

FORM 51-101F1
 STATEMENT OF RESERVES DATA
 AND OTHER OIL AND GAS INFORMATION
 ECHO ENERGY CANADA INC.

This reserves and cash flow evaluation of Echo Energy Canada Inc was prepared on March 7, 2007 using production and revenue data up to and including December 31, 2006 (the "effective date") in a report entitled Echo Energy Canada Inc Reserves and Cash Flow Evaluation as of Dec 31., 2006 prepared by Jim McIntosh Petroleum Engineering Ltd. The results of this report are summarized in the tables below.

**Summary of Oil and Gas Reserves and Net Present Values of Future Net Revenue
 As of December 31, 2006
 Constant Prices and Costs**

Reserves Category	Echo Gross	Echo Net
	Gas	Gas
	(Bcf)	(Bcf)
Proven Developed Producing	4.78	4.41
Proven Developed	5.86	5.44
Total Proven	16.14	15.00
Additional Probable	25.05	23.78
Proven plus Probable	41.19	38.79

Reserves Category	Net present Worth Before Taxes (\$k)				
	0% Disc	5% Disc	10% Disc	15% Disc	20% Disc
Proven Developed Producing	\$28,781	\$19,256	\$14,189	\$11,171	\$9,203
Proven Developed	\$34,860	\$23,050	\$16,764	\$13,022	\$10,590
Total Proven	\$99,489	\$60,613	\$40,874	\$29,671	\$22,714
Additional Probable	\$165,758	\$90,240	\$54,078	\$34,987	\$24,062
Proven plus Probable	\$265,247	\$150,853	\$94,952	\$64,658	\$46,777

Reserves Category	Net present Worth After Taxes (\$k)				
	0% Disc	5% Disc	10% Disc	15% Disc	20% Disc
Proven Developed Producing	\$15,791	\$11,527	\$9,084	\$7,527	\$6,451
Proven Developed	\$18,636	\$13,384	\$10,379	\$8,472	\$7,161
Total Proven	\$62,276	\$37,738	\$25,374	\$18,398	\$14,083
Additional Probable	\$68,563	\$33,476	\$17,695	\$9,935	\$5,830
Proven plus Probable	\$130,839	\$71,214	\$43,070	\$28,333	\$19,913

Future Net Revenue by Product Group: Constant Prices and Costs

Reserves Category	Product Group	Future Net Revenue Before Tax @ 10% Disc (\$k)
Total Proved Reserves	Crude Oil ⁽¹⁾	\$0
	Natural Gas	\$40,874
Proved plus Probable Reserves	Crude Oil ⁽¹⁾	\$0
	Natural Gas	\$94,952

Note 1: Includes solution gas

Revenue/Operating Cost Breakdown: Undiscounted Constant prices and operating costs

Reserves Category	Revenue (\$k)	Royalties (\$k)	Operating Costs (\$k)	Develop't Costs (\$k)	Abandm't Costs (\$k)	Future Net Revenue Before Tax (\$k)	Income Taxes (\$k)	Future Net Revenue After Tax (\$k)
Total Proven	\$141,229	\$9,932	\$21,798	\$9,450	\$560	\$99,489	\$30,781	\$68,708
Proven plus Probable	\$360,433	\$21,043	\$45,503	\$27,675	\$965	\$265,247	\$88,347	\$176,899

**Summary of Oil and Gas Reserves and Net Present Values
As of December 31, 2006
Forecasted Prices and Operating Costs**

Reserves Category	Echo Gross	Echo Net
	Gas	Gas
	(Bcf)	(Bcf)
Proven Developed Producing	4.78	4.41
Proven Developed	5.86	5.44
Total Proven	16.14	15.00
Additional Probable	25.05	23.78
Proven plus Probable	41.19	38.79

Reserves Category	Net present Worth Before Taxes (\$k)				
	0% Disc	5% Disc	10% Disc	15% Disc	20% Disc
Proven Developed Producing	\$33,741	\$21,673	\$15,529	\$12,001	\$9,768
Proven Developed	\$40,997	\$26,056	\$18,437	\$14,064	\$11,301
Total Proven	\$119,848	\$70,262	\$46,048	\$32,765	\$24,741
Additional Probable	\$206,152	\$108,618	\$63,344	\$40,093	\$27,096
Proven plus Probable	\$326,000	\$178,880	\$109,392	\$72,859	\$51,838

Reserves Category	Net present Worth After Taxes (\$k)				
	0% Disc	5% Disc	10% Disc	15% Disc	20% Disc
Proven Developed Producing	\$25,592	\$16,955	\$12,504	\$9,910	\$8,239
Proven Developed	\$30,347	\$19,827	\$14,405	\$11,253	\$9,230
Total Proven	\$81,603	\$48,401	\$32,106	\$23,112	\$17,643
Additional Probable	\$133,753	\$70,090	\$40,566	\$25,439	\$17,018
Proven plus Probable	\$215,356	\$118,491	\$72,671	\$48,551	\$34,661

Product Prices in
Forecasted Evaluation

Year	Echo Gas Price (\$/Mcf)
2006 Act	\$8.42
2007	\$8.75
2008	\$9.24
2009	\$9.18
2010	\$8.98
2011	\$9.11

Future Net Revenue by Product Group: Forecasted Prices and
Costs

Reserves Category	Product Group	Future Net Revenue Before Tax @ 10% Disc (\$k)
Total Proved Reserves	Crude Oil ⁽¹⁾	\$0
	Natural Gas	\$46,048
Proved plus Probable Reserves	Crude Oil ⁽¹⁾	\$0
	Natural Gas	\$88,445

Note 1: Includes solution gas

Total Future Net Revenue Components using Forecasted Prices and Operating Costs (Undiscounted)

	Revenue (\$k)	Royalties (\$k)	Operating Costs (\$k)	Development Costs (\$k)	Abandonment Costs (\$k)	Future Net Revenue Before Tax (\$k)	Income Tax (\$k)	Future Net Revenue After Tax (\$k)
Total Proven	\$167,660	\$11,778	\$25,689	\$9,555	\$791	\$119,848	\$38,245	\$81,603
Proven plus Probable	\$435,695	\$25,357	\$54,142	\$28,833	\$1,363	\$326,000	\$110,645	\$215,356

Pool/Entity	Echo Energy Canada Net Rem Rec Res			
	Ttl Proved ⁽¹⁾		Pr plus Prob ⁽²⁾	
	Oil (MBbl)	Gas (Bcf)	Oil (MBbl)	Gas (Bcf)
Norfolk/Elgin Thorold	0.0	15.00	0.0	38.79
Total	0.0	15.00	0.0	38.79

Note 1: Ttl Proved = Total Proved

Note 2: Pr plus Prob = Proven plus Probable

Reserve Reconciliation

Factors	Crude Oil			Natural Gas		
	Net Proven (MStb)	Net Probable (MStb)	Net Pr & Prob (MStb)	Net Proven (Bcf)	Net Probable (Bcf)	Net Pr & Prob (Bcf)
December 31, 2005	0.00	0.00	0.00	17.38	59.56	76.94
Extensions	0.00	0.00	0.00	0.00	0.00	0.00
Improved Recovery	0.00	0.00	0.00	0.00	0.00	0.00
Technical Revisions	0.00	0.00	0.00	-3.32	-43.40	-46.72
Discoveries	0.00	0.00	0.00	0.00	0.00	0.00
Acquisitions	0.00	0.00	0.00	0.00	0.00	0.00
Dispositions	0.00	0.00	0.00	0.00	0.00	0.00
Economic Factors	0.00	0.00	0.00	0.00	0.00	0.00
Production	0.00	0.00	0.00	0.32	0.00	0.32
December 31, 2006	0.00	0.00	0.00	13.75	16.16	29.90

FORM 51-101F2

**REPORT ON RESERVES DATA
By INDEPENDENT QUALIFIED EVALUATOR**

To the board of directors of Echo Energy Canada Inc (the "Company")

1. I have evaluated the Company's Reserves Data as at December 31, 2006. The Reserves Data are:
 - a) i) proved and probable oil and gas reserves estimated as at December 31, 2006 using forecasted prices and costs; and

ii) the related estimated future net revenue; and
 - b) (i) proved oil and gas reserve quantities, estimated as at December 31, 2006 using constant prices and costs; and

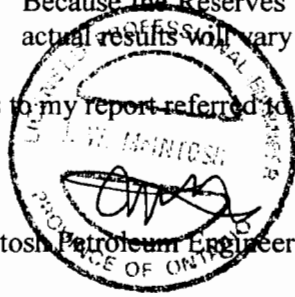
(ii) the related standardized measure of discounted future net cash flows from oil and gas reserve quantities.
2. The Reserves Data are the responsibility of the Company's management. My responsibility is to express an opinion on the Reserves Data based on my evaluation.
3. I carried out my evaluation in accordance with standards established by the Canadian committee of the Society of Petroleum Evaluation Engineers.
4. Those standards require that I 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 established by the Canadian committee of the Society of Petroleum Engineers.
5. The following sets forth the estimated proved plus probable future net revenue, estimated using forecast prices and costs, discounted at 10% included in the Reserves Data evaluated for the year ended December 31, 2006:

Independent Evaluator	Report Date	Reserves Location	Audited (\$k)	Evaluated (\$k)	Reviewed (\$k)	Total (\$k)
Jim McIntosh	3/7/07	Ontario		\$109,392		\$109,392
Total				\$109,392		\$109,392

6. In my opinion, the Reserves Data evaluated by me has, in all material respects, been determined and are presented in accordance with the standards established by the Canadian committee of the Society of Petroleum Evaluation Engineers.

7. I express no opinion on the Reserves Data reviewed.
8. I have no responsibility to update this report for events and circumstances occurring after the date of this report.
9. Because the Reserves Data are based on judgements regarding future events, actual results will vary and the variations may be material.

Signed as to my report referred to above:



Jim McIntosh, Petroleum Engineering Ltd, London, Ontario

Signed this 21st of April, 2007.

ECHO ENERGY CANADA INC.
FORM 51-101F3

*REPORT OF
MANAGEMENT AND DIRECTORS
ON OIL AND GAS DISCLOSURE*

This is the form referred to in item 3 of section 2.1 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"). This form does not apply in British Columbia.

1. Terms to which a meaning is ascribed in *NI 51-101* have the same meaning in this form.
2. The report referred to in item 3 of section 2.1 of *NI 51-101* shall in all material respects be as follows:

Report of Management and Directors on Reserves Data and Other Information

Management of Echo Energy Canada Inc. (the "Company") are responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which consist of the following:

- (a) (i) proved and proved plus probable oil and gas reserves estimated as at December 31, 2006 using forecast prices and costs; and (ii) the related estimated future net revenue; and
- (b) (i) proved oil and gas reserves estimated as at December 31, 2006 using constant prices and costs; and (ii) the related estimated future net revenue.

An independent qualified reserves evaluator has evaluated and reviewed the Company's reserves data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Company has:

- (a) reviewed the Company'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 Company'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, on Recommendation of the Reserves Committee, has approved:

- (a) the content and filing with securities regulatory authorities of the reserves data and other oil and gas information;
- (b) the filing of the report of the independent qualified reserves evaluator on the reserves data; and
- (c) the content and filing of this report.

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

"Gary Conn" (signed)

Gary Conn,
President and Director

"Salvatore Fuda" (signed)

Salvatore Fuda,
Chairman and Director

"Robert Moore" (signed)

Robert Moore,
Director

"Oliver Nepomuceno" (signed)

Oliver Nepomuceno,
Director

March 29, 2007