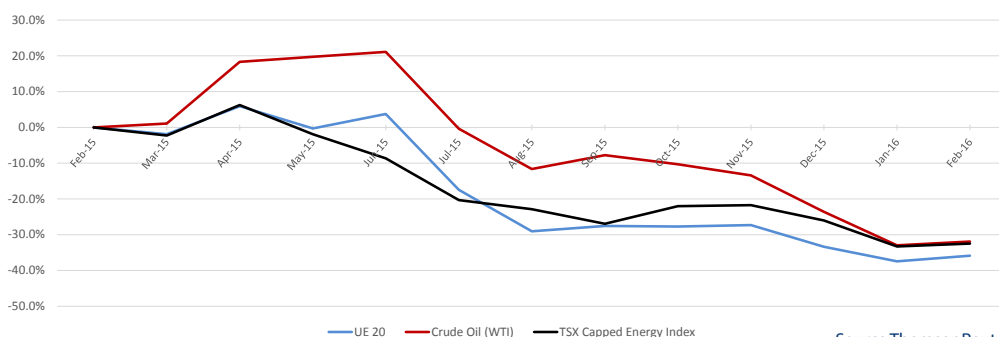




Market Overview

The Ubika Energy 20 (UE20) index rose 2.5% during the past month, edging out the 1.3% rise in the TSX Capped Energy Index. Both benchmarks benefitted from the 1.5% gain in the WTI oil price, yet crude is as volatile as ever, swinging between US\$26/bbl - \$35/bbl.

12 Month Performance



Source: Thomson Reuters

Current rotating OPEC President and Qatar's Energy Minister, Mohammed bin Saleh al-Sada, expects oil to move towards the \$50/bbl level within 2016. This confidence is fueled by agreement between 5 of the 13 OPEC members to freeze output in hopes of reducing the supply glut. One strongly opposing OPEC member, Iran, quoted the initiative as a "joke," as the nation has been on a mission to ramp up oil production now that sanctions have been lifted. Mixed into the equation is Russia, whose economy suffered staggeringly, halving the Ruble's purchasing power (over the last 2 years) and shrinking its economic output over the last 5 consecutive quarters. Hence, Russia is definitely on board to freeze output and try to increase oil's price.

Highlights

- Long Run Exploration (TSX: LRE)** is finally seeing its stock price advance, as two independent proxy firms have advised shareholders and debtholders to agree to the buy-out terms. As mentioned in the Dec. 21, 2015 press release, a Purchaser group based out of China has offered to acquire all outstanding common shares at \$0.52/share (still a premium to current \$0.45/share price), and to buy the outstanding debt for cash consideration of \$750 per \$1,000 principal. A special meeting will be held on Feb. 29, 2016, where the shareholders and debtholders will be asked to vote for/against the arrangement.
- Orca Exploration Group (TSXV: ORC.B)** gained 37% over the past month, as initiated by a successful completion of the offshore workover and drilling program phase. The Phase 1 development was originally estimated to cost \$120 million, but the program has been updated downwards to \$80 million. Orca also confirms that David Lyons, the CEO and indirect controlling shareholder, has informed the Board that it is his intention to evaluate a privatization transaction involving Orca, and that he may propose such a transaction to Orca in the future.
- TAG Oil (TSX: TAO)** is up 16% this month, thanks in part to mixed Q3 results. Despite a weak oil-price environment in Q3, the Company managed to offset the drop in revenues somewhat through growth in production. TAG was able to increase its average net daily oil production by 2% to 945 bbl/d, with revenue from O&G sales decreasing by 11% for the quarter to \$5.1 million.

What to Watch For

Oil is shaping up to have its first positive week in over a month, as strong gasoline demand in the United States, and an upward revision to the country's economic growth for the fourth quarter, helped boost expectations of oil consumption. Iranians are at the polls today, electing a Parliament and a clerical council that is technically in charge of naming the country's next supreme leader. It is Iran's first election since it signed a landmark nuclear accord last summer.

Index Overview

Number of Companies	20
Market Cap (\$MM)	\$4,756
Monthly Change	2.5%
Dividend Yield	2.5%

Monthly Breakouts

Price Gainer (month)	LRE.TO
Price Gainer (year)	LXE.V
Volume Gainer (month)	ORCb.V

Monthly Price Gainers

Company	Symbol	% Chg.
Long Run Exploration Ltd	LRE.TO	53.4%
Twin Butte Energy Ltd	TBE.TO	42.9%
Orca Exploration Group Inc	ORCb.V	36.7%
TORC Oil & Gas Ltd	TOG.TO	19.7%
Mart Resources Inc	MMT.TO	17.1%

Monthly Volume Gainers

Company	Symbol	% Chg.
Orca Exploration Group Inc	ORCb.V	157.2%
Manitok Energy Inc	MEL.V	144.3%
Long Run Exploration Ltd	LRE.TO	111.6%
Leucrotta Exploration Inc	LXE.V	68.9%
Spartan Energy Corp	SPE.TO	55.5%

Commodity Snapshot

Crude Oil (WTI)	
Current price, \$/BBL	\$32.80
% Change (month)	1.5%
% Change (year)	-31.9%

Crude Oil (Brent)	
Current price, \$/BBL	\$35.14
% Change (month)	6.2%
% Change (year)	-41.5%

Natural Gas	
Current price, \$/MMBTU	\$1.79
% Change (month)	-18.1%
% Change (year)	-33.6%



Ubika Energy 20 Performance

Company	Symbol	Price	Monthly Price Change (%)	52-week Price Change (%)
Blackpearl Resources Inc	PXX.TO	\$0.57	3.6%	-35.2%
Cardinal Energy Ltd	CJ.TO	\$6.68	6.9%	-51.6%
Cequence Energy Ltd	CQE.TO	\$0.31	8.8%	-68.0%
Corridor Resources Inc	CDH.TO	\$0.50	16.3%	-43.2%
Crew Energy Inc	CR.TO	\$3.35	-9.0%	-42.0%
Delphi Energy Corp	DEE.TO	\$0.80	0.0%	-40.3%
Granite Oil Corp	GXO.TO	\$7.07	-9.2%	-11.6%
Ikkuma Resources Corp	IKM.V	\$0.63	3.3%	5.0%
Leucrotta Exploration Inc	LXE.V	\$1.00	13.6%	11.1%
Long Run Exploration Ltd	LRE.TO	\$0.45	53.4%	-59.9%
Manitok Energy Inc	MEI.V	\$0.16	3.3%	-80.6%
Mart Resources Inc	MMT.TO	\$0.21	17.1%	-64.7%
Orca Exploration Group Inc	ORCb.V	\$3.35	36.7%	2.4%
Painted Pony Petroleum Ltd	PPY.TO	\$3.86	-6.8%	-47.8%
Spartan Energy Corp	SPE.TO	\$2.50	3.3%	-9.1%
Storm Resources Ltd	SRX.V	\$3.27	-5.8%	-29.7%
TAG Oil Ltd	TAO.TO	\$0.59	15.7%	-60.9%
TORC Oil & Gas Ltd	TOG.TO	\$6.21	19.9%	-32.2%
Twin Butte Energy Ltd	TBE.TO	\$0.10	42.9%	-88.9%
Tamarack Valley Energy Ltd	TVE.TO	\$3.07	3.7%	-29.4%
UE 20		\$3.81	2.5%	-35.9%
Crude Oil (WTI)		\$32.80	1.5%	-31.9%
TSX Capped Energy Index		\$150.72	1.3%	-32.4%

Source:ThomsonReuters

About the Index

For most small cap investors there is a lack of good quality, widely available research and information on promising junior gold exploration companies. Ubika Research is filling this gap by offering quality information and research on small cap companies. The release of the Ubika Mining 20 Index is a continuation of our commitment to provide high quality research and information to small cap investors. Index constituents have a market capitalization between \$2 billion and \$25 million, three month average daily trading value above \$100,000 and a price above \$0.25.

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In the News

February 25, 2016:

BlackPearl Resources (TSX: PXX) announces fourth quarter and full year 2015 financial and operating results and year-end reserves and resources. Q4 2015 revenue was \$23 million and funds flow from operations (a non-GAAP measure) was \$11 million, down from Q4 2014 as a result of lower oil prices. For the year, oil and gas revenue was \$96 million and funds flow from operations was \$49 million.

February 22, 2016:

Cequence Energy (TSX: CQE) announced the results of its year-end reserve evaluation as prepared by its qualified independent reserve evaluator. Increased proved reserves by 9 percent from the prior year to 62,513 mboe. Net present value before income taxes of the Company's proved plus probable reserves is \$482 million or \$2.28 per share (using a discount rate of 10%).

February 22, 2016:

Granite Oil (TSX: GXO) announced 2016 budget and regulatory approval of consolidated eor scheme. Granite drilled two horizontal production wells during the fourth quarter of 2015 and averaged approximately 3,330 bbls/d of oil production during the quarter. Capital expenditures were approximately \$8.5 million, including \$1.7 million for the expansion of its gas injection facilities.

February 16, 2016:

Manitok Energy (TSXV: MEI) announced closing of the final tranche of its private placement and raising a combined gross proceeds of \$10.6 million in equity, at a price of \$0.13 per common share.