mapleleaf
OIL & GAS ROYALTY INCOME

INVESTOR UPDATE

MAPLE LEAF 2013 OIL & GAS INCOME LIMITED PARTNERSHIP
CUSIP: 56531J108

October 2017

Dear Investor:

We are pleased to provide the following investment update regarding Maple Leaf 2013 Oil & Gas Income Limited Partnership (the "Partnership") and our recent corporate initiatives.

As previously reported, the Partnership completed the investment of all funds in 2015 and the majority of invested dollars were used to purchase royalties on existing wells that have predictable production histories.

In total, the Partnership owns royalties ranging from 0.03% to 20% of gross production in over 200 individual wells, all of which are located in Alberta. Significant production areas include the Crystal and Ferrybank areas near Red Deer, the Strachan and Ricinus areas near Caroline, and the Flood area near Peace River. It is a diversified asset base that has performed near expectations over the past couple years, in spite of challenges related to commodity prices.

2016 was an exceptionally difficult year, with West Texas Intermediate (WTI) oil prices averaging only US$43.32 per barrel, and Canadian AECO gas prices averaging only $2.18 per mmbtu. Additionally, natural gas liquids markets experienced abnormalities such as negative propane prices through much of 2016. Commodity prices have improved in 2017, with the first half averaging just over US$50 per barrel of WTI, and AECO gas prices up to $2.74 per mmbtu. That said, AECO gas pricing has deteriorated in late summer 2017.

The Partnership's net royalty production averaged about 67 barrels of oil equivalent (boe) per day in the first half of 2017. This compares very favorably to the first half of 2016, where the rate was slightly less than 67 boe per day. Because commodity prices improved, the operators of the LP's royalties restarted and optimized some of the royalty wells, which offset natural production declines in the past year. Of the 67 boe per day, about 30% is from oil, 20% from natural gas liquids, and 50% from natural gas. Because oil and liquids have had a much higher per-unit value in the recent past, oil has recently contributed 53% of revenues, natural gas liquids have contributed about 19%, and natural gas has contributed the remaining 28%.

On an absolute dollar basis, field revenues from the Partnerships royalties was about $332,000 in the first half of 2017, which is an increase of about 28% over the $259,000 received in the first half of 2016. The increase is due to increased commodity prices given that production has remained relatively consistent in those time periods.

SPECIAL MEETING OF SHAREHOLDERS

With the current state of the energy industry suffering from historically depressed prices, the Partnership's divestiture advisors have strongly suggested that the General Partner delay the sale of the Partnerships assets until commodity prices have a chance to recover.

As such, a Special Meeting of Limited Partners was held on December 29, 2015 whereby the Limited partners approved two resolutions: the first being an ordinary resolution to permit the Partnership to continue in operation after December 31, 2015; and the second being an extraordinary resolution to permit a transaction that would involve the Partnership transferring its assets to a newly established company in exchange for shares and the subsequent wind up of the Partnership.

INVESTOR UPDATE

The advisors to the General Partner continue to monitor the demand for energy assets such as ours and once they return to normal levels we will seek shareholder direction on disposition. In the meantime, the fund continues to pay out monthly cash distributions.

If you require further clarification on any of the above details, please do not hesitate to contact me directly at hugh@mapleleaffunds.ca or 604-630-7020.

Yours sincerely,

Hugh Cartwright, Chairman
MAPLE LEAF OIL & GAS ROYALTY INCOME PROGRAMS