

Chapman Petroleum Engineering Ltd.

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April 30, 2014

Strata-X Energy Ltd.
2080, 7777 Hornby Street
Vancouver, BC
V6Z 1S4

Attention: Mr. Tim Hoops

Dear Sir:

Re: Evaluation of Prospective Resources – Strata-X Energy Ltd.
Copper Mountain Project, Wayne County, Illinois, USA – April 1, 2014

In accordance with your authorization, we have performed an evaluation of prospective resources in the Copper Mountain Project area, Illinois, USA, for Strata-X Energy Ltd. (the "Company"), in order to determine the feasibility of the Company participating in the exploration and development of these prospects under the terms proposed and the value of the prospects after consideration of risk. This evaluation has been conducted in accordance with National Instrument 51-101, Sec. 5.9, of the Canadian Securities Administrators pertaining to disclosure of resources, utilizing forecast prices and costs and is compliant with the internationally accepted Petroleum Resources Management System (PRMS) standard.

Our analysis has included a review of the available technical data including the geological and geophysical interpretation presented by the Company, information from relevant nearby wells or analogous reservoirs and the proposed program for the project. We have reviewed this material with respect to the estimated resources and productivity that would be expected of a successful program, the anticipated capital costs (including drilling, completion and equipment), the average operating costs in the area and expected product prices. We have also considered the availability of product markets, and transmission facilities within economic reach of the area.

In forming our opinion of these prospects we have relied to some extent on the information presented by the Company, which, together with our independent analysis and judgment, was sufficient for us to confidently establish the nature of the prospects and risks involved.

An economic analysis has been performed for the Company's interest position. This analysis has been utilized predominantly for formulating and supporting our recommendation on the project and the values established do not necessarily infer the "fair market value" of these prospective resources. All monetary values presented in this report are expressed in terms of US dollars.

Based on our analysis, after consideration of risk, we have concluded that the potential of these prospects is of sufficient merit to justify the work program being proposed, and we therefore recommend and support the Company's participation.

All data gathered and calculations created in support of this report are stored permanently in our files and can be made available or presented on request. We reserve the right to make revisions to this report in light of additional information made available or which becomes known subsequent to the preparation of this report. Due to the risks involved in exploring for oil and gas reserves, our assessment of the project cannot be considered a guarantee that any wells drilled will be successful.

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

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

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

Yours very truly,

Chapman Petroleum Engineering Ltd.

[Original Signed By:]

C.W. Chapman

C.W. Chapman, P.Eng.,
President

[Original Signed By:]

Charles G.K. Moore

Charles G.K. Moore, P.Eng.,
Associate

cgm/lml/5943

<p align="center">PERMIT TO PRACTICE CHAPMAN PETROLEUM ENGINEERING LTD. [Original Signed By:] Signature <u>C.W. Chapman</u> Date <u>April 30, 2014</u> PERMIT NUMBER: P 4201 The Association of Professional Engineers and Geoscientists of Alberta</p>
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COPPER MOUNTAIN PROJECT AREA
LINGLE-GRAND TOWER FORMATION – WAYNE COUNTY, ILLINOIS, USA
PROSPECT SYNOPSIS

This Prospect Synopsis contains the information required to be disclosed under NI 51-101, Sec. 5.9. More details regarding the prospects are presented in the Report Discussion which follows.

- (a) The Company has an average 75 percent working interest in 26,884 gross acres,
- (b) The subject exploration lands are located onshore in southern Illinois, USA,
- (c) The expected product from a successful prospect is light and medium oil,
- (d) The predominant risk is of being unable to develop a stimulation technique that will provide oil flows at commercial rates,
- (e) The economic and risk analysis, justifying the participation in this project is presented in the Discussion of the report and a summary of the "before and after risk" values for the Forecast Prices and Costs Case is presented below:

Company Net Value, Thousands of US Dollars		
	Before Risk	After Risk
Undiscounted	607,242	147,592
Discounted @ 5%/year	433,489	104,154
Discounted @ 10%/year	320,365	75,873
Discounted @ 15%/year	243,384	56,627
Discounted @ 20%/year	189,043	43,042

This report was prepared by a "Qualified Reserves Evaluator and Auditor" who is independent of the Company.

Prospective Resources

Prospective light oil resources have been estimated based primarily on information provided by the Company and available published material. The performance of older vertical wells in the area provides a reference but may not be directly applicable to the proposed horizontal development locations. Using deterministic methods, it has been estimated that the Oil In Place under the Company lands is 128,370 MSTB. This leads to a Best Estimate for prospective resources in the Core Area of 12,837 MSTB with a ten percent recovery factor. The Low Estimate is 8,986 MSTB with a seven percent recovery factor, while the High Estimate is 20,540 MSTB assuming a sixteen percent recovery factor.

Economics and Risk

The before risk analysis represents the results of an assumed successful exploration and development model having parameters which are considered to be reasonable based on the information available. This is the 100 percent probability of success (POS) case.

A risk analysis has been performed to determine the feasibility of the Company participating in this project and to determine the after risk value before income tax, utilizing the "Expected Value" technique applied to the arithmetic average of the best, low and high estimate results, a presentation of which is shown in Figure 3.

The net capital exposure (POS-0%) of this project net to the Company is \$5,625,000, representing the cost of drilling, completing, testing and abandoning three dry holes.

The results of the risk analysis before income tax indicate that in order to achieve a 10 percent rate of return a minimum POS of 1.7 percent would be required for the average estimate. Since we have estimated a POS of 25 percent, the Company's development of this prospect is considered feasible.

In establishing our probability of success, consideration has been given to both geological and commerciality factors. The geological factors include the four main geological components of a petroleum system needed for commercial production, source rocks available to generate hydrocarbons, reservoir rocks to accumulate hydrocarbons, a stratigraphic or structural trapping mechanism with a seal to hold hydrocarbons and a mechanism and proper geological timing allowing for hydrocarbons to migrate into the trap.

The commerciality factor, which has been applied, accounts for the possibility that the well may not find sufficient hydrocarbons to justify completion, or if completed, may not establish commercial rates or, if placed on production may not generate enough net revenue over the project life to recover all of the costs associated with developing the property.

The predominant risk is the possibility of being unable to develop a stimulation technique that will provide oil production at commercial rates.

CERTIFICATE OF QUALIFICATION

I, C. W. CHAPMAN, P. Eng., Professional Engineer of the City of Calgary, Alberta, Canada, officing at Suite 445, 708 – 11th Avenue S.W., hereby certify:

1. THAT I am a registered Professional Engineer in the Province of Alberta and a member of the Australasian Institute of Mining and Metallurgy.
2. THAT I graduated from the University of Alberta with a Bachelor of Science degree in Mechanical Engineering in 1971.
3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in reservoir engineering, petrophysics, operations, and evaluations during that time.
4. THAT I have in excess of 25 years in the conduct of evaluation and engineering studies relating to oil & gas fields in Canada and around the world.
5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Strata-X Energy Ltd., dated April 30, 2014 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Strata-X Energy Ltd. its participants or any affiliate thereof.
7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

C.W. Chapman

C.W. Chapman, P.Eng.
President

PERMIT TO PRACTICE	
CHAPMAN PETROLEUM ENGINEERING LTD.	
[Original Signed By:]	
Signature _____	<u>C.W. Chapman</u>
Date _____	<u>April 30, 2014</u>
PERMIT NUMBER: P 4201	
The Association of Professional Engineers and Geoscientists of Alberta	

CERTIFICATE OF QUALIFICATION

I, CHARLES G.K. MOORE, P. Eng., Professional Engineer of the City of Calgary, Alberta, Canada, officing at Suite 445, 708 – 11th Avenue S.W., hereby certify:

1. THAT I am a registered Professional Engineer in the Province of Alberta.
2. THAT I graduated from the Technical University of Nova Scotia with a Bachelor of Engineering degree in Mining Engineering in 1972.
3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in reservoir engineering, petrophysics, operations, and evaluations during that time.
4. THAT I have in excess of 10 years of experience in the conduct of evaluation and engineering studies relating to oil and gas fields in Canada and internationally.
5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Strata-X Energy Ltd., dated April 30, 2014 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Strata-X Energy Ltd., its participants or any affiliate thereof.
7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

Charles G.K. Moore

Charles G.K. Moore, P.Eng.,
Associate

CERTIFICATE OF QUALIFICATION

I, HAROLD J. RYAN, P. Geol., Professional Geologist of the City of Calgary, Alberta, Canada, officing at Suite 445, 708 – 11th Avenue S.W., hereby certify:

1. THAT I am a registered Professional Geologist in the Province of Alberta, a Fellow of the Geological Association of Canada and a Fellow of the Geological Society of London.
2. THAT I graduated from the University of Calgary with a Bachelor of Science degree in Geology in 1983.
3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in petroleum geology, petrophysics, operations, and evaluations during that time.
4. THAT I have in excess of 15 years of experience in the conduct of evaluation and geological studies relating to oil and gas fields in Canada and internationally.
5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for Strata-X Energy Ltd., dated April 30, 2014 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.
6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of Strata-X Energy Ltd., its participants or any affiliate thereof.
7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.
8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

Harold J. Ryan

Harold J. Ryan, P.Geol.
Manager Geoscience