



**LOON ENERGY CORPORATION
STATEMENT OF RESERVES DATA
AND OTHER OIL AND GAS INFORMATION
(Form 51-101F1)**

Part 1 – Date of Statement

This statement of reserves data and other oil and gas information is dated July 23, 2016. The effective date is December 31, 2015 and the preparation date is July 23, 2016.

Part 2 – Disclosure of Reserves Data

The oil and natural gas reserves and the value of future net revenue of Loon Energy Corporation (the "**Company**") was last evaluated by Chapman Petroleum Engineering Ltd. ("**Chapman**") as at December 31, 2014, and dated May 12, 2015 (the "**Chapman Report**"). Chapman is an independent qualified reserves evaluator and auditor.

As of December 31, 2015 the Company, while retaining interest in some lands with potential for oil and gas and an interest in two suspended wells, did not have any reserves and no report was prepared.

As the Company does not have any reserves it is not reporting any future net revenue.

Part 3 - Pricing Assumptions

The following table details the benchmark reference prices for the regions in which the Company operated, as at December 31, 2014, reflected in the reserves data disclosed above under “Part 4 – Reconciliation of Changes in Reserves”. The forecast price assumptions, which were used in the preparation of the Chapman Report, assume the continuance of current laws and regulations and take into account inflation with respect to future operating and capital costs. There will be adjustments to field prices from the benchmarks below:

CHAPMAN PETROLEUM ENGINEERING LTD. CRUDE OIL HISTORICAL, CONSTANT, CURRENT AND FUTURE PRICES January 1, 2015		
Date	WTI [1] \$US/STB	Exchange Rate \$US/\$CDN
HISTORICAL PRICES		
2004	41.51	0.77
2005	56.64	0.83
2006	66.05	0.88
2007	72.34	0.94
2008	99.67	0.94
2009	61.95	0.88
2010	79.48	0.97
2011	94.88	1.01
2012	94.05	1.00
2013	97.98	0.97
2014	93.12	0.91
CONSTANT PRICES (The average of the first-day-of-the-month price for the preceding 12 months)		
	94.35	0.91
FORECAST PRICES		
2015	65.00	0.88
2016	75.00	0.88
2017	81.00	0.88
2018	85.00	0.88
2019	90.00	0.88
2020	94.00	0.88
2021	96.00	0.88
2022	96.00	0.88
2023	97.92	0.88
2024	99.88	0.88
2025	101.88	0.88
2026	103.91	0.88
2027	105.99	0.88
2028	108.11	0.88
2029	110.27	0.88
2030	112.48	0.88
Constant thereafter		

Notes: [1] West Texas Intermediate quality (D2/S2) crude (40API) landed in Cushing, Oklahoma.

The Company had no production in 2014 and thus no price data is available for that fiscal year.

Part 4 – Reconciliation of Changes in Reserves

The following table sets forth a reconciliation of the changes in the Company's gross reserves as at December 31, 2015 against such reserves as at December 31, 2014 based on the forecast price and cost assumptions:

RECONCILIATION OF COMPANY GROSS RESERVES BY PRINCIPAL PRODUCT TYPE BASED ON FORECAST PRICES AND COSTS AS AT DECEMBER 31, 2015

	Light and Medium Oil			Heavy Oil			Associated and Non-Associated Gas		
	Proved (Mbbl)	Probable (Mbbl)	Proved Plus Probable (Mbbl)	Proved (Mbbl)	Probable (Mbbl)	Proved Plus Probable (Mbbl)	Proved (MMscf)	Probable (MMscf)	Proved Plus Probable (MMscf)
At Dec 31, 2014	0	12	12	0	34	34	-	-	-
Production(Sales)	0	0	0	0	0	0	-	-	-
Acquisitions	0	0	0	0	0	0	-	-	-
Dispositions	0	0	0	0	0	0	-	-	-
Discoveries	0	0	0	0	0	0	-	-	-
Extensions & Improved Recovery	0	0	0	0	0	0	-	-	-
Economic Factors	0	1	1	0	3	3	-	-	-
Technical Revisions	0	-12	-12	0	-34	-34	-	-	-
At Dec 31, 2015	0	0	0	0	0	0	-	-	-

Part 5 – Additional Information Relating to Reserves Data

As the Company has no reserves as of December 31, 2015 there is no additional information to disclose.

Part 6 – Other Oil and Gas Information

Oil and Gas Properties and Wells

The following table sets forth the number of wells in which the Company held a working interest as at December 31, 2015:

	Oil		Natural Gas	
	Gross ⁽¹⁾	Net ⁽¹⁾	Gross ⁽¹⁾	Net ⁽¹⁾
Colombia				
Producing	-	-	-	-
Non-producing	2	0.2	-	-

All of the Company's wells are located onshore in the Republic of Colombia.

Properties with No Attributed Reserves

No reserves have been attributed as of December 31, 2015 to any of the properties of the Company.

Forward Contracts

Currently, the Company has no forward contracts.

Additional Information Concerning Abandonment and Reclamation Costs

The Company expects to have costs relating to 0.2 net wells. All costs were included in the Chapman Report.

FUTURE ABANDONMENT AND RESTORATION COSTS

	Total Proved Estimated Using Forecast Prices and Costs (Undiscounted) (\$M)	Total Proved Estimated Using Forecast Prices and Costs (10% Discounted) (\$M)	Total Proved Plus Probable Estimated Using Forecast Prices and Costs (Undiscounted) (\$M)	Total Proved Plus Probable Estimated Using Forecast Prices and Costs (10% Discounted) (\$M)
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
Total for three years	-	-	-	-
Remainder	-	-	6	2
Total for all years			6	2

Tax Horizon

The Company does not expect to become taxable in the foreseeable future.

Costs Incurred

The following table summarizes the capital expenditures made by the Company on oil and natural gas properties for the year ended December 31, 2015:

Property Acquisition Costs (\$M)		Exploration Costs (\$M)	Development Costs (\$M)
Proved Properties	Unproved Properties		
0	0	0	0

Exploration and Development Activities

The following table sets forth the number of exploratory and development wells which the Company completed during its 2015 financial year:

	Exploratory Wells		Development Wells	
	Gross ⁽¹⁾	Net ⁽¹⁾	Gross ⁽¹⁾	Net ⁽¹⁾
Oil Wells	0	0	0	0
Gas Wells	0	0	0	0
Service Wells	0	0	0	0
Dry Holes	0	0	0	0
Total Completed Wells	0	0	0	0

The Company did not drill or develop any additional reserves in the fiscal year.

Production Estimates

The Company does not anticipate that any of the wells in which it has an interest will produce oil or gas in 2016.

Production History

The following table sets forth certain information in respect of production, product prices received, royalties, production costs and netbacks received by the Company for each quarter of its most recently completed financial year:

	Three Months Ended March 31, 2015	Three Months Ended June 30, 2015	Three Months Ended Sept. 30, 2015	Three Months Ended Dec. 31, 2015
Average Daily Production				
Light and Medium Oil (Bbl/d)	0	0	0	0
Natural Gas (Mscf/d)	0	0	0	0
Average Net Prices Received				
Light and Medium Oil (\$/Bbl)	0	0	0	0
Natural Gas (\$/Mscf)	0	0	0	0
Royalties				
Light and Medium Oil (\$/Bbl)	0	0	0	0
Natural Gas (\$/Mscf)	0	0	0	0
Production Costs				
Light and Medium Oil (\$/Bbl)	0	0	0	0
Natural Gas (\$/Mscf)	0	0	0	0
Netback Received				
Light and Medium Oil (\$/Bbl)	0	0	0	0
Natural Gas (\$/Mscf)	0	0	0	0

ABBREVIATIONS AND CONVERSION

In this document, the abbreviations set forth below, if used, have the following meanings:

Oil and Natural Gas Liquids		Natural Gas	
Bbl	barrel	Mscf	thousand standard cubic feet
Bbls	barrels	MMscf	million standard cubic feet
Mbbls	thousand barrels	Mscf/d	thousand standard cubic feet per day
MMbbls	million barrels	MMscf/d	million standard cubic feet per day
MSTB	1,000 stock tank barrels	MMBTU	million British Thermal Units
Bbls/d	barrels per day	Bscf	billion standard cubic feet
NGLs	natural gas liquids	GJ	gigajoule
STB	stock tank barrels of oil		
STB/d	stock tank barrels of oil per day		
Other			
AECO	Niska Gas Storage's natural gas storage facility located at Suffield, Alberta.		
BIT	Before Income Tax		
AIT	After Income Tax		
BOE	barrel of oil equivalent on the basis of 1 BOE to 6 Mscf of natural gas. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 1 BOE for 6 Mscf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.		
BOE/d	barrel of oil equivalent per day		
m ³	cubic metres		
\$M	thousands of dollars		
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade		