Clearview Resources Ltd.

Financial Statements

March 31, 2017

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Clearview Resources Ltd.

We have audited the accompanying financial statements of Clearview Resources Ltd., which comprise the statements of financial position as at March 31, 2017 and March 31, 2016, the statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Clearview Resources Ltd. as at March 31, 2017 and March 31, 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Professional Accountants
July 26, 2017
Calgary, Canada

CLEARVIEW RESOURCES LTD.

Statements of Financial Position
Expressed in Thousands of Canadian Dollars

	Notes	**March 31, 2017**	**March 31, 2016**
Assets			
Current assets			
Trade and other receivables	11	2,310	404
Deposits and prepaid expenses		228	238
Financial instruments – commodity contracts	11	36	-
Total current assets		2,574	642
Non-current assets			
Property, plant and equipment	4	68,582	32,463
Total assets		71,156	33,105
Liabilities			
Current liabilities			
Credit facility	5	14,250	10,675
Accounts payable and accrued liabilities		2,892	1,282
Financial instruments - commodity contracts	11	-	47
Total current liabilities		17,142	12,004
Non-current liabilities			
Asset retirement obligations	6	15,607	7,358
Total liabilities		32,749	19,362
Shareholders' equity			
Common shares	7	56,327	30,502
Contributed surplus	7	735	-
Deficit		(18,655)	(16,759)
Total shareholders' equity		38,407	13,743
Total liabilities and shareholders' equity		71,156	33,105

Subsequent event – Note 7
Commitments – Note 13
See accompanying notes to the financial statements

Approved by the Board of Directors:

" Original Signed Gregory Baum"

" Original Signed Richard Carl"

CLEARVIEW RESOURCES LTD.

Statements of Operations and Comprehensive Loss
Expressed in Thousands of Canadian Dollars (except per share amounts)

Years ended March 31,	Notes	**2017**	**2016**
Revenue			
Petroleum sales		7,112	8,309
Realized gain (loss) - commodity contracts		(274)	304
Unrealized gain (loss) - commodity contracts		83	(414)
Processing fees		680	712
		7,601	8,911
Expenses			
Royalties		818	760
Production and transportation		4,966	5,221
General and administrative		1,273	898
Transaction	4	436	52
Stock based compensation	7	735	-
Finance	8	566	524
Depletion and depreciation	4	2,764	3,301
Net impairments	4	738	7,000
Gain on acquisition of oil and natural gas assets	4	(1,971)	-
Gain on disposal of oil and natural gas assets	4	(99)	-
		10,226	17,756
Loss before income taxes		(2,625)	(8,845)
Income tax recovery (expense)		729	(2,500)
Loss and comprehensive loss		(1,896)	(11,345)
Loss per common share – basic & diluted	7	(0.48)	(3.66)

See accompanying notes to the financial statements

CLEARVIEW RESOURCES LTD.

Statements of Changes in Shareholders' Equity
Expressed in Thousands of Canadian Dollars

	Voting common shares	Voting common shares	Contributed Surplus	Class C Preferred Shares (Note 7)	Deficit	Total Shareholders' Equity
	#	$	$	$	$	$
Balance, March 31, 2015	3,098,782	30,502	-	889	(6,303)	25,088
Redemption – 300 Class C preferred shares (Note 7)	-	-	-	(889)	889	-
Net loss and comprehensive loss	-	-	-	-	(11,345)	(11,345)
Balance, March 31, 2016	3,098,782	30,502	-	-	(16,759)	13,743
Share based compensation expense	-	-	735	-	-	735
Issue of voting common shares (Note 7)	5,339,084	26,140	-	-	-	26,140
Share issue costs (Note 7)	-	(315)	-	-	-	(315)
Net loss and comprehensive loss	-	-	-	-	(1,896)	(1,896)
Balance, March 31, 2017	8,437,866	56,327	735	-	(18,655)	38,407

See accompanying notes to the financial statements

CLEARVIEW RESOURCES LTD.
Statements of Cash Flows
Expressed in Thousands of Canadian Dollars

Years ended March 31,	**Notes**	**2017**	**2016**
Cash provided by (used in):			
Operating activities			
Net loss and comprehensive loss		(1,896)	(11,345)
Adjustments for:			
Unrealized (gain) loss on commodity contracts		(83)	414
Stock based compensation		735	-
Accretion of asset retirement obligations	6	133	148
Depletion and depreciation		2,764	3,301
Net impairments		738	7,000
Gain on acquisition of oil and natural gas assets		(1,971)	-
Gain on disposal of oil and natural gas assets		(99)	-
Income tax (recovery) expense – deferred		(729)	2,500
Changes in non-cash working capital	9	(575)	(31)
Cash provided by (used in) operating activities		(983)	1,987
Investing activities			
Additions to property, plant and equipment	4	(934)	(1,417)
Acquisition of property, plant and equipment	4	(29,782)	-
Disposal of oil and natural gas assets	4	2,010	-
Changes in non-cash working capital	9	(75)	(227)
Cash used in investing activities		(28,781)	(1,644)
Financing activities			
Issue of voting common shares – net of share issue costs	7	25,825	-
Change in credit facility		3,575	(350)
Changes in non-cash working capital	9	364	7
Cash provided by (used in) financing activities		29,764	(343)
Change in cash		-	-
Cash and cash equivalents, beginning of year		-	-
Cash and cash equivalents, end of year		-	-
Supplemental information			
Interest paid on credit facility	8	256	307

See accompanying notes to the financial statements

1. Nature of operations

The principal business activity of Clearview Resources Ltd. (the "Company") is the acquisition and development of oil and natural gas assets. The Company's corporate head office address is 2400, 635 – 8th Ave. SW, Calgary, AB T2P 3M3.

2. Basis of preparation

Statement of compliance

These financial statements for the years ended March 31, 2017 and 2016 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

The Board of Directors of the Company approved these financial statements. The financial statements have been authorized for issue on July 26, 2017.

Reporting entity

The financial statements of the Company as at and for the years ended March 31, 2017 and 2016 comprise the Company only as it has no subsidiaries or other interests to be consolidated.

Basis of measurement

The financial statements have been prepared on an historical cost basis except for derivative financial instruments and impairments, which are measured at fair value. Changes in fair value thereof are recorded in earnings. The methods used to measure fair values are discussed in Note 3.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of financial statements requires management to make estimates and use judgment regarding the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. By their nature, estimates are subject to measurement uncertainty and changes in such estimates in future periods could require a material change in the financial statements. Accordingly, actual results may differ from the estimated amounts as future confirming events occur.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and for any future years affected.

Significant estimates and judgments made by management in the preparation of these financial statements are as follows:

Cash-generating units

The determination of what constitutes a cash-generating unit used to test the recoverability of the carrying value of property, plant and equipment is subject to management's judgment as to the assets to be grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. The asset composition of a CGU can directly impact the recoverability of the assets included therein. The key estimates used in the determination of cash flows from oil and natural gas assets include the following:

Reserves – Assumptions that are valid at the time of the reserve estimation may change significantly when new information becomes available. Changes in forward price estimates, production levels or results of future drilling may change the economic status of reserves and may result in reserves being revised.

Oil and natural gas prices – Forward price estimates are used in the cash flow model. Commodity prices can fluctuate for a variety of reasons including supply and demand fundamentals, access to facilities and pipelines, inventory levels, exchange rates, weather, and economic and geopolitical factors.

Operating and capital costs – Future operating and capital costs are used in the cash flow model, based on an analysis of actual costs incurred in recent years and then escalated for assumed future inflation. Actual results in the future may vary considerably from these estimates.

Discount rate – The discount rate used to calculate the net present value of cash flows is based on an industry peer group weighted average cost of capital. Changes in the general economic environment could result in significant changes to this estimate.

Judgments are required to assess when impairment indicators exist and impairment testing is required in determining the recoverable amount of assets, in the absence of quoted market prices, impairment tests are based on estimates of reserves, production rates, future oil and natural gas prices, future costs, discount rates, market value of land and other relevant assumptions.

Deferred tax assets

At each period end the Company evaluates deferred income tax assets to make a judgement of whether it is still probable that the assets are likely to be realized and if not, records the appropriate income tax provision.

Tax interpretations, regulations and legislation in the various jurisdictions in which the Company operates are subject to change. As such, income taxes are subject to measurement uncertainty. Accounting for deferred taxes requires determination of substantially enacted income tax rates applicable to the future years. The Company estimates the accounting and tax values during the period over which temporary differences are likely to reverse and tax rates expected to be effective when the temporary differences reverse. The estimate of future capital activities can impact the timing of the reversal of any temporary differences.

Business combinations

The initial recognition of business combinations requires management judgment in making key assumptions and estimating fair values in determining the purchase price allocation to the identifiable assets, liabilities and contingent liabilities for each acquisition or other combination.

Valuation of property, plant and equipment and depletion and depreciation

The valuation of property, plant and equipment, including estimates of depletion and impairment involves the estimation of the various components of proved plus probable reserves. The Company's reserves are estimated by an independent evaluator as required by National Instrument (NI) 51-101, "Standards of Disclosure for Oil and Gas Activities" and in accordance with the Canadian Oil & Gas Evaluation Handbook. By their nature, the estimates of reserves, including the estimates of future commodity prices, future operating and development costs, discount rates and the related future cash flows, are subject to measurement uncertainty. The determination of reserves also requires the interpretation of geological and geophysical models and data. Accordingly, the determination of reserves is subject to significant measurement uncertainty and the impact on current and future financial statement could be material.

Asset retirement obligations

Amounts recorded for asset retirement obligations and the related accretion expense requires the use of estimates with respect to the amount and timing of asset retirement expenditures.

Financial instruments

The estimated fair values of derivative financial instruments resulting in financial assets and liabilities, by their very nature, are subject to measurement uncertainty. The Company hedges some oil and natural gas sales through the use of financial instruments and estimates the mark to market value at each reporting period by applying estimated forward prices for the contracted hedge volumes.

Stock based payments

The estimated fair value of stock options uses pricing models such as the Black-Scholes model which is based on significant assumptions such as the life of the option, dividend yields, interest rates, volatility and forfeiture rates. Judgement is required to determine the input estimates and assumptions.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to the years presented in these financial statements, and have been applied consistently by the Company.

Jointly owned assets

The Company's oil and natural gas activities consist of jointly owned and operated assets, which are not conducted through separate vehicles. The financial statements include the Company's share of these jointly owned assets, liabilities, revenue and costs.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depletion and depreciation and accumulated impairment losses. The cost of oil and natural gas assets includes: the cost of acquisitions, the costs to drill a well and the costs of the associated land upon determination of technical feasibility and commercial viability; the cost to complete and tie-in the wells; facility costs; the estimated cost of asset retirement; geological and geophysical costs; and directly attributable internal costs.

Gains and losses on disposal of an item of property, plant and equipment, including oil and natural gas interests, are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in earnings.

Subsequent costs

Expenditures related to renewals or betterments that improve the productive capacity or extend the life of an asset are capitalized. Maintenance and repairs are expenses as incurred.

Depletion and depreciation

The net carrying value of the oil and natural gas assets is depleted using the unit of production method based on estimated proved and probable reserves, taking into account estimated future development costs necessary to bring those reserves into production. Capitalized plant turnaround costs are depreciated on a straight-line basis over the estimated time until the next turnaround is completed.

Impairment

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment or impairment reversal. If any such indication exists, then the recoverable amount of each cash generating unit (CGU) is estimated at the greater of its value in use (VIU) and its fair value less costs to sell (FVLCTS).

FVLCTS is estimated based on the discounted present value of the future cash flows generated by the CGU, including development prospects. The future cash flows are those estimated for proved and probable reserves using forecast prices and costs as prepared by the Company's independent qualified reserves evaluator. The discount rate is the rate likely to be applied by an independent market participant. The Company may also consider an evaluation of comparable asset transactions. VIU is estimated based on the discounted present value of the future cash flows from proved and probable reserves using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized in earnings if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount.

An impairment recovery is recognized in earnings if there has been a subsequent increase in the estimate of the recoverable amount following the recognition of an impairment loss in prior periods. The reversal of prior impairment is recognized only to the extent of the increase in the estimated recoverable amount or the asset's carrying amount, net of depletion that would have resulted had no impairment loss been recognized on the asset in prior periods.

Asset retirement obligations

Asset retirement obligations are recognized in the period in which a well or related asset is drilled, constructed or acquired, based on the discounted present value of estimated future costs to abandon and reclaim oil and natural gas properties. The future cash flows are discounted using a pre-tax risk-free rate and this amount is initially capitalized as part of the carrying amount of the related property, plant and equipment, and a corresponding liability is recognized. The capitalized amount is depleted on the unit of production method on the same basis as the related asset while the liability is accreted to earnings until it is settled or sold. Changes in the estimated liability resulting from revisions to discount rates, expected timing or future asset retirement costs are recognized as a change in the related asset and the asset retirement liability. Actual costs incurred upon settlement of the asset retirement obligations are charged against the provision with any gain or loss on settlement recognized in earnings.

Revenue

Revenue from the sale of oil and natural gas is based on volumes and rates and is recognized when the significant risks and rewards of ownership of the product are transferred to the buyer which is usually when legal title passes to the external party. This is generally at the time the product enters a third-party pipeline or when the delivery truck arrives at a customer's receiving location.

Royalty income is recognized as it accrues in accordance with the terms of the overriding royalty agreements.

Stock based compensation

The fair value of stock based compensation is determined at the grant date using the Black-Scholes option-pricing model and is recognized over the vesting period of the options as stock based compensation expense and contributed surplus. Upon the exercised of the stock option, consideration together with the amount previously recognized in contributed surplus, is credited to share capital. A forfeiture rate is estimated on the grant date and is subsequently adjusted to reflect the actual number of options that vest.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, credit facility, accounts payable and accrued liabilities. The fair value of the credit facility approximates its carrying value as it bears a floating rate of interest and the margin charged by the lenders is indicative of current credit spreads. Non-derivative financial instruments are recognized initially at fair value net of any direct attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Financial assets at fair value through earnings

Financial instruments are classified at fair value through earnings if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through earnings if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, related transaction costs are recognized in earnings when incurred. Financial instruments at fair value through earnings are measured at fair value, and changes therein are recognized in earnings.

Other

Other non-derivative financial instruments, such as trade and other receivables, credit facility, accounts payable and accrued liabilities are measured at amortized cost using the effective interest method, less any impairment losses.

Commodity contracts

The Company may enter into certain financial derivative contracts in order to manage the exposure to market risks from fluctuations in commodity prices. These instruments are not used for trading or speculative purposes. The Company has not designated its financial derivative contracts as effective accounting hedges, and thus has not applied hedge accounting, even though the Company considers all commodities contracts to be economic hedges. As a result, all financial derivative contracts are classified as fair value through earnings and are recorded at fair value. Transaction costs are recognized in earnings when incurred.

Share Capital

Common and preferred shares are classified as equity. Incremental costs directly attributable to the issue of shares are recognized as a deduction from equity, net of any tax effects.

Flow-Through Shares

Resource expenditures for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. A liability is recognized for the premium on the flow-through shares and is subsequently reversed as the Company incurs qualifying expenditures. Any difference between the liability set up for the premium on the flow-through shares and the tax effect on the renounced expenditures is recognized in earnings.

Per share amounts

Basis per share information is calculated on the basis of the weighted average number of common shares outstanding during the year. The diluted weighted average number of shares is adjusted for the dilutive effect of stock options. Diluted per share amounts are calculated using the treasury method. The treasury method assumes that the proceeds from the exercise of stock options are used to repurchase common shares at the average market price during the year. Anti-dilutive stock options are not included in the calculation.

Business combinations

Business combinations are accounted for using the acquisition method. The identifiable net assets acquired are measured at their fair value at the date of acquisition. Any excess of the fair value of the consideration transferred over the fair value of the net assets acquired is recognized as goodwill. Any deficiency of the fair value of the consideration transferred below the fair value of the net assets acquired is recorded as a gain on acquisition through earnings. Transaction costs associated with the acquisition are expensed when incurred.

Income taxes

Income tax expense is comprised of current and deferred tax. Income tax expense is recognized in earnings except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realized.

New accounting standards:

No new or amended accounting standards or interpretations were adopted during the year ended March 31, 2017.

Accounting standards issued but not yet effective

IFRS 15, "Revenue from Contracts with Customers" establishes a single revenue recognition and measurement framework that applies to contracts with customers. The standard requires an entity to recognize revenue to reflect the transfer of good and services for the amount it expects to receive, when control is transferred to the purchaser. Disclosure requirements have also been expanded. The new standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Management is in the process of reviewing its revenue streams and assessing the potential impact, if any, of the adoption of IFRS 15 on the Company's financial statements.

IFRS 16, "Leases", which replaces IAS 17, was issued in January 2016 and establishes a single recognition and measurement model for leases. The standard requires lessees to recognize most lease assets and lease obligations on the balance sheet, effectively classifying all leases as finance leases. Certain short-term leases (less than 12 months) and leases of low-value assists are exempt from the requirements. The standard will come into effect for annual periods beginning on or after January 1, 2019, with earlier adoption permitted if the entity is also applying IFRS 15 "Revenue from Contracts with Customers". Management is currently assessing the potential impact of the adoption of IFRS 16 on the Company's financial statements.

IFRS 9, "Financial Instruments", is intended to replace IAS 39, "Financial Instruments: Recognition and Measurement" and uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. For financial liabilities designated at fair value through profit or loss, a company can recognize the portion of the change in fair value related to the change in the company's own credit risk through other comprehensive income rather than profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39, and incorporates new hedge accounting requirements. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management is currently assessing the potential impact act of the adoption of IFRS 9 on the Company's financial statements.

Expressed in Thousands of Canadian Dollars

4. Property, plant and equipment

(a) Oil and natural gas assets

Years ended March 31,	2017	2016
Cost		
Balance, beginning of the year	60,166	58,974
Acquisitions	36,334	-
Asset retirement costs - other	5,401	(225)
Additions	934	1,417
Disposals	(8,552)	-
Balance, end of the year	94,283	60,166
Accumulated depletion and depreciation		
Balance, beginning of the year	(27,703)	(17,402)
Depletion and depreciation	(2,764)	(3,301)
Net impairment	(738)	(7,000)
Disposals	5,504	-
Balance, end of the year	(25,701)	(27,703)
Net book value, end of the year	68,582	32,463

(b) Acquisitions

On February 7, 2017 and March 27, 2017, the Company acquired working interests in producing oil and natural gas assets located in Central Alberta. The respective purchase prices paid by the Company were $11,355 and $20,100 prior to closing adjustments. The acquisitions both had an effective date of December 1, 2016 and the purchase prices were adjusted for the net results of operations between the effective date and the respective closing dates of the acquisitions.

The acquisitions comprised the following which have been accounted for as business combinations using the purchase method of accounting:

Net assets at estimated fair values:	February 7, 2017	March 27, 2017
Property, plant and equipment	13,112	23,222
Asset retirement obligations (Note 6)	(1,894)	(1,958)
Gain on acquisition	-	(1,971)
Deferred income tax	-	(729)
	11,218	18,564
Consideration:		
Cash – net of closing adjustments	11,218	18,564

The Company recorded a gain on the second acquisition of $1,971 ($2,700 less deferred income taxes of $729) because the fair value of the property, plant and equipment acquired of $23,222 exceeded the consideration paid. The asset retirement obligations were fair valued by estimating the future costs to abandon and reclaim the wells and facilities, then discounting them at 10%. The Statement of Operations and Comprehensive Loss includes the results of operations for the periods following the close of the first business combination to March 31, 2017. Revenue contributed by the acquired assets since the date of the acquisition was $545 and the net operating income (revenue less royalties and production and transportation costs) contributed by the acquired assets from the date of the acquisitions was $241. Had the acquisitions occurred on April 1, 2016, the acquired assets would have contributed incremental revenue of $11,905 (unaudited) and incremental net operating income (revenue less royalty, production and transportation expense) of $3,852 (unaudited).

Expressed in Thousands of Canadian Dollars

(c) Depletion, depreciation and impairment

The depletion cost base includes future development costs as appropriate. At March 31, 2017, the Company's external reserve evaluator estimated future development costs to be $77,957 (2016 - $3,238).

At March 31, 2017 and 2016, the Company reviewed the external and internal sources of information for indicators of possible impairment or impairment recovery and concluded that there were sufficient indicators (changes in reserves volumes, reserves values and significant acquisitions during the year) to warrant impairment tests on all of the Company's CGU's. The impairment tests resulted in net impairment expense of $738 (2016 - $7,000) based on the information in the following tables:

Year ended March 31, 2017				
Cash generating unit	Recoverable amount[1]	Net Impairment	Test methodology	Discount rates[2]
Central Alberta Gas CGU	49,464	(1,288)	VIU	10%-20%
Central Alberta Oil CGU	8,381	2,076	VIU	10%-20%
Southern Alberta Oil CGU 1	4,858	(1,530)	FVLCTS	10%-20%
Southern Alberta Oil CGU 2	2,588	1,480	FVLCTS	12%-20%
Total	65,291	738		

Year ended March 31, 2016				
Cash generating unit	Recoverable amount[1]	Net Impairment	Test methodology	Discount rates[2]
Central Alberta Gas CGU	9,783	600	VIU	10%-20%
Central Alberta Oil CGU	5,300	2,000	FVLCTS	10%-20%
Southern Alberta Oil CGU 1	3,463	1,300	FVLCTS	10%-20%
Southern Alberta Oil CGU 2	4,457	700	FVLCTS	10%-20%
Northern Alberta Oil CGU[3]	2,051	2,400	FVLCTS	10%-20%
Total	25,054	7,000		

[1] Recoverable amount is net of asset retirement obligations.
[2] Discount rates vary between reserve categories based on risk and other factors.
[3] All properties in this CGU were sold in 2017.

Expressed in Thousands of Canadian Dollars

The following tables set out forecast commodity prices used in the Company's CGU impairment test at March 31, 2017 and 2016 and by the Company's external reserve evaluator. The reserve evaluator also considered financial assumptions for royalty rates, operating costs and future development capital that can significantly impact the recoverable amount.

March 31, 2017							
	WTI	Edmonton Light	Bow River Medium	Ethane	Butane	Pentane	AECO Spot
Year	USD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/MMBtu
2017 Q2-Q4[1]	52.00	65.33	51.75	10.09	43.12	69.91	3.17
2018	56.00	68.39	53.68	9.55	47.87	72.49	3.01
2019	62.00	72.50	59.45	10.12	50.75	76.85	3.18
2020	65.00	73.94	61.37	10.70	51.76	78.38	3.35
2021	68.00	75.29	63.10	11.30	52.71	79.81	3.53
2022	71.00	78.82	66.68	11.95	55.18	83.55	3.72
2023	74.00	82.35	70.25	12.61	57.65	86.06	3.91
2024	77.00	85.88	73.77	13.29	60.12	89.75	4.11
2025	80.00	89.41	77.34	13.56	62.59	93.44	4.18
2026	83.66	92.80	81.66	13.85	64.96	96.98	4.27
2027+	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.

March 31, 2016							
	WTI	Edmonton Light	Bow River Medium	Ethane	Butane	Pentane	AECO Spot
Year	USD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/bbl	CAD/MMBtu
2016 Q2-Q4[1]	45.00	55.33	43.02	5.82	41.50	59.47	1.67
2017	51.00	62.67	49.82	10.02	47.00	67.05	2.88
2018	56.00	65.81	53.63	10.65	49.35	70.41	3.06
2019	61.00	70.00	58.10	11.35	52.50	74.90	3.26
2020	66.00	73.94	62.48	12.05	55.45	79.12	3.46
2021	71.00	77.65	66.39	12.36	58.24	83.08	3.55
2022	75.00	82.35	71.24	13.05	61.76	88.12	3.75
2023	79.00	87.06	75.74	13.74	65.29	93.15	3.95
2024	83.00	91.76	80.29	14.39	68.82	98.19	4.14
2025	86.05	94.20	83.84	14.70	70.65	100.79	4.23
2026+	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.	+2.0%/yr.

[1] Q1-Q4 means April 1 to December 31 for the respective year

(d) Dispositions

The Company sold two non-core oil properties in Northern Alberta during the year, both with an effective date of October 1, 2016 for combined proceeds of $2,010. The first sale closed October 4, 2016 with proceeds of $1,710 and the second sale closed November 10, 2016 with proceeds of $300. Net operating income was recognized for the period from the beginning of the year to the closing dates. The two properties constituted the Northern Alberta CGU. The purchasers assumed the related asset retirement obligations.

Expressed in Thousands of Canadian Dollars

The following table shows the computation of the gain on disposal of the oil and natural gas assets:

	$
Cost	8,552
Accumulated depletion and impairment	(5,504)
Net book value	3,048
Asset retirement obligations (Note 6)	(1,137)
Net carrying value	1,911
Proceeds on disposal	2,010
Gain on disposal	99

5. Credit facility

At March 31, 2017, the Company had a demand revolving operating facility with an Alberta based financial institution with a facility limit of $26,000, which is an increase from $18,000 at March 31, 2016 as a result of the acquisitions of the oil and gas properties (Note 4). The credit facility is secured by a general security agreement providing a security interest over all present and acquired property and a floating charge on all oil and natural gas assets. The credit facility is subject to an interest rate of lender prime plus 3.0% per annum (5.70% at March 31, 2017) and requires monthly payments of interest only.

At March 31, 2017, the Company had drawn $14,250 on the revolving facility (2016 - $10,675). The next review is currently underway and it is scheduled to be completed by July 31, 2017. As the available lending limits are based on the lender's interpretation of the Company's reserves and future commodity prices, there can be no assurance as to the amount of available credit that will be determined at each scheduled review.

The credit facility agreement requires compliance with a working capital covenant whereby the Company must maintain a minimum working capital ratio of 1 to 1 (for the purposes of compliance with the covenant, the amount drawn on the credit facility and the fair value of any commodity contracts are excluded and the undrawn portion of the revolving facility is added to working capital). At March 31, 2017, the Company's working capital ratio for purposes of the lender's working capital covenant was 5 to 1.

6. Asset retirement obligations

The following table presents the continuity of the asset retirement obligations:

Years ended March 31,	2017	2016
Balance, beginning of the year	7,358	7,435
Disposition – oil and natural gas assets (Note 4)	(1,137)	-
Development – oil and natural gas assets	21	-
Acquisitions – oil and natural gas assets (Note 4)	3,852	-
Change of estimates	5,380	(225)
Accretion (Note 8)	133	148
Balance, end of the year	15,607	7,358

Expressed in Thousands of Canadian Dollars

Asset retirement obligations assumed as part of an acquisition are initially measured at fair value using a credit adjusted risk free rate (2017 – 10 per cent). The reduction to a risk-free rate at the end of the year resulted in an increase in the obligation of $6,017 which is a component of the change of estimates in the above table.

The future estimated cash outflows required to settle the obligation have been discounted using a risk-free rate of 2.17% at March 31, 2017 (2016 – 1.86%). An inflation rate of 1.5% (2016 – 1.5%) was used as an estimate to determine the future retirement cash flows required to settle the obligations. The total undiscounted amount of future cash flows as estimated at March 31, 2017 was $22,700 (2016 - $14,300). Payments to settle asset retirement obligations occur over the operating lives of the underlying assets, estimated to be from 2 to 46 years with the majority of costs to be incurred between 2028 and 2040.

7. Share capital

(a) Authorized shares

Unlimited voting common shares – all issued common shares are the voting common shares

Unlimited non-voting common shares – none have been issued

Unlimited preferred shares with multiple classes

The Class C preferred shares were redeemed by the Company in February 2016

(b) Issued voting common shares

	#	$
Balance, March 31, 2015 and 2016	3,098,782	30,502
Issued – August 2016 - $4.50 per share	1,111,111	5,000
Issued – February and March 2017 - $5.00 per share	4,227,973	21,140
Share issue costs	-	(315)
Balance, March 31, 2017	8,437,866	56,327

Of the shares issued during the year ended March 31, 2017, 818,549 were issued to officers, management and directors.

(c) Contributed surplus

The following table presents the continuity of contributed surplus:

Years ended March 31,	2017	2016
Balance, beginning of the year	-	-
Stock based compensation	735	-
Balance, end of the year	735	-

Expressed in Thousands of Canadian Dollars

(d) Per share amounts

For the year ended March 31, 2017, options for 397,000 voting common shares were excluded from the computation of diluted earnings per share as the Company was in a loss position. The loss per voting common share was determined as follows:

Years ended March 31,	2017	2016
Loss	(1,896)	(11,345)
Weighted average shares outstanding – basic and diluted	3,986,087	3,098,782
Loss per voting common share – basic and diluted	(0.48)	(3.66)

(e) Options for voting common shares

The Company has provided for equity-settled, share based payments in the form of options to acquire voting common shares which the Board of Directors of the Company may grant to directors, officers, employees and consultants. The numbers of options, the exercise price and all other terms are set by the Board of Directors at the time of grant. During the year ended March 31, 2017, the Company granted options for 397,000 voting common shares (see table below for grant dates and numbers of options) with an exercise price of $4.50 per share under option and which expire 7 years after the date of grant. The options granted in June and August 2016 vest one third immediately and one third on each of the next two anniversaries while the options granted in November 2016 vest one third on each of the first, second and third anniversaries. The fair value of the options at the date of measurement was determined based on a Black-Scholes calculation resulting in an estimated cost of $3.05 per share under option and total estimated cost of $1,209 to be recognized as expense as the options vest. The following were used in the Black-Scholes calculation:

Exercise price	$4.50
Volatility	73%
Expected option life	7.0 years
Dividend	$nil
Risk-free interest rate	0.5%

The following is a summary of changes in options during the year:

	Number of shares under option	Exercise price
Balance, April 1, 2016	-	-
Granted – June 28, 2016	309,800	$4.50
Balance, June 30, 2016	309,800	$4.50
Granted – August 24, 2016	5,200	$4.50
Balance, September 30, 2016	315,000	$4.50
Granted – November 22, 2016	82,000	$4.50
Balance, March 31, 2017	397,000	$4.50

Expressed in Thousands of Canadian Dollars

In May 2017, the Company granted options for 325,000 voting common shares with an exercise price of $5.00 per share under option and which expire 7 years after the date of grant. These options vest one third on each of the first, second and third anniversaries.

The following is a summary of options outstanding at March 31, 2017:

Outstanding			Exercisable		
Number of shares under option	Remaining Contractual Life (Years)	Weighted average exercise price	Number of shares under option	Remaining Contractual Life (Years)	Weighted average exercise price
309,800	6.24	$4.50	103,267	6.24	$4.50
5,200	6.40	$4.50	1,733	6.40	$4.50
82,000	6.65	$4.50	-	-	-
397,000	6.33	$4.50	105,000	6.25	$4.50

(f) Preferred shares – Class C

	# shares	Carrying Value - $
Balance, March 31, 2015	300	889
Redemption during the year	(300)	(889)
Balance, March 31, 2017 and 2016	-	-

In January 2016, all holders of the Class C preferred shares agreed to waive the valuation of the voting common shares at December 31, 2015 and acknowledged that no conversion would occur. In February 2016, the Company exercised the redemption provision for all three series of the Class C preferred shares for $1.00 per share. The $889 difference between the total redemption cost and the carrying value was recorded directly against the deficit in the year ended March 31, 2016.

8. Finance expense

Years ended March 31,	2017	2016
Accretion of asset retirement obligations (Note 6)	133	148
Interest on credit facility	256	307
Credit facility fees and costs	177	69
Finance expense for the year	566	524

Expressed in Thousands of Canadian Dollars

9. Supplemental cash flow information

Changes in non-cash working capital are comprised of:

Years ended March 31,	2017	2016
Cash provided by (used in):		
Trade and other receivables	(1,906)	708
Deposits and prepaid expenses	10	8
Accounts payable and accrued liabilities	1,610	(967)
	(286)	(251)
Related to:		
Operating activities	(575)	(31)
Investing activities	(75)	(227)
Financing activities	364	7
Changes in non-cash working capital for the year	(286)	(251)

10. Related party transactions

All transactions involving current and former officers and directors are measured at fair value.

The Company has an agreement with the President and Chief Executive Officer of the Company assigning the officer a 1% gross over-riding royalty interest on all production or royalty revenue from those oil or natural gas properties owned as at June 28, 2016. The royalty expense for the year ended March 31, 2017 amounted to $55 (2016 - $122). Accounts payable and accrued liabilities at March 31, 2017 included $10 (2016 - $18) for the royalties' payable to the officer.

Certain operating and office costs are recovered from corporations with directors in common with the Company. Office space and related operating costs amounting to $31 were recovered from these related parties in the year ended March 31, 2017 (2016 - $38). Geological systems costs amounting to $19 were paid by the Company to these related parties in the year ended March 31, 2017 (2016 - $44).

11. Risk management and financial instruments

(a) Overview of risk management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production, and financing activities such as credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Company employs risk management strategies and polices to ensure that any exposure to risk complies with the Company's business objectives and risk tolerance levels. While the Board of Directors of the Company has the overall responsibility for the establishment and oversight of the Company's risk management framework, management has the responsibility to administer and monitor these risks.

Expressed in Thousands of Canadian Dollars

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Substantially all of the Company's accounts receivable is due from oil and natural gas marketers and industry partners.

All of the Company's operations are conducted in Canada. The Company's exposure to credit risk is based on the credit worthiness of each customer. Changes in industry conditions that negatively impact customers' ability to generate cash flow will increase the risk of not collecting receivables. Management believes the risk is mitigated by the size and reputation of the companies to which credit is extended.

The Company currently markets its production to two oil and natural gas marketers and monitors the credit rating of those marketers. Revenues from the sale of oil and natural gas are normally collected on the 25th day of the month following production.

The Company does not have an allowance for doubtful accounts as at March 31, 2017 or 2016 and did not provide for any doubtful accounts nor was it required to write-off any receivables during the years ended March 31, 2017 or 2016. When determining whether past due accounts are collectible, the Company factors in the credit history of the counterparties. The Company considers all amounts outstanding more than 90 days as past due. The maximum exposure to credit risk is the amount of trade and other receivables comprised of the following carrying amounts, of which $1 (2016 - $1) was greater than 90 days:

As at March 31,	2017	2016
Oil and natural gas revenue	830	395
Industry partners	1,358	2
GST	116	-
Other	6	7
Total trade and other receivables	2,310	404

The increase in trade and other receivables is a combination of the impact of the acquisitions in February and March of 2017 on operations and the amounts due to the Company on the final statements of adjustments, which for both acquisitions are to be settled subsequent to March 31, 2017.

(c) Market risk

Market risk is the risk that changes in market prices, such as commodity prices, interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

Commodity price risk
The nature of the Company's operations results in exposure to fluctuations in commodity prices. Commodity prices for oil and natural gas are impacted by global economic and political events that dictate the levels of supply and demand. Management continuously monitors commodity prices and contracts to manage exposure to these risks when it deems appropriate. The Company does not utilize derivative financial instruments for speculative purposes.

Expressed in Thousands of Canadian Dollars

The Company hedges a portion of oil and natural gas sales through the use of derivative financial instruments or may use forward sales contracts or physical sales contracts when deemed appropriate. The Company does not apply hedge accounting for these contracts. The Company's production is usually sold using "spot" or near-term contracts, with prices fixed at the time of transfer of custody or on the basis of a monthly average market price.

The following financial commodity price contracts were contracted with the same Alberta based financial institution with which the Company has its credit facility (Note 5):

Commencement Date	Expiry Date	Units	Volume	Underlying Commodity	Fixed Price
Contracts expired by March 31, 2017:					
February 1, 2016	December 31, 2016	bbls/day	50	NYMEX WTI CDN	$50.00
April 1, 2016	December 31, 2016	bbls/day	50	NYMEX WTI CDN	$55.00
May 1, 2016	December 31, 2016	bbls/day	50	NYMEX WTI CDN	$60.00
May 1, 2016	October 31, 2016	GJ/day	500	CGPR AECO CDN	$1.50
Contracts outstanding at March 31, 2017:					
February 1, 2017	January 31, 2018	bbls/day	50	NYMEX WTI CDN	$70.00
March 1, 2017	February 28, 2018	bbls/day	50	NYMEX WTI CDN	$70.52
March 1, 2017	February 28, 2018	GJ/day	700	CGPR AECO CDN	$2.70
Contracts entered into subsequent to March 31, 2017:					
April 1, 2017	March 31, 2018	bbls/day	50	NYMEX WTI CDN	$70.00
April 1, 2017	March 31, 2018	bbls/day	50	NYMEX WTI CDN	$70.25
April 1, 2017	March 31, 2018	GJ/day	1,200	CGPR AECO CDN	$2.77
May 1, 2017	October 31, 2017	GJ/day	950	CGPR AECO CDN	$2.735
June 1, 2017	December 31, 2017	GJ/day	950	CGPR AECO CDN	$2.90

The net mark to market value of the instruments contracted and outstanding at March 31, 2017 was an unrealized gain of $36 classified as a current asset (2016 – unrealized loss of $47, classified as a current liability). The change in the mark to market value during the year ended March 31, 2017 resulted in an unrealized gain of $83 (2016 – unrealized loss of $414) which was recorded in earnings. The realized loss for the year ended March 31, 2017 was $274 (2016 – realized gain of $304).

A 1% difference in oil prices for the year ended March 31, 2017 would have increased or decreased oil and natural gas revenue by 1% depending on the direction of the difference and a consequential impact on royalties. The net impact of a 1% difference on loss before income taxes is estimated to be $63.

Expressed in Thousands of Canadian Dollars

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has a variable rate credit facility outstanding and consequently the Company is exposed to interest rate risk. Further changes in interest rates may affect the general economy. The Company had no interest rate swaps or financial contracts in place as at or during the years ended March 31, 2017 or 2016. A change in the interest rate of 1% during the year ended March 31, 2017 would have increased or decreased interest expense depending on the direction of the change. The impact of a 1% change on interest expense and loss before income taxes is estimated to be $87.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity by monitoring cash flows from operating activities, review of actual capital expenditures against budget, managing maturity profiles of financial assets and liabilities and managing its commodity price risk management program. These activities assure sufficient funds are available to meet its financial obligations when due. All of the following financial liabilities at March 31, 2017 mature within one year:

	Financial liabilities
Credit facility	14,250
Accounts payable and accrued liabilities	2,892
Total	17,142

Management prepares an operating and capital budget for presentation to the Board of Directors of the Company and its credit facility lender. Management presents quarterly updates of the operating (including hedge contracts) and capital budgets (including potential acquisitions and dispositions) to the Board of Directors of the Company and adjustments to planned activities are made depending on projected cash flows and capital resources.

The Company's credit facility is a demand loan and as such the lender could demand repayment at any time. Management is not aware of any indications the lender would demand repayment in the next 12 months. The Company is current with all interest and fee payments and is in compliance with all covenants. The lender has commenced the review scheduled to be completed by July 31, 2017 and that review is in progress. Depending on the final credit facility limit approved by the lender, the Company may seek alternate financing arrangements if necessary. Given that the credit facility is a demand loan and the uncertainty regarding the renewal amount and terms, there is liquidity risk for the Company.

(e) Capital management

The Company's objective is to maintain access to sources of capital, defined to be working capital, shareholders' equity, credit facilities, and cash flow from operations, with which to finance its operations. The Company maintains a capital structure of equity and debt where appropriate. The Company manages its capital structure and makes changes to it in light of changes in economic conditions, opportunities for accretive acquisitions and the risk characteristics of the underlying investments. The Company balances its overall capital structure through share issues and the use of debt as deemed appropriate in the circumstances. The Company is not subject to any externally imposed capital requirements.

Expressed in Thousands of Canadian Dollars

As explained in Note 5, the Company's credit facility requires compliance with a working capital ratio of 1:1(for the purposes of compliance with the covenant, the amount drawn on the credit facility and the fair value of any commodity contracts are excluded and the unused portion of the revolving facility is added to working capital). At March 31, 2017, the Company's working capital ratio for purposes of the lender's working capital covenant was 5:1 (2016 – 6:1).

The Company monitors net debt in order to manage its capital. Net debt is defined to exclude non-current liabilities and financial instruments and is determined on the following basis:

As at March 31,	2017	2016
Accounts receivable	2,310	404
Prepaid expenses and deposits	228	238
Credit facility	(14,250)	(10,675)
Accounts payable and accrued liabilities	(2,892)	(1,282)
Net debt	(14,604)	(11,315)

The Company targets a net debt (as defined above) to forward cash flow ratio to be no greater than 2.5 and preferably between 1 and 2, depending on the circumstances including the extent of recent acquisition or development activity. Forward cash flow is defined as revenue plus or minus gains or losses on commodity contracts and less royalties, production, transportation, general & administrative and finance expenses.

(f) Fair Value

As of March 31, 2017, and 2016 the carrying value of trade and other receivables and accounts payable and accrued liabilities included in the statement of financial position approximate fair value due to the short-term nature of those instruments. The fair value of the credit facility approximates its carrying value as it bears a floating rate of interest and the margin charged by the lenders is indicative of current credit spreads. Fair value is measured in accordance with the following:

Level 1 fair value measurements are based on unadjusted quoted market prices.
Level 2 fair value measurements are based on valuation models and techniques where the significant inputs are derived from quoted indices.
Level 3 fair value measurements are based on unobservable information.

Derivative contracts (Note 11 (c)) are measured using level 2 inputs.

Expressed in Thousands of Canadian Dollars

12. Income Taxes

(a) Income tax rate reconciliation

The provision for income taxes varies from the amounts that would be computed by applying the effective Canadian federal and provincial income tax rates to the income before income taxes as follows:

Years ended March 31,	2017	2016
Loss before income taxes	(2,625)	(8,845)
Expected future income tax rate	27%	26.75%
Expected income tax recovery	709	2,366
Differences resulting from:		
Permanent differences	332	-
Other	-	584
Change in unrecognized deferred tax assets	(312)	(5,450)
Income tax recovery (expense)	729	(2,500)

(b) Temporary differences

Deferred tax assets and liabilities result from the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. As at March 31, 2017 deferred tax assets related to deductible temporary differences totaling $34,447 (2016 – $32,976) have not been recognized due to the uncertainty as to whether future taxable income will be available against which these differences can be applied.

(c) Movement in deferred tax balances during the year

The following table presents the movement in the deferred tax asset/liability for the years ended March 31, 2017 and 2016:

	Balance March 31, 2015	2016 Earnings	Balance March 31, 2016	2017 Acquisitions	2017 Earnings	Balance March 31, 2017
Property, plant & equipment	(411)	411	-	(1,258)	(1,314)	(2,572)
Asset retirement obligation	500	(500)	-	529	(529)	-
Share issue costs	10	(10)	-	-	-	-
Non-capital losses	2,401	(2,401)	-	-	2,582	2,582
Other	-	-	-	-	(10)	(10)
Total	2,500	(2,500)	-	(729)	729	-

Expressed in Thousands of Canadian Dollars

The following table presents temporary differences for the years ended March 31, 2017 and 2016:

Temporary difference	2017	2016
Property, plant and equipment	(9,527)	2,563
Asset retirement obligations	15,607	7,358
Share issue costs	252	15
Non-capital loss carried forward	28,147	22,989
Other	(32)	51
Total	34,447	32,976

The Company also has a capital loss carried forward of $7,964 which can only be deducted if the Company realizes a capital gain in the future.

(d) Expiry dates for non-capital loss carried forward

The non-capital loss carried forward expires as follows:

Year	Amount expiring	Year	Amount expiring
2026	2,793	2031	2,801
2027	2,169	2032	3,551
2028	2,000	2033	1,926
2029	1,804	2036	4,323
2030	1,621	2037	5,159

13. Commitment

Subsequent to March 31, 2017, the Company entered into a lease for new office space which expires June 29, 2020. A prior lease expired May 31, 2017. The Company recovers a portion of the office space costs from co-occupants. Minimum payments for the leases, excluding the operating costs and property taxes and before the recoveries, amount to the following:

Fiscal Year	Base Rent
2018	152
2019	165
2020	178
2021	44

Expressed in Thousands of Canadian Dollars

14. Supplemental information

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation is comprised of the following:

Years ended March 31,	2017	2016
Salaries, benefits and fees	710	256
Stock based compensation	591	-
Total key management personnel compensation	1,301	256

The stock based compensation in the above table represents the amortization of the stock based compensation expense associated with options for voting common shares granted to directors and key management personnel. The above amounts do not include the assignment of royalty interests or the payment of gross over-riding royalties to the President and Chief Executive Officer (Note 10).

(b) Presentation - Statement of operations and comprehensive loss

In the Company's statement of operations and comprehensive loss, items are primarily disclosed by nature except for cash compensation to Company personnel, which were classified as follows:

Years ended March 31,	2017	2016
General and administrative	776	522
Production and transportation	175	186
Transaction – geological analysis of acquisitions	42	-
Total	993	708