

PART 1 **OIL AND NATURAL GAS RESERVES AND NET PRESENT VALUE OF FUTURE NET REVENUE**

In accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities, McDaniel & Associates (“McDaniel”) prepared the McDaniel Report evaluating, as at December 31, 2010, International Frontier Resources Corporation (“IFR”) oil reserves. The preparation date is April 13, 2011. The tables below are a summary of the oil and the net present value of future net revenue attributable to such reserves as evaluated in the McDaniel Report based on forecast price and cost assumptions. The tables summarize the data contained in the McDaniel Report and as a result may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly.

The net present value of future net revenue attributable to IFR’s reserves is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties, production costs, development costs, other income, future capital expenditures, and well abandonment costs for only those wells assigned reserves by McDaniel. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to IFR’s reserves estimated by McDaniel represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of IFR’s oil, reserves provided herein are estimates only and actual reserves may be greater than or less than the estimates provided herein.

The McDaniel Report is based on certain factual data supplied by IFR and McDaniel’s opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to IFR’s petroleum properties and contacts (except for certain information residing in the public domain) were supplied by IFR to McDaniel and accepted without any further investigation. McDaniel accepted this data as presented and neither title searches nor field inspections were conducted.

PART 2 **RESERVES DATA**

ITEM 2.1 **FORECAST PRICES AND COSTS**

Summary of Oil and Gas Reserves

	Gross Reserves⁽¹⁾	Net Reserves⁽²⁾
	Light / Medium Crude Oil	Light / Medium Crude Oil
	(Mbbbls)	(Mbbbls)
Proved		
Developed Producing	68.8	55.1
Developed Non-Producing	-	-
Undeveloped	-	-
Total Proved	68.8	55.1
Probable	27.1	21.7
Total Proved plus Probable	95.9	76.9

(1) Gross reserves are working interest reserves before royalty deductions.

(2) Net reserves include working interest after royalty deductions plus royalty interest reserves.

Net Present Value of Future Net Revenue of Oil and Gas Reserves

	Before Future Income Tax Expenses and Discounted at				
	0% (M\$)	5% (M\$)	10% (M\$)	15% (M\$)	20% (M\$)
Proved					
Developed Producing	963.5	893.5	819.6	751	690.3
Developed Non-Producing	-	-	-	-	-
Undeveloped	-	-	-	-	-
Total Proved	963.5	893.5	819.6	751	690.3
Probable	613.4	443.7	327.5	247.7	192.2
Total Proved plus Probable	1,576.9	1,337.2	1,147.1	998.7	882.6

	After Future Income Tax Expenses and Discounted at				
	0% (M\$)	5% (M\$)	10% (M\$)	15% (M\$)	20% (M\$)
Proved					
Developed Producing	963.5	893.5	819.6	751	690.3
Developed Non-Producing	-	-	-	-	-
Undeveloped	-	-	-	-	-
Total Proved	963.5	893.5	819.6	751	690.3
Probable	613.4	443.7	327.5	247.7	192.2
Total Proved plus Probable	1,576.9	1,337.2	1,147.1	998.7	882.6

Additional Information Concerning Future Net Revenue – (Undiscounted)

	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenue Before Income Taxes ⁽¹⁾	Income Taxes	Future Net Revenue After Incomes Taxes
	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
Total Proved Reserves	5,493	1,091	3,049	n/a	390	963	n/a	963
Total Proved Plus Probable	7,949	1,576	4,392	n/a	405	1,577	n/a	1,577

Oil Reserves and Net Present Values of Production Group - Total of All Areas

Reserve Group by Category	Reserves		NPV of FNR			Unit
	Oil		Before Income Taxes (1)			Values(2)
	Gross Mbbl	Net Mbbl	0.0% M\$	10.0% M\$	15.0% M\$	\$/bbl
Light and Medium Oil						
Proved Producing	69	55	963	820	751	14.86
Proved Non-Producing	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-
Total Proved	69	55	963	820	751	14.86
Probable	27	22	613	327	248	15.07
Total Proved & Probable	96	77	1,577	1,147	999	14.92
(1)	Processing income is included where applicable					
(2)	Unit values are calculated using the 10% discount rate divided by the Major Product Type Net reserves for each group					

Undiscounted Future Net Revenues- Forecast Prices and Costs as of December 31, 2010

Total Reserves – Total of All Areas

	Sales Revenue M\$	Royalties M\$	Operating Costs M\$	Total Development Costs M\$	Well Abandonment Costs M\$	Future Net Revenues Before Tax M\$	Income Taxes M\$	Future Net Revenues After Tax M\$
Total Proved Reserves	5,493	1,091	3,049	-	390	963	-	963
Total Proved & Probable Reserves	7,949	1,576	4,392	-	405	1,577	-	1,577

Future Net Revenue by Production Group

**Net Present Value of Future Net
Revenue \$M (before income
taxes, 10% discount rate)**

Proved plus Probable
Light & Medium Crude Oil

1,147

PART 3 PRICING ASSUMPTIONS

ITEM 3.1 FORECAST PRICES AND COSTS

Summary of Price Forecasts – January 1, 2011

MCDANIEL & ASSOCIATES CONSULTANTS LTD.

SUMMARY OF NATURAL GAS PRICE FORECASTS

JANUARY 1, 2011

Year	U.S. Henry Hub	Alberta AECO	Alberta Average	Alberta Aggregator	Alberta Spot	Sask. Prov. Gas	Sask. Spot Sales	British Columbia Average
	Gas Price \$US/ MMBtu	Spot Price \$C/ MMBtu	Plantgate \$C/ MMBtu	Plantgate \$C/ MMBtu	Plantgate \$C/ MMBtu	Plantgate \$C/ MMBtu	Plantgate \$C/ MMBtu	Plantgate \$C/ MMBtu
			(1)					
Forecast								
2011	4.55	4.25	4.05	4.05	4.05	4.15	4.15	4.05
2012	5.30	4.90	4.70	4.70	4.70	4.80	4.80	4.70
2013	5.75	5.40	5.20	5.20	5.20	5.30	5.30	5.20
2014	6.30	5.90	5.70	5.70	5.70	5.80	5.80	5.70
2015	6.80	6.35	6.15	6.15	6.15	6.25	6.25	6.15
2016	7.35	6.75	6.55	6.55	6.55	6.65	6.65	6.55
2017	7.70	7.10	6.85	6.85	6.85	6.95	6.95	6.85
2018	8.00	7.40	7.15	7.15	7.15	7.25	7.25	7.15
2019	8.20	7.60	7.35	7.35	7.35	7.45	7.45	7.35
2020	8.35	7.75	7.50	7.50	7.50	7.60	7.60	7.50
2021	8.50	7.85	7.60	7.60	7.60	7.70	7.70	7.60
2022	8.70	8.05	7.80	7.80	7.80	7.90	7.90	7.80
2023	8.85	8.20	7.95	7.95	7.95	8.10	8.10	7.95
2024	9.05	8.40	8.15	8.15	8.15	8.30	8.30	8.15
2025	9.20	8.50	8.25	8.25	8.25	8.40	8.40	8.25

Thereafter +2%/yr +2%/yr +2%/yr +2%/yr +2%/yr +2%/yr +2%/yr +2%/yr
 (1) This forecast also applies to direct sales contracts and the Alberta gas reference price used in the crown royalty calculations

G110101 - Effective January 1, 2011

PART 4 **RECONCILIATIONS OF CHANGES IN RESERVES AND FUTURE NET REVENUE**

ITEM 4.1 **RESERVES RECONCILIATION**

The following table sets forth a reconciliation of IFR's total net proved probable and proved plus probable reserves (gross) as at December 31, 2010 against such reserves as at December 31, 2009 based on forecast price and cost assumptions.

	Total Proved Reserves Mbbl	Probable Reserves Mbbl	Total Proved Plus Probable Mbbl
December 31, 2009	76	32	108
Extensions	0	0	0
Improved Recovery	0	0	0
Technical Revisions	3	(5)	(2)
Discoveries	0	0	0
Acquisitions	0	0	0
Dispositions	0	0	0
Economic Factors	0	0	0
Production	10	0	10
December 31, 2010	69	27	96

PART 5 **ADDITIONAL INFORMATION RELATING TO RESERVES DATA**

ITEM 5.1 **UNDEVELOPED RESERVES**

The following discussion generally describes the basis on which IFR attributes Proved and Probable Undeveloped Reserves and its plans for developing those Undeveloped Reserves.

Probable Undeveloped Reserves

Probable undeveloped reserves are generally those reserves tested or indicated by analogy to be productive, infill drilling locations and lands contiguous to production. The majority of these reserves are planned to be on stream within a two year timeframe.

**ITEM 5.2 SIGNIFICANT FACTORS OR UNCERTAINTIES AFFECTING
RESERVES DATA**

The process of estimating reserves is 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 IFR reserves are evaluated by McDaniel & Associates, an independent engineering firm.

As circumstances change and additional data become available, reserve estimates also change. Estimates made 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 governmental restrictions.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and gas prices, and reservoir performance. Such revisions can be either positive or negative.

Future Development Costs

The table below sets out the development costs deducted in the estimation of future net revenue attributable to proved reserves and proved plus probable reserves (using forecast prices and costs only).

	Forecast Prices and Costs	
	Proved Reserves	Proved Plus Probable Reserves
	(M\$)	(M\$)
2005	0	0
2006	0	0
2007	0	0
2008	0	0
2009	0	0
Remaining Years	0	0
Total Undiscounted	0	0
Total Discounted at 10% per year	0	0

PART 6 OTHER OIL & GAS INFORMATION

ITEM 6.1 OIL & GAS PROPERTIES

IFR's producing oil property is located in the Alderson Area of SE Alberta, specifically Twp. 16, Rge.11 W4M. The company owns a 100% working interest in the Lower Mannville "M2M" pool, which is comprised of five (5) producing oil wells, three (3) suspended oil wells, one (1) water disposal well, and two (2) suspended water injectors. All producing wells are pipeline connected to a 100% W.I. central battery and separation facility.

.Oil and Gas Wells

The following table summarizes IFR's interest as at December 31, 2010 in wells that are producing and non-producing.

	Producing Wells		Non-Producing Wells	
	Gross	Net	Gross	Net
Alberta	5	5	4	2.056

ITEM 6.2 PROPERTIES WITH NO ATTRIBUTED RESERVES

The following table summarizes the gross and net acres of unproved properties at Dec. 31, 2010 in which IFR has an interest and includes the number of net acres for which IFR's rights to explore, develop or exploit will, absent further action, expire within one year (Dec. 31, 2011)

	Gross Acres	Net Acres	Net Acres Expiring Within One Year
Alberta, Canada	1,280	1,280	Nil
NWT, Canada	523,576	104,119	29,388

ITEM 6.2.1 LICENSE DETAILS

Significant Discovery Licenses ("SDL") - Central Mackenzie Valley, NWT (CMV)

Summit Creek SDL #140 – 8.2112%

SDL Area - 11,379 acres, IFR net 934 acres net

Expiry - Held by SDL 140, no expiry.

Stewart Lake SDL'S #138 & #139 – 8.2112%

TDL Parcel M-38 – 25%

Average % in SDL + M-38 – 16.48%

SDL Area - 16,987 acres, IFR net 4,620 acres net

Expiry - Held by SDL'S #138 & #139 + TDL M-38, no expiry.

In a report dated May 1, 2010 McDaniel & Associate Consultants Ltd. assigned the following Contingent Resource Estimates for the Company's net interests in SDL's 138, 139 (M-38) and SDL 140.

SDL	Low Estimate	Best Estimate	High Estimate
Summit SDL 140	(27% recovery)	(42% recovery)	(61% recovery)
Gas (BCF)	.738	3.10	13.40
Oil (BBLs)	116,000	499,000	2,220,000
Stewart SDL 138&139 + M-38	(30% recovery)	(46% recovery)	(70% recovery)
Gas (BCF)	.761	2.98	10.41

Exploration License No 423, NWT/CMV

IFR Working Interest – 15%
 Area – 226,500 acres (gross) 33,975 acres net
 Work Program - \$24.5 million (fulfilled)
 Term Expiry – May 2010
 Operator – Husky Oil Operations

Exploration License 423 expired in May 2010, there were no reserves assigned to EL-423.

Exploration License No. 441, NWT/CMV

IFR Working Interest – 13.45%
 Area – 218,500 acres (gross) 29,388 acres net
 Work Program - \$ 10.5 million
 Expiry – May, 2011
 Operator – Husky Oil Operations

In January, 2010 the Department of Indian and Northern Affairs granted approval to extend the primary term of the License from May 10, 2010 to May 10, 2011. As a result of the work commitment not being fulfilled IFR will forfeit its security deposit in the amount of \$226,365. At December 31, 2010 there were no reserves assigned to EL-441

Exploration License No. 443, NWT/CMV

IFR Working Interest – 25%
 Area – 227,750 acres (gross) 56,937 acres net
 Work Program - \$4.8 million
 Expiry – May, 2012
 Operator – Husky Oil Operations

In January 2010 the Department of Indian and Northern Affairs granted approval to extend the primary term of the License from May 10, 2011 to May 10, 2012. At Dec. 31, 2010 there were no reserves assigned to EL- 443.

TDL Freehold Lands, NWT/ CMV

IFR Working Interest – various
 Area – 48,960 acres (gross) 12,240 acres net
 Expiry – none, pending annual rental payment (\$20/ha gross)

At Dec.31, 2010 the Company held a 25% interest in three Tulilta District Land Corporation (“TDL”) Freehold Parcels: M-37, M-38, and M-39, TDL parcel M-38 falls within the Stewart Lake SDL boundaries, and as such, McDaniel & Associates have assigned a Contingent Resource Estimate to M-38.

North Sea UKCS

In the second quarter 2010 the Company sold its wholly owned subsidiary, Britcana Energy Ltd. to Nexen for \$3,119,520. In May 2010 the Company sold its 8.33% interest in License P. 233 (Maria Block) to Maersk Oil for a consideration of \$662,220.

ITEM 6.3 FORWARD CONTRACTS

The company does not have any product price hedges on forward contracts at December 31, 2010.

ITEM 6.4 ABANDONMENT AND RECLAMATION COSTS

IFR estimates well abandonment costs typically area by area. Such costs are included in the McDaniel Report as deductions in arriving at future net revenue. The expected total abandonment and reclamation costs included in the McDaniel Report for five (5) wells under the proved reserves category is \$390,000 undiscounted \$197,000 discounted at 10%. This estimate includes expected reclamation costs for surface leases. Expected future abandonment costs related to facilities are expected to match the salvage value recovery. The Company does not envision abandoning any of the five (5) wells in the next three year period.

ITEM 6.5 TAX HORIZON

IFR has approximately \$9,695,000 of tax pools available for future deduction. The Company does not expect to pay income taxes in 2010.No taxes will be payable for the life of these reserves.

ITEM 6.6 COSTS INCURRED

The following table summarizes IFR’s property acquisition costs, exploration costs and development costs for the year ended December 31, 2010.

	<u>Property Acquisition Costs</u>		Exploration & Drilling Costs	Development & Facilities Costs
	Proved Properties	Unproved Properties		
Canada (\$)	-	-	203,760	-
North Sea (\$)	-	-	108,870	-
Total (\$)	-	-	312,630	0

ITEM 6.7 EXPLORATION & DEVELOPMENT ACTIVITIES

The Company drilled one exploratory well in Q2 2010, the Bowmore15/23 well (UKCS) was sold to Nexen through the sale of the company’s wholly owned subsidiary Britcana Energy Ltd

DRILLING ACTIVITY

The following table summarizes IFR's drilling results for the year ended December 31, 2010.

	Exploratory Wells	
	Gross	Net
Natural Gas	0	0
Dry	1	.075
Total	1	.075

ITEM 6.7 PRODUCTION ESTIMATES

The following table discloses, by field for each product type, the total volume of production estimated by McDaniel for 2010 in the estimates of future net revenue from proved reserves disclosed above under the heading "Oil and Natural Gas Reserves and Net Present Value of Future Net Revenue".

	Light and Medium Crude Oil (Bbbls/d)	BOE (BOE/d)
Alderson	28	28
Total	28	28

ITEM 6.8 PRODUCTION HISTORY

The following table discloses, on a quarterly basis for the year ended December 31, 2010, IFR's share of average daily production volume, prior to royalties, and the prices received, royalties paid, production costs incurred and netbacks on a per unit of volume basis for each product type.

Average Daily Production Volume

	Three Months Ended				Total
	Mar. 31, 2010	June 30, 2010	Sept. 30, 2010	Dec. 31, 2010	
Light & Medium Crude Oil (Bbl/d)	28	25	31	26	28
Total (Bbl/d)	28	25	31	26	28

Prices Received, Royalties Paid, Production Costs and Netbacks

(\$/bbl)	Three Months Ended				
	Mar. 31, 2010	June 30, 2010	Sept. 30, 2010	Dec. 31, 2010	Total
Prices Received	73.00	67.34	64.60	70.09	66.83
Royalties Paid	14.35	11.26	15.49	12.54	13.34
Production Costs	40.81	30.95	24.12	55.09	38.03
Netback(1)	17.84	25.14	24.99	2.45	17.46

Note: (1) Netback is calculated by deducting royalties paid and production costs from prices received. .

Production Volume by Field

The following table indicates the average daily production from IFR's producing properties for the year ended December 31, 2010.

Field	Bbl (Bbl/d)	%
Alderson	28	100
Total	28	100

APPENDEX A

February 16, 2011

International Frontier Resources Corporation

100, 601 – 10th Avenue SW
Calgary, Alberta
T2R 0B2

Attention: The Board of Directors of International Frontier Resources Corporation

Re: **Form 51-101F2**
Report on Reserves Data by an Independent Qualified Reserves Evaluator
of International Frontier Resources Corporation (the “Company”)

To the Board of Directors of International Frontier Resources Corporation (the “Company”):

1. We have evaluated the Company’s reserves data as at December 31, 2010. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2010 estimated using forecast prices and costs.
2. The reserves data are the responsibility of the Company’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 presented 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 Company evaluated by us, for the year ended December 31, 2010, and identifies the respective portions thereof that we have evaluated and reported on to the Company’s management:

Preparation Date of Evaluation Report	Location of Reserves	Net Present Value of Future Net Revenue \$M (before income taxes, 10% discount rate)			
		Audited	Evaluated	Reviewed	Total
February 16, 2011	Canada	-	1,147	-	1,147

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, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.
6. We have no responsibility to update our report referred to in paragraph 4 for events and circumstances occurring after the preparation date.
7. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

MCDANIEL & ASSOCIATES CONSULTANTS LTD.

“signed by P. A. Welch”

P. A. Welch, P. Eng.
President & Managing Director

Calgary, Alberta
February 16, 2011

APPENDIX “B”
FORM 51-101F3
REPORT OF MANAGEMENT AND DIRECTORS
ON RESERVES DATA AND OTHER OIL AND GAS INFORMATION

Management of **International Frontier Resources Corporation**, (the “**Corporation**”) is responsible for the preparation and disclosure, or arranging 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 consist of the following:

- (a) (i) Proved and Proved plus probable oil and gas reserves estimated as at December 31, 2010 using forecast prices and costs: and
- (ii) the related estimated future net revenue.

An independent qualified reserves evaluator has evaluated the Corporation’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 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 procedure 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:

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;
- (b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on 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. However, any variation should be consistent with the fact that reserves are categorized according to the probability of their recovery.

(signed) "Pat Boswell"

Pat Boswell
President & Chief Executive Officer

(signed) "Gary McInnis"

Gary McInnis
Director, Chairman of Reserve Committee

(signed) "Margaret Souleles"

Margaret Souleles
Director & CFO

(signed) "Gary Lyons"

Gary Lyons
Director

April 13, 2011