

APPRAISAL OF
CERTAIN OIL AND GAS INTERESTS
OWNED BY PERMEX PETROLEUM CORPORATION
LOCATED IN
NEW MEXICO AND TEXAS
AS OF SEPTEMBER 30, 2018

PREPARED FOR
PERMEX PETROLEUM CORPORATION
WITH CANADIAN NATIONAL INSTRUMENT 51-101

MKM ENGINEERING
F-009377

Michele K. Mudrone

Michele K. Mudrone, P.E.
January 18, 2019



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NI 51-101

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MKM ENGINEERING
Oil and Gas Consulting Services
3905 Sagamore Hill Court
Plano, Texas 75025

January 18, 2019

Mr. Mehran Ehsan
Permex Petroleum Corporation
625 Howe Street, Suite 1290
Vancouver, BC Canada
V6C 2T6

Dear Mr. Ehsan:

As requested, an estimate has been made of certain hydrocarbon reserves owned by Permex Petroleum Corporation (hereinafter referred to as "Permex"). The appraised properties are located in Eddy County, New Mexico, Gaines, Jack, Stonewall, and Young Counties, Texas. Production data was generally available through November 2018. This appraisal evaluates Permex's Proved Developed Producing (PDP), Proved Non-Producing (PDNP), Proved Shut In (PSI), Proved Undeveloped (PUD), Probable Producing (PrDP), Probable Non-Producing (PrNP), and Probable Undeveloped (PrUD) reserves. The effective date of this report is September 30, 2018.

The table below summarizes Permex's net oil and gas reserves and cash flows generated using the requested price deck. Results shown below are presented for your information and should not be construed as our estimate of fair market value. As of September 30, 2018, Permex's net total proved and probable reserves have been estimated to be as follows:

Reserve Category	Net Reserves as of 9/30/2018		Future Net Income, \$	Present Worth of FNI Discounted @ 10%/Annum, \$	Present Worth of FNI Discounted @ 15%/Annum, \$
	Light and Medium Oil (Bbl)	Natural Gas (Mcf)			
Forecast Price					
-					
Proved Developed Producing	646,330	110,670	26,852,540	11,295,580	8,569,710
Proved Non-Producing	277,410	17,020	13,209,780	7,680,180	6,192,320
Proved Shut-In	0	0	(161,760)	(22,170)	(16,780)
Proved Undeveloped	<u>3,342,840</u>	<u>677,480</u>	<u>147,388,890</u>	<u>58,153,010</u>	<u>39,588,340</u>
Total Proved	4,266,580	805,170	187,289,450	77,106,600	54,333,590
Probable Producing	87,300	55,550	4,979,740	2,324,880	1,764,070
Probable Non-Producing	35,010	0	1,747,170	629,980	439,510
Probable Undeveloped	<u>3,309,130</u>	<u>7,381,990</u>	<u>128,087,800</u>	<u>59,317,140</u>	<u>44,141,450</u>
Total Probable	3,431,440	7,433,740	134,814,710	62,272,000	46,345,030
Total Proved + Probable	7,698,020	8,242,710	322,104,160	139,378,600	100,678,620

FNI is after deducting estimated operating and future development costs, severance and ad valorem taxes, but before Federal income taxes. Total net Proved and Probable Reserves are defined as those natural gas and hydrocarbon liquid Reserves to Permex's interests after deducting all shrinkage, royalties, overriding royalties, and reversionary interests owned by outside parties that become effective upon payout of specified monetary balances. All Reserves estimates have been prepared using standard engineering practices generally accepted by the petroleum industry and conform to those classifications defined in the Canadian Oil and Gas Evaluation Handbook ("COGEH"). All hydrocarbon liquid Reserves are expressed in United States barrels ("Bbl") of 42 gallons. Natural gas Reserves are expressed in thousand standard cubic feet ("Mcf") at the contractual pressure and temperature bases. All monies are expressed in United States dollars ("USD").

RESERVE ESTIMATE METHODOLOGY

The Reserves estimates contained in this report have been prepared using standard engineering practices generally accepted by the petroleum industry. Decline curve analysis was used to estimate the remaining Reserves of pressure depletion reservoirs with enough historical production data to establish decline trends. Reservoirs under non-pressure depletion drive mechanisms and non-producing Reserves were estimated by volumetric analysis, research of analogous reservoirs, or a combination of both. The maximum remaining Reserves life assigned to wells included in this report is 40 years. This report does not include any gas sales imbalances.

FUTURE PRODUCTION RATES

Initial production rates are based on current producing rates for those wells now on production. If a decline trend has been established, this trend was used as the basis for estimating future production rates. For reserves not yet on production, test data and other related information were used to estimate anticipated initial production rates and sales were estimated to commence at a date deemed reasonable based on our experience and judgment.

RESERVE CLASSIFICATION

The Reserves estimates included in this report conform to the guidelines specified by the COGEH. For more information regarding reserve classification definitions see Appendix I.

COMMODITY PRICES

Future hydrocarbon revenues were estimated using the prices outlined below:

FORECAST PRICES		
<u>Dates</u>	Light and Medium Oil Price	Gas Price
	<u>\$/Bbl</u>	<u>\$/MMBtu</u>
2018	70.00	3.00
2019	70.00	3.25
2020	70.00	3.40
2021	70.20	3.45
2022	71.60	3.55
2023	73.10	3.60
2024	74.50	3.70
2025	76.00	3.75
2026	77.50	3.85
2027	79.10	3.90
2028	80.70	4.00
Thereafter	2%/yr increase	2%/yr increase

Historical hydrocarbon liquid prices were indexed to the monthly average of the daily closing prices received at the Cushing, Oklahoma delivery point. The average difference between the wellhead oil price and the NYMEX price represents adjustments for crude quality, marketing fees, BS&W, transportation costs and purchaser bonuses. These adjustments were applied to the NYMEX prices listed in table above.

Historical natural gas prices were indexed to the monthly Henry Hub prices posted in the Inside FERC publication. Historical prices were indexed for each month of available accounting data. The average difference between the wellhead price and the NYMEX price represents adjustments for BTU content, marketing, and transportation costs. These adjustments were applied to the NYMEX prices listed in table above.

OPERATING EXPENSES & CAPITAL COSTS

In most cases, the lease operating costs used in this evaluation represent the average of recent historical monthly operating costs. In cases where historical costs were not available or deemed to be unreliable, operating costs were estimated based on knowledge of analogous wells producing under similar conditions. The lease operating expenses in this report represent field level operating costs and do not include COPAS charges.

Where available, capital costs were estimated using recent historical information reported for analogous expenditures. Where recent historical information was not available, Authority for Expenditure (“AFE”) documents was used to estimate capital costs. Abandonment and

reclamation costs were included for the properties and are shown in the investment column.

Operating expenses and capital costs were escalated at 2% per year in the forecast price case in this evaluation.

DISCLAIMERS

A Representation Letter from Permex, confirming that to the best of their knowledge all the information they provided for our use in the preparation of this report was complete and accurate as of the effective date of the report, is attached in Appendix II. It was not considered necessary to make a field examination of the appraised properties. Data used in performing this appraisal were obtained from Permex, public sources, and our own files. Supporting work papers pertinent to the appraisal are retained in our files and are available to you or designated parties at your convenience.

It was beyond the scope of this MKM Engineering report to evaluate the potential environmental liability costs from the operation and abandonment of these properties. In addition, no evaluation was made to determine the degree of operator compliance with current environmental rules, regulations, and reporting requirements. Therefore, no estimate of the potential economic liability, if any, from environmental concerns is included in the forecasts presented herein.

The Proved and Probable Reserves presented in this report are estimates only and should not be construed as being exact quantities. They may or may not be actually recovered; and, if recovered, the revenues therefrom and the actual costs related thereto could be more or less than the estimated amounts. Because of governmental policies and uncertainties of supply and demand, the product prices and the costs incurred in recovering these Reserves may vary from the price and cost assumptions in this report. In any case, quantities of Proved and Probable Reserves may increase or decrease as a result of future operations.

Reserves estimates for individual properties included in this report are only valid when considered within the context of the overall report and should not be considered independently. The future net income and net present value estimates contained in this report do not represent an estimate of fair market values.

No Reserve Reconciliation has been completed on these properties at this time.

MKM Engineering is independent with respect to Permex Petroleum Corporation as provided in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers.

CONCLUSIONS

Attached are summary tables of economic analysis of predicted future performance. Other tables identify the properties appraised with summary Reserves and the economic factors applicable to each. A list of tables is included. Reserves identified for this report are not risked.

We appreciate this opportunity to have been of service and hope that this report will fulfill your requirements.

Respectfully submitted,

MKM ENGINEERING
F-009733

Michele K. Mudrone

Michele K. Mudrone, P.E.



Attachments

CERTIFICATE OF QUALIFICATION

I, Michele K. Mudrone, registered Professional Engineer in the State of Texas, hereby certify:

1. That I am a registered Professional Engineer in the State of Texas, a member of the Society of Petroleum Engineers, and I reside at 3905 Sagamore Hill Court, Plano, Texas.
2. That I graduated from the Colorado School of Mines with a Bachelor of Science degree in Petroleum Engineering in 1976.
3. That I have been employed in the petroleum industry since graduation in 1976. During the time of employment I have been directly involved in reservoir engineering, petrophysical analysis, reservoir simulation, and property evaluation.
4. That I am presently employed by MKM Engineering which prepared an evaluation effective September 30, 2018, for Permex Petroleum Corporation.
5. That the parameters and conditions employed in the evaluation of interests of Permex Petroleum Corporation, effective September 30, 2018, were examined by me and adopted as representative and appropriate in establishing true value of these properties.
6. That I have not received, nor do I expect to receive, any direct or indirect interest in the holdings discussed, or in the securities of the Company.
7. That I have not examined the chain of title for the properties discussed, but have relied on descriptions furnished by the client.
8. That the aforementioned report was not based on a personal field examination of the properties in question; however, such an examination was not deemed necessary in view of the information available from public sources and the files of Permex Petroleum Corporation.

Michele K. Mudrone, P.E.

MKM ENGINEERING
Oil and Gas Consulting Services
3905 Sagamore Hill Court
Plano, Texas 75025

REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR
OR AUDITOR

To the Board of Directors of Permex Petroleum Corporation hereinafter referred to as (the "Company"):

1. We have evaluated the Company's Reserves Data as at September 30, 2018. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at September 30, 2018, estimated using forecast prices and costs.
2. The Reserves Data are the responsibility of the Company's management. Our responsibility is to express an opinion on the Reserves Data based on our evaluation.

We carried out our evaluation in accordance with standards set out in 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).

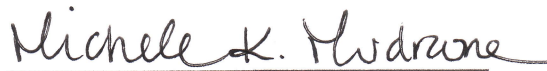
3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.
4. The following table sets forth the estimated net present value of future net revenue attributed to proved plus probable reserves, estimated using forecast prices and costs on a before tax basis and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated by us as of September 30, 2018, and identifies the respective portions thereof that we have audited, evaluated or reviewed and reported on to the Company's management and Board of Directors:

Independent Qualified Reserves Evaluator or Auditor	Description and Preparation Date of Evaluation Report	Location of Reserves (Country)	Net Present Value of Future Net Revenue Before Income Taxes (10% Discount Rate)			
			Audited (US\$)	Evaluated (US\$)	Reviewed (US\$)	Total (US\$)
MKM Engineering	Appraisal of the Permex Petroleum properties located in New Mexico and Texas, as of September 30, 2018	USA		139,378,600		139,378,600
Total				139,378,600		139,378,600

5. In our opinion, the reserves data evaluated by us have, in all material respects, been determined and are presented in accordance with the COGE Handbook, consistently applied.
6. We have no responsibility to update the report referred to in paragraph 4 for events and circumstances occurring after its preparation date.
7. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

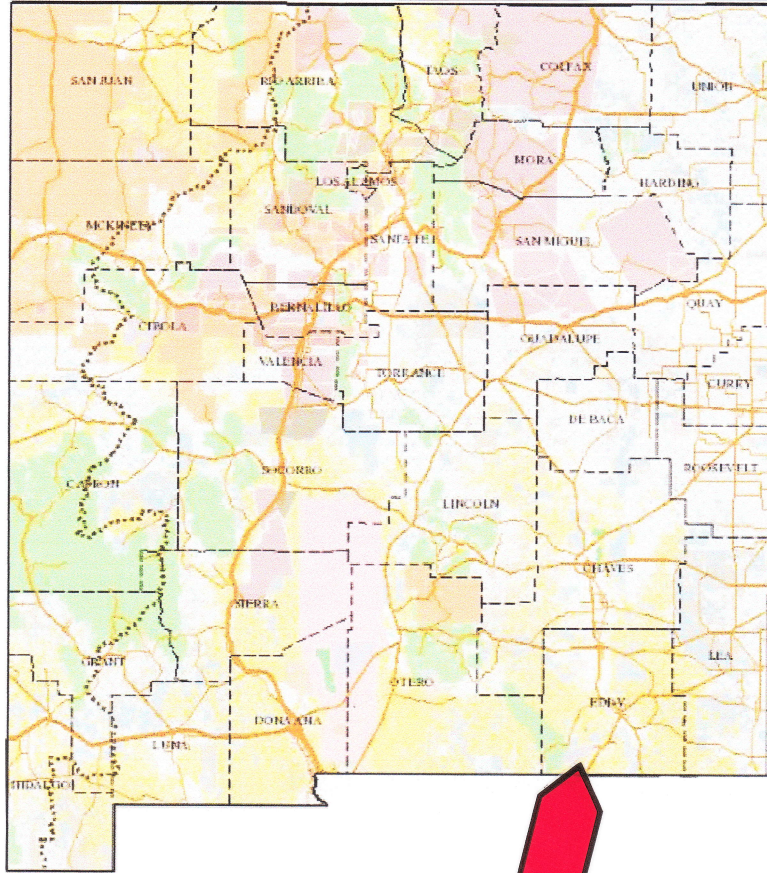
Executed as to our report referred to above:

MKM Engineering
F-009377
Dallas, Texas, USA
January 18, 2019



Michele K. Mudrone, P.E

MAPS

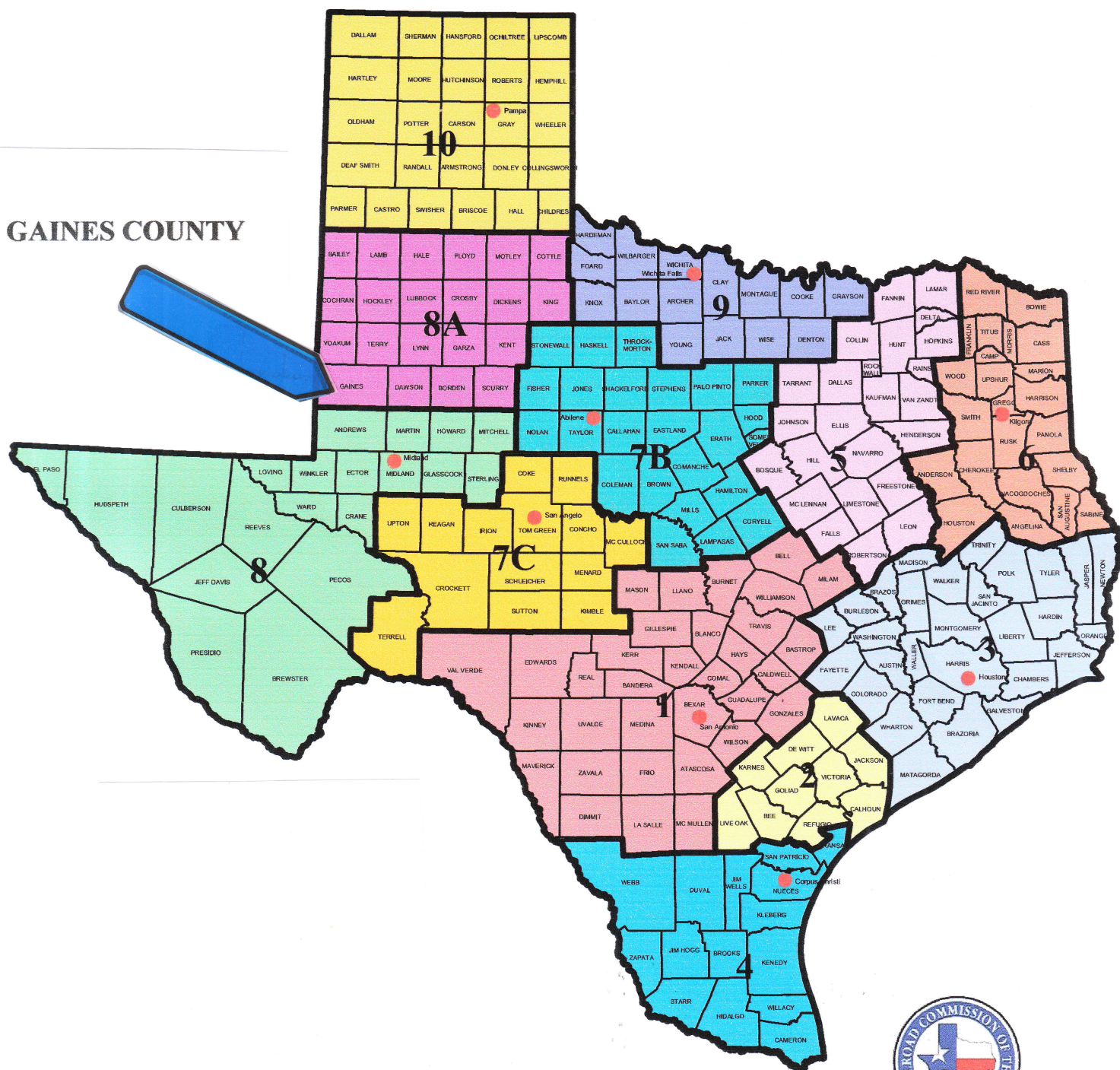


EDDY COUNTY

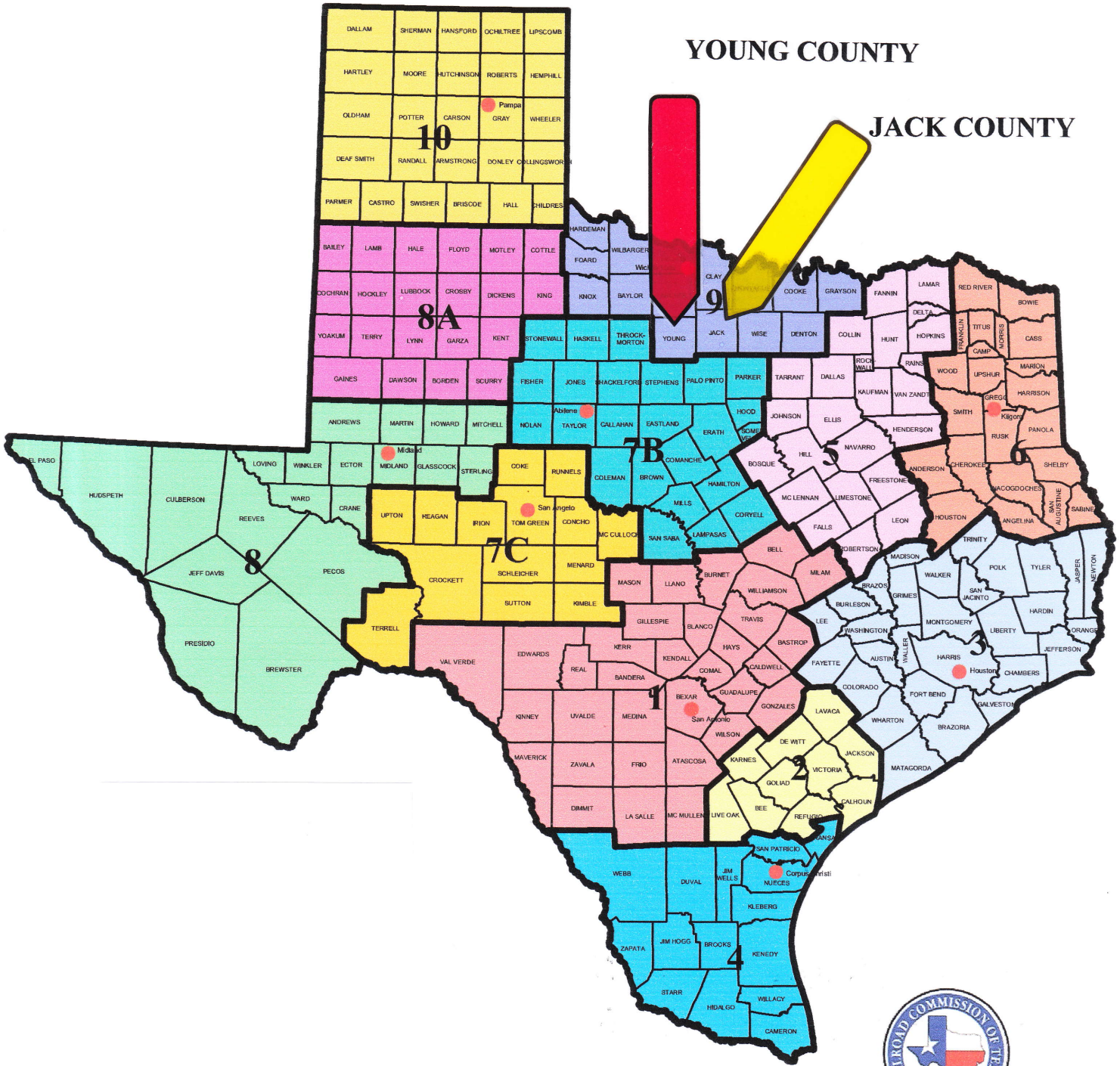


NEW MEXICO STATE LAND OFFICE
310 Old Santa Fe Trail, Santa Fe, NM 87501

GAINES COUNTY



RAILROAD COMMISSION of TEXAS
Oil and Gas Division



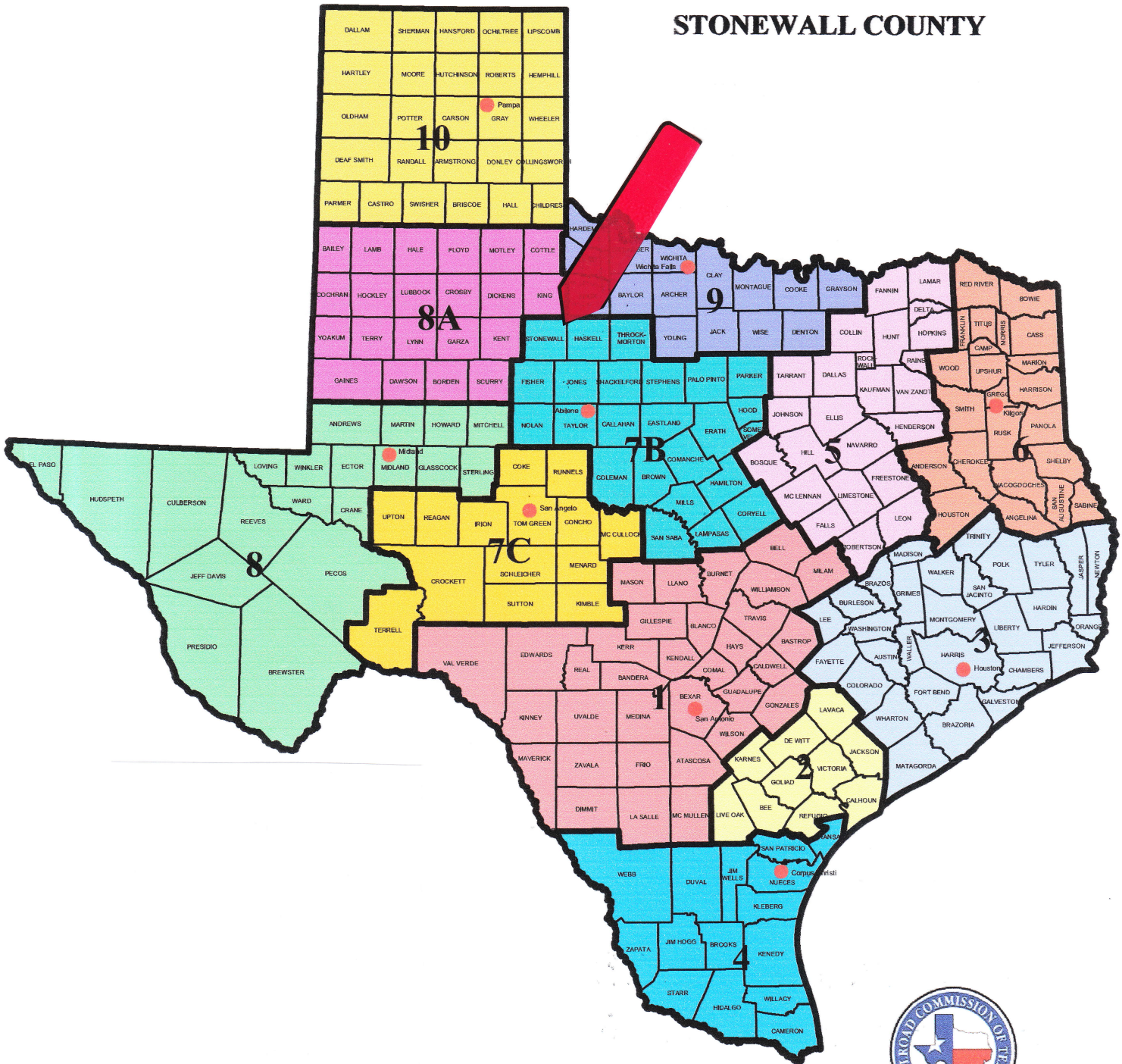
YOUNG COUNTY

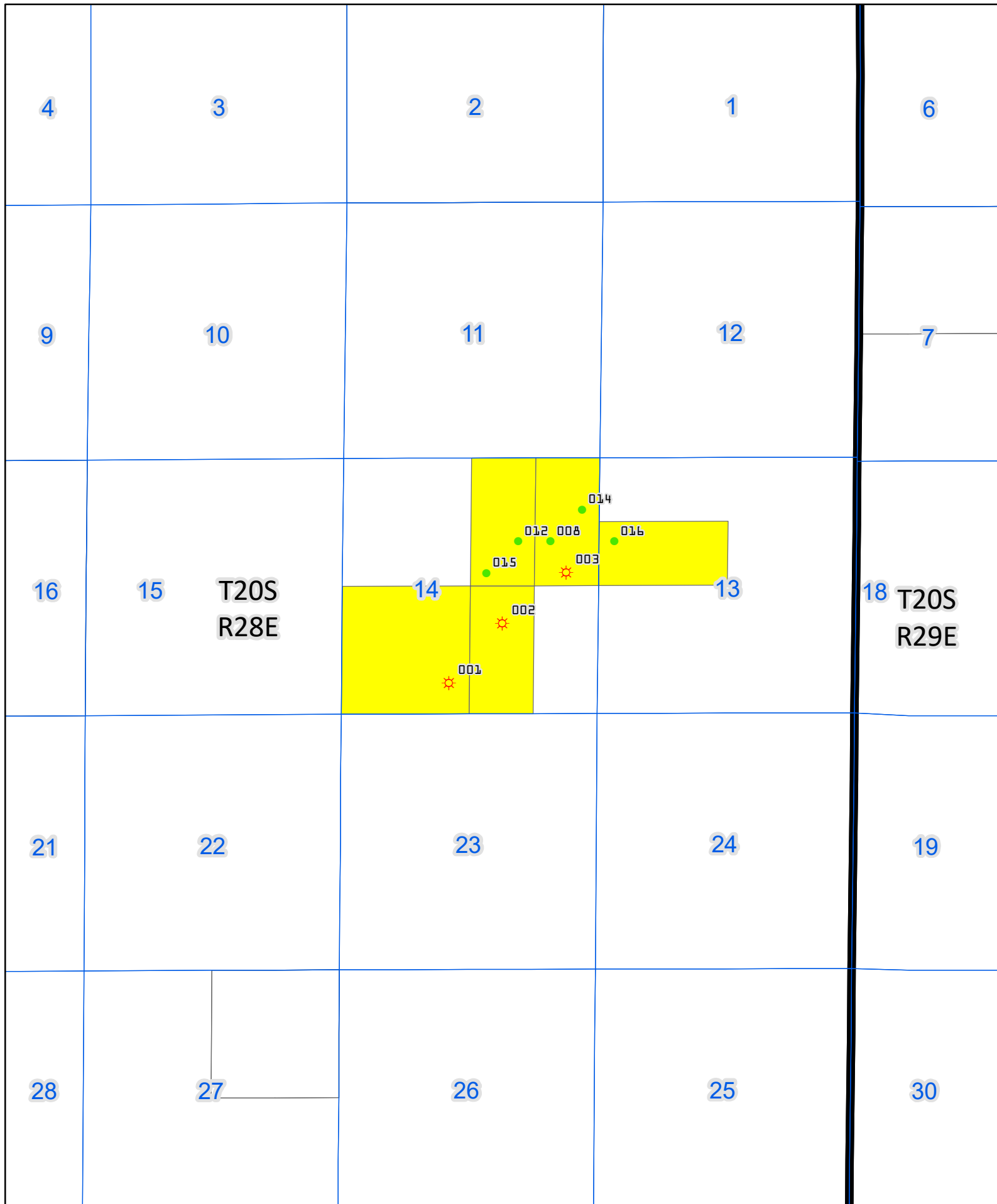
JACK COUNTY



RAILROAD COMMISSION of TEXAS
Oil and Gas Division

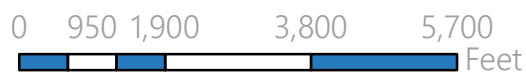
STONEWALL COUNTY



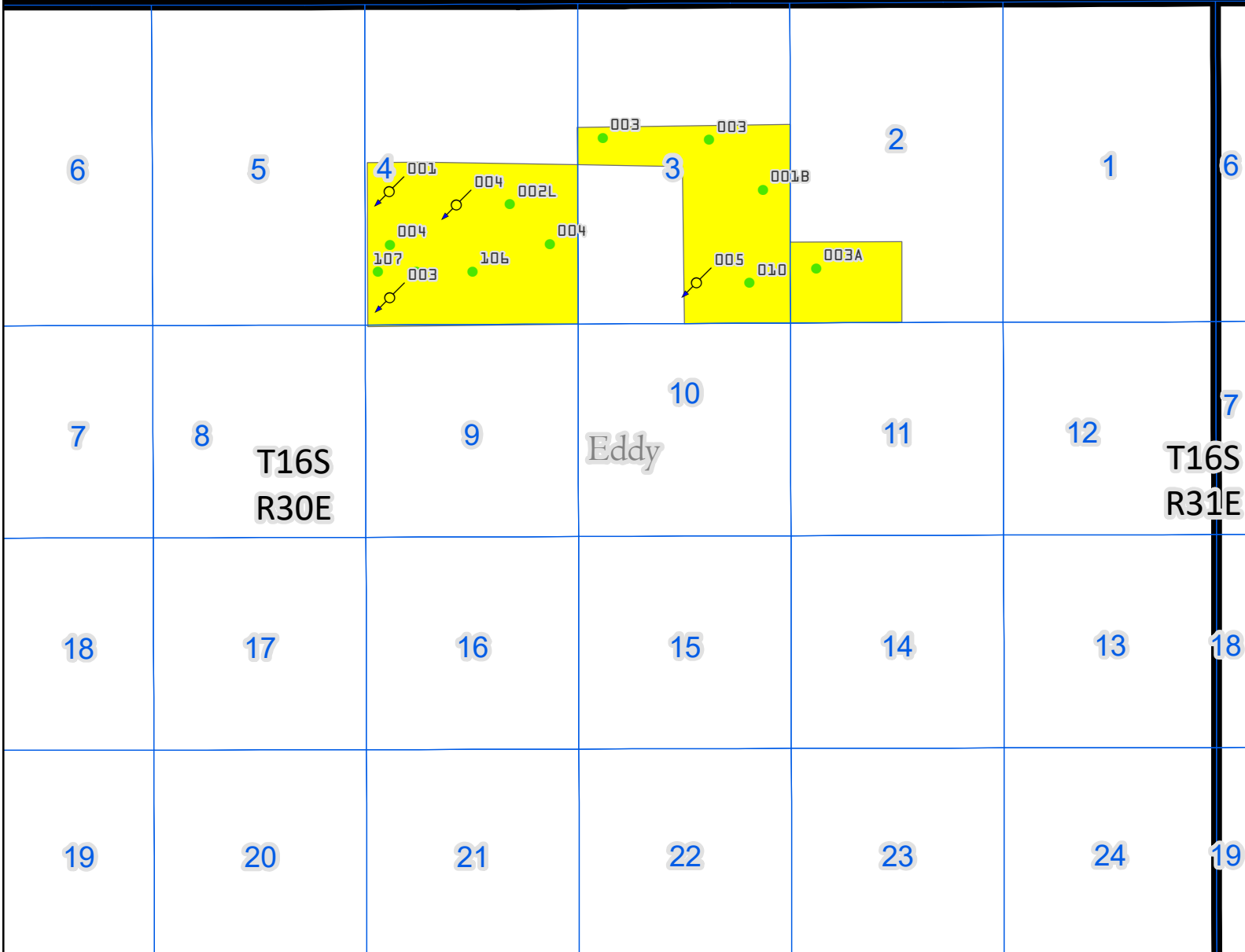


OXY YATES

Eddy County, New Mexico

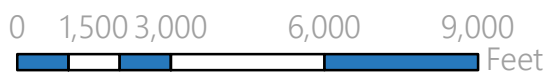


Chaves



WEST HENSHAW

Eddy County, New Mexico

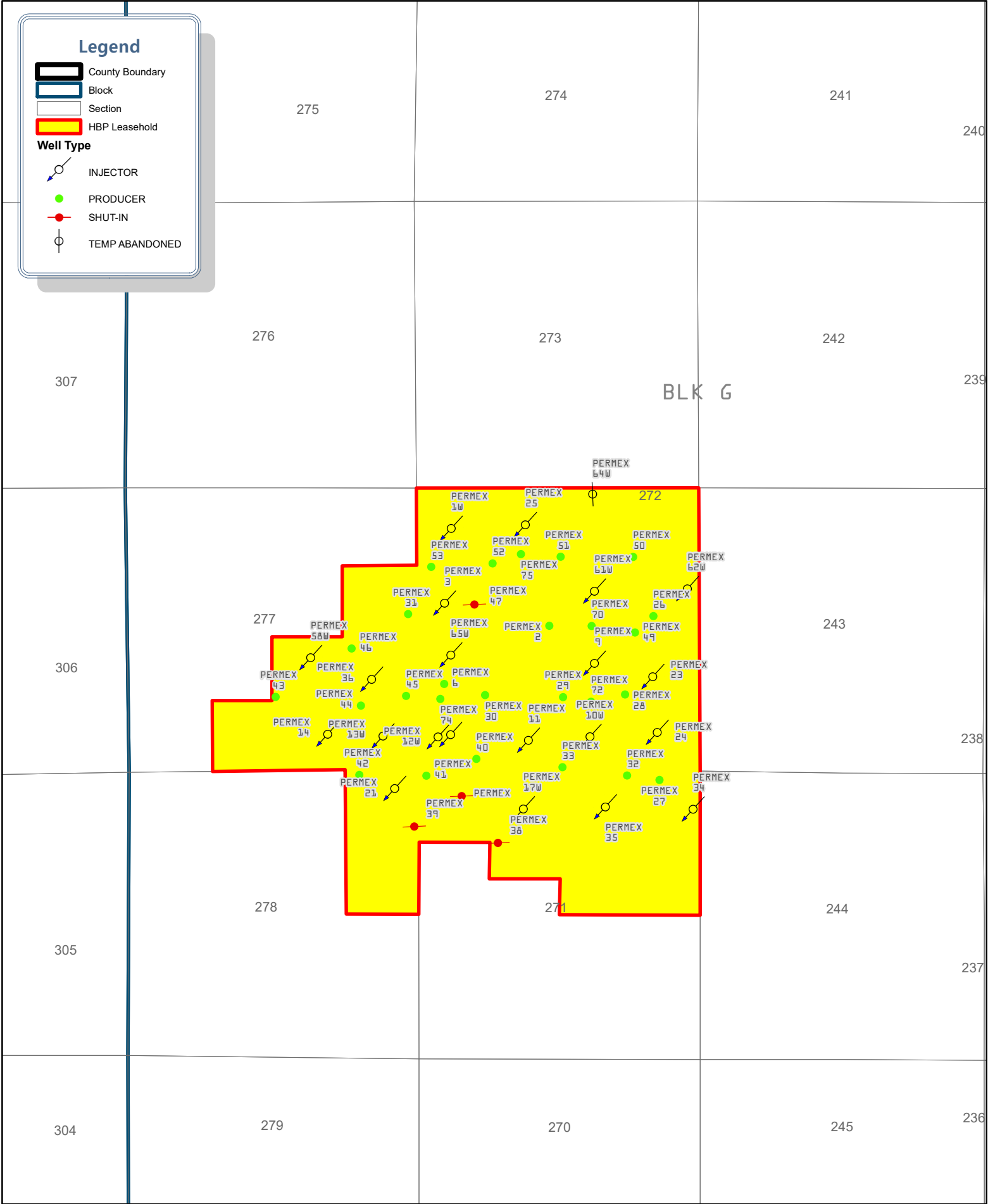


Legend

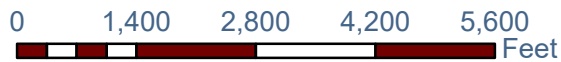
- County Boundary
- Block
- Section
- HBP Leasehold

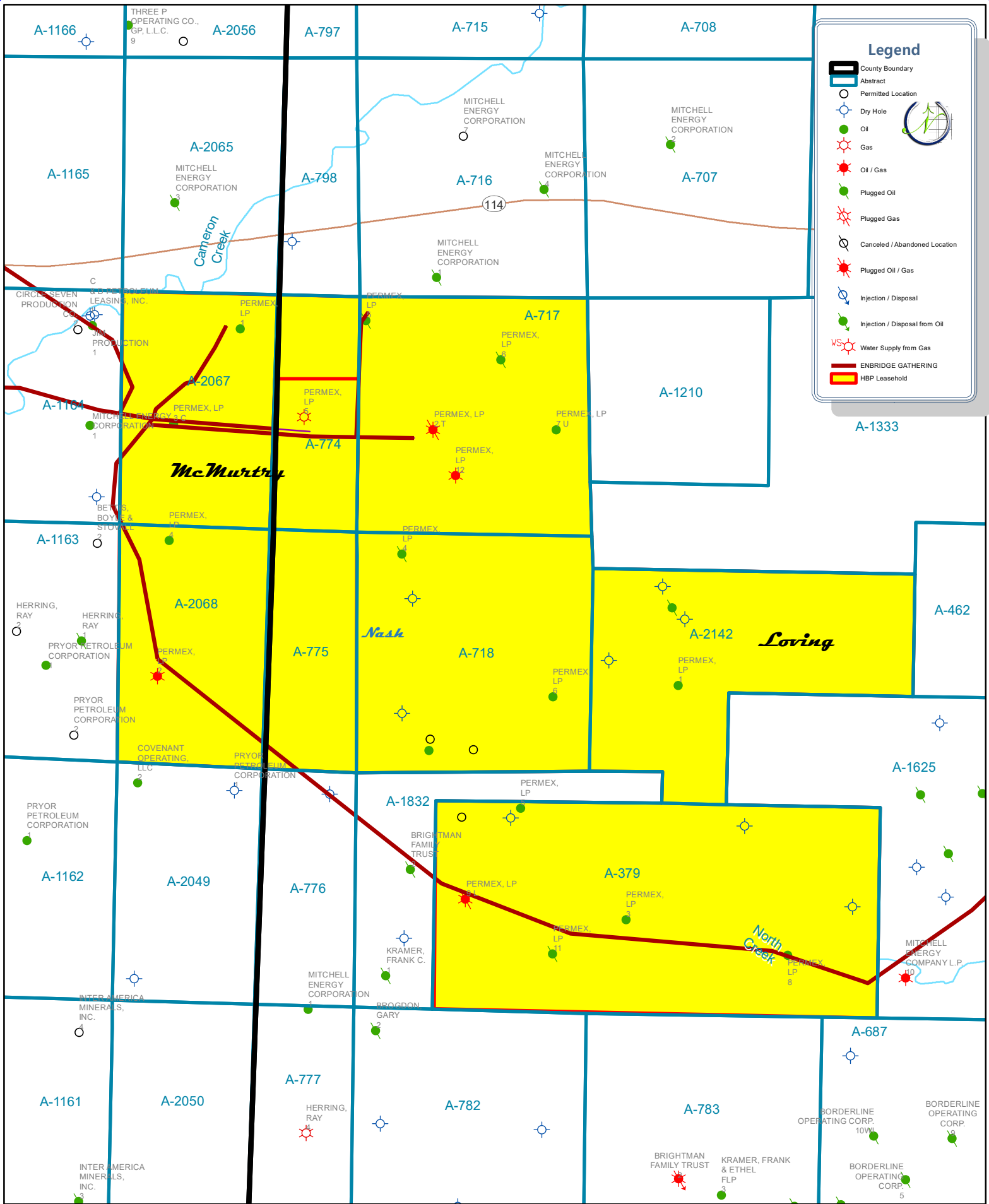
Well Type

- INJECTOR
- PRODUCER
- SHUT-IN
- TEMP ABANDONED



ODC San Andres & Taylor

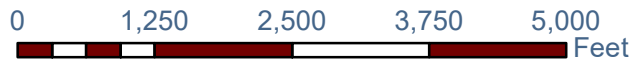




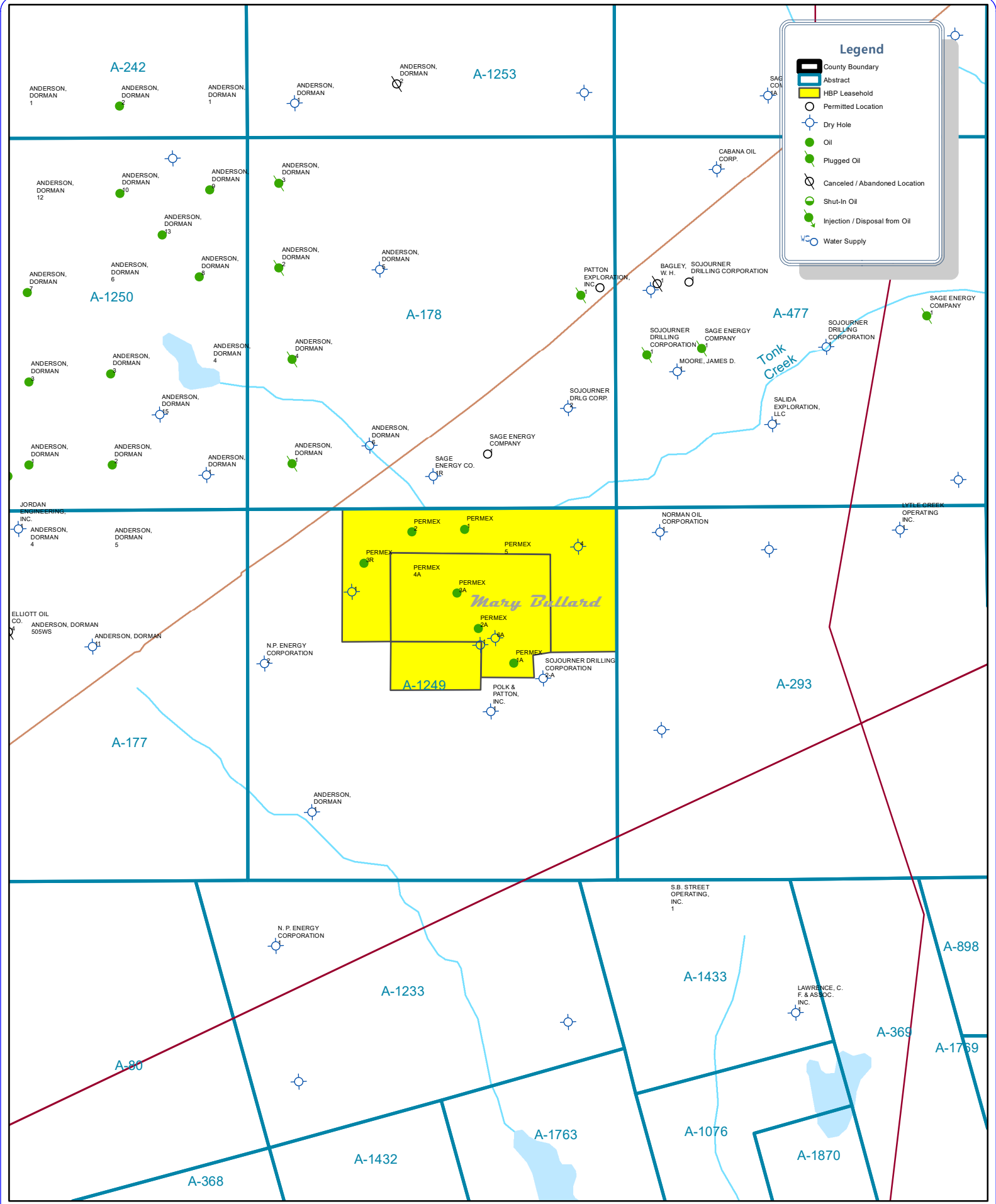
Legend

- County Boundary
- Abstract
- Permitted Location
- Dry Hole
- Oil
- Gas
- Oil / Gas
- Plugged Oil
- Plugged Gas
- Plugged Oil / Gas
- Canceled / Abandoned Location
- Injection / Disposal
- Injection / Disposal from Oil
- Water Supply from Gas
- ENBRIDGE GATHERING
- HBP Leasehold

McMurtry & Loving

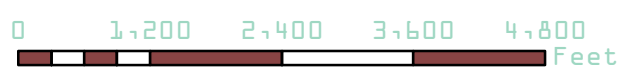


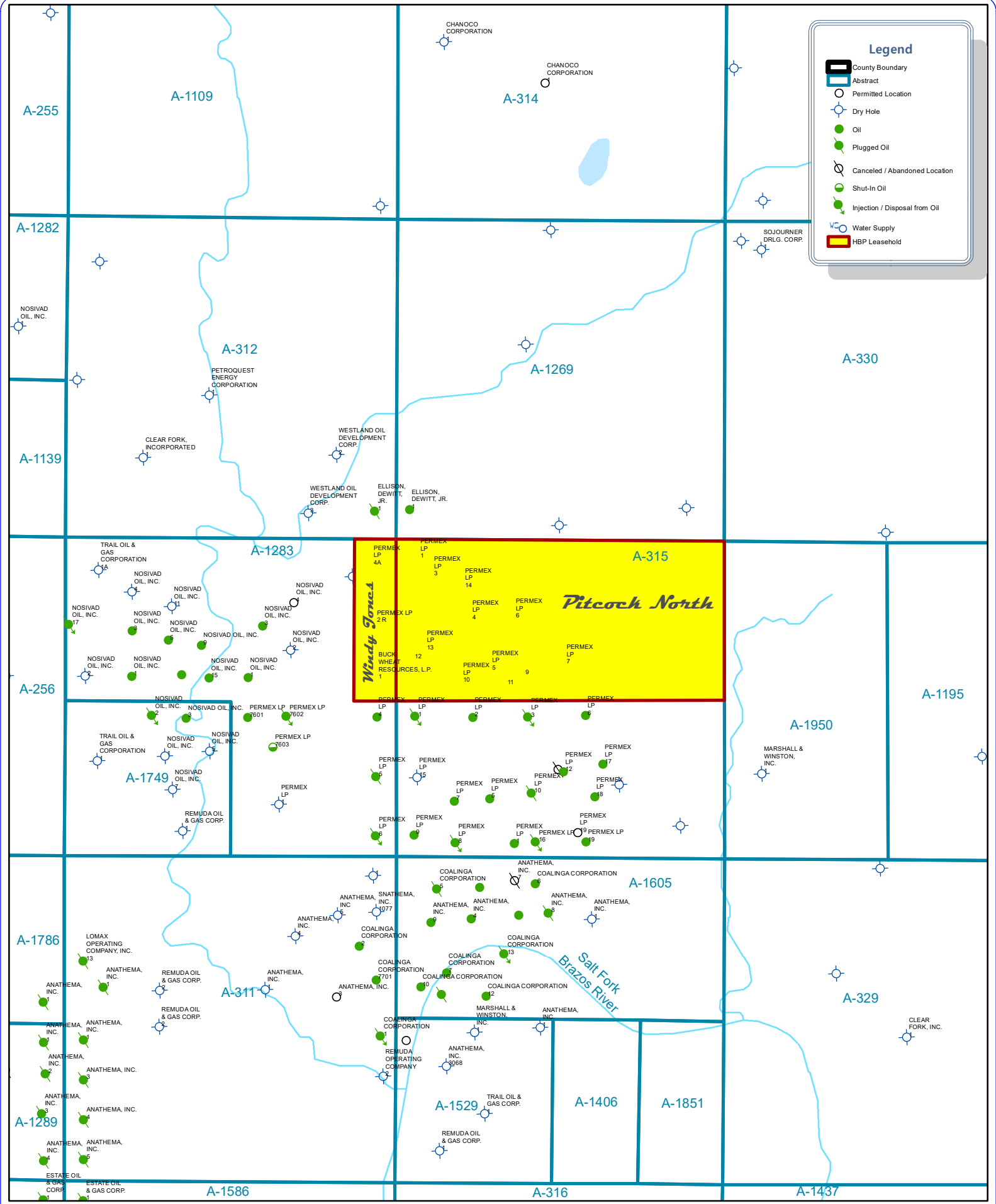
Jack & Young Counties, Texas

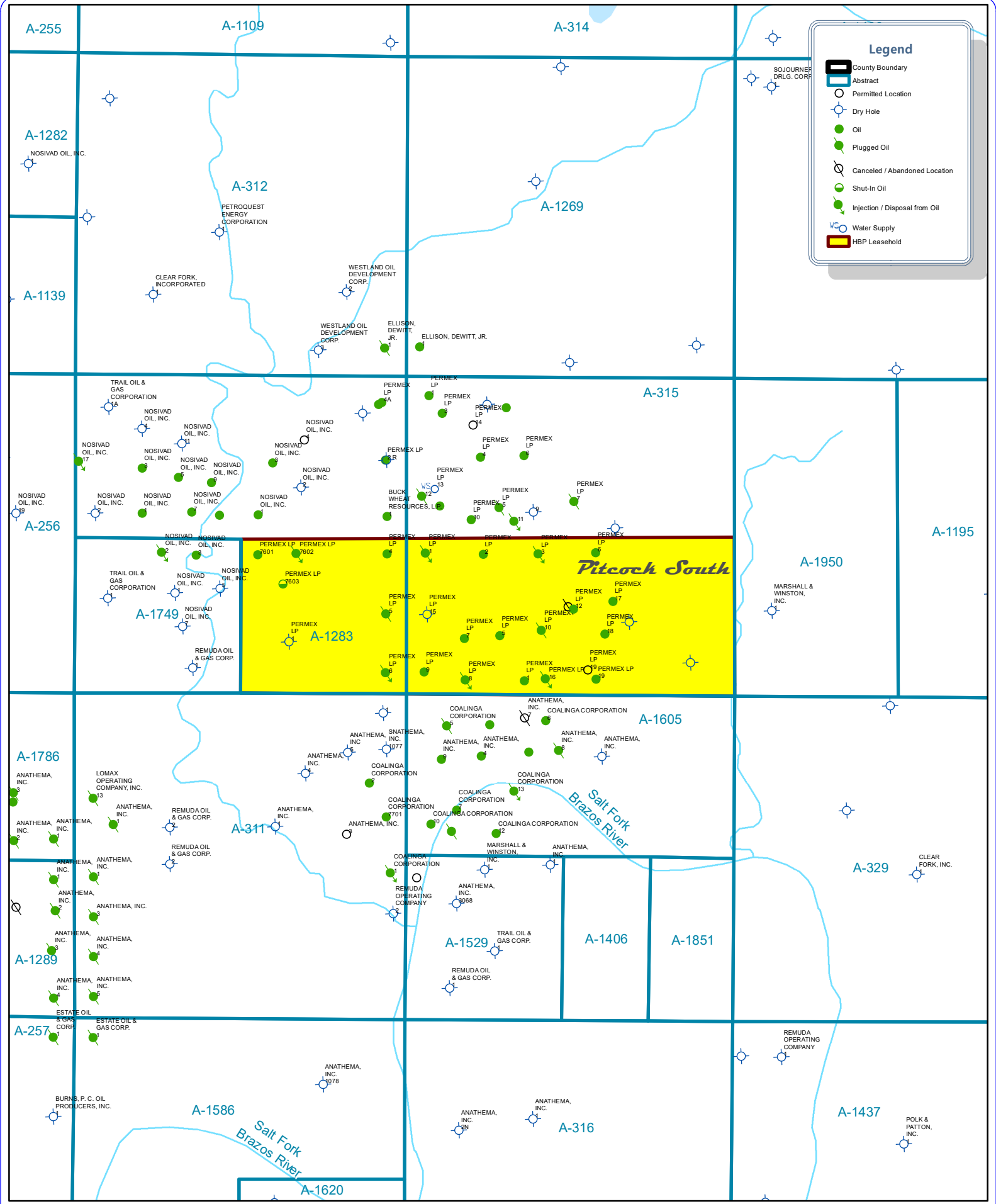


Mary Bullard

Stonewall County, Texas





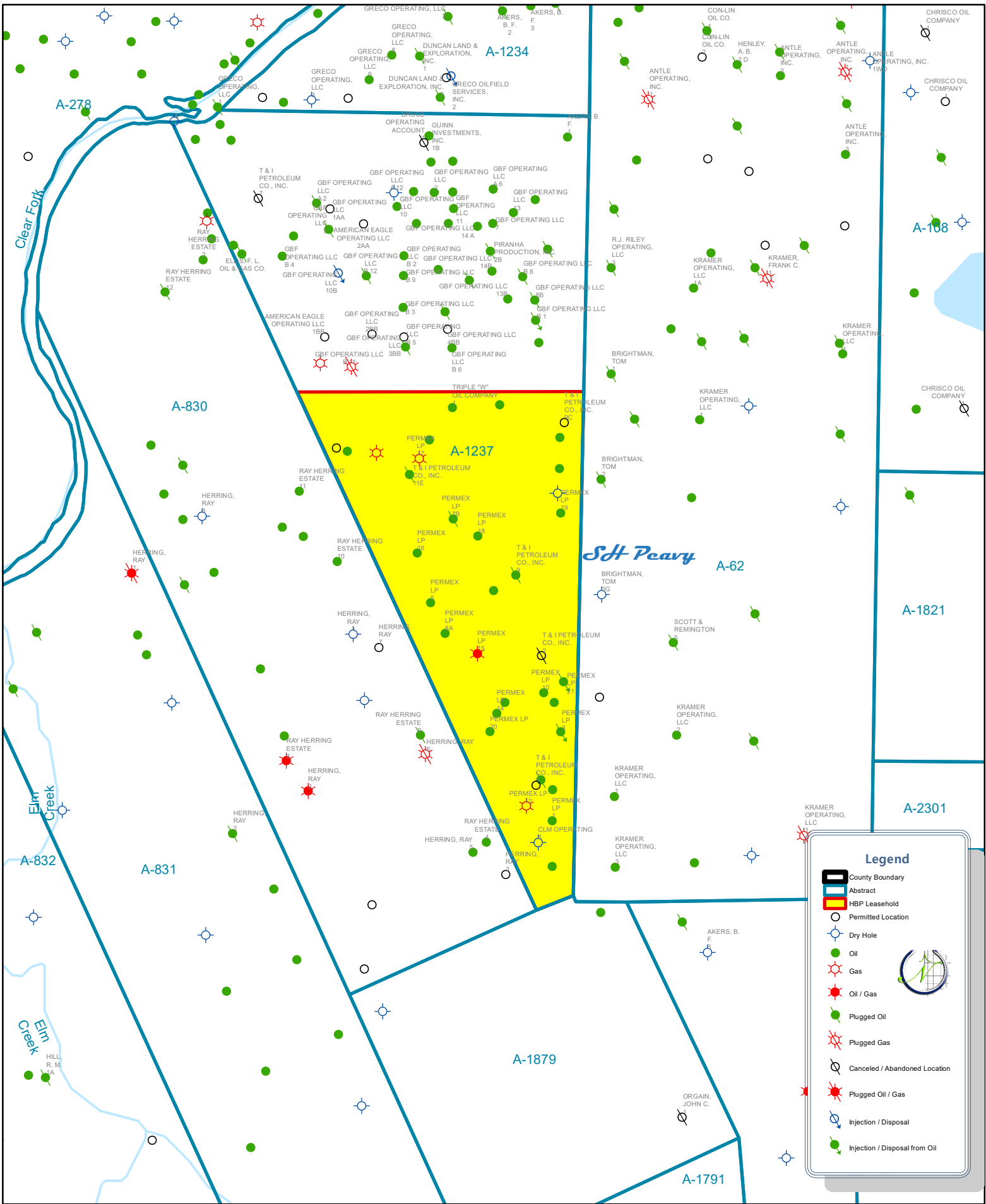


Pitcock South



PERMEX PETROLEUM CORPORATION

Stonewall County, Texas



Legend

- County Boundary
- Abstract
- HBP Leasehold
- Permitted Location
- Dry Hole
- Oil
- Gas
- Oil / Gas
- Plugged Oil
- Plugged Gas
- Canceled / Abandoned Location
- Plugged Oil / Gas
- Injection / Disposal
- Injection / Disposal from Oil

S.H. Peavy

Young County, Texas



Geology

GEOLOGICAL DISCUSSION

OXY YATES

The Oxy Yates properties are located in Eddy County, New Mexico in the Delaware basin. Eddy County is in Southeast New Mexico. It is bounded by Chaves County to the north, Otero County to the east, Loving County, Texas to the south, and Lea County to the west. Eddy County covers 4,198 square miles.

The Oxy Yates properties cover 680 acres HBP. Current production is from the Yates sand of Permian age and is 50 to 60 feet thick. It is located at an average depth of 1,200 feet. The Yates formation overlies the Seven River formation and underlies the Tansill formation.

The Oxy Yates Fed wells were drilled in the late 1990s and early 2000s. Currently, there are eight producing wells and two shut-in wells, producing 0 BO/day and 15 MCF/day.

Permex plans to optimize production from the lease through acid treatments, clean-out of the wellbores and downhole pump replacements. Also, Permex will be evaluating the results of 10 acre downspacing in the Yates formation on the lands one mile to the east in order to start a drill program on the field within the Yates sands.

GEOLOGICAL DISCUSSION

WEST HENSHAW UNIT

The West Henshaw Unit is located in Eddy County, New Mexico in the Delaware basin. Eddy County is in Southeast New Mexico. It is bounded by Chaves County to the north, Otero County to the east, Loving County, Texas to the south, and Lea County to the west. Eddy County covers 4,198 square miles. The Unit is 12 miles northeast of Loco Hills, New Mexico.

The West Henshaw Unit covers 1,880 acres HBP. Current production is from the Premier or basal Grayburg sand of Permian age. It is located at an average depth of 2,850 feet. The producing reservoir is a stratigraphic trap. The initial spacing was 40 acres.

The West Henshaw Premier Unit was formed in January 1, 1966, with Mobil Oil Corporation as the operator. At unitization primary production was 1,735 MBO and included 41 producing oil wells. The waterflood began December 1, 1966 and lasted 14 years. Estimated waterflood production is 2,500 MBO. Currently, there are ten producing wells and four saltwater disposal wells, producing 32.2 BO/day.

The West Henshaw Unit is in the Delaware Basin where deeper potential in the Bone Springs and Wolfcamp zones are exploited. Several of the better target zones occur in the Northern Delaware Basin, e.g., Wolfcamp A-X, Y and Z sand intervals. The Bone Springs are also best developed in the Northern Delaware Basin.

Permex plans to restore production from the current producing wells, while stimulating the wells with acid treatments. Permex also plans to explore and develop the Bone Springs and lower Wolfcamp potential on the West Henshaw Unit by drilling ten wells on the acreage in addition to the plans to drill additional Premier sand wells. Permex plans to downspace the West Henshaw to 10 acres for the Premier sand.

GEOLOGICAL DISCUSSION

ODC SAN ANDRES UNIT AND W.J. "A" TAYLOR LEASE

Gaines County is on the southern plains of West Texas. It is bounded on the east by Dawson County, on the south by Andrews County, on the west by New Mexico, and on the north by Yoakum and Terry Counties. The county seat is approximately 80 miles southwest of Lubbock. Gaines County covers 1,489 square miles. Oil was discovered in the county in 1936.

The ODC (San Andres) Field was discovered in 1957 at a depth of approximately 5,450 feet. Currently there are 35 active oil wells and 15 water injection wells. Daily production is 125 BO. The San Andres formation contains lenticular, discontinuous porosity and pay intervals of dolomite, anhydrite and siltstones. The ODC San Andres Unit was formed and the waterflood began in 1969. The ODC San Andres Unit covers 1,226 acres HBP. Cumulative production from the field is 4,420 MBO and 1,477 MMCF. Current well spacing is 20 acres per well.

The W. J. "A" Taylor lease was drilled in 1970 and cumulative Devonian production is 1,153MBO. There is currently one active oil well and one water supply well, producing 35 BO/day.

Permex plans to develop the acreage by drilling infill vertical and horizontal wells for the San Andres, and vertical wells in the Grayburg and Wolfcamp. Drilling was scheduled to begin in late fourth quarter of 2018.

GEOLOGICAL DISCUSSION

MCMURTRY-LOVING LEASES

The McMurtry and Loving leases are located in Young County and Jack County, Texas in North Central Texas. Young County is bounded by Archer County to the north, Jack County to the east, Stephens County to the south and Throckmorton County to the west. Young County covers 931 square miles. Jack County is bounded by Archer, Clay, and Montague Counties to North, Young County to the west, Palo Pinto and Parker Counties to the south, and Wise County to the east. Jack County covers 920 square miles.

The McMurtry lease covers 530 net acres in Young County and has three producing wells and two shut-in wells. The Loving Estate lease, located in Jack County, contains 980 net acres. There are two producing wells, six shut-in wells, and a water disposal well. Current production is approximately 1 BO/day. The wells produce from the Marble Falls and Conglomerate zones. The formations are at depths of 4,000 feet.

Permex plans to exploit the large acreage position by in-fill drilling. All of the shut-in wells will be returned to production, perforate and open the Caddo formation in anticipation of the initiation of a full scale water flood enhanced oil recovery on the acreage. The Caddo formation in this area is a good water flood zone. Permex also plans to drill five wells on the acreage and convert one additional well into a salt water disposal well.

GEOLOGICAL DISCUSSION

MARY BULLARD LEASE

Stonewall County is in Northwest Texas, in the central part of the North Central Plains. It is bounded on the north by King County, on the east by Haskell County, on the south by Fisher and Jones Counties, and on the west by Kent County. The county seat is approximately 60 miles north-northwest of Abilene. Stonewall County covers 926 square miles.

The Bullard lease covers 241 acres HBP and is productive in the Clearfork formation at a depth of approximately 3,200 feet. The productive Clearfork horizons are the Upper and Lower Tannehill. The Tannehill sands, Upper and Lower, are channel deposits trending from east to west. Typical characteristics are high permeability and high porosity medium to coarse grained sands with minimal amounts of calcite cementation. They are water drive reservoirs with excellent waterflood potential.

The Bullard lease was drilled in 1980 and cumulative production from the Tannehill is 177 MBO and 28 MMCF. There is currently one producing well, four shut-in wells, and two water injection wells. Daily production is 9.7 BO/day.

Permex plans to return the four shut-in wells to production and drill three new wells before initiating a waterflood project on the lease.

GEOLOGICAL DISCUSSION

PITTCOCK NORTH LEASE

Stonewall County is in Northwest Texas, in the central part of the North Central Plains. It is bounded on the north by King County, on the east by Haskell County, on the south by Fisher and Jones Counties, and on the west by Kent County. The county seat is approximately 60 miles north-northwest of Abilene. Stonewall County covers 926 square miles.

The Pittcock North lease covers 320 acres HBP and is productive in the Clearfork formation at a depth of approximately 2,900 feet. The productive Clearfork horizons are the Upper and Lower Tannehill.

The Pittcock North lease was drilled in 1982 and cumulative production from the Tannehill is 239 MBO and 20 MMCF. There are currently six producing wells, four shut-in wells, two saltwater disposal wells, and a water injection well. Daily production is 21 BO.

Permex initiated a waterflood EOR as of February 2016. The waterflood was designed to move water across the lease west to east towards a shale pinch-out in the Northeast part of the lease. The plans are to increase the daily water injection to a total of 1000 BW, re-enter four shut-in wells and drill eight new wells.

GEOLOGICAL DISCUSSION

PITTCOCK SOUTH LEASE

Stonewall County is in Northwest Texas, in the central part of the North Central Plains. It is bounded on the north by King County, on the east by Haskell County, on the south by Fisher and Jones Counties, and on the west by Kent County. The county seat is approximately 60 miles north-northwest of Abilene. Stonewall County covers 926 square miles.

The Pittcock South lease covers 498 acres in four tracts and is productive in the Clearfork formation at a depth of approximately 2,900 feet. The productive Clearfork horizons are the Upper and Lower Tannehill which consist of dolomites, anhydrites and silts.

The Pittcock South lease was drilled in 1996 and cumulative production from the Tannehill is 270 MBO. There are currently eight producing wells, eleven shut-in wells, and two saltwater disposal wells. Daily production is averaging 6 BO/day.

Permex plans to re-enter eleven shut-in wells and drill twelve new wells. All wells will be completed in the Upper and Lower Tannehill. Also, Permex plans to initiate a waterflood on the acreage, as the reservoir is similar and contiguous to the Pittcock North lease.

GEOLOGICAL DISCUSSION

S. H. PEAVY LEASE

The S. H. Peavy lease is located in Young County, Texas in the Permian basin. Young County is in North Central Texas. It is bounded by Archer County to the north, Jack County to the east, Stephens County to the south, and Throckmorton County to the west. Young County covers 931 square miles. The county seat is approximately 55 miles south of Wichita Falls and 65 miles northwest of Fort Worth.

The Peavy lease covers 160 acres HBP and is productive in the Marble Falls, Conglomerate, Caddo Limestone, and other members within the Pennsylvanian Strawn formation. The formations are at depths from 2,000 feet to 4,200 feet.

The Peavy lease was drilled in 1988 and cumulative production from the Conglomerate formation is 60 MBO and 415 MMCF. There are currently nine producing wells, four shut-in wells, and one saltwater disposal well, producing 4.9 BO/day and 27 MCF/day.

Permex plans to develop the Strawn sands that are up-hole across the entire lease. Initially, three shut-in wells will be recompleted to the Strawn, five new wells will be drilled, and one well converted to a salt water disposal/injection well. A waterflood enhanced oil recovery is also planned for the Strawn.

Appendix

1.3.8 DEFINITIONS OF RESERVES

The following Reserves definitions and guidelines are designed to assist evaluators in making Reserves estimates on a reasonably consistent basis and assist users of evaluation reports in understanding what such reports contain and, if necessary, in judging whether evaluators have followed generally accepted standards. The guidelines outline:

- general criteria for classifying Reserves,
- procedures and methods for estimating Reserves,
- confidence levels of individual entity and aggregate Reserves estimates,
- verification and testing of Reserves estimates.

The following definitions apply to both estimates of individual Reserves entities and the aggregate of Reserves for multiple entities.

1.3.8.1 RESERVES CATEGORIES

Reserves are categorized according to the probability that at least a specific volume will be produced. In a broad sense, Reserves categories reflect the following expectations regarding the associated estimates:

<u>Reserves Category</u>	<u>Confidence Characterization</u>
Proved (1P)	Low Estimate, Conservative
Proved + Probable (2P)	Best Estimate
Proved + Probable + Possible (3P)	High Estimate, Optimistic

1.3.8.1.1 PROVED RESERVES

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

1.3.8.1.2 PROBABLE 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 + Probable Reserves.

1.3.8.1.3 POSSIBLE RESERVES

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

Stand-alone Possible Reserves may be assigned to a property for which no Proved or Probable Reserves volumes have been assigned but would be rare. Circumstances for doing so could include any one or more of the following:

- Project economics are such that no Proved or Probable Reserves can be assigned, but on a Proved + Probable + Possible Reserves basis, the project is economically viable, and a development decision has been made (e.g., adding compression, expanding facilities, offshore development of a structure delineated mainly with seismic with only limited well control).
- Only minor expenditure is required to develop the Possible Reserves and development is likely to proceed in the near future (e.g., behind-pipe zones in a well, which have Proved or Probable Reserves in another interval).
- Possible Reserves may be assigned to an accumulation that is being evaluated if Proved or Probable Reserves have been assigned to an adjacent part of the same accumulation that is not part of the evaluation for which a report is being prepared.

In all these situations, there should be an intention to develop the stand-alone Possible Reserves within a reasonable time. A report should contain an explanation of the reason for the assignment of stand-alone Possible Reserves.

1.3.8.2 DEVELOPMENT AND PRODUCTION STATUS

1.3.8.2.1 DEVELOPED RESERVES

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 (e.g., when compared to the cost of drilling and completing a well) to put the Reserves on production. The developed category may be sub-divided into Producing and Non-Producing.

- **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.

- **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.

1.3.8.2.2 UNDEVELOPED RESERVES

Undeveloped Reserves are those Reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling and completing a well) is required to render them capable of production. They must fully meet the requirements of the Reserves category (Proved, Probable, Possible) to which they are assigned and expected to be developed within a limited time (see Section 1.4.7.2.1.8 – *Timing of Production and Development*).

In multi-well pools, it may be appropriate to allocate total pool Reserves between the Developed and Undeveloped Sub-classes or to sub-divide the Developed Reserves for the pool between Developed Producing and Developed Non-Producing. This allocation should be 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.

1.3.8.3 LEVELS OF CERTAINTY FOR REPORTED RESERVES

The qualitative certainty levels contained in the definitions are applicable to “individual Reserves entities”, which refers to the lowest level that Reserves calculations are performed, and to “Reported Reserves”, which refers to the highest-level sum (aggregated quantity) of individual entity estimates for which Reserves estimates are presented. Reported Reserves should target the following levels of certainty under a specific set of economic conditions.

- At least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated Proved Reserves.
- At least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved + Probable Reserves.
- At least 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved + Probable + Possible Reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various Reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, most Reserves estimates are prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods. Additional clarification of certainty levels associated with Reserves estimates and the effect of aggregation is provided in Section 5.7.1.6 *The Portfolio Effect*.

Appendix II

Oil and Natural Gas Reserves and Net Present Value of Future Net Revenue

The aggregate gross and net reserves data set forth below is based upon an evaluation by MKM Engineering with an effective date of September 30, 2018. The reserves data summarizes the oil, NGL, and natural gas reserves of Permex Petroleum Corporation and the net present values of future net revenue for these reserves using forecast prices and costs as well the aggregate net present value of future net revenue attributable to the reserves, calculated without discount and using discount rates of 5%, 10%, 15% and 20%. The MKM report has been prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook and the reserve definitions contained in NI 51-101.

Summary of Oil and Gas Reserves Forecast Prices and Costs

Reserves Category	Light and Medium Oil		Natural Gas		Natural Gas Liquids	
	Gross (Mbbl)	Net (Mbbl)	Gross (MMcf)	Net (MMcf)	Gross (Mbbl)	Net (Mbbl)
PROVED						
Developed Producing	1,397	646	291	111	0	0
Developed Non-Producing	455	277	49	17	0	0
Undeveloped	6,510	3,343	1,740	677	0	0
TOTAL PROVED	8,362	4,266	2,080	805	0	0
PROBABLE	4,742	3,431	10,325	7,438	0	0
TOTAL PROVED PLUS PROBABLE	13,104	7,697	12,405	8,243	0	0

Net Present Values of Future Net Revenues Forecast Prices and Costs

Reserves Category	Before Income Taxes Discounted at (% / year) ⁽¹⁾				
	0% (\$US thousands)	5% (\$US thousands)	10% (\$US thousands)	15% (\$US thousands)	20% (\$US thousands)
PROVED					
Developed Producing	26,853	16,273	11,296	8,570	6,885
Developed Non-Producing	13,048	9,809	7,658	6,176	5,107
Undeveloped	147,389	89,463	58,153	39,588	27,773
TOTAL PROVED	187,290	115,545	77,107	54,334	39,765
PROBABLE	134,815	87,835	62,272	46,345	35,465
TOTAL PROVED PLUS PROBABLE	322,105	203,380	139,379	100,679	75,230

Reserves Category	After Income Taxes Discounted at (% / year) ⁽¹⁾				
	0% (\$US thousands)	5% (\$US thousands)	10% (\$US thousands)	15% (\$US thousands)	20% (\$US thousands)
PROVED					
Developed Producing	24,163	14,686	10,221	7,774	6,261
Developed Non-Producing	11,730	8,851	6,929	5,602	4,645
Undeveloped	132,646	80,731	52,605	35,891	25,228
TOTAL PROVED	168,539	104,268	69,755	49,267	36,134
PROBABLE	121,315	79,224	56,270	41,937	32,124
TOTAL PROVED PLUS PROBABLE	289,854	183,492	126,025	91,204	68,258

The following tables provide the volume of production of the Permex Petroleum Corporation Properties estimated for 2018:

Estimated Production for 2018

	Forecast Prices & Costs (Undiscounted)	
	Proved Reserves	Proved plus Probable Reserves
2018 Production (Gross)		
Light and Medium Oil(Mbbl)	19	19
Gas(MMcf)	4	4
NGL(Mbbl)	0	0
Mboe*	20	20
2018 Production (Net)		
Light and Medium Oil(Mbbl)	9	9
Gas(MMcf)	2	2
NGL(Mbbl)	0	0
Mboe*	9	9

*Boe conversion ratio of 6 MCF to 1 barrel of crude oil is based on an energy equivalency conversion method.

The following tables detail the benchmark reference prices reflected in the reserves data disclosed above. These pricing assumptions were provided by McDaniel & Associates.

**Summary of Pricing and Inflation Rate Assumptions
As of September 30, 2018
Forecast Prices and Costs**

Year	OIL				NATURAL GAS U.S. Henry Hub (\$US/MMBtu)	EDMONTON LIQUIDS PRICES			
	WTI Cushing (\$US/bbl)	Edmonton Reference (\$Cdn/bbl)	Hardisty 25 ⁰ (\$Cdn/bbl)	Cromer 29 ⁰ (\$Cdn/bbl)		Pentanes (\$Cdn/bbl)	Butane (\$Cdn/bbl)	Propane (\$Cdn/bbl)	Inflation Rate %/Year
Forecast:									
2018	70.00				3.00				2.0
2019	70.00				3.25				2.0
2020	70.00				3.40				2.0
2021	70.20				3.45				2.0
2022	71.60				3.55				2.0
2023	73.10				3.60				2.0
2024	74.50				3.70				2.0
2025	76.00				3.75				2.0
2026	77.50				3.85				2.0
2027	79.10				3.90				2.0
2028	80.70				4.00				2.0
Thereafter	2%/yr				2%/yr				2.0

Permex Petroleum Corp.

Total Future Net Revenue Undiscounted as at September 30, 2018

Forecast Prices and Costs

Reserves Category	Revenue (US\$)	Royalties (US\$)	Operating Costs (US\$)	Development Costs (US\$)	Abandonment and Reclamation Costs (US\$)	Future Net Revenue Before Tax (US\$)	Income Tax (US\$)	Future Net Revenue After Tax (US\$)
Total Proved	622,835,210	306,014,800	84,292,620	38,113,090	7,125,240	187,289,460	18,750,300	168,539,160
Proved + Probable	971,275,820	397,131,060	153,791,650	90,158,280	8,090,660	322,104,170	32,249,470	289,854,700

Permex Petroleum Corp.

**Total Future Net Revenue (NPV discounted at 10%, by Production Group)
As at September 30, 2018
Forecast Prices and Costs**

United States

Reserves Category	Light and Medium Oil		Natural Gas	
	\$US thousands	Unit Value (US\$/bbl)	\$US thousands	Unit Value (US\$/Mcf)
Proved				
Developed Producing	11,211	17.35	84	0.76
Developed Non-Producing	7,657	27.60	23	1.38
Proved Undeveloped	57,531	17.21	622	0.92
Total Proved	76,377	17.90	752	0.93
Total Probable Reserves	55,575	16.20	6,697	0.90
Total Proved Plus Probable	131,932	17.14	7,468	0.91

Permex Petroleum Corp.

**ESTIMATED FUTURE
DEVELOPMENT COSTS
AS AT SEPTEMBER 30, 2018**

FORECAST PRICES AND COSTS

Year Ended December 31	Proved Reserves (US\$)	Proved Plus Probable Reserves (US\$)
2018	209,900	209,900
2019	11,213,880	31,800,060
2020	9,051,290	30,011,860
2021	7,289,040	17,787,480
2022	7,417,040	7,417,040
2023	1,820,000	1,820,000
2024	1,111,940	1,111,940
Total	38,113,090	90,158,280

Permex Petroleum Corp.

**ESTIMATED FUTURE
ABANDONMENT AND
RECLAMATION COSTS
AS AT SEPTEMBER 30, 2018**

FORECAST PRICES AND COSTS

Year Ended December 31	Proved Reserves (US\$)	Proved Plus Probable Reserves (US\$)
2018	0	0
2019	61,600	43,360
2020	0	3,090
2021	3,170	3,170
2022	0	0
2023	66,070	22,020
2024	0	6,750
Thereafter	6,994,400	8,012,270
Total	7,125,240	8,090,660

Permex Petroleum Corp.

PROVED UNDEVELOPED RESERVES

Period	Light and Medium Oil (Mbbbl)		Natural Gas MMcf)	
	First Attributed	Cumulative at Year End	First Attributed	Cumulative at Year End
Period Ended 30-Sep-18	6,510	3,343	1,740	677

PROBABLE UNDEVELOPED RESERVES

Period	Light and Medium Oil (Mbbbl)		Natural Gas MMcf)	
	First Attributed	Cumulative at Year End	First Attributed	Cumulative at Year End
Period Ended 30-Sep-18	4,587	3,309	10,253	7,382

September 30, 2018

MKM Engineering
3905 Sagamore Hill Court
Plano, Texas
75025

Dear Madam:

Re: Company Representation Letter

Regarding the evaluation of our Company's oil and gas reserves (one report) and independent appraisal of the economic value of these reserves for the period ended September 30, 2018, (the effective date), we herein confirm to the best of our knowledge and belief as of the effective date of the reserves evaluation, and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

1. We, Permex Petroleum Corporation, (the Client) have made available to you, MKM Engineering (the Evaluator) certain records, information, and data relating to the evaluated properties that we confirm is, with the exception of immaterial items, complete and accurate as of the effective date of the reserves evaluation, including the following:
 - Accounting, financial, tax and contractual data
 - Asset ownership and related encumbrance information;
 - Details concerning product marketing, transportation and processing arrangements;
 - All technical information including geological, engineering and production and test data;
 - Estimates of future abandonment and reclamation costs.
2. We confirm that all financial and accounting information provided to you is, to the best of our knowledge, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.
3. We confirm that our Company has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.
4. With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes,

terminations, and additions to these arrangements that could reasonably be expected to have a material effect on the evaluation of our Company's reserves and future net revenues.

5. With the possible exception of items of an immaterial nature, we confirm the following as of the effective date of the evaluation:
- For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods that have been used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
 - All regulatory, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
 - Except as disclosed to you, the producing trend and status of each evaluated well or entity in effect throughout the three-month period preceding the effective date of the evaluation are consistent with those that existed for the same well or entity immediately prior to this three-month period.
 - Except as disclosed to you, we have no plans or intentions related to the ownership, development or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of reserves from the evaluated properties.
 - If material changes of an adverse nature occur in the Company's operating performance subsequent to the effective date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of reserves information.
6. We hereby confirm that our Company is in material compliance with all Environmental Laws and does not have any Environmental Claims pending.

Between the effective date of the report and the date of this letter, nothing has come to our attention that has materially affected or could affect our reserves and economic value of these reserves that has not been disclosed to you.

Yours very truly,



President and Chief Executive Officer



Chief Operating Officer, Director

LIST OF ECONOMIC TABLES

Table No.

Summary Economic Analysis Cash Flow

Forecast Price

Total Proved + Probable	1
Proved Developed Producing	2
Proved Non-Producing	3
Proved Shut-In	4
Proved Undeveloped	5
Total Proved.....	6
Probable Producing.....	7
Probable Non-Producing.....	8
Probable Undeveloped.....	9
Total Probable.....	10

Tabular Summary of Economic Analysis

All Reserve Categories – Forecast Price.....	11
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Gross Ultimate Reserves, Cumulative Production and Basic Economic Data

All Reserve Categories – Forecast Price.....	12
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Cashflow Summaries

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Total Proved + Probable

MKM Engineering

TABLE 1

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	104	18.88	0.00	4.28	8.58	0.00	2.03	56.65	0.00	2.77
2019	206	606.94	0.00	1,190.59	419.31	0.00	850.76	58.84	0.00	3.24
2020	262	1,170.06	0.00	2,175.89	799.31	0.00	1,549.12	59.19	0.00	3.39
2021	293	1,323.91	0.00	2,263.41	871.30	0.00	1,595.90	59.40	0.00	3.44
2022	324	1,073.99	0.00	1,213.29	667.07	0.00	829.40	61.24	0.00	3.53
2023	335	953.36	0.00	813.00	560.94	0.00	533.00	63.06	0.00	3.57
2024	341	867.68	0.00	634.77	482.87	0.00	397.78	64.86	0.00	3.65
2025	340	720.60	0.00	492.99	400.23	0.00	305.59	66.25	0.00	3.70
2026	340	604.50	0.00	395.13	338.05	0.00	244.29	67.52	0.00	3.79
2027	340	523.30	0.00	328.10	293.47	0.00	202.07	68.89	0.00	3.84
2028	338	463.26	0.00	280.04	260.03	0.00	171.73	70.26	0.00	3.94
2029	338	413.46	0.00	242.36	232.01	0.00	147.99	71.63	0.00	3.98
2030	335	374.67	0.00	213.50	210.15	0.00	129.83	72.99	0.00	4.08
2031	335	342.11	0.00	190.32	191.65	0.00	115.27	74.44	0.00	4.17
2032	324	314.58	0.00	171.77	175.87	0.00	103.63	75.90	0.00	4.22
Sub-T		9,771.28	0.00	10,609.46	5,910.83	0.00	7,178.38	64.15	0.00	3.53
After		3,332.81	0.00	1,794.48	1,787.19	0.00	1,064.34	91.88	0.00	5.08
Total		13,104.10	0.00	12,403.94	7,698.02	0.00	8,242.71	70.59	0.00	3.73
Cum. Ult.		7,618.63	0.00	5,870.25						
		20,722.72	0.00	18,274.19						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ---- M\$ ----	NGL ---- M\$ ----	Gas ---- M\$ ----	Other ---- M\$ ----	Total ---- M\$ ----	Prod Tax ---- M\$ ----	Adv Tax ---- M\$ ----	
2018	486.06	0.00	5.63	0.00	491.69	24.71	14.44	452.54
2019	24,670.84	0.00	2,760.68	0.00	27,431.52	1,774.22	1,182.74	24,474.56
2020	47,313.94	0.00	5,259.21	0.00	52,573.15	3,407.23	2,266.81	46,899.11
2021	51,756.56	0.00	5,494.12	0.00	57,250.68	3,713.13	2,466.49	51,071.06
2022	40,850.47	0.00	2,930.18	0.00	43,780.64	2,727.86	1,787.98	39,264.80
2023	35,375.74	0.00	1,902.75	0.00	37,278.49	2,250.50	1,455.75	33,572.29
2024	31,321.63	0.00	1,453.89	0.00	32,775.52	1,918.52	1,221.30	29,635.69
2025	26,514.36	0.00	1,130.40	0.00	27,644.75	1,604.75	1,018.55	25,021.46
2026	22,825.40	0.00	927.00	0.00	23,752.40	1,374.85	872.54	21,505.01
2027	20,218.18	0.00	776.08	0.00	20,994.26	1,211.52	768.67	19,014.07
2028	18,270.68	0.00	675.90	0.00	18,946.58	1,090.77	691.89	17,163.92
2029	16,617.66	0.00	589.28	0.00	17,206.94	988.77	627.23	15,590.94
2030	15,339.39	0.00	529.31	0.00	15,868.70	910.33	577.41	14,380.96
2031	14,267.29	0.00	480.93	0.00	14,748.23	845.11	536.13	13,366.98
2032	13,348.02	0.00	437.17	0.00	13,785.19	789.61	500.54	12,495.04
Sub-T	379,176.22	0.00	25,352.52	0.00	404,528.75	24,631.83	15,988.47	363,908.44
After	164,208.75	0.00	5,407.26	0.00	169,616.01	9,948.06	6,347.29	153,320.66
Total	543,384.98	0.00	30,759.78	0.00	574,144.76	34,579.89	22,335.76	517,229.10

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ---- M\$ ----	Net Investments ---- M\$ ----	Trans. Costs ---- M\$ ----	Net Profits ---- M\$ ----	Undiscounted Annual ---- M\$ ----	Undiscounted Cumulative ---- M\$ ----	Discounted Ann @ 10.00% ---- M\$ ----	Disc. Cum. Annual @ 10.00% ---- M\$ ----
2018	114.77	209.90	0.00	0.00	127.87	127.87	127.83	127.83
2019	884.27	31,843.41	0.00	0.00	-8,253.13	-8,125.25	-8,203.60	-8,075.77
2020	1,492.04	30,014.96	0.00	0.00	15,392.11	7,266.86	12,553.58	4,477.81
2021	1,893.15	17,790.64	0.00	0.00	31,387.27	38,654.13	23,621.99	28,099.80
2022	2,117.23	7,417.04	0.00	0.00	29,730.54	68,384.66	20,495.79	48,595.60
2023	2,295.07	1,842.02	0.00	0.00	29,435.19	97,819.85	18,362.58	66,958.18
2024	2,430.12	1,118.68	0.00	0.00	26,086.89	123,906.74	14,718.01	81,676.19
2025	2,499.49	0.00	0.00	0.00	22,521.97	146,428.71	11,516.52	93,192.71
2026	2,549.44	0.00	0.00	0.00	18,955.57	165,384.28	8,772.14	101,964.86
2027	2,597.44	0.00	0.00	0.00	16,416.63	181,800.91	6,876.27	108,841.13
2028	2,636.82	3.62	0.00	0.00	14,523.48	196,324.38	5,505.65	114,346.78
2029	2,679.33	0.00	0.00	0.00	12,911.61	209,235.99	4,430.02	118,776.80
2030	2,727.38	8.70	0.00	0.00	11,644.89	220,880.88	3,616.49	122,393.29
2031	2,736.87	0.00	0.00	0.00	10,630.11	231,511.00	2,988.44	125,381.73
2032	2,716.22	0.00	0.00	0.00	9,778.82	241,289.82	2,488.43	127,870.17
Sub-T	32,369.66	90,248.97	0.00	0.00	241,289.82	241,289.82	127,870.17	127,870.17
After	64,506.35	7,999.96	0.00	0.00	80,814.35	80,814.35	11,508.44	11,508.44
Total	96,876.00	98,248.93	0.00	0.00	322,104.17	322,104.17	139,378.60	139,378.60

Present Worth Profile (M\$)

PW 5.00% :	203,381.44
PW 8.00% :	160,881.05
PW 10.00% :	139,378.60
PW 12.00% :	121,756.41
PW 15.00% :	100,678.61
PW 20.00% :	75,230.03

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Proved Rsv Class
Producing Rsv Category

MKM Engineering

TABLE 2

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	74	18.98	0.00	3.77	8.66	0.00	1.64	56.73	0.00	2.71
2019	62	82.60	0.00	21.33	40.91	0.00	9.09	57.73	0.00	2.81
2020	59	79.50	0.00	19.33	39.46	0.00	8.01	57.78	0.00	2.78
2021	55	74.29	0.00	16.94	36.49	0.00	6.59	57.74	0.00	2.65
2022	53	69.96	0.00	16.06	34.06	0.00	6.25	58.75	0.00	2.73
2023	45	65.07	0.00	15.24	31.22	0.00	5.92	59.78	0.00	2.76
2024	45	61.98	0.00	14.49	29.59	0.00	5.63	60.84	0.00	2.84
2025	45	58.74	0.00	13.71	27.92	0.00	5.32	61.98	0.00	2.88
2026	45	55.85	0.00	13.00	26.43	0.00	5.04	63.12	0.00	2.95
2027	45	53.08	0.00	12.33	25.01	0.00	4.78	64.34	0.00	2.99
2028	44	50.41	0.00	11.73	23.61	0.00	4.54	65.51	0.00	3.06
2029	44	47.84	0.00	11.09	22.32	0.00	4.29	66.73	0.00	3.10
2030	44	45.50	0.00	10.52	21.13	0.00	4.07	67.93	0.00	3.18
2031	43	43.31	0.00	9.98	20.05	0.00	3.86	69.23	0.00	3.25
2032	43	41.36	0.00	9.17	19.08	0.00	3.42	70.53	0.00	3.22
Sub-T		848.44	0.00	198.69	405.94	0.00	78.46	61.88	0.00	2.90
After		548.96	0.00	92.13	240.39	0.00	32.21	88.08	0.00	3.73
Total		1,397.41	0.00	290.82	646.33	0.00	110.67	71.62	0.00	3.14
Cum. Ult.		6,945.90	0.00	3,349.40						
		8,343.30	0.00	3,640.22						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ---- M\$ ----	NGL ---- M\$ ----	Gas ---- M\$ ----	Other ---- M\$ ----	Total ---- M\$ ----	Prod Tax ---- M\$ ----	Adv Tax ---- M\$ ----	
2018	491.46	0.00	4.45	0.00	495.91	24.85	14.50	456.56
2019	2,362.03	0.00	25.51	0.00	2,387.55	121.78	71.81	2,193.96
2020	2,279.59	0.00	22.27	0.00	2,301.86	117.25	69.16	2,115.45
2021	2,106.73	0.00	17.46	0.00	2,124.18	108.38	64.10	1,951.71
2022	2,001.34	0.00	17.02	0.00	2,018.37	103.17	60.93	1,854.27
2023	1,866.13	0.00	16.36	0.00	1,882.49	96.58	56.48	1,729.43
2024	1,800.30	0.00	15.97	0.00	1,816.27	93.24	54.54	1,668.49
2025	1,730.49	0.00	15.29	0.00	1,745.78	89.66	52.47	1,603.66
2026	1,668.57	0.00	14.88	0.00	1,683.45	86.49	50.63	1,546.33
2027	1,609.21	0.00	14.28	0.00	1,623.49	83.45	48.87	1,491.18
2028	1,546.36	0.00	13.92	0.00	1,560.27	80.28	47.05	1,432.94
2029	1,489.18	0.00	13.32	0.00	1,502.49	77.33	45.33	1,379.84
2030	1,435.53	0.00	12.93	0.00	1,448.46	74.51	43.66	1,330.29
2031	1,387.75	0.00	12.55	0.00	1,400.29	72.04	42.22	1,286.03
2032	1,345.45	0.00	11.00	0.00	1,356.45	69.76	40.89	1,245.80
Sub-T	25,120.10	0.00	227.21	0.00	25,347.31	1,298.75	762.64	23,285.92
After	21,172.72	0.00	120.24	0.00	21,292.96	1,108.12	656.44	19,528.39
Total	46,292.81	0.00	347.46	0.00	46,640.27	2,406.87	1,419.08	42,814.32

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ---- M\$ ----	Net Investments ---- M\$ ----	Trans. Costs ---- M\$ ----	Net Profits ---- M\$ ----	Undiscounted		Discounted Ann @ 10.00%	Disc. Cum. Annual @ 10.00%
					Annual ---- M\$ ----	Cumulative ---- M\$ ----	---- M\$ ----	---- M\$ ----
2018	117.87	0.00	0.00	0.00	338.69	338.69	334.15	334.15
2019	472.17	69.74	0.00	0.00	1,652.05	1,990.75	1,531.61	1,865.76
2020	454.98	0.00	0.00	0.00	1,660.47	3,651.21	1,395.54	3,261.29
2021	419.41	3.17	0.00	0.00	1,529.12	5,180.33	1,163.25	4,424.54
2022	404.21	0.00	0.00	0.00	1,450.07	6,630.40	998.62	5,423.17
2023	355.69	44.05	0.00	0.00	1,329.69	7,960.09	829.78	6,252.95
2024	362.81	0.00	0.00	0.00	1,305.68	9,265.77	736.79	6,989.74
2025	370.07	0.00	0.00	0.00	1,233.59	10,499.36	630.07	7,619.81
2026	377.46	0.00	0.00	0.00	1,168.86	11,668.22	540.46	8,160.27
2027	383.00	0.00	0.00	0.00	1,108.17	12,776.39	463.86	8,624.13
2028	379.62	0.00	0.00	0.00	1,053.32	13,829.72	399.10	9,023.23
2029	387.21	0.00	0.00	0.00	992.63	14,822.34	340.42	9,363.65
2030	392.61	3.80	0.00	0.00	933.88	15,756.22	289.95	9,653.60
2031	400.13	0.00	0.00	0.00	885.91	16,642.13	248.99	9,902.59
2032	407.20	0.00	0.00	0.00	838.60	17,480.73	213.35	10,115.94
Sub-T	5,684.44	120.76	0.00	0.00	17,480.73	17,480.73	10,115.94	10,115.94
After	8,662.48	1,494.09	0.00	0.00	9,371.82	9,371.82	1,179.64	1,179.64
Total	14,346.92	1,614.85	0.00	0.00	26,852.54	26,852.54	11,295.58	11,295.58

Present Worth Profile (M\$)

PW 5.00% :	16,273.17
PW 8.00% :	12,903.12
PW 10.00% :	11,295.58
PW 12.00% :	10,028.08
PW 15.00% :	8,569.71
PW 20.00% :	6,884.96

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Proved Rsv Class
Non-Producing Rsv Category

MKM Engineering

TABLE 3

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2019	35	31.14	0.00	2.57	20.09	0.00	0.90	63.53	0.00	
2020	35	57.97	0.00	5.96	35.73	0.00	2.08	63.99	0.00	
2021	35	56.13	0.00	7.40	32.40	0.00	2.59	64.56	0.00	
2022	35	43.97	0.00	5.29	26.07	0.00	1.85	65.88	0.00	
2023	35	35.65	0.00	3.93	21.61	0.00	1.38	67.21	0.00	
2024	35	30.12	0.00	3.15	18.49	0.00	1.10	68.46	0.00	
2025	35	25.92	0.00	2.62	16.02	0.00	0.92	69.80	0.00	
2026	35	22.74	0.00	2.25	14.11	0.00	0.79	71.14	0.00	
2027	35	20.19	0.00	1.97	12.56	0.00	0.69	72.57	0.00	
2028	35	18.16	0.00	1.76	11.31	0.00	0.62	74.00	0.00	
2029	35	15.71	0.00	1.58	9.73	0.00	0.55	75.29	0.00	
2030	32	14.02	0.00	1.44	8.65	0.00	0.50	76.64	0.00	
2031	32	12.91	0.00	1.32	7.96	0.00	0.46	78.17	0.00	
2032	32	11.99	0.00	1.22	7.39	0.00	0.43	79.70	0.00	
Sub-T		396.64	0.00	42.47	242.13	0.00	14.85	68.43	0.00	
After		58.11	0.00	6.20	35.28	0.00	2.17	85.50	0.00	
Total		454.75	0.00	48.67	277.41	0.00	17.02	70.60	0.00	
Cum. Ult.		474.80	0.00	2,467.24						
		929.54	0.00	2,515.91						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ---- M\$ ----	NGL ---- M\$ ----	Gas ---- M\$ ----	Other ---- M\$ ----	Total ---- M\$ ----	Prod Tax ---- M\$ ----	Adv Tax ---- M\$ ----	
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	1,276.24	0.00	2.72	0.00	1,278.97	59.08	35.20	1,184.69
2020	2,286.64	0.00	6.60	0.00	2,293.24	105.97	61.55	2,125.72
2021	2,091.64	0.00	8.33	0.00	2,099.96	97.10	55.71	1,947.15
2022	1,717.77	0.00	6.12	0.00	1,723.89	79.69	45.80	1,598.40
2023	1,452.45	0.00	4.62	0.00	1,457.07	67.34	38.81	1,350.92
2024	1,265.70	0.00	3.80	0.00	1,269.50	58.66	33.89	1,176.95
2025	1,118.37	0.00	3.20	0.00	1,121.57	51.82	30.02	1,039.74
2026	1,004.03	0.00	2.82	0.00	1,006.85	46.51	27.02	933.32
2027	911.63	0.00	2.51	0.00	914.13	42.23	24.60	847.31
2028	836.79	0.00	2.29	0.00	839.08	38.76	22.64	777.69
2029	732.34	0.00	2.09	0.00	734.43	33.92	19.95	680.56
2030	662.81	0.00	1.95	0.00	664.76	30.71	18.15	615.90
2031	622.62	0.00	1.83	0.00	624.45	28.84	17.09	578.52
2032	589.12	0.00	1.72	0.00	590.84	27.29	16.21	547.34
Sub-T	16,568.15	0.00	50.59	0.00	16,618.74	767.91	446.62	15,404.21
After	3,016.37	0.00	9.27	0.00	3,025.64	139.74	81.98	2,803.92
Total	19,584.52	0.00	59.87	0.00	19,644.38	907.64	528.60	18,208.13

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ---- M\$ ----	Net Investments ---- M\$ ----	Trans. Costs ---- M\$ ----	Net Profits ---- M\$ ----	Undiscounted		Discounted Ann @ 10.00%	Disc. Cum. Annual @ 10.00%
				Annual	Cumulative			
2018	0.00	40.20	0.00	0.00	-40.20	-40.20	-39.52	-39.52
2019	97.10	273.12	0.00	0.00	814.47	774.27	744.66	705.14
2020	178.17	75.54	0.00	0.00	1,872.01	2,646.28	1,570.82	2,275.96
2021	202.01	17.43	0.00	0.00	1,727.72	4,373.99	1,315.07	3,591.04
2022	208.87	0.00	0.00	0.00	1,389.53	5,763.52	958.22	4,549.26
2023	213.05	0.00	0.00	0.00	1,137.88	6,901.40	710.13	5,259.39
2024	217.31	0.00	0.00	0.00	959.64	7,861.04	542.01	5,801.40
2025	221.66	0.00	0.00	0.00	818.08	8,679.12	418.18	6,219.58
2026	226.09	0.00	0.00	0.00	707.23	9,386.35	327.24	6,546.83
2027	230.61	0.00	0.00	0.00	616.70	10,003.05	258.31	6,805.14
2028	235.23	0.00	0.00	0.00	542.46	10,545.51	205.66	7,010.80
2029	229.71	0.00	0.00	0.00	450.84	10,996.36	154.85	7,165.65
2030	228.80	8.70	0.00	0.00	378.41	11,374.76	117.50	7,283.16
2031	233.37	0.00	0.00	0.00	345.15	11,719.91	97.05	7,380.20
2032	238.05	0.00	0.00	0.00	309.30	12,029.21	78.73	7,458.93
Sub-T	2,960.02	414.98	0.00	0.00	12,029.21	12,029.21	7,458.93	7,458.93
After	1,256.21	367.13	0.00	0.00	1,180.58	1,180.58	221.25	221.25
Total	4,216.23	782.12	0.00	0.00	13,209.78	13,209.78	7,680.18	7,680.18

Present Worth Profile (M\$)

PW 5.00% :	9,851.31
PW 8.00% :	8,445.62
PW 10.00% :	7,680.18
PW 12.00% :	7,021.58
PW 15.00% :	6,192.32
PW 20.00% :	5,121.38

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Proved Rsv Class
 Shut-In Rsv Category

MKM Engineering

TABLE 4

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf----			
2018	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2019	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2020	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2021	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2022	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2023	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2024	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2025	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2026	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2027	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2028	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2029	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2030	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2031	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2032	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Sub-T		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
After		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Cum. Ult.		0.43	0.00	14.09						
Ult.		0.43	0.00	14.09						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		----- Revenue ---
	Oil ---- M\$ ----	NGL ---- M\$ ----	Gas ---- M\$ ----	Other ---- M\$ ----	Total ---- M\$ ----	Prod Tax ---- M\$ ----	Adv Tax ---- M\$ ----	after Sev & Adv ---- M\$ ----
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2024	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2025	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2026	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2027	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2028	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2029	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2030	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2031	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2032	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-T	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
After	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ---- M\$ ----	Net Investments ---- M\$ ----	Trans. Costs ---- M\$ ----	Net Profits ---- M\$ ----	Undiscounted		Discounted Ann @ 10.00%	Disc. Cum. Annual @ 10.00%
					Annual ---- M\$ ----	Cumulative ---- M\$ ----		
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	0.00	7.05	0.00	0.00	-7.05	-7.05	-6.38	-6.38
2020	0.00	0.00	0.00	0.00	0.00	-7.05	0.00	-6.38
2021	0.00	0.00	0.00	0.00	0.00	-7.05	0.00	-6.38
2022	0.00	0.00	0.00	0.00	0.00	-7.05	0.00	-6.38
2023	0.00	22.02	0.00	0.00	-22.02	-29.07	-13.31	-19.70
2024	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2025	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2026	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2027	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2028	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2029	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2030	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2031	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
2032	0.00	0.00	0.00	0.00	0.00	-29.07	0.00	-19.70
Sub-T	0.00	29.07	0.00	0.00	-29.07	-29.07	-19.70	-19.70
After	0.00	132.68	0.00	0.00	-132.68	-132.68	-2.47	-2.47
Total	0.00	161.76	0.00	0.00	-161.76	-161.76	-22.17	-22.17

Present Worth Profile (M\$)

PW 5.00% :	-41.86
PW 8.00% :	-26.70
PW 10.00% :	-22.17
PW 12.00% :	-19.42
PW 15.00% :	-16.78
PW 20.00% :	-13.91

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Proved Rsv Class
 Undeveloped Rsv Category

MKM Engineering

TABLE 5

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2019	80	133.41	0.00	17.45	98.80	0.00	13.15	62.24	0.00	
2020	126	337.59	0.00	51.46	222.54	0.00	27.39	62.26	0.00	
2021	159	456.07	0.00	89.77	270.26	0.00	38.99	62.29	0.00	
2022	192	529.07	0.00	117.18	295.56	0.00	47.26	63.36	0.00	
2023	203	549.90	0.00	138.64	289.21	0.00	53.75	65.05	0.00	
2024	210	540.01	0.00	156.52	264.36	0.00	59.23	67.09	0.00	
2025	210	443.54	0.00	129.29	217.00	0.00	49.06	68.61	0.00	
2026	210	363.05	0.00	104.14	179.55	0.00	39.75	70.02	0.00	
2027	210	309.02	0.00	87.52	153.75	0.00	33.52	71.52	0.00	
2028	210	270.24	0.00	75.78	134.94	0.00	29.07	73.03	0.00	
2029	210	239.08	0.00	66.52	119.65	0.00	25.53	74.53	0.00	
2030	210	214.91	0.00	59.42	107.70	0.00	22.80	76.02	0.00	
2031	210	195.16	0.00	53.68	97.88	0.00	20.57	77.61	0.00	
2032	210	178.88	0.00	49.06	89.69	0.00	18.78	79.19	0.00	
Sub-T		4,759.90	0.00	1,196.43	2,540.89	0.00	478.85	67.78	0.00	
After		1,749.71	0.00	543.10	801.95	0.00	198.63	94.30	0.00	
Total		6,509.62	0.00	1,739.53	3,342.84	0.00	677.48	74.15	0.00	
Cum. Ult.		0.00	0.00	0.00						
Ult.		6,509.62	0.00	1,739.53						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ----- M\$ -----	NGL ----- M\$ -----	Gas ----- M\$ -----	Other ----- M\$ -----	Total ----- M\$ -----	Prod Tax ----- M\$ -----	Adv Tax ----- M\$ -----	
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	6,149.44	0.00	42.70	0.00	6,192.14	334.55	213.50	5,644.10
2020	13,854.64	0.00	90.79	0.00	13,945.43	766.20	485.98	12,693.26
2021	16,834.33	0.00	128.66	0.00	16,962.98	940.71	592.09	15,430.19
2022	18,727.57	0.00	159.17	0.00	18,886.74	1,056.87	665.06	17,164.81
2023	18,813.98	0.00	182.75	0.00	18,996.74	1,045.42	649.23	17,302.09
2024	17,734.95	0.00	206.36	0.00	17,941.31	952.02	576.19	16,413.10
2025	14,888.90	0.00	173.30	0.00	15,062.20	791.96	476.99	13,793.25
2026	12,571.98	0.00	144.27	0.00	12,716.25	666.14	400.91	11,649.21
2027	10,997.09	0.00	123.28	0.00	11,120.38	580.27	348.86	10,191.25
2028	9,854.44	0.00	109.68	0.00	9,964.12	518.10	311.12	9,134.90
2029	8,917.41	0.00	97.53	0.00	9,014.95	467.22	280.29	8,267.43
2030	8,187.74	0.00	89.24	0.00	8,276.97	427.75	256.38	7,592.85
2031	7,596.46	0.00	82.47	0.00	7,678.93	395.82	237.04	7,046.07
2032	7,102.64	0.00	76.16	0.00	7,178.81	369.24	221.01	6,588.55
Sub-T	172,231.58	0.00	1,706.37	0.00	173,937.95	9,312.26	5,714.64	158,911.05
After	75,624.11	0.00	973.71	0.00	76,597.82	3,948.00	2,341.04	70,308.79
Total	247,855.69	0.00	2,680.08	0.00	250,535.77	13,260.26	8,055.68	229,219.83

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ----- M\$ -----	Net Investments ----- M\$ -----	Trans. Costs ----- M\$ -----	Net Profits ----- M\$ -----	Undiscounted		Discounted Ann @ 10.00%	Disc. Cum. Annual @ 10.00%
				Annual	Cumulative			
2018	0.00	169.70	0.00	0.00	-169.70	-169.70	-165.82	-165.82
2019	156.98	10,925.57	0.00	0.00	-5,438.45	-5,608.15	-5,167.64	-5,333.45
2020	386.27	8,975.75	0.00	0.00	3,331.23	-2,276.92	2,719.06	-2,614.39
2021	565.78	7,271.61	0.00	0.00	7,592.80	5,315.88	5,752.53	3,138.14
2022	743.10	7,417.04	0.00	0.00	9,004.67	14,320.55	6,180.95	9,319.10
2023	893.90	1,820.00	0.00	0.00	14,588.19	28,908.74	9,089.85	18,408.95
2024	1,004.49	1,111.94	0.00	0.00	14,296.67	43,205.41	8,056.60	26,465.55
2025	1,046.05	0.00	0.00	0.00	12,747.20	55,952.61	6,519.23	32,984.77
2026	1,066.96	0.00	0.00	0.00	10,582.25	66,534.85	4,897.58	37,882.35
2027	1,088.28	0.00	0.00	0.00	9,102.97	75,637.82	3,813.03	41,695.38
2028	1,110.09	0.00	0.00	0.00	8,024.81	83,662.63	3,042.17	44,737.55
2029	1,132.28	0.00	0.00	0.00	7,135.15	90,797.78	2,448.05	47,185.61
2030	1,154.91	0.00	0.00	0.00	6,437.93	97,235.71	1,999.43	49,185.04
2031	1,177.99	0.00	0.00	0.00	5,868.08	103,103.79	1,649.71	50,834.75
2032	1,197.33	0.00	0.00	0.00	5,391.23	108,495.02	1,371.95	52,206.70
Sub-T	12,724.43	37,691.60	0.00	0.00	108,495.02	108,495.02	52,206.70	52,206.70
After	26,426.91	4,988.00	0.00	0.00	38,893.87	38,893.87	5,946.32	5,946.32
Total	39,151.33	42,679.60	0.00	0.00	147,388.89	147,388.89	58,153.01	58,153.01

Present Worth Profile (M\$)

PW 5.00% :	89,463.46
PW 8.00% :	68,630.65
PW 10.00% :	58,153.01
PW 12.00% :	49,637.14
PW 15.00% :	39,588.34
PW 20.00% :	27,772.74

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Total Proved

MKM Engineering

TABLE 6

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	102	18.98	0.00	3.77	8.66	0.00	1.64	56.73	0.00	2.71
2019	177	247.15	0.00	41.36	159.80	0.00	23.14	61.25	0.00	3.06
2020	220	475.06	0.00	76.75	297.73	0.00	37.49	61.87	0.00	3.19
2021	249	586.49	0.00	114.11	339.14	0.00	48.17	62.02	0.00	3.21
2022	280	643.00	0.00	138.53	355.69	0.00	55.35	63.11	0.00	3.29
2023	283	650.61	0.00	157.80	342.04	0.00	61.05	64.71	0.00	3.34
2024	290	632.11	0.00	174.17	312.44	0.00	65.95	66.58	0.00	3.43
2025	290	528.19	0.00	145.61	260.95	0.00	55.29	67.97	0.00	3.47
2026	290	441.63	0.00	119.38	220.10	0.00	45.58	69.26	0.00	3.55
2027	290	382.29	0.00	101.82	191.33	0.00	38.99	70.65	0.00	3.59
2028	289	338.81	0.00	89.27	169.85	0.00	34.23	72.05	0.00	3.68
2029	289	302.63	0.00	79.20	151.69	0.00	30.38	73.43	0.00	3.72
2030	286	274.42	0.00	71.38	137.48	0.00	27.37	74.82	0.00	3.80
2031	285	251.39	0.00	64.98	125.89	0.00	24.90	76.31	0.00	3.89
2032	285	232.23	0.00	59.46	116.16	0.00	22.63	77.80	0.00	3.93
Sub-T		6,004.99	0.00	1,437.59	3,188.96	0.00	572.16	67.08	0.00	3.47
After		2,356.78	0.00	641.43	1,077.61	0.00	233.01	92.62	0.00	4.73
Total		8,361.77	0.00	2,079.02	4,266.58	0.00	805.17	73.53	0.00	3.83
Cum. Ult.		7,421.12	0.00	5,830.73						
		15,782.89	0.00	7,909.74						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ----- M\$ -----	NGL ----- M\$ -----	Gas ----- M\$ -----	Other ----- M\$ -----	Total ----- M\$ -----	Prod Tax ----- M\$ -----	Adv Tax ----- M\$ -----	
2018	491.46	0.00	4.45	0.00	495.91	24.85	14.50	456.56
2019	9,787.72	0.00	70.94	0.00	9,858.66	515.40	320.51	9,022.75
2020	18,420.87	0.00	119.66	0.00	18,540.53	989.42	616.69	16,934.42
2021	21,032.69	0.00	154.44	0.00	21,187.13	1,146.19	711.89	19,329.05
2022	22,446.68	0.00	182.31	0.00	22,628.99	1,239.73	771.79	20,617.48
2023	22,132.57	0.00	203.73	0.00	22,336.29	1,209.34	744.51	20,382.45
2024	20,800.95	0.00	226.13	0.00	21,027.08	1,103.92	664.63	19,258.54
2025	17,737.75	0.00	191.80	0.00	17,929.55	933.43	559.48	16,436.65
2026	15,244.57	0.00	161.97	0.00	15,406.55	799.14	478.56	14,128.85
2027	13,517.93	0.00	140.07	0.00	13,658.00	705.94	422.32	12,529.74
2028	12,237.58	0.00	125.89	0.00	12,363.47	637.14	380.81	11,345.53
2029	11,138.93	0.00	112.94	0.00	11,251.87	578.47	345.57	10,327.82
2030	10,286.08	0.00	104.11	0.00	10,390.19	532.97	318.18	9,539.04
2031	9,606.83	0.00	96.85	0.00	9,703.68	496.70	296.35	8,910.62
2032	9,037.21	0.00	88.88	0.00	9,126.10	466.29	278.11	8,381.69
Sub-T	213,919.82	0.00	1,984.18	0.00	215,904.00	11,378.92	6,923.90	197,601.18
After	99,813.19	0.00	1,103.23	0.00	100,916.42	5,195.85	3,079.47	92,641.10
Total	313,733.01	0.00	3,087.41	0.00	316,820.42	16,574.77	10,003.37	290,242.28

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ----- M\$ -----	Net Investments ----- M\$ -----	Trans. Costs ----- M\$ -----	Net Profits ----- M\$ -----	Undiscounted		Discounted Ann @ 10.00%	Disc. Cum. Annual @ 10.00%
				Annual ----- M\$ -----	Cumulative ----- M\$ -----		----- M\$ -----	
2018	117.87	209.90	0.00	0.00	128.79	128.79	128.81	128.81
2019	726.25	11,275.48	0.00	0.00	-2,978.98	-2,850.18	-2,897.75	-2,768.94
2020	1,019.42	9,051.29	0.00	0.00	6,863.71	4,013.52	5,685.42	2,916.49
2021	1,187.21	7,292.20	0.00	0.00	10,849.64	14,863.16	8,230.86	11,147.34
2022	1,356.17	7,417.04	0.00	0.00	11,844.27	26,707.43	8,137.80	19,285.14
2023	1,462.63	1,886.07	0.00	0.00	17,033.74	43,741.17	10,616.46	29,901.60
2024	1,584.62	1,111.94	0.00	0.00	16,561.98	60,303.15	9,335.40	39,236.99
2025	1,637.78	0.00	0.00	0.00	14,798.87	75,102.01	7,567.47	46,804.47
2026	1,670.51	0.00	0.00	0.00	12,458.34	87,560.35	5,765.28	52,569.75
2027	1,701.90	0.00	0.00	0.00	10,827.84	98,388.19	4,535.21	57,104.95
2028	1,724.93	0.00	0.00	0.00	9,620.60	108,008.79	3,646.93	60,751.89
2029	1,749.21	0.00	0.00	0.00	8,578.62	116,587.40	2,943.32	63,695.21
2030	1,776.32	12.50	0.00	0.00	7,750.22	124,337.63	2,406.89	66,102.10
2031	1,811.49	0.00	0.00	0.00	7,099.13	131,436.75	1,995.75	68,097.84
2032	1,842.57	0.00	0.00	0.00	6,539.12	137,975.88	1,664.03	69,761.87
Sub-T	21,368.88	38,256.42	0.00	0.00	137,975.88	137,975.88	69,761.87	69,761.87
After	36,345.60	6,981.91	0.00	0.00	49,313.59	49,313.59	7,344.73	7,344.73
Total	57,714.48	45,238.33	0.00	0.00	187,289.46	187,289.46	77,106.60	77,106.60

Present Worth Profile (M\$)

PW 5.00% :	115,546.08
PW 8.00% :	89,952.70
PW 10.00% :	77,106.60
PW 12.00% :	66,667.37
PW 15.00% :	54,333.58
PW 20.00% :	39,765.17

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Probable Rsv Class
Producing Rsv Category

MKM Engineering

TABLE 7

Year	Wells	Estimated 8/8 Ths Production			Net Production			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	1	-0.10	0.00	0.51	-0.08	0.00	0.39	63.98	0.00	3.00
2019	5	4.48	0.00	3.32	3.53	0.00	2.56	64.17	0.00	3.25
2020	4	7.81	0.00	5.02	6.19	0.00	3.86	64.18	0.00	3.40
2021	4	7.13	0.00	4.73	5.66	0.00	3.64	64.35	0.00	3.45
2022	4	6.90	0.00	4.47	5.44	0.00	3.44	65.48	0.00	3.55
2023	12	7.69	0.00	4.19	5.98	0.00	3.23	66.33	0.00	3.60
2024	11	7.14	0.00	3.81	5.54	0.00	2.94	67.55	0.00	3.70
2025	11	6.62	0.00	3.60	5.13	0.00	2.77	68.88	0.00	3.75
2026	11	6.16	0.00	3.41	4.77	0.00	2.62	70.21	0.00	3.85
2027	11	5.72	0.00	3.15	4.43	0.00	2.43	71.62	0.00	3.90
2028	10	5.32	0.00	2.88	4.12	0.00	2.22	73.01	0.00	4.00
2029	10	4.95	0.00	2.72	3.82	0.00	2.10	74.43	0.00	4.05
2030	10	4.62	0.00	2.59	3.56	0.00	1.99	75.85	0.00	4.15
2031	10	4.31	0.00	2.46	3.32	0.00	1.89	77.36	0.00	4.25
2032	10	2.90	0.00	2.66	2.29	0.00	2.05	79.78	0.00	4.30
Sub-T		81.65	0.00	49.52	63.70	0.00	38.13	69.23	0.00	3.73
After		28.95	0.00	22.63	23.59	0.00	17.43	95.21	0.00	4.79
Total		110.60	0.00	72.15	87.30	0.00	55.55	76.25	0.00	4.06
Cum. Ult.		-0.37	0.00	0.00						
Ult.		110.23	0.00	72.15						

Year	Company Future Gross Revenue					Prod & Adv Taxes		Revenue after Sev & Adv
	Oil ---- M\$ ----	NGL ---- M\$ ----	Gas ---- M\$ ----	Other ---- M\$ ----	Total ---- M\$ ----	Prod Tax ---- M\$ ----	Adv Tax ---- M\$ ----	
2018	-5.40	0.00	1.18	0.00	-4.22	-0.14	-0.07	-4.02
2019	226.51	0.00	8.31	0.00	234.82	11.49	6.85	216.48
2020	397.58	0.00	13.14	0.00	410.72	19.88	11.66	379.18
2021	364.09	0.00	12.56	0.00	376.66	18.26	10.74	347.66
2022	356.49	0.00	12.22	0.00	368.71	17.86	10.68	340.17
2023	396.44	0.00	11.62	0.00	408.07	19.63	12.33	376.11
2024	374.17	0.00	10.87	0.00	385.04	18.48	11.64	354.92
2025	353.50	0.00	10.39	0.00	363.89	17.47	11.04	335.38
2026	335.03	0.00	10.10	0.00	345.13	16.58	10.51	318.03
2027	317.19	0.00	9.47	0.00	326.66	15.68	9.96	301.02
2028	300.54	0.00	8.87	0.00	309.40	14.82	9.44	285.15
2029	284.56	0.00	8.50	0.00	293.06	14.04	8.97	270.05
2030	270.23	0.00	8.27	0.00	278.50	13.35	8.56	256.58
2031	256.94	0.00	8.04	0.00	264.98	12.71	8.18	244.09
2032	182.44	0.00	8.80	0.00	191.24	9.34	5.60	176.30
Sub-T	4,410.33	0.00	142.32	0.00	4,552.65	219.44	136.10	4,197.11
After	2,246.38	0.00	83.47	0.00	2,329.85	113.29	63.28	2,153.28
Total	6,656.70	0.00	225.79	0.00	6,882.50	332.72	199.38	6,350.39

Year	Deductions				Future Net Income Before Income Taxes			
	Lease Net Costs ---- M\$ ----	Net Investments ---- M\$ ----	Trans. Costs ---- M\$ ----	Net Profits ---- M\$ ----	Undiscounted Annual ---- M\$ ----	Undiscounted Cumulative ---- M\$ ----	Discounted Ann @ 10.00% ---- M\$ ----	Disc. Cum. Annual @ 10.00% ---- M\$ ----
2018	-3.10	0.00	0.00	0.00	-0.92	-0.92	-0.99	-0.99
2019	-14.03	-15.17	0.00	0.00	245.68	244.76	224.22	223.23
2020	-15.74	3.09	0.00	0.00	391.84	636.59	329.26	552.49
2021	-16.06	0.00	0.00	0.00	363.72	1,000.31	276.71	829.20
2022	-1.80	0.00	0.00	0.00	341.97	1,342.29	235.50	1,064.70
2023	54.34	-44.05	0.00	0.00	365.82	1,708.10	227.25	1,291.95
2024	53.49	3.36	0.00	0.00	298.08	2,006.18	168.19	1,460.14
2025	54.56	0.00	0.00	0.00	280.82	2,287.00	143.45	1,603.59
2026	55.65	0.00	0.00	0.00	262.39	2,549.39	121.34	1,724.93
2027	55.81	0.00	0.00	0.00	245.20	2,794.59	102.65	1,827.58
2028	55.33	3.62	0.00	0.00	226.19	3,020.78	85.66	1,913.24
2029	56.44	0.00	0.00	0.00	213.61	3,234.39	73.26	1,986.50
2030	57.57	0.00	0.00	0.00	199.02	3,433.41	61.79	2,048.30
2031	58.72	0.00	0.00	0.00	185.37	3,618.78	52.11	2,100.40
2032	4.47	0.00	0.00	0.00	171.83	3,790.61	43.74	2,144.15
Sub-T	455.66	-49.16	0.00	0.00	3,790.61	3,790.61	2,144.15	2,144.15
After	895.64	68.51	0.00	0.00	1,189.13	1,189.13	180.73	180.73
Total	1,351.30	19.36	0.00	0.00	4,979.74	4,979.74	2,324.88	2,324.88

Present Worth Profile (M\$)

PW 5.00% :	3,260.88
PW 8.00% :	2,638.83
PW 10.00% :	2,324.88
PW 12.00% :	2,068.66
PW 15.00% :	1,764.07
PW 20.00% :	1,399.43

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Probable Rsv Class
Non-Producing Rsv Category

MKM Engineering

TABLE 8

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf----			
2018	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2019	0	0.78	0.00	0.00	0.61	0.00	0.00	64.77	0.00	
2020	1	1.59	0.00	0.00	1.24	0.00	0.00	64.48	0.00	
2021	1	1.82	0.00	0.00	1.42	0.00	0.00	64.57	0.00	
2022	1	1.81	0.00	0.00	1.41	0.00	0.00	65.83	0.00	
2023	1	1.69	0.00	0.00	1.31	0.00	0.00	67.21	0.00	
2024	1	1.58	0.00	0.00	1.23	0.00	0.00	68.36	0.00	
2025	0	1.54	0.00	0.00	1.20	0.00	0.00	69.67	0.00	
2026	0	1.48	0.00	0.00	1.16	0.00	0.00	71.03	0.00	
2027	0	1.40	0.00	0.00	1.09	0.00	0.00	72.50	0.00	
2028	0	1.30	0.00	0.00	1.01	0.00	0.00	73.96	0.00	
2029	0	1.26	0.00	0.00	0.98	0.00	0.00	75.41	0.00	
2030	0	1.30	0.00	0.00	1.02	0.00	0.00	77.08	0.00	
2031	1	1.30	0.00	0.00	1.01	0.00	0.00	78.64	0.00	
2032	1	1.28	0.00	0.00	1.00	0.00	0.00	80.18	0.00	
Sub-T		20.13	0.00	0.00	15.69	0.00	0.00	70.61	0.00	
After		24.77	0.00	0.00	19.32	0.00	0.00	97.87	0.00	
Total		44.90	0.00	0.00	35.01	0.00	0.00	85.65	0.00	
Cum. Ult.		0.00	0.00	0.00						
Ult.		44.90	0.00	0.00						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ---- M\$ ----	NGL ---- M\$ ----	Gas ---- M\$ ----	Other ---- M\$ ----	Total ---- M\$ ----	Prod Tax ---- M\$ ----	Adv Tax ---- M\$ ----	
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	39.32	0.00	0.00	0.00	39.32	1.95	1.12	36.25
2020	79.64	0.00	0.00	0.00	79.64	3.85	2.17	73.63
2021	91.78	0.00	0.00	0.00	91.78	4.40	2.46	84.93
2022	93.11	0.00	0.00	0.00	93.11	4.45	2.48	86.17
2023	88.28	0.00	0.00	0.00	88.28	4.22	2.36	81.70
2024	84.29	0.00	0.00	0.00	84.29	3.98	2.20	78.11
2025	83.89	0.00	0.00	0.00	83.89	3.94	2.17	77.78
2026	82.11	0.00	0.00	0.00	82.11	3.85	2.12	76.15
2027	78.95	0.00	0.00	0.00	78.95	3.70	2.03	73.21
2028	75.06	0.00	0.00	0.00	75.06	3.52	1.93	69.61
2029	73.85	0.00	0.00	0.00	73.85	3.46	1.90	68.50
2030	78.32	0.00	0.00	0.00	78.32	3.72	2.07	72.52
2031	79.54	0.00	0.00	0.00	79.54	3.78	2.11	73.66
2032	79.94	0.00	0.00	0.00	79.94	3.79	2.11	74.04
Sub-T	1,108.10	0.00	0.00	0.00	1,108.10	52.61	29.22	1,026.26
After	1,890.76	0.00	0.00	0.00	1,890.76	87.40	47.54	1,755.81
Total	2,998.86	0.00	0.00	0.00	2,998.86	140.01	76.77	2,782.08

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ---- M\$ ----	Net Investments ---- M\$ ----	Trans. Costs ---- M\$ ----	Net Profits ---- M\$ ----	Undiscounted Annual ---- M\$ ----	Undiscounted Cumulative ---- M\$ ----	Discounted Ann @ 10.00% ---- M\$ ----	Disc. Cum. Annual @ 10.00% ---- M\$ ----
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	1.27	-3.07	0.00	0.00	38.06	38.06	34.75	34.75
2020	2.19	0.00	0.00	0.00	71.44	109.50	59.86	94.62
2021	2.23	0.00	0.00	0.00	82.70	192.19	62.85	157.46
2022	2.27	0.00	0.00	0.00	83.90	276.09	57.77	215.23
2023	2.32	0.00	0.00	0.00	79.38	355.47	49.50	264.73
2024	0.69	3.39	0.00	0.00	74.04	429.51	41.80	306.54
2025	0.00	0.00	0.00	0.00	77.78	507.29	39.72	346.25
2026	0.00	0.00	0.00	0.00	76.15	583.44	35.20	381.45
2027	0.00	0.00	0.00	0.00	73.21	656.65	30.64	412.10
2028	0.00	0.00	0.00	0.00	69.61	726.26	26.38	438.47
2029	0.00	0.00	0.00	0.00	68.50	794.76	23.48	461.95
2030	2.34	-3.80	0.00	0.00	73.97	868.74	22.94	484.89
2031	2.72	0.00	0.00	0.00	70.94	939.67	19.93	504.82
2032	2.77	0.00	0.00	0.00	71.27	1,010.94	18.12	522.94
Sub-T	18.81	-3.49	0.00	0.00	1,010.94	1,010.94	522.94	522.94
After	996.20	23.39	0.00	0.00	736.22	736.22	107.05	107.05
Total	1,015.01	19.90	0.00	0.00	1,747.17	1,747.17	629.98	629.98

Present Worth Profile (M\$)

PW 5.00% :	989.84
PW 8.00% :	745.39
PW 10.00% :	629.98
PW 12.00% :	540.32
PW 15.00% :	439.51
PW 20.00% :	327.84

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Probable Rsv Class
 Undeveloped Rsv Category

MKM Engineering

TABLE 9

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2019	24	354.53	0.00	1,145.91	255.38	0.00	825.06	57.24	0.00	
2020	37	685.60	0.00	2,094.12	494.16	0.00	1,507.77	57.50	0.00	
2021	39	728.47	0.00	2,144.57	525.08	0.00	1,544.09	57.65	0.00	
2022	39	422.28	0.00	1,070.28	304.51	0.00	770.60	58.96	0.00	
2023	39	293.36	0.00	651.00	211.61	0.00	468.72	60.29	0.00	
2024	39	226.85	0.00	456.79	163.66	0.00	328.89	61.48	0.00	
2025	39	184.24	0.00	343.78	132.94	0.00	247.52	62.73	0.00	
2026	39	155.23	0.00	272.34	112.02	0.00	196.08	63.95	0.00	
2027	39	133.89	0.00	223.13	96.63	0.00	160.65	65.24	0.00	
2028	39	117.83	0.00	187.90	85.04	0.00	135.29	66.53	0.00	
2029	39	104.62	0.00	160.44	75.51	0.00	115.52	67.81	0.00	
2030	39	94.33	0.00	139.54	68.09	0.00	100.47	69.10	0.00	
2031	39	85.11	0.00	122.89	61.42	0.00	88.48	70.39	0.00	
2032	28	78.17	0.00	109.66	56.42	0.00	78.95	71.75	0.00	
Sub-T		3,664.51	0.00	9,122.35	2,642.47	0.00	6,568.09	60.45	0.00	
After		922.32	0.00	1,130.42	666.66	0.00	813.90	90.39	0.00	
Total		4,586.83	0.00	10,252.77	3,309.13	0.00	7,381.99	66.48	0.00	
Cum. Ult.		197.87	0.00	39.53						
		4,784.70	0.00	10,292.29						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		----- Revenue --- after Sev & Adv ----- M\$ -----
	Oil ----- M\$ -----	NGL ----- M\$ -----	Gas ----- M\$ -----	Other ----- M\$ -----	Total ----- M\$ -----	Prod Tax ----- M\$ -----	Adv Tax ----- M\$ -----	
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	14,617.28	0.00	2,681.44	0.00	17,298.72	1,245.39	854.25	15,199.08
2020	28,415.85	0.00	5,126.40	0.00	33,542.26	2,394.09	1,636.29	29,511.88
2021	30,267.99	0.00	5,327.12	0.00	35,595.11	2,544.29	1,741.40	31,309.42
2022	17,954.19	0.00	2,735.64	0.00	20,689.84	1,465.82	1,003.03	18,220.98
2023	12,758.45	0.00	1,687.40	0.00	14,445.85	1,017.26	696.56	12,732.03
2024	10,062.21	0.00	1,216.89	0.00	11,279.10	792.14	542.84	9,944.12
2025	8,339.22	0.00	928.20	0.00	9,267.42	649.91	445.86	8,171.65
2026	7,163.68	0.00	754.93	0.00	7,918.61	555.28	381.35	6,981.98
2027	6,304.12	0.00	626.54	0.00	6,930.66	486.20	334.35	6,110.10
2028	5,657.50	0.00	541.15	0.00	6,198.65	435.30	299.71	5,463.63
2029	5,120.31	0.00	467.85	0.00	5,588.15	392.80	270.79	4,924.57
2030	4,704.76	0.00	416.93	0.00	5,121.70	360.28	248.59	4,512.83
2031	4,323.98	0.00	376.05	0.00	4,700.03	331.91	229.50	4,138.61
2032	4,048.42	0.00	339.49	0.00	4,387.91	310.19	214.71	3,863.00
Sub-T	159,737.98	0.00	23,226.03	0.00	182,964.01	12,980.87	8,899.25	161,083.89
After	60,258.42	0.00	4,220.56	0.00	64,478.98	4,551.52	3,157.00	56,770.46
Total	219,996.40	0.00	27,446.58	0.00	247,442.99	17,532.39	12,056.25	217,854.35

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ----- M\$ -----	Net Investments ----- M\$ -----	Trans. Costs ----- M\$ -----	Net Profits ----- M\$ -----	Undiscounted Annual ----- M\$ -----	Undiscounted Cumulative ----- M\$ -----	Discounted Ann @ 10.00% ----- M\$ -----	Disc. Cum. Annual @ 10.00% ----- M\$ -----
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	170.78	20,586.18	0.00	0.00	-5,557.88	-5,557.88	-5,564.82	-5,564.82
2020	486.18	20,960.57	0.00	0.00	8,065.13	2,507.25	6,479.04	914.22
2021	719.77	10,498.44	0.00	0.00	20,091.21	22,598.46	15,051.58	15,965.80
2022	760.58	0.00	0.00	0.00	17,460.40	40,058.86	12,064.73	28,030.53
2023	775.78	0.00	0.00	0.00	11,956.25	52,015.11	7,469.37	35,499.90
2024	791.33	0.00	0.00	0.00	9,152.80	61,167.91	5,172.62	40,672.53
2025	807.15	0.00	0.00	0.00	7,364.50	68,532.40	3,765.88	44,438.41
2026	823.28	0.00	0.00	0.00	6,158.70	74,691.10	2,850.32	47,288.73
2027	839.73	0.00	0.00	0.00	5,270.37	79,961.47	2,207.77	49,496.50
2028	856.56	0.00	0.00	0.00	4,607.08	84,568.55	1,746.68	51,243.18
2029	873.68	0.00	0.00	0.00	4,050.89	88,619.43	1,389.96	52,633.13
2030	891.14	0.00	0.00	0.00	3,621.68	92,241.11	1,124.87	53,758.01
2031	863.94	0.00	0.00	0.00	3,274.68	95,515.79	920.66	54,678.67
2032	866.40	0.00	0.00	0.00	2,996.60	98,512.39	762.54	55,441.21
Sub-T	10,526.31	52,045.19	0.00	0.00	98,512.39	98,512.39	55,441.21	55,441.21
After	26,268.90	926.15	0.00	0.00	29,575.41	29,575.41	3,875.93	3,875.93
Total	36,795.21	52,971.34	0.00	0.00	128,087.80	128,087.80	59,317.14	59,317.14

Present Worth Profile (M\$)

PW 5.00% :	83,584.64
PW 8.00% :	67,544.14
PW 10.00% :	59,317.14
PW 12.00% :	52,480.05
PW 15.00% :	44,141.45
PW 20.00% :	33,737.59

PERMEX PETROLEUM
Reserve and Economic Projection
As of 9/30/2018

Total Probable

MKM Engineering

TABLE 10

Year	Wells	----- Estimated 8/8 Ths Production -----			----- Net Production -----			Oil - \$/bbl -	NGL - \$/gal -	Gas - \$/Mcf -
		Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----	Oil ---- Mbbbl ----	NGL ---- Mgal ----	Gas ---- MMcf ----			
2018	2	-0.10	0.00	0.51	-0.08	0.00	0.39	63.98	0.00	3.00
2019	29	359.79	0.00	1,149.23	259.51	0.00	827.61	57.35	0.00	3.25
2020	42	695.00	0.00	2,099.14	501.59	0.00	1,511.63	57.60	0.00	3.40
2021	44	737.43	0.00	2,149.30	532.15	0.00	1,547.73	57.73	0.00	3.45
2022	44	430.99	0.00	1,074.75	311.37	0.00	774.05	59.11	0.00	3.55
2023	52	302.74	0.00	655.20	218.90	0.00	471.95	60.50	0.00	3.60
2024	51	235.57	0.00	460.61	170.43	0.00	331.83	61.73	0.00	3.70
2025	50	192.41	0.00	347.38	139.28	0.00	250.29	63.01	0.00	3.75
2026	50	162.87	0.00	275.75	117.95	0.00	198.71	64.27	0.00	3.85
2027	50	141.00	0.00	226.28	102.14	0.00	163.08	65.60	0.00	3.90
2028	49	124.46	0.00	190.78	90.17	0.00	137.50	66.91	0.00	4.00
2029	49	110.83	0.00	163.17	80.31	0.00	117.62	68.22	0.00	4.05
2030	49	100.25	0.00	142.12	72.67	0.00	102.46	69.54	0.00	4.15
2031	50	90.72	0.00	125.35	65.76	0.00	90.37	70.87	0.00	4.25
2032	39	82.35	0.00	112.31	59.71	0.00	81.00	72.20	0.00	4.30
Sub-T		3,766.29	0.00	9,171.86	2,721.87	0.00	6,606.22	60.71	0.00	3.54
After		976.03	0.00	1,153.05	709.57	0.00	831.33	90.75	0.00	5.18
Total		4,742.32	0.00	10,324.92	3,431.44	0.00	7,437.55	66.93	0.00	3.72
Cum. Ult.		197.51	0.00	39.53						
Ult.		4,939.83	0.00	10,364.44						

Year	----- Company Future Gross Revenue -----					----- Prod & Adv Taxes -----		Revenue after Sev & Adv ----- M\$ -----
	Oil ----- M\$ -----	NGL ----- M\$ -----	Gas ----- M\$ -----	Other ----- M\$ -----	Total ----- M\$ -----	Prod Tax ----- M\$ -----	Adv Tax ----- M\$ -----	
2018	-5.40	0.00	1.18	0.00	-4.22	-0.14	-0.07	-4.02
2019	14,883.12	0.00	2,689.74	0.00	17,572.86	1,258.82	862.23	15,451.81
2020	28,893.08	0.00	5,139.54	0.00	34,032.62	2,417.81	1,650.12	29,964.69
2021	30,723.87	0.00	5,339.68	0.00	36,063.55	2,566.94	1,754.60	31,742.01
2022	18,403.79	0.00	2,747.86	0.00	21,151.65	1,488.13	1,016.19	18,647.33
2023	13,243.17	0.00	1,699.03	0.00	14,942.20	1,041.11	711.24	13,189.84
2024	10,520.68	0.00	1,227.76	0.00	11,748.44	814.60	556.68	10,377.16
2025	8,776.61	0.00	938.60	0.00	9,715.20	671.32	459.07	8,584.81
2026	7,580.83	0.00	765.02	0.00	8,345.85	575.71	393.98	7,376.16
2027	6,700.26	0.00	636.00	0.00	7,336.26	505.58	346.35	6,484.33
2028	6,033.10	0.00	550.01	0.00	6,583.11	453.64	311.09	5,818.39
2029	5,478.73	0.00	476.35	0.00	5,955.07	410.30	281.66	5,263.12
2030	5,053.31	0.00	425.20	0.00	5,478.51	377.36	259.22	4,841.93
2031	4,660.47	0.00	384.08	0.00	5,044.55	348.41	239.78	4,456.36
2032	4,310.81	0.00	348.29	0.00	4,659.10	323.32	222.43	4,113.35
Sub-T	165,256.40	0.00	23,368.35	0.00	188,624.75	13,252.91	9,064.57	166,307.26
After	64,395.56	0.00	4,304.03	0.00	68,699.59	4,752.21	3,267.82	60,679.56
Total	229,651.96	0.00	27,672.37	0.00	257,324.34	18,005.12	12,332.40	226,986.82

Year	----- Deductions -----				----- Future Net Income Before Income Taxes -----			
	Lease Net Costs ----- M\$ -----	Net Investments ----- M\$ -----	Trans. Costs ----- M\$ -----	Net Profits ----- M\$ -----	Undiscounted Annual ----- M\$ -----	Undiscounted Cumulative ----- M\$ -----	Discounted Ann @ 10.00% ----- M\$ -----	Disc. Cum. Annual @ 10.00% ----- M\$ -----
2018	-3.10	0.00	0.00	0.00	-0.92	-0.92	-0.99	-0.99
2019	158.03	20,567.94	0.00	0.00	-5,274.15	-5,275.07	-5,305.85	-5,306.84
2020	472.62	20,963.66	0.00	0.00	8,528.40	3,253.33	6,868.16	1,561.32
2021	705.94	10,498.44	0.00	0.00	20,537.63	23,790.96	15,391.14	16,952.46
2022	761.06	0.00	0.00	0.00	17,886.27	41,677.23	12,357.99	29,310.46
2023	832.44	-44.05	0.00	0.00	12,401.45	54,078.68	7,746.12	37,056.58
2024	845.50	6.74	0.00	0.00	9,524.91	63,603.60	5,382.62	42,439.20
2025	861.71	0.00	0.00	0.00	7,723.10	71,326.70	3,949.05	46,388.25
2026	878.93	0.00	0.00	0.00	6,497.23	77,823.93	3,006.86	49,395.11
2027	895.55	0.00	0.00	0.00	5,588.79	83,412.72	2,341.07	51,736.17
2028	911.89	3.62	0.00	0.00	4,902.88	88,315.60	1,858.71	53,594.89
2029	930.12	0.00	0.00	0.00	4,332.99	92,648.59	1,486.70	55,081.58
2030	951.06	-3.80	0.00	0.00	3,894.67	96,543.26	1,209.61	56,291.19
2031	925.38	0.00	0.00	0.00	3,530.98	100,074.24	992.70	57,283.89
2032	873.65	0.00	0.00	0.00	3,239.70	103,313.94	824.41	58,108.30
Sub-T	11,000.77	51,992.55	0.00	0.00	103,313.94	103,313.94	58,108.30	58,108.30
After	28,160.74	1,018.05	0.00	0.00	31,500.76	31,500.76	4,163.71	4,163.71
Total	39,161.52	53,010.60	0.00	0.00	134,814.71	134,814.71	62,272.00	62,272.00

Present Worth Profile (M\$)

PW 5.00% :	87,835.36
PW 8.00% :	70,928.36
PW 10.00% :	62,272.00
PW 12.00% :	55,089.04
PW 15.00% :	46,345.03
PW 20.00% :	35,464.86

Tabular Summaries

Economic One-Liners

Project Name: PERMEX PETROLEUM

As of Date: 9/30/2018

TABLE 11

MKM ENGINEERING

Reserve Category	Net Reserves			Net Revenue			Expense & Tax (M\$)	Invest. (M\$)	Cash Flow		Life (years)
	Oil (Mbbbl)	Gas (MMcf)	OH (M\$)	Gas (M\$)	Other (M\$)	Non-Disc. (M\$)			Disc. CF (M\$)		
Proved Rsv Class											
Risked / UnRisked											
P-DP	0.00	0.70	0.00	2.34	0.00	0.00	3.24	8.24	-9.15	-7.95	2.25
P-DP	8.45	0.00	643.26	0.00	0.00	0.00	175.11	39.18	428.97	223.71	31.14
P-DP	24.52	0.00	1,876.56	0.00	0.00	0.00	569.79	13.96	1,292.81	621.75	34.50
P-DP	5.63	0.00	415.46	0.00	0.00	0.00	78.62	23.22	313.63	164.14	25.19
P-DP	273.73	93.96	19,036.19	284.58	0.00	0.00	9,465.95	776.76	9,078.06	4,087.32	36.45
P-DP	0.71	0.00	52.30	0.00	0.00	0.00	33.26	8.85	10.19	6.97	11.38
P-DP	0.00	0.00	0.00	0.01	0.00	0.00	0.00	3.03	-3.03	-2.88	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.03	-3.03	-2.89	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	1.40	8.15	-9.55	-8.85	0.67
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.03	-3.03	-2.89	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.03	-3.03	-2.89	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.03	-3.03	-2.88	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.03	-3.03	-2.88	0.00
P-DP	0.00	0.00	0.00	0.02	0.00	0.00	0.00	7.05	-7.03	-6.37	0.00
P-DP	0.00	0.00	0.00	0.02	0.00	0.00	0.00	7.05	-7.03	-6.37	0.00
P-DP	0.00	0.00	0.00	0.02	0.00	0.00	0.00	7.05	-7.03	-6.37	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.41	-9.41	-2.00	0.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.05	-7.05	-6.38	0.00
P-DP	2.22	0.00	149.05	0.00	0.00	0.00	118.23	9.41	21.42	21.44	9.11
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.41	-9.40	-1.99	0.00
P-DP	1.58	0.00	101.47	0.00	0.00	0.00	60.84	9.41	31.23	34.32	2.43
P-DP	0.14	2.95	9.28	11.94	0.00	0.00	19.56	9.41	-7.75	-0.43	1.62
P-DP	79.51	0.00	5,678.35	0.00	0.00	0.00	2,565.46	62.47	3,050.42	1,847.55	19.70
P-DP	5.51	0.00	337.61	0.00	0.00	0.00	301.90	44.05	-8.34	4.46	4.06
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	118.78	9.93	-128.71	-55.43	19.29
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	131.22	9.82	-141.04	-57.55	18.77
P-DP	0.00	13.04	0.00	48.53	0.00	0.00	35.15	9.06	4.32	2.68	13.86
P-DP	111.15	0.00	8,135.49	0.00	0.00	0.00	1,239.16	21.23	6,875.10	2,029.87	40.00
P-DP	133.19	0.00	9,857.79	0.00	0.00	0.00	3,255.20	44.28	6,160.31	2,429.18	40.00
P-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.23	-44.23	-0.82	0.00
Total	646.33	110.67	46,292.81	347.46	0.00	0.00	18,172.87	1,614.85	26,852.54	11,295.58	40.00

Economic One-Liners

Project Name : PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)	
	Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)			
Proved Rsv Class												
Non-Producing Rsv Category												
LOVING, J. W., EST. 1	P-NP	10.23	0.00	746.26	0.00	0.00	92.80	31.18	622.29	295.93	21.79	
LOVING, J. W., EST. 5	P-NP	10.23	0.00	750.46	0.00	0.00	93.37	31.39	625.70	287.46	22.13	
LOVING, J. W., EST. 6	P-NP	10.23	0.00	752.61	0.00	0.00	93.66	31.50	627.46	283.39	22.30	
LOVING, J. W., EST. 7	P-NP	10.23	0.00	748.36	0.00	0.00	93.08	31.29	623.99	291.62	21.96	
LOVING, J. W., EST. 8	P-NP	10.23	0.00	754.77	0.00	0.00	93.93	31.60	629.24	279.48	22.46	
MARY BULLARD UNIT - 1,3,6,7	P-NP	29.18	0.00	1,972.05	0.00	0.00	656.10	78.53	1,237.43	901.42	15.50	
MCMURTRY, C.A. 'A' 1	P-NP	10.23	0.00	750.46	0.00	0.00	93.37	31.39	625.70	287.46	22.13	
MCMURTRY, C.A. 3	P-NP	10.23	0.00	754.77	0.00	0.00	93.93	31.60	629.24	279.48	22.46	
MCMURTRY, C.A. 4	P-NP	10.23	0.00	752.61	0.00	0.00	93.66	31.50	627.46	283.39	22.30	
ODC (GB) PNP NE 1	P-NP	11.35	3.40	824.54	12.10	0.00	317.12	30.02	489.50	295.49	21.22	
ODC (GB) PNP NW 1	P-NP	11.34	3.40	811.64	11.85	0.00	310.79	29.43	483.27	322.95	20.20	
ODC (GB) PNP SE 1	P-NP	11.34	3.40	817.77	11.99	0.00	313.85	29.72	486.19	308.72	20.71	
ODC (GB) PNP SW 1	P-NP	11.34	3.40	806.11	11.70	0.00	307.66	29.13	481.01	338.25	19.69	
ODC (GB) PNP SW 2	P-NP	11.35	3.40	831.95	12.23	0.00	320.24	30.32	493.62	283.37	21.73	
PEAVY, S. H. 'D' 10	P-NP	6.32	0.00	423.39	0.00	0.00	76.66	19.54	327.19	223.25	10.52	
PEAVY, S. H. 'E' 8A	P-NP	6.32	0.00	424.36	0.00	0.00	76.88	19.57	327.91	219.93	10.69	
PEAVY, S. H. 21	P-NP	6.32	0.00	450.74	0.00	0.00	78.67	8.70	363.37	242.99	10.61	
PEAVY, S. H.19	P-NP	0.00	0.00	0.00	0.00	0.00	0.00	9.41	-9.41	-2.00	0.00	
PITTCOCK S. TANNEHILL (2)	P-NP	8.41	0.00	571.73	0.00	0.00	310.44	33.71	227.58	147.51	19.55	
PITTCOCK S. TANNEHILL (3)	P-NP	12.61	0.00	847.40	0.00	0.00	458.24	49.81	339.34	237.36	18.77	
PITTCOCK S. TANNEHILL (3)	P-NP	12.62	0.00	850.86	0.00	0.00	460.56	50.06	340.24	232.10	19.03	
PITTCOCK S. TANNEHILL (3)	P-NP	12.62	0.00	854.54	0.00	0.00	463.40	50.32	340.82	226.67	19.29	
PITTCOCK, N. 10	P-NP	11.05	0.00	766.39	0.00	0.00	187.06	15.57	563.76	353.35	18.84	
PITTCOCK, N. 6	P-NP	11.05	0.00	765.57	0.00	0.00	186.81	15.54	563.22	355.96	18.75	
WJ76-01	P-NP	11.17	0.00	777.08	0.00	0.00	189.94	15.64	571.50	353.63	19.13	
WJ76-02	P-NP	11.17	0.00	778.08	0.00	0.00	190.25	15.66	572.17	351.00	19.21	
Total		277.41	17.02	19,584.52	59.87	0.00	5,652.48	782.12	13,209.78	7,680.18	22.46	
Proved Rsv Class												
Shut-In Rsv Category												
PEAVY, S. H. 'DD' 18	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	7.05	-7.05	-6.38	0.00	
PSTU 1 WIW	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	7.34	-7.34	-4.44	4.06	
PSTU 14 WIW	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	7.34	-7.34	-4.44	4.06	
PSTU 3 WIW	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	7.34	-7.34	-4.44	4.06	

Economic One-Liners

Project Name: PERMEX PETROLEUM

As of Date: 9/30/2018

TABLE 11

MKM ENGINEERING

Lease Name Risked / UnRisked	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
WHPU 001T	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.23	-44.23	-0.82	0.00
WHPU 004M	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.23	-44.23	-0.82	0.00
WHPU 006	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.23	-44.23	-0.82	0.00
Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00	161.76	-161.76	-22.17	4.06
Proved Rsv Class												
Undeveloped Rsv Category												
LOVING, J.W., EST. PUD 1	P-UD	30.69	0.00	2,222.89	0.00	0.00	197.46	197.46	212.09	1,813.34	818.02	21.34
LOVING, J.W., EST. PUD 10	P-UD	30.69	0.00	2,279.93	0.00	0.00	202.67	202.67	218.47	1,858.78	718.68	22.84
LOVING, J.W., EST. PUD 2	P-UD	30.69	0.00	2,228.56	0.00	0.00	197.97	197.97	212.77	1,817.82	806.38	21.50
LOVING, J.W., EST. PUD 3	P-UD	30.69	0.00	2,234.54	0.00	0.00	198.52	198.52	213.48	1,822.54	794.58	21.67
LOVING, J.W., EST. PUD 4	P-UD	30.69	0.00	2,240.64	0.00	0.00	199.08	199.08	214.19	1,827.37	783.03	21.83
LOVING, J.W., EST. PUD 5	P-UD	30.69	0.00	2,246.86	0.00	0.00	199.66	199.66	214.90	1,832.30	771.71	22.00
LOVING, J.W., EST. PUD 6	P-UD	30.69	0.00	2,253.20	0.00	0.00	200.26	200.26	215.61	1,837.34	760.63	22.17
LOVING, J.W., EST. PUD 7	P-UD	30.69	0.00	2,259.79	0.00	0.00	200.85	200.85	216.33	1,842.60	749.62	22.34
LOVING, J.W., EST. PUD 8	P-UD	30.69	0.00	2,266.29	0.00	0.00	201.44	201.44	217.04	1,847.81	739.19	22.50
LOVING, J.W., EST. PUD 9	P-UD	30.69	0.00	2,273.04	0.00	0.00	202.05	202.05	217.75	1,853.23	728.82	22.67
MARY BULLARD UNIT 10	P-UD	15.23	0.00	1,065.02	0.00	0.00	291.88	291.88	112.66	660.48	394.68	23.96
MARY BULLARD UNIT 8	P-UD	15.23	0.00	1,060.13	0.00	0.00	290.12	290.12	111.92	658.08	406.87	23.62
MARY BULLARD UNIT 9	P-UD	15.23	0.00	1,062.48	0.00	0.00	290.95	290.95	112.28	659.25	400.83	23.79
MCMURTRY, C. A. PUD 1	P-UD	30.69	0.00	2,225.57	0.00	0.00	197.70	197.70	212.42	1,815.46	812.47	21.42
MCMURTRY, C. A. PUD 10	P-UD	30.69	0.00	2,283.49	0.00	0.00	202.99	202.99	218.84	1,861.66	713.61	22.92
MCMURTRY, C. A. PUD 2	P-UD	30.69	0.00	2,231.49	0.00	0.00	198.24	198.24	213.12	1,820.12	800.55	21.58
MCMURTRY, C. A. PUD 3	P-UD	30.69	0.00	2,237.52	0.00	0.00	198.80	198.80	213.83	1,824.89	788.87	21.75
MCMURTRY, C. A. PUD 4	P-UD	30.69	0.00	2,243.78	0.00	0.00	199.37	199.37	214.55	1,829.86	777.25	21.92
MCMURTRY, C. A. PUD 5	P-UD	30.69	0.00	2,250.07	0.00	0.00	199.95	199.95	215.26	1,834.86	766.05	22.09
MCMURTRY, C. A. PUD 6	P-UD	30.69	0.00	2,256.48	0.00	0.00	200.55	200.55	215.97	1,839.95	755.09	22.25
MCMURTRY, C. A. PUD 7	P-UD	30.69	0.00	2,262.91	0.00	0.00	201.14	201.14	216.67	1,845.10	744.56	22.42
MCMURTRY, C. A. PUD 8	P-UD	30.69	0.00	2,269.59	0.00	0.00	201.74	201.74	217.39	1,850.46	734.06	22.58
MCMURTRY, C. A. PUD 9	P-UD	30.69	0.00	2,276.41	0.00	0.00	202.36	202.36	218.11	1,855.95	723.80	22.75
ODC (GB) PUD 1	P-UD	11.43	3.43	824.46	12.08	0.00	313.95	313.95	161.97	360.63	198.01	21.09
ODC (GB) PUD 2	P-UD	11.49	3.45	844.07	12.41	0.00	320.82	320.82	165.29	370.37	182.68	22.43
ODC (GB) PUD 3	P-UD	11.54	3.46	866.76	12.75	0.00	327.81	327.81	168.68	383.02	170.25	23.77
ODC (GB) PUD 4	P-UD	11.60	3.48	889.99	13.09	0.00	334.86	334.86	172.15	396.06	158.63	25.11
ODC (GB) PUD 5	P-UD	11.66	3.50	913.64	13.45	0.00	342.20	342.20	175.70	409.19	147.62	26.46
ODC (SA) PUD 1	P-UD	32.11	14.45	2,513.78	55.26	0.00	742.93	742.93	166.07	1,660.05	776.37	37.33

Economic One-Liners

Project Name: PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Lease Name Risked / UnRisked	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
ODC (SA) PUD 10	P-UD	32.20	14.49	2,594.60	57.21	0.00	759.79	171.25	1,720.77	686.66	39.34	
ODC (SA) PUD 11	P-UD	32.21	14.49	2,604.57	57.44	0.00	761.75	171.82	1,728.45	677.86	39.56	
ODC (SA) PUD 12	P-UD	32.22	14.50	2,614.76	57.68	0.00	763.65	172.33	1,736.45	669.34	39.78	
ODC (SA) PUD 13	P-UD	32.22	14.50	2,625.12	57.91	0.00	765.44	172.84	1,744.75	661.11	40.00	
ODC (SA) PUD 14	P-UD	32.20	14.49	2,630.12	58.03	0.00	762.12	173.36	1,752.66	652.54	40.00	
ODC (SA) PUD 15	P-UD	32.17	14.48	2,634.37	58.12	0.00	758.86	173.86	1,759.78	644.21	40.00	
ODC (SA) PUD 16	P-UD	32.14	14.46	2,638.95	58.21	0.00	755.57	174.37	1,767.23	635.80	40.00	
ODC (SA) PUD 17	P-UD	32.11	14.45	2,643.72	58.31	0.00	752.30	174.89	1,774.85	627.64	40.00	
ODC (SA) PUD 18	P-UD	32.08	14.44	2,648.71	58.42	0.00	749.06	175.41	1,782.66	619.74	40.00	
ODC (SA) PUD 19	P-UD	32.05	14.42	2,653.95	58.53	0.00	745.85	175.93	1,790.70	612.10	40.00	
ODC (SA) PUD 1H	P-UD	58.27	26.09	4,677.12	102.24	0.00	936.03	235.09	3,608.24	1,403.37	40.00	
ODC (SA) PUD 2	P-UD	32.12	14.45	2,522.17	55.49	0.00	744.73	166.64	1,666.30	765.22	37.56	
ODC (SA) PUD 20	P-UD	32.02	14.41	2,658.78	58.63	0.00	742.60	176.46	1,798.36	604.14	40.00	
ODC (SA) PUD 21	P-UD	31.99	14.40	2,662.82	58.73	0.00	739.38	176.97	1,805.20	596.39	40.00	
ODC (SA) PUD 22	P-UD	31.96	14.38	2,667.17	58.83	0.00	736.15	177.49	1,812.37	588.56	40.00	
ODC (SA) PUD 23	P-UD	31.93	14.37	2,671.72	58.94	0.00	732.94	178.02	1,819.70	580.95	40.00	
ODC (SA) PUD 24	P-UD	31.90	14.36	2,676.47	59.05	0.00	729.75	178.55	1,827.22	573.59	40.00	
ODC (SA) PUD 25	P-UD	31.87	14.34	2,681.47	59.17	0.00	726.60	179.08	1,834.96	566.47	40.00	
ODC (SA) PUD 26	P-UD	31.84	14.33	2,686.11	59.27	0.00	723.40	179.62	1,842.36	559.07	40.00	
ODC (SA) PUD 27	P-UD	31.81	14.31	2,690.08	59.35	0.00	720.22	180.14	1,849.07	551.77	40.00	
ODC (SA) PUD 28	P-UD	31.78	14.30	2,694.29	59.44	0.00	717.04	180.68	1,856.01	544.53	40.00	
ODC (SA) PUD 2H	P-UD	57.98	25.96	4,730.30	103.44	0.00	917.84	239.42	3,676.49	1,297.41	40.00	
ODC (SA) PUD 3	P-UD	32.13	14.46	2,530.56	55.70	0.00	746.53	167.20	1,672.53	754.71	37.78	
ODC (SA) PUD 3H	P-UD	57.67	25.81	4,782.09	104.48	0.00	899.96	243.85	3,742.77	1,199.33	40.00	
ODC (SA) PUD 4	P-UD	32.14	14.46	2,539.17	55.90	0.00	748.29	167.78	1,679.00	744.24	38.00	
ODC (SA) PUD 4H	P-UD	57.34	25.65	4,831.41	105.57	0.00	882.33	248.36	3,806.30	1,108.17	40.00	
ODC (SA) PUD 5	P-UD	32.15	14.47	2,548.02	56.12	0.00	750.33	168.35	1,685.46	734.03	38.23	
ODC (SA) PUD 5H	P-UD	57.14	25.55	4,857.67	106.07	0.00	872.04	251.02	3,840.68	1,057.25	40.00	
ODC (SA) PUD 6	P-UD	32.16	14.47	2,557.01	56.34	0.00	752.13	168.93	1,692.29	724.08	38.45	
ODC (SA) PUD 7	P-UD	32.17	14.48	2,566.27	56.56	0.00	754.01	169.51	1,699.32	714.39	38.67	
ODC (SA) PUD 8	P-UD	32.18	14.48	2,575.77	56.79	0.00	755.93	170.10	1,706.53	704.71	38.90	
ODC (SA) PUD 9	P-UD	32.19	14.48	2,584.94	56.99	0.00	757.70	170.66	1,713.57	695.73	39.12	
ODC (WC) PUD 1	P-UD	14.16	0.00	1,127.05	0.00	0.00	497.62	230.08	399.35	109.82	30.94	
ODC (WC) PUD 2	P-UD	14.23	0.00	1,156.15	0.00	0.00	507.07	234.80	414.28	102.19	32.32	
ODC (WC) PUD 3	P-UD	14.29	0.00	1,187.48	0.00	0.00	516.54	239.61	431.32	96.04	33.70	

Economic One-Liners

Project Name : PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Lease Name Risked / UnRisked	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (M\$)	Invest. (M\$)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (M\$)	Gas (M\$)	Other (M\$)	Non-Disc. (M\$)			Disc. CF (M\$)		
ODC (WC) PUD 4	P-UD	14.36	0.00	1,219.45	0.00	0.00	0.00	525.99	244.53	448.93	90.20	35.08
ODC (WC) PUD 5	P-UD	14.42	0.00	1,252.14	0.00	0.00	0.00	535.85	249.56	466.73	84.58	36.47
OXY YATES PUD 13 E1	P-UD	4.99	0.00	406.56	0.00	0.00	0.00	140.61	44.15	221.80	111.21	35.33
OXY YATES PUD 13 E3	P-UD	4.99	0.00	410.83	0.00	0.00	0.00	142.33	44.74	223.76	104.60	36.00
OXY YATES PUD 13 E4	P-UD	4.99	0.00	408.64	0.00	0.00	0.00	141.46	44.44	222.74	107.84	35.67
OXY YATES PUD 14 A1	P-UD	4.99	0.00	413.08	0.00	0.00	0.00	143.24	45.03	224.81	101.57	36.33
OXY YATES PUD 14 A2	P-UD	4.99	0.00	408.36	0.00	0.00	0.00	141.35	44.40	222.61	108.27	35.62
OXY YATES PUD 14 A3	P-UD	4.99	0.00	406.79	0.00	0.00	0.00	140.71	44.18	221.90	110.81	35.37
OXY YATES PUD 14 B3	P-UD	4.99	0.00	413.68	0.00	0.00	0.00	143.47	45.11	225.10	100.81	36.42
OXY YATES PUD 14 B4	P-UD	4.99	0.00	407.08	0.00	0.00	0.00	140.83	44.22	222.03	110.34	35.42
OXY YATES PUD 14 G2	P-UD	4.99	0.00	407.59	0.00	0.00	0.00	141.03	44.30	222.26	109.51	35.50
OXY YATES PUD 14 G4	P-UD	4.99	0.00	409.73	0.00	0.00	0.00	141.90	44.59	223.24	106.19	35.84
OXY YATES PUD 14 H1	P-UD	7.08	21.69	605.37	81.28	0.00	0.00	192.61	44.77	449.28	193.50	40.00
OXY YATES PUD 14 H3	P-UD	4.99	0.00	409.18	0.00	0.00	0.00	141.68	44.52	222.99	107.01	35.75
OXY YATES PUD 14 J1	P-UD	0.00	49.03	0.00	182.67	0.00	0.00	68.04	42.77	71.86	36.81	20.34
OXY YATES PUD 14 J2	P-UD	4.99	0.00	410.27	0.00	0.00	0.00	142.11	44.66	223.50	105.40	35.92
OXY YATES PUD 14 J3	P-UD	4.99	0.00	413.95	0.00	0.00	0.00	143.57	45.14	225.24	100.47	36.46
OXY YATES PUD 14 K1	P-UD	4.99	0.00	409.43	0.00	0.00	0.00	141.78	44.55	223.10	106.64	35.79
OXY YATES PUD 14 K4	P-UD	4.99	0.00	413.35	0.00	0.00	0.00	143.34	45.07	224.94	101.22	36.37
OXY YATES PUD 14 N1	P-UD	0.00	56.24	0.00	214.13	0.00	0.00	81.76	43.05	89.33	43.31	23.75
OXY YATES PUD 14 N2	P-UD	4.99	0.00	410.52	0.00	0.00	0.00	142.21	44.70	223.62	105.04	35.96
OXY YATES PUD 14 N3	P-UD	4.99	0.00	409.98	0.00	0.00	0.00	142.00	44.63	223.36	105.82	35.87
OXY YATES PUD 14 O1	P-UD	4.99	0.00	408.89	0.00	0.00	0.00	141.56	44.48	222.85	107.46	35.70
OXY YATES PUD 14 O2	P-UD	4.99	0.00	411.09	0.00	0.00	0.00	142.43	44.77	223.88	104.24	36.04
OXY YATES PUD 14 O3	P-UD	4.99	0.00	414.53	0.00	0.00	0.00	143.79	45.22	225.53	99.76	36.54
PEAVY, S. H. PUD 1	P-UD	14.08	0.00	954.22	0.00	0.00	0.00	133.98	110.08	710.17	435.00	13.95
PEAVY, S. H. PUD 2	P-UD	14.08	0.00	955.20	0.00	0.00	0.00	134.11	110.23	710.86	431.99	14.03
PEAVY, S. H. PUD 3	P-UD	14.08	0.00	956.29	0.00	0.00	0.00	134.31	110.40	711.58	428.65	14.11
PEAVY, S. H. PUD 4	P-UD	14.08	0.00	957.36	0.00	0.00	0.00	134.52	110.56	712.28	425.45	14.19
PEAVY, S. H. PUD 5	P-UD	14.08	0.00	958.49	0.00	0.00	0.00	134.71	110.73	713.04	422.19	14.28
PITTCOCK, N. PUD 1	P-UD	18.20	0.00	1,262.33	0.00	0.00	0.00	243.11	97.15	922.07	555.49	20.83
PITTCOCK, N. PUD 2	P-UD	18.20	0.00	1,263.83	0.00	0.00	0.00	243.47	97.31	923.05	551.23	20.91
PITTCOCK, N. PUD 3	P-UD	18.20	0.00	1,265.20	0.00	0.00	0.00	243.76	97.46	923.98	547.46	20.99
PITTCOCK, N. PUD 4	P-UD	18.20	0.00	1,266.74	0.00	0.00	0.00	244.13	97.62	924.99	543.29	21.08
PITTCOCK, N. PUD 5	P-UD	18.20	0.00	1,268.25	0.00	0.00	0.00	244.57	97.78	925.90	539.30	21.16

Economic One-Liners

Project Name : PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Lease Name <i>Risked / UnRisked</i>	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
PITTCOCK, N, PUD 6	P-UD	18.20	0.00	1,269.83	0.00	0.00	244.95	97.95	926.94	535.22	21.24	
PITTCOCK, N, PUD 7	P-UD	18.20	0.00	1,271.38	0.00	0.00	245.29	98.11	927.99	531.33	21.33	
PITTCOCK, N, PUD 8	P-UD	18.20	0.00	1,273.01	0.00	0.00	245.68	98.27	929.06	527.34	21.41	
PITTCOCK, S, PUD 1	P-UD	14.01	0.00	956.24	0.00	0.00	230.09	93.51	632.64	315.05	21.22	
PITTCOCK, S, PUD 10	P-UD	14.01	0.00	967.61	0.00	0.00	233.21	94.91	639.50	294.51	21.97	
PITTCOCK, S, PUD 11	P-UD	14.01	0.00	968.98	0.00	0.00	233.55	95.07	640.36	292.31	22.05	
PITTCOCK, S, PUD 12	P-UD	14.01	0.00	970.31	0.00	0.00	233.99	95.22	641.10	290.18	22.13	
PITTCOCK, S, PUD 2	P-UD	14.01	0.00	957.48	0.00	0.00	230.41	93.67	633.39	312.63	21.30	
PITTCOCK, S, PUD 3	P-UD	14.01	0.00	958.61	0.00	0.00	230.74	93.81	634.06	310.46	21.38	
PITTCOCK, S, PUD 4	P-UD	14.01	0.00	959.87	0.00	0.00	231.07	93.97	634.83	308.08	21.46	
PITTCOCK, S, PUD 5	P-UD	14.01	0.00	961.10	0.00	0.00	231.43	94.12	635.55	305.79	21.55	
PITTCOCK, S, PUD 6	P-UD	14.01	0.00	962.40	0.00	0.00	231.77	94.28	636.35	303.46	21.63	
PITTCOCK, S, PUD 7	P-UD	14.01	0.00	963.66	0.00	0.00	232.14	94.43	637.09	301.22	21.71	
PITTCOCK, S, PUD 8	P-UD	14.01	0.00	964.98	0.00	0.00	232.48	94.59	637.90	298.93	21.80	
PITTCOCK, S, PUD 9	P-UD	14.01	0.00	966.31	0.00	0.00	232.84	94.75	638.72	296.68	21.88	
WHPU PUD 1	P-UD	9.12	0.00	572.60	0.00	0.00	173.73	264.55	134.32	45.92	28.90	
WHPU PUD 10	P-UD	9.13	0.00	575.53	0.00	0.00	174.99	266.51	134.03	43.46	29.29	
WHPU PUD 11	P-UD	9.13	0.00	575.87	0.00	0.00	175.13	266.73	134.01	43.20	29.34	
WHPU PUD 12	P-UD	9.13	0.00	576.21	0.00	0.00	175.27	266.95	133.99	42.94	29.38	
WHPU PUD 13	P-UD	9.13	0.00	576.58	0.00	0.00	175.42	267.19	133.97	42.67	29.43	
WHPU PUD 14	P-UD	9.13	0.00	576.92	0.00	0.00	175.56	267.41	133.96	42.41	29.47	
WHPU PUD 15	P-UD	9.13	0.00	577.29	0.00	0.00	175.71	267.64	133.94	42.15	29.52	
WHPU PUD 16	P-UD	9.13	0.00	577.64	0.00	0.00	175.85	267.86	133.94	41.90	29.56	
WHPU PUD 17	P-UD	9.13	0.00	578.00	0.00	0.00	175.99	268.08	133.93	41.66	29.60	
WHPU PUD 18	P-UD	9.13	0.00	578.35	0.00	0.00	176.13	268.30	133.93	41.42	29.65	
WHPU PUD 19	P-UD	9.13	0.00	578.74	0.00	0.00	176.28	268.53	133.92	41.16	29.69	
WHPU PUD 2	P-UD	9.13	0.00	572.92	0.00	0.00	173.86	264.77	134.29	45.64	28.94	
WHPU PUD 20	P-UD	9.13	0.00	579.10	0.00	0.00	176.42	268.75	133.92	40.93	29.74	
WHPU PUD 21	P-UD	9.13	0.00	579.46	0.00	0.00	176.56	268.98	133.92	40.70	29.78	
WHPU PUD 22	P-UD	9.13	0.00	579.83	0.00	0.00	176.70	269.20	133.93	40.47	29.83	
WHPU PUD 23	P-UD	9.13	0.00	580.23	0.00	0.00	176.86	269.43	133.94	40.23	29.87	
WHPU PUD 24	P-UD	9.13	0.00	580.60	0.00	0.00	177.00	269.65	133.95	40.01	29.92	
WHPU PUD 25	P-UD	9.13	0.00	581.00	0.00	0.00	177.16	269.89	133.96	39.77	29.96	
WHPU PUD 26	P-UD	9.13	0.00	581.38	0.00	0.00	177.30	270.11	133.98	39.56	30.01	
WHPU PUD 27	P-UD	9.13	0.00	581.73	0.00	0.00	177.41	270.31	134.01	39.37	30.05	

Economic One-Liners

Project Name : PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Lease Name Risked / UnRisked	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
WHPU PUD 28	P-UD	9.13	0.00	582.12	0.00	0.00	177.56	270.53	134.03	39.16	30.09	
WHPU PUD 29	P-UD	9.13	0.00	582.53	0.00	0.00	177.75	270.77	134.01	38.93	30.14	
WHPU PUD 3	P-UD	9.13	0.00	573.20	0.00	0.00	173.97	264.96	134.27	45.40	28.98	
WHPU PUD 30	P-UD	9.13	0.00	582.93	0.00	0.00	177.90	270.99	134.03	38.73	30.18	
WHPU PUD 31	P-UD	9.13	0.00	583.32	0.00	0.00	178.05	271.21	134.06	38.53	30.22	
WHPU PUD 32	P-UD	9.13	0.00	583.73	0.00	0.00	178.20	271.44	134.09	38.33	30.27	
WHPU PUD 33	P-UD	9.13	0.00	584.16	0.00	0.00	178.35	271.67	134.13	38.12	30.31	
WHPU PUD 34	P-UD	9.13	0.00	584.57	0.00	0.00	178.50	271.90	134.17	37.93	30.36	
WHPU PUD 35	P-UD	9.13	0.00	584.98	0.00	0.00	178.65	272.12	134.21	37.75	30.40	
WHPU PUD 36	P-UD	9.13	0.00	585.40	0.00	0.00	178.80	272.34	134.25	37.56	30.44	
WHPU PUD 37	P-UD	9.13	0.00	585.84	0.00	0.00	178.96	272.58	134.30	37.37	30.49	
WHPU PUD 38	P-UD	9.13	0.00	586.27	0.00	0.00	179.11	272.80	134.35	37.19	30.54	
WHPU PUD 39	P-UD	9.13	0.00	586.73	0.00	0.00	179.28	273.04	134.41	37.00	30.58	
WHPU PUD 4	P-UD	9.13	0.00	573.52	0.00	0.00	174.11	265.18	134.23	45.12	29.02	
WHPU PUD 40	P-UD	9.13	0.00	587.16	0.00	0.00	179.43	273.27	134.47	36.83	30.63	
WHPU PUD 41	P-UD	9.13	0.00	587.60	0.00	0.00	179.58	273.49	134.53	36.66	30.67	
WHPU PUD 42	P-UD	9.13	0.00	588.04	0.00	0.00	179.73	273.71	134.59	36.50	30.71	
WHPU PUD 43	P-UD	9.13	0.00	588.52	0.00	0.00	179.90	273.95	134.66	36.33	30.76	
WHPU PUD 44	P-UD	9.13	0.00	588.97	0.00	0.00	180.05	274.18	134.74	36.17	30.80	
WHPU PUD 45	P-UD	9.13	0.00	589.43	0.00	0.00	180.20	274.40	134.82	36.02	30.85	
WHPU PUD 46	P-UD	9.13	0.00	589.89	0.00	0.00	180.36	274.63	134.90	35.87	30.89	
WHPU PUD 47	P-UD	9.13	0.00	590.39	0.00	0.00	180.53	274.87	134.99	35.71	30.94	
WHPU PUD 48	P-UD	9.13	0.00	590.84	0.00	0.00	180.69	275.10	135.05	35.55	30.98	
WHPU PUD 49	P-UD	9.13	0.00	591.32	0.00	0.00	180.85	275.34	135.13	35.39	31.03	
WHPU PUD 5	P-UD	9.13	0.00	573.86	0.00	0.00	174.25	265.41	134.20	44.82	29.07	
WHPU PUD 50	P-UD	9.13	0.00	591.78	0.00	0.00	181.00	275.56	135.22	35.25	31.07	
WHPU PUD 51	P-UD	9.13	0.00	592.19	0.00	0.00	181.13	275.76	135.30	35.13	31.11	
WHPU PUD 52	P-UD	9.13	0.00	592.66	0.00	0.00	181.34	275.99	135.33	34.98	31.15	
WHPU PUD 53	P-UD	9.13	0.00	593.17	0.00	0.00	181.52	276.23	135.42	34.83	31.20	
WHPU PUD 54	P-UD	9.13	0.00	593.65	0.00	0.00	181.67	276.45	135.52	34.70	31.24	
WHPU PUD 55	P-UD	9.13	0.00	594.12	0.00	0.00	181.81	276.68	135.63	34.57	31.29	
WHPU PUD 56	P-UD	9.13	0.00	594.61	0.00	0.00	181.97	276.91	135.73	34.44	31.33	
WHPU PUD 57	P-UD	9.13	0.00	595.14	0.00	0.00	182.15	277.15	135.84	34.31	31.38	
WHPU PUD 58	P-UD	9.13	0.00	595.65	0.00	0.00	182.31	277.38	135.96	34.19	31.42	
WHPU PUD 59	P-UD	9.13	0.00	596.16	0.00	0.00	182.47	277.61	136.08	34.07	31.46	

Economic One-Liners

Project Name : PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Lease Name Risked / UnRisked	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
WHPU PUD 6	P-UD	9.13	0.00	574.19	0.00	0.00	174.38	265.63	134.18	44.55	29.11	
WHPU PUD 60	P-UD	9.13	0.00	596.67	0.00	0.00	182.64	277.83	136.20	33.96	31.51	
WHPU PUD 61	P-UD	9.13	0.00	597.23	0.00	0.00	182.82	278.08	136.34	33.85	31.55	
WHPU PUD 62	P-UD	9.13	0.00	597.76	0.00	0.00	182.98	278.31	136.47	33.74	31.60	
WHPU PUD 63	P-UD	9.13	0.00	598.33	0.00	0.00	183.16	278.55	136.62	33.64	31.64	
WHPU PUD 64	P-UD	9.13	0.00	598.88	0.00	0.00	183.33	278.78	136.77	33.55	31.69	
WHPU PUD 65	P-UD	9.13	0.00	599.43	0.00	0.00	183.50	279.01	136.92	33.46	31.73	
WHPU PUD 66	P-UD	9.13	0.00	599.99	0.00	0.00	183.67	279.24	137.08	33.38	31.78	
WHPU PUD 67	P-UD	9.13	0.00	600.59	0.00	0.00	183.85	279.48	137.26	33.29	31.82	
WHPU PUD 68	P-UD	9.13	0.00	601.17	0.00	0.00	184.02	279.71	137.44	33.22	31.87	
WHPU PUD 69	P-UD	9.13	0.00	601.75	0.00	0.00	184.19	279.94	137.62	33.16	31.91	
WHPU PUD 7	P-UD	9.13	0.00	574.51	0.00	0.00	174.57	265.84	134.10	44.28	29.16	
WHPU PUD 70	P-UD	9.13	0.00	602.34	0.00	0.00	184.36	280.17	137.81	33.09	31.95	
WHPU PUD 71	P-UD	9.13	0.00	602.98	0.00	0.00	184.55	280.42	138.01	33.03	32.00	
WHPU PUD 72	P-UD	9.14	0.00	603.45	0.00	0.00	184.71	280.65	138.09	32.89	32.04	
WHPU PUD 73	P-UD	9.14	0.00	603.95	0.00	0.00	184.88	280.89	138.17	32.74	32.09	
WHPU PUD 74	P-UD	9.14	0.00	604.40	0.00	0.00	185.07	281.12	138.21	32.60	32.13	
WHPU PUD 75	P-UD	9.14	0.00	604.82	0.00	0.00	185.21	281.32	138.29	32.49	32.17	
WHPU PUD 76	P-UD	9.14	0.00	605.30	0.00	0.00	185.37	281.55	138.38	32.36	32.21	
WHPU PUD 77	P-UD	9.14	0.00	605.82	0.00	0.00	185.55	281.80	138.48	32.22	32.26	
WHPU PUD 78	P-UD	9.14	0.00	606.32	0.00	0.00	185.71	282.03	138.58	32.10	32.30	
WHPU PUD 79	P-UD	9.14	0.00	606.82	0.00	0.00	185.87	282.26	138.69	31.98	32.35	
WHPU PUD 8	P-UD	9.13	0.00	574.84	0.00	0.00	174.71	266.06	134.07	44.01	29.20	
WHPU PUD 80	P-UD	9.14	0.00	607.32	0.00	0.00	186.04	282.49	138.79	31.87	32.39	
WHPU PUD 81	P-UD	9.14	0.00	607.87	0.00	0.00	186.21	282.74	138.91	31.74	32.44	
WHPU PUD 82	P-UD	9.14	0.00	608.39	0.00	0.00	186.38	282.97	139.04	31.63	32.48	
WHPU PUD 83	P-UD	9.14	0.00	608.91	0.00	0.00	186.54	283.21	139.16	31.53	32.53	
WHPU PUD 84	P-UD	9.14	0.00	609.44	0.00	0.00	186.71	283.44	139.29	31.43	32.57	
WHPU PUD 85	P-UD	9.14	0.00	610.01	0.00	0.00	186.89	283.69	139.43	31.32	32.62	
WHPU PUD 86	P-UD	9.14	0.00	610.54	0.00	0.00	187.05	283.92	139.57	31.23	32.66	
WHPU PUD 87	P-UD	9.14	0.00	611.13	0.00	0.00	187.23	284.17	139.73	31.13	32.70	
WHPU PUD 88	P-UD	9.14	0.00	611.69	0.00	0.00	187.41	284.40	139.88	31.05	32.75	
WHPU PUD 89	P-UD	9.14	0.00	612.25	0.00	0.00	187.58	284.63	140.05	30.97	32.79	
WHPU PUD 9	P-UD	9.13	0.00	575.20	0.00	0.00	174.86	266.30	134.04	43.72	29.25	
WHPU PUD 90	P-UD	9.14	0.00	612.83	0.00	0.00	187.75	284.87	140.21	30.90	32.84	

Economic One-Liners

Project Name : PERMEX PETROLEUM

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MKM ENGINEERING

TABLE 11

Lease Name <i>Risked / UnRisked</i>	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
WHPU PUD 91	P-UD	9.14	0.00	613.45	0.00	0.00	187.94	285.12	140.40	30.82	32.88	
WHPU PUD 92	P-UD	9.14	0.00	614.04	0.00	0.00	188.11	285.35	140.58	30.75	32.93	
WHPU PUD 93	P-UD	9.14	0.00	614.64	0.00	0.00	188.29	285.58	140.77	30.69	32.97	
WHPU PUD 94	P-UD	9.14	0.00	615.25	0.00	0.00	188.47	285.82	140.96	30.64	33.01	
WHPU PUD 95	P-UD	9.14	0.00	615.91	0.00	0.00	188.66	286.07	141.18	30.58	33.06	
WHPU PUD 96	P-UD	9.14	0.00	616.38	0.00	0.00	188.82	286.30	141.25	30.45	33.10	
Total		3,342.84	677.48	247,855.69	2,680.08	0.00	60,467.27	42,679.60	147,388.89	58,153.01	40.00	
Total		4,266.58	805.17	313,733.01	3,087.41	0.00	84,292.62	45,238.33	187,289.46	77,106.60	40.00	
Probable Rsv Class												
Producing Rsv Category												
LOVING, J. W., EST.	PR-DP	-0.95	0.00	-127.23	0.00	0.00	-89.57	-11.22	-26.44	35.58	14.10	
MCMURTRY, C. A.	PR-DP	1.85	0.00	150.35	0.00	0.00	21.92	2.09	126.34	48.13	29.54	
OXY YATES 14 FED 1	PR-DP	0.00	39.98	0.00	163.43	0.00	94.80	2.08	66.55	34.66	26.41	
OXY YATES 14 FED 12	PR-DP	0.36	2.15	26.22	7.59	0.00	24.66	0.58	8.57	8.16	8.89	
OXY YATES 14 FED 15	PR-DP	0.16	0.92	11.58	3.14	0.00	13.08	0.32	1.32	2.23	5.08	
OXY YATES 14 FED 2	PR-DP	0.00	0.14	0.00	0.45	0.00	1.99	0.06	-1.60	-1.27	0.92	
OXY YATES 14 FED 3	PR-DP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
OXY YATES 14 FED 8	PR-DP	2.96	6.19	257.04	26.20	0.00	137.15	2.92	143.17	64.63	34.05	
PITTCOCK S. TANNEHILL UNIT	PR-DP	17.66	0.00	1,191.89	0.00	0.00	840.41	9.17	342.31	236.34	13.61	
PITTCOCK, N. LEASE	PR-DP	65.26	0.00	5,146.85	0.00	0.00	826.12	13.04	4,307.70	1,889.89	29.27	
RAINS 27 1	PR-DP	0.00	6.17	0.00	24.98	0.00	12.84	0.32	11.82	6.54	17.73	
Total		87.30	55.55	6,656.70	225.79	0.00	1,883.40	19.36	4,979.74	2,324.88	34.05	
Probable Rsv Class												
Non-Producing Rsv Category												
MARY BULLARD UNIT - 1,3,6,7	PR-NP	34.08	0.00	2,927.04	0.00	0.00	1,195.85	19.13	1,712.06	607.76	35.95	
OXY YATES 13 FED 16	PR-NP	0.73	0.00	57.62	0.00	0.00	23.25	0.46	33.90	20.12	17.18	
OXY YATES 14 FED 14	PR-NP	0.20	0.00	14.20	0.00	0.00	12.69	0.31	1.20	2.10	5.55	
Total		35.01	0.00	2,998.86	0.00	0.00	1,231.79	19.90	1,747.17	629.98	35.95	
Probable Rsv Class												
Undeveloped Rsv Category												
MARY BULLARD UNIT 10	PR-UD	15.49	0.00	1,373.58	0.00	0.00	316.40	3.93	1,053.25	289.64	40.00	
MARY BULLARD UNIT 8	PR-UD	15.57	0.00	1,374.47	0.00	0.00	320.31	4.01	1,050.16	298.11	40.00	
MARY BULLARD UNIT 9	PR-UD	15.53	0.00	1,373.61	0.00	0.00	318.37	3.97	1,051.27	293.68	40.00	
MCMURTRY LOVING WTRFLD	PR-UD	57.94	0.00	3,887.88	0.00	0.00	895.49	202.82	2,789.57	1,877.91	12.50	
OXY YATES PUD 13 F2	PR-UD	4.99	0.00	413.68	0.00	0.00	143.47	45.11	225.10	100.81	36.42	
OXY YATES PUD 13 F3	PR-UD	4.99	0.00	415.14	0.00	0.00	144.02	45.29	225.83	99.03	36.62	

Economic One-Liners

Project Name : PERMEX PETROLEUM

As of Date: 9/30/2018

MKM ENGINEERING

TABLE 11

Lease Name Risky / UnRisky	Reserve Category	Net Reserves			Net Revenue			Expense & Tax (MS)	Invest. (MS)	Cash Flow		Life (years)
		Oil (Mbbbl)	Gas (MMcf)	OH (MS)	Gas (MS)	Other (MS)	Non-Disc. (MS)			Disc. CF (MS)		
OXY YATES PUD 14 B1	PR-UD	4.99	0.00	414.53	0.00	0.00	143.79	45.22	225.53	99.76	36.54	
OXY YATES PUD 14 K2	PR-UD	4.99	0.00	414.26	0.00	0.00	143.68	45.18	225.39	100.09	36.50	
OXY YATES PUD 14 K3	PR-UD	4.99	0.00	414.86	0.00	0.00	143.92	45.26	225.69	99.35	36.59	
OXY YATES PUD 14 M4	PR-UD	4.99	0.00	415.74	0.00	0.00	144.24	45.37	226.13	98.33	36.71	
OXY YATES PUD 14 O4	PR-UD	4.99	0.00	415.46	0.00	0.00	144.13	45.33	225.99	98.65	36.67	
PEAVY, S. H. WTRFLD	PR-UD	68.32	0.00	4,626.53	0.00	0.00	1,065.63	101.41	3,459.50	2,240.67	14.57	
WH PUD 1	PR-UD	310.08	738.14	20,108.40	2,669.07	0.00	6,114.56	5,118.34	11,544.57	5,948.60	37.58	
WH PUD 10	PR-UD	310.18	738.26	20,827.96	2,811.65	0.00	6,382.70	5,350.35	11,906.57	4,830.66	39.91	
WH PUD 2	PR-UD	310.10	738.15	20,173.56	2,683.32	0.00	6,141.07	5,143.13	11,572.67	5,806.63	37.83	
WH PUD 3	PR-UD	310.11	738.17	20,243.32	2,701.01	0.00	6,169.69	5,168.89	11,605.76	5,666.77	38.09	
WH PUD 4	PR-UD	310.12	738.18	20,315.50	2,723.63	0.00	6,200.12	5,194.77	11,644.25	5,535.68	38.35	
WH PUD 5	PR-UD	310.13	738.19	20,391.19	2,747.08	0.00	6,230.54	5,220.69	11,687.04	5,410.21	38.62	
WH PUD 6	PR-UD	310.14	738.21	20,468.76	2,757.50	0.00	6,258.74	5,246.19	11,721.34	5,283.25	38.87	
WH PUD 7	PR-UD	310.15	738.22	20,551.94	2,769.62	0.00	6,289.70	5,272.38	11,759.49	5,159.83	39.13	
WH PUD 8	PR-UD	310.16	738.23	20,641.05	2,784.08	0.00	6,320.88	5,298.71	11,805.53	5,044.32	39.40	
WH PUD 9	PR-UD	310.17	738.25	20,734.98	2,799.62	0.00	6,352.41	5,325.00	11,857.19	4,935.16	39.66	
Probable Rsv Class	Total	3,309.13	7,381.99	219,996.40	27,446.58	0.00	66,383.84	52,971.34	128,087.80	59,317.14	40.00	
Grand Total	Total	3,431.44	7,437.55	229,651.96	27,672.37	0.00	69,499.04	53,010.60	134,814.71	62,272.00	40.00	
	Total	7,698.02	8,242.71	543,384.98	30,759.78	0.00	153,791.66	98,248.93	322,104.17	139,378.60	40.00	

**Gross
Ultimates,
Interests &
Prices**

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
Proved Reserve Class									
Developed Producing Reserve Category									
HARRELL 1	PDP	4.89	7.04	0.00	0.91	4.89	6.13	1.00000000	0.77000000
LOVING, J. W., EST.	PDP	67.76	28.92	11.27	0.00	56.49	28.92	1.00000000	0.75000000
MARY BULLARD UNIT 2	PDP	107.52	0.80	31.44	0.00	76.08	0.80	1.00000000	0.78000000
MCMURTRY, C. A. 2	PDP	63.83	56.50	7.51	0.00	56.32	56.50	1.00000000	0.75000000
ODC /SAN ANDRES/ UNIT	PDP	5,222.57	1,753.98	782.94	268.76	4,439.63	1,485.23	0.41459588	0.34961157
OXY YATES 13 FED 16	PDP	5.09	0.00	0.92	0.00	4.17	0.00	1.00000000	0.77000000
OXY YATES 14 FED 1	PDP	0.00	183.21	0.00	0.00	0.00	183.21	1.00000000	0.77000000
OXY YATES 14 FED 12	PDP	4.90	27.70	0.00	0.00	4.90	27.69	1.00000000	0.77000000
OXY YATES 14 FED 14	PDP	1.39	0.00	0.00	0.00	1.39	0.00	1.00000000	0.77000000
OXY YATES 14 FED 15	PDP	2.27	17.84	0.00	0.00	2.27	17.84	1.00000000	0.77000000
OXY YATES 14 FED 2	PDP	0.00	128.09	0.00	0.00	0.00	128.09	1.00000000	0.77000000
OXY YATES 14 FED 3	PDP	8.22	27.44	0.00	0.00	8.22	27.44	1.00000000	0.77000000
OXY YATES 14 FED 8	PDP	6.83	46.17	0.00	0.00	6.83	46.16	1.00000000	0.77000000
PEAVY, S. H. 'AA' 12	PDP	6.64	486.37	0.00	0.01	6.64	486.36	1.00000000	0.70400000
PEAVY, S. H. 'CC' 15	PDP	0.06	215.18	0.00	0.01	0.06	215.17	1.00000000	0.70400000
PEAVY, S. H. 'F' 17	PDP	0.99	154.93	0.00	0.01	0.99	154.92	1.00000000	0.70400000
PEAVY, S. H. 1	PDP	21.67	8.28	0.00	0.00	21.67	8.28	1.00000000	0.70400000
PEAVY, S. H. 16	PDP	5.56	2.24	0.00	0.00	5.56	2.24	1.00000000	0.70400000
PEAVY, S. H. 20	PDP	50.03	14.06	3.15	0.00	46.89	14.06	1.00000000	0.70400000
PEAVY, S. H. 3	PDP	21.81	8.28	0.00	0.00	21.81	8.28	1.00000000	0.70400000
PEAVY, S. H. 5 & 7B	PDP	55.66	2.13	2.25	0.00	53.41	2.13	1.00000000	0.70400000
PEAVY, S.H. 'BB' 14	PDP	27.18	282.80	0.21	4.19	26.98	278.61	1.00000000	0.70400000
PITTCOCK N. LEASE	PDP	655.12	49.40	97.85	0.00	557.27	49.40	1.00000000	0.81250000
PITTCOCK S. TANNEHILL UNIT	PDP	280.45	0.00	7.66	0.00	272.80	0.00	0.96109360	0.71900000
PSTU 16 WIW	PDP	0.00	0.00	0.00	0.00	0.00	0.00	0.96109360	0.71900000
PSTU 8 WIW	PDP	0.00	0.00	0.00	0.00	0.00	0.00	0.96109360	0.71900000
RAINS 27 1	PDP	0.00	113.38	0.00	16.93	0.00	96.44	1.00000000	0.77000000
TAYLOR, W. J. 'A'	PDP	1,426.55	25.51	267.23	0.00	1,159.32	25.51	0.48000000	0.41592904
WHPU	PDP	296.28	0.00	184.98	0.00	111.30	0.00	1.00000000	0.72000000
WHPU 003Z	PDP	0.00	0.00	0.00	0.00	0.00	0.00	1.00000000	0.72000000
		8,343.30	3,640.22	1,397.41	290.82	6,945.90	3,349.40		

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcuf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcuf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcuf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
Proved Reserve Class									
Non-Producing Reserve Category									
LOVING, J. W., EST. 1	P-NP	16.16	1.64	13.64	0.00	2.52	1.64	1.00000000	0.75000000
LOVING, J. W., EST. 5	P-NP	63.93	330.11	13.64	0.00	50.29	330.11	1.00000000	0.75000000
LOVING, J. W., EST. 6	P-NP	63.93	330.11	13.64	0.00	50.29	330.11	1.00000000	0.75000000
LOVING, J. W., EST. 7	P-NP	63.93	330.11	13.64	0.00	50.29	330.11	1.00000000	0.75000000
LOVING, J. W., EST. 8	P-NP	63.93	330.11	13.64	0.00	50.29	330.11	1.00000000	0.75000000
MARY BULLARD UNIT - 1,3,6,7	P-NP	109.99	0.80	37.41	0.00	72.58	0.80	1.00000000	0.78000000
MCMURTRY, C.A. 'A' 1	P-NP	68.94	370.19	13.64	0.00	55.30	370.19	1.00000000	0.75000000
MCMURTRY, C.A. 3	P-NP	70.62	376.40	13.64	0.00	56.98	376.40	1.00000000	0.75000000
MCMURTRY, C.A. 4	P-NP	70.62	376.40	13.64	0.00	56.98	376.40	1.00000000	0.75000000
ODC (GB) PNP NE 1	P-NP	32.45	9.74	32.45	9.74	0.00	0.00	0.41459588	0.34961157
ODC (GB) PNP NW 1	P-NP	32.44	9.73	32.44	9.73	0.00	0.00	0.41459588	0.34961157
ODC (GB) PNP SE 1	P-NP	32.45	9.73	32.45	9.73	0.00	0.00	0.41459588	0.34961157
ODC (GB) PNP SW 1	P-NP	32.44	9.73	32.44	9.73	0.00	0.00	0.41459588	0.34961157
ODC (GB) PNP SW 2	P-NP	32.46	9.74	32.46	9.74	0.00	0.00	0.41459588	0.34961157
PEAVY, S. H. 'D' 10	P-NP	24.26	1.41	8.98	0.00	15.28	1.41	1.00000000	0.70400000
PEAVY, S. H. 'E' 8A	P-NP	12.70	0.05	8.98	0.00	3.72	0.05	1.00000000	0.70400000
PEAVY, S. H. 21	P-NP	12.61	8.46	8.98	0.00	3.63	8.46	1.00000000	0.70400000
PEAVY, S. H. 19	P-NP	6.64	11.47	0.00	0.00	6.64	11.47	1.00000000	0.70400000
PITTCOCK S. TANNEHILL (2)	P-NP	11.70	0.00	11.70	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK S. TANNEHILL (3)	P-NP	17.54	0.00	17.54	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK S. TANNEHILL (3)	P-NP	17.55	0.00	17.55	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK S. TANNEHILL (3)	P-NP	17.55	0.00	17.55	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, N. 10	P-NP	13.59	0.00	13.59	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N. 6	P-NP	13.60	0.00	13.60	0.00	0.00	0.00	1.00000000	0.81250000
WJ76-01	P-NP	13.75	0.00	13.75	0.00	0.00	0.00	1.00000000	0.81250000
WJ76-02	P-NP	13.75	0.00	13.75	0.00	0.00	0.00	1.00000000	0.81250000
		929.54	2,515.91	454.75	48.67	474.80	2,467.24		
Proved Reserve Class									
Shut-In Reserve Category									
PEAVY, S. H. 'DD' 18	P-SI	0.43	14.09	0.00	0.00	0.43	14.09	1.00000000	0.70400000
PSTU 1 WIW	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	0.96109360	0.71900000

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcuf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcuf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcuf)</u>	<u>Working Interest (Decimal)</u>	<u>Revenue Interest (Decimal)</u>	
PSTU 14 WIW	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	0.96109360	0.71900000	
PSTU 3 WIW	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	0.96109360	0.71900000	
WHPU 001T	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	1.00000000	0.72000000	
WHPU 004M	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	1.00000000	0.72000000	
WHPU 006	P-SI	0.00	0.00	0.00	0.00	0.00	0.00	1.00000000	0.72000000	
		0.43	14.09	0.00	0.00	0.43	14.09			
Proved Reserve Class										
Undeveloped Reserve Category										
LOVING, J.W., EST. PUD 1	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 10	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 2	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 3	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 4	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 5	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 6	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 7	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 8	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
LOVING, J.W., EST. PUD 9	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MARY BULLARD UNIT 10	P-UD	19.52	0.00	19.52	0.00	0.00	0.00	1.00000000	0.78000000	
MARY BULLARD UNIT 8	P-UD	19.52	0.00	19.52	0.00	0.00	0.00	1.00000000	0.78000000	
MARY BULLARD UNIT 9	P-UD	19.52	0.00	19.52	0.00	0.00	0.00	1.00000000	0.78000000	
MCMURTRY, C. A. PUD 1	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 10	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 2	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 3	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 4	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 5	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 6	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 7	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 8	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
MCMURTRY, C. A. PUD 9	P-UD	40.92	0.00	40.92	0.00	0.00	0.00	1.00000000	0.75000000	
ODC (GB) PUD 1	P-UD	32.68	9.80	32.68	9.80	0.00	0.00	0.41459588	0.34961157	
ODC (GB) PUD 2	P-UD	32.85	9.86	32.85	9.86	0.00	0.00	0.41459588	0.34961157	

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcuf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcuf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcuf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
ODC (GB) PUD 3	P-UD	33.02	9.91	33.02	9.91	0.00	0.00	0.41459588	0.34961157
ODC (GB) PUD 4	P-UD	33.18	9.96	33.18	9.96	0.00	0.00	0.41459588	0.34961157
ODC (GB) PUD 5	P-UD	33.35	10.00	33.35	10.00	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 1	P-UD	91.85	41.33	91.85	41.33	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 10	P-UD	92.10	41.44	92.10	41.44	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 11	P-UD	92.12	41.46	92.12	41.46	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 12	P-UD	92.15	41.47	92.15	41.47	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 13	P-UD	92.17	41.48	92.17	41.48	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 14	P-UD	92.09	41.44	92.09	41.44	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 15	P-UD	92.01	41.41	92.01	41.41	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 16	P-UD	91.93	41.37	91.93	41.37	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 17	P-UD	91.85	41.33	91.85	41.33	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 18	P-UD	91.77	41.30	91.77	41.30	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 19	P-UD	91.68	41.26	91.68	41.26	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD IH	P-UD	166.67	74.64	166.67	74.64	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 2	P-UD	91.88	41.35	91.88	41.35	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 20	P-UD	91.60	41.22	91.60	41.22	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 21	P-UD	91.51	41.18	91.51	41.18	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 22	P-UD	91.43	41.14	91.43	41.14	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 23	P-UD	91.34	41.10	91.34	41.10	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 24	P-UD	91.25	41.06	91.25	41.06	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 25	P-UD	91.16	41.02	91.16	41.02	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 26	P-UD	91.07	40.98	91.07	40.98	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 27	P-UD	90.98	40.94	90.98	40.94	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 28	P-UD	90.89	40.90	90.89	40.90	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 2H	P-UD	165.84	74.24	165.84	74.24	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 3	P-UD	91.91	41.36	91.91	41.36	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 3H	P-UD	164.95	73.82	164.95	73.82	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 4	P-UD	91.93	41.37	91.93	41.37	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 4H	P-UD	164.01	73.37	164.01	73.37	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 5	P-UD	91.96	41.38	91.96	41.38	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 5H	P-UD	163.43	73.09	163.43	73.09	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 6	P-UD	91.99	41.39	91.99	41.39	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 7	P-UD	92.02	41.41	92.02	41.41	0.00	0.00	0.41459588	0.34961157
ODC (SA) PUD 8	P-UD	92.04	41.42	92.04	41.42	0.00	0.00	0.41459588	0.34961157

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest (Decimal)</u>	<u>Revenue Interest (Decimal)</u>
ODC (SA) PUD 9	P-UD	92.07	41.43	92.07	41.43	0.00	0.00	0.41459588	0.34961157
ODC (WC) PUD 1	P-UD	40.51	0.00	40.51	0.00	0.00	0.00	0.41459588	0.34961157
ODC (WC) PUD 2	P-UD	40.70	0.00	40.70	0.00	0.00	0.00	0.41459588	0.34961157
ODC (WC) PUD 3	P-UD	40.88	0.00	40.88	0.00	0.00	0.00	0.41459588	0.34961157
ODC (WC) PUD 4	P-UD	41.07	0.00	41.07	0.00	0.00	0.00	0.41459588	0.34961157
ODC (WC) PUD 5	P-UD	41.24	0.00	41.24	0.00	0.00	0.00	0.41459588	0.34961157
OXY YATES PUD 13 E1	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 13 E3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 13 E4	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 A1	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 A2	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 A3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 B3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 B4	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 G2	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 G4	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 H1	P-UD	9.20	28.17	9.20	28.17	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 H3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 J1	P-UD	0.00	63.68	0.00	63.68	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 J2	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 J3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 K1	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 K4	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 N1	P-UD	0.00	73.04	0.00	73.04	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 N2	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 N3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 O1	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 O2	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 O3	P-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
PEAVY, S. H. PUD 1	P-UD	20.00	0.00	20.00	0.00	0.00	0.00	1.00000000	0.70400000
PEAVY, S. H. PUD 2	P-UD	20.00	0.00	20.00	0.00	0.00	0.00	1.00000000	0.70400000
PEAVY, S. H. PUD 3	P-UD	20.00	0.00	20.00	0.00	0.00	0.00	1.00000000	0.70400000
PEAVY, S. H. PUD 4	P-UD	20.00	0.00	20.00	0.00	0.00	0.00	1.00000000	0.70400000
PEAVY, S. H. PUD 5	P-UD	20.00	0.00	20.00	0.00	0.00	0.00	1.00000000	0.70400000
PITTCOCK, N. PUD 1	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
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TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
PITTCOCK, N, PUD 2	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N, PUD 3	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N, PUD 4	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N, PUD 5	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N, PUD 6	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N, PUD 7	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, N, PUD 8	P-UD	22.40	0.00	22.40	0.00	0.00	0.00	1.00000000	0.81250000
PITTCOCK, S, PUD 1	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 10	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 11	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 12	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 2	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 3	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 4	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 5	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 6	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 7	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 8	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, S, PUD 9	P-UD	19.49	0.00	19.49	0.00	0.00	0.00	0.96109360	0.71900000
WHPU PUD 1	P-UD	12.68	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 10	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 11	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 12	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 13	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 14	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 15	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 16	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 17	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 18	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 19	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 2	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 20	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 21	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 22	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 23	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
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TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MBbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MBbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MBbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
WHPU PUD 24	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 25	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 26	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 27	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 28	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 29	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 3	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 30	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 31	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 32	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 33	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 34	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 35	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 36	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 37	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 38	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 39	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 4	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 40	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 41	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 42	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 43	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 44	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 45	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 46	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 47	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 48	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 49	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 5	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 50	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 51	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 52	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 53	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 54	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 55	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
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TABLE 12

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<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
WHPU PUD 56	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 57	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 58	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 59	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 60	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 61	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 62	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 63	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 64	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 65	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 66	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 67	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 68	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 69	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 70	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 71	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 72	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 73	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 74	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 75	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 76	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 77	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 78	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 79	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 80	P-UD	12.67	0.00	12.67	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 81	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 82	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 83	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 84	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 85	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 86	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 87	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000

**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
WHPU PUD 88	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 89	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 9	P-UD	12.68	0.00	12.68	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 90	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 91	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 92	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 93	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 94	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 95	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
WHPU PUD 96	P-UD	12.69	0.00	12.69	0.00	0.00	0.00	1.00000000	0.72000000
		6,509.62	1,739.53	6,509.62	1,739.53	0.00	0.00		
Proved Reserve Class		15,782.89	7,909.74	8,361.77	2,079.02	7,421.12	5,830.73		
Probable Reserve Class									
Producing Reserve Category									
LOVING, J. W., EST.	Pr-DP	0.00	0.00	0.00	0.00	0.00	0.00	1.00000000	0.75000000
MCMURTRY, C. A.	Pr-DP	2.46	0.00	2.46	0.00	0.00	0.00	1.00000000	0.75000000
OXY YATES 14 FED 1	Pr-DP	0.00	51.92	0.00	51.92	0.00	0.00	1.00000000	0.77000000
OXY YATES 14 FED 12	Pr-DP	0.47	2.80	0.47	2.80	0.00	0.00	1.00000000	0.77000000
OXY YATES 14 FED 15	Pr-DP	0.21	1.19	0.21	1.19	0.00	0.00	1.00000000	0.77000000
OXY YATES 14 FED 2	Pr-DP	0.00	0.18	0.00	0.18	0.00	0.00	1.00000000	0.77000000
OXY YATES 14 FED 3	Pr-DP	0.00	0.00	0.00	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES 14 FED 8	Pr-DP	3.85	8.04	3.85	8.04	0.00	0.00	1.00000000	0.77000000
PITTCOCK S. TANNEHILL UNIT	Pr-DP	24.56	0.00	24.56	0.00	0.00	0.00	0.96109360	0.71900000
PITTCOCK, N. LEASE	Pr-DP	80.31	0.00	80.31	0.00	0.00	0.00	1.00000000	0.81250000
RAINS 27 1	Pr-DP	0.00	8.01	0.00	8.01	0.00	0.00	1.00000000	0.77000000
		111.86	72.15	111.86	72.15	0.00	0.00		
Probable Reserve Class									
Non-Producing Reserve Category									
MARY BULLARD UNIT - 1,3,6,7	Pr-NP	43.70	0.00	43.70	0.00	0.00	0.00	1.00000000	0.78000000
OXY YATES 13 FED 16	Pr-NP	0.95	0.00	0.95	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES 14 FED 14	Pr-NP	0.26	0.00	0.26	0.00	0.00	0.00	1.00000000	0.77000000

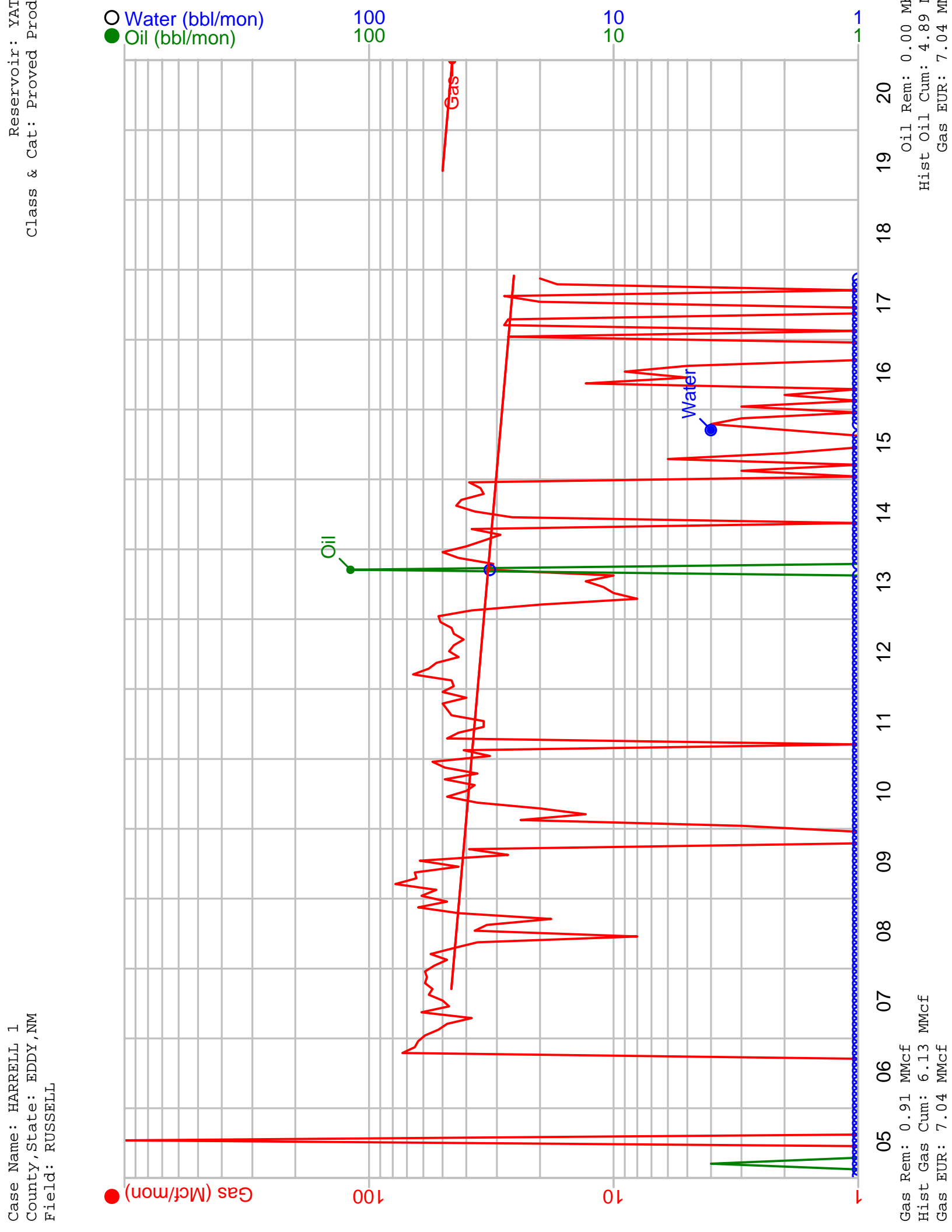
**GROSS ULTIMATE, REMAINING AND CUMULATIVE RESERVES
and EVALUATED INTERESTS**

TABLE 12

As of 09/30/2018

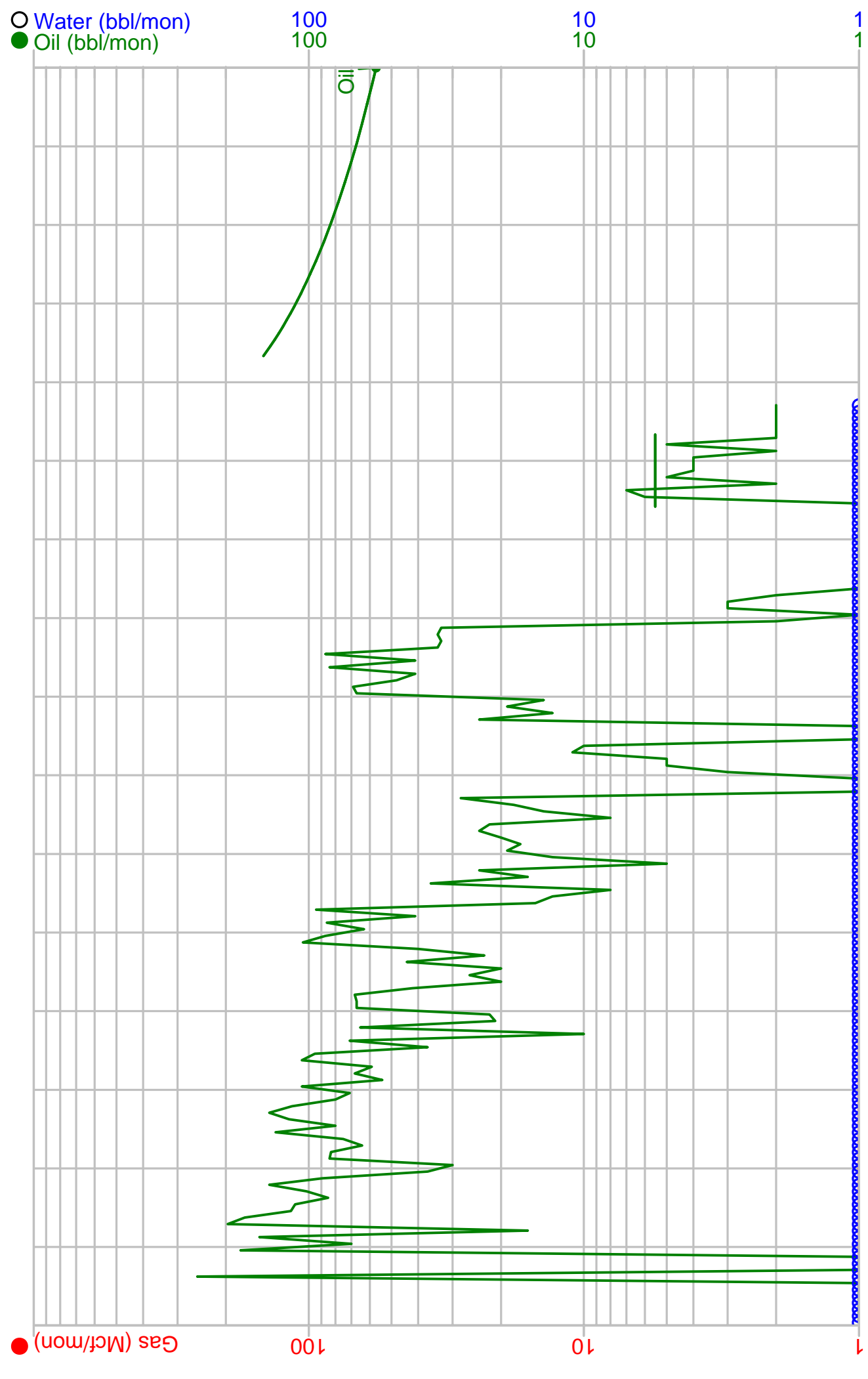
<u>Lease Name</u>	<u>Reserve Category</u>	<u>Ultimate Oil (MMbbls)</u>	<u>Ultimate Gas (MMcf)</u>	<u>Rem Oil (MMbbls)</u>	<u>Rem Gas (MMcf)</u>	<u>Cum Oil (MMbbls)</u>	<u>Cum Gas (MMcf)</u>	<u>Working Interest Decimal</u>	<u>Revenue Interest Decimal</u>
Probable Reserve Class									
Undeveloped Reserve Category									
MARY BULLARD UNIT 10	Pt-UD	19.86	0.00	19.86	0.00	0.00	0.00	1.00000000	0.78000000
MARY BULLARD UNIT 8	Pt-UD	19.96	0.00	19.96	0.00	0.00	0.00	1.00000000	0.78000000
MARY BULLARD UNIT 9	Pt-UD	19.91	0.00	19.91	0.00	0.00	0.00	1.00000000	0.78000000
MCMURTRY LOVING WTRFLD	Pt-UD	77.26	0.00	77.26	0.00	0.00	0.00	1.00000000	0.75000000
OXY YATES PUD 13 F2	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 13 F3	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 B1	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 K2	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 K3	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 M4	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
OXY YATES PUD 14 O4	Pt-UD	6.48	0.00	6.48	0.00	0.00	0.00	1.00000000	0.77000000
PEAVY, S. H. WTRFLD	Pt-UD	294.92	39.53	97.05	0.00	197.87	39.53	1.00000000	0.70400000
WH PUD 1	Pt-UD	430.67	1,025.19	430.67	1,025.19	0.00	0.00	1.00000000	0.72000000
WH PUD 10	Pt-UD	430.81	1,025.36	430.81	1,025.36	0.00	0.00	1.00000000	0.72000000
WH PUD 2	Pt-UD	430.69	1,025.21	430.69	1,025.21	0.00	0.00	1.00000000	0.72000000
WH PUD 3	Pt-UD	430.71	1,025.23	430.71	1,025.23	0.00	0.00	1.00000000	0.72000000
WH PUD 4	Pt-UD	430.72	1,025.25	430.72	1,025.25	0.00	0.00	1.00000000	0.72000000
WH PUD 5	Pt-UD	430.74	1,025.27	430.74	1,025.27	0.00	0.00	1.00000000	0.72000000
WH PUD 6	Pt-UD	430.75	1,025.29	430.75	1,025.29	0.00	0.00	1.00000000	0.72000000
WH PUD 7	Pt-UD	430.77	1,025.30	430.77	1,025.30	0.00	0.00	1.00000000	0.72000000
WH PUD 8	Pt-UD	430.78	1,025.33	430.78	1,025.33	0.00	0.00	1.00000000	0.72000000
WH PUD 9	Pt-UD	430.79	1,025.34	430.79	1,025.34	0.00	0.00	1.00000000	0.72000000
		4,586.83	10,252.77	4,586.83	10,252.77	197.87	39.53		
Probable Reserve Class									
		4,941.46	10,364.44	4,743.59	10,324.92	197.87	39.53		
Grand Total									
		20,724.35	18,274.19	13,105.36	12,403.94	7,619.00	5,870.25		

DECLINE CURVES



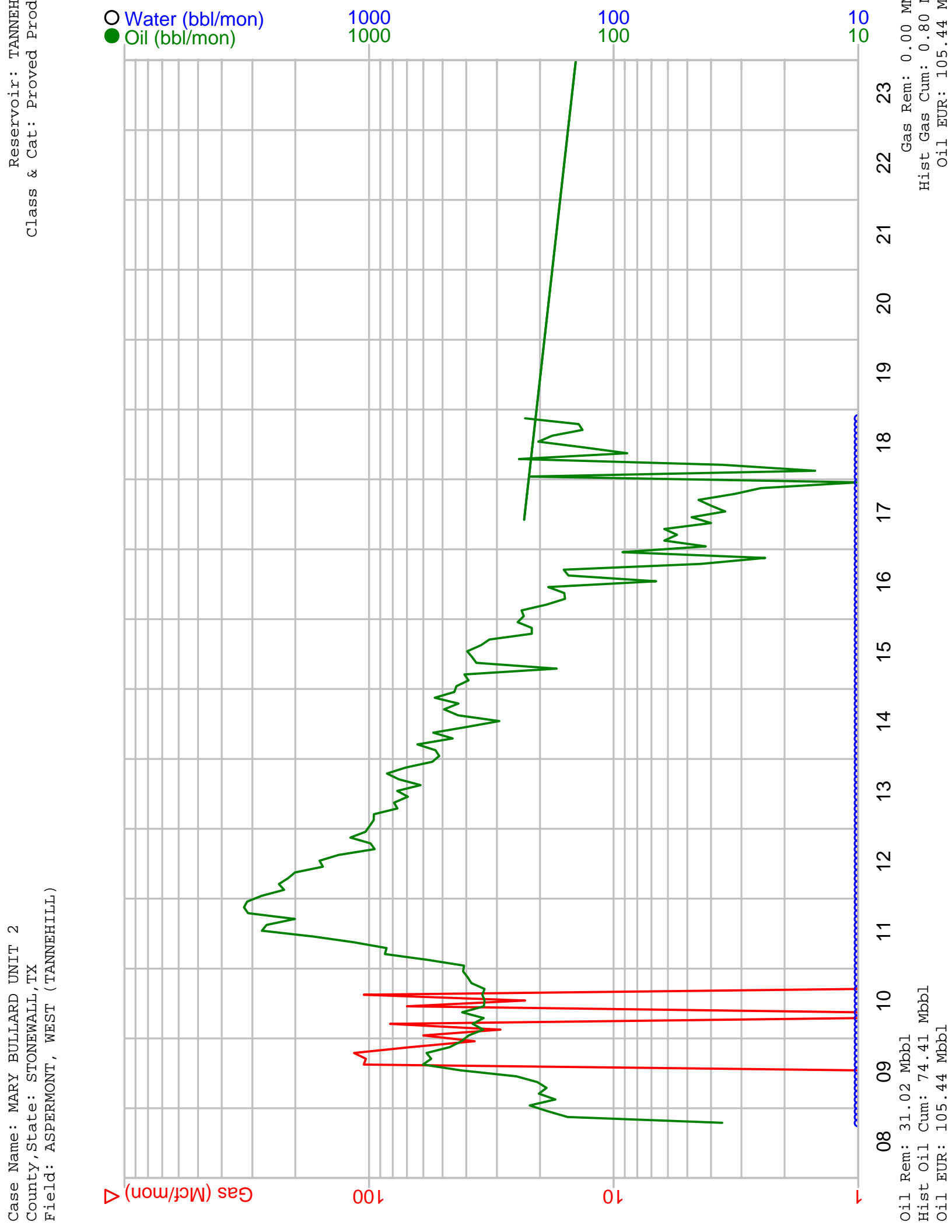
Case Name: LOVING, J. W., EST.
County, State: JACK, TX
Field: BRYSON, EAST

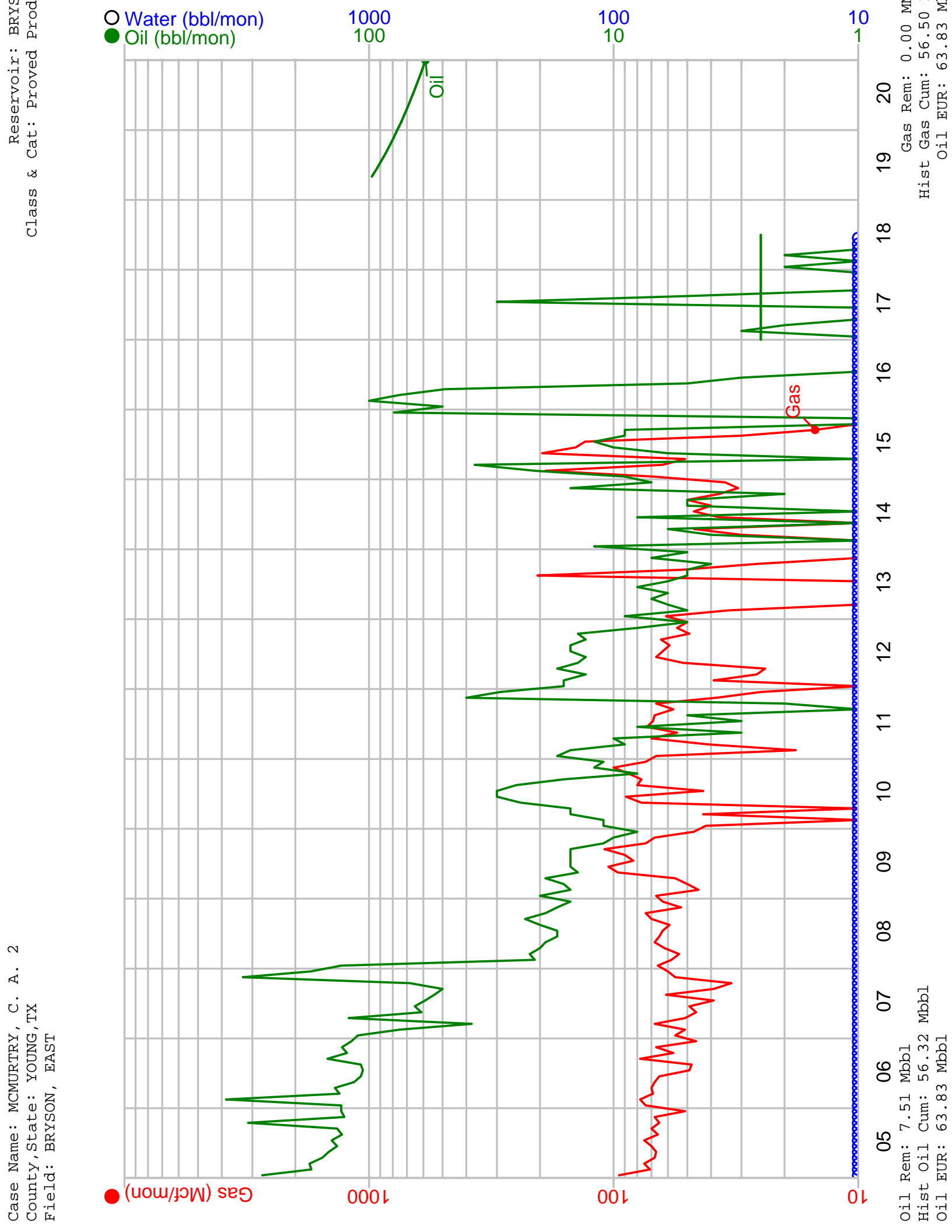
Reservoir: BRYSON
Class & Cat: Proved Prod

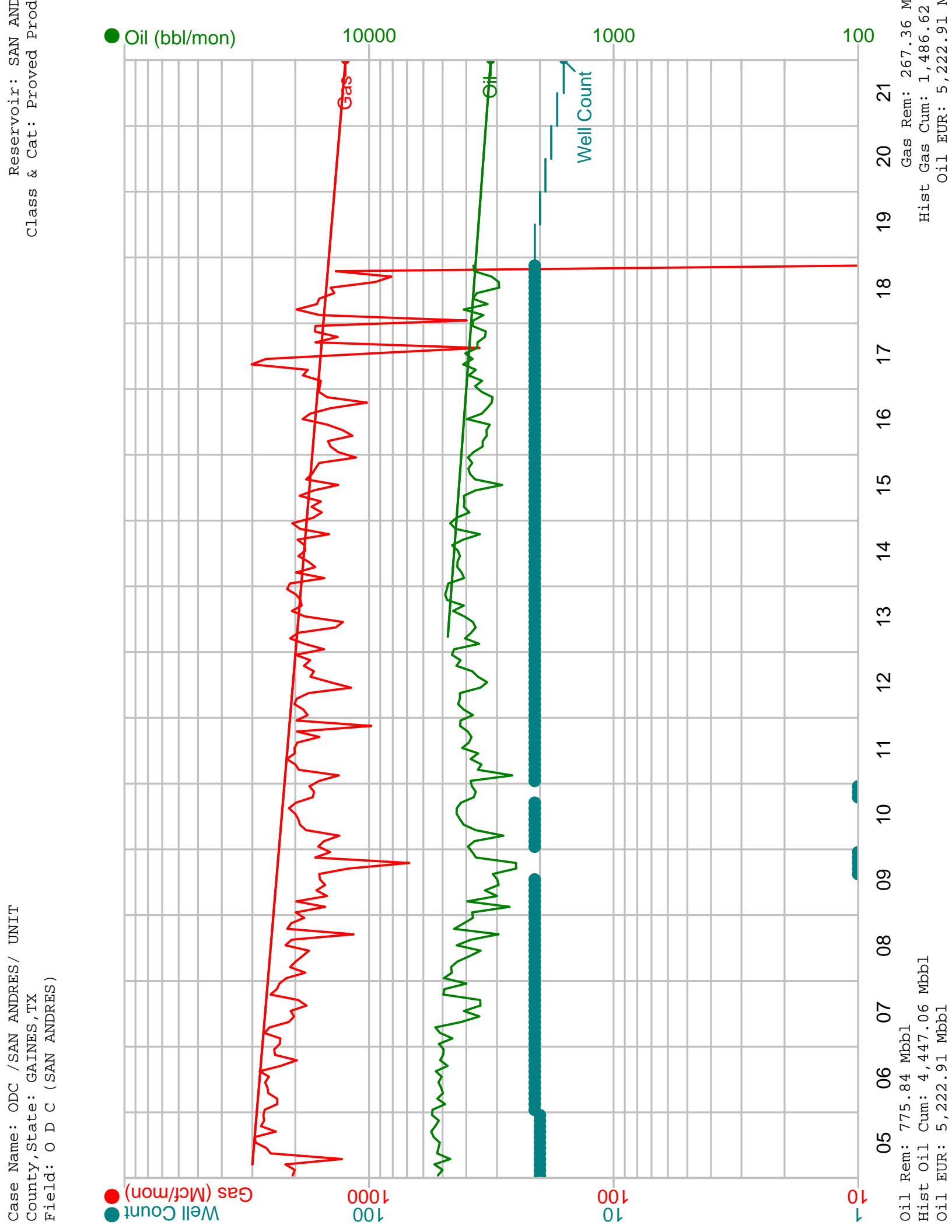


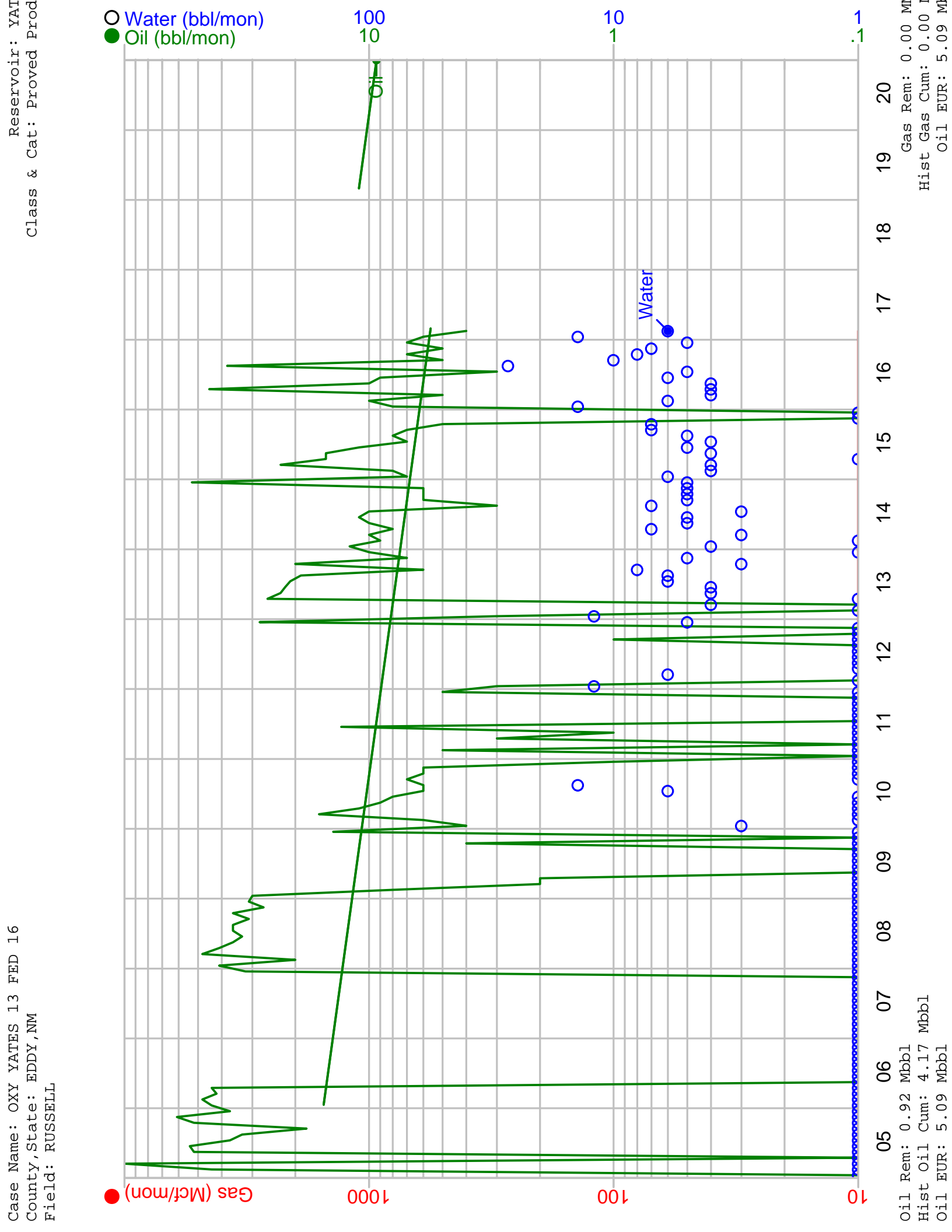
Oil Rem: 11.27 Mbbl
Hist Oil Cum: 56.49 Mbbl
Oil EUR: 67.76 Mbbl

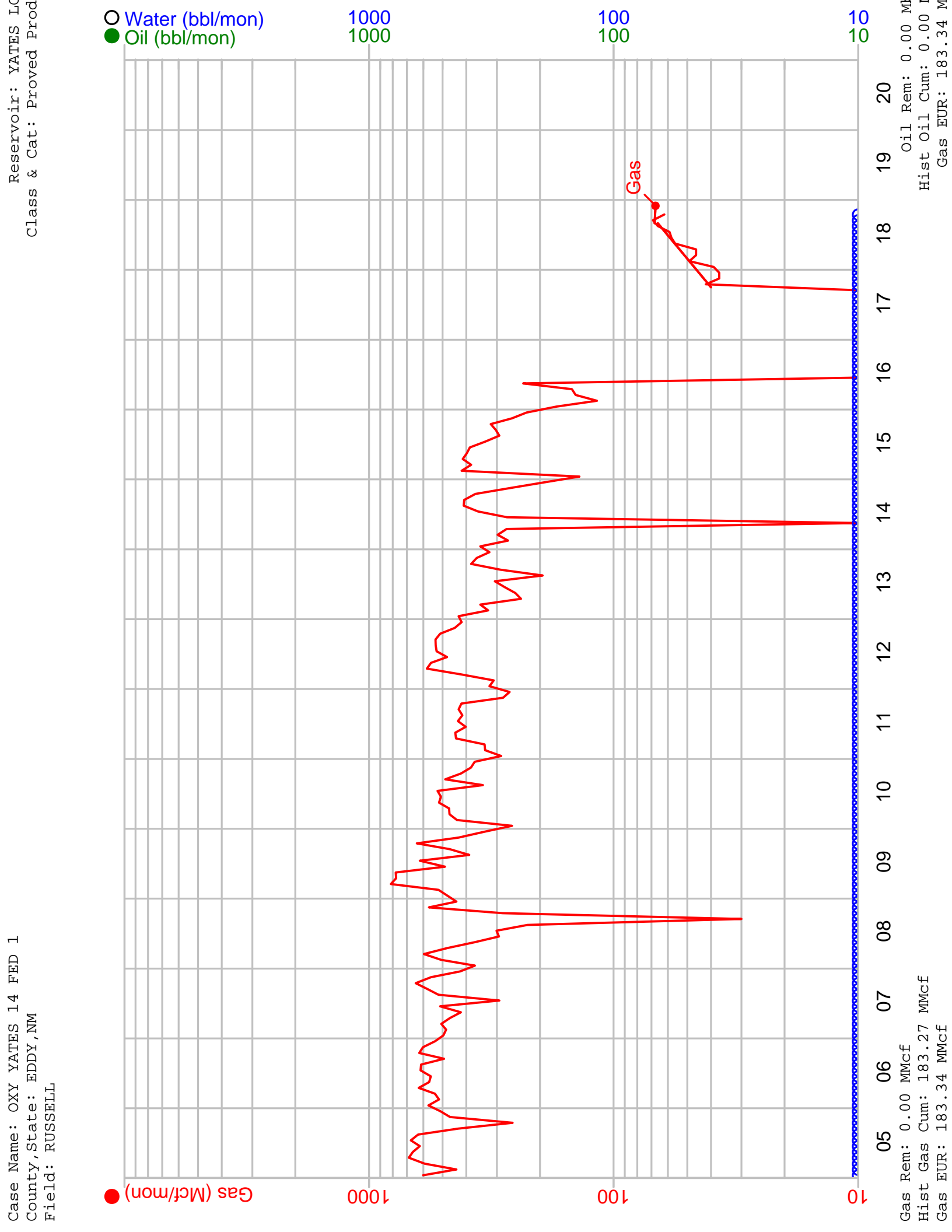
Gas Rem: 0.00 MM
Hist Gas Cum: 28.92
Oil EUR: 67.76 M

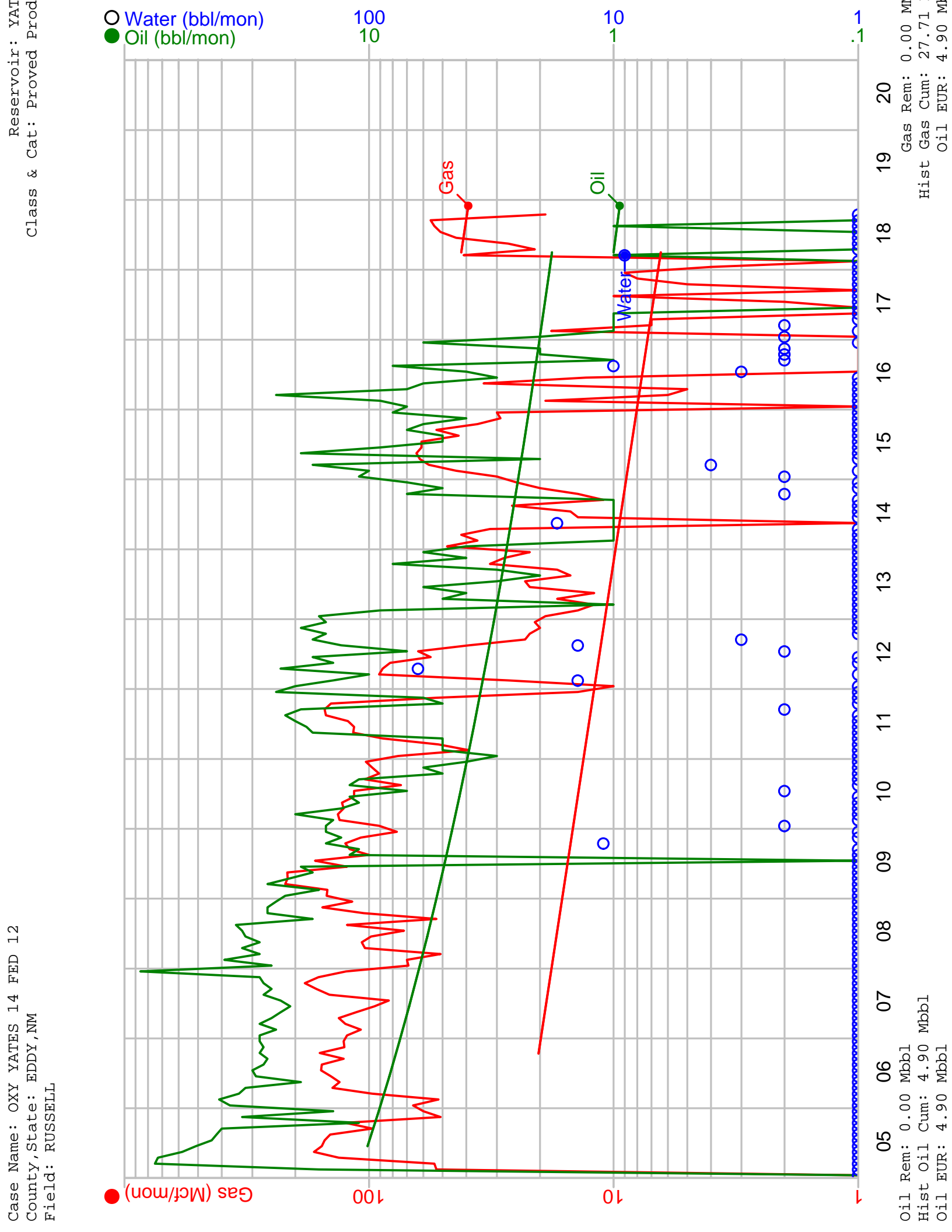


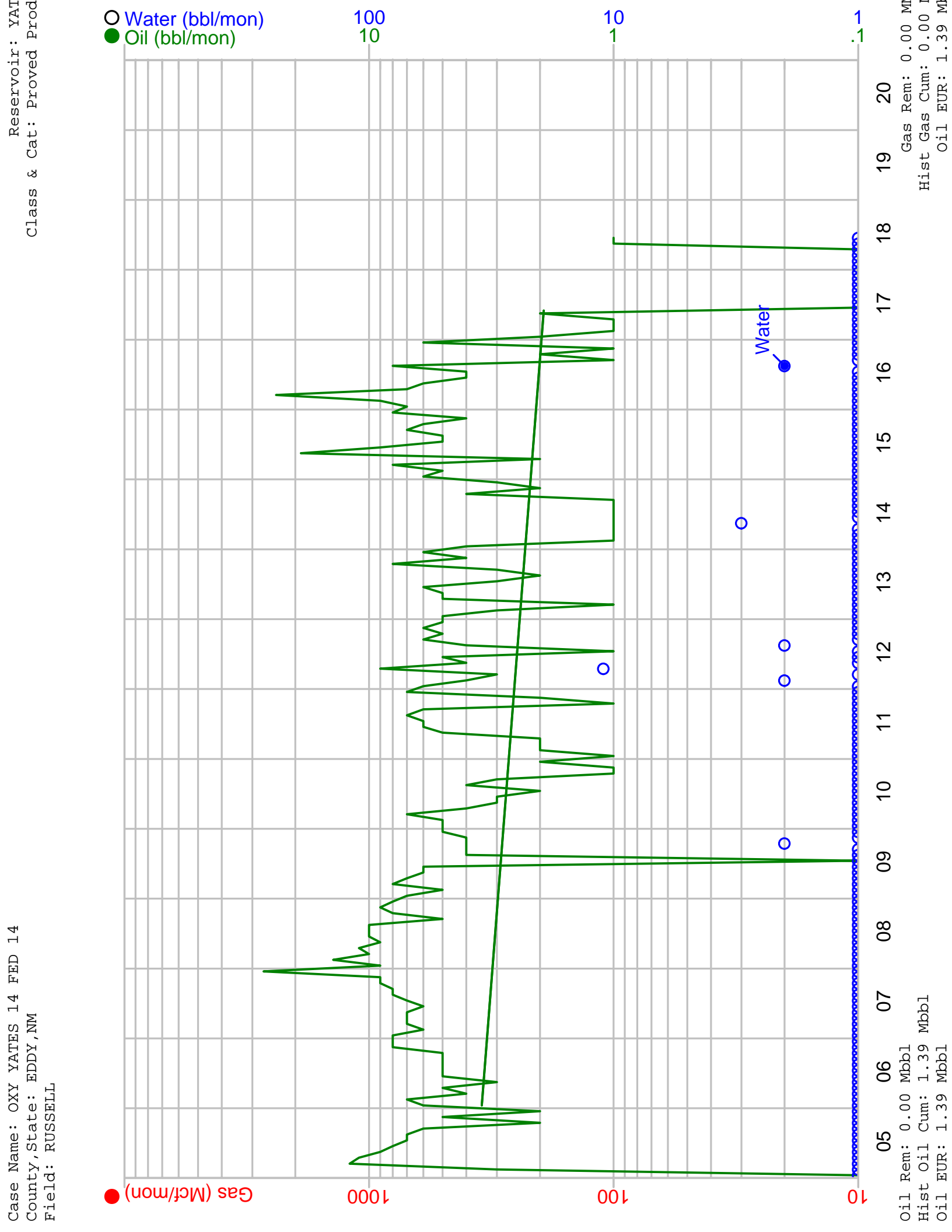


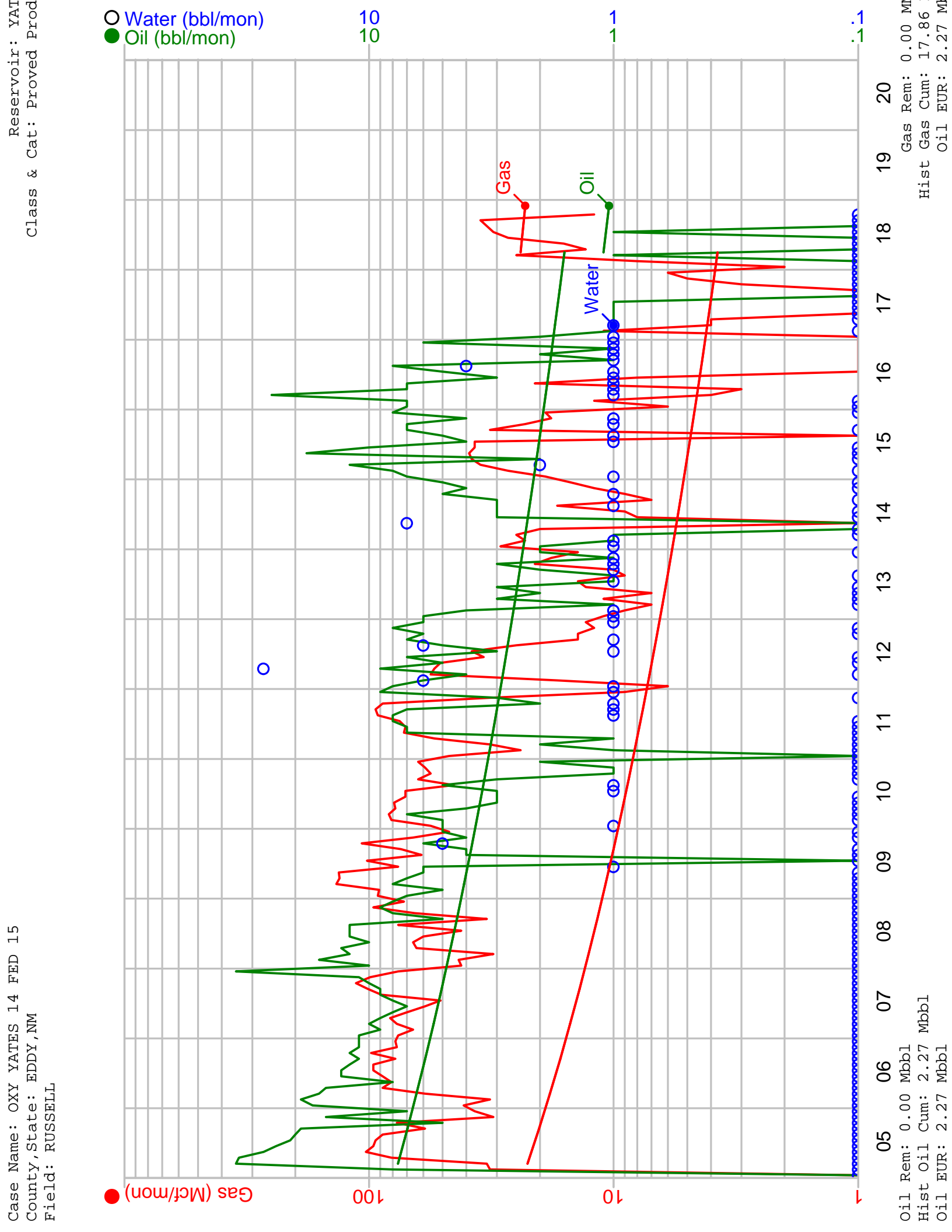


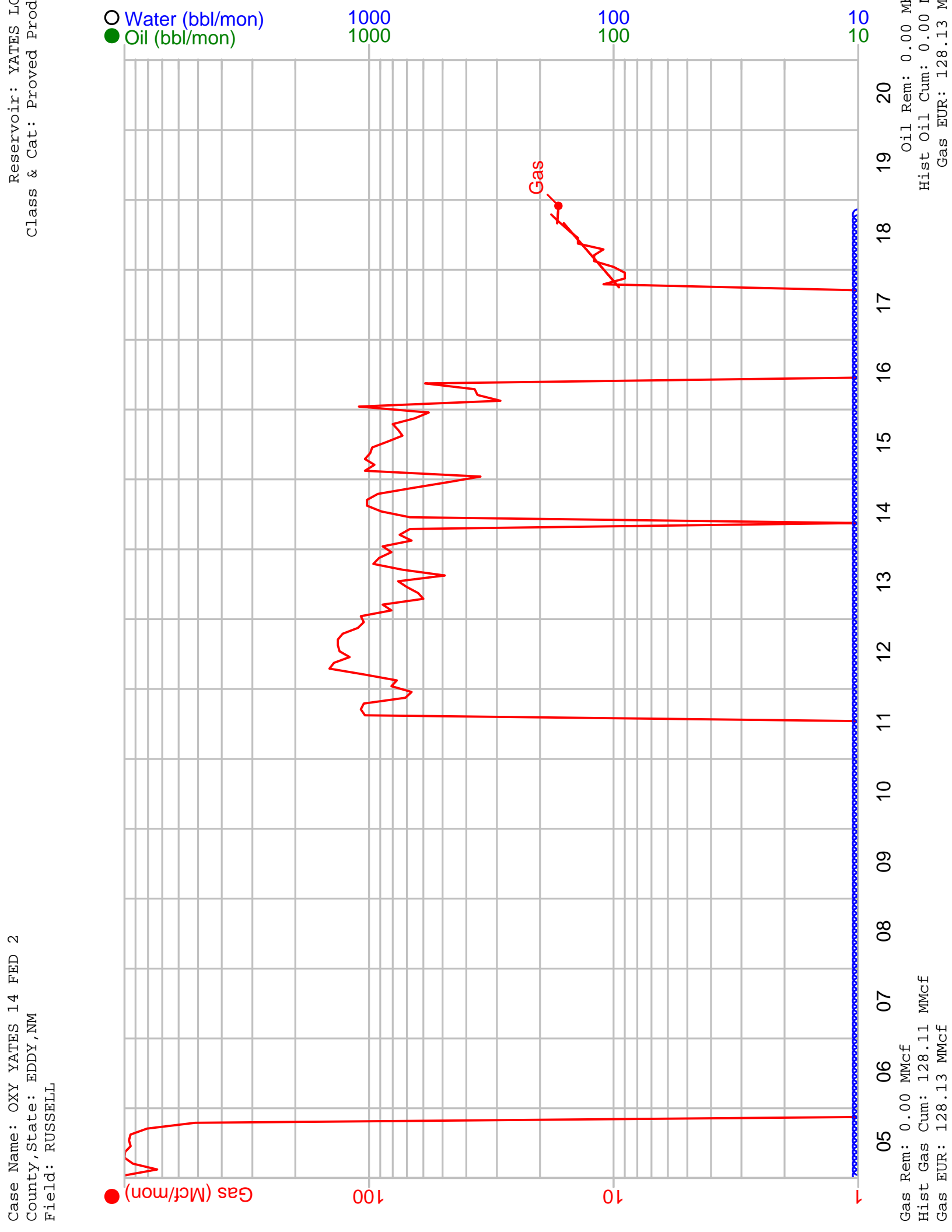


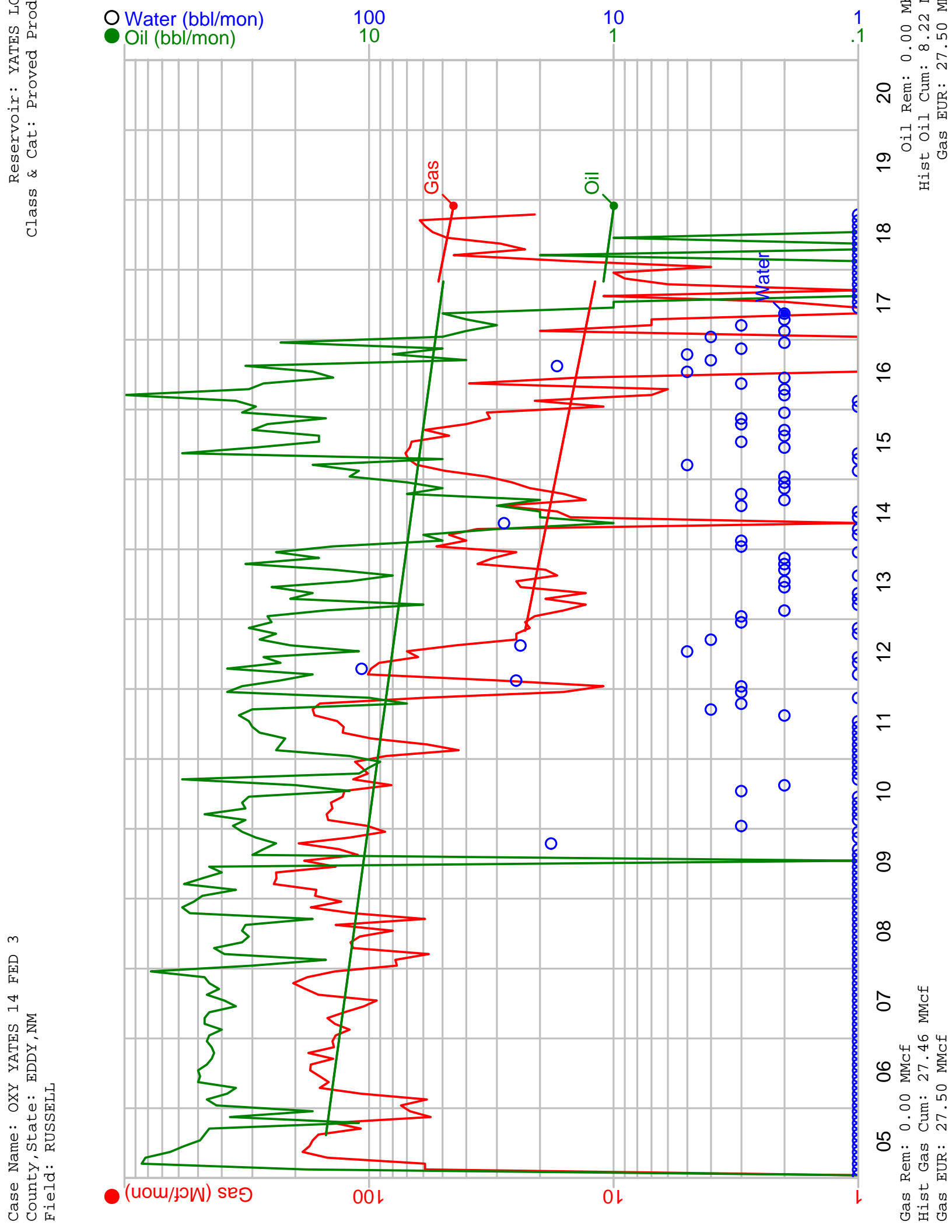


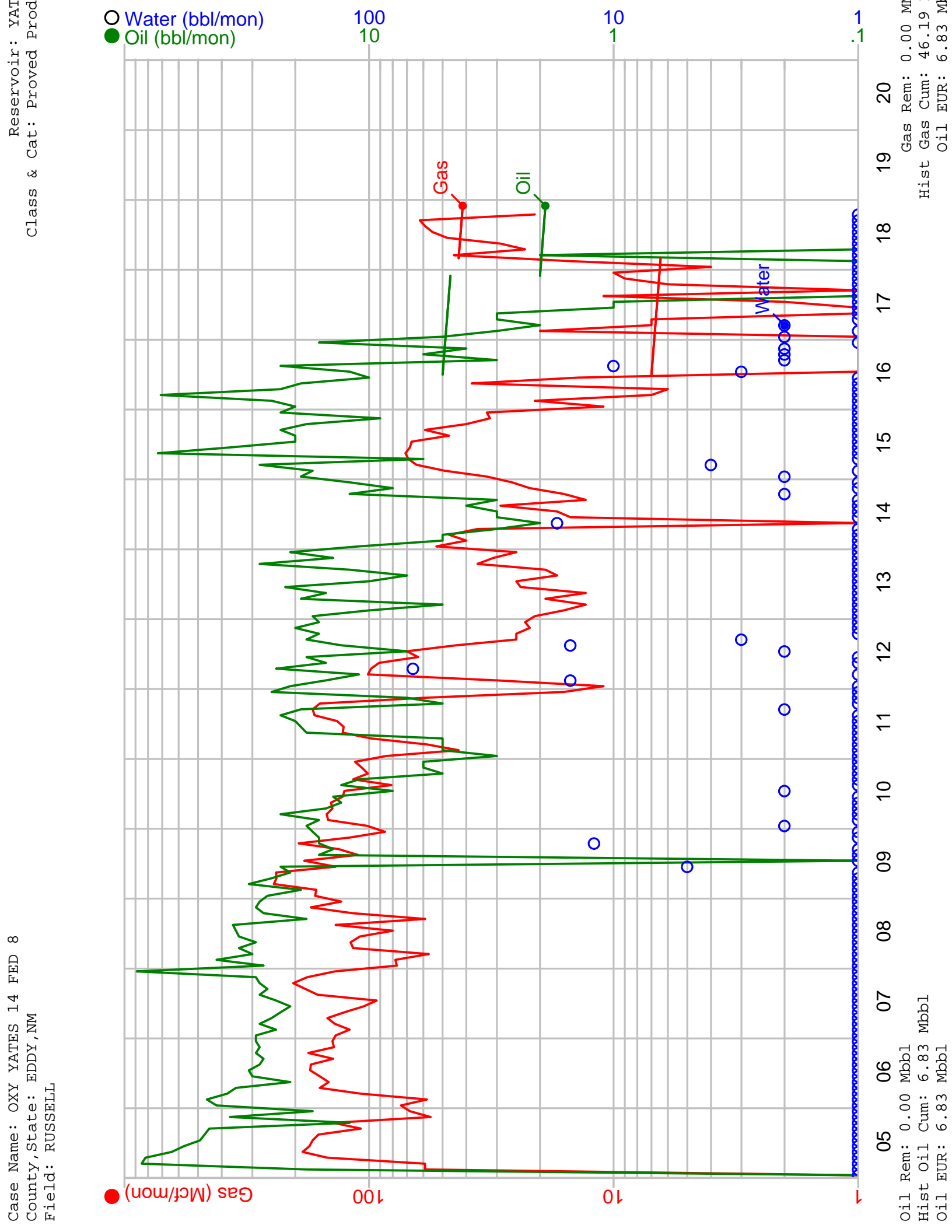


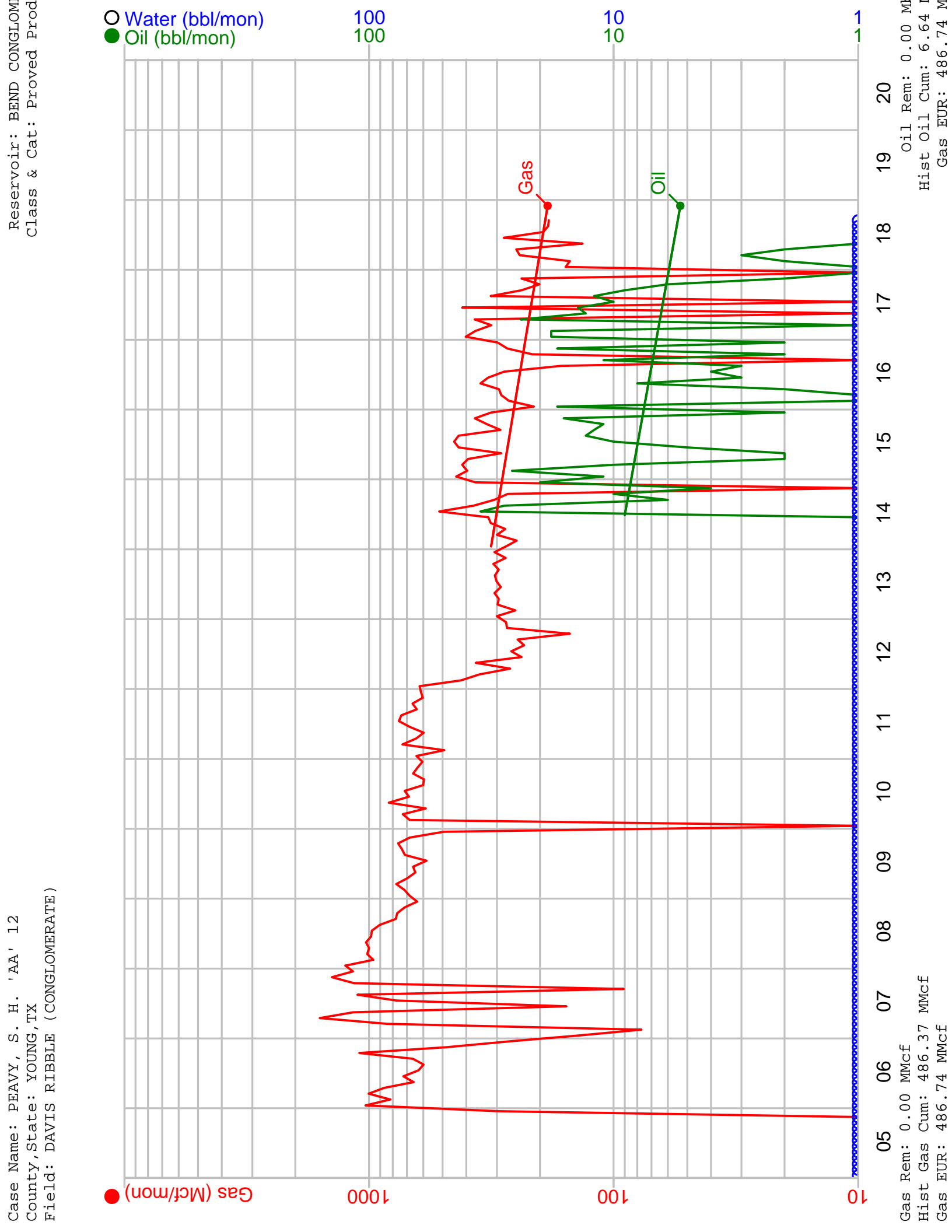


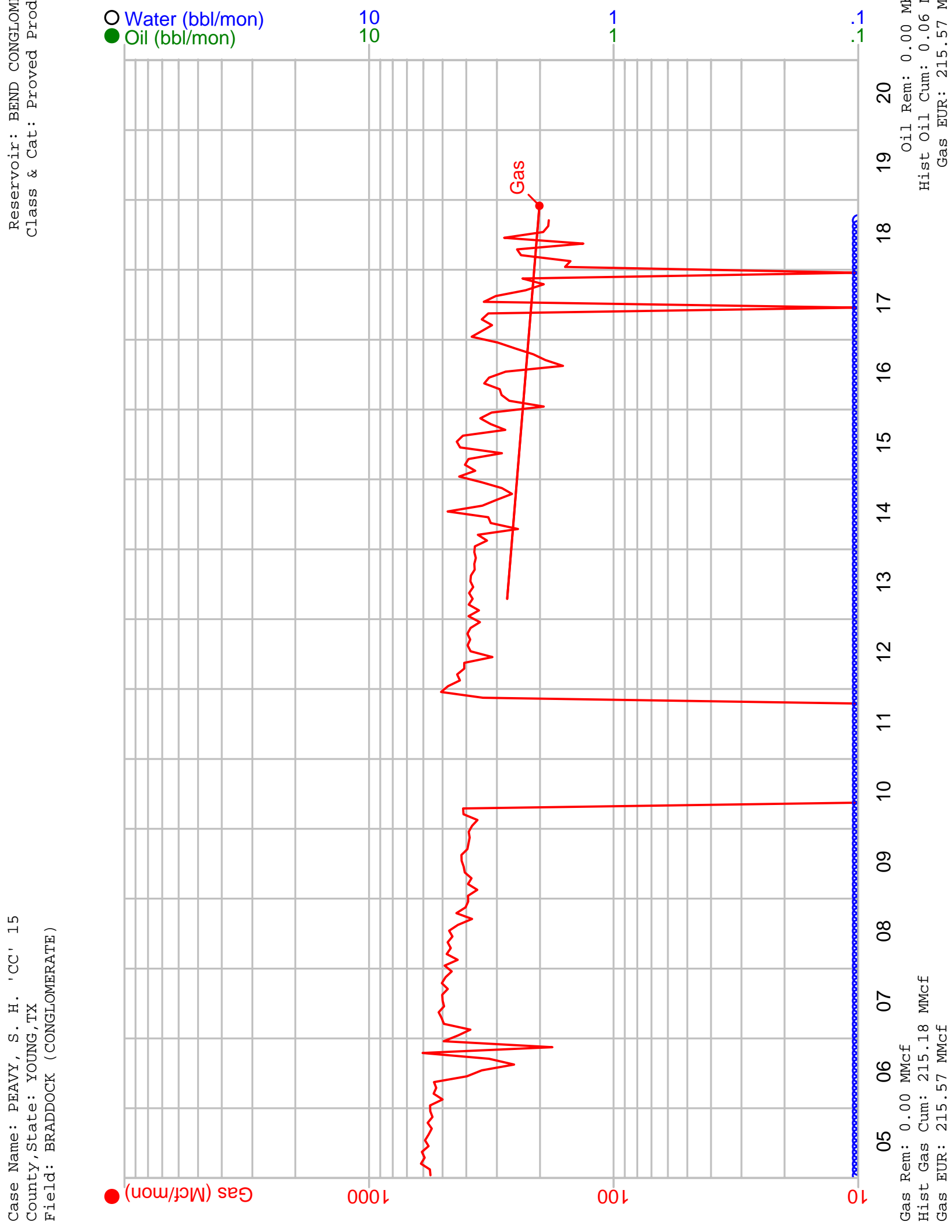


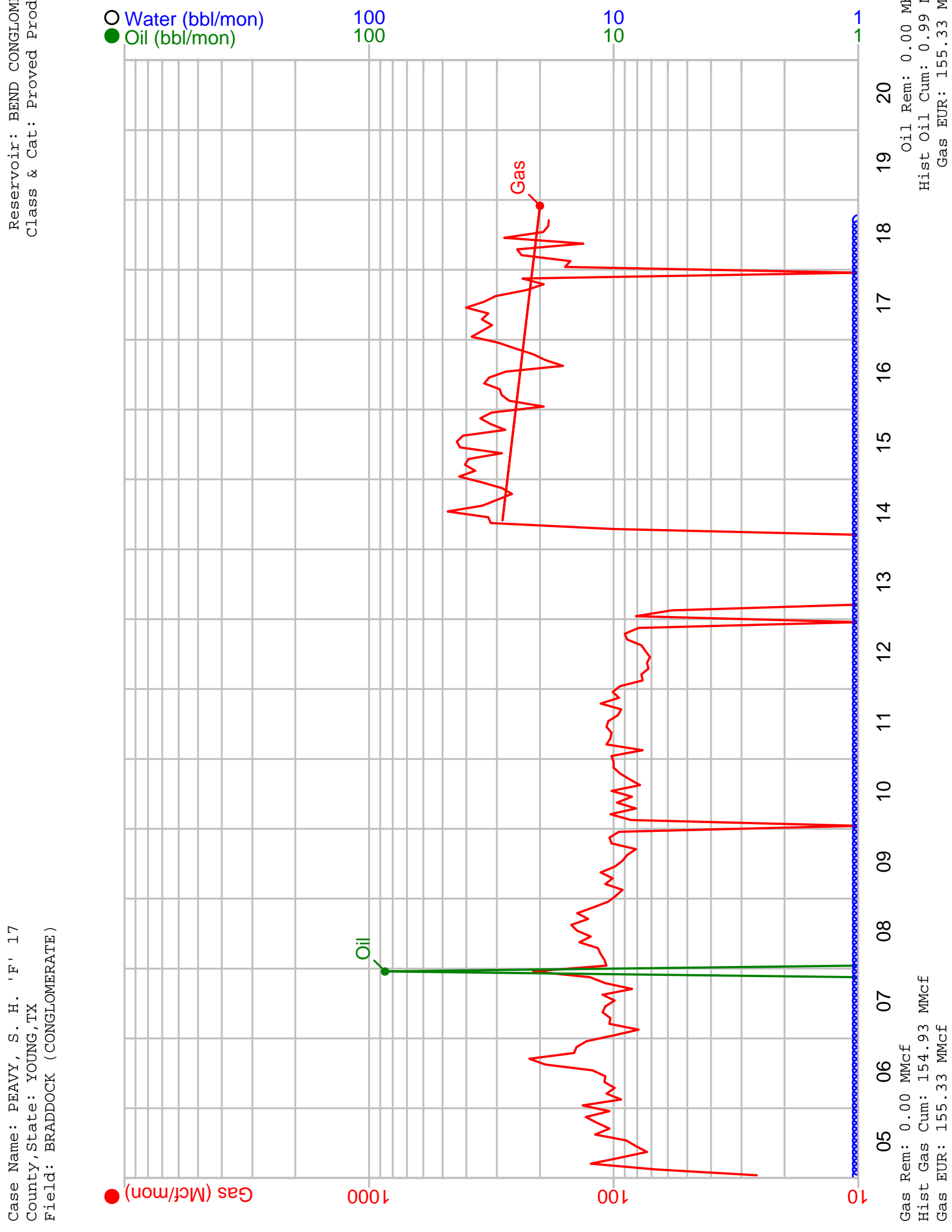


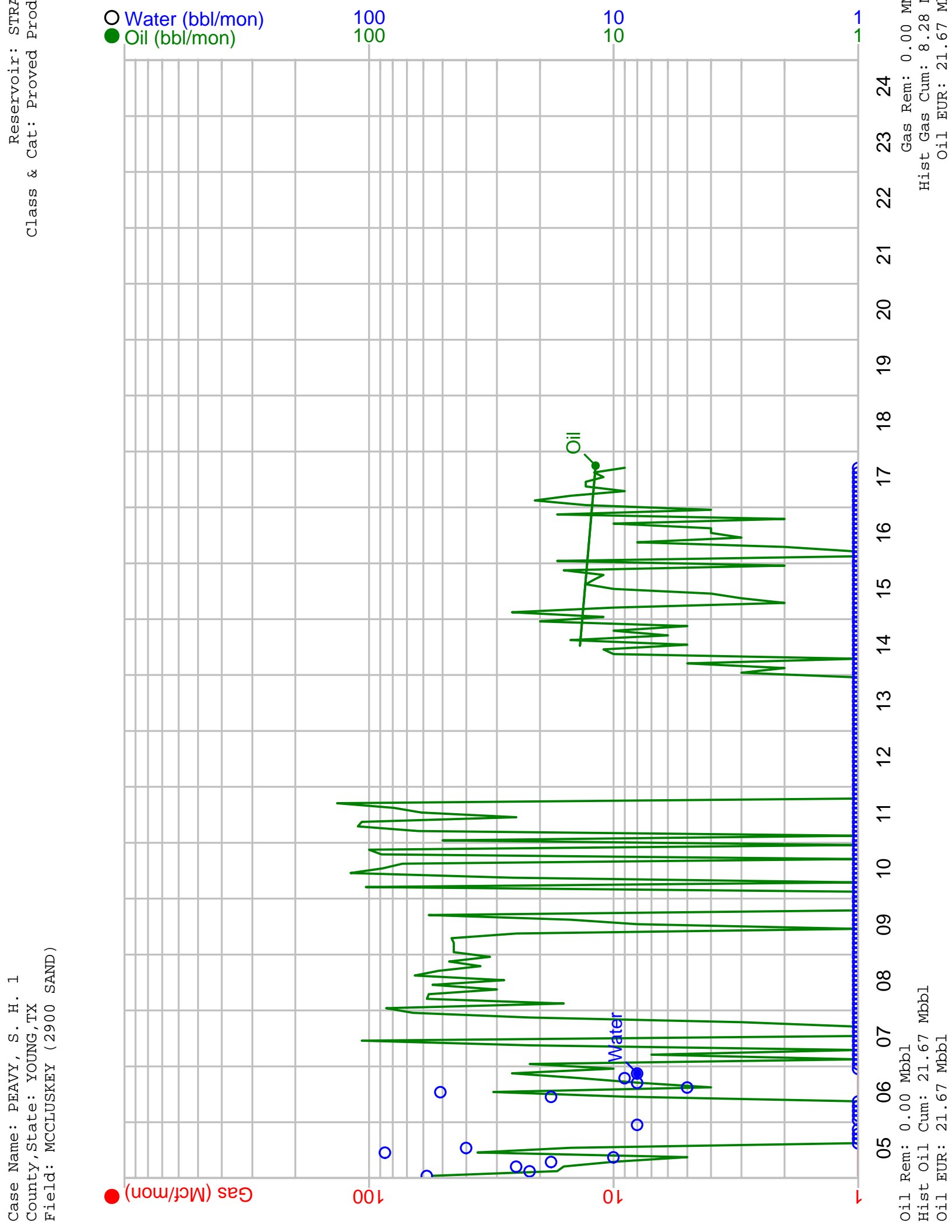






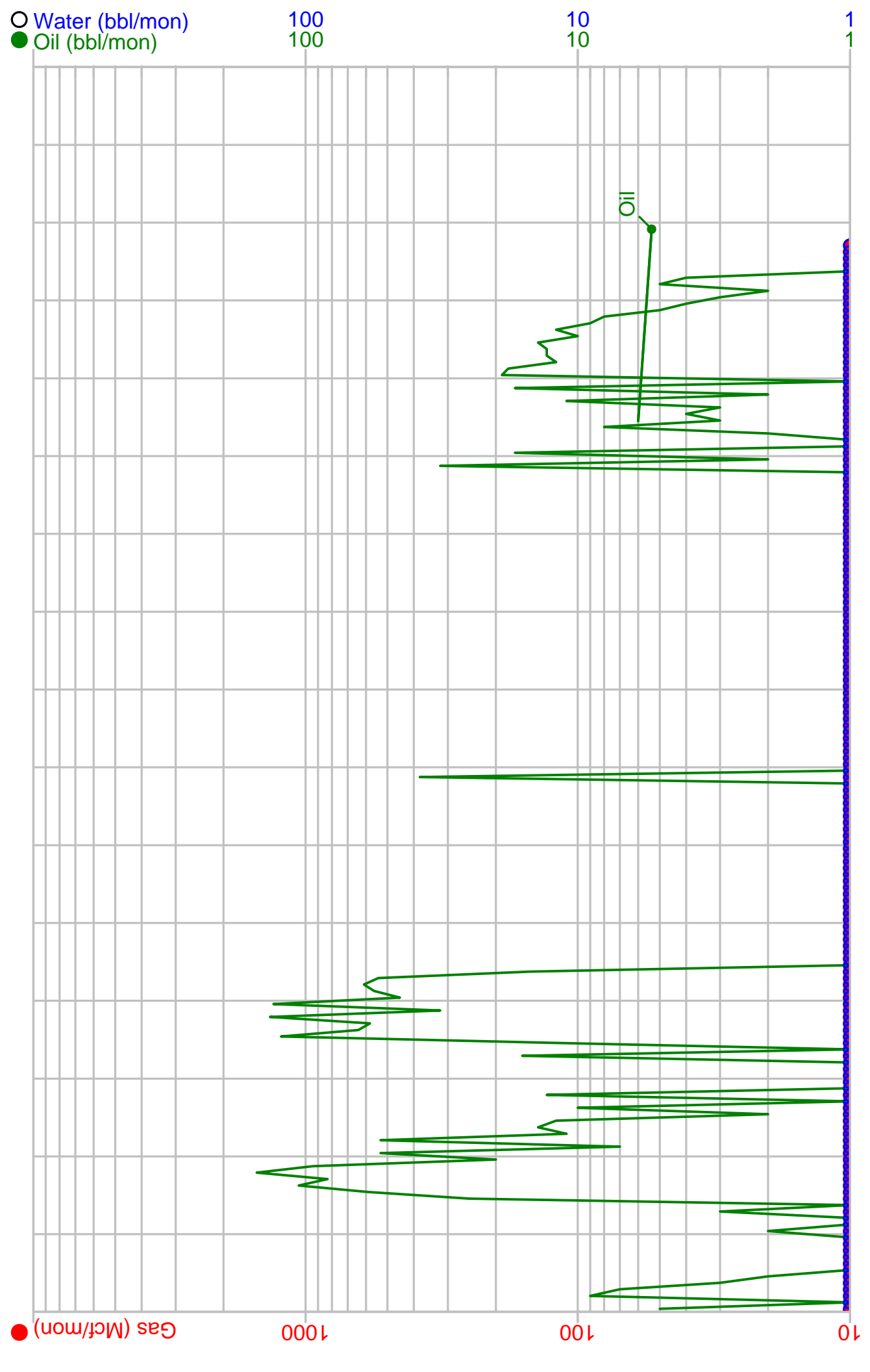


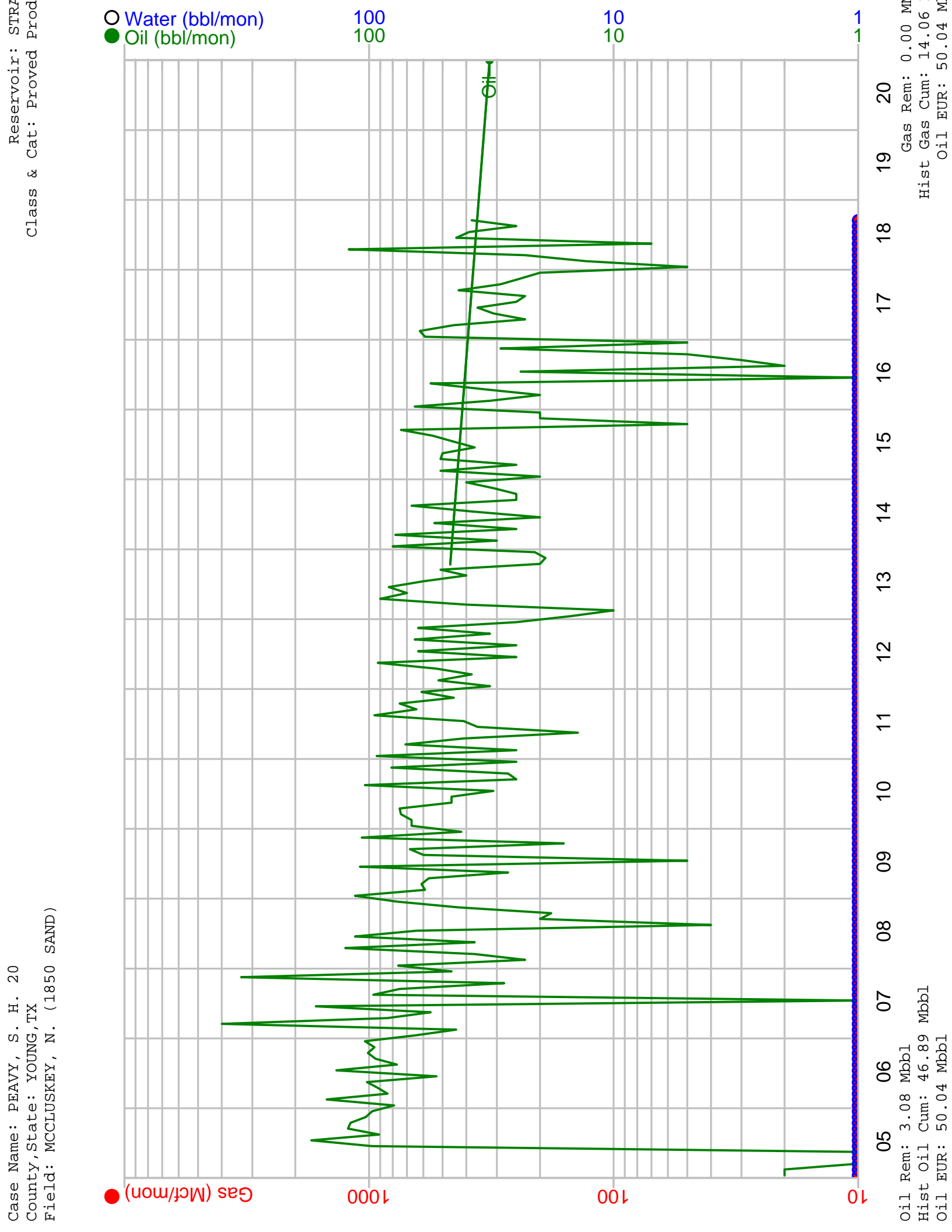


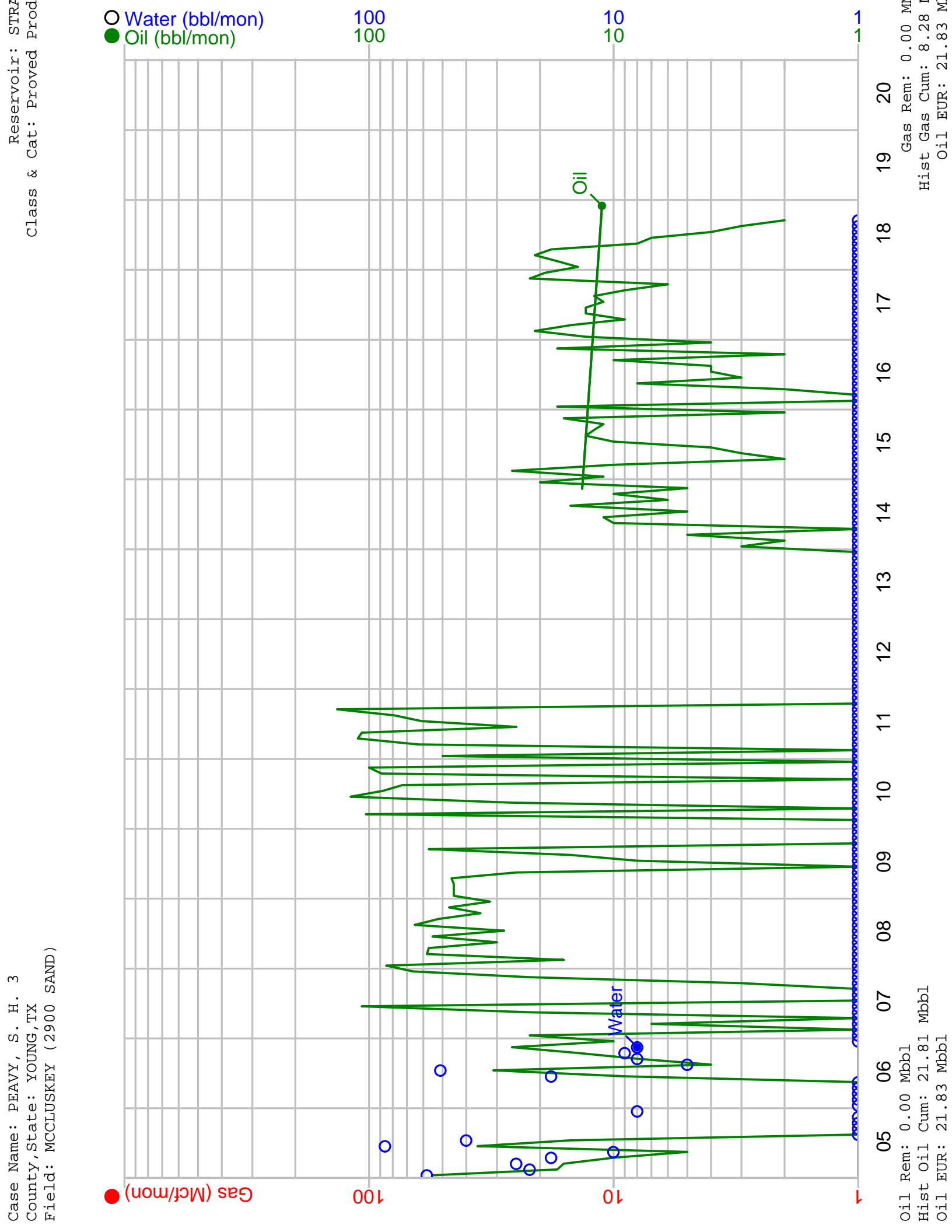


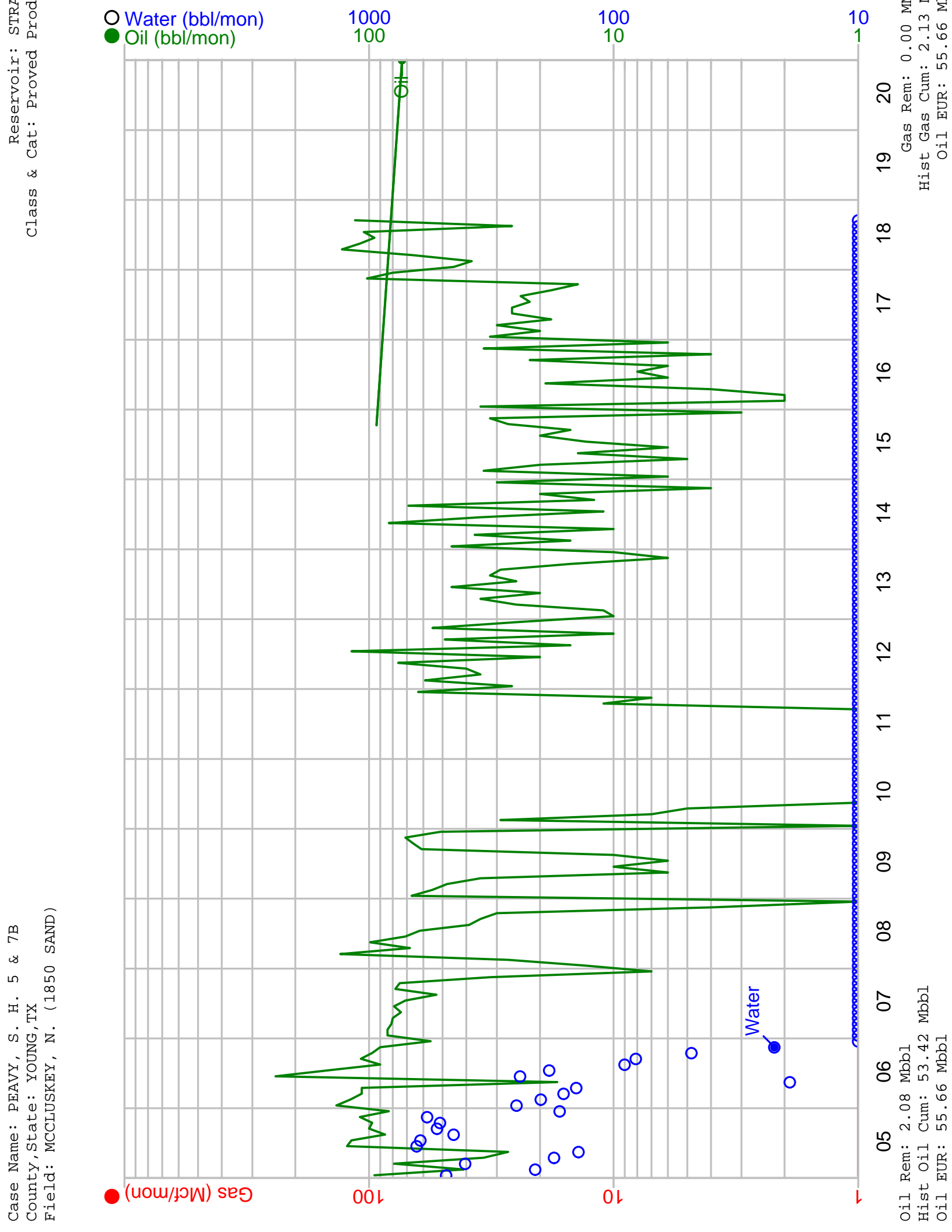
Case Name: PEAVY, S. H. 16
County, State: YOUNG, TX
Field: YOUNG COUNTY REGULAR

Reservoir: PENNSYLVANIAN
Class & Cat: Proved Prod



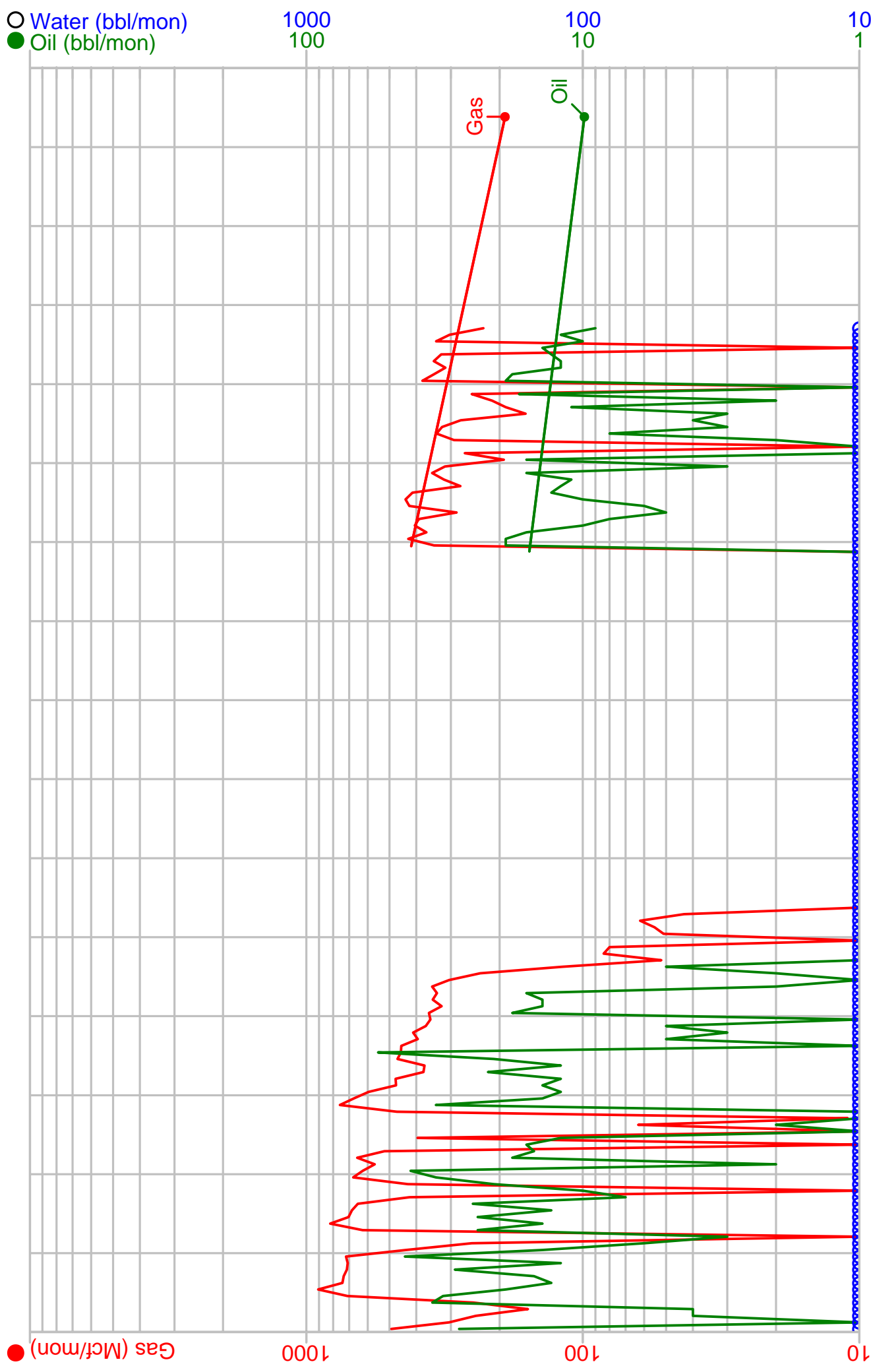






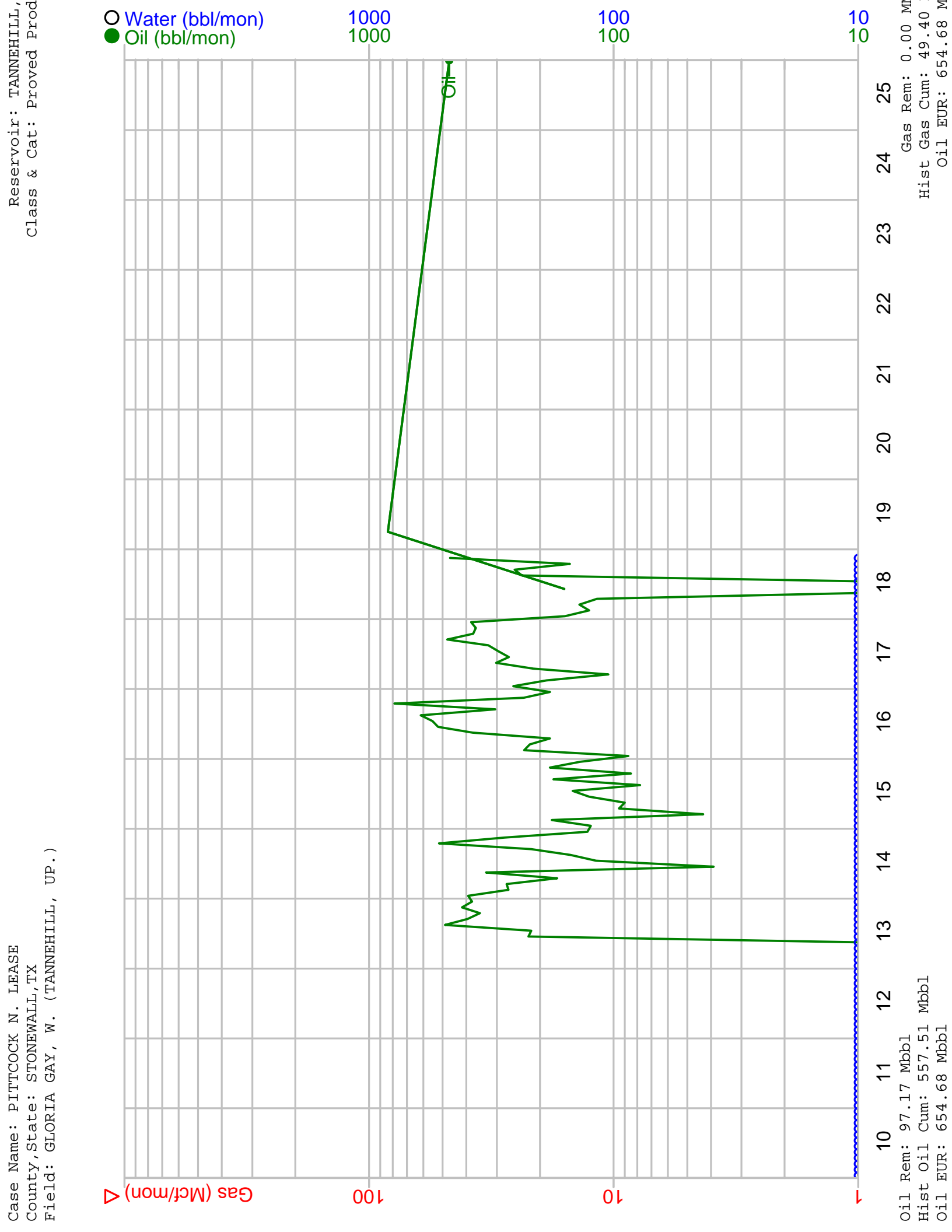
Case Name: PEAVY, S.H. 'BB' 14
County, State: YOUNG, TX
Field: BRADDOCK (CONGLOMERATE)

Reservoir: CADDO CONGLOMERATE
Class & Cat: Proved Prod



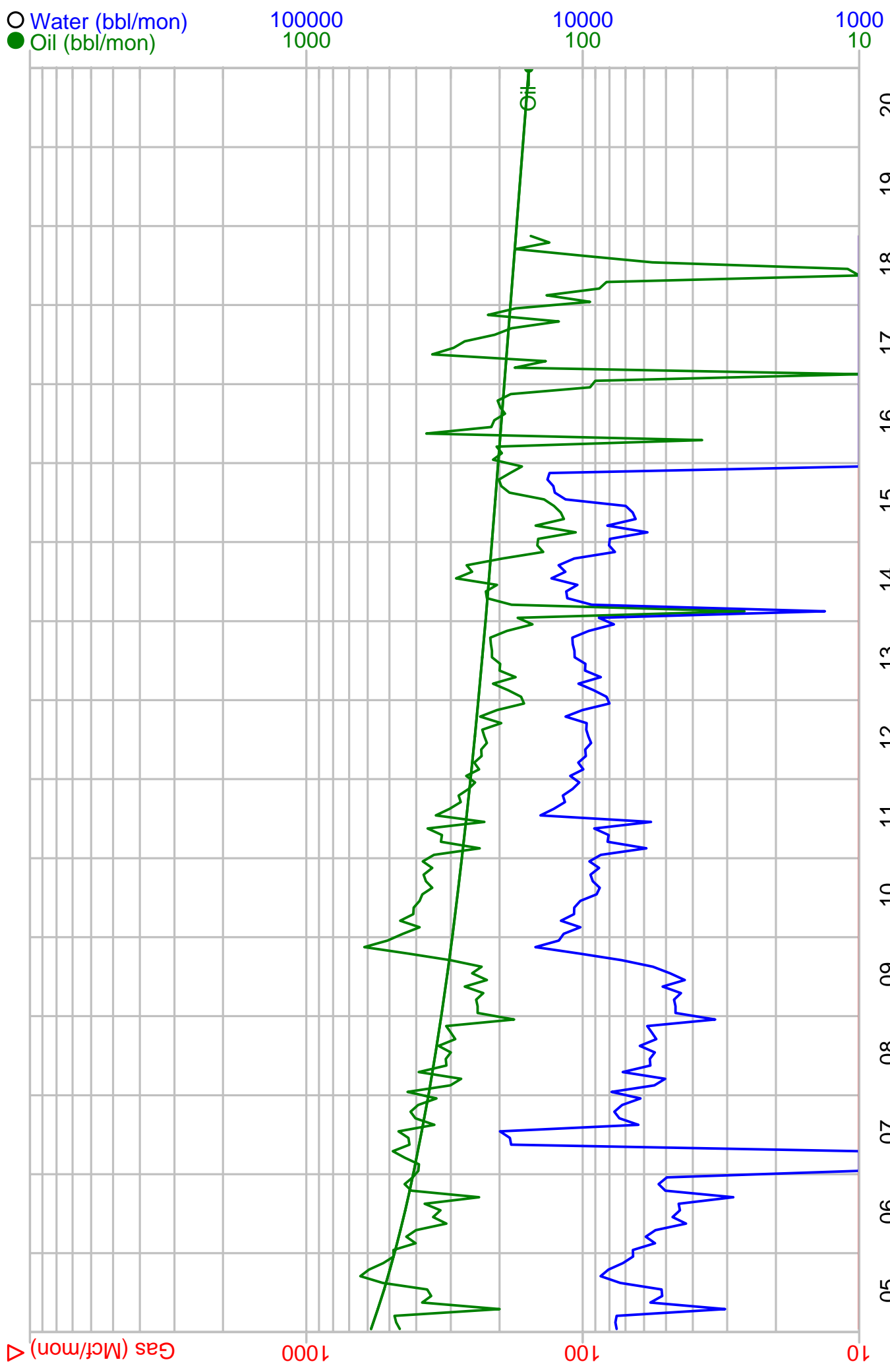
Oil Rem: 0.18 Mbbbl
Hist Oil Cum: 26.84 Mbbbl
Oil EUR: 27.18 Mbbbl

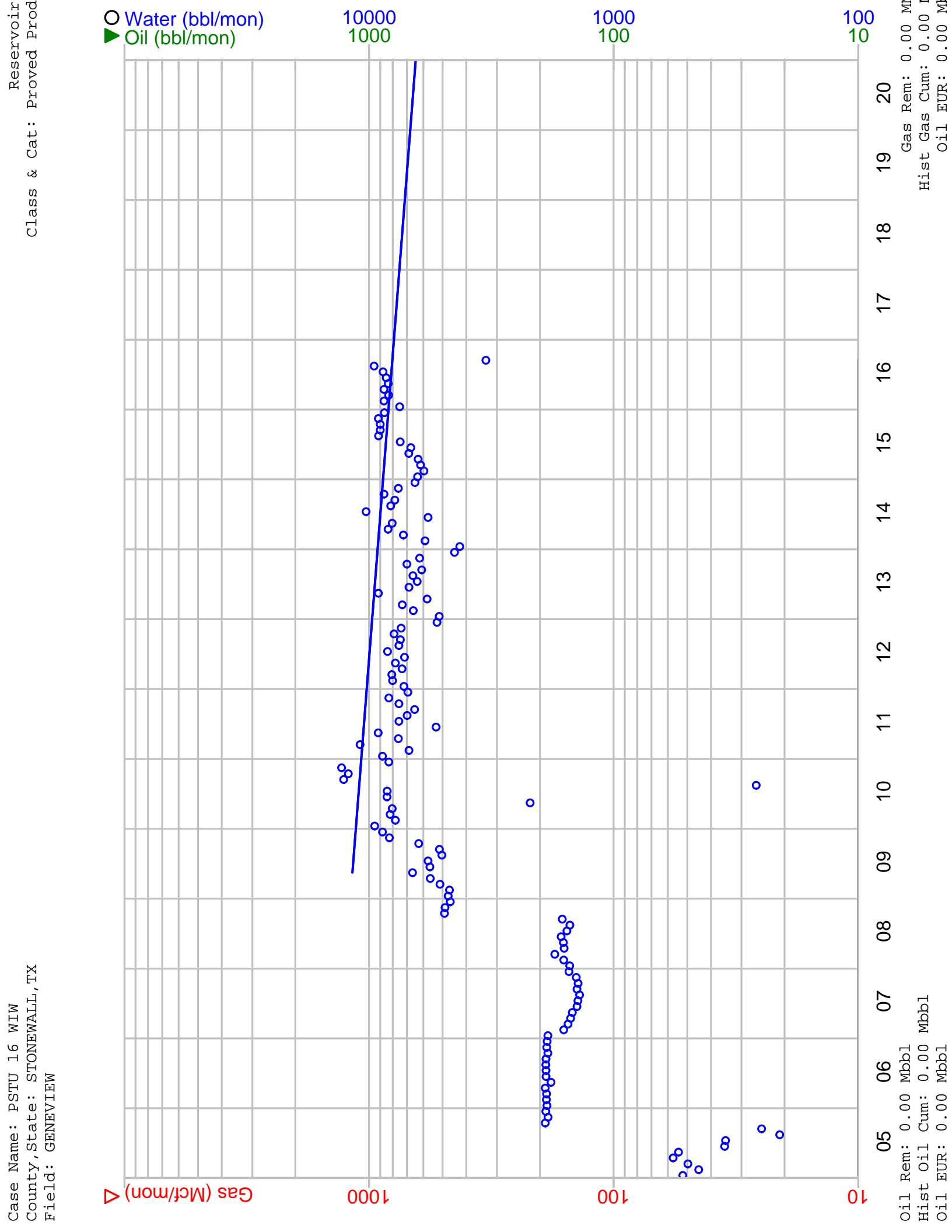
Gas Rem: 3.74 M
Hist Gas Cum: 275.50
Oil EUR: 27.18 M

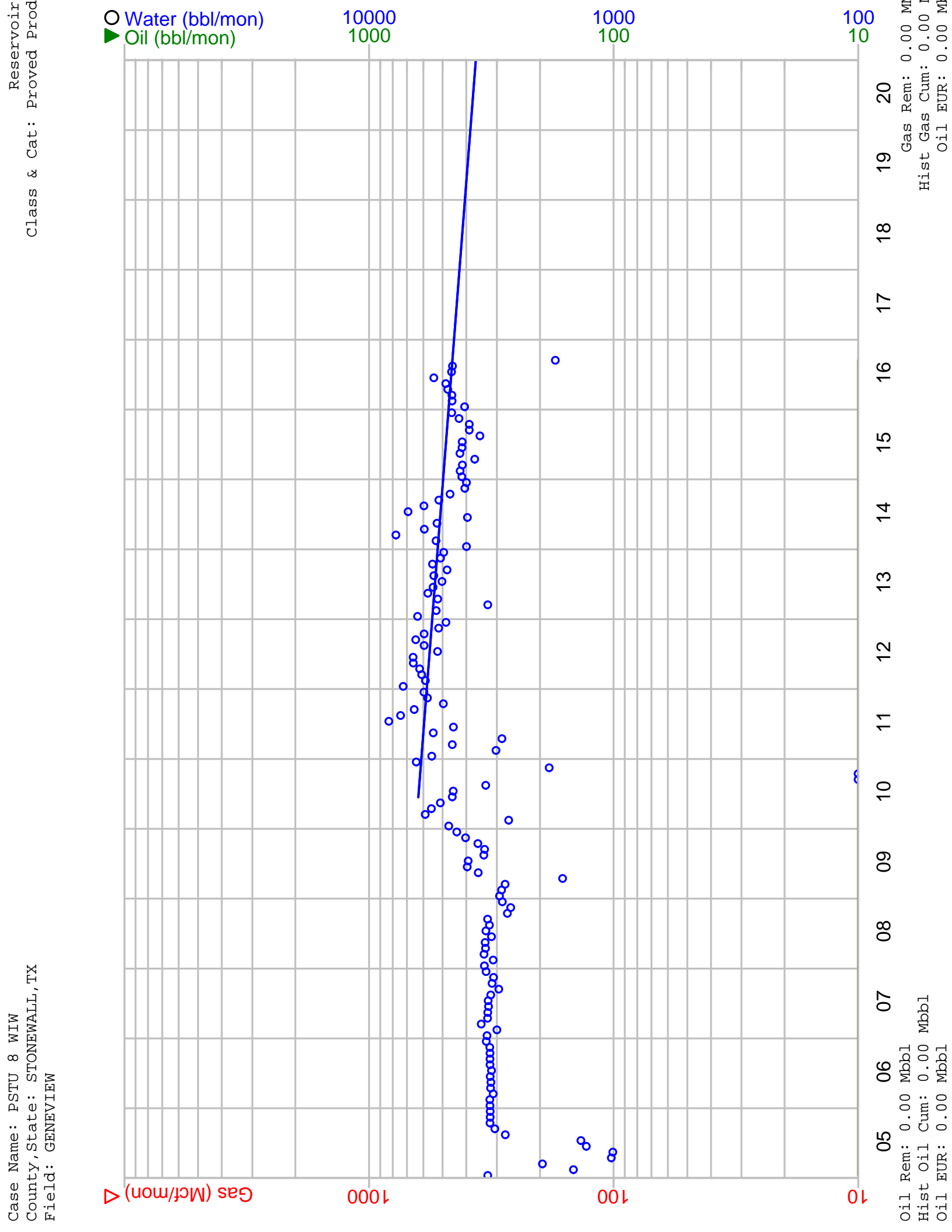


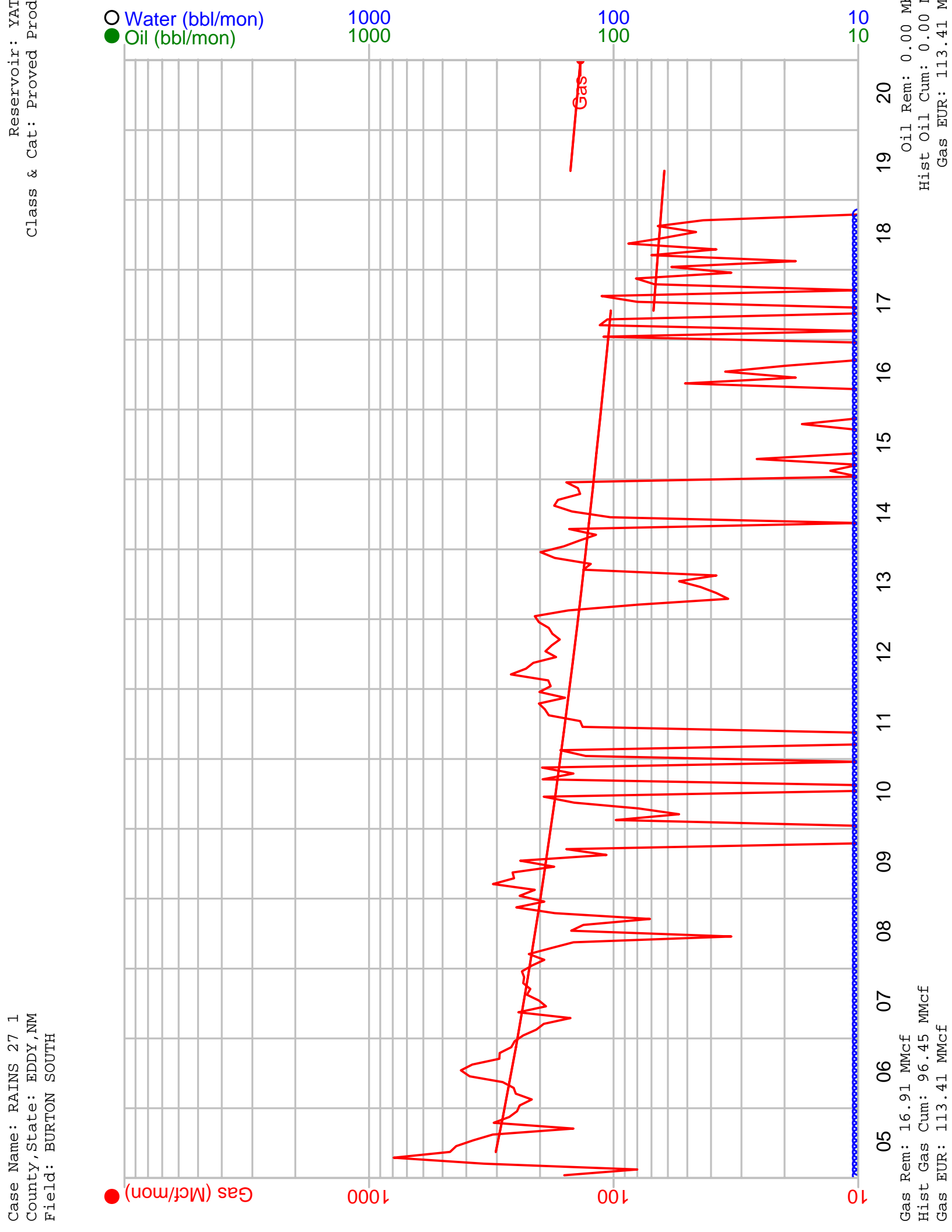
Case Name: PITTCOCK S. TANNEHILL UNIT
County, State: STONEWALL, TX
Field: GENEVIEW

Reservoir: TANNERHILL
Class & Cat: Proved Prod









Case Name: TAYLOR, W. J. 'A'
County, State: GAINES, TX
Field: O D C (DEVONIAN)

Reservoir: DEVONIAN
Class & Cat: Proved Prod

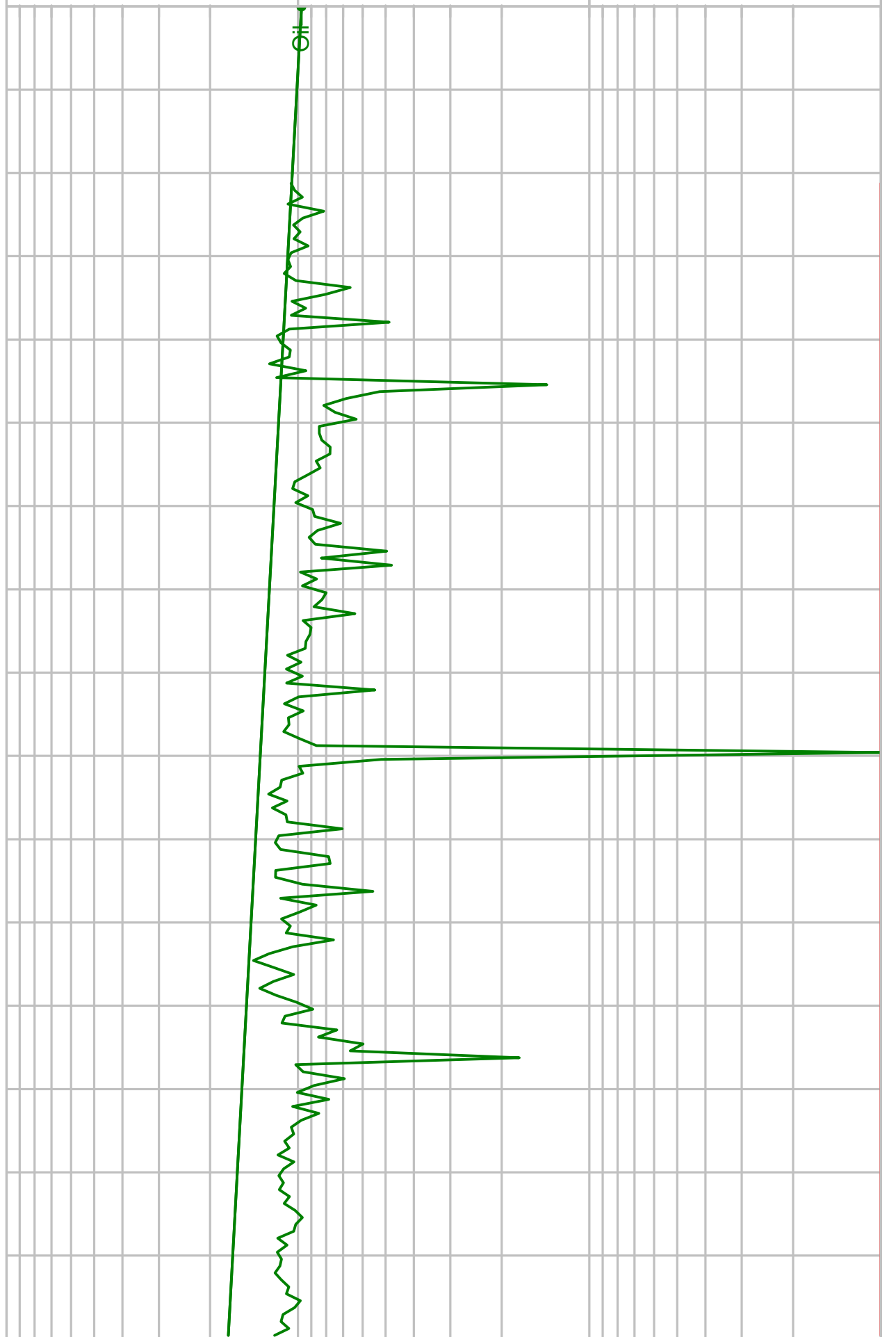
● Oil (bbl/mon)

● Gas (Mcf/mon)

1000

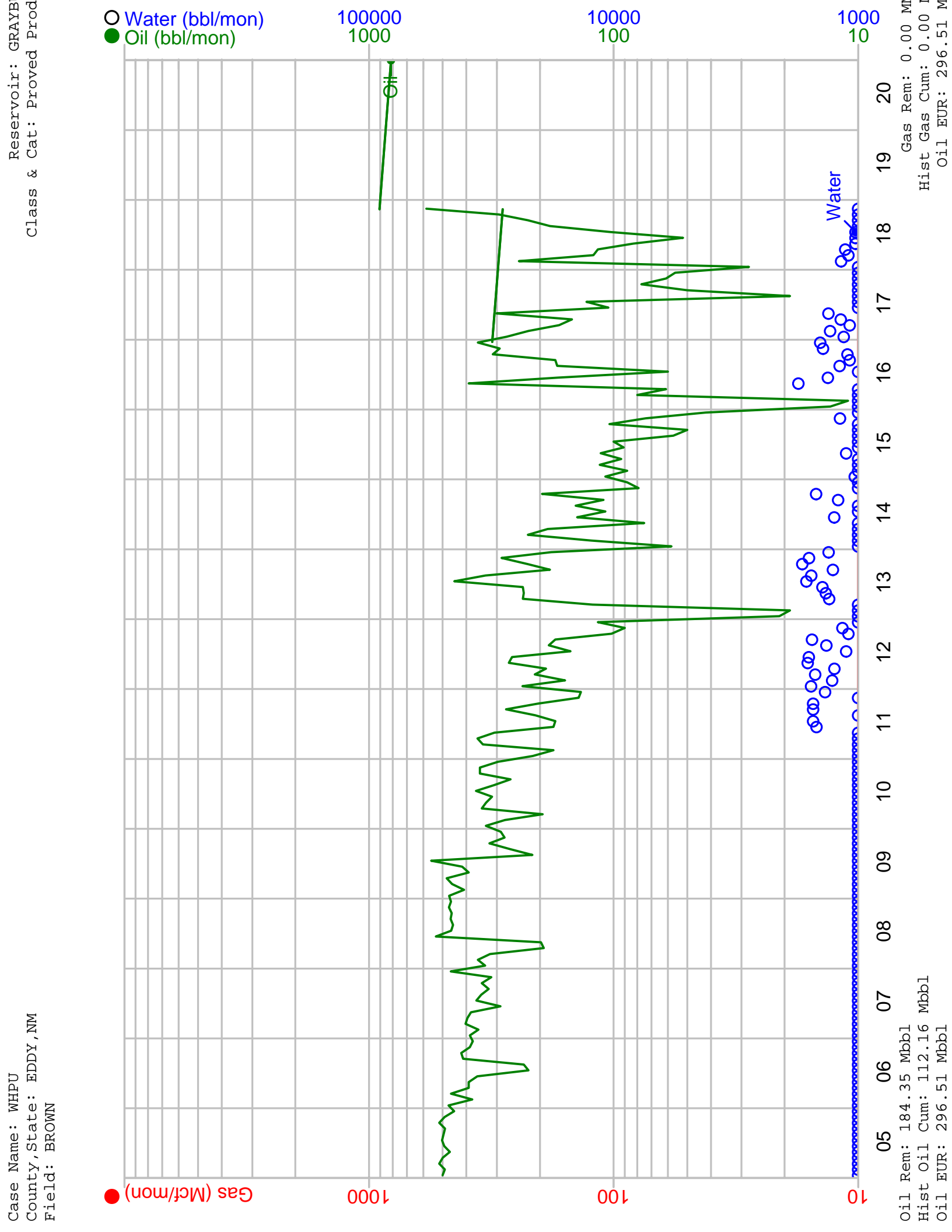
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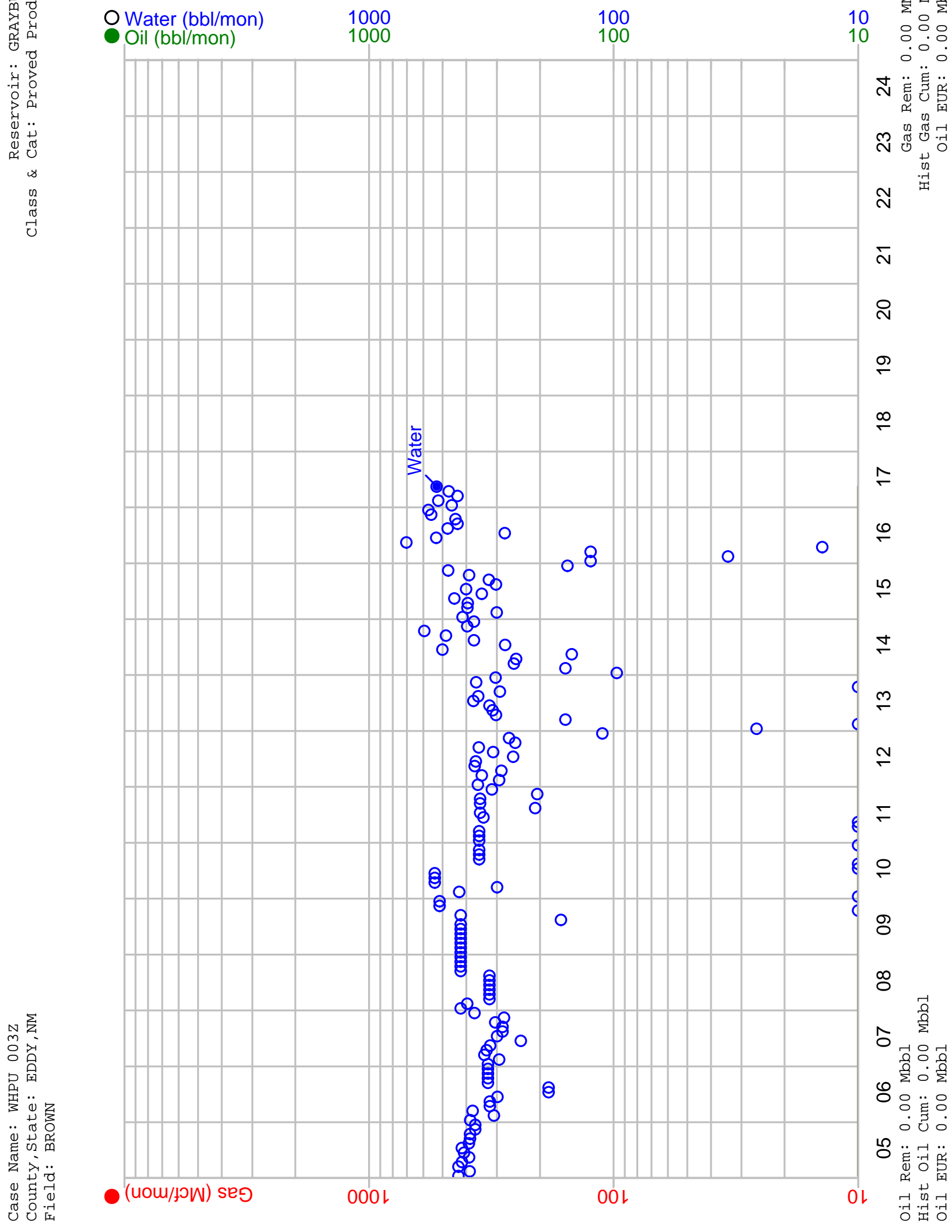
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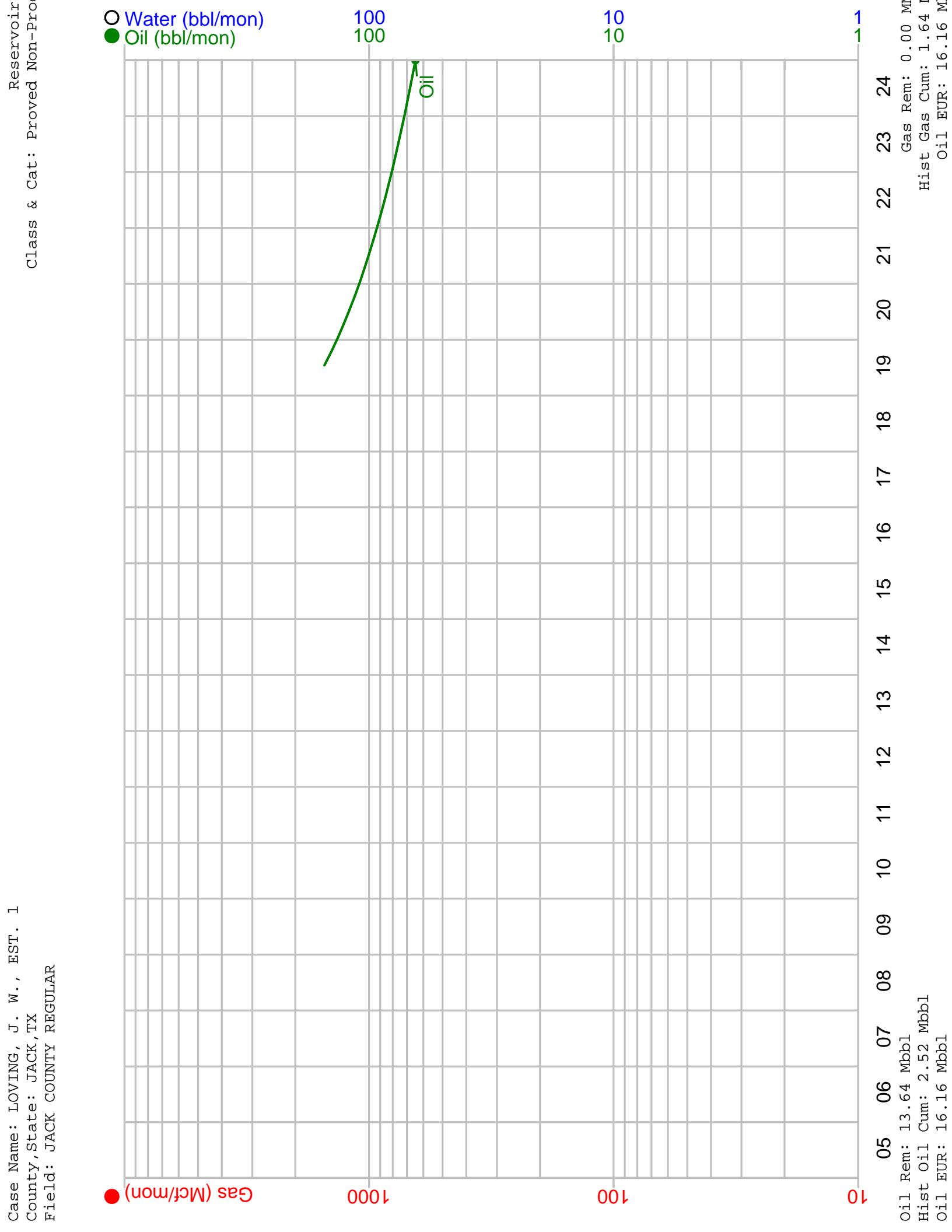


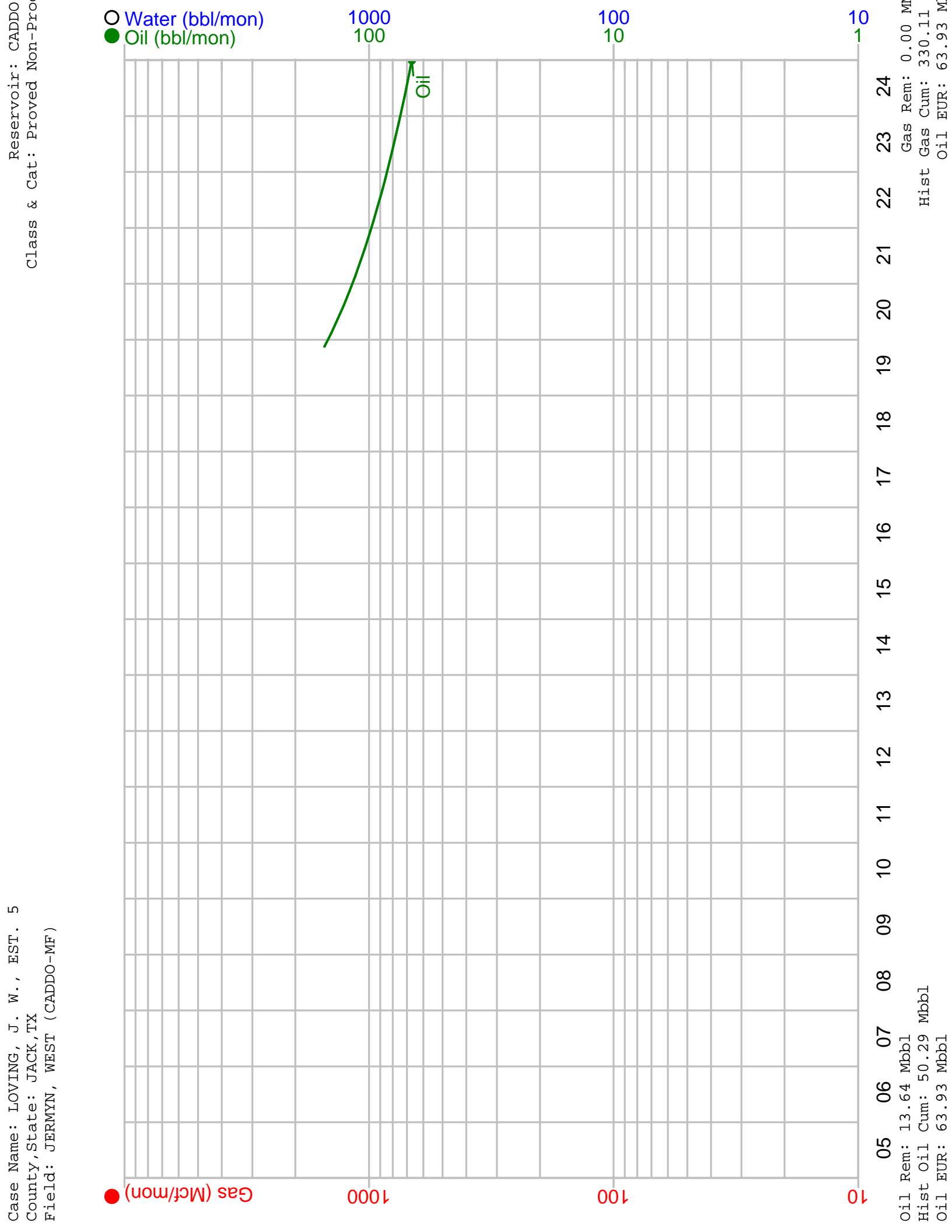
Oil Rem: 265.65 Mbbbl
Hist Oil Cum: 1,161.40 Mbbbl
Oil EUR: 1,427.05 Mbbbl

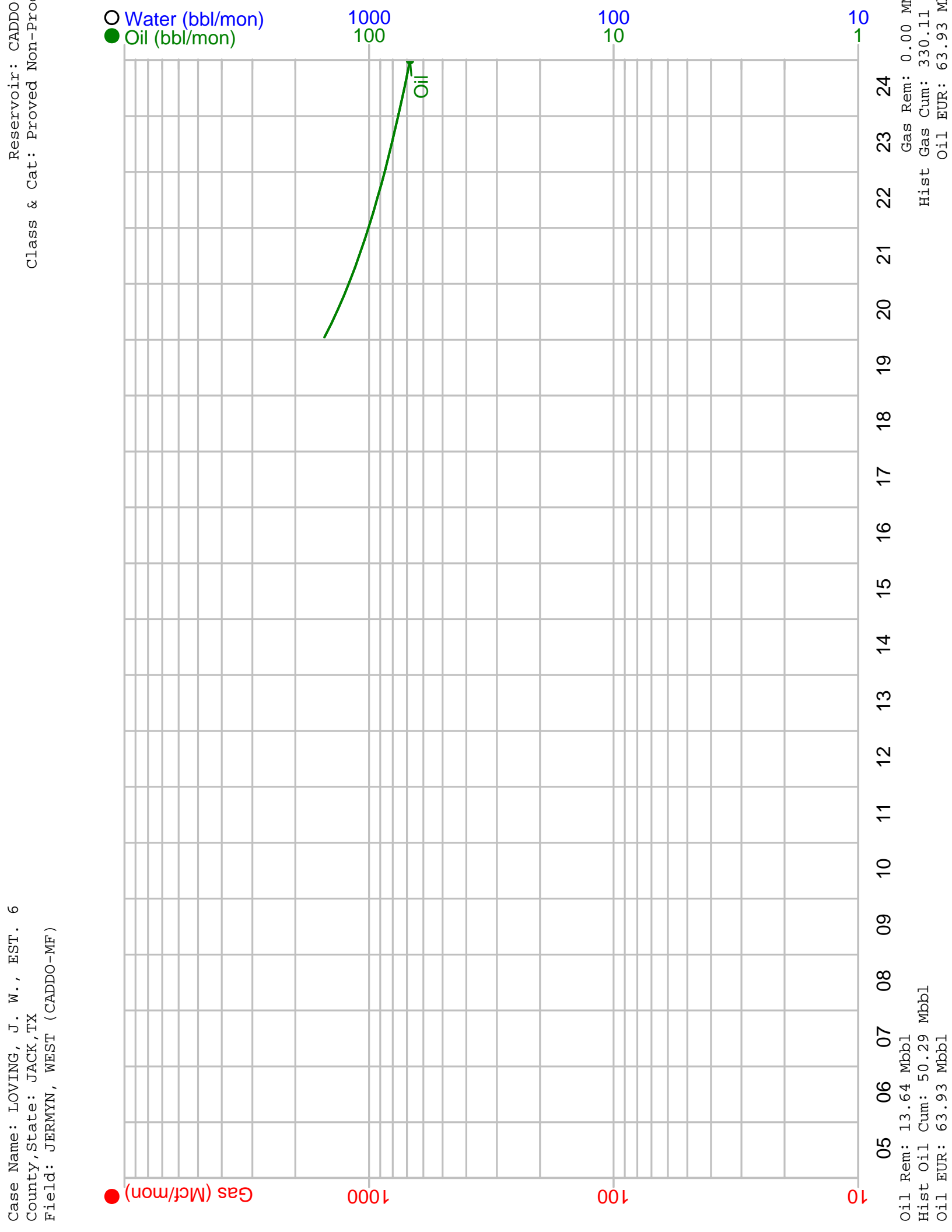
Gas Rem: 0.00 MMcf
Hist Gas Cum: 25.51 MMcf
Oil EUR: 1,427.05 M

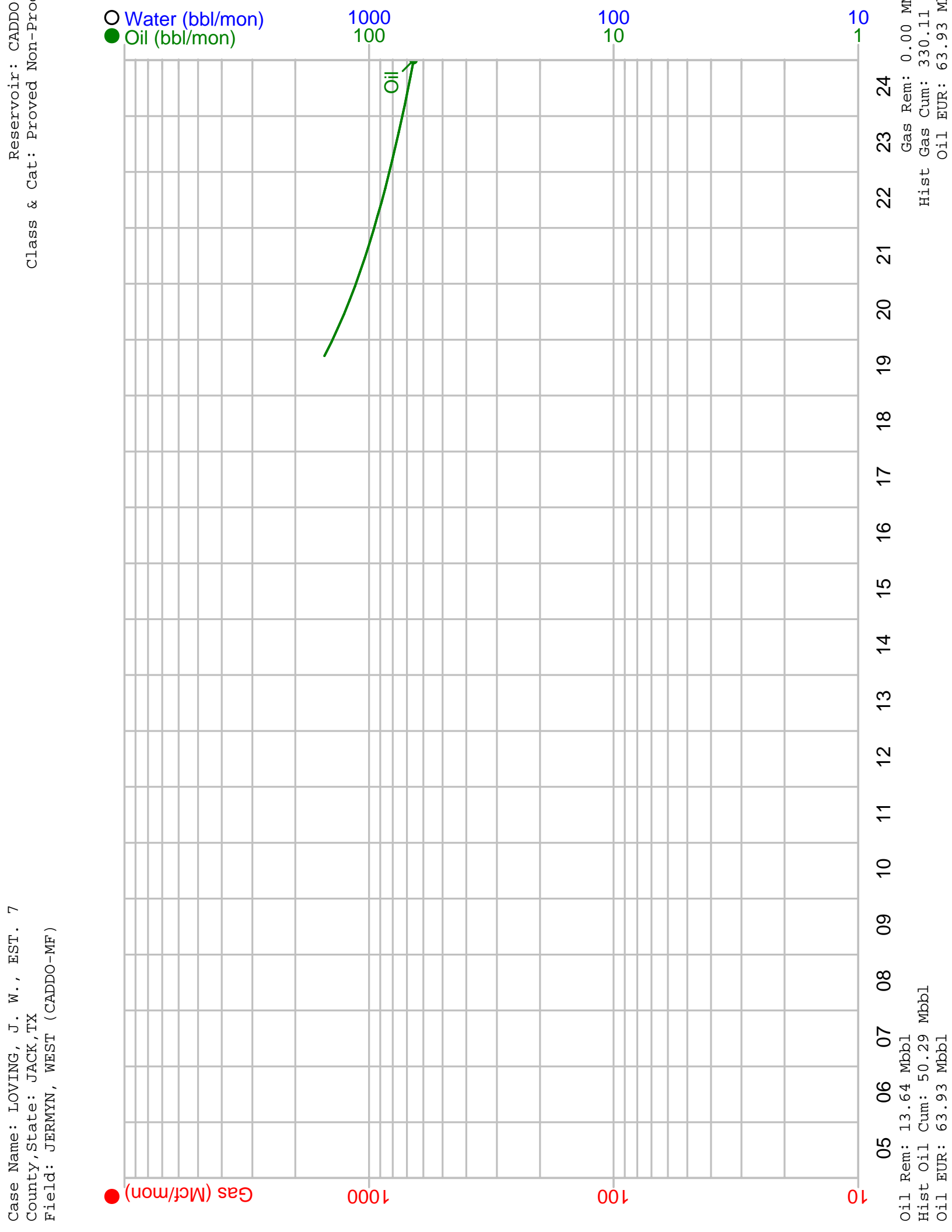


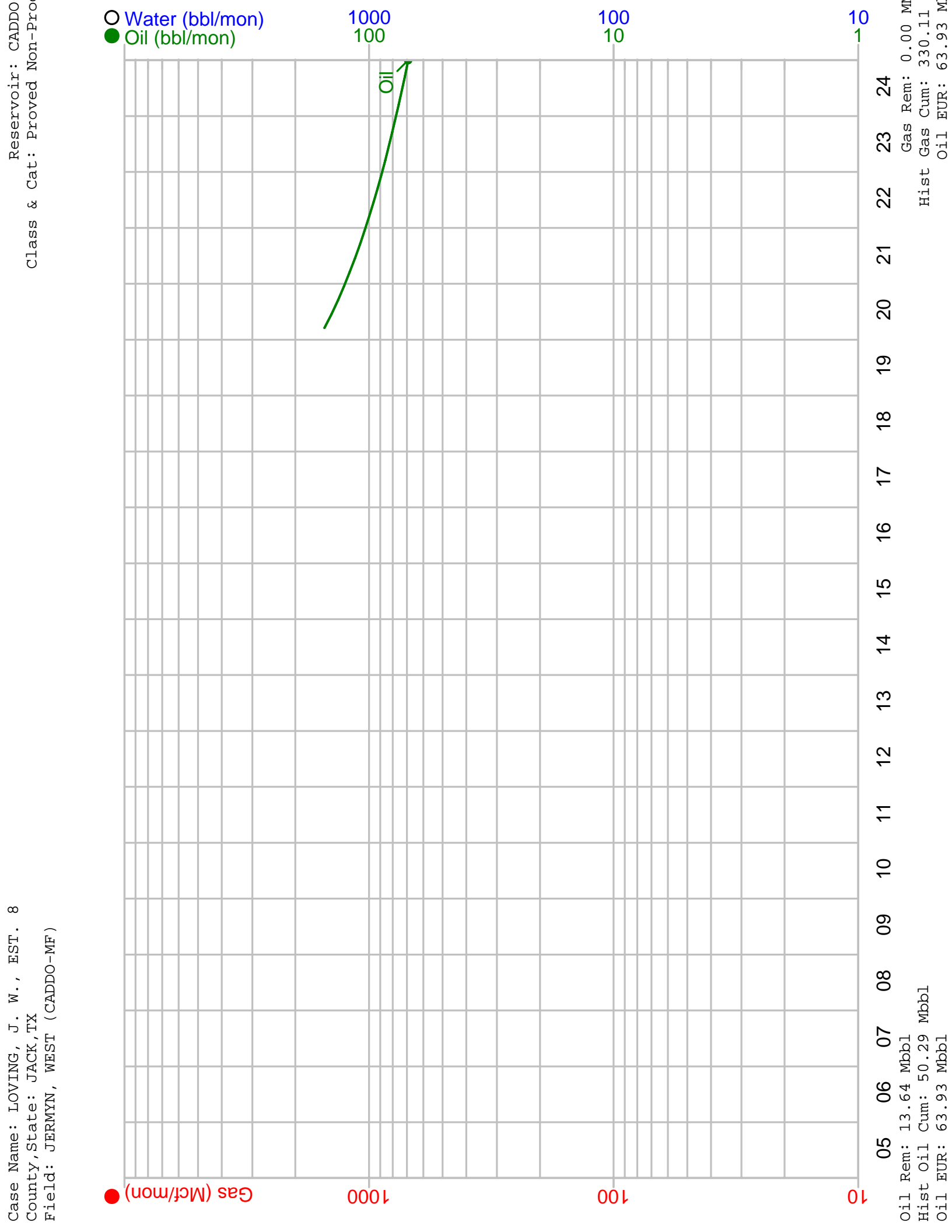


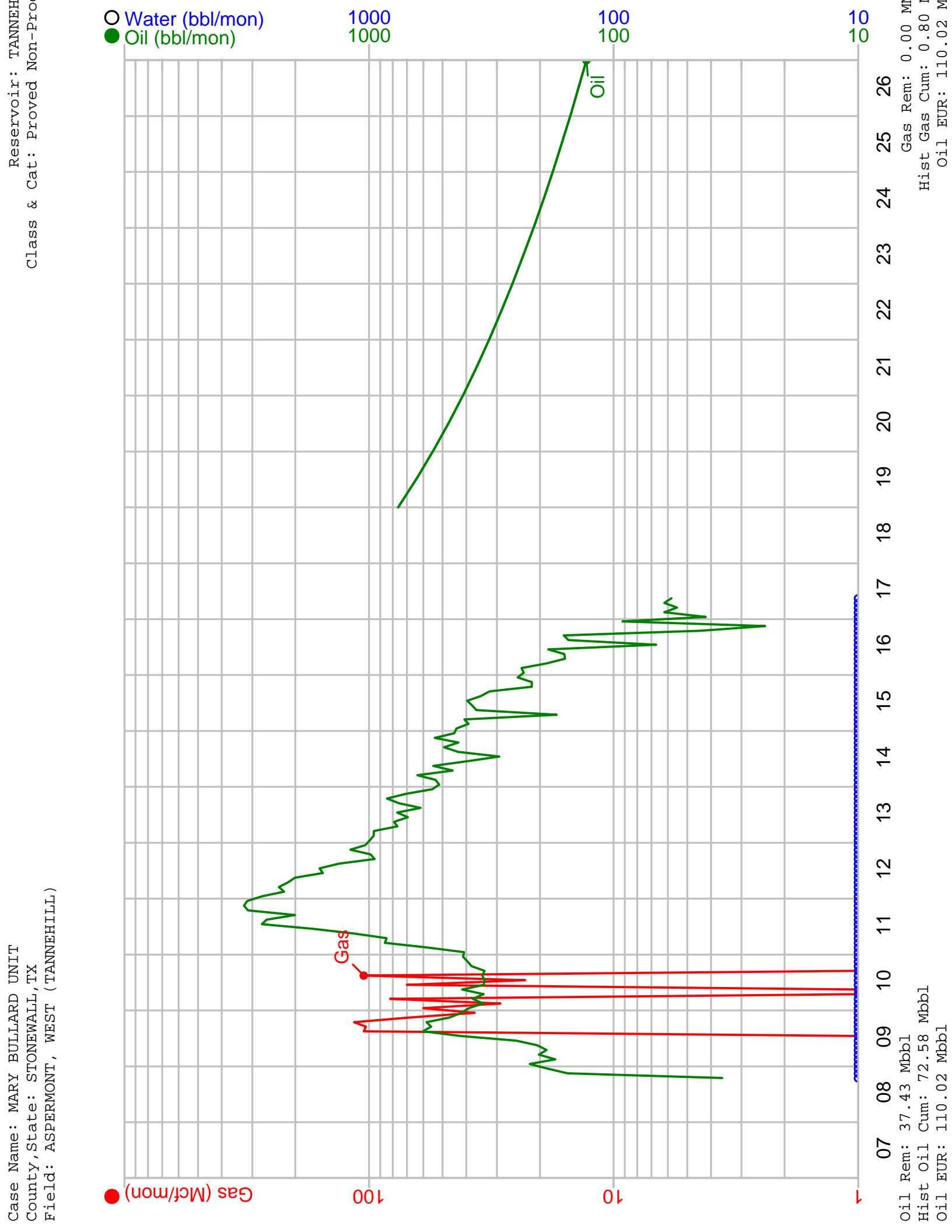


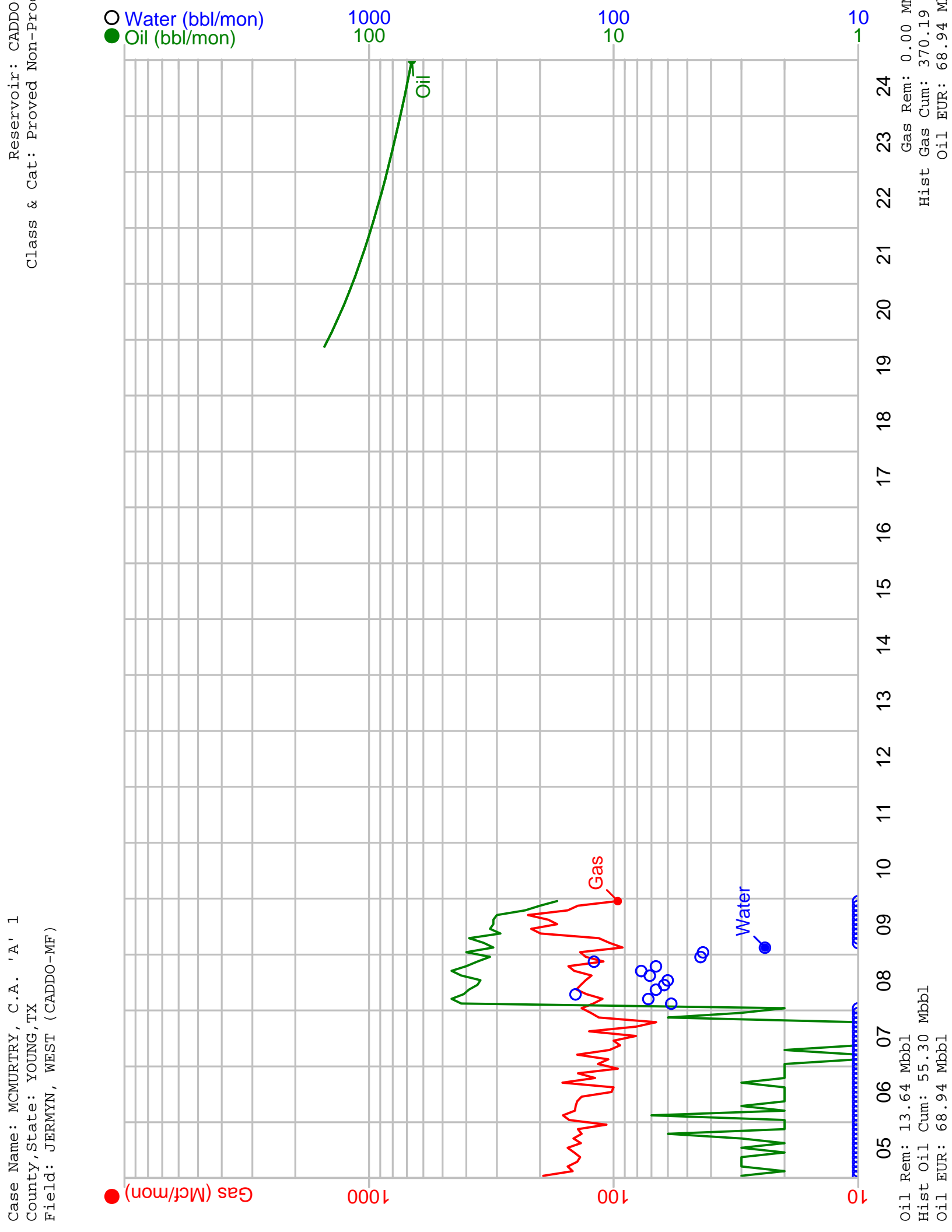


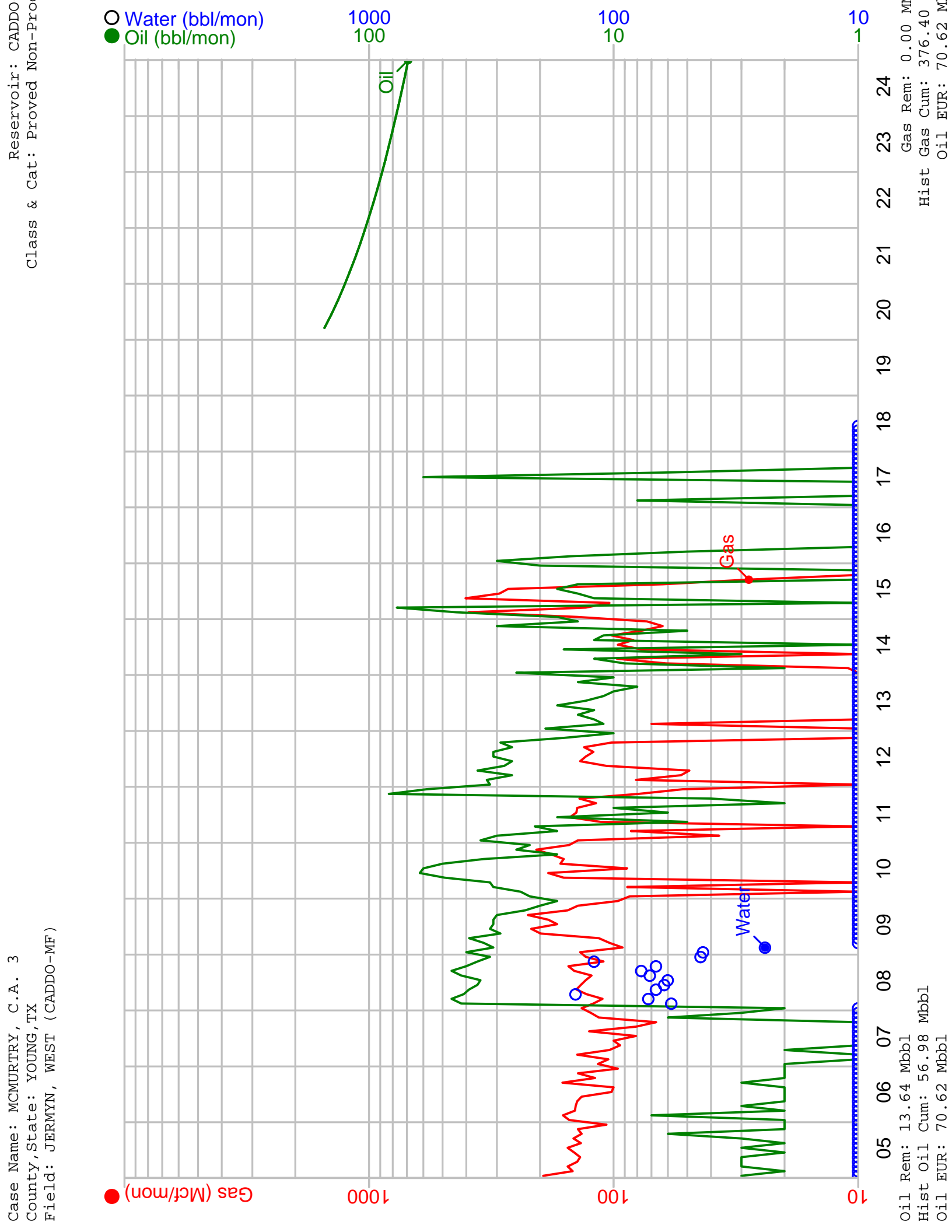


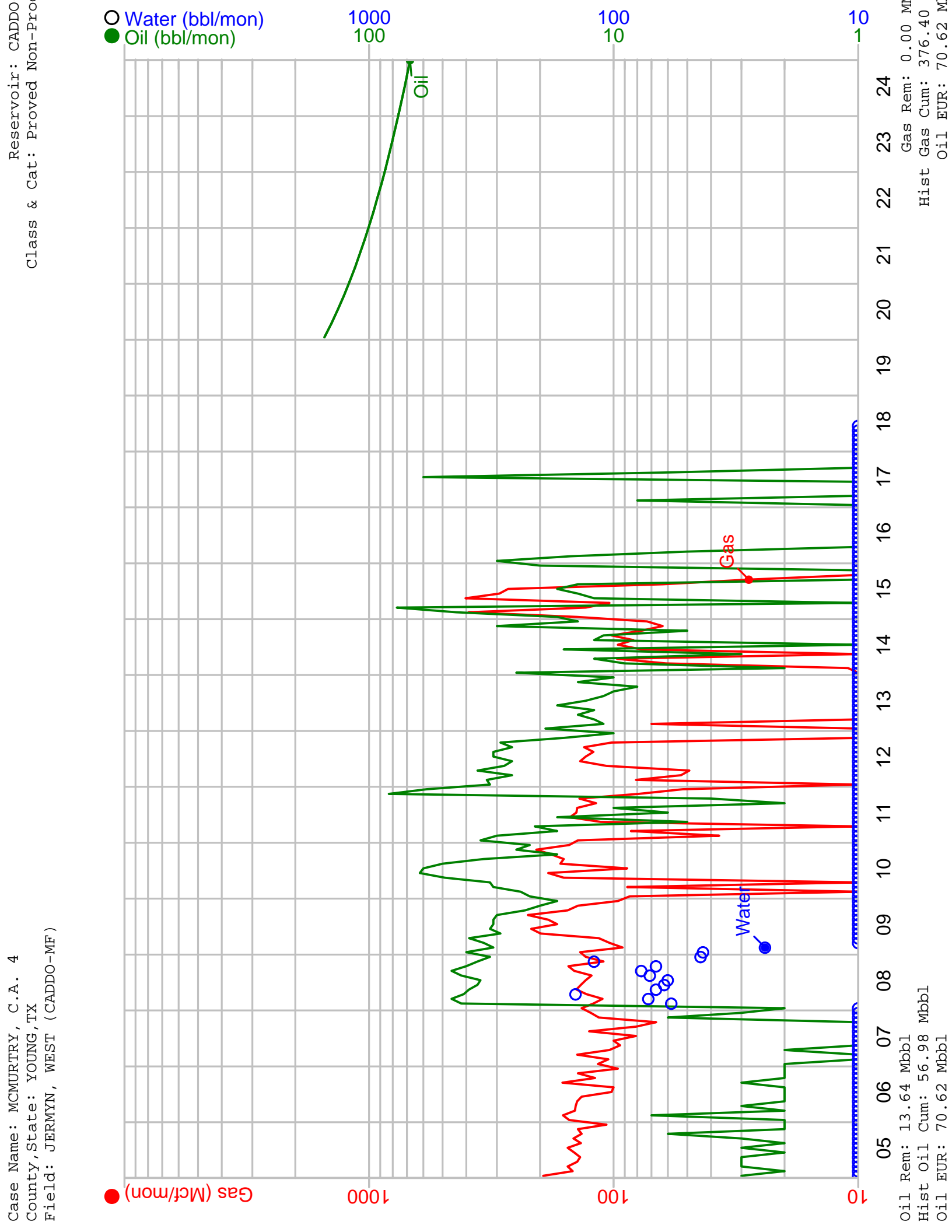










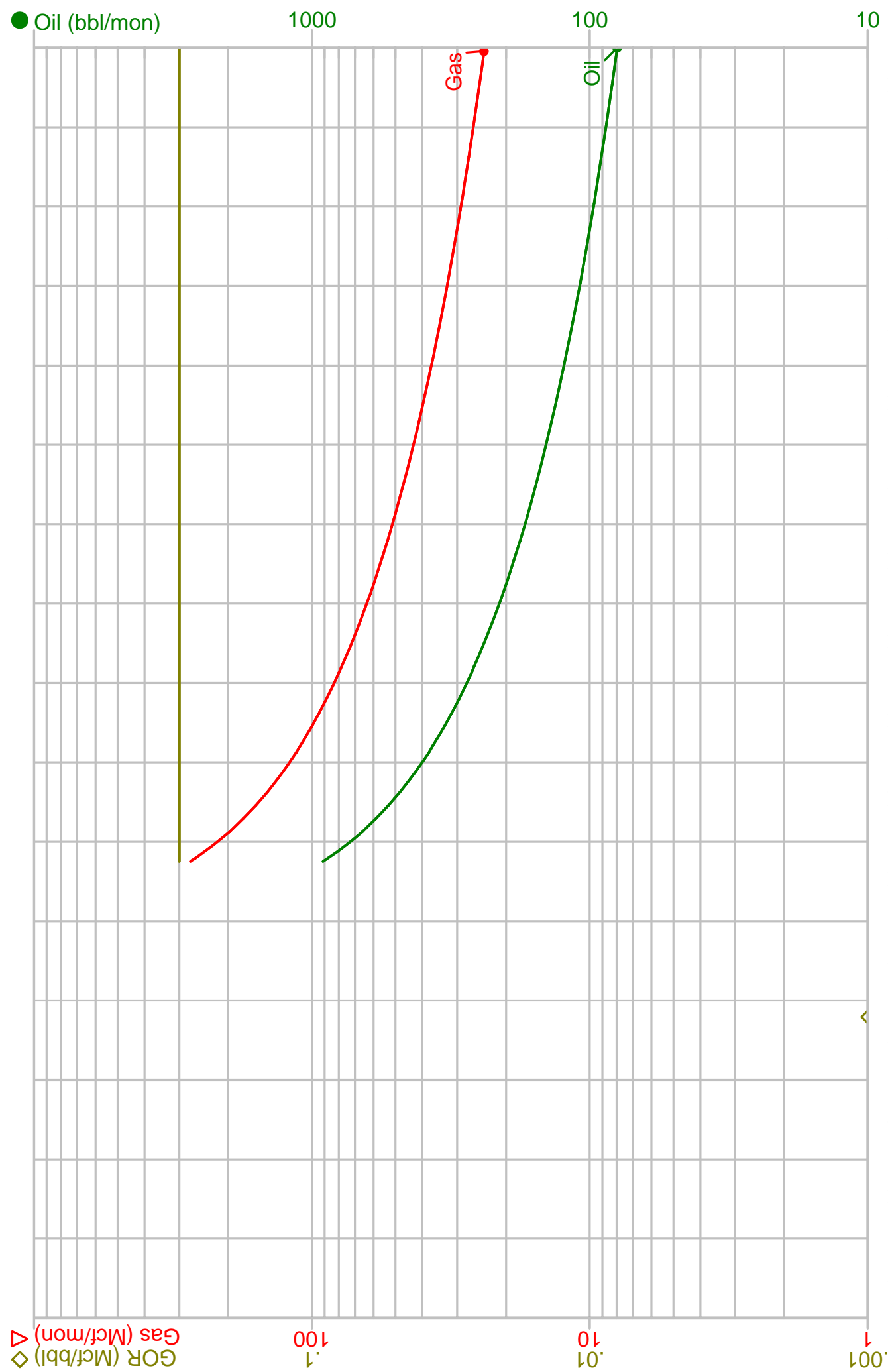


Case Name: ODC (GB) PNP NE 1
County, State: GAINES, TX
Field: O D C (GRAYBURG)

Reservoir: GRAYB
Class & Cat: Proved Non-Pro

Oil Rem: 32.47 Mbbl
Hist Oil Cum: 0.00 Mbbl
Oil EUR: 32.47 Mbbl

Gas Rem: 9.74 M
Hist Gas Cum: 0.00 M
Oil EUR: 32.47 M



Case Name: ODC (GB) PNP NW 1
County, State: GAINES, TX
Field: O D C (GRAYBURG)

Reservoir: GRAYB
Class & Cat: Proved Non-Pro

● Oil (bbl/mon)

1000

100

10

◇ GOR (Mcf/bbl)

100

10

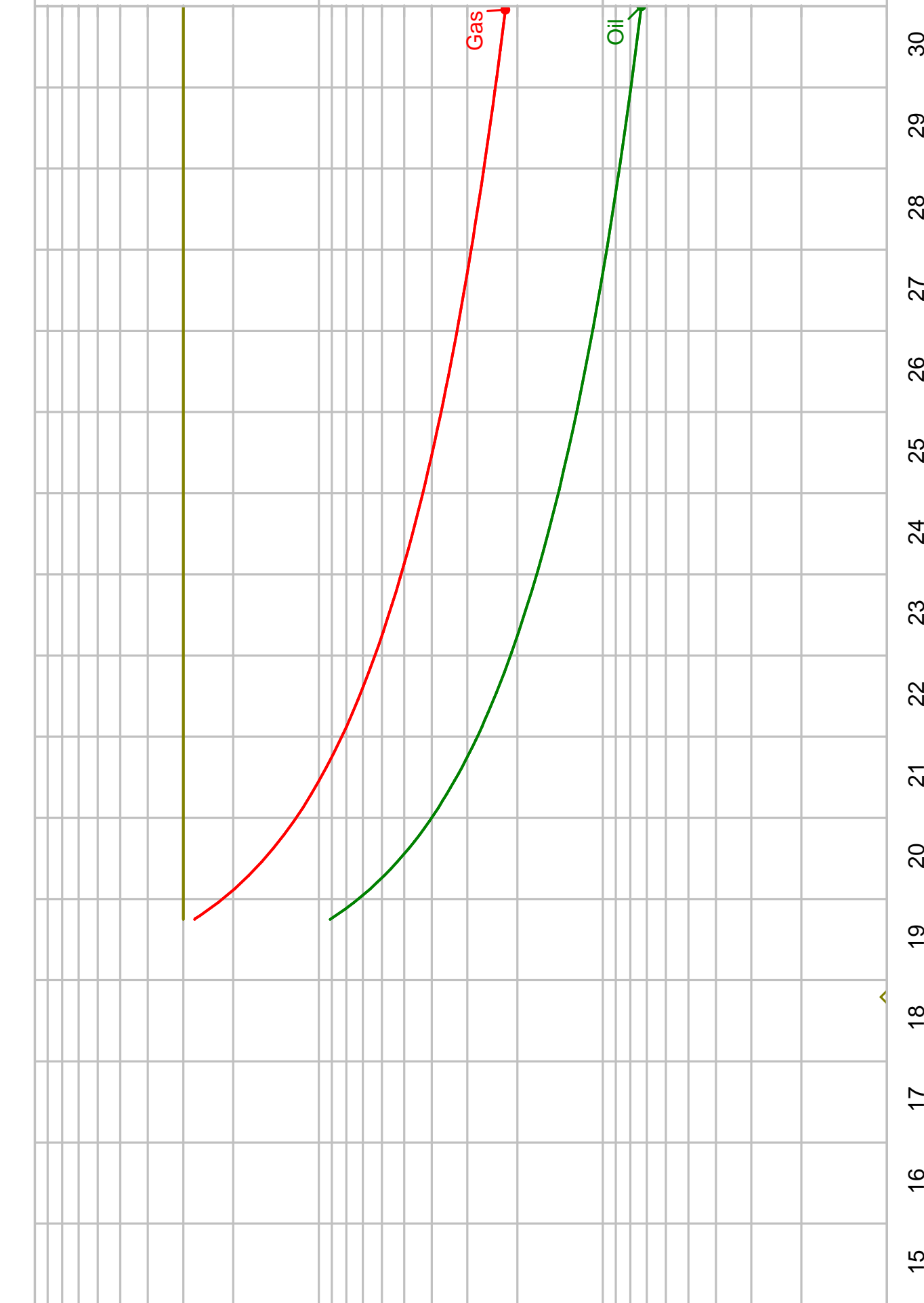
1

△ Gas (Mcf/mon)

100

10

1

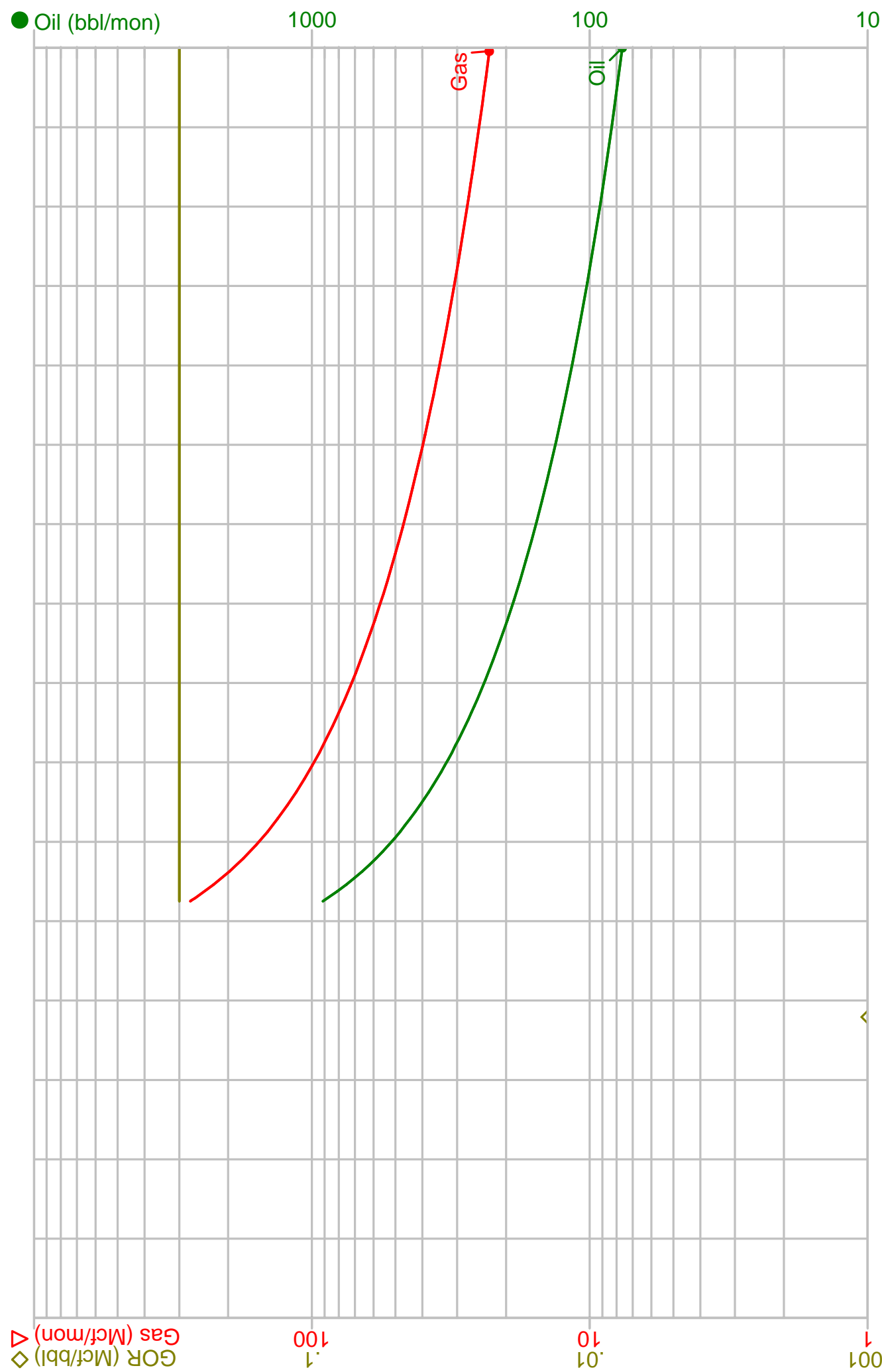


Oil Rem: 32.46 Mbbl
Hist Oil Cum: 0.00 Mbbl
Oil EUR: 32.46 Mbbl

Gas Rem: 9.74 M
Hist Gas Cum: 0.00 M
Oil EUR: 32.46 M

Case Name: ODC (GB) PNP SE 1
County, State: GAINES, TX
Field: O D C (GRAYBURG)

Reservoir: GRAYB
Class & Cat: Proved Non-Pro



Oil Rem: 32.46 Mbbl
Hist Oil Cum: 0.00 Mbbl
Oil EUR: 32.46 Mbbl

Gas Rem: 9.74 Mbbl
Hist Gas Cum: 0.00 Mbbl
Oil EUR: 32.46 Mbbl

Case Name: ODC (GB) PNP SW 1
County, State: GAINES, TX
Field: O D C (GRAYBURG)

Reservoir: GRAYB
Class & Cat: Proved Non-Pro

● Oil (bbl/mon)

◇ GOR (Mcf/bbl)
△ Gas (Mcf/mon)

1000

100

100

10

10

1001

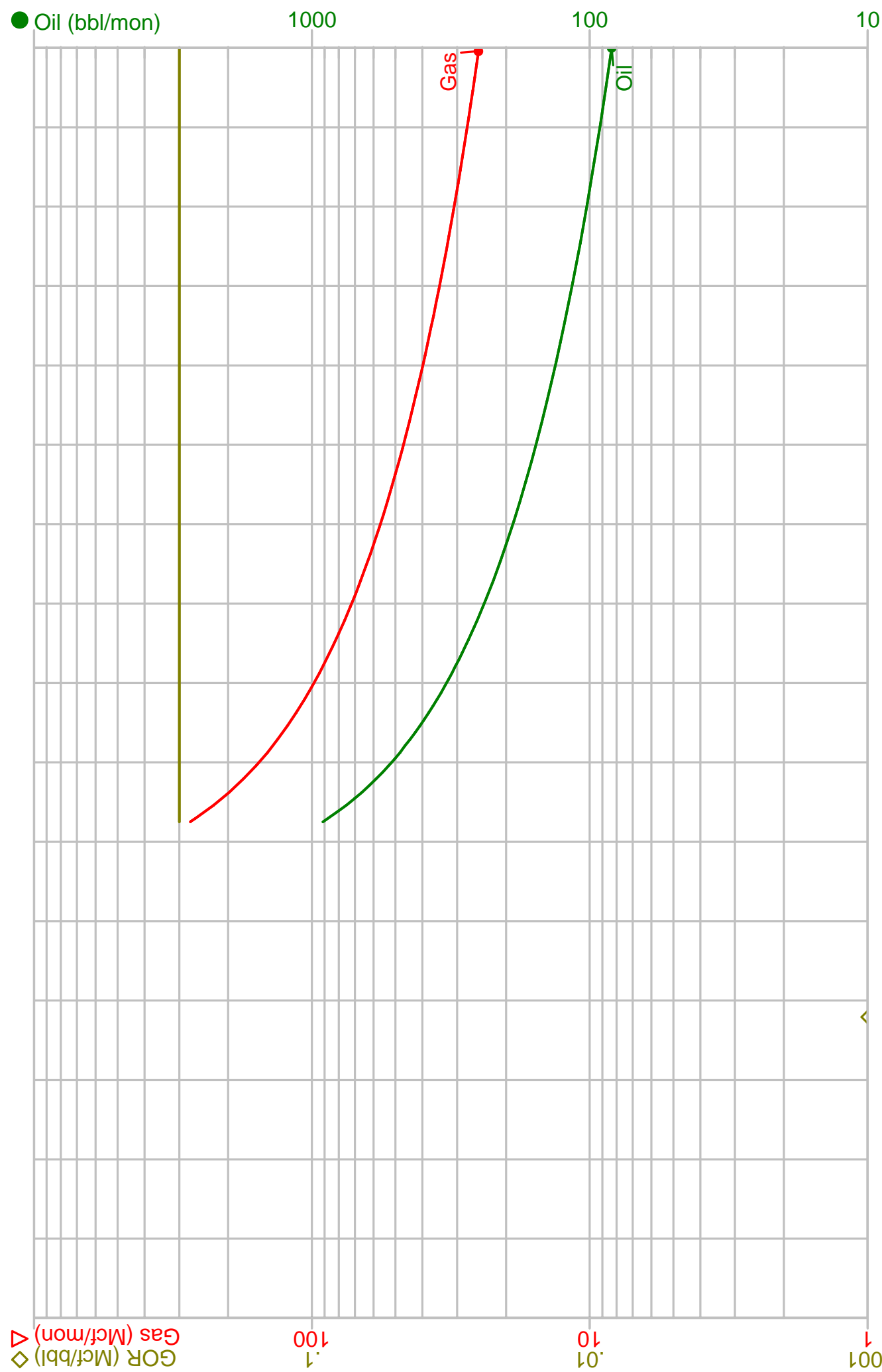


Oil Rem: 32.45 Mbbl
Hist Oil Cum: 0.00 Mbbl
Oil EUR: 32.45 Mbbl

Gas Rem: 9.74 M
Hist Gas Cum: 0.00 M
Oil EUR: 32.45 M

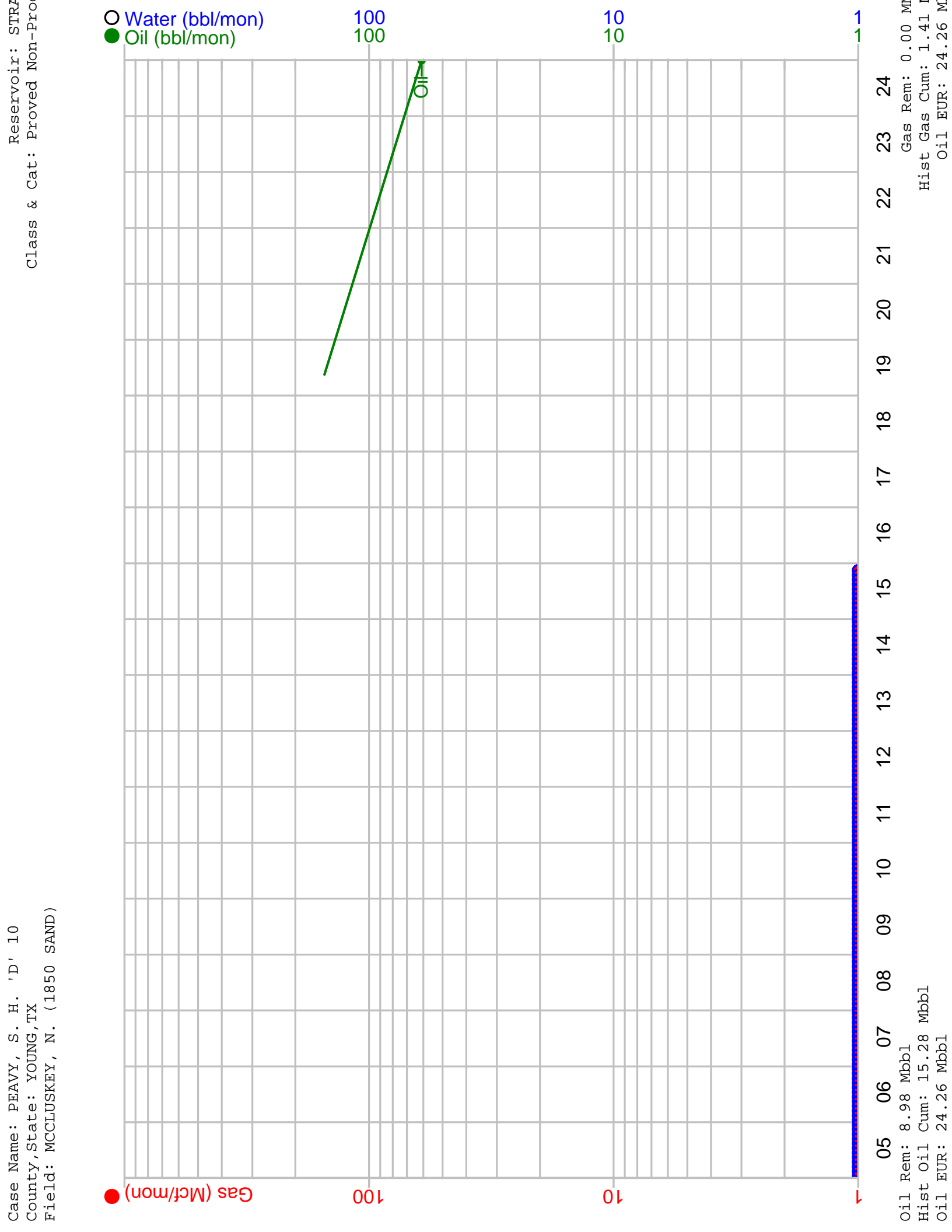
Case Name: ODC (GB) PNP SW 2
County, State: GAINES, TX
Field: O D C (GRAYBURG)

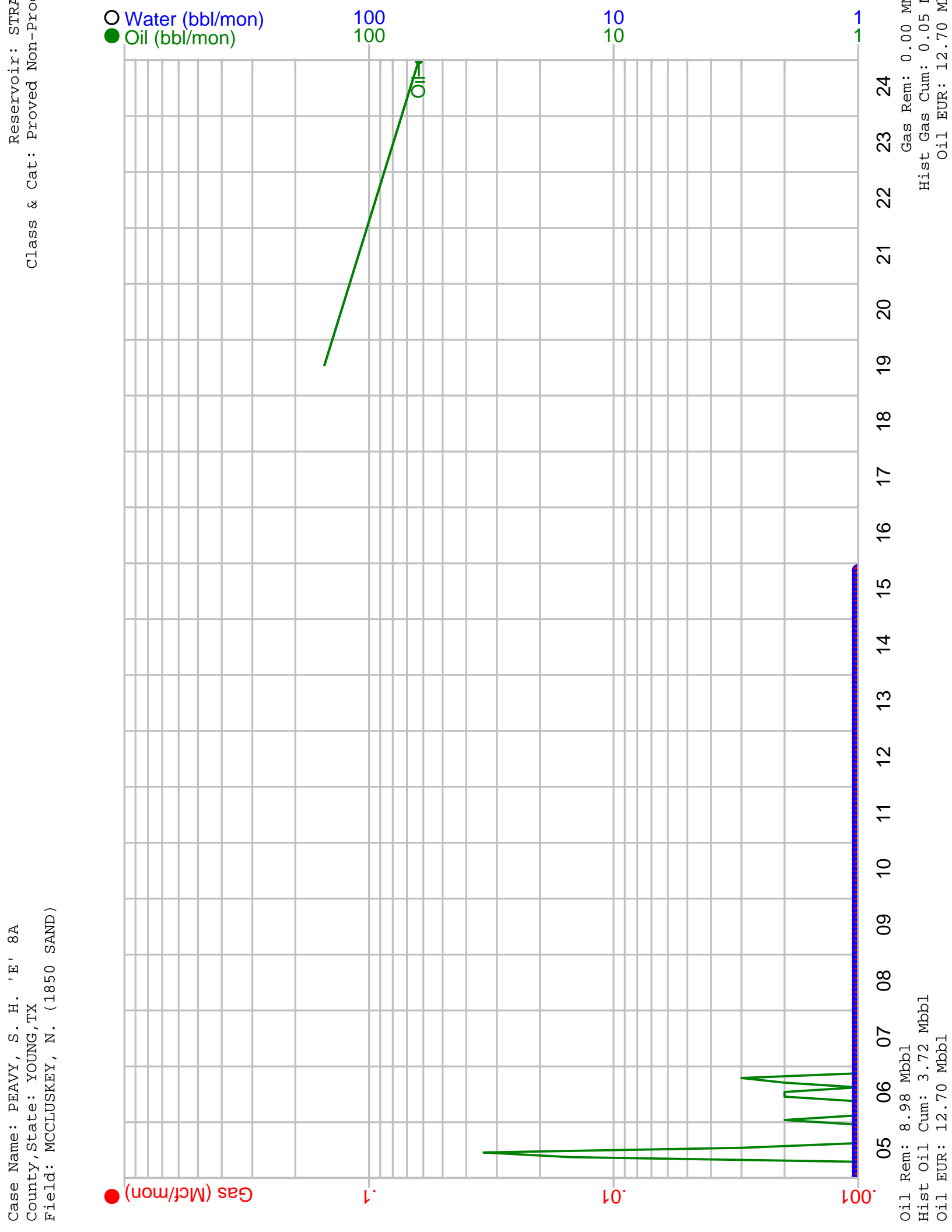
Reservoir: GRAYB
Class & Cat: Proved Non-Pro

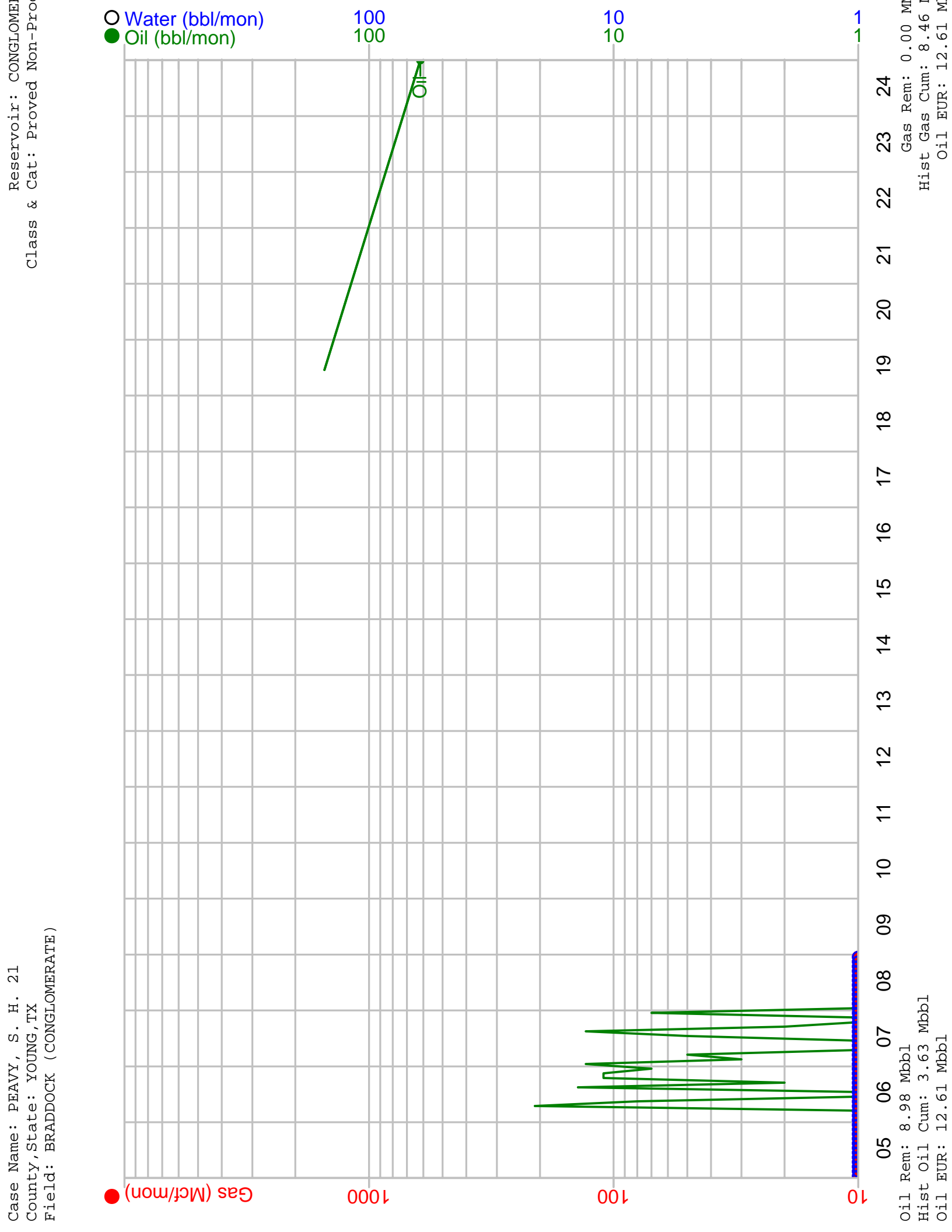


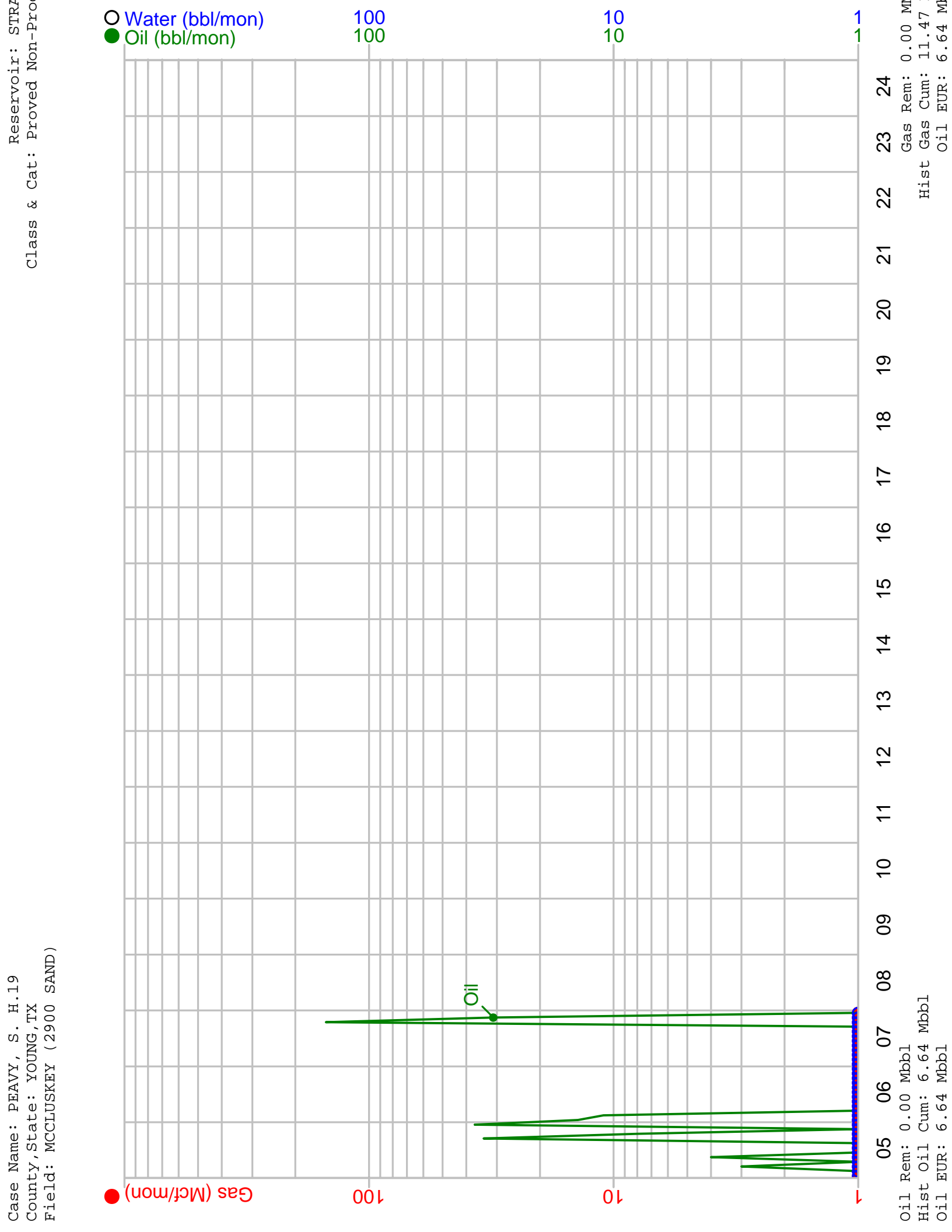
Oil Rem: 32.47 Mbbl
Hist Oil Cum: 0.00 Mbbl
Oil EUR: 32.47 Mbbl

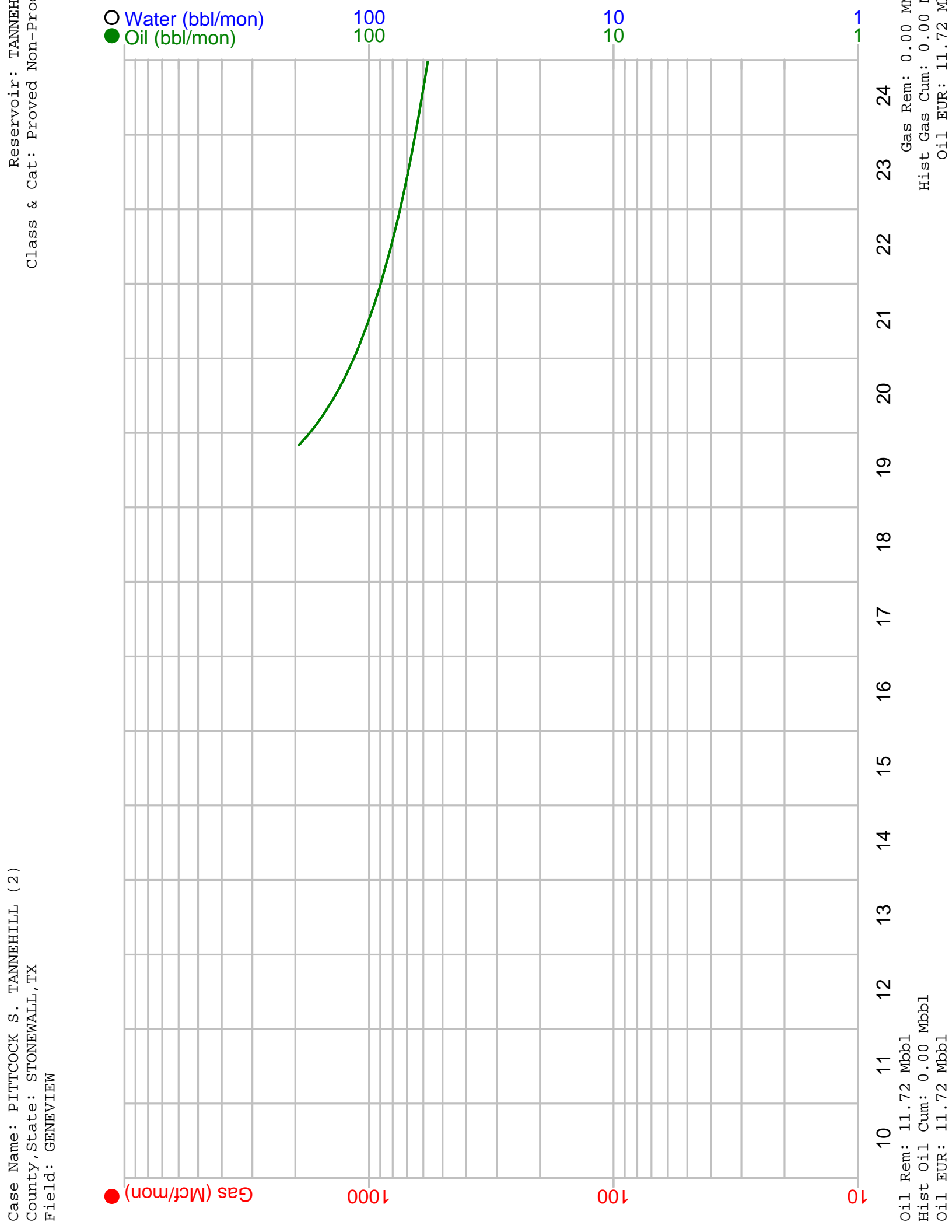
Gas Rem: 9.74 Mbbl
Hist Gas Cum: 0.00 Mbbl
Oil EUR: 32.47 Mbbl

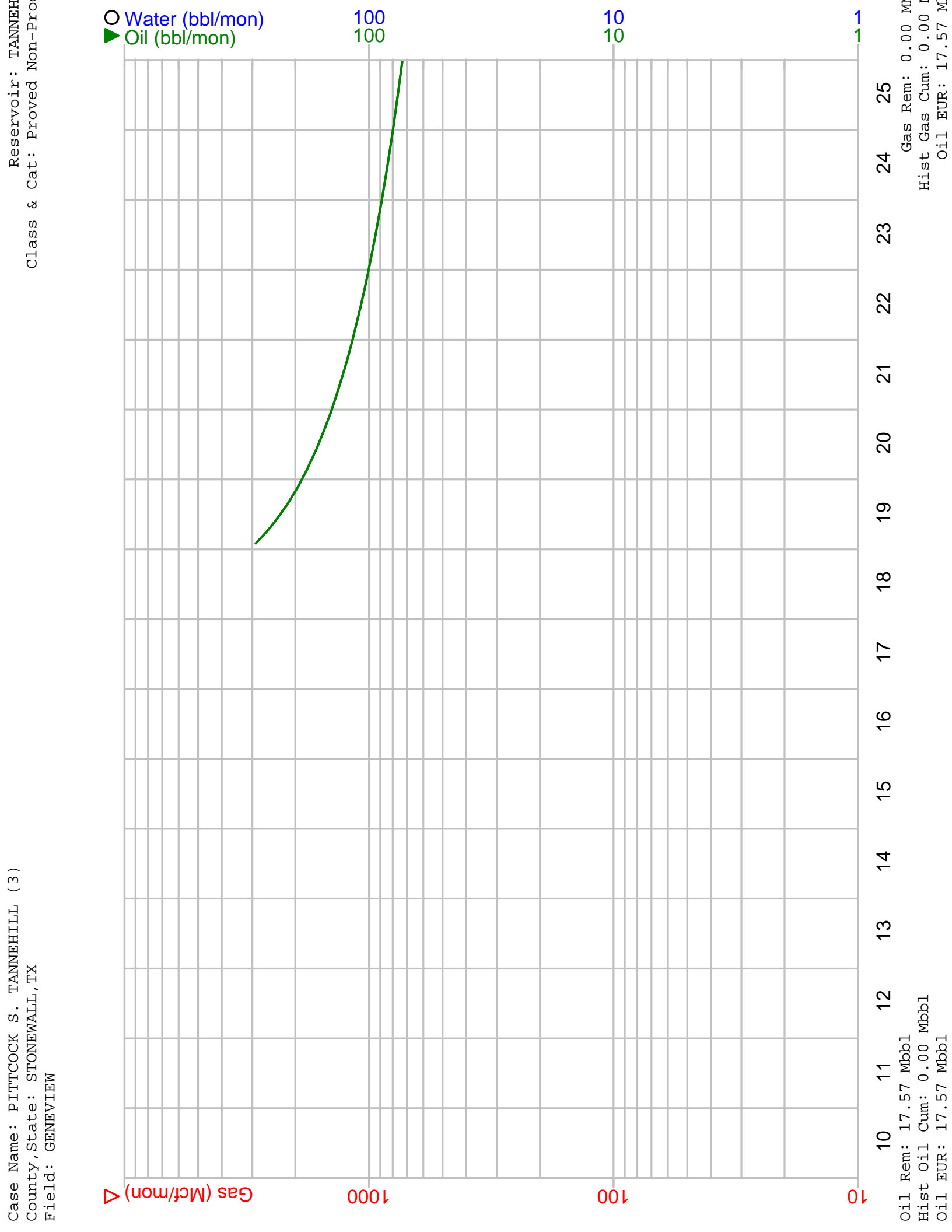


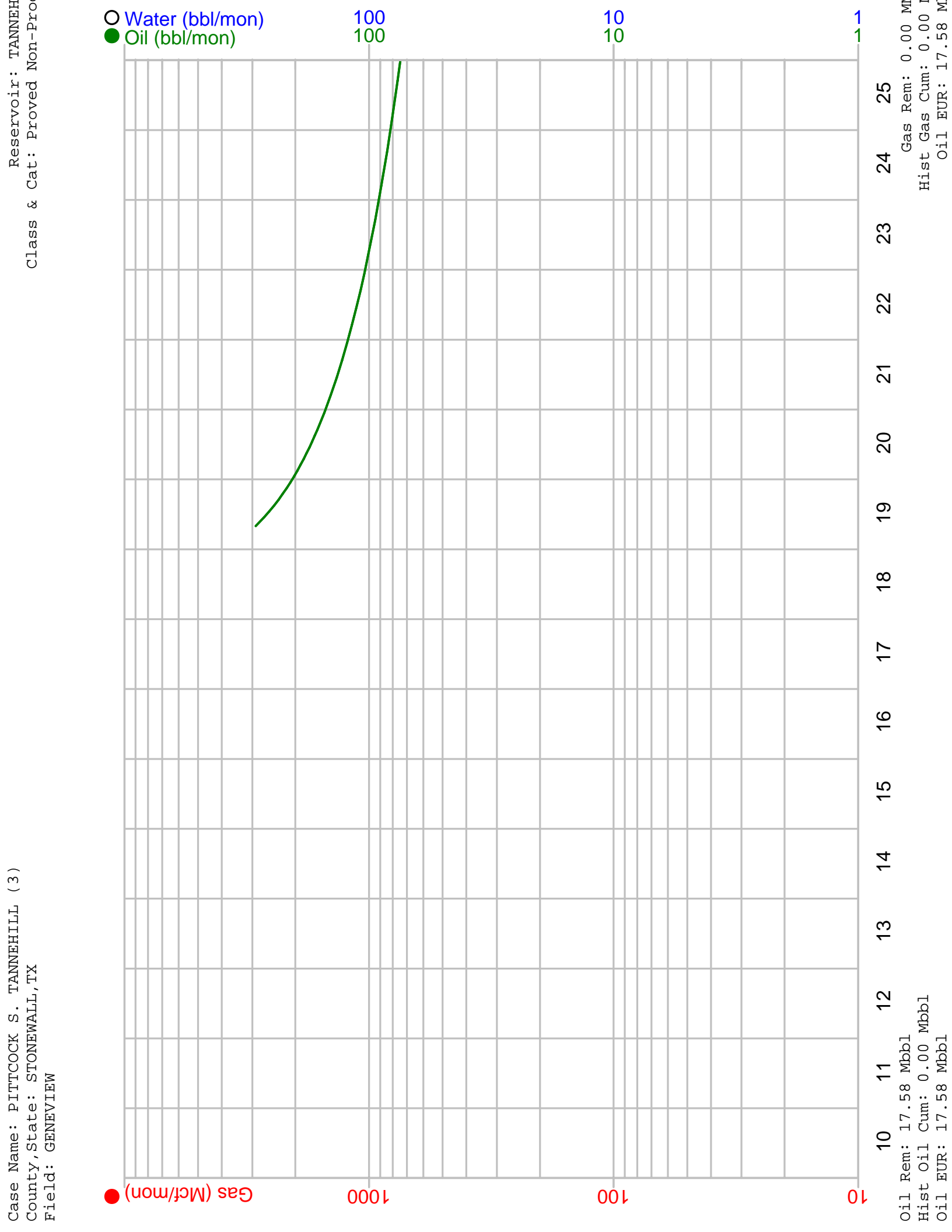


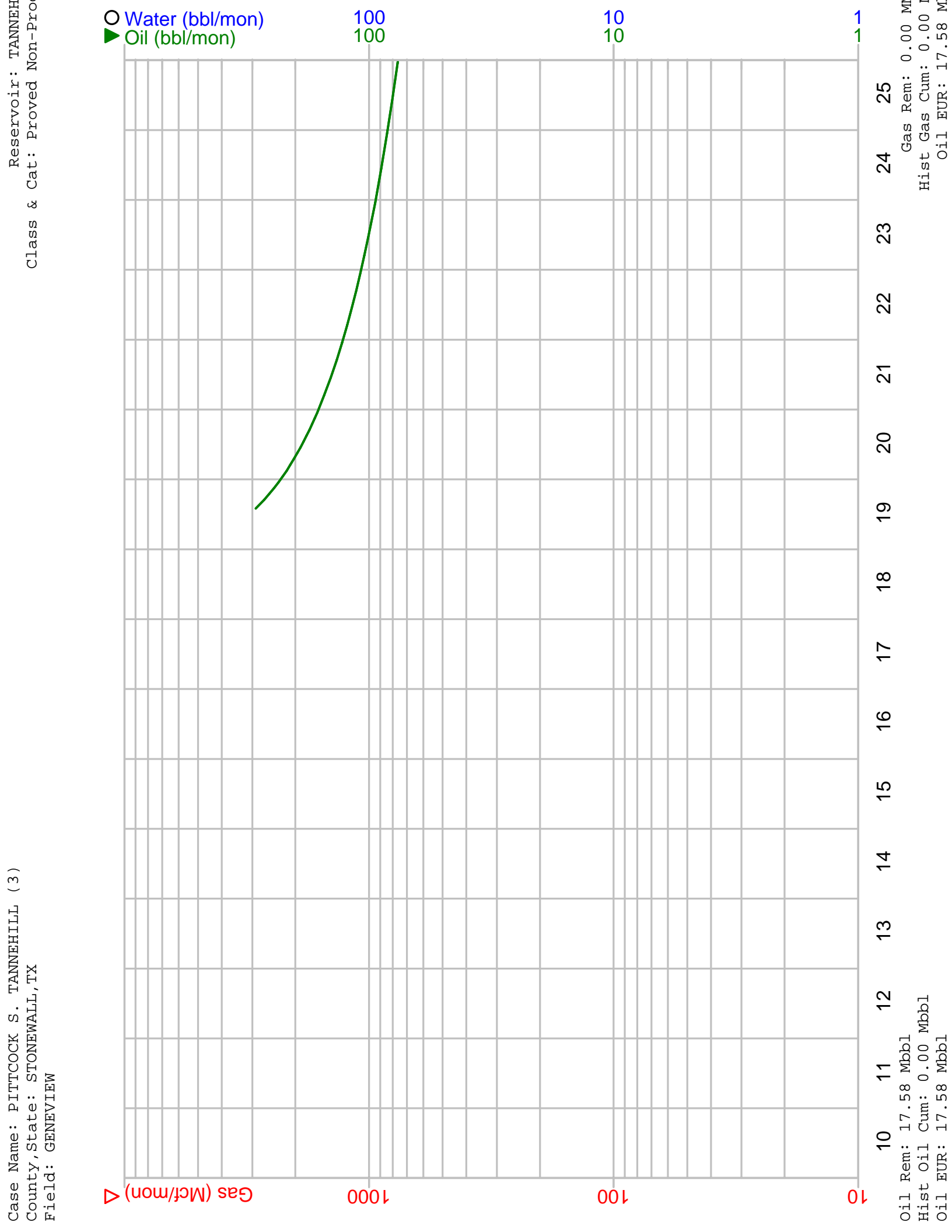


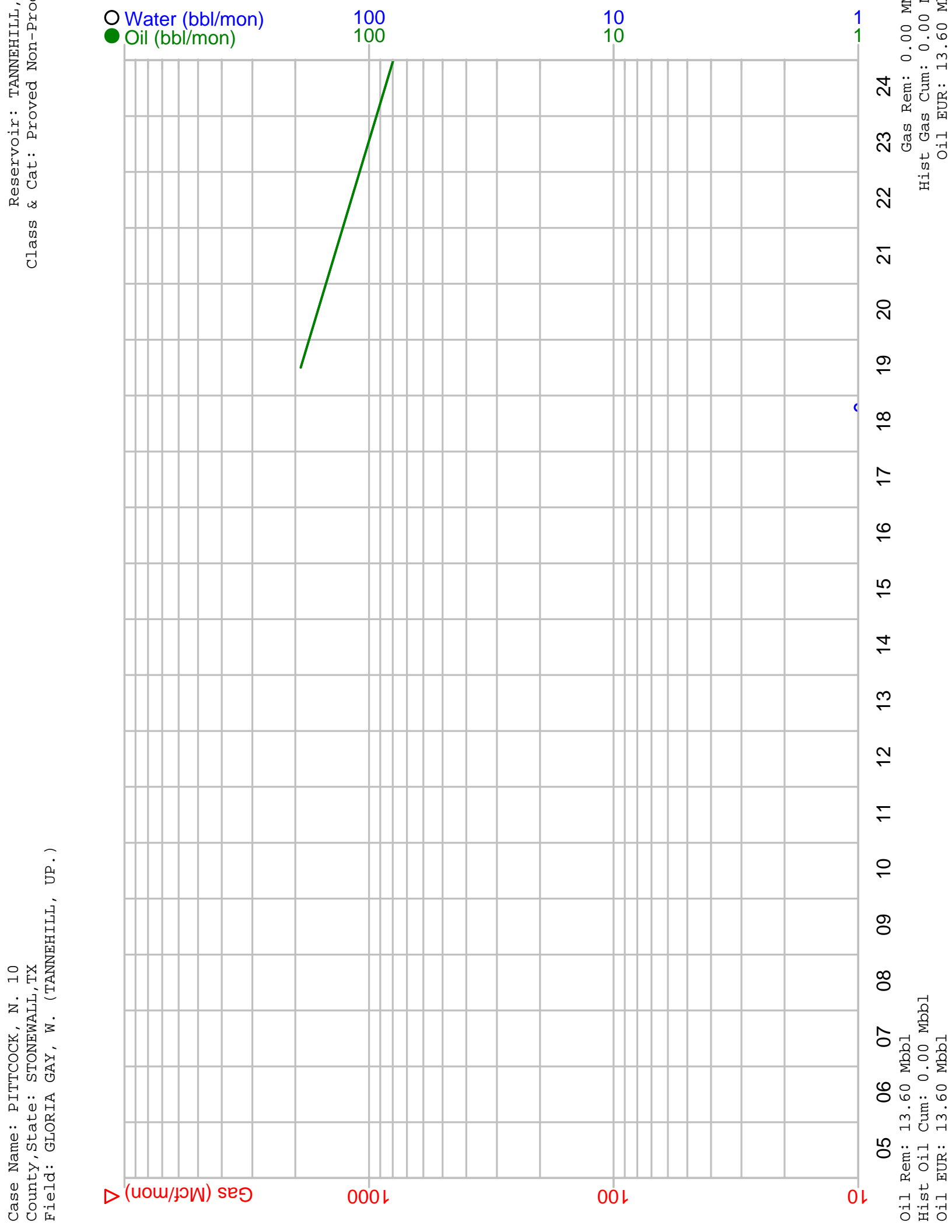


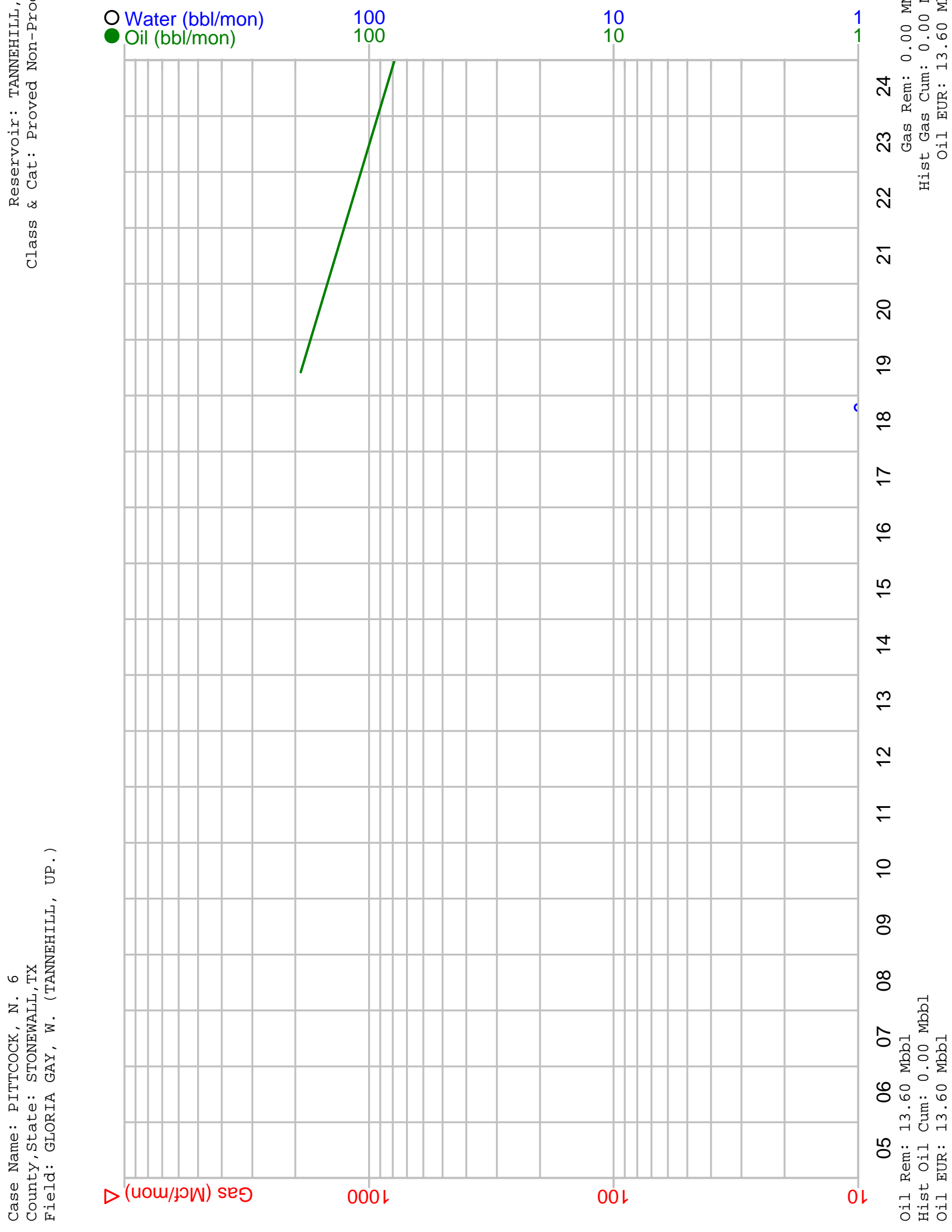


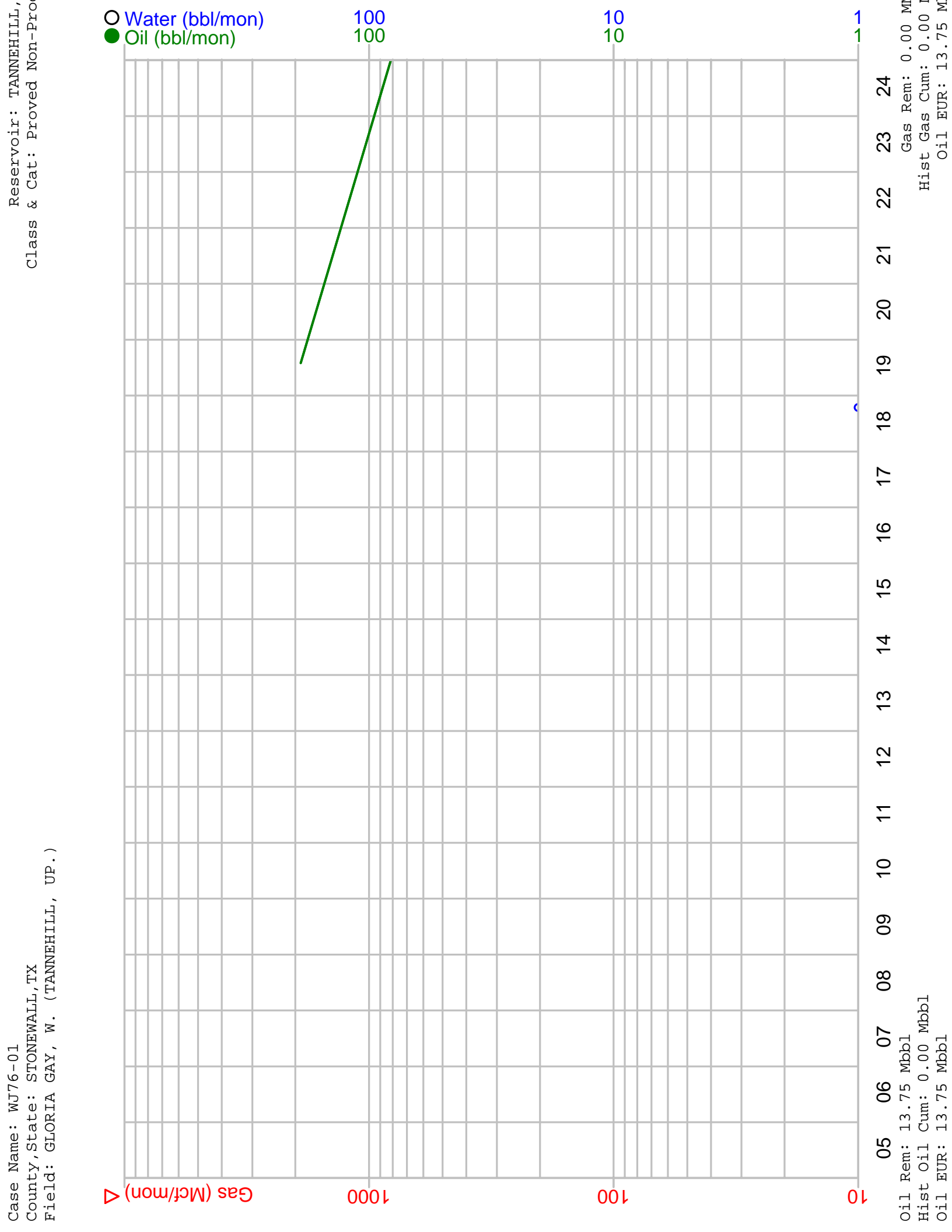


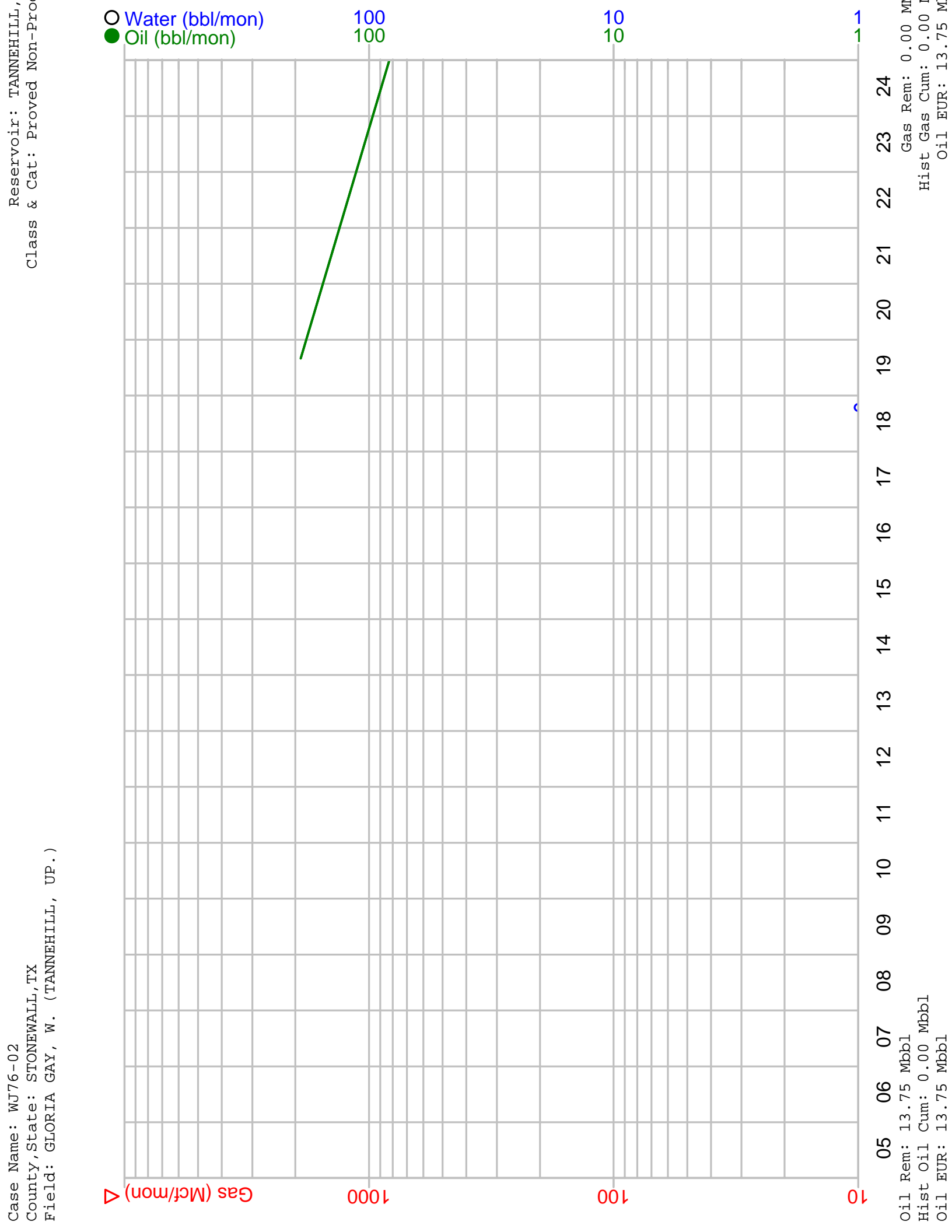


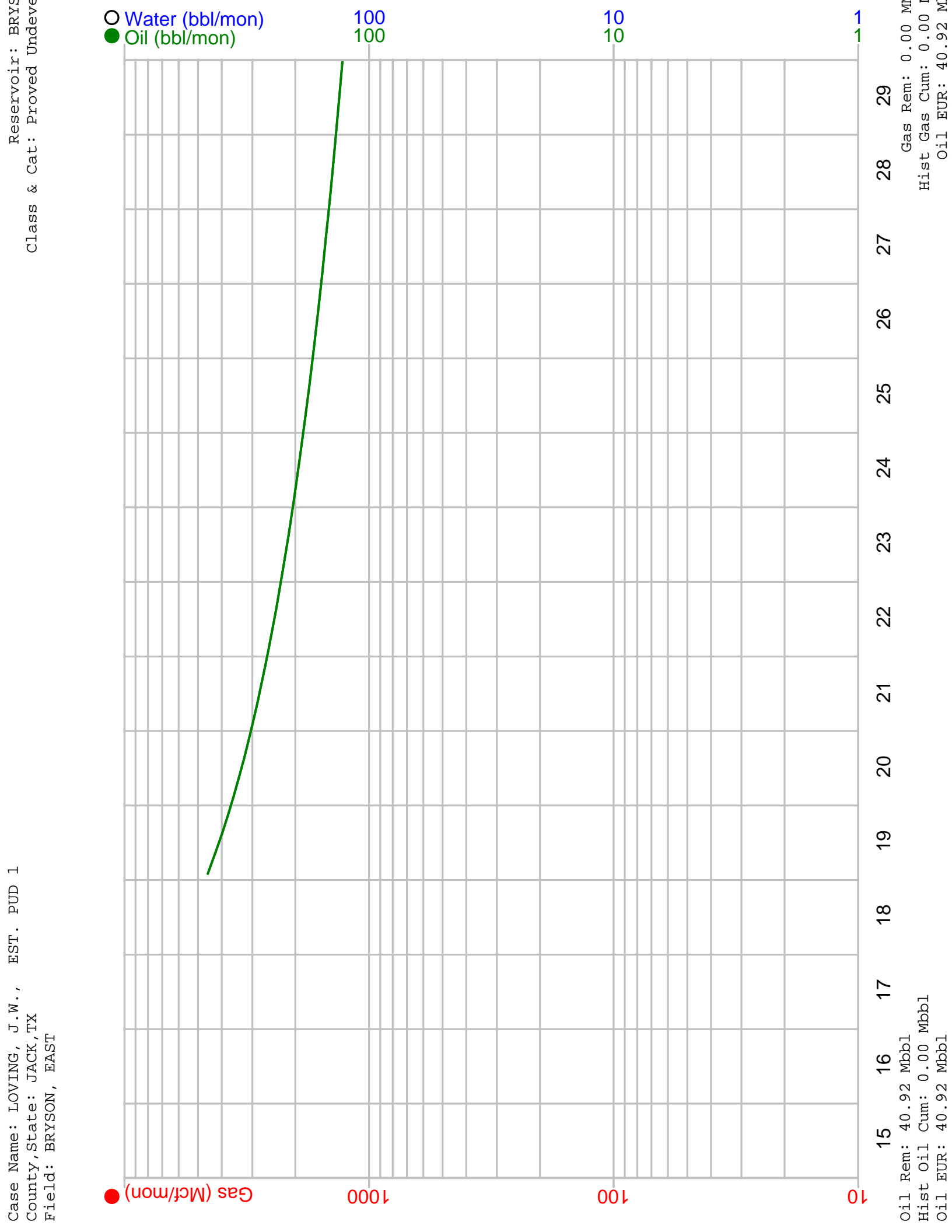


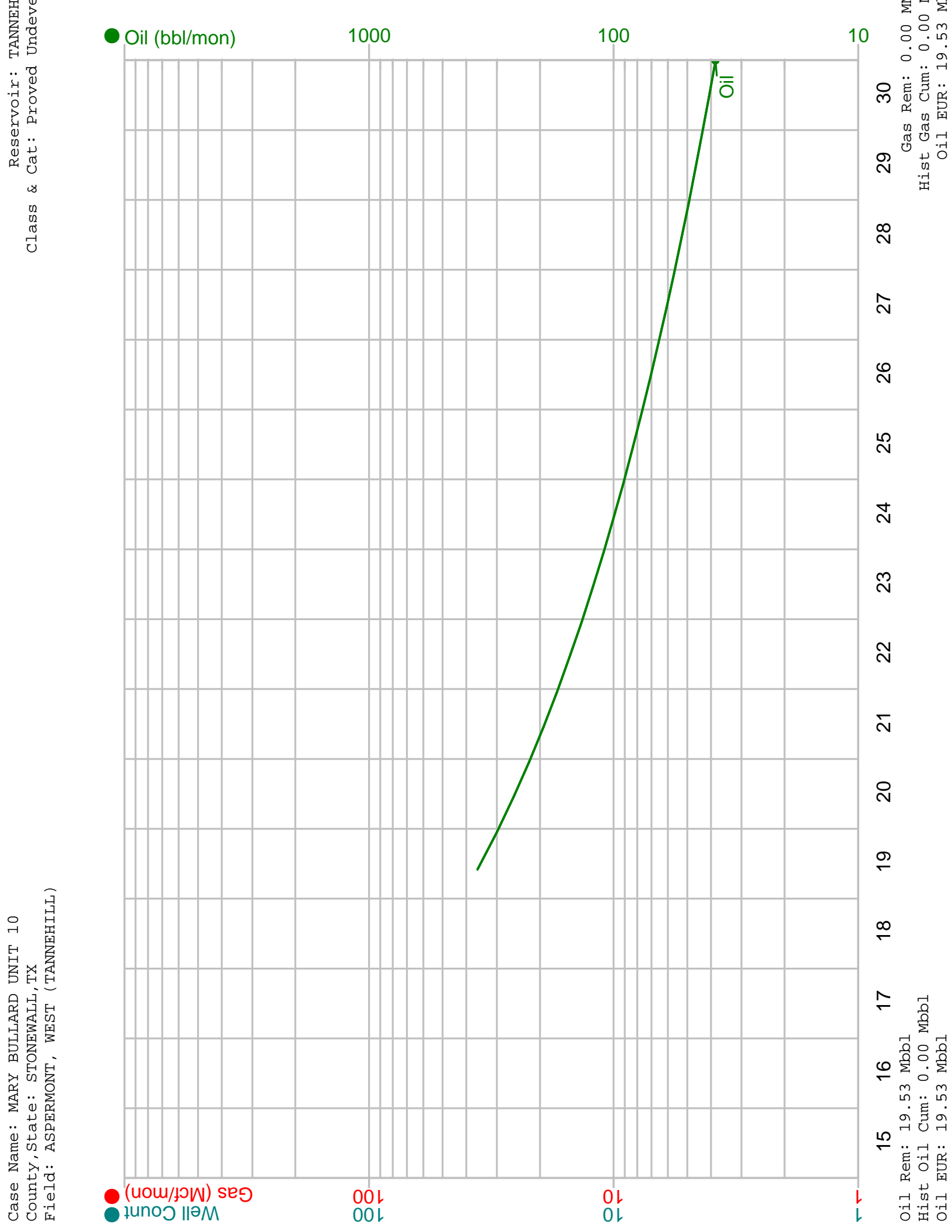


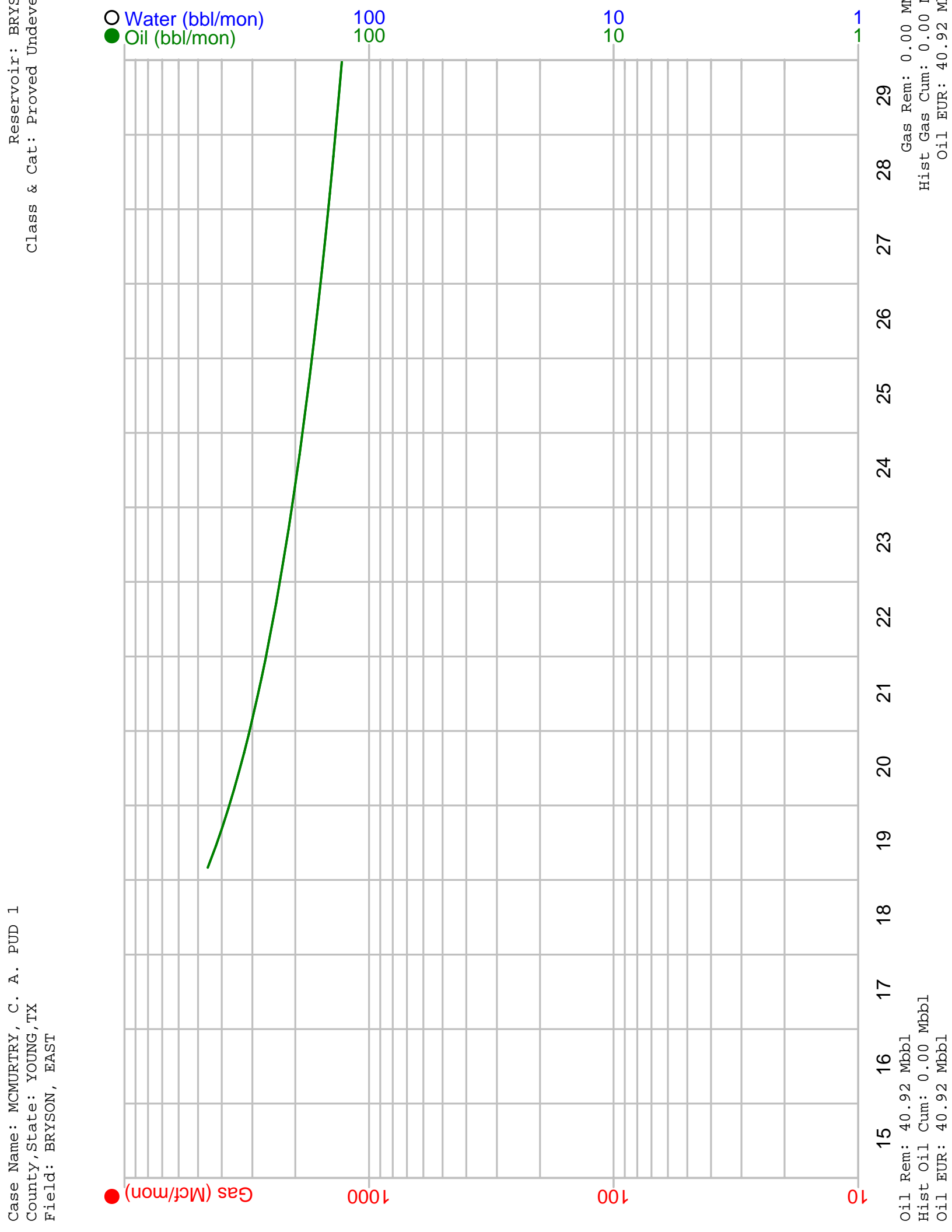


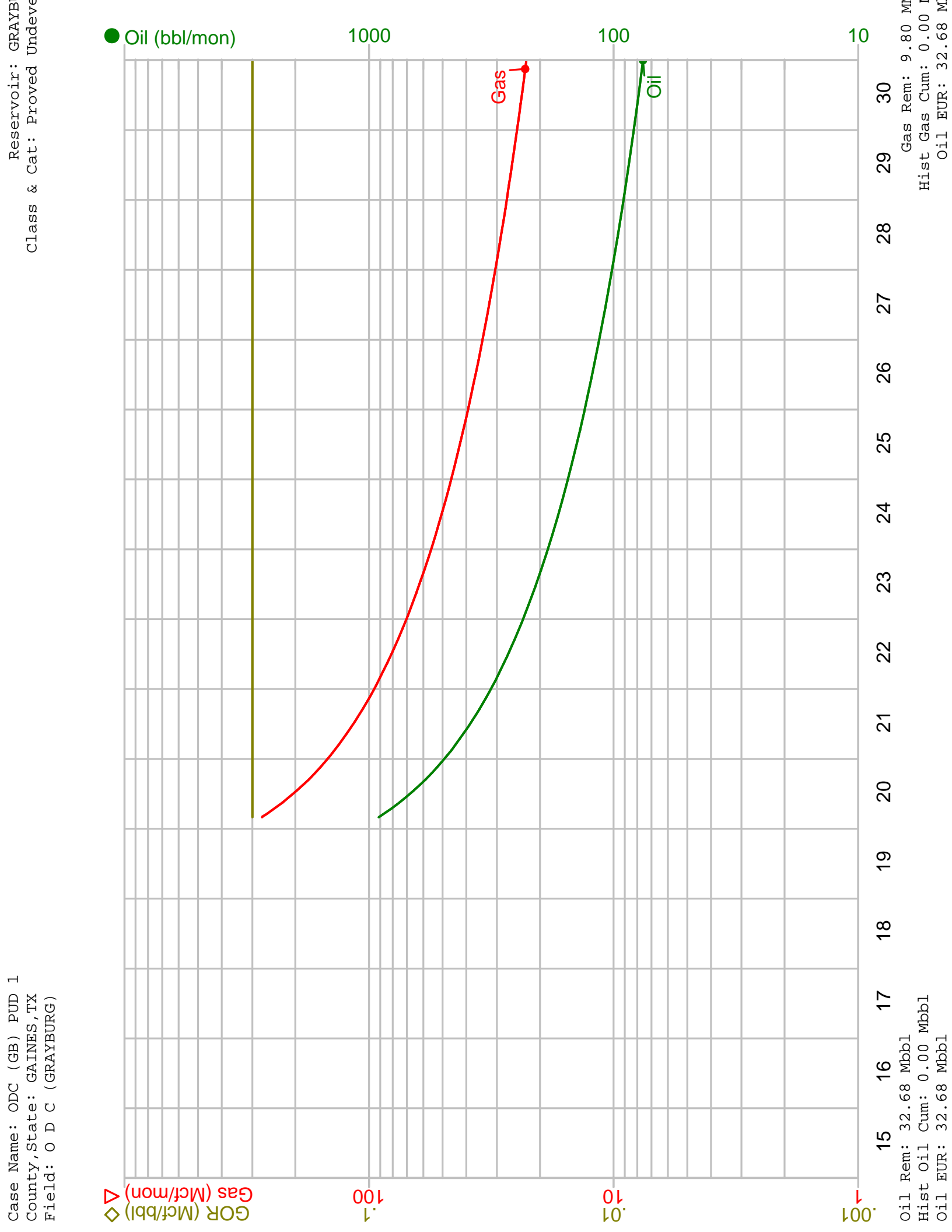


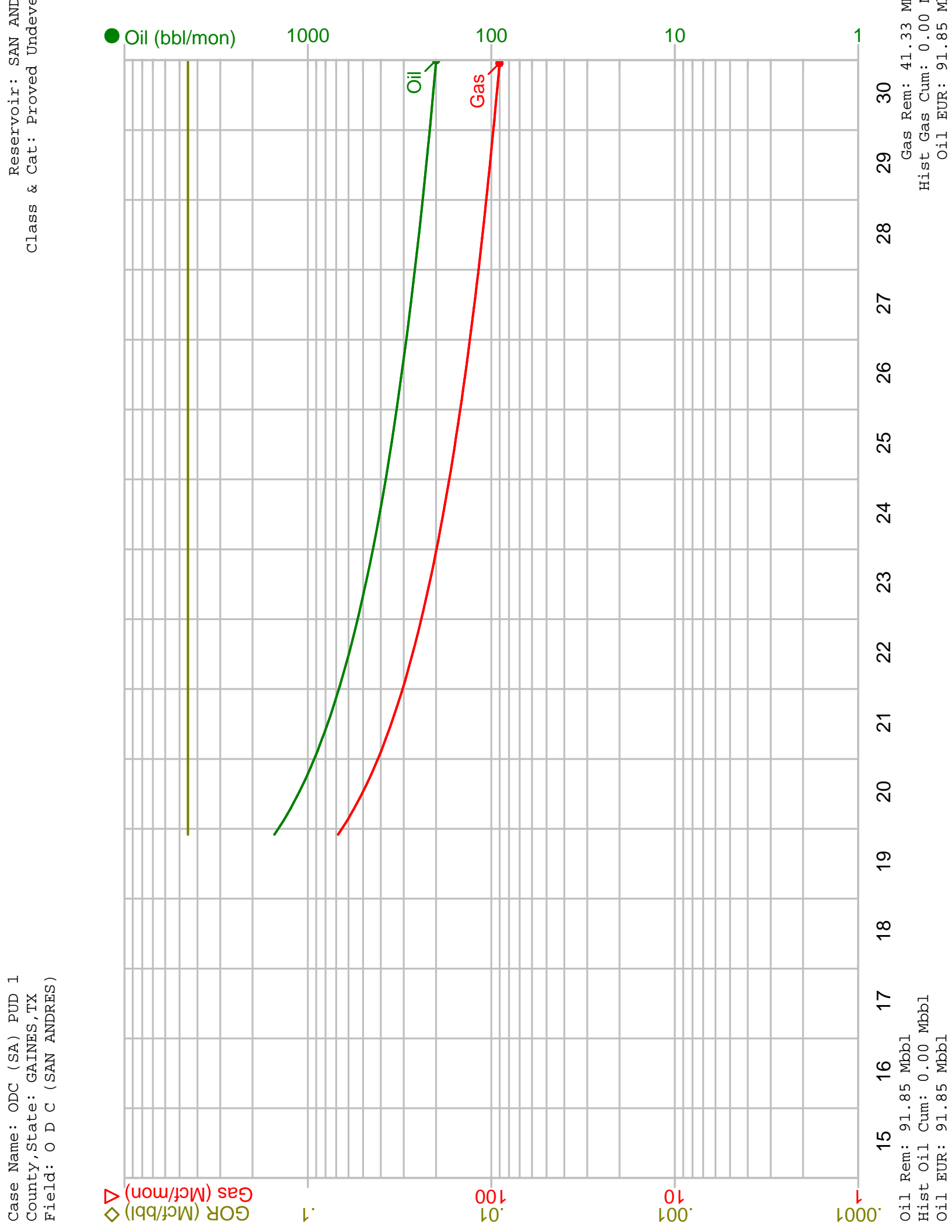






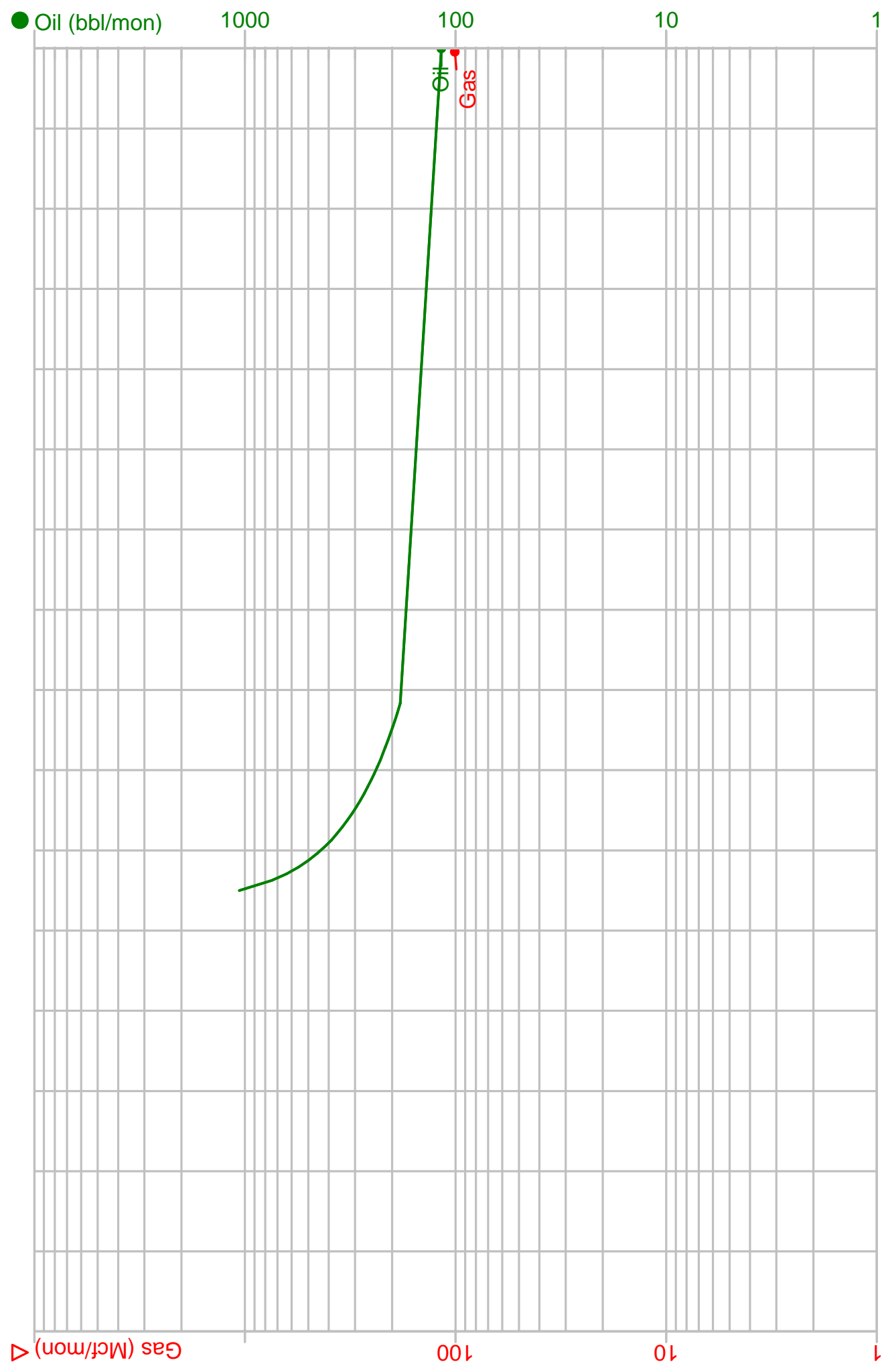




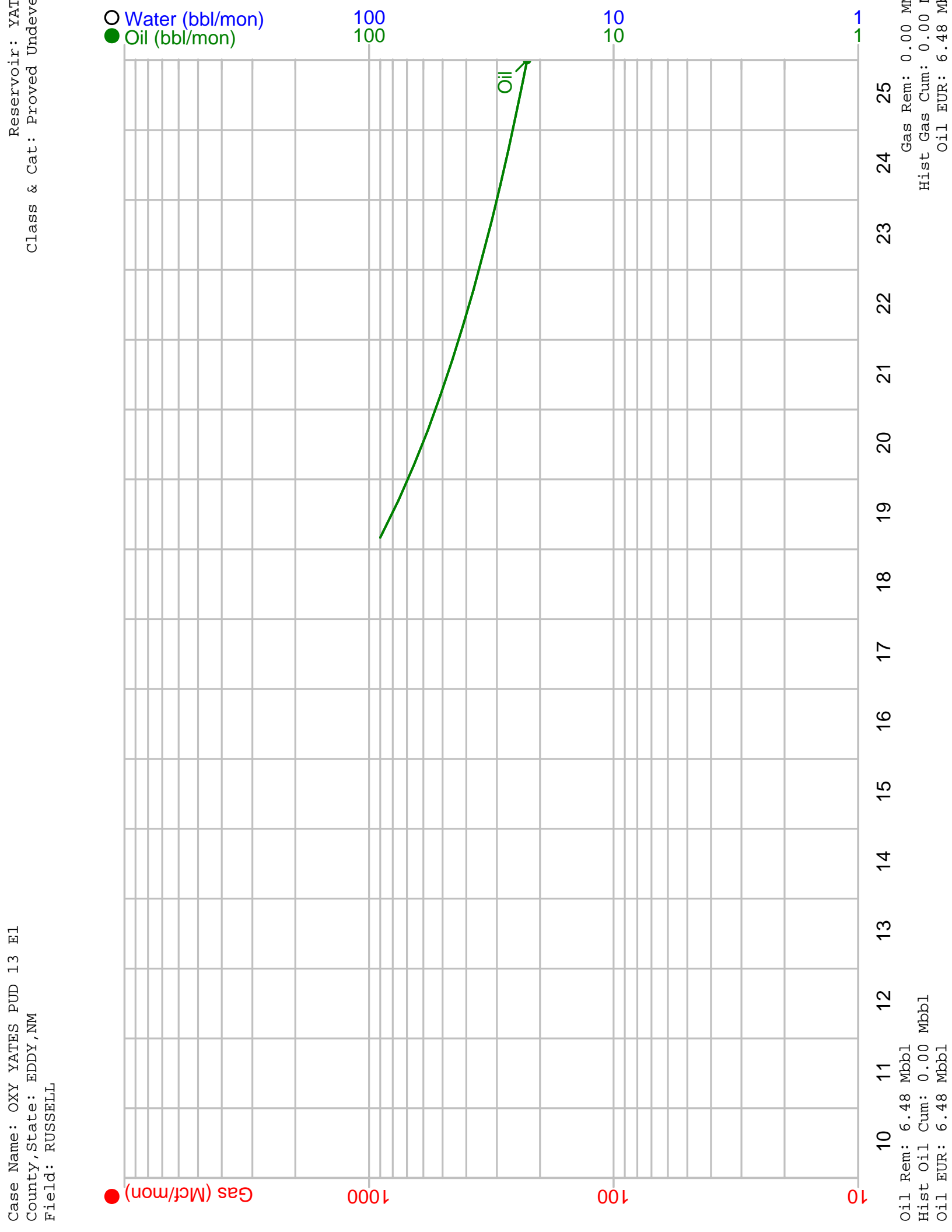


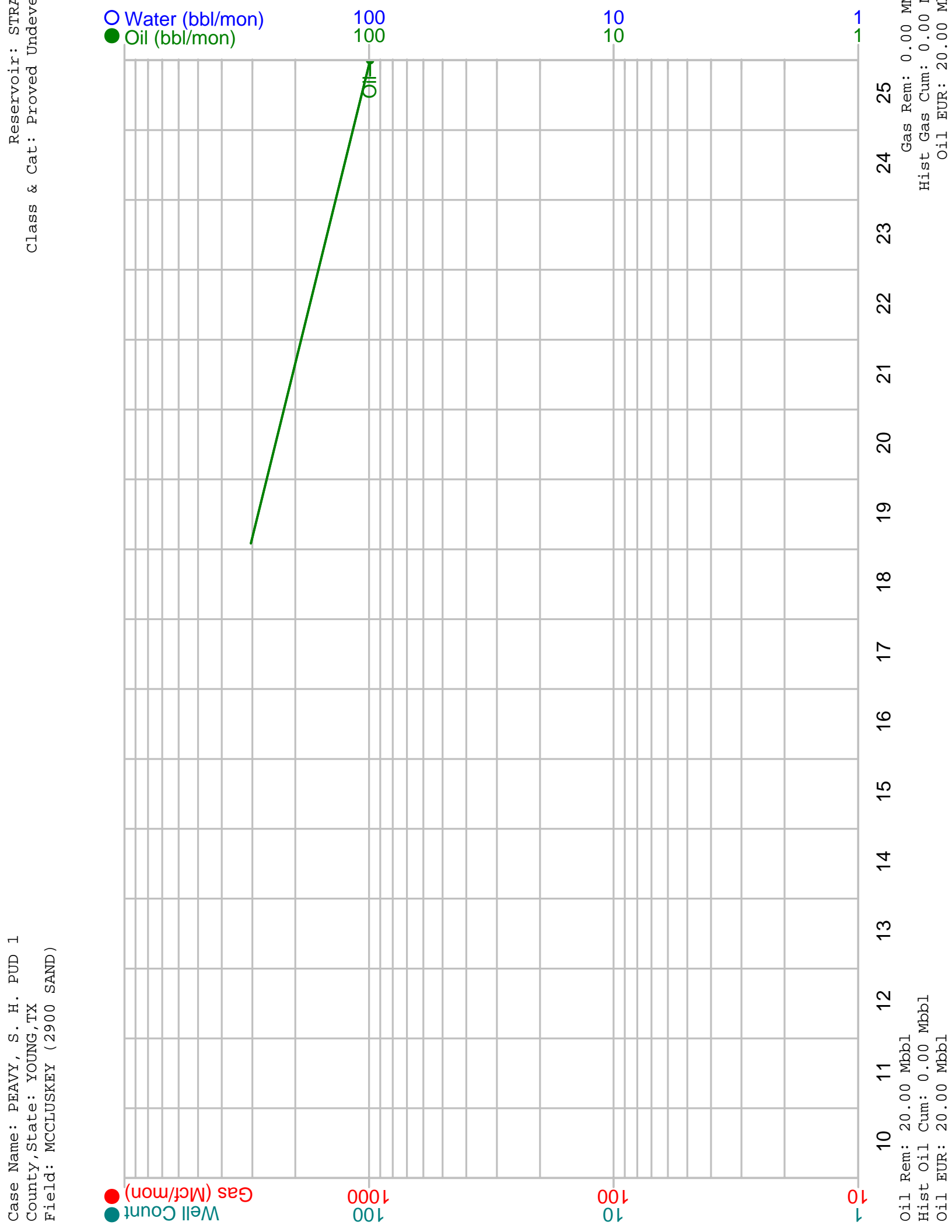
Case Name: ODC (WC) PUD 1
County, State: GAINES, TX
Field: O D C (WOLF CAMP)

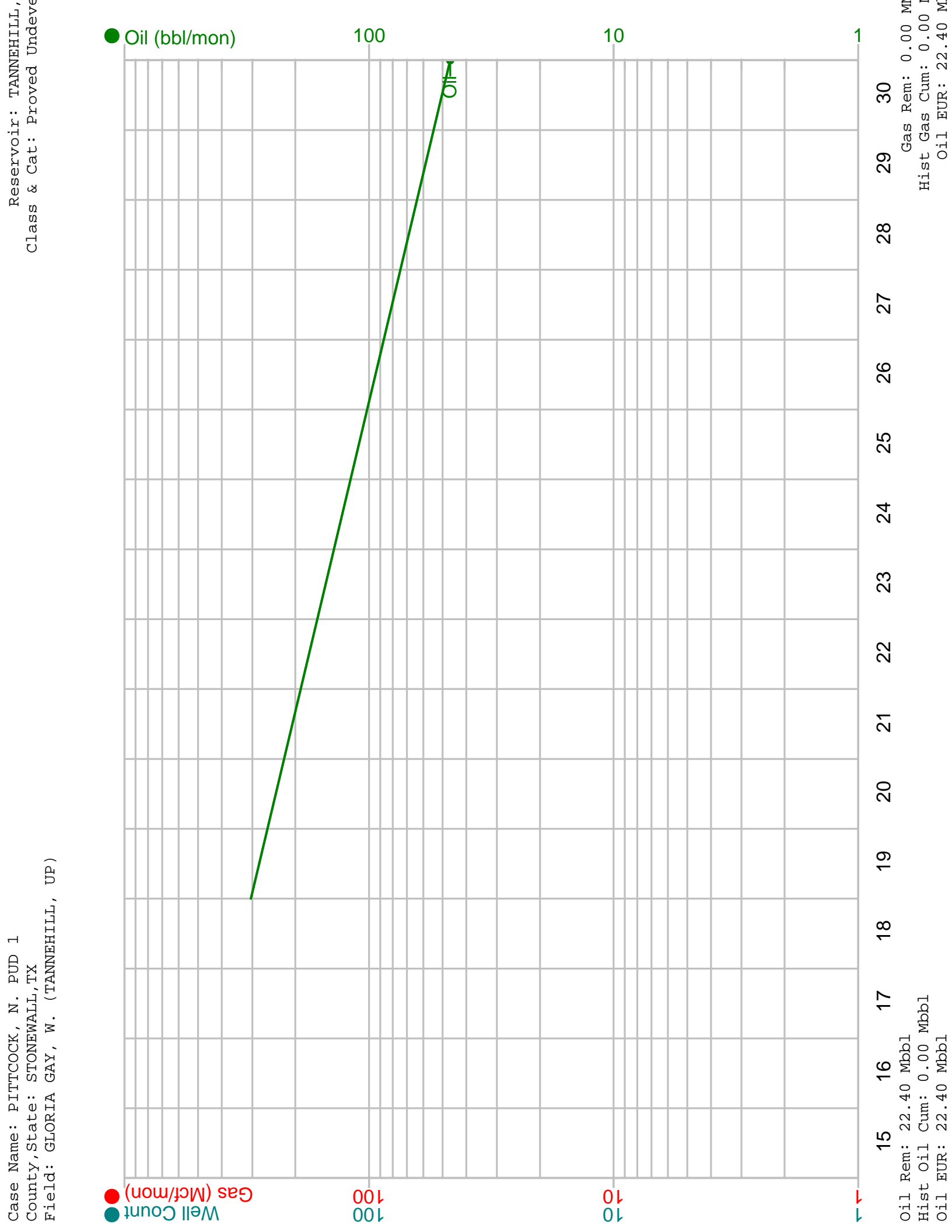
Reservoir: WOLF CAMP
Class & Cat: Proved Undeveloped

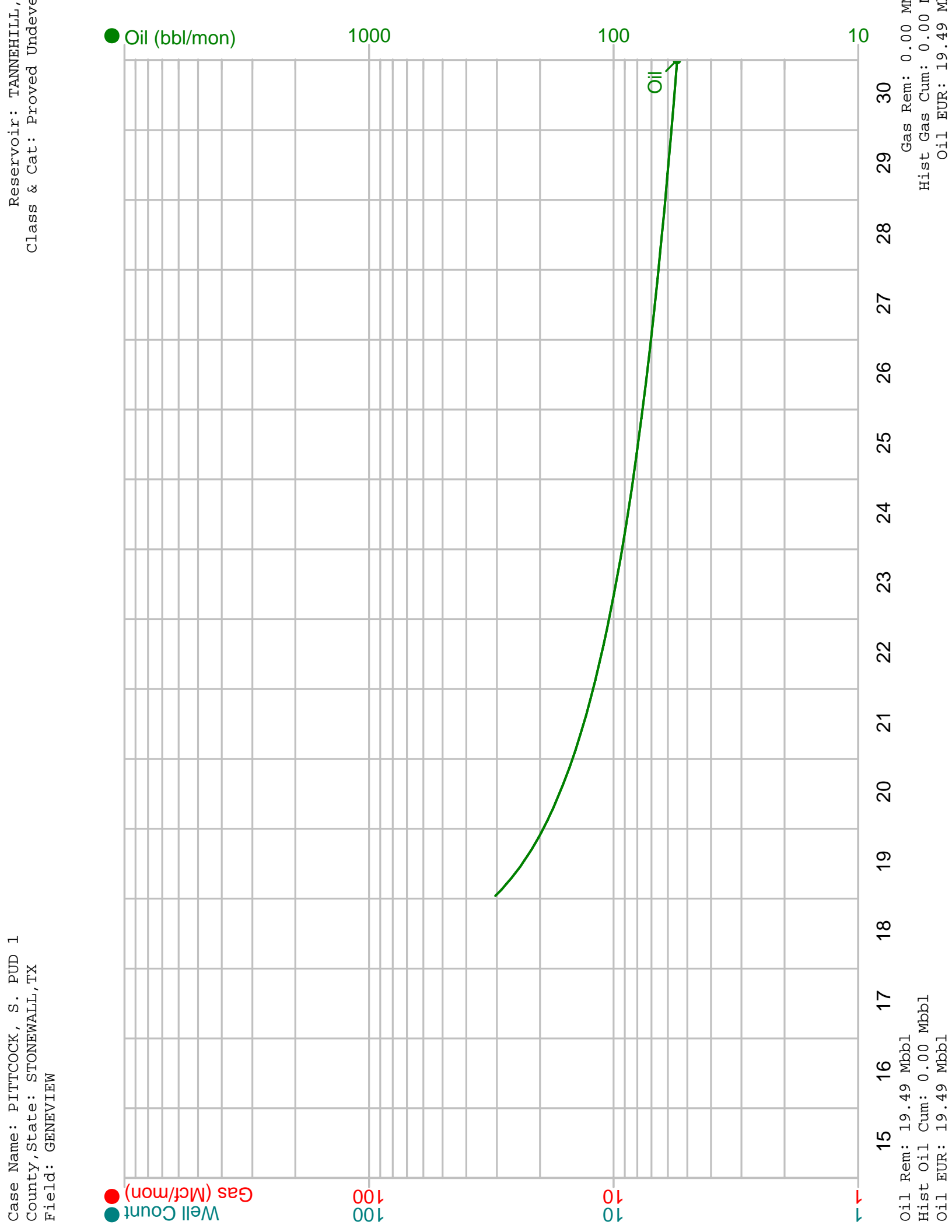


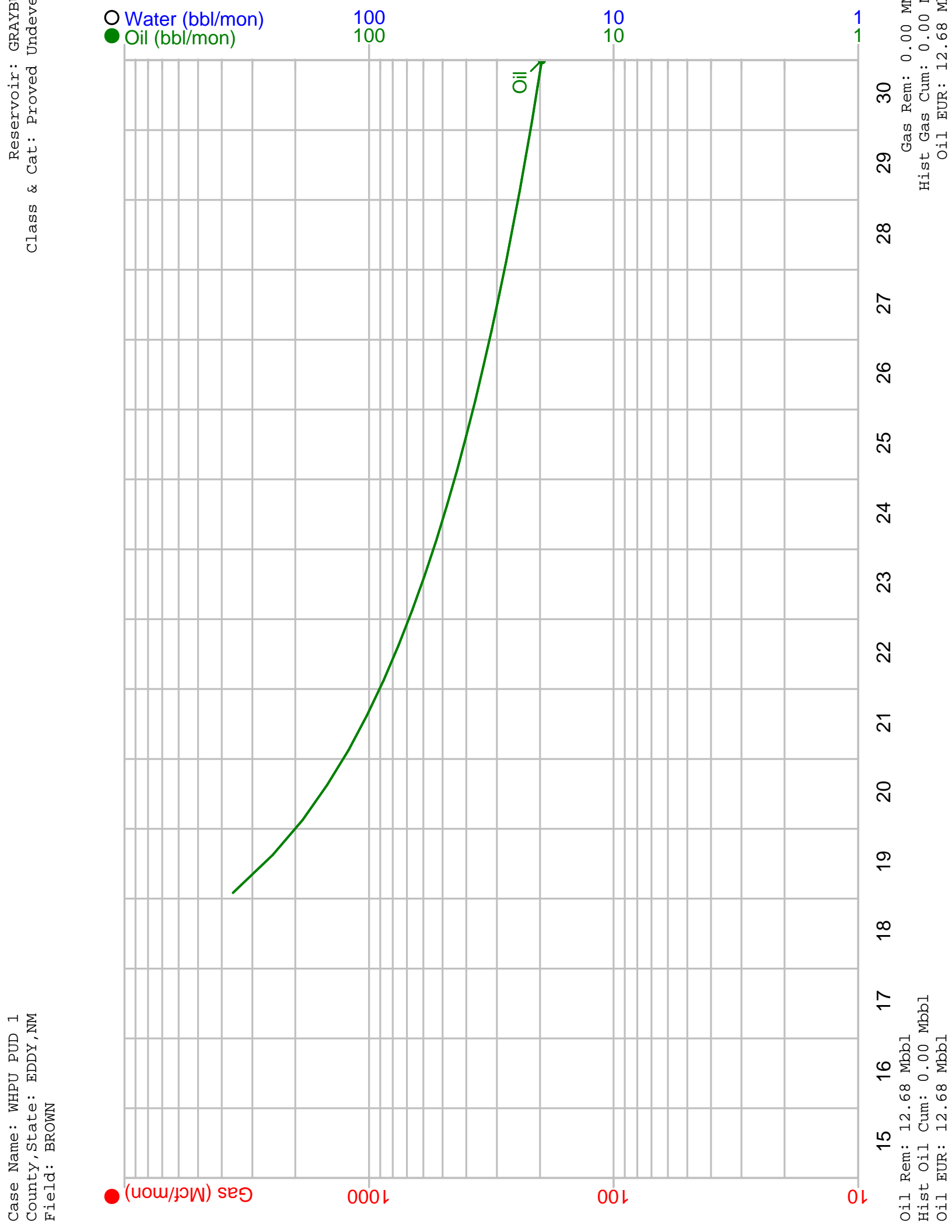
Oil Rem: 40.51 Mbbl
Hist Oil Cum: 0.00 Mbbl
Oil EUR: 40.51 Mbbl
Gas Rem: 0.00 Mbbl
Hist Gas Cum: 0.00 Mbbl
Oil EUR: 40.51 Mbbl





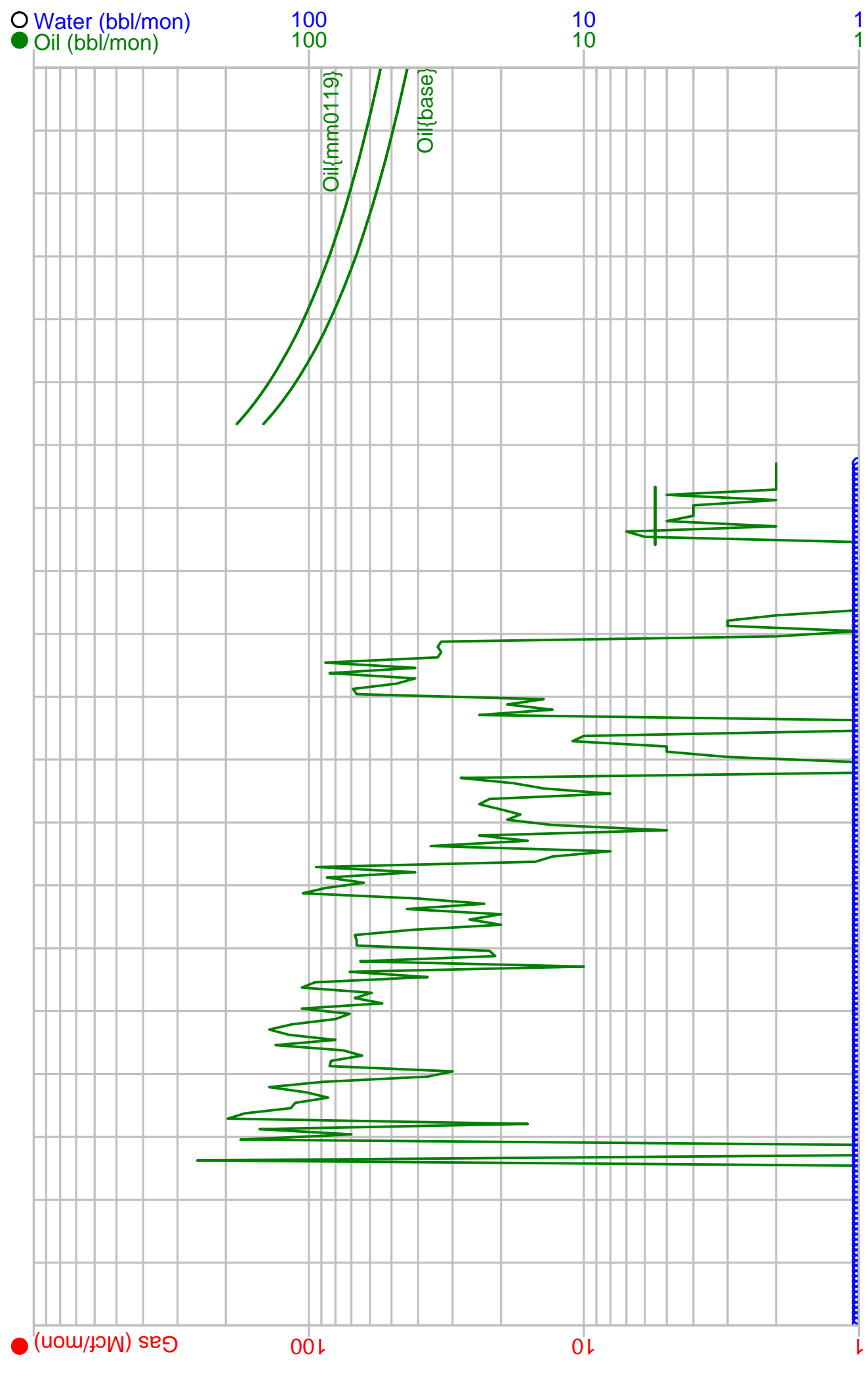




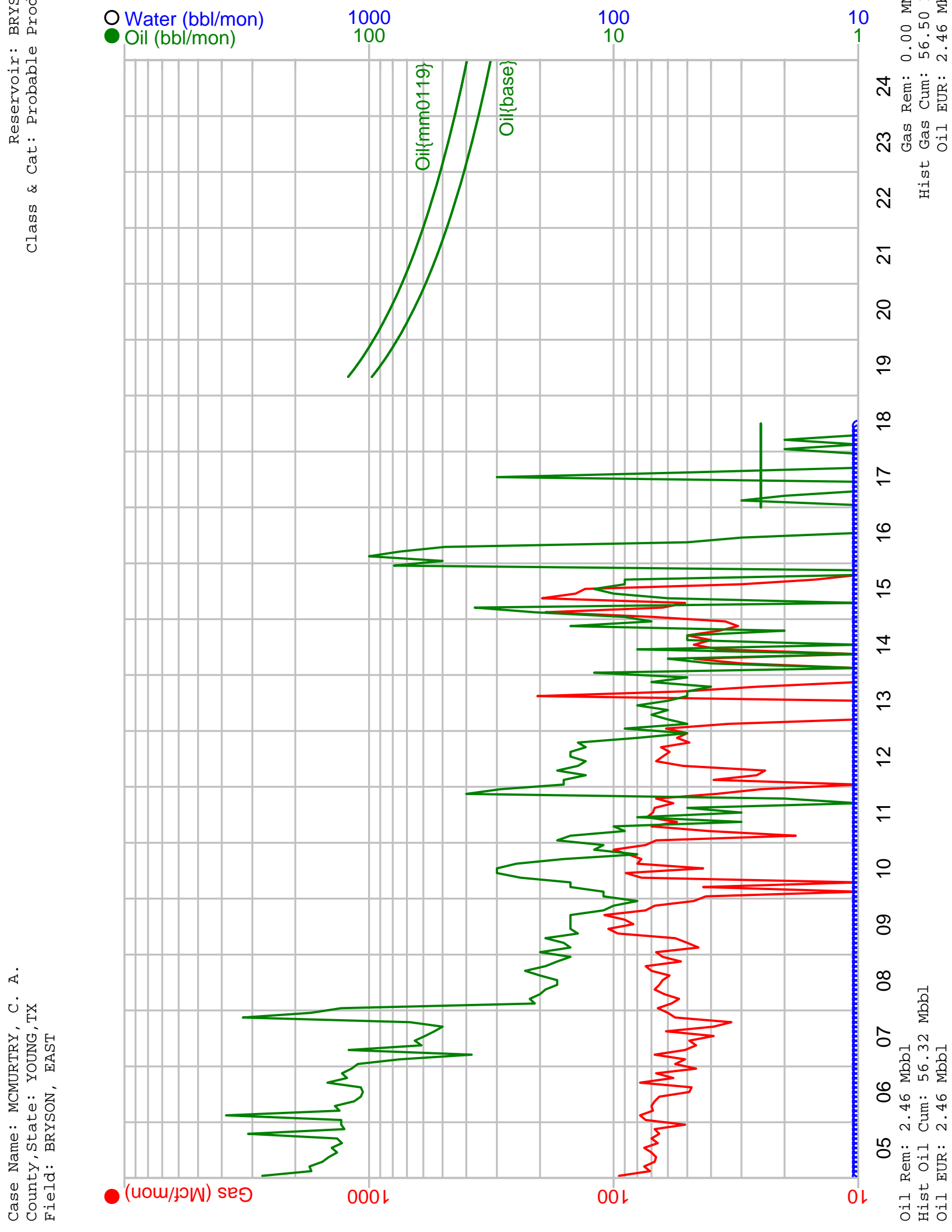


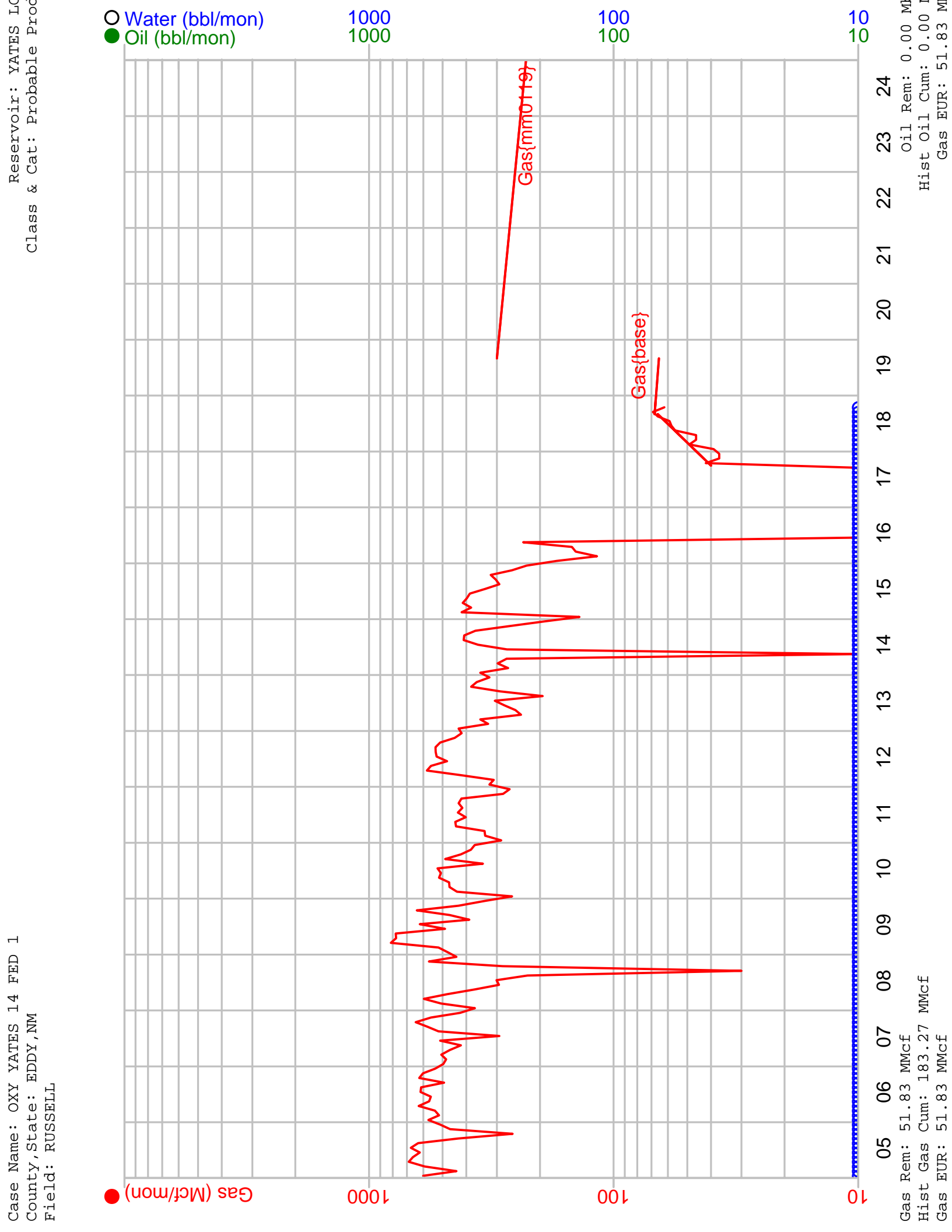
Case Name: LOVING, J. W., EST.
County, State: JACK, TX
Field: BRYSON, EAST

Reservoir: BRYSON
Class & Cat: Probable Prod



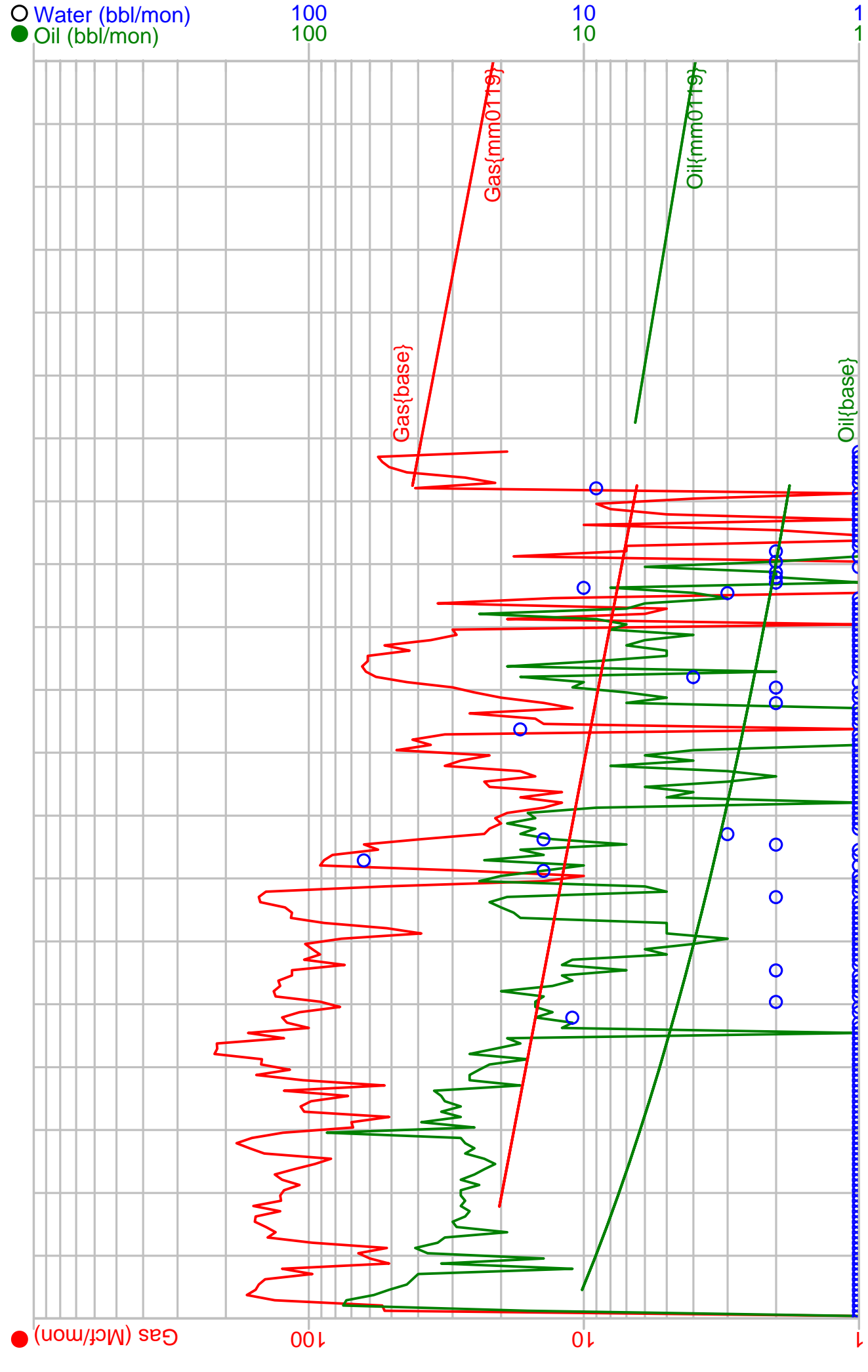
Oil Rem: -1.27 Mbbl
Hist Oil Cum: 56.49 Mbbl
Oil EUR: -1.27 Mbbl
Gas Rem: 0.00 MM
Hist Gas Cum: 28.92
Oil EUR: -1.27 M





Case Name: OXY YATES 14 FED 12
 County, State: EDDY, NM
 Field: RUSSELL

Reservoir: YAT
 Class & Cat: Probable Prod



Oil Rem: 0.47 Mbbbl
 Hist Oil Cum: 4.90 Mbbbl
 Oil EUR: 0.47 Mbbbl
 Gas Rem: 2.74 Mmcf
 Hist Gas Cum: 27.71 Mmcf
 Oil EUR: 0.47 Mmcf

