



International Frontier Resources Corporation

Annual Information Form
For the year ended December 31, 2019

April 29, 2020

TABLE OF CONTENTS

GLOSSARY OF TERMS.....	3
FORWARD LOOKING INFORMATION.....	4
CORPORATE STRUCTURE	6
GENERAL DEVELOPMENT OF THE BUSINESS	6
DESCRIPTION OF THE BUSINESS.....	13
EXPLORATION AND DEVELOPMENT ACTIVITIES IN MEXICO.....	14
STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION.....	15
DISCLOSURE OR RESERVES DATA.....	16
CAPITAL STRUCTURE OF IFR.....	23
MARKET FOR SECURITIES.....	24
DIRECTORS AND EXECUTIVE OFFICERS.....	25
RISK FACTORS.....	28
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	34
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	34
AUDITOR, TRANSFER AGENT AND REGISTRAR.....	34
MATERIAL CONTRACTS.....	35
INTEREST OF EXPERTS.....	35
ADDITIONAL INFORMATION	35
APPENDIX "A" - FORM 51-101F3 REPORT OF MANAGMENET AND DIRECTORS ON RESERVES DATA AND OTHER OIL AND GAS INFORMATION.....	36
APPENDIX "B" - FORM 51-101F2 REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR.....	37
APPENDIX "C" – AUDIT COMMITTEE CHARTER.....	38

Crude Oils and Natural Gas Liquids

MMbtu Million British thermal units
WTI West Texas Intermediate

Natural Gas

The following table sets forth certain factors for converting metric measurements into imperial equivalents.

To convert from	To	Multiply by
BOE	Mcf	6.00
Mcf	Cubic metres ("m3")	28.17
Cubic metres	Cubic ft	35.49
Bbls	Cubic metres ("m3")	0.16
Cubic metres ("m3")	Bbls	6.29
Feet ("ft")	Metres	0.31
Metres	Feet ("ft")	3.28
Miles	Kilometres ("Km")	1.61
Kilometres ("Km")	Miles	0.62
Acres	Hectares ("Ha")	0.41

FORWARD LOOKING INFORMATION

Certain statements contained in this AIF, and in certain statements incorporated by reference into this AIF, constitute forward-looking statements and forward-looking information (collectively referred to herein as **"forward-looking statements"**) within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact may be forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "strategy" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements are based on reasonable assumptions but no assurance can be given that these expectations will prove to be correct and the forward-looking statements included in this AIF should not be unduly relied upon. These statements are made only as of the date of this AIF.

In particular, this AIF contains forward-looking statements including, but not limited to, the following:

- commodity prices for crude oil or natural gas;
- supply and demand for oil and natural gas;
- the estimated quantity of oil and natural gas reserves, including reserve life;
- capital expenditure programs and potential oil and gas costs and expenditures;
- future exploration, development and production costs;
- timing of drilling plans;
- plans for and results of exploration and development activities;
- expectations regarding the Corporation's ability to raise capital and to continually add to oil and natural gas reserves through acquisitions, exploration and development;
- future environmental protection regulations;
- challenges of attracting and retaining employees;
- the regulatory framework in respect of the License Contact including work requirements, costs, bonds, royalties and length of terms;
- lack of exploration and development plans for the NW Montana property;
- treatment under governmental regulatory regimes and tax laws;
- the investment expected to be attracted because of Mexico's energy reform;
- plans and objectives for the Tecolutla Block, including further exploration, appraisal and development of the block; and
- third party resource and reserve estimates, including Mexican resource and reserve estimates.

Although the forward-looking statements contained in this AIF are based upon assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this AIF and other documents of public record, the Corporation has made assumptions regarding, among other things:

- the legislative and regulatory environments of the jurisdictions where the Corporation carries on business or has operations;
- commodity prices and royalty regimes;
- the impact of increasing competition;
- availability of skilled labour;
- timing and amount of capital expenditures;
- the price of oil and natural gas;
- conditions in general economic and financial markets;
- royalty rates and future operating costs;
- future oil and natural gas production levels from IFR's properties and the prices obtained from the sales of such production;
- the level of future capital expenditure required to exploit and develop reserves; and
- the Corporation's ability to obtain financing on acceptable terms, as required.

The Corporation's actual results could differ materially from those anticipated in these forward-looking statements and information as a result of assumptions proving inaccurate and of both known and unknown risks as set forth below:

- general economic, political, market and business conditions;
- the ability of management to execute its business plan;
- risks inherent in oil and natural gas operations;
- fluctuations in the price of oil and natural gas, interest and exchange rates;
- the risks of the oil and gas industry, such as operational risks and market demand;
- governmental regulation of the oil and gas industry, including environmental regulation;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the uncertainty of reserves estimates and reserves life;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures;
- availability of sufficient financial resources to fund the Corporation's capital expenditures;
- unanticipated operating events which could reduce production or cause production to be shut-in or delayed;
- hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury;
- encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations;
- the ability to add production and reserves through development and exploration activities;
- general economic and business conditions;
- the possibility that government policies or laws, including laws and regulations related to the environment, may change or governmental approvals may be delayed or withheld;
- uncertainty in amounts and timing of royalty payments;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel;

- the availability of capital on acceptable terms or at all;
- failure to realize the anticipated benefits of acquisitions and dispositions;
- ability to raise project finance capital from chartered banks; and
- the other factors considered under “Risk Factors”.

Forward-looking statements and other information contained herein concerning the oil and gas industry in Mexico and the Corporation’s general expectations concerning this industry are based on estimates prepared by management of the Corporation using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Corporation believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Corporation is not aware of any material misstatements regarding any industry data presented herein, the oil and gas industry involves numerous risks and uncertainties and is subject to change based on various factors.

Management of the Corporation has included the above summary of assumptions and risks related to forward-looking statements provided in this AIF in order to provide Shareholders with a more complete perspective on the Corporation’s current and future operations and such information may not be appropriate for other purposes. The Corporation’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this AIF and the documents incorporated by reference herein are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking statements except as required by securities laws or regulations. Further information about the factors affecting forward-looking statements and management’s assumptions and analysis thereof, is available in filings made by the Corporation with Canadian provincial securities commissions available on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com.

CORPORATE STRUCTURE

IFR was incorporated on November 24, 1997 under the ABCA as “761523 Alberta Ltd.”. On March 20, 1998, the Corporation changed its name to “International Frontier Resources Corporation”.

The Corporation has one 99.80% owned subsidiary, Petro Frontera de S.A.P.I. de C.V., incorporated under the laws of Mexico. Petro Frontera owns 50% of the outstanding shares of Tonalli Energia, S.A.P.I de C.V., incorporated under the laws of Mexico and 50% of the outstanding shares of Energia Mex Can incorporated under the laws of Mexico.

The Corporation’s head office is located at 2410, 520 - 5th Avenue, SW, Calgary, AB T2P 3R7 and its registered office is located at 10, 628 - 12 Avenue SW, Calgary, AB T2R 0H6.

The Corporation is a reporting issuer in British Columbia and Alberta. The Common Shares are listed and posted for trading on the TSX Venture Exchange (the “**TSXV**”) under the trading symbol “IFR”.

GENERAL DEVELOPMENT OF THE BUSINESS

Business Overview

International Frontier Resources is an independent Canadian publicly traded company, the principle business of which is to acquire, develop, exploit and produce oil and natural gas in Mexico. IFR also has oil and natural gas interests in the Central Mackenzie Valley (“**CMV**”), Northwest Territories, Canada.

Three Year History

The general development of IFR's business during the last three fiscal years and to the date of this AIF, including significant acquisitions and other events which have had an influence on the Corporation's development, are described below.

Financial Year Ended December 31, 2017

- In January 2017, the Corporation secured an Account Performance Security Guarantee ("**APSG**") facility of US\$882,050 with Export Development Canada ("**EDC**"). The APSG facility was provided as 50% of a performance bond issued by joint venture company Tonalli.
- On January 19, 2017, the Corporation's jointly owned Mexican company Tonalli registered and was granted access to the CNH data room for the third tender of Round Two of Mexico's oil and gas energy reform.
- On March 3, 2017, the Corporation closed a private placement for aggregate gross proceeds of \$5,059,085, which consisted of the sale of 18,068,160 Common Shares at a price of \$0.28 per Common Share. The brokered portion of the private placement led by PI Financial Corp. consisted of 8,094,445 Common Shares for gross proceeds of \$2,266,445. PI Financial Corp. was paid a commission of 6% on the brokered portion of the financing. The non-brokered portion of the private placement consisted of 9,973,715 Common Shares for gross proceeds of \$2,792,640. The Corporation paid finders fees in the amount of \$11,760 in respect of the non-brokered portion of the placement.
- On April 14, 2017, the Corporation completed the sale of its 100% interest in its oil properties in south east Alberta, Canada for consideration of \$1 and the reservation and granting to the Corporation of a 2.5% gross overriding royalty as pursuant to a Gross Overriding Royalty Agreement.
- On May 25, 2017, Patrick Boswell resigned as director of the Corporation.
- On June 23, 2017, the Corporation's jointly owned Mexican company Tonalli received approval by the CNH for its evaluation plan for the Tecolutla Block. The evaluation plan outlines in detail the scheduled work program to develop Tecoluta.
- On June 26, 2017, the Corporation's jointly owned Mexican company Tonalli was named by Mexico's energy regulator, the CNH as one of 12 companies and seven consortiums to qualify to bid on up to 14 blocks in bid round 2.3 scheduled for July 12, 2017.
- On July 13, 2017, the Corporation announced the results of the Mexican Energy Reform Onshore Bid Round 2.3 completed on July 12, 2017. IFR, through its jointly owned Mexican company Tonalli, was not awarded any licenses. Tonalli placed second in bidding on Block CS-03 and came in third place on Blocks CS-02 and CS-04.
- On August 1, 2017, the Corporation engaged Primoris Group Inc. ("**Primoris**") to provide investor relations and media relations services. Under the terms of IFR's agreement with Primoris, which commenced August 1, 2017 for a one-year period, Primoris will implement a communications program to support the Company's growth strategy, for which it will be paid a fee of \$6,000 per month. The agreement between the Corporation and Primoris is renewable and can be terminated by either party after six months on 60 days written notice.

- On December 4, 2017, the Corporation received aggregate proceeds of \$2,561,045 from the exercise of warrants and issued an additional 24,961,880 Common Shares upon the exercise of these warrants.
- Effective December 4, 2017, the Corporation granted, pursuant to its Incentive Stock Option Plan, incentive stock options to directors, officers and employees for the purchase of up to 4,875,000 Common Shares. Of the options granted, 4,650,000 vest over 24 months from date of grant and 225,000 vest immediately. All of the options are exercisable on or before December 4, 2022 at a price of \$0.22.

Financial Year Ended December 31, 2018

- On March 8, 2018, the Corporation announced that its jointly owned Mexican company Tonalli received approval of the plan for Industrial Safety Management System, Operational Safety and Environmental Protection (the “implementation plan”) by ASEA. The implementation plan details the operations safety system Tonalli will use for oil and gas operations in Mexico.
- On April 12, 2018, the Corporation announced that in partnership with IDESA, Tonalli spudded its first evaluation well, TEC-10, at its onshore Tecolutla Block.
- On May 7, 2018, the Corporation announced that Tonalli successfully and safely reached total depth at its first evaluation well, TEC-10, on its onshore Tecolutla Block. The TEC-10 directional evaluation well was drilled to the target depth of 2453m (Total Vertical Depth TVD, 2490 Measured Depth). Production casing was successfully installed and the drilling rig was released on May 4, 2018.
- On May 9, 2018, the Corporation announced that Tonalli has registered and been granted access to the data room for the second tender of Round Three of Mexico’s oil and gas energy reform by the CNH.
- On May 16, 2018, the Corporation announced that Tonalli had commenced a production test of the TEC-2 well producing from existing perforations. The well was tested for a total of seven days and recovered an average of 125 barrels of oil per day (“bopd”). Over the final day of the test, the TEC-2 well averaged an estimated 105 bopd and 288 mcf of gas producing 514 bbls/d of fluid.
- On July 17, 2018 the Corporation announced the appointment of a new independent director, R. Glenn Dawson to its board of directors (the “Board”).
- On July 17, 2018 the Corporation announced that Tonalli received approval from Mexico’s National Hydrocarbons Commission (“CNH”) to extend its Tecolutla evaluation plan. Subject to final approval for the modification of the work program, Tonalli intends to perform an additional workover and drill a horizontal well as part of this extension. Before the July 6th, 2019 expiry of this second phase of the evaluation, Tonalli intends to submit a long term development plan to CNH for Tecolutla. Tonalli has posted an additional performance bond relative to the new work program in the amount of \$1,649,050 US.
- On July 23, 2018 the Corporation announced that Tonalli has finalized the completion of three intervals in its first evaluation well, TEC-10. Perforation and stimulation of the TEC-10 well commenced in late June targeting multiple zones in 138m of gross El Abra reef.
- On August 7, 2018 the Corporation announced that Tonalli completed an 18-day flow test of the primary zone interval with the following results:

- Daily oil production of the TEC-10 well increased throughout the extended production test from the initial low flow rates observed on July 23, 2018 to more than 175 barrels of oil per day (“bopd”) at the end of the production test on August 6, 2018.
 - Over the last 72 hours of the extended well test, the TEC-10 well produced an average of 152 bopd and 300 barrels per day (“bpd”) of total fluid (51% crude oil by volume). During the last 24 hours of the extended well test the TEC-10 well produced 178 barrels of crude oil and 305 barrels of total fluid (58% crude oil by volume).
 - During the 18-day test period the TEC-10 well maintained a consistent daily flow rate of 285-315 barrels of formation fluid while flowing through a restricted 12/64” surface choke. Flowing wellhead pressure increased from 260 psi on July 23, 2018, to more than 900 psi at the end of the testing period on August 6, 2018.
 - The initial bottom-hole pressure data indicates that the TEC-10 well production capacity is significantly higher than the restricted flow rates observed during the extended testing operation.
- On August 28, 2018, the Corporation announced that, subject to regulatory approval, it has granted a total of 300,000 options to purchase Common Shares of IFR to independent director Glenn Dawson, with an exercise price of \$0.16 and an expiry date of August 27, 2023.
- On September 13, 2018 the Corporation announced that Tonalli had commenced trucking of oil produced at its Tecolutla block for sale to PEMEX.
- On September 26, 2018 announced that it has entered into a share option agreement (the “Option Agreement”) with its joint venture partner, Grupo IDESA, S.A de C.V. (“IDESA”) pursuant to which IFR’s wholly-owned Mexican subsidiary, Petro Frontera, S.A.P.I. de C.V. (“Frontera”) was granted the option (the “Option”) to purchase all of the outstanding shares in the joint venture company, Tonalli Energia S.A.P.I. de C.V. (“Tonalli”) held by IDESA. Through Frontera, IFR holds 50% of the outstanding Tonalli shares, with IDESA holding the remaining 50%.
- On October 18, 2018 the Corporation announce that Tonalli had secured the necessary approvals for its first conventional horizontal (“TEC-11”) well at Tecolutla. The CNH has approved the modified evaluation plan which permits Tonalli to commence drilling the TEC-11 well. Tonalli also received approval of its MIA (environmental plan) for the TEC-11 well from Agencia de Seguridad Energia y Ambiente (ASEA).
- On October 24, 2018 the Corporation announced Tonalli has entered into a joint bidding agreement with Servicios de Extraccion Petrolera Lifting de Mexico S.A. de C.V. (“Lifting MX”), a subsidiary of leading oil and gas services provider Cotemar, S.A. de C.V. Under the terms of the agreement, the two companies will cooperate in evaluating and participating in the upcoming Petroleos Mexicanos (“PEMEX”) farmout bid rounds, scheduled for February 14, 2019.
- On November 1, 2018 the Corporation announced an update of the results for extended production testing operations of the first vertical well (“TEC-10”) drilled by Tonalli at the Tecolutla onshore oil and gas block in Mexico. As of October 31, 2018, TEC-10 has produced for 42 days consecutive days from 2.5 meters of perforation with the following results:
 - As of October 31, 2018 the well flowed for the last 24 hours at an estimated rate averaging 181 barrels of crude oil and 320 barrels of total fluid (57% crude oil by volume) at 741 psi flowing pressure.
 - In October, the well produced an average of approximately 181 barrels of crude oil per day and 312 barrels of total fluid per day (58% crude oil by volume) at an average of 873 psi wellhead flowing pressure.
 - Cumulative tested production from September 20, 2018 up to and including October 31st, 2018 was 160 barrels of crude oil per day and 302 barrels of total fluid per day (52% crude oil by volume) at an average 813 psi flowing pressure.

- On November 13, 2018 the Corporation announced that Tonalli has spudded the first conventional horizontal well, (“TEC-11”), at its onshore Tecolutla block.
- On December 19, 2018, the Company announced that Tonalli has reached total depth at its first conventional horizontal well, (“TEC-11”), on its onshore Tecolutla block.
- On December 11, 2018 CNH announced the cancellation of bid rounds 3.2 and 3.3.

Financial Year Ended December 31, 2019

- On April 2, 2019 the Corporation announced that it intends to complete a non-brokered private placement for gross proceeds of up to US\$3,500,000 by the issuance of up to 50,000,000 common shares at a price of \$0.095 per share. The closing of the private placement is expected to occur on or about April 19, 2019 and is subject to regulatory approval, including the approval of the TSX Venture Exchange (the “TSX-V”). The net proceeds from the private placement will be used to finance the Corporation's continuing capital program, for further advances on IFR's Tecolutla project and for general working capital purposes. A finder's fee of up to 6% of the gross proceeds of the private placement may be paid on all or any portion of the private placement. The common shares issued in connection with the private placement will be subject to a hold period of four months from the date of issuance.
- On April 29, 2019 the Corporation announced that, further to its news release dated April 2, 2019, IFR closed the first tranche of its previously announced non-brokered private placement of common shares on April 22, 2019, subject to final acceptance from the TSX Venture Exchange. IFR issued 11,064,500 common shares at a price of CDN\$0.095 per share, for gross proceeds of CDN\$1,051,128. The common shares issued pursuant to the offering are subject to a hold period that expires on August 23, 2019. Finders' fees of CDN\$1,995 were paid to arm's length parties acting in connection with this tranche of the offering.
- On May 28, 2019 the Corporation announced that, further to its news release dated April 2, 2019, IFR closed the second tranche of its previously announced non-brokered private placement of common shares on May 27, 2019, subject to final acceptance from the TSX Venture Exchange. IFR issued 10,174,500 common shares at a price of CDN\$0.095 per share, for gross proceeds of CDN\$1,017,878. The common shares issued pursuant to the offering are subject to a hold period that expires on September 25, 2019. Finders' fees of CDN\$63,052 were paid to arm's length parties acting in connection with this tranche of the offering.
- On May 28, 2019 the Corporation also announced that Colin Mills has resigned from the Company's board of directors, effective May, 24 2019.
- On June 6, 2019 the Corporation announced:
 - Tonalli has been informed by Mexico's Comision Nacional de Hidrocarburos (“CNH”) that it has completed its minimum work commitment required to earn-in on the Tecolutla Block in its 35-year license agreement. To date US\$1,534,000 of Tonalli's total Account Performance Security Guarantee (APSG) that was posted with CNH to ensure completion of the minimum work commitment has already been returned. Tonalli is now in the process of applying for the return of its remaining US\$1,764,000 APSG.
 - The completed work units required were performed thru core studies, seismic reprocessing, well workovers and drilling activities.
 - Tonalli is finalizing preparations to commence the perforation and stimulation of the TEC-11 horizontal well. Tonalli experienced delays in this operation due to problems with availability of

certain services and tools, which have now been rectified. Tonalli expects to finalize this operation in late June and will then commence production testing.

- TEC-2 Workover In May 2019 Tonalli re-entered the TEC-2 well and performed further downhole operations. As a result, a new production test is currently ongoing. The first 12 days of this test has yielded a result of 62 barrels of oil per day (BPD) of oil on average at a 43% oil cut.
- On June 10, 2019 the Corporation announced that subject to regulatory approval, the Company granted, pursuant to its Incentive Stock Option Plan, 7,250,000 stock options to purchase common shares to directors, officers and consultants of IFR, with an exercise price of \$0.08 per share and an expiry date of June 10, 2024. Of the options granted, 450,000 vest immediately, with the remaining 6,800,000 vesting over three years from the date of grant.
- On July 22, 2019 the Corporation announced:
 - Tonalli has finalized the completion and testing of the TEC-11 well in the El Abra formation, and is preparing to conduct a completion of the uphole Tantoyuca zone which was previously identified as a potentially productive zone. The testing of the El Abra formation resulted in a flow of 100% water. Unlike the previously drilled TEC-10 well that initially flowed water and transitioned to an oil cut, there was no evidence that the flow of TEC-11 would transition to oil so the test has been suspended.
 - The TEC-2 and TEC-10 wells are continuing to produce on a daily basis with crude sales to PEMEX. Oil production from the two wells is currently at approximately 135 barrels per day. Tonalli is focused on initiatives for improving field operating costs and increasing cashflow, including but not limited to, building an approximately 700 meter small diameter flowline between the TEC-10 and TEC-2 which will allow us to reduce surface equipment. Tonalli is also analyzing alternatives for water injection in the field which will reduce third party disposal and trucking fees.
- The Corporation also announced that effective July 22, 2019 Ignacio Quesada has resigned as a director of the company.
- On November 25, 2019 the Corporation announced that it will be offering rights (the "Rights Offering") to holders of its common shares ("Common Shares") of record at the close of business on November 29, 2019 (the "Record Date"). Pursuant to the Rights Offering, each holder of Common Shares (a "Shareholder") will receive 0.4 of a transferable right (each, a "Right") for each Common Share held as of the Record Date. One (1) Right will entitle the holder thereof to subscribe for one Common Share upon payment of the subscription price of \$0.01 per Common Share until 5:00 p.m. (Toronto time) (the "Expiry Time") on January 13, 2020. Assuming the exercise of all Rights, the Rights Offering will raise gross proceeds of up to C\$695,406.

Developments since December 31, 2019

- On January 17, 2020 the Corporation announced the successful completion of the previously announced rights offering (the "Offering"), subject to final approval of the TSX Venture Exchange. The Offering was over-subscribed and at closing, IFR issued 69,540,554 common shares of the Company (each a "Common Share") at a price of \$0.01 per Common Share, raising total gross proceeds of approximately \$695,406. A total of 28,329,345 Common Shares were issued under the basic subscription privilege and an additional 41,211,209 Common Shares were issued under the additional subscription privilege. As of the closing date, 243,391,939 Common Shares of IFR are issued and outstanding.

- On January 31, 2020 the Corporation announced it has signed a two year Cooperation Agreement with leading oilfield service provider SIMMONS EDECO (“SIMMONS”). Through this strategic alliance, IFR and SIMMONS will work together to pursue oil and gas opportunities in the Mexican market primarily focused on upstream oil and gas, as well as midstream and service contract opportunities.
- As part of the Cooperation Agreement, SIMMONS may provide investment capital, drilling rigs and oil field services to new joint opportunities. Specifically, within the Cooperation Agreement SIMMONS has agreed that it may provide:
 - Access to Simmons drilling services which includes a fleet of fully equipped rigs, as well as other services already operating in Mexico with planned expansions,
 - Simmons would take economic risk in exchange for providing these services,
 - Capital contributions, ideally between \$2-\$5 million, towards acquisition and development of assets in exchange for beneficial rights from the asset.
 - Support in the negotiation and execution of contracts to secure assets and implementation of projects.
 - Secure operational bases and local staff based in Villahermosa and Poza Rica, Mexico.
- As part of the Cooperation Agreement, IFR agrees that it may provide:
 - Status as one of the few qualified operators in Mexico.
 - Lead representation in the negotiation execution of contracts to secure assets and implementation of projects.
 - Technical and operational expertise and staff in order to evaluate, develop and operate assets.
 - Capital contributions either directly or through additional partnerships.

Significant Acquisitions

During the fiscal year ended December 31, 2019, the Corporation did not complete any significant acquisitions as defined in National Instrument 51-102 - *Continuous Disclosure Obligations*.

Employees/Consultants

The Corporation had 5 consultants as at December 31, 2019 and the Effective Date.

Environmental

The Corporation believes that it is in compliance with applicable existing environmental laws and regulations and is not aware of any proposed environmental legislation or regulations with which it would not be in material compliance. However, the natural resources industry may in the future become subject to more stringent environmental protection rules. This could increase the cost of doing business and may have a negative impact on earnings in the future.

Competitive Conditions

The oil and natural gas industry is intensely competitive in all its phases. The Corporation competes with numerous other participants in the search for, and the acquisition of, oil and natural gas properties and in the marketing of oil and natural gas. The Corporation’s competitors include resource companies which have greater financial resources, staff and facilities than those of the Corporation. Competitive factors in the distribution and marketing of oil and natural gas include price and methods and reliability of delivery. The Corporation believes that its competitive position is equivalent to that of other oil and gas issuers of similar size and at a similar stage of development.

Cyclical Nature of Business

The Corporation’s business is generally not cyclical. The exploration and development of oil and natural gas reserves is dependent on access to areas where production is to be conducted. Seasonal weather variation, including rainy seasons, affects access in certain circumstances.

Specialized Skill and Knowledge

Operations in the oil and natural gas industry mean that IFR requires professionals with skills and knowledge in diverse fields of expertise. In the course of its exploration, development and production of hydrocarbons, the Corporation utilizes the expertise of geophysicists, geologists and petroleum engineers. The Corporation faces the challenge of attracting and retaining sufficient employees to meet its needs.

Foreign Operations

The Corporation's oil and gas operations and assets are located in foreign jurisdictions. As a result, the Corporation is subject to political, economic and other uncertainties, including but not limited to changes, sometimes frequent, in energy policies or the personnel administering them, nationalization, expropriation of property without fair compensation, cancellation or modification of contract rights, foreign exchange restrictions, currency fluctuations, royalty and tax increases, and other risks arising out of foreign governmental sovereignty over the areas in which the Corporation's operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities and insurrections. Changes in legislation may affect the Corporation's oil and natural gas exploration and production activities. The Corporation's international operations may also be adversely affected by laws and policies of Canada as they pertain to foreign trade, taxation and investment.

Industry Conditions - Energy Reform (Mexico)

Mexico's historic energy reform announced in 2014 has established a new legal framework for Mexico's energy industry and is expected to attract the billions of dollars in foreign investment needed to revitalize Mexico's oil and gas industry. The Secretaria de Energia has issued a five-year, four round tender plan (2015-2019) for the denationalization of 914 oil and gas blocks in Mexico.

DESCRIPTION OF THE BUSINESS

Mexico

The Mexican government changed their constitution in December 2013 to allow foreign investment in the Mexican Oil & Gas sector. The implementation of this energy reform legislation provides an opportunity for oil companies looking to tap into Mexico's energy potential. International Frontier Resources participated in Mexico's first onshore licensing round, which secured the Tecolutla Block in Mexico's first onshore licensing round.

Tonalli, the Corporation's operating subsidiary in Mexico formed through the 50/50 joint venture with Grupo IDESA combines IFR's Canadian geoscience, engineering and finance team with IDESA's Mexican regulatory, engineering and logistics team.

Northwest Territories

The Corporation holds an interest in three Significant Discovery Licenses, and also has one Exploration License and in two freehold parcels in the Sahtu area of the central Mackenzie Valley, NWT encompassing 174,610 net acres. The Corporation's acreage held under Significant Discovery License does not expire. The remaining two freehold parcels held at December 31, 2019 will be relinquished on or before April 29, 2020.

North West Montana

The Company owns mineral titles covering 15,200 acres ("**Fee Acreage**") on the south end of the SAB located on the Blackfoot Reserve in Glacier County, Northwest Montana. The Fee Acreage does not expire.

EXPLORATION AND DEVELOPMENT ACTIVITIES IN MEXICO

Tecolutla Contract Mexico

The Tecolutla Block is governed by the terms of a license contract for the extraction of hydrocarbons entered into by Tonalli and the CNH on August 25, 2016 (“**License Contract**”).

The Licence Contract has a term of 25 years with two possible extensions of 5 years, all of which could result in a contract term of 35 years. The License Contract allows Tonalli to explore for, produce and market hydrocarbons.

There are National Content rules contained in the License Contract, which require that Tonalli comply with a minimum percentage of national content starting at twenty-two percent (22%) and escalating to as high as 38% of the value of the items which have been purchased or contracted in Mexico for Petroleum Activities during the Appraisal Period.

Tonalli’s evaluation plan regarding the Tecolutla Block was approved by the CNH in accordance with the License Contract. The evaluation period (the “**Evaluation Period**”) commenced July 6, 2017 and is for a one-year term. During the Evaluation Period, Tonalli must perform a minimum work program.

As required by the CNH, Tonalli secured from a Mexican institution a US\$1,764,100 performance bond toward the guarantee of performance of the minimum work programs. Upon completion of the minimum work program, the performance bond will be returned. Tonalli is required to fulfil the minimum work program by performing any combination of tasks to earn 4,600 Work Units. The Corporation’s 50% share of these activities has been budgeted as CAD\$2.6 million. In addition, in 2017, the Corporation secured an APSG facility of US\$882,050, with EDC. The APSG facility was provided as 50% of the performance bond issued by Tonalli.

On July 6, 2018, Tonalli received approval from CNH to extend its Tecolutla evaluation plan. Subject to final approval for the modification of the work program, Tonalli intends to drill a horizontal well as part of this extension. As a result, Tonalli posted an additional performance bond relative to the new work program in the amount of US\$1,649,000.

Exploration and Development Activities Mexico

Tonalli completed the following activities during 2018 to satisfy the work units as required by the initial and extended evaluation periods:

- In April 2018 Tonalli completed a workover of the TEC-2 well to satisfy the minimum work requirement as required by the initial evaluation period of the Tecolutla License Contract.
- In May 2018 Tonalli drilled its first directional evaluation well, TEC-10 to a depth of 2,453 meters to earn 4,000 work units as required by the terms of the initial evaluation period of the Tecolutla License Contract.
- In July 2018 Tonalli finalized the completion of three intervals in TEC-10 and in August 2018 Tonalli completed an 18-day flow test of the primary zone interval.
- In September 2018 Tonalli commenced trucking of oil produced at its Tecolutla block for sale to PEMEX.
- In December 2018 the Company announced that Tonalli has reached total depth at its first conventional horizontal well, (“TEC-11”), on its onshore Tecolutla block to earn 4,000 work units as required by the terms of the extended appraisal period of the Tecolutla License Contract.

- In December 2018, Tonalli received accreditation for 4,000 work units with respect to the TEC-10 drill. The performance bond was returned in January 2019 upon fulfillment and approval of the required work program.
- In June 2019 Tonalli received accreditation for its remaining 4,800 work units with respect to its initial and modified evaluation plan
- In July 2019, Tonalli received a further extension of its Evaluation Plan with respect to the Tecolutla Block until July 6, 2020. There were no additional work commitments with respect to the Tecolutla Contract.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

In accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities, GLJ Petroleum Consultants (“GLJ”) prepared the GLJ Report evaluating, as at December 31, 2019, **International Frontier Resources Corporation (“IFR”)** oil reserves. The preparation date is **February 18, 2020**.

The Company has a 50% working interest in the Onshore Oil and Gas Development Block 24 (the “Tecolutla Block”) located in Veracruz, Mexico. The tables below are a summary of the oil reserves and the net present value of future net revenue attributable to such reserves as evaluated in the GLJ Report based on forecast price and cost assumptions. The tables summarize the data contained in the GLJ Report and as a result may contain slightly different numbers than such report due to rounding. Also, due to rounding,

The net present value of future net revenue attributable to IFR’s reserves is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties, production costs, development costs, other income, future capital expenditures, and well abandonment costs for only those wells assigned reserves by GLJ. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to IFR’s reserves estimated by GLJ represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of IFR’s oil, reserves provided herein are estimates only and actual reserves may be greater than or less than the estimates provided herein.

The GLJ Report is based on certain factual data supplied by IFR and GLJ’s opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to IFR’s petroleum properties and contacts (except for certain information residing in the public domain) were supplied by IFR to GLJ and accepted without any further investigation. GLJ accepted this data as presented and neither title searches nor field inspections were conducted.

Reserves Data

Summary of Reserves and Values As of December 31, 2019 (USD\$)

	Proved Producing	Total Proved	Proved Plus Probable Producing	Total Proved Plus Probable	PPP Producing	Total PPP
MARKETABLE RESERVES						
Light & Medium Oil (Mbbbl)						
Gross Lease	74	74	112	847	146	1,195
Total Company Interest	37	37	56	423	73	598
Net After Royalty	22	22	33	248	44	347
Oil Equivalent (Mboe)						
Gross Lease	74	74	112	847	146	1,195
Total Company Interest	37	37	56	423	73	598
Net After Royalty	22	22	33	248	44	347

Summary of Net Present Values of Future Net Revenues As of December 31, 2019 Forecast Prices and Costs (USD\$)

	Before Income Taxes and Discounted at (%/year)					After Income Taxes and Discounted at (%/year)				
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%
	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)	(M\$USD)
Proved										
Developed Producing	305	297	286	275	263	305	297	286	275	263
Undeveloped	0	0	0	0	0	0	0	0	0	0
Total Proved	305	297	286	275	263	305	297	286	275	263
Probable	5,974	4,146	2,940	2,123	1,554	5,974	4,146	2,940	2,123	1,554
Total Proved plus Probable	6,279	4,443	3,226	2,398	1,817	6,279	4,443	3,226	2,398	1,817
Possible	3,899	2,239	1,407	954	688	3,236	1,972	1,292	902	664
Total Proved plus Probable plus Possible	10,178	6,682	4,633	3,352	2,505	9,515	6,415	4,518	3,300	2,481

Total Future Net Revenue (undiscounted) As of December 31, 2019 Forecast Prices and Costs (USD\$)

	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Incomes Taxes
Reserves Category	M\$USD	M\$USD	M\$USD	M\$USD	M\$USD	M\$USD	M\$USD	M\$USD
Proved	2,141	849	905	38	44	305	-	305
Proved Plus Probable	27,980	11,624	7,181	2,715	181	6,279	-	6,279
Proved Plus Probable Plus Possible	42,007	17,682	11,216	2,715	216	10,178	663	9,515

**Future Net Revenue by Product Type
As of December 31, 2019
Forecast Prices and Costs (USD\$)**

Reserves Category	Product Type	Future Net Revenue Before Income Taxes Discounted at:			Unit Value Before Income Taxes Discounted 10%/Year \$USD/BBL
		0.00%	10.00%	15.00%	
		M\$USD	M\$USD	M\$USD	
Total Proved	Light and Medium Oil	305	286	275	13.00
Total Proved plus Probable	Light and Medium Oil	6,279	3,226	2,398	13.01
Total Proved Plus Probable Plus Possible	Light and Medium Oil	10,178	4,633	3,352	13.35

**Summary of Pricing and Inflation Rate Assumptions
As of December 31, 2019
Forecast Prices and Costs (USD\$)**

Summary of Pricing and Inflation Rate Assumptions											
Effective January 1, 2020											
Forecast Prices and Costs											
			WTI Crude Oil (39.6 API, 0.24%S)		Brent Spot Crude Oil (38.3 API, 0.37%S)	MSW, Light Crude Oil (40 API, 0.3%S)	Bow River Crude Oil (21.4 API, 2.8%S)	WCS Crude Oil (20.9 API, 3.5%S)	Heavy Crude Oil Proxy (12 API)	Light Sour Crude Oil (35 API, 1.2%S)	Medium Crude Oil (29 API, 2.0%S)
		CAD/USD	Cushing, OK		UK	at Edmonton	at Hardisty	at Hardisty	at Hardisty	at Cromer	at Cromer
	Inflation	Exchange Rate	Constant 2020 \$	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current
Year	%	USD/CAD	USD/bbl	USD/bbl	USD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl
2020 full	0.0	0.760	61.00	61.00	67.00	71.71	58.29	57.89	50.92	70.99	69.56
2021	2.0	0.770	61.76	63.00	68.00	74.03	61.44	61.04	54.58	73.29	71.81
2022	2.0	0.780	63.44	66.00	71.00	76.92	64.50	64.10	57.33	76.15	74.62
2023	2.0	0.780	64.08	68.00	73.00	80.13	67.07	66.67	59.71	79.33	77.72
2024	2.0	0.780	64.67	70.00	75.00	82.69	69.63	69.23	62.27	81.87	80.21
2025	2.0	0.780	65.21	72.00	76.00	85.26	72.19	71.79	64.83	84.40	82.70
2026	2.0	0.780	65.71	74.00	78.00	87.82	74.76	74.36	67.40	86.94	85.19
2027	2.0	0.780	66.00	75.81	79.81	90.14	77.08	76.68	69.72	89.24	87.44
2028	2.0	0.780	66.00	77.33	81.33	92.09	79.03	78.63	71.67	91.17	89.33
2029	2.0	0.780	66.00	78.88	82.88	94.08	81.02	80.62	73.65	93.14	91.25
2030+	2.0	0.780	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

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

PART 3 - RECONCILIATION OF CHANGES IN RESERVES

The following table sets forth a reconciliation of IFR's total net proved probable and proved plus probable reserves as at December 31, 2019 against such reserves as at December 31, 2018 based on forecast price and cost assumptions.

	Proved Reserves	Probable Reserves	Proved Plus Probable Reserves
	Mbbbl	Mbbbl	Mbbbl
December 31, 2018	733	213	946
Discoveries	-	-	-
Extensions*	-	-	-
Infill Drilling*	-	-	-
Improved Recovery*	-	-	-
Technical Revisions	(682)	173	(509)
Acquisitions	-	-	-
Dispositions	-	-	-
Economic Factors	-	-	-
Production	(14)	-	(14)
December 31, 2019	37	386	423

* The above change categories correspond to standards set out in the Canadian Oil and Gas Evaluation Handbook. For reporting under NI 51-101, reserves additions under Infill Drilling, Improved Recovery and Extensions should be combined and reported as "Extensions and Improved Recovery".

PART 4 – ADDITIONAL INFORMATION RELATING TO RESERVE DATA

Item 4.1 - Undeveloped Reserves

The following discussion generally describes the basis on which IFR attributes Proved and Probable Undeveloped Reserves and its plans for developing those Undeveloped Reserves.

Probable Undeveloped Reserves

Probable undeveloped reserves are generally those reserves tested or indicated by analogy to be productive, infill drilling locations and lands contiguous to production. The majority of these reserves are planned to be on stream within a two-year timeframe.

Item 4.2 - Significant Factors or Uncertainties Affecting Reserves Data

The process of estimating reserves is complex. It requires significant judgments and decisions based on available geological, geophysical, engineering, and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices and economic conditions IFR reserves are evaluated by GLJ, an independent engineering firm.

As circumstances change and additional data become available, reserve estimates also change. Estimates made 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.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and gas prices, and reservoir performance. Such revisions can be either positive or negative.

Future Development Costs

The table below sets out the development costs deducted in the estimation of future net revenue attributable to prove reserves and proved plus probable reserves (using forecast prices and costs only).

	Proved	Proved Plus Probable	Proved Plus Probable Plus Possible
Year	M\$USD	M\$USD	M\$USD
2020	38	38	38
2021	-	1,377	1,377
2022	-	1,301	1,301
Total Undiscounted	38	2,716	2,716
Total Discounted at 10% per year	36	2,254	2,254

PART 5 – other oil & gas information

Item 5.1 - Oil & Gas Properties

Tecolutla Block, Veracruz, Mexico License Contract - CNH-RO I-L03-A24/2016

In Q2, 2016 the Corporation's 50% owned joint venture in Mexico, Tonalli Energia S.A.P.I. de CV ("Tonalli") was awarded the Onshore Oil and Gas Development Block 24 (the "Tecolutla Block").

The Tecolutla Block is a 1,779-acre block in the Tampico-Misantla Basin located within the state of Veracruz. The producing carbonate oil reservoir in the Tecolutla Block is the El Abra formation at a depth of 2,340 meters. 3D seismic has been acquired over the entire Tecolutla Block and 9 wells have been drilled the field with 5 having produced. Peak production of over 900 bbl/d occurred from the Tecolutla Block in 1972 from 4 wells, with 1 producing well remaining as of December 2014 upon acquisition of the asset. Tonalli now has 1 producing well and another well drilled and awaiting initial completion. Tonalli's experienced operating team intends to deploy advanced carbonate drilling, completion and recompletion techniques in the Tecolutla Block.

Oil and Gas Wells

The following table summarizes IFR's interest as at December 31, 2019 in wells that are producing and non-producing.

	Producing Wells		Non-Producing Wells	
	Gross	Net	Gross	Net
Mexico	1	0.5	3	1.5

Central Mackenzie Valley, NWT Canada
Significant Discovery Licenses 140
Summit Creek – 11,380 acres

The Corporation holds an 8.2112% working interest in a 17-section block of land at Summit Creek. The acreage is held under a Significant Discovery License (“SDL”) 140 and therefore it does not expire until all reserves are produced.

The well *Husky et al Summit Creek B-44-64-30-125-45* lies in the foothills of the Mackenzie Mountains, 110 kilometers south of the town of Norman Wells. The B-44 well was drilled to a depth of 10,050 feet cased and suspended. Production testing of the *Summit Creek B-44* well confirmed several productive intervals within a gross hydrocarbon column of over 600 feet in the Devonian Formation. Two separate intervals, encompassing net pay of 255 feet, were flow tested, each zone produced at rates of approximately 10 MMCF/D of natural gas and 3,000 barrels per day of condensate. The Canol shale is prospective in the Summit Creek SDL 140.

Partners in the Summit Creek SDL 140 are Husky Oil (operator) 59.28%, Taqa North 32.50% and IFR 8.221%. There are no annual carrying costs to retain SDL 140.

Stewart Lake
Significant Discovery Licenses 138 & 139 - 16,987 acres
M-38 – 10,368 acres

The well *Husky et al Stewart Lake D-57-64-20-125-15* is located 30 kilometers south of the Summit Creek SDL 140. The well was drilled on TDL freehold parcel M-38 to a total depth of 10,322 feet, open hole tested, cased and suspended. The D-57 well tested sweet dry natural gas at a rate of 5 MMCF/D (unstimulated) from two separate reservoirs of Cretaceous-aged sandstones. The structure covers nine crown sections on which two SDL's have been granted; TDL freehold parcel M-38 is located in the middle of the two SDL's. Based on IFR's acreage position in the Stewart discovery area the Corporation estimates it holds 16.50% of the SDL reserves. Parcel M-38 can be retained by paying annual rentals of \$20 per hectare.

There is significant upside on the Cretaceous play as the Little Bear sands in the *Stewart D-57* well are mappable over a much larger area that includes the *Summit Creek wells B-44 and K-44*, the *Stewart D-30* well and the *Keele River 1-01 and N-62* wells. The Canol shale is prospective in M-38.

Partners in the Stewart Lake SDL's are Husky Oil Operations (operator) 59.28%, Taqa North 32.50% and IFR 8.221%. Partners in TDL freehold parcel M-38 are Husky Oil (operator) 75% and IFR 25%. The SDL's 138 & 139 do not expire until all reserves are produced, there are no annual carrying costs to retain the SDL's.

Sah Cho L-71 TDL Parcel M37 – 16,987 acres

The *Husky et al Sah Cho L-71* well was drilled and cased to a total depth of 12,100 feet. The primary objectives, the Arnica and Hume zones encountered gas and water. Prospective zones that have not been tested include the Cretaceous age Arctic Red and Little Bear sands. The Canol shale is also prospective in the L-71 well. There are no resources assigned to parcel M-37, the acreage can be retained by paying annual rentals of \$20 per hectare.

Partners in the *Sah Cho L-71* well and in TDL freehold parcel M-37 are Husky Oil Operations (operator) 75% and IFR 25%.

Unevaluated Acreage

NWT Exploration License 495 – 163,120 acres

In October 2014, EL-495 was awarded to IFR (100%). The effective date of the license is March 16, 2014 and the first term expires on March 16, 2019. The license was awarded for a work program bid of \$1,200,000 under the terms of the license a \$300,000 deposit was lodged. The Cretaceous and Devonian Canol shale are prospective on EL-495. There are no resources assigned to EL-495.

NWT Freehold Parcel M39 – 11,584 acres

Freehold parcel M-39 is located in the southwest quadrant of the Devonian shale basin. M-39 is held Husky Oil Operations (operator) 75%, IFR 25%. There are no resources assigned to parcel M-39. In December 2016, M-39 was relinquished.

Glacier County, NW Montana USA

IFR owns mineral titles covering 15,200 net acres located on the Blackfeet Reserve in Glacier County NW Montana. The majority of existing leases on the Corporation's fee acreage expired in 2016 and the acreage reverted back to the Corporation. The fee acreage does not expire, and the Corporation holds a 100% net revenue interest in the fee acreage.

The fee acreage is located on the south end of the Southern Alberta Basin in which tight-oil-reservoirs in the Devonian are being developed north of the Montana border. There are no resources assigned to the fee acreage.

Item 5.2 - Properties with no Attribute Reserves

The following table summarizes the gross and net acres of unproved properties at December 31, 2019 in which IFR has an interest and includes the number of net acres for which IFR's rights to explore, develop or exploit will do not expire.

	Gross Acres	Net Acres	Net Acres Expiring Within One Year
NWT Canada	223,064	175,734	Nil
USA	15,200	15,200	Nil

Item 5.2.1 - Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserves

There are several factors and uncertainties that may affect the anticipated development of the Corporation's properties with no attributed reserves. IFR will be required to make substantial capital expenditures in order to prove, exploit, develop and produce from these properties in the future. Development of these properties to commercial status will require additional debt or equity financing. Failure to obtain such financing on a timely basis or on terms acceptable to the Corporation may cause Corporation to forfeit its interest in certain properties, miss certain opportunities and reduce or terminate its operations. The inability of the Corporation to access sufficient capital for its exploration and development purposes could have a material adverse effect on the Corporation's ability to execute its business strategy to develop these prospects.

The Corporation's interest in the properties in Mexico may be adversely affected by political or economic developments or social instability, which will not be within the Corporation's control, including, among other existing concessions and contracts, taxation policies, economic sanctions, fluctuating exchange rates, and currency controls. The occurrence of any such events could have a material adverse effect on

future operations. In addition, there can be no assurances that the government or other counterparties to these international deals will fulfill their obligations and, if such counterparties do not fulfill their obligations, there can be no assurances that sufficient remedies will be available to allow the Corporation to recoup any investments that have been made. See also the Corporation's documents filed on SEDAR at www.sedar.com including the Risk Factors set out in its Annual Information Forms.

Item 5.3 - Forward Contracts

The Corporation may, from time to time, enter into fixed price contracts and derivative financial instruments with respect to oil and gas sales, in order to secure a certain amount of cash flow to protect the level of capital spending. As of the date hereof, the Corporation is not party to any forward contracts

Item 5.4 - Abandonment and Reclamation Costs

Abandonment and reclamation costs are included in the GLJ Report as deductions in arriving at future net revenue. The expected total abandonment and reclamation costs included in the GLJ Report for wells under the proved reserves category is \$44,000 USD (undiscounted), \$20,000 (discounted at 10%). This estimate includes expected reclamation costs for surface leases.

Item 5.5 - Tax Horizon

The Corporation does not expect to pay income taxes for the period ended December 31, 2019. Based on current estimates of the company's future taxable income management believes that no o taxes will be payable for the life of the Corporation's share of total proved reserves in Mexico.

Item 5.6 - Costs Incurred

The following table summarizes IFR's property acquisition costs, exploration costs and development costs for the year ended December 31, 2019.

Country	Property Acquisition Costs		Exploration Evaluation Assets	Development & Facilities Costs
	Proved Properties	Unproved Properties		
	M\$USD	M\$USD	M\$USD	M\$USD
Canada (\$)	N/A	N/A	-	-
United States (\$)	N/A	N/A	-	-
Mexico(\$)	1,511	N/A	502	-
Total (\$)	1,511	N/A	502	-

Item 5.6 - Exploration and Development Activities

Drilling Activity

The following table summarizes IFR's drilling results for the year ended December 31, 2019.

	Exploratory Wells	
	Gross	Net
Oil	0	0.0
Dry	1	0.5
Total	1	0.5

Item 5.7 - Production Estimates

The following table discloses, by field for each product type, the total volume of production estimated by GLJ for 2019 in the estimates of future net revenue from proved reserves disclosed above under the heading "Oil and Natural Gas Reserves and Net Present Value of Future Net Revenue".

Year	Gross Oil	Gross Daily	Company	Company	Net Yearly	Price
	Wells	bbl/d	Daily	Yearly		Mbbl
2020	1	71	36	13	8	56.02

Item 5.8 - Production History

The following table discloses, on a quarterly basis for the year ended December 31, 2019, IFR's share of average daily production volume, prior to royalties, and the prices received, royalties paid, production costs incurred and netbacks on a per unit of volume basis for each product type.

Average Daily Production Volume

Area	Dec. 31, 2019	Dec. 31, 2018
	bbl/day	bbl/day
Tecoluta	90	139

Prices Received, Royalties Paid, Production Costs and Netbacks

	Year ended	
	Dec. 31, 2019	Dec. 31, 2018
	(\$/bbl)	(\$/bbl)
Prices Received	52.90	60.50
Royalties Paid	(21.20)	(25.00)
Production Costs	(27.05)	(17.40)
Netback (1)	4.65	18.10

Note: (1) Netback is calculated by deducting royalties paid and production costs from prices received.

CAPITAL STRUCTURE OF IFR

Authorized Shares

The authorized capital of IFR consists of an unlimited number of Common Shares, an unlimited number of Preferred Shares issuable in series and up to 4,999,000 Restricted Shares, of which 173,851,385 Common Shares, no Preferred Shares and no Restricted Shares are issued and outstanding as at December 31, 2019.

Common Shares

The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, to dividends if, as and when declared by the directors, to one vote per share at meetings of the holders of Common Shares and, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, upon liquidation, to share equally in the remaining property of the Corporation.

Preferred Shares

The Corporation is also authorized to issue an unlimited number of Preferred Shares. The Preferred Shares may be issued in one or more series, and the directors are authorized to fix the number of shares in each series, and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The Preferred Shares are entitled to a priority over the Common Shares with respect to the payment of dividends and the distribution of assets upon the liquidation of the Corporation.

Restricted Shares

The Corporation is also authorized to issue up to 4,999,000 Restricted Shares. The Restricted Shares are not entitled to vote, are entitled to dividends if, as and when declared by the directors, and, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, upon liquidation, to share equally in the remaining property of the Corporation. The Restricted Shares are convertible into Common Shares on the basis of one Common Share for every one Restricted Share held.

DIVIDENDS

The Corporation has not declared or paid any dividends since incorporation. Any decision to pay dividends on the Common Shares will be made by the Board of Directors on the basis of the Corporation's earnings, financial requirements and other conditions existing at the relevant time.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSXV under the symbol "IFR". The following table sets forth the price range (high and low closing prices) in Canadian dollars of Common Shares and volume traded on the TSXV for the financial year ended December 31, 2019.

Month	High	Low	Volume
January	\$0.11	\$0.08	730,300
February	\$0.10	\$0.08	2,281,800
March	\$0.10	\$0.07	1,702,800
April	\$0.10	\$0.08	2,926,200
May	\$0.10	\$0.08	786,400
June	\$0.08	\$0.06	927,600
July	\$0.06	\$0.02	3,185,000
August	\$0.03	\$0.02	1,743,300
September	\$0.03	\$0.02	2,670,700
October	\$0.02	\$0.02	346,200
November	\$0.02	\$0.02	1,477,100
December	\$0.03	\$0.01	5,029,600

On October 17, 2016 the Corporation's Common Shares commenced trading on the OTCQB Venture Marketplace under the symbol "IFRTF".

Prior Sales

The following table summarizes the issuances of Common Shares or securities convertible into Common Shares for the financial year ended December 31, 2019.

Description of Security	Date Issued	Number of Securities Issued	Issuance/Exercise Price Per Security (\$)
Common shares	April 22, 2019	11,064,500	\$0.095
Commons shares	May 27, 2019	10,174,500	\$0.095

DIRECTORS AND EXECUTIVE OFFICERS

Directors and Executive Officers of IFR

The names, municipalities of residence, principal occupations for the five preceding years and committee membership of each of the directors and executive officers of IFR as of the date hereof are set out below.

Name, Residence and Principal Occupation	Position and Offices Held
<p>Steve Hanson North Vancouver, British Columbia</p> <p>With over 20 years of finance and corporate development experience, Mr. Hanson has been President of Discovery Management Services Ltd. since 2002, a venture capital consulting firm assisting early stage companies in the development of short and long-term financing strategies. Mr. Hanson served as Chairman and Managing Director of Van Arbor Asset Management, an award-winning equity money management firm from 2004 until 2008, which he founded in 2003. Van Arbor Asset Management was bought by ZLC Private Investment Management in 2008. In 2009, Mr. Hanson served as President and CEO of Pan Asian Petroleum, an Oil and Gas Corporation that during his tenure was acquired by Ivanhoe Energy. In 2011 and 2012, Mr. Hanson was a Director of Lion Petroleum Corp., a private Oil and Gas Corporation focused on East Africa bought by Taipan Resources. He has served on numerous private and public company boards.</p>	<ul style="list-style-type: none"> • President and Chief Executive Officer • Director since November 6, 2013 • Member of the Compensation Committee, Nominations and the Corporate Governance Committee
<p>Andrew Fisher Calgary, Alberta</p> <p>Mr. Fisher has over twenty-five years of intensive and varied experience in the oil and gas industry including extensive experience in acquisition and divestments, corporate finance, strategic and operational planning, due diligence, supervision of day to day activities, office management, team leading, joint venture management, contracts and negotiations. He was Founder and Executive Vice President of Arcan Resources Ltd. and grew Arcan from zero BOE / day with no assets to approximately 4,000 BOE / day with a large future drilling inventory. Arcan was sold to Aspenleaf Energy Ltd., backed by ARC Financial Corp., a Canadian energy-focused private equity manager, and Ontario Teachers' Pension Plan, in June 2015 in a transaction valued at approximately \$300 Million. Formerly Vice President International Contracts and Negotiation of Pacalta Resources Ltd, Mr. Fisher was the third employee of Pacalta and experienced growth of Pacalta from a junior E&P Corporation with approximately 100 BOE / day of production to a company with approximately 45,000 BOE / day of production in Ecuador and hundreds of employees. Pacalta was sold to Alberta Energy Corporation (predecessor to EnCana) in 1999 in a transaction valued at approximately \$1 Billion.</p>	<ul style="list-style-type: none"> • Chief Operating Officer • Director since November 15, 2016 • Member of the Reserve/ Technical Committee

Name, Residence and Principal Occupation	Position and Offices Held
<p>Tony Kinnon Calgary, Alberta</p> <p>Tony has 20 years of experience in the financial services industry focusing on valuation, structuring and raising capital for energy companies. Based in Calgary, Alberta his professional roles include Managing Director, Energy Banking at PI Financial, and Director of Public Venture Capital at both Macquarie Private Wealth and Richardson Partners.</p>	<ul style="list-style-type: none"> • Chairman & Vice President of Business Development • Director since September 30, 2014 • Member of the Audit Committee
<p>Margaret Souleles Calgary, Alberta</p> <p>Margaret has provided financial consulting services to the Corporation from November 2004 to October 2009 when she was appointed as Chief Financial Officer. Prior to joining the Corporation Margaret spent eight years in the audit department of Grant Thornton LLP. Margaret is a Chartered Professional Accountant and holds a Bachelor of Commerce Degree from the University of Calgary.</p>	<ul style="list-style-type: none"> • Chief Financial Officer • Corporate Secretary
<p>Dr. Gary Lyons Palm Desert, California</p> <p>Dr. Lyons holds a MD degree from the University of Pittsburgh and a PhD from the University of Minnesota. Gary was a founder and Director of Nugget Oil Corporation which was founded in Minneapolis in 1970 and moved its headquarters to Corpus Christi in 1980. He has been involved in the oil & gas industry for over 36 years. Gary was appointed to the Board in June 2006.</p>	<ul style="list-style-type: none"> • Vice Chairman & Director • Director since June 30, 2006 • Member of the Audit Committee, Compensation Committee, Nominations Committee and the Reserve/Technical Committee
<p>R. Glenn Dawson Calgary, Alberta Independent Director</p> <p>Mr. Dawson has 38 years of oil and gas exploration and management experience in the North American hydrocarbon basins. He is currently the President and CEO of CUDA Energy, Inc., a private Canadian-based E&P company and is an independent board member a Technical Director of Lilis Energy Inc. (NYSE: LLEX).</p> <p>With a strong geological, management and operating background and expertise in discovering and developing new opportunities, Mr. Dawson has founded several publicly traded oil and gas companies and has been responsible for E&P budgets in excess of \$200 million (Cdn.) annually, which includes multiple horizontal drilling resource plays as well as conventional oil operations.</p> <p>Mr. Dawson served as President of Bakken Hunter LLC, a division of Magnum Hunter Resources Corp. ("MHR"), where he managed operations and development of assets in the U.S. and Canada, from 2011 to 2014. During his tenure, MHR significantly expanded its operations in the Bakken region.</p> <p>He has also served as the President of NuLoch Resources Inc. (2005-2011) and as the Vice President of Exploration at several energy companies including TriLoch Resources, Inc. (2001-2005), PanAtlas Energy Inc. (1998-2000) and Summit Resources where he held successive positions as a geologist and within exploration during his 13-</p>	<ul style="list-style-type: none"> • Director since July 5, 2018 • Member of the Reserves / Technical Committee, Audit Committee and the Corporate Governance Committee

Name, Residence and Principal Occupation	Position and Offices Held
<p>year tenure.</p> <p>Mr. Dawson holds a Bachelor of Science in Geology from Weber State College and attended the Masters of Science program at the University of Calgary.</p>	

Each director will hold office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the ABCA. Between annual meetings, the Board has the authority to appoint one or more additional directors to serve until the next annual meeting provided that the number of directors so appointed does not exceed 1/3 of the number of directors holding office at the expiration of the last annual meeting.

Security Holding by Directors and Officers

As at the date hereof, the directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 29,954,366 Common Shares, representing approximately 17.23% of the issued and outstanding Common Shares. The information as to Common Shares beneficially owned by directors and executive officers, not being within the knowledge of the Corporation, has been furnished by the respective directors or obtained from SEDI.

Cease Trade Orders

To the knowledge of management no director or executive officer as at the date hereof, is or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes hereof, "order" means (a) a cease trade order, (b) an order similar to a cease trade order, or (c) an order that denied the relevant Corporation access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Bankruptcies

To the knowledge of management, no director, executive officer of the Corporation or a Shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the knowledge of management no director, executive officer or Shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has incurred any other penalties imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The Board of Directors has adopted a Code of Business Conduct and Ethics. In general, the private investment activities of employees, directors and officers are not prohibited, however, should an existing investment pose a potential conflict of interest, the potential conflict is required by the Codes to be disclosed to the Chief Executive Officer or the Board of Directors. Any other activities of employees which pose a potential conflict of interest are also required by the Codes to be disclosed to the Chief Executive Officer or the Board of Directors. Any such potential conflicts of interests will be dealt with openly with full disclosure of the nature and extent of the potential conflicts of interests with the Corporation.

It is acknowledged in the Codes that employees, officers and directors may be directors or officers of other entities engaged in the oil and gas business, and that such entities may compete directly or indirectly with the Corporation. No assurance can be given that opportunities identified by directors of IFR will be provided to us. Passive investments in public or private entities of less than one per cent of the outstanding shares will not be viewed as “competing” with the Corporation. Any director, officer or employee of IFR which is a director or officer of any entity engaged in the oil and gas business shall disclose such occurrence to the Board of Directors. Any director, officer or employee of IFR who is actively engaged in the management of, or who owns an investment of one per cent or more of the outstanding shares, in public or private entities shall disclose such holding to the Board of Directors. In the event that any circumstance should arise as a result of such positions or investments being held or otherwise which in the opinion of the Board of Directors constitutes a conflict of interest which reasonably affects such person’s ability to act with a view to the best interests of the Corporation, the Board of Directors will take such actions as are reasonably required to resolve such matters with a view to the best interests of the Corporation. Such actions, without limitation, may include excluding such directors, officers or employees from certain information or activities of the Corporation.

The ABCA provides that in the event that an officer or director is a party to, or is a director or an officer of or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of his or her interest and shall refrain from voting to approve such contract or transaction.

RISK FACTORS

Investors should carefully consider the risk factors set out below and consider all other information contained herein and, in the Corporation’s, other public filings before making an investment decision. The risks set out below are not an exhaustive list and should not be taken as a complete summary or description of all the risks associated with the Corporation’s business and the oil and natural gas business generally.

Residents of the United States and other non-residents of Canada should have additional regard to the risk factors under the heading “Risk Factors Applicable to Residents of the United States and Other Non-Residents of Canada”.

Risks Relating to Our Business and Operations

Current Economic Conditions

The volatility in the price of oil and natural gas has created a substantially more volatile business environment. These conditions may limit certain of the Corporation’s business activities and it will continue to provide risk for the Corporation’s exploration projects.

Need to Replace and Grow Reserves

The future oil and natural gas production of the Corporation, and therefore future cash flows, are highly dependent upon ongoing success in exploring its current and future undeveloped land base, exploiting the current producing properties, and acquiring or discovering additional reserves. Without reserve additions through exploration, acquisition or development activities, reserves and production will decline over time as reserves are depleted.

The business of discovering, developing, or acquiring reserves is capital intensive. To the extent cash flows from operations are insufficient and external sources of capital become limited or unavailable, the ability of the Corporation to make the necessary capital investments to maintain and expand its oil and natural gas reserves may be impaired. There can be no assurance that the Corporation will be able to find and develop or acquire additional reserves to replace and grow production at acceptable costs.

Exploration, Development and Production Risks

Oil and natural gas exploration in Mexico involves a high degree of risk, which even with a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that expenditures made on future exploration by the Corporation will result in new discoveries of oil and natural gas in commercial quantities. It is difficult to project the costs of implementing an exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as over pressured zones, tools lost in the hole and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof.

The long-term commercial success of the Corporation depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. No assurance can be given that the Corporation will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participation are identified, the Corporation may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic.

Future oil and gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recover of drilling, completion and operating cost. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rate over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

In addition, oil and gas operations are subject to the risks of exploration, development and production of oil and natural gas properties, including encountering unexpected formations or pressures, premature declines of reservoirs, blowouts, sour gas releases, fires and spills. Losses resulting from the occurrence of any of these risks could have a materially adverse effect on future results of operations, liquidity and financial condition.

Volatility of Oil and Natural Gas Prices

The operational results and financial condition of the Corporation will be dependent on the prices received for oil and natural gas production. Oil and natural gas prices have fluctuated widely during recent years and are determined by supply and demand factors, including weather and general economic conditions, as well as conditions in other oil and natural gas regions. Any decline in oil and natural gas prices could have an adverse effect on the operations, proved reserves, and financial conditions of the Corporation and could result in a reduction of the net production revenue of the Corporation causing a reduction in its oil and gas acquisition and development activities. In addition, bank borrowings that might be made available to the Corporation are typically determined in part by the borrowing base of the reserves of the Corporation. A sustained material decline in prices from historical average prices could reduce the borrowing base of the Corporation, therefore reducing the bank credit available to the Corporation and could require that a portion of such bank debt be repaid.

Doing business in Mexico

These risks include, but are not limited to: (i) The regulatory and legal environment; (ii) risks presented by political opposition to energy reform and public opinion; and (iii) security challenges presented by corruption and drug cartels.

Addressing the first two challenges calls for a comprehensive approach to public affairs; the logistical and security challenges require a strategy to safeguard a company's assets and its reputation. Failing to engage closely with government regulators can create miscommunications and lead to missed opportunities. Engaging with stakeholders outside the government may be even more essential than working within it.

Lastly, corruption, oil theft and drug-related violence continue to be significant concerns in Mexico. The government still needs to address how it plans to secure pipelines, zones of onshore exploration, and land bases for deep-water development. Companies that venture into some of the new areas would be advised to develop their own security infrastructure and plans.

Political Risk, Social Disruptions and Instability

The Corporation's material project, the Tecolutla Block, is located in Mexico. As such, the Corporation is subject to certain risks, including currency fluctuations and possible political or economic instability. Further, the Corporation's exploration and production activities may be affected in varying degrees by political stability and government regulations relating to the industry.

Companies operating in the oil and gas industry in Mexico have experienced various degrees of interruptions to their operations as a result of social instability and labour disruptions.

The Corporation cannot provide assurances that this type of social instability or labour disruption will not be experienced in future. The potential impact of future social instability, labour disruptions and any lack of public order may have on the oil and gas industry in Mexico, and on the Corporation's operations in particular, is not known at this time. This uncertainty may affect operations in unpredictable ways, including disruptions of fuel supplies and markets, ability to move equipment such as drilling rigs from site to site, or disruption of infrastructure facilities, including pipelines, production facilities, public roads, and off-loading stations could be targets or experience collateral damage as a result of social instability, labour disputes or protests. The Corporation may suffer loss of production, or be required to incur significant costs in the future to safeguard the Corporation's assets against such activities, incur standby charges on stranded or idled equipment or to remediate potential damage to the Corporation's facilities. There can be no assurance that the Corporation will be successful in protecting itself against these risks and the related financial consequences. Further, these risks may not in any part be insurable in the event the Corporation does suffer damage.

Operational Hazards and Other Uncertainties

Oil and natural gas exploration operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, and oil spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or in personal injury. In accordance with industry practice, the Corporation is not fully insured against all of these risks, nor is all such risks insurable. Although the Corporation will maintain liability insurance, where available, in an amount which it considers adequate and consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Corporation could incur significant costs that could have a material adverse affect upon its financial condition. Business interruption insurance may also be purchased for selected facilities, to the extent that such insurance is available. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including premature decline of reservoirs and the invasion of water into producing formations.

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such equipment or access restrictions may affect the availability and/or cost of such equipment to the Corporation and may delay exploration and development activities. To the extent the Corporation is not the operator of its oil and gas properties, the Corporation will be dependent on other operators for timing of activities related to non-operating properties and will be largely unable to direct or control the activities of the operators.

Although property title reviews will be done according to industry standards prior to the purchase of most oil and natural gas producing properties or the commencement of drilling wells, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the claim of the Corporation which could result in reduction of the revenue received by the Corporation.

Competition

There is strong competition relating to all aspects of the oil and natural gas industry. The Corporation will actively compete for capital, skilled personnel, undeveloped land, reserve acquisitions, access to drilling rigs, service rigs and other equipment, access to processing facilities and pipeline and refining capacity, and in all other aspects of its operations with a substantial number of other organizations, many of which may have greater technical and financial resources than does the Corporation.

Title

Title to oil and natural gas interests is often not capable of conclusive determination without incurring substantial expense. In accordance with industry practice, the Corporation will conduct such title reviews in connection with its principal properties as it believes are commensurate with the value of such properties. However, no absolute assurances can be given that title defects do not exist. If title defects do exist, it is possible that the Corporation may lose all or a portion of its right, title and interest in and to the properties to which the title defects relate.

Insurance

The Corporation's involvement in the exploration for and development of oil and gas properties may result in the Corporation becoming subject to liability for pollution, blow-outs, property damage, personal injury or other hazards. Although the Corporation will obtain insurance in accordance with industry standards to address such risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances be insurable or, in certain circumstances, the Corporation may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or for other reasons. The payment of such uninsured liabilities would reduce the funds available to the Corporation. The occurrence of a significant event that the Corporation is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Corporation's financial position, results of operations or prospects.

Key Personnel

The success of the Corporation will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse effect on the Corporation. The Corporation does not have key person insurance in effect for management. The contributions of these individuals to the immediate operations of the Corporation are likely to be of central importance. In addition, the competition for qualified personnel in the oil and natural gas industry is intense and there can be no assurance that the Corporation will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

Environmental Risks

The oil and natural gas industry is subject to environmental regulation pursuant to a variety of international conventions and Canadian federal, provincial and municipal laws, regulations, and guidelines Mexico federal and state laws, regulations and guidelines, and Montana state laws and regulations. A breach of such regulations may result in the imposition of fines or issuances of clean up orders in respect of the

Corporation or its assets. Such regulation may be changed to impose higher standards and potentially more costly obligations on the Corporation. There can be no assurance that future environmental costs will not have a material adverse effect on the Corporation.

Third Party Credit Risks

The Corporation may be exposed to third party credit risk through its contractual arrangements with its current and future joint venture partners. In the event such entities fail to meet their contractual obligations, such failures could have a material adverse effect on the Corporation and its cash flow from operations. In addition, poor credit condition in the industry and of a potential joint venture partner may impact a potential joint venture partner's willingness to participate in a future IFR capital program.

Natural Disasters and Weather-Related Risks

The Corporation is subject to operating hazards normally associated with the exploration and production of oil and natural gas, including blow-outs, explosions, oil spills, cratering, pollution, earthquakes, hurricanes and fires. The occurrence of any such operating hazards could result in substantial losses to the Corporation due to injury or loss of life and damage to or destruction of oil and natural gas wells, formations, production facilities or other properties.

Information Technology or Cybersecurity

The Corporation depends on the reliability and security of its information technology systems to conduct certain exploration, development and production activities, process financial records and operating data, communication with its employees and business partners, and for many other activities related to its business. The Corporation's information technology systems may fail or have other significant shortcomings due to operational system flaws or employee misuse, tampering or manipulation. In addition, the Corporation may become the target of cyber-attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of proprietary and other information. Any of these occurrences could disrupt the business, result in potential liability or reputational damage or otherwise have an adverse effect on the Corporation's financial results.

Global economic events may negatively impact our financial condition

Market events and conditions, including disruptions in the international credit markets and other financial systems and the American and European sovereign debt levels, may cause significant volatility to commodity prices and a decline in funds from operations. Global economic events and conditions may cause a loss of confidence in the broader global credit and financial markets and create a climate of greater volatility, less liquidity, wider credit spreads, a lack of price transparency and increased credit losses. Market events in the future may affect our ability to obtain equity or debt financing on acceptable terms and may make it more difficult to operate effectively.

Availability of Drilling Equipment and Access

Oil and natural gas exploration and development activities are dependent on the availability and costs of drilling and related equipment (typically leased from third parties) in the particular areas where such activities will be conducted. Demand for equipment or access restrictions may affect the availability of equipment for the third parties' operations and may delay exploration and development activities, which, in turn, could materially adversely affect the Corporation's business and financial condition.

Internal Controls

Effective internal controls are necessary for the Corporation to provide reliable financial reports and to help prevent fraud. Although the Corporation undertakes a number of procedures in order to help ensure the reliability of its financial reports, including those imposed on it under Canadian securities laws, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting.

Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations or cause it to fail to meet its reporting obligations. If the Corporation or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's financial statements and harm the trading price of the Common Shares.

Litigation

In the normal course of the Corporation's activities, it may become involved in, named as a party to, or be the subject of various legal proceedings, including regulatory proceedings, tax proceedings or legal actions related to personal injury, property damage, property tax, land rights, the environment or lease and contract disputes, among other potential claims. Claims under such proceedings may be material or may be indeterminate. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty, and such proceedings may be determined adversely to the Corporation and any indemnity from the Corporation or other third parties, or insurance coverage, in respect of any loss as a result of such proceedings may not be sufficient, and, as a result, could materially adversely affect the Corporation's business and financial condition.

Hedging

From time to time the Corporation may enter into agreements to receive fixed prices on its oil and natural gas production to offset the risk of revenue losses if commodity prices decline; however, if commodity prices increase beyond the levels set in such agreements, the Corporation will not benefit from such increases. Similarly, from time to time the Corporation may enter into agreements to fix the exchange rate of Canadian to United States dollars in order to offset the risk of revenue losses if the Canadian dollar increases in value compared to the United States dollar; however, if the Canadian dollar declines in value compared to the United States dollar, the Corporation will not benefit from its fluctuating exchange rate.

Forward-Looking Information may not reflect actual outcomes

Shareholders and prospective investors are cautioned not to place undue reliance on the Corporation's forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risk and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Additional information on the risks, assumption and uncertainties are found under the heading "**Forward-Looking Information**" of this AIF.

Volatility in Market Price of Common Shares

The trading price of securities of oil and natural gas issuers is subject to substantial volatility often based on factors related and unrelated to the financial performance or prospects of the issuers involved. The market price of the Common Shares may be volatile, which may affect the ability of holders to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "Forward-Looking Statements". In addition, the market price for securities on the TSXV continues to experience significant price and trading fluctuations, resulting in volatility in the market prices of securities that are often unrelated or disproportionate to changes in operating performance. Factors unrelated to the Corporation's performance could include macroeconomic developments within Canada and globally, domestic and global commodity prices and current perceptions of the oil and gas market. These broad market fluctuations may adversely affect the market prices of the Common Shares, and, as such, the price at which the Common Shares will trade at any point in time cannot be accurately predicted.

Alternatives to, and Changing Demand for, Petroleum Products

Full conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas and technological advances in fuel economy and renewable energy generation devices could reduce the demand for oil, natural gas and liquid hydrocarbons. Recently, certain jurisdictions have implemented policies or incentives to decrease the use of fossil fuels and encourage the use of renewable fuel alternatives, which may lessen the demand for petroleum products and put downward pressure on commodity prices. In addition, advancements in energy efficient products have a similar affect on the demand for oil and gas products. We cannot predict the impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on our business, financial condition, results of operations and cash flows by decreasing our profitability, increasing our costs, limiting our access to capital and decreasing the value of our assets.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no outstanding legal proceedings that the Corporation is or was a party to, or that any of the Corporation's property is or was the subject of, since January 1, 2019, that were or are material to the Corporation, and there are no such material legal proceedings that the Corporation knows to be contemplated. For the purposes of the foregoing, a legal proceeding is not considered to be "material" by the Corporation if it involves a claim for damages and the amount involved, exclusive of interest and costs, does not exceed 10% of the Corporation's current assets, provided that if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the Corporation has included the amount involved in the other proceedings in computing the percentage. See "*Risk Factors*".

There were no: (i) penalties or sanctions imposed against the Corporation by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this AIF; (ii) other penalties and sanctions imposed by court or regulatory body against the Corporation that the Corporation believes must be disclosed for this AIF to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Corporation entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority during the most recently completed financial year.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There is no material interest, direct or indirect, of: (i) any director or executive officer of the Corporation; (ii) any person or corporation that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares; or (iii) an associate or any affiliate of any persons or companies referred to above in (i) or (ii), in any transaction within the three years before the date of this AIF that has materially affected or is reasonably expected to materially affect the Corporation.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The independent auditor of the Corporation is KPMG LLP.

The Corporation's transfer agent and registrar is Computershare Trust Corporation of Canada located at 600, 530 – 8th Avenue S.W., Calgary, Alberta, T2P 3S8.

The independent auditor of the Corporation is KPMG LLP.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The mandated and responsibilities of the Corporation's audit committee (the "Audit Committee") are set out in the Audit Committee Charter as set out in Appendix "C" to this Annual Information Form.

Audit Committee

The Audit Committee reviews and recommends to the Board the approval of the annual and interim financial statements, the associated management's discussion and analysis and related financial disclosures to the public and regulatory authorities. It is responsible for the engagement of the Corporation's external auditors upon approval by shareholders, including fees paid for the annual audit, and pre-approves non-audit services. The Audit Committee communicates directly with the auditors and reviews programs and policies regarding the effectiveness of internal controls over the Corporation's accounting and financial reporting systems.

External Auditors Service Fees

The following table summarizes the fees paid by the Corporation to its auditors, KPMG LLP, for the external audit and other services during the periods indicated.

	Audit Fees ⁽¹⁾	Audit-Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
Year	(\$)	(\$)	(\$)	(\$)
2018	88,000	nil	nil	nil
2019	99,000	nil	nil	nil

(1) Represents fees billed by external auditors for audit services that are reasonably related to the performance of the audit

(2) Represents fees billed for assurance related services that are reasonably related to the performance of the audit

(3) Represents fees billed for professional services rendered for tax compliance, tax advice and tax planning

(4) Represents fees billed for products and services provided by auditors other than the other services reported

MATERIAL CONTRACTS

The following are the only material contracts, other than those contracts entered into in the ordinary course of business, which the Corporation entered into within the most recently completed financial year, or before the most recently completed financial year that are still in effect:

1. The License Contract, see "Exploration and Development Activities in Mexico"; and
2. The joint venture agreement with IDESA dated October 1, 2015, see "GENERAL DEVELOPMENT OF THE BUSINESS Three Year History".

INTEREST OF EXPERTS

KPMG LLP are the auditors of the Company and have confirmed that they are independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

ADDITIONAL INFORMATION

Additional information in relation to IFR may be found on SEDAR at www.sedar.com.

Additional information including directors' and officers' remuneration, principal holders of securities and securities authorized for issuance under equity compensation plans is contained in IFR's management information circular dated May 24, 2019 filed on SEDAR at www.sedar.com on May 28, 2019.

Additional financial information is provided in IFR's most recent interim financial statements, audited annual financial statements and accompanying management discussion and analysis filed on SEDAR at www.sedar.com

**APPENDIX “A”
FORM 51-101F3
REPORT OF MANAGEMENT AND DIRECTORS
ON RESERVES DATA AND OTHER OIL AND GAS INFORMATION**

Management of **International Frontier Resources Corporation**, (the “**Corporation**”) are 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 consists of the following:

- (i) Proved and Proved plus probable oil and gas reserves estimated as at December 31, 2019 using forecast prices and costs: and
- (ii) the related estimated future net revenue.

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

The Reserves Committee of the Board of Directors of the Corporation has:

- (a) reviewed the Corporation’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 Reserves Committee of the Board of Directors has reviewed the Corporation’s procedure for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The Board of Directors has, on the recommendation of the Reserves Committee approved:

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;
- (b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on reserves data; and
- (c) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material. However, any variation should be consistent with the fact that reserves are categorized according to the probability of their recovery.

DATED as of this 26th day of April 29th, 2020

(signed) “Steve Hanson”
Steve Hanson
President and Chief Executive Officer

(signed) “Glenn Dawson”
Glenn Dawson
Director, Chairman of Reserve Committee

(signed) “Margaret Souleles”
Margaret Souleles
Chief Financial Officer

(signed) “Tony Kinnon”
Tony Kinnon
Chairman of the Board of Directors

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

To the board of directors of International Frontier Resources Corp. (the "Company"):

1. We have evaluated the Company's reserves data as at December 31, 2019. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2019, 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, 2019, 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 – M\$)			
			Audited	Evaluated	Reviewed	Total
GLJ Petroleum Consultants	Dec. 31, 2019	Mexico	-	3,226	-	3,226

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, February 20, 2020

"Originally Signed by"

Leonard L. Herchen, P. Eng.
Vice President

**APPENDIX “C”
AUDIT COMMITTEE CHARTER**

I. Mandate

The primary function of the audit committee (the “**Committee**”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting, and the Corporation’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements.
- Review and appraise the performance of the Corporation’s external auditors.
- Provide an open avenue of communication among the Corporation’s auditors, financial and senior management and the Board of Directors.

II. Composition

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be independent directors.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Corporation’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

III. Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Audit Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

IV. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

1. Review and update this Charter annually.
2. Review the Corporation’s financial statements, MD&A and any annual and interim earnings, press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are

submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

3. Require the external auditors to report directly to the Committee.
4. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Corporation.
5. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.
6. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
7. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
8. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
9. Review with management and the external auditors the terms of the external auditors' engagement letter.
10. At each meeting, may consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
11. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
12. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
13. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Process

14. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
15. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
16. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
17. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
18. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
19. Review any significant disagreement among management and the external auditors regarding financial reporting.
20. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
21. Review the certification process.
22. Establish procedures for:
 - i. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - ii. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Other

23. Review disclosure of any related-party transactions.

V. Authority

The Committee may:

- (a) engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

The Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.