

**Hillcrest Petroleum Ltd.**

**FORM 51-101F1**

**For the Year Ended December 31, 2018**

***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, 2018**

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**FORM 51-101F1**  
**STATEMENT OF RESERVES DATA**  
**AND OTHER OIL AND GAS INFORMATION**

**PART 1      DATE OF STATEMENT**

The effective date of the information being provided in this statement is as at December 31, 2018, and for the year ended December 31, 2018. 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

**Hillcrest Petroleum Ltd.**  
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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**

The Company did not hold interests in any oil or gas properties and did not have any oil and gas reserves to report.

See item 6.7.

**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**

On October 4, 2017, the Company entered into a joint venture agreement with Charterhouse Co. (“Charterhouse”), a private Alberta corporation, to workover four previously shut-in oil wells in southeastern Saskatchewan. The Company was required to incur 100% of the workover costs in exchange for a 75% working interest in the wells before of recovery of all reactivation costs incurred (“Payout”) and a 50% working interest after Payout.

If after the work program obligations have been completed for the West Hazel project (the “WH Property”), but prior to Payout for the WH Property, average total daily oil production from the WH Property over any calendar month, is less than 200 barrels per day and the Company’s working interest revenue from the WH Property is insufficient to cover the minimum financing costs related to that work program, then the Company may, at its sole discretion, retain net Charterhouse’s working interest revenue from the WH Property sufficient to meet the minimum financing cost for that month. Any retained Charterhouse revenue would be credited in Payout account calculations.

As at December 31, 2018, the Company incurred \$595,181 in exploration and evaluation expenditures on the WH Property.

Work commitments to earn the Company interest under the joint venture agreement were not completed at December 31, 2018.

**Item 6.8 Production Estimates**

Not applicable



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**Item 6.9      Production History**

Not applicable