

FORM 51-101F1
STATEMENT OF RESERVES DATA AND
OTHER OIL AND GAS INFORMATION
OF
LABRADOR RESOURCES INC.

Statements in this document may contain forward-looking information. Estimates provided beyond October 31, 2024 are based on assumptions of future events and actual results could vary significantly from these estimates. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Corporation. The reader is cautioned not to place undue reliance on this forward-looking information.

Part 1 DATE OF STATEMENT

Item 1.1 Relevant Dates

The effective date of the information provided in this Statement of Reserves Data and Other Oil and Gas Information (Form 51-101F1) (the “**Statement**”) is October 31, 2024, and is for the year ended October 31, 2024, unless otherwise indicated. The preparation date of the information being provided in this Statement is Mar 17th, 2025.

Part 2 DISCLOSURE OF RESERVES DATA

Boury Global Energy Consultants Ltd. (“**Boury**”), independent petroleum consultants, of Calgary, Alberta has prepared a report dated February 11, 2025 (the “**Report**”) in which it has evaluated, as of October 31, 2024, the oil and natural gas reserves attributable to the principal properties of Labrador Resources Inc. (“**Labrador**” or the “**Corporation**”).

The Report also presents the estimated net value of future revenue of Labrador's properties before and after taxes, at various discount rates. Assumptions and qualifications relating to costs, prices for future production and other matters are summarized in the notes to the following tables.

The extent and nature of all information supplied by Labrador and/or the operator of its properties, which may have included ownership data, well information, geological information, reservoir studies, timing and future production, gas sales contract information, current product prices, operating cost data, capital budget forecasts and future operating plans, have been relied upon in preparing the Report and were accepted as represented without independent verification. In the absence of such information, Boury relied, with the approval of Labrador, upon its opinion of reasonable practice in the industry. All information provided to Boury was as of October 31, 2024, and, accordingly, certain of such information may not be representative of current conditions.

The definitions of the various categories of reserves and expenditures are those set out in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (“**NI 51-101**”).

It should not be assumed that the present worth of estimated future net revenue represents the fair market value of the reserves. There is no assurance that the escalating price and cost assumptions contained in the Report will be attained and variances could be material. The reserve and revenue estimates set forth below are estimates only and the actual reserves and realized revenue may be greater or less than those calculated.

Item 2.1 Reserves Data (Forecast Prices and Costs)

The following table discloses, in the aggregate, the Corporation's gross and net proved reserves, estimated using forecast prices and costs, by product type. "Forecast prices and costs" means future prices and costs used by Boury in the Report that are generally accepted as being a reasonable outlook of the future, or fixed or currently determinable future prices or costs to which the Corporation is bound.

LABRADOR RESOURCES INC.
SUMMARY OF OIL AND GAS RESERVES
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| RESERVES CATEGORY | RESERVES | | | | | | | |
|-----------------------------------|------------------------------------|---------------------|-----------------------|---------------------|------------------------------|-------------------|-----------------------|---------------------|
| | Light Crude Oil & Medium Crude Oil | | Heavy Crude Oil | | Conventional Natural Gas (1) | | Natural Gas Liquids | |
| | Gross (2) (Mbbbls) | Net (3) (Mbbbls) | Gross (2) (Mbbbls) | Net (3) (Mbbbls) | Gross (2) (MMcf) | Net (3) (MMcf) | Gross (2) (Mbbbls) | Net (3) (Mbbbls) |
| PROVED | | | | | | | | |
| Developed Producing | - | - | - | - | - | - | - | - |
| Developed Non-Producing | - | - | 9 | 7 | - | - | - | - |
| Undeveloped | - | - | 57 | 47 | - | - | - | - |
| TOTAL PROVED | - | - | 66 | 54 | - | - | - | - |
| Probable | - | - | 24 | 17 | - | - | - | - |
| TOTAL PROVED + PROBABLE | - | - | 90 | 71 | - | - | - | - |
| Possible | - | - | 23 | 17 | - | - | - | - |
| TOTAL PROVED + PROB + POSS | - | - | 113 | 88 | - | - | - | - |

- (1) Estimates of reserves of natural gas include associated and non-associated gas.
- (2) "Gross Reserves" are Company's working interest reserves before the deduction of royalties.
- (3) "Net Reserves" are Company's working interest reserves after deductions of royalty obligations plus the Company's royalty interests.

Note: The numbers in this table may not add exactly due to rounding.

The following table discloses, in the aggregate, the net present value of the Corporation's future net revenue attributable to the reserves categories in the previous table, estimated using forecast prices and costs, before and after deducting future income tax expenses, and calculated without discount and using discount rates of 5%, 10%, 15% and 20%.

LABRADOR RESOURCES INC.
SUMMARY OF NET PRESENT VALUE OF FUTURE NET REVENUE
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| RESERVES CATEGORY | Net Present Value (NPV) of Future Net Revenue (FNR) | | | | | | | | | | Unit Value BFIT Disc. @ 10%/Yr (\$/BOE) |
|-----------------------------------|---|------------|-------------|-------------|-------------|---|------------|-------------|-------------|-------------|--|
| | Before Income Taxes - Discounted at (%/yr) | | | | | After Income Taxes - Discounted at (%/yr) | | | | | |
| | 0 (M\$) | 5 (M\$) | 10 (M\$) | 15 (M\$) | 20 (M\$) | 0 (M\$) | 5 (M\$) | 10 (M\$) | 15 (M\$) | 20 (M\$) | |
| PROVED | | | | | | | | | | | |
| Developed Producing | (62) | (59) | (57) | (54) | (52) | (62) | (59) | (57) | (54) | (52) | - |
| Developed Non-Producing | 114 | 108 | 103 | 98 | 93 | 114 | 108 | 103 | 98 | 93 | 15.63 |
| Undeveloped | 960 | 816 | 698 | 598 | 516 | 960 | 816 | 698 | 598 | 516 | 14.68 |
| TOTAL PROVED | 1,012 | 865 | 744 | 642 | 557 | 1,012 | 865 | 744 | 642 | 557 | 13.75 |
| Probable | 679 | 590 | 517 | 459 | 410 | 679 | 590 | 517 | 459 | 410 | 30.12 |
| TOTAL PROVED + PROBABLE | 1,691 | 1,455 | 1,261 | 1,101 | 967 | 1,691 | 1,455 | 1,261 | 1,101 | 967 | 17.69 |
| Possible | 698 | 602 | 526 | 465 | 415 | 698 | 602 | 526 | 465 | 415 | 31.85 |
| TOTAL PROVED + PROB + POSS | 2,389 | 2,057 | 1,787 | 1,566 | 1,382 | 2,389 | 2,057 | 1,787 | 1,566 | 1,382 | 20.35 |

NPV of FNR includes all resource income: Sale of oil, gas, by-product reserves; Processing of third party reserves; Other income.

Income Taxes includes all resource income, appropriate income tax calculations and prior tax pools.

The unit values are based on net reserve volumes before income tax (BFIT).

Note: The numbers in this table may not add exactly due to rounding.

This table discloses, in the aggregate, certain elements of the Corporation's future net revenue attributable to its proved reserves, its proved plus probable reserves and its proved plus probable plus possible reserves, estimated using forecast prices and costs, and calculated without discount.

LABRADOR RESOURCES INC.
TOTAL FUTURE NET REVENUE (Undiscounted)
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| RESERVES CATEGORY | Revenue (M\$) | Royalties (M\$) | Operating Cost (2) (M\$) | Development Costs (M\$) | Aband. & Reclamation Costs (M\$) | BT Future Net Revenue (1) (M\$) | Income Taxes (M\$) | AT Future Net Revenue (1) (M\$) |
|----------------------------|------------------|--------------------|--------------------------------|-------------------------------|---|---------------------------------------|-----------------------|---------------------------------------|
| PROVED DEVELOPED PRODUCING | - | - | - | - | 62 | (62) | - | (62) |
| PROVED DEVELOPED | 595 | 157 | 266 | 36 | 84 | 52 | - | 52 |
| TOTAL PROVED | 4,549 | 818 | 1,774 | 814 | 131 | 1,012 | - | 1,012 |
| TOTAL PROVED + PROBABLE | 6,222 | 1,281 | 2,304 | 814 | 132 | 1,691 | - | 1,691 |
| TOTAL PROVED + PROB + POSS | 7,858 | 1,754 | 2,769 | 814 | 133 | 2,389 | - | 2,389 |

(1) BT = Before Taxes and AT = After Taxes.

(2) Operating cost less processing and other income.

Note: The numbers in this table may not add exactly due to rounding.

This table discloses, by production group, the net present value of the Corporation's future net revenue attributable to its proved reserves, its proved plus probable reserves and its proved plus probable plus possible reserves, before deducting future income tax expenses, estimated using forecast prices and costs, and calculated using a 10% discount rate.

LABRADOR RESOURCES INC.
NET PRESENT VALUE OF FUTURE NET REVENUE BY PRODUCT TYPE
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| RESERVES CATEGORY | PRODUCT TYPE | BFIT Future Net Revenue Discounted (10%Yr)(1) (M\$) | UNIT VALUE(1) (\$/BOE) |
|----------------------|--|---|---------------------------|
| PROVED | Bitumen | - | - |
| | Coal Bed Methane | - | - |
| | Conventional Natural gas (including by-products but excluding solution gas and by-products from oil wells) | - | - |
| | Gas Hydrates | - | - |
| | Heavy Crude Oil (including solution gas and other by-products) | 744 | 13.75 |
| | Light Crude Oil & Medium Crude Oil (including solution gas and other by-products) | - | - |
| | Natural Gas Liquids | - | - |
| | Shale Gas | - | - |
| | Synthetic Crude Oil | - | - |
| | Synthetic Gas | - | - |
| | Tight Oil | - | - |
| | TOTAL | 744 | 13.75 |
| PROVED + PROBABLE | Bitumen | - | - |
| | Coal Bed Methane | - | - |
| | Conventional Natural gas (including by-products but excluding solution gas and by-products from oil wells) | - | - |
| | Gas Hydrates | - | - |
| | Heavy Crude Oil (including solution gas and other by-products) | 1,261 | 17.69 |
| | Light Crude Oil & Medium Crude Oil (including solution gas and other by-products) | - | - |
| | Natural Gas Liquids | - | - |
| | Shale Gas | - | - |
| | Synthetic Crude Oil | - | - |
| | Synthetic Gas | - | - |
| | Tight Oil | - | - |
| | TOTAL | 1,261 | 17.69 |
| PROVED + PROB + POSS | Bitumen | - | - |
| | Coal Bed Methane | - | - |
| | Conventional Natural gas (including by-products but excluding solution gas and by-products from oil wells) | - | - |
| | Gas Hydrates | - | - |
| | Heavy Crude Oil (including solution gas and other by-products) | 1,787 | 20.35 |
| | Light Crude Oil & Medium Crude Oil (including solution gas and other by-products) | - | - |
| | Natural Gas Liquids | - | - |
| | Shale Gas | - | - |
| | Synthetic Crude Oil | - | - |
| | Synthetic Gas | - | - |
| | Tight Oil | - | - |
| | TOTAL | 1,787 | 20.35 |

(1) The unit values are based on net reserve volumes before income tax (BFIT).

Note: The numbers in this table may not add exactly due to rounding.

Part 3 PRICING ASSUMPTIONS

Item 3.2 Forecast Prices Used in Estimates

The forecast reference prices used in preparing Labrador's reserves data are provided in the below table.

In 2024, Labrador did not have any production or revenue.

BOURY GLOBAL ENERGY CONSULTANTS PRICE FORECAST
Effective Date as of September 30, 2024

| YEAR | INFLATION % | EXCHANGE RATE USD/CAD | WTI | | LIGHT OIL | | WESTERN CANADIAN | | NYMEX | AECO-C SPOT \$/MMBtu | EDMONTON | | | | PLANT GATE |
|-------|----------------|-----------------------------|-----------------------------|---------------------------|-----------------|--------------------|------------------------------------|------------------------------------|---------------------------|----------------------------|----------------------------|---------------------------|----------------------------|---------------------------|------------|
| | | | UNESC Constant \$/bbl | WTI @CUSHING \$/bbl | BRENT \$/bbl | EDMONTON \$/bbl | SELECT (WCS) 20.5 API \$/bbl | Henry Hub Reference \$/MMBtu | ETHANE PRICE \$/bbl | | PROPANE PRICE \$/bbl | BUTANE PRICE \$/bbl | PENTANES PLUS \$/bbl | SULPHUR PRICE \$/LT | |
| | | | | | | | | | | | | | | | |
| 2017 | 0.0 | 0.760 | 50.84 | 50.84 | 54.80 | 61.16 | 50.49 | 3.02 | 2.19 | 6.12 | 25.08 | 40.98 | 65.44 | 46.27 | |
| 2018 | 0.0 | 0.780 | 64.90 | 64.90 | 71.34 | 79.95 | 52.21 | 3.11 | 1.53 | 4.00 | 28.78 | 38.37 | 87.14 | 47.19 | |
| 2019 | 0.0 | 0.754 | 56.12 | 56.12 | 63.52 | 67.83 | 58.76 | 2.58 | 1.80 | 6.78 | 19.15 | 24.89 | 71.86 | 59.06 | |
| 2020 | 0.0 | 0.745 | 39.23 | 39.23 | 41.75 | 45.20 | 35.50 | 2.13 | 2.25 | 5.42 | 16.40 | 22.15 | 49.15 | 2.81 | |
| 2021 | 0.0 | 0.790 | 67.95 | 67.95 | 70.60 | 80.04 | 68.62 | 3.71 | 3.55 | 10.08 | 43.22 | 51.22 | 85.64 | 2.56 | |
| 2022 | 0.0 | 0.770 | 94.90 | 94.90 | 100.93 | 120.65 | 99.45 | 6.40 | 5.55 | 15.68 | 50.67 | 61.53 | 123.06 | 132.89 | |
| 2023 | 3.9 | 0.740 | 77.55 | 77.55 | 82.05 | 100.20 | 83.20 | 2.67 | 2.57 | 15.03 | 29.46 | 45.59 | 103.21 | 21.42 | |
| 2024 | 0.0 | 0.750 | 70.00 | 70.00 | 75.00 | 89.33 | 76.14 | 2.50 | 1.70 | 6.25 | 23.23 | 38.41 | 82.19 | 58.00 | |
| 2025 | 2.0 | 0.750 | 70.00 | 71.50 | 76.50 | 91.33 | 77.32 | 3.10 | 2.50 | 9.13 | 24.66 | 41.10 | 87.68 | 91.25 | |
| 2026 | 2.0 | 0.750 | 70.00 | 74.50 | 78.50 | 93.33 | 79.11 | 3.50 | 3.04 | 13.07 | 27.07 | 43.87 | 93.33 | 93.44 | |
| 2027 | 2.0 | 0.750 | 75.00 | 79.00 | 82.50 | 98.33 | 83.88 | 3.85 | 3.50 | 14.75 | 29.50 | 47.20 | 99.32 | 94.90 | |
| 2028 | 2.0 | 0.750 | 75.00 | 81.00 | 84.50 | 101.00 | 86.25 | 4.35 | 4.17 | 15.15 | 30.30 | 50.50 | 101.00 | 100.78 | |
| 2029 | 2.0 | 0.750 | 82.00 | 82.00 | 85.50 | 101.33 | 86.18 | 4.44 | 4.29 | 15.20 | 30.40 | 50.67 | 101.33 | 102.79 | |
| 2030 | 2.0 | 0.750 | 82.00 | 83.50 | 87.21 | 103.33 | 87.96 | 4.53 | 4.40 | 15.50 | 31.00 | 51.67 | 103.33 | 104.85 | |
| 2031 | 2.0 | 0.750 | 82.00 | 85.17 | 88.95 | 105.56 | 89.98 | 4.62 | 4.53 | 15.83 | 31.67 | 52.78 | 105.56 | 109.76 | |
| 2032 | 2.0 | 0.750 | 82.00 | 86.87 | 90.73 | 107.83 | 92.02 | 4.71 | 4.65 | 16.17 | 32.35 | 53.92 | 107.83 | 111.95 | |
| 2033 | 2.0 | 0.750 | 82.00 | 88.61 | 92.55 | 110.15 | 95.15 | 4.80 | 4.77 | 16.52 | 33.04 | 55.07 | 110.15 | 114.19 | |
| 2034 | 2.0 | 0.750 | 82.00 | 90.38 | 94.40 | 111.51 | 96.51 | 4.90 | 4.90 | 16.73 | 33.45 | 55.76 | 111.51 | 116.48 | |
| 2034+ | | | | | | | | | | | | | | | |

escalate oil, gas and product prices at 2.0% per year thereafter

Disclaimer: This price forecast is an estimate of future pricing and should be used at his/her own risk.

BGEC and its officers, directors and employees shall not be held responsible or liable for any use of the above information.

Part 4 RECONCILIATION OF CHANGES IN RESERVES

Item 4.1 Reserves Reconciliation

The following table provides a reconciliation of Labrador's net reserves.

RESERVES RECONCILIATION - FORECAST PRICE SCENARIO COMPANY SHARE GROSS

Effective Date: October 31, 2024

| | Total Oil (MBBL) | Light/Med Oil (MBBL) | Heavy Oil (MBBL) | Sales Gas (MMCF) | NGL (MBBL) | TOTAL MBOE |
|------------------------------------|---------------------|-------------------------|---------------------|---------------------|---------------|---------------|
| TOTAL PROVED | | | | | | |
| Opening Balance (Oct. 31, 2023)*** | 66 | - | 66 | - | - | 66 |
| Extensions | - | - | - | - | - | - |
| Improved Recovery | - | - | - | - | - | - |
| Technical Revisions* | - | - | - | - | - | - |
| Discoveries | - | - | - | - | - | - |
| Acquisitions** | - | - | - | - | - | - |
| Dispositions** | - | - | - | - | - | - |
| Economic Factors *** | - | - | - | - | - | - |
| Production | - | - | - | - | - | - |
| Closing Balance (Oct. 31, 2024) | 66 | - | 66 | - | - | 66 |
| TOTAL PROBABLE | | | | | | |
| Opening Balance (Oct. 31, 2023)*** | 24 | - | 24 | - | - | 24 |
| Extensions | - | - | - | - | - | - |
| Improved Recovery | - | - | - | - | - | - |
| Technical Revisions* | - | - | - | - | - | - |
| Discoveries | - | - | - | - | - | - |
| Acquisitions** | - | - | - | - | - | - |
| Dispositions** | - | - | - | - | - | - |
| Economic Factors *** | - | - | - | - | - | - |
| Production | - | - | - | - | - | - |
| Closing Balance (Oct. 31, 2024) | 24 | - | 24 | - | - | 24 |
| TOTAL PROVED + PROBABLE | | | | | | |
| Opening Balance (Oct. 31, 2023)*** | 90 | - | 90 | - | - | 90 |
| Extensions | - | - | - | - | - | - |
| Improved Recovery | - | - | - | - | - | - |
| Technical Revisions* | - | - | - | - | - | - |
| Discoveries | - | - | - | - | - | - |
| Acquisitions** | - | - | - | - | - | - |
| Dispositions** | - | - | - | - | - | - |
| Economic Factors *** | - | - | - | - | - | - |
| Production | - | - | - | - | - | - |
| Closing Balance (Oct. 31, 2024) | 90 | - | 90 | - | - | 90 |
| TOTAL PROVED + PROB + POSS | | | | | | |
| Opening Balance (Oct. 31, 2023)*** | 113 | - | 113 | - | - | 113 |
| Extensions | - | - | - | - | - | - |
| Improved Recovery | - | - | - | - | - | - |
| Technical Revisions* | - | - | - | - | - | - |
| Discoveries | - | - | - | - | - | - |
| Acquisitions** | - | - | - | - | - | - |
| Dispositions** | - | - | - | - | - | - |
| Economic Factors *** | 0 | - | 0 | - | - | 0 |
| Production | - | - | - | - | - | - |
| Closing Balance (Oct. 31, 2024) | 113 | - | 113 | - | - | 113 |

The numbers in this table may not exactly add due to rounding.

* Includes technical revisions due to reservoir performance, geological and engineering changes and working interest changes resulting from the timing of interest reversions.

** Includes production attributable to any acquired interests from the acquisition date to effective date of the report and production realized from disposed interests from the opening balance date to the effective date of disposition.

*** includes economic revisions related to price, operating cost, royalty factor changes and change in economic limits

Part 5 ADDITIONAL INFORMATION RELATING TO RESERVES DATA**Item 5.1 Undeveloped Reserves**

The following discussion generally describes the basis on which Labrador attributes proved and probable undeveloped reserves and its plans for developing those undeveloped reserves.

Proved Undeveloped Reserves

Proved undeveloped reserves are generally those reserves related to wells that have been tested and not yet tied-in, wells drilled near the end of the fiscal year, wells further away from gathering systems or wells that have been drilled and not yet equipped. In addition, such reserves may relate to planned infill-drilling locations, new completions and recompletions.

Probable Undeveloped Reserves

Probable undeveloped reserves are generally reserves tested or indicated by analogy to be productive, infill drilling locations and lands contiguous to production.

Item 5.2 Significant Factors or Uncertainties

Boury conducted its independent engineering evaluation on Labrador's reserves as of October 31, 2024. The process of establishing reserves 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 become available and as economic conditions impacting oil and gas prices and costs change.

As circumstances change and additional data become available, reserve estimates also change. Estimates made are reviewed and revised, either upward or downward, as warranted by the 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.

Item 5.3 Future Development Costs

The following table provides information regarding the development costs deducted in the estimation of future net revenue attributable to the Corporation's reserves.

LABRADOR RESOURCES INC.
FUTURE DEVELOPMENT COSTS (1)
EFFECTIVE DATE AS OF OCTOBER 31, 2024

| | Forecast Prices & Costs | |
|-------------------------|---------------------------|--------------------------------------|
| | For Proved Reserves (M\$) | For Proved + Probable Reserves (M\$) |
| <u>YEAR</u> | | |
| 2024 | - | - |
| 2025 | 814 | 814 |
| 2026 | - | - |
| 2027 | - | - |
| 2028 | - | - |
| <u>REMAINING</u> | - | - |
| TOTAL | 814 | 814 |
| Undiscounted | 814 | 814 |
| Discounted @ 10% | 672 | 672 |

(1) Future Development Costs shown are associated with booked reserves in the Reserves Report and do not necessarily represent the Company's full exploration and development budget.

Note: The numbers in this table may not add exactly due to rounding.

The Corporation expects that such funds will be obtained from internally generated cash flow and equity financing.

Part 6 OTHER OIL AND GAS INFORMATION

Item 6.1 Oil and Gas Properties and Wells

ATLEE BUFFALO, ALBERTA

As of October 31, 2024, Labrador had a 51% working interest in 256 hectares of land in the Atlee Buffalo area of Alberta. In 2024, Labrador did not drill or complete any wells at the Atlee Buffalo property.

The following table shows information regarding the Corporation's wells at October 31, 2024.

LABRADOR RESOURCES INC.
OIL AND GAS WELLS

| | Producing Oil | | Non-Producing(3) Oil | | Producing Gas | | Non-Producing(3) Gas | |
|--------------|---------------|----------|----------------------|------------|---------------|----------|----------------------|------------|
| | Gross (1) | Net (2) | Gross (1) | Net (2) | Gross (1) | Net (2) | Gross (1) | Net (2) |
| Wells | | | | | | | | |
| Alberta | - | - | 6.0 | 3.0 | - | - | 2.0 | 1.0 |
| TOTAL | - | - | 6.0 | 3.0 | - | - | 2.0 | 1.0 |

- (1) "Gross" wells means the number of wells in which the Corporation has a working interest or a royalty interest that may be converted to a working interest
- (2) "Net" wells means the aggregate number of wells obtained by multiplying each gross well by the Corporation's percentage working interest therein
- (3) "Non-Producing" wells does not include plugged and cemented wells, abandoned wells, and cut and capped wells

Item 6.2 Properties with No Attributed Reserves

The following table summarizes, effective October 31, 2024, the gross and net acres of unproved properties in which Labrador has an interest and also the number of net acres for which Labrador's rights to explore, develop or exploit will, absent further action, expire within one year.

| | <u>Gross Undeveloped Acres</u> | <u>Net Undeveloped Acres</u> | <u>Net Undeveloped Acres Expiring within One Year</u> |
|---------|------------------------------------|----------------------------------|---|
| Alberta | 640 | 245 | Nil |

Item 6.3 Forward Contracts

Labrador is not currently party to any forward sale contracts.

Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs

Labrador estimates the costs to abandon and reclaim all its shut-in and producing wells, pipelines and facilities. Labrador's model for estimating the amount and timing of future abandonment and reclamation expenditures was created on an operating area level. Estimated expenditures are based on the Alberta Energy Regulator ("AER") Licensee Liability Rating program ("LLR") methodology which details the cost of abandonment and reclamation costs on a well-by-well basis. The cumulative yearly costs that will be incurred for producing wells are based on the reserve lives of each well provided by Boury. The cumulative yearly costs that will be incurred for suspended wells are based on AER Directive 13 and Directive 20 guidelines and Labrador's actual experience with abandoning similar wells. Abandonment costs (excluding salvage values) associated with wells to which reserves were attributed, were deducted by Boury in estimating future net revenue and value in the Reserves Reports.

LABRADOR RESOURCES INC.
ABANDONMENT & RECLAMATION COSTS
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| | Total Abandonment and Reclamation Costs Including Well Abandonment and Disconnect Costs (M\$) |
|--|--|
| Total Proved Reserves (Yr) | |
| 2024 | - |
| 2025 | 62 |
| 2026 | - |
| 2027 | - |
| 2028 | 22 |
| Remaining | 47 |
| Undiscounted Total | 131 |
| Discounted @ 10% | 85 |
| Proved + Probable Reserves (Yr) | |
| 2024 | - |
| 2025 | 62 |
| 2026 | - |
| 2027 | - |
| 2028 | - |
| Remaining | 70 |
| Undiscounted Total | 132 |
| Discounted @ 10% | 82 |

Note: The numbers in this table may not add exactly due to rounding.

Item 6.5 Tax Horizon

The Corporation was not required to pay income taxes the year-end, October 31, 2024. Based on a strategy of re-investing fully all internally generated cash flow in an exploration and development program and using its existing income tax pools, Labrador estimates that it will not be required to pay income taxes on Total Proved Reserves.

Item 6.6 Costs Incurred

Labrador did not incur expenditure on the Atlee Buffalo property during the year ended October 31, 2024.

Item 6.7 Exploration and Development Activities

Labrador did not drill or complete any wells during the year ended October 31, 2024.

Item 6.8 Production Estimates

The following table summarizes the Corporation's estimated production volumes for 2024 for each product type:

LABRADOR RESOURCES INC.
SUMMARY OF PRODUCTION ESTIMATES BY PRODUCTION GROUP
TOTAL PROVED AND PROBABLE RESERVES FOR YEAR 2024
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| RESERVES CATEGORY | Forecast Prices & Costs | | |
|---|------------------------------------|------------------------------------|------------------------------------|
| | Total Proved | Probable | Total Proved + Probable |
| | Company Gross Daily Production (2) | Company Gross Daily Production (2) | Company Gross Daily Production (2) |
| Light Crude Oil & Medium Crude Oil (bbl/d) | - | - | - |
| Heavy Crude Oil (bbl/d) | - | - | - |
| Associated and Non-Associated Natural Gas (Mcf/d) | - | - | - |
| Natural Gas Liquids (bbl/d) | - | - | - |
| TOTAL (1) (boe/d) | - | - | - |

(1) Barrels of Oil Equivalent (boe) have been reported based on natural gas conversion of 5.7 Mcf/1 bbl.

(2) Company gross production is Company interest before all royalty deductions.

Note: The numbers in this table may not add exactly due to rounding.

LABRADOR RESOURCES INC.
SUMMARY OF COMPANY SHARE GROSS PRODUCTION ESTIMATES (1) BY FIELD
TOTAL PROVED RESERVES FOR YEAR 2024
EFFECTIVE DATE AS OF OCTOBER 31, 2024 (FORECAST PRICES & COSTS)

| FIELD | Light & Medium Crude Oil (bbl/d) | Heavy Crude Oil (bbl/d) | Conventional Natural Gas (2) (Mcf/d) | Natural Gas Liquids (bbl/d) |
|--------------|--|----------------------------|--|--------------------------------|
| | Atlee Buffalo | - | - | - |
| TOTAL | - | - | - | - |

(1) Daily production is taken from the Reserves Report as of October 31, 2024

(2) Natural Gas includes Associated and Non-Associated sales gas volumes.

Note: The totals shown above may not match the corporate totals due to rounding.

Item 6.9 Production History

The Corporation's had no production during the financial year ended October 31, 2024.