MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE FIRST QUARTER
ENDING MARCH 31, 2021

FINANCIAL AND OPERATING HIGHLIGHTS

(Expressed in thousands of Canadian dollars except per boe and share amounts)	**Three Months Ended**	
	March 31, 2021	March 31, 2020
OPERATIONS		
Average daily production		
Light oil (bbl/d)	**140**	138
Natural gas (mcf/d)	**1,844**	2,266
NGLs (bbl/d)	**19**	52
Total equivalent (boe/d)	**467**	568
Average prices		
Light oil ($/bbl)	**$ 57.73**	$ 57.42
Natural gas ($/mcf)	**2.57**	1.61
NGLs ($/bbl)	**58.32**	45.72
Operating netback		
Revenue ($/boe)	**$ 29.91**	$ 24.58
Realized gain (loss) on risk management contracts ($/boe)	**(0.66)**	0.44
Royalties ($/boe)	**(4.08)**	(4.17)
Net operating expenses[1] ($/boe)	**(14.58)**	(11.94)
Transportation expenses ($/boe)	**(2.48)**	(2.17)
Operating netback [1] ($/boe)	**$ 8.11**	$ 6.74
FINANCIAL		
Oil and natural gas revenues [2]	**$ 1,257**	$ 1,270
Operating income[1]	**$ 340**	$ 348
Cash provided by operating activities	**$ 89**	$ 309
Per share – basic and diluted	**$ 0.01**	$ 0.03
Adjusted funds flow [1]	**$ 190**	$ 187
Per share – basic and diluted	**$ 0.02**	$ 0.02
Net income (loss)	**$ 82**	$ (2,611)
Per share – basic and diluted	**$ 0.01**	$ (0.23)
Capital expenditures	**$ 78**	$ 25
Net working capital [1]	**$ 792**	$ 188
Shares outstanding (‘000s)	**11,211**	11,207
Weighted average shares outstanding basic and diluted (‘000s)	**11,211**	11,207

[1]Operating netback, operating income, net operating expenses, adjusted funds flow and net working capital are non-IFRS measures. See “Non- IFRS Measures”.
[2] Before royalties.

Management's discussion and analysis ("MD&A") is Briko Energy Corp.'s ("Briko" or the "Corporation") explanation of its financial performance for the period covered by the unaudited condensed interim financial statements along with an analysis of the Corporation's financial position. Comments relate to and should be read in conjunction with the audited financial statements of the Corporation for the years ended December 31, 2020 and 2019, and the unaudited condensed interim financial statements as at and for the three months ended March 31, 2021 and 2020. This MD&A is dated May 26, 2021 and based on information available to that date. All figures provided herein and in the March 31, 2021 unaudited condensed interim financial statements are reported in Canadian dollars.

Briko commenced operations on December 20, 2018 resulting from the plan of arrangement (the "Arrangement") involving Ikkuma Resources Corp. ("Ikkuma"), Pieridae Energy Limited ("Pieridae"), Briko and the shareholders of Ikkuma. Briko is an Alberta company focused on the development of Cardium assets in the foothills area of Alberta and is pursuing an expanded inventory of optimization and development drilling initiatives. Briko's assets in the Alberta Foothills area consists of land, reserves, infrastructure and oil and liquids-rich opportunities.

Pursuant to the Arrangement, Ikkuma shareholders received 0.1 of a share of Briko for each Ikkuma common share and 0.1 of a common share purchase warrant of Briko. Each whole warrant entitled the holder to acquire one common share of Briko at an exercise price of $1.10 per share. The common share purchase warrants expired on June 26, 2020.

Pursuant to an asset conveyance agreement between Briko and Ikkuma made as of September 21, 2018, Ikkuma assigned and transferred to Briko certain interests in its Cardium focused Alberta Foothills properties.

NON-IFRS MEASURES

FUNDS FLOW FROM OPERATIONS AND ADJUSTED FUNDS FLOW

Two of the benchmarks Briko uses to evaluate its performance are "funds flow from operations" and "adjusted funds flow", which are separate and distinct from "cash provided by operating activities". Funds flow from operations and adjusted funds flow are non-IFRS measures that are commonly used in the oil and gas industry. Funds flow from operations represents cash provided by operating activities before changes in operating non-cash working capital. Adjusted funds flow represents cash provided by operating activities before changes in non-cash working capital, decommissioning obligation expenditures incurred and transaction costs. The Corporation considers both to be key measures that demonstrate the ability of the Corporation's continuing operations to generate the cash flow necessary to fund future growth through capital investment. Funds flow from operations or adjusted funds flow should not be considered an alternative to or more meaningful than cash used in operating activities as determined in accordance with IFRS as an indicator of the Corporation's performance. Briko's determination of funds flow from operations or adjusted funds flow may not be comparable with that of other companies. The following table reconciles Briko's cash provided by operating activities to funds flow from operations and adjusted funds flow:

(thousands of dollars)	**Three Months Ended March 31,**			
		2021		2020
Cash provided by operating activities	**$**	**89**	$	309
Changes in non-cash working capital balances relating to operating activities		**101**		(178)
Funds flow from operations	**$**	**190**	$	131
Transaction Costs		**-**		56
Adjusted funds flow	**$**	**190**	$	187

NET WORKING CAPITAL

Net working capital includes total current assets and current liabilities excluding current lease obligations and short-term derivative assets and liabilities related to the Corporation's risk management activities.

OPERATING NETBACK, OPERATING INCOME AND NET OPERATING EXPENSES

Management uses certain industry benchmarks such as operating netback, operating income and net operating expenses as derived from the netback to analyze financial and operating performance. These benchmarks as presented do not have any standardized meanings prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. Operating netback equals oil and natural gas revenue (including realized gains and losses on commodity risk management contracts) less royalties, net operating expenses and transportation expenses as calculated on a boe basis. Operating income is calculated in the same method as the operating netback, but is presented on a total basis rather than on a boe basis. Management considers operating netback and operating income as important measures to evaluate the Corporation's operational performance as these measures demonstrate Briko's field level profitability relative to current commodity prices. Net operating expenses are a non-IFRS measure calculated as operating expenses less other income. Other income includes gas processing income earned from fees charged to third parties at facilities where Briko has an ownership interest.

RESULTS OF OPERATIONS

PRODUCTION

	Three Months Ended March 31,	
	2021	2020
Light oil (bbls/d)	**140**	138
NGL (bbls/d)	**19**	52
Light oil and NGL (bbls/d)	**159**	190
Natural gas (mcf/d)	**1,844**	2,266
Total boe/d	**467**	568
% Light oil and NGL	**34**	34

Total production for the three months ended March 31, 2021 was lower than the comparable period in 2020 by 18%.

Light oil and NGL production for the three months ended March 31, 2021 decreased 16% compared to the prior period of 2020 primarily due to decreased NGL production due to the unscheduled shut in of the Corporation's Kiskiu area due to a compressor repair at a non-operated facility during the fourth quarter of 2020. This impacted NGL production for the three months ended March 31, 2021 by approximately 25 bbls/d.

Natural gas production for the three months ended March 31, 2021 decreased 19% compared to the prior period of 2020. The decrease for the three months ended March 31, 2021 is primarily due to the unscheduled shut in of the Corporation's Kiskiu area in the fourth quarter of 2020 due to a compressor repair at a non-operated facility. The shut in production was partially offset by the new gas well that came on production in the fourth quarter of 2020.

The shut in natural gas and NGL production in Kiskiu was back online in March 2021. Briko's production for the second quarter of 2021 is estimated to be in the range of 600 - 650 boe/d.

OIL AND NATURAL GAS REVENUE

(thousands of dollars, except per boe)	Three Months Ended March 31,	
	2021	2020
Revenue		
Light oil	**$ 729**	**$** 723
Natural Gas	**427**	331
NGLs	**101**	216
Total	**$ 1,257**	**$** 1,270
Realized Prices		
Light oil ($/bbl)	**$ 57.73**	$ 57.42
Natural Gas ($/mcf)	**2.57**	1.61
NGLs ($/bbl)	**58.32**	45.72
Average price per boe	**$ 29.91**	$ 24.58
Benchmark Pricing		
Edmonton Light Sweet (Cdn $/bbl)	**$ 66.40**	$ 51.53
NYMEX (USD $/MMBtu)	**$ 2.69**	$ 1.95
AECO (5A) daily index (Cdn $/mcf)	**$ 3.11**	$ 2.03

Total revenue for the three months ended March 31, 2021 decreased by 1% as compared to the prior period of 2020 primarily due to the 18% decrease in production which was partially offset by the 22% increase in realized average price per boe.

Briko's realized light oil price for the three months ended March 31, 2021 increased 1% over the same period of 2020. The Corporation's benchmark pricing, Edmonton light sweet, increased by 29% compared to the same period of 2020. The variance in the Corporation's realized light oil price as compared to the benchmark pricing for the three months ended March 31, 2021 is primarily due to the Corporation entering into a fixed price physical contract that was lower than the average benchmark pricing.

Briko's realized natural gas price for the three months ended March 31, 2021 increased 60% over the same period of 2020. The Corporation's benchmark pricing, daily AECO and NYMEX, strengthened throughout the first quarter of 2021. AECO increased by 53% compared to the same period of 2020, while NYMEX increased 38% compared to the same period of 2020. The Corporation's realized natural gas price for the three months ended March 31, 2021 was impacted by the Corporation entering into a fixed NYMEX based contract for 750 MMBtu/d, or approximately 30% of the Corporation's gas production, at the NYMEX daily index price less a fixed differential of $1.675 USD/MMBtu.

RISK MANAGEMENT CONTRACTS

The Corporation enters into risk management commodity contracts in order to reduce volatility in financial results and protect the Corporation's financial position. Briko's strategy focuses on the use of costless collars, options and swaps to limit exposure to fluctuations in commodity prices while allowing for participation in commodity price increases. The Corporation's financial risk management activities are conducted pursuant to the Corporation's Risk Management Policy approved by the board of directors. These contracts had the following impact on the statements of income (loss) and comprehensive income (loss):

(thousands of dollars, except per boe)	**Three Months Ended March 31,**			
		2021		2020
Realized gain (loss) on risk management contracts	**$**	**(28)**	$	23
Per boe	**$**	**(0.66)**	$	0.44
Unrealized gain (loss) on risk management contracts	**$**	**(10)**	$	334

At March 31, 2021, the Corporation held the following risk management commodity contracts:

Light Oil (WTI $Cdn)

Remaining Term	Option Traded	Volume (bbl/d)	Strike Price
April 1, 2021 - June 30, 2021	Put Acquired	75	$60.00/bbl

Natural Gas (AECO $Cdn)

Remaining Term	Option Traded	Volume (GJ/d)	Strike Price
April 1, 2021 – October 31, 2021	Put Acquired	500	$2.00/GJ

In addition to the risk management contracts above, the Corporation has entered into physical delivery sales contracts to manage commodity risk. These contracts are considered normal sales contracts and are not recorded at fair value in the condensed interim financial statements.

The Corporation has the following physical commodity contracts in place at March 31, 2021:

Light Oil (WTI $Cdn)

Remaining Term	Type	Volume (bbl/d)	Price ($USD/bbl)
April 1, 2021 - June 30, 2021	Fixed	50	$42.00/bbl
July 1, 2021 - September 30, 2021	Fixed	50	$42.25/bbl

Light Oil Basis Differential

Remaining Term	Type	Volume (bbl/d)	Price ($USD/bbl)
April 1, 2021 - June 30, 2021	Basis Differential	40	($6.20)/bbl

Natural Gas Basis Differential

Remaining Term	Type	Volume (MMBtu/d)	Price (NYMEX less US$/MMBtu)
April 1, 2021 – October 31, 2021	Basis Differential	750	($1.675)/MMBtu

ROYALTIES

(thousands of dollars, except per boe)		Three Months Ended March 31,		
		2021		2020
Royalties	**$**	**172**	$	216
Per boe		**4.08**		4.17
Percentage of revenue ("Royalty Rate")		**14%**		17%

Briko's royalty rate for the three months ended March 31, 2021 decreased 18% over the prior period of 2020 primarily due to the Corporation's reduced production levels and the reduced Alberta Crown oil par prices in the first quarter of 2021.

NET OPERATING EXPENSES

(thousands of dollars, except per boe)		Three Months Ended March 31,		
		2021		2020
Operating expenses	**$**	**650**	$	720
Other income		**(37)**		(103)
Net operating expenses[1]		**613**		617
Per boe	**$**	**14.58**	$	11.94

[1] *See Non IFRS measures*

Per unit net operating expenses for the three months ended March 31, 2021 increased 22% over the same prior period of 2020. The increase is primarily due to the 18% decrease in production from the unscheduled shut in of the Corporation's Kiskiu area and the associated compressor repair costs. Excluding the compressor repair costs, per unit net operating expenses for the three months ended March 31, 2021 would have been approximately $12.20 per boe.

TRANSPORTATION EXPENSES

(thousands of dollars, except per boe)		Three Months Ended March 31,		
		2021		2020
Gas transportation	**$**	**44**	$	42
Oil transportation		**60**		70
Total transportation expenses	**$**	**104**	$	112
Per boe		**2.48**		2.17

Per unit transportation expenses for the three months ended March 31, 2021 increased 14% over the same period of 2020. The increase is primarily due to the 21% decrease in production and unutilized firm gas transportation commitments related to the unscheduled shut in of the Corporation's Kiskiu area.

OPERATING INCOME & OPERATING NETBACKS

Operating Income *(thousands of dollars)*	Three Months Ended March 31, **2021**	2020
Revenue	**$ 1,257**	$ 1,270
Realized gain (loss) on risk management contracts	**(28)**	23
Royalties	**(172)**	(216)
Net operating expenses	**(613)**	(617)
Transportation expenses	**(104)**	(112)
Operating income	**$ 340**	$ 348

Operating Netbacks	Three Months Ended March 31, **2021**	2020
Revenue	**$ 29.91**	$ 24.58
Realized gain (loss) on risk management contracts	**(0.66)**	0.44
Royalties	**(4.08)**	(4.17)
Net operating expenses	**(14.58)**	(11.94)
Transportation expenses	**(2.48)**	(2.17)
Operating netbacks	**$ 8.11**	$ 6.74

Briko's operating netback for the three months ended March 31, 2021 increased by 21% compared to the prior period in 2020 primarily due to the increase in revenue, which was partially offset by the increase in net operating expenses.

GENERAL AND ADMINISTRATIVE ("G&A") EXPENSES

(thousands of dollars, except per boe)	Three Months Ended March 31, **2021**	2020
Gross costs	**$ 185**	$ 182
Operator's recoveries	**(15)**	(21)
G&A expenses	**$ 170**	$ 161
Per boe	**$ 4.05**	$ 3.12

Total G&A expenses and per unit G&A expenses for the three months ended March 31, 2020 increased 5% and 30% over the same period of 2020, respectively. The increase in per unit G&A expenses is primarily due to the 18% decrease in production in the three months ended March 31, 2021. The Corporation also received the Canada Emergency Wage Subsidy and the Canada Emergency Rent Subsidy for the three months ended March 31, 2021.

TRANSACTION COSTS

(thousands of dollars, except per boe)	Three Months Ended March 31, **2021**	2020
Transaction costs	**$ -**	$ 56
Per boe	**-**	1.08

The Corporation incurred transaction costs for the three months ended March 31, 2020 related to the acquisition credit facility (the "Acquisition Credit Facility"). The Acquisition Credit Facility was repaid in full in March 2020.

FINANCE EXPENSE

(thousands of dollars, except per boe)		Three Months Ended March 31,		
		2021		2020
Interest on lease obligations	**$**	**7**	$	8
Accretion on decommissioning obligation		**39**		18
Total finance expenses	**$**	**46**	$	26
Per boe	**$**	**1.09**	$	0.50

Briko's finance expense for the three months ended March 31, 2021 increased as compared to the prior period of 2020. Accretion on decommissioning obligations for the three months ended March 31, 2021 increased as compared to the prior period of 2020 due to the increase in the risk free rate associated with the decommissioning liabilities.

GOVERNMENT GRANT INCOME

(thousands of dollars, except per boe)		Three Months Ended March 31,		
		2021		2020
Site rehabilitation program grant	**$**	**110**	$	-
CEBA loan grant		**20**		-
Total government grant income	**$**	**130**	$	-
Per boe	**$**	**3.09**	$	-

During the three months ended March 31, 2021, the Corporation received $130,000 in government grant income. The Corporation received a government subsidy of $110,000 through the Alberta Site Rehabilitation Program ("SRP") to pay service companies to complete abandonment and reclamation work. The SRP was recorded as government grants on the statement of income (loss) and comprehensive income (loss). The Corporation also received a $20,000 grant through the CEBA loan, as herein defined (refer to the Long Term Debt section of this MD&A for further information).

SHARE-BASED COMPENSATION

(thousands of dollars, except per boe)		Three Months Ended March 31,		
		2021		2020
Share-based compensation	**$**	**-**	$	119
Per boe		**-**		2.30

During the three months ended March 31, 2021, 75,000 options were forfeited and the related accumulated share-based compensation expense of $49,000 was reversed. Excluding this reversal, share-based compensation expense for the three months ended March 31, 2021 would have been $49,000 or $1.17 per boe.

DEPLETION AND DEPRECIATION

(thousands of dollars, except per boe)	Three Months Ended March 31,	
	2021	2020
Depletion and depreciation expense	**$ 162**	$ 271
Per boe	**3.84**	5.25

Per unit depletion and depreciation expenses for the three months ended March 31, 2021 decreased 27% over the prior period of 2020. Depletion and depreciation expense per boe for the three months ended March 31, 2021 was impacted by a credit of $66,000 due to the change in estimated future cash outflows for decommissioning obligations for assets with no remaining net book value. Excluding the credit, depletion and depreciation expense per boe for the three months ended March 31, 2021 would have been $5.41 per boe and comparable to the prior period of 2020.

IMPAIRMENT

There were no impairment indicators identified for the three months ended March 31, 2021.

At March 31, 2020, due to the significant decline in forecasted commodity benchmark prices, the Corporation determined a trigger to be present in all of its cash generating units ("CGUs") in Property, plant and equipment and completed impairment tests accordingly. It was determined that the carrying value of the Narraway CGU exceeded the recoverable amount by $0.3 million, the Northern Foothills CGU exceeded the recoverable amount by $0.5 million and the Central Foothills CGU exceeded the recoverable amount by $1.9 million. Accordingly, a $2.7 million impairment charge was recognized.

CAPITAL EXPENDITURES

Total capital expenditures for the three months ended March 31, 2021 were $78,000 compared to the $25,000 in the prior period of 2020. Briko has established a prudent capital expenditure program for 2021 that is expected to focus on maintenance and optimization initiatives.

DECOMMISSIONING OBLIGATION

At March 31, 2021, the decommissioning obligation of the Corporation was $9.3 million (December 31, 2020 - $10.5 million).

CASH PROVIDED BY OPERATING ACTVITIES, ADJUSTED FUNDS FLOW AND NET INCOME (LOSS)

(thousands of dollars, except per share amounts)	Three Months Ended March 31,	
	2021	2020
Cash provided by operating activities	**$ 89**	$ 309
Adjusted funds flow[(1)]	**$ 190**	$ 187
Per share – basic and diluted	**$ 0.02**	$ 0.02
Net income (loss)	**$ 82**	$ (2,611)
Per share – basic and diluted	**$ 0.01**	$ (0.23)

[(1)]*See Non-IFRS Measures*

Cash provided by operating activities for the three months ended March 31, 2021 are lower than the comparable period of 2020 primarily due to changes in non-cash working capital.

Adjusted funds flow for the three months ended March 31, 2021 is comparable to the same period of 2020.

Briko's net income for the three months ended March 31, 2021 was higher than the net loss reported in the comparable period primarily due to the $2.7 million impairment charge recorded in the three months ended March 31, 2020.

DEFERRED INCOME TAX

Briko has tax pools of approximately $11.7 million including $2.3 million of non-capital loss carry-forwards, available for deduction against future taxable income. Non-capital losses expire between 2030 and 2041. The asset remains unrecognized as at March 31, 2021.

LIQUIDITY AND CAPITAL RESOURCES

LONG TERM DEBT

During the three months ended March 31, 2021, the Corporation repaid $40,000 of the Canada Emergency Business Account (the "CEBA loan") and $20,000 of the outstanding amount was forgiven. The CEBA loan featured 0% interest until December 31, 2022, voluntary principal repayments without fees or penalties, and 33% loan forgiveness, or $20,000, if the full balance was repaid by December 31, 2022. The $20,000 forgiven was recorded as government grants on the statement of income (loss) and comprehensive income (loss).

LIQUIDITY RISK

Liquidity risk is the risk that the Corporation will not be able to meets its financial obligations as they become due. The Corporation's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its short-term and long-term financial obligations when due, under both normal and unusual conditions, without incurring unacceptable losses or risking harm to the Corporation's reputation. The Corporation's financial liabilities include accounts payable and accrued liabilities that are due within the next year. At March 31, 2021, the Corporation had no debt outstanding. To manage liquidity risk, the Corporation will seek to issue equity, issue debt or operate within cash flow.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. In addition, global commodity prices declined significantly in 2020 due to disputes between major oil producing countries combined with the impact of the COVID-19 pandemic. While commodity prices have recovered to pre-pandemic levels in early 2021, the full extent of the impact of COVID-19 on the Corporation's operations and future financial performance is currently unknown. Governments worldwide, including those in Canada have enacted emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable. The current challenging economic climate may have significant adverse impacts on the Corporation including, but not exclusively:

a. material declines in revenue and cash flows as a result of the decline in commodity prices;

b. declines in revenue and operating activities could result in increased impairment charges and an inability to generate sufficient cash flows from operations to meet the Corporation's current and future obligations;

c. increased risk of non-performance by the Corporation's customers which could materially increase the risk of non-payment of accounts receivable and customer defaults; and

d. increased restructuring charges as the Corporation aligns its structure and personnel to the dynamic environment.

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect of the Corporation is not known at this time. Estimates and judgements made by management in the preparation of the financial statements are increasingly difficult and subject to a higher degree of measurement uncertainty during this volatile period. If the situation continues for prolonged periods of time there may be considerable risk and substantial uncertainty around the Corporation's ability to continue as a going concern.

CAPITAL MANAGEMENT

The Corporation's share structure includes working capital and shareholders' equity. Briko's primary capital management objective is to maintain a strong financial position in order to continue the future growth of the Corporation. The Corporation monitors its capital structure and makes adjustments on an ongoing basis in order to maintain the flexibility needed to achieve long-term objectives. To manage the capital structure, the Corporation may adjust capital spending, hedge future revenue and costs, issue new equity or issue debt.

COMMITMENTS

Future minimum payments relating to variable office rent payments and firm transport commitments at March 31, 2021 are as follows:

(thousands of dollars)	2021	2022	2023	2024	2025	Thereafter	Total
Variable Office lease	$ 51	$ 6	$ -	$ -	$ -	$ -	$ 57
Firm transportation	107	143	141	96	88	22	597
Total	**$ 158**	**$ 149**	**$ 141**	**$ 96**	**$ 88**	**$ 22**	**654**

RELATED PARTY TRANSACTIONS

The Corporation did not have any related party transactions in the three months ended March 31, 2021 or March 31, 2020.

COMMON SHARE INFORMATION

	Three Months Ended March 31, 2021	2020
Outstanding common shares end of period	**11,211,149**	**11,206,626**
Weighted average outstanding common shares [1]		
basic and diluted	**11,211,149**	**11,206,626**

[1] *The Corporation's options are antidilutive*

At May 26, 2021, the Corporation had 11,211,149 common shares and 875,000 stock options ($1.10 strike price) outstanding. At May 26, 2021, there were no preferred shares issued or outstanding.

GUIDANCE

Briko's production for the second quarter of 2021 is estimated to be in the range of 600 - 650 boe/d. Average production for 2021 is expected to be in the range of 500 - 550 boe/d. Briko has established a prudent capital expenditure program for 2021 that is expected to focus on maintenance and optimization initiatives.

OFF BALANCE SHEET ARRANGEMENTS

The Corporation did not have any off balance sheet arrangements in the three months ended March 31, 2021 or March 31, 2020.

ADDITIONAL DISCLOSURES

QUARTERLY FINANCIAL INFORMATION

(thousands of dollars, except daily production, average wellhead price and per share amounts)	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Average daily production (boe/d)	467	535	562	600	568	617	652	715
Oil and natural gas revenue	1,257	1,400	1,188	978	1,270	1,755	1,386	1,786
Average price ($/boe)	29.91	28.43	22.98	17.92	24.58	30.91	23.11	27.45
Capital expenditures	78	(22)	39	5	25	140	406	153
Cash provided by (used in) operating activities	89	(395)	508	452	309	(17)	181	207
Per share – basic and diluted	0.01	(0.04)	0.05	0.04	0.03	(0.00)	0.02	0.02
Adjusted funds flow[1]	190	235	160	185	187	256	110	424
Per share – basic and diluted	0.02	0.02	0.01	0.02	0.02	0.02	0.01	0.04
Net income (loss)	82	3,024	(187)	(458)	(2,611)	(2,458)	(407)	31
Per share – basic and diluted	0.01	0.27	(0.02)	(0.04)	(0.23)	(0.22)	(0.04)	0.00

[1] *See Non-IFRS Measures*

ADVISORIES

FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking statements or information. Forward looking statements and information in this MD&A includes, but is not limited to, Briko’s estimated production for the second quarter of 2021, estimated production for 2021 and the anticipated funding of the capital expenditure program by adjusted funds flow in 2021. In addition, management’s assessment of future plans and operations, drilling plans, and the timing thereof, capital expenditures, timing of capital expenditures, and methods of financing capital expenditures and the ability to fund financial liabilities, production estimates, expected commodity mix and prices, future operating costs, future transportation costs, expected royalty rates, general and administrative expenses, interest rates, debt levels, funds flow from operations and the timing of and impact of implementing accounting policies, estimates regarding undeveloped land position and estimated future drilling, completion, recompletion or reactivation locations may constitute forward-looking statements and information under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefit of acquisitions, the inability to fully realize the benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals and inability to access sufficient capital from internal and external sources. As a consequence, the Corporation’s actual results may differ materially from those expressed in, or implied by, the forward-looking statements. Forward-looking statements or information is based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Corporation believes that the expectations and assumptions reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Corporation cannot give any assurance that they will prove to be correct. In addition to other factors and assumptions which may be identified in this document and other documents filed by the Corporation, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the ability of the Corporation to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects which the Corporation has an interest in to operate the field in a safe, efficient and effective manner; the Corporation’s ability to obtain financing on acceptable terms; field *production rates and decline rates; the ability to reduce operating costs; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing and costs of pipeline, storage and facility construction and expansion; the ability of the Corporation to secure adequate product transportation; future petroleum and natural gas prices; currency exchange and interest rates; the regulatory framework regarding royalties, taxes, and environmental matters in the jurisdictions in which the Corporation operates; and the Corporation's ability to successfully market its petroleum and natural gas products. Readers are cautioned that the foregoing list of factors is not exhaustive. Furthermore, the forward-looking statements contained in this MD&A are made as at the date of this MD&A and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by applicable securities laws.*

Certain information set out herein may be considered as "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding Briko's reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

CONVERSIONS

The oil and gas industry commonly expresses production volumes and reserves on a "barrel of oil equivalent" basis ("boe") whereby natural gas volumes are converted at the ratio of six thousand cubic feet to one barrel of oil. The intention is to sum oil and natural gas measurement units into one basis for improved analysis of results and comparisons with other industry participants.

Throughout this MD&A the Corporation has used the 6:1 boe measure which is the approximate energy equivalency of the two commodities during combustion. Boe does not represent a value equivalency at the wellhead nor at the plant gate which is where the Corporation sells its production volumes, and therefore, may be a misleading measure, particularly if used in isolation. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion may be misleading as an indication of value.