

FORM 51-101F1
STATEMENT OF RESERVES DATA
AND OTHER OIL AND GAS INFORMATION
METALORE RESOURCES LIMITED

This reserves and cash flow evaluation of Metalore Resources Limited was prepared on May 6, 2019 using production and revenue data up to and including March 31, 2019 in a report entitled Metalore Resources Limited Reserves and Present Value Estimate as of March 31, 2019 prepared by Jim McIntosh Petroleum Engineering Ltd. The results of this report are summarized in the tables below.

All of Metalore Resources Limited natural gas assets are located onshore in south-western Ontario, Canada. The company has 100% working interests in 80 producing Silurian-aged Thorold/Grimsby sandstone gas wells in the Charlotteville Township area of Norfolk County and 52% working interests in 5 shut-in Silurian-aged Thorold/Grimsby sandstone gas wells in Houghton Township, Norfolk County. In addition to the producing wells, Metalore has undeveloped but highly prospective acreage in both areas.

Summary of Oil and Gas Reserves and Net Present Values of Future Net Revenue
As of March 31, 2019
Constant Prices and Costs

Reserves Category	Metalore Gross Res		Metalore Net Res	
	Oil	Gas	Oil	Gas
	(MStb)	(MMcf)	(MStb)	(MMcf)
Proved Developed Producing	0.00	3,771.7	0.00	3,477.5
Proved Developed Non-Producing	0.00	82.8	0.00	76.3
Proved Undeveloped	0.00	242.7	0.00	223.8
Total Proved	0.00	4,097.2	0.00	3,777.6
Probable	0.00	1,038.9	0.00	957.8
Proved plus Probable	0.00	5,136.1	0.00	4,735.5

Reserves Category	Net present Worth Before Taxes (M\$)						Unit Value Before Tax 10% disc (\$/boe) ¹
	0% Disc		5% Disc		12.5% Disc		
	5% Disc	7.5% Disc	10% Disc	15% Disc			
Proved Developed Producing	\$8,221.8	\$4,783.9	\$3,769.7	\$3,034.2	\$2,492.5	\$2,087.2	\$4.8
Proved Developed Non-Producing	\$203.3	\$142.4	\$122.2	\$106.3	\$93.6	\$83.3	\$7.7
Proved Undeveloped	\$319.4	\$71.0	\$10.6	-\$26.3	-\$47.9	-\$59.6	-\$0.6
Total Proved	\$8,744.6	\$4,997.4	\$3,902.6	\$3,114.2	\$2,538.2	\$2,110.9	\$4.6
Probable	\$4,531.6	\$2,466.2	\$1,875.2	\$1,456.1	\$1,154.9	\$935.5	\$8.4
Proved plus Probable	\$13,276.2	\$7,463.6	\$5,777.8	\$4,570.3	\$3,693.1	\$3,046.4	\$5.3

Note: 1 boe = 6 Mcf

Future Net Revenue by Product Group: Constant Prices and Costs

Reserves Category	Product Group	Future Net Revenue Before Tax @ 10% Disc (M\$)
Proved Reserves	Crude Oil ⁽¹⁾	\$0.0
	Natural Gas	\$3,114.2
Proven plus Probable Reserves	Crude Oil ⁽¹⁾	\$0.0
	Natural Gas	\$4,570.3

Note 1: Includes solution gas

Revenue/Operating Cost Breakdown: Undiscounted Constant prices and operating costs

Reserves Category	Revenue (M\$)	Royalties (M\$)	Operating Costs (M\$)	Develop't Costs (M\$)	Abandm't Costs (M\$)	Future Net Revenue Before Tax (M\$)
Total Proved	\$19,500	\$1,521	\$8,050	\$523	\$661	\$8,745
Proved plus Probable	\$26,034	\$2,031	\$9,005	\$1,061	\$661	\$13,276

Summary of Oil and Gas Reserves and Net Present Values
As of March 31, 2019
Forecasted Prices and Operating Costs

Reserves Category	Metalore Gross Res		Metalore Net Res	
	Oil (MStb)	Gas (MMcf)	Oil (MStb)	Gas (MMcf)
	Proved Developed Producing	0.00	3,771.7	0.00
Proved Developed Non-Producing	0.00	82.8	0.00	76.3
Proved Undeveloped	0.00	242.7	0.00	223.8
Total Proved	0.00	4,097.2	0.00	3,777.6
Probable	0.00	1,038.9	0.00	957.8
Proved plus Probable	0.00	5,136.1	0.00	4,735.5

Reserves Category	Net present Worth Before Taxes (M\$)						Unit Value Before Tax 10% disc (\$/boe) ¹
	0% Disc	5% Disc	7.5% Disc	10% Disc	12.5% Disc	15% Disc	
	Proved Developed Producing	\$10,786.8	\$6,140.2	\$4,778.2	\$3,795.2	\$3,075.4	
Proved Developed Non-Producing	\$238.5	\$164.1	\$139.7	\$120.6	\$105.5	\$93.3	\$8.7
Proved Undeveloped	\$531.3	\$180.9	\$91.1	\$33.4	-\$3.1	-\$25.7	\$0.8
Total Proved	\$11,556.6	\$6,485.2	\$5,009.0	\$3,949.2	\$3,177.7	\$2,607.8	\$5.8
Probable	\$7,025.0	\$3,673.1	\$2,726.1	\$2,061.1	\$1,588.5	\$1,248.7	\$11.9
Proved plus Probable	\$18,581.6	\$10,158.3	\$7,735.1	\$6,010.3	\$4,766.2	\$3,856.6	\$7.0

Note: 1 boe = 6 Mcf

Future Net Revenue by Product Group: Forecasted Prices and Costs

Reserves Category	Product Group	Future Net Revenue Before Tax @ 10% Disc (M\$)
Proved Reserves	Crude Oil ⁽¹⁾	\$0.0
	Natural Gas	\$3,949.2
Proven plus Probable Reserves	Crude Oil ⁽¹⁾	\$0.0
	Natural Gas	\$6,010.3

Note 1: Includes solution gas

Total Future Net Revenue Components using Forecasted Prices and Operating Costs (Undiscounted)

	Revenue (M\$)	Royalties (M\$)	Operating Costs (M\$)	Develop't Costs (M\$)	Abandm't Costs (M\$)	Future Net Revenue Before Tax (M\$)
Total Proved	\$24,621	\$1,920	\$9,760	\$525	\$859	\$11,557
Proved plus Probable	\$35,075	\$2,736	\$11,831	\$1,065	\$862	\$18,582

Product Prices and Operating Costs

Product price, operating cost, economic limit summary table

	Existing Charl/Wals Prod'n (Gas)	New Charl/Wals/Hough (Gas)
2018 Product Price	\$4.76 Cdn/Mcf	Cdn/Mcf
Basis to NYMEX	\$0.69 Cdn/Mcf	\$1.53 Cdn/Mcf
2019 Product Price	\$4.69 Cdn/Mcf	\$5.52 Cdn/Mcf
Royalty Rate	7.8%	7.8%
Fixed Well Op Cost	\$0 /well/mo	\$150 /well/mo
Variable Well Op Cost	\$0.00 /Mcf	\$1.50 /Mcf
Fixed Field Op Cost	\$10,000 /month	\$0.00 /month
Variable Field Op Cost	\$1.50 /Mcf	\$0.00 /Mcf
Economic Limit	120 Mcfd	1.4 Mcfd
Abandonment Costs	\$8.0 k/well	\$8.0 k/well

Product Prices in Forecasted Evaluation

Year	Henry Hub Gas Price (\$US/MMBtu)	Inflation Rate (%/Year)	Exchange Rate (\$US/\$Cdn)	Met PDP Gas Price (\$/Mcf)	Met TP Gas Price (\$/Mcf)
2014 Actual	\$4.30	1.0%	\$0.906	\$5.85	
2015 Actual	\$2.62	2.0%	\$0.782	\$4.99	
2016 Actual	\$2.53	1.8%	\$0.757	\$3.29	
2017 Actual	\$3.00	1.2%	\$0.771	\$4.63	
2018 Actual	\$3.06	1.7%	\$0.771	\$4.76	
2019	\$2.83	2.0%	\$0.757	\$4.69	\$5.52
2020	\$3.00	2.0%	\$0.781	\$4.80	\$5.62
2021	\$3.20	2.0%	\$0.798	\$4.98	\$5.80
2022	\$3.38	2.0%	\$0.800	\$5.21	\$6.03
2023	\$3.49	2.0%	\$0.800	\$5.35	\$6.17
2024	\$3.57	2.0%	\$0.800	\$5.46	\$6.28

Note: Average of Sproule, McDaniel, GLJA, and ICL forecasts used for benchmarks

Reconciliation Tables

Reserve
Reconciliation
Factors

	Crude Oil			Natural Gas		
	Total Proved (MStb)	Additional Probable (MStb)	Total Pr & Prob (MStb)	Total Proved (MMcf)	Additional Probable (MMcf)	Total Pr & Prob (MMcf)
March 31, 2018	0.00	0.00	0.00	4362	537	4899
Extensions	0.00	0.00	0.00	0	0	0
Improved Recovery	0.00	0.00	0.00	0	0	0
Technical Revisions	0.00	0.00	0.00	0	0	0
Discoveries	0.00	0.00	0.00	0	0	0
Acquisitions	0.00	0.00	0.00	0	0	0
Dispositions	0.00	0.00	0.00	0	0	0
Economic Factors	0.00	0.00	0.00	-93	502	409
Production	0.00	0.00	0.00	-172	0	-172
March 31, 2019	0.00	0.00	0.00	4097	1039	5136

Reconciliation of Changes in Net Present Values
Of Future Net Revenue Discounted at 10%/Year
Based on Constant Prices and Costs, Total Proved Evaluation

	\$M
Estimated Future Net Revenue at Mar 31, 2018	3510.3
Sales of oil and gas produced, net of production costs and royalties	-321.6
Net changes in prices and production costs and royalties	-74.5
Changes in development costs	0.0
Extensions and improved recovery	
Discoveries	
Acquisition of reserves	
Disposition of reserves	
Technical Revisions	
Accretion of Discount	
Net change in Income Tax	
Estimated Future Net Revenue at Mar 31, 2019	3114.2

With the continued lower natural gas prices Metalore has announced in their filings that further gas development will not occur until there is an appropriate improvement in natural gas prices. The reserves have increased in this report as a result of the higher natural gas price anticipated once the New Leaf gas deliveries start.

**FORM 51-101F2
REPORT ON RESERVES DATA
By INDEPENDENT QUALIFIED EVALUATOR**

To the board of directors of Metalore Resources Limited (the “Company”)

1. I have evaluated the Company’s reserves data as at March 31, 2019. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at March 31, 2019, estimated using forecast prices and costs.
2. The reserves data are the responsibility of the Company’s management. My responsibility is to express an opinion on the reserves data based on my evaluation.

I carried out my evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the “COGE Handbook”) prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

3. Those standards require that I plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.
4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributable 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 by me for the year ended March 31, 2019, and identifies the respective portions thereof that I have evaluated and reported on to the Company’s management:

Independent Evaluator	Report Date	Reserves Location	Audited (M\$)	Evaluated (M\$)	Reviewed (M\$)	Total (M\$)
Jim McIntosh Petr Eng	6-May-19	Ontario		\$6,010.3		\$6,010.3
Total				\$6,010.3		\$6,010.3

5. In my opinion, the reserves data respectively evaluated by me have, in all material respects, been determined and are in accordance with the COGE Handbook. I express no opinion on the reserves data that I reviewed but did not audit or evaluate.
6. I have no responsibility to update my reports referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.
7. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

Executed as to my report referred to above:

Jim McIntosh Petroleum Engineering Ltd



