

Forward-looking Statements

The information on this website contains statements that may constitute forward-looking statements within the meaning of applicable securities legislation, which may include, among others, statements regarding:

- estimated volumes and timing of future production;
- business plans for drilling, exploration and development;
- estimated dates for seismic and other programs; and
- other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations or performance

Often, but not always, forward-looking statements use words or phrases such as: "expects", "does not expect" or "is expected", "anticipates" or "does not anticipate", "plans" or "planned", "estimates" or "estimated", "projects" or "projected", "forecasts" or "forecasted", "believes", "intends", "likely", "possible", "probable", "scheduled", "positioned", "goal", "objective", or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Various assumptions were used in drawing the conclusions or making the forecasts and projections contained in the forward-looking statements throughout this website. Statements which discuss business plans for drilling, exploration and development in 2006 and beyond assume that the extraction of crude oil, natural gas and natural gas liquids remains economic.

Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward-looking statements. These risks and uncertainties may include:

- the quantity of reserves;
- oil and natural gas production levels;
- commodity prices, foreign currency exchange rates and interest rates;
- capital expenditure programs and other expenditures;
- supply and demand for oil and natural gas;
- expectations regarding Iteration's ability to raise capital and to continually add to reserves through acquisitions and development;
- schedules and timing of certain projects and Iteration's strategy for growth;
- Iteration's future operating and financial results; and
- treatment under governmental regulatory regimes and tax, environmental and other laws.

Iteration's actual results could differ materially from those anticipated in these forward-looking statements as a result of both known and unknown risks, including the risk factors set forth below:

- volatility in market prices for oil and natural gas;
- volatility or fluctuations in oil and natural gas production levels;
- volatility in exchange rates for the Canadian Dollar relative to other world currencies;
- liabilities and risks inherent in oil and natural gas operations including geological, technical, drilling and processing problems;
- uncertainties associated with estimating reserves;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of acquisitions;
- Iteration's success at acquisition, exploitation and development of reserves;
- changes in general economic, market and business conditions in Canada, North America and worldwide; and
- actions by governmental or regulatory authorities including changes in income tax laws or changes in tax laws, royalty rates and incentive programs relating to the oil and gas industry.

We caution that the foregoing list of assumptions, risks and uncertainties is not exhaustive. Additional information on these and other factors which could affect operations or financial results are included under the heading "Risk Factors" in Iteration's amended 2006 Annual Information Form. Additional information may also be found in Iteration's other reports on file with Canadian securities regulatory authorities.

Forward-looking statements are based on the estimates and opinions of Iteration's management at the time the statements are made. Unless material, Iteration assumes no obligation to update the respective forward-looking statements should circumstances or management's estimates or opinions change, except as required by applicable securities legislation.

Many of these risk factors and other specific risks and uncertainties are discussed in further detail throughout the Annual Information Form. Additional information related to the Company, including the Company's Annual Information Form, is available through the internet on the Company's SEDAR profile at www.sedar.com.