

**RESERVE AND ECONOMIC EVALUATION
GAS PROPERTY**

**BASHAW AREA
ALBERTA**

Owned by

SILK ROAD ENERGY INC.

September 30, 2019
(October 1, 2019)

Chapman Petroleum Engineering Ltd.

1122 - 4th Street S.W., Suite 700, Calgary, Alberta T2R 1M1 • Phone: (403) 266-4141 • Fax: (403) 266-4259 • www.chapeng.ab.ca

September 9, 2019

Silk Road Energy Inc.

P.O. Box 3498, Station Main
Sherwood Park, AB
T8H 2T3

Attention: Mr. Derrick Colling

Dear Sir:

**Re: Reserve and Economic Evaluation – Silk Road Energy Inc.
Bashaw Area, Alberta – September 30, 2019**

In accordance with your authorization we have performed a reserve and economic evaluation of a gas property located in Alberta, owned by Silk Road Energy Inc. (the "Company") for an effective date of September 30, 2019 (October 1, 2019).

This evaluation has been carried out in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook ("COGEH"), compliant with the NI 51-101 standards and the professional practice standard under our Permit to Practice with APEGA. The report has been prepared and/or supervised by a "Qualified Reserves Evaluator" as demonstrated on the accompanying Certificate of Qualification of the author(s).

The INTRODUCTION contains the authorization and purpose of the report and describes the methodology and economic parameters used in the preparation of this report.

The EXECUTIVE SUMMARY contains the results of this reserve and economic evaluation presented in a form consistent with the requirements of Form 51-101 F1 Part 2, Item 2.1 (Forecast Prices and Costs). The Forecast Prices of our benchmark products are also presented.

The SUMMARY OF RESERVES AND ECONOMICS complements the Executive Summary, including values at the property level and the consolidated cash flows for each accumulating reserve category. The net present values presented in this report do not necessarily represent the fair market value of the reserves evaluated in this report. All monetary values presented in this report are expressed in terms of Canadian dollars.

The DISCUSSION contains a description of the interests and burdens, reserves and geology, production forecasts, product prices, capital and operating costs and a map of each major property. The economic

results and cash flow forecasts (before income tax) are also presented on an entity and property summary level.

A REPRESENTATION LETTER from the Company confirming that to the best of their knowledge all the information they provided for our use in the preparation of this report was complete and accurate as of the effective date, is enclosed following the Glossary.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be significant. We have no responsibility to update our report for events and circumstances which may have occurred since the preparation date of this report.

Prior to public disclosure of information derived from this report, or our name as author, our written consent must be obtained, as to the information being disclosed and the manner in which it is presented. This report may not be reproduced, distributed or made available for use by any other party without our written consent and may not be reproduced for distribution at any time without the complete context of the report, unless otherwise reviewed and approved by us.

We consent to the submission of this report, in its entirety, to securities regulatory agencies and stock exchanges, by the Company.

It has been a pleasure to prepare this report and the opportunity to have been of service is appreciated.

Yours very truly,
Chapman Petroleum Engineering Ltd.

[Original Signed By:]
[Signature], [Licensed Professional's Stamp]
October 6, 2020
C. W. Chapman, P. Eng.,
President

[Original Signed By:]
[Signature]
Klorinda Kaci, B.Sc., B.A.Tech.,
Economics Coordinator / Technical Assistant

kk/lml/6680

PERMIT TO PRACTICE	
CHAPMAN PETROLEUM ENGINEERING LTD.	
[Original Signed By:]	
Signature	<u>C.W. Chapman</u>
Date	<u>October 6, 2020</u>
PERMIT NUMBER: P 4201	
The Association of Professional Engineers and Geoscientists of Alberta	

CERTIFICATE OF QUALIFICATION

I, Klorinda Kaci, of the city of Calgary, Alberta, Canada officing at Suite 700, 1122 – 4th Street S.W., Calgary, Alberta hereby certify:

1. THAT I am a member of Society of Petroleum Engineers.
2. THAT I hold a Bachelor of Applied Technology in Petroleum Engineering from Southern Alberta Institute of Technology (SAIT) in Calgary (June 2009). I hold a Bachelor of Science degree in Civil Engineering from Tirana University of Albania 1989.
3. THAT I have been employed in the petroleum industry from 1994 to 2000 in Albania, and from January 2008 to the present time in Calgary.
4. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Silk Road Energy Inc., dated September 9, 2020 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
5. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Silk Road Energy Inc., its participants or any affiliate thereof.
6. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
7. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

[Signature]

Klorinda Kaci, B.Sc., B.A.Tech.,
Economics Coordinator / Technical Assistant

CERTIFICATE OF QUALIFICATION

I, REBECCA J. HOWE, of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a Certified Petroleum Geologist as recognized by the Division of Professional Affairs of the American Association of Petroleum Geologists and a member of the Canadian Society of Petroleum Geologists.
2. THAT I graduated from Brandon University, Manitoba with a Bachelor of Science degree in Geology in 2007.
3. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Silk Road Energy Inc., dated September 9, 2020 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
4. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Silk Road Energy Inc., its participants or any affiliate thereof.
5. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
6. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]
[Signature], [AAPG Membership Stamp]
October 6, 2020
Rebecca J. Howe, B.Sc.
Associate

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September 30, 2019
(October 1, 2019)

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INTRODUCTION

1. AUTHORIZATION

This evaluation has been authorized by Mr. Derrick Colling, on behalf of Silk Road Energy Inc. The engineering analysis has been performed during the month of September 2020.

2. PURPOSE OF THE REPORT

The purpose of this report was to prepare a third party independent appraisal of the gas reserves owned by Silk Road Energy Inc. for the Company's financial planning.

The values in this report do not include the value of the Company's undeveloped land holdings nor the tangible value of their interest in associated plant and well site facilities they may own.

3. USE OF THE REPORT

The report is intended for annual corporate disclosure requirements.

4. SCOPE OF THE REPORT

4.1 Methodology

The evaluation of the reserves and resources of these properties included in the report has been conducted under a discounted cash flow analysis of estimated future net revenue, which is the principal tool for estimating oil and gas property values and supporting capital investment decisions.

4.2 Land Survey System

The Dominion Land Survey (DLS) is the method used to divide most of Western Canada into one-square-mile sections for agricultural and other purposes. It is based on the layout of the Public Land Survey System used in the United States, but has several differences. The DLS is the dominant survey method in the Prairie provinces, and it is also used in the Peace River Block in British Columbia.

The most important north–south lines of the survey are the meridians:

- The First (also Principal or Prime) Meridian at $97^{\circ}27'28.41''$ west, just west of Winnipeg, Manitoba.
- The Second Meridian at 102° west, which forms the northern part of the Manitoba–Saskatchewan boundary.
- The Third Meridian at 106° west, near Moose Jaw and Prince Albert, Saskatchewan.
- The Fourth Meridian at 110° west, which forms the Saskatchewan–Alberta boundary and bisects Lloydminster.
- The Fifth Meridian at 114° west, which runs through Calgary (Barlow Trail is built mostly on the meridian) and Stony Plain, Alberta (48th Street).
- The Sixth Meridian at 118° west, near Grande Prairie, Alberta and Revelstoke, British Columbia.

The main east–west lines are the baselines. The First Baseline is at 49° north, which forms much of the Canada–United States border in the West. Each subsequent baseline is about 24 miles (39 km) to the north of the previous one,[9] terminating at 60° north, which forms the boundary with Yukon, the Northwest Territories, and Nunavut.

Starting at each intersection of a meridian and a baseline and working west (also working east of the First Meridian), nearly square townships are surveyed, which are about 6 miles (9.7 km) in both north–south and east–west extent. There are two tiers of townships to the north and two tiers to the south of each baseline.

Townships are designated by their "township number" and "range number". Township 1 is the first north of the First Baseline, and the numbers increase to the north. Range numbers recommence with Range 1 at each meridian and increase to the west (also east of First Meridian). Individual townships are designated such as "Township 52, Range 25 west of the Fourth Meridian," abbreviated "52-25-W4".

Every township is divided into 36 sections, each about 1 mile (1.6 km) square. Sections are numbered within townships, beginning with the southeast section, as follows (north at top):

31	32	33	34	35	36
30	29	28	27	26	25
19	20	21	22	23	24
18	17	16	15	14	13
7	8	9	10	11	12
6	5	4	3	2	1

In turn, each section is divided into four quarter sections (square land parcels roughly 1/2 mile on a side): southeast, southwest, northwest and northeast. The full legal description of a particular quarter section is "the Northeast Quarter of Section 20, Township 52, Range 25 west of the Fourth Meridian", abbreviated "NE-20-52-25-W4."

A section may also be split into as many as 16 legal subdivisions (LSDs). LSDs are commonly used by the oil and gas industry as a precise way of locating wells, pipelines, and facilities. LSDs can be "quarter-quarter sections" (square land parcels roughly 1/4 mile (400 m) on a side, comprising roughly 40 acres (160,000 m²) in area). LSDs are numbered as follows (north at top):

13	14	15	16
12	11	10	9
5	6	7	8
4	3	2	1

Occasionally, resource companies assign further divisions within LSDs such as "A, B, C, D etc." for example, to distinguish between multiple sites within an LSD. These in no way constitute an official change to the Dominion Land Survey system, but nonetheless often appear as part of the legal description.

4.3 Economics

The results of the before tax economic analysis, which are presented for each entity and property summary, are in a condensed form presented on one page for simplicity in analyzing the cash flows, however, if for any reason more extensive breakdown of the cash flow is required, a separate schedule can be provided showing the full derivation and breakdown of any or all of the columns on the summary page.

The economic presentation shows the gross property and company gross and net (before and after royalty) production of oil, gas and each NGL product along with the product prices adjusted for oil quality and heating value of gas. Oil prices also include the deduction for trucking costs where applicable for royalty deductions.

The second level includes the revenues, royalties, operating costs, processing income, abandonment costs, capital and cash flow of the property. Royalty values shown here are after the reimbursement to the Company of the Gas Cost Allowance (GCA). Operating costs are presented for the gross property and the company share, split between variable and fixed costs, and the effective cost per BOE.

Net revenues are presented annually and as a net back in \$/BOE @ 6 Mscf/STB. Revenue from custom processing of oil or gas is presented separately.

The third level of data presents the cumulative cash flow values (present worth) for various discount rates. Also, the net cash flow breakdown is presented. The project profitability criteria are summarized on the bottom right of the page. These data are not relevant in the case of corporate evaluations but are useful in assessing individual capital projects.

For corporate consolidations a second page is included, which repeats the before tax cash flow and presents the Taxable Income, Income Tax Payable, After Income Tax Cash Flows and net present values After Income Tax.

4.4 **Barrels of Oil Equivalent**

If at any time in this report reference is made to "Barrels of Oil Equivalent" (BOE), the conversion used is 6 Mscf : 1 STB (6 Mcf : 1 bbl).

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the well head.

4.5 Environmental Liabilities

We have been advised by the Company that they are in material compliance with all Environmental Laws and do not have any Environmental Claims pending, as demonstrated in the Representation Letter attached.

5. BASIS OF REPORT

5.1 Sources of Information

Sources of the data used in the preparation of this report are as follows:

- i) Ownership and Burdens have been derived from the Company's land records and other information from the Company as required for clarification;
- ii) Production data is acquired from public data sources, except for very recent data or certain wells which are provided directly by the Company;
- iii) Well data is accessed from public data sources;
- iv) Operating Costs are based on limited data provided by the Company and our judgment and experience with similar properties;
- v) Price differentials are derived from revenue statements, compared to actual posted prices for the appropriate benchmark price over a period of several months;
- vi) Timing of Development Plans and Capital estimates are normally determined by discussions with the Company together with our experience and judgment.

5.2 Product Prices

Chapman Petroleum Engineering Ltd. conducts continual surveillance and monitoring on a number of Benchmark product prices both locally and internationally. Based on historical data, current conditions and our view of the relevant political and economic trends, we independently prepare oil, gas and by-product price forecasts including predictions for the near term (first few years) with 2 percent escalation thereafter.

In establishing our forecasts we also consider input from operating companies, consulting firms, oil & gas marketing companies and financial institutions. Our forecasts are updated quarterly and the latest one prior to the effective date would generally be used. The forecast used for this report is presented in Table 5 in the Executive Summary.

The Benchmark Oil Par Price shown is the equivalent price of light sweet crude landed in Edmonton to that of the West Texas Intermediate crude (WTI) in Cushing, Oklahoma after adjustments for transportation and the prevailing dollar exchange rate (\$US/\$Can).

The Benchmark Heavy Oil Par Price shown refers to the Western Canada Select (20.5 API) Spot price which includes British Columbia, Alberta, Saskatchewan and Manitoba.

The gas price forecast for Alberta has been generated for this report to reflect the average published AECO Spot, if more applicable.

The gas prices under various types of contracts currently available, i.e. conventional, local discount and export contracts, have been predicted to follow the same trends. The initial oil and gas prices for each property have been adjusted in this report to reflect the relative actual prices being received or forecast to be received.

The Natural Gas Liquid (NGL) blended mix price has been established for each applicable property in this report based on the price and relative volumes of each NGL component of the gas stream recovered at the plant and wellhead for that property based on available plant and revenue data.

For properties where actual data is not available, an average blended mix price has been estimated based on a typical liquid composition assumed to be 40% propane, 30% butane and 30% pentanes plus.

Any prices quoted in the property discussions reflect fully adjusted prices for crude quality, transportation, gas heating value and specific contractual arrangements. In the case of delayed production the equivalent 2019 price for that production has been quoted.

5.3 **Product Sales Arrangement**

The Company does not have any "hedge" contracts in place at this time.

5.4 Royalties

Alberta

Effective January 1, 2011, a revised Alberta Royalty Framework (ARF-2011) for oil and natural gas was implemented. Royalty rates under the ARF-2011 are a function of two separate components, product prices and producing rates, which are additive. The royalties are determined by means of complex formulae containing a series of thresholds for both prices and rates. Increasing royalty rates are applied incrementally to each threshold. The formulae provide for royalty reductions for gas wells deeper than 2000 m.

For natural gas, royalty rates range from five percent for relatively low rate wells when prices are low, up to 36 percent for high rate wells when prices are high. The maximum rate would not apply at any producing rate until gas prices exceed \$6.85/Mscf (1,000 BTU gas). Also, the highest royalty rates will not apply to any well producing less than 320 Mscf/day, regardless of price.

Conventional oil royalty rates under the ARF-2011 can be zero for low rate wells when prices are low, increasing to 40 percent for high rate wells when prices are high. The maximum royalty rate will not apply to any well producing less than 35 STB/day regardless of price. Also maximum royalty rates will not apply to any well regardless of rate at oil prices less than \$50.00/STB.

The ARF-2011 is designed to deliver up to 40 percent (36 percent for gas) of the oil revenue to the Alberta Government from high rate wells when the prices are high. When prices and/or production rates are low the royalties are minimized (0 percent for oil and 5 percent for gas) so that stripper wells will not be shut in earlier than necessary, due to the Crown royalty burden.

Effective January 1, 2017 the Alberta government has introduced revisions to the royalty regime referred to as the "Modernized Royalty Framework" (MRF). Under this regime, existing wells are subject to the former ARF-2011 for the first ten years of the program then revert to the MRF application.

New wells drilled after January 1, 2017 are subject to the MRF, which involves three stages.

During the Capital Investment Stage, a royalty of 5% applies on total revenues until "payout". Payout is based on gross revenues against a predetermined factor, "C*", which depends on

well depth, i.e. shallower or deeper than 2000 meters, the horizontal leg length and tonnage of frac sand used. The C* is based on average industry costs grossed up to account for reasonable operating costs and royalties.

Once Payout is Achieved, the second phase of the program applies where royalties are variable depending on product price. This royalty phase applies unless the production is equal or less than 194 m³e/month for oil and 344 e³m³e/month for gas, which is referred to as the "mature" stage.

During the Mature Stage the royalties are gradually reduced with declining production to an eventual minimum royalty of 5%.

5.5 **Capital Expenditures and Operating Costs**

Operating costs and capital expenditures have been based on historical experience and analogy where necessary and are expressed in current year dollars but for economic purposes are escalated at 2% per year after the current year.

5.6 **Income Tax Parameters**

Net cash flows after consideration of corporate income tax have been included in this report.

The Company has been assumed to be fully taxable as there are no known income tax pools. No future capital expenditures are anticipated for this report.

The Federal tax rates utilized in this report were 15.00% in 2020 and thereafter. The Alberta, tax rate utilized was 11% effective July 2019, 10% effective January 2020, 9% effective January 1, 2021 and 8% effective January 1, 2022 and thereafter.

5.7 **Abandonment and Restoration**

Abandonment and restoration costs, net of salvage, have been included in the cash flows for the final event of any particular well. The abandonment cost does not impact the economic limit and is included in the final year of production. For marginal wells nearing the end of their economic life, these costs may result in a negative net present value.

For Alberta wells we have utilized Directive 011 from the AER which has been made available to the public to estimate liability for well abandonment and site restoration, unless the Company has provided the information from their experience.

This directive accounts for the general areas, number of zones to be abandoned, well depth and presence of tubing and rods, etc. Separate amounts are determined for abandonment and lease restoration.

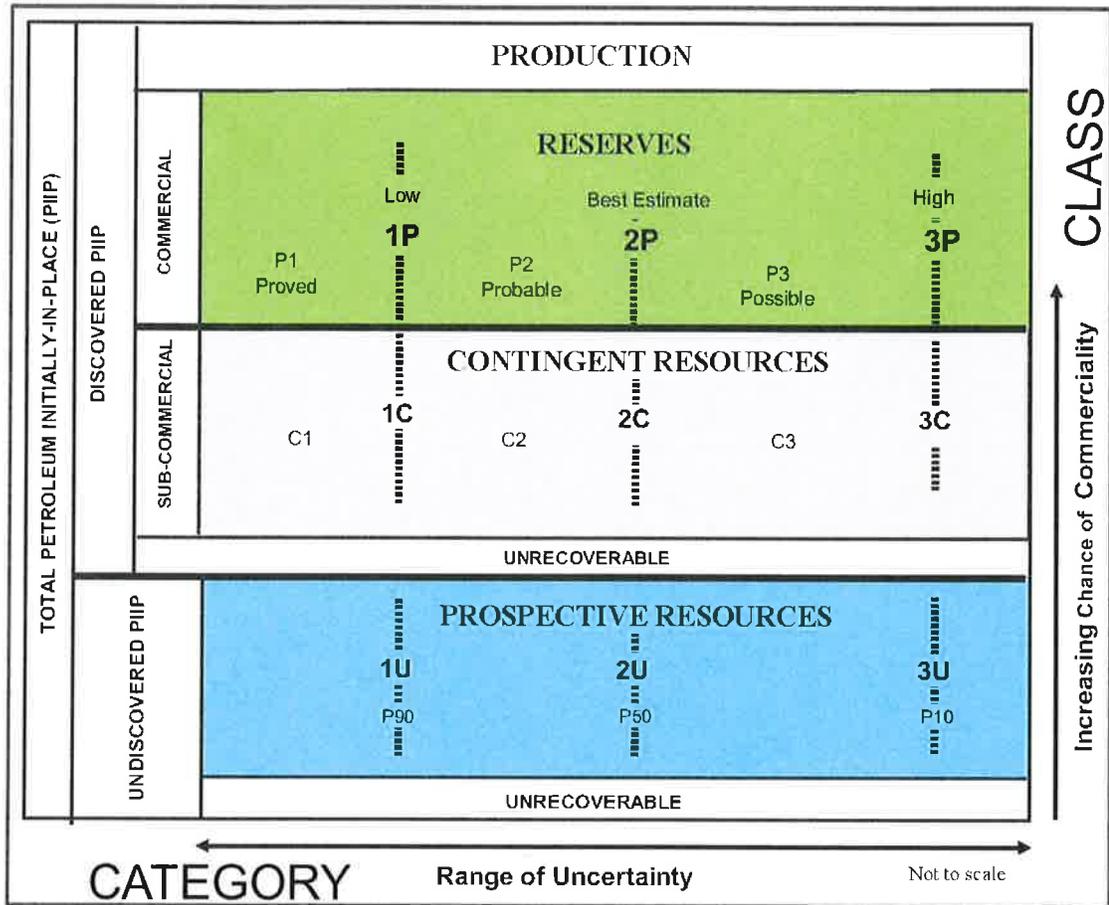
In this report, we have accounted for the costs of the wells, pipelines and facilities that are being evaluated plus all other service, shut-in or suspended wells located on properties that are being evaluated herein. The abandonment costs of pipelines and facilities have been accounted for pro rata on the well cash flow analysis. Abandonment liabilities of the inactive wells have been accounted for in the proved producing category.

6. EVALUATION STANDARD USED

6.1 General

This evaluation and report preparation have been carried out in accordance with standards set out in the APEGA professional practice standard "The Canadian Oil and Gas Evaluation Handbook", 3rd Edition December 2018 ("COGEH"), prepared by the Calgary Chapter of the Society of Petroleum Evaluation Engineers (SPEE).

COGEH uses the SPE-PRMS (2018 Update) resource classification system shown in the below diagram.



By way of explanation, 'CLASS' forms the vertical axis of the PRMS diagram and represents the range of Chance of Commerciality. Likewise, 'CATEGORY' forms the horizontal axis and provides a measure of the uncertainty in estimates of the Resource Class.

Petroleum Initially-In-Place (PIIP) is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations with reference to the above diagram and is potentially producible. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resources").

Discovered PIIP (equivalent to "discovered resources") is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The

Discovered PIIP includes production, Reserves, and Contingent Resources; the remainder is unrecoverable.

Undiscovered PIIP (equivalent to "undiscovered resources") is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "Prospective Resources", the remainder as "unrecoverable".

Unrecoverable is that portion of Discovered or Undiscovered PIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

6.2 **Resource Definitions**

The following definitions have been extracted from COGEH and represent an overview of the resource definitions and evaluation criteria required for compliance with the Canadian Securities National Instrument 51-101. These definitions are considered to be compliant with the PRMS - 2018, in that they use the same primary nomenclature, principles and concepts.

6.2.1 **Reserves**

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

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are further classified according to the level of certainty associated with the estimates and may be subclassified based on development and production status.

The guidelines outline

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

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

RESERVES CATEGORIES

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

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

- Proved Reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated Proved Reserves.
- Probable Reserves are those additional reserves that are less certain to be recovered than Proved Reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved + Probable Reserves.
- Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated Proved + Probable + Possible Reserves.

DEVELOPMENT AND PRODUCTION STATUS

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

- a. Developed Reserves are those Reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the Reserves on production. The developed category may be subdivided into producing and non-producing.
 - i. Developed Producing Reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
 - ii. Developed Non-Producing Reserves are those reserves that either have not been on production, or have previously been on production, but are shut-in and the date of resumption of production is unknown.
- b. Undeveloped Reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the Reserves classification (Proved, Probable, Possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool Reserves between the Developed and Undeveloped categories or to sub-divide the Developed Reserves for the pool between Developed Producing and Developed Non-Producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

LEVELS OF CERTAINTY FOR REPORTED RESERVES

The qualitative certainty levels contained in the definitions are applicable to "individual Reserves entities," which refers to the lowest level at which Reserves calculations are performed, and to "Reported Reserves," which refers to the highest level sum of individual entity estimates for which Reserves estimates are presented. Reported

Reserves should target the following levels of certainty under a specific set of economic conditions:

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

A quantitative measure of the certainty levels pertaining to estimates prepared for the various Reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of Reserves estimates are prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with Reserves estimates and the effect of aggregation is provided in Section 5.7.1.6, The Portfolio Effect, of COGEH.

6.2.2 Contingent Resources

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development (TUD), but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

Contingencies may include economic, environmental, social and political factors, regulatory matters, a lack of markets or prolonged timetable for development. Contingent Resources have a Chance of Development that is less than certain.

Contingent resources are further categorized according to their level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

Project Maturity Sub-Classes are: Development Pending, Development on Hold, Development Unclassified and Development Not Viable, as demonstrated in the chart below (Section 6.3).

Reports on Contingent Resources must specify the level of maturity and usually include 1C, 2C and 3C estimates.

There is no certainty that it will be commercially viable to produce any portion of the Contingent Resources.

6.2.3 Prospective Resources

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated Chance of Discovery and a Chance of Development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

The project maturity subclasses describe the stage of exploration and broadly correspond to chance of commerciality from in increasing order from "play" to "lead" to "prospect" as demonstrated in the chart below (Section 6.3).

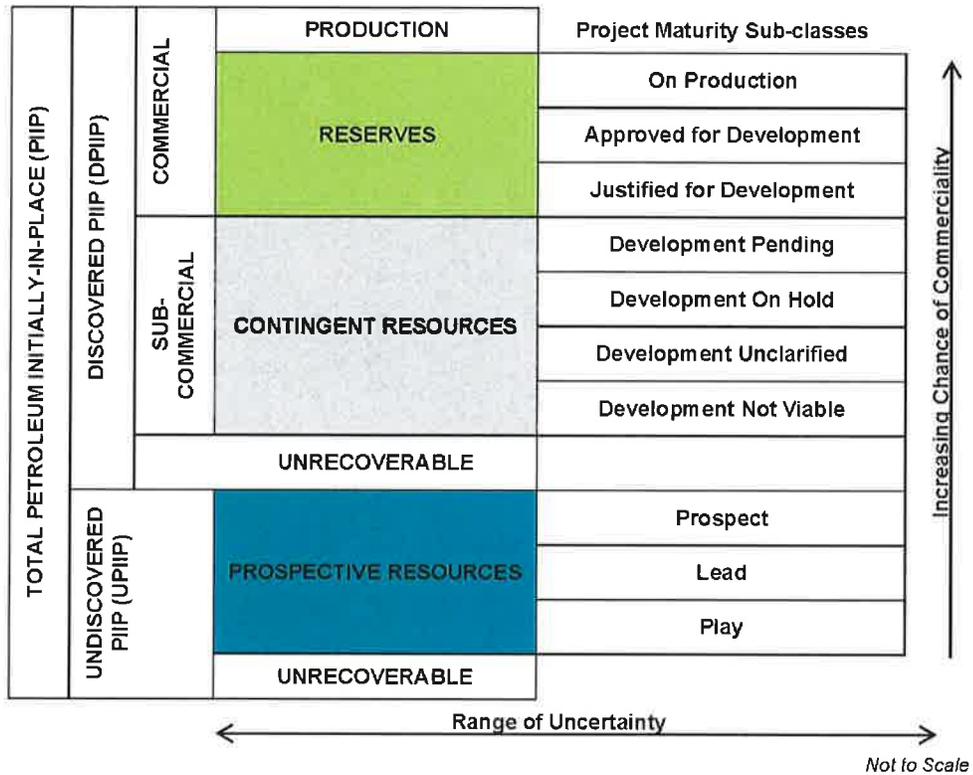
A "play" is a family of geologically similar fields, discoveries, prospects and leads. It would have the lowest chance of commerciality in these project maturity subclasses.

A "lead" is a potential accumulation within a play that requires more data acquisition and/or evaluation in order to be classified as a prospect.

A "prospect" is a potential accumulation within a play that is sufficiently well defined to represent a viable drilling target. A "prospect" would have the highest chance of commerciality.

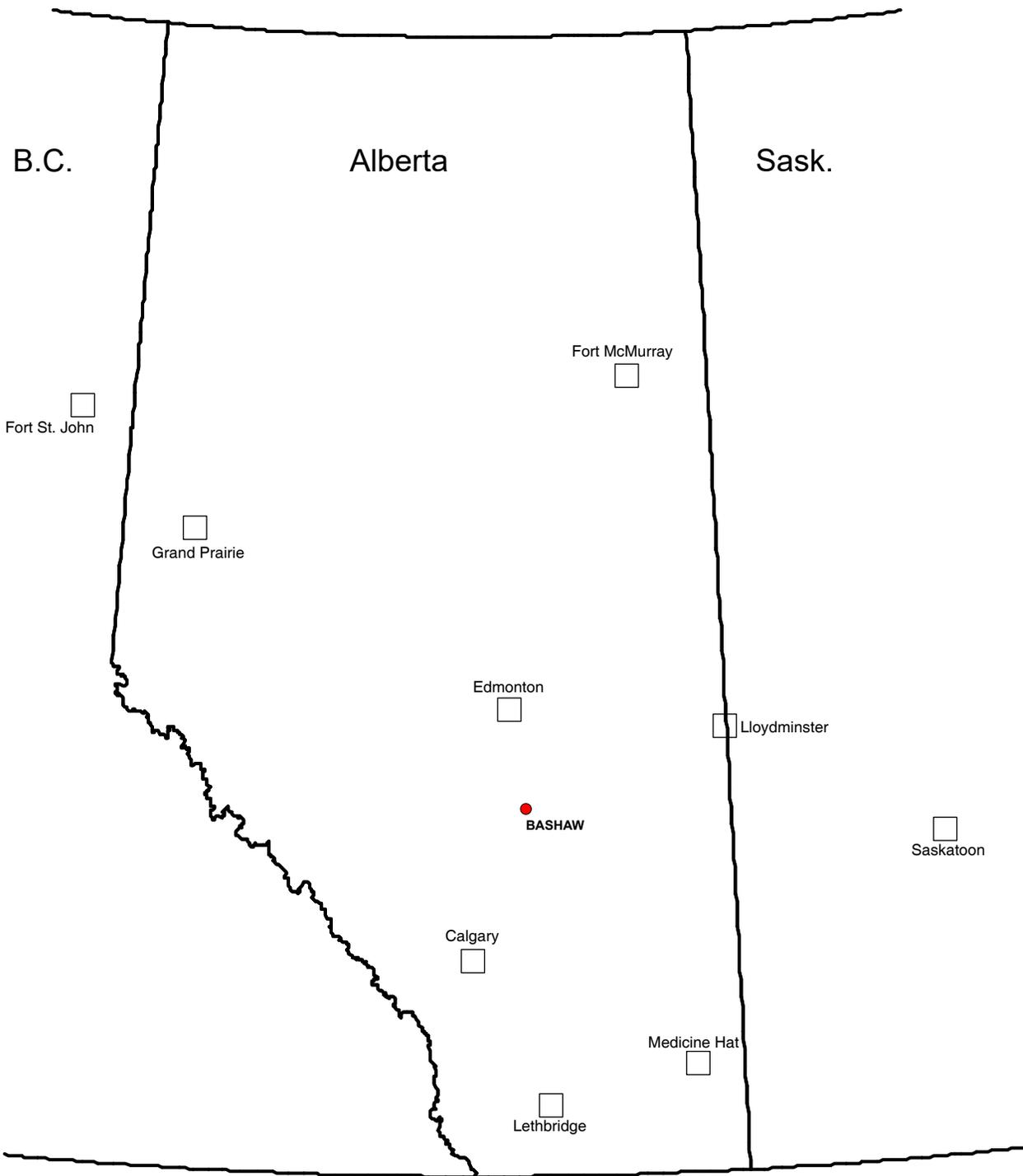
There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

6.3 Project Maturity Sub-Classes



7. SITE VISIT

A personal field examination of these properties was not considered to be necessary because the data available from the Company's records and public sources were satisfactory for our purposes.



LEGEND

AREA OF INTEREST

- OIL
- GAS
- OIL & GAS

SILK ROAD ENERGY INC.	
JURISDICTIONAL MAP	
OCT. 2019	JOB No. 6680

EXECUTIVE SUMMARY

INDEX

Forecast Prices and Costs

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- Table 2: Summary of Net Present Values
- Table 3: Total Future Net Revenue (Undiscounted)
- Table 4: Future Net Revenue – By Production Group
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- Table 5: Product Price Forecasts and Constant Prices

Table 1

Silk Road Energy Inc.

Summary of Oil and Gas Reserves

October 1, 2019

(as of September 30, 2019)

Forecast Prices and Costs

Reserves Category	Light and Medium Oil		Heavy Oil		Conventional Natural Gas [1]		Natural Gas Liquids	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
	MSTB	MSTB	MSTB	MSTB	MMscf	MMscf	Mbbl	Mbbl
PROVED								
Developed Producing	0	0	0	0	46	38	0	0
Developed Non-Producing	0	0	0	0	0	0	0	0
Undeveloped	0	0	0	0	0	0	0	0
TOTAL PROVED	0	0	0	0	46	38	0	0
PROBABLE	0	0	0	0	15	12	0	0
TOTAL PROVED PLUS PROBABLE	0	0	0	0	61	50	0	0

Reference: Item 2.2 (1) Form 51-101F1

Columns may not add precisely due to accumulative rounding of values throughout the report.

Note: [1] Includes associated, non-associated and solution gas where applicable.

Table 2

Silk Road Energy Inc.

Summary of Net Present Values
October 1, 2019
(as of September 30, 2019)

Forecast Prices and Costs

Before Income Tax

Reserves Category	Net Present Values of Future Net Revenue				
	Discounted at				
	0 %/yr. M\$	5 %/yr. M\$	10 %/yr. M\$	15 %/yr. M\$	20 %/yr. M\$
PROVED					
Developed Producing	7	13	15	15	15
Developed Non-Producing	0	0	0	0	0
Undeveloped	0	0	0	0	0
TOTAL PROVED	7	13	15	15	15
PROBABLE	15	12	9	7	5
TOTAL PROVED PLUS PROBABLE	22	25	24	22	20

After Income Tax

Reserves Category	Net Present Values of Future Net Revenue				
	Discounted at				
	0 %/yr. M\$	5 %/yr. M\$	10 %/yr. M\$	15 %/yr. M\$	20 %/yr. M\$
PROVED					
Developed Producing	(1)	6	9	10	10
Developed Non-Producing	0	0	0	0	0
Undeveloped	0	0	0	0	0
TOTAL PROVED	(1)	6	9	10	10
PROBABLE	12	10	8	6	4
TOTAL PROVED PLUS PROBABLE	11	17	17	16	15

Reference: Item 2.2 (2) Form 51-101F1

M\$ means thousands of dollars

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 3
Silk Road Energy Inc.
Total Future Net Revenue (Undiscounted)
October 1, 2019
(as of September 30, 2019)
Forecast Prices and Costs

<u>Reserve Category</u>	<u>Revenue</u> M\$	<u>Royalties</u> M\$	<u>Operating</u> <u>Costs</u> M\$	<u>Development</u> <u>Costs</u> M\$	<u>Well</u> <u>Abandonment</u> <u>Costs</u> M\$	<u>Future Net</u> <u>Revenues</u> <u>BIT</u> M\$	<u>Income</u> <u>Taxes</u> M\$	<u>Future Net</u> <u>Revenues AIT</u> M\$
Total Proved	111	20	52	0	32	7	8	(1)
Proved Plus Probable	155	28	71	0	34	22	10	11

Reference: Item 2.2 (3)(b) NI 51-101F1

M\$ means thousands of dollars

Table 4
Silk Road Energy Inc.
Future Net Revenue
By Product Type
October 1, 2019
(as of September 30, 2019)
Forecast Prices and Costs

<u>Reserve Category</u>	<u>Product Type</u>	<u>Future Net Revenue Before Income Taxes Discounted at 10%/yr. M\$</u>
Total Proved	Light and Medium Oil (including solution gas and other by-products)	0
	Heavy Oil (including solution gas and other by-products)	0
	Conventional Natural Gas (including by-products but not solution gas)	15
Proved Plus Probable	Light and Medium Oil (including solution gas and other by-products)	0
	Heavy Oil (including solution gas and other by-products)	0
	Conventional Natural Gas (including by-products but not solution gas)	24

Reference: Item 2.2 (3)(c) NI 51-101F1

M\$ means thousands of dollars

Table 4A

Silk Road Energy Inc.

Oil and Gas Reserves and Net Present Values
By Product Type

October 1, 2019
(as of September 30, 2019)

Forecast Prices and Costs

Product Type by Reserve Category	Reserves						Net Present Value (BIT)	Unit Values @ 10%/yr.
	Oil		Gas		NGL			
	Gross MSTB	Net MSTB	Gross MMscf	Net MMscf	Gross Mbbl	Net Mbbl	10% M\$	\$/Mscf
Conventional Natural Gas (Assoc & Non-Assoc Gas)								
Proved								
Developed Producing	0	0	46	38	0	0	15	0.40
Developed Non-Producing	0	0	0	0	0	0	0	N/A
Undeveloped	0	0	0	0	0	0	0	N/A
Total Proved	0	0	46	38	0	0	15	0.40
Probable	0	0	15	12	0	0	9	0.78
Proved Plus Probable	0	0	61	50	0	0	24	0.49

Reference: Item 2.2 (3)(c) NI 51-101F1

M\$ means thousands of dollars

Columns may not add precisely due to accumulative rounding of values throughout the report.

Note: [1] Includes solution gas.

Table 5

**CHAPMAN PETROLEUM ENGINEERING LTD.
NATURAL GAS & BY-PRODUCTS
HISTORICAL, CONSTANT, CURRENT AND FUTURE PRICES**

October 1, 2019

Date	Alberta GRP [1]		AECO Spot Gas[2]	Henry Hub Gas[3]	Propane C3 [4]	Butane C4 [4]	Condensate (Pentanes Plus) C5+[5]
	\$CDN/MMBTU	\$CDN/GJ	\$CDN/MMBTU	\$US/MMBTU	\$CDN/BBL	\$CDN/BBL	\$CDN/BBL
HISTORICAL PRICES							
2009	3.85	3.65	3.99	3.94	38.34	49.34	67.52
2010	3.93	3.73	4.02	4.39	44.40	57.99	77.51
2011	3.46	3.28	3.63	3.99	50.17	70.93	97.21
2012	2.25	2.13	2.39	2.70	47.40	64.48	96.26
2013	2.98	2.82	3.17	3.84	50.09	91.43	100.72
2014	4.22	4.00	4.51	4.36	46.85	62.26	108.28
2015	2.62	2.48	2.71	2.69	6.17	36.81	59.14
2016	2.03	1.93	2.18	3.31	6.71	29.81	55.62
2017	2.05	1.94	2.50	3.85	25.55	39.62	67.15
2018	1.38	1.31	1.51	4.11	30.47	48.97	77.19
2019 9 mos.	1.39	1.32	1.58	3.49	19.10	25.71	70.56
CONSTANT PRICES (The average of the first-day-of-the-month price for the preceding 12 months-SEC)							
	1.85	1.75	2.03	2.89	22.40	31.87	68.36
FORECAST PRICES							
2019	1.64	1.55	1.80	3.25	17.13	24.83	67.39
2020	1.91	1.81	2.10	3.55	20.68	31.79	67.30
2021	2.18	2.07	2.40	3.85	25.16	38.96	70.99
2022	2.29	2.17	2.52	3.97	30.84	45.73	74.87
2023	2.41	2.28	2.65	4.10	33.98	49.31	78.94
2024	2.53	2.40	2.78	4.23	35.94	52.05	83.21
2025	2.65	2.52	2.92	4.37	36.82	53.23	85.01
2026	2.79	2.64	3.06	4.51	37.69	54.43	86.84
2027	2.84	2.70	3.12	4.57	38.57	55.61	88.71
2028	2.90	2.75	3.19	4.64	39.49	56.83	90.61
2029	2.96	2.81	3.25	4.70	40.46	58.09	92.56
2030	3.02	2.86	3.32	4.77	41.30	55.99	94.54
2031	3.08	2.92	3.38	4.83	42.21	57.20	96.56
2032	3.14	2.98	3.45	4.90	43.10	58.42	98.62
2033	3.20	3.04	3.52	4.97	44.02	59.65	100.73
2034	3.27	3.10	3.59	5.04	44.90	60.85	102.74

Escalated 2% thereafter

- Notes:
- [1] Alberta Gas Reference Price (GRP) represents the average of all system and direct (spot and firm) sales.
 - [2] The AECO C Spot price, which is the Alberta gas trading price
 - [3] Henry Hub Spot is natural gas traded on the New York Mercantile Exchange (NYMEX).
 - [4] Alberta average field price for Propane and Butane purchased at field locations.
 - [5] Edmonton condensate from GMPFirstEnergy.

SUMMARY OF COMPANY RESERVES AND ECONOMICS

INDEX

Forecast Prices and Costs

Table 1: Summary of Company Reserves and Economics – Before Income Tax

Table 1T: Summary of Company Reserves and Economics – After Income Tax

Consolidated Cash Flows

Table 1a: Total Proved Developed Producing

Table 1b: Total Proved Plus Probable Developed Producing

Production History and Forecast

Table 1
Summary of Company Reserves and Economics
Before Income Tax

Forecast Prices & Costs

October 1, 2019

Silk Road Energy Inc.

Description	Net To Appraised Interest										
	Reserves						Cumulative Cash Flow (BIT) - M\$				
	Light and Medium Oil		Conventional Natural Gas		NGL		Discounted at:				
	MSTB		MMscf		Mbbbls						
Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year	
Proved Developed Producing											
Bashaw, Alberta	0	0	46	38	0	0	7	13	15	15	15
Total Proved Developed Producing	0	0	46	38	0	0	7	13	15	15	15
Probable											
Probable Developed Producing											
Bashaw, Alberta	0	0	15	12	0	0	15	12	9	7	5
Total Probable Developed Producing	0	0	15	12	0	0	15	12	9	7	5
Total Proved Plus Probable	0	0	61	50	0	0	22	25	24	22	20

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Negative cash flow is as a result of abandonment cost.

Table 1T
Summary of Company Reserves and Economics
After Income Tax
October 1, 2019

Forecast Prices & Costs

Silk Road Energy Inc.

Description	Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbbls		Cumulative Cash Flow - M\$				
	Gross	Net	Gross	Net	Gross	Net	Undisc.	Discounted at:			
								5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BIT)	0	0	46	38	0	0	7	13	15	15	15
Company Income Tax	-	-	-	-	-	-	(8)	(7)	(6)	(5)	(4)
Total Proved Developed Producing (AIT)	0	0	46	38	0	0	(1)	6	9	10	10
Probable											
Total Probable (BIT)	0	0	15	12	0	0	15	12	9	7	5
Company Income Tax	-	-	-	-	-	-	(3)	(2)	(1)	(1)	(1)
Total Probable (AIT)	0	0	15	12	0	0	12	10	8	6	4
Total Proved Plus Probable (AIT)	0	0	61	50	0	0	11	17	17	16	15

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 1a

EVALUATION OF: Bashaw, Alberta
 ===== Total Proved Developed Producing Cons.

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019
 RUN DATE: 1-OCT-2020 TIME: 23:45
 FILE:

EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TOTAL ABANDONMENT - 257749 - \$-

Year	# of Wells	Price \$/MCF	Sales Gas MMCF			Company Share	
			Pool			Gross	Net
			MCF/D	Vol			
2019	3	1.58	145.1	13	2	1	
2020	3	1.85	136.2	50	6	5	
2021	3	2.11	122.2	45	6	5	
2022	3	2.22	109.8	40	5	4	
2023	3	2.33	98.6	36	4	4	
2024	3	2.45	88.6	32	4	3	
2025	3	2.57	79.6	29	4	3	
2026	3	2.69	71.5	26	3	3	
2027	3	2.75	64.2	23	3	2	
2028	3	2.81	57.7	21	3	2	
2029	1	2.86	26.3	10	1	1	
2030	1	2.92	23.9	9	1	1	
2031	1	2.97	21.8	8	1	1	
2032	1	3.04	19.8	7	1	1	
2033	1	3.10	18.1	7	1	1	
SUB				356	44	36	
REM				16	2	2	
TOT				372	46	38	

= P/T = ===== COMPANY SHARE FUTURE NET REVENUE =====

Year	Capital & Aband Costs - \$-	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper - \$-	Net back \$/BOE	Proc& Other Income - \$-	Cap'l Costs - \$-	Aband Costs - \$-	Future Net Rev		
		Oil - \$-	SalesGas - \$-	Products - \$-	Total - \$-	Crown - \$-	Other - \$-	Mineral - \$-	Fixed - \$-	Variable - \$-	\$/BOE						Undisc - \$-	10.0% - \$-	
2019	0	0	2606	0	2606	0	469	0	18.0	806	260	3.89	1072	3.91	0	0	0	1072	1059
2020	0	0	11324	0	11324	0	2038	0	18.0	3272	987	4.17	5027	4.92	0	0	0	5027	4680
2021	0	0	11619	0	11619	0	2091	0	18.0	3337	904	4.63	5287	5.77	0	0	0	5287	4474
2022	0	0	10955	0	10955	0	1972	0	18.0	3404	828	5.14	4752	5.77	0	0	0	4752	3655
2023	0	0	10346	0	10346	0	1862	0	18.0	3472	758	5.72	4254	5.75	0	0	0	4254	2975
2024	0	0	9749	0	9749	0	1755	0	18.0	3541	695	6.38	3758	5.66	0	0	0	3758	2390
2025	0	0	9200	0	9200	0	1656	0	18.0	3612	637	7.12	3295	5.52	0	0	0	3295	1904
2026	0	0	8663	0	8663	0	1559	0	18.0	3684	583	7.96	2835	5.29	0	0	0	2835	1490
2027	0	0	7937	0	7937	0	1429	0	18.0	3758	535	8.91	2216	4.60	0	0	0	2216	1058
2028	162533	0	7294	0	7294	0	1313	0	18.0	3833	490	9.98	1658	3.83	0	20040	-18382	-7982	
2029	0	0	3382	0	3382	0	609	0	18.0	1316	228	7.83	1230	6.24	0	0	0	1230	486
2030	0	0	3146	0	3146	0	566	0	18.0	1342	211	8.66	1026	5.72	0	0	0	1026	368
2031	0	0	2915	0	2915	0	525	0	18.0	1369	196	9.58	826	5.05	0	0	0	826	269
2032	0	0	2709	0	2709	0	488	0	18.0	1396	182	10.61	643	4.32	0	0	0	643	191
2033	0	0	2517	0	2517	0	453	0	18.0	1424	169	11.77	470	3.47	0	0	0	470	127
SUB	162533	0	104364	0	104364	0	18786	0	18.0	39566	7663		38349		0	0	20040	18309	17143
REM	95216	0	6521	0	6521	0	1174	0	18.0	4446	439		463		0	0	11740	-11277	-2268
TOT	257749	0	110886	0	110886	0	19959	0	18.0	44012	8102		38813		0	0	31780	7032	14875

===== NET PRESENT VALUE (-\$-) =====

===== PROFITABILITY =====

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	38813	31215	27846	25956	24295	22157	19313
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	31780	18260	13452	11081	9191	7027	4617
Future Net Revenue	7032	12955	14394	14875	15104	15130	14696

COMPANY SHARE BASIS

	Before Tax
Rate of Return (%)	n/a
Profit Index (undisc.)	n/a
(disc. @ 10.0%)	n/a
(disc. @ 5.0%)	n/a
First Payout (years)	n/a
Total Payout (years)	n/a
Cost of Finding (\$/BOE)	n/a
NPV @ 10.0% (\$/BOE)	1.94
NPV @ 5.0% (\$/BOE)	1.69

===== COMPANY SHARE =====

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	47.0	35.0	.0	6.3

Table 1a

FUTURE NET REVENUE & INCOME TAX SUMMARY:

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 BFF: 01-OCT-2019 DISC: 01-OCT-2019 PROD: 01-JAN-2019
 RUN DATE: 1-OCT-2020 TIME: 23:45
 FILE:

EVALUATION BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

Year	FR After Roy&Oper -\$-	Crown Royalties -\$-	Min/Cap Tax -\$-	Capital Costs -\$-	Aband Costs -\$-	Admin + Oth Income/ Expense -\$-	Future Net Rev		Taxable Income		Income Tax		Future Net Rev After Tax			
							Annual -\$-	Cum -\$-	Before Deduct -\$-	After Deduct -\$-	Fed -\$-	Prov -\$-	Undisc -\$-	10.0% -\$-	Cum -\$-	
2019	1072	0	0	0	0	0	1072	1072	1072	1072	161	118	793	784	784	
2020	5027	0	0	0	0	0	5027	6099	5027	5027	754	503	3771	3510	4293	
2021	5287	0	0	0	0	0	5287	11386	5287	5287	793	476	4018	3400	7694	
2022	4752	0	0	0	0	0	4752	16138	4752	4752	713	380	3659	2815	10508	
2023	4254	0	0	0	0	0	4254	20392	4254	4254	638	340	3275	2291	12799	
2024	3758	0	0	0	0	0	3758	24150	3758	3758	564	301	2894	1840	14639	
2025	3295	0	0	0	0	0	3295	27445	3295	3295	494	264	2537	1466	16105	
2026	2835	0	0	0	0	0	2835	30281	2835	2835	425	227	2183	1147	17252	
2027	2216	0	0	0	0	0	2216	32497	2216	2216	332	177	1706	815	18067	
2028	1658	0	0	0	20040	0	-18382	14114	1658	0	0	0	-18382	-7982	10085	
2029	1230	0	0	0	0	0	1230	15344	1230	0	0	0	1230	486	10571	
2030	1026	0	0	0	0	0	1026	16370	1026	0	0	0	1026	368	10939	
2031	826	0	0	0	0	0	826	17196	826	0	0	0	826	269	11208	
2032	643	0	0	0	0	0	643	17839	643	0	0	0	643	191	11399	
2033	470	0	0	0	0	0	470	18309	470	0	0	0	470	127	11526	
SUB	38349	0	0	0	20040	0	18309		38349	32497	4874	2785	10649	11526		
REM	463	0	0	0	11740	0	-11277		463	0	0	0	-11277	-2268		
TOT	38813	0	0	0	31780	0	7032		38813	32497	4874	2785	-628	9257		
=====																
NET PRESENT VALUE (-\$-)						.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%				

Future net revenue before tax						7032	12955	14394	14875	15104	15130	14696				
Federal & provincial income tax						7660	6500	5943	5618	5323	4932	4389				
Future net revenue after tax						-628	6455	8450	9257	9780	10198	10307				

Table 1b

EVALUATION OF: Bashaw, Alberta
 ===== Total Proved Plus Probable Developed Producing Cons.

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 BFF:01-OCT-2019 DISC:01-OCT-2019
 RUN DATE: 1-OCT-2020 TIME: 23:54
 FILE:

EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TOTAL ABANDONMENT - 278019 - \$-

Year	Sales Gas					
	# of Wells	Price \$/MCF	Pool		Company Share	
			MCF/D	Vol	Gross	Net
2019	3	1.58	145.5	13	2	1
2020	3	1.85	138.7	51	6	5
2021	3	2.11	127.6	47	6	5
2022	3	2.22	117.4	43	5	4
2023	3	2.33	108.1	39	5	4
2024	3	2.45	99.5	36	4	4
2025	3	2.57	91.7	33	4	3
2026	3	2.69	84.4	31	4	3
2027	3	2.75	77.8	28	4	3
2028	3	2.81	71.7	26	3	3
2029	3	2.86	66.1	24	3	2
2030	3	2.92	60.9	22	3	2
2031	2	2.97	43.4	16	2	2
2032	1	3.04	27.8	10	1	1
2033	1	3.10	26.0	9	1	1
SUB				430	53	43
REM				62	8	6
TOT				492	61	50

= P/T =

COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs - \$-	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper - \$-	Net back \$/BOE	Proc& Other Income - \$-	Cap'1 Costs - \$-	Aband Costs - \$-	Future Net Rev		
		Oil - \$-	SaleGas - \$-	Products - \$-	Total - \$-	Crown - \$-	Other - \$-	Mineral - \$-	Fixed - \$-	Variable - \$-	\$/BOE						Undisc - \$-	10.0% - \$-	
2019	0	0	2614	0	2614	0	471	0	18.0	806	261	3.88	1078	3.92	0	0	0	1078	1065
2020	0	0	11533	0	11533	0	2076	0	18.0	3272	1005	4.11	5180	4.98	0	0	0	5180	4822
2021	0	0	12128	0	12128	0	2183	0	18.0	3337	943	4.47	5665	5.92	0	0	0	5665	4794
2022	0	0	11721	0	11721	0	2110	0	18.0	3404	886	4.87	5322	6.04	0	0	0	5322	4094
2023	0	0	11346	0	11346	0	2042	0	18.0	3472	832	5.31	5001	6.17	0	0	0	5001	3497
2024	0	0	10960	0	10960	0	1973	0	18.0	3541	781	5.79	4665	6.25	0	0	0	4665	2966
2025	0	0	10602	0	10602	0	1908	0	18.0	3612	734	6.32	4348	6.32	0	0	0	4348	2513
2026	0	0	10234	0	10234	0	1842	0	18.0	3684	689	6.91	4018	6.34	0	0	0	4018	2111
2027	0	0	9614	0	9614	0	1730	0	18.0	3758	648	7.55	3477	5.96	0	0	0	3477	1661
2028	0	0	9058	0	9058	0	1630	0	18.0	3833	609	8.26	2986	5.55	0	0	0	2986	1296
2029	0	0	8506	0	8506	0	1531	0	18.0	3910	572	9.04	2493	5.03	0	0	0	2493	984
2030	84549	0	8011	0	8011	0	1442	0	18.0	3988	538	9.90	2042	4.47	0	0	10425	-8382	-3008
2031	86240	0	5803	0	5803	0	1045	0	18.0	2718	391	9.56	1650	5.07	0	0	10633	-8984	-2931
2032	0	0	3794	0	3794	0	683	0	18.0	1396	255	7.93	1459	7.01	0	0	0	1459	433
2033	0	0	3618	0	3618	0	651	0	18.0	1424	243	8.57	1299	6.67	0	0	0	1299	350
SUB	170790	0	129542	0	129542	0	23318	0	18.0	46156	9387		50682		0	0	21058	29623	24646
REM	107229	0	25852	0	25852	0	4653	0	18.0	14169	1739		5290		0	0	13221	-7931	-468
TOT	278019	0	155394	0	155394	0	27971	0	18.0	60325	11126		55972		0	0	34280	21692	24178

NET PRESENT VALUE (-\$-)

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	55972	41715	35971	32900	30290	27048	22936
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	34280	16519	11156	8722	6893	4927	2925
Future Net Revenue	21692	25195	24815	24178	23398	22121	20011

PROFITABILITY

COMPANY SHARE BASIS		Before Tax
Rate of Return (%)		n/a
Profit Index (undisc.)		n/a
(disc. @ 10.0%)		n/a
(disc. @ 5.0%)		n/a
First Payout (years)		n/a
Total Payout (years)		n/a
Cost of Finding (\$/BOE)		n/a
NPV @ 10.0% (\$/BOE)		2.39
NPV @ 5.0% (\$/BOE)		2.49

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	46.0	36.0	0	14.0

Table 1b

FUTURE NET REVENUE & INCOME TAX SUMMARY:

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 BFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-JAN-2019
 RUN DATE: 1-OCT-2020 TIME: 23:54
 FILE:

EVALUATION BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

Year	FR After Roy&Oper	Crown Royalties	Min/Cap Tax	Capital Costs	Aband Costs	Admin + Oth Income/Expense	Future Net Rev		Taxable Income		Income Tax		Future Net Rev After Tax			
							Annual	Cum	Before Deduct	After Deduct	Fed	Prov	Undisc	10.0%	Cum	
	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	-\$-	
2019	1078	0	0	0	0	0	1078	1078	1078	1078	162	119	797	788	788	
2020	5180	0	0	0	0	0	5180	6258	5180	5180	777	518	3885	3616	4404	
2021	5665	0	0	0	0	0	5665	11923	5665	5665	850	510	4305	3643	8048	
2022	5322	0	0	0	0	0	5322	17244	5322	5322	798	426	4098	3152	11200	
2023	5001	0	0	0	0	0	5001	22245	5001	5001	750	400	3850	2693	13893	
2024	4665	0	0	0	0	0	4665	26910	4665	4665	700	373	3592	2284	16176	
2025	4348	0	0	0	0	0	4348	31257	4348	4348	652	348	3348	1935	18111	
2026	4018	0	0	0	0	0	4018	35275	4018	4018	603	321	3094	1626	19737	
2027	3477	0	0	0	0	0	3477	38753	3477	3477	522	278	2678	1279	21016	
2028	2986	0	0	0	0	0	2986	41738	2986	2986	448	239	2299	998	22014	
2029	2493	0	0	0	0	0	2493	44231	2493	2493	374	199	1919	758	22771	
2030	2042	0	0	0	10425	0	-8382	35848	2042	0	0	0	-8382	-3008	19763	
2031	1650	0	0	0	10633	0	-8984	26864	1650	0	0	0	-8984	-2931	16832	
2032	1459	0	0	0	0	0	1459	28324	1459	0	0	0	1459	433	17265	
2033	1299	0	0	0	0	0	1299	29623	1299	0	0	0	1299	350	17615	
SUB	50682	0	0	0	21058	0	29623		50682	44231	6635	3731	19258	17615		
REM	5290	0	0	0	13221	0	-7931		5290	0	0	0	-7931	-468		
TOT	55972	0	0	0	34280	0	21692		55972	44231	6635	3731	11326	17147		
=====																
NET PRESENT VALUE (-\$-)						.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%				

Future net revenue before tax						21692	25195	24815	24178	23398	22121	20011				
Federal & provincial income tax						10366	8426	7537	7031	6582	5998	5214				
Future net revenue after tax						11326	16769	17278	17147	16816	16122	14797				

PRODUCTION HISTORY AND FORECAST

BASHAW, Alberta

COMPANY SHARE
PROVED DEVELOPED PRODUCING AND PROVED PLUS PROBABLE

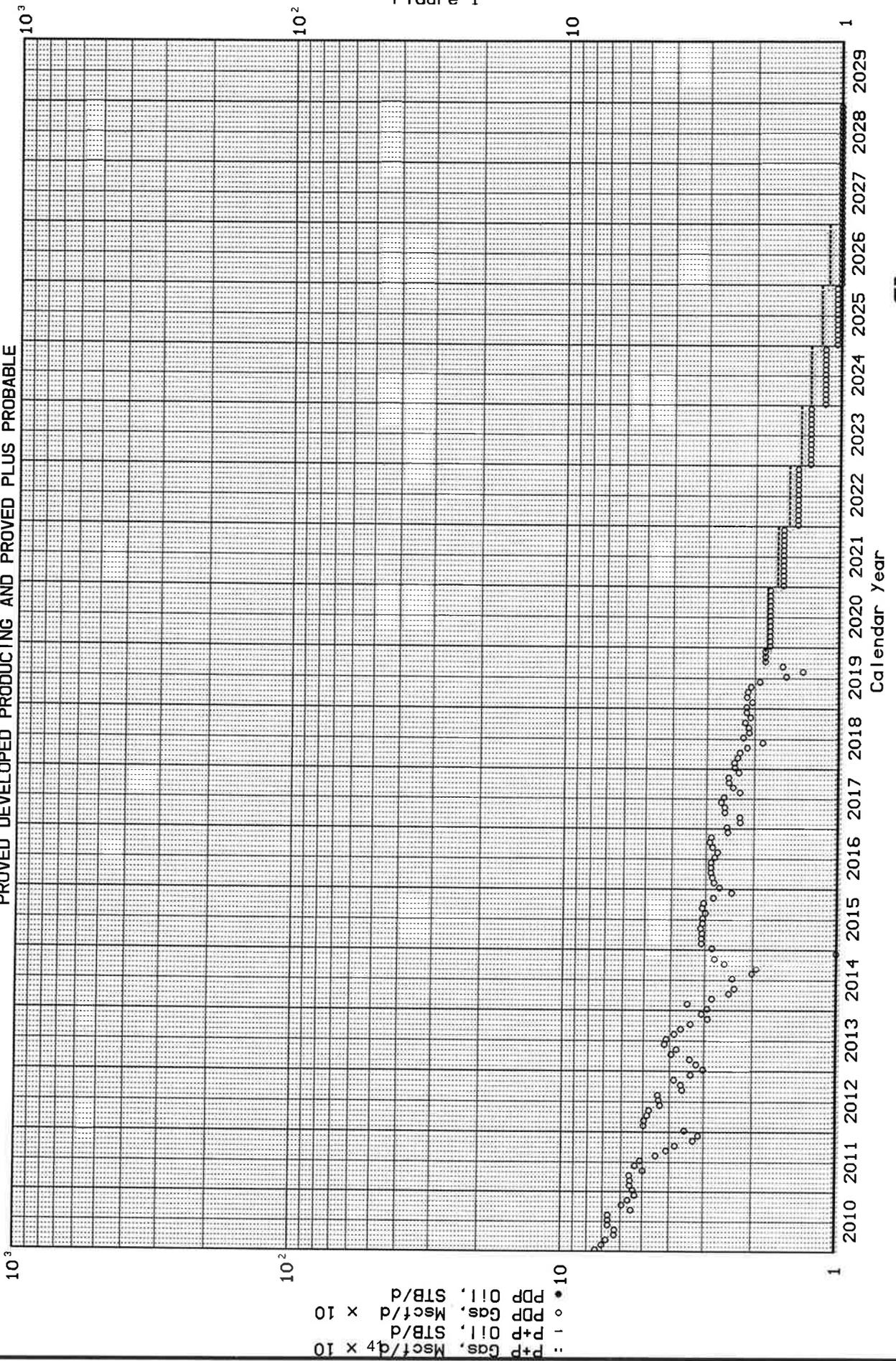


Figure 1

BASHAW AREA
ALBERTA
INDEX

Discussion

Property Description
Geology
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Economics

Attachments

Figure 1: Well Location Map

Table 1: Schedule of Wells, Interests and Royalty Burdens

Table 2: Summary of Gross Reserves

Figure 2: Production History Graphs – Proved Developed Producing

- a) 00/02-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Time Plot
- b) 00/02-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Cum. Production Plot
- c) 00/14-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Time Plot
- d) 00/14-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Cum. Production Plot
- e) 00/15-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Time Plot
- f) 00/15-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Cum. Production Plot

Figure 3: Production History Graphs – Proved Plus Probable

- a) 00/02-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Time Plot
- b) 00/02-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Cum. Production Plot
- c) 00/14-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Time Plot
- d) 00/14-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Cum. Production Plot
- e) 00/15-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Time Plot
- f) 00/15-21-041-23 W4M/00, Temp Commingled Code – Rate vs. Cum. Production Plot

Table 3: Summary of Anticipated Capital Expenditures

- a) Development
- b) Abandonment and Restoration

Table 4: Summary of Company Reserves and Economics

Consolidated Cash Flows

- a) Total Proved Developed Producing
- b) Total Proved Plus Probable Developed Producing

Individual Cash Flows

Proved Developed Producing

- c) Well 02-21-041-23 W4M, Horseshoe Canyon

- d) Well 14-21-041-23 W4M, Horseshoe Canyon
- e) Well 15-21-041-23 W4M, Horseshoe Canyon

Proved Plus Probable Developed Producing

- f) Well 02-21-041-23 W4M, Horseshoe Canyon
- g) Well 14-21-041-23 W4M, Horseshoe Canyon
- h) Well 15-21-041-23 W4M, Horseshoe Canyon

Figure 4: Production History and Forecast – Company Share
- Proved Developed Producing and Proved Plus Probable Producing

**BASHAW AREA
ALBERTA
DISCUSSION**

Property Description

The Company owns a 12.33 percent working interest in three producing wells and one marginal producing well with no reserves in this area, as shown on the map, Figure 1. Production is subject to freehold royalties.

A detailed description of the wells, interests and royalty burdens is presented in Table 1.

Geology

The Horseshoe Canyon Formation is a clastic unit of Upper Cretaceous age and part of the Edmonton Group. It formed within a fluvial environment. In this area, the Horseshoe Canyon Formation is found between 100 and 120 m. and the productive intervals range from 1 to 3 m. thick.

Reserves

Total proved developed producing marketable non-associated gas reserves of 372 MMscf have been estimated for the Horseshoe Canyon zone in three wells based on decline analysis of the production history of each well.

Total probable additional developed producing marketable non-associated gas reserves of 120 MMscf have been estimated for the same wells assuming lesser rates of decline over those in the proved case.

A summary of the gross reserves is presented in Table 2.

Production

Recent production from this area is 130 Mscf/d.

Production history graphs for this area are presented in Figures 2a through 2f in the proved case and Figures 3a through 3f in the proved plus probable case. The current production rate for each well is presented in Table 2.

Product Prices

An average 2019 gas sales price of \$1.58/Mscf has been estimated for this area based on revenue statements supplied by the Company.

Capital Expenditures

No gross capital expenditures have been estimated for this area as presented in Table 3a.

Total abandonment and reclamation costs (net of salvage) of \$204,000 (\$25,000 net to the Company) have been estimated for this property, as presented in Table 3b.

Operating Costs

Operating costs of \$750 per well per month plus variable costs of \$0.15/Mscf have been estimated for this area based on operating cost statements provided by the Company and our judgment and experience with similar properties.

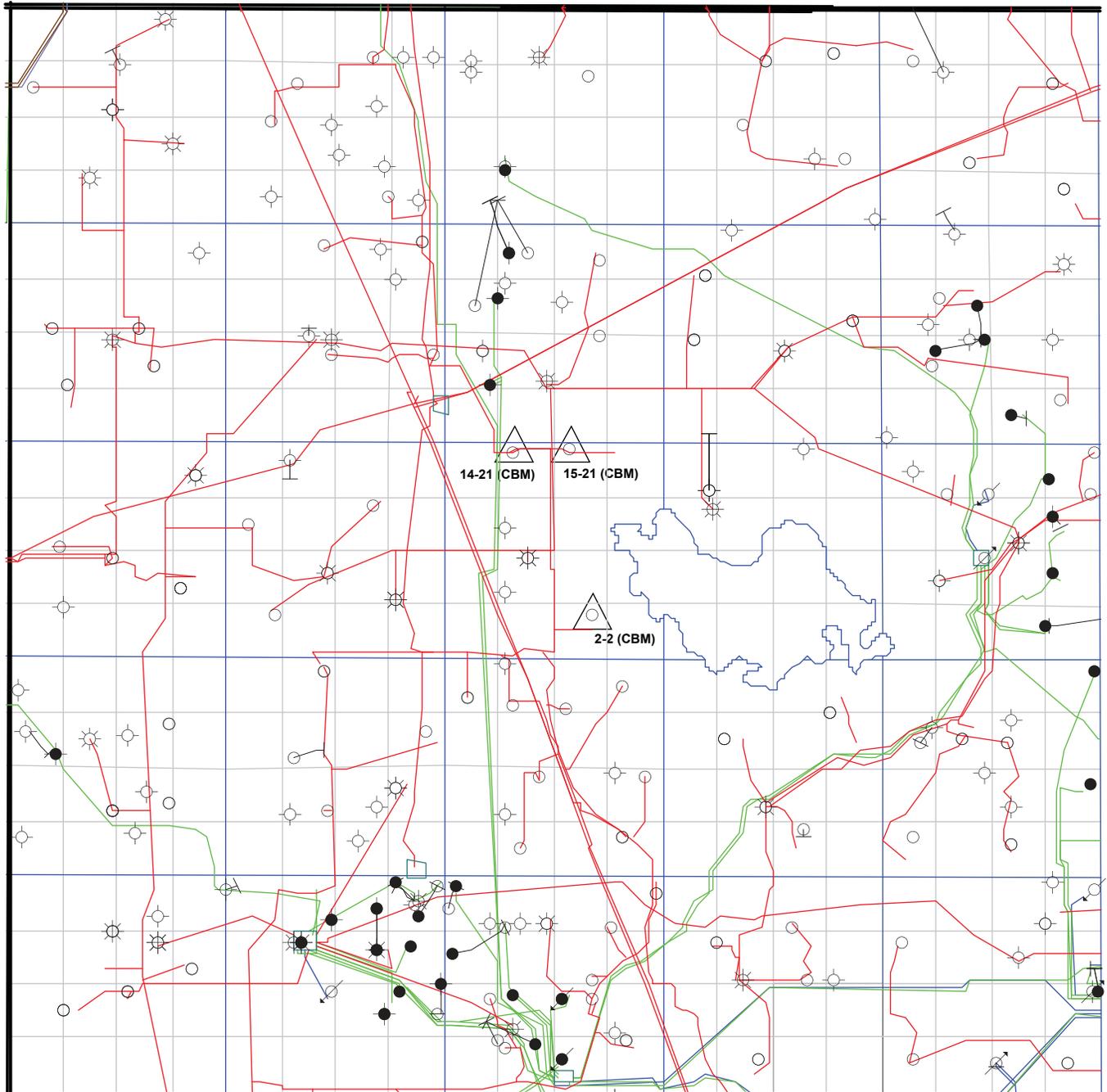
Economics

A summary of the Company reserves and economics for the forecast prices and costs is presented in Table 4 and the results of the economic analysis performed on this property are presented in Tables 4a through 4h.

The Company's total historical production together with our proved developed producing and proved plus probable forecasts for this property are presented on Figure 4.

R23 W4M

T41



LEGEND

WELL SYMBOLS

- LOCATION OR DRILLING
- ◊ SUSPENDED
- ◊ DRY & ABANDONED
- OIL
- ⊗ GAS
- ⊗ WATER SOURCE
- ⊗ WATER DISP
- ⊗ OBSERVATION
- ⊗ INJECTION
- SUSPENDED OIL
- ⊗ SUSPENDED GAS
- ⊗ SUSP WATER DISP
- ⊗ SUSP INJECTION
- ⊗ SUSP WATER SOURCE
- ABANDONED OIL
- ⊗ ABANDONED GAS
- ⊗ ABD WATER SOURCE
- ⊗ ABD WATER DISP
- ⊗ ABD INJECTION
- ⊗ INJ PREV GAS

PIPELINES

- Crude Oil
- Natural Gas
- Oil Well Effluent
- Sour Natural Gas
- Water
- HVP/LVP
- Other Types

COMPANY OWNERSHIP

- △ Well of Interest

SILK ROAD ENERGY INC.

BASHAW AREA

ALBERTA

WELL LOCATION MAP

OCT. 2019 JOB No. 6680 FIGURE No. 1

Table 1

Schedule of Wells, Interests and Royalty Burdens
October 1, 2019

Silk Road Energy Inc.

Bashaw Area, Alberta

<u>Description</u>	<u>Rights Owned</u>	<u>Appraised Interest</u>		<u>Royalty Burdens</u>	
		<u>Working %</u>	<u>Royalty %</u>	<u>Basic %</u>	<u>Overriding %</u>
<u>Twp 041 Rge 23 W4M</u>					
Sec 21					
Well 02-21	[A]	12.3300	-	FH-18.00	-
Well 14-21	[A]	12.3300	-	FH-18.00	-
Well 15-21	[A]	12.3300	-	FH-18.00	-

Rights Owned : [A] NG to Base Belly River

Table 2

**Summary of Gross Reserves
October 1, 2019**

Bashaw Area, Alberta

<u>Description</u>	<u>Current or Initial Rate Mscf/d</u>	<u>Ultimate Recovery (MMscf)</u>	<u>Cumulative Production (MMscf)</u>	<u>Reserves (raw gas) (MMscf)</u>	<u>Reserves (sales gas) (MMscf)</u>	<u>Reserves NGLs (MBbls)</u>	<u>Reference</u>
<u>ASSOCIATED AND NON-ASSOCIATED GAS</u>							
<u>Proved Developed Producing</u>							
Well 02-21-041-23 W4	Horseshoe Canyon	45	496	408	88	84	0 Figure 2a & 2b
Well 14-21-041-23 W4	Horseshoe Canyon	45	540	452	88	84	0 Figure 2c & 2d
Well 15-21-041-23 W4	Horseshoe Canyon	71	629	413	216	205	0 Figure 2e & 2f
Total Proved Producing		161	1,665	1,273	392	372	0
<u>Probable</u>							
Probable Developed Producing							
Well 02-21-041-23 W4	Horseshoe Canyon (Incr.)		19	0	19	18	0 Figure 3a & 3b
Well 14-21-041-23 W4	Horseshoe Canyon (Incr.)		27	0	27	26	0 Figure 3c & 3d
Well 15-21-041-23 W4	Horseshoe Canyon (Incr.)		80	0	80	76	0 Figure 3e & 3f
Total Probable			126	0	126	120	0
Total Proved Plus Probable			1,791	1,273	518	492	0

PRODUCTION HISTORY

00/02-21-041-23 W4M/00

Field: BASHAW
Formation: TEMP COMMINGLED CODE

Proved Developed Producing

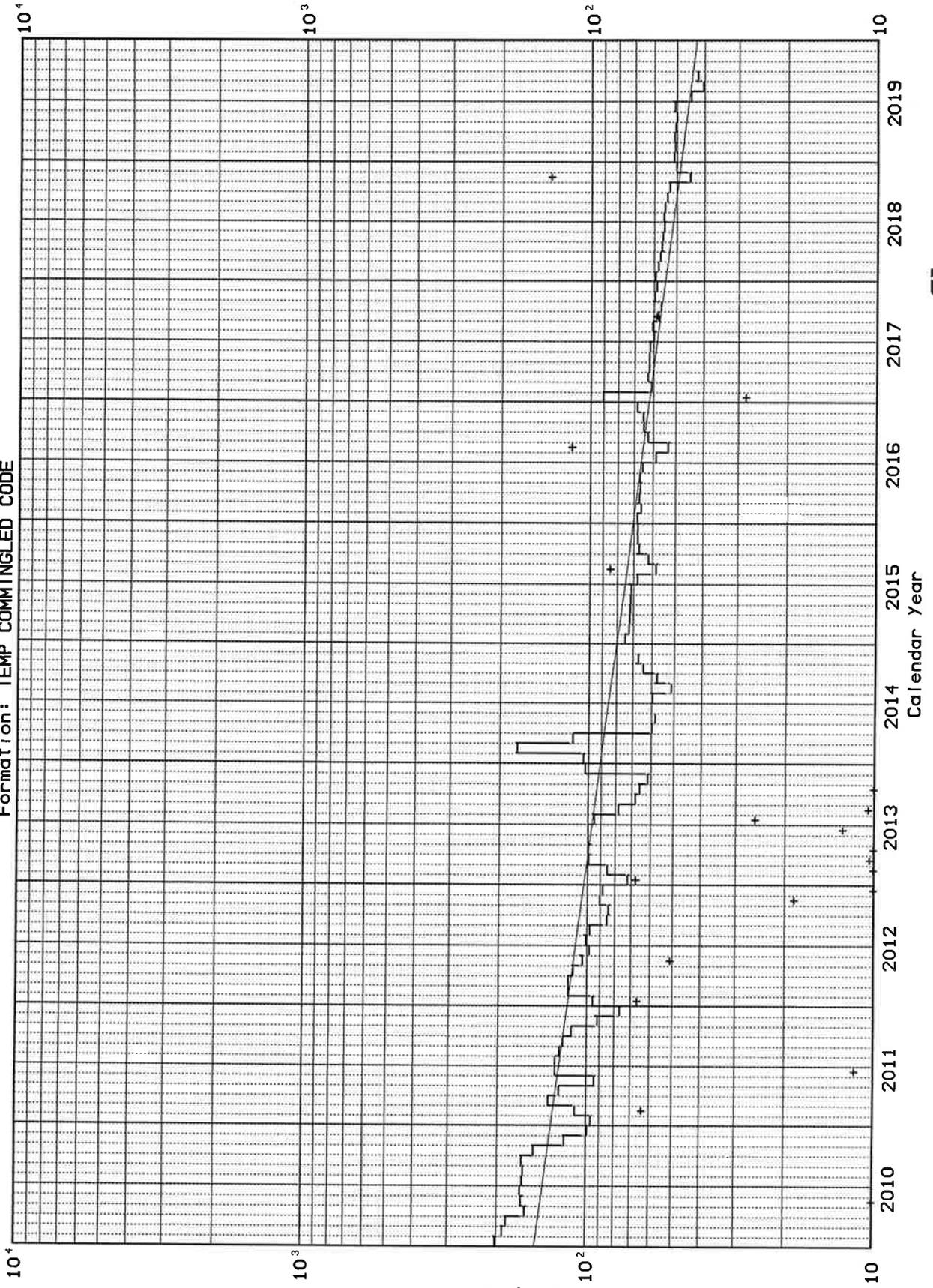


Figure 2a

• CondGR, Bbl/Mscft × 0.1
 • OGR, STB/Mscft × 0.1
 + WGR, Bbl/Mscft
 × Daily Gas, Mscft/d

PRODUCTION HISTORY

00/02-21-041-23 W4M/00

Field: BASHAW
Formation: TEMP COMMINGLED CODE

Proved Developed Producing

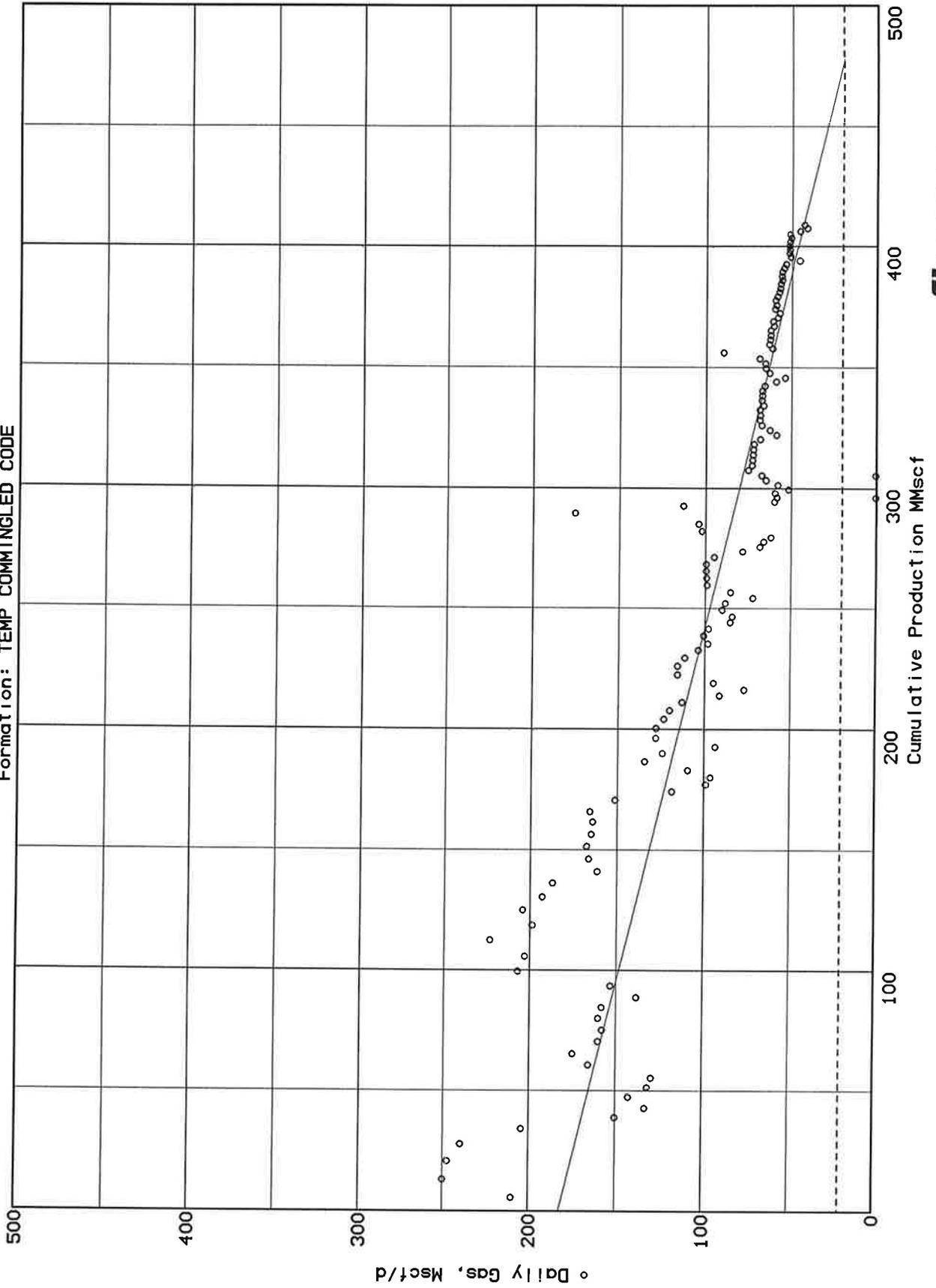


Figure 2b

00/14-21-041-23 W4M/00

Field: BASHAW
Formation: TEMP COMMINGLED CODE

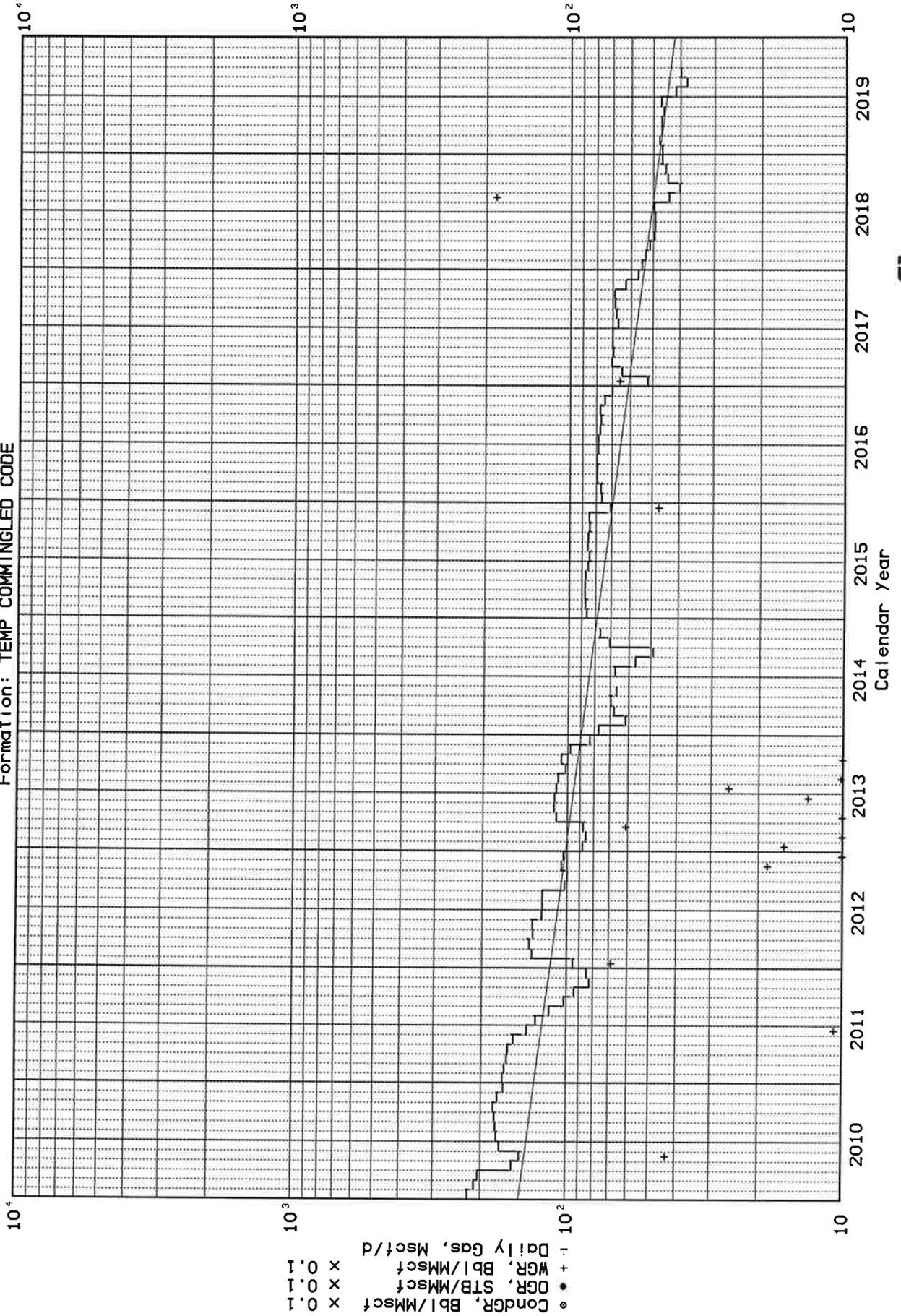


Figure 2c

PRODUCTION HISTORY

00/14-21-041-23 W4M/00

Field: BASHAW

Formation: TEMP COMMINGLED CODE

Proved Developed Producing

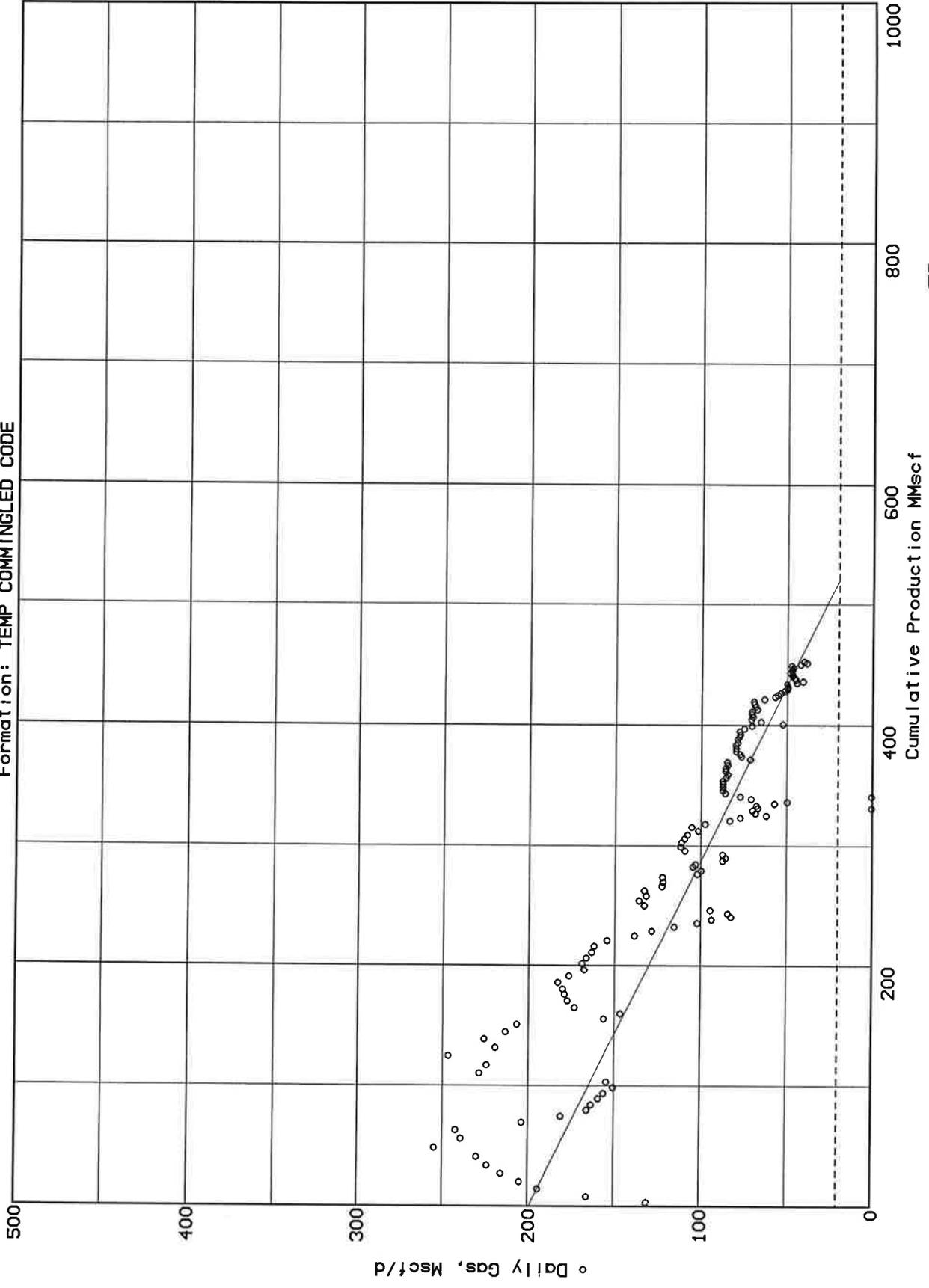


Figure 2d

PRODUCTION HISTORY

00/15-21-041-23 W4M/00

Field: BASHAW
Formation: TEMP COMMINGLED CODE

Proved Developed Producing

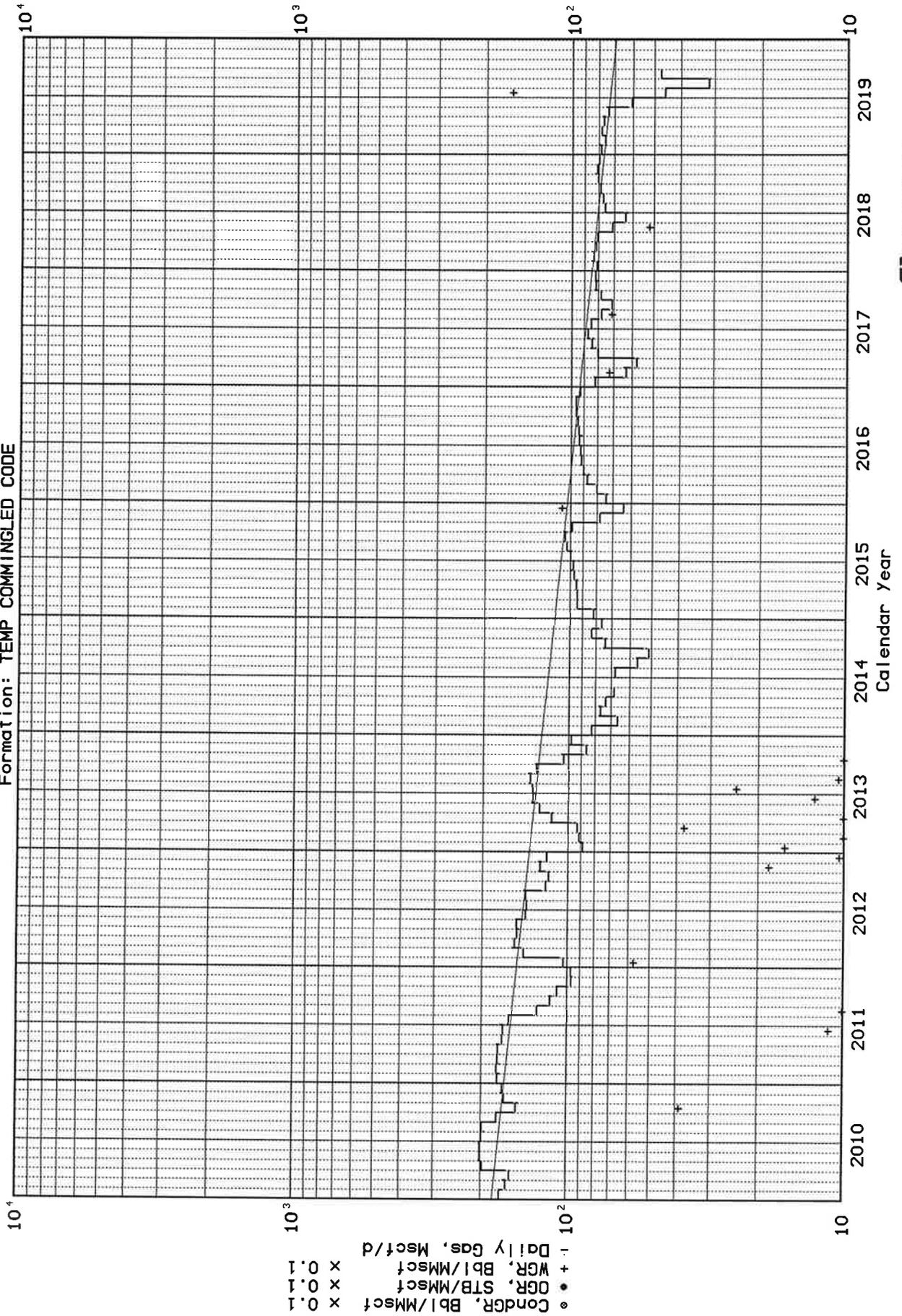


Figure 2e

• CondGR, Bbl/Mscf × 0.1
 • OGR, STB/Mscf × 0.1
 + WGR, Bbl/Mscf
 * Daily Gas, Mscf/d

Proved Developed Producing

PRODUCTION HISTORY

00/15-21-041-23 W4M/00

Field: BASHAW
Formation: TEMP COMMINGLED CODE

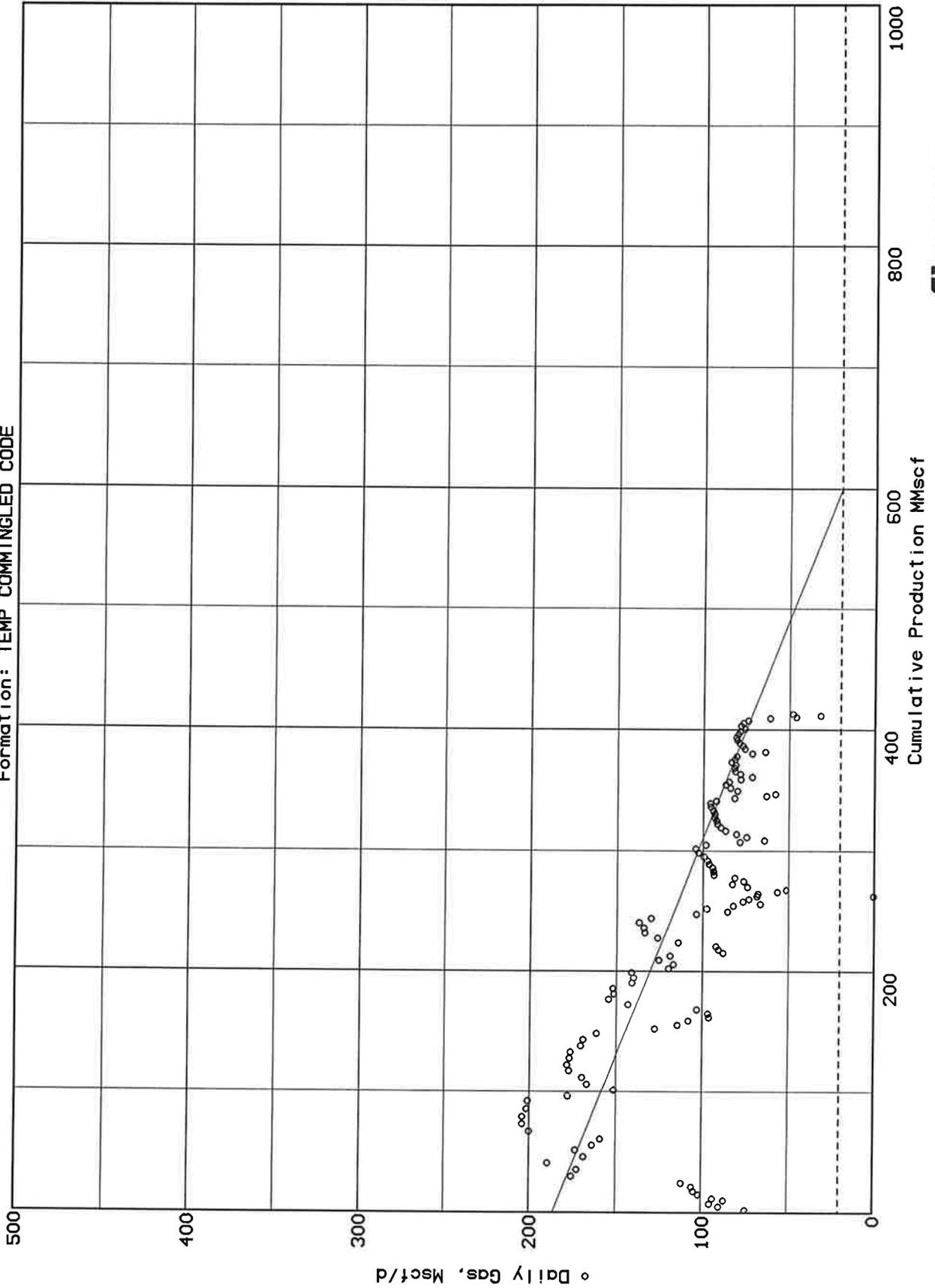


Figure 2f

PROVED PLUS PROBABLE

PRODUCTION HISTORY

00/02-21-041-23 W4M/00

Field: BASHAW

Formation: TEMP COMMINGLED CODE

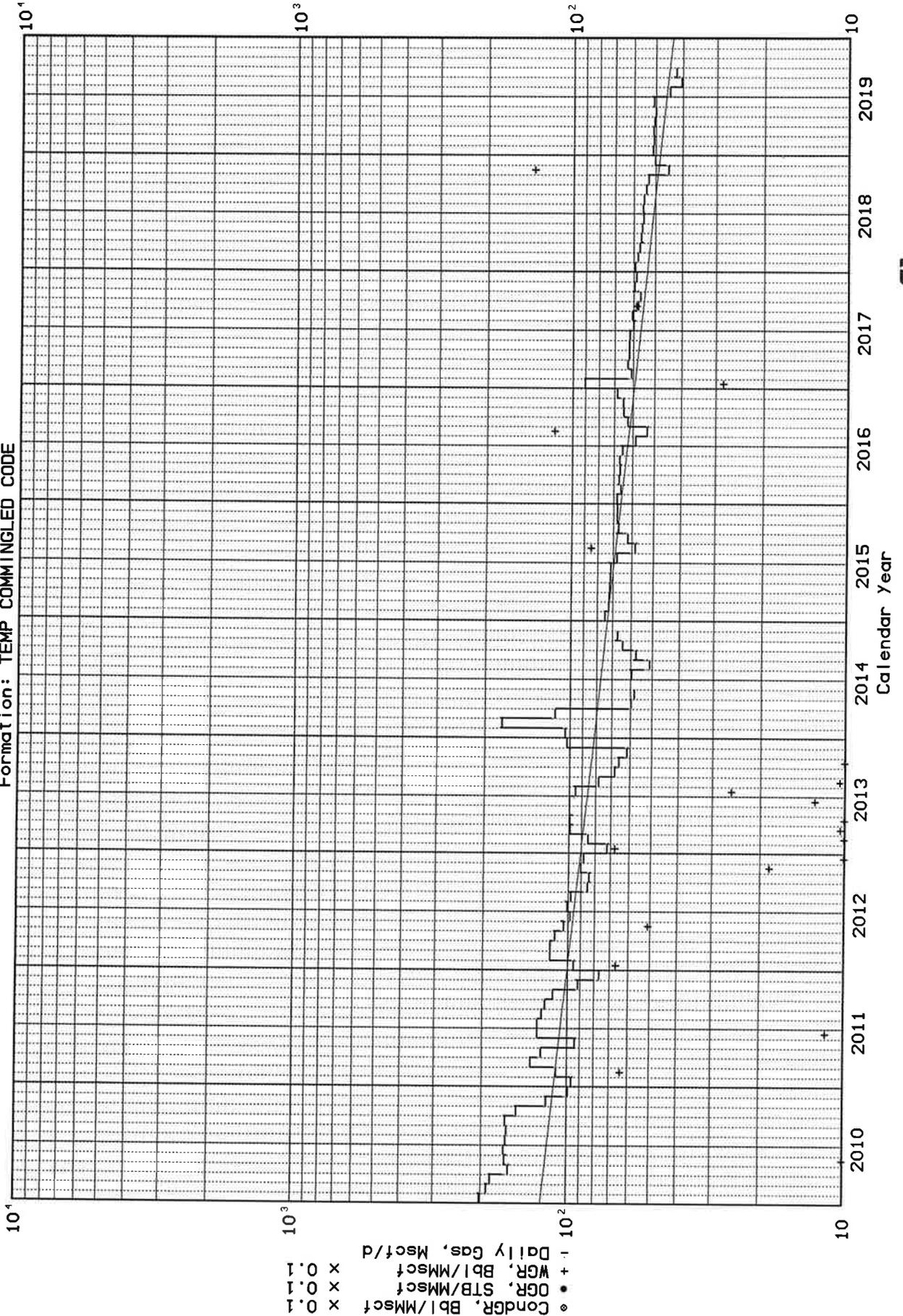


Figure 3a

Proved Plus Probable

PRODUCTION HISTORY

00/02-21-041-23 W4M/00

Field: BASHAW

Formation: TEMP COMMINGLED CODE

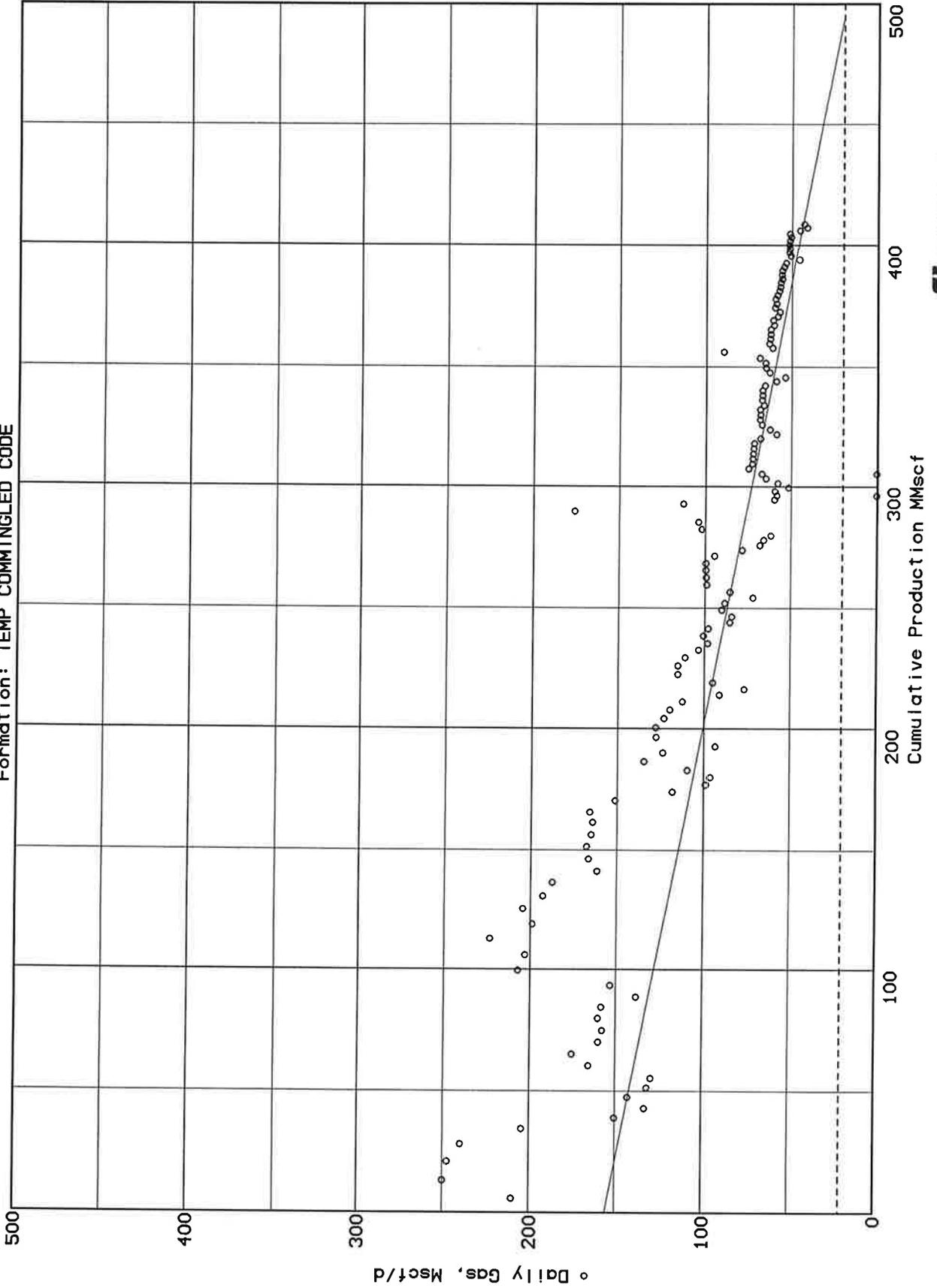


Figure 3b

PROVED PLUS PROBABLE

PRODUCTION HISTORY

00/14-21-041-23 W4M/00

Field: BASHAW

Formation: TEMP COMMINGLED CODE

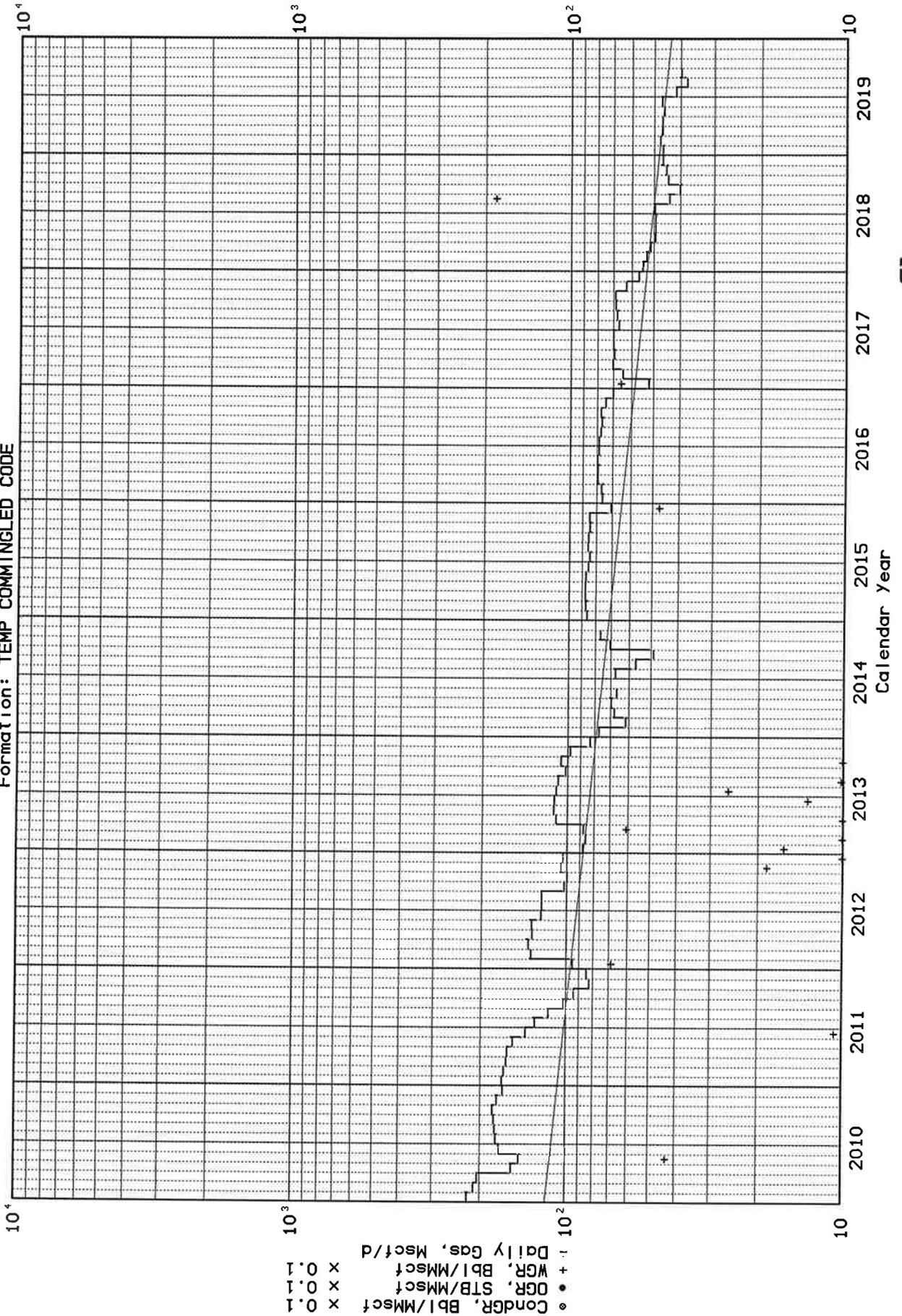


Figure 3c

- CondGR, Bbl/Mscft
- OGR, STB/Mscft
- + WGR, Bbl/Mscft
- * Daily Gas, Mscft/d
- x 0.1
- x 0.1
- + x 0.1
- * x 0.1

Proved Plus Probable

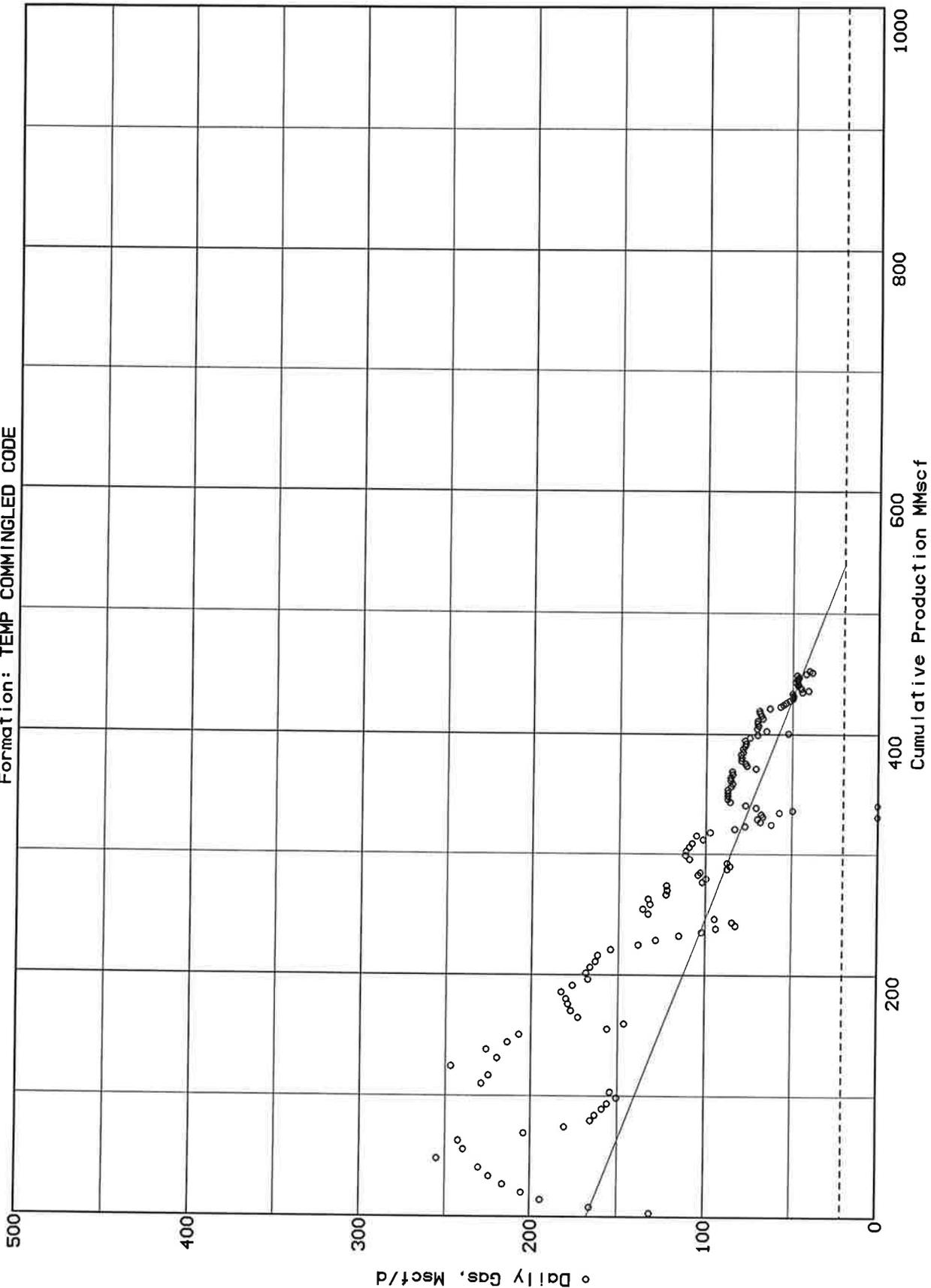
PRODUCTION HISTORY

00/14-21-041-23 W4M/00

Field: BASHAW

Formation: TEMP COMMINGLED CODE

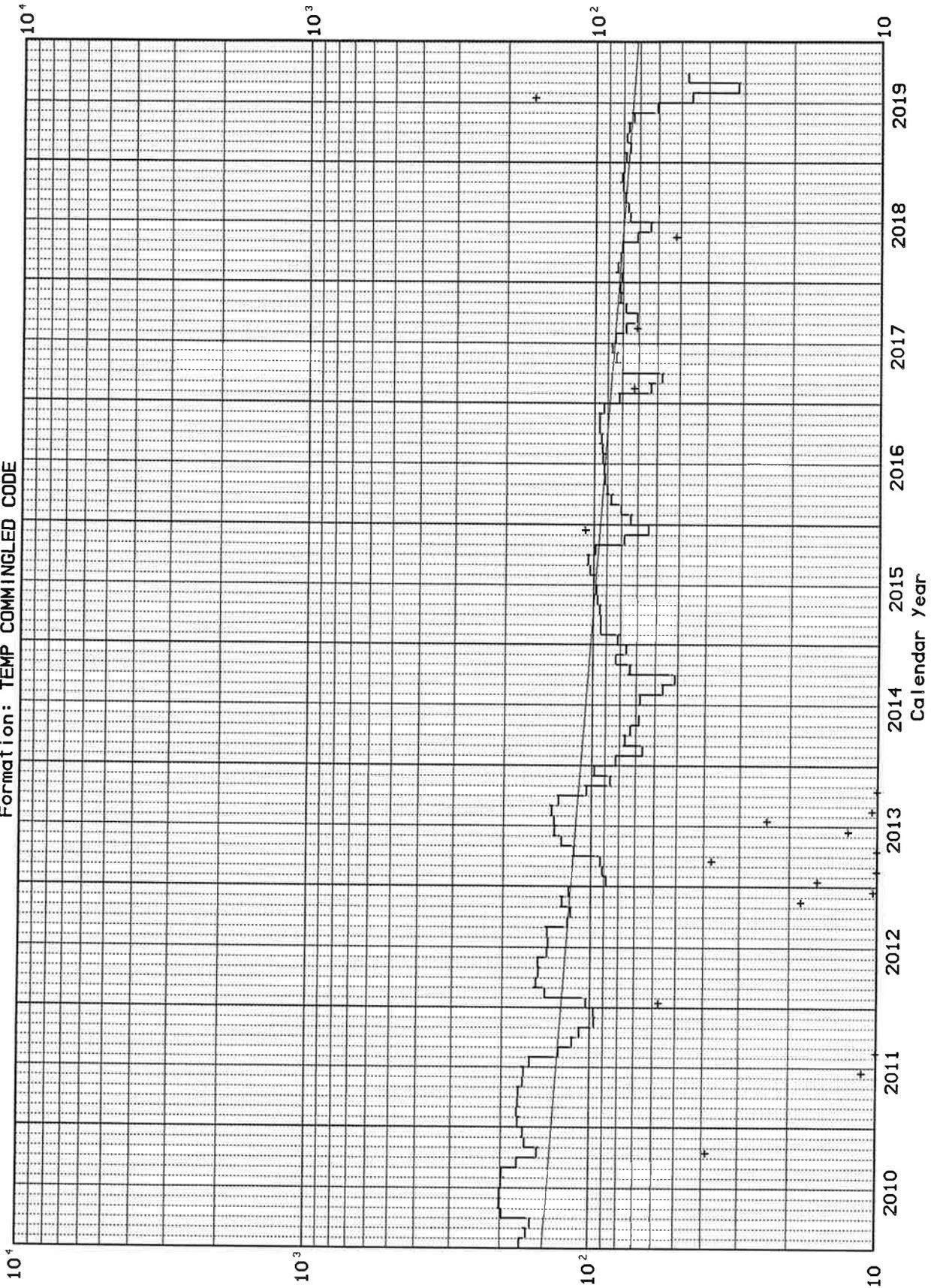
Figure 3d



PROVED PLUS PROBABLE

00/15-21-041-23 W4M/00

Field: BASHAW
Formation: TEMP COMMINGLED CODE



- CondGR, Bbl/Mscft x 0.1
- OGR, STB/Mscft x 0.1
- + WGR, Bbl/Mscft x 0.1
- Daily Gas, Mscft/d

Figure 3e

PRODUCTION HISTORY

00/15-21-041-23 W4M/00

Field: BASHAW

Formation: TEMP COMMINGLED CODE

Proved Plus Probable

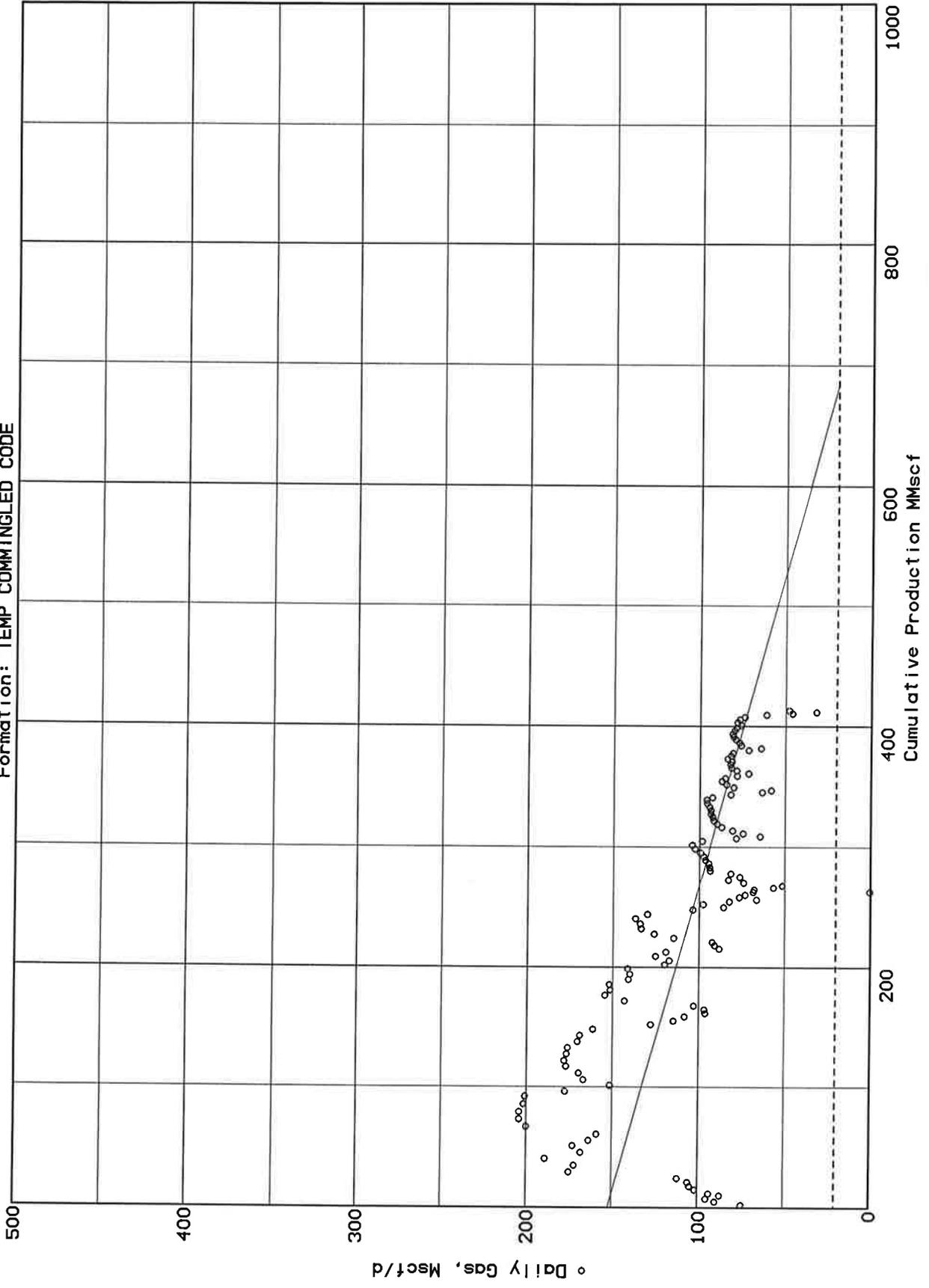


Figure 3f

Table 3a

**Summary of Anticipated Capital Expenditures
Development**

October 1, 2019

Silk Road Energy Inc.

Bashaw Area, Alberta

Description	Date	Operation	Capital Interest %	Gross Capital M\$	Net Capital M\$
--------------------	-------------	------------------	-----------------------------------	----------------------------------	--------------------------------

No Capital Expenditures have been anticipated for this area.

Table 3b
Summary of Anticipated Capital Expenditures
Abandonment and Restoration

October 1, 2019

Silk Road Energy Inc.

Bashaw Area, Alberta

<u>Description</u>	<u>Well Parameters</u>	<u>Capital Interest %</u>	<u>Gross Capital M\$</u>	<u>Net Capital M\$</u>
Well 02-21-041-23 W4	Flowing Horseshoe Canyon CBM well	12.3300	68	8
Well 14-21-041-23 W4	Flowing Horseshoe Canyon CBM well	12.3300	68	8
Well 15-21-041-23 W4	Flowing Horseshoe Canyon CBM well	12.3300	68	8
Total Abandonment and Restoration			204	25

Note: M\$ means thousands of dollars.

The above capital values are expressed in terms of current dollar values without escalation.

Table 4
Summary of Company Reserves and Economics
Before Income Tax

Forecast Prices & Costs

October 1, 2019

Silk Road Energy Inc.

Bashaw, Alberta

Description	Net To Appraised Interest											
	Reserves						Cumulative Cash Flow (BIT) - M\$					
	Light and Medium Oil		Conventional Natural Gas		NGL		Discounted at:					
	MSTB		MMscf		Mbbbls		Undisc.	5%/year	10%/year	15%/year	20%/year	
	Gross	Net	Gross	Net	Gross	Net						
Proved Developed Producing												
Well 02-21-041-23 W4M												
Well 14-21-041-23 W4M												
Well 15-21-041-23 W4M												
Total Proved Developed Producing	0	0	46	38	0	0	7	13	15	15	15	15
Probable												
Probable Developed Producing												
Well 02-21-041-23 W4M												
Well 14-21-041-23 W4M												
Well 15-21-041-23 W4M												
Total Probable Developed Producing	0	0	15	12	0	0	15	12	9	7	5	5
Total Proved Plus Probable	0	0	61	50	0	0	22	25	24	22	20	20

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Negative cash flow is as a result of abandonment cost.

Table 4T
Summary of Company Reserves and Economics
After Income Tax
October 1, 2019

Forecast Prices & Costs

Silk Road Energy Inc.

Description	Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbbls		Cumulative Cash Flow - M\$				
	Gross	Net	Gross	Net	Gross	Net	Discounted at:				
							Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BIT)	0	0	46	38	0	0	7	13	15	15	15
Company Income Tax	-	-	-	-	-	-	(8)	(7)	(6)	(5)	(4)
Total Proved Developed Producing (AIT)	0	0	46	38	0	0	(1)	6	9	10	10
Probable											
Total Probable (BIT)	0	0	15	12	0	0	15	12	9	7	5
Company Income Tax	-	-	-	-	-	-	(3)	(2)	(1)	(1)	(1)
Total Probable (AIT)	0	0	15	12	0	0	12	10	8	6	4
Total Proved Plus Probable (AIT)	0	0	61	50	0	0	11	17	17	16	15

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 4a

EVALUATION OF: Bashaw, Alberta
 ===== Total Proved Developed Producing Cons.

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 EFP:01-OCT-2019 DISC:01-OCT-2019
 RUN DATE: 1-OCT-2020 TIME: 23:45
 FILE:

EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TOTAL ABANDONMENT - 257749 - \$-

Year	# of Wells	Price \$/MCF	Sales Gas		Company Share	
			MMCF		MMCF	
			Pool MCF/D	Vol	Gross	Net
2019	3	1.58	145.1	13	2	1
2020	3	1.85	136.2	50	6	5
2021	3	2.11	122.2	45	6	5
2022	3	2.22	109.8	40	5	4
2023	3	2.33	98.6	36	4	4
2024	3	2.45	88.6	32	4	3
2025	3	2.57	79.6	29	4	3
2026	3	2.69	71.5	26	3	3
2027	3	2.75	64.2	23	3	2
2028	3	2.81	57.7	21	3	2
2029	1	2.86	26.3	10	1	1
2030	1	2.92	23.9	9	1	1
2031	1	2.97	21.8	8	1	1
2032	1	3.04	19.8	7	1	1
2033	1	3.10	18.1	7	1	1
SUB				356	44	36
REM				16	2	2
TOT				372	46	38

= P/T = ===== COMPANY SHARE FUTURE NET REVENUE =====

Year	Capital & Aband Costs - \$-	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper - \$-	Net back \$/BOE	Proc& Other Income - \$-	Cap'l Costs - \$-	Aband Costs - \$-	Future Net Rev	
		Oil - \$-	SaleGas - \$-	Products - \$-	Total - \$-	Crown - \$-	Other - \$-	Mineral - \$-	Fixed - \$-	Variable - \$-	\$/BOE						Undisc - \$-	10.0% - \$-
2019	0	0	2606	0	2606	0	469	0	18.0	806	260	3.89	1072	3.91	0	0	1072	1059
2020	0	0	11324	0	11324	0	2038	0	18.0	3272	987	4.17	5027	4.92	0	0	5027	4680
2021	0	0	11619	0	11619	0	2091	0	18.0	3337	904	4.63	5287	5.77	0	0	5287	4474
2022	0	0	10955	0	10955	0	1972	0	18.0	3404	828	5.14	4752	5.77	0	0	4752	3655
2023	0	0	10346	0	10346	0	1862	0	18.0	3472	758	5.72	4254	5.75	0	0	4254	2975
2024	0	0	9749	0	9749	0	1755	0	18.0	3541	695	6.38	3758	5.66	0	0	3758	2390
2025	0	0	9200	0	9200	0	1656	0	18.0	3612	637	7.12	3295	5.52	0	0	3295	1904
2026	0	0	8663	0	8663	0	1559	0	18.0	3684	583	7.96	2835	5.29	0	0	2835	1490
2027	0	0	7937	0	7937	0	1429	0	18.0	3758	535	8.91	2216	4.60	0	0	2216	1058
2028	162533	0	7294	0	7294	0	1313	0	18.0	3833	490	9.98	1658	3.83	0	0	20040	-18382
2029	0	0	3382	0	3382	0	609	0	18.0	1316	228	7.83	1230	6.24	0	0	1230	486
2030	0	0	3146	0	3146	0	566	0	18.0	1342	211	8.66	1026	5.72	0	0	1026	368
2031	0	0	2915	0	2915	0	525	0	18.0	1369	196	9.58	826	5.05	0	0	826	269
2032	0	0	2709	0	2709	0	488	0	18.0	1396	182	10.61	643	4.32	0	0	643	191
2033	0	0	2517	0	2517	0	453	0	18.0	1424	169	11.77	470	3.47	0	0	470	127
SUB	162533	0	104364	0	104364	0	18786	0	18.0	39566	7663		38349		0	0	20040	18309
REM	95216	0	6521	0	6521	0	1174	0	18.0	4446	439		463		0	0	11740	-11277
TOT	257749	0	110886	0	110886	0	19959	0	18.0	44012	8102		38813		0	0	31780	7032

===== NET PRESENT VALUE (-\$-) =====

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	38813	31215	27846	25956	24295	22157	19313
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	31780	18260	13452	11081	9191	7027	4617
Future Net Revenue	7032	12955	14394	14875	15104	15130	14696

===== PROFITABILITY =====

COMPANY SHARE BASIS		Before Tax
Rate of Return (%)		n/a
Profit Index (undisc.)		n/a
(disc. @ 10.0%)		n/a
(disc. @ 5.0%)		n/a
First Payout (years)		n/a
Total Payout (years)		n/a
Cost of Finding (\$/BOE)		n/a
NPV @ 10.0% (\$/BOE)		1.94
NPV @ 5.0% (\$/BOE)		1.69

===== COMPANY SHARE =====

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	47.0	35.0	0	6.3

Table 4a

FUTURE NET REVENUE & INCOME TAX SUMMARY:

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-JAN-2019
 RUN DATE: 1-OCT-2020 TIME: 23:45
 FILE:

EVALUATION BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

Year	FR After Roy&Oper -\$-	Crown Royalties -\$-	Min/Cap Tax -\$-	Capital Costs -\$-	Aband Costs -\$-	Admin + Oth Income/ Expense -\$-	Future Net Rev		Taxable Income		Income Tax		Future Net Rev After Tax			
							Before Tax Annual -\$-	Cum -\$-	Before Deduct -\$-	After Deduct -\$-	Fed -\$-	Prov -\$-	Undisc -\$-	10.0% -\$-	Cum -\$-	
2019	1072	0	0	0	0	0	1072	1072	1072	1072	161	118	793	784	784	
2020	5027	0	0	0	0	0	5027	6099	5027	5027	754	503	3771	3510	4293	
2021	5287	0	0	0	0	0	5287	11386	5287	5287	793	476	4018	3400	7694	
2022	4752	0	0	0	0	0	4752	16138	4752	4752	713	380	3659	2815	10508	
2023	4254	0	0	0	0	0	4254	20392	4254	4254	638	340	3275	2291	12799	
2024	3758	0	0	0	0	0	3758	24150	3758	3758	564	301	2894	1840	14639	
2025	3295	0	0	0	0	0	3295	27445	3295	3295	494	264	2537	1466	16105	
2026	2835	0	0	0	0	0	2835	30281	2835	2835	425	227	2183	1147	17252	
2027	2216	0	0	0	0	0	2216	32497	2216	2216	332	177	1706	815	18067	
2028	1658	0	0	0	20040	0	-18382	14114	1658	0	0	0	-18382	-7982	10085	
2029	1230	0	0	0	0	0	1230	15344	1230	0	0	0	1230	486	10571	
2030	1026	0	0	0	0	0	1026	16370	1026	0	0	0	1026	368	10939	
2031	826	0	0	0	0	0	826	17196	826	0	0	0	826	269	11208	
2032	643	0	0	0	0	0	643	17839	643	0	0	0	643	191	11399	
2033	470	0	0	0	0	0	470	18309	470	0	0	0	470	127	11526	
SUB	38349	0	0	0	20040	0	18309		38349	32497	4874	2785	10649	11526		
REM	463	0	0	0	11740	0	-11277		463	0	0	0	-11277	-2268		
TOT	38813	0	0	0	31780	0	7032		38813	32497	4874	2785	-628	9257		

NET PRESENT VALUE (-\$-)						.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%				
Future net revenue before tax						7032	12955	14394	14875	15104	15130	14696				
Federal & provincial income tax						7660	6500	5943	5618	5323	4932	4389				
Future net revenue after tax						-628	6455	8450	9257	9780	10198	10307				

Table 4b

EVALUATION OF: Bashaw, Alberta
 ===== Total Proved Plus Probable Developed Producing Cons.,

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 BFF:01-OCT-2019 DISC:01-OCT-2019
 RUN DATE: 1-OCT-2020 TIME: 23:54
 FILE:

EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TOTAL ABANDONMENT - 278019 - \$-

Year	# of Wells	Price \$/MCF	Sales Gas MCMF		Company Share	
			Pool		Gross	Net
			MCF/D	Vol		
2019	3	1.58	145.5	13	2	1
2020	3	1.85	138.7	51	6	5
2021	3	2.11	127.6	47	6	5
2022	3	2.22	117.4	43	5	4
2023	3	2.33	108.1	39	5	4
2024	3	2.45	99.5	36	4	4
2025	3	2.57	91.7	33	4	3
2026	3	2.69	84.4	31	4	3
2027	3	2.75	77.8	28	4	3
2028	3	2.81	71.7	26	3	3
2029	3	2.86	66.1	24	3	2
2030	3	2.92	60.9	22	3	2
2031	2	2.97	43.4	16	2	2
2032	1	3.04	27.8	10	1	1
2033	1	3.10	26.0	9	1	1
SUB				430	53	43
REM				62	8	6
TOT				492	61	50

= F/T = ===== COMPANY SHARE FUTURE NET REVENUE =====

Year	Capital & Aband Costs	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper	Net back \$/BOE	Proc & Other Income	Cap'l Costs	Aband Costs	Future Net Rev	
		Oil	SaleGas	Products	Total	Crown	Other	Mineral	Fixed	Variable	\$/BOE						Undisc	10.0%
2019	0	0	2614	0	2614	0	471	0	18.0	806	261	3.88	1078	3.92	0	0	1078	1065
2020	0	0	11533	0	11533	0	2076	0	18.0	3272	1005	4.11	5180	4.98	0	0	5180	4822
2021	0	0	12128	0	12128	0	2183	0	18.0	3337	943	4.47	5665	5.92	0	0	5665	4794
2022	0	0	11721	0	11721	0	2110	0	18.0	3404	886	4.87	5322	6.04	0	0	5322	4094
2023	0	0	11346	0	11346	0	2042	0	18.0	3472	832	5.31	5001	6.17	0	0	5001	3497
2024	0	0	10960	0	10960	0	1973	0	18.0	3541	781	5.79	4665	6.25	0	0	4665	2966
2025	0	0	10602	0	10602	0	1908	0	18.0	3612	734	6.32	4348	6.32	0	0	4348	2513
2026	0	0	10234	0	10234	0	1842	0	18.0	3684	689	6.91	4018	6.34	0	0	4018	2111
2027	0	0	9614	0	9614	0	1730	0	18.0	3758	648	7.55	3477	5.96	0	0	3477	1661
2028	0	0	9058	0	9058	0	1630	0	18.0	3833	609	8.26	2986	5.55	0	0	2986	1296
2029	0	0	8506	0	8506	0	1531	0	18.0	3910	572	9.04	2493	5.03	0	0	2493	984
2030	84549	0	8011	0	8011	0	1442	0	18.0	3988	538	9.90	2042	4.47	0	10425	-8382	-3008
2031	86240	0	5803	0	5803	0	1045	0	18.0	2718	391	9.56	1650	5.07	0	0	-8984	-2931
2032	0	0	3794	0	3794	0	683	0	18.0	1396	255	7.93	1459	7.01	0	0	1459	433
2033	0	0	3618	0	3618	0	651	0	18.0	1424	243	8.57	1299	6.67	0	0	1299	350
SUB	170790	0	129542	0	129542	0	23318	0	18.0	46156	9387		50682		0	0	21058	24646
REM	107229	0	25852	0	25852	0	4653	0	18.0	14169	1739		5290		0	0	13221	-468
TOT	278019	0	155394	0	155394	0	27971	0	18.0	60325	11126		55972		0	0	34280	21692

===== NET PRESENT VALUE (-\$-) =====

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	55972	41715	35971	32900	30290	27048	22936
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	34280	16519	11156	8722	6893	4927	2925
Future Net Revenue	21692	25195	24815	24178	23398	22121	20011

===== PROFITABILITY =====

COMPANY SHARE BASIS		Before Tax
Rate of Return (%)		n/a
Profit Index (undisc.)		n/a
(disc. @ 10.0%)		n/a
(disc. @ 5.0%)		n/a
First Payout (years)		n/a
Total Payout (years)		n/a
Cost of Finding (\$/BOE)		n/a
NPV @ 10.0% (\$/BOE)		2.39
NPV @ 5.0% (\$/BOE)		2.49

===== COMPANY SHARE =====

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	46.0	36.0	.0	14.0

Table 4b

FUTURE NET REVENUE & INCOME TAX SUMMARY:

ERGO v7.43 P2 ENERGY SOLUTIONS TOTAL
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-JAN-2019
 RUN DATE: 1-OCT-2020 TIME: 23:54
 FILE:

EVALUATION BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

Year	FR After Roy&Oper -\$-	Crown Royalties -\$-	Min/Cap Tax -\$-	Capital Costs -\$-	Aband Costs -\$-	Admin + Oth Income/Expense -\$-	Future Net Rev Before Tax		Taxable Income		Income Tax		Future Net Rev After Tax			
							Annual -\$-	Cum -\$-	Before Deduct -\$-	After Deduct -\$-	Fed -\$-	Prov -\$-	Undisc -\$-	10.0% -\$-	Cum -\$-	
2019	1078	0	0	0	0	0	1078	1078	1078	1078	162	119	797	788	788	
2020	5180	0	0	0	0	0	5180	6258	5180	5180	777	518	3885	3616	4404	
2021	5665	0	0	0	0	0	5665	11923	5665	5665	850	510	4305	3643	8048	
2022	5322	0	0	0	0	0	5322	17244	5322	5322	798	426	4098	3152	11200	
2023	5001	0	0	0	0	0	5001	22245	5001	5001	750	400	3850	2693	13893	
2024	4665	0	0	0	0	0	4665	26910	4665	4665	700	373	3592	2284	16176	
2025	4348	0	0	0	0	0	4348	31257	4348	4348	652	348	3348	1935	18111	
2026	4018	0	0	0	0	0	4018	35275	4018	4018	603	321	3094	1626	19737	
2027	3477	0	0	0	0	0	3477	38753	3477	3477	522	278	2678	1279	21016	
2028	2986	0	0	0	0	0	2986	41738	2986	2986	448	239	2299	998	22014	
2029	2493	0	0	0	0	0	2493	44231	2493	2493	374	199	1919	758	22771	
2030	2042	0	0	0	10425	0	-8382	35848	2042	0	0	0	-8382	-3008	19763	
2031	1650	0	0	0	10633	0	-8984	26864	1650	0	0	0	-8984	-2931	16832	
2032	1459	0	0	0	0	0	1459	28324	1459	0	0	0	1459	433	17265	
2033	1299	0	0	0	0	0	1299	29623	1299	0	0	0	1299	350	17615	
SUB	50682	0	0	0	21058	0	29623		50682	44231	6635	3731	19258	17615		
REM	5290	0	0	0	13221	0	-7931		5290	0	0	0	-7931	-468		
TOT	55972	0	0	0	34280	0	21692		55972	44231	6635	3731	11326	17147		

NET PRESENT VALUE (-\$-)						0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%				

Future net revenue before tax						21692	25195	24815	24178	23398	22121	20011				
Federal & provincial income tax						10366	8426	7537	7031	6582	5998	5214				
Future net revenue after tax						11326	16769	17278	17147	16816	16122	14797				

Table 4c

EVALUATION OF: Bashaw, Alberta - Proved Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 03-SEP-2020 6680
 BFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-OCT-2019
 RUN DATE: 3-SEP-2020 TIME: 10:46
 FILE: CBMPPI.DAX

WELL/LOCATION - Well 02-21-041-23 W4M (Horseshoe Canyon)
 EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 88 MMCF
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL

TOTAL ABANDONMENT - 81266 -\$- (2029)
 NOTE: ECONOMIC LIMIT OCCURS IN 2029

INTEREST

AVG WI 12.3300%

ROYALTIES/TAXES

ALBERTA MINERAL TAX + AVG PH 18.00%

Year	# of Wells	Price \$/MCF	Sales Gas		Company Share	
			MMCF		Gross	Net
			Pool MCF/D	Vol		
2019	1	1.58	42.1	4	0	0
2020	1	1.85	39.1	14	2	1
2021	1	2.11	34.7	12	1	1
2022	1	2.22	30.8	11	1	1
2023	1	2.33	27.3	10	1	1
2024	1	2.45	24.3	8	1	1
2025	1	2.57	21.5	8	1	1
2026	1	2.69	19.1	7	1	1
2027	1	2.75	17.0	6	1	1
2028	1	2.81	15.1	5	1	1
SUB				84	10	8
REM				0	0	0
TOT				84	10	8

= P/T =

COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs -\$	Future Revenue (FR)					Royalties			Operating Costs			FR After Roy&Oper -\$	Net back \$/MCF	Proc& Other Income -\$	Cap'l Costs -\$	Aband Costs -\$	Future Net Rev	
		Oil -\$	SaleGas -\$	Products -\$	Total -\$		Crown -\$	Other -\$	Mineral -\$	Fixed -\$	Variable -\$	\$/MCF						Undisc -\$	10.0% -\$
2019	0	0	724	0	724	0	130	0	18.0	268	72	.74	254	.56	0	0	0	254	251
2020	0	0	3119	0	3119	0	561	0	18.0	1085	272	.80	1200	.71	0	0	0	1200	1117
2021	0	0	3163	0	3163	0	569	0	18.0	1107	246	.90	1241	.83	0	0	0	1241	1050
2022	0	0	2948	0	2948	0	531	0	18.0	1129	223	1.02	1065	.80	0	0	0	1065	820
2023	0	0	2751	0	2751	0	495	0	18.0	1152	202	1.15	903	.77	0	0	0	903	631
2024	0	0	2562	0	2562	0	461	0	18.0	1175	183	1.30	743	.71	0	0	0	743	473
2025	0	0	2388	0	2388	0	430	0	18.0	1198	165	1.47	595	.64	0	0	0	595	344
2026	0	0	2221	0	2221	0	400	0	18.0	1222	150	1.66	449	.54	0	0	0	449	236
2027	0	0	2010	0	2010	0	362	0	18.0	1247	135	1.89	266	.36	0	0	0	266	127
2028	81266	0	1824	0	1824	0	328	0	18.0	1272	123	2.15	101	.16	0	0	10020	-9919	-4307
SUB	81266	0	23711	0	23711	0	4268	0	18.0	10855	1770		6818		0	0	10020	-3202	741
REM	0	0	0	0	0	0	0	0	.0	0	0		0		0	0	0	0	0
TOT	81266	0	23711	0	23711	0	4268	0	18.0	10855	1770		6818		0	0	10020	-3202	741

NET PRESENT VALUE (-\$-)

Discount Rate	4.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper	6818	5842	5370	5092	4841	4504	4034
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	10020	6538	5109	4351	3716	2949	2032
Future Net Revenue	-3202	-696	261	741	1124	1556	2002

PROFITABILITY

COMPANY SHARE BASIS		Before Tax
Rate of Return (%)		n/a
Profit Index (undisc.)		n/a
(disc. @ 10.0%)		n/a
(disc. @ 5.0%)		n/a
First Payout (years)		n/a
Total Payout (years)		n/a
Cost of Finding (\$/BOE)		n/a
NPV @ 10.0% (\$/MCF)		.07
NPV @ 5.0% (\$/MCF)		-.07

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	53.2	28.8	.0	-13.5

Table 4d

EVALUATION OF: Bashaw, Alberta - Proved Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-OCT-2019
 RUN DATE: 3-SEP-2020 TIME: 10:46
 FILE: CBMPP2.DAX

WELL/LOCATION - Well 14-21-041-23 W4M (Horseshoe Canyon)
 EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 88 MMCF
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL

TOTAL ABANDONMENT - 81266 -\$- (2029)
 NOTE: ECONOMIC LIMIT OCCURS IN 2029

INTEREST

AVG WI 12.3300%

ROYALTIES/TAXES

ALBERTA MINERAL TAX + AVG FH 18.00%

Year	# of Wells	Price \$/MCF	Sales Gas		Company Share	
			Pool		Gross	Net
			MCF/D	Vol		
2019	1	1.58	42.1	4	0	0
2020	1	1.85	39.1	14	2	1
2021	1	2.11	34.7	12	1	1
2022	1	2.22	30.8	11	1	1
2023	1	2.33	27.3	10	1	1
2024	1	2.45	24.3	8	1	1
2025	1	2.57	21.5	8	1	1
2026	1	2.69	19.1	7	1	1
2027	1	2.75	17.0	6	1	1
2028	1	2.81	15.1	5	1	1
SUB				84	10	8
REM				0	0	0
TOT				84	10	8

- P/T =

COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs -\$	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper -\$	Net back \$/MCF	Proc& Other Income -\$	Cap'l Costs -\$	Aband Costs -\$	Future Net Rev		
		Oil -\$	SaleGas -\$	Products -\$	Total -\$	Crown -\$	Other -\$	Mineral -\$	Fixed -\$	Variable -\$	\$/MCF						Undisc -\$	10.0% -\$	
2019	0	0	724	0	724	0	130	0	18.0	268	72	.74	254	.56	0	0	0	254	251
2020	0	0	3119	0	3119	0	561	0	18.0	1085	272	.80	1200	.71	0	0	0	1200	1117
2021	0	0	3163	0	3163	0	569	0	18.0	1107	246	.90	1241	.83	0	0	0	1241	1050
2022	0	0	2948	0	2948	0	531	0	18.0	1129	223	1.02	1065	.80	0	0	0	1065	820
2023	0	0	2751	0	2751	0	495	0	18.0	1152	202	1.15	903	.77	0	0	0	903	631
2024	0	0	2562	0	2562	0	461	0	18.0	1175	183	1.30	743	.71	0	0	0	743	473
2025	0	0	2388	0	2388	0	430	0	18.0	1198	165	1.47	595	.64	0	0	0	595	344
2026	0	0	2221	0	2221	0	400	0	18.0	1222	150	1.66	449	.54	0	0	0	449	236
2027	0	0	2010	0	2010	0	362	0	18.0	1247	135	1.89	266	.36	0	0	0	266	127
2028	81266	0	1824	0	1824	0	328	0	18.0	1272	123	2.15	101	.16	0	0	10020	-9919	-4307
SUB	81266	0	23711	0	23711	0	4268	0	18.0	10855	1770		6818		0	0	10020	-3202	741
REM	0	0	0	0	0	0	0	0	0	0	0		0		0	0	0	0	0
TOT	81266	0	23711	0	23711	0	4268	0	18.0	10855	1770		6818		0	0	10020	-3202	741

NET PRESENT VALUE (-\$-)

Discount Rate	.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	6818	5842	5370	5092	4841	4504	4034
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	10020	6538	5109	4351	3716	2949	2032
Future Net Revenue	-3202	-696	261	741	1124	1556	2002

PROFITABILITY

COMPANY SHARE BASIS		Before Tax
Rate of Return (%)		n/a
Profit Index (undisc.)		n/a
(disc. @ 10.0%)		n/a
(disc. @ 5.0%)		n/a
First Payout (years)		n/a
Total Payout (years)		n/a
Cost of Finding (\$/BOE)		n/a
NPV @ 10.0% (\$/MCF)		.07
NPV @ 5.0% (\$/MCF)		-.07

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	53.2	28.8	0	-13.5

Table 4e

EVALUATION OF: Bashaw, Alberta - Proved Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-OCT-2019
 RUN DATE: 3-SEP-2020 TIME: 10:53
 FILE: CBMPP3.DAX

WELL/LOCATION - Well 15-21-041-23 W4M (Horseshoe Canyon)
 EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 216 MMCF
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL

TOTAL ABANDONMENT - 95216 -\$(2037)
 NOTE: ECONOMIC LIMIT OCCURS IN 2037

INTEREST

AVG WI 12.3300%

ROYALTIES/TAXES

ALBERTA MINERAL TAX + AVG PH 18.00%

Year	# of Wells	Price \$/MCF	Sales Gas		Company Share	
			MMCF		Gross	Net
			Pool MCF/D	Vol		
2019	1	1.58	66.7	6	1	1
2020	1	1.85	62.9	22	3	2
2021	1	2.11	57.2	20	3	2
2022	1	2.22	52.1	19	2	2
2023	1	2.33	47.5	17	2	2
2024	1	2.45	43.2	15	2	2
2025	1	2.57	39.3	14	2	1
2026	1	2.69	35.8	13	2	1
2027	1	2.75	32.6	12	1	1
2028	1	2.81	29.7	11	1	1
2029	1	2.86	27.0	10	1	1
2030	1	2.92	24.6	9	1	1
2031	1	2.97	22.4	8	1	1
2032	1	3.04	20.4	7	1	1
2033	1	3.10	18.6	7	1	1
SUB				188	23	19
REM				16	2	2
TOT				205	25	21

= P/T =

COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper	Net back	Proc& Other Income	Cap'1 Costs	Aband Costs	Future Net Rev		
		Oil	SaleGas	Products	Total	Crown	Other	Mineral	Fixed	Variable	\$/MCF						Undisc	10.0%	
2019	0	0	1159	0	1159	0	209	0	18.0	271	116	.53	564	.77	0	0	0	564	557
2020	0	0	5087	0	5087	0	916	0	18.0	1101	443	.56	2627	.95	0	0	0	2627	2445
2021	0	0	5292	0	5292	0	953	0	18.0	1123	412	.61	2805	1.12	0	0	0	2805	2374
2022	0	0	5059	0	5059	0	911	0	18.0	1145	382	.67	2621	1.15	0	0	0	2621	2016
2023	0	0	4844	0	4844	0	872	0	18.0	1168	355	.73	2448	1.18	0	0	0	2448	1712
2024	0	0	4626	0	4626	0	833	0	18.0	1192	330	.80	2272	1.20	0	0	0	2272	1444
2025	0	0	4424	0	4424	0	796	0	18.0	1215	306	.88	2106	1.22	0	0	0	2106	1217
2026	0	0	4220	0	4220	0	760	0	18.0	1240	284	.97	1937	1.24	0	0	0	1937	1018
2027	0	0	3917	0	3917	0	705	0	18.0	1265	264	1.07	1684	1.18	0	0	0	1684	804
2028	0	0	3647	0	3647	0	656	0	18.0	1290	245	1.18	1455	1.12	0	0	0	1455	632
2029	0	0	3382	0	3382	0	609	0	18.0	1316	228	1.30	1230	1.04	0	0	0	1230	486
2030	0	0	3146	0	3146	0	566	0	18.0	1342	211	1.44	1026	.95	0	0	0	1026	368
2031	0	0	2915	0	2915	0	525	0	18.0	1369	196	1.60	826	.84	0	0	0	826	269
2032	0	0	2709	0	2709	0	488	0	18.0	1396	182	1.77	643	.72	0	0	0	643	191
2033	0	0	2517	0	2517	0	453	0	18.0	1424	169	1.96	470	.58	0	0	0	470	127
SUB	0	0	56943	0	56943	0	10250	0	18.0	17856	4124		24714		0	0	0	24714	15661
REM	95216	0	6521	0	6521	0	1174	0	18.0	4446	439		463		0	0	11740	-11277	-2268
TOT	95216	0	63464	0	63464	0	11424	0	18.0	22302	4562		25177		0	0	11740	13437	13392

NET PRESENT VALUE (-\$-)

PROFITABILITY

Discount Rate	10%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	25177	19531	17106	15771	14614	13148	11245
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	11740	5185	3234	2378	1759	1129	554
Future Net Revenue	13437	14347	13872	13392	12855	12019	10692

COMPANY SHARE BASIS

	Before Tax
Rate of Return (%)	n/a
Profit Index (undisc.)	n/a
(disc. @ 10.0%)	n/a
(disc. @ 5.0%)	n/a
First Payout (years)	n/a
Total Payout (years)	n/a
Cost of Finding (\$/BOE)	n/a
NPV @ 10.0% (\$/MCF)	.53
NPV @ 5.0% (\$/MCF)	.57

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	42.3	39.7	.0	21.2

Table 4f

EVALUATION OF: Bashaw, Alberta - Proved Plus Probable Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-OCT-2019
 RUN DATE: 3-SEP-2020 TIME: 10:47
 FILE: CBMR1.DAX

WELL/LOCATION - Well 02-21-041-23 W4M (Horseshoe Canyon)
 EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 107 MMCF
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL

TOTAL ABANDONMENT - 84549 -\$(2031)
 NOTE: ECONOMIC LIMIT OCCURS IN 2031

INTEREST

AVG WI 12.3300%

ROYALTIES/TAXES

ALBERTA MINERAL TAX + AVG FH 18.00%

Year	# of Wells	Price \$/MCF	Sales Gas MMCF		Company Share	
			Pool MCF/D	Vol	Gross	Net
2019	1	1.58	42.2	4	0	0
2020	1	1.85	39.7	14	2	1
2021	1	2.11	36.0	13	2	1
2022	1	2.22	32.6	11	1	1
2023	1	2.33	29.5	10	1	1
2024	1	2.45	26.7	9	1	1
2025	1	2.57	24.2	8	1	1
2026	1	2.69	21.9	8	1	1
2027	1	2.75	19.9	7	1	1
2028	1	2.81	18.0	6	1	1
2029	1	2.86	16.3	6	1	1
2030	1	2.92	14.8	5	1	1
SUB				102	13	10
REM				0	0	0
TOT				102	13	10

= P/T = COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy&Oper	Net back	Proc & Other Income	Cap'l Costs	Aband Costs	Future Net Rev		
		Oil	SaleGas	Products	Total	Crown	Other	Mineral	Fixed	Variable	Undisc						10.0%		
2019	0	0	726	0	726	0	131	0	18.0	268	72	.74	255	.56	0	0	255	252	
2020	0	0	3166	0	3166	0	570	0	18.0	1085	276	.79	1235	.72	0	0	1235	1150	
2021	0	0	3278	0	3278	0	590	0	18.0	1107	255	.88	1326	.85	0	0	1326	1122	
2022	0	0	3118	0	3118	0	561	0	18.0	1129	236	.97	1192	.85	0	0	1192	917	
2023	0	0	2970	0	2970	0	535	0	18.0	1152	218	1.08	1066	.84	0	0	1066	745	
2024	0	0	2822	0	2822	0	508	0	18.0	1175	201	1.19	938	.81	0	0	938	597	
2025	0	0	2685	0	2685	0	483	0	18.0	1198	186	1.32	818	.78	0	0	818	473	
2026	0	0	2549	0	2549	0	459	0	18.0	1222	172	1.47	696	.74	0	0	696	366	
2027	0	0	2354	0	2354	0	424	0	18.0	1247	159	1.64	525	.61	0	0	525	251	
2028	0	0	2180	0	2180	0	392	0	18.0	1272	147	1.83	370	.48	0	0	370	160	
2029	0	0	2012	0	2012	0	362	0	18.0	1297	135	2.04	217	.31	0	0	217	86	
2030	84549	0	1862	0	1862	0	335	0	18.0	1323	125	2.27	79	.12	0	0	10425	-3713	
SUB	84549	0	29723	0	29723	0	5350	0	18.0	13475	2181		8717		0	0	10425	-1708	2405
REM	0	0	0	0	0	0	0	0	.0	0	0		0		0	0	0	0	0
TOT	84549	0	29723	0	29723	0	5350	0	18.0	13475	2181		8717		0	0	10425	-1708	2405

NET PRESENT VALUE (-\$-)

Discount Rate	.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	8717	7236	6545	6146	5790	5322	4684
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	10425	6169	4557	3741	3082	2320	1468
Future Net Revenue	-1708	1067	1987	2405	2708	3002	3216

PROFITABILITY

COMPANY SHARE BASIS		Before Tax
Rate of Return (%)		n/a
Profit Index (undisc.)		n/a
(disc. @ 10.0%)		n/a
(disc. @ 5.0%)		n/a
First Payout (years)		n/a
Total Payout (years)		n/a
Cost of Finding (\$/BOE)		n/a
NPV @ 10.0% (\$/MCF)		.19
NPV @ 5.0% (\$/MCF)		.09

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	FR After Roy&Oper	Capital Costs	Future NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	52.7	29.3	.0	-5.7

Table 4g

EVALUATION OF: Bashaw, Alberta - Proved Plus Probable Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 03-SEP-2020 6680
 EFF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-OCT-2019
 RUN DATE: 3-SRP-2020 TIME: 10:49
 FILE: CBMRA2.DAX

WELL/LOCATION - Well 14-21-041-23 W4M (Horseshoe Canyon)
 EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 115 MMCF
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL

TOTAL ABANDONMENT - 86240 -\$(2032)
 NOTE: ECONOMIC LIMIT OCCURS IN 2032

INTEREST

AVG WI 12.3300%

ROYALTIES/TAXES

ALBERTA MINERAL TAX + AVG FH 18.00%

Year	# of Wells	Price \$/MCF	Sales Gas		Company Share	
			MMCF		Gross	Net
			Pool MCF/D	Vol		
2019	1	1.58	42.3	4	0	0
2020	1	1.85	39.9	14	2	1
2021	1	2.11	36.3	13	2	1
2022	1	2.22	33.1	12	1	1
2023	1	2.33	30.1	11	1	1
2024	1	2.45	27.4	10	1	1
2025	1	2.57	25.0	9	1	1
2026	1	2.69	22.7	8	1	1
2027	1	2.75	20.7	7	1	1
2028	1	2.81	18.9	7	1	1
2029	1	2.86	17.2	6	1	1
2030	1	2.92	15.6	5	1	1
2031	1	2.97	14.2	5	1	1
SUB				109	13	11
REM				0	0	0
TOT				109	13	11

= F/T = COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs	Future Revenue (FR)				Royalties			Operating Costs			FR After Roy & Oper	Net back	Proc & Other Income	Cap'l Costs	Aband Costs	Future Net Rev		
		Oil	Sale Gas	Products	Total	Crown	Other	Mineral	Fixed	Variable	\$/MCF						Undisc	10.0%	
2019	0	0	726	0	726	0	131	0	18.0	268	72	.74	256	.56	0	0	256	252	
2020	0	0	3179	0	3179	0	572	0	18.0	1085	277	.79	1244	.72	0	0	1244	1158	
2021	0	0	3308	0	3308	0	596	0	18.0	1107	257	.87	1349	.86	0	0	1349	1141	
2022	0	0	3163	0	3163	0	569	0	18.0	1129	239	.96	1226	.86	0	0	1226	943	
2023	0	0	3029	0	3029	0	545	0	18.0	1152	222	1.06	1110	.85	0	0	1110	776	
2024	0	0	2894	0	2894	0	521	0	18.0	1175	206	1.17	992	.84	0	0	992	631	
2025	0	0	2768	0	2768	0	498	0	18.0	1198	192	1.29	880	.82	0	0	880	509	
2026	0	0	2642	0	2642	0	476	0	18.0	1222	178	1.43	766	.78	0	0	766	402	
2027	0	0	2453	0	2453	0	442	0	18.0	1247	165	1.58	599	.67	0	0	599	286	
2028	0	0	2284	0	2284	0	411	0	18.0	1272	154	1.75	447	.55	0	0	447	194	
2029	0	0	2119	0	2119	0	381	0	18.0	1297	143	1.94	298	.40	0	0	298	118	
2030	0	0	1971	0	1971	0	355	0	18.0	1323	132	2.16	161	.24	0	0	161	58	
2031	86240	0	1827	0	1827	0	329	0	18.0	1350	123	2.40	26	.04	0	0	10633	-10608	-3461
SUB	86240	0	32364	0	32364	0	5826	0	18.0	14825	2360		9353	0	0	10633	-1280	3008	
REM	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	
TOT	86240	0	32364	0	32364	0	5826	0	18.0	14825	2360		9353	0	0	10633	-1280	3008	

NET PRESENT VALUE (-\$-)

Discount Rate	0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	9353	7687	6918	6477	6085	5572	4878
Proc & Other Income	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	10633	5993	4304	3469	2807	2058	1248
Future Net Revenue	-1280	1694	2614	3008	3278	3515	3631

PROFITABILITY

COMPANY SHARE BASIS	Before Tax
Rate of Return (%)	n/a
Profit Index (undisc.)	n/a
(disc. @ 10.0%)	n/a
(disc. @ 5.0%)	n/a
First Payout (years)	n/a
Total Payout (years)	n/a
Cost of Finding (\$/BOB)	n/a
NPV @ 10.0% (\$/MCF)	.22
NPV @ 5.0% (\$/MCF)	.13

COMPANY SHARE

	1st Year	Average	Royalties	Oper Costs	FR After Roy & Oper	Capital Costs	Future Net Rev
% Interest	12.3	12.3					
% of Future Revenue			18.0	53.1	28.9	0	-4.0

Table 4h

EVALUATION OF: Bashaw, Alberta - Proved Plus Probable Developed Producing

ERGO v7.43 P2 ENERGY SOLUTIONS PAGE 1
 GLOBAL : 03-SEP-2020 6680
 EPF:01-OCT-2019 DISC:01-OCT-2019 PROD:01-OCT-2019
 RUN DATE: 3-SEP-2020 TIME: 10:54
 FILE: CBMRA3.DAX

WELL/LOCATION - Well 15-21-041-23 W4M (Horseshoe Canyon)
 EVALUATED BY -
 COMPANY EVALUATED - Silk Road Energy Inc.
 APPRAISAL FOR -
 PROJECT - FORECAST PRICES & COSTS

TRACT FACTOR - 100.0000 %
 ULT POOL RESERVES - 296 MMCF
 PRODUCTION TO DATE - N/A
 DECLINE INDICATOR - EXPONENTIAL

TOTAL ABANDONMENT - 107229 -\$(2043)
 NOTE: ECONOMIC LIMIT OCCURS IN 2043

INTEREST

AVG WI 12.3300%

ROYALTIES/TAXES

ALBERTA MINERAL TAX + AVG FH 18.00%

Year	# of Wells	Price \$/MCF	Sales Gas		Company Share	
			MMCF		Gross Net	
			Pool MCF/D	Vol		
2019	1	1.58	66.9	6	1	1
2020	1	1.85	64.1	23	3	2
2021	1	2.11	59.9	21	3	2
2022	1	2.22	56.0	20	2	2
2023	1	2.33	52.4	19	2	2
2024	1	2.45	49.0	17	2	2
2025	1	2.57	45.8	16	2	2
2026	1	2.69	42.8	15	2	2
2027	1	2.75	40.0	14	2	1
2028	1	2.81	37.4	13	2	1
2029	1	2.86	34.9	12	2	1
2030	1	2.92	32.7	12	1	1
2031	1	2.97	30.5	11	1	1
2032	1	3.04	28.5	10	1	1
2033	1	3.10	26.7	9	1	1
SUB				219	27	22
REM				62	8	6
TOT				281	35	28

= P/T = COMPANY SHARE FUTURE NET REVENUE

Year	Capital & Aband Costs	Future Revenue (FR)				Royalties				Operating Costs			FR After Roy&Oper	Net back \$/MCF	Proc& Other Income	Cap'l Costs	Aband Costs	Future Net Rev	
		Oil	SaleGas	Products	Total	Crown	Other	Mineral		Fixed	Variable	\$/MCF						Undisc	10.0%
2019	0	0	1163	0	1163	0	209	0	18.0	271	116	.53	567	.77	0	0	0	567	560
2020	0	0	5188	0	5188	0	934	0	18.0	1101	452	.55	2701	.96	0	0	0	2701	2514
2021	0	0	5542	0	5542	0	998	0	18.0	1123	431	.59	2990	1.14	0	0	0	2990	2531
2022	0	0	5440	0	5440	0	979	0	18.0	1145	411	.63	2904	1.18	0	0	0	2904	2234
2023	0	0	5347	0	5347	0	962	0	18.0	1168	392	.68	2824	1.23	0	0	0	2824	1975
2024	0	0	5243	0	5243	0	944	0	18.0	1192	374	.73	2734	1.28	0	0	0	2734	1738
2025	0	0	5148	0	5148	0	927	0	18.0	1215	356	.78	2650	1.32	0	0	0	2650	1532
2026	0	0	5043	0	5043	0	908	0	18.0	1240	340	.84	2556	1.36	0	0	0	2556	1343
2027	0	0	4807	0	4807	0	865	0	18.0	1265	324	.91	2353	1.34	0	0	0	2353	1124
2028	0	0	4594	0	4594	0	827	0	18.0	1290	309	.98	2168	1.33	0	0	0	2168	942
2029	0	0	4375	0	4375	0	788	0	18.0	1316	294	1.05	1978	1.29	0	0	0	1978	781
2030	0	0	4178	0	4178	0	752	0	18.0	1342	281	1.13	1803	1.26	0	0	0	1803	647
2031	0	0	3976	0	3976	0	716	0	18.0	1369	268	1.22	1624	1.21	0	0	0	1624	530
2032	0	0	3794	0	3794	0	683	0	18.0	1396	255	1.32	1459	1.17	0	0	0	1459	433
2033	0	0	3618	0	3618	0	651	0	18.0	1424	243	1.43	1299	1.11	0	0	0	1299	350
SUB	0	0	67455	0	67455	0	12142	0	18.0	17856	4846		32612		0	0	0	32612	19233
REM	107229	0	25852	0	25852	0	4653	0	18.0	14169	1739		5290		0	0	13221	-7931	-468
TOT	107229	0	93307	0	93307	0	16795	0	18.0	32026	6585		37902		0	0	13221	24680	18765

NET PRESENT VALUE (-\$-)

Discount Rate	.0%	5.0%	8.0%	10.0%	12.0%	15.0%	20.0%
FR After Roy & Oper.	37902	26791	22509	20277	18416	16153	13373
Proc & Other Income.	0	0	0	0	0	0	0
Capital Costs	0	0	0	0	0	0	0
Abandonment Costs	13221	4357	2295	1512	1003	550	209
Future Net Revenue	24680	22434	20214	18765	17412	15604	13165

PROFITABILITY

COMPANY SHARE BASIS	Before Tax
Rate of Return (%)	n/a
Profit Index (undisc.)	n/a
(disc. @ 10.0%)	n/a
(disc. @ 5.0%)	n/a
First Payout (years)	n/a
Total Payout (years)	n/a
Cost of Finding (\$/BOE)	n/a
NPV @ 10.0% (\$/MCF)	.54
NPV @ 5.0% (\$/MCF)	.65

COMPANY SHARE				Oper	FR After	Capital	Future
1st Year	Average	Royalties		Costs	Roy&Oper	Costs	NetRev
% Interest	12.3	12.3					
% of Future Revenue			18.0	41.4	40.6	0	26.5

PRODUCTION HISTORY AND FORECAST

BASHAW, Alberta

COMPANY SHARE

PROVED DEVELOPED PRODUCING AND PROVED PLUS PROBABLE

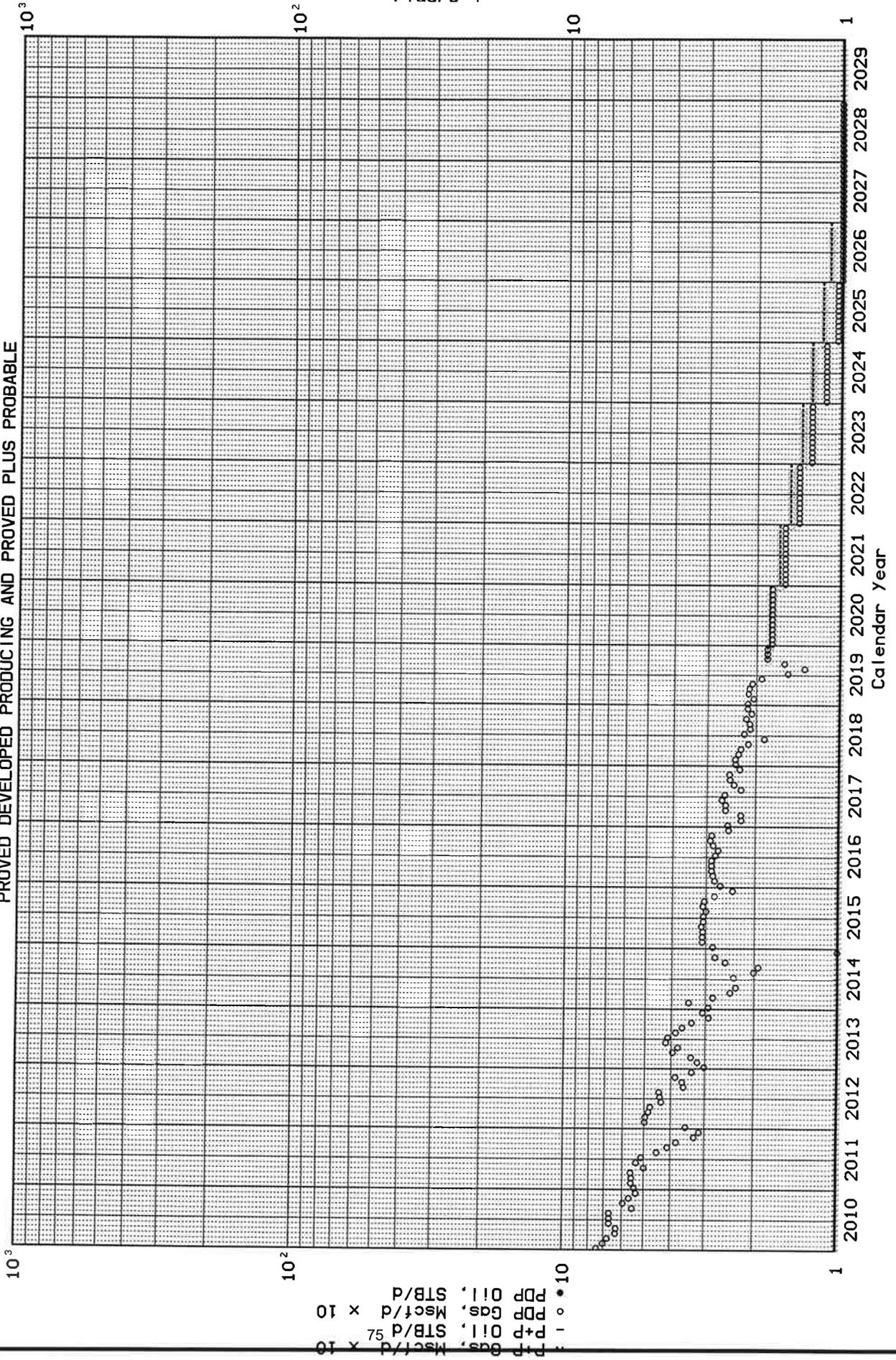


Figure 4

**GLOSSARY OF TERMS
(Abbreviations & Definitions)**

General

BIT	- Before Income Tax
AIT	- After Income Tax
M\$	- Thousands of Dollars
Effective Date	- The date for which the Present Value of the future cash flows and reserve categories are established
\$US	- United States Dollars
WTI	- West Texas Intermediate – the common reference for crude oil used for oil price comparisons
ARTC	- Alberta Royalty Tax Credit
GRP	- Gas Reference Price

Interests and Royalties

BPO	- Before Payout
APO	- After Payout
APPO	- After Project Payout
Payout	- The point at which a participant's original capital investment is recovered from its net revenue
GORR	- Gross Overriding Royalty – percentage of revenue on gross revenue earned (can be an interest or a burden)
NC	- New Crown – crown royalty on petroleum and natural gas discovered after April 30, 1974
SS 1/150 (5%-15%) Oil	- Sliding Scale Royalty – a varying gross overriding royalty based on monthly production. Percentage is calculated as 1-150 th of monthly production with a minimum percentage of 5% and a maximum of 15%
FH	- Freehold Royalty
P&NG	- Petroleum and Natural Gas
Twp	- Township
Rge	- Range
Sec	- Section

Technical Data

psia	- Pounds per square inch absolute
MSTB	- Thousands of Stock Tank Barrels of oil (oil volume at 60 F and 14.65 psia)
MMscf	- Millions of standard cubic feet of gas (gas volume at 60 F and 14.65 psia)
Bbls	- Barrels
Mbbbls	- Thousands of barrels
MMBTU	- Millions of British Thermal Units – heating value of natural gas
STB/d	- Stock Tank Barrels of oil per day – oil production rate
Mscf/d	- Thousands of standard cubic feet of gas per day – gas production rate
GOR (scf/STB)	- Gas-Oil Ratio (standard cubic feet of solution gas per stock tank barrel of oil)
mKB	- Metres Kelly Bushing – depth of well in relation to the Kelly Bushing which is located on the floor of the drilling rig. The Kelly Bushing is the usual reference for all depth measurements during drilling operations.
EOR	- Enhanced Oil Recovery
GJ	- Gigajoules
Marketable or Sales Natural Gas	- Natural gas that meets specifications for its sale, whether it occurs naturally or results from the processing of raw natural gas. Field and plant fuel and losses to the point of the sale must be excluded from the marketable quantity. The heating value of marketable natural gas may vary considerably, depending on its composition; therefore, quantities are usually expressed not only in volumes but also in terms of energy content. Reserves are always reported as marketable quantities.
NGLs	- Natural Gas Liquids – Those hydrocarbon components that can be recovered from natural gas as liquids, including but not limited to ethane, propane, butanes, pentanes plus, condensate, and small quantities of non-hydrocarbons.
Raw Gas	- Natural gas as it is produced from the reservoir prior to processing. It is gaseous at the conditions under which its Volume is measured or estimated and may include varying amounts of heavier hydrocarbons (that may liquefy at atmospheric conditions) and water vapour; may also contain sulphur and other non-hydrocarbon compounds. Raw natural gas is generally not suitable for end use.
EUR	- Estimated Ultimate Recovery

OCTOBER 8, 2020

Chapman Petroleum Engineering Ltd.
700, 1122 – 4th Street SW
Calgary, AB
T2R 1M1

Dear Sir:

Re: Company Representation Letter

Regarding the evaluation of our Company's oil and gas reserves and independent appraisal of the economic value of these reserves for the year ended September 30, 2019, (the effective date), we herein confirm to the best of our knowledge and belief as of the effective date of the reserves evaluation, and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

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

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

5. With the possible exception of items of an immaterial nature, we confirm the following as of the effective date of the evaluation:

- For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods that have been used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
- All regulatory, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
- Except as disclosed to you, the producing trend and status of each evaluated well or entity in effect throughout the three-month period preceding the effective date of the evaluation are consistent with those that existed for the same well or entity immediately prior to this three-month period.
- Except as disclosed to you, we have no plans or intentions related to the ownership, development or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of reserves from the evaluated properties.
- If material changes of an adverse nature occur in the Company's operating performance subsequent to the effective date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of reserves information.

6. We hereby confirm that our Company is in material compliance with all Environmental Laws and does not have any Environmental Claims pending.

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

Yours very truly,

President and Chief Executive Officer


Vice-President & Chief Financial Officer