



FORM 51-101 F3 REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE

This is the form referred to in item 3 of section 2.1 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101")

1. Terms to which a meaning is ascribed in NI 51-101 have the same meaning in this form;
2. The report referred to item 3 of section 2.1 of NI 51-101 shall in all material respects be as follows:

Report of Management and Directors on Reserves Data and Other Information

The management of Loon Energy Corporation (the "**Company**") are responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2010, the end of the most recently completed fiscal year, estimated using forecast prices and costs.

The Company commissioned an independent qualified reserves evaluator (Chapman Engineering) to evaluate the Company's reserves data and has filed the 51-101F2 letter from Chapman Engineering together with the Form 51-101 F1 Statement of Reserves Data.

The board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management of the Company. The board of directors has, approved

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing information detailing the Company's oil and gas activities;

- (b) the content and filing with securities regulatory authorities of Form 51-101F2 which is the report of the independent qualified reserves evaluator on reserves data; and
- (c) the content and filing of this report.

<i>(signed by: Norman W. Holton)</i>	<i>(signed by: Richard W. Elliott)</i>
 Norman W. Holton President & Chief Executive Officer	 Richard W. Elliott Director
<i>(signed by: Edwin A. Beaman)</i>	<i>(signed by: Jock M. Graham)</i>
 Edwin A. Beaman Vice President Operations & Engineering	 Jock M. Graham Director

April 30, 2012