



**JURA ENERGY CORPORATION
ANNUAL INFORMATION FORM**
For the Year Ended December 31, 2012

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TABLE OF CONTENTS

	Page
DEFINITIONS	1
CONVENTIONS	5
ABBREVIATIONS	5
EQUIVALENCIES	6
FORWARD-LOOKING STATEMENTS	6
CORPORATE STRUCTURE	9
GENERAL DEVELOPMENT OF THE BUSINESS.....	11
DESCRIPTION OF THE BUSINESS.....	16
STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION	33
DIVIDENDS	33
DESCRIPTION OF CAPITAL STRUCTURE	33
MARKET FOR SECURITIES	34
PRIOR SALES	35
ESCROW AND TRANSFER RESTRICTIONS ON SECURITIES	35
DIRECTORS AND OFFICERS.....	35
AUDIT COMMITTEE.....	40
RISK FACTORS	41
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	51
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	51
REGISTRAR AND TRANSFER AGENT.....	52
MATERIAL CONTRACTS	52
INTERESTS OF EXPERTS	53
ADDITIONAL INFORMATION.....	53
APPENDIX A JURA ENERGY CORPORATION AUDIT COMMITTEE MANDATE	A-1
APPENDIX B FORM 51-101F1 STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION	B-1
APPENDIX C FORM 51-101F2 REPORT OF RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR	C-1
APPENDIX D FORM 51-101F3 REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA AND OTHER INFORMATION	D-1

DEFINITIONS

In this AIF the terms set forth below have the following meanings, unless the context requires or indicates otherwise:

“**Acquisition**” means the acquisition by Jura of all of the issued and outstanding Spud Shares in consideration for the Jura Share Issuance, all pursuant to the terms and conditions of the Acquisition Agreement.

“**Acquisition Agreement**” means the acquisition agreement dated November 23, 2011 between Jura and EPL providing for and governing the terms of the Acquisition, as amended.

“**Acquisition Transactions**” means, collectively, the Jura Share Issuance, the Private Placement and the Board Reconstitution.

“**affiliate**” has the meaning as set forth in the *Securities Act* (Alberta) R.S.A. 2000, c. S-4, as amended.

“**AIF**” means this Annual Information Form.

“**Attock**” means Attock Oil Company.

“**Badar Lease**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Development and Production Leases – Badar Lease”.

“**Badin IV North Exploration License**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Lower Indus Basin – Exploration Licenses – Badin IV North Exploration License”.

“**Badin IV South Exploration License**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Lower Indus Basin – Exploration Licenses – Badin IV South Exploration License”.

“**Board**” or “**Board of Directors**” means the board of directors of Jura.

“**Board Reconstitution**” means the reconstitution of the Board in conjunction with the Acquisition, such that the number of directors was fixed at eight (8) directors and each of Messrs. Whitbread and Holton resigned and were replaced by Messrs. Hameed, Smith, Iscol and Ashfaq.

“**CBCA**” means the *Canada Business Corporations Act*, as amended, including the regulations promulgated thereunder.

“**COGE Handbook**” means the “Canadian Oil and Gas Evaluation Handbook” prepared jointly by The Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society), as amended from time to time.

“**Consolidation**” means the consolidation of the Jura Shares on the basis of one (1) new share for each 10 existing shares.

“**DeGolyer**” means DeGolyer and MacNaughton Canada Limited.

“**DeGolyer 2011 Report**” means the independent engineering evaluation of Spud’s oil, natural gas liquids and natural gas interests prepared by DeGolyer effective August 31, 2011 and dated November 1, 2011.

“**DeGolyer 2012 Report**” means the independent engineering evaluation of the Corporation’s oil, natural gas liquids and natural gas interests prepared by DeGolyer effective December 31, 2012 and dated March 11, 2013.

“**DGPC**” means the Director General of Petroleum Concessions in Pakistan.

“**DSU**” means a deferred share unit.

“**DSU Plan**” means the former DSU plan of Jura which was terminated effective March 21, 2011.

“**EEL**” means Energy Exploration Limited, a company formed under the laws of Pakistan (and formerly JS Energy Limited).

“**EPL**” means Eastern Petroleum Limited, a corporation existing under the laws of Mauritius and the former shareholder of Spud.

“**Exploration Licenses**” means, collectively, the various licenses issued by any governmental authority in connection with a Petroleum Concession Agreement and pursuant to the laws of Pakistan, by virtue of which, *inter alia*, the holder of such exploration license is entitled to explore for and drill for Petroleum or dispose of any test production of Petroleum with the approval of the Government of Pakistan.

“**FACL**” means Frontier Acquisition Company Limited, a wholly-owned subsidiary of Jura.

“**Frontier**” means Frontier Holdings Limited, a wholly-owned subsidiary of FACL.

“**GHPL**” means Government Holdings (Private) Limited.

“**GPX**” means Gulf Petroleum Exploration International.

“**GoP**” means the government of Pakistan including regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power in Pakistan.

“**Guddu Exploration License**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Exploration Licenses – Guddu Exploration License”.

“**Guddu Farm-Out Agreement**” means the farm-out agreement between IPR and Spud dated January 1, 2008 relating to the acquisition by Spud of its Working Interest in the Guddu Exploration License.

“**Heritage Oil**” means Heritage Oil Plc.

“**Hycarbex**” means Hycarbex American Energy Inc.

“**IFRS**” means International Financial Reporting Standards, as adopted by the International Accounting Standards Board.

“**IPR**” means IPR Transoil Corporation.

“**Jura**” or the “**Corporation**” means Jura Energy Corporation, a corporation existing under the laws of Canada.

“**Jura Options**” means the outstanding stock options of Jura issued under the Jura Stock Option Plan, whether or not vested, entitling the holders thereof to acquire Jura Shares.

“**Jura Shareholders**” means the holders from time to time of Jura Shares.

“**Jura Share Issuance**” means the issuance by Jura of 50,659,076 Jura Shares to EPL pursuant to the Acquisition.

“**Jura Shares**” means the common shares of Jura.

“**Jura Stock Option Plan**” means Jura’s 2010 Amended and Restated Stock Option Plan.

“**Kandra Lease**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Development and Production Leases – Kandra Lease”.

“**KOV**” means Kulczyk Oil Ventures Inc.

“**KPC**” means Kandra Power Company Ltd.

“**Leases**” means, collectively, the various development and production leases, other leases, permits, licenses and certificates issued in connection with a Petroleum Concession Agreement and pursuant to the laws of Pakistan, by virtue of which, *inter alia*, the holder of a relevant lease is entitled to develop and produce Petroleum from the Lease area including a right for transportation of Petroleum.

“**LOI**” means a formal letter of interest issued by the PPIB to the KPC in respect of a 120 MW power facility near Sukkur.

“**Low Btu Policy**” means the Pakistan Low Btu Gas Pricing Policy, 2012.

“**Mari Petroleum**” means Mari Petroleum Company Limited.

“**McDaniel**” means McDaniel & Associates Consultants Ltd., independent petroleum consultants of Calgary, Alberta.

“**Mirpur Mathelo Exploration License**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Exploration Licenses – Mirpur Mathelo Exploration License”.

“**NI 51-101**” means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators.

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

“**OGDCL**” means Oil & Gas Development Company Limited.

“**PEL**” means Petroleum Exploration (Pvt) Limited.

“**PEPCO**” means Pakistan Electric Power Company (Private) Limited.

“**Petroleum**” means all liquid and gaseous hydrocarbons existing in their natural condition in the strata, as well as all substances, including sulphur, produced in association with such hydrocarbons, but does not include basic sediments and water (BS&W).

“Petroleum Concession Agreement” means an agreement pursuant to which any governmental authority grants to the party(ies) thereto an interest in a Petroleum concession, which interest is subject to the rights, obligations, and liabilities imposed by the applicable petroleum laws of Pakistan, including the enjoyment of the exclusive right to explore and prospect for, develop, produce, sell and otherwise dispose of Petroleum from the area covered under the Exploration License or the Lease, as the case may be.

“Petroleum Policy 2001” means the Pakistan Petroleum (Exploration and Production) Policy, 2001.

“Petroleum Policy 2009” means the Pakistan Petroleum (Exploration and Production) Policy, 2009.

“Petroleum Policy 2012” means the Pakistan Petroleum (Exploration and Production) Policy, 2012.

“PKP” means PKP Exploration Limited.

“POL” means Pakistan Oilfields Limited.

“PPIB” means Government of Pakistan, Ministry of Water and Power, (Private Power & Infrastructure Board).

“President” means President of the Islamic Republic of Pakistan.

“Private Placement” means the non-brokered offering of five (5) million Jura Shares on a private placement basis at a price of C\$ 1.00 per share for gross proceeds of C\$ 5,000,000.

“Salam Exploration License” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Exploration Licenses – Salam Exploration License”.

“Sanjawi Farm-Out Agreement” means the farm-out agreement among Sprint, Spud and JS Energy Limited (now EEL) dated April 15, 2009 relating to the acquisition by Spud of its Working Interest in the Sanjawi Exploration License.

“Sara and Suri Leases” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Development and Production Leases – Sara and Suri Leases”.

“SEDAR” means the System for Electronic Document Analysis and Retrieval.

“Settlement Private Placement” means the private placement of an aggregate of 240,000 Jura Shares to Joseph Thompson, Ed Romanowski and Alice Romanowski, in full and final settlement of Alberta Court of Queen’s Bench Action No. 0201-01848.

“Sherritt” means Sherritt International Oil and Gas Limited.

“SNGPL” means Sui Northern Gas Pipelines Limited.

“Sprint” means Sprint Energy Ltd.

“Spud” means Spud Energy Pty Limited, a corporation incorporated pursuant to the Australian *Corporations Act* 2001 (Cth).

“Spud Shares” means all of the issued and outstanding ordinary shares of Spud.

“SSGCL” means Sui Southern Gas Company Limited.

“**Tight Gas Policy**” means the Pakistan Tight Gas (Exploration & Production) Policy, 2011.

“**Trakker**” means Trakker Energy (Private) Limited.

“**TSX**” means the Toronto Stock Exchange.

“**Tullow**” means Tullow Pakistan (Developments) Limited.

“**Working Interest**” means all or any undivided interest in the entirety of the Petroleum concessions, rights and obligations and liabilities conferred or imposed by the laws of Pakistan, the Petroleum Concession Agreement, and the Exploration License and any Lease(s), including the enjoyment of the exclusive right to explore and prospect for, develop, produce, sell and otherwise dispose of Petroleum from the area covered under the Exploration License and/or the Lease(s) (as the case may be), proportionate to which all Working Interest Owners are obligated to bear and pay its share of all costs and expenditures (including royalties on production and rentals), in exploring and prospecting for, drilling, developing, producing, selling and otherwise disposing of Petroleum from the area covered under the Exploration License and/or the Lease(s) (as the case may be).

“**Working Interest Owner**” means the owner of the applicable Working Interest.

“**Zamzama Exploration License**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Exploration Licenses – Zamzama Exploration License”.

“**Zamzama Farm-Out Agreement**” means the farm-out agreement among Sprint, Spud and JS Energy Limited (now EEL) dated April 15, 2009 relating to the acquisition by Spud of its Working Interest in the Zamzama Exploration License.

“**Zarghun South Lease**” has the meaning as set forth under the heading “Description of the Business – Principal Areas – Middle Indus Basin – Development and Production Leases – Zarghun South Lease”.

Words importing the singular number, where the context requires, include the plural and vice versa and words importing any gender include all genders.

CONVENTIONS

Certain other terms used but not defined in this AIF are defined in NI 51-101 and, unless the context otherwise requires, have the same meanings as ascribed to them in NI 51-101. Unless otherwise indicated, references in this AIF to “\$” or “dollars” are to US dollars.

ABBREVIATIONS

The following abbreviations are used in this AIF.

Crude Oil and Natural Gas Liquids		Natural Gas	
Bbls	One barrel equalling 34.972 Imperial gallons or 42 U.S. gallons	Bcf	Billion cubic feet
		m ³ /day	Cubic metres per day
Bbls/d	Barrels per day	Mcf	Thousand cubic feet
Boe	Barrels of oil equivalent	Mcf/d	Thousand cubic feet per day
Boe/d	Barrels of oil equivalent per day	MMcf	Million cubic feet

Crude Oil and Natural Gas Liquids		Natural Gas	
MBoe	Thousand barrels of oil equivalent	MMcf/d	Million cubic feet per day
MMBoe	Million barrels of oil equivalent	MMBtu	Million British Thermal Units
MBbls	Thousand barrels	Btu/scf	British Thermal Unit per standard cubic feet
NGLs	Natural gas liquids, consisting of any one or more of ethane, propane, butane and condensate		

The use of the Boe unit of measurement may be misleading, particularly if used in isolation. A Boe conversion ratio of 5.8 Mcf:1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Other	
Km	Kilometre
L.Km	line kilometre
sq. Km	square kilometre
Psi	pounds per square inch
\$	United States dollars
C\$	Canadian dollars

EQUIVALENCIES

To Convert From	To	Multiply by
Thousand cubic feet	Cubic metres	28.174
Cubic metres	Cubic feet	35.494
Barrels	Cubic metres	0.159
Cubic metres	Barrels	6.293
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471
Gigajoules	Thousand cubic feet	1.055

FORWARD-LOOKING STATEMENTS

This AIF contains forward-looking statements. These statements relate to future events or future performance of Jura. All statements other than statements of present or historical fact are forward-looking statements. When used in this AIF, the words “may”, “would”, “could”, “will”,

“intend”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “seek”, “propose”, “expect”, “potential”, “continue”, and similar expressions, are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Jura believes that the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this AIF should not be unduly relied upon. Moreover, Jura does not assume responsibility for the accuracy and completeness of the forward-looking statements. Jura’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits Jura will derive therefrom. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this AIF as intended, planned, anticipated, believed, estimated, or expected. Specific forward-looking statements in this AIF include, among others, statements pertaining to the following:

- quantity of the existing reserves;
- net present values of future net revenue from reserves;
- the level of costs to perform well abandonment and reclamation;
- future production rates;
- timing and development of undeveloped reserves;
- future tax liability;
- the level of operational cash flows and other internal cash generation;
- the drilling of additional exploration wells, including the Khairpur-1 well;
- anticipated developments with respect to the Kandra field and plans for the use of the gas produced as feedstock for a new power station;
- the construction of a new power station in Sukkur in the North Sindh Province of Pakistan;
- the start date for production from the Kandra field;
- the cost of development wells in the Kandra field;
- the attractiveness or viability of drilling in certain target structures;
- the location and timing of, and the structures to be targeted in, the wells to be drilled in the Badin IV North and Badin IV South Blocks;
- expectations with respect to certain government approvals and the treatment of Jura and its subsidiaries under governmental regulatory regimes;
- expectations regarding the extension or renewal of Jura’s Leases and Exploration Licenses by the GoP;

- the attractiveness or viability of drilling in certain target structures;
- expectations regarding the level of production and timing of commercial production from the Badar-2 well, Zarghun South and Guddu (Reti and Maru) gas fields;
- the timing of initial gas production and gas sales from the Zarghun South gas field and the Guddu discoveries;
- expectations regarding the construction of pipelines from the Zarghun South field and the Guddu field and the tie in of the pipeline from the Zarghun South field with the main gas grid;
- execution of deeds of assignments by the GoP in respect of the Zamzama Exploration License and Sanjawi Exploration License;
- the gas potential of the Khairpur Prospect;
- recommencing production from the Suri gas field using low-cost, rig-less operations and exploration potential of the Sara and Suri Leases and the timing thereof;
- anticipated exploration upside potential in areas covered by the Sara and Suri Leases;
- expected pricing under the Tight Gas Policy and the Petroleum Policy 2012;
- expectations regarding GoP approval of a supplemental gas pricing agreement and a supplemental Bolan Petroleum Concession Agreement for the Zarghun South Lease;
- approval by the DGPC of the force majeure declared by Heritage Oil on behalf of the Working Interest Owners in the Sanjawi Exploration License;
- anticipated method of repayment of the loan facility with EPL; and
- expectations regarding the application by Jura to list additional shares issuable under the Conversion Option (as defined below) on the TSX.

Statements relating to reserves or resources are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be profitably produced in the future. For more information see Appendix B – “Statement of Reserves Data and Other Oil and Gas Information”.

With respect to forward-looking statements in this AIF, Jura has made assumptions, regarding, among other things:

- the impact of increasing competition;
- Jura’s ability to obtain additional financing on satisfactory terms; and
- Jura’s ability to attract and retain qualified personnel.

Jura’s actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and assumptions set forth above and elsewhere in this AIF:

- general economic conditions;

- volatility in global market prices for oil and natural gas;
- acts of violence, terrorism and civil unrest affecting Jura's assets and personnel;
- changes of laws in Pakistan affecting foreign ownership, interpretation or renegotiation of existing contracts, government participation, taxation policies, including royalty and tax increases and retroactive tax claims, investment restrictions, working conditions, exploration licensing and government control over domestic oil and gas pricing;
- competition;
- liabilities and risks, including environmental liability and risks, inherent in oil and gas operations;
- volatility in capital markets;
- the availability of capital;
- alternatives to and changing demand for petroleum products;
- the risk that the GoP could revoke certain approvals;
- the risk that Jura's Exploration Licenses or Leases will expire and not be renewed on terms acceptable to Jura, or at all; and
- the other factors considered under "*Risk Factors*" herein.

Undue reliance should not be placed on forward-looking statements. Such statements are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. There can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will in fact be realized. Actual results will differ, and the difference may be material and adverse to the Corporation and its shareholders.

These factors should not be considered exhaustive. The reader is cautioned that these factors and risks are difficult to predict and that the assumptions used in the preparation of such information, although considered reasonably accurate at the time of preparation, may prove to be incorrect. Accordingly, readers are cautioned that the actual results achieved by the Corporation will vary from the information provided herein and the variations may be material. Consequently, there are no representations by the Corporation that actual results achieved will be the same in whole or in part as those set out in the forward-looking information. Furthermore, the forward-looking statements contained in this AIF are made as of the date hereof, and the Corporation undertakes no obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

CORPORATE STRUCTURE

Name, Address and Incorporation

Jura was incorporated under the *Business Corporations Act* (Alberta) on July 8, 1993 under the name 572571 Alberta Ltd. In accordance with Articles of Amendment effective August 5, 1993, Jura's name

was changed to “Proprietary Energy Industries Inc.”, the “private company” restrictions were removed from the Corporation’s articles, and the authorized share capital of the Corporation was changed from an unlimited number of common shares to an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. In accordance with Articles of Amendment effective June 27, 2000, the Corporation changed its name to “Proprietary Industries Inc.”. The Corporation was continued under the CBCA on June 3, 2002. In accordance with Articles of Amendment effective June 19, 2006, the Corporation changed its name to “Jura Energy Corporation”.

The Corporation’s registered and executive office is located at Suite 1170, 700 – 4th Avenue SW, Calgary, Alberta, T2P 3J4.

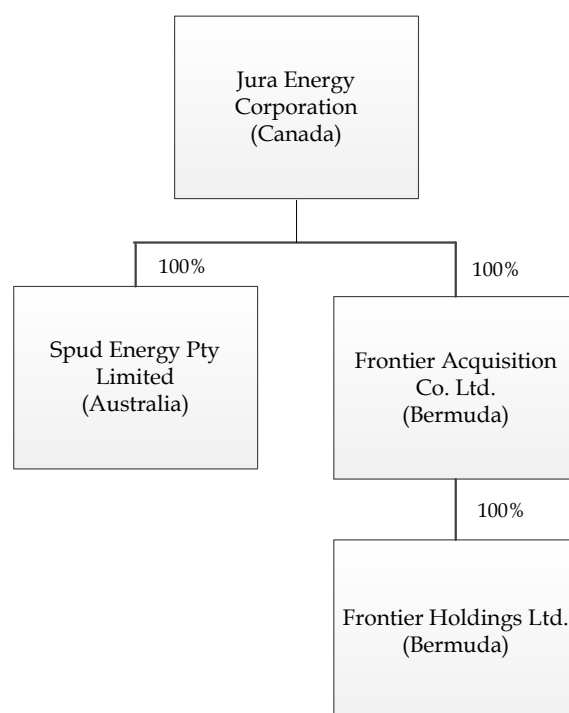
Inter-Company Relationships

Jura carries on its oil and gas activities through its principal subsidiaries, Spud and Frontier, which each have branch offices in Islamabad, Pakistan.

Spud was incorporated under the Corporations Law of New South Wales, Australia on May 2, 1996 as Novus Pakistan Pty Ltd. On April 14, 2005, Novus Pakistan Pty Ltd. changed its name to Spud Energy Pty Limited. Effective September 12, 2011, Spud repealed its memorandum and articles of association and adopted a new constitution for the company to better reflect current Australian corporate legislation. Following completion of the Acquisition, Spud is owned 100% by Jura. For a further description of the Acquisition, see “General Development of the Business – History and Recent Developments – Developments in 2012 – Acquisition”.

Frontier was incorporated under *the Companies Act 1981* of Bermuda on March 20, 2006. Frontier is owned 100% by FACL. FACL was incorporated under *the Companies Act 1981* of Bermuda on March 30, 2006. FACL is owned 100% by Jura.

The following diagram describes the inter-corporate relationships among Jura and its principal subsidiaries as at the date of this AIF.



GENERAL DEVELOPMENT OF THE BUSINESS

History and Recent Developments

Jura, formerly known as Proprietary Industries Inc., has its origins as a merchant bank with investments in a variety of industries, including real estate, mining, manufacturing, and automotive. During 2005, most of the Corporation's assets had been converted to cash or near cash. The Corporation evaluated investment proposals, and investigated various strategic plans. In June of 2006, the Corporation acquired Frontier and the Corporation changed its name to Jura Energy Corporation. On July 11, 2012, the Corporation completed the reverse takeover acquisition of Spud, with Graham Garner continuing as Chief Executive Officer of the Corporation and Shahid Hameed and Nadeem Farooq being appointed President and Chief Financial Officer of the Corporation, respectively.

Developments in 2010

Jura

Effective January 1, 2010, Jura sold its 66.67 % equity interest in Pyramid Energy International Inc. ("Pyramid"). The consideration for the sale was \$3.2 million, including working capital attributable to Jura's Working Interest of approximately \$580,000. At the time of the sale, Pyramid's only asset was a 15.8 % Working Interest in Block 22, situated in the Middle Indus Basin in Pakistan. The Block 22 assets comprised three gas fields, Hasan, Khanpur and Sadiq, together with the Hamza appraisal area. At the effective date of the sale, such fields produced approximately 16 MMcf/d of gas into a processing facility located adjacent to the Hasan Field from where it was sold to SNGPL.

In May of 2010, Jura agreed to assign 10 % of its 37.5 % Working Interest in each of the Badin IV North and Badin IV South Blocks to PEL with effect as of January 1, 2010.

Effective June 30, 2010, the operator of the Karsal Block, on behalf of all the joint venture partners in the Karsal Block (of which Jura was one), applied to relinquish the Karsal Exploration License.

In August of 2010, Jura was advised that the TSX had commenced a review of the eligibility for continued listing on the TSX of the securities of the Corporation pursuant to the continued listing criteria of the TSX. The Corporation was advised by the TSX that it did not meet all of the requirements, including the requirement to have listed securities valued at over C\$3 million. Jura subsequently met the TSX's minimum listing requirements in December 2010.

In September of 2010, Jura was advised by the operator of its concessions that, due to extensive flooding and related problems in Pakistan, the 2010 drilling program would not commence before the end of the year.

Spud

In 2010, the Badar Working Interest Owners reprocessed existing seismic data and delineated the location of the Badar-2 development well.

In the Guddu Block, the Maru-1 horizontal well was successfully drilled and completed as gas-producing in Pirkoh Limestone. Geological and geophysical work was performed to map the Pirkoh and 'C' sands prospects. In addition, the operator, on behalf of the Working Interest Owners, continued to advance the commercialization of the Reti and Maru Pirkoh gas discoveries.

The Guddu Working Interest Owners purchased 193 L.Km of raw and processed seismic data for the Mari development and production lease area to help identify deeper objectives. Furthermore, the Guddu

Working Interest Owners approved a pipeline layout and field infrastructure to produce 16 MMcf/d of gas. In August 2010, the GoP approved the supply of gas through extended well testing for a period of 12 months.

In November 2010, Spud entered into a sale and purchase agreement with Tullow for the acquisition of Tullow's 38.18 % Working Interest in and operatorship of the Sara and Suri Leases under the East Badin Extension Petroleum Concession Agreement among the President, OGDCL, Attock and POL dated July 21, 1987. The Leases are located in the Ghotki District of Sindh Province in Pakistan. The Lease over the Sara field was granted on July 7, 1996 for a period of twenty years and the Lease over the Suri field was granted on June 30, 2000 for a period of fifteen years. The Sara and Suri gas fields include surface and dehydration facilities of 25 MMcf/d each and an 8.5 inch diameter, 45.2 Km long gas pipeline from field gate to the delivery point. In 2010, the Suri gas field was producing 0.86 MMcf/d, which was supplied to the Guddu Thermal Power Station through the Pakistan Water and Power Development Authority. Production from the Sara and Suri Leases was stopped by Tullow in 2010 prior to the acquisition of Leases by Spud. Spud plans to carry out low-cost, rig-less operations to recommence production from the Sara and Suri gas fields in late 2013. There is also anticipated exploration upside in the other areas covered by the Lease.

Developments in 2011

Jura

In March of 2011, Jura Shareholders approved the issuance of 14,019,785 Jura Shares from treasury to satisfy the Corporation's obligations under the DSU Plan. All DSUs issued under the DSU Plan were cancelled and the DSU Plan was terminated.

Drilling of the Wahid-1 well in Badin IV North began in May 2011. The well was drilled to a total depth of 2,300 metres. The target sands within the Lower Goru were encountered close to prognosis. Although logs indicated the presence of hydrocarbons within the porous sands encountered, water saturations were deemed to be too high for commercial production. Consequently, the well was plugged and abandoned without testing in June 2011.

On November 23, 2011, the Corporation entered into the Acquisition Agreement with EPL providing for, among other things, the acquisition of Spud by Jura pursuant to a reverse take-over transaction. For a further description of this transaction, see "Developments in 2012 – Acquisition".

Spud

In 2011, the Badar Working Interest Owners approved the Badar Well-2 authorization of expenditure amounting to \$3.676 million. The operator of the Badar Lease continues to procure long lead items for the Badar Well-2 and finalize contacts for drilling and other services.

On September 27, 2011 and November 11, 2011, PEL, as operator of the Badar Lease, served default notices on Spud for non-payment of cash calls. On November 29, 2011, OGDCL, as operator of the Guddu Exploration License, served a default notice on IPR and Spud for non-payment of cash calls and additional amounts. All disputes relating to these default notices have since been resolved to the satisfaction of all parties.

In the Guddu Block, the Maru-2 horizontal well was successfully drilled and completed (using no casing or liner across the reservoir formation) in Pirkoh Limestone. The Maru South-1 exploratory well was drilled and completed as gas producing in Pirkoh Limestone.

To formalize a pre-existing trust arrangement between Spud and EEL relating to the Sanjawi Exploration License and Zamzama Exploration License, Spud entered into a written trust agreement with EEL on January 3, 2011 pursuant to which EEL holds an 11 % and 12 % Working Interest in the Sanjawi Exploration License and Zamzama Exploration License, respectively, for the sole benefit of Spud.

On November 22, 2011, 8,615,460 Spud Shares were issued to EPL at a price of \$1.10 per share.

On December 28, 2011, Spud entered into a share purchase agreement with Jahangir Siddiqui & Sons Limited, the parent company of EEL, pursuant to which Spud agreed to purchase all of the issued and paid up share capital of EEL for consideration of \$1,000. Closing of the acquisition is subject to the satisfaction of certain conditions precedent, including: (i) receipt of duly executed Deeds of Assignment evidencing the assignment by Sprint of its 11 % and 12 % Working Interests in the Sanjawi and Zamzama North concessions, respectively, to EEL; (ii) approval by the State Bank of Pakistan of Spud's investment in EEL; and (iii) the issuance of a share transfer deed. These conditions have not been fulfilled as of the date of this AIF. EEL's only assets are Working Interests in the Sanjawi and Zamzama North concessions held in trust for Spud. Upon closing of the acquisition, EEL will become a wholly-owned subsidiary of Spud.

Developments in 2012

Loan Facility

On February 14, 2012, Jura entered into an agreement with an individual lender who provided a C\$2,000,000 credit facility intended to fund Jura's cash requirements until the date of closing the Acquisition. The terms of the agreement allowed Jura to draw down the facility to meet working capital obligations. On July 11, 2012, the facility was converted to Jura Shares as part of the Private Placement (see "Acquisition" below).

Acquisition

On January 17, 2012, at the special meeting of the Jura Shareholders, the Acquisition and the Acquisition Transactions were approved by over 99% of the Jura Shareholders who voted at the meeting.

On July 11, 2012, Jura completed its acquisition of all of the issued and outstanding shares of Spud from EPL pursuant to the terms of the Acquisition Agreement. In accordance with the Acquisition Agreement, concurrently with completion of the Acquisition, Jura consolidated the Jura Shares on a ten (10) for one (1) basis and subsequently issued:

- (i) 50,659,076 post-consolidation Jura Shares to EPL in consideration for the Acquisition;
- (ii) 5,000,000 post-consolidation Jura Shares at a price of C\$ 1.00 per Jura Share to subscribers under a non-brokered private placement for gross proceeds of \$3,858,348 (plus the conversion of a previously announced credit facility in the amount of C\$ 1,141,652 for total proceeds to Jura of C\$ 5,000,000); and
- (iii) 240,000 post-consolidation Jura Shares pursuant to the Settlement Private Placement in full and final settlement of outstanding litigation against Jura.

Additionally, in connection with the Acquisition, on July 11, 2012, Peter Whitbread and Norman W. Holton resigned from the Board of Directors and Shahid Hameed, Stephen Smith, Zachary Iscol and Shahzad Ashfaq were appointed to the Board of Directors. Following the Acquisition, Graham Garner continued as Chief Executive Officer of Jura and Shahid Hameed and Nadeem Farooq were appointed President and Chief Financial Officer of Jura, respectively.

The Acquisition was accounted for on a reverse take-over basis and constituted a “back-door listing” under the rules and policies of the TSX. The TSX considers back-door listings to be original listings of the resulting entity, and therefore Jura was required to satisfy the TSX original listing requirements in order to remain listed on the TSX. As a result, Paradigm Capital Inc. agreed to act as the sponsor of Jura following the completion of the Acquisition.

Policy Implementations

Pakistan has faced severe energy shortages for several years and the GoP has issued a series of policies designed to stimulate investment in Pakistan’s exploration and production sector.

In April 2012, the Low Btu Policy received final approval from the GoP and was implemented. The Low Btu Policy offers pricing incentives for gas fields with reserves having a heating value less than 450 Btu/scf. The Low Btu Policy will therefore apply to the Kandra field. Pursuant to the Low Btu Policy, the price for Kandra gas could be as high as \$8.75/MMBtu, depending on the heating value of Kandra Gas ultimately determined at the wellhead. Prior to implementation of the Low Btu Policy, this gas was priced at less than \$2.50/MMBtu. The Low Btu Policy significantly improved the economics of the Kandra field development, which had previously been marginal, leading to Kandra’s reserves being downgraded to contingent resources.

In September 2012, the Petroleum Policy 2012 also received final approval from the GoP and was implemented. The most favourable effect of the Petroleum Policy 2012 is a significant increase in the wellhead price of natural gas. Gas prices in Pakistan are regulated, and the price is determined by a prescribed formula based on the cost and freight price of a basket of crude oils imported to Pakistan. The implementation of the Petroleum Policy 2012 resulted in increased gas prices for future discoveries and for fields not already on production. In the case of Spud’s Guddu Exploration License, the estimated gas price (based on \$80 per Bbl crude) increased from \$2.70/MMBtu, under the former policy, to \$5.44/MMBtu under the Petroleum Policy 2012.

Additionally, Jura’s Zamzama, Badin IV South and Badin IV North Exploration Licenses were deemed converted to the Petroleum Policy 2012. Consequently, any future discoveries in these Exploration Licenses will also be entitled to the increased gas price under the Petroleum Policy 2012.

Assignment of Salam Exploration License and Mirpur Mathelo Exploration License

On June 14, 2012, Jura notified the GoP and the other Working Interest Owners of its intention to surrender its interests in the Salam Exploration License and the Mirpur Mathelo Exploration License. On July 11, 2012, PEL exercised its right to acquire Jura’s interests in these Exploration Licenses. Settlement of Jura’s joint venture account balances is currently being discussed between Jura and PEL. Cost statements prepared by PEL show amounts due by Jura in respect of the Salam Exploration License and the Mirpur Mathelo Exploration License of \$123,244 and \$719,614, respectively; however, Jura is of the view that these amounts are overstated by \$42,637 and \$638,085, respectively, although no adjustment has been made in Jura’s financial statements to reflect these adjustments. Additionally, PEL has accrued interest on amounts purportedly due by Jura in respect of the Salam Exploration License and the Mirpur Mathelo Exploration License in the amounts of \$36,061 and \$405,575, respectively. No provisions of the said interest amounts have been made in Jura’s financial statements.

Once joint venture accounts are settled with PEL, an application will be submitted to the DGPC for the GoP’s consent to the assignment of Jura’s interests to PEL effective September 1, 2012. Pursuant to the respective Petroleum Concession Agreements, Jura will be liable for liquidated damages in the amounts of \$300,000 in respect of the Salam Exploration License and \$150,000 in respect of the Mirpur Mathelo Exploration License in connection with the assignments.

Sara and Suri Leases

On August 16, 2012, Spud acquired a 38.18 % Working Interest in each of the Sara and Suri Leases from Tullow. Spud also acquired operatorship of the Sara and Suri Leases from Tullow. On December 24, 2012, Spud acquired an additional 21.8 % Working Interest in the Sara and Suri Leases from POL and Attock. The acquisitions were completed following receipt of the GoP's approval on December 24, 2012. Total consideration for the acquisition of the combined 60 % Working Interest in the Sara and Suri Leases was \$500,000.

On December 21, 2012, the Technical and Operating committee for the Sara and Suri Leases approved a budget of \$1.95 million for the work program to resume production from the fields.

Tight Gas Certification

In August 2012, DeGolyer certified approximately 85 % of the reserves attributable to Spud's Zarghun South Block as tight gas under the Tight Gas Policy, meaning production from these reserves will be entitled to an estimated price of \$6.74/MMBtu as opposed to the estimated price of \$2.72/MMBtu that will be attributable to the conventional reserves. A new gas pricing agreement under the Tight Gas Policy is pending execution by the GoP, which is expected in the ordinary course.

Developments in 2013 to Date

Loan Facility

Effective February 20, 2013, Jura entered into an agreement with its principal shareholder, EPL, pursuant to which EPL agreed to provide Jura with a bridge loan facility with a maximum aggregate principal amount of C\$ 11,000,000. The loan facility provides Jura with sufficient funding to meet its Working Interest commitments in order to bring the Zarghun South field on production. The terms of the agreement provide that the facility is repayable at the demand of EPL on the earlier of: (i) the first anniversary of the date of the agreement; and (ii) ten business days after the closing of a "Qualifying Financing", being a debt or equity financing by Jura for an amount in excess of the aggregate of amounts drawn under the facility. EPL may at its option elect to convert, in whole or in part, the principal and accrued interest under the facility for a subscription of Jura Shares, on the basis of one Jura Share for each \$1.00 so converted (the "**Conversion Option**") subject to the restriction that, during any six month period, the aggregate number of Jura Shares issuable to EPL under the Conversion Option may not exceed 10% of the number of Jura Shares outstanding, on a non-diluted basis, prior to the date of the first conversion of the facility.

It is anticipated that the facility will either be: (i) repaid in full following the closing of a future financing or (ii) converted into Jura Shares pursuant to the Conversion Option. Jura received approval from the TSX for the listing on the TSX of the number of Jura Shares that may be issued upon the exercise of the Conversion Option during a six month period. Should additional shares become issuable under the Conversion Option, a further application will be made to the TSX for the listing of such shares on the TSX.

Director Appointments

On February 25, 2013, Nigel McCue and Zachary Iscol resigned from the Board of Directors and Akbar Kazmi and Hussain Sultan were appointed to the Board of Directors. Mr. Sultan replaced Stephen Smith as Chairman of the Board of Directors effective February 25, 2013.

Management Services Agreement

In February 2013, Jura entered into a management services agreement with JS Investment Consultancy FZE and JS North Asia Investments Limited, each a member of the JS Group, pursuant to which Jura receives the benefits of, among other things: (i) access to the JS Group network of offices and insurance, banking, corporate finance and taxation specialists in Pakistan and internationally, and (ii) the services of Stephen Smith and Akbar Kazmi to act as advisors to Jura's management, primarily on matters related to financing, banking, insurance and legal issues in Pakistan.

Guddu Exploration License (Reti-Marui Field)

In January 2013, the GoP approved the sale of gas from the Guddu field to a consortium of four fertilizer manufacturers. In March 2013, Jura entered into a gas sales agreement for the sale of gas from the Guddu field to the consortium. The agreement provides for a sale price of \$5.40/MMbtu, a 10% discount to the price prescribed under the 2012 Petroleum Policy. In exchange for the discount, the gas will not have to be treated or processed. The sale of gas is anticipated to commence later this year following (i) the execution of a gas pricing agreement, (ii) the construction of a 15 km pipeline to the purchaser's facility, and (iii) final regulatory approvals.

Sara and Suri Leases

In March 2013, Jura successfully completed rigless operations in three wells to confirm flow rates from the previously shut-in Sara-Suri fields. The work performed included a pressure buildup survey, saturation monitoring, selective perforations, stimulation, production testing and the running of velocity string in one well. The Suri-2 well tested at 0.75 MMcf/d with a 1/4 inch choke and wellhead flowing pressure of 120 psi. The Suri-1 well tested at 0.6 MMcf/d with a 1/4 inch choke and wellhead flowing pressure of 10 psi. The Sara-1 well was shut-in after water inflow ceased gas production. Further testing is in progress to establish stabilized gas flow rates and pressures.

Zarghun South

In early 2013, a rig was mobilized to the Zarghun South field and operations are in progress for the recompletion of the Zarghun South-1 well. Additional work to be completed includes the installation of surface facilities and 25 MMcf/d gas processing plant. Sui Southern Gas Company Limited, the purchaser of gas from Zarghun South, has commenced construction of a 64 Km pipeline which will tie the field into the main gas grid.

DESCRIPTION OF THE BUSINESS

General

Jura is an international upstream oil and gas exploration and production company. The Corporation's activities are conducted exclusively in Pakistan, where it has interest in exploration, development and producing assets. All of Jura's oil and gas properties are located onshore.

Through its wholly-owned subsidiary, Spud, Jura holds Working Interests in three Exploration Licenses (Guddu, Zamzama North and Sanjawi) and three Leases (Badar, Zarghun South, Sara and Suri). These Exploration Licenses and Leases cover a total area of 5,933 sq. Km, and are located in the Middle Indus Basin, as more particularly described below. Spud is the operator of the Sara and Suri Lease only.

Through its wholly-owned subsidiary, Frontier, Jura holds Working Interests in two Exploration Licenses (Badin IV North and Badin IV South) and one Lease (Kandra), each of which is operated by PEL. These

Exploration Licenses and Lease cover a total area of 5,232 sq. Km, with one interest being located in the Middle Indus Basin and two in the Lower Indus Gas and Oil Basin, as more particularly described below. Frontier is currently in the process of assigning its interests in two other Exploration Licenses located in the Middle Indus Basin (Mirpur Mathelo and Salam), with such assignments to be effective September 1, 2012.

Pakistan has been divided into zones based on relative prospectivity and geological risk. Of Jura's concessions, only the Zarghun South Lease and the Sanjawi Exploration License are located in Zone II (considered to be a medium-risk, medium- to high-cost area), while all of Jura's other Leases and Exploration Licenses are located in Zone III (considered to be a low-risk, low- to medium-cost area).

As part of the work program associated with the Frontier interests, to date 1,731 Km of 2D seismic has been acquired, 6,594 Km of existing 2D seismic data has been purchased and an additional 1,606 sq. Km of 3D data covering the Badin IV Blocks has been purchased. The remaining work program associated with these blocks calls for the drilling of five exploration wells and eleven development wells.

Overview of Concession Agreement Structure and Pricing in Pakistan

Exploration Licenses

Prior to the commencement of exploration work in an area, an Exploration License is granted by the GoP (through the office of the President) providing the holder(s) thereof the exclusive right to conduct exploration activities, including drilling and production testing, in the area covered under the Exploration License. The Exploration Licenses contain specified term and minimum work commitments covering a specified geographical area. Following the execution of an Exploration License, the GoP and the holder(s) enter into a Petroleum Concession Agreement with respect to the area. Each Exploration License has an initial phase and specified extension period(s) that may be applied for by the holder provided that minimum work commitments have been met.

The terms of the Petroleum Concession Agreements vary by agreement, but each Petroleum Concession Agreement sets forth minimum work commitments and specified time periods to complete phases of the work required under the Exploration License. Each Petroleum Concession Agreement also has provisions dealing with mandatory relinquishment of a portion of the area covered by the Exploration License as the applicable exploration phase or renewal periods that are described in the applicable Petroleum Concession Agreement expire. At the end of any exploration phase, the holder or holders, as applicable, has the opportunity to apply to continue to the next exploration phase. If a commercial discovery is not made by the end of the exploration phases, the holder has the right to relinquish the Exploration License.

Leases

In the event of a discovery that is determined to be commercial, the holder(s) of an Exploration License prepares a development plan and applies to the GoP for a Lease. A Lease is granted for a specified number of years which vary from Lease to Lease and may be extended under certain circumstances pursuant to their terms. During the production phase of a Lease, the holder(s) is required to pay royalties specified in the applicable Petroleum Concession Agreement to which the Lease relates. Generally, these royalties are payable in an amount equal to 12.5 % of the well-head value of petroleum produced, which may be expensed against income tax on production profits and gains. At the end of the term of the Lease, the fields revert to the GoP, although the holder(s) is responsible for the costs of abandonment and reclamation.

Gas Pricing

In Pakistan, the price for gas purchased by the GoP is based on a formula and linked to the international prices for a basket of Arabian/Persian crude oil imported in Pakistan. Prices are based upon a baseline of 1,000 Btu/scf. If the gas which is sold has a Btu content which is less than or greater than 1,000 Btu/scf, the price is proportionately decreased or increased, respectively. As described in “General Development of the Business – History and Recent Developments – Developments in 2012 – Policy Implementations” above, the GoP recently approved Petroleum Policy 2012, which increased gas prices applicable to new discoveries.

The GoP has a right of first refusal to purchase all gas produced in Pakistan but any gas not taken by the GoP can be sold privately, subject to allocation by the GoP. Gas prices for sales to third parties other than the GoP are negotiated by the parties; however, to the extent that the negotiated price exceeds the applicable policy price, a 40 % “windfall levy” is payable to the GoP on the difference between the two prices.

Working Interest Overview

Table - 1

The table below outlines Frontier’s and Spud’s operated and non-operated Working Interests to Exploration Licenses and Leases which have been granted by the GoP.

Name of Lease or Exploration License	Working Interest held by the Corporation	Status	Reserves (Gross Proved + Probable) ⁽¹⁾		Other Working Interest Owners
			Natural Gas (Bcf)	NGLs (MBbls)	
SPUD					
Badar	7.89%	Producing The Badar Lease will expire on March 13, 2014	2.95	-	PEL (Operator)-26.32% OGDCL-50% Sherritt-15.79%
Zarghun South	40.0%	Development – Non Producing The Zarghun South Lease will expire in 2029	27.56	11.61	Mari Petroleum (Operator)-35%, GHPL-17.5% PKP-7.5%
Guddu	10.66% ⁽²⁾	Development – Non Producing The Guddu Exploration License will expire on May 25, 2013.	3.76	-	OGDCL (Operator)-57.76% IPR-9.08% GHPL-22.5%

Name of Lease or Exploration License	Working Interest held by the Corporation	Status	Reserves (Gross Proved + Probable) ⁽¹⁾		Other Working Interest Owners
			Natural Gas (Bcf)	NGLs (MBbls)	
Sanjawi	27.0% ⁽³⁾⁽⁴⁾	Exploration The Sanjawi Working Interest Owners applied for an extension of the Sanjawi Exploration License on October 26, 2011 as the Sanjawi Exploration License expired on November 14, 2011. However, upon successful approval by the DGPC of the declaration of force majeure made by the operator of the Sanjawi Exploration License, the Working Interest Owners will not be required to seek in extension of the term.	-	-	Heritage Oil (Operator)-54% Trakker-9% Hycarbex-10%
Zamzama North	24.0% ⁽³⁾⁽⁴⁾	Exploration The Zamzama Exploration License expired on December 14, 2011. However, the Working Interest Owners have applied to the GoP for an 18 month extension which Spud believes will be granted by the GoP in the ordinary course.	-	-	Heritage Oil (Operator)-48% Trakker-8% , Hycarbex-20%
Sara and Suri	38.18%	Developed – Non Producing The Sara Lease expired on March 6, 2013 and the Suri Lease will expire on March 29, 2013. The Working Interest Owners have applied to the GoP for an extension which Spud believes will be granted by the GoP in the ordinary course.			OGDCL-40%
FRONTIER					
Badin IV South	27.5%	Exploration The Badin IV South Exploration License will expire on July 5, 2013	-	-	PEL(Operator)-47.5% GPX-25%
Badin IV North	27.5%	Exploration The Badin IV North Exploration License will expire on June 8, 2013	-	-	PEL(Operator)-47.5% GPX-25%

Name of Lease or Exploration License	Working Interest held by the Corporation	Status	Reserves (Gross Proved + Probable) ⁽¹⁾		Other Working Interest Owners
			Natural Gas (Bcf)	NGLs (MBbls)	
Kandra	37.5% ⁽⁵⁾	Developed – Non Producing The Kandra Lease will expire in 2031	159.8	-	PEL (Operator)-37.5% GHPL-25%
Mirpur Mathelo	35% ⁽⁶⁾	Exploration The Mirpur Mathelo Exploration License will expire on September 8, 2013	-	-	PEL(Operator)-35% GPX-25% GHPL (carried)-5%
Salam	37.5% ⁽⁶⁾	Exploration The Salam Exploration License will expire on September 22, 2013	-	-	PEL(Operator)-37.5% GPX-25%

Notes:

- (1) Spud's share of reserves estimates of the Badar, Zarghun South and Guddu Concessions are based upon the DeGolyer 2012 Report. For further information, see Appendix B – "Statement of Reserves Data and Other Oil and Gas Information" to this AIF. The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation.
- (2) This represents Spud's post-commercial Working Interest. Pursuant to the terms of the Guddu Petroleum Concession Agreement, upon the declaration of commerciality and approval from the DGPC, GHPL elected to increase its Working Interest to 25% in 2012, thereby decreasing Spud's Working Interest from 13.5% to 10.66%. Spud continues to be responsible for 13.5% of all exploration costs in the Guddu Block.
- (3) Of the 27.0% and 24.0% Working Interests in Sanjawi and Zamzama North, 16.0% and 12.0%, respectively, are held directly by Spud and the remaining 11.0% and 12.0%, respectively, are held by EEL for the benefit of Spud pursuant to the terms of a trust agreement between Spud and EEL dated January 3, 2011. Pursuant to a share purchase agreement dated December 28, 2011, EEL will become the wholly-owned subsidiary of Spud upon fulfilment of certain conditions precedent to closing. On closing, EEL will cease to hold these interests in trust for Spud.
- (4) This represents Spud's pre-commercial Working Interest. Pursuant to the terms of the Zamzama Farm-Out Agreement, upon the declaration of commerciality and approval from the DGPC, Hycarbex may elect to acquire a 3% Working Interest from Spud, thereby decreasing Spud's Working Interest in the Zamzama Exploration License from 24% to 21%. Pursuant to the terms of the Sanjawi Farm-Out Agreement, upon the declaration of commerciality and approval from the DGPC, Hycarbex may elect to acquire a 3% Working Interest from Spud, thereby decreasing Spud's Working Interest in the Sanjawi Exploration License from 27% to 24%. In each case, the acquisition of an additional 3% Working Interest by Hycarbex will be subject to reimbursement of past costs incurred on exploration and production attributable to such 3% Working Interest.
- (5) With respect to exploration activities in the Lease area, Frontier's Working Interest is 35%, subject to the right of GHPL to increase its Working Interest from 5% to 25% upon commercial discovery.
- (6) Assignment of Frontier's Working Interests in the Salam Exploration License and Mirpur Mathelo Exploration License effective September 1, 2012 is pending. See "Principal Areas – Middle Indus Basin – Exploration Licenses – Salam Exploration License" and "Principal Areas – Middle Indus Basin – Exploration Licenses – Mirpur Mathelo Exploration License" below.

Principal Areas

The following is a description of the material oil and natural gas properties, pipelines, facilities and installations in which Jura has an interest. Jura's properties are located in the Middle Indus Basin and Lower Indus Basin in Pakistan.

Middle Indus Basin

The Middle Indus Basin or Central Gas Basin is located within the Sargodha and Jaccobabad Khirpur highs onshore Pakistan. Several gas fields have been discovered in the Middle Indus Basin, some as recently as the early 1990's. The main producing gas reservoirs are Palaeogene carbonates (the Habib Rahi Limestone, Sui Main Limestone ("SML"), Dunghan and Paleocene Ranikot Clastics and the deeper, more recently discovered Lower Cretaceous Lower Goru Sandstones ("**Lower Goru**"). The Mari, Miano, Rehmat, Kandhkot and Qadirpur gas fields are adjacent to Frontier's and Spud's interests.

Lower Indus Basin

The Lower Indus Basin is located south of Khairpur-Jacobabad High area to the Arabian Sea. Several gas fields have been discovered in the Lower Indus Basin, some as recently as the mid 1960's. The main producing oil and gas reservoirs are from Ranikot Formation sandstone, Pab, Mughalkot and Upper Cretaceous Pab formations. More than 100 fields have been discovered so far including the largest Khaskheli oilfields, Sari Hundi gas fields, Bhit, Bhadra and Zamzama gas fields.

Development and Production Leases and Exploration Licenses

Badar Lease

Ghauspur Block

Spud's Working Interest: 7.89% (Other interests: PEL 26.32%, OGDCL 50%, Sherritt 15.79%)

Spud is a party to, among other related agreements, the Badar Petroleum Mining Lease dated September 18, 2003 among the President, Spud, PEL, OGDCL and Sherritt (the "**Badar Lease**"), as amended and supplemented. The Badar Lease covers an area of 122 sq. Km. Spud has a 7.89 % Working Interest in the Badar Lease under the August 22, 1992 Ghauspur Petroleum Concession Agreement. The Badar gas field is a producing field operated by PEL and is located in the prolific gas region of the Middle Indus Basin in Pakistan, close to major industrial gas markets and infrastructure. All GoP approvals, namely, the related gas sales and purchase agreement and gas pricing agreement have been executed by the relevant parties.

Commercial production under the Badar Lease began in April 2006. As of the date of this AIF, the discovery well, Badar-1, has produced a volume of approximately 35.1 Bcf of gas. The current average field production is approximately 14.30 MMcf/d. In order to achieve the optimal depletion of the remaining recoverable reserves, the Working Interest Owners have approved the drilling of the Badar-2 well, which is expected to increase field production up to 18 to 20 MMcf/d.

The Badar-1 gas is transported by an 8 inch diameter, 22 Km long pipeline to facilities in Qadirpur for dehydration and onward sale to SNGPL at a price of \$2.3432 per MMBtu, as notified by the Oil and Gas Regulatory Authority of the GoP pursuant to the related gas pricing agreement dated August 18, 2004 under the Petroleum Policy 2001. Under the terms of the Ghauspur Petroleum Concession Agreement, the Working Interest Owners have the right to re-negotiate the gas price applicable to production from the Badar gas field after a period of five years from the first gas date. Accordingly, PEL, the operator of the Badar gas field, on behalf of Working Interest Owners, is currently in the process of seeking an increase in the gas price.

Under the terms of the Ghauspur Petroleum Concession Agreement, Spud is required to pay the GoP a royalty of 12.5 % of the well-head value of crude oil and natural gas following the commencement of commercial production under the Badar Lease.

Effective March 13, 2007, the Ministry of Petroleum of the GoP extended the Badar Lease for a seven-year period ending March 13, 2014.

Spud has incurred \$2,079,978 of expenditures related to the Badar Lease to date, of which \$191,368 was incurred in the 2012 fiscal year.

Zarghun South Lease

Block No. 2966-1 (Bolan Block)

Spud's Working Interest: 40% (Other interests: Mari Petroleum 35%, GHPL 17.5%, PKP 7.5%)

Spud is a party to, among other related agreements, the Zarghun South Development and Production Lease dated September 16, 2004 among the President, Spud, Mari Petroleum, PKP and GHPL (the “**Zarghun South Lease**”), as amended and supplemented. Spud has a 40 % Working Interest in the Zarghun South Lease under the November 30, 1994 Bolan Petroleum Concession Agreement. The Zarghun South gas field is operated by Mari Petroleum and is currently under development.

The Zarghun South Lease covers an area of 124.22 sq. Km.

The gas field under development is located in the western part of the Sulaiman Fold and Thrust Belt of the Middle Indus Basin and is strategically located near the gas demand centre of the city of Quetta.

All GoP approvals, namely, the related gas sale agreement, gas pricing agreement and pipeline contribution agreement have been executed by the relevant parties.

The discovery well, Zarghun South-1, was drilled in 1998. During production testing, gas from multiple accumulations in the Paleocene and Jurassic carbonates flowed at a rate between 3.5 MMcf/d to 17.7 MMcf/d. The appraisal well, Zarghun South-2, which was drilled in March 2000, tested a volume of gas at a rate of 15.6 MMcf/d from the Paleocene carbonates.

In June 2011, the GoP promulgated the Tight Gas Policy, under which tight gas reservoirs, subject to third party certification, would be eligible for an increased gas price.

Based on the criteria defined in the Tight Gas Policy, Zarghun South Paleocene reservoirs qualify for the incentives under the Tight Gas Policy. Accordingly, DeGolyer was engaged for the purposes of certification and, in its report dated April 2012, DeGolyer certified the Zarghun South gas field reserves as follows: (i) gas initially in place (proved and probable) of 102 Bcf; (ii) reserves of 68.70 Bcf; (iii) gas eligible for Tight Gas Policy pricing of 58.10 Bcf; and (iv) conventional gas eligible for Petroleum Policy 2001 pricing of 10.60 Bcf.

The tight gas reservoirs are expected to be entitled to a gas price of \$6.74/MMBtu instead of the \$2.72/MMBtu under the Petroleum Policy 2001. The conventional gas reserves will be entitled to a gas price of \$2.72/MMBtu.

Following this certification, a supplemental development plan seeking a revised Lease under the Tight Gas Policy was submitted to the GoP for approval in April 2012. On October 10, 2012, the GoP approved the supplemental development plan and granted a revised Lease for a period of 17 years from October 10, 2012. A supplemental gas pricing agreement for gas pricing under the Tight Gas Policy and a supplemental Bolan Petroleum Concession Agreement, each of which have been submitted to the GoP for approval, are expected to be approved in the ordinary course.

The Zarghun South Working Interest Owners are concurrently carrying out development activities pertaining to the procurement and construction of a processing plant and the completion of wells, and the

construction of a 64 Km sale gas pipeline. Field development and completion of the sale gas pipeline are expected to be completed by the fourth quarter of 2013.

The Zarghun South gas field development plan envisions a production plateau rate between 18 to 22 MMcf/d for a period of 5 years. Initial gas production is anticipated in the fourth quarter of 2013.

The Zarghun South Lease expires in 2029.

Spud has incurred \$25,430,494 of expenditures related to the Zarghun South Lease to date, of which \$234,165 was incurred in the 2012 fiscal year.

Sara and Suri Leases

Block No. B

Spud's Working Interest: 60% (Other interests: OGDCL 40%)

Spud is a party to, among other related agreements, the Sara Development and Production Lease dated July 7, 1996 (the “**Sara Lease**”) among the President, Spud and OGDCL and the Suri Development and Production Lease dated June 30, 2000 among the President, Spud and OGDCL (the “**Suri Lease**” and together with the Sara Lease, the “**Sara and Suri Leases**”), each as amended and supplemented. Following its acquisition of a 38.18 % Working Interest from Tullow on August 16, 2012 and a further 21.8 % Working Interest from POL and Attock on December 24, 2012, Spud has a 60 % Working Interest in the July 21, 1987 East Badin Extension Petroleum Concession Agreement pursuant to the Sara and Suri Leases. The Sara and Suri Leases cover a total area of 106.54 sq. Km located in the Middle Indus Basin, of which 82.72 sq. Km comprise the Sara gas field and 23.82 sq. Km comprise the Suri gas field. Spud acts as operator of the Sara and Suri Leases.

The Sara and Suri gas fields include surface and dehydration facilities of 25 MMcf/d each and an 8.5 inch diameter, 45.2 Km long gas pipeline from field gate to the delivery point. In 2010, the Suri gas field was producing 0.86 MMcf/d, which was supplied to the Guddu Thermal Power Station through the Pakistan Water and Power Development Authority. Production from the Sara and Suri Leases was stopped by Tullow in 2010 prior to the acquisition of Leases by Spud. Spud plans to implement an extended gas recovery plan by carrying out low-cost, rig-less operations to recommence production from the Sara and Suri gas fields in late 2013. There are also potential exploration targets in other areas covered by the Sara and Suri Leases.

The Sara Lease expired on March 6, 2013 and the Suri Lease will expire on March 29, 2013. Applications seeking extensions to the Lease terms have been submitted to the GoP and it is expected that these extensions will be granted in the ordinary course.

Spud has incurred \$731,651 of expenditures related to the Sara and Suri Leases to date, all of which was incurred in the 2012 fiscal year.

Kandra Lease

Block No. 2768-6

Frontier's Working Interest 37.5% (Other Interests: PEL 37.5%, GHPL 25%)

Frontier is a party to, among other related agreements, the Kandra Development and Production Lease dated January 5, 2006, among the President, Frontier, PEL and GHPL (the “**Kandra Lease**”), as amended and supplemented. The Kandra Lease area covers 288.88 sq. Km. Frontier has a 37.5% Working Interest in the Kandra Lease under the Kandra Petroleum and Concession Agreement dated March 27, 1999.

The Kandra gas field received development approval by the GoP in January 2006. The field was discovered in 1957 with a well that tested at a low rate of low Btu gas; three further wells were drilled which tested at rates between 5.6 and 9.6 MMcf/d, with the fourth well being drilled in 2004. The field is located approximately 25 Km away from the city of Sukkur in the Northern Sindh Province of Pakistan. Sukkur's current electricity demand is being partially met by an existing power station. On January 26, 2008, the PPIB issued a formal LOI to KPC for the refurbishment of a power facility located at Sukkur. A detailed engineering study for the refurbishment of the Sukkur Power Station was commissioned by KPC. Based on the results of this study, KPC concluded that the refurbishment as planned was not feasible and that a new facility should be constructed. An amended LOI was issued on July 4, 2009 by the PPIB. Under the terms of the LOI, KPC completed a detailed engineering study for the construction of a new power facility at Sukkur. This study has been completed and was conditionally accepted by the PPIB in September 2010.

The study calls for the contingent resources in Kandra to be developed substantially in accordance with a development plan that has been submitted to and approved by the GoP. The plan envisages the partial removal of carbon dioxide from the Kandra shallow gas and the subsequent commingling of this gas with high Btu gas. The commingled gas would then be used as feedstock for a power station to be constructed nearby. The construction of this facility is a condition of the viability of the plan. While the Kandra field was previously classified as probable reserve, in 2009, the Corporation and McDaniel classified the Kandra field as contingent resources due to marginal economics and delays in advancing the field development. Reasons for the delay in developing the Kandra field include a delay in obtaining confirmation of the price at which Kandra gas will be sold, as well as a change in plans from refurbishing the existing plant to constructing a new facility. The LOI originally called for a commercial start date of July 2013; however, Jura does not anticipate that this deadline will be met.

In April 2012, the Low Btu Policy received final approval from the GoP and was implemented. The Low Btu Policy offers pricing incentives for gas fields with reserves having a heating value of less than 450 Btu/scf. The Low Btu Policy will therefore apply to the Kandra field. Pursuant to the Low Btu Policy, the price for Kandra gas could be as high as \$8.75/MMBtu, depending on the heating value of Kandra Gas ultimately determined at the wellhead. Prior to implementation of the Low Btu Policy, this gas was priced at less than \$2.50/MMBtu. In addition, the Low Btu Policy extended the deadline for sales of first gas from the Kandra Lease to January 2016. The Low Btu Policy therefore significantly improves the economics of the Kandra field development, which had previously been marginal. However, contingent resources have been upgraded to reserves in the DeGolyer 2012 Report.

A 362 Km seismic program covering the upper reservoir at Kandra was completed in 2007. Processing and interpretation of the seismic has been completed. Pursuant to its carry obligation, Frontier will incur and pay 75 % of the cost of the first six development wells up to an amount of \$2 million each. Technical work is ongoing to determine the optimum field development prior to the commencement of development drilling and the Kandra joint venture partners are currently in the process of reviewing the field development plan to determine whether any changes should be implemented.

Pursuant to the Kandra Lease, the Working Interest Owners also have exclusive rights to carry out exploration activities in the Kandra Lease area during the term of the Lease. See "Exploration Licenses — Kandra Lease – Exploration Activities" below.

Frontier has incurred \$6,600,328 of expenditures related to the Kandra Lease to date, of which \$300,626 was incurred in the 2012 fiscal year. The Lease area covers an area of 455.81 sq. Km. The Kandra Lease expires in 2031.

Guddu Exploration License

Block No. 2869-9 (Reti and Maru Fields)

Spud's Working Interest: 10.66% (which represents Spud's post-commercial Working Interest)

(Other interests: OGDCL 57.76%, IPR 9.08%, GHPL 22.50%)

Spud is a party to, among other related agreements, the Guddu Exploration License No. 272/Pak 99, (the “**Guddu Exploration License**”) which provides Spud with a 10.66 % post-commerciality Working Interest in the May 31, 1999 Guddu Petroleum Concession Agreement. Pursuant to the terms of the Guddu Petroleum Concession Agreement, upon the declaration of commerciality and approval from the DGPC, GHPL elected to increase its Working Interest to 25 % in 2012, thereby decreasing Spud's Working Interest from 13.5 % to 10.66 %. Spud continues to be responsible for 13.5 % of all exploration costs in the Guddu Block. The Guddu Exploration License is operated by OGDCL.

The Guddu Exploration License and the Guddu Petroleum Concession Agreement grant exploration rights with respect to an area located in the district of Ghotki, straddled between the Sindh and Punjab Provinces in Pakistan, which covers an area of 2,093 sq. Km. The Guddu Block contains the Reti, Maru, and Maru South gas fields as well as other prospects. The Guddu Block lies close to gas markets in the prolific Middle Indus Basin and the Sulaiman Sub-Basin, which contain Pakistan's major gas fields.

The first exploratory well, Reti-1, was drilled in January 2008 and showed the presence of gas on the logs in Pirkoh (Eocene) Limestone, whereas the results from the primary objective, the Cretaceous ‘C’ Sands reservoirs, were found to be water-bearing.

The Guddu Working Interest Owners acquired and interpreted an additional 244 L.Km of seismic data in 2009. Subsequently, the Reti, Maru, and Maru South gas fields were discovered in shallow, 650 m deep Pirkoh formation carbonate build-ups by drilling of the Reti-1A, Maru-1, and Maru South-1 exploratory wells in August 2009, January 2010, and August 2011, respectively. Maru-2 was drilled as a horizontal well in March, 2011. The post stimulation gas flow rates of these wells ranged between 3.5 to 7.85 MMcf/d, with corresponding well head flowing pressures of 350 to 520 Psi.

The Guddu discoveries are located close to existing gas pipeline infrastructure and a ready market. The gas has an average gross heating value of 775 Btu/scf.

A Combined Document of Commerciality of the Reti-Maru field was approved by the DGPC on May 17, 2012. In January 2013, the GoP approved the sale of gas from the Reti Maru field to a consortium of four fertilizer manufacturers (the “**Third Party Purchaser**”). Development plans for the Reti, Maru and Maru South gas discoveries were sent to the GoP for approval on February 11, 2013. The Guddu Exploration License expires on May 25, 2013.

Spud has incurred \$3,788,120 of expenditures related to the Guddu Exploration License to date, of which \$175,131 was incurred in the 2012 fiscal year.

Zamzama North Exploration License

Block No. 2667-8

Spud's Working Interest: 24% (Other interests: Heritage Oil 48%, Trakker 8%, Hycarbex 20%)

Spud is a party to, among other related agreements, the Zamzama North Exploration License No. 396/Pak/2007 (the “**Zamzama Exploration License**”) which provides Spud with a 24 % Working Interest in the December 15, 2007 Petroleum Concession Agreement. Pursuant to the terms of the Zamzama Farm-Out Agreement, Spud has a carry obligation of 3 % toward Hycarbex, meaning Spud is responsible for 27 % of the exploration costs in the Zamzama North Block. Additionally, upon the

declaration of commerciality and approval from the DGPC, Hycarbex may elect to acquire an additional 3 % full-paying Working Interest from Spud, the acquisition of which will be subject to reimbursement by Hycarbex of past costs incurred on exploration and production attributable to such 3% Working Interest. The Zamzama Exploration License pertains to a 1,229 sq. Km block located in the Sindh province of Pakistan and in the Kirthar Foredeep geological formation. The Zamzama Exploration License is operated by Heritage Oil.

Of Spud's 24 % Working Interest in the Zamzama Exploration License, 12 % is directly held by it and the remaining 12 % Working Interest is held by EEL for the benefit of Spud pursuant to the terms of a related trust agreement. The trust arrangement between Spud and EEL is in place to satisfy Pakistani regulations requiring that local Pakistani entities hold certain minimum ownership in Pakistani Petroleum concessions. Spud has entered into an agreement to purchase EEL. Closing of the transaction is subject to certain conditions; see "General Development of the Business – History and Recent Developments – Developments in 2011 – Spud" above.

Formal assignment of Petroleum concession Working Interests in Pakistan is subject to the execution of a deed of assignment by the GoP. Spud and EEL submitted their respective deeds of assignment relating to the acquisition of their Working Interests in the Zamzama Exploration License to the GoP on November 14, 2011; however, these remain outstanding pending resolution of a dispute involving another Working Interest Owner (unrelated to Spud or EEL), which has delayed GoP approval of any deed of assignment related to the Zamzama North Block.

In 2009, the Zamzama Exploration License Working Interest Owners acquired and interpreted 340 L.Km of 2D seismic data. The mapping resulted in the delineation of an approximately 12 sq. Km low relief four-way dip closed robust structure named the "Khairpur Prospect". Although the Khairpur-1 exploratory well is planned to be drilled in the fourth quarter of 2013, Jura anticipates the well will be delayed.

The Khairpur Prospect is located within 10 Km of existing pipeline infrastructure, which could allow for early commercialization of gas discovery.

The Zamzama Exploration License is deemed converted to the Petroleum Policy 2012; therefore, any gas sales from future discoveries in the Zamzama Exploration License will be priced under the Petroleum Policy 2012.

The Zamzama Exploration License reached the end of its term on December 14, 2011. However, the Working Interest Owners have submitted an application to the GoP for an eighteen (18) month extension to June 14, 2013 and it is anticipated that such extension will be granted in the ordinary course.

Spud has incurred \$804,476 of expenditures related to the Zamzama Exploration License to date, of which \$75,412 was incurred in the 2012 fiscal year.

Sanjawi Exploration License

Block No. 3068-2

Spud's Working Interest: 27% (Other interests: Heritage Oil 54%, Trakker 9%, Hycarbex 10%)

Spud is a party to, among other related agreements, the Exploration License No. 395/Pak/2007 (the "Sanjawi Exploration License") which provides Spud with a 27 % Working Interest in the November 16, 2007 Petroleum Concession Agreement. Pursuant to the terms of the Sanjawi Farm-Out Agreement, Spud has a carry obligation of 3 % toward Hycarbex, meaning Spud is responsible for 30 % of the exploration costs in the Sanjawi Block. Additionally, upon the declaration of commerciality and approval from the DGPC, Hycarbex may elect to acquire an additional 3 % full-paying Working Interest from

Spud, the acquisition of which will be subject to reimbursement by Hycarbex of past costs incurred on exploration and production attributable to such 3% Working Interest. The Sanjawi Exploration License pertains to a 2,258 sq. Km block located in Baluchistan province of Pakistan and the western part of the Sulaiman Fold Belt geological formation. The Sanjawi Exploration License is operated by Heritage Oil.

Of Spud's 27 % Working Interest in the Sanjawi Exploration License, 16 % is directly held by Spud and the remaining 11 % Working Interest is held by EEL for the benefit of Spud pursuant to the terms of a related trust agreement. The trust arrangement between Spud and EEL is in place to satisfy Pakistani regulations requiring that local Pakistani entities hold certain minimum ownership in Pakistani Petroleum concessions. Spud has entered into an agreement to purchase EEL. Closing of the transaction is subject to certain conditions; see "General Development of the Business – History and Recent Developments – Developments in 2011 – Spud" above.

Formal assignment of petroleum concession Working Interests in Pakistan is subject to the execution of a deed of assignment by the GoP. Spud and EEL submitted their respective deeds of assignment relating to the acquisition of their Working Interests in Sanjawi to the GoP on November 14, 2011; however, these remain outstanding pending resolution of a dispute involving another Working Interest Owner (unrelated to Spud or EEL), which has delayed GoP approval of any deed of assignment related to the Sanjawi Block.

ConocoPhillips Co. drilled the Dabbar-2 well in the license area in 1997, which was plugged and abandoned without testing of the Jurassic limestone. The dry hole analysis of the Dabbar-2 well on logs shows the likely presence of gas in the low matrix porosity naturally fractured Jurassic Chiltan Limestone. The Sanjawi Working Interest Owners are planning re-entry and sidetracking of the existing Dabbar-2 well to test the hydrocarbon potential of Jurassic Limestone at the Dabbar Structure.

Gas discovered in the block is expected to be transported by an approximately 80 Km pipeline to the city of Quetta.

Due to the security situation and lack of free and orderly access to the license area, the operator of the Sanjawi Exploration License, Heritage Oil, on behalf of all the Sanjawi Working Interest Owners, declared force majeure by way of letter to the DGPC on October 26, 2011 pursuant to the terms of the related Petroleum Concession Agreement. The declaration of force majeure is subject to approval by the DGPC, which, as of the date of this AIF, had not yet been delivered.

The Sanjawi Exploration License reached the end of its term on November 14, 2011. However, if the declaration of the force majeure is approved by the DGPC, then the Working Interest Owners will not be required to seek a further extension of the term of the Exploration License.

Spud has incurred \$417,617 of expenditures related to the Sanjawi Exploration License to date, of which \$103,468 was incurred in the 2012 fiscal year.

Kandra Lease – Exploration Activities

Block No. 2768-6

Frontier's Working Interest 35% (Other Interests: PEL 35%, GPX 25%, GHPL carried 5%)

Pursuant to the Kandra Lease, the Working Interest Owners have exclusive rights to carry out exploration activities in the Lease area. Accordingly, the 2007 seismic program for the Kandra Lease also covered the deeper Lower Goru formation at Kandra. Processing and interpretation of the seismic was completed and a location was selected to target the Lower Goru Massive Sandstone Formation ("**Kandra-4 Deep**"). On August 16, 2008, drilling of the Kandra-4 Deep began. It was drilled to a total depth of 2,229 metres on October 26, 2008, and tested during November 2008. Although significant quantities of high-Btu gas

were flared from both the Lower Goru Massive Sandstone and the underlying Chiltan Limestone Formation, which appears fractured, the flares were followed by water influx and the well tested non-commercial quantities of gas from both targets. The well was temporarily suspended on December 5, 2008, pending further technical studies, which were inconclusive. The Kandra-4 Deep well has not been plugged and abandoned since it may be possible to recomplete the well as a producer in the SML.

Mirpur Mathelo Exploration License

Block No. 2769-9 (Mirpur Mathelo)

Frontier's Working Interest 35% (Other Interests: PEL 35%, GPX 25%, GHPL carried 5%)

Frontier is a party to, among other related agreements, the Mirpur Mathelo Exploration License among the President, Frontier, PEL, GPX and GHPL (the “**Mirpur Mathelo Exploration License**”), as amended and supplemented. The Mirpur Mathelo Block lies between, and is adjacent to, the Mari, Miano and Qadirpur gas fields and covers 1030.2 sq. Km. Frontier has a 35% Working Interest in the Mirpur Mathelo Exploration License under the Mirpur Mathelo Petroleum and Concession Agreement dated June 3, 2002.

A 254 Km seismic program was completed in 2007 in Mirpur Mathelo. In addition, 1,984 Km of existing 2D data was purchased and 1,526 Km of this has been reprocessed. The interpretation of the data indicates that several structures may exist at the Lower Goru Basal Sandstone level that are on trend with, that extend to, or are extensions of, structures that have been delineated and drilled in the adjacent Mubarek Block to the south that is operated by Petroliaam Nasional Berhad (“**Petronas**”). The Rafay-1 well was drilled to test one such structure in Mirpur Mathelo, namely the Rafay Prospect, at the Lower Goru Basal Sandstone level. On February 23, 2009, drilling of the Rafay-1 well began. It was drilled to a total depth of 3,665 metres on April 30, 2009. Although hydrocarbon shows were encountered during drilling from the Lower Goru Basal and Massive Sandstones, the well tested non-commercial quantities of gas from both targets. The well was temporarily suspended on June 3, 2009, pending further technical studies. Reservoir pressure tests indicated that the reservoir in the Lower Goru has low permeability. The well was subsequently plugged and abandoned in late 2010.

Since sand reservoir quality appears to be an issue in the Rafay-1 well, a pilot seismic inversion study was carried out during 2010 in order to determine whether sand reservoir properties within the Lower Goru Basal Sands can be predicted from the existing seismic data within the block. Although the results of the pilot seismic inversion on a block-wide basis were inconclusive there remains a possibility that seismic inversion could help delineate the closure north of Putra-1 well given that Jura now has the Rafay-1 well and the recently traded Putra-1 well data with which to calibrate the results. Recent results from the regional geological study being carried out for the Working Interest Owners by Fugro Robertson indicate that this area is attractive from a sand quality point of view. Frontier has incurred \$7,672,347 in expenditures related to the Mirpur Mathelo Block to date, of which \$87,041 was incurred in the 2012 fiscal year.

In February 2012, the Mirpur Mathelo Exploration License was extended to September 8, 2013 with the commitment to acquire 150 Km of 2D seismic previously committed.

On June 14, 2012, Frontier notified the GoP and the other Working Interest Owners of its intention to surrender its working interest in the Mirpur Mathelo Exploration License. Pursuant to the Petroleum Concession Agreement for the Mirpur Mathelo Exploration License, Frontier is liable to pay liquidated damages of \$105,000 as consideration for committed work which was not completed prior to surrender of the working interest. On July 11, 2012, PEL exercised its right to acquire Frontier's interest in the Mirpur Mathelo Exploration License. The effective date of assignment of Frontier's interest in the Mirpur Mathelo Exploration License will be September 1, 2012. The settlement of joint venture account balances of Frontier and payment of liquidated damages is being discussed between Frontier and PEL.

Once this is finalized, an application under Rules 8 and 9 of the Pakistan Petroleum (Exploration & Production) Rules 2001 will be submitted to the DGPC for the GoP's consent to the assignment of Frontier's Working Interest to PEL. See "General Development of the Business – History and Recent Developments – Developments in 2012 – Assignment of Salam Exploration License and Mirpur Mathelo Exploration License" above.

Salam Exploration License

Block No. 2769-13

Frontier's Working Interest 37.5% (Other Interests: PEL 37.5%, GPX 25%)

Frontier is a party to, among other related agreements, the Salam Exploration License among the President, Frontier, PEL and GPX (the "**Salam Exploration License**"), as amended and supplemented. The Salam Block lies between, and is adjacent to, the Qadirpur gas field and the Badar gas field and covers 200.13 sq. Km. Frontier has a 37.5% Working Interest in the Salam Exploration License under the Salam Petroleum and Concession Agreement dated December 20, 2003.

In 2007, an 88 Km seismic program was acquired and processed in Salam. An additional 46 Km of infill data were then acquired in 2010 to further delineate the mapped SML and Lower Goru prospects. In addition, 398 Km of existing 2D seismic data has been purchased and 307 Km of this has been reprocessed. Interpretation of the data indicates the existence of a drillable structure at the Lower Goru Basal Sandstone level that lies north of the Indus River in an area having difficult logistics. A smaller structure that overlies the deeper target has also been mapped at the SML level. Work is ongoing to determine the cost of drilling an exploration well to the SML level north of the Indus River. Frontier has incurred \$2,289,088 of expenditures related to the Salam Block to date, of which \$101,513 was incurred in the 2012 fiscal year. In September 2011, the Salam Exploration License was extended to September 22, 2013 with a commitment to drill a well previously committed.

On June 14, 2012, Frontier notified the GoP and the other Working Interest Owners of its intention to surrender its working interest in the Salam Exploration License. Pursuant to the Petroleum Concession Agreement for the Salam Exploration License, Frontier is liable to pay liquidated damages of \$300,000 as consideration for committed work which was not completed prior to surrender of the working interest. On July 11, 2012, PEL exercised its right to acquire Frontier's interest in the Salam Exploration License. The effective date of assignment of Frontier's interest in the Salam Exploration License will be September 1, 2012. The settlement of joint venture account balances of Frontier and payment of liquidated damages is being discussed between Frontier and PEL. Once this is finalized, an application under Rules 8 and 9 of the Pakistan Petroleum (Exploration & Production) Rules 2001 will be submitted to the DGPC for the GoP's consent to the assignment of Frontier's Working Interest to PEL. See "General Development of the Business – History and Recent Developments – Developments in 2012 – Assignment of Salam Exploration License and Mirpur Mathelo Exploration License" above.

Badin IV North Exploration License

Block No. 2468-6

Frontier's Working Interest 27.5% (Other Interests: PEL 47.5%, GPX 25%)

Frontier is a party to, among other related agreements, the Badin IV North Exploration License among the President, Frontier, PEL and GPX (the "**Badin IV North Exploration License**"), as amended and supplemented. The Badin IV North Block lies in lower Indus basin and covers an area of 2709.77 sq. Km. Frontier has a 27.5% Working Interest in the Badin IV North Exploration License under the Badin IV North Petroleum and Concession Agreement dated January 5, 2006.

A 301 Km 2D seismic program was completed in 2007 and 980 square Km of existing 3D data was purchased in 2008. In addition, a total of 3,714 Km of existing 2D seismic data has been purchased and 344 Km of this has been reprocessed over the last five fiscal years. Interpretation of the data has so far identified a total of eleven prospects at the Lower Goru Upper Sand and Basal Sand levels.

The Jamali Deep-1 well was drilled to test one prospect in Badin IV North, namely the Jamali Deep Prospect, at the Lower Goru Basal Sandstone level. On December 31, 2008, drilling of the Jamali Deep-1 well began. It was drilled to a total depth of 3,862 metres on May 5, 2009, and tested during May and June, 2009. Although hydrocarbon shows were encountered during drilling from the Lower Goru Basal and Massive Sandstones, the well tested non-commercial quantities of gas from both targets. The well was temporarily suspended on June 8, 2009, pending further technical studies and subsequently plugged and abandoned. Reservoir pressure tests indicated that the reservoir tested in the Lower Goru has low permeability. Further technical work carried out during 2010 indicated the possibility that the upper Lower Goru Lower Basal sand target, which produces gas condensate in the adjacent fields, is absent in the well, having been either faulted out or not deposited. Reprocessing of available seismic data through the well supports the view that the uppermost sand was faulted out leaving open the possibility that the prospect remains to be properly tested. Several other prospects exist in Badin IV North within the main established hydrocarbon fairway at both Upper Sand and Basal Sand levels, and ranking of these on a technical and economic basis is being finalized for future drilling priority.

Drilling of the Wahid-1 well in Badin IV North began in May 2011. The well was drilled to a total depth of 2,300 metres. The target sands within the Lower Goru were encountered close to prognosis. Although the logs indicated the presence of hydrocarbons within the porous sands encountered, the water saturations were deemed to be too high for commercial production. Consequently, the well was plugged and abandoned without testing in June 2011. Frontier has incurred \$7,059,032 of expenditures related to the Badin IV North Block to date, of which \$201,052 was incurred in the 2012 fiscal year. The terms of the Petroleum Concession Agreement for the Badin IV North Exploration License require, among other things, the drilling of an additional well to a depth of 2,300 metres.

On June 4, 2012, the GoP extended the Badin IV North Exploration License to June 8, 2013.

Badin IV South Exploration License

Block No. 2468-5

Frontier's Working Interest 27.5% (Other Interests: PEL 47.5%, GPX 25%)

Frontier is a party to, among other related agreements, the Badin IV South Exploration License among the President, Frontier, PEL and GPX (the “**Badin IV South Exploration License**”), as amended and supplemented. The Badin IV South Block lies in lower Indus basin and covers an area of 2066.55 sq. Km. Frontier has a 27.5% Working Interest in the Badin IV South Exploration License under the Badin IV South Petroleum and Concession Agreement dated January 5, 2006.

A 484 Km 2D seismic program was completed in 2008 in addition to the purchase of 626 sq. Km of existing 3D data. Additionally, 2,639 Km of existing 2D seismic data was purchased and 650 Km of this seismic data has been reprocessed over the last five fiscal years. To date, interpretation of the data has identified a total of 13 prospects at the Lower Goru Upper Sand and Basal Sand levels and ranking of these on a technical and economic basis is being finalized for future drilling priority. Two prospects have been delineated and approved for the drilling of the first commitment well in Badin IV South, namely the Ayesha and the Haleema prospects. The first commitment well will target the Upper Sands of the Lower Goru in either one of these prospects. The Ayesha well (formerly known as Garahi) was expected to commence in 2010, but drilling was delayed due to surface conditions and drill-site access following flooding in Pakistan. The Working Interest Owners expect to drill one to two wells in 2013; however, drilling will be subject to availability of drilling rigs during the typical fair weather window from October

to March. Frontier has incurred \$5,085,545 in expenditures related to the block to date, of which \$204,258 was incurred in the 2012 fiscal year. The terms of the Petroleum Concession Agreement for the Badin IV South Exploration License require, among other things, the drilling of four wells in total, to depths of 2,500 to 2,800 metres.

On June 4, 2012, the GoP extended the Badin IV South Exploration License to July 5, 2013.

Exploration Risks

Exploration drilling involves substantial risk and no assurance can be given that drilling will prove successful in establishing commercially recoverable reserves. While the Corporation is of the view that its personnel have the skills and that it will have the resources to achieve its objectives, participation in the exploration for and the development of oil and natural gas has a number of inherent risks. See “Risk Factors” for a discussion of exploration risk.

Cycles

Unlike countries with more developed oil and gas industries where gas prices have, over time, been increasingly deregulated and are set by the market, gas prices in Pakistan set pursuant to the prevailing petroleum policy based on the cost and freight price of a basket of crude oils imported to Pakistan. Therefore, current gas prices in the North American market, or elsewhere in the world, are not reflective of gas prices in Pakistan. The relevant petroleum policies have been drafted considering, among other things, the following factors:

- The need to encourage accelerated development of Pakistan’s hydrocarbon resources. The country faces a severe power generation deficit with urban areas across the country suffering multi-hour power load-shedding and “brown-outs”. The load-shedding is severely damaging industrial production and the economy as well as being a serious “street level” political issue.
- Pakistan’s alternative energy sources. The country has no LNG import terminals or cross-border gas pipelines (both are under consideration). The substantial domestic hydrocarbon shortfall therefore has to be met by the import of oil. This has a severe impact on Pakistan’s trade balance and foreign reserves position.

The long-term and higher gas policy prices in Pakistan are set to provide gas producers like Jura with certainty as to revenues, thereby facilitating development financing and offsetting perceived and actual emerging market risk.

Competitive Conditions

Jura actively competes for reserve acquisitions, exploration leases, licenses and concessions and skilled industry personnel with a substantial number of other oil and natural gas companies, many of which have significantly greater financial resources than Jura. The Corporation’s competitors include major integrated oil and natural gas companies and numerous other independent oil and natural gas companies and individual producers and operators.

Economic Dependence

Jura is not substantially dependent on any contract or license, such as a contract to sell the major part of its products or services or to purchase the majority of its goods, services or raw materials, or any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

Foreign Operations

Jura's oil and gas operations and related assets are located in Pakistan. Pakistan is a federal republic with Islamic influence. Its official languages are Urdu and English, and English is the language used by most government agencies, including the Ministry of Petroleum and Natural Resources ("MPNR") of the GoP. The legal framework for the petroleum industry is drafted in the English language, and correspondence with government agencies with respect to exploration and production activities is carried out in English.

The upstream petroleum sector in Pakistan is closely regulated by the DGPC, an extension of the federal MPNR, while the midstream and downstream petroleum sectors are regulated by the Oil & Gas Regulatory Authority. Among other things, the DGPC is responsible for ensuring proper maintenance of the computerized national petroleum database, awarding concessions through a transparent and publicly-advertised bidding process and monitoring companies under contract.

Pakistan has legislation governing oil and gas operations, including laws and regulations relating to offshore production, taxation, safety and environmental protection. In 1991, the MPNR introduced its first petroleum policy document to establish clear policies, procedures, tax and pricing for the upstream sector. Since that time, the MPNR has implemented seven new petroleum policies, none of which has adversely affected any rights granted under prior policies.

See "Risk Factors" for further discussion of the Corporation's foreign operations.

Change to Contracts

There is no aspect of the Corporation's business that the Corporation reasonably expects to be affected by renegotiation or termination of contracts or sub-contracts.

Revenue Sources

For the financial year ended December 31, 2012, natural gas sales accounted for 100% of Jura's revenue.

Jura currently sells its production to the GoP at the applicable regulated gas price. In the future, Jura may sell its production to third party purchasers other than the GoP at a negotiated price less than or in excess of the regulated gas price. In the case of sales at a price in excess of the regulated gas price, a 40% "windfall levy" must be paid to the GoP on the amount by which the third party sales price exceeds the applicable regulated price.

Seasonal Considerations

Some of the Corporation's assets in the Middle Indus Basin in Pakistan are located on the flood plain near the Indus River. Traditionally, during the rainy season (generally from April through to November), there can be difficulty accessing the area covered by the Corporation's Leases and Exploration Licenses. For example, in 2010, heavier than normal monsoon rains in the Sindh, Punjab, Khyber and Balochistan regions of Pakistan resulted in extensive flooding in areas adjacent to the Indus River. The flooding impacted Pakistan's infrastructure and also negatively affected access to the Corporation's Leases and Exploration Licenses.

Substantial Capital Requirements

The Corporation anticipates that it will make substantial capital expenditures for the acquisition, exploration, development and production of oil and natural gas reserves in the future. If the Corporation's revenues or reserves decline, the Corporation may have limited ability to expend the capital necessary to undertake or complete future drilling programs. There can be no assurance that debt or equity financing,

or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Corporation. Moreover, future activities may require the Corporation to alter its capitalization significantly. Transactions involving the issuance of securities may be dilutive. The inability of the Corporation to access sufficient capital for its operations could have a material adverse effect on the Corporation's financial condition, results of operations or prospects. See "Risk Factors" for further discussion of capital requirements.

Employees

As at December 31, 2012, the Corporation had 30 full-time employees, 2 in Canada and 28 in Pakistan. The Corporation also uses consultants in Calgary, Dubai and Islamabad on a part-time basis.

Environmental Protection

Jura is subject to a range of environmental regulations, as are its competitors in the oil and natural gas industry. To ensure that the Corporation complies with its environmental obligations the Board of Directors monitors the Corporation's environmental policies and procedures. As the environmental regulations applicable to the Corporation are also applicable to its competitors, environmental protection did not affect the competitive position of the Corporation in 2012, nor did the Corporation incur any material environmental protection or regulatory costs out of the ordinary course of business in 2012. For a further discussion of the Corporation's environmental policies see "Risk Factors".

Social or Environmental Policies

The Corporation places appropriate emphasis on environmental protection and the Board provides oversight to management in the environmental area. All necessary employees are trained and educated on environmental policies as such policies pertain to their particular roles. The Corporation adheres to all government regulations and policy directives. For a further discussion of the Corporation's environmental and safety policies see "Risk Factors".

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

In accordance with NI 51-101, DeGolyer prepared the DeGolyer 2012 Report evaluating the Corporation's oil, NGLs and natural gas reserves as at December 31, 2012. For more information regarding the Corporation's reserves as they were at December 31, 2012, please refer to Appendix B – "Statement of Reserves Data and Other Oil and Gas Information", which sets out the assumptions and qualifications used to prepare the reserves information contained in the DeGolyer 2012 Report, all of which is prepared in compliance with NI 51-101.

DIVIDENDS

During the three most recently completed financial years of the Corporation, the Corporation has not paid any dividends on its outstanding common shares and has no intention to declare dividends on its common shares in the foreseeable future. Any decision to pay dividends on the common shares in the future will be dependent upon the financial requirements of the Corporation to finance future growth, the financial condition of the Corporation and other factors which the Board may consider relevant.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of common shares ("**Common Shares**") and preferred shares ("**Preferred Shares**"), issuable in series, of which 69,076,328 Common Shares and no Preferred Shares are issued and outstanding as at the date of this AIF.

Common Shares

Holders of Common Shares of the Corporation are entitled to dividends as and when declared by the Board and to notice of, and one vote per share at, meetings of the shareholders of the Corporation. Upon liquidation or dissolution of the Corporation, holders of Common Shares are entitled, subject to the rights of holders of Preferred Shares of the Corporation, to share equally in the remaining property of the Corporation

Preferred Shares

Subject to the filing of Articles of Amendment in accordance with the CBCA, the Board may at any time and from time to time issue Preferred Shares in one or more series, each series to consist of such number of shares as may, before the issuance thereof, be determined by the Board. Subject to the provisions of the CBCA, the Board may by resolution fix from time to time before the issuance thereof the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred Shares. The Preferred Shares of each series shall rank ahead of the Common Shares and rateably with holders of each other series of Preferred Shares with respect to payment of dividends and with respect to the distribution of the assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs.

MARKET FOR SECURITIES

Trading Price and Volume

Jura Shares are listed and posted for trading on the TSX under the trading symbol “JEC”. The following table sets forth the market price ranges and the trading volumes of the Jura Shares for the financial year ended December 31, 2012, as reported by the TSX:

	High (C\$/Share)⁽¹⁾	Low (C\$/Share)⁽¹⁾	Volume
2011			
October	0.03	0.02	11,300
November	0.05	0.02	26,900
December	0.04	0.03	13,700
2012			
January	0.06	0.03	18,400
February	0.05	0.04	15,600
March	0.05	0.04	20,600
April	0.05	0.04	9,800
May	0.05	0.03	26,700
June	0.05	0.03	4,700
July	0.70	0.04	10,300
August	0.35	0.16	4,500
September	0.40	0.25	8,500
October	0.30	0.25	2,800
November	0.26	0.20	3,200
December	0.41	0.24	26,500

Note:

- (1) (In connection with the Acquisition, on July 11, 2012, the Jura Shares were consolidated on a ten (10) for one (1) basis. See “General Development of the Business – History and Recent Developments – Developments in 2012 – Acquisition” above.

PRIOR SALES

During the financial year ended December 31, 2012, the Corporation did not issue any securities of a class of securities outstanding but not listed or quoted on a marketplace.

ESCROW AND TRANSFER RESTRICTIONS ON SECURITIES

To the knowledge of the Corporation, at December 31, 2012, the following securities of the Corporation were held in escrow or subject to contractual restrictions on transfer:

Designation of Class	Number of Securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class
Common Shares	37,994,308 ⁽¹⁾	55.0%
Common Shares	1,281,354 ⁽²⁾	1.9%
Total:	39,275,662	56.9%

Notes:

- (1) Pursuant to the terms of an escrow agreement (the “**Escrow Agreement**”) dated July 11, 2012 between the Corporation, EPL and Olympia Trust Company (as escrow agent), 50,659,076 Jura Shares (the “**Escrow Securities**”) issued to EPL pursuant to the Jura Share Issuance were placed in escrow in connection with the backdoor listing of Jura on the TSX. The Escrow Agreement provides for the release of the Escrow Securities as follows: (1) 1/4 of the Escrow Securities on July 17, 2012 (the “**Listing Date**”); (2) 1/3 of the remaining Escrow Securities 6 months after the Listing Date; (3) 1/2 of the remaining Escrow Securities 12 months after the Listing Date; and (4) the remaining Escrow Securities 18 months after the Listing Date. As of the date of this AIF, an additional 12,664,768 Escrow Securities have been released from escrow pursuant to the terms of the Escrow Agreement.
- (2) In connection with the Acquisition, on November 23, 2011, certain directors, officers and significant shareholders of Jura holding an aggregate of 1,464,405 Jura Shares (calculated on a post-consolidation basis) entered into lock-up agreements (the “**Lock-Up Agreements**”) with EPL. Pursuant to the terms of the Lock-Up Agreements, such directors, officers and significant shareholders are restricted from transferring their Jura Shares (including Jura Shares issuable on the exercise of Jura Options) (the “**trading restrictions**”) until one year after the closing date for the Acquisition, or July 11, 2013. At December 31, 2012, 87.5% of such Jura Shares were subject to the trading restrictions. Following the 180th day after the closing date for the Acquisition, or January 7, 2013, 75% of such Jura Shares will be subject to the trading restrictions and, following the 270th day after the closing date for the Acquisition, or April 7, 2013, 62.5% of such Jura Shares will be subject to the trading restrictions. On July 11, 2013, all trading restrictions will cease to apply.

DIRECTORS AND OFFICERS**Current Directors and Officers**

The current directors of the Corporation are Stephen Akerfeldt, Shahzad Ashfaq, Timothy Elliott, Graham Garner, Shahid Hameed, Zachary Iscol, Nigel McCue and Stephen Smith. Each person elected as a director of the Corporation will hold office until the close of the next annual meeting of the shareholders or until his or her successor is duly elected or appointed or his or her office is earlier vacated in accordance with the CBCA and the articles and by-laws of the Corporation.

The following table sets forth the name, province and country of residence of each director and officer, the date each first became a director or officer of the Corporation, the current principal occupation, business or employment of each director and officer and the principal occupation, business or employment of each director or officer over the past five years, as at the date hereof:

Name and Position with Jura	Jurisdiction of Residence	Director of the Corporation Since	Principal Occupation, Business or Employment at Present and Held During the Preceding Five Years	Number of Jura Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Graham Garner, Chief Executive Officer and Director ⁽²⁾	Calgary, Alberta, Canada	May 13, 2005	Mr. Garner has been CEO of the Corporation since April 2009. He was previously President of the Corporation from April 2009 to July 2012, Acting President and CEO of the Corporation from May 2008 until April 2009, Executive Vice President of the Corporation from June 2006 until May 2008, President of the Corporation from May 2005 until June 2006 and Executive Vice President of the Corporation from April 2003 to May 2005. Mr. Garner is a former lawyer practicing in the area of corporate law.	266,969
Shahid Hameed, President and Director	Punjab, Pakistan	July 11, 2012	Mr. Hameed has been President of the Corporation since July 11, 2012 and Director and Chief Executive Officer of Spud since June 2009. From 2004 to 2009, he served as Chief Operating Officer of Dewan Petroleum Private Ltd.	611,500 ⁽⁵⁾
Nadeem Farooq, Chief Financial Officer	Punjab, Pakistan	N/A	Mr. Farooq has been Chief Financial Officer of the Corporation since July 11, 2012. Mr. Farooq was Chief Financial Officer of Spud from February 2008 to July 2012. Prior thereto, Mr. Farooq worked for A.F. Ferguson & Co. (a PricewaterhouseCoopers member firm) where he managed accounting, tax planning and audits for various domestic and international oil & gas concerns from May 2005 to January 2008.	Nil

Name and Position with Jura	Jurisdiction of Residence	Director of the Corporation Since	Principal Occupation, Business or Employment at Present and Held During the Preceding Five Years	Number of Jura Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Stephen C. Akerfeldt, Director ^{(1) (3) (4)}	Toronto, Ontario, Canada	January 24, 2003	Mr. Akerfeldt has been President and a director of Ritz Plastics Inc., a private company that produces plastic parts primarily for the automotive industry by injection moulding, since 1999. Since June 14, 2011, Mr. Akerfeldt has been a director of KOV, an international oil and gas exploration company. Since January 2012, Mr. Akerfeldt has been a director of Armistice Resources Corp., a gold mining exploration company. From June 2007 until February 2011, he was chairman of the board and a director of Firstgold Corp., a gold mining exploration company and he was the Chief Executive Officer of Firstgold Corp. from January 2008 to July 2009.	90,363
Shahzad Ashfaq, Director ^{(1) (4)}	Singapore	July 11, 2012	Mr. Ashfaq is currently the Managing Director of Stanhill Capital Partners, a merchant banking group that invests principally in the natural resources sector. Mr. Ashfaq joined Stanhill Capital Partners in 1999. Prior thereto, Mr. Ashfaq served as Vice President with Nomura International Plc.	Nil
Timothy M. Elliott, Director ^{(2) (3)}	Dubai, United Arab Emirates	March 14, 2007	Mr. Elliott has been President and CEO of KOV (formerly Loon Energy Inc.), a public company with international oil and gas exploration and development projects in Southeast Asia, the Middle East and Europe since February 2006. He has also been Consultant to KOV since 2001 and chairman of Loon Energy Corporation, a public company with international oil and gas exploration and development projects in Colombia and Peru since December 2008.	390,638 ⁽⁶⁾

Name and Position with Jura	Jurisdiction of Residence	Director of the Corporation Since	Principal Occupation, Business or Employment at Present and Held During the Preceding Five Years	Number of Jura Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Akbar Kazmi, Director	Dubai, United Arab Emirates	February 25, 2013	Since July 2011, Mr. Kazmi has been a director of JS Investment Consultancy FZE, JS Group's principal finance office in Dubai. Since 2009, Mr. Kazmi has additionally acted as a consultant and alternate director for RAK Ghani Glass LLC, a JS Group investment specializing in the glass packaging for pharmaceutical brands. From March 2006 to July 2011, Mr. Kazmi was previously a director of JSPE Management Limited, another member of the JS Group. Mr. Kazmi also served as chief executive officer of Spud from 2005 to 2009 and is currently a director of Spud.	Nil ⁽⁷⁾
Stephen Smith, Director	Hong Kong, People's Republic of China	July 11, 2012	In 2004, Mr. Smith joined Jahangir Siddiqui & Co. Ltd., a leading publicly-listed financial services and investment group in Pakistan, where he is now a board director. Mr. Smith is chairman of an Asian credit bureau business and a director of a company developing affordable housing in India. Prior to January 2011, Mr. Smith was chairman of Hameldon Resources Ltd. (an AIM-listed company investing in natural resources).	456,752
Hussain Sultan, Chairman of the Board and Director ^{(1) (2) (3) (4)}	Dubai, United Arab Emirates	February 25, 2013	Since 2006, Mr. Sultan has been chairman of Riverside Investments LLC, the holding company for his family business. Since 1995, Mr. Sultan has also acted as a director of Dubai Investments PJSC, one of the largest investment groups in the United Arab Emirates. Prior to December 2007, Mr. Sultan was a Group Chief Executive and board member of the Emirates National Oil Co. (ENOC). Mr. Sultan is also a former Executive Chairman and CEO of Dragon Oil plc, an upstream oil and gas company.	93,200 ⁽⁸⁾

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Reserves Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Corporate Governance and Nominating Committee.
- (5) Of the 50,659,076 Common Shares held by EPL, 611,500 are beneficially owned by Mr. Hameed pursuant to an arrangement between the parties.
- (6) Mr. Elliott is President and Chief Executive Officer of KOV. KOV holds 747,941 Jura Shares. By virtue of his position with KOV, Mr. Elliott is deemed to have direction over the KOV shares in addition to those Jura Shares that are shown above.
- (7) Mr. Kazmi is a director of EPL. EPL holds 50,659,076 Jura Shares. By virtue of his position with EPL, Mr. Kazmi is deemed to have direction over the EPL shares in addition to those Jura Shares that are shown above.
- (8) Mr. Sultan owns 40% of Riverside Investments L.L.C. which holds 233,000 Jura Shares. Mr. Sultan is the Chairman of Riverside.
- (9) The information as to residence, principal occupation and Jura Shares beneficially owned or controlled or directed, not being within the knowledge of Jura, has been furnished by the respective individuals as at March 20, 2013.

As at the date hereof, the directors and senior officers of the Corporation as a group beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 52,611,739 Jura Shares (representing approximately 76.1% of the outstanding Jura Shares).

Corporate Cease Trade Orders

Except as set forth in this AIF, no current director or executive officer is, or has been within 10 years prior to the date of this AIF, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation and that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of the relevant company; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation and that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

On January 27, 2010, Firstgold Corp. (“**Firstgold**”), a company for which Stephen C. Akerfeldt served as a director, filed for Chapter 11 protection under the United States Bankruptcy Code. On January 28, 2010, Firstgold’s shares were delisted from the Toronto Stock Exchange (“**TSX**”) for failure to meet the TSX’s minimum listing requirements.

On July 22, 2009 a cease trade order was issued by the Ontario Securities Commission against the insiders, management, officers and directors of Firstgold, including Stephen C. Akerfeldt, for failure to file various continuous disclosure materials within the prescribed time frame as required by Ontario securities law. All outstanding continuous disclosure materials were subsequently filed and the cease trade order expired on October 10, 2009.

On February 24, 2003, Stephen C. Akerfeldt was appointed as a director of Newmex Minerals Inc. On February 25, 2003 a cease trade order was issued by the British Columbia Securities Commission against

Newmex Minerals Inc. for failing to file its September 30, 2002 Annual Financial Statements within the required time frame. The financial statements were filed on February 26, 2003 and the cease trade order was revoked on February 27, 2003.

In August 2002, the Corporation was cease traded by regulatory authorities in British Columbia, Alberta, Manitoba, Ontario and Quebec, before the current management and directors were appointed. The cease trade orders were lifted in May 2004.

Penalties or Sanctions

None of Jura's directors, executive officers, or shareholders holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to:

- (c) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Bankruptcies

Except as set forth in this AIF, no current director, executive officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or has within 10 years prior to the date of this AIF:

- (e) been a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (f) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

In January 2010, Firstgold Corp. filed for protection under Chapter 11 in the United States. Mr. Akerfeldt was at the time of the filing a director of Firstgold Corp.

Conflicts of Interest

Certain directors of the Corporation are associated with other companies, which may give rise to conflicts of interest. In accordance with the CBCA, directors who have a material interest in any entity which is a party to a material contract or proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and abstain from voting on any resolution to approve that contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Corporation.

AUDIT COMMITTEE

Audit Committee Charter

The Corporation's audit committee mandate is attached as Appendix A.

Composition of the Audit Committee

The audit committee of Jura (the “**Audit Committee**”) is currently comprised of three directors: Messrs. Akerfeldt (Chairman), Sultan and Ashfaq. All members of the Audit Committee are considered “independent” (as determined under *National Instrument 52-110 - Audit Committees*) (“**NI 52-110**”) and are financially literate.

Relevant Education and Experience

Mr. Akerfeldt became a Chartered Accountant in 1969. He was an employee of Coopers and Lybrand Chartered Accountants (now PricewaterhouseCoopers LLP) from 1965 until 1974 and served as an Audit Partner from 1974 until 1987. Mr. Akerfeldt served as Chief Financial Officer of Magna International Inc. during 1990 and 1991.

Mr. Sultan is a former Group Chief Executive and Board Member of the Emirates National Oil Company (ENOC) as well as a former Executive Chairman and CEO of Dragon Oil plc, a £2.7 billion market capitalisation upstream oil and gas company listed on the London and Dublin Stock Exchanges. He is Deputy Chairman and has served as a Board Member of Dubai Investments, one of the largest investment groups in the United Arab Emirates, since 1995. Mr. Sultan is also a member of the Dubai Economic Council. He is a Chartered Civil Engineer, a member of the Institution of Civil Engineers and a fellow of the Institute of Directors, London. Mr. Sultan graduated from Glasgow University with a B.Sc. in Civil Engineering and attended the Graduate School of Business at University of Pittsburgh.

Mr. Ashfaq has served as a director of Spud since April 2005. Mr. Ashfaq is currently the Managing Director at Stanhill Capital Partners, a merchant banking group that invests principally in the natural resources sector. He joined Stanhill in 1999 and has been working for the Merchant Banking Group since 2002. While at Stanhill Capital Partners, Mr. Ashfaq has been involved with several merchant banking deals including: Tethyan Copper, Medusa Mining, and Rey Resources. He has also had day-to-day involvement in the set up and running of Touchstone Gold. Prior to joining Stanhill Capital Partners, Mr. Ashfaq served as Vice President of Nomura International Plc.

Reliance on Certain Exemptions

Since the commencement of Jura's most recently completed financial year, the Corporation has not relied on the exemptions contained in section 2.4 (*De Minimis Non-audit Services*), section 3.2 (*Initial Public Offerings*), section 3.4 (*Events Outside Control of Member*), section 3.5 (*Death, Disability or Resignation of Audit Committee Member*), Part 8 (*Exemptions*), section 3.3(2) (*Controlled Companies*), section 3.6 (*Temporary Exemption for Limited and Exceptional Circumstances*) or section 3.8 (*Acquisition of Financial Literacy*) of NI 52-110.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed fiscal year, the Board of Directors has adopted all recommendations of the Audit Committee with respect to the nomination or compensation of an external auditor.

Pre-Approval Policies and Procedures

The Corporation has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee reviews the engagement of non-audit services as required.

Fees Charged by External Auditors

The following table sets out the aggregate fees billed by the Corporation's external auditor, PricewaterhouseCoopers LLC, in each of the last two fiscal years for the category of fees described:

	2012	2011
Audit Fees ⁽¹⁾	C\$95,000	C\$116,000
Audit-Related Fees ⁽²⁾	C\$45,000	C\$119,848
Tax Fees ⁽³⁾	C\$15,000	C\$10,000
All Other Fees	-	-

Notes:

- (1) The services comprising the fees under this category consisted of those matters related to the preparation of the Corporation's annual audited financial statements for the years ended December 31, 2012 and September 30, 2011.
- (2) The fees set forth in this category consisted of fees charged by the Corporation's auditors in connection with review engagements of interim financial statements and, in the case of fees billed in 2011, includes fees related to assisting the Corporation's transition to International Financial Reporting Standards.
- (3) The services comprising the fees under this category consisted of tax advice and compliance, which included the preparation and filing of annual tax returns.

RISK FACTORS

The following are certain risk factors related to Jura, its business, and the ownership of the securities of Jura which investors should carefully consider. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in the AIF. If any event arising from the risk factors set forth below occurs, Jura's business, prospects, financial condition, results of operation or cash flows and in some cases its reputation could be materially adversely affected.

The Corporation's business is subject to the risks normally encountered in the oil and natural gas industry such as the marketability of oil and natural gas, competition with companies having greater resources, acquisition, exploration and production risks, need for capital, fluctuations in the market price and demand for oil and natural gas and the regulation of the oil and natural gas industry by various levels of government. The oil and natural gas reserves and recovery information contained in this AIF are estimates only and the actual production and ultimate reserves recovered from the Corporation's properties and acquisitions may be greater or less than the estimates contained in this AIF. The success of acquisitions and further exploration or development projects cannot be assured. Such risks and any such risks described below may not be the only risks facing the Corporation. Additional risks not currently known may also negatively impact the Corporation's business operations and results of operation.

An investment in the Corporation should be considered highly speculative due to the nature of Jura's business, the stage of development of Jura's oil and gas operations and the geographic location of the Corporation's properties. A prospective investor should consider carefully the risk factors set out below. In addition, prospective investors should carefully review and consider all other information contained herein before making an investment decision.

Exploration, Development and Production Risks

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Corporation depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, any existing reserves the Corporation may have at any particular time and the production therefrom will decline over time as such existing reserves are produced. A future increase in the Corporation's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that the Corporation will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Corporation may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that further commercial quantities of oil and natural gas will be discovered or acquired by the Corporation.

Future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental remediation could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions.

While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Oil and natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment, or in personal injury. In accordance with standard industry practice, the Corporation is not fully insured against all of these risks, nor are all such risks insurable. Although the Corporation carries its own well insurance and maintains liability insurance through the operator of the properties in an amount that it considers consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Corporation could incur significant costs that could have a material adverse effect upon its financial condition. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations. Losses resulting from the occurrence of any of these risks could have a material adverse effect on future results of operations, liquidity and financial condition.

Additional Funding Requirements

The Corporation's current cash and cash flow from any reserves subsequently acquired will not be sufficient to fund its ongoing activities at all times. The Corporation will require additional funding in order to satisfy its capital expenditure requirements and carry out its oil and gas acquisition, exploration and development activities. Failure to obtain such funding on a timely basis could cause the Corporation to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. If the Corporation's revenues from any reserves subsequently acquired decrease as a result of lower oil and natural gas prices or otherwise, it will affect the Corporation's ability to expend the

necessary capital to replace its reserves or to maintain its production. In these circumstances no assurance can be given that additional capital will be available at all or available on terms acceptable to the Corporation.

Exploration License Expiry

With respect to certain of the Corporation's Working Interests, it is not anticipated that committed work programs will be complete prior to expiry dates set forth in the relevant Petroleum Concession Agreements with the GoP. While the operator has advised that it anticipates that extensions will be granted for the completion of committed work, there is no guarantee that extensions will be granted. In the event that extensions are not granted, the Corporation may be liable to the GoP for its share of the minimum expenditure of undischarged work obligations upon the expiry of the Exploration Licenses.

Availability of Drilling Equipment and Access

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Corporation and may delay exploration and development activities. As the Corporation is not the operator of many of its oil and gas properties, the Corporation will be dependent on such operators for the timing of activities related to such properties and will be largely unable to direct or control the activities of the operators.

Title to Assets

It is the practice of the Corporation in acquiring significant oil and gas Exploration Licenses and Leases or interests in oil and gas Exploration Licenses and Leases to fully examine the title to the interest thereunder. Nevertheless, there may be title defects which affect lands comprising a portion of the Corporation's properties which may adversely affect the Corporation.

Seasonal Impact on Industry

Some of the Corporation's assets in the Middle Indus Basin in Pakistan are located on the flood plain near the Indus River. Traditionally, during the rainy season (generally from April through to November), there can be difficulty accessing those assets. In 2010, heavier than normal monsoon rains in the Sindh, Punjab, Khyber and Balochistan regions of Pakistan resulted in extensive flooding in areas adjacent to the Indus River. The flooding impacted Pakistan's infrastructure and also negatively affected access to the Corporation's assets. The recovery from the flooding is ongoing and may affect the operator's ability to implement the work programs.

Acts of Violence, Terrorist Attacks or Civil Unrest in Pakistan

All of Jura's operations are in Pakistan. Historically, Pakistan has experienced political, social and economic problems, terrorist attacks, insurgencies and civil unrest. Two concessions of Jura, namely Sanjawi and Zarghun South, are located in the province of Baluchistan, which has experienced significant instability and unrest. In these locations, Working Interest Owners may incur substantial costs to maintain the safety of personnel and operations. Despite these precautions, the safety of the operator's personnel or of Jura's personnel and operations in these locations may continue to be at risk, and Jura may in the future suffer loss of personnel and disruption of operations, any of which could have a material adverse effect on Jura's business and results of operations.

Foreign Operations

Jura currently has and will continue to have operations in Pakistan. As such, Jura's operations, financial condition and operating results could be significantly affected by risks over which it has no control. These risks may include risks related to economic, social or political instability or change, terrorism, hyperinflation, currency non-convertibility or instability and changes of laws affecting foreign ownership, interpretation or renegotiation of existing contracts, government participation, taxation policies, including royalty and tax increases and retroactive tax claims, and investment restrictions, working conditions, rates of exchange, exchange control, exploration licensing, petroleum and export licensing and export duties, government control over domestic oil and gas pricing, currency fluctuations, devaluation or other activities that limit or disrupt markets and restrict payments or the movement of funds; the possibility of being subject to exclusive jurisdiction of foreign courts in connection with legal disputes relating to licenses to operate and concession rights in countries where Jura currently operates; and difficulties in enforcing Jura's rights against a governmental agency because of the doctrine of sovereign immunity and foreign sovereignty over international operations. Problems may also arise due to the quality or failure of locally obtained equipment or technical support, which could result in failure to achieve expected target dates for exploration operations or result in a requirement for greater expenditure. Jura's operations may also be adversely affected by applicable laws and policies of Pakistan, the effect of which could have a negative impact on Jura.

Jura operates in such a manner as to minimize and mitigate its exposure to these risks. However, there can be no assurance that Jura will be successful in protecting itself from the impact of all of these risks and the related financial consequences.

Competition

Oil and gas exploration is intensely competitive in all its phases and involves a high degree of risk. The Corporation competes with numerous other participants in the search for, and the acquisition of, oil and natural gas properties and in the marketing of oil and natural gas. The Corporation's competitors include oil and natural gas companies that have substantially greater financial resources, staff and facilities than those of the Corporation. The Corporation's ability to increase reserves in the future will depend not only on its ability to explore and develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for exploratory drilling. Competitive factors in the distribution and marketing of oil and natural gas include price, methods and reliability of delivery. Competition may also be presented by alternate fuel sources.

Regulatory

Oil and natural gas operations (exploration, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government that may be amended from time to time. The Corporation's operations may require licenses from various governmental authorities. There can be no assurance that the Corporation will be able to obtain all necessary licenses and permits that may be required to carry out exploration and development with respect to its projects and the obtaining of such licenses and permits may delay operations of the Corporation. It is not expected that any of these controls or regulations will affect the operations of the Corporation in a manner materially different than they would affect other oil and gas companies of similar size and operating in similar jurisdictions.

Environmental

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of laws and regulations in Pakistan. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions

of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require the Corporation to incur costs to remedy such discharge. Although the Corporation believes that it is in material compliance with current applicable environmental regulations, no assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Corporation's financial condition, results of operations or prospects.

Prices, Markets and Marketing

The marketability and price of oil and natural gas that may be acquired or discovered by the Corporation will be affected by numerous factors beyond its control. The Corporation's ability to market oil and natural gas may depend upon its ability to acquire space within pipelines that deliver oil and natural gas to commercial markets. The Corporation may also be affected by deliverability uncertainties related to the proximity of its reserves to pipelines and processing facilities, and related to operational problems with such pipelines and facilities as well as extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business. The Corporation's revenues, profitability and future growth, and the carrying value of its oil and gas properties are substantially dependent on prevailing prices of oil and gas. The Corporation's ability to borrow and to obtain additional capital on attractive terms is also substantially dependent upon oil and gas prices. The price of oil and natural gas in Pakistan is determined by government regulation and is below the international market price. There is no certainty that this will change in the future. In addition, international market prices for oil and gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors beyond the control of the Corporation. These factors include economic conditions in various countries, the actions of the Organization of Petroleum Exporting Countries, governmental regulation, political stability in the Middle East and elsewhere, the foreign supply of oil and gas, the price of foreign imports and the availability of alternative fuel sources. Any substantial and extended decline in the price of oil and gas would have an adverse effect on the Corporation's carrying value of its reserves, borrowing capacity, revenues, profitability and cash flows from operations.

Exchange rate fluctuations between Canadian and US dollars and other foreign currencies also affect the profitability of the Corporation. World oil prices are quoted in United States dollars as are any revenues received by the Corporation and are therefore affected by the Canadian/US exchange rate that may fluctuate over time. The Corporation may reduce the impact of foreign exchange fluctuations by using risk management tools related to foreign exchange rates and commodity prices. The Corporation has not entered into any foreign exchange contracts that are open as at the date of this AIF.

Volatile oil and gas prices make it difficult to estimate the value of producing properties for acquisition and often cause disruption in the market for oil and gas producing properties, as buyers and sellers have difficulty agreeing on such value. Price volatility also makes it difficult to budget for and project the return on acquisitions and development and exploitation projects.

In addition, financial resources available to the Corporation are in part determined by the Corporation's borrowing base. A sustained material decline in prices from historical average prices could reduce the Corporation's borrowing base, therefore reducing the bank credit available to the Corporation.

Issuance of Debt

From time to time the Corporation may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may increase the Corporation's debt levels above industry standards. Depending on future exploration and development plans, the Corporation may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms. Neither the Corporation's articles nor its by-laws limit the amount of indebtedness that the Corporation may incur. The level of the Corporation's indebtedness from time to time could impair the Corporation's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Hedging

From time to time the Corporation may enter into agreements to receive fixed prices on oil and natural gas production to offset the risk of revenue losses if commodity prices decline; however, if commodity prices increase beyond the levels set in such agreements, the Corporation would not benefit from such increases. Similarly, from time to time the Corporation may enter into agreements to fix the exchange rate of Canadian dollars to United States dollars and other foreign currencies in order to offset the risk of revenue losses if the Canadian dollar increases in value compared to foreign currencies; however, if the Canadian dollar declines in value compared to foreign currencies, the Corporation would not benefit from the fluctuating exchange rate for the fixed price agreement amount.

Insurance

The Corporation's involvement in the exploration for and development of oil and natural gas properties may result in the Corporation becoming subject to liability for pollution, blow outs, property damage, personal injury or other hazards. The Corporation, together with the well operator, has obtained well control insurance in accordance with industry standards to address certain of these risks, however such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not in all circumstances be insurable or, in certain circumstances, the Corporation may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Corporation. The occurrence of a significant event that the Corporation is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Corporation's financial position, results of operations or prospects.

Management of Growth

The Corporation may be subject to growth related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Corporation to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Expiration of Permits, Exploration Licenses and Leases

The Corporation's properties are held in the form of permits, Exploration Licenses and Leases and Working Interests in permits, Exploration Licenses and Leases. If the Corporation or the holder of the Exploration License or Lease fails to meet the specific requirement of a Exploration License or Lease, the Exploration License or Lease may terminate or expire. There can be no assurance that any of the obligations required to maintain each Exploration License or Lease will be met. The termination or expiration of the Corporation's Exploration Licenses or Leases or the Working Interests relating to a

Exploration License or Lease may have a material adverse effect on the Corporation's results of operations and business.

Reliance on Operators, Joint Venture Partners and Key Personnel

As the Corporation is not the operator of many of its oil and gas properties, the Corporation will be dependent on such operators for the timing of activities related to such properties and will largely be unable to direct or control the activities of the operators. Additionally, the Corporation's success depends in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse effect on the Corporation. The Corporation does not have key person insurance in effect for management. The contributions of these individuals to the immediate operations of the Corporation are of central importance. In addition, the competition for qualified personnel in the oil and natural gas industry is intense and there can be no assurance that the Corporation will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation.

Jura May Not Realize the Benefits of its Growth Projects

As part of its strategy, Jura will continue existing efforts and initiate new efforts to develop new projects and will have a larger number of such projects as a result of the Acquisition. A number of risks and uncertainties are associated with the development of these types of projects, including political, regulatory, design, construction, labour, operating, technical, and technological risks, uncertainties relating to capital and other costs, and financing risks. The failure to develop one or more of these initiatives successfully could have an adverse effect on Jura's financial position and results of operations.

Jura will be Subject to Significant Capital Requirements Associated with its Expanded Portfolio of Development Projects and may Issue Additional Equity Securities or Incur Significant Borrowings

Jura must be able to utilize available financing sources to finance its growth and sustain capital requirements. Jura could be required to raise significant additional capital through equity financings in the capital markets or to incur significant borrowings through debt financings to meet its capital requirements. If these financings are required, Jura's cost of raising capital in the future may be adversely affected. In addition, if Jura is required to make significant interest and principal payments resulting from a debt financing, Jura's financial condition and ability to raise additional funds may be adversely impacted. If Jura were to issue Jura Shares, an existing holder of Jura Shares may experience dilution in Jura's cash flow or earnings per share. Moreover, as Jura's intention to issue additional equity securities becomes publicly known, the Jura Share price may be materially adversely affected.

Any significant delay in completing its development projects or the incurring of capital costs that are significantly higher than estimated, could have a significant adverse effect on Jura's results of operations and financial condition.

Current Global Financial Conditions

Current global financial conditions have been subject to significant and sustained volatility. Numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities and numerous governments and governmental entities have had their credit ratings downgraded and their ability to support still fragile economies impeded. Access to public financing has been negatively impacted by both the credit market crisis and the current sovereign debt crisis. These factors may impact the ability of Jura to obtain equity or debt financing in the future and, if obtained, on terms favourable to Jura. If these increased levels of volatility and market turmoil continue, Jura's

operations could be adversely impacted and the value and the price of the Jura Shares could continue to be adversely affected.

The trading price of the Jura Shares may be volatile and post-Acquisition Control Blocks may depress the Trading Price and Liquidity of the Jura Shares

The trading price of the Jura Shares have been and may continue to be subject to material fluctuations and may increase or decrease in response to a number of events and factors, including:

- changes in the market price of the commodities that Jura sells and purchases;
- current events affecting the economic situation in Pakistan and otherwise internationally;
- trends in the oil and gas industry;
- regulatory and/or government actions;
- acquisitions and financings;
- the economics of current and future projects of Jura;
- quarterly variations in operating results;
- the operating and share price performance of other companies, including those that investors may deem comparable;
- the issuance of additional equity securities by Jura or the perception that such issuance may occur; and
- purchases or sales of blocks of Jura Shares.

Part of this volatility may also be attributable to the current state of the stock market, in which wide price swings are common. This volatility may adversely affect the prices of Jura Shares, regardless of the relative operating performance and could cause the market price of such shares to decline.

Further, EPL holds 50,659,076 (73.3%) Jura Shares, all or any number of which may only be traded pursuant to one or more prospectuses or certain exemptions from applicable Canadian securities laws, while an additional 1,281,354 (1.9%) Jura Shares are subject to trading restrictions pursuant to the Lock-Up Agreements. As a result of EPL's significant controlling position following the completion of the Acquisition, it may be more difficult for Jura to be acquired by a third party, and therefore the likelihood of the market price of Jura Shares reflecting a possible take-over premium is significantly diminished. In addition, given the impediments and restrictions on trading in relation to the foregoing Jura Shares, the liquidity of the Jura Shares may be depressed.

Reserve Replacement

Jura's future oil and natural gas reserves, production, and cash flows to be derived therefrom, are highly dependent on Jura successfully acquiring or discovering new reserves. Without the continual addition of new reserves, any existing reserves Jura may have at any particular time and the production therefrom will decline over time as such existing reserves are exploited. A future increase in Jura's reserves will depend not only on Jura's ability to develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. There can be no assurance that

Jura's future exploration and development efforts will result in the discovery and development of additional commercial accumulations of oil and natural gas.

Reserve Estimates

There are numerous uncertainties inherent in estimating quantities of oil, natural gas and NGLs (or similar substances) reserves and cash flows to be derived therefrom, including many factors beyond Jura's control. The information concerning reserves and associated cash flow set forth in this AIF represents estimates only. In general, estimates of economically recoverable oil and natural gas reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary from actual results. All such estimates are to some degree speculative, and classifications of reserves are only attempts to define the degree of speculation involved. For those reasons, estimates of the economically recoverable oil and natural gas reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues expected therefrom prepared by different engineers, or by the same engineers at different times, may vary. Jura's actual production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material. Further, the evaluations are based, in part, on the assumed success of the exploitation activities intended to be undertaken in future years. The reserves and estimated cash flows to be derived therefrom contained in such evaluations will be reduced to the extent that such exploitation activities do not achieve the level of success assumed in the evaluation.

Estimates of proved reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. Estimates based on these methods are generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history and production practices will result in variations in the estimated reserves and such variations could be material. Many of Jura's producing wells have a limited production history and thus there is less historical production on which to base the reserves estimates. In addition, a significant portion of Jura's reserves may be attributable to a limited number of wells and, therefore, a variation in production results or reservoir characteristics in respect of such wells may have a significant impact upon Jura's reserves.

In accordance with applicable securities laws, DeGolyer has used forecast price and cost estimates in calculating reserve quantities. Actual future net cash flows will be affected by other factors such as actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs. Actual production and cash flows derived therefrom will vary from the estimates contained in the DeGolyer 2012 Report and such variations could be material. The DeGolyer 2012 Report is based in part on the assumed success of activities Jura intends to undertake in future years. The reserves and estimated cash flows to be derived therefrom contained in the DeGolyer 2012 Report will be reduced to the extent that such activities do not achieve the level of success assumed in the DeGolyer 2012 Report.

The evaluation by DeGolyer of the reserves associated with Jura's oil and gas reserves in the DeGolyer 2012 Report is effective as of a specific effective date and has not been updated and thus does not reflect changes in Jura's reserves since that date.

Income Taxes

Jura believes that it is in full compliance with all applicable tax legislation. However, such returns are subject to reassessment by the applicable taxation authority. In the event of a successful reassessment of Jura, whether by re-characterization of exploration and development expenditures or otherwise, such

reassessment may have a significant impact on current and future taxes payable by Jura, which in turn could materially and adversely affect its financial condition.

Alternatives to and Changing Demand for Petroleum Products

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices could reduce the demand for crude oil and other liquid hydrocarbons. Jura cannot predict the impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on Jura's business, financial condition, results of operations and cash flows.

Third-Party Credit Risk and Delays

Jura is or may be exposed to third-party credit risk through its contractual arrangements with its current or future joint venture partners, marketers of its petroleum and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to Jura, such failures could have a material adverse effect on Jura and its operations. In addition, poor credit conditions in the industry and of joint venture partners may impact a joint venture partner's willingness to participate in Jura's ongoing capital program, potentially delaying the program and the result of such program until Jura finds a suitable alternative partner.

In addition to the usual delays in payments by purchasers of oil and natural gas to Jura or to the operators, and the delays by operators in remitting payment to Jura, payments between these parties may be delayed due to restrictions imposed by lenders, accounting delays, delays in the sale or delivery of products, delays in the connection of wells to a gathering system, adjustment for prior periods, or recovery by the operator of expenses incurred in the operation of the properties. Any of these delays could reduce the amount of cash flow available for the business of Jura in a given period and expose Jura to additional third party credits risks.

Assessments of Value of Acquisitions

Acquisitions of oil and gas issuers and oil and gas assets are typically based on engineering and economic assessments made by independent engineers and the issuer's own assessments. These assessments will include a series of assumptions regarding such factors as recoverability and marketability of oil and gas, future prices of oil and gas and operating costs, future capital expenditures and royalties and other government levies which will be imposed over the producing life of the reserves. Many of these factors are subject to change and are beyond Spud's control. In particular, the prices of, and markets for, oil and natural gas products may change from those anticipated at the time of making such assessment. In addition, all such assessments involve a measure of geologic and engineering uncertainty which could result in materially lower production and reserves than anticipated.

Forward-Looking Information may Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Additional information on the risks, assumptions and uncertainties are found in this AIF under the heading "Forward-Looking Statements".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of the Corporation, there are no legal proceedings or regulatory actions material to the Corporation to which the Corporation is a party or of which any of its properties are the subject matter, nor are any such proceedings known to the Corporation to be contemplated.

Since the beginning of the most recently completed financial year there have not been any penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment decision, and the Corporation has not entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF, to the knowledge of the directors and officers of the Corporation, none of the directors or executive officers of the Corporation, nor any person or Corporation that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, nor any of their respective associates or affiliates, has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the Corporation's current year or in any proposed transaction which has materially affected or is reasonably expected to materially affect the Corporation except:

- On July 11, 2012, EPL completed the Acquisition, pursuant to which it acquired 50,659,076 Jura Shares, or approximately 73.3% of the issued and outstanding Jura Shares, in consideration for the acquisition by Jura of all of the issued and outstanding shares of Spud.
- Effective February 20, 2013, Jura entered into a loan agreement (the "**Loan Agreement**") with EPL pursuant to which EPL agreed to provide Jura with a bridge loan facility (the "**Facility**") with a maximum aggregate principal amount of C\$11,000,000 to enable Jura to satisfy the cash call requirements associated with its Leases and Exploration Licenses and for general working capital purposes. The Facility will be repayable at the demand of EPL on the earlier of: (i) the first anniversary of the date of the Loan Agreement; and (ii) ten business days after the closing of a "Qualifying Financing", being a debt or equity financing by Jura for an amount in excess of the aggregate of amounts drawn under the Facility. The principal amount of advances outstanding at any time, and any overdue interest outstanding, will bear interest at the US Dollar 3-month LIBOR plus 4%, compounded quarterly, not in advance. Subject to certain restrictions, EPL may at its option elect to convert, in whole or in part, the principal and accrued interest under the Facility for a subscription of Jura Shares, on the basis of one Jura Share for each \$1.00 so converted.
- Jura proposes to enter into a management services agreement (the "Management Services Agreement") with JS Investment Consultancy FZE and JS North Asia Investments Limited (each a "Consultant" and collectively, the "Consultants"), each an affiliate of EPL. By entering into the Management Services Agreement, Jura anticipates receiving the benefits of the Consultants' extensive network of contacts, offices and specialists in Pakistan and internationally. The Management Services Agreement and fees payable thereunder have been approved by the independent directors of Jura unrelated to the transaction (subject to TSX acceptance of the Management Services Agreement). Under the Management Services Agreement, the Consultants will receive quarterly fees of \$62,500 in aggregate (equal to \$250,000 per annum). The term of the Management Services Agreement will continue indefinitely unless terminated on at least ninety days' written notice by any party to each of the other parties.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Jura Shares is Olympia Trust Company, Suite 2300, 125 - 9th Ave SE, Calgary, Alberta T2G 0P6.

MATERIAL CONTRACTS

Other than the following contracts, there are no material contracts entered into by the Corporation or its subsidiaries during the most recently completed financial year or since January 1, 2002 which are still in effect other than contracts entered into in the ordinary course of business:

- the Loan Agreement;
- the trust agreement between Spud and EEL dated January 3, 2011 pursuant to which EEL holds an 11% and a 12% Working Interest in the Sanjawi and Zamzama North concessions, respectively, for the benefit of Spud;
- the share purchase agreement between Spud and Jahangir Siddiqui & Sons Limited dated December 28, 2011 pursuant to which Spud agreed to purchase EEL for consideration of \$1,000;
- the Badar Lease;
- the Zarghun South Lease;
- the Sara and Suri Leases;
- the Kandra Lease;
- the Sanjawi Exploration License;
- the Sanjawi Farm-Out Agreement;
- the Zamzama Exploration License;
- the Zamzama Farm-Out Agreement;
- the Guddu Exploration License;
- the Guddu Farm-Out Agreement;
- the Mirpur Mathelo Exploration License;
- the Salam Exploration License;
- the Badin IV North License;
- the Badin IV South License;
- the farm-in agreement between Spud and Mari Petroleum dated January 31, 2002 relating to the acquisition by Spud of its Working Interest in Zarghun South;

- the Ghauspur supplemental agreement between the President of the Islamic Republic of Pakistan, Premier Exploration Pakistan Limited, Sherritt, OGDCL and Spud dated July 12, 1997 relating to the acquisition by Spud of its Working Interest in Badar; and
- the gas processing agreement between PEL and OGDCL dated February 7, 2006 relating to the acquisition by Spud of its Working Interest in Badar.

INTERESTS OF EXPERTS

Reserves estimates contained in this AIF are derived from a report prepared by DeGolyer, an independent reserves evaluator. As at the date hereof, to the knowledge of the Corporation, neither DeGolyer nor its officers, directors, employees or consultants beneficially own, directly or indirectly, any of the outstanding common shares of the Corporation. In addition, none of the officers, directors, employees or consultants of DeGolyer are currently expected to be elected, appointed or employed as a director, officer or employee of the Corporation or any of its associates or affiliates.

As of the date of this AIF, PricewaterhouseCoopers LLP, Chartered Accountants have reported that they are independent in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information regarding Jura may be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, the principal holders of common shares and the securities authorized for issuance under equity compensation plans, is contained in the Corporation's information circular relating to the annual meeting of shareholders to be held May 17, 2013, or any adjournment thereof. Additional financial information is provided in the annual audited consolidated financial statements of the Corporation and the management's discussion and analysis for the financial year ended December 31, 2012.

APPENDIX A
JURA ENERGY CORPORATION
AUDIT COMMITTEE MANDATE

1. Policy Statement

It is the policy of Jura Energy Corporation (the “Corporation”) to establish and maintain an Audit Committee (the “Committee”), composed entirely of independent directors, to assist the Board of Directors (the “Board”) in carrying out their oversight responsibility for the Corporation’s internal controls, financial reporting and risk management processes. The Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board including administrative support. If determined necessary by the Committee, it will have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the standing authority to retain special counsel or experts.

2. Composition of the Committee

- (a) The Committee shall consist of a minimum of three (3) directors. The Board shall appoint the members of the Committee and may seek the advice and assistance of the Corporate Governance and Nominating Committee in identifying qualified candidates. The Board shall appoint one member of the Committee to be the Chair of the Committee, or delegate such authority to appoint the Chair of the Committee to the Committee.
- (b) Each director appointed to the Committee by the Board shall be an independent director free from any direct or indirect relationship with the Corporation that, in the Board’s view, would or could reasonably interfere with the director’s independent judgment. In determining whether a director is independent, the Board shall make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities.
- (c) Each member of the Committee shall be financially literate. In order to be financially literate, a director must be, at a minimum, able to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements. At least one member of the Committee shall have accounting or related financial management expertise, meaning the ability to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with generally accepted accounting principles. In determining whether a member of the Committee is financially literate or has accounting or related financial expertise, reference shall be made to the then current legislation, rules, policies and instruments of applicable regulatory authorities.
- (d) A director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

3. Meetings of the Committee

- (a) The Committee shall convene a minimum of four times each year at such times and places as may be designated by the Chair of the Committee and whenever a meeting is requested by the Board, a member of the Committee, the auditors, or senior management of the Corporation. Scheduled meetings of the Committee shall correspond with the review of the annual financial statements, interim financial reports and management discussion and analysis.

- (b) Notice of each meeting of the Committee shall be given to each member of the Committee and to the external auditors, who shall be entitled to attend each meeting of the Committee and shall attend whenever requested to do so by a member of the Committee. The Committee shall ensure that the external auditors are heard at those meetings on matters relating to the external auditors' duties.
- (c) Notice of a meeting of the Committee shall:
 - (i) be in writing, including by electronic communication facilities;
 - (ii) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (iii) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and
 - (iv) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.
- (d) A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee. However, it shall be the practice of the Committee to require review, and, if necessary, approval of certain important matters by all members of the Committee.
- (e) A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
- (f) In the absence of the Chair of the Committee, the members of the Committee shall choose one of the members present to be Chair of the meeting. In addition, the members of the Committee shall choose one of the persons present to be the Secretary of the meeting.
- (g) A member of the Board, senior management of the Corporation and other parties may attend meetings of the Committee; however the Committee (i) shall meet with the external auditors independent of other individuals other than the Committee and (ii) may meet separately with management.
- (h) Minutes shall be kept of all meetings of the Committee and shall be signed by the Chair and the Secretary of the meeting.

4. Duties and Responsibilities of the Committee

- (a) The Committee's primary duties and responsibilities are to:
 - (i) identify and monitor the management of the principal risks that could impact the financial reporting of the Corporation;
 - (ii) monitor the integrity of the Corporation's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;

- (iii) monitor the independence and performance of the Corporation's external auditors;
 - (iv) deal directly with the external auditors to approve external audit plans, other services (if any) and fees;
 - (v) directly oversee the external audit process and results (in addition to items described in Section 4(d) below);
 - (vi) provide an avenue of communication among the external auditors, management and the Board; and
 - (vii) carry out a review designed to ensure that an effective "whistle blowing" procedure exists to permit stakeholders to express any concerns regarding accounting or financial matters to an appropriately independent individual.
- (b) The Committee shall have the authority to:
- (i) inspect any and all of the books and records of the Corporation and its affiliates;
 - (ii) discuss with the management of the Corporation and its affiliates, any affected party and the external auditors, such accounts, records and other matters as any member of the Committee considers necessary and appropriate;
 - (iii) engage independent counsel and other advisors as it determines necessary to carry out its duties;
 - (iv) establish and pay the compensation for any advisors employed by the Committee; and
 - (v) communicate directly with the external auditors and, if applicable, internal auditors.
- (c) The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.
- (d) The Committee shall, in connection with the financial aspects of the Corporation's business:
- (i) review the audit plan with the Corporation's external auditors and with management;
 - (ii) discuss with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of material risks and uncertainties and key estimates and judgements of management that may be material to financial reporting;
 - (iii) review with management and with the external auditors material financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;

- (iv) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or material accounting issues on which there was a disagreement with management;
 - (v) review with management the process of identifying, monitoring and reporting the principal risks affecting financial reporting;
 - (vi) review and evaluate any recommendations of the external auditors and decide the appropriate course of action;
 - (vii) review audited annual financial statements and management's discussion and analysis report, and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all material variances between comparative reporting periods;
 - (viii) consider and review with management, the auditor's communications, including the Auditor's Audit/Review Findings Report, or any document containing the recommendations of the external auditors and management's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of the Corporation and subsequent follow-up to any identified weaknesses;
 - (ix) review, independently of management, and without management present, the results of the annual external audit, the audit report thereon and the auditor's review of the related management's discussion and analysis, and discuss with the external auditors the quality of accounting principles used, any alternative treatments of financial information that have been discussed with management, the ramifications of their use and the auditor's preferred treatment and any other material communication with management;
 - (x) review with management and the external auditors the interim unaudited financial reports and management discussion and analysis before release to the public;
 - (xi) before release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management's discussion and analysis and press releases; and
 - (xii) oversee any of the financial affairs of the Corporation or its affiliates, and, if deemed appropriate, make recommendations to the Board, external auditors or management.
- (e) The Committee shall, in connection with the external auditors of the Corporation:
- (i) confirm that the external auditors report directly to the Committee;
 - (ii) review the fees and any other compensation to be paid to the external auditors;
 - (iii) review all material written communications between the external auditors and management;

- (iv) evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditors or the discharge of the external auditors when circumstances are warranted, and the compensation of the external auditors;
 - (v) consider the recommendations of management in respect of the appointment of the external auditors;
 - (vi) pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by its external auditors, or the external auditors of affiliates of the Corporation subject to the overriding principle that the external auditors not being permitted to be retained by the Corporation to perform internal audit outsourcing services, financial information systems work and expert services. Notwithstanding the above, the foregoing pre-approval of non-audit services may be delegated to a member of the Committee, with any decisions of the member with the delegated authority reporting to the Committee at the next scheduled meeting;
 - (vii) approve the engagement letter for non-audit services to be provided by the external auditors or affiliates, together with estimated fees, and considering the potential impact of such services on the independence of the external auditors;
 - (viii) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to the then current legislation, rules, policies and instruments of applicable regulatory authorities and the planned steps for an orderly transition period; and
 - (ix) review all reportable events, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.
- (f) The Committee shall review and obtain reasonable assurance that the financial risk management, internal control and disclosure control systems of the Corporation are operating effectively to produce accurate, appropriate and timely management of financial risks and financial information, including:
- (i) reviewing, at least annually, the financial risk management policies and practices of the Corporation as such relate to financial matters and accounting, it being recognized that the Board is responsible for the review of the overall risk management affecting the Corporation;
 - (ii) obtaining reasonable assurance from management or external sources as deemed appropriate that the disclosure control systems are reliable and the systems of disclosure and internal controls are properly designed and effectively implemented through discussions with and reports from management, the internal auditors, if applicable, and the external auditors, as deemed appropriate by the Committee;
 - (iii) reviewing management steps to implement and maintain appropriate internal control procedures; and
 - (iv) monitoring compliance with statutory and regulatory obligations.

- (g) The Committee shall enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters, which are directed to the Committee by any member of the Board, a shareholder of the Corporation, the external auditors, or senior management.
- (h) The Committee shall periodically review with management the need for an internal audit function.
- (i) The Committee shall review the Corporation's accounting and reporting of costs, liabilities and contingencies.
- (j) The Committee shall establish and maintain procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Corporation or concerns regarding questionable accounting or auditing matters.
- (k) The Committee shall review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors.
- (l) The Committee shall review, on no less than an annual basis, any legal matter that could have a material impact on the Corporation's financial statements, and any enquiries received from regulators, or government agencies.
- (m) The Committee shall: (i) review and approve any material changes to the corporate structure of the Corporation related to tax planning as proposed by management of the Corporation and (ii) review all material tax issues of the Corporation.
- (n) The Committee shall review any related party transactions between the Corporation and directors and officers of the Corporation.
- (o) The Committee shall approve the appointment or removal of the Chief Financial Officer of the Corporation, subject to the recommendation of the Compensation Committee and the final approval of the Board.
- (p) The Committee shall assess, on an annual basis, the adequacy of this Mandate and the performance of the Committee.

5. Date of Mandate

The Board approved this Mandate on March 20, 2013. This Mandate is effective from and after March 20, 2013.

APPENDIX B
FORM 51-101F1
STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

The 2012 Reserves Data set forth below is based upon the evaluation by DeGolyer of the reserves associated with Jura's assets and the value of future net revenue attributable to such reserves. The DeGolyer 2012 Report has been prepared in accordance with the standards contained in the COGE Handbook and the reserves definitions contained in NI 51-101 and the COGE Handbook. The 2012 Reserves Data summarizes the oil, liquids and natural gas reserves associated with Jura's assets and properties and the net present values of future net revenue for these reserves using forecast prices and costs as at December 31, 2012.

All evaluations of future revenue are stated after the deduction of future income tax expenses (unless otherwise noted in the tables), royalties, development costs, production costs and well abandonment costs but before consideration of indirect costs such as administrative, overhead and other miscellaneous expenses. The estimated future net revenue contained in the following tables does not represent the fair market value of reserves associated with Jura's assets and properties. There is no assurance that the forecast price and cost assumptions contained in the DeGolyer 2012 Report will be attained and variances could be material. Other assumptions and qualifications relating to costs and other matters are summarized in the notes to the following tables. The recovery and reserves estimates for Jura's assets and properties described herein are estimates only and there is no guarantee that the estimated reserves will be recovered. The actual reserves for Jura's assets and properties may be greater or less than those calculated. In the various reserves related tables included herein, columns may not add due to rounding.

All of Jura's oil and natural gas reserves are located in Pakistan. The following table summarizes the reserves evaluated at December 31, 2012 using forecast prices and costs.

Unless otherwise indicated, references herein to "\$" or "dollars" are to United States (U.S.) dollars.

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
As of December 31, 2012

Forecast Prices and Costs

Reserves Category	Light and Medium Oil		Heavy Oil		Natural Gas⁽⁹⁾		Natural Gas Liquids	
	Gross (MBbls)	Net (MBbls)	Gross (MBbls)	Net (MBbls)	Gross⁽¹⁰⁾ (MMcf)	Net⁽¹¹⁾ (MMcf)	Gross⁽¹⁰⁾ (MBbls)	Net⁽¹¹⁾ (MBbls)
PROVED ⁽¹⁾								
Developed Producing ⁽²⁾	-	-	-	-	1,400	1,225	-	-
Developed Non-Producing ⁽³⁾	-	-	-	-	6,554	5,735	2	2
Undeveloped ⁽⁴⁾	-	-	-	-	55,549	47,986	3	2
TOTAL PROVED	-	-	-	-	63,503	54,946	5	4
TOTAL PROBABLE ⁽⁵⁾	-	-	-	-	130,596	112,685	7	6
TOTAL PROVED PLUS PROBABLE ⁽⁶⁾	-	-	-	-	194,099	167,631	12	10
POSSIBLE ⁽⁷⁾	-	-	-	-	10,177	8,899	3	3

Forecast Prices and Costs

Reserves Category	Light and Medium Oil		Heavy Oil		Natural Gas ⁽⁹⁾		Natural Gas Liquids	
	Gross (MBbls)	Net (MBbls)	Gross (MBbls)	Net (MBbls)	Gross ⁽¹⁰⁾ (MMcf)	Net ⁽¹¹⁾ (MMcf)	Gross ⁽¹⁰⁾ (MBbls)	Net ⁽¹¹⁾ (MBbls)
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE ⁽⁸⁾	-	-	-	-	204,276	176,530	15	13

Net Present Value ⁽¹²⁾ of Future Net Revenue Based on Forecast Prices and Costs						Unit Value Disc. @ 10%/Yr (13) (\$/Boe)
	Before Deducting Income Taxes Discounted At					
Reserves Category	0% (\$000s)	5% (\$000s)	10% (\$000s)	15% (\$000s)	20% (\$000s)	
PROVED ⁽¹⁾						
Developed Producing ⁽²⁾	1,291	1,152	1,040	950	875	4.92
Developed Non-Producing ⁽³⁾	7,692	6,234	5,052	4,081	3,276	5.10
Undeveloped ⁽⁴⁾	105,587	71,879	49,207	33,613	22,681	5.95
TOTAL PROVED	114,570	79,265	55,299	38,644	26,832	5.83
TOTAL PROBABLE ⁽⁵⁾	300,845	146,656	82,841	52,740	36,769	4.26
TOTAL PROVED PLUS PROBABLE ⁽⁶⁾	415,415	225,921	138,140	91,384	63,601	4.78
TOTAL POSSIBLE ⁽⁷⁾	24,003	18,340	14,765	12,279	10,445	9.61
TOTAL PROVED PLUS	439,418	244,261	152,905	103,663	74,046	5.02
PROBABLE PLUS POSSIBLE ⁽⁸⁾						

Net Present Value⁽¹²⁾ of Future Net Revenue Based on Forecast Prices and Costs

After Deducting Income Taxes Discounted At					
Reserves Category	0% (\$000s)	5% (\$000s)	10% (\$000s)	15% (\$000s)	20% (\$000s)
PROVED ⁽¹⁾					
Developed Producing ⁽²⁾		1,291	1,152	1,040	950
Developed Non-Producing ⁽³⁾		7,692	6,234	5,052	4,081
Undeveloped ⁽⁴⁾		105,587	71,879	49,207	33,613
TOTAL PROVED		114,570	79,265	55,299	38,644
TOTAL PROBABLE ⁽⁵⁾		214,997	106,885	56,435	40,767
TOTAL PROVED PLUS PROBABLE ⁽⁶⁾		329,567	186,150	111,734	79,411
TOTAL POSSIBLE ⁽⁷⁾		17,023	13,108	16,377	9,208
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE ⁽⁸⁾		346,590	199,258	128,111	88,619

Notes to Reserves Data Tables:

- (1) "Proved Reserves" means 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. At least a 90% probability that the quantities actually recovered will equal or exceed the estimated Proved Reserves is the target level of certainty.

- (2) **“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.
- (3) **“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.
- (4) **“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 reserve classification (proved, probable, possible) to which they are assigned.
- (5) **“Probable Reserves”** means 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. At least a 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved plus Probable Reserves is the target level of certainty.
- (6) **“Proved plus Probable Reserves”** means the aggregate of Proved Reserves and Probable Reserves.
- (7) **“Possible Reserves”** means 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. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of Proved plus Probable plus Possible Reserves.
- (8) **“Proved plus Probable plus Possible Reserves”** means the aggregate of Proved Reserves, Probable Reserves and Possible Reserves.
- (9) Estimates of reserves of natural gas include associated and non-associated gas.
- (10) **“Gross Reserves”** are Jura’s Working Interest (operating or non-operating) reserves before the deduction of royalties and without including any royalty interests.
- (11) **“Net Reserves”** are Jura’s Working Interest (operating or non-operating) reserves after deductions of royalty obligations plus Jura’s royalty interests.
- (12) (Net Present Value of Future Net Revenue includes all resource income: sale of oil, gas, by-product reserves; processing of third party reserves; other income.
- (13) The unit values are based on net reserve volumes before income tax.
- (14) Income taxes include all resource income, appropriate income tax calculations and prior tax pools.
- (15) **“Reserves”** or **“reserves”** are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on: (a) analysis of drilling, geological, geophysical and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates.
- (16) Numbers may not add exactly due to rounding.

Total Future Net Revenue (Undiscounted)
As of December 31, 2012

Forecast Prices and Costs

Reserves Category	Revenue (\$000s)	Royalties (\$000s)	Operating Costs (\$000s)⁽¹⁾	Development Costs (\$000s)	Abandonment And Reclamation Costs (\$000s)	Future Net Revenue Before Income Taxes (\$000s)	Income Taxes (\$000s)	Future Net Revenue After Income Taxes (\$000s)
Proved	221,356	29,565	32,537	42,845	1,840	114,570	-	114,570
Proved plus Probable	665,709	89,966	102,393	55,182	2,754	415,415	85,848	329,567
Proved plus Probable plus Possible	711,679	95,733	112,375	61,058	3,095	439,418	92,828	346,590

Note:

- (1) Operating cost less processing and other income.

**Future Net Revenue By Production Group
As of December 31, 2012
Forecast Prices and Costs**

Reserves Category	Production Group	Future Net Revenue Before Income Taxes (discounted at 10%/year) (\$000s)	Unit Value Before Income Taxes (discounted at 10%/ year) (\$/Boe)
Proved	Light and medium crude Oil ⁽¹⁾	-	-
	Heavy Oil	-	-
	Associated and Non-Associated Gas ⁽²⁾	55,299	5.84
	Non-conventional Oil & Gas Activities	-	-
Proved plus Probable	Light and Medium Crude Oil ⁽¹⁾	-	-
	Heavy Oil	-	-
	Associated and Non-Associated Gas ⁽²⁾	138,140	4.78
	Non-conventional Oil & Gas Activities	-	-
Proved plus Probable plus Possible	Light and Medium Crude Oil ⁽¹⁾	-	-
	Heavy Oil	-	-
	Associated and Non-Associated Gas ⁽²⁾	152,905	5.02
	Non-conventional Oil & Gas Activities	-	-

Notes:

- (1) Includes solution gas.
- (2) Includes by-products but excludes solution gas from oil wells.

Summary of Pricing and Inflation Rate Assumptions

Gas prices used by DeGolyer in preparing this 2012 Reserves Data were based on: the price notified for Badar field, equal to \$2.34/MMBtu as of December 31, 2012; the Guddu (Reti-Marua Gas Field) gas price of \$5.44/mmcft under Petroleum Policy 2012; the Zarghun South price, equal to \$2.73/MMBtu for conventional gas reservoir and \$ 6.74/MMBtu for tight gas reservoir; NGL price of \$65 per barrel; and the Kandra gas price of \$8.75/MMBtu under low Btu Policy. These prices have been adjusted for transportation differentials and quality in the properties based on the lease operating statements. The above prices were held constant for the life of the project

The weighted average historical prices realized by Jura for the financial year ended December 31, 2012, was \$2.34/MMBtu for natural gas.

Reconciliation of Changes in Reserves

The following tables set forth a reconciliation of the changes in gross total company working interest reserve volumes as at December 31, 2012 against such gross reserves as at September 30, 2011, in respect of Jura's properties in connection with the Acquisition, based on the forecast prices and costs assumptions:

	Natural Gas			NGLs		
	Proved	Probable	Proved plus Probable	Proved	Probable	Proved plus Probable
	(MMcf)	(MMcf)	(MMcf)	(MBbls)	(MBbls)	(MBbls)
September 30, 2011 ⁽¹⁾	-	-	-	-	-	-
Technical	-	-	-	-	-	-
Exploration	-	-	-	-	-	-
Discoveries	-	-	-	-	-	-
Infill Drilling	-	-	-	-	-	-
Drilling extensions	-	-	-	-	-	-
Improved recovery	-	-	-	-	-	-
Acquisitions	63,697	130,596	194,293	5	7	12
Production	(194)	-	-	-	-	-
Economic Factors	-	-	(194)	-	-	-
December 31, 2012	63,503	130,596	194,099	5	7	12

	Light Crude Oil			Total		
	Proved	Probable	Proved plus Probable	Proved	Probable	Proved plus Probable
	(MBbls)	(MBbls)	(MBbls)	(MBoe)	(MBoe)	(MBoe)
August 31, 2011 ⁽¹⁾	-	-	-	-	-	-
Technical	-	-	-	-	-	-
Exploration	-	-	-	-	-	-
Discoveries	-	-	-	-	-	-
Infill Drilling	-	-	-	-	-	-
Drilling extensions	-	-	-	-	-	-
Improved recovery	-	-	-	-	-	-
Acquisitions	-	-	-	10,987	22,524	33,511
Production	-	-	-	(33)	-	(33)
Economic Factors	-	-	-	-	-	-
December 31, 2012	-	-	-	10,954	22,254	33,477

Notes:

- (1) As Jura had no reserves and Spud was not a reporting issuer under the securities legislation in any jurisdiction in Canada prior to the completion of the Acquisition on July 11, 2012, no evaluation report in respect of Jura's or Spud's reserves was prepared in accordance with the requirements of NI 51-101 as at September 30, 2011.
- (2) Figures may not add due to rounding.
- (3) The Corporation has no unconventional reserves (including, for example, bitumen, synthetic crude oil, coalbed methane), nor any heavy oil.

ADDITIONAL INFORMATION RELATING TO RESERVES DATA

Undeveloped Reserves

The following table sets forth the Proved Undeveloped Reserves and the Probable Undeveloped Reserves, each by product type, attributed to Jura's assets for the financial year ended December 31, 2012 based on forecast prices and costs.

Company Gross Reserves First Attributed by Year

Product Type	Units	2010	2011	2012	Total
Proved Undeveloped					
Light & Medium Oil	MBbls	-	-	-	-
Heavy Oil	MBbls	-	-	-	-
Natural Gas	MMcf	-	-	55,549	55,549
Natural Gas Liquids	MBbls	-	-	3	3
Total: Oil Equivalent	MBbls	-	-	9,580	9,580
Probable Undeveloped					
Light & Medium Oil	MBbls	-	-	-	-
Heavy Oil	MBbls	-	-	-	-
Natural Gas	MMcf	-	-	125,445	125,445
Natural Gas Liquids	MBbls	-	-	5	5
Total: Oil equivalent	MBbls	-	-	21,633	21,633

Undeveloped reserves are attributed by DeGolyer in accordance with standards and procedures contained in the COGE Handbook. Proved Undeveloped Reserves are those Reserves that can be estimated with a high degree of certainty and are expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production. Probable Undeveloped Reserves are those Reserves that are less certain to be recovered than Proved Reserves and are expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production.

Jura is planning to develop its Proved Undeveloped Reserves over the next two years through commencement of development activities and further drilling of development wells where deemed necessary to achieve optimal depletion of reserves. Jura is planning to develop its Probable Undeveloped Reserves over the next two years through geological and geophysical studies, seismic acquisition/interpretation and the drilling of appraisal/exploratory wells.

Significant Factors or Uncertainties

The process of evaluating reserves is inherently complex. It requires significant judgments and decisions based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices and economic conditions and other factors and assumptions that may affect the reserve estimates and the present worth of the future net revenue therefrom. These factors and assumptions include, among others: (i) historical production in the area compared with production rates from analogous producing areas; (ii) initial production rates; (iii) production decline rates; (iv) ultimate recovery of reserves; (v) success of future development activities; (vi) marketability of production; (vii) effects of government regulations; and (viii) other government levies imposed over the life of the reserves.

As circumstances change and additional data becomes available, reserve estimates also change. Estimates are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions and government restrictions. Revisions to reserve estimates can arise from changes in year-end prices, reservoir performance and geological conditions or production. These revisions can be either positive or negative.

While Jura does not anticipate that any significant economic factors or significant uncertainties will affect any particular components of the reserves data, the reserves can be affected significantly by fluctuations in product pricing, capital expenditures, operating costs, royalty regimes and well performance that are beyond the control of Jura. See “*Risk Factors*”.

Future Development Costs

The following table sets forth the development costs deducted in estimating Jura’s future net revenue attributable to the reserve categories set forth below as of December 31, 2012, stated with no discount and a discount rate of 10%, as indicated:

Year	Forecast Prices and Costs	
	Proved Reserves (\$000s)	Proved Plus Probable Reserves (\$000s)
2013	18,914	18,914
2014	21,014	21,014
2015	336	336
2016	2,581	5,381
2017	-	-
Thereafter	-	9,537
Total Undiscounted	42,845	55,182
Discounted @ 10%	37,020	41,762

Note:

- (1) Future development costs shown are associated with booked reserves in the DeGolyer 2012 Report and do not necessarily represent Jura’s full exploration and development budget.

Future development costs will be funded through a combination of funds from operations and future capital injections. Jura’s management does not anticipate that costs incurred in connection with future development will have a material adverse impact on the economic viability of the reserves.

OTHER OIL AND GAS INFORMATION

Description of Principal Oil and Gas Properties

For a description of Jura’s principal oil and gas properties, see “Description of the Business – Principal Areas”.

Oil and Gas Wells

The following table sets out the number and status of oil and gas wells associated with the Jura properties in which Jura held a Working Interest and which were producing, or considered to be capable of production, as at December 31, 2012.

	Oil		Natural Gas	
	Gross	Net	Gross	Net
Badar				
Producing	-	-	1	0.08
Non-producing	-	-	-	-
Zarghun South				
Producing	-	-	-	-
Non-producing	-	-	2	0.8

	Oil		Natural Gas	
	Gross	Net	Gross	Net
Guddu				
Producing	-	-	-	-
Non-producing	-	-	4	0.42
Kandra				
Producing	-	-	-	-
Non-producing	-	-	4	1.5
Total				
Producing	-	-	1	0.08
Non-producing	-	-	9	2.65

Properties with no Attributed Reserves

The following table sets information concerning Jura's assets with no attributed reserves as at December 31, 2012.

Unproved Properties	Gross Acres ⁽¹⁾	Net Acres ⁽²⁾
Sanjawi	558,080	150,682
Zamzama North	303,743	72,898
Badin IV North	959,866	184,139
Badin IV South	510,655	140,430

Notes:

- (1) "Gross Acres" are the total acres in which Jura has or had an interest.
- (2) "Net Acres" is the aggregate of the total acres in which Jura has or had an interest multiplied by Jura's Working Interest percentage held therein.

Jura expects that all Exploration Licenses in respect of its unproved properties will be renewed. Accordingly, it does not expect that any of its rights to explore, develop and exploit its unproved properties will expire within one year.

The following tables set out the nature, timing, and cost of outstanding minimum work commitments under Exploration Licenses for the above properties:

Zamzama Exploration License			
Phase 1 – Year	Work Program	Minimum Financial Commitment	Minimum Financial Commitment
		Gross (US\$MM)	Net (US\$MM)
Three	Three exploratory wells (firm) to a depth of 3,700 m or 100 m in Pab Sandstone, whichever is shallower	5.1	1.2
	Total	5.1	1.2

Award date: December 15, 2007

Exploration License Status: Phase I of the exploration license for the Zamzama Exploration License expired on December 14, 2011. Accordingly, an application for extension has been made to the DGPC.

Sanjawi Exploration License			
Phase 1 - Year	Work Program	Minimum Financial Commitment Gross (\$MM)	Minimum Financial Commitment Net (\$MM)
One	Acquisition of 330 L.Km of 2D seismic data	2.475	0.669
Two	Processing and interpretation of data	0.350	0.100
Three	Drilling of 2 wells. Objectives are Dunghan, Parh and Chiltan. Committed well depth is Chiltan Limestone or 1,750 metres, whichever is shallower	6.500	1.755
	Total	9.325	2.733

Award date: November 16, 2007

Exploration License Status: An application for force majeure was made to the DGPC on October 26, 2011 and remains subject to DGPC approval.

Badin IV North Exploration License			
Phase 1 - Year	Work Program	Minimum Financial Commitment Gross(\$MM)	Minimum Financial Commitment Net (\$MM)
Three	One exploratory well to test the potential of the lower Goru	1.3	0.36
	Total	1.3	0.36

Award date: January 5, 2006

Exploration License Status: The Badin IV North Exploration License expires in June 2013.

Phase 1 - Year	Work Program	Minimum Financial Commitment Gross/Net (\$MM)
Three	Three exploratory Well up to 2,500 metres	3.75
	One exploratory well up to 2,800 metres	1.30
	Total	5.05

Award date: January 5, 2006

Exploration License Status: The Badin IV South Exploration License expires in July 2013.

Significant Factors or Uncertainties Relevant to Properties with no Attributed Reserves

The development of properties with no attributed reserves can be affected by a number of factors including, but not limited to, project economics, forecasted commodity price assumptions, cost estimates and access to infrastructure. These and other factors could lead to the delay or the acceleration of projects related to these properties.

Other than the Sanjawi Exploration License, in respect of which Heritage Oil (as operator) has submitted an application for the declaration of a force majeure due to the security situation and lack of free and orderly access to the Sanjawi Block, there are no significant economic factors or uncertainties that may affect the anticipated development or production of Jura's properties with no attributed reserves.

The Zamzama North Concession is located in the immediate vicinity of existing pipeline infrastructure. No pipeline facilities exist near the Sanjawi Concession. If the resource potential of the Sanjawi area is confirmed, the construction of major pipeline facilities would be warranted.

Forward Contracts

There are no contracts under which Jura may be precluded from fully realizing, or may be protected from the full effect of, future market prices for oil or gas.

Jura is under no transportation obligations or commitments for future physical deliveries of oil or gas which exceed Jura's expected related future production from its proved reserves.

Costs Incurred

The following table summarizes capital expenditures made by Jura for the financial year ended December 31, 2012.

	(\$000s)
Property Acquisition Costs:	
Proved Properties	3
Unproved Properties	-
Exploration Costs	744
Development Costs	1,118
Total	1,865

Exploration and Development Activities

For the financial year ended December 31, 2012, Jura participated in the following exploration and development wells.

	Number of Wells Drilled					
	Exploration		Development		Total	
	Gross	Net	Gross	Net	Gross	Net
Oil	-	-	-	-	-	-
Natural gas	-	-	-	-	-	-
Service	-	-	-	-	-	-
Stratigraphic Test	-	-	-	-	-	-
Dry	-	-	-	-	-	-
Total	-	-	-	-	-	-

For details in respect of the important current and likely exploration and development activities, see "Description of the Business – Principal Areas".

Abandonment and Reclamation Costs

Jura has estimated the cost to perform well abandonment and reclamations by taking into account well depths, geographical location, existing well status and tangible assets. A well's abandonment is scheduled to occur after the total Proved Plus Probable production forecast deems the well no longer capable of production. Where possible, a well's abandonment is scheduled as part of a multi-well program to achieve an economy of scale. The total number of wells in which Jura will incur this cost is currently forecast to be 9 gross (2 net) wells. The expected cost to be incurred in respect of Proved Reserves, net of salvage value, is \$177,000 without discount and \$70,000 using a discount rate of 10%. The expected cost to be incurred in respect of Proved plus Probable Reserves, net of salvage value, is \$193,000 without discount and \$47,000 using a discount rate of 10%.

The following table sets forth the abandonment costs deducted in the estimation of Jura's future net revenue:

Forecast Prices and Costs (Total Proved) (\$000s)

Year	Abandonment Costs (Undiscounted)
2013	-
2014	-
2015	-
Thereafter	1,840
Total Undiscounted	1,840
Total Discounted @ 10%	796

Forecast Prices and Costs (Total Proved plus Probable) (\$000s)

Year	Abandonment Costs (Undiscounted)
2013	-
2014	-
2015	-
Thereafter	2,754
Total Undiscounted	2,754
Total Discounted @ 10%	515

Tax Horizon

As at December 31, 2012, Jura had cumulative assessed tax losses totalling \$19.6 million and unclaimed exploration expenditures totalling \$75.0 million. Based on these figures and Jura's expected future revenue stream, it is expected that Jura will not be in a tax-paying situation until 2017 upon the anticipated commencement of commercial production from the Guddu Exploration License, Kandra Lease and the Zarghun South Lease.

Production Estimates

The following table is a summary of the gross volume of Jura's estimated production for 2013.

Reserve Category	Light and Medium Oil (Bbls/d)	Heavy Oil (Bbls/d)	Conventional Natural Gas (Mcf/d)	Natural Gas Liquids (Bbls/d)	Oil Equivalent (Boe/d)
Gross Proved					
Badar	-	-	1,208	-	208
Guddu	-	-	397	-	68
Zarghun	-	-	1,564	-	270
South ⁽¹⁾					
Total Proved	-	-	3,170	-	547
Gross Proved plus Probable					
Badar	-	-	1,236	-	213
Guddu	-	-	403	-	69
Zarghun	-	-	2,373	-	410
South ⁽²⁾					
Total Proved plus Probable	-	-	4,011	-	693

Notes:

- (1) Gas production from Zarghun South includes 630 MMscf/d of tight gas.
- (2) Gas production from Zarghun South includes 726 MMscf/d of tight gas.

Production History

The following table summarizes Jura's average daily production before deduction of royalties, for the periods indicated.

Product	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Light and Medium Crude Oil (Bbls/d)	-	-	-	-	-
NGLs (Bbls/d)	-	-	-	-	-
Natural Gas (Mcf/d)	-	-	-	1,285	1,272
Total (Boe/d)	-	-	-	221	219

Note:

- (1) Jura's most recently completed financial year commenced on September 30, 2011 and ended December 31, 2012.

Netback History

The following table sets forth certain production information in respect of product prices received, royalties paid, operating expenses and resulting netback associated with Jura's assets for the periods indicated.

Netback History		\$ per unit of production			
Product Type		Price Received	Royalties Paid	Production Costs	Netbacks
Light & Medium Crude Oil (\$/Bbl)	Q4 2011	-	-	-	-
	Q1 2012	-	-	-	-
	Q2 2012	-	-	-	-
	Q3 2012	-	-	-	-
	Q4 2012	-	-	-	-
Heavy Oil (\$/Bbl)	Q4 2011	-	-	-	-
	Q1 2012	-	-	-	-
	Q2 2012	-	-	-	-
	Q3 2012	-	-	-	-
	Q4 2012	-	-	-	-
Natural Gas (\$/Mcf)	Q4 2011	-	-	-	-
	Q1 2012	-	-	-	-
	Q2 2012	-	-	-	-
	Q3 2012	1.35	0.14	0.27	0.94
	Q4 2012	1.35	0.14	0.93	0.28
Natural Gas Liquid (\$/Bbl)	Q4 2011	-	-	-	-
	Q1 2012	-	-	-	-
	Q2 2012	-	-	-	-
	Q3 2012	-	-	-	-
	Q4 2012	-	-	-	-

Note:

- (1) Jura's most recently completed financial year commenced on September 30, 2011 and ended December 31, 2012.

Production by Area

The table below indicates the production volumes by area from Jura's important oil and natural gas properties for the financial year ended December 31, 2012.

Area	Conventional Light and Medium Oil (Bbls/d)	Heavy Oil (Bbls/d)	Conventional Natural Gas (Mcf/d)	Natural Gas Liquids (Bbls/d)
Badar	-	-	14,037	-
Total	-	-	14,037	-

APPENDIX C
FORM 51-101F2
REPORT OF RESERVES DATA BY
INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR

To the board of directors of Jura Energy Corporation (the “Corporation”):

1. We have evaluated the Corporation’s reserves data as at December 31, 2012. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2012 estimated using forecast prices and costs.
2. The reserves data are the responsibility of the Corporation’s management. Our responsibility is to express an opinion on the reserves data based on our evaluation.
We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the “COGE Handbook”) prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).
3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions in the COGE Handbook.
4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Corporation evaluated by us for the year ended December 31, 2012, and identifies the respective portions thereof that we have audited, evaluated and reviewed and reported on to the Corporation’s board of directors:

Independent Qualified Reserves Evaluator	Description and Preparation Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate - \$000s)			
			Audited	Evaluated	Reviewed	Total
DeGolyer and McNaughton Canada Limited	March 11, 2013	Canada	-	138,140	-	138,140

5. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook.
6. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.
7. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

EXECUTED as to our report referred to above:

DeGolyer and MacNaughton Canada Limited, Calgary, Alberta, Canada, March 11, 2013

(signed) "Douglas S. Christie"

Douglas S. Christie

P. Geol.

APPENDIX D
FORM 51-101F3
REPORT OF MANAGEMENT AND DIRECTORS
ON RESERVES DATA AND OTHER INFORMATION

Management of Jura Energy Corporation (the “**Corporation**”) is responsible for the preparation and disclosure of information with respect to the Corporation’s oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2012 estimated using forecast prices and costs.

An independent qualified reserves evaluator has evaluated the Corporation’s reserves data. The report of the independent qualified reserves evaluator is presented herein.

The Reserves Committee of the Board of the Corporation has:

- (a) reviewed the Corporation’s procedures for providing information to the independent qualified reserves evaluator;
- (b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and
- (c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Reserves Committee of the board of directors has reviewed the Corporation’s procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved:

- (d) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;
- (e) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on the reserves data; and
- (f) the content and filing of this report.

Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

Dated March 20, 2013

(signed) “Graham Garner”

Graham Garner
Chief Executive Officer and Director

(signed) “Shahid Hameed”

Shahid Hameed
President and Director

(signed) “Timothy Elliott”

Timothy Elliott
Director

(signed) “Stephen C. Akerfeldt”

Stephen C. Akerfeldt
Director