



Annual Information Form

For the Year Ended December 31, 2007

April 21, 2008

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GLOSSARY

In this Annual Information Form, the following abbreviations and terms shall have the meanings set forth below, unless otherwise indicated:

“**2006 Arrangement**” means the transaction completed on May 31, 2006 by way of plan of arrangement under the ABCA pursuant to an Arrangement Agreement;

“**ABCA**” means the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

“**Arrangement Agreement**” means the arrangement agreement dated April 20, 2006 between DualEx and Dual;

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, including the regulations promulgated thereunder;

“**Circular**” means the management information and proxy statement of Dual dated April 20, 2006 in respect of the meeting of shareholders of Dual held on May 23, 2006 to consider, among other things, the Arrangement;

“**Common Shares**” means common voting shares in the capital of DualEx as presently constituted;

“**Corporation**” and “**DualEx**” means DualEx Energy International Inc., and, when used in the context of describing the Corporation’s assets and business, may include its subsidiaries and predecessors;

“**development costs**”, when referring to oil and gas assets, means costs incurred to obtain access to reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas from the reserves. More specifically, development costs, including applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

- (a) gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines and power lines, to the extent necessary in developing the reserves;
- (b) drill and equip development wells, development type stratigraphic test wells and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment and the wellhead assembly;
- (c) acquire, construct and install production facilities such as flow lines, separators, treaters, heaters, manifolds, measuring devices and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems; and
- (d) provide improved recovery systems;

“**Dual**” means Dual Exploration Inc., a corporation incorporated pursuant to the ABCA;

“**DualEx International**” means DualEx International Inc., a corporation which is wholly owned by DualEx and incorporated pursuant to the laws of Bahamas;

“**DualEx Nyirseg**” means DualEx Nyirseg Inc., a corporation which is wholly owned by DualEx International and incorporated pursuant to the laws of Bahamas;

“**DualEx Portugal**” means DualEx Portugal Inc., a corporation which is wholly owned by DualEx International and incorporated pursuant to the laws of Bahamas;

“DualEx Syria” means DualEx Syria Inc., a corporation which is wholly owned by DualEx International and incorporated pursuant to the laws of Bahamas;

“DualEx Tunisia” means DualEx Tunisia Inc. a corporation which is wholly owned by DualEx International and incorporated pursuant to the laws of Bahamas;

“exploration costs”, when referring to oil and gas exploration, means costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects that may contain oil and gas reserves, including costs of drilling exploratory wells and exploratory type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as **“prospecting costs”**) and after acquiring the property. Exploration costs, which include applicable operating costs of support equipment and facilities and other costs of exploration activities, are:

- (a) costs of topographical, geochemical, geological and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews and others conducting those studies (collectively sometimes referred to as **“geological and geophysical costs”**);
- (b) costs of carrying and retaining unproved properties, such as delay rentals, taxes (other than income and capital taxes) on properties, legal costs for title defense, and the maintenance of land and lease records;
- (c) dryhole contributions and bottom hole contributions;
- (d) costs of drilling and equipping exploratory wells; and
- (e) costs of drilling exploratory type stratigraphic test wells;

“field”, when referring to oil and gas properties, means an area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition. There may be two or more reservoirs in a field that are separated vertically by intervening impervious strata or laterally by local geologic barriers, or both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms “structural feature” and “stratigraphic condition” are intended to denote localized geological features, in contrast to broader terms such as “basin”, “trend”, “province”, “play” or “area of interest”;

“forecast prices and costs” means future prices and costs that are:

- (a) generally accepted as being a reasonable outlook on the future;
- (b) if, and only to the extent that, there are fixed or presently determinable future prices or costs to which the issuer is legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs rather than the prices and costs referred to in paragraph (a);

“future income tax expense” means future income tax expenses estimated (generally, year-by-year):

- (a) making appropriate allocations of estimated unclaimed costs and losses carried forward for tax purposes, between oil and gas activities and other business activities;
- (b) without deducting estimated future costs (for example, Crown royalties) that are not deductible in computing taxable income;
- (c) taking into account estimated tax credits and allowances (for example, royalty tax credits); and

- (d) applying to the future pre-tax cash flows relating to the reporting issuer's oil and gas activities the appropriate year-end statutory tax rates, taking into account future tax rates substantively enacted;

“future net revenue” means the estimated net amount to be received with respect to the development and production of reserves (including synthetic oil, coal bed methane and other non-conventional reserves) estimated using constant prices and costs or forecast prices and costs;

“GORR” means gross overriding royalty;

“Gross Acres” means the total number of acres in which DualEx has an interest;

“Gross Wells” means the total number of wells in which DualEx has an interest;

“natural gas” means the lighter hydrocarbons and associated non-hydrocarbon substances occurring naturally in an underground reservoir, which under atmospheric conditions are essentially gases but which may contain natural gas liquids. Natural gas can exist in a reservoir either dissolved in oil (solution gas) or in a gaseous phase (associated gas or non-associated gas). Non-hydrocarbon substances may include hydrogen sulphide, carbon dioxide and nitrogen;

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

“oil” means a mixture that consists mainly of pentanes and heavier hydrocarbons, which may contain sulphur and other non-hydrocarbon compounds, that is recoverable at a well from an underground reservoir and that is liquid at the conditions under which its volume is measured or estimated. It does not include solution gas or natural gas liquids;

“operating costs” or **“production costs”**, when referring to oil and gas properties, means costs incurred to operate and maintain wells and related equipment and facilities, including applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities;

“Portuguese Exploration Interests” means the participating interests, direct and indirect, of DualEx in the Torres Vedras 3 and Aljubarrota 3 Concession Agreements situated in Portugal;

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

“Shareholder” or **“DualEx Shareholder”** means a holder of record of one or more Common Shares of DualEx;

“Shut-in Wells” means wells which have encountered and are capable of producing natural gas or oil, as applicable, but which are not producing due to lack of available transportation facilities, available markets or other reasons;

“Syrian Exploration Interests” means the participating interests, direct and indirect, of DualEx in oil and natural gas in block 17 situated in the Syrian Arab Republic;

“Total Proved Reserves” means the aggregate of all proved reserves which includes both producing and non-producing developed reserves and undeveloped reserves;

“TSXV” means the TSX Venture Exchange Inc.

“**undeveloped reserves**” when referring to oil and gas 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;

“**Warrants**” mean the common share purchase warrants issued by DualEx pursuant to private placements;

“**Winslow**” means Winslow Resources Inc., a corporation subsisting under the CBCA;

“**Winslow Arrangement Agreement**” means the arrangement agreement dated July 17, 2007 between DualEx and Winslow;

“**Winslow Circular**” means the information circular and proxy statement of Winslow dated August 2, 2007 in respect of the meeting of shareholders and warrant holders of Winslow held on August 30, 2007 to consider, among other things, the Winslow Arrangement Agreement;

“**Working Interest**” means the net interest held in an oil and natural gas property which normally bears its proportionate share of the costs of exploration, development and operations as well as any royalties or other production burdens; and

“**Wyoming Royalty**” means the 0.8673% - 1.75% GORR granted to DualEx pursuant to a royalty agreement dated May 14, 1998 in respect of 53 producing coalbed methane gas wells situated over 1,732 hectares of land in Campbell County, Wyoming.

SPECIAL NOTES TO READER

Regarding Forward Looking Statements

Certain statements contained in this Annual Information Form, and in certain documents incorporated by reference into this Annual Information Form, constitute forward-looking statements within the meaning of applicable securities laws. These statements relate to future events or DualEx's future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions are not historical facts and are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. DualEx believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this Annual Information Form should not be unduly relied upon. These statements speak only as of the date of this Annual Information Form or as of the date specified in the documents incorporated by reference into this Annual Information Form, as the case may be.

In particular, this Annual Information Form, and the documents incorporated by reference, contains forward-looking statements pertaining to the following:

- > the performance characteristics of DualEx's oil and natural gas assets;
- > oil and natural gas production levels;
- > DualEx's exploration and development plans on DualEx's properties in Hungary, Portugal and Syria;
- > the size of DualEx's oil and natural gas reserves;
- > supply and demand for oil and natural gas;
- > expectations regarding DualEx's ability to raise capital and add to reserves through acquisitions and development;
- > treatment under governmental regulatory regimes and tax laws;
- > capital expenditure programs;
- > the impact of governmental regulation on DualEx relative to other oil and gas issuers of similar size and exposure to international oil and gas operations;
- > DualEx's ability to grow or sustain production and reserves through prudent management and acquisitions;
- > the emergence of accretive growth opportunities; and
- > DualEx's ability to benefit from the combination of growth opportunities and the ability to grow through capital markets.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Annual Information Form, and in certain documents incorporated by reference into this Annual Information Form:

- > volatility in market prices for oil and natural gas;
- > liabilities inherent in oil and natural gas operations;
- > uncertainties associated with estimating oil and natural gas reserves;

- > risks inherent in oil and gas activities;
- > competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- > incorrect assessments of the value of, or failure to realize the anticipated benefits, of acquisitions;
- > fluctuation in foreign exchange or interest rates;
- > stock market volatility and market valuations;
- > geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves;
- > changes in income tax laws or changes in tax or environmental laws and incentive programs or royalty regimes relating to the oil and gas industry; and
- > the other factors discussed under “*Risk Factors*”.

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 lists of factors are not exhaustive. The forward-looking statements contained in this Annual Information Form and the documents incorporated by reference, including factors discussed under “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” herein are expressly qualified by this cautionary statement and are available on SEDAR at www.sedar.com. Readers should also carefully consider the matters discussed under the heading “*Risk Factors*” in this Annual Information Form.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable securities laws, we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on DualEx’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward looking statements.

For more information, see DualEx’s “*Management’s Discussion and Analysis*” which includes a definition of “cash flow from operations” and reconciliation to cash provided by operating activities, which has been filed on SEDAR at www.sedar.com.

Access to Documents

Any document referred to in this Annual Information and described as being filed on SEDAR at www.sedar.com (including those documents referred to as being incorporated by reference in this Annual Information Form) may be obtained free of charge from DualEx at 200, 521 - 3rd Avenue SW, Calgary, Alberta T2P 3T3 .

ABBREVIATIONS AND CONVERSIONS

Abbreviations

Unless otherwise stated or the context otherwise requires, the following abbreviations have the respective meanings set out below when used in this Annual Information Form:

BBL(S)	–	barrel(s)
BBL/D	–	barrels per day
BOE/D	–	barrels of oil equivalent per day
MCF	–	thousand cubic feet
MBOE	–	thousands of barrels of oil equivalent
MMCF	–	million cubic feet
MMCF/D	–	million cubic feet per day
NGLs	–	natural gas liquids

Cautionary Note

BOEs as disclosed herein are converted on the basis of 1 BOE to 6 MCF. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 1 BOE for 6 MCF is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Unless otherwise indicated, all dollar references in the Annual Information Form are in Canadian dollars.

NAME AND INCORPORATION

The Corporation was incorporated under the ABCA on March 20, 2006. The Corporation is a full cycle oil and gas exploration company with its principal operations in the greater Mediterranean area.

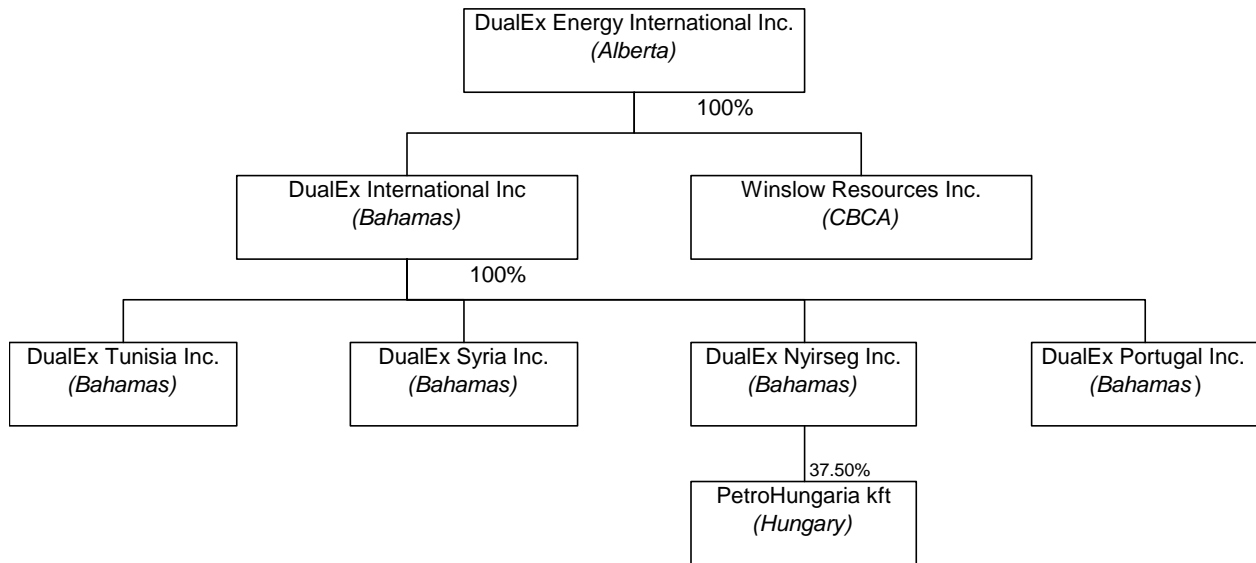
The Corporation is a reporting issuer in the Provinces of Alberta, British Columbia, Saskatchewan and Quebec. The Common Shares are listed on the TSXV under the trading symbol "DXE".

The Corporation's head office is located at Suite 200, 521 – 3rd Avenue S.W., Calgary, Alberta T2P 3T3. The registered office of the Corporation is located at 1000, 250 - 2nd Street S.W., Calgary, Alberta T2P 0C1.

Intercorporate Relationships

DualEx has two wholly-owned subsidiaries; DualEx International, which is incorporated pursuant to the laws of Bahamas; and Winslow, a corporation subsisting under the CBCA. DualEx International has four wholly-owned subsidiaries, DualEx Nyirsege, DualEx Portugal, DualEx Syria, and DualEx Tunisia each of which are also incorporated pursuant to the laws of Bahamas. DualEx Nyirsege has a 37.5% ownership of PetroHungaria kft, a company incorporated pursuant to the laws of Hungary. The head office and registered office of each of DualEx International, DualEx Nyirsege, DualEx Portugal, DualEx Syria and DualEx Tunisia is located at British Colonial Centre of Commerce, One Bay Street, Suite 103, P.O. Box N-7115, Nassau, Bahamas. The head and registered office of Winslow is located in Calgary, Alberta.

The following table sets forth the corporate structure of DualEx and its ownership interest in each direct and indirect subsidiary corporation.



GENERAL DEVELOPMENT OF THE BUSINESS

2006

The Corporation was incorporated under the ABCA as a wholly-owned subsidiary of Dual for the purposes of participating in the Arrangement.

On April 20, 2006, the Corporation entered into the Arrangement Agreement with Dual pursuant to which the Arrangement was completed on May 31, 2006.

On May 18, 2006, the Corporation completed the brokered private placement of 30 million subscription receipts at the price of \$0.40 per subscription receipt for gross proceeds of \$12 million. Each subscription receipt was convertible into one Common Share and one-half of one Common Share purchase warrant of the Corporation without payment of any additional consideration by the holders thereof upon the Arrangement becoming effective, the Common Shares being listed on the TSXV and satisfaction of certain other conditions (collectively, the "Conditions").

On May 23, 2006, the shareholders of Dual approved the Arrangement and the brokered private placement of 30 million subscription receipts.

On May 31, 2006, the Arrangement was completed. Pursuant to the Arrangement, DualEx acquired from Dual the Torres Vedras 2 and Aljubarrota 2 Concession Agreements in Portugal and the Syrian Exploration Interests and the Wyoming Royalty. These assets contained approximately 45,000 net acres of undeveloped land situated in Portugal on which a sizeable prospect inventory has been identified and an additional 395,241 net acres of undeveloped land situated in Syria. In consideration of these assets, the Corporation issued 14,038,582 Common Shares to Dual's shareholders.

The Conditions were satisfied on May 31, 2006 resulting in each of the 30 million subscription receipts issued on May 18, 2006 being converted into one Common Share and one-half of one Common Share purchase warrant without payment of any additional consideration by the holder thereof. Each full warrant entitles the holder thereof to purchase one Common Share for the exercise price of \$0.55 until May 31, 2008. In addition, the Corporation's Agents for the private placement of subscription receipts were issued on May 31, 2006 a total of 2,671,250 compensation options, each compensation option entitling the holder to acquire one Common Share and one-half of one Common Share purchase warrant for the exercise price of \$0.40 until May 18, 2008 in partial consideration of their services as DualEx's agents for the private placement of subscription receipts. Each Warrant acquired on exercise of the compensation options entitles the holder thereof to purchase one Common Share for the exercise price of \$0.55 until May 31, 2008.

On August 21, 2006, the Corporation entered into an agreement (the "PetroHungaria Agreement") with PetroHungaria kft of Budapest, Hungary pursuant to which the Corporation agreed to fund 75% of the costs to drill and complete two test wells to earn a 37.5% working interest in approximately 275,000 acres within the Nyirseg North and Nyirseg South Exploration Permits (collectively, the "Nyirseg Permits"), which area includes the Peneszlek natural gas field, all located in northeast Hungary. Under the PetroHungaria Agreement the Corporation also acquired an option to drill two additional wells under the same terms as above to earn a 37.5% working interest in the remaining 339,000 acres of the Nyirseg Permits. In December 2006 the Corporation exercised this option. The Corporation was the joint operator under the PetroHungaria Agreement during the earning phase.

2007

In Hungary, drilling of the first option well, PEN-102, commenced on April 26, 2007, and has been suspended pending further operations. The well was drilled to the planned total depth of 1,500 meters approximately six kilometers west of DualEx's PEN-104 discovery and 1.5 kilometres east of the PEN-12 well drilled in 1989 and which tested gas at rates up to 1.36 MMcf/d from Miocene volcanoclastics, but has not yet been placed on production. Drilling and logging results at PEN-102 indicated that the well had intercepted a fault system and consequently the target Miocene tuffaceous formations were encountered 38 meters low to prognosis. Gas was not present in this deeper section of the reservoir. To accurately define the orientation of the fault system, an offset vertical seismic profile survey (VSP) was recorded in the well. The purpose of this survey is to enable a sidetrack well to be planned with the objective of entering the Miocene gas reservoir in a structurally more favorable position.

The second option well, VAM-1, commenced drilling on May 23, 2007, and, despite gas shows in the target Miocene, DualEx and its partners abandoned the well. The drilling of the PEN-102 and VAM-1 well completed the Corporations earning obligations pursuant to the PetroHungaria Agreement. DualEx now has a 37.5% working interest in the Nyirseg Permits.

On July 17, 2007 the Corporation entered into an arrangement agreement to effect a business combination whereby the Corporation would acquire all of the outstanding Common Shares of Winslow in exchange for units of DualEx. Pursuant to the Winslow Arrangement Agreement, Winslow shareholders received 0.44 units of the Corporation for each Winslow Common Share held, with each full unit being comprised of 1.0 Common Share of DualEx and one-half of one share purchase warrant of DualEx, each whole share purchase warrant being exercisable for one Common Share of DualEx at a price of \$0.30 per share for a period of 18 months from the date of issue, provided that, after 12 months DualEx can force the exercise of the warrants if DualEx's Common Shares trade at \$0.40 or higher for twenty consecutive trading days. Shareholders and warrant holders of Winslow were asked to approve the Plan of Arrangement (the "Plan") at a meeting of securityholders scheduled for August 30, 2007. The Winslow Circular detailing the Winslow Arrangement Agreement was mailed to securityholders in early August, 2007. The Plan required the approval of 66 2/3% of the votes cast by the shareholders and warrant holders, voting together as a single class, and the approval of the Court of Queen's Bench of Alberta and certain regulatory agencies.

On August 30, 2007, the Winslow Arrangement Agreement was approved by the Winslow shareholders and warrant holders and the Court of Queen's Bench of Alberta. As a result of the Arrangement, an aggregate of 20,734,384 Common Shares and 10,367,192 DualEx warrants were issued for the 47,123,599 Winslow shares issued and outstanding at the effective date of the Arrangement, leaving DualEx with 64,772,966 shares issued and outstanding. See "Significant Acquisitions".

Significant Acquisitions

On August 30, 2007, DualEx completed its acquisition of Winslow. In exchange for 20,734,384 Winslow Shares and 10,367,192 DualEx warrants, the Corporation received all the outstanding shares of Winslow and became a wholly-owned subsidiary of DualEx. The value ascribed to the transaction was based on the trading price of DualEx shares on a five day period surrounding the announcement of the acquisition, being \$4.2 million, including \$3.0 million in working capital and another \$1.2 million in petroleum and natural gas properties and mining properties. DualEx filed a Business Acquisition Report in the form of Form 51-102F4 in respect of its acquisition of Winslow.

DESCRIPTION OF THE BUSINESS

DualEx is a Canadian-based, full cycle oil and gas exploration company with its principal operations in the greater Mediterranean area. DualEx also has minor interest in oil and gas assets located in western Canada acquired through its acquisition of Winslow. See "Significant Acquisitions". During the year ended December 31, 2007, the Corporation participated in the drilling of two wells in Hungary and a large 2D seismic survey in Syria.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

Principal Properties

The following is a description of the Corporation's principal properties.

Syrian Exploration Interests

DualEx holds 31.67% working interest in Syrian oil and natural gas Block 17 which encompasses 1.254 million acres and is located onshore, centred approximately 115 kilometres east of Damascus and approximately 100 kilometres southwest of Palmyra. This interest is referred to in this Annual Information Form as the Syrian Exploration Interests. DualEx, along with its partners, Stratic Energy Corporation (the Operator) and KUFPEC (Kuwait Foreign Petroleum Exploration Co.), increased the work program on the Syrian Exploration Interests from a minimum of 625 line kilometres of new 2D seismic data to 1,105 line kilometres of new 2D data. Field recording of this seismic program was completed in August 2007. DualEx and its partners have completed the reprocessing of a significant portion of the 2,338 line kilometres of legacy 2D seismic data. Interpretation of DualEx's 2007 2D seismic survey and a significant portion of the 2338 line kilometres of legacy data is well advanced. DualEx and its partners are currently in the process of progressing leads to the prospect stage, with the aim of committing to a drilling rig for the second half of 2008. DualEx has until June 2009 to meet its remaining commitment to drill one exploratory well in Syria.

DualEx has posted a US \$1,171,790 letter of guarantee with the Commercial Bank of Syria pursuant to the Production Sharing Agreement for Block 17. This letter is secured by a guarantee granted by Export Development Canada.

Portuguese Exploration Interests

DualEx held a 10% working interest in two onshore concessions located in the Lusitanian Basin of Portugal that collectively encompass approximately 450,000 gross acres, the Torres Vedras-2 Concession encompassed 156,620 gross acres, and the Aljubarrota-2 Concession encompassed slightly over 300,000 gross acres. Pursuant to the Concession Agreements, DualEx and its partners were required to relinquish 50% of the acreage in each of the Aljubarrota-2 and Torres Vedras-2 Concessions in 2007. However, in April 2007 the partners submitted new Concession applications ("Aljubarrota-3" and "Torres Vedras-3") to the Portuguese authorities, which increased the acreage in each concession; in the case of Aljubarrota-3 to 1260 km² (311,353 acres), and for Torres Vedras-3 to 1300 km² (321,257 acres). Under the terms of these concession agreements DualEx has a requirement to drill one well per concession per year.

The currently planned 2008 exploration program consists of two 3D seismic surveys, the deepening of two existing wells and the drilling of one to two additional exploration wells.

The deepening of the two wells, Lapaducos-2 and Aljubarrota-4, is anticipated to commence in the second quarter 2008. The Lapaducos-2 operation involves deepening the well in order to evaluate the Upper Jurassic fractured Montejunto carbonate and Middle Jurassic Candieiros limestone targets. At the conclusion of operations at Lapaducos, the rig is scheduled to be mobilized to the Aljubarrota-4 location, which is planned to be deepened by 400 metres into the lower portion of the fractured Brenha Carbonate zone and underlying Brenha carbonate grainstone zone. The third well in the program, Carascal (a Triassic subsalt test), is anticipated to be drilled subsequent to the Aljubarrota 3-D survey.

The Torres Vedras 3-D survey is currently being recorded. This 117 sq km 3-D survey is being recorded as follow up to a well drilled by DualEx's predecessor on a Jurassic reef prospect utilizing older 2-D seismic. That wellbore missed the reef although indications from the well data suggest proximity to a reef buildup. Several additional reef prospects (mapped with the older 2-D data) will also be imaged by this survey. A second 3-D survey (130 sq km) is located within the Aljubarrota Concession and front-end field operations are currently underway.

Hungarian Exploration Interests

On August 21, 2006, the Corporation entered into an agreement (the "PetroHungaria Agreement") with PetroHungaria kft of Budapest, Hungary pursuant to which the Corporation agreed to fund 75% of the costs to drill and complete two test wells to earn a 37.5% working interest in approximately 275,000 acres within the Nyirseg North and Nyirseg South Exploration Permits (collectively, the "Nyirseg Permits"), which area includes the Peneszlek natural gas field, all located in northeast Hungary. Under the PetroHungaria Agreement the Corporation also acquired an option to drill two additional wells under the same terms as above to earn a 37.5% working interest

in the remaining 339,000 acres of the Nyirseg Permits. The Corporation was the joint operator under the PetroHungaria Agreement during the earning phase.

In November 2006, the PEN-104 well, the initial test well under the PetroHungaria Agreement, was drilled, resulting in a natural gas discovery. The PEN-104 well is located within the Peneszlek natural gas field. In December 2006, the FGY-2 well, the second test well under the PetroHungaria Agreement, was drilled and abandoned. The FGY-2 well is located on the Nyirseg North Exploration Permit, approximately fifty kilometres northeast of the PEN-104 discovery well.

In December 2006, DualEx elected to participate in two option wells under the PetroHungaria Agreement. Drilling of the first option well, PEN-102, commenced on April 26, 2007, and has been suspended pending further evaluation and operations. The well was drilled to the planned total depth of 1,500 meters approximately six kilometers west of DualEx's PEN-104 discovery and 1.5 kilometres east of the PEN-12 well drilled in 1989 and which tested gas at rates up to 1.36 MMcf/d from Miocene volcanoclastics, but has not yet been placed on production. Drilling and logging results at PEN-102 indicated that the well had intercepted a fault system and consequently the target Miocene tuffaceous formations were encountered 38 meters low to prognosis. Gas was not present in this deeper section of the reservoir. To accurately define the orientation of the fault system, an offset vertical seismic profile survey (VSP) was recorded in the well. The purpose of this survey is to enable a sidetrack well to be planned with the objective of entering the Miocene gas reservoir in a structurally more favorable position.

The second option well, VAM-1, commenced drilling on May 23, 2007, and, despite gas shows in the target Miocene, DualEx and its partners abandoned the well. The drilling of the PEN-102 and VAM-1 well completed the Corporations earning obligations pursuant to the PetroHungaria Agreement. DualEx now has a 37.5% working interest in the Nyirseg Permits.

DualEx and its partners have initiated a development centered on the PEN-104 gas discovery and incorporating the PEN-9 and PEN-12 suspended gas wells. DualEx' share of this development is anticipated to be \$1.3 million. First production from the Penészlek natural gas field is expected in the second quarter of 2008 with the completion and tying-in of the PEN-104 well. The export pipeline has been successfully tested and the gas processing facilities (currently being manufactured) are scheduled for delivery in April. The PEN-104 well is anticipated to be completed in April with production to follow shortly after facility installation. In addition, the already drilled PEN-9 and PEN-12 wells are planned to be re-entered once the required wellbore permits have been obtained from the Hungarian government. DualEx' PEN-104 discovery, together with PEN-9 and PEN-12, in aggregate tested over 7.5 MMcf/day of gas from both the basal Miocene volcanoclastic section and the overlying Pannonian section.

Tunisian Exploraton Interests

On February 20, 2008, DualEx announced that it's bid for the Bouhajla Exploration Block in Eastern onshore Tunisia has been approved by the Tunisian Ministry of Industry and Energy's Comite Consultatif des Hydrocarbures. The Company's bid entails the issuance of a Production Sharing Contract ("PSC"). It is anticipated that the PSC, if issued, would require DualEx to undertake a minimum of 100 kilometres of new 2D seismic within the first two years of the term, and the drilling of a minimum of one exploration well within the succeeding two years. The Corporation will hold 100% of the contractor share and would be the operator. The issuance of the PSC is subject to finalization of the detailed terms and Government ratification. There is no assurance that the PSC will be issued with these terms and conditions or at all.

Western Canada

DualEx has various working interests in legacy assets owned by Winslow. These assets are located in Alberta, Saskatchewan, and Manitoba. DualEx is continuing with the evaluation of these assets, including development, by either funding internally or farming out, or selling those interests which do not fit within DualEx's corporate strategy. In this regard, DualEx sold certain mining interests for total consideration of \$279,356 and certain petroleum and natural gas properties for \$350,000 in 2007. Subsequent to December 31, 2007, the Company completed further dispositions of producing and non-producing western Canadian properties for additional consideration in the aggregate amount of \$1,024,000.

The following is a description of the Corporations principal producing properties in western Canada as of December 31, 2007:

Chigwell, AB

The Corporation had two sections of land in the Chigwell area of central Alberta. The first section with a working interest of 33% has four producing gas wells. The second section with a 100% working interest and one suspended well awaiting completion and tie-in, was sold subsequent to December 31, 2007 for \$467,000.

North Virden Scallion Unit No. 1 – Manitoba

The North Virden property, located in Southwest Manitoba, produces primarily light oil. The Corporation has a 0.23626% gross overriding royalty interest in the North Virden Scallion Unit. As Winslow is in a royalty position, the Corporation is not liable for capital or operating expenses, including well abandonment. This property was sold subsequent to year end for \$282,000.

Summary of Reserves & Future Net Revenue

There are not presently, nor has there ever been, any production from, or reserves assigned, to the Syrian, Portuguese, Hungarian or Tunisian Exploration Interests. No reserves have been assigned to the Corporations Wyoming Interest as it is immaterial. As a result, the Corporation's only reserves are located in western Canada. The following reserve information only includes reserves in western Canada.

In accordance with the requirements of NI 51-101, the following Statement of Reserves Data and Other Oil and Gas Information for DualEx is dated with an effective date of December 31, 2007 and a preparation date of March 18, 2008.

Martin & Brusset Associates ("Martin") has prepared a reserve report dated as of March 18, 2008 with an effective date of December 31, 2007 (the "Martin Report") which evaluates the proved and probable crude oil, natural gas and NGL reserves attributable to DualEx's interests in its western Canadian properties and net present value of estimated future cash flow from such reserves, based on forecasted price and cost assumptions. The reserves information contained in the Martin Report was prepared and is presented in accordance with the requirements of NI 51-101.

In preparing its report, Martin obtained basic information from DualEx, which included land data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluation and upon which the Martin Report is based, was obtained from public records, other operators and from Martin's non-confidential files. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by Martin as represented by DualEx.

The following tables, based on the Martin Report, show the estimated share of DualEx's crude oil, natural gas and NGL reserves in its properties and the net present value of estimated future net revenue for these reserves, using constant and forecast prices and costs as indicated. All evaluations of the present value of estimated future net revenue in the Martin Report are stated after provision for estimated future capital expenditures, well abandonment and reclamation costs (including the offsetting salvage value of tangible equipment after abandonment) but prior to income taxes and indirect costs and do not necessarily represent the fair market value of the reserves. The recovery and reserve estimates of DualEx's oil, NGL and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

References to oil, gas, natural gas liquids, reserves (gross, net, proved, probable, possible, developed, developed producing, developed non-producing, undeveloped), constant prices and costs, forecast prices and costs, operating,

costs, development costs, future net revenue and future income tax expenses shall, unless expressly stated to be to the contrary, have the meaning attributed to such terms as set out in National Instrument 51-101, Companion Policy 51-101CP and all forms referenced therein.

The following is a summary of oil and natural gas reserves and net present values of future net revenue as of December 31, 2007 using forecast prices and costs:

**Summary of Oil and Natural Gas Reserves
and Net Present Values of Future Net Revenue
As of December 31, 2007**

Forecast Prices and Costs

RESERVES CATEGORY	OIL AND NATURAL GAS RESERVES							
	LIGHT AND MEDIUM OIL		NATURAL GAS		COAL BED METHANE GAS		TOTAL	
	Gross (Mbbls) (1)	Net (Mbbls) (2)	Gross (MMcf) (1)	Net (MMcf) (2)	Gross (MMcf) (1)	Net (MMcf) (2)	Gross (MBOE) (1)	Net (MBOE) (2)
Proved Reserves								
Proved Developed Producing	-	4	-	-	115	103	19	21
Proved Developed Non-Producing	-	-	-	-	106	93	18	16
Total Proved	-	4	-	-	221	196	37	37
Probable Reserves								
Total Probable Developed	-	1	22	20	52	47	12	12
Total Proved Plus Probable Reserves	-	5	22	20	273	243	49	49

Notes:

- (1) Gross Reserves means the Corporation's working interest (operating and non-operating) share before deduction of royalties and income taxes.
- (2) Net Reserves means Corporation's working interest (operating and non-operating) share after deduction of royalties but before deduction of income taxes.

RESERVES CATEGORY	NET PRESENT VALUES OF FUTURE NET REVENUE									
	BEFORE INCOME TAXES DISCOUNTED AT (% / YEAR)				AFTER INCOME TAXES DISCOUNTED AT (% / YEAR)					
	0	5	10	15	20	0	5	10	15	20
	(in \$ thousands)				(in \$ thousands)					
Proved Reserves										
Proved Developed Producing	876	748	653	579	521	636	542	472	418	375
Proved Developed Non-Producing	413	333	273	228	192	301	239	193	158	131
Total Proved	1,289	1,081	926	807	713	937	781	665	576	506
Probable Reserves										
Total Probable Developed	426	306	228	178	143	317	226	168	130	105
Total Proved Plus Probable Reserves	1,715	1,387	1,154	985	856	1,254	1,007	833	706	611

Reserves Category	Total Future Revenue (Undiscounted in \$ thousands)							Future Net Revenue After Income Taxes
	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenue Before Income Taxes	Income Taxes	
Proved Reserves	1,912	179	298	128	18	1,289	352	937

Additional Information Concerning Future Net Revenue

The net present value of future net revenue by reserves category and production group as of December 31, 2007, using forecast prices and discounted at 10% per year, is set forth below:

Future Net Revenue Before Income Taxes (Discounted at 10% / year)			
Reserves Category	Production Group	Forecast Prices and Costs (in \$ thousands)	Unit Value \$/boe
Proved Reserves	Light and Medium Crude Oil	225	56.25
	Natural Gas	-	
	Coal Bed Methane Gas	701	21.24
Proved Plus Probable Reserves	Light and Medium Crude Oil	258	51.60
	Natural Gas	53	15.90
	Coal Bed Methane Gas	843	20.80

Pricing Assumptions

Martin employed the following price and exchange rate and inflation rate assumptions as of December 31, 2007 in estimating DualEx's reserves data using forecast prices and costs:

Year	CRUDE OIL			NATURAL GAS		EXCHANGE RATE	INFLATION RATE
	WTI (\$US/bbl)	Edmonton Light Sweet 40 ⁰ API (\$Cdn/bbl)	Cromer Medium Price (\$Cdn/bbl)	Aggregator Average Field	AECO C Spot	\$US/\$CDN	%/YEAR
2008	90.00	88.00	76.00	6.31	6.75	1.00	0
2009	86.00	84.00	73.00	7.00	7.25	1.00	2
2010	84.00	82.00	71.00	7.25	7.50	1.00	2
2011	82.00	80.00	69.00	7.35	7.60	1.00	2
2012	82.50 #	80.50	69.50	7.45	7.70	1.00	2
2013	83.00	81.00	70.00	7.55	7.80	1.00	2
2014	83.50	81.50	70.50	7.65	7.90	1.00	2
2015	84.00	82.00	71.00	7.75	8.00	1.00	2
2016	85.00	83.00	72.00	7.85	8.10	1.00	2
2017	86.00	84.00	73.00	7.95	8.20	1.00	2
2018	87.00	85.00	74.00	8.05	8.30	1.00	2
Thereafter	Increases 2%/Year						

Reconciliation of Reserves

The following table reconciles the Corporation's oil and natural gas reserves (on a gross basis) from December 31, 2006 to December 31, 2007, using forecast prices and costs.

Factors	Heavy Oil			Natural Gas			Coal Bed Methane Gas			Total		
	Proved (mbls)	Probable (mbls)	Proved and Probable (mbls)	Proved (mmcf)	Probable (mmcf)	Proved and Probable (mmcf)	Proved (mmcf)	Probable (mmcf)	Proved and Probable (mmcf)	Proved (mboe)	Probable (mboe)	Proved and Probable (mboe)
December 31, 2006	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions	14.0	20.0	34.0	-	22.0	22.0	232.0	52.0	284.0	53.0	32.0	85.0
Dispositions	(13.0)	(20.0)	(33.0)	-	-	-	-	-	-	(13.0)	(20.0)	(33.0)
Extensions	-	-	-	-	-	-	-	-	-	-	-	-
Technical Revisions	-	-	-	-	-	-	-	-	-	-	-	-
Discoveries	-	-	-	-	-	-	-	-	-	-	-	-
Economic Factors	-	-	-	-	-	-	-	-	-	-	-	-
Improved Recovery	-	-	-	-	-	-	-	-	-	-	-	-
Production	(1.0)	-	(1.0)	-	-	-	(11.0)	-	(11.0)	(3.0)	-	(3.0)
December 31, 2007	-	-	-	-	22.0	22.0	221.0	52.0	273.0	37.0	12.0	49.0

Undeveloped Reserves

As at December 31, 2007 the Corporation did not have any undeveloped reserves.

Future Development Costs

The amount of development costs deducted in the estimated net present value of future net revenue is as follows:

Forecast Prices and Cost (Undiscounted)		
Year	Proved Reserves	Proved Plus Probable
2008	-	-
2009	128	134
	128	134

The Corporation expects to fund these development costs through its internally generated cash flow and existing working capital.

Oil and Natural Gas Wells and Properties

The following table summarizes, as at December 31, 2007, the Corporation's interest in producing wells and in non-producing wells which were not producing, but may be capable of production.

Country	Producing Oil Wells		Producing Gas Wells		Suspended/Shut-In		Service	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Hungary	-	-	-	-	2	0.75	-	-
Syria	-	-	-	-	-	-	-	-
Portugal	-	-	-	-	2	0.20	-	-
Western Canada	-	-	4	1.33	3	1.75	-	-
	-	-	4	1.33	7	2.70	-	-

Unproved Properties

The following table summarizes the gross and net acres of unproved properties in which DualEx has an interest and also the number of net acres for which DualEx's rights to explore, develop or exploit will, absent further action, expire within one year.

Country	Gross Acres	Net Acres	Net Acres Expiring Within One Year
Hungary	614,000	230,250	Nil
Portugal	632,000	63,200	Nil
Syria	1,248,000	395,420	Nil
Western Canada	35,760	9,260	
Total	2,494,000	698,130	Nil

Exploration and Development Activities

During the year ended December 31, 2007 and period commencing May 31, 2006 and ending December 31, 2006, DualEx has drilled or participated in drilling the following wells, all of which are located in Hungary. No wells were drilled on the Corporation's properties located in western Canada, Portugal and Syria during 2006 or 2007.

	Year Ended December 31, 2007		Period Ended December 31, 2006	
	Gross	Net	Gross	Net
Drilled & Cased				
Producing Wells – Natural Gas	-	-	-	-
Standing Gas	-	-	-	-
Shut-In Gas/Oil	-	-	1	0.375
Suspended	1	0.375	-	-
Dry Holes (Abandoned)	1	0.375	1	0.375
TOTAL	2	0.750	2	0.750
Exploration	-	-	2	0.75
Development	-	-	-	-
TOTAL	-	-	2	0.75

The Corporation elected to participate in the drilling of two option wells on the Nyirsege Permits in Hungary. The Corporation paid 75% of the costs to drill each option well to earn a 37.5% working interest in the balance of the Nyirsege Permits comprising, in aggregate, of approximately 614,000 gross acres. For further information see "Statement of Reserves Data and Other Oil and Gas Information - Principal Properties"

Production Estimates

The following table sets out the volume of the Corporation's production estimated for the year ended December 31, 2008, which is reflected in the estimate of the future net revenue disclosed in the "Summary of Reserves and Future Net Revenue" section of this Annual Information Form.

	Light and Medium Crude Oil (bbl/d)	Natural Gas (mcf/d)	Coal Bed Methane Gas (mcf/d)	BOE (boe/d)
Alberta				
Proved				
Developed producing	-	-	82	14
Developed non-producing	-	-	-	-
Undeveloped	-	-	-	-
Total Proved	-	-	82	14
Probable	-	-	1	-
Total proved plus probable	-	-	83	14
Manitoba				
Proved				
Developed producing	2	-	-	2
Developed non-producing	-	-	-	-
Undeveloped	-	-	-	-
Total Proved	2	-	-	2
Probable	-	-	-	-
Total proved plus probable	2	-	-	2

Quarterly Production and Netback History

The following table sets forth the Corporation's average daily production volume, on a company interest basis, and the average netback received for each fiscal quarter in 2007 and for the entire year. Netbacks are calculated on the basis of prices received, less related royalty and production costs.

	Three Months Ended, 2007				Year Ended
	31-Mar	30-Jun	30-Sep	31-Dec	31-Dec-07
Average Daily Production					
Oil & NGL's (boe/day)	-	-	1	2	1
Heavy Oil	-	-	3	3	1
Coal Bed Methane Gas (mcf/day)	42	30	60	150	72
Total (boe/day)	7	5	14	30	14
Aggregate Sales					
	22,812	17,195	48,598	79,966	168,571
Average Price per boe					
	36.21	37.79	37.73	28.97	32.99
Royalty per boe					
	-	-	(2.17)	(2.11)	(1.69)
Operating Expenses per boe					
	-	-	(3.11)	(3.92)	(2.90)
Netback per boe	36.21	37.79	32.45	22.94	28.40

Abandonment and Reclamation Costs

The Corporation is liable for ongoing environmental obligations and for the ultimate abandonment and reclamation costs for its natural gas and petroleum properties. The Corporation identifies obligations related to petroleum and natural gas properties by estimating the present value of expected future costs to reclaim and abandon these properties and the timing of the costs to be incurred in future periods. These estimates are currently based on 4.0 net wells. The present value of abandonment and reclamation liability associated with the exploration activity undertaken by DualEx, and its acquired properties, discounted at 10% is \$61,000 (of which \$43,000 was not deducted as abandonment and reclamation costs in estimating future net revenue). The undiscounted amount of the estimated future cash flows required to settle the obligations is \$249,000, These obligations are expected to be paid over the next several years with a weighted average life of approximately fifteen years with no amounts anticipated to be paid over the next three years. The abandonment and reclamation liabilities relate to western Canada, Portugal and Hungary.

Acquisition, Exploration and Development Costs

The amounts incurred by the Corporation during year ended December 31, 2007 in connection with property acquisitions and exploration and development activities are presented in the table below. The costs used in this calculation are all capital costs related to land acquisition and retention, drilling, completions, tangible well site equipment, tie-ins, facilities, and estimated future development costs.

Country	Acquisition Costs	Exploration Costs	Development Costs
Hungary	\$ -	\$ 2,749,371	\$ -
Syria	-	2,753,309	-
Portugal	-	12,365	-
Western Canada	986,502	-	10,442
Total	<u>\$ 986,502</u>	<u>\$ 5,515,045</u>	<u>\$ 10,442</u>

Future Price Commitments

DualEx has not entered into any hedges or future price commitments on any of its future production.

Tax Horizon

The Company is unable to estimate when taxes may become payable as it is dependent on the level of future commercial exploration and development success.

Human Resources

As of December 31, 2007, there were 4.6 full time equivalent personnel employed and contracted by the Company.

DESCRIPTION OF CAPITAL STRUCTURE

DualEx is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As of December 31, 2007, 64,772,966 Common Shares and no preferred shares of DualEx were issued and outstanding.

Holders of Common Shares are entitled to receive notice of and attend all meetings of shareholders of DualEx. The Common Shares carry one vote per Common Share. Subject to the prior rights of holders of preferred shares, holders of Common Shares are entitled to dividends, if, as and when declared by the board of directors of DualEx, and, in the event of the liquidation, dissolution or winding up of DualEx or other distribution of its assets, to receive on a pro rata basis all of the remaining property of DualEx.

DIVIDEND RECORD AND POLICY

Since incorporation, DualEx has not paid any dividends on its outstanding Common Shares. Any decision to pay dividends on the Common Shares in the future will be dependent upon the financial requirements of DualEx to finance future growth, the financial condition of DualEx, and other factors which the board of directors of DualEx may consider appropriate in the circumstances.

MARKET FOR SECURITIES

The Common Shares are listed for trading on the TSXV and trade under the symbol "DXE". The Common Shares commenced trading on the TSXV on May 31, 2006. The table sets out the price range for and trading volume of the Common Shares for the periods indicated.

Period	High	Low	Volume
January 2007	\$0.71	\$0.49	580,253
February 2007	\$0.58	\$0.42	821,965
March 2007	\$0.50	\$0.23	4,396,845
April 2007	\$0.43	\$0.24	6,216,605
May 2007	\$0.36	\$0.27	1,954,945
June 2007	\$0.30	\$0.12	11,922,597
July 2007	\$0.25	\$0.145	6,369,793
August 2007	\$0.34	\$0.16	8,112,735
September 2007	\$0.27	\$0.20	3,042,635
October 2007	\$0.23	\$0.18	5,175,489
November 2007	\$0.20	\$0.14	3,453,096
December 2007	\$0.20	\$0.13	7,352,461

PRIOR SALES

As consideration for all of the outstanding common shares of Winslow, DualEx issued 20,734,384 Common Shares and 10,367,192 warrants to purchase Common Shares on August 30, 2007. See “Significant Acquisitions”.

DIRECTORS AND OFFICERS

The following table provides the names, municipalities of residence, position, and principal occupations of the directors and officers of DualEx.

Name and Municipality of Residence and Position with DualEx	Director/Officer Since	Principal Occupations
Garry T. Hides ⁽²⁾ Chestermere, AB Chief Executive Officer, President and Director	March 20, 2006	President and CEO of DualEx. Prior thereto, Vice-President of Land and Business Development for Dual since July 2005. Prior thereto, Vice-President of Land and Business Development for Devlan Exploration Inc. as of June 2004. Prior thereto, Vice-President, Land with Petrobank Energy and Resources for seven years and held various positions of increasing responsibility with Chevron Canada Resources for 13 years prior to that. Mr. Hides is a professional landman with over 24 years of diversified land, negotiations and business development experience, both domestically and internationally. He is a member of both the <i>Canadian Association of Petroleum Landmen</i> and the <i>Association of International Petroleum Negotiators</i> .
Kenneth M. Tompson ⁽³⁾ Calgary, AB Executive Vice-President, Chief Operating Officer and Director	March 20, 2006	Executive VP and COO of DualEx. Prior thereto, Mr. Tompson was the Vice-President of Exploration for Dual since July 2005. He joined Dual’s predecessor, Devlan Exploration Inc., in February 2003 as its Vice-President of Exploration. Prior to establishing an exploration consulting practice in February 2001, he was the Vice-President, Exploration of Petrobank Energy and Resources Ltd. Mr. Tompson has in excess of 29 years of experience in oil and gas exploration. He is a member of the <i>Canadian Society of Petroleum Geologists</i> and the <i>Association of Professional Engineers, Geologist and Geophysicists of Alberta</i> .
David Rain ⁽¹⁾⁽²⁾ Calgary, AB Director	May 30, 2006	Director and CFO of Caribou Capital Corp., a private investment company, since June 1999; Corporate Secretary of Harvest Energy Trust since July 2002. Prior thereto, Vice-President and CFO of Harvest from July 2004 to February 2006. V.P. Finance and CFO of Petrobank Energy and Resources Ltd. from October 2001 to March 2004 and Director, Corporate Finance of Petrobank from April 2000 to September 2001. Mr. Rain is a Chartered Accountant with 20 years experience in the oil and gas industry, both in Canada and internationally.
Roy Hudson ⁽¹⁾⁽²⁾⁽³⁾ Calgary, AB Director	May 30, 2006	Partner of Davis LLP since September 2004. Partner of Borden Ladner Gervais LLP from July 2002 to September 2004. Prior thereto partner of Armstrong Perkins Hudson LLP since January 1999. Mr. Hudson is a director of several other publicly held corporations and has practiced securities and corporate law since 1984.

Name and Municipality of Residence and Position with DualEx	Director/Officer Since	Principal Occupations
John Nelson ⁽¹⁾⁽³⁾ Calgary, AB Director	August 30, 2007	Mr. Nelson is a professional geologist with over 20 years experience in both domestic and international oil and gas exploration, initially serving as an exploration geologist and project manager with Mobil Oil Corp. in Dallas, TX, and was most recently President and Director of Winslow.
Lorne A. Morozoff Calgary, AB Vice-President Finance and Chief Financial Officer	September 1, 2006	A Chartered Accountant with nineteen years experience, the last eleven in the international oil and gas industry, and most recently as Controller of Stratic Energy Corporation. Prior thereto, he held various senior level positions within Nexen Inc. from 2001 - 2005, including a two year assignment in Yemen. Prior thereto he served as a Senior Internal Auditor with the Qatar General Petroleum Corporation in Doha, Qatar from 1997 to 2000.

Notes:

- (1) Denotes audit committee members.
- (2) Denotes corporate governance and compensation committee members.
- (3) Denotes reserves committee member.

Each director will hold office until the next annual general meeting of Shareholders of DualEx or until his successor is elected or appointed.

As at December 31, 2007 the directors and executive officers of DualEx, as a group beneficially own, directly or indirectly, approximately 4.0% of the outstanding Common Shares, and 5% on a fully diluted basis. Directors and executive officers as a group hold Options and Warrants, with the rights to purchase or acquire an aggregate of an additional 1,961,210 Common Shares.

TRANSFER AGENT AND REGISTRARS

The transfer agent and registrar for the Common Shares is Olympia Trust Company at its principal offices in Calgary, Alberta.

MATERIAL CONTRACTS

Other than the Winslow Arrangement Agreement, there are no material contracts, other than contracts entered into in the ordinary course of business, that are material to DualEx that were entered into within the most recently completed financial year, or before the most recently completed financial year but are still in effect. A description of the Winslow Arrangement Agreement can be found in the Winslow Circular under the headings "The Arrangement - Details of the Arrangement", and -Appendix B - "Arrangement Agreement", which excerpts are incorporated by reference herein and the Winslow Circular is available on SEDAR at www.sedar.com.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of directors or executive officers of DualEx, any shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares of DualEx, or any known associate or affiliate of such persons, in any transaction since commencement of operations of DualEx which has materially affected DualEx or in any proposed transaction which would materially affect DualEx.

INTEREST OF EXPERTS

Deloitte & Touche LLP is the external auditor of DualEx and is independent within the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta. As of the date hereof, none of the partners and associates of Martin & Brusset Associates, the authors of our Reserve Report dated March 18, 2008, owned any of our outstanding common shares.

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the directors and officers of DualEx may be subject in connection with the operations of DualEx. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of, interests in businesses and corporations on their own behalf and on behalf of other corporations, and situations may arise where the directors and officers will be in direct competition with DualEx. No assurances can be given that opportunities identified by such board members will be provided to DualEx.

In the event of such conflicts, decisions will be made on a basis consistent with the objectives and financial resources of each group of interested parties, the time limitations on investment of such financial resources, and on the basis of operating efficiencies having regard to the then current holdings of properties of each group of interested parties consistent with the duties of DualEx to each such group of persons. All reasonable efforts will be used to resolve such conflicts of interest in a manner which will treat DualEx and the other interested party fairly taking into account all of the circumstances of DualEx and such interested party and to act honestly and in good faith in resolving such matters. Conflicts, if any, will be subject to the procedures and remedies under the ABCA.

RISK FACTORS

Overview

The business carried on by DualEx is subject to a number of risk factors. An investment in securities of DualEx is suitable only to those investors who are willing to risk the loss of their entire investment. Investors must rely upon the ability, expertise, judgement, discretion, integrity and good faith of management of DualEx. An investment in the securities of DualEx is speculative and involves a high degree of risk due to the nature of DualEx's involvement in the business of exploration for petroleum and natural gas. The following is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Annual Information Form.

Stage of Development

An investment in DualEx is subject to certain risks related to the nature of DualEx's business and its early stage of development. There are numerous factors which may affect the success of DualEx's business which are beyond DualEx's control including local, national and international economic and political conditions. DualEx's business involves a high degree of risk which a combination of experience, knowledge and careful evaluation may not overcome. DualEx's operations in Hungary, Portugal and Syria have exposed DualEx to risks which may not exist for domestic operations such as political and currency risks. DualEx has a limited history of operations and earnings and there can be no assurance that DualEx's business will be successful or profitable or that commercial quantities of oil and/or natural gas will be discovered by DualEx. DualEx has not paid any dividends and it is unlikely to pay dividends in the immediate or foreseeable future.

Oil and Natural Gas Development

No reserves have been assigned in connection with DualEx's interests in Hungary, Syria, or Portugal, all given their early stage of development. The future value of DualEx is therefore dependent on the success or otherwise of

DualEx's activities which are principally directed toward the further exploration, appraisal and development of its assets in Hungary, Syria, Portugal and ultimately Tunisia. DualEx has a right to explore and appraise such assets in Hungary, Syria and Portugal but does not have a right to produce same until such time as the reserves are determined to be commercial. Exploration, appraisal and development of oil and natural gas reserves is speculative and involves a significant degree of risk. There is no guarantee that exploration or appraisal of the Hungarian, Syrian, Portuguese, and Tunisian Exploration Interests will lead to a commercial discovery or, if there is commercial discovery, that DualEx will be able to realize such reserves as intended. Not all properties that are explored are ultimately developed into new reserves. If at any stage DualEx is precluded from pursuing its exploration or development programmes, or such programmes are otherwise not continued, DualEx's business, financial condition and/or results of operations and, accordingly, the trading price of the DualEx Common Shares, is likely to be materially adversely affected.

Oil and natural gas exploration involves a high degree of risk and there is no assurance that expenditures made on future exploration or development activities by DualEx will result in discoveries of oil, condensate or natural gas that are commercially or economically possible. It is difficult to project the costs of implementing any exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as overpressured zones and tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof.

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment 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 Corporation and may delay exploration and development activities.

Infrastructure development in some of the countries in which the Corporation operates is limited. These factors may affect the Corporation's ability to explore and develop its properties and to store and transport its oil and gas production.

DualEx's operations are subject to all the risks normally incident to the exploration, development and operation of oil and natural gas properties and the drilling of oil and natural gas wells, including encountering unexpected formations or pressures, premature declines of reservoirs, potential environmental damage, blow-outs, cratering, fires and spills, all of which could result in personal injuries, loss of life and damage to property of DualEx and others. In accordance with industry practice, DualEx has normal and customary insurance coverage.

Environmental regulation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing.

Risks of Foreign Operations

All of DualEx's oil and natural gas properties and operations are located in foreign jurisdictions. As such, DualEx is subject to political, economic, and other uncertainties, including, but not limited to, expropriation of property without fair compensation, changes in energy policies or the personnel administering them, nationalization, currency fluctuations and devaluations, exchange controls and royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which DualEx's operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities and insurrections.

DualEx's operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with DualEx's operations in Hungary, Syria, Portugal, Tunisia or the United States, DualEx may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. DualEx may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, DualEx's exploration, development and production activities in Hungary, Syria, Portugal, Tunisia or the United States could be substantially affected by factors beyond DualEx's control, any of which could have a material adverse effect on DualEx.

DualEx's operations may be adversely affected by changes in government policies and legislation or social instability and other factors which are not within the control of DualEx including, among other things, a change in oil or natural gas pricing policy, the risks of war, terrorism, abduction, expropriation, nationalization, renegotiation or nullification of existing concessions and contracts, taxation policies, economic sanctions, the imposition of specific drilling obligations and the development and abandonment of fields.

Additional Financing

The Corporation's future capital commitments on its existing assets will likely exceed existing cash resources, which would require DualEx to raise additional financing. The ability of DualEx to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of DualEx. This in turn could limit growth prospects in the short run or may even require DualEx to dedicate cash flow, dispose of properties or raise new equity to continue operations under circumstances of declining energy prices, disappointing drilling results, or economic or political dislocation in foreign countries. There can be no assurance that DualEx will be successful in its efforts to arrange additional financing on terms satisfactory to DualEx. This may be further complicated by the limited market liquidity for shares of smaller companies, restricting access to some institutional investors. If additional financing is raised by the issuance of shares from the treasury of DualEx, control of DualEx may change and shareholders may suffer additional dilution.

From time to time DualEx may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may temporarily increase DualEx's debt levels above industry standards.

Industry Conditions

The international oil and natural gas industry is intensely competitive and DualEx competes with other companies which possess greater technical and financial resources. Many of these competitors not only explore for and produce oil and natural gas but also carry on refining operations and market petroleum and other products on an international basis. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including premature decline of reservoirs and invasion of water into producing formations.

The marketability and price of oil and natural gas which may be acquired or discovered by DualEx will be affected by numerous factors beyond the control of DualEx. The ability of DualEx to market any natural gas discovered may depend upon its ability to acquire space on pipelines which deliver natural gas to commercial markets. DualEx is also subject to market fluctuations in the prices of oil and natural gas, uncertainties related to the delivery and proximity of its reserves to pipelines and processing facilities and extensive government regulation relating to prices, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business. DualEx is also subject to a variety of waste disposal, pollution control and similar environmental laws

The oil and natural gas industry is subject to varying environmental regulations in each of the jurisdictions in which DualEx may operate. Environmental regulations place restrictions and prohibitions on emissions of various substances produced concurrently with oil and natural gas and can impact on the selection of drilling sites and facility locations, potentially resulting in increased capital expenditures. DualEx may be responsible for abandonment and site restoration costs. DualEx is of the view that its abandonment and restoration obligations can be satisfied out of general corporate funds as such obligations become due.

Foreign Subsidiaries

DualEx conducts its operations through its Bahamian subsidiaries operating in foreign jurisdictions. Therefore, to the extent of these holdings, DualEx will be dependent on the cash flows of these subsidiaries to meet its obligations. The ability of its subsidiaries to make payments to DualEx may be constrained by the following factors:

- a) the level of taxation, particularly corporate profits and withholding taxes, in the jurisdiction in which it operates and any changes in tax laws or treaties; and

- b) the introduction of exchange controls or repatriation restrictions or the availability of hard currency to be repatriated.

Need to Add Reserves

DualEx's oil and natural gas reserves and production, and therefore its cash flows and earnings, are highly dependent upon DualEx discovering or acquiring reserves. To the extent that cash flow from operations is insufficient and external sources of capital become limited or unavailable, DualEx's ability to make the necessary capital investments to expand its oil and natural gas reserves will be impaired. There can be no assurance that DualEx will be able to find and develop or acquire reserves at commercially feasible costs.

Environmental Regulation and Risks

Extensive national, state and local environmental laws and regulations in foreign jurisdictions affect nearly all of the operations of DualEx. These laws and regulations set various standards regulating certain aspects of health and environmental quality, provide for penalties and other liabilities for the violation of such standards and establish in certain circumstances obligations to remediate current and former facilities and locations where operations are or were conducted. In addition, special provisions may be appropriate or required in environmentally sensitive areas of operation. There can be no assurance that DualEx will not incur substantial financial obligations in connection with environmental compliance.

Significant liability could be imposed on DualEx for damages, cleanup costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of properties purchased by DualEx or non-compliance with environmental laws or regulations. Such liability could have a material adverse effect on DualEx. Moreover, DualEx cannot predict what environmental legislation or regulations will be enacted in the future or how existing or future laws or regulations will be administered or enforced. Compliance with more stringent laws or regulations, or more vigorous enforcement policies of any regulatory authority, could in the future require material expenditures by DualEx for the installation and operation of systems and equipment for remedial measures, any or all of which may have a material adverse effect on DualEx.

Volatility of Oil and Gas Prices and Markets

DualEx's financial condition, operating results and future growth are dependent on the prevailing prices for its oil and natural gas production. Historically, the markets for oil and natural gas have been volatile and such markets are likely to continue to be volatile in the future. Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes to the demand for oil and natural gas, whether the result of uncertainty or a variety of additional factors beyond the control of DualEx. Any substantial decline in the prices of oil and natural gas could have a material adverse effect on DualEx and the level of its oil and natural gas reserves. Additionally, the economics of producing from some wells may change as a result of lower prices, which could result in a suspension of production by DualEx. No assurance can be given that oil and natural gas prices will be sustained at levels which will enable DualEx to operate profitably. From time to time DualEx may avail itself of forward sales or other forms of hedging activities with a view to mitigating its exposure to the risk of price volatility.

Title to Properties and Assets

Although title reviews will be done according to industry standards prior to the purchase of most 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 claim of DualEx which could result in a reduction of the revenue received by DualEx. In civil law jurisdictions, including Hungary, Syria and Portugal, legal title is not perfected until such time as the appropriate governmental authorities approve the assignment of a participating interest, record the title holder in the applicable registry and, in Syria, issue a decree. This process can take time, and currently in Syria, this process is taking numerous months. As a result, it is common business practice for commercial parties to proceed with the completion of a purchase and sale transaction, notwithstanding the fact that governmental approval may take years to properly reflect these business dealings. In these cases, title review due

diligence involves ensuring that the current title holder has started the different authorization procedures, and also involves an update as to the status of the required authorizations.

Legal Systems

As civil law jurisdictions, Hungary, Syria and Portugal have legal systems which are different from the common law jurisdictions of western Canada. Standard legal practices in civil law jurisdictions may result in risks such as (i) a higher degree of discretion on the part of governmental authorities; (ii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations, particularly where those rules and regulations are the result of recent legislative changes or have been recently adopted; (iii) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; and (iv) relative inexperience of the judiciary and courts in such matters. In the case of foreign entities such as DualEx doing business in civil law jurisdictions, effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation or in an ownership dispute, may be more difficult to obtain. As well, legislation and regulations may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licenses, license applications or other legal arrangements will not be adversely affected by changes in governments, the actions of government authorities or others, or the effectiveness and enforcement of such arrangements.

Fluctuations in Foreign Currency Exchange Rates

All of DualEx's operations are located in foreign jurisdictions. Fluctuations in the U.S. dollar, the Euro and/or the Syrian Pound exchange rates may cause a negative impact on revenue and costs and could have a material adverse impact on DualEx's operations.

Competition

Competition could adversely affect DualEx's performance. The oil and natural gas industry is characterized by intense competition and DualEx competes directly with other companies that have greater technical and financial resources. Many of these competitors not only explore for and produce oil and natural gas but also carry on refining operations and market petroleum and other products on an international basis. The industry also competes with other industries who supply non-petroleum energy products.

Potential Conflicts of Interest

There are potential conflicts of interest to which some of the directors and officers of DualEx will be subject in connection with the operations of DualEx. Some of the directors and officers are engaged and will continue to be engaged in the search of oil and gas interests on their own behalf and on behalf of other corporations, and situations may arise where the directors and officers will be in direct competition with DualEx. Conflicts of interest, if any, which arise will be subject to and be governed by procedures prescribed by the ABCA which require a director or officer of a corporation who is a party to or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with DualEx, to disclose his interest and to refrain from voting on any matter in respect of such contract unless otherwise permitted under the ABCA.

Key Personnel

The competition for qualified personnel in the oil and natural gas industry is intense and there can be no assurance that DualEx will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of DualEx, as the case may be.

Sources of Revenue

All of DualEx's non-interest revenue in its fiscal year ending December 31, 2007 was derived from its western Canadian properties and the Wyoming Royalty. The occurrence of any event that would prevent the production of natural gas, including physical problems with the infrastructure facilities (howsoever arising) supporting the

producing region or negative actions on the part of any government or regulatory authority would negatively affect DualEx's cash flows and revenue until such time as such problem is remedied.

Capital Expenditures

DualEx's capital budget for 2007 is presently set between \$4.5 – \$6.5 million for the development of the Peneszlek natural gas field in Hungary and for the exploration programs in Portugal and Syria. There is no certainty that these expenditures will result in or lead to commercial discoveries of natural gas, oil or condensate.

Tunisia Exploration Interests

The Corporation's bid for the Bouhajla Exploration Block in Eastern onshore Tunisia has been approved by the Tunisian Ministry of Industry and Energy's Comite Consultatif des Hydrocarbures. The Corporation's bid entails the issuance of a Production Sharing Contract ("PSC") The issuance of the PSC is subject to finalization of the detailed terms and Government ratification and there is no assurance that the PSC will be issued under the same terms and conditions as the bid or at all.

INDUSTRY CONDITIONS

Government Regulation

The oil and natural gas industries in North America, Hungary, Syria, Portugal, and Tunisia are subject to extensive regulation governing operations, including land tenure, exploration, development, production, refining, transportation and marketing, imposed by legislation enacted by various levels of government and with respect to pricing and taxation of oil and natural gas by agreements among the federal and state governments, all of which should be carefully considered by investors in the crude oil and natural gas industry.

Pricing and Marketing — Oil and Natural Gas

The marketability and price of oil and natural gas which may be acquired or discovered by DualEx will be affected by numerous factors beyond the control of DualEx. The ability of DualEx to market any natural gas discovered may depend upon its ability to acquire space on pipelines which deliver natural gas to commercial markets. DualEx is also subject to market fluctuations in the prices of oil and natural gas, uncertainties related to the delivery and proximity of its reserves to pipelines and processing facilities and extensive government regulation relating to prices, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Environmental Regulation

The oil and gas industry is subject to varying environmental regulations in each of the jurisdictions in which DualEx operates. Environmental regulations place restrictions and prohibitions on the release of emissions of various substances produced concurrently with oil and natural gas and can impact on the selection of drilling sites and facility locations, potentially resulting in increased capital expenditures. DualEx may be responsible for abandonment and site restoration costs. Compliance with such legislation can require significant expenditures and a breach of such requirements may result in suspension or revocation of necessary licences and authorizations, civil liability for pollution damage and the imposition of material fines and penalties.

Trends

There are a number of trends in the oil and gas industry that are anticipated to shape the near term future of DualEx's business.

Higher worldwide energy prices have resulted in a heightened demand for crude oil and natural gas exploration and development opportunities. The higher prices reflect rising world demand for hydrocarbons, especially in Asia. In parallel, productivity maintenance and hydrocarbon reserve replacement are growing worldwide concerns, notwithstanding the availability of new technology, rising industry cash flow and the capacity for higher reinvestment levels. This in part reflects the growing maturity of productive hydrocarbon-bearing basins throughout the world.

As a consequence of higher prices, more companies are being created to pursue and develop new opportunities. Large companies are consolidating to foster growth and efficiency.

ADDITIONAL FINANCIAL AND OTHER INFORMATION

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

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Common Shares, securities authorized for issuance under equity compensation plans and interests of insiders in material transactions, if applicable, is contained in the Management Proxy and Information Circular dated April 16, 2007 in respect of the meeting of shareholders of Dual held on May 22, 2007. The next annual meeting of shareholders of the Corporation is anticipated to be held in May 2008. Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Common Shares, securities authorized for issuance under equity compensation plans and interests of insiders in material transactions, if applicable, will be disclosed in the information circular prepared for such meeting.

Additional financial information is contained in the Corporation's audited financial statements and management's discussion and analysis for the year ended December 31, 2007, which are also available on SEDAR at www.sedar.com.

Any document referred to in this Annual Information and described as being filed on SEDAR at www.sedar.com (including those documents referred to as being incorporated by reference in this Annual Information Form) may be obtained free of charge from DualEx at 200, 521 - 3rd Avenue SW, Calgary, Alberta T2P 3T3 .

**SCHEDULE A
REPORT ON RESERVES DATA
(FORM 51-101F2)**

To the board of directors of DualEx Energy International Inc. (the "Company"):

1. We have evaluated the Company's reserves data as at December 31, 2007. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2007, 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 presented 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, 2007, and identifies the respective portions thereof that we have evaluated and reported on to the Company's management.

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 in \$thousands) Evaluated
Martin & Brusset Associates	March 18, 2008	Western Canada	\$1154

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. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.
6. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.
7. 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.

Executed as to our report referred to above:

Martin & Brusset Associates
Calgary Alberta, Canada
April 18, 2008

“Neil Sedgwick”

[signed]

SCHEDULE B
REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA
AND OTHER INFORMATION
(FORM 51-101F3)

This is the form referred to in item 3 of section 2.1 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101").

1. Terms to which a meaning is ascribed in *NI 51-101* have the same meaning in this form.
2. The report referred to in item 3 of section 2.1 of *NI 51-101* must in all material respects be as follows:

Management of DualEx Energy International Inc. (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, 2007, estimated using forecast prices and costs.

Independent qualified reserves evaluators have evaluated the Company's reserves data. The report of the independent qualified reserves evaluators will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Company has

- (a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluators;
- (b) met with the independent qualified reserves evaluators to determine whether any restrictions affected the ability of the independent qualified reserves evaluators to report without reservation; and
- (c) reviewed the reserves data with management and the independent qualified reserves evaluators.

The Reserves Committee of 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, on the recommendation of the Reserves Committee, 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 evaluators 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) "Garry T. Hides"
Garry T. Hides, Chief Executive Officer,
President and Director

(signed) "Roy Hudson"
Roy Hudson
Director

(signed) "Kenneth M. Tompson"
Kenneth M. Tompson, Chief Operating Officer
and Director

(signed) "John Nelson"
John Nelson,
Director

April 18, 2008