International Frontier Resources Corporation

Management's Discussion and Analysis
For the three and nine months ended September 30, 2012

The following is management's discussion and analysis ("MD&A") of International Frontier Resources Corporation's ("International Frontier" or "IFR" or 'Frontier' or the "Corporation" or the "Company") operating and financial results for the interim period ending September 30, 2012, as well as information concerning the Company's future outlook based on currently available information. The MD&A has been prepared by management as at November 30, 2012 in accordance with IFRS and should be read in conjunction with the unaudited Condensed Interim Financial Statements and accompanying notes for the period ended September 30,2012 as well as the audited Consolidated Financial Statements and accompanying notes for the year ended December 31, 2011. This MD&A contains forward-looking statements, the definitions of which are defined herein.

The interim financial statements have not been reviewed or audited on behalf of the shareholders by the Company's independent external auditors. All financial measures presented in this MD&A Report are expressed in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "strategy" 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 are based on reasonable assumptions but no assurance can be given that these expectations will prove to be correct and the forward-looking statements included in this MD&A should not be unduly relied upon. These statements are made only as of the date of this MD&A.
In particular, this MD&A may contain forward-looking statements including, but not limited to, the following:

- oil and natural gas production rates;
- commodity prices for crude oil or natural gas;
- supply and demand for oil and natural gas;
- the estimated quantity of oil and natural gas reserves, including reserve life;
- capital expenditure programs;
- future exploration, development and production costs;
- timing of drilling plans;
- plans for and results of exploration and development activities;
- expectations regarding the Corporation's ability to raise capital and to continually add to oil and natural gas reserves through acquisitions, exploration and development; and
- treatment under governmental regulatory regimes and tax laws.
- Third party drilling programs and well status reports.

With respect to forward-looking statements contained in this MD&A and other documents of public record, the Corporation has made assumptions regarding, among other things:

- future oil and natural gas production levels from IFR's properties and the prices obtained from the sales of such production;
- the level of future capital expenditure required to exploit and develop reserves; and
- the Company's ability to obtain financing on acceptable terms, as required.

The Corporation's actual results could differ materially from those anticipated in these forward-looking statements and information as a result of assumptions proving inaccurate and of both known and unknown risks as set forth below:

- general economic, political, market and business conditions;
- risks inherent in oil and natural gas operations;
- uncertainties associated with estimating oil and natural gas reserves;
- competition for, capital, acquisitions of reserves, undeveloped lands, drilling equipment and skilled personnel;

- geological, technical, drilling and processing problems;
- incorrect assessments of the value of acquisitions;
- the availability of capital on acceptable terms;
- volatility in market prices for oil and natural gas;
- actions by governmental authorities, including regulatory, environmental and taxation policies; and
- fluctuations in foreign exchange or interest rates and stock market volatility

Business Overview

International Frontier Resources Corporation is an independent Canadian public company, the principle business of which is to acquire, develop, exploit and produce oil and natural gas in the Central Mackenzie Valley, Northwest Territories, Canada and in the Sedimentary Basins of Northwest Montana and Southern Alberta. The Company's shares are publicly listed and trade on the TSX Venture Exchange under the trading symbol "IFR".

Central Mackenzie Valley, NWT

To date Frontier has participated in nine exploration wells, four proprietary seismic surveys and three proprietary aero-gravity surveys in the Central Mackenzie Valley ("CMV"). The exploration program resulted in two discoveries and the award of three Significant Discovery Licenses ("SDL"). The Company also owns a 25% interest in three undeveloped freehold leases that cover an area of 38,900 gross acres.

To market the Company's discoveries a gas pipeline is required. In 2011 the National Energy Board approved an application for the Mackenzie Valley Pipeline. In 2013 applicants for the pipeline are required to decide to construct or not construct the pipeline. Should the applicants elect to proceed there is no timeline established for construction.

Infrastructure in the CMV currently consists of an oil pipeline that transports oil from the Norman Wells oilfield to Northern Alberta. There is available capacity on the pipeline to transport additional oil volumes.

The nine wells that Frontier participated in preceded new horizontal drilling and multistage fracture stimulation technology therefore the Canol shale formation, which is present in three cased well, was not tested. At the annual 2011/12 land sales 13 new exploration licenses were issued covering an area of 3 million acres, licensees' committed to spend $627 million in the next five year period.

If unconventional shale oil plays, or conventional oil & gas plays, were developed through to production it would transform the CMV, as all weather roads, facilities and pipeline infrastructure would be constructed on the west side of the Mackenzie River.

Husky Oil, who are exploring shale plays in the area, operates the Company's SDL's and TDL Freehold properties. The acreage does not expire until all reserves within the SDL areas are produced.

Glacier County, NW Montana

The Company owns title on 13,500 freehold mineral acres ("Fee Land") located within the boundaries of the Blackfeet Indian Reservation ("Reserve"). The Reserve adjoins the Alberta border and is host to a southern extension of the Southern Alberta Basin where industry is drilling exploratory and appraisal multi-stage-fracture-stimulated wells to evaluate tight rock oil formations. There are a number of prospective light oil targets on the play fairway that extends 150 miles north south and 40 miles east west.

The Company's Fee Land is currently under lease to operators that have been drilling exploratory wildcat wells on the Reserve, the leases reserve in favor of Frontier royalties ranging from 12.50% to 18%. In order for Lessees' to extend the term of their lease a well must be drilled prior to expiry of the lease term. In the event a successful well is put on production Frontier will receive a royalty on production. In the event a well is not drilled prior to lease expiry Frontier will re-capture the acreage and will have the option to re-lease the acreage, farm out the cost of drilling wells or the Company could drill wells and receive 100% of revenues, as there would be no deductions for royalties on the Company's Fee land.
There are two distinct play types on the Reserve, the west side of the Reserve sits on the eastern forefront of the Rocky Mountains in the disturbed belt, this area is prospective for Cretaceous and Devonian Age Formations. The Company owns 7,500 net acres on the play fairway. On the east side of the Reserve prospective tight oil formations include the Bakken, Nisku and Three Forks, the Company owns 6,000 net acres on the play fairway.

As the Company owns title on its Fee Land the acreage never expires.

Southern Alberta

The Company owns a 100% interest in five producing oil wells and related facilities in the Alderson area. At 30-40 BOPD using $70 per barrel the property generates sufficient cash flow to fund G&A costs before audit and legal fees.

The Company owns a 100% interest in 1,120 acres located in the Manyberries area. The property is prospective for conventional light oil in the Sawtooth and Sunburst Formations.

The Company's major assets are currently not producing therefore the Company is considered a development stage enterprise.

The Company's MD&A for the period ending September 30, 2012 is as follows.

Liquidity, capital resources and financing activities

Working Capital

At September 30, 2012, cash and cash equivalents were $3,553,430 (June 30, 2012 - $3,681,510, December 31, 2011 $4,037,930) and working capital was $2,775,875 (June 30, 2012 - $2,926,350, December 31, 2011 - $3,065,520).

Future Capital Requirements

The Corporation regularly forecasts its capital needs on an annual, quarterly and monthly basis. The Corporation's current internally generated cash flows do not provide sufficient capital for the Corporation's current exploration plans. Historically, the Corporation has relied on proceeds from the sale of its Common Shares to fund its operations. In order to accelerate the Corporation's current exploration programs the Corporation may require additional capital. The timing, pace, scope and amount of the Corporation's capital expenditures is largely dependent on the operators capital expenditure program(s) and the availability of capital to the Corporation.

The Corporation may obtain funds for future capital investments from strategic alliances with other energy or financial partners, the issuance of additional Common Shares, preferred shares or debt securities, project financing, sale of property interests, or other arrangements, all of which may dilute the interest of the Corporation's existing shareholders or the Corporation's interest in the specific project financed. The Corporation may change the allocation of capital among the categories of anticipated expenditures depending upon future events that the Corporation cannot predict. For example, the Corporation may change the allocation of its expenditures based on the actual results and costs of future exploration, appraisal, development, production, property acquisition and other activities. In addition, the Corporation may have to change its anticipated expenditures if costs of placing any particular discovery into production are higher, if the field is smaller or if the commencement of production takes longer than expected.

In the management of capital, the Company includes certain working capital balance - cash and cash equivalents, marketable securities and restricted cash less accounts payable and current portion asset retirement obligations in the definition of capital. Management reviews its capital requirements on an on-going basis and believes that its approach, given the relative size of the

Company is reasonable. As at September 30, 2012, the Company's capital as defined above was approximately $2,640,100 (June 30, 2012 - $2,726,880, December 31, 2011 – $2,925,055).

The Corporation has a number of options available to it if existing working capital does not cover future capital expenditures including, but not limited to, i) revising its capital expenditure plans ii) selling a partial or 100% interest in a property to a third party, iii) obtain joint venture financing from a third party, 1v) leasing the Company's fee mineral acreage in NW Montana to third parties v) obtaining debt financing, or a combination of these possible steps.

Summary of Third Quarter Results

Selected financial information:

	Three months ended September 30,		Nine months ended September 30,	
	2012	**2011**	**2012**	**2011**
Statement of operations				
Sales volumes - BOE/ day (Canada)	33	48	38	36
Production volumes - BOE/ day (Canada)	32	44	38	35
Oil revenues, net (Canada)	$ 155,750	$ 242,630	$ 562,460	$ 547,410
Interest income from continuing operations	$ 3,220	$ 7,780	$ 17,790	$ 25,880
Net loss and comprehensive loss	$ (136,755)	$ (29,550)	$ (252,595)	$ (375,655)
Net loss per share				
Net loss per share	$ (0.002)	$ (0.000)	$ (0.004)	$ (0.006)
Cash flow				
Net cash provided (used in)				
Operating activities	$ (59,385)	$ (1,820)	$ (187,735)	$ (368,770)
Investing activities	$ (68,695)	$ (1,877,595)	$ (296,765)	$ (2,337,695)
	September 30, 2012	**December 31, 2011**	**September 30, 2011**	
Balance sheet				
Exploration and evaluation assets	$ 9,919,600	$ 9,814,875	$ 8,666,825	
Property and equipment	$ 1,056,925	$ 1,109,615	$ 906,730	
Total assets	$ 14,916,380	$ 15,727,840	$ 14,462,870	
Working capital	$ 2,775,875	$ 3,065,520	$ 4,375,000	

Investing Activities

For the three months ended	September 30, 2012	December 31, 2011	September 30, 2011
Canada	$ 50,725	$ 407,710	$ 112,585
United States	$ 1,945	$ 1,122,505	$ 2,064,750
	$ 56,755	$ 1,530,215	$ 2,177,335

Summary of Alderson Operations

	Three months ended			Nine months ended	
	September 30, 2012	June 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
Sales volumes (Bbl/day)	33	39	48	38	36
Production volumes (Bbl/day)	32	41	44	38	35
Oil Sales	$ 202,930	$ 245,575	$ 310,790	$ 741,525	$ 717,600
Royalties	47,180	61,125	68,160	179,065	170,190
Net Revenues	155,750	184,450	242,630	562,460	547,410
Operating expenses	119,835	114,035	82,545	335,960	308,520
Net Income	$ 35,915	$ 70,415	$ 160,085	$ 226,500	$ 238,890
Oil Sales ($/BBL)	$ 66.82	$ 68.50	$ 69.82	$ 72.03	$ 73.02
Operating costs ($/BBL)	$ 40.54	$ 30.47	$ 20.63	$ 32.43	$ 31.75
Depletion per BOE	$ 11.15	$ 10.79	$ 10.41	$ 11.01	$ 10.41

- Sales volumes for the three months ended September 30, 2012 were 33 Bbl/day, a 15.29% decrease as compared to 39 Bbl/day for the three months ended June 30, 2012 (Q3, 2011 - 48 Bbl/day)
- Oil revenue in Q3, 2012 was $202,930 a decrease of 17.37% or $42,645 as compared to Q2, 2012 due to a 2.45% decrease in oil price received in the third quarter coupled with a 15.29% decrease in sales volumes in Q3, 2012
- In Q3, 2012 the Company paid royalties of $47,180 an decrease of $13,945 or 22.81% as compared to $61,125 in the previous quarter
- Operating expenses in the third quarter of 2012 were $119,835 or $40.54 per Bbl an increase of $5,800 or 5.09% as compared to Q2, 2012 (Q3, 2011 - $82,545)
- The increase in operating costs in 2012 is due to a work-over costs incurred the Alderson Field in the second and third quarters.

Interest income

- In Q3, 2012 interest income from short term investments was $3,220 (Q-2, 2012 - $6,980, Q3, 2010 - $7,780) the decrease in 2012 is due to a decrease in the amount invested at in the nine months ended September 30, 2012.

Accretion of asset retirement obligation

- Accretion of asset retirement obligations for the three months ended September 30, 2012 was $3,570 (Q2, 2012 - $3,690, Q3, 2011 - $2,585)

Depletion, depreciation and impairments

For the three months ended:	Sept 30, 2012	June 30, 2012	Sept 30, 2011
Depletion of oil and gas properties	$ 32,960	$ 40,360	$ 41,675
Amortization of Alderson Battery	2,395	2,395	-
Impairment of oil and gas properties	-	-	-
Depreciation of equipment	425	425	570
	$ 35,780	$ 43,180	$ 42,245

- Depletion of oil and gas properties for the three months ended September 30, 2012 was $32,960 or $11.15 per Bbl which is consistent with $40,360 or $10.79 per Bbl in Q2 - 2012 (Q3 -2011 $41,675 or $10.41 per Bbl)
- At September 30, 2012 an impairment test was performed which calculates the amount by which the carrying amount of capitalized costs related to producing properties exceeds the fair value of the reserves as estimated by the Company's reservoir engineers at December 31, 2011. As a result there was no impairment of oil and gas properties recorded in Q3, 2012 (Q1 2012 - $11,900, Q3, 2011- $Nil)
- The carrying value of exploration and evaluation properties of $9,919,600 at September 30, 2012 (September 30, 2011 - $8,666,825, December 31, 2011 - $9,814,875) have been evaluated at September 30, 2012 and it was determined that no costs had met the requirements to be transferred to property and equipment. These costs were also evaluated for impairment and it was determined that no impairment existed for the period ended September 30, 2012.

General and administrative expenses

Three months ended:	September 30, 2012	June 30, 2012	September 30, 2011
Investor relations	$ 6,945	$ 8,990	$ (2,290)
Filing and transfer fees	900	6,795	10,440
Professional fees	1,050	10,095	20,140
Consulting fees and salaries	56,325	53,605	55,955
Rent and corporate costs	33,265	36,365	36,135
	$ 98,485	$ 115,850	$ 120,380

- In Q3, 2012 general and administrative expenses were $98,485, a decrease of $17,365 or 15% as compared with $115,850 in Q2, 2012 (Q3, 2011 - $120,380)
- The decrease in G&A as compared to Q3, 2011 is due to lower professional fees incurred in Q3, 2012.

Net loss

Three months ended:	Q-3 2012	Q-2 2012	Q-3 2011
Net loss from continuing operations	$ (136,755)	$ (62,165)	$ (29,550)
Loss per share			
Loss per share	$ (0.002)	$ (0.001)	$ (0.00)

- The increased loss in Q3, 2012 as compared with Q2, 2012 is the result of decreased sales volumes in the third quarter

Summary of Quarterly Results

The following table summarized the Company's financial and operating highlights for the past eight quarters:

Quarter ended:	Dec 31, 2010	Mar 31, 2011	June 30, 2011	Sept 30, 2011
Statement of operations				
Sales volumes - BOE/ day (Canada)	29	26	34	48
Production volumes - BOE/ day (Canada)	26	27	35	44
Oil revenues, net (Canada)	$ 145,940	$ 122,665	$ 182,115	$ 242,630
Net earnings (loss) and comprehensive loss				
Net earnings (loss) from continuing operations	$ (3,483,475)	$ (132,955)	$ (213,150)	$ (29,550)
Net loss for discontinued operations	$ (1,185)	$ -	$ -	$ -
Net earnings (loss) and comprehensive loss	$ (3,484,660)	$ (132,955)	$ (213,150)	$ (29,550)
Net earnings(loss) per share				
Net loss per share	$ (0.06)	$ (0.002)	$ (0.004)	$ (0.001)
Balance Sheet				
Total assets	$ 17,945,340	$ 14,985,285	$ 14,543,495	$ 14,462,870
Working capital	$ 7,170,570	$ 6,124,775	$ 5,901,525	$ 4,375,000
Refundable Deposits	$ 640,670	$ 640,670	$ 374,305	$ 374,305
Funds flow from operations	$ (77,830)	$ (187,105)	$ (179,725)	$ (1,820)

Quarter ended:	Dec. 31, 2011	March 31, 2012	June 30, 2012	Sept 30, 2012
Statement of operations				
Sales volumes - BOE/ day (Canada)	39	40	39	33
Production volumes - BOE/ day (Canada)	41	40	41	32
Oil revenues, net (Canada)	$ 223,440	$ 222,260	$ 184,450	$ 155,750
Net earnings (loss) and comprehensive loss	$ (297,685)	$ (53,675)	$ (62,165)	$ (136,755)
Net earnings(loss) per share				
Net loss per share	$ (0.005)	$ (0.004)	$ (0.001)	$ (0.002)
Balance Sheet				
Total assets	$ 15,727,840	$ 15,625,940	$ 15,074,790	$ 14,916,380
Working capital	$ 3,065,520	$ 3,014,555	$ 2,926,350	$ 2,775,875
Refundable Deposits	$ 374,305	$ 305,555	$ -	$ -
Funds flow from operations	$ 139,310	$ (72,610)	$ (100,395)	$ (59,385)

Financial Instruments

As disclosed in Note 14 to the unaudited condensed consolidated interim financial statements at September 30, 2012, the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to interest rate risk, foreign exchange risk, fair value risk and industry credit risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Fair value of financial assets and liabilities: The Company's financial instruments as at September 30, 2012 include cash and cash equivalents, trade accounts receivable, restricted cash and trade accounts payable. The fair values of trade accounts receivable and trade accounts payable approximate their carrying amounts due to their short terms to maturity. The cash and cash equivalents and the restricted cash balances are equal to their fair values.

	September 30, 2012		December 31, 2011	
	Carrying Value ($)	Fair Value ($)	Carrying Value ($)	Fair Value ($)
Financial assets:				
Receivables	$ 71,585	$ 71,585	$ 118,830	$ 118,830
Total financial assets	$ 71,585	$ 71,585	$ 118,830	$ 118,830
Financial liabilities				
Payables and accruals	$ 911,470	$ 911,470	$ 1,473,195	$ 1,473,195
Total financial liabilities	$ 911,470	$ 911,470	$ 1,473,195	$ 1,473,195

The Company classifies the fair value of financial instruments held for trading according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

At September 30, 2012 cash and cash equivalents and restricted cash have been classified as Level 1.

b) **Credit risk:** Substantially all of the accounts receivable are with customers and joint venture partners in the oil and gas industry and are subject to normal industry credit risks. Though, the Company markets its oil to only one marketer revenues are not significant so that the exposure to the Company is minimized. Management does not believe that there is significant credit risk arising from any of the Company's customers or partners, as substantially all amounts outstanding at September 30, 2012 have been received subsequent to period end. The maximum exposure to loss arising from accounts receivable at any given time is equal to their total carrying amounts on the balance sheet.

Total receivables:	0 to 30 days	31 to 60 days	61 to 90 days	Greater than 90 days
$ 71,585	$ 71,470	$ 1,115	$ -	$ -

c) **Interest rate risk:** The Company is exposed to interest rate cash flow risk to the extent the changes in market interest rates will impact the Company's interest rate price risk. The Company does not use interest rate hedges or fixed interest rate contracts to manage the Company's exposure to interest rate fluctuations. A 1% increase or decrease in interest rates would have had no material impact on the cash flow of the Company during the period ended September 30, 2012.

d) **Foreign currency risk:** The Corporation is exposed to risks arising from fluctuations in foreign currency exchange rates, primarily between Canadian and U.S. dollars. The Corporation does not utilize any foreign currency based derivatives. In order to manage this risk and to defer the realization of any resulting currency loss from converting Canadian dollars to US dollars, the Corporation retains cash balances in both US and Canadian dollars.

e) **Liquidity risk:** Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's objective in managing liquidity risk is to ensure that it has sufficient resources available to meet its liabilities when due. At September 30, 2012, the Company's accounts payable and accrued liabilities were $911,470 all of which are due for payment within normal terms of trade which is generally between 30 and 60 days. The Company regularly reviews its accounts payable balances and follows up on amounts past due. The Company's financial liabilities are summarized below:

Total payables:	0 to 30 days	31 to 60 days	61 to 90 days	Greater than 90 days
$ 911,470	$ 47,295	$ -	$ 5,425	$ 858,750

Investing Activities

Exploration and evaluation assets

Three months ended	September 30, 2012	June 30, 2012	September 30, 2011
Exploration and evaluation assets			
Canada	$ 50,725	$ 28,345	$ 112,585
USA	4,085	19,725	2,064,750
	$ 54,810	$ 48,070	$2,177,335

- Capital expenditures in Q2, 2012 were $54,810 (Q2, 2012 - $48,070, Q3, 2011 - $2,177,335) of which $50,725 or 93% (Q2, 2012 – 59%, Q3, 2011 – 5%) is related to activities in Canada and $4,085 or 7% (Q2, 2012 – 41%, Q2, 2011 – 95%) is related to the costs to acquire mineral titles in Northwest Montana, USA.

Property and equipment

- During the third quarter of 2012 the Company incurred $1,945 (Q2, 2012 - $24,830, Q3, 2011 - $nil) with respect to costs related to the Company's oil battery at Alderson. Alberta.

Obligations

- The Company is party to an agreement to lease its premises until December 31, 2014. The annual rent of premises consists of a minimum rent payment of $43,120 plus occupancy cost per year for 2012 to 2014.
- The Company has established a Royalty Incentive Agreement for employees, consultants and senior executives that are also directors. Under the plan, the compensation committee

issues units on an annual basis to employees, consultants and directors. The units entitle the holder to receive an annual payment based on 2% of the Company's annual production revenue, net of transportation and processing fees. Under the terms of the agreement, once the Company has recovered payout of 100% of its cumulative annual capital expenditures from licenses and lands owned by the Company, the payment to employees, consultants and directors is based on 4% of the Company's annual production revenue less transportation and processing fees. At September 30, 2012, payout of 100% of cumulative annual capital expenditures had been reached on the Alderson oil property and subsequent payments are calculated at 4% of the Company's annual production revenue less transportation and processing fees.

Related Party Transactions

Certain officers who are directors and consultants provide professional, consulting and management services to the Company and are eligible to receive royalties pursuant to the Company's Royalty Incentive Plan. The amounts paid to officers (directors) and consultants during for the period ending September 30, 2012 are provided below, these costs are included in general and administrative expenses on the condensed statements of operations and comprehensive loss at September 30, 2012:

- Compensation paid to executive officers was $93,750 (September 30, 2011 - $93,750) in salaries and $69,820 (September 30, 2011 - $63,300) in consulting fees.
- At September 30, 2012 royalties of $29,060 (September 30, 2011 - $27,850) were paid to officers and consultants pursuant to the Company's Royalty Incentive Plan.

Other Items

Outstanding shares, options and warrants

The Company's share capital structure is as follows:

As of:	September 30, 2012	November 30, 2012
Common shares outstanding	59,578,965	59,578,965
Options outstanding	5,181,500	5,181,500
Fully diluted	64,760,465	64,760,465

Additional details on the shares, options and warrants outstanding at September 30, 2012 are available in the Notes to the September 30, 2012 condensed interim financial statements.

Recent accounting pronouncements

The IASB issued the following standards and amendments which are not yet effective for the Company and discussed in further detail in Note 4 to the Condensed Interim Financial Statements at September 30, 2012. The IASB did not issue any standards, interpretations or amendments during the second quarter of 2012.

- Amendments to IFRS 7, "Financial Instruments: Disclosures"
- Amendments to IAS 32, "Financial Instruments: Presentation"
- IFRS 9, "Financial Instruments,"
- IFRS 10 Consolidated Financial Statement,
- IFRS 11 Joint Arrangements,
- IFRS 12 Disclosures of Interests in Other Entities,
- Amendments to IAS 27 Separate Financial Statements
- Amendments to IAS 28 Investments in Associates and Joint Ventures.
- IFRS 13, "Fair Value Measurement
- Amendments to IAS 19, "Employee Benefits,"

Critical Accounting Estimates

Management is required to make judgments, assumptions and estimates in the application of Canadian generally accepted accounting principles that have a significant impact on the financial results of the Company. Reserve estimates are a key component in the calculation of depletion, depreciation and accretion costs. A change in reserve quantity estimates will result in a corresponding change in DD&A costs. In addition, if capitalized costs are determined to be in excess of the calculated ceiling, which is based on reserve quantities and values, the excess must be written off as an expense. Asset retirement costs are estimated, discounted and carried on the balance sheet as a liability. A change in estimated future asset restoration costs will change the liability on the balance sheet and the amortization of the asset retirement costs included in property and equipment.

Other information

Additional information regarding International Frontier Corporation's reserves and other data is available on SEDAR at www.sedar.com