

Hillcrest Petroleum Ltd.

FORM 51-101F1

For the Year Ended December 31, 2017

***STATEMENT OF RESERVES DATA
AND OTHER OIL AND GAS INFORMATION***

Hillcrest Petroleum Ltd.
Statement of Reserves Data and Other Oil & Gas Information
For the Year Ended December 31, 2017

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STATEMENT OF RESERVES DATA
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PART 1 DATE OF STATEMENT

The effective date of the information being provided in this statement is as at December 31, 2017, and for the year ended December 31, 2017. The preparation date of the information being provided in this statement is December 31, 2020.

For a glossary of terminology and definitions relating to the information included within this statement (including the aforementioned dates) readers are referred to National Instrument 51-101 (“NI 51-101”).

All dollar figures are Canadian Dollars, unless otherwise specified.

PART 2 DISCLOSURE OF RESERVES DATA

Not applicable – see Part 4

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Item 2.1 Reserves Data (Forecast Prices and Costs)

Not applicable

Item 2.2 Supplementary Disclosure (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

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Part 3 PRICING ASSUMPTIONS

Item 3.1 Constant Prices Used in Supplemental Estimates

Not applicable

Item 3.2 Forecast Prices Used In Estimates

Not applicable

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PART 4 RECONCILIATION OF CHANGES IN RESERVES

Item 4.1 Reserves Reconciliation

At December 31, 2017, the Company did not hold interests in any oil or gas properties and did not have any oil and gas reserves to report.

During the year ended December 31, 2017, the Company sold its interest in the Donner #1 well for a cash payment of \$309,873 and the release of liability for any future asset retirement obligations estimated at \$12,305 on an discounted basis. As a result, the Company recorded a gain on disposal of \$56,728. As at December 31, 2017, all of the remaining wells are shut-in, and the underlying lease agreements with the land owners has terminated.

During the year ended December 31, 2017, the Company completed the Chapter 7 liquidation of its wholly-owned subsidiary Hillcrest GOM Inc. in the U.S. Court for the Southern District of Texas. This has resulted in the disposal of the remaining non-operated assets located shallow offshore waters of the Gulf of Mexico.

PART 5. ADDITIONAL INFORMATION RELATING TO RESERVES DATA

Item 5.1 Undeveloped Reserves

Not applicable

Item 5.2 Significant Factors or Uncertainties Affecting *Reserves Data*

Not applicable

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Item 5.3 Future Development Costs

Not applicable

PART 6. OTHER OIL AND GAS INFORMATION

Item 6.1 Oil and Gas Properties and Wells

Not applicable

Item 6.2 Properties with no Attributed Reserves

Not applicable

Item 6.2.1 Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserves

Not applicable

Item 6.3 Forward Contracts

Not applicable

Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs

Not applicable

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Item 6.5 Tax Horizon

Not applicable

Item 6.6 Costs Incurred

Not applicable

Item 6.7 Exploration and Development Activities

No exploration or development activity was undertaken in 2017.

Item 6.8 Production Estimates

Not applicable

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Item 6.9 Production History

Not applicable