Form 51-101F1

McChip Resources Inc.

Statement of Reserves Data
And Other Oil and Gas Information

Effective December 31, 2011.

Prepared October 11, 2012.

Abbreviations and Conversion

In this report, McChip Resources Inc. is referred to as McChip or the Company and the abbreviations set forth below have the meanings shown opposite:

Oil, Natural Gas Liquids and Natural Gas

bbl	barrel	Mcf	thousand cubic feet
bbls	barrels	MMcf	million cubic feet
Mstb	1,000 stock tank barrels	MMBTU	million British Thermal Units
bbl/d	barrels per day	Btu	British Thermal Units
bopd	barrels of oil per day		
stb	stock tank barrels		
NGL	natural gas liquids		

Other

boe	barrel of oil equivalent on the basis of 1 bbl to 6 Mcf of natural gas. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 1 bbl for 6 Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head.
Boe/d	barrel of oil equivalent per day.

Reserves Data and Future Net Revenue

In accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities, Matsalla Consulting (1981) Ltd. ("Matsalla") prepared an independent engineering evaluation, as at December 31, 2010 of the company's oil, gas and condensate[1] interests and reserves. The date of the "Matsalla Report" is June 6, 2012. The Matsalla Report evaluates the Company's oil and gas interests and reserves, located in western Canada, managed and operated by Signalta Resources Limited. The Company's participation is as a minor silent investor in programs owned and operated by Signalta Resources Limited, any reference to revenue or volumes refer to the company's net participatory interest. The tables below summarize the oil, NGL and natural gas reserves of the Company and the net present value of future net revenue attributable to such reserves as evaluated in the Matsalla Report based on forecast price and cost assumptions. The tables summarized the data contained in the Matsalla Report and as a result may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly. **The net present value of future net revenue attributable to the Company's reserves is stated without provision for interest costs and general and administrative costs, but after capital expenditures, and well abandonment costs for only those wells assigned reserves by Matsalla. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to the Company's reserves estimated by Matsalla represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of the Company's oil, NGL and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.**

The Matsalla Report is based on certain factual data supplied by the Company and Matsalla's opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to the Company's petroleum and contracts (except for certain information residing in the public domain) were supplied by Matsalla and accepted without any further investigation. Matsalla accepted this data as presented and neither title searches nor field inspections were conducted.

Disclosure of Net Reserves Data

	Net Reserves			
	Light and Medium Oil	Condensate	Natural Gas Liquids	Natural Gas
	(bbls)	(bbls)	(bbls)	(Mcf)
Proved				
Developed Producing	35,485	6,415	11,360	1,094,298
Developed Non-Producing	-	-	-	-
Undeveloped	-	-	-	-
Total Proved	35,485	6,415	11,360	1,094,298
Probable	-	-	-	-
Total Proved and Probable	35,485	8,450	11,360	1,094,298

[1] Natural gas liquids and condensate are associated with natural gas; however condensate is separated because of separate royalty structures.

Net Present Value of Future Net Revenue of Oil and Gas Reserves

	Before Future Income Tax Expenses and Discounted at				
	0 % ($000)	5% ($000)	10% ($000)	15% ($000)	20% ($000)
Proved					
Developed and producing	2,788	2,158	1,759	1,478	1,276
Developed and non-producing	-	-	-	-	-
Undeveloped	-	-	-	-	-
Total Proved	2,788	2,158	1,759	1,478	1,276
Probable	-	-		-	-
Total Proved plus Probable	2,788	2,158	1,759	1,478	1,276

The company estimates that based on current expenditure plans no income taxes will become payable on income during 2011. If the company continues to expend capital beyond cash flow generation, it is likely that taxes will not become payable so long as such growth continues.

Future Net Revenue by Production Group (Net Present Value and Net Unit Value Basis)

	Before Future Income Tax Expenses and Discounted at 10%			
	Light and Medium Oil[2]	Natural Gas[3]	Light and Medium Oil	Natural Gas
	($000)	($000)	($/bbl)	($mcf)
Total Proved	422	1,337	57.20	3.33
Total Proved plus probable	422	1,337	5720	3.33

Additional Information Concerning Future Net Revenue – (Undiscounted)

	Revenue	Royalties	Operatin g Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Income Taxes
	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)
Total Proved Reserves	9,365	1,078	4,243	675	578	2,791	N/A	2,791
Total Proved plus Probable Reserves	9,365	1,078	4,243	675	578	2,791	N/A	2,791

2 Including solution gas and other by-products

3 Including by-products, but excluding solution gas from oil wells

Pricing Assumptions

Forecast Prices Used In Estimates[4]

Matsalla employed the following pricing and exchange rate assumptions of December 31, 2011 in estimating the Company's reserves data using forecast prices and costs. The prices were provided by Mr. Patrick Matsalla, P. Eng. , and Sproule Associates Limited.

Oil and Liquids Forecast

Year	W.T.I.	Edmonton Light	Bow River Medium	Edmonton Propane	Edmonton Butane	Inflation Rate	U.S. / CDN Exchange Rate
	($US/STB)	($Cdn/STB)	($Cdn/STB)	($Cdn/STB)	($Cdn/STB)	(%)	($US/$Cdn)
Historical							
2006	66.09	73.30	51.54	44.09	59.32	1.5	0.882
2007	72..27	77.06	53.16	49.53	63.71	2.0	0.935
2008	99.59	102.85	83.85	58.80	75.09	1.1	0.943
2009	61.63	66.20	59.71	38.25	49.34	2.0	0.880
2010	79.43	77.80	68.26	44.35	57.99	1.2	0.971
2011	95.00	95.16	78.30	50.17	70.93	1.5	1.012
Forecast							
2012	98.07	96.87	82.34	53.51	72.20	2.0	1.012
2013	94.90	93.75	79.69	52.29	69.87	2.0	1.012
2014	92.00	90.89	77.25	50.99	67.74	2.0	1.012
2015	97.42	96.23	81.80	54.77	71.73	2.0	1.012
2016	103.94	98.16	83.44	55.79	73.16	2.0	1.012
…..escalate @ 2.0% per year thereafter…..							…..1.012 thereafter….

Natural Gas Price Forecast

			Alberta Plantgate				B.C. Plantgate
Year	Henry Hub Spot	AECO-C Hub	Alberta Gas Reference Price	Pan Alberta	Progas	Wellhead Spot	Spot
	($US)	($Cdn)	($Cdn)	($Cdn)	($Cdn)	($Cdn)	($Cdn)
Historical							
2006	7.23	7.16	6.56	6.56	5.85	6.57	6.58
2007	6.86	6.65	6.20	6.04	6.00	6.34	6.40
2008	9.04	8.15	7.88	7.91	7.33	8.08	8.20
2009	4.01	4.19	3.85	3.35	3.29	3.91	4.17
2010	4.39	4.16	3.88	3.37	3.04	3.14	4.01
2011	4.44	4.04	3.82	3.26	3.36	3.34	3.98
Forecast							
2012	5.01	4.66	4.46	3.98	3.98	4.02	4.60
2013	5.32	4.99	4.82	4.41	4.31	4.41	4.93
2014	6.08	6.58	6.42	6.05	5.90	6.05	6.52
2015	7.00	5.23	6.53	6.16	6.01	6.16	6.63
2016	6.07	5.65	5.42	4.96	4.97	5.09	5.71
….escalate at 1.5% thereafter……							

[4] 2006-2010 historical aggregator prices shown are prior to receipt transportation deduction. Forecast prices are plantgate assuming $0.20/MMBTU receipt transportation deduction. Historical weighted average prices cannot be calculated or determined.

Reconciliations of Changes in Reserves

Reserves Reconciliation

The table below sets forth a reconciliation of the Company's proved, probable and total proved plus probable net reserves as at December 31, 2011 against such reserves as at December 31, 2008 based on forecast price and cost assumptions as provided in the Matsalla Report.

	Oil			Condensate		
	Proved	Probable	Proved plus Probable	Proved	Probable	Proved Plus Probable
	(Bbls)	(Bbls)	(Bbls)	(Bbls)	(Bbls)	(Bbls)
December 31, 2010	41,922	-	41,922	8,450	-	8,450
Extensions						
Improved Recovery						
Infill Drilling						
Technical Revisions						
Discoveries						
Acquisitions						
Dispositions						
Economic Factors	(5,992)		(5,992)	(2,035)		(2,035)
Production	(445)		(445)	-		-
December 31, 2011	35,485	-	35,485	6,415	-	6,415
	Natural Gas			Natural Gas Liquids		
	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable
	(Mmcf)	(Mmcf)	(Mmcf)	(Bbls)	(Bbls)	(Bbls)
December 31, 2009.	1,206	-	1,206	12,491	-	12,491
Extensions						
Improved Recovery						
Infill Drilling						
Technical Revisions						
Discoveries						
Acquisitions	214	-	214	-	-	-
Dispositions						
Economic Factors				(818)		(818)
Production	(326)		(326)	(313)		(313)
December 31, 2011	1,094	-	1,094	11,360	-	11,360

Additional Information Relating to Reserves Data

Significant Factors or Uncertainties

The process of estimating reserves is complex. It requires significant judgments and decisions based on available geological, geophysical, engineering, and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecast prices and economic conditions. The Company's reserves are evaluated by Matsalla Consulting (1981) Ltd., an independent engineering firm.

As circumstances change and additional data becomes available, reserve estimates also change. Estimates made are reviewed and revised, upward or downward, as warranted by new information. Revisions are often required due to changes in well performance, prices, economic conditions and governmental restrictions.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and gas prices, and reservoir performance. Such revisions can impact either positively or negatively.
Oil and gas prices are determined based on world demand, supply and other factors, all of which are beyond the control of the Company. World prices for oil and gas have fluctuated widely in recent years. Any material decline in prices could result in a reduction of net production revenue. Certain wells or other projects may become uneconomic as a result of a decline in world oil and gas prices, leading to a reduction in the value of the Company's reserves, if any are found in the future.

The Company's oil and gas investments have inherent risks and uncertainties by nature, and to the extent that the Company is not the operator of its oil and gas properties, the company is dependent on such operators for the timing of activities related to such properties and will largely be unable to direct or control the activities of the operators.

The Company may have limited ability to expend the capital necessary to participate in future investing opportunities in oil and gas properties. There can be no assurance that debt or equity financing or cash generated from operations will be available or sufficient to meet these requirements or for other corporate purposes or if equity financing is available, that it will be on terms acceptable to the Company.

Future Development Costs.

	Forecast Prices and Costs	
	Proved Reserves	Proved Plus Probable Reserves
	($000)	($000)
2012	150	150
2013	150	150
2014	150	150
2015	125	125
Remaining Years	100	100
Total Undiscounted	675	675

The Company estimates that its internally generated cash flow will be sufficient to fund the future development costs disclosed above. The Company typically utilizes two types of funding to finance its capital expenditure program: internally generated cash flow from operations and short term operating loans when considered appropriate.

Other Oil and Gas Information
The Company's invests in the oil and gas industry by means of participation agreements with Signalta Resources Limited ("Signalta") a private company located in Calgary, Alberta. Typically, the Company invests from less than 1% to 1% of the annual expenditures proposed by Signalta. The program proposed by Signalta could involve drilling new wells and or purchasing existing production from other operating companies. The Company, by agreement, does not exercise joint control or have influence over Signalta, operator of the oil and gas programs. The well investments are all in Western Canada, with the majority being in the Province of Alberta.

Oil and Gas Properties and Wells

The following table summarizes the Company's interest in producing and non-producing wells at the date of this disclosure:

	Oil & Gas Wells			
	Producing		Non-Producing	
	Gross	Net	Gross	Net
Signalta Managed	2,743	8.12	N/A	N/A
Total	2,743	8.12	N/A	N/A

Tax Horizon

The company estimates that based on current expenditure plans no income taxes will become payable on McChip's income during 2011.

Costs Incurred

The table below summarizes the Company's acquisition costs, exploration costs and development costs for the year ended December 31, 2011.

Property Acquisition Costs			
Proven Properties	Unproven Properties	Exploration Costs	Development Costs
($000)	($000)	($000)	($000)
127	N/A	N/A	24

Production Estimates

The following table discloses for each product type the total volume of production estimated by Matsalla Consulting (1981) Ltd. for 2009 in the estimates of future net revenue from proven revenues disclosed above under the heading "Reserves Data and Future Net Revenue".

2012 Production Volume Estimates – Forecast Prices and Costs				
	Light and Medium Crude Oil	Natural Gas Liquids	Natural Gas	BOE
	(bbl/d)	(bbl/d)	(Mcf/d)	(Boe/d)
Total Proved	9.4	23.1	141.6	56.1
Total Proved Plus Probable	9.4	23.1	141.6	56.1

For the most recent financial year, the company discloses below the average daily production volume, as well as an average per unit of volume: i) the prices received, ii) royalties paid, iii) production costs, and iv) the resulting netback. The average 2011 production consisted of 22.0% crude oil, condensate and other, and 78.0% natural gas.

2011 Production History[5]	
Average Daily Production	
Light and medium oil (bopd)	17.68
Natural gas (boe/d)	59.40
Prices received ($/boe)	58.40
Royalties paid ($/boe)	10.90
Production costs ($boe)	21.66
Netback ($/boe)	25.84

[5] Some items are not available from the operator and cannot be calculated or determined.