PERISSON PETROLEUM CORPORATION

FORM 51-101 F1

STATEMENT OF RESERVES DATA

AND OTHER OIL AND GAS INFORMATION

AS AT DECEMBER 31, 2022

Statements in this document may contain forward-looking information. Estimates provided for 2023 and beyond 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 Company as outlined below. The reader is cautioned not to place undue reliance on this forward-looking information. All dollar values in this report are expressed in Canadian currency.

Date of Statement and Statement Information

This Statement of Reserves Data and Other Oil and Gas Information (the "Statement") is dated June 22, 2023. The effective date of the information provided in the Statement is December 31, 2022, unless otherwise indicated and has a preparation date of June 22, 2023.

Disclosure of Reserves Data

The reserves data summarizes the natural gas, oil and natural gas liquids reserves of Perisson Petroleum Corporation ("Perisson" or the "Company") and the net present values of future net revenue for these reserves using forecast prices and costs, as evaluated by Sproule Associates Limited ("Sproule") who are independent qualified reserves evaluators appointed by Perisson pursuant to NI 51-101. Substantially all of the Company's producing oil and gas properties were independently evaluated by Sproule, which has provided the Company with a report dated March 20, 2023 (The "Sproule Report") regarding the Company's estimates of its oil and natural gas reserves as at December 31, 2022 and has consented in writing to the inclusion of information contained in that report. The information set forth below is derived from the Sproule Report, which was prepared in accordance with the COGE Handbook and NI 51-101.

The Company determines and reports reserves information in accordance with NI 51-101, using terminology and definitions prescribed therein. The Company believes that the reserve quantities are reasonable estimates consistent with current knowledge of the characteristics and extent of the productive formations. In the future, the Company may revise its estimates based on additional information including the performance of producing reservoirs, technological improvements and changes in economic conditions.

The Company's disclosure of reserves or resources is consistent with the reserves and resources terminology and categories set out in the COGE Handbook. Disclosure of reserves or of sales of oil, gas or associated by-products has been made only in respect of marketable quantities, reflecting prices for the product in the condition (upgraded or not upgraded, processed or unprocessed) in which it is to be, or was, sold. All evaluations of future revenue are after the deduction of royalties, development costs, production costs and well abandonment costs but before consideration of indirect costs such as administrative, overhead and other miscellaneous expenses. Estimates of future value have been established both before and after deduction of income taxes.

The estimated future net revenue figures contained in the following tables do not necessarily represent the fair market value of the Company's reserves. There is no assurance that the forecast price and cost assumptions contained in the Sproule Report will be attained and variances could be material. Other assumptions relating to costs and other matters are included in the Sproule Report. The recovery and reserves estimates attributed to the Company's properties described herein are estimates only. The actual reserves attributed to the Company's properties may be greater or less than those calculated.

The determination of oil and gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved, probable and possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery. The estimation and classification of reserves requires the application of professional judgment combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods are required to properly use and apply reserves definitions. These concepts are presented and discussed in greater detail within the guidelines in Section 5.5 of the COGE Handbook.

The following definitions apply to both estimates of individual reserves entities and the aggregate of reserves for multiple entities.

"Reserves" are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on:

- analysis of drilling, geological, geophysical and engineering data;
- the use of established technology; and
- specified economic conditions, which are generally accepted as being reasonable, and which are disclosed.

Reserves are classified according to the degree of certainty associated with the estimates.

- "Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
- "Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
- "Possible reserves" are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Other criteria that must also be met for the categorization of reserves are provided in Section 5.5 of the COGE Handbook.

Development and Production Status

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories:

- “Developed reserves” are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.
- “Developed producing reserves” are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
- “Developed non-producing reserves” are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.
- “Undeveloped reserves” are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator’s assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest-level sum of individual entity estimates for which reserves estimates are presented).

Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves; and
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in Section 5.5.3 of the COGE Handbook.

Significant Factors or Uncertainties

Aside from the potential impact of material fluctuations in commodity prices and foreign exchange rates, other significant factors or uncertainties that may affect either the Company's reserves or the future net revenue associated with such reserves include:

- Certain newly drilled or developed properties may be considered less predictable insofar as estimating reserves and future net revenue are concerned until more historical production performance data is available; and
- Changes to existing taxation, fiscal terms, and regulations may occur in the future.

Reserves Data - Forecast Prices and Costs

The following table discloses, in the aggregate, the Company's gross and net reserves, estimated using forecast prices and costs, by product type classified as proved and probable categories. "Forecast prices and costs" means future prices and costs used by the reserve evaluators in the Sproule 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 Company is bound.

Table 1
NI 51-101
Summary of Oil and Gas Reserves
As at December 31, 2022

Forecast Prices and Costs

	Light and Medium Oil		Conventional Natural Gas (Solution Gas)		Natural Gas Liquids	
Reserve Category	Gross (Mbbl)	Net (Mbbl)	Gross (MMcf)	Net (Mbbl)	Gross (Mbbl)	Net (Mbbl)
Proved						
Developed Producing	0.6	0.5	-	-	-	-
Developed Non-Producing	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-
Total Proved	**0.6**	**0.5**	**-**	**-**	**-**	**-**
Probable	0.1	0.1	-	-	-	-
Total Proved Plus Probable	**0.7**	**0.6**	**-**	**-**	**-**	**-**

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

Table 2
NI 51-101
Summary of Net Present Values of Future Net Revenue
As at December 31, 2022

Forecast Prices and Costs

	0%	**5%**	**10%**	**15%**	**20%**	**Before Tax Net Value 10% (2) ($/boe)**
Before Income Taxes	(M$)	(M$)	(M$)	(M$)	(M$)	($)
Proved						
Developed producing	(65.0)	(43.0)	(28.0)	(18.0)	(12.0)	(56.00)
Developed non-producing	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-
Total proved	**(65.0)**	**(43.0)**	**(28.0)**	**(18.0)**	**(12.0)**	**(56.00)**
Probable	(1.0)	3.0	3.0	4.0	4.0	30.00
Total proved and probable	**(66.0)**	**(40.0)**	**(25.0)**	**(14.0)**	**(8.0)**	**(41.67)**
After Income Taxes						
Proved						
Developed producing	(65.0)	(43.0)	(28.0)	(18.0)	(12.0)	
Developed non-producing	-	-	-	-	-	
Undeveloped	-	-	-	-	-	
Total proved	**(65.0)**	**(43.0)**	**(28.0)**	**(18.0)**	**(12.0)**	
Probable	(1.0)	3.0	3.0	4.0	4.0	
Total proved and probable (2)	**(66.0)**	**(40.0)**	**(25.0)**	**(14.0)**	**(8.0)**	

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

Unit Values are based on net reserve volumes
Barrel of Oil Equivalent (BOE): 6 Mcf = 1 BOE

The following table discloses, in the aggregate, certain elements of the Company's Future Net Revenue attributable to its proved reserves, estimated utilizing Forecasted prices and costs.

Table 3
NI 51-101
Total Future Net Revenue
As at December 31, 2022

Forecast Prices and Costs

Undiscounted	**Proved**	**Proved and Probable**
	(M$)	(M$)
Revenue	45	57
Royalties	5	6
Operating costs	32	41
Development costs	-	-
Abandonment costs	73	76
Future net revenue before income taxes	(65)	(66)
Income taxes	-	-
Future net revenue after income taxes	(65)	(66)

The following table presents the Net Present Value of Future Net Revenue by production group for the total proved and total proved plus probable reserves categories.

Table 4
NI 51-101
Future Net Revenue by Product Type
As at December 31, 2022

Forecast Prices and Costs

Reserves Category	**Product Type**	**Future Net Revenue Before Income Taxes (Discounted at 10% / year) (M$)**	**Unit Value Before Income Taxes (Discounted at 10% / year) ($/boe)**
Proved	Light and Medium Oil (including solution gas and by-products)	(28)	(57.47)
Proved Plus Probable	Light and Medium Oil (including solution gas and by-products)	(25)	(38.94)

Pricing Assumptions

Reference Prices Used in Estimates

Table 5
NI 51-101
Summary of Pricing and Inflation Rate Assumptions
As at December 31, 2022

Forecast Prices and Costs

Year	Canadian Light Sweet Crude 40° API ($Cdn/bbl)	Western Canada Select 20.5 API ($Cdn/bbl)	Alberta AECO-C Spot ($Cdn/MMbtu)	Edmonton Pentanes Plus ($Cdn/bbl)	Edmonton Butane ($Cdn/bbl)	Edmonton Propane ($Cdn/bbl)	Operating Cost Inflation Rate (%/Yr)	Capital Cost Inflation Rate (%/Yr)	Exchange Rate ($US/$Cdn)
Historical									
2018	68.49	52.34	1.53	79.31	33.65	27.00	2.4%	4.2%	0.77
2019	68.87	58.77	1.80	71.39	23.71	17.16	-0.7%	0.4%	0.75
2020	45.39	35.59	2.24	49.85	21.87	16.31	-5.2%	-5.2%	0.75
2021	80.31	68.73	3.64	85.88	51.64	43.39	4.1%	7.9%	0.80
2022	119.73	101.64	5.43	121.28	61.88	50.11	8.6%	11.2%	0.77
Forecast									
2023	110.67	88.00	4.33	114.67	54.47	38.13	0.0%	0.0%	0.75
2024	101.25	89.38	4.34	105.00	52.50	37.28	3.0%	3.0%	0.80
2025	96.18	84.06	4.00	100.00	50.00	37.68	2.0%	2.0%	0.80
2026	98.10	85.74	4.08	102.00	51.00	38.44	2.0%	2.0%	0.80
2027	100.06	87.46	4.16	104.04	52.02	39.21	2.0%	2.0%	0.80
2028	102.06	89.21	4.24	106.12	53.06	39.99	2.0%	2.0%	0.80
2029	104.10	90.99	4.33	108.24	54.12	40.79	2.0%	2.0%	0.80
2030	106.18	92.81	4.42	110.41	55.20	41.61	2.0%	2.0%	0.80
2031	108.31	94.67	4.50	112.62	56.31	42.44	2.0%	2.0%	0.80
2032	110.47	96.56	4.59	114.87	57.43	43.29	2.0%	2.0%	0.80
Escalation Rate of 2.0% thereafter									

Reconciliation of Changes in Reserves and Future Net Revenue

The following table provides a reconciliation of the Company's Gross reserves based on forecast prices and costs.

Table 6
NI 51-101
Reconciliation of Company Gross[1] Reserves by Product Type
As at December 31, 2022

Forecast Prices and Costs

	Light and Medium Crude Oil			Natural Gas Solution			Natural Gas Liquids			BOE		
Factors	Gross Proved (Mbbl)	Gross Probable (Mbbl)	Gross Proved Plus Probable (Mbbl)	Gross Proved (MMcf)	Gross Probable (MMcf)	Gross Proved Plus Probable (MMcf)	Gross Proved (Mbbl)	Gross Probable (Mbbl)	Gross Proved Plus Probable (Mbbl)	Gross Proved (MBOE)	Gross Probable (MBOE)	Gross Proved Plus Probable (MBOE)
December 31, 2021	**1.9**	**0.7**	**2.6**	**-**	**-**	**-**	**-**	**-**	**-**	**1.9**	**0.7**	**2.6**
Extensions	-	-	-	-	-	-	-	-	-	-	-	-
Technical Revisions	(1.1)	(0.7)	(1.8)	-	-	-	-	-	-	(1.1)	(0.7)	(1.8)
Discoveries	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-
Dispositions	-	-	-	-	-	-	-	-	-	-	-	-
Economic factors	0.4	0.1	0.5	-	-	-	-	-	-	0.4	0.1	0.5
Production	(0.6)	-	(0.6)	-	-	-	-	-	-	(0.6)	-	(0.6)
December 31, 2022	**0.6**	**0.1**	**0.7**	**-**	**-**	**-**	**-**	**-**	**-**	**0.6**	**0.1**	**0.7**

(1) Gross Reserves means the Company's working interest reserves before calculation of royalties, and before consideration of the Company's royalty interests.

Additional Information Relating to Reserves Data

Undeveloped Reserves

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

Proved undeveloped reserves are generally those reserves related to planned infill-drilling locations.

At year end 2022, the Company had proven and probable undeveloped reserves in the Wainwright, Alberta area. The following table shows the timing of the assignment of proved undeveloped reserves and the probable undeveloped reserves to the Company.

Table 7
NI 51-101
Undeveloped Reserve Vintage by Product Type
As at December 31, 2022

Forecast Prices and Costs

	Light and Medium Crude Oil		Conventional Natural Gas (Solution)		Natural Gas Liquids		Total Equivalent	
	First Attributed Gross Mbbl	Booked Gross Mbbl	First Attributed Gross MMcf	Booked Gross MMcf	First Attributed Gross Mbbl	Booked Gross MMcf	First Attributed Gross MBOE	Booked Gross MBOE
Proved Undeveloped								
Dec. 31, 2020	-	149.4	-	613	-	29.9	-	281.5
Dec. 31, 2021	-	-	-	-	-	-	-	-
Dec. 31, 2022	-	-	-	-	-	-	-	-
Probable Undeveloped								
Dec. 31, 2020	-	423.5	-	1,857.0	-	124.1	-	857.1
Dec. 31, 2021	-	-	-	-	-	-	-	-
Dec. 31, 2022	-	-	-	-	-	-	-	-

Future Development Costs

The following table summarizes the development costs used in estimating total net future revenue attributable to the Company's reserves.

Table 8
NI 51-101
Summary of Estimated Development Costs
Attributable to Reserves
As at December 31, 2022

Forecast Prices and Costs

	Proved	Proved and Probable
	($M)	($M)
2022	-	-
2023	-	-
2024	-	-
2025	-	-
2026	-	-
Remaining	-	-
Total all years, undiscounted	-	-
Total all years, 10% discount	-	-

The Company expects that funding for future developments will be obtained from a combination of internally generated cash flow, and equity and/or debt financing. Company Management does not anticipate that the cost of funding referred to above will materially affect the Company's disclosed reserves and future net revenues or will make the development of any of the Company's properties uneconomic.

Other Oil and Gas Information

Oil and Gas Properties and Wells

Table 9
NI 51-101
Summary of Oil and Gas Wells
As at December 31, 2022

	Producing		Non-Producing	
	Gross	Net	Gross	Net
Total	3.00	0.25	14.00	5.56

In the evaluation of the Company's oil and gas reserves, the Company and its independent reserves evaluators have incorporated the use of NI 51-101 corporate governance to ascertain reserve estimates.

Properties with No Attributed Reserves

Not applicable.

Forward Contracts

Perisson may from time to time use financial derivatives or fixed price contracts to manage its exposure to fluctuations in commodity prices and foreign currency exchange rates. At this time, there are no fixed price contracts in place.

Abandonment and Restoration Costs

The Company employs industry standards regarding the environment and all aspects of exploration and development activity are subject to environmental impact analysis when the deemed appropriate.

For the ongoing development of properties, the Company follows strict environmental standards in conducting its drilling operations and the construction and operations of temporary and permanent production facilities, pipelines and other infrastructure.

Environmental impacts related to well site preparation and drilling operations (including cuttings pits, water pits and camp facilities) are reclaimed following completion of every well so as to minimize ongoing surface disturbance during the subsequent operation of the wells. When practical, the Company utilizes above ground storage tanks, as an alternative to open pits, in an effort to minimize the environmental impact. Depleted and unsuccessful wells are properly abandoned and their sites are restored to original conditions.

Sites used for construction and operation of permanent production facilities, pipelines, power lines and related uses are designed to minimize environmental disturbance related to their ongoing use. The Company incorporates strict judicial environmental practices in the design, construction and operation of such infrastructure, all of which are subject to licensing and other regulatory approvals from the Government of Alberta.

All costs related to the Company's Alberta abandonment, decommissioning, and reclamation obligations for active and inactive wells in the Sproule report are incorporated into the calculations of net revenues related to its oil and gas reserves. A full reclamation of both down-hole and surface features would require approximately $100,000/well. The following table shows the estimated costs relating to the abandonment of the Company's Western Canada properties for the next five years as set out in the Sproule Report.

Table 10
NI 51-101
Summary of Estimated Abandonment Costs
As at December 31, 2022

Forecast Prices and Costs

	Proved	Proved and Probable
	($M)	($M)
2022	-	-
2023	-	-
2024	-	-
2025	-	-
2026	-	-
Remaining	73.5	75.0
Total all years, undiscounted	73.5	75.0
Total all years, 10% discount	36.0	33.4

Tax Horizon

The Company is subject to income taxes on taxable income generated by its oil and gas operations in the province of Alberta at the current combined provincial and federal rate of 26.32%. The Company is not expected to be cash taxable on a Proved & Probable reserve forecast due to $28.8 million, as at December 31, 2022, in tax pools available to be offset against future taxable income.

Capital Expenditures

For the year ended December 31, 2022, the following costs were incurred:

Table 11
Summary of Capital Expenditures
For the year ended December 31, 2022

Forecast Prices and Costs

	Proven Properties	Unproven Properties
	($M)	($M)
Land	-	-
Geology & Geophysical	-	-
Drilling	-	-
Workover/Completions	-	-
Facilities	-	-
Property Acquisitions	-	-
Asset Retirement Obligation	-	-
Total Capital Expenditures	-	-

<u>**Drilling Activity**</u>

Table 12
Summary of Wells Drilled
For the year ended December 31, 2022

	Exploratory		Development		Total	
	Gross	Net	Gross	Net	Gross	Net
Oil	-	-	-	-	-	-
Gas	-	-	-	-	-	-
Suspended	-	-	-	-	-	-
Dry	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Gross wells equal the total wells drilled during 2022 and net wells equal the Company's working interest in gross wells drilled during the year.

Production Estimates

Table 13
Summary of Production Estimates
For the year ended December 31, 2022
Gross Company Working Interest Share Before Royalties

	Light and Medium Oil	Sales Gas	Liquids	Total
	(bbl/d)	(Mcf/d)	(bbl/d)	(BOE/d)
Forecast prices and costs				
Proved	1.6	-	-	**1.6**
Proved and Probable	-	-	-	**-**

Production History

The following table summarizes the Company's average daily production volumes, royalties, production costs and the resulting netbacks for the periods indicated as at December 31, 2022:

Quarterly Production Data
2022

CORPORATE	Q1	Q2	Q3	Q4	Total
Average daily net production (BOEd)	10	2	2	1	4
Average gas prices received ($ Mcf)	4.71	-	-	-	4.67
Average oil prices received ($ bbl)	81.27	114.83	88.75	50.80	87.64
Revenue ($ BOE)	64.82	116.99	95.47	56.58	76.63
Royalties ($ BOE)	(4.77)	(4.99)	(12.40)	(3.06)	(5.71)
Operating costs ($ BOE)	46.75	(274.16)	(25.36)	44.37	(13.36)
Netback ($ BOE)	106.80	(162.16)	57.71	97.89	57.56