Maha Energy

Evaluation of Crude Oil and Natural Gas Reserves

As of December 31, 2016

McDaniel
& Associates Consultants Ltd.

Maha Energy

Evaluation of Crude Oil and Natural Gas Reserves

As of December 31, 2016

Prepared For:

Maha Energy
Biblioteksgatan 1
111 48 Stockholm
Sweden

Prepared By:

McDaniel & Associates Consultants Ltd.
2200, 255 – 5th Avenue SW
Calgary, Alberta
T2P 3G6

February 2017

MAHA ENERGY
EVALUATION OF THE TIÊ FIELD

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McDaniel
& Associates Consultants Ltd.

February 3, 2017

Maha Energy
Biblioteksgatan 1
111 48 Stockholm
Sweden

Attention: Mr. Jonas Lindvall

Reference: **Maha Energy**
Evaluation of Crude Oil and Natural Gas Reserves,
As of December 31, 2016

Dear Sir:

Pursuant to your request, we have prepared an evaluation of the crude oil and natural gas reserves, and the net present values of these for the interests of Maha Energy (the "Company" or "Maha") in the Tiê Field in Brazil as of December 31, 2016.

This report was based on a detailed evaluation of the Tiê Field that was prepared for Gran Tierra Energy Inc. ("Gran Tierra") as of December 31, 2016. Gran Tierra has provided approval for McDaniel & Associates Consultants Ltd. ("McDaniel") to provide the results of the evaluation to Maha whom acquired the Tiê Field from Gran Tierra in February 2017.

The future net revenues and net present values presented in this report were calculated using forecast prices and costs based on our opinion of future crude oil prices at January 1, 2017 and were presented in United States ("US") Dollars. The reserves estimates and future net revenue forecasts have been prepared in accordance with standards set out in the Canadian National Instrument 51-101 ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook ("COGEH") and 2007 SPE/WPC/AAPG/SPEE Petroleum Resource Management System ("SPE-PRMS").

The Company's share of the crude oil reserves as of December 31, 2016 and the respective net present values assigned to these reserves based on forecast prices and costs assumptions were estimated to be as follows:

ESTIMATED COMPANY SHARE OF RESERVES
AS OF DECEMBER 31, 2016
MBBL, MMCF (1) (2)

	Proved Producing	Proved Developed	Proved Undeveloped	Total Proved	Probable	Total Proved & Probable	Possible	Total Proved, Probable & Possible
Light/Medium Oil								
Gross (1)	2,366	2,366	4,631	6,997	2,262	9,259	3,763	13,022
Net (2)	2,047	2,047	4,006	6,052	1,956	8,009	3,255	11,264
Natural Gas								
Gross (1)	1,686	1,686	2,460	4,145	1,317	5,462	2,224	7,686
Net (2)	1,458	1,458	2,128	3,586	1,139	4,725	1,923	6,648

(1) Gross reserves include the working interest reserves before deductions of royalties payable to others.
(2) Net reserves are based on Company share of reserves after royalties.

ESTIMATED COMPANY SHARE OF NET PRESENT VALUES
AS OF DECEMBER 31, 2016
$M (1) (2)

	Before Tax Net Present Value Discounted At				
	0%	**5%**	**10%**	**15%**	**20%**
Proved Producing Reserves	71,798	60,999	52,687	46,166	40,960
Proved Developed Reserves	71,798	60,999	52,687	46,166	40,960
Proved Undeveloped Reserves	218,934	121,154	70,250	42,018	25,506
Total Proved Reserves	**290,732**	**182,153**	**122,937**	**88,184**	**66,466**
Probable Reserves	61,313	70,383	65,410	56,784	48,028
Total Proved & Probable Reserves	**352,045**	**252,536**	**188,347**	**144,968**	**114,494**
Possible Reserves	189,077	116,095	76,061	52,687	38,302
Total Proved, Probable & Possible Reserves	**541,122**	**368,631**	**264,407**	**197,655**	**152,797**

	After Tax Net Present Value Discounted At				
	0%	**5%**	**10%**	**15%**	**20%**
Proved Producing Reserves	67,519	57,382	49,575	43,447	38,552
Proved Developed Reserves	67,519	57,382	49,575	43,447	38,552
Proved Undeveloped Reserves	169,956	93,523	53,438	31,099	18,002
Total Proved Reserves	**237,475**	**150,905**	**103,013**	**74,546**	**56,555**
Probable Reserves	54,920	61,190	56,500	48,970	41,393
Total Proved & Probable Reserves	**292,395**	**212,094**	**159,513**	**123,516**	**97,948**
Possible Reserves	132,106	81,714	54,078	37,924	27,958
Total Proved, Probable & Possible Reserves	**424,501**	**293,809**	**213,591**	**161,440**	**125,906**

(1) Based on forecast prices and costs at January 1, 2017 (see Price Schedules Table 11).
(2) The net present values may not necessarily represent the fair market value of the reserves.

In preparing this report, we relied upon certain factual information including ownership and fiscal terms, well data, test data, budgets and other relevant data supplied by Gran Tierra. The extent and character of all factual information supplied were relied upon by us in preparing this report and has been accepted as represented without independent verification. We have relied upon representations made by Gran Tierra as to the completeness and accuracy of the data provided and that no material changes in the performance of the properties has occurred nor is expected to occur, from that which was projected in this report, between the date that the data was obtained for this evaluation and the date of this report, and that no new data has come to light that may result in a material change to the evaluation of the reserves presented in this report.

This report was prepared by McDaniel & Associates Consultants Ltd. for the exclusive use of Maha Energy and is not to be reproduced, distributed or made available, in whole or in part, to any person, company or organization other than Maha Energy without the knowledge and consent of McDaniel & Associates Consultants Ltd. We reserve the right to revise any estimates provided herein if any relevant data existing prior to preparation of this report was not made available, if any data between the effective date of the evaluation and the date of this report were to vary significantly from that forecast, or if any data provided was found to be erroneous.

Sincerely,

McDANIEL & ASSOCIATES CONSULTANTS LTD.
APEGA PERMIT NUMBER: P3145

C. Boulton, P. Eng.
Vice President

D. Dao, E.I.T.
Evaluation Engineer

N. Koshka, E.I.T.
Evaluation Engineer

A. Tchernavskikh, P. Geol.
Manager, International Geology

M. Alexeev, P. Geol.
Senior Geologist

CB/DD/NK/MA/AT:jep
[17-0039]

CERTIFICATE OF QUALIFICATION

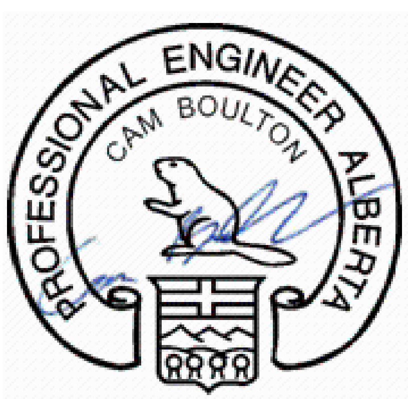
I, Cameron Boulton, Petroleum Engineer of 2200, 255 - 5th Avenue, S.W., Calgary, Alberta, Canada hereby certify:

1. That I am a Vice President of McDaniel & Associates Consultants Ltd., APEGA Permit Number P3145, which Company did prepare, at the request of Maha Energy, the report entitled "Maha Energy, Evaluation of Crude Oil and Natural Gas Reserves, Based on Forecast Prices and Costs, As of December 31, 2016", dated February 3, 2017, and that I was involved in the preparation of this report.

2. That I attended the Queen's University in the years 2002 to 2006 and that I graduated with a Bachelor of Science degree in Chemical Engineering, that I am a registered Professional Engineer with the Association of Professional Engineers and Geoscientists of Alberta and that I have in excess of 10 years of experience in oil and gas reservoir studies and evaluations.

3. That I have no direct or indirect interest in the properties or securities of Maha Energy, nor do I expect to receive any direct or indirect interest in the properties or securities of Maha Energy, or any affiliate thereof.

4. That the aforementioned report was not based on a personal field examination of the properties in question, however, such an examination was not deemed necessary in view of the extent and accuracy of the information available on the properties in question.



C. T. Boulton, P. Eng.

Calgary, Alberta
Dated: February 3, 2017

CERTIFICATE OF QUALIFICATION

I, Derrick Dao, Engineer In Training of 2200, 255 - 5th Avenue, S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an Engineer In Training of McDaniel & Associates Consultants Ltd., APEGA Permit Number P3145, which Company did prepare, at the request of Maha Energy, the report entitled "Maha Energy, Evaluation of Crude Oil and Natural Gas Reserves, Based on Forecast Prices and Costs, As of December 31, 2016", dated February 3, 2017, and that I was involved in the preparation of this report.

2. That I attended the University of Calgary in the years 2009 to 2013 and that I graduated with a Bachelor of Chemical and Petroleum Engineering, and that I am a registered Engineer In Training with the Association of Professional Engineers and Geoscientists of Alberta and that I have in excess of three years of experience in oil and gas reservoir studies and evaluations.

3. That I have no direct or indirect interest in the properties or securities of Maha Energy, nor do I expect to receive any direct or indirect interest in the properties or securities of Maha Energy, or any affiliate thereof.

4. That the aforementioned report was not based on a personal field examination of the properties in question, however, such an examination was not deemed necessary in view of the extent and accuracy of the information available on the properties in question.

Derrick Dao, E. I. T.

Calgary, Alberta
Dated: February 3, 2017

CERTIFICATE OF QUALIFICATION

I, Nathan Koshka, Engineer In Training of 2200, 255 - 5th Avenue, S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an Engineer In Training of McDaniel & Associates Consultants Ltd., APEGA Permit Number P3145, which Company did prepare, at the request of Maha Energy, the report entitled "Maha Energy, Evaluation of Crude Oil and Natural Gas Reserves, Based on Forecast Prices and Costs, As of December 31, 2016", dated February 3, 2017, and that I was involved in the preparation of this report.

2. That I attended the University of Calgary in the years 2011 to 2016 and that I graduated with a Bachelor of Chemical and Petroleum Engineering, and that I am a registered Engineer In Training with the Association of Professional Engineers and Geoscientists of Alberta and that I have less than one year of experience in oil and gas reservoir studies and evaluations.

3. That I have no direct or indirect interest in the properties or securities of Maha Energy, nor do I expect to receive any direct or indirect interest in the properties or securities of Maha Energy, or any affiliate thereof.

4. That the aforementioned report was not based on a personal field examination of the properties in question, however, such an examination was not deemed necessary in view of the extent and accuracy of the information available on the properties in question.

Nathan Kosh

N. Koshka, E. I. T.

Calgary, Alberta
Dated: February 3, 2017

CERTIFICATE OF QUALIFICATION

I, Anatoli V. Tchernavskikh, Petroleum Geologist, of 2200, 255 - 5th Avenue, S.W., Calgary, Alberta, Canada hereby certify:

1. That I am the Manager of International Geology of McDaniel & Associates Consultants Ltd., APEGA Permit Number P3145, which Company did prepare, at the request of Maha Energy, the report entitled "Maha Energy, Evaluation of Crude Oil and Natural Gas Reserves, Based on Forecast Prices and Costs, As of December 31, 2016", dated February 3, 2017, and that I was involved in the preparation of this report.

2. That I attended Moscow State University (Russia) in the years 1984 to 1991, graduating with a Honorary Master of Science degree in Geology; that I am a registered Professional Geologist with the Association of Professional Engineers and Geoscientists of Alberta and that I have in excess of 20 years of experience in oil and gas reservoir studies and evaluations.

3. That I have no direct or indirect interest in the properties or securities of Maha Energy, nor do I expect to receive any direct or indirect interest in the properties or securities of Maha Energy, or any affiliate thereof.

4. That the aforementioned report was not based on a personal field examination of the properties in question, however, such an examination was not deemed necessary in view of the extent and accuracy of the information available on the properties in question.

PROFESSIONAL GEOLOGIST ALBERTA
ANATOLI TCHERNAVSKIKH

A. V. Tchernavskikh, P. Geol.

Calgary, Alberta
Dated: February 3, 2017

CERTIFICATE OF QUALIFICATION

I, Mikhail B. Alexeev, Petroleum Geologist of 2200, 255 - 5th Avenue, S.W., Calgary, Alberta, Canada hereby certify:

1. That I am a Geologist for McDaniel & Associates Consultants Ltd., APEGA Permit Number P3145, which Company did prepare, at the request of Maha Energy, the report entitled "Maha Energy, Evaluation of Crude Oil and Natural Gas Reserves, Based on Forecast Prices and Costs, As of December 31, 2016", dated February 3, 2017, and that I was involved in the preparation of this report.

2. That I attended the Moscow State University in the years 1987 to 1993, graduating with a Master of Science degree in Geology; that I am a registered Geologist with the Association of Professional Engineers and Geoscientists of Alberta and that I have in excess of 15 years of experience in oil and gas reservoir studies and evaluations.

3. That I have no direct or indirect interest in the properties or securities of Maha Energy, nor do I expect to receive any direct or indirect interest in the properties or securities of Maha Energy, or any affiliate thereof.

4. That the aforementioned report was not based on a personal field examination of the properties in question, however, such an examination was not deemed necessary in view of the extent and accuracy of the information available on the properties in question.

Mikhail B. Alexeev, P. Geol.

Calgary, Alberta
Dated: February 3, 2017

Evaluation of Crude Oil Reserves
Tiê Field - Brazil
As of December 31, 2016

Property Discussion

INTRODUCTION

Crude oil and natural gas reserves estimates and their associated net present values were prepared in this report for the interests of Maha Energy in the Tiê Field in Brazil. The reserves were estimated at December 31, 2016 and the revenue forecasts and net present value estimates were calculated using forecast prices and costs using our opinion of future crude oil prices at January 1, 2017 and were presented in United States ("US") Dollars. The reserves estimates presented herein were estimated as of the effective date and based on information available to that time. The reserves estimates and future net revenue forecasts have been prepared in accordance with standards set out in the Canadian National Instrument 51-101 ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook ("COGEH") and 2007 SPE/WPC/AAPG/SPEE Petroleum Resource Management System ("SPE-PRMS").

An overview of the Tiê Field and a discussion of the methodology employed in arriving at the crude oil reserves and net present value estimates is presented in this report.

PROPERTY OVERVIEW

The Tiê Field is located in the Block REC-T-155 in the Recôncavo Basin in Eastern Brazil, as shown in Figure 1. Maha acquired the Tiê Field from Gran Tierra Energy Inc. in February 2017 and subsequently will hold a 100 percent working interest in the field. This property is subject to an effective combined royalty of 13.5 percent.

The Tiê Field was discovered in 2009 with the drilling of well 1-ALV-2-BA ("ALV-2") and delineated with wells 3-GTE-3D-BA ("GTE-3") and 3-GTE-4DPA-BA ("GTE-4") in 2011 and 2012. In September 2012, Gran Tierra received declaration of commerciality. A three dimensional ("3D") seismic survey was acquired in 2010 and re-processed in 2013. The ALV-2 well produced from the Middle Sergi Formation until it was shut-in in July 2014. This well is planned to be converted to a water injection well. The GTE-3 initially produced solely from the Middle Sergi Formation while GTE-4 produced solely from the Agua Grande Formation until both wells were successfully dual completed in 2014.

Oil is currently trucked 35 kilometres to a Petrobras oil receiving terminal and allows up to 1,100 bopd to be sold through this terminal. Another contract is also in place with a local refinery, DAX Oil Refino S.A., allowing the operator to sell up to an additional 135 bopd. In addition to the oil, up to 40,000 m^3/day of produced associated gas can be sold, obligated by contract, to a compressed natural gas station operated by CDGN Logistica S.A. A water injection pressure maintenance project is planned and the appropriate facility modifications will be made in 2017.

SOURCE AND QUALITY OF DATA

Essentially all of the basic information employed in the preparation of this report was obtained from Gran Tierra's Calgary office. A workshop was setup by Gran Tierra, which provided detailed information on the geological, geophysical and engineering aspects of each field.

Digital logging data and deviation surveys were provided for all wells. Petrophysical interpretations, mud log data, completion and test data, final well reports and workover reports were available for selected wells. Routine core analysis, special core analysis and reservoir fluid studies, where available, were provided. Seismic interpretation of surfaces and faults for the key horizons were provided in digital format and the actual seismic project was available for review on a workstation setup by Gran Tierra.

It is our opinion that the data available for this evaluation was of good quality and sufficient to prepare reasonable estimates of the reserves for this property.

GEOLOGY

Regional Geology

The Tiê Field is located in central part of the Recôncavo Basin. This Basin is located on Brazil's Atlantic Coast near the City of Salvador, and has an area of about 10,000 square kilometres ("km^2") and is one of the principal petroleum provinces of Brazil. The Recôncavo Basin was initiated due to extensional forces that acted on the Gondwana paleo-continent during Mezozoic time. The Basin is an intracratonic half graben and is separated from the Tucan Basin to the north and northwest by the basement high and to the south from the Camamu Basin by the Barra fault system. The eastern basin boundary is related to the Salvador fault.

There are four main stages in the history of the Basin development. The first Sag stage was initiated during the Permian time where clastic and evaporates accumulations dominated. The next stage was a Pre-rift stage, which occurred during Jurassic time and lead to thick fluvio and lacustrine clastic accumulations. The major Rift stage continued during Cretaceous time and resulted in a thick clastic sedimentation. The post-rift stage began in the Late Cretaceous and is associated with minor clastic rock accumulations. The total thickness of sedimentary rocks in the Recôncavo Basin is up to 8,000 metres.

Intensive faulting occurred during the deposition of the Candeias and Lower Ilhas when the basin became a rapidly sinking trough. Accelerated growth of the Salvador and Mata-Catu uplifts, the most prominent structural features of the Basin, produced two principal (northeast and northwest trending) sets of normal faults. A late post-rift tectonic phase re-activated ancient faults and caused new ones to form. Consequently, the Basin is characterized by a complex system of faulted blocks.

The main oil source rock in the Basin according to published data is the Candeias Formation (Cretaceous age). The main reservoirs are fluvial-eolian sands of the Sergi and Agua Grande formations and turbidities of the Candeias, Marfim and Maracangalha formations.

Geology of the Tiê Field

The Tiê Field is surrounded by number of oil producing fields including the Agua Grande Field, Fazenda Field and other oil and gas fields. The structure is defined by 3D seismic and five wells have been drilled within the Block boundary.

The field is associated with a relatively large faulted anticline trap with a three-way structural closure and fault limitation on the east. There are two structural highs separated by a small saddle area inside main structure. All three producing wells are located in the northern part (high) of the field. The south closure of the structure is not very well defined. There are two main productive zones in the field area: Middle Sergi and Agua Grande.

A brief description of each productive zone is presented in more detail below.

Agua Grande Zone

The Agua Grande zone is Cretaceous (Berriasian) age and was penetrated by all wells in the area. It contains the primary oil-bearing reservoir, which consists of clean sand deposited in a fluvio-aeolian environment. The gross thickness of the sand is usually 15 to 20 metres. The lower part of interval is reported to have fluvial genesis and it has lower porosity while the upper of the interval has aeolian sand with excellent reservoir characteristics. The oil-water contact ("OWC") was interpreted to be at a depth of 1,932 metres subsea. The southern part of the pool has been penetrated by one old well which was drilled close to the OWC and was subsequently abandoned. Based on the log interpretation, the average porosity was estimated to be 17.3 percent and average net reservoir to gross ratio was interpreted to be 86 percent. The connate water saturation was estimated to be 34.5 percent.

Middle Sergi Zone

The Middle Sergi zone is located approximately 100 metres below the base of the Agua Grande zone. This zone is Upper Jurassic (Tithonian) age and consists of clean sand with minor shale content, which was deposited in fluvio-aeolian environment. The gross thickness of the Middle Sergi reservoir is 20 to 25 metres. The OWC was interpreted to be at a depth of 2,048 metres subsea. There are two structure highs over the field and the saddle area between these highs is a few metres above the interpreted OWC. For the purposes of this evaluation, the southern lobe was not classified as reserves as it could be a separate accumulation. Based on the log interpretation, the average porosity was estimated to be 15.2 percent and average net reservoir to gross ratio was interpreted to be 89 percent. The connate water saturation was estimated to be 36.3 percent.

Geophysics

The structure of the Tiê Field is defined by 3D seismic data. The data quality and the synthetic-to-well ties are generally good. The structure is a three-way dip closure against a sealing fault. The seismic interpretation and time-depth conversion were done in Petrel and the depth conversion was done using T-D relationships at 64 well control points in the field.

The structure consists of two lobes. The northern lobe, where most of the wells are located, is structurally well defined by a combination of seismic and well data. The structural definition of the southern lobe, which is separated from the northern lobe by a saddle, is poorer. There is only one well in the south, CD-001, which is interpreted to have been drilled on the OWC. The interpreted seismic shows connectivity with the northern lobe; however, this lobe has a higher degree of uncertainty due to sparse well control.

RESERVES ESTIMATES

The crude oil reserves were based on volumetric estimates considering all available data including structural and net pay interpretations, test data, production data, reservoir simulation, performance of analogous reservoirs and economics of development. A summary of the original oil in-place ("OOIP") and reserves estimates for each zone are presented in Table 7 and a summary of various reservoir and fluid properties in Table 8. The reserves were classified into Proved Producing ("PP"), Proved Developed ("PD"), Proved Undeveloped ("PUD"), Total Proved ("1P"), Proved plus Probable ("2P") and Proved plus Probable plus Possible ("3P") classes as defined in the Reserves and Resources Classification section of this report.

Reservoir and Fluid Properties

The Agua Grande Formation contains a 36 degree crude oil with a formation volume factor of 1.39, solution gas-oil ratio ("GOR") of 633 scf/bbl and oil viscosity at reservoir conditions of 0.86 cP. The drive mechanism for the Agua Grande Formation is expected to be edge water drive given that none of the wells are directly underlain by water and this would be consistent with other fields in the area.

The Middle Sergi Formation contains a 36 to 38 degree crude oil with a formation volume factor of 1.35, GOR of 633 to 725 scf/bbl and oil viscosity at reservoir conditions of 0.67 cP. The drive mechanism for the Middle Sergi Formation is expected to be a combination of bottom water and edge water drive.

Well Tests & Production History

The ALV-2 well commenced production from the Sergi Formation in mid-2010 until it was shut-in in July 2014. During this time the well largely maintained oil rates of approximately 450 bopd before declining in its final year with a slight breakthrough in water. The ALV-2 well has been converted to a dual water injection well, which will help provide pressure maintenance and ensure proper sweep efficiency to both zones. The GTE-3 initially produced solely from the Middle Sergi Formation in late 2012, while GTE-4 produced solely from the Agua Grande Formation in late 2012 until both wells were successfully dual completed in 2014. Both wells are producing at restricted rates so it is difficult to draw any conclusions on the performance of the two zones at this stage.

Gross Pay Maps and Original Oil-in-Place Estimates

The OOIP was volumetrically calculated using the gross rock volumes and the petrophysical parameters and fluid parameters from wells in the Tiê Field. Gross rock volume (“GRV”) was estimated using the gross oil thickness map based on the top structure map and the OWC mentioned in the Geology of the Tiê Field section. Structure and gross oil thickness maps for the Agua Grande and Middle Sergi are presented in Figures 2 to 7.

There is uncertainty in the seismic interpretation and whether the southern lobe containing the 1-CD-0001-BA well (“CD-0001”) is connected to the main pool. The seismic has been re-interpreted and based on this the two lobes are connected in both the Agua Grande and Middle Sergi formations. It was recently discovered that an oil fluid sample was actually recovered in the CD-0001 well in the Agua Grande Formation; however, the oil container was accidentally spilled and the sample was lost. Furthermore, oil can be interpreted from the CD-0001 well in the Agua Grande Formation with the limited log suite. As such, the full GRV including the southern lobe was included in the 3P case for the Agua Grande Formation. The 1P and 2P OOIP were limited to the main lobe as presented in Figure 7. For the Middle Sergi Formation the 1P, 2P and 3P OOIP was limited to the main lobe as the CD-0001 well is interpreted to be wet.

Recovery Factors

The recovery factors for the Agua Grande and Middle Sergi formations were based on a combination of several factors including a review of the performance characteristics of the field, analogous fields in the area, theoretical recovery factors under Buckley-Leverett displacement theory and the previous operator’s simulation model.

The previous operator has conducted a detailed simulation study to assess the recovery factors that could be obtained through different scenarios. McDaniel reviewed the simulation and believes that the model incorporates all of the available data. There is still considerable data that needs to be acquired to refine the simulation model, particularly special core analysis. The current simulation model used vertical permeability factors and relative permeability curves from nearby, analogous fields. The field is also in the early stages of depletion, which makes it difficult to conduct a reliable history match. The recovery factors generated from the reservoir simulation showed 45 percent from the Agua Grande and 57 percent from the Middle Sergi based on the conversion of wells ALV-2 and GTE-3 to water injection wells, a future attic well and artificial lift in the producing wells.

Given the favourable mobility ratios and under saturated light oil, recovery factors are expected to be quite high in the thicker, up-dip areas of the reservoir under either a water drive or water injection scheme. However, with the limited production history there is still uncertainty in the long term performance, amount of aquifer support and vertical and areal sweep efficiency under water injection, all of which leads to uncertainty in the recoverable oil volumes. After considering all of the relevant factors, the main lobe in the Agua Grande Formation was assigned recovery factors of 35, 42.5 and 50 percent on a 1P, 2P and 3P basis respectively and the southern lobe was assigned 45 percent on a 3P basis. The Middle Sergi Formation was assigned slightly higher recovery factors of 37.5, 45 and 55 percent on a 1P, 2P and 3P basis respectively.

RESERVES AND RESOURCES CLASSIFICATION

The crude oil reserves and the crude oil and natural gas contingent resources estimates presented in this report were based on the Canadian reserves definitions and guidelines prepared by the Standing Committee on Reserves Definitions of the CIM (Petroleum Society) as presented in the COGE Handbook. A summary of those definitions is presented below.

Reserves

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 the analysis of drilling, geological, geophysical and engineering date; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are further classified according to the level of certainty associated with the estimates and may be sub-classified based on development and production status.

Development and Production Status

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

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

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

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; and
- specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

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

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

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

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

Levels of Certainty for Reported Reserves

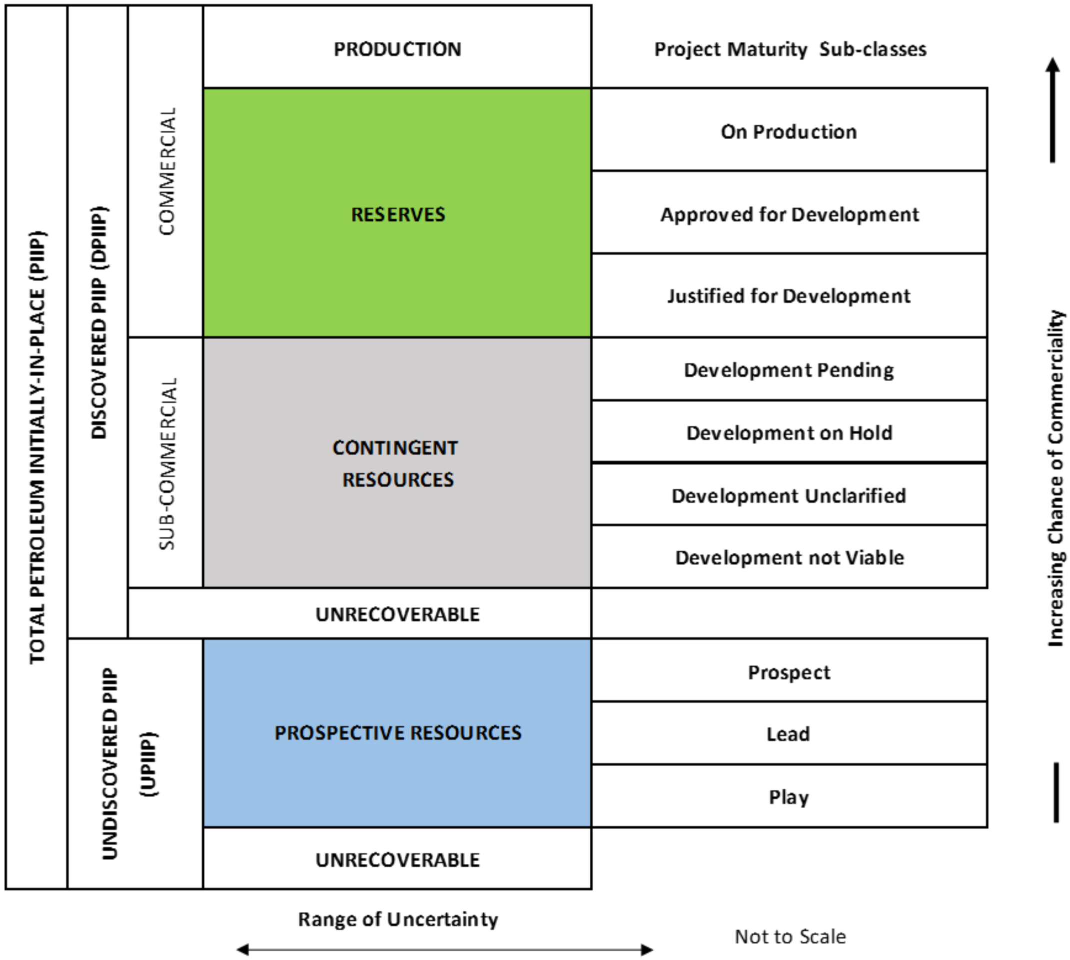
The qualitative certainty levels referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest-level sum of individual entity estimates for which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

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

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

Project Maturity Sub-Classes

The use of project maturity sub-classes is relevant for all resource classes and is recommended, within the COGE Handbook, for best practice. The boundaries between the maturity sub-classes represent "decision gates" that reflect the actions (business decisions) required by the resource owner to move the project up the maturity "ladder" towards commercial production. Figure 7 presented below, displays the COGE Handbook sub-classes with respect to the SPE-PRMS resources classification framework.



Sub-Classes Based on Project Maturity

Resources Other Than Reserves

The estimation and classification of resources other than reserves is detailed in Section 2 of COGE Volume 2. A summary of the definitions pertaining to contingent resources and prospective resources are presented below.

Contingent Resources

Contingent resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent resources are further classified in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

Prospective Resources

Prospective resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

Resource Uncertainty Categories

Estimates of resources always involve uncertainty, and the degree of uncertainty can vary widely between accumulations/projects and over the life of a project. Consequently, estimates of resources should generally be quoted as a range according to the level of confidence associated with the estimates. An understanding of statistical concepts and terminology is essential to understanding the confidence associated with resources definitions and categories.

The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or a probability distribution. Resources should be provided as low, best and high estimates, as follows:

- **Low Estimate** – This is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.
- **Best Estimate** – This is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
- **High Estimate** – This is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

Contingent Resources Categories

For Contingent Resources, the general cumulative terms low/best/high estimates are denoted as 1C/2C/3C respectively. No specific terms are defined for incremental quantities within Contingent Resources.

Prospective Resources Categories

For Prospective Resources, the general cumulative terms low/best/high estimates apply. No specific terms are defined for incremental quantities within Prospective Resources.

PRODUCTION FORECASTS AND DEVELOPMENT PLANS

After converting GTE-07 to a water source well and ALV-02 to a dual injection well in 2016 the plan is to implement a water injection project and install the appropriate facilities. The oil production rate is currently limited to 1,100 bopd through the Carmo facility and another additional 135 bopd sold to another local refinery. Prior to acquisition by Maha, the previous operator was negotiating a deal with Transpetro and Petrobras Marketing in Aracaju, which would allow additional oil above the current sales constraints to be sold offshore to Petrobras Marketing. A facility expansion along with the drilling of an up-dip development well will be required to achieve 3,000 bopd.

The 1P forecast is based on drilling one producer, converting one well to an injector later and installing artificial lift on all producing wells and eventually reaching and maintaining oil production rates at 1,100 bopd for several years. The 2P and 3P forecasts are based on similar assumptions, but increasing production rates up to a production plateau of 3,000 bopd although the 3P case includes one additional well in the southern lobe.

REVENUE FORECASTS

The net present values of the crude oil reserves were based on future production and revenue analyses. All of the revenues and costs presented in this report were presented in US Dollars.

The future crude oil revenue was derived by employing the future production forecast for each reserves category and the McDaniel January 1, 2017 forecast of future crude oil prices. The current differential to Brent is $11.50/bbl based on sales to Petrobras and the future differential for all reserve cases is forecasted to be the same $11.50/bbl but with increased operating costs attributed to additional trucking to another terminal. A gas contract with CDGN Logistica S.A. was also signed which is volume weighted. A summary of the resulting field prices is presented in Table 11.

The fiscal regime for the Tiê Field is detailed in Table 9. Government share of revenues is through a state royalty. Operating costs were based on a combination of the 2016 accounting, 2017/2018 budget and our experience of analogous oil projects and are summarized in Table 9. Capital costs were based on the 2017/2018 budget provided by the previous operator and are summarized in Table 10. An allowance was made for well abandonment costs at the end of each respective forecast.

Production and revenue forecasts were prepared for the PP, PD, 1P, 2P and 3P categories. The net present values for the proved non-producing reserves were calculated by subtracting the PP net present values from the PD net present values. The net present values for the proved undeveloped reserves were calculated by subtracting the PD net present values from the 1P net present values. The net present value estimates for the probable reserves were calculated by subtracting the 1P net present values from the 2P net present values. The net present value estimates for the possible reserves were calculated by subtracting the 2P net present value from the 3P net present value.

A summary of the reserves and net present value estimates were presented in Table A and detailed revenue forecasts for the PP, PD, 1P, 2P and 3P reserves in Tables 2, 3, 4, 5 and 6 respectively.

Prices: McD. Jan 1, 2017
Eff. Date: Dec 31, 2016
Currency: USD

Maha Energy

Table A

Total Company Reserves and Net Present Value
Forecast Prices and Costs as of December 31, 2016
Tie

	PDP	PNP	PUD	TP	PPDP	PPNP	PPUD	TPP	PPPDP	PPPNP	PPPUD	TPPP
Light and Medium Oil (Mbbl)												
Working Interest Volume	2,366.3	-	4,630.8	**6,997.1**	2,366.3	-	6,892.5	**9,258.8**	2,366.3	-	10,655.8	**13,022.2**
Royalty Interest Volume	-	-	-	**-**	-	-	-	**-**	-	-	-	**-**
Net Volume	2,046.9	-	4,005.6	**6,052.5**	2,046.9	-	5,962.0	**8,008.9**	2,046.9	-	9,217.3	**11,264.2**
Natural Gas (MMcf)												
Working Interest Volume	1,685.6	-	2,459.7	**4,145.3**	1,685.6	-	3,776.6	**5,462.2**	1,685.6	-	6,000.3	**7,685.9**
Royalty Interest Volume	-	-	-	**-**	-	-	-	**-**	-	-	-	**-**
Net Volume	1,458.1	-	2,127.6	**3,585.7**	1,458.1	-	3,266.8	**4,724.8**	1,458.1	-	5,190.2	**6,648.3**
Total (MBOE) (1)												
Working Interest Volume	2,647.3	-	5,040.7	**7,688.0**	2,647.3	-	7,521.9	**10,169.2**	2,647.3	-	11,655.9	**14,303.1**
Royalty Interest Volume	-	-	-	**-**	-	-	-	**-**	-	-	-	**-**
Net Volume	2,289.9	-	4,360.2	**6,650.1**	2,289.9	-	6,506.4	**8,796.3**	2,289.9	-	10,082.3	**12,372.2**
Net Present Value Before Tax (M$)												
0.0%	71,797.8	-	218,934.5	**290,732.3**	71,797.8	-	280,247.6	**352,045.4**	71,797.8	-	469,324.1	**541,121.9**
5.0%	60,999.2	-	121,154.1	**182,153.3**	60,999.2	-	191,537.2	**252,536.4**	60,999.2	-	307,631.9	**368,631.0**
10.0%	52,687.4	-	70,249.5	**122,937.0**	52,687.4	-	135,659.4	**188,346.8**	52,687.4	-	211,720.0	**264,407.4**
15.0%	46,166.2	-	42,018.3	**88,184.5**	46,166.2	-	98,801.9	**144,968.1**	46,166.2	-	151,488.8	**197,655.0**
20.0%	40,960.2	-	25,506.1	**66,466.3**	40,960.2	-	73,534.3	**114,494.4**	40,960.2	-	111,836.6	**152,796.8**
$/BOE Before Tax (2)												
0.0%	27.12	-	43.43	**37.82**	27.12	-	37.26	**34.62**	27.12	-	40.27	**37.83**
5.0%	23.04	-	24.04	**23.69**	23.04	-	25.46	**24.83**	23.04	-	26.39	**25.77**
10.0%	19.90	-	13.94	**15.99**	19.90	-	18.04	**18.52**	19.90	-	18.16	**18.49**
15.0%	17.44	-	8.34	**11.47**	17.44	-	13.14	**14.26**	17.44	-	13.00	**13.82**
20.0%	15.47	-	5.06	**8.65**	15.47	-	9.78	**11.26**	15.47	-	9.59	**10.68**
Net Present Value After Tax (M$)												
0.0%	67,519.2	-	169,955.9	**237,475.1**	67,519.2	-	224,875.4	**292,394.6**	67,519.2	-	356,981.4	**424,500.6**
5.0%	57,382.3	-	93,522.5	**150,904.8**	57,382.3	-	154,712.2	**212,094.5**	57,382.3	-	236,426.4	**293,808.6**
10.0%	49,575.0	-	53,438.0	**103,013.0**	49,575.0	-	109,938.1	**159,513.1**	49,575.0	-	164,016.2	**213,591.2**
15.0%	43,446.6	-	31,099.2	**74,545.8**	43,446.6	-	80,069.4	**123,516.0**	43,446.6	-	117,993.5	**161,440.1**
20.0%	38,552.3	-	18,002.3	**56,554.6**	38,552.3	-	59,395.5	**97,947.7**	38,552.3	-	87,353.7	**125,906.0**

(1) Barrels of Oil Equivalent based on 6:1 for Natural Gas, 1:1 for Condensate and C5+, 1:1 for Ethane,1:1 for Propane, 1:1 for Butanes. BOE's 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 a value equivalency at the wellhead.
(2) NPV/BOE based on Company Share BOE reserves.

Prices: McD. Jan 1, 2017
Eff. Date: Dec 31, 2016
Currency: USD

Maha Energy

Table 2

Forecast of Production and Revenue - Company Share
Forecast Prices and Costs as of December 31, 2016
Proved Developed Producing Reserves

Tie

	Property Gross					Crude Oil			Natural Gas			Natural Gas Liquids				
Year	No.Of Wells	Crude Oil bbl/d	Natural Gas Mcf/d	NGL bbl/d	Total BOE/d	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Annual Volume MMcf	Sales Price $/Mcf	Sales Revenue M$	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Other Revenue M$	Sales Revenue M$
2017	2.0	1,112	824	-	1,249	406	44.50	18,054	301	1.47	442	-	-	-	-	18,496
2018	2.0	1,045	775	-	1,174	381	48.08	18,337	283	1.47	416	-	-	-	-	18,753
2019	2.0	1,100	816	-	1,236	402	51.54	20,694	298	1.47	438	-	-	-	-	21,132
2020	2.0	933	683	-	1,047	341	58.01	19,811	250	1.47	367	-	-	-	-	20,178
2021	2.0	672	477	-	752	245	64.57	15,843	174	1.47	256	-	-	-	-	16,099
2022	2.0	492	339	-	549	180	65.82	11,828	124	1.47	182	-	-	-	-	12,010
2023	2.0	366	245	-	407	134	67.07	8,961	89	1.47	131	-	-	-	-	9,092
2024	2.0	276	180	-	306	101	68.41	6,908	66	1.47	97	-	-	-	-	7,005
2025	1.3	181	107	-	199	66	69.86	4,610	39	1.47	57	-	-	-	-	4,668
2026	1.0	134	75	-	146	49	71.28	3,476	27	1.47	40	-	-	-	-	3,516
2027	1.0	108	61	-	119	40	72.61	2,875	22	1.47	33	-	-	-	-	2,908
2028	0.7	61	34	-	66	22	74.08	1,647	12	1.47	18	-	-	-	-	1,665
2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rem.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**2,366**	**56.22**	**133,044**	**1,686**	**1.47**	**2,478**	**-**	**-**	**-**	**-**	**135,522**
@10.00%	-	-	-	-	-	-	39.86	94,333	-	1.09	1,845	-	-	-	-	96,178

	Royalties										
	State Royalty				Total		Net Volumes				
Year	Oil M$	Gas M$	HPS M$	Other Roy. & Burdens M$	M$	%	Oil Mbbl	Gas MMcf	Liquids Mbbl	Net Interest Revenue M$	Other Revenue M$
2017	2,437	60	-	-	2,497	13.5	351	260	-	15,999	24
2018	2,476	56	-	-	2,532	13.5	330	245	-	16,221	23
2019	2,794	59	-	-	2,853	13.5	347	258	-	18,279	24
2020	2,674	50	-	-	2,724	13.5	295	216	-	17,454	9
2021	2,139	35	-	-	2,173	13.5	212	151	-	13,926	-
2022	1,597	25	-	-	1,621	13.5	155	107	-	10,388	-
2023	1,210	18	-	-	1,227	13.5	116	77	-	7,865	-
2024	933	13	-	-	946	13.5	87	57	-	6,059	-
2025	622	8	-	-	630	13.5	57	34	-	4,037	-
2026	469	5	-	-	475	13.5	42	24	-	3,042	-
2027	388	4	-	-	393	13.5	34	19	-	2,515	-
2028	222	2	-	-	225	13.5	19	11	-	1,440	-
2029	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-
Rem.	-	-	-	-	-	-	-	-	-	-	-
Total	**17,961**	**335**	**-**	**-**	**18,295**	**13.5**	**2,047**	**1,458**	**-**	**117,227**	**80**
@10.00%	12,735	249	-	-	12,984	13.5	-	-	-	83,194	68

	Operating Costs					Future Net Revenue Before Tax				After Tax	
Year	M$	$/BOE	Abd. & Recl. Costs M$	Net Op. Income M$	Capital Costs M$	Annual M$	Cum. M$	NPV @10.0% M$	Taxes Payable M$	Annual M$	NPV @10.0% M$
2017	4,167	9.14	-	11,856	3,290	8,566	8,566	8,181	547	8,019	7,659
2018	4,095	9.55	-	12,149	632	11,517	20,083	9,987	608	10,909	9,460
2019	4,276	9.48	-	14,028	1,290	12,738	32,821	10,044	737	12,000	9,463
2020	4,059	10.59	-	13,404	1,316	12,089	44,910	8,697	744	11,344	8,163
2021	3,649	13.30	-	10,277	-	10,277	55,186	6,715	605	9,672	6,320
2022	3,379	16.87	-	7,009	-	7,009	62,196	4,164	389	6,620	3,933
2023	3,201	21.56	-	4,664	-	4,664	66,859	2,519	232	4,432	2,394
2024	2,871	25.64	-	3,189	-	3,189	70,048	1,567	312	2,877	1,414
2025	2,388	32.94	-	1,649	-	1,649	71,697	740	103	1,546	694
2026	2,050	38.44	885	107	-	107	71,804	38	-	107	38
2027	2,038	47.07	-	477	-	477	72,282	177	-	477	177
2028	1,357	55.83	-	83	-	83	72,365	29	-	83	29
2029	-	-	567	-567	-	-567	71,798	-170	-	-567	-170
2030	-	-	-	-	-	-	71,798	-	-	-	-
2031	-	-	-	-	-	-	71,798	-	-	-	-
Rem.	-	-	-	-	-	-	-	-	-	-	-
Total	**37,529**	**-**	**1,452**	**78,326**	**6,528**	**71,798**	**-**	**52,687**	**4,279**	**67,519**	**49,575**
@10.00%	24,419	-	535	58,309	5,621	52,687	-	-	3,112	49,575	-

	Remaining Reserves			
Product	Gross Lease	W.I.	R.I.	Net
Light and Medium Oil (Mbbl)	2,366	2,366	-	2,047
Natural Gas (MMcf)	1,686	1,686	-	1,458
Total (MBOE)	**2,647**	**2,647**	**-**	**2,290**

RLI	5.70 yrs	
Remaining Life	11.66 yrs	
Price Schedule	G170101	

	Net Present Value - M$				
	@ 0.0%	@ 5.0%	@ 10.0%	@ 15.0%	@ 20.0%
Before Taxes	71,798	60,999	52,687	46,166	40,960
After Taxes	**67,519**	**57,382**	**49,575**	**43,447**	**38,552**

Prices: McD. Jan 1, 2017
Eff. Date: Dec 31, 2016
Currency: USD

Maha Energy

Table 3

Forecast of Production and Revenue - Company Share
Forecast Prices and Costs as of December 31, 2016
Proved Developed Reserves

Tie

	Property Gross					Crude Oil			Natural Gas			Natural Gas Liquids				
Year	No.Of Wells	Crude Oil bbl/d	Natural Gas Mcf/d	NGL bbl/d	Total BOE/d	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Annual Volume MMcf	Sales Price $/Mcf	Sales Revenue M$	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Other Revenue M$	Sales Revenue M$
2017	2.0	1,112	824	-	1,249	406	44.50	18,054	301	1.47	442	-	-	-	-	18,496
2018	2.0	1,045	775	-	1,174	381	48.08	18,337	283	1.47	416	-	-	-	-	18,753
2019	2.0	1,100	816	-	1,236	402	51.54	20,694	298	1.47	438	-	-	-	-	21,132
2020	2.0	933	683	-	1,047	341	58.01	19,811	250	1.47	367	-	-	-	-	20,178
2021	2.0	672	477	-	752	245	64.57	15,843	174	1.47	256	-	-	-	-	16,099
2022	2.0	492	339	-	549	180	65.82	11,828	124	1.47	182	-	-	-	-	12,010
2023	2.0	366	245	-	407	134	67.07	8,961	89	1.47	131	-	-	-	-	9,092
2024	2.0	276	180	-	306	101	68.41	6,908	66	1.47	97	-	-	-	-	7,005
2025	1.3	181	107	-	199	66	69.86	4,610	39	1.47	57	-	-	-	-	4,668
2026	1.0	134	75	-	146	49	71.28	3,476	27	1.47	40	-	-	-	-	3,516
2027	1.0	108	61	-	119	40	72.61	2,875	22	1.47	33	-	-	-	-	2,908
2028	0.7	61	34	-	66	22	74.08	1,647	12	1.47	18	-	-	-	-	1,665
2029	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rem.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**2,366**	**56.22**	**133,044**	**1,686**	**1.47**	**2,478**	**-**	**-**	**-**	**-**	**135,522**
@10.00%	-	-	-	-	-	-	39.86	94,333	-	1.09	1,845	-	-	-	-	96,178

	Royalties						Net Volumes				
	State Royalty				Total						
Year	Oil M$	Gas M$	HPS M$	Other Roy. & Burdens M$	M$	%	Oil Mbbl	Gas MMcf	Liquids Mbbl	Net Interest Revenue M$	Other Revenue M$
2017	2,437	60	-	-	2,497	13.5	351	260	-	15,999	24
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2019	2,794	59	-	-	2,853	13.5	347	258	-	18,279	24
2020	2,674	50	-	-	2,724	13.5	295	216	-	17,454	9
2021	2,139	35	-	-	2,173	13.5	212	151	-	13,926	-
2022	1,597	25	-	-	1,621	13.5	155	107	-	10,388	-
2023	1,210	18	-	-	1,227	13.5	116	77	-	7,865	-
2024	933	13	-	-	946	13.5	87	57	-	6,059	-
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2029	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-
Rem.	-	-	-	-	-	-	-	-	-	-	-
Total	**17,961**	**335**	**-**	**-**	**18,295**	**13.5**	**2,047**	**1,458**	**-**	**117,227**	**80**
@10.00%	12,735	249	-	-	12,984	13.5	-	-	-	83,194	68

	Operating Costs					Future Net Revenue Before Tax				After Tax	
Year	M$	$/BOE	Abd. & Recl. Costs M$	Net Op. Income M$	Capital Costs M$	Annual M$	Cum. M$	NPV @10.0% M$	Taxes Payable M$	Annual M$	NPV @10.0% M$
2017	4,167	9.14	-	11,856	3,290	8,566	8,566	8,181	547	8,019	7,659
2018	4,095	9.55	-	12,149	632	11,517	20,083	9,987	608	10,909	9,460
2019	4,276	9.48	-	14,028	1,290	12,738	32,821	10,044	737	12,000	9,463
2020	4,059	10.59	-	13,404	1,316	12,089	44,910	8,697	744	11,344	8,163
2021	3,649	13.30	-	10,277	-	10,277	55,186	6,715	605	9,672	6,320
2022	3,379	16.87	-	7,009	-	7,009	62,196	4,164	389	6,620	3,933
2023	3,201	21.56	-	4,664	-	4,664	66,859	2,519	232	4,432	2,394
2024	2,871	25.64	-	3,189	-	3,189	70,048	1,567	312	2,877	1,414
2025	2,388	32.94	-	1,649	-	1,649	71,697	740	103	1,546	694
2026	2,050	38.44	885	107	-	107	71,804	38	-	107	38
2027	2,038	47.07	-	477	-	477	72,282	177	-	477	177
2028	1,357	55.83	-	83	-	83	72,365	29	-	83	29
2029	-	-	567	-567	-	-567	71,798	-170	-	-567	-170
2030	-	-	-	-	-	-	71,798	-	-	-	-
2031	-	-	-	-	-	-	71,798	-	-	-	-
Rem.	-	-	-	-	-	-	-	-	-	-	-
Total	**37,529**	**-**	**1,452**	**78,326**	**6,528**	**71,798**	**-**	**52,687**	**4,279**	**67,519**	**49,575**
@10.00%	24,419	-	535	58,309	5,621	52,687	-	-	3,112	49,575	-

	Remaining Reserves			
Product	Gross Lease	W.I.	R.I.	Net
Light and Medium Oil (Mbbl)	2,366	2,366	-	2,047
Natural Gas (MMcf)	1,686	1,686	-	1,458
Total (MBOE)	**2,647**	**2,647**	**-**	**2,290**

RLI	5.70 yrs
Remaining Life	11.66 yrs
Price Schedule	G170101

	Net Present Value - M$				
	@ 0.0%	@ 5.0%	@ 10.0%	@ 15.0%	@ 20.0%
Before Taxes	71,798	60,999	52,687	46,166	40,960
After Taxes	**67,519**	**57,382**	**49,575**	**43,447**	**38,552**

Maha Energy

Forecast of Production and Revenue - Company Share
Forecast Prices and Costs as of December 31, 2016
Total Proved Reserves

Tie

Year	Property Gross: No.Of Wells	Property Gross: Crude Oil bbl/d	Property Gross: Natural Gas Mcf/d	Property Gross: NGL bbl/d	Property Gross: Total BOE/d	Crude Oil: Annual Volume Mbbl	Crude Oil: Sales Price $/bbl	Crude Oil: Sales Revenue M$	Natural Gas: Annual Volume MMcf	Natural Gas: Sales Price $/Mcf	Natural Gas: Sales Revenue M$	Natural Gas Liquids: Annual Volume Mbbl	Natural Gas Liquids: Sales Price $/bbl	Natural Gas Liquids: Sales Revenue M$	Other Revenue M$	Sales Revenue M$
2017	2.0	1,112	824	-	1,249	406	44.50	18,054	301	1.47	442	-	-	-	-	18,496
2018	2.0	1,045	696	-	1,161	381	48.08	18,337	254	1.47	374	-	-	-	-	18,711
2019	3.0	1,100	636	-	1,206	402	51.54	20,694	232	1.47	341	-	-	-	-	21,036
2020	3.0	1,100	636	-	1,206	403	58.01	23,353	233	1.47	342	-	-	-	-	23,695
2021	3.0	1,100	636	-	1,206	402	64.56	25,922	232	1.47	341	-	-	-	-	26,264
2022	3.0	1,100	636	-	1,206	402	65.82	26,426	232	1.47	341	-	-	-	-	26,767
2023	3.0	1,100	636	-	1,206	402	67.07	26,927	232	1.47	341	-	-	-	-	27,268
2024	3.0	1,100	636	-	1,206	403	68.41	27,541	233	1.47	342	-	-	-	-	27,884
2025	3.0	1,100	636	-	1,206	402	69.85	28,044	232	1.47	341	-	-	-	-	28,385
2026	3.0	1,100	636	-	1,206	402	71.28	28,619	232	1.47	341	-	-	-	-	28,960
2027	3.0	1,100	636	-	1,206	402	72.61	29,152	232	1.47	341	-	-	-	-	29,493
2028	3.0	1,100	636	-	1,206	403	74.03	29,804	233	1.47	342	-	-	-	-	30,147
2029	3.0	1,026	593	-	1,125	375	75.65	28,331	217	1.47	318	-	-	-	-	28,650
2030	3.0	892	516	-	978	326	77.16	25,121	188	1.47	277	-	-	-	-	25,397
2031	3.0	775	448	-	850	283	78.67	22,264	164	1.47	241	-	-	-	-	22,504
Rem.	2.8	413.5	239.1	-	453.4	1,209	84.47	102,094	699	1.47	1,027	-	-	-	-	103,121
Total	**-**	**-**	**-**	**-**	**-**	**6,997**	**68.70**	**480,682**	**4,145**	**1.47**	**6,094**	**-**	**-**	**-**	**-**	**486,776**
@10.00%	-	-	-	-	-	-	30.16	211,041	-	0.72	2,986	-	-	-	-	214,027

Year	Royalties: State Royalty Oil M$	Royalties: State Royalty Gas M$	Royalties: HPS M$	Royalties: Other Roy. & Burdens M$	Royalties: Total M$	Royalties: Total %	Net Volumes: Oil Mbbl	Net Volumes: Gas MMcf	Net Volumes: Liquids Mbbl	Net Interest Revenue M$	Other Revenue M$
2017	2,437	60	-	-	2,497	13.5	351	260	-	15,999	24
2018	2,476	50	-	-	2,526	13.5	330	220	-	16,185	12
2019	2,794	46	-	-	2,840	13.5	347	201	-	18,196	-
2020	3,153	46	-	-	3,199	13.5	348	201	-	20,496	-
2021	3,500	46	-	-	3,546	13.5	347	201	-	22,718	-
2022	3,567	46	-	-	3,614	13.5	347	201	-	23,153	-
2023	3,635	46	-	-	3,681	13.5	347	201	-	23,587	-
2024	3,718	46	-	-	3,764	13.5	348	201	-	24,119	-
2025	3,786	46	-	-	3,832	13.5	347	201	-	24,553	-
2026	3,864	46	-	-	3,910	13.5	347	201	-	25,050	-
2027	3,936	46	-	-	3,982	13.5	347	201	-	25,512	-
2028	4,024	46	-	-	4,070	13.5	348	201	-	26,077	-
2029	3,825	43	-	-	3,868	13.5	324	187	-	24,782	-
2030	3,391	37	-	-	3,429	13.5	282	163	-	21,969	-
2031	3,006	32	-	-	3,038	13.5	245	142	-	19,466	-
Rem.	13,783	139	-	-	13,921	13.5	1,045	604	-	89,200	-
Total	**64,892**	**823**	**-**	**-**	**65,715**	**13.5**	**6,052**	**3,586**	**-**	**421,061**	**36**
@10.00%	28,491	403	-	-	28,894	13.5	-	-	-	185,133	33

Year	Operating Costs M$	Operating Costs $/BOE	Abd. & Recl. Costs M$	Net Op. Income M$	Capital Costs M$	Future Net Revenue Before Tax: Annual M$	Future Net Revenue Before Tax: Cum. M$	Future Net Revenue Before Tax: NPV @10.0% M$	Taxes Payable M$	After Tax: Annual M$	After Tax: NPV @10.0% M$
2017	4,167	9.14	-	11,856	5,020	6,836	6,836	6,539	1,007	5,829	5,578
2018	4,095	9.66	-	12,102	6,833	5,268	12,105	4,593	1,009	4,259	3,718
2019	4,440	10.09	-	13,756	7,860	5,896	18,001	4,423	1,120	4,776	3,540
2020	4,534	10.27	-	15,962	1,347	14,615	32,616	10,477	1,345	13,270	9,513
2021	4,619	10.49	-	18,099	32	18,067	50,683	11,768	1,574	16,493	10,743
2022	4,712	10.70	-	18,442	33	18,409	69,092	10,901	1,610	16,799	9,947
2023	4,806	10.92	-	18,781	34	18,747	87,839	10,092	1,646	17,101	9,206
2024	4,908	11.12	-	19,211	34	19,177	107,016	9,386	3,769	15,408	7,541
2025	5,000	11.36	-	19,553	35	19,518	126,534	8,683	3,852	15,666	6,970
2026	5,100	11.59	-	19,950	1,458	18,493	145,027	7,482	3,905	14,587	5,902
2027	5,202	11.82	-	20,310	36	20,273	165,300	7,454	3,990	16,283	5,987
2028	5,312	12.04	-	20,764	37	20,727	186,027	6,929	4,094	16,633	5,560
2029	5,250	12.79	-	19,532	38	19,494	205,522	5,931	3,859	15,636	4,759
2030	5,056	14.16	-	16,913	38	16,875	222,396	4,668	3,337	13,538	3,746
2031	4,891	15.76	-	14,575	39	14,535	236,932	3,655	2,869	11,667	2,935
Rem.	31,232	-	1,867	56,100	2,300	53,800	53,800	9,956	14,271	39,530	7,370
Total	**103,323**	**-**	**1,867**	**315,907**	**25,174**	**290,732**	**-**	**122,937**	**53,257**	**237,475**	**103,013**
@10.00%	42,738	-	203	142,226	19,289	122,937	-	-	19,924	103,013	-

Product	Remaining Reserves: Gross Lease	W.I.	R.I.	Net
Light and Medium Oil (Mbbl)	6,997	6,997	-	6,052
Natural Gas (MMcf)	4,145	4,145	-	3,586
Total (MBOE)	**7,688**	**7,688**	**-**	**6,650**

RLI	16.55 yrs
Remaining Life	22.33 yrs
Price Schedule	G170101

Net Present Value - M$	@ 0.0%	@ 5.0%	@ 10.0%	@ 15.0%	@ 20.0%
Before Taxes	290,732	182,153	122,937	88,184	66,466
After Taxes	**237,475**	**150,905**	**103,013**	**74,546**	**56,555**

Maha Energy

Forecast of Production and Revenue - Company Share
Forecast Prices and Costs as of December 31, 2016
Total Proved & Probable Reserves

Tie

	Property Gross					Crude Oil			Natural Gas			Natural Gas Liquids				
Year	No.Of Wells	Crude Oil bbl/d	Natural Gas Mcf/d	NGL bbl/d	Total BOE/d	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Annual Volume MMcf	Sales Price $/Mcf	Sales Revenue M$	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Other Revenue M$	Sales Revenue M$
2017	2.0	1,112	824	-	1,249	406	44.50	18,054	301	1.47	442	-	-	-	-	18,496
2018	2.0	1,354	902	-	1,504	494	48.08	23,755	329	1.47	484	-	-	-	-	24,239
2019	3.0	2,500	1,445	-	2,741	913	51.54	47,033	528	1.47	775	-	-	-	-	47,808
2020	3.0	3,000	1,734	-	3,289	1,098	58.01	63,690	635	1.47	933	-	-	-	-	64,624
2021	3.0	3,000	1,734	-	3,289	1,095	64.56	70,697	633	1.47	931	-	-	-	-	71,628
2022	3.0	2,716	1,570	-	2,978	991	65.82	65,260	573	1.47	843	-	-	-	-	66,103
2023	3.0	2,222	1,285	-	2,436	811	67.07	54,395	469	1.47	689	-	-	-	-	55,085
2024	3.0	1,817	1,050	-	1,992	665	68.41	45,499	384	1.47	565	-	-	-	-	46,065
2025	3.0	1,486	859	-	1,629	542	69.85	37,886	314	1.47	461	-	-	-	-	38,347
2026	3.0	1,216	703	-	1,333	444	71.28	31,627	256	1.47	377	-	-	-	-	32,004
2027	3.0	994	575	-	1,090	363	72.61	26,353	210	1.47	308	-	-	-	-	26,661
2028	3.0	813	470	-	891	298	74.03	22,034	172	1.47	253	-	-	-	-	22,287
2029	3.0	665	384	-	729	243	75.65	18,362	140	1.47	206	-	-	-	-	18,568
2030	3.0	544	314	-	596	199	77.16	15,320	115	1.47	169	-	-	-	-	15,489
2031	3.0	445	257	-	488	162	78.67	12,777	94	1.47	138	-	-	-	-	12,915
Rem.	2.8	209.4	121.0	-	229.6	536	83.70	44,831	310	1.47	455	-	-	-	-	45,286
Total	**-**	**-**	**-**	**-**	**-**	**9,259**	**64.54**	**597,574**	**5,462**	**1.47**	**8,029**	**-**	**-**	**-**	**-**	**605,604**
@10.00%	-	-	-	-	-	-	35.12	325,180	-	0.85	4,662	-	-	-	-	329,842

	Royalties						Net Volumes			Net Interest Revenue	Other Revenue
	State Royalty				Total						
Year	Oil M$	Gas M$	HPS M$	Other Roy. & Burdens M$	M$	%	Oil Mbbl	Gas MMcf	Liquids Mbbl	M$	M$
2017	2,437	60	-	-	2,497	13.5	351	260	-	15,999	24
2018	3,207	65	-	-	3,272	13.5	427	285	-	20,967	54
2019	6,349	105	-	-	6,454	13.5	789	456	-	41,354	90
2020	8,598	126	-	-	8,724	13.5	950	549	-	55,899	108
2021	9,544	126	-	-	9,670	13.5	947	548	-	61,958	108
2022	8,810	114	-	-	8,924	13.5	858	496	-	57,179	97
2023	7,343	93	-	-	7,436	13.5	702	406	-	47,648	80
2024	6,142	76	-	-	6,219	13.5	575	333	-	39,846	65
2025	5,115	62	-	-	5,177	13.5	469	271	-	33,170	35
2026	4,270	51	-	-	4,321	13.5	384	222	-	27,684	12
2027	3,558	42	-	-	3,599	13.5	314	181	-	23,062	-
2028	2,975	34	-	-	3,009	13.5	257	149	-	19,278	-
2029	2,479	28	-	-	2,507	13.5	210	121	-	16,061	-
2030	2,068	23	-	-	2,091	13.5	172	99	-	13,398	-
2031	1,725	19	-	-	1,743	13.5	140	81	-	11,171	-
Rem.	6,052	61	-	-	6,114	13.5	463	268	-	39,172	-
Total	**80,673**	**1,084**	**-**	**-**	**81,757**	**13.5**	**8,009**	**4,725**	**-**	**523,847**	**673**
@10.00%	43,899	629	-	-	44,529	13.5	-	-	-	285,313	441

	Operating Costs		Abd. & Recl. Costs	Net Op. Income	Capital Costs	Future Net Revenue Before Tax			Taxes Payable	After Tax	
Year	M$	$/BOE	M$	M$	M$	Annual M$	Cum. M$	NPV @10.0% M$	M$	Annual M$	NPV @10.0% M$
2017	4,167	9.14	-	11,856	7,925	3,931	3,931	3,780	1,056	2,875	2,772
2018	5,303	9.66	-	15,718	18,139	-2,422	1,510	-2,033	1,317	-3,738	-3,175
2019	8,600	8.60	-	32,844	13,949	18,896	20,405	14,689	2,685	16,211	12,572
2020	10,043	8.34	-	45,964	32	45,932	66,338	32,915	3,918	42,014	30,107
2021	10,223	8.52	-	51,842	32	51,810	118,148	33,748	4,548	47,262	30,785
2022	9,687	8.91	-	47,589	33	47,556	165,705	28,208	4,186	43,370	25,729
2023	8,568	9.64	-	39,160	1,709	37,451	203,156	20,200	3,415	34,036	18,362
2024	7,656	10.50	-	32,255	34	32,221	235,376	15,797	6,539	25,681	12,597
2025	6,881	11.57	-	26,324	35	26,290	261,666	11,717	7,315	18,975	8,462
2026	6,257	12.86	-	21,439	36	21,404	283,069	8,672	5,949	15,454	6,266
2027	5,746	14.44	-	17,316	1,487	15,829	298,899	5,834	4,689	11,140	4,110
2028	5,336	16.35	-	13,942	37	13,905	312,803	4,657	3,755	10,150	3,402
2029	4,993	18.77	-	11,068	38	11,030	323,833	3,359	2,957	8,073	2,460
2030	4,724	21.70	-	8,674	38	8,635	332,469	2,391	2,287	6,348	1,759
2031	4,511	25.33	-	6,660	39	6,621	339,090	1,667	1,720	4,902	1,235
Rem.	24,079	-	1,840	13,253	298	12,956	12,956	2,747	3,315	9,641	2,072
Total	**126,775**	**-**	**1,840**	**395,906**	**43,860**	**352,045**	**-**	**188,347**	**59,651**	**292,395**	**159,513**
@10.00%	61,143	-	215	224,397	36,050	188,347	-	-	28,834	159,513	-

	Remaining Reserves			
Product	Gross Lease	W.I.	R.I.	Net
Light and Medium Oil (Mbbl)	9,259	9,259	-	8,009
Natural Gas (MMcf)	5,462	5,462	-	4,725
Total (MBOE)	**10,169**	**10,169**	**-**	**8,796**

RLI	21.89 yrs
Remaining Life	21.58 yrs
Price Schedule	G170101

Net Present Value - M$	@ 0.0%	@ 5.0%	@ 10.0%	@ 15.0%	@ 20.0%
Before Taxes	352,045	252,536	188,347	144,968	114,494
After Taxes	**292,395**	**212,094**	**159,513**	**123,516**	**97,948**

Prices: McD. Jan 1, 2017
Eff. Date: Dec 31, 2016
Currency: USD

Maha Energy

Table 6

Forecast of Production and Revenue - Company Share
Forecast Prices and Costs as of December 31, 2016
Total Proved, Probable & Possible Reserves

Tie

	Property Gross					Crude Oil			Natural Gas			Natural Gas Liquids				
Year	No.Of Wells	Crude Oil bbl/d	Natural Gas Mcf/d	NGL bbl/d	Total BOE/d	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Annual Volume MMcf	Sales Price $/Mcf	Sales Revenue M$	Annual Volume Mbbl	Sales Price $/bbl	Sales Revenue M$	Other Revenue M$	Sales Revenue M$
2017	2.0	1,112	824	-	1,249	406	44.50	18,054	301	1.47	442	-	-	-	-	18,496
2018	2.0	2,256	1,503	-	2,507	824	48.08	39,592	549	1.47	807	-	-	-	-	40,398
2019	3.0	3,000	1,734	-	3,289	1,095	51.54	56,439	633	1.47	931	-	-	-	-	57,370
2020	4.0	3,000	1,734	-	3,289	1,098	58.01	63,690	635	1.47	933	-	-	-	-	64,624
2021	4.0	3,000	1,734	-	3,289	1,095	64.56	70,697	633	1.47	931	-	-	-	-	71,628
2022	4.0	3,000	1,734	-	3,289	1,095	65.82	72,070	633	1.47	931	-	-	-	-	73,000
2023	4.0	3,000	1,734	-	3,289	1,095	67.07	73,437	633	1.47	931	-	-	-	-	74,367
2024	4.0	3,000	1,734	-	3,289	1,098	68.41	75,113	635	1.47	933	-	-	-	-	76,046
2025	4.0	2,711	1,569	-	2,973	990	69.85	69,130	573	1.47	842	-	-	-	-	69,971
2026	4.0	2,214	1,283	-	2,427	808	71.28	57,595	468	1.47	688	-	-	-	-	58,283
2027	4.0	1,812	1,051	-	1,987	661	72.61	48,025	384	1.47	564	-	-	-	-	48,589
2028	4.0	1,487	864	-	1,631	544	74.03	40,289	316	1.47	465	-	-	-	-	40,754
2029	4.0	1,223	712	-	1,342	446	75.65	33,776	260	1.47	382	-	-	-	-	34,158
2030	4.0	1,009	588	-	1,107	368	77.16	28,422	215	1.47	316	-	-	-	-	28,737
2031	4.0	835	487	-	916	305	78.67	23,963	178	1.47	261	-	-	-	-	24,224
Rem.	3.4	374.4	219.5	-	411.0	1,094	84.06	91,987	642	1.47	943	-	-	-	-	92,930
Total	-	-	-	-	-	**13,022**	**66.22**	**862,279**	**7,686**	**1.47**	**11,298**	-	-	-	-	**873,577**
@10.00%	-	-	-	-	-	-	33.27	433,190	-	0.79	6,100	-	-	-	-	439,290

	Royalties						Net Volumes				
	State Royalty				Total						
Year	Oil M$	Gas M$	HPS M$	Other Roy. & Burdens M$	M$	%	Oil Mbbl	Gas MMcf	Liquids Mbbl	Net Interest Revenue M$	Other Revenue M$
2017	2,437	60	-	-	2,497	13.5	351	260	-	15,999	24
2018	5,345	109	-	-	5,454	13.5	712	475	-	34,944	93
2019	7,619	126	-	-	7,745	13.5	947	548	-	49,625	108
2020	8,598	126	-	-	8,724	13.5	950	549	-	55,899	108
2021	9,544	126	-	-	9,670	13.5	947	548	-	61,958	108
2022	9,729	126	-	-	9,855	13.5	947	548	-	63,145	108
2023	9,914	126	-	-	10,040	13.5	947	548	-	64,328	108
2024	10,140	126	-	-	10,266	13.5	950	549	-	65,780	108
2025	9,333	114	-	-	9,446	13.5	856	495	-	60,525	97
2026	7,775	93	-	-	7,868	13.5	699	405	-	50,415	80
2027	6,483	76	-	-	6,560	13.5	572	332	-	42,030	65
2028	5,439	63	-	-	5,502	13.5	471	274	-	35,252	40
2029	4,560	52	-	-	4,611	13.5	386	225	-	29,547	14
2030	3,837	43	-	-	3,880	13.5	319	186	-	24,858	-
2031	3,235	35	-	-	3,270	13.5	263	154	-	20,954	-
Rem.	12,418	127	-	-	12,546	13.5	947	555	-	80,385	-
Total	**116,408**	**1,525**	-	-	**117,933**	**13.5**	**11,264**	**6,648**	-	**755,644**	**1,060**
@10.00%	58,481	824	-	-	59,304	13.5	-	-	-	379,986	628

	Operating Costs					Future Net Revenue Before Tax				After Tax	
Year	M$	$/BOE	Abd. & Recl. Costs M$	Net Op. Income M$	Capital Costs M$	Annual M$	Cum. M$	NPV @10.0% M$	Taxes Payable M$	Annual M$	NPV @10.0% M$
2017	4,167	9.14	-	11,856	7,976	3,880	3,880	3,731	1,117	2,763	2,666
2018	7,334	8.02	-	27,704	18,008	9,696	13,576	8,472	2,532	7,165	6,277
2019	9,826	8.19	-	39,906	13,949	25,958	39,534	20,255	3,563	22,395	17,446
2020	10,211	8.48	-	45,796	6,701	39,095	78,629	27,804	4,116	34,979	24,854
2021	10,394	8.66	-	51,671	32	51,639	130,268	33,637	4,745	46,894	30,545
2022	10,602	8.83	-	52,651	33	52,618	182,886	31,158	4,849	47,768	28,286
2023	10,814	9.01	-	53,621	34	53,587	236,474	28,848	5,900	47,687	25,671
2024	11,053	9.18	-	54,835	1,743	53,092	289,566	25,989	16,077	37,015	18,120
2025	10,451	9.63	-	50,171	35	50,136	339,702	22,344	14,742	35,395	15,784
2026	9,258	10.45	-	41,237	1,458	39,779	379,481	16,120	12,035	27,744	11,251
2027	8,289	11.43	-	33,806	36	33,770	413,251	12,438	9,866	23,904	8,810
2028	7,513	12.59	-	27,779	37	27,742	440,994	9,290	8,103	19,640	6,582
2029	6,863	14.01	-	22,698	38	22,660	463,654	6,898	6,613	16,047	4,888
2030	6,347	15.71	-	18,510	38	18,472	482,126	5,112	5,380	13,092	3,625
2031	5,931	17.75	-	15,023	39	14,984	497,109	3,770	4,349	10,634	2,677
Rem.	34,227	-	1,847	44,310	298	44,013	44,013	8,544	12,635	31,378	6,109
Total	**163,281**	-	**1,847**	**591,576**	**50,454**	**541,122**	-	**264,407**	**116,621**	**424,501**	**213,591**
@10.00%	75,042	-	212	305,360	40,953	264,407	-	-	50,816	213,591	-

	Remaining Reserves			
Product	Gross Lease	W.I.	R.I.	Net
Light and Medium Oil (Mbbl)	13,022	13,022	-	11,264
Natural Gas (MMcf)	7,686	7,686	-	6,648
Total (MBOE)	**14,303**	**14,303**	-	**12,372**

RLI 30.79 yrs
Remaining Life 22.33 yrs
Price Schedule G170101

	Net Present Value - M$				
	@ 0.0%	@ 5.0%	@ 10.0%	@ 15.0%	@ 20.0%
Before Taxes	541,122	368,631	264,407	197,655	152,797
After Taxes	**424,501**	**293,809**	**213,591**	**161,440**	**125,906**

Maha Energy **Table 7**

Tie Field - Brazil

Crude Oil Reserve Summary

Effective December 31, 2016

Zone	Sergi Main	Agua Grande Main	Agua Grande South	Tie Field Total
Reservoir Parameters				
Porosity, %	15.2	17.3	17.3	
Water Saturation, %	36.3	34.5	34.5	
Oil Shrinkage, frac	0.74	0.72	0.72	
Original Oil-In Place, bbl/ac-ft	558	633	633	
Proved Developed Producing Reserves				
Area, acres	508	485	-	
Net Pay, ft	42.2	41.8	-	
Net Rock Volume, Acre-ft	21,440	20,264	-	
Original Oil in Place, Mbbl	11,974	12,834	-	24,808
Recovery Factor, %	20.0	12.5	-	16.1
Original Recoverable, Mbbl	2,395	1,604	-	3,999
Cumulative Production, Mbbl	1,014	543	-	1,557
Remaining Recoverable, Mbbl	1,380	1,061	-	2,442
Remaining Sales Gas Recoverable, MMcf				1,723
Proved Non-Producing Reserves, Mbbl	-	-	-	-
Proved Developed Reserves				
Area, acres	508	485	-	
Net Pay, ft	42.2	41.8	-	
Net Rock Volume, Acre-ft	21,440	20,264	-	
Original Oil in Place, Mbbl	11,974	12,834	-	24,808
Recovery Factor, %	20.0	12.5	-	16.1
Original Recoverable, Mbbl	2,395	1,604	-	3,999
Cumulative Production, Mbbl	1,014	543	-	1,557
Remaining Recoverable, Mbbl	1,380	1,061	-	2,442
Remaining Sales Gas Recoverable, MMcf				1,723
Proved Undeveloped Reserves, Mbbl	2,095	2,888	-	4,983
Total Proved Reserves				
Area, acres	508	485	-	
Net Pay, ft	42.2	41.8	-	
Net Rock Volume, Acre-ft	21,440	20,264	-	
Original Oil in Place, Mbbl	11,974	12,834	-	24,808
Recovery Factor, %	37.5	35.0	-	36.2
Original Recoverable, Mbbl	4,490	4,492	-	8,982
Cumulative Production, Mbbl	1,014	543	-	1,557
Remaining Recoverable, Mbbl	3,476	3,949	-	7,425
Remaining Sales Gas Recoverable, MMcf				4,378
Probable Reserves, Mbbl	898	963	-	1,861
Proved + Probable Reserves				
Area, acres	508	485	-	
Net Pay, ft	42.2	41.8	-	
Net Rock Volume, Acre-ft	21,440	20,264	-	
Original Oil in Place, Mbbl	11,974	12,834	-	24,808
Recovery Factor, %	45.0	42.5	-	43.7
Original Recoverable, Mbbl	5,388	5,455	-	10,843
Cumulative Production, Mbbl	1,014	543	-	1,557
Remaining Recoverable, Mbbl	4,374	4,912	-	9,286
Remaining Sales Gas Recoverable, MMcf				5,458
Possible Reserves, Mbbl	1,197	963	1,869	4,029
Proved + Probable + Possible Reserves				
Area, acres	508	485	149	
Net Pay, ft	42.2	41.8	43.9	
Net Rock Volume, Acre-ft	21,440	20,264	6,558	
Original Oil in Place, Mbbl	11,974	12,834	4,154	28,962
Recovery Factor, %	55.0	50.0	45.0	51.4
Original Recoverable, Mbbl	6,586	6,417	1,869	14,872
Cumulative Production, Mbbl	1,014	543	-	1,557
Remaining Recoverable, Mbbl	5,571	5,874	1,869	13,315
Remaining Sales Gas Recoverable, MMcf				7,835

Maha Energy

Table 8

Tie Field - Brazil

Reservoir and Fluid Properties

Effective December 31, 2016

Imperial Units	Sergi	Agua Grande
Lithology	Sandstone	Sandstone
Maximum Gross Oil Pay Thickness, ft	75	72
Average Depth to Reservoir, ft	6,660	6,234
Range of Permeability from Well Tests, mD	190-270	NA
Initial Reservoir Pressure, atm	201	198
Initial Reservoir Pressure, psia	2,953	2,910
Bubble Point Pressure, atm	189	172
Bubble Point Pressure, psia	2,778	2,525
Reservoir Temperature, F	206	NA
Stock Tank Oil Density, g/cc	0.830	0.845
Stock Tank Oil Gravity, degrees API	39.0	35.9
Oil Viscosity at Reservoir Pressure, cp	0.67	NA
Solution GOR, scf/bbl	681	NA
Formation Volume Factor, rb/stb	1.35	1.39
Oil Sulphur Content, %	NA	NA
Wax Content, %	NA	NA
Ashphaltenes, %	NA	NA

Metric Units	Sergi	Agua Grande
Lithology	Sandstone	Sandstone
Maximum Gross Oil Pay Thickness, m	23	22
Average Depth to Reservoir, m	2,030	1,900
Permeability from Well Tests, mD	190-270	NA
Initial Reservoir Pressure, atm	201	198
Initial Reservoir Pressure, Kpa	20,350	20,053
Bubble Point Pressure, atm	189	172
Bubble Point Pressure, kpa	2,778	2,525
Reservoir Temperature, C	97	NA
Stock Tank Oil Density, g/cc	0.830	0.845
Stock Tank Oil Gravity, degrees API	39.0	35.9
Oil Viscosity at Reservoir Pressure, cp	1	NA
Solution GOR, m3/m3	122	NA
Formation Volume Factor, rb/stb	1.35	1.39
Oil Sulphur Content, %	NA	NA
Wax Content, %	NA	NA
Ashphaltenes, %	NA	NA

Maha Energy
Tie Field - Brazil
Summary of Economic Parameters
Effective December 31, 2016

Price Schedule

McDaniel & Associates January 1, 2017 Forecast Price Case

Crude Oil Pricing Adjustments (2017$ - US)

Product	Price	
Quality Differential to Brent	$ 11.50	US/bbl
Transportation Differential	$ -	US/bbl

Gas Pricing Adjustments (2017$ - US)

Product	Price	
0MMcf/yr ≤ Production ≤ 254MMcf/yr	$ 1.47	US/Mcf
254MMcf/y ≤ Production ≤ 318MMcf/yr	$ 1.55	US/Mcf
318MMcf/y ≤ Production ≤ 420MMcf/yr	$ 1.64	US/Mcf

See Table 8.

Operating Costs (2017$ - US)

Description	PP Case	1P Case	2P Case	3P Case
Fixed, $M/yr				
2017	$1,912	$1,912	$1,912	$1,912
2018	$1,912	$1,912	$1,912	$1,912
2019	$1,912	$1,912	$1,912	$1,912
After 2019	$1,912	$1,912	$1,912	$1,912
Variable, $/w-m				
2017	$13,284	$13,284	$13,284	$13,284
2018	$13,284	$13,284	$13,284	$13,284
2019	$13,284	$13,284	$13,284	$13,284
After 2019	$13,284	$13,284	$13,284	$13,284
Variable, $/bbl - Oil				
2017	$3.27	$3.27	$3.27	$3.27
2018	$3.27	$3.27	$3.27	$3.27
2019	$3.27	$3.27	$3.27	$3.27
After 2019	$3.27	$3.27	$3.27	$3.27
Variable, $/bbl - Water				
2017	$0.00	$0.00	$0.00	$0.00
2018	$0.00	$0.00	$0.00	$0.00
2019	$0.00	$0.00	$0.00	$0.00
After 2019	$0.00	$0.00	$0.00	$0.00
Variable, $/Mcf - Gas				
2017	$0.00	$0.00	$0.00	$0.00
2018	$0.00	$0.00	$0.00	$0.00
2019	$0.00	$0.00	$0.00	$0.00
After 2019	$0.00	$0.00	$0.00	$0.00
Variable, $/bbl Transportation				
2017	$1.50	$1.50	$1.50	$1.50
2018	$1.50	$1.50	$2.83	$2.83
2019	$1.50	$1.50	$2.83	$2.83
After 2019	$1.50	$1.50	$3.25	$3.25

* Fixed costs were reduced by 10 percent per year in each of the last three years of the forecast and includes G&A costs of field

Capital Costs (2017$ - US)

See Table 9.

Abandonment Costs (2017$ - US)

Well Abandonments $300,000 /well

Maha Energy
Tie Field - Brazil
Summary of Economic Parameters
Effective December 31, 2016

Interests and Fiscal Terms (2017$ - US)

Company Working Interest	100 percent
State Oil Royalty (field)	11 percent based on reference price set by government
Landowner Royalty	1 percent
Effective Combined Royalty	13.5 percent
Development Capital Depreciation Method	Unit of Production Method
Corporate Tax	
2015-2024	15.25 percent
2024+	34 percent
License Expiry	2039
Capital Opening Balance as of December 31, 2016	36 $MM USD
Tax Loss Carryforward (30% of Taxable Income)	67 $MM USD

Maha Energy
Tie Field - Brazil
Forecast of Capital Costs - 2017$
Effective December 31, 2016

Table 10

Proved Producing Reserves

Year	Production Wells #	Production Wells 2017 US$M	Injection Wells #	Injection Wells 2017 US$M	Re-completions #	Re-completions 2017 US$M	Infrastruct. & Facilities 2017 US$M	Pipelines 2017 US$M	Capitalized Maint. 2017 US$M	Total Area 2017 US$M	Total Area Future US$M
2017	-	-	-	-	-	-	3,290	-	-	3,290	3,290
2018	-	-	-	-	-	-	625	-	-	625	632
2019	-	-	-	-	-	-	1,250	-	-	1,250	1,290
2020	-	-	-	-	-	-	1,250	-	-	1,250	1,316
2021	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	6,415	-	-	6,415	6,528
Individual Cost $M											

Proved Developed Reserves

Year	Production Wells #	Production Wells 2017 US$M	Injection Wells #	Injection Wells 2017 US$M	Re-completions #	Re-completions 2017 US$M	Infrastruct. & Facilities 2017 US$M	Pipelines 2017 US$M	Capitalized Maint. 2017 US$M	Total Area 2017 US$M	Total Area Future US$M
2017	-	-	-	-	-	-	3,290	-	-	3,290	3,290
2018	-	-	-	-	-	-	625	-	-	625	632
2019	-	-	-	-	-	-	1,250	-	-	1,250	1,290
2020	-	-	-	-	-	-	1,250	-	-	1,250	1,316
2021	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	6,415	-	-	6,415	6,528
Individual Cost $M											

Total Proved Reserves

Year	Production Wells #	Production Wells 2017 US$M	Injection Wells #	Injection Wells 2017 US$M	Re-completions #	Re-completions 2017 US$M	Infrastruct. & Facilities 2017 US$M	Pipelines 2017 US$M	Capitalized Maint. 2017 US$M	Total Area 2017 US$M	Total Area Future US$M
2017	-	-	-	-	-	-	5,020	-	-	5,020	5,020
2018	-	1,100	-	-	-	-	5,655	-	-	6,755	6,833
2019	1	6,400	-	-	-	-	1,280	-	-	7,680	7,860
2020	-	-	-	-	-	-	1,280	-	-	1,280	1,347
2021	-	-	-	-	-	-	30	-	-	30	32
2022	-	-	-	-	-	-	30	-	-	30	33
2023	-	-	-	-	-	-	30	-	-	30	34
2024	-	-	-	-	-	-	30	-	-	30	34
2025	-	-	-	-	-	-	30	-	-	30	35
2026	-	-	1	1,200	-	-	30	-	-	1,230	1,458
2027	-	-	-	-	-	-	30	-	-	30	36
2028	-	-	-	-	-	-	30	-	-	30	37
2029	-	-	-	-	-	-	30	-	-	30	38
2030	-	-	-	-	-	-	30	-	-	30	38
2031	-	-	-	-	-	-	30	-	-	30	39
2032	-	-	-	-	1	1,500	30	-	-	1,530	2,300
Total	1	7,500	1	1,200	1	1,500	13,595	-	-	23,795	25,174
Individual Cost $M						1,500					

Maha Energy
Tie Field - Brazil
Forecast of Capital Costs - 2017$
Effective December 31, 2016

Total Proved + Probable Reserves

Year	Production Wells #	Production Wells 2017 US$M	Injection Wells #	Injection Wells 2017 US$M	Re-completions #	Re-completions 2017 US$M	Infrastruct. & Facilities 2017 US$M	Pipelines 2017 US$M	Capitalized Maint. 2017 US$M	Total Area 2017 US$M	Total Area Future US$M
2017	-	-	-	-	-	-	7,925	-	-	7,925	7,925
2018	-	1,100	-	-	-	-	16,831	-	-	17,931	18,139
2019	1	6,400	-	-	-	-	7,181	-	-	13,581	13,949
2020	-	-	-	-	-	-	30	-	-	30	32
2021	-	-	-	-	-	-	30	-	-	30	32
2022	-	-	-	-	-	-	30	-	-	30	33
2023	-	-	-	-	1	1,500	30	-	-	1,530	1,709
2024	-	-	-	-	-	-	30	-	-	30	34
2025	-	-	-	-	-	-	30	-	-	30	35
2026	-	-	-	-	-	-	30	-	-	30	36
2027	-	-	1	1,200	-	-	30	-	-	1,230	1,487
2028	-	-	-	-	-	-	30	-	-	30	37
2029	-	-	-	-	-	-	30	-	-	30	38
2030	-	-	-	-	-	-	30	-	-	30	38
2031	-	-	-	-	-	-	30	-	-	30	39
2032	-	-	-	-	-	-	30	-	-	30	298
Total	1	7,500	1	1,200	1	1,500	32,327	-	-	42,527	43,860
Individual Cost $M						1,500					

Total Proved + Probable + Possible Reserves

Year	Production Wells #	Production Wells 2017 US$M	Injection Wells #	Injection Wells 2017 US$M	Re-completions #	Re-completions 2017 US$M	Infrastruct. & Facilities 2017 US$M	Pipelines 2017 US$M	Capitalized Maint. 2017 US$M	Total Area 2017 US$M	Total Area Future US$M
2017	-	-	-	-	-	-	7,976	-	-	7,976	7,976
2018	-	1,100	-	5,000	-	-	11,701	-	-	17,801	18,008
2019	1	6,400	-	-	-	-	30	-	-	6,430	13,949
2020	1	6,400	-	-	-	-	30	-	-	6,430	6,701
2021	-	-	-	-	-	-	30	-	-	30	32
2022	-	-	-	-	-	-	30	-	-	30	33
2023	-	-	-	-	-	-	30	-	-	30	34
2024	-	-	-	-	1	1,500	30	-	-	1,530	1,743
2025	-	-	-	-	-	-	30	-	-	30	35
2026	-	-	1	1,200	-	-	30	-	-	1,230	1,458
2027	-	-	-	-	-	-	30	-	-	30	36
2028	-	-	-	-	-	-	30	-	-	30	37
2029	-	-	-	-	-	-	30	-	-	30	38
2030	-	-	-	-	-	-	30	-	-	30	38
2031	-	-	-	-	-	-	30	-	-	30	39
2032	-	-	-	-	-	-	30	-	-	30	298
Total	2	13,900	1	6,200	1	1,500	20,097	-	-	41,697	50,454
Individual Cost $M						1,500					

McDaniel & Associates Consultants Ltd.

McDaniel & Associates Consultants Ltd.

Table 11

Summary of Crude Oil and Natural Gas Liquids Price Forecasts

January 1, 2017

Year	WTI Crude Oil $US/bbl	Brent Crude Oil $US/bbl	Edmonton Light Crude Oil $C/bbl	Alberta Bow River Hardisty Crude Oil $C/bbl	Western Canadian Select Crude Oil $C/bbl	Alberta Heavy Crude Oil $C/bbl	Sask Cromer Medium Crude Oil $C/bbl	Edmonton Cond. & Natural Gasolines $/bbl	Edmonton Ethane $/bbl	Edmonton Propane $/bbl	Edmonton Butanes $/bbl	Inflation %	US/CAN Exchange Rate $US/$CAN
	(1)	(2)	(3)	(4)	(5)	(6)	(7)						
History													
1987	19.30		24.30	20.79				23.80		9.98	16.80		0.755
1988	16.00		18.70	14.41				18.30		8.19	12.95		0.812
1989	19.60		22.20	18.09				21.80		8.14	10.35		0.844
1990	24.50		27.60	21.06		16.00		27.00		13.67	16.21		0.857
1991	21.40		23.40	15.07		9.05		22.90		11.91	15.25		0.873
1992	20.55		23.50	17.52		12.95		23.00		10.55	14.05		0.828
1993	18.60		21.90	16.70		13.30		21.50		14.10	13.55		0.775
1994	17.20		22.20	18.43		15.00		21.75		12.50	13.45		0.732
1995	18.45		24.25	20.80		17.25		23.76		13.90	13.80		0.729
1996	22.10		29.35	25.11		20.05		28.75		22.20	17.15		0.733
1997	20.55	19.09	27.80	21.22		14.40		31.10		18.60	19.05		0.722
1998	14.40	12.77	20.35	14.60		9.40	17.00	21.85		10.95	11.90		0.687
1999	19.25	17.86	27.60	23.35		19.65	25.47	27.60		15.45	17.73		0.673
2000	30.31	28.40	44.72	34.35		27.80	40.10	46.25		31.55	35.00		0.674
2001	25.97	24.42	39.60	25.07		18.05	32.22	42.44		29.15	28.45		0.646
2002	26.10	24.95	39.95	31.65		27.60	34.93	40.79		19.85	26.10		0.637
2003	31.05	28.85	43.15	32.68		27.40	37.57	44.19		30.15	33.45		0.716
2004	41.40	38.30	52.54	37.60	36.14	30.40	45.94	54.09		33.28	39.45		0.770
2005	56.56	54.48	68.72	44.83	44.60	34.35	57.47	69.63		43.29	52.58		0.826
2006	66.23	65.20	72.80	51.55	51.22	43.14	61.25	75.06		44.05	60.10		0.880
2007	72.30	72.80	76.35	53.25	52.90	44.63	65.40	77.36	NA	49.45	63.75		0.935
2008	99.60	97.80	102.20	84.30	82.94	75.55	93.20	104.75	NA	58.40	75.25		0.943
2009	61.80	61.60	65.90	60.30	58.58	55.30	62.80	68.15	NA	38.60	49.25		0.880
2010	79.50	79.90	77.50	68.50	67.23	61.45	73.80	84.25	NA	46.70	66.05		0.971
2011	95.10	111.25	95.00	78.55	77.10	67.90	88.90	104.20	NA	55.15	76.50		1.012
2012	94.20	111.65	86.10	74.35	73.08	63.65	82.10	100.80	NA	28.60	69.55		1.000
2013	97.95	108.60	93.05	76.55	75.25	65.25	88.25	104.65	NA	38.90	69.40		0.971
2014	93.00	99.00	93.50	80.40	79.10	71.20	87.80	102.40	NA	45.05	69.60		0.906
2015	48.80	52.35	57.75	46.10	44.80	39.55	51.45	60.30	NA	6.65	35.55		0.780
2016	43.30	43.70	53.80	40.30	39.05	33.35	48.95	56.15	NA	13.05	33.80		0.760
Forecast													
2017	55.00	56.00	69.80	54.40	53.70	46.50	62.80	72.80	12.80	23.30	43.50	0.0	0.750
2018	58.70	59.70	72.70	58.90	58.20	50.50	67.60	75.80	11.80	23.70	47.90	2.0	0.775
2019	62.40	63.40	75.50	62.70	61.90	54.00	70.20	78.60	12.40	26.20	49.80	2.0	0.800
2020	69.00	70.10	81.10	67.30	66.50	58.00	75.40	84.30	13.60	28.30	56.40	2.0	0.825
2021	75.80	76.90	86.60	71.90	71.00	61.90	80.50	89.80	14.80	30.30	63.40	2.0	0.850
2022	77.30	78.40	88.30	73.30	72.40	63.10	82.10	91.60	15.00	30.90	64.70	2.0	0.850
2023	78.80	79.90	90.00	74.70	73.80	64.40	83.70	93.40	15.40	31.50	65.90	2.0	0.850
2024	80.40	81.50	91.80	76.20	75.30	65.60	85.40	95.20	16.00	32.20	67.30	2.0	0.850
2025	82.00	83.20	93.70	77.80	76.80	67.00	87.10	97.20	16.20	32.90	68.60	2.0	0.850
2026	83.70	84.90	95.60	79.30	78.40	68.40	88.90	99.20	16.60	33.60	70.00	2.0	0.850
2027	85.30	86.50	97.40	80.80	79.90	69.60	90.60	101.10	17.00	34.20	71.40	2.0	0.850
2028	87.00	88.20	99.40	82.50	81.50	71.10	92.40	103.10	17.40	34.90	72.80	2.0	0.850
2029	88.80	90.10	101.40	84.20	83.10	72.50	94.30	105.20	17.60	35.60	74.30	2.0	0.850
2030	90.60	91.90	103.50	85.90	84.90	74.00	96.30	107.40	18.00	36.30	75.80	2.0	0.850
2031	92.40	93.70	105.50	87.60	86.50	75.40	98.10	109.50	18.40	37.10	77.30	2.0	0.850
Thereafter	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	2.0	0.850

(1) West Texas Intermediate at Cushing Oklahoma 40 degrees API/0.5% sulphur
(2) North Sea Brent Blend 37 degrees API/1.0% sulphur
(3) Edmonton Light Sweet 40 degrees API, 0.3% sulphur
(4) Bow River at Hardisty, Alberta (Heavy stream)
(5) Western Canadian Select at Hardisty, Alberta
(6) Heavy crude oil 12 degrees API at Hardisty, Alberta (after deduction of blending costs to reach pipeline quality
(7) Midale Cromer crude oil 29 degrees API, 2.0% sulphur

Prices: McD. Jan 1, 2017
Eff. Date: Dec 31, 2016
Currency: USD

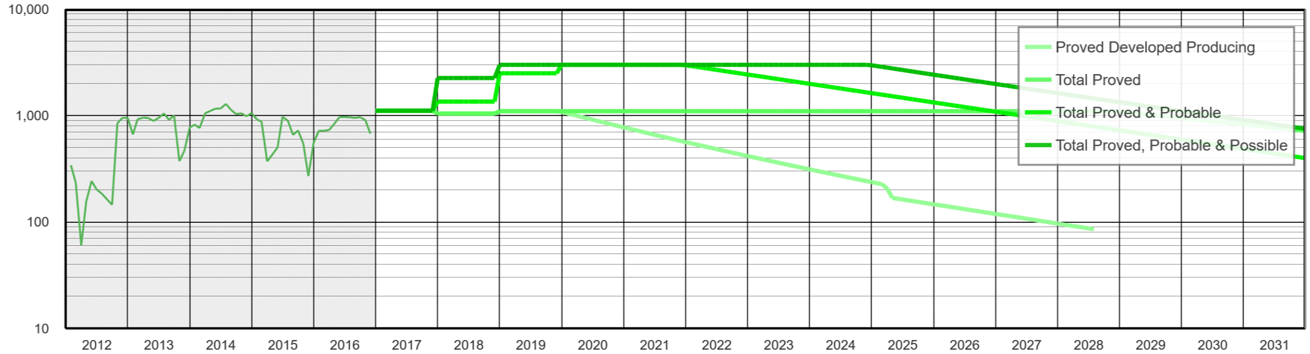
Maha Energy

Figure A

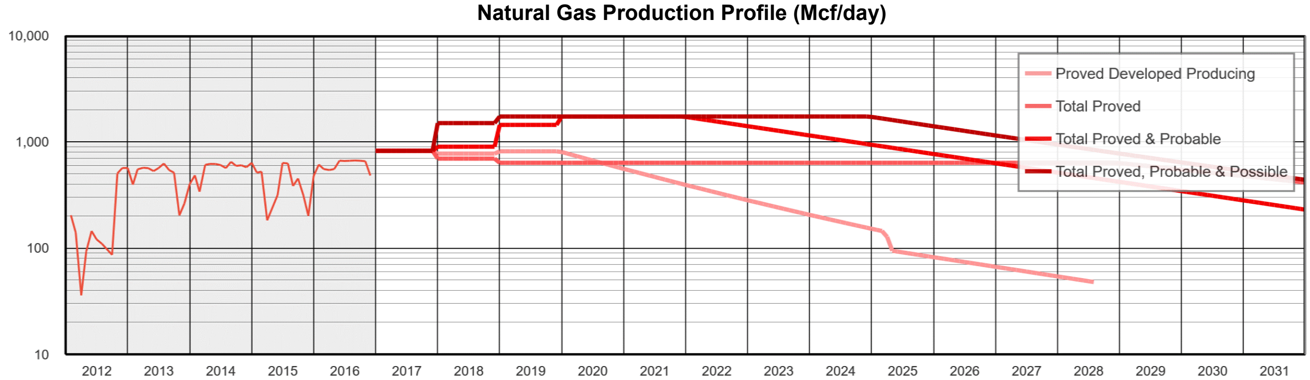
Company Share Sales Volumes
Forecast Prices and Costs as of December 31, 2016
Total Reserves

Tie

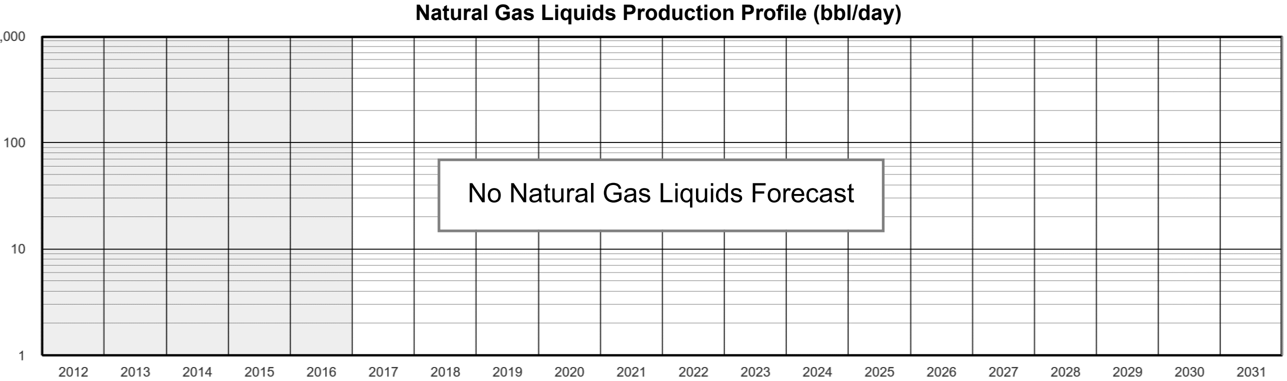
Crude Oil Production Profile (bbl/day)



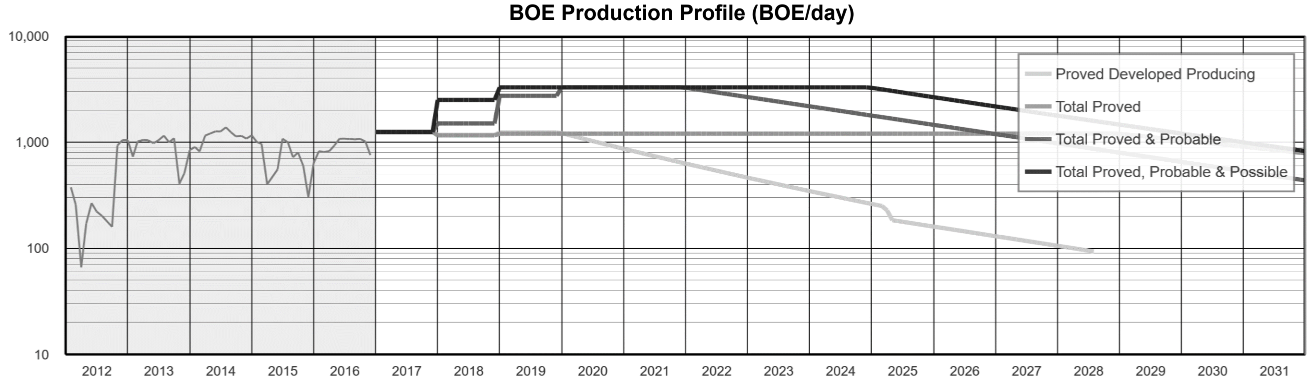
Natural Gas Production Profile (Mcf/day)



Natural Gas Liquids Production Profile (bbl/day)



BOE Production Profile (BOE/day)



Historical production data is estimated based on the company share interest as of the reference date.

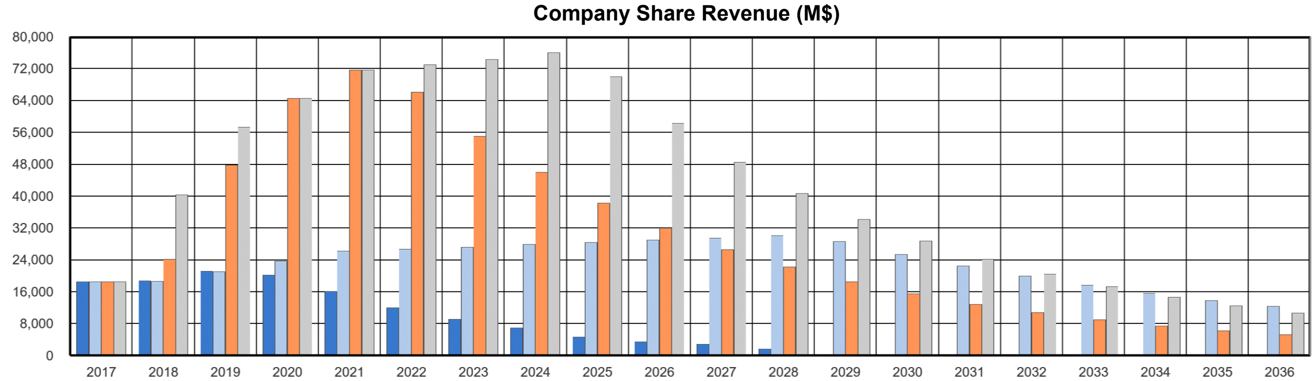
Prices: McD. Jan 1, 2017
Eff. Date: Dec 31, 2016
Currency: USD

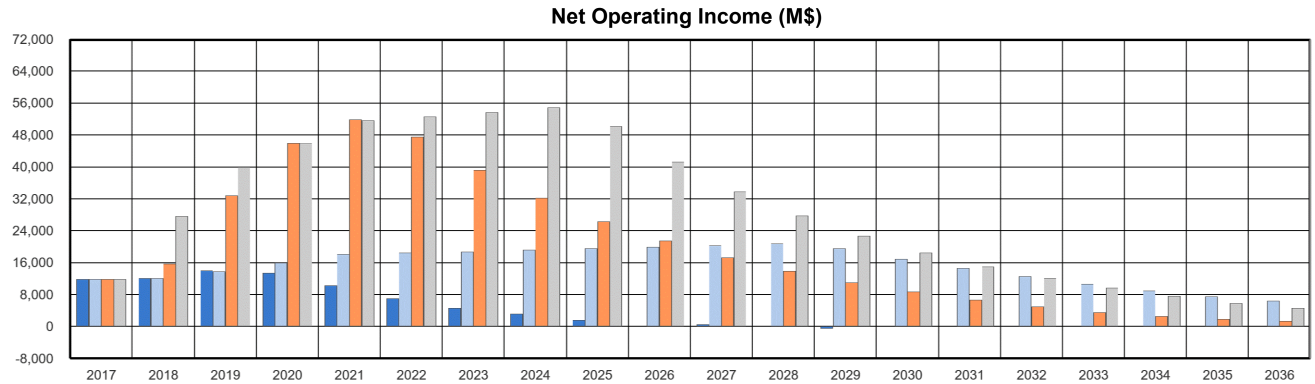
Maha Energy

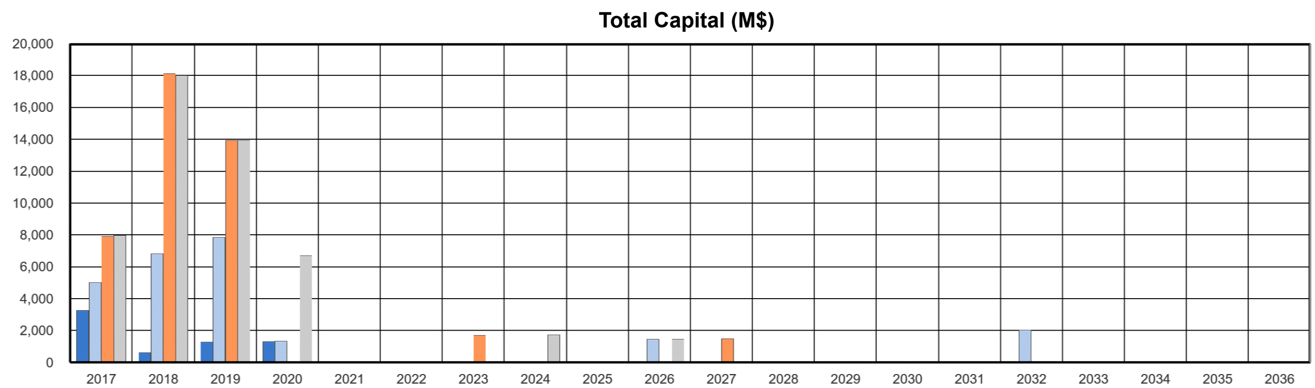
Figure B

Cash Flow Summary
Forecast Prices and Costs as of December 31, 2016
Total Reserves

Tie







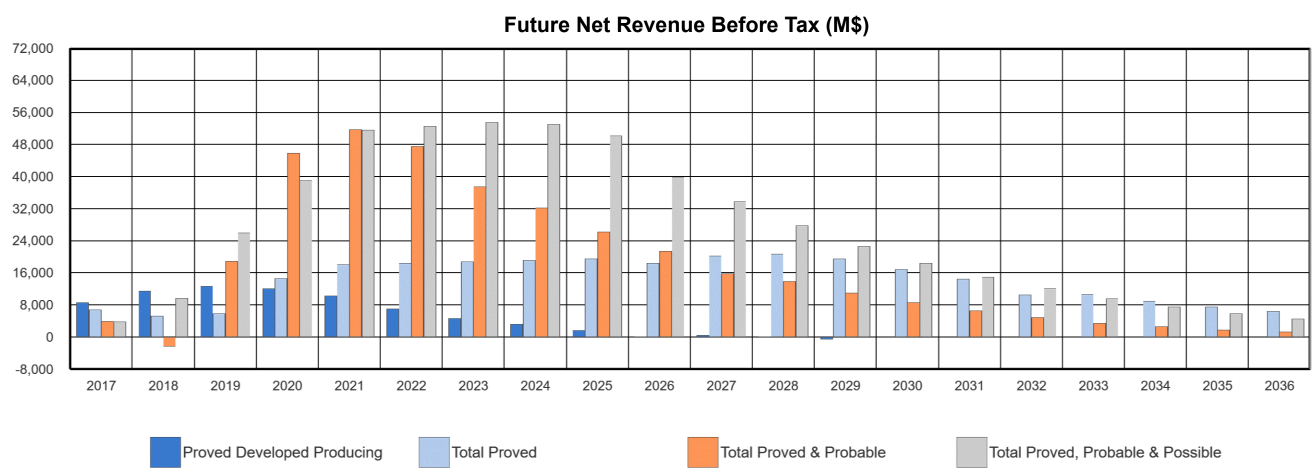


Figure 1

Legend

■ City

International Border

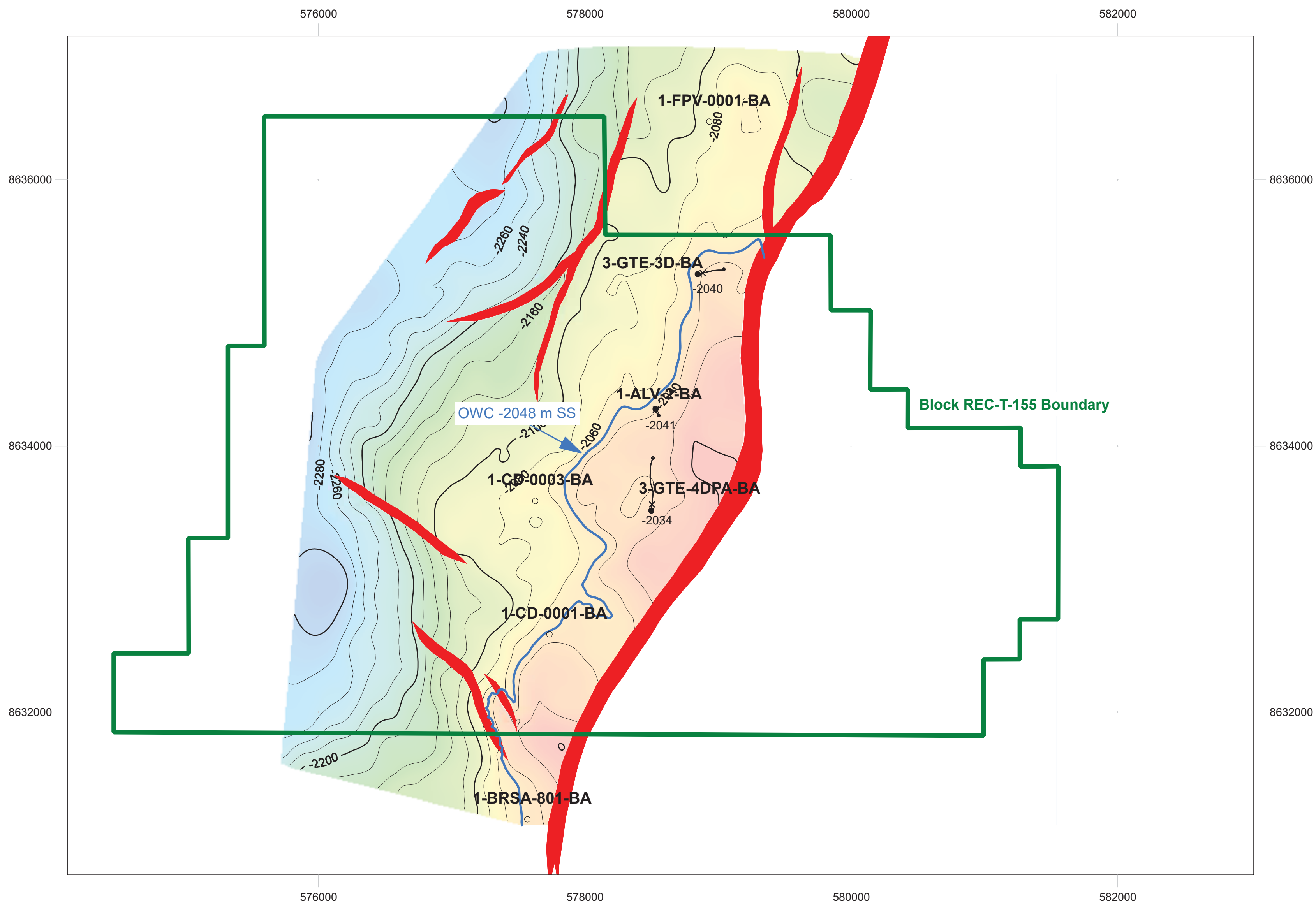
Maha Energy

Property Location Map

January 29, 2016

McDaniel & Associates Consultants Ltd.

Figure 2



Well Legend	Map Abbreviations
Oil producer	OWC - Oil Water Contact
Oil well	GOC - Gas Oil Contact
Gas producer	GWC - Gas Water Contact
Gas well	NT - Not Tested
Status unknown	NP - Not Present
Abandoned	NDE - Not Deep Enough
Water injector	LTG - Lowest Tested Gas
Drilling location	LTO - Lowest Tested Oil
	LKO - Lowest Known Oil

N
W E
S

0.5000 0 0.5000 1 1.5000 km

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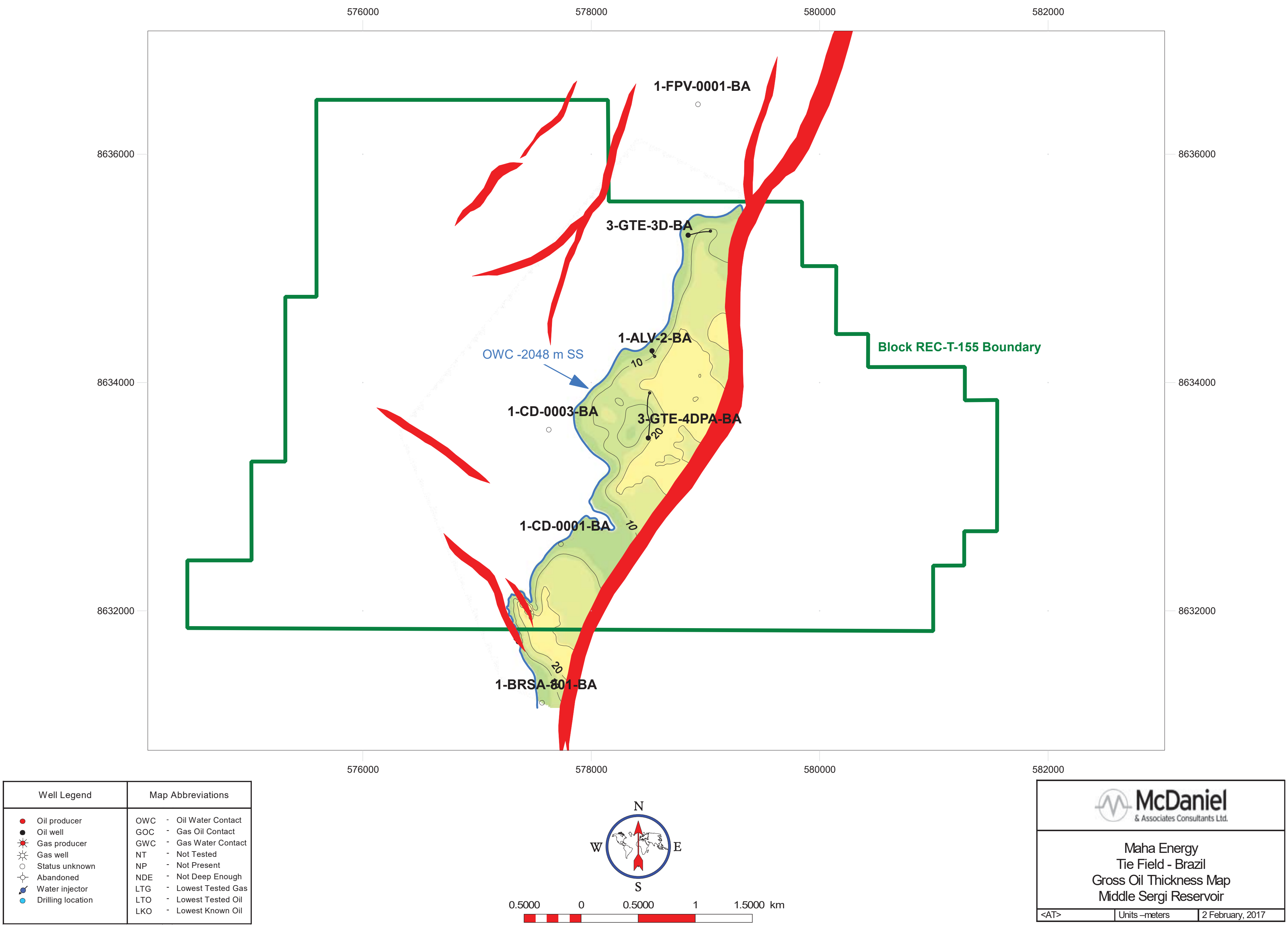
& Associates Consultants Ltd.

Maha Energy
Tie Field - Brazil
Top Structure Map
Middle Sergi Reservoir

<AT>	Units –meters	2 February, 2017

Figure 3



576000
578000
580000
582000
8636000
8634000
8632000
1-FPV-0001-BA
3-GTE-3D-BA
1-ALV-2-BA
OWC -2048 m SS
1-CD-0003-BA
3-GTE-4DPA-BA
1-CD-0001-BA
1-BRSA-801-BA
10
20
Block REC-T-155 Boundary
Well Legend
Oil producer
Oil well
Gas producer
Gas well
Status unknown
Abandoned
Water injector
Drilling location
Map Abbreviations
OWC - Oil Water Contact
GOC - Gas Oil Contact
GWC - Gas Water Contact
NT - Not Tested
NP - Not Present
NDE - Not Deep Enough
LTG - Lowest Tested Gas
LTO - Lowest Tested Oil
LKO - Lowest Known Oil
N
W
E
S
0.5000 0 0.5000 1 1.5000 km
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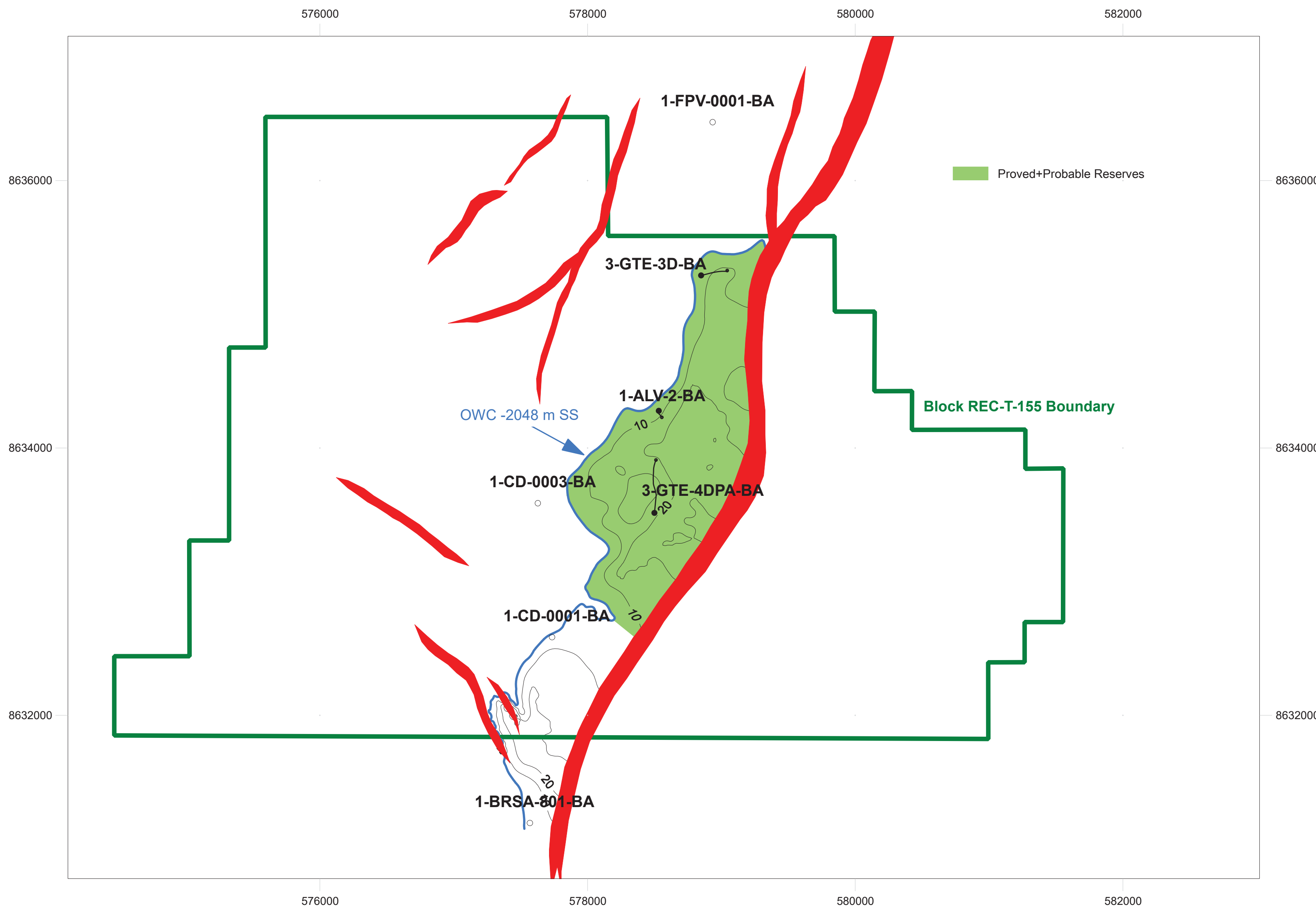
& Associates Consultants Ltd.
Maha Energy
Tie Field - Brazil
Gross Oil Thickness Map
Middle Sergi Reservoir
<AT>
Units –meters
2 February, 2017

Figure 4



Well Legend
Oil producer
Oil well
Gas producer
Gas well
Status unknown
Abandoned
Water injector
Drilling location

Map Abbreviations		
OWC	-	Oil Water Contact
GOC	-	Gas Oil Contact
GWC	-	Gas Water Contact
NT	-	Not Tested
NP	-	Not Present
NDE	-	Not Deep Enough
LTG	-	Lowest Tested Gas
LTO	-	Lowest Tested Oil
LKO	-	Lowest Known Oil

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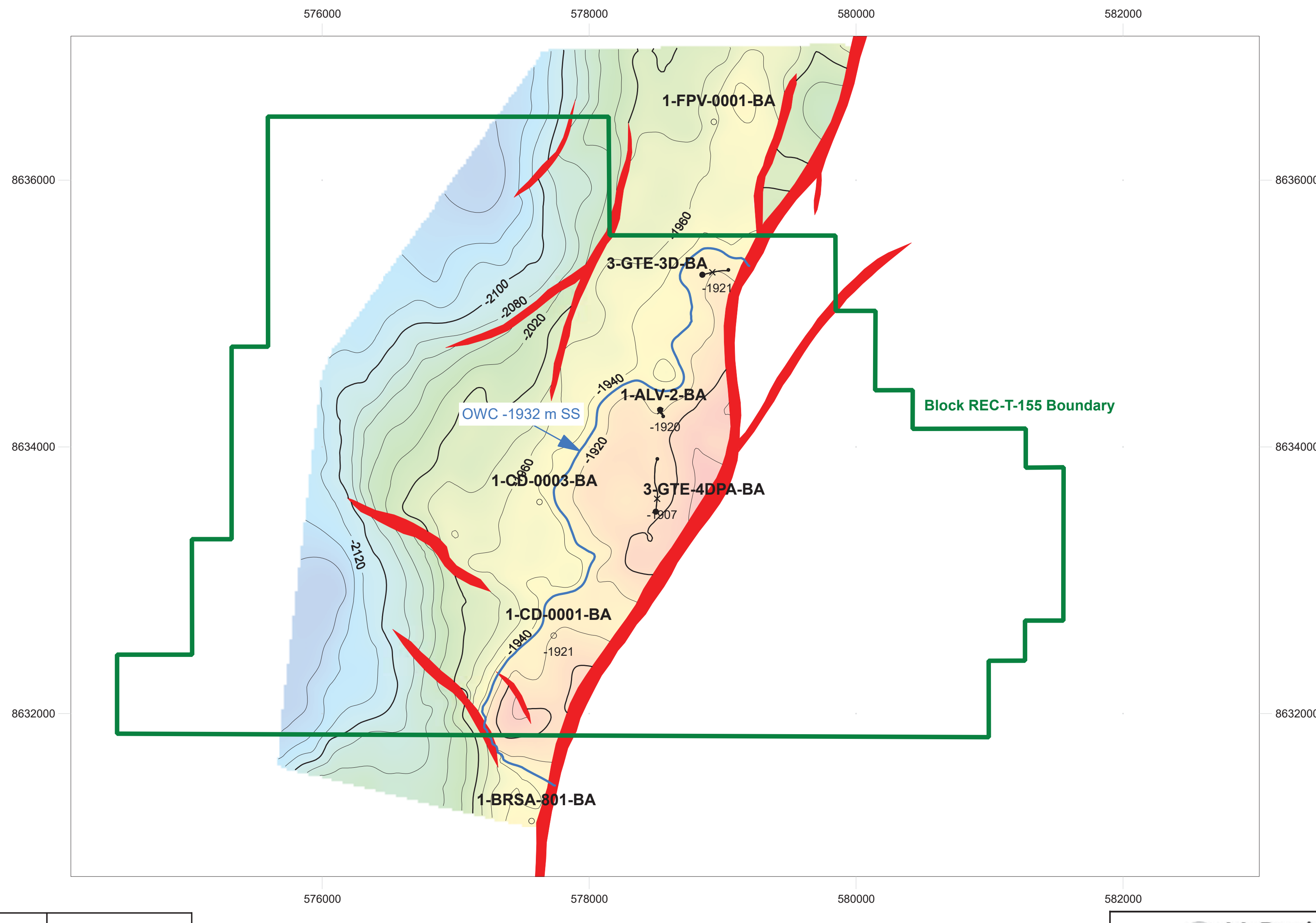
Maha Energy
Tie Field – Brazil
Reserves Classification Map
Gross Oil Thickness Map
Middle Sergi Reservoir

<AT>	Units –meters	2 February, 2017

Figure 5



Well Legend	Map Abbreviations	
Oil producer	OWC	Oil Water Contact
Oil well	GOC	Gas Oil Contact
Gas producer	GWC	Gas Water Contact
Gas well	NT	Not Tested
Status unknown	NP	Not Present
Abandoned	NDE	Not Deep Enough
Water injector	LTG	Lowest Tested Gas
Drilling location	LTO	Lowest Tested Oil
	LKO	Lowest Known Oil

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Maha Energy
Tie Field - Brazil
Top Structure Map
Agua Grande Reservoir

<AT>	Units –meters	2 February, 2017

Figure 6

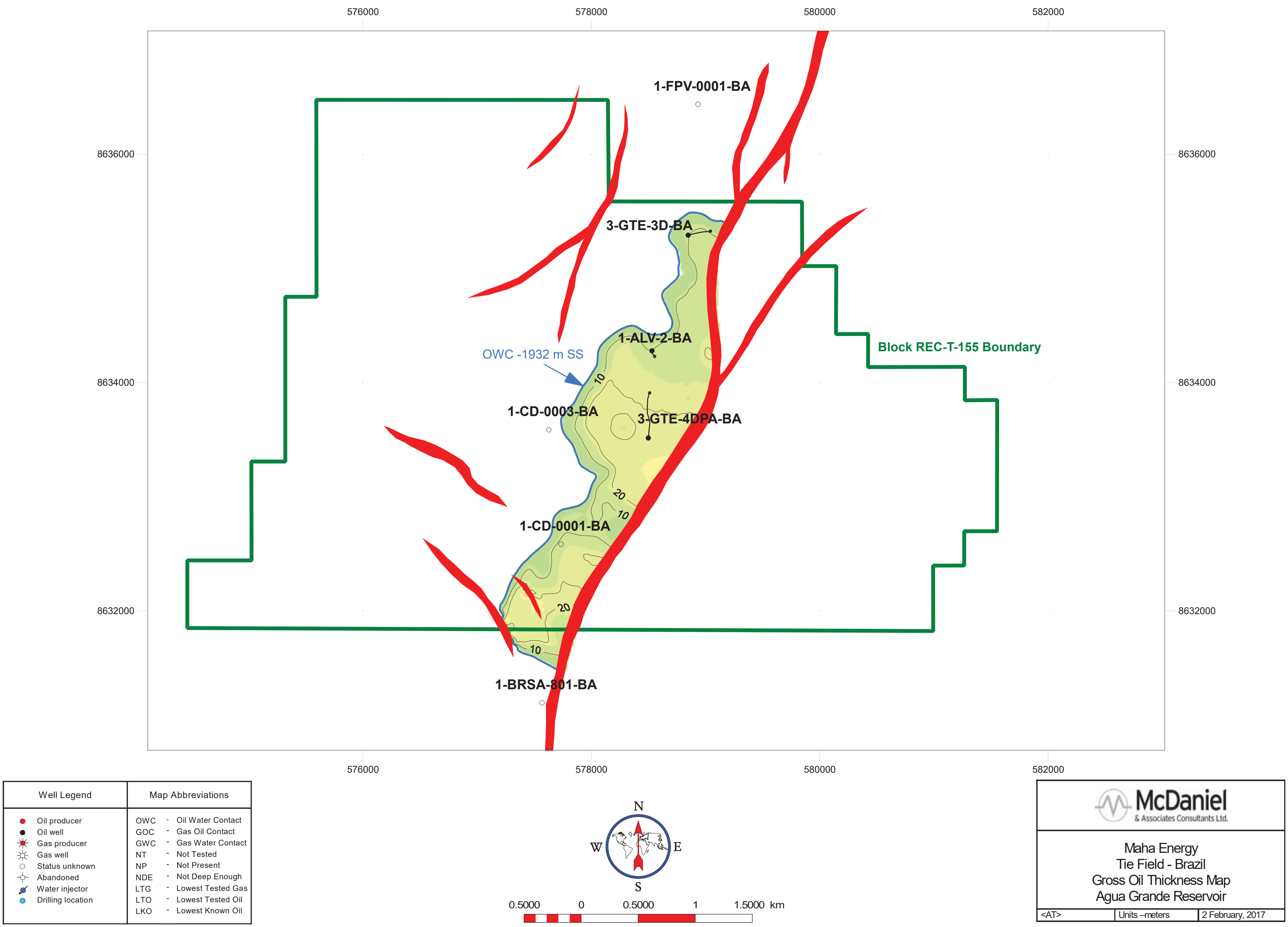
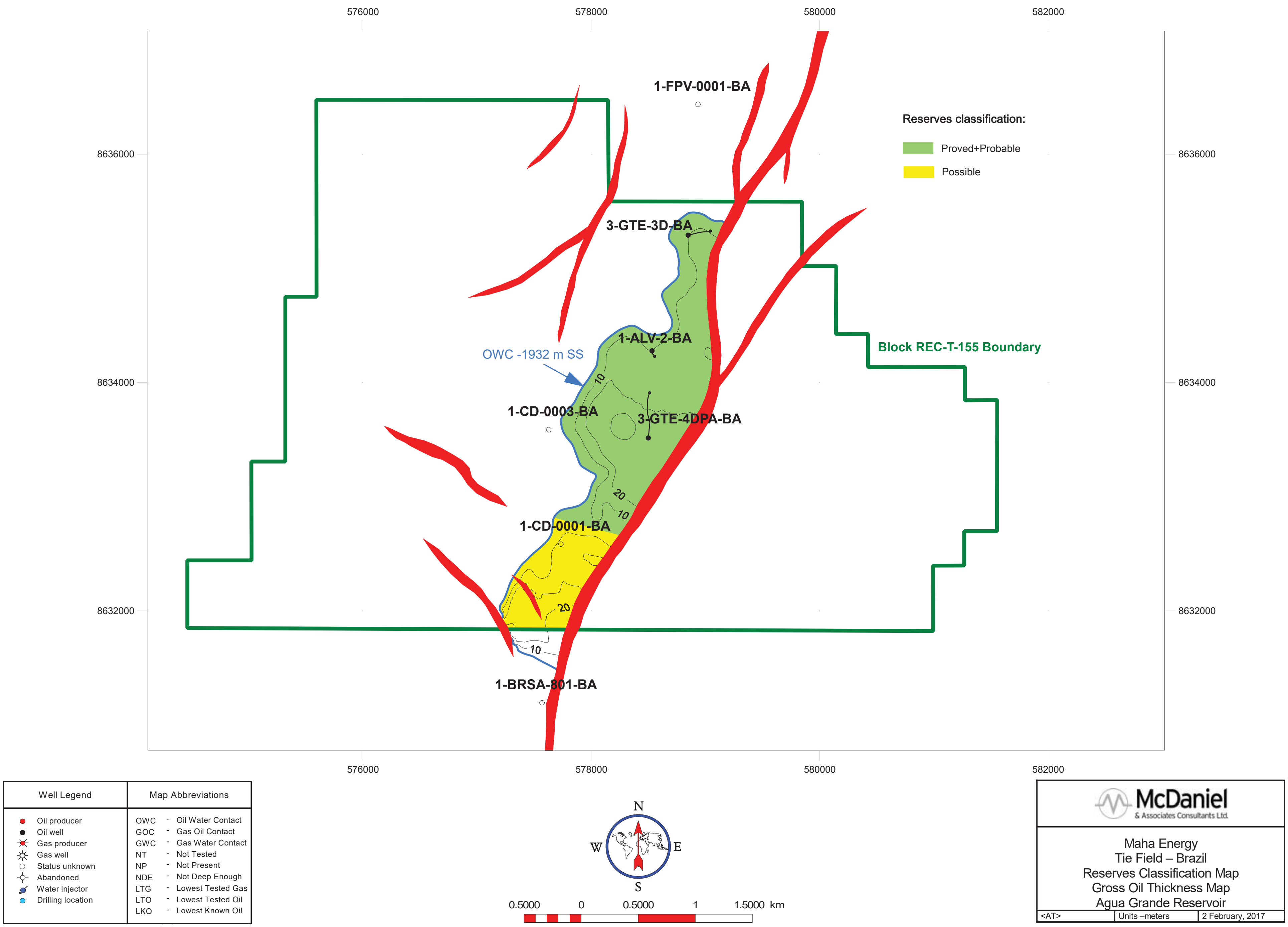

576000
578000
580000
582000
8636000
8634000
8632000
1-FPV-0001-BA
3-GTE-3D-BA
1-ALV-2-BA
OWC -1932 m SS
Block REC-T-155 Boundary
1-CD-0003-BA
3-GTE-4DPA-BA
1-CD-0001-BA
1-BRSA-801-BA
10
20
Well Legend
Oil producer
Oil well
Gas producer
Gas well
Status unknown
Abandoned
Water injector
Drilling location
Map Abbreviations
OWC - Oil Water Contact
GOC - Gas Oil Contact
GWC - Gas Water Contact
NT - Not Tested
NP - Not Present
NDE - Not Deep Enough
LTG - Lowest Tested Gas
LTO - Lowest Tested Oil
LKO - Lowest Known Oil
N
W
E
S
0.5000 0 0.5000 1 1.5000 km
McDaniel
& Associates Consultants Ltd.
Maha Energy
Tie Field - Brazil
Gross Oil Thickness Map
Agua Grande Reservoir
<AT>
Units –meters
2 February, 2017

Figure 7



576000
578000
580000
582000
8636000
8634000
8632000
1-FPV-0001-BA
Reserves classification:
Proved+Probable
Possible
3-GTE-3D-BA
1-ALV-2-BA
OWC -1932 m SS
Block REC-T-155 Boundary
1-CD-0003-BA
3-GTE-4DPA-BA
1-CD-0001-BA
1-BRSA-801-BA
10
20
Well Legend
Oil producer
Oil well
Gas producer
Gas well
Status unknown
Abandoned
Water injector
Drilling location
Map Abbreviations
OWC - Oil Water Contact
GOC - Gas Oil Contact
GWC - Gas Water Contact
NT - Not Tested
NP - Not Present
NDE - Not Deep Enough
LTG - Lowest Tested Gas
LTO - Lowest Tested Oil
LKO - Lowest Known Oil
N
W
E
S
0.5000
0
0.5000
1
1.5000 km
McDaniel
& Associates Consultants Ltd.
Maha Energy
Tie Field – Brazil
Reserves Classification Map
Gross Oil Thickness Map
Agua Grande Reservoir
<AT>
Units –meters
2 February, 2017