

**Form 51-101 F1**

**BRS Resources Corporation**  
**(Formerly Bonanza Resources Corporation)**

**Statement of Reserves Data**  
**And Other Oil and Gas Information**

**As of October 31, 2012**

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## Glossary of Terms

Reserves	Estimated reserves of natural gas, natural gas liquids and crude oil.
Working interest	Those lands in which the Company receives its acreage share of net production revenues.
Gross reserves	Estimated reserves before royalties based on working interest.
Net reserves	Estimated reserves after royalties based on working interest.
Future net revenue	Working interest revenues after royalties, development costs, production costs and well abandonment costs, but before administrative, overhead and other such indirect costs. Future net revenue may be presented either before or after tax.
Proved reserve	Reserve 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	Reserve that is less certain than proved reserve at being recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserve.
Developed reserve	Reserve that is expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.
Producing reserve	Reserve that is expected to be recovered from completion intervals open at the time of estimate. The category of reserve 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.
Non-prod. reserve	Reserve that either has not been on production, or has previously been on production, but is shut-in, and the date of resumption of production is unknown.
Stb/stock tank barrel	A 42-US gallon barrel of crude oil at standard conditions of 1 atmosphere and 60 °F.
M	Thousand (1,000).
Mbbl	1,000 barrels of oil and/or natural gas liquids.
MMBtu	A unit of heat energy equal to one million British thermal units.
Mcf	1,000 cubic feet of natural gas.
Bcf	One billion (1,000,000,000) cubic feet of natural gas
bbl or barrel	A 42-US gallon barrel of crude oil or natural gas liquids.
Undeveloped reserve	Reserve that is expected to be recovered from known accumulation where a significant expenditure is required to render them capable of production (e.g. in comparison to the costs of drilling a well). Such reserve must fully meet the requirements of the reserve classification to which they are assigned (proved or probable).

**Form 51-101 F1****Statement of Reserves Data and Other Oil and Gas Information for BRS Resources Corporation****Part 1 Date of Statement**

Date of Statement: February 20, 2013  
Effective Date: October 31, 2012  
Preparation Date: February 19, 2013

The following information is related to BRS Resources Corporation (the “Reporting Issuer” or “Company”) future net revenue and discounted value of future net cash flow of natural gas and condensate. Chapman Engineering (Chapman), independent qualified evaluators of Calgary, Canada estimated these reserves effective December 31, 2012. The Company used these reserves in the preparation of our Financial Statements for the fiscal year ended October 31, 2012.

All of the Company’s material reserves are gas and are onshore in the country of Italy. The company formerly reported on oil and gas reserves in the United States of America but has divested these properties.

The reserves on the properties described herein are estimates only. Actual reserves on our properties may be greater or less than those calculated.

The estimated future net revenue contained in the following tables does not necessarily represent the fair market value of the reserves. There is no assurance that forecast prices and costs assumed in the Chapman evaluation will be attained, and variances could be material. Assumptions and qualifications relating to costs and other matters are summarized in the notes to the following tables.

The following tables provide reserves data and a breakdown of future net revenue by commodity and reserve category using constant and forecast prices and costs, based on the Company’s working interest portion before royalties (gross) and/or after royalties (net) (see “Glossary of Terms”).

The pricing used in tables that reflect forecast price evaluations is set forth in Items 3.1 and 3.2. All cash flow data is in U.S. dollars unless stated otherwise.

In certain instances, numbers may not total due to computer-generated rounding. In such cases, differences are not material and amounts presented are as shown in the Chapman Report.

## Part 2 Disclosure of Reserves Data

### Item 2.1 Reserves Data (Forecast Prices and Costs)

#### Item 2.1.1 Breakdown of Reserves (Forecast Case)

Onshore Italy	Gas		Oil		NGLs		TOTAL	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
<u>Reserve Category</u>	<u>(Mmcf)</u>	<u>(Mmcf)</u>	<u>(Mbbbl)</u>	<u>(Mbl)</u>	<u>(Mbbbl)</u>	<u>(Mbbbl)</u>	<u>(Mboe)</u>	<u>(Mboe)</u>
Proved developed producing	0	0	0	0	0	0	0	0
Proved developed non-producing	0	0	0	0	0	0	0	0
Proved Undeveloped	176.000	176.000	0	0	0	0	29.333	29.333
<b>Total Proved</b>	<b>176.000</b>	<b>176.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29.333</b>	<b>29.333</b>
Probable	1,382.000	1,382.000	0	0	0	0	230.333	230.333
<b>Total Proved plus Probable</b>	<b>1,558.000</b>	<b>1,558.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>259.666</b>	<b>259.666</b>
Possible	1,856.000	1,856.000	0	0	0	0	309.333	309.333

#### Item 2.1.2 Net Present Value of Future Net Revenue (Forecast Case)

Onshore Italy.	Before Income Tax Present Value Discounted @					Unit Value based on Discount @ 10%
	0%	5%	10%	15%	20%	
<u>Reserve Category</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>\$/Boe</u>
Proved developed producing	0	0	0	0	0	0
Proved developed non-producing	0	0	0	0	0	0
Proved Undeveloped	717.0	541.0	406.0	302.0	220.0	13.84
<b>Total Proved</b>	<b>717.0</b>	<b>541.0</b>	<b>406.0</b>	<b>302.0</b>	<b>220.0</b>	<b>13.84</b>
Probable	13,931.0	6,982.0	3,974.0	2,461.0	1,607.0	17.25
<b>Total Proved plus Probable</b>	<b>14,648.0</b>	<b>7,523.0</b>	<b>4,380.0</b>	<b>2,763.0</b>	<b>1,827.0</b>	<b>16.87</b>
Possible	20,868.0	8,188.0	4,208.0	2,527.0	1,671.0	13.60

Onshore Italy.	After Income Tax Present Value Discounted @					Unit Value based on Discount @ 10%
	0%	5%	10%	15%	20%	
<u>Reserve Category</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>\$/Boe</u>
Proved developed producing	0	0	0	0	0	0
Proved developed non-producing	0	0	0	0	0	0
Proved Undeveloped	369.0	248.0	156.0	87.0	33.0	5.32
<b>Total Proved</b>	<b>369.0</b>	<b>248.0</b>	<b>156.0</b>	<b>87.0</b>	<b>33.0</b>	<b>5.32</b>
Probable	8,713.0	4,330.0	2,420.0	1,453.0	906.0	10.51
<b>Total Proved plus Probable</b>	<b>9,082.0</b>	<b>4,578.0</b>	<b>2,576.0</b>	<b>1,540.0</b>	<b>939.0</b>	<b>9.92</b>
Possible	12,938.0	5,077.0	2,609.0	1,567.0	1,035.0	8.43

**Item 2.1.3 Additional Information Concerning Future Net Revenue (Forecast Case)**

Onshore, Italy.	Revenue	Royalties and Taxes	Operating Costs	Development Costs	Well Abandonment Costs (1)	Future Net Revenue Before Income Tax	Future Income Tax Expenses	Future Net Revenue After Income Tax
<u>Reserve Category</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>	<u>(M\$ U.S.)</u>
Total Proved	1,833.0	0.0	139.0	962.0	15	717.0	347.0	369.0
Total Proved plus Probable	18,068.0	0.0	1,452.0	1,924.0	43	14,648.0	5,566.0	9,082.0

Unit Value based on  
Discount @ 10%

<u>Reserve Category</u>	<u>(\$/Boe)</u>
Total Proved	13.84
Total Proved plus Probable	16.87

**Item 2.2 Supplemental Disclosure of Reserves Data (Constant Prices and Costs)**

N/A.

**Item 2.3 Reserves Disclosure Varies with Accounting**

N/A.

**Item 2.4 Future Net Revenue Disclosure Varies with Accounting**

N/A

**Part 3 Pricing Assumptions****Item 3.1 Constant Prices Used in Estimates**

N/A

## Item 3.2 Forecast Prices Used in Estimates

### Item 3.2.1 (a)

Gas prices were calculated by using Brent Spot (ICE) oil price divided by 6 (to equilibrate to BTU) then multiplied by .62 based on 2012 average product prices to estimate future Italian gas prices. The historical and forecast prices used by Chapman are as follows:

Year	Brent \$/bbl	Italian Price \$/Mcf
2010	80.22	8.29
2011	109.67	10.52
2012	108.75	11.23
2013	105.00	10.84
2014	101.00	10.43
2015	99.50	10.27
2016	101.00	10.43
2017	102.00	10.53
2018	103.00	10.64
2019	105.00	10.84
2020	105.00	10.84

(1)All prices are listed in U.S. dollars.

**Item 3.2.1(b)** Not applicable.

**Item 3.2.2** Not applicable.

**Item 3.2.3** Not applicable.

### Part 4 Reconciliations of Changes in Reserves

In November, 2010 BRS acquired significant concession rights in the country of Italy through acquisition of a membership interest in AleAnna Resources (AleAnna). BRS acquired additional interest in AleAnna in 2011 and the interests in this report reflect the summation of both those acquisitions. **The reserves reflected at October 31, 2012 are solely in the Po Valley region of Italy in the 62,000 acre Corte dei Signori exploration permit area.** The proved undeveloped reserves are estimated solely in the Corte Mezzo prospect within that permit area with probable and possible reserves estimated for both the Corte Mezzo and Trava Pliocene prospects. At October 31, 2011 the proved undeveloped reserves of the company were estimated solely in the Gallare field in the Corte dei Signori permit but the AleAnna Gallare 6D and 6DA sidetrack wells were unsuccessful and these reserves were subsequently written off. The company has interests in seven other permit areas with three additional areas in the application process with the Italian government. These ten additional permit or potential permit areas total over 740,000 gross acres. No reserves are estimated from those areas as of the writing of this report.

**Item 4.1 Reserves Reconciliation**

	Natural Gas			Oil			NGL's			TOTAL		
	Proved (Mmcf)	Probable (Mmcf)	Proved Plus Probable (Mmcf)	Proved (Mbbl)	Probable (Mbbl)	Proved Plus Probable (Mbbl)	Proved (Mbbl)	Probable (Mbbl)	Proved Plus Probable (Mbbl)	Proved (Mboe)	Probable (Mboe)	Proved Plus Probable (Mboe)
<b>Oct 31, 2011</b>	<b>2,214</b>	<b>7,617</b>	<b>9,831</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>369</b>	<b>1,270</b>	<b>1,639</b>
Extensions	0	0	0	0	0	0	0	0	0	0	0	0
Improved Recovery	0	0	0	0	0	0	0	0	0	0	0	0
Technical Revisions	(2,038)	(6,225)	(8,273)	0	0	0	0	0	0	(340)	(1,040)	(1,380)
Discoveries	0	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0
Dispositions	0	0	0	0	0	0	0	0	0	0	0	0
Economic Factors	0	0	0	0	0	0	0	0	0	0	0	0
Production	0	0	0	0	0	0	0	0	0	0	0	0
<b>Oct 31, 2012</b>	<b>176</b>	<b>1,392</b>	<b>1,568</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>230</b>	<b>259</b>

**Part 5 Additional Information Relating to Reserves Data****Item 5.1 Undeveloped Reserves**

The Company's proved undeveloped reserves exist in the Corte Mezzo prospect located within the Corte dei Signori exploration permit area in the Po Valley of Italy, European Union. Plans for the future development of these undeveloped reserves (based on Forecast Prices) are summarized below:

**Italian Properties****Corte Mezzo prospect-Corte dei Signori exploration permit**

Chapman assigns .176 Bcf gas (29.33 Mboe) net Proved Undeveloped reserves to the Corte Mezzo prospect based on volumetric analysis of gas reserves in the Pliocene-age Porto Garibaldi "A" and "B" sands. The prospect is three way closure located across a syncline west of the Gallare field in a separate accumulation previously penetrated at a down dip location by the AGIP Corte Mezzo #1 well which logged and tested from 5 meters of gas in the "A" sand and had a log show in 1.5 meters in the top of the "B" sand. The well was not completed given the much lower gas prices prevailing in 1994. The proved undeveloped reserves are estimated in the structural closure mapped by 3D seismic data up dip of the AGIP penetration with additional gas assigned to both probable and possible reserves.

Chapman forecast one exploration well in 2013 on the Corte Mezzo structure, and one well in 2014 on the Trava Pliocene structure, with final completion and production delayed on all until mid 2014 or 2015. The entire area has been the subject of a proprietary 3D seismic survey by AleAnna that suggests gas accumulations in various structural and stratigraphic traps. The Pliocene age Porto Garibaldi sands are the objective sands for the Proved Undeveloped and Probable reserves estimated. These sands were previously productive in Gallare field and Pliocene-age sands produce widely in the Po Valley of Italy.

**Volumes o**

The volumes forecast for proved undeveloped reserves are based upon analogy with existing wells in Italy and on volumetric analysis.

**Item 5.2 Significant Factors or Uncertainties**



The process of evaluating reserves is inherently complex. It requires significant judgements and decisions based on available geological, geophysical, engineering, and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices, and economic conditions. These factors and assumptions include among others: (i) historical production in the area compared with production rates from analogous producing areas; (ii) initial production rates; (iii) production decline rates; (iv) ultimate recovery of reserves; (v) success of future development activities; (vi) marketability of production; (vii) effects of government regulations; and (viii) other government levies imposed over the life of the reserves.

As circumstances change and additional data becomes available, reserve estimates also change. Estimates are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performances, prices, economic conditions, and government restrictions. Revisions to reserve estimates can arise from changes in year-end prices, reservoir performance, and geologic conditions or production. These revisions can be either positive or negative.

### **Item 5.3 Future Development Costs**

A summary of the estimated develop costs deducted in the estimation of future net revenue attributable to various reserves categories and prepared under various price and cost assumptions are summarized below. The Company expects to fund its estimated future develop costs through some combination of equity and debt financing. There can be no guarantee that funds will be available or that the Board of Directors of the Company will allocate funding to develop all of the reserves requiring development. Failure to develop such reserves could negatively impact future net revenue.

#### **Future Development Costs**

<b>Year</b>	<b>Proved Reserves (M\$)</b>	<b>Proved + Probable Reserves (M\$)</b>
2013	-	-
2014	943	943
2015	943	943
<b>TOTAL</b>	<b>1,887</b>	<b>1,887</b>

## **Part 6 Other Oil and Gas Information**

### **Item 6.1 Oil and Gas Properties and Wells**

The company owns a 17.15 % working interest before payout and 24.99% working interest after payout in multiple exploration permits in the Po Valley of Italy. Production in Italy is subject to a 10 % government royalty for natural gas but there are royalty exemptions for the first 888 MMscf of gas produced per year. At the date of this report the company has no gross or net producing or non-producing wells in Italy. The first test well in Corte Dei Signori permit was drilled in 2012 in the Gallare field. The

Gallare 6D and the subsequent 6DA sidetrack encountered the objective sands at the structural position expected and with significant gas shows in high quality sands. However, the sands were unexpectedly encountered drained and contained only residual gas saturations. The well was subsequently plugged and abandoned in March 2012 and the estimated reserves associated with Gallare field were written off. No further drilling is anticipated in Gallare field but several attractive exploration targets remain in the Corte dei Signori permit area including the Corte Mezzo prospect which has been assigned the proven, probable and possible reserves by the third party engineers as of December 31, 2012.

### **Item 6.3 Forward Contracts**

The Company has no forward sales contracts fixing the price of oil or natural gas.

### **Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs**

The Company uses the industry's historical costs to estimate its abandonment and reclamation costs when available. If the representative comparison are not readily available, an estimate is prepared based on the various regulatory abandonment requirements.

### **Item 6.5 Tax Horizon**

Canada: As of October 31, 2012, the Company has no revenue generating properties in Canada.

United States: The Company has approximately US\$ 3,222,094 non-capital losses that can be carried forward to offset future US taxable income.

### **Item 6.6 Costs Incurred**

The Company incurred drilling costs for the year ending October 31, 2012 for the drilling and plugging of the Gallare 6D and sidetrack 6DA wells in the Corte dei Signori exploration permit area. The company also incurred costs for its proportional share for the seismic survey acquired and interpreted in the Ponte del Diavolo and Ponte dei Grilli exploration permit areas. The company expects further expenditures for 3D seismic interpretation in 2013. The exploration costs incurred in the year ending October 31, 2012 were \$2,141,784.

### **Item 6.7 Exploration and Development Activities**

During the year ended October 31, 2012, the Company participated in significant exploration activity in the Po Valley of Italy. The 3D seismic data previously acquired on the Corte dei Signori exploration permit area was reprocessed and reinterpreted in 2011 and the Gallare 6D and sidetrack 6DA wells were drilled in the first quarter 2012. The well and subsequent sidetrack found the objectives sands at expected structural positions with significant gas shows while drilling but unexpectedly found the sands to only have residual gas saturations. The well was subsequently plugged and abandoned and the reserves estimated for the Gallare field were written off by the company. No further drilling activity in the Gallare field is forecast but several other attractive drilling opportunities remain in the Corte dei Signori permit. The Ponte del Diavolo exploration permit area had a 3D seismic survey completed in the 3<sup>rd</sup> quarter, 2011

and the seismic data was reprocessed and interpreted in 2012. At the date of the writing of this report, potential exploratory drilling locations are in the early phases of permit preparation at Ponte del Diavolo. A 75 square kilometer 3D seismic survey on the western portion of the Ponte dei Grilli exploration permit area was acquired and processed in 2012 with interpretation beginning at October 31, 2012. Interpretation of the data continues as of the writing of this report and several attractive exploration leads have been identified.

**Item 6.8      Production Estimates from November 1, 2012 to October 31, 2013**

NO PRODUCTION FORECAST