

PETROWORTH RESOURCES INC.
**RESERVES ASSESSMENT AND
EVALUATION OF
CANADIAN OIL AND GAS PROPERTIES**
CORPORATE SUMMARY

Effective June 30, 2010

1100454

CORPORATE SUMMARY**TABLE OF CONTENTS**

	Page
COVERING LETTER	3
INDEPENDENT PETROLEUM CONSULTANTS' CONSENT	4
INTRODUCTION	5
SUMMARY	7
RESERVES DEFINITIONS	19
EVALUATION PROCEDURE	24
PRODUCT PRICE AND MARKET FORECASTS	29
ROSEVALE PROPERTY REPORT	33
APPENDIX I	
Certificates of Qualification	54

Principal Officers:

Harry Jung, P. Eng.
President, C.E.O.
Dana B. Laustsen, P. Eng.
Executive V.P., C.O.O.
Keith M. Braaten, P. Eng.
Executive V.P.

October 29, 2010

Project 1100454

Officers / Vice Presidents:

Terry L. Aarsby, P. Eng.
Jodi L. Anhorn, P. Eng.
Leonard L. Herchen, P. Eng.
Myron J. Hladyshevsky, P. Eng.
Bryan M. Joa, P. Eng.
Mark Jobin, P. Geol.
John E. Keith, P. Eng.
John H. Stilling, P. Eng.
Douglas R. Sutton, P. Eng.
James H. Willmon, P. Eng.

Mr. Neal Mednick
PetroWorth Resources Inc.
901, 170 University Avenue
Toronto, Ontario M5H 3B3

Dear Sir:

Re: PetroWorth Resources Inc.
Corporate Evaluation
Effective June 30, 2010

GLJ Petroleum Consultants (GLJ) has completed an independent reserves assessment and evaluation of the gas property (Rosevale) of **PetroWorth Resources Inc.** (the "Company"). The effective date of this evaluation is June 30, 2010.

This report has been prepared for the Company for the purpose of annual disclosure and other financial requirements. This evaluation has been prepared in accordance with reserves definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook.

It was GLJ's primary mandate in this evaluation to provide an independent evaluation of the oil and gas reserves of the Company in aggregate. Accordingly it may not be appropriate to extract individual property or entity estimates for other purposes. Our engagement letter notes these limitations on the use of this report.

It is trusted that this evaluation meets your current requirements. Should you have any questions regarding this analysis, please contact the undersigned.

Yours very truly,

GLJ PETROLEUM CONSULTANTS LTD.

ORIGINALLY SIGNED BY

Jodi L. Anhorn, M. Sc., P. Eng.
Vice-President

JLA/ljn
Attachments

INDEPENDENT PETROLEUM CONSULTANTS' CONSENT

The undersigned firm of Independent Petroleum Consultants of Calgary, Alberta, Canada has prepared an independent evaluation of the **PetroWorth Resources Inc.** Canadian oil and gas properties and hereby gives consent to the use of its name and to the said estimates. The effective date of the evaluation is **June 30, 2010**.

In the course of the evaluation, PetroWorth Resources Inc. provided GLJ Petroleum Consultants Ltd. personnel with basic information which included land data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluation and upon which this report is based, were obtained from public records, other operators and from GLJ Petroleum Consultants Ltd. nonconfidential files. PetroWorth Resources Inc. has provided a representation letter confirming that all information provided to GLJ Petroleum Consultants Ltd. is correct and complete to the best of its knowledge. Procedures recommended in the Canadian Oil and Gas Evaluation (COGE) Handbook to verify certain interests and financial information were applied in this evaluation. In applying these procedures and tests, nothing came to GLJ Petroleum Consultants Ltd.'s attention that would suggest that information provided by PetroWorth Resources Inc. was not complete and accurate. GLJ Petroleum Consultants Ltd. reserves the right to review all calculations referred to or included in this report and to revise the estimates in light of erroneous data supplied or information existing but not made available which becomes known subsequent to the preparation of this report.

The accuracy of any reserves and production estimate is a function of the quality and quantity of available data and of engineering interpretation and judgment. While reserves and production estimates presented herein are considered reasonable, the estimates should be accepted with the understanding that reservoir performance subsequent to the date of the estimate may justify revision, either upward or downward.

Revenue projections presented in this report are based in part on forecasts of market prices, currency exchange rates, inflation, market demand and government policy which are subject to many uncertainties and may, in future, differ materially from the forecasts utilized herein. Present values of revenues documented in this report do not necessarily represent the fair market value of the reserves evaluated herein.

<p>PERMIT TO PRACTICE GLJ PETROLEUM CONSULTANTS LTD. ORIGINALLY SIGNED BY Signature: <u>James H. Willmon</u> Date: <u>October 29, 2010</u></p> <p>PERMIT NUMBER: P 2066 The Association of Professional Engineers, Geologists and Geophysicists of Alberta</p>
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ORIGINALLY SIGNED BY
Dana B. Laustsen
 GLJ Petroleum Consultants Ltd.

INTRODUCTION

GLJ Petroleum Consultants (GLJ) was commissioned by PetroWorth Resources Inc. (the “Company”) to prepare an independent evaluation of its oil and gas reserves effective June 30, 2010.

The evaluation was initiated in August 2010 and completed by November 2010. Estimates of reserves and projections of production were generally prepared using well information and production data available from public sources to approximately June 30, 2010. The Company provided land, accounting data and other technical information not available in the public domain to approximately June 30, 2010. In certain instances, the Company also provided recent engineering, geological and other information up to September 20, 2010. The Company has confirmed that, to the best of its knowledge, all information provided to GLJ is correct and complete as of the effective date.

This evaluation has been prepared in accordance with procedures and standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook. The reserves definitions used in preparing this report (included herein under “Reserves Definitions”) are those contained in the COGE Handbook and the Canadian Securities Administrators National Instrument 51-101 (NI 51-101).

The evaluation was conducted on the basis of the GLJ July 1, 2010 Price Forecast which is summarized in the Product Price and Market Forecasts section of this report.

Tables summarizing production, royalties, costs, revenue projections, reserves and present value estimates for various reserves categories for individual properties and the Company total are provided in the tabbed sections of this Summary Report.

The Evaluation Procedure section outlines general procedures used in preparing this evaluation. The individual property reports, provided under separate cover, provide additional evaluation details. The following summarizes evaluation matters that have been included/excluded in cash flow projections:

- in accordance with NI 51-101, the effect on projected revenues of the Company’s financial hedging activity has not been included,
- provisions for the abandonment of all of the Company’s wells to which reserves have been attributed have been included; all other abandonment and reclamation costs have not been included,

- general and administrative (G&A) costs and overhead recovery have not been included,
- undeveloped land values have not been included.

SUMMARY
TABLE OF CONTENTS

	Page
LIST OF TABLES	
Table 1 Summary of Reserves and Values	8
Table 2 Company Production, Reserves and Present Value Summary	9
LIST OF DRAWINGS	
Drawing 1 Historical and Forecast Company Interest Oil Equivalent Production	10
Drawing 2 Historical and Forecast Company Interest Sales Gas Production	11
POSSIBLE RESERVES	12

Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

Table 1

Reserve Class: **Various**
 Development Class: **Classifications**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Summary of Reserves and Values

	Total Possible	Total PPP
MARKETABLE RESERVES		
<u>Gas (MMcf)</u>		
Total Company Interest	2,160	2,160
Working Interest	2,160	2,160
Net After Royalty	1,944	1,944
<u>Natural Gas Liquids (Mbbbl)</u>		
Total Company Interest	2.9	2.9
Working Interest	2.9	2.9
Net After Royalty	2.6	2.6
<u>Oil Equivalent (Mbbbl)</u>		
Total Company Interest	363	363
Working Interest	363	363
Net After Royalty	327	327
BEFORE TAX PRESENT VALUE (M\$)		
0%	3,421	3,421
5%	1,634	1,634
8%	963	963
10%	623	623
12%	348	348
15%	28	28
20%	-335	-335
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)		
2010 (6 Months)	0	0
2011	-1,919	-1,919
2012	202	202
2013	262	262
2014	304	304
2015	338	338

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: November 01, 2010 10:52:22

1100454 Class (O.R), GLJ (2010-07), psum

November 01, 2010 10:52:40

Table 2

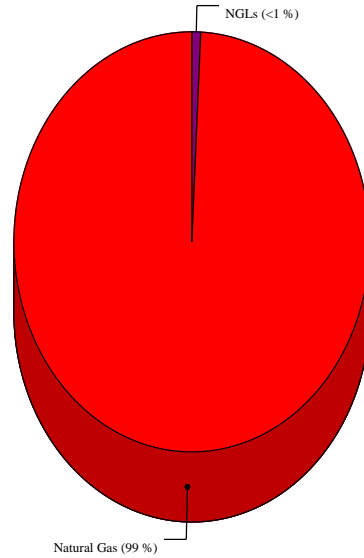
Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Various**
 Development Class: **Classifications**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Company Production, Reserves and Present Value Summary

Entity Description	2010 Company Interest Prod'n				Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)			
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe		0%	8%	10%	12%
Total Possible	0	0	0	0	2,160	0	3	0	363	1,944	0	3	0	327	46.6	3,421	963	623	348
Total PPP	0	0	0	0	2,160	0	3	0	363	1,944	0	3	0	327	46.6	3,421	963	623	348

Reserves Characterization
 Percentage of Total Company Interest BOE Reserves
 Product Types



BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

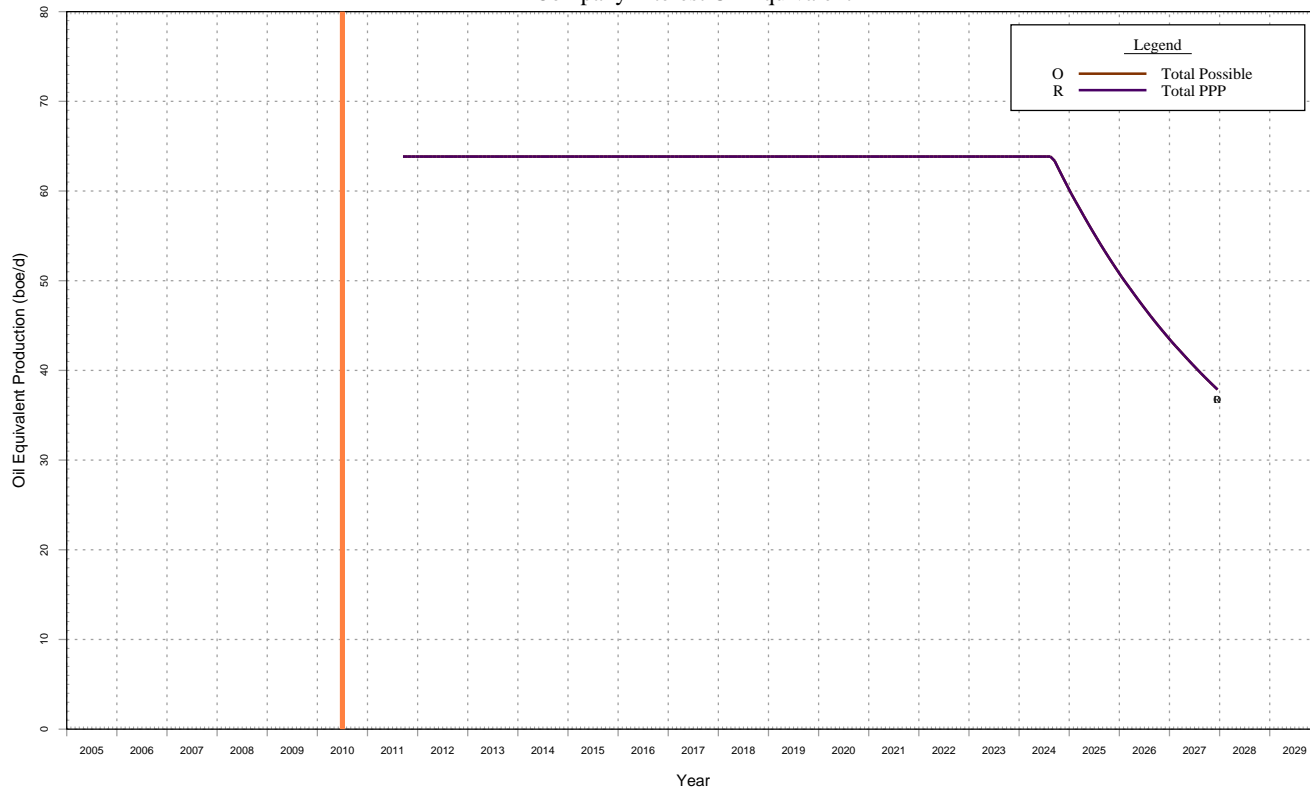
Historical and Forecast Production

Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

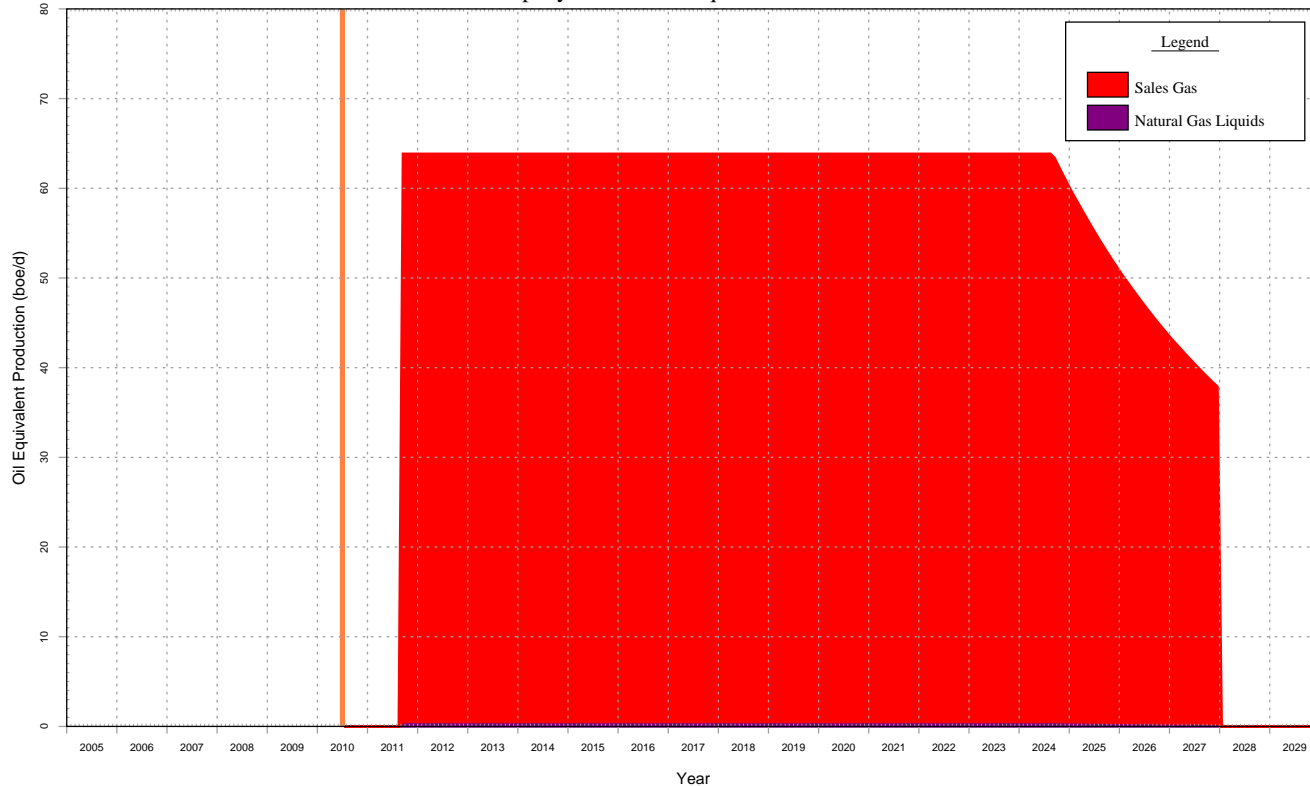
Pricing:
 Effective Date:

GLJ (2010-07)
June 30, 2010

Company Interest Oil Equivalent



Company Interest Oil Equivalent - Total PPP



*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.

Company Interest Oil Equivalent
 1100454 / Nov 01, 2010

Drawing 1

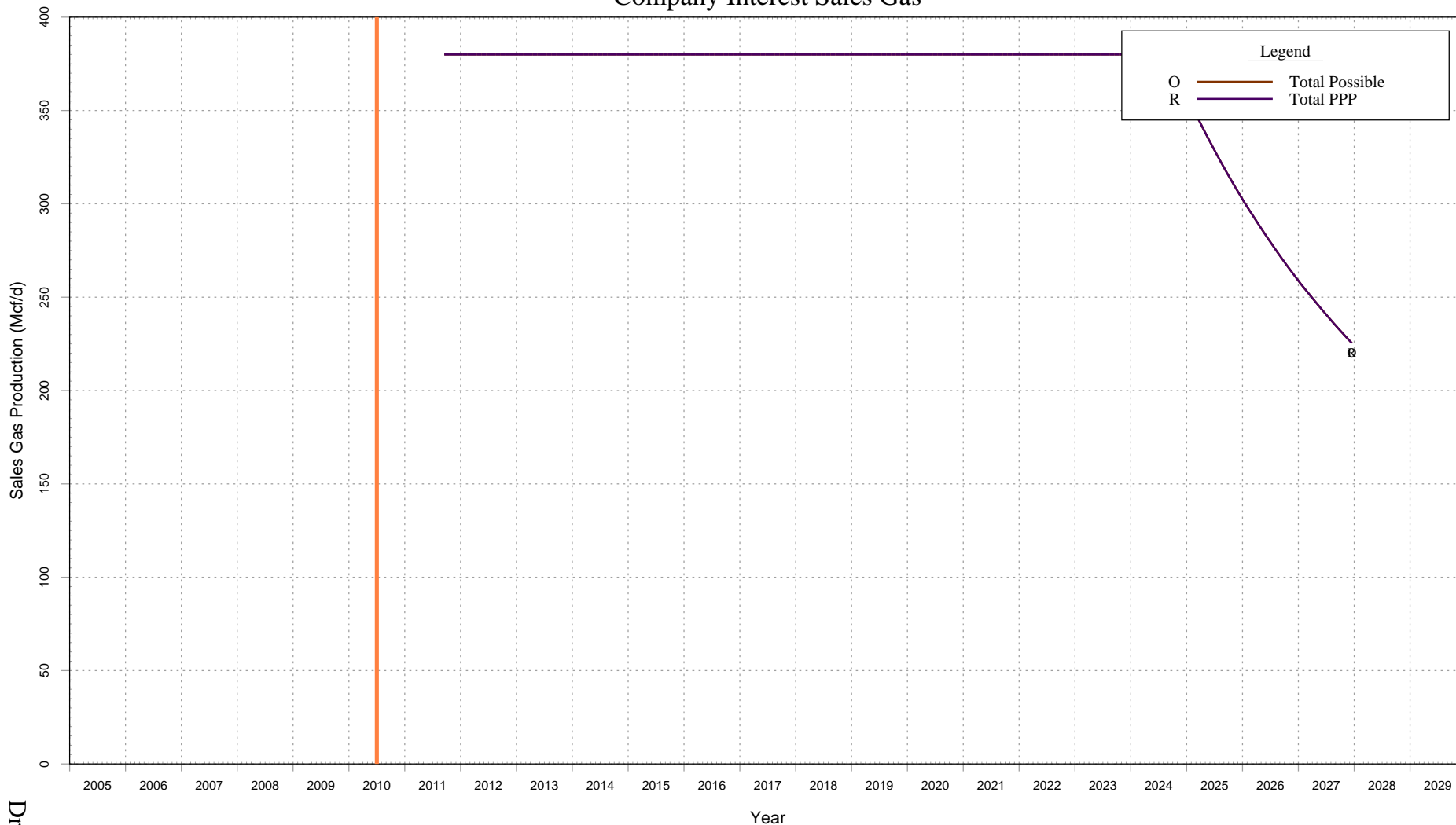
Company: **PetroWorth Resources Inc.**
Property: **Corporate**
Description: **Summary**

Historical and Forecast Production

Pricing:
Effective Date:

GLJ (2010-07)
June 30, 2010

Company Interest Sales Gas



Drawing 2

*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.

Company Interest Sales Gas
1100454 / Nov 01, 2010

POSSIBLE RESERVES**TABLE OF CONTENTS**

	Page
SUMMARY OF RESERVES AND VALUES	13
COMPANY PRODUCTION, RESERVES AND PRESENT VALUE SUMMARY	14
ECONOMIC FORECASTS	
Total Possible	15
Total PPP	17

Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Various**
 Development Class: **Classifications**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Summary of Reserves and Values

	Total Possible	Total PPP
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Total Company Interest	363	363
Working Interest	363	363
Net After Royalty	327	327
BEFORE TAX PRESENT VALUE (M\$)		
0%	3,421	3,421
5%	1,634	1,634
8%	963	963
10%	623	623
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20%	-335	-335
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)		
2010 (6 Months)	0	0
2011	-1,919	-1,919
2012	202	202
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2014	304	304
2015	338	338

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: November 01, 2010 10:52:22

1100454 Class (O.R), GLJ (2010-07), psum

November 01, 2010 10:52:22

Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Various**
 Development Class: **Classifications**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Company Production, Reserves and Present Value Summary

Entity Description	2010 Company Interest Prod'n				Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)			
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe		0%	8%	10%	12%
Total Possible																			
Rosevale	0	0	0	0	2,160	0	3	0	363	1,944	0	3	0	327	46.6	3,421	963	623	348
Total: Total Possible	0	0	0	0	2,160	0	3	0	363	1,944	0	3	0	327	46.6	3,421	963	623	348
Total PPP																			
Rosevale	0	0	0	0	2,160	0	3	0	363	1,944	0	3	0	327	46.6	3,421	963	623	348
Total: Total PPP	0	0	0	0	2,160	0	3	0	363	1,944	0	3	0	327	46.6	3,421	963	623	348

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Possible**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Economic Forecast

PRODUCTION FORECAST

Year	Residue Gas Production					Condensate Production				Total Oil Equiv. Production			
	Company Gas Wells	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2010	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2011	1	127	46	42	5.85	0	0	0	90.79	21	8	7	35.54
2012	1	381	139	125	6.61	1	0	0	88.95	64	23	21	40.05
2013	1	380	139	125	7.10	1	0	0	92.10	64	23	21	42.97
2014	1	380	139	125	7.53	1	0	0	95.27	64	23	21	45.59
2015	1	380	139	125	7.91	1	0	0	97.20	64	23	21	47.87
2016	1	381	139	125	8.27	1	0	0	99.18	64	23	21	50.01
2017	1	380	139	125	8.59	1	0	0	101.20	64	23	21	51.96
2018	1	380	139	125	8.78	1	0	0	103.25	64	23	21	53.08
2019	1	380	139	125	8.95	1	0	0	105.35	64	23	21	54.13
2020	1	381	139	125	9.13	1	0	0	107.45	64	23	21	55.17
2021	1	380	139	125	9.30	1	0	0	109.60	64	23	21	56.24
Sub.			1,435	1,291	8.14		2	2	99.66		241	217	49.25
Rem.			725	653	9.90		1	1	116.92		122	110	59.86
Tot.			2,160	1,944	8.73		3	3	105.46		363	327	52.81

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens														
	Working Interest				Royalty Interest	Company Interest	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	M\$	M\$	Fixed M\$	Variable M\$	Total M\$
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	271	6	277	0	277	28	0	0	0	28	249	189	14	204
2012	0	919	17	936	0	936	94	0	0	0	94	842	597	43	640
2013	0	984	17	1,001	0	1,001	100	0	0	0	100	901	595	44	640
2014	0	1,045	18	1,062	0	1,062	106	0	0	0	106	956	607	45	652
2015	0	1,097	18	1,115	0	1,115	112	0	0	0	112	1,004	619	46	665
2016	0	1,150	18	1,168	0	1,168	117	0	0	0	117	1,052	632	47	679
2017	0	1,192	19	1,211	0	1,211	121	0	0	0	121	1,090	645	48	692
2018	0	1,218	19	1,237	0	1,237	124	0	0	0	124	1,113	657	49	706
2019	0	1,242	20	1,261	0	1,261	126	0	0	0	126	1,135	671	50	720
2020	0	1,269	20	1,289	0	1,289	129	0	0	0	129	1,160	684	51	735
2021	0	1,290	20	1,310	0	1,310	131	0	0	0	131	1,179	698	52	749
Sub.	0	11,678	191	11,869	0	11,869	1,187	0	0	0	1,187	10,682	6,595	489	7,083
Rem.	0	7,181	113	7,294	0	7,294	729	0	0	0	729	6,565	4,489	289	4,778
Tot.	0	18,858	304	19,163	0	19,163	1,916	0	0	0	1,916	17,247	11,084	777	11,861
Disc	0	8,300	136	8,436	0	8,436	844	0	0	0	844	7,593	4,835	349	5,184

Year	Net Capital Investment								Before Tax Cash Flow					
	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. Costs M\$	Oper. Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	45	0	0	45	0	1,262	703	1,965	-1,919	-1,919	-1,745
2012	0	0	0	202	0	0	202	0	0	0	0	202	-1,717	-1,578
2013	0	0	0	262	0	0	262	0	0	0	0	262	-1,456	-1,381
2014	0	0	0	304	0	0	304	0	0	0	0	304	-1,152	-1,174
2015	0	0	0	338	0	0	338	0	0	0	0	338	-814	-964
2016	0	0	0	373	0	0	373	0	0	0	0	373	-441	-753
2017	0	0	0	397	0	0	397	0	0	0	0	397	-44	-549
2018	0	0	0	407	0	0	407	0	0	0	0	407	363	-360
2019	0	0	0	415	0	0	415	0	0	0	0	415	778	-184
2020	0	0	0	425	0	0	425	0	0	0	0	425	1,204	-20
2021	0	0	0	430	0	0	430	0	0	0	0	430	1,634	131
Sub.	0	0	0	3,598	0	0	3,598	0	1,262	703	1,965	1,634	1,634	131
Rem.	0	0	0	1,787	0	0	1,787	0	0	0	0	1,787	3,421	623
Tot.	0	0	0	5,386	0	0	5,386	0	1,262	703	1,965	3,421	3,421	623
Disc	0	0	0	2,409	0	0	2,409	0	1,147	639	1,786	623	623	623

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2010				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Residue Gas	MMcf	2,160	0	2,160	1,944	6.000	360	99	17.5	46.6	9.4
Gas Heat Content	BBtu	2,246	0	2,246	2,022	0.000	0	0	17.5	46.6	9.4
Condensate	Mbbl	3	0	3	3	1.000	3	1	17.5	46.6	9.4
Total: Oil Eq.	Mboe	363	0	363	327	1.000	363	100	17.5	46.6	9.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc MS	% of Total	10% Disc MS	% of Total
Residue Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,972	98	7,470	98
Condensate	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	274	2	123	2
Total: Oil Eq.	\$/boe	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,247	100	7,593	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax							
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe
Crown Royalty	0.0000	10.0000	0.0	5,386	5,386	1,965	3,421	9.43
Non-crown Royalty	0.0000	0.0000	5.0	3,505	3,505	1,871	1,634	4.50
Mineral Tax	0.0000	0.0000	8.0	2,782	2,782	1,819	963	2.65
			10.0	2,409	2,409	1,786	623	1.72
			12.0	2,102	2,102	1,754	348	0.96
			15.0	1,736	1,736	1,708	28	0.08
			20.0	1,303	1,303	1,637	-335	-0.92

Evaluator: Anhorn, Jodi L.
Run Date: November 01, 2010 10:52:22

Company: **PetroWorth Resources Inc.**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **PPP**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Economic Forecast

PRODUCTION FORECAST

Year	Residue Gas Production					Condensate Production				Total Oil Equiv. Production			
	Company Gas Wells	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2010	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2011	1	127	46	42	5.85	0	0	0	90.79	21	8	7	35.54
2012	1	381	139	125	6.61	1	0	0	88.95	64	23	21	40.05
2013	1	380	139	125	7.10	1	0	0	92.10	64	23	21	42.97
2014	1	380	139	125	7.53	1	0	0	95.27	64	23	21	45.59
2015	1	380	139	125	7.91	1	0	0	97.20	64	23	21	47.87
2016	1	381	139	125	8.27	1	0	0	99.18	64	23	21	50.01
2017	1	380	139	125	8.59	1	0	0	101.20	64	23	21	51.96
2018	1	380	139	125	8.78	1	0	0	103.25	64	23	21	53.08
2019	1	380	139	125	8.95	1	0	0	105.35	64	23	21	54.13
2020	1	381	139	125	9.13	1	0	0	107.45	64	23	21	55.17
2021	1	380	139	125	9.30	1	0	0	109.60	64	23	21	56.24
Sub.			1,435	1,291	8.14		2	2	99.66		241	217	49.25
Rem.			725	653	9.90		1	1	116.92		122	110	59.86
Tot.			2,160	1,944	8.73		3	3	105.46		363	327	52.81

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens														
	Working Interest				Royalty Interest	Company Interest	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	M\$	M\$	Fixed M\$	Variable M\$	Total M\$
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	271	6	277	0	277	28	0	0	0	28	249	189	14	204
2012	0	919	17	936	0	936	94	0	0	0	94	842	597	43	640
2013	0	984	17	1,001	0	1,001	100	0	0	0	100	901	595	44	640
2014	0	1,045	18	1,062	0	1,062	106	0	0	0	106	956	607	45	652
2015	0	1,097	18	1,115	0	1,115	112	0	0	0	112	1,004	619	46	665
2016	0	1,150	18	1,168	0	1,168	117	0	0	0	117	1,052	632	47	679
2017	0	1,192	19	1,211	0	1,211	121	0	0	0	121	1,090	645	48	692
2018	0	1,218	19	1,237	0	1,237	124	0	0	0	124	1,113	657	49	706
2019	0	1,242	20	1,261	0	1,261	126	0	0	0	126	1,135	671	50	720
2020	0	1,269	20	1,289	0	1,289	129	0	0	0	129	1,160	684	51	735
2021	0	1,290	20	1,310	0	1,310	131	0	0	0	131	1,179	698	52	749
Sub.	0	11,678	191	11,869	0	11,869	1,187	0	0	0	1,187	10,682	6,595	489	7,083
Rem.	0	7,181	113	7,294	0	7,294	729	0	0	0	729	6,565	4,489	289	4,778
Tot.	0	18,858	304	19,163	0	19,163	1,916	0	0	0	1,916	17,247	11,084	777	11,861
Disc	0	8,300	136	8,436	0	8,436	844	0	0	0	844	7,593	4,835	349	5,184

Year	Net Capital Investment								Before Tax Cash Flow					
	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. Costs M\$	Oper. Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	45	0	0	45	0	1,262	703	1,965	-1,919	-1,919	-1,745
2012	0	0	0	202	0	0	202	0	0	0	0	202	-1,717	-1,578
2013	0	0	0	262	0	0	262	0	0	0	0	262	-1,456	-1,381
2014	0	0	0	304	0	0	304	0	0	0	0	304	-1,152	-1,174
2015	0	0	0	338	0	0	338	0	0	0	0	338	-814	-964
2016	0	0	0	373	0	0	373	0	0	0	0	373	-441	-753
2017	0	0	0	397	0	0	397	0	0	0	0	397	-44	-549
2018	0	0	0	407	0	0	407	0	0	0	0	407	363	-360
2019	0	0	0	415	0	0	415	0	0	0	0	415	778	-184
2020	0	0	0	425	0	0	425	0	0	0	0	425	1,204	-20
2021	0	0	0	430	0	0	430	0	0	0	0	430	1,634	131
Sub.	0	0	0	3,598	0	0	3,598	0	1,262	703	1,965	1,634	1,634	131
Rem.	0	0	0	1,787	0	0	1,787	0	0	0	0	1,787	3,421	623
Tot.	0	0	0	5,386	0	0	5,386	0	1,262	703	1,965	3,421	3,421	623
Disc	0	0	0	2,409	0	0	2,409	0	1,147	639	1,786	623	623	623

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2010				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Residue Gas	MMcf	2,160	0	2,160	1,944	6.000	360	99	17.5	46.6	9.4
Gas Heat Content	BBtu	2,246	0	2,246	2,022	0.000	0	0	17.5	46.6	9.4
Condensate	Mbbl	3	0	3	3	1.000	3	1	17.5	46.6	9.4
Total: Oil Eq.	Mboe	363	0	363	327	1.000	363	100	17.5	46.6	9.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc MS	% of Total	10% Disc MS	% of Total	
Residue Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,972	98	7,470	98	
Condensate	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	274	2	123	2	
Total: Oil Eq.	\$/boe	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,247	100	7,593	100	

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax							
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe
Crown Royalty	0.0000	10.0000	0.0	5,386	5,386	1,965	3,421	9.43
Non-crown Royalty	0.0000	0.0000	5.0	3,505	3,505	1,871	1,634	4.50
Mineral Tax	0.0000	0.0000	8.0	2,782	2,782	1,819	963	2.65
			10.0	2,409	2,409	1,786	623	1.72
			12.0	2,102	2,102	1,754	348	0.96
			15.0	1,736	1,736	1,708	28	0.08
			20.0	1,303	1,303	1,637	-335	-0.92

Evaluator: Anhorn, Jodi L.
Run Date: November 01, 2010 10:52:22

RESERVES DEFINITIONS

Reserves estimates have been prepared by GLJ Petroleum Consultants (GLJ) in accordance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook. The following reserves definitions are set out by the Canadian Securities Administrators in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (NI 51-101; in Part 2 of the Glossary to NI 51-101) with reference to the COGE Handbook.

Reserves Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on:

- analysis of drilling, geological, geophysical, and engineering data;
- the use of established technology;
- specified economic conditions¹, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are classified according to the degree of certainty associated with the estimates.

Proved Reserves

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable Reserves

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Possible Reserves

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Other criteria that must also be met for the classification of reserves are provided in [Section 5.5 of the COGE Handbook].

Development and Production Status

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

¹ For securities reporting, the key economic assumptions will be the prices and costs used in the estimate. The required assumptions may vary by jurisdiction, for example:

(a) **forecast prices and costs, in Canada under NI 51-101**

(b) **constant prices and costs, based on the average of the first day posted prices in each of the 12 months of the reporting issuer's financial year, under US SEC rules (this is optional disclosure under NI 51-101).**

Developed Reserves

Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

Developed Producing Reserves

Developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

Developed Non-producing Reserves

Developed non-producing reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.

Undeveloped Reserves

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to Reported Reserves (which refers to the highest level sum of individual entity estimates for which reserves estimates are presented). Reported Reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves;
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

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

Additional clarification of certainty levels associated with *reserves* estimates and the effect of aggregation is provided in Section 5.5.3 [of the *COGE Handbook*].

Users of GLJ evaluation reports should understand the impact of aggregation on the confidence associated with **proved reserves** estimates and the significance of the principle that the P90 minimum confidence level in the reserves definitions applies to the aggregate “Reported Reserves”. The aggregation affect is not a significant issue with respect to **proved plus probable reserves**, which reflect a current “best estimate” of remaining recoverable oil and gas quantities. For corporate evaluations, GLJ considers Reported Reserves to be the total company interest reserves.

The vast majority of reserves estimates prepared by GLJ are based on deterministic methods and, consequently, quantitative probability distributions for each evaluated entity and the Reported Reserves are unknown. Incorporation of the COGE Handbook guidelines means that proved reserves reflect a relatively “conservative” estimate and property level proved reserves estimates have a “high degree of certainty”.

When GLJ opines on Reported Reserves, a final additional examination of the character of the evaluated portfolio is undertaken on completion of all property evaluations. The following general approach is used to satisfy the minimum P90 confidence level target for proved Reported Reserves when reserves are estimated deterministically:

- Where the evaluated portfolio consists of a reasonable number of independent entities and properties, the minimum confidence level target for proved Reported Reserves will generally be met without any further action;
- Where the estimates for a very small number of entities dominate in the total company proved reserves, additional analysis may be undertaken and, if necessary, adjustments made to selected reserves estimates.

Proved reserves estimates for any deterministically estimated subset of Reported Reserves, for example a property, may not, on a stand-alone basis, meet a P90 confidence level. GLJ includes the following notice on individual property evaluation reports:

The analysis of this property as reported herein was conducted within the context of an evaluation of a distinct group of properties in aggregate. Extraction and use of this analysis outside this context may not be appropriate without supplementary due diligence.

Similarly when single properties or groups of properties are evaluated by GLJ where the end-use of the evaluation does not require an opinion on Reported Reserves (i.e. portions of company reserves which will be combined with other estimates to derive the corporate total), the following note is included in transmittal letters:

Individual properties [and the group of properties comprising the evaluated total] were evaluated in the context of subset of a larger portfolio of properties. It is noted that, estimates of individual property reserves and future net revenues may not reflect the same confidence level as the aggregate

of such estimates within a larger portfolio. While it is GLJ's opinion that estimates presented herein have, in all material respects, been determined and are in accordance with the COGE Handbook, we express no opinion as to whether proved reserves data relating to individual property [or the group of properties comprising the evaluated total] are appropriate for stand-alone disclosure as Reported Reserves under NI 51-101.

DOCUMENTED RESERVES CATEGORIES

Production and revenue projections are prepared for each of the following main reserves categories:

Reserves Category

Proved
Proved Plus Probable

Production and Development Status

Developed Producing*
Developed Non-producing
Undeveloped
Total (sum of developed producing, developed non-producing and undeveloped)

** as producing reserves are inherently developed, GLJ simply refers to "developed producing" reserves as "producing"*

Reserves and revenue projections are available in GLJ's evaluation database for any reserves and development subcategory including those determined by difference (e.g., probable producing).

The following reserves categories are documented in this Corporate Summary volume:

Proved Producing
Proved Developed Non-producing
Proved Undeveloped
Total Proved
Total Probable
Total Proved Plus Probable

Documentation for the following additional reserves categories is provided in the "Expanded Corporate Summary Information", which has been provided to the Company in electronic format only.

Proved

Developed Producing
Developed Non-producing
Undeveloped
Total

Probable

Developed Producing
Non-producing**
Total

Proved Plus Probable

Developed Producing
Non-producing**
Total

Proved Plus Probable Plus Possible

Developed Producing
Non-producing
Total

***the sum of developed non-producing and undeveloped*

Individual property evaluation reports contain detailed documentation of reserves estimation methodology and evaluation procedures.

When evaluating reserves, GLJ evaluators generally first identify the producing situation and assign proved, proved plus probable and proved plus probable plus possible reserves in recognition of the existing level of development and the existing depletion strategy. Incremental non-producing (developed non-producing or undeveloped) reserves are subsequently assigned recognizing future development opportunities and enhancements to the depletion mechanism. It should be recognized that future developments may result in accelerated recovery of producing reserves.

EVALUATION PROCEDURE

TABLE OF CONTENTS

INTEREST DESCRIPTIONS

WELL DATA

ACCOUNTING SUMMARY

PRODUCTION FORECASTS

ECONOMIC PARAMETERS

OIL EQUIVALENT OR GAS EQUIVALENT

LIST OF ABBREVIATIONS

EVALUATION PROCEDURE

The following outlines the methodology employed by GLJ Petroleum Consultants (GLJ) in conducting the evaluation of the Company's oil and gas properties. GLJ evaluation procedures are in compliance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook.

INTEREST DESCRIPTIONS

The Company provided GLJ with current land interest information. The Company provided a representation letter confirming accuracy of land information. Certain cross-checks of land and accounting information were undertaken by GLJ as recommended in the COGE Handbook. In this process, nothing came to GLJ's attention that indicated that information provided by the Company was incomplete or unreliable.

In GLJ's reports, "Company Interest" reserves and values refer to the sum of royalty interest* and working interest reserves before deduction of royalty burdens payable. "Working Interest" reserves equate to those reserves that are referred to as "Company Gross" reserves by the Canadian Securities Administrators (CSA) in NI 51-101.

**Royalty interest reserves include royalty volumes derived only from other working interest owners.*

WELL DATA

Pertinent interest and offset well data such as drill stem tests, workovers, pressure surveys, production tests, etc., were provided by the Company or were obtained from other operators, public records or GLJ nonconfidential files.

ACCOUNTING SUMMARY

As there is no production currently owned by the Company, GLJ relied on scoping estimates provided by the Company to forecast operating and capital costs.

PRODUCTION FORECASTS

In establishing all production forecasts, consideration was given to existing gas contracts and the possibility of contract revisions, to the operator's plans for development drilling and to reserves

and well capability. Generally, development drilling in an area was not considered unless there was some indication from the operator that drilling could be expected.

The on-stream date for currently shut-in reserves was estimated with consideration given to the following:

- proximity to existing facilities
- plans of the operator
- economics

ECONOMIC PARAMETERS

Pertinent economic parameters are listed as follows:

- a) The effective date is June 30, 2010.
- b) Operating and capital costs were estimated in 2010 dollars and then escalated as summarized in the Product Price and Market Forecasts section of this report.
- c) Economic forecasts were prepared for each property on a before income tax basis. Detailed discounting of future cash flow was performed using a discount factor of 10.0 percent with all values discounted annually to June 30, 2010, on a mid-calendar-year basis.
- d) Nova Scotia crown royalties of 10% have been applied.
- e) Field level overhead charges have been included; recovery of overhead expenses has not been included.
- f) The Company's office G&A costs have not been included.
- g) Well abandonment costs for all wells with reserves have been included at the property level. Additional abandonment costs associated with non-reserves wells, lease reclamation costs and facility abandonment and reclamation expenses have not been included in this analysis.

OIL EQUIVALENT OR GAS EQUIVALENT

In this report, quantities of hydrocarbons have been converted to barrels of oil equivalent (BOE); or to sales gas equivalent (SGE) using factors of 6 MCF/BOE for gas, 1 BBL/BOE for all

liquids, and 0 BOE for sulphur. Users of oil equivalent values are cautioned that while BOE based metrics are useful for comparative purposes, they may be misleading when used in isolation.

LIST OF ABBREVIATIONS

AOF	absolute open flow
BBL	barrels
BCF	billion cubic feet of gas at standard conditions
BOE	barrel of oil equivalent, in this evaluation determined using 6 MCF/BOE for gas, 1 BBL/BOE for all liquids, and 0 BOE for sulphur
BOPD	barrels of oil per day
BTU	British thermal units
BWPD	barrels of water per day
DSU	drilling spacing unit
GCA	gas cost allowance
GOC	gas-oil contact
GOR	gas-oil ratio
GORR	gross overriding royalty
GWC	gas-water contact
MBBL	thousand barrels
MBOE	thousand BOE
MCF	thousand cubic feet of gas at standard conditions
MCFE	thousand cubic feet of gas equivalent
MLT	thousand long tons
M\$	thousand Canadian dollars
MM\$	million Canadian dollars
MMBBL	million barrels
MMBOE	million BOE
MMBTU	million British thermal units
MMCF	million cubic feet of gas at standard conditions
MRL	maximum rate limitation
MSTB	thousand stock tank barrels
MMSTB	million stock tank barrels
NGL	natural gas liquids (ethane, propane, butane and condensate)
NPI	net profits interest
OGIP	original gas-in-place
OOIP	original oil-in-place
ORRI	overriding royalty interest
OWC	oil-water contact
P&NG	petroleum and natural gas
psia	pounds per square inch absolute
psig	pounds per square inch gauge
PVT	pressure-volume-temperature
RLI	reserves life index, calculated by dividing reserves by the forecast of first year production
SCF	standard cubic feet

SGE	Sales gas equivalent – if presented in this evaluation, determined using 1 barrel of oil or natural gas liquid = 6 MCFe; 0 for sulphur
STB	stock tank barrel
WI	working interest
WTI	West Texas Intermediate

PRODUCT PRICE AND MARKET FORECASTS

July 1, 2010

GLJ Petroleum Consultants has prepared its July 1, 2010 price and market forecasts as summarized in the attached Tables 1 and 2 after a comprehensive review of information. Information sources include numerous government agencies, industry publications, Canadian oil refiners and natural gas marketers. The forecasts presented herein are based on an informed interpretation of currently available data. While these forecasts are considered reasonable at this time, users of these forecasts should understand the inherent high uncertainty in forecasting any commodity or market. These forecasts will be revised periodically as market, economic and political conditions change. These future revisions may be significant.

Table 1
GLJ Petroleum Consultants
Crude Oil and Natural Gas Liquids
Price Forecast
 Effective July 1, 2010

Year	Inflation %	Bank of Canada Average Noon Exchange Rate \$US/\$Cdn	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing Oklahoma		ICE BRENT Near Month Futures Contract Crude Oil FOB North Sea	Light, Sweet Crude Oil (40 API, 0.3%S) at Edmonton	Bow River Crude Oil Stream Quality at Hardisty	Lloyd Blend Crude Oil Stream Quality at Hardisty	WCS Stream Quality at Hardisty	Heavy Crude Oil Proxy (12 API) at Hardisty	Light Crude Oil (35 API, 1.2%S) at Cromer	Medium Crude Oil (29 API, 2.0%S) at Cromer	Alberta Natural Gas Liquids (Then Current Dollars)			
			Constant 2010 \$	Then Current \$US/bbl	Then Current \$US/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Then Current \$Cdn/bbl	Spec Ethane \$Cdn/bbl	Edmonton Propane \$Cdn/bbl	Edmonton Butane \$Cdn/bbl
1996	1.6	0.733	28.77	21.98	20.31	29.38	25.12	21.55	N/A	20.06	28.41	26.08	N/A	23.13	17.83	30.05
1997	1.6	0.722	26.57	20.62	19.32	27.85	21.18	20.55	N/A	14.41	26.52	23.72	N/A	19.41	19.76	30.91
1998	1.0	0.675	18.30	14.44	13.34	20.36	14.63	20.36	N/A	9.45	19.31	16.96	N/A	11.74	12.69	21.87
1999	1.7	0.673	24.20	19.25	17.99	27.63	23.78	22.14	N/A	19.49	26.97	25.37	N/A	15.86	18.65	27.64
2000	2.7	0.673	37.33	30.23	28.41	44.57	35.28	32.61	N/A	27.49	43.28	39.92	N/A	32.15	35.59	46.31
2001	2.5	0.646	31.27	26.00	24.87	39.44	27.69	23.47	N/A	16.77	35.22	31.58	N/A	31.92	31.25	42.48
2002	2.3	0.637	30.57	26.08	25.02	40.33	31.83	30.60	N/A	26.57	37.43	35.48	N/A	21.39	27.08	40.73
2003	2.8	0.716	35.62	31.07	28.47	43.66	32.11	31.18	N/A	26.26	40.09	37.55	N/A	32.14	34.36	44.23
2004	1.8	0.770	46.17	41.38	38.02	52.96	37.43	36.31	N/A	29.11	49.14	45.64	N/A	34.70	39.97	53.94
2005	2.2	0.826	61.98	56.58	55.14	69.02	44.73	43.03	43.74	34.07	62.18	56.77	N/A	43.04	51.80	69.57
2006	2.0	0.882	70.95	66.22	66.16	73.21	51.82	50.36	50.66	41.84	66.38	62.26	N/A	43.85	60.17	75.41
2007	2.2	0.935	76.05	72.39	72.71	77.06	53.64	52.03	52.38	43.42	71.13	65.71	N/A	49.56	61.78	77.38
2008	2.4	0.943	102.44	99.64	98.30	102.89	84.31	82.60	82.95	74.94	96.08	93.10	N/A	58.38	75.33	104.78
2009	0.4	0.880	62.01	61.78	62.50	66.32	60.18	58.40	58.66	54.46	63.84	62.96	N/A	38.03	48.17	68.17
2010 Q1	1.6	0.961	78.72	78.72	77.26	80.56	73.74	72.24	72.58	66.43	78.69	76.87	N/A	57.06	76.58	88.28
2010 Q2 (e)	1.8	0.969	77.90	77.90	78.91	77.22	67.19	65.73	66.18	58.45	75.01	73.47	N/A	46.80	65.85	86.63
2010 Q3	2.0	0.950	80.00	80.00	78.50	83.26	71.61	70.36	70.76	64.99	79.93	78.27	14.02	49.96	66.61	84.93
2010 Q4	2.0	0.950	80.00	80.00	78.50	83.26	70.77	69.52	69.92	63.90	79.93	78.27	16.60	49.96	66.61	84.93
2010 Full Year	1.9	0.958	79.16	79.16	78.29	81.08	70.83	69.46	69.86	63.44	78.39	76.72	N/A	50.95	68.91	86.19
2010 Q3-Q4	2.0	0.950	80.00	80.00	78.50	83.26	71.19	69.94	70.34	64.44	79.93	78.27	15.31	49.96	66.61	84.93
2011	2.0	0.950	81.37	83.00	81.50	86.42	72.59	71.30	71.70	65.24	81.24	79.94	17.33	54.45	66.54	88.15
2012	2.0	0.950	82.66	86.00	84.50	89.58	73.45	72.11	72.51	65.33	83.31	81.52	19.87	56.43	68.98	91.37
2013	2.0	0.950	83.87	89.00	87.50	92.74	74.19	72.80	73.20	65.26	86.25	82.54	21.51	58.42	71.41	94.59
2014	2.0	0.950	85.00	92.00	90.50	95.90	76.72	75.28	75.68	67.52	89.19	85.35	22.78	60.42	73.84	97.82
2015	2.0	0.950	85.00	93.84	92.34	97.84	78.27	76.80	77.20	68.90	90.99	87.07	23.69	61.64	75.33	99.79
2016	2.0	0.950	85.00	95.72	94.22	99.81	79.85	78.35	78.75	70.32	92.82	88.83	24.89	62.88	76.85	101.81
2017	2.0	0.950	85.00	97.64	96.14	101.83	81.46	79.93	80.33	71.76	94.70	90.63	25.98	64.15	78.41	103.86
2018	2.0	0.950	85.00	99.59	98.09	103.88	83.11	81.55	81.95	73.22	96.61	92.46	26.59	65.45	79.99	105.96
2019	2.0	0.950	85.00	101.58	100.08	105.98	84.78	83.19	83.59	74.72	98.56	94.32	27.17	66.77	81.60	108.10
2020+	2.0	0.950	85.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

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

Table 2
GLJ Petroleum Consultants
Natural Gas and Sulphur
Price Forecast
 Effective July 1, 2010

Year	Henry Hub Nymex		Midwest Price @ Chicago	AECO/NIT Spot	Alberta Plant Gate					Saskatchewan Plant Gate			British Columbia		Sulphur FOB Vancouver	Alberta Sulphur at Plant Gate
	Constant 2010 \$	Near Month Contract Then Current			Then Current	Spot		ARP	Aggregator	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast Station 2		
	\$US/mmbtu	\$US/mmbtu	\$US/mmbtu	Constant 2010 \$	Then Current	\$/mmbtu	\$/mmbtu								\$/mmbtu	\$/mmbtu
1996	3.28	2.51	2.73	1.39	1.64	1.26	1.63	N/A	N/A	1.52	1.28	1.32	1.49	1.47	36.28	6.48
1997	3.19	2.47	2.75	1.85	2.19	1.70	1.97	N/A	N/A	1.85	1.75	1.71	1.90	1.98	34.75	5.12
1998	2.74	2.16	2.20	2.03	2.38	1.87	1.94	N/A	N/A	2.05	2.13	1.60	2.15	2.00	24.59	-6.51
1999	2.91	2.31	2.33	2.92	3.46	2.75	2.48	N/A	N/A	2.82	2.97	2.15	2.93	2.78	33.74	6.93
2000	5.32	4.32	3.96	5.08	6.07	4.93	4.50	4.44	N/A	4.79	5.16	4.15	5.06	4.88	38.14	13.59
2001	4.85	4.03	4.45	6.23	7.31	6.07	5.41	4.97	5.29	5.72	6.20	4.57	6.32	6.29	18.29	-14.67
2002	3.94	3.36	3.25	4.04	4.55	3.88	3.88	3.64	3.66	4.04	4.08	2.68	4.18	3.93	29.38	3.04
2003	6.27	5.47	5.46	6.66	7.44	6.49	6.13	5.87	6.15	6.41	6.68	4.66	6.45	6.32	59.81	39.83
2004	6.90	6.18	6.13	6.88	7.48	6.70	6.31	6.16	6.39	6.48	6.85	5.26	6.56	6.45	62.99	38.61
2005	9.85	9.00	8.24	8.58	9.22	8.42	8.30	8.27	8.29	8.36	8.31	7.13	8.22	8.12	63.50	33.77
2006	7.49	6.99	6.93	7.16	7.46	6.96	6.57	6.36	6.34	6.67	6.97	6.27	6.58	6.45	55.07	19.27
2007	7.47	7.12	6.83	6.65	6.76	6.43	6.20	6.13	5.86	6.18	6.40	6.52	6.40	6.25	81.66	42.03
2008	9.15	8.90	8.91	8.16	8.14	7.92	7.88	8.06	7.84	8.07	8.03	8.33	8.21	8.09	497.39	488.64
2009	4.18	4.16	4.05	4.19	4.00	3.98	3.85	4.19	3.23	3.87	4.00	3.91	4.17	4.04	57.06	24.57
2010 Q1	5.04	5.04	5.70	5.39	5.14	5.14	4.79	4.65	4.50	5.05	4.99	5.59	5.27	5.16	73.15	33.14
2010 Q2 (e)	4.24	4.24	4.30	4.09	3.85	3.85	3.68	3.63	3.11	3.78	4.95	4.02	3.87	3.73	85.02	44.25
2010 Q3	4.75	4.75	4.85	4.25	4.03	4.03	3.91	3.86	3.76	4.01	4.17	4.55	4.05	3.84	60.00	20.16
2010 Q4	5.25	5.25	5.35	5.00	4.77	4.77	4.63	4.57	4.25	4.73	4.92	5.05	4.80	4.59	60.00	20.16
2010 Full Year	4.82	4.82	5.05	4.68	4.45	4.45	4.25	4.18	3.91	4.39	4.76	4.80	4.50	4.33	69.54	29.42
2010 Q3-Q4	5.00	5.00	5.10	4.62	4.40	4.40	4.27	4.21	4.01	4.37	4.55	4.80	4.43	4.21	60.00	20.16
2011	5.39	5.50	5.60	5.21	4.88	4.98	4.83	4.77	4.51	4.93	5.13	5.05	5.01	4.80	60.00	20.16
2012	5.96	6.20	6.30	5.95	5.49	5.71	5.54	5.47	5.21	5.64	5.87	5.75	5.75	5.53	60.00	20.16
2013	6.27	6.65	6.75	6.42	5.82	6.18	6.00	5.92	5.66	6.10	6.34	6.20	6.22	6.00	75.00	35.95
2014	6.51	7.05	7.15	6.79	6.05	6.55	6.35	6.27	6.07	6.45	6.71	6.60	6.59	6.36	75.00	35.95
2015	6.70	7.40	7.50	7.05	6.17	6.81	6.60	6.52	6.42	6.70	6.97	6.95	6.85	6.62	76.50	37.53
2016	6.86	7.73	7.83	7.40	6.35	7.15	6.94	6.86	6.76	7.04	7.32	7.28	7.20	6.97	78.03	39.14
2017	6.99	8.03	8.13	7.72	6.50	7.46	7.24	7.16	7.06	7.34	7.64	7.58	7.52	7.28	79.59	40.78
2018	7.00	8.20	8.30	7.89	6.52	7.64	7.41	7.33	7.23	7.51	7.81	7.75	7.69	7.46	81.18	42.45
2019	7.00	8.36	8.46	8.06	6.53	7.81	7.57	7.49	7.39	7.67	7.98	7.91	7.86	7.63	82.08	43.40
2020+	7.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	6.53	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Unless otherwise stated, the gas price reference point is the receipt point on the applicable provincial gas transmission system known as the plant gate.
 The plant gate price represents the price before raw gas gathering and processing charges are deducted.
 AECO-C Spot refers to the one month price averaged for the year.

Table 3
GLJ Petroleum Consultants Ltd.
Crude and Natural Gas
GLJ (2010-07)
Effective July 01,2010

Year	Inflation %	Bank of Canada Average Noon Exchange Rate \$/US/\$C	Can. - UK Exchange Rate \$/C/GBP	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing Oklahoma		Brent Blend Crude Oil FOB North Sea		Henry Hub Spot		Nova Scotia Goldboro		National Balancing Point (UK)	
				Then Current \$/US/bbl	Then Current \$/C/bbl	Then Current \$/US/bbl	Then Current \$/C/bbl	Then Current \$/US/MMbtu	Then Current \$/C/MMbtu	Then Current \$/US/MMbtu	Then Current \$/C/MMbtu	Then Current \$/US/MMbtu	Then Current \$/C/MMbtu
2000	2.7	0.673	2.2500	30.23	44.94	28.41	42.23	4.32	6.45	0.00	0.00	2.81	4.20
2001	2.5	0.646	2.2305	26.00	40.19	24.87	38.46	4.03	6.21	4.04	6.21	3.19	4.94
2002	2.3	0.637	2.3587	26.08	40.93	25.02	39.27	3.36	5.27	2.70	4.23	2.58	4.05
2003	2.8	0.716	2.2877	31.07	43.60	28.47	39.93	5.47	7.67	5.16	7.31	3.38	4.69
2004	1.8	0.770	2.3837	41.38	53.65	38.02	49.29	6.18	8.02	5.62	7.32	4.76	6.13
2005	2.2	0.826	2.2057	56.58	68.42	55.14	66.69	9.00	10.83	8.19	9.87	7.51	9.02
2006	2.0	0.882	2.0898	66.22	75.08	66.16	75.01	6.99	7.94	6.20	7.04	8.34	9.48
2007	2.2	0.935	2.1475	72.39	76.89	72.71	77.33	7.12	7.65	6.33	6.84	6.14	6.44
2008	2.4	0.943	1.9605	99.64	104.27	98.30	102.81	8.90	9.36	8.32	8.77	11.41	12.12
2009	0.4	0.880	1.7799	61.78	69.57	62.50	70.47	4.16	4.75	3.35	3.87	4.95	5.68
2010 Q1	1.6	0.961	1.6256	78.72	81.90	77.26	80.39	5.04	5.25	5.47	5.70	5.22	5.44
2010 Q2 (e)	1.8	0.969	1.5322	77.90	80.34	78.91	81.37	4.24	4.38	2.04	3.34	5.02	5.19
2010 Q3	2.0	0.950	1.5500	80.00	84.21	78.50	82.63	4.75	5.00	3.81	4.01	6.83	7.19
2010 Q4	2.0	0.950	1.5500	80.00	84.21	78.50	82.63	5.25	5.53	5.30	5.58	6.83	7.19
2010 Full Year	1.9	0.957	1.5644	79.16	82.67	78.29	81.76	4.82	5.04	4.15	4.66	5.97	6.25
2010 Q3-Q4	2.0	0.950	1.5500	80.00	84.21	78.50	82.63	5.00	5.26	4.56	4.80	6.83	7.19
2011	2.0	0.950	1.5500	83.00	87.37	81.50	85.79	5.50	5.79	5.05	5.32	7.41	7.80
2012	2.0	0.950	1.5500	86.00	90.53	84.50	88.95	6.20	6.53	5.75	6.05	8.05	8.47
2013	2.0	0.950	1.5500	89.00	93.68	87.50	92.11	6.65	7.00	6.19	6.52	8.33	8.77
2014	2.0	0.950	1.5500	92.00	96.85	90.50	95.27	7.05	7.42	6.59	6.93	8.62	9.07
2015	2.0	0.950	1.5500	93.84	98.78	92.34	97.20	7.40	7.79	6.93	7.30	8.79	9.26
2016	2.0	0.950	1.5500	95.72	100.76	94.22	99.18	7.73	8.14	7.26	7.64	8.97	9.45
2017	2.0	0.950	1.5500	97.64	102.77	96.14	101.20	8.03	8.45	7.56	7.96	9.16	9.64
2018	2.0	0.950	1.5500	99.59	104.83	98.09	103.25	8.20	8.63	7.73	8.13	9.34	9.83
2019	2.0	0.950	1.5500	101.58	106.93	100.08	105.35	8.36	8.80	7.89	8.30	9.53	10.03
2020+	2.0	0.950	1.5500	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

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

PETROWORTH RESOURCES INC.

ROSEVALE

Effective June 30, 2010

Prepared by
Chad P. Lemke, P. Eng.
T. Nick Topolnyski, P. Geol.

The analysis of this property as reported herein was conducted within the context of an evaluation of a distinct group of properties in aggregate. Extraction and use of this analysis outside this context may not be appropriate without supplementary due diligence.

ROSEVALE PROPERTY REPORT

TABLE OF CONTENTS

	Page
SUMMARY	
Summary of Reserves and Values - Total PPP	3
Historical and Forecast Sales Gas Production Gross Lease/Company Interest	4
Daily Production, Reserves and Present Value Summary - Total PPP	5
DISCUSSION	6
LAND	
Summary of Well Interests and Burdens	12
PLOTS	
Plot 1 Rosevale - Gas Time Semilog Property Plot	13
Plot 2 Rosevale - Gas Cum Coord Property Plot	14
TABLES	
Table 1 Gross Lease Reserves Summary - Total PPP	15
Table 1.1 Gas Reservoir Parameters	16
Table 1.2 Gas Decline Parameters	17
Table 2 Gross Lease Daily Sales Gas Production - Total PPP	18
Table 3 Economic Parameters	19
ECONOMIC FORECASTS	
Total PPP	20

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Reserve Class: **PPP**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Summary of Reserves and Values

	Total PPP
MARKETABLE RESERVES	
<u>Gas (MMcf)</u>	
Gross Lease	2,160
Total Company Interest	2,160
Net After Royalty	1,944
<u>Natural Gas Liquids (Mbbbl)</u>	
Gross Lease	2.9
Total Company Interest	2.9
Net After Royalty	2.6
<u>Oil Equivalent (Mbbbl)</u>	
Gross Lease	363
Total Company Interest	363
Net After Royalty	327
BEFORE TAX PRESENT VALUE (M\$)	
0%	3,421
5%	1,634
8%	963
10%	623
12%	348
15%	28
20%	-335
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)	
2010 (6 Months)	0
2011	-1,919
2012	202
2013	262
2014	304
2015	338

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: November 01, 2010 10:49:07

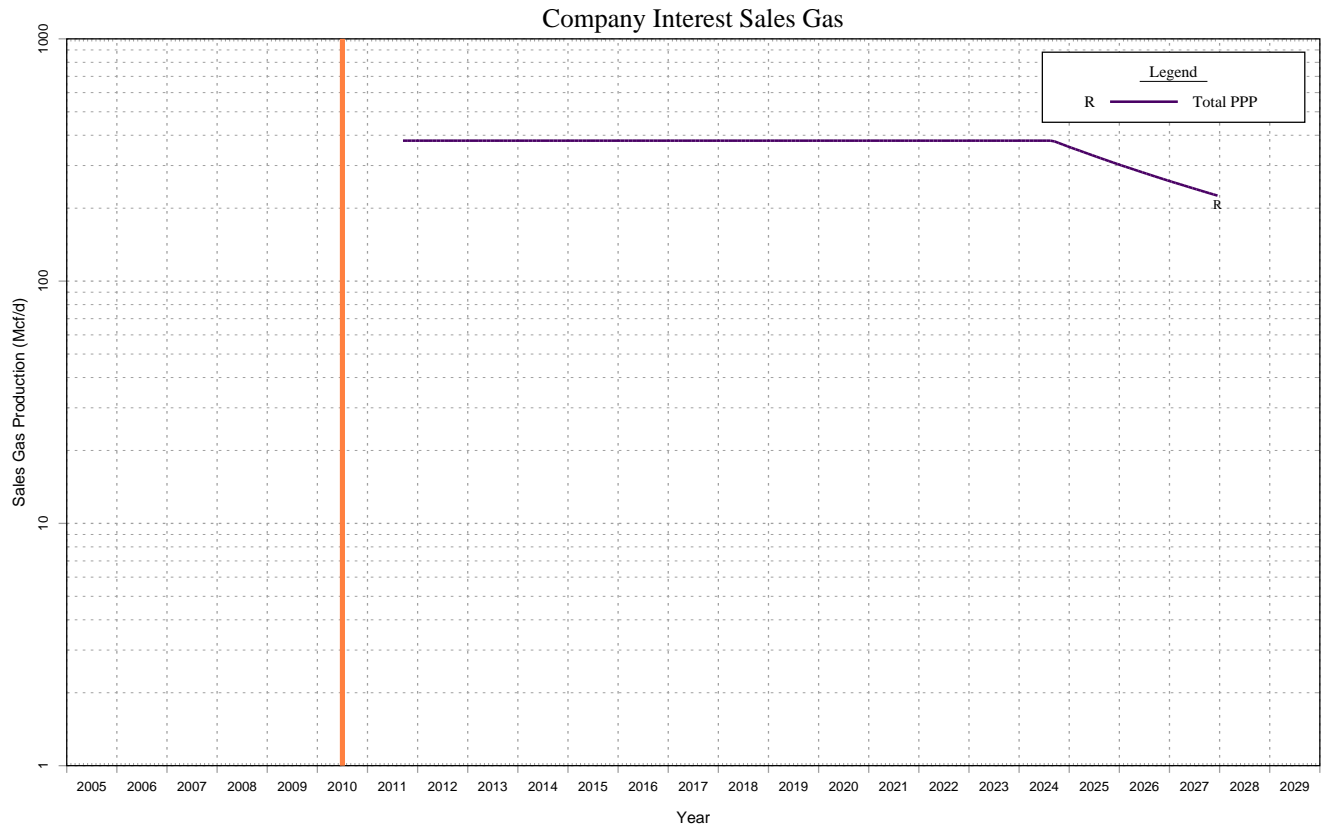
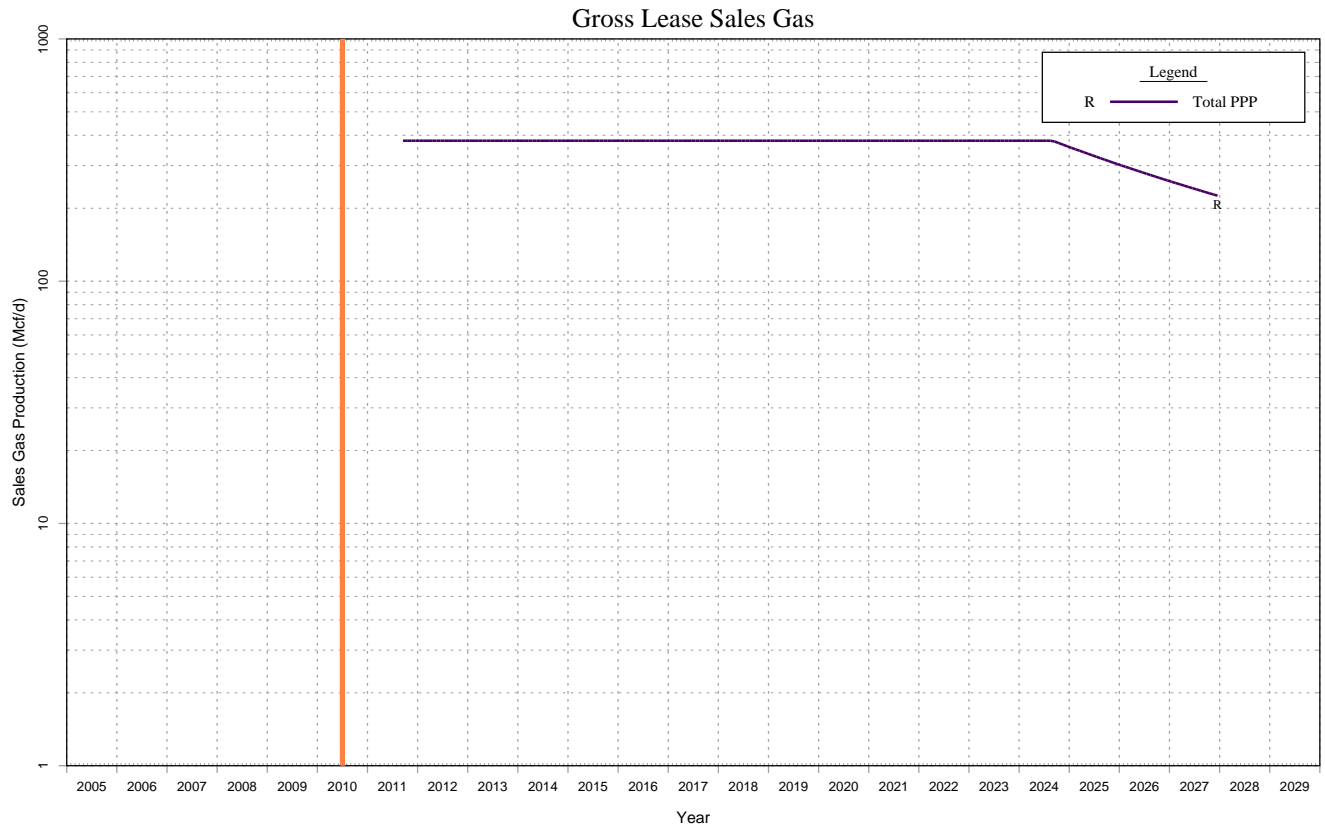
1100454 Total PPP, GLJ (2010-07), psum

November 01, 2010 10:52:29

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Historical and Forecast Production

Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**



*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.

Company Interest Sales Gas
 1100454 / Nov 01, 2010

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Reserve Class: **PPP**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Daily Production, Reserves and Present Value Summary

Entity Description	Reserve Class	2010 Gross Lease Production				2010 Company Interest Production				Gross Lease Reserves					Company Interest Reserves					Before Tax 10% Dcf Present Value M\$
		Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbbl	NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	
Rosevale																				
E-08	R1	0	0	0	0	0	0	0	0	2,160	0	3	0	363	2,160	0	3	0	363	3,038
Gas Compression / Trucking Facilities	R1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-2,415
Total: Rosevale		0	0	0	0	0	0	0	0	2,160	0	3	0	363	2,160	0	3	0	363	623

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

GENERAL

The Rosevale property is located approximately 20 kilometers south of Moncton, New Brunswick. The property is located within the Moncton sub-basin. The basin consists of a thick succession of Carboniferous (286 million to 360 million years old) sediment, which lies unconformably on basement rock. The Lower Carboniferous Horton Group is at the base of the section and consists mainly of continental sediments. The terrestrial redbed sediments of the Sussex Group overlie the Horton Group. The mainly marine clastic-carbonate-evaporite succession of the Lower Carboniferous Windsor Group overlies these sediments. The Mabou Group, another terrestrial redbed succession, in turn overlies the Windsor Group.

The productive interval in the Rosevale Field is the Albert Formation of the Horton Group. The Albert Formation is further subdivided into three members. In ascending order these include; the Dawson Settlement, the Frederick Brook, and the Hiram Brook Members.

GEOLOGY

General

The PetroWorth Resource Inc. (PetroWorth) Rosevale Block Project is located on the south western side of the Stoney Creek Field, south of Moncton, New Brunswick. The property is located within the Elgin sub-basin. The basin consists of a thick succession of Carboniferous (286 million to 360 million years old) sediment, which lies unconformably on basement rock. The Lower Carboniferous Horton Group is at the base of the section and consists mainly of continental sediments. The terrestrial redbed sediments of the Sussex Group overlie the Horton Group. The mainly marine clastic-carbonate-evaporite succession of the Lower Carboniferous Windsor Group overlies these sediments.

Stratigraphy and Depositional Model

The productive horizon in the Rosevale property is the Albert Formation of the Horton Group. The Albert Formation is further subdivided into three members. In ascending order these include; the Dawson Settlement, the Frederick Brook, and the Hiram Brook members. The reservoir rocks consist of sandstone interbedded with shale, siltstone and carbonate. In this model, during the Carboniferous, the Rosevale area was part of a large lake basin that was being infilled with sediments that were being deposited in a basin axis fluvial-deltaic system. The sediments were derived from outside the basin and deposited by a river system flowing from the southwest down the center of the basin. The organic rich shales of the Frederick Brook member would have been deposited in a deep lacustrine environment during a period of low sediment influx and maximum subsidence in the basin. As the rate of subsidence slowed the amount of sediment being transport into the basin increased and the basin was infilled by the fluvial-deltaic sediments of the Hiram Brook member. Paleocurrent data, sediment type/providence and sediment thickness appears to support this model.

WELL HISTORY

To date three wells have been drilled on the Rosevale property by PetroWorth. The Feenan #1 G-18 well was drilled approximately one kilometer to the northwest of the West Stoney Creek 317 well, and encountered non prospective sands in the Hiram Brook Member. The Feenan #2 E-08 well was drilled as a direct offset to the West Stoney Creek well and has prospective Hiram Brook sands that were completed and tested. The Feenan #3 A-08 well is just to the east of the E-08 well and also has prospective sands present in the Hiram Brook that are yet to be evaluated.

The E-08 well encountered five sand packages in the Hiram Brook which were hydrocarbon bearing. The subsequent completion in E-08 involved perforation and fracture stimulation in four of the more prospective appearing sand units. The co-mingled production test of the sands was conducted for 130 hours and resulted in a final flow rate of 0.9 million cubic feet/day (25,600 cubic metres/day) of natural gas and 14.4 barrels per day (2.3 cubic metres/day) of oil.

E-08 RESERVOIR SANDSTONES

Well log and test data suggests that gas bearing sands are confined to the Hiram Brook section. Five sands occur in the interval from 774 to 1001 metres Well logs and sidewall core data indicate that the reservoir sands have a cumulative net pay thickness of 105 feet (32 metres) and an average of 11 percent porosity and 27 percent water saturation. The reservoir sands are very fine grained to medium grained dolomitic sandstones. In the lowermost packages the tight sands are relatively thick and are interpreted as fluvial sequences deposited in a braided stream environment. The upper sand packages consist of fine to medium grained sand sequences interbedded with shales. These are interpreted as lake-delta and shoreline sands and reflect fluctuations in the lake shoreline. These upper sandstone packages are difficult to correlate to the G18 and A-08 wells and thus the individual sands in E-08 likely have limited lateral continuity. A gas water interface was not identified in any of the sands.

PETROPHYSICAL ANALYSIS

GLJ performed a detailed petrophysical analysis over the reservoir section in the E-08 well. Well log and sidewall core data was used to estimate reservoir thickness, porosity and water saturation values for a proved, proved plus probable, and proved plus probable plus potential resource case. This analysis used the Clavier equation to determine the shale volume and Simandoux equation to determine water saturation. Shale corrected porosity values were estimated from a neutron density cross-plot. Net gas pay has been estimated using 4.0 percent porosity, 40 percent water saturation and 40 percent shale volume cutoffs. The petrophysical analysis determined the sands to have little sensitivity to porosity cutoff variation and significant sensitivity to water saturation and shale volume cutoff variation.

RESERVES, PRODUCTION, FORECAST AND DEVELOPMENT SUMMARY

Possible reserves were assigned to the initial development well, E-08, based on volumetric analysis, using petrophysical parameters calculated by GLJ. Reserves were assigned to the completed intervals within the Hiram Brook member assuming typical drainage areas to analogous wells within the basin. The estimates of gas properties required for the calculation of the original gas-in-place of the sands of the Hiram Brook Member are set out in Table 2.1

It should be emphasized that the gas-bearing intervals of the individual sands of the Hiram Brook Member are a series of discrete, dispersed and separate stringers within thick gross pay intervals in a faulted formation. Vertical and lateral communication between the individual gas-bearing sands within a single Sand in the Hiram Brook Member is not a given.

Due to limited development to date, Petroworth intends to initiate production from the E-08 well and transport to respective markets by compressing and trucking compressed gas. Petroworth has identified, along with exporting via the Maritimes and Northeast Pipeline (M&NP), several domestic end users within a 100-mile radius. It is assumed by GLJ that Petroworth will secure enough end-users justify average production of approximately 400 MCFD (raw) from the E-08 well. With additional development and production in the future it is anticipated that eventual tie-in to the M&NP.

FREDERICK'S BROOK SHALE DEVELOPMENT

The Frederick's Brook Member of the Albert Formation underlies the productive Hiram Brook Member section. The Frederick's Brook section is very thick at Rosevale and extends over the field. The Frederick's Brook consists of fractured, organic rich, silty shales and dolomitic shales. These shales were deposited in a deep-water lacustrine environment. The organic rich shales of the Frederick's Brook have been identified as the main source rock for the gas produced from the overlying Hiram Brook Member sands. This unit is also being evaluated by Petroworth for its potential as a Shale Gas resource.

To date (June 30, 2010), Petroworth has neither gathered completed the Fredrick's Brook Shale, nor gathered sufficient data for GLJ to analyze the prospectively of the Shale.

ECONOMIC ANALYSIS

A summary of the economic parameters used in this evaluation, including price forecasts, product price adjustments, operating expenses and capital expenditures is provided in Table 4. As there is no production currently owned by the Petroworth, GLJ relied on scoping estimates provided by Petroworth to forecast operating and capital costs.

Crown royalties as determined by governmental regulation are calculated as a percentage of the value of the gross production, and are currently fixed at 10 percent for the Rosevale property.

Other Economic Considerations

This report *does not* address the following issues:

- Non-reserves well abandonment, wellsite reclamation and facility abandonment/salvage including possible environmental concerns.
- Potential processing income.
- The current condition of field, gathering and processing facilities, i.e. an inspection was not carried out.

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Reserve Class: **PPP**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

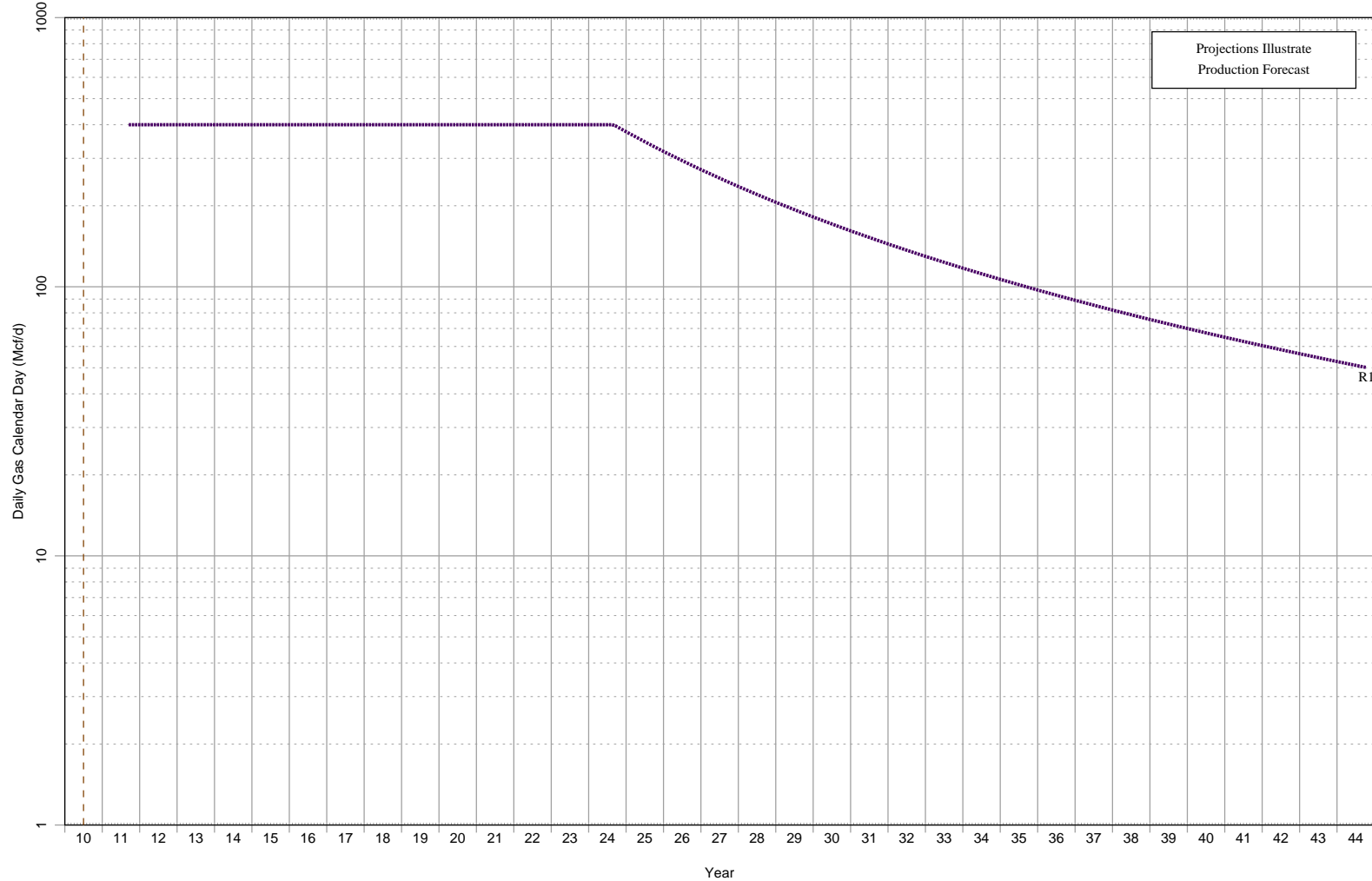
Summary of Well Interests and Burdens

Entity Description	Working Interest			Type	Royalty Interest			Lessor Royalty	Other Royalty Burdens			
	BPO %	APO %	Rem PO (000's)		BPO %	APO %	Rem PO (000's)		Type	BPO %	APO %	Rem PO (000's)
Rosevale												
E-08	100.000	-	-		-	-	-	FED CR ROY 10%		-	-	-
Gas Compression / Trucking Facilit...	100.000	-	-		-	-	-	FED CR ROY 10%		-	-	-

Glossary
 APO=BPO interests unless otherwise specified
 CR: Crown Royalty
 ROY: Royalty Percent

Historical and Forecast Production Rosevale - Total Property

Property : Rosevale



Total Reserves Summary @ 2010/07/01

Reserves Classification	Raw Gas (MMcf)		
	Ultimate	Cum Production	Remaining
Total PPP Dev — R1(R)	2941	0	2941

Average Production Rates (Last 12 months ending 2010/07/01)

Gas :	0.0 Mcf/d	0.0 Mcf/cd	WGR :	0.0 bbl/MMcf
Oil :	0.0 bbl/d	0.0 bbl/cd	GOR :	0.0 scf/bbl
On Prod :	0.0 days		WC :	0.0 %

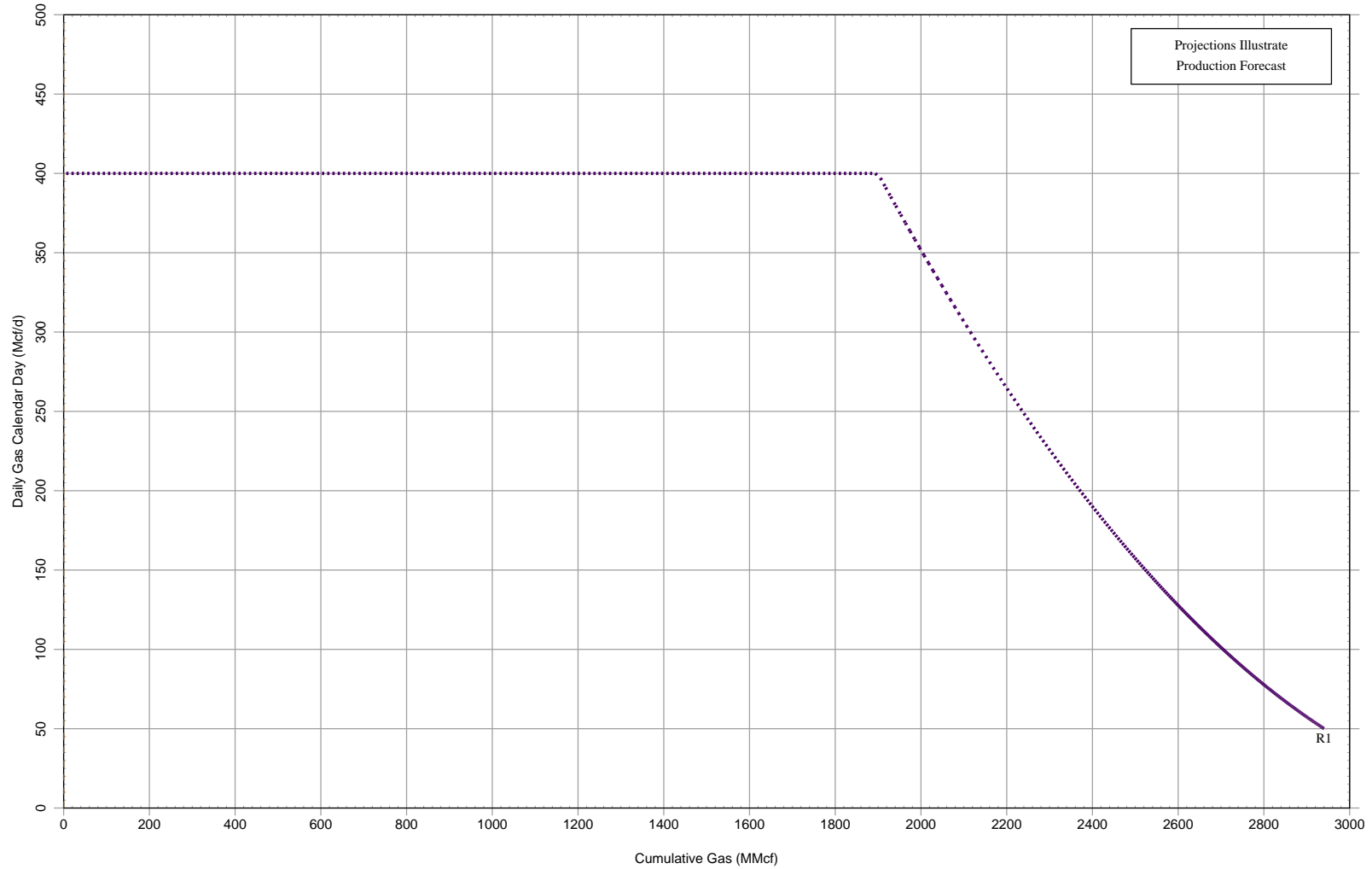
Cumulative Production

Oil :	0.0 Mbbbl	Gas :	0.0 MMcf	Water :	0.0 Mbbbl
-------	-----------	-------	----------	---------	-----------

Plot 1

Historical and Forecast Production Rosevale - Total Property

Property : Rosevale



Total Reserves Summary @ 2010/07/01

Reserves Classification	Raw Gas (MMcf)		
	Ultimate	Cum Production	Remaining
Total PPP Dev — R1(R)	2941	0	2941

Average Production Rates (Last 12 months ending 2010/07/01)

Gas :	0.0 Mcf/d	0.0 Mcf/cd	WGR :	0.0 bbl/MMcf
Oil :	0.0 bbl/d	0.0 bbl/cd	GOR :	0.0 scf/bbl
On Prod :	0.0 days		WC :	0.0 %

Cumulative Production

Oil :	0.0 Mbbbl	Gas :	0.0 MMcf	Water :	0.0 Mbbbl
-------	-----------	-------	----------	---------	-----------

Plot 2

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Table 1

Reserve Class: **PPP**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Gross Lease Reserves Summary

Entity Description	Reserve Class	Methodology	Oil (Mbbbl)			Non-Associated Gas (MMcf)				Other Gross Lease Reserves			
			Initial Recoverable	Cumulative Production	Reserves	Initial Recoverable	Cumulative Production	Raw Gas	Reserves	Sol'n Gas MMcf	Cond Mbbbl	LPG Mbbbl	Sulphur Mlt
<i>Rosevale</i> E-08	R1	Vol	0	0	0	2,941	0	2,273	2,160 *	0	3	0	0
Total: Rosevale			0	0	0	2,941	0	2,273	2,160 *	0	3	0	0

Notes

1. [*] Remaining reserves are less than the estimate due to economic limit.

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Table 1.1

Reserve Class:
 Development Class: **PPP**
 Effective Date: **Total**
June 30, 2010

Gas Reservoir Parameters

Resource Entity	Zone	Method	Reserve Class	Area acre	Net Pay ft	Porosity %	Water Sat'n %	Resid Oil Sat'n %	Original Pressure psi	Reservoir Temp. °R	Zi Factor	Original Gas In Place MMcf	Recovery Factor %	Recoverable Raw Gas MMcf	Cum Production 2010-07-01 MMcf	Remaining 2010-06-30 Raw Gas	Surface Loss %	Remaining Sales Gas MMcf	Notes	
E-08																				[1]
Sand 1		Vol	R1	100	25.6	12.4	14.9	-	1,092	531	0.846	1,016	60.0	609	-	-	-	-	-	
Sand 2		Vol	R1	100	13.1	10.0	44.6	-	1,218	531	0.830	310	60.0	186	-	-	-	-	-	
Sand 3		Vol	R1	100	71.9	10.7	35.1	-	1,280	531	0.823	2,259	60.0	1,355	-	-	-	-	-	
Sand 4		Vol	R1	100	8.9	8.4	46.5	-	1,372	531	0.814	195	60.0	117	-	-	-	-	-	
Sand 5		Vol	R1	100	40.4	8.3	32.9	-	1,391	531	0.812	1,121	60.0	673	-	-	-	-	-	
E-08		Comming..	R1									4,901	60.0	2,941	-	2,941	5.0	2,794	[1]	

The reserves calculated above may not match the economic forecasts due to economic limit considerations.

Glossary

R1: Total PPP Developed

Notes

1. 2010-Sep-01 Tested final rate of 0.9 MMcfd with 19 BOPD of 29deg API condensate.

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Table 1.2

Reserve Class:
 Development Class:
 Effective Date: **PPP
 Total
 June 30, 2010**

Gas Decline Parameters

Resource Entity	Zone	Method	Res. Class	Analysis Data					Reserve Life yrs	Original Recoverable Raw Gas MMcf	Cum Production @ Analysis MMcf	Cum Production 2010-07-01 MMcf	Remaining Raw Gas 2010-06-30 MMcf	Surface Loss %	Remaining Sales Gas MMcf	Notes
				Analysis Date	Initial Effective Decline	Initial Rate Mcf/d	Final Rate Mcf/d	Decline Exponent								
E-08		Commingled	R1	2010-07-01	-	1,000	50	0.50	-	2,941	-	-	2,941	5.0	2,794	[1]

The reserves calculated above may not match the economic forecasts due to economic limit considerations.

Glossary
 R1: Total PPP Developed

Notes
 1. 2010-Sep-01 Tested final rate of 0.9 MMcf/d with 19 BOPD of 29deg API condensate.

Table 2

Company: **PetroWorth Resources Inc.**
 Property: **Rosevale**

Reserve Class: **PPP**
 Development Class: **Total**
 Pricing: **GLJ (2010-07)**
 Effective Date: **June 30, 2010**

Gross Lease Daily Sales Gas Production

Entity Description	Reserve Class	Year (Mcf/d)											Totals (MMcf)			
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Subtotal	Remainder	Total
<i>Rosevale</i> E-08	R1	0	127	381	380	380	380	381	380	380	380	381	380	1,435	725	2,160
Total: Rosevale		0	127	381	380	380	380	381	380	380	380	381	380	1,435	725	2,160

Company: **PetroWorth Resources Inc.**
Property: **Rosevale**

Table 3

Effective Date: **June 30, 2010****Economic Parameters****A) Price Forecasts and By-Product Data**

GLJ (2010-07)

Gas Reference:

Goldboro Netback Plantgate

Name	Gas Heat Content Btu/scf	Surface Loss %	Price Adjustment		Yields (raw)
			Residue Gas \$/Mcf	Condensate \$/bbl	Condensate bbl/MMcf
Rosevale E-08	1040	5.0	[1]	[2]	1.3

Notes

- 0.52 (2010) 0.32 (2011->Onwards)
- 10.00 (2010) 5.00 (2011) 0.00 (2012->Onwards)

B) Operating Costs (2010 Dollars)

All variable costs are \$/product (sales).

Name	RC	Product	Gas Stream Costs	Major Stream Costs	Gathering Costs
			Fixed \$/Well/month	Fixed M\$/yr	Fixed \$/Well/month
Rosevale E-08		Gas	2500		[1]
Gas Compression / Trucking Faci...	R1	Gas		[2]	
Gas Compression / Trucking Faci...	E1	Gas		[3]	

Glossary

Gas product units are Mcf

Notes

- 0 (2010) 38250 (2011->Onwards)
- 0 (2010) 22 (2011) 85 (2012) 72 (2013-2054) 0 (2055->Onwards)
- 0 (2010) 22 (2011) 85 (2012) 72 (2013-2033) 0 (2034->Onwards)

C) Abandonment Costs (2010 Dollars)

Name	Well Costs M\$/Well
Rosevale E-08	250.0

D) Capital Costs (2010 Dollars)**Capital Summary (2010 Dollars)**

Year	On Stream	Well/Area	RC	Gross Lease Capital Expenditures			Company Total M\$	Capital Interest %
				Tangible	Plant & Gath.	Total		
2011	Sep	<i>Rosevale</i> Gas Compression / Trucking Facilities	R1	689	1,237	1,926	1,926	100.00
		E-08	R1	0	0	0	0	0.00
Total: Rosevale				689	1,237	1,926	1,926	100.00

Company: **PetroWorth Resources Inc.**
Property: **Rosevale**

Reserve Class: **PPP**
Development Class: **Total**
Pricing: **GLJ (2010-07)**
Effective Date: **June 30, 2010**

Economic Forecast

PRODUCTION FORECAST

Year	Residue Gas Production						Condensate Production					Total Oil Equiv. Production				
	Gross Gas Wells	Gross Daily Mcf/d	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Gross Daily bbl/d	Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl	Gross Daily boe/d	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2010	0	0	0	0	0	0.00	0	0	0	0	0.00	0	0	0	0	0.00
2011	1	127	127	46	42	5.85	0	0	0	0	90.79	21	21	8	7	35.54
2012	1	381	381	139	125	6.61	1	1	0	0	88.95	64	64	23	21	40.05
2013	1	380	380	139	125	7.10	1	1	0	0	92.10	64	64	23	21	42.97
2014	1	380	380	139	125	7.53	1	1	0	0	95.27	64	64	23	21	45.59
2015	1	380	380	139	125	7.91	1	1	0	0	97.20	64	64	23	21	47.87
2016	1	381	381	139	125	8.27	1	1	0	0	99.18	64	64	23	21	50.01
2017	1	380	380	139	125	8.59	1	1	0	0	101.20	64	64	23	21	51.96
2018	1	380	380	139	125	8.78	1	1	0	0	103.25	64	64	23	21	53.08
2019	1	380	380	139	125	8.95	1	1	0	0	105.35	64	64	23	21	54.13
2020	1	381	381	139	125	9.13	1	1	0	0	107.45	64	64	23	21	55.17
2021	1	380	380	139	125	9.30	1	1	0	0	109.60	64	64	23	21	56.24
Sub.				1,435	1,291	8.14			2	2	99.66			241	217	49.25
Rem.				725	653	9.90			1	1	116.92			122	110	59.86
Tot.				2,160	1,944	8.73			3	3	105.46			363	327	52.81

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens														
	Working Interest				Royalty Interest	Company Interest	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	M\$	M\$	Fixed M\$	Variable M\$	Total M\$
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	271	6	277	0	277	28	0	0	0	28	249	189	14	204
2012	0	919	17	936	0	936	94	0	0	0	94	842	597	43	640
2013	0	984	17	1,001	0	1,001	100	0	0	0	100	901	595	44	640
2014	0	1,045	18	1,062	0	1,062	106	0	0	0	106	956	607	45	652
2015	0	1,097	18	1,115	0	1,115	112	0	0	0	112	1,004	619	46	665
2016	0	1,150	18	1,168	0	1,168	117	0	0	0	117	1,052	632	47	679
2017	0	1,192	19	1,211	0	1,211	121	0	0	0	121	1,090	645	48	692
2018	0	1,218	19	1,237	0	1,237	124	0	0	0	124	1,113	657	49	706
2019	0	1,242	20	1,261	0	1,261	126	0	0	0	126	1,135	671	50	720
2020	0	1,269	20	1,289	0	1,289	129	0	0	0	129	1,160	684	51	735
2021	0	1,290	20	1,310	0	1,310	131	0	0	0	131	1,179	698	52	749
Sub.	0	11,678	191	11,869	0	11,869	1,187	0	0	0	1,187	10,682	6,595	489	7,083
Rem.	0	7,181	113	7,294	0	7,294	729	0	0	0	729	6,565	4,489	289	4,778
Tot.	0	18,858	304	19,163	0	19,163	1,916	0	0	0	1,916	17,247	11,084	777	11,861
Disc	0	8,300	136	8,436	0	8,436	844	0	0	0	844	7,593	4,835	349	5,184

Year	Net Capital Investment								Before Tax Cash Flow					
	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. Costs M\$	Oper. Income M\$	Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	45	0	0	45	0	1,262	703	1,965	-1,919	-1,919	-1,745
2012	0	0	0	202	0	0	202	0	0	0	0	202	-1,717	-1,578
2013	0	0	0	262	0	0	262	0	0	0	0	262	-1,456	-1,381
2014	0	0	0	304	0	0	304	0	0	0	0	304	-1,152	-1,174
2015	0	0	0	338	0	0	338	0	0	0	0	338	-814	-964
2016	0	0	0	373	0	0	373	0	0	0	0	373	-441	-753
2017	0	0	0	397	0	0	397	0	0	0	0	397	-44	-549
2018	0	0	0	407	0	0	407	0	0	0	0	407	363	-360
2019	0	0	0	415	0	0	415	0	0	0	0	415	778	-184
2020	0	0	0	425	0	0	425	0	0	0	0	425	1,204	-20
2021	0	0	0	430	0	0	430	0	0	0	0	430	1,634	131
Sub.	0	0	0	3,598	0	0	3,598	0	1,262	703	1,965	1,634	1,634	131
Rem.	0	0	0	1,787	0	0	1,787	0	0	0	0	1,787	3,421	623
Tot.	0	0	0	5,386	0	0	5,386	0	1,262	703	1,965	3,421	3,421	623
Disc	0	0	0	2,409	0	0	2,409	0	1,147	639	1,786	623	623	623

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2010					Oil Equivalents			Reserve Life Indic. (yr)		
		Gross	Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Residue Gas	MMcf	2,160	2,160	0	2,160	1,944	6.000	360	99	17.5	46.6	9.4
Gas Heat Content	BBtu	2,246	2,246	0	2,246	2,022	0.000	0	0	17.5	46.6	9.4
Condensate	Mbbl	3	3	0	3	3	1.000	3	1	17.5	46.6	9.4
Total: Oil Eq.	Mboe	363	363	0	363	327	1.000	363	100	17.5	46.6	9.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc MS	% of Total	10% Disc MS	% of Total	
Residue Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,972	98	7,470	98	
Condensate	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	274	2	123	2	
Total: Oil Eq.	\$/boe	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,247	100	7,593	100	

INTEREST AND NET PRESENT VALUE SUMMARY

Revenue Interests and Burdens (%)			Net Present Value Before Income Tax					
			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
Initial	Average					M\$	\$/boe	
Working Interest	0.0000	100.0000	0.0	5,386	5,386	1,965	3,421	9.43
Capital Interest	0.0000	100.0000	5.0	3,505	3,505	1,871	1,634	4.50
Royalty Interest	0.0000	0.0000	8.0	2,782	2,782	1,819	963	2.65
Crown Royalty	0.0000	10.0000	10.0	2,409	2,409	1,786	623	1.72
Non-crown Royalty	0.0000	0.0000	12.0	2,102	2,102	1,754	348	0.96
Mineral Tax	0.0000	0.0000	15.0	1,736	1,736	1,708	28	0.08
			20.0	1,303	1,303	1,637	-335	-0.92

Evaluator: Anhorn, Jodi L.
Run Date: November 01, 2010 10:49:07

APPENDIX I
CERTIFICATES OF QUALIFICATION

Jodi L. Anhorn
T. Nicholas Topolynski
Chad P. Lemke

CERTIFICATION OF QUALIFICATION

I, Jodi L. Anhorn, Professional Engineer, 4100, 400 - 3rd Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Petroleum Consultants Ltd., which company did prepare a detailed analysis of Canadian gas property of PetroWorth Resources Inc. The effective date of this evaluation is June 30, 2010.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of PetroWorth Resources Inc. or its affiliated companies.
3. That I attended the University of Calgary and that I graduated with a Master of Science Degree in Chemical and Petroleum Engineering in 1992; that I am a Registered Professional Engineer in the Province of Alberta; and that I have in excess of eighteen years experience in engineering studies relating to Western Canadian and International oil and gas fields.
4. That a personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, the files of PetroWorth Resources Inc., and the appropriate provincial regulatory authorities.

ORIGINALLY SIGNED BY

Jodi L. Anhorn, M.Sc., P. Eng.

CERTIFICATION OF QUALIFICATION

I, T. Nicholas Topolnyski, Professional Geologist, 4100, 400 - 3rd Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Petroleum Consultants Ltd., which company did prepare a detailed analysis of Canadian gas property of PetroWorth Resources Inc. The effective date of this evaluation is June 30, 2010.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of PetroWorth Resources Inc. or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelors of Science Degree in Geology in 1986; that I am a Registered Professional Geologist in the Province of Alberta; and, that I have in excess of twenty-two years experience in geological studies and evaluations of Western Canadian and International oil and gas fields.
4. That a personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, the files of PetroWorth Resources Inc. and the appropriate provincial regulatory authorities.

ORIGINALLY SIGNED BY

T. Nicholas Topolnyski, P. Geol.

CERTIFICATION OF QUALIFICATION

I, Chad P. Lemke, Professional Engineer, 4100, 400 - 3rd Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Petroleum Consultants Ltd., which company did prepare an independent evaluation of Canadian gas property of PetroWorth Resources Inc. The effective date of this evaluation is June 30, 2010.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of PetroWorth Resources Inc. or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Mechanical Engineering in 2004; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of seven years of experience in engineering studies relating to Canadian and International oil and gas fields.
4. That a personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, the files of PetroWorth Resources Inc., and the appropriate provincial regulatory authorities.

ORIGINALLY SIGNED BY

Chad P. Lemke, P. Eng.