

**STATEMENT OF RESERVES DATA
AND OTHER OIL & GAS INFORMATION**

Effective Date of Statement: March 31, 2007
Preparation Date of Statement: July 11, 2007

Martin & Brusset Associates, independent well evaluators, ("M & B") prepared a report dated July 4, 2007 (the "M & B report") appraising the oil and gas reserves owned by Great Pacific International Inc. ("Great Pacific, "the Company", "we") effective March 31, 2007. This appraisal was based on both escalating and constant price and cost estimations.

The M & B report is summarized in this Form 51-101F1 report dated July 11, 2007. It should not be assumed that the discounted future net revenues contained herein represent the fair market value of our reserves. There is no assurance that the forecast price and cost assumptions presented herein will be attained and variances may be material. Moreover, the recovery and reserves figures presented herein are estimates only, and the actual reserves may be greater or less than those estimated.

The oil and gas reserves presented in this report have been estimated by deterministic methods as most commonly used in current industry evaluation practice. These deterministic reserves estimates are single value estimates derived to satisfy the degree of certainty, or confidence level, targeted for the specific reserves categories according to NI51-101.

TERMS AND DEFINITIONS

In this Form 51-101F1, the abbreviations and terms set out below shall have the following meanings:

“Crude oil” A mixture, consisting mainly of pentanes and heavier hydrocarbons that exists in the liquid phase in reservoirs and remains liquid at atmospheric pressure and temperature. Crude oil may contain small amounts of sulphur and other non-hydrocarbon compounds, but does not include liquids obtained from the processing of natural gas. Classes of crude oil are often reported on the basis of density, sometimes with different meanings. Acceptable ranges are as follows:

Light:	Less than 870 kg/m ³ (greater than 31.1° API)
Medium:	870 to 920 kg/m ³ (31.1 to 22.3° API)
Heavy:	920 to 1,000 kg/m ³ (22.3 to 10° API)
Extra-heavy:	Greater than 1,000kg/m ³ (less than 10° API)

“Natural gas” A mixture of lighter hydrocarbons that exist either in the gaseous phase or in solution in crude oil in reservoirs but are gaseous at atmospheric conditions. Natural gas may contain sulphur or other non-hydrocarbon compounds.

“Marketable natural gas” Natural gas that meets specifications for its end use, whether it occurs naturally or results from the processing of raw natural gas. Field and plant fuel and losses are excluded, excepting those related to downstream reprocessing plants. The heating value of marketable natural gas may vary considerably, depending upon its composition, and therefore quantities are usually expressed not only in volumes, but also in terms of energy content.

“Natural gas liquids” Those hydrocarbon components that can be recovered from natural gas liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate, and small quantities of non-hydrocarbons.

“Reserves” 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:

- Analysis of drilling, geological, geophysical and engineering data;
- The use of established technology;
- Specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are classified according to the degree of certainty associated with the estimate.

- a. Proved Reserves: Proved reserves are 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.
- b. Probable Reserves: Probable reserves are 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 estimated proved + probable reserves.
- c. Possible Reserves: Possible reserves are 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 + probable + possible reserves.

TERMS AND DEFINITIONS (Continued)

“Reserves” (continued)

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories.

“Developed reserves” are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

“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.

“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.

“Undeveloped reserves” are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., 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 reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing.

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.

The qualitative certainty levels contained in the definitions are applicable to individual Reserve Entities, which refers to the lowest level at which reserves calculations are performed, and to Reported Reserves, which refers to the highest level sum of individual entity estimates for which reserves estimates are presented. Reported Reserves target the following levels of certainty under the specific economic conditions:

- At least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- At least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated proved + probable reserves;
- At least a 10% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable + possible reserves.

“Gross reserves” are defined as the total recoverable reserves associated with the acreage of interest.

“Gross remaining reserves” are defined as the total remaining recoverable reserves associated with the acreage of interest at the effective date of the estimate.

“Gross company interest reserves” are defined as the applicable working interest share of remaining recoverable gross reserves before deduction of any royalties.

TERMS AND DEFINITIONS (Continued)

“**Net company interest reserves**” are defined as the applicable working interest share and/or royalty interest share of the remaining reserves, less all royalties and interests owned by others.

“**Net production revenue**” is income derived from the future sale of net reserves of oil, pipeline gas, and by-products less all capital and operating costs, except that no allowance has been made for well abandonment and lease reclamation costs upon depletion of the reserves, unless otherwise stated.

“**Well abandonment costs**” as defined in NI 51-101 are costs of abandoning a well (net of salvage value) and of disconnecting the well from the surface gathering system. They do not include costs of abandoning the gathering system or reclaiming the well site.

Abbreviations used herein are as follows

APO	After payout
Bbls	Barrels
GORR	Gross overriding royalty
ac	Acres
MMBTU	Million British thermal units
MMCF	Million cubic feet
NPV	Net present value
NRI	Net revenue interest
WI	Working interest

DISCLOSURE OF RESERVES DATA, Constant Case

Data presented under the Constant case is calculated using constant prices and unescalated costs ("constant prices and costs"). The reader should note that future oil and gas production realized by Great Pacific may involve prices and costs significantly different than those estimated herein. Please see "Pricing Assumptions" for disclosure of the constant prices used in these net revenue estimates.

I. Breakdown of proved reserves, constant case

a	Proved developed producing oil reserves (bbls)	Gross	18,000	Net	18,000
b	Proved developed non-producing oil reserves (bbls)	Gross	-	Net	-
c	Proved undeveloped oil reserves (bbls)	Gross	-	Net	-
d	Total proved oil reserves (bbls)		<u>18,000</u>		<u>18,000</u>

II. Net present value of future net revenue attributable to proved reserves, constant case

Before Tax

		NPV at 0%	NPV at 10%
		(undiscounted)	
a	Proved developed producing oil reserves (bbls)	\$607,000	\$474,000
b	Proved developed non-producing oil reserves (bbls)	-	-
c	Proved undeveloped oil reserves (bbls)	-	-
d	Total proved oil reserves (bbls)	<u>\$607,000</u>	<u>\$474,000</u>

After Tax

		NPV at 0%	NPV at 10%
		(undiscounted)	
	Proved developed producing oil reserves (bbls)	\$568,000	\$404,000
	Proved developed non-producing oil reserves (bbls)	-	-
	Proved undeveloped oil reserves (bbls)	-	-
	Total proved oil reserves (bbls)	<u>\$568,000</u>	<u>\$404,000</u>

The above undiscounted estimate of future net revenue attributable to proved reserves, calculated using constant prices and costs comprises the following:

Estimated future revenue	\$1,179,000
Royalties	3,000
Operating costs	504,000
Development Costs	-
Abandonment and reclamation costs	65,000
Future net revenue before deducting future income tax expenses	607,000
Future income tax expenses	39,000
Future net revenue after deducting future income tax expenses	<u>\$568,000</u>

All disclosed reserves are attributable to property interests owned by Great Pacific International Inc. ("the parent company"), and the Company's consolidated subsidiaries do not hold oil and gas reserves. None of the disclosed reserves are held by investees which are accounted for on a proportionate consolidation or equity accounting method.

The above estimate of future net revenue does not give account to any company overheads or administration costs other than those directly charge to a well or facility.

DISCLOSURE OF RESERVES DATA, Forecast Case

Data presented under the Forecast case is calculated using assumptions of future commodity prices and escalated future production costs as estimated by Martin & Brusset Associates, our qualified reserves estimators. The reader should note that future oil and gas production realized by Great Pacific International Inc. ("Great Pacific", "we", or "the Company")-may involve prices and costs significantly different than those estimated herein. Please see "Pricing Assumptions" for disclosure of the forecast prices used in these future net revenue estimates.

I. Breakdown of Proved and Probable Reserves, forecast case

Oil reserves

	Gross reserves (bbls)	Net reserves (bbls)
Proved developed producing oil reserves	18,000	18,000
Proved developed non-producing oil reserves	-	-
Proved undeveloped oil reserves	-	-
Total proved oil reserves	18,000	18,000
Probable oil reserves	32,000	31,000
Total proved and probable oil reserves	50,000	49,000
Possible oil reserves	13,000	11,000
	63,000	60,000

Natural gas reserves

	Gross reserves (Mmcf)	Net reserves (Mmcf)
Proved developed producing natural gas reserves	-	-
Proved developed non-producing natural gas reserves	-	-
Proved undeveloped natural gas reserves	-	-
Total proved natural gas reserves	-	-
Probable natural gas reserves	65	50
Total proved and probable natural gas reserves	65	50
Possible natural gas reserves	21	17
	86	67

All proved and probable oil reserves presented in the forecast case are light and medium oil reserves located in Alberta, Canada. All proved and probable natural gas reserves presented in the forecast case are located in Alberta, Canada.

DISCLOSURE OF RESERVES DATA, Forecast Case (Continued)

II. Net Present Value of Future Net Revenue (Forecast Case)

Using forecast case prices and escalated costs, the above reserves represent estimated undiscounted future net revenue as follows:

Future revenue attributable to:	
Proved developed producing oil reserves	\$1,139,000
Probable oil reserves	2,075,000
Probable gas reserves	482,000
Possible oil reserves	795,000
Possible gas reserves	168,000
Future gross sales revenue attributable to proved, probable and possible oil and gas reserves	4,659,000
Royalties	307,000
Operating costs	1,730,000
Development costs	345,000
Abandonment and reclamation costs	121,000
Future net revenue before deducting future income tax expenses	2,156,000
Future income tax expenses	504,000
Future net revenue after deducting future income tax expenses	\$1,652,000

A breakdown of future net revenue before and after deducting future income tax expenses is as follows:

NPV attributable to future net revenue from:	NPV of future net revenue discounted at:				
	0%	5%	10%	15%	20%
Proved developed producing oil reserves	\$518,000	\$462,000	\$419,000	\$384,000	\$355,000
Total proved oil reserves	518,000	462,000	419,000	384,000	355,000
Total proved gas reserves	-	-	-	-	-
Total proved reserves	518,000	462,000	419,000	384,000	355,000
Probable oil reserves	841,000	631,000	489,000	390,000	317,000
Probable gas reserves	231,000	191,000	159,000	135,000	115,000
Total probable reserves	1,072,000	822,000	648,000	525,000	432,000
Total proved plus probable reserves	1,590,000	1,284,000	1,067,000	909,000	787,000
Possible oil reserves	463,000	342,000	263,000	207,000	169,000
Possible gas reserves	103,000	76,000	57,000	44,000	35,000
Total possible reserves	566,000	418,000	320,000	251,000	204,000
Total proved plus probable plus possible reserves (before tax)	\$2,156,000	\$1,701,000	\$1,387,000	\$1,160,000	\$991,000
After deducting future income tax expense	\$1,652,000	\$1,288,000	\$1,039,000	\$860,000	\$728,000

DISCLOSURE OF RESERVES DATA, Forecast Case (Continued)

The above estimates of future net revenues do not give account to any company overheads or administration costs other than those directly charge to a well or facility.

All disclosed reserves are attributable to property interests owned by Great Pacific International Inc. ("the parent company"), and the Company's consolidated subsidiaries do not hold oil and gas reserves. None of the disclosed reserves are held by investees which are accounted for on a proportionate consolidation or equity accounting method.

PRICING ASSUMPTIONS

I. Constant Prices Used in Estimates

Estimates of oil and gas reserves and future net revenues disclosed under the constant case scenario use the following constant prices, adjusted in certain cases for expected price differentials:

Oil Price 66.23 per barrel
Gas Price 6.87 per mcf.

II. Forecasted Prices Used in Estimates

Estimates of oil and gas reserves and future net revenues disclosed under the forecast case scenario use the following forecasted prices, adjusted in certain cases for expected price differentials:

Year	WTI (US\$)	Edmonton Light Sweet 40° API (C\$/Bbl)	f.o.b. Edmonton Propane (C\$/Bbl)	f.o.b. Edmonton Butane (C\$/Bbl)	f.o.b. Edmonton Pentanes Plus (C\$/Bbl)
2007 Q1	58.00	63.92	38.35	49.90	65.80
Q2	62.00	71.30	42.80	55.60	73.40
Q3	62.00	71.30	42.80	55.60	73.40
Q4	64.00	70.80	42.50	55.30	72.90
2007	61.50	69.33	41.61	54.10	71.38
2008	60.00	67.70	40.60	52.80	69.70
2009	59.00	66.60	40.00	50.00	68.30
2010	58.00	65.40	39.20	49.00	66.70
2011	57.00	64.30	38.60	48.30	65.60
2012	58.00	65.40	39.20	49.00	66.70
2013	59.00	66.60	40.00	50.00	67.90
2014	60.00	67.70	40.60	50.80	69.10
2015	61.00	68.90	41.30	51.60	70.30
2016	62.00	70.00	42.00	52.50	71.40
2017	63.00	71.20	42.70	53.40	72.60

Thereafter: +2.0%/year

PRICING ASSUMPTIONS (Continued)

II. Forecasted Prices Used in Estimates (Continued)

Natural Gas Prices, S/MMBTU (Average Plant-gate Price)

Year	Aggregator Avg. Field	AECO C Spot	Alberta Avg. Field	Exchange Rate \$US/\$Cdn	Cost Inflation %/Year
2007 Q1	6.85	6.80	6.55	0.87	
Q2	7.35	7.30	7.05	0.87	
Q3	6.85	6.80	6.55	0.87	
Q4	7.35	7.30	7.05	0.87	
2007	7.10	7.05	6.80	0.87	0
2008	7.40	7.50	7.25	0.87	2
2009	7.35	7.60	7.35	0.87	2
2010	7.45	7.70	7.45	0.87	2
2011	7.60	7.85	7.60	0.87	2
2012	7.75	8.00	7.75	0.87	2
2013	7.85	8.10	7.85	0.87	2
2014	7.95	8.20	7.95	0.87	2
2015	8.05	8.30	8.05	0.87	2
2016	8.15	8.40	8.15	0.87	2
2017	8.25	8.50	8.25	0.87	2

Thereafter: +2.0%/year

*Prices used in the Tables were provided by Martin & Brusset Associates, Oil & Gas Reserves Evaluators.

Great Pacific did not participate in any oil and gas production or revenues in the year ended March 31, 2007, and therefore there is no weighted average historical price to report.

Great Pacific is not subject to any agreements that contractually commit or bind us to supply oil and gas in the future at some fixed or presently determinable future price.

The M & B report uses benchmark oil price forecasts adjusted for individual pools to account for variances in oil gravity, sulphur content and transportation charges. Adjustments were made on the basis of the relationship between actual prices received and the applicable benchmark prices where such information was available.

The M & B report use benchmark gas price forecasts for gas production at base conditions of 14.65 psia and 60°F. The applicable benchmark prices were adjusted for heating value and pipeline cost of service where necessary.

RECONCILIATION OF CHANGES IN RESERVES AND FUTURE NET REVENUE

I. Reserves Reconciliation

Net reserves (constant case) at March 31, 2007 (all reserves located in Alberta, Canada)

Reserves classification	Product	Reserves (forecast case)
Net proved	Oil (bbls)	18,000
	Natural gas (Mmcf)	-
Net probable	Oil (bbls)	31,000
	Natural gas (Mmcf)	52
Net proved plus net probable	Oil (bbls)	49,000
	Natural gas (Mmcf)	52

Future net revenue before income tax (constant case), discounted at 10% per year, attributable to proved developed producing reserves, at March 31, 2007

Reserves classification	Product	Reserves (forecast case)
Net proved	Oil (bbls)	\$474,000
	Natural gas (Mmcf)	-

Net reserves at March 31, 2006

Reserves classification	Product	Reserves (forecast case)
Net proved	Oil (bbls)	-
	Natural gas (Mmcf)	-
Net probable	Oil (bbls)	-
	Natural gas (Mmcf)	-
Net proved plus net probable	Oil (bbls)	-
	Natural gas (Mmcf)	-

Future net revenue before income tax (constant case), discounted at 10% per year, attributable to proved developed producing reserves, at March 31, 2006

Reserves classification	Product	Reserves (forecast case)
Net proved	Oil (bbls)	-
	Natural gas (Mmcf)	-

The Company held no oil and gas property interests at March 31, 2006, and was not in the oil and gas business at March 31, 2006 (Please see our MD & A dated July 11 2007, on www.sedar.com)

RECONCILIATION OF CHANGES IN RESERVES AND FUTURE NET REVENUE Continued)

II. Changes in net reserves and future net revenue

Great Pacific purchased the oil and gas reserves disclosed herein in March, 2007, and began participating in the operations of these properties at April 1, 2007, as per the terms of the acquisition agreement. At March 31, 2006, we did not own any oil and gas property interests, and therefore had no oil and gas reserves. All oil and gas property interests and reported reserves owned by the Company at March 31, 2007 were obtained by acquisition in fiscal 2007. Accordingly, all reserves and estimated future net revenue as of March 31, 2007 disclosed herein relates to properties that were acquired in fiscal 2007.

ADDITIONAL INFORMATION RELATING TO RESERVES DATA

I. Undeveloped Reserves

Reserves classified as undeveloped are those that are expected to be recovered from known accumulations, where a significant expenditure (e.g. when compared to the cost of drilling a well) is required to render them capable of production.

Great Pacific has reserves classified as probable undeveloped reserves. Probable undeveloped reserves are undeveloped reserves, as defined above, that are characterized by a lower certainty of recovery than proven undeveloped reserves. Specifically, probable undeveloped reserves are undeveloped hydrocarbon accumulations that have the property that, in the estimation of the qualified reserves evaluator, the likelihood that the actual amount of hydrocarbons recovered from that accumulation will be greater than the stated amount of proven and probable reserves attributed to that accumulation is equal to the likelihood that the amount of hydrocarbons recovered will be less than the stated amount of proven and probable reserves attributed to that accumulation.

Undeveloped reserves are defined as probable based on the determination of our qualified well evaluator, who arrived at his determination using a composite of petroleum engineering methods considering all of the available data. The reserves methodologies that may have been used in the assessment of probable undeveloped reserves are decline curve analysis, material balance, volumetric estimation, mathematical reservoir stimulation, analogy and performance prediction.

Great Pacific acquired its probable undeveloped reserves by way of a property interest acquisition in March, 2007, and had no undeveloped reserves (or other oil and gas interests) in the corresponding period last year or any prior year since the Company's inception.

In the forecast case, at a discount rate of 10% per year, the probable undeveloped reserves are valued as follows:

Reserves classification	Product	Net Probable Undeveloped Reserves	Net present value of net future revenue attributable to Great Pacific's share of probable undeveloped reserves (before taxes) 10% discount rate
Net probable undeveloped reserves	Oil (bbls)	16	\$216,000
	Natural gas (Mmcf)	50	159,000
			\$375,000

Probable undeveloped oil reserves are located on three properties: Equisetum Kidney, Grand Forks and Rainbow Lake. Total gross estimated remaining development costs of \$1,610,000 (of which the share attributable to Great Pacific's working interest is \$239,000) have been included in the calculations of net present value presented elsewhere. \$1,610,000 represents management's estimate at March 31, 2007 of the amount of additional expenditures required to bring these reserves into production. These costs include drilling, completion and equipping costs on two probable undeveloped properties, and re-entry and equipping costs on a third property.

ADDITIONAL INFORMATION RELATING TO RESERVES DATA (Continued)

Management plans on developing one property containing probable undeveloped oil reserves in the year ended March 31, 2008, the Equisetum Kidney. At March 31, 2007, we estimated that gross capital expenditures of \$850,000 (\$153,000 net to Great Pacific's working interest) would be required to develop this property to the point of production. These capital costs have been included in the net present value of the probable reserves disclosed herein. As of the preparation date, management estimates that additional capital expenditures of \$38,000 (net to Great Pacific's 18% working interest) are required to develop this property to the point of production. Our ability to fully develop this property to the point of production is conditional on, among other factors, receiving adequate external financing. There is no assurance we will be able to develop this property to the point of realizing the reserves and revenues attributed to it.

Management does not plan on developing the remaining two properties classified as containing probable undeveloped oil reserves in fiscal 2008. As the company is a minority interest holder in its undeveloped oil and gas properties, the timing of development is also contingent on the plans of other participants in these properties. The Company is not aware of any plans to develop these properties in the year ended March 31, 2008, but for the purposes of this evaluation, has planned development in the year ended March 31, 2009.

SIGNIFICANT FACTORS OR UNCERTAINTIES

Great Pacific faces a number of operational, business and economic risks, including risks common to all businesses, risks common to the oil and gas exploration, development and production industries, and risks that are common to development stage enterprises.

Great Pacific is considered to be in the development stage of its oil and gas business operations. We have not yet achieved significant or self-sustaining levels of revenue or operating cash flows. As a result, we are reliant on external financing, raised primarily through the private placement of equity, to provide working capital, fund business operations and pay for all planned oil and gas development and capital expenditures. To a large extent, our ability to realize the net revenues forecasted in this reserves evaluation is dependent upon our ability to raise sufficient funds to carry out the development of these properties. There is no assurance that we will be successful in obtaining adequate funding in a timely manner. Similarly, the financial uncertainties common to development stage enterprises may make it difficult in the future to obtain those resources required to carry out the development of our reserves. The failure to obtain working capital in a timely manner through equity financing may prevent us from developing our properties, notwithstanding the fact that such properties may be assessed to have valuable hydrocarbon reserves. Management is currently pursuing a brokered private placement of flow through and non-flow through shares in order to address our lack of capital, but there is no assurance that we can obtain adequate financing in a timely manner.

The value of Great Pacific's reserves are sensitive to the prevailing market price for oil and gas realized at the time of sale. Oil and gas prices are highly volatile, and the reader is cautioned that future spot prices realized at the time of sale may differ significantly from the estimated future prices used in the reserves valuation. This commodity price risk can arise from changes in the price of oil and gas, which is driven by global and continent-wide demand and supply factors. Commodity price risk also arises from foreign exchange risk, since global oil prices are denominated in U.S. dollars, and our operational costs are denominated in Canadian dollars. All else held equal, a fall in the price of U.S. dollars relative to Canadian dollars will reduce our gross sales revenue. Oil prices are also sensitive to such macro-scale factors as global economic output, which drives energy demand, and global geo-political developments, which may restrict supply and trade in oil. Currently, our future production is expected to be sold in the spot market.

The ability to economically extract the volumes of hydrocarbons stated in our reserves valuation is dependent on the realizing the expected geological conditions. There can be no assurance that realized local geological conditions will permit the economic and viable drilling and operation of oil and gas wells, and there can be no assurance that such factors as the actual size, volume, pressure, water content, and hydrocarbon content of oil and gas accumulations will reflect those characteristics forecasted and attributed to the well or property in the reserves evaluation. Actual reserves and well performance (i.e. the realized hydrocarbon flow rate, reservoir pressure and depletion rate) may materially differ from the forecasted levels implicit in this reserves evaluation, as might actual reserves volume.

SIGNIFICANT FACTORS OR UNCERTAINTIES (Continued)

Further, our low number of operating wells and development targets leaves us more exposed to variations in realized oil and gas reserves than would be the case with a larger company.

There are a number of operational risks inherent in oil and gas exploration and production. These risks include the difficulties often encountered in drilling an oil or gas well, and the likelihood that observed geological conditions may differ significantly from expected geological conditions. In addition, several of our oil and gas property interests are in "muskeg" regions – swampy terrain common to northern Alberta. These oil and gas property interests can only be drilled and operated in the winter months, when the ground is frozen sufficiently solid to permit truck and drilling rig access to the well site. As a result of this, we expect our earnings and capital expenditures to show material seasonality. We also face operational risks such as the risk that a drilling operation may encounter unknown formations, the costs associated with encountering unexpected geological conditions unfavourable to drilling or well installation, or the risk of premature downhole or surface equipment failure. The drilling and operation of wells is also subject to the risk of blowouts, spills or pollution, untoward gas emissions or fire, and well equipment failure. Management uses reliable and experienced drilling contractors to mitigate these risks, and our operating well sites are covered by blow-out, property and casualty and business interruption insurance which may also partially insulate against these risks.

The oil and gas industry has literally thousands of participants, many of which are far better capitalized than Great Pacific, and have far greater internal resources. As a result, Great Pacific faces significant competition in the markets for such service and production resources as drilling rigs, human resources (including managerial, geological, engineering, operational and administrative talent), and risk capital. Our ability to capture the net present value identified in this report, is materially sensitive to our ability to obtain such resources in a timely manner at a feasible cost. The competition for such inputs is also exerting inflationary pressures on oil and gas exploration and production costs, which, if it exceeds our forecasted levels, may reduce our realized future net revenue relative to these projections. Great Pacific feels we have mitigated several of these risks by assembling a quality managerial team with relevant oil and gas experience.

Such competition within the oil and gas industry, when coupled with the aging of the Western sedimentary basin, will make it more difficult to obtain economic oil and gas property interests in the future. While this report is focused on the evaluation of existing wells, the investor should be cautioned that the ability to sustain the revenue levels inherent in these projections, and the ability to maintain a level of cash flows sufficient to cover general and corporate overhead may require us to expand and increase reserves through further property acquisition. The likelihood of acquiring additional economic oil and gas property interests, in the face of a competitive market for such properties, is indeterminate. Since March 31, 2007, we have acquired additional property interests in the Peerless Lake region to mitigate this risk by increasing our inventory of potential drill targets.

Associated with the price, geological and supply risks discussed above, is marketing risk. Our ability to earn the future revenues implicit in our reserve valuation depends on our ability to successfully market our product at a level significantly close to the prevailing quoted spot price for light crude delivered to Edmonton. Our ability to earn such revenues depends on the realized grade of our hydrocarbon, our access to transportation for our inventory, which, in the case of most of our properties is by tanker truck, and continued access to refining capacity.

Our reserves are located on properties that are held jointly, with one or more interest-holders owning a working and net revenue interest in each property. On all properties identified as containing economic reserves, we hold a minority non-operated working interest. Therefore, our ability to bring undeveloped properties into production may depend on the willingness of other joint interest participants to participate according to their working interest. As the discounted net present values of our estimated reserves, as provided in this report, are materially sensitive to the passage of time, any delays in developing non-producing reserves due to this or other reasons, may materially reduce the realized value of our reserves.

The Company is also subject to regulatory risk, given the regulated nature of the oil and gas business. The ability to drill our properties in a timely manner is dependent on the receipt of appropriate well licenses and our ability to demonstrate an ecologically sound drilling, operating and remediation plan.

FUTURE DEVELOPMENT COSTS

Development costs deducted in the estimate of future net revenue attributable to proved and probable reserves are as follows:

Property Class	Development costs net to Great Pacific's working interest		Expenditure date	Property
	Constant prices	Forecast prices		
Probable developed ,oil	\$16,000	\$16,000	Summer, 2007	Equisetum AAA
Probable developed, oil	24,000	24,000	Summer, 2007	RE Granite Wash M
Total probable developed, oil	40,000	40,000	Summer, 2007	
Probable undeveloped, oil	153,000	156,000	Summer, 2007	Equisetum Kidney
Probable undeveloped, oil	34,000	35,000	Fiscal 2008 or later	Grand Forks
Probable undeveloped, oil	51,000	52,000	Fiscal 2008 or later	Rainbow Lake
Total probable undeveloped, oil	38,000	243,000		
Total Probable undeveloped, gas	\$62,000	\$60,000	Fiscal 2008 or later	Red Water

These costs have been included in the net revenue values presented elsewhere in this document.

The net expenditure of \$24,000 assigned to probable developed reserves on the Red Earth Granite Wash M property include an allocated cost of \$7,000 applied to the well for the use of a motor which will be installed on the well. The allocated cost was determined based on a pro rated allocation of the value of the motor according to the expected proportion of the motor's life during which it will be used on that property, based on management's estimate of the remaining productive life of that well.

Subsequent to the effective date of the reserve evaluation (March 31, 2007), the company entered into an agreement with the operating interest holder on the Peerless Lake Equisetum Keg River AAA and Red Earth Granite Wash M properties wherein Great Pacific will pay 100% of the gross development costs on those properties (estimated to be, in the aggregate, \$110,000, plus approximately \$60,000 in gross unallocated motor costs, as discussed above). In return, the agreement grants Great Pacific a 100% net revenue interest (subject to crown royalties) in those wells until that time Great Pacific has earned undiscounted net revenue equaling 125% of the amount of those development costs, after which time Great Pacific will revert to a 36% net revenue interest, subject to crown royalties. As this agreement was not signed at the effective date of the reserves evaluation, the expected net revenue and reserves values disclosed herein do not account for the effects of this agreement.

Development, capital and exploration costs disclosed in this section relate only to those properties for which the company has assigned reserves at March 31, 2007. At the preparation date of this report, the Company has planned additional development, capital and exploration expenditures on properties acquired subsequent to March 31, 2007. As well, the Company has planned development, capital and exploration costs on properties that were owned at the effective date but for which no reserves were assigned. No effect of these planned expenditures has been recorded in this reserves evaluation. Our MD & A dated July 11, 2007, available on www.sedar.com discloses these additional planned expenditures.

Management expects to fund its development costs primarily through the proceeds of planned flow-through and non-flow-through private placement sales of common shares of the company. There is no assurance that management will obtain adequate financing on economic terms in a timely manner. Failure to obtain adequate financing would likely prevent Great Pacific from proceeding with these development expenditures, and would likely prevent Great Pacific from exploiting the reserves attributable to those properties in this report.

The discounted net revenue values presented in this report are presented net of recovery of the cost of capital for our share of the gross development capital presented above.

OTHER OIL AND GAS INFORMATION

I. Oil & Gas Properties and Wells

At March 31, 2007, the Company purchased an interest in 7 property groups: Acadia, Equisetum, Grand Forks, Loon Lake, Rainbow Lake, Red Earth and Redwater, all located in Alberta.

The Equisetum, Loon Lake and Red Earth property groups are all located near each other in north central Alberta. In our MD & A they are grouped collectively as the "Peerless Lake field." This area is the core area to the company and includes single well batteries and a road system.

These properties are located onshore Canada.

Properties to which reserves have been attributed and which are capable of producing but which are not producing are located near several oil processing facilities and two major pipelines (Peace Pipeline, Wabaska Pipeline). The Company currently does not have any proved undeveloped wells. Should we produce from these properties, we do not expect to tie these wells into near-by pipelines, but will rather transport the product to near by oil processing facilities by tanker truck. These properties have road access (except during winter break-up).

Most of the petroleum and natural gas leases in which the Company holds an interest are not subject to expiry and are held by production. At Red Earth our probable reserves are on leased lands. The Red Earth leases do not expire until 2010. The Rainbow Lake property to which probable reserves have been assigned are held pursuant to a lease which expires in 2009.

OTHER OIL AND GAS INFORMATION (Continued)

II. Gross and Net Wells

Name of Property	Legal description	Gross Wells	Net Wells
Empress	02/05-28-24-02 W4M, Viking 01/09-28-24-2- W4M	2	.0765
Equisetum	00/04-09-088-05- W5M/0, Keg River C	1	0.36
Equisetum	00/12-20-088-05- W5M/0, Keg River A	1	0.36
Equisetum	10-33-88-06-W5M, Keg River	1	0.18
Equisetum	00/16-01-089-05- W5M/0, Keg River KK	1	0.36
Equisetum	00/01-04-089-05- W5M/0, Keg River AAA	1	0.36
Grand Forks	02/02-14-12-13-W4M, Sawtooth II	1	0.072
Loon	00/05-17-085-08- W5M/0, Granite O	1	0.36
Loon	00/10-18-085-08- W5M/0, Granite O	1	0.36
Loon	00/09-27-085-10- W5M/0, Granite Wash N	1	0.36
Loon	00/03-26-086-08- W5M/0, Granite Wash S2S	1	0.12
Loon	02/11-02-086-10- W5M/0, Slave Point E	1	0.36
Rainbow Lake	16-21-109-8 W6- Muskeg	1	0.18
Red Earth	00/11-23-088-08 W5/0-Granite Wash M	1	0.36
Red Earth	00/08-04-088-09 W5/2-Slave Point EE	1	0.36
Red Earth	16-04-088-09 W5/2 Bluesky	1	0.36
Redwater	02/01-23-57-21 W4/0 W4M	1	0.09
TOTALS		18 Gross Wells	4.6785 Net Wells

OTHER OIL AND GAS INFORMATION (Continued)

III. Properties with No Attributed Reserves

Properties held at March 31, 2007 with no attributed reserves are as follows

Property	Gross Acres	Net Acres	Work Commitments at March 31, 2007
Empress/Acadia	640	24	None.
Equisetum Keg River A	160	58	None.
Loon Granite Wash O	160	58	None
Loon Granite Wash Q	160	58	None
Loon Granite Wash S2S	160	20	None

None of these properties expire in the next year.

IV. Forward Contracts

Great Pacific is not bound by any agreement under which it may be precluded from fully realizing, or may be protected from the full effect of, future market prices for oil or gas,

The Company's operator sells the Company's oil production at spot prices pursuant to a sales contract that grants the operator the right to terminate without penalty on 10 days notice, with no dedication of volume or price. The Company's operator will sell any gas the company produces on the spot market with no dedication of volume or price.

ADDITIONAL INFORMATION CONCERNING ABANDONMENT AND RECLAMATION COSTS

The Company estimates the abandonment and reclamation (A & R) costs for each property based on the relevant contractual, statutory and regulatory site reclamation and restoration requirements in existence at the effective date. For developed properties, the company estimates the cost of abandonment, reclamation and remediation work that would be required to abandon and retire developed properties at the effective date.

For undeveloped properties for which reserves have been attributed, management estimates the cost of abandoning, reclaiming and remediating expected well sites based on the nature and scope of all future property development and equipment installation operations required to extract disclosed reserves from that property.

In the forecast case, these amounts are escalated forward to the expected well abandonment date. For properties to which reserves have been attributed, the expected well abandonment date is determined by the qualified reserves evaluator.

Both for developed and undeveloped properties, A & R costs are estimated on a gross basis, and the present value of the net amount of the estimated A & R costs (that is, the portion of gross A & R costs that is proportionate to the Company's working interest in the property) is considered the Company's future A & R cost. This amount is deducted from the reported amount of future net revenues and is used in the determination of oil and gas reserves.

The A & R costs used by the well reserves evaluator in determining future net revenues do not include the estimated costs of abandoning and reclaiming surface installations (such as well equipment and roads), and do not give effect to the salvage value of equipment located on the well sites. The abandonment date A & R costs for such installations are estimated by management. In addition, future net revenues disclosed herein also do not give effect to the cost of performing reclamation on properties for which no reserves have been attributed. The present value of estimated future A & R costs related to abandoning, reclaiming and retiring surface installations and equipment and abandoning and reclaiming properties to which no reserves have been attributed are included in the amount of the future asset retirement obligation presented in the consolidated financial statements, however. Alternatively, the future asset retirement obligation presented in our consolidated financial statements only measures the present value of estimated A & R costs on properties which are developed or under development at the balance sheet date.

ADDITIONAL INFORMATION CONCERNING ABANDONMENT AND RECLAMATION COSTS (Continued)

The net revenue values (forecast case scenario) disclosed elsewhere herein include the following estimated A & R costs (presented gross and net on an undiscounted basis and on a net basis discounted at 10% per year) as estimated at March 31, 2007:

Property	Gross estimated A & R costs (2007 dollars)	Undiscounted Net estimated A & R costs (at abandonment date)	Discounted at 10% Net estimated A & R costs (at abandonment date)
Equisetum	\$120,000	\$42,000	\$25,000
Loon	30,000	17,000	5,000
Red Earth	90,000	37,000	21,000
Grand Forks	50,000	4,000	2,000
Rainbow Lake	50,000	10,000	6,000
Red Water	30,000	3,000	1,000
	\$370,000	\$113,000	\$59,000

These future A & R costs presented above reflect both the estimated abandonment date costs of remediating wells that existed at March 31, 2007, and an estimate of the A & R costs that are expected to arise based on the operations that will be required to develop undeveloped properties to which reserves have been attributed. Properties characterized in the latter fashion are those which, on the basis of holding probable and possible economic reserves as disclosed herein, are expected to be drilled and developed in the future, with such drilling and development being expected to create legal and contractual reclamation and retirement obligations.

Details are as follows:

Property	Costs at abandonment date (undiscounted)					
	Existing wells for which net A & R obligations were recorded at March 31, 2007		Future (planned) wells for which net A & R obligations were recorded at March 31, 2007		Total	
	Wells	A & R Cost	Wells	A & R Costs	Existing and future wells Wells	Net A & R costs included in net revenue calculation A & R Costs
Equisetum	3	\$35,000	1	\$7,000	4	\$42,000
Loon	1	17,000			1	17,000
Red Earth	3	37,000			3	37,000
Grand Forks			1	4,000	1	4,000
Rainbow Lake			1	10,000	1	10,000
Red Water			1	3,000	1	3,000
	7	\$89,000	4	\$24,000	11	\$113,000

ADDITIONAL INFORMATION CONCERNING ABANDONMENT AND RECLAMATION COSTS (Continued)

At the effective date of this report, management is of the opinion that there are additional reclamation costs related to surface installation abandonment, as well as abandonment costs on properties with no assigned reserves. Due to limitations in the scope of the independent reserves evaluation these estimated future A & R costs were not measured in the net revenue values disclosed herein. These additional A & R costs (estimated at abandonment date prices) are as follows, on an undiscounted basis and discounted at 10% per year.

Property	Additional Gross A & R costs not included in net revenue estimates	<u>Undiscounted</u> Net estimated additional A & R costs at abandonment date	<u>Discounted at 10%</u> Net estimated additional A & R costs at abandonment date
Empress	\$21,000	\$1,000	\$1,000
Equisetum	133,000	\$48,000	34,000
Loon	129,000	\$39,000	39,000
Red Earth	55,000	\$20,000	20,000
	<u>\$302,000</u>	<u>\$108,000</u>	<u>\$94,000</u>

These values include the estimated A & R costs for five Peerless Lake oil wells – the Equisetum Keg River A, the Loon Granite O, the Loon Granite Q, the Loon Granite Wash S2S and the Loon Granite Wash N - and the Empress/Acadia gas well, for which no reserves were assigned at March 31, 2007.

The amount reported in the annual financial statements at March 31, 2007 for “future asset retirement obligations” represents the total of the present values of the well reclamation costs estimate provided by the qualified reserves evaluator, plus the estimate of the costs of abandoning and reclaiming surface installations and properties with no reserves assigned, less the estimate of the present values of A & R costs on four future (planned) wells relating to undeveloped reserves that were included in the net revenue values provided herein.

At the effective date of this report, management is of the opinion that the equipment situated on the well sites in which it holds an interest will have material salvage value at the expected dates of its abandonment. By the terms of the acquisition agreement, the company holds an ownership interest in the well site equipment, and thereby a right to participate in any proceeds from the disposition of that equipment, proportionate to our working interest in the lease to which it relates. The net revenue values presented in this report do not account for the potential salvage value of well equipment. Management estimates that the details of the salvage value of well equipment is as follows:

Property	Present value at 10% per year of the estimated gross salvage proceeds at abandonment date	Great Pacific's Average Working Interest	Present value of estimated net salvage proceeds at abandonment date, net to Great Pacific's working interest:
Empress	\$34,000	3.8%	1,000
Equisetum	110,000	36%	40,000
Loon	197,000	36%	71,000
Red Earth	109,000	36%	39,000
	<u>\$450,000</u>		<u>\$151,000</u>

The estimated salvage values at abandonment date presented above were determined based on the effective date salvage value, inflated at 2.5% per year, subject to declining balance depreciation of 10% per year. The present value provided reflects a discount rate of 10%.

We anticipate that in the fiscal years 2008 to 2010 (inclusive), we will face total A & R expenditures of \$62,000, based on our estimate of the cost of performing our share of A & R obligations, and determined using the estimate of remaining well life provided by our qualified reserves evaluator.

COSTS INCURRED IN 2006

Property acquisition costs: The Company acquired the oil and gas properties discussed herein for consideration of \$777,000, comprising:

Cash payment	\$350,000
Issuance of 500,000 common shares at a deemed price of \$0.50 per share	250,000
Assumption of future A & R obligations	165,000
Finders' fee	12,000
	<u>\$777,000</u>

These properties were acquired by way of a single block acquisition as at March, 2007. Under the terms of the agreement, the Company acquired the right to participate in these properties effective April 1, 2007. These properties included non-operated minority interests in several Crown petroleum and natural gas leases, surface leases, and oil and gas production equipment located on the well sites, all located in Alberta, Canada.

Exploration costs: The Company has not incurred any Exploration Costs to year end 2007.

Development costs: The Company has not incurred any Development costs to year end 2007

CURRENT EXPLORATION AND DEVELOPMENT ACTIVITIES

The Peerless Lake Area is where the Company plans to focus its attention and is the Company's core area of interest. This includes three property groups, Equisetum, Loon Lake and Red Earth, respectively. We propose to drill and rework wells in the area to increase production and revenue. Our MD & A (available on www.sedar.com) discusses these current exploration and development activities in further detail. The reader should be cautioned that our ability to conduct our current exploration and development activities is conditional on receipt of adequate external financing.

Current exploration and development activities are focused on unproven properties, including properties with probable reserves (Equisetum Kidney, Red Earth Granite Wash M), and properties to which no oil and gas reserves have been assigned. We also intend to participate in the trial operation of several mature oil and gas wells located on unproven properties to which no reserves have been assigned. Readers are cautioned that there is a high risk associated with the exploration and development of unproven properties, and there can be no assurance that we will be successful in locating or extracting economic oil and gas reserves on those properties.

PRODUCTION ESTIMATES

The estimated values for net revenues disclosed herein are based on the following estimate of production for the fiscal year ended March 31, 2008.

Volume of expected production from proved developed producing reserves	5,300
Volume of expected production from probable reserves	<u>700 bbl</u>
Total expected production, calendar 2007	<u>6,000 bbl</u>

We only expect to produce oil in the year.

All production expected in the year is from the Peerless Lake area of interest.

Within the Peerless Lake area of interest, the Equisetum property group accounts for approximately 55% of expected production from proved developed producing reserves, being 2,900 bbls, and 61% of expected production from probable developed reserves, being 500 bbls of oil.

The Red Earth property group accounts for approximately 33% of expected production from proved developed producing reserves, being 1,700bbls, and approximately 39% of expected production from probable developed reserves, being approximately 300 bbls oil.

The Loon Lake property is expected to account for approximately 12% of expected production from proved developed producing reserves, being approximately 600 bbls of oil.

The Company has not participated in any production from its oil and gas assets acquired in fiscal 2007 at the effective date, as the right to participate in operations became effective April 1, 2007. Prior to acquiring the properties described herein, the Company owned no oil and gas assets, and thus has not participated in any oil and gas production in any prior period.

TAX HORIZON

The Company will not be liable for any income tax in the year ended March 31, 2007. The company believes that it has sufficient unrecorded future income tax assets, comprising non-capital losses carried forward and resource property costs, which can be carried forward and applied against net revenues from the reserves presented in this report such that there will be no income taxes payable with respect to the net revenues assessed in this report.