ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2014

April 30, 2015

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SCHEDULES:

A – REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE
B – REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR

DEFINITIONS

Certain terms and abbreviations used in this AIF are defined below:

"**AIF**" means this Annual Information Form;

"**AACT**" means AACT Capital Ltd., a controlled by Adam Thomas, President and a director of Maple Leaf;

"**April 2015 Acquisition**" means Maple Leaf's proposed acquisition of royalty interests on 1,000 contiguous acres in southern Alberta which is expected to close on or around May 1, 2015, with an effective date of April 1, 2015.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) SBC 2002, c. 57, as amended, including the regulations thereunder;

"**affiliate**" or "**associate**" when used to indicate a relationship with a person or Corporation, has the meaning set forth in the *Securities Act* (British Columbia);

"**Board of Directors**", "**Board**", and "**Directors**" means the board of directors of the Corporation, as constituted from time to time, including where applicable, any committee thereof;

"**CADO**" means CADO Bancorp Ltd., a company controlled by Hugh Cartwright and Shane Doyle, directors of the Maple Leaf;

"**CEO**" means Chief Executive Officer;

"**CFO**" means Chief Financial Officer;

"**CPC**" means capital pool company as such term is defined in Policy 2.4;

"**Common Shares**" means the common shares without par value in the capital of the Corporation;

"**Corporation**" or "**Maple Leaf**" means Maple Leaf Royalties Corp.;

"**Cogency**" means 1532497 Ontario Inc., formerly named Cogency Semiconductor Inc.;

"**Effective Date**" means the effective date of this Annual Information Form, being April 30, 2015;

"**Filing Statement**" means the filing statement of Maple Leaf dated October 28, 2014 and filed on SEDAR on October 28, 2014, in connection with Maple Leaf's Qualifying Transaction (as such term is defined herein);

"**Investment Policy**" means Maple Leaf's investment policy as set forth in Appendix B to the Filing Statement;

"**MEILP 2011**" means Maple Leaf 2011 Energy Income Limited Partnership;

"**MEILP 2012**" means Maple Leaf 2012 Energy Income Limited Partnership;

"**MEILP 2012-II**" means Maple Leaf 2012-II Energy Income Limited Partnership;

"**Management Agreement**" means the management agreement dated as of July 22, 2014 among the Corporation, AACT, Peace, and CADO pursuant to which AACT, Peace and CADO provide personnel to carry out executive and administrative services for Maple Leaf;

"**Maple Leaf 2011 Acquisition**" means Maple Leaf's acquisition of all of the royalty interests held by Maple Leaf 2011 Energy Income Limited Partnership in 14 oil and gas wells located in west central Alberta which was completed on December 16, 2014, with an effective date of September 1, 2014;

"**Maple Leaf 2012 Acquisition**" means Maple Leaf's acquisition of all of the royalty interests in nine oil and gas wells located in Alberta from Maple Leaf 2012 Energy Income Limited Partnership which was completed on January 30, 2015, with an effective date of January 1, 2015;

"**Maple Leaf 2012-II Acquisition**" means Maple Leaf's acquisition of all of the royalty interests and non-operated working interests in 17 oil and gas wells located in Alberta and Saskatchewan from Maple Leaf 2012-II Energy Income Limited Partnership which was completed on April 1, 2015, with an effective date of March 1, 2015;

"**MI 61-101**" means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators;

"**NGL**" means natural gas liquids;

"**NI 51-101**" means National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators;

"**NI 51-102**" means National Instrument 51-102 - *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

"**Peace**" means Peace Energy Inc., a company controlled by Daniel Gundersen, CEO and a director of Maple Leaf;

"**Petroleum Substances**" means any and all forms of the following: petroleum, bitumen, natural gas and all related hydrocarbons (including all liquid hydrocarbons) and all other substances, whether liquids, gaseous or solids and whether hydrocarbons or not produced or producible in association with such petroleum, natural gas or related hydrocarbons

"**Policy 2.4**" means policy 2.4 "Capital Pool Companies" of the TSX Venture Exchange Corporate Finance Manual;

"**Policy 5.4**" means policy 5.4 "Escrow, Vendor Consideration and Resale Restrictions" of the TSX Venture Exchange Corporate Finance Manual;

"**possible reserves**" means 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;

"**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;

"**production**" means recovering, gathering, treating, field or plant processing (for example, processing gas to extract natural gas liquids) and field storage of oil and gas;

"**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;

"**Qualifying Transaction**" means the qualifying transaction, as such term is defined in Policy 2.4, between the Corporation and Cogency which closed effective November 3, 2014;

"**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 being "proved reserves", "probable reserves" and "possible reserves";

"**Royalty Properties**" means those oil and gas properties in which Maple Leaf holds a royalty interest as more particularly described in this AIF;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Sproule**" means Sproule Associates Limited;

"**Sproule Report**" means the reserve report dated March 2, 2015 and prepared by Sproule in relation to the crude oil and natural gas reserves of the Corporation and the future net production revenues attainable thereto with an effective date of December 31, 2014;

"**Tax Act**" means *the Income Tax Act* (Canada) and the regulations thereto, as may be amended from time to time;

"**Taxes**" means, with respect to any entity, all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, value added taxes, transfer taxes, franchise taxes, licence taxes, withholding taxes or other withholding obligations, payroll taxes, employment taxes, Canada or Québec Pension Plan premiums, excise, severance, social security premiums, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, property taxes, provincial Crown royalties, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties or other taxes of any kind whatsoever, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity or for which such entity is responsible, and any interest, penalties, additional taxes, additions to tax or other amounts imposed with respect to the foregoing;

"**TSX**" means the Toronto Stock Exchange;

"**TSXV**" means the TSX Venture Exchange Inc.;

"**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 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; and

"**working interest**" means the net interest held in an oil and natural gas property which normally bears its proportionate share of the costs of exploration, development and operations as well as any royalties or other production burdens.

MONETARY REFERENCES

All monetary references contained in this AIF are in Canadian dollars unless otherwise specified. All monetary references contained in the reserves data are in Canadian dollars.

ABBREVIATIONS AND CONVERSIONS

Crude Oils and Natural Gas Liquids

API	American Petroleum Institute
Bbl	Barrel
Bbls	Barrels
Bbls/d	Barrels per day
BOPD	Barrels of oil per day
MBbls	Thousand barrels
MMBbls	Million barrels
BOE	Barrels of oil equivalent
BOE/d	Barrels of oil equivalent per day
MBOE	Thousand of barrels of oil equivalent
MMBOE	Million of barrels of oil equivalent
NGLs	Natural gas liquids
MMbtu	Million British thermal units
WTI	West Texas Intermediate

Natural Gas

Mcf	Thousand cubic ft
MMcf	Million cubic ft
Mcf/d	Thousand cubic ft per day
MMcf/d	Million cubic ft per day
Gj	Gigajoules

Other

M	1,000

BARREL OF OIL EQUIVALENCY

The calculation of barrels of oil equivalent (BOE) is based on a conversion ratio of six thousand cubic feet (Mcf) of natural gas for one barrel (Bbl) of oil based on an energy equivalency conversion method. A barrel of oil equivalent may be misleading, particularly if used in isolation. A BOE conversion ratio of 6Mcf:1Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. **Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1 Bbl, utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.**

METRIC CONVERSION TABLE

The following table sets forth certain factors for converting metric measurements into imperial equivalents.

To convert from	To	Multiply by
BOE	Mcf	6.00
Mcf	Cubic metres (“m3”)	28.17
Cubic metres	Cubic ft	35.49
Bbls	Cubic metres (“m3”)	0.16
Cubic metres (“m3”)	Bbls	6.29
Feet (“ft”)	Metres	0.31
Metres	Feet (“ft”)	3.28
Miles	Kilometres (“Km”)	1.61
Kilometres (“Km”)	Miles	0.62
Acres	Hectares (“Ha”)	0.41

NON-GAAP MEASURES

Within this AIF, references are made to terms commonly used in the oil and natural gas industry. The term "netback" in this AIF is not a recognized measure under generally accepted accounting principles in Canada. The term "netback" is used as a key performance indicator and it is used by the Corporation to evaluate the operating performance of Maple Leaf’s petroleum and natural gas assets and is determined by deducting royalties and

operating expenses from petroleum and natural gas revenue. Readers are cautioned; however, that this measure should not be construed as an alternative to net earnings or cash flow from operating activities determined in accordance with generally accepted accounting principles in Canada as an indication of the Corporation's performance.

FORWARD LOOKING STATEMENTS

Cautionary Statement Regarding Forward-Looking Information and Statements

Certain statements contained in this AIF may constitute forward-looking statements. These statements relate to future events or the Corporation's 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 facing the Corporation. Risks, uncertainties and other factors may be beyond the Corporation's control and 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 AIF should not be unduly relied upon by investors. These statements speak only as of the date of this AIF and are expressly qualified, in their entirety, by this cautionary statement and Maple Leaf assumes no obligation to revise or update these statements except as required pursuant to applicable securities laws.

In particular, this AIF contains forward-looking statements, pertaining to the following:

- Maple Leaf's objective as an investment company to enhance shareholder value over the long term on a per share basis;
- Maple Leaf's objectives and strategy with respect to future acquisitions and the possibility that the Board of Directors may vary the Corporation's strategy in the future;
- Maple Leaf's Investment Policy, and the funding and payment of dividends according to the terms of the Investment Policy;
- the Corporation's business and growth strategy and the expectation that the Corporation will be successful in strategically seeking additional petroleum and natural gas royalty assets that provide the Corporation with medium-term to long-term value enhancement potential ;
- the expectation that the Corporation will be able to successfully encourage third parties to actively develop any of the Royalty Properties that are acquired and the expectation that the Royalty Properties may be operated by competent third parties or may require other third parties to assume operatorship on behalf of the Corporation;
- the Corporation's belief that there will be minimal or no operating costs, capital costs, environmental liabilities or reclamation obligations incurred by the Corporation with the petroleum and natural gas development on the Royalty Properties;
- the performance and characteristics of the Royalty Properties, including additional upside potential in many of the Royalty Properties;
- the timing and amount of capital expenditure programs and well drilling activity by third parties on the Royalty Properties;
- anticipated future crude oil, natural gas and NGL prices and currency, exchange and interest rates;
- supply and demand for petroleum and natural gas;
- the primary sources of costs to the Corporation;
- the taxability of the Corporation;
- treatment under governmental regulatory regimes, environmental legislation and tax laws.
- the impact of Canadian federal and provincial governmental regulation on the Corporation relative to other oil and gas issuers of similar size;
- future development and growth prospects;
- treatment under governmental regulatory regimes and tax laws;

- projections of market prices and costs;
- weighting of production between different commodities;
- supply and demand for oil and natural gas; and
- realization of the anticipated benefits of acquisitions and dispositions.

The forward-looking statements contained in this AIF are based on a number of factors and assumptions that have been used to develop such statements but which may prove to be incorrect. Although Maple Leaf believes the assumptions underlying such forward-looking statements are reasonable, there is no assurance that the plans, intentions or expectations upon which such forward-looking statements are based will occur. The Corporation has made assumptions regarding, among other things:

- the general stability of the economic and political environment and the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Corporation has an interest in oil and natural gas properties;
- the timely receipt of any required regulatory approvals;
- the ability and willingness of third parties and lessees and working interest owners to comply with and the Corporation to enforce applicable lease terms and contractual provisions, in order for the Corporation to receive payments in respect of the Royalty Properties;
- the ability of lessees or working interest owners in respect of the Royalty Properties to operate in a safe, efficient and effective manner;
- the ability of lessees and working interest owners in respect of the Royalty Properties to obtain financing on acceptable terms to fund exploration and development capital expenditures;
- the ability of lessees, and working interest owners of the properties related to the Royalty Properties to maintain or increase production and reserves from the Royalty Properties;
- the willingness and availability of financial resources of the lessees and working interest owners to continue to develop and invest additional capital in the Royalty Properties;
- field production rates, decline rates and the well performance and characteristics of the properties relating to the Royalty Properties;
- the ability to replace and increase crude oil, natural gas and NGL reserves and production associated with the properties related to the Royalty Properties through acquisitions and third party development;
- the timing, cost and ability of third parties to access, maintain or expand necessary facilities and/or secure adequate product transportation and storage;
- the ability of the operators of the Properties in which the Corporation has an interest to successfully market its oil and natural gas products; and
- levels of royalties, operating costs, general administrative costs, costs of services and other costs and expenses.

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 AIF:

- the Royalty Properties may not be developed by third parties in the manner anticipated by the Corporation;
- non-compliance with lease terms or payment or delivery delinquencies in respect of the Royalty Properties, including the credit risk associated with such third parties;
- volatility in the demand, supply and market prices for crude oil, natural gas and NGL;
- volatility in exchange rates;
- long-term reliance on third parties as lessees, operators and working interest owners on the Royalty Properties as well as to provide necessary services to the Corporation;
- liabilities inherent in petroleum and natural gas operations;
- uncertainties associated with estimating crude oil, natural gas and NGL reserves and future production levels;
- increased costs incurred by the Corporation or the lessees and working interest owners on the Royalty Properties;

- competition for, among other things, third party capital and acquisitions of reserves, additional petroleum and natural gas assets and undeveloped lands;
- incorrect assessments of the value of acquisitions;
- risks related to the environment and changing environmental laws in relation to the operations conducted on the Royalty Properties;
- geological, technical, drilling and completions, processing and handling issues associated with petroleum and natural gas development activities by third parties;
- claims made or legal actions brought or realized against the Corporation or its properties or assets;
- a failure by the Corporation to hire or retain key personnel;
- a decrease or elimination of the payment of dividends by the Corporation as a result of a Board determination or restrictions under applicable agreements or corporate laws;
- general economic, market and business conditions locally and globally;
- changes in tax or environmental laws or royalty or incentive programs relating to the oil and natural gas industry;
- the ability of management to execute its business plan;
- world market forces and political and economic conditions that impact global prices for oil and natural gas, including the ability of OPEC to set oil prices; and
- the other factors considered under "*Risk Factors*" in the AIF which is incorporated by reference herein, and other filings with Canadian securities authorities.

Statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves exist in quantities predicted or estimated and that the reserves described can be profitably produced in the future.

Additional information on these and other factors is available in the reports filed by the Corporation with Canadian securities regulators. The forward-looking statements or information contained in this AIF are made as of the date hereof.

Readers are cautioned that the preparation of financial statements in accordance with generally accepted accounting principles in Canada requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. Estimating reserves is also critical to several accounting estimates and requires judgments and decisions based on available geological, geophysical, engineering and economic data. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available and as the economic environment changes. The information contained in this AIF, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Corporation. Readers are encouraged to carefully consider those factors.

Readers are also cautioned against placing undue reliance on forward-looking information, which is given as of the date it is expressed in this AIF, or the MD&A disclosure incorporated by reference herein, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Corporation undertakes no obligation to publicly update or revise any forward-looking information in this AIF or the MD&A disclosure incorporated by reference herein whether as a result of new information, future events or otherwise, except as required by law.

MAPLE LEAF ROYALTIES CORP.

General

Maple Leaf Royalties Corp. is a public corporation which carries on business as an investment company focused on acquiring oil and natural gas assets, with a particular focus on oil and natural gas royalties. Its offices are located in Vancouver, British Columbia at Suite 808 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G5, and the registered office is located at 2800 Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2Z7, Canada.

The Corporation was incorporated on February 20, 2012 pursuant to the provisions of the BCBCA and was originally listed on the TSXV as a CPC in accordance with applicable policies of the TSXV. On October 31, 2014, the Corporation amended its Articles to change its name by Certificate of Amendment from "Maple Leaf Resource Corp." to "Maple Leaf Royalties Corp." Subsequent to the change of name of the Corporation, the Corporation completed a business combination with Cogency, which constituted Maple Leaf's Qualifying Transaction. In connection with, and immediately prior to closing of the Qualifying Transaction, Maple Leaf completed a share consolidation on the basis of one (1) post-consolidation common share for every four (4) pre-consolidation common shares outstanding prior to the consolidation.

The Corporation is a reporting issuer in British Columbia, Alberta and Ontario. The Common Shares of the Corporation are listed on the TSXV under the trading symbol "MPL".

The Corporation has no subsidiaries as of the Effective Date.

GENERAL DEVELOPMENT OF THE BUSINESS

A detailed description on the significant developments of the business of the Corporation over the last three completed financial years is set out below.

2012

The Corporation was incorporated on February 20, 2012 under the name "Maple Leaf Resource Corp.". Maple Leaf filed a preliminary prospectus dated December 17, 2012 in respect of its initial public offering.

2013

On April 3, 2013 the Corporation completed its initial public offering under Policy 2.4 by the sale of 2,000,000 Common Shares at a price of $0.10 per share for gross proceeds of $200,000. The funds raised as part of its initial public offering were used primarily to identify and evaluate potential qualifying transactions in accordance with the terms of Policy 2.4. The Corporation commenced trading on the TSXV on April 8, 2013 under the symbol "MPL.P"

On May 30, 2013 the Corporation completed a non-brokered private placement financing of 350,000 Common Shares at a price of $0.10 per share for gross proceeds of $35,000 (the "**May 2013 Financing**") with such proceeds to be used for general working capital purposes, in accordance with the policies of the TSXV.

Mr. Jonathan Lexier was appointed as President, Chief Executive Officer and a director of Maple Leaf effective July 31, 2013 and replaced Mr. Shane Doyle as President and Chief Executive Offer. Mr. Shane Doyle remained a director of the Corporation.

Subsequent to Mr. Lexier's appointment, Mr. Shane Doyle, a director of the Corporation, sold 750,000 of his Common Shares for cash consideration of $0.05 per Common Share to Lanark Energy Management Corp. ("**Lanark**"). Lanark is an Alberta corporation controlled by Mr. Lexier and his immediate family and in view of Mr. Lexier's position as an executive officer and a director of the Corporation, the sale was completed under an exemption set forth in Section 2.5 of National Instrument 45-106 - *Prospectus and Registration Exemptions*. The sale of the 750,000 Common Shares resulted in Mr. Doyle owning, or having control over 11.65% of the issued and outstanding Common Shares and Lanark accordingly filed an early warning report in compliance with National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issuers*. As part of Mr. Lexier's appointment as President and CEO, Maple Leaf granted incentive stock options to purchase up to 26,666 Common Shares at a price of $0.10 per share, exercisable for a period of ten years. Mr. Doyle and Mr. Hugh Cartwright, another director of the Corporation, cancelled certain of their stock options and as a result their options were returned to the option pool. Following such cancellation and option grant the Corporation had 200,000 stock options outstanding.

2014

Effective March 27, 2014 Mr. Doyle was re-appointed as President and CEO and replaced Mr. Lexier who resigned as President and CEO. In connection with Mr. Doyle's appointment, the Corporation also announced the sale and transfer of Common Shares from Mr. Lexier to Mr. Doyle and Mr. Cartwright. Pursuant to the terms of the share transfer Mr. Lexier entered into share transfer agreements with each of Mr. Doyle and Mr. Cartwright to sell to each 375,000 Common Shares for a total of 750,000 Common Shares. As a result of the transfer Mr. Doyle and Mr. Cartwright each owned over 17.5% of the issued and outstanding shares of the Corporation.

On June 18, 2014 Maple Leaf entered into an arm's length non-binding letter of intent dated June 3, 2014 with Cogency setting out the basic terms and conditions pursuant to which Cogency and Maple Leaf would complete a business combination.

On July 17, 2014, Cogency completed a private placement offering of subscription receipts ("**Subscription Receipts**"). The offering of Subscription Receipts was completed in two private placements as follows: a non-brokered private placement of 7,153,372 Subscription Receipts at a purchase price of $0.36 per Subscription Receipt for aggregate gross proceeds of $2,575,215; and a brokered private placement of 1,388,890 Subscription Receipts at a purchase price of $0.36 per Subscription Receipt for aggregate gross proceeds of $500,000 (collectively the "**Subscription Receipt Offerings**"). Canaccord Genuity Corp. acted as agent in connection with the brokered private placement and received a cash commission equal to 6% of the gross proceeds raised under the brokered private placement. Each Subscription Receipt was exchangeable for one unit of Cogency (each a "**Cogency Unit**"). Each Cogency Unit was comprised of one common share of Cogency and one Cogency share purchase warrant which entitled the holder to purchase an additional Cogency share at an exercise price of $0.43 per warrant at any time prior to the day that is twenty-four months from the closing date of the Qualifying Transaction. Each Subscription Receipt was automatically exchanged without payment of any additional consideration for one Cogency Unit immediately prior to the completion of business combination between Cogency and Maple Leaf.

On July 22, 2014, Maple Leaf entered into the Management Agreement with CADO, AACT, and Peace. See "*Material Contracts*".

Maple Leaf entered into an arrangement agreement dated August 27, 2014 in respect of the Qualifying Transaction and filed its Filing Statement in connection with the Qualifying Transaction on October 28, 2014.

On October 31, 2014, the Corporation changed its name from "Maple Leaf Resource Corp." to "Maple Leaf Royalties Corp.".

On November 18, 2014 Maple Leaf completed the Qualifying Transaction. Immediately prior to closing, Maple Leaf effected a share consolidation on the basis of one (1) post-consolidation common share for every four (4) pre-consolidation common shares outstanding prior to the consolidation. Pursuant to the Qualifying Transaction, Maple Leaf issued an aggregate of 12,153,618 Common Shares and an aggregate of 9,994,451 warrants of Maple Leaf. Each warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.3675 per share at any time prior to the day that is twenty-four months from the closing date of the Qualifying Transaction. A total of 1,680,923 Common Shares were subject to the escrow requirements of the TSX Venture Exchange upon closing of the Qualifying Transaction. Total share consideration paid by Maple Leaf for Cogency, exclusive of the Subscription Receipt Offerings, was 1,283,675 Common Shares issued at a deemed price of $0.3077 per share resulting in total deemed consideration of $394,987.

As part of the Qualifying Transaction, the outstanding Cogency debentures with principal amount of $923,828 were canceled and Cogency debenture holders received new debentures with an aggregate principal amount of $554,297. In exchange for this reduction of principal and the forgiveness of all accrued interest, the debenture holders received 117,000 Common Shares on a pro rata basis. Of the principal amount of the of the new debentures, the amount of $233,388 was converted into Common Shares at the conversion price of $0.3077 per share, resulting in the issuance of 758,492 Common Shares, which is included in the above-noted share totals. The remaining $320,909 principal amount (no interest had accrued and none was paid) was repaid with cash on hand.

In connection with the Qualifying Transaction, Lowell Jackson, Daniel Gundersen, Adam Thomas, Martin Cheyne, and John Zahary were appointed as directors of Maple Leaf. Hugh Cartwright and Shane Doyle remained directors of Maple Leaf. Daniel Gundersen was appointed the CEO of Maple Leaf, with Adam Thomas appointed as President and John Dickson remained the CFO and Secretary of Maple Leaf.

Following the completion of the Qualifying Transaction, the Common Shares resumed trading on the TSXV on November 21, 2014 under the trading symbol "MPL".

On November 20, 2014 Maple Leaf entered into a purchase agreement with MEILP 2011 pursuant to which it agreed to acquire royalty interest in 14 oil and gas wells located in west central Alberta. This acquisition was completed on December 16, 2014. In consideration of these royalty interests, Maple Leaf issued MEILP 2011 a total of 15,151,515 Common Shares at the deemed price of $0.66 per share, representing a total deemed consideration of $10 million.

2015

On January 1, 2015 Cogency and Maple Leaf were amalgamated as one company under the name "Maple Leaf Royalties Corp.".

On January 22, 2015 Maple Leaf entered into a purchase agreement with Maple Leaf 2012 Energy Income Limited Partnership pursuant to which Maple Leaf acquired royalty interests in nine oil and gas well located in Alberta. This acquisition was completed on January 30, 2015. In consideration of these royalty interests, Maple Leaf issued MEILP 2012 a total 23,000,000 Common Shares at the deemed price of $0.39 per share, representing a total deemed consideration of $8.97 million.

On March 24, 2015 Maple Leaf entered into a purchase agreement with Maple Leaf 2012-II Energy Income Limited Partnership pursuant to which Maple Leaf acquired various royalty interests and non-operated working interests in 17 oil and natural gas wells located in Alberta and Saskatchewan. This acquisition was completed on April 1, 2015. In consideration of these interests, Maple Leaf issued MEILP 2012 II a total 23,500,000 Common Shares at the deemed price of $0.45 per share, representing a total deemed consideration of $10.575 million.

On April 14, 2015 Maple Leaf entered into a purchase agreement with two private oil and gas companies pursuant to which Maple Leaf will acquire a 5-15% sliding scale gross overriding royalty on oil and a 15% gross overriding royalty on natural gas and natural gas liquids on 1,000 contiguous acres in southern Alberta in consideration of $3.75 million in cash. The April 2015 Acquisition is expected to be completed on or around May 1, 2015.

On April 14, 2015 the Board approved the commencement of the payment of dividends in accordance with the Corporation's dividend policy. Pursuant to the terms of Maple Leaf's dividend policy, an initial cash dividend will be paid in July 2015, with the specific timing and amount of such dividend to be announced at a later date.

Significant Acquisitions

The Maple Leaf 2011 Acquisition was a significant acquisition under Part 8 of NI 51-102, and Maple Leaf filed Form 51-102F4 *Business Acquisition Report* on SEDAR on March 2, 2015 in connection with the Maple Leaf 2011 Acquisition. The following is a summary of the Maple Leaf 2011 Acquisition:

On December 16, 2014, pursuant to the terms of a purchase agreement between MEILP 2011 and Maple Leaf dated November 20, 2014 (the "**Purchase Agreement**"), Maple Leaf acquired all of the royalty interests held by MEILP 2011, being royalty interests in 14 oil and gas wells located in west central Alberta, in consideration of the issuance and delivery to MEILP 2011 of 15,151,515 Common Shares at the deemed price of $0.66 per share, representing a total deemed consideration of $10 million.

The Maple Leaf 2011 Acquisition was a Non Arm's Length Transaction under Policy 5.3 of the TSXV as Hugh Cartwright and Shane Doyle, directors of Maple Leaf, were also directors and officers of MEILP 2011, and John Dickson, the Chief Financial Officer of Maple Leaf, was also the CFO and Secretary of MEILP 2011. As part of the

remuneration paid for management service provided to MEILP 2011, 5% (757,576) of the Common Shares issued as consideration for the Maple Leaf 2011 Acquisition were paid by MEILP 2011 to Maple Leaf 2011 Energy Income Management Corp., a corporation controlled by Hugh Cartwright and Shane Doyle. Daniel Gundersen, CEO and a director of Maple Leaf, and Adam Thomas, President and a director of Maple Leaf, provided consulting services to MEILP 2011. These arrangements terminated upon closing of this transaction.

For additional information concerning the Maple Leaf 2011 Acquisition please see the *Business Acquisition Report* filed on the Corporation's SEDAR profile at www.SEDAR.com on March 2, 2015.

DESCRIPTION OF THE BUSINESS OF THE CORPORATION

General

Maple Leaf is focused on oil and gas royalty interests in Canada. The Corporation owns royalties on oil and gas production with its current asset base concentrated in west central Alberta and including a mixture of oil, natural gas, and natural gas liquids from numerous producing wells. Royalty interests offer unique investment characteristics including revenue that is directly correlated with oil and gas prices, but with minimal exposure to capital and operating costs and no exposure to abandonment and reclamation costs. Maple Leaf intends to grow and diversify its royalty portfolio through the acquisition of additional royalty interests.

Acquisition Strategy and Investment Policy

Maple Leaf's investment objective is to enhance shareholder value over the long term on a per share basis. Maple Leaf works towards this objective by making resource-based investments, focused on capital preservation combined with potential capital appreciation and income. Although the Corporation's current focus is on the acquisition of oil and gas royalty interests, the Corporation has adopted a broad investment mandate in order to meet its investment objectives.

The Investment Policy sets out the Corporation's investment and acquisition strategy and provides that, depending upon Maple Leaf's assessment of market conditions and investment opportunities, Maple Leaf may, from time to time, be fully invested, partially invested or entirely un-invested such that Maple Leaf is holding only cash or cash-equivalent balances while the Corporation actively seeks to redeploy such cash or cash-equivalent balances in suitable investment opportunities.

The Board and management of Maple Leaf work together to source, evaluate, and execute appropriate investment opportunities. All prospective investments are subject to rigorous analysis and evaluation and prior approval by the Board and, where appropriate, committees formed for the purpose of reviewing such prospective opportunities.

Competitive Conditions

The oil and natural gas industry is highly competitive. Maple Leaf competes with numerous other participants for all of its business inputs, access to commodity markets, acquisition opportunities, available capital and staffing. Maple Leaf's competitors include oil and gas companies which have much greater financial resources than those of the Corporation. Although Maple Leaf's larger competitors may be able to absorb the impact of any changes in applicable laws and regulations and may be able to handle longer periods of reduced prices of gas and oil more easily the Corporation's management believes that the long-term focus of its investment strategy provides it with a competitive advantage relative to other royalty companies of similar size.

Cyclical and Seasonal Nature of Industry

The operational results of third parties on the Royalty Properties and the Corporation's financial condition are dependent on the prices of crude oil, natural gas liquids and natural gas. Prices for these commodities have fluctuated widely during recent years and are determined by supply and demand factors, including weather and general economic conditions, as well as conditions in other oil and natural gas regions. The level of activity in the Canadian oil and gas industry is dependent on access to areas where production is to be conducted. In Alberta and

Saskatchewan, access is affected by seasonal weather conditions, including freeze-up and break-up. Oil and natural gas prices are likely to continue to be volatile and depressed prices, or any further decline in prices could have an adverse effect on the Corporation's financial condition. See "*Risk Factors*".

Potential Acquisitions

Maple Leaf's investment objective is to enhance shareholder value over the long term on a per share basis. Maple Leaf works towards this objective by making resource-based investments, focused on capital preservation combined with potential capital appreciation and income. Although the Corporation's current focus is on the acquisition of oil and gas royalty interests, the Corporation has adopted a broad investment mandate in order to meet its investment objectives. As such, the Corporation is constantly in the process of evaluating potential acquisitions of oil and natural gas assets which individually or together could be material. As of the Effective Date, no agreement on the price or terms of any potential material acquisition exists and the Corporation cannot predict whether any current or future opportunities will result in one or more acquisitions for the Corporation.

Reorganizations

Other than the Qualifying Transaction and subsequent amalgamation of Cogency and the Corporation, there have been no material reorganizations of the Corporation since its incorporation and none are proposed for the current financial year.

Environmental Policies

As a royalty owner, Maple Leaf has minimal or no direct exposure to environmental claims and regulations and the associated costs. Environmental matters do however impact the lessees and/or operators of the Royalty Properties. Maple Leaf relies on the lessees and/or operators of the Royalty Properties to be in compliance with current environmental rules and regulations. Failure to comply with environmental regulations could result in the imposition of material fines or penalties on the lessees and/or operators or the curtailment of production which may have a material adverse effect on the Corporation's business and financial condition.

Employees/Consultants

As at December 31, 2014, the Corporation had no employees and nine full-time and part-time consultants whose services are used on a regular basis for day-to-day operations.

ROYALTY PROPERTIES

The assets of the Corporation are presently comprised of the royalty interests acquired pursuant to the Maple Leaf 2011 Acquisition, the Maple Leaf 2012 Acquisition and the Maple Leaf 2012-II Acquisition.

The Corporation acquired royalty interests in 14 oil and gas wells in December 2014 pursuant to the Maple Leaf 2011 Acquisition. All 14 wells are located in the greater Pembina area of west central Alberta, with royalty interests ranging from three to 12% in each well and productive zones including the Cardium and Falher.

The Corporation acquired royalty interests in nine wells in January 2015 under the Maple Leaf 2012 Acquisition. Of the nine wells acquired under the Maple Leaf 2012 Acquisition, three are located in the Brazeau area, three are located in the Ferrier area, and two are located in the Bigstone area. The producing zones for these wells include the Cardium, Belly River and Montney, with royalty interests ranging from 6% to 17% in each of the wells.

Subsequently, Maple Leaf completed the Maple Leaf 2012-II Acquisition in April 2015 in which the Corporation acquired the royalty interests and working interests in 17 oil and natural gas wells located in Alberta and Saskatchewan. The wells are located in the greater Bigstone area of Alberta, produce from the Montney formation and have royalty interests ranging from approximately 0.3% to 10%. There are two wells in the Java area of Saskatchewan with royalty interests of 2%. The remaining wells, which are non-operated working interest wells, are

located throughout the Kakwa area, the Sylvan Lake area, the Rimbey area and the Oldman area. Producing zones include the Falher, Bluesky, Ellerslie, and Elkton and working interests vary from 25% to 40%.

Recently, the Corporation entered into an agreement providing for the terms of the April 2015 Acquisition in which Maple Leaf has agreed to purchase a 5 to 15% sliding scale gross overriding royalty on oil and a 15% gross overriding royalty on natural gas and natural gas liquids on 1,000 contiguous acres in southern Alberta. The lands associated with the royalty interests to be acquired under the April 2015 Acquisition include the majority of a significant oil pool that has demonstrated production and continues to produce with a relatively shallow decline rate.

RESERVES DATA AND OTHER OIL AND GAS INFORMATION

Disclosure of Reserves Data

All oil and natural gas reserve information contained in this AIF has been prepared and presented in accordance with NI 51-101. In accordance with NI 51-101, the reserves data associated with the Royalty Properties set forth below is based upon an evaluation by Sproule as set forth in the Sproule Report. The effective date of the information provided in the Sproule Report is December 31, 2014 and the Sproule Report was prepared between January 2015 and March 2015. The Sproule Report evaluated, as at December 31, 2014, the crude oil, natural gas and NGL reserves associated with the Royalty Properties acquired pursuant to the Maple Leaf 2011 Acquisition (the "**2011 Royalty Properties**"), being the sole oil and gas properties in which the Corporation had an interest as at December 31, 2014, and does not include the reserve information relating to the Maple Leaf 2012 Acquisition, the Maple Leaf 2012-II Acquisition or the April 2015 Acquisition.

The tables below summarize the reserves and the net present value of future net revenue attributable to the reserves as evaluated in the Sproule Report based on the Sproule's price forecasts, cost assumptions and supplied operating expenses. The Sproule Report also presents the estimated net value of future revenue of the 2011 Royalty 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 tables summarize the data contained in the Sproule Report and, as a result, may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly.

In preparing the Sproule Report, Sproule relied on certain information provided by Maple Leaf or obtained from public records and from non-confidential files at Sproule. No material information regarding the reserves evaluation would have been obtained by an on-site visit to any of the 2011 Royalty Properties. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by Sproule as represented.

The Report on Reserves Data by Sproule in Form 51-101F2 and the Report of Management and Directors on Oil and Gas Disclosure in Form 51-101F3 are attached to this AIF as Schedule A and Schedule B, respectively. All evaluations and reviews of future net revenue are stated prior to any provision for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net revenue shown below is representative of the fair market value of properties. There can be no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, natural gas and NGL reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

Sproule was engaged by Maple Leaf to provide an evaluation of proved and probable reserves. All of the reserves associated with the 2011 Royalty Properties are located in the Province of Alberta**.** Also, as Maple Leaf does not hold any working interests in the 2011 Royalty Properties, Maple Leaf is not responsible for any capital costs associated with the 2011 Royalty Properties and, as such, the evaluation of reserves data does not include any undeveloped reserves.

The information concerning oil and gas reserves includes forward-looking statements relating to future net revenues, forecast capital expenditures, future development plans and costs related thereto, forecast operating costs and

anticipated production and abandonment costs. Refer to "*Forward-Looking Statements*" and "*Risk Factors*" in this AIF.

All estimates of future revenues made by Sproule in the Sproule Report are stated after the deduction of royalties, and capital and operating costs, but before consideration of income taxes and indirect costs such as administrative, overhead and miscellaneous expenses. It should not be assumed that the estimates of the present value of future net revenues presented in the following tables represent the fair market value of the reserves. There can be no assurance that the forecast price and cost assumptions contained in the Sproule Report will be consistent with actual prices and costs and variances could be material. Other assumptions and qualifications relating to costs and other matters are included in the Sproule Report and summarized in the notes to the following tables. The recovery and reserves estimates described herein are estimates only. The actual reserves may be greater or less than those calculated and differences may be material. For more information on the risks involved, see "*Risk Factors*" in this AIF.

Relevant Dates

The date of the report by Sproule is December 31, 2014 and the preparation date of that report is March 2, 2015. As of the preparation date, Maple Leaf and its independent reserves evaluator, Sproule, are not aware of any new information (other than commodity pricing assumptions which may differ from those used in this analysis) which could materially impact this evaluation.

The effective date of the reserves estimates and revenue projection in this report is December 31, 2014.

Estimates of reserves and projections of production were generally prepared using data current to December 31, 2014.

Summary of Oil and Gas Reserves Effective December 31, 2014

The following table outlines the light crude oil and gas reserves of the Corporation as at December 31, 2014 on a forecasted pricing basis, by product type on a gross (before royalties) and net (after royalties) basis:

	Light Oil and Medium Oil		**Non-Associated Gas**		**NGLs**		**Solution Gas**	
	Gross[(1)(3)] ***(mbbls)***	**Net[(2)(3)]** ***(mbbls)***	**Gross[(1)(3)]** ***(MMcf)***	**Net[(2)(3)]** ***(MMcf)***	**Gross[(1)(3)]** ***(mbbls)***	**Net[(2)(3)]** ***(mbbls)***	**Gross[(1)(3)]** ***(MMcf)***	**Net[(2)(3)]** ***(MMcf)***
Proved								
Developed producing	Nil	59.6	Nil	491	Nil	31.9	Nil	347
Developed non-producing	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Undeveloped	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total proved	Nil	59.6	Nil	491	Nil	31.9	Nil	347
Probable	Nil	13.4	Nil	123	Nil	7.1	Nil	67
Total proved plus probable	Nil	73.0	Nil	614	Nil	38.9	Nil	414

Figures may not add due to rounding.

Notes:

(1) Gross reserves represent the working interest share before deduction of any royalty obligations and without including any royalty interests.

(2) Net reserves represent the working interest share after deduction of royalty obligations, plus royalty interests.

(3) The Corporation is different from typical oil and natural gas producers in that all of its interests in reserves are royalty interests with no associated working interests. As a result, there are no gross reserves associated with the 2011 Royalty Properties, which may limit the relevance of the comparison of the Corporation's reserves with the reserves of others in the oil and gas industry.

Summary of Net Present Values of Future Net Revenue

The net present values of future net revenue of the Corporation's reserves at December 31, 2014 at various discount rates on a before tax and after tax basis and on a forecasted pricing basis, are outlined below:

	Before Income Taxes [1] Discounted At				
	0%	5%	10%	15%	20%
(000s)	*($)*	*($)*	*($)*	*($)*	*($)*
Proved					
Developed producing	10,831	7,803	6,080	4,979	4,221
Developed non-producing	Nil	Nil	Nil	Nil	Nil
Undeveloped	Nil	Nil	Nil	Nil	Nil
Total proved	10,831	7,803	6,080	4,979	4,221
Probable	2,999	1,480	872	576	412
Total proved plus probable	13,830	9,283	6,952	5,555	4,634

Figures may not add due to rounding.

Note:

(1) Estimates of future net revenue do not represent fair market value.

	After Income Taxes [1] Discounted At				
	0%	5%	10%	15%	20%
(000s)	*($)*	*($)*	*($)*	*($)*	*($)*
Proved					
Developed producing	10,831	7,803	6,080	4,979	4,221
Developed non-producing	Nil	Nil	Nil	Nil	Nil
Undeveloped	Nil	Nil	Nil	Nil	Nil
Total proved	10,831	7,803	6,080	4,979	4,221
Probable	2,999	1,480	872	576	412
Total proved plus probable	13,830	9,283	6,952	5,555	4,634

Figures may not add due to rounding.

Note:

(1) Estimates of future net revenue do not represent fair market value.

Total Future Net Revenue

The following table provides a breakdown of the various components of total future net revenue of the Corporations reserves as at December 31, 2014 on an undiscounted basis for proved and proved plus probable reserves:

(000s)	Revenue[2] *($)*	Royalties *($)*	Operating Costs *($)*	Capital Develop-ment Costs[1] *($)*	Well Abandon-ment and Reclama-tion Costs[1] *($)*	Future Net Revenue Before Income Taxes *($)*	Future Income Tax Expenses *($)*	Future Net Revenue After Income Taxes [1] *($)*
Proved	10,831	Nil	Nil	Nil	Nil	10,831	Nil	Nil
Probable	2,999	Nil	Nil	Nil	Nil	2,999	Nil	Nil
Total proved plus probable	13,830	Nil	Nil	Nil	Nil	13,830	Nil	Nil

Figures may not add due to rounding.

Notes:

(1) No development costs or abandonment and reclamation costs are associated with the estimated future net revenue from the reserves attributed to the 2011 Royalty Properties as the Corporation does not hold any working interests in the 2011 Royalty Properties and as such is not responsible for such costs.

(2) Revenue is the forecast revenue received from the payor of the royalties associated with the 2011 Royalty Properties net of any allowable operating cost deductions, transportation costs deductions, marketing fees, and product quality adjustments.

Net Present Value of Future Net Revenue by Production Group (Forecast Prices and Costs)

Reserves Category	Production Group	Future Net Revenue Before Income Taxes [3] (discounted at 10%/year) ($M)	Unit Value Before Income Taxes [3] (discounted at 10%/year) ($/BOE)
Proved	Light and Medium Crude Oil [1]	4,759	35.54
	Natural Gas [2]	1,321	13.59
Proved Plus Probable	Light and Medium Crude Oil [1]	5,441	33.67
	Natural Gas [2]	1,511	12.43

Figures may not add due to rounding.

Notes:

(1) Including solution gas and associated by-products.

(2) Including associated by-products but excluding solution gas.

(3) Unit values of $/BOE are based on the Corporation's net reserves as at December 31, 2014. Estimates of future net revenue do not represent fair market value.

For future net revenue of the total proved reserves, discounted at 10%, 73.3% of the revenue is from combined crude oil (including solution gas and associated natural gas liquids) and 26.7% is from non-associated natural gas (including by-products). For the total proved plus probable reserves, 72.1% of the revenue is from combined crude oil (including solution gas and associated natural gas liquids) and 72.1% is from non-associated natural gas (including by-products).

Pricing Assumptions

Forecast Prices Used in Estimates

The following tables set forth the benchmark reference prices, as at December 31, 2014 used in preparing the Corporation's reserves data. These price assumptions were provided to Maple Leaf by Sproule and were Sproule's then current forecasts at the date of the Sproule Report.

Year	Canadian Light Sweet Crude Par Price 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)	Inflation Rate (%/Yr)	Exchange Rate ($US/$Cdn)
2015	70.35	60.50	3.32	78.60	50.34	34.77	1.5	0.850
2016	87.36	75.13	3.71	97.60	62.51	43.17	1.5	0.870
2017	98.28	84.52	3.90	109.80	70.32	48.57	1.5	0.870
2018	99.75	85.79	4.47	111.44	71.37	49.30	1.5	0.870
2019	101.25	87.07	5.05	113.12	72.44	50.04	1.5	0.850
2020	103.85	89.31	5.13	116.02	74.31	51.32	1.5	0.850
2021	105.40	90.65	5.22	117.76	75.42	52.09	1.5	0.850
2022	106.99	92.01	5.31	119.53	76.55	52.87	1.5	0.850
2023	108.59	93.39	5.40	121.32	77.70	53.67	1.5	0.850
2024	110.22	94.79	5.49	123.14	78.87	54.47	1.5	0.850
2025	111.87	96.21	5.58	124.99	80.05	55.29	1.5	0.850

During 2014, the historical weighted average prices realized in respect of the production associated with the 2011 Royalty Properties were $3.52/Mcf for natural gas, $89.72/bbl for light and medium crude oil and $61.55/bbl for NGL, net of any allowable operating costs deductions, transportation cost deductions, marketing fees, and product quality adjustments taken by the payor of the royalties under the 2011 Royalty Properties.

Reserves Reconciliation

One of the requirements of NI 51-101 is the provision of a reconciliation on a gross reserves basis. Due to Maple Leaf's unique asset base, tables setting forth the reconciliation of gross reserves do not provide adequate information and are potentially misleading. Under NI 51-101, gross reserves include only working interests before the deduction of royalties payable and do not include any royalties receivable. Net reserves are working interests minus royalties payable plus royalties receivable. As substantially all of the Corporation 's assets are royalty interests, they would be excluded in a gross reconciliation table and for the purposes of the reserves reconciliation, net reserves means the Corporation's gross overriding royalty interests in the 2011 Royalty Properties. Maple Leaf believes this may hinder an investor's ability to compare Maple Leaf's reserves to the reserves of others in the oil and gas industry.

The following reserve reconciliation table is provided as an aid to the investor. The table is based on net reserves and is consistent with disclosure presented by other entities in the royalty business.

The following tables set forth a reconciliation of the changes in net total Corporation royalty interest reserve volumes as at December 31, 2014 against such net reserves as at December 31, 2013 based on the forecast prices and costs assumptions:

	Light Oil			**Associated and Non-Associated Gas**		
	Net Proved *(Mbbl)*	**Net Probable** *(Mbbl)*	**Net Proved plus Probable** *(Mbbl)*	**Net Proved** *(MMcf)*	**Net Probable** *(MMcf)*	**Net Proved plus Probable** *(MMcf)*
December 31, 2013	0.0	0.0	0.0	0	0	0
Discoveries, Extensions and Improved Recovery	0.0	0.0	0.0	0	0	0
Infills	0.0	0.0	0.0	0	0	0
Economic Factors	0.0	0.0	0.0	0	0	0
Acquisitions	59.9	13.4	73.3	494	123	617
Technical Revisions	0.0	0.0	0.0	0	0	0
Production	(0.3)	0.0	(0.3)	(3)	0	(3)
December 31, 2014	59.6	13.4	73.0	491	123	614

Figures may not add due to rounding.

	Natural Gas Solutions			**Natural Gas Liquids**			**Total**		
	Net Proved *(MMcf)*	**Net Probable** *(MMcf)*	**Net Proved plus Probable** *(MMcf)*	**Net Proved** *(Mbbl)*	**Net Probable** *(Mbbl)*	**Net Proved plus Probable** *(Mbbl)*	**NetProved** *(MBOE)*	**Net Probable** *(MBOE)*	**Net Proved plus Probable** *(MBOE)*
December 31, 2013	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Discoveries, Extensions and Improved Recovery	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Infills	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	0.0	0.0
Acquisitions	349	67	416	32.1	7.1	39.1	232.6	52.0	284.7
Technical Revisions	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Production	(2)	0	(2)	(0.2)	0.0	(0.2)	(1.5)	0.0	(1.5)

	Natural Gas Solutions			Natural Gas Liquids			Total		
	Net Proved *(MMcf)*	**Net Probable** *(MMcf)*	**Net Proved plus Probable** *(MMcf)*	**Net Proved** *(Mbbl)*	**Net Probable** *(Mbbl)*	**Net Proved plus Probable** *(Mbbl)*	**NetProved** *(MBOE)*	**Net Probable** *(MBOE)*	**Net Proved plus Probable** *(MBOE)*
December 31, 2014	347	67	414	31.9	7.1	38.9	231.1	52.0	283.2

Figures may not add due to rounding.

Significant Factors or Uncertainties

The process of evaluating reserves is inherently complex. It requires significant judgment and decision-making on the basis of the 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. The reserve estimates contained herein are based on current production forecasts, prices and economic conditions. Factors and assumptions that affect these reserve estimates include, among other things: (i) historical production in the area compared with production rates from analogous producing areas; (ii) initial production rates; (iii) production decline rates; (iv) ultimate recovery of reserves; (v) success of future development activities; (vi) marketability of production; (vii) effects of government regulations; and (viii) other government levies imposed over the life of the reserves.

As circumstances change and additional data become available, reserve estimates also change. Estimates 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. Revisions to reserve estimates can arise from changes in year-end prices, reservoir performance and geologic conditions or production. These revisions can be either positive or negative.

Although the Corporation does not anticipate any significant economic factors or significant uncertainties that will affect any particular components of the reserves data, the reserves can be affected significantly by fluctuations in product pricing, capital expenditures, operating costs, royalty regimes and will performance that are beyond the Corporation's control and as such are inherent in any oil and gas exploration and productions Corporation. See "*Risk Factors*".

Future Development Costs

As funding for development costs are the responsibility of the working interest owners on the applicable properties, and as Maple Leaf does not hold any working interests in the 2011 Royalty Properties, Maple Leaf is not responsible for any development costs on the 2011 Royalty Properties and cannot advise as to the sources and costs of funding future development or the impact thereof on disclosed reserves or future net revenue.

Oil and Gas Wells

The following table summarizes the gross number of wells in which Maple Leaf holds a royalty interest as at December 31, 2014, all of which are located in Alberta. As Maple Leaf does not hold any working interests in the 2011 Royalty Properties, the net number of wells located on the 2011 Royalty Properties is nil.

	Light Crude Oil Wells		Natural Gas Wells	
	Producing	**Non-Producing**	**Producing**	**Non-Producing**
Alberta	12	0	2	0
Total	12	0	2	0

Properties with No Attributed Reserves

Maple Leaf does not own any petroleum and natural gas leases directly and owns only the royalty interests in such leases. All of the lands associated with the Corporation's royalty interests in the 2011 Royalty Properties are considered developed and the gross area in which Maple Leaf has an interest is 2,240 acres. As all of the lands under the 2011 Royalty Properties are producing, there are no near-term expiry issues.

Forward Contracts

As at December 31, 2014, and as of the Effective Date, Maple Leaf is not bound by any agreement, either directly or indirectly, relating to the future market prices of oil or gas.

Abandonment and Restoration Costs

As the Corporation's business is limited to the acquisition of royalty interests, Maple Leaf has no working interests in any of the 2011 Royalty Properties, and therefore has no abandonment or reclamation obligations.

Tax Horizon

The Corporation will not pay income taxes for 2014, its most recently completed financial year. The Corporation is not expected to be taxable in 2015 or for the foreseeable future.

Costs Incurred

The following table summarizes certain expenditures for the Corporation during the year ended December 31, 2014. All costs were incurred in respect of the 2011 Royalty Properties.

	Year Ended December 31, 2014
Nature of Cost Incurred	
Property Acquisition Costs	
Proved Properties	$10,000,000[(1)]
Unproved Properties	-
Total	$10,000,000

Note:

(1) The deemed purchase price for the 2011 Royalty Properties was $10,000,000 paid by the issue of 15,151,515 Common Shares at the deemed price of $0.66 per share.

Production Estimates

The following table is a summary of the gross and net volume of production for each product type estimated by Sproule for the year ended December 31, 2015 in the estimates of gross and net proved and gross probable reserves disclosed above under the heading "Disclosure of Reserves Data" which is reflected in the estimate of future net revenue in the Sproule Report based on the forecast price tables contained above. Maple Leaf does not own any working interests in any of the 2011 Royalty Properties and, as a result, gross working interest volumes are nil.

	Light and Medium crude Oil (bbls/d)		Natural Gas (mcf/d)		Natural Gas Liquids (bbls/d)		Oil Equivalent (BOE/d)		%	
Reserves Category	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**
Proved Producing	Nil	22	Nil	304	Nil	12	Nil	84	Nil	100% [(4)]
Probable	Nil	0	Nil	3	Nil	0	Nil	1	Nil	Nil
Total Proved plus Probable	Nil	22	Nil	307	Nil	12	Nil	85	Nil	100%

Figures may not add due to rounding.

Notes:
(1) Gross reserves represent the working interest share before deduction of any royalty obligations and without including any royalty interests.
(2) Net reserves represent the working interest share after deduction of royalty obligations, plus royalty interests.
(3) The Corporation is different from typical oil and natural gas producers in that all of its interests in reserves are royalty interests with no associated working interests. As a result, there are no gross reserves associated with the 2011 Royalty Properties, which may limit the relevance of the comparison of the Corporation's reserves with the reserves of others in the oil and gas industry.
(4) 100% of Proved reserves are in the Proved Producing category.

Production History

The following table summarizes certain information in respect of the Corporation's production, product prices received, royalties paid, operating expenses and resulting netback for the indicated periods during the financial year ended December 31, 2014. Prior to the completion of the Maple Leaf 2011 Acquisition on December 16, 2014, the Corporation had no interest in any oil and gas properties, and the table below reflects production from the 16 day period beginning December 16, 2014 through to December 31, 2014 averaged over the entire 92-day quarter. Commodity prices, in particular oil and natural gas liquids, declined significantly through the period of October 1, 2014 to December 31, 2014. As Maple Leaf's production from the 2011 Royalty Properties is limited to the latter half of December 2014, and in light of this decline in commodity prices, a comparison of benchmark pricing for the entire quarter may not be helpful for investors.

	Q4 31-Dec-14
Average Daily Production	
Oil (Bbls/d)	3
NGL (Bbls/d)	2
Gas (mcf/d)	57
BOE/d	15
Average Price Received[(1)]	
Oil ($/Bbl)	$55.63
NGL ($/Bbl)	$32.56
Gas ($/mcf)	$3.28
Combined ($/BOE)	$29.26
Royalties[(2)]	
Combined ($/BOE)	$0.00
Operating Expenses	
Combined ($/BOE)	$5.24
Netback Received	
Combined ($/BOE)	$24.02

Notes:
(1) Whether certain operating costs, transportation costs, or marketing costs will be deducted from the royalties paid to Maple Leaf will vary pursuant to the terms of the respective royalty contract. In accordance with the terms of each contract, such costs may or may not be explicit or included in the net price received by Maple Leaf. Any such costs not quantified by the payor of the royalties in connection with the 2011 Royalty Properties are included in the price received, and where such costs are quantified they are included in the Operating Expenses.
(1) Maple Leaf does not own any working interests in the 2011 Royalty Properties and as a result does not pay any royalties on net production.

INDUSTRY CONDITIONS

The oil and natural gas industry is subject to extensive regulation and other controls governing operations (including land tenure, exploration, development, production, refining and upgrading, transportation, and marketing) imposed by various levels of government with respect to the pricing and taxation of oil and natural gas through various agreements between the federal government and the Alberta provincial government, all of which should be carefully considered by investors in the oil and gas industry. All existing legislation is a matter of public record and the Corporation cannot predict what additional legislation or amendments may be enacted. Furthermore, the oil and

natural gas industry as a whole is subject to various market forces, such as pipeline capacity and increased environmental activism, the effects of which cannot be accurately predicted. Although the Corporation does not expect that any of these factors or conditions will affect the Corporation's operations in a manner materially different than they would affect other companies of similar size in the oil and gas industry, any of these factors could materially impact the Corporation.

The unique nature of the Royalty Properties is expected to allow Maple Leaf to benefit from the upside potential of such properties at a reduced risk relative to traditional exploration and production companies. This advantage is a result of collecting royalty payments in respect of the Royalty Properties rather than directly conducting operations to explore for, develop or produce petroleum or natural gas, which has a higher regulatory burden. However, these regulations may impact the royalties received by Maple Leaf as an indirect participant in the development of petroleum and natural gas on its Royalty Properties. In addition, if Maple Leaf's strategy changes in the future such that it becomes a direct participant in the development of its properties, whether as a working interest owner or operator in respect of any lands that are currently undeveloped, or otherwise, the industry regulations referred to above and below may affect Maple Leaf and its business.

Set forth below are some, not all, of the principal aspects of the legislation, regulations and agreements governing the oil and gas industry and factors that could affect the industry as a whole.

Pricing and Marketing

Crude Oil

In Canada, the producers of oil are entitled to negotiate sales contracts directly with oil purchasers, with the result that the market determines the price of oil. Although worldwide supply and demand factors primarily determine oil prices, price depends in part on oil quality, prices of competing fuels, distance to market, availability of transportation, the value of refined products, and contractual terms of sale. Oil exports may be made under export contracts having terms not exceeding one year in the case of light crude oil, and not exceeding two years in the case of heavy crude oil, provided that an order approving any such export has been approved by the National Energy Board of Canada (the "NEB"). Any oil export to be made pursuant to a contract of longer duration (to a maximum of 25 years) requires an exporter to obtain an export licence from the NEB.

Natural Gas

Alberta's natural gas market has been deregulated since 1985. Supply and demand determine the price of natural gas and price is calculated at the sale point, being the wellhead, the outlet of a gas processing plant, on a gas transmission system such as the Alberta "NIT" (Nova Inventory Transfer), at a storage facility, at the inlet to a utility system or at the point of receipt by the consumer. Accordingly, the price for natural gas is dependent upon such producer's own arrangements (whether long or short term contracts and the specific point of sale). As natural gas is also traded on trading platforms such as the Natural Gas Exchange (NGX), Intercontinental Exchange or the New York Mercantile Exchange (NYMEX) in the United States, spot and future prices can also be influenced by supply and demand fundamentals on these platforms. Natural gas exported from Canada is subject to regulation by the NEB and the Government of Canada. Exporters are free to negotiate prices and other terms with purchasers, provided that the export contracts must continue to meet certain other criteria prescribed by the NEB and the Government of Canada. Natural gas (other than propane, butane and ethane) exports for a term of less than two years or for a term of two to 20 years (in quantities of not more than 30,000 m3 /day) must be made pursuant to an NEB order. Any natural gas export to be made pursuant to a contract of longer duration (to a maximum of 25 years) or for a larger quantity requires an exporter to obtain an export licence from the National Energy Board of Canada.

The NEB is currently undergoing a consultation process to update the current regulations governing the issuance of export licences. The updating process is necessary to meet the criteria set out in the federal *Jobs, Growth and Long-term Prosperity Act* which received Royal Assent on June 29, 2012 (the "***Prosperity Act***"). In this transitory period, the NEB has issued, and is currently following an "Interim Memorandum of Guidance concerning Oil and Gas Export Applications and Gas Import Applications under Part VI of the National Energy Board Act".

The North American Free Trade Agreement

The North American Free Trade Agreement ("**NAFTA**") among the governments of Canada, the United States and Mexico came into force on January 1, 1994. In the context of energy resources, Canada continues to remain free to determine whether exports of energy resources to the United States or Mexico will be allowed, provided that any export restrictions do not: (i) reduce the proportion of energy resources exported relative to the total supply of goods of the party maintaining the restriction as compared to the proportion prevailing in the most recent 36 month period; (ii) impose an export price higher than the domestic price (subject to an exception with respect to certain measures which only restrict the volume of exports); and (iii) disrupt normal channels of supply.

All three signatory countries are prohibited from imposing a minimum or maximum export price requirement in any circumstance where any other form of quantitative restriction is prohibited. The signatory countries are also prohibited from imposing a minimum or maximum import price requirement except as permitted in enforcement of countervailing and anti-dumping orders and undertakings. NAFTA requires energy regulators to ensure the orderly and equitable implementation of any regulatory changes and to ensure that the application of those changes will cause minimal disruption to contractual arrangements and avoid undue interference with pricing, marketing and distribution arrangements, all of which are important for Canadian oil and natural gas exports. NAFTA contemplates the reduction of Mexican restrictive trade practices in the energy sector and prohibits discriminatory border restrictions and export taxes.

Royalties

General

The applicable royalty regime is a significant factor on the profitability of oil sands projects and crude oil, natural gas liquids, sulphur and natural gas production. Alberta has legislation and regulations governing royalties, production rates and other matters. Royalties from production on Crown lands are determined by governmental regulation and are generally calculated as a percentage of the value of gross production. Royalties payable on production from lands other than Crown lands are determined by negotiation between the mineral freehold owner and the lessee, although production from such lands is subject to certain provincial taxes and royalties. The royalty rates payable generally depend in part on the prescribed reference prices for the oil and natural gas, well productivity, geographical location, field discovery date, method of recovery and the type or quality of the petroleum product produced. Other royalties and royalty-like interests are, from time to time, carved out of the working interest owner's interest through non-public transactions. These are often referred to as overriding royalties, gross overriding royalties, net profits interests, or net carried interests.

Occasionally the governments of the western Canadian provinces create incentive programs for exploration and development. Such programs often provide for royalty rate reductions, royalty holidays or royalty tax credits and are generally introduced when commodity prices are low to encourage exploration and development activity by improving earnings and cash flow within the industry.

The Corporation will have the flexibility to negotiate and adapt its royalty arrangements with third parties to the appropriate circumstances, including in light of the existing royalty regime established by the Province of Alberta (as described below) and any amendments to that regime.

Alberta

Producers of oil and natural gas from Crown lands in Alberta are required to pay annual rental payments, currently at a rate of $3.50 per hectare, and make monthly royalty payments in respect of oil and natural gas produced.

Royalties are currently paid pursuant to "The New Royalty Framework" (implemented by the *Mines and Minerals (New Royalty Framework) Amendment Act, 2008)* and the "Alberta Royalty Framework", which was implemented in 2010. Royalty rates for conventional oil are set by a single sliding rate formula, which is applied monthly and incorporates separate variables to account for production rates and market prices. The maximum Crown royalty payable under the royalty regime is 40%. Royalty rates for natural gas under the royalty regime are similarly

determined using a single sliding rate formula with the maximum Crown royalty payable under the royalty regime set at 36%.

Oil sands projects are also subject to Alberta's royalty regime. Prior to payout of an oil sands project, the royalty is payable on gross revenues of an oil sands project. Gross revenue royalty rates range between 1-9% depending on the market price of oil, determined using the average monthly price, expressed in Canadian dollars, for WTI crude oil at Cushing, Oklahoma: rates are 1% when the market price of oil is less than or equal to $55 per barrel and increase for every dollar of market price of oil increase to a maximum of 9% when oil is priced at $120 or higher. After payout, the royalty payable is the greater of the gross revenue royalty based on the gross revenue royalty rate of 1-9% and the net revenue royalty based on the net revenue royalty rate. Net revenue royalty rates start at 25% and increase for every dollar of market price of oil increase above $55 up to 40% when oil is priced at $120 or higher. In addition, concurrent with the implementation of The New Royalty Framework, the Government of Alberta renegotiated existing contracts with certain oil sands producers that were not compatible with the new royalty regime.

Producers of oil and natural gas from freehold lands in Alberta are required to pay freehold mineral tax. The freehold mineral tax is a tax levied by the Government of Alberta on the value of oil and natural gas production from non-Crown lands and is derived from the *Freehold Mineral Rights Tax Act* (Alberta). The freehold mineral tax is levied on an annual basis on calendar year production using a tax formula that takes into consideration, among other things, the amount of production, the hours of production, the value of each unit of production, the tax rate and the percentages that the owners hold in the title. The basic formula for the assessment of freehold mineral tax is: revenue less allocable costs equals net revenue divided by wellhead production equals the value based upon unit of production. If payors do not wish to file individual unit values, a default price is supplied by the Crown. On average, the tax levied is 4% of revenues reported from fee simple mineral title properties.

The Government of Alberta has from time to time implemented drilling credits, incentives or transitional royalty programs to encourage oil and gas development and new drilling. For example, the Innovative Energy Technologies Program (the "**IETP**") has the stated objectives of increasing recovery from oil and gas deposits, finding technical solutions to the gas over bitumen issue, improving the recovery of bitumen by in-situ and mining techniques 25 and improving the recovery of natural gas from coal seams. The IETP provides royalty adjustments to specific pilot and demonstration projects that utilize new or innovative technologies to increase recovery from existing reserves.

In addition, the Government of Alberta has implemented certain initiatives intended to accelerate technological development and facilitate the development of unconventional resources (the "**Emerging Resource and Technologies Initiative**"). Specifically:

- Coalbed methane wells will receive a maximum royalty rate of 5% for 36 producing months on up to 750 MMcf of production, retroactive to wells that began producing on or after May 1, 2010;

- Shale gas wells will receive a maximum royalty rate of 5% for 36 producing months with no limitation on production volume, retroactive to wells that began producing on or after May 1, 2010;

- Horizontal gas wells will receive a maximum royalty rate of 5% for 18 producing months on up to 500 MMcf of production, retroactive to wells that commenced drilling on or after May 1, 2010; and

- Horizontal oil wells and horizontal non-project oil sands wells will receive a maximum royalty rate of 5% with volume and production month limits set according to the depth of the well (including the horizontal distance), retroactive to wells that commenced drilling on or after May 1, 2010.

The Emerging Resource and Technologies Initiative was reviewed in 2014, and the Government of Alberta has committed to providing industry with three years notice if it decides to discontinue the program.

Saskatchewan

In Saskatchewan, the amount payable as Crown royalty or freehold production tax in respect of oil depends on the type and vintage of oil, the quantity of oil produced in a month, the value of the oil produced and specified

adjustment factors determined monthly by the provincial government. For Crown royalty and freehold production tax purposes, conventional oil is divided into "types", being "heavy oil", "southwest designated oil" or "non-heavy oil other than southwest designated oil". The conventional royalty and production tax classifications ("fourth tier oil", "third tier oil", "new oil" and "old oil") depend on the finished drilling date of a well and are applied to each of the three crude oil types slightly differently. Heavy oil is classified as third tier oil (produced from a vertical well having a finished drilling date on or after January 1, 1994 and before October 1, 2002 or incremental oil from new or expanded waterflood projects with a commencement date on or after January 1, 1994 and before October 1, 2002), fourth tier oil (having a finished drilling date on or after October 1, 2002 or incremental oil from new or expanded waterflood projects with a commencement date on or after October 1, 2002) or new oil (conventional oil that is not classified as "third tier oil" or "fourth tier oil"). Southwest designated oil uses the same definition of fourth tier oil but third tier oil is defined as conventional oil produced from a vertical well having a finished drilling date on or after February 9, 1998 and before October 1, 2002 or incremental oil from new or expanded waterflood projects with a commencement date on or after February 9, 1998 and before October 1, 2002 and new oil is defined as conventional oil produced from a horizontal well having a finished drilling date on or after February 9, 1998 and before October 1, 2002. For non-heavy oil other than southwest designated oil, the same classification as heavy oil is used but new oil is defined as conventional oil produced from a vertical well completed after 1973 and having a finished drilling date prior to 1994, conventional oil produced from a horizontal well having a finished drilling date on or after April 1, 1991 and before October 1, 2002, or incremental oil from new or expanded waterflood projects with a commencement date on or after January 1, 1974 and before 1994, whereas old oil is defined as conventional oil not classified as third or fourth tier oil or new oil. Production tax rates for freehold production are determined by first determining the Crown royalty rate and then subtracting the "Production Tax Factor" (PTF) applicable to that classification of oil. Currently the PTF is 6.9 for "old oil", 10.0 for "new oil" and "third tier oil" and 12.5 for "fourth tier oil". The minimum rate for freehold production tax is zero.

Base prices are used to establish lower limits in the price-sensitive royalty structure for conventional oil and apply at a reference well production rate of 100 m3 for "old oil", "new oil" and "third tier oil", and 250 m3 per month for "fourth tier oil". Where average wellhead prices are below the established base prices of $100 per m3 for third and fourth tier oil and $50 per m3 for new oil and old oil, base royalty rates are applied. Base royalty rates are 5% for all fourth tier oil, 10% for heavy oil that is third tier oil or new oil, 12.5% for southwest designated oil that is third tier oil or new oil, 15% for non-heavy oil other than southwest designated oil that is third tier or new oil, and 20% for old oil. Where average wellhead prices are above base prices, marginal royalty rates are applied to the proportion of production that is above the base oil price. Marginal royalty rates are 30% for all fourth tier oil, 25% for heavy oil that is third tier oil or new oil, 35% for southwest designated oil that is third tier oil or new oil, 35% for non-heavy oil other than southwest designated oil that is third tier or new oil, and 45% for old oil.

The amount payable as a Crown royalty or a freehold production tax in respect of natural gas production is determined by a sliding scale based on the monthly provincial average gas price published by the Saskatchewan government, the quantity produced in a given month, the type of natural gas, and the classification of the natural gas. Like conventional oil, natural gas may be classified as "non-associated gas" (gas produced from gas wells) or "associated gas" (gas produced from oil wells) and royalty rates are determined according to the finished drilling date of the respective well. Non-associated gas is classified as new gas (having a finished drilling date before February 9, 1998 with a first production date on or after October 1, 1976), third tier gas (having a finished drilling date on or after February 9, 1998 and before October 1, 2002), fourth tier gas (having a finished drilling date on or after October 1, 2002) and old gas (not classified as either third tier, fourth tier or new gas). A similar classification is used for associated gas except that the classification of old gas is not used, the definition of fourth tier gas also includes production from oil wells with a finished drilling date prior to October 1, 2002, where the individual oil well has a gas-oil production ratio in any month of at least 3,500 m3 of gas for every m3 of oil, and new gas is defined as oil produced from a well with a finished drilling date before February 9, 1998 that received special approval, prior to October 1, 2002, to produce oil and gas concurrently without gas-oil ratio penalties.

On December 9, 2010, the Government of Saskatchewan enacted the Freehold Oil and Gas Production Tax Act, 2010 with the intention to facilitate the efficient payment of freehold production taxes by industry. Two new regulations with respect to this legislation are: (i) The Freehold Oil and Gas Production Tax Regulations, 2012 which sets out the terms and conditions under which the taxes are calculated and paid; and (ii) The Recovered Crude Oil Tax Regulations, 2012 which sets out the terms and conditions under which taxes on recovered crude oil that was delivered from a crude oil recovery facility on or after March 1, 2012 are to be calculated and paid.

As with conventional oil production, base prices based on a well reference rate of 250 103 m3 /month are used to establish lower limits in the price-sensitive royalty structure for natural gas. Where average field-gate prices are below the established base prices of $1.35 per gigajoule for third and fourth tier gas and $0.95 per gigajoule for new gas and old gas, base royalty rates are applied. Base royalty rates are 5% for all fourth tier gas, 15% for third tier or new gas, and 20% for old gas. Where average well-head prices are above base prices, marginal royalty rates are applied to the proportion of production that is above the base gas price. Marginal royalty rates are 30% for all fourth tier gas, 35% for third tier and new gas, and 45% for old gas. The current regulatory scheme provides for certain differences with respect to the administration of "fourth tier gas" which is associated gas.

The Government of Saskatchewan currently provides a number of targeted incentive programs. These include both royalty reduction and incentive volume programs, including the following:

- Royalty/Tax Incentive Volumes for Vertical Oil Wells Drilled on or after October 1, 2002 providing reduced Crown royalty (a Crown royalty rate of the lesser of "fourth tier oil" Crown royalty rate and 2.5%) and freehold tax rates (a freehold production tax rate of 0%) on incentive volumes of 8,000 m3 for deep development vertical oil wells, 4,000 m3 for non-deep exploratory vertical oil wells and 16,000 m3 for deep exploratory vertical oil wells (more than 1,700 metres or within certain formations) and after the incentive volume is produced, the oil produced will be subject to the "fourth tier" royalty tax rate;

- Royalty/Tax Incentive Volumes for Exploratory Gas Wells Drilled on or after October 1, 2002 providing reduced Crown royalty (a Crown royalty rate of the lesser of "fourth tier oil" Crown royalty rate and 2.5%) and freehold tax rates (a freehold production tax rate of 0%) on incentive volumes of 25,000,000 m3 for qualifying exploratory gas wells;

- Royalty/Tax Incentive Volumes for Horizontal Oil Wells Drilled on or after October 1, 2002 providing reduced Crown royalty (a Crown royalty rate of the lesser of "fourth tier oil" Crown royalty rate and 2.5%) and freehold tax rates (a freehold production tax rate of 0%) on incentive volumes of 6,000 m3 for non-deep horizontal oil wells and 16,000 m3 for deep horizontal oil wells (more than 1,700 metres total vertical depth or within certain formations) and after the incentive volume is produced, the oil produced will be subject to the "fourth tier" royalty tax rate;

- Royalty/Tax Incentive Volumes for Horizontal Gas Wells drilled on or after June 1, 2010 and before April 1, 2013 providing for a classification of the well as a qualifying exploratory gas well and resulting in a reduced Crown royalty (a Crown royalty rate of the lesser of "fourth tier oil" Crown royalty rate and 2.5%) and freehold tax rates (a freehold production tax rate of 0%) on incentive volumes of 25,000,000 m3 for horizontal gas wells and after the incentive volume is produced, the gas produced will be subject to the "fourth tier" royalty tax rate;

- Royalty/Tax Regime for Incremental Oil Produced from New or Expanded Waterflood Projects Implemented on or after October 1, 2002 whereby incremental production from approved waterflood projects is treated as fourth tier oil for the purposes of Crown royalty and freehold tax calculations;

- Royalty/Tax Regime for Enhanced Oil Recovery Projects (Excluding Waterflood Projects) Commencing prior to April 1, 2005 providing lower Crown royalty and freehold tax determinations based in part on the profitability of enhanced oil recovery projects during and subsequent to the payout of the enhanced oil recovery operations;

- Royalty/Tax Regime for Enhanced Oil Recovery Projects (Excluding Waterflood Projects) Commencing on or after April 1, 2005 providing a Crown royalty of 1% of gross revenues on enhanced oil recovery projects pre-payout and 20% of enhanced oil recovery operating income post-payout and a freehold production tax of 0% pre-payout and 8% post-payout on operating income from enhanced oil recovery projects; and

- Royalty/Tax Regime for High Water-Cut Oil Wells designed to extend the product lives and improve the recovery rates of high water-cut oil wells and granting "third tier oil" royalty/tax rates with a Saskatchewan

Resource Credit of 2.5% for oil produced prior to April 2013 and 2.25% for oil produced on or after April 1, 2013 to incremental high water-cut oil production resulting from qualifying investments made to rejuvenate eligible oil wells and/or associated facilities.

On June 22, 2011, the Government of Saskatchewan released the Upstream Petroleum Industry Associated Gas Conservation Standards, which are designed to reduce emissions resulting from the flaring and venting of associated gas. The Upstream Petroleum Industry Associated Gas Conservation Standards were jointly developed with industry and the implementation of such standards commenced on July 1, 2012 for new wells and facilities licensed on or after such date. The new standards will apply to existing licensed wells and facilities on July 1, 2015.

Effective April 1, 2014, the Saskatchewan Ministry of the Economy streamlined fees related to licenses and applications in the oil and gas sector by eliminating 11 different licensing fees, which resulted in an aggregate of 20,000 fee transactions per year, and replacing them with a single annual levy based on a company's production and number of wells. While the fees have been streamlined, approvals to conduct the relevant activities are still required. These changes to the fee structure are part of ongoing work by the Government of Saskatchewan to streamline the licensing, regulation and monitoring processes in the oil and gas sector.

Land Tenure

The Alberta provincial government predominantly owns the rights to crude oil and natural gas located in Alberta. The Alberta provincial government grants the right to explore for and produce oil and natural gas pursuant to leases, licences, and permits for varying terms, and on conditions set forth in provincial legislation including requirements to perform specific work or make payments. Private ownership of oil and natural gas rights also exists in Alberta and rights to explore for and produce such oil and natural gas are granted by lease on such terms and conditions as may be negotiated.

The province of Alberta has implemented legislation providing for the reversion to the Crown of mineral rights to deep, non-productive geological formations at the conclusion of the primary term of a lease or license.

The province of Alberta also has a policy of "shallow rights reversion" which provides for the reversion to the Crown of mineral rights to shallow, non-productive geological formations for all leases and licenses. For leases and licenses issued subsequent to January 1, 2009, shallow rights reversion will be applied at the conclusion of the primary term of the lease or license. Holders of leases or licences that have been continued indefinitely prior to January 1, 2009 will receive a notice regarding the reversion of the shallow rights, which will be implemented three years from the date of the notice. Leases and licences granted prior to January 1, 2009, but continued after that date, are not subject to shallow rights reversion until they continue past their primary term (at which time the application of deep rights reversion occurs). Afterwards, the holders of such agreements will be served with shallow rights reversion notices based on vintage and location similar to leases and licences that were already continued as of January 1, 2009. The order in which these agreements will receive reversion notices will depend on their vintage and location.

Environmental Regulation

The oil and natural gas industry is currently subject to regulation pursuant to a variety of provincial and federal environmental legislation, all of which is subject to governmental review and revision from time to time. Such legislation provides for, among other things, restrictions and prohibitions on the spill, release or emission of various substances produced in association with certain oil and gas industry operations, such as sulphur dioxide and nitrous oxide. In addition, such legislation sets out the requirements with respect to oilfield waste handling and storage, habitat protection and the satisfactory operation, maintenance, abandonment and reclamation of well and facility sites. Compliance with such legislation can require significant expenditures and a breach of such requirements may result in suspension or revocation of necessary licenses and authorizations, civil liability and the imposition of material fines and penalties.

Federal

Pursuant to the *Prosperity Act*, the Government of Canada amended or repealed several pieces of federal environmental legislation and in addition, created a new federal environment assessment regime that came in to force on July 6, 2012. The changes to the environmental legislation under the *Prosperity Act* are intended to provide for more efficient and timely environmental assessments of projects that previously had been subject to overlapping legislative jurisdiction.

Alberta

The regulatory landscape in Alberta has undergone a transformation from multiple regulatory bodies to a single regulator for upstream oil and gas, oil sands and coal development activity. On June 17, 2013, the Alberta Energy Regulator (the "**AER**") assumed the functions and responsibilities of the former Energy Resources Conservation Board, including those found under the Oil and Gas Conservation Act ("**ABOGCA**"). On November 30, 2013, the AER assumed the energy related functions and responsibilities of Alberta Environment and Sustainable Resource Development ("**AESRD**") in respect of the disposition and management of public lands under the Public Lands Act. On March 29, 2014, the AER is expected to assume the energy related functions and responsibilities of AESRD in the areas of environment and water under the Environmental Protection and Enhancement Act and the Water Act, respectively. The AER's responsibilities exclude the functions of the Alberta Utilities Commission and the Surface Rights Board, as well as Alberta Energy's responsibility for mineral tenure. The objective behind the transformation to a single regulator is the creation of an enhanced regulatory regime that is efficient, attractive to business and investors, and effective in supporting public safety, environmental management and resource conservation while respecting the rights of landowners.

In December 2008, the Government of Alberta released a new land use policy for surface land in Alberta, the Alberta Land Use Framework (the "**ALUF**"). The ALUF sets out an approach to manage public and private land use and natural resource development in a manner that is consistent with the long-term economic, environmental and social goals of the province. It calls for the development of seven region-specific land use plans in order to manage the combined impacts of existing and future land use within a specific region and the incorporation of a cumulative effects management approach into such plans.

Proclaimed in force in Alberta on October 1, 2009, the *Alberta Land Stewardship Act* (the "**ALSA**") provides the legislative authority for the Government of Alberta to implement the policies contained in the ALUF. Regional plans established under the ALSA are deemed to be legislative instruments equivalent to regulations and will be binding on the Government of Alberta and provincial regulators, including those governing the oil and gas industry. In the event of a conflict or inconsistency between a regional plan and another regulation, regulatory instrument or statutory consent, the regional plan will prevail. Further, the ALSA requires local governments, provincial departments, agencies and administrative bodies or tribunals to review their regulatory instruments and make any appropriate changes to ensure that they comply with an adopted regional plan. The ALSA also contemplates the amendment or extinguishment of previously issued statutory consents such as regulatory permits, licenses, registrations, approvals and authorizations for the purpose of achieving or maintaining an objective or policy resulting from the implementation of a regional plan. Among the measures to support the goals of the regional plans contained in the ALSA are conservation easements, which can be granted for the protection, conservation and enhancement of land; and conservation directives, which are explicit declarations contained in a regional plan to set aside specified lands in order to protect, conserve, manage and enhance the environment.

On August 22, 2012, the Government of Alberta approved the Lower Athabasca Regional Plan ("**LARP**") which came into force on September 1, 2012. The LARP is the first of seven regional plans developed under the ALUF. LARP covers a region in the northeastern corner of Alberta that is approximately 93,212 square kilometres in size. The region includes a substantial portion of the Athabasca oilsands area, which contains approximately 82% of the province's oilsands resources and much of the Cold Lake oilsands area.

LARP establishes six new conservation areas and nine new provincial recreation areas. In conservation and provincial recreation areas, conventional oil and gas companies with pre-existing tenure may continue to operate. Any new petroleum and gas tenure issued in conservation and provincial recreation areas will include a restriction that prohibits surface access. In contrast, oilsands companies' tenure has been (or will be) cancelled in conservation

areas and no new oilsands tenure will be issued. While new oil sands tenure will be issued in provincial recreation areas, new and existing oil sands tenure will prohibit surface access.

With the implementation of the new Alberta regulatory structure under the AER, AESRD will remain responsible for development and implementation of regional plans. However, the AER will take on some responsibility for implementing regional plans in respect of energy related activities.

Saskatchewan

In May 2011, Saskatchewan passed changes to The Oil and Gas Conservation Act, the act governing the regulation of resource development operations in the province. Although the associated Bill received Royal Assent on May 18, 2011, it was not proclaimed into force until April 1, 2012, in conjunction with the release of The Oil and Gas Conservation Regulations, 2012 and The Petroleum Registry and Electronic Documents Regulations. The aim of the amendments to The Oil and Gas Conservation Act, and the associated regulations, is to provide resource companies investing in Saskatchewan's energy and resource industries with the best support services and business and regulatory systems available. With the enactment of the Petroleum Registry and Electronic Documents Regulations and the Oil and Gas Conservation Regulations, 2012, Saskatchewan has implemented a number of operational aspects, including the increased demand for record-keeping, increased testing requirements for injection wells and increased investigation and enforcement powers; and, procedural aspects, including those related to Saskatchewan's participation as partner in the Petroleum Registry of Alberta.

Climate Change Regulation

Federal

The Government of Canada is a signatory to the United Nations Framework Convention on Climate Change (the "**UNFCCC**") and a participant to the Copenhagen Accord (a non-binding agreement created by the UNFCCC which represents a broad political consensus and reinforces commitments to reducing greenhouse gas ("**GHG**") emissions). On January 29, 2010, Canada inscribed in the Copenhagen Accord its 2020 economy-wide target of a 17% reduction of GHG emissions from 2005 levels. This target is aligned with the United States target. In a report dated October 2013, the Government stated that this target represents a significant challenge in light of strong economic growth (Canada's economy is projected to be approximately 31% larger in 2020 compared to 2005 levels).

On April 26, 2007, the Government of Canada released "Turning the Corner: An Action Plan to Reduce Greenhouse Gases and Air Pollution" (the "Action Plan") which set forth a plan for regulations to address both GHGs and air pollution. An update to the Action Plan, "Turning the Corner: Regulatory Framework for Industrial Greenhouse Gas Emissions" was released on March 10, 2008 (the "Updated Action Plan"). The Updated Action Plan outlines emissions intensity-based targets, for application to regulated sectors on a facility-specific, sector-wide basis or Corporation-by-Corporation basis. Although the intention was for draft regulations aimed at implementing the Updated Action Plan to become binding on January 1, 2010, the only regulations being implemented are in the transportation and electricity sectors. The federal government indicates that it is taking a sector-by-sector regulatory approach to reducing GHG emissions and is working on regulations for other sectors. Representatives of the Government of Canada have indicated that the proposals contained in the Updated Action Plan will be modified to ensure consistency with the direction ultimately taken by the United States with respect to GHG emissions regulation. In June 2012, the second US Canada Clean Energy Dialogue Action Plan was released. The plan renewed efforts to enhance bilateral collaboration on the development of clean energy technologies to reduce GHG emissions.

Alberta

As part of Alberta's 2008 Climate Change Strategy, the province committed to taking action on three themes: (a) conserving and using energy efficiently (reducing GHG emissions); (b) greening energy production; and (c) implementing carbon and capture storage.

As part of its efforts to reduce GHG emissions, Alberta introduced legislation to address GHG emissions: the Climate Change and Emissions Management Act (the "**CCEMA**") enacted on December 4, 2003 and amended through the Climate Change and Emissions Management Amendment Act, which received royal assent on November 4, 2008. The CCEMA is based on an emissions intensity approach and aims for a 50% reduction from 1990 emissions relative to GDP by 2020. The accompanying regulations include the Specified Gas Emitters Regulation ("SGER"), which imposes GHG limits, and the Specified Gas Reporting Regulation, which imposes GHG emissions reporting requirements. Alberta facilities emitting more than 100,000 tonnes of GHGs a year are subject to compliance with the CCEMA. Alberta is the first jurisdiction in North America to impose regulations requiring large facilities in various sectors to reduce their GHG emissions.

The SGER, effective July 1, 2007, applies to facilities emitting more than 100,000 tonnes of GHGs in 2003 or any subsequent year, and requires reductions in GHG emissions intensity (e.g. the quantity of GHG emissions per unit of production) from emissions intensity baselines established in accordance with the SGER. The SGER distinguishes between "Established Facilities" and "New Facilities". Established Facilities are defined as facilities that completed their first year of commercial operation prior to January 1, 2000 or that have completed eight or more years of commercial operation. Established Facilities are required to reduce their emissions intensity by 12% of their baseline emissions intensity for 2008 and subsequent years. Generally, the baseline for an Established Facility reflects the average of emissions intensity in 2003, 2004 and 2005. New Facilities are defined as facilities that completed their first year of commercial operation on December 31, 2000, or a subsequent year, and have completed less than eight years of commercial operation, or are designated as New Facilities in accordance with the SGER. New Facilities are required to reduce their emissions intensity by 2% from baseline in the fourth year of commercial operation, 4% of their baseline in the fifth year, 6% of their baseline in the sixth year, 8% of their baseline in the seventh year and 10% of their baseline in the eighth year. The CCEMA does not contain any provision for continuous annual improvements in emissions intensity reductions beyond those stated above.

The CCEMA provides that regulated emitters can meet their emissions intensity targets by contributing to the Climate Change and Emissions Management Fund at a rate of $15 per tonne of CO2 equivalent. The funds contributed by industry to the Climate Change and Emissions Management Fund will be used to drive innovation and test and implement new technologies for greening energy production. Emissions credits can also be purchased from regulated emitters that have reduced their emissions below the 100,000 tonne threshold or non-regulated emitters that have generated emissions offsets through activities that result in emissions reductions in accordance with established protocols published by the Government of Alberta.

Alberta is also the first jurisdiction in North America to direct dedicated funding to implement carbon capture and storage technology across industrial sectors. Alberta will invest $2 billion into demonstration projects that will begin commercializing the technology on the scale needed to be successful. On December 2, 2010, the Government of Alberta passed the Carbon Capture and Storage Statutes Amendment Act, 2010. It deemed the pore space underlying all land in Alberta to be, and to have always been, the property of the Crown and provided for the assumption of long-term liability for carbon sequestration projects by the Crown, subject to the satisfaction of certain conditions. Maple Leaf does not currently have ownership in any facilities that meet or are expected to exceed the emissions threshold in Alberta.

Seasonality

The level of activity in the Canadian oil and gas industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable. Consequently, municipalities and provincial transportation departments may at times restrict the movement of drilling rigs and other heavy equipment, thereby reducing activity levels. Also, certain oil and natural gas producing areas are located in areas that are inaccessible other than during the winter months because the ground surrounding the sites in these areas consists of swampy terrain.

RISK FACTORS

Overview

Investors should carefully consider the risk factors set out below and consider all other information contained herein and in Maple Leaf's other public filings before making an investment decision. The risks set out below are not an

exhaustive list and should not be taken as a complete summary or description of all the risks associated with the Corporation's business and the oil and natural gas business generally. Many of these risks are beyond the control of the Corporation.

An investment in the Common Shares involves a number of risks. In addition to the other information contained in this AIF, investors should give careful consideration to the following factors, which are qualified in their entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this AIF. If any of the following events described as risks or uncertainties actually occurs, the business, prospects, financial condition and operating results of the Corporation would likely suffer, possibly materially. In that event, the market price of the Common Shares could decline and investors could lose all or part of their investment. Additional risks and uncertainties presently unknown, or that are not believed to be material at this time, may also impair or have a material adverse effect on the Corporation's operations. In addition to the risks described elsewhere and the other information contained in this AIF, prospective investors should carefully consider each of and the cumulative effect of all of the following risk factors.

Maple Leaf's Business, Industry and Operating Environment

Although Maple Leaf does not directly conduct oil and gas operations but instead collects royalty payments in respect of the Royalty Properties as an indirect participant in the development of such properties, its business, financial condition, results of operations and prospects are significantly impacted by factors and risks that impact the oil and natural gas industry generally and in particular, affect the lessees and/or operators that have or will have arrangements with Maple Leaf in respect of the Royalty Properties. In the event that Maple Leaf's strategy were to change in the future, such that it becomes a direct participant in the development of its properties, whether as working interest owner or operator in respect of any portion of the Royalty Properties or other properties that may be acquired by the Corporation, these risks would also become the direct risks of the Corporation in respect of such development. Accordingly, where applicable, the following risk factors should be read in the context of both their direct and indirect (through such lessees and/or operators) impact on Maple Leaf's business and financial condition.\

Dependence on Lessees and Operators

Other exploration and production companies are the lessees and/or operators of the Royalty Properties and, as a result, Maple Leaf has limited to no ability to exercise influence over the operations on the Royalty Properties or the associated operating or capital costs, which could adversely affect the Corporation's financial performance. The Corporation's revenues, which are derived from the Royalty Properties operated by third parties, depend upon a number of factors, most of which are outside of the Corporation's control. Such factors include, but are not limited to, the following: the extent of exploration on and development of the Royalty Properties; the timing and amount of capital expenditures on those properties; the operator's expertise, production practices and financial resources; the approval of other participants; the selection of technology; risk management; compliance by third party lessees and/or operators with licence or lease terms relating to the Royalty Properties; and environmental compliance and remediation practices. Further, for Royalty Properties or formations that are not held by production at the end of the primary term, there can be no assurance that the operators of the Royalty Properties will be able to retain or re-lease such properties or formations or, if able to re-lease such properties or formations, that the lease terms and rates will be as favourable to the operator. Generally, once the underlying lease expires, any royalty interests associated with the lease also terminate.

The third party exploration and production companies involved with the Royalty Properties may manage or participate in a wide variety of projects in the conduct of their business, which may result in such third parties diverting capital, development activity and expertise away from the Royalty Properties. The deferral of development or capital projects conducted on the Royalty Properties may delay expected revenues from operations conducted by third parties on the Royalty Properties, which, in turn, would result in a reduction of Maple Leaf's revenues. The ability of these third parties to execute projects and market oil and natural gas from the Royalty Properties depends upon numerous factors beyond such third parties' control and beyond the control of Maple Leaf, including the risk factors set out below. Because of these risk factors, third parties may be unable to execute projects on the Royalty Properties on time, on budget, or at all, and may be unable to produce and market the oil and natural gas from the Royalty Properties effectively, all of which would result in a reduction of Maple Leaf's associated revenues.

Third Party Exploration, Development and Production Risks

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. Maple Leaf's long-term commercial success depends on its ability to enter into royalty arrangements with exploration and production companies and promote the exploration for and development and commercial production of petroleum and natural gas on the Royalty Properties by such companies, as well as to acquire additional petroleum and natural gas royalty interests to contribute to additional crude oil, natural gas and NGL reserves. Without the continual addition of new royalty interests or reserves from existing royalty interest, existing reserves and the production from them will decline over time as production from reserves continues. A future increase in reserves will depend on both the ability to explore and develop existing properties on which Maple Leaf holds royalty interests and on the ability to select and acquire interests in suitable producing properties or prospects. There is no assurance that Maple Leaf will be able to continue to find satisfactory properties to acquire or participate in. Moreover, management may determine that current markets, terms of acquisition, participation or pricing conditions make potential acquisitions or participations uneconomic. There is also no assurance that Maple Leaf will participate or hold interests in further discoveries or acquisitions of further commercial quantities of oil and natural gas.

Future oil and natural gas exploration on the Royalty Properties may involve unprofitable efforts from both dry wells and from wells that are productive but do not produce sufficient petroleum substances to return a profit after drilling, completing, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs.

Drilling hazards, environmental damage and various field operating conditions could greatly increase the cost of operations of third parties on the Royalty Properties and adversely affect the production from successful wells. Field operating conditions include, but are not limited to, delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, and insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, it is not possible to eliminate production delays and declines from normal field operating conditions, which can negatively affect a third party's production from the Royalty Properties, which may reduce Maple Leaf's revenues and cash flow to varying degrees.

Development and production operations are subject to all the risks and hazards typically associated with operations related to oil and natural gas exploration and development, including, but not limited to, fire, explosion, blowouts, cratering, sour gas releases, and spills or other environmental hazards. These typical risks and hazards could result in substantial damage to oil and natural gas wells on the Royalty Properties, production facilities, other property, the environment, personal injury and loss of life and may necessitate an evacuation of populated areas, all of which could have a significant impact on the Royalty Properties and the royalties owing to Maple Leaf. Losses resulting from the occurrence of any of these risks could have a materially adverse effect on the financial condition of the Corporation.

Reserves Estimates

There are numerous uncertainties inherent in estimating quantities of crude oil, natural gas and natural gas liquids reserves and the future cash flows attributed to such reserves. The reserves and associated cash flow information set forth in this AIF are estimates only. Generally, estimates of economically recoverable crude oil, natural gas and natural gas liquids reserves and the future net cash flows from such estimates are based upon a number of variable factors and assumptions, such as:

- historical production from the properties;
- production rates;
- ultimate reserve recovery;
- timing and amount of capital expenditures by the working interest owners on the Royalty Properties;

- marketability of oil and natural gas;

- royalty rates which, in Maple's Leaf's case, generally consist of the royalties that are to be paid to the Corporation and any Crown or lessor royalties in respect of the underlying leases for the Royalty Properties; and

- the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially from actual results.

For those reasons, estimates of the economically recoverable crude oil, natural gas and natural gas liquids reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times may vary. The actual production, revenues, taxes and development and operating expenditures with respect to the reserves associated with the Royalty Properties will vary from estimates thereof and such variations could be material.

The estimation of proved reserves that may be developed and produced in the future is often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. Recovery factors and drainage areas may be estimated by experience and analogy to similar producing horizons. Estimates based on these methods are generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history and production practices will result in variations in the estimated reserves. Such variations could be material.

In accordance with Canadian Securities Laws, Maple Leaf's independent qualified reserves evaluator has used forecast prices and costs in estimating the reserves and future net cash flows as summarized in this AIF. Actual future net cash flows will be affected by other factors, such as actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs.

Actual production and cash flows derived from Maple Leaf's crude oil, natural gas and natural gas liquids reserves will vary from the estimates contained in the reserves evaluation, and such variations could be material. The reserves evaluation is based in part on the assumed success of activities undertaken in future years. The reserves and estimated cash flows to be derived therefrom and contained in the Sproule Report will be reduced to the extent that such activities do not achieve the level of success assumed in the reserve evaluation. The Sproule Report is effective as of December 31, 2014 with a preparation date of March 2, 2015 and, except as may be specifically stated or required by Canadian Securities Laws, has not been updated and therefor does not reflect changes in the reserves since that date.

Royalty Regime

There can be no assurance that the federal government and the provincial governments of the western provinces in Canada will not adopt a new or modify the royalty regime, which may have an impact on the economics of Maple Leaf's projects. An increase in royalties would reduce Maple Leaf's earnings and could make future capital investments, or Maple Leaf's operations, less economic.

Prices, Markets and Marketing

Numerous factors beyond Maple Leaf's control affect, and will continue to affect, the marketability and price of crude oil and natural gas anticipated to be produced from the Royalty Properties.

Prices for crude oil and natural gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for petroleum and natural gas, market uncertainty and a variety of additional factors beyond Maple Leaf's control. These factors include economic conditions in the United States, Canada, Asia and Europe, the actions of the Organization of Petroleum Exporting Countries ("OPEC"), governmental regulation, political stability in the Middle East, Northern Africa and elsewhere, the foreign supply of petroleum and natural gas, risks of supply

disruption, the price of foreign imports and the availability of alternative fuel sources. Prices for crude oil and natural gas are also subject to the availability of foreign markets and the ability to access such markets. A material decline in prices or a continued low crude oil and natural gas price environment could result in reduced production of petroleum or natural gas and a reduction in the volumes of the reserves associated with the Royalty Properties. The economics of producing from some wells may change because of lower prices, and the lessees and operators of the Royalty Properties may elect not to produce from certain wells at lower prices which would, in turn, reduce Maple Leaf's revenues.

All of these factors could result in a material decrease in Maple Leaf's net production revenue and a reduction in its oil and natural gas acquisition activities. Any substantial or extended decline in or continued low crude oil and natural gas prices would have an adverse effect on Maple Leaf's carrying value of its reserves, borrowing capacity, revenues, profitability and cash flows from operations and may have a material adverse effect on Maple Leaf's business and financial condition, results of operations and prospects.

Oil and natural gas prices have decreased significantly in recent months and are expected to remain volatile in the near future due to market uncertainties over the supply of and the demand for these commodities due to the current state of the world economies, OPEC actions, sanctions imposed on certain oil producing nations by other countries and ongoing credit and liquidity concerns. Volatile crude oil and natural gas prices make it difficult to estimate the value of producing properties for development activities and often cause disruption in the acquisition, divestiture or leasing of petroleum and natural gas producing properties, as buyers, sellers, lessors and lessees have difficulty agreeing on the value or terms of such arrangements. Price volatility also makes it difficult to budget for and project the return on potential acquisitions, divestitures or potential acquisition opportunities.

Global Financial Markets

Recent market events and conditions, including the sharp and continued decline in crude oil and natural gas prices, have caused significant volatility in commodity prices. These recent market events and conditions have caused a decrease in confidence in the broader global credit and financial markets and have created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions have negatively impacted credit markets and caused stock markets to experience significant volatility.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions

The Corporation considers acquisitions and dispositions of businesses and assets in the ordinary course of business. Achieving the benefits of its acquisitions depends on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner and the Corporation's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Corporation. The integration of acquired businesses may require substantial management effort, time and resources diverting management's focus from other strategic opportunities and operational matters. Management continually assesses the value and contribution of services provided and assets required to provide such services. In this regard, non-core assets may be periodically disposed of so the Corporation can focus its efforts and resources more efficiently. Depending on the state of the market for such non-core assets, certain non-core assets of the Corporation, if disposed of, may realize less than their carrying value on the financial statements of the Corporation.

Gathering and Processing Facilities and Pipeline Systems

The products produced from the Royalty Properties must be delivered through gathering, processing and pipeline systems, none of which are owned by the Corporation and some of which are not owned by the third parties active on the Royalty Properties. The amount of petroleum and natural gas produced and sold is subject to the accessibility, availability, proximity and capacity of these gathering, processing and pipeline systems. The lack of availability of capacity in any of the gathering, processing and pipeline systems, and in particular the processing facilities, including any restrictions placed on such systems or facilities, could result in an inability to realize the full economic potential of the Royalty Properties. Although pipeline expansions are ongoing, the lack of firm pipeline capacity continues to affect the oil and natural gas industry and limit the ability to produce and to market petroleum and

natural gas production. In addition, the pro-rationing of capacity on inter-provincial pipeline systems also continues to affect the ability to export petroleum and natural gas. Producers are increasingly turning to rail as an alternative means of transportation. In recent years, the volume of crude oil shipped by rail in North America has increased dramatically and it is projected to continue in this upward trend. Any significant change in market factors or other conditions affecting these infrastructure systems and facilities, as well as any delays in constructing new infrastructure systems and facilities could harm Maple Leaf's business and, in turn, its financial condition.

The production from the Royalty Properties is processed through facilities over which Maple Leaf, and in certain instances, third parties on the Royalty Properties, have no control. From time to time, these facilities may discontinue or decrease operations either as a result of normal servicing requirements or as a result of unexpected events. A discontinuation or decrease of operations could materially adversely affect the ability of the third parties to process production from the Royalty Properties and to deliver the same for sale, which, in turn, would indirectly reduce Maple Leaf's revenues.

Rail Transportation

In response to major train derailments occurring in the United States and Canada, regulators are implementing or considering new rules to address the safety risks of transporting crude oil by rail. On January, 23, 2014, the National Transportation Safety Board issued a series of recommendations to address safety risks, including, among other things: (i) requiring expanded hazardous material route planning for railroads to avoid populated and other sensitive areas; (ii) to develop an audit program to ensure rail carriers that carry petroleum products have adequate response capabilities to address worst case discharges of the entire quantity of product carried on a train; and (iii) to audit shippers and rail carriers to ensure they are properly classifying hazardous materials in transportation and that they have adequate safety and security plans in place.

Additionally, on February 25, 2014, the U.S. Department of Transportation issued an emergency order requiring all persons, prior to offering crude oil into transportation, to ensure such product is properly tested and classed and to assure all shipments by rail of crude oil be handled as a Packing Group I or II hazardous material. Such tests are used to help determine how likely the fuel is to ignite and dictate what type of rail car can be used for shipment. The introduction of these or other regulations that result in new requirements addressing the type, design, specifications or construction of rail cars used to transport crude oil could result in severe transportation capacity constraints during the period in which new rail cars are retrofitted or constructed to meet new specifications. On March 6, 2014, the U.S. Department of Transportation issued an amended emergency order, offering more details on testing requirements of oil transported by rail and cautioned companies against circumventing these rules. The amended emergency order offers new standards on how frequently testing of crude oil has to be done. Testing must now be conducted within the reasonable, recent past to determine both the flash point and boiling point of crude oil. The amended emergency order also warns companies not to re-label crude as a more generic category of flammable liquid in an attempt to get around such testing requirements.

Insurance

Maple Leaf's potential involvement in the exploration for and development of oil and natural gas properties may result in Maple Leaf becoming subject to liability for pollution, blow outs, leaks of sour natural gas, property damage, personal injury or other hazards. Although Maple Leaf intends to maintain insurance in accordance with industry standards to address certain of these risks, such insurance has limitations on liability and may not be sufficient to cover the full extent of such liabilities. In addition, certain risks are not, in all circumstances, insurable or, in certain circumstances, the Corporation may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of any uninsured liabilities would reduce the funds available to the corporation. The occurrence of a significant event that the Corporation is not fully insured against, or the insolvency of the insurer of such event, may have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects.

Capital and Additional Funding Requirements

Maple Leaf's revenues from the Royalty Properties may not be sufficient to fund its ongoing activities at all times, and from time to time Maple Leaf may require additional financing in order to carry out its acquisition of petroleum

and natural gas assets. Future acquisitions and other expenditures will be financed out of cash flow from royalty revenues, borrowings and possible future equity issuances, and Maple Leaf's ability to do so will be dependent on, among other factors: the overall state of the capital markets; the Corporation's credit rating (if applicable); interest rates; tax burden due to current and future tax laws; and investor appetite for investments in the energy industry and the Corporation's securities in particular.

There can be no assurance that debt or equity financing, revenues or cash flow generated by operations, will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Corporation. There is risk that if the economy and banking industry experienced unexpected and/or prolonged deterioration, the Corporation's access to additional financing may be affected. The inability of the Corporation to access sufficient capital for its operations could materially adversely affect the Corporation's financial condition.

In addition, the future development of the Royalty Properties by third parties may require additional financing and there are no assurances that such financing will be available, and, if available, will be available upon acceptable terms to such third parties. Failure to obtain any financing necessary for such third parties' capital expenditure plans may result in a delay in development of the Royalty Properties.

Dividends

The payment of dividends by Maple Leaf is not guaranteed and could fluctuate with its performance. The Board has the discretion to determine the amount of dividends, if any, to be declared and paid to shareholders. The Corporation may alter its dividend policy at any time and the payment of dividends will depend on, among other things, changes in commodity prices; financial condition; current and expected future levels of earnings; liquidity requirements; market opportunities; income taxes; debt repayments; legal, regulatory and contractual constraints; tax laws; and other relevant factors. Any future credit facilities may prohibit the Corporation from paying dividends at any time at which a default or event of default has occurred and is continuing, or if a default or event of default would exist as a result of paying the dividend.

Over time, Maple Leaf's capital and other cash needs may change significantly from its current needs, which could affect whether it pays dividends and the amount of dividends, if any, it may pay in the future. If the Corporation continues to pay dividends at the current levels, it may not retain a sufficient amount of cash to finance external growth opportunities, meet any large unanticipated liquidity requirements or fund its activities in the event of a significant business downturn. The Board may amend, revoke or suspend Maple Leaf's dividend policy at any time. A decline in the market price or liquidity, or both, of the Common Shares could result if the Corporation reduces or eliminates the payment of dividends, which could result in losses to shareholders.

Credit Facility Arrangements

In the course of its business, Maple Leaf may enter into various credit facility arrangements with lenders which could require Maple Leaf to comply with customary positive and negative covenants thereunder. If Maple Leaf failed to comply with any such covenants, the Corporation's access to capital could be restricted or repayment could be required. Events beyond Maple Leaf's control may also contribute to the failure of the Corporation to comply with such covenants. A failure to comply with any of the covenants could result in an event of default which, if not cured or waived, would permit acceleration of any indebtedness pursuant to such credit facilities and would prevent dividends from being paid to shareholders. Any acceleration of the Corporation's indebtedness under any credit facility may permit acceleration of indebtedness under other agreements that contain cross default or cross-acceleration provisions. In addition, credit facility arrangement could impose certain operating and financial restrictions that include restrictions on the payment of dividends, limitations on liens, entering into disposition of assets or amalgamations and restrictions on speculative hedging, among others. Even if Maple Leaf were able to obtain new financing in such circumstances, it may not be on commercially reasonable terms or terms that are acceptable to the Corporation.

Competition

The oil and natural gas industry is highly competitive in all aspects. Maple Leaf will compete with numerous other entities in the search for, and the acquisition of, oil and natural gas properties and in the marketing of oil and natural gas. Maple Leaf's competitors include oil and natural gas companies that have substantially greater financial resources, staff and facilities than Maple Leaf. Maple Leaf's ability to increase its reserves and revenue streams in the future will depend not only on its ability to develop its assets, but also on its ability to select and acquire other suitable royalty interests in producing properties and prospects for exploratory drilling. Competitive factors in the distribution and marketing of oil and natural gas include price, methods, and reliability of delivery and storage.

Dilution

Maple Leaf may make future acquisitions or enter into financings or other transactions involving the issuance of securities of Maple Leaf, which may be dilutive to existing shareholders. There are no restrictions in Maple Leaf's articles or by-laws with respect to the number of shares of any class that may be issued by the Corporation.

Management of Growth

Maple Leaf may be subject to growth related risks including capacity constraints and pressure on its internal systems and controls. The ability of Maple Leaf to manage growth effectively may require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Corporation to deal with such growth may have a material adverse effect on Maple Leaf's business, financial condition, results of operations and prospects.

Expiration of Licenses or Leases

A portion of Maple Leaf's current and future properties may be held in the form of licenses and leases or working interests in licenses and leases. If Maple Leaf or the holder of any such licence or lease fails to meet the specific requirements of such licence or lease, the licence or lease may terminate or expire. There can be no assurance that any of the obligations required to maintain each licence or lease will be met. The termination or expiration of any licenses, leases, or any working interests relating to such licenses or leases may have a material adverse effect on Maple Leaf's business, financial condition, results of operations and business prospects.

Issuance of Debt

From time to time, Maple Leaf may finance its activities, including potential future petroleum and natural gas asset acquisitions, in whole or in part with debt, which may increase Maple Leaf's debt levels above industry standards for peers of similar size. Depending on future exploration and development plans and acquisition activities, Maple Leaf may require additional debt financing that may not be available or, if available, may not be available on favourable terms. Neither Maple Leaf's articles nor its by-laws limit the amount of indebtedness that Maple Leaf may incur. The level of indebtedness from time to time could impair Maple Leaf's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

Volatility in Market Price of Maple Leaf Common Shares

The market price for Maple Leaf Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond Maple Leaf's control, including the following: (i) actual or anticipated fluctuations in Maple Leaf's financial results; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other companies that investors deem comparable to Maple Leaf; (iv) the loss or resignation of members of Management or the Maple Leaf Board and other key personnel of Maple Leaf; (v) sales or perceived sales of additional Maple Leaf Common Shares; (vi) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving Maple Leaf or its competitors where Maple Leaf does not realize its anticipated benefits from such transaction; (vii) trends, concerns, technological or competitive developments, regulatory changes and other related issues in the oil and natural gas industry; and (viii) actual or anticipated fluctuations in interest rates.

Financial markets have experienced significant price and volume fluctuations in recent years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Maple Leaf Common Shares may decline even if Maple Leaf's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values which may result in impairment losses. Certain institutional investors may base their investment decisions on consideration of Maple Leaf's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Maple Leaf Common Shares by those institutions, which could adversely affect the trading price of the Maple Leaf Common Shares.

Reliance on Key Personnel

Maple Leaf's success depends in large measure on certain key personnel. The loss of the services of such key personnel may have a material adverse effect on Maple Leaf's business and financial condition. In addition, the competition for qualified personnel in Alberta, and in particular, the oil and natural gas industry, is intense and there can be no assurance that Maple Leaf will be able to continue to attract and retain all personnel necessary for the conduct of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of Management.

Third Party Credit Risk

Maple Leaf may be exposed to third party credit risk through its royalty and contractual arrangements with current or future third parties, and other industry participants. In the event such entities fail to meet their royalty, contractual or financial obligations to Maple Leaf or others, such failures could materially adversely affect Maple Leaf's business and financial condition. Further, poor credit conditions may impact a third party's ability to fund the development and capital programs conducted in respect of the Royalty Properties or future acquisition, which in turn could result in a reduction of Maple Leaf's revenues.

Title to Assets

Although title reviews may be conducted by Maple Leaf and/or third parties prior to the purchase of oil and natural gas producing properties or royalty interests, or before the commencement of drilling wells, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the claim of any third party on the Royalty Properties or of any claim in connection with future acquisitions. A third party's actual interest in current or potential properties may, therefore, vary from the records maintained by such third party. If a title defect does exist, it is possible that Maple Leaf may lose all or a portion of its interest in the Royalty Properties, which may have a material adverse effect on Maple Leaf's business, financial condition, results of operations and prospects. There may be valid challenges to title, or proposed legislative changes which affect title that, if successful or made into law, could result in a reduction of Maple Leaf's revenues.

Variations in Foreign Exchange Rates and Interest Rates

The Canadian/United States dollar exchange rate, which fluctuates over time, could affect the price received by Canadian producers of oil and natural gas. Material increases in the value of the Canadian dollar may indirectly affect Maple Leaf's revenues, as revenues received by Canadian producers and, similarly, royalties payable to Maple Leaf could decrease. Future variations in Canadian and United States currency exchange rates may accordingly affect the future value of Maple Leaf's reserves as determined by independent evaluators.

To the extent that Maple Leaf engages in risk management activities related to foreign exchange rates, there is a credit risk associated with counterparties with which Maple Leaf may contract.

An increase in interest rates could result in a significant increase in the amount Maple Leaf pays to service debt, resulting in a reduced amount available to fund its activities and the cash available to pay dividends, and could negatively impact the market price of the Maple Leaf Common Shares.

Hedging

From time to time, Maple Leaf may enter into agreements to receive fixed prices on its oil and natural gas production to offset the risk of revenue losses if commodity prices decline. However, to the extent that Maple Leaf engages in risk management activities to protect against commodity price declines, Maple Leaf may also be prevented from realizing the full benefits of price increases above the levels of the derivative instruments used to manage price risk. In addition, Maple Leaf's hedging arrangements may expose Maple Leaf to the risk of financial loss in certain circumstances, including, but not limited to the following instances:

- production falls short of the hedged volumes or fails to fulfill its obligations related to the underlying physical transaction;
- there is a widening of price-basis differentials between delivery points for production and the delivery point assumed in the hedge arrangement;
- the counterparties to the hedging arrangement or other price risk management contracts fail to perform under those arrangements; or
- a sudden unexpected event materially impacts oil and natural gas prices.

Similarly, from time to time Maple Leaf may enter into agreements to fix the exchange rate of Canadian to United States dollars in order to offset the risk of revenue losses if the Canadian dollar increases in value compared to the United States dollar. However, if the Canadian dollar declines in value compared to the United States dollar, Maple Leaf will not benefit from the fluctuating exchange rate.

Litigation

In the normal course of Maple Leaf's activities, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to personal injury, property damage, property tax, land rights, the environment and lease and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty, and such proceedings may be determined adversely to Maple Leaf and any indemnity from Maple Leaf or other third parties in respect of any loss as a result of such proceedings may not be sufficient, and, as a result, could materially adversely affect Maple Leaf's business and financial condition.

Tax Compliance

Income tax laws relating to the oil and natural gas industry may in the future be changed or interpreted in a manner that adversely affects Maple Leaf. Furthermore, tax authorities having jurisdiction over the Corporation may disagree with how Maple Leaf calculates its income for tax purposes or could change administrative practices to the detriment of Maple Leaf.

Maple Leaf files all required income tax returns in order to be in full compliance with the provisions of the Tax Act and all other applicable provincial tax legislation. However, such returns are subject to reassessment by the applicable taxation authority. In the event of a successful reassessment of the Corporation, such reassessment may have an impact on current and deferred taxes payable.

Conflicts of Interest and Related Party Transactions

Certain directors or officers of Maple Leaf may also, or may in the future be, directors or officers of other oil and natural gas companies that may compete or be counterparties to agreements with Maple Leaf, and as such may, in certain circumstances, have a conflict of interest. Conflicts of interest, if any, will be subject to and governed by procedures prescribed by the BCBCA which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with Maple Leaf disclose his or her interest and, in the case of directors, to refrain from voting on

any matter in respect of such contract unless otherwise permitted under the BCBCA. See "*Directors and Executive Officers — Conflicts of Interest*".

In addition, Maple Leaf may enter into future transactions with related parties, which includes significant shareholders, directors, and officers of the Corporation. Related party transactions are subject to and governed by procedures prescribed by MI 61-101. Under MI 61-101, related party transactions are subject to specific disclosure requirements and, in certain circumstances, a formal valuation and minority shareholder approval.

Regulatory

Various levels of governments impose extensive controls and regulations on oil and natural gas operations, including on exploration, productions, pricing, marketing and transportation. Governments may regulate or intervene with respect to exploration and production activities, prices, taxes, royalties and the exportation of petroleum and natural gas. Amendments to these controls and regulations or other changes to applicable royalty regimes may occur from time to time in response to economic or political conditions. See "*Industry Conditions*". The implementation of new regulations or the modification of existing regulations affecting the oil and natural gas industry could reduce demand for oil and natural gas or make certain projects in connection with any of the Royalty Properties uneconomic, which could adversely affect Maple leaf's business and financial condition.

Availability of Drilling Equipment and Access

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment (typically leased from third parties) in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment for the third parties' operations on the Royalty Properties, which, in turn, could materially adversely affect Maple Leaf's business and financial condition.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, Maple Leaf may disclose confidential information relating to the business, operations or affairs of Maple Leaf. Although confidentiality agreements are signed by third parties prior to the disclosure of any confidential information, a breach could put Maple Leaf at competitive risk and may cause significant damage to its business. The harm to Maple Leaf's business from a breach of confidentiality cannot presently be quantified, but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, Maple Leaf will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Environmental

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities.

Compliance with environmental legislation can require significant expenditures and a breach of applicable environmental legislation may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require the Corporation to incur costs to remedy such discharge. Although Maple Leaf believes that the operations associated with the Royalty Properties are in material compliance with current applicable environmental regulations, no assurance can be given that environmental laws will not result in a curtailment of production or a material

increase in the costs of production, development or exploration activities or otherwise have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects.

Seasonality

The level of activity in the Canadian oil and natural gas industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable. Consequently, municipalities and provincial transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby potentially reducing activity levels. Also, certain oil and natural gas producing areas are located in areas that are inaccessible other than during the winter months because the ground surrounding the sites in these areas consists of swampy terrain. Seasonal factors and unexpected weather patterns may lead to declines in exploration and production activity and also to volatility in commodity prices as the demand for natural gas rises during cold winter months and hot summer months.

Geopolitical Risks

Political events throughout the world that cause disruptions in the supply of oil and natural gas continue to affect the marketability and price of crude oil and natural gas. Conflicts, or conversely peaceful developments, arising outside of Canada have a significant impact on the price of oil and natural gas. Any particular event could result in a material decline in prices and result in a reduction of Maple Leaf's net production revenue.

In addition, the Corporation's oil and natural gas properties, wells and facilities could be subject to a terrorist attack. If any of Maple Leaf's properties, wells or facilities are subject to a terrorist attack it may have a material adverse effect on its business, financial conditions, results of operations and prospects. Maple Leaf does not have insurance to protect against such risk.

Alternatives to and Changing Demand for Petroleum Products

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices could reduce the demand for oil and other hydrocarbons. Maple Leaf cannot predict the impact of changing demand for oil and natural gas products, and any major changes could materially adversely affect Maple Leaf's business and financial condition.

DIVIDENDS AND DIVIDEND POLICY

On April 14, 2015, the Board adopted a dividend policy of paying dividends to Shareholders. One of the objectives of the Corporation's dividend policy is to provide Shareholders with relatively stable and predictable dividends. An additional objective is to retain a portion of cash flow to fund ongoing development and optimization projects designed to enhance the sustainability of the Corporation's cash flow.

The amount of cash dividends to be paid on the Common Shares, if any, will be subject to the discretion of the Board**,** and may vary depending on a variety of factors, including the prevailing economic and competitive environment, results of operations including production levels, operating costs, royalty burdens, debt servicing requirements, fluctuations in working capital, current and future commodity prices, foreign exchange rates, the Corporation's hedging program the Corporation's ability to raise capital, the amount of capital expenditures and other conditions existing from time to time. In addition, the payment of cash dividends, if any, is subject to the satisfaction of the liquidity and insolvency tests imposed on the Corporation by the BCBCA which requires the Corporation to be able to pay its liabilities as they become due after the payment of a dividend. There can be no guarantee that Maple Leaf will maintain its dividend policy. See "*Risk Factors - Dividends*".

Maple Leaf's long term objective is to set a dividend policy at prudent levels while withholding sufficient funds to finance capital expenditures required to grow its current production base. Maple Leaf's dividend policy provides for a relatively conservative payout ratio, as Maple Leaf intends to retain a portion of the Corporation's cash flow in order to help fund its growth by acquisition strategy and provide a stronger base of cash flow leading to consistent and sustainable dividends into the future. The Corporation's dividend policy will be reviewed monthly and is based

on a number of factors including current and future commodity prices, foreign exchange rates, Maple Leaf's commodity hedging program, current operations and available investment opportunities.

Although the Corporation strives to provide Shareholders with stable and predictable cash flows, the percentage of cash flow from operations paid to Shareholders each month may vary according to a number of factors, including, fluctuations in commodity prices, exchange rates and production rates, reserves growth, the size of development drilling programs and the portion thereof funded from cash flow and the overall level of debt of the Corporation.

The initial cash dividends will be paid in July 2015, with the precise timing and amount of the initial dividend to be announced at a later date. The frequency of the payment of cash dividends will be determined by the Board. Unless otherwise specified, all dividends paid or to be paid by us are designated as "eligible dividends" under the Tax Act.

The Board and management of Maple Leaf will carefully monitor the impact of all issues affecting the Corporation's business and will evaluate the necessity to adjust the payment of dividends as the Corporation's business and industry conditions evolve. Dividends will normally be announced on a quarterly basis in the context of prevailing and anticipated commodity prices. During periods of volatile commodity prices, the dividend rate may vary monthly.

Cash dividends are not guaranteed. Although Maple Leaf intends to make dividends in the amount indicated to Shareholders, such cash dividends will be subject to review by the Board and may be reduced or suspended. The actual amount distributed will depend on numerous factors and conditions existing from time to time, including fluctuations in commodity prices, production levels, capital expenditure requirements in connection with the Royalty Properties, debt service requirements, operating costs, royalty burdens, foreign exchange rates and the satisfaction of solvency tests imposed by the *Business Corporations Act* (British Columbia) for the declaration and payment of dividends applicable law and other factors beyond Maple Leaf's control. See "*Risk Factors*".

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Corporation includes an unlimited number of Common Shares and an unlimited number of preferred shares issuable in series. As of April 1, 2015, 75,415,131 Common Shares and nil preferred shares were issued and outstanding. The following is a summary of the rights, privileges, restrictions and conditions which are attached to the Common Shares and preferred shares

Share Capital

The following is a description of the rights, privileges, restrictions and conditions attaching to Maple Leaf's share capital.

Common Shares

The Corporation is authorized to issue an unlimited number of common shares without par value. As of December 31, 2014, an aggregate of 28,915,131 Common Shares were issued and outstanding. As at the Effective Date, there are 75,415,131 million Common Shares issued and outstanding. The holders of Common Shares are entitled to notice of and to vote at all meetings of shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per Common Share. Holders of Common Shares are entitled to receive, if, as and when declared by the Board of Directors, such dividends as may be declared thereon by the Board of Directors from time to time. In the event of the liquidation, dissolution or winding-up of the Corporation, or any other distribution of assets among its shareholders for the purpose of winding-up its affairs, holders of Common Shares, are entitled to share equally, share for share, in the remaining property.

Preferred Shares

The Corporation is authorized to issue an unlimited number of preferred shares without par value. The Board of Directors may issue preferred shares at any time and from time to time in one or more series and shall fix the

number of preferred shares in such series and determine the designation, rights, privileges, restrictions and conditions attaching the preferred shares. The preferred shares shall be entitled to priority over Common Shares and over any other of the Corporation's shares ranking junior to the preferred shares with respect to priority in the payment of dividends if, as and when declared by the Board of Directors and the receipt of property remaining upon liquidation, dissolution or winding-up. There are currently no preferred shares issued or outstanding.

MARKET FOR SECURITIES

The Common Shares are listed and posted for trading on the TSXV under the symbol "MPL".

The following table sets forth the price range (high and low closing prices) in Canadian dollars of Common Shares and volume traded on the TSXV, for the periods indicated.

	High	Low	Volume
2014			
January	N/A	N/A	N/A
February	0.03	0.03	3,000
March	0.2	0.03	34,400
April	0.2	0.15	21,600
May	0.035	0.035	11,000
June	0.035	0.035	1,000
July	N/A	N/A	N/A
August	N/A	N/A	N/A
September	N/A	N/A	N/A
October	N/A	N/A	N/A
November	0.5	0.39	56,350
December	0.39	0.155	82,400
2015			
January	0.39	0.25	29,400
February	0.38	0.365	7,000
March	0.55	0.285	100,000
April[(1)]	0.46	0.205	355,132

Note:
(1) From April 1, 2015 to April 29, 2015.

ESCROWED SECURITIES

CPC Escrowed Securities

In connection with Maple Leaf's initial public offering under Policy 2.4, 1,010,000 Common Shares were escrowed in accordance with the escrow requirements for CPCs. Maple Leaf was listed as a Tier 2 issuer upon completion of the Qualifying Transaction and, as such, Policy 5.4 provides that 10% of the escrowed securities be released upon issuance of the TSXV's final exchange bulletin with subsequent releases of 15% of the escrowed shares every six months thereafter until all escrowed securities have been released, with such date being the date that is 36 months following the date of the issuance of the TSXV's final exchange bulletin. The TSXV final exchange bulletin was issued on November 20, 2014. The escrow agent for these escrowed securities is Valiant Trust Company.

The following table sets forth the particulars of the securities of each class of the Corporation that are held in escrow in connection with Maple Leaf's initial public offering under Policy 2.4 as at December 31, 2014.

Class of Securities in Escrow	Number of Securities Held in Escrow as at December 31, 2014	Percentage of Class as at December 31, 2014
Common Shares	909,000	3.1%

Qualifying Transaction Escrowed Securities

In connection with Maple Leaf's Qualifying Transaction, 670,900 Common Shares were escrowed in accordance with the escrow requirements for CPCs. Upon completion of the Qualifying Transaction, Maple Leaf was listed as a Tier 2 issuer and, as such, Policy 5.4 provides that 10% of the escrowed securities be released upon issuance of the TSXV's final exchange bulletin with subsequent releases every six months thereafter of 15% of the remaining escrow securities until all escrowed securities have been released, with such date being the date that is 36 months following the date of the issuance of the TSXV's final exchange bulletin. The escrow agent for these escrowed securities is Valiant Trust Company.

The following table sets forth the particulars of the securities of each class of the Corporation that are held in escrow in connection with the Qualifying Transaction as at December 31, 2014.

Class of Securities in Escrow	Number of Securities Held in Escrow as at December 31, 2014	Percentage of Class as at December 31, 2014
Common Shares	603,810	2.1%

Maple Leaf 2011 Acquisition

In connection with the Maple Leaf 2011 Acquisition, 15,151,515 Common Shares were issued subject to a contractual hold period. The following table sets forth the particulars of the securities of each class of the Corporation that are subject to a contractual hold period as at December 31, 2014.

Class of Securities in Escrow	Number of Securities Held in Escrow as at December 31, 2014	Percentage of Class as at December 31, 2014
Common Shares	15,151,515	52.4%

The contractual hold period on the Common Shares issued in connection with the Maple Leaf 2011 Acquisition expires on the timeline set out in the table below.

Expiry Date of Contractual Hold Period	Number of Common Shares Released from Contractual Hold Period
April 16, 2015	5,050,505
August 16, 2015	5,050,505
December 16, 2015	5,050,505

Maple Leaf 2012 Acquisition

In connection with the Maple Leaf 2012 Acquisition, 23,000,000 Common Shares were issued subject to a contractual hold period. The contractual hold period on the Common Shares issued in connection with the Maple Leaf 2012 Acquisition expires on the timeline set out in the table below.

Expiry Date of Contractual Hold Period	Number of Common Shares Released from Contractual Hold Period
May 31, 2015	7,666,666
September 30, 2015	7,666,666
January 30, 2016	7,666,667

Maple Leaf 2012-II Acquisition

In connection with the Maple Leaf 2012-II Acquisition, 23,500,000 Common Shares were issued subject to a contractual hold period. The contractual hold period on the Common Shares issued in connection with the Maple Leaf 2012 II Acquisition expires on the timeline set out in the table below.

Expiry Date of Contractual Hold Period	Number of Common Shares Released from Contractual Hold Period
August 2, 2015	7,833,334
December 1, 2015	7,833,333
April 1, 2016	7,833,333

To the knowledge of the Corporation, the securities set forth in the tables above are all of the securities in escrow or that are subject to a contractual restriction on transfer as at December 31, 2014.

DIRECTORS AND OFFICERS

The following table sets forth the names and municipalities of residence of the current directors and executive officers of the Corporation, their respective positions and offices with the Corporation and date first appointed or elected as a director and/or officer and their principal occupation(s) within the past five years.

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation
Lowell Jackson[(2)] Calgary, Alberta	Chairman and Director since November 20, 2014	Mr. Jackson has been the Chairman of Kaisen Energy Corp., a private oil and gas company, since February 2013. Prior thereto, Mr. Jackson was President & CEO of WestFire Energy Ltd., a TSX-listed oil and gas company from 2007 to 2012. Prior thereto, Mr. Jackson was President & CEO of Real Resources Inc., a TSX-listed oil and gas company from 1997 to 2007.
Daniel Gundersen[(1)(2)] Calgary, Alberta	Director and CEO since November 20, 2014	Mr. Gundersen has over 17 years of oil and gas industry experience. He was the former Vice President, Energy Finance for Sandstorm Metals & Energy Ltd., a TSXV listed oil and gas streaming company, from 2011 to 2013. Prior thereto, Mr. Gundersen was the Vice President, Engineering for DeeThree Exploration Ltd., a TSX-listed oil and gas exploration and production company, from 2008 to 2010. Prior thereto, he was Vice President, Engineering at Dual Exploration Inc., a TSX-listed oil and gas exploration and production company, from 2005 to 2006, and also held management roles with Cyries Energy Inc., a TSX-listed oil and gas exploration and production company, from 2007 to 2008, and Devlan Exploration Inc., a TSX-listed oil and gas exploration and production company, from 2002 to 2005. Mr. Gundersen is a professional engineer, a member of APEGA, and is also a Chartered Financial Analyst (CFA) charterholder. Mr. Gundersen works full time for Maple Leaf and provides services to Maple Leaf as an independent contractor pursuant to the terms of the Management Agreement.

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation
Adam Thomas Calgary, Alberta	Director and President since November 20, 2014	Adam Thomas is an investment professional bringing 13 years of buy-side and corporate finance experience focused on the energy sector. Most recently Mr. Thomas was President and CEO of Casimir Capital Ltd., an investment dealer, where he founded the Energy Group, from 2010 to 2013. From 2008 to 2010, Mr. Thomas was Vice-President Investment Banking at Clarus Securities Inc., an investment dealer. From 2006 to 2008, Adam was a registered Portfolio Manager and Vice President, Portfolio Management at Qwest Investment Management Corp., an investment manager. From 2005 to 2006, Mr. Thomas was Investment Manager at Sentry Select Capital Corp., an investment manager. From 2002 to 2005, Adam worked as an Investment Manager at Humboldt Capital Corp., a public holding company specializing in oil and gas and mining investing. Mr. Thomas received a Bachelor of Commerce from Mount Allison University and is a Chartered Financial Analyst (CFA) charterholder and Chartered Investment Manager (CIM). Mr. Thomas works full time for the Corporation and provides services to Maple Leaf as an independent contractor pursuant to the terms of the Management Agreement.
Hugh Cartwright[(1)] Vancouver, BC	Director since February 20, 2012	Mr. Cartwright is the Chairman and Director of the General Partner of a number of investment funds, including all Maple Leaf Energy Income Limited Partnerships and a director of Maple Leaf Energy Income Holdings Corp., Chairman and Director of the General Partner of all Maple Leaf Short Duration Flow Through Limited Partnerships and President, Managing Partner and Director of Maple Leaf Short Duration Holdings Ltd., Managing Partner and Director of all WCSB Limited Partnerships and WCSB Holdings Corp.; President, Managing Partner and Director of the General Partners of all current and former Jov Flow-Through Limited Partnerships and Jov Flow-Through Holdings Corp.; and cofounder and Managing Partner and Director, CADO Bancorp Ltd. Mr. Cartwright devotes approximately 40% of his time to the Corporation and provides services to Maple Leaf as an independent contractor pursuant to the terms of the Management Agreement.
Shane Doyle Vancouver, BC	Director since February 20, 2012	Mr. Doyle is the President and Director of a number of investment fund managers, including the General Partner of all Maple Leaf Energy Income Limited Partnerships and a director of Maple Leaf Energy Income Holdings Corp., President and Chief Executive Officer and Director of the General Partner of all Maple Leaf Short Duration Flow Through Limited Partnerships and, Managing Partner and Director of Maple Leaf Short Duration Holdings Ltd., Managing Partner and Chief Executive Officer and Director of the General Partner of all WCSB Limited Partnerships and WCSB Holdings Corp., Managing Partner and Director of the General Partners of all current and former Jov Flow-Through Limited Partnership's and Jov Flow-Through Holdings Corp.; and co-founder and Managing Partner, CADO Bancorp Ltd. He has held one or more of these roles since 2006. Mr. Doyle devotes approximately 40% of his time to the Corporation and provides services to Maple Leaf as an independent contractor pursuant to the terms of the Management Agreement.

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation
Martin Cheyne[(2)] Calgary, Alberta	Director since November 20, 2014	Mr. Cheyne has been the President and CEO of DeeThree Exploration Ltd., a TSX listed oil and gas company founded in January 2007 with approximately $3.0 million in capital, since 2007. Prior to DeeThree, Mr. Cheyne was President and CEO of Dual Exploration Inc., a TSX-listed oil and gas company, from 2005 to 2006, and prior thereto he was President and CEO of Devlan Exploration Inc., a TSX listed oil and gas company, from 1995 to 2005.
John Zahary[(1)] Calgary, Alberta	Director since November 20, 2014	Mr. Zahary has more than 25 years of experience in several large integrated and upstream companies in the oil and gas industry in Canada and internationally. He has significant experience with heavy oil, oil sands, light oil, natural gas, and refining and marketing operations. From December 2011 to January 2014, Mr. Zahary served as President and Chief Executive Officer of Sunshine Oilsands Ltd., a TSX-listed company focused on the development of its significant holdings of oil sands leases in the Athabasca oil sands region. Mr. Zahary also served as President and Chief Executive Officer of Harvest Operations Corp. and a predecessor company from April 2004 to January 21, 2012. He continued on the board of Harvest Operations Corp. whose equity was owned by Korean National Oil Corporation, as a non-executive director until September 2012. Harvest Operations Corp. was an integrated oil and gas company. Mr. Zahary served as President and Chief Executive Officer of Viking Energy Trust, an oil and gas exploration and production company, from April 2004 to February 2006 prior to its acquisition by Harvest under a corporate plan of arrangement. Mr. Zahary serves as a director of other private and public oil companies and is active with volunteer positions in the community. Mr. Zahary obtained a Bachelor of Science Degree in Mechanical Engineering in 1983 from the University of Calgary and a Masters of Philosophy Degree in Management Studies in 1989 from the University of Oxford.
John Dickson North Vancouver, BC	Chief Financial Officer since February 20, 2012	Mr. Dickson is the Chief Financial Officer and Secretary and a Director of Maple Leaf. Mr. Dickson is the Chief Financial Officer of a number of investment fund managers, including the general partners of WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership, WCSB Oil & Gas Royalty Income 2008-II Limited Partnership, WCSB Oil & Gas Royalty Income 2009 Limited Partnership, WCSB Oil & Gas Royalty Income 2010 Limited Partnership and WCSB Oil & Gas Royalty Income 2010-II Limited Partnership, as well as WCSB Holdings Corp. He has held one or more of these roles since 2008.

Name and Municipality of Residence	Position Held and Date Appointed	Principal Occupation
		Mr. Dickson is the Chief Financial Officer of a number of investment fund managers, including the general partner of Maple Leaf Short Duration 2014 Flow Through Limited Partnership and Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership, as well as Maple Leaf Short Duration Holdings Ltd. In addition, prior to their successful dissolutions, Mr. Dickson was the Chief Financial Officer of the general partners of Maple Leaf Short Duration 2013-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow- Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership and Maple Leaf Short Duration 2010 Flow-Through Limited Partnership. In addition, prior to their successful dissolutions, Mr. Dickson was the Vice-President Finance of the general partners of Jov Diversified Flow-Through 2009 Limited Partnership, Jov Diversified Quebec 2009 Flow-Through Limited Partnership, Jov Diversified Flow-Through 2008 Limited Partnership and Jov Diversified Flow-Through 2008-II Limited Partnership as well as Jov Flow-Through Holdings Corp. He has held one or more of these roles since 2008. In addition, Mr. Dickson is the Chief Financial Officer and a director of a number of investment fund managers, including the general partners of Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership, and Maple Leaf 2013 Oil & Gas Income Limited Partnership respectively, as well as Maple Leaf Energy Income Holdings Corp. and ML Oil & Gas Holdings Corp. He has held one or more of these roles since 2011. Mr. Dickson devotes approximately 40% of his time to the Corporation and provides services to Maple Leaf as an independent contractor pursuant to the terms of the Management Agreement.

Notes:

(1) Member of the Audit Committee. Only John Zahary is considered independent as defined by National Instrument 52-110 - *Audit Committees* ("**NI 52-110**")and all members of Audit Committee are considered financially literate. As a venture issuer, as such term is defined in NI 51-102, the Corporation is exempt from the composition and reporting requirements of NI 52-110 which provide, among other things, that every audit committee member must be independent.

(2) Member of the Reserves Committee.

As at December 31, 2014, the directors and officers of the Corporation, and their associates and affiliates, as a group, whether, beneficial, direct or indirect, own 5,630,450 million Common Shares, representing approximately 19.47% of the Common Shares then outstanding and approximately 7.47% of the Common Shares.

The directors listed above will hold office until the next annual meeting of the Corporation or until their successors are elected or appointed.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders or Bankruptcies

No director, officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, within 10 years before the date hereof, has been, a director or executive officer of any corporation that, while that person was acting in that capacity:

1. was the subject of a cease trade or similar order, or an order that denied the relevant corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days;

2. was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the corporation being the subject of a cease trade or similar order or an order that denied the relevant corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

3. within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No director, officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties or Sanctions

No director, officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to:

1. any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

2. any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain officers and directors of Maple Leaf have certain interests in corporations which may give rise to conflicts of interest. The particulars of existing conflicts of interest are set out below.

Daniel Gundersen, one of the Directors and the CEO of Maple Leaf and Adam Thomas, one of the Directors and the President of Maple Leaf, are compensated for their roles as management of the Corporation pursuant to the terms of the Management Agreement. Maple Leaf has granted to Peace and AACT a security interest in the Royalty Properties as security for amounts payable by Maple Leaf under Management Agreement. See "*Material Contracts*".

CADO, a corporation controlled by Hugh Cartwright and Shane Doyle, Directors of Maple Leaf, is also a party to the Management Agreement. John Dickson, the CFO of the Corporation, is also the CFO for CADO and is compensated for his role as an officer pursuant to the terms of the Management Agreement. Maple Leaf has granted to CADO a security interest in the Royalty Properties as security for amounts payable by Maple Leaf under Management Agreement. See "*Material Contracts*".

In accordance with applicable corporate laws, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Corporation. Conflicts will be subject to the procedures and remedies available under the BCBCA. The BCBCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest

in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BCBCA.

Some of the directors of Maple Leaf have either other employment or other business or time restrictions placed on them and accordingly, these directors of the Corporation will only be able to devote part of their time to the affairs of the Corporation. Certain of the directors and officers of Maple Leaf are involved in executive, managerial and/or director positions with other oil and gas companies and limited partnerships that are engaged in similar businesses as Maple Leaf. In addition, there may be circumstances in which the interests of AACT, CADO, Peace and their respective principals conflict with those of the shareholders of Maple Leaf as they provide services similar to those provided to Maple Leaf to one of more of the Maple Leaf Energy Income Limited Partnerships and may provide similar services others in the future. AACT, CADO, Peace and their respective principals will use all reasonable efforts to resolve any conflicts of interest that arise in a manner which will treat Maple Leaf and the other interested parties fairly , taking into account all of the circumstances of Maple Leaf and such interested parties and will act honestly and in good faith in resolving such matters; however, as a result of such conflicts of interest Maple Leaf may not be able to take advantage of certain opportunities and such conflicts may not always be resolved in a manner favourable to Maple Leaf.

For additional information on conflicts of interest, see "*Interests of Management and Others in Material Transactions*" and "*Material Contracts - Management Agreement*".

PROMOTERS

Hugh Cartwright, Shane Doyle, Daniel Gundersen and Adam Thomas may be considered promoters of Maple Leaf as each of them took the initiative in substantially reorganizing the business of the Corporation.

The following table contains the number and percentage of each class of voting securities of Maple Leaf that are beneficially owned, controlled or directed, directly or indirectly, by each of Hugh Cartwright, Shane Doyle, Daniel Gundersen and Adam Thomas.

Name	Class	Number of Voting Common Shares	Percentage of Voting Common Shares[(5)]
Hugh Cartwright[(1)]	Common Shares	2,338,228	3.10%
Shane Doyle[(2)]	Common Shares	2,267,138	3.01%
Daniel Gundersen[(3)]	Common Shares	1,392,561	1.85%
Adam Thomas[(4)]	Common Shares	986,310	1.31%

Notes:

(1) Of these, 378,788 Common Shares are registered in the name of Maple Leaf 2011 Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle, 575,000 are registered in the name of Maple Leaf 2012 Energy Income Management Corp, a company controlled by Hugh Cartwright and Shane Doyle, and 587,500 are registered in the name of Maple Leaf 2012-II Energy Income Management Corp, a company controlled by Hugh Cartwright and Shane Doyle. also owns 409,500 warrants to purchase Common Shares at an exercise price of $0.3675 per share and 6,667 options to purchase shares at an exercise price of $0.40 per share.

(2) Of these, 378,788 Common Shares are registered in the name of Maple Leaf 2011 Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle, 575,000 are registered in the name of Maple Leaf 2012 Energy Income Management Corp, a company controlled by Hugh Cartwright and Shane Doyle, and 587,500 are registered in the name of Maple Leaf 2012-II Energy Income Management Corp, a company controlled by Hugh Cartwright and Shane Doyle. Shane Doyle also owns 407,160 warrants to purchase Common Shares at an exercise price of $0.3675 per share and 6,667 options to purchase shares at an exercise price of $0.40 per share.

(3) Daniel Gundersen also owns 1,137,501 warrants to purchase common shares at an exercise price of $0.3675 per share.

(4) Adam Thomas also owns 731,250 warrants to purchase Common Shares at an exercise price of $0.3675 per share.

(5) As of April 30, 2015, there are 75,415,131 Common Shares outstanding, and the percentages shown are based on that number.

Hugh Cartwright, Shane Doyle and John Dickson provided management services to MEILP 2011 through Maple Leaf 2011 Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle. As part of the remuneration paid for management service provided to MEILP 2011, 5% (757,576) of the Common Shares issued as consideration for the Maple Leaf 2011 Acquisition were paid by MEILP 2011 to Maple Leaf 2011 Energy Income Management Corp.

Shane Doyle and John Dickson provided management services to MEILP 2012 through Maple Leaf 2012 Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle. As part of the

remuneration paid for management service provided to MEILP 2012, 5% (1,150,000) of the Common Shares issued as consideration for the Maple Leaf 2012 Acquisition were paid by MEILP 2012 to Maple Leaf 2012 Energy Income Management Corp.

Hugh Cartwright, Shane Doyle and John Dickson provided management services to MEILP 2012-II through Maple Leaf 2012-II Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle. As part of the remuneration paid for management service provided to MEILP 2012-II, 5% (1,175,000) of the Common Shares issued as consideration for the Maple Leaf 2012-II Acquisition were paid by MEILP 2012-II to Maple Leaf 2012-II Energy Income Management Corp.

In addition, Hugh Cartwright and Shane Doyle indirectly control or direct a total of 3,082,758 Common Shares, which is 4.09% of the issued and outstanding Common Shares as at the Effective Date, through CADO. For more information concerning CADO and concerning Hugh Cartwright's and Shane Doyle's interests in the Corporation, see "*Interests of Management and Others in Material Transactions*" and "*Material Contracts*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings material to the Corporation to which the Corporation is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Corporation to be contemplated.

There are no penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority during legal proceedings material to the Corporation to which the Corporation is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Corporation to be contemplated during the financial year ended December 31, 2014.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below, there are no material interests, direct or indirect, of any informed person of the Corporation, any proposed directors of the Corporation or any associates or affiliates of such persons, in any material transaction or in any proposed material transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

Management Agreement

On July 22, 2014, Maple Leaf entered into the Management Agreement with CADO, AACT, and Peace. See "*Material Contracts*".

Subscription Receipt Offerings

In connection with the Subscription Receipt Offerings completed in July 2014 and the subsequent Qualifying Transaction, directors and officers of Maple Leaf acquired an aggregate total of 4,066,663 Common Shares and 4,066,663 Common Share purchase warrants ("**Warrants**"). The purchase price paid was $0.3075 per Common Share and Warrant. The Warrants entitled the holder to purchase one Common Share at the purchase price of $0.3675 per share during the period expiring on the 24 month anniversary of the completion of the Qualifying Transaction. Specifically, Lowell Jackson acquired 650,001 Common Shares and 650,001 Warrants, Daniel Gundersen acquired 1,218,752 Common Shares and 1,218,752 Warrants, Adam Thomas acquired 731,250 Common Shares and 731,250 Warrants, Hugh Cartwright acquired 409,500 Common Shares and 409,500 Warrants, Shane Doyle acquired 407,160 Common Shares and 407,160 Warrants, Martin Cheyne acquired 325,000 Common Shares and 325,000 Warrants and John Zahary acquired 325,000 Common Shares and 325,000 Warrants. The securities acquired by these directors and officers in connection with the Subscription Receipt Offerings were not subject to the escrow requirements of the TSXV. See "*General Development of the Business - 2014*".

Maple Leaf 2011 Acquisition

Hugh Cartwright, Shane Doyle, Directors of the Corporation, and John Dickson, the CFO of the Corporation, had interests in the Maple Leaf 2011 Acquisition. Hugh Cartwright and Shane Doyle are also directors of MEILP 2011, and John Dickson was the CFO and Secretary of MEILP 2011. In addition, Hugh Cartwright, Shane Doyle and John Dickson provided management services to MEILP 2011 through Maple Leaf 2011 Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle. As part of the remuneration paid for management service provided to MEILP 2011, 5% (757,576) of the Common Shares issued as consideration for the Maple Leaf 2011 Acquisition were paid by MEILP 2011 to Maple Leaf 2011 Energy Income Management Corp. In consideration of the royalty interest acquired pursuant to the Maple Leaf 2011 Acquisition, Maple Leaf issued MEILP 2011 a total of 15,151,515 Common Shares at the deemed price of $0.66 per share, representing a total deemed consideration of $10 million.

Prior to the completion of the Maple Leaf 2011 Acquisition, Daniel Gundersen, CEO of Maple Leaf and a Director, and Adam Thomas, President of the Corporation and a Director, provided consulting services to MEILP 2011 through their respective external management companies, Peace and AACT. The agreement pursuant to which they provided such management services to MEILP 2011 terminated upon closing of the Maple Leaf 2011 Acquisition.

See "*General Development of the Business - 2014*" and "*General Development of the Business - Significant Acquisitions*".

Maple Leaf 2012 Acquisition

Hugh Cartwright, Shane Doyle, Directors of the Corporation, and John Dickson, the CFO of the Corporation, had interests in the Maple Leaf 2012 Acquisition. Hugh Cartwright and Shane Doyle are also directors of MEILP 2012, and John Dickson was the CFO and Secretary of MEILP 2012. In addition, Hugh Cartwright, Shane Doyle and John Dickson provided management services to MEILP 2012 through Maple Leaf 2012 Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle. As part of the remuneration paid for management service provided to MEILP 2012, 5% (1,150,000) of the Common Shares issued as consideration for the Maple Leaf 2012 Acquisition were paid by MEILP 2012 to Maple Leaf 2012 Energy Income Management Corp. In consideration of the royalty interest acquired pursuant to the Maple Leaf 2012 Acquisition, Maple Leaf issued MEILP 2012 a total of 23,000,000 Common Shares at the deemed price of $0.39 per share, representing a total deemed consideration of $8.97 million.

Prior to the completion of the Maple Leaf 2012 Acquisition, Daniel Gundersen, CEO of Maple Leaf and a Director, and Adam Thomas, President of the Corporation and a Director, provided consulting services to MEILP 2012 through their respective external management companies, Peace and AACT. The agreement pursuant to which they provided such management services to MEILP 2012 terminated upon closing of the Maple Leaf 2012 Acquisition.

See "*General Development of the Business - 2015*".

Maple Leaf 2012-II Acquisition

Hugh Cartwright, Shane Doyle, Directors of the Corporation, and John Dickson, the CFO of the Corporation, had interests in the Maple Leaf 2012-II Acquisition. Hugh Cartwright and Shane Doyle are also directors of the purchaser, MEILP 2012-II, and John Dickson was the CFO and Secretary of MEILP 2012-II. In addition, Hugh Cartwright, Shane Doyle and John Dickson provided management services to MEILP 2012-II through Maple Leaf 2012-II Energy Income Management Corp., a company controlled by Hugh Cartwright and Shane Doyle. As part of the remuneration paid for management service provided to MEILP 2012-II, 5% (1,175,000) of the Common Shares issued as consideration for the Maple Leaf 2012-II Acquisition were paid by MEILP 2012-II to Maple Leaf 2012-II Energy Income Management Corp. In consideration of the royalty interest acquired pursuant to the Maple Leaf 2012-II Acquisition, Maple Leaf issued MEILP 2012-II a total of 23,500,000 Common Shares at the deemed price of $0.45 per share, representing a total deemed consideration of $10.575 million.

Prior to the completion of the Maple Leaf 2012-II Acquisition, Daniel Gundersen, CEO of Maple Leaf and a Director, and Adam Thomas, President of the Corporation and a Director, provided consulting services to MEILP 2012-II through their respective external management companies, Peace and AACT. The agreement pursuant to which they provided such management services to MEILP 2012-II terminated upon closing of the Maple Leaf 2012-II Acquisition.

See "*General Development of the Business - 2015*".

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are PricewaterhouseCoopers, Chartered Accountants, whose office is located at 700 - 250 Howe Street, Vancouver, BC, V6C 3S7.

Valiant Trust Company is the transfer agent and registrar for the Common Shares at its principal office in Calgary, Alberta.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, and as described in particular below, the Corporation has not entered into any material contracts within the most recently completed financial year, or before the most recently completed financial year that are still in effect and would be required to be filed under NI 51-102.

Management Agreement

Maple Leaf is a party to the Management Agreement, pursuant to which Peace, AACT, and CADO provide required personnel to carry out executive and administrative services for Maple Leaf in exchange for fees payable by the Corporation to AACT, Peace, and CADO. Peace is an external management company controlled by Daniel Gundersen, the CEO of the Corporation and a Director; AACT is an external management company controlled by Adam Thomas, the President of the Corporation and a Director; and CADO is an external management company controlled by Hugh Cartwright and Shane Doyle, Directors of the Corporation. John Dickson, the CFO of the Corporation, is also employed by CADO and is the CFO of CADO.

Services Provided Under the Management Agreement

Under the Management Agreement, AACT and Peace are responsible for all aspects of the general management of Maple Leaf's business, including the following matters: (a) supervising the management, development, exploitation, operation and administration of the Royalty Properties; (b) supervising the execution of the Corporation's business; and (c) reviewing and advising the Board in respect of opportunities for the acquisition of disposition of potential royalty properties which it believes might reasonably be in the best interests of Maple Leaf and, at the direction of the Board, conducting negotiations for, and supervising the completion of, the acquisition or disposition of royalty properties, supervising geological, engineering, environmental and land services related to such acquisitions and dispositions and arranging for examination and preparation of legal documents or such other services required in connection with such acquisitions and dispositions.

Under the Management Agreement, CADO is responsible for the following aspects of the administration of the Corporation's business (and for assisting and cooperating with AACT and Peace in the provision of the services described above): (a) accounting and financial reporting; and (b) corporate administration, including reporting and marketing.

Remuneration Under the Management Agreement

Mr. Gundersen, the CEO of Maple Leaf, receives compensation for acting as CEO of Maple Leaf pursuant to the terms of the Management Agreement. Under the Management Agreement, Peace, an external management company controlled by Mr. Gundersen, is paid an amount equal to $0.75 on an annualized basis per barrel of oil equivalent of

production of Petroleum Substances generated from the Royalty Properties and an amount equal to 0.60% of revenue generated by the Corporation.

Mr. Thomas, the President of the Corporation, is compensated for acting as President of the Corporation pursuant to the terms of the Management Agreement. Under the Management Agreement, AACT, an external management company controlled by Mr. Thomas, is paid an amount equal to $0.75 on an annualized basis per barrel of oil equivalent of production of Petroleum Substances generated from the Royalty Properties and an amount equal to 0.60% of revenue generated by the Corporation.

Mr. Dickson, CFO of the Corporation, is compensated for acting as CFO of the Corporation pursuant to the terms of the Management Agreement. Under the Management Agreement, CADO, an external management company of which Mr. Dickson is an employee and officer, is paid an amount equal to $1.00 on an annualized basis per barrel of oil equivalent of production of Petroleum Substances generated from the Royalty Properties and 0.80% of revenue generated by the Corporation.

Under the terms of the Management Agreement, Peace, AACT and CADO are entitled to full reimbursement of all general and administrative costs, third party costs and transaction costs, (as such terms are defined in the Management Agreement), incurred by Peace, AACT and CADO on behalf of the Corporation and the Corporation is required to pay to Peace, AACT or CADO at least five business days before they are due, all costs and expenses required to be paid to any third parties which are incurred by Peace, AACT or CADO for, and on behalf of, the Corporation (unless the Board of Directors, acting reasonably, has a bono fide dispute regarding the amount of such costs and expenses). Reimbursement by the Corporation of such general and administrative costs, third party costs and transaction costs is not intended to provide Peace, AACT or CADO, directly or indirectly, with any financial gain or loss, and Peace, AACT and CADO have agreed that such reimbursement will be only to the extent necessary to reimburse Peace, AACT and CADO for actual respective costs incurred. In the event that Peace, AACT or CADO have been or are subsequently reimbursed for any such expenses by a third party, Peace, AACT or CADO, as the case may be, are obligated to reimburse the Corporation to the extent of such third party reimbursement for any expenses already reimbursed.

Indemnification Under the Management Agreement

Under the terms of the Management Agreement, Peace, AACT and CADO and any Person who is serving or has served as a director, officer or employee of Peace, AACT and CADO during the term of the Management Agreement (the "Management Indemnitees") will be indemnified by the Corporation from and against all losses, claims, damages, liabilities, obligations, costs and expenses (including judgments, fines, penalties, amounts paid in settlement and counsel and accountants' fees, including legal fees on a solicitor and own client basis) of whatsoever kind or nature incurred by, borne by or asserted against any of the Management Indemnitees in any way arising from or related in any manner to the Management Agreement or the provision of services under the Management Agreement, unless such Management Indemnitee is found liable for or guilty of fraud, willful misconduct or gross negligence or has failed to satisfy the standard of care set out in the Management Agreement. The foregoing right of indemnification is in addition to and not exclusive of any other rights to which Peace, AACT or CADO or any person may be entitled as a matter of law or equity or which may be lawfully granted to such person.

Similarly, the Corporation and any person who is serving or has served as a director, officer or employee of the Corporation during the term of the Management Agreement (the "Corporation Indemnitees") will be indemnified and saved harmless by Peace, AACT or CADO, as the case may be, from and against all losses, claims, damages, liabilities, obligations, costs and expenses (including judgments, fines, penalties, amounts paid in settlement and counsel and accountants' fees, including legal fees on a solicitor and own client basis) of whatsoever kind or nature incurred by, borne by or asserted against any of such Corporation Indemnitees arising from the fraud, willful misconduct or gross negligence of Peace, AACT or CADO, as the case may be, or their respective directors, officers or employees, in connection with the provision of services under the Management Agreement. The foregoing right of indemnification is in addition to and not exclusive of any other rights to which the Corporation or any person may be entitled as a matter of law or equity or which may be lawfully granted to such person.

Term and Termination of Management Agreement

Subject to an event of default, as such term is defined in the Management Agreement and is described in the summary below, the Management Agreement is in full force and effect until the date of dissolution of the Corporation. Parties to the Management Agreement (in each case, as applicable, the "Defaulting Party"), will be in default under the terms of the Management Agreement ("Default") upon:

a) the Defaulting Party breaching or failing to observe or perform any of its material obligations under the Management Agreement and, within 30 days after its receipt of a notice from the party to which such obligation is owed specifying the nature of such breach or failure (the "Initial Notice"), the Defaulting Party failing to cure such breach or failure or provide evidence that is satisfactory to the party providing the Initial Notice that such breach or failure will be cured or remedied within a reasonable period of time, or after providing such satisfactory evidence thereafter failing to diligently pursue such cure or remedy, and the cure or remedy, or failure to pursue such cure or remedy, exceeds 120 days after receipt of the Initial Notice; and

b) the Defaulting Party (i) becoming insolvent; (ii) being subject to any proceeding, voluntary or involuntary, with a view to postponing or rescheduling its debts generally or of distributing its assets among its creditors under the provisions of the Bankruptcy and Insolvency Act (Canada), the Companies Creditors' Arrangement Act (Canada), or any other applicable laws for the benefit of creditors; (iii) being liquidated; (iv) being wound up either voluntarily or under an order of a court of competent jurisdiction; (v) making a general assignment for the benefit of its creditors; or (vi) otherwise taking any action that acknowledges its being insolvent.

Upon the occurrence of an event of Default by the Corporation that is not remedied, Peace, AACT or CADO may, without recourse to legal process and without limiting any other rights or remedies which it may have at law or otherwise, immediately terminate its services by delivery of a written notice of termination to the Corporation. The fees, if any, owing to Peace, AACT and CADO constitute an interest in the Royalty Properties and under the Management Agreement the Corporation granted a security interest in the Royalty Properties to each of Peace, AACT and CADO as general and continuing security for payment of such fees notwithstanding any termination of services, or any termination of the Management Agreement, by any party; and such security interests ranks equally as between Peace, AACT and CADO.

Upon the occurrence of an event of Default by Peace, AACT or CADO that is not remedied, the Corporation may, without recourse to legal process and without limiting any other rights or remedies it may have at law or otherwise, immediately terminate the Management Services or the CADO Services, as the case may be, by delivery of a written notice of termination to Peace, AACT or CADO. Certain terms and conditions of the Management Agreement, such as the grant of security interests in the Royalty Properties, survive termination of the Management Agreement.

If the services provided by Peace, AACT or CADO are terminated by the Corporation pursuant to the provisions of the Management Agreement: (a) Peace, AACT or CADO, as the case may be, must deliver to the Corporation all books, records, accounts, documents, systems and manuals which Peace, AACT or CADO has developed and maintained, or which are in the possession or control of Peace, AACT or CADO, relating to the Corporation, the Corporation's business, or the Royalty Properties; (b) Peace, AACT or CADO will be required to take all reasonable steps to complete any final accounting and to provide, if applicable, for the completion of any other matter contemplated by the Management Agreement; and (c) Peace, AACT or CADO, as applicable, will be required to pay to the Corporation or to the order of the Corporation all monies in their possession or control that were collected or received on behalf of the Corporation, excluding any monies that are the subject of a dispute, in which circumstance the monies will be disbursed in accordance with the terms of the resolution of the dispute; and Peace, AACT or CADO, as applicable, will be deemed to hold all such monies in trust for the Corporation until disbursement.

The above is only a summary of the Management Agreement and is qualified in its entirety by the full text of the Management Agreement, copy of which is available on Maple Leaf's SEDAR profile on www.sedar.com.

INTERESTS OF EXPERTS

There is no person or Corporation whose profession or business gives authority to a statement made by such person or Corporation and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Corporation during, or related to, the Corporation's most recently completed financial year other than Sproule, the Corporation's independent engineering evaluators and PricewaterhouseCoopers LLP, the Corporation's auditors.

As at the date of hereof, Sproule, the principal reserve evaluators of Maple Leaf, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

PricewaterhouseCoopers are the auditors of the Corporation and have confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada and any applicable legislation or regulations.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.SEDAR.com.

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities, audit committee information and interests of insiders in material transactions, if applicable, is contained in Maple Leaf's Filing Statement and will be contained in the management information circular to be prepared in connection with the annual general and special meeting of the shareholders of Maple Leaf to be held on June 2, 2015.

Additional information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended December 31, 2014, which are available on SEDAR. Additional information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended December 31, 2014.

SCHEDULE A

FORM 51 -101F2
REPORT OF RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR

FORM 51-101F2

Report on Reserves Data
by Independent Qualified Reserves Evaluator or Auditor

Report on Reserves Data

To the Board of Directors of Maple Leaf Royalties Corp. (the "Company"):

1. We have evaluated the Company's reserves data as at December 31, 2014. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2014, estimated using forecast prices and costs.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook"), maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated for the year ended December 31, 2014, and identifies the respective portions thereof that we have audited, evaluated and reviewed and reported on to the Company's management and Board of Directors:

Independent Qualified Reserves Evaluator or Auditor	**Description and Preparation Date of Evaluation Report**	**Location of Reserves (Country)**	**Net Present Value of Future Net Revenue Before Income Taxes (10% Discount Rate)**			
			Audited (M$)	**Evaluated (M$)**	**Reviewed (M$)**	**Total (M$)**
Sproule	Evaluation of the P&NG Reserves of Maple Leaf Royalties Corp., As of December 31, 2014, prepared between January and March 2015	Canada				
Total			**Nil**	**6,952**	**Nil**	**6,952**

6. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our report referred to in paragraph 5 for events and circumstances occurring after the effective date of our report(s).

8. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above

Sproule Associates Limited
Calgary, Alberta
March 2, 2015

Original Signed by James D. Hudson, P.L. (Eng.)
James D. Hudson, P.L. (Eng.)
Senior Petroleum Technologist and Partner

Original Signed by Alec Kovaltchouk, P. Geo.
Manager, Geoscience and Partner

Original Signed by Nora T. Stewart, P.Eng.
Nora T. Stewart, P.Eng.
Senior Vice-President, Canada and Director

SCHEDULE A

REPORT OF MANAGEMENT AND DIRECTORS
ON OIL AND GAS DISCLOSURE (FORM 51-10F3)

Terms to which a meaning is ascribed in National Instrument 51-101 have the same meaning herein.

Management of Maple Leaf Royalties Corp. (the "**Corporation**") are responsible for the preparation and disclosure of information with respect to the Corporation's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data which are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2014, estimated using forecast prices and costs.

An independent qualified reserves evaluator has evaluated and reviewed the Corporation's reserves data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Corporation has: (a) reviewed the Corporation's procedures for providing information to the independent qualified reserves evaluator; (b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation and, in the event of a proposal to change the independent qualified reserves evaluator, to inquire whether there had been disputes between the previous independent qualified reserves evaluator; and (c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Reserves Committee of the board of directors has reviewed the Corporation's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved: (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information; (b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on the reserves data; and (c) the content and filing of this report.

Because the reserves data is based on judgements regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

"signed"	*"signed"*
Daniel Gundersen, Chief Executive Officer and Director	John Dickson, Chief Financial Officer
"signed"	*"signed"*
Lowell Jackson, Chairman and Director	Martin Cheyne, Director

April 28, 2015