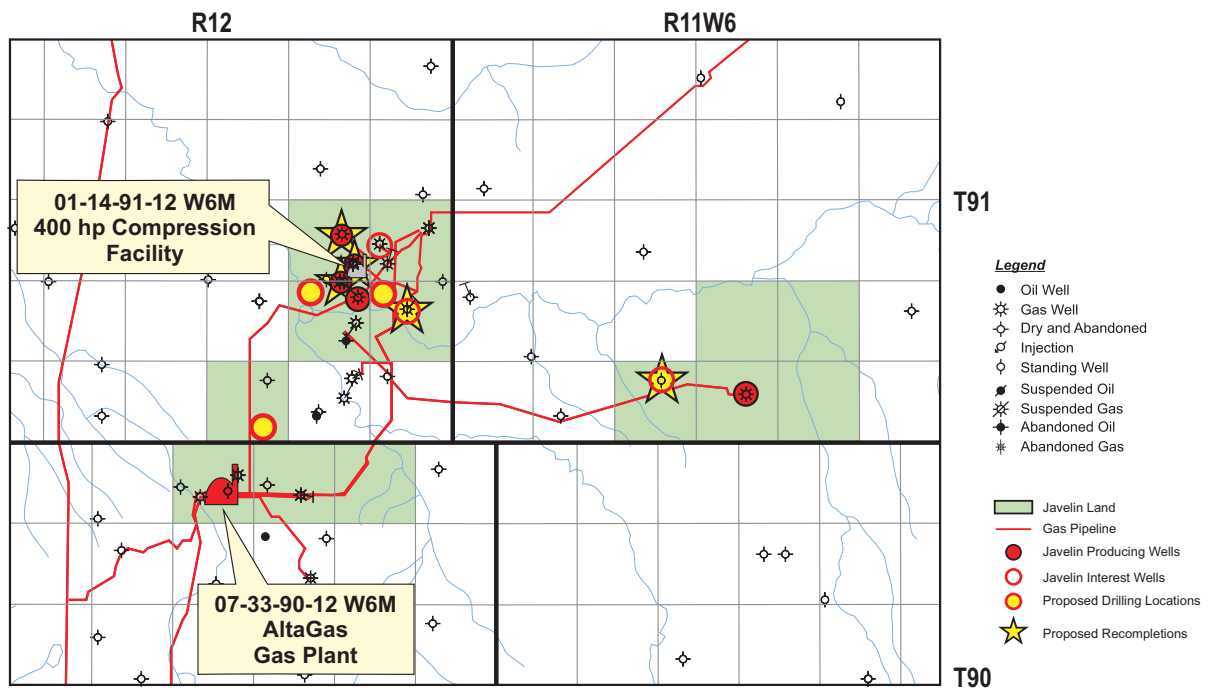




HIGHLIGHTS

- ◆ 100% working interests in 10 sections of land and 25% working interests in 3 additional sections of land
- ◆ 225 BOE/day (1.32 MMcf/day of 1130 BTU/Scf net sales gas and 5 Bbls/day of liquids)
- ◆ 5.2 Year Proved Producing Reserve Life Index
- ◆ 11.8 Year Proved Plus Probable Reserve Life Index
- ◆ Multiple producing gas zones: Montney, Baldonnel, Gething, Bluesky, and Notikewin
- ◆ High area activity with recent light oil discoveries
- ◆ Seven producing operated gas wells with 100% working interests
- ◆ Additional downspaced drilling potential
- ◆ Ten gas recompletion opportunities in the Belloy, Doig, Charlie Lake, and Upper Gething
- ◆ Three 100% working interest multiple zone development drilling locations identified
- ◆ Numerous field optimization activities and improvements
- ◆ Additional 0.75 MMcf/day of sales gas from existing wells by reducing the tubing from 2 3/8" to 1 1/2" in six wells allowing the water to unload in the wells and installing compression on the seventh well not currently tied into central compression
- ◆ Licensed for year-round field access

Land Map





SUMMARY

The Clear Prairie property is located in Townships 90 and 91, Ranges 11 and 12 W6M in northwestern Alberta. The property consists of 100% working interests in 10 sections of land and 25% working interests in 3 additional sections of land.

Net production is estimated at 225 BOE/day, consisting of 1.32 MMcf/day of 1130 BTU/Scf gas and 5 Bbls/day of liquids, from seven 100% working interest wells producing from the Montney, Baldonnel, Gething, Bluesky, and Notikewin Formations. Note that this production was shut-in December 17, 2009 and restarted January 29, 2010 due to an AltaGas facility repair. There is an estimated 0.75 MMcf/day of incremental sales gas production from the seven wells by reducing the tubing from 2 3/8" to 1 1/2" in six wells allowing the water to unload in the wells and installing compression on one well not currently tied into central compression.

Behind pipe gas reserves have been tested in the Belloy, Doig, Charlie Lake, and Upper Gething Formations. The Baldonnel and Charlie Lake Formations also produce oil. Additionally, production could be added with the drilling of three 100% working interest locations with multiple zone gas potential and the recompletion of ten zones in existing wells.

HISTORY AND PERFORMANCE REVIEW

Javelin acquired the Clear Prairie property from Warrior Energy effective April 2006. An active drilling, recompletion, and infrastructure development program was undertaken during the 2006/2007 winter drilling season. There are now seven working interest gas wells producing at shallow declines from the Montney, Baldonnel, Gething, Bluesky, and Notikewin Formations with significant volumes to be added as operations are completed. Some of these operations would be considered "low hanging fruit".

Drilling and Recompletion Activity

From December 2006 to March 2007, Javelin undertook an extensive winter work program that included the following operations:

- ◆ The 100% working interest 2/15-11-91-12 W6M well was drilled and tested gas, condensate, and oil in the Triassic Doig, Charlie Lake, and Baldonnel Formations. The well also has log indicated gas pay in the Bluesky and Belloy Formations. Due to limited fluid handling capacity in the Clear Prairie gathering system, production from the Doig and Charlie lake Formations was isolated with a plug and packer. The well was pipelined into the Clear Prairie gathering system and is currently producing gas and oil from the Baldonnel Formation.

- ◆ The 100% working interest 10-14-91-12 W6M well was drilled and tested gas in the Montney Formation. The well was pipelined into the Clear Prairie gathering system and is currently producing gas. This well also has log indicated gas pay in the Belloy, Gething, Bluesky, and Notikewin Formations.
- ◆ The 100% working interest 01-14-91-12 W6M well was recompleted and artificially fractured in the Baldonnel resulting in production of gas, condensate, and oil. The well is currently producing gas and oil. The 01-14 well also has log indicated oil/gas pay in the Doig and Charlie Lake Formations.
- ◆ The 100% working interest 11-12-91-12 W6M well was recompleted in the Charlie Lake and swabbed tested gas and 4.5 Bbls/day of oil from the Charlie Lake zone. The well also has log indicated pay in the Baldonnel and Gething Formations.
- ◆ The 100% working interest 16-11-91-12 W6M well was placed on production from the Notikewin.
- ◆ The 100% working interest 08-11-91-12 W6M well was recompleted in the Bluesky zone. The well can be equipped with pump and rods and placed on production from the Bluesky.
- ◆ The 100% working interest 2/05-13-91-12 W6M well was re-entered and configured for water disposal. It is ready for tie-in to the Clear Prairie gathering system for water disposal.

Enhancements were made to the gas gathering system and field compression was added

Facility enhancements included the reconfiguring of the existing field production equipment, the installation of oil treatment equipment, the addition of SCADA system components, and the addition of field compression. Three 90 hp compressor units were installed in 2007, and subsequently replaced with a single 400 hp compression unit in April 2008 at the 01-14-91-12 W6M location.

Production from the 01-14, 2/01-14, 10-14, 15-11, 2/15-11, and 16-11-91-12 W6M wells flows through the 01-14 compression facility. It should be noted that the 10-03-91-11 W6M Gething well does not produce through the 01-14 compressor.

Construction commenced on the permanent access road

Javelin received all regulatory approvals and commenced construction on the permanent all-weather access road into the Clear Prairie property. The access road requires installation



of an all weather bridge and would be the only all-season crossing road over the Doig River in the Clear Prairie area. The road timber is cleared and the road is ready for construction during summer months. This has not yet been completed and the property is still being accessed by all terrain vehicles.

Replacement of field operator

Production from all but the 10-03 well was shut in on December 17, 2008 when Javelin's relationship with its field operator at the time was terminated. Javelin contracted with a new operator and production restarted from the property on April 15, 2009. Field operating costs were reduced from roughly \$35,000 per month to approximately \$13,500 per month.

That field operator was again replaced in mid-December 2009 with the current contract field operator arranged through AltaGas. Field operating costs were further reduced to approximately \$10,000 per month.

Unification of operations

Javelin now has an Operational Efficiency Agreement in place to capture operational synergies through the use of a single common operator for both Javelin's Clear Prairie and Fortress' Square Creek properties. Javelin experienced operating cost reductions and enhanced coordination of field operations and services.

Operating Cost Reductions

Operating costs have been significantly reduced since 2007 when Javelin was incurring an average of approximately \$135 thousand per month of fixed costs plus \$1.75/Mcf (raw) of variable processing and gathering costs. With the changes to date, operating costs on a go forward basis average roughly \$25 thousand per month of fixed costs plus \$1.50/Mcf (raw) of variable processing and gathering costs.

Operating Downtimes

Production from all but one well was shut in on December 17, 2008 when Javelin terminated its relationship with its field operator. As a result of ongoing negotiations with other interested parties in an effort to improve operational efficiencies, Javelin contracted with a new single common operator and production recommenced from the property on April 15, 2009. Five of the seven wells were brought back on over the following months.

Production from the property was again halted on December 17, 2009 due to a fire at the AltaGas 07-33-90-12 W6M Clear Prairie gas plant. The gas plant was repaired and production was restarted on January 29, 2010. Production after six weeks of being shut-in is back to its pre-shut-in volumes after a small amount of flush production.

General Property Comments

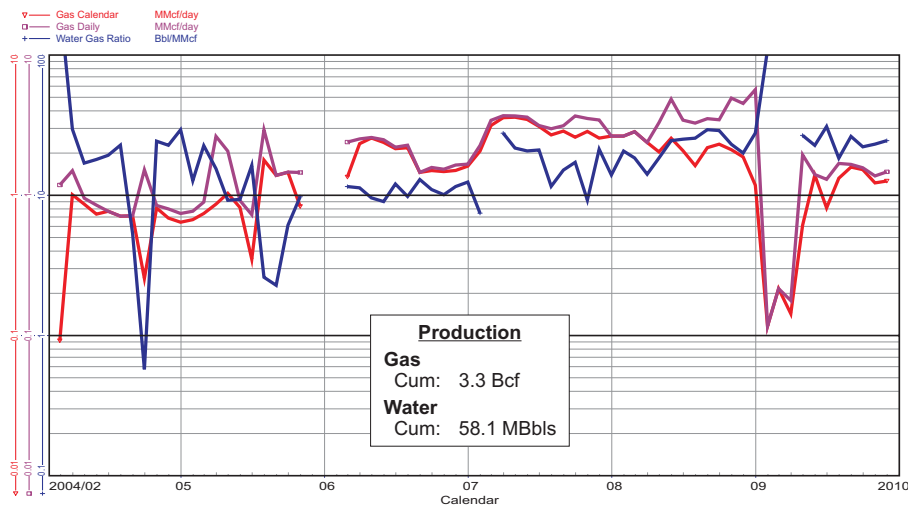
Javelin has been without technical management effectively since late-2007 and has been in financial distress since about that time as well.

- ◆ Production declines were shallowing through the beginning of 2008 and rates were on trend to be about 50% higher than they currently are.
- ◆ The compressor only runs a few hours a day to keep the wells flowing as a result of the associated produced water that is currently collected at the compressor site. The water disposal system was started but not completed.
- ◆ Only five of the seven wells currently produce at reduced rates due to some water loading and would benefit greatly from standard water handling practices such as reducing the tubing size. Tubing size reduction may also allow the other two wells to unload and produce again.
- ◆ Many of the wells have behind pipe reserves to extend production lives. The commingling preparation process was started but not completed.
- ◆ The addition of three small bridges to cross the Doig River and some additional work to the road that is licensed but was not completed would allow for year-round vehicle access to the field, as well as third party usage fees. This would also open up the area around Clear Prairie which has excellent development potential. The surrounding lands could either be farmed in or picked up in Crown land sales.
- ◆ Significant expansion potential exists, and the Javelin agreements for current and future volumes through the AltaGas facility and access road could give the purchaser of Clear Prairie a competitive advantage.
- ◆ April 2008 appears to have been a turning point for Javelin's Clear Prairie property. At Clear Prairie the three 75 hp compressors were switched out for the one 400 hp compressor. Production commenced from the Fortress Square Creek property into the pipeline previously only used by Javelin. Gas production, which was on shallowing decline trends, began being reported as producing erratically. Natural gas liquids, which were fairly consistently in the order of 25 Bbls/day, dropped almost overnight to 10 Bbls/day.



PRODUCTION

Javelin 100% Working Interest Wells Production Plot

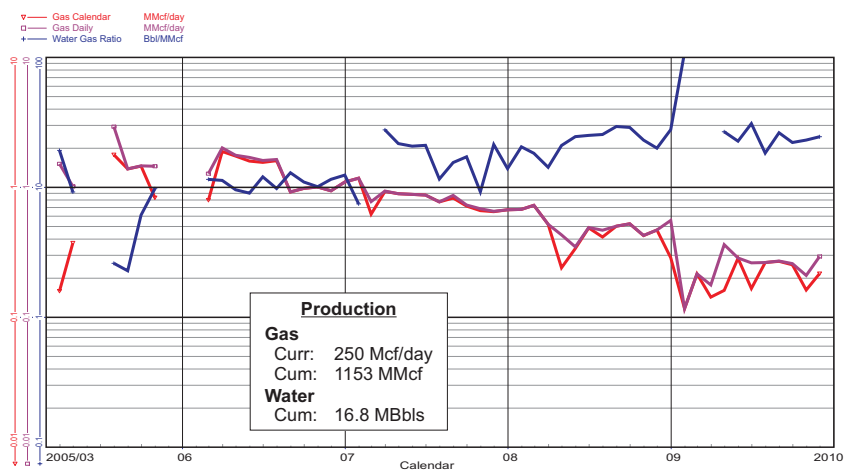


The following table lists the seven 100% working interest wells, their current rates based on the most recent production information to December 2009, cumulative production, and likely rates based on the trends of the pre-April 2008 production and where the wells should be now without water loading and all wells benefitting from compression. In reality, water loading has been an issue for some time and with proper fluid handling at 01-14, the stabilized production would likely be greater than indicated in this table.

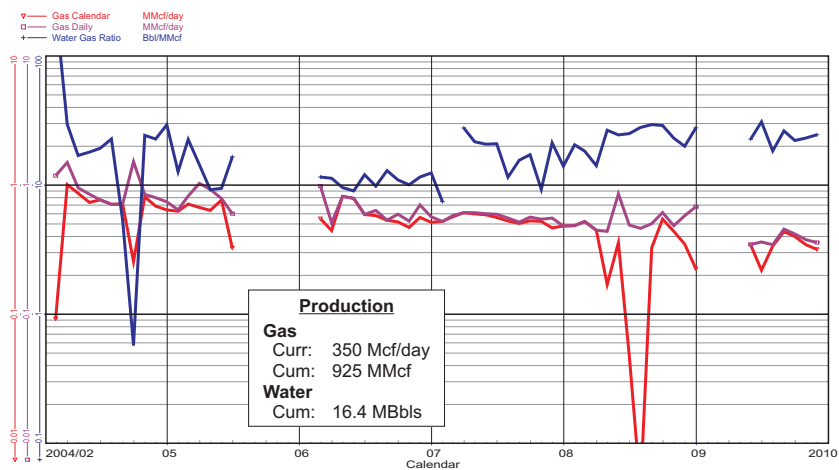
Well	Current Rates (Mcf/day)	Cumulative Production (MMcf)	Optimized Potential (Mcf/day)
10-03-91-11 W6M/0	250	1,153	450
15-11-91-12 W6M/3	350	925	450
2/15-11-91-12 W6M/4	0	288	200
16-11-91-12 W6M/0	50	125	200
01-14-91-12 W6M/0	0	96	100
2/01-14-91-12 W6M/3	375	371	400
10-14-91-12 W6M/0	390	383	450
	1,415	3,341	2,250

Except for the few hours a day that the compressor runs, all wells produce without the benefit of full time compression.

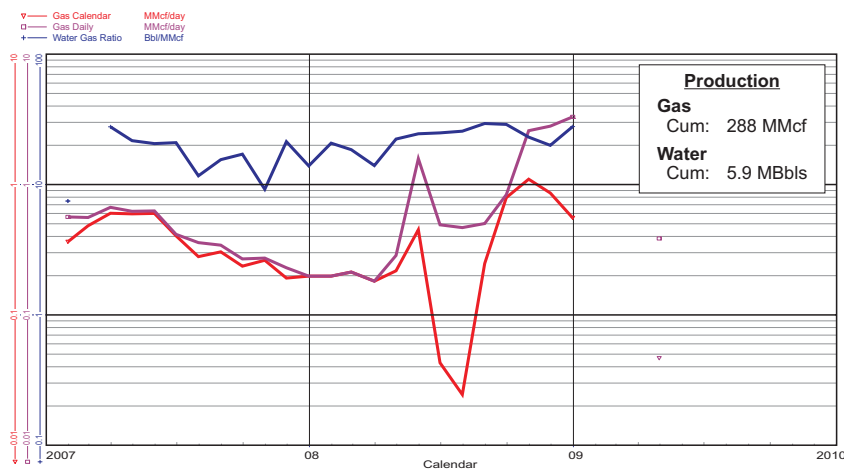
10-03-91-11 W6M Gething Production Plot



15-11-91-12 W6M Montney Production Plot

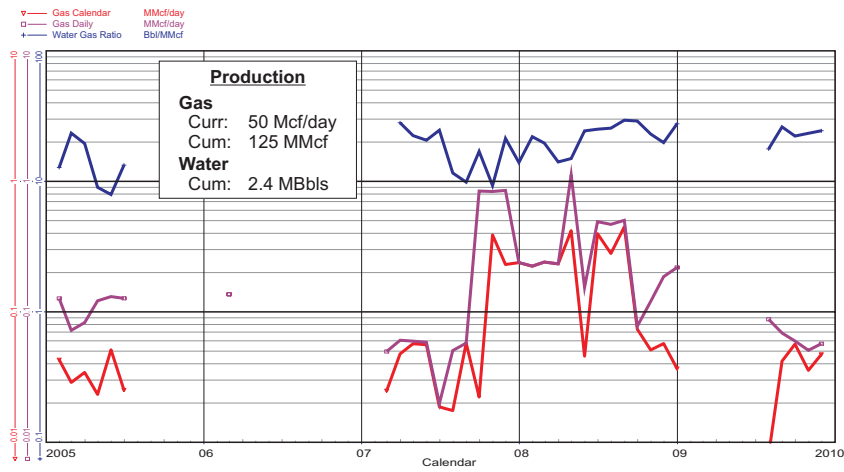


2/15-11-91-12 W6M Baldonnel Production Plot

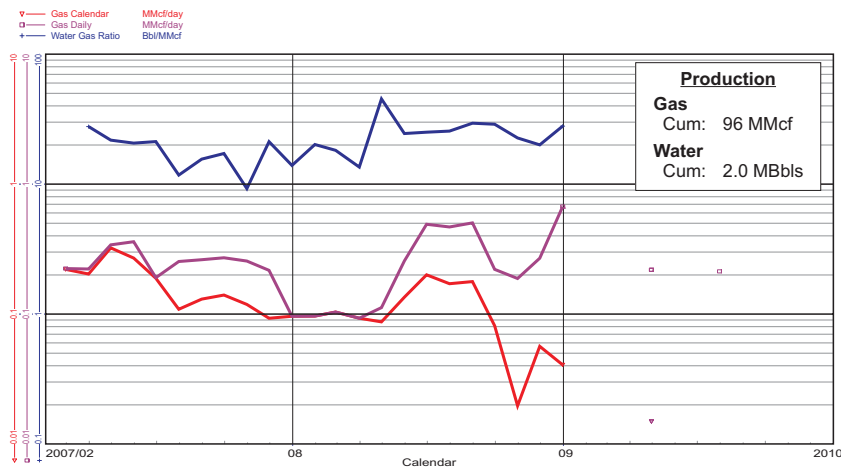




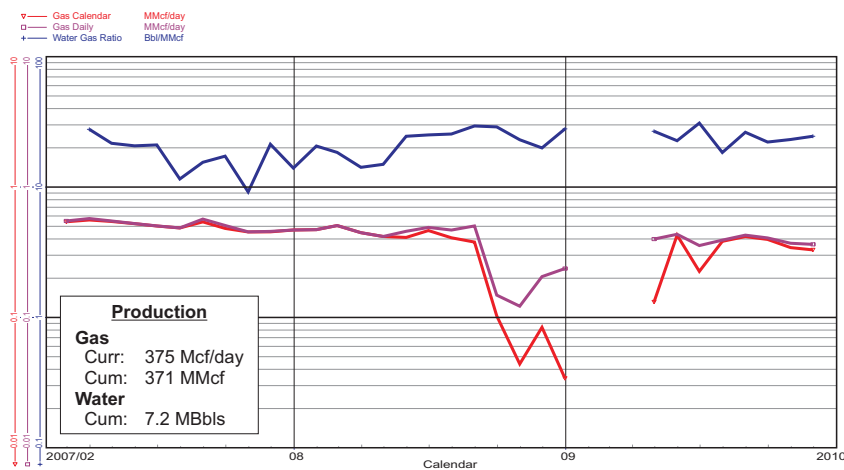
16-11-91-13 W6M Notikewin Production Plot



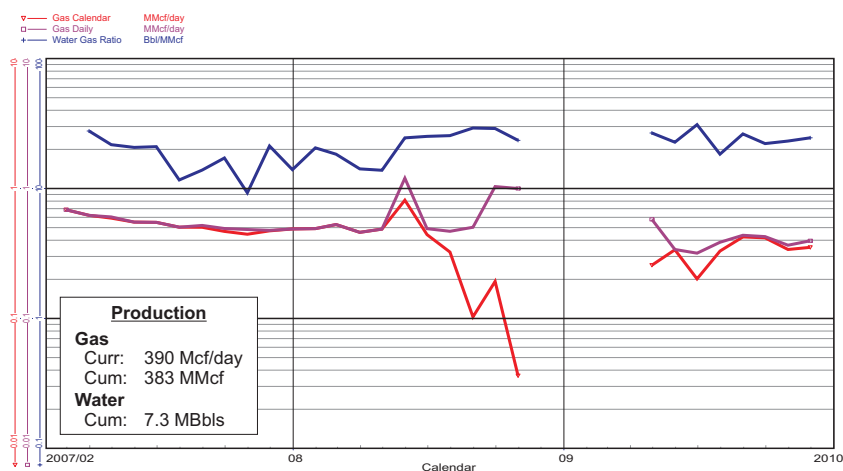
01-14-91-12 W6M Baldonnel Production Plot



2/01-14-91-12 W6M Montney Production Plot



10-14-91-12 W6M Montney Production Plot



The 2/15-11 and 01-14 wells will recommence production once the fluid pumping solution is implemented so the compressor can run continuously. The 2/15-11 well has a wellhead pressure of 405 PSI on both the tubing and casing. The 01-14 well on the lower event (Baldonnel) has a wellhead pressure of 560 PSI on the tubing and the casing is isolated on this zone. The upper event (Bluesky) in the 01-14 well has a well head pressure of 580 PSI on both the tubing and casing. The 16-11 well has a wellhead pressure of 520 PSI on the tubing and casing.

ENGINEERING EVALUATION

GLJ Petroleum Consultants Ltd. evaluated the Clear Prairie property effective March 31, 2009. Reserves were estimated by decline and volumetric analysis. The total proved and probable reserves include conservative estimates of some behind pipe potential but no incremental drilling. The reserves, production, and net present values presented in this documentation are manually looked ahead to September 30, 2009.

	Proved Producing	Total Proved	Proved Plus Probable Producing	Total Proved Plus Probable
Gas (MMcf)	2,483	3,106	3,373	5,505
Oil & NGL (MBbls)	10	30	14	51
BOE (MBOE)	424	548	576	969
RLI (years)	5.2	6.7	7.0	11.8
Before Tax 10% Net Present Value (M\$)	7,849	10,085	9,815	14,288

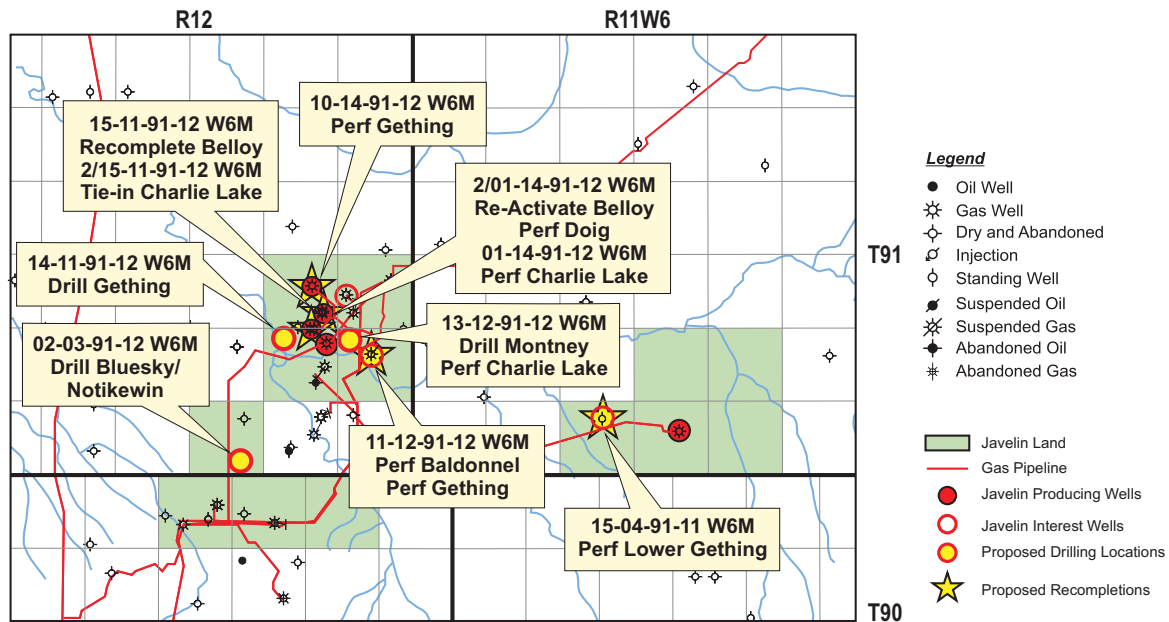


UPSIDE POTENTIAL

The following table summarizes the upside opportunities in the Clear Prairie. Backup for each opportunity is discussed in the Geology section.

Location	Activity	Zone	Working Interest	Fluid
13-12-91-12 W6M	Drill	Montney	100	Gas
13-12-91-12 W6M	Perforate	Charlie Lake	100	Oil, Gas
14-11-91-12 W6M	Drill	Gething	100	Gas
02-03-91-12 W6M	Drill	Bluesky/Notikewin	100	Gas
15-11-91-12 W6M	Re-complete	Belloy	100	Gas
2/01-14-91-12 W6M	Re-activate	Belloy	100	Gas
2/01-14-91-12 W6M	Perforate	Doig	100	Gas
2/15-11-91-12 W6M	Tie-in	Charlie Lake	100	Oil, Gas
01-14-91-12 W6M	Perforate	Charlie Lake	100	Oil, Gas
11-12-91-12 W6M	Perforate	Baldonnel	100	Oil, Gas
15-04-91-11 W6M	Perforate	Lower Gething	100	Gas
11-12-91-12 W6M	Perforate	Gething	100	Gas
10-14-91-12 W6M	Perforate	Gething	100	Gas

Upside Opportunity Map



Javelin retained Rayburn and Associates to submit a commingling application to the EUB on Javelin's behalf in early 2009. This application was to allow all zones in the Triassic/Cretaceous to be commingled. The Triassic zones include the Montney, Doig, Halfway, Charlie Lake, and Baldonnel. The Cretaceous zones include the Bluesky and Gething. Javelin was advised that the application was complete, however was not submitted. It appears that Javelin was not in a position to pay Rayburn for the work.

There are numerous field optimization activities and improvements that could impact production and reserve recoveries:

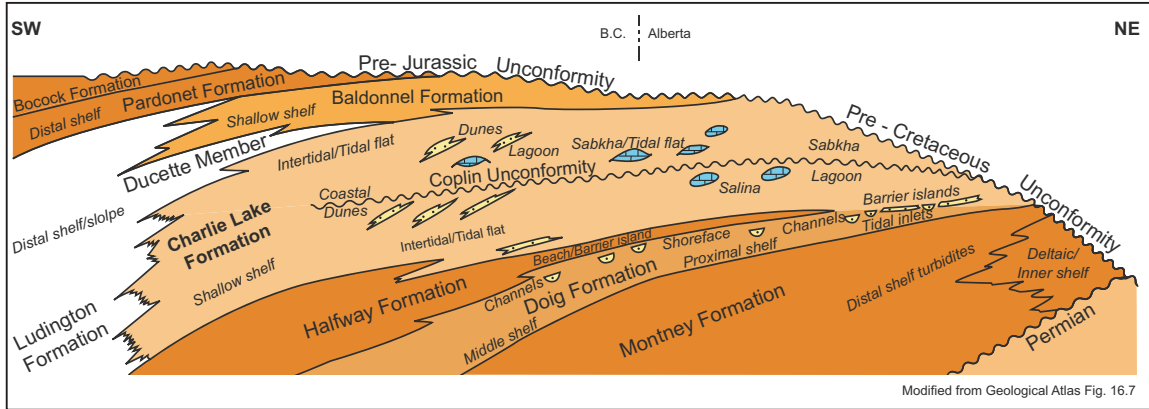
- ◆ Change tubing strings from 2 3/8" to 1 1/2" in the 15-11, 2/15-11, 16-11, 01-14, 2/01-14, and 10-14 wells. There is more than 600 Mcf/day of net gas to be gained from unloading the water from these wells.
- ◆ Review the opportunity for plunger lift installation.
- ◆ Recalibrate and update the SCADA system.
- ◆ Add a 70 to 90 HP booster compressor at the 10-03 well to potentially double production from the wells' current 250 Mcf/day rate.
- ◆ Retest the Bluesky in the 2/01-14 well that previously tested over 500 Mcf/day to produce with the Montney. The well is equipped with a sliding sleeve.
- ◆ Review the property for Notikewin production based on offsetting wells.
- ◆ Complete the tie-in of the 2/05-13 well for water disposal from the 01-14 compressor site.
- ◆ Natural gas liquids, which were fairly consistently in the order of 25 Bbls/day, dropped almost overnight to 10 Bbls/day in April 2008 when production from Fortress' Square Creek began mixing with production from Javelin's Clear Prairie. This drop should be explored since the increase in heating value did not offset the drop in liquids production.

GEOLOGY

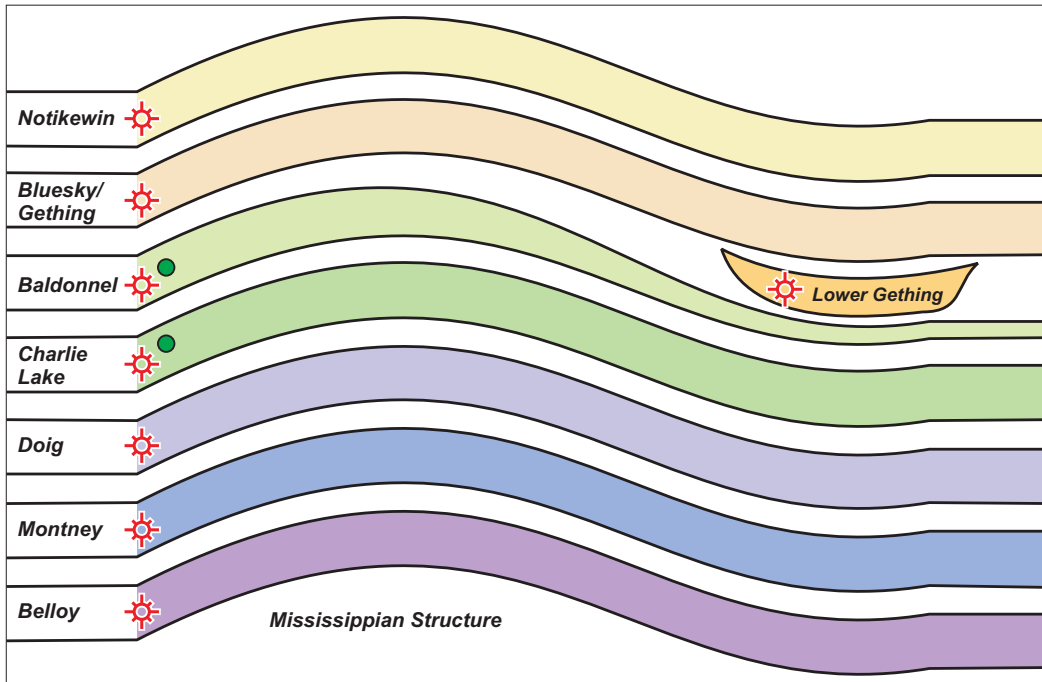
The property has multi-zone gas potential ranging from the Permian Belloy Formation at a depth of approximately 1,325 metres, the Triassic Montney Formation at a depth of approximately 1,110 metres, the Triassic Doig Formation at approximately 1,080 metres, the Triassic Charlie Lake and Baldonnel Formations at a depth of approximately 1,050 metres, the Cretaceous Gething and Bluesky Formations at a depth of approximately 1,010 metres and the Cretaceous Notikewin Formation at a depth of approximately 775 metres.



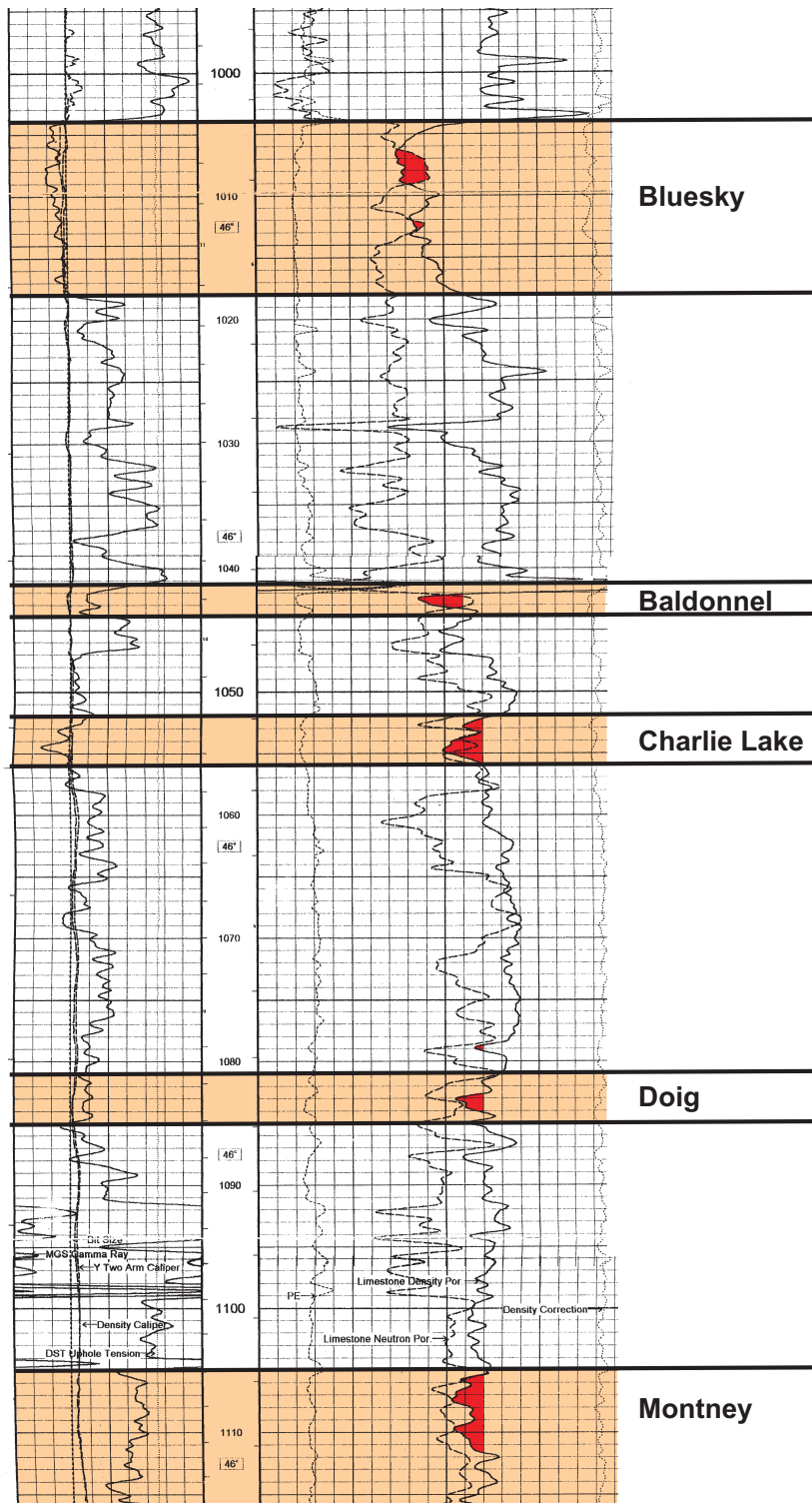
Regional Triassic Schematic



Reservoir Schematic on Javelin Lands



Type Log 2/15-11-91-12 W6M (All Zones)



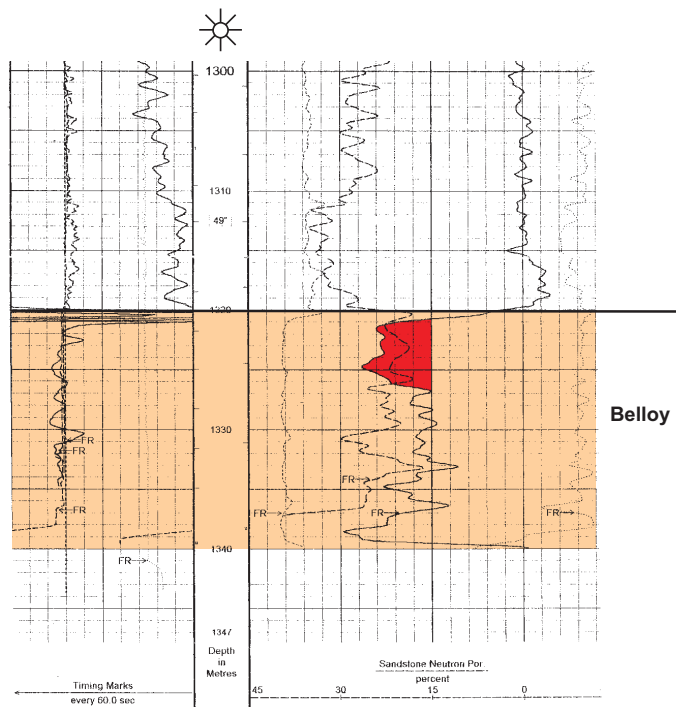


Belloy

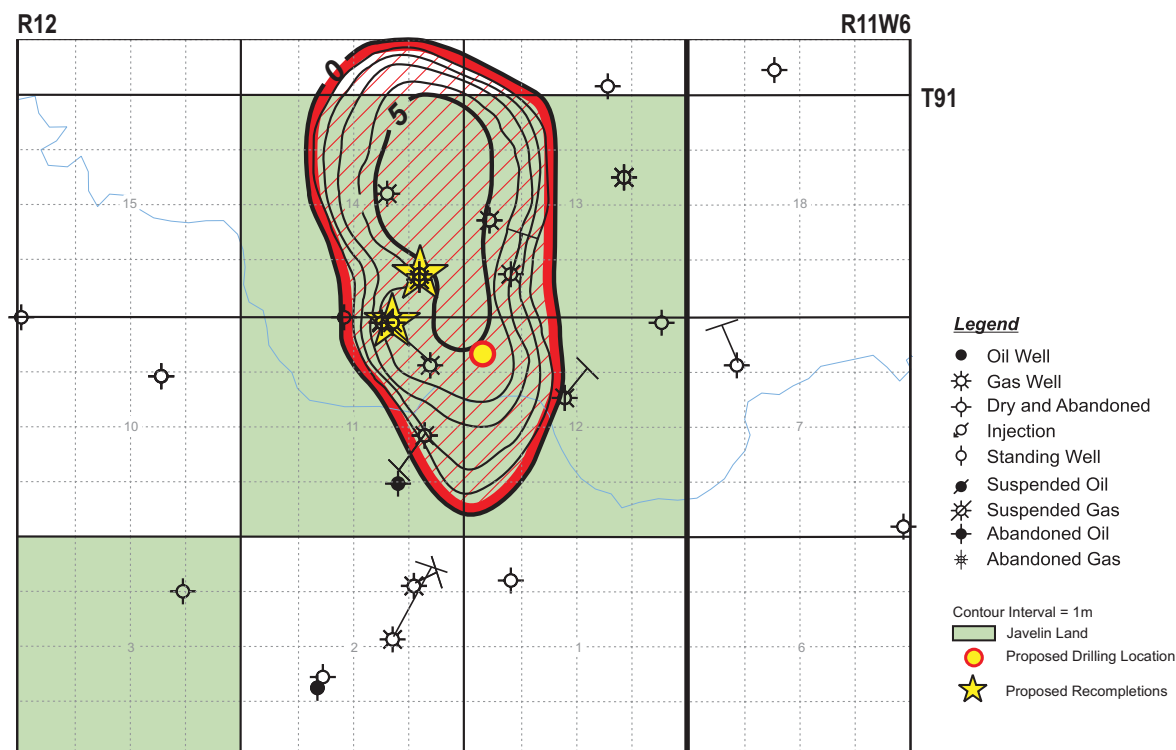
The Belloy Formation is comprised of thin, but extensive, sheets of porous sandstone and dolostone deposited on a shallow marine shelf with limited clastic input. The complexity of regional correlation makes this unit a challenging exploration target. Recent work through detailed lithostratigraphic core-based studies and conodont biostratigraphy has identified eight depositional sequences. Structural traps include drape over horst blocks related to the Dawson Creek Graben Complex in the Peace River Embayment, drape over deeper Devonian reefs, or drape over underlying large anticlinal structures. Unconformity traps form at the Belloy Formation erosional edge, in isolated outliers, or in erosional salients. Facies change and diagenetic alteration provide reservoir conditions.

The Belloy reservoir depth is 1,320 metres. Reference log 2/15-11-91-12 W6M indicates average porosity of 24% and a net gas pay of 5 metres for the fining upwards, very fine- to fine grained dolomitic sands. The Belloy Net Pay Map indicates a 5-metre thick north-south trending feature across Javelin lands. The Clear Prairie Belloy A Pool reservoir parameters are 25% porosity and 3.2 metres net pay. Production from the Clear Prairie Belloy A gas pool was suspended in April 2002 due to lower production rates and the inability to handle produced water. The 100% working interest 15-11-91-12 W6M well can be re-completed and the 100% working interest 2/01-14-91-12 W6M well can be re-activated for Belloy gas once the Montney reserves have been produced.

Belloy Type Log 2/15-11-91-12 W6M



Belloy Net Pay Map



Montney

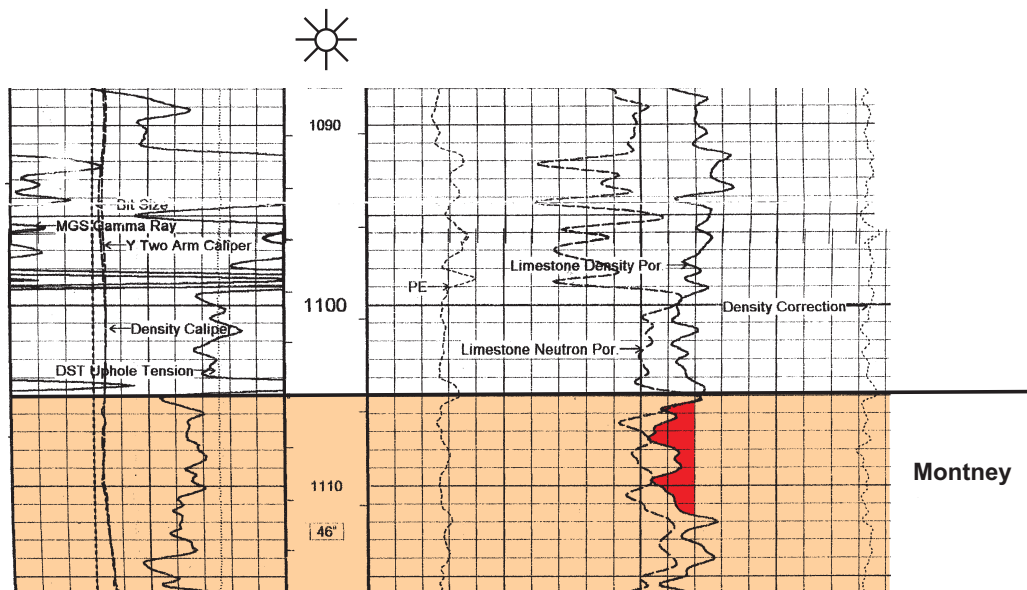
Deposition of the Montney Formation on the eroded Paleozoic surface represents a major marine transgression at the start of the Triassic. The Montney Formation consists of multi-cyclic, generally coarsening-up, very-fine-grained sandstones and siltstones with thin dolomitized coquinas (Lower and Upper members), deposited as shoreface sands or as turbidities, and a thick continuous dolomitized bivalve-mollusc coquina deposited as beach ridge, storm ridge, and down slope debris. Hydrocarbons are stratigraphically trapped by lateral pinch-outs. Major structural features and underlying Devonian reefs and bank margins strongly influenced the distribution and trapping of these reservoirs. In general, the phosphatic content of the Montney strata results in high gamma-ray curve values that may obscure potential reservoirs.

Javelin was given approval for downspacing to 320 acres for Montney gas wells. A 100% working interest downspacing location for gas production from the Montney Formation has been identified at 13-12-91-12 W6M. The well would also be prospective for gas and oil in the Charlie Lake Formation. A surface location was approved at 14-12-91-12 W6M for the drilling of the well.

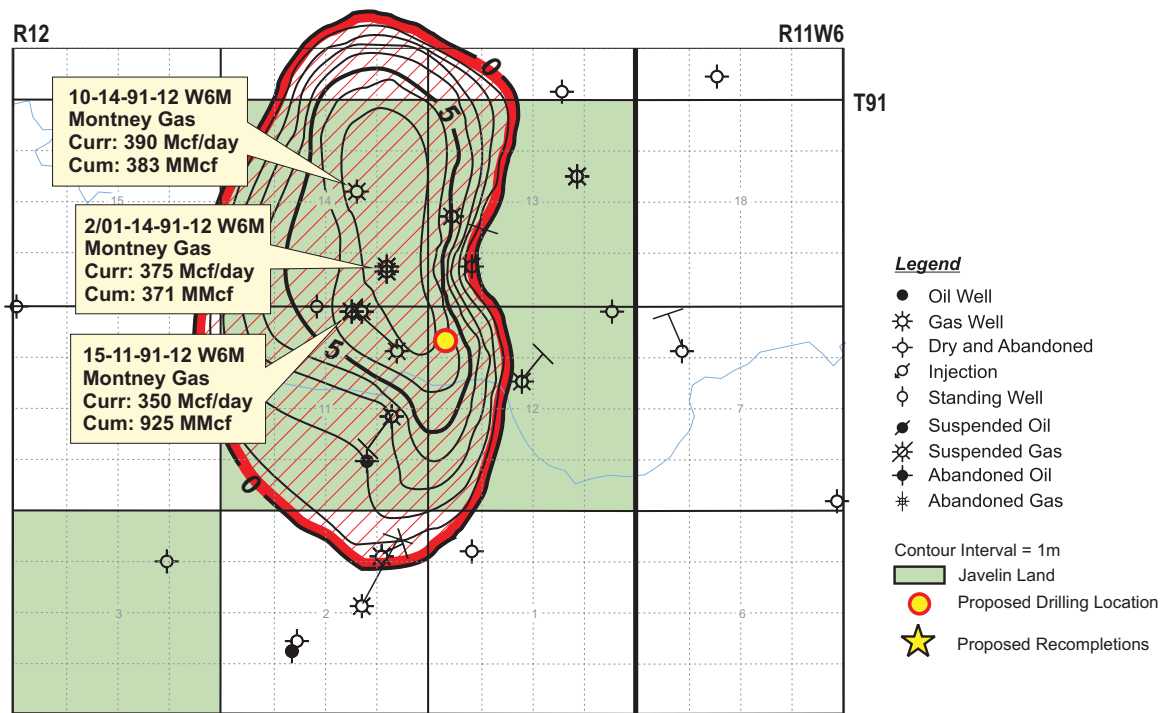


On the Javelin property, the Montney has been mapped as a structural high with up to 7 metres net pay. Reference log 2/15-11-91-12 W6M indicates average porosity of 13% and a net gas pay of 6 metres for the fining upwards, very fine to fine grained dolomitic sands. The proposed location at 13-12 is expected to encounter 6 metres of pay. The offsetting Montney interest well at 15-11-91-12 W6M commenced production in 2004, has cumulatively produced 925 MMcf, is producing 350 Mcf/day on a shallow decline trend, and is capable of producing 450 Mcf/day with water handling. Another offsetting Montney interest well at 2/01-14-91-12 W6M commenced production in 2007, has cumulatively produced 371 MMcf, is producing 375 Mcf/day on a shallow decline trend, and is capable of producing 400 Mcf/day with water handling.

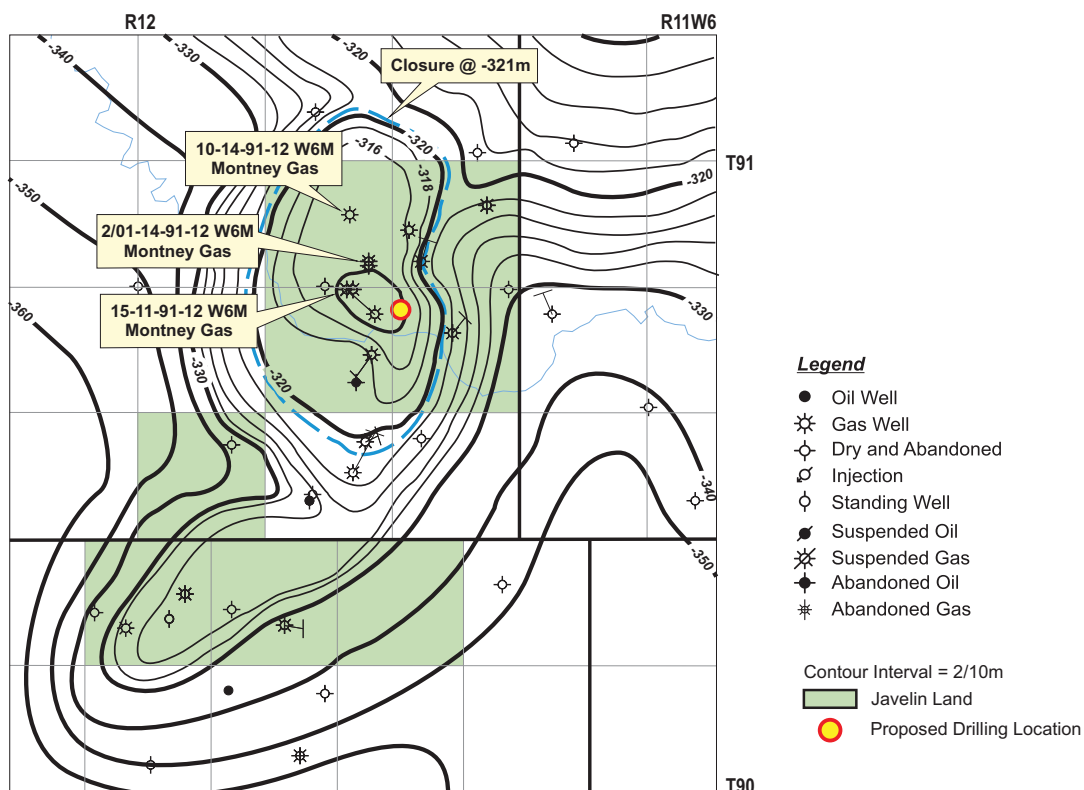
Montney Type Log 2/15-11-91-12 W6M



Montney Net Pay Map



Montney Structure Map



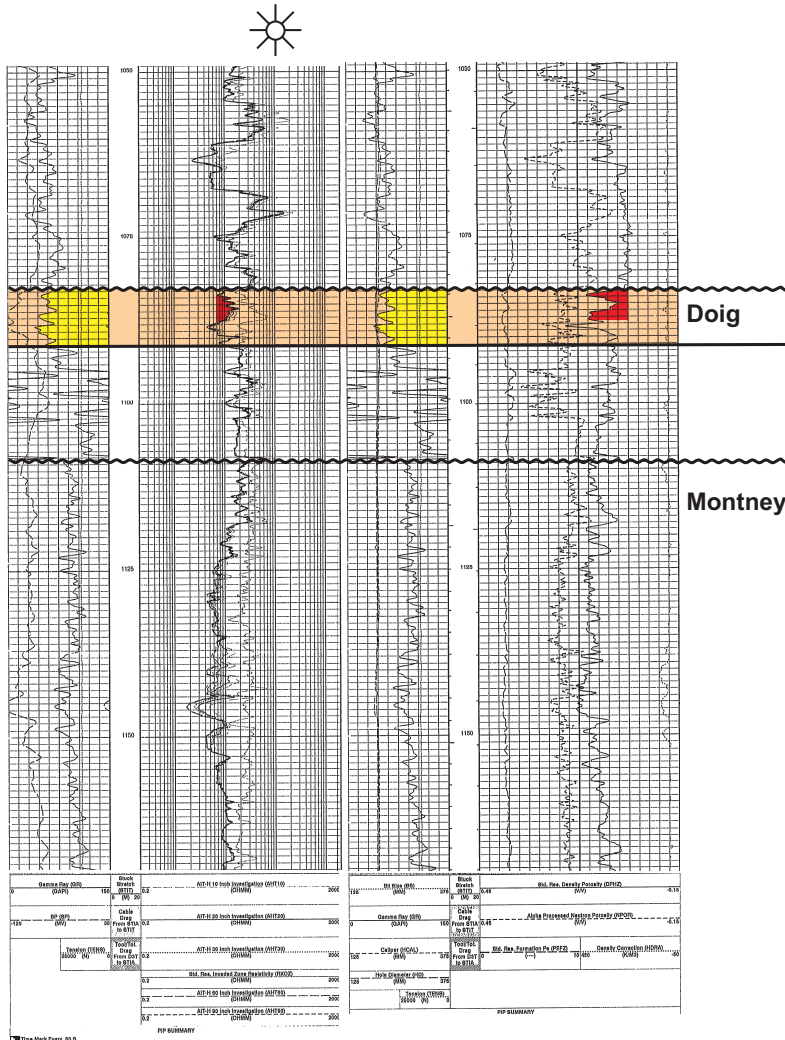


Doig

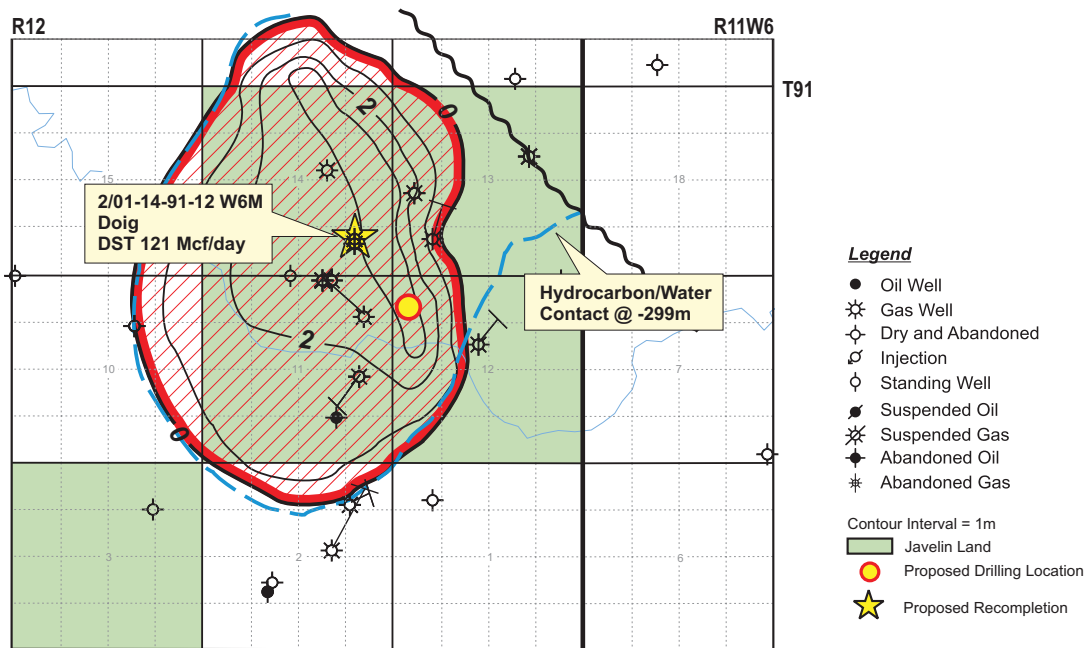
Regionally, the Doig Formation comprises a series of northwest to southeast linear trending sandstones and coquinas deposited as a prograding succession of barrier islands reworked by tidal channels. Hydrocarbons are stratigraphically trapped along the subcrop in subconformity traps or in lateral pinch-outs. Faulting related to underlying basement structures provide additional trapping mechanisms.

Javelin has identified 5 metres of hydrocarbons in 01-14-91-12 W6M well bore which drill stem tested gas at a rate of 120 Mcf/day. The hydrocarbon/water contact is at -299 metres. Mapping indicates the reservoir is structurally high with average 2.5 metres net pay. Hydrocarbons are trapped by the northwest-southeast trending Doig subcrop that is located to the northeast of the Clear Prairie property.

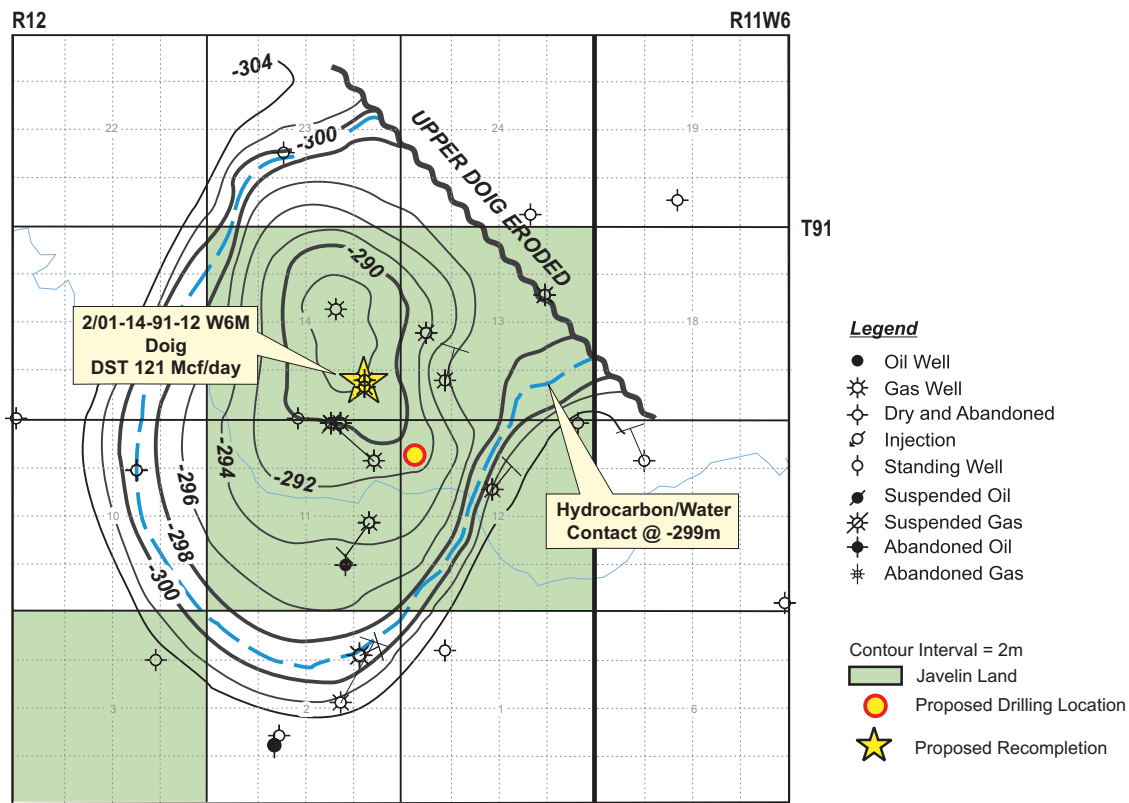
Doig Type Log 2/01-14-91-12 W6M



Doig Net Pay Map



Doig Structure Map



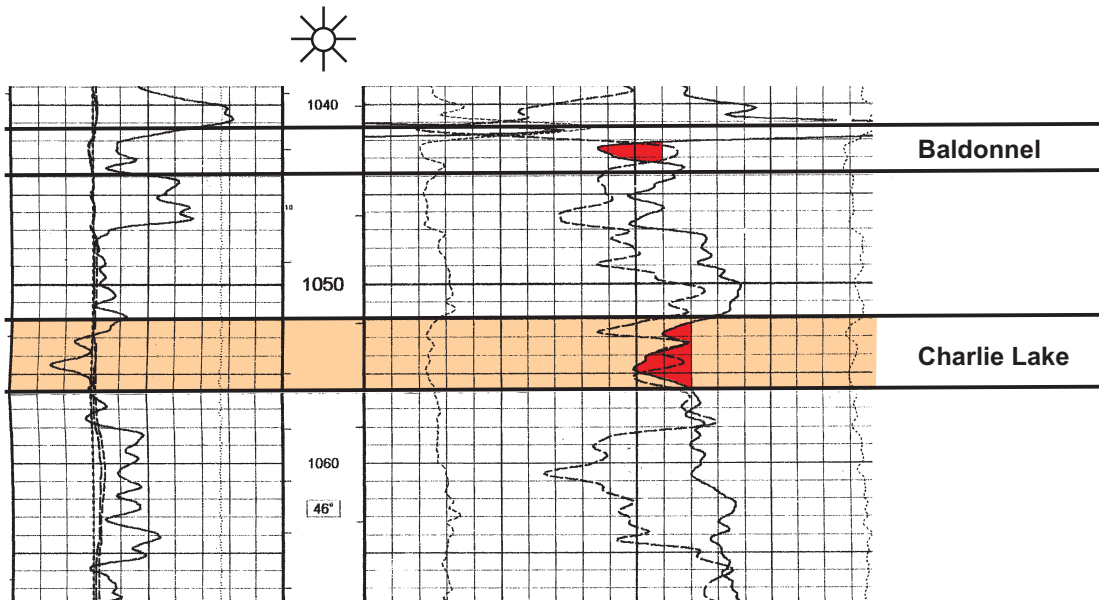


Charlie Lake

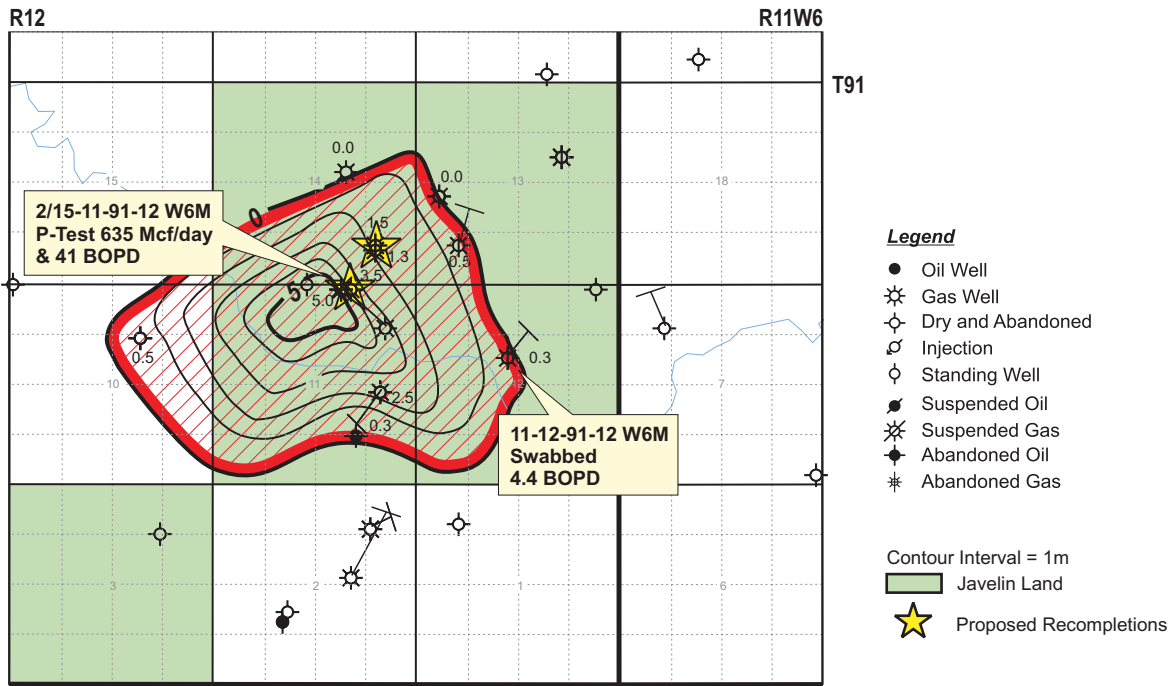
The Charlie Lake was deposited as anhydrites, dolomites, siltstones, and sandstones in restricted to near shore environments such as sabkhas, coastal dunes, nearshore bars, and playas. Hydrocarbon traps form stratigraphically by pinch-out, by truncation at local erosional unconformities, or when encased by impermeable evaporites.

Two Javelin wells are identified for completion in the Charlie Lake zone. The Charlie Lake is mapped as a 5-metre net pay feature, which is eroded to the northwest-north-northeast. The overlying non-porous Lower Baldonnell provides the hydrocarbon seal. The Charlie Lake Formation was completed in the 100% working interest 2/15-11-91-12 W6M well and production tested gas and oil at approximately 635 Mcf/day of gas and 40 Bbls/day of oil. This production can be brought on once the 05-13-91-12 W6M water disposal facilities and the all season access road are in place. The Charlie Lake Formation is also prospective in the 100% working interest 01-14-91-12 W6M well. The 01-14 well can be recompleted in the Charlie Lake and brought on production at the same time as the 2/15-11-91-12 W6M well.

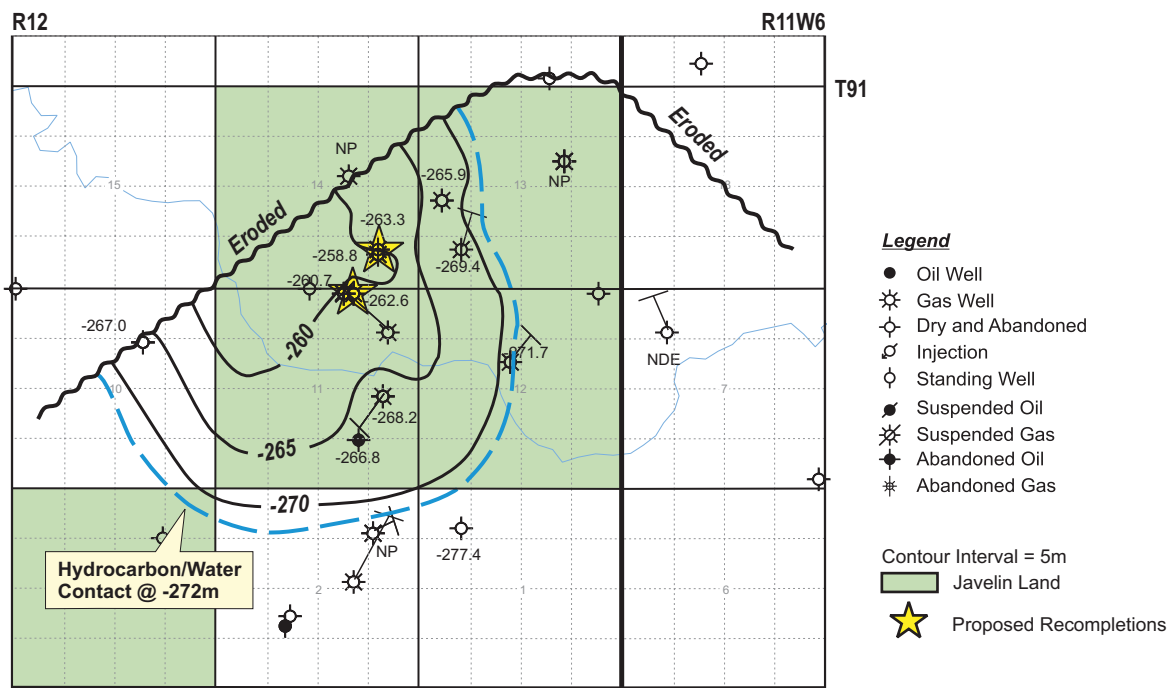
Charlie Lake Type Log 2/15-11-91-12 W6M



Charlie Lake Net Pay Map



Charlie Lake Structure Map



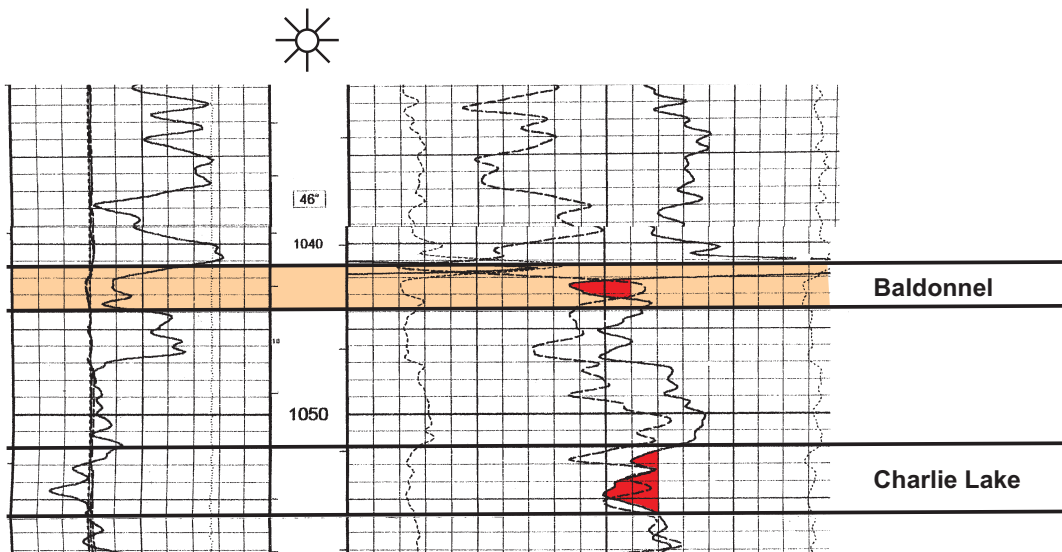


Baldonnel

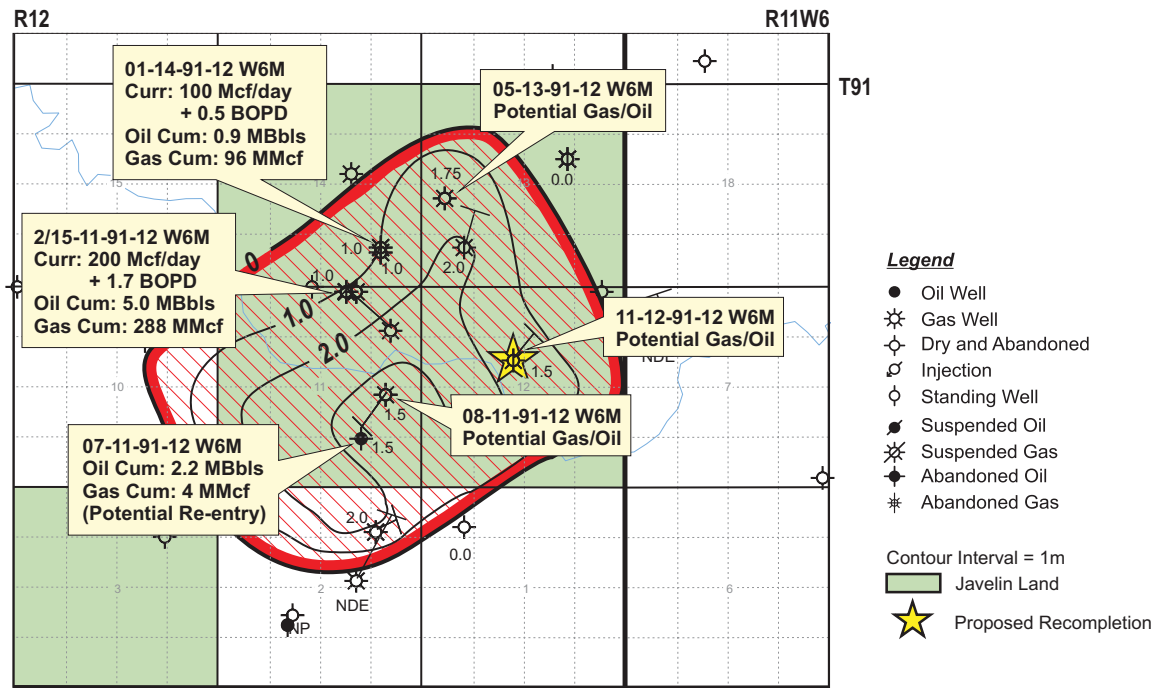
The Baldonnel comprises a cyclical sequence of coquinas and algal carbonates deposited in a restricted marine environment on a gently dipping carbonate shelf. The hydrocarbon accumulations are usually located near the erosional edge of the Baldonnel. Secondary porosity enhancement is a result of leaching at or near the unconformity. Structural drape and fault traps associated with the Peace River Arch provide secondary trapping mechanisms.

Javelin has identified the 11-12-91-12 W6M well bore for completion of the 100% working interest Baldonnel. This is based on mapping of the reservoir and the recent fracture stimulation at 2/15-11-91-12 W6M and 01-14-91-12 W6M wells which resulted in gas and oil production from the Baldonnel. Mapping indicates the reservoir is structurally high with an average net pay of 2 metres. The hydrocarbons are trapped to the north by the Baldonnel erosional edge.

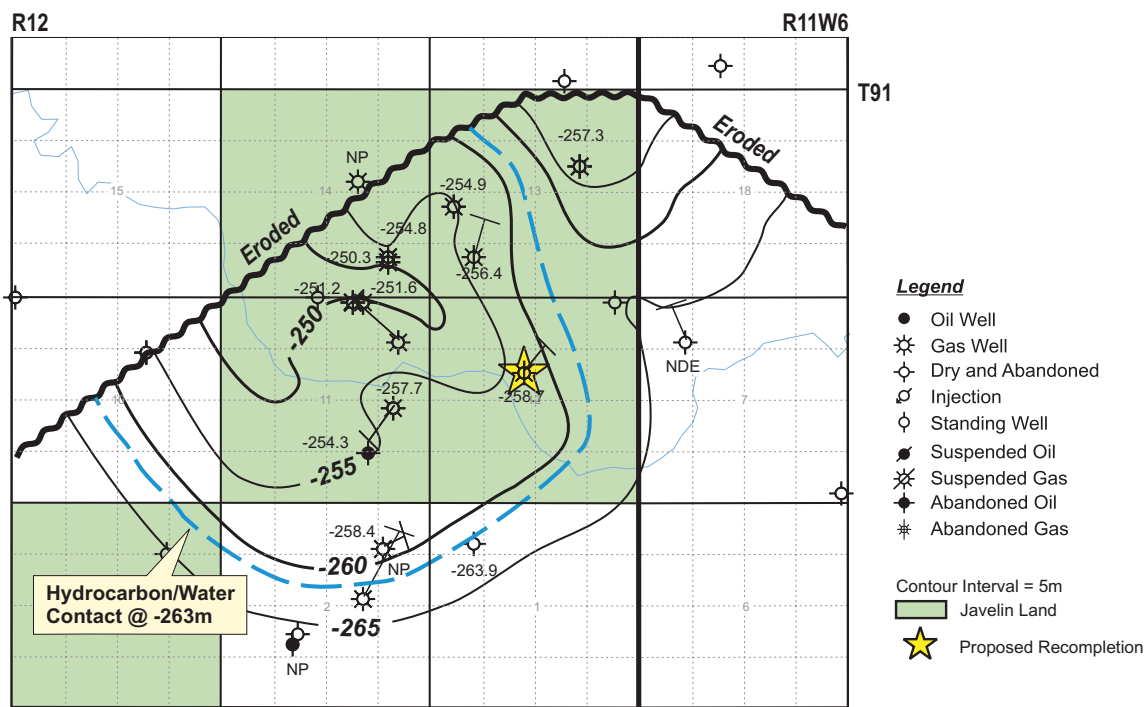
Baldonnel Type Log 2/15-11-91-12 W6M



Baldonnel Net Pay Map



Baldonnel Structure Map

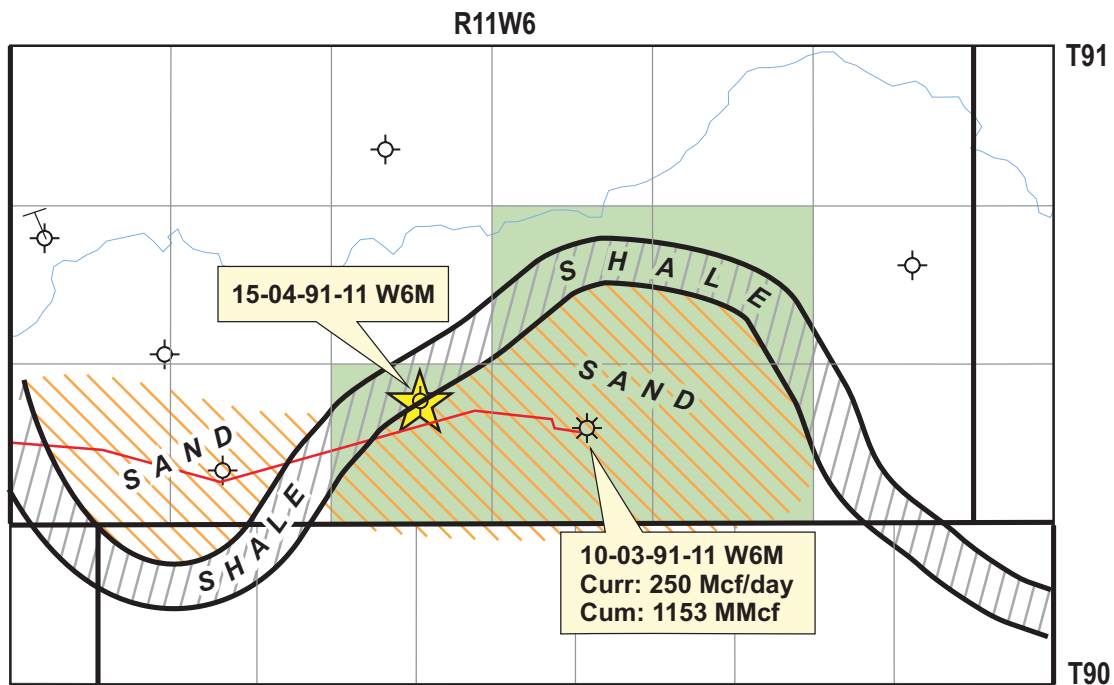




Gething

Thick continental and deltaic sediments characterize the Gething Formation in the Clear Prairie area. The Gething overlies the Cadomin Formation, which was deposited on the uneven surface of the pre-Cretaceous unconformity as a series of coalescing alluvial fans and fluvial deposits sourced by the Laramide orogeny to the west. The rising level of the boreal Clearwater Sea resulted in deposition of thick continental and deltaic sequences of the Gething Formation. Sediments were transported northward along the Edmonton Valley system and deposited in the Sikanni Chief delta. Stacked sands make the Gething an attractive target.

Lower Gething Sand Trend Map

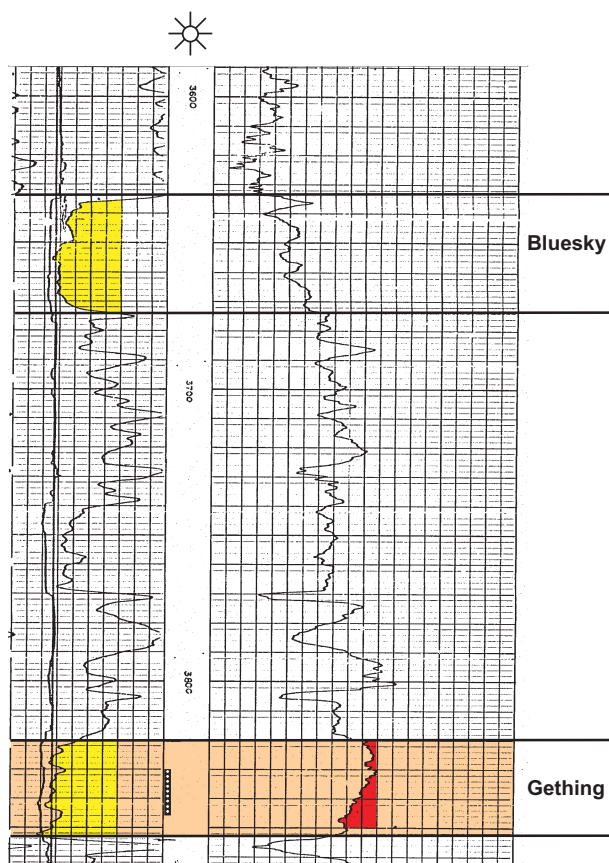


- Legend**
- Oil Well
 - ☼ Gas Well
 - ⊖ Dry and Abandoned
 - ⊕ Injection
 - ⊙ Standing Well
 - ⊙ Suspended Oil
 - ⊙ Suspended Gas
 - ⊙ Abandoned Oil
 - ⊙ Abandoned Gas
 - Javelin Land
 - ★ Recompletion

The Lower Gething channel facies sands in 10-03-91-11 W6M sit upon the Pre-Cretaceous unconformity. The well, drilled in 1962, commenced production in March 2005 and has cumulatively produced 1.15 Bcf of Gething gas, and is currently producing 250 Mcf/day. The 10-03 well is capable of producing between 450 and 700 Mcf/day with water handling.

A recompletion opportunity exists for Lower Gething gas in the standing wellbore at 15-04-91-11 W6M. Pool data indicates that the reservoir is at a mean depth of 1,170 metres and has 8 metres of net pay with 13% porosity. Logs show three cycles of fining upward sands. 3-D seismic would help define the trend of the lower Gething sand mapped on Javelin's acreage.

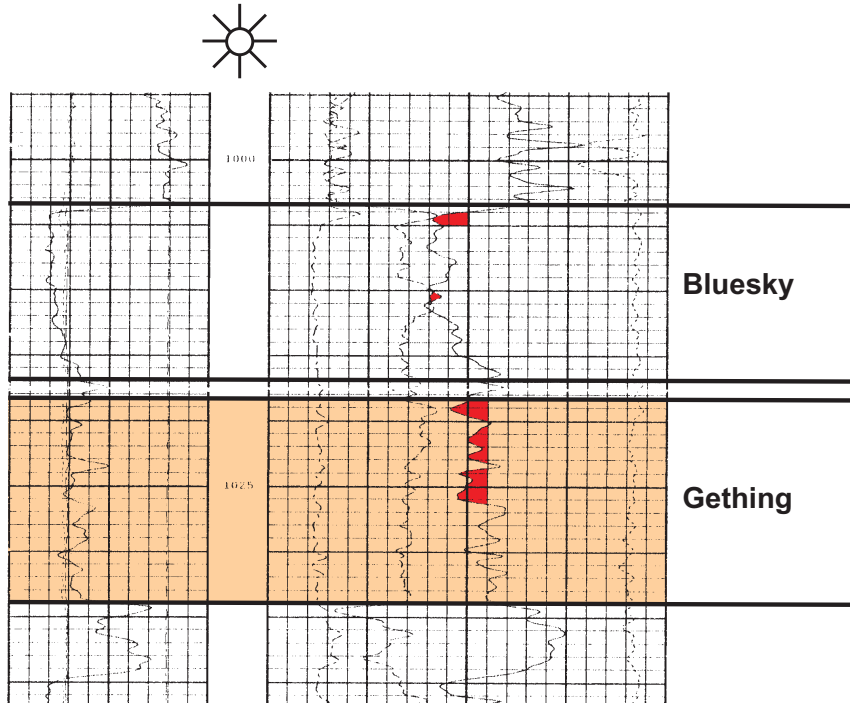
Lower Gething Type Log 10-03-91-11 W6M



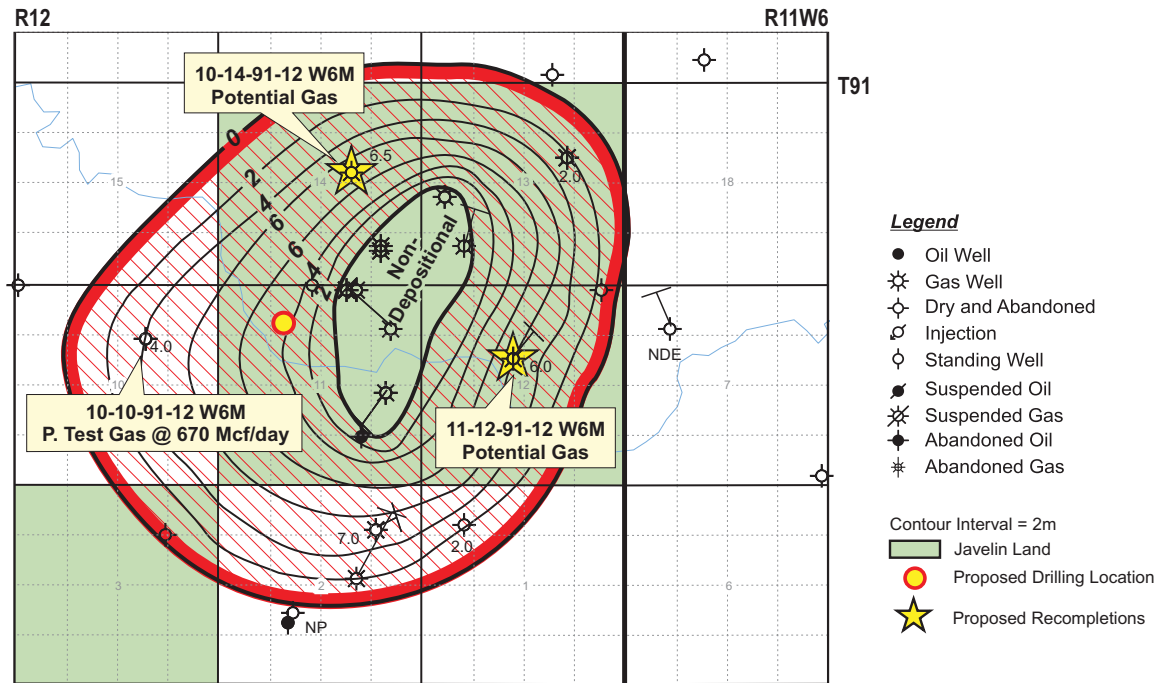
Javelin has mapped a marine facies Gething accumulation in the southeast corner of Township 91 Range 12 W6M and identified a development location at 14-11-91-12 W6M as seen on the Gething Structure and Net Pay maps. The proposed well sits between the 10-10 well, which production tested Gething gas at approximately 675 Mcf/day, and Javelin's 10-14 well, which commenced Gething gas production in February 2007. The reservoir is at a depth of about 1,025 metres and logs indicate porosity in the order of 12% to 15%. The 11-12-91-12 W6M well (100% working interest) has log indicated gas pay in the Gething Formation. The 11-12 wellbore can be recompleted for production from the Gething. The 10-14-91-12 W6M well (100% working interest) has log indicated gas pay in the Gething Formation. The 10-14 wellbore can be recompleted for production from the Gething.



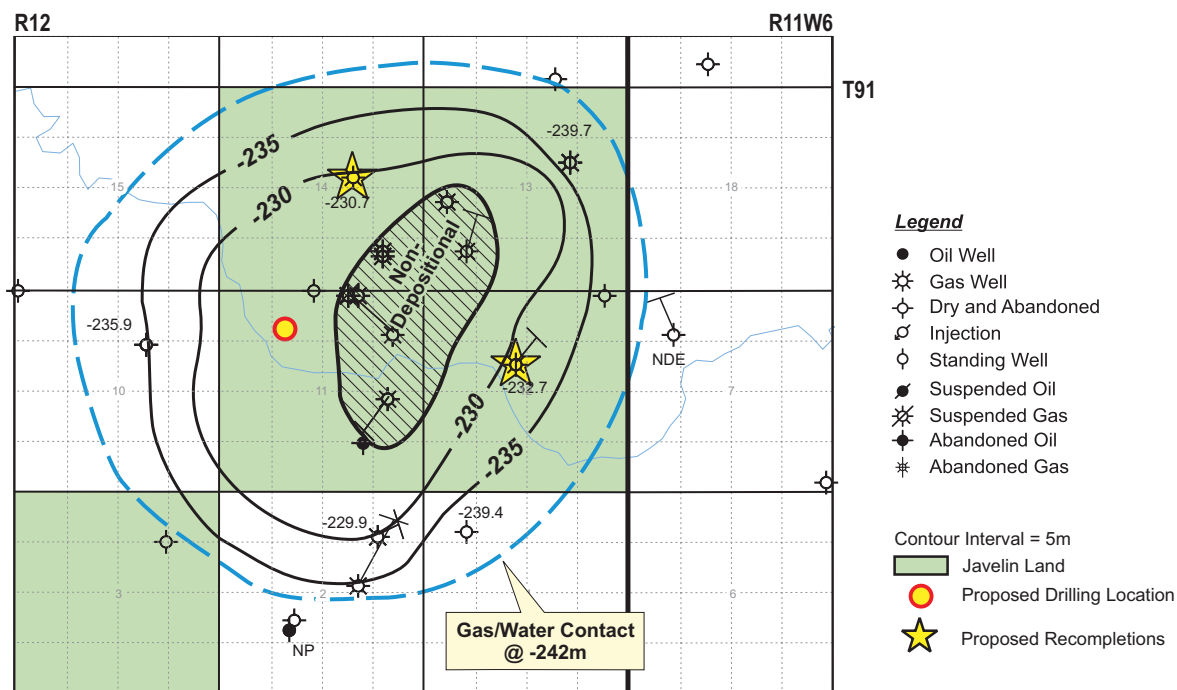
Gething Type Log 10-14-91-12 W6M



Gething Net Pay Map



Gething Structure Map



Bluesky and Notikewin

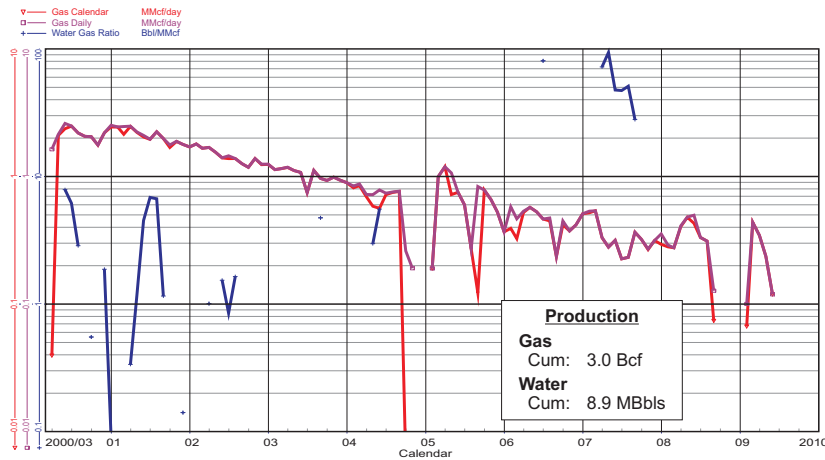
The Bluesky Formation overlies the thick continental and deltaic sediments of the Gething Formation in the Clear Prairie area. The Bluesky was deposited as a complex series of shoreface, deltaic, and estuarine valley-fill sediments overlain by a widespread blanket of thin transgressive sands. Reservoir quality can be very good where shoreface sediments have been reworked.

The Cretaceous Notikewin Member is the uppermost unit of the Spirit River Formation. It comprises fine to medium grained argillaceous sands and conglomerates, deposited as a series of northward-prograding stacked deltaic and barrier bar sequences that were reworked along high-energy, east-west trending coastlines. Hydrocarbons can be trapped in stratigraphic and structural closures.

Javelin has proposed a location at 02-03-91-12 W6M to develop Bluesky and Notikewin sands while the 13-12-91-12W6 location will develop the Bluesky. Javelin has mapped a structural closure with two highs on the Bluesky and both locations are positioned toward the top of the structure. The 02-03 location offsets the Bluesky A Pool, for which pool data indicates a mean depth to the reservoir of 1,040 metres and net pay of 3.7 metres with 20% porosity. The gas-water contact is at -225 metres subsea.

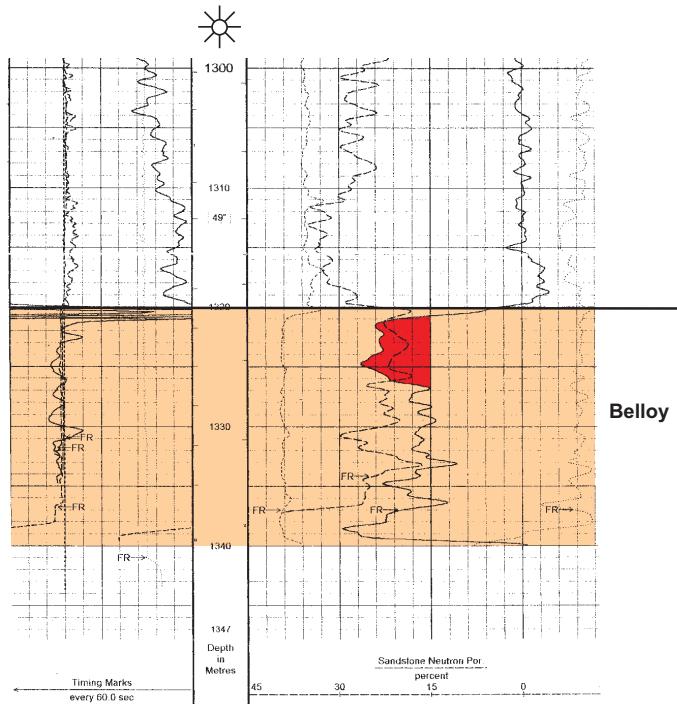


Bluesky Analog Production Plot 10-02-91-12 W6M

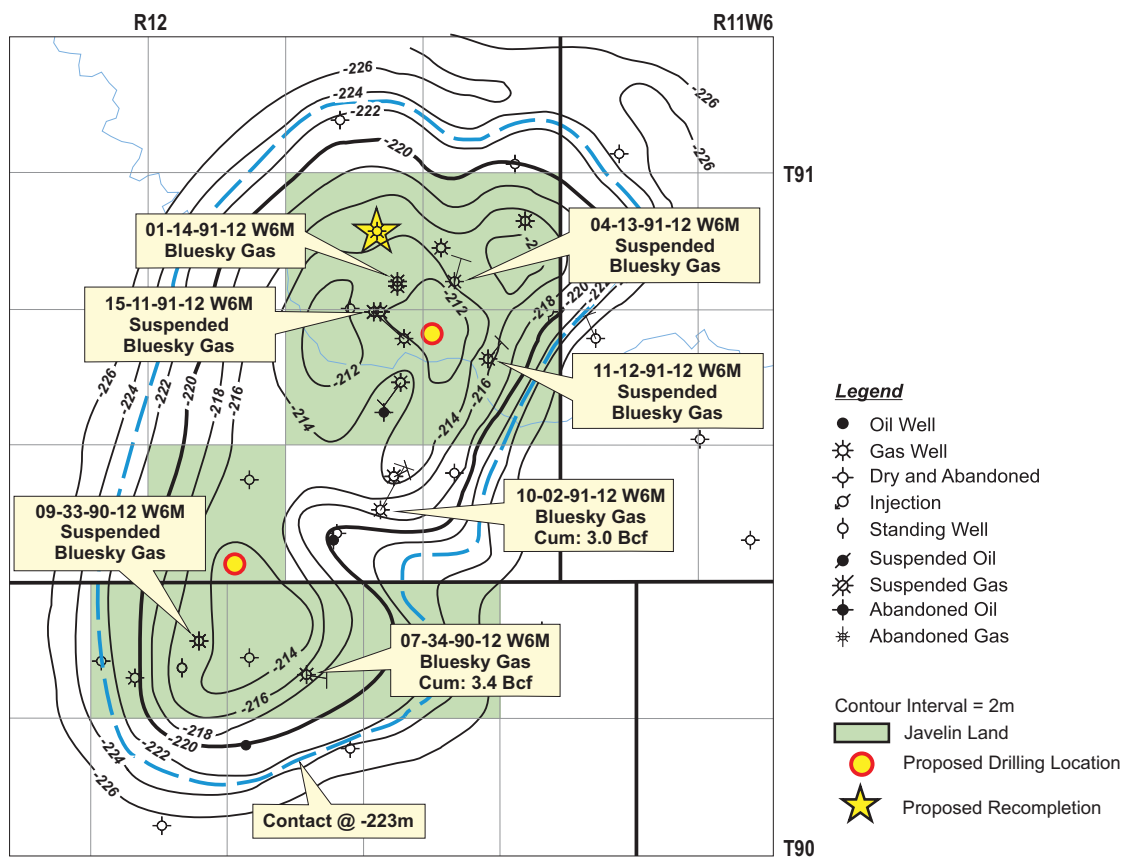


The very prolific 10-02-91-12 W6M Bluesky well has produced 3.0 Bcf of gas since 2000 and was shut-in mid 2009 for unknown reasons at 300 Mcf/day. The pool has yielded more than 12.5 Bcf of gas from ten wells. Core through the Bluesky at 2/06-02-91-12 W6M shows 18 metres of thick fine-grained sandstone with an average porosity of 12% and average Kmax of 42.5 mD. Porosity and permeability can range up to 20% and 500 mD, respectively. Logs show a gas-water contact at -223 metres. Logs for 2/15-11-91-12 W6M are typical for the Bluesky in this area.

Bluesky Type Log 2/15-11-91-12 W6M



Bluesky Structure Map

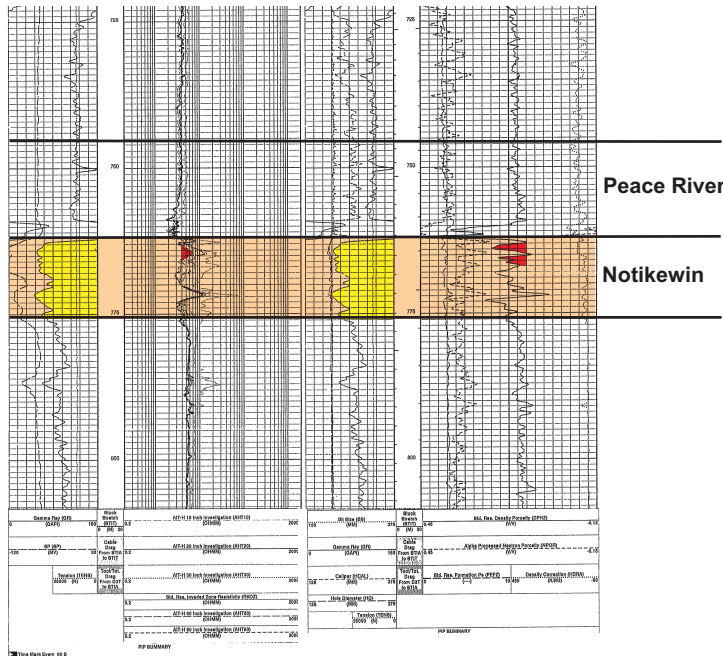


The 02-03-91-12 W6M location is roughly on strike with two Notikewin productive wells. The 16-02-91-12 W6M well produced 243 MMcf of gas from the Notikewin A Pool since March 2004 with negligible decline at 190 Mcf/day until being shut-in early 2009. Pool data indicates that the reservoir is at 785 metres and has 3.5 metres of net pay with 25% porosity. The 2/01-14-91-12 W6M displays the typical Notikewin log signatures in the area. The 100% working interest 10-14-91-12 W6M well has log indicated gas pay in the Bluesky Formation and can be recompleted for production from the Bluesky.

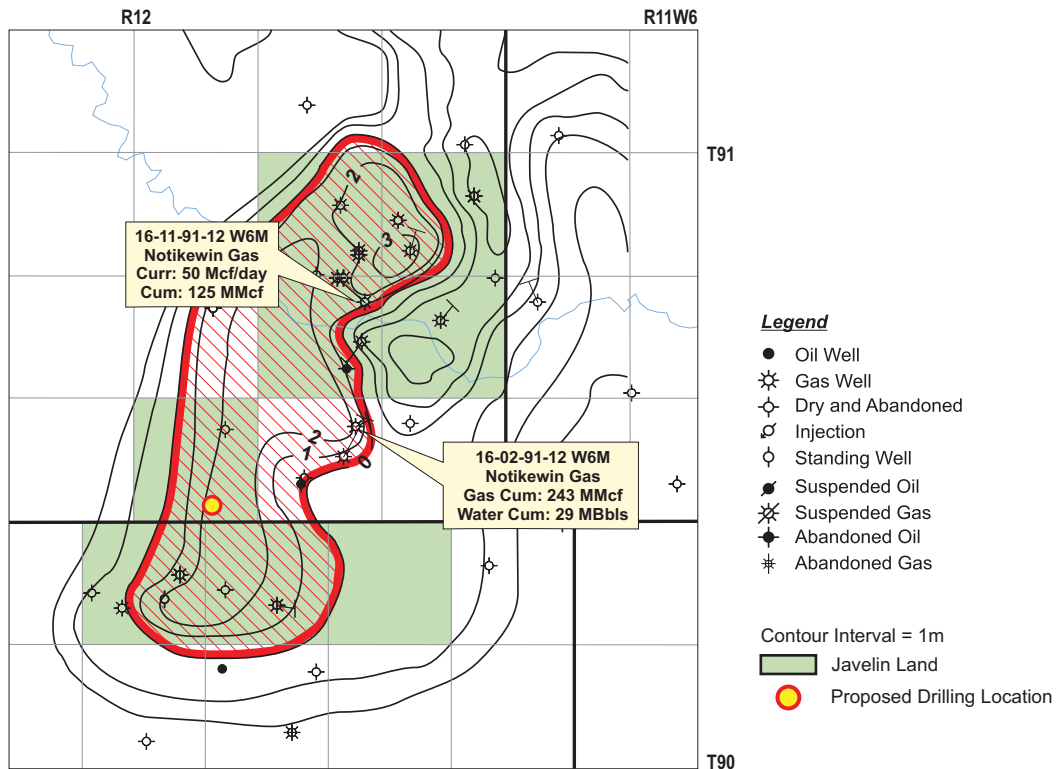
The 12-13-91-12 W6M location offsets significant Bluesky production from the suspended 04-13 and 11-12-91-12 W6M wells which produced 2.56 Bcf and 0.56 Bcf of gas, respectively. Both wells are in the Bluesky A Pool described above.



Notikewin Type Log 2/01-14-91-12 W6M



Notikewin Net Pay Map



Shale Potential

The Wilrich shale in the area is the age equivalent to the Buckinghorse shale to the east, Moosebar shale to the south, and Garbutt shale to the north, all of which are prospective for shale gas. There is some area literature for its potential, and the Wilrich shale appears to be thick enough in the area to deem it prospective. While there does not appear to be any current production, resource estimates for the Lower Cretaceous shales have been as high as 159 Tcf for northeastern British Columbia and northwestern Alberta. There is an experimental Petro-Canada project at Jedney/Laprise.

LAND

Javelin holds 100% working interests in various mineral rights in ten sections of land in Township 91, Ranges 11 and 12 W6M. All lands are Crown and operated by Javelin.

- ◆ Twp 91, Rge 11 W6M, Sec 2,3,10,11: NG in Bluesky - Gething
- ◆ Twp 91, Rge 12 W6M, Sec 13: P&NG BBO Bluesky - Bullhead
- ◆ Twp 91, Rge 11 W6M, Sec 4: All P&NG
- ◆ Twp 91, Rge 12 W6M, Sec 3: All P&NG TBO Bluesky - Bullhead
- ◆ Twp 91, Rge 12 W6M, Sec 11,12: All P&NG TBO Belloy
- ◆ Twp 91, Rge 12 W6M, Sec 14: All P&NG TBO Belloy

Javelin also holds 25% working interests in various mineral rights in three sections of land in Township 90, Range 12 W6M. All lands are Crown and operated by Javelin.

- ◆ Twp 90, Rge 12 W6M, Sec 33: All P&NG TBO Bluesky - Bullhead
- ◆ Twp 90, Rge 12 W6M, Sec 34,35: All P&NG TBO Bluesky - Bullhead

Full land details are available in the Data Book.

There is a significant amount of open Crown land available in the area. Numerous other parties appear to recognize the potential in the area and continue to post and compete at land sales. Javelin's competitive advantage is that the AltaGas facility is really the only facility in the area that can be expanded to process additional volumes and is basically tied-up by Javelin and Fortress/EnCana.



FACILITIES

Field Facilities Description

The AltaGas 07-33-90-12 W6M Clear Prairie Gas Plant was built and came on stream in February 2006. It has a production capacity of 9 MMcf/day (expansion approved to 15 MMcf/day with second compressor). Javelin's reserves are dedicated to the AltaGas plant and Javelin has a ROFR on plant volumes. AltaGas also owns the gathering system. Javelin currently processes its 100% working interest gas and liquids through the AltaGas facility and pays a capital recovery charge of \$0.61/Mcf plus its proportionate share of gathering and processing costs on a throughput basis that is currently charged at \$0.66/Mcf.

Javelin has firm service up to 4 MMcf/day in this facility and pays for what it puts through the facility. Javelin also holds a ROFR on the expansion volumes as to its proportionate share of firm service.

Production from 01-14, 2/01-14, 10-14, 15-11, 2/15-11, and 16-11 wells flows into the 01-14-91-12 W6M field facilities when the compressor is operating, otherwise flows directly to AltaGas. Production from 10-03 flows directly into AltaGas.

The field facilities at 01-14-91-12 W6M include a 400 hp field screw compressor and a 3-phase separator. The separator is actually used as a 2-phase separator because emulsions are too tight to separate with minimal retention time. The emulsion is treated with chemical breaker to separate into oil plus NGL's, gas, and water. The oil plus NGL's and water are stored in the 400 Bbl tank at the 01-14 site and recombined with the gas stream using of a small pump from time to time.

The 01-14 compressor currently operates with a 35 PSI suction pressure and a 235 PSI discharge pressure, however do not stabilize due to the short run times. The compressor only operates part time because there is no fluid disposal on site. The compressor is started every day to pull on the 10-14, 15-11, and the 2/01-14 wells to unload the fluid build up, and then shut down. The inlet separator, compressor suction, and associated fuel gas drains are also tied in to the 400 Bbl tank in the event of a pump failure. The compressor is capable of a minimum turndown pressure of 20 PSI and a maximum outlet pressure of 320 PSI.

When the compressor is not operating, the pressure at the 01-14 separator is 175 to 200 PSI, depending on the volumes produced by Javelin and by Fortress.

Gas production and re-injected liquids are delivered to the inlet separator at 08-33-90-12 W6M, adjacent to the AltaGas 07-33 Gas Plant. Oil plus NGL volumes that are transported with the gas through the pipeline system are stored at the 08-33 facility and trucked to sales. The 08-33 separator is a 2-phase separator. There is one 400 Bbl insulated and

heated storage tank at the site. Line pressure for the AltaGas line to 08-33 is roughly 85 PSI. Fluid is calculated based on tank level and trucked volumes.

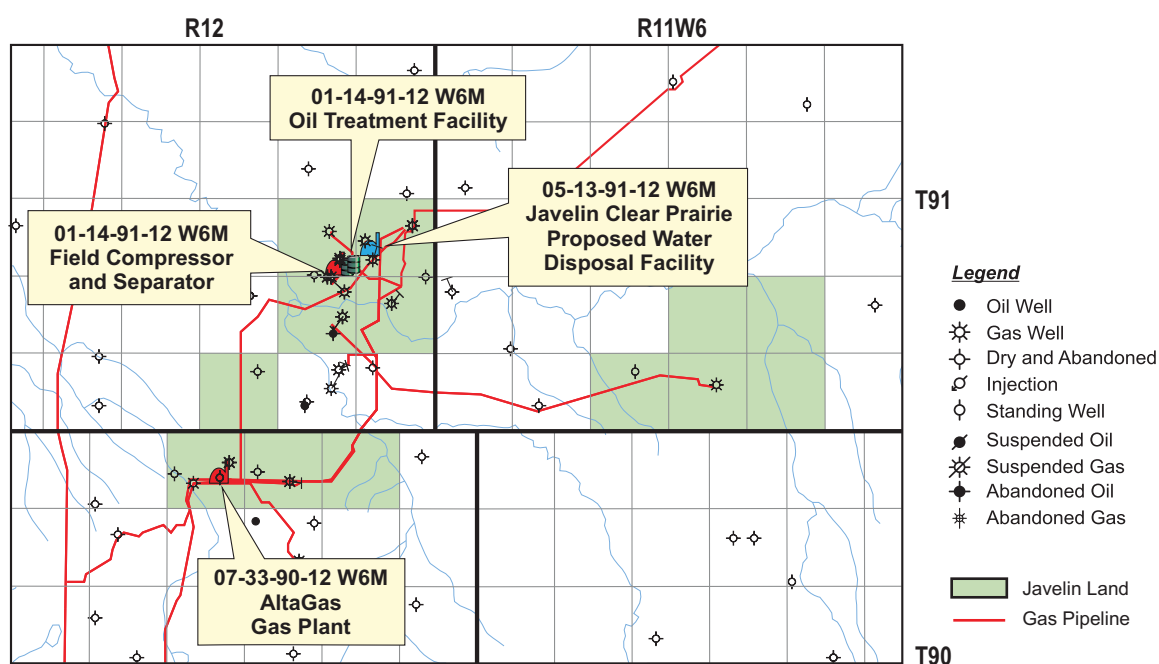
Gas travels further into the AltaGas plant and passes through another inlet separator to separate water and condensate into a water tank and a condensate tank. This tank only fills if the main inlet tank fills and trucks are unable to get in. Liquids are trucked via Turner Transport. Water goes to CNRL and emulsion is trucked to CCS.

Each interest well is equipped with an orifice style meter that provides "wet meter" quality measurement for each well. All well meters, the 01-14 group gas meter, and the compressor discharge meter are on a SCADA system and report through ZEDI. All wells flow into the 4" group line, which ties into the 6" line to AltaGas.

Wells are accessed via quad in the summer and snowmobile in the winter (sometimes via winter roads for vehicles). Trucking occurs from the 08-33 on an all season road. Conditions on the road must be dry for several days as the road is not considered to be an all-weather road.

Wells are currently being soaped daily. Once the compressor is operating full-time, the soaping frequency will significantly reduce. Operators are currently on site daily to monitor wells and batteries. When the sites are running reliably, operators will check sites every second day.

Pipeline and Facility Map





Facility Improvement

The 01-14 facility was designed to use a pneumatic style pump on the group separator, to pump both water and condensate as a single stream, and one pump on the compressor suction scrubber. The operator feels these pumps should be replaced with pumps that provide greater reliability. For example, install a progressive cavity pump that is capable of handling some solids and gas entrainment as well as be able to generate discharge pressures of 320 PSI (same maximum capacity of the compressor) and designed for double the daily fluid production to accommodate fluid slugging. One pump on the inlet separator could handle 99% of all the fluids, with the compressor suction scrubber, fuel gas drains and the second level control of the inlet separator acting as a 'panic dump' back to the tank on site. Any accumulation of fluid in the tank could be cheaply and easily pumped back into the group separator (operating at 50 PSI or less) and injected with the progressive cavity pump. Very few if any liquids would be dumped to the tank on a daily basis. A small 10 kW generator would provide power to the pump or a hydraulic system driven off the compressor engine could also be considered to drive the pump. Approximate cost for pump, generator, cabling, and control is less than \$25 thousand.

Water Disposal

The Clear Prairie field gathering system used to be pigged every day to keep fluid from accumulating in the pipeline which reduces gas flow. It was subsequently found that the system needs only to be pigged every 10 days or so depending on the produced fluids. All produced fluids are currently mixed in the system. The addition of the 05-13-91-12 W6M water disposal well would eliminate water disposal fees, reduce operating costs, and could generate additional revenue from third party water disposal. It would also eliminate the need to pig the system and allow for reactivation of certain zones such as the Belloy.

Road

The approved access road would be the only all season crossing road of the Doig River in the Clear Prairie area. The access road would result in significant cost reductions and likely generate revenue from other parties operating in the Clear Prairie area.

MARKETING

Gas and NGL's are uncontracted and marketed by AltaGas. Oil is sold to CCS.

The gas from the Clear Prairie property has a gas heating value that averaged 1128 BTU/Scf from April 2009 to November 2009. Corresponding Natural gas liquids were 3.3 Bbls/MMcf (sales), consisting of 0.3 Bbls/MMcf (sales) of propane, 0.5 Bbls/MMcf (sales) of butane, and 2.5 Bbls/MMcf (sales) of pentanes plus. Gas shrinkage was 7%.

It is interesting to note that liquid yields and surface losses from these wells has varied greatly over the past several years. Tables comparing raw production data, sales volumes of gas and liquids, producing gas analyses, and other information are presented in the Data Book that question the reduction in liquid volumes to their current level of only 3.3 Bbls/MMcf (sales). Generally speaking it appears that prior to April 2008, Javelin was paid on a gas heating value of approximately 1050 BTU/Scf and on liquids of approximately 13 Bbls/MMcf (sales). Beginning April 2008, Javelin was paid on a gas heating value of approximately 1130 BTU/Scf and on liquids of approximately 3.5 Bbls/MMcf (sales). Based on gas analyses, it appears that Javelin should have produced approximately double the liquids they were paid for in all periods since they acquired this property effective April 2006.

While it should not have been a significant event, the 400 hp compressor that was installed at 01-14 in April 2008 replaced three 90 hp field compressors. It appears that it may have resulted in the loss of even more liquids production.

WELL LIST

The definitive well list for the Clear Prairie property follows.

Location	Status	Producing Zone	Working Interest
13-01-91-12 W6M/0	Abandoned Well		100%
10-03-91-11 W6M/0	Producing Gas	Gething	100%
15-04-91-11 W6M/0	Standing		100%
08-11-91-12 W6M/0	Abandoned		100%
15-11-91-12 W6M/3	Producing Gas	Montney	100%
2/15-11-91-12 W6M/4	Producing Gas	Baldonnel	100%
16-11-91-12 W6M/0	Producing Gas	Notikewin	100%
11-12-91-12 W6M/2	Suspended Gas	Bluesky	100%
2/05-13-91-12 W6M/0	Completed Water Disposal		100%
01-14-91-12 W6M/0	Producing Gas	Baldonnel	100%
2/01-14-91-12 W6M/3	Producing Gas	Montney	100%
10-14-91-12 W6M/0	Producing Gas	Montney	100%
06-33-90-12 W6M/0	Shut-in Gas	Gething	25%
09-33-90-12 W6M/0	Suspended Gas	Bluesky	25%
07-34-90-12 W6M/0	Producing Gas	Bluesky	25%



FINANCIAL INFORMATION SUMMARY

		2008	2009	2010	2011	2012	2013
		Actual	Actual	Forecast	Forecast	Forecast	Forecast
Production Volumes:							
Oil	(Bbls/day)	5	-	-	14	9	7
NGL	(Bbls/day)	14	2	10	15	12	9
Gas	(Mcf/day)	2,074	844	1,475	2,201	1,966	1,554
Total Production	(BOE/day)	364	143	256	396	349	275
Revenue and Expenses:							
Oil Revenue	(M\$)	132	0	110	333	241	188
NGL Revenue	(M\$)	528	28	225	357	313	249
Gas Revenue	(M\$)	7,136	1,236	3,972	6,315	5,905	4,759
Gross Revenue	(M\$)	7,796	1,264	4,307	7,005	6,459	5,196
Subtract: Royalties	(M\$)	1,298	2	761	1,358	1,174	810
Subtract: Operating Costs	(M\$)	2,222	1,099	1,290	2,017	1,946	1,718
Operating Income	(M\$)	4,276	163	2,256	3,630	3,339	2,668
Capital Forecast	(M\$)	n/a	8	612	1,457	0	0
Summary:							
Oil and NGL	(%)	5%	1%	4%	7%	6%	6%
Gas	(%)	95%	99%	96%	93%	94%	94%
Average Oil Price	(\$/Bbl)	76.07	0.00	64.46	66.83	72.20	77.66
Average NGL Price	(\$/Bbl)	102.94	36.61	60.92	64.03	69.60	74.86
Average Gas Price	(\$/Mcf)	9.43	4.01	7.38	7.86	8.23	8.39
Royalty Rate	(%)	17%	0%	18%	19%	18%	16%
Operating Cost	(\$/BOE)	16.70	21.07	13.81	13.96	15.27	17.13
Netback	(\$/BOE)	32.15	3.13	24.16	25.13	26.21	26.60

Notes:

Engineering forecasts prepared by GLJ Petroleum Consultants Ltd. effective March 31, 2009, and looked ahead to September 30, 2009.

The information above is based on the Proved Plus Probable Reserve Category.

Estimates for 2008 and 2009 are represented by actual year ended data.

Production ratio assumes that 6 Mcf is equivalent to 1 Bbl.

All dollar values are expressed as Canadian.

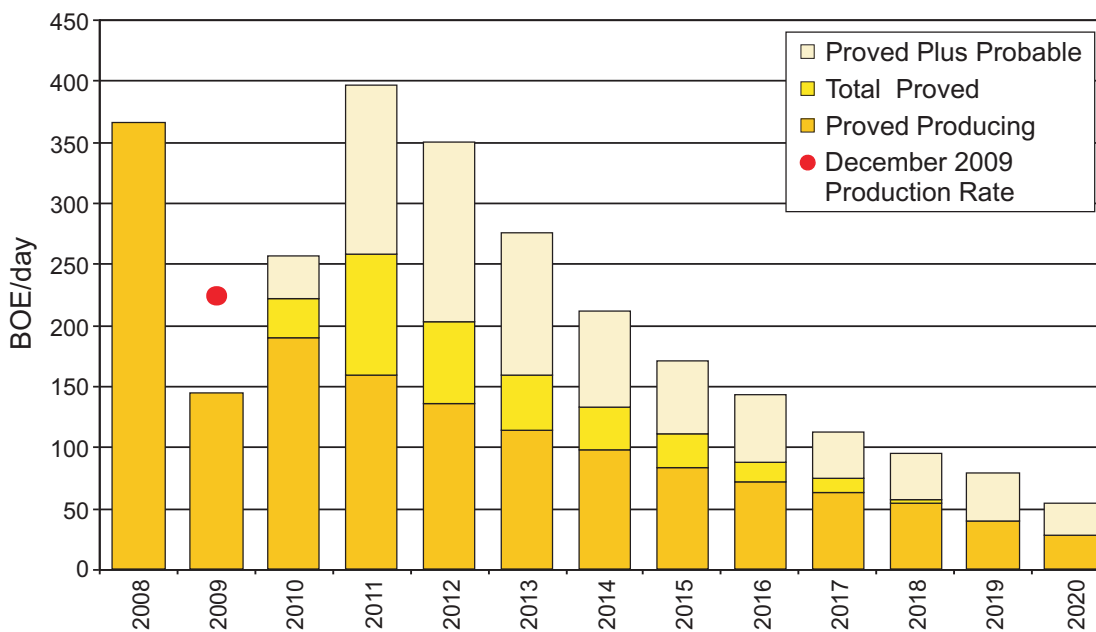
Property was shut-in December 17, 2008 due to loss of field operator, and restarted April 15, 2009.

Property was shut-in December 17, 2009 due to fire at the AltaGas facility, and restarted January 29, 2010.

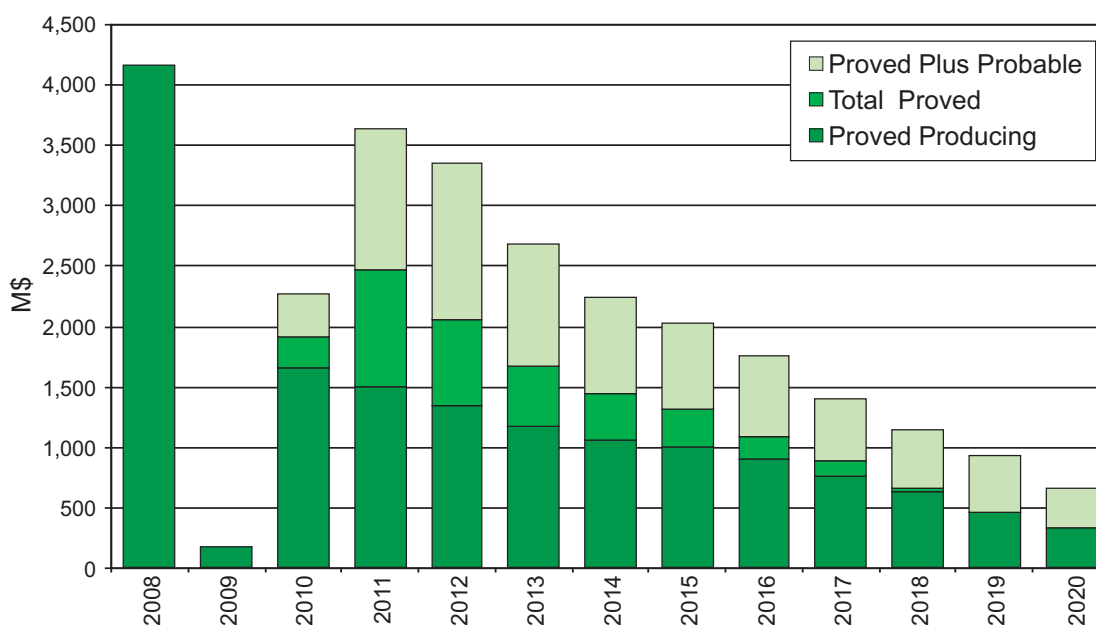
OPEX will be lower than forecast due to reduction in field operating cost of \$53k/month to the current \$10k/month commencing Jan 2010.

PRODUCTION AND OPERATING INCOME

Average Daily Production Volumes



Annual Operating Income



Note:

Operating Income is prior to capital.

Note that in 2009, the property only produced from April 15 to December 17



RESERVE VOLUMES AND NET PRESENT VALUES

Company Reserves

<u>Reserves Category</u>	<u>Oil</u> (MBbls)	<u>NGL</u> (MBbls)	<u>Gas</u> (MMcf)	<u>6:1</u> (MBoe)	<u>RLI</u> (yrs)
Proved Producing	0	10	2,483	424	5.2
Proved Non-Producing	16	4	623	124	
Total Proved	16	14	3,106	548	6.7
Probable	4	17	2,399	421	
Proved Plus Probable	20	31	5,505	969	11.8

Before-Tax Net Present Values

<u>Reserves Category</u>	<u>Net Capital Discounted @</u>			<u>Net Present Value Discounted @</u>		
	<u>5%</u> (M\$)	<u>10%</u> (M\$)	<u>15%</u> (M\$)	<u>5%</u> (M\$)	<u>10%</u> (M\$)	<u>15%</u> (M\$)
Proved Producing	0	0	0	9,476	7,849	6,687
Proved Non-Producing	299	283	268	2,609	2,236	1,941
Total Proved	299	283	268	12,085	10,085	8,628
Probable	1,892	1,630	1,474	6,207	4,203	3,083
Proved Plus Probable	2,191	1,913	1,742	18,292	14,288	11,711

Summary

<u>Reserves Category</u>	<u>Production Ratio Discounted @</u>			<u>Reserves Ratio Discounted @</u>		
	<u>5%</u> (\$/BOE/day)	<u>10%</u> (\$/BOE/day)	<u>15%</u> (\$/BOE/day)	<u>5%</u> (\$/BOE)	<u>10%</u> (\$/BOE)	<u>15%</u> (\$/BOE)
Proved Producing	42,300	35,100	29,900	22.35	18.50	15.80
Total Proved	54,000	45,000	38,500	22.05	18.40	15.75
Proved Plus Probable	81,700	63,800	52,300	18.90	14.75	12.10

Note:

RLI and Production Ratio are based on current production rate of 225 BOE/day.

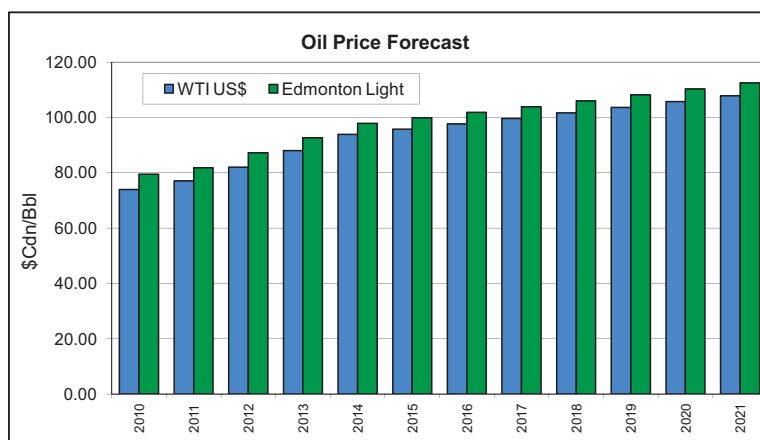
Reserves and Net Present Values presented are mechanically looked ahead to a September 30, 2009 effective date.

Gas volumes are not adjusted for the 1160 BTU/Scf gas heating value.

GLJ PETROLEUM CONSULTANTS PRICING EFFECTIVE OCTOBER 1, 2009

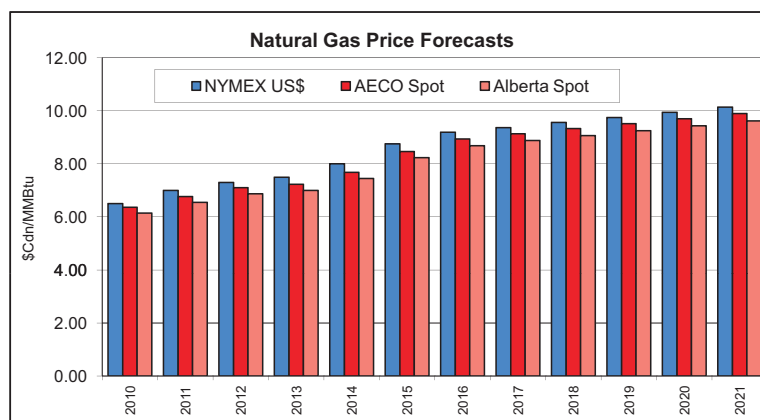
Oil Price Forecasts

Year	West Texas Intermediate	Edmonton Light
	Crude (\$US/Bbl)	Crude (\$Cdn/Bbl)
2010	74.00	79.46
2011	77.00	81.83
2012	82.00	87.20
2013	88.00	92.66
2014	93.85	97.84
2015	95.73	99.82
2016	97.64	101.83
2017	99.59	103.89
2018	101.59	105.99
2019	103.62	108.11
2020	105.69	110.27
2021	107.81	112.48
	2% thereafter	2% thereafter



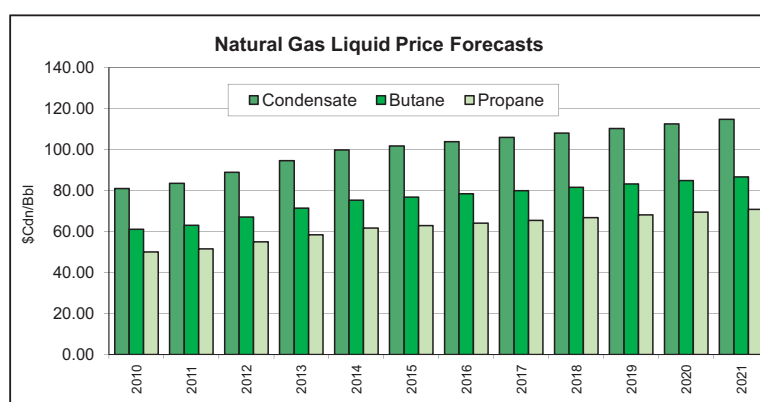
Natural Gas Price Forecasts

Year	NYMEX Henry Hub	AECO Spot	Alberta Spot
	(\$US/MMBtu)	(\$Cdn/MMBtu)	(\$Cdn/MMBtu)
2010	6.50	6.36	6.14
2011	7.00	6.77	6.55
2012	7.30	7.10	6.87
2013	7.50	7.23	7.00
2014	8.00	7.68	7.45
2015	8.75	8.47	8.23
2016	9.19	8.94	8.69
2017	9.37	9.13	8.88
2018	9.56	9.33	9.07
2019	9.75	9.52	9.25
2020	9.95	9.71	9.44
2021	10.15	9.90	9.63
	2% thereafter	2% thereafter	2% thereafter



Natural Gas Liquid Price Forecasts

Year	Condensate	Butane	Propane
	(\$Cdn/Bbl)	(\$Cdn/Bbl)	(\$Cdn/Bbl)
2010	81.05	61.18	50.06
2011	83.46	63.01	51.55
2012	88.95	67.15	54.94
2013	94.51	71.35	58.38
2014	99.80	75.34	61.64
2015	101.81	76.86	62.89
2016	103.87	78.41	64.15
2017	105.97	79.99	65.45
2018	108.10	81.61	66.77
2019	110.26	83.24	68.11
2020	112.47	84.91	69.47
2021	114.72	86.61	70.86
	2% thereafter	2% thereafter	2% thereafter



Notes

Edmonton crude is sweet light (40° API, 0.3%S)
Average Spot prices are plantgate prices.