

April 27, 2016

Berkley Renewables Inc.
570 Granville Street
Vancouver, British Columbia
V6C 3P1

Attention: Ms. Pam Saulnier

**RE: Berkley Renewables Inc.
Reserve estimation and economic evaluation**

At your request and authorization, Deloitte LLP, has prepared an independent evaluation of certain oil and gas assets of Berkley Renewables Inc. (Berkley), effective December 31, 2015.

This report has been prepared for the exclusive use of Berkley Renewables Inc. for corporate reporting purposes and no part thereof shall be reproduced, distributed or made available to any other person, company, regulatory body or organization pursuant to Part 5 Section 5.7 of NI 51-101. Deloitte hereby gives its consent to the use of its name and to the said estimates pursuant to Part 5 Section 5.7 Item (2) of NI 51-101.

Pursuant to Part 2 Item 2.1 and 2.2 of Form NI 51-101F1, this report documents the results of the evaluation with the following tables summarizing the total corporate reserves and value. All values are in Canadian dollars unless specified.

- Table 1 – summary of total corporate reserves and value using forecast prices and costs;
- Table 2 – reserves reconciliation.

Deloitte was provided the following Canadian tax pools from Berkley Renewables Inc. effective December 31, 2015.

	\$ Thousands	Depreciation Rate, %
CEE	5,128.73	100
UCC/CCA Class 41	121.66	25
Non-Capital Loss	<u>3,128.43</u>	100
Total	8,378.82	

Per NI 51-101 corporate general and administrative expenses and financing costs are not deducted.

The oil and gas reserves calculations and income projections, upon which this report is based, were estimated in accordance with the Canadian Oil and Gas Evaluation Handbook (COGEH) and National Instrument 51-101 (NI 51-101). The Evaluation procedure section included in this report details the reserves definitions, price and market demand forecasts and general procedure used by Deloitte in its determination of this evaluation. The extent and character of ownership and all factual data supplied by Berkley Renewables Inc. were accepted as presented (see Representation Letter attached within).

This report contains forward looking statements including expectations of future production and capital expenditures. Information concerning reserves may also be deemed to be forward looking as estimates imply that the reserves described can be profitably produced in the future. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause the actual results to differ from those anticipated. These risks include, but are not limited to: the underlying risks of the oil and gas industry (i.e. operational risks in development, exploration and production; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses, political and environmental factors), and commodity price and exchange rate fluctuation. Present values for various discount rates documented in this report may not necessarily represent fair market value of the reserves.

A Boe conversion ratio of six (6) Mcf: one (1) barrel has been used within this report. This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

No value has been assigned in this evaluation for non-reserve lands.

Deloitte is pleased to present its independent reserves evaluation report for Berkley Renewables Inc., effective December 31, 2015, in satisfaction of Part 2 Section 2.1 Item 2 of NI 51-101 and Form 51-101 F2, without reservation.

Yours truly,

Original signed by: "Robin G. Bertram"

Robin G. Bertram, P. Eng.
Partner
Deloitte LLP

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