

**FORM 51-101F1**  
**STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION,**  
**BIRD RIVER RESOURCES INC. (“the Company”)**

**PART 1 DATE OF STATEMENT**

The date of this statement is November 27, 2015. The effective date of the information provided in this statement is July 31, 2015. Any monetary amounts are stated in Canadian dollars.

**PART 2 DISCLOSURE OF RESERVES DATA**

The Company holds a minimal interest (2.5% to 5%) in various wells and the controlling shareholder (private company) of the wells has not had a report prepared by an independent qualified reserve evaluator and auditor.

**PART 3 PRICING AND ASSUMPTIONS**

The benchmark and company's forecast prices used in the impairment test calculations were primarily based on future commodity prices and are as follows:

Light oil	(Cdn\$/bbl)
	2015 \$50.10
	2016 \$53.44
	2017 \$55.93

Thereafter, 2% increase for inflation

**PART 4 RECONCILIATION OF CHANGES IN RESERVES AND FUTURE NET REVENUE**

Not applicable

**PART 5 ADDITIONAL INFORMATION RELATING TO RESERVES DATA**

Not applicable

**PART 6 OTHER OIL AND GAS INFORMATION**

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

The company has entered into a jointly controlled operation with Antler River Resources Ltd. The joint operation has no liabilities or revenues and the assets are limited to twelve oil wells (LSD 6-13-7-29, LSD 14-15-8-28, HZ 13-15-8-28, HZ 11-26-1-28, HZ 12-15-8-28, HZ 7-34-1-28, HZ 13-23-1-28, HZ 15-30-1-27, HZ 3-15-8-28, HZ 16-16-7-28, HZ 3-22-7-28 and HZ 4-5-2-27). Expenditures are limited to costs of surface access, building location, drilling, completing, equipping and operating or abandoning the oil wells. The related expenditures are deferred in the accounts of the company. The company has earned an interest equal to 80% of their contribution to the costs of surface access, building location, drilling, completing, equipping and operating or abandoning the oil wells, which represents, approximately, a 4% net interest in joint venture operations.

During the year the Company sold its interest in well LSD 2-29-2-28 for a loss of \$3,389.

The company has invested in eight lease holdings as follows:

- 1) Northwest quarter 23-1-28, 25% owned with a three-year lease term.
- 2) Southwest quarter 23-1-28, 25% owned with a three-year lease term.
- 3) Northeast quarter 14-4-22, 100% owned with a five-year lease term.
- 4) Northeast quarter 17-1-27, 25% owned with a three-year lease term.
- 5) Northeast quarter 23-1-28, 25% owned with a three-year lease term.
- 6) Northeast quarter 30-1-27, 25% owned with a three-year lease term.
- 7) Northeast quarter 2-3-26, 17.5% owned with a two-year lease term.
- 8) Southeast quarter 2-3-26, 17.5% owned with a two-year lease term.

## **Item 6.2 Properties with No Attributed Reserves**

The properties with no attributed reserves are the company's eight lease holdings as disclosed above.

## **Item 6.3 Forward Contracts**

The Company does not hold any forward contract obligations as at July 31, 2015.

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

The company's decommissioning obligations result from its ownership interest in petroleum and natural gas properties. The total decommissioning provision is estimated based on the company's net ownership interest in all wells and facilities, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years. The total estimated undiscounted cash flows required to settle the provisions, before considering salvage, is approximately \$17,500 as at July 31, 2015 (2014-\$19,000), which has been discounted using a pre-tax rate of 2.96% reflecting the time value of money and the risks specific to the obligation. These obligations are to be settled based on the economic lives of the underlying assets, which currently extend up to 25 years into the future and will be funded from general corporate resources at the time of abandonment.

The company's decommissioning obligations for the year ended July 31, 2015 were \$ 9,115.

## **Item 6.5 Tax Horizon**

The company did not pay any corporate income taxes in 2015 and does not expect to pay any corporate income taxes in 2016.

## **Item 6.6 Costs Incurred**

During the fiscal year ended July 31, 2015 the Company did not incur any costs relating to the exploration and evaluation assets.

During the same period the Company incurred production and operating expenses relating to petroleum and natural gas properties in the amount of \$27,551. During 2015 fiscal year the company participated in the drilling of a new well HZ 4-5-2-17 for a total cost of \$67,433.

At July 31, 2015, the Company assessed the recoverability of its investment in petroleum and natural gas properties by performing an impairment test at the cash-generating unit level. The recoverable amount of each cash-generating unit was estimated based on the higher of the value in use and the fair value less cost to sell. The estimated fair value less cost to sell was used and was determined using estimated future cash flows based on estimated reserves, discounted at 10%, with prices as indicated in Part 3 above. Based on the impairment test, the carrying amount of the investments in petroleum and natural gas properties was determined to be impaired in the amount of \$201,141 relating to wells LSD 6-13-7-29, LSD 14-15-8-28, HZ 13-15-8-28, HZ 11-26-1-28, HZ 12-15-8-28, HZ 3-15-8-28 HZ 16-16-7-28 and HZ-3-22-7-28. This amount was recognized in the profit and loss for the year.

**Item 6.7 Exploration and Development Activities**

A summary of the exploration and evaluation asset activity for the period is as follows:

Balance, July 31, 2014	\$126,704
Costs incurred during the period	-
Transfers to property and equipment	-
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<u>Balance, July 31, 2015</u>	<u>\$126,704</u>

The Company was not a driller nor an operator, nor a general partner of any oil property to this date and is A Joint Venture partner with interest ranging from 2.5% to 5% in 12 wells of which 10 are in production.

**Item 6.8 Net Production Estimates for Proven and Probable reserves**

Not Applicable

**Item 6.9 Production History**

The Company reported petroleum revenue of \$54,937 for the year ended July 31, 2015 as result of its percentage interest (2.5% to 5%) in 10 producing wells.