| Mcf | cubic metres | 28.174 |
| cubic metres | cubic feet | 35.494 |
| Bbls | cubic metres | 0.159 |
| cubic metres | Bbls | 6.289 |
| Feet | Metres | 0.305 |
| Metres | Feet | 3.281 |
| Miles | kilometres | 1.609 |
| Kilometres | Miles | 0.621 |
| Acres | hectares | 0.405 |
| Hectares | Acres | 2.471 |
| Gigajoules | MMbtu | 0.950 |
| MMbtu | gigajoules | 1.0526 |

## BARREL OF OIL EQUIVALENCY

**The term "Boe" or barrels of oil equivalent may be misleading, particularly if used in isolation. A Boe conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1 Bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Total Boe is calculated by multiplying the daily production by the number of days in the period.**

## ABBREVIATIONS

| <u>**Oil and Natural Gas Liquids**</u> | | <u>**Natural Gas**</u> | |
|---|---|---|---|
| Bbl | barrel | Mcf | thousand cubic feet |
| Bbls | barrels | MMcf | million cubic feet |
| Bbls/d | barrels per day | Bcf | billion cubic feet |
| Mbbls | thousand barrels | Mcf/d | thousand cubic feet per day |
| MMbtu | million British Thermal Units | MMcf/d | million cubic feet per day |
| NGLs | natural gas liquids | Mcfe | Thousand cubic feet equivalent |

<u>**Other**</u>

| | |
|---|---|
| AECO | the natural gas storage facility located at Suffield, Alberta |
| API | American Petroleum Institute |
| °API | an indication of the specific gravity of crude oil measured on the API gravity scale |
| BOE or Boe | barrel or barrels of oil equivalent, using the conversion factor of 6 Mcf of natural gas being equivalent to one barrel of oil |
| Boe/d | barrels of oil equivalent per day |
| $Cdn | Canadian dollars |
| $US | United States dollars |
| MBoe | thousand barrels of oil equivalent |
| WTI | West Texas Intermediate, the reference price paid in $US at Cushing, Oklahoma for the crude oil standard grade |
| $000s | thousands of dollars |

## NON GAAP MEASURES

Within this short form prospectus, references are made to terms commonly used in the oil and natural gas industry. NuVista uses funds from operations to analyze operating performance and leverage. Funds from operations as presented, does not have any standardized meaning prescribed by GAAP and therefore it may not be comparable with the calculation of similar measures for other entities. Funds from operations as presented is not intended to represent operating cash flow or operating profits for the period nor should it be viewed as an alternative to cash flow from operating activities, per the statement of cash flows, net earnings (loss) or other measures of financial performance calculated in accordance with GAAP. All references to funds from operations throughout this prospectus are based on cash flow from operating activities before changes in non-cash working capital and asset retirement expenditures. Funds from operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net earnings (loss) per share. Funds from operations netbacks equal total revenue including realized commodity derivative gains/losses less royalties, transportation, operating costs, general and administrative, restricted stock unit, interest expense and cash taxes. Adjusted working capital equals working capital excluding the current portion of the commodity derivative asset or liability and the future income tax asset or liability.

## DOCUMENTS INCORPORATED BY REFERENCE

**Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of NuVista, at Suite 3500, 700 – 2nd Street S.W., Calgary, Alberta T2P 2W2, Telephone (403) 538-8500. In addition, copies of the documents incorporated herein by reference may be obtained from the securities commissions or similar authorities in Canada through the SEDAR website at *www.sedar.com*.

The following documents of NuVista, filed with the various securities commissions or similar authorities in the provinces of Canada, are specifically incorporated by reference into and form an integral part of this short form prospectus:

1. the AIF;

2. the unaudited interim comparative consolidated financial statements of NuVista as at and for the three and nine months ended September 30, 2010 and September 30, 2009, together with the notes thereto;

3. the management's discussion and analysis of the financial condition and results of operations of NuVista as at and for the nine months ended September 30, 2010 and September 30, 2009;

4. the audited comparative consolidated financial statements of NuVista as at and for the years ended December 31, 2009 and December 31, 2008, together with the notes thereto and the report of the auditors thereon;

5. the management's discussion and analysis of the financial condition and results of operations of NuVista as at and for the years ended December 31, 2009 and December 31, 2008;

6. the information circular – proxy statement of NuVista dated March 26, 2010, relating to the annual and special meeting of shareholders held on May 13, 2010;

7. the business acquisition report dated October 8, 2009 with respect to the July 2009 acquisition by NuVista of certain properties located in the Martin Creek area of northern British Columbia and in northwest Alberta filed on SEDAR on October 8, 2009; and

8. the material change report dated February 24, 2011 with respect to the Offering and the Concurrent Private Placement.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators to be incorporated by reference in a short form prospectus, including any material change reports (excluding confidential reports), interim financial statements, comparative annual financial statements and the auditors' report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms, business acquisition reports and any press release containing financial information for periods more recent than the most recent annual or interim financial statements filed by NuVista with the securities commissions or similar authorities in Canada subsequent to the date of this short form prospectus and prior to the termination of this distribution shall be deemed to be incorporated by reference in this short form prospectus.

**Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded**

**statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.**

## NUVISTA ENERGY LTD.

### Summary Description of Business

NuVista is an independent oil and natural gas company engaged in the exploration for, and the acquisition, development and production of oil and natural gas reserves in the provinces of Alberta, British Columbia and Saskatchewan. See "*General Development of our Business*", "*General Description of our Business*" and "*Statement of Reserves Data and Other Oil and Natural Gas Information*" in the AIF.

NuVista was incorporated under the *Business Corporations Act* (Alberta) as 1040491 Alberta Ltd. on April 7, 2003. On May 20, 2003, NuVista changed its name to "NuVista Energy Ltd." and on June 24, 2003 it amended its Articles to create the Performance Shares and remove the private company restrictions.

On January 1, 2009, NuVista amalgamated with Rider Resources Ltd. and immediately thereafter amalgamated with Roberts Bay Resources Ltd., a wholly-owned subsidiary.

NuVista's head office is located at Suite 3500, 700 – 2$^{nd}$ Street S.W., Calgary, Alberta T2P 2W2 and its registered office is located at Suite 1400, 350 – 7$^{th}$ Avenue S.W., Calgary, Alberta, T2P 3N9.

### Inter-Corporate Relationships

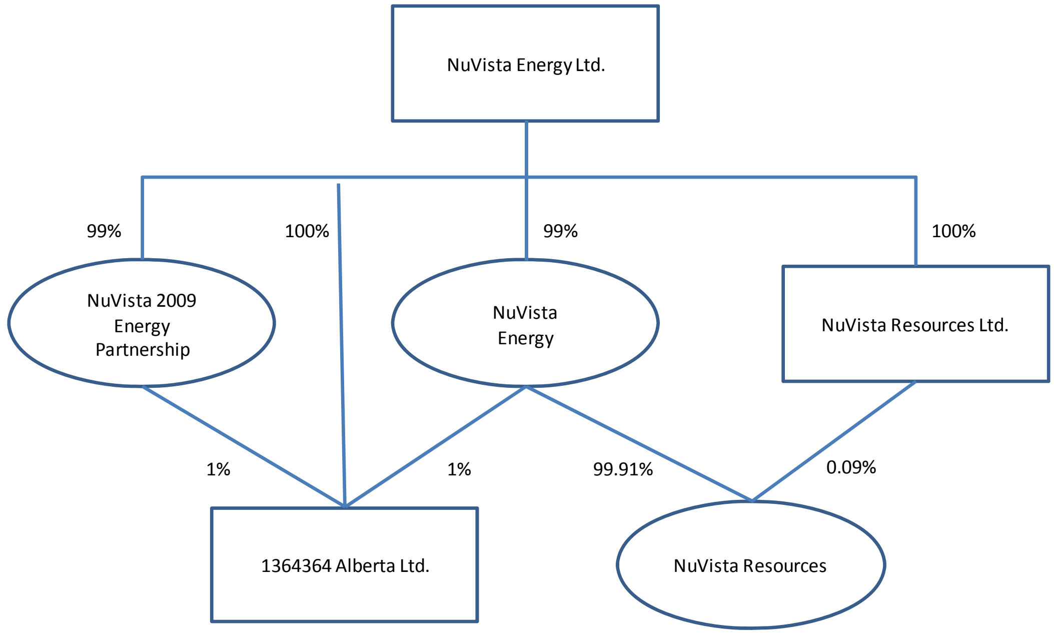
On February 2, 2011, NuVista entered into a series of transactions with Bonavista Energy Corporation and certain of its wholly-owned affiliates (collectively "**Bonavista**") to separate their joint ownership of certain crude oil and natural gas assets held through NuVista Energy and NuVista Resources. Under these transactions: (a) NuVista and Bonavista retained their respective pro-rata share of all crude oil properties; (b) NuVista and Bonavista retained their pro-rata share of certain natural gas properties; and (c) NuVista and Bonavista swapped certain natural gas properties with a value of approximately $37 million to rationalize their respective interests in certain eastern Alberta and northwest Saskatchewan properties. These transactions resulted in NuVista, directly and indirectly, holding 100% of the general partnership interests in NuVista Energy and 100% of the general partnership interests in NuVista Resources. These transactions were approved by the disinterested directors of NuVista after considering, among other things, the recommendation of management, a reserve report prepared by an independent reserve evaluator and the benefits of a simplified legal and tax structure, simplified banking arrangements and the ability of both parties to independently make decisions with respect to their assets.

The following table provides the name, the percentage of voting securities owned by NuVista and the jurisdiction of incorporation, continuance or formation of our subsidiaries and partnerships either, direct and indirect, as at the date hereof.

| | **Percentage of voting securities (directly or indirectly)** | **Nature of Entity** | **Jurisdiction of Incorporation/Formation** |
|---|---|---|---|
| NuVista Energy | 100% | General Partnership | Alberta |
| NuVista Resources | 100% | General Partnership | Alberta |
| NuVista Resources Ltd. | 100% | Corporation | Alberta |
| NuVista 2009 Energy Partnership | 100% | General Partnership | Alberta |
| 1364364 Alberta Ltd. | 100% | Corporation | Alberta |

**Organizational Structure of NuVista**

The following diagram describes the inter-corporate relationships among NuVista and its material subsidiaries as of the date hereof:




## RECENT DEVELOPMENTS

**President and CEO**

On November 23, 2010, the Corporation announced that Alex G. Verge, President and Chief Executive Officer of NuVista had resigned at the request of the board of directors of NuVista. Robert F. Froese was appointed Interim President and Chief Executive Officer until a replacement is appointed. NuVista's board of directors has formed an executive committee consisting of Keith A. MacPhail, Clayton H. Woitas and Ronald G. Poelzer to conduct an executive search for a new President and Chief Executive Officer. In December, the executive committee retained a recruitment firm to assist with this search.

**Termination of Dividend**

On February 14, 2011, the board of directors of NuVista determined that NuVista will no longer pay a dividend to its shareholders but rather use this cash flow to fund NuVista's drilling program and growth opportunities.

**2011 Guidance**

On February 14, 2011, NuVista's board of directors approved a 2011 capital program of between $160 million and $180 million. The objective of NuVista's 2011 capital program is to balance near-term operating and financial results with the continued evaluation of oil and liquids-rich natural gas resource play opportunities that have the potential to create future growth. NuVista's 2011 forecast cash flow of between $160 million and $180 million is based on a forecast 2011 average AECO natural gas price of $4.00/Mcf and average WTI oil price of US$90.00/Bbl. NuVista's 2011 capital program is forecast to result in 2011 average production volumes of between 26,000 boe/d and 27,000 boe/d. While below expected fourth quarter 2010 production volumes, this reflects lower capital spending in the fourth quarter of 2010 and the measured capital program approved by the board of directors for the first half of 2011. In addition, approximately $35 million of the 2011 capital program, or nearly 20%, will be to advance the development of the Corporation's nearly 140 net sections of Montney rights with the expectation that limited production from this spending will occur in late 2011, at the earliest. While this strategy impacts near-term production volumes, NuVista views its Montney lands with their demonstrated productive capability and liquids-rich natural gas as a key component to future production and reserve growth.

The majority of NuVista's 2011 capital program will be allocated to a "core" capital program of high return oil and liquids-rich natural gas opportunities in its W3M/W4M and Deep Basin Core Regions. NuVista plans to drill follow-up wells to recent successes and allocate a portion of its capital program to the evaluation of new Birdbear heavy oil prospects in West Central Saskatchewan, Cardium oil opportunities in both its Wapiti and Pembina operating areas, and Spirit River/Notikewin liquids-rich natural gas opportunities in its Ferrier operating area.

***"Core" Capital Program***

NuVista plans to drill heavy oil wells in West Central Saskatchewan and Eastern Alberta as part of its core 2011 capital program. These heavy oil wells have the most attractive economics of NuVista's opportunity inventory. Based on the results from four Zoller Lake Birdbear wells drilled in the fourth quarter of 2010, NuVista plans to drill up to 16 development wells. NuVista also plans to evaluate up to five new prospective Birdbear heavy oil plays that have been identified in West Central Saskatchewan. In Eastern Alberta, NuVista plans to drill follow-up wells to its heavy oil well drilled in the fourth quarter of 2010. During the first quarter of 2011, NuVista has drilled and completed three follow-up wells to its West Pembina Cardium oil well in section 31-50-12W5M and a fourth follow-up well is planned for the second half of 2011. NuVista also plans to drill development wells at its Kaybob Montney natural gas property.

During 2011, NuVista also plans to drill additional evaluation wells at the Cardium oil play in its Wapiti operating area. NuVista plans to drill and complete three Wapiti Cardium oil wells in the first quarter of 2011 and plans to drill a four well program in the second half of 2011 to identify cost efficiencies and further evaluate the economics of this play. NuVista has a large contiguous Cardium land base in its Wapiti operating area and this high resource-in-place formation has fairly homogenous reservoir characteristics. NuVista also plans to drill and test the liquids-rich Notikewin and Spirit River formations in its Ferrier operating area where competitors have had success in offsetting lands.

***Wapiti Montney Capital Program***

The results from the evaluation of NuVista's liquids-rich Wapiti Montney natural gas resource play in 2010 met NuVista's expectations. The Wapiti Montney play derives the majority of its cash flow from liquids and therefore has potential even at current natural gas prices. NuVista drilled its first Montney horizontal well (100%) in its north block of landholdings and completed this well in July 2010. This well was brought on production in August with a 30 day initial production rate of 4.9 MMcf/d of raw gas. The raw gas is expected to produce a total of approximately 100 Bbls/MMcf of liquids if the raw gas were processed through a deep-cut facility. In December 2010, this well produced approximately 2.3 MMcf/d of raw natural gas with free condensate and other natural gas liquids totalling approximately 50 Bbls/MMcf after processing through a shallow-cut facility. NuVista also drilled a Wapiti Montney horizontal well in its south block of landholdings. This well experienced mechanical issues but confirmed existence of liquids-rich natural gas. NuVista has extensive Montney landholdings with approximately 140 net sections.

There has been increased industry drilling activity in the liquids-rich Montney play at Wapiti and nearby Elmworth. Based on the results from NuVista and industry wells, NuVista believes this play has the potential to create significant value for shareholders over the next several years. NuVista's board of directors has approved a Wapiti Montney capital program for the next 15 months totalling $70 million. Up to five delineation wells are planned to be drilled and completed prior to spring break-up in 2012 in order to further evaluate the scope and economics of this play. NuVista is planning to drill three delineation wells at its north block and two wells at its south block to further delineate this play and secure crown licenses and leases. In addition, NuVista plans to construct a compressor and dehydration facility at its north block to accommodate increased production volumes. With continued success, NuVista expects to design and investigate alternatives to construct a sour deep-cut facility in order to fully develop this property and maximize economic returns. Approximately $35 million of the approved capital program is expected to be spent in 2011 with the balance of this capital program to be spent in the first half of 2012.

**2010 Operational and Financial Highlights**

The following table presents a summary of NuVista's 2010 unaudited financial and operating results:

| | Three Months Ended December 31, 2010 | Year Ended December 31, 2010 |
|---|---|---|
| Net earnings (loss) ($ million) | (13.4) | (14.0) |
| Per share - basic | (0.15) | (0.16) |
| Funds from operations ($ million) | 35.6 | 170.0 |
| Per share - basic | 0.40 | 1.92 |
| Net capital expenditures ($ million) | 28.5 | 225.0 |
| Long-term debt, net of adjusted working capital ($million) | 444.1 | 444.1 |
| Production | | |
| Natural gas (MMcf/d) | 121.2 | 123.9 |
| Natural gas liquids (Bbls/d) | 3,024 | 3,053 |
| Oil (Bbls/d) | 4,935 | 4,647 |
| Total oil equivalent (Boe/d) | 28,165 | 28,343 |
| Operating expenses ($/Boe) | 10.09 | 9.11 |
| Funds from operations netback ($/Boe) | 13.75 | 16.44 |

NuVista's 2010 drilling program was dedicated primarily to evaluating resource plays with less emphasis on near term operating and financial results. During 2010, NuVista made progress evaluating six resource plays and now has the largest opportunity inventory in the Corporation's history. As of the date hereof, NuVista has the flexibility to pursue light oil, heavy oil, liquids-rich gas or dry gas projects depending on the commodity price environment.

NuVista executed a 2010 capital program of approximately $225 million, with the majority of the funds allocated to exploration and development activities. NuVista participated in 70 (51.2 net) wells, of which 56 were operated and 14 were non-operated wells. This drilling program resulted in 38 oil wells, 31 natural gas wells and one dry and abandoned well. In 2010, 41 of the 70 wells drilled were horizontal wells.

In the fourth quarter of 2010, NuVista drilled 13 (8.1 net) wells resulting in 10 (6.0 net) oil wells and 3 (2.0 net) natural gas wells. At Zoller Lake in West Central Saskatchewan, NuVista drilled 4 (3.0 net) heavy oil wells and results to date have exceeded NuVista's expectations. NuVista also drilled 3 (0.8 net) Wapiti Cardium oil wells, 2 (1.3 net) Pembina Cardium oil wells and 1 (1.0 net) heavy oil well in Eastern Alberta. NuVista drilled 3 (2.0 net) natural gas wells in its Wapiti and Kaybob operating areas.

**2010 Year End Reserves Evaluation**

The reserves data set forth below is based upon an evaluation by GLJ with an effective date of December 31, 2010 as contained in the GLJ Report. The reserves data summarizes NuVista's crude oil, natural gas liquids and natural gas reserves and the net present values of future net revenue for these reserves using forecast prices and costs, not including the impact of any price risk management activities.

All of NuVista's reserves are in Canada and, specifically, in the Provinces of Alberta, British Columbia and Saskatchewan.

**All evaluations of future net revenue are after the deduction of future income tax expenses (unless otherwise noted in the tables), royalties, development costs, production costs and well abandonment costs but before consideration of indirect costs such as administrative, overhead and other miscellaneous expenses. The estimated future net revenue contained in the following tables do not represent the fair market value of NuVista's reserves. There is no assurance that the forecast price and cost assumptions contained in the GLJ Report will be attained and variations could be material. Other assumptions and qualifications relating to costs and other matters are summarized in the notes to or following the tables below. Readers should review the definitions and information under the heading "*Definitions and Notes to Reserves Data Tables*" in the AIF**

**in conjunction with the following tables and notes. The recovery and reserve estimates on the Corporation's properties described herein are estimates only. The actual reserves on NuVista's properties may be greater or less than those calculated. See "*Risk Factors*" in the AIF.**

***Reserves Data (Forecast Prices and Costs)***

**SUMMARY OF OIL AND NATURAL GAS RESERVES**
**AND NET PRESENT VALUES OF FUTURE NET REVENUE**
**AS OF DECEMBER 31, 2010**
**FORECAST PRICES AND COSTS**

| | RESERVES | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | LIGHT AND MEDIUM OIL | | HEAVY OIL | | NATURAL GAS | | NATURAL GAS LIQUIDS | |
| RESERVES CATEGORY | Gross (Mbbls) | Net (Mbbls) | Gross (Mbbls) | Net (Mbbls) | Gross (MMcf) | Net (MMcf) | Gross (Mbbls) | Net (Mbbls) |
| PROVED: | | | | | | | | |
| Developed Producing | 3,233 | 2,678 | 4,895 | 4,438 | 236,339 | 202,699 | 6,153 | 4,418 |
| Developed Non-Producing | 178 | 148 | 319 | 277 | 27,680 | 23,913 | 778 | 609 |
| Undeveloped | 2,345 | 1,927 | 1,076 | 1,003 | 54,139 | 48,506 | 1,803 | 1,405 |
| TOTAL PROVED | 5,756 | 4,753 | 6,290 | 5,718 | 318,158 | 275,118 | 8,735 | 6,432 |
| PROBABLE | 2,964 | 2,335 | 2,553 | 2,283 | 169,676 | 147,999 | 5,218 | 3,800 |
| TOTAL PROVED PLUS PROBABLE | 8,719 | 7,089 | 8,843 | 8,001 | 487,834 | 423,117 | 13,953 | 10,232 |

The estimated net present value of future net revenue before income taxes associated with NuVista's reserves effective December 30, 2010 and based on published GLJ future price forecast are summarized in the following table:

| | NET PRESENT VALUES OF FUTURE NET REVENUE BEFORE INCOME TAXES DISCOUNTED AT (%/year) | | | | | UNIT VALUE BEFORE INCOME TAXES DISCOUNTED AT 10%(1) | |
|---|---|---|---|---|---|---|---|
| RESERVES CATEGORY | 0% ($000s) | 5% ($000s) | 10% ($000s) | 15% ($000s) | 20% ($000s) | ($/Boe) | ($/Mcfe) |
| PROVED: | | | | | | | |
| Developed Producing | 1,288,925 | 992,798 | 813,392 | 693,069 | 606,728 | 17.95 | 2.99 |
| Developed Non-Producing | 141,017 | 90,953 | 67,127 | 53,131 | 43,806 | 13.37 | 2.23 |
| Undeveloped | 317,441 | 193,252 | 126,565 | 85,823 | 58,720 | 10.19 | 1.70 |
| TOTAL PROVED | 1,747,382 | 1,277,004 | 1,007,084 | 832,023 | 709,254 | 16.05 | 2.67 |
| PROBABLE | 1,101,297 | 611,676 | 395,195 | 278,090 | 206,362 | 11.94 | 1.99 |
| TOTAL PROVED PLUS PROBABLE | 2,848,679 | 1,888,679 | 1,402,278 | 1,110,113 | 915,616 | 14.63 | 2.44 |

Note:

(1) Unit values are based on net reserve volumes.

| | NET PRESENT VALUES OF FUTURE NET REVENUE AFTER INCOME TAXES DISCOUNTED AT (%/year) | | | | |
|---|---|---|---|---|---|
| RESERVES CATEGORY | 0% ($000s) | 5% ($000s) | 10% ($000s) | 15% ($000s) | 20% ($000s) |
| PROVED: | | | | | |
| Developed Producing | 1,182,999 | 913,379 | 750,788 | 641,809 | 563,506 |
| Developed Non-Producing | 107,122 | 67,692 | 49,255 | 38,504 | 31,365 |
| Undeveloped | 237,289 | 138,792 | 85,332 | 52,508 | 30,670 |
| TOTAL PROVED | 1,527,410 | 1,119,863 | 885,375 | 732,821 | 625,541 |
| PROBABLE | 824,181 | 452,771 | 288,042 | 198,756 | 144,068 |
| TOTAL PROVED PLUS PROBABLE | 2,351,591 | 1,572,634 | 1,173,417 | 931,577 | 769,609 |

*Pricing Assumptions*

The forecast cost and price assumptions in this section assume increases in wellhead selling prices and take into account inflation with respect to future operating and capital costs. Crude oil and natural gas benchmark reference pricing, inflation and exchange rates utilized in the GLJ Report were as follows:

**SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS**
**FORECAST PRICES AND COSTS (1)**

| | OIL | | | | NATURAL GAS | NATURAL GAS LIQUIDS | NATURAL GAS LIQUIDS | | |
|---|---|---|---|---|---|---|---|---|---|
| Year | WTI Cushing Oklahoma ($US/Bbl) | Edmonton Par Price 40° API ($Cdn/Bbl) | Hardisty Heavy 12° API ($Cdn/Bbl) | Cromer Medium 29. 3° API ($Cdn/Bbl) | AECO Gas Price ($Cdn/MMbtu) | Edmonton Propane ($Cdn/Bbl) | Edmonton Butane ($Cdn/Bbl) | INFLATION RATES %/Year (2) | EXCHANGE RATE ($US/$Cdn)(3) |
| Forecast | | | | | | | | | |
| 2011 | 88.00 | 86.22 | 68.79 | 82.78 | 4.16 | 54.32 | 67.26 | 2.0 | 0.98 |
| 2012 | 89.00 | 89.29 | 68.33 | 83.04 | 4.74 | 56.25 | 68.75 | 2.0 | 0.98 |
| 2013 | 90.00 | 90.92 | 67.03 | 83.64 | 5.31 | 57.28 | 70.01 | 2.0 | 0.98 |
| 2014 | 92.00 | 92.96 | 67.84 | 84.59 | 5.77 | 58.56 | 71.58 | 2.0 | 0.98 |
| 2015 | 95.17 | 96.19 | 70.23 | 87.54 | 6.22 | 60.60 | 74.07 | 2.0 | 0.98 |
| 2016 | 97.55 | 98.62 | 72.03 | 89.75 | 6.53 | 62.13 | 75.94 | 2.0 | 0.98 |
| 2017 | 100.26 | 101.39 | 74.08 | 92.26 | 6.76 | 63.87 | 78.07 | 2.0 | 0.98 |
| 2018 | 102.74 | 103.92 | 75.95 | 94.57 | 6.90 | 65.47 | 80.02 | 2.0 | 0.98 |
| 2019 | 105.45 | 106.68 | 78.00 | 97.08 | 7.06 | 67.21 | 82.15 | 2.0 | 0.98 |
| 2020 | 107.56 | 108.84 | 79.59 | 99.04 | 7.21 | 68.57 | 83.80 | 2.0 | 0.98 |
| 2021 | +2%/yr | +2%/yr | +2%/yr | +2%/yr | +2%/yr | +2%/yr | +2%/yr | 2.0 | 0.98 |

Notes:

(1) As at January 1, 2011.
(2) Inflation rate for costs.
(3) Exchange rate used to generate the benchmark reference prices in this table.

Weighted average historical prices realized by NuVista for the year ended December 31, 2010, including price risk management activities were $4.49/Mcf for natural gas, $63.10/Bbl for light and medium oil, $63.94/Bbl for heavy oil and $51.48/Bbl for NGLs. All price risk management activities are reflected in the realized light and medium oil price.

*Future Development Costs*

The following table sets forth development costs deducted in the estimation of NuVista's future net revenue attributable to the reserve categories noted below:

| | FORECAST PRICES AND COSTS | |
|---|---|---|
| Year | Proved Reserves ($000s) | Proved Plus Probable Reserves ($000s) |
| 2011 | 92,577 | 132,855 |
| 2012 | 99,166 | 161,417 |
| 2013 | 25,079 | 95,662 |
| 2014 | 5,110 | 5,122 |
| 2015 | 1,407 | 2,465 |
| 2016 | 83 | 436 |
| 2017 | 574 | 534 |
| 2018 | 87 | 716 |
| 2019 | - | 36 |
| 2020 | 1,520 | 2,764 |
| 2021 | - | - |
| 2022 | - | 94 |
| Remaining | 3,140 | 8,439 |
| Total (Undiscounted) | 228,674 | 410,541 |

NuVista expects to fund the development costs of NuVista's reserves through a combination of internally generated cash flow, debt and equity issuances. There can be no guarantee that funds will be available to the Coropration or that NuVista's board of directors will allocate funding to develop all of the reserves attributed in the GLJ Report. Failure to develop those reserves could have a negative impact on NuVista's future cash flow. See "*Risk Factors*" in the AIF.

The interest or other costs of external funding are not included in NuVista's reserves and future net revenue estimates and would reduce reserves and future net revenue to some degree depending upon the funding sources utilized. NuVista does not anticipate that interest or other funding costs would make development of any of its properties uneconomic.

### *Reserves Reconciliation*

**RECONCILIATION OF**
**GROSS RESERVES**
**BY PRINCIPAL PRODUCT TYPE**
**FORECAST PRICES AND COSTS**

| | LIGHT AND MEDIUM OIL | | | HEAVY OIL | | |
|---|---|---|---|---|---|---|
| | **Gross Proved (Mbbls)** | **Gross Probable (Mbbls)** | **Gross Proved Plus Probable (Mbbls)** | **Gross Proved (Mbbls)** | **Gross Probable (Mbbls)** | **Gross Proved Plus Probable (Mbbls)** |
| **December 31, 2009** | 3,257 | 1,775 | 5,033 | 6,306 | 2,230 | 8,536 |
| Discoveries | - | - | - | - | - | - |
| Extensions | 2,780 | 1,468 | 4,248 | 495 | 512 | 1,008 |
| Infill Drilling | - | - | - | 488 | 153 | 640 |
| Improved Recovery | - | - | - | 19 | 13 | 32 |
| Technical Revisions | 283 | (306) | (23) | 107 | (365) | (258) |
| Acquisitions | - | - | - | - | - | - |
| Dispositions | - | - | - | - | - | - |
| Economic Factors | (7) | 26 | 19 | 8 | 10 | 18 |
| Production | (558) | - | (558) | (1,133) | - | (1,133) |
| **December 31, 2010** | 5,756 | 2,963 | 8,719 | 6,290 | 2,553 | 8,843 |

| | ASSOCIATED AND NON-ASSOCIATED GAS | | | NATURAL GAS LIQUIDS | | |
|---|---|---|---|---|---|---|
| | **Proved (MMcf)** | **Probable (MMcf)** | **Proved Plus Probable (MMcf)** | **Proved (Mbbls)** | **Probable (Mbbls)** | **Proved Plus Probable (Mbbls)** |
| **December 31, 2009** | 304,611 | 133,308 | 437,919 | 7,513 | 3,562 | 11,075 |
| Discoveries | 1,226 | 439 | 1,665 | 18 | 7 | 25 |
| Extensions | 31,084 | 36,502 | 67,586 | 1,704 | 1,760 | 3,464 |
| Infill Drilling | 14,150 | 6,067 | 20,217 | 316 | 110 | 426 |
| Improved Recovery | - | - | - | - | - | - |
| Technical Revisions | 13,625 | (6,639) | 6,986 | 131 | (305) | (174) |
| Acquisitions | 5,951 | 2,844 | 8,796 | 247 | 133 | 380 |
| Dispositions | (296) | (459) | (755) | (4) | (25) | (29) |
| Economic Factors | (7,158) | (2,387) | (9,545) | (80) | (23) | (103) |
| Production | (45,036) | - | (45,036) | (1,110) | - | (1,110) |
| **December 31, 2010** | 318,158 | 169,676 | 487,834 | 8,735 | 5,218 | 13,953 |

### *Finding and Development Costs*

The following table summarizes NuVista's finding and development costs for the periods indicated:

| ($/Boe) | 2010[1][2] Proved | 2010[1][2] Proved plus Probable | 2009[1][2] Proved | 2009[1][2] Proved plus Probable | Three Year Average Proved | Three Year Average Proved plus Probable |
|---|---|---|---|---|---|---|
| Finding, development and acquisition costs | 22.04 | 18.44 | 14.15 | 11.77 | 20.41 | 16.52 |
| Finding, development | 22.60 | 19.00 | 16.57 | 16.69 | 21.72 | 18.82 |
| Acquisition costs | 15.10 | 10.66 | 13.27 | 10.51 | 19.56 | 14.89 |

Notes:

(1) The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development capital expenditures generally will not reflect total finding and development costs related to reserves additions for that year.

(2) Drilling credits of $17.6 million were recorded in 2010 and $10.7 million during 2009.

### *Production Estimates*

The following table sets out the volumes of NuVista's working interest production estimated for the year ended December 31, 2011, which is reflected in the estimate of future net revenue disclosed in the forecast price tables contained above under the subheading "*2010 Year End Reserves Evaluation*":

| | Light and Medium Oil (Bbls/d) | Heavy Oil (Bbls/d) | Natural Gas (Mcf/d) | Natural Gas Liquids (Bbls/d) | BOE (Boe/d) |
|---|---|---|---|---|---|
| Total Proved | 1,992 | 3,187 | 118,799 | 3,168 | 28,148 |
| Total Proved plus Probable | 2,379 | 3,487 | 126,918 | 3,402 | 30,421 |

### *Net Asset Value*

The following table sets out NuVista's net asset value per Common Share as at December 31, 2010.

| | 2010 ($000s) |
|---|---|
| Net present value of oil and gas reserves, discounted at 10%, before tax [1] | 1,402,478 |
| Undeveloped land[2] | 123,575 |
| Cash, accounts receivable and prepaids | 55,144 |
| Accounts payable and accrued liabilities | (56,233) |
| Dividends payable | (4,438) |
| Long-term debt | (438,566) |
| Net asset value | 1,081,960 |
| Shares outstanding | 88,760 |
| Net asset value ($/share) | 12.19 |

Notes:

(1) Proved plus probable company interest reserves, as at December 31, 2010, as evaluated by GLJ.

(2) Undeveloped land value has been calculated based on internal estimates of $250/acre for NuVista's Alberta core deep basin lands and $100/acre for all other lands.

## DESCRIPTION OF SHARE CAPITAL

The following is a description of the rights, privileges, restrictions and conditions attaching to NuVista's share capital.

### Common Shares

NuVista is authorized to issue an unlimited number of Common Shares without nominal or par value. Holders of Common Shares are entitled to one vote per Common Share at meetings of shareholders. Subject to the rights of the holders of preferred shares and any other shares having priority over the Common Shares, holders of Common Shares are entitled to dividends if, as and when declared by the Board of Directors of NuVista and upon liquidation, dissolution or winding-up to receive, NuVista's remaining property.

### Performance Shares

NuVista is authorized to issue 1,200,000 Performance Shares without nominal or par value. There are currently no Performance Shares issued and outstanding.

## CAPITALIZATION OF NUVISTA

The following table sets forth the capitalization of NuVista as at September 30, 2010 before giving effect to the Offering and the Concurrent Private Placement and as at February 25, 2011 after giving effect to the Offering and the Concurrent Private Placement. Since February 25, 2011 there has been no material change in the share capital or indebtedness of NuVista.

| | **As at September 30, 2010 before giving effect to the Offering and the Concurrent Private Placement** | **As at February 25, 2011 prior to giving effect to the Offering, and the Concurrent Private Placement** | **As at February 25, 2011 after giving effect to the Offering, and the Concurrent Private Placement[3]** |
|---|---|---|---|
| **Credit Facility[1][2]** | (unaudited) | (unaudited) | (unaudited) |
| Authorized | $510,000,000 | $510,000,000 | $510,000,000 |
| Credit Facility Drawn | $442,119,000 | $455,000,000 | $357,096,250 |
| | | | |
| **Shareholder Equity** | | | |
| Share Capital | $688,584,000 | $690,703,000 | $788,606,750 |
| Common Shares (unlimited) | 88,642,119 | 88,871,855 | 99,371,855 |
| Performance Shares[4] | Nil | Nil | Nil |

Notes:

(1) NuVista has a credit facility (the "**Current Credit Facility**") from a syndicate of primarily Canadian banks with a maximum borrowing amount of $510 million. The Current Credit Facility is a 364-day extendible revolving facility and a revolving operating facility. The extendible revolving facility may be extended for a further 364-day revolving period upon the request of NuVista. At the end of the revolving period, the extendible revolving credit facility converts into a 366-day term loan. During the revolving period, a determination of the maximum borrowing amount occurs semi-annually and annually on or before April 30 and October 31. On April 29, 2010, NuVista's bank syndicate agreed to extend the revolving period of the Current Credit Facility to April 28, 2011. During the term period, no principal payments are required to be made until the last day of the term period.

(2) The aggregate net proceeds of the Offering and the Concurrent Private Placement will used to partially repay outstanding indebtedness under the Current Credit Facility, which will then be redrawn, from time to time, as required, to fund a portion of NuVista's 2011 capital program. See "*Use of Proceeds*".

(3) Based on the issuance of 3,500,000 Offered Shares pursuant to the Offering and 7,000,000 Placement Common Shares pursuant to the Concurrent Private Placement for aggregate gross proceeds of $99,750,000 less the Underwriters' Fee of $1,496,250 and estimated expenses of the Offering and Concurrent Private Placement of $350,000.

(4) See "*Description of Share Capital*".

(5) Table does not include 7,271,673 stock options outstanding as of the date of this short form prospectus at a weighted average exercise price of $12.27.

## PRICE RANGE AND VOLUME OF TRADING OF COMMON SHARES

NuVista's Common Shares are listed and posted for trading on the TSX and trade under the symbol "NVA". The following sets forth the price range and trading volume of the Common Shares on the TSX for the periods indicated.

| | Price Range | | |
|---|---|---|---|
| | **High** | **Low** | **Volume** |
| **2010** | | | |
| January | $12.91 | $11.55 | 6,182,410 |
| February | $14.56 | $12.53 | 9,015,955 |
| March | $14.10 | $11.64 | 18,085,268 |
| April | $13.16 | $11.71 | 9,594,722 |
| May | $12.27 | $9.65 | 6,640,234 |
| June | $12.18 | $9.99 | 6,095,689 |
| July | $12.51 | $10.14 | 5,852,022 |
| August | $12.12 | $10.02 | 2,967,771 |
| September | $11.41 | $10.33 | 9,426,121 |
| October | $10.60 | $9.07 | 10,900,206 |
| November | $10.23 | $8.55 | 11,355,545 |
| December | $9.49 | $8.57 | 8,139,586 |
| **2011** | | | |
| January | $9.54 | $8.56 | 10,170,975 |
| February (1-25) | $10.45 | $9.31 | 7,587,356 |

On February 14, 2011, the last trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSX was $9.79. On February 25, 2011, the last trading day prior to the date of this short form prospectus, the closing price of the Common Shares on the TSX was $9.83.

## PRIOR SALES

The following table summarizes the issuances by NuVista of Common Shares and securities convertible into Common Shares in the 12-month period prior to the date of this short form prospectus.

| Date | Securities | Number of Securities | Price per Security ($) |
|---|---|---|---|
| February 2010(1) | Common Shares | 13,850 | 7.92 – 8.30 |
| February 26, 2010(2) | Options | 13,500 | 14.00 |
| March 2010(1) | Common Shares | 22,500 | 7.32 – 11.50 |
| March 17, 2010(2) | Options | 197,000 | 13.09 |
| March 30, 2010(2) | Options | 43,500 | 11.96 |
| March 31, 2010(2) | Options | 30,750 | 11.94 |
| April, 2010(1) | Common Shares | 25,333 | 7.92 – 10.60 |
| April 30, 2010(2) | Options | 25,700 | 12.39 |
| May 2010(1) | Common Shares | 1,300 | 7.26 – 7.92 |
| May 25, 2010(2) | Options | 879,990 | 10.39 |
| May 31, 2010(2) | Options | 105,250 | 10.28 |
| June 2010(1) | Common Shares | 2,275 | 7.99 – 11.14 |
| June 30, 2010(2) | Options | 80,000 | 10.51 |
| July 2010(1) | Common Shares | 25,091 | 7.80 – 11.14 |
| July 15, 2010(3) | Common Shares | 70,688 | 10.79 |
| July 29, 2010(2) | Options | 35,000 | 12.27 |
| July 30, 2010(2) | Options | 68,600 | 12.22 |
| August 2010(1) | Common Shares | 1,300 | 11.14 |
| August 23, 2010(2) | Options | 197,000 | 10.68 |
| August 26, 2010(2) | Options | 13,500 | 10.34 |
| August 31, 2010(2) | Options | 2,750 | 10.39 |
| September 2010(1) | Common Shares | 400 | 7.92 |
| September 30, 2010(2) | Options | 33,750 | 10.56 |
| October 15, 2010(3) | Common Shares | 87,433 | 9.79 |
| October 30, 2010(2) | Options | 5,700 | 9.19 |

| Date | Securities | Number of Securities | Price per Security ($) |
| --- | --- | --- | --- |
| October 31, 2010[(2)] | Options | 3,100 | 9.19 |
| November 19, 2010[(2)] | Options | 589,520 | 8.96 |
| November 30, 2010[(2)] | Options | 48,800 | 9.33 |
| December 2010[(1)] | Common Shares | 30,250 | 7.92 |
| December 30, 2010[(2)] | Options | 15,000 | 9.26 |
| December 31, 2010[(2)] | Options | 8,000 | 9.27 |
| January 2011[(1)] | Common Shares | 900 | 7.92 |
| January 17, 2011[(3)] | Common Shares | 89,945 | 8.57 |
| January 31, 2011[(2)] | Options | 68,600 | 9.08 |
| February 2011[(1)] | Common Shares | 21,208 | 7.79 – 8.01 |

Notes:

(1) Represents Common Shares issued pursuant to the exercise of previously granted stock options during the month indicated.
(2) Price per security represents the exercise price of options granted.
(3) Represents the issuance of Common Shares in payment of dividends for shareholders that elected to participate in NuVista's dividend re-investment plan.

## PLAN OF DISTRIBUTION

Under the Underwriting Agreement, the Corporation has agreed to sell and the Underwriters have agreed to purchase on or about March 8, 2011, subject to prior sale, an aggregate of 3,500,000 Offered Shares at a price of $9.50 per Offered Share payable in cash to the Corporation. The obligations of the Underwriters under the Underwriting Agreement may be terminated upon the occurrence of certain stated events such as upon a material adverse change. The Underwriting Agreement provides that the Corporation will pay the Underwriters' Fee of 4.5% of the gross proceeds of the Offering, or $0.4275 per Offered Share, resulting in net proceeds to the Corporation of $9.0725 per Offered Share (without deducting expenses of the Offering). The terms of the Offering, including the offering price of the Offered Shares, were determined by negotiation between the Corporation and TD Securities Inc., on its own behalf and on behalf of the other Underwriters.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint, and may be terminated at their discretion upon the occurrence of certain stated events. In certain circumstances, if an Underwriter fails to purchase the Offered Shares which it has agreed to purchase, the other Underwriters may, but are not obligated to, purchase such Offered Shares. The Underwriters are, however, obligated to take up and pay for all Offered Shares if any Offered Shares are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that the Corporation will indemnify the Underwriters and their directors, officers, agents, shareholders, partners and employees against certain liabilities and expenses.

It is expected that closing will occur on or about March 8, 2011, or such other date as the Corporation and the Underwriters may agree. Closing of the Offering is contingent on the closing of the Concurrent Private Placement. The Offered Shares shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus.

The Corporation has been advised by the Underwriters that, in connection with the Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriters propose to offer the Offered Shares initially at the offering price specified herein. After a reasonable effort has been made to sell all of the Offered Shares at the price specified, the Underwriters may subsequently reduce the selling prices to investors from time to time in order to sell any of the Offered Shares remaining unsold. In the event the offering price of the Offered Shares is reduced, the compensation received by the Underwriters will be decreased by the amount the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Corporation for the Offered Shares. Any such reduction will not affect the proceeds received by the Corporation.

The Corporation has agreed that, for a period of 90 days following the closing of the Offering, it shall not issue, agree to issue, or announce an intention to issue any additional Common Shares or securities convertible or exchangeable into Common Shares without the prior written consent of TD Securities Inc., as lead underwriter, for and on behalf of the Underwriters, which consent shall not be unreasonably withheld, provided that notwithstanding the foregoing, the Corporation may issue Common Shares to the holders of existing stock options as well as grant stock options and issue Common Shares pursuant to the exercise of options issued after the date hereof to officers, directors, employees and consultants of the Corporation pursuant to board approved option incentive programs or to satisfy existing instruments and agreements already issued and executed as of the date hereof.

The TSX has conditionally approved the listing of the Offered Shares distributed under this short form prospectus. Listing is subject to the Corporation fulfilling all of the requirements of the TSX on or before May 19, 2011.

The Offered Shares have not been and will not be registered under the 1933 Act or any state securities laws, and accordingly may not be offered or sold within the United States except in transactions exempt from the registration requirements of the 1933 Act and applicable state securities laws. Except as permitted in the Underwriting Agreement and as expressly permitted by applicable laws of the United States, the Underwriters will not offer or sell the Offered Shares within the United States. The Underwriting Agreement permits the Underwriters to offer and resell the Offered Shares that they have acquired pursuant to the Underwriting Agreement to certain “qualified institutional buyers” (as such term is defined in Rule 144A under the 1933 Act) in the United States provided such offers and sales are made in transactions exempt from the registration requirements of the 1933 Act in accordance with Rule 144A under the 1933 Act, and similar exemptions under applicable state securities laws. The Underwriting Agreement also permits the Underwriters to designate institutional accredited investors that meet the criteria in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the 1933 Act to whom the Corporation may sell the Offered Shares in transactions exempt from the registration requirements of the 1933 Act in accordance with Rule 506 of Regulation D under the 1933 Act and similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Offered Shares outside the United States only in accordance with Regulation S under the 1933 Act.

In addition, until 40 days after the commencement of the Offering, any offer or sale of Offered Shares offered within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the 1933 Act.

Certificates representing Offered Shares sold in the United States will bear a legend to the effect that the Offered Shares they represent are not registered under the 1933 Act or any applicable state securities laws in the United States and may not be offered or sold except under certain exemptions from the registration requirements of the 1933 Act.

***Book-Entry Only System***

The Offered Shares will be issued in "book-entry only" form and must be purchased or transferred through a Participant, other than Offered Shares issued to purchasers in the United States, which will be certificated and delivered to such purchasers on the closing date of the Offering. The provisions below under this section will not apply to such purchasers.

Except as otherwise provided herein, on the closing date of the Offering, the Offered Shares will be issued, registered to CDS or its nominee, CDS & Co., and will be deposited with CDS pursuant to the book-entry only system.

Unless the book-entry only system is terminated as described below, a purchaser acquiring a beneficial interest in the Common Shares, will not receive a certificate for Common Shares, unless a certificate is requested. Purchasers of Offered Shares will not be shown on the records maintained by CDS, except through a Participant.

Beneficial interests in Common Shares will be represented solely through the book-entry only system and such interests will be evidenced by customer confirmations of purchase from the registered dealer from which the Common Shares are purchased in accordance with the practices and procedures of that registered dealer. In addition, registration of interests in and transfers of the Common Shares will be made only through the depository service of CDS.

As indirect holders of Common Shares, investors should be aware that they (subject to the situations described below): (a) may not have Common Shares registered in their name; (b) may not have physical certificates representing their interest in the Common Shares; (c) may not be able to sell the Common Shares to institutions required by law to hold physical certificates for securities they own; and (d) may be unable to pledge Common Shares as security.

The Common Shares will be issued to beneficial owners thereof in fully registered and certificate form only if: (a) required to do so by applicable law; (b) the book-entry only system ceases to exist; (c) CDS advises NuVista that CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to the Common Shares and NuVista is unable to locate a qualified successor; or (d) NuVista, at its option, decides to terminate the book-entry only system through CDS.

## CONCURRENT PRIVATE PLACEMENT

NuVista has entered into a letter of intent with Teachers' and Bissett which contemplates that NuVista will, concurrently with the Offering, complete the Concurrent Private Placement with Teachers' and Bissett, pursuant to which Teachers' and Bissett will purchase on a "private placement" basis, 7,000,000 Placement Common Shares at $9.50 per Placement Common Share for gross proceeds to NuVista of $66.5 million. TD Securities Inc. will act as sole and exclusive agent on the proposed private placement. Teachers' beneficially owns, or exercises control or direction over, directly or indirectly, an aggregate of 14,526,249 Common Shares as at February 17, 2011, which represents approximately 16.3% of the issued and outstanding Common Shares. Bissett beneficially owns, or exercises control or direction over, directly or indirectly 11,004,459 Common Shares of NuVista as at February 17, 2011, which represents approximately 12.4% of the issued and outstanding Common Shares.

This short form prospectus does not qualify the distribution of the Placement Common Shares issuable pursuant to the Concurrent Private Placement. The Placement Common Shares issued pursuant to the Concurrent Private Placement will be subject to a statutory hold period. The Concurrent Private Placement is subject to a number of conditions including completion of definitive documentation, the concurrent closing of this Offering, and the approval of the TSX. The TSX has conditionally approved the listing of the Placement Common Shares. Listing of such securities is subject to the Corporation fulfilling all of the requirements of the TSX, including closing the Concurrent Private Placement on or before April 1, 2011. See "*Use of Proceeds*".

## USE OF PROCEEDS

The net proceeds to the Corporation from the sale of the Common Shares hereunder, together with the net proceeds from the sale of the Placement Common Shares, are estimated to be $97.9 million after deducting the fees of $1,496,250 payable to the Underwriters and the estimated expenses of the Offering and the Concurrent Private Placement of $350,000. See "*Plan of Distribution*".

The net proceeds of the Offering and Concurrent Private Placement will initially be used to reduce outstanding indebtedness under the Current Credit Facility, which totalled approximately $455 million as at February 25, 2011. A portion of the funds will be subsequently redrawn, from time to time, as required, to fund part of NuVista's 2011 capital program. NuVista has approved a 2011 capital program of between $160 and $180 million. Approximately $35 million of the 2011 capital program has been allocated to fund an expanded Wapiti Montney capital program (with $70 million allocated over the next 15 months), which will include the drilling of delineation wells to gain a better understanding of the geographical extent of the zone and to further evaluate the economics of the play. The balance of NuVista's 2011 capital program will be allocated to NuVista's "core" capital program of high return oil and liquids-rich natural gas opportunities in its W3M/W4M and Deep Basin Core Regions. See: "*2011 Guidance*", "*Consolidated Capitalization*", "*Relationship Among NuVista and Certain Underwriters*" and "*Risk Factors – Credit Facility Risk*".

The principal purpose for which the indebtedness under the Credit Facility incurred was to fund NuVista's exploration, development and acquisition program. During the nine months ended September 30, 2010, NuVista executed a capital program of approximately $196.5 million (approximately $225 million during the year ended December 31, 2010), with a majority of the funds allocated to exploration and development activities. During the year ended December 31, 2009, NuVista's capital expenditures were $309.9 million, consisting of $83.6 million for exploration and development activities and $226.3 million for acquisitions. For further information on NuVista's capital expenditures, see management's discussion and analysis of the financial condition and results of operations of NuVista as at and for the nine months ended September 30, 2010 and as at and for the years ended December 31, 2009 and December 31, 2008 incorporated herein by reference.

The objective of NuVista's 2011 capital program is to balance near-term operating and financial results with the continued evaluation of oil and liquids-rich natural gas resource play opportunities that have the potential to create future growth. The use of the net proceeds by the Corporation to reduce bank indebtedness and subsequently fund a portion of the Corporation's 2011 capital program is consistent with the Corporation's stated business objectives. Other than the successful completion of the Offering and the Concurrent Private Placement, there is no particular significant event or milestone that must occur for the Corporation's objectives to be accomplished. See "*2011 Guidance*".

While the Corporation intends to use the net proceeds as stated, there may be circumstances that are not known at this time where a reallocation of the net proceeds may be advisable for business reasons that management believes are in the Corporation's best interests.

At this time, management of NuVista is not in a position to accurately estimate the cost of any of these initiatives, however it believes having ready access to capital resources, such as the net proceeds of the Offering and the Concurrent Private Placement, are a key component of the Corporation pursuing and developing its business plan. While NuVista believes that it has the skills and resources necessary to accomplish its stated business objectives and strategic goals, participation in the exploration for and development and appraisal of oil and natural gas has a number of inherent risks. See "*Risk Factors*".

## RELATIONSHIP AMONG NUVISTA AND CERTAIN UNDERWRITERS

TD Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., RBC Dominion Securities Inc. and Scotia Capital Inc. are, directly or indirectly, wholly-owned subsidiaries of Canadian chartered banks (the "**Banks**") that are lenders to NuVista. Accordingly, NuVista may be considered a "connected issuer" of these Underwriters under applicable Canadian securities legislation.

Under the Current Credit Facility NuVista was indebted to the Banks for an aggregate amount of approximately $455 million as at February 25, 2011. NuVista is in compliance with all material terms of the agreements governing the Current Credit Facility, and the Banks have not waived any material breach by NuVista of such agreements since their execution.

The decision to distribute the Offered Shares hereby and the determination of the terms of the Offering were made through negotiations between NuVista and TD Securities Inc., on its own behalf and on behalf of the other Underwriters. Other than TD Securities Inc, the Banks did not have any involvement in such decision or determination, but have been advised of the issuance and terms thereof. As a consequence of the Offering, each of TD Securities Inc. and BMO Nesbitt Burns Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc. will receive its share of the Underwriters' Fee payable by NuVista to the Underwriters.

## INTEREST OF EXPERTS

Certain legal matters relating to the Offering will be passed upon by Burnet, Duckworth & Palmer LLP on behalf of NuVista, and by Stikeman Elliott LLP on behalf of the Underwriters. As of February 24, 2011, the partners and associates of Burnet, Duckworth & Palmer LLP, as a group, and Stikeman Elliott LLP, as a group, own, directly or indirectly, less than 1% of the Common Shares. Grant A. Zawalsky, a director of NuVista, is a partner in Burnet, Duckworth & Palmer LLP.

Reserve estimates contained in this short form prospectus and the documents incorporated by reference into this short form prospectus are based upon reports prepared by GLJ and Sproule Associates Ltd. ("**Sproule**"), independent petroleum consultants. As of the date hereof, the principals of each of GLJ and Sproule, as a group beneficially own, directly or indirectly less than 1% of the Common Shares.

Certain audit reports contained in the documents incorporated by reference herein have been prepared by KMPG LLP, the auditors of NuVista. KPMG LLP are independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta.

## ELIGIBILITY FOR INVESTMENT

In the opinion of Burnet, Duckworth & Palmer LLP, counsel to the Corporation, and Stikeman Elliott LLP, counsel to the Underwriters, based on the provisions of the Tax Act in force on the date hereof, proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and the current published administrative policies and assessing practices of the Canada Revenue Agency, provided the Common Shares are listed on a designed stock exchange (which includes the TSX) at the time of acquisition by a Registered Plan, the Offered Shares will be qualified investments for Registered Plans.

Notwithstanding that the Offered Shares may be a qualified investment for a trust governed by a TFSA, the holder of a TFSA may be subject to a penalty tax if the holder of the TFSA does not deal at arm's length with the Corporation for the purposes of the Tax Act or if the holder has a "significant interest" (as defined in the Tax Act) in the Corporation or a corporation, partnership or trust with which the Corporation does not deal at arm's length for purposes of the Tax Act. Prospective purchasers who intend to hold Offered Shares in a TFSA should consult with their own tax advisors.

## RISK FACTORS

***An investment in Common Shares is subject to certain risks. Investors should carefully consider the risks described under "Risk Factors" in the AIF and the additional risk factors set forth below.***

### Credit Facility Risk

NuVista has the Current Credit Facility as described in Note (1) to the table under the heading "*Capitalization of NuVista*". At present, no principal payments are required under the Current Credit Facility until April 28, 2011. In the event that the Current Credit Facility is not extended before April 28, 2011, the Current Credit Facility will go from a revolving facility to a term facility and the indebtedness will be repayable at the end of the term. There is also a risk that the Current Credit Facility will not be renewed for the same amount or on the same terms. Although NuVista believes that the Current Credit Facility will be sufficient for its immediate requirements, there can be no assurance that the amount will be adequate for NuVista's future financial obligations including its 2011 capital program, or that additional funds will be able to be obtained. Furthermore, any of these events could affect NuVista's ability to fund ongoing operations.

NuVista is required to comply with its covenants under the Current Credit Facility. In the event that NuVista does not comply with its covenants under the Current Credit Facility, its access to capital could be restricted or repayment could be required on an accelerated basis by its lenders, and the ability to fund the Corporation's ongoing operations may be restricted.

As at February 25, 2011, NuVista had approximately $55 million of unused borrowing capability available under the Current Credit Facility.

### Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders of Common Shares to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to NuVista's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by NuVista or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Special Note Regarding Forward-Looking Statements*". In addition, the market price for securities in the stock markets recently experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Common Shares.

## LEGAL PROCEEDINGS

There are no outstanding legal proceedings material to NuVista to which NuVista is a party or in respect of which any of its respective properties are subject, nor are there any such proceedings known to be contemplated.

## AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of NuVista are KPMG LLP, Chartered Accountants, Suite 2700, 205 – 5$^{th}$ Avenue S.W., Calgary, Alberta, T2P 4B9.

The transfer agent and registrar for the Common Shares is Valiant Trust Company at its principal offices in Calgary, Alberta.

## STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the province in which the purchaser resides for the particulars of these rights or consult with a legal advisor.

## AUDITORS' CONSENTS

### Consent of KPMG LLP

To:The Board of Directors of NuVista Energy Ltd.

We have read the short form prospectus dated February 28, 2011 relating to the qualification for distribution of 3,500,000 common shares ("**Common Shares**") of NuVista Energy Ltd. ("**NuVista**"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in above mentioned short form prospectus of our report to the shareholders of NuVista on the consolidated balance sheets of NuVista as at December 31, 2009 and 2008 and the consolidated statements of earnings, comprehensive income and retained earnings and cash flows for the years then ended. Our report is dated March 8, 2010.

Calgary, Alberta
February 28, 2011

(signed) "*KPMG LLP*"
Chartered Accountants

### Consent of PricewaterhouseCoopers LLP

We have read the short form prospectus dated February 28, 2011 relating to the qualification for distribution of 3,500,000 Common Shares ("**Common Shares**") of NuVista Energy Ltd. ("**NuVista**"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in above mentioned short form prospectus of our report to the directors of the vendor of the Martin Creek and NW Alberta Properties on the schedule of revenues, royalties and operating expenses for the years ended December 31, 2008 and 2007. Our report is dated June 16, 2009.

Calgary, Alberta
February 28, 2011

(signed) "*PricewaterhouseCoopers LLP*"
Chartered Accountants

## CERTIFICATE OF NUVISTA

Dated: February 28, 2011

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the Provinces of Canada other than the Province of Québec.

**NUVISTA ENERGY LTD.**

(signed) " *Robert F. Froese*"
Interim President and Chief Executive Officer, Vice President, Finance and Chief Financial Officer and Director

(signed) " *Robert F. Froese*"
Interim President and Chief Executive Officer, Vice President, Finance and Chief Financial Officer and Director

**ON BEHALF OF THE BOARD OF DIRECTORS**

(signed) "*Keith A. MacPhail*"
Director

(signed) "*Ronald J. Poelzer*"
Director

## CERTIFICATE OF THE UNDERWRITERS

Dated: February 28, 2011

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the Provinces of Canada other than the Province of Québec.

**TD Securities Inc.**

By: (signed) "*Bryce Hipp*"

| **BMO Nesbitt Burns Inc.** | **CIBC World Markets Inc** | **Peters & Co. Limited** | **RBC Dominion Securities Inc.** | **Scotia Capital Inc.** |
|---|---|---|---|---|
| By: (signed) "*Kevin Everingham*" | By: (signed) "*Brian D. Heald*". | By: (signed) "*Christopher S. Potter*" | By: (signed) "*Darrell Law*" | By: (signed) "*Rick Eremenko*" |

**FirstEnergy Capital Corp.**

By: (signed) "*Nicholas J. Johnson*"

**Cormark Securities Inc.**

By: (signed) "*Ryan A. Shay*"