

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of CNQ Issuer: SUNORCA DEVELOPMENT CORP.(the "Issuer").

Trading Symbol: SUNO

Number of Outstanding Quoted Securities: 11,156,770

Date: June 8, 2007

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNQ Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNQ.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNQ Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Ans.

The Issuer is seeking further opportunities in the oil and gas sector while awaiting further results from its royalty interest in the Mnazi Bay Gas Field in Tanzania operated by Artumas Group. Drilling and Development of the Mnazi

Bay Natural Gas Field is being carried out by the operator of the project, Artumas Group. Sunorca Development Corp. "the Issuer" has a Gross Overriding Royalty or GORR of 2.75% in the original Development block and 3 other contiguous exploration blocks, and a 1.85% GORR in the remaining 5 blocks of the contract area in the Mnazi Bay Natural Gas Field. The 9 blocks of the contract area cover a total area of 756.8 square kilometres. Previously reported results open the door for large-scale gas offtake initiatives which might include large-scale power supply into Tanzania and offtake gas supply to Kenya.

2. Provide a general overview and discussion of the activities of management.

Ans. Refer to the response to item 1 above.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Ans. The Company has secured a royalty on production from a defined area of the Mnazi Bay Gas Field in Tanzania. The gas field is being drilled and operated by Artumas Group and updates will be disseminated accordingly. See Press Release on the cnq.ca website for further information on the Msimbati-1X exploration well.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Ans. None

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Ans. None

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Ans. None

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Ans. None

8. Describe the acquisition of new customers or loss of customers.

Ans. None

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Ans. None

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Ans. None

11. Report on any labour disputes and resolutions of those disputes if applicable.

Ans. None

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Ans. None

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Ans. During the period of the past month, the Company has not borrowed any funds. However, the Company in its normal course of business activities, may accumulate indebtedness from time to time in the form of fees for services and management fees, as is regularly reported in the Company's financial statements. The indebtedness created by the accumulation of service and management fees or any type of indebtedness can be settled with the completion of a financing, loan, or with the benefits of a successful business transaction. The Company is in the process of reducing its payables.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

Ans. The Company held a promissory note from a company controlled by a director in the amount of \$33,517. This promissory note has been paid off.

16. Provide details of any changes in directors, officers or committee members.

Ans. None

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Ans. None known

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNQ that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNQ Requirements (as defined in CNQ Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 8, 2007

Christian Brule  
Name of Director or Senior  
Officer

"Christian Brulé"  
Signature  
Director  
Official Capacity

<b>Issuer Details</b>	For Month	Date of Report
Name of Issuer	End	YY/MM/DD
SUNORCA DEVELOPMENT CORP.	May 31, 2007	07/06/08
Issuer Address		
100 - 2415 PANORAMA DRIVE		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
NORTH VANCOUVER, B.C.	(778) 737-1299	(604) 602-7114
Contact Name	Contact Position	Contact Telephone No.
Christian Brule	Director	(604)602-7114
Contact Email Address	Web Site Address	
<a href="mailto:sunorca@shawbiz.ca">sunorca@shawbiz.ca</a>	N/A	

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