A copy of this preliminary prospectus has been filed with the securities regulatory authority in the Province of British Columbia but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authority.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

NON-OFFERING PRELIMINARY PROSPECTUS

Non-Offering Prospectus January 10, 2019

PARK PLACE ENERGY INC.

(the "Company")

Suite 700, 838 West Hastings Street, Vancouver
British Columbia, Canada, V6C 0A6
Ph. #778-819-8503

No securities are being offered pursuant to this prospectus. This prospectus is being filed with the British Columbia Securities Commission for the purpose of allowing Park Place Energy Inc. to become a reporting issuer in that jurisdiction and to enable the Company to develop an organized market for its common shares.

Since no securities are being offered pursuant to this prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this prospectus will be paid by the Company.

There is currently limited availability on the OTC Pink tier of the OTC Markets electronic quotation system ("OTC") through which the Company's securities may be sold and shareholders may not be able to resell the securities of the Company owned by them. The closing price of our common shares as quoted on the OTC Markets on December 28, 2018 was US$0.088

An investment in securities of the Company is speculative and involves a high degree of risk. In reviewing this prospectus, you should carefully consider the matters described under the heading "Risk Factors".

We intend to submit an application to list our common shares on the Canadian Securities Exchange (the "CSE"). Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

No underwriters or selling agents have been involved in the preparation of this prospectus or performed any review or independent due diligence of the contents of this prospectus. No person is authorized by the Company to provide any information or make any representations other than those contained in this Prospectus.

In this Prospectus, "we", "us", "our", "Park Place Energy Inc." and the "Company" refers to Park Place Energy Inc., a corporation incorporated under the laws of the State of Delaware.

The Company is incorporated under the laws of a foreign jurisdiction. Although the Company has appointed Macdonald Tuskey of Suite 409 – 221 W. Esplanade, North Vancouver, BC V7M 3J3 as its agent for service of process in British Columbia, it may not be possible for investors to enforce judgments obtained in Canada against the Company.

Mr. David Thompson, a director of the Company, resides outside of Canada. Although Mr. Thompson has appointed Macdonald Tuskey of Suite 409 – 221 W. Esplanade, North Vancouver, BC V7M 3J3 as its agent for service of process in British Columbia, it may not be possible for investors to enforce judgments obtained in Canada against Mr. Thompson.

The head office of the Company is located at Suite 700, 838 West Hastings Street, Vancouver, British Columbia, Canada.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities legislation. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intend", "forecast", "plans", "guidance" and similar expressions is intended to identify forward-looking statements or information.

More particularly and without limitation, this Prospectus contains forward-looking statements and information relating to the following:

- the performance characteristics of the Company's oil and gas properties; oil and natural gas production levels; the size of the oil and natural gas reserves;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development;
- future funds from operations;
- capital programs;
- debt levels;
- future royalty rates;
- future depletion, depreciation and accretion rates;
- treatment under governmental regulatory regimes and tax laws; and
- capital expenditure programs.

The forward-looking statements and information contained in this Prospectus are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the availability of capital to undertake planned activities and the availability and cost of labour and services.

Although the Company believes that the expectations reflected in the forward-looking statements and information in this Prospectus are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general, such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future. Readers are cautioned that the foregoing list of factors and risks is not exhaustive.

The forward-looking statements and information contained in this Prospectus are made as of the date hereof and, unless so required by applicable law, the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise. The forward-looking statements and information contained in this Prospectus are expressly qualified by this cautionary statement.

Unless otherwise specified, all dollar amounts in this prospectus are expressed in United States dollars.

ABBREVIATIONS

Abbreviations

Oil and Natural Gas Liquids		*Natural Gas*	
Bbl or bbl:	barrel	**Bcf or bcf:**	billion cubic feet
Bbls or bbls:	barrels	**Mcf or mcf:**	thousand cubic feet
BOPD or bopd:	barrels of oil per day	**BOE or boe:**	barrel of oil equivalent(1)
Mbbls:	thousand barrels	**BOE/D, boe/d or boepd:**	barrel of oil equivalent per day
Mmbbls:	million barrels	**Mmcf:**	million cubic feet
NGLs:	natural gas liquids	**Mcf/d or mcf/d:**	thousand cubic feet per day
		Mmcf/d:	million cubic feet per day
		MMBTU or Mmbtu:	million British Thermal Units

(1) barrel of oil equivalent of natural gas and crude oil on the basis of 1 Bbl of crude oil for 6 Mcf of natural gas. *Disclosure provided herein in respect of boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*

GLOSSARY OF TECHNICAL TERMS

Unless the context indicates otherwise, the following terms when used in this prospectus have the following meanings:

Abandoned:	A dry hole in which no producible oil or gas was present, or a well that has stopped producing. Abandoned wells must be plugged to prevent seepage of oil, gas, or water from one formation to another.
Barrel:	The standard unit of measure of liquids in the petroleum industry; it contains 42 U.S. standard gallons.
Barrel of Oil Equivalent (BOE):	The amount of energy resource (in this document, natural gas) that is equal to one barrel of oil on an energy basis. The conversion is derived by converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil (6 mcf: 1 bbl). BOE's may be misleading, particularly if used in isolation. A BOE conversion ration of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.
Basin:	A depression of the earth's surface into which sediments are deposited, usually characterized by sediment accumulation over a long interval; a broad area of the earth beneath which layers of rock are inclined, usually from the sides toward the center.
Blowout:	An uncontrolled flow of gas, oil, or other fluids from a well to the atmosphere. A well may blow out when formation pressure exceeds the pressure overburden of a column of drilling fluid.
Borehole:	The hole in the earth made by the drill; the uncased drill hole from the surface to the bottom of the well.
BOTAŞ	BOTAŞ Petroleum Pipeline Corporation, the state-owned crude oil and natural gas pipelines and trading company in Turkey.
COGE Handbook	The standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).
Cendere Field:	The primary asset of PPE Turkey, the Cendere Field is an onshore oil field located in South East Turkey having a total of 25 wells.
Derdere Formation	The carbonated Derdere Formation is the main water reservoir of the Cendere Field.
Development:	Activities following exploration including the installation of facilities and the drilling and completion of wells for production purposes.
Discovery:	A find of significant quantities of gas or oil.
Dobrudja Basin	A basin located in the Dobruja region of northeast Bulgaria.
Dolomitization	Dolomitization is a geological process by which the carbonate mineral dolomite is formed when magnesium ions replace calcium ions in another carbonate mineral, calcite. It is common for this mineral alteration into

	dolomite to take place due to evaporation of water in a salt flat. The volume of dolomite is less than that of calcite, so the replacement of calcite by dolomite in a rock increases the pore space in the rock by 13% and forms a rock with the ability to store fluids.
Exchange Act:	United States Securities Exchange Act of 1934
Exploration:	The process of searching for minerals preliminary to development. Exploration activities include (1) geophysical surveys, (2) drilling to locate an oil or gas reservoir, and (3) the drilling of additional wells after a discovery to delineate a reservoir. It enables the lessee to determine whether to proceed with development and production.
Field:	A geographical area in which one or more oil or gas wells produce. A field may refer to surface area only or to underground productive formation. A single field may include several reservoirs separated either horizontally or vertically.
Gazprom:	Public Joint Stock Company Gazprom is a large Russian company founded in 1989, which carries on the business of extraction, production, transport, and sale of natural gas. The company is majority owned by the Government of Russia, via the Federal Agency for State Property Management and Rosneftegaz.
GLJ:	GLJ Petroleum Consultants Ltd., an independently qualified reserves evaluator and auditor
GLJ Report:	The Form 51-101F2 Report on Reserves Data dated April 10, 2018 prepared by GLP Petroleum Consultants Ltd.
Middle Cretaceous	The geologic period and system that spaned 79 million years from the end of the Jurassic Period 145 million years ago to the beginning of the Paleogene Period 66 million years ago. The Middle Cretaceous was characterized a relatively warm climate, resulting in high sea levels that created numerous shallow inland seas.
NI 51-101:	National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities
Operator:	The individual, partnership, firm, or corporation having control or management of operations on a leased area or a portion thereof. The operator may be a lessee, designated agent of the lessee, holder of rights under an approved operation agreement, or an agent of an operating rights holder.
Production:	The phase of oil and gas operations involved with well fluids extraction, separation, treatment, measurement, etc.
Reserves:	Estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on: - analysis of drilling, geological, geophysical and engineering data; - the use of established technology; and - specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

	Reserves are classified according to the degree of certainty associated with the estimates. (a) **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. (b) **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. (c) **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.
SEC:	United States Securities and Exchange Commission
South Akcakoca Sub-Basin or SASB	Located in the shallow waters of the western Black Sea, was the first commercial offshore Black Sea development. The SASB includes three main structures, which are the focus of development. A number of discoveries have been made since 2004 including four commercial fields; Akkaya, Ayazli, Dogu-Ayazli and Akcakoca. Ownership has changed regularly since 2012. In January 2017, Park Place (US) acquired Tiway Oil's stake in the South Akcakoca Sub-Basin.
South East Anatolian Basin	SE Anatolian Basin is a hydrocarbon producing basin located in south eastern Turkey.
TPAO or TPAO Karakus:	Türkiye Petrolleri Anonim Ortaklığı, a Company founded in 1954 by Law No. 6327 with the responsibility of being involved in hydrocarbon exploration, drilling, production, refinery and marketing activities as Turkey's national company.
Tupras	Türkiye Petrol Rafinerileri A.Ş., a Company in Turkey, operating four refineries with a total capacity to handle an annual 28.1 mn tons of crude.
Vranino Block	Vranino Block 1-11, an exploration permit situated in the Dobrich District in northeast Bulgaria. The permit was acquired by the Company on April 1, 2014 and covers 98,205 acres (397.42 sq km). The permit is for a term of 5 years with up to an additional 5 years in extensions possible. Upon demonstration of a commercial discovery, the permit can be converted to an exploitation license of up to 35 years in length.
Well:	A hole drilled or bored into the earth, usually cased with metal pipe, for the production of gas or oil. A hole for the injection under pressure of water or gas into a subsurface rock formation.
Workover:	Operation on a shut-in or producing well to restore or increase its production.

SUMMARY OF PROSPECTUS

The following is a summary of the information contained in this prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

Capitalized terms used in this summary, which are not defined in the summary, have the meanings ascribed to them elsewhere in this prospectus. Unless otherwise indicated, references to the "Company", "Park Place Energy Inc.", "we", "us" and similar terms are to Park Place Energy Inc.

The Company

Park Place Energy Inc. was incorporated in the State of Delaware in 2015 and is headquartered in Vancouver, British Columbia, with its head office at Suite 700, 838 West Hastings Street, Vancouver British Columbia, Canada. The Company's operations are based primarily in Turkey at Turan Gunes Bulvari, Park Oran Ofis Plaza, 180-y, Daire:54, Kat:16, 06450, Oran, Cankaya, Ankara, Turkey. The Company has six subsidiaries.

Business of the Company

The Company has, since incorporation, focused on expanding its portfolio of oil and gas projects in Southeast Europe, Turkey and countries in the immediate vicinity. The Company's core operations are on the recently acquired oil gas producing assets in Turkey and, and, secondarily, a coal bed methane exploration license in Bulgaria. See "*Narrative Description of the Business*".

Management, Directors, and Officers

Arthur Halleran *Director, President and CEO*
Dr. Barry Wood *Director*
David Thompson *Director, CFO, Secretary*

Listing

The Company has applied to the CSE for listing of the Shares on the CSE. The listing on the CSE is subject to the Company fulfilling all the listing requirements of the CSE.

Funds Available and Use of Available Funds

As of November 30, 2018, the Company had working capital of approximately $261,000. The Company estimates that it will require the following funds to conduct its plan of operations over the next twelve months:

Use of Available Funds	Amount
Data reprocessing	$50,000
Prospectus and CSE Listing costs	$20,000
Environmental Report	$50,000
Operating deficit for 12 months	$500,000
Unallocated working capital	$100,000
Total	$720,000

The Company intends to fund its business using the proceeds from prior private placement financings (hereinafter described). The Company intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regard to any prospective investment or drilling program or if the costs of the Prospectus or Listing, or negotiating an applicable transaction, are greater than anticipated. See "*Funds Available and Use of Available Funds*".

Risk Factors

An investment in an oil and gas company involves a significant degree of risk, including risks related to cash flow and liquidity, the ongoing need for financing, a volatile stock price, operational risks and costs, regulatory matters and environmental legislation, risks related to property contracts, regulatory and permitting delays, fluctuation of key indicators such as oil and gas prices and interest and exchange rates, oil and gas industry risk, and competition for key personnel. The above list of risk factors is not intended to be a definitive list of all risks associated with the Company. See *"Risk Factors"*.

Summary Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Company and related notes thereto appearing elsewhere in this prospectus. The selected financial information is derived from the unaudited financial statements for the Company as of September 30, 2018 and the audited financial statements for the Company as of December 31, 2017, 2016 and 2015.

	Nine Months ended September 30, 2018 $	**Year ended December 31, 2017 $**	**Year ended December 31, 2016 $**	**Year ended December 31, 2015 $**
Total Revenue	3,361,667	3,883,059	-	-
Net Income (Loss)	(945,271)	(2,486,836)	(3,999,091)	(764,097)
Current Assets	1,400,957	1,047,482	2,061,882	89,491
Current Liabilities	2,136,599	2,549,337	1,256,749	119,006
Working Capital (Deficit)	(735,642)	(1,501,855)	(805,133)	(29,515)
Total Assets	8,452,897	7,042,450	5,042,164	3,330,163
Total Long-Term Liabilities	3,927,931	2,527,259	-	-
Cash dividends declared	Nil	Nil	Nil	Nil
Shareholder's Equity	2,388,367	1,965,854	3,785,415	3,211,157
Number of Common Shares	71,684,965	58,243,904	50,281,482	45,731,482

See "*Selected Financial Information and Management's Discussion and Analysis"*.

Currency

Unless otherwise indicated, all currency amounts herein are stated in US Dollars.

CORPORATE STRUCTURE

Name, Incorporation and Overview

Park Place Energy Inc. incorporated in the State of Delaware ("Park Place", "Company", "we" or "our") is headquartered out of Vancouver at Suite 700, 838 West Hastings Street, Vancouver British Columbia, Canada with operations based primarily from Turkey at Turan Gunes Bulvari, Park Oran Ofis Plaza, 180-y, Daire:54, Kat:16, 06450, Oran, Cankaya, Ankara, Turkey. The Company also has registered offices in Canada and Bulgaria.

Since such time the Company has been a reporting issuer under the Securities Exchange Act of 1934, as amended. As a result the Company has been subject to the requirements of Regulation 13A under the Securities Exchange Act of 1934, as amended, which requires the Company to file annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. Copies of these documents are available at www.sec.gov.

The Company's common stock is currently quoted on the Pink Sheet quotation service operated by OTC Markets Group Inc., under the symbol "PKPL".

Due to the implementation of British Columbia Instrument 51-509 on September 30, 2008 by the British Columbia Securities Commission, we have been deemed to be a British Columbia based reporting issuer. As such, we are required to file certain information and documents at www.sedar.com.

Inter-Corporate Relationships

The Company has the following subsidiaries:

	Jurisdiction
Park Place Energy, Corp.	Nevada
Park Place Energy, Inc.	British Columbia
Park Place Energy (Bermuda) Limited	Bermuda
BG Explorations EOOD	Bulgaria
Park Place Energy Turkey Limited.	Turkey
Park Place Petrol JSC	Turkey

NARRATIVE DESCRIPTION OF THE BUSINESS

Our Current Business

The Company is an oil and gas company engaged in the exploration for oil and natural gas in Turkey and Bulgaria. The Company is currently generating revenues from its oil and gas operations in Turkey.

The Company is focused on exploiting its portfolio of existing exploration and development properties in Turkey and Bulgaria which include producing assets in Turkey and a coal bed methane exploration license in Bulgaria.

The Turkey assets consist of oil and gas exploration and production companies which have producing oil and gas fields in Turkey, one of which is offshore and the other onshore. The principal producing field is Cendere oil field, which is described below.

The Cendere Field is a long-term low decline oil reserve. The Company has about 19.6% interest in the Cendere oil field located in Southeast Turkey. This mature oilfield consistently produces between 110 and 123 bopd (barrels oil per day) net to the Company.

The Cendere Field was first discovered in 1988 where Oil production commenced during 1990. The operator of the Cendere Field is TPAO. The Company's interest is 19.6% for all wells except for wells C-13, C-15 and C-16, for which its interest is 9.8%. The produced oil has a gravity of 27.5^{o} API.

After the initial development of the Cendere Field, gross oil production was approximately 2,000 bopd from three wells and which peaked at approximately 7,000 bopd in 1992, when additional wells were put into production. The field started to produce water during the first year of production. To date approximately 20.1 MMbbls of oil have been produced from the Cendere Field. During August 2018, the Company's average net oil was 135 bopd at 96% water cut.

A description of the Cendere Field geological and reservoir characteristics is as follows. The reservoirs are located in the South East Anatolian Basin and within the Middle Cretaceous period. The carbonated Derdere Formation is the main reservoir in Cendere Field and has dolomitization and fracturing, which enhance its production characteristics. There are also four additional oil reservoirs contained within Cendere Field. The Cendere Field is covered by 54 km2 of 3D seismic that was acquired in 2004.

The field was developed using a collection of dispersed oil wells from which production is collected and exported to the Cendere gathering station. The produced oil is exported to the TPAO Karakus processing facility which then is transported onwards to the BOTAS-operated oil pipeline.

The Company also owns offshore production licenses called the South Akcakoca Sub-Basin ("SASB"). The Company now owns a 49% working interest in SASB, 12.5% which was obtained during 2018. The SASB consists of four off shore gas platform which are tied into a gas production plant.

SASB has four producing fields, each with a production platform plus subsea pipelines that connect the fields to an onshore gas plant. The SASB fields are located off the north coast of Turkey towards the western end of the Black Sea in water depths ranging from 60 to100 meters. Gas is produced from Eocene age sandstone reservoirs at subsea depths ranging from 1100 to1800 meters. The three nearer shore gas fields of Ayazli (discovered in 2004), Dogu Ayazli (discovered 2005) and Akkaya (discovered in 2006) were included in an initial phase of development with first gas production in 2007. The deeper water Akcakoca field (discovered in 2006) was developed later with first gas production in 2011. All the fields are developed using unmanned well head platforms/tripods tied back via an 18 kilometre ("km") 12-inch pipeline to shared processing and compression facilities onshore at Cayagzi gas plant. The gas plant at Cayagzi is capable of processing up to 75 million cubic feet of gas per day. Sales gas is exported via an 18.6 km long 16-inch onshore pipeline, which ties into the main national gas transmission network operated by BOTAS. Historically, gas has been produced at rates of as high as 30 MMcf/d from SASB; total gross production to date from the four fields is in excess of 40 Bcf. The production license for SASB is covered by a modern 223 square kilometre 3D survey. There are five additional gas discoveries in SASB that have not yet been developed. Also, there are several additional prospects defined by 3D seismic data.

The Company also has another oil and gas asset, a 50% operated interest in the Bakuk gas field located near the Syrian border. The Bakuk field is shut-in with no plans to revive production in the near term.

In the Bulgaria, the Company holds a 98,205-acre oil and gas exploration claim in the Dobrudja Basin located in northeast Bulgaria. The Company intends to conduct exploration for natural gas and test production activities over a five-year period in accordance with its minimum work program. The Company's commitment is to perform geological and geophysical exploration activities in the first 3 years of the initial term, followed by data evaluation and drilling activities in years 4 and 5 of the initial term. The data evaluation is expected to commence during 2019. The drilling stage is expected to commence in 2022. The Company is required to drill 10,000 meters (approximately 32,800 feet) of new wellbore (which may be vertical, horizontal or diagonal) and other exploration activities. The Company intends to commence its work program efforts once it receives all regular regulatory approvals of its work programs, which at this time consists of an environmental impact assessment. The impact assessment is contemplated to be completed during 2019.

Three-Year History

The Company has been focused exclusively on the production, exploration for and development of, oil and gas assets located in Turkey and Bulgaria.

During the last three years relating to our Bulgaria Vranino 1-11 block, we have been gathering and evaluating historical data from various sources, including the Bulgarian government ministry data depository, and data received from third parties.   During 2017, a lawsuit was resolved with challenged the validity of our exploration permit based on an alleged procedural error by the ministry in Bulgaria in granting our Company the permit.

At December 31, 2016, the gross oil production rate for the producing wells in Cendre was 675 MMbbls; the average daily 2017 gross production rate for the field was 715 bbls . At the end of June 2018, oil is currently sold at a price of approximately US$ 71 per barrel for a netback per barrel of approximately US$38. At year-end 2017, the Cendere field was producing 669 barrels of oil per day gross, and averaged 118 barrels per day during 2017 net to the PPE Turkey Companies.

On January 18, 2017, the Company completed the acquisition of three oil and gas exploration and production companies operating in Turkey (collectively, "PPE Turkey"). The purchase price for the acquisition of the PPE Turkey from Tiway Oil B.V. was $2.1 million. As a result of the acquisition of PPE Turkey, Park Place now owns interests in three producing oil and gas fields in Turkey, one of which is offshore and the other two are onshore.

At November 30, 2018, net production to the PPE Turkey from such fields was 205 barrels of oil equivalent per day or Boe/d (December 31, 2017 – 280 Boe/d) ; and for the eleven months ended November 30, 2018, net production to PPE Turkey averaged 213 Boe/d (Year ended December 31, 2017 – 390 Boe/d). Due to the acquisition of PPE Turkey, the Company is now a qualified oil and gas operator in Turkey based in Ankara.

At November 30, 2018, the gross gas production rate for the ten producing wells in SASB was 0.903 MMcfd (December 31, 2017 - 1.4 MMcfd); the average daily 2018 gross production rate for the eleven months ended November 30, 2018 of the field was 1.06 MMcfd (Year ended December 31, 2017 - 2.45 MMcfd). At the end of November 2018, gas is currently sold at a price of approximately US$6.85 per Mcf for a netback per Mcf of approximately minus US$0.33.

Patents and Trademarks

We do not own, either legally or beneficially, any patent or trademark.

Research and Development Expenditures

We have incurred acquisition, exploration and development costs on both our Bulgaria and Turkey properties in the last three years.

In Bulgaria, this work has been data acquisition, reprocessing seismic and license acquisition costs for the Vranino-11 license block. We acquired data on approximately 220 existing wells on the Block through a purchase from the ministry in Bulgaria. We purchased a resources model for the wells and geology on the block from another competitive bidder on the Block. We have retained contractors to analyze the geological characteristics of the block and potential locations for well reentries of existing wells. We have obtained annual financial return estimates to reenter old wells and drill new wells. We have engaged in meetings with the local government on policy issues relating to the related environmental interest.

In Turkey, we have incurred development and maintenance costs in reworking certain existing producing wells. The Company executed several workover programs on the Cendere Oil Field and SASB Gas Field on certain existing producing wells in conjunction with TPAO, the operator of both fields.

Government Regulation

Our current or future operations, including exploration and development activities on our properties, require permits from various governmental authorities, and such operations are and will be governed by laws and regulations of the jurisdiction in which we are conducting business. These laws and regulations concern exploration, development, production, exports, taxes, labor laws and standards, occupational health, waste disposal, toxic substances, land use, environmental protection and other matters. Compliance with these requirements may prove to be difficult and expensive. Due to our international operations, we are subject to the following issues and uncertainties that can affect our operations adversely:

- the risk of expropriation, nationalization, war, revolution, political instability, border disputes, renegotiation or modification of existing contracts, and import, export and transportation regulations and tariffs;

- laws of foreign governments affecting our ability to fracture stimulate oil or natural gas wells, such as the legislation enacted in Bulgaria in January 2012, discussed in greater detail below;

- the risk of not being able to procure residency and work permits for our expatriate personnel;
- taxation policies, including royalty and tax increases and retroactive tax claims;
- exchange controls, currency fluctuations and other uncertainties arising out of foreign government sovereignty over international operations;
- laws and policies of the United States affecting foreign trade, taxation and investment;
- the possibility of being subjected to the exclusive jurisdiction of foreign courts in connection with legal disputes and the possible inability to subject foreign persons to the jurisdiction of courts in the United States; and
- the possibility of restrictions on repatriation of earnings or capital from foreign countries.

Permits and Licenses.

In order to carry out exploration and development of oil and natural gas interests or to place these interests into commercial production, we may require certain licenses and permits from various governmental authorities. There can be no guarantee that we will be able to obtain all necessary licenses and permits that may be required. In addition, such licenses and permits are subject to change and there can be no assurances that any application to renew any existing licenses or permits will be approved.

Repatriation of Earnings.

Currently, there are no restrictions on the repatriation of earnings or capital to foreign entities from Bulgaria. In Turkey, funds which are invested in the Turkish entities and which are registered with the Turkish authorities may be repatriated without tax. There is a 10% tax on dividends on profits which are transferred out of Turkey. However, there can be no assurance that any such restrictions on repatriation of earnings or capital from the aforementioned countries or any other country where we may invest will not be imposed, changed or increased in the future.

Environmental.

The oil and natural gas industry is subject to extensive environmental regulations. Environmental regulations establish standards respecting health, safety and environmental matters and place restrictions and prohibitions on emissions of various substances produced concurrently with oil and natural gas. The regulatory requirements cover the handling and disposal of drilling and production waste products and waste created by water and air pollution control procedures. These regulations may have an impact on the selection of drilling locations and facilities, potentially resulting in increased capital expenditures. In addition, environmental legislation may require those wells and production facilities to be abandoned and sites reclaimed to the satisfaction of local authorities. Such regulation has increased the cost of planning, designing, drilling, operating and, in some instances, abandoning wells. We are committed to complying with environmental and operation legislation wherever we operate.

There has been a recent surge in interest among the media, government regulators and private citizens concerning the possible negative environmental and geological effects of fracture stimulation. Some have alleged that fracture stimulation results in the contamination of aquifers and may even contribute to seismic activity. In January 2012, the government of Bulgaria enacted legislation that banned the fracture stimulation of oil and natural gas wells in Bulgaria and imposed large monetary penalties on companies that violate that ban. Such legislation or regulations could impact our ability to drill and complete wells, and could increase the cost of planning, designing, drilling, completing and operating wells. We are committed to complying with legislation and regulations involving fracture stimulation wherever we operate.

Such laws and regulations not only expose us to liability for our own negligence but may also expose us to liability for the conduct of others or for our actions that were in compliance with all applicable laws at the time those actions were taken. We may incur significant costs as a result of environmental accidents, such as oil spills, natural gas leaks, ruptures, or discharges of hazardous materials into the environment, including clean-up costs and fines or penalties.

Additionally, we may incur significant costs in order to comply with environmental laws and regulations and may be forced to pay fines or penalties if we do not comply.

Competition

Bulgaria imports nearly all of their natural gas requirements. Turkey imports a substantial quantity of same. Both countries encourage domestic production as a way to reduce imports and increase energy security. In Turkey, natural gas is imported from a number of countries so there is a vibrant market for natural gas produced in the country. In Bulgaria, currently one company, Gazprom, supplies Bulgaria with virtually all of its natural gas being marketed and consumed in Bulgaria through a pipeline that runs through Ukraine from Russia. On a regional level, we compete for license blocks and capital with other oil and gas exploration companies and independent producers who are actively seeking oil and natural gas properties throughout the world, but in particular, in Southeast Europe, Turkey and countries in the immediate vicinity.

The principal area of competition is encountered in the financial ability of our Company to acquire acreage positions and drill wells to explore for oil and natural gas, then, if warranted, install production equipment. Competition for the acquisition of oil and gas license areas is high in Europe. Therefore, we may or may not be successful in acquiring additional blocks in the face of this competition. Presently, we are not seeking additional license blocks.

From a general standpoint, we operate in the highly competitive areas of oil and natural gas exploration, development, production and acquisition with a substantial number of other companies, including U.S.-based and international companies doing business in each of the countries in which we operate. We face intense competition from independent, technology-driven companies as well as from both major and other independent oil and natural gas companies in each of the following areas:

- seeking oil and natural gas exploration licenses and production licenses and leases;
- acquiring desirable producing properties or new leases for future exploration;
- marketing oil and natural gas production;
- integrating new technologies; and
- contracting for drilling services and equipment and securing the expertise necessary to develop and operate properties.

Many of our competitors have substantially greater financial, managerial, technological and other resources than we do. To the extent competitors are able to pay more for properties than we are paying, we will be at a competitive disadvantage. Further, many of our competitors enjoy technological advantages over us and may be able to implement new technologies more rapidly than we can. Our ability to explore for and produce oil and natural gas prospects and to acquire additional properties in the future will depend upon our ability to successfully conduct operations, implement advanced technologies, evaluate and select suitable properties and consummate transactions in this highly competitive environment.

Employees, Officers and Directors

As of the date of this Prospectus, the Company has 10 employees in Turkey, and three in North America. As of December 31, 2017, our business is generally conducted through our officers and directors and through consultants of the Company.

The Company has, to date, and plans to primarily utilize the industry and geological expertise it requires through its management and employees in Turkey and North America to conduct its business. Where the Company requires specific expertise that its employees do not possess, it intends to retain third party consultants to assist. Such contractors may include data processing, and reprocessing and drilling companies. Although this exposes the Company to certain risks on behalf of those operators, it also allows the Company to participate in the often unique experience and knowledge that local persons have related to certain properties. This strategy allows the Company to reduce costs compared to if all of its geological expertise were in-house and further allows the benefit of specialization of labor. From a business operations perspective, this strategy also enables the Company to minimize its ongoing fixed in-house costs for geological or geophysical analytical expenses while still allowing it to contract for that expertise when and as needed. This business strategy has been successful during a time of declining oil and gas production from natural decline from the two producing fields in Turkey, when many companies with high internal overheads and cost structures due to large numbers of highly expensive in-house professionals cannot be sustained due to declining revenues. The Company will hire third-party consulting geophysicists on an as-needed basis to evaluate oil and gas properties that may be of interest. This provides the Company with the required expertise it needs, when it's needed, whilst avoiding high fixed long-term overhead costs.

The Company relies on the business and technical experience of its existing employees and management, on the technical abilities of consults, and on the technical and operational abilities of its employees and operating partner companies to operate and manage its operations in Turkey and abroad.

Our Website

Our website can be found at www.parkplaceenergy.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed with or furnished to the SEC, pursuant to Section 13(a) or 15(d) of the Exchange Act, can be accessed free of charge by linking directly from our website under the "Investors" – see SEC Filings" caption to the SEC's Edgar Database.

Oil & Gas Properties

Turkey

On January 18, 2017, the Company completed the acquisition of three oil and gas producing fields in Turkey. The purchase price for the acquisition of the PPE Turkey from Tiway Oil B.V. was $2.1 million. As of December 31, 2016, net production from these fields was around 280 boepd (barrel of oil equivalent per day). The main producing asset was a 36.75% interest in an offshore gas development project called the South Akçakoca Sub-Basin (SASB). On December 31,2017, net gas production to the Company was around 563 Mcfd (thousand cubic feet per day) from six producing wells.

The primary asset of PPE Turkey is the Cendere onshore oil field, which is a profitable oil field located in South East Turkey having a total of 25 wells. The Cendere Field was first discovered in 1988. Oil production commenced during 1990. The operator of the Cendere Field is TPAO. The Company's interest is 19.6% for all wells except for wells C-13, C-15 and C-16, for which its interest is 9.8%. The produced oil has a gravity of 27.5o API.

After the initial development of the Cendere Field, oil production was approximately 2,000 bopd from three wells and which peaked at approximately 7,000 bopd in 1992, when additional wells were put into production. The field started to produce water during the first year of production. To date approximately 20.1 MMbbls of oil have been produced from the Cendere Field. During August 2018, the Company's average net oil was 135 bopd at 96% water cut.

A description of the Cendere Field geological and reservoir characteristics is as follows. The reservoirs are located in the South East Anatolian Basin and within the Middle Cretaceous period. The carbonated Derdere Formation is the main reservoir in Cendere Field and has dolomitization and fracturing, which enhance its production characteristics. There are also four additional oil reservoirs contained within Cendere Field. The Cendere Field is covered by 54 km2 of 3D seismic that was acquired in 2004.

The field was developed using a collection of dispersed oil wells from which production is collected and exported to the Cendere gathering station. The produced oil is exported to the TPAO Karakus processing facility which then is transported onwards to the BOTAS-operated oil pipeline.

There are 20 well pads which currently house 16 producing wells spread over an area of approximately 15 square kilometers. A field gathering station, located to the southwest of the Cendere Field collects the oil and produced water from a collection of flowlines and manifolds.

The oil produced from the Cendere Field is exported from Karakus via a TPAO operated oil pipeline to the town of Saril, where the export oil pipeline ties into the BOTAS operated pipeline to the Ceyhan region. The oil is sold at market prices (less a processing and transportation fee) to Tupras in Ceyhan.

The Company owns offshore production licenses called the South Akcakoca Sub-Basin ("SASB"). The Company owns a 19.6% interest in the Cendere oil field license. The Company now owns a 49% working interest in SASB, 12.25% which was obtained after year-end. During the year ending December 31, 2017, the Company owned a 37.75% interest.

The Cendere Field is a long term low decline oil reserve. The Company has a 19.6% interest in the Cendere oil field located in Southeast Turkey. This mature oilfield consistently produces between 110 and 123 bopd (barrels oil per day) net to the Company.

At December 31, 2016, the gross oil production rate for the producing wells in Cendre was 675 MMbbls ; the average daily 2017 gross production rate for the field was 715 bbls . At the end of June 2018, oil is currently sold at a price of approximately US$ 71 per barrel for a netback per barrel of approximately US$38. At year-end 2017, the Cendere field was producing 669 barrels of oil per day gross,; and averaged 118 barrels per day during 2017 net to the PPE Turkey Companies.

The Company owns a 50% operated interest in the Bakuk gas field located near the Syrian border. The Bakuk field is shut-in with no plans to revive production in the near term.

The Companies holds a non-operating interest in an offshore production license called the South Akcakoca Sub-Basin ("SASB"). The Company now owns a 49% working interest in SASB. SASB has four producing wells, each with a production platform plus subsea pipelines that connect the fields to an onshore gas plant. The four SASB fields are located off the north coast of Turkey towards the western end of the Black Sea in water depths ranging from 60 to100 meters. Gas is produced from Eocene age sandstone reservoirs at subsea depths ranging from 1100 to1800 meters. On February 20, 2018, the Company completed an asset purchase of an additional 12.25% of the South Akcakoca Sub Basin ("SASB") gas field bringing the total interest to 49%.

Bulgaria

The Company holds a 98,205-acre oil and gas exploration claim in the Dobrudja Basin located in northeast Bulgaria. The Company entered into an exploration license over a 98,000 acre block in northeast Bulgaria in 2014. The overall five year and our first year work programs was approved by the Ministry of Environment ("MEW"), however, the MEW approval was appealed in an administrative proceeding. The administrative court remanded the matter to MEW in May 2017 for a determination by the MEW as to whether an ecological evaluation of the license area should be required. This matter was determined in 2017 and we are in the progress of obtaining an environmental report which will cost an estimated $50,000.

Upon the license becoming effective our exploration program will commence in 2019 for a term of five (5) years. The Company's commitment is to perform geological and geophysical exploration activities in the first 3 years of the initial term, followed by data evaluation and drilling activities in years 4 and 5 of the initial term. The Company is required to drill 10,000 meters (approximately 32,800 feet) of new wellbore (which may be vertical, horizontal or diagonal) and conduct other exploration activities during the initial term. The Company intends to commence its work program efforts once it receives all regular regulatory approvals of its work programs.

We are required to post a bond (105,000 Euros) upon the 5 year license term commencement, which has not occurred yet. The license period may be extended for up to 5 additional years and may then be converted into an exploitation concession, which can last for up to 35 years. The Company's initial 5 year commitment involves geological and geophysical exploration activities for the first 3 years followed by drilling at least 10,000 meters (approximately 32,800 feet) of new wellbore in years 4 and 5.

Strategic Focus

Oil and natural gas prices in Turkey and throughout Southeast Europe make this make this region highly attractive for oil and gas exploration and production. Most of the countries, including Turkey and Bulgaria, import nearly all of their oil and natural gas and consumption is projected to increase. Turkey also contains many opportunities for additional oil and coal bed methane production as well enhanced oil and natural gas recovery from existing fields. Park Place will evaluate these opportunities as they appear. The fiscal terms are highly attractive. In Turkey, there is a 20% corporate tax and a 12.5% royalty. In Bulgaria, the corporate tax rate is 10% and the royalties are on a sliding rate starting at 3.5% up to 13.5%

RESERVES DATA AND OTHER OIL AND GAS INFORMATION

DATE OF STATEMENT

The reserves data and related information described below is excerpted from the independent engineering evaluation report (the "**GLJ Report**") of the Company's reserves prepared by GLJ Petroleum Consultants Ltd. ("**GLJ**") an independent qualified reserves evaluator and auditor.

Date

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

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.

Preparation Date

The preparation date (the latest date of receipt of information relevant to the reserves evaluation) of the GLJ Report is March 22, 2018.

DISCLOSURE OF RESERVES DATA

The following reserves data and associated tables summarize the reserves of crude oil, natural gas and associated products and the estimated present worth of future net cash flows associated with the Company's reserves as evaluated by GLJ.

The future net revenue numbers presented throughout this Prospectus, whether calculated without discount or using a discount rate, are estimated values and do not represent fair market value.

The reserves are based on forecast price assumptions. The information in respect of the reserves was derived from the GLJ Report, which report was prepared in accordance with the standards contained in the COGE Handbook and the reserves definitions contained in NI 51-101 and the COGE Handbook.

The below tables summarize the data contained in the GLJ Report and, as a result, may contain slightly different numbers than the GLJ Report due to rounding. The values in the GLJ Report do not include the value of undeveloped land holdings or the tangible value of The Company's interest in any associated plant and wellsite facilities. The cash flow forecasts account for well abandonment costs. **It should not be assumed that the present values of estimated future net cash flows shown below are representative of the fair market value of the reserves. There is no assurance that such price and cost assumptions will be attained and variances could be material. Actual crude oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein.**

Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf to 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

All of the reserves held by the Company as of December 31, 2017 are located in the Turkey property.

Breakdown of Reserves (Forecase Case)

The following table discloses the aggregate reserves, gross and net, estimated using forecast prices and costs, for each product type, in the categories indicated below:

Park Place Energy Inc.
Summary Of Oil And Gas Reserves
As of December 31, 2017

		Light & Medium Oil		Oil Equivalent	
Reserves Category		Company Gross Mbbl	Company Net Mbbl	Company Gross Mboe	Company Net Mboe
Proved					
	Producing	228	200	228	200
	Developed Non-Producing	9	8	9	8
	Undeveloped	0	0	0	0
Total Proved		237	207	237	207
Total Probable		68	59	68	59
Total Proved Plus Probable		305	267	305	267
Total Possible		64	56	64	56
Total PPP		369	323	369	323

Net Present Value of Future Net Revenue (Forecast Case)

The following table discloses the aggregate net present value of future net revenue attributable to the reserves categories indicated below, estimated using forecast prices and costs, before and after deducting future income tax expenses, calculated without discount and using discount rates of 5 percent, 10 percent, 15 percent and 20 percent. The table also disclose the same information on a unit value basis (e.g., $/Mcf or $/bbl using net reserves) using a discount rate of 10 percent and calculated before deducting future income tax expenses.

Park Place Energy Inc.
Summary Net Present Values of Future Net Revenue
As of December 31, 2017

		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%		
	Reserves Category	M$	M$	M$	M$	M$	M$	M$	M$	M$	M$	$/boe	$/Mcfe
Proved													
	Producing	4542	3976	3527	3168	2877	4542	3976	3527	3168	2877	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		4618	4039	3579	3210	2912	4618	4039	3579	3210	2912	17.27	2.88
Total Probable		1621	1155	849	644	503	1586	1135	837	637	499	14.30	2.38
Total Proved Plus Probable		6239	5194	4428	3854	3415	6203	5174	4416	3847	3411	16.61	2.77
Total Possible		1549	1007	687	491	366	1379	915	636	462	349	12.20	2.03
Total PPP		7788	6201	5114	4345	3782	7583	6090	5052	4309	3760	15.84	2.64

Additional Information Concerning Future Net Revenue (Forecast Case)

The following tables describe future net revenue attributable to each reserves category estimated using forecast prices and costs.

Undiscounted Revenue and Costs

The following table discloses, in the aggregate, the elements of future net revenue by reserves category, estimated using forecast prices and costs and calculated without discount:

Park Place Energy Inc.
Total Future Net Revenue (Undiscounted)
As of December 31, 2017

	Revenue	Royalties	Operating Costs	Capital Development Costs	Aband. & Recl. Costs	Future Net Revenue Before Income Taxes	Income Tax	Future Net Revenue After Income Taxes
Reserves Category	M$	M$	M$	M$	M$	M$	M$	M$
Proved Producing	15039	1880	8464	0	153	4542	-	4542
Proved Developed Non-Producing	582	73	369	39	25	76	-	76
Proved Undeveloped	0	0	0	0	0	0	-	-
Total Proved	15621	1953	8833	39	178	4618	-	4618
Total Probable	5229	654	2944	0	10	1621	36	1586
Total Proved Plus Probable	20849	2606	11777	39	188	6239	36	6203
Total Possible	5256	657	3040	0	10	1549	170	1379
Total PPP	26106	3263	14817	39	198	7788	206	7583

Discounted Future Net Revenue by Product Type

Park Place Energy Inc.
Future Net Revenue by Product Type
As of December 31, 2017

		Future Net Revenue Before Income Taxes [2] (Discounted at 10% per year)		
		M$	$/boe	$/Mcfe
Proved Producing				
	Light & Medium Oil [1]	3527	17.67	2.95
Total: Proved Producing		3527	17.67	2.95
Total Proved				
	Light & Medium Oil [1]	3579	17.27	2.88
Total: Total Proved		3579	17.27	2.88
Total Proved Plus Probable				
	Light & Medium Oil [1]	4428	16.61	2.77
Total: Total Proved Plus Probable		4428	16.61	2.77
Total PPP				
	Light & Medium Oil [1]	5114	15.84	2.64
Total: Total PPP		5114	15.84	2.64

Notes

1 Including solution gas and other by-products

2 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.

PRICING ASSUMPTIONS

Forecast Prices Used in Estimates

The following tables detail the reference prices as of December 31, 2017 in the GLJ Report for evaluating the net present values of future net revenues from reserves relating to Park Place Energy Inc.'s reserves disclosed above. The forecast cost and price assumptions assume the continuance of current laws and regulations and increases in wellhead selling prices, and take into account inflation with respect to future operating and capital costs. In addition, operating and capital costs have not been increased on an inflationary basis. GLJ is an independent qualified reserves evaluator and auditor.

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

			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)			
Year	Inflation %	CAD USD Exchange Rate USD/ CAD	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	Spec Ethane CAD/ bbl	Edmont on Propane CAD/ bbl	Edmonton Butane CAD/ bbl	Edmonton C5+ Stream Quality 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	80.46	83.52	92.02	79.01	78.50	72.14	90.18	85.58	12.78	44.17	64.41	96.32
2029	2.0	0.8300	66.00	82.07	85.19	93.86	80.59	80.07	73.58	91.98	87.29	13.04	45.05	65.70	98.25
2030	2.0	0.8300	66.00	83.71	86.89	95.74	82.21	81.67	75.05	93.82	89.04	13.30	45.95	67.02	100.21
2031	2.0	0.8300	66.00	85.38	88.63	97.65	83.85	83.31	76.55	95.70	90.82	13.56	46.87	68.36	102.22
2032	2.0	0.8300	66.00	87.09	90.40	99.61	85.53	84.97	78.08	97.61	92.63	13.83	47.81	69.72	104.26
2033	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.

Reconciliation Of Changes In Reserves

Reserves Reconciliation

The following table provides a reconciliation of gross reserves based on forecast prices and costs for the current year-end evaluation.

Year	NYMEX Henry Hub Near Month Contract		Midwest Price at Chicago	Alberta Plant Gate: AECO/ NIT Spot	Alberta Plant Gate: Alliance Transfer Pool Spot	Alberta Plant Gate: Spot		Saskatchewan Plant Gate			British Columbia			Sulphur	Alberta Sulphur
	Constant	Then	Then	Then	Then	Constant	Then					Westcoast	Spot	FOB	at Plant
	2018 $ USD/ MMBtu	Current USD/ MMBtu	Current USD/ MMBtu	Current CAD/ MMBtu	Current CAD/ MMBtu	2018 $ CAD/ MMBtu	Current CAD/ MMBtu	ARP CAD/ MMBtu	Sask Energy CAD/ MMBtu	Spot CAD/ MMBtu	Sumas Spot USD/ MMBtu	Station 2 CAD/ MMBtu	Plant Gate CAD/ MMBtu	Vancouver USD/lt	Gate 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	4.26	4.16	3.96	3.96	3.01	3.67	3.67	3.77	3.85	3.75	3.65	3.43	119.51	92.99
2029	3.50	4.35	4.24	4.03	4.03	3.01	3.75	3.75	3.85	3.93	3.83	3.72	3.50	121.90	94.85
2030	3.50	4.44	4.33	4.12	4.12	3.01	3.82	3.82	3.93	4.01	3.91	3.80	3.57	124.34	96.75
2031	3.50	4.52	4.42	4.20	4.20	3.01	3.90	3.90	4.01	4.09	3.98	3.87	3.64	126.83	98.68
2032	3.50	4.62	4.50	4.28	4.28	3.01	3.98	3.98	4.09	4.17	4.06	3.95	3.71	129.37	100.66
2033	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.

Undeveloped Reserves (Year First Attributed)

The following table 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.

Park Place Energy Inc.

Undeveloped Reserves Attributed in Current Year

As of December 31, 2017

Proved Undeveloped

Light & Medium Oil (Mbbl)		Heavy Oil (Mbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbl)		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 (Mbbl)		Heavy Oil (Mbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbl)		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

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.

Significant Factors or Uncertainties

The process of evaluating reserves is inherently complex. It requires significant judgements and decisions based on available geological, geophysical, engineering and economic data. As circumstances change and additional data becomes available, reserve estimates also change. Estimates are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions and governmental restrictions. Revisions to reserve estimates can arise from changes in year-end prices, reservoir performance and geologic conditions or production. These revisions can be either positive or negative. See *"Risk Factors"*.

The reserve estimates contained herein are based on current production forecasts, prices and economic conditions. These factors and assumptions include among others: (i) historical production in the area compared with production rates from analogous producing areas; (ii) initial production rates; (iii) production decline rates; (iv) ultimate recovery of reserves; (v) success of future development activities; (vi) marketability of production; (vii) effects of government regulations; and (viii) other government levies imposed over the life of the reserves.

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.

Future Development Costs

The following table summarizes capital development costs related to the recovery of the Company's reserves.

Park Place Energy Inc.

Annual Capital Expenditures (M$)

As of December 31, 2018

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

In all years of the economic forecasts, the net revenues from the reserves attributable to the reserves categories noted above are well in excess of the estimated future development costs. Therefore, the Company can meet the funding requirements for future development entirely out of its cash flow and requires no other sources in order to develop the proved or probable reserves. As a result, interest or other costs of external funding are not included in the reserves and future net revenue estimates.

Forward Contracts

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

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.

Production Estimates

The following table 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.

Park Place Energy Inc.
Summary of First Year Production
As of December 31, 2017

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

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:

Tax Pool Classification	Write-Off Rate (%)	Tax Pool (M$)
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.

Principal Properties

Information relating to the Company's principal properties is set out under the section titled "Oil & Gas Properties". In this section, all approximate production levels are 100% field production before royalties, etc. The Company's net production is less.

Data is as of December 31, 2017.

Oil and Gas Wells

The following table sets forth the number and status of wells as of December 31, 2017 in which the Company has a working interest and which are producing or are considered by the Company to be capable of production. All of these wells are located in Turkey. The stated interests are subject to land-owners and or other royalties, including operator fees and mineral taxes. Gross wells are the total number of producing wells in which we have an interest, and net wells are the sum of our fractional working interests in the gross wells.

Number of Oil and Gas Wells
Turkey
As of December 31, 2017

Program	Gas Wells					
	Gross Producing	Net Producing	Gross Non-Producing	Net Non-Producing	Total Gross Wells	Total Net Wells
Cendere	3	0.57	6	1.15	9	1.72
------	2	0.38	2	0.38	4	0.77
Total	**5**	**0.96**	**8**	**1.53**	**13**	**2.49**

Program	Oil Wells					
	Gross Producing	Net Producing	Gross Non-Producing	Net Non-Producing	Total Gross Wells	Total Net Wells
Palmetto Point	2	0.38	0	-	2	0.38
Phase II	0	-	0	-	0	-
Total	**2**	**0.38**	**0**	**-**	**2**	**0.38**

Program	All Wells					
	Gross Producing	Net Producing	Gross Non-Producing	Net Non-Producing	Total Gross Wells	Total Net Wells
	5	0.96	6	1.15	11	2.10
	2	0.38	2	0.38	4	0.77
Total	**7**	**1.34**	**8**	**1.53**	**15**	**2.87**

For additional information respecting the Company's important properties, wells and facilities and the reserves attributed to each property and production information included therein, see "Oil & Gas Properties" above.

Options with No Attributed Reserves

None.

Forward Contracts

As of December 31, 2017, the Company did not, and currently does not, have any future material commitments to buy, sell, exchange or transport oil or natural gas.

Additional Information Concerning Abandonment and Reclamation Costs

The following table sets forth information respecting future abandonment and reclamation costs for surface leases, wells, facilities and pipelines which are expected to be incurred in connection with the Company's reserves for the periods indicated. The amounts disclosed are based on forecast prices and costs for total proved plus probable reserves.

	Abandonment & Reclamation Costs Undiscounted U. S. $
Anticipated Cost for 2018	Nil
Anticipated Cost for 2019	Nil
Anticipated Cost for 2020	Nil
Total Anticipated Cost	Nil

Exploration and Development Activities

The Company drilled no exploration or development wells in the twelve months ending December 31, 2017. The Company executed several workover programs on the Cendere Oil Field and SASB Gas Field on certain existing producing wells in conjunction with TPAO, the operator of both fields.

Marketing

Crude oil, natural gas and NGLs will be priced based on daily spot prices adjusted for quality and transportation. See "Forward Contracts".

USE OF AVAILABLE FUNDS

Non-Offering Prospectus

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Company in connection with the filing of this Prospectus. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses in connection with the preparation and filing of this Prospectus will be paid by the Company from its working capital.

Funds Available and Use of Available Funds

As of November 30, 2018, the Company had working capital of approximately $261,000. The Company estimates that it will require the following funds to conduct its plan of operations over the next twelve months:

Use of Available Funds	Amount
Data reprocessing	$50,000
Prospectus and CSE Listing costs	$20,000
Environmental Report	$50,000
Operating deficit for 12 months	$500,000
Unallocated working capital	$100,000
Total	$720,000

The Company intends to fund its business using the proceeds from prior private placement financings (hereinafter described). The Company intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regards to any prospective investment or drilling program or if the costs of the Prospectus or Listing, or negotiating an applicable transaction, are greater than anticipated.

Since its founding and until recently, the Company has not generated positive cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since operating funds will continued to be expended to pay its administrative expenses. The Company will be reliant on increasing revenues and future financings for its funding requirements.

The Company funds its business using the proceeds from equity private placements, and recently, with revenue from oil and gas operations. In the future, the Company may pursue additional private placement debt or equity financing based upon its working capital needs from time to time, including without limitation, to fund any warranted drilling program, however, there can be no assurance that such financing will be available, or completed on terms that are favourable to the Company.

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary.

Stated Business Objectives

The Company has prioritized the exploration and development of its Cendere Oil Field and SASB Gas Field which as its most important objective. Such development could include the reprocessing of data and drilling of additional oil and gas wells, although no additional wells are currently planned. Further, the Company has prioritized obtaining geophysical reprocessing to determine to what extent the SASB gas field will be further developed. The Company does not presently have sufficient unallocated working capital to achieve its long-term objectives.

Milestones

The unallocated working capital described above is not sufficient to achieve any significant business events or milestones. Additional capital will have to be raised. As of the date of this Prospectus, data reprocessing for Turkey oil and gas fields will cost approximately $50,000 and the environmental report for our Bulgarian property will be approximately $50,000.

Mid-term (2 to 4 years) milestones include drilling additional oil and gas wells in Bulgaria and Turkey. Our share of the cost of drilling and completing horizontal wells on the Cendere Oil Field is approximately $1,000,000 each (based on our 19.6% working interest in the Cendere Oil Field -total cost per well is $5,000,000); our share of the cost to drill and complete additional directional wells on the SASB Gas Field is approximately $3.900,000 per well (based on our 49% working interest in the SASB Gas Field -total cost per well is $8,000,000). Actual drilling and completion costs are constantly fluctuating and may change at the time we are commencing drilling. Additionally, we plan to drill one oil exploration well on the Derrick exploration licence in Turkey which we anticipate doing so in cooperation with a farm-out partner, which we have not identified yet. Long-term (3 to 5 years) milestones include conducting seismic and one re-entry well in Bulgaria, with an estimated cost of $3,000,000 of which we anticipating paying 100% of.

Dividends

There are no restrictions in the Company's articles of incorporation or bylaws that prevent it from declaring dividends. The Delaware Revised Statutes, however, do prohibit the Company from declaring dividends where, after giving effect to the distribution of the dividend:

1. The Company would not be able to pay its debts as they become due in the usual course of business; or

2. The Company's total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

The Company has not paid dividends in the past and has no present intention of paying dividends in the future. Instead, the Company anticipates that it will apply any future earnings to business development until such time as the Company has a stable and profitable cash flow.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information

The following table sets forth summary financial information for the Company for each of the periods indicated. This information has been summarized from the Company's financial statements for these periods, and should only be read in conjunction with the financial statements, and accompanying notes, included elsewhere in this prospectus. The Company reports financial information in United States Dollars (US$) using United States Generally Accepted Accounting Principles ("US GAAP"). **All dollar figures disclosed in the following table are reported in US$.**

	Nine Months ended September 30, 2018 $	Year ended December 31, 2017 $	Year ended December 31, 2016 $	Year ended December 31, 2015 $
Total Revenue	3,361,667	3,883,059	-	-
Net Income (Loss)	(945,271)	(2,486,836)	(3,999,091)	(764,097)
Current Assets	1,400,957	1,047,482	2,061,882	89,491
Current Liabilities	2,136,599	2,549,337	1,256,749	119,006
Working Capital (Deficit)	(735,642)	(1,501,855)	(805,133)	(29,515)
Total Assets	8,452,897	7,042,450	5,042,164	3,330,163
Total Long-Term Liabilities	3,927,931	2,527,259	-	-
Cash dividends declared	Nil	Nil	Nil	Nil
Shareholder's Equity	2,388,367	1,965,854	3,785,415	3,211,157
Number of Common Shares	71,684,965	58,243,904	50,281,482	45,731,482

The following MD&A should be read in conjunction with: (i) the Company's audited financial statements and the related notes for the years ended December 31, 2017 and 2016; and (ii) unaudited financial statements and related notes for the six month interim period ended September 30, 2018. These financial statements have been prepared in accordance with US GAAP. **All dollar figures included in the following MD&A are reported in US$.**

Results Of Operations For The Periods Ended September 30 2018 And 2017.

Revenue

For the nine months ended September 30, 2018 net oil production remained consistent at 35,004 BBLS versus 34,427 BBLS for the nine months ended September 30, 2017.

The price of crude oil in the nine months ending September 30, 2018 traded in a range of approximately $63.00 to $75.00 per barrel. The price of natural gas in the nine months ending September 30, 2018 traded in a range of approximately $5.18 to $5.91 per mcf. The increase in price for gas trade was more than offset by the decrease in the value of Turkish Lira against US dollars. Whereas the increase in price for oil trade was slightly offset by decrease in oil production.

The Company's natural gas production increased due primarily to the acquisition of an additional 12.25% interest in the SASB Gas field in Turkey; the Company's share in the producing asset is increased from 36.75% to 49% effective from January 2018. The net production increased from 109,063 MCF to 145,417 MCF due to the acquisition of shares in the nine-month period ending September 30, 2018.

In the nine-month period ending September 30, 2018, the Turkish Lira price of natural gas was increased by 14% effective from January 1, 2018 and there were further upward adjustments during the year starting with 10% increase effective from April 1,2018 and continued with 14%, 14%, 18.5% increases effective from August, September and October 2018 The natural gas is currently traded with 38.27 Turkish Lira per mcf. However, this increase is offset by the increase in US Dollar exchange rate against Turkish Lira. The price of natural gas is traded in a range of approximately $0.82 to $1.02per barrel.. During the nine-month period ending September 30, 2018, the Company's natural gas production decreased by 60 % compared to the same period one year earlier. The field's gross production decreased from 738,568 mcf to 296,770 mcf, 60% decrease in the nine months period ending September 30, 2018.

Revenue increased from $2,676,279 to $3,361,667 for the nine months ended September 30, 2018. Revenue increased due to additional production relating to the acquisition of additional 12.25% working interest in a producing gas property, increase oil prices per barrel, as well as recovery of certain operating expenses expensed in a previous quarter which were booked to revenue when recovered.

Nine Months Ended September 30, 2018 and 2017

The Company's operating results for the nine months ended September 30, 2018, for the nine months ended September 30, 2018 and the changes between those periods for the respective items are summarized as follows:

		Nine Months Ended September 30, 2018		Nine Months Ended September 30, 2017		Change Between Nine Months Period Ended September 30, 2018 and September 30, 2017
Revenue	$	3,361,667	$	2,676,279	$	685,388
Other income / (expenses)		242,997		(63,844)		306,841
General and administrative		1,551,191		1,758,259		(491,159)
Interest expense		51,291		60,995		(9,704)
Oil and gas operating expenses		2,170,246		2,345,931		(175,685)
Net loss		(945,271)		(2,138,478)		1,193,207

The Company recognized cost of revenue in oil and gas properties of $2,170,246 during the nine months ended September 30, 2018, compared to $2,345,931 for the nine months ended September 30, 2017. Lower costs of production were observed due to the decline in the Turkish Lira.

Our general and administrative expenses for the nine months ended September 30, 2018 decreased by $207,068 to $1,551,191 as compared to $1,758,259 for the nine months ended September 30, 2017. The decrease is due to a number of reasons. The revaluation expense of warrants by approximately $279,000 occurred in 2017. The Tiway Companies acquisition occurred during 2017 which caused an increase in general and administrative expenses. A devaluation of the Turkish Lira compared to the US dollar by approximately 25% caused a decrease in general and expenses incurred in Turkey. Production costs decreased by $175,685 from $2,345,931 to $2,170,246 due to a 46% decrease in production.

Accretion of asset retirement costs increased by $110,210 to $273,328 compared to $163,118 for the nine months ended September 30, 2017 due to the increase in the cost base added to the asset retirement obligation from the Foinovan interest acquisition.

For the nine months ended September 30, 2018, other income (expenses) increased to income of $242,997 compared to total expenses $63,844 for the same period in 2017. In June of 2018, the Turkey operations had a one-time cost recovery of $332,239 for training costs, which was offset by a loss on debt settlement of $102,500.

The Company reported a net loss of $945,271 for the nine-month period ended September 30, 2018 compared to a net loss of $2,138,478 for the nine-month period ended September 30, 2017. The decrease in the Company's loss related to the factors as discussed above including decreased expenses and increased revenues.

Three Months Ended September 30, 2018 and 2017

The Company's operating results for the three months ended September 30, 2018, for the three months ended September 30, 2017 and the changes between those periods for the respective items are summarized as follows:

		Three Months Ended September 30, 2018		Three Months Ended September 30, 2017		Change Between Three Month Period Ended September 30, 2018 and September 30, 2017
Revenue	$	1,272,092	$	1,003,640	$	268,452
Other income (expenses)		70,938		(22,116)		92,010
General and administrative		687,505		403,415		284,090
Interest expense		14,193		20,335		6,142
Oil and gas operating expenses		729,352		734,046		(4,694)
Net loss		(356,167)		(452,152)		811,163

For the three months ended September 30, 2018, revenue increased year over year $268,452 from $1,003,640 to $1,272,092. Production increases in natural gas production were offset by a decline in net sale prices caused by a devaluation of the Turkish Lira compared to the US dollar.

For the three months ended September 30, 2018, general and administrative expenses increased $284,090 from $403,415 to $687,505. This decrease was due to a number of factors. General and administrative expenses in Turkey decreased due to a devaluation of the Turkish Lira compared to the US dollar by approximately 25%. Head office general and administrative expenses decreased due to cost cutting. Accretion of asset retirement obligation increased by $35,666 to $95,803 due to the addition of the Foinovan interest. Depletion decreased by $56,135 to $180,987 because of a decrease in product of 38% period over period.

For the three months ended September 30, 2018, the Company had other income of $70,938 comparative to total expenses of $21,072 in the comparative period. The increase to income was due to an increase in foreign exchange gain of $107,273.

Liquidity and Financial Condition

The Company's total liabilities as of September 30, 2018 were $ 6,064,530 compared to December 31, 2017 were $5,076,596 as compared to total liabilities of $1,256,749 as of December 31, 2016.

As of September 30, 2018, the Company had $1,400,957 in current liabilities. The Company's net cash used in operating activities for the nine months ended September 30, 2018 was $408,044 compared to $490,137 net cash used in operating activities for the nine months ended September 30, 2017.

Working Capital

	September 30 2018	September 30 2017
Current assets	$ 1,400,957	$ 2,061,882
Current liabilities	2,136,599	1,256,749
Working capital deficiency	$ (735,642)	$ (1,501,855)

Cash Flows

	Nine Months Ended	
	September 30, 2018	September 30, 2017
Cash flows provided by (used in) operating activities	$ (408,044)	$ (757,952)
Cash flows (used in) investing activities	(399,775)	(723,920)
Cash flows provided by (used in) financing activities	967,794	138,153
Increase (decrease) in cash and restricted cash	33,497	(1,330,621)

Cash Used in Operating Activities

We used cash of $408,044 from operating activities for the nine months ended September 30, 2018 compared to $490,137 for the nine months ended September 30, 2017. The loss of $945,271 was offset by $982,289 in non-cash expenses for the nine months ended September 30, 2018. An increase of $781,182 to receivables from the additional output associated with the increase in working interest and the increased revenue pushed operating outflows to $408,044. Account payables and accrued liabilities increased cash flow by $240,784, which primarily increased in the parent company's operations.

Cash Flow Used in Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2018 was $399,775 compared to $855,014 in the comparative period. In 2017, the oil fields were purchased in the first quarter and in the first quarter of 2018, the Company added a further interest to the SASB field for cash outlays of $309,515. The Turkey operations added $75,984 in assets to support the head office.

Cash Provided by Financing Activities

We have funded our business to date primarily from sales of our common stock through private placements and loans. During the nine months ended September 30, 2018, we received net cash of $1,122,908 for stock subscriptions while repaying $161,558 in loans payable. In the comparative period, only $106,000 was raised and was used to pay down notes payable of $100,000, while receiving a further $132,153 in loans.

Results Of Operations For The Years Ended December 31, 2017 And 2016

Overview

The Company had oil and gas production and operations in Turkey during 2017 and no oil and gas production during 2016. In January 2017 the Company acquired Park Place Turkey Companies which owns an interest in the SASB gas and Centre Oil fields. No new drilling occurred during the year, however, several workovers of wells were conducted which provided a temporary bump in production during the year.

An amount of $2,100,000 was spent to acquire Park Place Turkey in January 2017. In January 2018 we spent $309,515 inclusive of VAT and 1.5 million shares of our common stock, of which 1 million, fair valued at $90,000, were issued in 2017 to acquire an additional 12.25% interest in SASB gas field. A further 500,000 shares were issued during the three months ended March 31, 2018 and fair valued at $67,500 based on the closing price of the stock on the date of was spent to acquire an additional 12.25% in the SASB gas field located in Turkey to increase Park Place's total interest from 36.75% to 49%.

During 2018, the Company resolved its legal struggle to obtain a right to a licence license in Bulgaria, which due to lawsuits filed by environmentalists against the Bulgarian government ministry seeking to prevent the exploration of the property in Bulgaria by the Company, delayed the grant of an exploration license to the Company. Eventually, all appeals against the Bulgarian government ministry failed and the Company is now able to proceed with its work exploration program, subject to an additional environmental report and review, which will commence in later 2018. This report is estimated to cost $50,000.

The Company's work program in Bulgaria is to occur over five years and consists of five wells, reprocessing of seismic, and other analysis.

The company's most profitable field is the Cendere oil field, which as benefited from recent increases in the overall price of crude oil during the latter part of 2017 and early 2018. Also contributing significantly to revenue is the SASB gas field, which is current operating at break even or a small operating loss and needs further investment to regain profitability.

Results of Operations for the Year Ended December 31, 2017

		Year Ended December 31, 2017		**Year Ended December 31, 2016**		**Change Between Year Ended December 31, 2017 and October 31, 2016**
Oil and Gas Revenue	$	3,883,059	$	-	$	3,883,059
Cost of Revenue	$	3,813,978	$	-	$	3,813,978
Gross Profit (Loss)	$	69,081	$	-	$	69,081
Operating Expenses	$	2,531,330	$	3,985,026	$	
Other Income	$	(24,587)	$	(14,065)	$	(10,522)
Net loss	$	(2,486,836)	$	(3,999,091)	$	1,512,255

Revenue

For the year ended December 31, 2017, the Company had $3,883,059 in oil and gas revenue from the acquired PPE Turkey operations.

For the year ended December 31, 2016, we were a pre-revenue stage company, and our future revenues depended upon successful extraction of oil and gas deposits for sale.

Expenses

The Company incurred production expenses related to its acquired PPE Turkey operations of $2,814,672, depletion charges of $774,547, and accretion expense of $224,759 for the year ended December 31, 2017.

Our general and administrative expenses for the year ended December 31, 2017 were $2,509,940 compared to $3,985,026 for the year ended December 31, 2016. $1,279,430 in expenses were from the North American head office, which resulted in a year over year decrease of $1,475,086. In general & administrative expenses in the North American operations, $508,831 was stock based compensation, and $283,528 in legal and professional fees. Audit and financial services accounted for a further $149,741 in expenses with approximately $60,000 in audit fees related to the purchase of the PPE Turkey business. Turkey general and administrative expenses accounted for $1,230,128 of the total general and administrative for 2017.

During the year ended December 31, 2016, the Company amended and restated the terms of the warrants issued in 2013 to extend the expiration date one year from August 27, 2016 to August 27, 2017. No other conditions of the warrants were amended. The amended and restated warrants vested immediately. The Company recognized expense of $3,421,501 related to the amendment and restatement of the warrants.

Other Income (Expense)

For the year ended December 31, 2017, other income (expense) was an expense of $24,587. Comparatively, for the year ended December 31, 2016, other income (expense) was an expense of $14,065. In 2017, a $15,695 bargain purchase gain was recorded in relation to the PPE Turkey acquisition.

Loss

Our net loss for the year ended December 31, 2017 was $2,486,836 compared to $3,999,091 for the year ended December 31, 2016 for the reasons explained above.

Liquidity and Capital Resources

The following table summarizes our liquidity position as of December 31, 2017 and 2016.

	December 31, 2017	December 31, 2016
Cash	$ 130,476	$ 1,550,937
Working capital deficiency	(1,501,855)	(805,133)
Total assets	7,042,450	5,042,164
Total liabilities	5,076,596	1,256,749
Stockholders' equity	1,965,854	3,785,415

The Company had cash and cash equivalents of $130,476 as of December 31, 2017 compared to cash and cash equivalents of $1,550,937 as of December 31, 2016. The Company had a deficit of working capital of $1,501,855 as of December 31, 2017 compared to working capital deficit of $805,133 as of December 31, 2016.

The Company had no operational revenue in 2016. Beginning in January 2017, we acquired PPE Turkey which had substantial revenue and operations in Turkey. Operational revenue amounted to $3,883,059 for the year ending December 31, 2017 and operational expenses amounted to $3,835,368 for the year ending December 31, 2017. General and administrative expenses was $2,509,940. Total expenses were $ 6,345,308 and net income before other expenses was $2,462,249.

At December 31, 2016, the Company had $1,550,937 in cash and cash equivalents. At December 31, 2017, the Company had $130,476 in cash and cash equivalents.

The Company anticipates that its total revenue will be $4,200,000 and total operating expenses will be $5,500,000 for the next twelve months.

In the opinion of management, the Company will be required to raise between $1,000,000 to $1,500,000 to satisfy the Company's current minimum working capital requirements up to October 31, 2019.

As of December 31, 2016, the Company's total assets were $5,042,164 and the Company's total liabilities were $1,256,749. As of December 31, 2017, the Company's total assets were $7,042,450 and the Company's total liabilities were $5,076,596 of which $2,527,259 was for an accrued future asset retirement obligation in relation to operations in Turkey upon the future retirement of operations on certain producing fields.

The Company's current projects require reinvestment for new wells and workovers of existing wells to become profitable. There is considerable uncertainty if the Company's current projects that it is participating in will become profitable as they are subject to risks. The degree of success or failure in these projects will be determined by the availability of capital in the future as well as the results of production of new wells.

If these projects are successful and discover and produce additional commercially profitable quantities of oil or gas, then they will generate cash flow to help pay for future development and exploration activities. If the projects are successful, the Company may decide to conduct even larger future drilling programs, which would require significant additional cash. If these projects are failures, then the funds we have spent to date will have produced little or no commercial benefits, and the Company will require additional funds to proceed with the advancement of the Company.

DESCRIPTION OF SECURITIES

No securities are being offered pursuant to this prospectus.

The authorized share capital of the Company consists of 250,000,000 shares of common stock with a par value of $0.0001. As of the date of this prospectus there are 83,410,966 shares of the Company's common stock issued and outstanding. Upon liquidation, dissolution or winding up of the Company, the holders of common stock are entitled to share ratably in all net assets available for distribution to stockholders after payment to creditors. The common stock is not convertible or redeemable and has no preemptive, subscription or conversion rights. There are no conversions, redemption, sinking fund or similar provisions regarding the common stock. Each outstanding share of common stock is entitled to one vote on all matters submitted to a vote of stockholders. There are no cumulative voting rights.

Each stockholder is entitled to receive the dividends as may be declared by our board of directors out of funds legally available for dividends and, in the event of liquidation, to share pro rata in any distribution of our assets after payment of liabilities. Our board of directors is not obligated to declare a dividend. Any future dividends will be subject to the discretion of our board of directors and will depend upon, among other things, future earnings, the operating and financial condition of our company, its capital requirements, general business conditions and other pertinent factors. We do not anticipate that dividends will be paid in the foreseeable future.

The Company does not have a class of preferred shares.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization since December 31, 2017 (the Company's year-end), September 30, 2018 (the date of the most recent financial statements included in the prospectus) and as of the date of this Prospectus.

Description	**Authorized**	**Outstanding as of December 31, 2017 (Audited)**	**Outstanding as of September 30, 2018 (Unaudited)**	**Outstanding as of the date of this prospectus**	**Outstanding as of the date of this prospectus on a fully-diluted basis(1)**
Common Shares		58,243,904	68,463,904	83,360,966	105,799,498
Preferred Shares		N/A	N/A	N/A	N/A
Long-term Debt		Nil	Nil	Nil	Nil

(1) Assumes exercise of all outstanding convertible securities, including options to purchase 4,965,000 common shares and warrants to purchase 17,473,532 common shares.

WARRANTS

As of the date of this prospectus, the Company has the following warrants to acquire common shares outstanding:

Number Outstanding	Exercise Price	Expiry Date	Market Value of the Shares of Common Stock as of the date of Acquisition[1]
5,500,000	$0.30	August 27, 2018	$1,276,000
1,450,000	$0.30	January 30, 2020	$246,500
200,000	$0.30	January 30, 2020	$30,000
700,000	$0.30	February 9,2020	$101,500
500,000	$0.30	February 21, 2020	$75,000
1,250,000	$0.30	March 6, 2020	$176,250
425,000	$0.30	March 7, 2020	$59,925
50,000	$0.30	April 8, 2020	$6,250
50,000	$0.30	May 20, 2020	$9,500
1,000,000	$0.30	July 1, 2020	$140,000
160,531	$0.30	August 20, 2020	$160,531
325,000	$0.30	August 19, 2020	$325,000
3,163,000	$0.10	October 27, 2020	$253,040
1,475,000	$0.10	October 27, 2020	$118,000
1,125,000	$0.10	November 2, 2020	$113,875
5,500,000	$0.15	November 22, 2020	$533,500
100,001	$0.15	November 24, 2020	$9,700
22,973,532			

(1) Based on the most recent closing price of the Common Shares on the applicable warrant issuance date as quoted in United States Dollars on the Pink quotation system operated by OTC Markets Group Inc.

OPTIONS TO PURCHASE SECURITIES

The following table summarizes the options of the Company outstanding as of the date of this prospectus:

Group	Number of Options/Rights	Securities Under Options/Rights	Grant Date	Expiry Date	Exercise Price per Share of Common Stock ($)	Market Value of Shares of Common Stock on Grant Date ($)	Market Value of Shares of Common Stock as of Date of Prospectus[1] ($)
Executive officers and past executive officers of the Company as a group	600,000	Common Stock	July 11/13	July 10/18	0.10	0.10	52,800
	150,000	Common Stock	March 27/17	March 26/21	0.18	0.18	13,200
	400,000	Common Stock	March 27/17	March 26/21	0.18	0.18	35,200
	150,000	Common Stock	March 27/17	March 26/21	0.18	0.18	13,200
	50,000	Common Stock	January 22/16	January 21/19	0.14	0.14	4,400
	50,000	Common Stock	January 22/16	January 21/19	0.10	0.10	4,400

Group	Number of Options/Rights	Securities Under Options/Rights	Grant Date	Expiry Date	Exercise Price per Share of Common Stock ($)	Market Value of Shares of Common Stock on Grant Date ($)	Market Value of Shares of Common Stock as of Date of Prospectus(1) ($)
	100,000	Common Stock	March 27/17	March 26/21	0.18	0.18	8,800
	100,000	Common Stock	March 27/17	March 26/21	0.18	0.18	8,800
	500,000	Common Stock	September 16/17	September 15/22	0.12	0.12	44,000
	300,000	Common Stock	September 16/17	September 15/22	0.12	0.12	26,400
Directors and past directors of the Company as a group	350,000	Common Stock	October 25/18	October 24/23	0.12	0.12	30,800
Employees and past employees of the Company as a group	700,000	Common Stock	October 24/18	October 24/23	0.12	0.12	61,600
Consultants of the Company as a group	15,000	Common Stock	January 22/16	January 21/19	0.10	0.10	1,320
	100,000	Common Stock	March 15/17	March 14/20	0.19	0.19	8,800
	200,000	Common Stock	March 27/17	March 26/21	0.18	0.18	17,600
	150,000	Common Stock	March 27/17	March 26/21	0.18	0.18	13,200
	150,000	Common Stock	March 27/17	March 26/21	0.18	0.18	13,200
	200,000	Common Stock	September 16/17	September 15/22	0.12	0.12	17,600
	1,050,000	Common Stock	October 25/18	October 24/23	0.12	0.12	92,400
Other persons or Companies as a group	Nil	Common Stock					
Total	4,965,000	Common Stock					

(1) Based on the US$0.088 closing price of the Company's common shares on December 28, 2018 as quoted on the OTC Markets quotation service.

Long-Term Incentive Equity Plans

On November 21, 2011, the Company replaced its 2007 Stock Option Plan and adopted its 2011 Stock Option Plan (the “2011 Plan”), which allows for the issuance of options to purchase up to 2,000,000 shares of common stock. A copy of the 2011 Plan was filed on November 25, 2011 on Form 8-K, to which reference should be made for a more complete description of the 2011 Plan. In connection with the adoption of the Company’s 2013 Long-Term Incentive Equity Plan in October 2013, the Company retired the 2011 Plan, but outstanding grants under the 2011 Plan remain subject to the terms of the 2011 Plan.

On October 29, 2013, the Company’s shareholders adopted the Company’s 2013 Long-Term Incentive Equity Plan (the “2013 Plan”). A summary of the principal features of the 2013 Plan, as well as a copy of the 2013 Plan document itself, is available in the Company’s Schedule 14A filed on September 27, 2013, to which reference should be made for a more complete description of the 2013 Plan. The 2013 Plan permits grants of stock options (including incentive stock options and nonqualified stock options), stock appreciation rights, restricted stock awards, and other stock-based awards. Under the 2013 Plan, any employee (including an employee who is also a director or an officer), officer, contractor or outside director of the Company whose judgment, initiative, and efforts contributed or may be expected to contribute to the successful performance of the Company is eligible to participate in the 2013 Plan, except that only employees are eligible to receive incentive stock options. Subject to certain adjustments, the maximum number of shares of common stock that may be delivered under the 2013 Plan is ten percent (10%) of the Company’s authorized and outstanding shares of common stock as determined on the applicable date of grant of an award under the 2013 Plan.

The various types of long-term incentive awards that may be granted under the 2013 Plan will enable the Company to respond to changes in compensation practices, tax laws, accounting regulations and the size and diversity of its businesses.

During the years ended December 31, 2017 and 2016, the Company issued nil and 165,000, respectively, of stock options under the 2013 Plan. In addition, in 2016 outstanding restricted stock units (“RSUs”) issued under the 2013 Plan during 2014 and 2015 had their vesting date changed to April 30, 2017. On February 23, 2017, the Company changed the vesting date for the RSUs issued under the 2013 Plan during 2014 to February 23, 2017 and extended the vesting date for the RSUs issued under the 2013 Plan during 2015 to December 1, 2017.

The following table provides a summary of the number of stock options outstanding as of December 31, 2017 under both of our equity compensation plans:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)		**Weighted average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans not approved by security holders (2011 Plan)	600,000	$	0.10	Nil
Equity compensation plans approved by security holders (2013 Plan)	2,715,000	$	0.10 to 0.18	Variable*
Warrants	10,895,000		0.30	Unrestricted
Total	14,210,000			

*Subject to 10% rolling maximum more fully described in the 2013 Plan. As of August 6, 2018, the 10% rolling maximum is 7,066,390.

PRIOR SALES

The following table summarizes the sales of securities of the Company for the twelve (12) month period prior to the date of this prospectus:

Date	Number Shares	Number of Warrants	Issue Price per Share	Aggregate Issue Price	Consideration Received
November 22, 2017	1,000,000	-	$0.10	$100,000	Issued in consideration for partial acquisition of interest in oil and gas property production lease
December 12, 2017	1,000,000	500,000	$0.10	$100,000	Cash
January 30, 2018	500,000	-	$0.14	$67,500	Issued in consideration for partial acquisition of interest in oil and gas property production lease
January 30, 2018	400,000	200,000	$0.10	$40,000	Cash
January 30, 2018	2,900,000	1,450,000	$0.10	$290,000	Cash
February 9, 2018	670,000	-	$0.10	$67,000	Restricted stock units issued to management pursuant to 2017 Stock Incentive plan
February 9, 2018	1,400,000	700,000	$0.10	$140,000	Cash
February 21, 2018	1,000,000	500,000	$0.10	$100,000	Cash
March 8, 2018	2,500,000	1,250,000	$0.10	$250,000	Issued in consideration for partial satisfaction of a promissory note
March 8, 2018	750,000	375,000	$0.10	$75,000	Cash
March 8, 2018	100,000	50,000	$0.10	$10,000	Cash
April 9, 2018	100,000	50,000	$0.10	$10,000	Cash
May 21, 2018	100,000	50,000	$0.10	$10,000	Cash
July 2, 2018	2,000,000	1,000,000	$0.10	$200,000	Cash

August 20, 2018	650,000	325,000	$0.10	$65,000	Cash
August 21, 2018	321,061	160,531	$0.10	$32,106	Cash
October 26, 2018	6,326,000	3,163,000	$0.10	$632,600	Cash
October 26, 2018	2,950,000	1,475,000	$0.10	$295,000	Debt Conversion
November 1, 2018	2,250,000	1,125,000	$0.10	$225,000	Cash
November 21, 2018	200,001	100,001	$0.15	$30,000	Cash
Total	**2,711,7017**	**12,473,532**		**$2,739,206**	

Trading Price and Volume

The shares of the Company are currently listed on the "Pink" quotation service operated by the OTC Markets Group Inc. under the trading symbol "PKPL". The following table sets forth the reported high and low prices and the trading volume as reported by otcpinksheets.com for the shares for each month for the twelve (12) month period prior to the date of this prospectus.

Date	High (US $)	Low (US $)	Volume ('000)
November 2018	0.14	0.08	18.0
October 2018	0.14	0.06	48.1
September 2018	0.23	0.07	311.1
August 2018	0.11	0.07	273.3
July 2018	0.14	0.07	26.5
June 2018	0.18	0.07	44.4
May 2018	0.21	0.07	80.4
April 2018	0.12	0.07	27.9
March 2018	0.18	0.07	102.8
February 2017	0.18	0.13	56.5
January 2018	0.18	0.10	93.3
December 2017	0.17	0.08	664.0
November 2017	0.16	0.07	779.4
October 2017	0.10	0.10	84.0
September 2017	0.13	0.08	96.5
August 2017	0.15	0.08	63.2

ESCROWED SECURITIES AND OTHER SECURITIES SUBJECT TO RESALE RESTRICTIONS

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities, including Shares, owned or controlled by the Principals of the Company are subject to the escrow requirements. In connection with the proposed Listing, the Company expects to enter into the Escrow Agreement in accordance with NP 46-201 as described herein.

Pursuant to the Escrow Agreement entered into among the Escrow Agent, the Company, and the Principals, 1,425,000 Shares (the "Escrowed Securities") are held in escrow with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that an additional 15% will be released therefrom every 6 month interval thereafter, over a period of 36 months.

The Company is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators. If the Company achieves "established issuer" status during the term of the Escrow Agreement, it will "graduate" resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18 month schedule applicable to established issuers as if the Company had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

(i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Board;
(ii) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children or parents;
(iii) transfers upon bankruptcy to the trustee in bankruptcy;
(iv) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; and
(v) tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The following table sets forth details of the Escrowed Securities that, as of the date of this Prospectus, will be subject to the Escrow Agreement:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Shares	1,425,000 common shares	(1)

Notes:
(1) Based on 83,410,966 Shares issued and outstanding as of the date of this Prospectus.

A detailed breakdown of the Shares to be escrowed in connection with the Listing is shown in the following table:

Name	Designation of Security	Quantity	% Shares as of the date of Prospectus (1)(2)
Arthur Halleran	Shares	475,000	0.56%
David Thompson	Shares	950,000	1.13%
Total		1,425,000	1.70%

Notes:

(1) Based on 83,360,966 Shares issued and outstanding as of the date of this Prospectus.

(2) The Escrowed Securities are anticipated to be held by the Transfer Agent. Such Escrowed Securities are anticipated to be escrowed on or prior to the Listing Date per NP 46-201 and released pursuant to thereto.

NP 46-201 provides that all shares of a company owned or controlled by Principals will be escrowed at the time of the Company's initial public offering, unless the shares held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding shares of the Company after giving effect to the initial public offering.

An issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. The Company anticipates that it will be classified by the CSE as an "emerging issuer". As such, the Company anticipates that the following automatic timed releases will apply to the securities held by the Principals listed in the table above:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the Escrowed Securities
6 months after the Listing Date	1/6 of the remaining Escrowed Securities
12 months after the Listing Date	1/5 of the remaining Escrowed Securities
18 months after the Listing Date	1/4 of the remaining Escrowed Securities
24 months after the Listing Date	1/3 of the remaining Escrowed Securities
30 months after the Listing Date	1/2 of the remaining Escrowed Securities
36 months after the Listing Date	the remaining Escrowed Securities

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, automatic timed release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining escrowed securities being released every six months thereafter in accordance with the table above.

Pursuant to the terms of the Escrow Agreement, Arthur Halleran and David Thompson have agreed to deposit their Shares in escrow with the Escrow Agent. Pursuant to the Escrow Agreement, 859,916 Shares will be released from escrow on the Listing Date.

Shares Subject to Resale Restrictions

The common shares securities issued by the Company by way of private placements, as summarized in the table below, are subject to four month holds period pursuant to NI 45-102 expiring on the dates noted below:

Date of Issue	Price per Security/Exercise Price	Number and Type of Securities	Hold Period Expiry Date
October 26, 2018	6,326,000	Common shares	February 27, 2018
October 26, 2018	2,950,000	Common shares	February 27, 2018
November 1, 2018	2,250,000	Common shares	March 2, 2018
November 23, 2018	200,001	Common shares	March 24, 2018

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Company, as of the date of this prospectus no person beneficially owns or exercises control or direction over common shares carrying more than 10% of the votes attached to common shares.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table provides the names, state or province and country of residence, position, principal occupations during the five preceding years and the number of voting securities of the Company that each of its directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date of this Prospectus:

Name and Province of Residence and Position with the Company	Director/ Officer Since	Principal Occupation for the Past Five Years	Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus) (1)
Arthur Halleran(2) British Columbia, Canada *Director and President*	Director since October 4, 2011, President and CEO since July 2017	President & CEO of Park Place, VP Exploration & Development United Hydrocarbon International; Environmental Consultant	475,000 (0.56%)
Barry Wood British Columbia, Canada *Director*	Director since December 31, 2018	Independent Oil and Gas Exploration advisor/consultant	Nil
David Thompson Hamilton, Bermuda *Director and CFO*	Director since October 29, 2013, CFO since July 2017		950,000 (1.13%)

(1) Percentage of Shares outstanding is based on 83,360,966 Shares issued and outstanding as of the date of this Prospectus.
(2) Audit Committee member.

As of the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercise control or discretion over an aggregate of 1,425,000 Shares, which is equal to 1.70 % of the Shares issued and outstanding as of the date of this Prospectus.

The term of office of the directors expires annually at the time of the Company's annual general meeting. The term of office of the executive officers expires at the discretion of the Board. No executive officers of the Company have entered into non-competition or non-disclosure agreements with the Company. See "*Executive Compensation*".

Background – Directors and Executive Officers

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

Dr. Arthur Halleran - President and Chief Executive Officer, Director – Age 60

Dr. Halleran has been a director since October 4, 2011 and CEO since July, 2017. Dr. Halleran has a Ph.D. in Geology from the University of Calgary, and has 38 years of petroleum exploration experience 20 of which consisted of international. His international experience includes work in countries such as Canada, Colombia, Bulgaria, Turkey, Egypt, India, Guinea, Sierra Leone, Sudan, Suriname, Chile, Brazil, Pakistan, Peru, Tunisia, Trinidad Tobago, Argentina, Ecuador, Bolivia and Guyana. Dr. Halleran's experience includes work with Petro-Canada, Chevron, Rally

Energy, Canacol Energy, United Hunter Oil and Gas Corp. and United Hydrocarbon International Corp. In 2007, Dr. Halleran founded Canacol Energy Ltd., a company with petroleum and natural gas exploration and development activities in Colombia, Brazil and Guyana, where he served as vice president of exploration. Previously, Dr. Halleran was a consulting geologist for Rally Energy Corp. (Egypt), which discovered prolific reservoirs in Egypt and Vice President of Exploration & Development for United Hydrocarbon International Corp., a company with oil interests in Chad, Africa. Dr. Halleran was appointed as a director of the Company to provide technical expertise and oversight to the Dobrudja Basin gas project in Bulgaria. His education and technical experience in the energy sector are valuable to our Company.

David M. Thompson – Chief Financial Officer, Director – Age 65

Mr. Thompson has 30 years of financial experience in the oil and gas industry. He successfully founded an oil trading company in Bermuda with offices in the U.S. and Europe (Geneva, Moscow and Amsterdam). He was responsible for that company's production operations in Turkmenistan and successfully raised over $100 million in equity. Mr. Thompson also negotiated the farm-out of a number of company assets. Mr. Thompson is Managing Director of AMS Limited, a Bermuda based Management Company. In the past he served as Founder, President and CEO of Sea Dragon Energy Inc. (TSX:V), Chief Financial Officer of Aurado Energy, Chief Financial Officer of Forum Energy Corporation (OTC), Financial Director of Forum Energy Plc (AIM) and Senior Vice President at Larmag Group of Companies. Mr. Thompson is a Certified Management Accountant (1998). He currently also serves as a Director of United Hydrocarbon International Corp.

Dr. Barry Wood - Director – Age 71

From 2008 to the present Dr. Wood has been an Independent Exploration Advisor, having assisted companies such as Dana Gas, NPC, Sea Dragon, Maurel et Prom and others, establishing new offices, reviewing and recommending new opportunities, preparing contracts and managing G&G programs. From August, 2012 to 2015 Dr. Wood was an Advisor, Exploration, to NPC (Egypt). From 2008 to August 2012 Dr. Wood was an Advisor, Exploration, to Sea Dragon Energy in Egypt. From 2006 to 2007 Dr. Wood was Country Manager for Maurel et Prom, based in Dar es Salaam, Tanzania. From 2001to the present, Dr. Wood founded PetroQuest International Ltd. and advised to them in regards to new exploration fairways in Tanzania, Syria and Egypt. From 1997 to 2001 Dr. Wood was employed at Oxford University Research in regards to Reservoir & Structural Development through Lithospheric Folding. From 1993 to 1997 Dr. Wood was the Exploration Manager for Marathon International Oil Company, based in Cairo, Egypt. From 1989 to 1993 Dr. Wood was the Exploration and General Manager for Marathon International Oil Company, based in Damascus, Syria. From 1985 to 1989 Dr. Wood was the Area Manager, New Ventures, for Marathon International Oil Company, in the areas of Europe, N. & E. Africa, Middle East, based in London and Houston. From 1981 to 1985 Dr. Wood was an Advanced Senior Geologist with Marathon International Oil in Singapore. From 1980 to 1981 Dr. Wood was with Asamera Oil Ltd., Jakarta, Indonesia as a Senior Geologist (N. Sumatra evaluation); from 1978 to 1980 Oasis Oil Company of Libya, Tripoli, Libya as a Senior Geologist (Sirte Basin Evaluation); from 1976 to 1978 Pembina Pipeline, Calgary, Alberta as an Exploration Geologist, Western Canada Basin; and from 1972 to 1976 was with Shell Canada, Calgary, Alberta as a New Ventures Exploration Geologist (Canadian Frontier).

Term of Office

All of our directors hold office until the next annual shareholders meeting or until their successors are elected and qualified. Our officers are appointed by our Board of Directors and hold office until their earlier death, retirement, resignation or removal.

Significant Employees

Kubilay Yildirim – General Manager (Turkey) – Age 43

Mr. Yildirum has over the past 20 years had hands on experience in drilling, production, seismic acquisition, and logistics for both onshore and offshore projects in Turkey. He has spent most of career with this company and its predecessor companies: Madison, Toreador and Tiway. He has also been involved in sales and divestitures of assets and has taken on significantly more managerial positions until being promoted to General Manager in 2009. Mr.

Yildirim has a degree in Petroleum and Natural Gas Engineering from Middle East Technical University and an MBA from Bilgi University in Istanbul.

Ozge Karalli – Finance Director (Turkey) – Age 42

Mrs. Karalli began her career in Deloitte as tax compliance auditor where she was also audit senior and supervisor between 1998 and 2004. She joined Toreador in 2004 as Accounting Manager and Financial Controller, before becoming the Finance Director of Tiway Oil in 2010. Mrs. Karalli has a Bachelor of Economics degree from Bilkent University and has been a Chartered Public Accountant in Turkey since 2002 and qualified for independent auditor's certificate in 2015.

Family Relationships

There are currently no family relationships between any of the members of our Board of Directors or our executive officers.

Committees of the Board of Directors

Our Company does not currently have any committees of our Board of Directors.

Involvement in Certain Legal Proceedings

There are currently no legal proceedings to which any of our directors or executive officers is a party adverse to us or in which any of our directors or executive officers has a material interest adverse to us.

Corporate Cease Trade Orders or Bankruptcies

The Company was subject to two bulk cease trade orders from the B.C. Securities Commission due to the late filing of certain required annual and quarterly reports on www.Sedar.com relating to the Company's December 31, 2017 and June 30, 2018 fiscal periods. The first cease trade was issued July 14, 2018 and revoked on August 14, 2018. The second cease trade was issued September 10, 2018 and revoked on October 11, 2018.

Penalties or Sanctions

None of our directors, officers or principal shareholders are, or have been within the last 10 years, the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or have entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

None of our directors, officers or principal shareholders, or personal holding company of such persons, have, within the last 10 years, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Company are not aware of any such conflicts of interests.

EXECUTIVE COMPENSATION

Executive Compensation

Particulars of compensation awarded to, earned by or paid during the last two fiscal years to:

(a) the person(s) serving as our Company's principal executive officer during the year ended December 31, 2017;

(b) each of our company's two most highly compensated executive officers, other than the principal executive officer, who were serving as executive officers at the end of the year ended December 31, 2017, and whose total compensation exceeds $100,000 per; and

(individually a "Named Executive Officer" and collectively the "Named Executive Officers") are set out in the summary compensation table below.

Name and Principal Position	Year	Salary and management fees ($)	Bonus ($)	Stock Awards ($)	Option Awards ($) [1]	Non-Equity Incentive Plan Compen-sation ($)	Non-qualified Deferred Compen-sation Earnings ($)	All Other Compensation ($)	Total ($)
Arthur Halleran	2017	24,000	-	33,600	59,240	-	-	-	116,840
President & CEO	2016	-	-	-	-	-	-	-	-
David M. Thompson	2017	16,000	-	30,000	35,544	-	-	-	81,544
Chief Financial Officer	2016	-	-	-	-	-	-	-	-
Scott C. Larsen	2017	22,100	-	16,942	-	-	-	-	39,042
Past President & CEO	2016	156,000	-	61,800	-	-	-	-	217,800
Charles Michel	2017	-	-	-	-	-	-	-	-
Past Chief Financial Officer	2016	36,600	-	-	-	-	-	-	36,600

Notes

(1) This column represents the grant date fair value of stock options (or other stock-based awards) granted.

Outstanding Equity Awards as of December 31, 2017

The following table summarizes the outstanding equity awards as of December 31, 2017 for each of our Named Executive Officers:

	Option Awards					Stock Awards			
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)**
Scott C. Larsen*	600,000	-	-	0.10	July 10, 2018	-	-	-	-
	400,000	-	-	0.18	March 26, 2021	-	-	655,046	101,582
Arthur Halleran**	350,000	-	-	0.12	October 24, 2023	-	-	-	-
	50,000	-	-	0.10	January 21, 2019	-	-	-	-
	100,000	-	-	0.18	March 26, 2021	-	-	-	-
	500,000	-	-	0.12	September 15, 2022	-	-	-	-
David M. Thompson**	350,000	-	-	0.12	October 24, 2023	-	-	-	-
	50,000	-	-	0.10	January 21, 2019	-	-	-	-
	100,000	-	-	0.18	March 26, 2021	-	-	-	-
	300,000	-	-	0.12	September 15, 2022	-	-	-	-

*Held through Larsen Energy Consulting Inc.
**Includes management and board options

Option Exercises and Stock Vested

	Stock awards	
Name	Number of shares acquired on vesting (#)	Value realized on vesting ($)
Scott C. Larsen Past President & CEO	203,571	16,942

Director Compensation

Name	Fees earned or paid in cash ($)	Stock awards ($)	Option awards ($)	Non-equity incentive plan compensation ($)	Change in pension value and nonqualified deferred compensation earnings	All other compensation ($)	Total ($)
Arthur Halleran	9,000	-	-	-	-	-	9,000
David M. Thompson	9,000	-	-	-	-	-	9,000
Ijaz Khan	9,000	-	-	-	-	-	9,000

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Ijaz Khan	50,000	-	-	0.235	1-1-2017	-	-	-	-
David Thompson	50,000	-	-	0.14	3-31-2018	-	-	-	-
Arthur Halleran	50,000	-	-	0.10	1-21-2019	-	-	-	-

Employment Contracts, Termination of Employment and Change-In-Control Arrangements

On November 1, 2013 (as amended on August 1, 2014 and March 27, 2015), the Company entered into an agreement with the Scott Larsen, the then President of the Company and a company controlled by the President of the Company with a term of two years effective September 1, 2013. The term continues now on a month-to-month basis. Pursuant to the agreement as amended, the Company is to pay $18,000 per month, with $5,000 of such monthly consulting fees being paid in RSUs to the President of the Company. The pricing for such RSUs will be determined based on the average closing price of the Company's common shares for the last ten days of the calendar quarter in which such RSUs accrued. The agreement had provided for certain additional compensation if certain money raising milestones were met; those provisions have expired according to their terms. Mr. Larsen resigned on July 17, 2017.

Mr. Charles Michel resigned on July 17, 2017 as CFO.

On September 18, 2017, the Company entered into an agreement with Arthur Halleran to act as CEO. Pursuant to the agreement, the Company shall issue 280,000 shares for payment of wages for the first three months of service, Halleran shall be paid a monthly salary of $6,000 in arrears with the option to convert wages payable to Park Place shares at the average of the 10 day Market Price preceding the end of the month the wages are payable. For the period following the month during which the $1,000,000 Capital Raise is completed, a monthly salary of $10,000 payable monthly in arrears with the option to convert wages payable to shares at the average of the 10-day Market Price preceding the end of the month the wages are payable. Subject to a capital raise great than $5,000,000, the CEO shall be paid a monthly salary of $13,000 per month. As a signing bonus, the CEO was issued 500,000 stock options, exercisable for a period of 5 years from the date of issuance at an exercise price of $0.12 per share. On each of the anniversary of the agreement, the Company shall issue 100,000 fully vested RSUs, so long as the agreement remains in effect. If during the term of this Agreement the Company completes any cash financing of $5,000,000 the Company shall issue to Halleran 250,000 fully vested RSUs for each $5,000,000 raised.

On September 18, 2017, the Company entered into an agreement with David Thompson to act as CFO. Pursuant to the agreement, the Company shall issue 250,000 shares for payment of wages for the first three months of service, Thompson shall be paid a monthly salary of $4,000 in arrears with the option to convert wages payable to Park Place shares at the average of the 10 day Market Price preceding the end of the month the wages are payable. For the period following the month during which the $1,000,000 Capital Raise is completed, a monthly salary of $8,000 payable monthly in arrears with the option to convert wages payable to shares at the average of the 10-day Market Price preceding the end of the month the wages are payable. Subject to a capital raise great than $5,000,000, the CEO shall be paid a monthly salary of $10,000 per month. As a signing bonus, the CFO was issued 300,000 stock options, exercisable for a period of 5 years from the date of issuance at an exercise price of $0.12 per share. On each of the anniversary of the agreement, the Company shall issue 75,000 fully vested RSUs, so long as the agreement remains in effect. If during the term of this Agreement the Company completes any cash financing of $5,000,000 the Company shall issue to Thompson 200,000 fully vested RSUs for each $5,000,000 raised.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Indebtedness of Directors and Officers

Other than routine indebtedness for management fees, travel and other expense advances, no existing or proposed director or executive officer of the Company, or any associate of any of them, was indebted to the Company as of December 31, 2017, or is currently indebted to the Company or has any indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

PLAN OF DISTRIBUTION

No securities are offered pursuant to this prospectus. This is a non-offering prospectus. We are a reporting issuer in the Province of British Columbia. We are filing this prospectus to allow our previously issued shares to be re-sold in certain jurisdictions without an exemption from the prospectus and registration requirements of certain securities legislation.

We intend to submit an application to quote the securities of the Company on the CSE. Listing will be subject to the Company fulfilling all of the requirements of the CSE.

RISK FACTORS

Much of the information included in this prospectus includes or is based upon estimates, projections or other "forward-looking statements". Such forward-looking statements include any projections or estimates made by us and our management in connection with our business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other "forward-looking statements" involve various risks and uncertainties as outlined below. We caution readers of this prospectus that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other "forward-looking statements". In evaluating us, our business and any investment in our business, readers should carefully consider the following factors.

Our common shares are considered speculative. Prospective investors should consider carefully the risk factors set out below.

Risks Associated with Business

We expect the losses to continue, which raises concerns about our ability to continue as a going concern.

Our expenses have exceeded our revenues since our inception and we will, in all likelihood, continue to incur net losses until we are able to successfully increase our revenue from production or reduce our expenses. Our business plan may require us to incur further exploration and development expenses on our oil and gas projects. We may not be able to successfully increase our production or ever become profitable. These circumstances raise concerns about our ability to continue as a going concern.

We have a limited operating history. Our projects in Turkey have a lengthy operating history of production must be considered in the decline stage of production until significant reinvestment occurs to increase production on the producing oil and gas fields in Turkey. Our Bulgarian gas exploration block is in the exploration stage. Our company's operations will be subject to all the risks inherent in the establishment of an exploration stage enterprise in respect to the Bulgarian gas play and the uncertainties arising from the absence of a significant operating history on the exploration block. We are subject to the uncertainties including the exposure to significant abandonment costs on our producing oil and gas properties in Turkey. Potential investors should be aware of the difficulties normally encountered by resource exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration of the properties that we plan to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by us in the development and exploration of our properties may not result in the discovery of additional reserves. Problems such as the absence of economic quantities of petroleum substances, unusual or unexpected formations of rock or land and other conditions are involved in resource exploration and often result in unsuccessful exploration and development efforts. If the results of our exploration do not reveal viable further commercial reserves, we may decide to abandon our projects and acquire new claims for new exploration or cease operations. The acquisition of additional claims will be dependent upon us possessing capital resources at the time in order to purchase such claims. If no funding is available, we may be forced to abandon our operations. There can be no assurance that we will be able to operate on a profitable basis.

We will require additional financing to develop existing exploration interests or acquire additional resource assets.

Because we have been operating at a net loss, we will need to raise additional funds to explore and further develop our oil and gas properties. We do not currently have sufficient financial resources to completely fund the further development and or exploration of interests in Bulgaria. We currently do not have sufficient financial resources to fund the acquisition of additional exploration or development interests. We anticipate that we will need to raise further financing. Although we have raised financing in the past through the sale of our common shares and from borrowing, we do not currently have any arrangements for financing and we can provide no assurance to investors that we will be able to find such financing if required. Obtaining additional financing would be subject to a number of factors, including investor acceptance of our oil and gas interests, development plans and our plan to list on the CSE. The most likely source of future funds presently available to us is through the sale of equity capital. Any sale of share capital will result in dilution to existing security-holders.

We may not be successful in our development or exploration for oil and gas.

We currently have only modest oil or gas reserves that are deemed proved, probable or possible pursuant to both Canadian and American standards of disclosure for oil and gas activities. Our subsidiaries in Turkey have participated in the drilling of several wells in Turkey prior to our acquisition of our Turkish assets. We have acquired a significant amount of data on our Bulgaria exploration block, however, we have not yet drilled any wells in Bulgaria.

There can be no assurance that our current or future exploration and development efforts will be successful, and we cannot be sure that our overall drilling success rate or our production operations within a particular area will ever come to fruition, and if they do, will not decline over time. We may not recover all or any portion of our capital investment in the wells or the underlying leaseholds. Unsuccessful drilling activities would have a material adverse effect upon our results of operations and financial condition. The cost of drilling, completing and operating wells is often uncertain, and a number of factors can delay or prevent drilling operations, including: (i) unexpected drilling conditions; (ii) pressure or irregularities in geological formation; (iii) equipment failures or accidents; (iv) adverse weather conditions; and (v) shortages or delays in the availability of drilling rigs and the delivery of equipment; (vi) foreign exchange fluctuation; and security risk.

In addition, our exploration and development plans may be curtailed, delayed or cancelled as a result of lack of adequate capital and other factors, such as weather, compliance with governmental regulations, foreign exchange fluctuation, political risk, current and forecasted prices for oil and changes in the estimates of costs to complete the projects. We will continue to gather information about our exploration projects, and it is possible that additional information may cause our company to alter our schedule or determine that a project should not be pursued at all. You should understand that our plans regarding our projects are subject to change.

We may not be able to obtain all of the licenses necessary to operate our business.

Our operations require licenses and permits from various governmental authorities to drill wells and transport hydrocarbon fluids or gases. We believe that we hold, or will hold, all necessary licenses and permits under applicable laws and regulations for our operations and believe we will be able to comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that we will be able to obtain or maintain all necessary licenses and permits that may be required to maintain continued operations that economically justify the cost.

Even if we acquire an oil and natural gas exploration property and establish that it contains oil or natural gas in commercially exploitable quantities, the potential profitability of oil and natural gas ventures depends upon factors beyond the control of our company.

The potential profitability of oil and natural gas properties is dependent upon many factors beyond our control. For instance, world prices and markets for oil and natural gas are unpredictable, highly volatile, potentially subject to governmental fixing, pegging, controls or any combination of these and other factors, and respond to changes in domestic, international, political, social and economic environments. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for production and other expenses have become increasingly difficult, if not impossible, to project. In addition, adverse weather conditions can hinder drilling operations. Additionally, we are not the operator for our producing oil and gas properties in Turkey and the operator TPAO which causes uncertainty as we cannot fully control the exploration and development of oil and gas on our properties. These changes and events may materially affect our future financial performance. These factors cannot be accurately predicted and the combination of these factors may result in our company not receiving an adequate return on invested capital.

In addition, a productive well may become uneconomic in the event water or other deleterious substances are encountered which impair or prevent the production of oil and/or natural gas from the well. Production from any well may be unmarketable if it is impregnated with water or other deleterious substances. Also, the marketability of oil and natural gas which may be acquired or discovered will be affected by numerous related factors, including the proximity and capacity of oil and natural gas pipelines and processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental protection, all of which could result in greater expenses than revenue generated by the well. Abandonment costs may be significant in decommissioning the oil and gas operations on our producing properties.

The exploration business is competitive.

Competition in the oil and natural gas industry is intense, and many of our competitors have greater financial, technological and other resources than we do, which may adversely affect our ability to compete.

We will be operating in the highly competitive areas of oil and natural gas exploration, development, production and acquisition with a substantial number of other companies, both foreign and domestic. We face intense competition from independent, technology-driven companies as well as from both major and other independent oil and natural gas companies in each of the following areas:

- seeking oil and natural gas exploration licenses and production licenses;
- acquiring desirable producing properties or new leases for future exploration;
- marketing oil and natural gas production;
- integrating new technologies; and
- contracting for drilling services and equipment and securing the expertise necessary to develop and operate properties.

Many of our competitors have substantially greater financial, managerial, technological and other resources than we do. These companies are able to pay more for exploratory prospects and productive oil and natural gas properties than we can. To the extent competitors are able to pay more for properties than we are paying, we will be at a competitive disadvantage. Further, many of our competitors enjoy technological advantages over us and may be able to implement new technologies more rapidly than we can. Our ability to explore for and produce oil and natural gas prospects and to acquire additional properties in the future will depend upon our ability to successfully conduct operations, implement advanced technologies, evaluate and select suitable properties and consummate transactions in this highly competitive environment.

Estimates of oil and gas reserves are inherently forward-looking statements, subject to error, which could force us to curtail or cease our business operations.

We have minimal oil and gas reserves. Potential future estimates of oil and gas reserves are inherently forward-looking statements subject to error. Although estimates of reserves are made based on a high degree of assurance in the estimates at the time the estimates are made, unforeseen events and uncontrollable factors can have significant adverse impacts on the estimates. Actual conditions will inherently differ from estimates. The unforeseen adverse events and uncontrollable factors include but are not limited to: geologic uncertainties including unforeseen fracturing or faulting; oil and gas price fluctuations; fuel price increases; variations in exploration, production, and processing parameters;

and adverse changes in environmental or resource laws and regulations. The timing and effects of variances from estimated values cannot be predicted.

The volatility of oil prices could adversely affect our results of operations.

The prices we will receive for any products we may produce and sell are likely to be subject to large fluctuations in response to factors beyond our control. These factors include but are not limited to the condition of the worldwide economy, world oil and gas prices, exchange rates, the actions of the Organization of Petroleum Exporting Countries, governmental regulations, political stability in the Middle East and elsewhere and the availability of alternate fuel sources. The prices for oil and gas will affect:

1. our revenues, cash flows and earnings;

2. our ability to attract capital to finance our operations, and the cost of such capital;

3. the profit or loss incurred in refining petroleum products; and

4. the profit or loss incurred in our oil and gas exploration activities.

Operating hazards may adversely impact our oil and gas exploration activities.

Our exploration operations are subject to risks inherent in the exploration business, such as blowouts, cratering, explosions, uncontrollable flows of oil, gas or well fluids, fires, pollution, and other environmental risks. These risks could result in substantial losses due to injury and loss of life, severe damage to and destruction of property and equipment, pollution and other environmental damage and suspension of operations. Our operations could be subject to a variety of additional operating risks such as earthquakes, mudslides, tsunamis and other effects associated with extensive rainfall or other adverse weather conditions.

Our operations could result in liabilities for personal injuries, property damage, oil spills, discharge of hazardous materials, remediation and clean-up costs or other environmental damages. As a result, substantial liabilities to third parties or governmental entities may be incurred, the payment of which could have a material adverse effect on our financial condition and results of operations.

Fuel price variability.

The cost of fuel can be a major variable in the cost of oil and gas exploration, one which is not necessarily included in the contract exploration prices obtained from contractors, but is passed on to the overall cost of operation. Although high fuel prices by historical standards have been used in making the reserve estimates included herein, future fuel prices and their impact are difficult to predict, but could force us to curtail or cease our business operations.

Environmental regulations.

We believe that we currently comply with existing environmental laws and regulations affecting our operations. While there are no currently known proposed changes in these laws or regulations, significant changes have affected the industry in the past and additional changes may occur in the future. Environmental regulations in Bulgaria are restrictive and currently prevent the use of fracking wells. This may have a negative impact on our ability to commercially produce natural gas from our exploration block in Bulgaria.

Our operations are subject to environmental laws, regulations and rules promulgated from time to time by government. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain oil and gas industry operations, such as uncontrolled flaring, which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties.

In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means stricter standards and enforcement. Fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies, directors, officers and employees. The cost of compliance with changes in governmental regulations has potential to reduce the profitability of operations. We intend to comply with all environmental regulations in Turkey, Bulgaria, the United States and Canada.

The exploration, development and operation of oil and gas projects involve numerous uncertainties.

Oil and gas exploration and development projects typically require a number of years and significant expenditures during the development phase before production is possible. Exploration offers no guarantee, and no realistic ability to project a probability, of ever successfully discovering economically feasible ore resources or reserves.

Development of our exploration projects are subject to the completion of successful production or development studies, issuance of necessary governmental permits and receipt of adequate financing. The economic feasibility of development projects is based on many factors such as:

1. estimation of reserves;
2. future oil and gas prices; and
3. anticipated capital and operating costs of such projects.

Oil and gas development projects may have limited or no relevant operating history upon which to base estimates of future operating costs and capital requirements. Estimates of reserves and operating costs are based on geologic and engineering analyses.

Any of the following events, among others, could affect the profitability or economic feasibility of a project:

1. unanticipated adverse geotechnical conditions;
2. incorrect data on which engineering assumptions are made;
3. costs of constructing and operating a field in a specific environment;
4. availability and cost of transportation, processing and refining facilities;
5. availability of economic sources of power;
6. adequacy of water supply;
7. adequate access to the site;
8. unanticipated transportation costs;
9. unexpected pollution or hazard costs;
10. government regulations (including regulations relating to prices, royalties, duties, taxes, restrictions on production, quotas on exportation, as well as the costs of protection of the environment and agricultural lands);
11. fluctuations in commodities prices;
12. fluctuations in exchange rates;

12. political, security risks, terrorism; and

13. accidents, labor actions and force majeure events

Any of the above referenced events may necessitate significant capital outlays or delays, may materially and adversely affect the economics of a given property, or may cause material changes or delays in our intended exploration, development and production activities. Any of these results could force us to curtail or cease our business operations.

Oil and gas exploration is highly speculative, involves substantial expenditures, and is frequently non-productive.

Oil and gas exploration involves a high degree of risk and exploration projects are frequently unsuccessful. Few prospects that are explored are ultimately developed into economically producing wells or fields. To the extent that we continue to be involved in oil and gas exploration, the long-term success of our operations will be related to the cost and success of our exploration programs. We cannot assure you that our oil and gas exploration efforts will be successful. The risks associated with oil and gas exploration include:

1. the identification of potential hydrocarbon zones based on any analysis short of drilling an exploration well;

2. the quality of our management, consultants and partners, and their geological and technical expertise; and

3. the capital available for exploration and development.

Substantial expenditures are required to determine if a project has economically extractable oil and gas. Because of these uncertainties, our current and future exploration programs may not result in the discovery of reserves, the expansion of our existing reserves or the further development of our properties. Further, the reserves we currently have will be depleted through additional production, and there are no guarantees that future reserves will be found.

Oil and gas risks and insurance could have an adverse effect on our business.

Our operations are subject to all of the operating hazards and risks normally incident to exploring for and developing oil and gas properties, such as unusual or unexpected geological formations, environmental pollution, personal injuries, flooding, cave-ins, changes in technology or production techniques, periodic interruptions because of inclement weather and industrial accidents. Although insurance may ameliorate some of these risks, such insurance may not always be available at economically feasible rates or in the future be adequate to cover the risks and potential liabilities associated with exploring, owning and operating our properties. Either of these events could cause us to curtail or cease our business operations.

If we are unable to recruit or retain qualified personnel, it could have a material adverse effect on our operating results and stock price.

Our success depends in large part on the continued services of our executive officers and third party relationships. We currently do not have key person insurance on these individuals. The loss of these people, especially without advance notice, could have a material adverse impact on our results of operations. It is also very important that we be able to retain highly skilled personnel, including technical personnel, to accommodate our exploration plans and to replace personnel who leave. Competition for qualified personnel can be intense, and there are a limited number of people with the requisite knowledge and experience.

We are not the "operator" of any of our oil and gas exploration interests, and so we are exposed to the risks of our third-party operators.

We partially rely on the expertise of third-party oil and gas operators of our Turkey oil and gas fields who is TPAO, who is owned by the Turkish government and additionally Transatlantic Petroleum, a US company. We can give no assurance that these third party operators will always act in our best interests, and we are exposed to their actions in those properties and activities in which we are contractually bound.

Risks Associated with the Shares of Our Company

Trading on the OTC Bulletin Board may be volatile and sporadic, which could depress the market price of our common stock and make it difficult for our stockholders to resell their shares.

Our common stock is quoted on the OTC Bulletin Board service of the Financial Industry Regulatory Authority. Trading in stock quoted on the OTC Bulletin Board is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with our operations or business prospects. This volatility could depress the market price of our common stock for reasons unrelated to operating performance. Moreover, the OTC Bulletin Board is not a stock exchange, and trading of securities on the OTC Bulletin Board is often more sporadic than the trading of securities listed on a quotation system like Nasdaq or a stock exchange like Amex. Accordingly, shareholders may have difficulty reselling any of the shares.

Because we do not intend to pay any dividends on our shares, investors seeking dividend income or liquidity should not purchase our shares.

We have not declared or paid any dividends on our shares since inception, and do not anticipate paying any such dividends for the foreseeable future. Investors seeking dividend income or liquidity should not invest in our shares.

Because we can issue additional shares, purchasers of our shares may incur immediate dilution and may experience further dilution.

We are authorized to issue up to 250,000,000 shares. The board of directors of our company have the authority to cause us to issue additional shares, and to determine the rights, preferences and privileges of such shares, without consent of any of our stockholders. Consequently, our stockholders may experience more dilution in their ownership of our company in the future.

Other Risks

Our stock is a penny stock. Trading of our stock may be restricted by the Securities and Exchange Commission's penny stock regulations which may limit a stockholder's ability to buy and sell our stock.

Our stock is a penny stock. The Securities and Exchange Commission has adopted Rule 15g-9 which generally defines "penny stock" to be any equity security that has a market price (as defined) less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of $5,000,000 or individuals with a net worth in excess of $1,000,000 or annual income exceeding $200,000 or $300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the Securities and Exchange Commission which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

The Financial Industry Regulatory Authority, or FINRA, has adopted sales practice requirements which may also limit a stockholder's ability to buy and sell our stock.

In addition to the "penny stock" rules described above, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

PROMOTERS

Arthur Halleran and David Thompson must be considered the promoters of the Issuer in that they take the initiative in organizing the business of the Issuer. See "Directors, Officers and Promoters" above and "Executive Compensation" above for further information.

LEGAL PROCEEDINGS

The Company is not party to, nor is any of the Company's property the subject of, any legal proceedings, nor, to the best of the Company's knowledge, are any such legal proceedings contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this prospectus no director, executive officer or principal shareholder of the Company, or an associate or affiliate of a director, executive officer or principal shareholder of the Company, has any material interest, direct or indirect, in any transaction which has occurred within the three years before the date of this prospectus, or in any proposed transaction that has materially affected or will materially affect the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

The Company's auditor is Whitley Penn LLP independent registered public accountants, located at 640 Taylor Street, Suite 2200 Fort Worth, Texas 76102, USA.

Transfer Agent and Registrar

The transfer sub-agent of the Company's common shares is Odyssey Trust, United Kingdom Building 323 - 409 Granville Street Vancouver BC V6C 1T2 info@odysseytrust.com telephone: 778.819.1184.

The registrar and U.S. transfer agent of the Company's common shares is American Registrar and Stock, 1234 W South Jordan Pkwy, Ste B3 South Jordan, UT 84095

MATERIAL CONTRACTS

During the past two years, the Company has entered into the following contracts which are material:

1. On September 18, 2017, the Company entered into an agreement with Arthur Halleran to act as CEO. Pursuant to the agreement, the Company shall issue 280,000 shares for payment of wages for the first three months of

service, Halleran shall be paid a monthly salary of $6,000 in arrears with the option to convert wages payable to Park Place shares at the average of the 10 day Market Price preceding the end of the month the wages are payable. For the period following the month during which the $1,000,000 Capital Raise is completed, a monthly salary of $10,000 payable monthly in arrears with the option to convert wages payable to shares at the average of the 10-day Market Price preceding the end of the month the wages are payable. Subject to a capital raise great than $5,000,000, the CEO shall be paid a monthly salary of $13,000 per month. As a signing bonus, the CEO was issued 500,000 stock options, exercisable for a period of 5 years from the date of issuance at an exercise price of $0.12 per share. On each of the anniversary of the agreement, the Company shall issue 100,000 fully vested RSUs, so long as the agreement remains in effect. If during the term of this Agreement the Company completes any cash financing of $5,000,000 the Company shall issue to Halleran 250,000 fully vested RSUs for each $5,000,000 raised.

2. On September 18, 2017, the Company entered into an agreement with David Thompson to act as CFO. Pursuant to the agreement, the Company shall issue 250,000 shares for payment of wages for the first three months of service, Thompson shall be paid a monthly salary of $4,000 in arrears with the option to convert wages payable to Park Place shares at the average of the 10 day Market Price preceding the end of the month the wages are payable. For the period following the month during which the $1,000,000 Capital Raise is completed, a monthly salary of $8,000 payable monthly in arrears with the option to convert wages payable to shares at the average of the 10-day Market Price preceding the end of the month the wages are payable. Subject to a capital raise great than $5,000,000, the CEO shall be paid a monthly salary of $10,000 per month. As a signing bonus, the CFO was issued 300,000 stock options, exercisable for a period of 5 years from the date of issuance at an exercise price of $0.12 per share. On each of the anniversary of the agreement, the Company shall issue 75,000 fully vested RSUs, so long as the agreement remains in effect. If during the term of this Agreement the Company completes any cash financing of $5,000,000 the Company shall issue to Thompson 200,000 fully vested RSUs for each $5,000,000 raised.

3. In January 2018 the Company entered into an agreement to acquire an additional 12.25% interest in SASB gas field. The cost of the purchase is as follows: $309,515 cash inclusive of VAT and 1.5 million shares of our common stock, of which 1 million, fair valued at $90,000, were issued in 2017 and a further 500,000 shares were issued during the three months ended March 31, 2018 and fair valued at $67,500 based on the closing price of the stock on the date of was spent to acquire an additional 12.25%. The acquisition increased Park Place's total interest from 36.75% to 49%.

4. On October 1, 2018 the Company entered into an agreement to grant to a consultant of the Company a 2% (two percent) gross overriding royalty on petroleum substances produced from certain of its exploration properties, namely: Block 1-11 Vranino situated in Dobrich District, Bulgaria and seven contiguous exploration licences in the province of Hakkari Yuksekova Semdiali Derecik, Turkey. The Grant of the royalty agreement was for services involving technical and corporate advice services.

5. On October 1, 2018 the Company entered into an agreement to grant to the CEO of the Company a .5% (one half of one percent) gross overriding royalty on petroleum substances produced from certain of its exploration properties, namely: Block 1-11 Vranino situated in Dobrich District, Bulgaria and seven contiguous exploration licences in the province of Hakkari Yuksekova Semdiali Derecik, Turkey. The Grant of the royalty agreement was for services involving technical and corporate advice services.

6. September 29, 1995 (as amended) between Park Place Energy Turkey Ltd. and Turkiye Petrolleri Anonim Ortakligi ("TPAO") production sharing contract for the SASB gas field. Terms of the production sharing are 51% to TPAO and 49% to the Company, and whereby TPAO is currently the operator. An operating Committee is appointed for overall supervision and direction of joint operations between TPAO and the Company. Both Operator or a non-operator can call for a meeting. Location of meetings is Ankara, Turkey unless otherwise decided by the committee. Voting in lieu of meeting is permitted unless a party requests the matter to be decided with a meeting. Each party is entitled to take its share of production in kind and dispose of its own share subject to an offtake agreement between the parties. Surrender of all or any part of the license area is subject to unanimous consent of parties.

7. March 15, 1985 (as amended) between Park Place Energy Turkey Ltd. and Turkiye Petrolleri Anonim Ortakligi ("TPAO") production sharing contract for the Cendere oil field. Terms of the production sharing are 80.4% to TPAO and 19.6%% to the Company, whereby TPAO is currently the operator. An operating Committee is appointed for overall supervision and direction of joint operations between TPAO and the Company. Each party is entitled to take its share of production in kind and dispose of its own share subject to an offtake agreement between the parties. Surrender of all or any part of the license area is subject to unanimous consent of parties.

Copies of the above material contracts can be inspected at the office of our legal counsel, Vancouver, British Columbia during regular business hours for a period of 30 days after a final receipt is issued for this prospectus and are also available electronically at www.sedar.com or www.sec.gov .

INTERESTS OF EXPERTS

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in this prospectus as having prepared or certified a part of this document or a report of valuation described in this prospectus:

1. The audited financial statements of the Company included in this prospectus have been included in reliance upon the report of Whitley Penn LLP independent registered public accountants and upon the authority of such firm as experts in accounting and auditing.

2. The oil and gas reserve estimates included in this prospectus have been included in reliance upon the report of GLJ & Associates, LLC of Calgary, Alberta and upon the authority of such firm as experts in oil and gas reserve engineering.

Based on information provided by the relevant persons, none of such persons or companies or any director, officer, employee or partner thereof have received or will receive direct or indirect interest in the property of the Company or of any associate or affiliate of the Company or have any beneficial ownership, direct or indirect, of securities of the Company. None of such persons is or is expected to be elected, appointed or employed as a director or employee of the Company.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces the securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Unaudited financial statements for the Company for the quarter ended September 30, 2018 as well as audited financial statements for the Company for the years ended December 31, 2017, December 31, 2016 and December 31, 2015 are included in this prospectus as Appendix “A”.

AUDITORS' CONSENT

January 10, 2019

British Columbia Securities Commission

Dear Sirs/Mesdames:

Re: Park Place Energy Inc. (the "Company")

We have read the non-offering preliminary prospectus (the "prospectus") of Park Place Energy Inc. dated January 10, 2018 relating to the application for a listing of the Company's common shares on the Canadian Securities Exchange.

We consent to the use in the above-mentioned non-offering prospectus of the following:

(a) our report to the shareholders of the Company on the consolidated balance sheets of the Company as of December 31, 2017 and 2016 and the consolidated statements of stockholders' Equity, operations and cash flows for the years then ended. Our report is dated August 10, 2018;

(b) our report to the shareholders of the Company on the balance sheets of the Company as of December 31, 2016 and 2015 and the statements of shareholders' Equity, operations and cash flows for the years then ended. Our report is dated March 30, 2017.

We also consent to the reference to our firm under the heading "Experts" in this non-offering preliminary prospectus. We report that we have read the prospectus and all information specifically incorporated by reference therein and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the financial statements upon which we have reported or that are within our knowledge as a result of our audit of such financial statements. We have complied with Canadian generally accepted standards for an auditor's consent to the use of a report of the auditor included in an offering document, which does not constitute an audit or review of the prospectus as these terms are described in the CICA Handbook – Assurance.

//Whitley Penn LLP

Houston, Texas
January 10, 2018

APPENDIX "A"

FINANCIAL STATEMENTS

PART I

Item 1. Financial Statements

PARK PLACE ENERGY INC.
Consolidated Balance Sheets

	September 30, 2018 (unaudited)	December 31, 2017
ASSETS		
Current assets:		
Cash	$ 192,253	$ 130,476
Receivables	1,159,023	600,312
Prepaid expenses and deposits	49,681	316,694
Total current assets	1,400,957	1,047,482
Oil and gas properties, net	6,795,622	5,723,394
Property and equipment, net	109,588	97,777
Restricted cash	99,408	127,688
Note receivable	47,322	46,109
Total assets	$ 8,452,897	$ 7,042,450
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,517,885	$ 1,584,050
Loans payable	618,714	965,287
Total current liabilities	2,136,599	2,549,337
Asset retirement obligation	3,927,931	2,527,259
Total liabilities	6,064,530	5,076,596
Stockholders' equity:		
Common stock Authorized: 250,000,000 shares, par value $0.00001 Issued and outstanding: 71,684,965 and 58,243,904 shares, respectively.	717	582
Additional paid-in capital	24,375,499	22,905,377
Stock subscriptions and stock to be issued	145,802	80,400
Accumulated other comprehensive loss	(303,344)	(135,469)
Accumulated deficit	(21,830,307)	(20,885,036)
Total stockholders' equity	2,388,367	1,965,854
Total liabilities and stockholders' equity	$ 8,452,897	$ 7,042,450

See accompanying condensed notes to these interim consolidated financial statements.

PARK PLACE ENERGY INC.
Consolidated Statements of Operations and Comprehensive Loss
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	**2017**	**2018**	**2017**
Revenue				
Oil and gas sales	$ 1,272,092	$ 1,003,640	$ 3,361,667	$ 2,676,279
Cost and expenses				
Production	729,352	734,046	2,170,246	2,345,931
Depletion	180,987	237,122	534,381	483,605
Depreciation	5,550	-	20,789	-
Accretion of asset retirement obligation	95,803	60,137	273,328	163,118
General and administrative	687,505	403,415	1,551,191	1,758,259
Total expenses	1,699,197	1,434,720	4,549,935	4,750,913
Loss before other income (expenses)	(427,105)	(431,080)	(1,188,268)	(2,074,634)
Other income (expenses)				
Interest expense	(14,193)	(20,335)	(51,291)	(60,995)
Late filing penalty, taxes	-	(1,833)	-	(11,767)
Interest income	3,879	-	9,461	-
Foreign exchange gain (loss)	92,874	(14,399)	66,710	(22,272)
Other income (expense)	(11,622)	15,495	320,617	15,495
Loss on debt settlement	-	-	(102,500)	-
Gain on bargain purchase option	-	-	-	15,695
Total other income (expenses)	70,938	(21,072)	242,997	(63,844)
Net loss for the period	$ (356,167)	$ (452,152)	$ (945,271)	$ (2,138,478)
Loss per share	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.04)
Weighted average number of shares outstanding	71,125,487	56,228,108	67,653,988	56,034,121
Other comprehensive income (loss)				
Change in foreign currency translation adjustments	(329,730)	19,058	(167,875)	13,098
Other comprehensive loss	$ (685,897)	$ (433,094)	$ (1,113,146)	$ (2,125,380)

See accompanying condensed notes to these interim consolidated financial statements.

PARK PLACE ENERGY INC.
Consolidated Statements of Cash Flows
(unaudited)

	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
Operating activities:		
Net loss for the period	$ (945,271)	$ (2,138,478)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	-	310,046
Depletion	534,381	483,605
Depreciation	20,789	-
Accretion of asset retirement obligation	273,328	163,118
Loss on debt settlement	102,500	-
Interest from loans payable	51,291	-
Gain on bargain purchase	-	(15,695)
Changes in operating assets and liabilities:		
Receivables	(781,182)	(16,545)
Prepaid expenses and deposits	95,336	409,500
Accounts payable and accrued liabilities	240,784	314,312
Net cash used in operating activities	(408,044)	(490,137)
Investing activities:		
Purchase of Tiway, net of $500,000 deposit and $855,014 in acquired cash and restricted cash	-	(855,014)
Property and equipment additions	(75,984)	-
Oil and gas properties expenditures	(323,791)	-
Net cash used in investing activities	(399,775)	(855,014)
Financing activities:		
Proceeds from stock subscriptions received	1,122,908	106,000
Share issuance costs	(7,250)	-
Proceeds from loans payable	13,694	132,153
Repayments of loans payable	(161,558)	(100,000)
Net cash provided by financing activities	967,794	138,153
Effect of exchange rate changes on cash and restricted cash	(126,478)	8,137
Change in cash and restricted cash	33,497	(1,198,861)
Cash and restricted cash at beginning of period	258,164	1,550,937
Cash and restricted cash at end of period	$ 291,661	$ 352,076

Non-cash investing and financing activities:		
Oil and gas expenditures included in accounts payable	$ -	$ 26,762
Restricted stock issued for oil and gas property expenditures	$ 67,500	$ 16,428
Stock issued for restricted stock units	$ -	$ 8
Issuance of common stock for stock subscriptions	$ 80,400	$ 1,011,000
Loans payable converted to stock	$ 250,000	$ -
Asset retirement cost addition	$ 1,127,344	$ -
Deposit applied to oil and gas properties expenditures	$ 90,000	$ -

See accompanying condensed notes to these interim consolidated financial statements.

PARK PLACE ENERGY INC.
Notes to the Consolidated Financial Statements
(unaudited)

1. Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying unaudited consolidated financial statements Park Place Energy Inc. ("Park Place", "Company", "we" or "our") have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month and nine month periods ended September 30, 2018 are not necessarily indicative of the results that may be expected for the year ended December 31, 2018.

The consolidated balance sheet at December 31, 2017, has been derived from the audited consolidated financial statements at that date but does not include all the information and footnotes required by generally accepted accounting principles for complete financial statements.

For further information, refer to the consolidated financial statements and footnotes thereto included in Park Place's annual report on Form 10-K for the year ended December 31, 2017.

The Company has suffered recurring losses from operations and the Company has a significant working capital deficiency. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company will need to raise funds through either the sale of its securities, issuance of corporate bonds, joint venture agreements and/or bank financing to accomplish its goals. If additional financing is not available when needed, the Company may need to cease operations. The Company may not be successful in raising the capital needed to drill and/or rework existing oil wells. Any additional wells that the Company may drill may be non-productive. Management believes that actions presently being taken to secure additional funding for the reworking of its existing infrastructure will provide the opportunity for the Company to continue as a going concern. Since the Company has an oil producing asset, its goal is to increase the production rate by optimizing its current infrastructure. The accompanying financial statements have been prepared assuming the Company will continue as a going concern; no adjustments to the financial statements have been made to account for this uncertainty.

(b) Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the estimated useful lives and recoverability of long-lived assets, impairment of oil and gas properties, fair value of stock-based compensation, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

(c) Financial Instruments and Fair Value Measures

The carrying amounts reported in the consolidated balance sheets for cash, receivables, loans payable, accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturity of these financial instruments. None of these instruments are held for trading purposes.

(d) Loss Per Share

The Company computes loss per share of Company stock in accordance with ASC 260 ("Earnings per Share"), which requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing the loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. As of September 30, 2018 and September 30, 2017, the Company had 7,275,531 and 20,834,375 potentially dilutive shares outstanding, which were excluded from the calculation of diluted EPS, respectively.

(e) Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"). The Company adopted this standard on modified retroactive basis on January 1, 2018. No financial statement impact occurred upon adoption.

Revenue from Contracts with Customers

We recognize revenue when it satisfies a performance obligation by transferring control over a product to a customer. Revenue is measured based on the consideration we expect to receive in exchange for those products.

Performance Obligations and Significant Judgments

We sell oil and natural gas products in Turkey. We enter into contracts that generally include one type of distinct product in variable quantities and priced based on a specific index related to the type of product.

The oil and natural gas are typically sold in an unprocessed state to processors and other third parties for processing and sale to customers. We recognize revenue at a point in time when control of the oil is transferred. For oil sales, control is typically transferred to the customer upon receipt at the wellhead or a contractually agreed upon delivery point. Under our natural gas contracts with processors, control transfers upon delivery at the wellhead or the inlet of the processing entity's system. For our other natural gas contracts, control transfers upon delivery to the inlet or to a contractually agreed upon delivery point. In the cases where we sell to a processor, we have determined that we are the principal in the arrangement and the processors are our customers. We recognize the revenue in these contracts based on the net proceeds received from the processor.

Transfer of control drives the presentation of transportation and gathering costs within the accompanying unaudited consolidated statements of operations. Transportation and gathering costs incurred prior to control transfer are recorded within the transportation and gathering expense line item on the accompanying unaudited consolidated statements of operations, while transportation and gathering costs incurred subsequent to control transfer are recorded as a reduction to the related revenue.

A portion of our product sales are short-term in nature. For those contracts, we use the practical expedient in ASC 606-10-50-14 exempting us from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

For our product sales that have a contract term greater than one year, we have utilized the practical expedient in ASC 606-10-50-14(a) which states we are not required to disclose the transaction price allocated to remaining performance obligations if the variable consideration is allocated entirely to an unsatisfied performance obligation. Under these sales contracts, each unit of product represents a separate performance obligation; therefore, future volumes are unsatisfied, and disclosure of the transaction price allocated to remaining performance obligations is not required. We have no unsatisfied performance obligations at the end of each reporting period.

We do not believe that significant judgments are required with respect to the determination of the transaction price, including any variable consideration identified. There is a low level of uncertainty due to the precision of measurement and use of index-based pricing with predictable differentials. Additionally, any variable consideration identified is not constrained.

(f) Statement of Cash Flows

In November 2016, the FASB issued ASU No. 2016-18, ("ASU 2016-18") Statement of Cash Flows (Topic 230): Restricted Cash. This ASU is intended to provide guidance on the presentation of restricted cash or restricted cash equivalents and reduce the diversity in practice. This ASU requires amounts generally described as restricted cash and restricted cash equivalents to be included with cash and cash equivalents when reconciling beginning-of-period and end-of-period total amounts on the statement of cash flows. Adopted retrospectively as of January 1, 2018 and have applied to all periods presented herein. The adoption of ASU 2016-18 did not have a material impact to our unaudited condensed consolidated financial statements. The effect of the adoption of ASU 2016-18 on our condensed consolidated statements of cash flows was to include restricted cash balances in the beginning and end of period balances of cash and cash equivalent and restricted cash. The change in restricted cash was previously disclosed in operating activities and financing activities in the condensed consolidated statements of cash flows.

(g) Recently Issued Accounting Pronouncements

Applicable for fiscal years beginning after December 15, 2018:

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)." This accounting standard seeks to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Current US GAAP does not require lessees to recognize assets and liabilities arising from operating leases on the balance sheet. This standard also provides guidance from the lessees' perspective on how to determine if a lease is an operating lease or a financing lease and the differences in accounting for each. In January 2018, the FASB issued ASU No. 2018-01, which allows for an entity to elect an optional transition practical expedient for land easements that exist or expired before adoption of Topic 842. The adoption of this standard is required for interim and fiscal periods beginning after December 15, 2018 and it is required to be applied using the modified retrospective approach. Early adoption is permitted.

The Company has evaluated the impact of the above standards on their consolidated financial statements. Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

2. Oil and Gas Properties

		Unproven properties Bulgaria		Proven properties Turkey		Total
January 1, 2016	$	2,939,829	$	-	$	2,939,829
Expenditures		144,002		-		144,002
Acquisition		-		3,414,110		3,414,110
Depletion		-		(774,547)		(774,547)
December 31, 2017	$	3,083,831	$	2,639,563	$	5,723,394
Foreign currency translation change		(2,026)		-		(2,026)
Expenditures		14,276		-		14,276
Depletion		-		(534,381)		(534,381)
Asset retirement cost addition		-		1,127,344		1,127,344
Asset purchase		-		467,015		467,015
September 30, 2018	$	3,096,081	$	3,880,528	$	6,795,622

Bulgaria

The Company holds a 98,205-acre oil and gas exploration claim in the Dobrudja Basin located in northeast Bulgaria. The Company intends to conduct exploration for natural gas and test production activities over a five-year period in accordance with or exceeding its minimum work program obligation. The Company's commitment is to perform geological and geophysical exploration activities in the first 3 years of the initial term (the "Exploration and Geophysical Work Stage"), followed by drilling activities in years 4 and 5 of the initial term (the "Data Evaluation and Drilling Stage"). The Company is required to drill 10,000 meters (approximately 32,800 feet) of new wellbore (which may be vertical, horizontal or diagonal) and conduct other exploration activities during the initial term. The Company intends to commence its work program efforts once it receives all regular regulatory approvals of its work programs.

Turkey
Cendere oil field

The primary asset of the PPE Turkey Companies is the Cendere onshore oil field, which is a profitable oil field located in South East Turkey having a total of 25 wells. The Cendere Field was first discovered in 1988. Oil production commenced during 1990. The operator of the Cendere Field is TPAO. The Company's interest is 19.6% for all wells except for wells C-13, C-15 and C-16, for which its interest is 9.8%. The produced oil has a gravity of 27.5o API.

The Cendere Field is a long term low decline oil reserve. The Company has a 19.6% interest in the Cendere oil field located in Southeast Turkey. This mature oilfield consistently produces between 110 and 123 bopd (barrels oil per day) net to the Company. During August 2018, the Company's average net oil was 135 bopd at 96% water cut.

At December 31, 2016, the gross oil production rate for the producing wells in Cendre was 675 MMbbls; the average daily 2017 gross production rate for the field was 715 bbls. At the end of September 2018, oil is currently sold at a price of approximately US$ 75.20 per barrel for a netback per barrel of approximately US$37.86.

At December 31, 2017, the Cendere field was producing 669 barrels of oil per day, net to the PPE Turkey Companies; and averaged 118 barrels per day during 2017 net to the PPE Turkey Companies. After the initial development of the Cendere Field, oil production was approximately 2,000 bopd from three wells and which peaked at approximately 7,000 bopd in 1992, when additional wells were put into production. The field started to produce water during the first year of production. To date approximately 20.1 MMbbls of oil have been produced from the Cendere Field.

A description of the Cendere Field geological and reservoir characteristics is as follows. The reservoirs are located in the South East Anatolian Basin and within the Middle Cretaceous period. The carbonated Derdere Formation is the main reservoir in Cendere Field and has dolomitization and fracturing, which enhance its production characteristics. There are also four additional oil reservoirs contained within Cendere Field. The Cendere Field is covered by 54 km2 of 3D seismic that was acquired in 2004.

The field was developed using a collection of dispersed oil wells from which production is collected and exported to the Cendere gathering station. The produced oil is exported to the TPAO Karakus processing facility which then is transported onwards to the BOTAS-operated oil pipeline. There are 20 well pads which currently house 16 producing wells spread over an area of approximately 15 square kilometers. A field gathering station, located to the southwest of the Cendere Field collects the oil and produced water from a collection of flowlines and manifolds.

The oil produced from the Cendere Field is exported from Karakus via a TPAO operated oil pipeline to the town of Saril, where the export oil pipeline ties into the BOTAS operated pipeline to the Ceyhan region. The oil is sold at market prices (less a processing and transportation fee) to Tupras in Ceyhan.

The South Akcakoca Sub-Basin ("SASB").

The Company owns offshore production licenses called the South Akcakoca Sub-Basin ("SASB"). The Company now owns a 49% working interest in SASB, 12.25% which was obtained during January 2018. The additional interest was acquired with cash of $309,515, 1,000,000 shares issued on November 22, 2017 fair valued at $90,000 and a further share issuance of 500,000 shares on January 30, 2018 fair valued at $67,500 for total consideration of $467,015. During the year ending December 31, 2017, the Company owned a 36.5% interest. SASB has four producing fields, each with a production platform plus subsea pipelines that connect the fields to an onshore gas plant. The four SASB fields are located off the north coast of Turkey towards the western end of the Black Sea in water depths ranging from 60 to100 meters. Gas is produced from Eocene age sandstone reservoirs at subsea depths ranging from 1,100 to1,800 meters.

Bakuk gas field

Park Place also owns a 50% operated interest in the Bakuk gas field located near the Syrian border. The Bakuk field is shut-in with no plans to revive production in the near term.

3. Note Receivable

In April 2015, the Company loaned $38,570 to a Bulgarian company pursuant to a revolving credit facility, enabling such Bulgarian company to buy and manage land in Bulgaria to be leased by the Company for future well sites. The credit facility has a maximum loan obligation of BGN 1,000,000 ($593,193 USD at September 30, 2018) bears interest at 6.32%, has a five-year term and is secured by the land the Bulgarian company buys. Payment on the facility is due the earlier of the end of the five-year term (April 6, 2020) or demand by the Company. As of September 30, 2018, the outstanding balance on the loan obligation was $47,322 (December 31, 2017: $46,109). The change in balance was due to changes in foreign currency translations.

4. Loans Payable

As of	September 30, 2018	December 31, 2017
Interest bearing loans	$ 591,714	$ 903,262
Non-interest-bearing loans	27,000	62,025
Total	$ 618,714	$ 965,287

Loans bearing interest, accrue at 10% per annum are all unsecured. All loans are due on demand. No interest has been inputted on the non-interest-bearing loans as it would be immaterial to the financial statements.

5. Asset Retirement Obligations

Asset retirement obligations ("AROs") associated with the retirement of tangible long-lived assets are recognized as liabilities with an increase to the carrying amounts of the related long-lived assets in the period incurred. The fair value of AROs is recognized as of the acquisition date. The cost of the tangible asset, including the asset retirement cost, is depleted over the life of the asset. AROs are recorded at estimated fair value, measured by reference to the expected future cash outflows required to satisfy the retirement obligations discounted at the Company's credit-adjusted risk-free interest rate. Accretion expense is recognized over time as the discounted liabilities are accreted to their expected settlement value. If estimated future costs of AROs change, an adjustment is recorded to both the ARO and the long-lived asset. Revisions to estimated AROs can result from changes in retirement cost estimates, revisions to estimated inflation rates and changes in the estimated timing of abandonment. Our ARO is measured using primarily Level 3 inputs. The significant unobservable inputs to this fair value measurement include estimates of plugging costs, remediation costs, inflation rate and well life. The inputs are calculated based on historical data as well as current estimated costs.

The Company estimated an ARO for the addition of 12.25% of the South Akcakoca Sub Basin as disclosed in Note 2. For the current period addition, the Company used 2.5% as inflation rate and used a risk-free rate of 10% to present value the obligation.

The following is a description of the Company's asset retirement obligations:

	September 30, 2018	December 31, 2017
Asset retirement obligations at beginning of period	$ 2,527,259	$ -
Additions	1,127,344	2,302,500
Accretion expense	273,328	224,759
Asset retirement obligations at end of period	$ 3,927,931	$ 2,527,259

6. Common Stock

During the nine months ending September 30, 2018, the Company closed several private placements with the issuance of 9,771,061 shares of common stock, at $0.10 per share for gross proceeds of $977,106. Each common share having ½ of one share purchase warrant attached, resulting in the issuance of 4,885,531 warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.30 per share of common stock.

The Company received a further $145,802 in subscriptions, which were closed and issued subsequent to period end.

During the nine months ended, the Company issued 670,000 shares to management and a consultant valued at $80,400, which were outstanding at December 31, 2017.

On a private placement, a broker fee of $7,250 was paid and offset against paid up capital.

On February 21, 2018, the Company issued 500,000 shares of the company's common stock as partial consideration of an additional 12.25% of the South Akcakoca Sub Basin ("SASB") gas field. The common shares were fair valued at $67,500 based on the closing price of the stock on the date of issuance.

On March 5, 2018 the Company settled note payables of $250,000 for 2,500,000. The market price of the stock on the date of settlement was $0.141 and loss of $102,500 was recorded.

7. Stock Options

The following table summarizes the continuity of the Company's stock options:

Outstanding, December 31, 2017	3,315,000
Granted	-
Exercised	-
Expired	(1,200,000)
Outstanding, September 30, 2018	2,115,000

As of September 30, 2018, all stock options have fully vested. The weighted average remaining life of the stock options are 3.02 years (December 31, 2017: 2.99). The weighted average exercise price at the period ended September 30, 2018 is $0.15 (December 31, 2017: $0.14). The aggregate intrinsic value of the stock options at September 30, 2018 is $0 (December 31, 2017: $103,050).

There was no compensation expense related to stock options recognized during the nine months ended September 30, 2018 and $23,787 recorded for the comparative nine months ended September 30, 2017. At September 30, 2018, the Company has no unrecognized compensation expense related to stock options and as of September 30, 2017 the Company had $277,874 in unrecognized compensation expense related to stock options.

8. Restricted Stock Units

For consideration of the renewal of management contracts, 275,000 restricted stock units ("RSUs") were granted and vested immediately for the nine months ended September 30, 2018. No RSUs were granted during the nine month period ended September 30, 2017.

The RSUs were fair valued at $31,000 based on the fair market value of the closing price of the common stock of the Company at the date grants. At the option of management, one third of the restricted stock units are eligible to be redeemed for cash. As of September 30, 2018, these shares were not issued and the value is recorded in Stock subscriptions and stock to be issued.

9. Warrants

During the period, the Company closed several private placements with the issuance of 9,771,061 shares of common stock. Each common share having ½ of one share purchase warrant attached, resulting in the issuance of 4,885,531 warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.30 per share of common stock.

The fair values for warrants issued have been estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions:

	2018
Risk-free interest rate	2.17-2.61%
Expected life (in years)	2.0
Expected volatility	216-247%
Weighted average fair value per share	$0.12

The fair value of the warrants issued was $593,456. The fair value is allocated to additional paid-in capital.

The following table summarizes the share purchase warrants:

Outstanding, December 31, 2017	10,895,000
Expired	(10,895,000)
Issued	4,885,531
Outstanding, September 30, 2018	4,885,531

The weighted average remaining life of the warrants are 1.50 years (December 31, 2017: 0.35). The weighted average exercise price at the period ended September 30, 2018 is $0.30 (December 31, 2017: $0.35).

10. Segment Information

During 2018 and 2017, the Company's operations were in the resource industry in Bulgaria, and Turkey with head offices in the United States, Canada and a satellite office in Sofia, Bulgaria. The Company's primary operations are the oil and gas operations in Turkey. Additionally, the Company has a petroleum exploration license in Bulgaria.

For the period ended September 30, 2018	Bulgaria	North America	Turkey	Total
Revenue				
Oil and gas sales	$ -	$ -	$ 3,361,667	$ 3,361,667
Cost and expenses				
Production	-	-	2,170,246	2,170,246
Depletion	-	-	534,381	534,381
Depreciation	-	-	20,789	20,789
Accretion of asset retirement obligation	-	-	273,328	273,328
General and administrative	1,574	687,777	861,840	1,551,191
Total expenses	$ 1,574	$ 687,777	$ 3,860,584	$ 4,549,935
Loss before other income (expenses)	$ (1,574)	$ (687,777)	$ (498,917)	$ (1,188,268)
Other income (expenses)				
Interest income	-	-	9,461	9,461
Interest expense	-	(51,291)	-	(51,291)
Foreign exchange gain (loss)	-	4,600	62,110	66,710
Other income (expense)	-	(30,000)	350,617	320,617
Loss on debt settlement	-	(102,500)	-	(102,500)
Total other income (expense)	$ -	$ (179,191)	$ 422,188	$ 242,997
Net Loss	$ (1,574)	$ (866,968)	$ (76,729)	$ (945,271)
Long Lived Assets	$ -	$ -	$ 3,809,129	$ 3,809,129

11. Income Taxes

The Company is subject to United States federal and state income taxes at a rate of 21% and 34% in 2018 and 2017 respectively. The reconciliation of the provision for income taxes at the United States federal statutory rate compared to the Company's income tax expense as reported is as follows:

	Nine months Ended September 30,	
	2018	2017
Benefit at statutory rate	$ (198,507)	$ (194,283)
Permanent differences and other:	-	154
Valuation allowance change	198,507	194,129
Income tax provision	$ -	$ -

12. Related party transactions

At September 30, 2018, $123,722 (December 31, 2017: $132,249) of accounts payable were to related parties. The amounts owed, and owing are unsecured, non-interest bearing, and due on demand. Total year to date consulting and management fees paid to officers of the Company were $119,000.

13. Supplementary cash flow

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial position that sum to the total of the same such amounts shown in the statement of cash flows.

	Nine Months Ended September 30,	
	2018	2017
Cash	$ 192,253	$ 314,900
Restricted cash	99,408	132,084
Total cash and restricted cash shown in the statement of cash flows	$ 291,661	$ 446,984

The restricted cash is related to the drilling bonds provided to GDPA (General Directorate of Petroleum Affairs) for the exploration licenses due to Turkish Petroleum Law. The amounts are for 2% of the annual work budget of the different licenses which is submitted to GDPA on annual basis.

14. Other income

The Company received $332,239 in other income from the government. This amount relates to the settlement of a legal and tax dispute with General Directorate of Petroleum Affairs (GDPA) relating to a taxation liability that the Company was assessed for training costs commencing 2008. The Company disputed the assessment, but was previously unsuccessful in its application. In 2018, the Company was successful in negotiating a non-legal settlement, overturning the training cost obligation.

The "training obligation" was imposed by GDPA in relation to SASB Project pursuant to former Turkish Petroleum Law no. 6326. Because of the 2008 assessment, the Company was forced to follow the amounts and percentages set in 2008. The Law states that petroleum right holders in Turkey are obliged to train Turkish citizens against each foreign citizen recruited in petroleum activities. This obligation is determined by taking 25% of the total number of the days the foreigners worked for the petroleum activity.

15. Subsequent events

On October 1, 2018 the Company entered into an agreement to grant to a consultant of the Company a 2% (two percent) gross overriding royalty on petroleum substances produced from certain of its exploration properties, namely: Block 1-11 Vranino situated in Dobrich District, Bulgaria and seven contiguous exploration licences in the province of Hakkari Yuksekova Semdiali Derecik, Turkey. The Grant of the royalty agreement was for services involving technical and corporate advice services.

On October 1, 2018 the Company entered into an agreement to grant to the CEO of the Company a .5% (one half of one percent) gross overriding royalty on petroleum substances produced from certain of its exploration properties, namely: Block 1-11 Vranino situated in Dobrich District, Bulgaria and seven contiguous exploration licences in the province of Hakkari Yuksekova Semdiali Derecik, Turkey. The Grant of the royalty agreement was for services involving technical and corporate advice services.

On October 26, a debtor converted $295,000 of debt at $0.10 per unit for 2,950,000 common shares. Each common share having ½ of one share purchase warrant attached, resulting in the issuance of 1,475,000 warrants.

On October 30, 2018, the Company closed a private placement with the issuance of 6,326,000 common shares of common stock, at $0.10 per share for gross proceeds of $632,600. Each common share having ½ of one share purchase warrant attached, resulting in the issuance of 3,163,000 warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.30 per share of common stock. $200,000 of this placement was closed by a broker and subject to cash finance fees of $16,000 and 8% broker warrants for a total of 160,000 warrants with a strike price of $0.15 and a term of two years.

On November 7, 2018, the Company closed a private placement with the issuance of 2,250,000 common shares of common stock, at $0.10 per share for gross proceeds of $225,000. Each common share having ½ of one share purchase warrant attached, resulting in the issuance of 1,125,000 warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.15 per share of common stock.

On November 12, 2018, the Company closed a private placement with the issuance of 262,000 common shares of common stock, at $0.10 per share for gross proceeds of $26,250. Each common share having ½ of one share purchase warrant attached, resulting in the issuance of 131,000 warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.15 per share of common stock.

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PARK PLACE ENERGY INC.

Index to Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
Park Place Energy Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Park Place Energy, Inc. and subsidiaries (the "Company") as of December 31, 2017 and 2016, and the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

The accompanying financial statements have been prepared assuming that the entity will continue as a going concern. As discussed in Note 2 to the financial statements, the entity has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Whitley Penn LLP

We have served as the Company's auditor since 2014

Houston, TX
August 10, 2018

PARK PLACE ENERGY INC.
Consolidated Balance Sheets
(Expressed in U.S. dollars)

	December 31, 2017	December 31, 2016
ASSETS		
Current assets:		
Cash	$ 130,476	$ 1,550,937
Account receivables	600,312	21
Prepaid expenses and deposits	316,694	10,924
Deposit for Tiway acquisition	-	500,000
Total current assets	1,047,482	2,061,882
Oil and gas properties, net	5,723,394	2,939,829
Property and equipment, net	97,777	-
Restricted cash	127,688	-
Note receivable	46,109	40,453
Total assets	$ 7,042,450	$ 5,042,164
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,584,050	$ 357,749
Loans payable	965,287	899,000
Total current liabilities	2,549,337	1,256,749
Asset retirement obligation	2,527,259	-
Total liabilities	5,076,596	1,256,749
Stockholders' equity:		
Common stock Authorized: 250,000,000 shares, par value $0.00001 Issued and outstanding: 58,243,904 and 50,281,482 shares, respectively	582	503
Additional paid-in capital	22,905,377	21,273,494
Stock subscriptions and stock to be issued	80,400	905,000
Accumulated other comprehensive income (loss)	(135,469)	4,618
Accumulated deficit	(20,885,036)	(18,398,200)
Total stockholders' equity	1,965,854	3,785,415
Total liabilities and stockholders' equity	$ 7,042,450	$ 5,042,164

See accompanying notes to consolidated financial statements

PARK PLACE ENERGY INC.
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in U.S. dollars)

	Year Ended December 31, 2017	Year Ended December 31, 2016
Revenue		
Oil and gas revenue	$ 3,883,059	$ -
Cost and expenses		
Production	2,814,672	-
Depletion	774,547	-
Depreciation	21,390	-
Accretion of asset retirement obligation	224,759	-
General and administrative	2,509,940	3,985,026
Total expenses	6,345,308	3,985,026
Loss before other income (expense)	(2,462,249)	(3,985,026)
Other income (expense)		
Interest income	-	2,420
Interest expense	(76,026)	(12,396)
Foreign exchange loss	(15,512)	(4,089)
Other gain	63,023	-
Taxes	(11,767)	-
Gain on bargain purchase option	15,695	-
Total other income (expense)	(24,587)	(14,065)
Net loss	$ (2,486,836)	$ (3,999,091)
Loss per share, basic and diluted	$ (0.04)	$ (0.08)
Weighted average number of shares outstanding basic and diluted	56,001,794	50,462,715
Other comprehensive loss		
Change in foreign currency translation adjustments	$ (140,087)	$ 3,428
Comprehensive loss	$ (2,626,923)	$ (3,995,663)

See accompanying notes to consolidated financial statements

PARK PLACE ENERGY INC.
Consolidated Statements of Stockholders' Equity
(Expressed in U.S. dollars)

	Common Stock		Additional paid-in	Stock subscriptions and stock to	Accumulated other comprehensive	Accumulated	
	Shares	Amount	capital	be issued	Income (loss)	Deficit	Total
Balance, December 31, 2015	45,731,482	$ 457	$17,258,619	$ 350,000	$ 1,190	$ (14,399,109)	$ 3,211,157
Issuance of common stock	4,250,000	43	424,957	(425,000)	–	–	–
Stock subscriptions received	–	–	–	980,000	–	–	980,000
Exercise of stock options	300,000	3	29,997	–	–	–	30,000
Stock-based compensation expense	–	–	3,481,386	–	–	–	3,481,386
Restricted stock issued for oil and gas properties	–	–	78,535	–	–	–	78,535
Currency translation adjustment	–	–	–	–	3,428	–	3,428
Net loss	–	–	–	–	–	(3,999,091)	(3,999,091)
Balance, December 31, 2016	50,281,482	$ 503	$21,273,494	$ 905,000	$ 4,618	$ (18,398,200)	$ 3,785,415
Issuance of common stock	6,075,000	61	1,110,939	(1,011,000)	–	–	100,000
Stock subscriptions received	–	–	–	110,000	–	–	110,000
Stock issuance costs	–	–	(8,985)	(4,000)	–	–	(12,985)
Vesting of restricted stock units	887,422	8	–	–	–	–	8
Stock-based compensation expense	–	–	428,431	80,400	–	–	508,831
Stock issued as deposit for oil and gas property	1,000,000	10	89,990	–	–	–	90,000
Restricted stock issued for oil and gas properties	–	–	11,508	–	–	–	11,508
Currency translation adjustment	–	–	–	–	(140,087)	–	(140,087)
Net loss	–	–	–	–	–	(2,486,836)	(2,486,836)
Balance, December 31, 2017	58,243,904	$ 582	$22,905,377	$ 80,400	$ (135,469)	$ (20,885,036)	$ 1,965,854

See accompanying notes to consolidated financial statements

PARK PLACE ENERGY INC.
Consolidated Statements of Cash Flows
(Expressed in U.S. dollars)

	Year Ended December 31, 2017	Year Ended December 31, 2016
Operating activities:		
Net loss for the period	$ (2,486,836)	$ (3,999,091)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	508,831	3,481,386
Depletion	774,547	-
Depreciation	21,390	-
Accretion of asset retirement obligation	224,759	-
Gain on bargain purchase option	(15,695)	-
Unrealized foreign exchange gain	(3,218)	-
Interest from loans payable	84,169	-
Changes in operating assets and liabilities:		-
Account receivables	(206,169)	562
Restricted cash	2,873	-
Prepaid expenses and deposits	125,837	2,423
Accounts payable and accrued liabilities	495,434	117,479
Net cash used in operating activities	(474,078)	(397,241)
Investing activities:		
Acquisition of Tiway, net of cash acquired	(855,014)	-
Issuance of note receivable	-	(963)
Property and equipment expenditures	(119,167)	-
Oil and gas properties expenditures	(144,002)	(38,848)
Net cash used in investing activities	(1,118,183)	(39,811)
Financing activities:		
Proceeds from stock subscriptions received	210,000	980,000
Proceeds from exercise of stock options	-	30,000
Stock issuance costs	(12,985)	-
Proceeds from loans payable	91,025	1,376,500
Repayment of loans payable	(122,000)	-
Repayment of stockholder loans	-	(477,500)
Net cash provided by financing activities	166,040	1,909,000
Effect of exchange rate changes on cash and cash equivalents	5,760	3,428
Change in cash and cash equivalents	(1,420,461)	1,475,376
Cash and cash equivalents, beginning of year	1,550,937	75,561
Cash and cash equivalents, end of year	$ 130,476	$ 1,550,937
Non-cash investing and financing activities:		
Oil and gas expenditures included in accounts payable	$ -	$ 121,264
Restricted stock issued for oil and gas properties	$ -	$ 78,535
Stock issued for deposit on oil and gas property	$ 90,000	$ -

See accompanying notes to consolidated financial statements

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
For the year ended December 31, 2017 and 2016
(Expressed in U.S. dollars)

1. Organization

Park Place Energy Inc. and its consolidated subsidiaries, ("Park Place", "Company", "we" or "our") is a U.S. based oil and gas exploration and production company. Our corporate headquarters are located at Suite 700, 838 West Hastings Street, Vancouver, B.C., Canada. The Company also has registered offices in Turkey and Bulgaria. Park Place was incorporated in Delaware in 2015.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements of Park Place Energy Inc. ("Park Place", "Company", "we" or "our") have been prepared in accordance with accounting principles generally accepted in the United States ("US GAAP") and are expressed in U.S. dollars. These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

The Company has suffered recurring losses from operations and the Company has a significant working capital deficiency. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company will need to raise funds through either the sale of its securities, issuance of corporate bonds, joint venture agreements and/or bank financing to accomplish its goals. If additional financing is not available when needed, the Company may need to cease operations. The Company may not be successful in raising the capital needed to drill and/or rework existing oil wells. Any additional wells that the Company may drill may be non-productive. Management believes that actions presently being taken to secure additional funding for the reworking of its existing infrastructure will provide the opportunity for the Company to continue as a going concern. Since the Company has an oil producing asset, its goal is to increase the production rate by optimizing its current infrastructure. The accompanying financial statements have been prepared assuming the Company will continue as a going concern; no adjustments to the financial statements have been made to account for this uncertainty.

(b) Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the estimated useful lives and recoverability of long-lived assets, impairment of oil and gas properties, fair value of stock-based compensation, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

(c) Cash and cash equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
For the year ended December 31, 2017 and 2016
(Expressed in U.S. dollars)

(d) Accounts receivable

Accounts receivable consist of oil and gas receivables. The Company has classified these as short-term assets in the balance sheet because the Company expects repayment or recovery within the next 12 months. The Company evaluates these accounts receivable for collectability and, when necessary, records allowances for expected unrecoverable amounts. The Company deems all accounts receivable to be collectable and has not recorded any allowance for doubtful accounts.

(e) Long-lived Assets

In accordance with Accounting Standards Codification ("ASC") 360, "Property, Plant and Equipment", the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances that could trigger a review include, but are not limited to: significant decreases in the market price of the assets; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the assets; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the assets; and current expectation that the assets will more likely than not be sold or disposed significantly before the end of their estimated useful life. Recoverability is assessed based on the carrying amount of the assets and their fair value, which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the assets, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount of the assets is not recoverable and exceeds fair value.

(f) Oil and Gas Properties

The Company follows the full cost method of accounting for oil and natural gas operations, whereby all costs of exploring for and developing oil and natural gas reserves are capitalized and accumulated in cost centers on a country-by-country basis. Costs include: license and land acquisition costs, geological, engineering, geophysical, seismic and other data, carrying charges on non-productive properties and costs of drilling and completing both productive and non-productive wells. General and administrative costs which are associated with acquisition, exploration and development activities are capitalized. General and administrative costs are capitalized other than to the extent of the Company's working interest in operated capital expenditure programs on which operator's fees have been charged equivalent to standard industry operating agreements.

The costs in each cost center, including the costs of well equipment, are depleted and depreciated using the unit-of-production method based on the estimated proved reserves before royalties. The costs of acquiring and evaluating significant unproved properties are initially excluded from depletion calculations. These unevaluated properties are assessed periodically to ascertain whether impairment has occurred. When proved reserves are assigned or the property is considered to be impaired, the cost of the property or the amount of the impairment is added to costs subject to depletion.

The capitalized costs (less accumulated depletion and depreciation in each cost center) are limited to an amount equal to the estimated future net revenue from proved reserves (based on prices and costs at the balance sheet date) plus the cost (net of impairments) of unproved properties. The total capitalized costs, less accumulated depletion and depreciation, site restoration provision and future income taxes of all cost centers, is further limited to an amount equal to the future net revenue from proved reserves plus the cost (net of impairments) of unproved properties of all cost centers less estimated future site restoration costs, general and administrative expenses, financing costs and income taxes.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
For the year ended December 31, 2017 and 2016
(Expressed in U.S. dollars)

Proceeds from the sale of oil and natural gas properties are applied against capitalized costs, with no gain or loss recognized, unless such a sale would significantly decrease the Company's total proven reserves.

(g) Property and equipment

Property and equipment are stated at cost and depreciated using the straight-line method over the shorter of the estimated useful life of the asset or the lease term. The estimated useful lives are: other assets are depreciated over 20 years; and leasehold improvements are depreciated over the term of the lease.

(h) Asset Retirement Obligations

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that results from the acquisition, construction, development, and/or normal use of the long-lived assets. The Company also records a corresponding asset that is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost).

(i) Financial Instruments and Fair Value Measures

The carrying amounts reported in the consolidated balance sheets for cash equivalents, notes and accounts receivable, loans payable, accounts payable and accrued expenses approximate fair value because of the immediate or short-term maturity of these financial instruments. None of these instruments are held for trading purposes.

(j) Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, "Accounting for Income Taxes". The asset and liability method provide that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

As of December 31, 2017, and 2016, the Company did not have any amounts recorded pertaining to uncertain tax positions. The Company recognizes interest and penalties related to uncertain tax positions in general and administrative expense. We did not incur any penalties or interest during the years ended December 31, 2017 and 2016. On December 22, 2017 the U.S. enacted the Tax Cuts and Jobs Act ("the Tax Act") which significantly changed U.S. tax law. The Tax Act lowered the Company's statutory federal income tax rate from a maximum of 39% to a rate of 21% effective January 1, 2018. The company has deferred tax losses and assets and they were adjusted as a result of the change in tax law reducing the federal income tax rate. The Company's tax years 2014 and forward remain open.

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(k) Foreign Currency Translation

Operations outside the United States prepare financial statements in currencies other than the United States dollar. The income statement amounts are translated at average exchange rates for the year, while the assets and liabilities are translated at year-end exchange rates. Translation adjustments are accumulated as a separate component of stockholders' equity and other comprehensive income. The functional currency of our Bulgarian operations is considered to be the Bulgarian Lev. The functional currency of our Turkish operations is considered to be the Turkish lira.

(l) Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718 ("Compensation – Stock Compensation") using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock-based awards. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to, the Company's expected stock price volatility over the term of the awards, and actual and projected stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

(m) Loss Per Share

The Company computes loss per share of Company stock in accordance with ASC 260 ("Earnings per Share"), which requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing the loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. As of December 31, 2017 and 2016, the Company had 14,210,000 and 14,976,797 potentially dilutive shares outstanding, which were excluded from the calculation of diluted EPS, respectively.

(n) Comprehensive Loss

Comprehensive loss consists of net loss and foreign currency cumulative translation adjustment.

(o) Related Party Transactions

Amounts owing to directors and officers incurred in the course of regular operations are classified in accounts payable. At December 31, 2017, $132,249 of accounts payable were to related parties and $212,738 at December 31, 2016.

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(p) Recently Issued Accounting Pronouncements

For fiscal years beginning after December 15, 2018:

In February 2016, the FASB issued ASC 2016-02 “Leases (Topic 842)” a comprehensive standard related to lease accounting to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Most significantly, the new guidance requires lessees to recognize operating leases with a term of more than 12 months as lease assets and lease liabilities. The adoption will require a modified retrospective approach at the beginning of the earliest period presented. Early adoption permitted.

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (ASU 2014-09), which supersedes most current revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle and, in doing so, more judgement and estimates may be required within the revenue recognition process than are required under existing U.S. GAAP. The standard is effective for us beginning 2018. We will be using the following transition method: a modified retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). We do not believe the adoption of this guidance will have a material impact on our financial statements.

The Company is currently evaluating the impact of the above standards on the consolidated financial statements. Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, are not believed by management to have a material impact on the Company’s present or future consolidated financial statements.

3. Tiway Acquisition

On January 18, 2017, Park Place completed the acquisition of three oil and gas exploration and production companies operating in Turkey from Tiway Oil B.V. in exchange for cash consideration of $2,100,000, which included a deposit of $500,000 paid in the prior year. On the date of acquisition, the fair value of the identifiable net assets exceeded the purchase consideration by $15,695, which is included in the other income line of the accompanying consolidated statement of. We incurred acquisition related expenses of approximately $39,000 which include legal and corporate matters.

The following table presents recognized fair value of the identifiable assets acquired and liabilities assumed at acquisition:

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Assets:		
Cash	$	744,986
Accounts receivable		395,530
Prepaid and other current assets		330,765
Restricted cash		130,227
Oil and natural gas properties – proved		3,414,110
Total assets		5,015,618
Liabilities:		
Accounts payable and accrued liabilities		597,423
Asset retirement obligation		2,302,500
Total liabilities		2,899,923
Total identifiable net assets		2,115,695
Cash consideration		2,100,000
Bargain purchase gain	$	15,695

During the period between the acquisition date and December 31, 2017, revenues and operating expenses of approximately $3,883,059 and $5,065,496 were recorded in the statement of operations related to the Tiway acquisition after the closing date and we generated losses of approximately $1,132,701.

4. Deposits

Included in prepaid expenses and deposits for the year ended December 31, 2017, is the value of a stock grant for a deposit an additional 12.25% of the South Akcakoca Sub Basin ("SASB") gas field bringing the Company's total interest to 49%. The stock grant was 1,000,000 shares valued at the market price on the date of grant of $0.09 per share, $90,000. The acquisition closed subsequent to year end and was applied to the purchase price.

5. Restricted cash

The restricted cash is related with the drilling bonds provided to GDPA (General Directorate of Petroleum Affairs) for the exploration licenses due to Turkish Petroleum Law. The amounts are for 2% of the annual work budget of the different Turkish licenses which is submitted to GDPA on annual basis.

6. Oil and Gas Properties

		Unproven properties Bulgaria		Proven properties Turkey		Total
January 1, 2016	$	2,701,182	$	-	$	2,701,182
Expenditures		238,647		-		238,647
December 31, 2016	$	2,939,829	$	-	$	2,939,829
Expenditures		144,002		-		144,002
Acquisition		-		3,414,110		3,414,110
Depletion		-		(774,547)		(774,547)
December 31, 2017	$	3,083,831	$	2,639,563	$	5,723,394

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Bulgaria

The Company holds a 98,205-acre oil and gas exploration claim in the Dobrudja Basin located in northeast Bulgaria. The Company intends to conduct exploration for natural gas and test production activities over a five-year period in accordance with or exceeding its minimum work program obligation. The Company's commitment is to perform geological and geophysical exploration activities in the first 3 years of the initial term (the "Exploration and Geophysical Work Stage"), followed by drilling activities in years 4 and 5 of the initial term (the "Data Evaluation and Drilling Stage"). The Company is required to drill 10,000 meters (approximately 32,800 feet) of new wellbore (which may be vertical, horizontal or diagonal) and conduct other exploration activities during the initial term. The Company intends to commence its work program efforts once it receives all regular regulatory approvals of its work programs.

Turkey

The primary asset of the PPE Turkey Companies is the offshore production license called the South Akcakoca Sub-Basin ("SASB"). The Company now owns a 36.75% working interest in SASB. SASB has four producing fields, each with a production platform plus subsea pipelines that connect the fields to an onshore gas plant. The four SASB fields are located off the north coast of Turkey towards the western end of the Black Sea in water depths ranging from 60 to100 meters. Gas is produced from Eocene age sandstone reservoirs at subsea depths ranging from 1100 to1800 meters.

Park Place also acquired two other oil and gas assets: a 19.6% interest in the Cendere field, a producing oil field located in Central Turkey, and a 50% operated interest in the Bakuk gas field located near the Syrian border. The Bakuk field is shut-in with no plans to revive production in the near term.

7. Property and equipment

	Leasehold improvements	Other equipment	Total
January 1, 2017	$ -	$ -	$ -
Expenditures	102,586	16,581	119,167
Depreciation	(20,517)	(873)	(21,390)
December 31, 2017	$ 82,069	$ 15,708	$ 97,777

8. Note Receivable

In April 2015, the Company loaned $38,570 to a Bulgarian company pursuant to a revolving credit facility, enabling such Bulgarian company to buy and manage land in Bulgaria to be leased by the Company for future well sites. The credit facility has a maximum loan obligation of BGN 1,000,000 ($535,980 at December 31, 2016), bears interest at 6.32%, has a five-year term and is secured by the land the Bulgarian company buys. Payment on the facility is due the earlier of the end of the five-year term (April 6, 2020) or demand by the Company. As of December 31, 2017, and 2016, the outstanding balance on the receivable was $46,109 and $40,453, respectively.

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9. Loans Payable

As of	December 31, 2017		December 31, 2016	
Interest bearing loans	$	903,262	$	899,000
Non-interest-bearing loans		62,025		-
Total	$	965,287	$	899,000

Loans bearing interest, accrue at 10% per annum are all unsecured. All loans are due on demand. No interest has been inputted on the non-interest-bearing loans as it would be immaterial to the financial statements.

10. Asset Retirement Obligations

Asset retirement obligations ("AROs") associated with the retirement of tangible long-lived assets are recognized as liabilities with an increase to the carrying amounts of the related long-lived assets in the period incurred. The fair value of AROs is recognized as of the acquisition date for business combination (see footnote 3). The cost of the tangible asset, including the asset retirement cost, is depleted over the life of the asset. AROs are recorded at estimated fair value, measured by reference to the expected future cash outflows required to satisfy the retirement obligations discounted at the Company's credit-adjusted risk-free interest rate. Accretion expense is recognized over time as the discounted liabilities are accreted to their expected settlement value. If estimated future costs of AROs change, an adjustment is recorded to both the ARO and the long-lived asset. Revisions to estimated AROs can result from changes in retirement cost estimates, revisions to estimated inflation rates and changes in the estimated timing of abandonment. Our ARO is measured using primarily Level 3 inputs. The significant unobservable inputs to this fair value measurement include estimates of plugging costs, remediation costs, inflation rate and well life. The inputs are calculated based on historical data as well as current estimated costs.

The following is a description of the Company's asset retirement obligations:

	December 31, 2017	
Asset retirement obligations at beginning of year	$	—
Additions		2,302,500
Accretion expense		224,759
Asset retirement obligations at end of year	$	2,527,259

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11. Common Stock

For the year ended December 31, 2017

(a) In January 2017, the Company received subscriptions for 550,000 shares of common stock at $0.20 per share for gross proceeds of $110,000. The Company paid a finder fee of $4,000 and 20,000 broker warrants. On January 17, 2017, the Company issued 5,075,000 shares of common stock for stock subscriptions received during 2017 and 2016. The Company paid a finder's fee of $4,000.

(b) On December 12, 2017, the Company closed a brokered private placement for 1,000,000 shares of common stock at $0.10 per share for total proceeds of $100,000. The Company paid a finder's fee of $4,985.

(c) During the year ended December 31, 2017, 887,422 restricted stock units vested and were issued.

(d) As part of a deposit toward the additional 12.25% of the South Akcakoca Sub Basin gas field, 1,000,000 shares were issued as a deposit. The shares were valued at the market rate of $0.09 per share for a total value of $90,000.

(e) The Company issued restricted stock in the amount of 670,000 shares for services rendered. The shares were valued at $0.12 based on the price of the stock at the close on the last trading day of the effective date of the contract. The fair value assigned was $80,400.

For the year ended December 31, 2016

(f) In March 2016, the Company received subscriptions for 250,000 shares of common stock at $0.10 per share for total proceeds of $25,000.

(g) In April 2016, the Company received subscriptions for 500,000 shares of common stock at $0.10 per share for total proceeds of $50,000.

(h) In April 2016, the Company issued 4,250,000 shares of common stock for the stock subscriptions received during 2015, the quarter ended March 31, 2016 and in April 2016.

(i) In quarter ended December 31, 2016, the Company received subscriptions for 4,525,000 shares of common stock at $0.20 per share for total proceeds of $905,000.

12. Stock Options

Stock options (and other stock-based awards) have been issued pursuant to the Incentive Plans. The 2013 Plan permits grants of stock options, stock appreciation rights, restricted stock awards and other stock-based awards. Under the 2013 Plan, the maximum number of shares of authorized stock that may be delivered is 10% of the total number of shares of common stock issued and outstanding of the Company as determined on the applicable date of grant of an award under the 2013 Plan. Under the 2013 Plan, the exercise price of each option (or other stock-based award) shall not be less than the market price of the Company's stock as calculated immediately preceding the day of the grant. The vesting schedule for each option (or other stock-based award) shall be specified by the Board of Directors at the time of grant. The maximum term of options (or other stock-based award) granted is ten years or such lesser time as determined by the Board of Directors at the time of grant.

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The following table summarizes the continuity of the Company's stock options:

Outstanding, December 31, 2015	2,250,000
Granted	165,000
Exercised	(300,000)
Expired	(850,000)
Outstanding, December 31, 2016	1,265,000
Granted	2,600,000
Exercised	-
Forfeited	(200,000)
Expired	(350,000)
Outstanding, December 31, 2017	3,315,000

As of December 31, 2017, all stock options have fully vested. The weighted average remaining life of the stock options are 2.99 years (December 31, 2016: 0.7). The weighted average exercise price at the year ended December 31, 2017 is $0.14 (December 31, 2016: $0.14). The aggregate intrinsic value of the stock options at December 31, 2017 is $103,050 (December 31, 2016: $173,450).

The fair values for stock options granted have been estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions:

	2017	2016
Risk-free interest rate	1.45%	1.10%
Expected life (in years)	2.5	3.0
Expected volatility	314%	330%
Weighted average fair value per share	$ 0.11	$ 0.11

The fair value of stock options vested during the year ended December 31, 2017 and 2016 was $142,267 and $5,696, respectively, that was recorded as stock-based compensation and included in general and administrative expenses. At December 31, 2017, the Company has no unrecognized compensation expense related to stock options.

13. Warrants

During the quarter ended March 31, 2016, the Company amended and restated the terms of the 11,000,000 stock purchase warrants with an exercise price of $0.20 per share issued in 2013 to extend the expiration date one year from August 27, 2016 to August 27, 2017. No other conditions of the warrants were amended. The amended and restated warrants vested immediately. The Company recognized expense of $3,421,501 related to the amendment and restatement of the warrants.

On January 17, 2017, the Company issued 5,395,000 stock purchase warrants with an exercise price of $0.40 per share with an expiration date of January 17, 2018.

On March 27, 2017, the Company amended the expiration date on 5,500,000 of the 11,000,000 stock purchase warrants from August 27, 2017 to August 27, 2018. No other conditions of the warrants were amended. The Company recognized expense of $278,870 related to the amendment of the warrants.

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The following table summarizes the share purchase warrants:

	Number of warrants		Weighted average exercise price	Expire
Outstanding, December 31, 2016	11,000,000	$	0.20	2017
Issued	5,395,000	$	0.40	2018
Expired	(5,500,000)	$	0.20	
Outstanding, December 31, 2017	10,895,000	$	0.30	

14. Restricted Stock Units

No new RSU grants were issued in 2017. During 2016, the Company granted 593,796 restricted units ("RSUs") with vesting periods ranging from fourteen to nineteen months and a fair value of $68,775 to officers of the Company. In addition, the Company extended the vesting date for 2,118,001 RSUs to April 30, 2017.

For the years ended December 31, 2017 and 2016, restricted stock expense recorded as stock-based compensation was $7,294 and $54,190, respectively, and capitalized stock-based compensation was $8,214 and $46,803, respectively.

	Number of restricted stock units		Weighted average fair value per award
Balance, December 31, 2015	2,118,001	$	0.18
Granted	593,796	$	0.15
Vested	–		–
Balance, December 31, 2016	2,711,797	$	0.17
Granted	–	$	–
Forfeited	(1,265,049)		0.15
Vested	(1,446,748)		0.15
Balance, December 31, 2017	–	$	–

On February 23, 2017, the Company changed the vesting date for the RSUs issued in 2014 to February 23, 2017 and changed the vesting date for the RSUs issued in 2015 to December 1, 2017.

559,326 RSUs owed to a consultant vested during the year and were not issued. These were settled for cash on April 1st, 2018 for $37,463.

15. Related party transactions

At December 31, 2017, $132,249 of accounts payable were to related parties as compared to $212,738 at December 31, 2016. The amounts owed, and owing are unsecured, non-interest bearing, and due on demand.

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16. Segment Information

During 2017, the Company's operations were in the resource industry in Bulgaria, and Turkey with head offices in the United States and a satellite office in Sofia, Bulgaria. The Company operated a few segments, a head office in Canada, an oil and gas operations in Turkey and its oil and gas properties are located in Bulgaria.

During the 2016, the Company operated as a single reportable segment and its oil and gas properties were only located in Bulgaria.

For the year ended December 31, 2017

	Bulgaria	North America	Turkey	Total
Revenue				
Oil and gas sales	$ -	$ -	$ 3,883,059	$ 3,883,059
Cost and expenses				
Production	-	-	2,814,672	2,814,672
Depletion	-	-	774,547	774,547
Depreciation	-	-	21,390	21,390
Accretion of asset retirement obligation	-	-	224,759	224,759
General and administrative	382	1,279,430	1,230,128	2,509,940
Total expenses	$ 382	$ 1,279,430	$ 5,065,496	$ 6,345,308
Loss before other income (expenses)	$ (382)	$ (1,279,430)	$ (1,182,437)	$ (2,462,249)
Other income (expenses)				
Interest expense	-	(84,208)	8,182	(76,026)
Foreign exchange loss	-	5,957	(21,469)	(15,512)
Other gain	-	-	63,023	63,023
Taxes	-	(11,767)	-	(11,767)
Gain on bargain purchase option	-	15,695	-	15,695
Total other income (expense)	$ -	$ (74,323)	$ 49,736	$ (24,587)
Net loss	$ (382)	$ (1,353,753)	$ (1,132,701)	$ (2,486,836)
Long Lived Assets	-	-	2,737,340	2,737,340

17. Income Taxes

The Company has net operating losses carried forward of $13,772,292 available to offset taxable income in future years which expire beginning in fiscal 2024.

The Company is subject to United States federal and state income taxes at a rate of 34%. The reconciliation of the provision for income taxes at the United States federal statutory rate compared to the Company's income tax expense as reported is as follows:

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	2017	2016
Benefit at statutory rate	$ (845,524)	$ (1,359,691)
Permanent differences and other:	-	237
Change in tax rates	2,383,436	
Valuation allowance change	(1,537,912)	1,359,454
Income tax provision	$ –	$ –

The significant components of deferred income tax assets and liabilities as of December 31, 2017 and 2016 are as follows:

	2017	2016
Net operating losses carried forward	$ 2,892,181	$ 4,010,057
Oil and gas properties	77,556	125,566
Stock compensation expense	880,197	1,252,079
Other	233	377
Total deferred income tax assets	3,850,167	5,388,079
Valuation allowance	(3,850,167)	(5,388,079)
Net deferred income tax asset	$ –	$ –

18. Subsequent Events

On February 28, 2018, Park Place Energy Inc. closed a private placement with the issuance of 11,750,000 shares of common stock, with each common share having ½ of one share purchase warrant attached, resulting in the issuance of 5,875,000 share purchase warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.30 per share of common stock. Of the shares issued, 7,550,000 were issued to fourteen investors at a price of $0.10 per share for gross proceeds of $755,000, and 4,200,000 shares were issued in settlement of debts in the amount of $420,000 with two creditors.

On February 20, 2018, Park Place Energy Inc. acquired an additional 12.25% of the South Akcakoca Sub Basin ("SASB") gas field bringing our total interest to 49%. The purchase price for the additional interest was US$265,000 and 1.5 million shares of the company's common stock. 1 million were previously issued and disclosed in note 11(d) and a further 500,000 shares were issued subsequent to year end and fair valued at $67,500. The company completed the purchase on February 8, 2018. Approval was received by regulators in late 2017, thereby allowing for the acquisition to proceed. The Company issued 1.5 million common shares as consideration for the acquisition.

On March 5, the Company settled note payables of $250,000 for 2,500,000. The market price of the stock on the date of settlement was $0.141 and loss of $102,500 was recorded.

On June 20, 2018, Park Place Energy Inc. closed a private placement with the issuance of 2,000,000 shares of common stock at $0.10 per common share with each common share having ½ of one share purchase warrant attached, resulting in the issuance of 1,000,000 share purchase warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.30 per share of common stock. We issued the above 2,000,000 common shares to five (5) non-US persons (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S of the Securities Act of 1933, as amended. See 8-k dated June 20, 2018

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On July 10, 2018 the Company closed a private placement with the issuance of 1,500,000 shares of common stock at $0.10 per common share with each common share having ½ of one share purchase warrant attached, resulting in the issuance of 1,000,000 share purchase warrants. Each whole share purchase warrant is exercisable for a period of 24 months at an exercise price of $0.30 per share of common stock. We are obligated to issue 1,500,000 common shares to eight (8) non-US persons (as that term is defined in Regulation S of the Securities Act of 1933) in an offshore transaction relying on Regulation S of the Securities Act of 1933, as amended.

Supplemental Information
(unaudited)

Supplemental oil and natural gas reserves information (unaudited)

As required by the FASB and the SEC, the standardized measure of discounted future net cash flows (the "Standardized Measure") presented below is computed by applying first-day-of-the-month average prices, year-end costs and legislated tax rates and a discount factor of 10% to proved reserves. We do not believe the Standardized Measure provides a reliable estimate of our expected future cash flows to be obtained from the development and production of its oil and natural gas properties or of the value of its proved oil and natural gas reserves. The Standardized Measure is prepared on the basis of certain prescribed assumptions including first-day-of-the-month average prices, which represent discrete points in time and therefore may cause significant variability in cash flows from year-to-year as prices change.

Users of this information should be aware that the process of estimating quantities of proved and proved developed oil and natural gas reserves is very complex, requiring significant subjective decisions in the evaluation of all available geological, engineering and economic data for each reservoir. The data for a given reservoir also may change substantially over time as a result of numerous factors, including additional development activity, evolving production history and continual reassessment of the viability of production under varying economic conditions. Consequently, revisions to existing reserves estimates may occur from time to time. Although every reasonable effort is made to ensure reserves estimates reported represent the most accurate assessments possible, the subjective decisions and variances in available data for various reservoirs make these estimates generally less precise than other estimates included in the financial statement disclosures. Proved reserves are those quantities of oil and natural gas that by analysis of geoscience and engineering data can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. We engaged GLJ Petroleum Consultants to prepare our reserves estimates in Turkey.

The following unaudited schedules are presented in accordance with required disclosures about oil and natural gas producing activities to provide users with a common base for preparing estimates of future cash flows and comparing reserves among companies.

All of our proved reserves are located in Turkey and all prices are held constant in accordance with SEC rules.

Oil and natural gas prices used to estimate reserves were computed by applying the volume-weighted, arithmetic average of the closing price on the first day of each month for the 12-month period prior to December 2017, 2016 and 2015. The oil and natural gas prices used to estimate reserves are shown in the table below.

	12- Month Average Price	
	Oil per (Bbl)	Natural Gas per (Mcf)
Turkey		
2017	$ 51.69	$ 3.00
2016	$ 44.68	$ 2.57
2015	$ 50.82	$ 2.67

The following table sets forth our estimated net proved reserves, including changes therein, and proved developed reserves:

Disclosure of reserves quantities

	Oil per (Bbl)	Gas per (Mcf)	Oil per Boe
Proved producing reserves			
January 1, 2017	-	-	-
Purchased	220,400	1,029,300	391,950
Production	(45,030)	(292,359)	(93,757)
Revisions of estimates	24,630	-	24,630
December 31, 2018	200,000	736,941	322,824
Proved developed reserves			
December 31, 2018			
Proved developed producing	200,000	736,941	322,824
Proved developed non-producing	7,000	-	7,000
Total	207,000	736,941	329,824

Standardized measure of discounted future net cash flows

The Standardized Measure relating to estimated proved reserves as of December 31, 2017 is shown in the table below. In our calculation of Standardized Measure, we have utilized statutory tax rates of 20% for Turkey. GLJ Petroleum Consultants did not estimate the Standardized Measure or future income tax expense.

		(in thousands)
As of and for the year ended December 31, 2017		
Future cash inflows	$	13,668
Future production costs		(8,834)
Future development costs		-
Future income tax expense		(966)
Future net cash flows		3,868
10% annual discount for estimated timing of cash flows		(1,033)
Standardized measure of discounted future net cash flows related to proved reserves	$	2,835

A summary of the changes in the standardized measure of discounted future net cash flows applicable to proved oil and natural gas reserves is as follows:

		(in thousands)
Balance, beginning of period		-
Additions during the year		3,414
Net change in sales and transfer prices and in production (lifting) costs related to future production		663
Sales and transfers of oil and gas produced during the period		(1,076)
Accretion of discount		63
Other		683
Net change in income taxes		(912)
Balance, end of period	$	2,835

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
Park Place Energy Inc.

We have audited the accompanying consolidated balance sheets of Park Place Energy Inc. and subsidiaries (the "Company"), as of December 31, 2016 and 2015, and the related consolidated statements of operations, comprehensive loss, stockholders' equity, and cash flows for years then ended. The Company's management is responsible for these consolidated financial statements. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company, as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ Whitley Penn LLP

Dallas, Texas
March 30, 2017

PARK PLACE ENERGY INC.

Consolidated Balance Sheets

	December 31, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash	$ 1,550,937	$ 75,561
Receivables	21	583
Prepaid expenses and deposits	10,924	13,347
Deposit for Tiway acquisition	500,000	-
Total current assets	2,061,882	89,491
Oil and gas properties	2,939,829	2,701,182
Deposit for Tiway acquisition	-	500,000
Note receivable	40,453	39,490
Total assets	$ 5,042,164	$ 3,330,163
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 357,749	$ 119,006
Loans payable	899,000	-
Total liabilities	1,256,749	119,006
Commitments and contingencies		
Stockholders' equity:		
Common stock Authorized: 250,000,000 shares, par value $0.00001 Issued and outstanding: 50,281,482 and 45,731,482 shares, respectively	503	457
Additional paid-in capital	21,273,494	17,258,619
Stock subscriptions and stock to be issued	905,000	350,000
Accumulated other comprehensive income	4,618	1,190
Accumulated deficit	(18,398,200)	(14,399,109)
Total stockholders' equity	3,785,415	3,211,157
Total liabilities and stockholders' equity	$ 5,042,164	$ 3,330,163

See accompanying notes to consolidated financial statements.

PARK PLACE ENERGY INC.

Consolidated Statements of Operations

	Year Ended December 31, 2016	Year Ended December 31, 2015
Expenses		
General and administrative	$ 3,985,026	$ 835,387
Total expenses	3,985,026	835,387
Loss before other income (expenses)	(3,985,026)	(835,387)
Other income (expenses)		
Reversed tax penalties	-	120,000
Interest income	2,420	1,810
Interest expense	(12,396)	(86)
Foreign exchange gain (loss)	(4,089)	(50,434)
Total other income	(14,065)	71,290
Net loss for the year	$ (3,999,091)	$ (764,097)
Loss per share, basic and diluted	$ (0.08)	$ (0.02)
Weighted average number of shares outstanding	50,462,715	45,730,015

See accompanying notes to consolidated financial statements.

PARK PLACE ENERGY INC.

Consolidated Statements of Comprehensive Loss

	Year Ended December 31,	
	2016	**2015**
Net loss for the year	$ (3,999,091)	$ (764,097)
Other comprehensive income:		
Foreign currency cumulative translation adjustment	3,428	632
Comprehensive loss for the year	$ (3,995,663)	$ (763,465)

See accompanying notes to consolidated financial statements.

PARK PLACE ENERGY INC.

Consolidated statements of stockholders' equity

	Common Stock		Additional paid-in capital	Stock subscriptions and stock to be issued	Accumulated other comprehensive income	Accumulated deficit	Total
	Shares	Amount					
Balance, December 31, 2014	45,624,427	$ 456	$17,072,916	$ 46,116	$ 558	$ (13,635,012)	$ 3,485,034
Issuance of common stock upon vesting of restricted stock units	107,055	1	46,115	(46,116)	–	–	–
Stock subscriptions received	–	–	–	350,000	–	–	350,000
Stock-based compensation expense	–	–	70,609	–	–	–	70,609
Restricted stock issued for oil and gas properties	–	–	68,979	–	–	–	68,979
Currency translation adjustment	–	–	–	–	632	–	632
Net loss	–	–	–	–	–	(764,097)	(764,097)
Balance, December 31, 2015	45,731,482	457	17,258,619	350,000	1,190	(14,399,109)	3,211,157
Issuance of common stock	4,250,000	43	424,957	(425,000)	–	–	–
Stock subscriptions received	–	–	–	980,000	–	–	980,000
Exercise of stock options	300,000	3	29,997	–	–	–	30,000
Stock-based compensation expense	–	–	3,481,386	–	–	–	3,481,386
Restricted stock issued for oil and gas properties	–	–	78,535	–	–	–	78,535
Currency translation adjustment	–	–	–	–	3,428	–	3,428
Net loss	–	–	–	–	–	(3,999,091)	(3,999,091)
Balance, December 31, 2016	50,281,482	$ 503	$21,273,494	$ 905,000	$ 4,618	$ (18,398,200)	$ 3,785,415

See accompanying notes to the consolidated financial statements.

PARK PLACE ENERGY INC.

Consolidated statements of cash flows

	Year Ended December 31, 2016	Year Ended December 31, 2015
Operating activities:		
Net loss for the period	$ (3,999,091)	$ (764,097)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	3,481,386	70,609
Changes in operating assets and liabilities:		
Receivables	562	5,724
Prepaid expenses and deposits	2,423	(1,354)
Accounts payable and accrued liabilities	117,479	(175,274)
Net cash used in operating activities	(397,241)	(864,392)
Investing activities:		
Deposit for Tiway acquisition	-	(500,000)
Issuance of note receivable	(963)	(39,490)
Oil and gas properties expenditures	(38,848)	(410,628)
Net cash used in investing activities	(39,811)	(950,118)
Financing activities:		
Proceeds from stock subscriptions received	980,000	350,000
Proceeds from exercise of stock options	30,000	-
Proceeds from loans	1,376,500	-
Repayment of stockholder loans	(477,500)	-
Net cash provided by financing activities	1,909,000	350,000
Effect of exchange rate changes on cash and cash equivalents	3,428	632
Change in cash	1,475,376	(1,463,878)
Cash, beginning of year	75,561	1,539,439
Cash, end of year	$ 1,550,937	$ 75,561
Non-cash investing and financing activities:		
Oil and gas expenditures included in accounts payable	$ 121,264	$ 25,418
Restricted stock issued for oil and gas properties	$ 78,535	$ 68,979
Stock issued for restricted stock units	$ -	$ 46,116
Stock subscriptions received	$ 424,955	$ -

See accompanying notes to consolidated financial statements.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

1. Summary of Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements of Park Place Energy Inc. ("Park Place", "Company", "we" or "our") include the accounts of its subsidiaries. All significant intercompany accounts and transactions have been eliminated.

(b) Going Concern

As of December 31, 2016, we had cash and cash equivalents of $1,550,937, up from $75,561 as of December 31, 2015. We generated a net loss of $3,999,091 for the year ended December 31, 2016 compared to net loss of $764,097 for the year ended December 31, 2015. Of the 2016 loss, $3,421,501 was related to the amendment and restatement of stock purchase warrants. See Note 8. On January 18, 2017, the Company completed the acquisition of three oil and gas producing fields in Turkey. The purchase price for the acquisition of the PPE Turkey Companies from Tiway Oil B.V. was $2.1 million. Based on projections of revenue and net income for the PPE Turkey Companies and expected fund raising activities, we believe that we will have sufficient cash resources to finance our operations and expected capital expenditures through March 31, 2018. We expect to fund our operations through anticipated Company profits and additional investments of private equity and debt, which, if we are able to obtain, may have the effect of diluting our existing common stockholders. Any equity or debt financings, if available at all, may be on terms which are not favorable to us. If our operations do not generate positive cash flow in the upcoming year, or if we are not able to obtain additional debt or equity financing on terms and conditions acceptable to us, if at all, we may be unable to implement our business plan, fund our liquidity needs or even continue our operations.

(c) Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the estimated useful lives and recoverability of long-lived assets, impairment of oil and gas properties, fair value of stock-based compensation, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

(e) Long-lived Assets

In accordance with Accounting Standards Codification ("ASC") 360, "Property, Plant and Equipment", the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances that could trigger a review include, but are not limited to: significant decreases in the market price of the assets; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the assets; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the assets; and current expectation that the assets will more likely than not be sold or disposed significantly before the end of their estimated useful life. Recoverability is assessed based on the carrying amount of the assets and their fair value, which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the assets, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount of the assets is not recoverable and exceeds fair value.

(f) Oil and Gas Properties

The Company follows the full cost method of accounting for oil and natural gas operations, whereby all costs of exploring for and developing oil and natural gas reserves are capitalized and accumulated in cost centers on a country-by-country basis. Costs include: license and land acquisition costs, geological, engineering, geophysical, seismic and other data, carrying charges on non-productive properties and costs of drilling and completing both productive and non-productive wells. General and administrative costs which are associated with acquisition, exploration and development activities are capitalized. General and administrative costs are capitalized other than to the extent of the Company's working interest in operated capital expenditure programs on which operator's fees have been charged equivalent to standard industry operating agreements.

The costs in each cost center, including the costs of well equipment, are depleted and depreciated using the unit-of-production method based on the estimated proved reserves before royalties. The costs of acquiring and evaluating significant unproved properties are initially excluded from depletion calculations. These unevaluated properties are assessed periodically to ascertain whether impairment has occurred. When proved reserves are assigned or the property is considered to be impaired, the cost of the property or the amount of the impairment is added to costs subject to depletion.

The capitalized costs (less accumulated depletion and depreciation in each cost center) are limited to an amount equal to the estimated future net revenue from proved reserves (based on prices and costs at the balance sheet date) plus the cost (net of impairments) of unproved properties. The total capitalized costs, less accumulated depletion and depreciation, site restoration provision and future income taxes of all cost centers, is further limited to an amount equal to the future net revenue from proved reserves plus the cost (net of impairments) of unproved properties of all cost centers less estimated future site restoration costs, general and administrative expenses, financing costs and income taxes.

Proceeds from the sale of oil and natural gas properties are applied against capitalized costs, with no gain or loss recognized, unless such a sale would significantly alter the rate of depletion and depreciation.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

(g) Asset Retirement Obligations

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that results from the acquisition, construction, development, and/or normal use of the long-lived assets. The Company also records a corresponding asset that is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost). The Company does not have any significant asset retirement obligations.

(h) Financial Instruments and Fair Value Measures

The carrying amounts reported in the consolidated balance sheets for cash equivalents, notes and accounts receivable, short-term debt, accounts payable and accrued expenses approximate fair value because of the immediate or short-term maturity of these financial instruments. The carrying amounts reported for the Company's long-term debt approximate fair value because substantially all of the underlying instruments have variable interest rates, which adjust frequently or the interest rates approximate current market rates. None of these instruments are held for trading purposes.

(i) Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, "Accounting for Income Taxes". The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

As of December 31, 2016 and 2015, the Company did not have any amounts recorded pertaining to uncertain tax positions. The Company recognizes interest and penalties related to uncertain tax positions in general and administrative expense. During the year ended December 31, 2015, the Company reversed certain tax-related expenses of $120,000 as a result of a favorable tax ruling. The expense was originally recognized in 2013. The Company's tax years 2011 and forward remain open.

(i) Foreign Currency Translation

Operations outside the United States prepare financial statements in currencies other than the United States dollar. The income statement amounts are translated at average exchange rates for the year, while the assets and liabilities are translated at year-end exchange rates. Translation adjustments are accumulated as a separate component of stockholders' equity and other comprehensive income. The functional currency of our Bulgarian operations is considered to be the Bulgarian Lev.

(j) Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718 ("Compensation – Stock Compensation") using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock-based awards. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to, the Company's expected stock price volatility over the term of the awards, and actual and projected stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

(k) Loss Per Share

The Company computes loss per share of Company stock in accordance with ASC 260 ("Earnings per Share"), which requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing the loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. As of December 31, 2016 and 2015, the Company had 14,976,797 and 15,368,001potentially dilutive shares outstanding, which were excluded from the calculation of EPS, respectively.

(l) Comprehensive Loss

Comprehensive loss consists of net loss and foreign currency cumulative translation adjustment.

(m) Related Party Transactions

At December 31, 2016, $212,738 of accounts payable were to related parties as compared to $39,617 at December 31, 2015.

(n) Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"), which supersedes nearly all existing revenue recognition guidance under US GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than are required under existing US GAAP.

The standard is effective for annual periods beginning after December 15, 2018, and interim periods therein, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). We are currently evaluating the impact of our pending adoption of ASU 2014-09 on our consolidated financial statements and have not yet determined the method by which we will adopt the standard in 2019.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

In February 2016, the FASB issued Accounting Standards Update No. 2016-02, “Leases” (“ASU 2016-02”), which amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. ASU 2016-02 will become effective for public companies during interim and annual reporting periods beginning after December 15, 2018 with early adoption permitted. The Company plans to adopt ASU 2016-02 effective January 1, 2019. Based on current operations, this new standard will not have an impact on the Company.

In March 2016, the FASB issued Accounting Standards Update No. 2016-09, “Compensation - Stock Compensation: Improvements to Employee Share-Based Payment Accounting” (“ASU 2016-09”), which changes how companies account for certain aspects of share-based payments to employees. Excess tax benefits or deficiencies related to vested awards, previously recognized in stockholders’ equity, will be required to be recognized in the income statement when the awards vest. ASU 2016-09 became effective for public companies during interim and annual reporting periods beginning after December 15, 2016 with early adoption permitted. Accordingly, the Company adopted this new standard on January 1, 2017. The effect of adopting this standard will be minimal.

(o) Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

2. Oil and Gas Properties

	December 31, 2016	December 31, 2015
Unproven properties		
Bulgaria	$ 2,939,829	$ 2,701,182

The Company holds a 98,205 acre oil and gas exploration claim in the Dobrudja Basin located in northeast Bulgaria. The Company intends to conduct exploration for natural gas and test production activities over a five year period in accordance with or exceeding its minimum work program obligation. The Company’s commitment is to perform geological and geophysical exploration activities in the first 3 years of the initial term (the “Exploration and Geophysical Work Stage”), followed by drilling activities in years 4 and 5 of the initial term (the “Data Evaluation and Drilling Stage”). The Company is required to drill 10,000 meters (approximately 32,800 feet) of new wellbore (which may be vertical, horizontal or diagonal) and conduct other exploration activities during the initial term. The Company intends to commence its work program efforts once it receives all regular regulatory approvals of its work programs.

3. Note Receivable

In April 2015, the Company loaned $38,570 to a Bulgarian company pursuant to a revolving credit facility, enabling such Bulgarian company to buy and manage land in Bulgaria to be leased by the Company for future well sites. The credit facility has a maximum loan obligation of BGN 1,000,000 ($535,980 at December 31, 2016), bears interest at 6.32%, has a five-year term and is secured by the land the Bulgarian company buys. Payment on the facility is due the earlier of the end of the five-year term (April 6, 2020) or demand by the Company. As of December 31, 2016 and 2015, the outstanding balance on the loan obligation was $40,453 and $39,490, respectively.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

4. Tiway Acquisition

On January 18, 2017, the Company completed the acquisition of three oil and gas producing fields in Turkey. The purchase price for the acquisition of the PPE Turkey Companies from Tiway Oil B.V. was $2.1 million. At December 31, 2016, net production from these fields is currently around 280 boepd (barrel of oil equivalent per day). The main producing asset is a 36.75% interest in an offshore gas development project called the South Akçakoca Sub-Basin (SASB). This field has four offshore platforms connected to an onshore gas plant. Currently, net gas production to the Company is around 800 Mcfd (thousand cubic feet per day) from six producing wells. The SASB field potentially holds significant upside. The Company is currently evaluating identified behind pipe reserves, the installation of artificial lift and new wells which could be drilled from the existing platforms. The other producing property acquired in Turkey is a 19.6% interest in the Cendere oil field located in Southeast Turkey. This mature oilfield consistently produces between 110 and 120 bopd (barrels oil per day) net to the Company.

At SASB, the Company plans to confirm the behind pipe gas zones and then target increased production via sequential re-perforations in up to six producing wells. We also plan to install artificial lift on several other wells where water influx has overcome the gas production. We anticipate that production should grow as a result and we may be able to double or triple net production to 2-3 MMcfd this year. We are attempting to raise sufficient capital (currently estimated at net $1.3 million) to execute these immediate plans through equity and/or debt financing.

5. Stockholder Loans Payable

During the year ended December 31, 2016, stockholders provided loans amounting to $1,376,500. At December 31, 2016, $899,000 of the stockholder loans remained outstanding. All loans bear interest at 10% per annum. Of the amount outstanding at December 31, 2016, $100,000 is due (and was paid) in January 2017, $360,000 is due in March 2017 and $439,000 is due in September 2017.

6. Common Stock

(a) In January 2015, the Company issued 107,055 shares of common stock upon the vesting of restricted stock units for employee compensation.

(b) In December 2015, the Company received subscriptions for 3,500,000 shares of common stock at $0.10 per share for total proceeds of $350,000 which is included in stock subscriptions received.

(c) In March 2016, the Company received subscriptions for 250,000 shares of common stock at $0.10 per share for total proceeds of $25,000.

(d) In April 2016, the Company received subscriptions for 500,000 shares of common stock at $0.10 per share for total proceeds of $50,000.

(e) In April 2016, the Company issued 4,250,000 shares of common stock for the stock subscriptions received during 2015, the quarter ended March 31, 2016 and in April 2016.

(f) In quarter ended December 31, 2016, the Company received subscriptions for 4,525,000 shares of common stock at $0.20 per share for total proceeds of $905,000.

Subsequent to year end, the Company received subscriptions for 550,000 shares of common stock at $0.20 per share for total proceeds of $110,000. On January 17, 2017, the Company issued 5,075,000 shares of common stock for stock subscriptions received during 2016.

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

7. Stock Options

Stock options (and other stock-based awards) have been issued pursuant to the Incentive Plans. The 2013 Plan permits grants of stock options, stock appreciation rights, restricted stock awards and other stock-based awards. Under the 2013 Plan, the maximum number of shares of authorized stock that may be delivered is 10% of the total number of shares of common stock issued and outstanding of the Company as determined on the applicable date of grant of an award under the 2013 Plan. Under the 2013 Plan, the exercise price of each option (or other stock-based award) shall not be less than the market price of the Company's stock as calculated immediately preceding the day of the grant. The vesting schedule for each option (or other stock-based award) shall be specified by the Board of Directors at the time of grant. The maximum term of options (or other stock-based award) granted is ten years or such lesser time as determined by the Board of Directors at the time of grant.

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price	Weighted average fair value	Aggregate intrinsic value
Outstanding, December 31, 2014	2,100,000	$ 0.17	$ 0.14	$ –
Granted	150,000	0.14	0.14	–
Expired	–	–	–	–
Outstanding, December 31, 2015	2,250,000	$ 0.17	$ 0.14	$ –
Granted	165,000	0.10	0.11	–
Exercised	(300,000)	0.10	0.09	–
Expired	(850,000)	0.21	0.18	–
Outstanding, December 31, 2016	1,265,000	$ 0.14	$ 0.11	$ 173,450

Additional information regarding stock options as of December 31, 2016, is as follows:

	Outstanding			Exercisable	
Range of exercise prices	Number of shares	Weighted average remaining contractual life (years)	Weighted average exercise price	Number of shares	Weighted average exercise price
$ 0.10	765,000	1.6	$ 0.10	765,000	$ 0.10
$ 0.14	150,000	1.2	$ 0.14	150,000	$ 0.14
$ 0.20	100,000	0.0	$ 0.20	50,000	$ 0.20
$ 0.235	150,000	0.0	$ 0.24	150,000	$ 0.24
$ 0.28	100,000	0.6	$ 0.28	50,000	$ 0.28
	1,265,000	0.7	$ 0.14	1,165,000	$ 0.13

The fair values for stock options granted have been estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions:

	2016	2015
Risk-free interest rate	1.10%	0.86%
Expected life (in years)	3.0	3.0
Expected volatility	330%	287%

PARK PLACE ENERGY INC.
Notes to Consolidated Financial Statements
(Expressed in U.S. dollars)

The fair value of stock options vested during the year ended December 31, 2016 and 2015 was $5,696 and $20,729, respectively, that was recorded as stock-based compensation and included in general and administrative expenses. The weighted average fair value of stock options granted during the year ended December 31, 2016 and 2015 was $0.11 and $0.14 per option, respectively. At December 31, 2016, the Company had $12,382 in unrecognized compensation expense related to stock options that will be expensed through January 2019.

8. Warrants

During the quarter ended March 31, 2016, the Company amended and restated the terms of the 11,000,000 stock purchase warrants with an exercise price of $0.20 per share issued in 2013 to extend the expiration date one year from August 27, 2016 to August 27, 2017. No other conditions of the warrants were amended. The amended and restated warrants vested immediately. The Company recognized expense of $3,421,501 related to the amendment and restatement of the warrants.

The following table summarizes the share purchase warrants:

	Number of warrants		Weighted average exercise price	Expire
Balance, December 31, 2015	11,000,000	$	0.20	2016
Balance, December 31, 2016	11,000,000	$	0.20	2017

On January 17, 2017, the Company issued 5,395,000 stock purchase warrants with an exercise price of $0.40 per share with an expiration date of January 17, 2018. The stock purchase warrants were issued as part of the stock subscriptions described in Note 6.

9. Restricted Stock Units

During 2016, the Company granted 426,652 restricted units ("RSUs") with vesting periods ranging from fourteen to nineteen months and a fair value of $68,775 to officers of the Company. In addition, the Company extended the vesting date for 2,118,001 RSUs to April 30, 2017. During 2015, the Company granted restricted stock units with vesting periods ranging from eleven months to nineteen months. Officers of the Company were granted 838,397 RSUs with a fair value of $102,445. Expense related to RSUs is recognized ratably over the vesting period. For the years ended December 31, 2016 and 2015, restricted stock expense recorded as stock-based compensation was $54,190 and $49,880, respectively, and capitalized stock based compensation was $78,535 and $68,980, respectively.

	Number of restricted stock units		Weighted average fair value per award
Balance, December 31, 2014	887,422	$	0.25
Granted	1,230,579	$	0.13
Vested	–	$	-
Balance, December 31, 2015	2,118,001	$	0.18
Granted	593,796	$	0.15
Vested	–		–
Balance, December 31, 2016	2,711,797	$	0.17

PARK PLACE ENERGY INC.
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At December 31, 2016, unrecognized compensation expense related to RSUs totaled $65,573 that will be recognized over a weighted average period of 0.46 years.

On February 23, 2017, the Company changed the vesting date for the RSUs issued in 2014 to February 23, 2017, and changed the vesting date for the RSUs issued in 2015 to December 1, 2017.

10. Commitments

(a) On November 1, 2013 (as amended on August 1, 2014 and March 27, 2015), the Company entered into an agreement with the President of the Company and a company controlled by the President of the Company with a term of two years effective September 1, 2013. The term continues now on a month-to-month basis. Pursuant to the agreement as amended, the Company is to pay $18,000 per month, with $5,000 of such monthly consulting fees being paid in RSUs to the President of the Company. The pricing for such RSUs will be determined based on the average closing price of the Company's common shares for the last ten days of the calendar quarter in which such RSUs accrued. The agreement had provided for certain additional compensation if certain money raising milestones were met; those provisions have expired according to their terms.

11. Segment Information

The Company's operations are in the resource industry in Bulgaria with head offices in the United States and a satellite office in Sofia, Bulgaria. The Company operates as a single reportable segment and its oil and gas properties are located in Bulgaria.

12. Income Taxes

The Company has net operating losses carried forward of $11,794,287 available to offset taxable income in future years which expire beginning in fiscal 2024.

The Company is subject to United States federal and state income taxes at a rate of 34%. The reconciliation of the provision for income taxes at the United States federal statutory rate compared to the Company's income tax expense as reported is as follows:

	2016	2015
Benefit at statutory rate	$ (1,359,691)	$ (259,793)
Permanent differences and other:	237	1,034
Valuation allowance change	1,359,454	258,759
Income tax provision	$ –	$ –

The significant components of deferred income tax assets and liabilities as of December 31, 2016 and 2015 are as follows:

	2016	2015
Net operating losses carried forward	$ 4,010,057	$ 3,834,274
Oil and gas properties	125,566	125,566
Stock compensation expense	1,252,079	68,408
Other	377	377
Total deferred income tax assets	5,388,079	4,028,625
Valuation allowance	(5,388,079)	(4,028,625)
Net deferred income tax asset	$ –	$ –

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13. Subsequent Events

On January 17, 2017, the Company issued 5,075,000 shares of common stock for stock subscriptions received during 2016. Note 6.

On January 17, 2017, the Company issued 5,395,000 stock purchase warrants with an exercise price of $0.40 per share with an expiration date of January 17, 2018. See Note 8.

In January 18, 2017, the Company completed the acquisition of three oil and gas producing fields in Turkey. See Note 4.

On February 23, 2017, the Company changed the vesting date for the RSUs issued in 2014 to February 23, 2017, and changed the vesting date for the RSUs issued in 2015 to December 1, 2017. See Note 9.

FORM 51-101F2
REPORT ON RESERVES DATA
BY
INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR

To the board of directors of Park Place Energy Inc. (the "Company"):

1. We have evaluated the Company's reserves data as at December 31, 2017. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2017, estimated using forecast prices and costs.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook") maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated for the year ended December 31, 2017, and identifies the respective portions thereof that we have evaluated and reported on to the Company's board of directors:

Independent Qualified Reserves Evaluator or Auditor	Effective Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate – US M$)			
			Audited	Evaluated	Reviewed	Total
GLJ Petroleum Consultants	Dec. 31, 2017	Turkey	-	4,428	-	**4,428**

6. In our opinion, the reserves data evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our reports referred to in paragraph 5 for events and circumstances occurring after the effective date of our reports.

8. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

GLJ Petroleum Consultants Ltd., Calgary, Alberta, Canada, April 10, 2018

"Originally Signed by"
Patrick A. Olenick, P. Eng.
Manager, Engineering

Form 51-101F3

Report of Management and Directors on Reserves Data and Other Information

Management of Park Place Energy Inc., is responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data which are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2017, estimated using forecast prices and costs.

An independent qualified reserves evaluator has evaluated the Company's reserves data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The board of directors of the Company has

a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluator;

b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and

c) reviewed the reserves data with management and the independent qualified reserves evaluator.

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

d) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;

e) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on the reserves data; and

f) the content and filing of this report.

Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

(signed) Arthur Halleran
Arthur Halleran, CEO & President

(signed) David Thompson
David Thompson, CFO & Secretary

(signed) Arthur Halleran
Arthur Halleran, Director

(signed) David Thompson
David Thompson, Director

(signed) Barry Wood
Barry Wood, Director

January 10, 2019

CERTIFICATE OF THE COMPANY

Dated: January 10, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of British Columbia.

"Arthur Halleran"	"David Thompson"
Arthur Halleran	David Thompson
President and Chief Executive Officer	Chief Financial Officer, Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Arthur Halleran"
Arthur Halleran
Director

"David Thompson"
David Thompson
Director

"Barry Wood"
Barry Wood
Director

CERTIFICATE OF THE PROMOTERS

Dated: January 10, 2019

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of British Columbia.

"Arthur Halleran"
Arthur Halleran
President and Chief Executive Officer

"David Thompson"
David Thompson
Chief Financial Officer, Secretary