DEJOUR ENTERPRISES LTD.

1100 - 808 West Hastings Street
Vancouver, British Columbia V6C 2X4
Canada

Tel: (604) 638-5058
Fax: (604) 638-5051
Email: investor@dejour.com

ANNUAL INFORMATION FORM
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

March 21, 2009

TABLE OF CONTENTS

PRELIMINARY NOTES

In this Annual Information Form ("**AIF**"), Dejour Enterprises Ltd. is referred to as "**Dejour**" or the "**Company**". All information contained herein is as at December 31, 2008 or the date of the AIF, being March 21, 2009, unless otherwise stated.

Financial Statements

This AIF should be read in conjunction with the Company's consolidated financial statements and management's discussion and analysis for the 12 months ended December 31, 2008. The financial statements and management's discussion and analysis are available under the Company's profile on the SEDAR website at www.sedar.com. All financial statements are prepared in accordance with Canadian generally accepted accounting principles.

Currency and Exchange Rates

All sums of money which are referred to in this AIF are expressed in lawful money of Canada, unless otherwise specified. The following table sets forth, for each of the years indicated, as reported by the Bank of Canada, the exchange rate of United States dollars into Canadian dollars at the end of each such year, the average exchange rate during each such year and the range of high and low rates for each such year.

	Year Ended December 31		
	2008	**2007**	**2006**
High	1.3008	1.1878	1.1794
Low	0.9711	0.9066	1.0948
Average	1.0660	1.0748	1.1342
Closing	1.2180	0.9913	1.1654

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This AIF and the documents incorporated by reference herein contain "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. The forward-looking statements and forward looking information are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. In some cases, words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur, are intended to identify forward-looking statements and forward-looking information. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements or information. In addition, this AIF may contain forward-looking statements and information attributed to third party industry sources. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Such forward-looking statements and information in this AIF speak only as of the date of this AIF.

Forward-looking statements and information in this AIF include, but are not limited to, statements with respect to:

- drilling inventory, drilling plans and timing of drilling, re-completion and tie-in of wells;

- productive capacity of wells, anticipated or expected production rates and anticipated dates of commencement of production;
- drilling, completion and facilities costs;
- results of various projects of the Company;
- ability to lower cost structure in certain projects of the Company;
- growth expectations within the Company;
- timing of development of undeveloped reserves;
- the tax horizon of the Company;
- the performance and characteristics of the Company's oil and natural gas properties;
- oil and natural gas production levels;
- the quantity of oil and natural gas reserves;
- capital expenditure programs;
- supply and demand for oil and natural gas and commodity prices;
- the impact of federal, provincial, and state governmental regulation on the Company;
- expected levels of royalty rates, operating costs, general administrative costs, costs of services and other costs and expenses;
- expectations regarding the Company's ability to raise capital and to continually add to reserves through acquisitions, exploration and development;
- treatment under governmental regulatory regimes and tax laws; and
- realization of the anticipated benefits of acquisitions and dispositions.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations, or the assumptions on which they are based, will prove to be correct. The Company cannot guarantee future results, levels of activity, performance or achievements. Consequently, there is no representation by the Company that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements and information. Some of the assumptions on which the forward-looking statements are based are set out under "*Risk Factors*" and elsewhere in this AIF. Some of the risks and other factors, some of which are beyond the Company's control, that could cause results to differ materially from those expressed in the forward-looking statements and information contained in this AIF, are, but are not limited to:

- general economic conditions in Canada, the United States and globally;
- industry conditions, including fluctuations in the price of oil and natural gas;
- governmental regulation of the oil and gas industry, including environmental regulation;
- geological, technical, drilling and processing problems and other difficulties in producing reserves;
- failure to realize anticipated benefits of acquisitions and dispositions;
- unanticipated operating events which can reduce production or cause production to be shut in or delayed;
- failure to obtain industry partner and other third party consents and approvals, when required;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisitions of reserves, undeveloped land and skilled personnel;
- competition for and/or inability to retain drilling rigs and other services;
- the availability of capital on acceptable terms;
- the need to obtain required approvals from regulatory authorities; and
- the other factors disclosed under *"Risk Factors"* in this AIF.

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves described can be profitably produced in the future. Readers are cautioned that the foregoing list of factors is not exhaustive. **The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement. The Company is not under any duty to update any of the forward-looking statements after the date of this AIF to conform such statements to actual results or to changes in the Company's expectations except as otherwise required by applicable legislation.**

ABBREVIATIONS

In this AIF, the following abbreviations have the meanings indicated:

Oil and Natural Gas Liquids

bbl	barrel
bbls	barrels
bbls/d	barrels per day
Mbbls	thousand barrels
MMbbls	million barrels
MMBTU	million British thermal units
NGL	natural gas liquids

Natural Gas

Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMcf	million cubic feet
MMcf/d	million cubic feet per day
GJ	Gigajoule

Other

AECO	Intra-Alberta Nova Inventory Transfer Price (NIT net price of natural gas).
API	An indication of the specific gravity of crude oil measured on the American Petroleum Institute gravity scale. Liquid petroleum with a specified gravity of 28° API or higher is generally referred to as light crude oil.
boe	Barrels of oil equivalent. A barrel of oil equivalent is determined by converting a volume of natural gas to barrels using the ratio of 6 Mcf to one barrel.
boe/d	Barrels of oil equivalent per day.
bf/d	Barrels of fluid per day.
bw/d	Barrels of water per day.
IT	Imperial tonne.
M	Metre.
M^3	Cubic metre.
Mboe	Thousand barrels of oil equivalent.
NYMEX	New York Mercantile Exchange.
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing Oklahoma for crude oil of standard grade.

PRESENTATION OF OIL AND GAS RESERVES AND PRODUCTION INFORMATION

All oil and natural gas reserve information contained in this AIF has been prepared and presented in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"). The actual oil and natural gas reserves and future production will be greater than or less than the estimates provided in this AIF. The estimated future net revenue from the production of the disclosed oil and natural gas reserves does not represent the fair market value of these reserves. **The Company has adopted the standard of 6 Mcf:1 boe when converting natural gas to barrels of oil equivalent. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.**

In respect of reserves data contained in this AIF, the following terms have the meanings indicated:

"**gross**" means the working interest (operated and non-operated) share before deduction of royalties and without including any royalty interest.

"**net**" means the working interest (operated and non-operated) share after deduction of royalty obligations, plus the Company's royalty interests in reserves.

"**probable reserves**" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. At least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves are the targeted level of certainty.

"**proved plus probable reserves**" means the aggregate of proved reserves and probable reserves, before deduction of royalties.

"**proved reserves**" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. At least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves is the targeted level of certainty.

"**reserves**" are the estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on: analysis of drilling, geological, geophysical and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates.

"**royalties**" refers to royalties paid to others. The royalties deducted from the reserves are based on the percentage royalty calculated by applying the applicable royalty rate or formula. In the case of Crown sliding scale royalties which are dependent on selling prices, the price forecasts for the individual properties in question have been employed.

"**undeveloped reserves**" are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g. when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

CONVERSION FACTORS

The following table sets forth certain standard conversions between Standard Imperial Units and the International System of Units (or metric units).

To Convert From	To	Multiply By
Mcf	cubic metres	0.028
Cubic metres	cubic feet	35.494
Bbls	cubic metres	0.159
Cubic metres	bbls	6.289
Feet	metres	0.305
Metres	feet	3.281
Miles	kilometers	1.609
Kilometers	miles	0.621
Acres	hectares	0.405
Hectares	acres	2.471

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the law of Ontario, Canada, on March 29, 1968 under the name "Dejour Mines Limited". By articles of amendment dated October 30, 2001, the issued common shares were consolidated on the basis of one (1) new share for every fifteen (15) old shares and the name of the company was changed to Dejour Enterprises Ltd. On June 6, 2003, the shareholders approved a resolution to complete a one-for-three-share consolidation, which became effective on October 1, 2003. In 2005, the Company was continued into the province of British Columbia under the *Business Corporations Act* (British Columbia).

The head office of Dejour is located at Suite 1100 - 808 West Hastings Street, Vancouver, British Columbia, V6C 2X4, and its registered and records office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, V6C 2T5. The common shares of Dejour are listed for trading on the Toronto Stock Exchange ("**TSX**"), on the New York Stock Exchange Alternext ("**NYSE-Alt**") under the symbol "DEJ", and on the Frankfurt Exchange under the symbol "D5R". The Company ceased to trade on the TSX Venture Exchange ("**TSX-V**") and graduated to the TSX effective November 20, 2008.

Intercorporate Relationships

The Company has three 100% owned subsidiaries: Dejour Energy (USA) Corp. ("**Dejour USA**"), a Nevada corporation, holds Dejour's United States oil and gas interests and Dejour Energy (Alberta) Ltd. ("**DEAL**") and Wild Horse Energy Ltd. ("**Wild Horse**"), Alberta corporations, hold its Canadian oil and gas interests.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History:

Since November 2004 the Company has been engaged in oil and gas exploration in Canada and the USA.

From January 2005 to December 2006, the Company was also engaged in the business of exploration for uranium. It acquired, by staking, a 100% interest in 68 claims and 4 permits consisting of 966,969 acres (391,320 hectares) located in the Athabasca Basin in northern Saskatchewan, Canada.

Uranium Interests

In October 2006, Dejour entered into an agreement to sell its uranium property to Titan Uranium Inc. ("**Titan**"), a Canadian company listed on the TSX Venture Exchange. The sale was completed on February 2, 2007. The consideration for the sale was 17,500,000 common shares in Titan with an ascribed value of $31,650,000 and 3,000,000 transferable common share purchase warrants of Titan, each such warrant entitling Dejour to acquire one common share in the capital of Titan at an exercise price of $2.00 per common share for a period of 24 months, subject to a forced exercise provision pursuant to which Titan was entitled to call the automatic exercise of the warrants in the event that Titan's common shares trade on the TSX-V at a price of $4.00 or more for twenty consecutive trading days. These warrants expired unexercised on December 15, 2008. As to the Dejour uranium properties it sold to Titan, Dejour retained a 1% net smelter return royalty ("**NSR**") and a 10% carried working interest in each claim carried by Titan to a completed bankable feasibility study after which Dejour may elect to participate as to its 10% interest or convert the 10% interest to an additional 1% NSR, for an aggregate 2% NSR interest in the uranium properties sold. Dejour also has a first right of refusal on all future financings by Titan for as long as Dejour holds greater than 10% of the outstanding Titan common shares. Pursuant to the agreement Dejour's two full-time and one part-time geologists negotiated consulting contracts with Titan and Dejour was entitled to appoint two Dejour representatives to the Titan board of directors.

During the year ended December 31, 2008, the Company received proceeds of $529,894 from the sale of 750,000 Titan shares, resulting in a gain of $5,401. As at December 31, 2008, the Company had 16,750,000 shares of Titan. Between January 1 and March 21, 2009, Dejour sold 16,150,000 shares of Titan and realized proceeds of $2,159,722, resulting in a loss of $500,042. As at the date of this AIF, the Company owns 600,000 shares of Titan. Dejour continues to retain a 10% carried interest (1% NSR) in over 800,000 acres of uranium leases including current active exploration projects at the Virgin Trend Deep, Border Block Project, R-Seven, Sandhill Lake and Carlson Creek in the Athabasca Basin, Saskatchewan.

US Oil and Gas Interests

In July 2006, the Company's U.S. subsidiary, Dejour USA, entered into a participation agreement (the "**2006 Retamco Agreement**") with Retamco Operating, Inc. ("**Retamco**"), a U.S. privately owned oil and gas corporation, and Brownstone Ventures (US) Inc. ("**Brownstone**"), a subsidiary of Brownstone Ventures Inc., a Canadian company listed on the TSX-V. Under the agreement, Dejour USA and Brownstone agreed to participate in the ownership of specified oil and gas leasehold interests and related exploration and development of those leases located in the Piceance, Uinta and Paradox Basins of western Colorado and eastern Utah. Consideration paid by Dejour USA for its interest was $25,152,510, made up of US$5 million cash, 5,500,000 Dejour common shares valued at US$10,726,700 ($2.17 CDN per share), a US$5,000,000 zero coupon note maturing in stages from January 2, 2007 to June 30, 2007 (which has been repaid), and the issuance of eight two-year, 8% convertible debentures in the cumulative amount of US$1,397,846 which matured July 15, 2008. The debentures were convertible by Retamco into units of Dejour at the rate of US$1.35 per unit. Each unit consisted of one share and one warrant exercisable at a price of US$1.50 per warrant until July 15, 2008. Retamco later disposed of these convertible debentures to companies or persons related to the CEO, CFO and President of Dejour. As at the date of this AIF, all of the debentures have been converted into units. All of the warrants comprising the units have either been converted into common shares or expired.

In June 2008 Dejour USA entered into a further purchase and sale agreement with Retamco resulting in Dejour USA acquiring an additional 64,000 net acres involving the same properties in which it purchased an interest in the 2006 Retamco Agreement. Additionally, as a part of this latter agreement Dejour USA sold its 25% working interests in two wells in the North Barcus Creek Prospect (located in Piceance Basin, Colorado) and roughly 3,682 net acres in the Rio Blanco Deep Prospect (located in northern Colorado). As a result of the exchange, all of Dejour USA's oil and gas proved and probable reserves in the U.S. were disposed of. Currently Dejour USA owns approximately 122,000 net acres in the Piceance, Uinta and Paradox Basins. See "*Description of the Business – Oil and Gas Interests – United States of America*". Also refer to the Company's news release dated June 18, 2008 which can be found on the SEDAR website at www.sedar.com.

On November 14, 2008, a joint venture agreement was signed with Laramie Energy II LLC ("**Laramie**"), a privately funded exploration and production company with corporate offices in Denver, Colorado. The joint venture involves approximately 22,000 gross acres (15,700 net to Dejour USA) in an area at the northwest edge of the Piceance Basin. Under the terms of the agreement, Laramie will begin a continuous drilling program on the Dejour USA leases in the second half of 2009 and will have the right to earn up to 55% of the acreage covered under the agreement by completing at least four commercially productive wells over the next three to four years.

Canadian Oil and Gas Interests

On April 1, 2006 the Company entered a joint venture arrangement with Charles W.E. Dove, who became an advisory board member of the Company in November 2004. The joint venture was incorporated as Dejour Energy (Alberta) Ltd. ("**DEAL**") and was originally owned and funded 90% by the Company, with Mr. Dove's company, Wild Horse owning and funding the remaining 10%. At that time Wild Horse was owned 50% by each of Charles Dove and his wife, Lynn Dove. The purpose of the joint venture was to acquire interests in the Peace River Arch area of northwestern Alberta and eastern British Columbia, Canada. Effective June 1, 2007, the Company purchased 100% of Wild Horse from Charles and Lynn Dove in consideration for a payment in the amount of $354,880. The purchase price was based on land and reserve values established by McDaniel and Associates Consultants Ltd., an independent evaluation firm in Calgary, Alberta. This purchase resulted in DEAL and Wild Horse becoming direct wholly owned subsidiaries of the Company.

As at December 31, 2007, through a combination of purchase and earn-in agreements, DEAL has acquired an average 46% interest in approximately 33,570 gross acres of lands and holds rights of first refusal to purchase interests in an additional approximately 5,760 gross acres in the Peace River Arch area. In summer 2008, DEAL acquired 2,541 hectares (6,352 gross and net acres) of lands in the emerging Montney natural gas resource play in northeastern British Columbia at government oil and gas drilling rights auctions. These lands are adjacent to necessary pipeline infrastructure. Initial drilling of these lands is anticipated in winter 2009/2010. As at December 31, 2008, DEAL had an average interest of 54% in approximately 39,283 gross acres in the Peace River Arch area.

Activity in the first quarter of 2008 included the drilling of 11 wells owned by DEAL, nine of which were operated by DEAL with an average working interest of over 95%. Two were partner-operated with an average working interest to DEAL of 35%. In one of these areas DEAL conducted a seismic program on behalf of the joint venture.

In the second quarter of 2008 the Company commenced production from four of its gas wells in its Peace River Arch properties. Initial total flow rates for the four wells were 2.7 MMcf/d. The production from these wells was 1.5 MMcf/d as of December 31, 2008. One additional gas well and one oil well commenced production in the third quarter of 2008 and these are currently producing at rates of 500 Mcf/d and 375 bbls/d. A seventh well producing gas and oil was brought on in the fourth quarter at rates of 200 bbls/d and 750 Mcf/d.

Investment requirements for DEAL's work program increased as two of the wells which were drilled to evaluate deeper prospects encountered sour gas and oil in significant quantities. This required the purchase and installation of additional equipment, facilities and pipeline. One of these two wells is an oil well and is a new pool discovery; therefore, it has been granted a 3 year royalty holiday subject to a total royalty free production limit of approximately 72,000 bbls. These facilities will include capacity to add development wells in the future.

The Company received an NI 51-101 report from GLJ Petroleum Consultants ("**GLJ**") as of December 31, 2008 respecting the Company's reserves on its Peace River Arch properties as at such date. The December 31, 2008 report discloses Net Present Value 10% ("**NPV10**") values for proven and probable reserves of $30,789,000 (before income taxes) using the GLJ commodity price forecast and $11,018,000 (before income taxes) using the Securities Exchange Commission Constant Price Analysis, in each case based on January 1, 2009 pricing. See "*Statement of Reserves Data and Other Oil and Gas Information*" herein for information respecting the Company's reserves.

Financings – Past Three Years

Our activities and operations have been primarily financed by the issuance of equity and debt securities. The Company has completed the following financings in the past three fiscal years.

2006

The Company raised aggregate gross proceeds of $12,107,000 through private placement offerings of:

- 5,300,000 flow-through shares at a price of $1.50 per flow-through share.

- 2,771,333 units at a price of $1.50 per unit, each unit comprising one common share and one-half of one common share purchase warrant. Each whole share purchase warrant was exercisable to acquire one additional common share at a price of $1.65 per common share until December 31, 2007.

2007

The Company raised aggregate gross proceeds of $11,821,047 through private placement offerings of:

- 3,773,980 units at $2.65 per unit, each unit comprising one common share and one-half of one share purchase warrant. Each whole share purchase warrant is exercisable to acquire an additional common share of the Company at a price of $3.35 per share until May 25, 2009.

- 1,000,000 flow-through shares at a price of $1.82 per flow-through share.

2008

In 2008, the Company began to receive revenue from its producing oil and gas wells in the Peace River Arch area. In June 2008 Dejour USA acquired additional acreage in the Piceance and Uinta Basins. The acquisition was financed by a US$4 million loan bearing interest at 5% per annum and secured by a general security agreement issued by the Company. The loan is due on the earlier of the Company completing an equity and/or debt financing and July 1, 2009. As at the date of this AIF, US$220,000 had been repaid and US$3,780,000 of the principal remained outstanding.

In August 2008, DEAL obtained a revolving operating loan facility with a Canadian financial institution for an amount of up to $7,000,000. This loan facility is secured by DEAL's Canadian oil and gas assets and is guaranteed by the Company. Interest is payable at the Canadian Prime Rate plus 1%. As at December 31, 2008, $5,550,000 had been drawn on the line of credit. As at the date of this AIF, $200,000 had been repaid and $5,350,000 of the line of credit remained outstanding.

Since May 2008, a private company controlled by the Company's Chief Executive Officer has made advances totaling of $1,950,000 to the Company's subsidiary, DEAL. DEAL has issued promissory notes to the lender for the aggregate amount of the advances. The promissory notes are secured by the assets, equipment, fixtures, inventory, and accounts receivable of DEAL, bear interest at the Royal Bank of Canada prime rate per annum, are guaranteed by the Company and include a loan fee of 1% of the outstanding amount per month payable to the lender. The principal, interest and loan fee were payable on demand after August 15, 2008, upon 10 days written notice by the lender. Upon securing the bank line of credit in the third quarter of 2008, the private company controlled by the Chief Executive Officer of the Company signed a subordination and postponement agreement which restricts the principal repayment of the promissory note subject to the bank's prior approval and DEAL meeting certain loan covenants.

In August 2008, the Company borrowed $600,000 from the private company controlled by the Chief Executive Officer of the Company. The loan is secured, bears interest at the Canadian prime rate per annum, and has a loan fee of 1% of the outstanding amount per month. There is no specific term of principal repayment, but the interest and loan fee are payable monthly. As at the date of this AIF, the full amount of the loan of $600,000 had been repaid.

DESCRIPTION OF THE BUSINESS

General

The Company is in the business of exploring and developing energy projects with a focus on oil and gas exploration in Canada and the United States. It also has an equity interest in Titan which holds uranium exploration properties located in the Athabasca Basin in northern Saskatchewan, and the Thelon Basin, Nunavut, Canada. Subsequent to the year-end, the majority of the equity interest in Titan was sold. The Company still retains a carried and net smelter royalty interest in a portion of the Titan uranium properties and may in the future elect to convert its carried interest to an additional royalty interest.

The Company holds approximately 140,000 net acres of oil and gas leases in the following regions:

- The Peace River Arch of northwestern British Columbia and northeastern Alberta, Canada
- The Piceance and Uinta basins in the US Rocky Mountains

The Company's near term business objective is to grow oil and gas production to generate sufficient cash flow to sustain operations and enhance shareholder value, through a strategy of acquiring working interests on a joint venture basis, in areas and projects that it believes have high discovery potential.

Summary

During the 2006 and 2007 fiscal years, no revenues were generated from the Company’s oil and gas properties. The Company’s revenues in those two years consisted solely of interest revenues of $806,147 in 2007 and $673,559 in 2006. In December 2006, the Company completed the sale of its uranium properties located in the Athabasca Basin, Saskatchewan, Canada, and all related exploration data to Titan. The Company realized a gain on disposition of $30,177,000, which was included in the 2006 net income.

In April 2008, the Company commenced oil and gas production in northeastern British Columbia and has since added 3 more producing wells, two in British Columbia and one in Alberta bringing total peak production to approximately 2.75 MMcf/d and 620 bbls/d or 1080 boe/d. Sustained rates following allowed test periods are expected to be between 800 and 900 boe/d.

Specialized Skill and Knowledge. Exploration for and development of petroleum and natural gas resources requires specialized skills and knowledge including in the areas of petroleum engineering, geophysics, geology and title. The Company and its subsidiaries have obtained personnel with the required specialized skills and knowledge to carry out their respective operations. While the current labour market in the industry is highly competitive, the Company expects to be able to attract and maintain appropriately qualified employees for fiscal 2009.

Cycles. All of the Company's operations in Canada are affected by seasonal operating conditions. DEAL holds properties in northwestern Alberta and northeastern British Columbia which are accessible to heavy equipment in winter only when the ground is frozen, typically between December to early April. For this reason drilling and pipeline construction ceases over the remainder of the year, limiting growth to winter only. Production operations continue year round in these areas once production is established. The prices that the Company will receive for oil and gas production in the future are weighted to world benchmark prices and may be adversely affected by mild weather conditions. In 2007 and the first half of 2008 higher demand increased world commodity prices. Recently there has been a significant change in the supply demand balance and commodity prices have fallen dramatically. The Company expects this condition to persist for several months but the Company believes that a balance between production and consumption and a stable price environment will be reestablished by the end of 2009. See *"Risk Factors – Risks related to operating an exploration, development and production company".*

Environmental Protection. The Company's operations are subject to environmental regulations (including regular environmental impact assessments and permitting) in the jurisdictions in which it operates. Such regulations cover a wide variety of matters, including, without limitation, emission of greenhouse gases, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. Under such regulations there are preventative obligations, clean-up costs and liabilities for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. Environmental legislation and legislation relating to exploration and production of oil and natural gas will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees. Such stricter standards could impact the Company's costs and have an adverse effect on results of operations. The Company expects to incur abandonment and site reclamation costs as existing oil and gas properties are abandoned and reclaimed; however, the Company does not anticipate making material expenditures beyond normal compliance with environmental regulations in 2009 and future years.

Employees. The Company had 10 employees as at December 31, 2008 and as of the date of this AIF.

Social or Environmental Policies. The health and safety of employees, contractors and the public, as well as the protection of the environment, is of utmost importance to the Company. The Company endeavours to conduct its operations in a manner that will minimize adverse effects of emergency situations by:

- complying with government regulations and standards;
- following industry codes, practices and guidelines;
- ensuring prompt, effective response and repair to emergency situations and environmental incidents; and
- educating employees and contractors of the importance of compliance with corporate safety and environmental rules and procedures.

The Company believes that all Company personnel have a vital role in achieving excellence in environmental, health and safety performance. This is best achieved through careful planning and the support and active participation of everyone involved.

Competitive Conditions. The Company operates in geographical areas where there is strong competition by other companies for reserve acquisitions, exploration leases, licences and concessions and skilled industry personnel. The Company’s competitors include major integrated oil and natural gas companies and numerous other independent oil and natural gas companies and individual producers and operators, many of whom have greater financial and personnel resources than the Company. The Company’s ability to acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers is dependent upon developing and maintaining close working relationships with its current industry partners and joint operators, and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment.

Oil and Gas Interests – Canada

Peace River Arch

The Company, through DEAL, is pursuing and developing numerous oil and gas exploration prospects, primarily in the Peace River Arch area of northwestern Alberta and northeastern British Columbia, Canada. DEAL manages risk by taking varying working interest positions based upon reserve potential and perceived exploration risk. These working interests range from 10% to 100%. Most of the joint venture business terms are structured in such a way that a drilling or re-entry commitment is tied to obtaining additional drilling options or other lands on the various prospects thereby potentially offering expansion of a successful drilling result. Land purchase priority is given to areas with multi-zone potential and proximal gathering systems.

Since inception of DEAL’s exploration activity in the Peace River Arch area in late 2006, DEAL has drilled or participated in the drilling of 16 wells on nine of its 14 project areas, including the drilling of 11 wells in the first quarter of 2008. This drilling resulted in production capability in the Peace River Arch area of greater than 10 MMcf/d of natural gas equivalent production of which an estimated 20-25% is oil. Maximum allowable production rates will be imposed on the wells with oil which will result in maximum allowable production total of approximately 8 MMcf/d.

As at the date of the AIF, DEAL has production capability exceeding 1,000 boe/d from seven wells (average working interest before payout is 97.7% and after payout is 86.3%). With allowable limits as set by the British Columbia government, production will be approximately 800 to 900 boe/d going into 2009. There is additional development drilling potential on two producing properties plus recompletion potential in two older well bores on two properties, one of which is a contiguous nine section block (2,541 hectares) with Montney resource potential. Dejour is in negotiations with other parties to invest in further operations in an area of a gas discovery made by Dejour in Alberta. Two development wells are planned for 2009 to more fully exploit the Peace River Arch lands and infrastructure.

Oil and Gas Interests – United States of America

Colorado - Utah – Piceance, Uinta and Paradox Basins

In 2006 pursuant to the 2006 Retamco Agreement, Dejour USA acquired 12.5 to 25% working interests in 267 oil and gas leases covering approximately 254,000 gross acres (397 sections of land, approximately 55,000 net acres) in the Piceance, Uinta and Paradox Basins, located in western Colorado and eastern Utah respectively, from Retamco and subsequently acquired a 25% working interest in an additional 21,866 gross acres (5,467 net acres) such that the Company held 295 leases as at December 31, 2007 representing approximately 280,000 gross acres (59,000 net acres). These additional leases are within an area of mutual interest under the Retamco Agreement. Except for one lease with a 78% net revenue interest ("**NRI**"), the leases contain an 80% - 87.5% NRI. An after payout overriding royalty interest equal to 1.25% of 8/8ths Brownstone's proportionate NRI in the leases is payable by Brownstone to Dejour USA.

As Dejour USA holds working interests in the leases, it will pay its proportionate ownership share of all exploration expenses including seismic, drilling, completion or abandonment and equipping.

The Piceance, Paradox and Uinta Basins lie at an elevation ranging from approximately 5,000 feet up to approximately 9,500 feet, and have an arid to semi-arid climate, with most of the land covered in limited and low-lying vegetation, primarily sage. The area is sparsely settled, although access to much of the area is provided by several highways and then by secondary roads used for ranching, with four wheel drive vehicle access for the remainder.

The Piceance and Uinta Basins have several hydrocarbon targets. The Mesaverde formation is the primary gas target for most of the region, with the upper portion of the formation known as the Williams Fork. The Williams Fork is often 2,500 feet to 3,800 feet thick, while the lower 1,000 feet to 2,000 feet of the formation contain the primary gas targets. The gas sands are considered to be “unconventional” “tight gas” and newer fracturing technology is utilized during completions. Several other gas bearing formations, including the Rollins, Mancos, Dakota, and Entrada sands are also targets in these Basins. Current oil and gas spacing units in the region range from 10 – 640 acres.

The Company has an oil project known as the "Subthrust" or "Overthrust" project located between the Piceance and Uinta Basins located in Moffat County, Colorado and Uintah County, Utah. This project is on the flank of the Douglas Creek Anticline and the primary target is the Pennsylvania Weber Sandstone formation with anticipated drilling depth of 15,000 feet.

The Company's project areas are currently within one of the most active exploration regions in North America, and significant new infrastructure capacity is currently under construction, including new pipelines and gas plants.

In 2007, Dejour USA participated in the drilling of two oil wells in the North Barcus Creek prospect located in Rio Blanco County, Colorado in the Piceance Basin. Both of the wells have been completed and await connection to a pipeline.

In June 2008 Dejour USA entered into a further agreement with Retamco, resulting in the acquisition from Retamco of an additional 64,000 net acres in the Piceance and Uinta Basins. Dejour USA presently has working interests ranging from 25% to 72%, subject to an 80%-87.5% NRI except for one lease subject to a 78% NRI, in a total of 296 leases covering approximately 273,000 gross acres (426 sections of land, 122,000 net acres) in the Piceance, Uinta and Paradox Basins. Pursuant to the agreement, Dejour USA and its joint venture partner, Brownstone, now control 100% of approximately 118,000 gross acres (Dejour 72% and Brownstone 28%). The joint venture partners' interests in approximately 164,000 gross acres still held under the 2006 Retamco Agreement remain unchanged, being Dejour at 25%, Brownstone at 10% and Retamco at 65% working interests. The additional acreage was acquired by Dejour USA in exchange for the sale to Retamco of Dejour USA's 25% working interest in 3,682 gross acres in the Rio Blanco Deep Prospect, Colorado, and two drilled wells (which are referenced above) at North Barcus Creek in Piceance Basin, Colorado and a cash payment of US$4 million. To finance the acquisition cost of the transaction, Brownstone provided Dejour USA with a US$4 million loan bearing interest at 5% per annum and secured by a general security agreement issued by the Company. The loan, which is due on the earlier of the Company completing an equity and/or debt financing and July 1, 2009, was used by Dejour USA to purchase the additional acreage interests.

As a result of the exchange, Dejour USA disposed of all of its proved and probable reserves of oil and gas in the U.S. which it held as at December 31, 2007.

As of the date of the AIF, Dejour USA’s interests in the Piceance, Uinta and Paradox Basins consist of two project types. The Company holds 25% - 72% working interests in 24 primarily natural gas projects covering approximately 279,000 gross acres in the Piceance and Uinta Basins. The Company also holds a 72% working interest in the massive deep Subthrust (Overthrust) Project which is primarily a potential oil project covering approximately 67,000 gross acres (48,000 net acres). Dejour USA is the operator of six of the projects in which it holds a 72% working interest and Brownstone owns the remaining 28% working interest. Retamco is the operator of the remaining projects.

Other Significant U.S.A. Oil and Gas Interests

Pursuant to an agreement dated September 1, 2005 Dejour USA acquired the rights to participate in an oil and gas exploration joint venture known as the Tinsley Deep Prospect located in Yazoo County, Mississippi originally comprised of 5,100 gross acres and 4,613 net acres. During December 2005 the operator of the project commenced drill operations to drill a test well known as the Merit Partners #1 that was drilled to 11,237 feet. In March 2006 the operator advised that the well was not economic. In the first quarter of 2007 Dejour USA transferred its interest in the Merit Partners #1 well along with certain shallow hydrocarbon rights in roughly 616 net acres of oil and gas leases to the operator of the Tinsley Deep Prospect and in return Dejour USA received 100% ownership of 1,736 net acres of oil and gas leases containing hydrocarbon rights below the base of the Hosston formation in Yazoo County, Mississippi. In 2007, Dejour USA contributed its ownership interest in the leases and other valuable technical information from the Tinsley Deep Prospect to a joint venture with a private Mississippi-based company. The private Mississippi-based company has acquired additional leasehold interests and added additional working interest partners in the project which consists of a total of 8,349 gross acres (7,057 net acres) in which Dejour USA holds a 35% working interest. The Mississippi-based company is searching for an operator for the project with an objective to drill additional wells in the area.

Uranium Interests - Canada

During the year ended December 31, 2008, the Company received proceeds of $529,894 from the sale of 750,000 Titan shares, resulting in a gain of $5,401. As at December 31, 2008, the Company had 16,750,000 shares of Titan. Between January 1 and March 21, 2009, Dejour sold 16,150,000 shares of Titan and realized proceeds of $2,159,722, resulting in a loss of $500,042. As at the date of this AIF, the Company owns 600,000 shares of Titan, representing approximately 1.1% of Titan's issued shares. Dejour continues to retain a 10% carried interest (1% NSR) convertible to either a working interest or second 1% NSR royalty interest as described under "*General Development of the Business – Three Year History*", in over 800,000 acres of uranium claims which the Company sold to Titan. Titan completed a comprehensive 11,000-meter exploration program for 2007 and a 9,000-meter drilling program for 2008. A 2009 9,000-meter, $7.6 million drilling program on defined targets is currently underway at Titan. During 2007 and early 2008, Titan has entered into joint ventures on its properties with other mining companies. Two of these joint ventures, with Japan Oil, Gas and Metals National Corporation and Vale Exploration Canada, cover the uranium claims on which the Company retains both carried and royalty interests. None of the uranium claims has mineral resources or mineral reserves as defined by National Instrument 43-101 adopted by Canadian Securities Administrators.

RISK FACTORS

Risks related to commodity price fluctuations

The marketability and price of oil and natural gas are affected by numerous factors outside of the Company's control. Material fluctuations in oil and natural gas prices could adversely affect the Company's net production revenue and oil and natural gas operations.

Prices for oil and natural gas may fluctuate widely in response to relatively minor changes in the supply of and demand for oil and natural gas, market uncertainty and a variety of additional factors that are beyond the Company's control, such as:

- the domestic and foreign supply of and demand for oil and natural gas;
- the price and quantity of imports of crude oil and natural gas;
- overall domestic and global economic conditions;
- political and economic conditions in other oil and natural gas producing countries, including embargoes and continued hostilities in the Middle East and other sustained military campaigns, and acts of terrorism or sabotage;
- the ability of members of the Organization of Petroleum Exporting Countries to agree to and maintain oil price and production controls;
- the level of consumer product demand;
- weather conditions;
- the impact of the U.S. dollar exchange rates on oil and natural gas prices; and
- the price and availability of alternative fuels.

The Company's ability to market its oil and natural gas depends upon its ability to acquire space on pipelines that deliver such commodities to commercial markets. The Company is also affected by deliverability uncertainties related to the proximity of its reserves to pipelines and processing and storage facilities and operational problems affecting such pipelines and facilities as well as extensive governmental regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Both oil and natural gas prices are unstable and are subject to fluctuation. Any material decline in prices could result in a reduction of the Company's net production revenue. The economics of producing from some wells may change as a result of lower prices, which could result in reduced production of oil or natural gas and a reduction in the volumes and net present value of the Company's reserves. The Company might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in the Company's net production revenue and a reduction in its oil and natural gas acquisition, development and exploration activities.

Because world oil and natural gas prices are quoted in U.S. dollars, the Company’s production revenues could be adversely affected by an appreciation of the Canadian dollar.

World oil and natural gas prices are quoted in U.S. dollars, and the price received by Canadian producers, including the Company, is therefore affected by the Canadian/U.S. dollar exchange rate, which will fluctuate over time. In recent years, the Canadian dollar has increased materially in value against the U.S. dollar. Such material increases in the value of the Canadian dollar may negatively impact the Company's production revenues. Further material increases in the value of the Canadian dollar would exacerbate this potential negative impact and could have a material adverse effect on the Company’s financial condition and results of operations. This increase in the exchange rate for the Canadian dollar and future Canadian/U.S. exchange rates could also negatively impact the future value of the Company's reserves as determined by independent petroleum reserve engineers.

Risks related to operating an exploration, development and production company

The Company’s ability to execute projects will depend on certain factors outside of its control. If the Company is unable to execute projects on time, on budget or at all, it may not be able to effectively market the oil and natural gas that it produces.

The Company manages a variety of small and large projects in the conduct of its business. The Company's ability to execute projects and market oil and natural gas will depend upon numerous factors beyond the Company's control, including:

- the availability of adequate financing;
- the availability of processing capacity;
- the availability and proximity of pipeline capacity;
- the availability of storage capacity;
- the supply of and demand for oil and natural gas;
- the availability of alternative fuel sources;
- the effects of inclement weather;
- the availability of drilling and related equipment;
- unexpected cost increases;
- accidental events;
- currency fluctuations;
- changes in governmental regulations;
- the availability and productivity of skilled labour.

Because of these factors, the Company could be unable to execute projects on time, on budget or at all, and may not be able to effectively market the oil and natural gas that it produces.

Oil and natural gas operations involve many hazards and operational risks, some of which may not be fully covered by insurance. If a significant accident or event occurs for which the Company is not fully insured, the Company's business, financial condition, results of operations and prospects could be adversely affected.

The Company's involvement in the oil and natural gas exploration, development and production business subjects it to all of the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or personal injury. In particular, the Company may explore for and produce sour natural gas in certain areas. An unintentional leak of sour natural gas could result in personal injury, loss of life or damage to property and may necessitate an evacuation of populated areas, all of which could result in liability to the Company. In accordance with industry practice, the Company is not fully insured against all of these risks. Although the Company maintains liability insurance in an amount that it considers consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition. In addition, such risks are not, in all circumstances, insurable or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. For instance, the Company does not have insurance to protect against the risk from terrorism. Oil and natural gas production operations are also subject to all of the risks typically associated with such operations, including encountering unexpected geologic formations or pressures, premature decline of reservoirs and the invasion of water into producing formations. Losses resulting from the occurrence of any of these risks could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Seasonal factors and unexpected weather patterns may lead to declines in exploration and production activity.

The level of activity in the Canadian oil and natural gas industry is influenced by seasonal weather patterns. Oil and natural gas development activities, including seismic and drilling programs in northern Alberta and British Columbia, are restricted to those months of the year when the ground is frozen. Wet weather and spring thaw may make the ground unstable. Consequently, municipalities and provincial transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby reducing activity levels. In addition, certain oil and natural gas producing areas are located in areas that are inaccessible other than during the winter months because the ground surrounding the sites in these areas consists of swampy terrain, and additional seasonal weather variations will also affect access to these areas. Seasonal factors and unexpected weather patterns may lead to declines in exploration and production activity during certain parts of the year.

The petroleum industry is highly competitive, and increased competitive pressures could adversely affect the Company's business, financial condition, results of operations and prospects.

The petroleum industry is competitive in all of its phases. The Company competes with numerous other organizations in the search for, and the acquisition of, oil and natural gas properties and in the marketing of oil and natural gas. The Company's competitors include oil and natural gas companies that have substantially greater financial resources, staff and facilities than the Company. The Company's ability to increase its reserves in the future will depend not only on its ability to explore and develop its present properties, but also on its ability to select and acquire other suitable producing properties or prospects for exploratory drilling. Competitive factors in the distribution and marketing of oil and natural gas include price and methods and reliability of delivery and storage.

The Company does not control all of the assets that are used in the operation of its business and, therefore, cannot ensure that such assets will be operated in a manner favorable to the Company.

Other companies operate some of the assets in which the Company has an interest. As a result, the Company has limited ability to exercise influence over the operation of those assets or their associated costs, which could adversely affect the Company's financial performance. The Company's return on assets operated by others will therefore depend upon a number of factors that may be outside of the Company's control, including the timing and amount of capital expenditures, the operator's expertise and financial resources, the approval of other participants, the selection of technology and risk management practices.

The Company's ability to market oil and natural gas depends on its ability to transport its product to market. If the Company is unable to expand and develop the infrastructure in the areas surrounding certain of its assets, it may not be able to effectively market the oil and natural gas that is produces.

Due to the location of certain of the Company's assets, both in Canada and the United States, there is minimal infrastructure currently available to transport oil and natural gas from the Company's existing and future wells to market. As a result, even if the Company is able to engage in successful exploration and production activities, it may not be able to effectively market the oil and natural gas that it produces, which could adversely affect the Company's business, financial condition, results of operations and prospects.

Demand and competition for drilling equipment could delay the Company's exploration and production activities, which could adversely affect its business, financial condition, results of operations and prospects.

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment (typically leased from third parties) in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities. To the extent the Company is not the operator of its oil and natural gas properties, the Company will be dependent on such operators for the timing of activities related to such properties and will be largely unable to direct or control the activities of the operators.

Title to the Company's oil and natural gas producing properties cannot be guaranteed and may be subject to prior recorded or unrecorded agreements, transfers, claims or other defects.

Although title reviews may be conducted prior to the purchase of oil and natural gas producing properties or the commencement of drilling wells, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the Company's claim. A defect in the Company's title to any of its properties may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company may be unable to meet all of the obligations necessary to successfully maintain each of the licenses and leases and working interests in licenses and leases related to its properties, which could adversely affect the Company's business, financial condition, results of operations and prospects.

The Company's properties are held in the form of licenses and leases and working interests in licenses and leases. If the Company or the holder of the license or lease fails to meet the specific requirement of a license or lease, the license or lease may terminate or expire. None of the obligations required to maintain each license or lease may be met. The termination or expiration of the Company's licenses or leases or the working interests relating to a license or lease may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Risks related to financing continuing and future operations

The Company anticipates making substantial capital expenditures for future acquisition, exploration, development and production projects. The Company may not be able to obtain capital or financing necessary to support these projects on satisfactory terms, or at all.

The Company anticipates making substantial capital expenditures for the acquisition, exploration, development and production of oil and natural gas reserves in the future. If the Company's revenues or reserves decline, it may not have access to the capital necessary to undertake or complete future drilling programs. Debt or equity financing, or cash generated by operations, may not be available to the Company or may not be sufficient to meet the Company's requirements for capital expenditures or other corporate purposes. Even if debt or equity financing is available, it may not be on terms acceptable to the Company. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company's cash flow from its reserves may not be sufficient to fund its ongoing activities at all times, thereby causing the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations.

The Company's cash flow from its reserves may not be sufficient to fund its ongoing activities at all times and it is currently utilizing its bank line of credit to fund its working capital deficit. From time to time, the Company may require additional financing in order to carry out its oil and gas acquisition, exploration and development activities. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, not be able to take advantage of certain acquisition opportunities and reduce or terminate its level of operations. If the Company's revenues from its reserves decrease as a result of lower oil and natural gas prices or otherwise, the Company's ability to expend the necessary capital to replace its reserves or to maintain its production will be impaired. If the Company's cash flow from operations is not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or, if available, on favourable terms.

Debt that the Company incurs in the future may limit its ability to obtain financing and to pursue other business opportunities, which could adversely affect the Company's business, financial condition, results of operations and prospects.

From time to time, the Company may enter into transactions to acquire assets or equity of other organizations. These transactions may be financed in whole or in part with debt, which may increase the Company's debt levels above industry standards for oil and natural gas companies of a similar size. Depending on future exploration and development plans, the Company may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms. None of the Company's organizational documents currently limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

The Company may be exposed to the credit risk of third parties through certain of its business arrangements. Non-payment or non-performance by any of these third parties could have an adverse effect on the Company's financial condition and results of operations.

The Company may be exposed to third-party credit risk through its contractual arrangements with its current or future joint venture partners, marketers of its petroleum and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to the Company, such failures could have a material adverse effect on the Company's financial condition and results of operations. In addition, poor credit conditions in the industry and of joint venture partners may impact a joint venture partner's willingness to participate in the Company's ongoing capital program, potentially delaying the program and the results of such program until the Company finds a suitable alternative partner.

Risks related to maintaining reserves and acquiring new sources of oil and natural gas

The Company's success depends on its ability to find, acquire, develop and commercially produce oil and natural gas, which is dependent on certain factors outside of the Company's control.

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce oil and natural gas. The Company has only recently commenced production of oil and gas. There is no assurance that the Company's other properties or future properties will achieve commercial production. Without the continual addition of new reserves, the Company's existing reserves and the production therefrom will decline over time as such existing reserves are exploited. A future increase in the Company's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire new suitable producing properties or prospects. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, management of the Company may determine that current market conditions, the terms of any acquisition or participation arrangement or pricing conditions may make such acquisitions or participations uneconomical, and further commercial quantities of oil and natural gas may not be produced, discovered or acquired by the Company, any of which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Properties that the Company acquires may not produce as projected, and the Company may be unable to determine reserve potential, identify liabilities associated with the properties or obtain protection from sellers against such liabilities.

The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. However, the Company's review of acquired properties is inherently incomplete, as it generally is not feasible to review in depth every individual property involved in each acquisition. Even a detailed review of records and properties may not necessarily reveal existing or potential problems, nor will it permit a buyer to become sufficiently familiar with the properties to assess fully their deficiencies and potential. Inspections may not always be performed on every well, and environmental problems, such as ground water contamination, are not necessarily observable even when an inspection is undertaken.

The Company's estimated reserves are based on many assumptions that may prove to be inaccurate. Any material inaccuracies in the reserve estimates or the underlying assumptions may adversely affect the quantities and present value of the Company's reserves.

There are numerous uncertainties inherent in estimating quantities of oil, natural gas and natural gas liquid reserves and the future cash flows attributed to such reserves. The reserve and associated cash flow information set forth in this AIF are estimates only. In general, estimates of economically recoverable oil and natural gas reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially from actual results. All such estimates are to some degree speculative, and classifications of reserves are only attempts to define the degree of speculation involved. For those reasons, estimates of the economically recoverable oil and natural gas reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times, may vary. The Company's actual production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material.

Estimates of proved reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. Recovery factors and drainage areas were estimated by experience and analogy to similar producing pools. Estimates based on these methods are generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history and production practices will result in variations in the estimated reserves, and such variations could be material.

In accordance with applicable securities laws, GLJ (see "*Statement of Reserves Data and Other Oil and Gas Information*" herein) has used both constant and forecast prices and costs in estimating the reserves and future net cash flows contained in its report. Actual future net cash flows will be affected by other factors, such as actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs.

Actual production and cash flows derived from the Company's oil and gas reserves will vary from the estimates contained in the GLJ report, and such variations could be material. The report is based in part on the assumed success of activities the Company intends to undertake in future years. The reserves and estimated cash flows set out in the report will be reduced to the extent that such activities do not achieve the level of success assumed in the report.

The Company's future oil and natural gas production may not result in revenue increases and may be adversely affected by operating conditions, production delays, drilling hazards and environmental damages.

Future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but also from wells that are productive but do not produce sufficient petroleum substances to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Risks related to management of the Company

The Company may experience difficulty managing its anticipated growth.

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to attract and retain qualified management and technical personnel to meet the needs of its anticipated growth. The inability of the Company to deal with this growth could have a material adverse impact on its business, financial condition, results of operations and prospects.

Risks related to federal, state, local and other laws, controls and regulations

The Company is subject to complex federal, provincial, state, local and other laws, controls and regulations that could adversely affect the cost, manner and feasibility of conducting its oil and natural gas operations.

Oil and natural gas exploration, production, marketing and transportation activities are subject to extensive controls and regulations imposed by various levels of government, which may be amended from time to time. Governments may regulate or intervene with respect to price, taxes, royalties and the exportation of oil and natural gas. Such regulations may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and natural gas industry could reduce demand for crude oil and natural gas and increase the Company's costs, any of which may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In addition, in order to conduct oil and natural gas operations, the Company requires licenses from various governmental authorities. There can be no assurance that the Company will be able to obtain all of the licenses and permits that may be required to conduct operations that it may desire to undertake.

There is uncertainty regarding claims of title and rights of the aboriginal people to properties in certain portions of western Canada, and such a claim, if made in respect of the property or assets of the Company, could adversely affect the Company's business, financial condition, results of operations and prospects.

Aboriginal peoples have claimed aboriginal title and rights to a substantial portion of western Canada. The Company is not aware that any claims have been made in respect of its property and assets; however, if a claim arose and was successful it would have an adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company is subject to stringent environmental laws and regulations that may expose it to significant costs and liabilities, which could adversely affect the Company's business, financial condition, results of operations and prospects.

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures, and a breach of applicable environmental legislation may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require the Company to incur costs to remedy such discharge. Environmental laws may result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's business, financial condition, results of operations and prospects.

The Company's facilities, operations and activities emit greenhouse gases, which will likely subject the Company to possible future legislation regarding the regulation of emissions of greenhouse gases.

Announcements from the federal and provincial governments on regulations for greenhouse gas and air emissions legislation have caused uncertainty and changed the environmental regulation of natural resource development. The Company's exploration and production facilities and other operations and activities emit greenhouse gases. Canada is a signatory to the United Nations Framework Convention on Climate Change and has ratified the Kyoto Protocol established thereunder to set legally binding targets to reduce nationwide emissions of carbon dioxide, methane, nitrous oxide and other greenhouse gases. While the federal government has largely abandoned its intent to comply with its Kyoto Protocol obligations, the federal government has provided a draft framework for the federal regulation of greenhouse gases. As such, there is no federal legislative scheme in Canada for the regulation of greenhouse gases. Until that time, the impact of federal greenhouse gas regulation on the Company’s operations is unknown. These regulations may require the reduction of emissions produced by the Company's operations and facilities and the direct and indirect cost of compliance with the regulations may adversely affect the business, financial condition, results of operations and prospects of the Company.

In 2007, the Alberta government’s *Climate Change Emissions Management Act* and *Specified Gas Emitters Regulation* came into effect and require that facilities emitting more than 100,000 tonnes of greenhouse gases reduce their greenhouse gas emission intensity by 12 percent over their average intensity levels of 2003, 2004 and 2005. If the emissions intensity target is not met through improvements in operations, compliance tools include: per tonne payment into the climate change emissions management fund; purchase of Alberta-based offsets or purchase of emission performance credits from a different Alberta facility. Failure to comply with these regulations may result in a penalty of $200 per tonne of greenhouse gases over the allowable greenhouse gas emission intensity limit.

Risks related to investing in the Company

*The Company believes that it was a passive foreign investment company (a “**PFIC**”) for the taxable year ending December 31, 2008, which may result in adverse U.S. federal income tax consequences for investors that are U.S. taxpayers. The Company does not believe it will be a PFIC for 2009 and in the foreseeable future taxable years.*

Potential investors in the Company that are U.S. taxpayers should be aware that the Company believes it was a "passive foreign investment company" (a “**PFIC**”) under Section 1297(a) of the U.S. Internal Revenue Code of 1986, as amended, for the taxable year ended December 31, 2008 but may not be a PFIC for 2009 and future taxable years. If the Company is or becomes a PFIC, any gain recognized on the sale of common shares and any "excess distributions" (generally, any distributions paid to a U.S. taxpayer in respect of the taxpayer’s common shares during a single taxable year that are greater than 125% of the average annual distributions received by such taxpayer during the three preceding taxable years, or, if shorter, the taxpayer’s holding period for his common shares) paid on the common shares must be ratably allocated to each day in a U.S. taxpayer’s holding period for the common shares. The amount of any such gain or excess distribution allocated to (a) the current taxable year, and any taxable year that the U.S. taxpayer held common shares prior to the first taxable year in which the Company was classified as a PFIC (a “**pre-PFIC year**”), would be taxed as ordinary income, and (b) each year, other than the current taxable year and any pre-PFIC year, would be subject to U.S. federal income tax at the highest rate of tax in effect for that year, and an interest charge generally applicable to underpayments of tax would be imposed on the resulting tax for each such year for the period the resulting tax had been deferred.

As an alternative to the U.S. federal income tax treatment discussed above, if the Company is a PFIC, a U.S. taxpayer that makes a timely election to treat the Company as a qualified electing fund ("**QEF**”) generally will be subject to U.S. federal income tax on the taxpayer’s pro rata share of the Company’s "net capital gain" and "ordinary earnings" (calculated under U.S. federal income tax rules), regardless of whether such amounts are actually distributed by the Company. U.S. taxpayers should be aware that there can be no assurance that the Company will satisfy recordkeeping requirements or that it will supply U.S. taxpayers with required information under the QEF rules in the event that the Company is a PFIC and a U.S. taxpayer desires to make a QEF election. As a second alternative, a U.S. taxpayer may make a "mark-to-market election" if the Company is a PFIC and the common shares are "marketable stock" (as specifically defined). If a U.S. taxpayer makes a mark-to-market election for the first taxable year in which the taxpayer holds common shares in a PFIC, the taxpayer generally will not be subject to the PFIC rules in respect of the common shares. A U.S. taxpayer that makes a mark-to-market election generally will include in ordinary income, for each taxable year in which the Company is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the common shares as of the close of such taxable year over (b) such U.S. taxpayer's tax basis in such common shares.

Additional tax considerations may apply to purchasers of securities of the Company other than common shares.

The Company has not paid any dividends on our common shares. Consequently, an investor's only opportunity currently to achieve a return on its investment will be if the market price of the Company's common stock appreciates above the price that the investor paid for it.

The Company has not declared or paid any dividends on its common shares since the Company's incorporation. Any decision to pay dividends on the shares of the Company will be made by its board of directors on the basis of the Company's earnings, financial requirements and other conditions existing at such future time. See "*Dividend Policy*." Consequently, an investor's only opportunity to achieve a return on its investment in the Company will be if the market price of the Company's common stock appreciates and the investor is able to sell its shares at a profit.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

The report on reserves data in Form 51-101F2 and the report of management and the directors on oil and gas disclosure in Form 51-101F3 are attached as Schedules "A" and "B", respectively, to this AIF, which forms are incorporated herein by reference.

Disclosure of Reserves Data

All of the Company's reserves herein reported were evaluated by independent evaluators in accordance with NI 51-101. In 2009, GLJ, independent petroleum engineering consultants based in Calgary, Alberta were retained by the Company to evaluate the Canadian properties of the Company. Their report, entitled "Reserves Assessment and Evaluation of Canadian Oil and Gas Properties", is dated March 20, 2009 and has an effective date of December 31, 2008.

The reserves data set forth below (the "**Reserves Data**"), derived from GLJ's report, summarizes the oil, liquids and natural gas reserves of the Company and the net present values of future net revenue for these reserves using forecast prices and costs as at December 31, 2008. The Net Present Value 10% ("**NPV10**") value for the total proven and probable reserves was $30,789,000 (before income taxes). This NPV10 value decreased to $11,018,000 (before income taxes) using constant prices as of December 31, 2008.

The GLJ report is based on certain factual data supplied by the Company and GLJ's opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to the Company's petroleum properties and contracts (except for certain information residing in the public domain) were supplied by the Company to GLJ and accepted without any further investigation. GLJ accepted this data as presented and neither title searches nor field inspections were conducted. All statements relating to the activities of the Company for the year ended December 31, 2008 include a full year of operating data on the properties of the Company.

The Company reports in Canadian currency and therefore the reports have been converted to Canadian dollars at the prevailing conversion rate at December 31, 2008. The conversion rate used per Bank of Canada is 1.2180.

Cautionary Statements

All evaluations and reviews of future net cash flow are stated prior to any provision for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net cash flow shown below is representative of the fair market value of the Company's properties. There is no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas liquids and natural gas reserves may be greater than or less than the estimates provided herein.

Reserves Data ***(Forecast Prices and Costs)***

Breakdown of Reserves (Forecast Case)

As of December 31, 2008	LIGHT AND MEDIUM OIL (Mbbl)		NATURAL GAS (MMcf)		NATURAL GAS LIQUIDS (Mbbl)		OIL EQUIVALENT (Mboe)	
	CAN	**USA**	**CAN**	**USA**	**CAN**	**USA**	**CAN**	**USA**
RESERVES CATEGORY								
PROVED								
Developed producing	183.00	0.00	1,786.00	0.00	11.00	0.00	493.00	0.00
Developed Non-Producing	0.00	0.00	334.00	0.00	5.00	0.00	60.00	0.00
Undeveloped	150.00	0.00	67.00	0.00	0.00	0.00	161.00	0.00
TOTAL PROVED	**333.00**	**0.00**	**2,187.00**	**0.00**	**16.00**	**0.00**	**714.00**	**0.00**
PROBABLE	441.00	0.00	1,274.00	0.00	13.00	0.00	667.00	0.00
TOTAL PROVED PLUS PROBABLE	**774.00**	**0.00**	**3,461.00**	**0.00**	**29.00**	**0.00**	**1,381.00**	**0.00**

Note: GLJ was not commissioned to evaluate possible reserves in Canada; therefore no values are entered for "Possible" reserves in Canada.

Net Present Value of Future Net Revenue (Forecast Case) - Before Income Taxes

As of December 31, 2008	**M$** Discounted at 0%	**M$** Discounted at 5%	**M$** Discounted at 10%	**M$** Discounted at 15%	**M$** Discounted at 20%
Canada					
PROVED					
Developed Producing	$ 12,500	$ 11,442	$ 10,586	$ 9,879	$ 9,282
Developed Non-Producing	$ 1,376	$ 1,042	$ 829	$ 683	$ 577
Undeveloped	$ 5,234	$ 4,482	$ 3,879	$ 3,387	$ 2,983
TOTAL PROVED	**$ 19,110**	**$ 16,966**	**$ 15,294**	**$ 13,949**	**$ 12,842**
PROBABLE	$ 24,362	$ 19,147	$ 15,495	$ 12,834	$ 10,832
TOTAL PROVED PLUS PROBABLE	**$ 43,472**	**$ 36,113**	**$ 30,789**	**$ 26,783**	**$ 23,674**

Net Present Value of Future Net Revenue (Forecast Case) - After Income Taxes

As of December 31, 2008	**M$** Discounted at 0%	**M$** Discounted at 5%	**M$** Discounted at 10%	**M$** Discounted at 15%	**M$** Discounted at 20%
Canada					
PROVED					
Developed Producing	$ 12,500	$ 11,442	$ 10,586	$ 9,879	$ 9,282
Developed Non-Producing	$ 1,376	$ 1,042	$ 829	$ 683	$ 577
Undeveloped	$ 5,234	$ 4,482	$ 3,879	$ 3,387	$ 2,983
TOTAL PROVED	**$ 19,110**	**$ 16,966**	**$ 15,294**	**$ 13,949**	**$ 12,842**
PROBABLE	$ 19,128	$ 15,028	$ 12,175	$ 10,106	$ 8,554
TOTAL PROVED PLUS PROBABLE	**$ 38,238**	**$ 31,994**	**$ 27,469**	**$ 24,055**	**$ 21,396**

Net Present Value of Future Net Revenue (Forecast Case) by Production Group – Before Income Taxes

As of December 31, 2008						
	Discounted at 10% per year					
	M$		$/boe		$/Mcfe	
Canada						
PROVED PRODUCING						
Light & Medium Oil	$	6,084	$	32.29	$	5.38
Natural Gas	$	4,502	$	24.01	$	4.00
TOTAL: PROVED PRODUCING	**$**	**10,586**	**$**	**28.16**	**$**	**4.69**
TOTAL PROVED						
Light & Medium Oil	$	9,963	$	30.75	$	5.13
Natural Gas	$	5,331	$	23.59	$	3.93
TOTAL: TOTAL PROVED	**$**	**15,294**	**$**	**27.81**	**$**	**4.64**
TOTAL PROVED PLUS PROBABLE						
Light & Medium Oil	$	22,804	$	31.32	$	5.22
Natural Gas	$	7,985	$	23.15	$	3.86
TOTAL: TOTAL PROVED PLUS PROBABLE	**$**	**30,789**	**$**	**28.69**	**$**	**4.78**

Additional Information Concerning Future Net Revenue (Forecast Case) (Undiscounted)

Reserves Category	Revenue (M$)	Royalties (M$)	Operating Costs (M$)	Capital Development Costs (M$)	Abandonment Costs (M$)	Future Net Revenue Before Income Taxes (M$)	Income Tax (M$)	Future Net Revenue After Income Taxes (M$)
Canada								
PROVED								
Developed Producing	28,724	5,798	10,176	-	249	12,500	-	12,500
Developed Non-Producing	3,262	918	734	207	28	1,376	-	1,376
Undeveloped	12,637	1,954	4,202	1,198	48	5,234	-	5,234
TOTAL PROVED	**44,623**	**8,670**	**15,112**	**1,405**	**325**	**19,110**	**-**	**19,110**
PROBABLE	**51,060**	**9,449**	**15,804**	**1,350**	**96**	**24,362**	**5,233**	**19,128**
TOTAL PROVED PLUS PROBABLE	**95,683**	**18,119**	**30,916**	**2,755**	**421**	**43,472**	**5,233**	**38,238**

Pricing Assumptions

Canada

The benchmark reference pricing as at December 31, 2008 used for the Reserves Data respecting Canadian properties was provided by GLJ, a qualified reserves evaluator and independent of the Company, and is set forth below:

Crude Oil and Natural Gas Liquids Price Forecast

		Bank of Canada Average Noon	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing Oklahoma		ICE BRENT Near Month Futures Contract Crude Oil FOB North Sea	Light, Sweet Crude Oil at Edmonton	Bow River Crude Oil Stream Quality at Hardisty	Lloyd Blend Stream Quality at Hardisty	WCS Crude Oil Stream Quality at Hardisty	Heavy Crude Oil Proxy at Hardisty	Light Crude Oil at Cromer	Medium Crude Oil at Cromer	Alberta Natural Gas Liquids (Then Current Dollars)			
Year	Inflation %	Exchange Rate $US/ $Cdn	Constant 2009 $ $US/bbl	Then Current $US/bbl	Then Current $US/bbl	Then Current $Cdn/bbl	Then Current $Cdn/bbl	Then Current $Cdn/bbl	Then Current $Cdn/bbl	Then Current $Cdn/bbl	Then Current $Cdn/bbl	Then Current $Cdn/bbl	Spec Ethane $Cdn/bbl	Edmonton Propane $Cdn/bbl	Edmonton Butane $Cdn/bbl	Edmonton Pentanes Plus $Cdn/bbl
2009	2.0	0.825	57.50	57.50	56.00	68.61	51.44	50.07	50.47	43.10	62.43	59.00	25.55	43.22	52.14	69.98
2010	2.0	0.850	66.67	68.00	66.50	78.94	59.21	57.63	58.03	49.76	72.63	68.68	26.80	49.73	61.57	80.52
2011	2.0	0.875	71.13	74.00	72.50	83.54	63.49	62.24	62.64	54.35	77.69	73.52	28.19	52.63	65.16	85.21
2012	2.0	0.925	80.10	85.00	83.50	90.92	69.10	67.73	68.13	59.23	84.55	80.01	29.43	57.28	70.92	92.74
2013	2.0	0.950	85.00	92.01	90.51	95.91	72.89	71.45	71.85	62.54	89.19	84.40	30.27	60.42	74.81	97.82
2014	2.0	0.950	85.00	93.85	92.35	97.84	74.36	72.89	73.29	63.82	90.99	86.10	30.94	61.64	76.32	99.80
2015	2.0	0.950	85.00	95.73	94.23	99.82	75.86	74.36	74.76	65.13	92.83	87.84	31.62	62.89	77.86	101.81
2016	2.0	0.950	85.00	97.64	96.14	101.83	77.39	75.87	76.27	66.46	94.70	89.61	32.31	64.15	79.43	103.87
2017	2.0	0.950	85.00	99.59	98.09	103.89	78.96	77.40	77.80	67.83	96.62	91.42	33.02	65.45	81.03	105.97
2018	2.0	0.950	85.00	101.59	100.09	105.99	80.55	78.96	79.36	69.22	98.57	93.27	33.74	66.77	82.67	108.10
2019+	2.0	0.950	85.00	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	Escalate at 2% per year			

Natural Gas and Sulphur Price Forecast

	NYMEX Near Month Contract	Midwest Price @ Chicago	AECO/NIT Spot	Alberta Plant Gate					Saskatchewan Plant Gate		British Columbia				
Year	Then Current $US/mmbtu	Then Current $US/mmbtu	Then Current $Cdn/mmbtu	Spot Constant 2009 $ $/mmbtu	Spot Then Current $/mmbtu	ARP $/mmbtu	Aggregator $/mmbtu	Alliance $/mmbtu	Sask Energy $/mmbtu	Spot $/mmbtu	Sumas Spot $US/mmbtu	Westcoast Station 2 $/mmbtu	Spot Plant Gate $/mmbtu	Sulphur FOB Vancouver $US/LT	Alberta Sulphur at Plant Gate $Cdn/LT
2009	7.00	7.00	7.58	7.34	7.34	7.26	7.00	6.77	7.39	7.49	6.45	7.38	7.17	50.00	17.61
2010	7.50	7.50	7.94	7.55	7.70	7.63	7.43	7.13	7.76	7.85	6.95	7.74	7.54	65.00	33.47
2011	8.00	8.10	8.34	7.78	8.10	8.03	7.81	7.58	8.16	8.25	7.45	8.14	7.94	75.00	42.71
2012	8.75	8.85	8.70	7.97	8.46	8.38	8.16	7.95	8.51	8.61	8.20	8.50	8.29	75.00	38.08
2013	9.20	9.30	8.95	8.04	8.70	8.62	8.39	8.19	8.75	8.86	8.65	8.75	8.54	75.00	35.95
2014	9.38	9.48	9.14	8.05	8.89	8.81	8.57	8.37	8.94	9.05	8.83	8.94	8.73	75.00	35.95
2015	9.57	9.67	9.34	8.07	9.09	9.00	8.76	8.56	9.13	9.25	9.02	9.14	8.92	75.00	35.95
2016	9.76	9.86	9.54	8.08	9.28	9.20	8.96	8.75	9.33	9.45	9.21	9.34	9.12	75.00	35.95
2017	9.96	10.06	9.75	8.10	9.49	9.40	9.15	8.95	9.53	9.66	9.41	9.55	9.33	75.00	35.95
2018	10.16	10.26	9.95	8.11	9.70	9.61	9.35	9.15	9.74	9.86	9.61	9.75	9.54	75.00	35.95
2019+	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr

Reconciliations of Changes in Reserves

A reconciliation of changes to the Company's gross proved, gross probable and gross proved plus probable reserves is provided below. This reconciliation reflects changes to the Company's reserves estimated using forecast prices and costs.

Canada

December 31, 2008

Reconciliation of Company Gross Reserves

by Principal Product Type

	Total Oil			Light and Medium Oil			Heavy Oil			Natural Gas Liquids		
FACTORS	Proved (Mbbl)	Probable (Mbbl)	+ Proved Probable (Mbbl)	Proved (Mbbl)	Probable (Mbbl)	+ Proved Probable (Mbbl)	Proved (Mbbl)	Probable (Mbbl)	+ Proved Probable (Mbbl)	Proved (Mbbl)	Probable (Mbbl)	+ Proved Probable (Mbbl)
December 31, 2007	0	0	0	0	0	0	0	0	0	5	20	25
Discoveries	145	85	230	145	85	230	0	0	0	0.3	0.3	0.6
Extensions*	0	223	223	0	223	223	0	0	0	0.3	0.8	1.1
Infill Drilling*	126	97	223	126	97	223	0	0	0	0.3	0.2	0.5
Improved Recovery*	0	0	0	0	0	0	0	0	0	0	0	0
Technical Revisions	71	36	107	71	36	107	0	0	0	11	(9)	3
Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0
Dispositions	0	0	0	0	0	0	0	0	0	0	0	0
Economic Factors	0	0	0	0	0	0	0	0	0	0	0	0
Production	(8)	0	(8)	(8)	0	(8)	0	0	0	(1)	0	(1)
December 31, 2008	333	441	774	333	441	774	0	0	0	16	13	29

	Total Gas			Conventional Natural Gas			Coal Bed Methane			BOE		
FACTORS	Proved (MMcf)	Probable (MMcf)	+ Proved Probable (MMcf)	Proved (MMcf)	Probable (MMcf)	+ Proved Probable (MMcf)	Proved (MMcf)	Probable (MMcf)	+ Proved Probable (MMcf)	Proved (Mboe)	Probable (Mboe)	+ Proved Probable (Mboe)
December 31, 2007	1,825	1,212	3,037	1,825	1,212	3,037	0	0	0	309	222	531
Discoveries	60	40	100	60	40	100	0	0	0	155	91	246
Extensions*	404	341	745	404	341	745	0	0	0	68	280	348
Infill Drilling*	54	44	98	54	44	98	0	0	0	135	105	240
Improved Recovery*	0	0	0	0	0	0	0	0	0	0	0	0
Technical Revisions	356	(363)	(7)	356	(363)	(7)	0	0	0	141	(31)	110
Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0
Dispositions	0	0	0	0	0	0	0	0	0	0	0	0
Economic Factors	0	0	0	0	0	0	0	0	0	0	0	0
Production	(512)	0	(512)	(512)	0	(512)	0	0	0	(94)	0	(94)
December 31, 2008	2,187	1,274	3,461	2,187	1,274	3,461	0	0	0	714	667	1,381

*The above change categories correspond to standards set out in the Canadian Oil and Gas Evaluation Handbook

Additional Information Relating to Reserves Data

Undeveloped Reserves (Canada Only)

	Company Gross Reserves First Attributed By Year				
Product Type	**Units**	**Prior**	**2006**	**2007**	**2008**
Proved Undeveloped					
Light & Medium Oil	Mbbl	-	-	-	150
Natural Gas	MMcf	-	-	1,584	67
Total: Oil Equivalent	Mboe	-	-	264	162
Probable Undeveloped					
Light & Medium Oil	Mbbl	-	-	-	336
Natural Gas	MMcf	-	-	1,132	151
Natural Gas Liquids	Mbbl	-	-	18	1
Total: Oil Equivalent	Mboe	-	-	207	362

The significant majority of the undeveloped reserves are scheduled to be developed within the next two years.

Significant Factors or Uncertainties

The evaluated oil and gas properties of the Company have no material extraordinary risks or uncertainties beyond those which are inherent of an oil and gas producing company. Estimates of economically recoverable oil and natural gas reserves (including natural gas liquids) and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as availability of capital to fund required infrastructure, commodity prices, production performance of wells and well recompletion success rates, successful drilling of infill wells, the assumed effects of regulation by government agencies and future operating costs. All of these estimates may vary from actual results. Estimates of the recoverable oil and natural gas reserves attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of future net revenues expected there from, may vary. The Company's actual production, revenues, taxes, development and operating expenditures with respect to its reserves may vary from such estimates, and such variances could be material. In addition to the foregoing, other significant factors or uncertainties that may affect either the Company's reserves or the future net revenue associated with such reserves include material changes to existing taxation or royalty rates and/or regulations, changes to environmental laws and regulations.

Information on other important economic factors or significant uncertainties that may affect components of the Reserves Data and other oil and gas information contained in this AIF are contained in the Company's Management Discussion and Analysis filed under the Company's profile at www.SEDAR.com.

Future Development Costs

A summary of the estimated development costs deducted in the estimation of future net revenue attributable to various reserves categories and prepared under various price and cost assumptions is provided in the following table. The Company expects to fund its estimated future development costs through a combination of internally generated cash flow, equity and debt financing. There can be no guarantee that funds will be available or that the Board of Directors of the Company will allocate funding to develop all of the reserves requiring development in the GLJ report. Failure to develop such reserves could negatively impact future net revenue.

Canada

	Development Costs (Forecast Prices and Costs)	
Year	Total Proved	Total Proved Plus Probable
2009	170	320
2010	1,199	2,397
2011	-	-
2012	-	-
2013	-	-
2014	-	-
2015	-	-
2016	-	-
2017	-	-
2018	-	-
2019	36	-
Total	1,405	2,717

OTHER OIL AND GAS INFORMATION

Oil and Gas Properties and Wells

United States

Tinsley Deep Prospect. The Tinsley Deep Prospect was originally comprised of 5,100 gross acres and 4,613 net acres. During December 2005 the operator commenced drilling operations on a test well known as the Merit Partners #1, which was eventually drilled to a total depth of 11,237 feet. Dejour USA paid acquisition costs representing its 43% working interest which included payment for leasehold interests, brokerage, seismic processing and prospect development. In the initial well Dejour USA paid 46.6% of the drilling and/or abandonment costs, and 34.9% of completion costs to earn a 34.9% working interest before payout (28.2% NRI before payout) and 29.4% working interest after payout (25.6% NRI after payout). The agreement also contains an area of mutual interest consisting of approximately 45 sq. miles defined by the area covered by certain seismic data.

In March 2006, Dejour USA was advised by the operator of the Tinsley Deep Prospect that the well was not economic. As a result, the Company recorded an impairment provision of $2,375,926 in 2006.

In the first quarter of 2007 Dejour USA transferred its interest in the Merit Partners #1 wellbore along with certain shallow rights in roughly 616 net acres of oil and gas leases and in return it received 100% ownership of 1,736 net acres of oil and gas leases containing the rights below the base of the Hosston formation. Dejour USA will not be required to pay its share of plugging and abandonment costs for the Merit Partners #1 wellbore. In 2007, Dejour USA concluded an agreement with a private Mississippi-based company with Dejour USA contributing its land and technical information from the Tinsley Deep Prospect to a joint venture. The Mississippi-based corporation has acquired additional leasehold interests, identified additional partners and is in the process of identifying an operator. Plans are being developed for the drilling of additional wells; however, no drill date has been established.

Canada

Peace River Arch. In October 2006, DEAL successfully concluded a participation agreement allowing it to participate in the drilling of a high potential natural gas well in an area known as the Noel Area in northeastern British Columbia, Canada. DEAL paid 15% of the costs to earn a 9.375% working interest in 2,220 gross acres with an option to drill additional wells and earn additional acres. Drilling commenced in the first quarter of 2007 and the well did not contain economic reserves. The Company decided not to exercise options to earn more lands.

During the first and second quarters of 2007, DEAL concluded business agreements on four additional prospects resulting with the drilling of four wells and re-entry of a fifth. During the third quarter DEAL purchased 1,419 hectares (3,548 acres) of lands and crown sales and privately at an average cost of $420.83/hectares ($168.33/acre). Total land bonus paid was $597,163.28. These lands are at 100% working interest. Fourth quarter 2007 activities included the purchase of 1,708 hectares (4,270 acres) of land, 1,452 (3,630 acres) of which were DEAL postings, at government sales for an average of $243.15/hectares ($97.26/acre). Total bonus cost for these purchases was $415,302 at 100% working interest. Other fourth quarter activities included seismic programs which were recorded in three areas, one of these carried over into 2008, and the initiation of the 11 well 2007/2008 winter drilling program. The seismic programs are designed to evaluate lands for drilling in 2008 and 2009.

Activity in the first quarter of 2008 included the drilling of 11 wells owned by DEAL, nine of which were operated by DEAL with an average working interest of over 95%. Two were partner-operated with an average working interest of 35%. In one of these areas DEAL conducted a seismic program on behalf of the joint venture.

In the second quarter of 2008 the Company commenced production from four of its gas wells in its Peace River Arch properties. Initial total rates for the four wells were 2.7 MMcf/d. The production from these wells was 1.5 MMcf/d as of December 31, 2008. One additional gas well and one oil well commenced production in the third quarter 2008 and these are currently producing at rates of 500 Mcf/d and 375 bbls/d. A seventh well producing gas and oil was brought on in the fourth quarter at rates of 200 bbls/d and 750 Mcf/d.

Investment requirements for DEAL's work program increased as two of the wells which were drilled to evaluate deeper prospects encountered sour gas and oil in significant quantities. This required the purchase and installation of additional equipment, facilities and pipeline. One of these two wells is an oil well and is a new pool discovery; therefore, it has been granted a 3 year royalty holiday subject to a total royalty free production limit of approximately 72,000 bbls. These facilities will include capacity to add development wells in the future.

Results and major activity on these properties are summarized below:

Drake / Woodrush

843 hectares (2,108 acres) of the lands purchased in 2007 are in the Drake area of northeast British Columbia. The two gas wells resulting from the second quarter 2007 drilling at Drake are tied in and producing. During the 2007/2008 winter drilling season a total of four new wells, three of which were drilled to evaluate the deeper Halfway formation as well as the proven Notikewin sands, were drilled. Two were on lands earned by last winters' drilling and two on 100% working interest lands purchased at a crown sale. Working interest in lands earned last winter has been increased from 60% to 92% on 700 of the 1,400 gross acres earned subject to a non-convertible 5% royalty. Interest in the remaining 700 acres remains at 100% before payout (subject to a 15% royalty net of operating, gathering and processing costs) and 60% after payout. Final locations for the 2007/8 winter drilling were chosen based on interpretation of 3D seismic data purchased over all of DEAL's working interest lands in the area. There are now six wells currently producing in the Drake/Woodrush area at a combined rate of approximately 2 MMcf/d and 375 bbls/d. Infrastructure placed at the Drake site has design capabilities to handle planned development. Results to date have been encouraging and development drilling is being planned for 2009 to further exploit the lands and infrastructure.

Saddle Hills

In the Saddle Hills area of northwestern Alberta, in the first quarter 2007 DEAL participated in drilling a well on a five section block of land at 30% working interest to earn 30% subject to a 10% non-convertible royalty. The operator drilled one additional location on this property in the first quarter of 2008 but has not tied in these wells for production. DEAL operated a seismic program on behalf of the joint venture to aid in future development plans. Last winter's gas well tested over 1.5 MMcf/d in total from two zones. The 2008 well has been completed and also tested gas.

Manning

DEAL participated in a farm-in on seven sections of land in Manning, British Columbia for a 40% working interest. A test well commenced drilling in December 2007 and was completed in early 2008. The well tested at rates of over 1.5 MMcf/d with water. This well earned all seven sections subject to a non-convertible royalty. The operating partner has not tied in these wells for production.

Carson Creek

At Carson Creek, Alberta, Deal purchased land privately and commenced drilling a test well in late 2007. This well was completed in the first quarter of 2008 and has been on production since fourth quarter of 2008. The well has tested at approximately 3.0 MMcf/d with 100 bbls natural gas liquids per MMcf gas. The well is producing at rates of 200 bbls/d and 700 Mcf/d.

Exploration, Development and Producing Activities

Canada	Non-Producing Exploratory and Development Wells		Producing Wells	
	Gross	Net	Gross	Net
Oil	-	-	2	2
Gas	3	1.65	3	2.84
Service Wells	-	-	-	-
Dry Holes	1	0.70	-	-
Suspended	2	2	-	-
TOTAL	**6**	**4.35**	**5**	**4.84**

The Company's significant exploration and development activities are described under "*Statement of Reserves Data and Other Oil and Gas Information – Oil and Gas Properties and Wells*".

Properties with no Attributed Reserves

As at December 31, 2008, the Company and its subsidiaries owned approximately 28,730 gross acres (approximately 14,748 net acres) of properties in Canada with no attributed reserves. As at December 31, 2008, all of the Company's properties in US have no attributed reserves. As at the date of this AIF, there are currently no work commitments related to the Company's properties with no attributed reserves.

Forward Contracts

As at December 31, 2008, the Company had outstanding a natural gas derivatives contract for 1,000 GJ per day for the period from January 1, 2009 to December 31, 2009. This contract consisted of a $6.27 CAD per GJ swap agreement. During the year ended December 31, 2008, no gain was realized for settlements under this contract. Subsequent to December 31, 2008, the Company unwound the natural gas hedge, resulting in a realized gain of $289,561. There are no derivative contracts outstanding as at the date of this AIF.

Additional Information Concerning Abandonment and Reclamation Costs

Canada

For the Company's Canadian oil and gas interests, the well abandonment costs for all wells with reserves have been included at the property level. Additional abandonment costs associated with non-reserves wells, lease reclamation costs and facility abandonment and reclamation expenses have not been included. Abandonment and reclamation costs estimated by GLJ in the GLJ Report were as follows:

	Abandonment Costs (Forecast Prices and Costs)		
Year	Proved Producing (M$)	Total Proved (M$)	Total Proved Plus Probable (M$)
2009	-	-	-
2010	-	-	-
2011	-	-	-
2012	124	82	-
2013	-	11	-
2014	94	93	-
2015	-	90	98
2016	-	-	55
2017	-	-	43
2018	-	-	-
2019	-	-	-
Thereafter	31	49	225
Total Undiscounted	249	325	421
Total Discounted at 10%	154	182	154

Tax Horizon

As at December 31, 2008, on a consolidated basis, the Company had approximately $15,637,000 of non-capital losses which can be applied to reduce future taxable income. In addition, the Company had Canadian exploration and development expenditures totaling approximately $12,235,000, unamortized share issue costs of approximately $798,000 and capital loss carry forwards of approximately $11,058,000 which may be available to reduce future taxable income. Both the exploration and development expenditures and the capital losses can be carried forward indefinitely. Therefore, management does not expect the Company to pay any income taxes for 2009 and 2010. Based on after tax economic forecasts prepared by GLJ, income taxes are payable by the Company beginning in 2011 in the total proved plus probable reserves category.

Costs Incurred

A summary of acquisition costs and exploration expenditures incurred in the Company's oil and gas properties for the year ended December 31, 2008 is as follows:

		Net Expenditures ($)
Proved		
Property acquisition	$	11,978
Exploration		3,489,576
Development		2,323,764
		5,825,318
Unproved		
Property acquisition		4,858,958
Exploration		3,293,091
Development		627,261
		8,779,310
Total Oil and Gas Property Costs	**$**	**14,604,628**

Production Estimates

All of the Company's production is currently in Canada and specifically, British Columbia and Alberta. The following table sets forth estimated daily volumes of production for the 12 months of 2009 as reflected in the estimates of future net revenues on a proved, probable, and proved plus probable basis.

	Estimated 2009 Average Daily Production based on Forecast Prices			
	Light and Medium Oil (bbl/d)	Natural Gas (Mcf/d)	Natural Gas Liquids (bbl/d)	Total Oil Equivalent (bbl/d)
Proved	221	1,989	11	563
Probable	25	188	1	58
Proved Plus Probable	246	2,177	12	621

Production History

There was no production in the 2007 fiscal year. The Company has achieved production at seven wells, six in British Columbia in the Drake/Woodrush area and one at Carson Creek, Alberta. The Company has production capability exceeding 1,000 boe/d. With allowable rates, production going into 2009 is expected to be between 800 and 900 boe/d. The following tables set forth DEAL's share of average daily production volumes, royalties, production costs and the resulting netbacks for the periods indicated as at December 31, 2008:

Average Daily Production (Before Deduction of Royalties) Year Ended December 31, 2008		Quarter Ended		
	31-Dec-08	30-Sep-08	30-Jun-08	31-Mar-08
Oil and Natural Gas Liquids (bbls/d)	83	10	3	-
Gas (Mcf/d)	1,691	1,840	2,024	-
Total (boe/d)	365	317	340	-

Production and Netback History Year Ended December 31, 2008		Quarter Ended		
	31-Dec-08	30-Sep-08	30-Jun-08	31-Mar-08
Production Volumes:				
Oil (bbls)	7,457	601	-	-
Gas (Mcf)	155,552	169,286	184,200	-
Natural Gas Liquids (bbls)	162	354	254	-
Total (boe)	33,538	29,170	30,954	-
Average Price Received:				
Oil ($/bbls)	56.06	98.74	-	-
Gas ($/Mcf)	7.54	9.16	11.23	-
Natural Gas Liquids ($/bbls)	120.44	126.97	136.20	-
Total ($/boe)	46.67	55.83	69.78	-
Royalties ($/boe)	8.76	12.98	15.38	-
Operating Expenses ($/boe)	26.06	17.45	14.06	-
Netbacks ($/boe)	11.68	25.51	39.63	-

DIVIDEND POLICY

The Company has not paid any dividends on its common shares. The Company may pay dividends on its common shares in the future if it generates profits. Any decision to pay dividends on common shares in the future will be made by the board of directors on the basis of the earnings, financial requirements and other conditions existing at such time.

GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of three classes of shares: an unlimited number of common shares; an unlimited number of preferred shares designated as First Preferred Shares, issuable in series; and an unlimited number of preferred shares designated as Second Preferred Shares, issuable in series.

All of the common shares of the Company have equal voting rights, and none of the common shares are subject to any further call or assessment. There are no special rights or restrictions of any nature attaching to any of the common shares and they all rank pari passu each with the other as to all benefits which might accrue to the holders of the common shares. The common shares are not convertible into shares of any other class and are not redeemable or retractable.

The First Preferred Shares have priority over the common shares and the Second Preferred Shares with respect to the payment of dividends and in the distribution of assets in the event of a winding up of the Company. The Second Preferred Shares have priority over the common shares with respect to dividends and surplus assets in the event of a winding up of the Company.

As at December 31, 2007, the Company had eight two-year, 8% convertible debentures, in the cumulative amount of US$1,397,846 maturing July 15, 2008, outstanding. The debentures were convertible by Retamco into units of Dejour at the rate of U.S.$1.35 per unit. Each unit consisted of one share and one warrant exercisable at a price of US$1.50 per warrant until July 15, 2008. During Q2 2008, all of the Company’s outstanding convertible debentures were converted into 884,242 common shares and 884,242 warrants. Of the 884,242 warrants, 735,458 warrants were converted into common shares during the second quarter of 2008 and 148,784 warrants expired on July 15, 2008. As at the date of this AIF, there are no convertible debentures outstanding.

As at the date of this AIF, 2,104,129 share purchase warrants are issued and outstanding. These warrants were issued in connection with a private placement financing and are exercisable into common shares at a price of $3.35 per share until May 25, 2009.

As at the date of this AIF, 73,725,512 common shares are issued and outstanding. No First Preferred Shares or Second Preferred Shares have been issued.

MARKET FOR SECURITIES

Trading Price and Volume

The Company's common shares are listed for trading through the facilities of the TSX and NYSE-Alt under the symbol "DEJ". The following table sets out, for the periods indicated, the high and low sales price and the volume of trading of the common shares of the Company on the TSX during the periods indicated. The Company ceased to trade on the TSX-V and graduated to the TSX effective November 20, 2008.

TSX

Period	High ($)	Low ($)	Volume
February 2009	0.50	0.33	683,200
January 2009	0.76	0.43	930,600
December 2008	0.52	0.36	787,500
November 2008	0.74	0.40	514,200
October 2008	0.84	0.33	2,903,700
September 2008	1.40	0.61	1,238,800
August 2008	1.43	1.05	712,700
July 2008	1.97	1.30	749,100
June 2008	2.17	1.68	2,931,800
May 2008	2.02	1.37	1,543,300
April 2008	1.63	1.37	1,776,531
March 2008	1.75	1.36	6,888,421
February 2008	1.80	1.20	3,421,400
January 2008	1.81	1.03	1,870,300

DIRECTORS AND OFFICERS

The following table sets forth all current directors and executive officers of Dejour as of the date of this AIF, with each position and office held by them in the Company and the period of service as such.

Name, Jurisdiction of Residence and Position (1)	Principal occupation or employment during the past 5 years	Number of Dejour Common Shares beneficially owned, directly or indirectly, or controlled or directed (2)	Percentage of Dejour Common Shares beneficially owned, directly or indirectly, or controlled or directed (2)	Director Since
Robert L. Hodgkinson British Columbia, Canada Director, Chairman and Chief Executive Officer	President of a private company, Hodgkinson Equities Corporation, which provides consulting services to emerging businesses in the petroleum resource industry.	5,274,204	7.2%	May 18/04

Name, Jurisdiction of Residence and Position (1)	Principal occupation or employment during the past 5 years	Number of Dejour Common Shares beneficially owned, directly or indirectly, or controlled or directed (2)	Percentage of Dejour Common Shares beneficially owned, directly or indirectly, or controlled or directed (2)	Director Since
Harrison Blacker Colorado, U.S.A. Director, President and Chief Operating Officer of Dejour Energy (USA) Inc.	President of Dejour Energy (USA) Inc. since April, 2008. Over 30 years of expertise managing oil and gas operations. Held the positions of Chief Executive Officer with China Oman Energy Company and Portfolio Manager, Latin American Business Unit and General Manager/ President of Venezuela Energy with Atlantic Richfield Corporation (ARCO) prior to joining Dejour USA.	170,353	0.2%	Apr 2/08
Richard Patricio (3) Ontario, Canada Director	Vice President Corporate & Legal Affairs and Secretary of Pinetree Capital Ltd. (investment and merchant banking firm). Prior to joining Pinetree Capital, practiced law at a top tier law firm in Toronto and worked as in-house General Counsel for a senior TSX listed company. Mr. Patricio is a lawyer qualified to practice in the Province of Ontario.	Nil	Nil	Oct 17/08
Archibald Nesbitt(3) Alberta, Canada Director	Founder, senior officer and director of a number of publicly traded and private corporations including Nesbitt Mining & Exploration Ltd., Naneco Minerals Ltd., Ican Minerals Ltd., Golconda Resources Ltd., Gateway Gold Corporation, Southpoint Resources Corp., Northpine Energy Ltd., Bakbone Software Inc., Niblack Mining Corp., and Abacus Mining & Exploration Ltd.	354,500	0.5%	Nov 24/05

Name, Jurisdiction of Residence and Position [(1)]	Principal occupation or employment during the past 5 years	Number of Dejour Common Shares beneficially owned, directly or indirectly, or controlled or directed [(2)]	Percentage of Dejour Common Shares beneficially owned, directly or indirectly, or controlled or directed [(2)]	Director Since
Robert Holmes California, U.S.A Director	Began career as an Investment Executive with Merrill, Lynch, Pierce, Fenner & Smith, and held various senior executive positions with the firm Blyth, Eastman, Dillon & Company. In 1980, co-founded Gilford Securities, Inc., a member of the NYSE, and in 1992 founded a hedge fund, Gilford Partners. Has served on several boards including the North Central College Trustees in Naperville, IL; Board of Trustees Sacred Heart Schools Chicago; Crested Butte Academy in Crested Butte, CO; and Mary Wood Country Day School in Rancho Mirage, CA.	663,000	0.9%	Oct 17/08
Craig Sturrock [(3)] British Columbia, Canada Director	Tax lawyer since 1971. Currently, he is a partner at Thorsteinssons LLP, and his practice focuses primarily on civil and criminal tax litigation.	350,000	0.5%	Aug 22/05
Charles W.E. Dove Alberta, Canada Director and President of Dejour Energy (Alberta) Ltd.	President of Dejour Energy (Alberta) Ltd. since April, 2006. From June 2002 to April 2006, President of Dove & Kay Exploration Ltd., a geophysical consulting & project management company.	450,000	0.6%	Aug 17/07
Mathew Wong British Columbia, Canada Chief Financial Officer	Chartered Accountant worked at Ernst & Young LLP from 1995 to 2000. Since then, he worked as the Corporate Accounting Manager for Mitsubishi Canada Limited and CFO for Dejour Enterprise Ltd.	212,822	0.3%	N/A

(1) Each director will serve until the next annual general meeting of the Company or until a successor is duly elected or appointed in accordance with the Notice of Articles and Articles of the Company and the *Business Corporations Act* (British Columbia).

(2) The number of common shares beneficially owned, directly or indirectly, or over which control or direction is exercised is based upon information furnished to the Company by individual directors and executive officers.

(3) Member of audit committee.

Control of Securities

The aggregate number of Dejour common shares held by the directors and executive officers is 7,560,879 being 10.3% of the issued and outstanding common shares as at the date of the AIF.

Board of Directors

Brief biographies for each member of Dejour's board of directors are set forth below:

Robert L. Hodgkinson: Mr. Hodgkinson was the founder and Chairman of Optima Petroleum, which drilled wells in Alberta and the Gulf of Mexico before merging to form Petroquest Energy, a NASDAQ traded company. Subsequently, he founded and was CEO of Australian Oil Fields, which would later merge to become Resolute Energy/Cardero Energy Inc. Mr. Hodgkinson was also a Vice-President and partner of Canaccord Capital Corporation, and an early stage investor and original lease financier in Synenco Energy's Northern Lights Project in the Alberta oil sands.

Harrison Blacker: Mr. Blacker is an accomplished senior executive with over 30 years of expertise managing oil and gas operations with major corporations in the United States, South America, China and the Middle East. Prior to joining Dejour, Mr. Blacker was CEO of China Oman Energy Company, a joint venture between Oman Oil Company, IPIC and China Gas Holdings, importing and distributing LNG and LPG from the Middle East into China. Mr. Blacker held positions as VP of Business Development and Senior Investor Advisor with Oman Oil Company and Portfolio Manager, Latin American Business Unit and General Manager/ President of Venezuela Energy with Atlantic Richfield Corporation. Mr. Blacker began his career with Amoco Production Company working in offshore construction and field operations in the Gulf of Mexico.

Richard Patricio: Mr. Patricio is Vice President Corporate & Legal Affairs and Secretary of Pinetree Capital Ltd. and Brownstone Ventures Inc. (one of Dejour's major shareholders). Mr. Patricio previously practiced law at a top tier law firm in Toronto and worked as in-house General Counsel for a senior TSX listed company. Mr. Patricio is a lawyer qualified to practice in the Province of Ontario.

Archibald Nesbitt: Mr. Nesbitt brings over 25 years in the development and financing of junior resource and venture companies to Dejour. These companies include Nesbitt Mining & Exploration Ltd., Naneco Minerals Ltd., Ican Minerals Ltd., Golconda Resources Ltd., Gateway Gold Corporation, Southpoint Resources Corp., Northpine Energy Ltd., Bakbone Software Inc., Niblack Mining Corp., and Abacus Mining & Exploration Ltd. His career in the resource business began in 1966 with his late father, John C. Nesbitt, focusing on exploration for uranium near Uranium City, Saskatchewan. Mr. Nesbitt holds an LLB. from University of Western Ontario and a B. Comm. from Queens University.

Robert Holmes: Mr. Holmes began his career as an Investment Executive with Merrill, Lynch, Pierce, Fenner & Smith, and subsequently held various senior executive positions with the firm Blyth, Eastman, Dillon & Company (purchased by Paine Webber & Co.). In 1980, Mr. Holmes co-founded Gilford Securities, Inc., a member of the NYSE, and in 1992 founded a hedge fund, Gilford Partners. He has served on several boards including the North Central College Trustees in Naperville, IL; Board of Trustees Sacred Heart Schools Chicago; Crested Butte Academy in Crested Butte, CO; and Mary Wood Country Day School in Rancho Mirage, CA. He graduated with a BA from North Central College in 1965.

Craig Sturrock: Mr. Sturrock has served as a director and founding member of various public and private companies. Admitted to the British Columbia Bar in 1969, he joined Thorsteinssons LLP, tax lawyers in 1971. He served for 15 years as a tax lawyer and partner at Birnie, Sturrock & Company returning to Thorsteinssons as a partner in 1989. He is an author and speaker for the Canadian and British Columbia Bar

Associations, the Continuing Legal Education Society of British Columbia and the Canadian Tax Foundation. He is also a former member of the Board of Governors of the Canadian Tax Foundation.

Charles Dove: Mr. Dove began his 30 year career with Amoco Canada Petroleum Co. in 1978. Before joining Dejour, he held positions with CDEC Oil and Gas Ltd., Diamond Shamrock Exploration Ltd., Quintana Exploration Ltd. and Rustum Petroleum Ltd. where he discovered and developed oil and gas reserves in Western Canada. In 1989, Mr. Dove formed his own consulting firm working with several large Canadian oil and gas companies, co-founding and becoming a major shareholder in Innovative Energy Ltd., which was sold to Dennison Mines in 2001.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of the Company is, or has been in the last ten years, a director, chief executive officer or chief financial officer of an issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, or (b) was subject to an event that resulted, after that person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days. To the knowledge of the Company, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities in the Company to affect materially the control of the Company, is or has been in the last ten years, a director or executive officer of an issuer that, while or acting in that capacity within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. To the knowledge of the Company, in the past ten years, no such person has become bankrupt, made a proposal under any legislation related to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other reporting companies or have significant shareholdings in other reporting companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms and such director will not participate in negotiating and concluding terms of any proposed transaction. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. Under the laws of the Province of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time. See also "Description of the Business – Risk Factors".

AUDIT COMMITTEE INFORMATION

The Audit Committee information required to be disclosed in an annual information form under National Instrument 52-110 (Audit Committees) is attached as Appendix "C" to this AIF and set out below under the heading "Audit Fees".

AUDIT FEES

The following summarizes the amounts charged by the Company's independent auditors, Dale Matheson Carr-Hilton Labonte LLP, for the years ended December 31, 2008 and December 31, 2007.

	Year ended December 31, 2008	**Year ended December 31, 2007**
Audit Services (Estimated for 2008) Audit of the Corporation's annual consolidated financial statements	$66,000	$67,000
Audit Related Services (Estimated for 2008)	$44,000	$9,000
Tax Services Tax compliance and consulting estimated fees	Nil	Nil

LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company is or is likely to be a party, or to which its property is subject, or which are known to the Company to be contemplated that are material to the business and affairs of the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Company, or any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this AIF that has materially affected or will materially affect the Company.

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent of the common shares of the Company in Canada is Computershare Trust Company of Canada, 2nd Floor, and 510 Burrard Street, Vancouver, British Columbia, V6C 3B9. The registrar and transfer agent of the common shares of the Company in the United States is Computershare Trust Company, N.A., Suite #1700, 717 17th Street, Denver, CO 80202-3323.

MATERIAL CONTRACTS

There are no material contracts that were entered into within the last financial year or before the last financial year but which are still in effect, and that are required to be filed under section 12.2 of National Instrument 51-102 or would be required to be filed under section 12.2 of the Instrument but for the fact that they were previously filed.

INTERESTS OF EXPERTS

Information of an economic (including economic analysis), scientific or technical nature in respect of the Company's oil and gas projects and properties is contained in this AIF based upon the reserves report, dated March 20, 2009 with an effective date of December 31, 2008 prepared by GLJ Petroleum Consultants of Calgary, Alberta.

GLJ has advised the Company that it beneficially owns, directly or indirectly, less than one percent of the outstanding common shares.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Company's Information Circular for its most recent annual general meeting of securityholders that involved the election of directors.

Additional financial information is provided in the Company's consolidated financial statements and management's discussion and analysis for the 12 months ended December 31, 2008.

APPENDIX "A"

FORM 51-101F2

REPORTS ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATORS

FORM 51-101F2
REPORT ON RESERVES DATA
BY
INDEPENDENT QUALIFIED RESERVES
EVALUATOR OR AUDITOR

To the board of directors of Dejour Energy Ltd. (the "Company"):

1. We have prepared an evaluation of the Company's reserves data as at December 31, 2008. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2008, estimated using forecast prices and costs.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

   We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions in the COGE Handbook.

4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated by us for the year ended December 31, 2008, and identifies the respective portions thereof that we have audited, evaluated and reviewed and reported on to the Company's board of directors:

Independent Qualified Reserves Evaluator	Description and Preparation Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate - $M)			
			Audited	Evaluated	Reviewed	**Total**
GLJ Petroleum Consultants	March 18, 2009	Canada	-	30,789	-	30,789

5. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook.

6. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.

GLJ Petroleum Consultants

7. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

EXECUTED as to our report referred to above:

GLJ Petroleum Consultants Ltd., Calgary, Alberta, Canada, March 20, 2009

John E. Keith, P. Eng.
Manager, Engineering

APPENDIX "B"

FORM 51-101F3

Report of Management and Directors

on Reserves Data and Other Information

Management of Dejour Enterprises Ltd. (the "Company") are responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data which are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2008, estimated using forecast prices and costs.

An independent qualified reserves evaluator has evaluated the Company's reserves data. The report of the independent reserves evaluator is summarized in the Annual Information Form of the Company dated March 21, 2009.

The board of directors of the Company has

(a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluator;

(b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the qualified reserves evaluator to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has approved:

(a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;

(b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluator on the reserves data; and

(c) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material. However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.

(signed) “Robert L. Hodgkinson”
Robert L. Hodgkinson
Chairman & CEO

(signed) “Richard Patricio”
Richard Patricio
Director

(signed) “Harrison Blacker”
Harrison Blacker
President

(signed) “Robert Holmes”
Robert Holmes
Director

APPENDIX "C"
DEJOUR ENTERPRISES LTD.
AUDIT COMMITTEE INFORMATION REQUIRED IN AN AIF

Audit Committee Charter

Audit Committee Mandate

The primary function of the audit committee (the "**Committee**") is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.

Review and appraise the performance of the Company's external auditors.

Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

Composition

The Committee shall be comprised of three Directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual Shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

(a) Review and update this Charter annually.

(b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

(a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the Shareholders of the Company.

(b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.

(c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(d) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.

(e) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for Shareholder approval.

(f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

(g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

(h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and

iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

(a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

(b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

(c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

(d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

(e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

(g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(i) Review certification process.

(j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

Composition of the Audit Committee

The following are the members of the Committee:

Craig Sturrock	Independent ①	Financially literate ①
Archibald Nesbitt	Independent ①	Financially literate ①
Richard Patricio	Independent ①	Financially literate ①

① As defined by National Instrument 52-110 ("**NI 52-110**").

Relevant Education and Experience

Craig Sturrock has 34 years of experience in the practice of law. He is a partner of the law firm Thorsteinssons LLP, specializing in tax litigation. He was a former member of the Board of Governors of Canadian Tax Foundation. He has many years of experience working with clients and Canada Revenue Agency on financial and tax matters.

Archibald Nesbitt has 25 years of experience in the development and financing of junior resource venture companies and has served as director of several public companies. He holds LLB from the University of Western Ontario, and B.Comm from the Queens University.

Mr. Patricio is Vice President Corporate & Legal Affairs and Secretary of Pinetree Capital Ltd. and Brownstone Ventures Inc. (one of Dejour's major shareholders). Mr. Patricio previously practiced law at a top tier law firm in Toronto and worked as in-house General Counsel for a senior TSX listed company. Mr. Patricio is a lawyer qualified to practice in the Province of Ontario.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemptions in Sections 2.4 (De Minimis Non-audit Services), 3.2 (Initial Public Offerings), 3.3(2) (Controlled Companies), 3.4 (Events Outside the Control of Member), 3.5 (Death, Disability or Resignation of Audit Committee Member), 3.6 (Temporary Exemption for Limited and Exceptional Circumstances) or 3.8 (Acquisition of Financial Literacy) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".