

**FORM 51-101 F1**  
**STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION**  
**PETROLYMPIC LTD.**  
**For Fiscal Year Ended December 31, 2014**

*Terms for which a meaning is given in National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities have the same meaning in this form.*

**Part 1: Date of Statement**

1. This statement is dated April 27, 2015;
2. The effective date of the information being provided in this statement is December 31, 2014; and
3. The presentation date of the information being provided is April 27, 2014.

**Part 2 to Part 5: Disclosure of Reserves Data**

At December 31, 2014, Petrolympic Ltd. (“Petrolympic” or the “Company”) does not have significant production or related revenue, and has not established any material oil and gas reserves. Consequently, the Company did not engage an independent evaluator to review its reserves or associated future net revenues for the year ended December 31, 2014.

With further work the Company’s properties may be shown to contain commercial reserves of oil and gas. The Company has not reported any reserves for its properties in the past.

**Part 6: Other Oil and Gas Information**

***Item 6.1 Oil and Gas Properties and Wells***

- The Company does not currently have any properties, plants, facilities or installations, other than oil and gas / underground storage exploration permits in the Province of Québec.
- The Company has an 80.25% working interest (yielding a 60.1875% net revenue interest) in the Chittim Ranch property in western Texas, USA.

***Item 6.2 Properties with No Attributed Reserves***

**A) Properties in Québec:**

On June 13, 2011, the government of Québec adopted changes to the Mining Act that are having minor effects on Petrolympic's land holding. The government has revoked all parts of exploration permits located over the St. Lawrence River and islands within the river.

Petrolympic's permit 2009RS303 with an initial area of 14,600 hectares has therefore lost 473 hectares on its northwest corner.

As at December 31, 2014, Petrolympic has an interest in a total 752,951 hectares (1,860,542 acres) of oil and gas exploration permits in the Appalachian Basin of Québec that include holdings in the St. Lawrence Lowlands and Gaspé Peninsula (See map below). The Company's holdings in the St. Lawrence Lowlands are a 30% interest in 216,933 hectares (536,041 acres) through a joint venture with Energie Squatex Inc. ("Squatex"); a 12% interest in 8,000 hectares (19,768 acres) through the Farmout and Joint Operating Agreement (the "Agreement") with Canbriam Energy Inc. ("Canbriam"); as well as a 100% interest in 56,152 hectares (138,752 acres) located over the St. Lawrence Lowlands shallow carbonates platform on the south shore of the St. Lawrence River, less than 30 kilometres southwest of Montreal. These properties represent a major position in the Utica-Lorraine and Trenton-Black River plays. Petrolympic also maintains holdings in the Gaspé and Bas-St. Lawrence regions, including a 30% interest in 431,178 hectares (1,065,441 acres) through a joint venture with Squatex and a 100% interest in a block of exploration permits totaling 40,688 hectares (100,540 acres) located between Rimouski and Matane prospective for hydrothermal dolomite hosted light oil.

The following are permits in which Petrolympic holds an interest. Please also refer to the map that follows:

**Gaspé Permits 100% Ownership:**

Permit Number	Renewal Date	Area (Hectares)
2009PG573	01/09/2015	18,705
2009RS305	01/09/2015	21,983
<b>Subtotal</b>		<b>40,688</b>

**St. Lawrence Lowlands Permits 100% Ownership:**

Permit Number	Renewal Date	Area (Hectares)
2009RS302	01/09/2015	21,930
2009RS303	01/09/2015	14,127
2009RS304	01/09/2015	20,095
<b>Subtotal</b>		<b>56,152</b>

**St. Lawrence Lowlands Permits 30% Ownership:**

<b>Permit Number</b>	<b>Renewal Date</b>	<b>Area (Hectares)</b>
2009RS287	01/09/2015	20,871
2009RS288	01/09/2014	17,990
2009RS289	01/09/2015	20,909
2009RS290	01/09/2015	7,248
2009RS291	01/09/2015	22,447
2009RS292	01/09/2015	18,827
2009RS293	01/09/2015	14,580
2009RS294	01/09/2015	21,664
2009RS295	01/09/2015	19,316
2009RS296 (part)	01/09/2015	20,339 *
2009RS297	01/09/2015	16,342
2009RS298 (part)	01/09/2015	24,400 *
<b>Subtotal</b>		<b>224,933</b>

\* An 18% interest over 8,000 hectares was transferred from Petrolympic to Canbriam from these two permits between surface and the top of the Trenton Formation only.

**Gaspé Permits 30% Ownership:**

<b>Permit Number</b>	<b>Renewal Date</b>	<b>Area (Hectares)</b>
2009PG554	01/09/2015	15,150
2009PG556	01/09/2015	23,666
<b>Subtotal</b>		<b>38,816</b>

**Lower St. Lawrence 30% Ownership:**

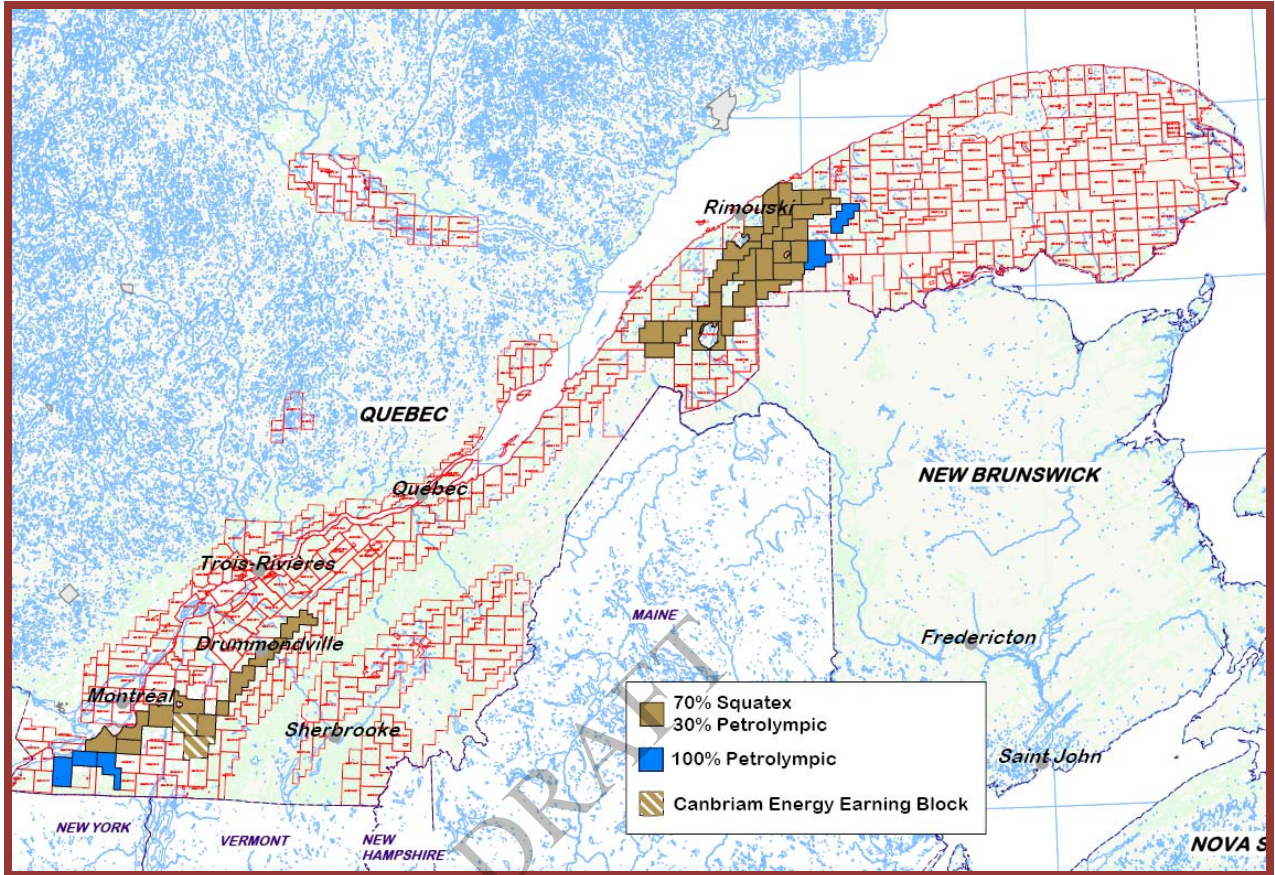
<b>Permit Number</b>	<b>Renewal Date</b>	<b>Area (Hectares)</b>
2009RS299	01/09/2015	18,975
2009RS300	01/09/2015	20,704
2009RS301	01/09/2015	17,136
2009PG552	01/09/2015	10,267
2009PG553	01/09/2015	23,068
2009PG555	01/09/2015	16,438
2009PG557	01/09/2015	9,894
2009PG558	01/09/2015	19,420
2009PG559	01/09/2015	18,737
2009PG560	01/09/2015	19,817
2009PG561	01/09/2015	24,435
2009PG562	01/09/2015	19,847
2009PG563	01/09/2015	22,573
2009PG564	01/09/2015	14,377
2009PG565	01/09/2015	15,370
2009PG566	01/09/2015	21,454
2009PG567	01/09/2015	20,642
2009PG568	01/09/2015	20,668
2009PG569	01/09/2015	17,244
2009PG570	01/09/2015	19,579
2009PG571	01/09/2015	20,951
2009PG572	01/09/2015	16,477
<b>Subtotal</b>		<b>408,073</b>

**St. Lawrence Lowlands Permits 12% Ownership:**

<b>Permit Number</b>	<b>Renewal Date</b>	<b>Area (Hectares)</b>
2009RS296 (part)	01/09/2015	20,339
2009RS298 (part)	01/09/2015	24,400
<b>Subtotal</b>		<b>44,739</b>

Canbriam has earned an interest between the surface and the top of the Trenton Formation of 60% over 8,000 hectares to date and could increase its earning to up to 32,000 hectares of the 44,739 hectares.

## Map of Properties in Québec



## Operations

On April 11, 2014, the Company announced the results of an independent resource evaluation carried out by Sproule Associates Limited ("Sproule") on a structure drilled on its joint venture property in the Lower St. Lawrence area (the "Property") located in the Appalachian Basin of Quebec. Sproule conducted its evaluation according to the Canadian Oil and Gas Evaluation Handbook reserve and resource definitions. The Company holds an interest in 431,339 hectares (1,065,839 acres) of the Property through a joint-venture with Squatex Energy and Resources Inc. ("Squatex"), the operator on the Property.

The results of this independent evaluation (as shown in Table 1 below) are based on the data gathered when drilling the Massé No.1 core hole. The results of the evaluation builds on the data released by Petrolympic in its press release dated November 15, 2013 (filed on [www.sedar.com](http://www.sedar.com)).

The results obtained by Petrolympic and Squatex in the Lower St. Lawrence are encouraging and present additional opportunities since the evaluation conducted by Sproule is focused on only one of the three hydrocarbon-bearing zones identified in the well. Furthermore, several

seismic anomalies with characteristics similar to Massé No.1 core hole have also been highlighted by the proprietary seismic data within the limits of the Property. This is not included in the Sproule resource evaluation and presents significant upside to the potential of the Property, further validating the pioneering efforts of Petrolympic and Squatex in exploring the potential of the area.

On October 1, 2014, Petrolympic and its partner Squatex announced that drilling operations have started on the Massé No 2 site. On November 7, 2014, Petrolympic announced that the Massé No 2 stratigraphic core hole is showing the presence of heavy oil, along with numerous gas shows. Drilling operations will continue to the target depth of 6,900 feet (2,100 m). After drilling is complete, the well will be logged and flow tested and the results will be announced.

The presence of oil associated to porous horizons and natural fracture networks in the Massé No 2 Well casts a new and positive light on the potential of the area actively explored by the partnership. A patient and comprehensive exploration program resulted in a reinterpretation of the existing data and, more importantly, the gathering of additional subsurface information including the drilling of fourteen core holes, six of them having oil or gas shows.

Drilling operations on the Squatex Massé No.2 well were demobilized on November 28, 2014 at a depth of 1,970.4 meters within Cambrian-Ordovician Formations and a complete set of logs were run. The hole was then suspended and equipped with appropriate security and measurement instrumentation for the winter period. Data recorded will be analysed and compared with results of oil and gas samples analyses obtained while drilling to allow precious information on the fluids migration dynamic and on accumulation conditions at depth to help interpreting flow tests to be run in the spring 2015. Frequent visits are planned to collect data and to check the integrity of equipment installed on the site.

Meanwhile Petrolympic and Squatex are actively preparing to move forward with the pursuit of a deep stratigraphic coring program to validate several other prospective structures with promising hydrocarbon potential across its Property. The next selected drilling site, Marleau No 1, is located a few kilometers to the south of the Massé No 2 well and will test a flat spot, i.e. a seismic feature characteristic of the presence of fluids in the subsurface. This new well will mark a significant step out and, if successful, will expand the potential of its Property and enable the Company to test similar targets in another fault compartment block, thus extending the span of the plays already validated farther north.

**Table 1: Results of the resource evaluation as presented in Sproule’s report.**

<b>Table S-2</b> <b>Summary of Project Gross Unrisked Undiscovered Unrecoverable Gas Initially-in-Place (“GIIP”)</b> <b>Sayabec Formation of the Massé Structure, Lower St. Lawrence Area, Québec, Canada<sup>1,2</sup></b> <b>Estimated by Sproule Associates Limited, As of February 28, 2014</b>					
Structure	Formation	Gas (BCF) <sup>2,3</sup>			
		Low <sup>4</sup>	Best <sup>5</sup>	High <sup>6</sup>	Mean <sup>7</sup>
		(P <sub>90</sub> )	(P <sub>50</sub> )	(P <sub>10</sub> )	
Massé	Sayabec	3	8	26	<b>12</b>

1. Undiscovered Petroleum Initially-in-place (equivalent to undiscovered resources) is the quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "prospective resources", the remainder as "unrecoverable". Only the in-place volumes are presented here as a development project to recover any hydrocarbons discovered has not been defined. There is no certainty that any portion of these unrisked undiscovered GIIP will be discovered and, if discovered, there is no certainty that it will be developed or, if it is developed, there is no certainty as to either the timing of such development or whether it will be commercially viable to produce any portion of these resources.
2. These are the project gross unrisked undiscovered petroleum initially in place volumes (i.e. 100% project gross) estimated for the Sayabec Formation of the Massé Structure without any adjustments for working interest and before deduction of any royalties.
3. “BCF” is billions of cubic feet, “MMboe” is millions of barrels of oil equivalent.
4. Low Estimate is considered to be a conservative estimate of the quantity that will actually be in-place. It is likely that the actual remaining quantities in-place will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually in-place will equal or exceed the low estimate.
5. Best Estimate is considered to be the best estimate of the quantity that will actually be in-place. It is equally likely that the actual remaining quantities in-place will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually in-place will equal or exceed the best estimate.
6. High Estimate is considered to be an optimistic estimate of the quantity that will actually be in-place. It is unlikely that the actual remaining quantities in-place will exceed the high estimate. If probabilistic methods are used, there should be at least a

10 percent probability (P10) that the quantities actually in-place will equal or exceed the high estimate.

7. Statistical aggregation is the process of probabilistically aggregating distributions that represent estimates of resource quantities at the reservoir, prospect, or portfolio level. Arithmetic summation and statistical aggregation of the means yield similar results. Arithmetic summation of the Low Estimate, Best Estimate and High Estimate are not statistically appropriate. Both the statistical and arithmetic summation of the unrisksed prospects may be misleading because it assumes success for each of the prospect entities. The chance of this occurring is extremely unlikely. Actual recovery is likely to be less and may be zero.

8. **Table 2: Core laboratory analyses from the Massé No.1 core hole, as reviewed by Sproule and used as input parameters in the resource evaluation.**

SQUATEX RESSOURCE ET ENERGIE SQUATEX MASSE File No. : 52131-13-0145									
#1									
Field :		Formation :			Date : 2013-07-26				
Province : QUEBEC		Coring equip :			Analysts : DJB				
License :		Coring fluid : WATER BASE MUD			Core Dia : 48 mm				
CORE ANALYSIS RESULTS									
SAMPLE NUMBER	DEPTH m	SAMPLE LENGTH m	PERMEABILITY (MAXIMUM) Kair mD	PERMEABILITY (90 DEG) Kair mD	PERMEABILITY (VERTICAL) Kair mD	POROSITY (HELIUM) fraction	BULK DENSITY (kg/m3)	GRAIN DENSITY (kg/m3)	DESCRIPTION
FD 1	1845.20	0.11	0.02	0.01	<0.01	0.037	2710	2810	dol i ppv sv mv
FD 2	1847.10	0.07	1624	1584	<0.01	0.208	2220	2800	dol i ppv sv
FD 3	1848.00	0.09	0.01	0.01	<0.01	0.013	2780	2810	dol i sv
FD 4	1856.00	0.05	0.06	0.02	0.02	0.007	2640	2660	ss vf f vfrac
FD 5	1873.50	0.04	<0.01	<0.01	<0.01	0.002	2640	2640	ss vf f
Results of five core sample analyses for the Massé # 1 well. The Company determined an average porosity estimate of 4,1% for the dolomitized zone of interest using results from Samples FD-1 (1,845.2 m; 3,7%), FD-2 (1,847.1 m; 20,8%), and FD-3 (1,848.0 m;1,3%). A porosity of 4,1% over a net pay thickness of 5 m (4,7m = ~3%; 0,3 m = 20,8%) is a mathematical average that assumes the Massé # 1 well is representative of the average petrophysical characteristics for the entire Massé Structure – which in reality is likely not the case (Estimation du Gaz en Place – Structure Massé, September 2013).									

Petrolympic also owns a 100% interest in two exploration permits in the same area, referred to as the Matapedia and the Mitis properties. Several conventional plays and exploration leads have been identified in these permits where oil and gas have been encountered in mining wells in the 90's. Based on proprietary seismic data, the prospective Sayabec Formation is also believed to be present at depth in these two permits.



### Agreements affecting the Québec permits

In order to maintain its petroleum and natural gas permits in good standing, the Company must pay an annual rent of \$0.10 per hectare and incur minimum exploration expenditures equivalent to \$0.50 per hectare in the first year, increasing by \$0.50 per hectare every subsequent year to a maximum of \$2.50<sup>1</sup>. The Quebec Government has decided to maintain the annual rent obligations until further notice while completing environmental studies and preparing new Quebec oil and gas laws and regulations that are expected to become applicable in the fall 2015. Until then, permits owners must only pay the annual rental and have no work obligations to keep their permits. Present exploration expenditures (without well fracking) are allowed and will be cumulated and credited to future permits work obligations.

Annual rentals and minimum exploration expenditures are reduced by past expenditures exceeding the minimum amounts due.

The Company's operations are subject to government environmental protection legislation. Environmental consequences are difficult to identify in terms of results, timetable and impact.

At this time, to management's best knowledge, the Company's operations are in compliance with current laws and regulations.

#### **B) Chittim Ranch, Texas, USA**

On May 11, 2011, Petrolympic USA, Inc. ("Petrolympic USA"), a wholly-owned subsidiary of Petrolympic, announced that it had acquired a new property, the Chittim Ranch property in the Maverick Basin, Texas, as the Company shifted its near term operational focus from gas to liquids.

During 2011, Petrolympic USA entered into an exploration agreement with Texas HBP LLC ("HBP") and Shell Western E&P Inc. ("Shell") to acquire an interest in the Chittim Ranch property. HBP had an exploration agreement with the original lease owner of the property, which was subsequently acquired by Shell. Under the terms of the agreement between HBP and Shell, HBP was required to pay 100% of the costs incurred in the drilling and completion of earning wells. Once each well had been drilled to its objective depth, completed and tested, HBP was to own an 87.5% working interest in the property, with Shell retaining the remaining 12.5% interest. Thereafter, each party was to be responsible for its proportionate share of operating costs.

On April 10, 2012, Petrolympic USA received notice that the lease for its Chittim Ranch property had been breached by HBP, as operator. On July 3, 2012, the Company announced that it has resolved its dispute with HBP, Big Shell Oil & Gas Inc. and Harvey E. White (the "Big Shell Entities"), pertaining to the Chittim Ranch 80-2V Well (the "Well") located in the Chittim Ranch Properties.

## Settlement Terms

- The Big Shell Entities have consented to the direct assignment to Petrolympic USA of an 80.25% working interest (net revenue interest of 60.1875%) in the well and the surrounding 320-acre (130-hectare) leasehold estate (the “Petrolympic Property”), an increase from the originally agreed upon 50% working interest (net revenue interest of 37.5%).
- Petrolympic USA is seeking consent from the landowners to a formal assignment of the Petrolympic Property and formally changed the operatorship with the Railroad Commission of Texas.
- Big Shell Entities relinquished operations over the Petrolympic Property to Oil-Lympia Oil and Gas Inc., a subsidiary company of Petrolympic.
- Petrolympic USA satisfied all outstanding invoices to third-party vendors and service providers in relation to prior operations on the well.
- Petrolympic USA has relinquished any rights under the participation agreement in the balance of the 8,000 acres (3,237 hectares).

## Operations

Based on the positive results of the production test completed in January of 2013, management determined the Well warranted a completion that would allow a more comprehensive testing of the Edwards Limestone “B” Zone at 3,836’-3,846’.

Beginning on May 6, 2013, reworking of the Well was initiated to complete this well with a rod pump and the installation of surface equipment, including a pumping unit, separator, and tank battery.

Reworking of the Well and installation of surface facilities was completed on May 14, 2013, at which time the Well was turned on, pumping at six strokes per minute. During the first month of operation, the Well averaged a 10% oil cut. Early operations were somewhat hampered as well pressure and at times production volumes were in excess of the separator’s capacity. The Well was shut-in from July 6, 2013, through July 9, 2013, while the separator was replaced with a larger capacity heater treater and a larger sheave was installed on the pumping unit to allow the pump speed to be increased to eight strokes per minute.

On July 17, 2013, daily oil production showed a marked decrease. On July 19, 2013, the Well was not producing any fluid, indicating either a problem with the down-hole pump or a hole in the tubing. Subsequently, the Well was shut-in until a work over rig could be contracted to pull out the pump for repair and test the tubing.

In Q4 (2013), the Well produced oil which provided the Company net revenue of \$13,588.

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In 2014, the Company generated net revenue of \$25,559 from its interest in the Chittim Ranch property in the Maverick Basin, Texas.

The Company cannot quantify what the cash inflows might be from the Well. Petrolympic plans to produce the oil from this reservoir for its maximum economic value and subsequently move up the pipe and test other zones encountered during the drilling.

There are number of factors which can affect development activities on the property, some of which include:

Oil or gas price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Petrolympic's expectations; availability of financing for and actual results of Petrolympic's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; and the Company's ability to retain and attract skilled staff.

#### ***Item 6.3 Forward Contracts***

The Company has no forward contracts in place as of the effective date.

#### ***Item 6.4 Abandonment and Reclamation***

The Company has no abandonment and reclamation costs as there has been no activity to warrant these costs.

#### ***Item 6.5 Tax Horizon***

The Company was not required to pay income taxes during 2014. Given that the Company is in the exploration stage and does not currently have reserves, no reasonable estimate can be made as to when it will be required to pay income taxes in the future.

#### ***Item 6.6 Costs Incurred by Country***

Total net costs incurred by the Company on Québec assets for 2014 were \$362,401 for exploration costs. There were no development costs incurred during the period.

Total net costs incurred by the Company on Texas assets for 2014 were \$69,055 for development costs.

## ***Item 6.7 Exploration and Development Activities***

### **(a) Exploration**

The government of Québec made several changes in June 2011 to the legislative and regulatory framework for oil and gas production. The adoption of Bill 18, an Act to limit oil and gas activities, introduced three changes aimed at:

- banning oil and gas activity on islands in the river and estuary portion of the St. Lawrence;
- exempting holders of exploration licences from performing the work required under the Mining Act for up to three years from the introduction of the legislation; and
- extending the validity of all exploration licences in Québec for the same period as the moratorium.

In addition, the Ministère du Développement Durable, de l'Environnement et des Parcs (the "MDDEP") amended the regulation respecting the application of the Environment Quality Act. As a result, an environmental authorization certificate is required for all shale drilling and fracking operations. The amendment also requires companies to hold a public consultation before applying for a certificate for this type of work. Lastly, concerning strategic environmental assessments, the MDDEP has adopted a regulation aimed at providing information on shale drilling and fracking operations.

The government announced in the fall of 2013 further changes to come to the Mining Act governing the exploration and exploitation of hydrocarbons and also declared a moratorium on shale gas exploration in the St. Lawrence Lowlands while new studies are taking place by the Bureau d'Audiences Publiques sur l'Environnement.

Some of Petrolympic's exploration activities will face delays due to these government decisions.

Petrolympic and Squatex can renew annually all their exploration permits until September 2019. Bill 18 is now allowing a further extension of the ownership of the permits for up to three more years while the government of Québec completes a strategic environmental assessment on shale gas development.

Specifically, the following permits are not directly affected by Bill 18, since shale gas is not the target of exploration:

- Gaspé Permits (100% ownership by Petrolympic);
- St. Lawrence Lowlands Permits (100% ownership by Petrolympic);
- Gaspé Permits (30% ownership by Petrolympic); and
- Lower St. Lawrence (30% ownership by Petrolympic).

The following permits located above the Utica Shale Fairway are directly affected by Bill 18:

- St. Lawrence Lowlands Permits (12% ownership by Petrolympic); and
- St. Lawrence Lowlands Permits (30% ownership by Petrolympic).

#### Gaspésie Peninsula

No additional work was performed on these permits during the year ended December 31, 2014. The Company has enough exploration credits from its past exploration activities to cover the minimum work obligation to keep the Gaspé permits in good standing until August 31, 2015, and with Bill 18, the permits are in good standing for a further period of up to three additional years as long as annual rents are paid by Petrolympic.

#### St. Lawrence Lowlands

No additional work was performed on these permits during the year ended December 31, 2014. The Company has enough exploration credits from its past exploration activities to cover the minimum work obligation to keep the St. Lawrence Lowlands permits in good standing until August 31, 2015, and with Bill 18, the permits are in good standing for a further period of up to three additional years as long as annual rents are paid by Petrolympic.

#### *Squatex-Petrolympic Joint Venture Lands*

#### Lower St. Lawrence - Gaspé Joint Permits

Petrolympic and their partner Squatex are designing a drilling program to validate the potential of the Massé Structure, and are preparing an exploration program to further document and test other prospective structures identified within the Property.

On October 1, 2014, Petrolympic and its partner Squatex announced that drilling operation have started on the Massé No 2 site.

On November 7, 2014, Petrolympic announced that the Massé No 2 stratigraphic core hole is showing the presence of heavy oil, along with numerous gas shows.

The presence of oil associated to porous horizons and natural fracture networks in the Massé No 2 Well casts a new and positive light on the potential of the area actively explored by the partnership. A patient and comprehensive exploration program resulted in a reinterpretation of the existing data and, more importantly, the gathering of additional subsurface information including the drilling of fourteen core holes, six of them having oil or gas shows.

Drilling activities on the Squatex Massé No.2 well were demobilized on November 28, 2014 at a depth of 1,970.4 meters within Cambrian-Ordovician Formations and a complete set of logs were run. The hole was then suspended and equipped with appropriate security and

measurement instrumentation for the winter period. Data recorded will be analysed and compared with results of oil and gas samples analyses obtained while drilling to allow precious information on the fluids migration dynamic and on accumulation conditions at depth to help interpret flow tests to be run in the spring 2015. Frequent visits are planned to collect data and to check the integrity of equipment installed on the site.

Meanwhile Petrolympic and Squatex are actively preparing to move forward with the pursuit of a deep stratigraphic coring program to validate three other prospective structures with promising hydrocarbon potential across its Property and to carry production tests on the Massé No 2 well that was suspended last fall. The next selected drilling site, Marleau No 1, is located a few kilometers to the south of the Massé No 2 well and will test a flat spot, i.e. a seismic feature characteristic of the presence of fluids in the subsurface. This new well will mark a significant step out and, if successful, will expand the potential of its Property and enable the Company to test similar targets in another fault compartment block, thus extending the span of the plays already validated farther north.

The combined budget for the drilling program is expected to be approximately \$3 million, where Petrolympic's share is \$900,000.

#### St. Lawrence Lowlands Joint Permits

The last exploration work performed in the St. Lawrence Lowlands by Petrolympic, Squatex and Canbriam was the drilling of the Farnham No. 1 well and the recording and interpretation of a 40-kilometre 2D seismic survey in 2010 to further refine target areas and locate the best sites to be drilled. The resulting data and profiles have been integrated into a database with all other data acquired to plan future work over the area while waiting for the strategic environmental study to be completed by the Québec government. Petrolympic remains confident that shale gas exploration will be allowed soon and will be developed safely in the Québec Lowlands in the near future.

#### **(b) Development Activities**

Please see the "Operations" section above, in Part 6: Other Oil and Gas Information, Item 6.2 Properties with No Attributed Reserves, B) Chittim Ranch, Texas, USA.

#### **(c) Expenditures**

The following table sets forth a breakdown of material components of exploration expenditures for unproven petroleum and natural gas properties for the years ended December 31, 2014 and December 31, 2013:

<b>Exploration expenditures</b>	<b>December 31, 2014</b> <b>(\$)</b>	<b>December 31, 2013</b> <b>(\$)</b>
<b>Texas, USA</b>		
Development costs	61,946	181,461
Depreciation	15,268	6,054
Reimbursement of expenses	(8,159)	nil
	<b>69,055</b>	<b>187,515</b>
<b>Québec, Canada</b>		
General exploration expenditures	480,955	242,326
Consulting	27,108	nil
Geology	975	nil
Geophysical	nil	500
Permits and licences	22,911	29,367
Refundable tax credit for resources	(169,548)	(20,357)
	<b>362,401</b>	<b>251,836</b>
<b>Other</b>	nil	nil
	<b>nil</b>	<b>nil</b>
<b>Total exploration expenditures incurred</b>	<b>431,456</b>	<b>439,351</b>

<b>Acquisition Costs</b>	<b>December 31, 2014</b> <b>(\$)</b>	<b>December 31, 2013</b> <b>(\$)</b>
<b>Texas, USA</b>		
Activity during the period	nil	nil
<b>Québec, Canada</b>		
Activity during the period	nil	nil
<b>Total costs incurred</b>	<b>nil</b>	<b>nil</b>

The Company relies on the expertise of its geological team to direct and monitor its exploration programs. Management assesses its exploration programs and approves funding as deemed prudent to move the projects forward. For the year ended December 31, 2014, the Company spent \$431,456 (2013 - \$439,351) on its unproven petroleum and natural gas properties.

The Company anticipates spending about \$900,000 (net of Squatex's share) for fiscal 2015 on further exploration work over Company target areas where conventional exploration is taking place, subject to the Company completing an equity financing. Specifically, the Company will focus on areas not directly affected by Bill 18. Due to sufficient aggregate historical expenditures, the Company is allowed but not required to incur further costs on its permits in

fiscal 2014. Bill 18, voted in June 2011 by the government of Québec, is extending the life of the Company's permits and exempting work obligations for up to an additional three years. The Company's discretionary exploration activities do have considerable scope for flexibility in terms of the amount and timing of exploration expenditure, and expenditures may be adjusted accordingly.

The Company anticipates spending \$100,000 on well activities at the Chittim Ranch property, subject to positive results and the completion of an equity financing.

***Item 6.8 Production Estimate***

The Company has no production estimates in place as of the effective date.

***Item 6.9 Production History***

The following table summarizes, by product type, the Company's share of average daily production volume, before deduction of royalties, for each quarter of its financial year ended December 31, 2014:

	Three Months Ended March 31, 2014	Three Months Ended June 30, 2014	Three Months Ended September 30, 2014	Three Months Ended December 31, 2014
<b>Light/Medium/Heavy Oil (Bbls/d)</b>				
Average Daily Production	1.16	1.16	1.00	0.77

The following table summarizes, by product type, the Company's share of production, as an average per unit of volume, for each quarter of its financial year ended December 31, 2014:

	Three Months Ended March 31, 2014	Three Months Ended June 30, 2014	Three Months Ended September 30, 2014	Three Months Ended December 31, 2014
<b>Light/Medium/Heavy (\$/Bbl)</b>				
Total proceeds	92.46	93.78	85.45	-
Partner interest	18.26	18.52	16.88	-
Royalties	18.55	18.82	17.14	-
Net	55.65	56.45	51.43	-



## Abbreviations and conversions

Bbl	Barrel
Bbls	Barrels
Bbls/d	Barrels of oil per day

DRAFT

**FORM 51-101 F2**  
**REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES**  
**EVALUATOR OR AUDITOR**  
**PETROLYMPIC LTD.**  
**For Fiscal Year Ended December 31, 2014**

*Terms for which a meaning is given in National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities have the same meaning in this form.*

Information in this form is as of April 27, 2015.

Petrolympic Ltd. (the "Company") is an exploratory stage enterprise. The Company did not retain an independent qualified reserves evaluator to evaluate reserves as the Company has not established any oil and gas reserves as at December 31, 2014.

DRAFT

**FORM 51-101 F3**  
**REPORT OF MANAGEMENT AND DIRECTORS ON OIL & GAS DISCLOSURE**  
**PETROLYMPIC LTD.**  
**For Fiscal Year Ended December 31, 2014**

*Terms for which a meaning is given in National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities have the same meaning in this form.*

Management of Petrolympic Ltd. (the “Company”) is responsible for the preparation and disclosure of information about the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which are estimates of proved reserves and probable reserves and related future net revenue as at the last day of the Company's most recently completed financial year, estimated using forecast prices and costs.

The Company is a reporting issuer involved in oil and gas activities pursuant to NI 51-101; however, as of December 31, 2014, the Company does not have significant production or related revenue, and has not established any oil and gas reserves. As a result, no reserves data for the Company has been disclosed as of December 31, 2014.

There is no report of an independent qualified reserves evaluator or auditor on reserves data as the Company had no proved or probable reserves as at December 31, 2014.

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

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing the other oil and gas information; and
- (b) the content and filing of this report.

DATED this April 27, 2015

*“Mendel Ekstein”*  
Mendel Ekstein  
President and Chief Executive Officer

*“Carmelo Marrelli”*  
Carmelo Marrelli  
Chief Financial Officer

*“Alain Fleury”*  
Alain Fleury  
Director

*“Frank Ricciutti”*  
Frank Ricciutti  
Director