RELENTLESS RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three and six months ended June 30, 2015 and 2014

Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Relentless Resources Ltd. ("Relentless", or the "Company"), is dated August 19, 2015. The MD&A should be read in conjunction with the unaudited condensed interim financial statements for the three and six months ended June 30, 2015, together with the notes thereto. Relentless's Board of Directors reviewed and approved the June 30, 2015 condensed interim financial statements and related MD&A on August 19, 2015.

Additional information about Relentless is available on SEDAR at www.sedar.com or on the Company`s website at www.relentless-resources.com.

IFRS - This MD&A and the financial statements and comparative information have been prepared in accordance with International Financial Reporting Standards ("IFRS").

NON-IFRS MEASURES - This MD&A provides certain financial measures that do not have a standardized meaning prescribed by IFRS. These non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Cash flow from operations, operating netback and net debt are not recognized measures under IFRS. Management believes that in addition to net income (loss), cash flow from operations, operating netback and net debt are useful supplemental measures that demonstrate the Company's ability to generate the cash necessary to repay debt or fund future capital investment. Investors are cautioned, however, that these measures should not be construed as an alternative to net income (loss) determined in accordance with IFRS as an indication of Relentless's performance. Relentless's method of calculating these measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Cash flow from operations is calculated by adjusting net income (loss) for deferred income taxes, other income, accretion, share based compensation, decommissioning obligations, impairment and depletion and depreciation. Operating netback is calculated based on oil and gas revenue less royalties and operating expenses. Net debt is the total of accounts receivable plus prepaids and deposits, less accounts payable plus bank debt.

BOE REFERENCE - Reference is made to barrels of oil equivalent ("BOE" or "boe"). BOE may be misleading, particularly if used in isolation. In accordance with National Instrument 51-101, a BOE conversion ratio of six mcf of natural gas to one bbl of oil has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

READER ADVISORY REGARDING FORWARD LOOKING INFORMATION - Certain information set forth in this document, including management's assessment of Relentless's future plans and operations, contains forward-looking statements including: (i) forecasted capital expenditures and plans; (ii) exploration, drilling and development plans; (iii) prospects and drilling inventory and locations; (iv) anticipated production rates; (v) expected royalty rates; (vi) anticipated operating and service costs; (vii) financial strength; (viii) incremental development opportunities; (ix) total shareholder return; (x) growth prospects; (xi) sources of funding; (xii) decommissioning costs; (xiii) future crude oil and natural gas prices; (xiv) future drilling completion and tie-in of wells; and future acquisitions, which are provided to allow investors to better understand our business. Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" , "budget, "outlook", "forecast" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Company assumes no obligation except as required by law to update or review them to reflect new events or circumstances.

Forward-looking statements and other information contained herein concerning the oil and gas industry and the Company's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

Operational and Financial Highlights

In Q2 2015 the Company realized significant increases over Q1 2015:

- Daily production volumes increased by 51% to 354 boe/d from 235 boe/d
- Per unit average commodity prices increased by 31% to $39.17/boe versus $29.85/boe
- Oil and gas revenues increased by 100% to $1,261,288 from $632,026
- Per unit operating expenses improved by 38% decreasing to $12.37/boe from $19.98/boe
- Field operating cash flow increased by 354% to $650,406 as compared to $143,235
- Field operating net-back increased by 198% to $20.20/boe as compared to $6.77/boe
- Cash flow net-back increased to $14.39/boe as compared to $0.95/boe

Corporate update

During Q2 2015, Relentless had five oil wells at Heathdale producing through the multiwell tank treating battery. The 8-7 horizontal well only produced two out of the three months during Q2 as the 14-8 and 7-8 wells were being tested. All Heathdale production is now on and has stabilized with the exception of the 16-6 well which is described below.

Current oil and gas prices are causing Relentless to defer horizontal well capital spending and focus on other lower cost projects that capture future reserves and lower operating costs.

Subsequent to Q2 2015, Relentless drilled, cased and completed the 16-6-27-9 W4 Heathdale vertical step-out well and acquired one section of crown mineral rights. The well tested 46 barrels of oil over 27 hours of testing and is shut in for pressure build-up and tie in. This well further substantiates the Glauconite play concept where the over pressured oil deposit is present in a 3,000 acre embayment caused by a Paleozoic aged low. The 16-6 well was drilled, cased, completed and tested for a gross cost of $420,000 which is 30% below last year's costs. It is expected that the 16-6 well will be tied into the Heathdale multiwell battery in September and that the total on-stream cost of this well will be approximately $550,000. Based on field estimates, the Heathdale property is producing approximately 180 boed (70% oil), net to Relentless.

Working with Heathdale area service providers, Relentless has also reduced clean oil trucking costs by 30% and third party solution gas processing fees by 40%.

Although current commodity prices are curtailing capital spending and not allowing for production growth, Relentless has a large, 100% working interest and operated oil reserve at Heathdale which has over 30 horizontal development locations. The Company's Pine Creek and Peace River Arch assets also have high working interest oil upside. In short, Relentless sees the industry downturn as an opportunity to optimize the Heathdale asset and potentially align itself inside a larger company, with similar corporate direction, at the bottom of the market.

The Management and Directors of Relentless would like to thank shareholders for their support given the short term issues surrounding the industry and public markets.

RELENTLESS RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three and six months ended June 30, 2015 and 2014

Financial summary

	Three months ended June 30		
	2015	2014	% Change
Oil and gas revenue	$ **1,261,288**	$ 471,357	168
Cash flow from operations (1)	**463,421**	64,557	618
Per share - basic and diluted (1)	**0.007**	0.002	298
Comprehensive loss	**(228,627)**	(153,532)	49
Per share - basic and diluted	**(0.004)**	(0.004)	(17)
Total assets	**11,950,979**	8,790,090	36
Net surplus (debt) (1)	**(2,619,511)**	719,511	(464)
Capital expenditures, net	$ **443,343**	$ 3,636,534	(88)
Shares outstanding - end of period	**63,759,095**	52,462,466	22

	Six months ended June 30		
	2015	2014	% Change
Oil and gas revenue	$ **1,893,314**	$ 821,163	131
Cash flow from operations (1)	**483,459**	140,172	245
Per share - basic and diluted (1)	**0.008**	0.004	84
Comprehensive loss	**(915,414)**	(280,583)	226
Per share - basic and diluted	**(0.014)**	(0.008)	74
Total assets	**11,950,979**	8,790,090	36
Net surplus (debt) (1)	**(2,619,511)**	719,511	(464)
Capital expenditures, net	$ **4,086,998**	$ 3,785,637	8
Shares outstanding - end of period	**63,759,095**	52,462,466	22

(1) Non IFRS measure

Production and pricing summary

	Three months ended June 30		
	2015	2014	% Change
Daily production			
Oil and NGLs (bbl/d)	**204**	37	451
Natural gas (mcf/d)	**901**	308	193
Oil equivalent (boe/d @ 6:1)	**354**	88	303
Realized commodity prices ($CDN)			
Oil and NGLs (bbl)	**$56.84**	$98.16	(42)
Natural gas (mcf)	**$2.53**	$5.16	(51)
Oil equivalent (boe @ 6:1)	**$39.17**	$58.92	(34)

	Six months ended June 30		
	2015	2014	% Change
Daily production			
Oil and NGLs (bbl/d)	**156**	31	403
Natural gas (mcf/d)	**835**	278	200
Oil equivalent (boe/d @ 6:1)	**295**	77	284
Realized commodity prices ($CDN)			
Oil and NGLs (bbl)	**$51.80**	$94.96	(45)
Natural gas (mcf)	**$2.87**	$5.77	(50)
Oil equivalent (boe @ 6:1)	**$35.47**	$58.58	(39)

Cash flow and comprehensive loss

Three months ended June 30, 2015	**2015**	2014	% Change	**2015**	2014	% Change
				($ / boe)	($ / boe)	
Oil and natural gas sales	**1,261,288**	471,357	168	**39.17**	58.92	(34)
Royalties	**(212,643)**	(54,795)	288	**(6.60)**	(6.85)	(4)
Revenue after royalties	**1,048,645**	416,562	152	**32.56**	52.07	(37)
Production, operating and transportation expenses	**(398,239)**	(177,491)	124	**(12.37)**	(22.19)	(44)
Operating cash flow (1)	**650,406**	239,071	172	**20.20**	29.88	(32)
General & administrative expenses	**(174,748)**	(175,178)	(0)	**(5.43)**	(21.90)	(75)
Interest and other financing charges	**(12,237)**	664	(1,943)	**(0.38)**	0.08	(558)
Cash flow from operations (1)	**463,421**	64,557	618	**14.39**	8.07	78
Other income	**-**	-	100	**0.00**	0.00	100
Share based compensation	**(132,027)**	(51,627)	156	**(4.10)**	(6.45)	(36)
Accretion	**(19,608)**	(20,218)	(3)	**(0.61)**	(2.53)	(76)
Impairment	**(126,228)**	-	100	**(3.92)**	-	100
Depletion and depreciation	**(414,185)**	(146,244)	183	**(12.86)**	(18.28)	(30)
Comprehensive loss	**(228,627)**	(153,532)	49	**(7.11)**	(19.20)	(63)
$ Per Share – Basic	(0.00)	(0.00)				
$ Per Share - Diluted	(0.00)	(0.00)				

Six months ended June 30, 2015	**2015**	2014	% Change	**2015**	2014	% Change
				($ / boe)	($ / boe)	
Oil and natural gas sales	**1,893,314**	821,163	131	**35.47**	58.58	(39)
Royalties	**(278,361)**	(87,906)	217	**(5.22)**	(6.27)	(17)
Revenue after royalties	**1,614,953**	733,257	120	**30.26**	52.30	(42)
Production, operating and transportation expenses	**(821,312)**	(319,037)	157	**(15.39)**	(22.76)	(32)
Operating cash flow (1)	**793,641**	414,220	92	**14.87**	29.55	(50)
General & administrative expenses	**(299,056)**	(260,350)	15	**(5.60)**	(18.57)	(70)
Interest and other financing charges	**(11,126)**	(13,698)	(19)	**(0.21)**	(0.98)	(79)
Cash flow from operations (1)	**483,459**	140,172	245	**9.06**	10.00	(9)
Other income	**166,666**	-	100	**3.12**	0.00	100
Share based compensation	**(132,027)**	(155,723)	(15)	**(2.47)**	(11.11)	(78)
Accretion	**(69,773)**	(32,255)	116	**(1.31)**	(2.30)	(43)
Impairment	**(511,397)**	-	100	**(9.58)**	0.00	100
Depletion and depreciation	**(852,342)**	(232,777)	266	**(15.97)**	(16.60)	(4)
Comprehensive loss	**(915,414)**	(280,583)	226	**(17.15)**	(20.01)	(14)
$ Per Share – Basic	(0.01)	(0.01)				
$ Per Share - Diluted	(0.01)	(0.01)				

(1) Non IFRS measure

Eight Quarter Analysis

Daily Production and Commodity Prices

Three months ended	2015 June 30	2015 March 31	2014 December 31	2014 September 30	2014 June 30	2014 March 31	2013 December 31	2013 September 30
Daily production								
Oil and NGLs (bbl/d)	204	107	145	93	37	23	24	38
Natural gas (mcf/d)	901	769	691	744	308	250	239	306
Oil equivalent (boe/d @ 6:1)	354	235	260	217	88	65	63	89
Realized commodity prices ($CDN)								
Oil and NGLs (bbl)	$56.84	$42.12	$62.58	$90.72	$95.98	$98.90	$85.59	$90.14
Natural gas (mcf)	$2.53	$3.27	$4.08	$4.40	$5.16	$6.45	$3.93	$2.78
Oil equivalent (boe @ 6:1)	$39.17	$29.85	$45.70	$53.95	$58.92	$60.10	$46.76	$48.05

Oil and Natural Gas Revenue by Product

Three months ended	2015 June 30	2015 March 31	2014 December 31	2014 September 30	2014 June 30	2014 March 31	2013 December 31	2013 September 30
Oil and NGL revenue	1,053,383	406,163	834,781	777,090	326,729	204,732	186,900	315,127
Natural gas revenue	207,905	225,863	259,110	300,885	144,628	145,075	86,266	78,338
Total revenue	1,261,288	632,026	1,093,891	1,077,975	471,357	349,807	273,166	393,465
% Oil and NGLs	84%	64%	76%	72%	69%	59%	68%	80%
% Natural gas	16%	36%	24%	28%	31%	41%	32%	20%

Cash Flow from Operations

Three months ended	2015 June 30	2015 March 31	2014 December 31	2014 September 30	2014 June 30	2014 March 31	2013 December 31	2013 September 30
Oil and natural gas sales	1,261,288	632,026	1,093,891	1,077,975	471,357	349,807	273,166	393,465
Royalties	(212,643)	(65,718)	(133,678)	(134,559)	(54,795)	(33,112)	(32,076)	(42,299)
Revenue after royalties	1,048,645	566,308	960,213	943,416	416,562	316,695	241,090	351,166
Production, operating and transportation expenses	(398,239)	(423,073)	(518,526)	(261,177)	(177,491)	(141,546)	(136,075)	(111,262)
Operating cash flow (1)	**650,406**	**143,235**	**441,687**	**682,239**	**239,071**	**175,149**	**105,015**	**239,904**
General & administrative expenses	(174,748)	(124,308)	(178,093)	(144,663)	(175,178)	(85,172)	(99,206)	(70,823)
Interest and other financing charges	(12,237)	1,111	1,582	178	664	(14,362)	579	(545)
Flow through share indemnification expense	-	-	(350,186)	-	-	-	-	-
Cash flow from operations (1)	**463,421**	**20,038**	**(85,010)**	**537,754**	**64,557**	**75,615**	**6,388**	**168,536**

Operating and Cash Flow Netbacks

Three months ended	2015 June 30	2015 March 31	2014 December 31	2014 September 30	2014 June 30	2014 March 31	2013 December 31	2013 September 30
($/boe)								
Revenue	39.17	29.85	45.70	53.95	58.92	60.10	46.76	48.05
Royalties	(6.60)	(3.10)	(5.58)	(6.73)	(6.85)	(5.69)	(5.49)	(5.17)
Production, operating and transportation expenses	(12.37)	(19.98)	(21.66)	(13.07)	(22.19)	(24.32)	(23.29)	(13.59)
Operating netback (1)	**20.20**	**6.77**	**18.46**	**34.15**	**29.88**	**30.09**	**17.98**	**29.30**
General and administrative expenses	(5.43)	(5.87)	(7.44)	(7.24)	(21.90)	(14.63)	(14.08)	(8.65)
Interest expense	(0.38)	0.05	0.07	0.01	0.08	(2.47)	0.10	(0.07)
Current income taxes	-	-	(14.63)	-	-	-	-	-
Cash flow netback (1)	**14.39**	**0.95**	**(3.55)**	**26.92**	**8.07**	**12.99**	**4.00**	**20.58**

(1) Non IFRS measure

Daily Production and Commodity Prices

In Q2 of 2015, total production increased 303% to 354 boe/d when compared to 88 boe/d for the same period a year ago due to production from new horizontal wells at Heathdale.

In 2015 Relentless drilled, completed and tied-in two new horizontal wells at Heathdale and constructed a multi-well battery to handle oil and gas production from the wells at 5-7, 9-7, 8-7, 14-8 and 7-8. Due to weather and battery construction the Heathdale wells were shut in intermittently in the spring of 2015. In May, 2015 the facility was fully operational and with all wells producing to the central battery.

Oil and NGLs production averaged 204 bbl/d in Q2 2015 as compared to 37 bb/d in Q2 2014. Natural gas production averaged 901 mcf/d in the first quarter of 2015 compared to 308 mcf/d in the same period a year ago.

In Q2 2015 oil and gas prices decreased significantly from Q2 2014. The average price of oil and NGL dropped 42% from $98.16/bbl to $56.84/bbl. Natural gas prices dropped 51% from $5.16/mcf to $2.53/mcf.

Three months ended June 30,		2015		2014	% Change
Daily production					
Oil and NGLs (bbl/d)		**204**		37	457
Natural gas (mcf/d)		**901**		308	193
Oil equivalent (boe/d @ 6:1)		**354**		88	303
Realized commodity prices ($CDN)					
Oil and NGLs (bbl)	$	**56.84**	$	98.16	(42)
Natural gas (mcf)		**2.53**		5.16	(51)
Oil equivalent (boe @ 6:1)	$	**39.17**	$	58.92	(34)

Oil and NGLs production averaged 156 bbl/d in the six months ended June 30, 2015 as compared to 31 bb/d in the same period last year. Natural gas production averaged 835 mcf/d in the six months ended June 30, 2015 compared to 278 mcf/d in the same period a year ago.

For the six months ended June 30, 2015 2015 oil and gas prices decreased significantly 2014. The average price of oil and NGL dropped 45% from $94.96/bbl to $51.80/bbl. Natural gas prices dropped 50% from $5.77/mcf to $2.87/mcf.

Six months ended June 30,		2015		2014	% Change
Daily production					
Oil and NGLs (bbl/d)		**156**		31	403
Natural gas (mcf/d)		**835**		278	201
Oil equivalent (boe/d @ 6:1)		**295**		77	281
Realized commodity prices ($CDN)					
Oil and NGLs (bbl)	$	**51.80**	$	94.96	(45)
Natural gas (mcf)		**2.87**		5.77	(50)
Oil equivalent (boe @ 6:1)	$	**35.47**	$	58.58	(39)

Oil and Natural Gas Revenues

In spite of a 34% decrease in average commodity prices in Q2 2015 production revenues increased 168% to $1,261,288 in the second quarter of 2015 compared to $471,357 in the same period in 2014, due to a 303% increase in production volumes. Oil sales increased 222% and made up 84% of total sales.

Three months ended June 30,	2015	2014	% Change
Oil and NGLs	$ **1,053,383**	$ 326,729	222
Natural gas	**207,905**	144,628	44
Total revenue	$ **1,261,288**	$ 471,357	168
% Oil and NGLs	**84%**	69%	
% Natural gas	**16%**	31%	

For the six months ended June 30, 2015 total sales increased 131% over the same period last year, with oil sales increasing by 175%.

Six months ended June 30,	2015	2014	% Change
Oil and NGLs	$ **1,459,545**	$ 531,477	175
Natural gas	**433,769**	289,686	50
Total revenue	$ **1,893,314**	$ 821,163	131
% Oil and NGLs	**77%**	65%	
% Natural gas	**23%**	35%	

Royalties

For the three months ended June 30, 2015, royalties increased by 288% to $212,643 from $54,795 for the same period a year ago due to a 168% increase in production revenues. Royalties as a percentage of sales increased to 17% from 12% in the prior year due to higher freehold royalty rates and no royalty holiday on the two new oil wells at Heathdale.

Three months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
Royalties	**$ 212,643**	$ 54,795	288	**$ 6.60**	$ 6.85

For the six months ended June 30, 2015, royalties increased by 217% to $278,361 from $87,906 for the same period a year ago. Royalties as a percentage of sales increased to 15% from 11% in the prior year.

Six months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
Royalties	**$ 278,361**	$ 87,906	217	**$ 5.22**	$ 6.27

Production, Operating and Transportation Expenses

For the three months ended June 30, 2015, production, operating and transportation expenses increased 124% to $398,239 as compared to $177,491 for the same period a year ago. On a per boe basis production and operating expenses decreased 44% to $12.37 per boe, down from $22.19 per boe for the same period in 2014.

Three months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
Production, operating and transportation	$ 398,239	$ 177,491	124	$ 12.37	$ 22.19

For the six months ended June 30, 2015, production, operating and transportation expenses increased 157% to $821,312 as compared to $319,037 for the same period a year ago. On a per boe basis production and operating expenses decreased 32% to $15.39 per boe, down from $22.76 per boe for the same period in 2014.

Six months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
Production, operating and transportation	$ 821,312	$ 319,037	157	$ 15.39	$ 22.76

General & Administrative Expenses

General and administrative expenses, after overhead recoveries, remained level at $174,748 for the three months ended June 30, 2015 compared to $175,178 in Q2 2014. General and administrative expenses per boe decreased by 75% to $5.43 down from $21.90 in Q2 2014 as total production volumes increased by 303%.

Three months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
General & administrative expenses	$ 174,748	$ 175,178	-	$ 5.43	$ 21.90

General and administrative expenses, after overhead recoveries, increased 15% to $299,056 for the six months ended June 30, 2015 up from $260,350 in 2014. General and administrative expenses per boe decreased by 70% to $5.60 from $18.57 in 2014 as total production volumes increased by 281%.

Six months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
General & administrative expenses	$ 299,056	$ 260,350	15	$ 5.60	$ 18.57

Finance Expense

In April, 2015, the Company began to draw on its bank loan to finance capital expenditures in 2015 of $4,086,998. At June 30, 2015, $2,077,053 was drawn on an available line of $4,000,000.

Three months ended June 30,	2015	2014	% Change	2015 ($ / boe)	2014 ($ / boe)
Interest expense (income)	$ 12,237	$ (664)	(1,943)	$ 0.38	$ (0.08)
Accretion	19,608	20,218	(3)	0.61	2.53
	$ 31,845	$ 19,554	39	$ 0.99	$ 2.45

Six months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Interest expense	**$**	**11,126**	$	13,698	(19)	**$**	**0.21**	$	0.98
Accretion		**69,773**		32,255	116		**1.31**		2.30
	$	**80,899**	$	45,953	76	**$**	**1.52**	$	3.28

Share Based Compensation

On April 27, 2015 the Company issued options to various Directors and Officers to purchase 1,129,830 common shares of the Company at a price of $0.145 per share, exercisable until April 27, 2020. Based on the Black-Scholes model calculation share based compensation was charged $132,027 with an offsetting entry to contributed surplus.

Three months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Share Based Compensation	**$**	**132,027**	$	51,627	156	**$**	**4.10**	$	6.45

Six months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Share Based Compensation	**$**	**132,027**	$	155,723	(15)	**$**	**2.47**	$	11.11

Depletion and Depreciation

In Q2 2015, depletion and depreciation increased by 183% to $414,185 as compared to $146,244 in Q2 2014. Depletion per boe decreased by 30% as reserve additions from the two new Heathdale HZ wells were included in the total Company reserves. The average depletion rate for the second quarter of 2015 was 3.5%.

Three months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Depletion and depreciation	**$**	**414,185**	$	146,244	183	**$**	**12.86**	$	18.28

Six months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Depletion and depreciation	**$**	**852,342**	$	232,777	266	**$**	**15.97**	$	16.60

Impairment

At March 31, 2015, the Company evaluated its PP&E assets for impairment and recorded an impairment of $332,145 on the Gordondale CGU and $53,024 on the Peace River Arch CGU. The impairment was based on the difference between the net book value of the assets and the recoverable amount. The recoverable amount was determined based on discounted cash flows of proved plus probable reserves using forecast future prices and a discount rate of 15%. The CGU's were written down to their recoverable amount based on the future value of cash flows.

At June 30, 2015, the Company evaluated its PP&E assets for impairment and recorded an impairment of $86,761 on the Willesden Green CGU and $39,467 on the Peace River Arch CGU. The impairment was based on the difference between the net book value of the assets and the recoverable amount. The recoverable amount was determined based on discounted cash flows of proved plus probable reserves using forecast future prices and a discount rate of 15%. The CGU's were written down to their recoverable amount based on the future value of cash flows.

Three months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Impairment	**$**	**126,228**	$	-	100	**$**	**3.92**	$	-

Six months ended June 30,		**2015**		2014	% Change		**2015 ($ / boe)**		2014 ($ / boe)
Impairment	**$**	**511,397**	$	-	100	**$**	**9.58**	$	-

Cash flow from operations

Three months ended June 30		**2015**		2014
Comprehensive loss for the period	**$**	**(228,627)**	$	(153,532)
Accretion expense		**19,608**		20,218
Share based compensation expense		**132,027**		51,627
Impairment		**126,228**		-
Depletion and depreciation		**414,185**		146,244
Cash flow from operations (1)	**$**	**463,421**	$	64,557
Cash flow from operations per share – basic and diluted	**$**	**0.00**	$	0.00

Six months ended June 30		**2015**		2014
Comprehensive loss for the period	**$**	**(915,414)**	$	(280,583)
Other income		**(166,666)**		-
Accretion expense		**69,773**		32,255
Share based compensation expense		**132,027**		155,723
Impairment		**511,397**		-
Depletion and depreciation		**852,342**		232,777
Cash flow from operations (1)	**$**	**483,459**	$	140,172
Cash flow from operations per share – basic and diluted	**$**	**0.00**	$	0.00

(1) Non IFRS measure

Property Plant and Equipment Assets (PP&E)

		PP&E Assets
Assets		
Balance at December 31, 2014		13,417,549
Additions		3,643,655
Change in decommissioning obligations		158,985
Balance at March 31, 2015		17,220,189
Additions		443,343
Balance at June 30, 2015	$	17,663,532
Depletion, depreciation and impairment		
Balance at December 31, 2014		(5,119,090)
Impairment		(385,169)
Depletion and depreciation		(438,157)
Balance at March 31, 2015		(5,942,416)
Impairment		(126,228)
Depletion and depreciation		(414,185)
Balance at June 30, 2015	$	(6,482,829)
Net book value		
Balance December 31, 2014	$	8,298,459
Balance at March 31, 2015		11,277,772
Balance at June 30, 2015	$	11,180,703

Capital expenditure summary

In the six months ended June 30, 2015 the Company spent approximately $3.5 million to further develop its core property at Heathdale, Alberta. Two horizontal wells were brought on-stream and a multi-well battery was built to handle production from 5 of the wells in the field. At Gordondale, the Company abandoned a well at a net cost of $354,200.

Area	Description		Three months ended June 30, 2015		Three months ended June 30, 2014
Alberta	P&NG Acquisitions	$	-	$	3,510,603
	Drill and complete		247,943		57,003
	Equip and tie-in		112,980		-
	Land and lease		72,477		74,458
	Other		9,943		4,470
Total		$	443,343	$	3,646,534

Area	Description	Six months ended June 30, 2015	Six months ended June 30, 2014
Alberta	P&NG Acquisitions	$ -	$ 3,510,603
	Drill and complete	2,692,371	120,889
	Equip and tie-in	838,085	16,321
	Land and lease	194,051	128,388
	Abandonment	354,200	-
	Other	8,291	9,636
Total		$ 4,086,998	$ 3,785,837

Working Capital (deficiency) surplus

During the first six months of 2015 the Company expended $4,086,998 on drilling, completion, tie-in and facilities. Relentless financed these expenditures with available cash and credit lines.

	June 30, 2015	December 31, 2014
Cash	**$ -**	$ 1,630,784
Accounts receivable	**682,207**	597,207
Prepaid expenses and deposits	**88,069**	15,260
Accounts payable and accrued liabilities	**(1,312,734)**	(1,259,223)
Bank debt	**(2,077,053)**	-
Working capital (deficiency) surplus	**$ (2,619,511)**	$ 984,028

Demand operating facilities

In April, 2015 Relentless renewed its credit facilities and increased the total available from $3,000,000 to $4,000,000. The loans bears interest at bank prime plus 1.375%. At June 30, 2015 $2,077,053 was drawn on the facility.

Historical Quarterly Information

	2015 Q2	2015 Q1	2014 Q4	2014 Q3
Oil and Gas Revenue	$ 1,261,288	$ 632,026	$ 1,093,891	$ 1,077,975
Cash Flow from operations [1]	463,421	20,038	(85,010)	537,754
Cash Flow / share - basic	0.00	0.00	0.00	0.01
Comprehensive Income (Loss)	(228,627)	(686,787)	(2,722,305)	388,978
Comprehensive Income (Loss) / share - basic	(0.00)	(0.01)	(0.04)	0.00
Capital Expenditures	443,343	3,643,655	1,181,989	1,737,930
Total Assets	11,950,979	12,710,273	10,541,170	9,036,918
Net surplus (debt)	(2,619,511)	(2,639,589)	984,028	(509,823)
Shareholders' Equity	$ 4,402,855	$ 4,499,455	$ 5,186,242	$ 5,009,285
Shares outstanding	63,759,095	63,759,095	63,759,095	52,462,466
Production (boe/d)	354	235	260	217
Oil and NGLs (bbl/d)	204	107	145	93
Natural gas (mcf/d)	901	769	691	744

	2014 Q2	2014 Q1	2013 Q4	2013 Q3
Oil and Gas Revenue	$ 471,357	$ 349,807	$ 273,166	$ 393,465
Cash Flow from operations[1]	64,557	75,615	23,376	168,536
Cash Flow / share - basic	0.00	0.00	0.00	0.01
Comprehensive (Loss)	(153,532)	(127,051)	(1,153,943)	(109,402)
Comprehensive (Loss) / share - basic	(0.00)	(0.00)	(0.04)	(0.00)
Capital Expenditures	3,646,534	139,101	36,384	46,353
Total Assets	8,790,090	3,246,717	2,650,046	2,940,618
Net surplus (debt)	719,511	541,339	181,645	194,655
Shareholders' Equity	$ 4,649,465	$ 1,157,886	$ 757,661	$ 1,860,604
Shares outstanding	52,462,466	34,310,799	30,025,085	30,025,085
Production (boe/d)	88	65	63	88
Oil and NGLs (bbl/d)	37	23	24	38
Natural gas (mcf/d)	308	250	239	301

[1] Non-IFRS measure

Disclosure controls and procedures - Disclosure controls and procedures have been designed to ensure that information to be disclosed by Relentless is accumulated and communicated to management, as appropriate, to allow timely decisions regarding required disclosures. The Chief Executive Officer and Chief Financial Officer have designed, or caused to be designed under their supervision, disclosure controls and procedures, as defined by National Instrument 52-109 Certification, to provide reasonable assurance that (i) material information relating to the Company is made known to the Company's Chief Executive Officer and Chief Financial Officer by others, particularly during the period in which the annual and interim filings are prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation. All control systems by their nature have inherent limitations and, therefore, the Company's disclosure controls and procedures are believed to provide reasonable, but not absolute, assurance that the objectives of the control system are met.

Internal control over financial reporting - The Company's Chief Executive Officer and Chief Financial Officer have designed, or caused to be designed under their supervision, internal controls over financial reporting, as defined by National Instrument 51-109. Internal controls over financial reporting is a process designed to provide reasonable assurance that all assets are safeguarded, transactions are appropriately authorized and to facilitate the preparation of relevant, reliable and timely information. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objective of the control system is met. There were no changes made to Relentless's internal controls over financial reporting during the period beginning on January 1, 2015 and ending on June 30, 2015 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

CRITICAL ACCOUNTING ESTIMATES

The financial statements have been prepared in accordance with IFRS. A summary of the significant accounting policies are presented in note 4 of the Notes to the Financial Statements. Certain Accounting policies are critical to understanding the financial condition and results of operations of Relentless.

a) Proved and probable oil and natural gas reserves - Reserve estimates are based on engineering data, estimated future prices, expected future rates of production and the timing of future capital expenditures, all of which are subject to interpretation and uncertainty. Relentless expects that over time its reserve estimates will be revised either upward or downward depending upon the factors as stated above. These reserve estimates can have a significant impact on net income, as it is a key component in the calculation of depletion, depreciation and amortization, and also for the determination of potential asset impairments.

b) Depreciation and depletion - property, plant and equipment is measured at cost less accumulated depreciation and depletion. Relentless's oil and natural gas properties are depleted using the unit-of-production method over proved and probable reserves for each cash-generating unit (CGU). The unit-of-production method takes into account capital expenditures incurred to date along with future development capital required to develop both proved and probable reserves

c) Impairment - Relentless assesses its property, plant and equipment for impairment when events or circumstances indicate that the carrying value of its assets may not be recoverable. If any indication of impairment exists, Relentless performs an impairment test on the CGU which is the lowest level at which there are identifiable cash flows. The determination of fair value at the CGU level again requires the use of judgements and estimates that include quantities of reserves and future production, future commodity pricing, development costs, operating costs and royalty obligations. Any changes in these items may have an impact on the fair value of the assets.

d) Decommissioning liabilities - Relentless estimates its decommissioning liabilities based upon existing laws, contracts or other policies. The estimated present value of the Company's decommissioning obligations are recognized as a liability in the three and six months in which they occur. The provision is calculated by discounting the expected future cash flows to settle the obligations at the risk-free interest rate. The liability is adjusted each reporting three and six months to reflect the passage of time, with accretion charged to net income, any other changes whether it be changes in interest rates or changes in estimated future cash flows are capitalized to property, plant and equipment.

e) Income taxes - The determination of Relentless's income and other tax liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax liability may differ significantly from that estimated and recorded.

BUSINESS RISKS

Relentless is exposed to risks inherent in the oil and gas business. Operationally, the Company faces risks associated with finding, developing and producing oil and gas reserves, such as the availability of rigs and inclement weather. The Company continues to follow strict exploration criteria on each prospect to ensure high profitability and rate of return on capital investment. Exploration risks are managed by hiring skilled technical staff and by concentrating exploration activity on areas in which Relentless has experience and expertise. Relentless operates most of its production, allowing the Company to manage costs, timing and sales of production. Estimates of economically recoverable reserves and the future net cash flow are based on factors such as commodity prices, projected production and future capital and operating costs. These estimates may differ from actual results. The Company has its reserves evaluated annually by an independent engineering firm. Relentless is also exposed to environmental risks and risks associated with the reliance upon relationships with partners. Relentless carries environmental liability, property, drilling and general liability insurance to mitigate its risks. The Company is also exposed to financial risks in the form of commodity prices, interest rates, the Canadian to U.S. dollar exchange rate and inflation.

NOTE: In this report all currency values are in Canadian dollars (unless otherwise noted). Figures, ratios and percentages in this MD&A may not add due to rounding.

ABBREVIATIONS

bbl	barrel	M^3	cubic meters
bbls	barrels	Mbbls	thousands of barrels
bcf	billion cubic feet	mcf	thousand cubic feet
bhp	brake horsepower	mcf/d	thousand cubic feet per day
boe	barrel of oil equivalent (1 boe = 6 mcf)	MMbbls	millions of barrels
bbls/d	barrels per day	mmcf	million cubic feet
boe/d	barrels of oil equivalent per day	mmcf/d	million cubic feet per day
FNR	future net revenue	NGLs	natural gas liquids
GJ	gigajoule	NPV	net present value
GJs/d	gigajoules per day	HZ	horizontal

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