Form 51-101 F1

Brownstone Energy Inc.

Statement of Reserves Data

And Other Oil and Gas Information

As of June 30, 2013

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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 reasonably 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 ^{o}F.
M	Thousand (1,000).
MM	Million (1,000,000)
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 Brownstone Energy Inc.

Part 1 Date of Statement

Item 1.1 Relevant Dates

1. Date of Statement: October 28, 2013
2. Effective Date: June 30, 2013
3. Preparation Date: October 25, 2013

The following information is related to Brownstone Energy Inc.'s ("Brownstone" or "the Company") reserves, future net revenue and discounted value of future net cash flow of the heavy oil in Colombia. Petrotech Engineering Ltd. ("Petrotech"), independent qualified evaluators of Burnaby, British Columbia estimated the Colombian reserves effective June 30, 2013. The Company used the reserves in the preparation of the Financial Statements for the fiscal year ended June 30, 2013.

All of the Company's oil and gas reserves are onshore in the country of Colombia.

The reserves on the properties described herein are estimates only. Actual reserves on the 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 Petrotech 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 the reserves data and the breakdown of future net revenue by commodities and reserve category using 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 in Items 3.1 and 3.2. All cash flow data is in U.S. dollars.

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 Petrotech Report.

Part 2 Disclosure of Reserves Data

Item 2.1 Reserves Data (Forecast Prices and Costs)

Item 2.1.1 Breakdown of Reserves

Onshore Colombia

Reserve Category	Heavy Oil 100% (Mbbl)	Gross (Mbbl)	Net (Mbbl)
Proved Producing	69	31	29
Proved Undeveloped	1,706	853	777
Total Proved	**1,775**	**884**	**806**
Total Probable	1,937	796	725
Proved + Probable	**3,712**	**1,681**	**1,531**

Item 2.1.2 Net Present Value of Future Net Revenue

Onshore Colombia:

	Before Tax NPV ($M US) @				
Reserve Category	0%	5%	10%	15%	20%
Proved Producing	49	50	51	52	53
Proved Undeveloped	3,692	2,835	2,173	1,656	1,247
Total Proved	**3,740**	**2,885**	**2,225**	**1,708**	**1,299**
Probable	5,619	4,709	3,998	3,433	2,976
Total Proved + Probable	**9,359**	**7,594**	**6,222**	**5,141**	**4,275**

	Before Tax NPV ($M US) @				
Reserve Category	0%	5%	10%	15%	20%
Proved Producing	49	50	51	52	53
Proved Undeveloped	3,404	2,572	1,930	1,430	1,036
Total Proved	**3,453**	**2,622**	**1,981**	**1,482**	**1,088**
Probable	5,448	4,558	3,862	3,310	2,863
Total Proved + Probable	**8,901**	**7,179**	**5,843**	**4,792**	**3,952**

Item 2.1.3 (a) (b) Additional Information Concerning Future Net Revenue

Onshore Colombia:

Reserve Category	Revenue (M$US)	Oil Royalties (Mbbl)	Operating Costs (M$US)	Development Costs (M$US)	Abandon Costs (M$US)	Future Net Revenue Before Income Tax (M$US)	Future Income Tax Expenses (M$US)	Future Net Revenue After Income Tax (M$US)
Total Proved	53,094	79	39,770	8,738	845	3,740	288	3,453
Total Proved + Probable	100,778	150	76,424	13,985	1,010	9,359	458	8,901

Note: *Oil royalties are paid in kind and figures may be rounded off.

Item 2.1.3 (c) Unit Value of Net Present Value of Future Net Revenue based on Forecast Prices and Costs

Unit Value of the NPV of Future Net Revenue based on Net Share, Forecast Prices and Costs before deduction of income tax and calculating using discount rate of 10%.

Onshore Colombia:

	Heavy Oil
	$/bbl
Proved	2.76
Proved + Probable	4.06

Item 2.2 Supplemental Disclosure of Reserves Data (Constant Prices and Costs) - Not applicable.

Item 2.3 Reserves Disclosure Varies with Accounting - Not applicable.

Item 2.4 Future Net Revenue Disclosure Varies with Accounting - Not applicable.

Part 3 Pricing Assumptions

Item 3.1 Constant Prices Used in Supplemental Estimates - Not applicable.

Item 3.2 Forecast Prices Used in Estimates

Item 3.2.1(a)

Forecast Oil Prices in Colombia by Petrotech Engineering Ltd.

The June 28, 2013 oil price closed at $96.56 per barrel for West Texas Intermediate (WTI) and at $102.16 per barrel for Brent. The forecast Vasconia oil price is $98.47 per barrel for the remaining months of 2013. All future commodity prices of crude oil prices were taken from NYMEX (www.cmegroup.com) on the last day of trading in June 2013. The historical prices for oil were taken from Sproule and Associates Inc. The following summarizes the NYMEX futures and the forecast oil prices.

Forecast Oil Prices

	WTI Light Sweet Crude	Brent Oil	Vasconia Oil @ 25°API	Flami Oil @ 15°API
Year	($/bbl)	($/bbl)	($/bbl)	($/bbl)
2007	72.27	72.57		
2008	99.59	97.06		
2009	61.63	61.53		
2010	79.43	79.48	77.40	
2011	95.00	111.22	106.94	
2012	94.23	111.44	106.52	
30-Jun-13	96.56	102.16	99.36	
2013	95.66	101.29	98.47	72.87
2014	90.62	98.23	94.43	69.87
2015	85.94	94.39	90.16	66.72
2016	83.05	91.43	87.24	64.56
2017	81.19	89.24	85.22	63.06
2018	79.91	87.23	83.57	61.84

The above forecast oil prices are based on forecast Vasconia posted oil price and adjusted to the percentage of West Texas Intermediate and Brent crude oil prices on the NYMEX futures to 2018. In 2019, all oil prices are then escalated at 2% per year thereafter.

Item 3.2.1(b)

The following table summarizes the net weighted average historical oil prices for the Canaguaro and LLA-27 Blocks for the year ended June 30, 2013, $US/bbl:

Month	Canaguaro Block	Block LLA-27
July 2012	89.60	56.12
August 2012	95.62	72.68
September 2012	-	71.24
October 2012	100.81	66.95
November 2012	96.17	63.53
December 2012	96.78	64.99
January 2013	100.58	71.25
February 2013	101.63	74.04
March 2013	101.41	70.86
April 2013	87.01	69.84
May 2013	78.92	72.38
June 2013	95.27	72.02

Item 3.2.2

For Colombia, the forecast oil prices are based on forecast Vasconia posted oil price and adjusted to the percentage of West Texas Intermediate and Brent crude oil prices on the NYMEX futures to 2017. There is also adjustment to the quality of the oil based on API gravity and salinity of the sales oil.

Item 3.2.3 - Not applicable.

Part 4 Reconciliations of Changes in Reserves

Item 4.1 Reserves Reconciliation

Onshore Colombia:

	Gross Heavy Oil		
	Proved	Probable	Proved + Probable
	(Mbbl)	(Mbbl)	(Mbbl)
Opening Balance (June 30, 2012)	770	789	1,559
Extension & Improved Recovery	0	0	0
Technical Revisions	559	316	875
Discoveries	0	0	0
Acquisitions	0	0	0
Dispositions	-331	-309	-641
Economic Factors	0	0	0
Production	-113	0	-113
Closing Balance (June 30, 2013)	**884**	**796**	**1,681**

Figures may be rounded off.

Onshore U.S.A.:

	Natural Gas Liquids			**A & NA Gas**		
	Proved (Mbbl)	Probable (Mbbl)	Proved + Prob (Mbbl)	Proved (MMcf)	Probable (MMcf)	Proved + Prob (MMcf)
Total						
Opening Balance (June 30, 2012)	68	0	68	788	0	788
Extension & Improved Recovery	0	0	0	0	0	0
Technical Revisions	0	0	0	0	0	0
Discoveries	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0
Dispositions	0	0	0	0	0	0
Economic Factors	-68	0	-68	-788	0	-788
Production	0	0	0	0	0	0
Closing Balance (June 30, 2013)	**0**	**0**	**0**	**0**	**0**	**0**

Figures may be rounded off.

The Kokopelli Field in Colorado, U.S.A. is a property currently deemed to be uneconomic to develop by the Company therefore no reserves are being carried. The Company has paid for its proportional share of the drilling of the first title preserving well on the lands, but has opted to go penalty in the drilling of the three additional wells recently completed by the Operator. The Company retains its rights in the remaining lands in the field on which the operator believes an additional 216 development wells can be drilled. Once the penalty provisions have been met, the Company has the option to participate in the three penalty wells if there is economic merit in doing so, and the Company may conduct the reserve evaluation at that time.

Part 5 Additional Information Relating to Reserves Data

Item 5.1 Undeveloped Reserves

Item 5.1.1 The following tables outlines the proved undeveloped reserves attributed to the Company’s onshore Colombian property:

Onshore Colombia (Forecast Case) for Proved Undeveloped Reserves

	Gross Heavy Oil
Year	(Mbbl)
2009 and Prior	0
2010	0
2011	174
2012	530
2013	853

Item 5.1.1 The following table outlines the probable undeveloped reserves attributed to the Company’s onshore Colombian property:

Onshore Colombia (Forecast Case) for Probable Undeveloped Reserves

	Gross Heavy Oil
Year	(Mbbl)
2009 and Prior	0
2010	0
2011	708
2012	703
2013	796

Item 5.2 Significant Factors or Uncertainties

Item 5.2.1

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

Item 5.3.1 (a) (b)

The table below sets out the future development costs deducted in the estimation of future net revenue attributable to the proved reserves and proved plus probable reserves using ***forecast prices and escalated costs:***

Onshore Colombia:

	Forecast Case	
	Proved	Proved + Probable
Year	$M	$M
2012	0	0
2013	8,738	13,107
2014	0	0
2015	0	272
2016	558	558
2017	0	0
Total	**9,296**	**13,937**

Item 5.3.2 (a) (b)

Brownstone expects to finance future development costs from existing and future cash flow and funds raised in the capital markets through equity financings. Management does not believe that the costs of these sources of funding will have a material impact of the Company’s reserves or future net revenue. However, there can be no guarantee that funds will be available when required or will be allocated to develop all of the reserves attributed to the Company in the Reports, and failure to develop the reserves would have a negative impact on the Company’s future net revenue.

Item 5.3.3 – N/A

Part 6 Other Oil and Gas Information

Item 6.1 Oil and Gas Properties and Wells

Our important properties are located in Colombia, Israel, U.S. (Utah and Colorado) and Argentina, and are described below. All are located onshore, except for our Israeli properties which are all offshore. We do not have any properties to which reserves have been attributed and which are capable of producing but which are not producing.

Onshore Colombia
Our material properties in Colombia are comprised of private participating interests of between 14% and 35% in Blocks LLA-21, 27, 36 and Canaguaro in the Llanos Basin of central Colombia.

In June 2013, we abandoned Block LLA-21 and sold our Canaguaro Block for gross proceeds of US$6,000,000.
Subsequent to June 30, 2013, we terminated our private participating interest in Block LLA-36.

Producing Lands

Our producing lands in Colombia are comprised of participating interests of between 25% and 34.25% in our Llanos Basin Canaguaro and LLA-27 Blocks.

In June 2013, we sold our Canaguaro Block for gross proceeds of US$6,000,000.

Undeveloped Lands

Our undeveloped lands in Colombia are comprised of participating interests of between 14% and 34.25% in our Llanos Basin LLA-36 and 21 Blocks.

Onshore U.S.A.

Our material properties in the U.S. are comprised of 10% and 28% working interests, as applicable, in approximately 270 oil and gas leases, covering in excess of 300,000 acres located in the Piceance and Unita Basins in Colorado and Utah, respectively.

Undeveloped Lands

Our undeveloped lands in the U.S. are comprised of our 28% interest in the Kokopelli, Colorado property.

Item 6.1.2 Gross and net oil and gas wells:

Oil Wells – as of year-end date

Onshore Colombia	**Forecast Case**	
	Gross	Net
Property	Wells	Wells
LLA 27	1.0	0.3425
Total	**1.0**	**0.3425**

The Canaguaro property was sold in June 2013 and the Mani #1 Well in LLA 27 will be plugged and abandoned.

Gas Wells

Onshore U. S. A.	**Forecast Case**	
	Gross	Net
Property	Well	Wells
South Rangely, Colorado	1	0.248
Total	**1**	**0.248**

Item 6.2 Properties with No Attributed Reserves

Onshore Colombia

Blocks LLA-21 and 36 are our unproved properties in Colombia.

Block LLA-21:
Under an amending agreement dated February 28, 2012 to the original participation agreement in respect to the Block LLA 21 which consist of 7,108 gross hectares (2,478 net hectares), the Company has paid US$3,875,000 towards the drilling of two wells. Following the completion and testing of the wells, which were subsequently abandoned, Brownstone waived its rights to an income production participation going forward and has no further financial obligations.

The Company has US$2,700,000 letter of credit with the Agencia Nacional de Hidrocarburos (“ANH”), a Colombian government agency, the oil and gas agency of the Colombian government. The Company is working with the operator to release the letter of credit.

Block LLA-36:
The Company has a 14% participating interest on the block (7.108 gross hectares; 4,760 net hectares) and is required to pay 20% of the capital cost of the work program incurred during the exploration and production phases of the block, and will be entitled to receive 18.2% of all net production revenue until all aggregate costs have been recouped, following which the Company will be obligated to fund 14% of any ongoing costs in order to be entitled to receive 14% of any further net production revenue. No additional work commitments are anticipated on the Block.

Subsequent to June 30, 2013, the Company relinquished its private participating interest in Block 36 located in the Llanos Basin of Central Colombia. The operator of the block has submitted to the ANH a letter of guarantee to replace the Company's obligations totaling US$1,100,000.

Onshore U.S.A.

The Company has participating interests of between 7.5% to 28.57%, as applicable, in approximatedly 270 oil and gas leases, covering in excess of 200,000 acres in the Piceance/Uinta basin in the USA and is required to fund its share of the costs in proportion to its participating interests. The Company has satisfied its financial obligations in respect to the USA properties.

Offshore Israel

As at June 30, 2013, the Company has participating interests in the following Israeli Blocks:

	Gabriella Block (i)	**Yitzhak Block (ii)**	**Samuel Block (iii)**
Participating Interest	15%	15%	6.75%
Gross acres	96,371	31,689	89,205
Net acres	14,456	4,753	6,021

The Blocks have no formal work commitments or letters of credit posted.

(i) Gabriella Block: On February 11, 2013, the Company was informed by Adira Energy Israel Ltd., the operator of the Israeli Blocks (the "Operator") that it had suspended all operations with regard to drilling the Gabriella well until further notice. The failure of the 70% party, Modi'in Energy LP, to finance its obligations under the joint operating agreement was given as the reason for the suspension. Brownstone has met its share of the financing obligations under the joint operating agreement.

During the year ended June 30, 2013, the milestone dates for certain work to maintain the license for the property were not met. On June 30, 2013, the Operator had applied to the Ministry of Energy and Water of the State of Israel (the "Ministry") for an extension of the milestone dates and approval was received in October 2013 with a new expiry date of the license of September 1, 2014. The following table sets out the work program that must be completed in order to maintain the Gabriella Block:

Gabriella Work Program	**Milestone Dates**
Submitting a request for approving an operator	February 28, 2014
Signing a rig contract	April 30, 2014
Submitting the results of an Anisotropic PSDM and coherent sub surface model	July 31, 2014
Spud the first well	August 31, 2014

(ii) During the current year, the Operator received an extension of the Yitzhak license to December 2013. On June 30, 2013, the Operator had applied to the Ministry for an extension of the milestone dates and approval was received in October 2013 with a new expiry date of the license of October 15, 2014.

The following table sets out the current work program that must be completed in order to maintain the Yitzhak Block:

Yitzhak Work Program	Milestone Dates
Submitting the Environmental Impact Assessment to the Central District Planning Committee	January 1, 2014
Execute a contract with a drilling contractor	September 30, 2014
Spud the first well	September 30, 2014

(iii) During the year ended June 30, 2013, the milestone dates for certain work on the property were not met. On March 27, 2013, the Operator had applied to the Ministry for an extension of the dates for the execution of a drilling contract on the Samuel Block to March 31, 2014, and for the spud of the first well to September 30, 2014. The Samuel license expired on July 31, 2013.

Subsequent to June 30, 2013, Brownstone and the other license holders of the Samuel Block have relinquished their interests back to the State of Israel.

Onshore Argentina

The Company has a 25% interest in the Vaca Mahuida Block (235,000 gross acres; 58,750 net acres) in the Province of Rio Negro, Argentina. Under the terms of the participation agreement governing Brownstone's interest, the Company is required to fund 50% of the costs to be incurred in the conduct of the work program on the property.

There are currently no work commitments for the property but the operator of the block has informed Brownstone that it has submitted an evaluation program for the block to the Province of Rio Negro for their approval that is expected to be received before December 31, 2013.

Item 6.3 Forward Contracts – Not applicable.

Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs

The following table summarizes the abandonment and reclamation costs (net of salvage) applied to the reserves disclosed in Item 2.1 – Reserves Data (Forecast Prices and Costs):

Onshore Colombia:

	Forecast Case	
	Proved	Proved + Probable
Year	$M	$M
2013	0	0
2014	0	0
2015	0	0
2016	0	0
2017	0	140
2018	287	0
All Years	287	451
Discounted at 10%	170	230

The following table summarizes the gross and net wells for which the Company expects to incur the abandonment and reclamation costs shown in the table above:

Onshore Colombia:

	Forecast Case	
Property	Gross Wells	Net Wells
LLA 27	4.0	1.37
Total	**4.0**	**1.37**

Abandonment costs of $250,000 per well, net of salvage value and adjusted for a cost escalation factor of 2.8% per year using the Colombian inflation index, were assumed by Petrotech in estimating the future net revenue attributable to our Colombian reserves, resulting in total costs of $287,000 undiscounted, and $170,000 discounted at a rate of 10%, based upon 3 gross wells and 1.0275 net well in the proved reserve and $451,000 undiscounted and $230,000 discounted at a rate or 10%, based on the four gross wells and 1.37 net wells in the proved + probable reserve. Costs were based upon the historical costs of the operating fields in the area.

We have not incurred any abandonment or reclamation costs and do not anticipate incurring any in the next three financial years.

Item 6.5 Tax Horizon

Onshore Colombia:

The after-tax cash flow analyses were conducted using a tax pool of $19,403,824 Cdn in the LLA 27 Block.

Item 6.6 Costs Incurred

The following table summarizes our *property acquisition costs*, *exploration costs* and *development costs* for the financial year ended June 30, 2013 in respect of our properties:

	Property Acquisition Costs (M$Cnd)			
Country	Proved Properties	Unproved Properties	Exploration Costs (M$Cdn)	Development Costs (M$Cdn)
Columbia	--	--	3,252	10,921
Israel	--	--	6,067	--
U.S.	--	--	1,148	--
Argentina	--	--	111	--

Item 6.7 Exploration and Development Activities

Exploration and Development Wells:
The Company contributed capital towards the drilling of 2 gross (0.0 net) exploration wells during fiscal year ended June 30, 2013. These were the Calacho-1 and the Rocamao-1 exploratory oil wells drilled and abandoned on Block LLA-21 in Colombia.

Exploration and Development Activities:
Colombia
In the Canaguaro Block, the Company had no activities and sold its interests in the block during the fiscal year ended June 30, 2013.

In Block LLA-27, the Mani-1 exploratory oil well had no activities and is planned for abandonment. Also in Block LLA-27, the Flami-1 exploratory oil well continues to produce oil under the Long Term Testing program. Further exploration and development activities on the block are pending completion and evaluation of the results of the Long Term Testing program, and a Flami field development plan has been created by the operator. The operator has also applied to the ANH for a one year extension of the existing evaluation program for the Flami-1 well.

The Company has not further exploration plans on Blocks 21 and 36, are discussed above.

U.S.A.
The Operator of the Kokopelli project has commenced drilling, completion and testing operations on three wells in the Kokopelli field that the Company has chosen to go penalty on as discussed above. The Company is awaiting completion results from the one title preserving well previously drilled at Kokopelli.

Israel
The Operator has applied for and received extensions from regulators, as discussed above, which result in moving exploration activities on the Company's Yitzhak and Gabriella Blocks into 2014 and beyond as discussed above. Subsequent to June 30, 2013, he Company has relinquished its interests in the Samuel Block.

Item 6.8 Production Estimates

Gross production (forecast case) of the Company from June 30, 2013 to June 30, 2014:

Onshore Colombia:

Onshore Colombia	Heavy Oil	
	Proved	Probable
Property	Mbbl	Mbbl
LLA 27	102.7	46.2
Total	**102.7**	**46.2**

Item 6.9 Production History

The following table outlines the gross production from July 1, 2012 to June 30, 2013 for important fields for each product type.

Onshore Colombia:

Heavy Oil	LLA 27 (Mbbl)	Canaguaro (Mbbl)
Q1	21.11	3.34
Q2	30.71	14.06
Q3	19.34	9.68
Q4	14.64	7.22
Total 2013	85.79	34.30

Figures may be rounded off. Canaguaro was sold on June 5, 2013.

The following table (Item 6.9.1b) outlines as an average per unit volume (for example, $/bbl or $/Mcf), the Company's prices received, royalties paid, production costs, and resulting netback:

Onshore Colombia:

	2013 Heavy Oil Unit Values							
Onshore Colombia	Q1				Q2			
	Price Received	Royalties	Opex	Net Back	Price Received	Royalties	Opex	Net Back
Property	$/bbl	Mbbl	$/bbl	$/bbl	$/bbl	Mbbl	$/bbl	$/bbl
LLA 27	70.95	1.69	34.57	36.38	86.86	2.46	44.04	42.83
Onshore Colombia	Q3				Q4			
	Price Received	Royalties	Opex	Net Back	Price Received	Royalties	Opex	Net Back
Property	$/bbl	Mbbl	$/bbl	$/bbl	$/bbl	Mbbl	$/bbl	$/bbl
LLA 27	83.30	1.55	54.73	28.57	87.65	1.17	60.79	26.86

*Note: Royalties to the government are paid in kind