AVILA ENERGY CORPORATION
Section 1 - ALBERTA

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

(COMPLYING WITH FORM NI51-101F1)

AS OF FISCAL YEAR-END, DECEMBER 31, 2023

DATA AS OF DECEMBER 31, 2023

APPROVED BY RESERVES COMMITTEE ON APRIL 29, 2024

ABBREVIATIONS & DEFINITIONS

Abbreviations

AECO	EnCana Corp.'s natural gas facility located at Suffield, Alberta
API	American Petroleum Institute
°API	An indication of the specific gravity of crude oil measured on the API gravity scale. Liquid petroleum with a specific gravity of 28°API or higher is generally referred to as light crude oil.
ARTC	Alberta Royalty Tax Credit
boe	barrels of oil equivalent of natural gas and crude oil on the basis of 1 bbl of crude oil for 6 Mcf of natural gas
boe/d	barrel of oil equivalent per day
Corporation	Avila Energy Corporation
ITA	Income Tax Act (Canada)
$000s	thousands of dollars
$M	thousands of dollars
$MM	millions of dollars
McfGE	thousand cubic feet of gas equivalent
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade.

Crude Oil		Natural Gas	
Bbl	barrel	Mcf	thousand cubic feet
bbls	barrels	MMcf	million cubic feet
m3	cubic meters	Bcf	billion cubic feet
Mbbls	thousand barrels	Mcf/d	thousand cubic feet per day
MMbbls	million barrels	bbls/d	barrels per day
BOPD	barrels of oil per day	MMcf/d	million cubic feet per day
NGLs	natural gas liquids	MMBTU	million British Thermal Units
STB	stock tank barrels	GJ	gigajoule
		Gigajoule	billion joules

Definitions

The meaning of many of the key definitions used in this Statement are mandated by NI 51-101. Some of the definitions mandated by NI 51-101 through its incorporation of definitions from: (a) the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society) and (b) the Canadian Institute of Chartered Accountants Handbook (the "**CICA Handbook**"), are as follows:

"**Accumulation**" means an individual body of Petroleum in a Reservoir.

"**Analogous Information**" means information about an area outside the area Avila Energy Corporation has an interest or intends to acquire an interest, which is referenced by Avila Energy Corporation for the purpose of drawing a comparison or conclusion to an area in which Avila Energy Corporation has an interest or intends to acquire an interest, which comparison or conclusion is reasonable, and includes without limitation:

(a) historical information concerning reserves;
(b) estimates of the volume or value of reserves;
(c) historical information concerning resources;
(d) estimates of the volume or value of resources;
(e) historical production amounts;
(f) production estimates; or
(g) information concerning a field, well, basin or reservoir.

"**Anticipated Results**" means information which may, in the opinion of a reasonable person, indicate the potential value or quantities of Resources in respect of Avila's Resources or a portion of Avila's Resources and includes without limitation:

(a) estimates of volume;
(b) estimates of value;
(c) areal extent;
(d) pay thickness;
(e) flow rates; or
(f) hydrocarbon content.

"**Associated Gas**" means the Gas cap overlying a Crude Oil Accumulation in a reservoir.

"**Audit**" means, in relation to Reserves Data, the process whereby an Independent qualified Reserves auditor carries out procedures designed to allow the Independent qualified Reserves auditor to provide reasonable assurance, in the form of an opinion that the Avila's Reserves Data (or specific parts thereof) have, in all Material respects, been determined and presented in accordance with the COGE Handbook and are, therefore, free of Material misstatement. Because of

(a) the nature of the subject matter (estimates of future results with many uncertainties);

(b) the fact that the Independent qualified Reserves auditor assesses the qualifications and experience of the Avila's staff, assesses the Avila's systems, procedures and controls and relies on the competence of the Avila's staff and the appropriateness of the Avila's systems, procedures and controls; and

(c) the fact that tests and samples (involving examination of underlying documentation supporting the determination of the Reserves and Future Net Revenue) as opposed to complete Evaluations, are involved;

the level of assurance is designed to be high, though not absolute. The level of assurance cannot be described with numeric precision. It will usually be less than, but reasonably close to, that of an independent evaluation and considerably higher than that of a review.

"**Bitumen**" means a naturally occurring viscous mixture consisting mainly of pentanes and heavier Hydrocarbons. Its viscosity is greater than 10,000 mPa-s (cp) measured at original temperature in the Reservoir and atmospheric pressure, on a gas-free basis. Crude bitumen may contain sulphur and other non-hydrocarbon compounds.

"**IFRS**" means generally accepted accounting principles determined with reference to the CICA Handbook. "**CICA**" means the Canadian Institute of Chartered Accountants.

"**CICA Accounting Guideline 16**" means Accounting Guideline AcG-16 "Oil and gas accounting - full cost" included in the CICA Handbook, as amended from time to time.

"**Commercial**" when a project is commercial this implies that the essential social, environmental, and economic conditions are met, including political, legal, regulatory, and contractual conditions. Considerations with regard to determining commerciality include

(a) economic viability of the related development project;

(b) a reasonable expectation that there will be a market for the expected sales quantities of production required to justify development;

(c) evidence that the necessary production and transportation facilities are available or can be made available;

(d) evidence that legal, contractual, environmental, governmental, and other social and economic concerns will allow for the actual implementation of the recovery project being evaluated;

(e) a reasonable expectation that all required internal and external approvals will be forthcoming. Evidence of this may include items such as signed contracts, budget approvals, and approvals for expenditures, etc.

(f) evidence to support a reasonable timetable for development. A reasonable time frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. Although five years is recommended as a maximum time frame for classification of a project as commercial, a longer time frame could be applied where, for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons or to meet contractual or strategic objectives.

"**Constant Prices and Costs**" means prices and costs used in an estimate that are: (a) Avila's prices and costs as at the Effective Date of the estimation, held constant throughout the estimated lives of the Properties to which the estimate applies, (b) if, and only to the extent that, there are fixed or presently determinable future prices or costs to which Avila Energy Corporation is legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs rather than the prices and costs referred to in paragraph (a). For the purpose of paragraph (a), Avila's prices will be the posted price for oil and the spot price for gas, after historical adjustments for transportation, gravity and other factors.

"**Contingent Resources**" means those quantities of Petroleum estimated, as of a given date, to be potentially recoverable from Known Accumulations using established technology or technology under development, but which are not currently considered to be Commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage.

"**Company**" **or** "**Corporation**" means Avila Energy Corporation (Avila).

"**Crude Oil**" or "**Oil**" means a mixture consisting mainly of pentanes and heavier Hydrocarbons that exists in the liquid phase in Reservoirs and remains liquid at atmospheric pressure and temperature. Crude oil may contain small amounts of sulphur and other non-hydrocarbons but does not include liquids obtained from the processing of Natural Gas.

"**Developed Non-Producing Reserves**" are those Reserves that either have not been on Production, or have previously been on Production, but are shut-in, and the date of resumption of Production is unknown.

"**Developed Producing Reserves**" are those Reserves that are expected to be recovered from completion intervals open at the time of the estimate. These Reserves may be currently producing or, if shut-in, they must have previously been on Production, and the date of

resumption of Production must be known with reasonable certainty. The developed category may be subdivided into producing and non-producing.

"**Developed Reserves**" are those Reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the Reserves on Production.

"**Development Costs**" means costs incurred to obtain access to reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas from the reserves. More specifically, development costs, including applicable Operating Costs of Support Equipment and Facilities and other costs of development activities, are costs incurred to: (a) gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines and power lines, to the extent necessary in developing the reserves; (b) drill and equip Development Wells, development type Stratigraphic Test Wells and Service Wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment and the wellhead assembly; (c) acquire, construct and install Production facilities such as flow lines, separators, treaters, heaters, manifolds, measuring devices and Production storage tanks, Natural Gas cycling and processing plants, and central utility and waste disposal systems; and (d) provide improved recovery systems.

"**Development Well**" means a well drilled inside the established limits of an Oil or Gas Reservoir, or in close proximity to the edge of the Reservoir, to the depth of a stratigraphic horizon known to be productive.

"**Discovered Petroleum Initially-In-Place**" or "**Discovered Resources**" means that quantity of petroleum that is estimated, as of a given date, to be contained in known Accumulations prior to Production. The recoverable portion of Discovered Petroleum Initially-In-Place includes Production, Reserves and Contingent Resources; the remainder is unrecoverable.

"**Discovered Unrecoverable Petroleum Initially-In-Place**" or "**Discovered Unrecoverable Resources**" means that portion of Discovered Petroleum Initially-In-Place which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

"**Evaluation**" means, in relation to Reserves Data, the process whereby an economic analysis is made of a Property to arrive at an estimate of a range of Net present values of the estimated Future Net Revenue resulting from the Production of the Reserves associated with the Property.

"**Exploration Costs**" means Costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have Prospects that may contain Oil and Gas Reserves, including costs of drilling Exploratory Wells and exploratory type Stratigraphic Test Wells. Exploration Costs may be incurred both before acquiring the related Property (sometimes referred to in part as "prospecting costs") and after acquiring the Property. Exploration Costs, which include applicable Operating Costs of Support Equipment and Facilities and other costs of exploration activities, are:

(a) costs of topographical, geochemical, geological and geophysical studies, rights of access to Properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews and others conducting those studies (collectively sometimes referred to as "geological and geophysical costs");
(b) costs of carrying and retaining unproved Properties, such as delay rentals, taxes (other than income and capital taxes) on Properties, legal costs for title defense, and the maintenance of land and Lease records;
(c) dry hole contributions and bottom hole contributions;
(d) costs of drilling and equipping Exploratory Wells; and
(e) costs of drilling exploratory type Stratigraphic Test Wells.

"**Exploratory Well**" means a well that is not a Development Well, a Service Well or a Stratigraphic Test Well.

"**Field**" means a defined geographical area consisting of one or more pools.

"**Forecast Prices and Costs**" means future prices and costs that are: (a) generally accepted as being a reasonable outlook of the future; (b) if, and only to the extent that, there are fixed or presently determinable future prices or costs to which Avila Energy Corporation is legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs rather than the prices and costs referred to in paragraph (a).

"**Future Income Tax**" means future income tax expenses estimated (generally, year-by-year): (a) making appropriate allocations of estimated unclaimed costs and losses carried forward for tax purposes, between Oil and Gas activities and other business activities; (b) without deducting estimated future costs (for example, Crown royalties) that are not deductible in computing taxable income; (c) taking into account estimated tax credits and allowances (for example, royalty tax credits); and (d) applying to the future pre-tax net cash flows relating to Avila's oil and gas activities the appropriate year-end statutory tax rates, taking into account future tax rates already legislated.

"**Future Net Revenue**" means the estimated Net amount to be received with respect to the development and Production of Reserves (including Synthetic Oil, coal bed methane and other non-conventional Reserves) estimated using: (a) forecast prices and costs, and (b) at the option of Avila Energy Corporation, constant prices and costs. This net amount is computed by deducting, from estimated future

revenues: (i) estimated amounts of future royalty obligations; (ii) costs related to the development and Production of Reserves; (iii) abandonment and reclamation costs; and (iv) future income tax expenses, unless otherwise specified in NI-51-101, Form 51-101F1 or Forms 51-101F2. Corporate general and administrative expenses and financing costs are not deducted. Net present values of Future Net Revenue may be calculated using a discount rate or without discount.

"**Gas**" or "**Natural Gas**" means a mixture of lighter hydrocarbons that exist either: in gaseous phase, or in solution in Crude Oil in Reservoirs but are gaseous at atmospheric conditions. Natural gas may include sulphur and other non-hydrocarbon compounds.

"**Gross**" means: (a) in relation to Avila's interest in Production or Reserves, Avila's "company Gross Reserves", which are Avila's working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of Avila Energy Corporation, (b) in relation to wells, the total number of wells in which Avila Energy Corporation has an interest, and (c) in relation to Properties, the total area of properties in which Avila Energy Corporation has an interest.

"**Heavy Oil**" in respect of Reserves or Production means: (a) in a Jurisdiction that has a royalty regime specific to heavy oil, "heavy oil" is oil that qualifies for royalties specific to heavy oil; or (b) in a Jurisdiction that has no royalty regime specific to heavy oil, "heavy oil" is oil with a density between 10 to 22.3 degrees API (as that term is defined by the American Petroleum Institute).

"**Hydrocarbons**" means solid, liquid, or Gas made up of compounds of carbon and hydrogen in varying proportions

"**Jurisdiction**" for the purposes of NI 51-101, means a province or territory of Canada.

"**Known Accumulation**" means an Accumulation that has been penetrated by a well, in general, the well must have demonstrated the existence of Hydrocarbons by flow testing in order for the Accumulation to be classified as "known". However, where log and/or core data exist and there is a good analogy to a nearby and geologically comparable known accumulation, this may suffice.

"**Lease**" means an agreement granting to the lessee rights to explore, develop and exploit a Property.

"**Marketable**" means in respect of reserves or sales of Oil, Gas or associated by-products, the volume of Oil, Gas or associated by-products measured at the point of sale to a third party, or of transfer to another division of the issuer for treatment prior to sale to a third party. For Gas, this may occur either before or after removal of Natural Gas liquids. For Heavy Oil or Bitumen, this is before the addition of diluents.

"**Material**" or "**Materiality**" for the purposes of NI 51-101, information is Material, in respect of Avila Energy Corporation, if it would be likely to influence a decision by a reasonable investor to buy, hold or sell a security of Avila Energy Corporation. This meaning differs from the definitions of "material change" and "material fact" in Securities Legislation, but is consistent with the meaning of the term as used, for accounting purposes, in the CICA Handbook.

"**Natural Gas Liquids**" means those hydrocarbon components that can be recovered from Natural Gas as liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of non-hydrocarbons.

"**Net**" means: (a) in relation to Avila's interest in Production or Reserves, Avila's working interest (operating or non-operating) share after deduction of royalty obligations, plus Avila's royalty interests in Production or Reserves, (b) in relation to Avila's interest in wells, the number of wells obtained by aggregating Avila's working interest in each of Avila's gross wells, and (c) in relation to Avila's interest in a Property, the total area in which Avila Energy Corporation has an interest multiplied by the working interest owned by Avila Energy Corporation.

"**Non-Associated Gas**" means an Accumulation of Natural Gas in a reservoir where there is no Crude Oil.

"**Oil**" means crude oil or synthetic oil.

"**Oil and Gas Activities**" (a) include: (i) the search for Crude Oil or Natural Gas in their natural states and original locations; (ii) the acquisition of Property Rights or Properties for the purpose of further exploring for or removing Oil or Gas from Reservoirs on those properties; (iii) the construction, drilling and Production activities necessary to recover Oil and Gas from Reservoirs, and the acquisition, construction, installation and maintenance of Field gathering and storage systems, including lifting Oil and Gas to the surface and gathering, treating, Field processing and Field storage; and (iv) the extraction of Hydrocarbons from Oil sands, shale, coal or other non- conventional sources and activities similar to those referred to in clauses (i), (ii) and (iii) undertaken with a view to such extraction; but (b) do not include: (i) transporting, refining or marketing Oil or Gas; (ii) activities relating to the extraction of natural Resources other than Oil and Gas and their by-products; or (iii) the extraction of geothermal steam or of Hydrocarbons as a by-product of the extraction of geothermal steam or associated geothermal resources.

"**Petroleum**" means a naturally occurring mixture consisting predominantly of Hydrocarbons in the gaseous, liquid, or solid phase.

"**Possible Reserves**" are those additional Reserves that are less certain to be recovered than Probable Reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated Proved plus Probable plus Possible Reserves.

"**Probable Reserves**" are those additional Reserves that are less certain to be recovered than Proved Reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved plus Probable Reserves."**Product Types**" means one of the following:

(a) in respect of conventional Oil and Gas activities:
  (i) Light and medium Crude Oil (combined);
  (ii) Heavy Oil;
  (iii) Natural Gas excluding Natural Gas Liquids; or
  (iv) Natural Gas Liquids; and
(b) in respect of non-conventional Oil and Gas activities:
  (i) Synthetic Oil;
  (ii) Bitumen;
  (iii) coal bed methane;
  (iv) hydrates;
  (v) shale oil; or
  (vi) shale gas.

"**Production**" means recovering, gathering, treating, Field or plant processing (for example, processing gas to extract Natural Gas Liquids) and Field storage of oil and gas. The Oil production function is usually regarded as terminating at the outlet valve on the Lease or Field production storage tank. The Gas production function is usually regarded as terminating at the plant gate. In some circumstances, it may be more appropriate to regard the production function as terminating at the first point at which Oil, Gas or their by-products are delivered to a main pipeline, a common carrier, a refinery or a marine terminal.

"**Production Costs"** or "**Operating Costs**" means costs incurred to operate and maintain wells and related equipment and facilities, including applicable operating costs of Support Equipment and Facilities and other costs of operating and maintaining those wells and related equipment and facilities. Lifting costs become part of the cost of Oil and Gas produced. Examples of production costs are: (a) costs of labor to operate the wells and related equipment and facilities; (b) costs of repairs and maintenance; (c) costs of materials, supplies and fuel consumed, and supplies utilized, in operating the wells and related equipment and facilities; (d) costs of workovers; (e) Property taxes and insurance costs applicable to properties and wells and related equipment and facilities; and (f) taxes, other than income and capital taxes.

"**Production Group**" means one of the following together, in each case, with associated byproducts: (a) light and medium Crude Oil (combined); (b) Heavy Oil; (c) Associated Gas and Non-Associated Gas (combined); and (d) Bitumen, Synthetic Oil or other products from non-conventional Oil and Gas activities.

"**Property**" includes: (a) fee ownership or a lease, concession, agreement, permit, license or other interest representing the right to extract Oil or Gas subject to such terms as may be imposed by the conveyance of that interest; (b) royalty interests, Production payments payable in Oil or Gas, and other non-operating interests in Properties operated by others; and (c) an agreement with a foreign government or authority under which Avila Energy Corporation participates in the operation of Properties or otherwise serves as "producer" of the underlying Reserves (in contrast to being an Independent purchaser, broker, dealer or importer). A property does not include supply agreements, or contracts that represent a right to purchase, rather than extract, oil or gas.

"**Property Acquisition Costs**" means costs incurred to acquire a Property (directly by purchase or Lease, or indirectly by acquiring another corporate entity with an interest in the Property), including: (a) costs of Lease bonuses and options to purchase or Lease a Property; (b) the portion of the costs applicable to Hydrocarbons when land including rights to hydrocarbons is purchased in fee; (c) brokers' fees, recording and registration fees, legal costs and other costs incurred in acquiring properties.

"**Prospect**" means a geographic or stratigraphic area, in which Avila Energy Corporation owns or intends to own one or more Oil and Gas interests, which is geographically defined on the basis of geological data and which is reasonably anticipated to contain at least one Reservoir or part of a Reservoir of Oil and Gas.

"**Prospective Resources**" means those quantities of Petroleum estimated, as of a given date, to be potentially recoverable from undiscovered Accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

"**Proved Property**" means a Property or part of a Property to which Reserves have been specifically attributed.

"**Proved Reserves**" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"**Reserves**" are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on (i) analysis of drilling, geological, geophysical and engineering data; (ii) the use of established technology; and (iii) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed.

"**Reserves Data**" means estimates of proved reserves and probable reserves and related future net revenue estimated using forecast prices and costs.

"**Reservoir**" means a porous and permeable subsurface rock formation that contains a separate accumulation of petroleum that is onfined by impermeable rock or water barriers and is characterized by a single pressure system.

"**Resources**" is a general term that may refer to all or a portion of Total Resources.

"**Service Well**" means a well drilled or completed for the purpose of supporting production in an existing field. Wells in this class are drilled for the following specific purposes: gas injection (natural gas, propane, butane or flue gas), water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for combustion.

"**Solution Gas**" means Gas dissolved in Crude Oil.

"**Stratigraphic Test Well**" means a drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Ordinarily, such wells are drilled without the intention of being completed for hydrocarbon Production. They include wells for the purpose of core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic test wells are classified as (a) "exploratory type" if not drilled into a proved Property; or (b) "development type", if drilled into a proved Property. Development type stratigraphic wells are also referred to as "evaluation wells".

"**Support Equipment and Facilities**" means equipment and facilities used in Oil and Gas Activities, including seismic equipment, drilling equipment, construction and grading equipment, vehicles, repair shops, warehouses, supply points, camps, and division, district or field offices.

"**Synthetic Oil**" means a mixture of hydrocarbons derived by upgrading crude bitumen from oil sands or kerogen from oil shales or other substances such as coal.

"**Total Petroleum Initially-In-Place**" or "**Total Resources**" means that quantity of Petroleum that is estimated to exist originally in naturally occurring Accumulations. It includes that quantity of Petroleum that is estimated, as of a given date, to be contained in Known Accumulations, prior to Production, plus those estimated quantities in Accumulations yet to be discovered.

"**Undeveloped Reserves**" are those reserves expected to be recovered from Known Accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the Reserves classification (Proved, Probable, Possible) to which they are assigned. In multi-well pools it may be appropriate to allocate total pool Reserves between the Developed and Undeveloped categories or to subdivide the Developed Reserves for the pool between Developed Producing and Developed Non-Producing. This allocation is based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

"**Undiscovered Petroleum Initially-In-Place**" or "**Undiscovered Resources**" means that quantity of Petroleum that is estimated, on a given date, to be contained in Accumulations yet to be discovered. The recoverable portion of Undiscovered Petroleum Initially-In-Place is referred to as Prospective Resources; the remainder is unrecoverable.

"**Undiscovered Unrecoverable Petroleum Initially-In-Place**" or "**Undiscovered Unrecoverable Resources**" means that portion of Undiscovered Petroleum Initially-In-Place which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and Reservoir rocks.

"**Unproved Property**" means a Property or part of a Property to which no Reserves have been specifically attributed.

"**Well Abandonment Costs**" means costs of abandoning a well (net of salvage value) and of disconnecting the well from the surface gathering system. They do not include costs of abandoning the gathering system or reclaiming the wellsite.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the reserve definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest-level sum of individual entity estimates for which reserves estimates are presented). Reported reserves estimates are required to target the following levels of certainty under a specific set of economic conditions:

(a) at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated Proved Reserves;
(b) at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved Reserves plus Probable Reserves; and
(c) at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved Reserves plus Probable Reserves plus Possible Reserves.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 1 BOE for each 6 Mcf is based on an energy equivalent conversion method primarily applicable at the burner tip and does not necessarily represent a value equivalency at the wellhead.

The determination of oil and gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved, probable and possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery.

The estimation and classification of reserves requires the application of professional judgement combined with geological and engineering knowledge to assess whether or not specific reserve classification criteria have been satisfied. Knowledge of concepts including uncertainty of risk, probability and statistics, and deterministic and probabilistic estimation methods are required to properly use and apply reserve definitions.

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Form 51-101F1

AVILA ENERGY CORPORATION ("the Corporation" or "Company")

STATEMENT OF RESERVE DATA AND OTHER OIL AND GAS INFORMATION

April 29, 2024

PART 1

RELEVANT DATES

The effective date of the information being provided in this statement is December 31, 2023. The preparation date of the information being provided in this statement is April 25, 2024. For a glossary of terminology and definitions relating to the information included in this report, readers are referred to National policy Instrument 51-101 "Standards for Disclosure for Oil and Gas Activities" ("NI 510101").

RESERVES AND FUTURE NET REVENUE

The following is a summary of the oil and natural gas reserves and the net present values of future net revenue of Avila Energy Corporation (Avila) as evaluated by Trimble Energy Group (Trimble) in April, 2023. Trimble Energy Group. are independent qualified reserves evaluators appointed by the Corporation pursuant to NI 51-101. Trimble independently evaluated all of the Corporation's Oil and Gas properties.

The estimated future net revenue figures contained in the following tables do not necessarily represent the fair market value of the Corporation's reserves. There is no assurance that the forecast price and costs assumptions contained in the Trimble report will be attained and variances could be material. Other assumptions relating to costs and other matters are included in the Trimble report. The recovery and reserves estimate attributed to the Corporation's properties described herein are estimates only. The actual reserves attributable to the Corporation's properties may be greater or less than those calculated.

PART 2

DISCLOSURE OF RESERVES DATA

The following tables provide information regarding the estimated Canadian reserves and net present value of future net revenue based on forecast prices and cost information with respect to the interests held by Avila Energy Corporation for each of the product types that Avila Energy Corporation has interests in for proved developed producing, proved developed non-producing, proved undeveloped, all proved in total, probable and all proved plus probable. Due to rounding certain columns may not add exactly.

Reserves Data (Forecast Prices and Costs)

The following tables provide information regarding the estimated Canadian reserves and net present value of future net revenue based on forecast prices and cost information with respect to the interests held by the Corporation for each of the product types that Avila Energy Corporation has interests in for proved developed producing, proved developed non-producing, proved undeveloped, all proved in total, probable and all proved plus probable. As required by NI 51-101 the estimates of reserves and future net revenue are estimated assuming that the development of each property in respect of which the estimate is made will occur, without regard to the likely availability to Avila Energy Corporation of funding required for that development.

The following tables provide a breakdown of various elements of future net revenue (undiscounted) attributable to Proved reserves and Proved plus Probable (in total) of the Corporation estimated using forecast prices and costs and calculated without discount:

Avila Energy Corporation
DETAILED ECONOMIC SUMMARY
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ) (CAD)

Effective December 31, 2023 — Canada

	P (DP)	P (DNP)	P (D)	P (UD)	P (Total)	P+PB (DP)	P+PB (DNP)	P+PB (D)	P+PB (UD)	P+PB (Total)
Sales Gas MMcf										
Ultimate Remaining	3,400.9	6,135.9	9,536.9	3,163.7	12,700.6	4,165.1	8,008.1	12,173.3	5,458.6	17,631.9
WI Before Royalty	3,258.8	6,022.7	9,281.5	3,163.7	12,445.3	3,983.4	7,863.5	11,846.8	5,458.6	17,305.5
WI After Royalty	2,900.8	5,034.1	7,935.0	2,817.0	10,752.0	3,538.0	6,596.1	10,134.1	4,751.8	14,885.9
Royalty Interest	0.0	11.8	11.8	0.0	11.8	0.0	14.0	14.0	0.0	14.0
Total Net	2,900.8	5,046.0	7,946.8	2,817.0	10,763.8	3,538.0	6,610.1	10,148.1	4,751.8	14,899.9
NGLs Mbbl										
Ultimate Remaining	30.6	4.7	35.3	28.5	63.8	37.5	9.5	46.9	49.1	96.1
WI Before Royalty	29.3	4.7	34.0	28.5	62.5	35.9	9.4	45.3	49.1	94.4
WI After Royalty	24.2	3.7	27.9	23.6	51.5	29.7	7.7	37.4	39.8	77.3
Royalty Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Net	24.2	3.7	27.9	23.6	51.5	29.7	7.7	37.4	39.8	77.3
BOE Mboe										
Ultimate Remaining	597.4	1,027.4	1,624.8	555.8	2,180.6	731.7	1,344.1	2,075.8	958.9	3,034.7
WI Before Royalty	572.5	1,008.5	1,580.9	555.8	2,136.7	699.7	1,320.0	2,019.7	958.9	2,978.6
WI After Royalty	507.6	842.7	1,350.4	493.1	1,843.5	619.4	1,107.1	1,726.5	831.8	2,558.2
Royalty Interest	0.0	2.0	2.0	0.0	2.0	0.0	2.3	2.3	0.0	2.3
Total Net	507.6	844.7	1,352.3	493.1	1,845.4	619.4	1,109.4	1,728.8	831.8	2,560.6
NPV - BTAX M$										
Undiscounted	4,598.4	10,681.4	15,279.8	8,114.1	23,394.0	7,070.6	15,529.7	22,600.3	16,622.6	39,222.9
Discounted at 5%	4,529.2	7,936.4	12,465.6	6,378.1	18,843.7	5,929.2	10,962.4	16,891.7	12,315.9	29,207.5
Discounted at 10%	3,968.0	6,176.6	10,144.6	5,088.0	15,232.6	4,863.5	8,273.2	13,136.7	9,470.0	22,606.7
Discounted at 15%	3,438.9	4,987.9	8,426.8	4,109.2	12,536.0	4,065.0	6,548.1	10,613.1	7,489.7	18,102.8
Discounted at 20%	3,007.8	4,141.6	7,149.4	3,350.9	10,500.3	3,472.8	5,360.4	8,833.2	6,050.1	14,883.2
NPV - ATAX (Tax Pools) M$										
Undiscounted	4,598.4	10,681.4	15,279.8	8,114.1	23,394.0	7,070.6	15,529.7	22,600.3	14,502.8	37,103.1
Discounted at 5%	4,529.2	7,936.4	12,465.6	6,378.1	18,843.7	5,929.2	10,962.4	16,891.7	10,824.9	27,716.5
Discounted at 10%	3,968.0	6,176.6	10,144.6	5,088.0	15,232.6	4,863.5	8,273.2	13,136.7	8,383.0	21,519.7
Discounted at 15%	3,438.9	4,987.9	8,426.8	4,109.2	12,536.0	4,065.0	6,548.1	10,613.1	6,673.5	17,286.6
Discounted at 20%	3,007.8	4,141.6	7,149.4	3,350.9	10,500.3	3,472.8	5,360.4	8,833.2	5,422.0	14,255.2

Light & Medium Oil includes Tight Oil. Heavy Oil Includes Ultra Heavy in Alberta and Bitumen. Sales Gas includes Solution gas, Associated and Non- Associated gas, Coalbed Methane, Shale gas and Hydrates.

Avila Energy Corporation
NI 51-101 FORECAST CASE
TOTAL FUTURE NET REVENUE - WITH CORPORATE TAX POOLS
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ) (CAD)

Effective December 31, 2023 — Canada

CATEGORY	Revenue* M$	Royalties M$	Operating Costs M$	Investment Costs M$	Well Abandonment Costs** M$	Future Net Revenue Before Income Taxes M$	Income Taxes M$	Future Net Revenue After Income Taxes M$
Proved (DP)	18,639.9	2,072.9	9,675.1	70.0	2,223.5	4,598.4	0.0	4,598.4
Proved (DNP)	29,905.6	4,526.3	12,181.8	353.4	2,162.6	10,681.4	0.0	10,681.4
Proved (UD)	16,071.9	1,916.0	2,189.0	3,442.0	410.8	8,114.1	0.0	8,114.1
Total Proved	64,617.4	8,515.2	24,046.0	3,865.4	4,796.9	23,394.0	0.0	23,394.0
Total Probable	30,079.5	4,605.5	7,993.5	936.0	715.5	15,829.0	2,119.8	13,709.2
Total Proved + Probable	94,696.9	13,120.7	32,039.4	4,801.4	5,512.5	39,222.9	2,119.8	37,103.1

Taxpool: Avila Energy Corporation 2023-12-31 Tax Pool Vintage: 2023 : Canada. *Revenue includes product revenue and other income from facilities, wells and corporate if specified.**Well Abandonment Costs are Less Salvage

Avila Energy Corporation
NI 51-101 FORECAST CASE
UNIT VALUE OF NET RESERVES BY PRODUCT TYPE
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ) (CAD)

Effective December 31, 2023 — Avila Energy Corporation

	Reserves Oil Net Mbbl	Gas Net MMcf	NGL Net Mbbl	BOE Net Mboe	NPV 10% M$	Unit Value $/Primary Product
CONVENTIONAL NATURAL GAS						**M$/MMcf**
Proved (DP)	0.0	1,926.9	16.3	337.5	3,723.5	1.93
Proved (DNP)	0.0	4,985.3	3.2	834.0	6,118.4	1.23
Proved (UD)	0.0	2,817.0	23.6	493.1	5,088.0	1.81
Total Proved	0.0	9,729.2	43.1	1,664.6	14,929.9	1.53
Total Probable	0.0	3,895.0	23.7	672.9	7,056.1	1.81
Total Proved + Probable	0.0	13,624.2	66.8	2,337.5	21,986.0	1.61
COAL BED METHANE						**M$/MMcf**
Proved (DP)	0.0	974.0	7.8	170.2	832.3	0.85
Proved (DNP)	0.0	60.7	0.5	10.7	58.2	0.96
Total Proved	0.0	1,034.6	8.4	180.8	890.5	0.86
Total Probable	0.0	241.1	2.1	42.3	318.0	1.32
Total Proved + Probable	0.0	1,275.7	10.5	223.1	1,208.6	0.95
UNDEFINED						**M$/Mboe**
Proved (DP)	0.0	0.0	0.0	0.0	-587.9	0.00
Total Proved	0.0	0.0	0.0	0.0	-587.9	0.00
Total Proved + Probable	0.0	0.0	0.0	0.0	-587.9	0.00
TOTAL						**M$/Mboe**
Proved (DP)	0.0	2,900.8	24.2	507.6	3,968.0	7.82
Proved (DNP)	0.0	5,046.0	3.7	844.7	6,176.6	7.31
Proved (UD)	0.0	2,817.0	23.6	493.1	5,088.0	10.32
Total Proved	0.0	10,763.8	51.5	1,845.4	15,232.6	8.25
Total Probable	0.0	4,136.1	25.8	715.1	7,374.1	10.31
Total Proved + Probable	0.0	14,899.9	77.3	2,560.6	22,606.7	8.83

* Heavy includes ultra heavy in Alberta

The following table details, by production group, the net present value of future net revenue (discounted 10% before deducting future income tax expenses) estimated using forecast prices and costs.

Avila Energy Corporation
NI 51-101 FORECAST CASE
SUMMARY OF NET PRESENT VALUE OF FUTURE NET REVENUE - WITH CORPORATE TAX POOLS
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ) (CAD)

Effective December 31, 2023 — Canada

BOE

	Before Income Taxes					After Income Taxes					
RESERVES CATEGORY	0% M$	5% M$	10% M$	15% M$	20% M$	0% M$	5% M$	10% M$	15% M$	20% M$	10% (BTAX) $/boe*
Proved (DP)	4,598.4	4,529.2	3,968.0	3,438.9	3,007.8	4,598.4	4,529.2	3,968.0	3,438.9	3,007.8	7.82
Proved (DNP)	10,681.4	7,936.4	6,176.6	4,987.9	4,141.6	10,681.4	7,936.4	6,176.6	4,987.9	4,141.6	7.31
Proved (UD)	8,114.1	6,378.1	5,088.0	4,109.2	3,350.9	8,114.1	6,378.1	5,088.0	4,109.2	3,350.9	10.32
Total Proved	23,394.0	18,843.7	15,232.6	12,536.0	10,500.3	23,394.0	18,843.7	15,232.6	12,536.0	10,500.3	8.25
Total Probable	15,829.0	10,363.8	7,374.1	5,566.7	4,382.9	13,709.2	8,872.8	6,287.1	4,750.5	3,754.8	10.31
Total Proved + Probable	39,222.9	29,207.5	22,606.7	18,102.8	14,883.2	37,103.1	27,716.5	21,519.7	17,286.6	14,255.2	8.83

Taxpool: Avila Energy Corporation 2023-12-31 Tax Pool Vintage: 2023 : Canada. *Unit Value calculation based on Net BOE reserves.

Avila Energy Corporation
NI 51-101 FORECAST CASE
OIL AND GAS RESERVES SUMMARY
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ) (CAD)

Effective December 31, 2023 — Avila Energy Corporation

VOLUMES IN IMPERIAL UNITS

	Oil						Natural Gas											
	Light/Medium Crude		Heavy Crude		Bitumen		Solution		Conventional		Coalbed Methane		Natural Gas Liquids		Sulphur		Total BOE	
CATEGORY	W.I Gross Mstb	Co. Share Net Mstb	W.I Gross Mstb	Co. Share Net Mstb	W.I Gross Mstb	Co. Share Net Mstb	W.I Gross MMcf	Co. Share Net MMcf	W.I Gross MMcf	Co. Share Net MMcf	W.I Gross MMcf	Co. Share Net MMcf	W.I Gross Mstb	Co. Share Net Mstb	W.I Gross Mlt	Co. Share Net Mlt	W.I Gross Mboe	Co. Share Net Mboe
P (DP)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,195.2	1,926.9	1,063.7	974.0	29.3	24.2	0.0	0.0	572.5	507.6
P (DNP)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,953.3	4,985.3	69.3	60.7	4.7	3.7	0.0	0.0	1,008.5	844.7
P (UD)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,163.7	2,817.0	0.0	0.0	28.5	23.6	0.0	0.0	555.8	493.1
P (Total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11,312.3	9,729.2	1,133.0	1,034.6	62.5	51.5	0.0	0.0	2,136.7	1,845.4
PB (Total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,595.8	3,895.0	264.4	241.1	31.9	25.8	0.0	0.0	842.0	715.1
P+PB (Total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15,908.0	13,624.2	1,397.4	1,275.7	94.4	77.3	0.0	0.0	2,978.6	2,560.6

VOLUMES IN METRIC UNITS

	Oil						Natural Gas											
	Light/Medium Crude		Heavy Crude		Bitumen		Solution		Conventional		Coalbed Methane		Natural Gas Liquids		Sulphur		Total BOE	
CATEGORY	W.I Gross E3m3	Co. Share Net E3m3	W.I Gross E3m3	Co. Share Net E3m3	W.I Gross E3m3	Co. Share Net E3m3	W.I Gross E6m3	Co. Share Net E6m3	W.I Gross E6m3	Co. Share Net E6m3	W.I Gross E6m3	Co. Share Net E6m3	W.I Gross E3m3	Co. Share Net E3m3	W.I Gross E3t	Co. Share Net E3t	W.I Gross E3m3e	Co. Share Net E3m3e
P (DP)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	61.8	54.3	30.0	27.4	4.7	3.8	0.0	0.0	91.0	80.7
P (DNP)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	167.7	140.5	2.0	1.7	0.7	0.6	0.0	0.0	160.3	134.2
P (UD)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	89.1	79.4	0.0	0.0	4.5	3.8	0.0	0.0	88.3	78.4
P (Total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	318.7	274.1	31.9	29.1	9.9	8.2	0.0	0.0	339.5	293.3
PB (Total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	129.5	109.7	7.5	6.8	5.1	4.1	0.0	0.0	133.8	113.6
P+PB (Total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	448.2	383.8	39.4	35.9	15.0	12.3	0.0	0.0	473.3	406.9

Light/Medium includes Tight and Synthetic Oil. Heavy includes Ultra Heavy and Pelican Lake Heavy in Alberta
Conventional Gas includes Solution Gas

PART 3

PRICING ASSUMPTIONS

The following table detail the benchmark reference prices for the regions in which the Corporation operated as at December 31, 2023 reflected in the reserves data disclosed above under "Disclosure of Reserves Data". The pricing used was the GLJ Price Forecast effective January 1, 2024.

Table 2
GLJ Ltd.
Natural Gas and Sulphur
Price Forecast
Effective January 1, 2024

	Nymex Henry Hub		Alberta				Saskatchewan		British Columbia					
	Constant 2024 $	Then Current	AECO/NIT	Plant Gate Spot	ARP	Empress	Plant Gate SaskEnergy	Spot	Westcoast Station 2	Spot Plant Gate	Huntingdon/ Sumas Spot	Dawn @ Ontario	Sulphur FOB Vancouver	Sulphur @ Alberta Plant Gate
Year	USD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/MMBtu	USD/MMBtu	USD/lt	CAD/lt
2014	5.47	4.28	4.50	4.26	4.22	4.72	4.39	4.42	4.29	4.07	4.37	5.98	145.41	108.67
2015	3.30	2.63	2.70	2.47	2.56	2.89	2.71	2.61	1.80	1.59	2.31	2.99	139.61	126.11
2016	3.17	2.55	2.18	1.94	1.93	2.36	2.18	2.09	1.77	1.60	2.18	2.56	82.96	59.11
2017	3.70	3.02	2.19	1.93	2.22	2.60	2.41	2.29	1.56	1.34	2.62	3.05	105.62	60.15
2018	3.70	3.07	1.54	1.33	1.36	3.06	1.68	2.71	1.24	1.03	3.60	3.09	133.79	87.84
2019	2.98	2.53	1.81	1.59	1.48	2.52	1.73	2.20	1.02	0.75	4.70	2.44	84.79	36.94
2020	2.46	2.13	2.26	2.03	2.00	2.24	2.45	2.05	2.21	1.94	2.16	1.88	57.90	2.56
2021	4.27	3.71	3.65	3.37	3.27	3.93	3.94	3.70	3.35	3.05	3.94	3.63	176.47	68.63
2022	7.23	6.51	5.38	5.05	5.05	6.45	5.85	6.25	4.57	4.17	8.10	6.06	262.87	118.15
2023 (est)	2.77	2.67	2.57	2.26	2.59	2.72	3.15	2.48	2.35	2.04	4.36	2.36	93.15	21.48
2024 Q1	2.60	2.60	1.94	1.64	1.64	1.99	1.89	1.72	1.89	1.52	2.50	2.55	100.00	57.45
2024 Q2	2.50	2.50	1.82	1.53	1.53	1.87	1.78	1.60	1.77	1.41	2.40	2.45	100.00	57.45
2024 Q3	2.65	2.65	1.93	1.63	1.63	1.98	1.88	1.71	1.88	1.52	2.55	2.60	100.00	57.45
2024 Q4	3.25	3.25	2.37	2.06	2.06	2.42	2.31	2.15	2.32	1.95	3.15	3.20	100.00	57.45
2024 Full Year	2.75	2.75	2.01	1.72	1.72	2.06	1.97	1.79	1.96	1.60	2.65	2.70	100.00	57.45
2025	3.77	3.85	3.42	3.10	3.10	3.47	3.35	3.20	3.42	3.05	3.75	3.80	125.00	90.56
2026	4.00	4.16	4.30	3.96	3.96	4.35	4.21	4.08	4.30	3.92	4.06	4.11	127.50	91.67
2027	4.00	4.25	4.39	4.05	4.05	4.44	4.30	4.17	4.39	4.01	4.15	4.20	130.05	95.00
2028	4.00	4.33	4.47	4.14	4.14	4.52	4.39	4.25	4.47	4.10	4.23	4.28	132.65	98.40
2029	4.00	4.42	4.56	4.23	4.23	4.61	4.48	4.34	4.56	4.19	4.32	4.37	135.30	101.87
2030	4.00	4.50	4.65	4.31	4.31	4.70	4.56	4.43	4.65	4.27	4.40	4.45	138.01	105.41
2031	4.00	4.60	4.75	4.41	4.41	4.80	4.66	4.53	4.75	4.37	4.50	4.55	140.77	109.01
2032	4.00	4.69	4.84	4.50	4.50	4.89	4.75	4.62	4.84	4.47	4.59	4.64	143.59	112.69
2033	4.00	4.78	4.94	4.59	4.59	4.99	4.84	4.72	4.94	4.56	4.68	4.73	146.46	114.94
2034+	4.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Unless otherwise stated, the gas price reference point is the receipt point on the applicable provincial gas transmission system known as the plant gate.
The plant gate price represents the price before raw gathering and processing charges are deducted.

Table 1
GLJ Ltd.
Crude Oil and Natural Gas Liquids
Price Forecast
Effective January 1, 2024

			United States		Europe	Canada									
			WTI Crude Oil (39.6 API, 0.24%S) Cushing, OK		Brent Crude Oil (38.3 API, 0.37%S) UK	MSW, Light Crude Oil (40 API, 0.3%S) at Edmonton	Bow River Crude Oil (21.4 API, 2.8%S) at Hardisty	WCS Crude Oil (20.9 API, 3.5%S) at Hardisty	Heavy Crude Oil Proxy (12 API) at Hardisty	Light Sour Crude Oil (38 API, 1.1%S) at Cromer	Medium Crude Oil (29 API, 2.0%S) at Cromer	Alberta Natural Gas Liquids (Then Current Dollars) at Edmonton			
Year	Inflation %	CADUSD Exchange Rate CAD/USD	Constant 2024 $ USD/bbl	Then Current USD/bbl	Then Current USD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Ethane CAD/bbl	Propane CAD/bbl	Butane CAD/bbl	Condensate CAD/bbl
2014	1.90	0.906	118.89	93.00	99.71	94.58	81.08	81.03	73.73	92.68	89.67	N/A	45.53	69.20	102.44
2015	1.10	0.783	61.19	48.78	53.60	57.20	45.50	44.82	39.25	55.49	51.87	N/A	6.49	36.75	60.42
2016	1.40	0.755	53.86	43.38	45.05	53.08	39.83	38.96	32.78	51.46	48.84	N/A	13.40	34.49	56.25
2017	1.60	0.771	62.33	50.94	54.80	62.84	50.91	50.53	44.74	62.09	59.96	N/A	28.57	44.46	66.86
2018	2.30	0.772	77.96	64.73	71.55	69.22	49.03	49.52	39.42	72.94	69.60	N/A	26.79	32.96	78.60
2019	1.90	0.754	67.15	57.02	64.24	69.16	59.26	58.75	54.11	69.65	67.97	N/A	16.98	24.29	70.19
2020	0.70	0.746	45.57	39.44	43.28	45.28	36.21	35.56	30.45	45.45	44.01	N/A	16.25	22.02	49.52
2021	3.40	0.798	77.96	67.92	70.78	79.71	69.24	68.74	62.14	80.10	77.58	N/A	43.25	51.66	85.47
2022	6.80	0.769	104.56	94.23	98.89	119.60	97.20	97.07	89.65	118.45	114.83	N/A	50.08	61.62	121.60
2023 (est)	3.90	0.741	80.58	77.58	82.14	99.58	85.87	80.58	72.09	97.24	94.47	N/A	29.75	45.57	103.32
2024 Q1	0.00	0.755	71.00	71.00	75.50	83.44	70.60	70.20	63.24	84.28	81.36	5.71	29.21	45.89	90.07
2024 Q2	0.00	0.755	72.00	72.00	76.50	90.07	75.23	74.83	68.07	90.97	87.81	5.31	31.52	49.54	94.04
2024 Q3	0.00	0.755	73.00	73.00	77.50	91.39	75.23	74.83	67.68	92.30	89.11	5.69	31.99	50.26	95.36
2024 Q4	0.00	0.755	74.00	74.00	78.50	92.72	76.23	75.83	68.57	93.64	90.40	7.19	32.45	50.99	96.69
2024 Full Year	0.00	0.755	72.50	72.50	77.00	89.40	74.32	73.92	66.89	90.30	87.17	5.98	31.29	49.17	94.04
2025	2.00	0.755	73.53	75.00	79.50	94.04	78.55	78.15	71.19	94.98	91.69	10.78	42.32	51.72	98.01
2026	2.00	0.765	74.00	76.99	81.49	95.31	81.43	81.03	73.76	96.26	92.92	13.79	42.89	52.42	101.95
2027	2.00	0.765	74.00	78.53	82.58	97.22	83.45	83.05	75.76	98.19	94.79	14.11	43.75	53.47	103.99
2028	2.00	0.765	74.00	80.10	84.19	99.16	86.61	86.21	79.25	100.16	96.68	14.39	44.62	54.54	106.07
2029	2.00	0.765	74.00	81.70	85.90	101.14	88.33	87.93	80.86	102.15	98.61	14.71	45.51	55.63	108.18
2030	2.00	0.765	74.00	83.34	87.64	103.16	90.10	89.70	82.50	104.20	100.58	15.00	46.42	56.74	110.35
2031	2.00	0.765	74.00	85.00	89.37	105.23	91.88	91.48	84.16	106.28	102.60	15.35	47.35	57.88	112.55
2032	2.00	0.765	74.00	86.70	91.16	107.33	93.71	93.31	85.87	108.41	104.65	15.67	48.30	59.03	114.80
2033	2.00	0.765	74.00	88.44	92.98	109.48	95.59	95.19	87.62	110.57	106.74	15.99	49.26	60.21	117.07
2034+	2.00	0.765	74.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Historical futures contract price is an average of the daily settlement price of the near month contract over the calendar month.

PART 4

RECONCILIATIONS OF CHANGES IN RESERVES

The following table set forth a reconciliation of the Company's Proved Developed Producing, Total Proved, Probable, and Proved plus Probable oil reserves in Canada as at December 31, 2023, against such reserves as at December 31, 2022, based on forecast prices and cost assumptions.

Avila Energy Corporation
Reserves Reconciliation Summary
Company Gross

Effective December 31, 2023 Avila Energy Corporation
Opening: 2022-12-31, DEL 2022-12-31_01 (O/B)
Closing: 2023-12-31, GLJF 2024-01-01_03 (Tech/Econ)

	Proved (DP)						Total Proved						Total Probable						Total Proved + Probable					
	Light & Medium Oil Mstb	Heavy Oil Mstb	Assoc & Non Assoc Gas MMcf	Coalbed Methane MMcf	NGL Mstb	BOE Mboe	Light & Medium Oil Mstb	Heavy Oil Mstb	Assoc & Non Assoc Gas MMcf	Coalbed Methane MMcf	NGL Mstb	BOE Mboe	Light & Medium Oil Mstb	Heavy Oil Mstb	Assoc & Non Assoc Gas MMcf	Coalbed Methane MMcf	NGL Mstb	BOE Mboe	Light & Medium Oil Mstb	Heavy Oil Mstb	Assoc & Non Assoc Gas MMcf	Coalbed Methane MMcf	NGL Mstb	BOE Mboe
Opening Balance	0.0	46.5	5,763.3	1,376.7	41.8	1,278.4	7.4	162.0	18,682.1	1,688.1	213.1	3,777.5	2.9	261.2	6,121.6	696.6	78.2	1,478.6	10.3	423.1	24,803.7	2,384.6	291.3	5,256.1
Production	0.0	(3.2)	(510.0)	(166.3)	(3.5)	(119.5)	0.0	(3.2)	(510.0)	(166.3)	(3.5)	(119.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(3.2)	(510.0)	(166.3)	(3.5)	(119.5)
Technical Revisions																								
Technical Revision	0.0	(43.3)	(3,039.5)	(118.6)	(8.5)	(578.2)	(7.4)	(158.8)	(6,836.5)	(358.4)	(146.6)	(1,511.9)	(2.9)	(261.2)	(1,837.0)	(438.5)	(49.1)	(692.4)	(10.3)	(419.9)	(8,673.4)	(796.8)	(195.8)	(2,204.3)
Working Interest Errors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Facility Changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Abandonment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revisions Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Eval Date Rollover	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Logical Entity Change	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
System Admin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Software Upgrade	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Extensions & Improved Recovery																								
Drilling Extensions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Improved Recovery	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Recompletion/Workover	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Category Transfer	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Enhanced Recovery	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exploration Discoveries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	305.8	0.0	2.8	53.7	0.0	0.0	305.8	0.0	2.8	53.7
Dispositions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Economic Factors																								
Economic Factors	0.0	0.0	(18.6)	(28.1)	(0.4)	(6.2)	0.0	0.0	(23.4)	(30.3)	(0.4)	(9.4)	0.0	0.0	5.4	6.3	0.1	2.1	0.0	0.0	(18.0)	(24.0)	(0.3)	(7.3)
NI 51-101 Regulations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Infill Drilling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Closing Balance	0.0	0.0	2,195.2	1,053.7	29.3	572.5	0.0	0.0	11,312.3	1,133.0	62.5	2,136.7	0.0	0.0	4,595.8	264.4	31.9	842.0	0.0	0.0	15,908.0	1,397.4	94.4	2,978.6

Light and Medium Oil contains Tight Oil, Heavy includes Bitumen, Ultra Heavy and Pelican Lake Heavy, Assoc and Non-Assoc Gas includes Shale Gas and Gas Hydrate.

- Technical Revisions: It mainly relates to less reserves assigned to Undeveloped Locations.

- Acquisition: It mainly relates to the Acquisition of 00/07-23-045-27W4

PART 5

ADDITIONAL INFORMATION RELATING TO RESERVES DATA

Undeveloped Reserves

History of Attribution of Undeveloped Reserves

	L&M Oil		Heavy Oil		A&NA Gas	
Proved Undeveloped	1st Attributed Mbbl	Cum at year end Mbbl	1st Attributed Mbbl	Cum at year end Mbbl	1st Attributed MMcf	Cum at year end MMcf
Prior	--	--	--	--	832.8	832.8
2020-12-31	--	--	--	--	483.0	483.0
2021-12-31	--	--	--	--	2,483.5	2,483.5
2022-12-31	--	--	115.4	115.4	7,475.7	7,475.7
2023-12-31	--		--	--	3,164.0	--

Probable Undeveloped	1st Attributed Mbbl	Cum at year end Mbbl	1st Attributed Mbbl	Cum at year end Mbbl	1st Attributed MMcf	Cum at year end MMcf
Prior	--	--	--	--	75.0	75.0
2020-12-31	--	--	--	--	654.0	654.0
2021-12-31	--	--	33.1	33.1	543.4	543.4
2022-12-31	--	--	250.2	250.2	2,255.0	2,255.0
2023-12-31	--		--	--	2,295.0	--

In General, the company is planning to develop all Proved Undeveloped and Probable Undeveloped reserves between 2024 and 2025. There are a number of factors that could result in delayed or canceled development, including the following: (i) a change in the economic conditions due to commodity pricing, operating and capital expenditure fluctuations; (ii) a change in the technical conditions, including production anomalies; (iii) surface access issues related to weather conditions, regulatory and landowners.

SIGNIFICANT FACTORS OR UNCERTAINTIES

The production rates, Oil and Gas reserves and cash flow information contained in the Trimble Report are only estimates and the actual production and ultimate reserves may be greater or less than the estimates prepared by Reliance. Factors, consideration and assumptions that the independent evaluator used to develop these estimates include, but are not limited to:

: Historical production;
: Government regulation;
: Assumptions regarding commodity prices, production, development costs, taxes and capital expenditures;
: Timing of capital expenditures;
: Effectiveness of enhanced recovery schemes;
: Marketability of production;
: Operating costs and royalties;
: Initial production rates;
: Production decline rates;
: Ultimate recovery of reserves: and
: Future oil and gas prices.

Currently, Avila Energy Corporation does not anticipate any unusually high development costs or operating costs, the need to construct a major pipeline or other major facilities before production of reserves can begin. The Company does not anticipate any significant economic factors or significant uncertainties that could affect any particular components of the Reserves. However, reserves can be significantly affected by fluctuations in product pricing, capital expenditures, operating costs, royalty regimes and well performance, and subsequent drilling results that are beyond the Company's control.

FUTURE DEVELOPMENT COSTS

The Corporation's source of funding for future development costs of the Corporation's reserves will be derived from a combination of cash flow, debt and new equity. Management of the Corporation does not anticipate that the costs of funding referred to above will materially affect the Corporation's disclosed reserves and future net revenues or will make the development of any of the Corporation's properties uneconomic.

The Corporation's petroleum and natural gas investing activities have been funded to date primarily through the issuance of common shares and expects that it will continue to be able to utilize this source of financing until it develops additional cash flow from operations. For additional information regarding the future development of the Corporation's properties, see Part 6 – Oil and Gas Properties and Wells.

The following table details the development costs deducted in the estimation of future net revenue attributable to proved reserves of the Corporation (estimated and forecast prices and costs) and proved plus probable reserves of the Corporation (estimated using forecast prices and costs and constant prices and costs):

Avila Energy Corporation
NI 51-101 FORECAST CASE
CAPITAL COSTS NET PRESENT VALUE BY YEAR
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ)

Effective December 31, 2023	Total Proved	
	Net Present Value *	
Year	0%	10%
	M$	M$
2024	2,998.40	2,866.75
2025	867.00	784.95
	3,865.40	**3,651.70**

* Capital is less Salvage.

Avila Energy Corporation
NI 51-101 FORECAST CASE
CAPITAL COSTS NET PRESENT VALUE BY YEAR
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ)

Effective December 31, 2023	Total Proved + Probable	
	Net Present Value *	
Year	0%	10%
	M$	M$
2024	3,118.40	2,981.63
2025	1,683.00	1,495.19
	4,801.40	**4,476.82**

* Capital is less Salvage.

ABANDONMENT AND RECLAMATION COSTS

Additional Information Concerning Abandonment and Reclamation Costs on producing wells.

The Corporation bases its estimates for the costs of abandonment and reclamation of surface leases, wells, facilities and pipelines on previous experience of management with similar well sites and facility locations, the table below summarizes the abandonments associated with wells producing or capable to produce at yearend 2023 on both Proven and Proven Plus Probable categories.

Avila Energy Corporation
NI 51-101 FORECAST CASE
ABANDONMENT COSTS NET PRESENT VALUE BY YEAR
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ)

Effective December 31, 2023	Total Proved	
	Net Present Value *	
Year	0%	10%
	M$	M$
2027	87.87	62.22
2029	75.75	44.85
2030	247.79	133.37
2031	236.42	115.69
2032	80.39	35.75
2033	426.93	172.63
2034	201.89	74.22
2035	85.31	28.51
2036	453.08	137.64
2037	251.94	69.58
2038	271.59	68.19
2039	388.46	88.68
2040	94.17	19.54
2041	96.07	18.12
2042	412.25	70.70
2044	101.94	14.45
2045	103.99	13.40
2050	86.77	6.94
2051	117.09	8.52
2052	527.24	34.86
2055	126.74	6.30
2059	323.25	10.97
	4,798.94	**1,236.10**

* Abandonment is less Salvage.

Avila Energy Corporation
NI 51-101 FORECAST CASE
ABANDONMENT COSTS NET PRESENT VALUE BY YEAR
2023-12-31, GLJF 2024-01-01_03 (Tech/Econ)

Effective December 31, 2023	Total Proved + Probable	
	Net Present Value *	
Year	0%	10%
	M$	M$
2028	74.27	46.30
2029	91.42	54.12
2030	77.27	41.59
2031	78.81	38.57
2032	160.76	71.50
2033	245.98	99.46
2035	170.60	57.02
2036	384.08	116.68
2038	271.59	68.19
2039	611.35	139.56
2040	188.36	39.08
2041	96.07	18.12
2042	97.98	16.80
2043	320.54	49.98
2044	391.35	55.46
2045	103.99	13.40
2046	212.14	24.85
2047	108.18	11.52
2048	243.55	23.57
2050	253.40	20.27
2057	131.87	5.41
2058	134.50	5.02
2059	621.01	21.07
2060	139.94	4.32
2061	142.73	4.00
2067	160.74	2.54
	6,612.48	**1,048.40**

* Abandonment is less Salvage.

There are wells that will be imminently uneconomic under the current pricing situation and operating conditions. The Corporation has no immediate plans to commence abandonment and reclamation of wells that may become uneconomic in the next couple of years as the corporation is reviewing the potential for workovers, operating costs reductions and awaiting improved oil and gas product pricing.

Trimble has only considered the abandonment and reclamation of wells that were assigned reserves. Wells not assigned reserves, pipelines, and facilities have not been included in the information above concerning abandonment and reclamation. As of October, 2019, the inclusion of these costs for all wells and facilities is considered a “Best Practice” for National Instrument purposes, but is not yet a requirement. Avila Energy management may want to address the inclusion of abandon and reclamation costs for entities that were not assigned reserves by Trimble.

PART 6

OTHER OIL AND GAS INFORMATION

Producing and Non-Producing Wells

The following table summarizes Avila's interests as at December 31, 2023 in producing wells and in non- producing wells which Avila Energy Corporation believes are capable of producing oil or gas or both. The stated interests are working interests on a "before payout" basis and, in certain cases, are subject to lessor's and other royalties, in addition to usual Crown royalties or mineral taxes. All wells are "onshore" unless specifically identified as "offshore".

	Oil Wells				Gas Wells			
	Producing		Non-Producing		Producing		Non-Producing	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alberta	--	--	--	--	24	23.6	23	22.7
Total	--	--	--	--	24	23.6	23	22.7

Production Forecast

The following table represents the production forecast for the Corporation's interest before royalties as at December 31, 2023 for total Proved Plus Probable reserves.

Period	*Gas Wells*	*Gas WI Rate [Mcf/d]*	*Gas WI Volume [MMcf]*	*NGL WI Rate [bbl/d]*	*NGL WI Volume [bbl]*	*NGL WI Volume [Mbbl]*
2024-01-01	50	3,843.5	1,406.7	23.7	8,688.1	8.7
2025-01-01	52	6,056.3	2,210.6	38.1	13,895.6	13.9
2026-01-01	52	4,983.2	1,818.9	30.5	11,126.5	11.1
2027-01-01	52	4,076.3	1,487.9	24.0	8,745.9	8.7
2028-01-01	52	3,424.6	1,253.4	19.5	7,119.4	7.1
2029-01-01	51	2,921.6	1,066.4	16.1	5,881.6	5.9
2030-01-01	50	2,526.6	922.2	13.6	4,977.7	5.0
2031-01-01	49	2,214.3	808.2	11.7	4,254.3	4.3
2032-01-01	48	1,943.6	711.4	10.1	3,686.3	3.7
2033-01-01	46	1,718.0	627.1	8.8	3,207.5	3.2
2034-01-01	43	1,525.8	556.9	7.7	2,799.6	2.8
2035-01-01	43	1,372.8	501.1	6.8	2,493.8	2.5
2036-01-01	41	1,221.2	447.0	6.0	2,195.3	2.2
2037-01-01	37	1,091.9	398.5	5.2	1,913.9	1.9
2038-01-01	37	992.2	362.2	4.7	1,714.9	1.7
Rem.			2,727.2			11.7
Total			**17,305.5**			**94.4**

Oil and Gas Properties

Avila Energy Corporation is focused on the conventional exploration and development of oil and natural gas reserves in Western Canada.

Producing Properties

Ferrybank, Alberta

The Ferrybank property is located in Townships 44 and 47, Ranges 25 - 27 W4M, approximately 45 miles south of Edmonton, Alberta. At Ferrybank. Avila Energy Corporation currently holds a working interest ranging between 62.61 and 100 percent in 41 producing natural gas wells. The Company also has plans for 1 recompletion, 5 proposed Natural Gas Locations to be drilled between 2024 and 2025. Ferrybank has potential to produce Natural Gas and Natural Gas Liquids from the Basal Belly River, Viking and Glauconitic formations. During 2024, the company expects to drill 3 locations targeting the Basal Belly River, 1 location targeting the Glauconite and 1 location targeting the Ellerslie. Avila Energy Corporation is the operator of the property.

Donalda, Alberta

The Donalda area is located 102 miles south east of Edmonton, Alberta. This property was acquired by Avila in 2022. The wells at Donalda produce from the Belly River, Basal Belly River, Ellerslie, Lower Mannville and Glauconitic formations. The property consists of 19 non-producing wells. Avila Energy Corporation is the operator of the property.

Non-producing Properties

Vermilion, Alberta

The Vermilion property is located in the NW quarter of section 33, Township 50, Range 6 W4M, approximately 120 miles (193 Km) east of Edmonton, Alberta. This quarter section was acquired in 2022. It currently consists of two non-producing Sparky oil wells. Avila Energy Corporation is the operator of the property.

Land Holdings

The following table sets forth the Company's developed and undeveloped oil and gas lease and mineral acreage as of December 31, 2023.

AVILA ENERGY CORPORATION
Developed and Undeveloped Land (Acres)
as of December 31, 2022

Developed Gross	Developed Net	Undeveloped Gross	Undeveloped Net	Total Gross	Total Net
47,573	43,755	13,302	9,712	60,875	53,467

Undeveloped Land and Expiring Rights

The following table presents the undeveloped land held by Avila Energy Corporation by December 31st, 2023.

	Undeveloped Land (Acres)		Expiring in 2023 (Acres)	
Province	**Gross**	**Net**	**Gross**	**Net**
Alberta	13,302	9,712	0	0
Total	**13,302**	**9,712**	**0**	**0**

Exploration and Development Activities

For the year ended December 31, 2023 the Corporation completed the following exploratory and development activities:

	Well Count	
	Gross	Net
Oil	Nil	Nil
Gas	Nil	Nil
Service	1	1
Dry	NIl	Nil
Total	1	1

The Corporation's most important current and likely exploration and development activities are described under "Oil and Gas Properties".

Petroleum and Natural Gas Interest – Summary of Costs Incurred

The following table sets out Avila's property acquisition costs, exploration costs and development costs for the year ended December 31, 2023. This table includes all costs irrespective of whether such costs were capitalized or charged to expense.

	Years ended December 31, 2023	2022	January 1 to December 31, 2022 Totals
Land, leases, property, & acquisitions	$ 28,959,977	$ 28,437,008	$ 522,969
Deferred costs:	-		
Geological expenditures	-	-	-
Intangible drilling expenditures	-	-	-
Intangible completion costs	-	-	-
Intangible carbon capture and sequestration	5,708,869	-	5,708,869
Well equipping	848,091	-	848,091
Plant and gathering equipment	-	-	-
Asset retirement obligations	2,571,882	3,163,822	(591,940)
Well abandonment	-	-	-
Pipeline & gathering	-	-	-
Royalties received	-	-	-
Total	**$ 38,088,819**	**$ 31,600,830**	**$ 6,487,989**

Forward Contracts

Avila Energy Corporation may use certain derivative financial instruments to manage its commodity prices. These financial instruments are entered into solely for hedging purposes and are not used for trading or other speculative purposes. At December 31, 2023 there were no contracts or options outstanding.

Tax Horizon

As at December 31, 2023 the Corporation has the following exploration and development expenditures, undepreciated capital costs and non-capital loss carry forwards which may be carried forward indefinitely to reduce future Canadian taxable income.

	$
• Canadian Oil and Gas Property Expense (COGPE)	21,630,560
• Canadian Development Expense (CDE)	257,669
• Capital Cost Allowance (CCA Class 41)	9,397,244
• Cumulative Eligible Capital (CEC)	2,031,885

Production History

The table below summarizes the Natural Gas working interest production of Avila Energy Corporation during the year ended at December 31st 2023.

	Year ended December 31, 2023	Year ended December 31, 2022	Year ended December 31, 2021
Operations			
Average daily production			
Heavy oil *(bbls/d)*	**10**	36	-
Natural gas *(Mcf/d)*	**1,887**	1,100	156
NGLs *(bbls/d)*	**5**	6	3
Total *(boe/d)*	**329**	226	30
Average realized sales price			
Heavy oil *($/bbl)*	**117.67**	95.49	68.99
Natural gas *($/Mcf)*	**2.88**	5.13	4.04
NGLs *($/bbl)*	**80.61**	35.70	53.86
Total *($/boe)*	**21.18**	41.37	27.90
Operating Netback *($ per boe)*			
Petroleum and natural gas sales	**21.18**	41.37	27.90
Royalty expenses	**(2.58)**	(3.94)	(3.22)
Production and operating expenses	**(23.37)**	(21.61)	(10.77)
Operating netback	**(4.77)**	15.82	13.91
Financial *($, except per share amounts)*			
Petroleum and natural gas sales	**2,545,250**	3,406,105	301,340
Funds flow (used in) from operations	**(6,253,587)**	(2,155,917)	(1,043,909)
Per share – basic	**(0.05)**	(0.04)	(0.04)
Per share – diluted	**(0.05)**	(0.04)	(0.04)
Cash used in operations	**(735,331)**	(2,758,528)	(3,003,609)
Per share – basic	**(0.01)**	(0.04)	(0.12)
Per share – diluted	**(0.01)**	(0.04)	(0.12)
Net loss	**(20,093,893)**	(20,377,817)	(1,415,186)
Per share – basic	**(0.14)**	(0.39)	(0.06)
Per share – diluted	**(0.14)**	(0.39)	(0.06)
Capital expenditures	**11,297,477**	47,203,215	1,255,696
Total assets	**35,834,251**	46,724,913	4,583,826
Total net cash and working capital	**(5,056,817)**	3,982,550	1,835,527
Common Shares outstanding, end of period	**163,049,954**	111,437,322	25,541,590
Preferred Shares outstanding, end of period	**-**	30,000,000	-
Weighted average shares (basic and diluted)	**138,608,578**	52,766,406	25,541,590