

**RESERVE AND ECONOMIC EVALUATION
OIL AND GAS PROPERTY**

**TARTARUGA FIELD
SERGIPE-ALAGOAS BASIN, BRAZIL**

Owned by

MAHA ENERGY INC.

**December 31, 2016
(January 1, 2017)**

Chapman Petroleum Engineering Ltd.

1122 - 4th Street S.W., Suite 700, Calgary, Alberta T2R 1M1 • Phone: (403) 266-4141 • Fax: (403) 266-4259 • www.chapeng.ab.ca

February 28, 2017

Maha Energy Inc.
1140, 10201 Southport Rd. SW
Calgary, AB
T2W 4X9

Attention: Mr. Jonas Lindvall

Dear Sir:

Re: Reserve and Economic Evaluation – Maha Energy Inc.
Tartaruga Field, Sergipe-Alagoas Basin, Brazil – December 31, 2016

In accordance with your authorization we have performed a reserve and economic evaluation of an oil and gas property located in Tartaruga Field, Brazil, owned by Maha Energy Inc. (the "Company") for an effective date of December 31, 2016 (January 1, 2017).

This evaluation has been carried out in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook ("COGEH"), compliant with the NI 51-101 standards and the professional practice standard under our Permit to Practice. The report has been prepared and/or supervised by a "Qualified Reserves Evaluator" as demonstrated on the accompanying Certificate of Qualification of the authors.

The INTRODUCTION contains the authorization and purpose of the report and describes the methodology and economic parameters used in the preparation of this report.

The EXECUTIVE SUMMARY contains the results of this reserve and economic evaluation presented in a form consistent with the requirements of Form 51-101 F1 Part 2, Item 2.1 (Forecast Prices and Costs). The Forecast Prices of our benchmark products are also presented.

The SUMMARY OF RESERVES AND ECONOMICS complements the Executive Summary, including values at the property level and the consolidated cash flows for each accumulating reserve category. The net present values presented in this report do not necessarily represent the fair market value of the reserves evaluated in this report. All monetary values presented in this report are expressed in terms of US dollars.

The DISCUSSION contains a description of the interests and burdens, reserves and geology, production forecasts, product prices, capital and operating costs and a map of each major property. The economic

results and cash flow forecasts (before and after income tax) are also presented on an entity and property summary level.

A REPRESENTATION LETTER from the Company confirming that to the best of their knowledge all the information they provided for our use in the preparation of this report was complete and accurate as of the effective date, is enclosed following the Glossary.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be significant. We have no responsibility to update our report for events and circumstances which may have occurred since the preparation date of this report.

Prior to public disclosure of any information contained in this report, or our name as author, our written consent must be obtained, as to the information being disclosed and the manner in which it is presented. This report may not be reproduced, distributed or made available for use by any other party without our written consent and may not be reproduced for distribution at any time without the complete context of the report, unless otherwise reviewed and approved by us.

We consent to the submission of this report, in its entirety, to securities regulatory agencies and stock exchanges, by the Company.

It has been a pleasure to prepare this report and the opportunity to have been of service is appreciated.

Yours very truly,
Chapman Petroleum Engineering Ltd.

[Original Signed By:]

C. W. Chapman

C. W. Chapman, P. Eng.,
President

[Original Signed By:]

D.J. Brière

D.J. Brière, P.Eng.
General Manager International

jdb/lml/6290
attachments

PERMIT TO PRACTICE	
CHAPMAN PETROLEUM ENGINEERING LTD.	
	[Original Signed By:]
Signature _____	<i>C.W. Chapman</i>
Date _____	<i>February 24, 2017</i>
PERMIT NUMBER: P 4201	
The Association of Professional Engineers and Geoscientists of Alberta	

CERTIFICATE OF QUALIFICATION

I, C. W. CHAPMAN, P. Eng., Professional Engineer of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a registered Professional Engineer in the Province of Alberta and a member of the Australasian Institute of Mining and Metallurgy.
2. THAT I graduated from the University of Alberta with a Bachelor of Science degree in Mechanical Engineering in 1971.
3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in reservoir engineering, petrophysics, operations, and evaluations during that time.
4. THAT I have in excess of 25 years in the conduct of evaluation and engineering studies relating to oil & gas fields in Canada and around the world.
5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Maha Energy Inc., dated February 28, 2017 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Maha Energy Inc., its participants or any affiliate thereof.
7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

C.W. Chapman

C.W. Chapman, P.Eng.
President

PERMIT TO PRACTICE	
CHAPMAN PETROLEUM ENGINEERING LTD.	
[Original Signed By:]	
Signature _____	<u>C.W. Chapman</u>
Date _____	<u>February 24, 2017</u>
PERMIT NUMBER: P 4201	
The Association of Professional Engineers and Geoscientists of Alberta	

CERTIFICATE OF QUALIFICATION

I, D. J. BRIERE, P. Eng., Professional Engineer of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a registered Professional Engineer in the Province of Alberta.
2. THAT I graduated from the University of Calgary with a Bachelor of Science degree in Electrical Engineering in 1978.
3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in reservoir engineering, petrophysics, operations, and evaluations during that time.
4. THAT I have over 30 years of experience in engineering studies relating to oil & gas fields in Canada and around the world.
5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Maha Energy Inc., dated February 28, 2017 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Maha Energy Inc., its participants or any affiliate thereof.
7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

D.J. Brière

D.J. Brière, P.Eng.
General Manager International

CERTIFICATE OF QUALIFICATION

I, HAROLD J. RYAN, P. Geol., Professional Geologist of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a registered Professional Geologist in the Province of Alberta, a Fellow of the Geological Association of Canada and a Fellow of the Geological Society of London.
2. THAT I graduated from the University of Calgary with a Bachelor of Science degree in Geology in 1983.
3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in petroleum geology, petrophysics, operations, and evaluations during that time.
4. THAT I have in excess of 20 years of experience in the conduct of evaluation and geological studies relating to oil and gas fields in Canada and internationally.
5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Maha Energy Inc., dated February 28, 2017 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Maha Energy Inc., its participants or any affiliate thereof.
7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

Harold J. Ryan

Harold J. Ryan, P.Geol.
Manager Geoscience

CERTIFICATE OF QUALIFICATION

I, Klorinda Kaci, of the city of Calgary, Alberta, Canada officing at Suite 700, 1122 – 4th Street S.W., Calgary, Alberta hereby certify:

1. THAT I am a member of Society of Petroleum Engineers.
2. THAT I hold a Bachelor of Applied Technology in Petroleum Engineering from Southern Alberta Institute of Technology (SAIT) in Calgary (June 2009). I hold a Bachelor of Science degree in Civil Engineering from Tirana University of Albania 1989.
3. THAT I have been employed in the petroleum industry from 1994 to 2000 in Albania, and from January 2008 to the present time in Calgary.
4. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Maha Energy Inc., dated February 28, 2017 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
5. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Maha Energy Inc., its participants or any affiliate thereof.
6. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
7. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

Klorinda Kaci

Klorinda Kaci, B.Sc., B.A.Tech.,
Economics Coordinator / Technical Assistant

**RESERVE AND ECONOMIC EVALUATION
OIL AND GAS PROPERTY**

**TARTARUGA FIELD
SERGIPE-ALAGOAS BASIN, BRAZIL**

Owned by

MAHA ENERGY INC.

December 31, 2016
(January 1, 2017)

TABLE OF CONTENTS

Introduction

- Authorization
- Purpose of Report
- Use of Report
- Scope of Report
- Basis of Report
- Evaluation Standard Used
- Site Visit

- Orientation Map

Executive Summary

Discussion

- BRAZIL
 - Tartaruga Field – Sergipe-Alagoas Basin

Glossary

Company Representation Letter

INTRODUCTION INDEX

1. Authorization
2. Purpose of the Report
3. Use of the Report
4. Scope of the Report
 - 4.1 Methodology
 - 4.2 Land Survey System
 - 4.3 Economics
 - 4.4 Barrels of Oil Equivalent
 - 4.5 Environmental Liabilities
5. Basis of Report
 - 5.1 Sources of Information
 - 5.2 Product Prices
 - 5.3 Product Sales Arrangement
 - 5.4 Royalties
 - 5.5 Capital Expenditures and Operating Costs
 - 5.6 Income Tax Parameters
 - 5.7 Abandonment and Restoration
6. Evaluation Standard Used
 - 6.1 General
 - 6.2 Reserves Definitions
7. Site Visit

Attachments

Orientation Map

INTRODUCTION

1. AUTHORIZATION

This evaluation has been authorized by Mr. Jonas Lindvall, on behalf of Maha Energy Inc. The engineering analysis has been performed during the months of January and February 2017.

2. PURPOSE OF THE REPORT

The purpose of this report is to prepare a third party independent appraisal of the oil and gas reserves owned by Maha Energy Inc. in Brazil for the Company's securities exchange financial reporting.

The values in this report do not include the value of the Company's undeveloped land holdings nor the tangible value of their interest in any associated plant and well site facilities that they may own.

3. USE OF THE REPORT

The report is intended to support a filing on the Swedish Stock Exchange and for the Company's annual corporate financial planning requirements.

4. SCOPE OF THE REPORT

4.1 Methodology

The evaluation of the reserves properties included in the report has been conducted under a discounted cash flow analysis of estimated future net revenue, which is the principal tool for estimating oil and gas property values and supporting capital investment decisions.

4.2 Land Survey System

The Brazilian MAPGEO2015 was designed to meet the demands of mapping and engineering. It was conceived in a partnership with the Brazilian Institute of Geography and Statistics (IBGE), the Department of Geodetics (CGED), and the Polytechnic School of the University of São Paulo – EPUSP who together followed the Geocentric Reference System for the Americas

(SIRGAS) project which had the participation of the Latin American countries and those around the Caribbean.

Since 2014, SIRGAS2000 is the only geodetic reference system in the country. This Geodetic Data Base comprises information on reference stations, including their coordinates and supporting data in three dimensions, which, in turn, comprise the Brazilian Geodetic System (SGB) for the National Cartographic System (SCN).

The previous cartographic system in Brazil was SAD69, and it was 'topocentric', meaning that the origin and orientation points were on the terrestrial surface. The SIRGAS2000 system is very different. It is 'geocentric' which means that it has an estimated point in the center of the earth (geoid) as its reference. This better accommodates GPS satellite measurements.

SIRGAS2000 could not be implemented without the help of RBMC (Brazilian Network for Continuous Monitoring of the GPS system) who in 1996, established the concept of 'active' networks by means of continuously monitoring GPS satellites.

The purpose of establishing the state GPS networks is to ensure that all Federation Units have a highly accurate interconnection. The coordinates of the RBMC stations are a very important aspect to the production of the final results using survey references. All of the stations integrate SIRGAS2000, whose final coordinates are ± 5 mm-precise, making it one of the most accurate networks in the world.

4.3 **Economics**

The results of the before and after tax economic analysis, which are presented for each entity and property summary, are in a condensed form presented on one page for simplicity in analyzing the cash flows, however, if for any reason more extensive breakdown of the cash flow is required, a separate schedule can be provided showing the full derivation and breakdown of any or all of the columns on the summary page.

The economic presentation shows the gross property and company gross and net (before and after royalty) production of oil, gas and each NGL product along with the product prices adjusted for oil quality and heating value of gas. Oil prices also include the deduction for trucking costs where applicable for royalty deductions.

The second level includes the revenues, royalties, operating costs, processing income, abandonment costs, capital, and cash flow of the property. Operating costs are presented for the gross property and the company share, split between variable and fixed costs.

Net revenues are presented annually. Revenue from custom processing of oil or gas is presented separately.

The third level of data presents the cumulative cash flow values (present worth) for various discount rates. Also, the net cash flow breakdown is presented. The project profitability criteria are summarized on the bottom right of the page. These data are not relevant in the case of corporate evaluations but are useful in assessing individual capital projects.

4.4 Barrels of Oil Equivalent

If at any time in this report reference is made to "Barrels of Oil Equivalent" (BOE), the conversion used is 6 Mscf : 1 STB (6 Mcf : 1 bbl).

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the well head.

4.5 Environmental Liabilities

We have been advised by the Company that they are in material compliance with all Environmental Laws and do not have any Environmental Claims pending, as demonstrated in the Representation Letter attached.

5. BASIS OF REPORT

5.1 Sources of Information

Sources of the data used in the preparation of this report are as follows:

- i) Ownership and Burdens have been derived from the Company's land records and other information from the Company as required for clarification;
- ii) Production data is provided directly by the Company;
- iii) Well data is provided from the Company's well files;
- iv) Operating Costs are based on estimated revenue and expense statements provided by the Company in discussions with the Company;
- v) Price differentials are derived from discussions with the Company and our experience in the area for new and non-producing properties;
- vi) Timing of Development Plans and Capital estimates are determined by discussions with the Company together with our experience and judgment.

5.2 Product Prices

Chapman Petroleum Engineering Ltd. conducts continual surveillance and monitoring on a number of Benchmark product prices both locally and internationally. Based on historical data, current conditions and our view of the relevant political and economic trends, we independently prepare oil, gas and by-product price forecasts including predictions for the near term (first few years) with escalation thereafter for a maximum of 15 years, after which prices are held constant.

In establishing our forecasts we also consider input from operating companies, consulting firms, oil & gas marketing companies and financial institutions. Our forecasts are updated quarterly and the latest one prior to the effective date would generally be used. The forecast used for this report is presented in Table 5 in the Executive Summary.

The Benchmark Oil Par Price shown is the equivalent price of the Brent Spot (ICE) estimated based on historic data.

The gas prices under various types of contracts currently available, i.e. conventional, local discount and export contracts have been predicted to follow the same trends. The initial oil and gas prices for each property have been adjusted in this report to reflect the relative actual prices being received or forecast to be received in the gas to wire negotiations.

The Natural Gas Liquid (NGL) blended mix price has been established for each applicable property in this report based on the price and relative volumes of each NGL component of the

gas stream recovered at the plant and wellhead for that property based on forecasted plant and revenue data.

For properties where actual data is not available, an average blended mix price has been estimated based on a typical liquid composition assumed to be 40% propane, 30% butane and 30% pentanes plus.

Any prices quoted in the property discussions reflect fully adjusted prices for crude quality, transportation, gas heating value and specific contractual arrangements. In the case of delayed production the equivalent 2017 price for that production has been quoted.

5.3 **Product Sales Arrangement**

The Company does not have any "hedge" contracts in place at this time.

5.4 **Royalties**

A full provision for royalties under the latest regulations and incentive programs for the applicable territory have been included in this report. Likewise, Freehold royalties, mineral taxes, gross overriding royalties and any other burdens have been accounted for.

5.5 **Capital Expenditures and Operating Costs**

Operating costs and capital expenditures have been based on historical experience and analogy where necessary and are expressed in current year dollars and escalated as follows:

2017	- No Escalation
2018-2032	- 2.0% per year
Thereafter	- No Escalation

5.6 **Income Tax Parameters**

Net cash flows after consideration of corporate income tax have been included in this report, according to Brazil income tax rate of 34%.

Future capital expenditures anticipated for this report are predominantly development costs, and have been included as exploration or intangible costs.

5.7 **Abandonment and Restoration**

Abandonment and restoration costs, net of salvage, have been included in the cash flows for the final event of any particular well. The abandonment cost does not impact the economic limit and is included in the final year of production. For marginal wells nearing the end of their economic life, these costs may result in a negative net present value.

In this report, we have accounted for these costs for only the wells which are being evaluated and have not included other shut-in or suspended wells in the Company's inventory or their facilities and pipelines.

6. EVALUATION STANDARD USED

6.1 **General**

This evaluation and report preparation have been carried out in accordance with standards set out in the APEGA professional practice standard "The Canadian Oil and Gas Evaluation Handbook" ("COGEH"), in conjunction with COGEH definitions are presented below and are generally compliant with PRMS standards.

6.2 **Reserve Definitions**

The following definitions, extracted from Section 5.4 of the Canadian Oil and Gas Evaluation Handbook, Volume 1 – Second Edition (COGEH-1) published by the Petroleum Society of CIM and the Calgary Chapter of the Society of Petroleum Evaluation Engineers (SPEE) as specified by NI 51-101 have been used in preparing this report. These definitions are compliant with the PRMS.

DEFINITIONS OF RESERVES

The following definitions and guidelines are designed to assist evaluators in making reserves estimates on a reasonably consistent basis, and to assist users of evaluation

reports in understanding what such reports contain and, if necessary, in judging whether evaluators have followed generally accepted standards.

The guidelines are as follows:

- General criteria for classifying reserves,
- Procedures and methods for estimating reserves,
- Confidence levels of individual entity and aggregate reserves estimates,
- Verification and testing of reserves estimates.

The determination of oil and gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved, probable, and possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery.

The estimation and classification of reserves requires the application of professional judgement combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk using probability and statistics, where deterministic and probabilistic estimation methods are required to properly use and to apply reserves definitions. The concepts are presented and discussed in greater detail within the guidelines of Section 5.5 of the Canadian Oil and Gas Evaluation Handbook, Volume 1 – Second Edition (COGEH-1).

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

RESERVES CATEGORIES

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

- Analysis of drilling, geological, geophysical, and engineering data;
- The use of established technology;
- 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.

- a. 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.
- b. 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 + probable reserves.
- c. Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved + probable + possible reserves.

Other criteria that must also be met for the categorization of reserves are provided in Section 5.5.4 of the Canadian Oil and Gas Evaluation Handbook, Volume 1 – Second Edition (COGEH-1).

DEVELOPMENT AND PRODUCTION STATUS

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

- a. Developed Reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, then they would involve a low expenditure (for example when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

Developed Producing Reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, then they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

Developed Non-Producing Reserves are those reserves that either have not been on production, or they have previously been on production, but are now shut-in and the date of resumption of production is unknown.

- b. 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.

LEVELS OF CERTAINTY FOR REPORTED RESERVES

The qualitative certainty levels contained in the definitions in Section 5.4.1 are applicable to "individual reserves entities," which refers to the lowest level at which reserves calculations are performed, and to "reported reserves," which refers to the highest level sum of individual entity estimates for which reserves estimates are presented. Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- At least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves,
- At least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable reserves,
- At least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable + possible reserves.

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

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in Section 5.5.3 of the Canadian Oil and Gas Evaluation Handbook, Volume 1 – Second Edition (COGEH-1).

7. SITE VISIT

A personal field examination of these properties was not considered to be necessary because the data available from the Company's records and public sources were satisfactory for our purposes.



Source: Global CCS Institute, Brazilian Atlas of CO2 Capture and Geological Storage, 2014



★ Area of Interest

MAHA ENERGY INC.
TARTARUGA FIELD SERGIPE-ALAGOAS BASIN, BRAZIL
ORIENTATION MAP
JAN. 2017 JOB No. 6290

Source: UP Petróleo Brasil Ltda, Development Plan, 2007

EXECUTIVE SUMMARY

INDEX

Forecast Prices and Costs

Table 1: Summary of Oil & Gas Reserves

Table 2: Summary of Net Present Values

Table 3: Total Future Net Revenue (Undiscounted)

Table 4: Future Net Revenue – By Production Group

Table 4A: Reserves and Net Present Values – By Production Group

Table 5: Product Price Forecasts and Constant Prices

Table 1

Maha Energy Inc.

Summary of Oil and Gas Reserves

January 1, 2017

(as of December 31, 2016)

Forecast Prices and Costs

Reserves Category	Company Reserves							
	Light and Medium Oil		Heavy Oil		Natural Gas [1]		Natural Gas Liquids	
	Gross [2] MSTB	Net [3] MSTB	Gross MSTB	Net MSTB	Gross MMscf	Net MMscf	Gross Mbbbl	Net Mbbbl
PROVED								
Developed Producing	307	233	0	0	215	163	0	0
Developed Non-Producing	0	0	0	0	0	0	0	0
Undeveloped	448	341	0	0	314	239	0	0
TOTAL PROVED	755	574	0	0	529	402	0	0
PROBABLE	3,183	2,421	0	0	2,228	1,693	0	0
TOTAL PROVED PLUS PROBABLE	3,938	2,995	0	0	2,757	2,094	0	0
POSSIBLE	6,271	4,764	0	0	4,389	3,334	0	0
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	10,208	7,758	0	0	7,146	5,429	0	0

Reference: Item 2.1 (1) Form 51-101F1

Columns may not add precisely due to accumulative rounding of values throughout the report.

Notes: [1] Includes associated, non-associated and solution gas where applicable.

[2] Gross reserves are the total of the Company's working and/or royalty interest share before deduction of royalties owned by others.

[3] Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Table 2

Maha Energy Inc.

Summary of Net Present Values
January 1, 2017
(as of December 31, 2016)

Forecast Prices and Costs

Before Income Tax

Reserves Category	Net Present Values of Future Net Revenue				
	Discounted at				
	0 %/yr. M\$	5 %/yr. M\$	10 %/yr. M\$	15 %/yr. M\$	20 %/yr. M\$
PROVED					
Developed Producing	11,606	9,787	8,456	7,499	6,665
Developed Non-Producing	0	0	0	0	0
Undeveloped	13,432	8,147	4,820	2,590	1,162
TOTAL PROVED	25,038	17,934	13,276	10,089	7,827
PROBABLE	145,610	84,231	51,514	32,742	21,329
TOTAL PROVED PLUS PROBABLE	170,648	102,166	64,790	42,831	29,156
POSSIBLE	348,781	190,170	113,208	71,740	47,592
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	519,429	292,336	177,999	114,572	76,748

After Income Tax

Reserves Category	Net Present Values of Future Net Revenue				
	Discounted at				
	0 %/yr. M\$	5 %/yr. M\$	10 %/yr. M\$	15 %/yr. M\$	20 %/yr. M\$
PROVED					
Developed Producing	9,284	7,978	6,996	6,237	5,635
Developed Non-Producing	0	0	0	0	0
Undeveloped	8,533	4,725	2,312	728	(342)
TOTAL PROVED	17,818	12,703	9,309	6,966	5,294
PROBABLE	94,775	52,263	29,830	17,202	9,720
TOTAL PROVED PLUS PROBABLE	112,593	64,966	39,139	24,168	15,014
POSSIBLE	228,870	117,166	68,981	42,613	27,307
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	341,463	182,132	108,120	66,781	42,321

Reference: Item 2.1 (2) Form 51-101F1

M\$ means thousands of dollars

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 3
Maha Energy Inc.
Total Future Net Revenue (Undiscounted)
January 1, 2017
(as of December 31, 2016)
Forecast Prices and Costs

<u>Reserve Category</u>	<u>Revenue</u> M\$	<u>Royalties</u> M\$	<u>Operating</u> <u>Costs</u> M\$	<u>Development</u> <u>Costs</u> M\$	<u>Well</u> <u>Abandonment</u> <u>Costs</u> M\$	<u>Future Net</u> <u>Revenues</u> <u>BIT</u> M\$	<u>Income</u> <u>Taxes</u> M\$	<u>Future Net</u> <u>Revenues</u> <u>AIT</u> M\$
Total Proved	57,276	13,765	6,960	10,313	1,200	25,038	(7,220)	17,818
Proved Plus Probable	336,213	80,483	29,920	50,063	5,100	170,648	(58,055)	112,593
Proved Plus Probable Plus Possible	908,804	218,096	64,217	98,063	9,000	519,429	(177,966)	341,463

Reference: Item 2.1 (3)(b) NI 51-101F1

M\$ means thousands of dollars

Table 4
Maha Energy Inc.
Future Net Revenue
By Production Group
January 1, 2017
(as of December 31, 2016)
Forecast Prices and Costs

<u>Reserve Category</u>	<u>Product Type</u>	<u>Future Net Revenue Before Income Taxes Discounted at 10%/yr. M\$</u>
Total Proved	Light and Medium Oil (including solution gas and other by-products)	13,276
	Heavy Oil (including solution gas and other by-products)	0
	Natural Gas (including by-products but not solution gas)	0
Proved Plus Probable	Light and Medium Oil (including solution gas and other by-products)	64,790
	Heavy Oil (including solution gas and other by-products)	0
	Natural Gas (including by-products but not solution gas)	0
Proved Plus Probable Plus Possible	Light and Medium Oil (including solution gas and other by-products)	177,999
	Heavy Oil (including solution gas and other by-products)	0
	Natural Gas (including by-products but not solution gas)	0

Reference: Item 2.1 (3)(c) NI 51-101F1

M\$ means thousands of dollars

Table 4A

Maha Energy Inc.

Oil and Gas Reserves and Net Present Values
by Production Group
January 1, 2017
(as of December 31, 2016)

Forecast Prices and Costs

Product Type by Reserve Category	Reserves						Net Present Value (BIT) 10% M\$	Unit Values @ 10%/yr. \$/BBL
	Oil		Gas		NGL			
	Gross MSTB	Net MSTB	Gross MMscf	Net MMscf	Gross Mbbbl	Net Mbbbl		
Assoc & Non-Assoc Gas								
Proved								
Developed Producing	307	233	215	163	0	0	8,456	36.22
Developed Non-Producing	0	0	0	0	0	0	0	N/A
Undeveloped	448	341	314	239	0	0	4,820	14.15
Total Proved	755	574	529	402	0	0	13,276	23.13
Probable	3,183	2,421	2,228	1,693	0	0	51,514	21.28
Proved Plus Probable	3,938	2,995	2,757	2,094	0	0	64,790	21.63
Possible	6,271	4,764	4,389	3,334	0	0	113,208	23.76
Proved Plus Probable Plus Possible	10,208	7,758	7,146	5,429	0	0	177,999	22.94

Reference: Item 2.1 (3)(c) NI 51-101F1

M\$ means thousands of dollars

Columns may not add precisely due to accumulative rounding of values throughout the report.

Notes: [1] Includes solution gas.

Table 5
CHAPMAN PETROLEUM ENGINEERING LTD.
CRUDE OIL
HISTORICAL, CONSTANT, CURRENT AND FUTURE PRICES
January 1, 2017

Date	WTI [1] \$US/STB	Brent Spot (ICE)[2] \$US/STB	AB Synthetic Crude Price [3] \$CDN/STB	Western Canada Select [4] \$CDN/STB	Exchange Rate \$US/\$CDN
HISTORICAL PRICES					
2009	61.95	61.74	76.77	53.04	0.88
2010	79.48	79.61	80.56	66.58	0.97
2011	94.88	111.26	102.45	77.43	1.01
2012	94.05	111.63	92.56	71.70	1.00
2013	97.98	108.56	100.17	75.76	0.97
2014	93.12	99.43	101.07	82.07	0.91
2015	48.69	53.32	62.17	46.23	0.78
2016 12 mos	43.17	45.06	57.98	38.90	0.76
CONSTANT PRICES (The average of the first-day-of-the-month price for the preceding 12 months-SEC)					
	42.71	44.49	57.08	38.06	0.75
FORECAST PRICES					
2017	55.00	57.20	73.20	51.24	0.76
2018	60.00	62.40	75.83	56.11	0.80
2019	65.00	67.60	79.14	58.57	0.83
2020	70.00	72.80	85.17	63.02	0.83
2021	72.50	75.40	86.12	63.73	0.85
2022	75.00	78.00	89.07	65.91	0.85
2023	77.50	80.60	92.01	68.08	0.85
2024	80.00	83.20	94.95	70.26	0.85
2025	82.50	85.80	97.89	72.44	0.85
2026	85.00	88.40	100.83	74.61	0.85
2027	87.50	91.00	103.77	76.79	0.85
2028	89.25	92.82	105.83	78.31	0.85
2029	91.04	94.68	107.93	79.87	0.85
2030	92.86	96.57	110.07	81.45	0.85
2031	94.71	98.50	112.26	83.07	0.85
2032	96.61	100.47	114.49	84.72	0.85

Constant thereafter

- Notes:
- [1] West Texas Intermediate quality (D2/S2) crude (40API) landed in Cushing, Oklahoma.
 - [2] The Brent Spot price is estimated based on historic data.
 - [3] Equivalent price for Light Sweet Crude (D2/S2) & Synthetic Crude landed in Edmonton.
 - [4] Western Canada Select (20.5API), spot price for B.C., Alberta, Saskatchewan, and Manitoba.

Table 5 (cont'd)

**CHAPMAN PETROLEUM ENGINEERING LTD.
NATURAL GAS & BY-PRODUCTS
HISTORICAL, CONSTANT, CURRENT AND FUTURE PRICES**

January 1, 2017

Date	Alberta GRP [1]		AECO Spot Gas[2]	Henry Hub Gas[3]	Propane C3	Butane C4	Condensate (Pentanes Plus) C5+
	\$CDN/MMBTU	\$CDN/GJ	\$CDN/MMBTU	\$US/MMBTU	\$CDN/BBL	\$CDN/BBL	\$CDN/BBL
HISTORICAL PRICES							
2009	3.85	3.65	3.99	3.94	38.34	49.34	67.52
2010	3.93	3.73	4.02	4.39	44.40	57.99	77.51
2011	3.46	3.28	3.63	3.99	50.17	70.93	97.21
2012	2.25	2.13	2.39	2.70	47.40	64.48	96.26
2013	2.98	2.82	3.17	3.84	50.09	91.43	100.72
2014	4.22	4.00	4.51	4.36	46.85	62.26	108.28
2015	2.62	2.48	2.71	2.69	6.17	36.81	59.14
2016 12 mos	2.03	1.93	2.18	3.31	6.71	29.81	55.62
CONSTANT PRICES (The average of the first-day-of-the-month price for the preceding 12 months-SEC)							
	2.00	1.90	2.20	2.50	6.60	30.02	54.47
FORECAST PRICES							
2017	2.96	2.81	3.25	4.34	25.62	43.92	69.54
2018	3.00	2.85	3.30	4.39	26.54	45.50	72.04
2019	3.09	2.93	3.40	4.49	27.70	47.49	75.19
2020	3.28	3.11	3.60	4.69	29.81	51.10	80.91
2021	3.37	3.19	3.70	4.79	30.14	51.67	81.82
2022	3.55	3.37	3.90	4.99	31.17	53.44	84.61
2023	3.69	3.50	4.05	5.14	32.20	55.20	87.41
2024	3.91	3.71	4.30	5.39	33.23	56.97	90.20
2025	4.05	3.84	4.45	5.54	34.26	58.73	92.99
2026	4.10	3.88	4.50	5.59	35.29	60.50	95.79
2027	4.19	3.97	4.60	5.69	36.32	62.26	98.58
2028	4.28	4.06	4.70	5.79	37.04	63.50	100.54
2029	4.37	4.14	4.80	5.89	37.78	64.76	102.53
2030	4.41	4.19	4.85	5.94	38.53	66.04	104.57
2031	4.50	4.27	4.95	6.04	39.29	67.35	106.64
2032	4.64	4.40	5.10	6.19	40.07	68.69	108.76

Constant thereafter

- Notes:
- [1] Alberta Gas Reference Price (GRP) represents the average of all system and direct (spot and firm) sales.
 - [2] The AECO C Spot price, which is the Alberta gas trading price
 - [3] Henry Hub Spot is natural gas traded on the New York Mercantile Exchange (NYMEX).

**TARTARUGA FIELD
ARACAJU, BRAZIL
INDEX**

Discussion

- Property Description
- Geology
- Reserves
- Production
- Product Prices
- Capital Expenditures
- Operating Costs
- Economics

Attachments

Figure 1: Land and Well Map

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 2: Geological Maps and Figures

- a) Basin Location Map
- b) Stratigraphic Chart
- c) Paleogeographic Map
- d) Basins Evolution Map
- e) Regional Cross Section
- f) Schematic Cross Section
- g) Time Structure on Penedo Fm
- h) Depth Structure on Penedo Fm
- i) Well 1-SES-107D Log Analysis
- j) Well 6-UPP-1D Log Analysis
- k) Well 7-TTG-1DP Log Analysis

Table 2 (Oil): Summary of Gross Reserves

Table 2 (Gas): Summary of Gross Reserves

Table 2 (BOE): Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters

- a) Volumetric Reserves Determination

Figure 3: Reserve Category Map

- a) Penedo 1 Formation
- b) Penedo 2 Formation
- c) Penedo 4 Formation
- d) Penedo 6 Formation
- e) Penedo 9 Formation
- f) Penedo 10 and 11 Formations
- g) Penedo 13 Formation
- h) Penedo 14, 15, 18, 19 Formations

Figure 4: Production History Graphs

- a) SES 107D 20 year Penedo 1
- b) SES 107D Penedo 1 Proved Developed Producing
- c) SES 107D Penedo 6 Proved Undeveloped
- d) SES 7TTG Penedo 6 + 6A Proved Developed Producing

Table 3: Summary of Anticipated Capital Expenditures

- a) Development
- b) Abandonment and Restoration

Table 4: Summary of Company Reserves and Economics – Before Income Tax

Table 4T: Summary of Company Reserves and Economics – After Income tax

Consolidated Cash Flows

- a) Proved Developed Producing – Well 107D (Penedo 1) & Well 7TTG (Penedo 6)
- b) Total Proved – 2 Producing wells and 2 PUDs (Various Formations)
- c) Total Proved Plus Probable Consolidated
- d) Total Proved Plus Probable Plus Possible Consolidated

**TARTARUGA FIELD
ARACAJU, BRAZIL
DISCUSSION**

Property Description

Maha Energy Inc. (the "Company") is a private Alberta based exploration and production company whose parent limited liability public company Maha Energy AB trades on the Swedish Stock Exchange. The Company has opportunities in conventional oil and gas plays in North and South America, The South American property is the Tartaruga oilfield in Aracaju, Brazil, as shown on the Land and Well Map illustrated in Figure 1.

The Company is a 75% percent owner and the operator of the Tartaruga oil field.

The Tartaruga oil field is currently in the development stages of its horizontal wellbore period of production. Production is subject to combined effective royalties of approximately 24% resulting in a net revenue interest of 56.97%.

Details of the Lands, Interests and Royalty Burdens are presented in Table 1.

Geology

The Tartaruga Block is located in the Sergipe-Alagoas Basin, as shown in Figure 2a. This basin is the northernmost of a series of passive margin basins along the South Atlantic coast of Brazil where the vast majority of Brazilian oil production occurs. The Campos Basin with production in 2013 of 1.5 million STB/d is responsible for 75% of Brazil's crude oil output. The Sergipe-Alagoas Basin produced 47,000 STB/d in 2013 in comparison.

The Sergipe-Alagoas Basin is an elongate NE-SW trending basin approximately 17,000 sq. mi. in size with 70% of that area being offshore. The deepest portion of the offshore basin has over 15,000 ft. of sedimentary section.

A stratigraphic chart of the Sergipe portion of the Sergipe-Alagoas Basin is shown in Figure 2b illustrating the Mesozoic - Cenozoic lithostratigraphic section of this basin. Also highlighted on the chart are the two targeted formations on the Tartaruga Block. They are the clastic units of the

Jurassic - Lower Cretaceous Serraria Formation and the producing Lower Cretaceous Penedo Formation. These formations were deposited as part of the East Brazil Rift system that developed during the Mesozoic breakup of South America and Africa as illustrated in Figure 2c.

The Basins Evolution Map shown in Figure 2d illustrates the lithostratigraphic evolution of the East Brazil coastal basins from the Upper Jurassic to the Cretaceous Albian age. The first time slice on the right shows the Pre-Rift sedimentary deposits of the Serraria Formation consisting of alluvial/fluviol sandstones.

The Penedo Formation is shown in the third time slice, the Synrift Cretaceous Neocomian, and consists of fluvial-deltaic sandstones. The last time slice shows the development of the Post-Rift shallow carbonate platform.

The shale sections of the Synrift Barra de Itiuba Formation and the immediate Post-Rift Muribeca Formation have been established as source rocks for the Serraria and Penedo formations. The Muribeca Formation is the predominant source rock in the area and a published technical paper reports average Total Organic Content of 3.5% on tested portions of the formation.

The structural style of the sedimentary section of the Tartaruga Block is illustrated in the schematic cross section shown in Figure 2e running from onshore in the NW to offshore to the SE. Basement involved synthetic normal planar step faults are the predominate structural style.

The productive Tartaruga Field is located in a structure formed by one of these major normal step faults. A more detailed schematic cross section of the Tartaruga Field is shown in Figure 2f. It illustrates only the Penedo-Serraria sedimentary section. The cross section shows the three deviated wells that have penetrated the faulted anticlinal structure as well as the stacked oil pay in the P-1 to P-13 sands of the Penedo Formation.

The Company has obtained and interpreted a 3D seismic survey over the Tartaruga Block as shown in Figure 2g. It illustrates the time structure on the productive Penedo Formation. Very evident are a number of major NE-SW trending normal step faults. Figure 2h is a detailed view of the Tartaruga Field showing the faulted anticlinal structure which is productive in the Penedo Formation. Also highlighted are the wells drilled into the structure.

Oil well log analysis has been performed on three existing Tartaruga wells: 107D, 7TTG, and 6UPP. The Penedo sands contain low resistivity oil reservoirs with high salinity formation water.

Traditional log analysis erroneously predicts high water saturation in high porosity.

The petrophysical model used in this report respects the ground truth from actual production which demonstrates that very little formation water has ever been produced from these low permeability sands. This implies that the high water content is really bound water that will not ever be produced. This is evident from low water cuts of 2% to 4%. If there is high bound water content, then there must be pore space that is not being available for oil, but only for bound water. Usually micro-porosity is associated with ineffective pore space.

Here, for the purposes of discussion, tiny particle size illite clays, or ash, or silt are assumed to be clogging the pore spaces with micro-porosity that turn a 15% sandstone into a 1 millidarcy reservoir. The result is that both porosity and water saturation must be reduced to correctly model the reservoir. Logged porosity must be adjusted to subtract micro-porosity, and calculated water saturation must be adjusted to subtract bound water.

The wells on this property demonstrate multiple stacked sand accumulations in the Penedo formation as seen on the petrophysical interpretations from the log analyses on Figures 2i to 2k.

Reserves

Total proved developed producing light oil reserves of 410 MSTB have been estimated for the Penedo-1 and Penedo-6 sands in two existing wells based on a conservative volumetric interpretation of existing production before workovers, and supported by seismic, log analysis, and historical production decline analysis.

Total proved undeveloped producing light oil reserves of 597 MSTB have been estimated for the Penedo-1 and Penedo-13 sands in one horizontal sidetrack and one offset development location also based on a conservative volumetric interpretation of existing production before workovers.

Total probable light oil reserves of 4,244 MSTB have been estimated to be drained from six dual-completion locations 1 to 6 based on a conservative volumetric interpretation.

Total probable solution gas reserves of 3,639 MMscf have been estimated to be recovered from the six dual-completion locations 1 to 6 based on a historical average Gas-Oil ratio of 700 scf/STB.

Total possible light oil reserves of 8,361 MSTB have been estimated to be drained from another six dual-completion locations 7 to 12 based on a conservative volumetric interpretation.

Total possible solution gas reserves of 5,852 MMscf have been estimated to be recovered from the six dual-completion locations 7 to 12 based on a historical average Gas-Oil ratio of 700 scf/STB.

Total Proved plus Probable plus Possible Reserves of 15,194.5 MBOE have been estimated to be recovered from the full Tartaruga Field based on a conservative volumetric interpretation and a historical average GOR of 700 scf/STB.

These oil and gas reserves are presented in Table 2 (Oil), Table 2 (Gas), and Table 2 (BOE). The reservoir parameters are presented in Table 2a: Volumetric Reserves Determination.

Reserve Category Maps showing the assignments of Proved, Probable, and Possible reserve acreages for certain Penedo Sands identified with seismic interpretations are presented on Figures 3a through 3h.

Production

This property is currently producing at approximately 250 STB/d from one well.

Production history graphs for the existing Company wells are shown on Figures 4a through 4d for the Proved case.

Production from the new drill locations in the Probable and Possible cases are expected to follow the estimated field forecasts until the lower limits of production are reached. Initial rates estimated for each well are shown on Table 2 (Oil). Similarly the gas production is based on the GOR as shown on Table 2 (Gas).

Product Prices

The product oil price commencing at \$54.70/STB for 2017 is based on the Brent (ICE) oil price forecast of \$57.20/STB minus \$2.50/STB for transportation. Likewise for gas, the forecast is based on the \$4.34/MCF Henry Hub price.

Capital Expenditures

It has been estimated that the total capital cost of the Tartaruga oil field development is \$130,750,000 USD (\$98,063,000 net to the Company), as shown in Table 3a. The capital to exploit the Proved reserves is estimated to be \$13,750,000 USD (\$10,313,000 net to the Company). The capital to exploit the Probable reserves is estimated to be \$53,000,000 USD (\$39,750,000 net to the Company). The capital to exploit the Possible reserves is estimated to be \$64,000,000 USD (\$48,000,000 net to the Company). Details for each well are presented in Table 3.

Well abandonment and restoration costs have been estimated to be \$12,000,000 USD (\$9,000,000 net to the Company) to abandon the wells and facilities as shown in Table 3b.

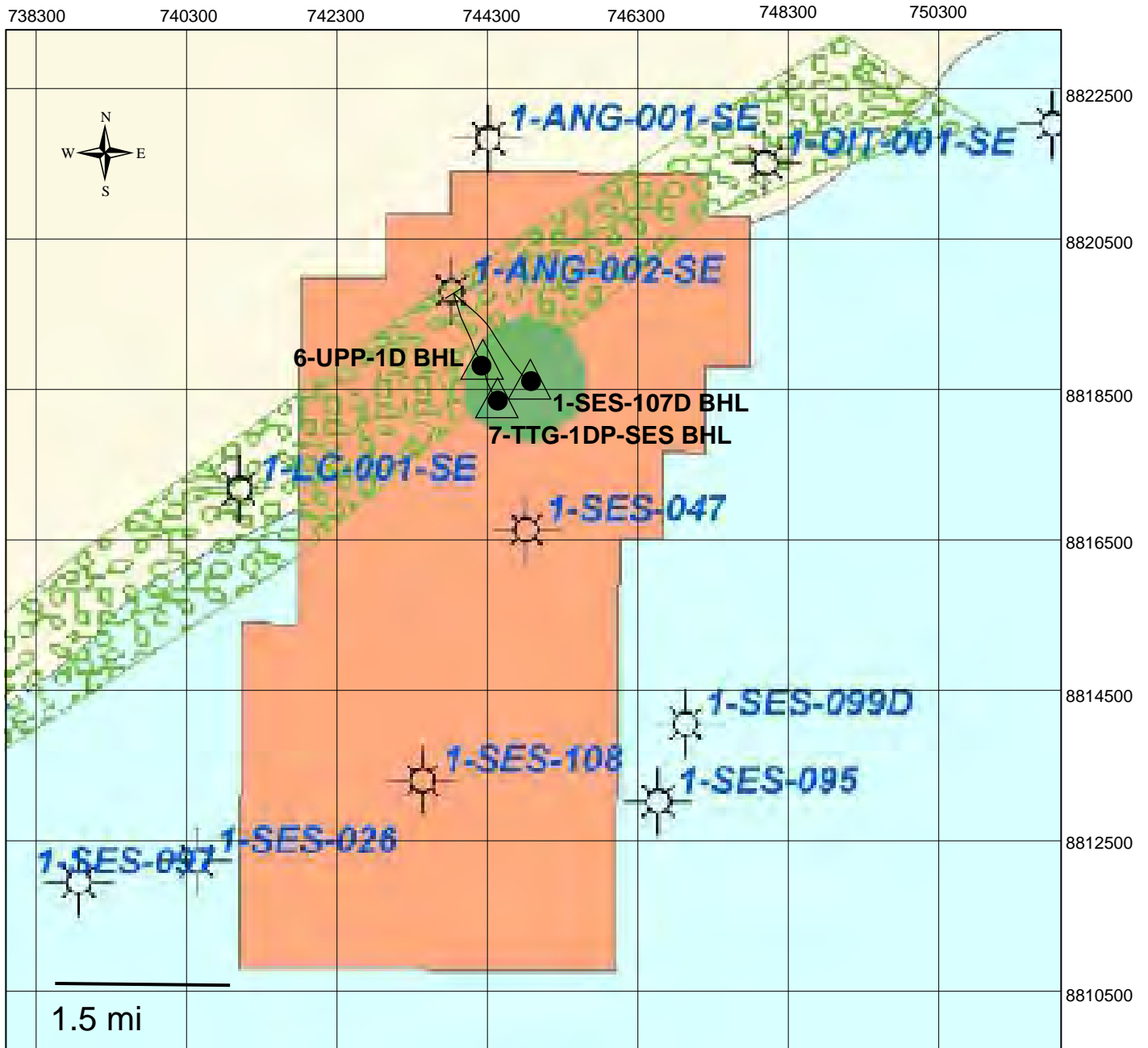
Operating Costs

The Tartaruga oil field is located in Aracaju Brazil, where a natural gas supply, water, and an oil refinery are relatively close by. There has been legacy drilling in the area, and infrastructure for the oil and gas industry has existed for a long time and continues to improve.

It has been estimated that the fixed operating costs per well per month for the operation is \$14,179/well/month USD. The per-unit variable operating costs for oil are estimated to be \$1.09/STB USD, and for gas \$0.50/MCF.

Economics

An economic summary is presented in Table 4 (before tax) and Table 4T (after tax), and the results of the economic analysis are presented in Tables 4a through 4d for each accumulating reserve category.



Source: Petrobras et al, Geological and Geophysical Technical Review, 2005

- Well of Interest
- Company Lands

MAHA ENERGY INC.
TARTARUGA FIELD
SERGIPE-ALAGOAS BASIN, BRAZIL
LAND AND WELL MAP
JAN. 2017 JOB No. 6290 FIGURE No. 1

Table 1

Schedule of Lands, Interests and Royalty Burdens
January 1 2017

Maha Energy Inc.

Tartaruga Field, Aracaju, Brazil

Description	Rights Owned	Gross Acres	Appraised Interest		Royalty Burdens	
			Working %	Royalty %	Basic %	Overriding %
SES-107 Block	[A]	13,201	75.0000 [1]		10.7000 [2]	10.0000 [3]
	Total	13,201				

Rights Owned : [A] All Petroleum & Natural Gas.

NOTES:

[1] Petrobras 25% W.I.

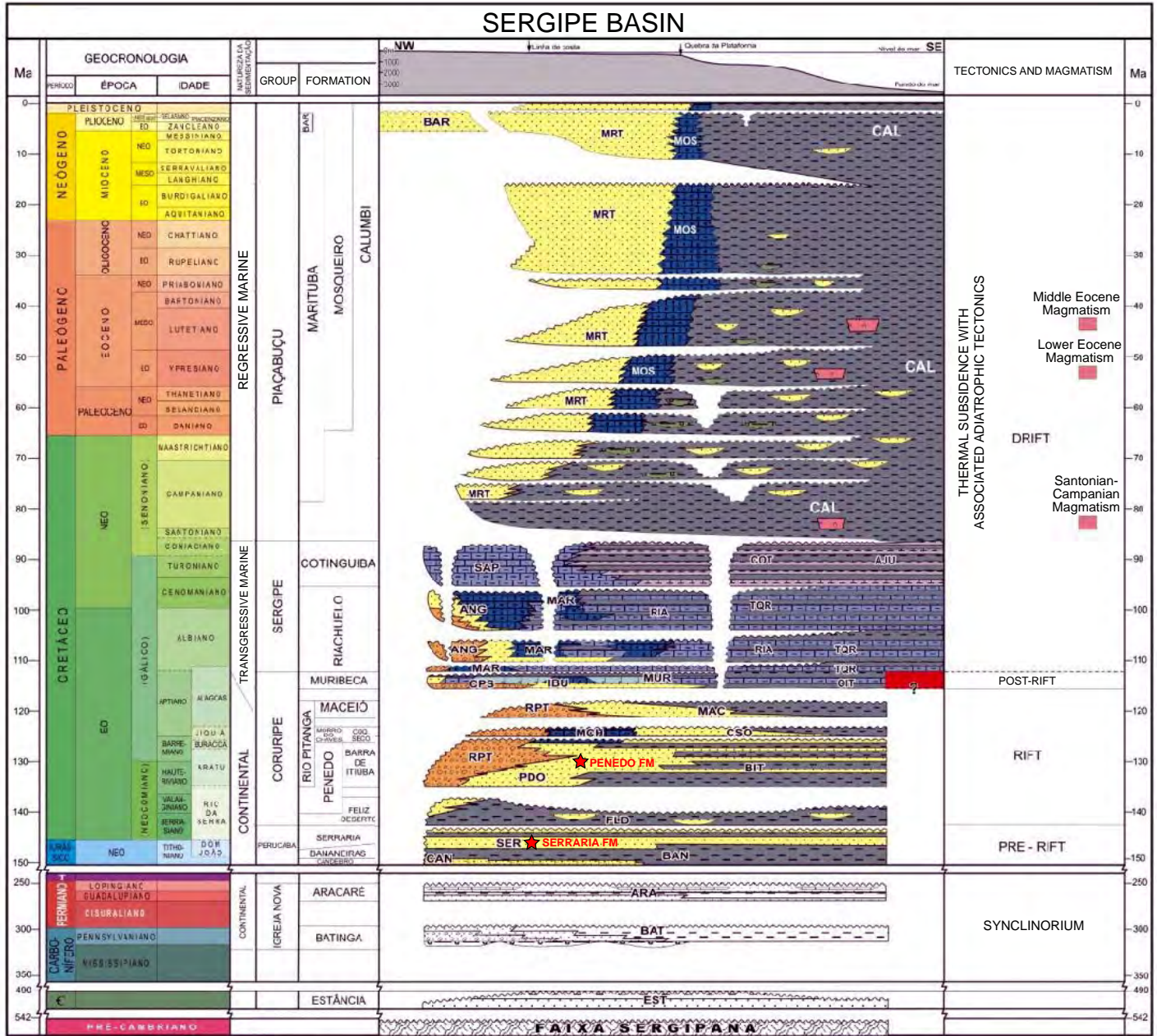
[2] ANP 9.7% + Land Owners 1.0%

[3] Petrobras 10% GORR payable from Company W.I. after royalty



Source: Global CCS Institute, *Brazilian Atlas of CO2 Capture and Geological Storage*, 2014

MAHA ENERGY INC.		
BRAZIL		
BASIN LOCATION MAP		
JAN. 2017	JOB No. 6290	FIGURE No. 2a



★ Zones of Interest

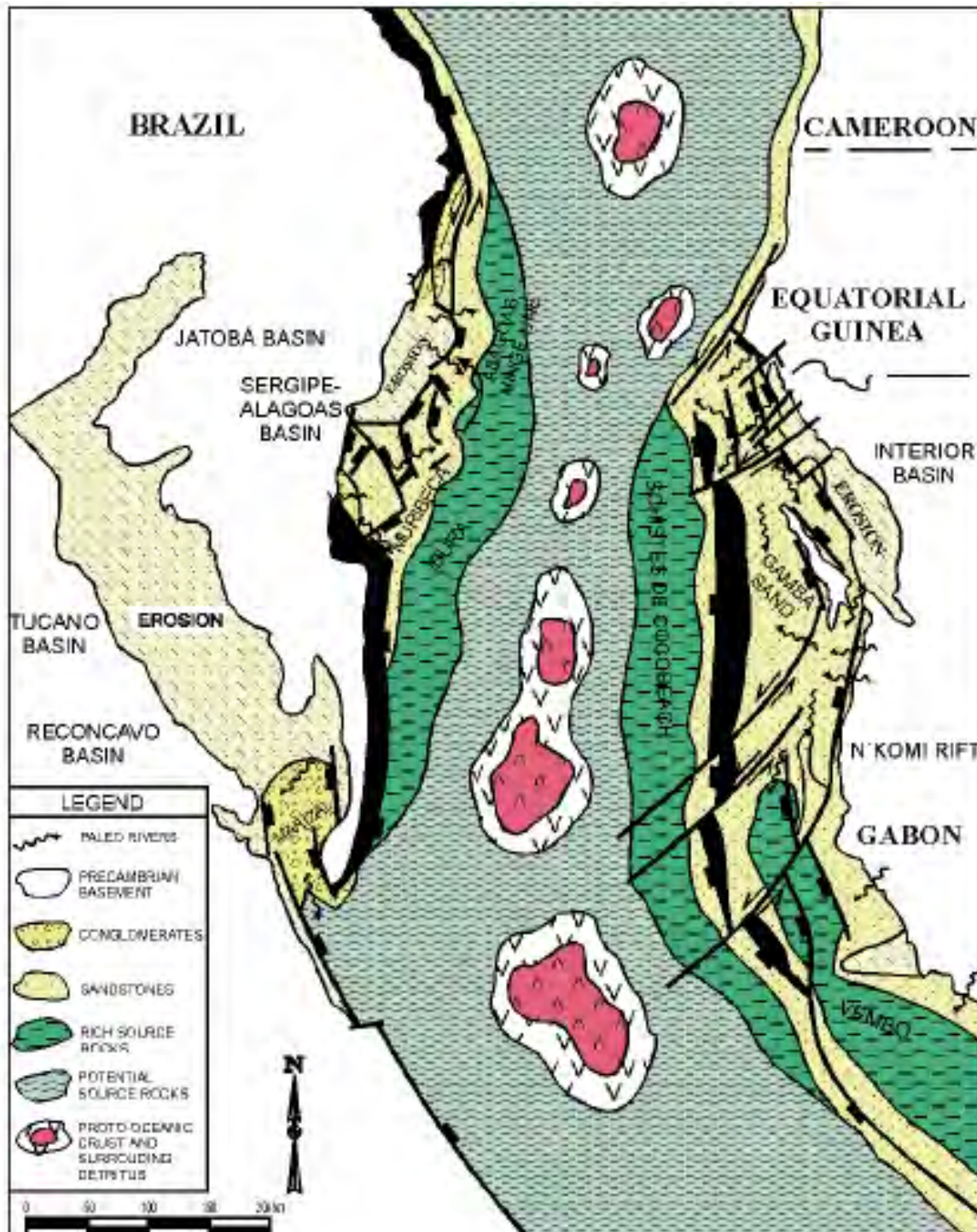
MAHA ENERGY INC.

SERGIPE BASIN

BRAZIL

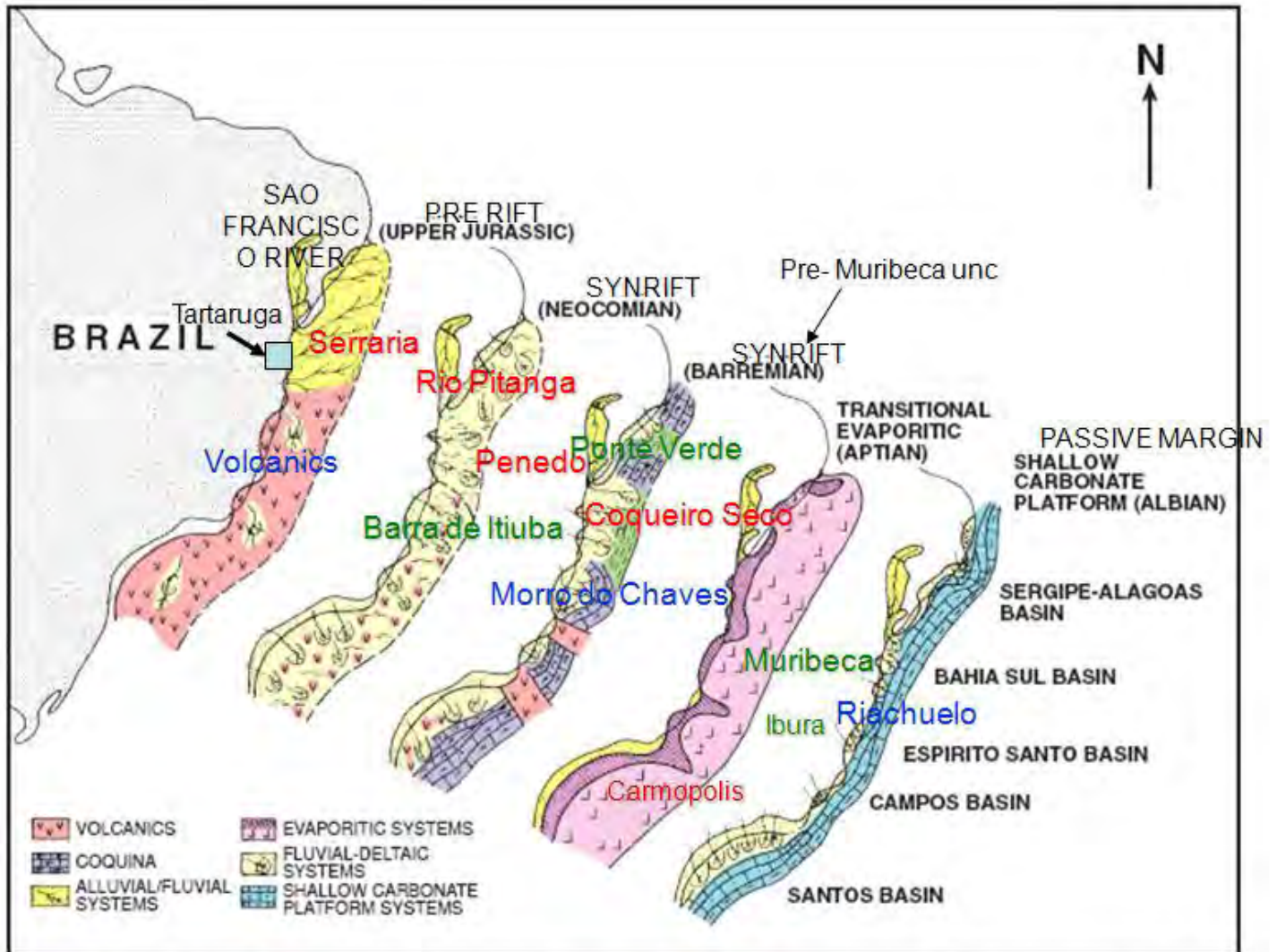
STRATIGRAPHIC CHART

JAN. 2017 JOB No. 6290 FIGURE No. 2b



Source: Mohriak et al, 2000

MAHA ENERGY INC.
CENTRAL SOUTH ATLANTIC REGION
PALEOGEOGRAPHIC MAP
JAN. 2017 JOB No. 6290 FIGURE No. 2c

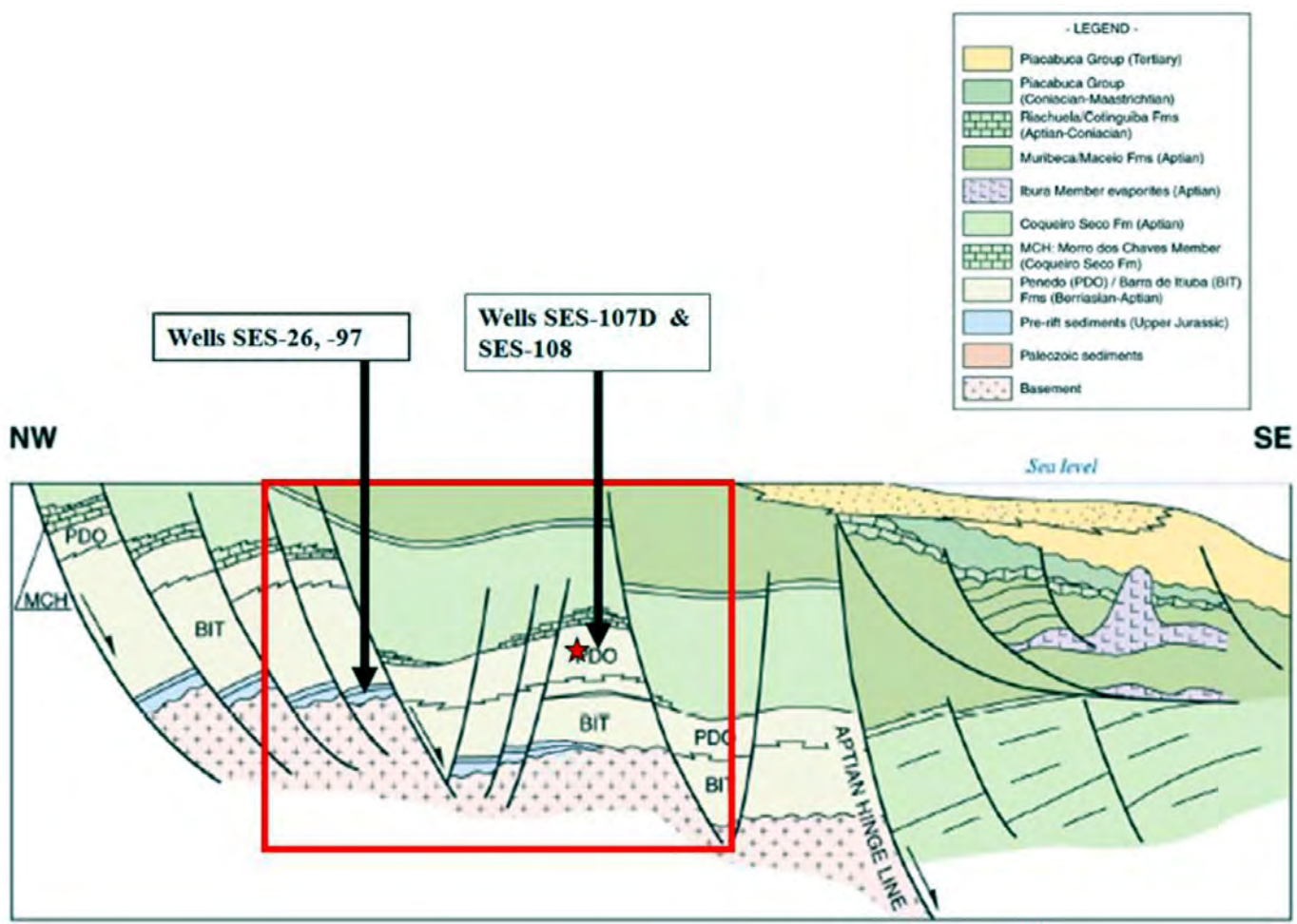


Source: Chang et al, 1992

MAHA ENERGY INC.

**EAST BRAZIL
COASTAL BASINS
BRAZIL
BASINS EVOLUTION MAP**

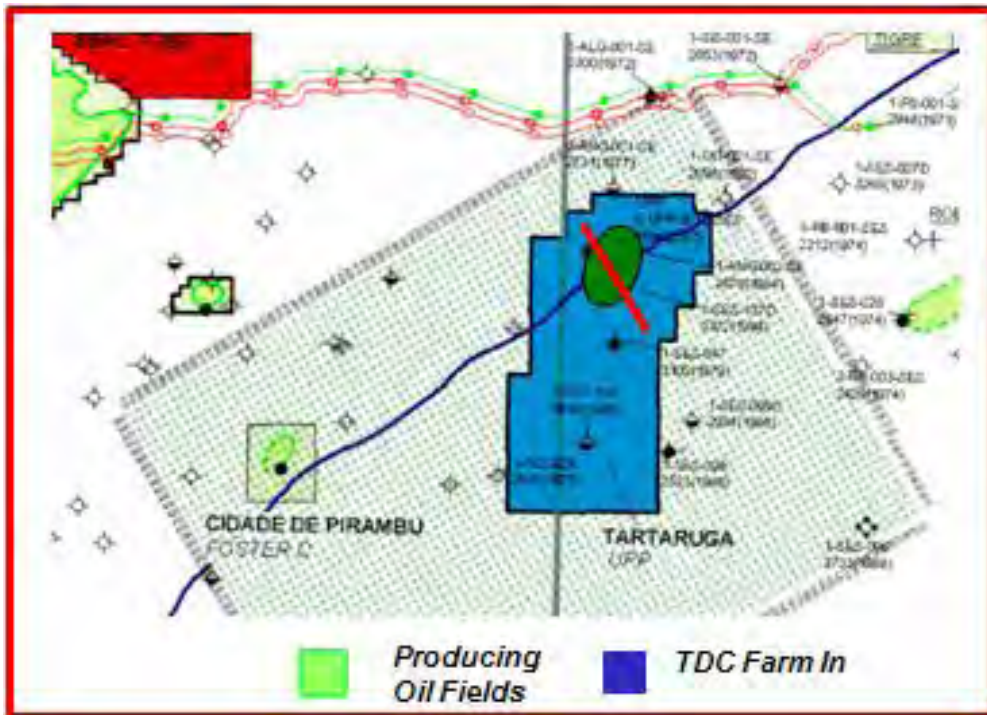
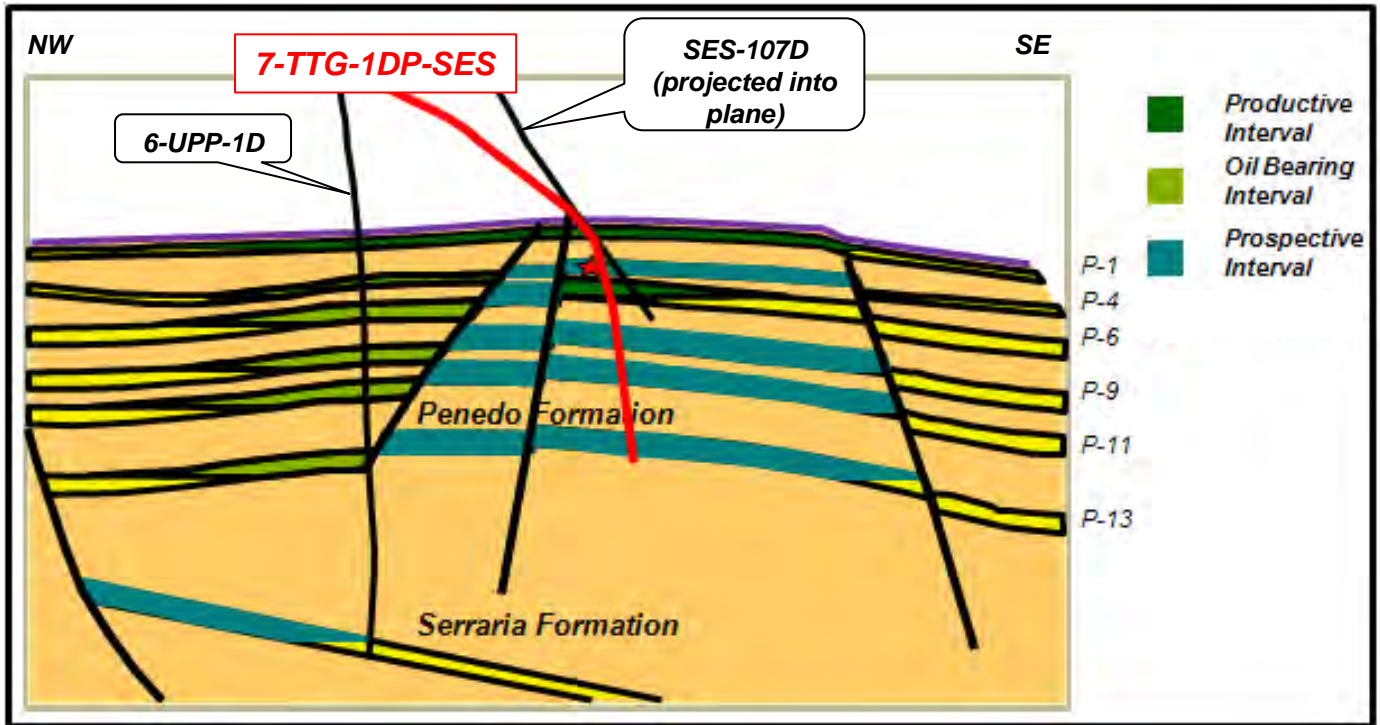
JAN. 2017 JOB No. 6290 FIGURE No. 2d



★ Zone of Interest

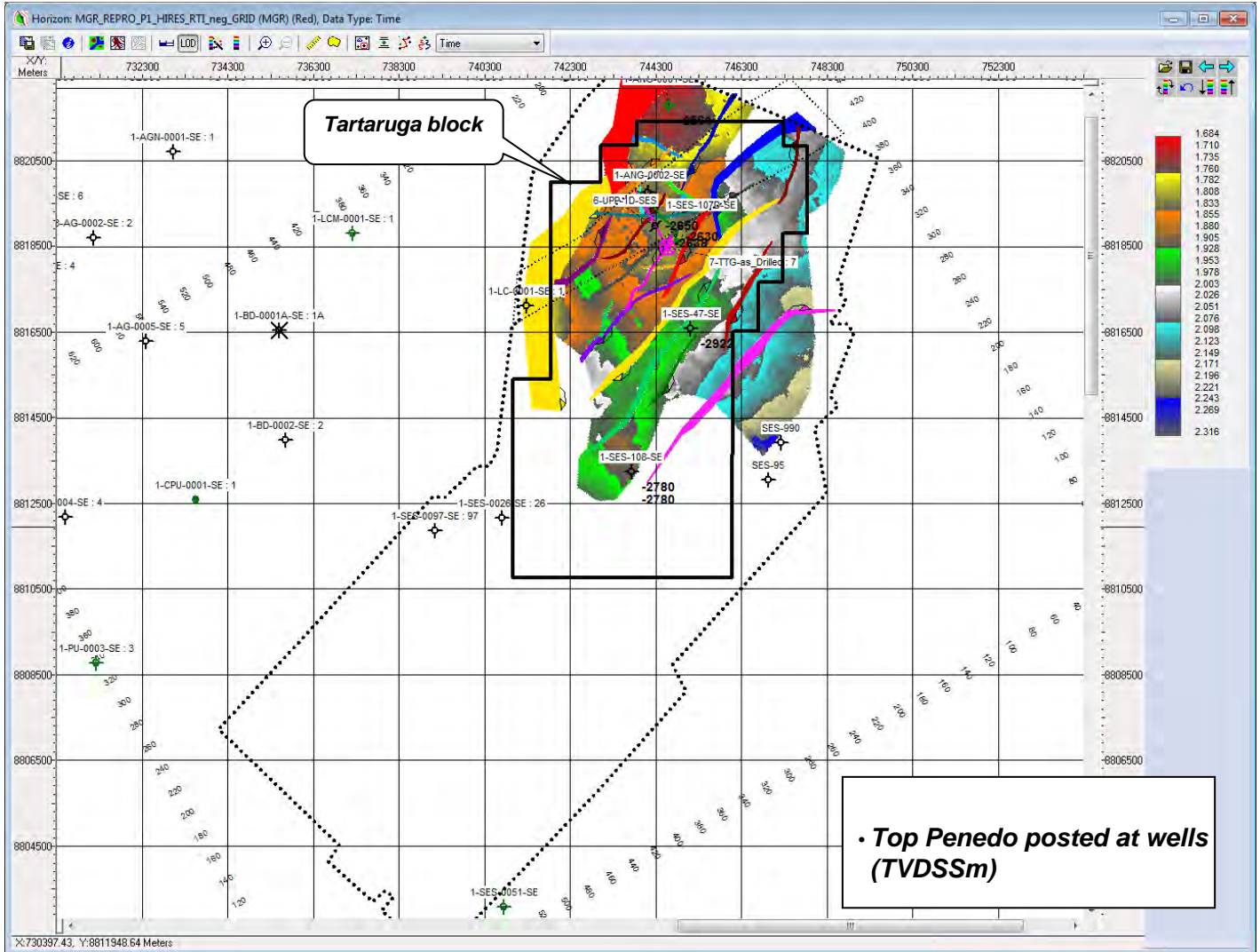
Source: Rincon Energy, LLC Presentation 2015

MAHA ENERGY INC.
SERGIPE BASIN
BRAZIL
REGIONAL CROSS SECTION
JAN. 2017 JOB No. 6290 FIGURE No. 2e



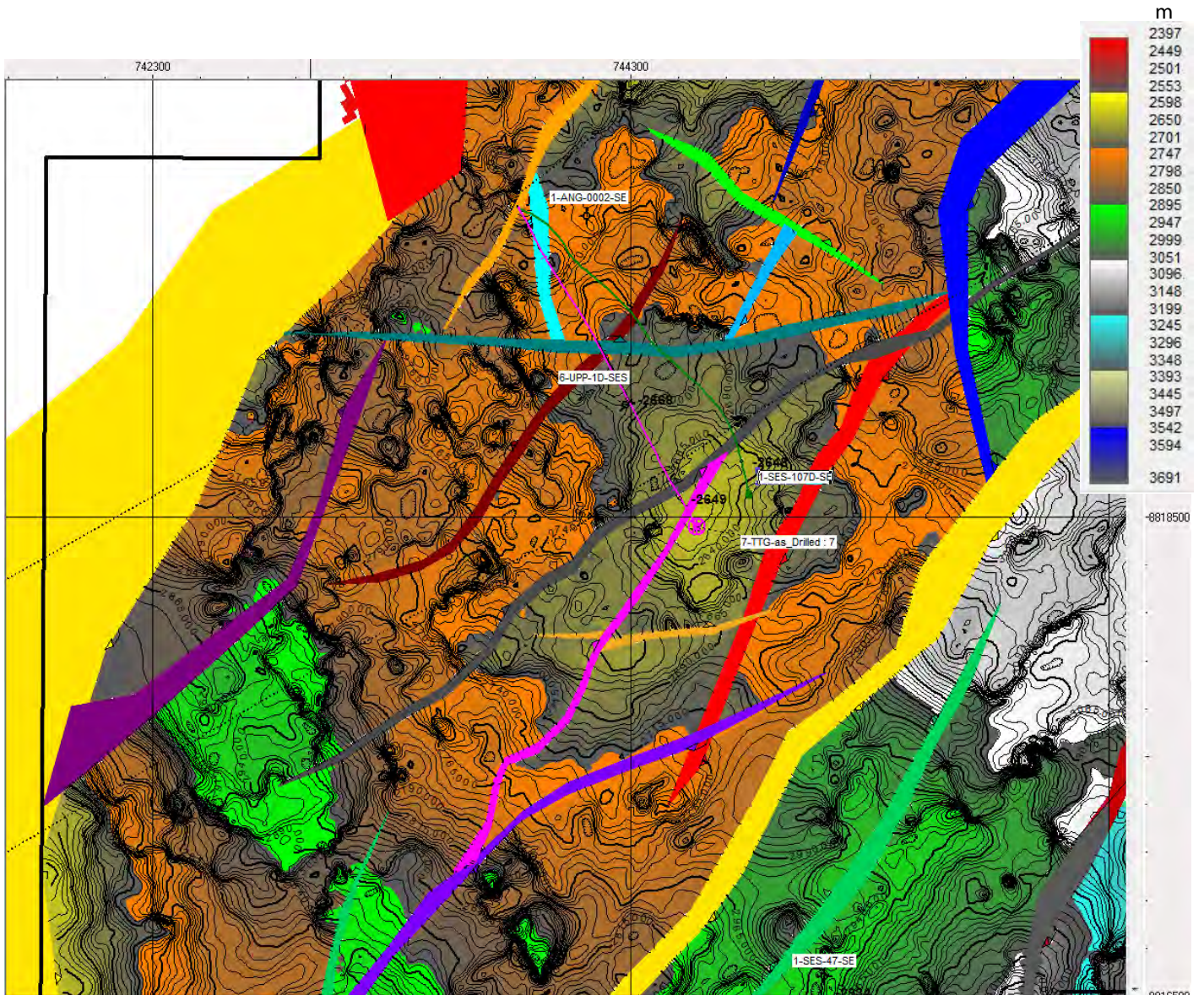
Source: Rincon Energy, LLC Presentation 2015

MAHA ENERGY INC.		
TARTARUGA FIELD		
SERGIPE BASIN, BRAZIL		
SCHEMATIC CROSS SECTION		
JAN. 2017	JOB No. 6290	FIGURE No. 2f



Source: Rincon Energy, LLC Presentation 2015

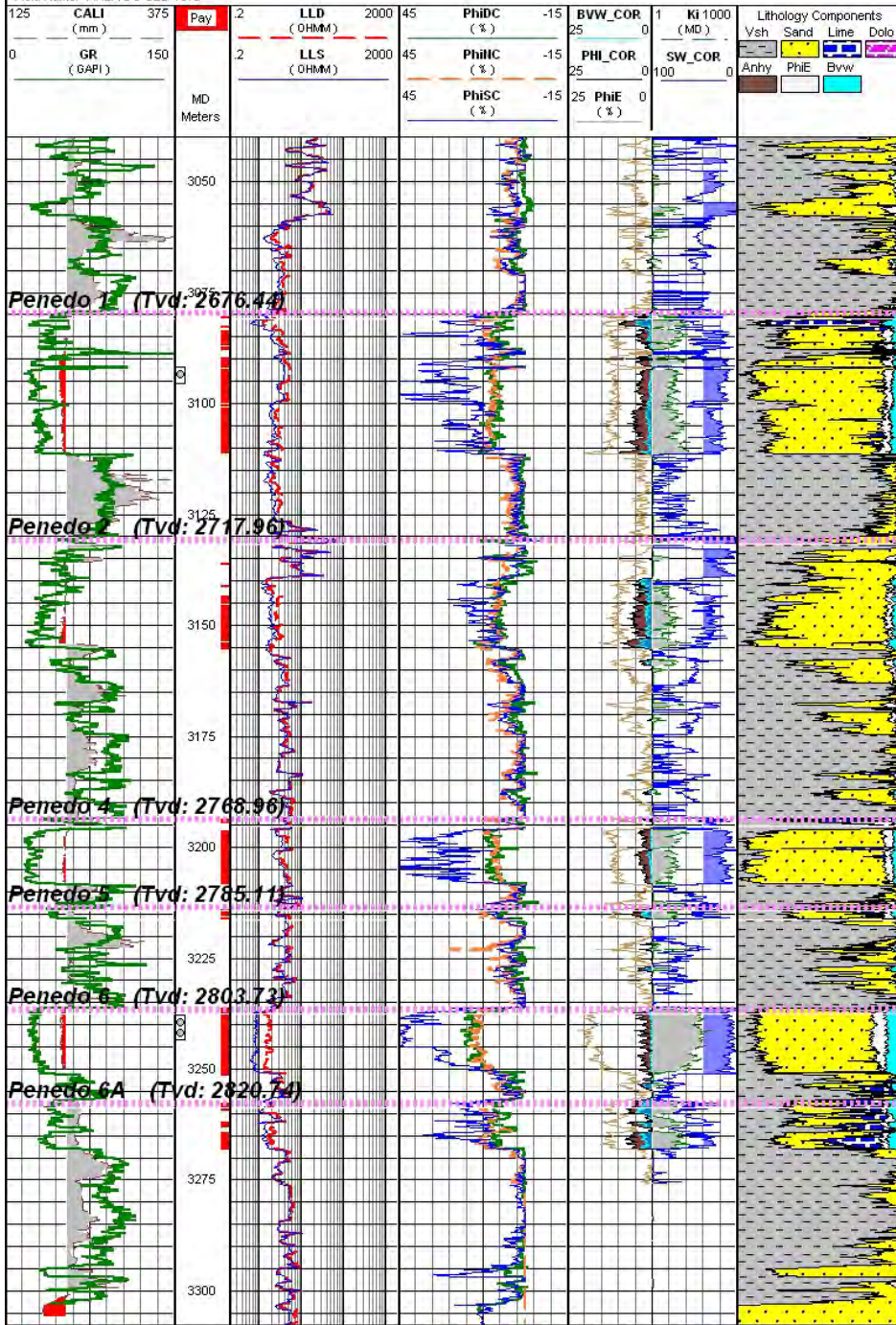
MAHA ENERGY INC.		
TARTARUGA BLOCK		
SERGIPE BASIN, BRAZIL		
TIME STRUCTURE ON PENEDO FM		
JAN. 2017	JOB No. 6290	FIGURE No. 2g



Source: Rincon Energy, LLC Presentation 2015, p. 44

MAHA ENERGY INC.		
TARTARUGA FIELD		
SERGIPE BASIN, BRAZIL		
DEPTH STRUCTURE ON		
PENEDO FM		
JAN. 2017	JOB No. 6290	FIGURE No. 2h

Well Name: 1-SES-107D-SE
 Field Loc.: X=8.818.718,6 Y=744.629,1
 Field Name: AREA DO SES-107D



MAHA ENERGY INC.

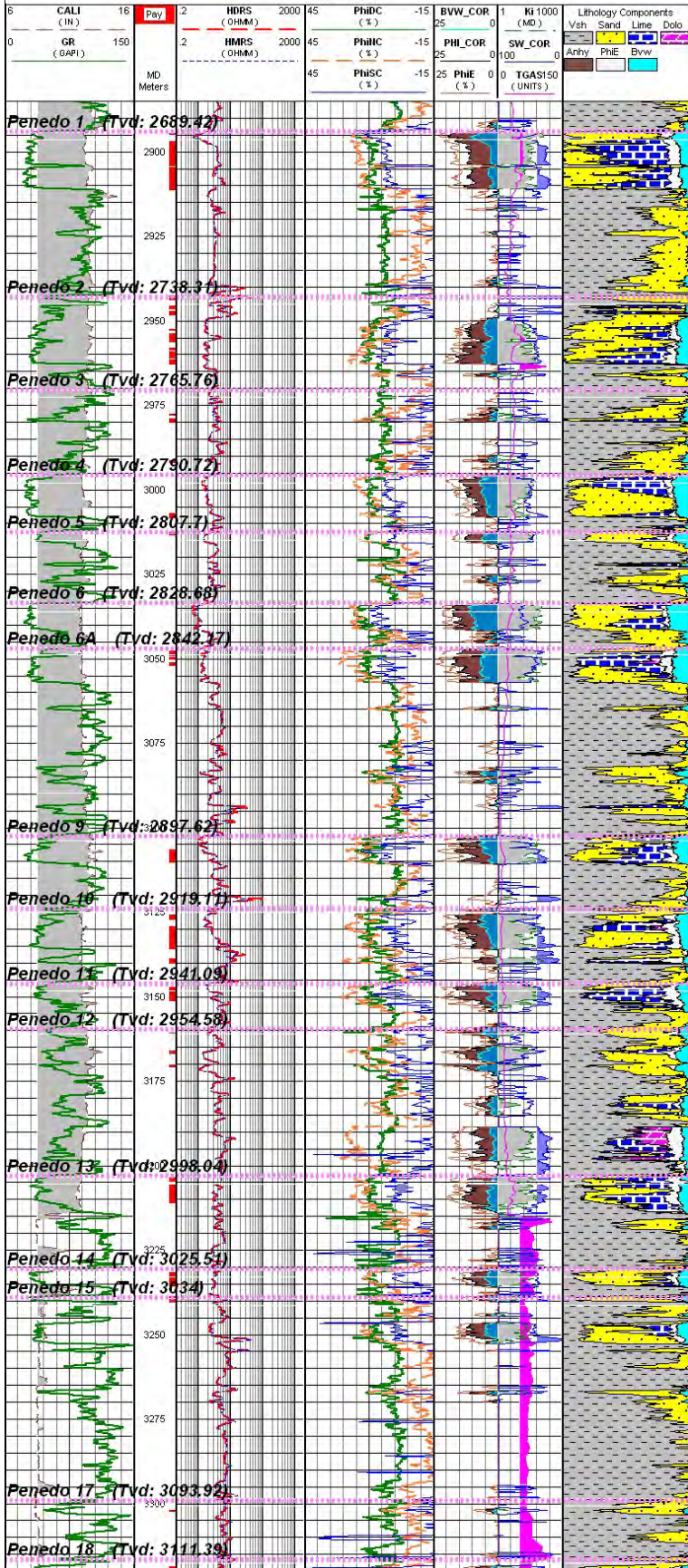
TARTARUGA OIL FIELD
 SERGIPE-ALAGOAS BASIN, BRAZIL
WELL 1-SES-107D
LOG ANALYSIS

JAN. 2017 JOB No. 6290 FIGURE No. 2i

Chapman Petroleum Engineering Ltd. 6-UPP-1D
Illite Modification

Well Name: 6-UPP-1D-SES_PRINCIPAL_2

KB: 22.3 meters
 GL: 14 meters

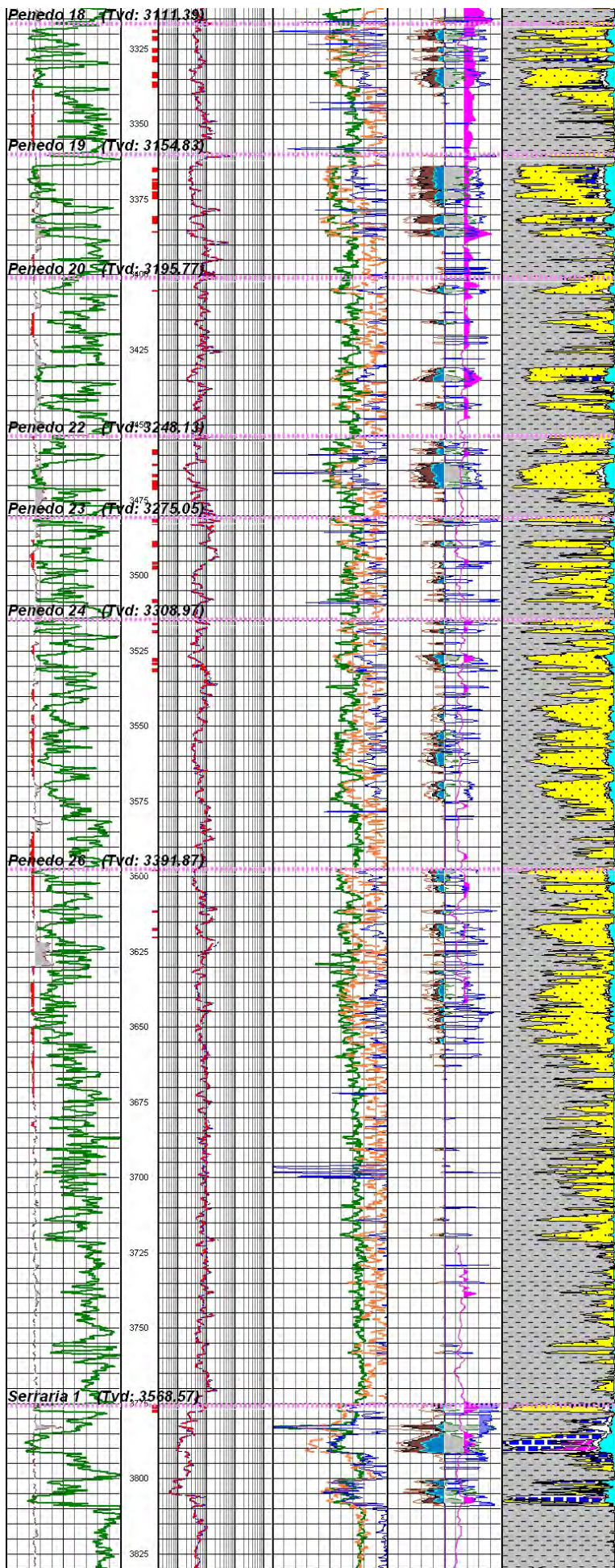


MAHA ENERGY INC.

TARTARUGA OIL FIELD
 SERGIPE-ALAGOAS BASIN, BRAZIL

WELL 6-UPP-1D
LOG ANALYSIS

JAN. 2017 JOB No. 6290 FIGURE No. 2j



MAHA ENERGY INC.

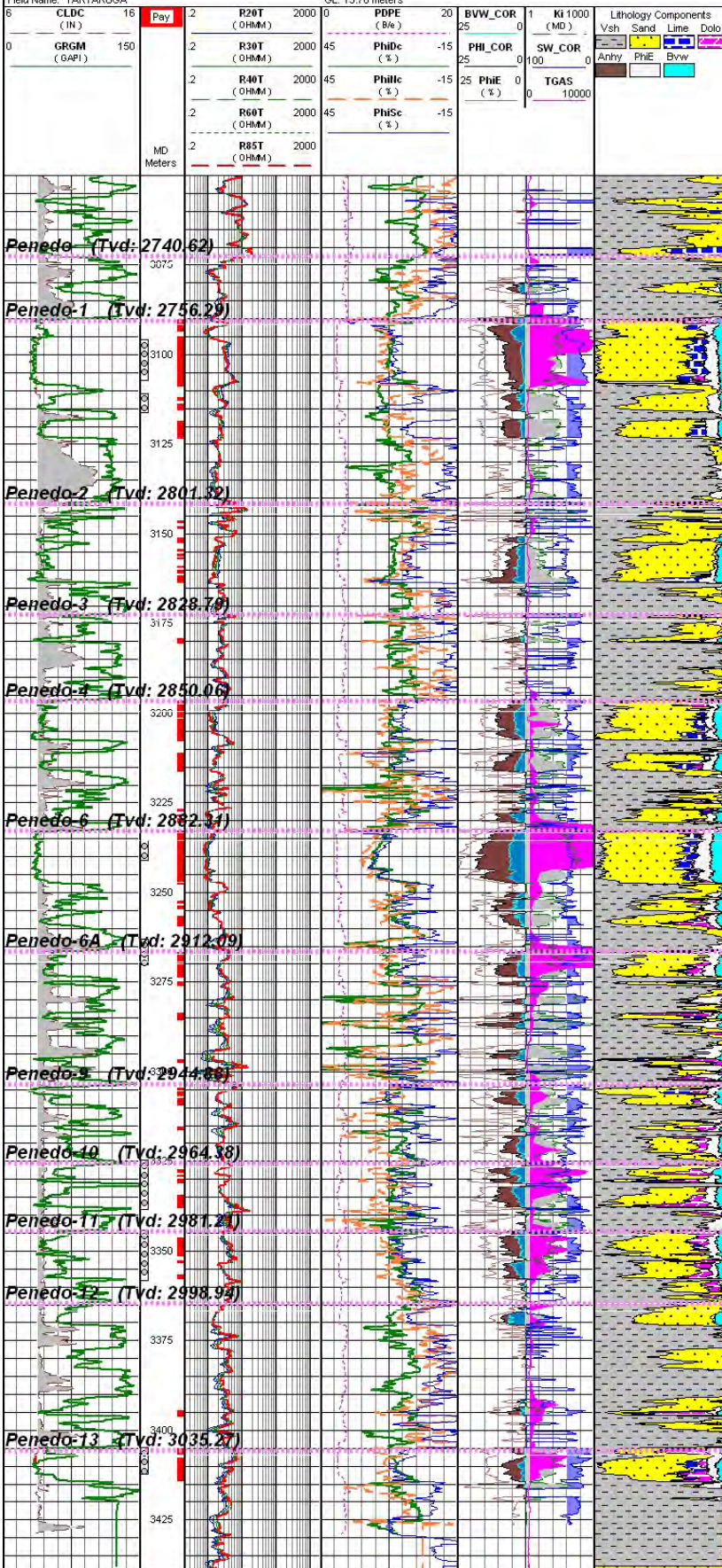
TARTARUGA OIL FIELD
 SERGIPE-ALAGOAS BASIN, BRAZIL
WELL 6-UPP-1D
LOG ANALYSIS

JAN. 2017 JOB No. 6290 FIGURE No. 2j cont.

Chapman Petroleum Engineering Ltd. 7-TTG-1DP-SES
Adjusted for Illite

Operator: UP PETROLEO BRASIL LTDA
Well Name: 7-TTG-1DP-SES
Field Name: TARTARUGA

KB: 20.3 meters
GL: 13.76 meters



MAHA ENERGY INC.

TARTARUGA OIL FIELD
SERGIPE-ALAGOAS BASIN, BRAZIL
WELL 7-TTG-1DP-SES
LOG ANALYSIS

JAN. 2017 JOB No. 6290 FIGURE No. 2k

Table 2 Oil

**Summary of Gross Reserves
January 1 2017**

Tartaruga Field, Aracaju, Brazil

Description		Current or Initial Rate STB/d		API Gravity (Deg)	Ultimate Reserves (MSTB)	Cumulative Production (MSTB)	Reserves (MSTB)	Reference
LIGHT & MEDIUM OIL								
Proved Developed Producing								
Well 107D	Penedo 1	50		38	743	571	172	Table 2a
Well 7TTG	Penedo 6	200		38	529	291	238	Table 2a
Total Proved Developed Producing		250			1,272	862	410	
Proved Undeveloped								
Well 107D HZ Sidetrack	Penedo 1	200	Aug-17	38	117	0	117	Table 2a
Offset Development	Penedo 13	200	Aug-18	38	480	0	480	Table 2a
Total Proved Undeveloped					597	0	597	
Total Proved					1,869	862	1,007	
Probable								
Probable Undeveloped								
Location 1	Penedo 1, 18	250	Jan-19	38	988	0	988	Table 2a
Location 2	Penedo 13, 11	250	Sep-19	38	705	0	705	Table 2a
Location 3	Penedo 6, 19	250	Nov-20	38	955	0	955	Table 2a
Location 4	Penedo 2, 9	250	Jan-20	38	609	0	609	Table 2a
Location 5	Penedo 4, 14	250	Mar-20	38	498	0	498	Table 2a
Location 6	Penedo 10, 15	250	May-20	38	490	0	490	Table 2a
Total Probable					4,244	0	4,244	
Total Proved Plus Probable					6,113	862	5,251	
Possible								
Possible Undeveloped								
Location 7	Penedo 1, 18	450	Aug-21	38	1,652	0	1,652	Table 2a
Location 8	Penedo 13, 11	450	Jan-21	38	1,428	0	1,428	Table 2a
Location 9	Penedo 6, 19	450	Mar-21	38	2,298	0	2,298	Table 2a
Location 10	Penedo 2, 9	450	May-21	38	1,043	0	1,043	Table 2a
Location 11	Penedo 4, 14	450	Jul-21	38	954	0	954	Table 2a
Location 12	Penedo 10, 15	450	Sep-21	38	986	0	986	Table 2a
Total Possible					8,361	0	8,361	
Total Proved + Probable + Possible					14,473	862	13,611	

Note: MSTB means thousands of Standard Barrels.

Table 2 Gas

Summary of Gross Reserves
January 1 2017

Tartaruga Field, Aracaju, Brazil

Description		Current or Initial Rate Mscf/d		Ultimate Recovery (raw) (MMscf)	Cumulative Production (MMscf)	Reserves (raw) (MMscf)	Reserves (sales) (MMscf)	Reserves NGLs (Bbls)	Reference
Conventional Natural Gas (Associated and Non-Associated)									
SOLUTION GAS									
Probable Undeveloped									
Well 107D	Penedo 1	35		520	400	120	84	11	Table 2 Oil
Well 7TTG	Penedo 6	140		442	204	238	167	21	Table 2 Oil
Well 107D HZ Sidetrack	Penedo 1	140	Aug-18	117	0	117	82	11	Table 2 Oil
Offset Development	Penedo 13	140	Aug-18	480	0	480	336	43	Table 2 Oil
Location 1	Penedo 1, 18	175	Jan-19	988	0	988	692	89	Table 2 Oil
Location 2	Penedo 13, 11	175	Sep-19	705	0	705	494	63	Table 2 Oil
Location 3	Penedo 6, 19	175	Nov-20	955	0	955	666	86	Table 2 Oil
Location 4	Penedo 2, 9	175	Jan-20	609	0	609	426	55	Table 2 Oil
Location 5	Penedo 4, 14	175	Mar-20	498	0	498	348	45	Table 2 Oil
Location 6	Penedo 10, 15	175	May-20	490	0	490	343	44	Table 2 Oil
	Total Probable			5,802	603	5,199	3,639	468	
Possible									
Location 7	Penedo 1, 18	315	Aug-21	1,652	0	1,652	1,156	149	Table 2 Oil
Location 8	Penedo 13, 11	315	Jan-21	1,428	0	1,428	1,000	129	Table 2 Oil
Location 9	Penedo 6, 19	315	Mar-21	2,298	0	2,298	1,608	207	Table 2 Oil
Location 10	Penedo 2, 9	315	May-21	1,043	0	1,043	730	94	Table 2 Oil
Location 11	Penedo 4, 14	315	Jul-21	954	0	954	668	86	Table 2 Oil
Location 12	Penedo 10, 15	315	Sep-21	986	0	986	690	89	Table 2 Oil
	Total Possible			8,361	0	8,361	5,852	752	
	Total Probable + Possible			14,163	603	13,560	9,492	1,220	

Note: MMCF means millions of cubic feet.
MBbls means thousands of Barrels.

Table 2 BOE

**Summary of Gross Reserves
January 1 2017**

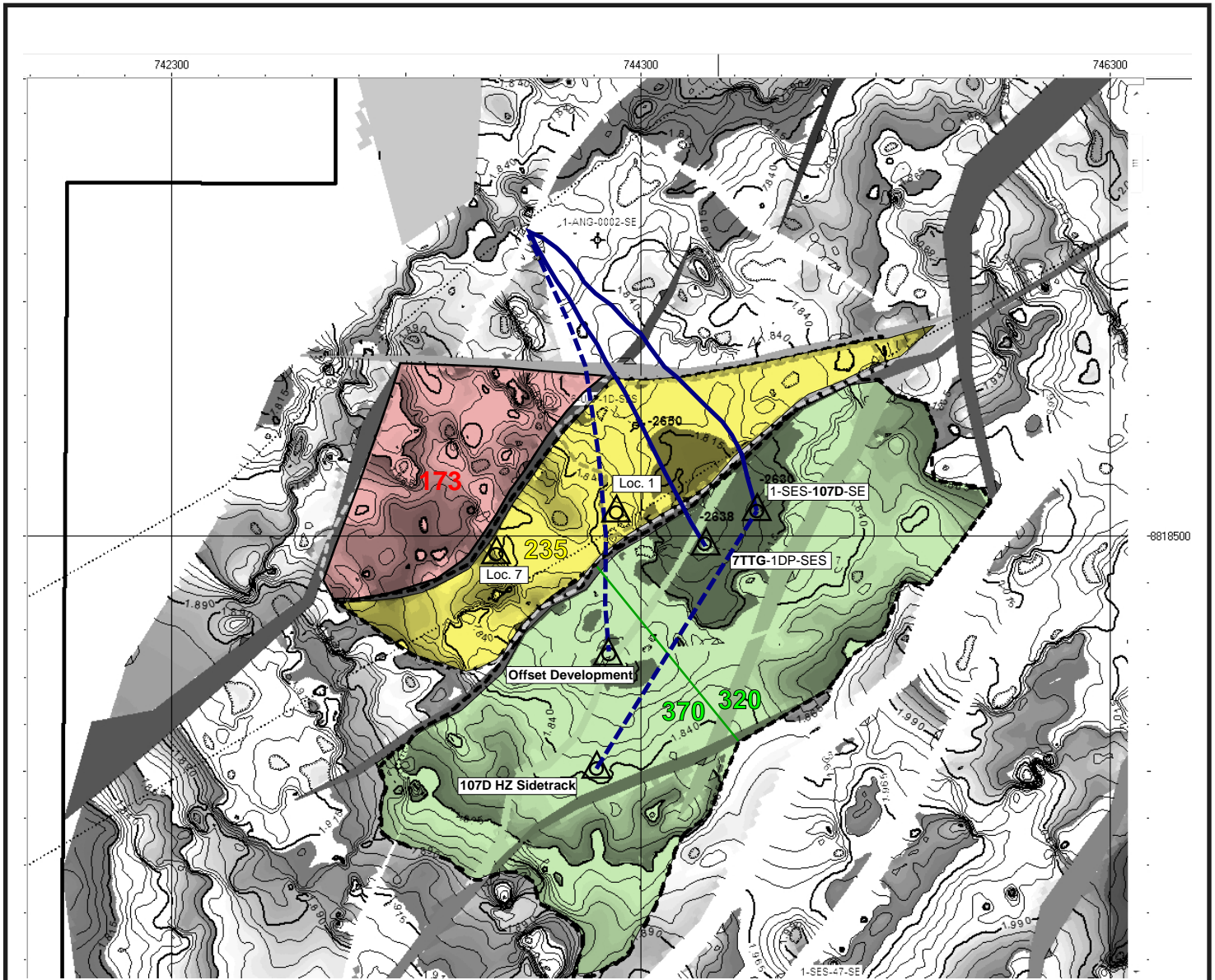
Tartaruga Field, Aracaju, Brazil

Description		Oil Reserves (MSTB)	Gas Reserves (MMscf)	Gas Reserves (MBOE)	NGLs Reserves (MBbls)	Total Reserves (MBOE)
<u>Proved Developed Producing</u>						
Well 107D	Penedo 1	172				171.8
Well 7TTG	Penedo 6	238				238.0
Total Proved Developed Producing		410				409.8
<u>Proved Undeveloped</u>						
Well 107D HZ Sidetrack	Penedo 1	117				117.1
Offset Development	Penedo 13	480				480.0
Total Proved Undeveloped		597				597.1
Total Proved		1007				1006.9
<u>Probable Undeveloped</u>						
Well 107D	Penedo 1		84	14	0.011	14.0
Well 7TTG	Penedo 6		167	28	0.021	27.8
Well 107D HZ Sidetrack	Penedo 1		82	14	0.011	13.7
Offset Development	Penedo 13		336	56	0.043	56.0
Location 1	Penedo 1, 18	988	692	115	0.089	1103.7
Location 2	Penedo 13, 11	705	494	82	0.063	787.3
Location 3	Penedo 6, 19	955	668	111	0.086	1066.0
Location 4	Penedo 2, 9	609	426	71	0.055	679.6
Location 5	Penedo 4, 14	498	348	58	0.045	555.9
Location 6	Penedo 10, 15	490	343	57	0.044	546.7
Total Probable		4244	3639	607	0.468	4850.7
Total Proved + Probable		5251	3639	607	0.468	5857.6
<u>Possible</u>						
Location 7	Penedo 1, 18	1652	1156	193	0.149	1844.9
Location 8	Penedo 13, 11	1428	1000	167	0.129	1594.6
Location 9	Penedo 6, 19	2298	1608	268	0.207	2565.8
Location 10	Penedo 2, 9	1043	730	122	0.094	1165.2
Location 11	Penedo 4, 14	954	668	111	0.086	1065.1
Location 12	Penedo 10, 15	986	690	115	0.089	1101.3
Total Possible		8361	5852	975	0.752	9336.9
Total Proved + Probable + Possible		13611	9492	1582	1.220	15194.5

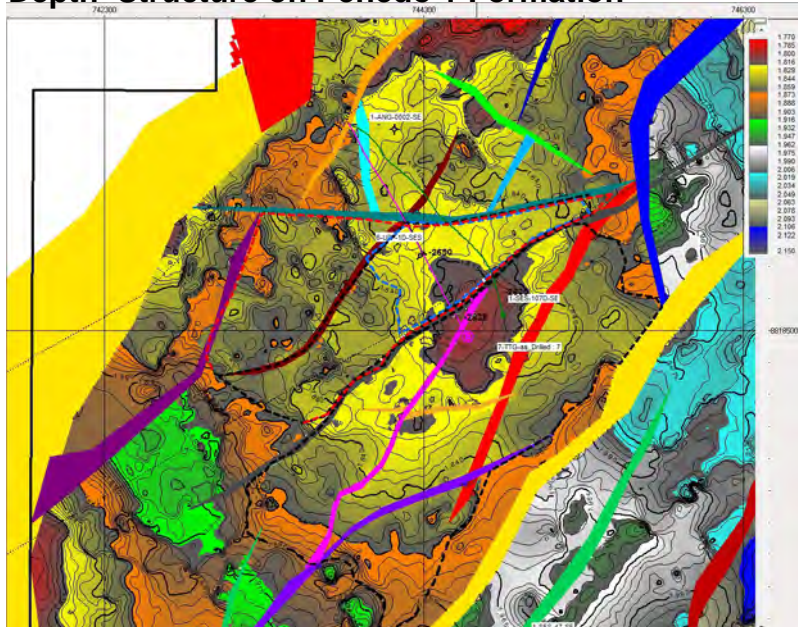
Note: MMscf means millions of cubic feet.
 MBbls means thousands of Barrels.
 MSTB means thousands of Standard Barrels.
 MBOE means thousands of Barrels of Oil Equivalent
 where the conversion is 6 Mscf = 1 STB (6 Mcf : 1 bbl)

TABLE 2a: Volumetric Reserves Determination

Wellbore	Formation	TVD Top m	TVD Bot m	TVD NET PAY m	PhiE	Sw	FVF	RF %	Pi psi	Tf F	Acreage acres	PIIP Mstb	CUM PROD	ROIP Mstb	
Proved OIL															
Proved Producing 107D (to get pump)	107D P1	Penedo 1	2676.4	2718.0	17.97	4.09%	18.12%	1.45	22%	4182	214	320	3,376	571	172
Proved Producing 107D (To HZ Sideltrack)	107D P1HZ	Penedo 1	2676.4	2718.0	17.97	4.09%	18.12%	1.45	3%	4182	214	370	3,904	0	117
Proved Undeveloped 7TTG (PUD)	7TTG P13 Offset Dev	Penedo 13	3035.3	3050.0	6.91	5.72%	17.64%	1.45	25%	4717	230	336	1,520	0	480
PP + PNP 7TTG + 107D	7TTG 66A	Penedo 6	2843.0	2866.4	13.29	7.98%	20.11%	1.45	25%	4426	221	163	2,424	368	238
														1007	
Probable OIL															
Location 1	Penedo 1	2676.4	2718.0	17.97	4.09%	18.12%	1.45	20%	4182	214	235	2,479	0	496	
Location 2	Penedo 13	3035.3	3050.0	6.91	5.72%	17.64%	1.45	20%	4717	230	320	1,829	0	366	
Location 3	Penedo 6	2843.0	2866.4	13.29	7.98%	20.11%	1.45	20%	4426	221	120	1,785	0	357	
Location 4	Penedo 2	2759.6	2798.9	6.0	6.51%	28.54%	1.45	20%	4309	218	320	1,573	0	315	
Location 5	Penedo 4	2809.5	2833.7	11.7	5.65%	21.19%	1.45	20%	4374	220	163	1,491	0	298	
Location 6	Penedo 10	2964.4	2981.2	4.51	10.00%	25.80%	1.45	20%	4609	227	344	2,021	0	404	
Location 4 Zone 2	Penedo 9	2844.9	2964.4	3.98	7.73%	20.90%	1.45	20%	4503	224	344	1,469	0	294	
Location 2 Zone 2	Penedo 11	2981.2	2998.9	4.87	7.58%	23.89%	1.45	20%	4636	227	344	1,697	0	339	
Location 5 Zone 2	Penedo 14	3025.5	3034.0	2.69	10.09%	37.68%	1.45	20%	4697	229	336	998	0	200	
Location 6 Zone 2	Penedo 15	3034.0	3093.9	1.29	8.16%	31.25%	1.45	20%	4750	231	336	427	0	85	
Location 1 Zone 2	Penedo 18	3111.4	3154.8	7.78	7.69%	30.23%	1.45	20%	4857	234	336	2,462	0	492	
Location 3 Zone 2	Penedo 19	3154.8	3195.8	7.28	10.79%	35.50%	1.45	20%	4923	236	336	2,988	0	598	
														4244	
Possible OIL															
Location 7	Penedo 1	2676.4	2718.0	17.97	4.09%	18.12%	1.45	15%	4182	214	173	1,825	0	274	
Location 8	Penedo 13	3035.3	3050.0	6.91	5.72%	17.64%	1.45	15%	4717	230	934	5,337	0	801	
Location 9	Penedo 6	2843.0	2866.4	13.29	7.98%	20.11%	1.45	15%	4426	221	280	4,164	0	625	
Location 10	Penedo 2	2759.6	2798.9	6.02	6.51%	28.54%	1.45	15%	4309	218	678	3,333	0	500	
Location 11	Penedo 4	2809.5	2833.7	11.71	5.65%	21.19%	1.45	15%	4374	220	288	2,635	0	395	
Location 12	Penedo 10	2964.4	2981.2	4.51	10.00%	25.80%	1.45	15%	4609	227	848	4,981	0	747	
Location 10 Zone 2	Penedo 9	2844.9	2964.4	3.98	7.73%	20.90%	1.45	15%	4503	224	848	3,622	0	543	
Location 8 Zone 2	Penedo 11	2981.2	2998.9	4.87	7.58%	23.89%	1.45	15%	4636	227	848	4,182	0	627	
Location 11 Zone 2	Penedo 14	3025.5	3034.0	2.69	10.09%	37.68%	1.45	15%	4697	229	1254	3,723	0	559	
Location 12 Zone 2	Penedo 15	3034.0	3093.9	1.29	8.16%	31.25%	1.45	15%	4750	231	1254	1,593	0	239	
Location 7 Zone 2	Penedo 18	3111.4	3154.8	7.78	7.69%	30.23%	1.45	15%	4857	234	1254	9,188	0	1378	
Location 9 Zone 2	Penedo 19	3154.8	3195.8	7.28	10.79%	35.50%	1.45	15%	4923	236	1254	11,153	0	1673	
														8361	
Proved	4 wellbores													1007	
Proved+Probable	10 wellbores													5251	
Proved+Probable+Possible	16 wellbores													13611	



Depth Structure on Penedo 1 Formation



- EXISTING WELLBORES
 - - - PROPOSED WELLBORE TRAJECTORY
 - PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROVED RESERVES - 690 ACRES
 - PROBABLE RESERVES - 235 ACRES
 - POSSIBLE RESERVES - 173 ACRES
- } TOTAL 1098 ACRES

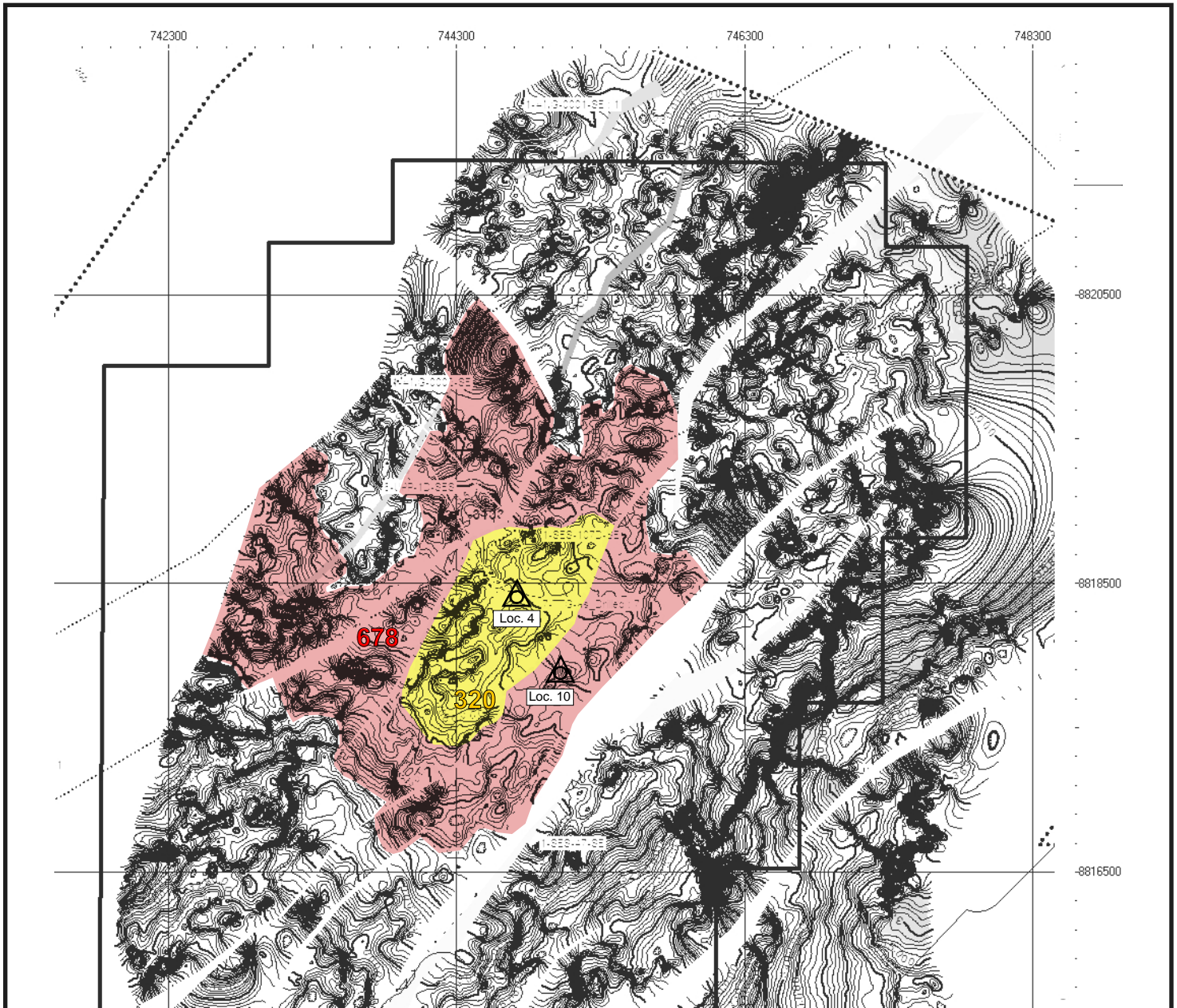
MAHA ENERGY INC.

TARTARUGA BLOCK
SERGIPE-ALAGOAS BASIN, BRAZIL

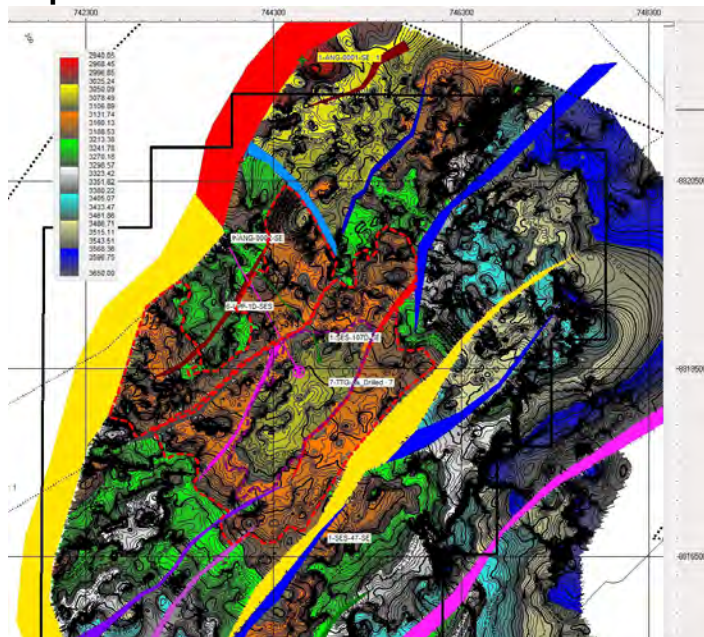
RESERVE CATEGORY MAP
Penedo 1 Formation

JAN. 2017 JOB No. 6290 FIGURE No. 3a

Source: Rincon Energy, LLC Presentation 2015, p. 49



Depth Structure on Penedo 2 Formation



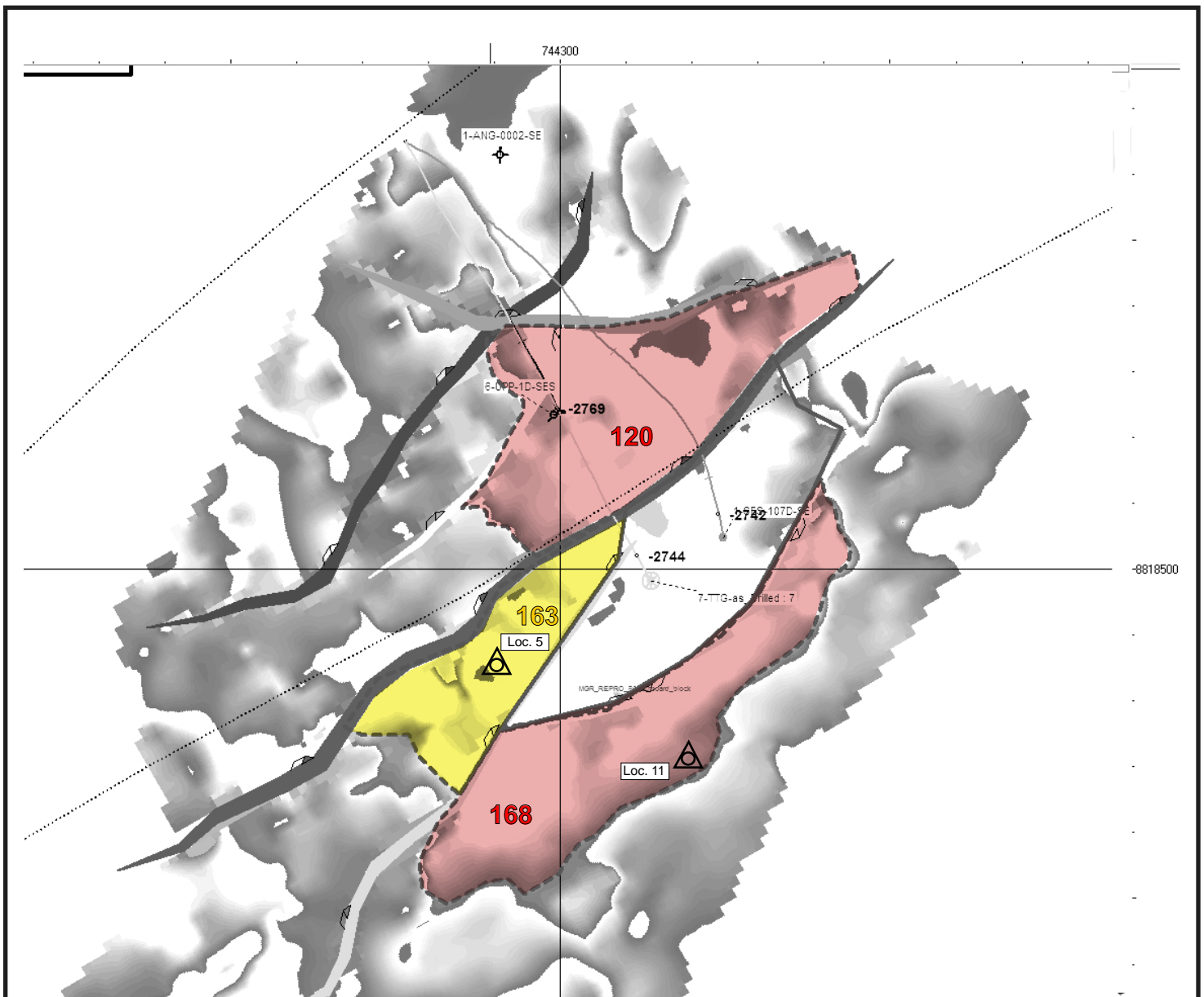
- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROBABLE RESERVES - 320 ACRES
 - POSSIBLE RESERVES - 678 ACRES
- } TOTAL 998 ACRES

MAHA ENERGY INC.

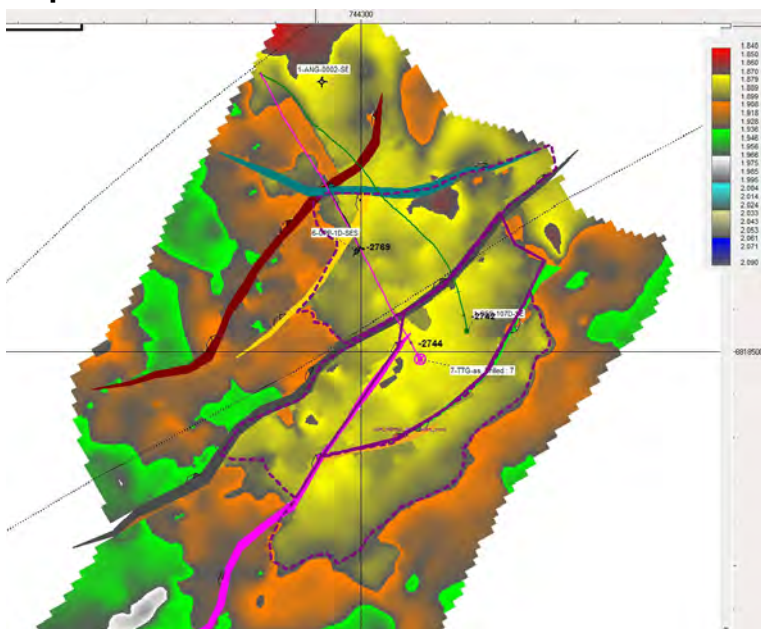
TARTARUGA BLOCK
SERGIPE-ALAGOAS BASIN, BRAZIL

RESERVE CATEGORY MAP
Penedo 2 Formation

JAN. 2017 JOB No. 6290 FIGURE No. 3b



Depth Structure on Penedo 4 Formation



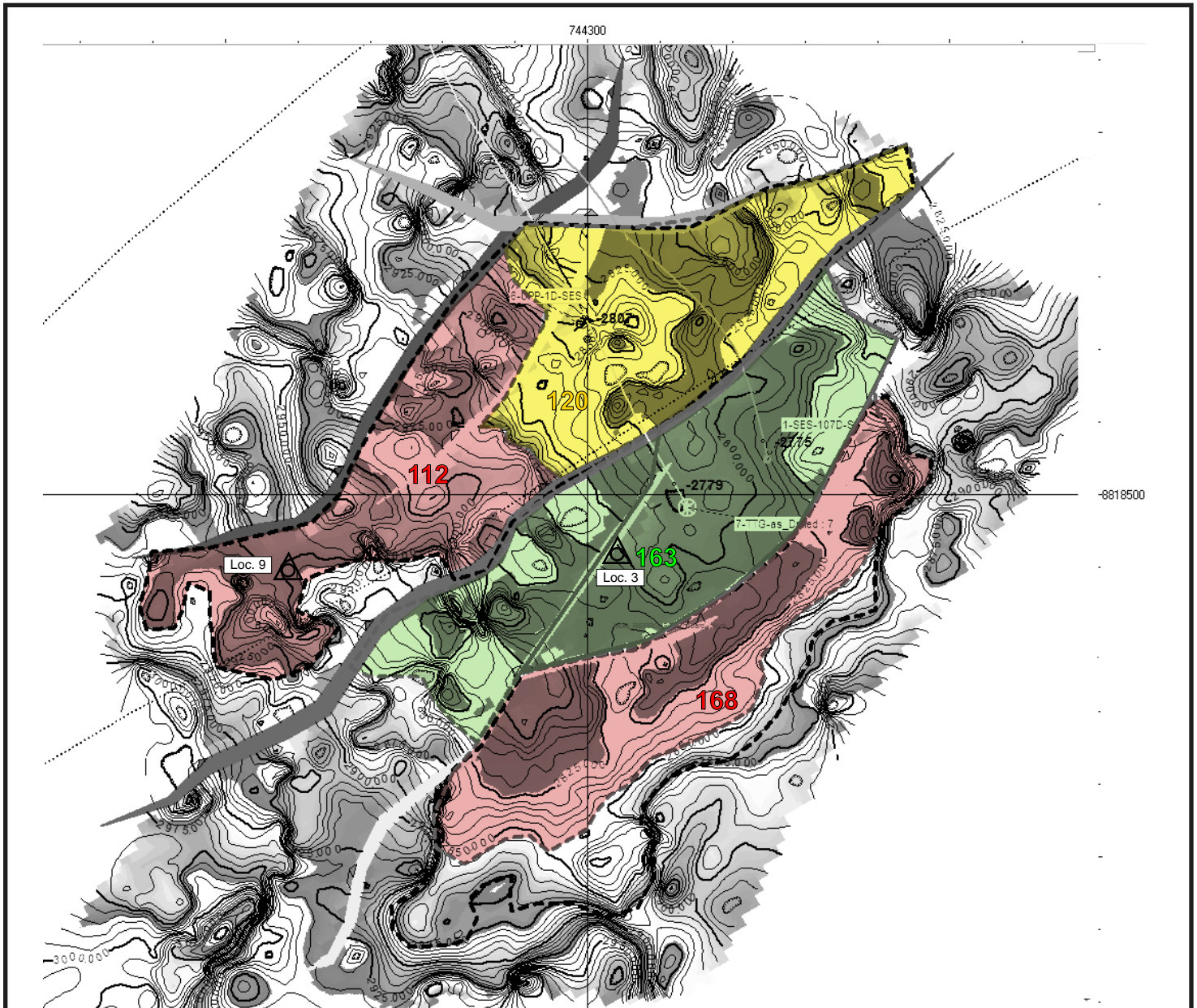
- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROBABLE RESERVES - 163 ACRES
 - POSSIBLE RESERVES - 288 ACRES
- } TOTAL 451 ACRES

MAHA ENERGY INC.

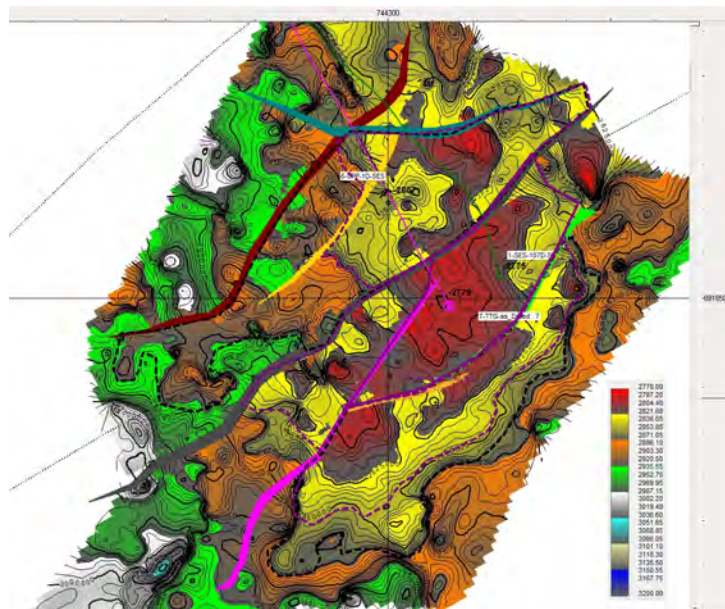
TARTARUGA BLOCK
 SERGIPE-ALAGOAS BASIN, BRAZIL

RESERVE CATEGORY MAP
 Penedo 4 Formation

JAN. 2017 JOB No. 6290 FIGURE No. 3c



Depth Structure on Penedo 6 Formation



- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROVED RESERVES - 163 ACRES
 - PROBABLE RESERVES - 120 ACRES
 - POSSIBLE RESERVES - 280 ACRES
- } TOTAL 563 ACRES

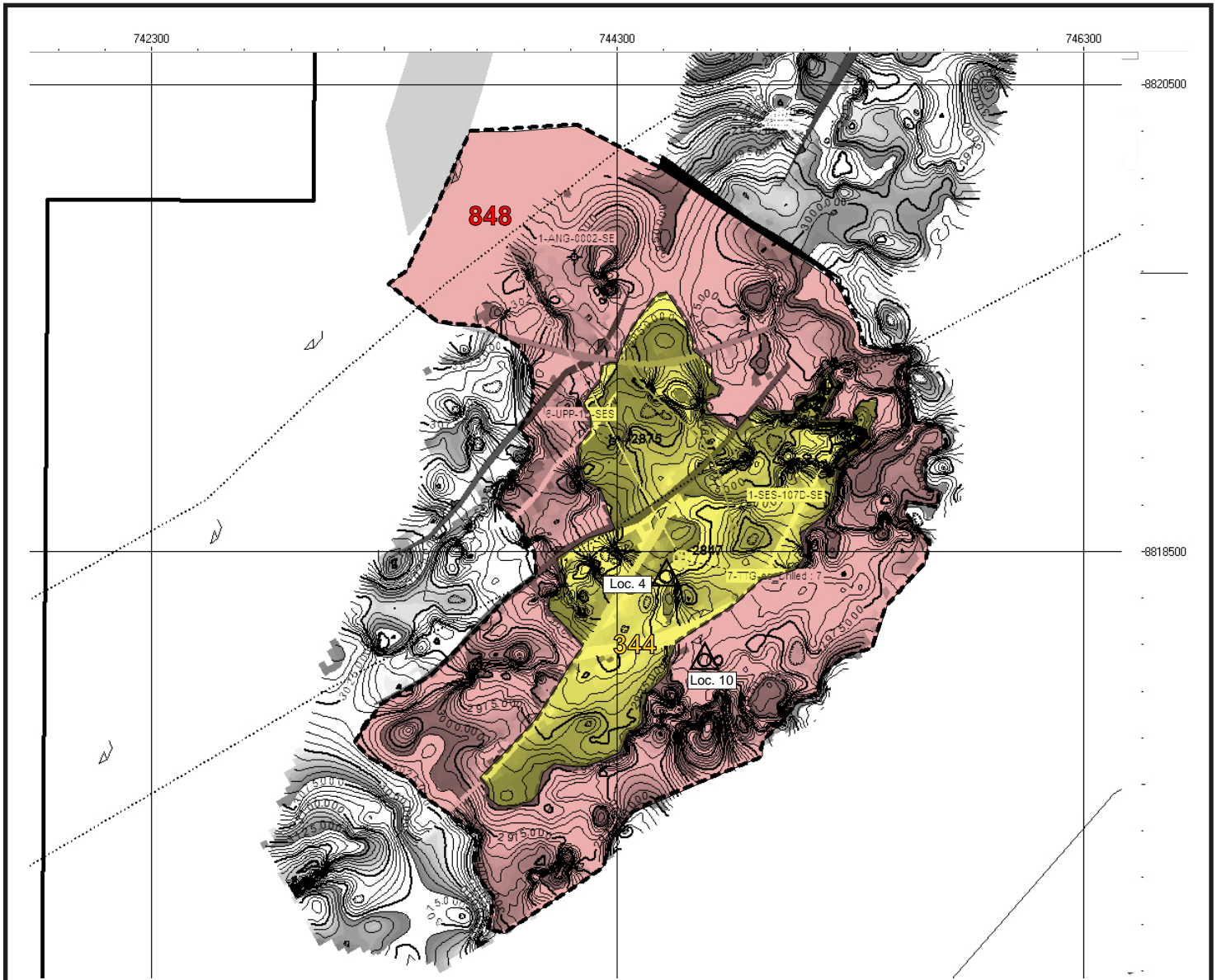
MAHA ENERGY INC.

TARTARUGA BLOCK
 SERGIPE-ALAGOAS BASIN, BRAZIL

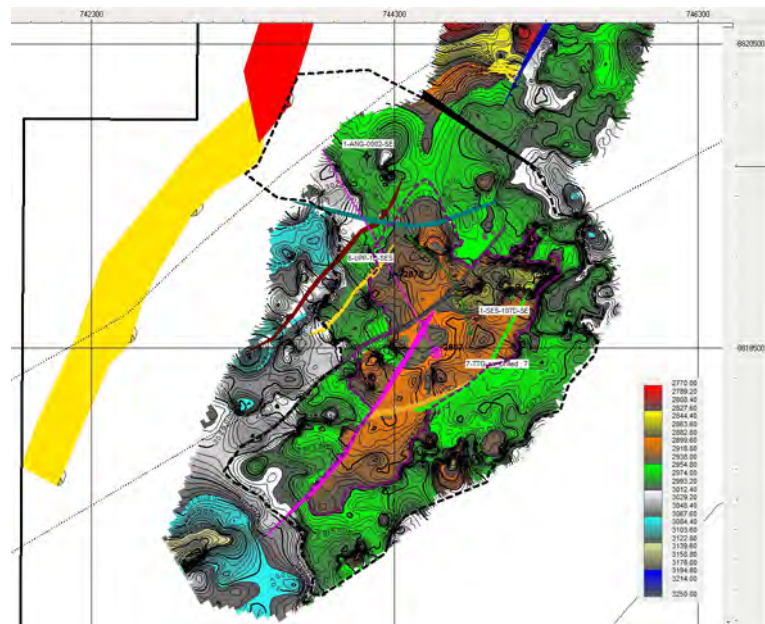
RESERVE CATEGORY MAP
 Penedo 6 Formation

JAN. 2017 JOB No. 6290 FIGURE No. 3d

Source: Rincon Energy, LLC Presentation 2015, p. 56



Depth Structure on Penedo 9 Formation



- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROBABLE RESERVES - 344 ACRES
 - POSSIBLE RESERVES - 848 ACRES
- } TOTAL
1192 ACRES

MAHA ENERGY INC.

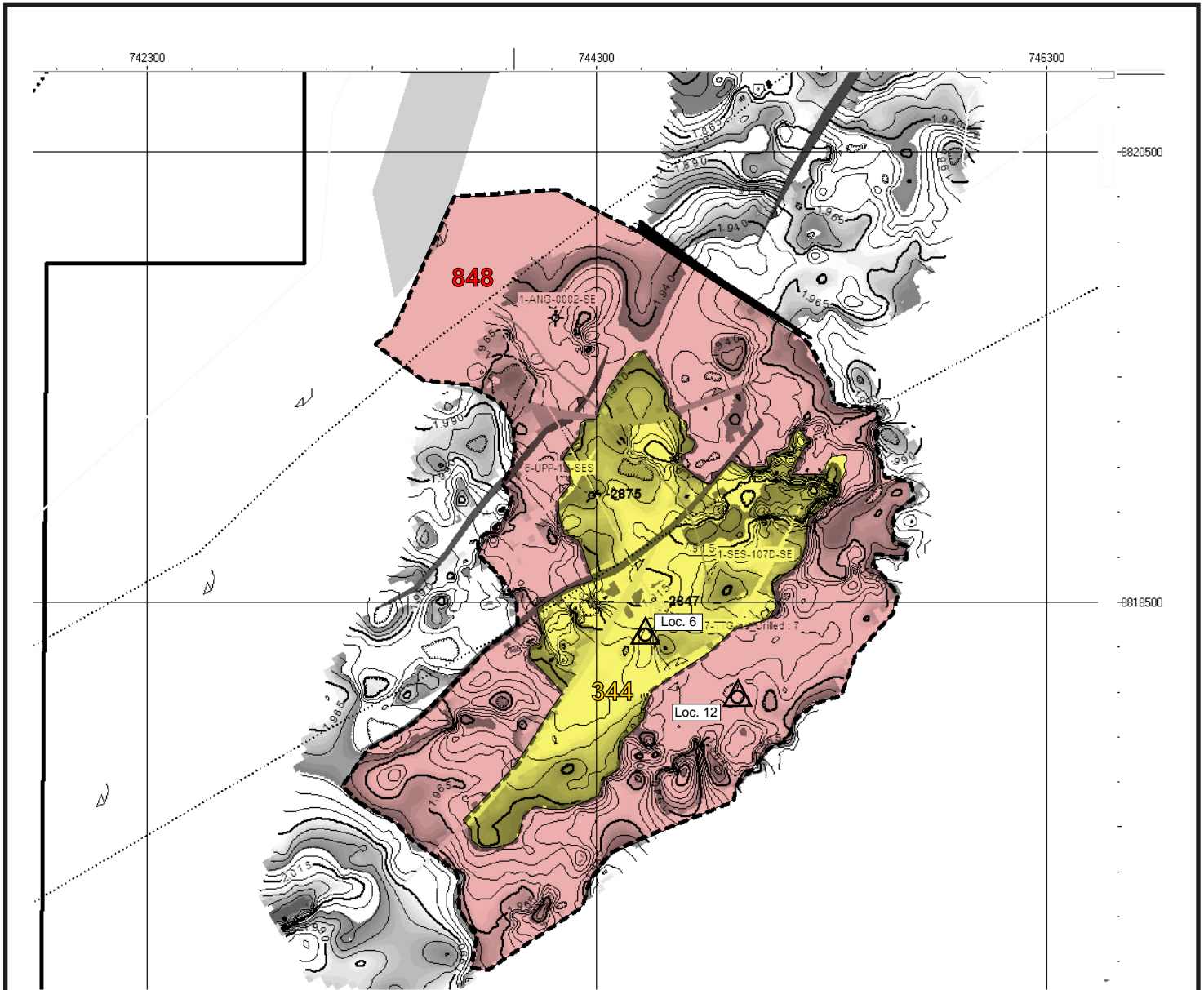
TARTARUGA BLOCK

SERGIPE-ALAGOAS BASIN, BRAZIL

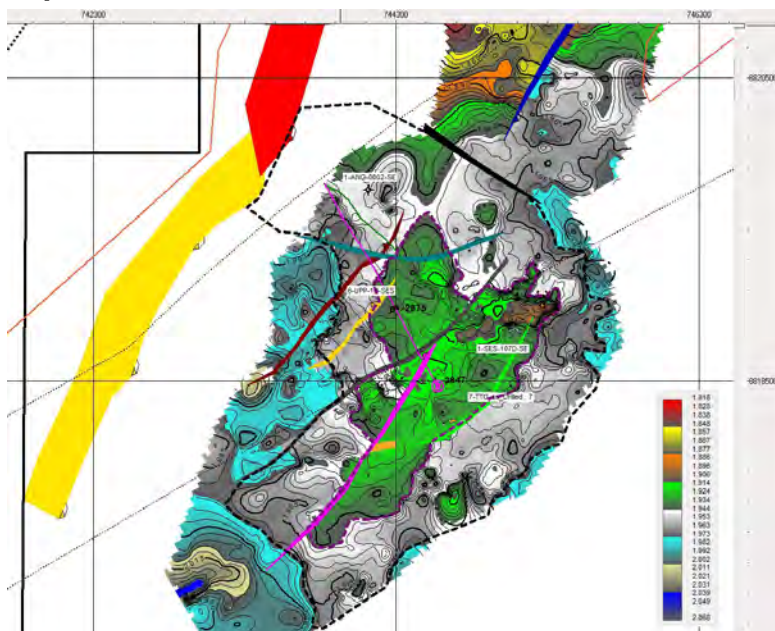
RESERVE CATEGORY MAP

Penedo 9 Formation

JAN. 2017 JOB No. 6290 FIGURE No. 3e



Depth Structure on Penedo 10&11 Formations



- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROBABLE RESERVES - 344 ACRES
 - POSSIBLE RESERVES - 848 ACRES
- } TOTAL 1192 ACRES

MAHA ENERGY INC.

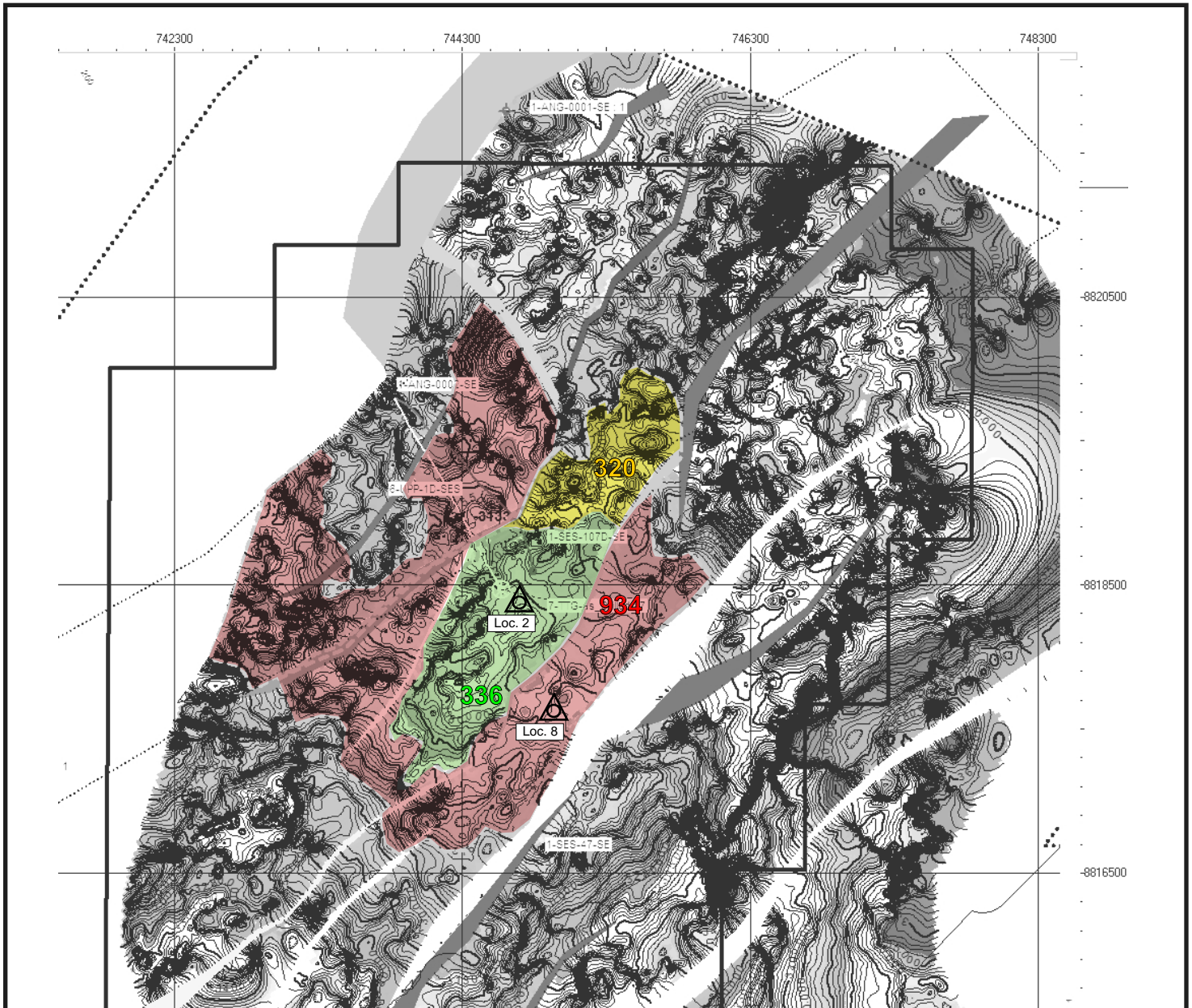
TARTARUGA BLOCK

SERGIPE-ALAGOAS BASIN, BRAZIL

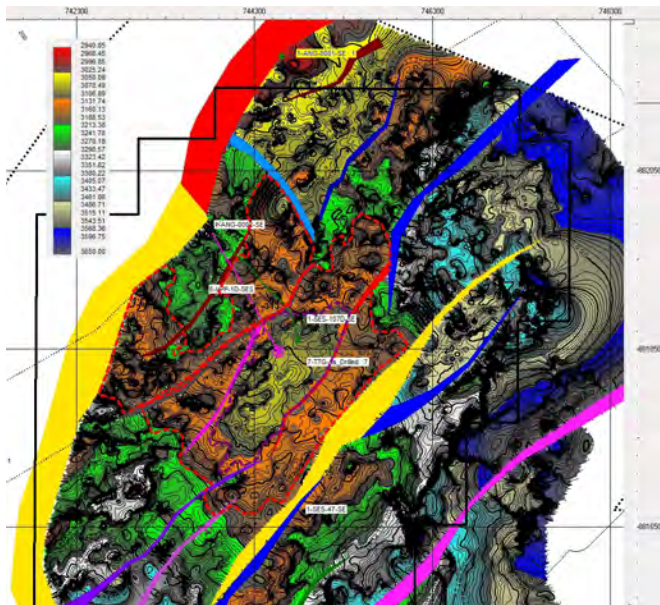
RESERVE CATEGORY MAP

Penedo 10 and 11 Formations

JAN. 2017 JOB No. 6290 FIGURE No. 3f



Depth Structure on Penedo 13 Formation



- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROVED RESERVES - 336 ACRES
 - PROBABLE RESERVES - 320 ACRES
 - POSSIBLE RESERVES - 934 ACRES
- } TOTAL 1590 ACRES

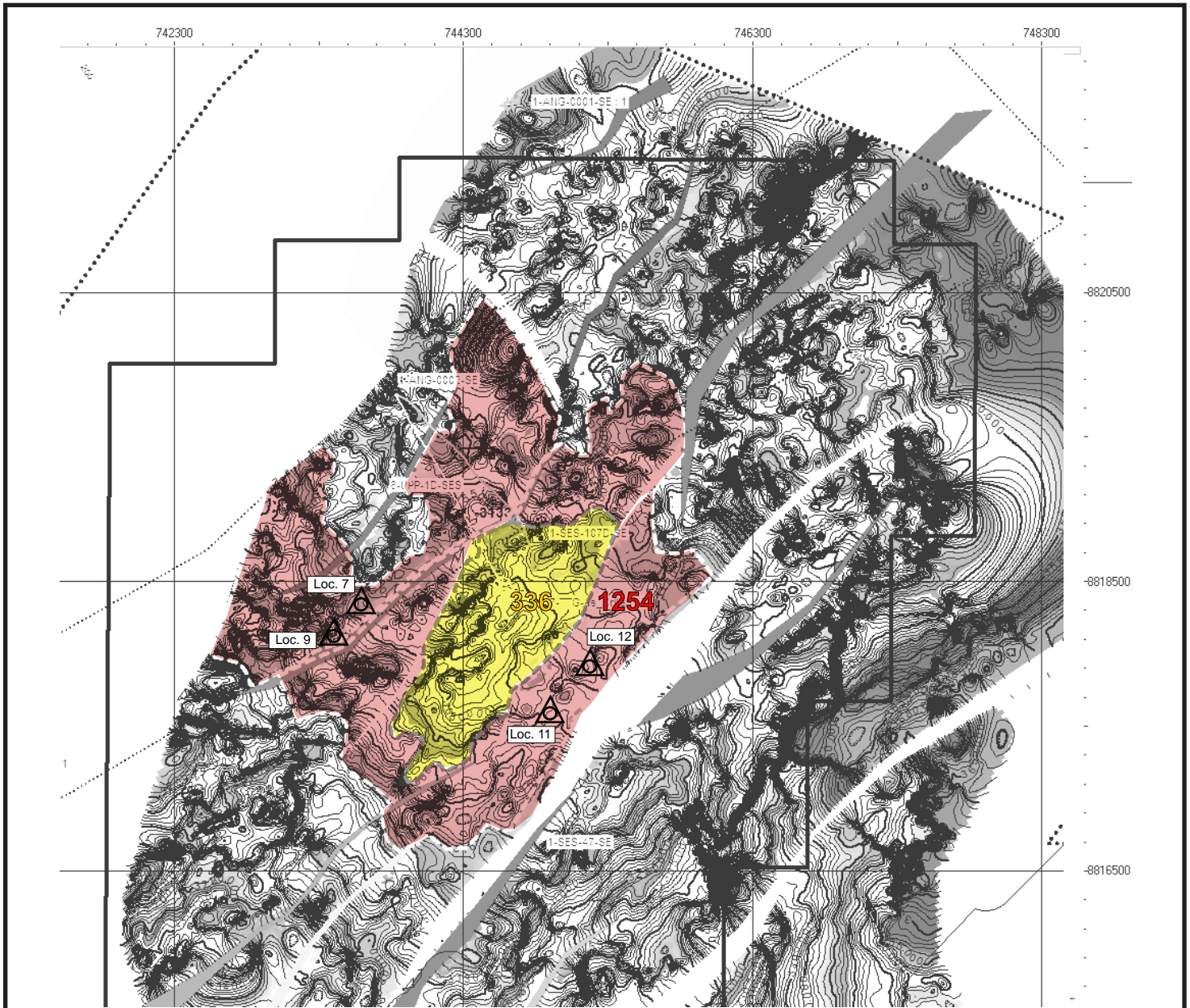
MAHA ENERGY INC.

TARTARUGA BLOCK
 SERGIPE-ALAGOAS BASIN, BRAZIL

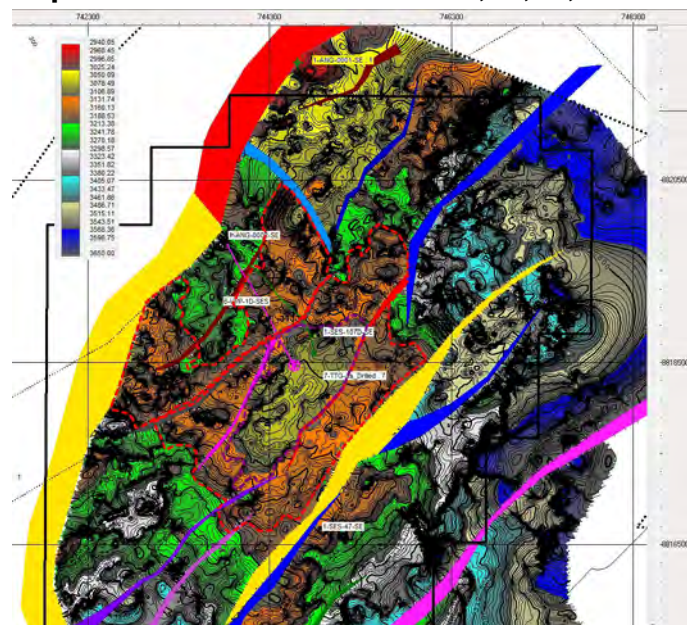
RESERVE CATEGORY MAP
Penedo 13 Formation

JAN. 2017 JOB No. 6290 FIGURE No. 3g

Source: Rincon Energy, LLC Presentation 2015, p. 78



Depth Structure on Penedo 14,15,18,19 Formations



- PROPOSED LOCATION
 - △ WELL OF INTEREST
 - PROBABLE RESERVES - 336 ACRES
 - POSSIBLE RESERVES - 1254 ACRES
- } TOTAL
1590 ACRES

MAHA ENERGY INC.

TARTARUGA BLOCK
 SERGIPE-ALAGOAS BASIN, BRAZIL

RESERVE CATEGORY MAP
Penedo 14,15,18,19 Formations

JAN. 2017 JOB No. 6290 FIGURE No. 3h

PRODUCTION HISTORY GRAPH
(Calendar Day)

SES 107D

Tartaruga
Penedo 1

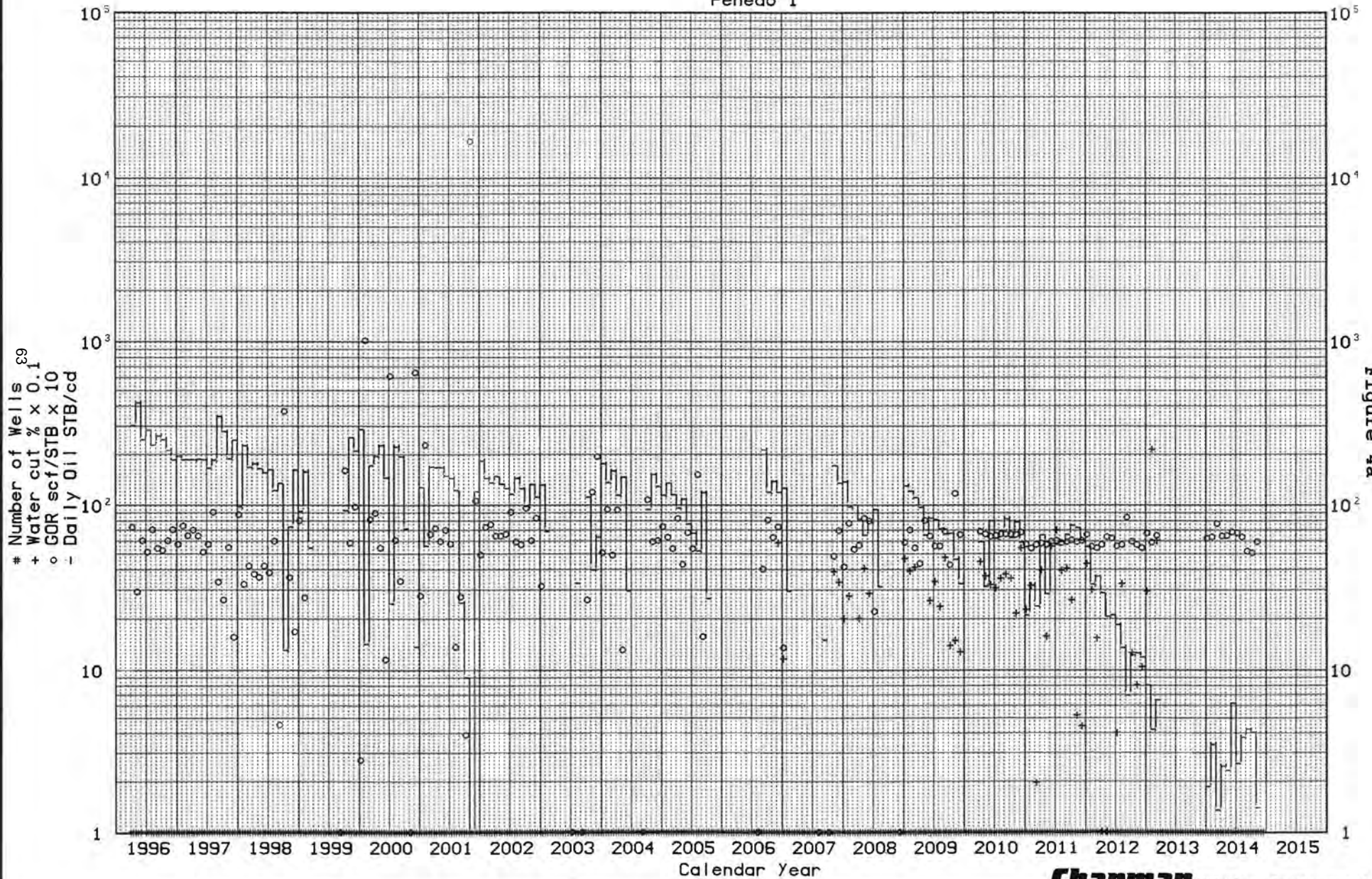


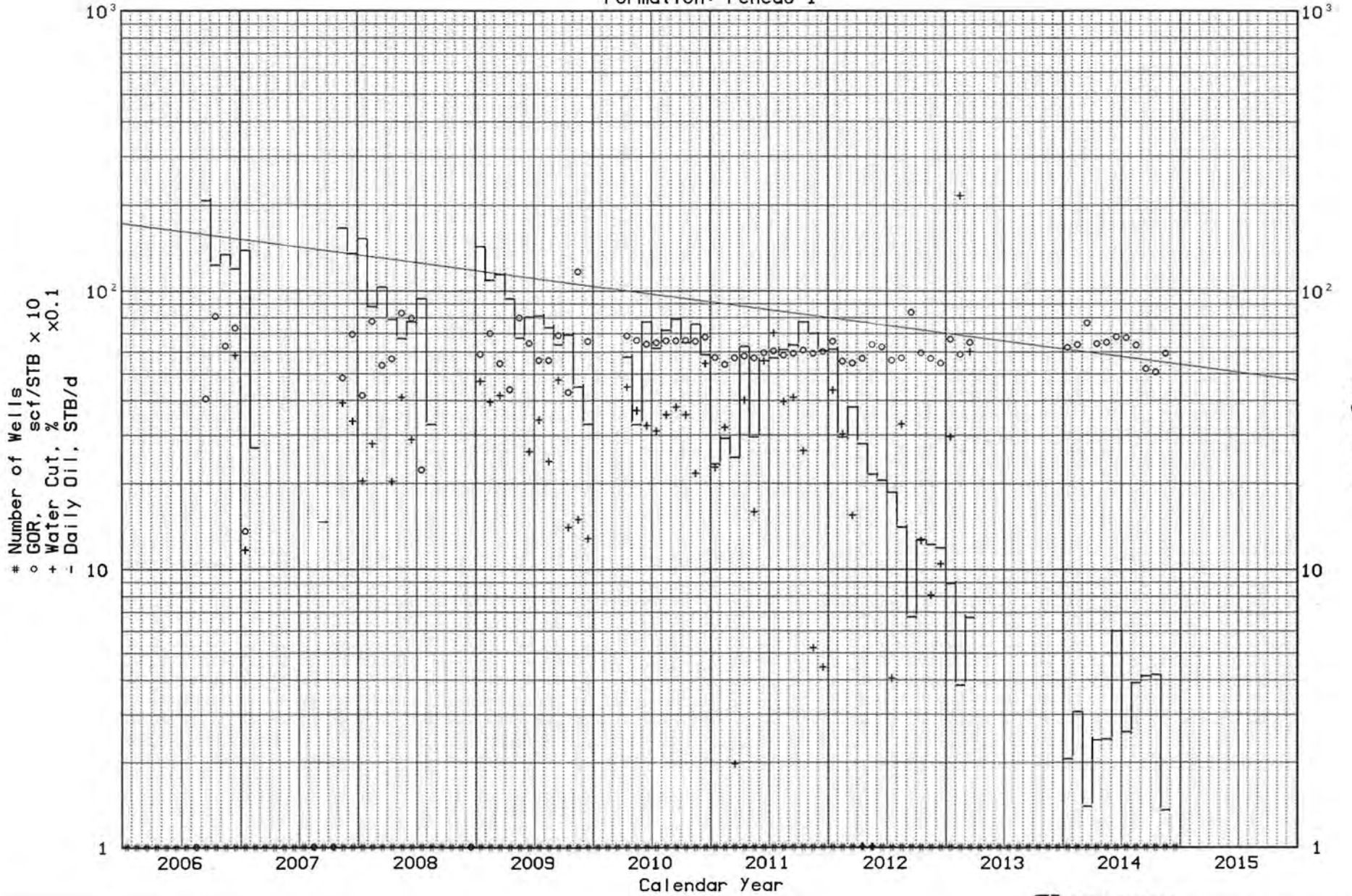
Figure 4a

PRODUCTION HISTORY

Proved Developed Producing

SES 107D

Field: Tartaruga
Formation: Penedo 1



PRODUCTION HISTORY

Proved Undeveloped

SES 107

Field: Tartaruga
Formation: Penedo 6

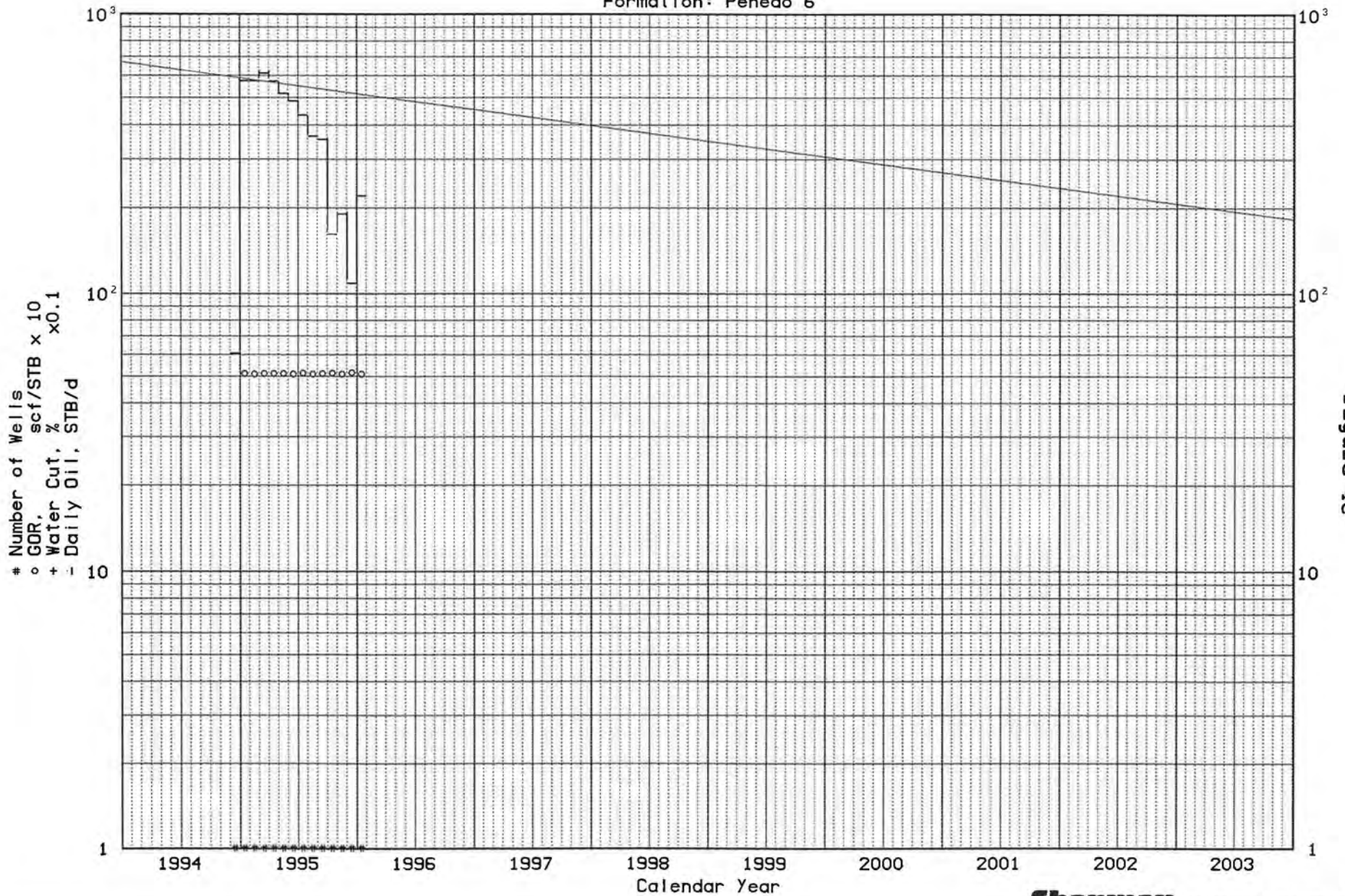


Figure 4c

Proved Developed Producing

PRODUCTION HISTORY

7TTG

Field: Tartaruga
Formation: Penedo S + 6A

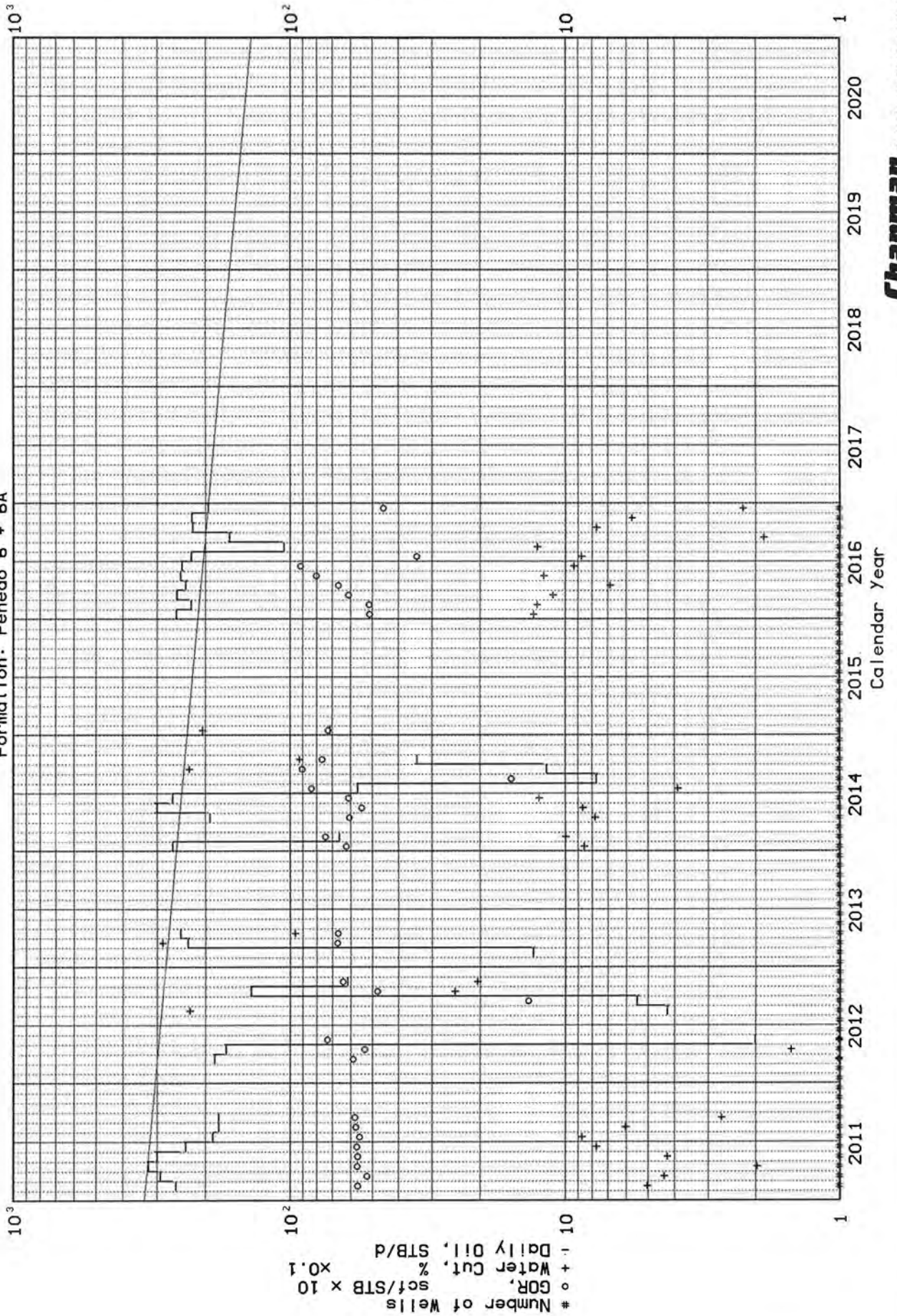


Table 3a

**Summary of Anticipated Capital Expenditures
Development**

January 1 2017

Maha Energy Inc.

Tartaruga Field, Aracaju, Brazil

<u>Description</u>	<u>Date</u>	<u>Operation</u>	<u>Capital Interest %</u>	<u>Gross Capital M\$</u>	<u>Net Capital M\$</u>
<u>Proved Developed Producing</u>					
Well 107D	Jan-17	Workover and recompletion	75.0000	750	563
Total Proved Developed Producing				750	563
<u>Proved Undeveloped</u>					
Well 107D HZ Sidetrack	Aug-17	Horizontal Sidetrack and Completion	75.0000	5,000	3,750
Offset Development	Aug-18	Horizontal Drilling and Subsequent Recompletion	75.0000	8,000	6,000
Total Proved Undeveloped				13,000	9,750
Total Proved				13,750	10,313
<u>Probable</u>					
Location 1 Pen1 HZ	Jan-19	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 2 Pen13 HZ	Sep-19	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 3 Pen6 HZ	Nov-20	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 4 Pen2 HZ	Jan-20	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 5 Pen4 HZ	Mar-20	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 6 Pen10 HZ	May-20	Offset Horizontal Drilling, completion, and facilities	75.0000	7,000	5,250
Offset Development	Aug-18	Subsequent Recompletion	75.0000	1,000	750
Total Probable				53,000	39,750
Total Proved Plus Probable				66,750	50,063
<u>Possible</u>					
Location 7	Aug-21	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 8	Jan-21	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 9	Mar-21	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 10	May-21	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 11	Jul-21	Offset Horizontal Drilling, completion, and facilities	75.0000	9,000	6,750
Location 12	Sep-21	Offset Horizontal Drilling, completion, and facilities	75.0000	7,000	5,250
6 Locations	Aug -22	Subsequent recompletions	75.0000	6,000	4,500
6 Locations	Aug -23	Workovers	75.0000	6,000	4,500
Total Possible				64,000	48,000
Total Proved Plus Probable Plus Possible				130,750	98,063

Note: M\$ means thousands of dollars.

The above capital values are expressed in terms of current dollar values without escalation.

Unless details are known, drilling costs have been split 70% Intangible and 30% Tangible for tax purposes

Table 3b
Summary of Anticipated Capital Expenditures
Abandonment and Restoration

January 1 2017

Maha Energy Inc.

Tartaruga Field, Aracaju, Brazil

Description	Well Parameters	Capital Interest %	Gross Capital M\$	Net Capital M\$
107D	Abandon and reclaim the land	75.0000	150	113
7TTG	Abandon and reclaim the land	75.0000	150	113
Well 107D HZ Sidetrack	Abandon and reclaim the land	75.0000	500	375
Offset Development	Abandon and reclaim the land	75.0000	800	600
Location 1	Abandon and reclaim the land	75.0000	900	675
Location 2	Abandon and reclaim the land	75.0000	900	675
Location 3	Abandon and reclaim the land	75.0000	900	675
Location 4	Abandon and reclaim the land	75.0000	900	675
Location 5	Abandon and reclaim the land	75.0000	900	675
Location 6	Abandon and reclaim the land	75.0000	700	525
Location 7	Abandon and reclaim the land	75.0000	900	675
Location 8	Abandon and reclaim the land	75.0000	900	675
Location 9	Abandon and reclaim the land	75.0000	900	675
Location 10	Abandon and reclaim the land	75.0000	900	675
Location 11	Abandon and reclaim the land	75.0000	900	675
Location 12	Abandon and reclaim the land	75.0000	700	525
Total Abandonment and Restoration			12,000	9,000

Note: **M\$ means thousands of dollars.**

The above capital values are expressed in terms of current dollar values without escalation.

Table 4
Summary of Company Reserves and Economics
Before Income Tax

Forecast Prices & Costs

January 1, 2017

Maha Energy Inc.

Tartaruga Field, Aracaju, Brazil

Description	Net To Appraised Interest											
	Reserves						Cumulative Cash Flow (BIT) - M\$					
	Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbbls		Discounted at:					
	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year	
Proved Developed Producing												
Well 107D & Well 7TTG	Penedo 1&6	307	233	215	163	0	0	11,606	9,787	8,456	7,499	6,665
Total Proved Developed Producing		307	233	215	163	0	0	11,606	9,787	8,456	7,499	6,665
Proved Undeveloped												
P1 HZ Stk & P13	Penedo 1&13	448	341	314	239	0	0	13,432	8,147	4,820	2,590	1,162
Total Proved Undeveloped		448	341	314	239	0	0	13,432	8,147	4,820	2,590	1,162
Total Proved		755	574	529	402	0	0	25,038	17,934	13,276	10,089	7,827
Probable												
Probable Undeveloped												
Locations 1-6	Various Formations	3,183	2,421	2,228	1,693	0	0	145,610	84,231	51,514	32,742	21,329
Total Probable Undeveloped		3,183	2,421	2,228	1,693	0	0	145,610	84,231	51,514	32,742	21,329
Total Proved Plus Probable		3,938	2,995	2,757	2,094	0	0	170,648	102,166	64,790	42,831	29,156
Possible												
Locations 7-12	Various Formations	6,271	4,764	4,389	3,334	0	0	348,781	190,170	113,208	71,740	47,592
Total Possible		6,271	4,764	4,389	3,334	0	0	348,781	190,170	113,208	71,740	47,592
Total Proved Plus Probable Plus Possible		10,208	7,758	7,146	5,429	0	0	519,429	292,336	177,999	114,572	76,748

M\$ means thousands of United States dollars.

Gross reserves are the total of the Company's working and/or royalty interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 4T
Summary of Company Reserves and Economics
After Income Tax
January 1, 2017

Forecast Prices & Costs

Maha Energy Inc.

Description	Reserves						Cumulative Cash Flow - M\$				
	Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbbls		Undisc.	Discounted at:			
	Gross	Net	Gross	Net	Gross	Net		5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BIT)	307	233	215	163	0	0	11,606	9,787	8,456	7,499	6,655
Company Income Tax	-	-	-	-	-	-	(2,322)	(1,809)	(1,460)	(1,252)	(1,030)
Total Proved Developed Producing (AIT)	307	233	215	163	0	0	9,284	7,978	6,996	6,237	5,635
Proved Undeveloped											
Total Proved Undeveloped (BIT)	448	341	314	239	0	0	13,432	8,147	4,820	2,590	1,162
Company Income Tax	-	-	-	-	-	-	(4,899)	(3,422)	(2,508)	(1,862)	(1,504)
Total Proved Undeveloped (AIT)	448	341	314	239	0	0	8,533	4,725	2,312	728	(342)
Total Proved (AIT)	755	574	529	402	0	0	17,818	12,703	9,309	6,966	5,294
Probable											
Total Probable (BIT)	3,183	2,421	2,228	1,693	0	0	145,610	84,231	51,514	32,742	21,329
Company Income Tax	-	-	-	-	-	-	(50,835)	(31,969)	(21,684)	(15,540)	(11,609)
Total Probable (AIT)	3,183	2,421	2,228	1,693	0	0	94,775	52,263	29,830	17,202	9,720
Total Proved Plus Probable (AIT)	3,938	2,995	2,757	2,094	0	0	112,593	64,966	39,139	24,168	15,014
Possible											
Total Possible (BIT)	6,271	4,764	4,389	3,334	0	0	348,781	190,170	113,208	71,740	47,592
Company Income Tax	-	-	-	-	-	-	(119,911)	(73,004)	(44,227)	(29,127)	(20,285)
Total Possible (AIT)	6,271	4,764	4,389	3,334	0	0	228,870	117,166	68,981	42,613	27,307
Total Proved Plus Probable Plus Possible (AIT)	10,208	7,759	7,146	5,428	0	0	341,463	182,132	108,120	66,781	42,321

M\$ means thousands of United States dollars.

Gross reserves are the total of the Company's working and/or royalty interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 1a

EVALUATION OF: Tartaruga Field, Aracaju, Brazil - Proved Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 22-FEB-2017 6290.
 BFF:01-JAN-2017 DISC:01-JAN-2017 PROD:01-JAN-2017
 RUN DATE: 22-FEB-2017 TIME: 8:00
 FILE: CtarPP1.DAX

WELL/LOCATION - Well 107D (Penedo 1) & Well 7TTG (Penedo 6)
 EVALUATED BY -
 COMPANY EVALUATED - Maha Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 409785 STB
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL
 TOTAL CAPITAL COSTS - 750 -M\$-
 TOTAL ABANDONMENT - 300 -M\$- (2032)

INTEREST
 AVG WI 75.0000%

ROYALTIES/TAXES
 STATE + AVG CROWN 24.03%

Year	# of Wells	Oil STB						Sales Gas MMCP					
		Price \$/STB	Pool		Company Share		Price \$/MCP	Pool		Company Share			
			STB/D	Vol	Gross	Net		MCP/D	Vol	Gross	Net		
2017	2	54.70	250.0	91250	68438	51990	0	4.34	175.0	54	48	16	
2018	2	59.90	188.0	68620	51465	39096	0	4.39	131.6	48	36	27	
2019	2	65.10	143.0	52195	39146	29738	0	4.49	100.1	37	27	21	
2020	2	70.30	110.0	40150	30113	22875	0	4.69	77.0	28	21	16	
2021	2	72.90	86.0	31390	23543	17884	0	4.79	60.2	22	16	13	
2022	2	75.50	69.0	25185	18889	14349	0	4.99	48.3	18	13	10	
2023	2	78.10	56.0	20440	15330	11646	0	5.14	39.2	14	11	8	
2024	2	80.70	46.0	16790	12593	9566	0	5.39	32.2	12	9	7	
2025	2	83.30	39.0	14235	10676	8110	0	5.54	27.3	10	7	6	
2026	2	85.90	24.0	8760	6570	4991	0	5.59	16.8	6	5	3	
2027	2	88.50	23.0	8395	6296	4783	0	5.69	16.1	6	4	3	
2028	2	90.32	21.0	7665	5749	4357	0	5.79	14.7	5	4	3	
2029	2	92.18	19.0	6935	5201	3951	0	5.89	13.3	5	4	3	
2030	2	94.07	18.0	6570	4928	3743	0	5.94	12.6	5	3	3	
2031	2	96.00	16.0	5840	4380	3327	0	6.04	11.2	4	3	2	
SUB				404420	303315	230418				283	212	161	
REM				5365	4024	3057				4	3	2	
TOT				409785	307339	233475				287	215	163	

= P/T = COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs -M\$-	Future Revenue (FR)				Royalties				Operating Costs			FR After Roy & Oper -M\$-	Net back Income \$/STB	Proc & Other Costs -M\$-	Cap'l Costs -M\$-	Aband Costs -M\$-	Future Net Rev	
		Oil -M\$-	Sale Gas -M\$-	Products -M\$-	Total -M\$-	State -M\$-	Other -M\$-	Mineral -M\$-	- %	Fixed -M\$-	Variable -M\$-	\$/STB						Undisc -M\$-	10.0% -M\$-
2017	750	3744	208	0	3951	950	0	0	24.0	255	99	5.17	2648	38.69	0	563	0	2086	1988
2018	0	3083	158	0	3241	779	0	0	24.0	255	74	6.40	2133	41.44	0	0	0	2133	1849
2019	0	2548	123	0	2671	642	0	0	24.0	255	56	7.96	1718	43.88	0	0	0	1718	1354
2020	0	2117	99	0	2216	533	0	0	24.0	255	43	9.92	1385	45.98	0	0	0	1385	992
2021	0	1716	79	0	1795	431	0	0	24.0	255	34	12.28	1075	45.65	0	0	0	1075	700
2022	0	1426	66	0	1492	359	0	0	24.0	255	27	14.95	851	45.06	0	0	0	851	504
2023	0	1197	55	0	1252	301	0	0	24.0	255	22	18.09	674	43.97	0	0	0	674	363
2024	0	1016	48	0	1064	256	0	0	24.0	255	18	21.71	535	42.46	0	0	0	535	262
2025	0	889	41	0	931	224	0	0	24.0	255	15	25.35	436	40.88	0	0	0	436	194
2026	0	564	26	0	590	142	0	0	24.0	255	9	40.29	184	27.94	0	0	0	184	74
2027	0	557	25	0	582	140	0	0	24.0	255	9	41.98	178	28.28	0	0	0	178	65
2028	0	519	23	0	543	130	0	0	24.0	255	8	45.84	149	25.86	0	0	0	149	50
2029	0	479	21	0	501	120	0	0	24.0	255	7	50.51	118	22.65	0	0	0	118	36
2030	0	464	20	0	484	116	0	0	24.0	255	7	53.24	105	21.39	0	0	0	105	29
2031	0	420	19	0	439	106	0	0	24.0	255	6	59.71	72	16.43	0	0	0	72	18
SUB	750	20741	1011	0	21753	5228	0	0	24.0	3828	437		12260		0	563	0	11697	8477
REM	300	394	17	0	412	99	0	0	24.0	173	6		134		0	0	225	-91	-21
TOT	1050	21135	1029	0	22164	5327	0	0	24.0	4002	443		12393		0	563	225	11606	8456

NET PRESENT VALUE (-M\$-)

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	12393	10442	9552	9044	8592	7999	7192
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	563	549	541	536	532	525	513
Abandonment Costs	225	106	68	51	39	26	13
Future Net Revenue	11606	9787	8942	8456	8021	7449	6665

COMPANY SHARE						
1st Year	Average	Royalties	Oper Costs	FR After Roy & Oper	Capital Costs	Future Net Rev
% Interest	75.0	75.0				
% of Future Revenue			24.0	20.1	55.9	2.5
						52.4

PROFITABILITY

COMPANY SHARE BASIS	Before Tax
Rate of Return (%)	999.9
Profit Index (undisc.)	14.7
(disc. @ 10.0%)	14.4
(disc. @ 5.0%)	15.0
First Payout (years)	.3
Total Payout (years)	.3
Cost of Finding (\$/BOE)	2.29
NPV @ 10.0% (\$/STB)	27.51
NPV @ 5.0% (\$/STB)	31.84

Table 4a
Summary of Company Reserves and Economics
After Income Tax
January 1, 2017
Maha Energy Inc.
Proved Developed Producing

Year	Net Operating Income M\$	Tax Loss Claim M\$	Available Capital Deduction M\$	Carry Forward M\$	Total Applied Deductions M\$	Net Taxable Income M\$	Income Tax M\$	Capital Expenditures & Abandonment M\$	After Tax Cash Flow (Undiscounted) M\$	Discounted @				
										5%	10%	15%	20%	
										M\$	M\$	M\$	M\$	
2017	2648	\$ 1,667	\$ 125	\$ -	\$ 1,792	\$ 856	\$ 291	\$ 563	\$ 1,794	1,751	1,711	1,673	1,638	
2018	2133	\$ 1,667	\$ 94	\$ -	\$ 1,761	\$ 372	\$ 127		\$ 2,006	1,865	1,739	1,627	1,526	
2019	1718	\$ 1,667	\$ 71	\$ 20	\$ 1,718	\$ -	\$ -		\$ 1,718	1,521	1,354	1,211	1,089	
2020	1385	\$ -	\$ 75	\$ -	\$ 75	\$ 1,310	\$ 445		\$ 940	792	673	576	496	
2021	1075	\$ -	\$ 43	\$ -	\$ 43	\$ 1,032	\$ 351		\$ 724	581	472	386	319	
2022	851	\$ -	\$ 34	\$ -	\$ 34	\$ 817	\$ 278		\$ 573	438	339	266	210	
2023	674	\$ -	\$ 28	\$ -	\$ 28	\$ 646	\$ 220		\$ 454	331	245	183	139	
2024	535	\$ -	\$ 23	\$ -	\$ 23	\$ 512	\$ 174		\$ 361	250	177	127	92	
2025	436	\$ -	\$ 19	\$ -	\$ 19	\$ 417	\$ 142		\$ 294	194	131	90	62	
2026	184	\$ -	\$ 12	\$ -	\$ 12	\$ 172	\$ 58		\$ 126	79	51	33	22	
2027	178	\$ -	\$ 11	\$ -	\$ 11	\$ 167	\$ 57		\$ 121	73	45	28	18	
2028	149	\$ -	\$ 10	\$ -	\$ 10	\$ 139	\$ 47		\$ 102	58	34	20	13	
2029	118	\$ -	\$ 10	\$ -	\$ 10	\$ 108	\$ 37		\$ 81	44	25	14	8	
2030	105	\$ -	\$ 9	\$ -	\$ 9	\$ 96	\$ 33		\$ 72	37	20	11	6	
2031	72	\$ -	\$ 8	\$ -	\$ 8	\$ 64	\$ 22		\$ 50	25	13	7	4	
2032	134	\$ -	\$ 8	\$ -	\$ 8	\$ 126	\$ 43	\$ 225	\$ -134	-63	-31	-15	-8	
Total	12395	5000	583	20	5563	6832	2323	788	9,284	7,978	6,996	6,237	5,635	
							Combined Tax Rate Rate							
							34%							

Table 4b

EVALUATION OF: Tartaruga Field, Aracaju, Brazil - Total Proved

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 22-FEB-2017 6290.
 RPF:01-JAN-2017 DISC:01-JAN-2017 PROD:01-JAN-2017
 RUN DATE: 22-FEB-2017 TIME: 8:01
 FILE: OtartP1.DAX

WELL/LOCATION - 2 Producing wells and 2 PUDs (Various Formations)
 EVALUATED BY -
 COMPANY EVALUATED - Maha Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 1007 MSTB
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL
 TOTAL CAPITAL COSTS - 13750 -M\$-
 TOTAL ABANDONMENT - 1600 -M\$- (2032)

INTEREST

AVG WI 75.0000%

ROYALTIES/TAXES

STATE + AVG CROWN 24.03%

Year	# of Wells	Price \$/STB	Oil MSTB				Sales Gas MMCF					
			Pool		Company Share		Pool		Company Share			
			STB/D	Vol	Gross	Net	MCF/D	Vol	Gross	Net		
2017	3	54.70	318.0	116	87	66	0	4.34	222.6	81	61	46
2018	4	59.90	171.0	135	102	77	0	4.39	259.7	95	71	54
2019	4	65.10	385.0	141	105	80	0	4.49	269.5	98	74	56
2020	4	70.30	304.0	111	83	63	0	4.69	212.8	78	58	44
2021	4	72.90	246.0	90	67	51	0	4.79	172.2	63	47	36
2022	4	75.50	203.0	74	56	42	0	4.99	142.1	52	39	30
2023	3	78.10	163.0	59	45	34	0	5.14	114.1	42	31	24
2024	3	80.70	141.0	51	39	29	0	5.39	98.7	36	27	21
2025	3	83.30	123.0	45	34	26	0	5.54	86.1	31	24	18
2026	2	85.90	98.0	36	27	20	0	5.59	68.6	25	19	14
2027	2	88.50	88.0	32	24	18	0	5.69	61.6	22	17	13
2028	2	90.32	79.0	29	22	16	0	5.79	55.3	20	15	12
2029	2	92.18	70.0	26	19	15	0	5.89	49.0	18	13	10
2030	2	94.07	63.0	23	17	13	0	5.94	44.1	16	12	9
2031	2	96.00	56.0	20	15	12	0	6.04	39.2	14	11	8
SUB				988	741	563				692	519	394
REM				18	14	11				13	10	7
TOT				1007	755	574				705	529	402

= P/T =

COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs -M\$-	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper -M\$-	Net back Income \$/STB	Proc& Other Costs -M\$-	Aband Costs -M\$-	Future Net Rev			
		Oil -M\$-	SaleGas -M\$-	Products -M\$-	Total -M\$-	State -M\$-	Other -M\$-	Mineral -M\$-	Fixed -M\$-	Variable -M\$-	\$/STB					Undisc -M\$-	10.0% -M\$-		
2017	5750	4762	264	0	5026	1208	0	0	24.0	383	125	5.84	3310	38.02	0	4313	0	-1002	-956
2018	8000	6084	312	0	6396	1537	0	0	24.0	510	146	6.47	4202	41.37	0	6000	0	-1798	-1559
2019	0	6861	331	0	7192	1729	0	0	24.0	510	152	6.28	4802	45.56	0	0	0	4802	3784
2020	0	5850	273	0	6124	1472	0	0	24.0	510	120	7.57	4022	48.33	0	0	0	4022	2881
2021	0	4909	226	0	5135	1234	0	0	24.0	510	97	9.02	3294	48.91	0	0	0	3294	2145
2022	0	4196	194	0	4390	1055	0	0	24.0	510	80	10.63	2744	49.38	0	0	0	2744	1625
2023	0	3485	161	0	3645	876	0	0	24.0	383	64	10.02	2322	52.04	0	0	0	2322	1250
2024	0	3115	146	0	3261	784	0	0	24.0	383	56	11.36	2039	52.81	0	0	0	2039	997
2025	0	2805	131	0	2935	705	0	0	24.0	383	48	12.81	1799	53.42	0	0	0	1799	800
2026	0	2304	105	0	2409	579	0	0	24.0	255	39	10.95	1537	57.27	0	0	0	1537	621
2027	0	2132	96	0	2228	535	0	0	24.0	255	35	12.03	1403	58.22	0	0	0	1403	516
2028	0	1953	88	0	2041	490	0	0	24.0	255	31	13.24	1264	58.45	0	0	0	1264	422
2029	0	1766	79	0	1845	444	0	0	24.0	255	28	14.76	1119	58.40	0	0	0	1119	340
2030	0	1622	72	0	1694	407	0	0	24.0	255	25	16.24	1007	58.38	0	0	0	1007	278
2031	0	1472	65	0	1536	369	0	0	24.0	255	22	18.09	890	58.05	0	0	0	890	223
SUB	13750	53317	2542	0	55858	13424	0	0	24.0	5615	1067		35752		0	10313	0	25419	13368
REM	1600	1357	60	0	1417	341	0	0	24.0	258	20		798		0	0	1200	-402	-92
TOT	15350	54674	2602	0	57276	13765	0	0	24.0	5073	1087		36550		0	10313	1200	25038	13276

NET PRESENT VALUE (-M\$-)

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	36550	28281	24781	22863	21206	19113	16400
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	10313	9785	9496	9313	9137	8887	8501
Abandonment Costs	1200	563	364	274	207	138	71
Future Net Revenue	25038	17934	14921	13276	11862	10089	7827

PROFITABILITY

COMPANY SHARE BASIS	Before Tax
Rate of Return (%)	107.3
Profit Index (undisc.)	2.2
(disc. @ 10.0%)	1.4
(disc. @ 5.0%)	1.7
First Payout (year#)	2.6
Total Payout (year#)	2.8
Cost of Finding (\$/BOE)	13.65
NPV @ 10.0% (\$/STB)	17.58
NPV @ 5.0% (\$/STB)	23.75

COMPANY SHARE

1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev	
Interest	75.0	75.0					
% of Future Revenue			24.0	12.2	63.8	18.0	43.7

Table 4b
Summary of Company Reserves and Economics
After Income Tax
January 1, 2017
Maha Energy Inc.
Total Proved

Year	Net Operating income M\$	Tax Loss Claim M\$	Available Capital Deduction M\$	Carry Forward M\$	Total Applied Deductions M\$	Net Taxable Income M\$	Income Tax M\$	Capital Expenditures & Abandonment M\$	After Tax Cash Flow (Undiscounted) M\$	Discounted @				
										5% M\$	10% M\$	15% M\$	20% M\$	
2017	3310	\$ 1,667	\$ 926	\$ -	\$ 2,593	\$ 717	\$ 244	\$ 4,313	-\$ 1,247	-1,217	-1,189	-1,163	-1,138	
2018	4202	\$ 1,667	\$ 1,747	\$ -	\$ 3,414	\$ 788	\$ 268	\$ 6,000	-\$ 2,066	-1,920	-1,791	-1,675	-1,572	
2019	4802	\$ 1,667	\$ 1,647	\$ -	\$ 3,313	\$ 1,489	\$ 506		\$ 4,296	3,803	3,385	3,029	2,723	
2020	4022	\$ -	\$ 1,208	\$ -	\$ 1,208	\$ 2,814	\$ 957		\$ 3,065	2,584	2,196	1,879	1,619	
2021	3294	\$ -	\$ 925	\$ -	\$ 925	\$ 2,369	\$ 805		\$ 2,489	1,998	1,621	1,327	1,096	
2022	2744	\$ -	\$ 735	\$ -	\$ 735	\$ 2,009	\$ 683		\$ 2,061	1,576	1,220	955	756	
2023	2322	\$ -	\$ 518	\$ -	\$ 518	\$ 1,804	\$ 613		\$ 1,709	1,244	920	689	522	
2024	2039	\$ -	\$ 456	\$ -	\$ 456	\$ 1,583	\$ 538		\$ 1,501	1,041	734	526	382	
2025	1799	\$ -	\$ 402	\$ -	\$ 402	\$ 1,397	\$ 475		\$ 1,324	875	589	404	281	
2026	1537	\$ -	\$ 350	\$ -	\$ 350	\$ 1,187	\$ 404		\$ 1,133	713	458	300	201	
2027	1403	\$ -	\$ 310	\$ -	\$ 310	\$ 1,093	\$ 372		\$ 1,031	618	379	238	152	
2028	1264	\$ -	\$ 274	\$ -	\$ 274	\$ 990	\$ 337		\$ 927	529	310	186	114	
2029	1119	\$ -	\$ 242	\$ -	\$ 242	\$ 877	\$ 298		\$ 821	446	249	143	84	
2030	1007	\$ -	\$ 214	\$ -	\$ 214	\$ 793	\$ 269		\$ 738	382	204	112	63	
2031	890	\$ -	\$ 190	\$ -	\$ 190	\$ 700	\$ 238		\$ 652	321	164	86	46	
2032	798	\$ -	\$ 168	\$ -	\$ 168	\$ 630	\$ 214	\$ 1,200	-\$ 616	-289	-141	-71	-37	
Total	36,552	5000	10,313	-	15,313	21,239	7,221	11,513	17,818	12,703	9,308	6,966	5,294	
							Combined Tax Rate Rate		34%					

Table 4c

EVALUATION OF: Maha Energy Inc.
 ----- Total Proved Plus Probable Cons.

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 22-FEB-2017 6290.
 EPP:01-JAN-2017 DISC:01-JAN-2017
 RUN DATE: 22-FEB-2017 TIME: 8:01
 FILE:

EVALUATED BY -
 COMPANY EVALUATED - Maha Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TOTAL CAPITAL COSTS - 66750 -M\$-
 TOTAL ABANDONMENT - 6800 -M\$-

Year	Oil MSTB						Sales Gas MMCF					
	# of Wells	Price \$/STB	Pool		Company Share		# of Wells	Price \$/MCF	Pool		Company Share	
			STB/D	Vol	Gross	Net			MCF/D	Vol	Gross	Net
2017	3	54.70	318.0	116	87	66	0	4.34	222.6	81	61	46
2018	4	59.90	371.0	135	102	77	0	4.39	259.7	95	71	54
2019	6	65.10	677.0	247	185	141	0	4.49	473.9	173	130	99
2020	10	70.30	1329.0	485	364	276	0	4.69	930.3	340	255	193
2021	10	72.90	1519.0	554	416	316	0	4.79	1063.3	388	291	221
2022	10	75.50	1327.0	484	363	276	0	4.99	928.9	339	254	193
2023	9	78.10	1156.0	422	316	240	0	5.14	809.2	295	222	168
2024	9	80.70	1017.0	371	278	211	0	5.39	711.9	260	195	148
2025	9	83.30	897.0	327	246	187	0	5.54	627.9	229	172	131
2026	8	85.90	781.0	285	214	162	0	5.59	546.7	200	150	114
2027	8	88.50	691.0	252	189	144	0	5.69	483.7	177	132	101
2028	8	90.32	612.0	223	168	127	0	5.79	428.4	156	117	89
2029	8	92.18	541.0	197	148	113	0	5.89	378.7	138	104	79
2030	8	94.07	478.0	174	131	99	0	5.94	334.6	122	92	70
2031	8	96.00	423.0	154	116	88	0	6.04	296.1	108	81	62
SUB				4430	3323	2524				3101	2326	1767
REM				821	615	471				574	431	327
TOT				5251	3938	2995				3675	2757	2094

= P/T =

COMPANY SHARE FUTURE NET REVENUE

Year	Capital &Aband Costs -M\$-	Future Revenue (PR)				Royalties			Operating Costs			PR After Roy&Oper -M\$-	Net back Costs \$/BOE	Proc& Other Income -M\$-	Cap'l Costs -M\$-	Aband Costs -M\$-	Future Net Rev		
		Oil -M\$-	SaleGas -M\$-	Products -M\$-	Total -M\$-	Crown -M\$-	Other -M\$-	Mineral -M\$-	Fixed -M\$-	Variable -M\$-	\$/BOE						Undisc -M\$-	10.0% -M\$-	
2017	5750	4762	264	0	5026	1208	0	0	24.0	383	125	5.23	3310	34.05	0	4313	0	-1002	-956
2018	9000	6084	312	0	6396	1537	0	0	24.0	510	146	5.79	4202	37.05	0	6750	0	-2548	-2209
2019	18000	12065	582	0	12647	3040	0	0	24.0	766	267	4.99	8575	41.44	0	13500	0	-4925	-3881
2020	34000	25576	1194	0	26771	6434	0	0	24.0	1276	524	4.43	18537	45.63	0	25500	0	-6963	-4988
2021	0	30314	1394	0	31708	7620	0	0	24.0	1276	599	4.04	22213	47.84	0	0	0	22213	14465
2022	0	27427	1269	0	28695	6896	0	0	24.0	1276	523	4.44	20000	49.30	0	0	0	20000	11840
2023	0	24715	1139	0	25854	6213	0	0	24.0	1148	456	4.54	18036	51.04	0	0	0	18036	9707
2024	0	22467	1050	0	23518	5652	0	0	24.0	1148	401	4.98	16316	52.48	0	0	0	16316	7983
2025	0	20455	952	0	21407	5145	0	0	24.0	1148	354	5.48	14760	53.83	0	0	0	14760	6565
2026	0	18365	837	0	19202	4615	0	0	24.0	1021	308	5.57	13258	55.53	0	0	0	13258	5361
2027	0	16741	753	0	17494	4204	0	0	24.0	1021	272	6.12	11996	56.79	0	0	0	11996	4410
2028	0	15132	679	0	15811	3800	0	0	24.0	1021	241	6.75	10749	57.46	0	0	0	10749	3592
2029	0	13652	611	0	14262	3428	0	0	24.0	1021	213	7.46	9600	58.05	0	0	0	9600	2917
2030	0	12309	544	0	12853	3089	0	0	24.0	1021	188	8.28	8555	58.55	0	0	0	8555	2363
2031	0	11116	490	0	11606	2789	0	0	24.0	1021	167	9.18	7629	59.00	0	0	0	7629	1915
SUB	66750	261179	12071	0	273250	65671	0	0	24.0	15058	4784		187737		0	50063	0	137674	59066
REM	6800	60296	2667	0	62963	14812	0	0	23.5	9191	886		38074		0	0	5100	32874	5704
TOT	73550	321475	14738	0	336213	80483	0	0	23.9	24249	5671		225810		0	50063	5100	170648	64790

NET PRESENT VALUE (-M\$-)

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	225810	147677	118902	104215	92143	77701	60354
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	50063	43929	40779	38867	37089	34649	31101
Abandonment Costs	5100	1583	834	558	380	221	97
Future Net Revenue	170648	102166	77288	64790	54674	42831	29156

PROFITABILITY

COMPANY SHARE BASIS	Before Tax
Rate of Return (%)	70.3
Profit Index (undisc.)	3.1
(disc. @ 10.0%)	1.6
(disc. @ 5.0%)	2.2
First Payout (years)	4.9
Total Payout (years)	4.9
Cost of Finding (\$/BOE)	12.54
NPV @ 10.0% (\$/BOE)	14.73
NPV @ 5.0% (\$/BOE)	23.23

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	PR After Roy&Oper	Capital Costs	Future NetRev
% Interest	75.0	75.0					
% of Future Revenue			23.9	8.9	67.2	14.9	50.8

Table 4c
Summary of Company Reserves and Economics
After Income Tax
January 1, 2017
Maha Energy Inc.
Proved Plus Probable

Year	Net Operating Income	Tax Loss Claim	Available Capital Deduction	Carry Forward	Total Applied Deductions	Net Taxable Income	Income Tax	Capital Expenditures & Abandonment	After Tax Cash Flow (Undiscounted)	Discounted @								
										M\$	M\$	M\$	M\$	t	5%	10%	15%	20%
										M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2017	3310	\$ 1,667	\$ 926	\$ -	\$ 2,592	\$ 718	\$ 244	\$ 4,313	-\$ 1,247	0.50	-1,217	-1,189	-1,163	-1,138				
2018	4202	\$ 1,667	\$ 1,786	\$ -	\$ 3,453	\$ 749	\$ 255	\$ 6,750	-\$ 2,803	1.50	-2,605	-2,429	-2,273	-2,132				
2019	8575	\$ 1,667	\$ 2,763	\$ -	\$ 4,430	\$ 4,145	\$ 1,409	\$ 13,500	-\$ 6,334	2.50	-5,607	-4,991	-4,466	-4,016				
2020	18537	\$ -	\$ 4,754	\$ -	\$ 4,754	\$ 13,783	\$ 4,686	\$ 25,500	-\$ 11,649	3.50	-9,820	-8,345	-7,143	-6,154				
2021	22213	\$ -	\$ 5,267	\$ -	\$ 5,267	\$ 16,946	\$ 5,762	\$ -	\$ 16,451	4.50	13,208	10,714	8,771	7,242				
2022	20000	\$ -	\$ 4,569	\$ -	\$ 4,569	\$ 15,431	\$ 5,247	\$ -	\$ 14,753	5.50	11,281	8,734	6,840	5,412				
2023	18036	\$ -	\$ 3,904	\$ -	\$ 3,904	\$ 14,132	\$ 4,805	\$ -	\$ 13,231	6.50	9,635	7,121	5,334	4,045				
2024	16316	\$ -	\$ 3,446	\$ -	\$ 3,446	\$ 12,870	\$ 4,376	\$ -	\$ 11,940	7.50	8,281	5,842	4,186	3,042				
2025	14760	\$ -	\$ 3,042	\$ -	\$ 3,042	\$ 11,718	\$ 3,984	\$ -	\$ 10,776	8.50	7,118	4,793	3,285	2,288				
2026	13258	\$ -	\$ 2,681	\$ -	\$ 2,681	\$ 10,577	\$ 3,596	\$ -	\$ 9,662	9.50	6,078	3,907	2,561	1,709				
2027	11996	\$ -	\$ 2,368	\$ -	\$ 2,368	\$ 9,628	\$ 3,274	\$ -	\$ 8,722	10.50	5,226	3,206	2,011	1,286				
2028	10749	\$ -	\$ 2,092	\$ -	\$ 2,092	\$ 8,657	\$ 2,944	\$ -	\$ 7,805	11.50	4,454	2,608	1,564	959				
2029	9600	\$ -	\$ 1,847	\$ -	\$ 1,847	\$ 7,753	\$ 2,636	\$ -	\$ 6,964	12.50	3,784	2,116	1,214	713				
2030	8555	\$ -	\$ 1,632	\$ -	\$ 1,632	\$ 6,923	\$ 2,354	\$ -	\$ 6,201	13.50	3,209	1,713	940	529				
2031	7629	\$ -	\$ 1,441	\$ -	\$ 1,441	\$ 6,188	\$ 2,104	\$ -	\$ 5,525	14.50	2,723	1,387	728	393				
2032	6798	\$ -	\$ 1,273	\$ -	\$ 1,273	\$ 5,525	\$ 1,878	\$ 1,200	\$ 3,720	15.50	1,746	849	426	220				
2033	5206	\$ -	\$ 958	\$ -	\$ 958	\$ 4,248	\$ 1,444	\$ -	\$ 3,762	16.50	1,682	781	375	186				
2034	4517	\$ -	\$ 846	\$ -	\$ 846	\$ 3,671	\$ 1,248	\$ -	\$ 3,269	17.50	1,392	617	283	135				
2035	3891	\$ -	\$ 747	\$ -	\$ 747	\$ 3,144	\$ 1,069	\$ -	\$ 2,822	18.50	1,144	484	213	97				
2036	3348	\$ -	\$ 660	\$ -	\$ 660	\$ 2,688	\$ 914	\$ -	\$ 2,434	19.50	940	379	159	70				
2037	2868	\$ -	\$ 583	\$ -	\$ 583	\$ 2,285	\$ 777	\$ -	\$ 2,091	20.50	769	296	119	50				
2038	2450	\$ -	\$ 514	\$ -	\$ 514	\$ 1,936	\$ 658	\$ -	\$ 1,792	21.50	628	231	89	36				
2039	2074	\$ -	\$ 454	\$ -	\$ 454	\$ 1,620	\$ 551	\$ -	\$ 1,523	22.50	508	178	66	25				
2040	1740	\$ -	\$ 401	\$ -	\$ 401	\$ 1,339	\$ 455	\$ -	\$ 1,285	23.50	408	137	48	18				
2041	1448	\$ -	\$ 354	\$ -	\$ 354	\$ 1,094	\$ 372	\$ -	\$ 1,076	24.50	326	104	35	12				
2042	1176	\$ -	\$ 313	\$ -	\$ 313	\$ 883	\$ 294	\$ -	\$ 882	25.50	254	78	25	8				
2043	1202	\$ -	\$ 276	\$ -	\$ 276	\$ 926	\$ 315	\$ -	\$ 887	26.50	244	71	22	7				
2044	1356	\$ -	\$ 166	\$ -	\$ 166	\$ 1,190	\$ 405	\$ 9,900	\$ 2,949	27.50	-771	-214	-63	-20				
Total	225,810	5000	50,062	-	55,062	170,748	58,054	55,163	112,593		64,966	39,139	24,168	15,014				
							Combined Tax Rate Rate	34%										

**GLOSSARY OF TERMS
(Abbreviations & Definitions)**

General

BIT	- Before Income Tax
AIT	- After Income Tax
M\$	- Thousands of Dollars
Effective Date	- The date for which the Present Value of the future cash flows and reserve categories are established
\$US	- United States Dollars
WTI	- West Texas Intermediate – the common reference for crude oil used for oil price comparisons
ARTC	- Alberta Royalty Tax Credit
GRP	- Gas Reference Price

Interests and Royalties

BPO	- Before Payout
APO	- After Payout
APPO	- After Project Payout
Payout	- The point at which a participant's original capital investment is recovered from its net revenue
GORR	- Gross Overriding Royalty – percentage of revenue on gross revenue earned (can be an interest or a burden)
NC	- New Crown – crown royalty on petroleum and natural gas discovered after April 30, 1974
SS 1/150 (5%-15%) Oil	- Sliding Scale Royalty – a varying gross overriding royalty based on monthly production. Percentage is calculated as 1-150 th of monthly production with a minimum percentage of 5% and a maximum of 15%
FH	- Freehold Royalty
P&NG	- Petroleum and Natural Gas
Twp	- Township
Rge	- Range
Sec	- Section

Technical Data

psia	- Pounds per square inch absolute
MSTB	- Thousands of Stock Tank Barrels of oil (oil volume at 60 F and 14.65 psia)
MMscf	- Millions of standard cubic feet of gas (gas volume at 60 F and 14.65 psia)
Bbls	- Barrels
Mbbbls	- Thousands of barrels
MMBTU	- Millions of British Thermal Units – heating value of natural gas
STB/d	- Stock Tank Barrels of oil per day – oil production rate
Mscf/d	- Thousands of standard cubic feet of gas per day – gas production rate
GOR (scf/STB)	- Gas-Oil Ratio (standard cubic feet of solution gas per stock tank barrel of oil)
mKB	- Metres Kelly Bushing – depth of well in relation to the Kelly Bushing which is located on the floor of the drilling rig. The Kelly Bushing is the usual reference for all depth measurements during drilling operations.
EOR	- Enhanced Oil Recovery
GJ	- Gigajoules
Marketable or Sales Natural Gas	- Natural gas that meets specifications for its sale, whether it occurs naturally or results from the processing of raw natural gas. Field and plant fuel and losses to the point of the sale must be excluded from the marketable quantity. The heating value of marketable natural gas may vary considerably, depending on its composition; therefore, quantities are usually expressed not only in volumes but also in terms of energy content. Reserves are always reported as marketable quantities.
NGLs	- Natural Gas Liquids – Those hydrocarbon components that can be recovered from natural gas as liquids, including but not limited to ethane, propane, butanes, pentanes plus, condensate, and small quantities of non-hydrocarbons.
Raw Gas	- Natural gas as it is produced from the reservoir prior to processing. It is gaseous at the conditions under which its Volume is measured or estimated and may include varying amounts of heavier hydrocarbons (that may liquefy at atmospheric conditions) and water vapour; may also contain sulphur and other non-hydrocarbon compounds. Raw natural gas is generally not suitable for end use.
EUR	- Estimated Ultimate Recovery



22 February, 2017

Chapman Petroleum Engineering Ltd.

700, 1122 – 4th Street SW

Calgary, AB

T2R 1M1

Dear Sir:

Re: Company Representation Letter

Regarding the evaluation of our Company's oil and gas reserves and independent appraisal of the economic value of these reserves for the year ended December 31, 2016, (the effective date), we herein confirm to the best of our knowledge and belief as of the effective date of the reserves evaluation, and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

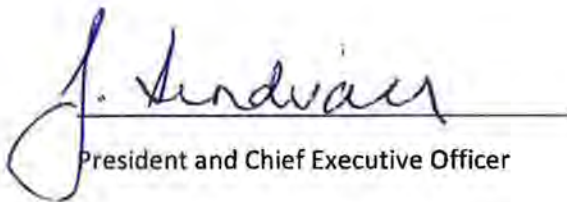
1. We, Maha Energy Inc (the Client) have made available to you, Chapman Petroleum Engineering Ltd. (the Evaluator) certain records, information, and data relating to the evaluated properties that we confirm is, with the exception of immaterial items, complete and accurate as of the effective date of the reserves evaluation, including the following:
 - Accounting, financial, tax and contractual data
 - Asset ownership and related encumbrance information;
 - Details concerning product marketing, transportation and processing arrangements;
 - All technical information including geological, engineering and production and test data;
 - Estimates of future abandonment and reclamation costs.

2. We confirm that all financial and accounting information provided to you is, to the best of our knowledge, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.
3. We confirm that our Company has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.
4. With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes, terminations, and additions to these arrangements that could reasonably be expected to have a material effect on the evaluation of our Company's reserves and future net revenues.
5. With the possible exception of items of an immaterial nature, we confirm the following as of the effective date of the evaluation:
 - For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods that have been used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
 - All regulatory, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
 - Except as disclosed to you, the producing trend and status of each evaluated well or entity in effect throughout the three-month period preceding the effective date of the evaluation are consistent with those that existed for the same well or entity immediately prior to this three-month period.
 - Except as disclosed to you, we have no plans or intentions related to the ownership, development or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of reserves from the evaluated properties.

- If material changes of an adverse nature occur in the Company's operating performance subsequent to the effective date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of reserves information.
6. We hereby confirm that our Company is in material compliance with all Environmental Laws and does not have any Environmental Claims pending.

Between the effective date of the report and the date of this letter, nothing has come to our attention that has materially affected or could affect our reserves and economic value of these reserves that has not been disclosed to you.

Yours very truly,



President and Chief Executive Officer



Vice-President & Chief Corporate Officer