

FORM 51-101F3

Report of Management and Directors on Reserves Data and Other Information

Management of Zodiac Exploration Inc. (the "**Company**") is responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements.

The reserves and risk assessment committee of the board of directors of the Company has reviewed the assets, data and position of the Company as of January 25, 2012 and has determined that, as of the last day of the Company's most recently completed financial year, the Company had no reserves.

An independent qualified reserves evaluator has not been retained to evaluate the Company's reserves data as the Company has no reserves as of the last day of the Company's most recently completed financial year and no report of an independent qualified reserves evaluator will be disclosed by the Company for the period from October 1, 2010 to September 30, 2011.

The reserves and risk assessment committee of the board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management of the Company. The board of directors has, upon the recommendation of the reserves and risk assessment committee, approved:

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing information detailing the Company's oil and gas activities;
- (b) the Company not filing form 51-101F2, which is the report of the independent qualified reserves evaluator on reserves data because the Company has no reserves; and
- (c) the content and filing of this report.

Because reserves data are based on judgments regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery. Therefore, based on information available at January 25, 2012, the reserves and risk assessment committee of the board of directors of the Company has determined that the Company had no reserves at that time.

January 25, 2012

(signed) "Murray Rodgers"
Murray Rodgers
President and Chief Executive Officer

(signed) "Louisa DeCarlo"
Louisa DeCarlo
Executive Vice President

(signed) "Robert Cross"
Robert Cross, Director

(signed) "S. Clay Robinson, Jr."
S. Clay Robinson, Jr., Director