

**PARK PLACE ENERGY INC.  
RESERVES ASSESSMENT AND  
EVALUATION OF  
TURKISH OIL PROPERTIES  
CORPORATE SUMMARY**

**Effective December 31, 2017**

**1181620**

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April 10, 2018

Project 1181620

Dr. Arthur Halleran, Ph.D.  
**Park Place Energy Inc.**  
Suite 700 – 838 West Hastings Street  
Vancouver, British Columbia V6C 0A6

Dear Sir:

**Re: Park Place Energy Inc.  
Corporate Evaluation  
Effective December 31, 2017**

GLJ Petroleum Consultants (GLJ) has completed an independent reserves assessment and evaluation of the oil and gas properties located in Turkey of Park Place Energy Inc. (the “Company”). The effective date of this evaluation is December 31, 2017.

This report has been prepared for the Company for the purpose of annual disclosure and other financial requirements. This evaluation has been prepared in accordance with reserves definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook.

It was GLJ’s primary mandate in this evaluation to provide an independent evaluation of the oil and gas reserves of the Company in aggregate. Accordingly it may not be appropriate to extract individual property or entity estimates for other purposes. Our engagement letter notes these limitations on the use of this report.

All values reported herein are in U.S. Dollars.

It is trusted that this evaluation meets your current requirements. Should you have any questions regarding this analysis, please contact the undersigned.

Yours very truly,

**GLJ PETROLEUM CONSULTANTS LTD.**

A handwritten signature in blue ink, appearing to read 'Patrick A. Olenick'.

Patrick A. Olenick, P. Eng.  
Manager, Engineering

PAO/jem  
Attachments


## INDEPENDENT PETROLEUM CONSULTANTS' CONSENT

The undersigned firm of Independent Petroleum Consultants of Calgary, Alberta, Canada has prepared an independent evaluation of the **Park Place Energy Inc.** (the "Company") Turkish oil and gas properties and hereby gives consent to the use of its name and to the said estimates. The effective date of the evaluation is **December 31, 2017.**

In the course of the evaluation, the Company provided GLJ Petroleum Consultants Ltd. personnel with basic information which included land data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluation and upon which this report is based, were obtained from public records, other operators and from GLJ Petroleum Consultants Ltd. nonconfidential files. The Company has provided a representation letter confirming that all information provided to GLJ Petroleum Consultants Ltd. is correct and complete to the best of its knowledge. Procedures recommended in the Canadian Oil and Gas Evaluation (COGE) Handbook to verify certain interests and financial information were applied in this evaluation. In applying these procedures and tests, nothing came to GLJ Petroleum Consultants Ltd.'s attention that would suggest that information provided by the Company was not complete and accurate. GLJ Petroleum Consultants Ltd. reserves the right to review all calculations referred to or included in this report and to revise the estimates in light of erroneous data supplied or information existing but not made available which becomes known subsequent to the preparation of this report.

The accuracy of any reserves and production estimate is a function of the quality and quantity of available data and of engineering interpretation and judgment. While reserves and production estimates presented herein are considered reasonable, the estimates should be accepted with the understanding that reservoir performance subsequent to the date of the estimate may justify revision, either upward or downward.

Revenue projections presented in this report are based in part on forecasts of market prices, currency exchange rates, inflation, market demand and government policy which are subject to many uncertainties and may, in future, differ materially from the forecasts utilized herein. Present values of revenues documented in this report do not necessarily represent the fair market value of the reserves evaluated herein.

<p><b>PERMIT TO PRACTICE</b> GLJ PETROLEUM CONSULTANTS LTD.</p>

<p>Signature: _____</p>
<p>Date: _____ April 10, 2018 _____</p>
<p><b>PERMIT NUMBER: P 2066</b> The Association of Professional Engineers and Geoscientists of Alberta</p>



## INTRODUCTION

GLJ Petroleum Consultants (GLJ) was commissioned by Park Place Energy Inc. (the “Company”) to prepare an independent evaluation of its oil and gas reserves effective December 31, 2017. The locations of the most significant reserves properties are indicated on the attached index map.

The evaluation was initiated in February 2018 and completed by April 2018. Estimates of reserves and projections of production were generally prepared using well information and production data provided by the Company to approximately December 31, 2017. The Company also provided land, accounting data and other technical information not available in the public domain to approximately December 31, 2017. In certain instances, the Company also provided recent engineering, geological and other information up to December 31, 2017. The Company has confirmed that, to the best of its knowledge, all information provided to GLJ is correct and complete as of the effective date.

This evaluation has been prepared in accordance with procedures and standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook. The reserves definitions used in preparing this report (included herein under “Reserves Definitions”) are those contained in the COGE Handbook and the Canadian Securities Administrators National Instrument 51-101 (NI 51-101).

The evaluation was conducted on the basis of the GLJ January 1, 2018 Price Forecast which is summarized in the Product Price and Market Forecasts section of this report.

Tables summarizing production, royalties, costs, revenue projections, reserves and present value estimates for various reserves categories for individual properties and the Company total are provided in the tabbed sections of this Summary Report.

The Evaluation Procedure section outlines general procedures used in preparing this evaluation. The individual property reports, provided under separate cover, provide additional evaluation details. The following summarizes evaluation matters that have been included/excluded in cash flow projections:

- in accordance with NI 51-101, the effect on projected revenues of the Company’s financial hedging activity has not been included,

- provisions for the abandonment and reclamation of all of the Company's existing and future wells to which reserves have been attributed have been included; all other abandonment and reclamation costs have not been included,
- general and administrative (G&A) costs and overhead recovery have not been included,
- undeveloped land values have not been included.

The "Securities Reporting" section of this report provides reserves data in a format that is consistent with the disclosure requirements set out in NI 51-101.

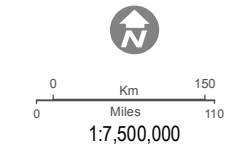
Economic forecasts are provided on an after tax basis including tax pools provided by the Company in the "After Tax Analysis" section.

The preparation of an evaluation requires the use of judgment in applying the standards and definitions contained in the COGE Handbook and NI 51-101. GLJ has applied those standards and definitions based on its experience and knowledge of industry practice. While GLJ believes that the reserves data set forth in this evaluation have, in all material respects, been determined and are in accordance with the COGE Handbook, because the application of the standards and definitions contained in the COGE Handbook and NI 51-101 require the use of judgment there is no assurance that the applicable securities regulator(s) will not take a different view as to some of the determinations in the evaluation.





Map 1  
Index Map  
Property Location



Company: Park Place Energy Inc.  
Property: Turkey

Effective Date: December 31, 2017  
Project: s1181620/cenn01

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Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

Table 1

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undevelope d	Total Proved	Total Probable	Total Proved Plus Probable	Total Possible	Total PPP
<b>MARKETABLE RESERVES</b>								
<b>Light &amp; Medium Oil (Mbbbl)</b>								
Total Company Interest	228	9	0	237	68	305	64	369
Working Interest	228	9	0	237	68	305	64	369
Net After Royalty	200	8	0	207	59	267	56	323
<b>Oil Equivalent (Mboe)</b>								
Total Company Interest	228	9	0	237	68	305	64	369
Working Interest	228	9	0	237	68	305	64	369
Net After Royalty	200	8	0	207	59	267	56	323
<b>BEFORE TAX PRESENT VALUE (M\$)</b>								
0%	4,542	76	0	4,618	1,621	6,239	1,549	7,788
5%	3,976	63	0	4,039	1,155	5,194	1,007	6,201
8%	3,694	56	0	3,751	956	4,707	796	5,502
10%	3,527	52	0	3,579	849	4,428	687	5,114
12%	3,374	48	0	3,421	757	4,179	597	4,776
15%	3,168	43	0	3,210	644	3,854	491	4,345
20%	2,877	35	0	2,912	503	3,415	366	3,782
<b>FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)</b>								
2018	1,157	-27	0	1,130	25	1,155	15	1,170
2019	847	33	0	879	63	942	38	980
2020	633	17	0	651	88	739	54	793
2021	526	15	0	541	109	650	69	720
2022	433	14	0	447	127	573	85	658
2023	347	12	0	359	145	504	93	597

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: April 05, 2018 09:39:12

1181620 Class (A,B1,B2,C,F,I,O,R), GLJ (2018-01), psum

April 09, 2018 11:11:35

Table 2

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

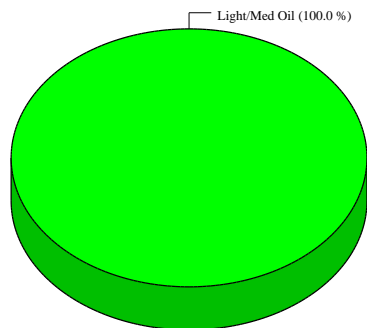
Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

**Company Production, Reserves and Present Value Summary**

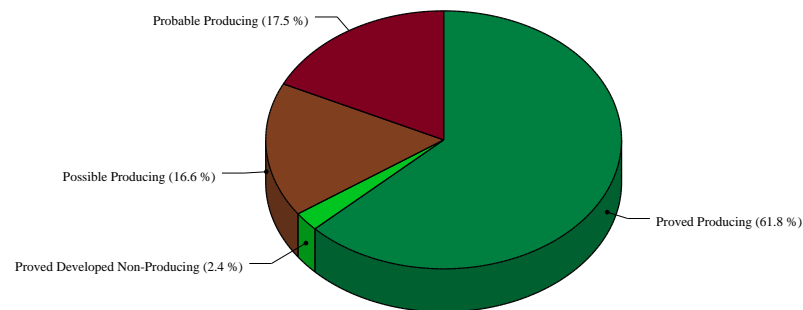
Entity Description	2018 Company Interest Prod'n				Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)				
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe		0%	5%	8%	10%	12%
Proved Producing	0	104	0	104	0	228	0	0	228	0	200	0	0	200	6.0	4,542	3,976	3,694	3,527	3,374
Proved Developed Non-Producing	0	1	0	1	0	9	0	0	9	0	8	0	0	8	17.8	76	63	56	52	48
Proved Undeveloped	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0
Total Proved	0	106	0	106	0	237	0	0	237	0	207	0	0	207	6.1	4,618	4,039	3,751	3,579	3,421
Probable Producing	0	2	0	2	0	65	0	0	65	0	57	0	0	57	115.8	1,561	1,113	922	819	731
Probable Developed Non-Producing	0	0	0	0	0	3	0	0	3	0	3	0	0	3	744.1	60	42	34	30	26
Probable Undeveloped	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0
Total Probable	0	2	0	2	0	68	0	0	68	0	59	0	0	59	120.5	1,621	1,155	956	849	757
Proved Plus Probable Producing	0	106	0	106	0	293	0	0	293	0	256	0	0	256	7.6	6,103	5,089	4,617	4,346	4,105
Proved Plus Probable Developed Non-Producing	0	1	0	1	0	12	0	0	12	0	10	0	0	10	24.0	136	105	90	82	74
Proved Plus Probable Undeveloped	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0
Total Proved Plus Probable	0	107	0	107	0	305	0	0	305	0	267	0	0	267	7.8	6,239	5,194	4,707	4,428	4,179
Total Possible	0	1	0	1	0	64	0	0	64	0	56	0	0	56	196.7	1,549	1,007	796	687	597
Total PPP	0	108	0	108	0	369	0	0	369	0	323	0	0	323	9.3	7,788	6,201	5,502	5,114	4,776

**Reserves Characterization**  
 Percentage of Total PPP Company Interest BOE Reserves

Product Types



Reserves Classifications



BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

# Historical and Forecast Production

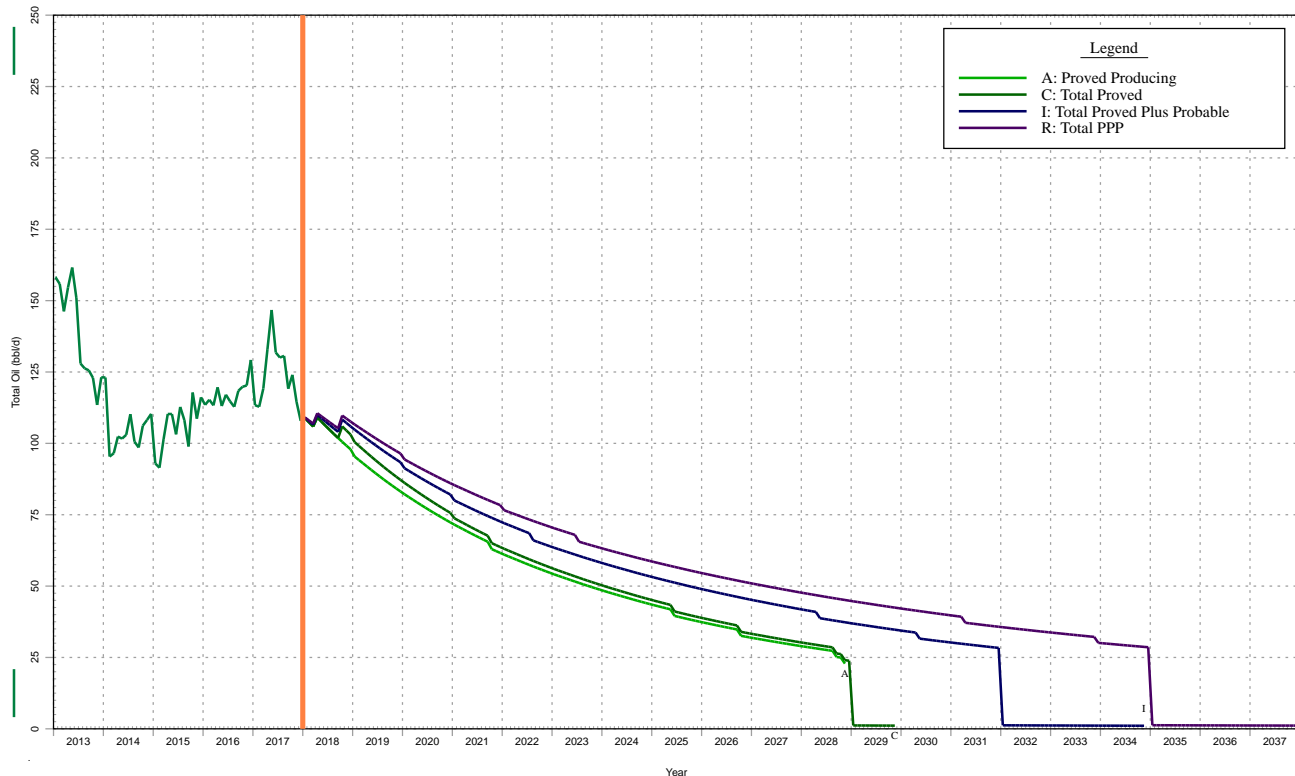
Company:  
Property:  
Description:

**Park Place Energy Inc.**  
**Corporate**  
**Summary**

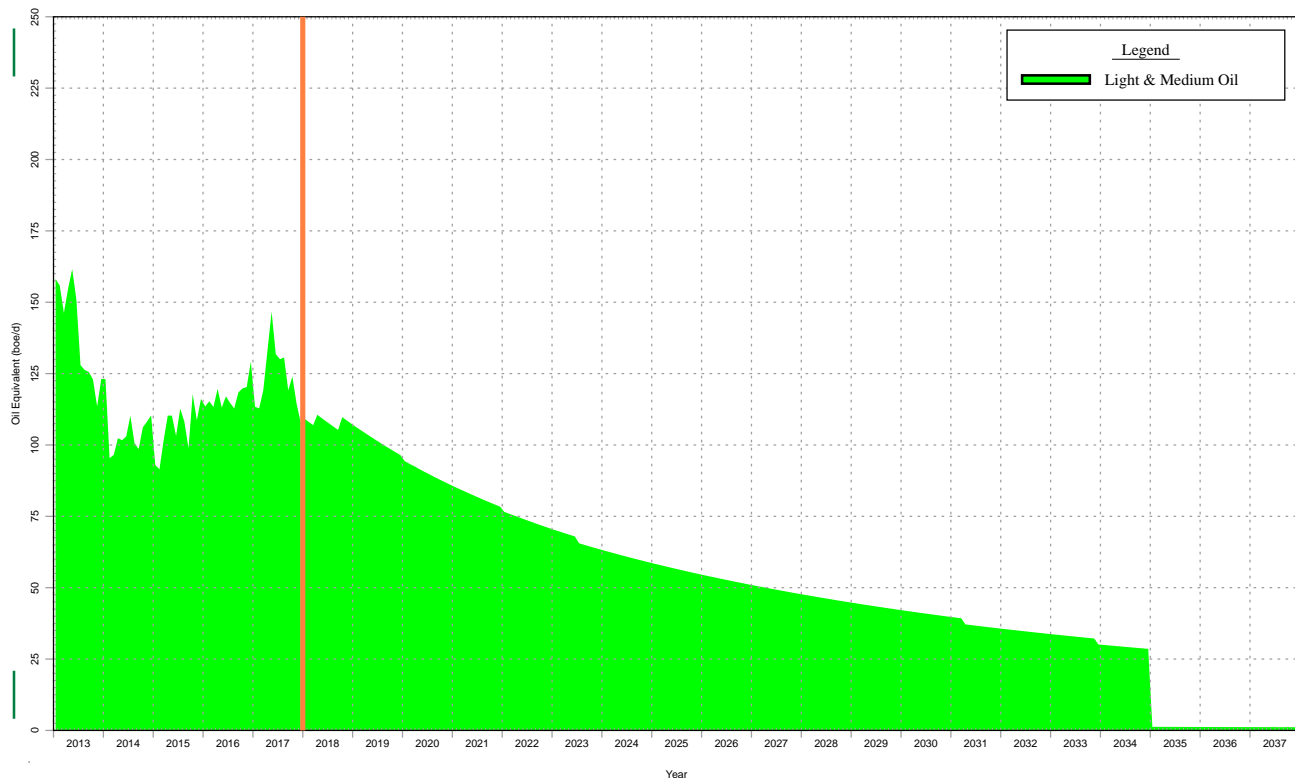
Pricing:  
Effective Date:

**GLJ (2018-01)**  
**December 31, 2017**

Company\* Interest Total Oil



Company\* Interest Oil Equivalent - Total PPP



\*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.

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Proved Developed Non-Producing	<b>17</b>
Total Proved Non-Producing	<b>19</b>
Total Proved	<b>21</b>

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Summary of Reserves and Values

	Proved Producing	Proved Developed Non-Producing	Proved Undeveloped	Total Proved Non-Producing	Total Proved
<b>MARKETABLE RESERVES</b>					
<b>Light &amp; Medium Oil (Mbbbl)</b>					
Total Company Interest	228	9	0	9	237
Working Interest	228	9	0	9	237
Net After Royalty	200	8	0	8	207
<b>Oil Equivalent (Mboe)</b>					
Total Company Interest	228	9	0	9	237
Working Interest	228	9	0	9	237
Net After Royalty	200	8	0	8	207
<b>BEFORE TAX PRESENT VALUE (M\$)</b>					
0%	4,542	76	0	76	4,618
5%	3,976	63	0	63	4,039
8%	3,694	56	0	56	3,751
10%	3,527	52	0	52	3,579
12%	3,374	48	0	48	3,421
15%	3,168	43	0	43	3,210
20%	2,877	35	0	35	2,912
<b>FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)</b>					
2018	1,157	-27	0	-27	1,130
2019	847	33	0	33	879
2020	633	17	0	17	651
2021	526	15	0	15	541
2022	433	14	0	14	447
2023	347	12	0	12	359

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: April 05, 2018 09:39:11

1181620 Class (A,B1,B2,B,C), GLJ (2018-01), psum

April 09, 2018 11:11:39

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Company Production, Reserves and Present Value Summary

Entity Description	2018 Company Interest Prod'n				Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)				
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe		0%	5%	8%	10%	12%
<b>Proved Producing</b>																				
Cendere	0	104	0	104	0	228	0	0	228	0	200	0	0	200	6.0	4,542	3,976	3,694	3,527	3,374
<b>Total: Proved Producing</b>	<b>0</b>	<b>104</b>	<b>0</b>	<b>104</b>	<b>0</b>	<b>228</b>	<b>0</b>	<b>0</b>	<b>228</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>		<b>4,542</b>	<b>3,976</b>	<b>3,694</b>	<b>3,527</b>	<b>3,374</b>
<b>Proved Developed Non-Producing</b>																				
Cendere	0	1	0	1	0	9	0	0	9	0	8	0	0	8	4.5	76	63	56	52	48
<b>Total: Proved Developed Non-Producing</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>		<b>76</b>	<b>63</b>	<b>56</b>	<b>52</b>	<b>48</b>
<b>Proved Undeveloped</b>																				
Cendere	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0
<b>Total: Proved Undeveloped</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Proved Non-Producing</b>																				
Cendere	0	1	0	1	0	9	0	0	9	0	8	0	0	8	4.5	76	63	56	52	48
<b>Total: Total Proved Non-Producing</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>8</b>		<b>76</b>	<b>63</b>	<b>56</b>	<b>52</b>	<b>48</b>
<b>Total Proved</b>																				
Cendere	0	106	0	106	0	237	0	0	237	0	207	0	0	207	6.1	4,618	4,039	3,751	3,579	3,421
<b>Total: Total Proved</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>237</b>	<b>0</b>	<b>0</b>	<b>237</b>	<b>0</b>	<b>207</b>	<b>0</b>	<b>0</b>	<b>207</b>		<b>4,618</b>	<b>4,039</b>	<b>3,751</b>	<b>3,579</b>	<b>3,421</b>

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Proved**  
 Development Class: **Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	2	104	38	33	62.00
2019	2	89	33	28	59.93
2020	2	77	28	25	59.36
2021	2	67	24	21	62.29
2022	2	58	21	18	65.21
2023	2	51	19	16	68.14
2024	2	46	17	15	71.06
2025	2	40	15	13	73.98
2026	2	35	13	11	76.23
2027	2	30	11	10	77.70
2028	2	27	10	9	79.25
2029	0	0	0	0	0.00
Sub.			228	200	65.94
Rem.			0	0	0.00
<b>Tot.</b>			<b>228</b>	<b>200</b>	<b>65.94</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,361	0	0	2,361	0	2,361	295	0	0	0	295	2,066	559	350	909
2019	1,949	0	0	1,949	0	1,949	244	0	0	0	244	1,705	553	305	858
2020	1,675	0	0	1,675	0	1,675	209	0	0	0	209	1,466	562	270	832
2021	1,519	0	0	1,519	0	1,519	190	0	0	0	190	1,329	565	238	803
2022	1,375	0	0	1,375	0	1,375	172	0	0	0	172	1,203	560	210	770
2023	1,278	0	0	1,278	0	1,278	160	0	0	0	160	1,118	569	190	760
2024	1,195	0	0	1,195	0	1,195	149	0	0	0	149	1,046	580	174	754
2025	1,083	0	0	1,083	0	1,083	135	0	0	0	135	947	574	155	729
2026	973	0	0	973	0	973	122	0	0	0	122	852	568	138	705
2027	862	0	0	862	0	862	108	0	0	0	108	754	560	122	682
2028	770	0	0	770	0	770	96	0	0	0	96	674	553	109	662
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	15,039	0	0	15,039	0	15,039	1,880	0	0	0	1,880	13,159	6,203	2,261	8,464
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>15,039</b>	<b>0</b>	<b>0</b>	<b>15,039</b>	<b>0</b>	<b>15,039</b>	<b>1,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,880</b>	<b>13,159</b>	<b>6,203</b>	<b>2,261</b>	<b>8,464</b>
Disc	10,237	0	0	10,237	0	10,237	1,280	0	0	0	1,280	8,958	3,837	1,551	5,388

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow		
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$
2018	0	0	0	1,157	0	0	1,157	0	0	0	0	1,157	1,157	1,103
2019	0	0	0	847	0	0	847	0	0	0	0	847	2,004	1,837
2020	0	0	0	633	0	0	633	0	0	0	0	633	2,637	2,336
2021	0	0	0	526	0	0	526	0	0	0	0	526	3,163	2,713
2022	0	0	0	433	0	0	433	0	0	0	0	433	3,596	2,995
2023	0	0	0	358	0	11	347	0	0	0	0	347	3,943	3,201
2024	0	0	0	292	0	0	292	0	0	0	0	292	4,235	3,358
2025	0	0	0	218	0	0	218	0	0	0	0	218	4,454	3,464
2026	0	0	0	146	0	11	135	0	0	0	0	135	4,588	3,524
2027	0	0	0	73	0	0	73	0	0	0	0	73	4,661	3,554
2028	0	0	0	11	0	0	11	0	0	0	0	11	4,673	3,558
2029	0	0	0	0	0	0	0	0	0	0	0	0	4,673	3,558
Sub.	0	0	0	4,695	0	22	4,673	0	0	0	0	4,673	4,673	3,558
Rem.	0	0	0	0	0	131	-131	0	0	0	0	-131	4,542	3,527
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,695</b>	<b>0</b>	<b>153</b>	<b>4,542</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,542</b>	<b>4,542</b>	<b>3,527</b>
Disc	0	0	0	3,570	0	43	3,527	0	0	0	0	3,527	3,527	3,527



**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	228	0	228	200	1.000	228	100	11.0	6.0	3.6
Total: Oil Eq.	Mboe	228	0	228	200	1.000	228	100	11.0	6.0	3.6

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.87	0.00	30.38	13,159	100	8,958	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.87	0.00	30.38	13,159	100	8,958	100

**REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.5000	12.5000	0	4,695	4,542	0	4,542	19.92		
Non-crown Royalty	0.0000	0.0000	5	4,055	3,976	0	3,976	17.43		
Mineral Tax	0.0000	0.0000	8	3,749	3,694	0	3,694	16.20		
			10	3,570	3,527	0	3,527	15.46		
			12	3,408	3,374	0	3,374	14.79		
			15	3,192	3,168	0	3,168	13.89		
			20	2,892	2,877	0	2,877	12.62		

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:02

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Proved**  
 Development Class: **Developed Non-Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	1	0	0	62.00
2019	0	5	2	1	59.93
2020	0	4	1	1	59.36
2021	0	2	1	1	62.29
2022	0	2	1	1	65.21
2023	0	2	1	1	68.14
2024	0	2	1	1	71.06
2025	0	2	1	0	73.98
2026	0	1	1	0	76.23
2027	0	1	0	0	77.70
2028	0	1	0	0	79.25
2029	0	1	0	0	80.84
Sub.			9	8	66.91
Rem.			0	0	0.00
<b>Tot.</b>			<b>9</b>	<b>8</b>	<b>66.91</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	30	0	0	30	0	30	4	0	0	0	4	26	9	4	14
2019	99	0	0	99	0	99	12	0	0	0	12	86	38	15	54
2020	79	0	0	79	0	79	10	0	0	0	10	69	39	13	52
2021	49	0	0	49	0	49	6	0	0	0	6	43	20	8	28
2022	47	0	0	47	0	47	6	0	0	0	6	41	20	7	28
2023	45	0	0	45	0	45	6	0	0	0	6	39	21	7	28
2024	44	0	0	44	0	44	5	0	0	0	5	38	21	6	28
2025	42	0	0	42	0	42	5	0	0	0	5	37	22	6	28
2026	40	0	0	40	0	40	5	0	0	0	5	35	22	6	28
2027	38	0	0	38	0	38	5	0	0	0	5	33	22	5	28
2028	36	0	0	36	0	36	4	0	0	0	4	31	23	5	28
2029	34	0	0	34	0	34	4	0	0	0	4	30	23	5	28
Sub.	582	0	0	582	0	582	73	0	0	0	73	509	282	87	369
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>582</b>	<b>0</b>	<b>0</b>	<b>582</b>	<b>0</b>	<b>582</b>	<b>73</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>509</b>	<b>282</b>	<b>87</b>	<b>369</b>
Disc	370	0	0	370	0	370	46	0	0	0	46	324	170	56	227

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment			Before Tax Cash Flow			
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	0	0	0	12	0	0	12	39	0	0	39	-27	-27	-26
2019	0	0	0	33	0	0	33	0	0	0	0	33	6	3
2020	0	0	0	17	0	0	17	0	0	0	0	17	23	17
2021	0	0	0	15	0	0	15	0	0	0	0	15	38	27
2022	0	0	0	14	0	0	14	0	0	0	0	14	52	36
2023	0	0	0	12	0	0	12	0	0	0	0	12	64	43
2024	0	0	0	11	0	0	11	0	0	0	0	11	74	49
2025	0	0	0	9	0	11	-2	0	0	0	0	-2	72	48
2026	0	0	0	7	0	0	7	0	0	0	0	7	79	51
2027	0	0	0	5	0	0	5	0	0	0	0	5	84	53
2028	0	0	0	3	0	0	3	0	0	0	0	3	88	54
2029	0	0	0	1	0	0	1	0	0	0	0	1	89	55
Sub.	0	0	0	140	0	11	128	39	0	0	39	89	89	55
Rem.	0	0	0	0	0	13	-13	0	0	0	0	-13	76	52
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>140</b>	<b>0</b>	<b>25</b>	<b>115</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>76</b>	<b>76</b>	<b>52</b>
Disc	0	0	0	98	0	8	89	37	0	0	37	52	52	52

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	9	0	9	8	1.000	9	100	12.0	17.8	4.1
Total: Oil Eq.	Mboe	9	0	9	8	1.000	9	100	12.0	17.8	4.1

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	28.68	0.00	25.57	509	100	324	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	28.68	0.00	25.57	509	100	324	100

**REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax							
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	140	115	39	76	8.72
Non-crown Royalty	0.0000	0.0000	5	115	102	38	63	7.28
Mineral Tax	0.0000	0.0000	8	104	94	38	56	6.47
			10	98	89	37	52	5.98
			12	92	85	37	48	5.52
			15	84	79	37	43	4.89
			20	74	71	36	35	4.01

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:08

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

Reserve Class: **Proved**  
 Development Class: **Total Non-Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	1	0	0	62.00
2019	0	5	2	1	59.93
2020	0	4	1	1	59.36
2021	0	2	1	1	62.29
2022	0	2	1	1	65.21
2023	0	2	1	1	68.14
2024	0	2	1	1	71.06
2025	0	2	1	0	73.98
2026	0	1	1	0	76.23
2027	0	1	0	0	77.70
2028	0	1	0	0	79.25
2029	0	1	0	0	80.84
Sub.			9	8	66.91
Rem.			0	0	0.00
<b>Tot.</b>			<b>9</b>	<b>8</b>	<b>66.91</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	30	0	0	30	0	30	4	0	0	0	4	26	9	4	14
2019	99	0	0	99	0	99	12	0	0	0	12	86	38	15	54
2020	79	0	0	79	0	79	10	0	0	0	10	69	39	13	52
2021	49	0	0	49	0	49	6	0	0	0	6	43	20	8	28
2022	47	0	0	47	0	47	6	0	0	0	6	41	20	7	28
2023	45	0	0	45	0	45	6	0	0	0	6	39	21	7	28
2024	44	0	0	44	0	44	5	0	0	0	5	38	21	6	28
2025	42	0	0	42	0	42	5	0	0	0	5	37	22	6	28
2026	40	0	0	40	0	40	5	0	0	0	5	35	22	6	28
2027	38	0	0	38	0	38	5	0	0	0	5	33	22	5	28
2028	36	0	0	36	0	36	4	0	0	0	4	31	23	5	28
2029	34	0	0	34	0	34	4	0	0	0	4	30	23	5	28
Sub.	582	0	0	582	0	582	73	0	0	0	73	509	282	87	369
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>582</b>	<b>0</b>	<b>0</b>	<b>582</b>	<b>0</b>	<b>582</b>	<b>73</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>509</b>	<b>282</b>	<b>87</b>	<b>369</b>
Disc	370	0	0	370	0	370	46	0	0	0	46	324	170	56	227

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs		Oper. Income M\$	Net Capital Investment			Before Tax Cash Flow		
						M\$	M\$		Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$
2018	0	0	0	12	0	0	12	39	0	0	39	-27	-27	-26
2019	0	0	0	33	0	0	33	0	0	0	0	33	6	3
2020	0	0	0	17	0	0	17	0	0	0	0	17	23	17
2021	0	0	0	15	0	0	15	0	0	0	0	15	38	27
2022	0	0	0	14	0	0	14	0	0	0	0	14	52	36
2023	0	0	0	12	0	0	12	0	0	0	0	12	64	43
2024	0	0	0	11	0	0	11	0	0	0	0	11	74	49
2025	0	0	0	9	0	11	-2	0	0	0	0	-2	72	48
2026	0	0	0	7	0	0	7	0	0	0	0	7	79	51
2027	0	0	0	5	0	0	5	0	0	0	0	5	84	53
2028	0	0	0	3	0	0	3	0	0	0	0	3	88	54
2029	0	0	0	1	0	0	1	0	0	0	0	1	89	55
Sub.	0	0	0	140	0	11	128	39	0	0	39	89	89	55
Rem.	0	0	0	0	0	13	-13	0	0	0	0	-13	76	52
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>140</b>	<b>0</b>	<b>25</b>	<b>115</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>76</b>	<b>76</b>	<b>52</b>
Disc	0	0	0	98	0	8	89	37	0	0	37	52	52	52

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	9	0	9	8	1.000	9	100	12.0	17.8	4.1
Total: Oil Eq.	Mboe	9	0	9	8	1.000	9	100	12.0	17.8	4.1

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	28.68	0.00	25.57	509	100	324	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	28.68	0.00	25.57	509	100	324	100

**REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax							
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	140	115	39	76	8.72
Non-crown Royalty	0.0000	0.0000	5	115	102	38	63	7.28
Mineral Tax	0.0000	0.0000	8	104	94	38	56	6.47
			10	98	89	37	52	5.98
			12	92	85	37	48	5.52
			15	84	79	37	43	4.89
			20	74	71	36	35	4.01

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:11

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Proved**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	3	106	39	34	62.00
2019	3	94	34	30	59.93
2020	3	81	30	26	59.36
2021	2	69	25	22	62.29
2022	2	60	22	19	65.21
2023	2	53	19	17	68.14
2024	2	48	17	15	71.06
2025	2	42	15	13	73.98
2026	2	36	13	12	76.23
2027	2	32	12	10	77.70
2028	2	28	10	9	79.25
2029	0	1	0	0	80.84
Sub.			237	207	65.98
Rem.			0	0	0.00
<b>Tot.</b>			<b>237</b>	<b>207</b>	<b>65.98</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,392	0	0	2,392	0	2,392	299	0	0	0	299	2,093	568	355	923
2019	2,047	0	0	2,047	0	2,047	256	0	0	0	256	1,791	592	321	912
2020	1,754	0	0	1,754	0	1,754	219	0	0	0	219	1,535	601	283	884
2021	1,567	0	0	1,567	0	1,567	196	0	0	0	196	1,372	585	246	831
2022	1,422	0	0	1,422	0	1,422	178	0	0	0	178	1,244	580	217	797
2023	1,323	0	0	1,323	0	1,323	165	0	0	0	165	1,157	590	197	787
2024	1,239	0	0	1,239	0	1,239	155	0	0	0	155	1,084	601	181	781
2025	1,124	0	0	1,124	0	1,124	141	0	0	0	141	984	596	161	756
2026	1,013	0	0	1,013	0	1,013	127	0	0	0	127	886	590	143	733
2027	900	0	0	900	0	900	112	0	0	0	112	787	582	127	709
2028	806	0	0	806	0	806	101	0	0	0	101	705	576	114	690
2029	34	0	0	34	0	34	4	0	0	0	4	30	23	5	28
Sub.	15,621	0	0	15,621	0	15,621	1,953	0	0	0	1,953	13,668	6,485	2,349	8,833
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>15,621</b>	<b>0</b>	<b>0</b>	<b>15,621</b>	<b>0</b>	<b>15,621</b>	<b>1,953</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,953</b>	<b>13,668</b>	<b>6,485</b>	<b>2,349</b>	<b>8,833</b>
Disc	10,608	0	0	10,608	0	10,608	1,326	0	0	0	1,326	9,282	4,007	1,608	5,615

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,169	0	0	1,169	39	0	0	0	39	1,130	1,130	1,078
2019	0	0	0	879	0	0	879	0	0	0	0	0	879	2,010	1,840
2020	0	0	0	651	0	0	651	0	0	0	0	0	651	2,660	2,353
2021	0	0	0	541	0	0	541	0	0	0	0	0	541	3,201	2,740
2022	0	0	0	447	0	0	447	0	0	0	0	0	447	3,648	3,031
2023	0	0	0	370	0	11	359	0	0	0	0	0	359	4,007	3,244
2024	0	0	0	302	0	0	302	0	0	0	0	0	302	4,310	3,407
2025	0	0	0	227	0	11	216	0	0	0	0	0	216	4,526	3,512
2026	0	0	0	153	0	11	142	0	0	0	0	0	142	4,668	3,575
2027	0	0	0	78	0	0	78	0	0	0	0	0	78	4,746	3,607
2028	0	0	0	15	0	0	15	0	0	0	0	0	15	4,760	3,612
2029	0	0	0	1	0	0	1	0	0	0	0	0	1	4,762	3,613
Sub.	0	0	0	4,835	0	34	4,801	39	0	0	0	39	4,762	4,762	3,613
Rem.	0	0	0	0	0	144	-144	0	0	0	0	0	-144	4,618	3,579
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,835</b>	<b>0</b>	<b>178</b>	<b>4,657</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>4,618</b>	<b>4,618</b>	<b>4,618</b>	<b>3,579</b>
Disc	0	0	0	3,667	0	51	3,616	37	0	0	37	3,579	3,579	3,579	3,579

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	237	0	237	207	1.000	237	100	12.0	6.1	3.6
Total: Oil Eq.	Mboe	237	0	237	207	1.000	237	100	12.0	6.1	3.6

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.93	0.00	30.32	13,668	100	9,282	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.93	0.00	30.32	13,668	100	9,282	100

**REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.5000	12.5000	0	4,835	4,657	39	4,618	19.50		
Non-crown Royalty	0.0000	0.0000	5	4,170	4,078	38	4,039	17.06		
Mineral Tax	0.0000	0.0000	8	3,853	3,788	38	3,751	15.84		
			10	3,667	3,616	37	3,579	15.12		
			12	3,500	3,459	37	3,421	14.45		
			15	3,277	3,247	37	3,210	13.56		
			20	2,966	2,948	36	2,912	12.30		

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:11



**PROVED AND PROVED PLUS PROBABLE RESERVES****TABLE OF CONTENTS**

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<b>COMPANY PRODUCTION, RESERVES AND PRESENT VALUE SUMMARY</b>	<b>25</b>
<b>ECONOMIC FORECASTS</b>	
Total Probable	<b>26</b>
Total Proved Plus Probable	<b>28</b>

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Summary of Reserves and Values

	<b>Total Probable</b>	<b>Total Proved Plus Probable</b>
<b>MARKETABLE RESERVES</b>		
<b><u>Light &amp; Medium Oil (Mbbbl)</u></b>		
Total Company Interest	68	305
Working Interest	68	305
Net After Royalty	59	267
<b><u>Oil Equivalent (Mboe)</u></b>		
Total Company Interest	68	305
Working Interest	68	305
Net After Royalty	59	267
<b>BEFORE TAX PRESENT VALUE (M\$)</b>		
0%	1,621	6,239
5%	1,155	5,194
8%	956	4,707
10%	849	4,428
12%	757	4,179
15%	644	3,854
20%	503	3,415
<b>FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)</b>		
2018	25	1,155
2019	63	942
2020	88	739
2021	109	650
2022	127	573
2023	145	504

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: April 05, 2018 09:39:12

1181620 Class (FI), GLJ (2018-01), psum

April 09, 2018 11:11:55

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Company Production, Reserves and Present Value Summary

Entity Description	2018 Company Interest Prod'n				Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)				
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe		0%	5%	8%	10%	12%
<b>Total Probable</b>																				
Cendere	0	2	0	2	0	68	0	0	68	0	59	0	0	59	120.5	1,621	1,155	956	849	757
<b>Total: Total Probable</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>68</b>	<b>0</b>	<b>0</b>	<b>68</b>	<b>0</b>	<b>59</b>	<b>0</b>	<b>0</b>	<b>59</b>		<b>1,621</b>	<b>1,155</b>	<b>956</b>	<b>849</b>	<b>757</b>
<b>Total Proved Plus Probable</b>																				
Cendere	0	107	0	107	0	305	0	0	305	0	267	0	0	267	7.8	6,239	5,194	4,707	4,428	4,179
<b>Total: Total Proved Plus Probable</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>305</b>	<b>0</b>	<b>0</b>	<b>305</b>	<b>0</b>	<b>267</b>	<b>0</b>	<b>0</b>	<b>267</b>		<b>6,239</b>	<b>5,194</b>	<b>4,707</b>	<b>4,428</b>	<b>4,179</b>

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Probable**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	2	1	0	62.00
2019	0	5	2	2	59.93
2020	0	6	2	2	59.36
2021	0	7	3	2	62.28
2022	0	8	3	3	65.22
2023	0	8	3	2	68.14
2024	0	8	3	3	71.06
2025	0	9	3	3	73.98
2026	0	11	4	3	76.23
2027	0	12	4	4	77.70
2028	0	11	4	4	79.25
2029	2	35	13	11	80.84
Sub.			44	39	73.64
Rem.			24	21	83.47
<b>Tot.</b>			<b>68</b>	<b>59</b>	<b>77.05</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	35	0	0	35	0	35	4	0	0	0	4	31	0	5	6
2019	116	0	0	116	0	116	15	0	0	0	15	102	21	18	39
2020	126	0	0	126	0	126	16	0	0	0	16	110	2	20	22
2021	166	0	0	166	0	166	21	0	0	0	21	145	9	26	35
2022	197	0	0	197	0	197	25	0	0	0	25	172	16	30	46
2023	190	0	0	190	0	190	24	0	0	0	24	166	4	28	32
2024	207	0	0	207	0	207	26	0	0	0	26	181	5	30	35
2025	254	0	0	254	0	254	32	0	0	0	32	222	21	36	58
2026	296	0	0	296	0	296	37	0	0	0	37	259	39	42	81
2027	333	0	0	333	0	333	42	0	0	0	42	292	59	47	106
2028	324	0	0	324	0	324	40	0	0	0	40	283	58	46	104
2029	1,019	0	0	1,019	0	1,019	127	0	0	0	127	891	616	144	760
Sub.	3,263	0	0	3,263	0	3,263	408	0	0	0	408	2,855	850	474	1,324
Rem.	1,966	0	0	1,966	0	1,966	246	0	0	0	246	1,720	1,342	278	1,620
<b>Tot.</b>	<b>5,229</b>	<b>0</b>	<b>0</b>	<b>5,229</b>	<b>0</b>	<b>5,229</b>	<b>654</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>654</b>	<b>4,575</b>	<b>2,192</b>	<b>752</b>	<b>2,944</b>
Disc	2,119	0	0	2,119	0	2,119	265	0	0	0	265	1,854	705	308	1,013

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment			Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	0	0	0	25	0	0	25	0	0	0	0	25	25	24
2019	0	0	0	63	0	0	63	0	0	0	0	63	87	78
2020	0	0	0	88	0	0	88	0	0	0	0	88	176	147
2021	0	0	0	109	0	0	109	0	0	0	0	109	285	226
2022	0	0	0	127	0	0	127	0	0	0	0	127	412	308
2023	0	0	0	134	0	-11	145	0	0	0	0	145	557	394
2024	0	0	0	147	0	11	136	0	0	0	0	136	692	467
2025	0	0	0	165	0	0	165	0	0	0	0	165	857	548
2026	0	0	0	178	0	-11	189	0	0	0	0	189	1,046	632
2027	0	0	0	186	0	12	174	0	0	0	0	174	1,220	702
2028	0	0	0	179	0	0	179	0	0	0	0	179	1,399	768
2029	0	0	0	132	0	0	132	0	0	0	0	132	1,531	812
Sub.	0	0	0	1,531	0	0	1,531	0	0	0	0	1,531	1,531	812
Rem.	0	0	0	100	0	10	90	0	0	0	0	90	1,621	849
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,631</b>	<b>0</b>	<b>10</b>	<b>1,621</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,621</b>	<b>1,621</b>	<b>849</b>
Disc	0	0	0	841	0	-8	849	0	0	0	0	849	849	849

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	68	0	68	59	1.000	68	100	17.0	120.5	11.2
Total: Oil Eq.	Mboe	68	0	68	59	1.000	68	100	17.0	120.5	11.2

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	9.92	0.00	44.33	4,575	100	1,854	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	9.92	0.00	44.33	4,575	100	1,854	100

## REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.5000	12.5000	0	1,631	1,621	0	1,621	23.89		
Non-crown Royalty	0.0000	0.0000	5	1,148	1,155	0	1,155	17.02		
Mineral Tax	0.0000	0.0000	8	948	956	0	956	14.09		
			10	841	849	0	849	12.51		
			12	750	757	0	757	11.16		
			15	637	644	0	644	9.49		
			20	499	503	0	503	7.42		

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:12

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Proved Plus Probable**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	3	107	39	34	62.00
2019	3	99	36	32	59.93
2020	3	87	32	28	59.36
2021	2	76	28	24	62.29
2022	2	68	25	22	65.21
2023	2	61	22	19	68.14
2024	2	56	20	18	71.06
2025	2	51	19	16	73.98
2026	2	47	17	15	76.23
2027	2	43	16	14	77.70
2028	2	39	14	12	79.25
2029	2	36	13	11	80.84
Sub.			281	246	67.19
Rem.			24	21	83.47
<b>Tot.</b>			<b>305</b>	<b>267</b>	<b>68.44</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,427	0	0	2,427	0	2,427	303	0	0	0	303	2,123	569	360	929
2019	2,164	0	0	2,164	0	2,164	270	0	0	0	270	1,893	613	339	951
2020	1,881	0	0	1,881	0	1,881	235	0	0	0	235	1,646	603	303	907
2021	1,733	0	0	1,733	0	1,733	217	0	0	0	217	1,517	594	272	866
2022	1,618	0	0	1,618	0	1,618	202	0	0	0	202	1,416	596	247	843
2023	1,513	0	0	1,513	0	1,513	189	0	0	0	189	1,324	594	226	820
2024	1,446	0	0	1,446	0	1,446	181	0	0	0	181	1,265	606	211	816
2025	1,378	0	0	1,378	0	1,378	172	0	0	0	172	1,206	617	197	814
2026	1,309	0	0	1,309	0	1,309	164	0	0	0	164	1,145	629	185	814
2027	1,233	0	0	1,233	0	1,233	154	0	0	0	154	1,079	641	175	815
2028	1,129	0	0	1,129	0	1,129	141	0	0	0	141	988	634	160	794
2029	1,053	0	0	1,053	0	1,053	132	0	0	0	132	921	639	149	788
Sub.	18,884	0	0	18,884	0	18,884	2,360	0	0	0	2,360	16,523	7,335	2,822	10,157
Rem.	1,966	0	0	1,966	0	1,966	246	0	0	0	246	1,720	1,342	278	1,620
<b>Tot.</b>	<b>20,849</b>	<b>0</b>	<b>0</b>	<b>20,849</b>	<b>0</b>	<b>20,849</b>	<b>2,606</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,606</b>	<b>18,243</b>	<b>8,677</b>	<b>3,101</b>	<b>11,777</b>
Disc	12,727	0	0	12,727	0	12,727	1,591	0	0	0	1,591	11,136	4,712	1,916	6,628

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$	
2018	0	0	0	1,194	0	0	1,194	39	0	0	0	39	1,155	1,155	1,101
2019	0	0	0	942	0	0	942	0	0	0	0	0	942	2,097	1,918
2020	0	0	0	739	0	0	739	0	0	0	0	0	739	2,836	2,500
2021	0	0	0	650	0	0	650	0	0	0	0	0	650	3,486	2,966
2022	0	0	0	573	0	0	573	0	0	0	0	0	573	4,060	3,339
2023	0	0	0	504	0	0	504	0	0	0	0	0	504	4,564	3,638
2024	0	0	0	449	0	11	438	0	0	0	0	0	438	5,002	3,874
2025	0	0	0	392	0	11	381	0	0	0	0	0	381	5,383	4,060
2026	0	0	0	331	0	0	331	0	0	0	0	0	331	5,714	4,207
2027	0	0	0	264	0	12	252	0	0	0	0	0	252	5,966	4,309
2028	0	0	0	194	0	0	194	0	0	0	0	0	194	6,160	4,380
2029	0	0	0	133	0	0	133	0	0	0	0	0	133	6,293	4,425
Sub.	0	0	0	6,366	0	34	6,332	39	0	0	0	39	6,293	6,293	4,425
Rem.	0	0	0	100	0	154	-54	0	0	0	0	0	-54	6,239	4,428
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,466</b>	<b>0</b>	<b>188</b>	<b>6,278</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>6,239</b>	<b>6,239</b>	<b>6,239</b>	<b>4,428</b>
Disc	0	0	0	4,508	0	43	4,465	37	0	0	37	4,428	4,428	4,428	4,428

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	305	0	305	267	1.000	305	100	17.0	7.8	4.7
Total: Oil Eq.	Mboe	305	0	305	267	1.000	305	100	17.0	7.8	4.7

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.73	0.00	30.52	18,243	100	11,136	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.73	0.00	30.52	18,243	100	11,136	100

## REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax							Cash Flow	
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$		M\$	\$/boe
	Initial	Average							
Crown Royalty	12.5000	12.5000	0	6,466	6,278	39	6,239	20.48	
Non-crown Royalty	0.0000	0.0000	5	5,318	5,232	38	5,194	17.05	
Mineral Tax	0.0000	0.0000	8	4,801	4,745	38	4,707	15.45	
			10	4,508	4,465	37	4,428	14.53	
			12	4,249	4,216	37	4,179	13.72	
			15	3,914	3,891	37	3,854	12.65	
			20	3,465	3,451	36	3,415	11.21	

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:12



**POSSIBLE AND PROVED PLUS PROBABLE PLUS POSSIBLE RESERVES****TABLE OF CONTENTS**

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<b>ECONOMIC FORECASTS</b>	
Total Possible	<b>33</b>
Total PPP	<b>35</b>

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Summary of Reserves and Values

	<b>Total Possible</b>	<b>Total PPP</b>
<b>MARKETABLE RESERVES</b>		
<b><u>Light &amp; Medium Oil (Mdbl)</u></b>		
Total Company Interest	64	369
Working Interest	64	369
Net After Royalty	56	323
<b><u>Oil Equivalent (Mboe)</u></b>		
Total Company Interest	64	369
Working Interest	64	369
Net After Royalty	56	323
<b>BEFORE TAX PRESENT VALUE (M\$)</b>		
0%	1,549	7,788
5%	1,007	6,201
8%	796	5,502
10%	687	5,114
12%	597	4,776
15%	491	4,345
20%	366	3,782
<b>FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)</b>		
2018	15	1,170
2019	38	980
2020	54	793
2021	69	720
2022	85	658
2023	93	597

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: April 05, 2018 09:39:12

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April 09, 2018 11:12:04

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Company Production, Reserves and Present Value Summary

Entity Description	2018 Company Interest Prod'n				Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)				
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe		0%	5%	8%	10%	12%
<b>Total Possible</b>																				
Cendere	0	1	0	1	0	64	0	0	64	0	56	0	0	56	196.7	1,549	1,007	796	687	597
<b>Total: Total Possible</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>64</b>	<b>0</b>	<b>0</b>	<b>64</b>	<b>0</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>56</b>		<b>1,549</b>	<b>1,007</b>	<b>796</b>	<b>687</b>	<b>597</b>
<b>Total PPP</b>																				
Cendere	0	108	0	108	0	369	0	0	369	0	323	0	0	323	9.3	7,788	6,201	5,502	5,114	4,776
<b>Total: Total PPP</b>	<b>0</b>	<b>108</b>	<b>0</b>	<b>108</b>	<b>0</b>	<b>369</b>	<b>0</b>	<b>0</b>	<b>369</b>	<b>0</b>	<b>323</b>	<b>0</b>	<b>0</b>	<b>323</b>		<b>7,788</b>	<b>6,201</b>	<b>5,502</b>	<b>5,114</b>	<b>4,776</b>

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **Possible**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	1	0	0	62.00
2019	0	2	1	1	59.93
2020	0	4	1	1	59.36
2021	0	6	2	2	62.29
2022	0	6	2	2	65.20
2023	0	6	2	2	68.14
2024	0	5	2	2	71.06
2025	0	6	2	2	73.98
2026	0	6	2	2	76.23
2027	0	6	2	2	77.70
2028	0	7	3	2	79.25
2029	0	8	3	2	80.84
Sub.			22	20	71.78
Rem.			42	37	87.05
<b>Tot.</b>			<b>64</b>	<b>56</b>	<b>81.74</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	20	0	0	20	0	20	3	0	0	0	3	18	0	3	3
2019	54	0	0	54	0	54	7	0	0	0	7	47	1	8	9
2020	77	0	0	77	0	77	10	0	0	0	10	67	1	12	13
2021	126	0	0	126	0	126	16	0	0	0	16	111	21	20	41
2022	134	0	0	134	0	134	17	0	0	0	17	117	12	20	32
2023	145	0	0	145	0	145	18	0	0	0	18	127	12	22	33
2024	137	0	0	137	0	137	17	0	0	0	17	120	2	20	22
2025	149	0	0	149	0	149	19	0	0	0	19	130	3	21	24
2026	158	0	0	158	0	158	20	0	0	0	20	139	3	22	25
2027	165	0	0	165	0	165	21	0	0	0	21	144	3	23	27
2028	211	0	0	211	0	211	26	0	0	0	26	185	23	30	53
2029	229	0	0	229	0	229	29	0	0	0	29	200	31	32	63
Sub.	1,606	0	0	1,606	0	1,606	201	0	0	0	201	1,405	112	235	347
Rem.	3,651	0	0	3,651	0	3,651	456	0	0	0	456	3,194	2,177	517	2,693
<b>Tot.</b>	<b>5,256</b>	<b>0</b>	<b>0</b>	<b>5,256</b>	<b>0</b>	<b>5,256</b>	<b>657</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>657</b>	<b>4,599</b>	<b>2,288</b>	<b>752</b>	<b>3,040</b>
Disc	1,688	0	0	1,688	0	1,688	211	0	0	0	211	1,477	553	244	797

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	15	0	0	15	0	0	0	0	0	15	15	14
2019	0	0	0	38	0	0	38	0	0	0	0	0	38	53	47
2020	0	0	0	54	0	0	54	0	0	0	0	0	54	107	89
2021	0	0	0	69	0	0	69	0	0	0	0	0	69	176	139
2022	0	0	0	85	0	0	85	0	0	0	0	0	85	261	194
2023	0	0	0	93	0	0	93	0	0	0	0	0	93	354	250
2024	0	0	0	98	0	0	98	0	0	0	0	0	98	452	302
2025	0	0	0	106	0	-11	118	0	0	0	0	0	118	569	360
2026	0	0	0	113	0	11	102	0	0	0	0	0	102	671	405
2027	0	0	0	118	0	-12	129	0	0	0	0	0	129	800	457
2028	0	0	0	132	0	12	120	0	0	0	0	0	120	921	501
2029	0	0	0	137	0	0	137	0	0	0	0	0	137	1,058	547
Sub.	0	0	0	1,058	0	0	1,058	0	0	0	0	0	1,058	1,058	547
Rem.	0	0	0	501	0	10	491	0	0	0	0	0	491	1,549	687
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,559</b>	<b>0</b>	<b>10</b>	<b>1,549</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,549</b>	<b>1,549</b>	<b>687</b>
Disc	0	0	0	680	0	-6	687	0	0	0	0	0	687	687	687

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	64	0	64	56	1.000	64	100	21.0	196.7	14.3
Total: Oil Eq.	Mboe	64	0	64	56	1.000	64	100	21.0	196.7	14.3

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	9.88	0.00	44.37	4,599	100	1,477	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	9.88	0.00	44.37	4,599	100	1,477	100

**REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.5000	12.5000	0	1,559	1,549	0	1,549	24.09		
Non-crown Royalty	0.0000	0.0000	5	1,001	1,007	0	1,007	15.65		
Mineral Tax	0.0000	0.0000	8	789	796	0	796	12.37		
			10	680	687	0	687	10.68		
			12	592	597	0	597	9.29		
			15	487	491	0	491	7.64		
			20	363	366	0	366	5.70		

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:12

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary**  
 Currency: **US Dollars**

Reserve Class: **PPP**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	3	108	39	35	62.00
2019	3	101	37	32	59.93
2020	3	90	33	29	59.36
2021	3	82	30	26	62.29
2022	2	74	27	24	65.21
2023	2	67	24	21	68.14
2024	2	61	22	19	71.06
2025	2	57	21	18	73.98
2026	2	53	19	17	76.23
2027	2	49	18	16	77.70
2028	2	46	17	15	79.25
2029	2	43	16	14	80.84
Sub.			303	266	67.52
Rem.			65	57	85.76
<b>Tot.</b>			<b>369</b>	<b>323</b>	<b>70.76</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,447	0	0	2,447	0	2,447	306	0	0	0	306	2,141	569	363	932
2019	2,218	0	0	2,218	0	2,218	277	0	0	0	277	1,941	613	347	961
2020	1,958	0	0	1,958	0	1,958	245	0	0	0	245	1,713	604	316	920
2021	1,859	0	0	1,859	0	1,859	232	0	0	0	232	1,627	616	291	907
2022	1,752	0	0	1,752	0	1,752	219	0	0	0	219	1,533	607	268	875
2023	1,658	0	0	1,658	0	1,658	207	0	0	0	207	1,450	606	247	853
2024	1,583	0	0	1,583	0	1,583	198	0	0	0	198	1,385	608	231	839
2025	1,527	0	0	1,527	0	1,527	191	0	0	0	191	1,336	620	218	838
2026	1,467	0	0	1,467	0	1,467	183	0	0	0	183	1,284	632	207	839
2027	1,398	0	0	1,398	0	1,398	175	0	0	0	175	1,223	644	198	842
2028	1,341	0	0	1,341	0	1,341	168	0	0	0	168	1,173	657	190	847
2029	1,282	0	0	1,282	0	1,282	160	0	0	0	160	1,121	670	181	851
Sub.	20,489	0	0	20,489	0	20,489	2,561	0	0	0	2,561	17,928	7,446	3,057	10,504
Rem.	5,616	0	0	5,616	0	5,616	702	0	0	0	702	4,914	3,519	795	4,314
<b>Tot.</b>	<b>26,106</b>	<b>0</b>	<b>0</b>	<b>26,106</b>	<b>0</b>	<b>26,106</b>	<b>3,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,263</b>	<b>22,843</b>	<b>10,965</b>	<b>3,852</b>	<b>14,817</b>
Disc	14,415	0	0	14,415	0	14,415	1,802	0	0	0	1,802	12,613	5,265	2,160	7,425

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$	
2018	0	0	0	1,209	0	0	1,209	39	0	0	0	39	1,170	1,170	1,115
2019	0	0	0	980	0	0	980	0	0	0	0	0	980	2,150	1,965
2020	0	0	0	793	0	0	793	0	0	0	0	0	793	2,943	2,590
2021	0	0	0	720	0	0	720	0	0	0	0	0	720	3,662	3,105
2022	0	0	0	658	0	0	658	0	0	0	0	0	658	4,321	3,534
2023	0	0	0	597	0	0	597	0	0	0	0	0	597	4,918	3,887
2024	0	0	0	547	0	11	536	0	0	0	0	0	536	5,454	4,176
2025	0	0	0	498	0	0	498	0	0	0	0	0	498	5,952	4,420
2026	0	0	0	444	0	11	433	0	0	0	0	0	433	6,385	4,612
2027	0	0	0	381	0	0	381	0	0	0	0	0	381	6,766	4,766
2028	0	0	0	326	0	12	314	0	0	0	0	0	314	7,081	4,882
2029	0	0	0	270	0	0	270	0	0	0	0	0	270	7,351	4,972
Sub.	0	0	0	7,424	0	34	7,390	39	0	0	0	39	7,351	7,351	4,972
Rem.	0	0	0	601	0	163	437	0	0	0	0	0	437	7,788	5,114
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,025</b>	<b>0</b>	<b>198</b>	<b>7,827</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>7,788</b>	<b>7,788</b>	<b>7,788</b>	<b>5,114</b>
Disc	0	0	0	5,188	0	37	5,152	37	0	0	0	37	5,114	5,114	5,114

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	369	0	369	323	1.000	369	100	21.0	9.3	5.8
Total: Oil Eq.	Mboe	369	0	369	323	1.000	369	100	21.0	9.3	5.8

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.62	0.00	30.63	22,843	100	12,613	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.62	0.00	30.63	22,843	100	12,613	100

**REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.5000	12.5000	0	8,025	7,827	39	7,788	21.11		
Non-crown Royalty	0.0000	0.0000	5	6,319	6,239	38	6,201	16.81		
Mineral Tax	0.0000	0.0000	8	5,590	5,540	38	5,502	14.91		
			10	5,188	5,152	37	5,114	13.86		
			12	4,841	4,813	37	4,776	12.95		
			15	4,401	4,382	37	4,345	11.78		
			20	3,828	3,818	36	3,782	10.25		

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:39:12

## RESERVES DEFINITIONS

Reserves estimates have been prepared by GLJ Petroleum Consultants (GLJ) in accordance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook. The following reserves definitions are set out by the Canadian Securities Administrators in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (NI 51-101; in Part 2 of the Glossary to NI 51-101) with reference to the COGE Handbook.

### Reserves Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on:

- analysis of drilling, geological, geophysical, and engineering data;
- the use of established technology;
- specified economic conditions<sup>1</sup>, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are classified according to the degree of certainty associated with the estimates.

#### **Proved Reserves**

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

#### **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 plus probable reserves.

#### **Possible Reserves**

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Other criteria that must also be met for the classification of reserves are provided in [Section 5.5 of the COGE Handbook].

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<sup>1</sup> For securities reporting, the key economic assumptions will be the prices and costs used in the estimate. The required assumptions may vary by jurisdiction, for example:

- (a) **forecast prices and costs, in Canada under NI 51-101**
- (b) **constant prices and costs, based on the average of the first day posted prices in each of the 12 months of the reporting issuer's financial year, under US SEC rules (this is optional disclosure under NI 51-101).**



## Development and Production Status

Each of the reserves categories (proved, probable, and possible) may be divided into developed and undeveloped categories.

### ***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 a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

### ***Developed Producing Reserves***

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***

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.

### ***Undeveloped Reserves***

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation 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.

## Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to Reported Reserves (which refers to the highest level sum of individual entity estimates for which reserves estimates are presented). Reported Reserves 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 plus probable reserves;
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus 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, the majority of 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 5.5.3 [of the *COGE Handbook*].

## **DOCUMENTED RESERVES CATEGORIES**

Production and revenue projections are prepared for each of the following main reserves categories:

### **Reserves Category**

Proved  
Proved Plus Probable  
Proved Plus Probable Plus Possible

### **Production and Development Status**

Developed Producing\*  
Developed Non-Producing  
Undeveloped  
Total (sum of developed producing, developed non-producing and undeveloped)

*\* as producing reserves are inherently developed, GLJ simply refers to “developed producing” reserves as “producing”*

Reserves and revenue projections are available in GLJ’s evaluation database for any reserves and development subcategory including those determined by difference (e.g., probable producing).

The following reserves categories are documented in this Corporate Summary volume:

Proved Producing  
Proved Developed Non-Producing  
Proved Undeveloped  
Total Proved  
Total Probable  
Total Proved Plus Probable  
Total Possible  
Total Proved Plus Probable Plus Possible

Documentation for the following additional reserves categories is provided in the “Expanded Corporate Summary Information”, which has been provided to the Company in electronic format only.

**Proved**

Developed Producing  
Developed Non-Producing  
Undeveloped  
Total

**Probable**

Developed Producing  
Developed Non-Producing  
Undeveloped  
Total

**Proved Plus Probable**

Developed Producing  
Developed Non-Producing  
Undeveloped  
Total

**Possible**

Developed Producing  
Developed Non-Producing  
Undeveloped  
Total

**Proved Plus Probable Plus Possible**

Developed Producing  
Developed Non-Producing  
Undeveloped  
Total

Individual property evaluation reports contain detailed documentation of reserves estimation methodology and evaluation procedures.

When evaluating reserves, GLJ evaluators generally first identify the producing situation and assign proved, proved plus probable and proved plus probable plus possible reserves in recognition of the existing level of development and the existing depletion strategy. Incremental non-producing (developed non-producing or undeveloped) reserves are subsequently assigned recognizing future development opportunities and enhancements to the depletion mechanism. It should be recognized that future developments may result in accelerated recovery of producing reserves.

## **EVALUATION PROCEDURE**

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## EVALUATION PROCEDURE

The following outlines the methodology employed by GLJ Petroleum Consultants (GLJ) in conducting the evaluation of the Company's oil and gas properties. GLJ evaluation procedures are in compliance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook.

### INTEREST DESCRIPTIONS

The Company provided GLJ with current land interest information. The Company provided a representation letter confirming accuracy of land information. Certain cross-checks of land and accounting information were undertaken by GLJ as recommended in the COGE Handbook. In this process, nothing came to GLJ's attention that indicated that information provided by the Company was incomplete or unreliable.

In GLJ's reports, "Company Interest" reserves and values refer to the sum of royalty interest\* and working interest reserves before deduction of royalty burdens payable. "Working Interest" reserves equate to those reserves that are referred to as "Company Gross" reserves by the Canadian Securities Administrators (CSA) in NI 51-101.

In the Securities Reporting section, working interest (or Company Gross) volumes are presented in tables to correspond to NI 51-101 disclosure requirements.

*\*Royalty interest reserves include royalty volumes derived only from other working interest owners.*

### WELL DATA

Pertinent interest and offset well data such as drill stem tests, workovers, pressure surveys, production tests, etc., were provided by the Company or were obtained from other operators, public records or GLJ nonconfidential files.

### ACCOUNTING SUMMARY

The Company provided GLJ with available accounting data on a property basis and for the corporate total for the period February 1, 2017, to December 31, 2017. In some circumstances this information was also provided on a cost centre basis to address major reserves entities that are a subset of a Company property.

## **PRODUCTION FORECASTS**

In establishing all production forecasts, consideration was given to existing gas contracts and the possibility of contract revisions, to the operator's plans for development drilling and to reserves and well capability. Generally, development drilling in an area was not considered unless there was some indication from the operator that drilling could be expected.

The on-stream date for currently shut-in reserves was estimated with consideration given to the following:

- proximity to existing facilities
- plans of the operator
- economics

## **ECONOMIC PARAMETERS**

Pertinent economic parameters are listed as follows:

- a) The effective date is December 31, 2017.
- b) Operating and capital costs were estimated in 2018 dollars and then escalated as summarized in the Product Price and Market Forecasts section of this report.
- c) Economic forecasts were prepared for each property on a before income tax basis. Detailed discounting of future cash flow was performed using a discount factor of 10.0 percent with all values discounted annually to December 31, 2017, on a mid-calendar-year basis.
- d) Oil and gas production is subject to a 12.5 percent royalty.
- e) Field level overhead charges have been included; recovery of overhead expenses has not been included.
- f) The Company's office G&A costs have not been included.
- g) Abandonment and reclamation costs for all existing and future wells to which reserves have been assigned have been included at the property level. Costs have been scheduled five years after the last year of production for each well. Additional abandonment and reclamation costs associated with pipelines and facilities have not been included in this analysis.

## OIL EQUIVALENT OR GAS EQUIVALENT

In this report, quantities of hydrocarbons have been converted to barrels of oil equivalent (boe); or to sales gas equivalent (sge) using factors of 6 Mcf/boe for gas, 1 bbl/boe for all liquids, and 0 boe for sulphur. Users of oil equivalent values are cautioned that while boe based metrics are useful for comparative purposes, they may be misleading when used in isolation.

## LIST OF ABBREVIATIONS

AOF	absolute open flow
bbl	barrels
Bcf	billion cubic feet of gas at standard conditions
BIIP	bitumen initially-in-place
boe	barrel of oil equivalent, in this evaluation determined using 6 Mcf/boe for gas, 1 bbl/boe for all liquids, and 0 boe for sulphur
bopd	barrels of oil per day
Btu	British thermal units
bwpd	barrels of water per day
DSU	drilling spacing unit
GCA	gas cost allowance
GIIP	gas initially-in-place
GOC	gas-oil contact
GOR	gas-oil ratio
GORR	gross overriding royalty
GWC	gas-water contact
Mbbl	thousand barrels
Mboe	thousand boe
Mcf	thousand cubic feet of gas at standard conditions
Mcfe	thousand cubic feet of gas equivalent
Mlt	thousand long tons
M\$	thousand dollars
MM\$	million dollars
MMbbl	million barrels
MMboe	million boe
MMBtu	million British thermal units
MMcf	million cubic feet of gas at standard conditions
MRL	maximum rate limitation
Mstb	thousand stock tank barrels
MMstb	million stock tank barrels
NGL	natural gas liquids (ethane, propane, butane and condensate)
NPI	net profits interest
OIIP	oil initially-in-place
ORRI	overriding royalty interest
OWC	oil-water contact
P&NG	petroleum and natural gas
PIIP	petroleum initially-in-place

psia	pounds per square inch absolute
psig	pounds per square inch gauge
PVT	pressure-volume-temperature
RLI	reserves life index, calculated by dividing reserves by the forecast of first year production
scf	standard cubic feet
sge	sales gas equivalent – if presented in this evaluation, determined using 1 barrel of oil or natural gas liquid = 6 Mcfe; 0 for sulphur
stb	stock tank barrel
WI	working interest
WTI	West Texas Intermediate



## **PRODUCT PRICE AND MARKET FORECASTS**

### **January 1, 2018**

GLJ Petroleum Consultants has prepared its January 1, 2018 price and market forecasts, as summarized in the attached Tables 1, 2, 3 and 4, after a comprehensive review of information. Information sources include numerous government agencies, industry publications, Canadian oil refiners and natural gas marketers. The forecasts presented herein are based on an informed interpretation of currently available data. While these forecasts are considered reasonable at this time, users of these forecasts should understand the inherent high uncertainty in forecasting any commodity or market. These forecasts will be revised periodically as market, economic and political conditions change. These future revisions may be significant.

**Table 1**  
**GLJ Petroleum Consultants**  
**Crude Oil and Natural Gas Liquids**  
**Price Forecast**  
 Effective January 1, 2018

Year	Inflation %	CADUSD Exchange Rate USD/CAD	NYMEX WTI Near Month Contract Crude Oil at Cushing, OK		Brent Blend Crude Oil	Light, Sweet Crude Oil (40 API, 0.3%S)	Bow River Crude Oil Stream Quality	WCS Crude Oil Stream Quality	Heavy Crude Oil Proxy (12 API)	Light Sour Crude Oil (35 API, 1.2%S)	Medium Crude Oil (29 API, 2.0%S)	Alberta Natural Gas Liquids (Then Current Dollars)				
			Constant 2018 \$ USD/bbl	Then Current USD/bbl	FOB North Sea Then Current USD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Spec Ethane CAD/bbl	Edmonton Propane CAD/bbl	Edmonton Butane CAD/bbl	Edmonton CS+ Stream Quality CAD/bbl
2008	2.4	0.9428	116.72	99.64	98.30	102.90	84.31	82.95	74.94	96.08	93.10	N/A	58.38	75.33	104.78	
2009	0.4	0.8798	70.67	61.78	62.50	66.32	60.18	58.66	54.46	63.84	62.96	N/A	38.03	48.17	68.17	
2010	1.8	0.9711	90.64	79.52	80.25	77.87	68.45	67.27	60.76	76.58	73.76	N/A	46.84	65.91	84.27	
2011	2.9	1.0115	106.54	95.12	110.86	95.53	78.59	77.14	67.64	92.35	88.33	N/A	53.66	74.42	104.17	
2012	1.5	1.0009	102.53	94.21	111.71	86.60	74.42	73.13	63.64	84.51	81.37	N/A	29.04	66.70	100.84	
2013	0.9	0.9711	105.01	97.96	108.77	93.47	76.33	75.01	65.11	92.30	88.13	N/A	38.88	68.81	104.70	
2014	1.9	0.9055	98.74	93.00	99.71	94.58	81.08	81.03	73.73	92.68	89.67	N/A	45.53	69.20	102.44	
2015	1.1	0.7831	50.82	48.78	53.60	57.20	45.50	44.82	39.25	55.49	51.87	N/A	6.49	36.75	60.42	
2016	1.4	0.7551	44.68	43.38	45.05	53.08	39.83	38.96	32.78	51.46	48.84	N/A	13.40	34.49	56.25	
2017	1.6	0.7711	51.69	50.88	54.16	62.78	50.85	50.46	44.56	62.02	59.90	N/A	28.64	44.58	66.80	
2018 Q1	2.0	0.790	59.00	59.00	66.00	70.25	45.44	44.94	34.25	68.85	65.34	5.91	42.15	54.80	77.22	
2018 Q2	2.0	0.790	59.00	59.00	66.00	70.25	49.87	49.37	40.01	68.85	65.34	6.51	42.15	54.80	77.22	
2018 Q3	2.0	0.790	59.00	59.00	65.00	70.25	51.13	50.63	42.13	68.85	65.34	7.09	38.64	52.69	75.63	
2018 Q4	2.0	0.790	59.00	59.00	65.00	70.25	51.13	50.63	42.13	68.85	65.34	7.49	38.64	52.69	75.63	
2018 Full Year	2.0	0.790	59.00	59.00	65.50	70.25	49.39	48.89	39.63	68.85	65.34	6.75	40.40	53.74	76.42	
2019	2.0	0.790	57.84	59.00	63.50	70.25	53.66	53.16	45.71	68.85	65.34	7.95	36.53	49.18	74.68	
2020	2.0	0.800	57.67	60.00	63.00	70.31	56.75	56.25	49.81	68.91	65.39	9.12	35.93	49.22	74.38	
2021	2.0	0.810	59.37	63.00	66.00	72.84	59.76	59.26	52.89	71.38	67.74	10.34	36.06	50.99	77.16	
2022	2.0	0.820	60.97	66.00	69.00	75.61	62.70	62.20	55.89	74.10	70.32	11.14	36.29	52.93	79.88	
2023	2.0	0.830	62.50	69.00	72.00	78.31	65.56	65.06	58.82	76.75	72.83	11.51	37.59	54.82	82.53	
2024	2.0	0.830	63.93	72.00	75.00	81.93	69.17	68.67	62.43	80.29	76.19	11.76	39.33	57.35	86.14	
2025	2.0	0.830	65.29	75.00	78.00	85.54	72.79	72.29	66.05	83.83	79.55	12.02	41.06	59.88	89.76	
2026	2.0	0.830	66.00	77.33	80.33	88.35	75.60	75.10	68.86	86.58	82.16	12.27	42.41	61.84	92.57	
2027	2.0	0.830	66.00	78.88	81.88	90.22	77.46	76.96	70.72	88.41	83.90	12.53	43.30	63.15	94.43	
2028+	2.0	0.830	66.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	

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

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**Table 2**  
**GLJ Petroleum Consultants**  
**Natural Gas and Sulphur**  
**Price Forecast**  
 Effective January 1, 2018

Year	NYMEX Henry Hub		Midwest Price at Chicago	AECO/NIT Spot	Alliance Transfer Pool Spot	Alberta Plant Gate			Saskatchewan Plant Gate Plant Gate			British Columbia		Sulphur FOB Vancouver	Alberta Sulphur at Plant Gate	
	Near Month Contract		Then	Then	Then	Spot			SaskEnergy CAD/MMBtu	Spot CAD/MMBtu	Sumas Spot USD/MMBtu	Westcoast	Spot	USD/lt	CAD/lt	
	Constant	Then	Current	Current	Current	Constant	Then	ARP				Station 2	Plant Gate			
	2018 \$ USD/MMBtu	Current USD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	2017 \$ CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu		
2008	10.42	8.90	8.91	8.16	N/A	9.29	7.94	7.88	8.07	8.04	6.47	8.21	7.99	497.39	488.63	
2009	4.77	4.16	4.05	3.99	N/A	4.34	3.79	3.85	3.87	3.83	3.80	3.90	3.70	57.06	24.57	
2010	5.01	4.40	4.53	4.01	N/A	4.31	3.78	3.77	3.96	3.85	4.12	3.78	3.63	88.94	48.26	
2011	4.51	4.03	4.21	3.62	N/A	3.83	3.42	3.46	3.57	3.58	3.90	3.33	3.18	217.16	171.93	
2012	3.07	2.83	2.92	2.40	N/A	2.41	2.21	2.25	2.31	2.26	2.70	2.30	2.12	201.03	157.91	
2013	3.99	3.73	3.81	3.18	N/A	3.17	2.96	2.98	3.09	3.10	3.71	3.14	2.94	105.74	74.02	
2014	4.54	4.28	5.36	4.50	N/A	4.52	4.26	4.22	4.39	4.42	4.37	4.29	4.07	145.41	110.41	
2015	2.74	2.63	2.85	2.70	N/A	2.57	2.47	2.56	2.71	2.61	2.31	1.80	1.59	139.61	128.14	
2016	2.63	2.55	2.48	2.18	2.36	2.00	1.94	1.93	2.18	2.09	2.18	1.77	1.60	82.96	60.06	
2017	3.07	3.02	3.04	2.16	2.12	1.93	1.90	2.09	2.26	2.29	2.60	1.55	1.32	85.75	61.14	
2018 Q1	2.80	2.80	2.70	1.95	1.95	1.70	1.70	1.70	1.80	1.85	2.55	1.10	0.89	90.00	63.92	
2018 Q2	2.80	2.80	2.70	2.13	2.13	1.87	1.87	1.87	1.97	2.03	2.20	1.28	1.07	90.00	63.92	
2018 Q3	2.90	2.90	2.80	2.29	2.29	2.04	2.04	2.04	2.14	2.19	2.50	1.49	1.29	90.00	63.92	
2018 Q4	2.90	2.90	2.80	2.41	2.41	2.15	2.15	2.15	2.25	2.31	2.65	1.71	1.50	90.00	63.92	
2018 Full Year	2.85	2.85	2.75	2.20	2.20	1.94	1.94	1.94	2.04	2.10	2.48	1.40	1.19	90.00	63.92	
2019	2.94	3.00	2.90	2.54	2.54	2.24	2.28	2.28	2.38	2.44	2.50	1.99	1.78	100.00	76.58	
2020	3.12	3.25	3.15	2.88	2.88	2.52	2.62	2.62	2.72	2.78	2.75	2.48	2.27	102.00	77.50	
2021	3.30	3.50	3.40	3.24	3.24	2.80	2.97	2.97	3.07	3.14	3.00	2.94	2.73	104.04	78.44	
2022	3.42	3.70	3.60	3.47	3.47	2.96	3.20	3.20	3.30	3.37	3.20	3.17	2.96	106.12	79.41	
2023	3.50	3.86	3.76	3.58	3.58	3.00	3.31	3.31	3.41	3.48	3.36	3.28	3.06	108.24	80.41	
2024	3.50	3.94	3.84	3.66	3.66	3.00	3.38	3.38	3.48	3.56	3.44	3.36	3.14	110.40	83.01	
2025	3.50	4.02	3.92	3.73	3.73	3.01	3.45	3.45	3.55	3.63	3.52	3.43	3.21	112.62	85.69	
2026	3.50	4.10	4.00	3.80	3.80	3.01	3.53	3.53	3.63	3.70	3.60	3.50	3.29	114.87	88.40	
2027	3.50	4.18	4.08	3.88	3.88	3.01	3.60	3.60	3.70	3.78	3.68	3.58	3.36	117.17	91.17	
2028+	3.50	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	3.01	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

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

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**Table 3**  
**GLJ Petroleum Consultants**  
**International and Frontier**  
**Price Forecast**  
 Effective January 1, 2018

Year	Inflation %	Exchange Rates			NYMEX WTI Near Month Contract Crude Oil at Cushing, OK		Light Louisiana Sweet Crude Oil		Maya Crude Oil		Brent Blend Crude Oil FOB North Sea		NYMEX Henry Hub Near Month Contract		Algonquin City-Gates		National Balancing Point (UK)		
		CADUSD Exchange Rate	GBPUSD Exchange Rate	EURUSD Exchange Rate	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current
		USD/CAD	USD/GBP	USD/EUR	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	USD/MMBtu
2008	2.4	0.9428	1.8514	1.4573	99.64	104.27	102.31	107.04	83.90	87.62	98.30	102.81	8.90	9.36	8.55	10.36	11.41	12.12	
2009	0.4	0.8798	1.5649	1.3930	61.78	69.57	64.31	72.52	56.46	63.55	62.50	70.47	4.16	4.75	4.88	5.61	4.95	5.68	
2010	1.8	0.9711	1.5465	1.3274	79.52	81.85	82.78	85.20	70.29	72.35	80.25	82.58	4.40	4.53	5.33	5.50	6.39	6.58	
2011	2.9	1.0115	1.6038	1.3920	95.12	94.02	112.33	111.03	98.60	97.52	110.86	109.57	4.03	3.98	5.08	5.02	9.35	9.25	
2012	1.5	1.0009	1.5854	1.2861	94.21	94.11	111.77	111.62	99.60	99.50	111.71	111.57	2.83	2.82	3.99	3.99	9.38	9.37	
2013	0.9	0.9711	1.5645	1.3285	97.96	100.95	106.19	109.32	97.26	100.13	108.77	112.04	3.73	3.84	7.16	7.36	10.50	10.82	
2014	1.9	0.9055	1.6472	1.3288	93.00	102.50	94.24	103.88	85.79	94.53	99.71	109.89	4.28	4.72	8.33	9.21	8.25	9.12	
2015	1.1	0.7831	1.5283	1.1097	48.78	62.12	49.43	62.97	44.02	55.99	53.60	68.23	2.63	3.36	4.90	6.19	6.52	8.31	
2016	1.4	0.7551	1.3550	1.1066	43.38	57.33	45.08	59.58	36.40	48.09	45.05	59.54	2.55	3.38	3.22	4.29	4.66	6.18	
2017	1.6	0.771	1.289	1.129	50.88	66.02	54.01	70.04	46.97	60.89	54.16	70.26	3.02	3.93	3.50	4.52	5.63	7.29	
2018 Q1	2.0	0.790	1.350	1.175	59.00	74.68	62.00	78.48	57.42	72.68	66.00	83.54	2.80	3.54	4.20	5.32	6.25	7.91	
2018 Q2	2.0	0.790	1.350	1.175	59.00	74.68	62.00	78.48	57.42	72.68	66.00	83.54	2.80	3.54	4.20	5.32	6.25	7.91	
2018 Q3	2.0	0.790	1.350	1.175	59.00	74.68	62.00	78.48	56.55	71.58	65.00	82.28	2.90	3.67	4.30	5.44	6.25	7.91	
2018 Q4	2.0	0.790	1.350	1.175	59.00	74.68	62.00	78.48	56.55	71.58	65.00	82.28	2.90	3.67	4.30	5.44	6.25	7.91	
2018 Full Year	2.0	0.790	1.350	1.175	59.00	74.68	62.00	78.48	56.98	72.13	65.50	82.91	2.85	3.61	4.25	5.38	6.25	7.91	
2019	2.0	0.790	1.300	1.150	59.00	74.68	61.50	77.85	55.25	69.93	63.50	80.38	3.00	3.80	4.40	5.57	6.50	8.23	
2020	2.0	0.800	1.300	1.150	60.00	75.00	62.50	78.13	54.81	68.51	63.00	78.75	3.25	4.06	4.65	5.81	6.75	8.44	
2021	2.0	0.810	1.300	1.150	63.00	77.78	65.50	80.86	57.42	70.89	66.00	81.48	3.50	4.32	4.70	5.80	7.00	8.64	
2022	2.0	0.820	1.300	1.150	66.00	80.49	68.50	83.54	60.03	73.21	69.00	84.15	3.70	4.51	4.70	5.73	7.15	8.72	
2023	2.0	0.830	1.300	1.150	69.00	83.13	71.50	86.14	62.64	75.47	72.00	86.75	3.86	4.65	4.86	5.86	7.30	8.80	
2024	2.0	0.830	1.300	1.150	72.00	86.75	74.50	89.76	65.25	78.61	75.00	90.36	3.94	4.75	4.94	5.95	7.45	8.98	
2025	2.0	0.830	1.300	1.150	75.00	90.36	77.50	93.37	67.86	81.76	78.00	93.98	4.02	4.84	5.02	6.05	7.60	9.16	
2026	2.0	0.830	1.300	1.150	77.33	93.17	79.83	96.18	69.89	84.20	80.33	96.78	4.10	4.94	5.10	6.14	7.75	9.34	
2027	2.0	0.830	1.300	1.150	78.88	95.04	81.38	98.05	71.24	85.83	81.88	98.65	4.18	5.04	5.18	6.24	7.90	9.52	
2028+	2.0	0.830	1.300	1.150	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

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

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**Table 4**  
 GLJ Petroleum Consultants  
**US Liquids and Natural Gas**  
**Price Forecast**  
 Effective January 1, 2018

Year	US Natural Gas Liquids (Then Current Dollars)					US Natural Gas (Then Current Dollars)				
	Conway			Mont Belvieu		Rockies			Algonquin City-Gates	
	80%-20% E/P Mix USD/bbl	Propane USD/bbl	Butane USD/bbl	Condensate USD/bbl	Ethane USD/bbl	Propane USD/bbl	Butane USD/bbl	Condensate USD/bbl	Natural Gas USD/MMBtu	Natural Gas USD/MMBtu
2018 Q1	8.40	35.40	44.25	57.23	9.10	36.58	44.25	57.82	2.50	4.20
2018 Q2	8.40	35.40	44.25	57.23	9.10	36.58	44.25	57.82	2.50	4.20
2018 Q3	8.70	35.40	44.25	57.23	9.42	36.58	44.25	57.82	2.60	4.30
2018 Q4	8.70	35.40	44.25	57.23	9.42	36.58	44.25	57.82	2.60	4.30
2018	8.55	35.40	44.25	57.23	9.26	36.58	44.25	57.82	2.55	4.25
2019	9.00	26.55	38.35	53.10	9.75	27.73	38.35	54.28	2.70	4.40
2020	9.75	27.00	39.00	54.00	10.56	28.20	39.00	55.20	2.95	4.65
2021	10.50	28.35	40.95	56.70	11.38	29.61	40.95	57.96	3.20	4.70
2022	11.10	29.70	42.90	59.40	12.03	31.02	42.90	60.72	3.40	4.70
2023	11.58	31.05	44.85	62.10	12.55	32.43	44.85	63.48	3.56	4.86
2024	11.82	32.40	46.80	64.80	12.81	33.84	46.80	66.24	3.64	4.94
2025	12.06	33.75	48.75	67.50	13.07	35.25	48.75	69.00	3.72	5.02
2026	12.30	34.80	50.26	69.60	13.32	36.35	50.26	71.14	3.80	5.10
2027	12.54	35.50	51.27	70.99	13.59	37.07	51.27	72.57	3.88	5.18
2028+	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Butane prices at Conway and Mont Belvieu represent a blended price of two thirds normal butane and one third iso-butane.

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## SECURITIES REPORTING

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## SECURITIES REPORTING OUTLINE

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### **PART 5 ADDITIONAL INFORMATION RELATING TO RESERVES DATA**

- 5.1 Undeveloped Reserves
- 5.2 Significant Factors or Uncertainties
- 5.3 Future Development Costs

### **PART 6 OTHER OIL AND GAS INFORMATION**

- 6.3 Forward Contracts
- 6.5 Tax Horizon
- 6.8 Production Estimates

## SECURITIES REPORTING DISCUSSION

The Canadian Securities Administrators (CSA) have set out disclosure standards for Canadian publicly traded oil and gas companies in National Instrument 51-101 (NI 51-101).

This section presents reserves data following the item numbering and formatting in CSA Form 51-101F1 and the sample tables contained in Appendix 1 to the NI 51-101 Companion Policy (51-101CP). This section has been provided to assist the Company in preparing the disclosure required by NI 51-101 and is not intended to be reproduced "as is" in order to satisfy those requirements. The information provided relates only to certain parts of the disclosure required by NI 51-101 and, as a whole, is not presented in a format suitable for compliance with those requirements. It is the Company's responsibility to prepare the format for its disclosure and to ensure compliance with the disclosure requirements of NI 51-101.

The Report on Reserves Data, Form 51-101F2, is provided separately.

### ***Note Regarding Nomenclature:***

Throughout this report, "Company Interest" reserves refers to the sum of royalty interest\* and working interest reserves before deduction of royalty burdens payable. "Working Interest" reserves equate to those reserves that are referred to as "Company Gross" reserves by the Canadian Securities Administrators (CSA) in NI 51-101.

In this Securities Reporting section, Company Gross (or working interest) volumes are presented in tables to correspond to NI 51-101 disclosure requirements.

*\*Royalty interest reserves include royalty volumes derived only from other working interest owners.*

## **PART 1      DATE OF STATEMENT**

### **Item 1.1      Relevant Dates**

1. Effective Date:

The effective date of the reserves estimates and revenue projections in this report is December 31, 2017.

2. Data Date:

Estimates of reserves and projections of production were generally prepared using general well information and production data provided by the Company to



approximately December 31, 2017. In certain instances, the Company provided production and well information up to December 31, 2017. The Company has provided GLJ with a representation letter confirming that complete and correct information has been provided to GLJ.

3. Preparation Date:

The preparation date (the latest date of receipt of information relevant to this evaluation) of this report is March 22, 2018.

## **PART 2 DISCLOSURE OF RESERVES DATA**

### **Item 2.1 Reserves Data (Forecast Prices and Costs)**

1. Breakdown of Reserves (Forecast Case)  
Refer to Table FP-1
2. Net Present Value of Future Net Revenue (Forecast Case)  
Refer to Table FP-2
3. Additional Information Concerning Future Net Revenue (Forecast Case)
  - (a) and (b) Undiscounted Revenue and Costs  
Refer to Table FP-3
  - (c) Discounted Future Net Revenue by Product Type  
Refer to Table FP-4

## **PART 3 PRICING ASSUMPTIONS**

### **Item 3.2 Forecast Prices Used in Estimates**

1. (a) The forecast reference prices used in preparing the Company's reserves data are provided in Table FP-5.

This price forecast is GLJ's standard price forecast effective January 1, 2018.

## **PART 4 RECONCILIATION OF CHANGES IN RESERVES**

### **Item 4.1 Reserves Reconciliation**

Table FP-6 provides a reconciliation of Company Gross reserves based on forecast prices and costs for the current year-end evaluation.

**PART 5 ADDITIONAL INFORMATION RELATING TO RESERVES DATA****Item 5.1 Undeveloped Reserves****1.(a) and 2.(a) Year First Attributed**

Table FP-7 provides a summary of the undeveloped reserves first attributed during the current fiscal year and the Company total at the current year-end effective date.

**1.(b) and 2.(b) General Basis for Reserves and Timing of Development**

Proved and probable undeveloped reserves have been estimated in accordance with procedures and standards contained in the COGE Handbook.

There are no undeveloped reserves associated with the Company's reserves assets.

**Item 5.2 Significant Factors or Uncertainties**

The evaluated oil and gas properties of the Company have no material extraordinary risks or uncertainties beyond those which are inherent of an oil and gas producing company.

**Item 5.3 Future Development Costs**

1. Table FP-8 summarizes capital development costs related to the recovery of the Company's reserves.

**PART 6 OTHER OIL AND GAS INFORMATION****Item 6.3 Forward Contracts**

In accordance with the provisions in NI 51-101, the impact of the Company's financial hedges has not been included in this report.

**Item 6.5 Tax Horizon**

Based on after tax economic forecasts prepared by GLJ, income taxes are not payable by the Company in the total proved reserves category and are payable in 2029 in the total proved plus probable reserves category. After tax revenue projections are provided in the After Tax Analysis section of this report.

**Item 6.8      Production Estimates**

Table FP-9 presents a forecast of the Company's production by product type in the first year of forecast.

Production for properties which individually account for 20 percent or more of the Company's forecast production (total proved plus probable reserves, boe basis) in the first year of forecast has been identified separately in this table.

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **\$US Dollars**

**Table FP-1**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

**Summary Of Oil And Gas Reserves**

Reserves Category	Light & Medium Oil			Oil Equivalent		
	Company Gross Mbbl	Company Before Royalty Mbbl	Company Net Mbbl	Company Gross Mboe	Company Before Royalty Mboe	Company Net Mboe
PROVED						
Producing	228	228	200	228	228	200
Developed Non-Producing	9	9	8	9	9	8
Undeveloped	0	0	0	0	0	0
TOTAL PROVED	237	237	207	237	237	207
TOTAL PROBABLE	68	68	59	68	68	59
TOTAL PROVED PLUS PROBABLE	305	305	267	305	305	267
TOTAL POSSIBLE	64	64	56	64	64	56
TOTAL PPP	369	369	323	369	369	323

Table FP-2

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Summary Net Present Values of Future Net Revenue

Reserves Category	Net Present Values of Future Net Revenue Before Income Taxes Discounted At (%/year)					Net Present Values of Future Net Revenue After Income Taxes Discounted At (%/year)					Unit Value Before Income Tax Discounted at 10%/year		
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%	\$/boe	\$/Mcf	
	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$			
PROVED													
Producing	4,542	3,976	3,527	3,168	2,877	4,542	3,976	3,527	3,168	2,877	17.67	2.95	
Developed Non-Producing	76	63	52	43	35	76	63	52	43	35	6.83	1.14	
Undeveloped	0	0	0	0	0	0	0	0	0	0	0.00	0.00	
TOTAL PROVED	4,618	4,039	3,579	3,210	2,912	4,618	4,039	3,579	3,210	2,912	17.27	2.88	
TOTAL PROBABLE	1,621	1,155	849	644	503	1,586	1,135	837	637	499	14.30	2.38	
TOTAL PROVED PLUS PROBABLE	6,239	5,194	4,428	3,854	3,415	6,203	5,174	4,416	3,847	3,411	16.61	2.77	
TOTAL POSSIBLE	1,549	1,007	687	491	366	1,379	915	636	462	349	12.20	2.03	
TOTAL PPP	7,788	6,201	5,114	4,345	3,782	7,583	6,090	5,052	4,309	3,760	15.84	2.64	

#### Notes

1. Unit values are based on Company Net Reserves.

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **\$US Dollars**

**Table FP-3**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

**Total Future Net Revenue (Undiscounted)**

Reserves Category	Revenue M\$	Royalties M\$	Operating Costs M\$	Capital Development Costs M\$	Aband. & Recl. Costs M\$	Future Net Revenue Before Income Taxes M\$	Income Tax M\$	Future Net Revenue After Income Taxes M\$
Proved Producing	15,039	1,880	8,464	0	153	4,542	-	4,542
Proved Developed Non-Producing	582	73	369	39	25	76	-	76
Proved Undeveloped	0	0	0	0	0	0	-	-
<b>Total Proved</b>	<b>15,621</b>	<b>1,953</b>	<b>8,833</b>	<b>39</b>	<b>178</b>	<b>4,618</b>	<b>-</b>	<b>4,618</b>
<b>Total Probable</b>	<b>5,229</b>	<b>654</b>	<b>2,944</b>	<b>0</b>	<b>10</b>	<b>1,621</b>	<b>36</b>	<b>1,586</b>
<b>Total Proved Plus Probable</b>	<b>20,849</b>	<b>2,606</b>	<b>11,777</b>	<b>39</b>	<b>188</b>	<b>6,239</b>	<b>36</b>	<b>6,203</b>
<b>Total Possible</b>	<b>5,256</b>	<b>657</b>	<b>3,040</b>	<b>0</b>	<b>10</b>	<b>1,549</b>	<b>-</b>	<b>-</b>
<b>Total PPP</b>	<b>26,106</b>	<b>3,263</b>	<b>14,817</b>	<b>39</b>	<b>198</b>	<b>7,788</b>	<b>206</b>	<b>7,583</b>

**Notes**

1. Disclosure is required for Total Proved and Proved Plus Probable reserves

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **\$US Dollars**

**Table FP-4**

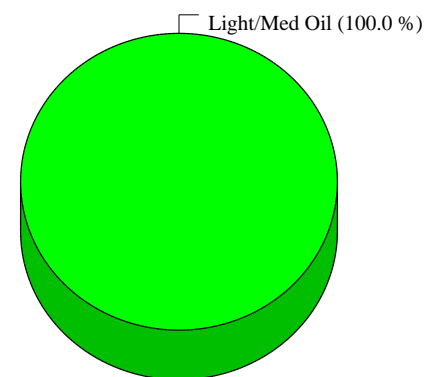
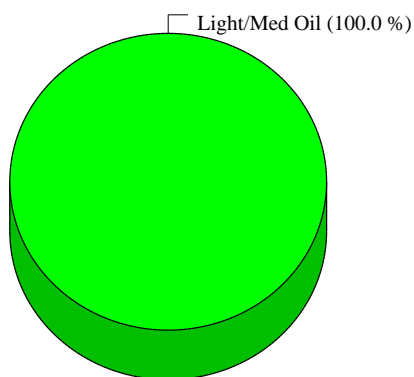
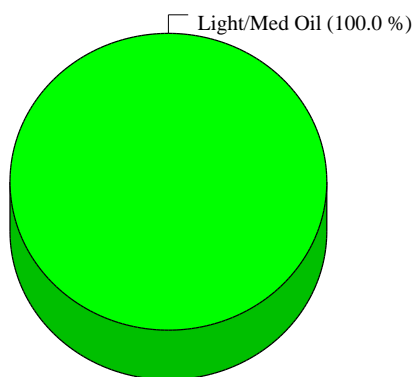
Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

**Future Net Revenue by Product Type**

	Future Net Revenue Before Income Taxes [2] (Discounted at 10% per year)		
	M\$	\$/boe	\$/Mcfe
<b><i>Proved Producing</i></b>			
Light & Medium Oil [1]	3,527	17.67	2.95
<b>Total: Proved Producing</b>	<b>3,527</b>	<b>17.67</b>	<b>2.95</b>
<b><i>Total Proved</i></b>			
Light & Medium Oil [1]	3,579	17.27	2.88
<b>Total: Total Proved</b>	<b>3,579</b>	<b>17.27</b>	<b>2.88</b>
<b><i>Total Proved Plus Probable</i></b>			
Light & Medium Oil [1]	4,428	16.61	2.77
<b>Total: Total Proved Plus Probable</b>	<b>4,428</b>	<b>16.61</b>	<b>2.77</b>
<b><i>Total PPP</i></b>			
Light & Medium Oil [1]	5,114	15.84	2.64
<b>Total: Total PPP</b>	<b>5,114</b>	<b>15.84</b>	<b>2.64</b>

**Notes**

- Including solution gas and other by-products
- Other company revenue and costs not related to a specific production group have been allocated proportionately to production groups. Unit values are based on Company Net Reserves.

**Percentage of Future Net Revenue (10% DCF)*****Total Proved******Total Proved Plus Probable******Total PPP***

**Table FP-5 (1 of 4)**  
**GLJ Petroleum Consultants**  
**Crude Oil and Natural Gas Liquids**  
**GLJ (2018-01)**  
**Effective January 1, 2018**

Year	Inflation %	CAD/USD Exchange Rate USD/CAD	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing, Oklahoma		Brent Blend Crude Oil FOB North Sea	Light, Sweet Crude Oil (40 API, 0.3%S) at Edmonton	Bow River Crude Oil Stream Quality at Hardisty	WCS Crude Oil Stream Quality at Hardisty	Heavy Crude Oil Proxy (12 API) at Hardisty	Light Sour Crude Oil (35 API, 1.2%S) at Cromer	Medium Crude Oil (29 API, 2.0%S) at Cromer	Alberta Natural Gas Liquids (Then Current Dollars)			
			Constant 2018 \$ USD/bbl	Then Current USD/bbl	Then Current USD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Spec Ethane CAD/bbl	Edmonton Propane CAD/bbl
2018	2.0	0.7900	59.00	59.00	65.50	70.25	49.39	48.89	39.63	68.85	65.34	6.75	40.40	53.74	76.42
2019	2.0	0.7900	57.84	59.00	63.50	70.25	53.66	53.16	45.71	68.85	65.34	7.95	36.53	49.18	74.68
2020	2.0	0.8000	57.67	60.00	63.00	70.31	56.75	56.25	49.81	68.91	65.39	9.12	35.93	49.22	74.38
2021	2.0	0.8100	59.37	63.00	66.00	72.84	59.76	59.26	52.89	71.38	67.74	10.34	36.06	50.99	77.16
2022	2.0	0.8200	60.97	66.00	69.00	75.61	62.70	62.20	55.89	74.10	70.32	11.14	36.29	52.93	79.88
2023	2.0	0.8300	62.50	69.00	72.00	78.31	65.56	65.06	58.82	76.75	72.83	11.51	37.59	54.82	82.53
2024	2.0	0.8300	63.93	72.00	75.00	81.93	69.17	68.67	62.43	80.29	76.19	11.76	39.33	57.35	86.14
2025	2.0	0.8300	65.29	75.00	78.00	85.54	72.79	72.29	66.05	83.83	79.55	12.02	41.06	59.88	89.76
2026	2.0	0.8300	66.00	77.33	80.33	88.35	75.60	75.10	68.86	86.58	82.16	12.27	42.41	61.84	92.57
2027	2.0	0.8300	66.00	78.88	81.88	90.22	77.46	76.96	70.72	88.41	83.90	12.53	43.30	63.15	94.43
2028	2.0	0.8300	66.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

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



**Table FP-5 (2 of 4)**  
**GLJ Petroleum Consultants**  
**Natural Gas and Sulphur**  
**GLJ (2018-01)**  
**Effective January 1, 2018**

Year	NYMEX Henry Hub Near Month Contract		Midwest Price at Chicago	AECO/NIT Spot	Alliance Transfer Pool Spot	Alberta Plant Gate			Saskatchewan Plant Gate			British Columbia		Sulphur FOB Vancouver	Alberta Sulphur at Plant Gate
	Constant 2018 \$	Then Current	Then Current	Then Current	Then Current	Constant 2018 \$	Then Current	ARP	SaskEnergy	Spot	Sumas Spot	Westcoast Station 2	Spot Plant Gate	USD/lt	CAD/lt
	USD/MMBtu	USD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/lt	CAD/lt
2018	2.85	2.85	2.75	2.20	2.20	1.94	1.94	1.94	2.04	2.10	2.48	1.40	1.19	90.00	63.92
2019	2.94	3.00	2.90	2.54	2.54	2.24	2.28	2.28	2.38	2.44	2.50	1.99	1.78	100.00	76.58
2020	3.12	3.25	3.15	2.88	2.88	2.52	2.62	2.62	2.72	2.78	2.75	2.48	2.27	102.00	77.50
2021	3.30	3.50	3.40	3.24	3.24	2.80	2.97	2.97	3.07	3.14	3.00	2.94	2.73	104.04	78.44
2022	3.42	3.70	3.60	3.47	3.47	2.96	3.20	3.20	3.30	3.37	3.20	3.17	2.96	106.12	79.41
2023	3.50	3.86	3.76	3.58	3.58	3.00	3.31	3.31	3.41	3.48	3.36	3.28	3.06	108.24	80.41
2024	3.50	3.94	3.84	3.66	3.66	3.00	3.38	3.38	3.48	3.56	3.44	3.36	3.14	110.40	83.01
2025	3.50	4.02	3.92	3.73	3.73	3.01	3.45	3.45	3.55	3.63	3.52	3.43	3.21	112.62	85.69
2026	3.50	4.10	4.00	3.80	3.80	3.01	3.53	3.53	3.63	3.70	3.60	3.50	3.29	114.87	88.40
2027	3.50	4.18	4.08	3.88	3.88	3.01	3.60	3.60	3.70	3.78	3.68	3.58	3.36	117.17	91.17
2028	3.50	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	3.01	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

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

**Table FP-5 (3 of 4)**  
**GLJ Petroleum Consultants**  
**International and Frontier**  
**GLJ (2018-01)**  
**Effective January 1, 2018**

Year	Inflation %	CADUSD Exchange Rate USD/CAD	GBPUSD Exchange Rate USD/GBP	EURUSD Exchange Rate USD/EUR	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing, Oklahoma		Light Louisiana Sweet Crude Oil		Maya Crude Oil		Brent Blend Crude Oil FOB North Sea		NYMEX Henry Hub Near Month Contract		Algonquin City-Gates		National Balancing Point (UK)			
					Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current
					USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu
2018	2.0	0.7900	1.3500	1.1750	59.00	74.68	62.00	78.48	56.98	72.13	65.50	82.91	2.85	3.61	4.25	5.38	6.25	7.91		
2019	2.0	0.7900	1.3000	1.1500	59.00	74.68	61.50	77.85	55.25	69.93	63.50	80.38	3.00	3.80	4.40	5.57	6.50	8.23		
2020	2.0	0.8000	1.3000	1.1500	60.00	75.00	62.50	78.13	54.81	68.51	63.00	78.75	3.25	4.06	4.65	5.81	6.75	8.44		
2021	2.0	0.8100	1.3000	1.1500	63.00	77.78	65.50	80.86	57.42	70.89	66.00	81.48	3.50	4.32	4.70	5.80	7.00	8.64		
2022	2.0	0.8200	1.3000	1.1500	66.00	80.49	68.50	83.54	60.03	73.21	69.00	84.15	3.70	4.51	4.70	5.73	7.15	8.72		
2023	2.0	0.8300	1.3000	1.1500	69.00	83.13	71.50	86.14	62.64	75.47	72.00	86.75	3.86	4.65	4.86	5.86	7.30	8.80		
2024	2.0	0.8300	1.3000	1.1500	72.00	86.75	74.50	89.76	65.25	78.61	75.00	90.36	3.94	4.75	4.94	5.95	7.45	8.98		
2025	2.0	0.8300	1.3000	1.1500	75.00	90.36	77.50	93.37	67.86	81.76	78.00	93.98	4.02	4.84	5.02	6.05	7.60	9.16		
2026	2.0	0.8300	1.3000	1.1500	77.33	93.17	79.83	96.18	69.89	84.20	80.33	96.78	4.10	4.94	5.10	6.14	7.75	9.34		
2027	2.0	0.8300	1.3000	1.1500	78.88	95.04	81.38	98.05	71.24	85.83	81.88	98.65	4.18	5.04	5.18	6.24	7.90	9.52		
2028	2.0	0.8300	1.3000	1.1500	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr		

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

**Table FP-5 (4 of 4)**  
**GLJ Petroleum Consultants**  
**US Liquids and Natural Gas**  
**GLJ (2018-01)**  
**Effective January 1, 2018**

US Natural Gas Liquids  
(Then Current Dollars)

US Natural Gas  
(Then Current Dollars)

Year	Conway				Mont Belvieu				US Natural Gas (Then Current Dollars)	
	80%-20% E/P Mix USD/bbl	Propane USD/bbl	Butane USD/bbl	Condensate USD/bbl	Ethane USD/bbl	Propane USD/bbl	Butane USD/bbl	Condensate USD/bbl	Rockies Natural Gas USD/MMBtu	Algonquin City-Gates Natural Gas USD/MMBtu
2018	8.55	35.40	44.25	57.23	9.26	36.58	44.25	57.82	2.55	4.25
2019	9.00	26.55	38.35	53.10	9.75	27.73	38.35	54.28	2.70	4.40
2020	9.75	27.00	39.00	54.00	10.56	28.20	39.00	55.20	2.95	4.65
2021	10.50	28.35	40.95	56.70	11.38	29.61	40.95	57.96	3.20	4.70
2022	11.10	29.70	42.90	59.40	12.03	31.02	42.90	60.72	3.40	4.70
2023	11.58	31.05	44.85	62.10	12.55	32.43	44.85	63.48	3.56	4.86
2024	11.82	32.40	46.80	64.80	12.81	33.84	46.80	66.24	3.64	4.94
2025	12.06	33.75	48.75	67.50	13.07	35.25	48.75	69.00	3.72	5.02
2026	12.30	34.80	50.26	69.60	13.32	36.35	50.26	71.14	3.80	5.10
2027	12.54	35.50	51.27	70.99	13.59	37.07	51.27	72.57	3.88	5.18
2028	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Butane prices at Conway and Mont Belvieu represent a blended price of two thirds normal butane and one third iso-butane.

**TABLE FP-6  
PARK PLACE ENERGY INC.  
DECEMBER 31, 2017  
RECONCILIATION OF COMPANY GROSS RESERVES  
BY PRINCIPAL PRODUCT TYPE  
FORECAST PRICES AND COSTS**

	Total Light and Medium Crude			Total Heavy Crude			Total Natural Gas			Total Natural Gas Liquids			BOE		
	Proved (Mbbbl)	Probable (Mbbbl)	Proved + Probable (Mbbbl)	Proved (Mbbbl)	Probable (Mbbbl)	Proved + Probable (Mbbbl)	Proved (MMcf)	Probable (MMcf)	Proved + Probable (MMcf)	Proved (Mbbbl)	Probable (Mbbbl)	Proved + Probable (Mbbbl)	Proved (Mboe)	Probable (Mboe)	Proved + Probable (Mboe)
<b>COMPANY TOTAL GROSS</b>															
FACTORS															
December 31, 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product Type Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted December 31, 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Discoveries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extensions*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infill Drilling*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Improved Recovery*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technical Revisions	0	0	0	0	0	0	0	9	9	0	0	0	0	2	2
Acquisitions	282	68	350	0	0	0	9	(9)	0	0	0	0	284	66	350
Dispositions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Factors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Production	(45)	0	(45)	0	0	0	(9)	0	(9)	0	0	0	(47)	0	(47)
December 31, 2017	237	68	305	0	0	0	0	0	0	0	0	0	237	68	305
<b>Conventional Reservoirs</b>															
FACTORS															
December 31, 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Product Type Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted December 31, 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Discoveries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extensions*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infill Drilling*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Improved Recovery*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technical Revisions	0	0	0	0	0	0	0	9	9	0	0	0	0	2	2
Acquisitions	282	68	350	0	0	0	9	(9)	0	0	0	0	284	66	350
Dispositions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic Factors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Production	(45)	0	(45)	0	0	0	(9)	0	(9)	0	0	0	(47)	0	(47)
December 31, 2017	237	68	305	0	0	0	0	0	0	0	0	0	237	68	305

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**

## Table FP-7

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Undeveloped Reserves Attributed in Current Year

#### Proved Undeveloped

Light & Medium Oil (Mbbbl)		Heavy Oil (Mbbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbbl)		BOE (Mboe)	
Attributed This Year*	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total
0	0	0	0	0	0	0	0	0	0

#### Probable Undeveloped

Light & Medium Oil (Mbbbl)		Heavy Oil (Mbbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbbl)		BOE (Mboe)	
Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total
0	0	0	0	0	0	0	0	0	0

\* Refers to reserves first attributed in this fiscal year ending on the effective date.

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **\$US Dollars**

**Table FP-8**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

**Company Annual Capital Expenditures (M\$)**

Entity Description	Year												Totals			10% Discounted	
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Subtotal	Remainder	Total		
Proved Producing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Proved	39	0	0	0	0	0	0	0	0	0	0	0	39	0	39	37	
Total Proved Plus Probable	39	0	0	0	0	0	0	0	0	0	0	0	39	0	39	37	
Total PPP	39	0	0	0	0	0	0	0	0	0	0	0	39	0	39	37	

Company: Park Place Energy Inc.  
Property: Corporate  
Description: Summary with After Tax  
Currency: \$US Dollars

Table FP-9

Reserve Class: Various  
Development Class: Classifications  
Pricing: GLJ (2018-01)  
Effective Date: December 31, 2017

Summary of First Year Production

Entity Description	Light & Medium Oil		Oil Equivalent	
	Company Gross bbl/d	Company Net bbl/d	Company Gross boe/d	Company Net boe/d
<i>Proved Producing</i>				
Cendere	104	91	104	91
<b>Total: Proved Producing</b>	<b>104</b>	<b>91</b>	<b>104</b>	<b>91</b>
<i>Proved Developed Non-Producing</i>				
Cendere	1	1	1	1
<b>Total: Proved Developed Non-Producing</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<i>Proved Undeveloped</i>				
Cendere	0	0	0	0
<b>Total: Proved Undeveloped</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Proved</b>	<b>106</b>	<b>92</b>	<b>106</b>	<b>92</b>
<i>Total Probable</i>				
Cendere	2	1	2	1
<b>Total: Total Probable</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>
<b>Total Proved Plus Probable</b>	<b>107</b>	<b>94</b>	<b>107</b>	<b>94</b>
<i>Total Possible</i>				
Cendere	1	1	1	1
<b>Total: Total Possible</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Total PPP</b>	<b>108</b>	<b>95</b>	<b>108</b>	<b>95</b>

**AFTER TAX ANALYSIS****TABLE OF CONTENTS**

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<b>ECONOMIC FORECASTS</b>	
Proved Producing	72
Proved Developed Non-Producing	75
Proved Undeveloped	78
Total Proved	79
Total Probable	82
Total Proved Plus Probable	85
Total Possible	88
Total PPP	90



## AFTER TAX ANALYSIS

Turkish income taxes were calculated based on currently legislated tax rates, tax regulations and tax pool information provided by the Company. After tax values for reserves development status or production status subcategories (i.e. developed, undeveloped, producing, non-producing) are calculated by difference.

### ***Tax Pools***

The following tax pools as of the effective date were included in the income tax calculations:

<u>Tax Pool Classification</u>	<u>Write-Off Rate (%)</u>	<u>Tax Pool (M\$)</u>
Drilling and Facility Capital	STL*	8,388.0
Non-Capital Losses	100	0.0

*\*Straight line depreciation method for fixed assets*

### ***Tax Rates***

The corporate income tax rate in Turkey is 22 percent.

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undevelope d	Total Proved	Total Probable	Total Proved Plus Probable	Total Possible	Total PPP
<b>MARKETABLE RESERVES</b>								
<b>Light &amp; Medium Oil (Mbbbl)</b>								
Total Company Interest	228	9	0	237	68	305	64	369
Working Interest	228	9	0	237	68	305	64	369
Net After Royalty	200	8	0	207	59	267	56	323
<b>Oil Equivalent (Mboe)</b>								
Total Company Interest	228	9	0	237	68	305	64	369
Working Interest	228	9	0	237	68	305	64	369
Net After Royalty	200	8	0	207	59	267	56	323
<b>BEFORE TAX PRESENT VALUE (M\$)</b>								
0%	4,542	76	0	4,618	1,621	6,239	1,549	7,788
5%	3,976	63	0	4,039	1,155	5,194	1,007	6,201
8%	3,694	56	0	3,751	956	4,707	796	5,502
10%	3,527	52	0	3,579	849	4,428	687	5,114
12%	3,374	48	0	3,421	757	4,179	597	4,776
15%	3,168	43	0	3,210	644	3,854	491	4,345
20%	2,877	35	0	2,912	503	3,415	366	3,782
<b>AFTER TAX PRESENT VALUE (M\$)</b>								
0%	4,542	76	0	4,618	1,586	6,203	0	7,583
5%	3,976	63	0	4,039	1,135	5,174	0	6,090
8%	3,694	56	0	3,751	942	4,693	0	5,424
10%	3,527	52	0	3,579	837	4,416	0	5,052
12%	3,374	48	0	3,421	748	4,169	0	4,726
15%	3,168	43	0	3,210	637	3,847	0	4,309
20%	2,877	35	0	2,912	499	3,411	0	3,760

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: April 05, 2018 09:52:30

1181620 Class (A,B1,B2,C,F,I,O,R), GLJ (2018-01), psum

April 09, 2018 11:12:25

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **Proved**  
 Development Class: **Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	2	104	38	33	62.00
2019	2	89	33	28	59.93
2020	2	77	28	25	59.36
2021	2	67	24	21	62.29
2022	2	58	21	18	65.21
2023	2	51	19	16	68.14
2024	2	46	17	15	71.06
2025	2	40	15	13	73.98
2026	2	35	13	11	76.23
2027	2	30	11	10	77.70
2028	2	27	10	9	79.25
2029	0	0	0	0	0.00
Sub.			228	200	65.94
Rem.			0	0	0.00
<b>Tot.</b>			<b>228</b>	<b>200</b>	<b>65.94</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,361	0	0	2,361	0	2,361	295	0	0	0	295	2,066	559	350	909
2019	1,949	0	0	1,949	0	1,949	244	0	0	0	244	1,705	553	305	858
2020	1,675	0	0	1,675	0	1,675	209	0	0	0	209	1,466	562	270	832
2021	1,519	0	0	1,519	0	1,519	190	0	0	0	190	1,329	565	238	803
2022	1,375	0	0	1,375	0	1,375	172	0	0	0	172	1,203	560	210	770
2023	1,278	0	0	1,278	0	1,278	160	0	0	0	160	1,118	569	190	760
2024	1,195	0	0	1,195	0	1,195	149	0	0	0	149	1,046	580	174	754
2025	1,083	0	0	1,083	0	1,083	135	0	0	0	135	947	574	155	729
2026	973	0	0	973	0	973	122	0	0	0	122	852	568	138	705
2027	862	0	0	862	0	862	108	0	0	0	108	754	560	122	682
2028	770	0	0	770	0	770	96	0	0	0	96	674	553	109	662
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	15,039	0	0	15,039	0	15,039	1,880	0	0	0	1,880	13,159	6,203	2,261	8,464
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>15,039</b>	<b>0</b>	<b>0</b>	<b>15,039</b>	<b>0</b>	<b>15,039</b>	<b>1,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,880</b>	<b>13,159</b>	<b>6,203</b>	<b>2,261</b>	<b>8,464</b>
Disc	10,237	0	0	10,237	0	10,237	1,280	0	0	0	1,280	8,958	3,837	1,551	5,388

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,157	0	0	1,157	0	0	0	0	0	1,157	1,157	1,103
2019	0	0	0	847	0	0	847	0	0	0	0	0	847	2,004	1,837
2020	0	0	0	633	0	0	633	0	0	0	0	0	633	2,637	2,336
2021	0	0	0	526	0	0	526	0	0	0	0	0	526	3,163	2,713
2022	0	0	0	433	0	0	433	0	0	0	0	0	433	3,596	2,995
2023	0	0	0	358	0	11	347	0	0	0	0	0	347	3,943	3,201
2024	0	0	0	292	0	0	292	0	0	0	0	0	292	4,235	3,358
2025	0	0	0	218	0	0	218	0	0	0	0	0	218	4,454	3,464
2026	0	0	0	146	0	11	135	0	0	0	0	0	135	4,588	3,524
2027	0	0	0	73	0	0	73	0	0	0	0	0	73	4,661	3,554
2028	0	0	0	11	0	0	11	0	0	0	0	0	11	4,673	3,558
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	4,673	3,558
Sub.	0	0	0	4,695	0	22	4,673	0	0	0	0	0	4,673	4,673	3,558
Rem.	0	0	0	0	0	131	-131	0	0	0	0	0	-131	4,542	3,527
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,695</b>	<b>0</b>	<b>153</b>	<b>4,542</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,542</b>	<b>4,542</b>	<b>3,527</b>
Disc	0	0	0	3,570	0	43	3,527	0	0	0	0	0	3,527	3,527	3,527

## AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	
2018	1,157	8,388	0	0	0	0	1,637	0	0	0	0	1,637
2019	847	6,751	0	0	0	0	1,588	0	0	0	0	1,588
2020	633	5,163	0	0	0	0	1,542	0	0	0	0	1,542
2021	526	3,621	0	0	0	0	834	0	0	0	0	834
2022	433	2,787	0	0	0	0	775	0	0	0	0	775
2023	347	2,012	0	0	0	0	751	0	0	0	0	751
2024	292	1,261	0	0	0	0	316	0	0	0	0	316
2025	218	945	0	0	0	0	272	0	0	0	0	272
2026	135	673	0	0	0	0	232	0	0	0	0	232
2027	73	442	0	0	0	0	225	0	0	0	0	225
2028	11	217	0	0	0	0	139	0	0	0	0	139
2029	0	78	0	0	0	0	23	0	0	0	0	23
Sub.	4,673	78	0	0	0	0	8,333	0	0	0	0	8,333
Rem.	-131	78	0	0	0	0	49	0	0	0	0	49
<b>Tot.</b>	<b>4,542</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,382</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,382</b>
Disc	3,527						6,269	0	0	0	0	6,269

Year	Taxable Income M\$	Federal		State		Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Income Tax M\$	ARTD & Investment Credits		Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	-480	22.0	0	0	0	0	1,157	1,157	1,103	1,157	1,157	1,103
2019	-742	22.0	0	0	0	0	847	2,004	1,837	847	2,004	1,837
2020	-909	22.0	0	0	0	0	633	2,637	2,336	633	2,637	2,336
2021	-308	22.0	0	0	0	0	526	3,163	2,713	526	3,163	2,713
2022	-341	22.0	0	0	0	0	433	3,596	2,995	433	3,596	2,995
2023	-404	22.0	0	0	0	0	347	3,943	3,201	347	3,943	3,201
2024	-24	22.0	0	0	0	0	292	4,235	3,358	292	4,235	3,358
2025	-53	22.0	0	0	0	0	218	4,454	3,464	218	4,454	3,464
2026	-97	22.0	0	0	0	0	135	4,588	3,524	135	4,588	3,524
2027	-152	22.0	0	0	0	0	73	4,661	3,554	73	4,661	3,554
2028	-128	22.0	0	0	0	0	11	4,673	3,558	11	4,673	3,558
2029	-23	22.0	0	0	0	0	0	4,673	3,558	0	4,673	3,558
Sub.	-3,661		0	0	0	0	4,673	4,673	3,558	4,673	4,673	3,558
Rem.	-179		0	0	0	0	-131	4,542	3,527	-131	4,542	3,527
<b>Tot.</b>	<b>-3,840</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,542</b>	<b>4,542</b>	<b>3,527</b>	<b>4,542</b>	<b>4,542</b>	<b>3,527</b>
Disc	-2,742		0	0	0	0	3,527	3,527	3,527	3,527	3,527	3,527

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
		Light/Med Oil	Mbbl	228	0	228	200	1.000	228	100	11.0
Total: Oil Eq.	Mboe	228	0	228	200	1.000	228	100	11.0	6.0	3.6

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties							
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.87	0.00	30.38	13,159	100	8,958	100	
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.87	0.00	30.38	13,159	100	8,958	100	

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	4,695	4,542	0	4,542	19.92	4,542	0	4,542	19.92
Non-crown Royalty	0.0000	0.0000	5	4,055	3,976	0	3,976	17.43	3,976	0	3,976	17.43
Mineral Tax	0.0000	0.0000	8	3,749	3,694	0	3,694	16.20	3,694	0	3,694	16.20
			10	3,570	3,527	0	3,527	15.46	3,527	0	3,527	15.46
			12	3,408	3,374	0	3,374	14.79	3,374	0	3,374	14.79
			15	3,192	3,168	0	3,168	13.89	3,168	0	3,168	13.89
			20	2,892	2,877	0	2,877	12.62	2,877	0	2,877	12.62

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:09

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **\$US Dollars**

Reserve Class: **Proved**  
 Development Class: **Developed Non-Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	1	0	0	62.00
2019	0	5	2	1	59.93
2020	0	4	1	1	59.36
2021	0	2	1	1	62.29
2022	0	2	1	1	65.21
2023	0	2	1	1	68.14
2024	0	2	1	1	71.06
2025	0	2	1	0	73.98
2026	0	1	1	0	76.23
2027	0	1	0	0	77.70
2028	0	1	0	0	79.25
2029	0	1	0	0	80.84
Sub.			9	8	66.91
Rem.			0	0	0.00
<b>Tot.</b>			<b>9</b>	<b>8</b>	<b>66.91</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	30	0	0	30	0	30	4	0	0	0	4	26	9	4	14
2019	99	0	0	99	0	99	12	0	0	0	12	86	38	15	54
2020	79	0	0	79	0	79	10	0	0	0	10	69	39	13	52
2021	49	0	0	49	0	49	6	0	0	0	6	43	20	8	28
2022	47	0	0	47	0	47	6	0	0	0	6	41	20	7	28
2023	45	0	0	45	0	45	6	0	0	0	6	39	21	7	28
2024	44	0	0	44	0	44	5	0	0	0	5	38	21	6	28
2025	42	0	0	42	0	42	5	0	0	0	5	37	22	6	28
2026	40	0	0	40	0	40	5	0	0	0	5	35	22	6	28
2027	38	0	0	38	0	38	5	0	0	0	5	33	22	5	28
2028	36	0	0	36	0	36	4	0	0	0	4	31	23	5	28
2029	34	0	0	34	0	34	4	0	0	0	4	30	23	5	28
Sub.	582	0	0	582	0	582	73	0	0	0	73	509	282	87	369
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>582</b>	<b>0</b>	<b>0</b>	<b>582</b>	<b>0</b>	<b>582</b>	<b>73</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>	<b>509</b>	<b>282</b>	<b>87</b>	<b>369</b>
Disc	370	0	0	370	0	370	46	0	0	0	46	324	170	56	227

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment			Before Tax Cash Flow			
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	0	0	0	12	0	0	12	39	0	0	39	-27	-27	-26
2019	0	0	0	33	0	0	33	0	0	0	0	33	6	3
2020	0	0	0	17	0	0	17	0	0	0	0	17	23	17
2021	0	0	0	15	0	0	15	0	0	0	0	15	38	27
2022	0	0	0	14	0	0	14	0	0	0	0	14	52	36
2023	0	0	0	12	0	0	12	0	0	0	0	12	64	43
2024	0	0	0	11	0	0	11	0	0	0	0	11	74	49
2025	0	0	0	9	0	11	-2	0	0	0	0	-2	72	48
2026	0	0	0	7	0	0	7	0	0	0	0	7	79	51
2027	0	0	0	5	0	0	5	0	0	0	0	5	84	53
2028	0	0	0	3	0	0	3	0	0	0	0	3	88	54
2029	0	0	0	1	0	0	1	0	0	0	0	1	89	55
Sub.	0	0	0	140	0	11	128	39	0	0	39	89	89	55
Rem.	0	0	0	0	0	13	-13	0	0	0	0	-13	76	52
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>140</b>	<b>0</b>	<b>25</b>	<b>115</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>76</b>	<b>76</b>	<b>52</b>
Disc	0	0	0	98	0	8	89	37	0	0	37	52	52	52

## AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	
2018	12	0	0	39	0	0	0	0	12	0	0	12
2019	33	0	0	27	0	0	0	0	12	0	0	12
2020	17	0	0	16	0	0	0	0	12	0	0	12
2021	15	0	0	4	0	0	0	0	4	0	0	4
2022	14	0	0	0	0	0	0	0	0	0	0	0
2023	12	0	0	0	0	0	0	0	0	0	0	0
2024	11	0	0	0	0	0	0	0	0	0	0	0
2025	-2	0	0	0	0	0	0	0	0	0	0	0
2026	7	0	0	0	0	0	0	0	0	0	0	0
2027	5	0	0	0	0	0	0	0	0	0	0	0
2028	3	0	0	0	0	0	0	0	0	0	0	0
2029	1	0	0	0	0	0	0	0	0	0	0	0
Sub.	128	0	0	0	0	0	0	0	39	0	0	39
Rem.	-13	0	0	0	0	0	2	0	0	0	0	2
<b>Tot.</b>	<b>115</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>41</b>
Disc	89						0	0	33	0	0	34

Year	Taxable Income M\$	Federal		State		Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Income Tax M\$	ARTD & Investment Credits		Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	1	22.0	0	0	0	0	-27	-27	-26	-27	-27	-26
2019	21	22.0	0	0	0	0	33	6	3	33	6	3
2020	6	22.0	0	0	0	0	17	23	17	17	23	17
2021	11	22.0	0	0	0	0	15	38	27	15	38	27
2022	14	22.0	0	0	0	0	14	52	36	14	52	36
2023	12	22.0	0	0	0	0	12	64	43	12	64	43
2024	11	22.0	0	0	0	0	11	74	49	11	74	49
2025	-2	22.0	0	0	0	0	-2	72	48	-2	72	48
2026	7	22.0	0	0	0	0	7	79	51	7	79	51
2027	5	22.0	0	0	0	0	5	84	53	5	84	53
2028	3	22.0	0	0	0	0	3	88	54	3	88	54
2029	1	22.0	0	0	0	0	1	89	55	1	89	55
Sub.	89		0	0	0	0	89	89	55	89	89	55
Rem.	-15		0	0	0	0	-13	76	52	-13	76	52
<b>Tot.</b>	<b>74</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>76</b>	<b>76</b>	<b>52</b>	<b>76</b>	<b>76</b>	<b>52</b>
Disc	55		0	0	0	0	52	52	52	52	52	52

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life	
		Light/Med Oil	Mbbl	9	0	9	8	1.000	9	100	12.0	17.8
Total: Oil Eq.	Mboe	9	0	9	8	1.000	9	100	12.0	17.8	4.1	

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	28.68	0.00	25.57	509	100	324	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	28.68	0.00	25.57	509	100	324	100

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	140	115	39	76	8.72	115	39	76	8.72
Non-crown Royalty	0.0000	0.0000	5	115	102	38	63	7.28	102	38	63	7.28
Mineral Tax	0.0000	0.0000	8	104	94	38	56	6.47	94	38	56	6.47
			10	98	89	37	52	5.98	89	37	52	5.98
			12	92	85	37	48	5.52	85	37	48	5.52
			15	84	79	37	43	4.89	79	37	43	4.89
			20	74	71	36	35	4.01	71	36	35	4.01

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:10



Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **Proved**  
 Development Class: **Undeveloped**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

### REVENUE AND EXPENSE FORECAST

Revenue Before Burdens															
Year	Working Interest					Royalty Burdens		Gas Processing Allowance		Total Royalty After Process. MS	Net Revenue After Royalty MS	Operating Expenses			
	Working Interest Total MS	Royalty Interest			Company Interest Total MS	Pre-Processing		Allowance				Fixed MS	Variable MS	Total MS	
		Oil MS	Gas MS	NGL+Sul MS		Crown MS	Other MS	Crown MS	Other MS						
2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Disc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Year	Mineral Tax MS	Capital Tax MS	NPI Burden MS	Net Prod'n Revenue MS	Other Income MS	Aband. & Recl. Costs MS	Oper. Income MS	Net Capital Investment			Before Tax Cash Flow				
								Dev. MS	Plant MS	Tang. MS	Total MS	Annual MS	Cum. MS	10.0% Dcf MS	
2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Disc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Net Present Value Before Income Tax									
Revenue Burdens (%)	Initial	Average	Disc. Rate %	Prod'n Revenue MS	Operating Income MS	Capital Invest. MS	Cash Flow		
							MS	\$/boe	
Crown Royalty	0.0000	0.0000	0	0	0	0	0	0	0.00
Non-crown Royalty	0.0000	0.0000	5	0	0	0	0	0	0.00
Mineral Tax	0.0000	0.0000	8	0	0	0	0	0	0.00
			10	0	0	0	0	0	0.00
			12	0	0	0	0	0	0.00
			15	0	0	0	0	0	0.00
			20	0	0	0	0	0	0.00

Evaluator: Olenick, Patrick A.  
 Run Date: April 05, 2018 09:52:10

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **Proved**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	3	106	39	34	62.00
2019	3	94	34	30	59.93
2020	3	81	30	26	59.36
2021	2	69	25	22	62.29
2022	2	60	22	19	65.21
2023	2	53	19	17	68.14
2024	2	48	17	15	71.06
2025	2	42	15	13	73.98
2026	2	36	13	12	76.23
2027	2	32	12	10	77.70
2028	2	28	10	9	79.25
2029	0	1	0	0	80.84
Sub.			237	207	65.98
Rem.			0	0	0.00
<b>Tot.</b>			<b>237</b>	<b>207</b>	<b>65.98</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,392	0	0	2,392	0	2,392	299	0	0	0	299	2,093	568	355	923
2019	2,047	0	0	2,047	0	2,047	256	0	0	0	256	1,791	592	321	912
2020	1,754	0	0	1,754	0	1,754	219	0	0	0	219	1,535	601	283	884
2021	1,567	0	0	1,567	0	1,567	196	0	0	0	196	1,372	585	246	831
2022	1,422	0	0	1,422	0	1,422	178	0	0	0	178	1,244	580	217	797
2023	1,323	0	0	1,323	0	1,323	165	0	0	0	165	1,157	590	197	787
2024	1,239	0	0	1,239	0	1,239	155	0	0	0	155	1,084	601	181	781
2025	1,124	0	0	1,124	0	1,124	141	0	0	0	141	984	596	161	756
2026	1,013	0	0	1,013	0	1,013	127	0	0	0	127	886	590	143	733
2027	900	0	0	900	0	900	112	0	0	0	112	787	582	127	709
2028	806	0	0	806	0	806	101	0	0	0	101	705	576	114	690
2029	34	0	0	34	0	34	4	0	0	0	4	30	23	5	28
Sub.	15,621	0	0	15,621	0	15,621	1,953	0	0	0	1,953	13,668	6,485	2,349	8,833
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>15,621</b>	<b>0</b>	<b>0</b>	<b>15,621</b>	<b>0</b>	<b>15,621</b>	<b>1,953</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,953</b>	<b>13,668</b>	<b>6,485</b>	<b>2,349</b>	<b>8,833</b>
Disc	10,608	0	0	10,608	0	10,608	1,326	0	0	0	1,326	9,282	4,007	1,608	5,615

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,169	0	0	1,169	39	0	0	0	39	1,130	1,130	1,078
2019	0	0	0	879	0	0	879	0	0	0	0	0	879	2,010	1,840
2020	0	0	0	651	0	0	651	0	0	0	0	0	651	2,660	2,353
2021	0	0	0	541	0	0	541	0	0	0	0	0	541	3,201	2,740
2022	0	0	0	447	0	0	447	0	0	0	0	0	447	3,648	3,031
2023	0	0	0	370	0	11	359	0	0	0	0	0	359	4,007	3,244
2024	0	0	0	302	0	0	302	0	0	0	0	0	302	4,310	3,407
2025	0	0	0	227	0	11	216	0	0	0	0	0	216	4,526	3,512
2026	0	0	0	153	0	11	142	0	0	0	0	0	142	4,668	3,575
2027	0	0	0	78	0	0	78	0	0	0	0	0	78	4,746	3,607
2028	0	0	0	15	0	0	15	0	0	0	0	0	15	4,760	3,612
2029	0	0	0	1	0	0	1	0	0	0	0	0	1	4,762	3,613
Sub.	0	0	0	4,835	0	34	4,801	39	0	0	39	4,762	4,762	4,762	3,613
Rem.	0	0	0	0	0	144	-144	0	0	0	0	0	-144	4,618	3,579
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,835</b>	<b>0</b>	<b>178</b>	<b>4,657</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>4,618</b>	<b>4,618</b>	<b>4,618</b>	<b>3,579</b>
Disc	0	0	0	3,667	0	51	3,616	37	0	0	37	3,579	3,579	3,579	3,579

## AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	
2018	1,169	8,388	0	39	0	0	1,637	0	12	0	0	1,648
2019	879	6,751	0	27	0	0	1,588	0	12	0	0	1,600
2020	651	5,163	0	16	0	0	1,542	0	12	0	0	1,554
2021	541	3,621	0	4	0	0	834	0	4	0	0	838
2022	447	2,787	0	0	0	0	775	0	0	0	0	775
2023	359	2,012	0	0	0	0	751	0	0	0	0	751
2024	302	1,261	0	0	0	0	316	0	0	0	0	316
2025	216	945	0	0	0	0	272	0	0	0	0	272
2026	142	673	0	0	0	0	232	0	0	0	0	232
2027	78	442	0	0	0	0	225	0	0	0	0	225
2028	15	217	0	0	0	0	139	0	0	0	0	139
2029	1	78	0	0	0	0	23	0	0	0	0	23
Sub.	4,801	78	0	0	0	0	8,333	0	39	0	0	8,373
Rem.	-144	78	0	0	0	0	51	0	0	0	0	51
<b>Tot.</b>	<b>4,657</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,384</b>	<b>0</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>8,423</b>
Disc	3,616						6,269	0	33	0	0	6,303

Year	Taxable Income M\$	Federal		State		Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Income Tax M\$	ARTD & Investment Credits		Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	-479	22.0	0	0	0	0	1,130	1,130	1,078	1,130	1,130	1,078
2019	-721	22.0	0	0	0	0	879	2,010	1,840	879	2,010	1,840
2020	-903	22.0	0	0	0	0	651	2,660	2,353	651	2,660	2,353
2021	-297	22.0	0	0	0	0	541	3,201	2,740	541	3,201	2,740
2022	-328	22.0	0	0	0	0	447	3,648	3,031	447	3,648	3,031
2023	-392	22.0	0	0	0	0	359	4,007	3,244	359	4,007	3,244
2024	-13	22.0	0	0	0	0	302	4,310	3,407	302	4,310	3,407
2025	-56	22.0	0	0	0	0	216	4,526	3,512	216	4,526	3,512
2026	-90	22.0	0	0	0	0	142	4,668	3,575	142	4,668	3,575
2027	-147	22.0	0	0	0	0	78	4,746	3,607	78	4,746	3,607
2028	-124	22.0	0	0	0	0	15	4,760	3,612	15	4,760	3,612
2029	-22	22.0	0	0	0	0	1	4,762	3,613	1	4,762	3,613
Sub.	-3,572		0	0	0	0	4,762	4,762	3,613	4,762	4,762	3,613
Rem.	-195		0	0	0	0	-144	4,618	3,579	-144	4,618	3,579
<b>Tot.</b>	<b>-3,766</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,618</b>	<b>4,618</b>	<b>3,579</b>	<b>4,618</b>	<b>4,618</b>	<b>3,579</b>
Disc	-2,687		0	0	0	0	3,579	3,579	3,579	3,579	3,579	3,579

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
		Light/Med Oil	Mbbl	237	0	237	207	1.000	237	100	12.0
Total: Oil Eq.	Mboe	237	0	237	207	1.000	237	100	12.0	6.1	3.6

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties						
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.93	0.00	30.32	13,668	100	9,282	100	
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.93	0.00	30.32	13,668	100	9,282	100	

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	4,835	4,657	39	4,618	19.50	4,657	39	4,618	19.50
Non-crown Royalty	0.0000	0.0000	5	4,170	4,078	38	4,039	17.06	4,078	38	4,039	17.06
Mineral Tax	0.0000	0.0000	8	3,853	3,788	38	3,751	15.84	3,788	38	3,751	15.84
			10	3,667	3,616	37	3,579	15.12	3,616	37	3,579	15.12
			12	3,500	3,459	37	3,421	14.45	3,459	37	3,421	14.45
			15	3,277	3,247	37	3,210	13.56	3,247	37	3,210	13.56
			20	2,966	2,948	36	2,912	12.30	2,948	36	2,912	12.30

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:10

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **Probable**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	2	1	0	62.00
2019	0	5	2	2	59.93
2020	0	6	2	2	59.36
2021	0	7	3	2	62.28
2022	0	8	3	3	65.22
2023	0	8	3	2	68.14
2024	0	8	3	3	71.06
2025	0	9	3	3	73.98
2026	0	11	4	3	76.23
2027	0	12	4	4	77.70
2028	0	11	4	4	79.25
2029	2	35	13	11	80.84
Sub.			44	39	73.64
Rem.			24	21	83.47
<b>Tot.</b>			<b>68</b>	<b>59</b>	<b>77.05</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	35	0	0	35	0	35	4	0	0	0	4	31	0	5	6
2019	116	0	0	116	0	116	15	0	0	0	15	102	21	18	39
2020	126	0	0	126	0	126	16	0	0	0	16	110	2	20	22
2021	166	0	0	166	0	166	21	0	0	0	21	145	9	26	35
2022	197	0	0	197	0	197	25	0	0	0	25	172	16	30	46
2023	190	0	0	190	0	190	24	0	0	0	24	166	4	28	32
2024	207	0	0	207	0	207	26	0	0	0	26	181	5	30	35
2025	254	0	0	254	0	254	32	0	0	0	32	222	21	36	58
2026	296	0	0	296	0	296	37	0	0	0	37	259	39	42	81
2027	333	0	0	333	0	333	42	0	0	0	42	292	59	47	106
2028	324	0	0	324	0	324	40	0	0	0	40	283	58	46	104
2029	1,019	0	0	1,019	0	1,019	127	0	0	0	127	891	616	144	760
Sub.	3,263	0	0	3,263	0	3,263	408	0	0	0	408	2,855	850	474	1,324
Rem.	1,966	0	0	1,966	0	1,966	246	0	0	0	246	1,720	1,342	278	1,620
<b>Tot.</b>	<b>5,229</b>	<b>0</b>	<b>0</b>	<b>5,229</b>	<b>0</b>	<b>5,229</b>	<b>654</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>654</b>	<b>4,575</b>	<b>2,192</b>	<b>752</b>	<b>2,944</b>
Disc	2,119	0	0	2,119	0	2,119	265	0	0	0	265	1,854	705	308	1,013

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs		Oper. Income M\$	Net Capital Investment			Before Tax Cash Flow		
						Recl. M\$	Oper. M\$		Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$
2018	0	0	0	25	0	0	25	0	0	0	0	25	25	24
2019	0	0	0	63	0	0	63	0	0	0	0	63	87	78
2020	0	0	0	88	0	0	88	0	0	0	0	88	176	147
2021	0	0	0	109	0	0	109	0	0	0	0	109	285	226
2022	0	0	0	127	0	0	127	0	0	0	0	127	412	308
2023	0	0	0	134	0	-11	145	0	0	0	0	145	557	394
2024	0	0	0	147	0	11	136	0	0	0	0	136	692	467
2025	0	0	0	165	0	0	165	0	0	0	0	165	857	548
2026	0	0	0	178	0	-11	189	0	0	0	0	189	1,046	632
2027	0	0	0	186	0	12	174	0	0	0	0	174	1,220	702
2028	0	0	0	179	0	0	179	0	0	0	0	179	1,399	768
2029	0	0	0	132	0	0	132	0	0	0	0	132	1,531	812
Sub.	0	0	0	1,531	0	0	1,531	0	0	0	0	1,531	1,531	812
Rem.	0	0	0	100	0	10	90	0	0	0	0	90	1,621	849
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,631</b>	<b>0</b>	<b>10</b>	<b>1,621</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,621</b>	<b>1,621</b>	<b>849</b>
Disc	0	0	0	841	0	-8	849	0	0	0	0	849	849	849

## AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	
2018	25	0	0	0	0	0	0	0	0	0	0	0
2019	63	0	0	0	0	0	0	0	0	0	0	0
2020	88	0	0	0	0	0	0	0	0	0	0	0
2021	109	0	0	0	0	0	0	0	0	0	0	0
2022	127	0	0	0	0	0	0	0	0	0	0	0
2023	145	0	0	0	0	0	0	0	0	0	0	0
2024	136	0	0	0	0	0	0	0	0	0	0	0
2025	165	0	0	0	0	0	0	0	0	0	0	0
2026	189	0	0	0	0	0	0	0	0	0	0	0
2027	174	0	0	0	0	0	0	0	0	0	0	0
2028	179	0	0	0	0	0	0	0	0	0	0	0
2029	132	0	0	0	0	0	0	0	0	0	0	0
Sub.	1,531	0	0	0	0	0	0	0	0	0	0	0
Rem.	90	0	0	0	0	0	4	0	0	0	0	4
<b>Tot.</b>	<b>1,621</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>
Disc	849						1	0	0	0	0	1

Year	Taxable Income M\$	Federal		State		Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Income Tax M\$	ARTD & Investment Credits		Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	25	22.0	0	0	0	0	25	25	24	25	25	24
2019	63	22.0	0	0	0	0	63	87	78	63	87	78
2020	88	22.0	0	0	0	0	88	176	147	88	176	147
2021	109	22.0	0	0	0	0	109	285	226	109	285	226
2022	127	22.0	0	0	0	0	127	412	308	127	412	308
2023	145	22.0	0	0	0	0	145	557	394	145	557	394
2024	136	22.0	0	0	0	0	136	692	467	136	692	467
2025	165	22.0	0	0	0	0	165	857	548	165	857	548
2026	189	22.0	0	0	0	0	189	1,046	632	189	1,046	632
2027	174	22.0	0	0	0	0	174	1,220	702	174	1,220	702
2028	179	22.0	0	0	0	0	179	1,399	768	179	1,399	768
2029	132	22.0	24	0	0	24	132	1,531	812	107	1,507	804
Sub.	1,531		24	0	0	24	1,531	1,531	812	1,507	1,507	804
Rem.	86		11	0	0	11	90	1,621	849	79	1,586	837
<b>Tot.</b>	<b>1,617</b>		<b>36</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>1,621</b>	<b>1,621</b>	<b>849</b>	<b>1,586</b>	<b>1,586</b>	<b>837</b>
Disc	848		12	0	0	12	849	849	849	837	837	837

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
		Light/Med Oil	Mbbl	68	0	68	59	1.000	68	100	17.0
Total: Oil Eq.	Mboe	68	0	68	59	1.000	68	100	17.0	120.5	11.2

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties						
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	9.92	0.00	44.33	4,575	100	1,854	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	9.92	0.00	44.33	4,575	100	1,854	100

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	1,631	1,621	0	1,621	23.89	1,586	0	1,586	23.37
Non-crown Royalty	0.0000	0.0000	5	1,148	1,155	0	1,155	17.02	1,135	0	1,135	16.72
Mineral Tax	0.0000	0.0000	8	948	956	0	956	14.09	942	0	942	13.88
			10	841	849	0	849	12.51	837	0	837	12.34
			12	750	757	0	757	11.16	748	0	748	11.02
			15	637	644	0	644	9.49	637	0	637	9.39
			20	499	503	0	503	7.42	499	0	499	7.36

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:11

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **Proved Plus Probable**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	3	107	39	34	62.00
2019	3	99	36	32	59.93
2020	3	87	32	28	59.36
2021	2	76	28	24	62.29
2022	2	68	25	22	65.21
2023	2	61	22	19	68.14
2024	2	56	20	18	71.06
2025	2	51	19	16	73.98
2026	2	47	17	15	76.23
2027	2	43	16	14	77.70
2028	2	39	14	12	79.25
2029	2	36	13	11	80.84
Sub.			281	246	67.19
Rem.			24	21	83.47
<b>Tot.</b>			<b>305</b>	<b>267</b>	<b>68.44</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,427	0	0	2,427	0	2,427	303	0	0	0	303	2,123	569	360	929
2019	2,164	0	0	2,164	0	2,164	270	0	0	0	270	1,893	613	339	951
2020	1,881	0	0	1,881	0	1,881	235	0	0	0	235	1,646	603	303	907
2021	1,733	0	0	1,733	0	1,733	217	0	0	0	217	1,517	594	272	866
2022	1,618	0	0	1,618	0	1,618	202	0	0	0	202	1,416	596	247	843
2023	1,513	0	0	1,513	0	1,513	189	0	0	0	189	1,324	594	226	820
2024	1,446	0	0	1,446	0	1,446	181	0	0	0	181	1,265	606	211	816
2025	1,378	0	0	1,378	0	1,378	172	0	0	0	172	1,206	617	197	814
2026	1,309	0	0	1,309	0	1,309	164	0	0	0	164	1,145	629	185	814
2027	1,233	0	0	1,233	0	1,233	154	0	0	0	154	1,079	641	175	815
2028	1,129	0	0	1,129	0	1,129	141	0	0	0	141	988	634	160	794
2029	1,053	0	0	1,053	0	1,053	132	0	0	0	132	921	639	149	788
Sub.	18,884	0	0	18,884	0	18,884	2,360	0	0	0	2,360	16,523	7,335	2,822	10,157
Rem.	1,966	0	0	1,966	0	1,966	246	0	0	0	246	1,720	1,342	278	1,620
<b>Tot.</b>	<b>20,849</b>	<b>0</b>	<b>0</b>	<b>20,849</b>	<b>0</b>	<b>20,849</b>	<b>2,606</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,606</b>	<b>18,243</b>	<b>8,677</b>	<b>3,101</b>	<b>11,777</b>
Disc	12,727	0	0	12,727	0	12,727	1,591	0	0	0	1,591	11,136	4,712	1,916	6,628

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$	
2018	0	0	0	1,194	0	0	1,194	39	0	0	0	39	1,155	1,155	1,101
2019	0	0	0	942	0	0	942	0	0	0	0	0	942	2,097	1,918
2020	0	0	0	739	0	0	739	0	0	0	0	0	739	2,836	2,500
2021	0	0	0	650	0	0	650	0	0	0	0	0	650	3,486	2,966
2022	0	0	0	573	0	0	573	0	0	0	0	0	573	4,060	3,339
2023	0	0	0	504	0	0	504	0	0	0	0	0	504	4,564	3,638
2024	0	0	0	449	0	11	438	0	0	0	0	0	438	5,002	3,874
2025	0	0	0	392	0	11	381	0	0	0	0	0	381	5,383	4,060
2026	0	0	0	331	0	0	331	0	0	0	0	0	331	5,714	4,207
2027	0	0	0	264	0	12	252	0	0	0	0	0	252	5,966	4,309
2028	0	0	0	194	0	0	194	0	0	0	0	0	194	6,160	4,380
2029	0	0	0	133	0	0	133	0	0	0	0	0	133	6,293	4,425
Sub.	0	0	0	6,366	0	34	6,332	39	0	0	0	39	6,293	6,293	4,425
Rem.	0	0	0	100	0	154	-54	0	0	0	0	0	-54	6,239	4,428
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,466</b>	<b>0</b>	<b>188</b>	<b>6,278</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>6,239</b>	<b>6,239</b>	<b>6,239</b>	<b>4,428</b>
Disc	0	0	0	4,508	0	43	4,465	37	0	0	37	4,428	4,428	4,428	4,428



## AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	
2018	1,194	8,388	0	39	0	0	1,637	0	12	0	0	1,648
2019	942	6,751	0	27	0	0	1,588	0	12	0	0	1,600
2020	739	5,163	0	16	0	0	1,542	0	12	0	0	1,554
2021	650	3,621	0	4	0	0	834	0	4	0	0	838
2022	573	2,787	0	0	0	0	775	0	0	0	0	775
2023	504	2,012	0	0	0	0	751	0	0	0	0	751
2024	438	1,261	0	0	0	0	316	0	0	0	0	316
2025	381	945	0	0	0	0	272	0	0	0	0	272
2026	331	673	0	0	0	0	232	0	0	0	0	232
2027	252	442	0	0	0	0	225	0	0	0	0	225
2028	194	217	0	0	0	0	139	0	0	0	0	139
2029	133	78	0	0	0	0	23	0	0	0	0	23
Sub.	6,332	78	0	0	0	0	8,333	0	39	0	0	8,373
Rem.	-54	78	0	0	0	0	54	0	0	0	0	54
<b>Tot.</b>	<b>6,278</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,388</b>	<b>0</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>8,427</b>
Disc	4,465						6,270	0	33	0	0	6,303

Year	Taxable Income M\$	Federal		State		Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Income Tax M\$	ARTD & Investment Credits		Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	-454	22.0	0	0	0	0	1,155	1,155	1,101	1,155	1,155	1,101
2019	-658	22.0	0	0	0	0	942	2,097	1,918	942	2,097	1,918
2020	-815	22.0	0	0	0	0	739	2,836	2,500	739	2,836	2,500
2021	-188	22.0	0	0	0	0	650	3,486	2,966	650	3,486	2,966
2022	-201	22.0	0	0	0	0	573	4,060	3,339	573	4,060	3,339
2023	-247	22.0	0	0	0	0	504	4,564	3,638	504	4,564	3,638
2024	122	22.0	0	0	0	0	438	5,002	3,874	438	5,002	3,874
2025	109	22.0	0	0	0	0	381	5,383	4,060	381	5,383	4,060
2026	100	22.0	0	0	0	0	331	5,714	4,207	331	5,714	4,207
2027	27	22.0	0	0	0	0	252	5,966	4,309	252	5,966	4,309
2028	55	22.0	0	0	0	0	194	6,160	4,380	194	6,160	4,380
2029	110	22.0	24	0	0	24	133	6,293	4,425	109	6,269	4,417
Sub.	-2,041		24	0	0	24	6,293	6,293	4,425	6,269	6,269	4,417
Rem.	-108		11	0	0	11	-54	6,239	4,428	-65	6,203	4,416
<b>Tot.</b>	<b>-2,149</b>		<b>36</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>6,239</b>	<b>6,239</b>	<b>4,428</b>	<b>6,203</b>	<b>6,203</b>	<b>4,416</b>
Disc	-1,838		12	0	0	12	4,428	4,428	4,428	4,416	4,416	4,416

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	305	0	305	267	1.000	305	100	17.0	7.8	4.7
Total: Oil Eq.	Mboe	305	0	305	267	1.000	305	100	17.0	7.8	4.7

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties							
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.73	0.00	30.52	18,243	100	11,136	100	
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.73	0.00	30.52	18,243	100	11,136	100	

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	6,466	6,278	39	6,239	20.48	6,243	39	6,203	20.36
Non-crown Royalty	0.0000	0.0000	5	5,318	5,232	38	5,194	17.05	5,212	38	5,174	16.99
Mineral Tax	0.0000	0.0000	8	4,801	4,745	38	4,707	15.45	4,730	38	4,693	15.40
			10	4,508	4,465	37	4,428	14.53	4,453	37	4,416	14.50
			12	4,249	4,216	37	4,179	13.72	4,207	37	4,169	13.69
			15	3,914	3,891	37	3,854	12.65	3,884	37	3,847	12.63
			20	3,465	3,451	36	3,415	11.21	3,447	36	3,411	11.20

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:11

Company: **Park Place Energy Inc.**  
Property: **Corporate**  
Description: **Summary with After Tax**  
Currency: **US Dollars**

Reserve Class: **Possible**  
Development Class: **Total**  
Pricing: **GLJ (2018-01)**  
Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	0	1	0	0	62.00
2019	0	2	1	1	59.93
2020	0	4	1	1	59.36
2021	0	6	2	2	62.29
2022	0	6	2	2	65.20
2023	0	6	2	2	68.14
2024	0	5	2	2	71.06
2025	0	6	2	2	73.98
2026	0	6	2	2	76.23
2027	0	6	2	2	77.70
2028	0	7	3	2	79.25
2029	0	8	3	2	80.84
Sub.			22	20	71.78
Rem.			42	37	87.05
<b>Tot.</b>			<b>64</b>	<b>56</b>	<b>81.74</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	20	0	0	20	0	20	3	0	0	0	3	18	0	3	3
2019	54	0	0	54	0	54	7	0	0	0	7	47	1	8	9
2020	77	0	0	77	0	77	10	0	0	0	10	67	1	12	13
2021	126	0	0	126	0	126	16	0	0	0	16	111	21	20	41
2022	134	0	0	134	0	134	17	0	0	0	17	117	12	20	32
2023	145	0	0	145	0	145	18	0	0	0	18	127	12	22	33
2024	137	0	0	137	0	137	17	0	0	0	17	120	2	20	22
2025	149	0	0	149	0	149	19	0	0	0	19	130	3	21	24
2026	158	0	0	158	0	158	20	0	0	0	20	139	3	22	25
2027	165	0	0	165	0	165	21	0	0	0	21	144	3	23	27
2028	211	0	0	211	0	211	26	0	0	0	26	185	23	30	53
2029	229	0	0	229	0	229	29	0	0	0	29	200	31	32	63
Sub.	1,606	0	0	1,606	0	1,606	201	0	0	0	201	1,405	112	235	347
Rem.	3,651	0	0	3,651	0	3,651	456	0	0	0	456	3,194	2,177	517	2,693
<b>Tot.</b>	<b>5,256</b>	<b>0</b>	<b>0</b>	<b>5,256</b>	<b>0</b>	<b>5,256</b>	<b>657</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>657</b>	<b>4,599</b>	<b>2,288</b>	<b>752</b>	<b>3,040</b>
Disc	1,688	0	0	1,688	0	1,688	211	0	0	0	211	1,477	553	244	797

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$		Oper. Income M\$	Net Capital Investment			Before Tax Cash Flow		
						Dev. M\$	Plant M\$		Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	15	0	0	15	0	0	0	0	15	15	14
2019	0	0	0	38	0	0	38	0	0	0	0	38	53	47
2020	0	0	0	54	0	0	54	0	0	0	0	54	107	89
2021	0	0	0	69	0	0	69	0	0	0	0	69	176	139
2022	0	0	0	85	0	0	85	0	0	0	0	85	261	194
2023	0	0	0	93	0	0	93	0	0	0	0	93	354	250
2024	0	0	0	98	0	0	98	0	0	0	0	98	452	302
2025	0	0	0	106	0	-11	118	0	0	0	0	118	569	360
2026	0	0	0	113	0	11	102	0	0	0	0	102	671	405
2027	0	0	0	118	0	-12	129	0	0	0	0	129	800	457
2028	0	0	0	132	0	12	120	0	0	0	0	120	921	501
2029	0	0	0	137	0	0	137	0	0	0	0	137	1,058	547
Sub.	0	0	0	1,058	0	0	1,058	0	0	0	0	1,058	1,058	547
Rem.	0	0	0	501	0	10	491	0	0	0	0	491	1,549	687
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,559</b>	<b>0</b>	<b>10</b>	<b>1,549</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,549</b>	<b>1,549</b>	<b>687</b>
Disc	0	0	0	680	0	-6	687	0	0	0	0	687	687	687

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	64	0	64	56	1.000	64	100	21.0	196.7	14.3
Total: Oil Eq.	Mboe	64	0	64	56	1.000	64	100	21.0	196.7	14.3

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	9.88	0.00	44.37	4,599	100	1,477	100
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	9.88	0.00	44.37	4,599	100	1,477	100

## REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.5000	12.5000	0	1,559	1,549	0	1,549	24.09		
Non-crown Royalty	0.0000	0.0000	5	1,001	1,007	0	1,007	15.65		
Mineral Tax	0.0000	0.0000	8	789	796	0	796	12.37		
			10	680	687	0	687	10.68		
			12	592	597	0	597	9.29		
			15	487	491	0	491	7.64		
			20	363	366	0	366	5.70		

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:30

Company: **Park Place Energy Inc.**  
 Property: **Corporate**  
 Description: **Summary with After Tax**  
 Currency: **US Dollars**

Reserve Class: **PPP**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Company Oil Wells	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	3	108	39	35	62.00
2019	3	101	37	32	59.93
2020	3	90	33	29	59.36
2021	3	82	30	26	62.29
2022	2	74	27	24	65.21
2023	2	67	24	21	68.14
2024	2	61	22	19	71.06
2025	2	57	21	18	73.98
2026	2	53	19	17	76.23
2027	2	49	18	16	77.70
2028	2	46	17	15	79.25
2029	2	43	16	14	80.84
Sub.			303	266	67.52
Rem.			65	57	85.76
<b>Tot.</b>			<b>369</b>	<b>323</b>	<b>70.76</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,447	0	0	2,447	0	2,447	306	0	0	0	306	2,141	569	363	932
2019	2,218	0	0	2,218	0	2,218	277	0	0	0	277	1,941	613	347	961
2020	1,958	0	0	1,958	0	1,958	245	0	0	0	245	1,713	604	316	920
2021	1,859	0	0	1,859	0	1,859	232	0	0	0	232	1,627	616	291	907
2022	1,752	0	0	1,752	0	1,752	219	0	0	0	219	1,533	607	268	875
2023	1,658	0	0	1,658	0	1,658	207	0	0	0	207	1,450	606	247	853
2024	1,583	0	0	1,583	0	1,583	198	0	0	0	198	1,385	608	231	839
2025	1,527	0	0	1,527	0	1,527	191	0	0	0	191	1,336	620	218	838
2026	1,467	0	0	1,467	0	1,467	183	0	0	0	183	1,284	632	207	839
2027	1,398	0	0	1,398	0	1,398	175	0	0	0	175	1,223	644	198	842
2028	1,341	0	0	1,341	0	1,341	168	0	0	0	168	1,173	657	190	847
2029	1,282	0	0	1,282	0	1,282	160	0	0	0	160	1,121	670	181	851
Sub.	20,489	0	0	20,489	0	20,489	2,561	0	0	0	2,561	17,928	7,446	3,057	10,504
Rem.	5,616	0	0	5,616	0	5,616	702	0	0	0	702	4,914	3,519	795	4,314
<b>Tot.</b>	<b>26,106</b>	<b>0</b>	<b>0</b>	<b>26,106</b>	<b>0</b>	<b>26,106</b>	<b>3,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,263</b>	<b>22,843</b>	<b>10,965</b>	<b>3,852</b>	<b>14,817</b>
Disc	14,415	0	0	14,415	0	14,415	1,802	0	0	0	1,802	12,613	5,265	2,160	7,425

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment			Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	0	0	0	1,209	0	0	1,209	39	0	0	39	1,170	1,170	1,115
2019	0	0	0	980	0	0	980	0	0	0	0	980	2,150	1,965
2020	0	0	0	793	0	0	793	0	0	0	0	793	2,943	2,590
2021	0	0	0	720	0	0	720	0	0	0	0	720	3,662	3,105
2022	0	0	0	658	0	0	658	0	0	0	0	658	4,321	3,534
2023	0	0	0	597	0	0	597	0	0	0	0	597	4,918	3,887
2024	0	0	0	547	0	11	536	0	0	0	0	536	5,454	4,176
2025	0	0	0	498	0	0	498	0	0	0	0	498	5,952	4,420
2026	0	0	0	444	0	11	433	0	0	0	0	433	6,385	4,612
2027	0	0	0	381	0	0	381	0	0	0	0	381	6,766	4,766
2028	0	0	0	326	0	12	314	0	0	0	0	314	7,081	4,882
2029	0	0	0	270	0	0	270	0	0	0	0	270	7,351	4,972
Sub.	0	0	0	7,424	0	34	7,390	39	0	0	39	7,351	7,351	4,972
Rem.	0	0	0	601	0	163	437	0	0	0	0	437	7,788	5,114
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,025</b>	<b>0</b>	<b>198</b>	<b>7,827</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>7,788</b>	<b>7,788</b>	<b>5,114</b>
Disc	0	0	0	5,188	0	37	5,152	37	0	0	37	5,114	5,114	5,114

## AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	Tangible M\$	Property M\$	Development M\$	Exploration M\$	Other M\$	
2018	1,209	8,388	0	39	0	0	1,637	0	12	0	0	1,648
2019	980	6,751	0	27	0	0	1,588	0	12	0	0	1,600
2020	793	5,163	0	16	0	0	1,542	0	12	0	0	1,554
2021	720	3,621	0	4	0	0	834	0	4	0	0	838
2022	658	2,787	0	0	0	0	775	0	0	0	0	775
2023	597	2,012	0	0	0	0	751	0	0	0	0	751
2024	536	1,261	0	0	0	0	316	0	0	0	0	316
2025	498	945	0	0	0	0	272	0	0	0	0	272
2026	433	673	0	0	0	0	232	0	0	0	0	232
2027	381	442	0	0	0	0	225	0	0	0	0	225
2028	314	217	0	0	0	0	139	0	0	0	0	139
2029	270	78	0	0	0	0	23	0	0	0	0	23
Sub.	7,390	78	0	0	0	0	8,333	0	39	0	0	8,373
Rem.	437	78	0	0	0	0	54	0	0	0	0	54
<b>Tot.</b>	<b>7,827</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,388</b>	<b>0</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>8,427</b>
Disc	5,152						6,270	0	33	0	0	6,303

Year	Taxable Income M\$	Federal		State		Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Income Tax M\$	ARTD & Investment Credits		Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2018	-439	22.0	0	0	0	0	1,170	1,170	1,115	1,170	1,170	1,115
2019	-620	22.0	0	0	0	0	980	2,150	1,965	980	2,150	1,965
2020	-761	22.0	0	0	0	0	793	2,943	2,590	793	2,943	2,590
2021	-118	22.0	0	0	0	0	720	3,662	3,105	720	3,662	3,105
2022	-116	22.0	0	0	0	0	658	4,321	3,534	658	4,321	3,534
2023	-154	22.0	0	0	0	0	597	4,918	3,887	597	4,918	3,887
2024	220	22.0	0	0	0	0	536	5,454	4,176	536	5,454	4,176
2025	227	22.0	0	0	0	0	498	5,952	4,420	498	5,952	4,420
2026	201	22.0	0	0	0	0	433	6,385	4,612	433	6,385	4,612
2027	156	22.0	0	0	0	0	381	6,766	4,766	381	6,766	4,766
2028	175	22.0	32	0	0	32	314	7,081	4,882	283	7,049	4,870
2029	247	22.0	54	0	0	54	270	7,351	4,972	216	7,265	4,942
Sub.	-983		86	0	0	86	7,351	7,351	4,972	7,265	7,265	4,942
Rem.	383		119	0	0	119	437	7,788	5,114	318	7,583	5,052
<b>Tot.</b>	<b>-600</b>		<b>206</b>	<b>0</b>	<b>0</b>	<b>206</b>	<b>7,788</b>	<b>7,788</b>	<b>5,114</b>	<b>7,583</b>	<b>7,583</b>	<b>5,052</b>
Disc	-1,152		62	0	0	62	5,114	5,114	5,114	5,052	5,052	5,052

## SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life	
		Light/Med Oil	Mbbl	369	0	369	323	1.000	369	100	21.0	9.3
Total: Oil Eq.	Mboe	369	0	369	323	1.000	369	100	21.0	9.3	5.8	

## PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties						
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	70.25	-8.25	62.00	7.75	23.62	0.00	30.63	22,843	100	12,613	100	
Total: Oil Eq.	\$/boe	70.25	-8.25	62.00	7.75	23.62	0.00	30.63	22,843	100	12,613	100	

### REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5000	12.5000	0	8,025	7,827	39	7,788	21.11	7,622	39	7,583	20.55
Non-crown Royalty	0.0000	0.0000	5	6,319	6,239	38	6,201	16.81	6,128	38	6,090	16.51
Mineral Tax	0.0000	0.0000	8	5,590	5,540	38	5,502	14.91	5,462	38	5,424	14.70
			10	5,188	5,152	37	5,114	13.86	5,089	37	5,052	13.69
			12	4,841	4,813	37	4,776	12.95	4,763	37	4,726	12.81
			15	4,401	4,382	37	4,345	11.78	4,346	37	4,309	11.68
			20	3,828	3,818	36	3,782	10.25	3,796	36	3,760	10.19

Evaluator: Olenick, Patrick A.  
Run Date: April 05, 2018 09:52:30

**APPENDIX I**  
**CERTIFICATES OF QUALIFICATION**

Patrick A. Olenick  
Graham P. Simpson



## CERTIFICATION OF QUALIFICATION

I, Patrick A. Olenick, Professional Engineer, 4100, 400 - 3rd Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Petroleum Consultants Ltd., which company did prepare a detailed analysis of Turkish oil and gas properties of Park Place Energy Inc. (the “Company”). The effective date of this evaluation is December 31, 2017.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Mechanical Engineering in 2003; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of sixteen years experience in engineering studies relating to oil and gas fields.
4. That a personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, the files of the Company, and the appropriate provincial regulatory authorities.



## CERTIFICATION OF QUALIFICATION

I, Graham P. Simpson, Professional Geoscientist, 4100, 400 - 3rd Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Petroleum Consultants Ltd., which company did prepare a detailed analysis of Turkish oil and gas properties of Park Place Energy Inc. (the “Company”). The effective date of this evaluation is December 31, 2017.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Doctorate Degree in Geology in 1999; that I am a Registered Professional Geoscientist in the Province of Alberta; and, that I have in excess of twenty-five years experience in geological studies relating to oil and gas fields.
4. That a personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, the files of the Company, and the appropriate provincial regulatory authorities.



**PARK PLACE ENERGY INC.**

**CENDERE**

**Effective December 31, 2017**

Prepared by  
Katherine Unick  
Patrick A. Olenick, P. Eng.

**CENDERE****TABLE OF CONTENTS**

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Reserves Estimation - Supporting Information	

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Proved Plus Probable Producing	Proved Plus Developed Non- Producing	Proved Plus Probable Undeveloped	Total Proved Plus Probable
<b>MARKETABLE RESERVES</b>								
<b>Light &amp; Medium Oil (Mbbbl)</b>								
Gross Lease	1,383	44	0	1,428	1,763	60	0	1,823
Total Company Interest	228	9	0	237	293	12	0	305
Net After Royalty	200	8	0	207	256	10	0	267
<b>Oil Equivalent (Mboe)</b>								
Gross Lease	1,383	44	0	1,428	1,763	60	0	1,823
Total Company Interest	228	9	0	237	293	12	0	305
Net After Royalty	200	8	0	207	256	10	0	267
<b>BEFORE TAX PRESENT VALUE (M\$)</b>								
0%	4,542	76	0	4,618	6,103	136	0	6,239
5%	3,976	63	0	4,039	5,089	105	0	5,194
8%	3,694	56	0	3,751	4,617	90	0	4,707
10%	3,527	52	0	3,579	4,346	82	0	4,428
12%	3,374	48	0	3,421	4,105	74	0	4,179
15%	3,168	43	0	3,210	3,790	65	0	3,854
20%	2,877	35	0	2,912	3,364	52	0	3,415
<b>FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)</b>								
2018	1,157	-27	0	1,130	1,182	-27	0	1,155
2019	847	33	0	879	906	36	0	942
2020	633	17	0	651	716	23	0	739
2021	526	15	0	541	633	17	0	650
2022	433	14	0	447	557	16	0	573
2023	347	12	0	359	489	15	0	504

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: March 21, 2018 08:01:57

1181620 Class (A,B1,B2,C,G,H1,H2,I), GLJ (2018-01), psum

March 23, 2018 09:04:00

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Summary of Reserves and Values

	PPP Producing	PPP Developed Non-Producing	PPP Undeveloped	Total PPP
<b>MARKETABLE RESERVES</b>				
<b><u>Light &amp; Medium Oil (Mbbl)</u></b>				
Gross Lease	2,121	76	0	2,197
Total Company Interest	354	15	0	369
Net After Royalty	310	13	0	323
<b><u>Oil Equivalent (Mboe)</u></b>				
Gross Lease	2,121	76	0	2,197
Total Company Interest	354	15	0	369
Net After Royalty	310	13	0	323
<b>BEFORE TAX PRESENT VALUE (M\$)</b>				
0%	7,591	197	0	7,788
5%	6,057	143	0	6,201
8%	5,382	120	0	5,502
10%	5,007	107	0	5,114
12%	4,680	96	0	4,776
15%	4,263	83	0	4,345
20%	3,717	65	0	3,782
<b>FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)</b>				
2018	1,196	-26	0	1,170
2019	942	38	0	980
2020	767	26	0	793
2021	699	21	0	720
2022	640	18	0	658
2023	580	17	0	597

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0  
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: March 21, 2018 08:01:56

1181620 Class (P,Q1,Q2,R), GLJ (2018-01), psum

March 23, 2018 09:04:01

### Historical and Forecast Production

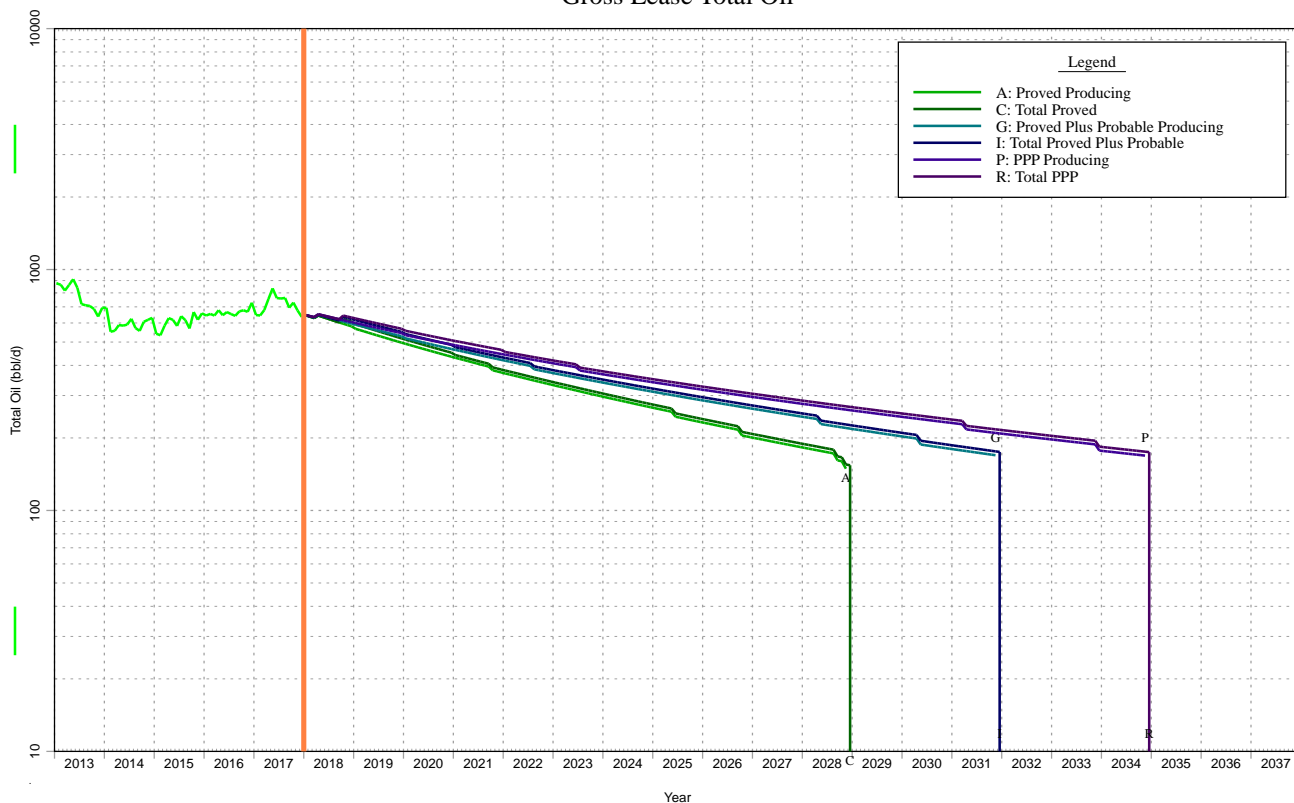
Company:  
Property:

Park Place Energy Inc.  
Cendere

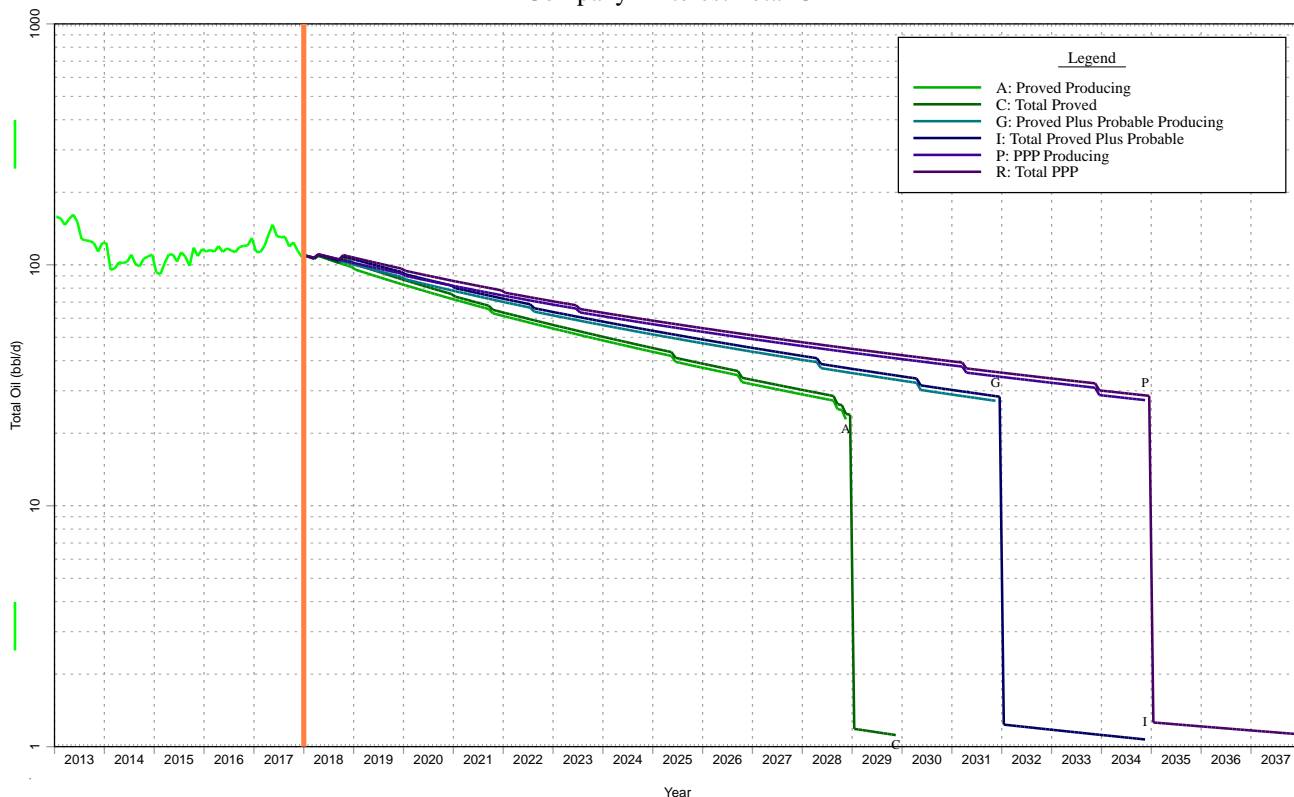
Pricing:  
Effective Date:

GLJ (2018-01)  
December 31, 2017

#### Gross Lease Total Oil



#### Company\* Interest Total Oil



\*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.

Company Interest Total Oil  
1181620 / Mar 23, 2018

Company: **Park Place Energy Inc.**  
Property: **Cendere**  
Currency: **\$US Dollars**

Reserve Class: **Various**  
Development Class: **Classifications**  
Pricing: **GLJ (2018-01)**  
Effective Date: **December 31, 2017**

### Daily Production, Reserves and Present Value Summary

Entity Description	Reserve Class	2018 Gross Lease Production				2018 Company Interest Production				Gross Lease Reserves					Company Interest Reserves					Before Tax 10% Dcf Present Value M\$
		Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	
<b>Proved Producing</b>																				
CENDERE-01	A	0	54	0	54	0	11	0	11	0	134	0	0	134	0	26	0	0	26	409
CENDERE-03	A	0	66	0	66	0	13	0	13	0	146	0	0	146	0	29	0	0	29	480
CENDERE-07	A	0	7	0	7	0	1	0	1	0	3	0	0	3	0	1	0	0	1	-7
CENDERE-09	A	0	29	0	29	0	6	0	6	0	79	0	0	79	0	16	0	0	16	175
CENDERE-10	A	0	80	0	80	0	16	0	16	0	176	0	0	176	0	34	0	0	34	605
CENDERE-13	A	0	122	0	122	0	12	0	12	0	300	0	0	300	0	29	0	0	29	550
CENDERE-14	A	0	19	0	19	0	4	0	4	0	38	0	0	38	0	8	0	0	8	70
CENDERE-16	A	0	49	0	49	0	5	0	5	0	139	0	0	139	0	14	0	0	14	206
CENDERE-17	A	0	38	0	38	0	8	0	8	0	81	0	0	81	0	16	0	0	16	212
CENDERE-19	A	0	17	0	17	0	3	0	3	0	48	0	0	48	0	9	0	0	9	94
CENDERE-23	A	0	74	0	74	0	15	0	15	0	134	0	0	134	0	26	0	0	26	458
CENDERE-24	A	0	39	0	39	0	8	0	8	0	82	0	0	82	0	16	0	0	16	213
CENDERE-25	A	0	23	0	23	0	5	0	5	0	22	0	0	22	0	4	0	0	4	61
<b>Total: Proved Producing</b>		<b>0</b>	<b>618</b>	<b>0</b>	<b>618</b>	<b>0</b>	<b>104</b>	<b>0</b>	<b>104</b>	<b>0</b>	<b>1,383</b>	<b>0</b>	<b>0</b>	<b>1,383</b>	<b>0</b>	<b>228</b>	<b>0</b>	<b>0</b>	<b>228</b>	<b>3,527</b>
<b>Total Proved</b>																				
CENDERE-01	A	0	54	0	54	0	11	0	11	0	134	0	0	134	0	26	0	0	26	409
CENDERE-03	A	0	66	0	66	0	13	0	13	0	146	0	0	146	0	29	0	0	29	480
CENDERE-07	A	0	7	0	7	0	1	0	1	0	3	0	0	3	0	1	0	0	1	-7
CENDERE-09	A	0	29	0	29	0	6	0	6	0	79	0	0	79	0	16	0	0	16	175
CENDERE-10	A	0	80	0	80	0	16	0	16	0	176	0	0	176	0	34	0	0	34	605
CENDERE-11	B1	0	3	0	3	0	1	0	1	0	37	0	0	37	0	7	0	0	7	60
CENDERE-13	A	0	122	0	122	0	12	0	12	0	300	0	0	300	0	29	0	0	29	550
CENDERE-14	A	0	19	0	19	0	4	0	4	0	38	0	0	38	0	8	0	0	8	70
CENDERE-16	A	0	49	0	49	0	5	0	5	0	139	0	0	139	0	14	0	0	14	206
CENDERE-17	A	0	38	0	38	0	8	0	8	0	81	0	0	81	0	16	0	0	16	212
CENDERE-19	A	0	17	0	17	0	3	0	3	0	48	0	0	48	0	9	0	0	9	94
CENDERE-22	B1	0	3	0	3	0	1	0	1	0	7	0	0	7	0	1	0	0	1	-8
CENDERE-23	A	0	74	0	74	0	15	0	15	0	134	0	0	134	0	26	0	0	26	458
CENDERE-24	A	0	39	0	39	0	8	0	8	0	82	0	0	82	0	16	0	0	16	213
CENDERE-25	A	0	23	0	23	0	5	0	5	0	22	0	0	22	0	4	0	0	4	61
<b>Total: Total Proved</b>		<b>0</b>	<b>625</b>	<b>0</b>	<b>625</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>1,428</b>	<b>0</b>	<b>0</b>	<b>1,428</b>	<b>0</b>	<b>237</b>	<b>0</b>	<b>0</b>	<b>237</b>	<b>3,579</b>
<b>Proved Plus Probable Producing</b>																				
CENDERE-01	G	0	54	0	54	0	11	0	11	0	168	0	0	168	0	33	0	0	33	497
CENDERE-03	G	0	68	0	68	0	13	0	13	0	201	0	0	201	0	39	0	0	39	635
CENDERE-07	G	0	7	0	7	0	1	0	1	0	5	0	0	5	0	1	0	0	1	-9
CENDERE-09	G	0	29	0	29	0	6	0	6	0	101	0	0	101	0	20	0	0	20	221
CENDERE-10	G	0	81	0	81	0	16	0	16	0	215	0	0	215	0	42	0	0	42	712
CENDERE-13	G	0	123	0	123	0	12	0	12	0	365	0	0	365	0	36	0	0	36	643
CENDERE-14	G	0	19	0	19	0	4	0	4	0	53	0	0	53	0	10	0	0	10	95
CENDERE-16	G	0	49	0	49	0	5	0	5	0	172	0	0	172	0	17	0	0	17	244



## Daily Production, Reserves and Present Value Summary

Entity Description	Reserve Class	2018 Gross Lease Production				2018 Company Interest Production				Gross Lease Reserves					Company Interest Reserves					Before Tax
		Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	10% Dcf Present Value M\$
<b>Proved Plus Probable Producing (Cont.)</b>																				
CENDERE-17	G	0	39	0	39	0	8	0	8	0	106	0	0	106	0	21	0	0	21	265
CENDERE-19	G	0	18	0	18	0	3	0	3	0	68	0	0	68	0	13	0	0	13	127
CENDERE-23	G	0	76	0	76	0	15	0	15	0	174	0	0	174	0	34	0	0	34	575
CENDERE-24	G	0	39	0	39	0	8	0	8	0	106	0	0	106	0	21	0	0	21	266
CENDERE-25	G	0	24	0	24	0	5	0	5	0	27	0	0	27	0	5	0	0	5	74
<b>Total: Proved Plus Probable Producing</b>		<b>0</b>	<b>626</b>	<b>0</b>	<b>626</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>106</b>	<b>0</b>	<b>1,763</b>	<b>0</b>	<b>0</b>	<b>1,763</b>	<b>0</b>	<b>293</b>	<b>0</b>	<b>0</b>	<b>293</b>	<b>4,346</b>
<b>Total Proved Plus Probable</b>																				
CENDERE-01	G	0	54	0	54	0	11	0	11	0	168	0	0	168	0	33	0	0	33	497
CENDERE-03	G	0	68	0	68	0	13	0	13	0	201	0	0	201	0	39	0	0	39	635
CENDERE-07	G	0	7	0	7	0	1	0	1	0	5	0	0	5	0	1	0	0	1	-9
CENDERE-09	G	0	29	0	29	0	6	0	6	0	101	0	0	101	0	20	0	0	20	221
CENDERE-10	G	0	81	0	81	0	16	0	16	0	215	0	0	215	0	42	0	0	42	712
CENDERE-11	HI	0	3	0	3	0	1	0	1	0	52	0	0	52	0	10	0	0	10	84
CENDERE-13	G	0	123	0	123	0	12	0	12	0	365	0	0	365	0	36	0	0	36	643
CENDERE-14	G	0	19	0	19	0	4	0	4	0	53	0	0	53	0	10	0	0	10	95
CENDERE-16	G	0	49	0	49	0	5	0	5	0	172	0	0	172	0	17	0	0	17	244
CENDERE-17	G	0	39	0	39	0	8	0	8	0	106	0	0	106	0	21	0	0	21	265
CENDERE-19	G	0	18	0	18	0	3	0	3	0	68	0	0	68	0	13	0	0	13	127
CENDERE-22	HI	0	3	0	3	0	1	0	1	0	8	0	0	8	0	2	0	0	2	-3
CENDERE-23	G	0	76	0	76	0	15	0	15	0	174	0	0	174	0	34	0	0	34	575
CENDERE-24	G	0	39	0	39	0	8	0	8	0	106	0	0	106	0	21	0	0	21	266
CENDERE-25	G	0	24	0	24	0	5	0	5	0	27	0	0	27	0	5	0	0	5	74
<b>Total: Total Proved Plus Probable</b>		<b>0</b>	<b>633</b>	<b>0</b>	<b>633</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>1,823</b>	<b>0</b>	<b>0</b>	<b>1,823</b>	<b>0</b>	<b>305</b>	<b>0</b>	<b>0</b>	<b>305</b>	<b>4,428</b>
<b>PPP Producing</b>																				
CENDERE-01	P	0	55	0	55	0	11	0	11	0	202	0	0	202	0	40	0	0	40	568
CENDERE-03	P	0	69	0	69	0	13	0	13	0	252	0	0	252	0	49	0	0	49	754
CENDERE-07	P	0	8	0	8	0	1	0	1	0	5	0	0	5	0	1	0	0	1	-8
CENDERE-09	P	0	29	0	29	0	6	0	6	0	123	0	0	123	0	24	0	0	24	257
CENDERE-10	P	0	81	0	81	0	16	0	16	0	251	0	0	251	0	49	0	0	49	796
CENDERE-13	P	0	124	0	124	0	12	0	12	0	426	0	0	426	0	42	0	0	42	715
CENDERE-14	P	0	19	0	19	0	4	0	4	0	68	0	0	68	0	13	0	0	13	116
CENDERE-16	P	0	49	0	49	0	5	0	5	0	204	0	0	204	0	20	0	0	20	275
CENDERE-17	P	0	39	0	39	0	8	0	8	0	128	0	0	128	0	25	0	0	25	311
CENDERE-19	P	0	18	0	18	0	3	0	3	0	88	0	0	88	0	17	0	0	17	154
CENDERE-23	P	0	77	0	77	0	15	0	15	0	212	0	0	212	0	42	0	0	42	671
CENDERE-24	P	0	40	0	40	0	8	0	8	0	128	0	0	128	0	25	0	0	25	312
CENDERE-25	P	0	24	0	24	0	5	0	5	0	32	0	0	32	0	6	0	0	6	86
<b>Total: PPP Producing</b>		<b>0</b>	<b>631</b>	<b>0</b>	<b>631</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>107</b>	<b>0</b>	<b>2,121</b>	<b>0</b>	<b>0</b>	<b>2,121</b>	<b>0</b>	<b>354</b>	<b>0</b>	<b>0</b>	<b>354</b>	<b>5,007</b>
<b>Total PPP</b>																				
CENDERE-01	P	0	55	0	55	0	11	0	11	0	202	0	0	202	0	40	0	0	40	568
CENDERE-03	P	0	69	0	69	0	13	0	13	0	252	0	0	252	0	49	0	0	49	754

### Daily Production, Reserves and Present Value Summary

Entity Description	Reserve Class	2018 Gross Lease Production				2018 Company Interest Production				Gross Lease Reserves					Company Interest Reserves					Before Tax 10% Dcf Present Value M\$
		Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	
<b>Total PPP (Cont.)</b>																				
CENDERE-07	P	0	8	0	8	0	1	0	1	0	5	0	0	5	0	1	0	0	1	-8
CENDERE-09	P	0	29	0	29	0	6	0	6	0	123	0	0	123	0	24	0	0	24	257
CENDERE-10	P	0	81	0	81	0	16	0	16	0	251	0	0	251	0	49	0	0	49	796
CENDERE-11	Q1	0	4	0	4	0	1	0	1	0	65	0	0	65	0	13	0	0	13	104
CENDERE-13	P	0	124	0	124	0	12	0	12	0	426	0	0	426	0	42	0	0	42	715
CENDERE-14	P	0	19	0	19	0	4	0	4	0	68	0	0	68	0	13	0	0	13	116
CENDERE-16	P	0	49	0	49	0	5	0	5	0	204	0	0	204	0	20	0	0	20	275
CENDERE-17	P	0	39	0	39	0	8	0	8	0	128	0	0	128	0	25	0	0	25	311
CENDERE-19	P	0	18	0	18	0	3	0	3	0	88	0	0	88	0	17	0	0	17	154
CENDERE-22	Q1	0	3	0	3	0	1	0	1	0	11	0	0	11	0	2	0	0	2	3
CENDERE-23	P	0	77	0	77	0	15	0	15	0	212	0	0	212	0	42	0	0	42	671
CENDERE-24	P	0	40	0	40	0	8	0	8	0	128	0	0	128	0	25	0	0	25	312
CENDERE-25	P	0	24	0	24	0	5	0	5	0	32	0	0	32	0	6	0	0	6	86
<b>Total: Total PPP</b>		<b>0</b>	<b>638</b>	<b>0</b>	<b>638</b>	<b>0</b>	<b>108</b>	<b>0</b>	<b>108</b>	<b>0</b>	<b>2,197</b>	<b>0</b>	<b>0</b>	<b>2,197</b>	<b>0</b>	<b>369</b>	<b>0</b>	<b>0</b>	<b>369</b>	<b>5,114</b>

BOE Factors: HVY OIL 1.0  
COND 1.0

RES GAS 6.0  
SLN GAS 6.0

PROPANE 1.0  
BUTANE 1.0

ETHANE 1.0  
SULPHUR 0.0

Company: **Park Place Energy Inc.**  
 Property: **Cendere**

Reserve Class: **PPP**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

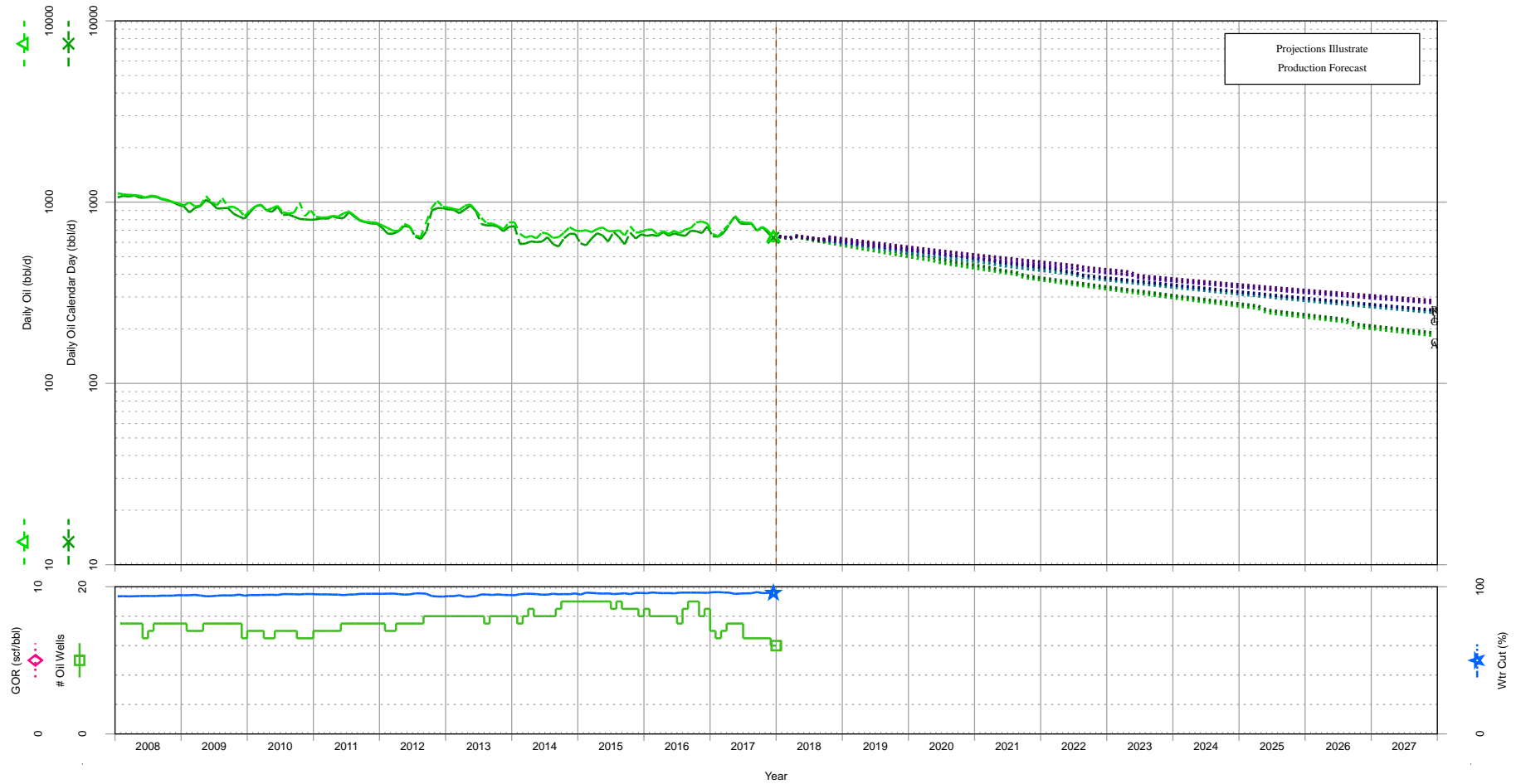
### Summary of Well Interests and Burdens

Entity Description	Working Interest			Type	Royalty Interest			Lessor Royalty	Other Royalty Burdens			
	BPO %	APO %	Rem PO (000's)		BPO %	APO %	Rem PO (000's)		Type	BPO %	APO %	Rem PO (000's)
<b>Cendere</b>												
CENDERE-01	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-03	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-07	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-09	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-10	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-11	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-13	9.800	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-14	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-16	9.800	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-17	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-19	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-22	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-23	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-24	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-
CENDERE-25	19.600	-	-		-	-	-	FED CR ROY 12.5%	-	-	-	-

**Glossary**  
 APO=BPO interests unless otherwise specified  
 CR: Crown Royalty  
 ROY: Royalty Percent

## Historical and Forecast Production Cendere - Total Property

Property : Cendere



Total Reserves Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbl )		
	Ultimate	Cum Production	Remaining
Pv Prd A(R)	21732	19957	1775
Total Pv C(R)	21781	19957	1824
P + P Prd G(R)	22254	19957	2297
Total P + P I(R)	22321	19957	2364
PPP Prd P(R)	22777	19957	2820
Total PPP R(R)	22862	19957	2905

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	725.1 bbl/d	715.4 bbl/cd	GOR	0.0 scf/stb
Avg Wells	13.1		WC	95.8%

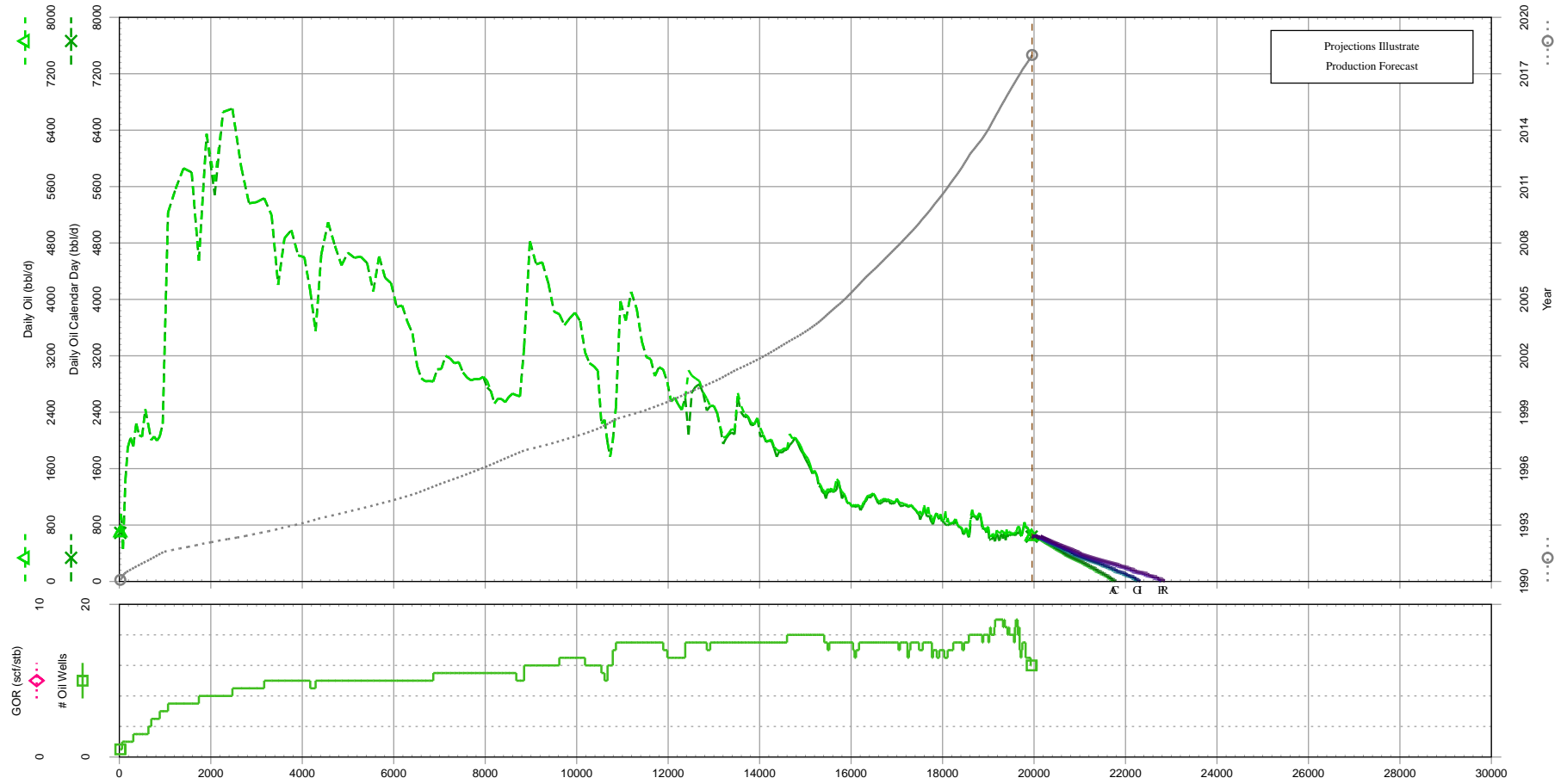
Cumulative Production

Oil	19957.0 Mbbl	Gas	0.0 MMcf	Water	115968.0 Mbbl
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Plot 1

## Historical and Forecast Production Cendere - Total Property

Property : Cendere



Total Reserves Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )		
	Ultimate	Cum Production	Remaining
Pv Prd A(R)	21732	19957	1775
Total Pv C(R)	21781	19957	1824
P + P Prd G(R)	22254	19957	2297
Total P + P I(R)	22321	19957	2364
PPP Prd P(R)	22777	19957	2820
Total PPP R(R)	22862	19957	2905

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0Mcf/d	0.0Mcf/cd	WGR	0.0bbl/MMcf
Oil	725.1 bbl/d	715.4bbl/cd	GOR	0.0scf/stb
Avg Wells	13.1		WC	95.8%

Cumulative Production

Oil	19957.0 Mbbbl	Gas	0.0MMcf	Water	115968.0Mbbbl
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Plot 2

**Well List and Production Summary**

#	Well Location	Regulatory Field Pool	Current Status	RigRel yr-mm	Production Dates			Last Quarter Production Statistics						Cumulative Production			
					First yr-mm	Last yr-mm	Inj yr-mm	Prod Days	Oil bbl/d	Gas Mcf/d	Water bbl/d	GOR scf/stb	WGR bbl/MMcf	WC %	Oil Mbbbl	Gas MMcf	Water Mbbbl
1	CENDERE-01				1990-01	2017-12		92	57	0	99	0	0	63	4,052	0	1,105
2	CENDERE-02				1990-04	2017-12		0	0	0	0	0	0	0	726	0	5,634
3	CENDERE-03				1990-10	2017-12		92	74	0	3,622	0	0	98	1,646	0	25,504
4	CENDERE-04				1991-03	2017-12		0	0	0	0	0	0	0	12	0	3
5	CENDERE-05A				1991-06	2017-12		0	0	0	0	0	0	0	1,143	0	5,002
6	CENDERE-06				1991-07	2017-12		0	0	0	0	0	0	0	751	0	823
7	CENDERE-07				1992-05	2017-12		85	7	0	160	0	0	96	1,323	0	11,090
8	CENDERE-08				1991-04	2017-12		0	0	0	0	0	0	0	321	0	534
9	CENDERE-09				1992-01	2017-12		92	31	0	1,536	0	0	98	2,089	0	12,603
10	CENDERE-10				1991-09	2017-12		92	93	0	33	0	0	26	1,326	0	292
11	CENDERE-11				1992-09	2017-12		0	0	0	0	0	0	0	390	0	403
12	CENDERE-12				1995-02	2017-12		0	0	0	0	0	0	0	816	0	356
13	CENDERE-13				1996-12	2017-12		92	131	0	3,144	0	0	96	2,048	0	20,710
14	CENDERE-14				1997-07	2017-12		92	24	0	3	0	0	10	382	0	7,958
15	CENDERE-15				1998-09	2017-12		0	0	0	0	0	0	0	561	0	782
16	CENDERE-16				1998-08	2017-12		92	52	0	1,671	0	0	97	768	0	9,712
17	CENDERE-17				2001-04	2017-12		92	44	0	2,140	0	0	98	369	0	4,029
18	CENDERE-18				1998-08	2017-12		0	0	0	0	0	0	0	108	0	821
19	CENDERE-19				2002-10	2017-12		36	10	0	334	0	0	97	652	0	4,421
20	CENDERE-22				2009-05	2017-12		0	0	0	0	0	0	0	120	0	1,259
21	CENDERE-23				2012-09	2017-12		92	87	0	427	0	0	83	233	0	390
22	CENDERE-24				2014-03	2017-12		92	44	0	1,411	0	0	97	68	0	1,809
23	CENDERE-25				2014-06	2017-12		92	26	0	755	0	0	97	53	0	729
<b>Total</b>								<b>92</b>	<b>681</b>	<b>0</b>	<b>15,334</b>	<b>0</b>	<b>0</b>	<b>96</b>	<b>19,957</b>	<b>0</b>	<b>115,968</b>

Table 2

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Gross Lease Reserves Summary

Entity Description	Reserve Class	Methodology	Oil (Mbbbl)			Non-Associated Gas (MMcf)				Other Gross Lease Reserves			
			Initial Recoverable	Cumulative Production	Reserves	Initial Recoverable	Cumulative Production	Raw Gas	Reserves	Sol'n Gas MMcf	Cond Mbbbl	LPG Mbbbl	Sulphur Mlt
<b>Proved Producing</b>													
CENDERE-01	A	Dec	4,225	4,052	134*	0	0	0	0	0	0	0	0
CENDERE-03	A	Dec	1,825	1,646	146*	0	0	0	0	0	0	0	0
CENDERE-07	A	Dec	1,329	1,323	3*	0	0	0	0	0	0	0	0
CENDERE-09	A	Dec	2,185	2,089	79*	0	0	0	0	0	0	0	0
CENDERE-10	A	Dec	1,550	1,326	176*	0	0	0	0	0	0	0	0
CENDERE-13	A	Dec	2,500	2,048	300*	0	0	0	0	0	0	0	0
CENDERE-14	A	Dec	420	382	38	0	0	0	0	0	0	0	0
CENDERE-16	A	Dec	1,000	768	139*	0	0	0	0	0	0	0	0
CENDERE-17	A	Dec	450	369	81	0	0	0	0	0	0	0	0
CENDERE-19	A	Dec	700	652	48*	0	0	0	0	0	0	0	0
CENDERE-23	A	Dec	375	233	134*	0	0	0	0	0	0	0	0
CENDERE-24	A	Dec	150	68	82	0	0	0	0	0	0	0	0
CENDERE-25	A	Dec	75	53	22	0	0	0	0	0	0	0	0
<b>Total: Proved Producing</b>			<b>16,784</b>	<b>15,009</b>	<b>1,383*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Proved</b>													
CENDERE-01	A	Dec	4,225	4,052	134*	0	0	0	0	0	0	0	0
CENDERE-03	A	Dec	1,825	1,646	146*	0	0	0	0	0	0	0	0
CENDERE-07	A	Dec	1,329	1,323	3*	0	0	0	0	0	0	0	0
CENDERE-09	A	Dec	2,185	2,089	79*	0	0	0	0	0	0	0	0
CENDERE-10	A	Dec	1,550	1,326	176*	0	0	0	0	0	0	0	0
CENDERE-11	B1	Dec	430	390	37*	0	0	0	0	0	0	0	0
CENDERE-13	A	Dec	2,500	2,048	300*	0	0	0	0	0	0	0	0
CENDERE-14	A	Dec	420	382	38	0	0	0	0	0	0	0	0
CENDERE-16	A	Dec	1,000	768	139*	0	0	0	0	0	0	0	0
CENDERE-17	A	Dec	450	369	81	0	0	0	0	0	0	0	0
CENDERE-19	A	Dec	700	652	48*	0	0	0	0	0	0	0	0
CENDERE-22	B1	Dec	128	120	7*	0	0	0	0	0	0	0	0
CENDERE-23	A	Dec	375	233	134*	0	0	0	0	0	0	0	0
CENDERE-24	A	Dec	150	68	82	0	0	0	0	0	0	0	0
CENDERE-25	A	Dec	75	53	22	0	0	0	0	0	0	0	0
<b>Total: Total Proved</b>			<b>17,342</b>	<b>15,518</b>	<b>1,428*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Proved Plus Probable Producing</b>													
CENDERE-01	G	Dec	4,275	4,052	168*	0	0	0	0	0	0	0	0
CENDERE-03	G	Dec	1,925	1,646	201*	0	0	0	0	0	0	0	0
CENDERE-07	G	Dec	1,331	1,323	5*	0	0	0	0	0	0	0	0
CENDERE-09	G	Dec	2,215	2,089	101*	0	0	0	0	0	0	0	0
CENDERE-10	G	Dec	1,600	1,326	215*	0	0	0	0	0	0	0	0
CENDERE-13	G	Dec	2,600	2,048	365*	0	0	0	0	0	0	0	0
CENDERE-14	G	Dec	435	382	53	0	0	0	0	0	0	0	0
CENDERE-16	G	Dec	1,050	768	172*	0	0	0	0	0	0	0	0
CENDERE-17	G	Dec	475	369	106*	0	0	0	0	0	0	0	0
CENDERE-19	G	Dec	720	652	68	0	0	0	0	0	0	0	0
CENDERE-23	G	Dec	425	233	174*	0	0	0	0	0	0	0	0

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Class (A.C.G.I.P.R), GLJ (2018-01), ult

March 23, 2018 09:04:12

## Gross Lease Reserves Summary

Entity Description	Reserve Class	Methodology	Oil (Mbbbl)			Non-Associated Gas (MMcf)				Other Gross Lease Reserves			
			Initial Recoverable	Cumulative Production	Reserves	Initial Recoverable	Cumulative Production	Raw Gas	Reserves	Sol'n Gas MMcf	Cond Mbbbl	LPG Mbbbl	Sulphur Mlt
<b>Proved Plus Probable Producing (Cont.)</b>													
CENDERE-24	G	Dec	175	68	106*	0	0	0	0	0	0	0	0
CENDERE-25	G	Dec	80	53	27	0	0	0	0	0	0	0	0
<b>Total: Proved Plus Probable Producing</b>			<b>17,306</b>	<b>15,009</b>	<b>1,763*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Proved Plus Probable</b>													
CENDERE-01	G	Dec	4,275	4,052	168*	0	0	0	0	0	0	0	0
CENDERE-03	G	Dec	1,925	1,646	201*	0	0	0	0	0	0	0	0
CENDERE-07	G	Dec	1,331	1,323	5*	0	0	0	0	0	0	0	0
CENDERE-09	G	Dec	2,215	2,089	101*	0	0	0	0	0	0	0	0
CENDERE-10	G	Dec	1,600	1,326	215*	0	0	0	0	0	0	0	0
CENDERE-11	H1	Dec	445	390	52*	0	0	0	0	0	0	0	0
CENDERE-13	G	Dec	2,600	2,048	365*	0	0	0	0	0	0	0	0
CENDERE-14	G	Dec	435	382	53	0	0	0	0	0	0	0	0
CENDERE-16	G	Dec	1,050	768	172*	0	0	0	0	0	0	0	0
CENDERE-17	G	Dec	475	369	106*	0	0	0	0	0	0	0	0
CENDERE-19	G	Dec	720	652	68	0	0	0	0	0	0	0	0
CENDERE-22	H1	Dec	131	120	8*	0	0	0	0	0	0	0	0
CENDERE-23	G	Dec	425	233	174*	0	0	0	0	0	0	0	0
CENDERE-24	G	Dec	175	68	106*	0	0	0	0	0	0	0	0
CENDERE-25	G	Dec	80	53	27	0	0	0	0	0	0	0	0
<b>Total: Total Proved Plus Probable</b>			<b>17,882</b>	<b>15,518</b>	<b>1,823*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PPP Producing</b>													
CENDERE-01	P	Dec	4,325	4,052	202*	0	0	0	0	0	0	0	0
CENDERE-03	P	Dec	2,025	1,646	252*	0	0	0	0	0	0	0	0
CENDERE-07	P	Dec	1,334	1,323	5*	0	0	0	0	0	0	0	0
CENDERE-09	P	Dec	2,245	2,089	123*	0	0	0	0	0	0	0	0
CENDERE-10	P	Dec	1,650	1,326	251*	0	0	0	0	0	0	0	0
CENDERE-13	P	Dec	2,700	2,048	426*	0	0	0	0	0	0	0	0
CENDERE-14	P	Dec	450	382	68	0	0	0	0	0	0	0	0
CENDERE-16	P	Dec	1,100	768	204*	0	0	0	0	0	0	0	0
CENDERE-17	P	Dec	500	369	128*	0	0	0	0	0	0	0	0
CENDERE-19	P	Dec	740	652	88	0	0	0	0	0	0	0	0
CENDERE-23	P	Dec	475	233	212*	0	0	0	0	0	0	0	0
CENDERE-24	P	Dec	200	68	128*	0	0	0	0	0	0	0	0
CENDERE-25	P	Dec	85	53	32	0	0	0	0	0	0	0	0
<b>Total: PPP Producing</b>			<b>17,829</b>	<b>15,009</b>	<b>2,121*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total PPP</b>													
CENDERE-01	P	Dec	4,325	4,052	202*	0	0	0	0	0	0	0	0
CENDERE-03	P	Dec	2,025	1,646	252*	0	0	0	0	0	0	0	0
CENDERE-07	P	Dec	1,334	1,323	5*	0	0	0	0	0	0	0	0
CENDERE-09	P	Dec	2,245	2,089	123*	0	0	0	0	0	0	0	0
CENDERE-10	P	Dec	1,650	1,326	251*	0	0	0	0	0	0	0	0
CENDERE-11	Q1	Dec	460	390	65*	0	0	0	0	0	0	0	0
CENDERE-13	P	Dec	2,700	2,048	426*	0	0	0	0	0	0	0	0
CENDERE-14	P	Dec	450	382	68	0	0	0	0	0	0	0	0
CENDERE-16	P	Dec	1,100	768	204*	0	0	0	0	0	0	0	0



## Gross Lease Reserves Summary

Entity Description	Reserve Class	Methodology	Oil (MbbL)			Non-Associated Gas (MMcf)				Other Gross Lease Reserves				
			Initial Recoverable	Cumulative Production	Reserves	Initial Recoverable	Cumulative Production	Raw Gas	Reserves	Sol'n Gas MMcf	Cond MbbL	LPG MbbL	Sulphur Mlt	
<b>Total PPP (Cont.)</b>														
CENDERE-17	P	Dec	500	369	128 *	0	0	0	0	0	0	0	0	0
CENDERE-19	P	Dec	740	652	88	0	0	0	0	0	0	0	0	0
CENDERE-22	Q1	Dec	134	120	11 *	0	0	0	0	0	0	0	0	0
CENDERE-23	P	Dec	475	233	212 *	0	0	0	0	0	0	0	0	0
CENDERE-24	P	Dec	200	68	128 *	0	0	0	0	0	0	0	0	0
CENDERE-25	P	Dec	85	53	32	0	0	0	0	0	0	0	0	0
<b>Total: Total PPP</b>			<b>18,423</b>	<b>15,518</b>	<b>2,197 *</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Notes

1. [\*] Remaining reserves are less than the estimate due to economic limit.

Company: Park Place Energy Inc.  
Property: Cendere

Table 2.1

Effective Date: December 31, 2017

Oil Decline Parameters

Resource Entity	Zone	Method	Res. Class	Decline Type	Analysis Date	Analysis Data				Oil Cut			Fluid Rate		Reserve Life yrs	Original Recoverable Reserve Mbbl	Cum Production @ Analysis Mbbl	Cum Production 2018-01-01 Mbbl	Remaining Reserves 2017-12-31 Mbbl
						Initial Effective Decline	Initial Rate bbl/d	Final Rate bbl/d	Decline Exponent	Initial Effective Decline	Initial Rate %	Final Rate %	Initial Rate bbl/d	Final Rate bbl/d					
<b>Proved Producing</b>																			
CENDERE-01		Decline	A	OR	2018-01-01	11.20	57.0	10.0	0.30	-	-	-	-	-	18.9	4,225.0	4,051.8	4,051.8	173.2
CENDERE-03		Decline	A	OC	2018-01-01	-	72.0	10.0	0.40	15.14	1.6	0.2	4,500.0	4,500.0	17.7	1,825.0	1,645.8	1,645.8	179.2
CENDERE-07		Decline	A	OR	2018-01-01	18.49	8.0	5.0	0.40	-	-	-	-	-	2.4	1,329.0	1,323.4	1,323.4	5.6
CENDERE-09		Decline	A	OC	2018-01-01	-	30.0	10.0	0.40	8.62	2.0	0.7	1,500.0	1,500.0	15.0	2,185.0	2,089.0	2,089.0	96.0
CENDERE-10		Decline	A	OR	2018-01-01	15.31	87.0	10.0	0.40	-	-	-	-	-	20.0	1,550.0	1,326.1	1,326.1	223.9
CENDERE-13		Decline	A	OC	2018-01-01	-	130.0	10.0	0.30	11.56	4.0	0.3	3,250.0	3,250.0	30.8	2,500.0	2,048.3	2,048.3	451.7
CENDERE-14		Decline	A	OR	2018-01-01	9.80	20.0	10.0	0.30	-	-	-	-	-	7.4	420.0	381.7	381.7	38.3
CENDERE-16		Decline	A	OC	2018-01-01	-	51.0	10.0	0.40	7.89	3.0	0.6	1,700.0	1,700.0	27.5	1,000.0	768.3	768.3	231.7
CENDERE-17		Decline	A	OR	2018-01-01	16.08	42.0	10.0	0.40	-	-	-	-	-	10.7	450.0	368.8	368.8	81.2
CENDERE-19		Decline	A	OC	2018-01-01	-	24.0	10.0	0.30	10.98	3.0	1.3	800.0	800.0	8.5	700.0	651.6	651.6	48.4
CENDERE-23		Decline	A	OC	2018-01-01	-	84.0	10.0	0.40	21.88	16.0	1.9	525.0	525.0	12.9	375.0	233.0	233.0	142.0
CENDERE-24		Decline	A	OR	2018-01-01	15.96	42.0	10.0	0.40	-	-	-	-	-	10.8	150.0	68.1	68.1	81.9
CENDERE-25		Decline	A	OC	2018-01-01	-	27.0	10.0	0.40	26.68	3.0	1.1	900.0	900.0	3.7	75.0	52.7	52.7	22.3
<b>Total: Proved Producing</b>							<b>674.0</b>								<b>16,784.0</b>	<b>15,008.6</b>	<b>15,008.6</b>	<b>1,775.4</b>	
<b>Total Proved</b>																			
CENDERE-01		Decline	A	OR	2018-01-01	11.20	57.0	10.0	0.30	-	-	-	-	-	18.9	4,225.0	4,051.8	4,051.8	173.2
CENDERE-03		Decline	A	OC	2018-01-01	-	72.0	10.0	0.40	15.14	1.6	0.2	4,500.0	4,500.0	17.7	1,825.0	1,645.8	1,645.8	179.2
CENDERE-07		Decline	A	OR	2018-01-01	18.49	8.0	5.0	0.40	-	-	-	-	-	2.4	1,329.0	1,323.4	1,323.4	5.6
CENDERE-09		Decline	A	OC	2018-01-01	-	30.0	10.0	0.40	8.62	2.0	0.7	1,500.0	1,500.0	15.0	2,185.0	2,089.0	2,089.0	96.0
CENDERE-10		Decline	A	OR	2018-01-01	15.31	87.0	10.0	0.40	-	-	-	-	-	20.0	1,550.0	1,326.1	1,326.1	223.9
CENDERE-11		Decline	B1	OR	2018-01-01	8.73	14.0	5.0	0.30	-	-	-	-	-	13.0	430.0	389.5	389.5	40.5
CENDERE-13		Decline	A	OC	2018-01-01	-	130.0	10.0	0.30	11.56	4.0	0.3	3,250.0	3,250.0	30.8	2,500.0	2,048.3	2,048.3	451.7
CENDERE-14		Decline	A	OR	2018-01-01	9.80	20.0	10.0	0.30	-	-	-	-	-	7.4	420.0	381.7	381.7	38.3
CENDERE-16		Decline	A	OC	2018-01-01	-	51.0	10.0	0.40	7.89	3.0	0.6	1,700.0	1,700.0	27.5	1,000.0	768.3	768.3	231.7
CENDERE-17		Decline	A	OR	2018-01-01	16.08	42.0	10.0	0.40	-	-	-	-	-	10.7	450.0	368.8	368.8	81.2
CENDERE-19		Decline	A	OC	2018-01-01	-	24.0	10.0	0.30	10.98	3.0	1.3	800.0	800.0	8.5	700.0	651.6	651.6	48.4
CENDERE-22		Decline	B1	OR	2018-01-01	36.55	14.0	5.0	0.40	-	-	-	-	-	2.6	128.0	120.1	120.1	7.9
CENDERE-23		Decline	A	OC	2018-01-01	-	84.0	10.0	0.40	21.88	16.0	1.9	525.0	525.0	12.9	375.0	233.0	233.0	142.0
CENDERE-24		Decline	A	OR	2018-01-01	15.96	42.0	10.0	0.40	-	-	-	-	-	10.8	150.0	68.1	68.1	81.9
CENDERE-25		Decline	A	OC	2018-01-01	-	27.0	10.0	0.40	26.68	3.0	1.1	900.0	900.0	3.7	75.0	52.7	52.7	22.3
<b>Total: Total Proved</b>							<b>702.0</b>								<b>17,342.0</b>	<b>15,518.2</b>	<b>15,518.2</b>	<b>1,823.8</b>	
<b>Proved Plus Probable Producing</b>																			
CENDERE-01		Decline	G	OR	2018-01-01	9.40	57.0	10.0	0.40	-	-	-	-	-	25.0	4,275.0	4,051.8	4,051.8	223.2
CENDERE-03		Decline	G	OC	2018-01-01	-	72.0	10.0	0.50	10.84	1.6	0.2	4,500.0	4,500.0	28.5	1,925.0	1,645.8	1,645.8	279.2
CENDERE-07		Decline	G	OR	2018-01-01	14.32	8.0	5.0	0.50	-	-	-	-	-	3.3	1,331.0	1,323.4	1,323.4	7.6
CENDERE-09		Decline	G	OC	2018-01-01	-	30.0	10.0	0.50	6.96	2.0	0.7	1,500.0	1,500.0	19.9	2,215.0	2,089.0	2,089.0	126.0
CENDERE-10		Decline	G	OR	2018-01-01	13.73	87.0	10.0	0.50	-	-	-	-	-	25.4	1,600.0	1,326.1	1,326.1	273.9
CENDERE-13		Decline	G	OC	2018-01-01	-	130.0	10.0	0.40	10.43	4.0	0.3	3,250.0	3,250.0	39.7	2,600.0	2,048.3	2,048.3	551.7
CENDERE-14		Decline	G	OR	2018-01-01	7.36	20.0	10.0	0.40	-	-	-	-	-	10.3	435.0	381.7	381.7	53.3
CENDERE-16		Decline	G	OC	2018-01-01	-	51.0	10.0	0.50	6.98	3.0	0.6	1,700.0	1,700.0	34.1	1,050.0	768.3	768.3	281.7
CENDERE-17		Decline	G	OR	2018-01-01	13.29	42.0	10.0	0.50	-	-	-	-	-	14.2	475.0	368.8	368.8	106.2
CENDERE-19		Decline	G	OC	2018-01-01	-	24.0	10.0	0.40	8.21	3.0	1.3	800.0	800.0	12.0	720.0	651.6	651.6	68.4
CENDERE-23		Decline	G	OC	2018-01-01	-	84.0	10.0	0.50	18.04	16.0	1.9	525.0	525.0	18.1	425.0	233.0	233.0	192.0

## Oil Decline Parameters

Resource Entity	Zone	Method	Res. Class	Decline Type	Analysis Date	Analysis Data				Oil Cut			Fluid Rate		Reserve Life yrs	Original Recoverable Reserve Mbbl	Cum Production @ Analysis Mbbl	Cum Production 2018-01-01 Mbbl	Remaining Reserves 2017-12-31 Mbbl
						Initial Effective Decline	Initial Rate bbl/d	Final Rate bbl/d	Decline Exponent	Initial Effective Decline	Initial Rate %	Final Rate %	Initial Rate bbl/d	Final Rate bbl/d					
<b>Proved Plus Probable Producing (Cont.)</b>																			
CENDERE-24		Decline	G	OR	2018-01-01	13.21	42.0	10.0	0.50	-	-	-	-	-	14.3	175.0	68.1	68.1	106.9
CENDERE-25		Decline	G	OC	2018-01-01	-	27.0	10.0	0.50	23.22	3.0	1.1	900.0	900.0	4.6	80.0	52.7	52.7	27.3
<b>Total: Proved Plus Probable Producing</b>							<b>674.0</b>								<b>17,306.0</b>	<b>15,008.6</b>	<b>15,008.6</b>	<b>2,297.4</b>	
<b>Total Proved Plus Probable</b>																			
CENDERE-01		Decline	G	OR	2018-01-01	9.40	57.0	10.0	0.40	-	-	-	-	-	25.0	4,275.0	4,051.8	4,051.8	223.2
CENDERE-03		Decline	G	OC	2018-01-01	-	72.0	10.0	0.50	10.84	1.6	0.2	4,500.0	4,500.0	28.5	1,925.0	1,645.8	1,645.8	279.2
CENDERE-07		Decline	G	OR	2018-01-01	14.32	8.0	5.0	0.50	-	-	-	-	-	3.3	1,331.0	1,323.4	1,323.4	7.6
CENDERE-09		Decline	G	OC	2018-01-01	-	30.0	10.0	0.50	6.96	2.0	0.7	1,500.0	1,500.0	19.9	2,215.0	2,089.0	2,089.0	126.0
CENDERE-10		Decline	G	OR	2018-01-01	13.73	87.0	10.0	0.50	-	-	-	-	-	25.4	1,600.0	1,326.1	1,326.1	273.9
CENDERE-11		Decline	H1	OR	2018-01-01	6.74	14.0	5.0	0.40	-	-	-	-	-	18.0	445.0	389.5	389.5	55.5
CENDERE-13		Decline	G	OC	2018-01-01	-	130.0	10.0	0.40	10.43	4.0	0.3	3,250.0	3,250.0	39.7	2,600.0	2,048.3	2,048.3	551.7
CENDERE-14		Decline	G	OR	2018-01-01	7.36	20.0	10.0	0.40	-	-	-	-	-	10.3	435.0	381.7	381.7	53.3
CENDERE-16		Decline	G	OC	2018-01-01	-	51.0	10.0	0.50	6.98	3.0	0.6	1,700.0	1,700.0	34.1	1,050.0	768.3	768.3	281.7
CENDERE-17		Decline	G	OR	2018-01-01	13.29	42.0	10.0	0.50	-	-	-	-	-	14.2	475.0	368.8	368.8	106.2
CENDERE-19		Decline	G	OC	2018-01-01	-	24.0	10.0	0.40	8.21	3.0	1.3	800.0	800.0	12.0	720.0	651.6	651.6	68.4
CENDERE-22		Decline	H1	OR	2018-01-01	29.29	14.0	5.0	0.50	-	-	-	-	-	3.6	131.0	120.1	120.1	10.9
CENDERE-23		Decline	G	OC	2018-01-01	-	84.0	10.0	0.50	18.04	16.0	1.9	525.0	525.0	18.1	425.0	233.0	233.0	192.0
CENDERE-24		Decline	G	OR	2018-01-01	13.21	42.0	10.0	0.50	-	-	-	-	-	14.3	175.0	68.1	68.1	106.9
CENDERE-25		Decline	G	OC	2018-01-01	-	27.0	10.0	0.50	23.22	3.0	1.1	900.0	900.0	4.6	80.0	52.7	52.7	27.3
<b>Total: Total Proved Plus Probable</b>							<b>702.0</b>								<b>17,882.0</b>	<b>15,518.2</b>	<b>15,518.2</b>	<b>2,363.8</b>	
<b>PPP Producing</b>																			
CENDERE-01		Decline	P	OR	2018-01-01	8.30	57.0	10.0	0.50	-	-	-	-	-	31.3	4,325.0	4,051.8	4,051.8	273.2
CENDERE-03		Decline	P	OC	2018-01-01	-	72.0	10.0	0.60	8.79	1.6	0.2	4,500.0	4,500.0	39.9	2,025.0	1,645.8	1,645.8	379.2
CENDERE-07		Decline	P	OR	2018-01-01	10.76	8.0	5.0	0.60	-	-	-	-	-	4.6	1,334.0	1,323.4	1,323.4	10.6
CENDERE-09		Decline	P	OC	2018-01-01	-	30.0	10.0	0.60	5.94	2.0	0.7	1,500.0	1,500.0	24.9	2,245.0	2,089.0	2,089.0	156.0
CENDERE-10		Decline	P	OR	2018-01-01	12.73	87.0	10.0	0.60	-	-	-	-	-	31.2	1,650.0	1,326.1	1,326.1	323.9
CENDERE-13		Decline	P	OC	2018-01-01	-	130.0	10.0	0.50	9.75	4.0	0.3	3,250.0	3,250.0	49.5	2,700.0	2,048.3	2,048.3	651.7
CENDERE-14		Decline	P	OR	2018-01-01	5.98	20.0	10.0	0.50	-	-	-	-	-	13.2	450.0	381.7	381.7	68.3
CENDERE-16		Decline	P	OC	2018-01-01	-	51.0	10.0	0.60	6.37	3.0	0.6	1,700.0	1,700.0	41.1	1,100.0	768.3	768.3	331.7
CENDERE-17		Decline	P	OR	2018-01-01	11.57	42.0	10.0	0.60	-	-	-	-	-	17.8	500.0	368.8	368.8	131.2
CENDERE-19		Decline	P	OC	2018-01-01	-	24.0	10.0	0.50	6.67	3.0	1.3	800.0	800.0	15.6	740.0	651.6	651.6	88.5
CENDERE-23		Decline	P	OC	2018-01-01	-	84.0	10.0	0.60	15.83	16.0	1.9	525.0	525.0	23.7	475.0	233.0	233.0	242.0
CENDERE-24		Decline	P	OR	2018-01-01	11.51	42.0	10.0	0.60	-	-	-	-	-	17.9	200.0	68.1	68.1	131.9
CENDERE-25		Decline	P	OC	2018-01-01	-	27.0	10.0	0.60	20.78	3.0	1.1	900.0	900.0	5.4	85.0	52.7	52.7	32.3
<b>Total: PPP Producing</b>							<b>674.0</b>								<b>17,829.0</b>	<b>15,008.6</b>	<b>15,008.6</b>	<b>2,820.4</b>	
<b>Total PPP</b>																			
CENDERE-01		Decline	P	OR	2018-01-01	8.30	57.0	10.0	0.50	-	-	-	-	-	31.3	4,325.0	4,051.8	4,051.8	273.2
CENDERE-03		Decline	P	OC	2018-01-01	-	72.0	10.0	0.60	8.79	1.6	0.2	4,500.0	4,500.0	39.9	2,025.0	1,645.8	1,645.8	379.2
CENDERE-07		Decline	P	OR	2018-01-01	10.76	8.0	5.0	0.60	-	-	-	-	-	4.6	1,334.0	1,323.4	1,323.4	10.6
CENDERE-09		Decline	P	OC	2018-01-01	-	30.0	10.0	0.60	5.94	2.0	0.7	1,500.0	1,500.0	24.9	2,245.0	2,089.0	2,089.0	156.0
CENDERE-10		Decline	P	OR	2018-01-01	12.73	87.0	10.0	0.60	-	-	-	-	-	31.2	1,650.0	1,326.1	1,326.1	323.9
CENDERE-11		Decline	Q1	OR	2018-01-01	5.59	14.0	5.0	0.50	-	-	-	-	-	23.1	460.0	389.5	389.5	70.5
CENDERE-13		Decline	P	OC	2018-01-01	-	130.0	10.0	0.50	9.75	4.0	0.3	3,250.0	3,250.0	49.5	2,700.0	2,048.3	2,048.3	651.7
CENDERE-14		Decline	P	OR	2018-01-01	5.98	20.0	10.0	0.50	-	-	-	-	-	13.2	450.0	381.7	381.7	68.3
CENDERE-16		Decline	P	OC	2018-01-01	-	51.0	10.0	0.60	6.37	3.0	0.6	1,700.0	1,700.0	41.1	1,100.0	768.3	768.3	331.7

## Oil Decline Parameters

Resource Entity	Zone	Method	Res. Class	Decline Type	Analysis Date	Analysis Data				Oil Cut			Fluid Rate		Reserve Life yrs	Original Recoverable Reserve Mbbl	Cum Production @ Analysis Mbbl	Cum Production 2018-01-01 Mbbl	Remaining Reserves 2017-12-31 Mbbl
						Initial Effective Decline	Initial Rate bbl/d	Final Rate bbl/d	Decline Exponent	Initial Effective Decline	Initial Rate %	Final Rate %	Initial Rate bbl/d	Final Rate bbl/d					
<b>Total PPP (Cont.)</b>																			
CENDERE-17		Decline	P	OR	2018-01-01	11.57	42.0	10.0	0.60	-	-	-	-	-	17.8	500.0	368.8	368.8	131.2
CENDERE-19		Decline	P	OC	2018-01-01	-	24.0	10.0	0.50	6.67	3.0	1.3	800.0	800.0	15.6	740.0	651.6	651.6	88.5
CENDERE-22		Decline	Q1	OR	2018-01-01	24.81	14.0	5.0	0.60	-	-	-	-	-	4.6	134.0	120.1	120.1	13.9
CENDERE-23		Decline	P	OC	2018-01-01	-	84.0	10.0	0.60	15.83	16.0	1.9	525.0	525.0	23.7	475.0	233.0	233.0	242.0
CENDERE-24		Decline	P	OR	2018-01-01	11.51	42.0	10.0	0.60	-	-	-	-	-	17.9	200.0	68.1	68.1	131.9
CENDERE-25		Decline	P	OC	2018-01-01	-	27.0	10.0	0.60	20.78	3.0	1.1	900.0	900.0	5.4	85.0	52.7	52.7	32.3
<b>Total: Total PPP</b>							<b>702.0</b>									<b>18,423.0</b>	<b>15,518.2</b>	<b>15,518.2</b>	<b>2,904.8</b>

The reserves calculated above may not match the economic forecasts due to economic limit considerations.

## Glossary

A: Proved Producing

B1: Proved Developed Non-Producing

G: Proved Plus Probable Producing

H1: Proved Plus Probable Developed Non-Producing

P: PPP Producing

Q1: PPP Developed Non-Producing

Table 3

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Various**  
 Development Class: **Classifications**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

**Daily Production**

Entity Description	Reserve Class	Year												Totals		
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Subtotal	Remainder	Total
<b>Gross Lease Daily Oil Production (bbl/d)</b>																
Proved Producing	A	618	531	464	403	351	314	282	248	218	191	169	0	1,383	0	1,383
Total Proved		625	554	482	414	361	323	291	255	225	198	176	6	1,428	0	1,428
Proved Plus Probable Producing	G	626	559	494	442	396	355	326	298	275	254	230	210	1,630	132	1,763
Total Proved Plus Probable		633	583	514	454	407	365	335	307	284	263	237	217	1,679	144	1,823
PPP Producing	P	631	572	512	465	426	387	355	329	306	286	269	252	1,748	372	2,121
Total PPP		638	596	534	484	437	397	365	338	316	295	278	260	1,803	394	2,197
<b>Company Daily Oil Production (bbl/d)</b>																
Proved Producing	A	104	89	77	67	58	51	46	40	35	30	27	0	228	0	228
Total Proved		106	94	81	69	60	53	48	42	36	32	28	1	237	0	237
Proved Plus Probable Producing	G	106	94	83	74	66	59	54	49	45	42	38	34	271	21	293
Total Proved Plus Probable		107	99	87	76	68	61	56	51	47	43	39	36	281	24	305
PPP Producing	P	107	97	86	78	71	65	59	55	51	48	45	42	293	61	354
Total PPP		108	101	90	82	74	67	61	57	53	49	46	43	303	65	369

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Table 4

Effective Date: **December 31, 2017****Economic Parameters****A) Price Forecasts and By-Product Data**

Scenario	GLJ (2018-01)
Oil Reference	BRENTUS
Price Adjustment	
Field Condensate	-3.50 \$/bbl
Oil	-3.50 \$/bbl

**B) Operating Costs (2018 \$US Dollars)**

Field Condensate Stream Costs	
Variable	9.20 \$/bbl
Major Stream Costs	
Fixed	8,000 \$/well/month
Oil Stream Costs	
Variable	9.20 \$/bbl

**Notes**

1. All variable costs are \$/product (sales).

	RC	Major Stream Costs
		Fixed M\$/yr
Cendere	A,G,P	2,000

**Notes**

1. All variable costs are \$/product (sales).

**C) Abandonment Costs (2018 \$US Dollars)**

Abandonment	
Well Costs	30.0 M\$/well
Reclamation	
Well Costs	20.0 M\$/well

**D) Capital Costs (2018 \$US Dollars)****Capital Summary (2018 \$US Dollars)**

Year	On Stream	Well/Area	RC	Development Description	Gross Lease Capital Expenditures (M\$)			Company Capital Expenditures	Capital Interest %	
					Development	Tangible	Plant & Gath.	Total M\$		
<i>Proved Producing</i>										
2018	Apr	CENDERE-19	A		0	0	0	0	0.00	
<b>Total: Proved Producing</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	
<i>Total Proved</i>										
2018	Apr	CENDERE-19	A		0	0	0	0	0.00	
	Oct	CENDERE-11	B1	Workover	100	0	0	100	19.60	
	Oct	CENDERE-22	B1	Workover	100	0	0	100	19.60	
<b>Total: Total Proved</b>					<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>39</b>	<b>19.60</b>
<i>Proved Plus Probable Producing</i>										
2018	Apr	CENDERE-19	G		0	0	0	0	0.00	
<b>Total: Proved Plus Probable Producing</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	
<i>Total Proved Plus Probable</i>										
2018	Apr	CENDERE-19	G		0	0	0	0	0.00	

**Table 4**  
**Economic Parameters**  
**Capital Summary (2018 \$US Dollars)**

Year	On Stream	Well/Area	RC	Development Description	Gross Lease Capital Expenditures (M\$)			Company Capital Expenditures	Capital Interest %	
					Development	Tangible	Plant & Gath.	Total		Total M\$
<i>Total Proved Plus Probable (Cont.)</i>										
2018	Oct	CENDERE-11	H1	Workover	100	0	0	100	20	19.60
	Oct	CENDERE-22	H1	Workover	100	0	0	100	20	19.60
<b>Total: Total Proved Plus Probable</b>					<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>39</b>	<b>19.60</b>
<i>PPP Producing</i>										
2018	Apr	CENDERE-19	P		0	0	0	0	0	0.00
<b>Total: PPP Producing</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<i>Total PPP</i>										
2018	Apr	CENDERE-19	P		0	0	0	0	0	0.00
	Oct	CENDERE-11	Q1	Workover	100	0	0	100	20	19.60
	Oct	CENDERE-22	Q1	Workover	100	0	0	100	20	19.60
<b>Total: Total PPP</b>					<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>39</b>	<b>19.60</b>

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Proved**  
 Development Class: **Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Gross Oil Wells	Gross Daily bbl/d	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	13	618	104	38	33	62.00
2019	12	531	89	33	28	59.93
2020	12	464	77	28	25	59.36
2021	12	403	67	24	21	62.29
2022	11	351	58	21	18	65.21
2023	11	314	51	19	16	68.14
2024	11	282	46	17	15	71.06
2025	11	248	40	15	13	73.98
2026	10	218	35	13	11	76.23
2027	9	191	30	11	10	77.70
2028	9	169	27	10	9	79.25
2029	0	0	0	0	0	0.00
Sub.				228	200	65.94
Rem.				0	0	0.00
<b>Tot.</b>				<b>228</b>	<b>200</b>	<b>65.94</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,361	0	0	2,361	0	2,361	295	0	0	0	295	2,066	559	350	909
2019	1,949	0	0	1,949	0	1,949	244	0	0	0	244	1,705	553	305	858
2020	1,675	0	0	1,675	0	1,675	209	0	0	0	209	1,466	562	270	832
2021	1,519	0	0	1,519	0	1,519	190	0	0	0	190	1,329	565	238	803
2022	1,375	0	0	1,375	0	1,375	172	0	0	0	172	1,203	560	210	770
2023	1,278	0	0	1,278	0	1,278	160	0	0	0	160	1,118	569	190	760
2024	1,195	0	0	1,195	0	1,195	149	0	0	0	149	1,046	580	174	754
2025	1,083	0	0	1,083	0	1,083	135	0	0	0	135	947	574	155	729
2026	973	0	0	973	0	973	122	0	0	0	122	852	568	138	705
2027	862	0	0	862	0	862	108	0	0	0	108	754	560	122	682
2028	770	0	0	770	0	770	96	0	0	0	96	674	553	109	662
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	15,039	0	0	15,039	0	15,039	1,880	0	0	0	1,880	13,159	6,203	2,261	8,464
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>15,039</b>	<b>0</b>	<b>0</b>	<b>15,039</b>	<b>0</b>	<b>15,039</b>	<b>1,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,880</b>	<b>13,159</b>	<b>6,203</b>	<b>2,261</b>	<b>8,464</b>
Disc	10,237	0	0	10,237	0	10,237	1,280	0	0	0	1,280	8,958	3,837	1,551	5,388

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,157	0	0	1,157	0	0	0	0	0	1,157	1,157	1,103
2019	0	0	0	847	0	0	847	0	0	0	0	0	847	2,004	1,837
2020	0	0	0	633	0	0	633	0	0	0	0	0	633	2,637	2,336
2021	0	0	0	526	0	0	526	0	0	0	0	0	526	3,163	2,713
2022	0	0	0	433	0	0	433	0	0	0	0	0	433	3,596	2,995
2023	0	0	0	358	0	11	347	0	0	0	0	0	347	3,943	3,201
2024	0	0	0	292	0	0	292	0	0	0	0	0	292	4,235	3,358
2025	0	0	0	218	0	0	218	0	0	0	0	0	218	4,454	3,464
2026	0	0	0	146	0	11	135	0	0	0	0	0	135	4,588	3,524
2027	0	0	0	73	0	0	73	0	0	0	0	0	73	4,661	3,554
2028	0	0	0	11	0	0	11	0	0	0	0	0	11	4,673	3,558
2029	0	0	0	0	0	0	0	0	0	0	0	0	0	4,673	3,558
Sub.	0	0	0	4,695	0	22	4,673	0	0	0	0	0	4,673	4,673	3,558
Rem.	0	0	0	0	0	131	-131	0	0	0	0	0	-131	4,542	3,527
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,695</b>	<b>0</b>	<b>153</b>	<b>4,542</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,542</b>	<b>4,542</b>	<b>3,527</b>
Disc	0	0	0	3,570	0	43	3,527	0	0	0	0	0	3,527	3,527	3,527



**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,383	228	0	228	200	1.000	228	100	11.0	6.0	3.6
Total: Oil Eq.	Mboe	1,383	228	0	228	200	1.000	228	100	11.0	6.0	3.6

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values					Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	62.00	7.75	23.87	0.00	30.38	13,159	100	8,958	100	
Total: Oil Eq.	\$/boe	62.00	7.75	23.87	0.00	30.38	13,159	100	8,958	100	

**INTEREST AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Interests and Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Working Interest	16.8847	16.4582	0	4,695	4,542	0	4,542	19.92		
Capital Interest	16.8847	16.4582	5	4,055	3,976	0	3,976	17.43		
Royalty Interest	0.0000	0.0000	8	3,749	3,694	0	3,694	16.20		
Crown Royalty	12.5000	12.5000	10	3,570	3,527	0	3,527	15.46		
Non-crown Royalty	0.0000	0.0000	12	3,408	3,374	0	3,374	14.79		
Mineral Tax	0.0000	0.0000	15	3,192	3,168	0	3,168	13.89		
			20	2,892	2,877	0	2,877	12.62		

Evaluator: Olenick, Patrick A.  
Run Date: March 21, 2018 08:01:57

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Proved**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Gross Oil Wells	Gross Daily bbl/d	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	15	625	106	39	34	62.00
2019	14	554	94	34	30	59.93
2020	14	482	81	30	26	59.36
2021	13	414	69	25	22	62.29
2022	12	361	60	22	19	65.21
2023	12	323	53	19	17	68.14
2024	12	291	48	17	15	71.06
2025	12	255	42	15	13	73.98
2026	11	225	36	13	12	76.23
2027	10	198	32	12	10	77.70
2028	10	176	28	10	9	79.25
2029	1	6	1	0	0	80.84
Sub.				237	207	65.98
Rem.				0	0	0.00
<b>Tot.</b>				<b>237</b>	<b>207</b>	<b>65.98</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest	Company Interest	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	M\$	M\$	Fixed M\$	Variable M\$	Total M\$
2018	2,392	0	0	2,392	0	2,392	299	0	0	0	299	2,093	568	355	923
2019	2,047	0	0	2,047	0	2,047	256	0	0	0	256	1,791	592	321	912
2020	1,754	0	0	1,754	0	1,754	219	0	0	0	219	1,535	601	283	884
2021	1,567	0	0	1,567	0	1,567	196	0	0	0	196	1,372	585	246	831
2022	1,422	0	0	1,422	0	1,422	178	0	0	0	178	1,244	580	217	797
2023	1,323	0	0	1,323	0	1,323	165	0	0	0	165	1,157	590	197	787
2024	1,239	0	0	1,239	0	1,239	155	0	0	0	155	1,084	601	181	781
2025	1,124	0	0	1,124	0	1,124	141	0	0	0	141	984	596	161	756
2026	1,013	0	0	1,013	0	1,013	127	0	0	0	127	886	590	143	733
2027	900	0	0	900	0	900	112	0	0	0	112	787	582	127	709
2028	806	0	0	806	0	806	101	0	0	0	101	705	576	114	690
2029	34	0	0	34	0	34	4	0	0	0	4	30	23	5	28
Sub.	15,621	0	0	15,621	0	15,621	1,953	0	0	0	1,953	13,668	6,485	2,349	8,833
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Tot.</b>	<b>15,621</b>	<b>0</b>	<b>0</b>	<b>15,621</b>	<b>0</b>	<b>15,621</b>	<b>1,953</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,953</b>	<b>13,668</b>	<b>6,485</b>	<b>2,349</b>	<b>8,833</b>
Disc	10,608	0	0	10,608	0	10,608	1,326	0	0	0	1,326	9,282	4,007	1,608	5,615

Year	Mineral Tax	Capital Tax	NPI Burden	Net Prod'n Revenue	Other Income	Aband. & Recl. Costs	Oper. Income	Net Capital Investment				Before Tax Cash Flow		
	M\$	M\$	M\$	M\$	M\$	M\$	M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$
2018	0	0	0	1,169	0	0	1,169	39	0	0	39	1,130	1,130	1,078
2019	0	0	0	879	0	0	879	0	0	0	0	879	2,010	1,840
2020	0	0	0	651	0	0	651	0	0	0	0	651	2,660	2,353
2021	0	0	0	541	0	0	541	0	0	0	0	541	3,201	2,740
2022	0	0	0	447	0	0	447	0	0	0	0	447	3,648	3,031
2023	0	0	0	370	0	11	359	0	0	0	0	359	4,007	3,244
2024	0	0	0	302	0	0	302	0	0	0	0	302	4,310	3,407
2025	0	0	0	227	0	11	216	0	0	0	0	216	4,526	3,512
2026	0	0	0	153	0	11	142	0	0	0	0	142	4,668	3,575
2027	0	0	0	78	0	0	78	0	0	0	0	78	4,746	3,607
2028	0	0	0	15	0	0	15	0	0	0	0	15	4,760	3,612
2029	0	0	0	1	0	0	1	0	0	0	0	1	4,762	3,613
Sub.	0	0	0	4,835	0	34	4,801	39	0	0	39	4,762	4,762	3,613
Rem.	0	0	0	0	0	144	-144	0	0	0	0	-144	4,618	3,579
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,835</b>	<b>0</b>	<b>178</b>	<b>4,657</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>4,618</b>	<b>4,618</b>	<b>3,579</b>
Disc	0	0	0	3,667	0	51	3,616	37	0	0	37	3,579	3,579	3,579

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,428	237	0	237	207	1.000	237	100	12.0	6.1	3.6
Total: Oil Eq.	Mboe	1,428	237	0	237	207	1.000	237	100	12.0	6.1	3.6

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values					Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	62.00	7.75	23.93	0.00	30.32	13,668	100	9,282	100	
Total: Oil Eq.	\$/boe	62.00	7.75	23.93	0.00	30.32	13,668	100	9,282	100	

**INTEREST AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax								
	Revenue Interests and Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average	M\$					M\$	M\$
Working Interest	16.9143	16.5570	0	4,835	4,657	39	4,618	19.50	
Capital Interest	19.6000	19.6000	5	4,170	4,078	38	4,039	17.06	
Royalty Interest	0.0000	0.0000	8	3,853	3,788	38	3,751	15.84	
Crown Royalty	12.5000	12.5000	10	3,667	3,616	37	3,579	15.12	
Non-crown Royalty	0.0000	0.0000	12	3,500	3,459	37	3,421	14.45	
Mineral Tax	0.0000	0.0000	15	3,277	3,247	37	3,210	13.56	
			20	2,966	2,948	36	2,912	12.30	

Evaluator: Olenick, Patrick A.  
Run Date: March 21, 2018 08:01:57

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Proved Plus Probable**  
 Development Class: **Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Gross Oil Wells	Gross Daily bbl/d	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	13	626	106	39	34	62.00
2019	13	559	94	34	30	59.93
2020	12	494	83	30	26	59.36
2021	12	442	74	27	24	62.29
2022	12	396	66	24	21	65.21
2023	11	355	59	21	19	68.14
2024	11	326	54	20	17	71.06
2025	11	298	49	18	16	73.98
2026	11	275	45	17	14	76.23
2027	11	254	42	15	13	77.70
2028	11	230	38	14	12	79.25
2029	10	210	34	13	11	80.84
Sub.				271	238	67.18
Rem.				21	19	83.24
<b>Tot.</b>				<b>293</b>	<b>256</b>	<b>68.35</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,396	0	0	2,396	0	2,396	300	0	0	0	300	2,097	559	356	915
2019	2,060	0	0	2,060	0	2,060	258	0	0	0	258	1,803	574	323	897
2020	1,794	0	0	1,794	0	1,794	224	0	0	0	224	1,570	564	289	854
2021	1,681	0	0	1,681	0	1,681	210	0	0	0	210	1,471	574	264	838
2022	1,568	0	0	1,568	0	1,568	196	0	0	0	196	1,372	575	239	814
2023	1,463	0	0	1,463	0	1,463	183	0	0	0	183	1,280	573	218	792
2024	1,397	0	0	1,397	0	1,397	175	0	0	0	175	1,223	584	204	788
2025	1,330	0	0	1,330	0	1,330	166	0	0	0	166	1,164	595	190	785
2026	1,262	0	0	1,262	0	1,262	158	0	0	0	158	1,104	607	178	785
2027	1,188	0	0	1,188	0	1,188	149	0	0	0	149	1,040	618	168	787
2028	1,086	0	0	1,086	0	1,086	136	0	0	0	136	950	611	154	765
2029	1,011	0	0	1,011	0	1,011	126	0	0	0	126	885	616	143	759
Sub.	18,238	0	0	18,238	0	18,238	2,280	0	0	0	2,280	15,958	7,053	2,726	9,779
Rem.	1,777	0	0	1,777	0	1,777	222	0	0	0	222	1,554	1,218	251	1,469
<b>Tot.</b>	<b>20,015</b>	<b>0</b>	<b>0</b>	<b>20,015</b>	<b>0</b>	<b>20,015</b>	<b>2,502</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,502</b>	<b>17,513</b>	<b>8,271</b>	<b>2,977</b>	<b>11,248</b>
Disc	12,274	0	0	12,274	0	12,274	1,534	0	0	0	1,534	10,740	4,511	1,848	6,358

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,182	0	0	1,182	0	0	0	0	0	1,182	1,182	1,127
2019	0	0	0	906	0	0	906	0	0	0	0	0	906	2,088	1,912
2020	0	0	0	716	0	0	716	0	0	0	0	0	716	2,804	2,476
2021	0	0	0	633	0	0	633	0	0	0	0	0	633	3,437	2,930
2022	0	0	0	557	0	0	557	0	0	0	0	0	557	3,994	3,293
2023	0	0	0	489	0	0	489	0	0	0	0	0	489	4,483	3,582
2024	0	0	0	435	0	11	423	0	0	0	0	0	423	4,907	3,810
2025	0	0	0	379	0	0	379	0	0	0	0	0	379	5,285	3,995
2026	0	0	0	319	0	0	319	0	0	0	0	0	319	5,604	4,137
2027	0	0	0	253	0	12	242	0	0	0	0	0	242	5,846	4,235
2028	0	0	0	185	0	0	185	0	0	0	0	0	185	6,031	4,303
2029	0	0	0	126	0	0	126	0	0	0	0	0	126	6,157	4,345
Sub.	0	0	0	6,180	0	23	6,157	0	0	0	0	0	6,157	6,157	4,345
Rem.	0	0	0	85	0	139	-54	0	0	0	0	0	-54	6,103	4,346
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,265</b>	<b>0</b>	<b>162</b>	<b>6,103</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,103</b>	<b>6,103</b>	<b>4,346</b>
Disc	0	0	0	4,381	0	35	4,346	0	0	0	0	0	4,346	4,346	4,346

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,763	293	0	293	256	1.000	293	100	14.0	7.6	4.7
Total: Oil Eq.	Mboe	1,763	293	0	293	256	1.000	293	100	14.0	7.6	4.7

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values					Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	62.00	7.75	23.67	0.00	30.58	17,513	100	10,740	100	
Total: Oil Eq.	\$/boe	62.00	7.75	23.67	0.00	30.58	17,513	100	10,740	100	

**INTEREST AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Interests and Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Working Interest	16.9051	16.5880	0	6,265	6,103	0	6,103	20.84		
Capital Interest	16.9051	16.5880	5	5,162	5,089	0	5,089	17.38		
Royalty Interest	0.0000	0.0000	8	4,664	4,617	0	4,617	15.77		
Crown Royalty	12.5000	12.5000	10	4,381	4,346	0	4,346	14.84		
Non-crown Royalty	0.0000	0.0000	12	4,132	4,105	0	4,105	14.02		
Mineral Tax	0.0000	0.0000	15	3,808	3,790	0	3,790	12.94		
			20	3,374	3,364	0	3,364	11.49		

Evaluator: Olenick, Patrick A.  
Run Date: March 21, 2018 08:01:57

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **Proved Plus Probable**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Gross Oil Wells	Gross Daily bbl/d	Company	Company	Net Yearly Mbbl	Price \$/bbl
			Daily bbl/d	Yearly Mbbl		
2018	15	633	107	39	34	62.00
2019	15	583	99	36	32	59.93
2020	14	514	87	32	28	59.36
2021	13	454	76	28	24	62.29
2022	13	407	68	25	22	65.21
2023	12	365	61	22	19	68.14
2024	12	335	56	20	18	71.06
2025	12	307	51	19	16	73.98
2026	12	284	47	17	15	76.23
2027	12	263	43	16	14	77.70
2028	12	237	39	14	12	79.25
2029	11	217	36	13	11	80.84
Sub.				281	246	67.19
Rem.				24	21	83.47
<b>Tot.</b>				<b>305</b>	<b>267</b>	<b>68.44</b>

#### REVENUE AND EXPENSE FORECAST

##### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,427	0	0	2,427	0	2,427	303	0	0	0	303	2,123	569	360	929
2019	2,164	0	0	2,164	0	2,164	270	0	0	0	270	1,893	613	339	951
2020	1,881	0	0	1,881	0	1,881	235	0	0	0	235	1,646	603	303	907
2021	1,733	0	0	1,733	0	1,733	217	0	0	0	217	1,517	594	272	866
2022	1,618	0	0	1,618	0	1,618	202	0	0	0	202	1,416	596	247	843
2023	1,513	0	0	1,513	0	1,513	189	0	0	0	189	1,324	594	226	820
2024	1,446	0	0	1,446	0	1,446	181	0	0	0	181	1,265	606	211	816
2025	1,378	0	0	1,378	0	1,378	172	0	0	0	172	1,206	617	197	814
2026	1,309	0	0	1,309	0	1,309	164	0	0	0	164	1,145	629	185	814
2027	1,233	0	0	1,233	0	1,233	154	0	0	0	154	1,079	641	175	815
2028	1,129	0	0	1,129	0	1,129	141	0	0	0	141	988	634	160	794
2029	1,053	0	0	1,053	0	1,053	132	0	0	0	132	921	639	149	788
Sub.	18,884	0	0	18,884	0	18,884	2,360	0	0	0	2,360	16,523	7,335	2,822	10,157
Rem.	1,966	0	0	1,966	0	1,966	246	0	0	0	246	1,720	1,342	278	1,620
<b>Tot.</b>	<b>20,849</b>	<b>0</b>	<b>0</b>	<b>20,849</b>	<b>0</b>	<b>20,849</b>	<b>2,606</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,606</b>	<b>18,243</b>	<b>8,677</b>	<b>3,101</b>	<b>11,777</b>
Disc	12,727	0	0	12,727	0	12,727	1,591	0	0	0	1,591	11,136	4,712	1,916	6,628

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Oper. Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,194	0	0	1,194	39	0	0	0	39	1,155	1,155	1,101
2019	0	0	0	942	0	0	942	0	0	0	0	0	942	2,097	1,918
2020	0	0	0	739	0	0	739	0	0	0	0	0	739	2,836	2,500
2021	0	0	0	650	0	0	650	0	0	0	0	0	650	3,486	2,966
2022	0	0	0	573	0	0	573	0	0	0	0	0	573	4,060	3,339
2023	0	0	0	504	0	0	504	0	0	0	0	0	504	4,564	3,638
2024	0	0	0	449	0	11	438	0	0	0	0	0	438	5,002	3,874
2025	0	0	0	392	0	11	381	0	0	0	0	0	381	5,383	4,060
2026	0	0	0	331	0	0	331	0	0	0	0	0	331	5,714	4,207
2027	0	0	0	264	0	12	252	0	0	0	0	0	252	5,966	4,309
2028	0	0	0	194	0	0	194	0	0	0	0	0	194	6,160	4,380
2029	0	0	0	133	0	0	133	0	0	0	0	0	133	6,293	4,425
Sub.	0	0	0	6,366	0	34	6,332	39	0	0	0	39	6,293	6,293	4,425
Rem.	0	0	0	100	0	154	-54	0	0	0	0	0	-54	6,239	4,428
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,466</b>	<b>0</b>	<b>188</b>	<b>6,278</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>6,239</b>	<b>6,239</b>	<b>6,239</b>	<b>4,428</b>
Disc	0	0	0	4,508	0	43	4,465	37	0	0	0	37	4,428	4,428	4,428

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,823	305	0	305	267	1.000	305	100	17.0	7.8	4.7
Total: Oil Eq.	Mboe	1,823	305	0	305	267	1.000	305	100	17.0	7.8	4.7

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values					Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	62.00	7.75	23.73	0.00	30.52	18,243	100	11,136	100	
Total: Oil Eq.	\$/boe	62.00	7.75	23.73	0.00	30.52	18,243	100	11,136	100	

**INTEREST AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax									
	Revenue Interests and Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Working Interest	16.9343	16.6907	0	6,466	6,278	39	6,239	20.48		
Capital Interest	19.6000	19.6000	5	5,318	5,232	38	5,194	17.05		
Royalty Interest	0.0000	0.0000	8	4,801	4,745	38	4,707	15.45		
Crown Royalty	12.5000	12.5000	10	4,508	4,465	37	4,428	14.53		
Non-crown Royalty	0.0000	0.0000	12	4,249	4,216	37	4,179	13.72		
Mineral Tax	0.0000	0.0000	15	3,914	3,891	37	3,854	12.65		
			20	3,465	3,451	36	3,415	11.21		

Evaluator: Olenick, Patrick A.  
Run Date: March 21, 2018 08:01:57

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **PPP**  
 Development Class: **Producing**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

## Economic Forecast

### PRODUCTION FORECAST

#### Light & Medium Oil Production

Year	Gross Oil Wells	Gross Daily bbl/d	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2018	13	631	107	39	34	62.00
2019	13	572	97	35	31	59.93
2020	12	512	86	31	28	59.36
2021	12	465	78	28	25	62.29
2022	12	426	71	26	23	65.21
2023	12	387	65	24	21	68.14
2024	11	355	59	22	19	71.06
2025	11	329	55	20	17	73.98
2026	11	306	51	19	16	76.23
2027	11	286	48	17	15	77.70
2028	11	269	45	16	14	79.25
2029	11	252	42	15	13	80.84
Sub.				293	256	67.53
Rem.				61	54	85.54
<b>Tot.</b>				<b>354</b>	<b>310</b>	<b>70.65</b>

### REVENUE AND EXPENSE FORECAST

#### Revenue Before Burdens

Year	Working Interest				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$			Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
2018	2,416	0	0	2,416	0	2,416	302	0	0	0	302	2,114	559	359	918
2019	2,112	0	0	2,112	0	2,112	264	0	0	0	264	1,848	575	331	906
2020	1,866	0	0	1,866	0	1,866	233	0	0	0	233	1,633	565	301	866
2021	1,775	0	0	1,775	0	1,775	222	0	0	0	222	1,553	576	278	854
2022	1,699	0	0	1,699	0	1,699	212	0	0	0	212	1,487	587	259	846
2023	1,605	0	0	1,605	0	1,605	201	0	0	0	201	1,404	585	239	824
2024	1,531	0	0	1,531	0	1,531	191	0	0	0	191	1,340	587	223	810
2025	1,476	0	0	1,476	0	1,476	184	0	0	0	184	1,291	598	211	809
2026	1,416	0	0	1,416	0	1,416	177	0	0	0	177	1,239	610	200	810
2027	1,349	0	0	1,349	0	1,349	169	0	0	0	169	1,180	622	191	813
2028	1,292	0	0	1,292	0	1,292	162	0	0	0	162	1,131	634	183	817
2029	1,235	0	0	1,235	0	1,235	154	0	0	0	154	1,080	647	175	821
Sub.	19,772	0	0	19,772	0	19,772	2,471	0	0	0	2,471	17,300	7,144	2,950	10,094
Rem.	5,237	0	0	5,237	0	5,237	655	0	0	0	655	4,583	3,286	741	4,027
<b>Tot.</b>	<b>25,009</b>	<b>0</b>	<b>0</b>	<b>25,009</b>	<b>0</b>	<b>25,009</b>	<b>3,126</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,126</b>	<b>21,883</b>	<b>10,431</b>	<b>3,691</b>	<b>14,121</b>
Disc	13,884	0	0	13,884	0	13,884	1,736	0	0	0	1,736	12,149	5,031	2,081	7,112

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,196	0	0	1,196	0	0	0	0	0	1,196	1,196	1,141
2019	0	0	0	942	0	0	942	0	0	0	0	0	942	2,139	1,957
2020	0	0	0	767	0	0	767	0	0	0	0	0	767	2,905	2,562
2021	0	0	0	699	0	0	699	0	0	0	0	0	699	3,604	3,062
2022	0	0	0	640	0	0	640	0	0	0	0	0	640	4,244	3,479
2023	0	0	0	580	0	0	580	0	0	0	0	0	580	4,824	3,822
2024	0	0	0	530	0	11	519	0	0	0	0	0	519	5,343	4,102
2025	0	0	0	482	0	0	482	0	0	0	0	0	482	5,825	4,338
2026	0	0	0	429	0	0	429	0	0	0	0	0	429	6,254	4,528
2027	0	0	0	367	0	0	367	0	0	0	0	0	367	6,622	4,677
2028	0	0	0	314	0	12	302	0	0	0	0	0	302	6,924	4,788
2029	0	0	0	259	0	0	259	0	0	0	0	0	259	7,183	4,875
Sub.	0	0	0	7,206	0	23	7,183	0	0	0	0	0	7,183	7,183	4,875
Rem.	0	0	0	555	0	147	408	0	0	0	0	0	408	7,591	5,007
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,761</b>	<b>0</b>	<b>170</b>	<b>7,591</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,591</b>	<b>7,591</b>	<b>5,007</b>
Disc	0	0	0	5,037	0	30	5,007	0	0	0	0	0	5,007	5,007	5,007



**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,121	354	0	354	310	1.000	354	100	17.0	9.1	5.7
Total: Oil Eq.	Mboe	2,121	354	0	354	310	1.000	354	100	17.0	9.1	5.7

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values				Net Revenue After Royalties					
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil		\$/bbl	62.00	7.75	23.56	0.00	30.69	21,883	100	12,149	100
Total: Oil Eq.		\$/boe	62.00	7.75	23.56	0.00	30.69	21,883	100	12,149	100

**INTEREST AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax								
	Revenue Interests and Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average						M\$	\$/boe
Working Interest	16.9163	16.6699	0	7,761	7,591	0	7,591	21.44	
Capital Interest	16.9163	16.6699	5	6,125	6,057	0	6,057	17.11	
Royalty Interest	0.0000	0.0000	8	5,424	5,382	0	5,382	15.21	
Crown Royalty	12.5000	12.5000	10	5,037	5,007	0	5,007	14.14	
Non-crown Royalty	0.0000	0.0000	12	4,702	4,680	0	4,680	13.22	
Mineral Tax	0.0000	0.0000	15	4,278	4,263	0	4,263	12.04	
			20	3,725	3,717	0	3,717	10.50	

Evaluator: Olenick, Patrick A.  
Run Date: March 21, 2018 08:01:56

Company: **Park Place Energy Inc.**  
 Property: **Cendere**  
 Currency: **\$US Dollars**

Reserve Class: **PPP**  
 Development Class: **Total**  
 Pricing: **GLJ (2018-01)**  
 Effective Date: **December 31, 2017**

### Economic Forecast

#### PRODUCTION FORECAST

##### Light & Medium Oil Production

Year	Gross Oil Wells	Gross Daily bbl/d	Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl
2018	15	638	108	39	35	62.00
2019	15	596	101	37	32	59.93
2020	14	534	90	33	29	59.36
2021	14	484	82	30	26	62.29
2022	13	437	74	27	24	65.21
2023	13	397	67	24	21	68.14
2024	12	365	61	22	19	71.06
2025	12	338	57	21	18	73.98
2026	12	316	53	19	17	76.23
2027	12	295	49	18	16	77.70
2028	12	278	46	17	15	79.25
2029	12	260	43	16	14	80.84
Sub.				303	266	67.52
Rem.				65	57	85.76
<b>Tot.</b>				<b>369</b>	<b>323</b>	<b>70.76</b>

#### REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens							Royalty Burdens		Gas Processing Allowance		Total Royalty	Net Revenue	Operating Expenses		
	Working Interest				Royalty Interest	Company Interest	Pre-Processing				After Process.	After Royalty	Fixed	Variable	Total	
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	M\$	M\$	M\$	M\$	M\$	
2018	2,447	0	0	2,447	0	2,447	306	0	0	0	306	2,141	569	363	932	
2019	2,218	0	0	2,218	0	2,218	277	0	0	0	277	1,941	613	347	961	
2020	1,958	0	0	1,958	0	1,958	245	0	0	0	245	1,713	604	316	920	
2021	1,859	0	0	1,859	0	1,859	232	0	0	0	232	1,627	616	291	907	
2022	1,752	0	0	1,752	0	1,752	219	0	0	0	219	1,533	607	268	875	
2023	1,658	0	0	1,658	0	1,658	207	0	0	0	207	1,450	606	247	853	
2024	1,583	0	0	1,583	0	1,583	198	0	0	0	198	1,385	608	231	839	
2025	1,527	0	0	1,527	0	1,527	191	0	0	0	191	1,336	620	218	838	
2026	1,467	0	0	1,467	0	1,467	183	0	0	0	183	1,284	632	207	839	
2027	1,398	0	0	1,398	0	1,398	175	0	0	0	175	1,223	644	198	842	
2028	1,341	0	0	1,341	0	1,341	168	0	0	0	168	1,173	657	190	847	
2029	1,282	0	0	1,282	0	1,282	160	0	0	0	160	1,121	670	181	851	
Sub.	20,489	0	0	20,489	0	20,489	2,561	0	0	0	2,561	17,928	7,446	3,057	10,504	
Rem.	5,616	0	0	5,616	0	5,616	702	0	0	0	702	4,914	3,519	795	4,314	
<b>Tot.</b>	<b>26,106</b>	<b>0</b>	<b>0</b>	<b>26,106</b>	<b>0</b>	<b>26,106</b>	<b>3,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,263</b>	<b>22,843</b>	<b>10,965</b>	<b>3,852</b>	<b>14,817</b>	
Disc	14,415	0	0	14,415	0	14,415	1,802	0	0	0	1,802	12,613	5,265	2,160	7,425	

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Oper.		Net Capital Investment				Before Tax Cash Flow			
						Recl. Costs M\$	Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Def M\$	
2018	0	0	0	1,209	0	0	1,209	39	0	0	0	39	1,170	1,170	1,115
2019	0	0	0	980	0	0	980	0	0	0	0	0	980	2,150	1,965
2020	0	0	0	793	0	0	793	0	0	0	0	0	793	2,943	2,590
2021	0	0	0	720	0	0	720	0	0	0	0	0	720	3,662	3,105
2022	0	0	0	658	0	0	658	0	0	0	0	0	658	4,321	3,534
2023	0	0	0	597	0	0	597	0	0	0	0	0	597	4,918	3,887
2024	0	0	0	547	0	11	536	0	0	0	0	0	536	5,454	4,176
2025	0	0	0	498	0	0	498	0	0	0	0	0	498	5,952	4,420
2026	0	0	0	444	0	11	433	0	0	0	0	0	433	6,385	4,612
2027	0	0	0	381	0	0	381	0	0	0	0	0	381	6,766	4,766
2028	0	0	0	326	0	12	314	0	0	0	0	0	314	7,081	4,882
2029	0	0	0	270	0	0	270	0	0	0	0	0	270	7,351	4,972
Sub.	0	0	0	7,424	0	34	7,390	39	0	0	0	39	7,351	7,351	4,972
Rem.	0	0	0	601	0	163	437	0	0	0	0	0	437	7,788	5,114
<b>Tot.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,025</b>	<b>0</b>	<b>198</b>	<b>7,827</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>7,788</b>	<b>7,788</b>	<b>7,788</b>	<b>5,114</b>
Disc	0	0	0	5,188	0	37	5,152	37	0	0	0	37	5,114	5,114	5,114

**SUMMARY OF RESERVES**

Product	Units	Remaining Reserves at Jan 01, 2018					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,197	369	0	369	323	1.000	369	100	21.0	9.3	5.8
Total: Oil Eq.	Mboe	2,197	369	0	369	323	1.000	369	100	21.0	9.3	5.8

**PRODUCT REVENUE AND EXPENSES**

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	62.00	7.75	23.62	0.00	30.63	22,843	100	12,613	100
Total: Oil Eq.	\$/boe	62.00	7.75	23.62	0.00	30.63	22,843	100	12,613	100

**INTEREST AND NET PRESENT VALUE SUMMARY**

	Net Present Value Before Income Tax							Cash Flow	
	Revenue Interests and Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$		M\$	\$/boe
	Initial	Average							
Working Interest	16.9453	16.7753	0	8,025	7,827	39	7,788	21.11	
Capital Interest	19.6000	19.6000	5	6,319	6,239	38	6,201	16.81	
Royalty Interest	0.0000	0.0000	8	5,590	5,540	38	5,502	14.91	
Crown Royalty	12.5000	12.5000	10	5,188	5,152	37	5,114	13.86	
Non-crown Royalty	0.0000	0.0000	12	4,841	4,813	37	4,776	12.95	
Mineral Tax	0.0000	0.0000	15	4,401	4,382	37	4,345	11.78	
			20	3,828	3,818	36	3,782	10.25	

Evaluator: Olenick, Patrick A.  
Run Date: March 21, 2018 08:01:56

## APPENDIX

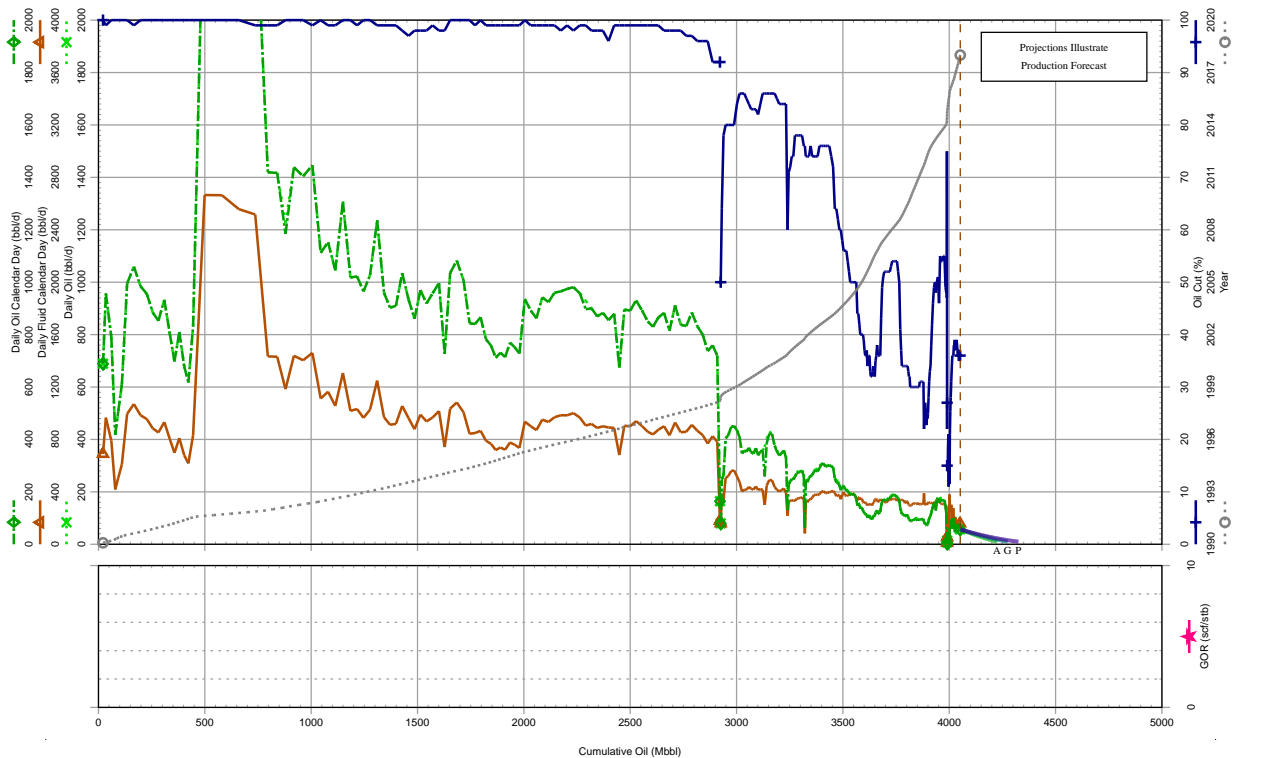
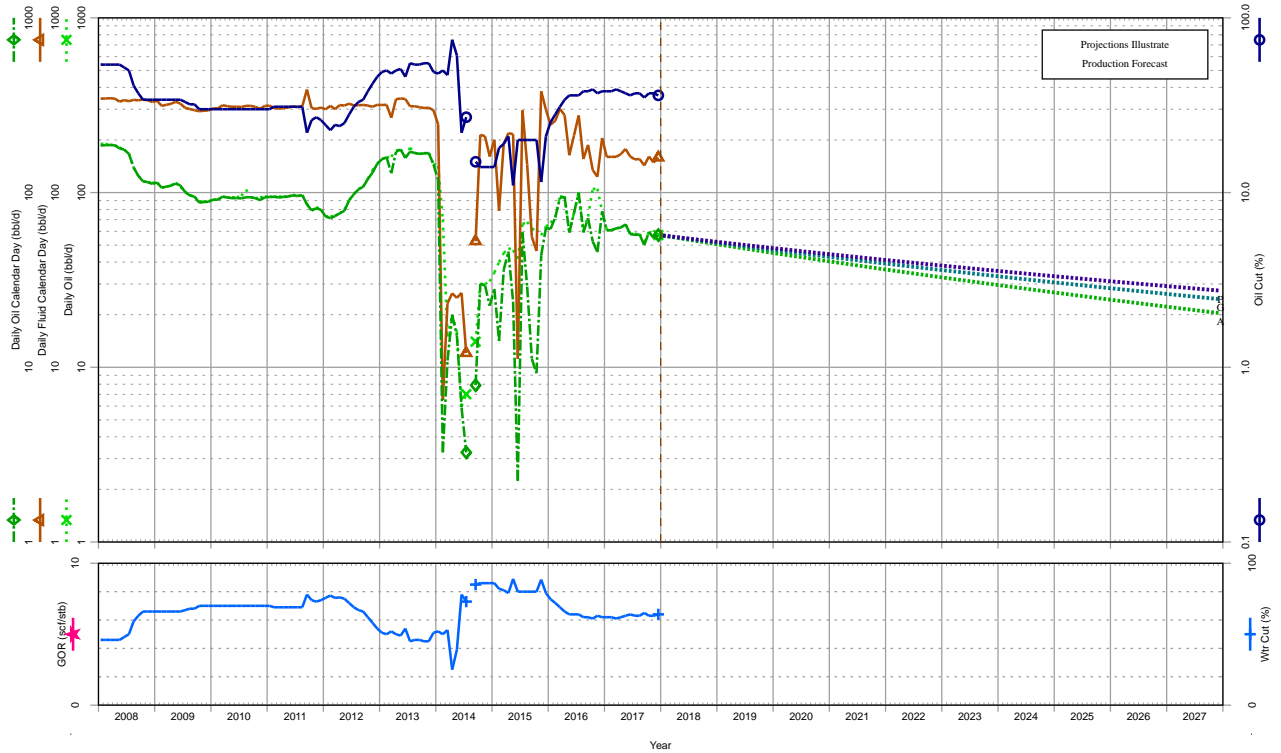
### RESERVES ESTIMATION - SUPPORTING INFORMATION

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## Historical and Forecast Production CENDERE-01

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbl )			Rates ( bbl/d )		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expon
Pv Prd - A	4225	4052	173	57	10	11.2	0.30
P + P Prd - G	4275	4052	223	57	10	9.4	0.40
PPP Prd - P	4325	4052	273	57	10	8.3	0.50

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	59.3 bbl/d	58.9 bbl/cd	GOR	0.0 scf/stb
On Prod	362.6 days		WC	62.9 %

Cumulative Production

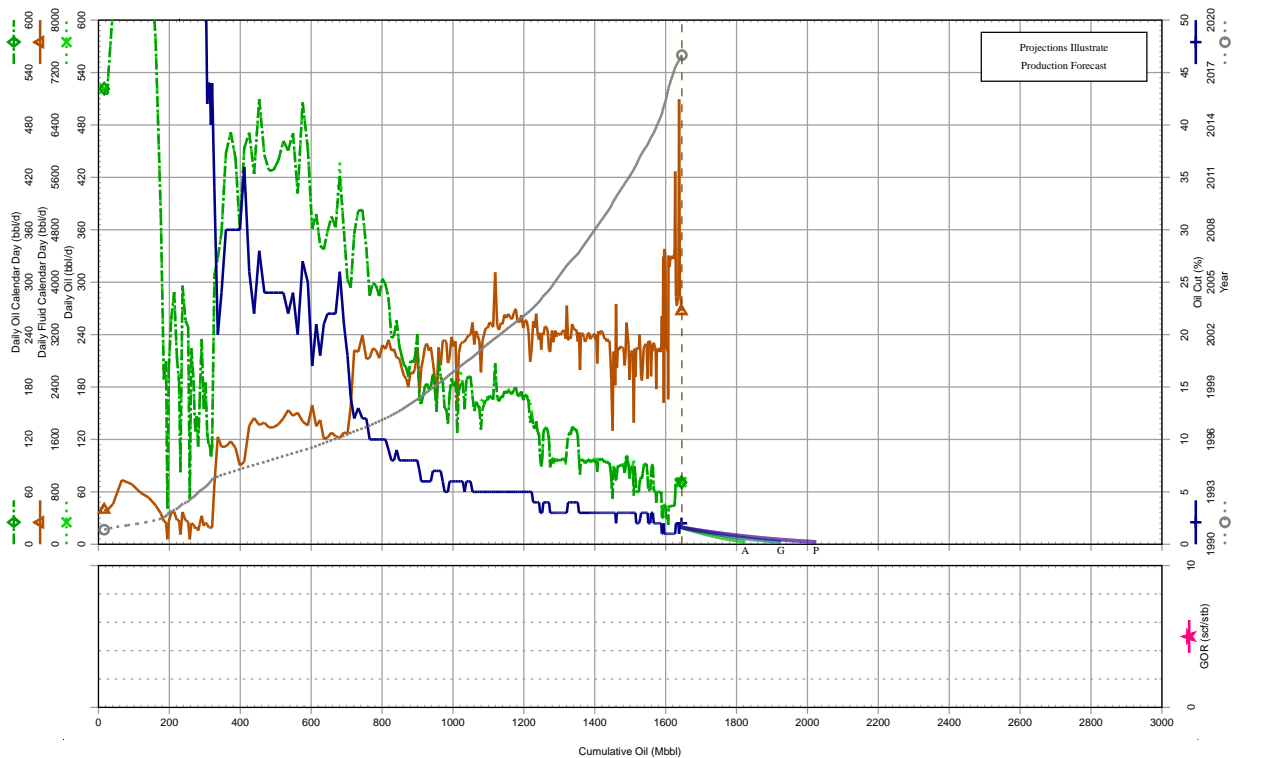
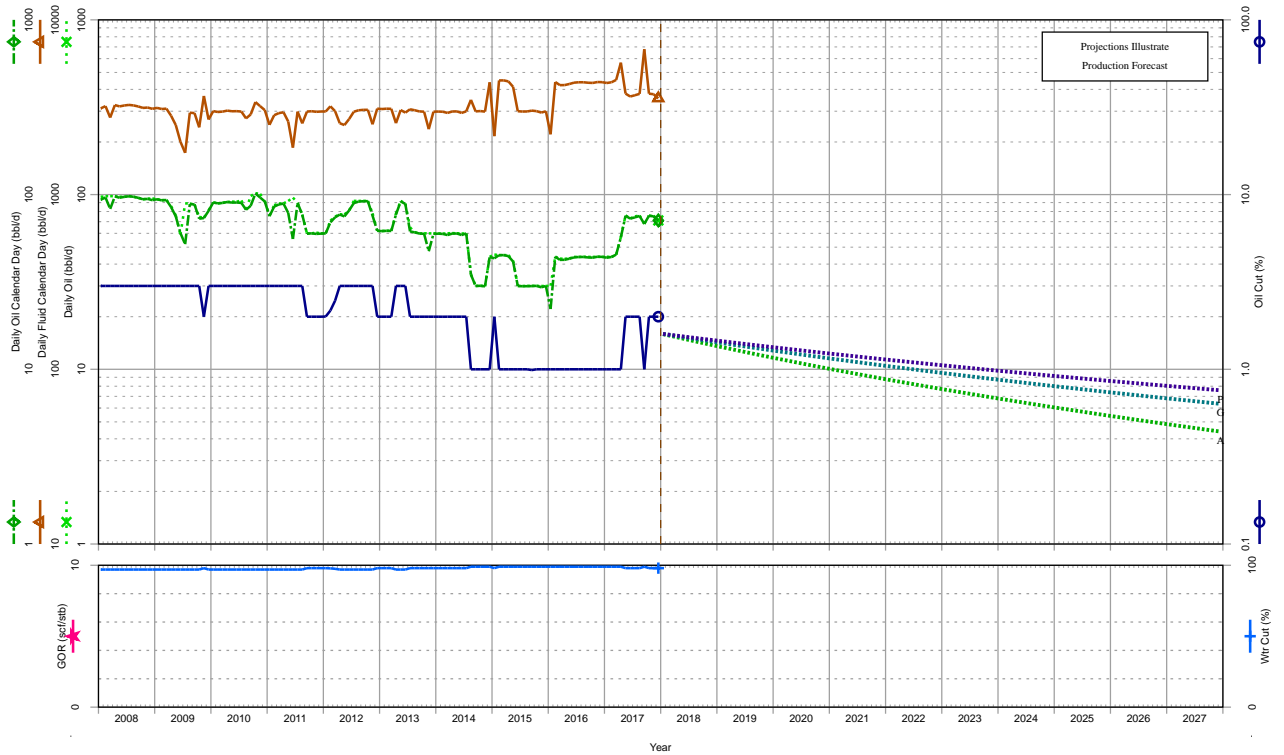
Oil	4051.8 Mbbl	Gas	0.0 MMcf	Water	1104.8 Mbbl
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CENDERE-01  
1181620 / Mar 21, 2018

## Historical and Forecast Production CENDERE-03

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Oil Cut %		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expont
Pv Prd - A	1825	1646	179	1.60	0.22	15.1	0.40
P + P Prd - G	1925	1646	279	1.60	0.22	10.8	0.50
PPP Prd - P	2025	1646	379	1.60	0.22	8.8	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	65.0 bbl/d	64.9 bbl/cd	GOR	0.0 scf/stb
On Prod	363.5 days		WC	98.5 %

Cumulative Production

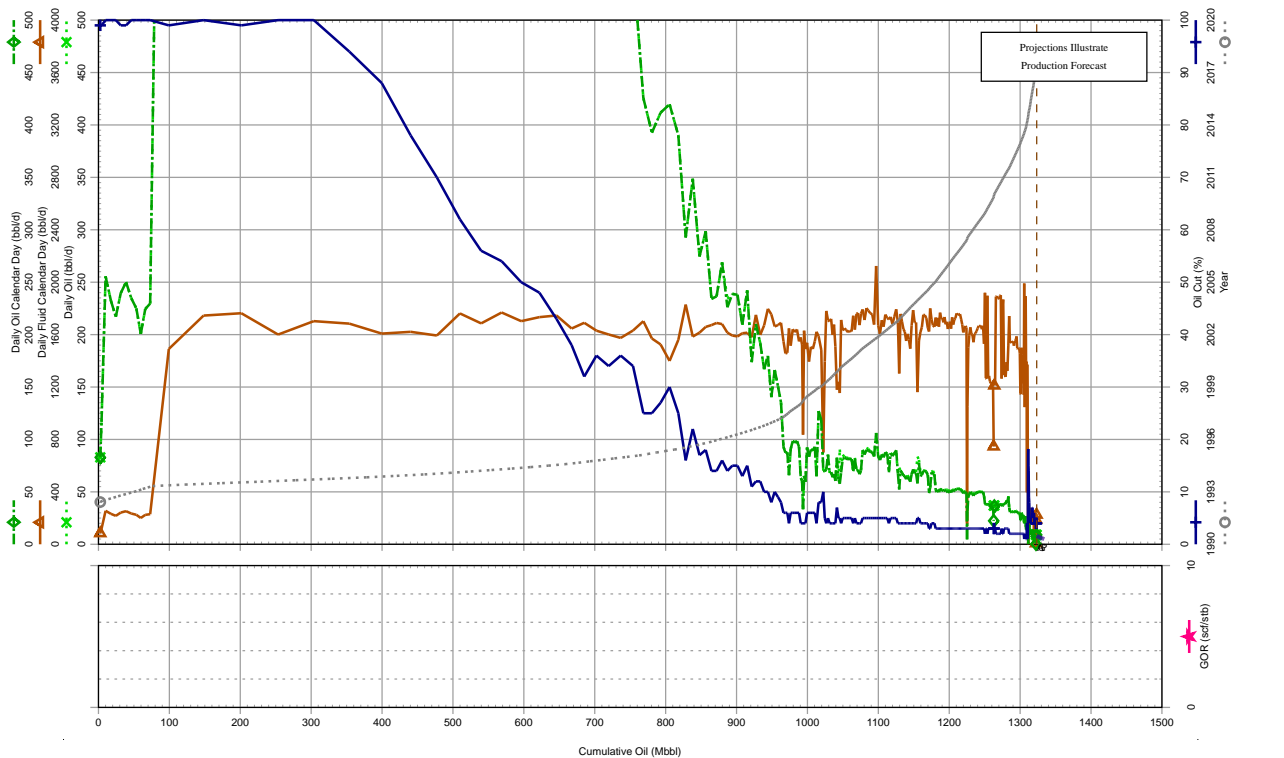
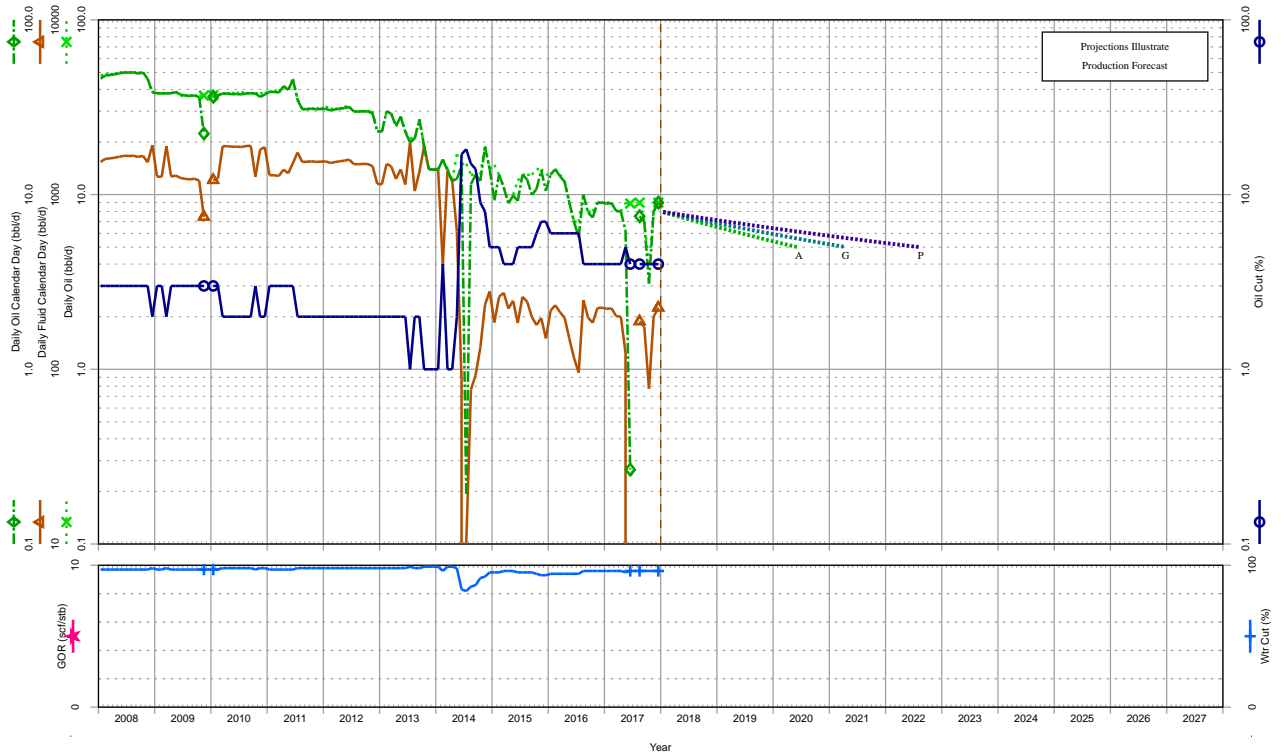
Oil	1645.8 Mbbbl	Gas	0.0 MMcf	Water	2550... Mbbbl
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CENDERE-03  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-07

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Rates ( bbl/d )				Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expon		
Pv Prd - A	1329	1323	6	8	5	18.5	0.40		
P + P Prd - G	1331	1323	8	8	5	14.3	0.50		
PPP Prd - P	1334	1323	11	8	5	10.8	0.60		

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	8.1 bbl/d	6.2 bbl/cd	GOR	0.0 scf/stb
On Prod	282.4 days		WC	95.9 %

Cumulative Production

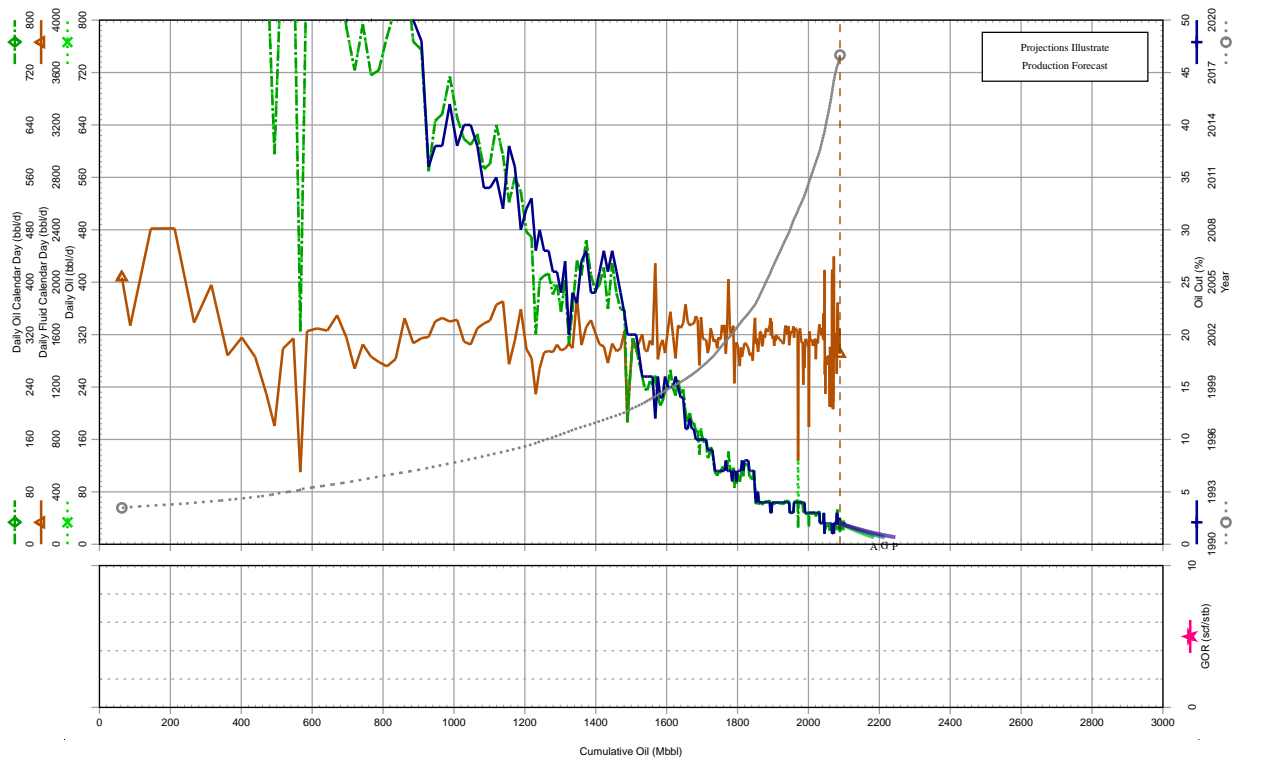
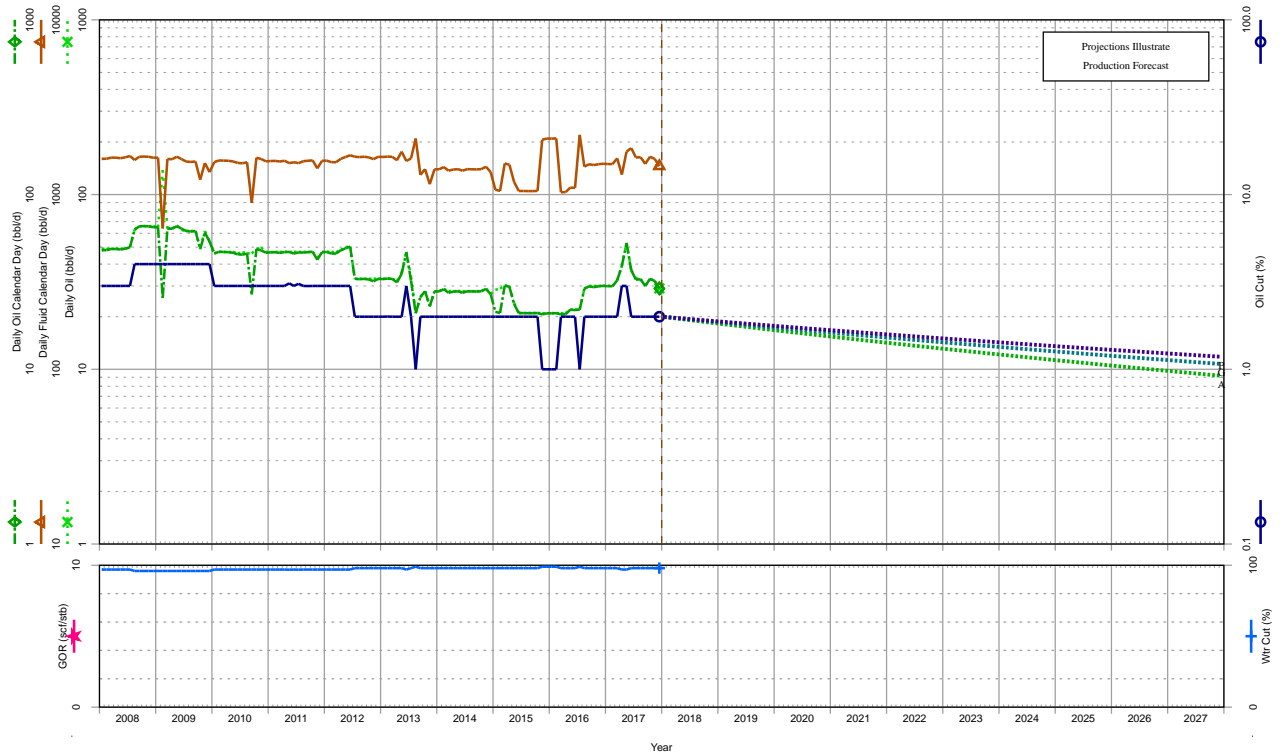
Oil	1323.4 Mbbbl	Gas	0.0 MMcf	Water	1108... Mbbbl
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CENDERE-07  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-09

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Oil Cut %		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expon
Pv Prd - A	2185	2089	96	2.00	0.67	8.6	0.40
P + P Prd - G	2215	2089	126	2.00	0.67	7.0	0.50
PPP Prd - P	2245	2089	156	2.00	0.67	5.9	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	34.3 bbl/d	34.2 bbl/cd	GOR	0.0 scf/stb
On Prod	363.8 days		WC	97.8 %

Cumulative Production

Oil	2089.0 Mbbbl	Gas	0.0 MMcf	Water	1260... Mbbbl
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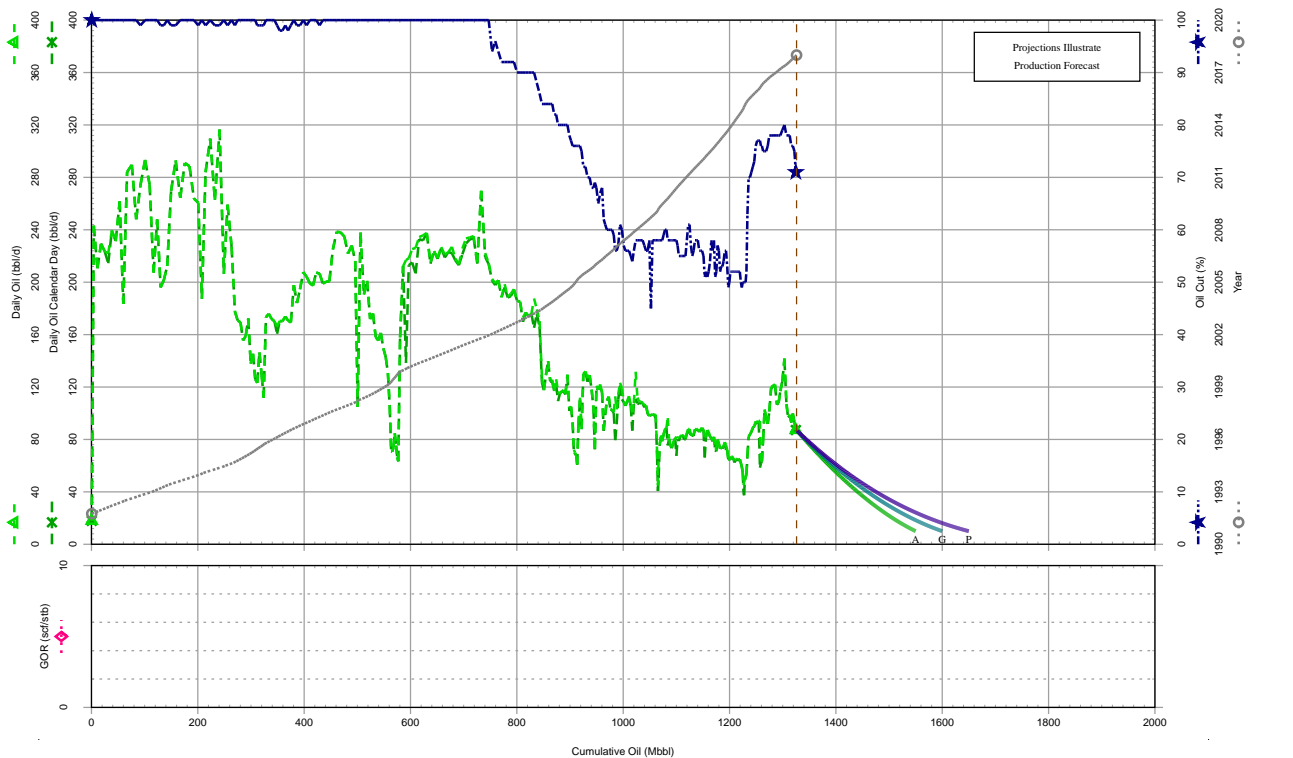
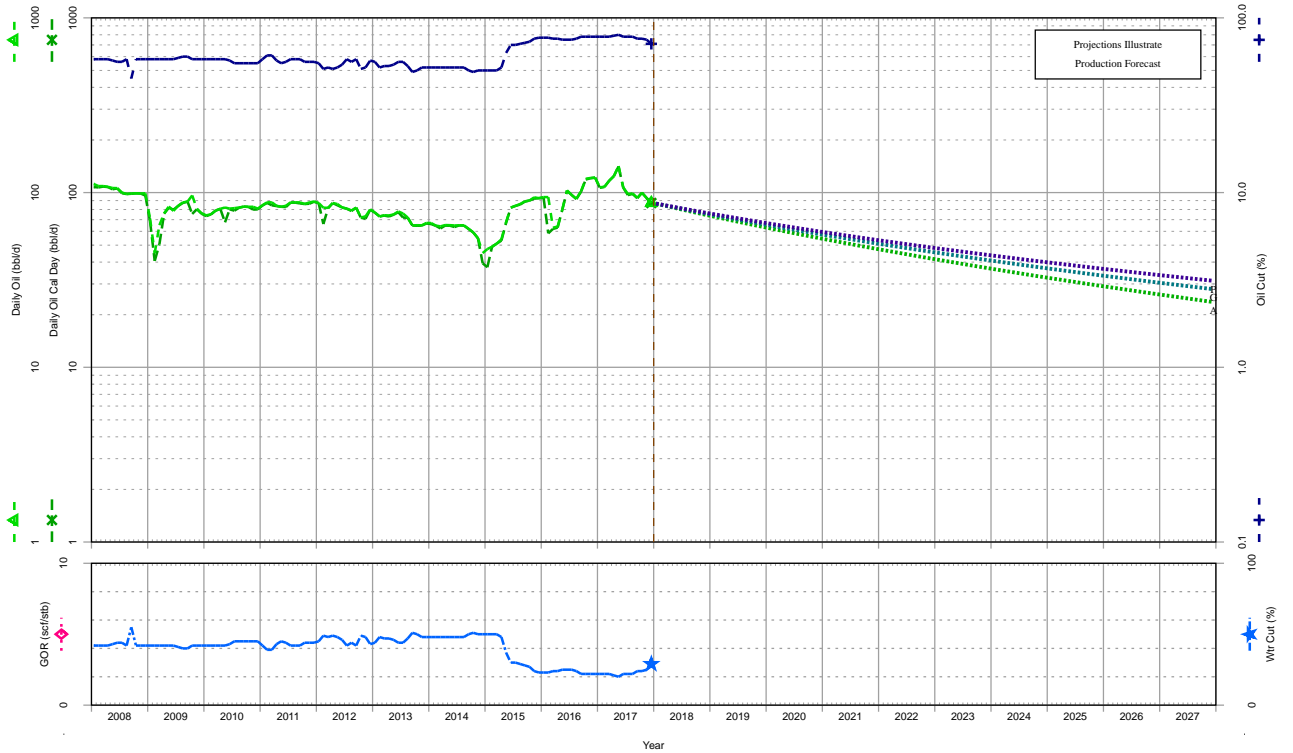
CENDERE-09  
1181620 / Mar 21, 2018



# Historical and Forecast Production CENDERE-10

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Rates ( bbl/d )		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expon
Pv Prd - A	1550	1326	224	87	10	15.3	0.40
P + P Prd - G	1600	1326	274	87	10	13.7	0.50
PPP Prd - P	1650	1326	324	87	10	12.7	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	106.3 bbl/d	105.9 bbl/cd	GOR	0.0 scf/stb
On Prod	363.8 days		WC	22.8 %

Cumulative Production

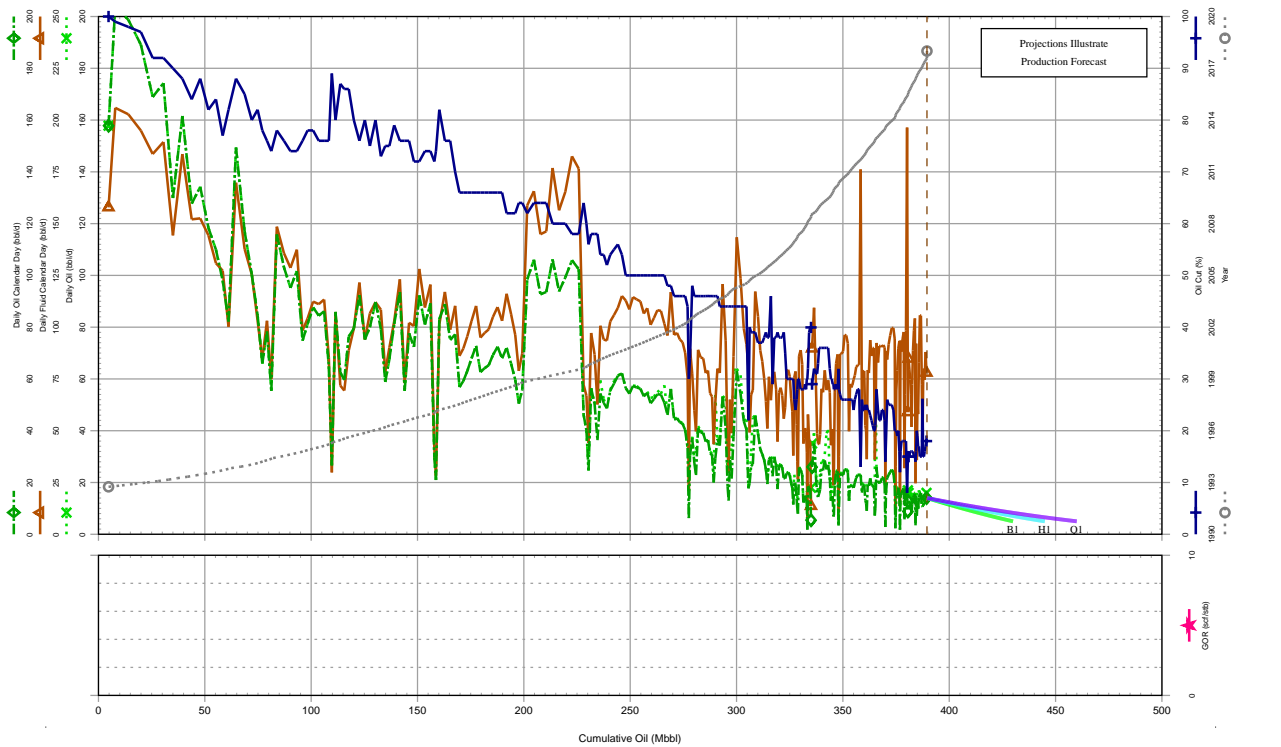
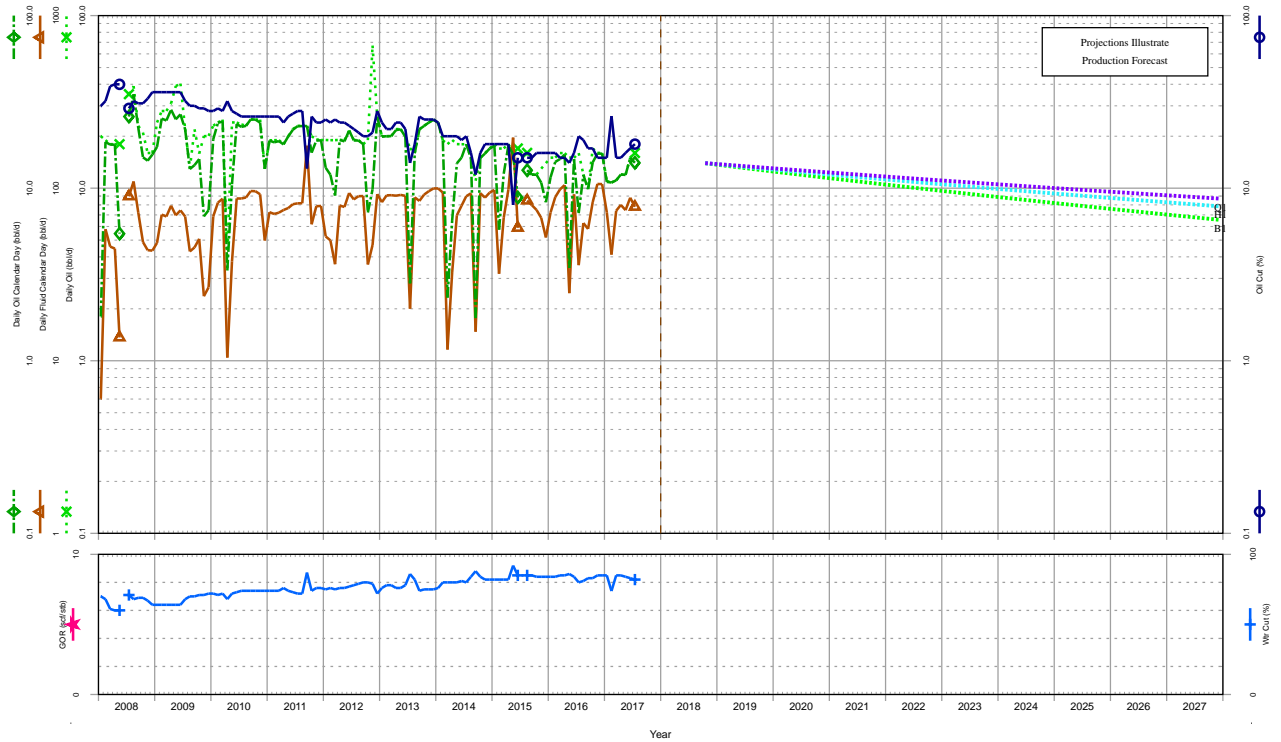
Oil	1326.1 Mbbbl	Gas	0.0 MMcf	Water	292.1 Mbbbl
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CENDERE-10  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-11

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbl )			Rates ( bbl/d )		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expt
Pv Dev NPrd — B1	430	390	40	14	5	8.7	0.30
P + PDev — NPrd H1	445	390	55	14	5	6.7	0.40
PPP Dev NPrd — Q1	460	390	70	14	5	5.6	0.50

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	12.6 bbl/d	7.1 bbl/cd	GOR	0.0 scf/stb
On Prod	207.6 days		WC	83.2 %

Cumulative Production

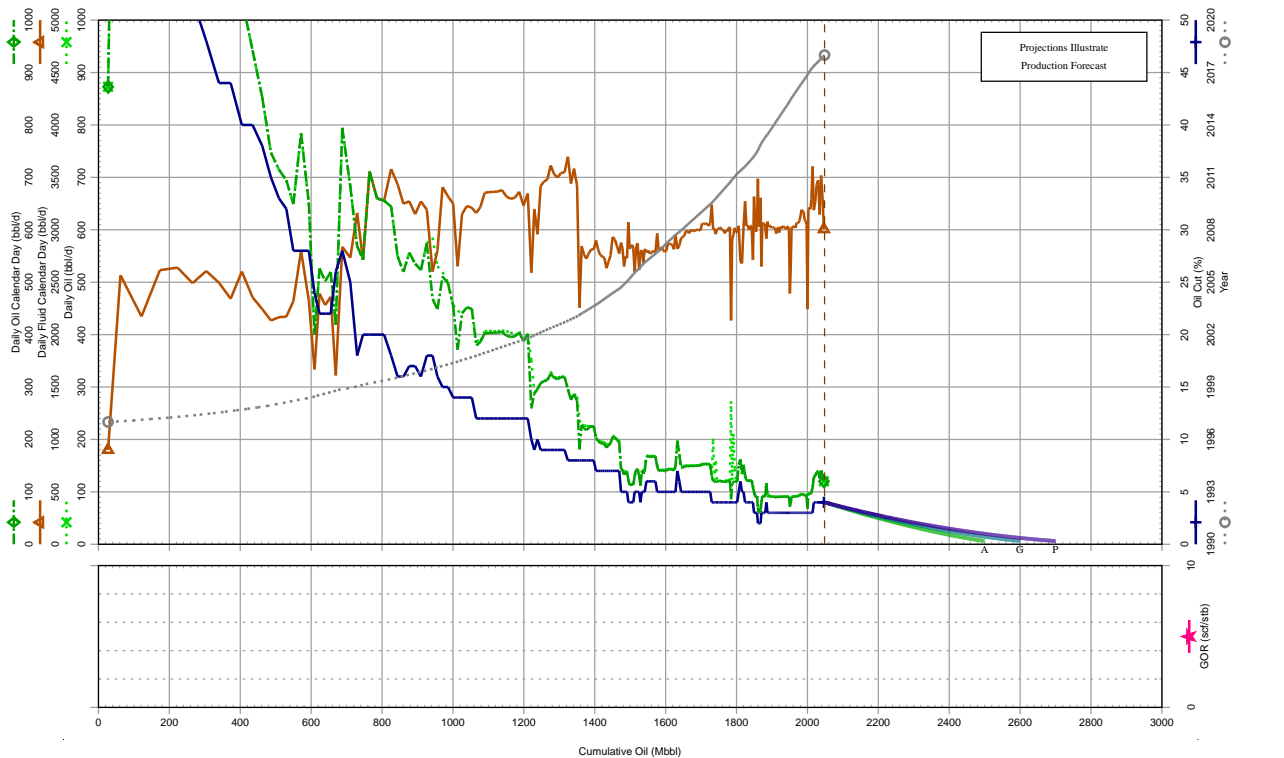
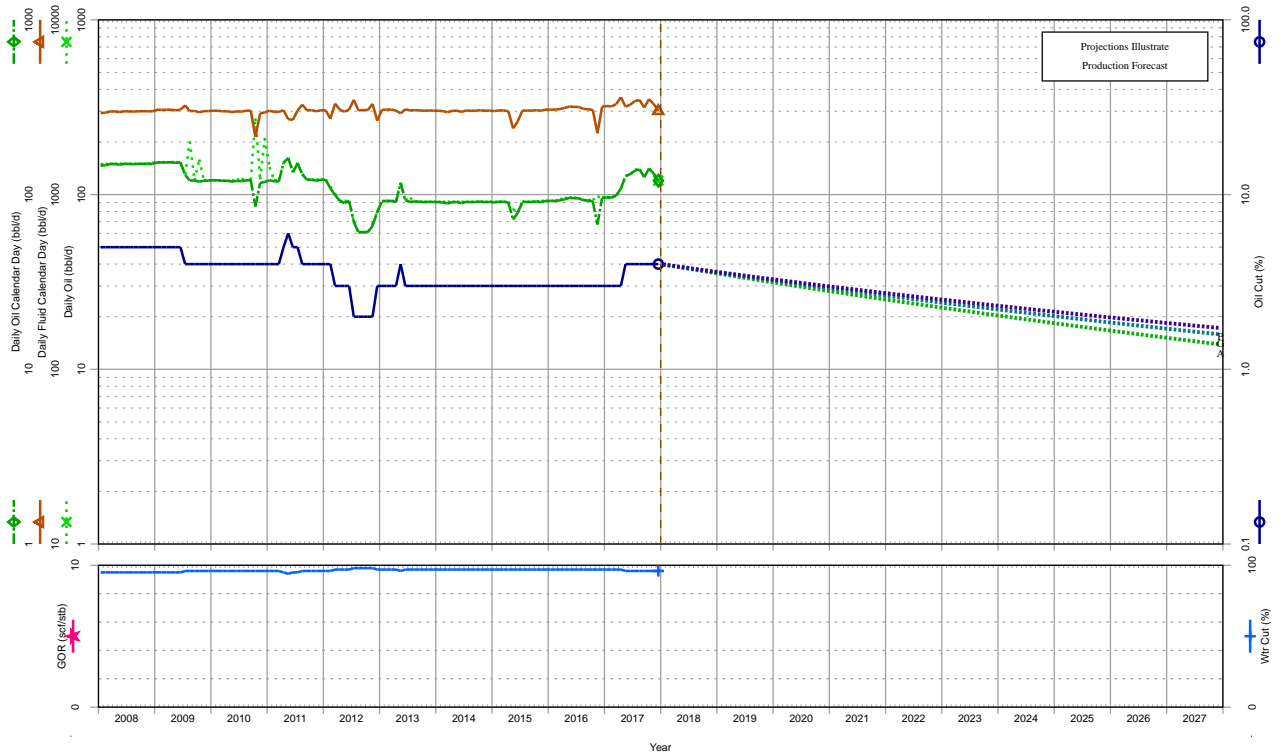
Oil	389.5 Mbbl	Gas	0.0 MMcf	Water	402.5 Mbbl
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CENDERE-11  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-13

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Oil Cut %		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expont
Pv Prd - A	2500	2048	452	4.00	0.31	11.6	0.30
P + P Prd - G	2600	2048	552	4.00	0.31	10.4	0.40
PPP Prd - P	2700	2048	652	4.00	0.31	9.7	0.50

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	121.5 bbl/d	121.2 bbl/cd	GOR	0.0 scf/stb
On Prod	363.7 days		WC	96.3 %

Cumulative Production

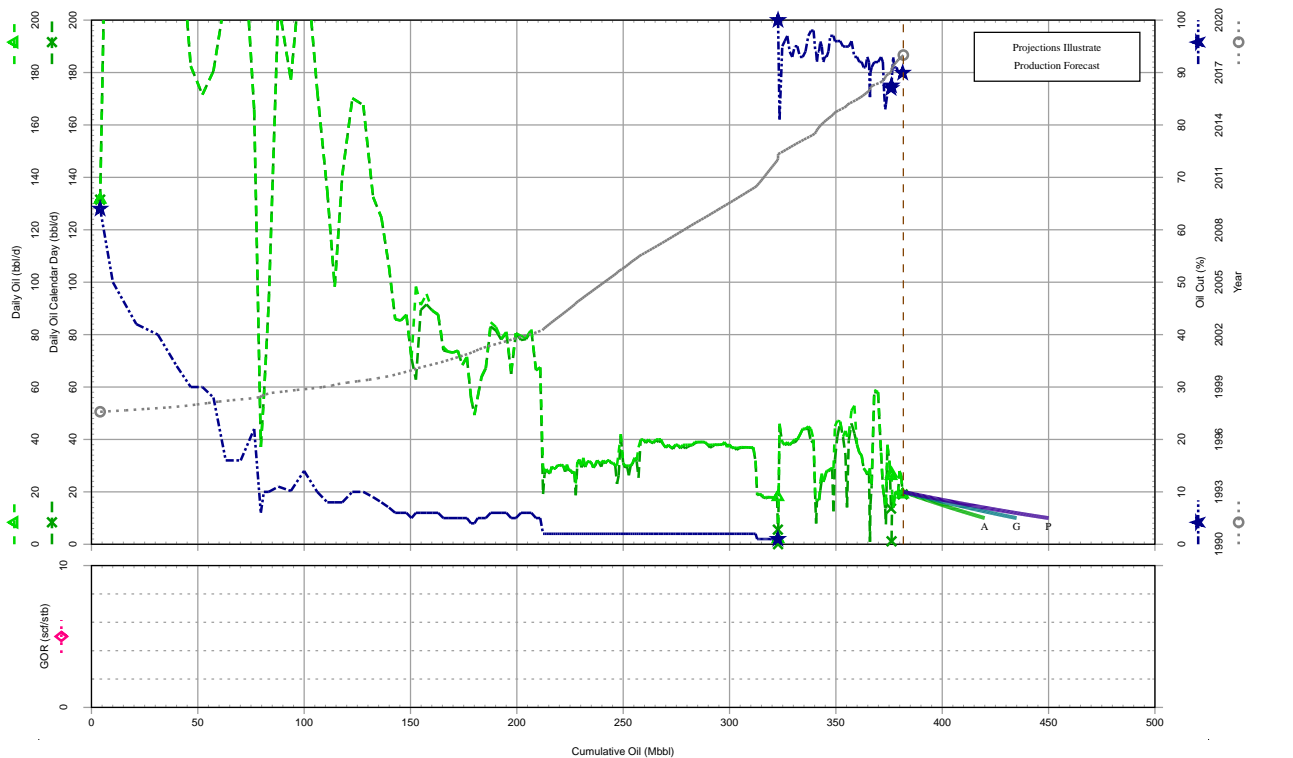
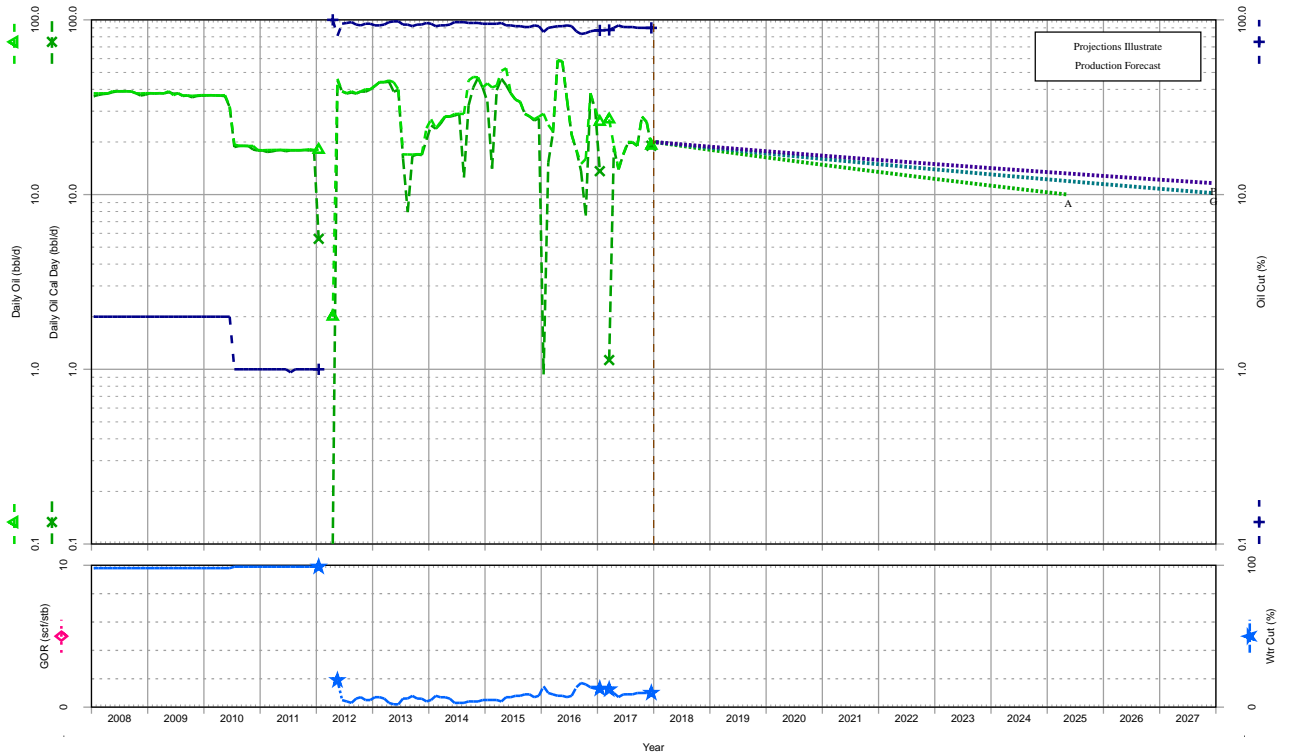
Oil	2048.3 Mbbbl	Gas	0.0 MMcf	Water	2070... Mbbbl
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CENDERE-13  
1181620 / Mar 21, 2018

## Historical and Forecast Production CENDERE-14

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Rates ( bbl/d )		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Exprot
Pv Prd — A	420	382	38	20	10	9.8	0.30
P + P Prd — G	435	382	53	20	10	7.4	0.40
PPP Prd — P	450	382	68	20	10	6.0	0.50

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	21.4 bbl/d	16.4 bbl/cd	GOR	0.0 scf/stb
On Prod	290.5 days		WC	9.7 %

Cumulative Production

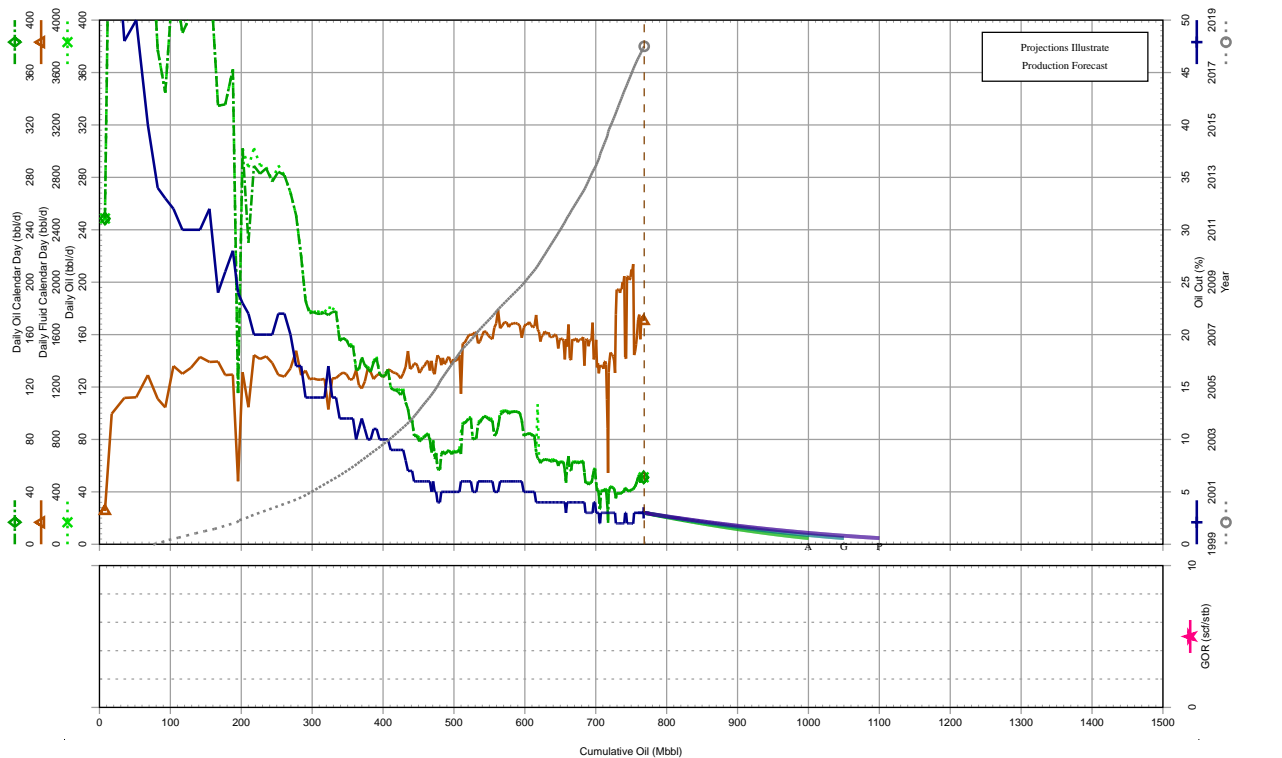
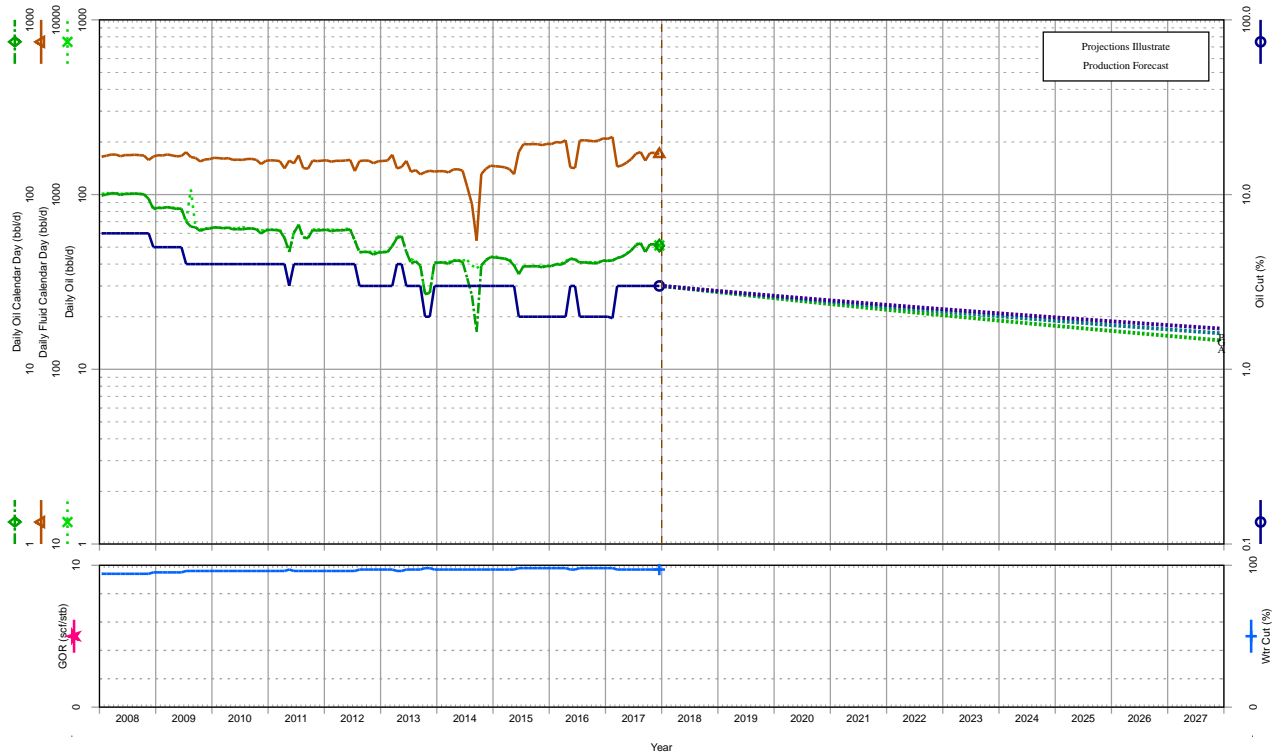
Oil	381.7 Mbbbl	Gas	0.0 MMcf	Water	7958.3 Mbbbl
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CENDERE-14  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-16

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Decline			
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expont
Pv Prd - A	1000	768	232	3.00	0.59	7.9	0.40
P + P Prd - G	1050	768	282	3.00	0.59	7.0	0.50
PPP Prd - P	1100	768	332	3.00	0.59	6.4	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	47.7 bbl/d	47.6 bbl/cd	GOR	0.0 scf/stb
On Prod	363.8 days		WC	97.2 %

Cumulative Production

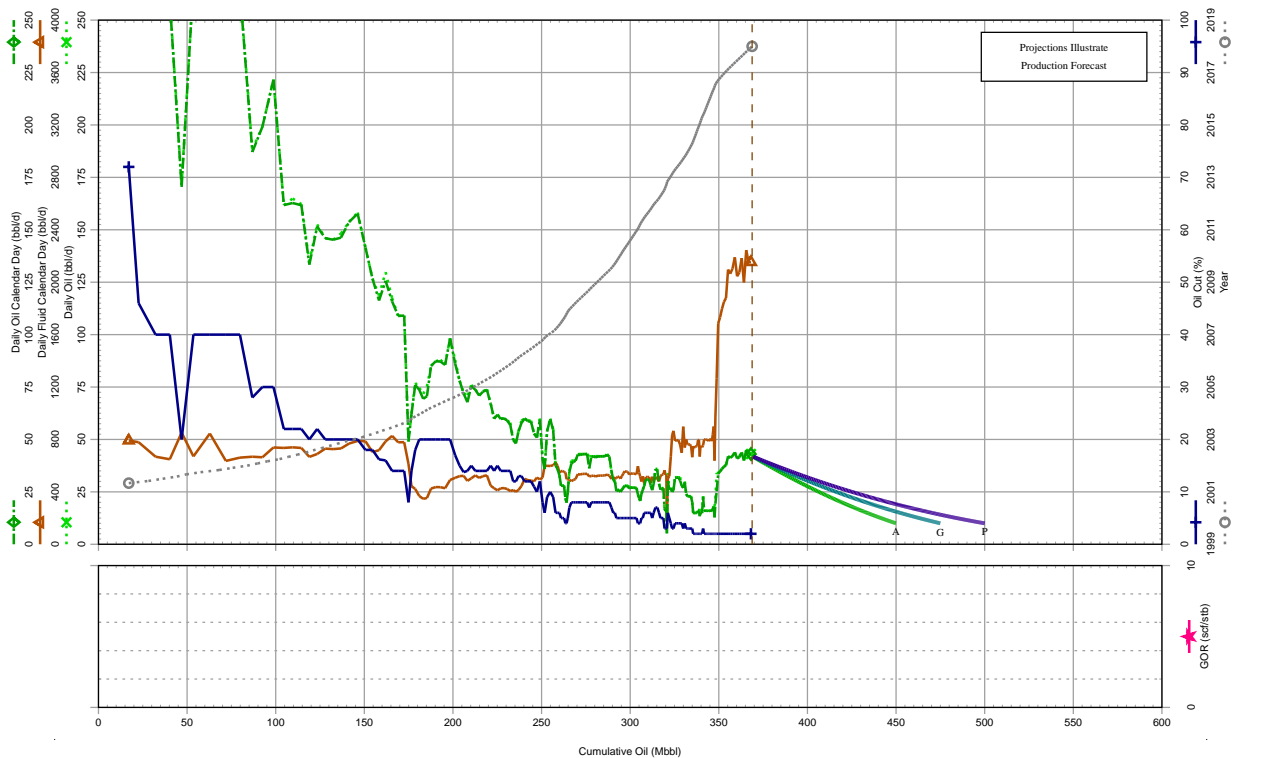
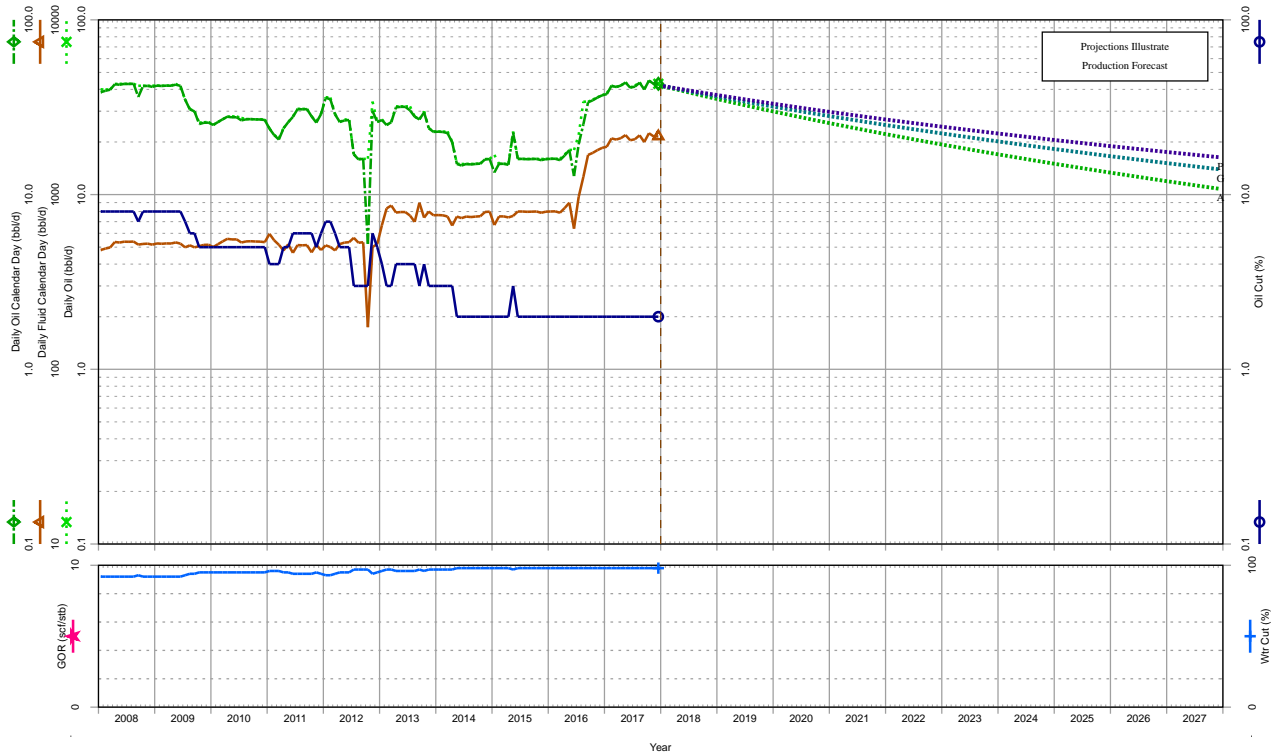
Oil	768.3 Mbbbl	Gas	0.0 MMcf	Water	9712.4 Mbbbl
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CENDERE-16  
1181620 / Mar 21, 2018

## Historical and Forecast Production CENDERE-17

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Rates ( bbl/d )		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Exptnt
Pv Prd - A	450	369	81	42	10	16.1	0.40
P + P Prd - G	475	369	106	42	10	13.3	0.50
PPP Prd - P	500	369	131	42	10	11.6	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	42.1 bbl/d	42.0 bbl/cd	GOR	0.0 scf/stb
On Prod	363.7 days		WC	98.0 %

Cumulative Production

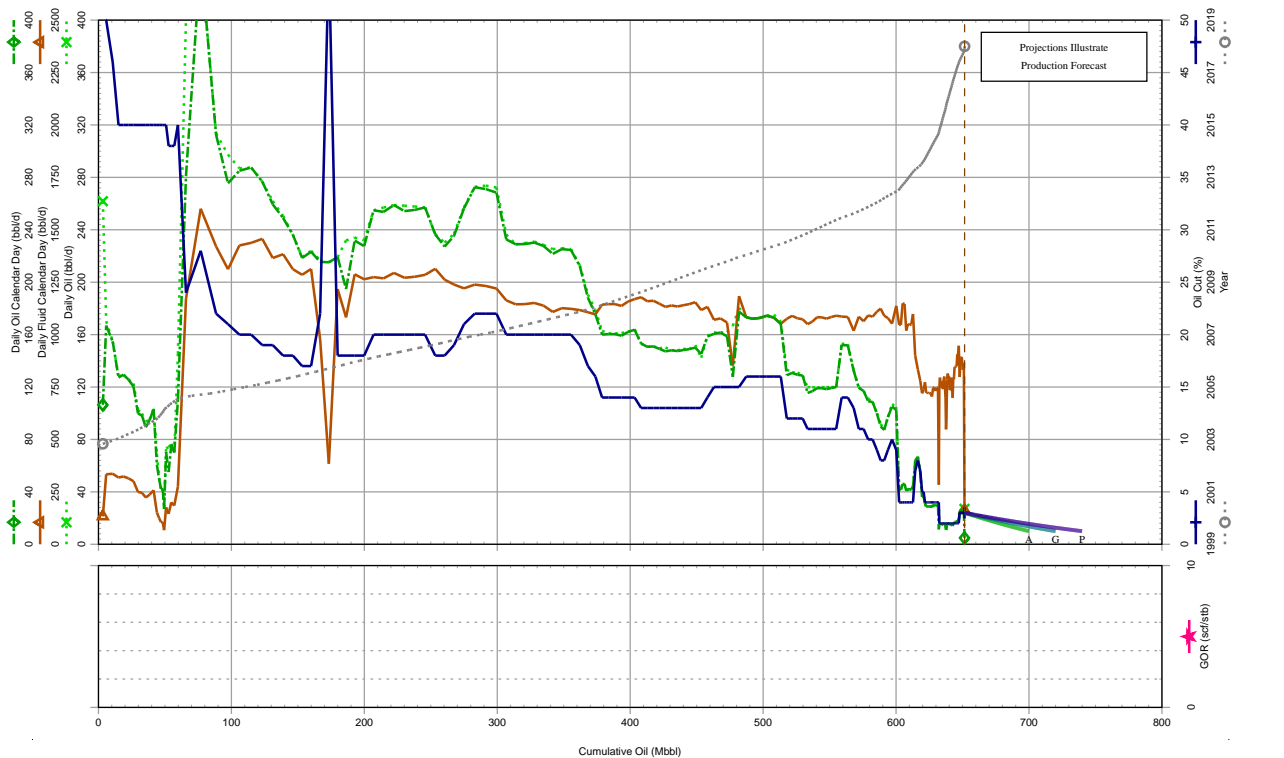
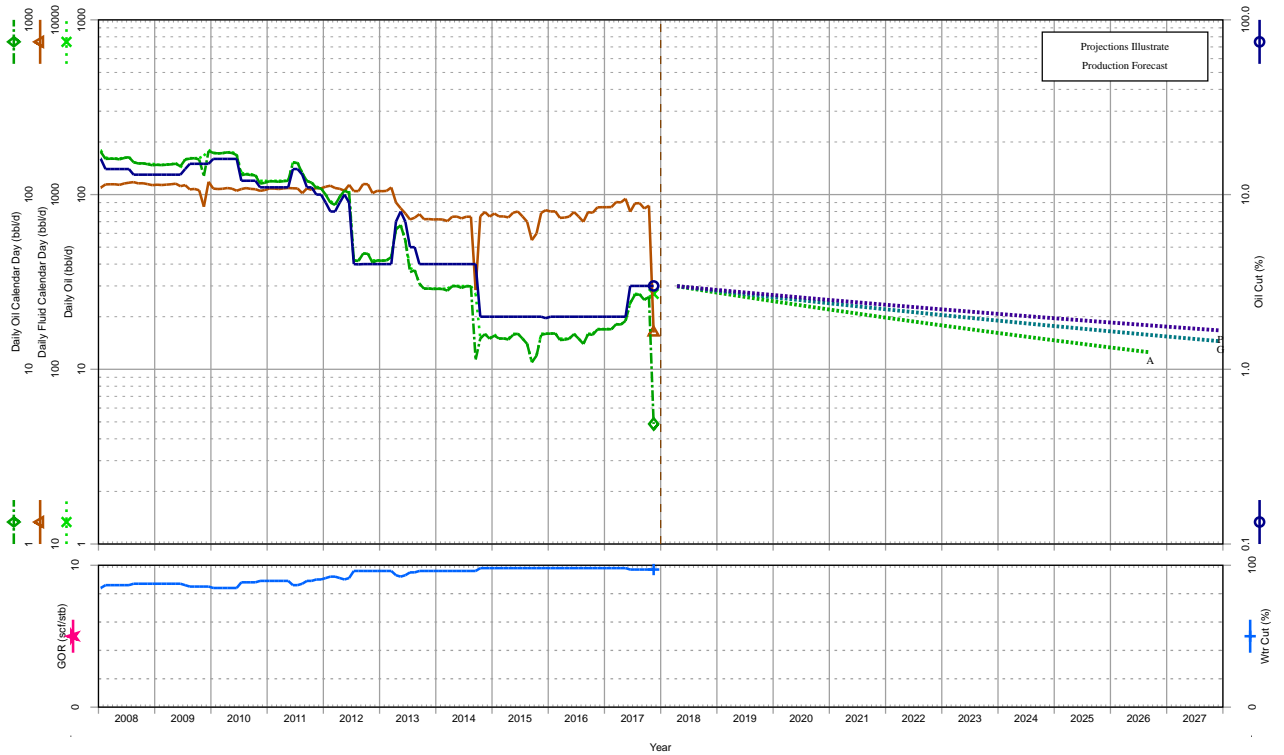
Oil	368.8 Mbbbl	Gas	0.0 MMcf	Water	4029.5 Mbbbl
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CENDERE-17  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-19

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Decline			
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expont
Pv Prd - A	700	652	48	3.00	1.25	11.0	0.30
P + P Prd - G	720	652	68	3.00	1.25	8.2	0.40
PPP Prd - P	740	652	88	3.00	1.25	6.7	0.50

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	22.3 bbl/d	18.5 bbl/cd	GOR	0.0 scf/stb
On Prod	308.3 days		WC	97.5 %

Cumulative Production

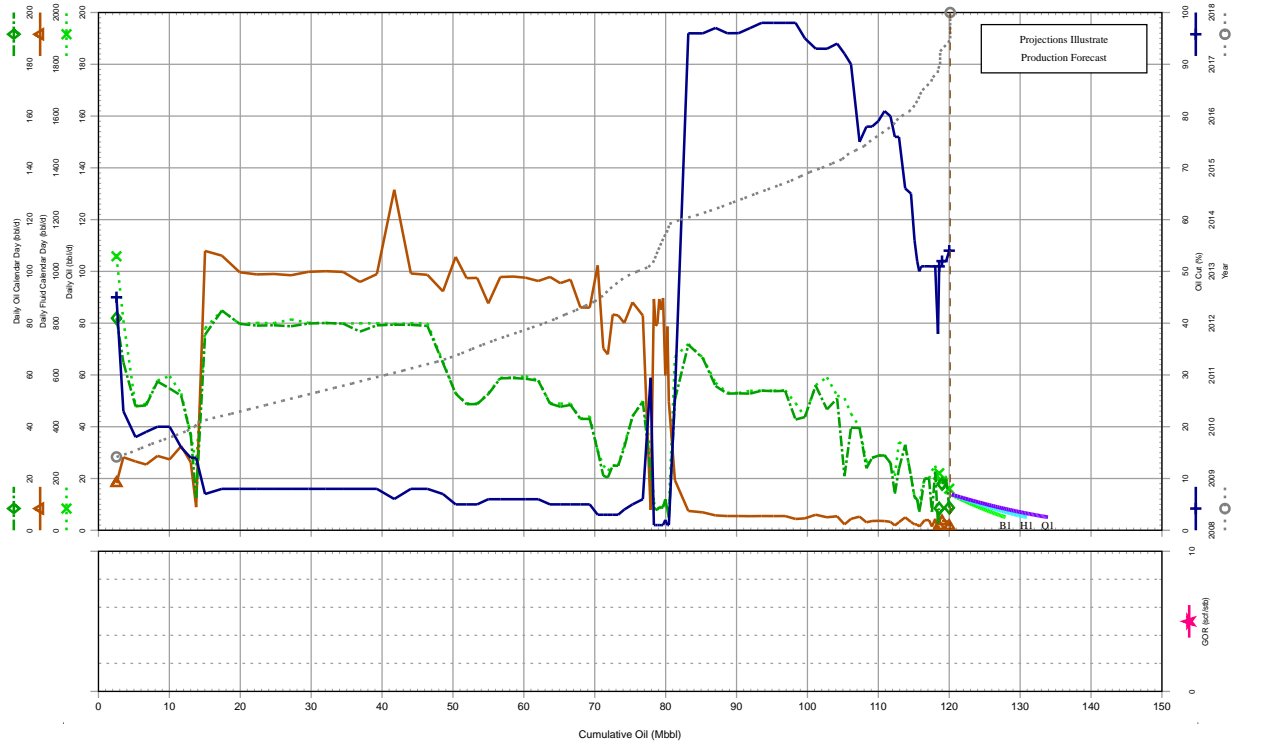
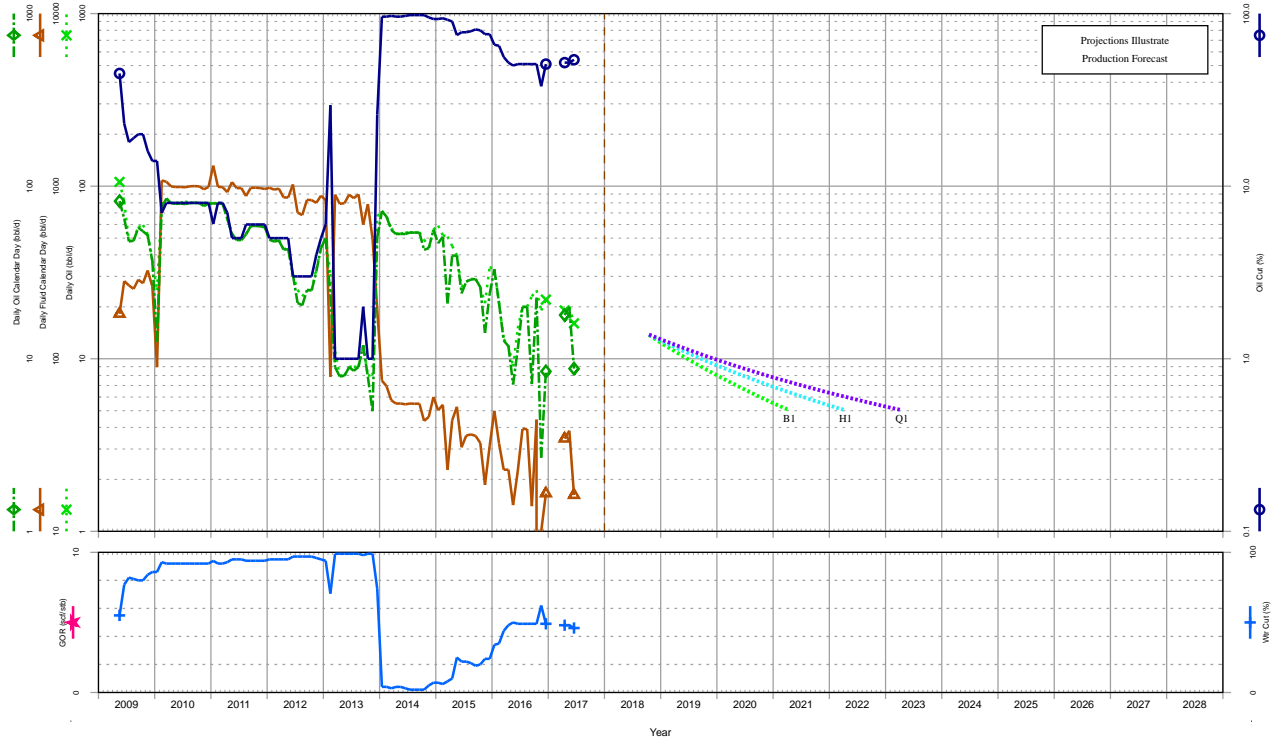
Oil	651.6 Mbbbl	Gas	0.0 MMcf	Water	4421.0 Mbbbl
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CENDERE-19  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-22

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



**Decline Analysis Summary At 2018/01/01**

Reserves Classification	Reserves ( Mbbbl )			Rates ( bbl/d )		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expt
Pv Dev NPrd — B1	128	120	8	14	5	36.5	0.40
P + PDev — NPrd H1	131	120	11	14	5	29.3	0.50
PPP Dev NPrd — Q1	134	120	14	14	5	24.8	0.60

**Average Production Rates (Last 12 months ending 2017/12/31)**

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	18.3 bbl/d	3.9 bbl/cd	GOR	0.0 scf/stb
On Prod	75.5 days		WC	47.7 %

**Cumulative Production**

Oil	120.1 Mbbbl	Gas	0.0 MMcf	Water	1259.3 Mbbbl
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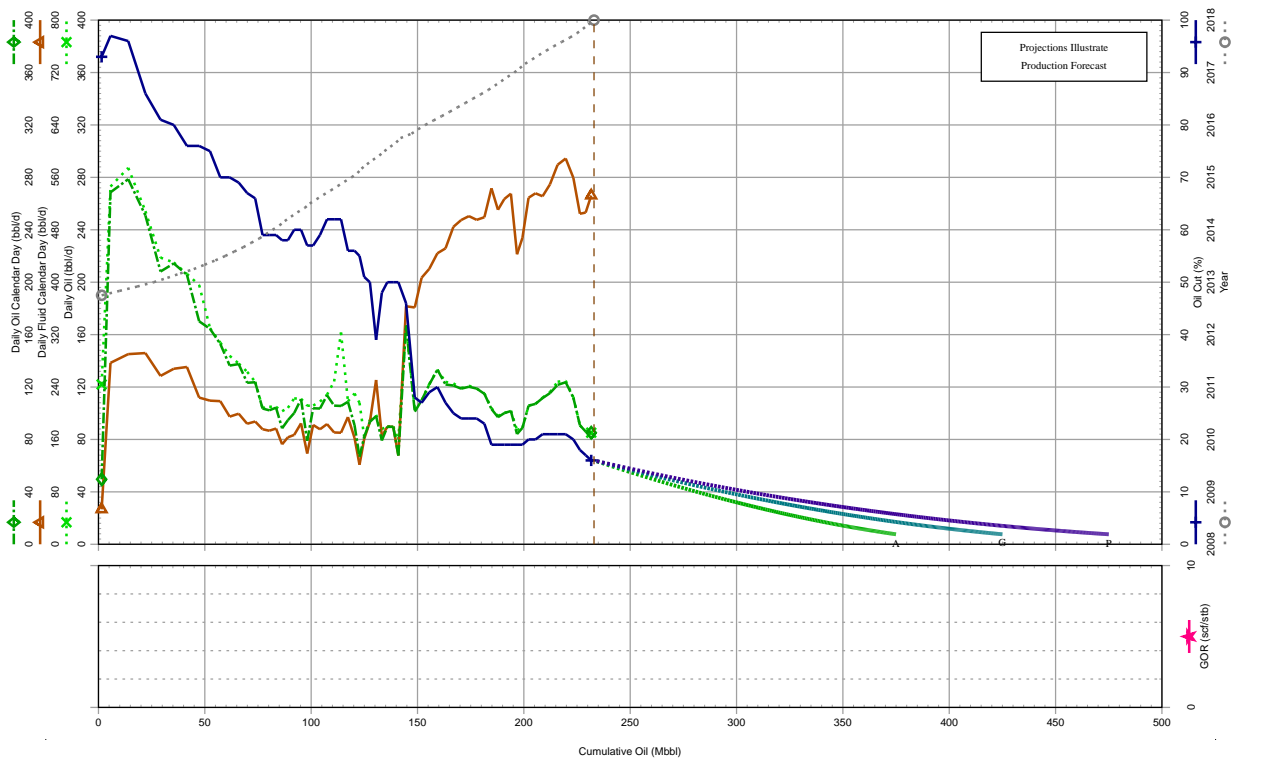
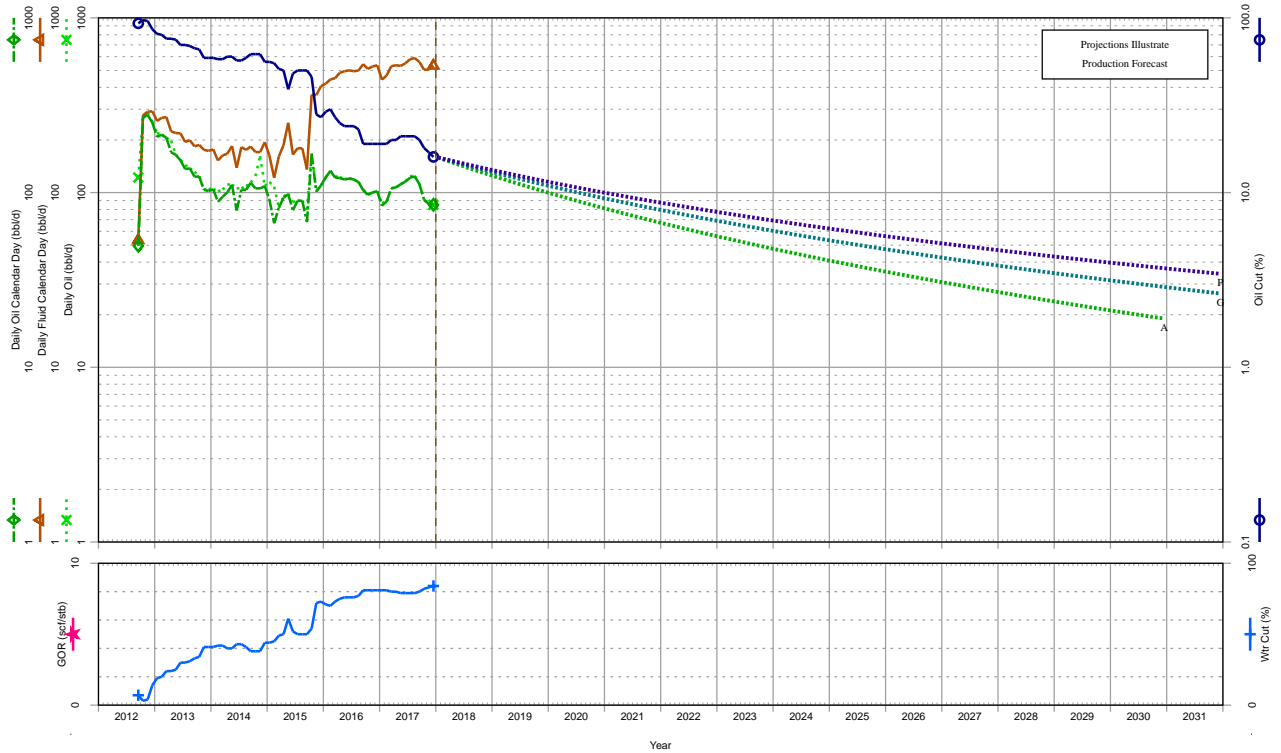
CENDERE-22  
1181620 / Mar 21, 2018



# Historical and Forecast Production CENDERE-23

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbbl )			Oil Cut %		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expt
Pv Prd - A	375	233	142	16.00	1.90	21.9	0.40
P + P Prd - G	425	233	192	16.00	1.90	18.0	0.50
PPP Prd - P	475	233	242	16.00	1.90	15.8	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	103.3 bbl/d	102.7 bbl/cd	GOR	0.0 scf/stb
On Prod	362.6 days		WC	80.5 %

Cumulative Production

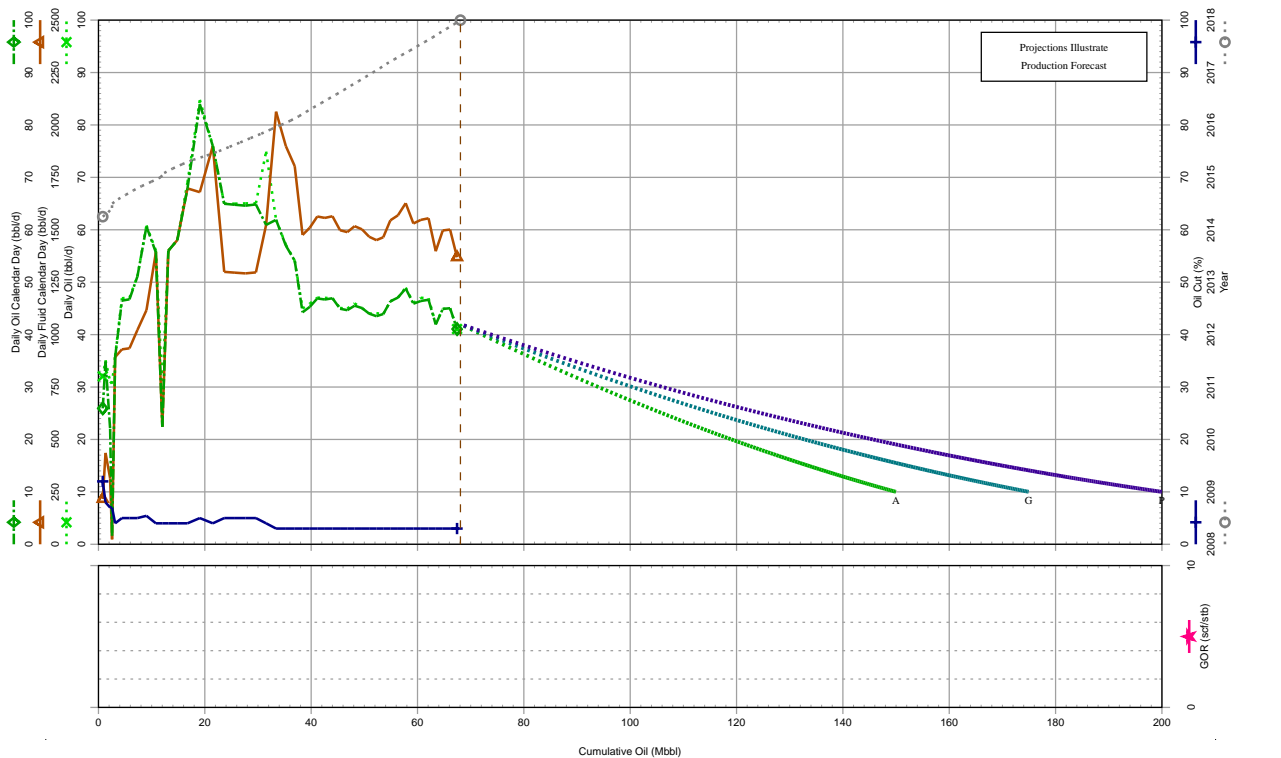
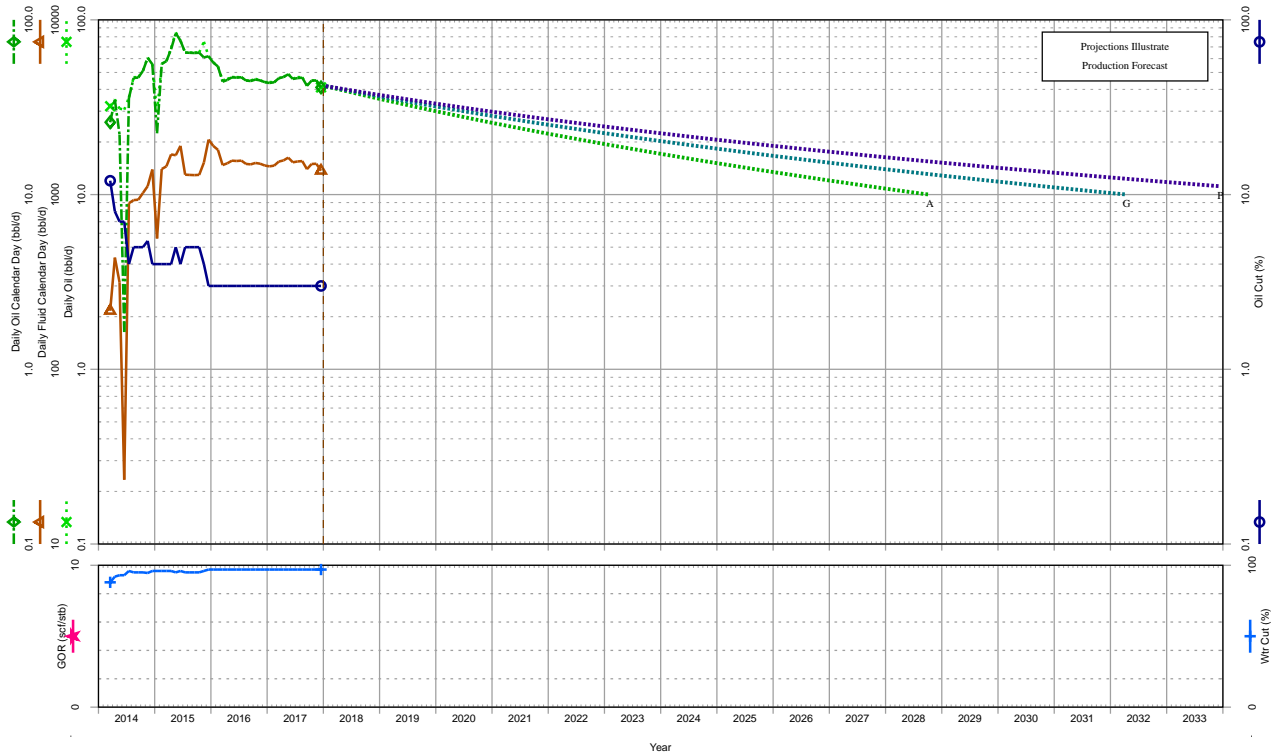
Oil	233.0 Mbbbl	Gas	0.0 MMcf	Water	390.1 Mbbbl
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CENDERE-23  
1181620 / Mar 21, 2018

# Historical and Forecast Production CENDERE-24

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Average Production Rates (Last 12 months ending 2017/12/31)

Reserves Classification	Reserves ( Mbbbl )			Rates ( bbl/d )				Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Exprot	Initial	Exprot
Pv Prd - A	150	68	82	42	10	16.0	0.40		
P + P Prd - G	175	68	107	42	10	13.2	0.50		
PPP Prd - P	200	68	132	42	10	11.5	0.60		

Cumulative Production					
Oil	68.1 Mbbbl	Gas	0.0 MMcf	Water	1809.4 Mbbbl

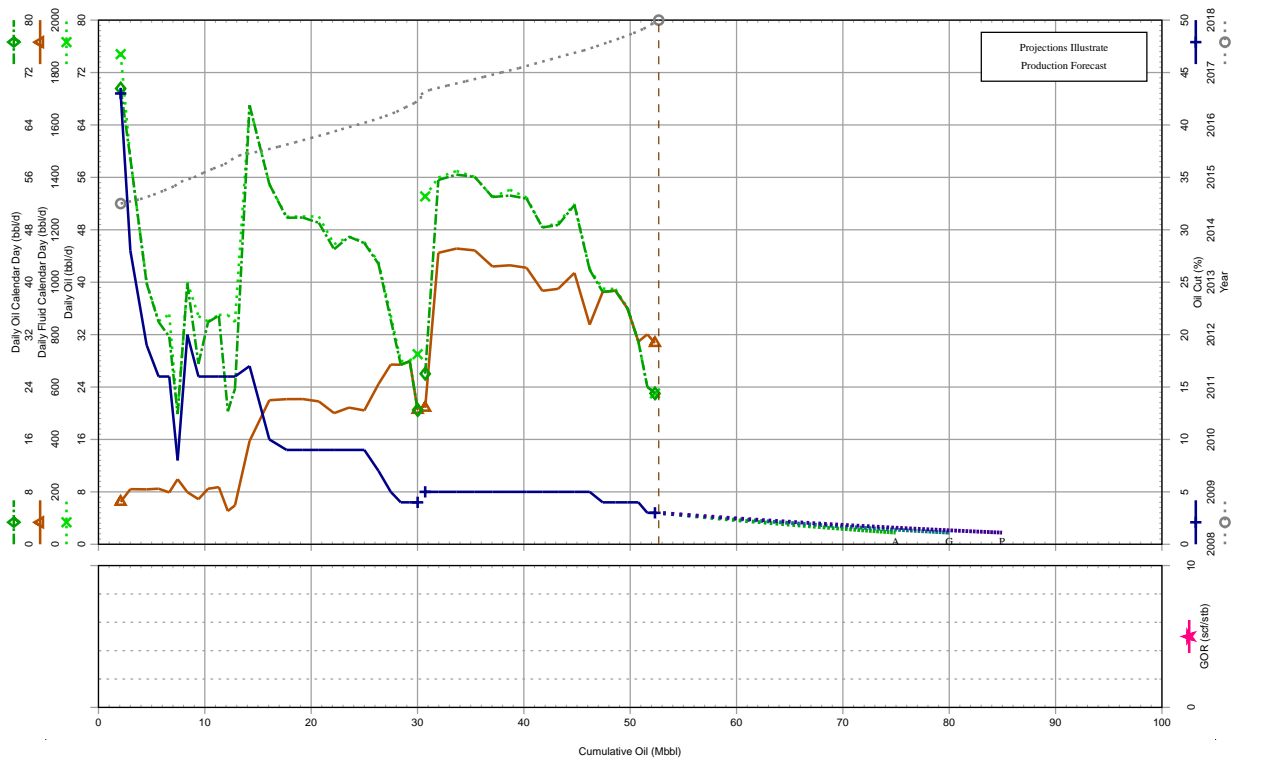
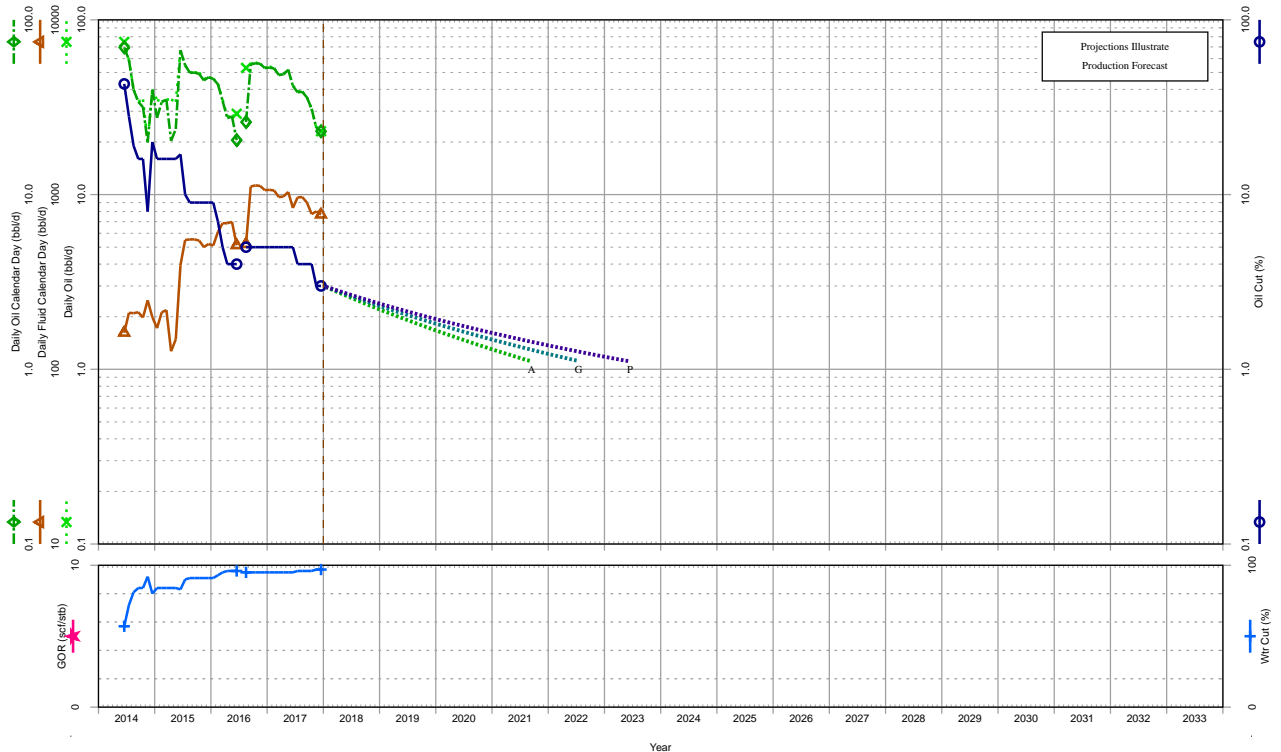
On Prod	Gas	Oil	WGR	GOR	WC
363.7 days	0.0 Mcf/d	45.3 bbl/d	0.0 Mcf/cd	0.0 bbl/MMcf	97.0 %

CENDERE-24  
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# Historical and Forecast Production CENDERE-25

Property : Cendere  
Well Name :

Regulatory Field :  
Regulatory Pool :  
Operator :



Decline Analysis Summary At 2018/01/01

Reserves Classification	Reserves ( Mbbl )			Oil Cut %		Decline	
	Ultimate	Cum Prd	Remain	Initial	Final	Initial	Expond
Pv Prd - A	75	53	22	3.00	1.11	26.7	0.40
P + P Prd - G	80	53	27	3.00	1.11	23.2	0.50
PPP Prd - P	85	53	32	3.00	1.11	20.8	0.60

Average Production Rates (Last 12 months ending 2017/12/31)

Gas	0.0 Mcf/d	0.0 Mcf/cd	WGR	0.0 bbl/MMcf
Oil	40.9 bbl/d	40.6 bbl/cd	GOR	0.0 scf/stb
On Prod	363.3 days		WC	95.6 %

Cumulative Production

Oil	52.7 Mbbl	Gas	0.0 MMcf	Water	729.5 Mbbl
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CENDERE-25  
1181620 / Mar 21, 2018