

WILTON RESOURCES INC.

FORM 51-101F1

**STATEMENT OF RESERVES DATA AND
OTHER OIL AND GAS INFORMATION
FOR WILTON RESOURCES INC.**

EFFECTIVE DECEMBER 31, 2011

PREPARED ON OCTOBER 29, 2012

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

GLOSSARY OF ABBREVIATIONS

bbl	Barrels
bbl/d	Barrels per day
boe	Barrel of oil equivalent (6 Mcf = 1Bbl)
boe/d	Barrels of oil equivalent per day
GJ	Gigajoules
GJ/d	Gigajoules per day
Mbbl	1,000 Barrels
Mcf	1,000 cubic feet
Mcf/d	1,000 cubic feet per day
MMcf	1,000,000 cubic feet
MMbtu	One Million British Thermal Units
NGL	Natural gas liquids
WTI	West Texas Intermediate
M\$	Thousands of dollars
MM\$	Millions of dollars

CONVERSION OF UNITS

1 acre	0.4 hectares
2.5 acres	1 hectare
1 bbl	0.159 cubic metres
6.29 bbl	1 cubic metre
1 foot	0.3048 metres
3.281 feet	1 metre
1 Mcf	28.2 cubic metres
0.035 Mcf	1 cubic metre
1 MMBtu	1.054 GJ
0.949 MMBtu	1 GJ

The calculation of barrels of oil equivalent (boe) is calculated at a conversion rate of six thousand cubic feet (6 mcf) of natural gas for one barrel (bbl) of oil based on an energy equivalency conversion method. The term boe may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

CURRENCY

Unless otherwise noted, all dollar amounts expressed herein, are reflected in Canadian dollars ("\$").

FORWARD-LOOKING STATEMENTS

This Statement of Reserves Data and Other Oil and Gas Information (“**Statement of Reserves**”) contains forward-looking information and forward-looking statements (collectively, “**forward-looking statements**”). These forward-looking statements relate to future events or Wilton Resources Inc.’s (the “**Corporation**” or “**Wilton**”) 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” 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. The Corporation 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 this Statement of Reserves should not be unduly relied upon. These statements speak only as of the date of this Statement of Reserves or as of the date specified. The Corporation does not intend, and does not assume any obligation, to update or revise these forward-looking statements except as required pursuant to applicable securities laws.

In particular, this Statement of Reserves contains forward-looking statements pertaining to the following:

- the quantity of reserves;
- oil and natural gas production levels;
- capital expenditure programs;
- projections of market prices and costs;
- supply and demand for oil and natural gas; and
- treatment under government regulatory and taxation regimes.

The Corporation’s 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 Statement of Reserves:

- volatility in market prices for oil and natural gas;
- liabilities and risks inherent in oil and natural gas operations;
- uncertainties associated with estimating reserves;
- geological, technical, drilling and processing problems;
- fluctuations in foreign exchange or interest rates and stock market volatility; and
- changes in government regulations.

These factors should not be considered exhaustive.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

AJM Deloitte (“**AJM Deloitte**”), independent petroleum engineers of Calgary, Alberta prepared a report entitled “**Reserves Estimation and Economic Evaluation of Wilton Resources Inc., Klein, Alberta (as of December 31, 2011)**” (the “**AJM Deloitte Report**”), effective December 31, 2011, and dated October 29, 2012, evaluating the proved and probable reserves attributable to the Corporation’s interest in the oil and gas property located in Klein, Alberta, legally described as all petroleum and natural gas rights below Viking to base of Mannville within, upon or under section 10-35-5-W4 and well 102/13-10-035-05-W4/00 (the “**Property**”) and the net present value of estimated future cash flow from such reserves, based on forecast price and cost assumptions. The reserves information presented herein was prepared and is presented in accordance with the requirements of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (“**NI 51-101**”).

In preparing the AJM Deloitte Report, AJM Deloitte obtained information from the Corporation and the operator, which included land data, well information, geological information, reservoir studies, contract information, current hydrocarbon product prices, operating cost data, and financial data. Other engineering, geological or economic data required to conduct the evaluation and upon which the AJM Deloitte Report is based, was obtained from public records, the operator and from AJM Deloitte’s non-confidential files. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by AJM Deloitte as represented.

It should not be assumed that the estimates of future net revenues presented in the tables below represent the fair market value of the reserves. There is no assurance that the forecast prices and costs assumption will be attained and variances could be material. Actual reserves may be greater than or less than the estimates provided herein. Please note that information relating to reserves are deemed to be forward-looking statements, as they involve the implicit assessment, based on certain estimates and assumptions, that the reserves described can be economically produced in the future.

Reference to oil, gas, natural gas liquids, reserves (gross, net, proved, probable, possible, developed, developed producing, developed non-producing, undeveloped), forecast prices and costs, operating costs, development costs, future net revenue and future income tax expenses shall, unless expressly stated to be to the contrary, have the meaning attributed to such terms as set out in NI 51-101, the companion policy to NI 51-101 and all forms referenced therein.

Throughout the following summary, table differences may arise due to rounding.

In accordance with the requirements of NI 51-101, attached hereto are the following appendices:

- Appendix A: Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor in Form 51-101F2; and
- Appendix B: Report of Management and Directors on Reserves Data and Other Information in Form 51-101F3.

Definitions used for reserve categories in the AJM Deloitte Report are attached as Appendix C hereto.

DISCLOSURE OF RESERVES DATA

Reserve estimates based on forecast price and cost assumptions for the Corporation's working interest in the Property, are as follows:

Wilton Resources Inc.
NI 51-101 FORECAST CASE
OIL AND GAS RESERVES SUMMARY
AJM Deloitte December 31, 2011 Forecast Pricing (CAD)

VOLUMES IN IMPERIAL UNITS

Category	Oil						Natural Gas						Natural Gas Liquids		Sulphur		Total Boe	
	Light, Medium and Shale		Heavy		Bitumen		Solution		Associated and Non-Associated		Coalbed Methane							
	WI Gross Mstb	Co. Share Net Mstb	WI Gross Mstb	Co. Share Net Mstb	WI Gross Mstb	Co. Share Net Mstb	WI Gross MMcf	Co. Share Net MMcf	WI Gross MMcf	Co. Share Net MMcf	WI Gross MMcf	Co. Share Net MMcf	WI Gross Mstb	Co. Share Net Mstb	WI Gross Mlt	Co. Share Gross Mlt	WI Gross MBoe	Co. Share Net MBoe
PDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	193.9	179.2	0.0	0.0	0.0	0.0	0.0	0.0	32.3	29.9
PDNP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	62.6	58.4	0.0	0.0	0.0	0.0	0.0	0.0	10.4	9.7
PUD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	256.5	237.7	0.0	0.0	0.0	0.0	0.0	0.0	42.7	39.6
PB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	126.3	117.0	0.0	0.0	0.0	0.0	0.0	0.0	21.0	19.5
P+P	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	382.8	354.6	0.0	0.0	0.0	0.0	0.0	0.0	63.8	59.1

VOLUMES IN METRIC UNITS

Category	Oil						Natural Gas						Natural Gas Liquids		Sulphur		Total Boe	
	Light, Medium and Shale		Heavy		Bitumen		Solution		Associated and Non-Associated		Coalbed Methane							
	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E'm ³	Co. Share Net E'm ³	WI Gross E't	Co. Share Gross E't	WI Gross E'm ³ e	Co. Share Net E'm ³ e
PDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.5	5.0	0.0	0.0	0.0	0.0	0.0	0.0	5.1	4.7
PDNP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.6	0.0	0.0	0.0	0.0	0.0	0.0	1.7	1.5
PUD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.2	6.7	0.0	0.0	0.0	0.0	0.0	0.0	6.8	6.3
PB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.6	3.3	0.0	0.0	0.0	0.0	0.0	0.0	3.3	3.1
P+P	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.8	10.0	0.0	0.0	0.0	0.0	0.0	0.0	10.1	9.4

The following tables summarize the undiscounted value and the present value, discounted at 5%, 10%, 15% and 20% of the Corporation's working interest in the Property based on forecast price and cost assumptions as of December 31, 2011.

Wilton Resources Inc.
NI 51-101 FORECAST CASE
SUMMARY OF NET PRESENT VALUES OF FUTURE NET REVENUE – WITH CORPORATE TAX POOLS
AJM Deloitte December 31, 2011 Forecast Pricing (CAD)

RESERVES CATEGORY	Before Income Taxes					After Income Taxes					Unit Value
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%	Before Income Tax
	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	Discounted at 10%
Proved Developed Producing	283.5	238.2	202.8	175.0	153.0	212.6	238.2	202.8	175.0	153.0	6.79
Proved Developed Non-Producing	169.1	82.6	42.1	22.2	12.1	126.8	82.6	42.1	22.2	12.1	4.32
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proved	452.6	320.8	244.8	197.2	165.1	339.4	320.8	244.8	197.2	165.1	6.18
Probable	393.3	243.2	160.4	111.7	81.4	294.9	228.1	152.8	107.7	79.2	8.23
Proved Plus Probable	845.8	564.0	405.3	308.9	246.6	634.4	548.9	397.6	304.9	244.4	6.86

Wilton Resources Inc.
NI 51-101 FORECAST CASE
TOTAL FUTURE NET REVENUE – WITH CORPORATE TAX POOLS
AJM Deloitte December 31, 2011 Forecast Pricing (CAD)

CATEGORY	Revenue*	Royalties	Operating Costs	Investment Costs	Well Abandonment Costs	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Income Taxes
	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
Proved Developed Producing	1,041.7	71.1	653.8	0.0	33.3	283.5	0.0	283.5
Proved Developed Non-Producing	563.8	35.7	359.0	0.0	0.0	169.1	0.0	169.1
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proved	1,605.5	106.8	1,012.9	0.0	33.3	452.6	0.0	452.6
Probable	1,016.2	69.9	548.8	0.0	4.2	393.3	30.9	362.4
Proved Plus Probable	2,621.7	176.7	1,561.7	0.0	37.5	845.8	30.9	814.9

Wilton Resources Inc.
NI 51-101 FORECAST CASE
UNIT VALUE OF NET RESERVES BY PRODUCTION GROUP
AJM Deloitte December 31, 2011 Forecast Pricing (CAD)

	Reserves				NPV	Unit Value
	Oil	Gas	NGL	BOE		
	Net Mbbbl	Net MMcf	Net Mbbbl	Net boe		
				10%	M\$	\$/boe
ASSOCIATED & NON-ASSOCIATED GAS						
Proved Developed Producing	0.0	179.2	0.0	29,873.4	202.8	6.79
Proved Developed Non-Producing	0.0	58.4	0.0	9,737.2	42.1	4.32
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0	0.0
Proved	0.0	237.7	0.0	39,610.5	244.8	6.18
Probable	0.0	117.0	0.0	19,495.1	160.4	8.23
Proved Plus Probable	0.0	354.6	0.0	59,105.7	405.3	6.86
TOTAL						
Proved Developed Producing	0.0	179.2	0.0	29,873.4	202.8	6.79
Proved Developed Non-Producing	0.0	58.4	0.0	9,737.2	42.1	4.32
Proved Undeveloped	0.0	0.0	0.0	0.0	0.0	0.0
Proved	0.0	237.7	0.0	39,610.5	244.8	6.18
Probable	0.0	117.0	0.0	19,495.1	160.4	8.23
Proved Plus Probable	0.0	354.6	0.0	59,105.7	405.3	6.86

No supplemental disclosure using Constant Prices and Costs has been made.

PRICING ASSUMPTIONS

The forecast price and cost assumptions used in the AJM Deloitte Report assume the continuance of current laws and regulations and increases in well-head 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 by AJM Deloitte in the AJM Deloitte Report were AJM Deloitte's forecasts as stated in the date of the report, which were as follows:

**AJM Deloitte Canadian Domestic Price Forecast
Base Case Forecast
Effective December 31, 2011**

	Price Inflation Rate	Cost Inflation Rate	CAD to USD Exchange Rate	Crude Oil Pricing							Natural Gas Liquids Pricing				Natural Gas Pricing							Sulphur			
				WTI at Cushing Oklahoma		Edmonton City Gate		Med. Oil 29 Deg. API	Bow River 25 Deg. API	Heavy Oil 12 Deg. API	Edmonton Par Prices				Alberta Reference Average	Alberta AECO Average	Alberta AECO Average	Alberta System Plant Gate Sales	Alberta Direct Plant Gate Sales	B.C. Direct Stn. 2 Sales	Sask. Direct Plant Gate Sales		NYMEX Real	NYMEX Current	Alberta Plant Gate
				US\$/bbl Real	US\$/bbl Current	C\$/bbl Real	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/bbl Current	C\$/mcf Current	C\$/mcf Current	C\$/mcf Current	C\$/mcf Current	C\$/mcf Current	C\$/mcf Current		C\$/mcf Current	C\$/mcf Current	C\$/mcf Current
H	1.6%	1.6%	0.722	\$26.56	\$20.60	\$36.08	\$27.98	\$23.71	\$21.26	\$14.35	n/a	\$19.41	\$19.02	\$30.85	\$1.87	\$2.21	\$1.71	\$1.78	\$1.69	\$1.98	\$1.74	\$3.34	\$2.59	\$11.50	
i	0.7%	0.7%	0.675	\$18.25	\$14.38	\$25.49	\$20.08	\$16.94	\$14.63	\$9.43	n/a	\$11.97	\$12.92	\$22.35	\$1.94	\$2.63	\$2.07	\$1.90	\$1.95	\$2.00	\$2.13	\$2.68	\$2.11	(\$6.51)	
s	1.8%	1.8%	0.648	\$24.32	\$19.29	\$34.54	\$27.41	\$21.72	\$20.29	\$17.62	\$8.09	\$13.21	\$14.39	\$20.94	\$2.48	\$3.47	\$2.75	\$2.22	\$2.50	\$2.64	\$2.61	\$2.64	\$2.10	\$6.93	
t	2.6%	2.6%	0.674	\$37.41	\$30.22	\$54.89	\$44.33	\$39.89	\$34.46	\$28.57	\$14.10	\$32.59	\$36.51	\$46.30	\$4.51	\$6.96	\$5.62	\$4.84	\$5.47	\$4.73	\$5.05	\$5.35	\$4.32	\$13.59	
o	2.5%	2.5%	0.646	\$31.19	\$25.87	\$47.22	\$39.17	\$31.54	\$25.12	\$18.07	\$17.20	\$30.62	\$30.49	\$43.03	\$5.39	\$6.54	\$5.42	\$5.42	\$5.26	\$6.34	\$6.10	\$4.74	\$3.93	(\$14.50)	
r	2.3%	2.3%	0.637	\$30.68	\$26.11	\$47.39	\$40.33	\$35.52	\$31.89	\$27.63	\$11.21	\$20.92	\$27.78	\$41.22	\$3.88	\$4.92	\$4.19	\$3.85	\$4.03	\$4.09	\$4.08	\$3.94	\$3.36	\$12.74	
i	2.8%	2.8%	0.716	\$35.62	\$31.01	\$49.97	\$43.51	\$37.47	\$32.96	\$27.35	\$18.43	\$32.31	\$36.03	\$45.18	\$6.12	\$7.67	\$6.68	\$6.11	\$6.51	\$6.42	\$6.67	\$6.29	\$5.48	\$40.99	
c	1.8%	1.8%	0.770	\$46.28	\$41.45	\$59.13	\$52.96	\$45.76	\$38.01	\$30.44	\$19.04	\$35.20	\$44.07	\$55.49	\$6.31	\$7.32	\$6.55	\$6.32	\$6.38	\$6.52	\$6.84	\$6.98	\$6.25	\$40.82	
a	2.2%	2.2%	0.826	\$62.05	\$56.61	\$75.99	\$69.33	\$57.39	\$45.68	\$33.77	\$23.80	\$43.23	\$51.91	\$74.67	\$8.31	\$9.63	\$8.78	\$8.56	\$8.61	\$8.22	\$8.51	\$9.77	\$8.91	\$40.99	
l	2.0%	2.0%	0.882	\$70.78	\$66.06	\$78.58	\$73.34	\$62.42	\$52.04	\$39.68	\$19.81	\$44.11	\$58.16	\$78.19	\$6.56	\$7.01	\$6.54	\$6.63	\$6.35	\$6.57	\$7.11	\$7.23	\$6.75	\$19.51	
2007	2.1%	2.1%	0.935	\$76.00	\$72.38	\$80.94	\$77.09	\$65.18	\$53.86	\$39.75	\$18.41	\$49.77	\$59.40	\$81.67	\$6.20	\$6.76	\$6.44	\$6.31	\$6.22	\$6.40	\$6.54	\$7.32	\$6.97	\$38.32	
2008	2.4%	2.4%	0.943	\$102.32	\$99.58	\$105.66	\$102.83	\$93.26	\$83.97	\$73.17	\$22.61	\$56.94	\$83.56	\$109.80	\$7.88	\$8.38	\$8.15	\$8.13	\$7.92	\$8.21	\$8.19	\$9.12	\$8.88	\$304.51	
2009	0.3%	0.3%	0.880	\$61.98	\$61.78	\$66.41	\$66.21	\$62.77	\$59.90	\$54.49	\$11.60	\$34.56	\$56.29	\$69.59	\$3.84	\$3.97	\$3.96	\$3.94	\$3.74	\$4.16	\$4.14	\$3.92	\$3.90	(\$4.97)	
2010	1.8%	1.8%	0.971	\$79.42	\$79.42	\$77.79	\$77.79	\$73.48	\$68.16	\$60.59	\$11.52	\$45.60	\$69.02	\$84.68	\$3.76	\$4.00	\$4.00	\$4.07	\$3.76	\$4.00	\$3.90	\$4.38	\$4.38	\$57.81	
z																									
0 12 Mths H	2.8%	2.8%	1.013	\$94.99	\$94.99	\$95.77	\$95.77	\$88.29	\$78.60	\$69.75	\$10.46	\$53.34	\$83.62	\$104.70	\$3.48	\$3.65	\$3.65	\$3.83	\$3.46	\$3.37	\$3.38	\$4.00	\$4.00	\$80.69	
1 0 Mths F	0.0%	0.0%	0.000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
1 Avg.	n/a	n/a	1.013	\$94.99	\$94.99	\$95.77	\$95.77	\$88.29	\$78.60	\$69.75	\$10.46	\$53.34	\$83.62	\$104.70	\$3.48	\$3.65	\$3.65	\$3.83	\$3.46	\$3.37	\$3.38	\$4.00	\$4.00	\$80.69	
F	0.0%	0.0%	1.000	\$100.00	\$100.00	\$98.00	\$98.00	\$91.00	\$81.20	\$76.40	\$9.60	\$53.90	\$83.30	\$102.90	\$3.25	\$3.50	\$3.50	\$3.20	\$3.30	\$3.20	\$3.45	\$3.80	\$3.80	\$80.00	
o	2.0%	2.0%	1.000	\$100.00	\$102.00	\$98.00	\$100.00	\$92.30	\$81.10	\$75.70	\$11.40	\$55.00	\$85.00	\$105.00	\$3.85	\$4.00	\$4.10	\$3.80	\$3.90	\$3.80	\$4.05	\$4.40	\$4.50	\$81.60	
r	2.0%	2.0%	1.000	\$100.00	\$104.05	\$98.00	\$102.00	\$93.00	\$80.00	\$74.00	\$13.20	\$56.10	\$86.70	\$107.10	\$4.45	\$4.50	\$4.70	\$4.40	\$4.50	\$4.40	\$4.65	\$4.80	\$5.00	\$83.25	
e	2.0%	2.0%	1.000	\$100.00	\$106.10	\$98.00	\$104.00	\$94.25	\$82.00	\$76.00	\$14.55	\$57.20	\$88.40	\$109.20	\$4.90	\$4.85	\$5.15	\$4.85	\$4.95	\$4.85	\$5.10	\$5.15	\$5.45	\$84.90	
c	2.0%	2.0%	1.000	\$100.00	\$108.25	\$98.00	\$106.10	\$95.60	\$84.10	\$78.10	\$15.75	\$58.35	\$90.20	\$111.40	\$5.30	\$5.15	\$5.55	\$5.25	\$5.35	\$5.25	\$5.50	\$5.45	\$5.90	\$86.60	
a	2.0%	2.0%	1.000	\$100.00	\$110.40	\$98.00	\$108.20	\$96.95	\$86.20	\$80.20	\$17.10	\$59.50	\$91.95	\$113.60	\$5.75	\$5.45	\$6.00	\$5.70	\$5.80	\$5.70	\$5.95	\$5.75	\$6.35	\$88.35	
s	2.0%	2.0%	1.000	\$100.00	\$112.60	\$98.00	\$110.35	\$98.35	\$88.35	\$82.35	\$18.30	\$60.70	\$93.80	\$115.85	\$6.15	\$5.70	\$6.40	\$6.10	\$6.20	\$6.10	\$6.35	\$6.00	\$6.75	\$90.10	
t	2.0%	2.0%	1.000	\$100.00	\$114.85	\$98.00	\$112.55	\$99.05	\$90.55	\$84.55	\$19.80	\$61.90	\$95.65	\$118.20	\$6.65	\$6.00	\$6.90	\$6.60	\$6.70	\$6.60	\$6.85	\$6.35	\$7.30	\$91.90	
2020	2.0%	2.0%	1.000	\$100.00	\$117.15	\$98.00	\$114.80	\$99.80	\$92.80	\$86.80	\$21.30	\$63.15	\$97.60	\$120.55	\$7.15	\$6.30	\$7.40	\$7.10	\$7.20	\$7.10	\$7.35	\$6.60	\$7.75	\$93.75	
2021	2.0%	2.0%	1.000	\$100.00	\$119.50	\$98.00	\$117.10	\$102.10	\$95.10	\$89.10	\$22.35	\$64.40	\$99.55	\$122.95	\$7.50	\$6.50	\$7.75	\$7.45	\$7.55	\$7.45	\$7.70	\$6.85	\$8.20	\$95.65	
2022	2.0%	2.0%	1.000	\$100.00	\$121.90	\$98.00	\$119.45	\$104.45	\$97.45	\$91.45	\$22.80	\$65.70	\$101.55	\$125.40	\$7.65	\$6.50	\$7.90	\$7.60	\$7.70	\$7.60	\$7.85	\$7.00	\$8.55	\$97.55	
2023	2.0%	2.0%	1.000	\$100.00	\$124.35	\$98.00	\$121.85	\$106.85	\$99.85	\$93.85	\$23.40	\$67.00	\$103.55	\$127.95	\$7.85	\$6.50	\$8.10	\$7.80	\$7.90	\$7.80	\$8.05	\$7.00	\$8.70	\$99.50	
2024	2.0%	2.0%	1.000	\$100.00	\$126.80	\$98.00	\$124.30	\$109.30	\$102.30	\$96.30	\$23.85	\$68.35	\$105.65	\$130.50	\$8.00	\$6.50	\$8.25	\$7.95	\$8.05	\$7.95	\$8.20	\$7.00	\$8.90	\$101.50	
2025	2.0%	2.0%	1.000	\$100.00	\$129.35	\$98.00	\$126.75	\$111.75	\$104.75	\$98.75	\$24.30	\$69.70	\$107.75	\$133.10	\$8.15	\$6.50	\$8.40	\$8.10	\$8.20	\$8.10	\$8.35	\$7.00	\$9.05	\$103.55	
2026	2.0%	2.0%	1.000	\$100.00	\$131.95	\$98.00	\$129.30	\$114.30	\$107.30	\$101.30	\$24.90	\$71.10	\$109.90	\$135.75	\$8.35	\$6.50	\$8.60	\$8.30	\$8.40	\$8.30	\$8.55	\$7.00	\$9.25	\$105.60	
2027	2.0%	2.0%	1.000	\$100.00	\$134.60	\$98.00	\$131.90	\$116.90	\$109.90	\$103.90	\$25.35	\$72.55	\$112.10	\$138.50	\$8.50	\$6.50	\$8.75	\$8.45	\$8.55	\$8.45	\$8.70	\$7.00	\$9.40	\$107.70	
2028	2.0%	2.0%	1.000	\$100.00	\$137.30	\$98.00	\$134.55	\$119.55	\$112.55	\$106.55	\$25.80	\$74.00	\$114.35	\$141.30	\$8.65	\$6.50	\$8.90	\$8.60	\$8.70	\$8.60	\$8.85	\$7.00	\$9.60	\$109.85	
2029	2.0%	2.0%	1.000	\$100.00	\$140.00	\$98.00	\$137.20	\$122.20	\$115.20	\$109.20	\$26.40	\$75.45	\$116.60	\$144.05	\$8.85	\$6.50	\$9.10	\$8.80	\$8.90	\$8.80	\$9.05	\$7.00	\$9.80	\$112.05	
2030	2.0%	2.0%	1.000	\$100.00	\$142.80	\$98.00	\$139.95	\$124.95	\$117.95	\$111.95	\$27.00	\$76.95	\$118.95	\$146.95	\$9.05	\$6.50	\$9.30	\$9.00	\$9.10	\$9.00	\$9.25	\$7.00	\$10.00	\$114.30	
2031	2.0%	2.0%	1.000	\$100.00	\$145.70	\$98.00	\$142.75	\$127.75	\$120.75	\$114.75	\$27.45	\$78.50	\$121.35	\$149.90	\$9.20	\$6.50	\$9.45	\$9.15	\$9.25	\$9.15	\$9.40	\$7.00	\$10.20	\$116.60	
2029+	2.0%	2.0%	1.000	0.0%	2.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%	2.0%	2.0%		

- Notes:
- All prices are in Canadian dollars except WTI and NYMEX gas which are in U.S. dollars.
 - Edmonton city gate prices based on light sweet crude posted at major Canadian refineries. (40 Deg. API < 0.5% Sulphur)
 - Natural Gas Liquid prices are forecasted at Edmonton therefore an additional transportation cost must be included to plant gate sales point.
 - 1 Mcf is equivalent to 1 mmbtu.
 - System gas prices includes TCGSL, Progas, Pan Alberta and Alliance.
 - Real dollars listed include future growth in prices with no escalation considered.
 - Alberta gas prices, except AECO, include an Average cost of service to the plant gate.

RECONCILIATION OF CHANGES IN RESERVES

The following table represents the change in reserves from the initial filing document effective July 15, 2011 and the year-end reserves effective December 31, 2011.

Wilton Resources Inc.
NI 51-101 FORECAST CASE
RECONCILIATION OF COMPANY GROSS RESERVES BY PRINCIPAL PRODUCT

Opening Case: AJM Deloitte June 30, 2011 Forecast Pricing
Closing Case: AJM Deloitte December 31, 2011 Forecast Pricing

	Light & Medium Oil			Heavy Oil			Associated & Non-Associated Gas			Coalbed Methane		
	Proved	Probable	Proved +Probable	Proved	Probable	Proved +Probable	Proved	Probable	Proved +Probable	Proved	Probable	Proved +Probable
	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb	Mstb
Opening Balance	0.0	0.0	0.0	0.0	0.0	0.0	290.2	133.3	423.5	0.0	0.0	0.0
Production	0.0	0.0	0.0	0.0	0.0	0.0	-13.4	0.0	-13.4	0.0	0.0	0.0
Technical Revisions	0.0	0.0	0.0	0.0	0.0	0.0	3.9	-7.0	-3.1	0.0	0.0	0.0
Extensions & Improved Recovery	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Discoveries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dispositions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Economic Factors	0.0	0.0	0.0	0.0	0.0	0.0	-24.2	0.0	-24.2	0.0	0.0	0.0
Infill Drilling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Closing Balance	0.0	0.0	0.0	0.0	0.0	0.0	256.5	126.3	382.8	0.0	0.0	0.0

Light and Medium Oil contains Shale Oil, Heavy includes Bitumen and Ultra Heavy, Associated and Non-Associated Gas includes Shale Gas and Hydrate.

ADDITIONAL INFORMATION RELATING TO RESERVES DATA

Significant Factors or Uncertainties Affecting Reserves Data

The process of estimating reserves is complex. It requires significant judgment 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 forecasts, commodity prices and economic conditions. The Corporation's reserves are evaluated by AJM Deloitte, an independent engineering firm.

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, commodity 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. The Corporation's actual production, revenues, taxes, development and operating expenditures with respect to its reserves may vary from such estimates, and such variances could be material.

Future Development Costs

There are no capital expenditures forecast at this time. The Corporation continues to review new acquisition opportunities. The Corporation would typically utilize available funding to finance future capital expenditure programs from 3 potential sources: internally generated cash flow from operating activities, debt financing when appropriate and new equity issues, if available on favourable terms.

OTHER OIL AND GAS INFORMATION

Oil and Gas Properties

Klein Property

Klein is located approximately 170 miles northeast of Calgary, Alberta in Townships 35, Range 5W4. The Corporation's non-operating interest in the Property is as follows:

<u>Location Disposition Date</u>	<u>Formation Status</u>	<u>Type Class</u>	<u>Interests</u>	<u>Lessor: Production Class</u>
Klein				
02/13-10-035-05W4/0	Sparky flowing gas	Gas Conventional	75% WI	Crown
02/13-10-035-05W4/2	McLaren shut-in gas zone	Gas Conventional	75% WI	Crown

Geology

Sparky

The Sparky sands of the Early Cretaceous Mannville Group are part of a series of widespread vertically stacked near shore shallow marine environments. The units consist of coarsening upward, unconsolidated,

rounded, well-sorted, fine to very fine-grained, quartzose sands. Hydrocarbons are trapped stratigraphically as the porous sands pinch-out or grade laterally into the surrounding marine shales and silts.

McLaren

The McLaren Sand of the Early Cretaceous Mannville Group represents a northward prograding deltaic environment. Fluvial environments to the southwest supply the sediment. It consists of upward coarsening unconsolidated shale, silts, and fine- to very fine-grained sands. Hydrocarbons are trapped stratigraphically as the porous sands pinch-out or grade laterally into the surrounding silts and shale.

Economic Summary

The following table from the AJM Deloitte Report presents an economic summary of the working interest in the Property.

Detailed Economic Summary AJM Deloitte December 31, 2011 Forecast Pricing (CAD)

	PDP	PDNP	PD	PUD	TP	P+PBP	P+PBNP	P+PBD	P+PBUD	P+P
<u>Sales Gas</u>										
Ultimate Remaining	258.5	83.5	342.0		342.0	393.5	116.9	510.4		510.4
WI Before Royalty	193.9	62.6	256.5		256.5	295.1	87.7	382.8		382.8
WI After Royalty	179.2	58.4	237.7		237.7	272.8	81.8	354.6		354.6
Royalty Interest	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0
Total Net	179.2	58.4	237.7		237.7	272.8	81.8	354.6		354.6
<u>MBOE</u>										
Ultimate Remaining	43.1	13.9	57.0		57.0	65.6	19.5	85.1		85.1
WI Before Royalty	32.3	10.4	42.7		42.7	49.2	14.6	63.8		63.8
WI After Royalty	29.9	9.7	39.6		39.6	45.5	13.6	59.1		59.1
Royalty Interest	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0
Total Net	29.9	9.7	39.6		39.6	45.5	13.6	59.1		59.1
<u>Net Present Values - BTAX</u>										
Undiscounted	283.5	169.1	452.6		452.6	603.7	242.1	845.8		845.8
Discounted at 5%	238.2	82.6	320.8		320.8	451.6	112.4	564.0		564.0
Discounted at 10%	202.8	42.1	244.8		244.8	350.3	54.9	405.3		405.3
Discounted at 15%	175.0	22.2	197.2		197.2	280.8	28.1	308.9		308.9
Discounted at 20%	153.0	12.1	165.1		165.1	231.6	14.9	246.6		246.6

The following tables from the AJM Deloitte Report present the cash flow before tax and after tax for the Property:

Discounted Cash Flow
AJM Deloitte December 31, 2011 Forecast Pricing (CAD)

Total Proved Developed Producing Reserves

Cash Flow BTAX

	Company Revenue	Crown Royalty	Freehold Royalty	ORR Royalty	Mineral Tax	Total Royalty Burden %	Net Rev After Royalties	Other Income	Sask Corp Cap Tax	Fixed Oper Expense	Variable Operating Expense	Other Expenses	Total Operating Costs	Abandon Cost & Salvage	Net Operating Income	Total Investment	NET Cash Flow	CUM Cash Flow	Disc Cash Flow (10%)
	\$	\$	\$	\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	135,057	8,721.4	0.0	0.0	0.0	6	126,336	0.0	0.0	17,325.0	79,124.0	0.0	96,449.0	0.0	29,887	0.0	29,887	29,887	28,572
2013	131,671	8,728.2	0.0	0.0	0.0	7	122,943	0.0	0.0	17,671.5	66,731.3	0.0	84,402.8	0.0	38,540	0.0	38,540	68,427	33,485
2014	125,785	8,495.1	0.0	0.0	0.0	7	117,290	0.0	0.0	18,024.9	56,448.7	0.0	74,473.7	0.0	42,817	0.0	42,817	111,244	33,819
2015	114,634	7,824.5	0.0	0.0	0.0	7	106,809	0.0	0.0	18,385.4	47,750.6	0.0	66,136.0	0.0	40,673	0.0	40,673	151,917	29,139
2016	102,930	7,082.4	0.0	0.0	0.0	7	95,847	0.0	0.0	18,753.1	40,493.3	0.0	59,246.5	0.0	36,601	0.0	36,601	188,518	23,833
2017	92,199	6,392.5	0.0	0.0	0.0	7	85,806	0.0	0.0	19,128.2	34,151.1	0.0	53,279.3	0.0	32,527	0.0	32,527	221,044	19,256
2018	81,691	5,696.9	0.0	0.0	0.0	7	75,994	0.0	0.0	19,510.8	28,888.8	0.0	48,399.6	0.0	27,594	0.0	27,594	248,639	14,852
2019	73,168	5,133.9	0.0	0.0	0.0	7	68,034	0.0	0.0	19,901.0	24,437.3	0.0	44,338.3	0.0	23,696	0.0	23,696	272,335	11,595
2020	65,337	4,609.0	0.0	0.0	0.0	7	60,728	0.0	0.0	20,299.0	20,723.3	0.0	41,022.3	0.0	19,706	0.0	19,706	292,040	8,764
2021	56,631	4,008.0	0.0	0.0	0.0	7	52,623	0.0	0.0	20,705.0	17,477.5	0.0	38,182.5	0.0	14,441	0.0	14,441	306,481	5,839
Sub	979,103	66,691.9	0.0	0.0	0.0	7	912,411	0.0	0.0	189,703.9	416,226.0	0.0	605,929.9	0.0	306,481	0.0	306,481	306,481	209,155
Rem	62,636	4,440.6	0.0	0.0	0.0	7	58,195	0.0	0.0	28,589.1	19,309.8	0.0	47,898.9	33,291.3	-22,995	0.0	-22,995	283,486	-6,385
Total	1,041,739	71,132.5	0.0	0.0	0.0	7	970,606	0.0	0.0	218,293.0	435,535.8	0.0	653,828.9	33,291.3	283,486	0.0	283,486	283,486	202,770

Cash Flow ATAX

	Income Before Tax Loss	Tax Loss Generated	Tax Loss Claim	Federal Taxable Income	Basic Federal Tax	Federal M&P Tax Credit	Federal Surtax	Invest Tax Credit	Federal Income Tax	Attributed Royalty Income	Provincial Taxable Income	Basic Provincial Tax	Provincial M&P Tax Credit	Provincial Income Tax	Total Income Tax	BTAX Cash Flow	ATAX Cash Flow	CUM Cash Flow	Disc Cash Flow (10%)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	-52,613.2	52,613.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29,887	29,887	29,887	28,572
2013	-35,709.7	35,709.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38,540	38,540	68,427	33,485
2014	-24,008.5	24,008.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	42,817	42,817	111,244	33,819
2015	-19,469.3	19,469.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,673	40,673	151,917	29,139
2016	-17,527.3	17,527.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	36,601	36,601	188,518	23,833
2017	-16,188.6	16,188.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32,527	32,527	221,044	19,256
2018	-16,249.6	16,249.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27,594	27,594	248,639	14,852
2019	-15,763.7	15,763.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23,696	23,696	272,335	11,595
2020	-15,807.7	15,807.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19,706	19,706	292,040	8,764
2021	-17,521.4	17,521.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14,441	14,441	306,481	5,839
Sub	-230,859.2	230,859.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	306,481	306,481	306,481	209,155
Rem	-306,828.2	306,828.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-22,995	-22,995	283,486	-6,385
Total	-537,687.4	537,687.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	283,486	283,486	283,486	202,770

Total Proved Reserves

Cash Flow BTAX

	Company Revenue	Crown Royalty	Freehold Royalty	ORR Royalty	Mineral Tax	Total Royalty Burden %	Net Rev After Royalties	Other Income	Sask Corp Cap Tax	Fixed Oper Expense	Variable Operating Expense	Other Expenses	Total Operating Costs	Abandon Cost & Salvage	Net Operating Income	Total Investment	NET Cash Flow	CUM Cash Flow	Disc Cash Flow (10%)
	\$	\$	\$	\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	135,057	8,721.4	0.0	0.0	0.0	6	126,336	0.0	0.0	17,325.0	79,124.0	0.0	96,449.0	0.0	29,887	0.0	29,887	29,887	28,572
2013	131,671	8,728.2	0.0	0.0	0.0	7	122,943	0.0	0.0	17,671.5	66,731.3	0.0	84,402.8	0.0	38,540	0.0	38,540	68,427	33,485
2014	125,785	8,495.1	0.0	0.0	0.0	7	117,290	0.0	0.0	18,024.9	56,448.7	0.0	74,473.7	0.0	42,817	0.0	42,817	111,244	33,819
2015	114,634	7,824.5	0.0	0.0	0.0	7	106,809	0.0	0.0	18,385.4	47,750.6	0.0	66,136.0	0.0	40,673	0.0	40,673	151,917	29,139
2016	102,930	7,082.4	0.0	0.0	0.0	7	95,847	0.0	0.0	18,753.1	40,493.3	0.0	59,246.5	0.0	36,601	0.0	36,601	188,518	23,833
2017	92,199	6,392.5	0.0	0.0	0.0	7	85,806	0.0	0.0	19,128.2	34,151.1	0.0	53,279.3	0.0	32,527	0.0	32,527	221,044	19,256
2018	81,691	5,696.9	0.0	0.0	0.0	7	75,994	0.0	0.0	19,510.8	28,888.8	0.0	48,399.6	0.0	27,594	0.0	27,594	248,639	14,852
2019	73,168	5,133.9	0.0	0.0	0.0	7	68,034	0.0	0.0	19,901.0	24,437.3	0.0	44,338.3	0.0	23,696	0.0	23,696	272,335	11,595
2020	65,337	4,609.0	0.0	0.0	0.0	7	60,728	0.0	0.0	20,299.0	20,723.3	0.0	41,022.3	0.0	19,706	0.0	19,706	292,040	8,764
2021	56,631	4,008.0	0.0	0.0	0.0	7	52,623	0.0	0.0	20,705.0	17,477.5	0.0	38,182.5	0.0	14,441	0.0	14,441	306,481	5,839
Sub	979,103	66,691.9	0.0	0.0	0.0	7	912,411	0.0	0.0	189,703.9	416,226.0	0.0	605,929.9	0.0	306,481	0.0	306,481	306,481	209,155
Rem	626,413	40,118.1	0.0	0.0	0.0	6	586,295	0.0	0.0	211,138.2	195,795.6	0.0	406,933.8	33,291.3	146,070	0.0	146,070	452,551	35,674
Total	1,605,516	106,810.0	0.0	0.0	0.0	7	1,498,706	0.0	0.0	400,842.1	612,021.6	0.0	1,012,863.3	33,291.3	452,551	0.0	452,551	452,551	244,829

Cash Flow ATAX

	Income Before Tax Loss	Tax Loss Generated	Tax Loss Claim	Federal Taxable Income	Basic Federal Tax	Federal M&P Tax Credit	Federal Surtax	Invest Tax Credit	Federal Income Tax	Attributed Royalty Income	Provincial Taxable Income	Basic Provincial Tax	Provincial M&P Tax Credit	Provincial Income Tax	Total Income Tax	BTAX Cash Flow	ATAX Cash Flow	CUM Cash Flow	Disc Cash Flow (10%)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	-52,613.2	52,613.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29,887	29,887	29,887	28,572
2013	-35,709.7	35,709.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38,540	38,540	68,427	33,485
2014	-24,008.5	24,008.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	42,817	42,817	111,244	33,819
2015	-19,469.3	19,469.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40,673	40,673	151,917	29,139
2016	-17,527.3	17,527.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	36,601	36,601	188,518	23,833
2017	-16,188.6	16,188.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32,527	32,527	221,044	19,256
2018	-16,249.6	16,249.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27,594	27,594	248,639	14,852
2019	-15,763.7	15,763.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23,696	23,696	272,335	11,595
2020	-15,807.7	15,807.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19,706	19,706	292,040	8,764
2021	-17,521.4	17,521.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14,441	14,441	306,481	5,839
Sub	-230,859.2	230,859.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	306,481	306,481	306,481	209,155
Rem	-137,763.4	167,306.5	29,543.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	146,070	146,070	452,551	35,674
Total	-368,622.5	398,165.7	29,543.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	452,551	452,551	452,551	244,829

Total Proved Plus Probable Reserves

Cash Flow BTAX

	Company Revenue	Crown Royalty	Freehold Royalty	ORR Royalty	Mineral Tax	Total Royalty Burden	Net Rev After Royalties	Other Income	Sask Corp Cap Tax	Fixed Oper Expense	Variable Operating Expense	Other Expenses	Total Operating Costs	Abandon Cost & Salvage	Net Operating Income	Total Investment	NET Cash Flow	CUM Cash Flow	Disc Cash Flow (10%)
	\$	\$	\$	\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	139,359	8,999.2	0.0	0.0	0.0	6	130,360	0.0	0.0	17,325.0	81,644.3	0.0	98,969.3	0.0	31,391	0.0	31,391	31,391	29,984
2013	144,888	9,604.3	0.0	0.0	0.0	7	135,284	0.0	0.0	17,671.5	73,429.5	0.0	91,101.0	0.0	44,183	0.0	44,183	75,573	38,357
2014	147,589	9,967.6	0.0	0.0	0.0	7	137,621	0.0	0.0	18,024.9	66,233.6	0.0	84,258.5	0.0	53,363	0.0	53,363	128,936	42,116
2015	143,423	9,789.6	0.0	0.0	0.0	7	133,634	0.0	0.0	18,385.4	59,742.9	0.0	78,128.3	0.0	55,505	0.0	55,505	184,442	39,766
2016	137,331	9,449.4	0.0	0.0	0.0	7	127,881	0.0	0.0	18,753.1	54,026.9	0.0	72,780.1	0.0	55,101	0.0	55,101	239,543	35,880
2017	131,182	9,095.4	0.0	0.0	0.0	7	122,087	0.0	0.0	19,128.2	48,590.9	0.0	67,719.1	0.0	54,368	0.0	54,368	293,910	32,186
2018	123,939	8,643.2	0.0	0.0	0.0	7	115,295	0.0	0.0	19,510.8	43,829.1	0.0	63,339.9	0.0	51,955	0.0	51,955	345,866	27,964
2019	118,369	8,305.5	0.0	0.0	0.0	7	110,063	0.0	0.0	19,901.0	39,534.0	0.0	59,435.0	0.0	50,628	0.0	50,628	396,494	24,774
2020	112,719	7,951.3	0.0	0.0	0.0	7	104,767	0.0	0.0	20,299.0	35,751.5	0.0	56,050.5	0.0	48,717	0.0	48,717	445,211	21,667
2021	104,188	7,373.8	0.0	0.0	0.0	7	96,814	0.0	0.0	20,705.0	32,154.3	0.0	52,859.3	0.0	43,954	0.0	43,954	489,166	17,773
Sub	1,302,986	89,179.3	0.0	0.0	0.0	7	1,213,807	0.0	0.0	189,703.9	534,937.2	0.0	724,641.1	0.0	489,166	0.0	489,166	489,166	310,468
Rem	1,318,702	87,518.2	0.0	0.0	0.0	7	1,231,183	0.0	0.0	427,128.8	409,914.8	0.0	837,043.7	37,491.5	356,648	0.0	356,648	845,814	94,782
Total	2,621,688	176,697.5	0.0	0.0	0.0	7	2,444,990	0.0	0.0	616,832.8	944,852.1	0.0	1,561,684.8	37,491.5	845,814	0.0	845,814	845,814	405,250

Cash Flow ATAX

	Income Before Tax Loss	Tax Loss Generated	Tax Loss Claim	Federal Taxable Income	Basic Federal Tax	Federal M&P Tax Credit	Federal Surplus	Invest Tax Credit	Federal Income Tax	Attributed Royalty Income	Provincial Taxable Income	Basic Provincial Tax	Provincial M&P Tax Credit	Provincial Income Tax	Total Income Tax	BTAX Cash Flow	ATAX Cash Flow	CUM Cash Flow	Disc Cash Flow (10%)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	-51,109.4	51,109.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31,391	31,391	31,391	29,984
2013	-30,067.4	30,067.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44,183	44,183	75,573	38,357
2014	-13,462.2	13,462.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	53,363	53,363	128,936	42,116
2015	-4,637.0	4,637.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	55,505	55,505	184,442	39,766
2016	973.0	0.0	973.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	55,101	55,101	239,543	35,880
2017	5,652.2	0.0	5,652.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	54,368	54,368	293,910	32,186
2018	8,111.6	0.0	8,111.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	51,955	51,955	345,866	27,964
2019	11,169.0	0.0	11,169.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50,628	50,628	396,494	24,774
2020	13,203.3	0.0	13,203.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	48,717	48,717	445,211	21,667
2021	11,992.3	0.0	11,992.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	43,954	43,954	489,166	17,773
Sub	-48,174.6	99,276.0	51,101.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	489,166	489,166	489,166	310,468
Rem	72,815.3	104,084.0	53,348.5	123,550.8	18,532.6	0.0	0.0	0.0	18,532.6	0.0	123,550.8	12,355.1	0.0	12,355.1	30,887.7	356,648	325,761	814,926	87,134
Total	24,640.7	203,360.0	104,449.9	123,550.8	18,532.6	0.0	0.0	0.0	18,532.6	0.0	123,550.8	12,355.1	0.0	12,355.1	30,887.7	845,814	814,926	814,926	397,602

Forward Contracts

The Corporation does not have any forward contracts.

Additional Information Concerning Abandonment and Reclamation Costs

The Corporation estimates the costs associated with well abandonment and reclamation cost for surface leases, wells, facility and pipeline based on its previous experience, current regulations, costs, technology and industry standards. The Corporation's share of the expected total abandonment and reclamation costs for wells with assigned reserves, non-producing and service wells and facilities, net of salvage value are summarized, without discount and using a discount rate of 10%, in the following table:

Category	Forecast Pricing (M\$)			
	Proved 0%	Proved 10%	Proved Plus Probable 0%	Proved Plus Probable 10%
Wells with reserves assigned ⁽¹⁾	33.3	10.1	37.5	6.4
Wells with no reserves assigned and facilities ⁽²⁾	0.0	0.0	0.0	0.0
Total abandonment and reclamation cost provision	33.3	10.1	37.5	6.4
Portion forecast to be paid during the next three years	0.0	0.0	0.0	0.0

Notes:

- (1) Abandonment and reclamation costs were estimated by AJM Deloitte and included in the AJM Deloitte Report for all wells assigned reserves.
(2) The Corporation has estimated the timing and the costs associated with the abandonment and reclamation for wells with no reserves assigned and for facilities. This represents the total abandonment and reclamation costs that were not deducted in computing future net revenue.

Tax Horizon

The Corporation was not required to pay any tax during the year ended December 31, 2011. At the end of 2011, the Corporation had estimated income tax deductions of \$1,577,500 available to reduce future taxable income. As a result of available deductions, the Corporation does not expect to incur income taxes in 2012. The Corporation could, if sufficient income tax deductions are not generated by future business operations, incur income taxes in 2013.

Costs Incurred

The following table summarizes Corporation's property acquisition costs, exploration costs and development costs incurred during the financial year ended December 31, 2011:

Nature of Cost	Property Acquisitions and Capital Expenditures
	Amount (\$)
Property Acquisition Costs	
Proved	\$643,775
Unproved	-
Exploration Costs	-
Development Costs	-
Total	\$643,775

Production Estimates

The following tables disclose the estimated average daily production for 2012 for each product type associated with the first year of the gross proved reserves and gross probable reserves reported in the AJM Deloitte Report effective December 31, 2011, based on forecast prices and costs:

	Forecast Production Working Interest Volume Jan 1 - Dec 31/12	
	Proved	Proved + Probable
Oil & NGLs(Mstb)	0.0	0.0
Gas (MMcf)	37.6	38.8

Production History

The following table summarizes the share of the average daily production in Canada that is attributable to a 75% working interest in the Property, before deduction of royalties, for the periods indicated⁽¹⁾:

	Total Company			
	Q1 2011	Q2 2011	Q3 2011	Q4 2011
Production				
heavy oil, bopd	0	0	0	0
light oil + NGLs, bopd	4	0	0	0
gas, mcf/d	82	75	113	41
boe/d	18	12	19	7

Notes:

(1) The Corporation acquired its 75% non-operating interest in the Property on October 28, 2011.

Netback History

The following table sets forth information respecting average net product prices received, royalties paid, production expenses and operating netbacks received in respect of the production attributable to a 75% working interest in the Property for the periods indicated⁽¹⁾:

	Total Company			
	Q1 2011	Q2 2011	Q3 2011	Q4 2011
Heavy Oil				
averages, \$/bbl				
price	0.00	0.00	0.00	0.00
royalties paid	0.00	0.00	0.00	0.00
operating cost	0.00	0.00	0.00	0.00
netback	0.00	0.00	0.00	0.00
Light Oil and NGLs				
averages, \$/bbl				
price	0.85	102.78	72.50	124.00
royalties paid	0.91	32.22	65.00	17.67
operating cost	0.00	0.00	0.00	0.00
netback	-0.07	70.56	7.50	106.33
Gas				
averages, \$/mcf				
price	3.82	3.93	3.71	3.37
royalties paid	0.27	0.27	0.27	0.26
operating cost	2.02	4.71	2.21	2.17
netback	1.54	-1.05	1.23	0.94

Notes:

(1) The Corporation acquired its 75% non-operating interest in the Property on October 28, 2011.

APPENDIX C

OIL & GAS DEFINITIONS

The following definitions form the bases of the classification of reserves and values presented in the AJM Deloitte Report. They have been prepared by the Standing Committee on Reserves Definitions of the Petroleum Society of the CIM incorporated in the Society of Petroleum Evaluation Engineers Canadian Oil and Gas Evaluation Handbook and specified by NI 51-101.

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 is required to properly use and apply reserves definitions.

"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 (a) analysis of drilling, geological, geophysical, and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be 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.

"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 (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 category (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 sub-divide 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.

"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.

"gross" means: (a) in relation to a reporting issuer's interest in production or reserves, its "company gross reserves", which are the reporting issuer's working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the reporting issuer; (b) in relation to wells, the total number of wells in which a reporting issuer has an interest; and (c) in relation to properties, the total area of properties in which a reporting issuer has an interest.

"net" means: (a) in relation to a reporting issuer's interest in production or reserves its working interest (operating or non-operating) share after deduction of royalty obligations, plus the reporting issuer's royalty interests in production or reserves; (b) in relation to a reporting issuer's interest in wells, the number of wells obtained by aggregating the reporting issuer's working interest in each of its gross wells; and (c) in relation to a reporting issuer's interest in a property, the total area in which the issuer has an interest multiplied by the working interest owned by the reporting issuer.