



ALVOPETRO ENERGY LTD.

RESERVES COMMITTEE MANDATE

The Reserves Committee (the "Committee") is a committee of the Board of Directors (the "Board") of Alvo Petro Energy Ltd. (the "Corporation"). The primary function of the Reserves Committee is to assist the Board in the selection, engagement and instruction of an independent reserves evaluator for the Corporation and its affiliates, ensuring there is a process in place to provide all relevant reserves data to the independent reserves evaluator, monitoring the preparation of the independent reserves evaluation of the Corporation and its affiliates and reviewing the annual independent reserves evaluation of the Corporation and its affiliates and any other independent reserves evaluations prepared for the Corporation.

A. COMPOSITION AND MEETINGS

1. Reporting

The Committee shall report to the Board of Directors of the Corporation.

2. Composition of Committee

The Committee shall consist of a minimum of three directors appointed by the Board, unless otherwise determined by the Board. The majority of the members of the Committee shall meet the independence requirements set out in *National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities*.

All Committee members shall be knowledgeable about the Corporation's oil and gas reserves estimating process and disclosure requirements. The duties and responsibilities of a member of the Committee are in addition to his or her duties and responsibilities as a director.

3. Appointment of Committee Members

The Committee shall be comprised of three members or such greater number as the Board may from time to time determine, provided that any member may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board.

4. Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

5. Chairman

The Board of Directors shall appoint the chairman of the Committee (the “Chairman”). The role of the Chairman is to act as leader of the Committee to manage and co-ordinate the meetings and activities of the Committee and to oversee the execution by the Committee of its duties and responsibilities. If the Chairman of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by a majority of the members of the Committee to preside.

6. Committee Meetings

The Committee shall meet as necessary to in connection with the preparation of the annual reserves evaluation of the Corporation and its affiliates, to review the draft and final reports and to form a recommendation to the Board. The Chairman may call additional meetings as required. In addition, a meeting may be called by the chairman of the Board, the President and Chief Executive Officer of the Corporation or any member of the Committee.

At the request of the Committee, certain members of senior management and others may attend Committee meetings on a regular basis. The Committee may, by specific invitation, have other persons in attendance. The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

Committee meetings may be held in person, by video conference, by means of telephone, by means of other electronic or other communication facility that permits each person to communicate with each other during the meeting or by a combination of any of the foregoing.

Directors, who are not members of the Committee, may attend Committee meetings, on an ad hoc basis, upon prior consultation and approval by the Committee Chairman or by a majority of the members of the Committee.

The Committee shall meet “*in-camera*” with the independent reserves evaluators to the public release of the annual reserves estimates of the Corporation and its affiliates.

7. Notice of Meeting

Notice of the time and place of every meeting may be given orally, or in writing, or by facsimile to each member of the Committee at least two business days prior to the time fixed for such meeting.

A member may in any manner waive notice of the meeting. Attendance of a member at a meeting shall constitute waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

8. Quorum

A majority of Committee members, present in person, by video conference, by telephone, by other electronic or communication facility or by a combination thereof, shall constitute a quorum.

In the event the Committee consists of only two members, the quorum will be both members.

9. Minutes

At each meeting, the Committee shall appoint a recording secretary to take the minutes of the meeting. Minutes of Committee meetings shall be sent to all Committee members. The full Board shall be kept informed of the Committee's activities by a report following each Committee meeting.

10. Outside Resources

The Committee may engage independent outside resources, at the expense of the Corporation, if it deems necessary to carry out its responsibilities.

B. RESPONSIBILITIES

- (a) Review the procedures of the Corporation relating to the disclosure of information with respect to oil and gas reserves data, and in connection therewith shall:
- consider the adequacy of procedures for disclosure of reserves related information to regulatory authorities and investors,
 - review the procedures for providing information to the independent reserves evaluators,
 - ensure that there is an avenue for communication between each of the independent reserves evaluators, senior management and the Board,
 - have a clear understanding with the independent reserves evaluators that they must maintain an open and transparent relationship with the Committee and that the ultimate accountability of the independent reserves evaluators is to the Committee for the reserves processes and related reserves disclosures,
 - review compliance with applicable securities laws, regulations and policies, and
 - make appropriate reports and recommendations to the Board concerning the disclosure of oil and gas reserves data.
- (b) Annually review the selection and engagement of the independent reserves evaluators, including:
- considering the expertise of the proposed firms, and the responsible individuals,
 - considering the independence of the proposed firms, and
 - in the case of a proposed change in the evaluators from the previous year, determining the reasons for such proposed change and whether any disputes

have arisen between the previous independent reserves evaluators and management.

- (c) Annually review the expected fees of the independent reserve evaluators.
- (d) Review the annual reserves estimates of the Corporation and its affiliates prior to public disclosure including:
 - reviewing the scope of work of the independent reserves evaluators,
 - reviewing the reserves estimates of the independent reserves evaluators,
 - reviewing any material change to the reserves of the Corporation,
 - meeting separately with management and with the independent reserves evaluators with respect to such estimates,
 - determining whether any restrictions affect the ability of the independent reserves evaluators to report on the reserves data without reservation,
 - determining whether appropriate written consents have been obtained from the independent reserves evaluators named in the disclosure documents, as applicable,
 - conducting such interim reviews of internal reserves estimates as it sees fit to direct from to time to time,
 - reviewing all matters relating to the preparation, disclosure and/or filing of information related to the reserves, and
 - making recommendations to the Board with respect to the content, filing and release of such disclosure, as applicable.