Austrocan International Energy Limited

Investment opportunity into an innovative Energy Group

Confidential

Table of contents

AustroCan's Goals

AustroCan International Energy Limited principle´s Strategy

AustroCan International Energy Limited is an **Energy Group** which **consist of oil and gas companies** created for the **purpose of exploring** and **developing hydrocarbon deposits** in various parts of **Canada** and other parts of the **world**, using **technologies** that are **cost effective**, **less environmentally intrusive**, and **time saving over conventional exploration techniques** as well as developing a **high potential Uranium asset portfolio** in South Africa, Namibia and Argentina and other countries as well as utilizing the technological approach in order to develop Geothermal Energy projects.

These immense and environmentally sensitive areas presenting a major challenges to traditional methods of exploration and require new approaches to exploration. AustroCan's innovative exploration approach is the use of its own developed remote sensing method and combining this with non-seismic complementary technologies to increase the probability of making a commercial discovery from 10-35% for seismic, to over 80% with AustroCan's methodology. The complementary technologies are:

1. A systematic analysis of the Earth's surface by using high resolution satellite imagery supplied by Geosat, and geo-information already available;
2. Micro-biological Analysis known as Microbial Oil Survey Technique and/or Geo-electrochemical method
3. High Resolution Ground Magnetics(HRGM)to test for distinctive magnetic signatures of hydrocarbon reservoirs
4. Telluric and Radiometric measurements for measuring low frequency currents in the Earth's crust to determine the type of sub-surface structure encountered, such as minerals, petroleum reservoirs, geothermal fields, ground water, and more.

In the development of AustroCan's primary tool in identifying hydrocarbon bearing structures over large geographical areas is the Geosat enabling technology of Remote Earth Sensing. Through applying the Geosat technology, AustroCan is able to quickly and efficiently explore large regions, such as the Peel Plateau and other remote areas in the Yukon and Northwest Territories.

AustroCan International Energy Limited utilizes advanced technology which eliminates the need for trial and error exploration. With a combination of satellite technology and High Definition Ground Magnetics and Geo-electrochemical method the result is an efficient and environmentally friendly process.

Management Summary

Introduction

The development of the world is based on **ENERGY** and ***AustroCan*** (see www.austrocan.com**)** understood and speaks the energy´s language.

AustroCan is a new but huge potential **Energy** holding with focus on Oil/Gas/Uranium and Geothermie.

AustroCan´s activities are primarily focused on North America – in particular Canada, Central / South America and Africa. ***AustroCan*** holds a strong mandate to "Value Innovation".

AustroCan has adopted a new innovative exploration methodology – **InnoEx**^{TM} - which consists of using the Geosat method together with non-seismic complementary technologies. This is an exploration approach that is environmentally friendly, cost effective and time saving, thus minimizing risk for on-shore exploration.

The exploration methodology centers around ***Geosat*** Technology's (See www.geosat.info) systematic analysis of the Earth surface by remote sensing and geo-information data to locate hydrocarbon charged anomalies. This is followed by microbial and geochemical ground surveys along with non-seismic geophysical ground surveys (Magnetotelluric and High Resolution Ground Magnetic (HRGM)).

AustroCan will, if necessary, utilize new seismic technology known as Multi-Component Full Wave Digital Vectorseis technology (300 times greater fidelity than conventional 3D seismic), to carry out a pin-pointed seismic data acquisition program. In so doing, ***AustroCan*** continues its innovative and environmentally responsible approach to increases the probability of making a commercial discovery.

AustroCan also plans to maintain a socially responsible policy with the implementation of "social development plans" according to the specific local requirements of every production area.

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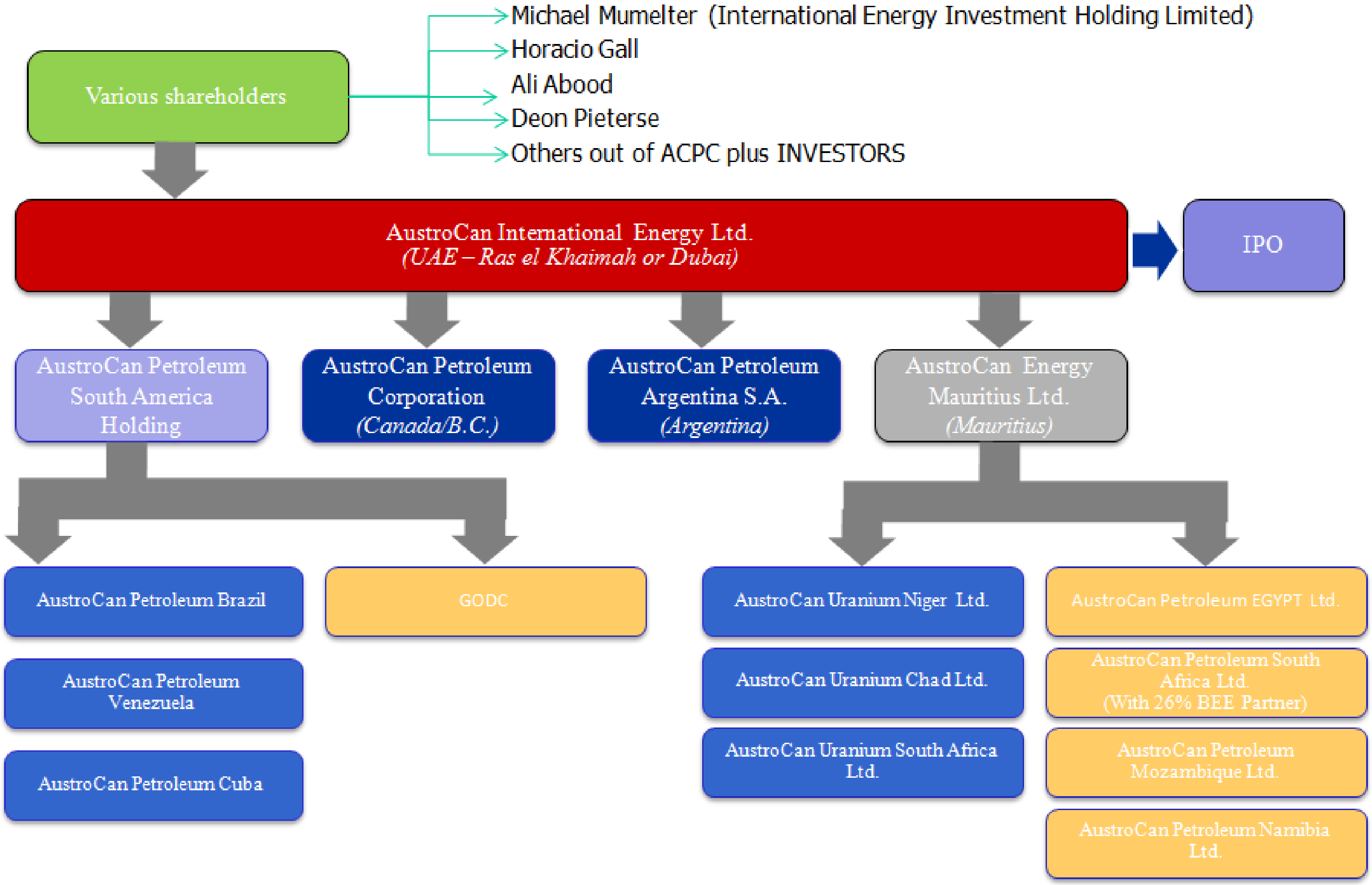
AustroCan holding structure

The ***AustroCan*** holding structure was defined according to a strategic vision of the energy world requirements and potential business development.



Positions and titles in the Holding Group Company

Directors

Mr. Ali Abood is Director and Chairman and CFO.

Mr. Michael Mumelter is President and CEO.

Mr. Horacio Gall is Director and Vice-President for Business Development South America.

Mr. Deon Pietersen is Director and Vice-President for Business Development Sub Sahara Africa

Management Team

Bernhard Cociancig

Stefan Kallabis

Peter Kreuter

Vic Morszczak

Wayne Sutherland

Hans R. Klob

Christoph Mumelter

AustroCan's Directors and Management Team

Directors

Ali S Abood - served as Company Director for Finance, Business Development, Senior Advisor and International Consultant for various multinational corporations. 15+ years in the field of marketing and business development especially in the Middle East and Africa. Entrepreneurial, hands-on leader in various fields, such as resource, energy, commodity trading, consultancy, high – Tech and electronic sectors. Creative and methodical business approach in soliciting new business in different cultural environments and always using tact and diplomatic skills in negotiations with senior government officials of different countries, with flair in handling businessmen from different cultural environments. He worked several years in the upstream and downstream sector at Exxon Mobil.

Michael Mumelter is Director and CEO of **AustroCan International Energy Limited**. He has 20 years of experience in developing the Geosat exploration technology – developing exploration opportunities in North Africa and the Middle East. PhD in Mathematics, Master Degree in Aeronautical engineering. Through the Geosat Technology opening doors for building up potential oil & gas assets where standard industry approach is not successful.

Horacio Gall – Engineer is Director and Vice-President for Business Development South America of ***AustroCan*** International Energy Limited. He is Naval Engineer - Graduate of the National Technological University, Buenos Aires. Previous partner with Kapsch Consulting GmbH, held Senior Management positions with Unisys, Accenture, MarchFirst and Arthur D. Little.

Deon G Pieterse is a registered Professional Geologist with the South African Council for Natural Scientific Professions and a Member of the South African Geological Society. He has a Bachelors of Sciences Degree in Geology from the University of Pretoria and a Bachelors of Sciences Honours Degree in Engineering Geology also from the University of Pretoria in South Africa. Deon has been a Senior Geologist for the South African listed company Johannesburg Consolidated Investments and a Chief Geologist for AIM Listed, London based Diamond mining company Cape Diamonds, before he joined AustroCan Petroleum Corporation in late 2007. He has been in private practise consulting throughout Africa as well for more than nine years. He is a Competent Person on Diamond deposits as well as Sedimentary Gold deposits and has extensive experience in platinum, coal, base mentals, copper and uranium deposits throughout South Africa and Sub-Sahara Africa. He has been exposed to the Oil and Gas industry in the Gambia, Guinea-Conakry, Senegal, Sudan, Angola, Mozambique, Gabon, Democratic Republic of Congo, Sierra-Leone and various other African countries as a professional geologist advising on other mineral deposits.

Management Team

Bernhard Cociancig has over 30 years experience in the international upstream petroleum industry, over 15 years experience in large scale, international project management. Headed on/offshore oil/gas projects in Africa, Asia, Canada, Europe, Middle East and FSU, Zero lost time Incidents (LTI) performance in all responsibilities. Excellent leader and communicator, fully bi-lingual (English and German). Seasoned contract negotiator, over 2.0 Billion USD value closed. Expert technical/commercial assessment of global petroleum projects. Unique crossover between technical-legal-commercial matters

Stefan Kallabis has 20 years trading experience in stocks, derivatives, commodities. Financial structuring and financing of international public and private companies, organizing, coordinating listings in Germany. One of the highlights: IPO of the first European internet IPOs in the "German new market", Artnet AG went public on the May 17, 2000. Member of: NCM of the German derivative exchange EUREX; the European currency exchange FINEX.

Peter Kreuter has 30 years experience as CFO, COO and CEO of junior oil and gas companies in Canada. Head of Mergers and Acquisitions, Oil and Gas Group, Canadian Imperial Bank of Commerce, President of the Society of CMS's for the province of Alberta, Director of The national Board of Directors for The Society of Management, Accountants of Alberta.

Vic Morszczak – Geologist has over 30 years of experience in exploration for oil and gas with intermediate size companies. Experience in a variety of worldwide geological basins in Europe, North Africa, Australia, Russia and Middle East, through work on behalf of Amoco, PanCandian Petroleum and Newport Petroleum.
Managed exploration programs for Dome Petroleum, Exxon, Tenneco and PanArctic.

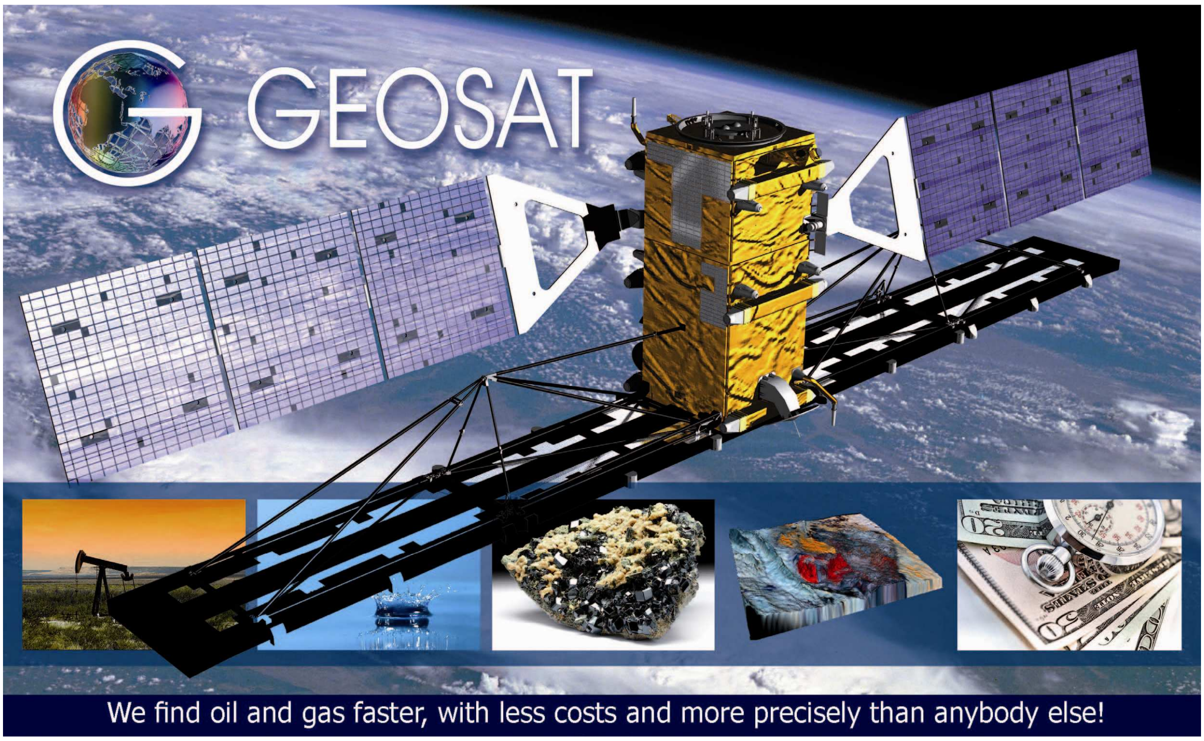
Wayne Sutherland has 10 years of seismic data acquisition in the WCSB (Western Canadian Sedimentary Basin), NWT (North West Territories) and Yukon. Knowledge of Yukon and NWT basins and play types. Extensive knowledge of Oil & Gas Acts of Yukon and NWT, including posting and bid processes, seismic and exploration licensing, allowable work commitment, expenses, etc. Familiar with environmental impact and First Nations requirements

Hans R. Klob is Management of O&G exploration, development, research and related data development projects, International O&G potential and land assessment missions; project planning; economic geological evaluations; personnel training and management; contract and project negotiations; project coordination and consulting (nationally and internationally), Managed major O&G Development projects, including developing detailed deposition reservoir model and computer mapping/ modeling procedures for reservoir simulation (fluid and gas flow). Researched/negotiated O&G projects, company equity positions (e.g. Prudhoe Bay), contracts, project assistance with major oil companies (SOHIO; EXXON; ARCO; SONATRACH VEBA-OIL; OMV). He conducted seismic interpretation for structural mapping of formation and basin floor and sub crop for O&G. Advised major US O&G pricer on Central European & African exploration (AMOCO).

Christoph Mumelter, IT- and Marketing Support, is educated in Automation technologies and IT- Organization. He participated in the development of new technologies and production facilities in the glass manufacturing business and he has successfully managed to build a Start-Up company out of these new opportunities. Now he is studying business education and Geospatial-Technologies and he is working with Michael on the Cutting-Edge exploration technologies for hydrocarbons.

AustroCan's Added Value

The ***AustroCan*** added value and differentiator factor is the use of the GEOSAT Technology (www.geosat.info) for exploration.



Geosat Technology stands for a new way of exploration of

… oil and gas

… all kind of mineral resources in particular URANIUM

… and Geothermal Anomalis and even water

Successful approaches through innovative technologies

Saving time and money by getting better results, Environmental friendly and non-invasive

"STRATEGIES FOR DOUBLING EXPLORATION SUCCESS WHILE HALVING ITS COSTS"

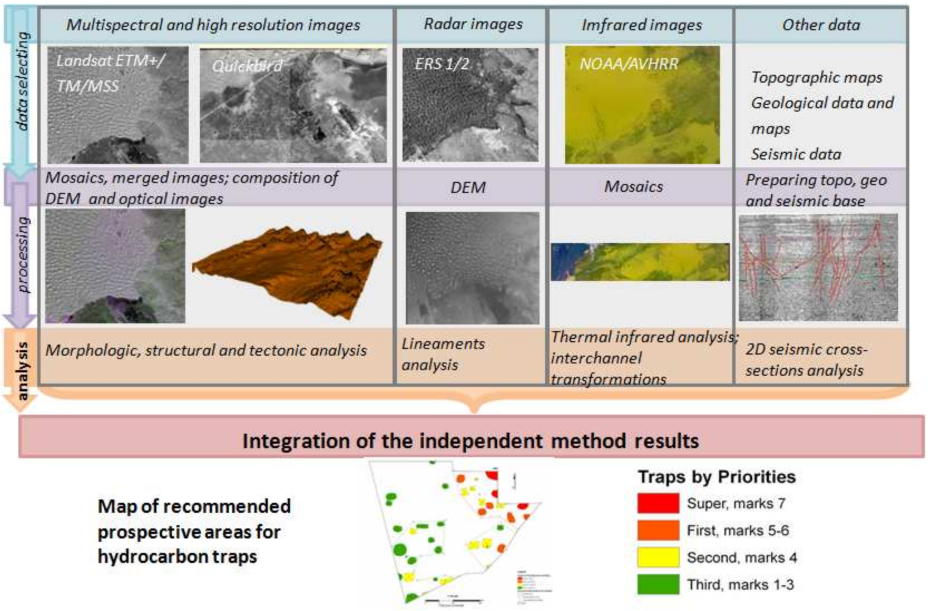
While seismic studies require a physical contact with the surface or water, **Geosat**'s method is leveraging modern technology advancements. The customer provides coordinates of the area to be explored. Once the regions have been identified, **Geosat** acquires data from satellites sources and is able to determine prospects and leads without any need for a direct impact with the area for exploration.

These data will be processed in the **Geosat** technical centre, by applying our own developed software and by using corresponding server (CPU) capacities. The result or final product to be submitted and discussed with our customers is so called drilling maps in the form of DIN-A1 or DIN-A2. These drilling maps provide a detailed view of the location (shape) of the prospective oil or gas areas.

The information on the maps will allow a focused/pinpointed further geological, geochemical and/or geophysical survey(s). Hence, any further geological, geochemical and /or geophysical study is optimized/ minimized in time and money.

The **Geosat** Technology is based on a simple physical principle. All elements emit electromagnetic radiation along a certain spectrum above the absolute freezing point (-273,16°). Applying a mathematical algorithm and using Satellite data and Geo-data(geological, lithological and geophysical data) is able to calculate the location of oil and gas fields in a cheaper, faster and more accurate way.

Through our mathematical methods we are able to achieve a very high resolution and detailed description of the geological structure. We assume that on the average we will be able to achieve up to 80% and more accuracy compared to the much lower security range of the seismic method, where on average the range varies between 20%-50%.



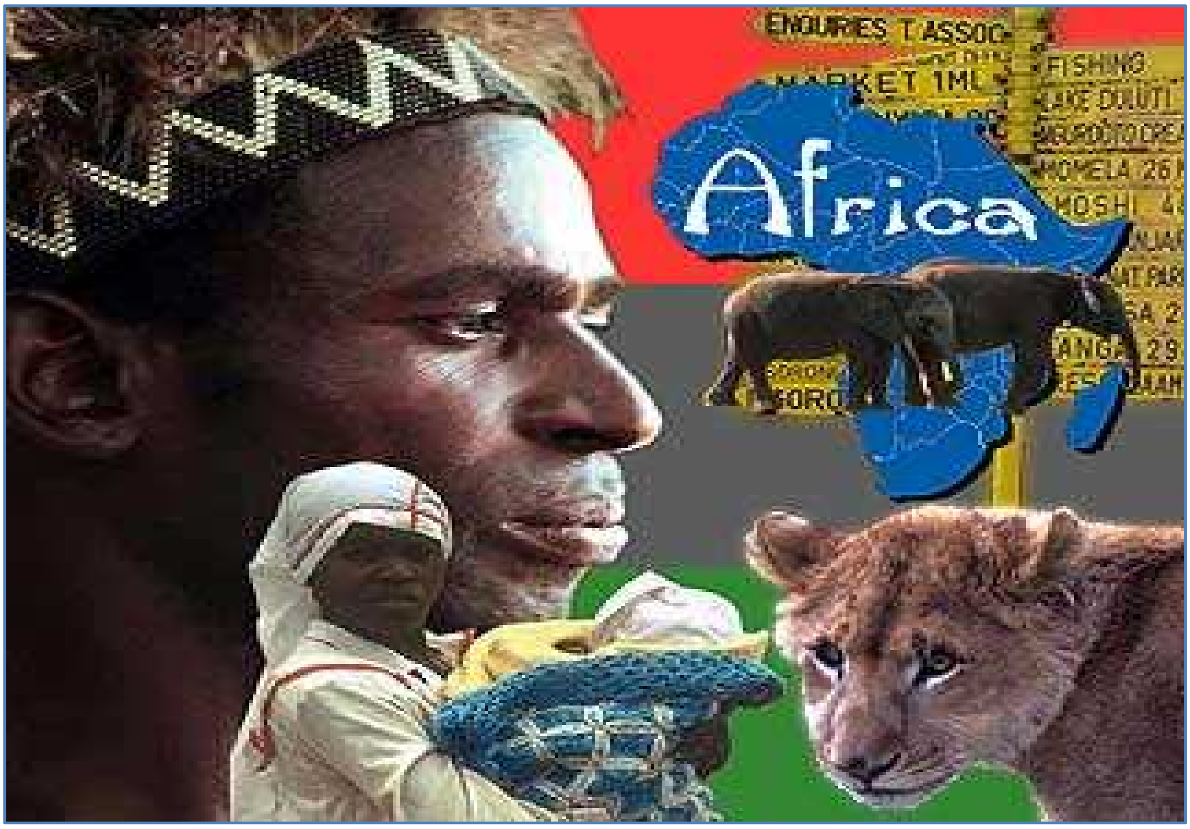
AustroCan actual Assets Portfolio

The ***AustroCan*** actual asset portfolio grouped from strategically high value opportunities in Africa, North/Central/South America.

AustroCan in Africa

Countries of present (2008) interest:

- **ANGOLA**
- **CHAD**
- **EGYPT**
- **MOZAMBIQUE**
- **NAMIBIA**
- **NIGER AND SOUTH AFRICA**



Due to the vastness of the African continent and the complexities experienced within the governments of different countries regarding the Oil and Gas Industries allocations of exploration blocks we needed to identify specific countries ***AustroCan*** Petroleum Corporation can specifically focus on from 2008 onwards.

Each country identified is being approached on the highest government levels to access blocks for incorporation within ***AustroCan***'s Africa south of the Sahara portfolio.

South Africa has a history of gas deposits offshore near the coastal town of Mosselbay in Western Cape Province from there the establishment of Mossgas that was part of the state exploration company Soekor that was incorporated into the state oil and gas company PetroSA after the first democratic elections in 1994 where President Nelson Mandela became the first black majority and democratically elected President of the new South Africa

Under the Minerals and Petroleum Development Act (Act 24 of 2002) all minerals resort to the ownership of the government and 26% shareholding must be owned by Black Economic Empowerment Partner in all of the permits issued by Department of Minerals and Energy (DME).

Namibia: In November/December of 2007, Mr. Deon Pieterse, General Manager for ***AustroCan*** Petroleum Corporation – Sub Sahra Area , visited the Namibian capital of Windhoek and initiated discussions regarding ***AustroCan***'s interest in becoming involved in the Oil and Gas Industry in that country.

NAMCOR, the Namibian government exploration company, indicated their interest in the Geosat Technology, which is part of ***AustroCan***'s technological advantage in vast area exploration for Oil and Gas target identification - areas previously explored or in unexplored areas not yet investigated.

Various follow up discussions were held with different Namibian nationals who expressed their interest in having discussions with ***AustroCan*** to look at potential areas for development into partnerships with ACPC.

Meetings will be scheduled for the first quarter of 2008 to explore the potential partnerships with various companies and individuals within the Oil and Gas Industry with Government and other interested parties

ACPC is in discussions regarding gas plays in the Western and Northern Cape Provinces already explored and allocated on permit stages to Empowerment companies and individuals

Angola has an international reputation as a country with already identified oil and gas deposits that are presently exploited by most of, if not all, of the mayor inter-national players within the Oil and Gas Industry.

Meetings were held with individuals representing a company close to SONANGOL, the Angolan State Oil company in Namibia, Portugal and Austria in 2007 to establish a relationship to take up two (2) blocks in shallow water (offshore) and onshore areas identified but not placed on tender by the Angolan Government.

There was an Agency agreement signed and an invitation is being awaited by ***AustroCan*** to go into discussions with SONANGOL to sign a PSA contract.

Mozambique has the potential of becoming a very significant player in the Oil and Gas Industry on the southern portion of the African continent.

Therefore ***AustroCan*** has great interest of becoming one of the first companies to develop the Oil and Gas potential of this country bordering the Republic of South Africa.

Many blocks in Mozambique have been taken up by tender; many more have been explored but not allocated to tenders by the President of Mozambique, thus allowing ***AustroCan*** a very good opportunity to become involved in this industry in the near future.

Discussions have been initiated with a highly respected individual involved in the Oil and Gas industry in Mozambique to become involved with ACPC-Mozambique for accessing and obtaining allocation of blocks not put to tender by the President.

AIE - OIL&GAS African Projects

Discussions in several countries will be going forward and information presented based on the following criteria:

- ✓ The applicant has to be a recognized Exploration Company.
- ✓ The applicant has to prove to The National Petroleum Agency its financial and technical capacities.
- ✓ The National Petroleum Agency and the applicant must agree on a program for each concession.
- ✓ The National Petroleum Agency and the applicant must agree on a Production Sharing Contract for each concession.

Focus Country for this business development and program are:

- ***Angola***: *There are concessions available but SONANGOL will only look at companies according t the showed criteria.*
- ***Democratic Republic of Congo***
- ***Cameroon:*** *It is an oil producer for several years and very well none. Some months ago the National Company of Hydrocarbons in abbreviation "SNH" organized a tender for six oil concessions in the Rio Del Rey basin. For political reasons this tender was cancelled. Today "SNH" wishes to negotiate by mutual agreement these concessions:* ***LUGAHE, BOLONGO, and BAKASSI WEST.***
- ***Congo-Brazzaville***
- ***Gabon***: *There are two concessions offered both onshore and 2D seismic done.*
- ***Ivory Coast***: *3 onshore concessions with geological data*
- ***Madagascar***
- ***Mozambiqu****e: The government of Mozambique has been waiting on us since April 2008.*
- ***Namibia:*** *Two (2) Concessions have been offered.*
- ***South Africa***
- ***Sudan:*** *Two fully evaluated concessions are available with reserves of around 1 B BARRELS and 4 B BARRELS.*
- ***Zambia:*** *Concessions are available*
- ***Zimbabwe***: *Discussions are ongoing on the gas fields in the north and northeast sections of Zimbabwe with Reserve bank Governor of Zimbabwe.*

- ***Other countries in Sub-Sahara are waiting for our company to start discussions with great urgency and at the soonest opportunity from AIE Limited**:* Lesotho, Tanzania, Guinea – Conakry, Uganda, Central African Republic.

AIE - URANIUM African Projects

- ***NAMAKWALAND DISTRICT IN SOUTH AFRICA***

Deposit one of three

The first deposits consist of 58,000 hectares that is already covered by a prospecting license allowing for all minerals to be explored with the expectance of diamonds; **this deposit is one of the biggest single deposits in South Africa stretching over 35 kilometres.** Under application with acceptance letters already issued is an additional 22,000 hectares. Ultimately the deposit will be +- 80,000 hectares in size once fully explored and licensed.

Quite a few companies did extensive work on this anomaly during the 1980 although it was for uranium mostly other minerals such as Copper and Tungsten was also discovered.

Diamond drilling with sampling was done by Goldfields and Anglo America the outcome of these results are available but will have to be bought from the individual companies or obtained from Geo Signs. A special contact person must be sourced for the last option.

Interesting to note that during the first face of exploration a Copper deposit of interest was discovered in the same area

If the historical information cannot be accessed it is recommended that a drilling and sampling programme be launched for +-5,000 meters to establish the best starting point for the first open pit but also to size the plant and production schedules.

The first 58,000 hectares of this project is seen as a brown field and could become a recourse pending the obtaining of already existing documentation.

The project is evaluated for SELLING PRICR at $ US 115 Million based on information and market interest from MANADTE TO OWNERS HANDLING THE MARKETING OF THE PROJECT.

We are in discussion with various parties and is considering there offers via our shareholders and lawyers, but stay open for discussion till we have reached the best or most expectable deal.

- ***NORTHERN CAPE - SOUTH AFRICA***

Three Uranium Tenements under application acceptance letter already received from DME:

  - ✓ Berrydust 80 Pty Ltd (approx 60,000 hectares)

Austrocan International Energy Limited

- ✓ Mooncloud 21 Pty Ltd (60,000 hectares)
- ✓ Ivy Jewel 30 Pty Ltd (60,000 hectares)

All three project areas are located in the Namaqua Mobile Belt in the Northern Cape – an area of known uranium exploration since the 1970's

Berrydust and Ivy Jewel

- ✓ 60,000 Hectares of prime Uranium potential
- ✓ Good infrastructure:
  - Eskom Power
  - Orange River water pipeline

- Tarred roads
- Regional town of Springbok 80km away

- ✓ Worth millions US$ based on current market interest
- ✓ An opportunity well worth investigating
- ✓ One of the few remaining good Uranium Prospects
- ✓ Prospecting letters received with prospecting letters to be issued any day
- ✓ Only 51% of the exploration company is up for sale.

Mooncloud

- ✓ The same infrastructure as Berrydust
- ✓ 60,000 hectares of prime uranium potential
- ✓ Radiometric study already undertaken with very positive results for uranium and rare earth minerals
- ✓ Acceptance letters received with prospecting permits to be issued any day
- ✓ Further exploration required
- ✓ Worth Billions of US$ once fully explored
- ✓ Only 51% of exploration company UP for sale

AustroCan in South America

Countries of present (2008) interest

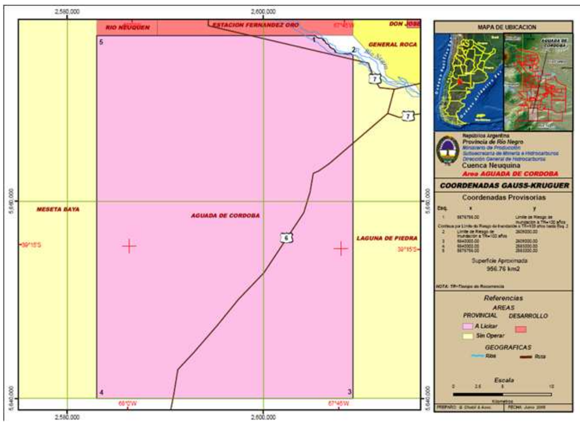
- ARGENTINA
- CHILE
- BOLIVIA
- PERÚ
- ECUADOR
- BRASIL
- COLOMBIA
- VENEZUELA AND CUBA

Argentina´s present oil &gas reserve will be depleted within 8 to 9 years if no new reserves are built up through new exploration work.

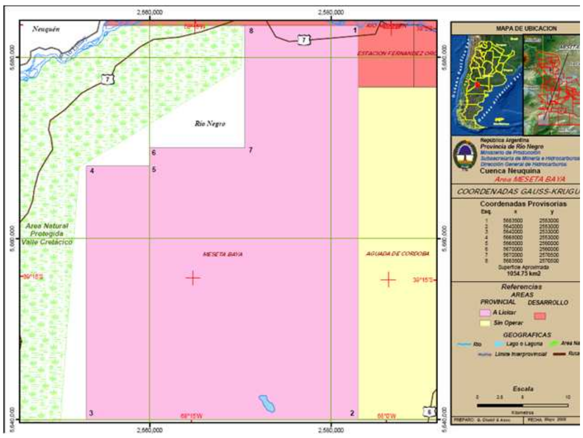
AustroCan´s innovative exploration approach will play a major role in finding fast and efficient new oil & gas reserves – hence ***AustroCan*** will play a positive and strategic role in Argentina´s overall future oil & gas business.

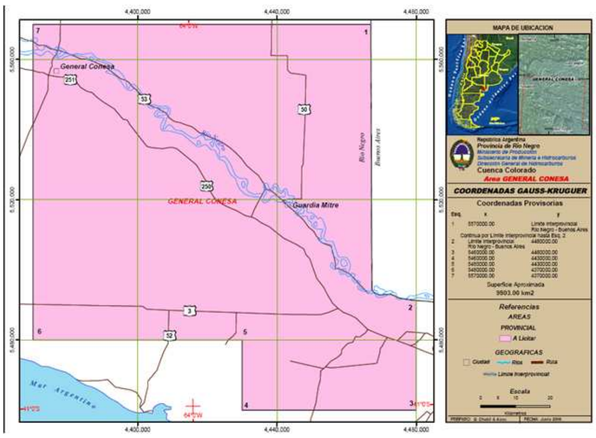
AustroCan has entered into work cooperation with Argentine's Companies - which have offices and business presents in Argentina and have huge oil experience.

The “Companies Cooperation” participated with high success bid rounds for oil & gas assets using as Critical success factor the Geosat Technology - http://www.geosat.info.



AustroCan Petroleum Argentina S.A. (90%) and Ehrencap S.A. (10%) closed an Agreement for the exploration and production of the Area “**Aguada de Cordoba**” (approximately. 1.000 Km2), “**Meseta Baya**” (approximately 1.000 Km2) , “**General Conesa**” (approximately 10.000 Km2), “**El Cuy**” (approximately 1.000 Km2), with a Total of 13.000 Km2. in Rio Negro Province with application and support of the **Geosat** Technology





AustroCan in North America

Countries of present (2008) interest:

- **CANADA**

Yukon: On January 17, 2008, ***AustroCan*** Petroleum officially received a Gas and Oil Exploration Permit by the Yukon Ministry of Energy, Mines and Resources, for an area in the Peel Plateau region. The permit covers an area of 395 km² and was granted under and subject to the Oil and Gas Act of the Yukon Territory Government.

The Peel Plateau region is rich in gas deposits and through extensive research; ***AustroCan*** believes it can identify significant gas potential deposits in the Northern Regions of Canada.

AustroCan will conduct a **Geosat** study in the Peel Plateau posting to define carbonate shelf margins.

AustroCan will also conduct geo-electrochemical survey over the area to detect any evidence of hydrocarbon in soils (soil samples)

AustroCan, in the addition to the above, will conduct a Magnetotelluric and High Resolution Ground Magentic survey over the prospective trend in order to identify any hydrocarbon accumulations along the reef margin (soil samples)

British Columbia's economy has largely been dependent on its vast natural resources - creating a large mining, forestry and fishing industry.

With the decline of the salmon stock, US import duty on Canadian softwood lumber and the destruction of the forest by the pine beetle, the fishing and forest industries have all but come to a standstill.

BC has become increasingly dependent on its oil and gas industry in the Northeastern region of the province. The oil and gas reserves are being depleted at a faster rate than anticipated, forcing the BC Government to create initiatives to develop the oil & gas industry in other more environmentally sensitive areas.

Two of these proposed areas are the Nechako and Bowser Basins, which presents some unique challenges.

- Extremely environmentally sensitive
- First Nations opposed to indiscriminate us of seismic
- Little or no seismic or detailed gravity data available
- Lack of extensive infrastructure

By 2012 there will be no economic activity in the Nechako Basin due to the destruction of the forest industry by the pine beetle

On July 6, 2007, ***AustroCan*** submitted to the BC Ministry of Energy, Mines and Petroleum Resources - at their request - a proposal for a direct award for the exploration and development of oil and gas in the Nechako Basin.

The proposal for the exploration and development of Nechako Basin will include the **Geosat** study over the entire basin (65,000 km^2). ***AustroCan*** will provide that in-formation, along with photo geological maps, to the BC Ministry on the condition that ***AustroCan*** will retain oil and gas rights to certain key regions in the two basins.

AustroCan will provide e-learning and telecommunication infrastructure to First Nations groups in those regions, which several First Nations groups have specifically requested.

Currently the BC Government is being challenged in court by the First Nations in the region where ***AustroCan*** has requested a direct award.

Investment Requirements and usage of funds for the short, middle and long term

Country	Short/middle time Oil & Gas	Long time Uranium
Argentina		
Exploration and operation	25 mio $	
Planed mini-Refenery	45 mio$ (50% will be invested by other local partners)	
Other assets	45 mio $	
Canada		
Exploration and operation	20 mio $	
Columbia		
Exploration	10 mio $	
South Africa		
Exploration and operation	20 mio $	
Angola		
Exploration and operation	20 mio $	
Namibia		
Exploration and operation	15 mio $	
Total	200 mio $	estimated 150 mio $
	350 mio $	

Banking

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Asset Assessment

Summary for Assets in

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Final Ver-02
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Date: 29-Mar-2008
PPM Report: 7902 - 2008

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This report was compiled for AustroCan Petroleum Corporation ("AustroCan") based on presently available and limited amount of data and information. Petroprom d.o.o. ("Petroprom") has exerted its best endeavours within the given limitations to provide to AustroCan a comprehensive and encompassing asset assessment ("Asset Assessment Report") on the hydrocarbon resources and reserves associated with the licenses, participation terms and conditions, and fiscal terms of the country, as provided and disclosed by and through AustroCan.

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Petroprom makes no representations or warranties of any kind, express or implied about the completeness, accuracy, reliability or suitability with respect to the Asset Assessment Report and the information contained therein. AustroCan understands and accepts that Petroprom shall under no circumstance be liable for any direct, indirect, consequential, incidental, special or exemplary damages for use of this Asset Assessment Report in part of whole, at law of otherwise.

AustroCan Petroleum Corporation

AustroCan Petroleum Corporation ("AustroCan"), through own holdings and/or directly controlled subsidiaries, holds or will hold exploration and/or production assets ("E+P Assets") in the countries of Argentina and Canada.

This report present a high level, executive summary of the contents of detailed Petroprom reports PPM 7896-2008 and 7898-2008 (Final Versions), and any reference made herein refers to the above mentioned reports.

In addition to the analysis, observations and recommendation given in above-mentioned reports, Petroprom attempts hereinunder to make a strategic portfolio analysis of AustroCan's holdings to rank the assets according to their risk-reward profile and prioritize the workflow and allocation of resources. However, Petroprom performs this proposal for ranking without further and detailed knowledge of AustroCan's business plan, eventual milestone commitments and other factors, which may influence the sequence and priority of work programs to be executed.

While any Risk-Reward portfolio assessment is always prone to be subjective, Petroprom has exerted its best endeavours to include all factors in the analysis such as political and contract risks, marketability of resources, price stability, etc.

Firstly, Petroprom would recommend to proceed with the Canadian Western Sedimentary Basin (WCSB) projects of **Niton, Arcadia** and **Shannon** with the highest priority as they are close to infrastructure, with a sizable reward and a relatively low risk profile; price and political stability are provided in Canada.

Secondly, Petroprom would propose to pursue with lower priority the farm-ins into the EhrenCap ventures of **Pampa Verdun** and **Sierra del Corril**, with some preference to the latter (multiple targets and more objectives); while the risks seem to be relatively low, the rewards are equally on a lower scale.

Thirdly, for the Argentine exploration acreage in the Neuquen basin, namely **El Cuy, Aquada de Cordoba** and **Meseta Baya**, Petroprom would see the subsequent priority with a preference to the last mentioned for reasons of vicinity to exiting, producing fields and infrastructure.

Fourthly, the Yukon and British Columbia portfolio is ranked closely together with a slight advantage for the **Peel Plateau** due to the proven hydrocarbon presence (gas wells), closely followed by the **Bowser and Nechako** opportunities; however, marketability is far in the future and depending on a yet to be built pipeline infrastructure. However, commercial impacts in case of cash flow are the largest in the entire portfolio.

Finally and fifthly, the Argentine **General Conesa** acreage is located in an unproven petroleum system and has therefore the highest risk ranking.

In the work program and budget as prepared by Petroprom and released to AustroCan, it was estimated that the company would require the following capital and operating expenditures to implement and follow-through on the work programs mentioned hereinabove:

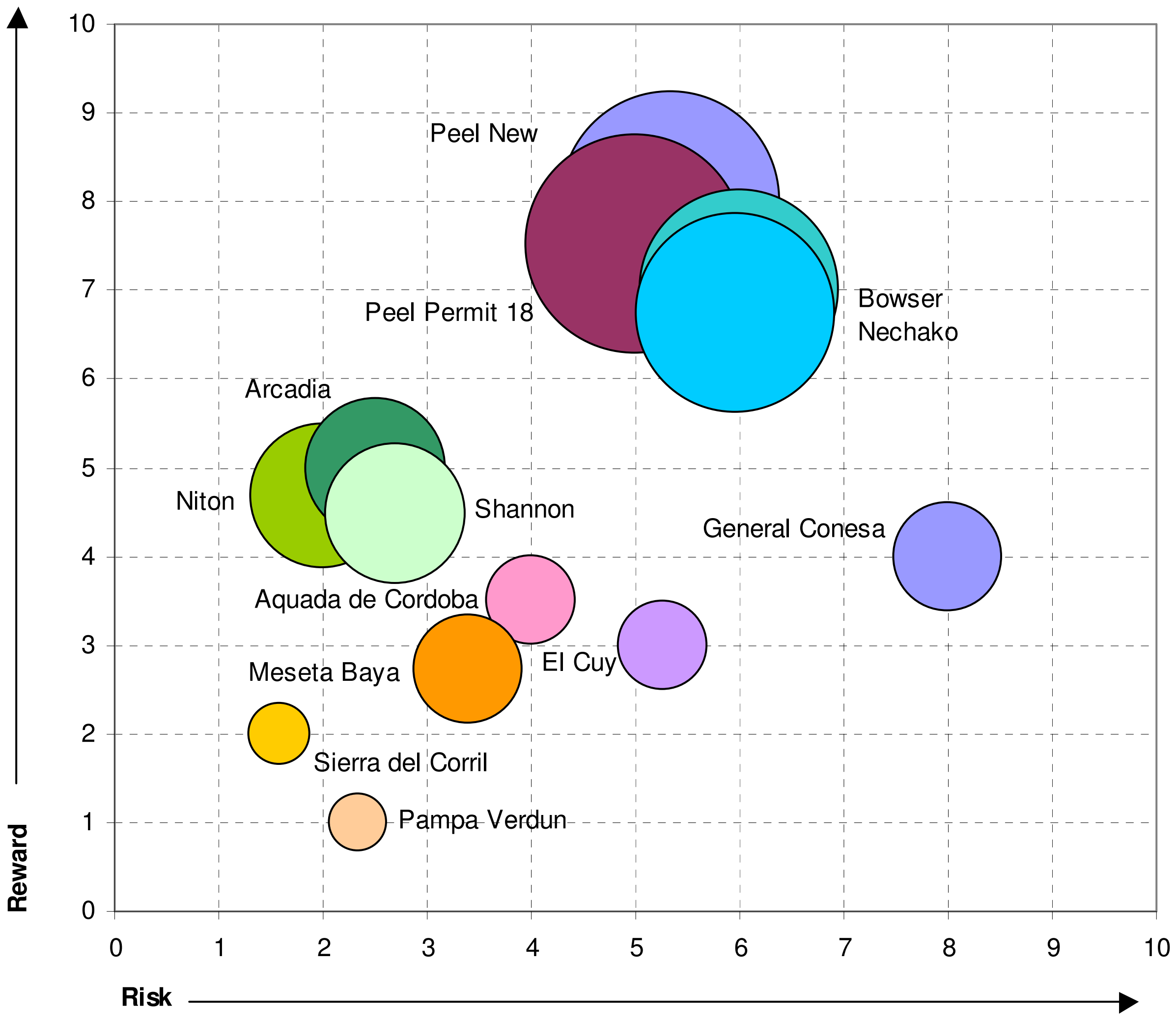
AustroCan 5-years Budget and Forecast

Year	Firm [MMUSD]	Contingent [MMUSD]	Total [MMUSD]
2008	11,4	2,0	**13,5**
2009	15,0	7,0	**22,0**
2010	7,7	14,5	**22,2**
2011	5,1	10,6	**15,8**
2012	4,9	16,1	**21,0**
5-yrs	**44,2**	**50,3**	**94,5**

As some of the assets are only being assessed qualitatively, a cumulative cash sink cannot be accurately projected but is estimated to peak at some – 35 MM USD in 2010 before the company become cash flow positive (consolidated).

Risk-Reward Portfolio Plot AustroCan

Size of Bubble represents approx NPV



petroprom petroleum projects management

AustroCan Petroleum Corporation
Summary of Asset Holdings

Country	Province	License	Area (gross) [km²]	Interest [%]	Area (net) [km²]	Type [oil/gas]	Status	Basin	Prospect	Risked Reserves (P_{50}) Oil [MSTB]	Gas [Bcf]	NPV (15%) [MMUSD]
Argentina	Santa Cruz	Pampa Verdun	246,30	70,0%	172,41	oil	MOU	San Jorge	notional	450	0	0,84
Argentina	Santa Cruz	Sierra del Corril	332,40	70,0%	232,68	oil	MOU	San Jorge	notional	850	0	1,01
Argentina	Rio Negro	Aguada de Cordoba	956,76	90,0%	861,08	oil/gas	awarded	Neuquen	t.b.a.			
Argentina	Rio Negro	Meseta Baya	1.054,75	90,0%	949,28	oil/gas	awarded	Neuquen	t.b.a.			
Argentina	Rio Negro	El Cuy	1.034,00	90,0%	930,60	oil/gas	awarded	Neuquen	t.b.a.			
Argentina	Rio Negro	General Conesa	9.903,00	90,0%	8.912,70	oil/gas	awarded	Colorado	t.b.a.			
Canada	Alberta	Niton	14,94	100,0%	14,94	oil	awarded	WCSB	Reef	750	0	5,10
Canada	Alberta	Arcadia	21,44	100,0%	21,44	oil/gas	awarded	WCSB	t.b.a.			
Canada	Alberta	Shannon	43,38	100,0%	43,38	oil/gas	awarded	WCSB	t.b.a.			
Canada	Yukon	Peel Plateau	395,09	100,0%	395,09	gas	awarded	Peel	notional	0	20	11,90
Canada	Yukon	Peel Plateau	n.a			gas	posted	Peel	n.a.			
Canada	Brit Columbia	Bowser	n.a			gas/oil	posted	Bowser	n.a.			
Canada	Brit Columbia	Nechako	n.a			gas/oil	posted	Nechako	n.a.			
			14.002,06		**12.533,60**					**2.050**	**20**	**18,85**

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Ver-2-05

AustroCan Petroleum Corporation
Asset Assessment – Canada

Alberta Licenses
Niton,
Shannon and **Arcadia**

British Columbia Licenses
Bowser and Nechako Basins

Yukon License
Peel Plateau – Permit # 18

Final Ver-02
Strictly Confidential
Date: 29-Mar-2008
PPM Report: 7898 - 2008

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Petroleum Industry in Canada

Over decades, Canada has proven to be one of the most important, stable providers for liquid and gaseous hydrocarbons to the USA. As elsewhere in the global industry, it has equally experienced an upswing of its E+P and related activities, mainly in the western provinces but also offshore East coast. The level of oil prices, paired with relentless cost containment measures and innovative engineering, have breathed new life in the oil and gas exploration and production of the Western Canadian Sedimentary Basin (WCSB). Although certainly a mature petroleum arena and already written off by many, it is now experiencing a new revival, courtesy to bespoke fiscal treatment of secondary (and tertiary) recovery schemes, development and production of unconventional resources (tar sands) and progressing development of new frontier areas (Mackenzie, Northwest Territories, Yukon).

Parallel to all that goes the sustained strong requirement for labour, petroleum industry professionals and engineers. As a consequence, the province of Alberta and in particular Calgary as the "Oil Capital of the West" has experienced material growth, and the Canadian Federal Account Balance is the notable exception of the G-7 governments by enjoying a steady and healthy net surplus of +1.0% *[expressed as percent of GDP]* – whereby certainly the major contribution originates from proceeds of Canadian oil and gas exports amounting in 2007 to almost 70 billion CAD.

Canada is back on the radar of the global petroleum industry.

Major Projects and Developments

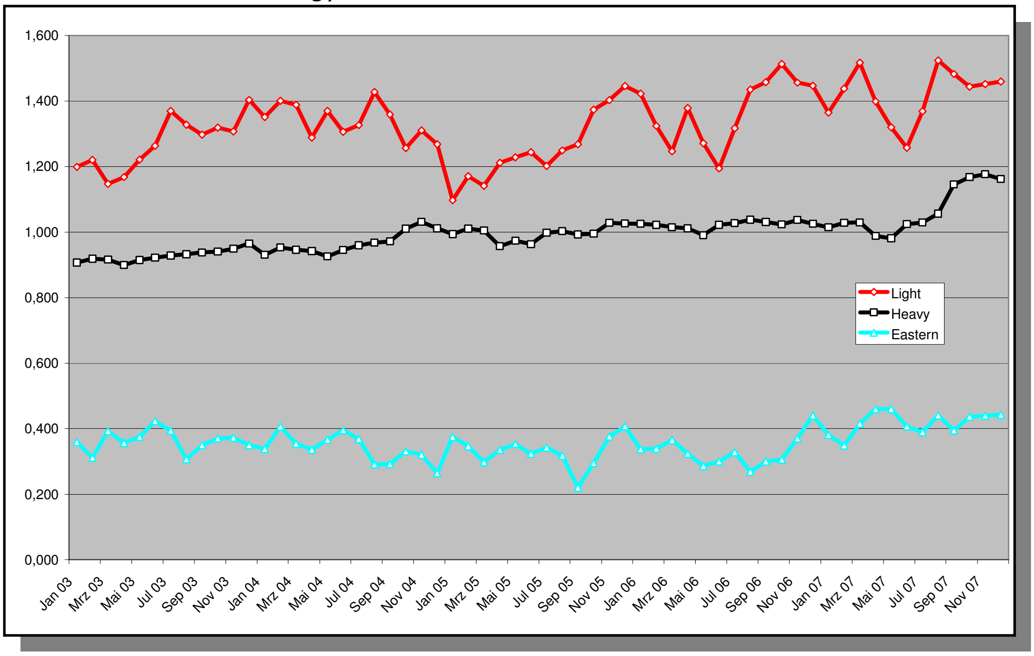
The two largest projects types presently underway are based on Unconventional Oil (including tar sand extractions with a total of some 174 billion barrel reserves [1]) and the development of the Frontier NW of Canada in the NWT and Yukon in conjunction with the planned Mackenzie River Pipeline project [2]). Both projects represent investment value in the multi-billion dollar range (Mackenzie alone approx 16 Billion USD, Unconventional Oil up to 600 Billion USD in numerous separate projects). The two above mentioned projects groups are strongly interlinked, as large amounts of gas are required for the extraction of oil from tar sands – a fact, that in itself will drive the pursuit of the Mackenzie pipeline despite still existing (but declining) resistance from the First Nations. Another side effect is the absolution of nuclear power generation, many decades wooed and shunned by environmentalists and politicians, now becoming "politically and ecologically acceptable". Thermal or electrical energy (for steam generation) are mandatory to unlock the vast Unconventional Oil potential.

[1] National Energy Board NEB – Canada's Oil Sands (2006)
[2] approx 1,220 km - 30"; start-up expected 2014 (Imperial Oil – Mar-07)

Oil and Gas Production

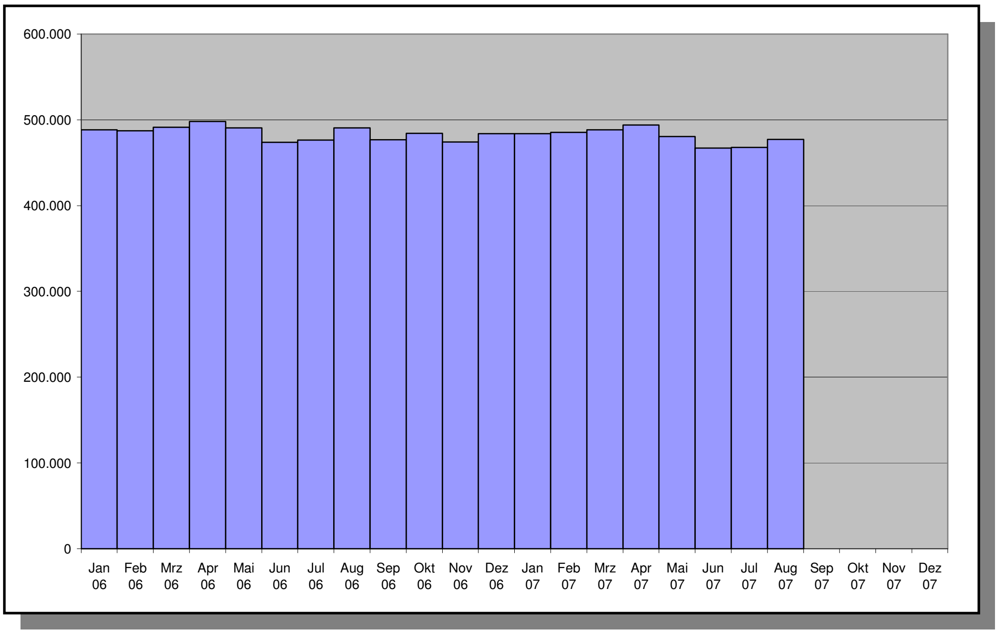
Canada's crude oil and natural gas production has taken – along with the surge in commodity prices – a steady increase over the last five years and amounts to almost 1.5 MM STB per day of conventional crude oil from the WCSB and an additional 400,000 STB/day from the Eastern provinces offshore operations. Unconventional crude oil production (tar sands and other heavy crude operations) has recently taken a very strong upswing and presently amounts to an additional production of 1.2 MM STB per day. Work programs and budgets are in place with most unconventional crude players to increase this production materially over the next decade to some 3.0 M MSTB per day, although the recently imposed new royalty regulation has somewhat dampened the pace of developments.

Canadian Liquid Hydrocarbon Production (in Million BOPD)
Source: NEB National Energy Board

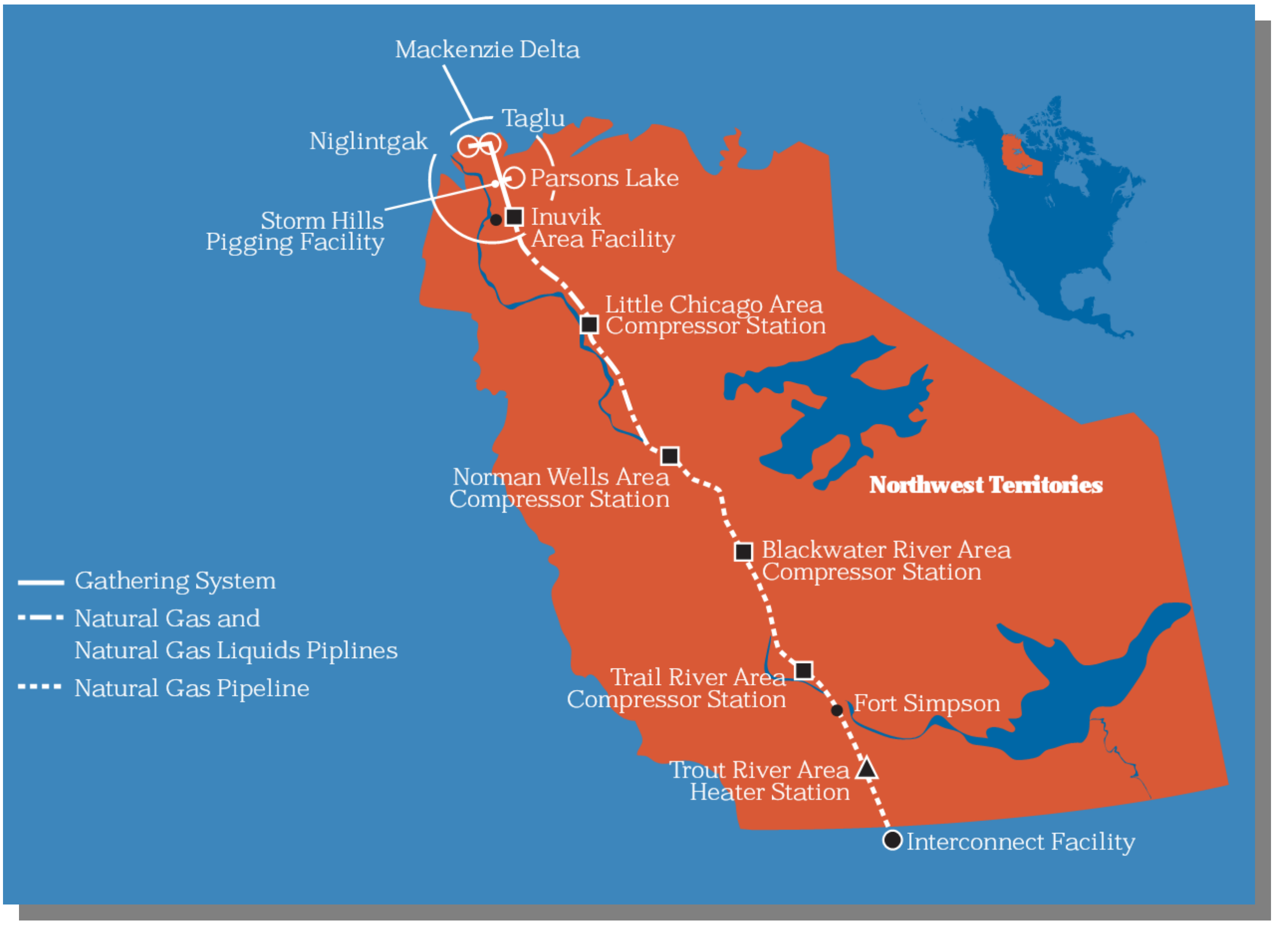


Natural gas extraction remained steady over the years with just below 0.5 billion m3 per day (18.7 Bscf/d), with a large amount of the production exported through the extensive pipeline network to the USA. Provision of future, additional gas capacity is paramount for the unconventional crude oil industry in Canada, which requires the gas for steam generation of the recovery process. New resources in the far Canadian North (NWT, BC, Yukon) will play an important and material role in the sustained provision of natural gas not only for domestic and industrial consumers, but also for the increased export demands to the USA. Large pipeline projects are in the late phase of planning, and while there is still considerable resistance mainly from First Nations of the concerned areas, this underlines the necessity to act and operate in an environmentally and ecologically prudent and acceptable fashion and under inclusion of the interests and concern of the indigenous population, which was not always the case in the past.

Canadian Natural Gas Production (in Million m3 per day)
Source: NEB National Energy Board



Mackenzie Pipeline Overview (and participants)



Esso Imperial Oil · APG · ConocoPhillips · Shell Canada · ExxonMobil

AustroCan in Canada

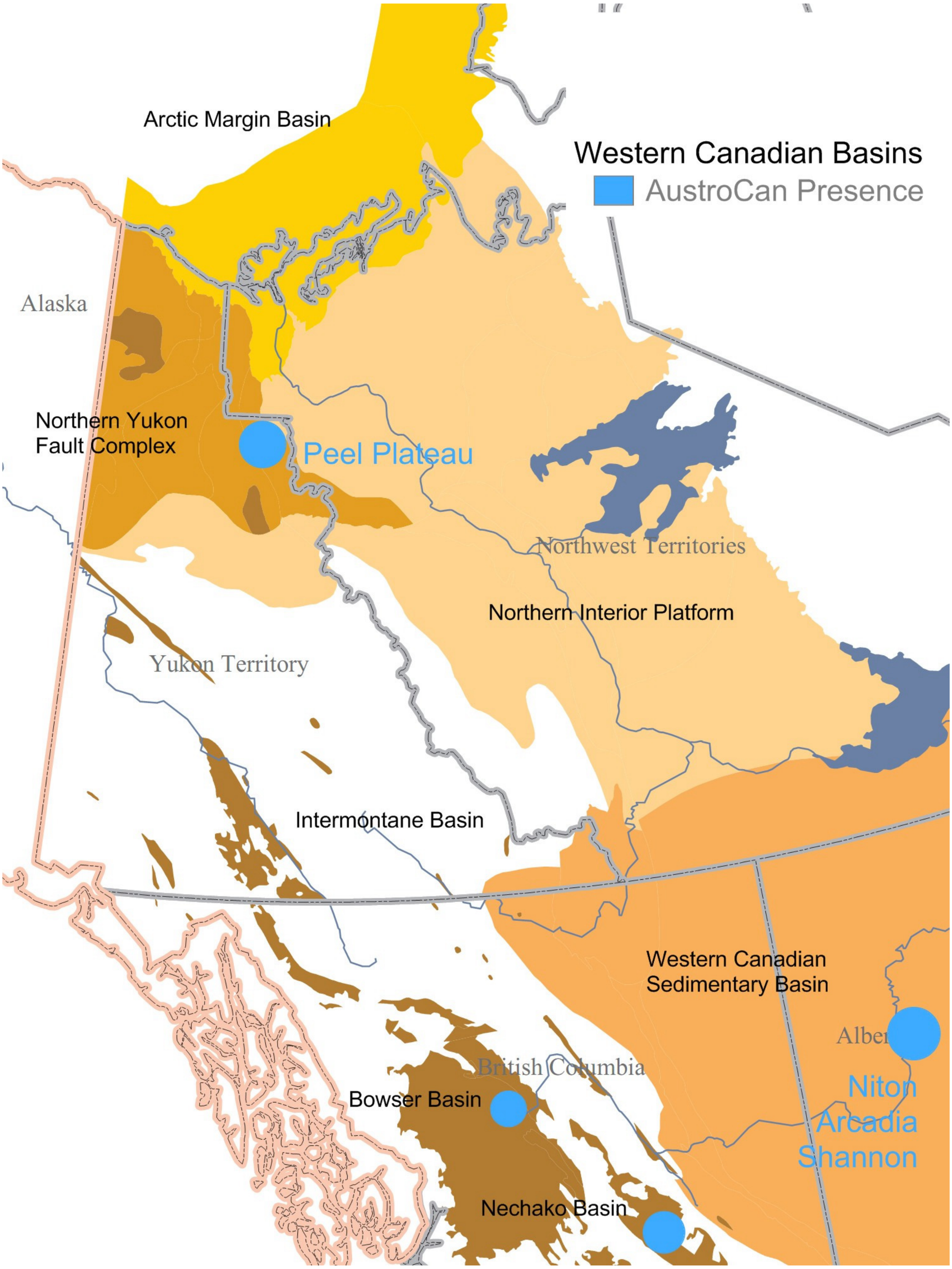
AustroCan has taken the business decision to place itself, amongst other international E+P activities elsewhere, in the Canadian buoyant petroleum industry market combining its strength originating from application of environmentally friendly, non-intrusive exploration tools (GeoSat Technology, Magneto-Telluric, Geochemistry) in preparation and high-grading of prospective areas for a focused and "least impact" subsequent exploration work (seismic, drilling). The preferred early use of these non-intrusive technologies, which make extensive use of remote sensing and minimum impact data acquisition, stems from AustroCan's general support of environmentally friendly exploration and development techniques. In addition, AustroCan strongly fosters active community support and the education, training and involvement of indigenous population wherever it operates or participates in petroleum activities.

At present, AustroCan has taken or applied for petroleum exploration and/or development acreage in some major basins in the Western Canadian Sedimentary Basin (WCSB), and other sedimentary basins in British Columbia and Yukon:

- Niton Acreage WCSB (14.9 km^2) Operator: AustroCan
- Arcadia WCSB (21.4 km^2) Operator: AustroCan
- Shannon Acreage WCSB (43.4 km^2) Operator: AustroCan
- Peel Plateau Yukon (395.1 km^2) Operator: AustroCan
- Bowser Basin BC (posted) Operator: AustroCan
- Nechako Basin BC (posted) Operator: AustroCan

With the above-mentioned portfolio, AustroCan is present in most of the important and prolific sedimentary basins in Western Canada.

Most of the above mentioned acreage and licences are located in environmentally very sensitive areas and will greatly benefit from the application of AustroCan's non-intrusive exploration tools for high-grading prospective areas for later and careful exploration activities. AustroCan has represented to conduct Environmental Baseline (EBA) and Impact Assessments (EIA) prior to the execution of intrusive exploration activities, will endeavour to operate with minimum impact, and will also work in close cooperation with the local and indigenous population.


Arctic Margin Basin
Western Canadian Basins
AustroCan Presence
Alaska
Northern Yukon
Fault Complex
Peel Plateau
Northwest Territories
Northern Interior Platform
Yukon Territory
Intermontane Basin
Western Canadian
Sedimentary Basin
Alber
Niton
Arcadia
Shannon
British Columbia
Bowser Basin
Nechako Basin

Bowser Basin
Nechako Basin

AustroCan has applied at the Government of British Columbia mining authority for the award of exploration permits over areas in the Bowser and Nechako Basin. Applying AustroCan's non-intrusive and least impact exploration technology, AustroCan would be in a position to high-grade potentially prospective areas interesting for a later hydrocarbon exploration activity without prior requirement to conduct large scale regional seismic surveys in this largely inaccessible, environmentally sensitive areas.

The hydrocarbon potential in these basins is believed to be material
(information source: Government of British Columbia; unrisked resource potential):

	Oil	Gas
Basin	[MMSTB]	[Tcf]
Bowser	2,500	6.5
Nechako	5,100	9.5

AustroCan expects an out-of-round award of exploration licenses in these basins by approx mud year 2008.

Geological Setting
Western Canadian Sedimentary Basin

Niton, Arcadia and Shannon Areas

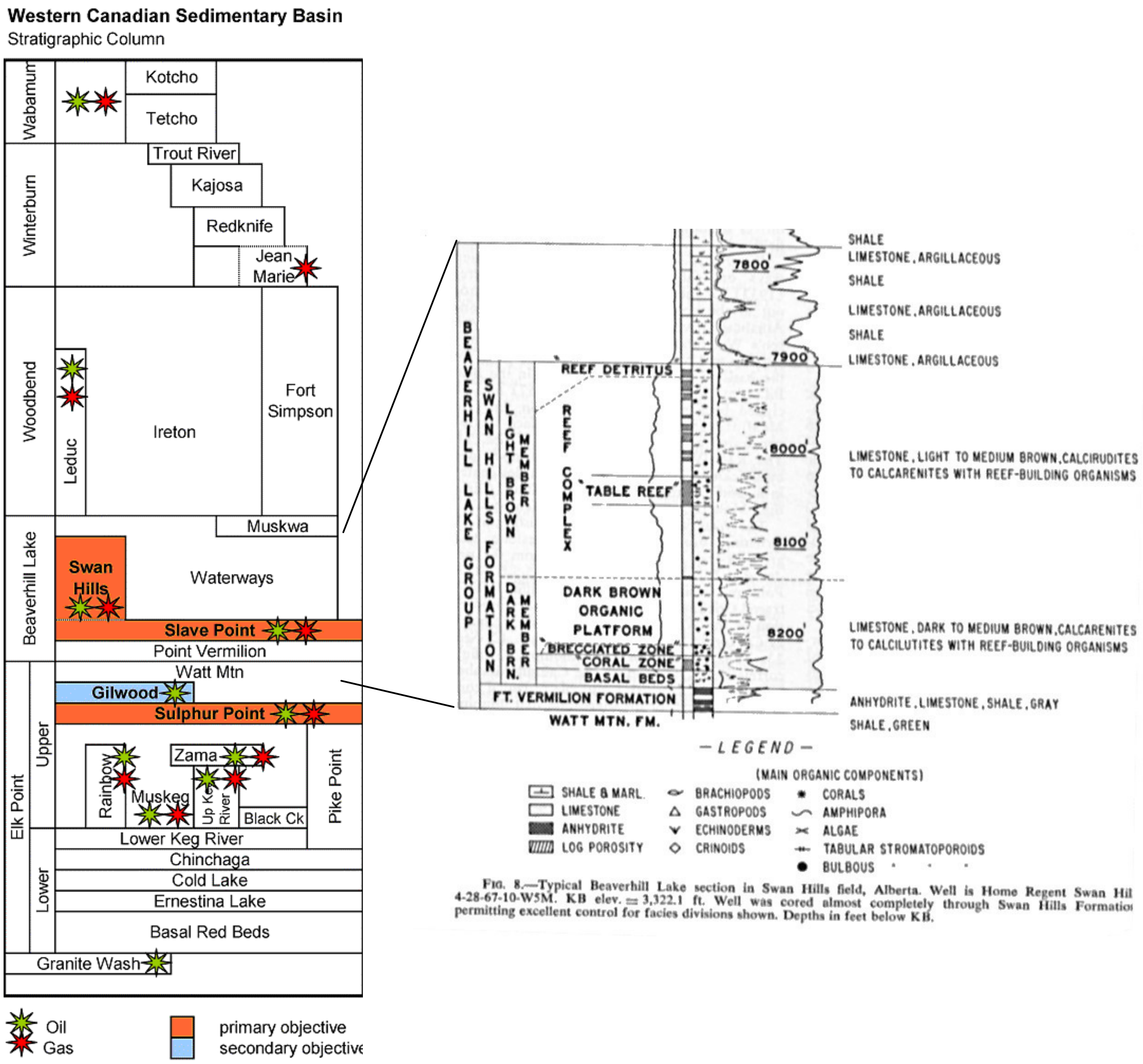


Fig. 8.—Typical Beaverhill Lake section in Swan Hills field, Alberta. Well is Home Regent Swan Hil 4-28-67-10-W5M. KB elev. = 3,322.1 ft. Well was cored almost completely through Swan Hills Formatio permitting excellent control for facies divisions shown. Depths in feet below KB.

Swan Hills reefs can grow on the Swan Hills platform sites where conditions trigger reef growth. Typically Swan Hills reefs (as most reefs elsewhere) are very difficult to image with seismic, but can sometimes be detected through drape of the overlying section. Sometimes seismic data can image reef front character changes. Proximity to a reef is sometimes indicated by fossil evidence in offset wells. In this case fossils are reported in 10-31-54-12W5 well.

Analogies to the identified reefal structure on AustroCan's licensed areas are:

- **Goose River** Swan Hills oil field, OIIP 131 MM STB, reserves 55 MM STB, 39° API crude oil; 30 m platform, up to 62 m reefal buildup, average porosity 8.2%

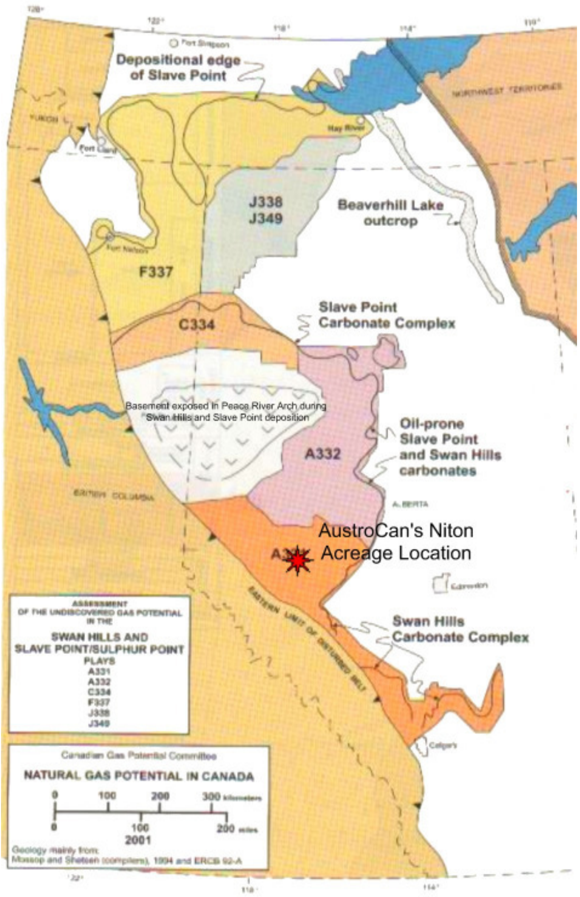
- **Snipe Lake** Swan Hills oil field, OIIP 194 MM STB, reserves 77.5 MM STB, 35 deg API oil; average porosity is 6.8%

- **Ante Creek** Swan Hills oil field, OIIP 37 MM STB, reserves 22.2 MM STB; 6 x 2 km size

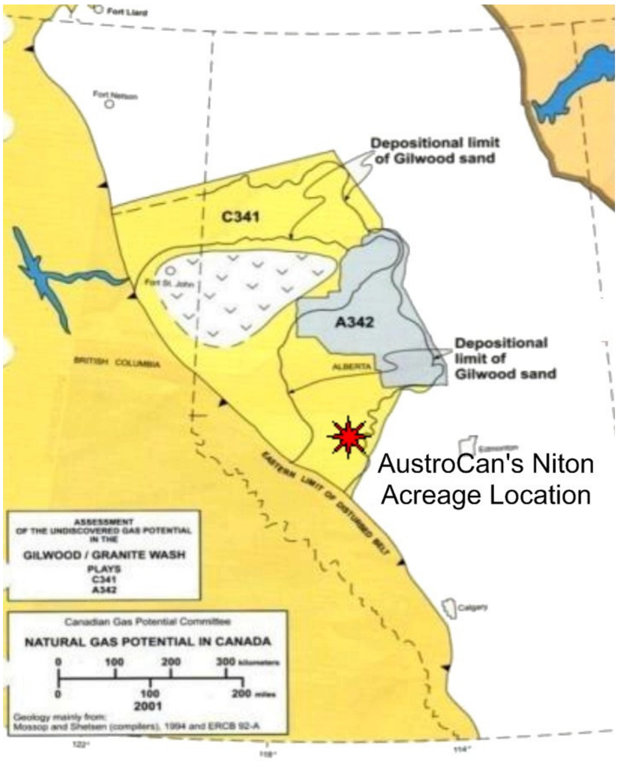
Above-mentioned Swan Hill oil fields are stratigraphic traps where the crude oil is accumulated in the updip portion of the Swan Hill reefs, which grow at the edge of the Slave Lake platforms. The seismic resolution is very variable as examples of known accumulations show; the seismic data of the AustroCan Niton acreage has been primarily used to establish the updip location of the interpreted reefal buildup. Evidence for Swan Hills reefal growth is interpreted from description of stromatoporiod and amiphiphora fossils in cores from the 10-31-54-12W5 well: presence of these fossils suggest that the well is located in close proximity to a Swan Hills reefal buildup. Careful examination and interpretation of the seismic data offsetting this well have shown that some drape can be observed in the reflector overlying the "reef prone" interval. This region of "drape" in the overlying Beaverhill formation (see chapter "Reserves Estimate" - pink shaded area) which was mapped at the Swan Hills level can be observed to occur in the reprocessed seismic data purchased by AustroCan. This seismic event forms a lobeate shape feature, which is interpreted to be a Swan Hills reef (see chapter "Reserves Estimate" - blue shaded area).

Fossil evidence in an offset well, some overlying drape and the character change in seismic can be interpreted to represent potential presence of a Swan Hills reef, in analogy to Ante Creek, Goose River and Swan Hills oil fields to the North. An additional, secondary objective at this location is interpreted from a gas show documented in an offset well (12-20-54-12W5). The overlying Nisku formation tested salt water inflow and some gas at well 12-20-54-12W5, just to the West of the proposed AustroCan well. Should the proposed well encounter the Nisku structurally higher, the formation has potential to be gas bearing in this secondary objective. The underlying Gilwood Sand formation may also be a secondary oil prospect but is difficult to map.

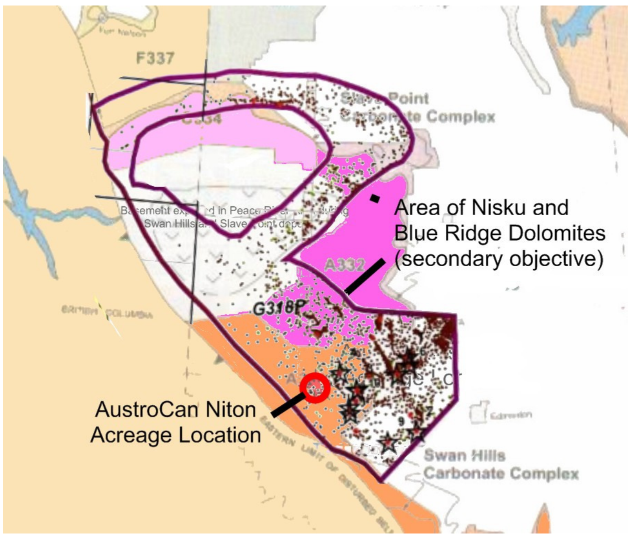
Slave Point Potential



Gilwood Potential

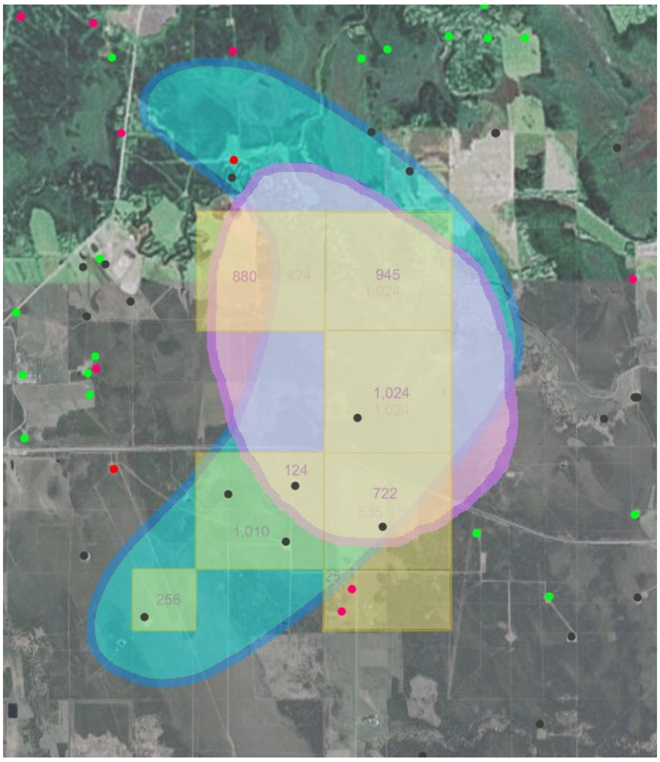


Nisku and Blueridge Potential



Reserves Estimates

Niton – Swan Hills



Yellow shaded are AustroCan land positions (5 3/4 sections a 1,024 acres; insert figures indicate area overlain by features). The identified region of "drape" in the overlying Beaverhill formation (pink shaded area) was mapped at the Swan Hills level and can be observed to occur in the reprocessed seismic data. This seismic event forms a lobeate shape feature, which is interpreted to be a Swan Hills reef (blue shaded area).

Regional analysis and the land holdings shown above were taken as the basis for a Monte Carlo Analysis for assessing the reserves potential for the license areas. Intentionally, the range of probable data distribution was held very conservative, resulting in **730,000 STB of risked, mean crude oil reserves** (3-P, see Attachment 1).

The above quoted reserves figure was utilized for the subsequent economic modeling and analysis, which indicates robust economics over a wide range of variances. Both the Net Present Values (NPV) and the Internal Rate of Returns (IRR) are in a very encouraging range given the conservative assumptions and low internal (exploratory) and external (political) risk of the project (Attm 2).

	NPV (at 15%) (MMUSD)	IRR (%)
Niton Swan Hills	**5.11**	**60**

No further risk and/or economic analysis were performed on the secondary objectives (Gilwood; Nisku plays), hence these represent a qualitative material upside to the land holding of AustroCan in the Niton area. Additional attractiveness is provided by the well-developed infrastructure, which would allow immediate cash flow generation from a discovery and/or development. Finally, it shall be mentioned that the former operator of the analogous Goose River field, Petro-Canada, has achieved a remarkable success to improve oil recovery in the Swan Hills reef platform by application of miscible flooding process (wet gas injection), again an unquantified, qualitative upside to the prospect.

Arcadia and **Shannon Areas**

AustroCan, through a third party, has posted acreage in the Shannon and Arcadia areas West of the Lesser Slave Lake in Northern Alberta. At the time of writing of this report, no details except the size of the posted lands were available, and Petroprom was informed recently that all of part of the postings was successful.

The play types and exploratory potential of the posted lands seems to be similar to the Niton holdings, but further details need to be reviewed and studied for a quantifiable assessment.

Yukon Territory

Peel Plateau

A collaborative study with partners from the N.W.T. Geoscience Office (NTGO), GSC, YGS, industry representatives and university affiliates, called Regional Geoscience Studies and Petroleum Potential, Peel Plateau and Plain, Northwest Territories and Yukon, is currently underway in the Peel Region. Research for this project includes thematic studies of stratigraphy and sedimentology, geochemistry and petroleum systems, geophysics, outreach and petroleum resource assessment. Fieldwork commenced in 2006 and will continue in 2007. The study is expected to conclude in 2009 with various publications being released over the lifespan of the project, including open files and reports.

Yukon Hydrocarbon Potential					
	Mean Play Potential		Discovered Resources		
	Gas	Oil	Gas	Oil	Wells Drld
Basin	[Bcf]	[MMSTB]	[Bcf]	[MMSTB]	[Nr]
kandik	649,5	99,0			3
Beaufort-Mackenzie	1.008,5	217,0			3
Bonnet Plume	800,0	0,0			0
Eagle Plain	6.054,5	436,0	83,7	11,0	34
Liard	4.110,0	0,1	417,0		13
Old Crow	1.149,5	0,0			0
Peel Plateau and Plain	2.916,0	0,0			19
Whitehorse Trough	423,0	19,0			0
Others					1
Total	17.111,0	771,1	500,7	11,0	73

The Peel Plateau and Plain boasts the third largest hydrocarbon potential in the Yukon Territory.

Geological Summary

The Peel Plateau and Plain is a prospective hydrocarbon region in the Northern Interior Platform north of the Mackenzie Mountains and east of the Richardson Mountains. It contains a Lower Cambrian to Upper Cretaceous stratigraphic succession with a maximum thickness of approximately 4.5 km. Geologically it is similar in setting to the Western Canada Sedimentary Basin.

Lower and Middle Palaeozoic sedimentary rocks were deposited in a continental margin setting and contain the platform carbonate to basinal shale transition. Upper Palaeozoic interbedded shales, siltstones and shales overlie this carbonate to shale transition. Locally isolated carbonate mounds may be present within this Upper Palaeozoic clastic succession. The Palaeozoic successions are unconformably overlain by a Mesozoic clastic succession of sandstone, siltstone and shale deposited within a developing foreland basin east of the Cordilleran Orogen.

The Peel Plateau encompasses all sedimentary rocks, which exhibit folding and thrusting related to the Cordilleran Orogen. It has been subdivided into two structural domains with the surface trace of the Trevor fault being the boundary between the two domains. Largely Lower Palaeozoic basinal shales of Richardson Trough underlie the Plateau domain west of the Trevor fault. The Lower Palaeozoic stratigraphy in the Peel Plateau domain east of the Trevor fault consists dominantly of platform carbonate. The Peel Plain is east of the Peel Plateau and corresponds to all the undisturbed, relatively flat-lying sedimentary rocks east of the Cordilleran Orogen deformation front.

Exploration History

Surface exploration began in the mid 1950s. The first well (Shell Peel River YT-J21) was completed in 1965. Eighteen additional wells were drilled between 1965 and 1977 for a total of 42,319 metres. Drilling resulted in several gas shows but no established economic reserves or production.

Over 3,000 line-kilometres of seismic surveys were completed in the 1960s and 1970s. 500 line-kilometres of this data, ranging from fair to good quality, are available to the public in the information files of the National Energy Board.

Peel Plateau Well Records

YTG #	Well Name	Operator	TD (m)	Rig Release	Location
18	Shell Peel R YT J-21	Shell Canada	1.219,2	1. Sep. 65	J-21-66-40-134-00
19	Shell Peel R YT K-76	Shell Canada	1.386,8	25. Nov. 65	K-76-66-30-134-00
20	Shell Peel R YT L-01	Shell Canada	1.834,9	7. Feb. 66	L-01-66-40-134-45
21	Shell Peel R YT I-21	Shell Canada	2.072,6	30. Mrz. 66	I-21-66-20-134-15
22	Shell Peel R YT L-19	Shell Canada	1.981,2	12. Jun. 66	L-19-66-50-135-15
23	Shell Peel R YT B-06	Shell Canada	430,4	31. Dez. 66	B-06-66-40-134-45
24	IOE Satah River YT G-72	Imperial Oil	2.286,0	9. Mrz. 67	G-72-67-00-134-00
25	Shell Peel R YT K-09	Shell Canada	1.554,5	7. Mrz. 67	K-09-66-20-134-00
26	Shell Peel R YT H-59	Shell Canada	763,2	1. Apr. 67	H-59-66-40-134-30
30	Toltec Peel River YT N-77	Sunoma Energy Corp.	1.122,6	23. Jun. 70	N-77-66-00-134-15
32	McD GCO Northup Taylor Lake YT K-15	ExxonMobil	2.378,7	29. Mrz. 69	K-15-66-00-133-00
40	SkellyGetty Mobil Arctic Red YT C-60	ExxonMobil	2.599,9	26. Mrz. 72	C-60-66-50-133-45
41	Pacific et al Peel YT F-37	Petro Canada	3.368,0	20. Apr. 72	F-37-67-00-134-45
50	Amoco PCP B-1 Cranswick YT A-42	ChevronTexaco	4.267,2	20. Mrz. 73	A-42-65-50-133-00
56	Shell Trail River YT H-37	Shell Canada	3.721,6	26. Mrz. 74	H-37-66-40-134-45
57	Gulf Mobil Caribou YT N-25	ConocoPhillips	3.600,3	31. Aug. 74	N-25-66-20-134-45
58	Shell Peel River YT M-69	Shell Canada Ltd.	3.272,6	4. Dez. 74	M-69-66-10-133-45
59	**Mobil Gulf Peel YT H-71**	**ExxonMobil**	**3.392,1**	**12. Jun. 77**	**H-71-66-30-134-30**
128	Shell Peel R YT 2B-06	Shell Canada	1.066,8	25. Jan. 67	B-06-66-40-134-45

YTG well Nr 59 (Mobil Gulfs H-71 well, a gas discovery) is located within AustroCan's Permit 18 area.

Plays

Peel Plateau and Plain was divided into three structural domains (two within the Peel Plateau and one constituting Peel Plain) for assessment purposes. Eight gas plays have been identified within these three structural domains. The plays consist of different structural and stratigraphic traps in the Palaeozoic sedimentary rocks and the overlying Mesozoic sedimentary rocks.

Gas prospectivity increases in an overall easterly direction with the greatest prospectivity being for the Peel Plain. There is significant potential for natural gas with a summed mean play potential of approximately 2.9 Tcf in 88 pools. The largest pool is expected to occur in Mesozoic clastic rocks of the Peel Plain. Approximately 80% of AustroCan's Permit 18 is located within this most prospective area; the posted area is situated in the high-prospective area in entirety.

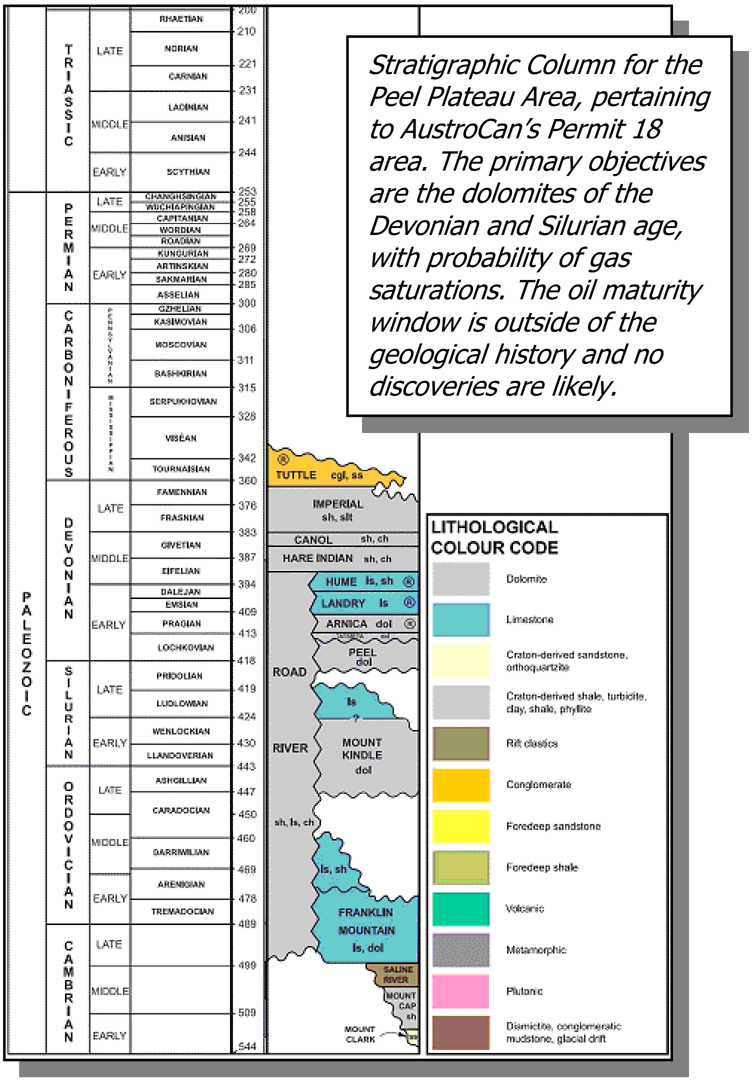
Peel Plateau Resource Potential

	Mean Nr Fields			Resource Potential (GIP in Bscf)								
				P_{80} Probability			P_{50} Probability			P_{20} Probability		
	a)	b)	c)	a)	b)	c)	a)	b)	c)	a)	b)	c)
Paleozoic Carbonate Platform			1			1,3			9,6			17,2
Horn Plateau Reef			1			0,2			0,9			1,2
Paleozoic Carbonate Margin		7			45,0			157,0			257,0	
Upper Paleozoic Clastics	1	2	9	9,1	71,0	112,0	3,7	275,0	256,0	2,5	488,0	389,0
Mesozoic Clastics		12	55		259,0	853,0		465,0	1.748,0		656,0	2.636,0
Totals	**88**			**1.350,6**			**2.915,2**			**4.446,9**		

a) Peel Plateau West of Trevor Fault
b) Peel Plateau West of Limit of Deformation
c) Peel Plateau East of Limit of Deformation

The average Mean Resource Potential (GIP) for the Peel Plateau from the above table amounts to some 33 Bcf; assuming a conservative 70% recovery factor, the recoverable reserves are calculated to be 23 Bcf per field, which is an excellent fit with the 20 Bcf risked mean reserves resulting from the Monte Carlo Analysis.

No crude oil potential was estimated due to the lack of suitable maturation and source.



Stratigraphic Column for the Peel Plateau Area, pertaining to AustroCan's Permit 18 area. The primary objectives are the dolomites of the Devonian and Silurian age, with probability of gas saturations. The oil maturity window is outside of the geological history and no discoveries are likely.

Pipelines

Both the Mackenzie Gas Project (MGP) and the Alaska Highway Pipeline Project (AHPP) offer enormous economic opportunities for the Canadian North (see map next page). The Government of Yukon continues to work hard in order to ensure Yukon is pipeline-ready, benefits are maximized, and potential negative impacts are minimized. Work will also continue with our neighbouring jurisdictions — Alaska, BC, NWT and Alberta — to prepare for both projects.

AHPP will generate an estimated 375,000 person-years of employment over 24 years, while MGP estimates are 181,000 person-years over the same 24-year span. The construction of these two projects will also inject billions of dollars into the North American economy. These projects would provide access for the Government of Yukon natural gas to southern markets, which could earn the Government of Yukon more than 40 MM USD annually in royalty revenues from the production of natural gas resources.

Alaska Highway Pipeline Project

OGR is encouraged by the recent response to the Alaska Gasline Inducement Act (AGIA), State of Alaska legislation intended to encourage the construction of an Alaska natural gas pipeline. Five companies expressed interest under the AGIA by the November 30, 2007 deadline for application, including TransCanada PipeLines Ltd., whose proposal would follow the Alaska Highway through Yukon to southern markets.

ConocoPhillips, a major producer of natural gas in the North, submitted a bid that did not conform to AGIA's guidelines. Its proposed pipeline would also follow the Alaska Highway. Should the route ultimately chosen follow the Alaska Highway, this will be important to the interests of the Government of Yukon. Yukon has seven well-documented Alaska Highway Pipeline Project interests:

ensuring a net fiscal benefit to Yukon; enhancing positive socio-cultural impacts while mitigating negative socio-cultural impacts; promoting environmental stewardship; recognizing community and First Nation interests; advancing a clear and efficient regulatory process; supporting economic pipeline access for Yukon natural gas; and requiring gas take-off points.

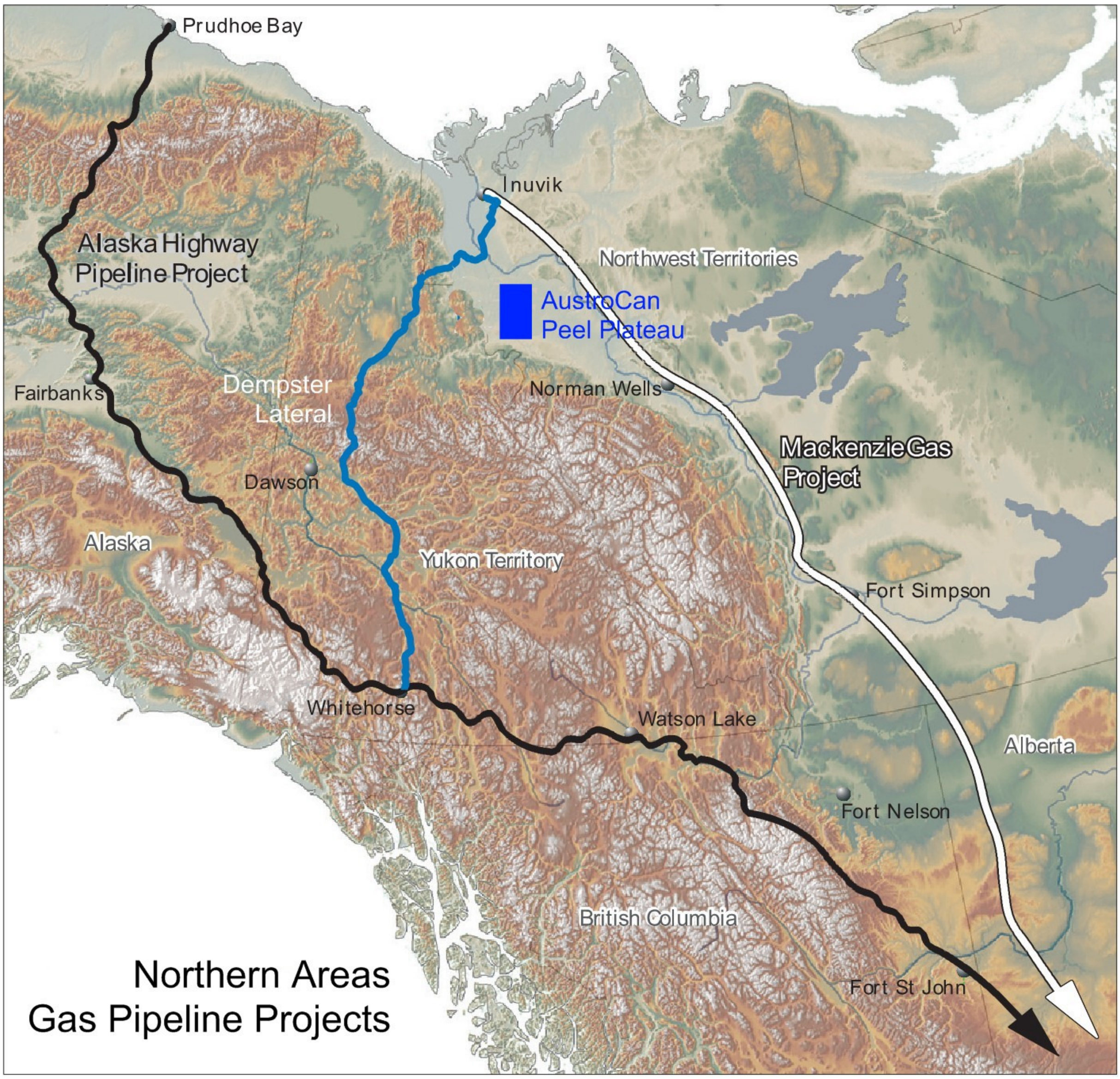
OGR is also working closely with other jurisdictions that would be affected by an Alaska Highway pipeline. One initiative is the Strategic Action Plan Working Group, comprised of Yukon, BC and Alberta, which was created to deal with common issues expected to arise from the various inter-jurisdictional concerns over the Alaska project. Yukon continues to urge the Canadian government to demonstrate that they are prepared with a streamlined, efficient regulatory process.

Mackenzie Gas Project

OGR's intervention in the Mackenzie Gas Project hearings is also important. Yukon's interest in the construction of this project is significant, as there are benefits for Yukon to be derived from this pipeline both during and after construction. During construction, supplies will be transported to the Northwest Territories through Yukon. Construction will also provide employment opportunities for Yukon residents. The presence of a pipeline provides a means for Yukon gas to be transported competitively to southern markets, which means that potential Yukon gas would no longer be stranded.

OGR's intervention included written submissions, representation and presentations at both the National Energy Board (NEB) and Joint Review Panel (JRP) hearings. The NEB hearings are likely on hold until the fall of 2008 while they await receipt of a initial report from the JRP. The JRP hearings concluded in late November 2007 and the panel has begun writing its final report.

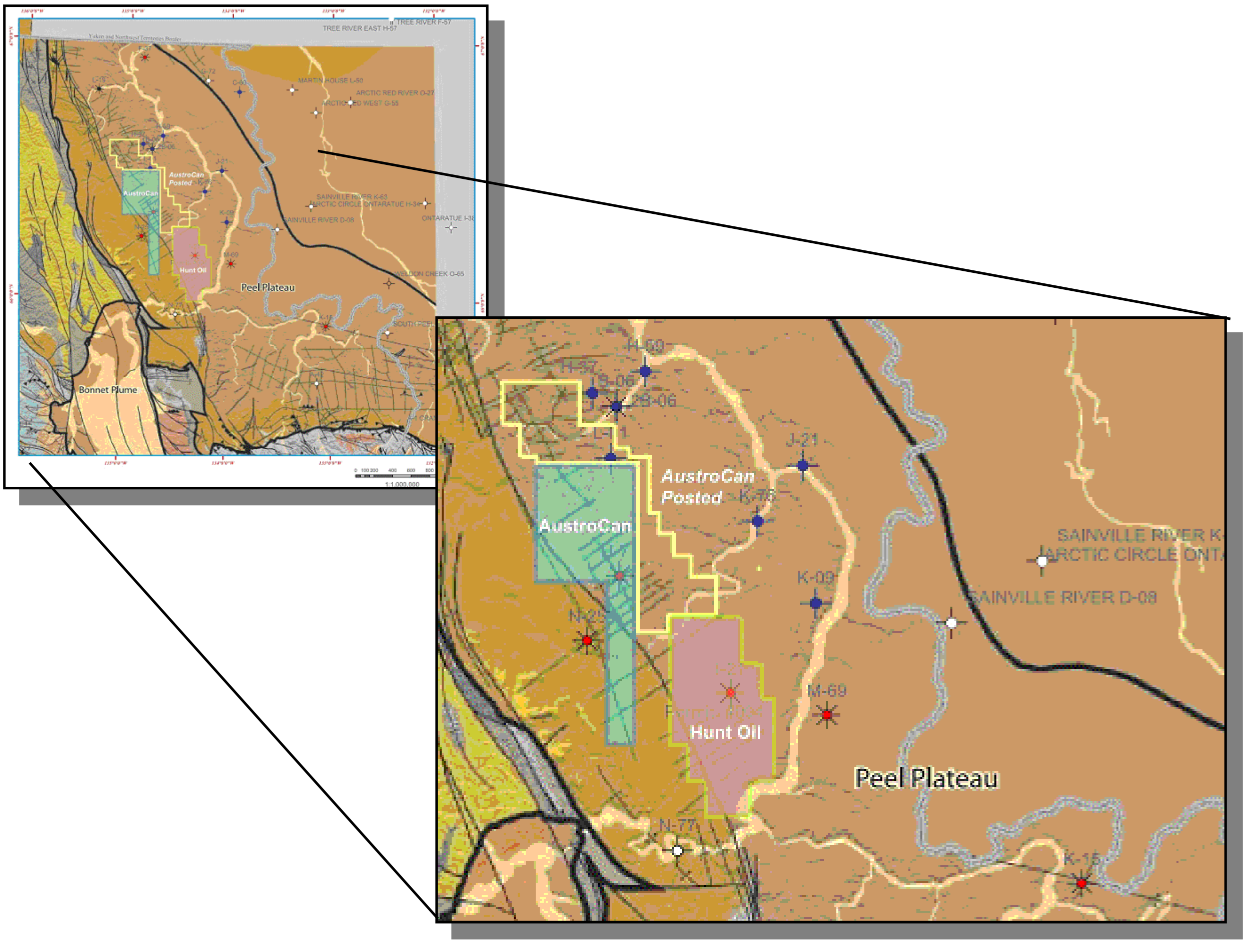
OGR's intervention in the JRP hearings has resulted in the proponent, Imperial Oil, committing to take actions intended to enhance potential positive effects from construction and operation of the project and to mitigate potential adverse effects from the proposed project on Yukon's environment, communities and transportation
infrastructure.


Prudhoe Bay
Inuvik
Alaska Highway Pipeline Project
Northwest Territories
AustroCan Peel Plateau
Fairbanks
Dempster Lateral
Norman Wells
Mackenzie Gas Project
Dawson
Alaska
Yukon Territory
Fort Simpson
Whitehorse
Watson Lake
Alberta
Fort Nelson
British Columbia
Fort St John
Northern Areas Gas Pipeline Projects

AustroCan's Permit #18

On 17-Jan-08, AustroCan officially received a Gas and Oil Exploration Permit by the Yukon Ministry of Energy, Mines and Resources for an area in the Peel Plateau region. The permit covers an area of 395 km^2 and was granted under and subject to the Oil and Gas Act of the Yukon Territory Government. The Peel Plateau is rich in gas deposits and through extensive research, AustroCan believes it can identify significant as potential deposits in the Northern Regions of Canada. On 17-Jan-08, AustroCan requested additional posting in the Peep Plateau region of approx 500 km^2; the result of the request will be known in early Jun-08.

AustroCan will conduct a GeoSat analysis of aeromagnetic and gravity data in the Peel Plateau license area to define carbonate shelf margins. AustroCan will also conduct geochemical survey over the area to detect any evidence of hydrocarbons in soil samples. In addition to the before mentioned, AustroCan will also conduct magneto-telluric surveys over any identified prospective trends in order to solidify indications of any hydrocarbon accumulations along reef margins.

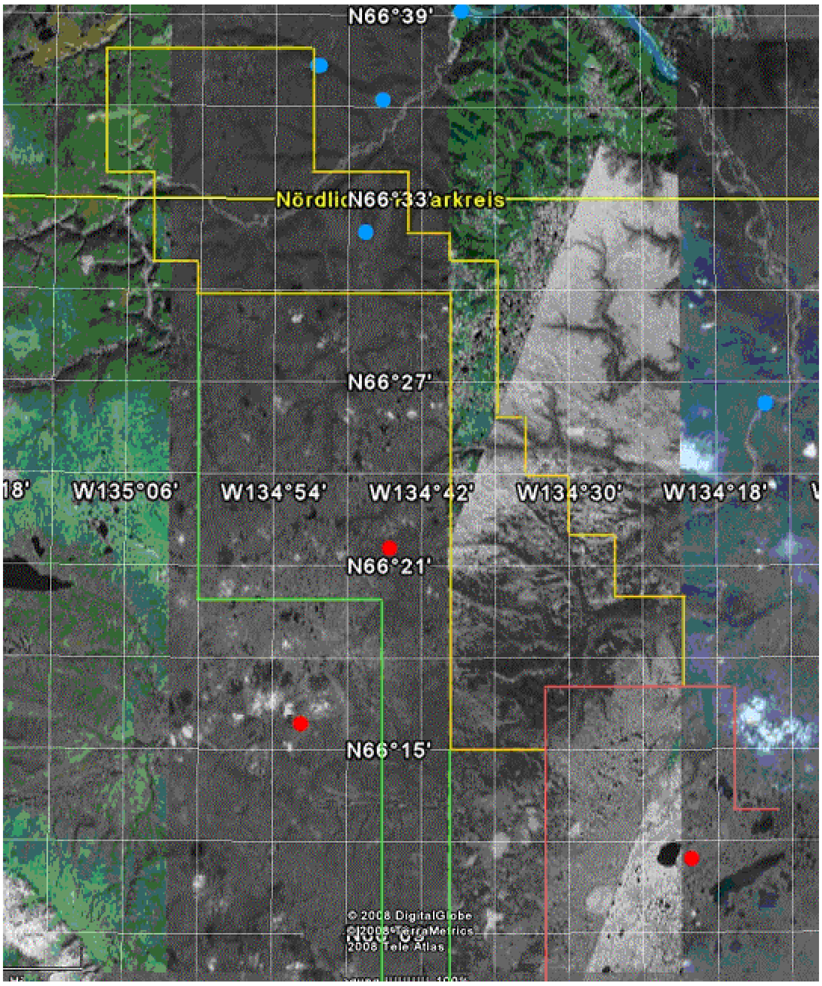


The statistically derived average Mean Resource Potential (GIP) for the Peel Plateau from the statistical table in the earlier chapter amounts to some 33 Bcf; assuming a conservative 70% recovery factor, the recoverable reserves are calculated to be 23 Bcf per field, which is an excellent fit with the **20 Bcf risked mean gas reserves** resulting from the Monte Carlo Analysis using discrete prospect parameter.

Only sparse data, analogies and other relevant information are available for an in-depth resource analysis pertaining to the land holdings of AustroCan on the Peel Plateau as input parameter for a Monte Carlo Analysis to further assess the commerciality of a potential gas discovery on the Permit Area. Hence, very conservative assumptions with regards to the geophysical parameter distribution and the lead size were taken, which led to the mentioned **20 Bcf of risked, mean natural gas reserves** (3-P, see attachment 3).

The above quoted reserves figure was utilized for the subsequent economic modeling and analysis, which again even considering the long lead time, the elevated costs for operating in such a remote area and other conservative input parameter indicate robust economics over a wide range of variances. Both the Net Present Values (NPV) and the Internal Rate of Returns (IRR) are in a very encouraging range given the generally cautious approach in evaluating the project (details attm 4).

	NPV (at 15%) (MMUSD)	IRR (%)
Peel Gas Discovery	**11.9**	**29**



AustroCan's above mentioned Permit #18 is closely located to the Northern Polar Circle in an environmentally very sensitive area and will greatly benefit from the application of AustroCan's non-intrusive exploration tools for high-grading prospective areas for later and careful exploration activities. In cooperation and alignment with the local authorities, AustroCan will conduct Environmental Baseline (EBA) and Impact Assessments (EIA) prior to the execution of intrusive exploration activities, will endeavour to operate with minimum impact, and will also work in close cooperation with the local and indigenous population.

List of Attachments

Attm 1: Niton Prospect – Monte Carlo Analysis
Attm 2: Niton Prospect – Economic Analysis
Attm 3: Peel Plateau Prospect – Monte Carlo Analysis
Attm 2: Peel Plateau Prospect – Economic Analysis

Probabilistic Reserves Assessment

Monte Carlo Simulation

petroleum projects management

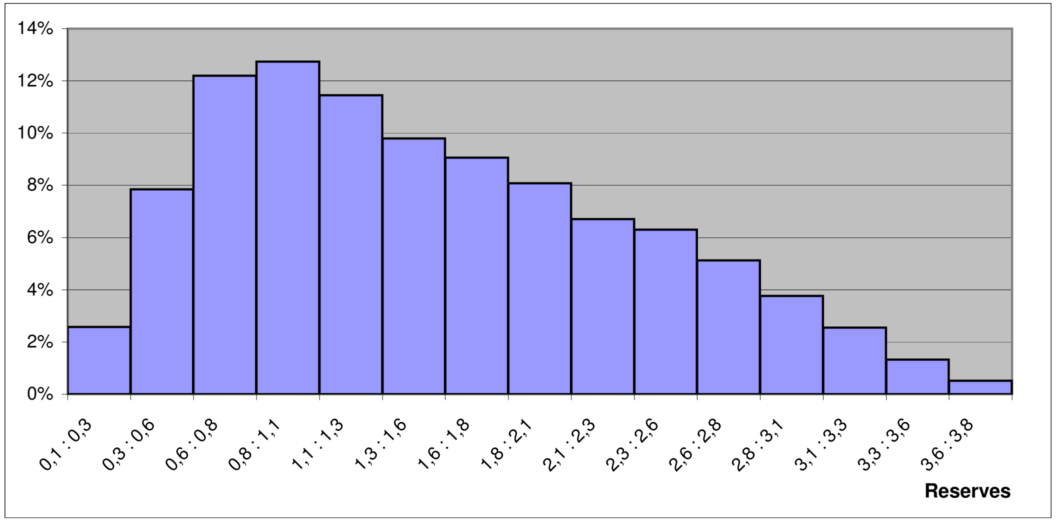
Ver-00.1 (Mar-08)

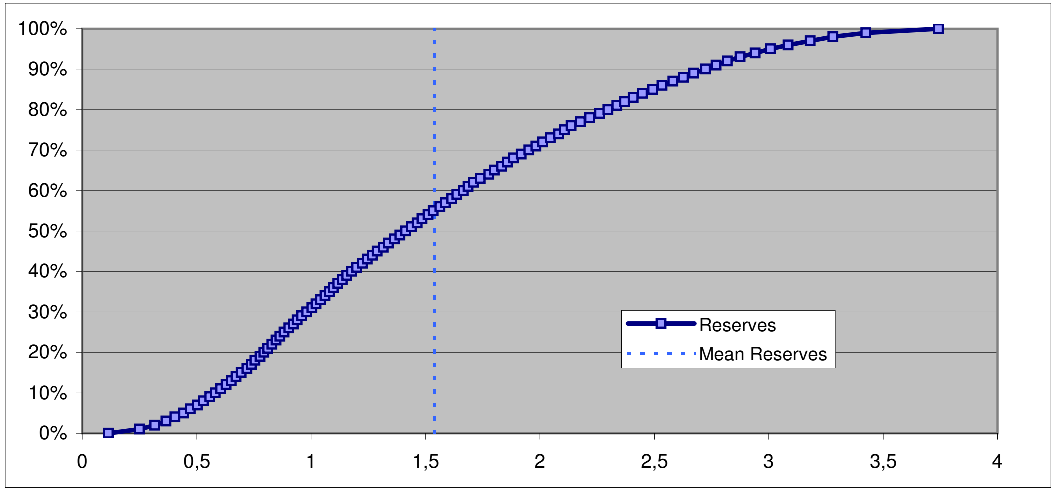
Country	**Canada, AB**
License	**Niton**
Licencee	**Austrocan Petroleum Inc**
Formation	**Swan Hills Limestone**
Prospect	**Reefal Buildup**
Depth	**2,900 m**

		Variation		
Parameter	Units	Min	Median	Max
Area	*[km2]*	0,52	0,77	0,91
Gross Formation Thickness	*[m]*	6,00	13,70	27,40
Net-Gross Ratio	*[fract]*	0,80	0,90	1,00
Shape Factor (Trapezoid)	*[fract]*	0,50	0,80	0,95
Porosity	*[%]*	5,50	6,50	7,50
Oil Saturation	*[%]*	65,00	70,00	75,00
Oil FVF (Shrinkage)	*[fract]*	0,75	0,80	0,85
Oil Initially in Place (OIIP)	***[MM STB]***	**0,42**	**2,16**	**7,53**
Recovery Factor	*[%]*	25,00	35,00	50,00
Ultimate Recovery	*[MM STB]*	0,11	0,76	3,76

Monte Carlo Results	Units	P10	P50	P90
Unrisked Reserves	*[MM STB]*	**0,58**	**1,41**	**2,72**
Source	*[fract]*	0,80	0,80	0,80
Reservoir	*[fract]*	0,80	0,80	0,80
Trap and Seal	*[fract]*	0,90	0,90	0,90
Migration	*[fract]*	0,90	0,90	0,90
Prob of Success (Geol)	***[fract]***	***0,52***	***0,52***	***0,52***
Risked Reserves	***[MM STB]***	**0,30**	**0,73**	**1,41**

Statistical Indicators:		
Avg Reserves	*[MM STB]*	1,54
Standard Deviation	*[MM STB]*	0,80
Standard Error	*[MM STB]*	0,01
Maximum	*[MM STB]*	3,74
Minimum	*[MM STB]*	0,11





Concession:	**Niton Prospect**		Alberta Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		750,000 STB Reserves Case (2 wells)

Contract Terms:	Term	25	[years]	duration of License Agreement
	License Area	15	[km2]	lease rental
JV Terms:	Equity	100,0%	[%]	Working Interest Before Earning (paying interest)
	Equity	100,0%	[%]	Working Interest after Earning
	Partner Equity	0,0%	[%]	WI before Earning
	Partner Equity	0,0%	[%]	WI after Earning
	Farm-in Consideration	0,00	[MMUSD]	payable to JV Partner upon novation
	Carried Interest	0,0%	[%]	of Capital Expenditures
	Gross Overriding Royalty	0,0%	[%]	from WI after earning
	Net Profits Interest	0,0%	[%]	during CF positive periods
	Payout Multiplier	1,00	[%]	for Capex *(100%=no multiplier)*

Alberta Royalty Framework (25-Oct-07)

Crude Oil Royalty Adjustment Factors

		CAD/m3	CAD/STB	Pct-Diff
Price	SP1	190	30,37	0,06%
	SP2	250	39,96	0,10%
	SP3	400	63,94	0,05%
	Minimum Percentage			**0,00%**
	Maximum Percentage			**35,00%**
		m3/mts	STB/day	Pct-Diff
Volume	SQ1	106,4	22,00	0,26%
	SQ2	106,4	22,00	0,10%
	SQ3	197,6	40,86	0,07%
	SQ4	304	62,86	0,03%
	Minimum Percentage			**0,00%**
	Maximum Percentage			**30,00%**
Price+Volume	Combined Maximum Percentage			**50,00%**

Natural Gas Royalty Adjustment Factors

		CAD/GJ	CAD/Mscf	Pct-Diff
Price	SP1	4,50	5,03	4,50%
	SP2	7,00	7,82	3,00%
	SP3	11,00	12,29	1,00%
	Minimum Percentage			**0,00%**
	Maximum Percentage			**35,00%**
		Mm3/d	Mscf/day	Pct-Diff
Volume	SQ1	4	0	5,00%
	SQ2	6	0	3,00%
	SQ3	11	0	1,00%
	Well Depth	3.300		[m] vertical well depth (MD)
	Well Depth Factor Cap	4,00		[-]
	Actual Depth Factor	2,72		[-]
	Minimum Percentage			**0,00%**
	Maximum Percentage			**35,00%**
Price+Volume	Combined Minimum Percentage			**5,00%**
Price+Volume	Combined Maximum Percentage			**50,00%**

Depreciation and Taxation

Depreciation	Annual Depreciation		[%]	Capex Straight Line Depreciation
Taxation	Provincial Corporate Tax		[%]	
	Federal Corporate Tax		[%]	
	Past Cost (Rec'ble)	0,0	[MM USD]	as per agreement
	Abandonment	0,5	[MM USD]	accruals over a period of 5 yrs (tax deductible)

Comments:	

Concession:	**Niton Prospect**		Alberta Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		750,000 STB Reserves Case (2 wells)

	unit	unit cost	
Studies			
Geoscience / Eng Studies	USD	50.000	
Infrastructure			
Roads	USD	15.000	compile different mix of infrastructure costs depending on environment and topographical conditions; use units of mix in Life-of-Field Schedule
Offices	USD	0	
Communication	USD	0	
Power generation	USD	0	
Infrastructure (nominal unit costs)	USD	15.000	
Geological and Geophysical			
Seismic (2-D) Acquisition	USD/km	10.000	includes processing and interpretation
Seismic (3-D) Acquisition	USD/km2	30.000	includes processing and interpretation
Wells			
Exploration Well (d+a)	USD	2.500.000	includes access road, site preparation
Development Well (d+a)	USD	2.500.000	includes access road, site preparation
Well completion (for production)	USD	200.000	
Production well tie-in	USD	20.000	incl flowlines (4" approx)
Delay between Drlg & Tie-In	yrs	0,5	first year reduction of production (max=1)
Artificial lift installation	USD	250.000	first installation, carried out as campaign
Workover Costs (per well)	USD	100.000	to include artificial lift replacement, if applicable
Workover Frequency	[1/year]	1,0	workovers per each active well per year
Facilities			
Liquids Processing Facilities	USD/bfpd	850	incl Topping Plant, HP/LP Flare, Contr Room
Gas Processing Facilties	USD/MMscfd	250.000	Liquid K/O
Max Facilities Capacity	[%]	90,0%	in percent of max field capacity (plateau!)
Liquids Storage Capacity	[days]	1,0	Oil (or Condensate for Gas Case)
Liquids Storage	USD/bbl	11	Oil (or Condensate for Gas Case)
Water Disposal Facilities	USD/bwpd	50	Water treatment, injection pumps and pipeline
Liquids Export Pipeline	[km]	0	Oil (or Condensate for Gas Case)
Firefighting, SCADA	USD	0	
Pumping and Metering Stations	USD	0	Truck Loading Gentry, Weigh Station
Gas Export Pipeline	[km]	0	
Gas Compr Facility (Export/Inj)	USD	0	Gas Driven Power Gen
Fixed Operating Costs			
License Area Rental	[USD/km2]	55	
Personnel (Office)	USD/person	100.000	includes average travel expenditures
Personnel (Field)	USD/person	75.000	
Maintenance and Repair	%Capex/yr	1,0%	percentage on cumulative invested CAPEX
Personnel Insurances	%Opex/yr	10,0%	percentage on annual manpower costs
Well Blowout, Facilities Insurance	%Capex/yr	5,0%	percentage on annual investment costs
Variable Operating Costs			
Liquids Processing cost	USD/bbl	1,25	also as 3rd party processing (set Capex=0)
Liquids Shipping Cost	USD/bbl	3,00	also as trucking cost (set P/L Capex=0)
Liquids Storage cost	USD/bbl	0,50	also as 3rd party processing (set Capex=0)
Gas Processing cost	USD/Bscf	0,00	also as 3rd party processing (set Capex=0)
Water Disposal Cost	USD/bbl	0,27	
Gas Compr/Inject Cost	USD/Bscf	0,00	set zero, if all own use (or power generation)
Sales Revenue			
Liquids Price	USD/bbl	77,00	Oil (or Condensate for Gas Case)
Liquids Price Escalation	[%/yr]	2,0%	
Gas Price	USD/Mscf	7,70	
Gas Price Escalation	[%/yr]	1,5%	

petroleum projects management

Concession:	Niton Prospect		Alberta Tax & Royalty License Model
Licensee:	AustroCan Petroleum Inc		750,000 STB Reserves Case (2 wells)

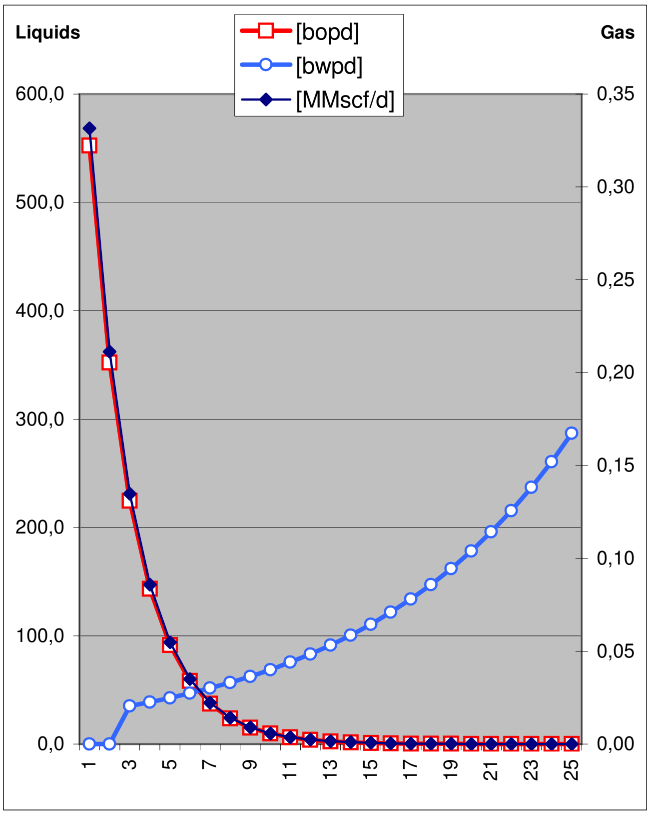
Oil Case:	x	(identify with "x")		
	Oil Density	40,0	[°API]	
	Oil Density	0,825	[sp.gr]	
	Oil Quality	sweet	[sweet-sour]	
	Oil Marker Crude	Brent		
	Differential to Marker	1,0	[+/- USD]	Quality Differential (plus or minus)
	Gas-Oil-Ratio	600	[scft/bbl]	
	Init Well Prod Rate	650	[Qi, bopd]	
	Prod Decline Rate	25,0%	[%/yr]	Yearly Percentage Decline
	Well Uptime	85,0%	[%/yr]	Accounts for Workovers, P-Measurements etc

Dry Gas Case:		(identify with "x")		
	Condensate Yield	9,0	[bbl/MMscf]	
	Condensate Density	55,0	[°API]	
	Oil Density	0,759	[sp.gr]	
	Init Well Prod Rate	2,0	[Qi, MMscf/d]	
	Prod Decline Rate	19,0%	[%/yr]	Yearly Percentage Decline
	Well Uptime	95,0%	[%/yr]	Accounts for Workovers, P-Measurements etc
	Processing Losses	3,0%	[vol%]	Volume Loss (Own Use & Consumption)

Reservoir:			
	Reservoir Pressure	8.000	[psi]
	Reservoir Temperature	270	[°F]
	Water Breakthrough	3	[in year]
	Reservoir Pressure	565,4	[bar]
	Reservoir Temperature	212,4	[°C]

Case = Oil

Well Performance	[MMscf/d]	[bopd]	[bwpd]
year = 1	0,33	552,5	0,00
2	0,21	352,2	0,00
3	0,13	224,5	35,22
4	0,09	143,1	38,74
5	0,05	91,3	42,62
6	0,03	58,2	46,88
7	0,02	37,1	51,57
8	0,01	23,6	56,73
9	0,01	15,1	62,40
10	0,01	9,6	68,64
11	0,00	6,1	75,50
12	0,00	3,9	83,05
13	0,00	2,5	91,36
14	0,00	1,6	100,49
15	0,00	1,0	110,54
16	0,00	0,6	121,60
17	0,00	0,4	133,76
18	0,00	0,3	147,13
19	0,00	0,2	161,84
20	0,00	0,1	178,03
21	0,00	0,1	195,83
22	0,00	0,0	215,41
23	0,00	0,0	236,96
24	0,00	0,0	260,65
25	0,00	0,0	286,72



Concession:	Niton Prospect
Licensee:	AustroCan Petroleum Inc

Alberta Tax & Royalty License Model
750,000 STB Reserves Case (2 wells)

Life-of-Field Table

petroleum projects management

			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Year		**2008**	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Schedule CAPEX:		*Totals*																									
G+G Studies	[nr]	4	2	2																							
Infrastructure Development	[units]	5	5																								
2-D Seismic Data Acq (incl Proc/Inter)	[km]	0																									
3-D Seismic Data Acq (incl Proc/Inter)	[km2]	50		50																							
Explor Well(s) dry - (drilled/abandoned)	[nr]	0																									
Explor Well(s) **discovery** (drilled/cased)	[nr]	1		1																							
Development Well(s)	[nr]	1			1																						
Artificial Lift (all production wells)	[fract]	1				1																					
Oil Processing Facilities	[fract]	1			1,00																						
Oil Export (Pipeline, Loading Gentry)	[fract]	1			1,00																						
Gas Processing Facilities	[fract]	1			1,00																						
Gas Compr, Export Pipeline (or Inj)	[fract]	1			1,00																						
Water Disposal Facilities	[fract]	1			1,00																						
Schedule OPEX:																											
Personnel (office)	[nr]	4	2	4	4	4	4	4	4	4	2	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1
Personnel (field)	[nr]	4	0	4	4	4	4	4	4	4	4	4	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2
CAPEX:																											
G+G Studies	[MMUSD]	0,20	0,100	0,100	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Infrastructure Development	[MMUSD]	0,08	0,075	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
2-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
3-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	1,50	0,000	1,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) dry - (drilled/abandoned)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) discovery - (drilled/cased)	[MMUSD]	2,70	0,000	2,700	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Development Well(s)	[MMUSD]	2,72	0,000	0,000	2,720	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Artificial Lift (all production wells)	[MMUSD]	0,50	0,000	0,000	0,000	0,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing, Storage Facilities	[MMUSD]	0,54	0,000	0,000	0,540	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Export (P/L, Loading Gentry)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing Facilities	[MMUSD]	0,09	0,000	0,000	0,090	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Compr, Export Pipeline (or Inj)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Facilities	[MMUSD]	0,02	0,000	0,000	0,020	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total CAPEX	[MMUSD]	**8,35**	0,175	4,300	3,370	0,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Cumulated CAPEX	[MMUSD]		0,2	4,5	7,8	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3	8,3
OPEX:																											
License Area Rental	[MMUSD]	0,02	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001	0,001
Personnel (Expat)	[MMUSD]	5,80	0,200	0,400	0,400	0,400	0,400	0,400	0,400	0,400	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,100	0,100	0,100	0,100	0,100	0,100
Personnel (Local)	[MMUSD]	5,10	0,000	0,300	0,300	0,300	0,300	0,300	0,300	0,300	0,300	0,300	0,225	0,225	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150
Well Workovers	[MMUSD]	4,70	0,000	0,100	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200	0,200
Maintenance and Repair	[MMUSD]	1,96	0,002	0,045	0,078	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083	0,083
Personnel Insurance	[MMUSD]	1,09	0,020	0,070	0,070	0,070	0,070	0,070	0,070	0,070	0,050	0,050	0,043	0,043	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,025	0,025	0,025	0,025	0,025	0,025
Well and Facilities Insurance	[MMUSD]	0,42	0,009	0,215	0,169	0,025	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing cost	[MMUSD]	0,96	0,000	0,000	0,258	0,243	0,168	0,107	0,068	0,043	0,028	0,018	0,011	0,007	0,005	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Shipping Cost	[MMUSD]	2,31	0,000	0,000	0,619	0,584	0,403	0,257	0,164	0,104	0,066	0,042	0,027	0,017	0,011	0,007	0,004	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Storage cost	[MMUSD]	0,39	0,000	0,000	0,103	0,097	0,067	0,043	0,027	0,017	0,011	0,007	0,005	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Cost	[MMUSD]	0,47	0,000	0,000	0,000	0,003	0,007	0,008	0,009	0,010	0,011	0,012	0,013	0,014	0,016	0,017	0,019	0,021	0,023	0,025	0,028	0,030	0,033	0,037	0,041	0,045	0,049
Gas Compr/Inject Cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total OPEX	[MMUSD]	**23,22**	0,231	1,131	2,198	2,007	1,699	1,469	1,322	1,229	0,950	0,913	0,807	0,793	0,702	0,698	0,695	0,695	0,695	0,696	0,698	0,590	0,593	0,596	0,600	0,604	0,608
Cumulated OPEX	[MMUSD]		0,2	1,4	3,6	5,6	7,3	8,7	10,1	11,3	12,2	13,1	14,0	14,8	15,5	16,1	16,8	17,5	18,2	18,9	19,6	20,2	20,8	21,4	22,0	22,6	23,2
Field Production Performance:																											
Sales Gas	Bscf	0,456	0,000	0,000	0,120	0,120	0,078	0,050	0,032	0,020	0,013	0,008	0,005	0,003	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	MMSTB	0,771	0,000	0,000	0,206	0,195	0,134	0,086	0,055	0,035	0,022	0,014	0,009	0,006	0,004	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Formation Water	MMbbls	1,740	0,000	0,000	0,000	0,012	0,027	0,030	0,033	0,036	0,040	0,043	0,048	0,053	0,058	0,064	0,070	0,077	0,085	0,093	0,103	0,113	0,124	0,136	0,150	0,165	0,182

Concession:	Niton Prospect
Licensee:	AustroCan Petroleum Inc

Alberta Tax & Royalty License Model
750,000 STB Reserves Case (2 wells)

Project Economics

petroleum projects management

			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Year		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Field Production Performance:		*Totals*																									
Sales Gas	*Bscf*	*0,456*	0,000	0,000	0,120	0,120	0,078	0,050	0,032	0,020	0,013	0,008	0,005	0,003	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	*MMSTB*	*0,771*	0,000	0,000	0,206	0,195	0,134	0,086	0,055	0,035	0,022	0,014	0,009	0,006	0,004	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Pricing:																											
Gas Sales Price	*USD/Mscf*		**7,70**	7,82	7,93	8,05	8,17	8,30	8,42	8,55	8,67	8,80	8,94	9,07	9,21	9,34	9,48	9,63	9,77	9,92	10,07	10,22	10,37	10,53	10,68	10,84	11,01
Liquids Sales Price	*USD/STB*		**77,00**	78,54	80,11	81,71	83,35	85,01	86,71	88,45	90,22	92,02	93,86	95,74	97,65	99,61	101,60	103,63	105,70	107,82	109,97	112,17	114,42	116,71	119,04	121,42	123,85
Alberta Royalty																											
AB Royalty Liquids	*%*		22,8%	23,3%	50,0%	50,0%	50,0%	50,0%	50,0%	47,7%	42,8%	35,6%	29,4%	28,7%	29,3%	29,9%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
AB Royalty Liquids	*MMUSD*	*31*	0,0	0,0	8,3	7,9	5,6	3,6	2,4	1,5	0,9	0,5	0,2	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Alberta Royalty Gas	*%*		10,8%	11,2%	11,5%	11,9%	12,2%	12,5%	12,9%	13,2%	13,5%	13,9%	14,2%	14,6%	15,0%	15,3%	15,7%	16,1%	16,5%	16,9%	17,3%	17,7%	18,1%	18,5%	18,9%	19,4%	19,8%
Alberta Royalty Gas	*MMUSD*	*0*	0,0	0,0	0,1	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
AB Royalty Total	*MMUSD*		0,0	0,0	8,4	8,1	5,7	3,7	2,4	1,5	0,9	0,5	0,3	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Gross Revenues:																											
Gas Gross Revenues	*MMUSD*	*3,7*	0,0	0,0	1,0	1,0	0,6	0,4	0,3	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Liquids Gross Revenues	*MMUSD*	*64,4*	0,0	0,0	16,5	15,9	11,2	7,3	4,7	3,1	2,0	1,3	0,8	0,5	0,4	0,2	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total Gross Revenues	*MMUSD*	*68,1*	0,0	0,0	17,5	16,9	11,8	7,7	5,0	3,2	2,1	1,4	0,9	0,6	0,4	0,2	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total Net Revenues	*MMUSD*	*36,4*	0,0	0,0	9,1	8,8	6,2	4,0	2,6	1,8	1,2	0,9	0,6	0,4	0,3	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Capex and Opex:																											
Capital Expenditures	*MMUSD*	*8,3*	0,2	4,3	3,4	0,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Operating Expenditures	*MMUSD*	*23,2*	0,2	1,1	2,2	2,0	1,7	1,5	1,3	1,2	1,0	0,9	0,8	0,8	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,6
Abandonment Accrual	*MMUSD*	*0,5*	0,0	0,1	0,1	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total Capex+Opex	*MMUSD*	*32,1*	0,4	5,5	5,7	2,6	1,8	1,6	1,3	1,2	1,0	0,9	0,8	0,8	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,6
Payout and Interest																											
Cum Net Revenues	*MMUSD*		0,0	0,0	9,1	17,9	24,1	28,1	30,7	32,4	33,7	34,6	35,2	35,6	35,9	36,1	36,2	36,2	36,3	36,3	36,3	36,4	36,4	36,4	36,4	36,4	36,4
Cum Expenditures (incl Capex Uplift)	*MMUSD*		0,4	5,8	11,4	13,9	15,6	17,1	18,4	19,6	20,6	21,5	22,3	23,1	23,8	24,5	25,2	25,9	26,6	27,3	28,0	28,6	29,2	29,8	30,4	31,0	31,6
Working Interest	*%*		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Paying Interest (incl Carried Interest)	*%*		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Company Interests																											
Company Net Revenues	*MMUSD*	*36,4*	0,0	0,0	9,1	8,8	6,2	4,0	2,6	1,8	1,2	0,9	0,6	0,4	0,3	0,2	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Expenditures	*MMUSD*	*32,1*	0,4	5,5	5,7	2,6	1,8	1,6	1,3	1,2	1,0	0,9	0,8	0,8	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,6
Company Cash Flow	*MMUSD*	*4,3*	-0,4	-5,5	3,4	6,2	4,4	2,4	1,3	0,5	0,3	0,0	-0,2	-0,4	-0,4	-0,5	-0,6	-0,6	-0,6	-0,7	-0,7	-0,6	-0,6	-0,6	-0,6	-0,6	-0,6
Company Cash Flow (Cumulative)	*MMUSD*		-0,4	-5,9	-2,5	3,7	8,1	10,5	11,8	12,3	12,6	12,6	12,4	12,0	11,6	11,1	10,5	9,9	9,2	8,5	7,9	7,3	6,7	6,1	5,5	4,9	4,3
Company CF (Truncated Yrly CF)	*MMUSD*		-0,4	-5,5	3,4	6,2	4,4	2,4	1,3	0,5	0,3										-0,7						
Company CF (Truncated Cum CF)	*MMUSD*		-0,4	-5,5	3,4	6,2	4,4	2,4	1,3	0,5	0,3	0,0	-0,2	-0,4	-0,4	-0,5	-0,6	-0,6	-0,6	-0,7	-0,7	-0,6	-0,6	-0,6	-0,6	-0,6	

Cells in Green are Varied for Spider Diagram

Economic Indicators

		Net Present Values [MMUSD]					IRR
		5%	10%	15%	20%	25%	
Company (full period)	*MMUSD*	6,0	5,5	4,5	3,5	2,7	60%
Comp (truncated for yearly CF<0)	*MMUSD*	8,9	6,7	5,1	3,8	2,8	60%
Comp (truncated for cumul CF<0)	*MMUSD*	6,1	5,5	4,5	3,6	2,7	60%
JV Partner (Full Period)							
Government	*MMUSD*	25,0	20,1	16,4	13,6	11,4	

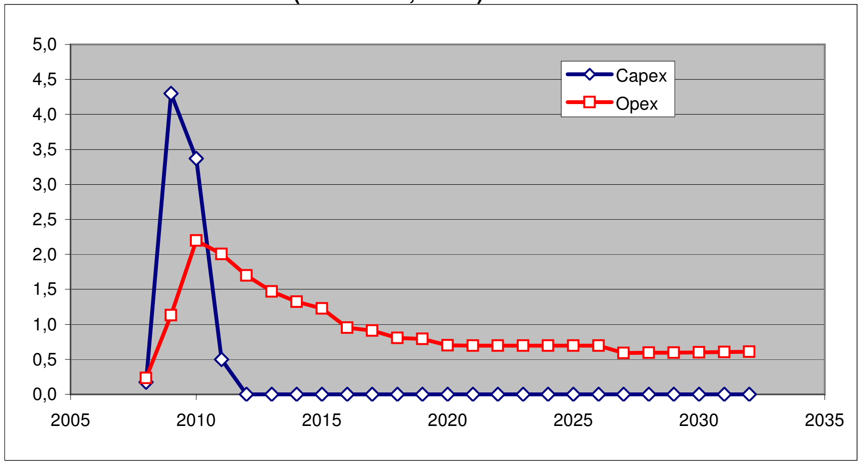
Benchmarks

Gas	Liquids	
[USD/Bcf]	[USD/STB]	
70,4	41,6	Finding Costs
18,3	10,8	Finding and Devlopment Costs
51,0	30,1	Unit Cost of Production

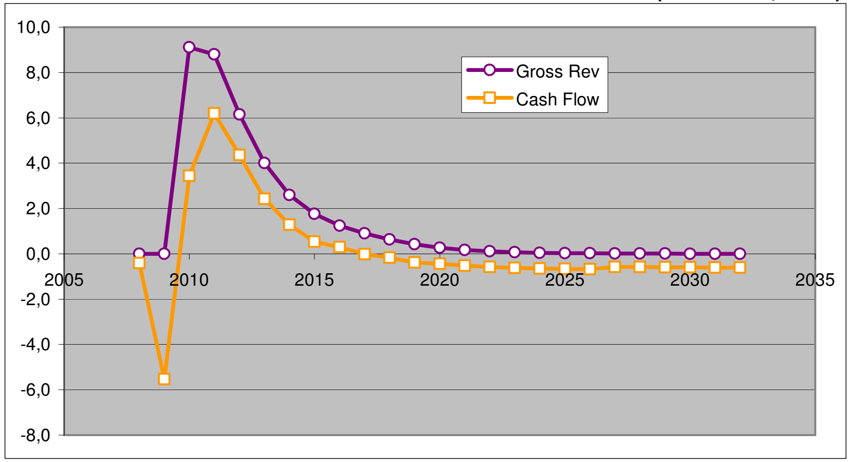
Concession:	**Niton Prospect**
Licensee:	**AustroCan Petroleum Inc**

Alberta Tax & Royalty License Model
750,000 STB Reserves Case (2 wells)

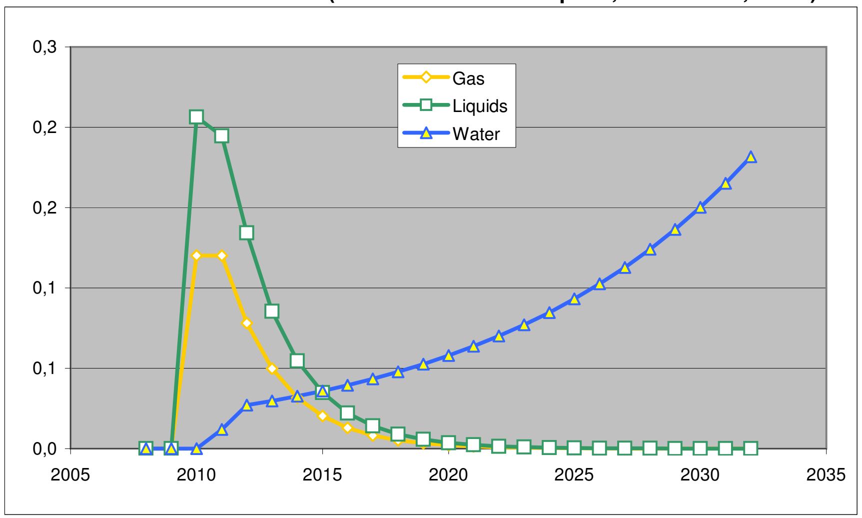
CAPEX and OPEX Streams (in MMUSD; 100%)



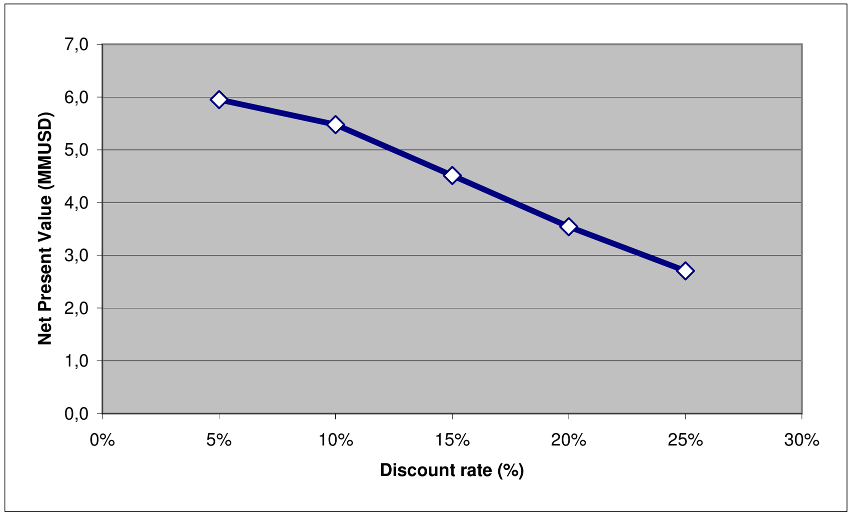
Gross Revenue and Cash Flow (in MMUSD; WI %)



Field Production Performance (annual MMSTB for Liquids; Bcf for Gas; 100%)



Net Present Values (in MMUSD; WI %)



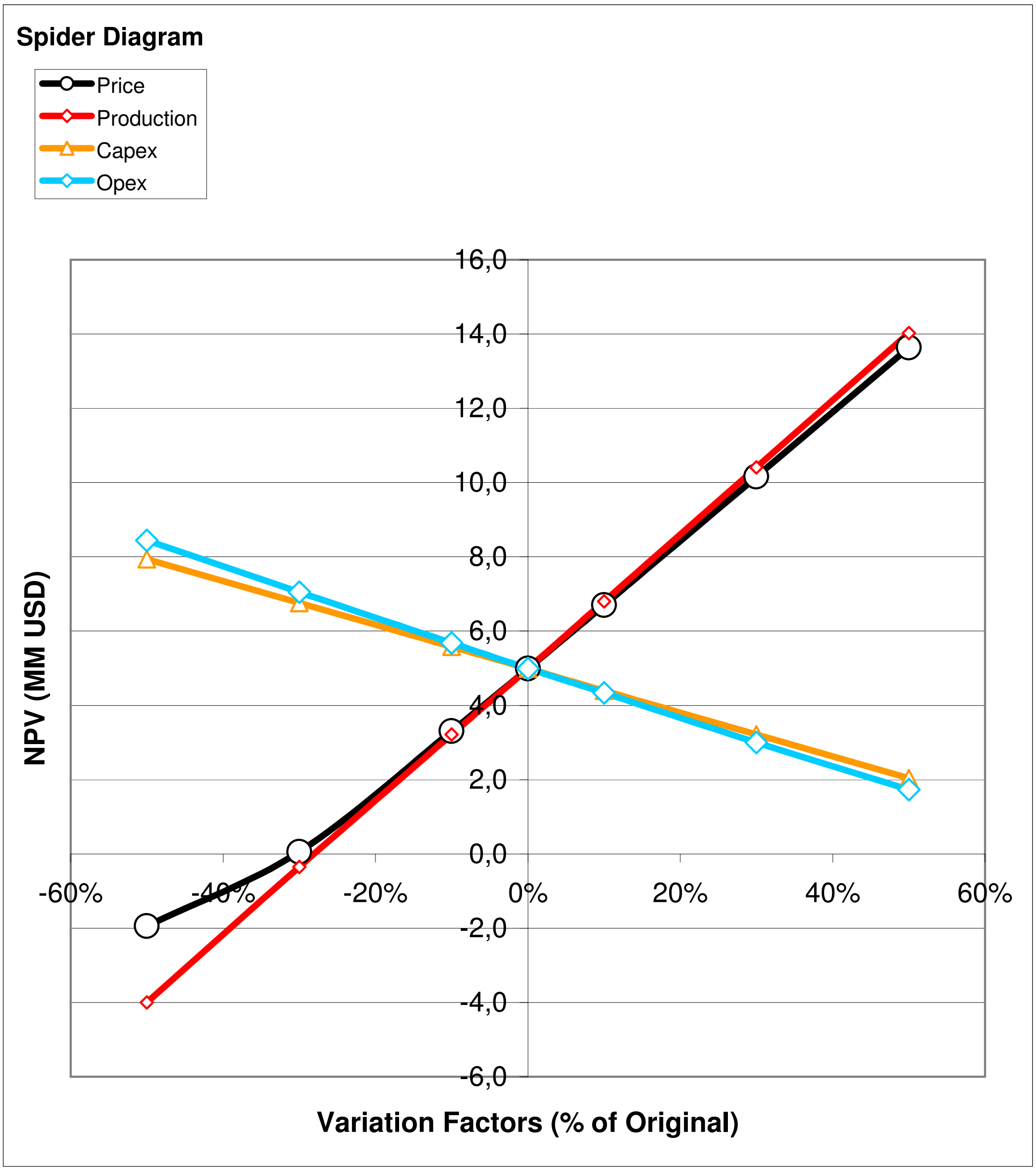
petroleum projects management

Concession:	**Niton Prospect**
Licensee:	**AustroCan Petroleum Inc**

Alberta Tax & Royalty License Model
750,000 STB Reserves Case (2 wells)

Net Present Values at Discount Rate of:	**15%**	(truncated run)

Factor	-50%	-30%	-10%	0%	10%	30%	50%	*[%]*
Production	-4,0	-0,4	3,2	5,0	6,8	10,4	14,0	*[MMUSD]*
Price	-1,9	0,1	3,3	5,0	6,7	10,2	13,6	*[MMUSD]*
Capex	7,9	6,8	5,6	5,0	4,4	3,2	2,0	*[MMUSD]*
Opex	8,4	7,1	5,7	5,0	4,3	3,0	1,7	*[MMUSD]*



Probabilistic Reserves Assessment

Monte Carlo Simulation

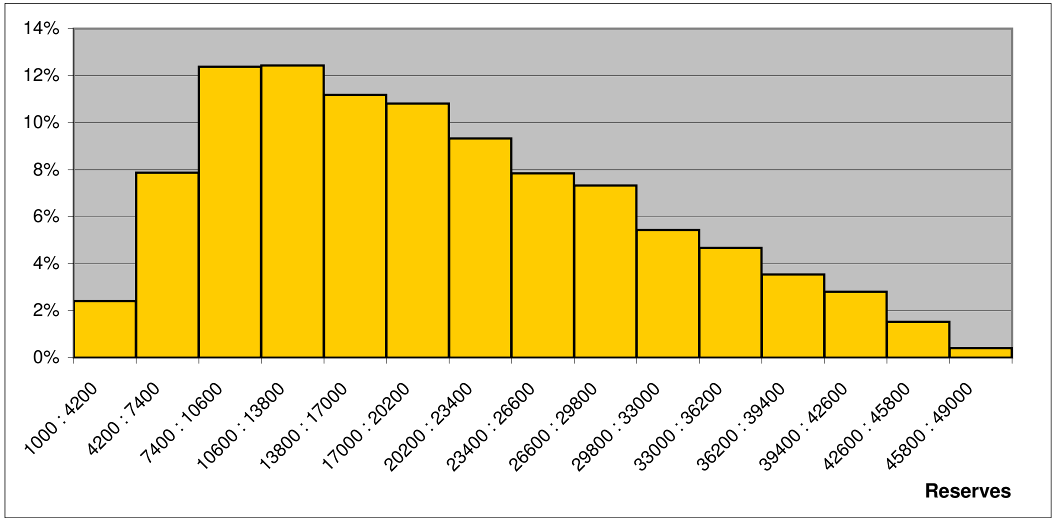
Ver-00.1 (Mar-08)

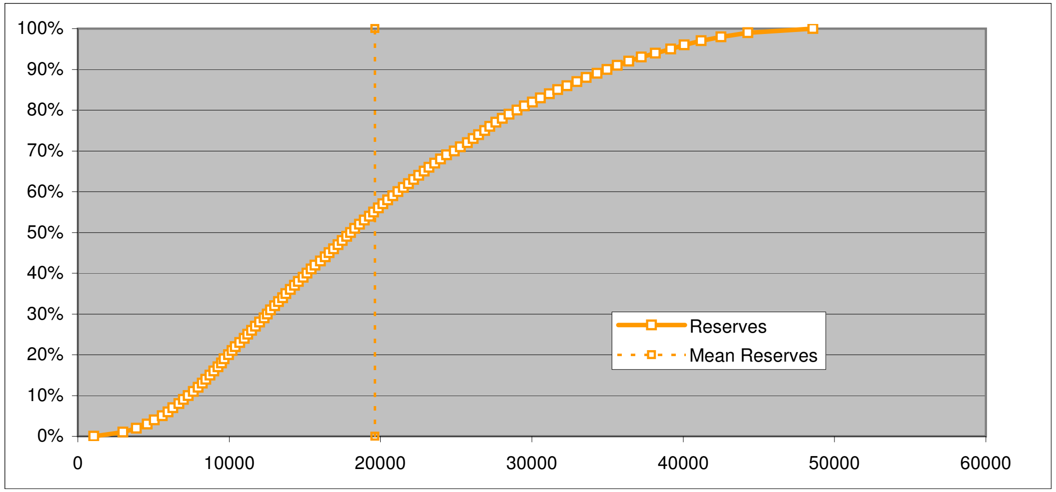
Country	**Canada, Yukon**
License	**Peel Plateau**
Licencee	**Austrocan Petroleum Inc**
Formation	**Devonian/Silurian Dolomite**
Prospect	**Notional**
Depth	**3,300 m**

Parameter	Units	Variation Min	Variation Median	Variation Max
Area	*[km2]*	0,70	1,50	3,00
Gross Formation Thickness	*[m]*	45,00	90,00	150,00
Net-Gross Ratio	*[fract]*	0,50	0,75	0,80
Shape Factor (Trapezoid)	*[fract]*	0,50	0,80	0,95
Porosity	*[%]*	5,50	6,50	7,50
Gas Saturation	*[%]*	65,00	70,00	75,00
Gas Form Vol Fact	*[vol/vol]*	380	410	450
Gas Initially in Place (GIIP)	***[MM m3]***	**1.346**	**11.886**	**57.341**
Recovery Factor	*[%]*	70,00	80,00	85,00
Ultimate Recovery	*[MM m3]*	942	9.508	48.740

Monte Carlo Results	Units	P10	P50	P90
Unrisked Reserves	*[MM m3]*	**7.298**	**18.031**	**34.978**
Source	*[fract]*	0,50	0,50	0,50
Reservoir	*[fract]*	0,40	0,40	0,40
Trap and Seal	*[fract]*	0,50	0,50	0,50
Migration	*[fract]*	0,30	0,30	0,30
Prob of Success (Geol)	***[fract]***	***0,03***	***0,03***	***0,03***
Risked Reserves	***[MM m3]***	**219**	**541**	**1.049**
Risked Reserves	***[Bcf]***	**8**	**20**	**39**

Statistical Indicators:		
Avg Reserves	*[MM m3]*	19.637
Standard Deviation	*[MM m3]*	10.351
Standard Error	*[MM m3]*	104
Maximum	*[MM m3]*	48.583





Concession:	Peel Lead	Yukon Tax & Royalty License Model
Licensee:	AustroCan Petroleum Inc	20 Bcf Reserves Case (4 wells)

Contract Terms:	Term	25	[years]	duration of License Agreement
	License Area	395	[km2]	lease rental

JV Terms:	Equity	100,0%	[%]	Working Interest Before Earning (paying interest)
	Equity	100,0%	[%]	Working Interest after Earning
	Partner Equity	0,0%	[%]	WI before Earning
	Partner Equity	0,0%	[%]	WI after Earning
	Farm-in Consideration	0,00	[MMUSD]	payable to JV Partner upon novation
	Carried Interest	0,0%	[%]	of Capital Expenditures
	Gross Overriding Royalty	0,0%	[%]	from WI after earning
	Net Profits Interest	0,0%	[%]	during CF positive periods
	Payout Multiplier	1,00	[%]	for Capex *(100%=no multiplier)*

Yukon Royalty Framework (08-Feb-08)

Oil and Liquids		CAD/m3	CAD/STB		**Crude Oil** and **Condensate**
Select Price	SP	450	71,93	77,00	= as in "Cost+Rev" Tab; this will be Par Price
	10,00%	Minimum Percentage		[%]	
	25,00%	Maximum Percentage		[%]	
Natural Gas		CAD/GJ	CAD/Mscf		**Natural Gas**
Select Price	SP	6,00	6,70	7,70	= as in "Cost+Rev" Tab; this will be Par Price
	10,00%	Minimum Percentage		[%]	
	25,00%	Maximum Percentage		[%]	

Depreciation and Taxation

Depreciation	Annual Depreciation		[%]	Capex Straight Line Depreciation
Taxation	Provincial Corporate Tax		[%]	
	Federal Corporate Tax		[%]	
	Past Cost (Rec'ble)	0,0	[MM USD]	as per agreement
	Abandonment	0,5	[MM USD]	accruals over a period of 5 yrs (tax deductible)

Comments:

formulas for determination of royalties R (in %) are in principle:

$$R\% = \frac{10*SP + 30*(PP-SP)}{PP}$$

whereby SP=Select Price and PP=Par Price (both beign set by the Yukon Division Head)
and Min=10% and Max=25%; both oil and gas, SP and PP will be inflated as per the "Cost+Revenue" tab inputs.

petroleum projects management

Concession:	**Peel Lead**	Yukon Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**	20 Bcf Reserves Case (4 wells)

	unit	unit cost	
Studies			
Geoscience / Eng Studies	*USD*	50.000	
Infrastructure			
Roads	*USD*	15.000	compile different mix of infrastructure costs depending on environment and topographical conditions; use units of mix in Life-of-Field Schedule
Offices	*USD*	0	
Communication	*USD*	0	
Power generation	*USD*	0	
Infrastructure (nominal unit costs)	*USD*	15.000	
Geological and Geophysical			
Seismic (2-D) Acquisition	*USD/km*	10.000	includes processing and interpretation
Seismic (3-D) Acquisition	*USD/km2*	30.000	includes processing and interpretation
Wells			
Exploration Well (d+a)	*USD*	6.500.000	includes access road, site preparation
Development Well (d+a)	*USD*	6.000.000	includes access road, site preparation
Well completion (for production)	*USD*	350.000	
Production well tie-in	*USD*	200.000	incl flowlines (4" approx)
Delay between Drlg & Tie-In	*yrs*	0,5	first year reduction of production (max=1)
Artificial lift installation	*USD*	0	first installation, carried out as campaign
Workover Costs (per well)	*USD*	250.000	to include artificial lift replacement, if applicable
Workover Frequency	*[1/year]*	0,2	workovers per each active well per year
Facilities			
Liquids Processing Facilities	*USD/bfpd*	850	incl Topping Plant, HP/LP Flare, Contr Room
Gas Processing Facilties	*USD/MMscfd*	250.000	Liquid K/O
Max Facilities Capacity	*[%]*	90,0%	in percent of max field capacity (plateau!)
Liquids Storage Capacity	*[days]*	1,0	Oil (or Condensate for Gas Case)
Liquids Storage	*USD/bbl*	11	Oil (or Condensate for Gas Case)
Water Disposal Facilities	*USD/bwpd*	50	Water treatment, injection pumps and pipeline
Liquids Export Pipeline	*[km]*	0	Oil (or Condensate for Gas Case)
Firefighting, SCADA	*USD*	0	
Pumping and Metering Stations	*USD*	0	Truck Loading Gentry, Weigh Station
Gas Export Pipeline	*[km]*	150	
Gas Compr Facility (Export/Inj)	*USD*	0	Gas Driven Power Gen
Fixed Operating Costs			
License Area Rental	*[USD/km2]*	55	
Personnel (Office)	*USD/person*	150.000	includes average travel expenditures
Personnel (Field)	*USD/person*	100.000	
Maintenance and Repair	*%Capex/yr*	1,0%	percentage on cumulative invested CAPEX
Personnel Insurances	*%Opex/yr*	10,0%	percentage on annual manpower costs
Well Blowout, Facilities Insurance	*%Capex/yr*	5,0%	percentage on annual investment costs
Variable Operating Costs			
Liquids Processing cost	*USD/bbl*	1,25	also as 3rd party processing (set Capex=0)
Liquids Shipping Cost	*USD/bbl*	3,00	also as trucking cost (set P/L Capex=0)
Liquids Storage cost	*USD/bbl*	0,50	also as 3rd party processing (set Capex=0)
Gas Processing cost	*USD/Bscf*	0,25	also as 3rd party processing (set Capex=0)
Water Disposal Cost	*USD/bbl*	0,27	
Gas Compr/Inject Cost	*USD/Bscf*	0,00	set zero, if all own use (or power generation)
Sales Revenue			
Liquids Price	*USD/bbl*	77,00	Oil (or Condensate for Gas Case)
Liquids Price Escalation	*[%/yr]*	2,0%	
Gas Price	*USD/Mscf*	7,70	
Gas Price Escalation	*[%/yr]*	1,5%	

Concession:	**Peel Lead**		Yukon Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		20 Bcf Reserves Case (4 wells)

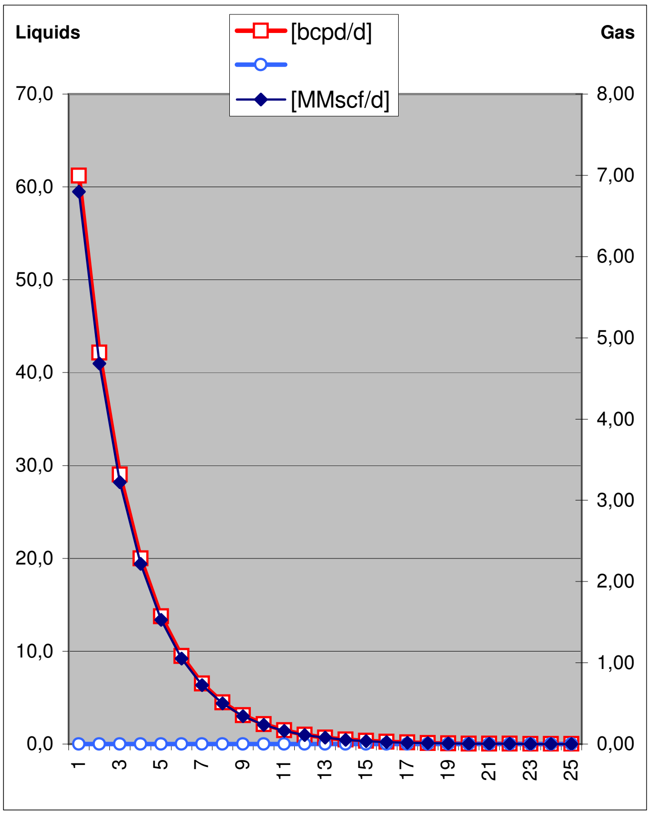
Oil Case:		**(identify with "x")**		
	Oil Density		[°API]	
	Oil Density	1,076	[sp.gr]	
	Oil Quality	sweet	[sweet-sour]	
	Oil Marker Crude	**Brent**		
	Differential to Marker		[+/- USD]	Quality Differential (plus or minus)
	Gas-Oil-Ratio		[scft/bbl]	
	Init Well Prod Rate		[Qi, bopd]	
	Prod Decline Rate		[%/yr]	Yearly Percentage Decline
	Well Uptime		[%/yr]	Accounts for Workovers, P-Measurements etc

Dry Gas Case:	x	**(identify with "x")**		
	Condensate Yield	9,0	[bbl/MMscf]	
	Condensate Density	55,0	[°API]	
	Oil Density	0,759	[sp.gr]	
	Init Well Prod Rate	8,0	[Qi, MMscf/d]	
	Prod Decline Rate	19,0%	[%/yr]	Yearly Percentage Decline
	Well Uptime	85,0%	[%/yr]	Accounts for Workovers, P-Measurements etc
	Processing Losses	3,0%	[vol%]	Volume Loss (Own Use & Consumption)

Reservoir:			
	Reservoir Pressure	8.000	[psi]
	Reservoir Temperature	270	[°F]
	Water Breakthrough	3	[in year]
	Reservoir Pressure	565,4	[bar]
	Reservoir Temperature	212,4	[°C]

Case = Dry Gas

Well Performance	[MMscf/d]	[bcpd/d]	
year = 1	6,80	61,2	0,00
2	4,68	42,1	0,00
3	3,22	29,0	0,00
4	2,22	20,0	0,00
5	1,53	13,8	0,00
6	1,05	9,5	0,00
7	0,72	6,5	0,00
8	0,50	4,5	0,00
9	0,34	3,1	0,00
10	0,24	2,1	0,00
11	0,16	1,5	0,00
12	0,11	1,0	0,00
13	0,08	0,7	0,00
14	0,05	0,5	0,00
15	0,04	0,3	0,00
16	0,03	0,2	0,00
17	0,02	0,2	0,00
18	0,01	0,1	0,00
19	0,01	0,1	0,00
20	0,01	0,1	0,00
21	0,00	0,0	0,00
22	0,00	0,0	0,00
23	0,00	0,0	0,00
24	0,00	0,0	0,00
25	0,00	0,0	0,00



Concession:	Peel Lead
Licensee:	AustroCan Petroleum Inc

Yukon Tax & Royalty License Model
20 Bcf Reserves Case (4 wells)

Life-of-Field Table

petroleum projects management

			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Year	Totals	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Schedule CAPEX:																											
G+G Studies	[nr]	10	5	5																							
Infrastructure Development	[units]	50		50																							
2-D Seismic Data Acq (incl Proc/Inter)	[km]	100		100																							
3-D Seismic Data Acq (incl Proc/Inter)	[km2]	100			100																						
Explor Well(s) dry - (drilled/abandoned)	[nr]	0																									
Explor Well(s) **discovery** (drilled/cased)	[nr]	1				1																					
Development Well(s)	[nr]	3					2	1																			
Artificial Lift (all production wells)	[fract]	0																									
Oil Processing Facilities	[fract]	1						1,00																			
Oil Export (Pipeline, Loading Gentry)	[fract]	1						1,00																			
Gas Processing Facilities	[fract]	1						1,00																			
Gas Compr, Export Pipeline (or Inj)	[fract]	1						1,00																			
Water Disposal Facilities	[fract]	0																									
Schedule OPEX:																											
Personnel (office)	[nr]	8	2	4	4	6	8	8	8	6	6	5	5	4	4	3	3	2	2	2	2	2	2	2	2	2	2
Personnel (field)	[nr]	10		1	4	8	8	10	8	8	6	6	5	5	4	4	4	4	4	3	3	3	2	2	2	2	2
CAPEX:																											
G+G Studies	[MMUSD]	0,50	0,250	0,250	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Infrastructure Development	[MMUSD]	0,75	0,000	0,750	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
2-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	1,00	0,000	1,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
3-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	3,00	0,000	0,000	3,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) dry - (drilled/abandoned)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) discovery - (drilled/cased)	[MMUSD]	6,85	0,000	0,000	0,000	6,850	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Development Well(s)	[MMUSD]	19,65	0,000	0,000	0,000	0,000	13,100	6,550	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Artificial Lift (all production wells)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing, Storage Facilities	[MMUSD]	0,12	0,000	0,000	0,000	0,000	0,000	0,120	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Export (P/L, Loading Gentry)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing Facilities	[MMUSD]	4,00	0,000	0,000	0,000	0,000	0,000	4,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Compr, Export Pipeline (or Inj)	[MMUSD]	21,00	0,000	0,000	0,000	0,000	0,000	21,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Facilities	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total CAPEX	[MMUSD]	56,87	0,250	2,000	3,000	6,850	13,100	31,670	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Cumulated CAPEX	[MMUSD]		0,3	2,3	5,3	12,1	25,2	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9	56,9
OPEX:																											
License Area Rental	[MMUSD]	0,54	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022	0,022
Personnel (Expat)	[MMUSD]	14,40	0,300	0,600	0,600	0,900	1,200	1,200	1,200	0,900	0,900	0,750	0,750	0,600	0,600	0,450	0,450	0,300	0,300	0,300	0,300	0,300	0,300	0,300	0,300	0,300	0,300
Personnel (Local)	[MMUSD]	10,80	0,000	0,100	0,400	0,800	0,800	1,000	0,800	0,800	0,600	0,600	0,500	0,500	0,400	0,400	0,400	0,400	0,400	0,300	0,300	0,300	0,200	0,200	0,200	0,200	0,200
Well Workovers	[MMUSD]	3,10	0,000	0,000	0,000	0,000	0,100	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150	0,150
Maintenance and Repair	[MMUSD]	11,82	0,003	0,023	0,053	0,121	0,252	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569	0,569
Personnel Insurance	[MMUSD]	2,52	0,030	0,070	0,100	0,170	0,200	0,220	0,200	0,170	0,150	0,135	0,125	0,110	0,100	0,085	0,085	0,070	0,070	0,060	0,060	0,060	0,050	0,050	0,050	0,050	0,050
Well and Facilities Insurance	[MMUSD]	2,84	0,013	0,100	0,150	0,343	0,655	1,584	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing cost	[MMUSD]	0,23	0,000	0,000	0,000	0,000	0,000	0,059	0,055	0,038	0,026	0,018	0,012	0,008	0,006	0,004	0,003	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Shipping Cost	[MMUSD]	0,56	0,000	0,000	0,000	0,000	0,000	0,142	0,132	0,091	0,062	0,043	0,030	0,020	0,014	0,010	0,007	0,005	0,003	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000
Liquids Storage cost	[MMUSD]	0,09	0,000	0,000	0,000	0,000	0,000	0,024	0,022	0,015	0,010	0,007	0,005	0,003	0,002	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing cost	[MMUSD]	5,22	0,000	0,000	0,000	0,000	0,000	1,313	1,218	0,839	0,577	0,398	0,274	0,188	0,130	0,089	0,062	0,042	0,029	0,020	0,014	0,010	0,007	0,005	0,003	0,002	0,001
Water Disposal Cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Compr/Inject Cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total OPEX	[MMUSD]	52,14	0,367	0,914	1,324	2,355	3,229	6,281	4,367	3,592	3,067	2,691	2,436	2,171	1,992	1,780	1,747	1,560	1,545	1,424	1,417	1,412	1,298	1,296	1,294	1,293	1,292
Cumulated OPEX	[MMUSD]		0,4	1,3	2,6	5,0	8,2	14,5	18,8	22,4	25,5	28,2	30,6	32,8	34,8	36,6	38,3	39,9	41,4	42,8	44,3	45,7	47,0	48,3	49,6	50,9	52,1
Field Production Performance:																											
Sales Gas	Bscf	20,253	0,000	0,000	0,000	0,000	0,000	5,094	4,726	3,254	2,240	1,542	1,062	0,731	0,503	0,347	0,239	0,164	0,113	0,078	0,054	0,037	0,025	0,018	0,012	0,008	0,006
Liquids (Oil or Condensate)	MMSTB	0,188	0,000	0,000	0,000	0,000	0,000	0,047	0,044	0,030	0,021	0,014	0,010	0,007	0,005	0,003	0,002	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Formation Water	MMbbls	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000

Concession:	**Peel Lead**																									
Licensee:	**AustroCan Petroleum Inc**																									

Yukon Tax & Royalty License Model
20 Bcf Reserves Case (4 wells)

Project Economics

petroleum projects management

			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Year		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Field Production Performance:		*Totals*																									
Sales Gas	*Bscf*	*20,253*	0,000	0,000	0,000	0,000	0,000	5,094	4,726	3,254	2,240	1,542	1,062	0,731	0,503	0,347	0,239	0,164	0,113	0,078	0,054	0,037	0,025	0,018	0,012	0,008	0,006
Liquids (Oil or Condensate)	*MMSTB*	*0,188*	0,000	0,000	0,000	0,000	0,000	0,047	0,044	0,030	0,021	0,014	0,010	0,007	0,005	0,003	0,002	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Pricing:																											
Gas Sales Price (Par Price - GPP)	*USD/Mscf*		**7,70**	7,82	7,93	8,05	8,17	8,30	8,42	8,55	8,67	8,80	8,94	9,07	9,21	9,34	9,48	9,63	9,77	9,92	10,07	10,22	10,37	10,53	10,68	10,84	11,01
Gas Select Price - GSP	*USD/Mscf*		**6,70**	6,80	6,91	7,01	7,12	7,22	7,33	7,44	7,55	7,67	7,78	7,90	8,02	8,14	8,26	8,38	8,51	8,63	8,76	8,90	9,03	9,16	9,30	9,44	9,58
Liquids Sales Price (Par Price - FPP)	*USD/STB*		**77,00**	78,54	80,11	81,71	83,35	85,01	86,71	88,45	90,22	92,02	93,86	95,74	97,65	99,61	101,60	103,63	105,70	107,82	109,97	112,17	114,42	116,71	119,04	121,42	123,85
Liquids Select Price - GSP	*USD/STB*		**71,93**	73,37	74,83	76,33	77,86	79,41	81,00	82,62	84,28	85,96	87,68	89,43	91,22	93,05	94,91	96,81	98,74	100,72	102,73	104,79	106,88	109,02	111,20	113,42	115,69
Yukon Royalty																											
Yukon Royalty Liquids	*%*		11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%	11,3%
Yukon Royalty Liquids	*MMUSD*	*1,898*	0,0	0,0	0,0	0,0	0,0	0,5	0,4	0,3	0,2	0,1	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Yukon Royalty Natural Gas	*%*		12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%	12,6%
Yukon Royalty Natural Gas	*MMUSD*	*21,930*	0,0	0,0	0,0	0,0	0,0	5,3	5,0	3,5	2,4	1,7	1,2	0,8	0,6	0,4	0,3	0,2	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0
Yukon Royalty Total	*MMUSD*	*23,829*	0,0	0,0	0,0	0,0	0,0	5,8	5,4	3,8	2,7	1,9	1,3	0,9	0,6	0,4	0,3	0,2	0,2	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0
Gross Revenues:																											
Gas Gross Revenues	*MMUSD*	*174,2*	0,0	0,0	0,0	0,0	0,0	42,3	39,8	27,8	19,4	13,6	9,5	6,6	4,6	3,2	2,3	1,6	1,1	0,8	0,5	0,4	0,3	0,2	0,1	0,1	0,1
Liquids Gross Revenues	*MMUSD*	*16,8*	0,0	0,0	0,0	0,0	0,0	4,0	3,8	2,7	1,9	1,3	0,9	0,6	0,5	0,3	0,2	0,2	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0
Total Gross Revenues	*MMUSD*	*191,0*	0,0	0,0	0,0	0,0	0,0	46,3	43,6	30,5	21,3	14,9	10,4	7,3	5,1	3,6	2,5	1,7	1,2	0,9	0,6	0,4	0,3	0,2	0,1	0,1	0,1
Total Net Revenues	*MMUSD*	*167,2*	0,0	0,0	0,0	0,0	0,0	40,5	38,2	26,7	18,6	13,0	9,1	6,4	4,5	3,1	2,2	1,5	1,1	0,7	0,5	0,4	0,3	0,2	0,1	0,1	0,1
Capex and Opex:																											
Capital Expenditures	*MMUSD*	*56,9*	0,3	2,0	3,0	6,9	13,1	31,7	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Operating Expenditures	*MMUSD*	*52,1*	0,4	0,9	1,3	2,4	3,2	6,3	4,4	3,6	3,1	2,7	2,4	2,2	2,0	1,8	1,7	1,6	1,5	1,4	1,4	1,4	1,3	1,3	1,3	1,3	1,3
Abandonment Accrual	*MMUSD*	*0,5*	0,0	0,0	0,0	0,1	0,1	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total Capex+Opex	*MMUSD*	*109,5*	0,6	2,9	4,3	9,3	16,4	38,1	4,5	3,7	3,1	2,7	2,4	2,2	2,0	1,8	1,7	1,6	1,5	1,4	1,4	1,4	1,3	1,3	1,3	1,3	1,3
Payout and Interest																											
Cum Net Revenues	*MMUSD*		0,0	0,0	0,0	0,0	0,0	40,5	78,7	105,3	124,0	137,0	146,1	152,5	157,0	160,1	162,3	163,8	164,8	165,6	166,1	166,5	166,7	166,9	167,0	167,1	167,2
Cum Expenditures (incl Capex Uplift)	*MMUSD*		0,6	3,5	7,9	17,1	33,4	71,3	75,7	79,3	82,4	85,1	87,5	89,7	91,7	93,4	95,2	96,7	98,3	99,7	101,1	102,5	103,8	105,1	106,4	107,7	109,0
Working Interest	*%*		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Paying Interest (incl Carried Interest)	*%*		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Company Interests																											
Company Net Revenues	*MMUSD*	*167,2*	0,0	0,0	0,0	0,0	0,0	40,5	38,2	26,7	18,6	13,0	9,1	6,4	4,5	3,1	2,2	1,5	1,1	0,7	0,5	0,4	0,3	0,2	0,1	0,1	0,1
Expenditures	*MMUSD*	*109,5*	0,6	2,9	4,3	9,3	16,4	38,1	4,5	3,7	3,1	2,7	2,4	2,2	2,0	1,8	1,7	1,6	1,5	1,4	1,4	1,4	1,3	1,3	1,3	1,3	1,3
Company Cash Flow	*MMUSD*	*57,7*	-0,6	-2,9	-4,3	-9,3	-16,4	2,4	33,7	23,0	15,6	10,3	6,7	4,2	2,5	1,3	0,4	0,0	-0,5	-0,7	-0,9	-1,0	-1,0	-1,1	-1,2	-1,2	-1,2
Company Cash Flow (Cumulative)	*MMUSD*		-0,6	-3,5	-7,9	-17,2	-33,6	-31,1	2,5	25,5	41,1	51,5	58,1	62,3	64,8	66,1	66,6	66,5	66,0	65,4	64,5	63,4	62,4	61,3	60,1	58,9	57,7
Company CF (Truncated Yrly CF)	*MMUSD*		-0,6	-2,9	-4,3	-9,3	-16,4	2,4	33,7	23,0	15,6	10,3	6,7	4,2	2,5	1,3	0,4					-1,0					
Company CF (Truncated Cum CF)	*MMUSD*		-0,6	-2,9	-4,3	-9,3	-16,4	2,4	33,7	23,0	15,6	10,3	6,7	4,2	2,5	1,3	0,4	0,0	-0,5	-0,7	-0,9	-1,0	-1,0	-1,1	-1,2	-1,2	

Cells in Green are Varied for Spider Diagram

Economic Indicators

		Net Present Values [MMUSD]					IRR
		5%	10%	15%	20%	25%	**IRR**
Company (full period)	*MMUSD*	35,5	20,9	11,6	5,7	2,0	29%
Comp (truncated for yearly CF<0)	*MMUSD*	38,2	21,8	11,9	5,8	2,0	29%
Comp (truncated for cumul CF<0)	*MMUSD*	35,9	21,0	11,6	5,7	2,0	29%
JV Partner (Full Period)							
Government	*MMUSD*	15,9	10,9	7,7	5,6	4,1	

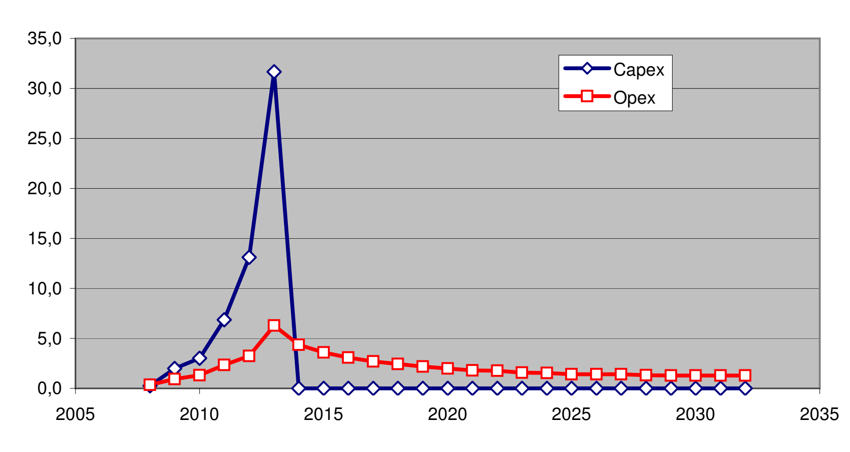
Benchmarks

Gas	Liquids	
[USD/Bcf]	[USD/STB]	
5,4	582,8	Finding Costs
2,8	302,6	Finding and Devlopment Costs
2,6	277,5	Unit Cost of Production

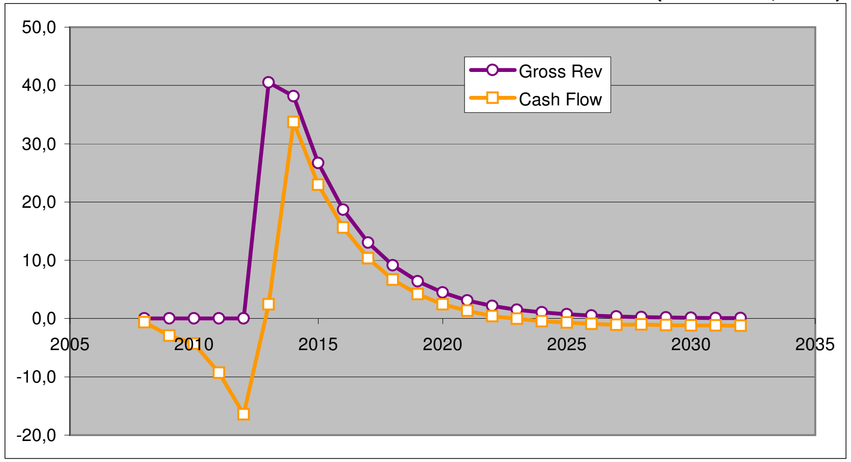
Concession:	Peel Lead
Licensee:	AustroCan Petroleum Inc

Yukon Tax & Royalty License Model
20 Bcf Reserves Case (4 wells)

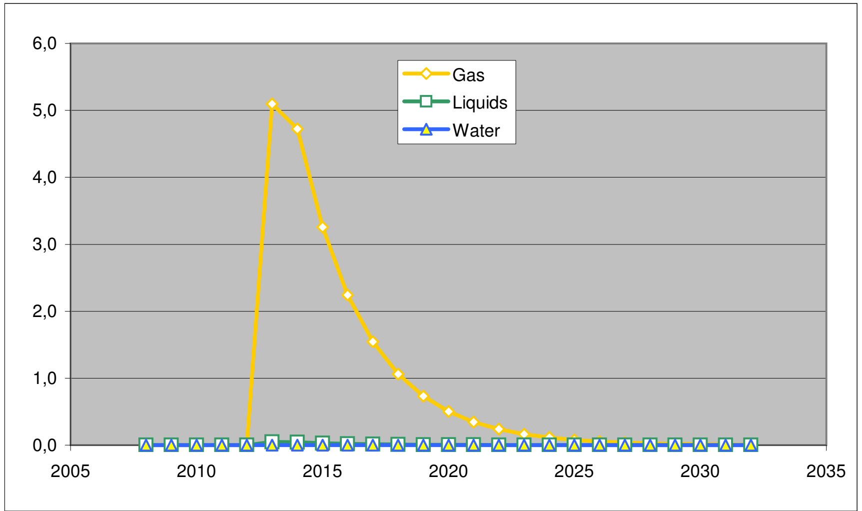
CAPEX and OPEX Streams (in MMUSD; 100%)



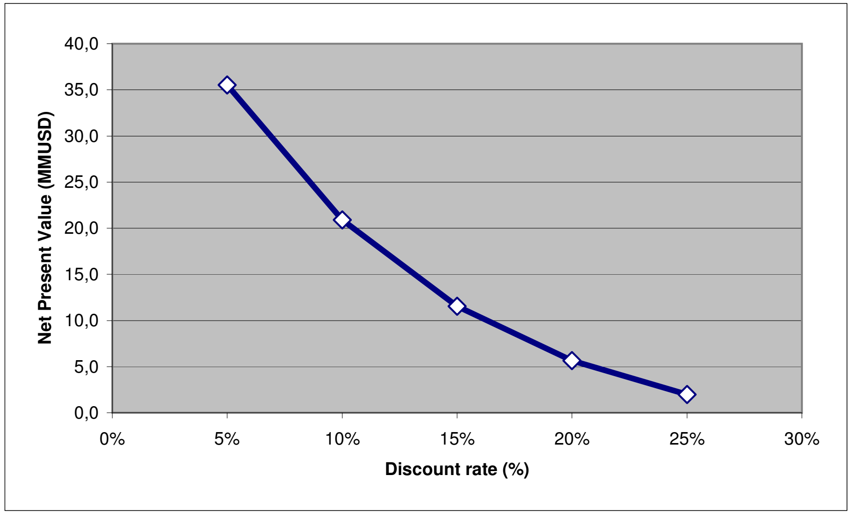
Gross Revenue and Cash Flow (in MMUSD; WI %)



Field Production Performance (annual MMSTB for Liquids; Bcf for Gas; 100%)



Net Present Values (in MMUSD; WI %)

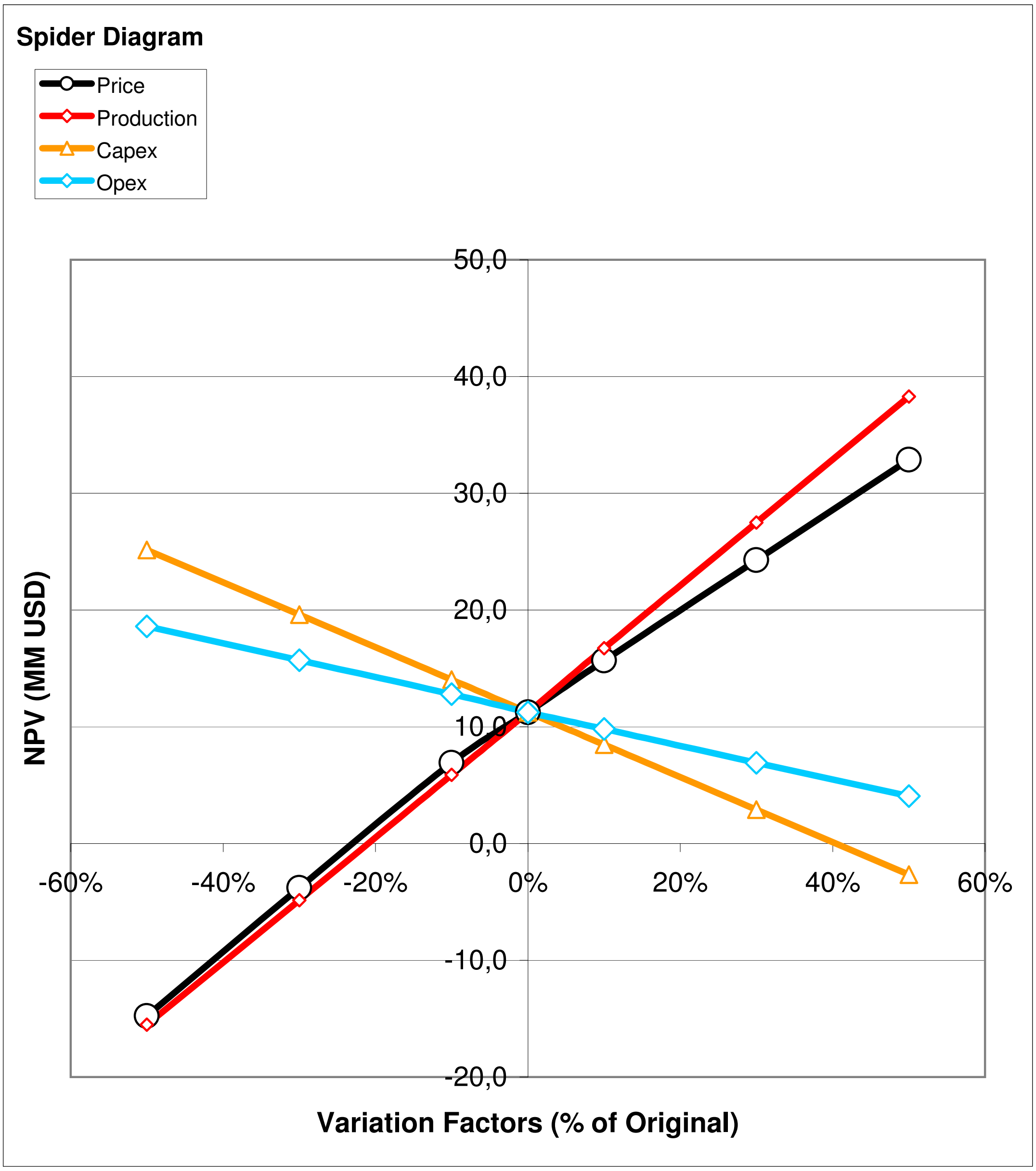


Concession:	Peel Lead
Licensee:	AustroCan Petroleum Inc

Yukon Tax & Royalty License Model
20 Bcf Reserves Case (4 wells)

Net Present Values at Discount Rate of:	15%	(truncated run)

Factor	-50%	-30%	-10%	0%	10%	30%	50%	[%]
Production	-15,5	-4,8	5,9	11,2	16,7	27,5	38,3	[MMUSD]
Price	-14,8	-3,8	6,9	11,2	15,7	24,3	32,9	[MMUSD]
Capex	25,2	19,6	14,0	11,2	8,5	2,9	-2,7	[MMUSD]
Opex	18,6	15,7	12,8	11,2	9,8	6,9	4,1	[MMUSD]



AustroCan Petroleum Inc
Asset Assessment – Argentina

Production Licenses

Pampa Verdun and
Sierra del Carril

and Exploration Licenses

Aguada de Cordoba,
Meseta Baya,
General Conesa and
El Cuy

Final Ver-02
Strictly Confidential
Date: 29-Mar-2008
PPM Report: 7896 - 2008

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Legal Disclaimer

This report was compiled for AustroCan Petroleum Corporation ("AustroCan") based on presently available and limited amount of data and information, most of which was available only in Spanish. Petroprom d.o.o. ("Petroprom") has exerted its best endeavors within the given limitations to provide to AustroCan a comprehensive and encompassing asset assessment ("Asset Assessment Report") on the hydrocarbon resources and reserves associated with the licenses, participation terms and conditions, and fiscal terms of the country, as provided and disclosed by and through AustroCan.

Petroprom is not in a position to provide to AustroCan a resources and reserves report and classification as per the requirements stipulated for the National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("51-101 Report"). However, Petroprom in of the opinion that this asset assessment represents a fair and conservative assessment under due and diligent application of the rules and requirements as generally applied for preparation of a 51-101 Report.

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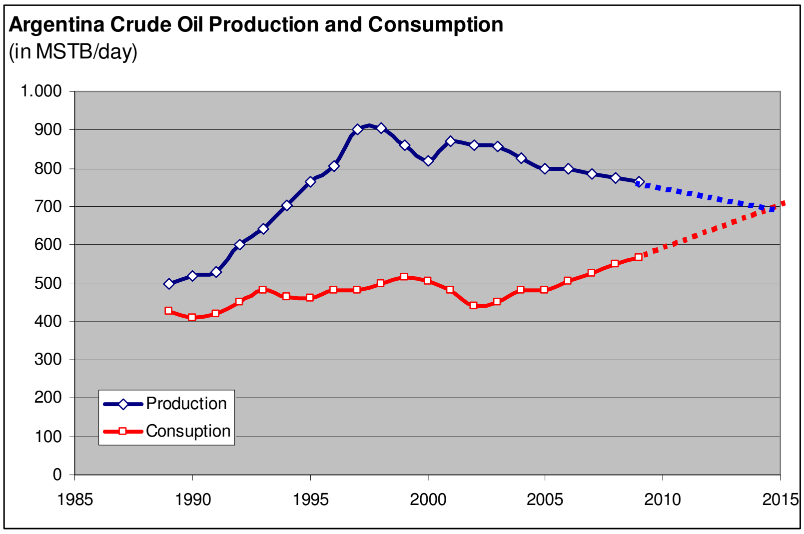
Petroleum Industry in Argentina

Crude Oil

Argentina is still a net oil exporter, though production has declined in recent years. With 802 MSTB/day, Argentina is the 3rd largest South American Producer after Venezuela (2.8 MM STB/d) and Brazil (2.2 MM MSTB/d).

According to Oil and Gas Journal (OGJ), Argentina had 2.6 billion barrels of proven oil reserves as of January 2008, up from 2.5 billion barrels in 2007. The country produced an estimated 789,800 bbl/d of oil in 2007; of this amount, 641,000 bbl/d was crude oil, the rest consisting of lease condensates, natural gas liquids, and refinery gain. Argentina's oil production was down from 802,400 bbl/d in 2006 and down from a peak of 916,900 bbl/d in 1998. Oil production in the country has fallen, because producers have not brought enough new capacity online to offset declines at mature fields. However, the rate of the decline in production has eased in recent years. The Energy Intelligence Agency (EIA) expects that Argentina's oil production will fall to 770,000 bbl/d in 2008 and 760,000 bbl/d in 2009.

Argentina consumed an estimated 509,400 bbl/d of oil in 2006, leaving net oil exports in 2006 of 293,000 bbl/d. The bulk of the country's oil exports go to Brazil and Chile. In case the present trends persist, Argentina may become a net importer of crude oil by approximately 2015.



Exploration and Production

In 1999, the Spanish oil company Repsol merged with Argentina's Yacimientos Petroliferos Fiscales (YPF), the formerly state-owned oil company. Repsol-YPF dominates oil exploration and production activities in Argentina, though the country's oil sector is open to the private sector. Other significant, oil-producing companies in Argentina include Pan American Energy, Chevron, and Petrobras.

In October 2004, the Argentine government formed a new, state-owned oil company, Enarsa, to promote oil exploration in the country. While the company is still in the early stages of its development, it has signed joint exploration deals with foreign oil companies. Enarsa has also taken over responsibility for the management of natural gas imports from Bolivia.

Two onshore basins represent the vast majority of Argentina's crude oil production:

Neuquen, in western-central Argentina, and Golfo **San Jorge**, in the southeast. In early 2008, Pan American Energy announced that it had confirmed the discovery of 100 million barrels of oil equivalent reserves at its Cerro Drago concession, in the southern part of the country. Outside the established onshore basins, there has been some interest in exploring offshore oil resources. In 2004, Petrobras acquired a license to explore the CAA-1 and CAA-8 blocks located off the country's central-east coast. In December 2006, Enarsa launched a joint offshore exploration program with Repsol-YPF in the Cuenca Colorado Marina region; Repsol-YPF reportedly completed its seismic exploration activities in the region in early 2008.

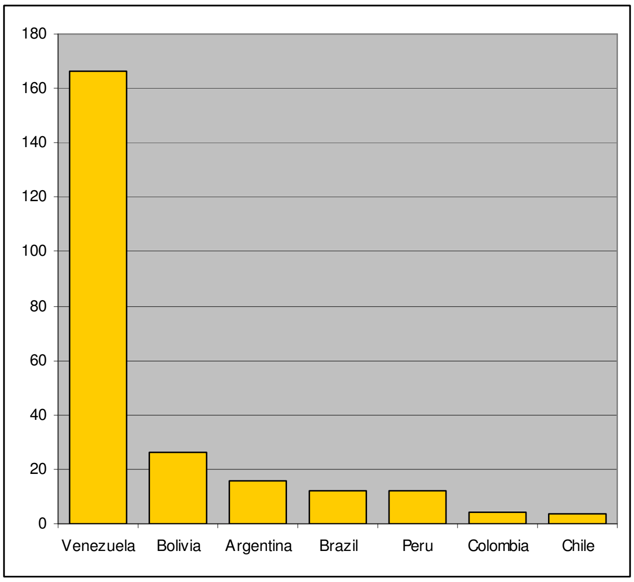
Pipelines

Argentina's three major crude oil pipelines all start at Puerto Hernandez, in the Neuquen basin. Two pipelines are domestic, transporting crude oil north to the Lujan de Cuyo refinery near Mendoza and east to Puerto Rosales on the Atlantic. The 268-mile, 115,000 bopd Transandino pipeline is Argentina's only international oil pipeline, climbing over the Andes to a refinery in Chile; industry reports indicate that this pipeline is currently not operational.

Downstream Activities

According to OGJ, Argentina had 626,000 bbl/d of crude oil refining capacity as of January 2008. Repsol-YPF dominates the downstream oil industry in Argentina, accounting for about half of the country's total refining capacity. Other companies with significant refining capacity include Shell (110,000 bbl/d), ExxonMobil (86,000 bbl/d), and Petrobras (66,600 bbl/d). In December 2006, the Argentine government announced that it had reached agreement with several private oil companies to build a new, 150,000-bbl/d refinery in the country. The General Mosconi II refinery would cost an estimated 4 billion USD and would produce refined products for both domestic consumption and export.

Natural Gas



OGJ reported that Argentina had 15.8 trillion cubic feet (Tcf) of proven natural gas reserves in January 2008, the third-largest amount in South America. Natural gas production in the country has steadily increased over the last decade; in 2006, Argentina produced 1.63 Tcf of natural gas, nearly double 1996 levels. Argentina's natural gas consumption has also risen significantly in the past decade and is the country's dominant fuel source, accounting for 51 percent of primary energy consumption in 2005.

Argentina is a net exporter of natural gas, principally to Chile. However, this relationship has been strained since 2004, because Argentina has repeatedly reduced natural gas exports to Chile to make up for domestic shortages. Argentina is Chile's sole source of natural gas imports, and the continuing supply disruptions have caused Chile to pursue alternatives for its future import needs.

Sector Organization

Argentina began deregulating natural gas production in 1989 as part of its privatization of YPF. As with the oil industry, YPF (now Repsol-YPF) retains a dominant position in the upstream sector. The second-largest natural gas producer in Argentina is Total. Two companies, Transportadora de Gas del Sur (TGS) and Transportadora de Gas del Norte (TGN), control Argentina's natural gas transmission system: TGS, controlled by Petrobras, is South America's largest pipeline company, delivering the majority of Argentina's total natural gas consumption. The distribution portion of Argentina's natural gas market is dominated by MetroGas SA, Gas Natural Ban SA, Camuzzi Gas Pampeana SA, and Camuzzi Gas del Sur SA. Many of the large distribution companies have strong foreign ownership.

Exploration and Production

The Neuquen, Salta, Tierra del Fuego, and Santa Cruz regions contain most of Argentina's natural gas production, with the Neuquen region accounting for over half of the country's total production. As is the case in the oil sector, Argentina has begun to look towards its offshore basins as its traditional production centers have matured. Upon the creation of Enarsa in 2004, the Argentine government transferred all unallocated offshore exploration blocks to the new company and authorized it to seek partnerships with foreign companies: in January 2005, Enarsa signed an agreement with a consortium led by Petrobras to explore three offshore blocks in the Colorado Marina Basin.

Pipelines

- Domestic System

  TGS operates the 2,130-mile San Martin pipeline, which has a capacity of 1,020 million cubic feet per day (MM scf/d) and connects the southern part of the country with Buenos Aires. TGS also operates the Neuba I and II pipelines. TGN operates two main pipelines. The first, the 900-mile, 800-MM scf/d Norte, runs from Campo Duran to the main compressor plant in San Jeronimo, eventually reaching Buenos Aires. The second pipeline, the 700-mile, 1,180-MM scf/d Centro Oeste, runs from the Loma la Lata field, Neuquen province, to San Jeronimo.

- International Connections

  Argentina has extensive pipeline linkages with its neighbors, including several pipelines connecting Argentina to Chile. Three in the south; Tierra del Fuego, El Condor-Posesion, and Patagonia supply methanol plants in Chile. In the north, the 580-mile, 300-MM scf/d GasAtacama pipeline runs from Cornejo, Argentina to Mejillones, Chile. Owned by Endesa and U.S.-based CMS, GasAtacama supplies the companies' Nopel power plant. Also in the north, the 250-MM scf/d NorAndino, operated by Belgium's Tractebel, runs parallel to GasAtacama. In the central region, the 290-mile, 310-MM scf/d GasAndes pipeline, majority owned by TotalFinaElf, connects the Neuquen basin in Argentina to Santiago, Chile. Also in the central region, the 330-mile, 340-MM scf/d Gasoducto del Pacifico connects Neuquen to central Chile. An international consortium, consisting of TransCanada, El Paso, and Gasco, operates Gasoducto del Pacifico, which supplies municipal distributors and gas-fired power plants.

  The 280-mile, 100-MM scf/d Parana-Uruguayana pipeline connects Argentina and Brazil. The pipeline provides natural gas to AES Brasil Energia's 600-MW power plant in Uruguayana. The Argentine section is operated by Transportadora de Gas de Mercosur; the 20-mile Brazilian section is operated by Transportadora Sul Brasileira de Gas. There are plans to construct a 384-mile extension of the system from Uruguayana to Porte Alegre, where the pipeline would supply thermal power plants.

In January 2003, Argentine natural gas began to flow to Montevideo, Uruguay, through the 250-mile, 190-MMcf/d Gasoducto Cruz del Sur (GCDS, Southern Cross pipeline). The GCDS project also includes a concession covering a possible extension from Uruguay to Porto Alegre in southern Brazil. Major partners in the GCDS project are British Gas and Pan American Energy.

Imports from Bolivia

While Argentina is a net exporter of natural gas, it also imports natural gas from Bolivia through the 270-mile, 230-MM scf/d Yacimientos-Bolivian Gulf (Yabog) pipeline. This pipeline serves Argentina's northern regions, which are not well supplied by the domestic natural gas transmission network. Argentina began importing natural gas again from Bolivia in 2004 to cover a domestic shortfall, which it had not done since 1999.

Argentina continued to import gas from Bolivia following the end of that energy crisis.

In October 2006, the two countries signed a deal for Argentina to import natural gas for an additional 20 years. Under the terms of the deal, Argentine imports from Bolivia will eventually approach one billion cubic feet per day (Bcf/d), a fourfold increase from current levels. The price that Argentina pays for the natural gas will also increase and eventually become linked to market rates. To facilitate this increase in volume, Argentina and Bolivia would build a new, 2 billion USD pipeline system connecting the two countries; dubbed the Gasoducto del Noreste Argentino (GNEA), the system would have a maximum capacity of 710 MM scf/d and include an integrated natural gas liquids (NLG) plant. According to industry reports, construction of GNEA is expected to start in mid-2008, with completion by 2010.

Liquefied Natural Gas

Argentina has considered multiple proposals to build LNG receiving terminals, to help alleviate domestic supply shortfalls. In November 2007, Enarsa signed a deal with Ancap, the Uruguayan state oil company, to build an LNG terminal in Montevideo. The project would supply both countries evenly and could possibly take advantage of existing pipeline infrastructure. The LNG plant would have an initial sendout capacity of 350 MM scf/d, at a projected cost of 1 billion USD. Enarsa has also held talks with Venezuelan state oil company PdVSA about building an LNG receiving terminal in Argentina, coordinated with a liquefaction terminal in Venezuela. However, neither project has reportedly moved beyond initial planning stages.

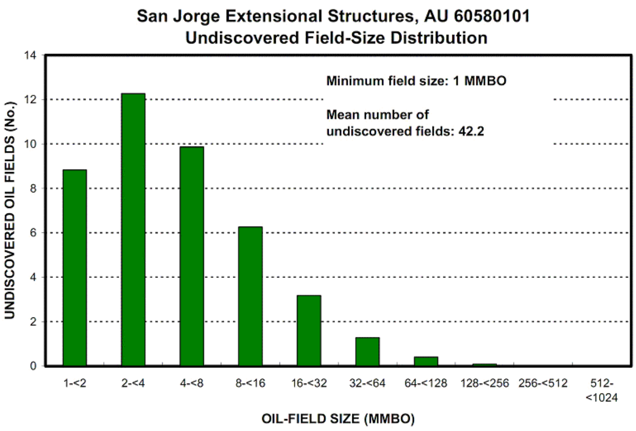
Exploratory Potential in Argentine Basins

Argentina can be considered a mature exploration area. The US Geological Survey (USGS) report for Argentina estimates remaining undiscovered resources for the different basins of concern as follows:

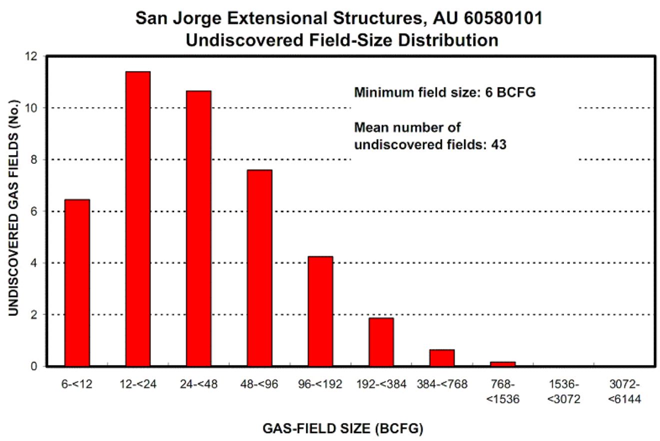
Andean Related Provinces	Total undiscovered resources: Oil (MMBO)				Gas (BCFG)				NGL (MMBNGL)			
	F95	F50	F5	Mean	F95	F50	F5	Mean	F95	F50	F5	Mean
Putumayo-Oriente-Maranon Basin	1,028	2,787	6,066	3,098	236	746	4,604	1,596	4	16	182	55
Santa Cruz-Tarija Basin	277	1,719	5,548	2,145	10,618	28,401	61,092	31,107	380	1,133	2,802	1,300
Neuquen Basin	412	1,213	2,413	1,290	3,667	11,582	23,870	12,416	53	182	426	203
San Jorge Basin	160	470	928	498	1,068	3,491	7,363	3,774	20	68	157	75
Magallanes Basin	226	665	1,306	704	4,752	13,440	25,380	14,040	101	291	581	310
Talara Basin	484	1,625	3,214	1,711	1,243	4,404	9,637	4,795	62	227	539	255
Progreso Basin	47	205	534	237	98	556	1,770	695	4	26	86	33
Middle Magdelena	220	655	1,373	709	919	2,946	6,861	3,292	32	111	292	130
Llanos Basin	793	3,180	8,001	3,631	1,089	5,061	15,338	6,217	56	268	853	337

While there is even in a mature basin material potential for crude oil and natural gas discoveries, the size of the yet to be found deposits will decrease and in the San Jorge Basin generally to be as follows:

Oil Field Numbers and Sizes:



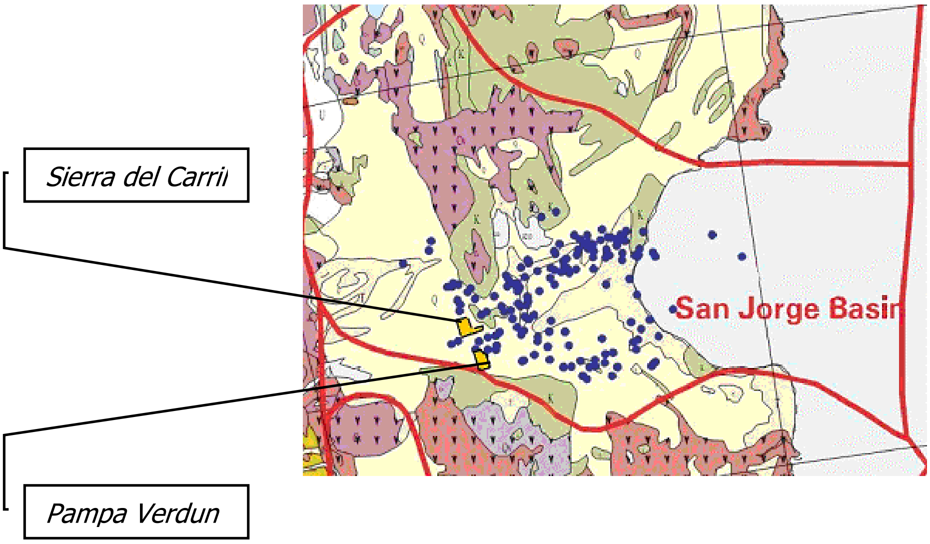
Gas Field Numbers and Sizes:



The above shown statistics are well in line with the results of the Monte Carlo simulation (see attachment 4).

San Jorge Basin

Geological Setting



Geological Map of the San Jorge Basin and EhrenCap Production Licenses locations

The Golfo San Jorge Basin, located in Patagonia, is very important for the oil and gas production of Argentina. The basin, located in southern part of the country, extends over the central part of the Patagonian region. The sedimentary fill of the basin is related to different rift and sag tectonic phases, from Triassic to Cretaceous.

During Late Cretaceous-Early Tertiary, a marine transgression from the Atlantic developed, and Tertiary sediments completed the basin fill. Late Tertiary compression produced a narrow structural belt that crops out in the San Bernardo Range and is present in the subsurface of the Santa Cruz and Chubut Provinces.

The fold belt is 150 km long and 50 km wide. In its northern zone, it is formed by a series of anticlinal structures related to high angle reverse faults; in the southern part, these structures have similar characteristics, being associated with reverse faults which are the result of the reactivation of pre-existing normal faults. This report describes the structural features of a wide subsurface area of the fold belt, with high hydrocarbon potential. The development of the Neocomian sequence is used to establish the relationship between tectonism and sedimentation.

Source

In spite of the long history of exploration and production, few geochemical studies were performed until now. One of the few studies analyzed a set of possible source rocks by organic geochemical and petrographical methods. The samples of the Pozo D-129 formation range from mature to overmature, and contain from less than 0.5 to 2.45% TOC. There is some evidence indicating an algal origin of the more hydrogen-rich kerogen present in part of the basin. Almost all the samples of Pozo Anticlinal Aguada Bandera and Pozo Cerro Guadal formation are overmature. TOC values range from less than 0.5 to 2.5%.

The maturation of source rocks and generation, expulsion and migration of hydrocarbons was evaluated by means of 1-D and 2-D basin modeling. The 1-D models constructed for the western part of the basin and 2D models applied for the eastern part both indicate maximum burial in Miocene times. The thickness of the Tertiary at times of maximum burial ranged from 1,000 to 1,500 m and the generally small Tertiary thickness now present in the fold belt region is assumed to be the result of erosion.

The main tectonic inversion took place in the Late Neogene. The models strongly suggest that a magmatic event between 20 and 30 million years ago, combined with the maximum burial at Miocene times produced a very important pulse in hydrocarbon generation within the major part of the basin. Dated intrusive and extrusive magmatic rocks extended all over the basin account for this period of elevated heat flow. Probably, major faults acted as important conduits for petroleum.

Reservoir

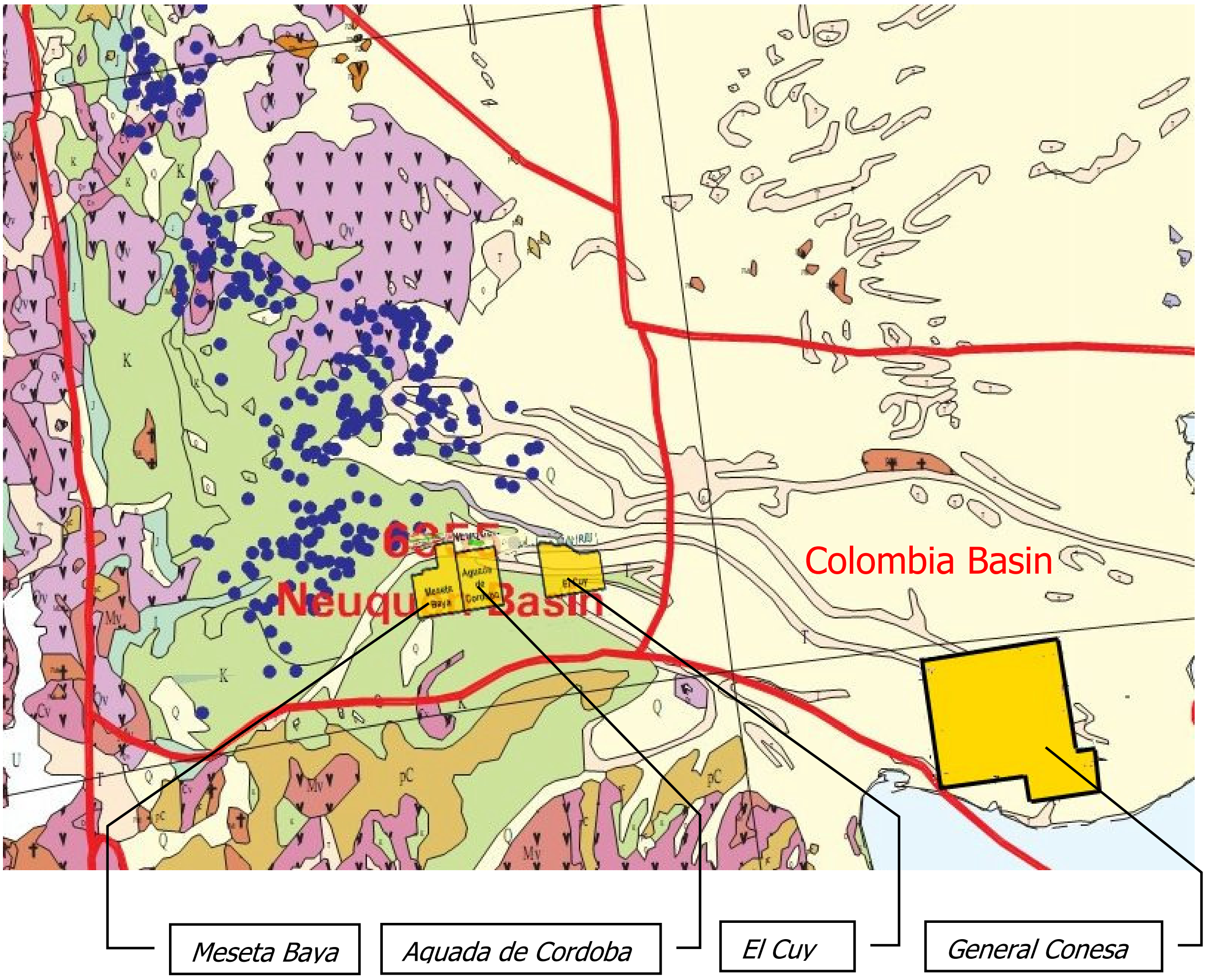
The Cretaceous fluvial sandstone bodies in the San Jorge Basin present one of the most important reservoirs in the area and has an analog in the outcrop of the hydrocarbon-bearing Chubut Group. The geometry, lithofacies, and spatial distribution of these sedimentary bodies varies.

Traps

As above described, the varied different geometry, lithofacies, and spatial distribution of the sedimentary bodies, along with the structural developments and tectonic movements of the San Jorge Basin supports the development of a combination of structural and tectonic trapping, whereby locally the tectonic element (in particular in the two development license areas) seems to dominate. This make the identification of hydrocarbon bearing pockets by seismic data difficult, as the events are subtle and not easy to clearly identify.

> **By applying modern and contemporary processing and interpretation techniques, it is expected that a meticulous exploratory re-work of the license (and other) areas will be able to unlock material upside potential.**

Geological Setting Neuquen and Colombia Basin



Geologic History

The Jurassic and Cretaceous accumulation took place within a partially enclosed marine backarc depocenter that formed on the convergent western side of the South America plate, linked to the Pacific Ocean. Relative sea-level oscillations played a critical role in the development of sources, reservoirs, and seals, governed by an extensional tectonic regime. During relative highstands a relatively shallow sea, where organic-rich shales were deposited under sub-oxic to anoxic conditions, occupied the Neuquen embayment.

Under shelfal-to-nearshore and fluvial environments, carbonate and clastic high-quality reservoirs accumulated: relative low position of the base level resulted in a very restricted link through the magmatic arc or complete disconnection with the Pacific Ocean. Under this new scenario, the accumulation area dramatically shrank and the backarc depocenter became a realm prone to evaporite (seal) and fluvial and eolian sandstone (reservoir) accumulations.

The effects of the Andean compressive deformation of the sedimentary pile started to be noticeable in latest Paleocene and became very strong during the Neogene. However, synsedimentary deformation related to old tectonic features, present in the Paleozoic substratum, resulted in the creation of structural and combined traps very early in the tectonic evolution of the Neuquen Basin.

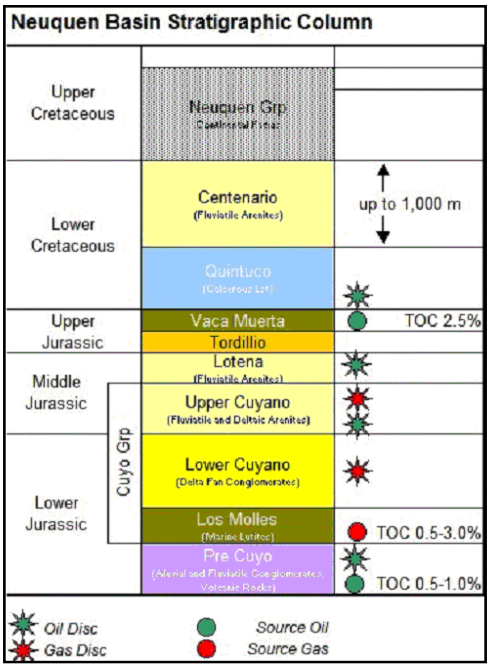
During Late Triassic to Early Jurassic times, the Neuquen basin went through an extensional regime that resulted in a series of half grabens of NW-SE orientation, which acted as isolated troughs for the Precuyo synrift deposits.

A following sag stage is represented by the Los Molles Formation. The lower section of this unit, a 400 m succession of black shales, records the first marine ingression to the basin. The shales from Los Molles constitute the regional seal as well as the source rock of the petroleum system. A period of compressive deformation took place along with this sag stage, giving birth to a series of structural trends related to the formation of the Huincul High, where wrench-dominated tectonics, oblique inversion of half-grabens, and basement-related lineaments without influence of previous extensional features, were developed.

Under this tectonic regime, from Late Jurassic to Valanginian age, Cupen Mahuida anticline was formed by oblique inversion of a half-graben, generating an E-W oriented anticline verging to the south.

Source Rocks

Three high-quality and thick marine organic-rich intervals cover most of the basin. Additionally, a Lower-Middle Jurassic nonmarine source rock was deposited within anoxic lakes that developed within geographically restricted half-grabens. Modeling of the thermal evolution of the Jurassic and Cretaceous marine sources clearly indicates the existence of several episodes of hydrocarbon



generation through geologic time, particularly along the west-central portion of the basin.

The timing of the process critically affected the possibility of hydrocarbon accumulation and preservation: Los Molles source rock experienced its almost entire conversion to hydrocarbons from late Early Cretaceous to Early Tertiary times, whereas Vaca Muerta evolved during the Late Cretaceous and Miocene. The late thermal evolution of Agrio covered the Eocene to late Miocene. Hydrocarbons generated in the more mature portions of the western area, therefore, experienced limited chances for accumulation and preservation in the traps formed during Tertiary tectonics. This deficiency in timing strongly disfavored hydrocarbon pools in the current fold belt, mainly those sourced from Los Molles and Vaca Muerta intervals. Conversely, trap development and adequate timing locally favored relatively higher efficiency along the fringe of the Neuquen embayment, including the Huincul High area, where traps were developed through Jurassic and Cretaceous times.

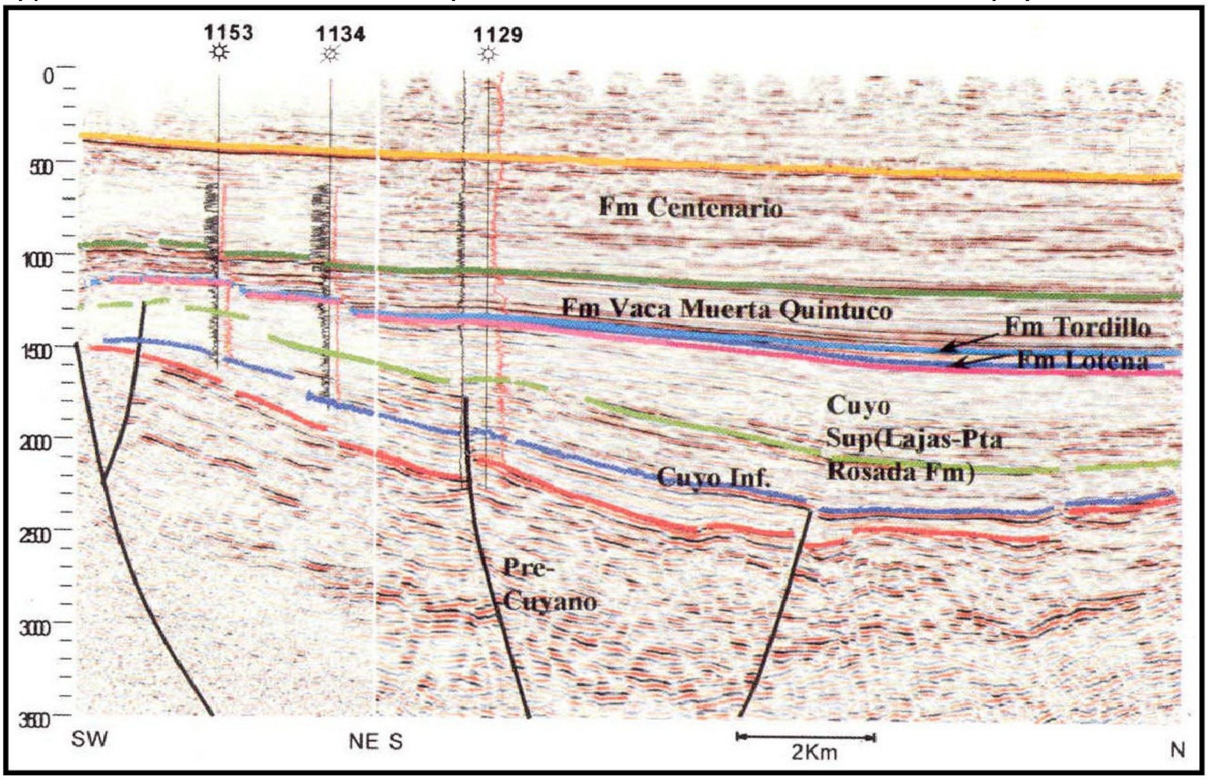
Basin Potential

Geological data obtained from exploration wells indicate the presence of an important volume of oil retained/accumulated within the Vaca Muerta basal section (Late Jurassic source rock). Up to now, few wells have had non-commercial production from that overpressured interval in the Neuquen embayment, but these observations provide encouragement to the testing of a new play.

Within unexplored or under-explored areas, large pools could be provided by additional future exploration of the less investigated plays, such as in the western thrust belt, where post-mature gas generation may have charged deep reservoirs in large structures. Also, hydrocarbon resources can be envisioned within the practically unexplored deeply seated traps and basin-center gas systems. Finally, the potential occurrence of a heavy oil belt in the almost unexplored eastern basin edge is a challenge for non-conventional exploration. Besides the oil type, difficulties along some portions of this trend are related to poor or lack of information due to the presence of widespread recent volcanic cover, which is not an unsolvable problem.

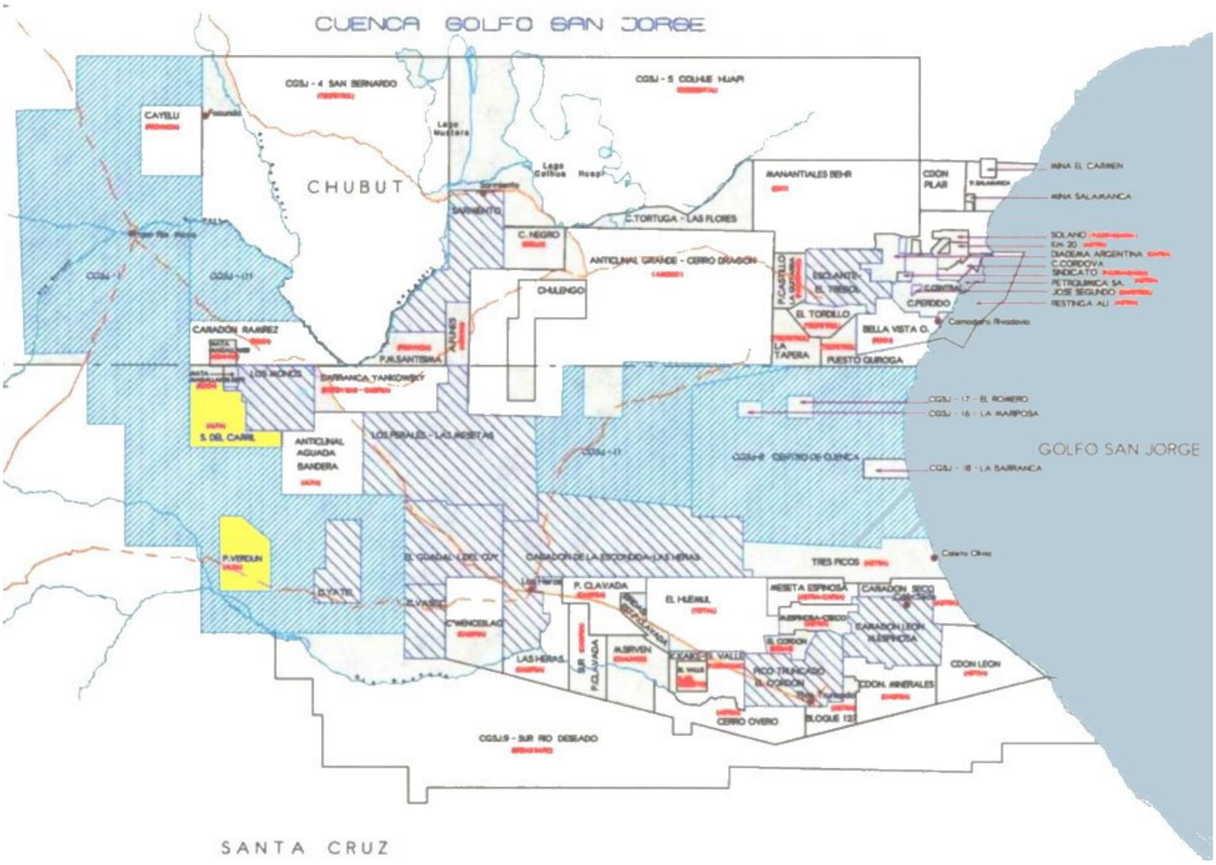
The exploration activity in the entirely acreage of **General Conesa**, similar to the proposed activities in the Meseta Baya, Aquada de Cordoba and El Cuy, shall be focused by prior de-risking and high-ranking of the area by application of non-intrusive and/or low impact geoscience data acquisition such as the GeoSat process, magneto-tellurics, geochemistry and similar. Given the location of the blocks on or near the basin margins, it is believed that the approximately 20% Northern parts of the acreage will have more potential. Application of environmentally friendly exploration techniques **is particularly import for this extremely ecologically sensitive environment.** Once prospective areas are identified, 2-D and/or 3-D seismic surveys can be tailored for only the higher prospective parts hence materially lessening the ecological impact of exploration activities.

Typical Seismic Cross Section (Centenario Field – NW of Meseta Baya)

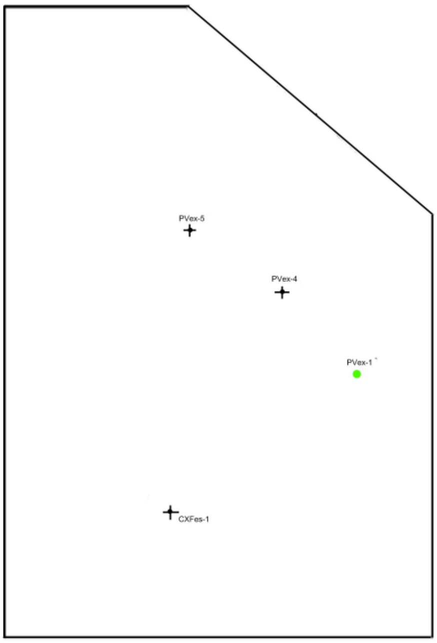


AustroCan Participation in EhrenCap

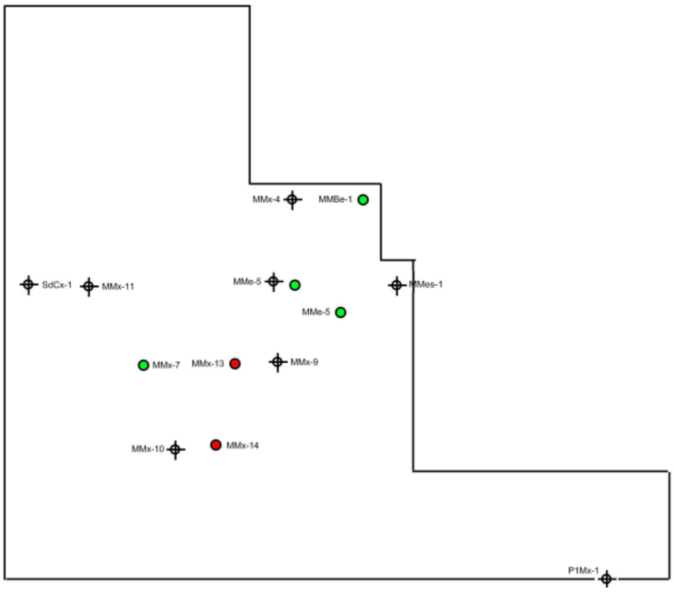
EhrenCap S.A. ("EhrenCap") is an Argentine Oil & Gas Company based in the Santa Cruz Province. Ehrencap has entered into a Memorandum of Understanding ("MOU") for a yet to be executed Joint Operating Agreement ("JOA") with the official oil and gas entity pf the Santa Cruz Province, Fomicruz S.A., under UTE Lago Viedma (Fomicruz S.E. - Ehrencap S.A.). EhrenCap has in 2004 acquired exploration and production rights for two license areas, namely the Production Licenses **Pampa Verdun** (246.30 km^2) and the **Sierra del Carril** (332.4 km^2) blocks. These license areas are located as shown in the map below:



EhrenCap S.A. and Austrocan Petroleum Argentina S.A., a wholly owned branch office of AustroCan Petroleum Corporation in Argentina, in preparation for future joint petroleum activities, subsequently formed a strategic partnership to explore and develop the two above mentioned license areas in the Santa Cruz Province held by EhrenCap.



Pampa Verdun



Sierra del Carril

The Farm-In Agreement

The yet to be consumed Farm-In Agreement between AustroCan and Ehrencap will stipulate, amongst others, that AustroCan shall provide funding (up to a maximum of 5.6 million USD) for the drilling, completion and equipping of seven (7) wells to be drilled to a depth of up to 1,700 metres on the licenses, with at least four (4) of such wells to be drilled as development or appraisal wells.

Aside for a payment in consideration of past costs to the extent of 0.5 million USD to EhrenCap, in consideration of the mentioned well expenditures, AustroCan shall receive 70% of the revenues from oil (and gas) sales of the four (4) development wells, while EhrenCap shall receive 30%, until payout of the invested amounts, and from the three (3) exploration wells, AustroCan shall receive 90% of the revenues from oil (and gas), while EhrenCap shall receive 10%.

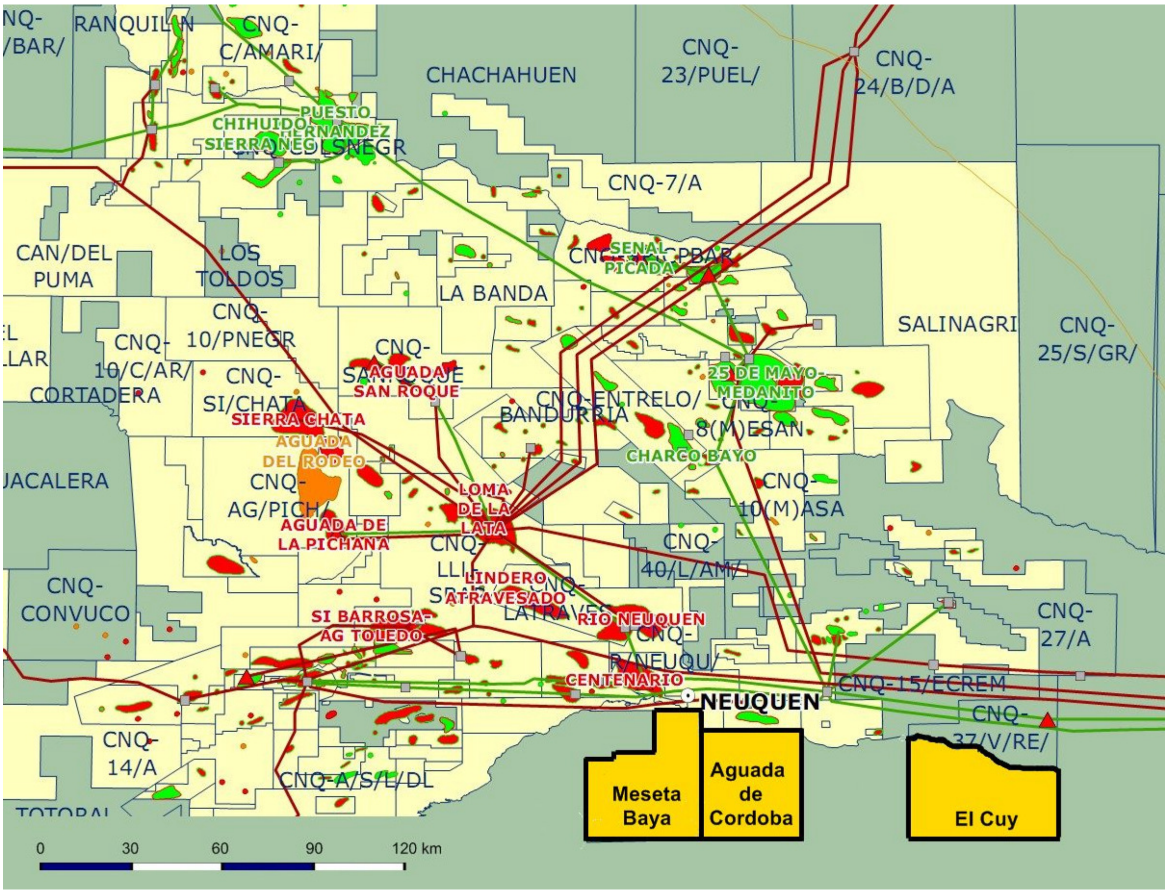
Furthermore, Austrocan Petroleum Argentina S.A. and Ehrencap S.A. closed joint bidding and operating agreements for the exploration and future production of the areas

- "Aguada de Cordoba" (956.76 km^2), Neuquen Basin
- "Meseta Baya" (1,054.75 km^2), Neuquen Basin
- "El Cuy" (1,034.00 km^2), Neuquen Basin
- "General Conesa" (9,903.00 km^2), Colombo Basin

The above-mentioned licenses are all located in the Rio Negro Province.

It is planned that the hydrocarbon potential of the acreage shall be explored, amongst others, under the extensive application and support of the Geosat technology. Some 2-D seismic (approx 2,200 line km in El Cuy) is available for re-processing and re-interpretation, but the lines cover only the outermost NW corner of the area.

Austrocan Petroleum Argentina S.A. will hold 90% and Ehrencap S.A. 10% under the future JV agreements. These above mentioned four exploration areas are not part of this quantitative asset assessment for hydrocarbon resources, however, some qualitative opinions will be provided pertaining to perceived exploration potential and recommended future exploration activities.



The exploration activity in the largely unexplored acreage of **Meseta Baya, Aquada de Cordoba and El Cuy** shall be focused by prior de-risking and high-ranking of the area by application of non-intrusive and/or low impact geoscience data acquisition such as the GeoSat process, magneto-tellurics, geochemistry and similar. Once prospective areas are identified (which are likely the Northern parts of the blocks), 2-D and/or 3-D seismic surveys can be tailored for only the higher prospective parts hence materially lessening the ecological impact of exploration activities.

Reserves Estimates

San Jorge Basin
Production Licenses "Pampa Verdun" and "Sierra del Corril"

In **May 2005** and pertaining to the two production licenses, EhrenCap has undertaken an internal reserves evaluation study with the following outcome:

Crude Oil	Pampa Verdun		Sierra del Carril	
Reserves Category	*m^3*	*STB*	*m^3*	*STB*
Proven Developed	3,500	*22,014*	18,500	*116,364*
Proven Undeveloped	105,505	*663,620*	160,000	*1,006,390*
Probable	116,000	*729,633*	240,000	*1,509,585*
Possible	246,000	*1,547,325*	860,000	*5,409,349*
3-P	**471,005**	***2,962,593***	**1,278,500**	***8,041,689***

The average associated gas reserves for the above mentioned crude oil reserves are 40 m^3/ m^3 of crude oil (237 scf/STB).

Non-Associated Gas	Pampa Verdun		Sierra del Carril	
Reserves Category	*MMm^3*	*Bscf*	*MMm^3*	*Bscf*
Proven Developed	n.a.	n.a.	41.5	*1.552*
Proven Undeveloped	n.a.	n.a.	124.5	*4.657*
Probable	n.a.	n.a.	n.a.	*n.a.*
Possible	n.a.	n.a.	n.a.	*n.a.*
3-P	**n.a.**	**n.a.**	**166.0**	***6.210***

The above stated figures are standing in contrast to a reserves estimate for the two licenses which was performed by Messrs María C. D'Antonio and Dr. Julio A. Cueto Vilches in **May 2007** as follows:

Crude Oil	Pampa Verdun		Sierra del Carril	
Reserves Category	*m^3*	*STB*	*m^3*	*STB*
Proven Developed	9,385	59,031	18,541	116,621
Proven Undeveloped	42,000	264,177	105,000	660,443
Probable	21,000	132,088	21,000	132,088
Possible	n.a.	n.a.	n.a.	n.a.
3-P	**72,385**	**455,297**	**144,541**	**909,951**

No reserves for non-associated gas were reported.

Given the fact that the operator did not conduct any reservoir engineering calculations or detailed test evaluations (e.g. reservoir limit test, material balance) to further detail and assess the well controlled, developed and undeveloped hydrocarbon reserves, a profound deterministic analysis and volumetric determination remains difficult. The operator needs to be held and guided to utilize the generally applied engineering tools of the petroleum industry to more accurately and professionally deploy the available means to control the wells and optimize the hydrocarbon recovery.

The May 2007 reserves estimate and the figures used therein were taken as the basis for a Monte Carlo Analysis for assessing the remaining reserves potential for the license areas. Intentionally, the range of probable data distribution was held very conservative, resulting in **870,000 STB of risked, mean crude oil reserves** (3-P, see attachment).

The above quoted reserves figure was utilized for the subsequent economic modeling and analysis, which indicates robust economics over a wide range of variances. While the Net Present Values (NPV) of both project are expectedly small, the Internal Rate of Returns (IRR) are in a very encouraging range given the conservative assumptions and low external (political) risk of the project.

	NPV (at 15%) (MMUSD)	IRR (%)
Pampa Verdun	**0.85**	**26**
Sierra del Carril	**1.01**	**25**

<u>Note:</u> *results of economic analysis are based on present knowledge of contract and fiscal terms; while they are believed to correctly reflect the project conditions, they may still be subject to certain changes*

As outlined elsewhere in this report, provided the drilling campaign is allowed to follow a thorough re-evaluation of the exploratory information, the Pampa Verdun and Sierra del Corril licenses can provide an excellent opportunity for AustroCan to establish a early cash flow and production position.

Development and Exploration Drilling Program

The two production licenses, **"Pampa Verdun" and "Sierra del Corril",** seem to be reasonably well covered with 1995 vintage 2-D seismic, which boasts acceptable quality at least to approx 2.5 sec depth (below there seems to be an energy deficiency) but will require re-processing and in particular re-interpretation. It is recommended to re-process some selected test lines prior to bulk re-processing of the remaining stacks. At the moment, no seismic base map has been provided by the operator, which disallows even a cursory interpretation of the available information.

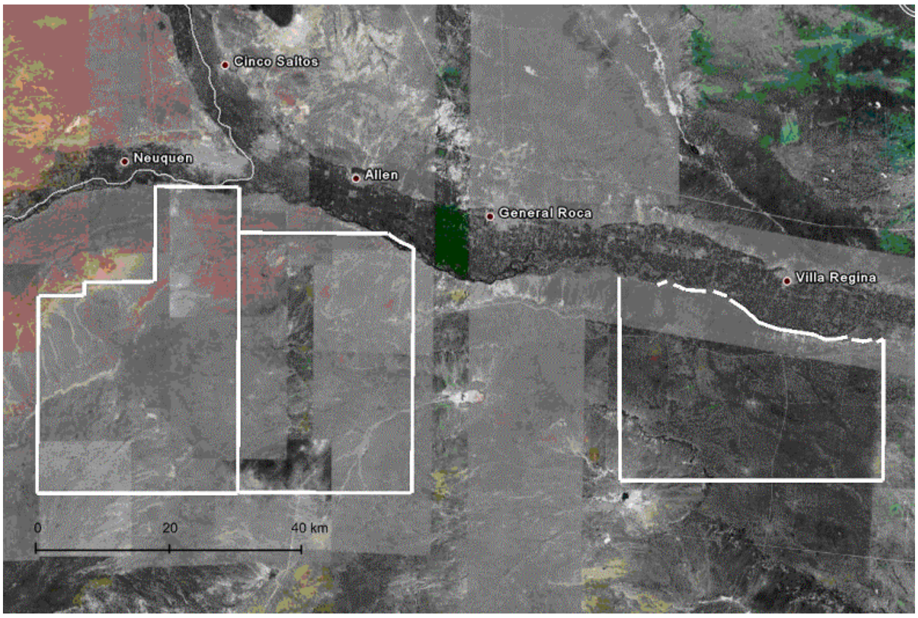
The reservoirs are believed to be of lenticular development and (in the crude oil cases) have an internal gas drive. The gas discovery follows a p/z performance, which also supports a confined, tank type reservoir description.

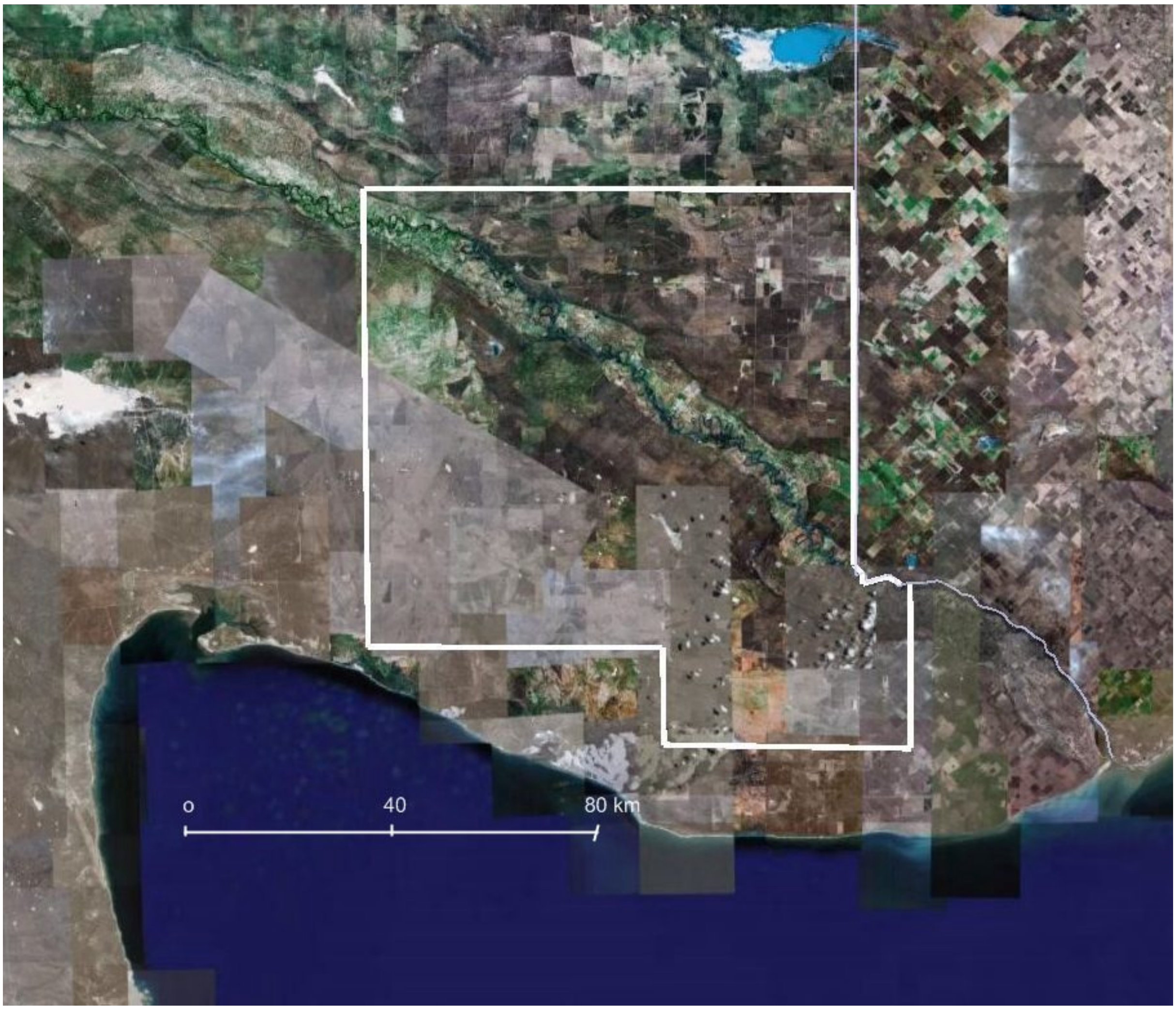
EhrenCap has developed a drilling program for the two licenses, in majority aimed at relatively short step-out wells from existent producers (see maps). This may seem a prudent and cautious approach to add production potential, but in combination with the ignorance of reservoir extension and development, bears the inherent risk of unnecessarily drilling dry wells.

It is felt that the complex play concepts are presently not sufficiently understood and have led to dry wells in the past, which from the structural element of the formation are not explainable. **Hence, an imminent deployment of drilling activity at this stage is deemed premature.**

As outline hereinabove, the rigorous application of modern and contemporary exploration data acquisition, processing and interpretation techniques (such as GeoSat methodology, Magneto-Telluric and geochemical data acquisition), combined with a meticulous exploratory re-work of the license areas and proper reservoir management (reservoir limit tests, material balance) to investigate reservoir performance and extent, **should be able to unlock material upside potential in both development blocks.**

> **In the light of the above mentioned, it is strongly suggested to postpone the drilling of the proposed farm-in, delineation (development) wells until such time the results of thorough exploratory and reservoir engineering efforts are available.**


Cinco Saltos
Neuquen
Allen
General Roca
Villa Regina
0
20
40 km


o
40
80 km

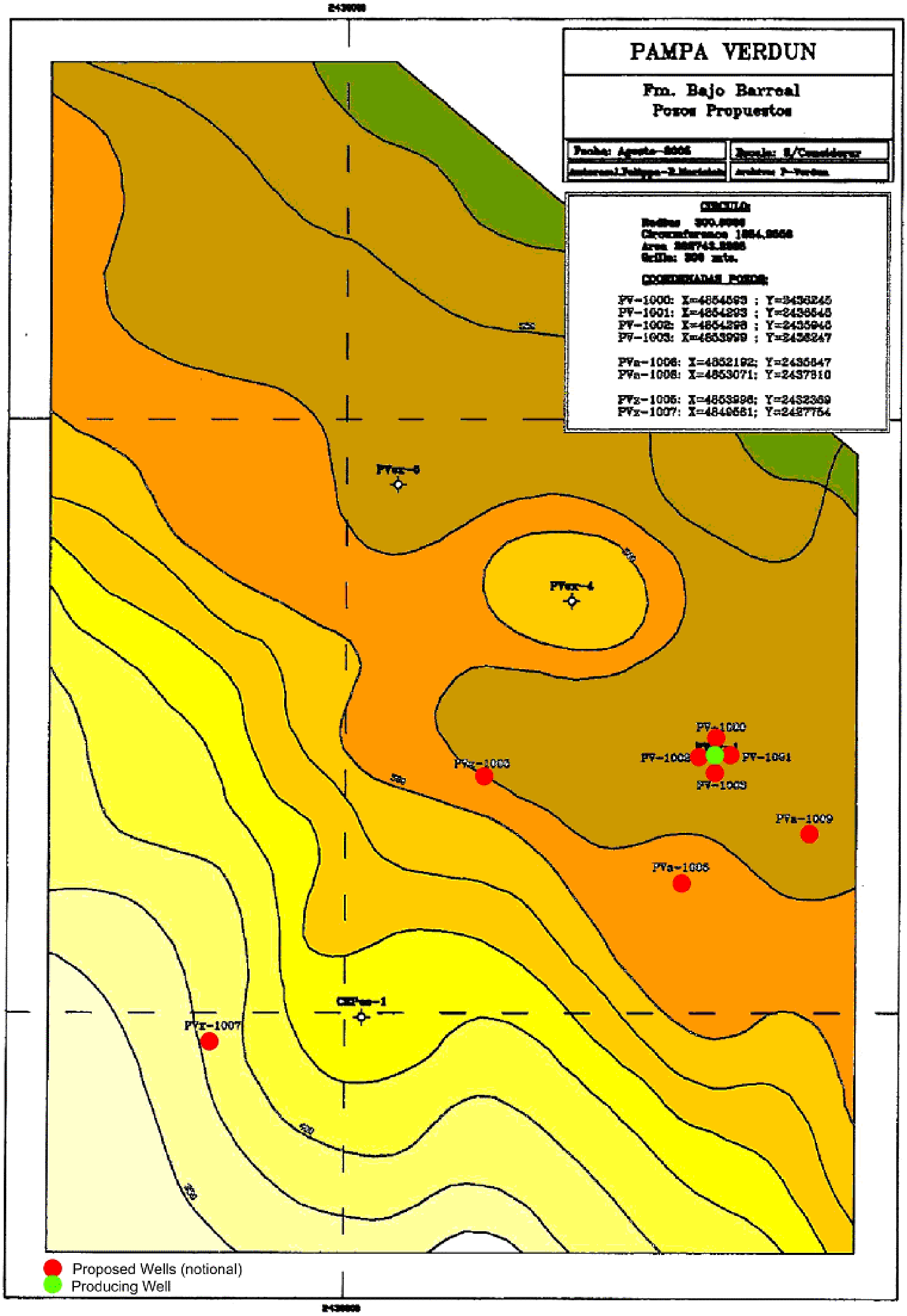
List of Attachments

Attm 1: Pampa Verdun – Structure Map "Bajo Barreal" Formation
Attm 2: Pampa Verdun – Structure Map "Castillio" Formation
Attm 3: Sierra del Carril – Structure Map "Castillio" Formation

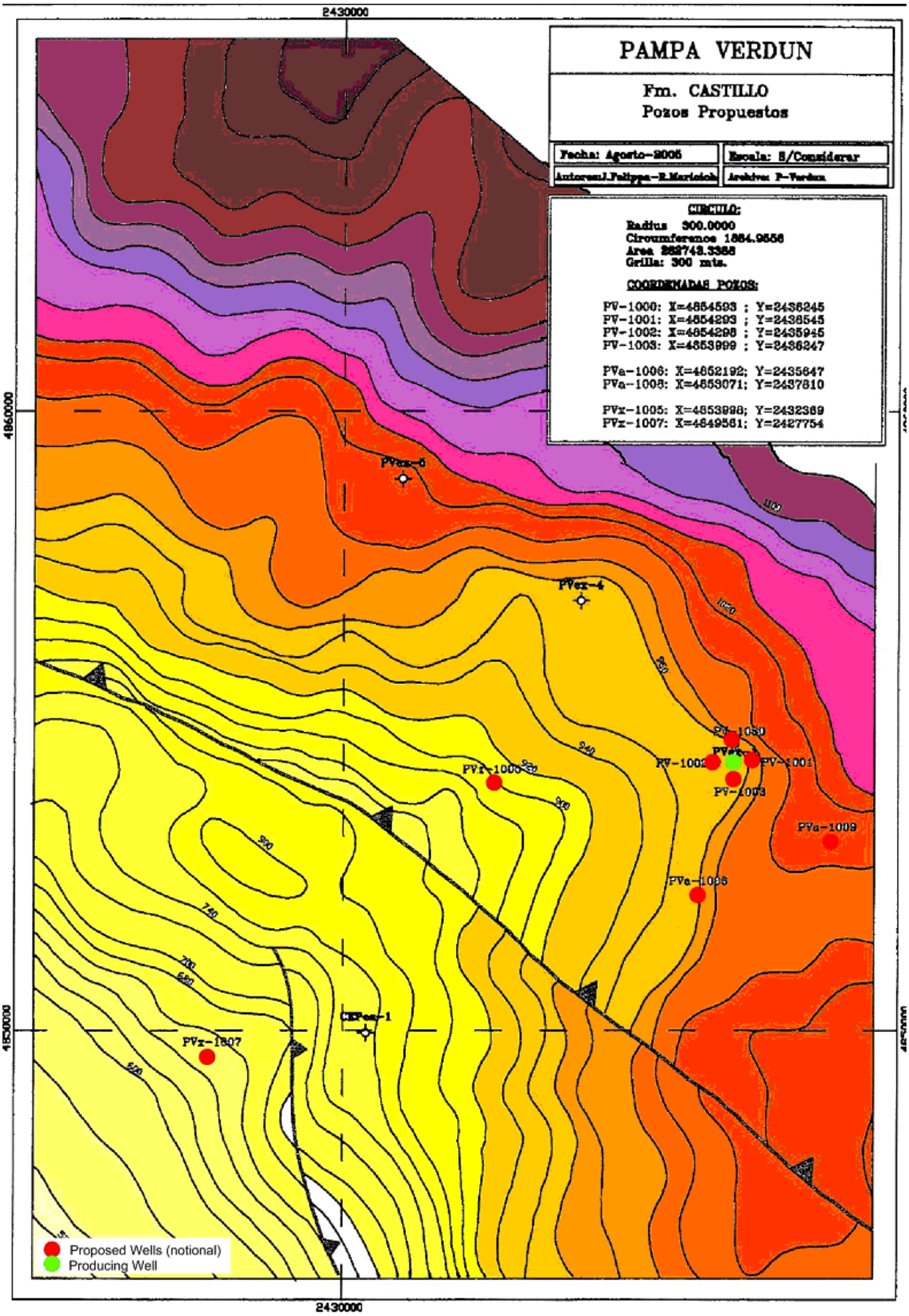
Attm 4: Monte Carlo Analysis – Risked Mean Reserves

Attm 5: Incremental Economic Analysis
Development of Risked Mean Reserves

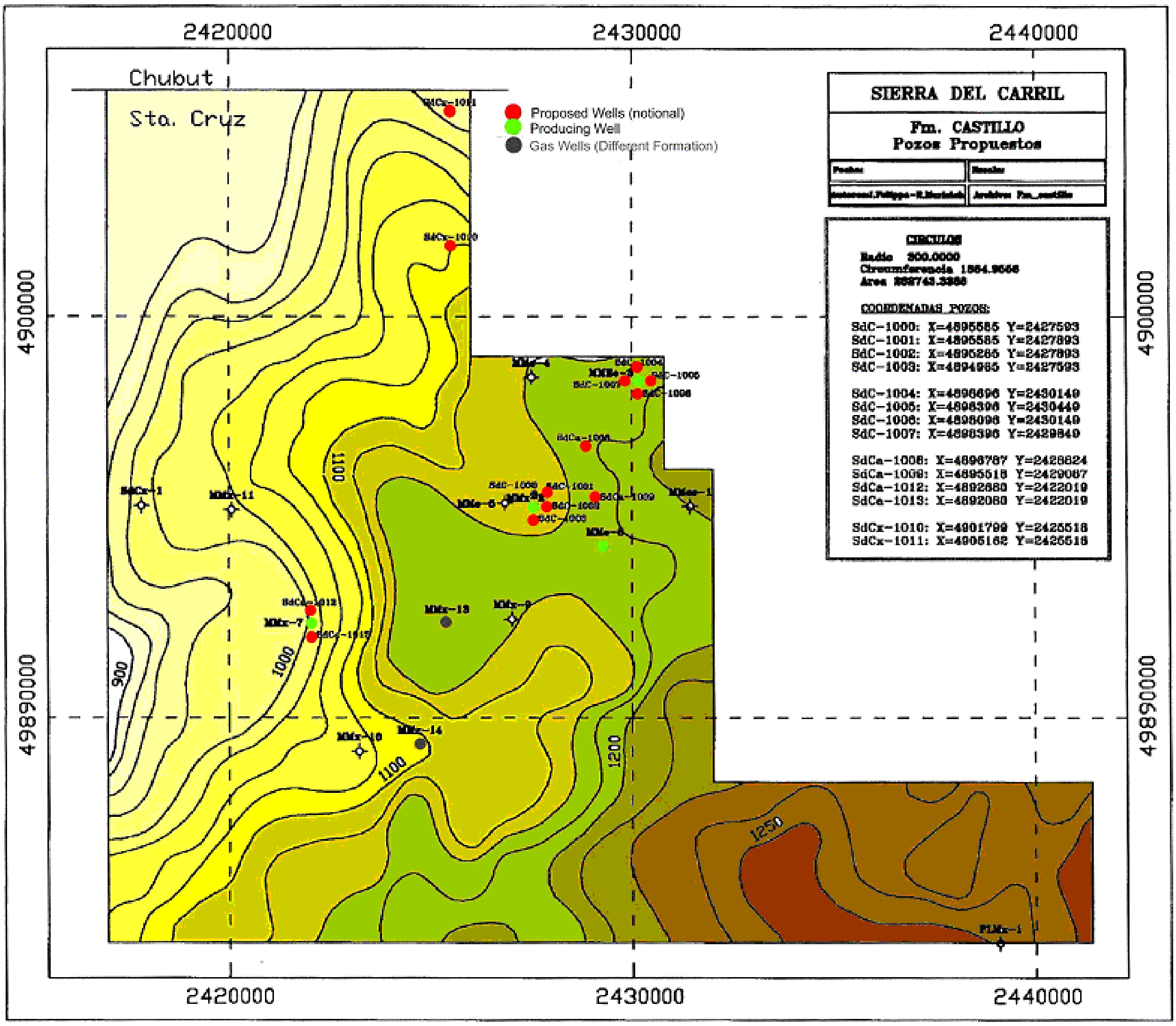
Attm 1


PAMPA VERDUN
Fm. Bajo Barreal
Pozos Propuestos
PVx-6
PVx-4
PV-1000
PV-1001
PV-1002
PV-1003
PVa-1009
PVa-1006
PVx-1005
PVx-1007
CEPen-1
Proposed Wells (notional)
Producing Well

Attm 2


PAMPA VERDUN
Fm. CASTILLO
Pozos Propuestos
Escala: S/Considerar
Archivo: P-Verdun
CIRCULO:
Radius 300.0000
Circumference 1884.9556
Grilla: 300 mts.
COORDENADAS POZOS:
PV-1000: X=4854593 ; Y=2436245
PV-1001: X=4854293 ; Y=2436545
PV-1002: X=4854298 ; Y=2435945
PV-1003: X=4853999 ; Y=2436247
PVa-1006: X=4852192; Y=2435647
PVa-1008: X=4853071; Y=2437810
PVx-1005: X=4853998; Y=2432369
PVx-1007: X=4849561; Y=2427754
2430000
4860000
4850000
PVex-5
PVex-4
PV-1000
PV-1002
PV-1001
PV-1003
PVx-1005
PVa-1006
PVx-1007
Proposed Wells (notional)
Producing Well

Attm 3



2420000
2430000
2440000
4900000
4890000
Chubut
Sta. Cruz
Proposed Wells (notional)
Producing Well
Gas Wells (Different Formation)
SIERRA DEL CARRIL
Fm. CASTILLO
Pozos Propuestos
CIRCULOS
Radio 300.0000
Circunferencia 1884.9556
Area 282743.3388
COORDENADAS POZOS:
SdC-1000: X=4895585 Y=2427593
SdC-1001: X=4895585 Y=2427893
SdC-1002: X=4895285 Y=2427893
SdC-1003: X=4894985 Y=2427593
SdC-1004: X=4898696 Y=2430149
SdC-1005: X=4898396 Y=2430449
SdC-1006: X=4898096 Y=2430149
SdC-1007: X=4898396 Y=2429840
SdCa-1008: X=4896787 Y=2428824
SdCa-1009: X=4895518 Y=2429087
SdCa-1012: X=4892680 Y=2422019
SdCa-1013: X=4892080 Y=2422019
SdCx-1010: X=4901799 Y=2425518
SdCx-1011: X=4905162 Y=2425518
900
1000
1100
1200
1250

Probabilistic Reserves Assessment

Monte Carlo Simulation

petroprom petroleum projects management

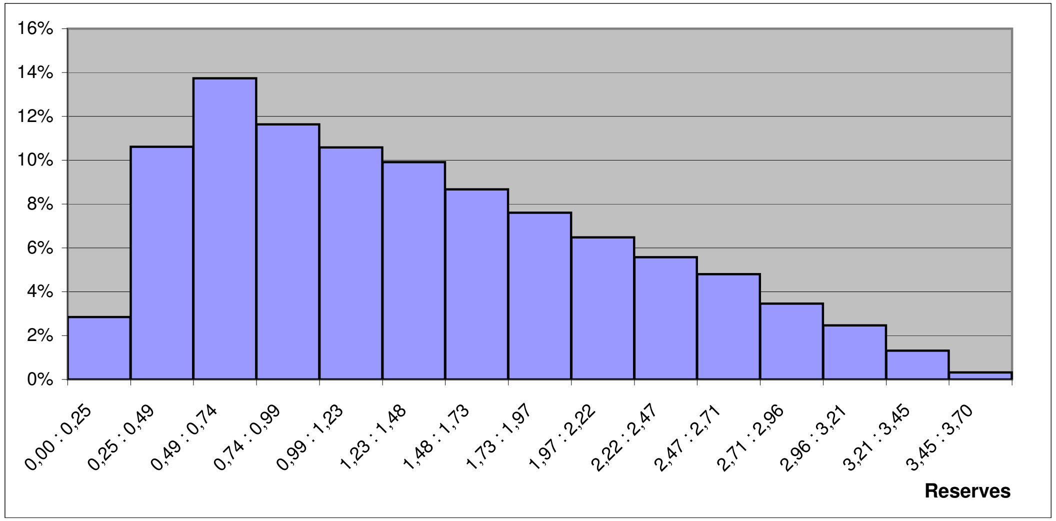
Ver-00.1 (Mar-08)

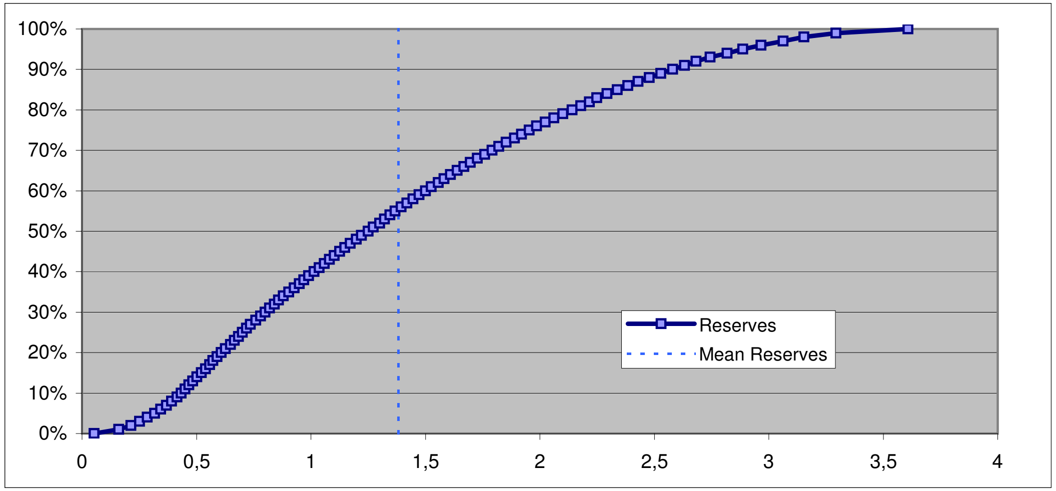
Country	**Argentina**
License	**Sierra del Carril**
Licencee	**Ehrencap - AustroCan**
Formation	**Volcanic Sediments**
Prospect	**Notional**
Depth	**1,700 m**

		Variation		
Parameter	**Units**	**Min**	**Median**	**Max**
Area	*[km2]*	0,50	0,80	1,20
Gross Formation Thickness	*[m]*	3,00	6,00	10,00
Net-Gross Ratio	*[fract]*	0,30	0,50	0,90
Shape Factor (Trapezoid)	*[fract]*	0,60	0,70	0,90
Porosity	*[%]*	15,00	20,00	25,00
Oil Saturation	*[%]*	65,00	70,00	75,00
Oil FVF (Shrinkage)	*[fract]*	0,80	0,86	0,95
Oil Initially in Place (OIIP)	***[MM STB]***	**0,22**	**1,82**	**12,11**
Recovery Factor	*[%]*	20,00	25,00	30,00
Ultimate Recovery	*[MM STB]*	0,04	0,45	3,63

Monte Carlo Results	**Units**	**P10**	**P50**	**P90**
Unrisked Reserves	*[MM STB]*	**0,43**	**1,25**	**2,58**
Source	*[fract]*	0,95	0,95	0,95
Reservoir	*[fract]*	0,90	0,90	0,90
Trap and Seal	*[fract]*	0,90	0,90	0,90
Migration	*[fract]*	0,90	0,90	0,90
Prob of Success (Geol)	***[fract]***	***0,69***	***0,69***	***0,69***
Risked Reserves	***[MM STB]***	**0,30**	**0,87**	**1,79**

Statistical Indicators:		
Avg Reserves	*[MM STB]*	1,38
Standard Deviation	*[MM STB]*	0,81
Standard Error	*[MM STB]*	0,01
Maximum	*[MM STB]*	3,61
Minimum	*[MM STB]*	0,05





petroprom petroleum projects management

Concession:	**Pampa Verdun**		Argentina Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		450,000 STB Reserves Case (4 wells)

Contract Terms:	Term	25	[years]	duration of License Agreement
	License Area	246	[km2]	lease rental

JV Terms:	Equity	70,0%	[%]	Working Interest Before Earning (paying interest)
	Equity	30,0%	[%]	Working Interest after Earning
	Partner Equity	30,0%	[%]	WI before Earning
	Partner Equity	70,0%	[%]	WI after Earning
	Farm-in Consideration	0,00	[MMUSD]	payable to JV Partner upon novation
	Carried Interest	0,0%	[%]	of Capital Expenditures
	Gross Overriding Royalty	0,0%	[%]	from WI after earning
	Net Profits Interest	0,0%	[%]	during CF positive periods
	Payout Multiplier	150,0%	[%]	for Capex *(100%=no multiplier)*

Argentina Royalty Framework

Federal Levy	Oil and Condensates	13,5%	[%]	
	Natural Gas	12,0%	[%]	
Exports	Additional Levy	45,0%	[%]	in addition to above

Provincial Levy *(Fomicruz)*

Annual Revenue Oil			
from	to	Levy	after deduction of Opex and Federal Royalty; subject to verification
[MMUSD]	[MMUSD]	[%]	
0,0	4,0	3,00%	
4,0	10,0	4,50%	
10,0	999,0	6,00%	

Annual Income Gas			
from	to	Levy	subject to verification
[MMUSD]	[MMUSD]	[%]	
0,0	4,0	3,00%	
4,0	10,0	4,50%	
10,0	999,0	6,00%	

Posted Prices

Oil/Cond	Gas	
USD/STB	USD/Mscf	
50,00	5,50	domestic sales price
1	1	select domestic sales (1) or export (2)

for export, prices at "Cost+Revenue" are used and additional export tax is levied

Depreciation and Taxation

Depreciation	Annual Depreciation		[%]	Capex Straight Line Depreciation
Taxation	Provincial Corporate Tax		[%]	
	Federal Corporate Tax		[%]	
	Past Cost (Rec'ble)	0,0	[MM USD]	as per agreement
	Abandonment	0,5	[MM USD]	accruals over a period of 5 yrs (tax deductible)

Comments:	

petroprom petroleum projects management

Concession:	**Pampa Verdun**		Argentina Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		450,000 STB Reserves Case (4 wells)

	unit	unit cost	
Studies			
Geoscience / Eng Studies	*USD*	50.000	
Infrastructure			
Roads	*USD*	15.000	compile different mix of infrastructure costs depending on environment and topographical conditions; use units of mix in Life-of-Field Schedule
Offices	*USD*	0	
Communication	*USD*	0	
Power generation	*USD*	0	
Infrastructure (nominal unit costs)	*USD*	15.000	
Geological and Geophysical			
Seismic (2-D) Acquisition	*USD/km*	10.000	includes processing and interpretation
Seismic (3-D) Acquisition	*USD/km2*	30.000	includes processing and interpretation
Wells			
Exploration Well (d+a)	*USD*	750.000	includes access road, site preparation
Development Well (d+a)	*USD*	780.000	includes access road, site preparation
Well completion (for production)	*USD*	25.000	
Production well tie-in	*USD*	5.000	incl flowlines (4" approx)
Delay between Drlg & Tie-In	*yrs*	0,5	first year reduction of production (max=1)
Artificial lift installation	*USD*	35.000	first installation, carried out as campaign
Workover Costs (per well)	*USD*	25.000	to include artificial lift replacement, if applicable
Workover Frequency	*[1/year]*	0,3	workovers per each active well per year
Facilities			
Liquids Processing Facilities	*USD/bfpd*	850	incl Topping Plant, HP/LP Flare, Contr Room
Gas Processing Facilties	*USD/MMscfd*	250.000	Liquid K/O
Max Facilities Capacity	*[%]*	90,0%	in percent of max field capacity (plateau!)
Liquids Storage Capacity	*[days]*	5,0	Oil (or Condensate for Gas Case)
Liquids Storage	*USD/bbl*	11	Oil (or Condensate for Gas Case)
Water Disposal Facilities	*USD/bwpd*	50	Water treatment, injection pumps and pipeline
Liquids Export Pipeline	*[km]*	0	Oil (or Condensate for Gas Case)
Firefighting, SCADA	*USD*	0	
Pumping and Metering Stations	*USD*	0	Truck Loading Gentry, Weigh Station
Gas Export Pipeline	*[km]*	0	
Gas Compr Facility (Export/Inj)	*USD*	0	Gas Driven Power Gen
Fixed Operating Costs			
License Area Rental	*[USD/km2]*	55	
Personnel (Office)	*USD/person*	50.000	includes average travel expenditures
Personnel (Field)	*USD/person*	25.000	
Maintenance and Repair	*%Capex/yr*	0,5%	percentage on cumulative invested CAPEX
Personnel Insurances	*%Opex/yr*	10,0%	percentage on annual manpower costs
Well Blowout, Facilities Insurance	*%Capex/yr*	5,0%	percentage on annual investment costs
Variable Operating Costs			
Liquids Processing cost	*USD/bbl*	1,00	also as 3rd party processing (set Capex=0)
Liquids Processing cost (flat min)	*USD/year*	120.000,00	
Liquids Shipping Cost	*USD/bbl*	4,00	also as trucking cost (set P/L Capex=0)
Liquids Storage cost	*USD/bbl*	0,50	also as 3rd party processing (set Capex=0)
Gas Processing cost	*USD/Bscf*	0,00	also as 3rd party processing (set Capex=0)
Water Disposal Cost	*USD/bbl*	0,27	
Gas Compr/Inject Cost	*USD/Bscf*	0,00	set zero, if all own use (or power generation)
Sales Revenue			
Liquids Price	*USD/bbl*	77,00	Oil (or Condensate for Gas Case)
Liquids Price Escalation	*[%/yr]*	2,0%	
Gas Price	*USD/Mscf*	7,70	
Gas Price Escalation	*[%/yr]*	1,5%	

petroleum projects management

Concession:	**Pampa Verdun**		Argentina Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		450,000 STB Reserves Case (4 wells)

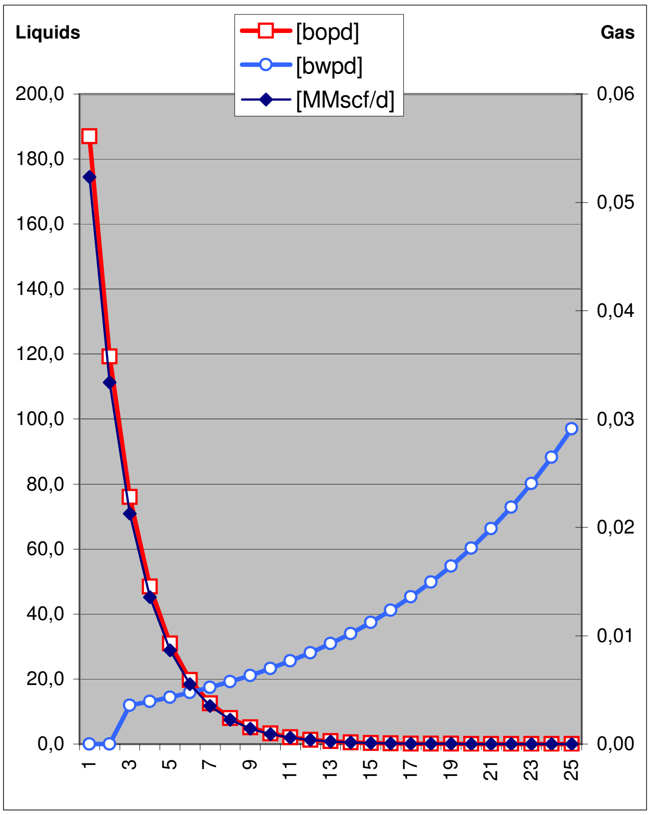
Oil Case:	x	**(identify with "x")**		
	Oil Density	29,8	[°API]	report states 30,9°API (which would be 0.871)
	Oil Density	0,877	[sp.gr]	
	Oil Quality	sweet	[sweet-sour]	
	Oil Marker Crude	**Brent**		
	Differential to Marker	1,0	[+/- USD]	Quality Differential (plus or minus)
	Gas-Oil-Ratio	280	[scft/bbl]	
	Init Well Prod Rate	220	[Qi, bopd]	
	Prod Decline Rate	25,0%	[%/yr]	Yearly Percentage Decline
	Well Uptime	85,0%	[%/yr]	Accounts for Workovers, P-Measurements etc

Dry Gas Case:		**(identify with "x")**		
	Condensate Yield	9,0	[bbl/MMscf]	
	Condensate Density	55,0	[°API]	
	Oil Density	0,759	[sp.gr]	
	Init Well Prod Rate	2,0	[Qi, MMscf/d]	
	Prod Decline Rate	19,0%	[%/yr]	Yearly Percentage Decline
	Well Uptime	95,0%	[%/yr]	Accounts for Workovers, P-Measurements etc
	Processing Losses	3,0%	[vol%]	Volume Loss (Own Use & Consumption)

Reservoir:	Reservoir Pressure	8.000	[psi]
	Reservoir Temperature	270	[°F]
	Water Breakthrough	3	[in year]
	Reservoir Pressure	565,4	[bar]
	Reservoir Temperature	212,4	[°C]

Case = Oil

Well Performance	[MMscf/d]	[bopd]	[bwpd]
year = 1	0,05	187,0	0,00
2	0,03	119,2	0,00
3	0,02	76,0	11,92
4	0,01	48,4	13,11
5	0,01	30,9	14,42
6	0,01	19,7	15,87
7	0,00	12,6	17,45
8	0,00	8,0	19,20
9	0,00	5,1	21,12
10	0,00	3,3	23,23
11	0,00	2,1	25,55
12	0,00	1,3	28,11
13	0,00	0,8	30,92
14	0,00	0,5	34,01
15	0,00	0,3	37,41
16	0,00	0,2	41,16
17	0,00	0,1	45,27
18	0,00	0,1	49,80
19	0,00	0,1	54,78
20	0,00	0,0	60,26
21	0,00	0,0	66,28
22	0,00	0,0	72,91
23	0,00	0,0	80,20
24	0,00	0,0	88,22
25	0,00	0,0	97,04



Concession: Pampa Verdun
Licensee: AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
450,000 STB Reserves Case (4 wells)

Life-of-Field Table

petroprom petroleum projects management

			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Year	Totals	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Schedule CAPEX:																											
G+G Studies	[nr]	30	20	5	5																						
Infrastructure Development	[units]	0																									
2-D Seismic Data Acq (incl Proc/Inter)	[km]	50	50																								
3-D Seismic Data Acq (incl Proc/Inter)	[km2]	50		50																							
Explor Well(s) dry - (drilled/abandoned)	[nr]	0																									
Explor Well(s) **discovery** (drilled/cased)	[nr]	1		1																							
Development Well(s)	[nr]	3		2	1																						
Artificial Lift (all production wells)	[fract]	1			1,00																						
Oil Processing Facilities	[fract]	1			1,00																						
Oil Export (Pipeline, Loading Gentry)	[fract]	1			1,00																						
Gas Processing Facilities	[fract]	1			1,00																						
Gas Compr, Export Pipeline (or Inj)	[fract]	1			1,00																						
Water Disposal Facilities	[fract]	1			1,00																						
Schedule OPEX:																											
Personnel (office)	[nr]	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1
Personnel (field)	[nr]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
CAPEX:																											
G+G Studies	[MMUSD]	1,50	1,000	0,250	0,250	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Infrastructure Development	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
2-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	0,50	0,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
3-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	1,50	0,000	1,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) dry - (drilled/abandoned)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) discovery - (drilled/cased)	[MMUSD]	0,78	0,000	0,775	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Development Well(s)	[MMUSD]	2,43	0,000	1,620	0,810	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Artificial Lift (all production wells)	[MMUSD]	0,14	0,000	0,000	0,140	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing, Storage Facilities	[MMUSD]	0,40	0,000	0,000	0,400	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Export (P/L, Loading Gentry)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing Facilities	[MMUSD]	0,03	0,000	0,000	0,030	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Compr, Export Pipeline (or Inj)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Facilities	[MMUSD]	0,02	0,000	0,000	0,020	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total CAPEX	[MMUSD]	7,30	1,500	4,145	1,650	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Cumulated CAPEX	[MMUSD]		1,5	5,6	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3	7,3
OPEX:																											
License Area Rental	[MMUSD]	0,34	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014	0,014
Personnel (Expat)	[MMUSD]	2,20	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,050	0,050	0,050	0,050	0,050	0,050
Personnel (Local)	[MMUSD]	0,63	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025
Well Workovers	[MMUSD]	0,71	0,000	0,023	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030	0,030
Maintenance and Repair	[MMUSD]	0,87	0,008	0,028	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036
Personnel Insurance	[MMUSD]	0,28	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,008	0,008	0,008	0,008	0,008	0,008
Well and Facilities Insurance	[MMUSD]	0,36	0,075	0,207	0,083	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing cost	[MMUSD]	3,03	0,120	0,120	0,148	0,127	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120
Liquids Shipping Cost	[MMUSD]	1,99	0,000	0,000	0,593	0,507	0,323	0,206	0,131	0,084	0,053	0,034	0,022	0,014	0,009	0,006	0,004	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Storage cost	[MMUSD]	0,25	0,000	0,000	0,074	0,063	0,040	0,026	0,016	0,010	0,007	0,004	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Cost	[MMUSD]	0,33	0,000	0,000	0,000	0,004	0,005	0,006	0,006	0,007	0,007	0,008	0,009	0,010	0,011	0,012	0,013	0,014	0,016	0,017	0,019	0,021	0,023	0,026	0,028	0,031	0,034
Gas Compr/Inject Cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total OPEX	[MMUSD]	11,00	0,354	0,529	1,115	0,918	0,706	0,575	0,491	0,438	0,405	0,384	0,371	0,363	0,358	0,356	0,355	0,354	0,355	0,356	0,357	0,304	0,306	0,308	0,311	0,313	0,317
Cumulated OPEX	[MMUSD]		0,4	0,9	2,0	2,9	3,6	4,2	4,7	5,1	5,5	5,9	6,3	6,6	7,0	7,4	7,7	8,1	8,4	8,8	9,1	9,4	9,8	10,1	10,4	10,7	11,0
Field Production Performance:																											
Sales Gas	Bscf	0,135	0,000	0,000	0,040	0,034	0,022	0,014	0,009	0,006	0,004	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	MMSTB	0,498	0,000	0,000	0,148	0,127	0,081	0,052	0,033	0,021	0,013	0,009	0,005	0,003	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Formation Water	MMbbls	1,211	0,000	0,000	0,000	0,013	0,019	0,021	0,023	0,025	0,027	0,030	0,033	0,036	0,040	0,044	0,049	0,053	0,059	0,065	0,071	0,078	0,086	0,095	0,104	0,114	0,126

Concession:	Pampa Verdun
Licensee:	AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
450,000 STB Reserves Case (4 wells)

Project Economics

petroleum projects management

		Totals	1 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015
Year										
Field Production Performance:										
Sales Gas	Bscf	0,135	0,000	0,000	0,040	0,034	0,022	0,014	0,009	0,006
Liquids (Oil or Condensate)	MMSTB	0,498	0,000	0,000	0,148	0,127	0,081	0,052	0,033	0,021
Pricing:										
Gas Sales Price	USD/Mscf		**5,50**	5,58	5,67	5,75	5,84	5,93	6,01	6,10
Liquids Sales Price	USD/STB		**50,00**	51,00	52,02	53,06	54,12	55,20	56,31	57,43
Federal Royalty										
Federal Royalty Liquids	%		**13,5%**	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%
Fed Royalty Liquids Export Surcharge	%	1	**0,0%**	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Liquids	MMUSD	3,6	0,00	0,00	1,04	0,91	0,59	0,38	0,25	0,16
Federal Royalty Gas	%		**12,0%**	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%
Fed Royalty Liquids Export Surcharge	%	1	**0,0%**	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Gas	MMUSD	0,1	0,00	0,00	0,03	0,02	0,02	0,01	0,01	0,00
Grand Total Federal Royalties	MMUSD	3,7	0,00	0,00	1,07	0,93	0,61	0,39	0,26	0,17
Capex and Opex:										
Capital Expenditures	MMUSD	7,3	1,50	4,15	1,65	0,00	0,00	0,00	0,00	0,00
Operating Expenditures	MMUSD	11,0	0,35	0,53	1,12	0,92	0,71	0,57	0,49	0,44
Abandonment Accrual	MMUSD	0,5	0,00	0,10	0,10	0,10	0,10	0,10	0,00	0,00
Total Capex+Opex	MMUSD	18,8	1,85	4,77	2,87	1,02	0,81	0,67	0,49	0,44
Gross Revenues:										
Gas Gross Revenues	MMUSD	0,8	0,00	0,00	0,23	0,20	0,13	0,08	0,05	0,03
Liquids Gross Revenues	MMUSD	26,9	0,00	0,00	7,71	6,72	4,37	2,84	1,85	1,20
Total Gross Revenues (after Royalty)	MMUSD	24,0	0,00	0,00	6,87	5,99	3,89	2,53	1,65	1,07
Provincial Tax Levy	%		3,0%	3,0%	4,5%	4,5%	3,0%	3,0%	3,0%	3,0%
Provincial Tax (Fomicruz)	MMUSD	0,7	0,00	0,00	0,26	0,23	0,10	0,06	0,03	0,02
Total Net Revenues	MMUSD	23,3	0,00	0,00	6,61	5,76	3,80	2,47	1,61	1,05
Payout and Interest										
Cum Net Revenues	MMUSD		0,00	0,00	6,61	12,37	16,17	18,65	20,26	21,31
Cum Expenditures (incl Capex Uplift)	MMUSD		2,60	9,35	12,94	13,86	14,56	15,14	15,63	16,07
Working Interest	%		70,0%	70,0%	70,0%	70,0%	30,0%	30,0%	30,0%	30,0%
Paying Interest (incl Carried Interest)	%		70,0%	70,0%	70,0%	70,0%	30,0%	30,0%	30,0%	30,0%
Company Interests										
Company Net Revenues	MMUSD	11,9	0,00	0,00	4,63	4,03	1,14	0,74	0,48	0,32
Expenditures	MMUSD	9,8	1,30	3,34	2,01	0,71	0,24	0,20	0,15	0,13
Company Cash Flow	MMUSD	2,1	-1,30	-3,34	2,62	3,32	0,90	0,54	0,34	0,18
Company Cash Flow (Cumulative)	MMUSD		-1,30	-4,64	-2,02	1,30	2,20	2,74	3,08	3,26
Company CF (Truncated Yrly CF)	MMUSD		-1,30	-3,34	2,62	3,32	0,90	0,54	0,34	0,18
Company CF (Truncated Cum CF)	MMUSD		-1,30	-3,34	2,62	3,32	0,90	0,54	0,34	0,18

	9 2016	10 2017	11 2018	12 2019	13 2020	14 2021	15 2022	16 2023	17 2024
Sales Gas	0,004	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	0,013	0,009	0,005	0,003	0,002	0,001	0,001	0,001	0,000
Gas Sales Price	6,20	6,29	6,38	6,48	6,58	6,67	6,77	6,88	6,98
Liquids Sales Price	58,58	59,75	60,95	62,17	63,41	64,68	65,97	67,29	68,64
Federal Royalty Liquids	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%
Fed Royalty Liquids Export Surcharge	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Liquids	0,11	0,07	0,04	0,03	0,02	0,01	0,01	0,01	0,00
Federal Royalty Gas	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%
Fed Royalty Liquids Export Surcharge	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Gas	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Grand Total Federal Royalties	0,11	0,07	0,05	0,03	0,02	0,01	0,01	0,01	0,00
Capital Expenditures	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Operating Expenditures	0,40	0,38	0,37	0,36	0,36	0,36	0,35	0,35	0,35
Abandonment Accrual	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Capex+Opex	0,40	0,38	0,37	0,36	0,36	0,36	0,35	0,35	0,35
Gas Gross Revenues	0,02	0,01	0,01	0,01	0,00	0,00	0,00	0,00	0,00
Liquids Gross Revenues	0,78	0,51	0,33	0,21	0,14	0,09	0,06	0,04	0,02
Total Gross Revenues (after Royalty)	0,70	0,45	0,29	0,19	0,12	0,08	0,05	0,03	0,02
Provincial Tax Levy	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%
Provincial Tax (Fomicruz)	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Net Revenues	0,69	0,45	0,29	0,19	0,12	0,08	0,05	0,03	0,02
Cum Net Revenues	22,00	22,45	22,74	22,93	23,06	23,14	23,19	23,22	23,25
Cum Expenditures (incl Capex Uplift)	16,47	16,86	17,23	17,59	17,95	18,31	18,66	19,01	19,37
Working Interest	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Paying Interest (incl Carried Interest)	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Company Net Revenues	0,21	0,14	0,09	0,06	0,04	0,02	0,02	0,01	0,01
Expenditures	0,12	0,12	0,11	0,11	0,11	0,11	0,11	0,11	0,11
Company Cash Flow	0,08	0,02	-0,02	-0,05	-0,07	-0,08	-0,09	-0,10	-0,10
Company Cash Flow (Cumulative)	3,35	3,37	3,34	3,29	3,22	3,14	3,05	2,95	2,85
Company CF (Truncated Yrly CF)	0,08	0,02							
Company CF (Truncated Cum CF)	0,08	0,02	-0,02	-0,05	-0,07	-0,08	-0,09	-0,10	-0,10

	18 2025	19 2026	20 2027	21 2028	22 2029	23 2030	24 2031	25 2032
Sales Gas	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Sales Price	7,08	7,19	7,30	7,41	7,52	7,63	7,75	7,86
Liquids Sales Price	70,01	71,41	72,84	74,30	75,78	77,30	78,84	80,42
Federal Royalty Liquids	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%
Fed Royalty Liquids Export Surcharge	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Liquids	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Federal Royalty Gas	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%
Fed Royalty Liquids Export Surcharge	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Gas	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Grand Total Federal Royalties	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Capital Expenditures	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Operating Expenditures	0,36	0,36	0,30	0,31	0,31	0,31	0,31	0,32
Abandonment Accrual	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Capex+Opex	0,36	0,36	0,30	0,31	0,31	0,31	0,31	0,32
Gas Gross Revenues	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Liquids Gross Revenues	0,02	0,01	0,01	0,00	0,00	0,00	0,00	0,00
Total Gross Revenues (after Royalty)	0,01	0,01	0,01	0,00	0,00	0,00	0,00	0,00
Provincial Tax Levy	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%
Provincial Tax (Fomicruz)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Net Revenues	0,01	0,01	0,01	0,00	0,00	0,00	0,00	0,00
Cum Net Revenues	23,26	23,27	23,28	23,28	23,28	23,28	23,29	23,29
Cum Expenditures (incl Capex Uplift)	19,73	20,08	20,39	20,69	21,00	21,31	21,63	21,94
Working Interest	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Paying Interest (incl Carried Interest)	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Company Net Revenues	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenditures	0,11	0,11	0,09	0,09	0,09	0,09	0,09	0,09
Company Cash Flow	-0,10	-0,10	-0,09	-0,09	-0,09	-0,09	-0,09	-0,09
Company Cash Flow (Cumulative)	2,75	2,65	2,56	2,47	2,37	2,28	2,19	2,09
Company CF (Truncated Yrly CF)		-0,10						
Company CF (Truncated Cum CF)	-0,10	-0,10	-0,09	-0,09	-0,09	-0,09	-0,09	

Cells in Green are Varied for Spider Diagram

Economic Indicators

		Net Present Values [MMUSD] 5%	10%	15%	20%	25%	IRR
Company (full period)	MMUSD	1,75	1,23	0,75	0,36	0,05	26%
Comp (truncated for yearly CF<0)	MMUSD	2,21	1,42	0,84	0,40	0,07	26%
Comp (truncated for cumul CF<0)	MMUSD	1,77	1,24	0,76	0,36	0,05	26%
JV Partner (Full Period)							
Government	MMUSD	2,9	2,4	1,9	1,6	1,3	

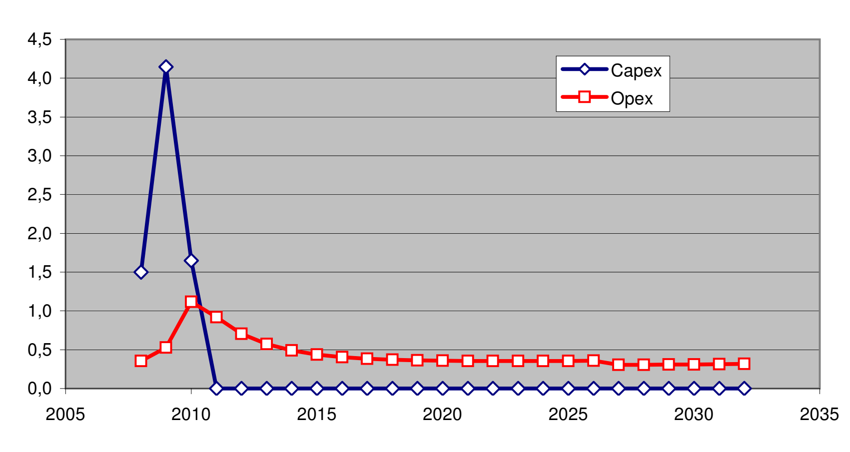
Benchmarks

Gas [USD/Bcf]	Liquids [USD/STB]	
139,0	37,8	Finding Costs
54,0	14,7	Finding and Devlopment Costs
81,4	22,1	Unit Cost of Production

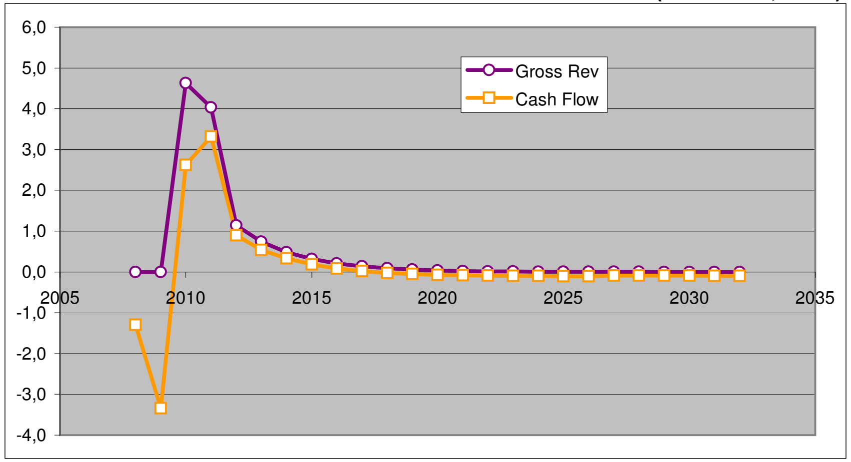
Concession:	Pampa Verdun
Licensee:	AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
450,000 STB Reserves Case (4 wells)

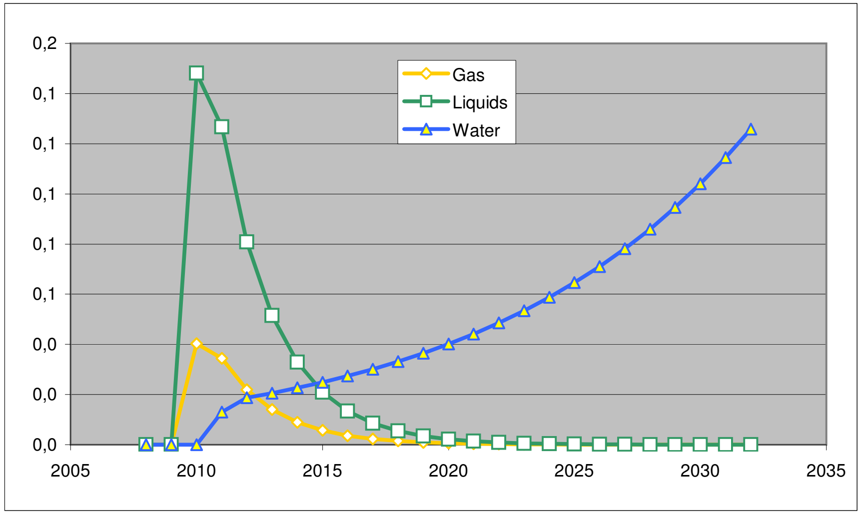
CAPEX and OPEX Streams (in MMUSD; 100%)



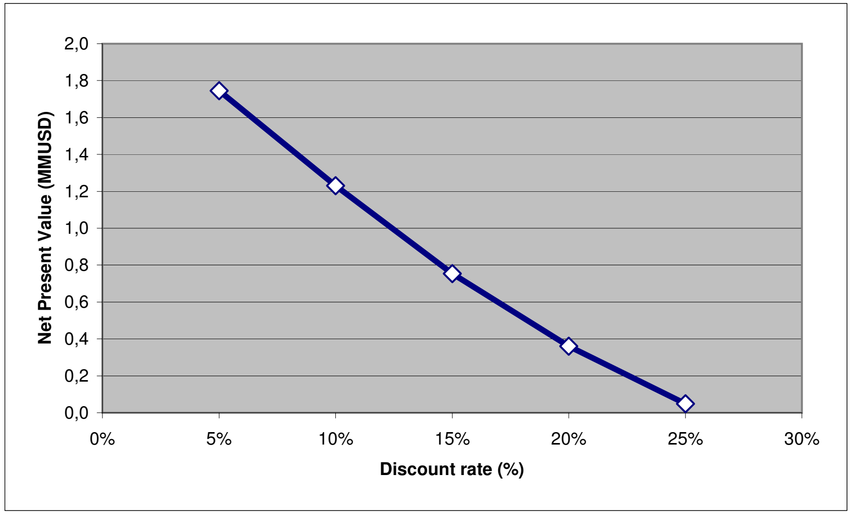
Gross Revenue and Cash Flow (in MMUSD; WI %)



Field Production Performance (annual MMSTB for Liquids; Bcf for Gas; 100%)



Net Present Values (in MMUSD; WI %)

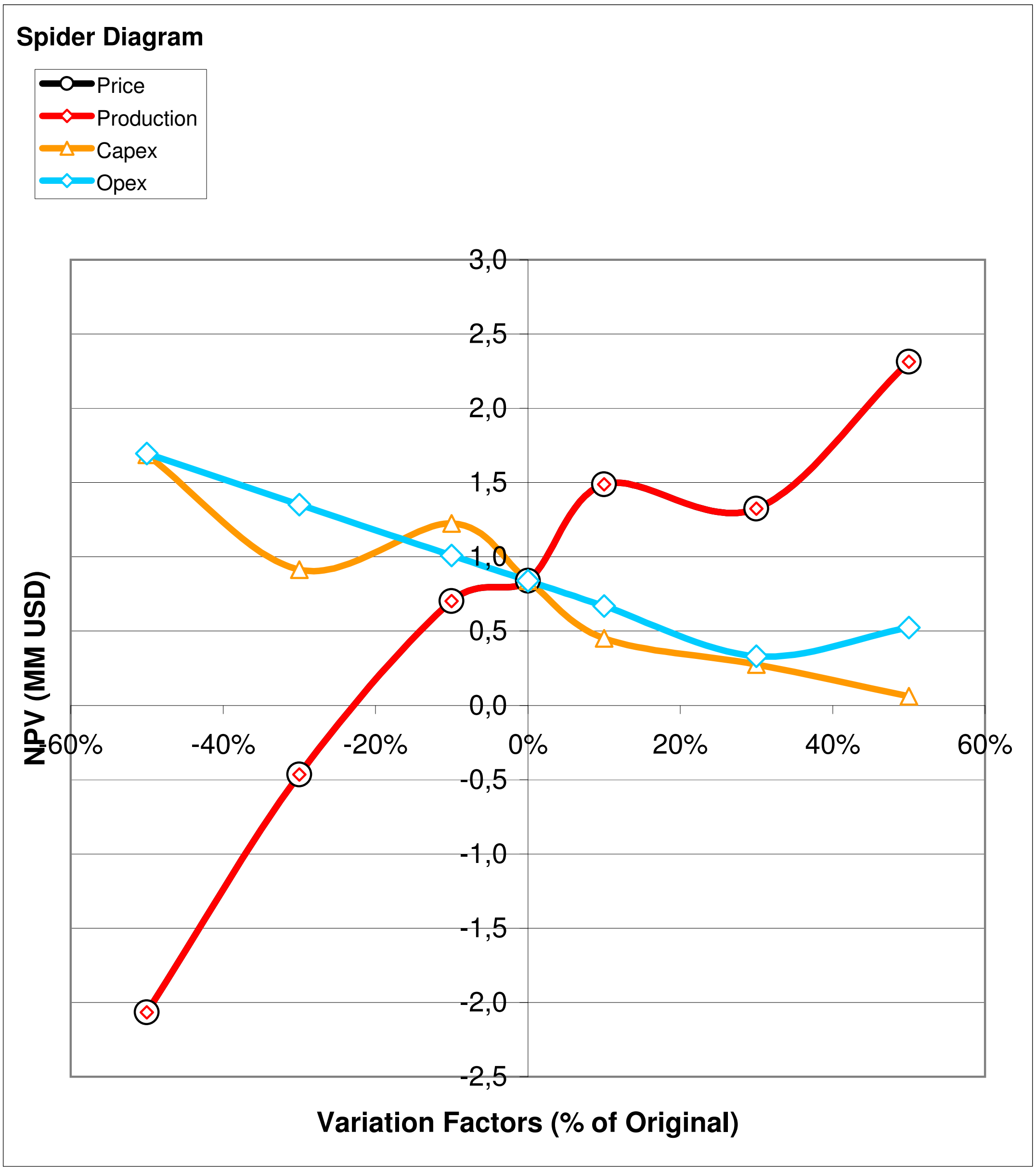


Concession:	Pampa Verdun
Licensee:	AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
450,000 STB Reserves Case (4 wells)

Net Present Values at Discount Rate of:	15%	(truncated run)

Factor	-50%	-30%	-10%	0%	10%	30%	50%	[%]
Production	-2,1	-0,5	0,7	0,8	1,5	1,3	2,3	[MMUSD]
Price	-2,1	-0,5	0,7	0,8	1,5	1,3	2,3	[MMUSD]
Capex	1,7	0,9	1,2	0,8	0,5	0,3	0,1	[MMUSD]
Opex	1,7	1,4	1,0	0,8	0,7	0,3	0,5	[MMUSD]



Concession:	**Sierra del Carril**			Argentina Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**			850,000 STB Reserves Case (7 wells)

Contract Terms:	Term	25	[years]	duration of License Agreement
	License Area	332	[km2]	lease rental
JV Terms:	Equity	70,0%	[%]	Working Interest Before Earning (paying interest)
	Equity	30,0%	[%]	Working Interest after Earning
	Partner Equity	30,0%	[%]	WI before Earning
	Partner Equity	70,0%	[%]	WI after Earning
	Farm-in Consideration	0,00	[MMUSD]	payable to JV Partner upon novation
	Carried Interest	0,0%	[%]	of Capital Expenditures
	Gross Overriding Royalty	0,0%	[%]	from WI after earning
	Net Profits Interest	0,0%	[%]	during CF positive periods
	Payout Multiplier	150,0%	[%]	for Capex *(100%=no multiplier)*

Argentina Royalty Framework

Federal Levy	Oil and Condensates	13,5%	[%]	
	Natural Gas	12,0%	[%]	
Exports	Additional Levy	45,0%	[%]	in addition to above

Provincial Levy *(Fomicruz)*

Annual Revenue Oil			
from	to	Levy	after deduction of Opex and Federal Royalty subject to verification
[MMUSD]	[MMUSD]	[%]	
0,0	4,0	3,00%	
4,0	10,0	4,50%	
10,0	999,0	6,00%	

Annual Income Gas			
from	to	Levy	subject to verification
[MMUSD]	[MMUSD]	[%]	
0,0	4,0	3,00%	
4,0	10,0	4,50%	
10,0	999,0	6,00%	

Posted Prices

Oil/Cond	Gas	
USD/STB	USD/Mscf	
40,00	5,50	domestic sales price
1	1	select domestic sales (1) or export (2)

for export, prices at "Cost+Revenue" are used and additional export tax is levied

Depreciation and Taxation

Depreciation	Annual Depreciation		[%]	Capex Straight Line Depreciation
Taxation	Provincial Corporate Tax		[%]	
	Federal Corporate Tax		[%]	
	Past Cost (Rec'ble)	0,0	[MM USD]	as per agreement
	Abandonment	0,5	[MM USD]	accruals over a period of 5 yrs (tax deductible)

Comments:

petroprom petroleum projects management

Concession:	**Sierra del Carril**		Argentina Tax & Royalty License Model
Licensee:	**AustroCan Petroleum Inc**		850,000 STB Reserves Case (7 wells)

	unit	unit cost	
Studies			
Geoscience / Eng Studies	USD	50.000	
Infrastructure			
Roads	USD	15.000	compile different mix of infrastructure costs depending on environment and topographical conditions; use units of mix in Life-of-Field Schedule
Offices	USD	0	
Communication	USD	0	
Power generation	USD	0	
Infrastructure (nominal unit costs)	USD	15.000	
Geological and Geophysical			
Seismic (2-D) Acquisition	USD/km	10.000	includes processing and interpretation
Seismic (3-D) Acquisition	USD/km2	30.000	includes processing and interpretation
Wells			
Exploration Well (d+a)	USD	750.000	includes access road, site preparation
Development Well (d+a)	USD	780.000	includes access road, site preparation
Well completion (for production)	USD	25.000	
Production well tie-in	USD	5.000	incl flowlines (4" approx)
Delay between Drlg & Tie-In	yrs	0,5	first year reduction of production (max=1)
Artificial lift installation	USD	35.000	first installation, carried out as campaign
Workover Costs (per well)	USD	25.000	to include artificial lift replacement, if applicable
Workover Frequency	[1/year]	0,3	workovers per each active well per year
Facilities			
Liquids Processing Facilities	USD/bfpd	850	incl Topping Plant, HP/LP Flare, Contr Room
Gas Processing Facilties	USD/MMscfd	250.000	Liquid K/O
Max Facilities Capacity	[%]	90,0%	in percent of max field capacity (plateau!)
Liquids Storage Capacity	[days]	5,0	Oil (or Condensate for Gas Case)
Liquids Storage	USD/bbl	11	Oil (or Condensate for Gas Case)
Water Disposal Facilities	USD/bwpd	50	Water treatment, injection pumps and pipeline
Liquids Export Pipeline	[km]	0	Oil (or Condensate for Gas Case)
Firefighting, SCADA	USD	0	
Pumping and Metering Stations	USD	0	Truck Loading Gentry, Weigh Station
Gas Export Pipeline	[km]	0	
Gas Compr Facility (Export/Inj)	USD	0	Gas Driven Power Gen
Fixed Operating Costs			
License Area Rental	[USD/km2]	55	
Personnel (Office)	USD/person	50.000	includes average travel expenditures
Personnel (Field)	USD/person	25.000	
Maintenance and Repair	%Capex/yr	0,5%	percentage on cumulative invested CAPEX
Personnel Insurances	%Opex/yr	10,0%	percentage on annual manpower costs
Well Blowout, Facilities Insurance	%Capex/yr	5,0%	percentage on annual investment costs
Variable Operating Costs			
Liquids Processing cost	USD/bbl	1,00	also as 3rd party processing (set Capex=0)
Liquids Processing cost (flat min)	USD/year	120.000,00	
Liquids Shipping Cost	USD/bbl	4,00	also as trucking cost (set P/L Capex=0)
Liquids Storage cost	USD/bbl	0,50	also as 3rd party processing (set Capex=0)
Gas Processing cost	USD/Bscf	0,00	also as 3rd party processing (set Capex=0)
Water Disposal Cost	USD/bbl	0,27	
Gas Compr/Inject Cost	USD/Bscf	0,00	set zero, if all own use (or power generation)
Sales Revenue			
Liquids Price	USD/bbl	77,00	Oil (or Condensate for Gas Case)
Liquids Price Escalation	[%/yr]	2,0%	
Gas Price	USD/Mscf	7,70	
Gas Price Escalation	[%/yr]	1,5%	

Concession:	Sierra del Carril
Licensee:	AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
850,000 STB Reserves Case (7 wells)

Oil Case: x (identify with "x")

Oil Density	19,8	[°API]	report states 30,9°API (which would be 0.871)
Oil Density	0,935	[sp.gr]	
Oil Quality	sweet	[sweet-sour]	
Oil Marker Crude	**Brent**		
Differential to Marker	1,0	[+/- USD]	Quality Differential (plus or minus)
Gas-Oil-Ratio	280	[scft/bbl]	
Init Well Prod Rate	220	[Qi, bopd]	
Prod Decline Rate	25,0%	[%/yr]	Yearly Percentage Decline
Well Uptime	85,0%	[%/yr]	Accounts for Workovers, P-Measurements etc

Dry Gas Case: (identify with "x")

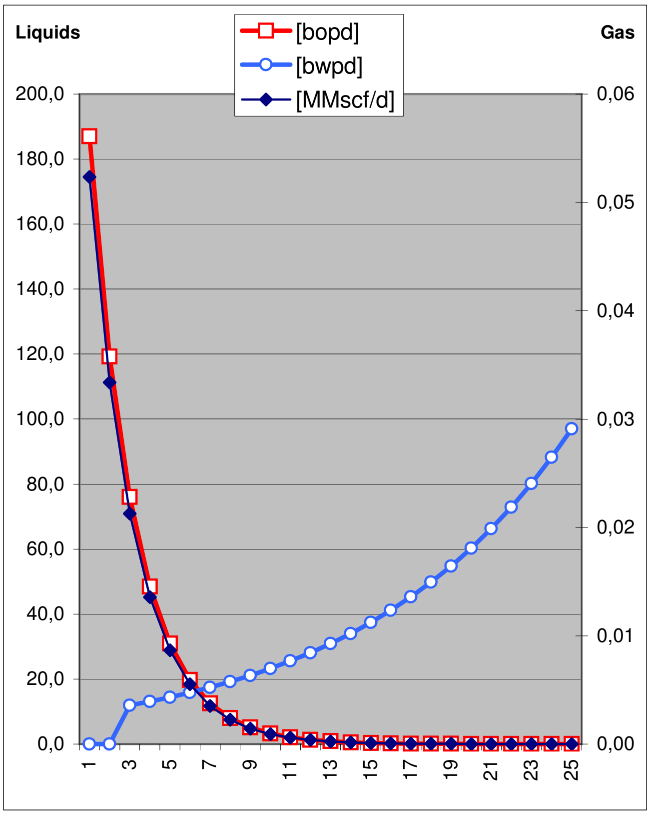
Condensate Yield	9,0	[bbl/MMscf]	
Condensate Density	55,0	[°API]	
Oil Density	0,759	[sp.gr]	
Init Well Prod Rate	2,0	[Qi, MMscf/d]	
Prod Decline Rate	19,0%	[%/yr]	Yearly Percentage Decline
Well Uptime	95,0%	[%/yr]	Accounts for Workovers, P-Measurements etc
Processing Losses	3,0%	[vol%]	Volume Loss (Own Use & Consumption)

Reservoir:

Reservoir Pressure	8.000	[psi]
Reservoir Temperature	270	[°F]
Water Breakthrough	3	[in year]
Reservoir Pressure	565,4	[bar]
Reservoir Temperature	212,4	[°C]

Case = Oil

Well Performance	[MMscf/d]	[bopd]	[bwpd]
year = 1	*0,05*	*187,0*	*0,00*
2	*0,03*	*119,2*	*0,00*
3	*0,02*	*76,0*	*11,92*
4	*0,01*	*48,4*	*13,11*
5	*0,01*	*30,9*	*14,42*
6	*0,01*	*19,7*	*15,87*
7	*0,00*	*12,6*	*17,45*
8	*0,00*	*8,0*	*19,20*
9	*0,00*	*5,1*	*21,12*
10	*0,00*	*3,3*	*23,23*
11	*0,00*	*2,1*	*25,55*
12	*0,00*	*1,3*	*28,11*
13	*0,00*	*0,8*	*30,92*
14	*0,00*	*0,5*	*34,01*
15	*0,00*	*0,3*	*37,41*
16	*0,00*	*0,2*	*41,16*
17	*0,00*	*0,1*	*45,27*
18	*0,00*	*0,1*	*49,80*
19	*0,00*	*0,1*	*54,78*
20	*0,00*	*0,0*	*60,26*
21	*0,00*	*0,0*	*66,28*
22	*0,00*	*0,0*	*72,91*
23	*0,00*	*0,0*	*80,20*
24	*0,00*	*0,0*	*88,22*
25	*0,00*	*0,0*	*97,04*



Concession:	Sierra del Carril	Argentina Tax & Royalty License Model	Life-of-Field Table
Licensee:	AustroCan Petroleum Inc	850,000 STB Reserves Case (7 wells)	

petroleum projects management

			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	Year	Totals	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Schedule CAPEX:																											
G+G Studies	[nr]	30	20	5	5																						
Infrastructure Development	[units]	0																									
2-D Seismic Data Acq (incl Proc/Inter)	[km]	50	50																								
3-D Seismic Data Acq (incl Proc/Inter)	[km2]	50		50																							
Explor Well(s) dry - (drilled/abandoned)	[nr]	1		1																							
Explor Well(s) **discovery** (drilled/cased)	[nr]	1		1																							
Development Well(s)	[nr]	6		4	2																						
Artificial Lift (all production wells)	[fract]	1			1,00																						
Oil Processing Facilities	[fract]	1			1,00																						
Oil Export (Pipeline, Loading Gentry)	[fract]	1			1,00																						
Gas Processing Facilities	[fract]	1			1,00																						
Gas Compr, Export Pipeline (or Inj)	[fract]	1			1,00																						
Water Disposal Facilities	[fract]	1			1,00																						
Schedule OPEX:																											
Personnel (office)	[nr]	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1
Personnel (field)	[nr]	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
CAPEX:																											
G+G Studies	[MMUSD]	1,50	1,000	0,250	0,250	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Infrastructure Development	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
2-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	0,50	0,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
3-D Seismic Data Acq (incl Proc/Inter)	[MMUSD]	1,50	0,000	1,500	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) dry - (drilled/abandoned)	[MMUSD]	0,75	0,000	0,750	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Explor Well(s) discovery - (drilled/cased)	[MMUSD]	0,78	0,000	0,775	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Development Well(s)	[MMUSD]	4,86	0,000	3,240	1,620	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Artificial Lift (all production wells)	[MMUSD]	0,25	0,000	0,000	0,245	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing, Storage Facilities	[MMUSD]	0,71	0,000	0,000	0,710	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Export (P/L, Loading Gentry)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing Facilities	[MMUSD]	0,05	0,000	0,000	0,050	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Compr, Export Pipeline (or Inj)	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Facilities	[MMUSD]	0,03	0,000	0,000	0,030	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total CAPEX	[MMUSD]	10,92	1,500	6,515	2,905	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Cumulated CAPEX	[MMUSD]		1,5	8,0	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9	10,9
OPEX:																											
License Area Rental	[MMUSD]	0,46	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018	0,018
Personnel (Expat)	[MMUSD]	2,20	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,050	0,050	0,050	0,050	0,050	0,050
Personnel (Local)	[MMUSD]	0,63	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025	0,025
Well Workovers	[MMUSD]	1,25	0,000	0,038	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053	0,053
Maintenance and Repair	[MMUSD]	1,30	0,008	0,040	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055	0,055
Personnel Insurance	[MMUSD]	0,28	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,013	0,008	0,008	0,008	0,008	0,008	0,008
Well and Facilities Insurance	[MMUSD]	0,55	0,075	0,326	0,145	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids Processing cost	[MMUSD]	3,27	0,120	0,120	0,257	0,226	0,144	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120
Liquids Shipping Cost	[MMUSD]	3,52	0,000	0,000	1,029	0,903	0,576	0,367	0,234	0,149	0,095	0,061	0,039	0,025	0,016	0,010	0,006	0,004	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000
Liquids Storage cost	[MMUSD]	0,44	0,000	0,000	0,129	0,113	0,072	0,046	0,029	0,019	0,012	0,008	0,005	0,003	0,002	0,001	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Gas Processing cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Water Disposal Cost	[MMUSD]	0,57	0,000	0,000	0,000	0,006	0,009	0,010	0,011	0,012	0,013	0,014	0,016	0,017	0,019	0,021	0,023	0,025	0,028	0,030	0,033	0,037	0,040	0,045	0,049	0,054	0,059
Gas Compr/Inject Cost	[MMUSD]	0,00	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Total OPEX	[MMUSD]	14,45	0,358	0,679	1,823	1,510	1,063	0,805	0,657	0,562	0,503	0,465	0,442	0,428	0,419	0,415	0,413	0,413	0,413	0,415	0,418	0,365	0,369	0,373	0,377	0,382	0,387
Cumulated OPEX	[MMUSD]		0,4	1,0	2,9	4,4	5,4	6,2	6,9	7,5	8,0	8,4	8,9	9,3	9,7	10,1	10,5	11,0	11,4	11,8	12,2	12,6	12,9	13,3	13,7	14,1	14,5
Field Production Performance:																											
Sales Gas	Bscf	0,239	0,000	0,000	0,070	0,061	0,039	0,025	0,016	0,010	0,006	0,004	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	MMSTB	0,880	0,000	0,000	0,257	0,226	0,144	0,092	0,058	0,037	0,024	0,015	0,010	0,006	0,004	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Formation Water	MMbbls	2,110	0,000	0,000	0,000	0,022	0,033	0,036	0,039	0,043	0,048	0,053	0,058	0,064	0,070	0,077	0,085	0,093	0,102	0,113	0,124	0,136	0,150	0,165	0,181	0,200	0,220

Concession:	**Sierra del Carril**
Licensee:	**AustroCan Petroleum Inc**

Argentina Tax & Royalty License Model
850,000 STB Reserves Case (7 wells)

Project Economics

petroleum projects management

	Year	Totals	1 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015	9 2016	10 2017	11 2018	12 2019	13 2020
Field Production Performance:															
Sales Gas	Bscf	0,239	0,000	0,000	0,070	0,061	0,039	0,025	0,016	0,010	0,006	0,004	0,003	0,002	0,001
Liquids (Oil or Condensate)	MMSTB	0,880	0,000	0,000	0,257	0,226	0,144	0,092	0,058	0,037	0,024	0,015	0,010	0,006	0,004
Pricing:															
Gas Sales Price	USD/Mscf		**5,50**	5,58	5,67	5,75	5,84	5,93	6,01	6,10	6,20	6,29	6,38	6,48	6,58
Liquids Sales Price	USD/STB		**40,00**	40,80	41,62	42,45	43,30	44,16	45,05	45,95	46,87	47,80	48,76	49,73	50,73
Federal Royalty															
Federal Royalty Liquids	%		**13,5%**	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%
Fed Royalty Liquids Export Surcharge	%	1	**0,0%**	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Liquids	MMUSD	5,1	0,00	0,00	1,45	1,29	0,84	0,55	0,36	0,23	0,15	0,10	0,06	0,04	0,03
Federal Royalty Gas	%		**12,0%**	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%
Fed Royalty Liquids Export Surcharge	%	1	**0,0%**	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Gas	MMUSD	0,2	0,00	0,00	0,05	0,04	0,03	0,02	0,01	0,01	0,00	0,00	0,00	0,00	0,00
Grand Total Federal Royalties	MMUSD	5,3	0,00	0,00	1,49	1,34	0,87	0,56	0,37	0,24	0,16	0,10	0,07	0,04	0,03
Capex and Opex:															
Capital Expenditures	MMUSD	10,9	1,50	6,52	2,91	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Operating Expenditures	MMUSD	14,5	0,36	0,68	1,82	1,51	1,06	0,81	0,66	0,56	0,50	0,47	0,44	0,43	0,42
Abandonment Accrual	MMUSD	0,5	0,00	0,10	0,10	0,10	0,10	0,10	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Capex+Opex	MMUSD	25,9	1,86	7,29	4,83	1,61	1,16	0,91	0,66	0,56	0,50	0,47	0,44	0,43	0,42
Gross Revenues:															
Gas Gross Revenues	MMUSD	1,4	0,00	0,00	0,40	0,35	0,23	0,15	0,10	0,06	0,04	0,03	0,02	0,01	0,01
Liquids Gross Revenues	MMUSD	38,1	0,00	0,00	10,71	9,58	6,23	4,05	2,63	1,71	1,11	0,72	0,47	0,31	0,20
Total Gross Revenues (after Royalty)	MMUSD	34,2	0,00	0,00	9,61	8,60	5,59	3,63	2,36	1,54	1,00	0,65	0,42	0,27	0,18
Provincial Tax Levy	%		3,0%	3,0%	4,5%	4,5%	4,5%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%
Provincial Tax (Fomicruz)	MMUSD	1,1	0,00	0,00	0,35	0,32	0,20	0,08	0,05	0,03	0,01	0,01	0,00	0,00	0,00
Total Net Revenues	MMUSD	33,1	0,00	0,00	9,26	8,28	5,39	3,55	2,31	1,51	0,98	0,64	0,42	0,27	0,18
Payout and Interest															
Cum Net Revenues	MMUSD		0,00	0,00	9,26	17,54	22,92	26,47	28,78	30,29	31,28	31,92	32,34	32,62	32,79
Cum Expenditures (incl Capex Uplift)	MMUSD		2,61	13,06	19,24	20,75	21,81	22,62	23,28	23,84	24,34	24,81	25,25	25,68	26,09
Working Interest	%		70,0%	70,0%	70,0%	70,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Paying Interest (incl Carried Interest)	%		70,0%	70,0%	70,0%	70,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Company Interests															
Company Net Revenues	MMUSD	17,0	0,00	0,00	6,48	5,80	1,62	1,06	0,69	0,45	0,30	0,19	0,13	0,08	0,05
Expenditures	MMUSD	14,0	1,30	5,11	3,38	1,13	0,35	0,27	0,20	0,17	0,15	0,14	0,13	0,13	0,13
Company Cash Flow	MMUSD	3,0	-1,30	-5,11	3,10	4,67	1,27	0,79	0,50	0,28	0,14	0,05	-0,01	-0,05	-0,07
Company Cash Flow (Cumulative)	MMUSD		-1,30	-6,41	-3,31	1,36	2,63	3,42	3,92	4,20	4,35	4,40	4,39	4,35	4,28
Company CF (Truncated Yrly CF)	MMUSD		-1,30	-5,11	3,10	4,67	1,27	0,79	0,50	0,28	0,14	0,05			
Company CF (Truncated Cum CF)	MMUSD		-1,30	-5,11	3,10	4,67	1,27	0,79	0,50	0,28	0,14	0,05	-0,01	-0,05	-0,07

	14 2021	15 2022	16 2023	17 2024	18 2025	19 2026	20 2027	21 2028	22 2029	23 2030	24 2031	25 2032
Field Production Performance:												
Sales Gas	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Liquids (Oil or Condensate)	0,003	0,002	0,001	0,001	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Pricing:												
Gas Sales Price	6,67	6,77	6,88	6,98	7,08	7,19	7,30	7,41	7,52	7,63	7,75	7,86
Liquids Sales Price	51,74	52,78	53,83	54,91	56,01	57,13	58,27	59,44	60,63	61,84	63,08	64,34
Federal Royalty												
Federal Royalty Liquids	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%	13,5%
Fed Royalty Liquids Export Surcharge	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Liquids	0,02	0,01	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Federal Royalty Gas	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%	12,0%
Fed Royalty Liquids Export Surcharge	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total Royalty Gas	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Grand Total Federal Royalties	0,02	0,01	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Capex and Opex:												
Capital Expenditures	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Operating Expenditures	0,41	0,41	0,41	0,41	0,42	0,42	0,37	0,37	0,37	0,38	0,38	0,39
Abandonment Accrual	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Capex+Opex	0,41	0,41	0,41	0,41	0,42	0,42	0,37	0,37	0,37	0,38	0,38	0,39
Gross Revenues:												
Gas Gross Revenues	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Liquids Gross Revenues	0,13	0,08	0,05	0,04	0,02	0,02	0,01	0,01	0,00	0,00	0,00	0,00
Total Gross Revenues (after Royalty)	0,12	0,08	0,05	0,03	0,02	0,01	0,01	0,01	0,00	0,00	0,00	0,00
Provincial Tax Levy	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%	3,0%
Provincial Tax (Fomicruz)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Net Revenues	0,12	0,08	0,05	0,03	0,02	0,01	0,01	0,01	0,00	0,00	0,00	0,00
Payout and Interest												
Cum Net Revenues	32,91	32,99	33,03	33,07	33,09	33,10	33,11	33,12	33,12	33,12	33,12	33,12
Cum Expenditures (incl Capex Uplift)	26,51	26,92	27,34	27,75	28,16	28,58	28,95	29,32	29,69	30,07	30,45	30,83
Working Interest	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Paying Interest (incl Carried Interest)	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%	30,0%
Company Interests												
Company Net Revenues	0,03	0,02	0,01	0,01	0,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Expenditures	0,12	0,12	0,12	0,12	0,12	0,13	0,11	0,11	0,11	0,11	0,11	0,12
Company Cash Flow	-0,09	-0,10	-0,11	-0,11	-0,12	-0,12	-0,11	-0,11	-0,11	-0,11	-0,11	-0,12
Company Cash Flow (Cumulative)	4,19	4,09	3,98	3,86	3,74	3,62	3,52	3,41	3,30	3,18	3,07	2,95
Company CF (Truncated Yrly CF)						-0,12						
Company CF (Truncated Cum CF)	-0,09	-0,10	-0,11	-0,11	-0,12	-0,12	-0,11	-0,11	-0,11	-0,11	-0,11	

Cells in Green are Varied for Spider Diagram

Economic Indicators

		Net Present Values [MMUSD]					IRR
		5%	10%	15%	20%	25%	
Company (full period)	MMUSD	2,32	1,57	0,91	0,38	-0,04	24%
Comp (truncated for yearly CF<0)	MMUSD	2,83	1,78	1,00	0,42	-0,02	25%
Comp (truncated for cumul CF<0)	MMUSD	2,36	1,58	0,91	0,38	-0,04	24%
JV Partner (Full Period)							
Government	MMUSD	4,2	3,4	2,7	2,3	1,9	

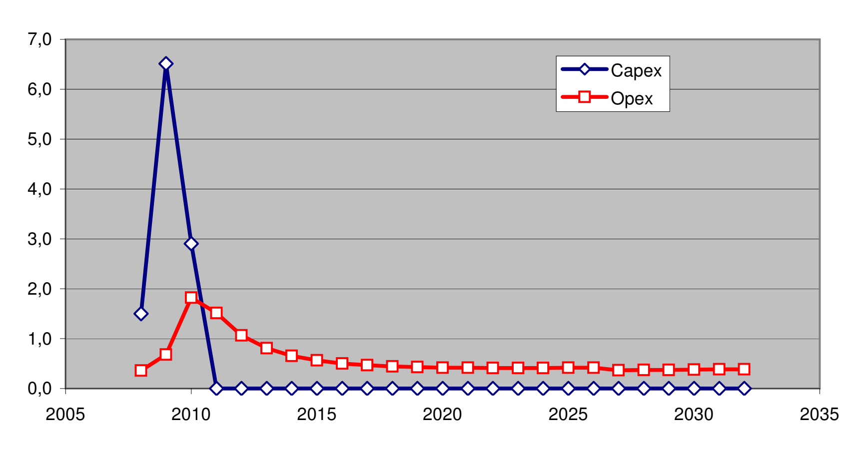
Benchmarks

Gas [USD/Bcf]	Liquids [USD/STB]	
108,3	29,4	Finding Costs
45,7	12,4	Finding and Devlopment Costs
60,5	16,4	Unit Cost of Production

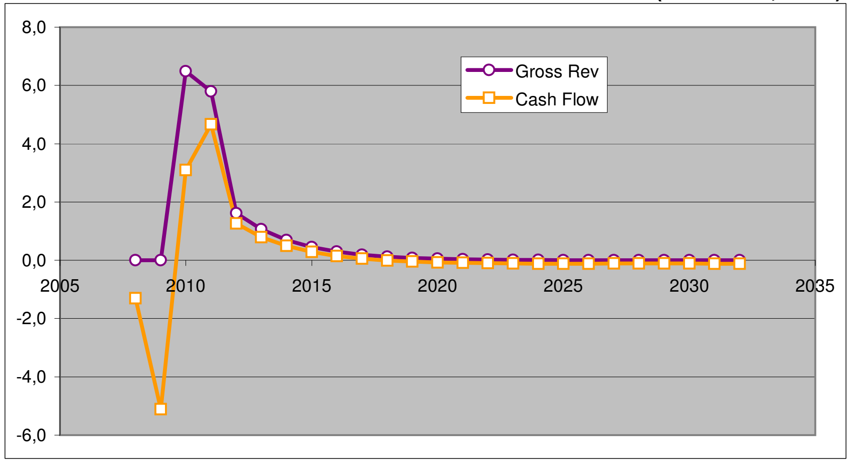
Concession:	Sierra del Carril
Licensee:	AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
850,000 STB Reserves Case (7 wells)

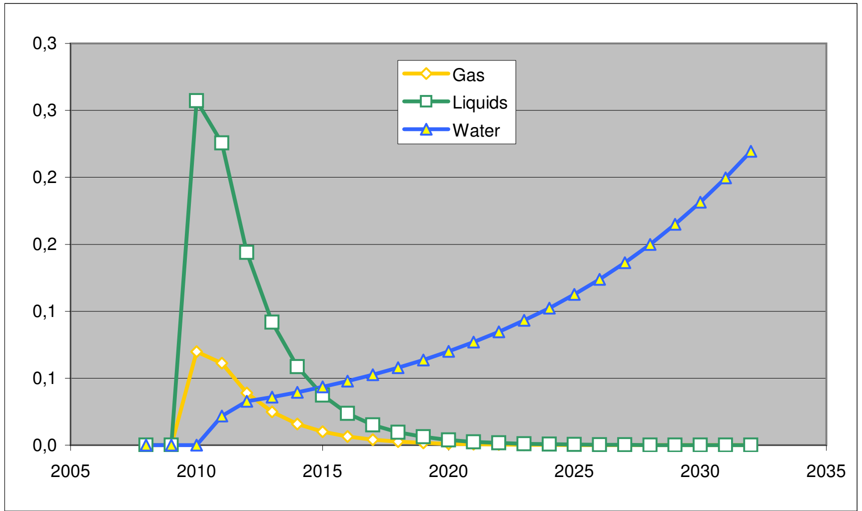
CAPEX and OPEX Streams (in MMUSD; 100%)



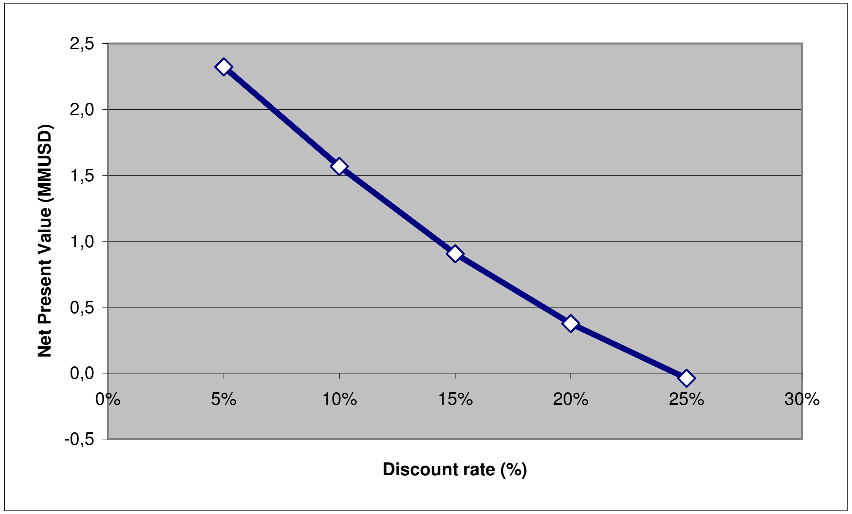
Gross Revenue and Cash Flow (in MMUSD; WI %)



Field Production Performance (annual MMSTB for Liquids; Bcf for Gas; 100%)



Net Present Values (in MMUSD; WI %)



Concession:	Sierra del Carril
Licensee:	AustroCan Petroleum Inc

Argentina Tax & Royalty License Model
850,000 STB Reserves Case (7 wells)

Net Present Values at Discount Rate of:	15%	(truncated run)

Factor	-50%	-30%	-10%	0%	10%	30%	50%	[%]
Production	-3,1	-0,8	0,8	1,0	1,9	1,6	3,1	[MMUSD]
Price	-3,1	-0,8	0,8	1,0	1,9	1,6	3,1	[MMUSD]
Capex	2,3	1,2	1,6	1,0	1,3	0,6	-0,1	[MMUSD]
Opex	2,2	1,7	1,3	1,0	0,8	1,1	0,5	[MMUSD]