



SW Capital Partners

IPAA

Private Capital Conference

January 24, 2012

Overview of SW Capital Partners

Background



Independent **Energy Private Equity Firm** in Partnership with the **Bank of Nova Scotia**

Emerging Team Leveraging Benefits of Strategic Alignment with **Leader in Oil & Gas**

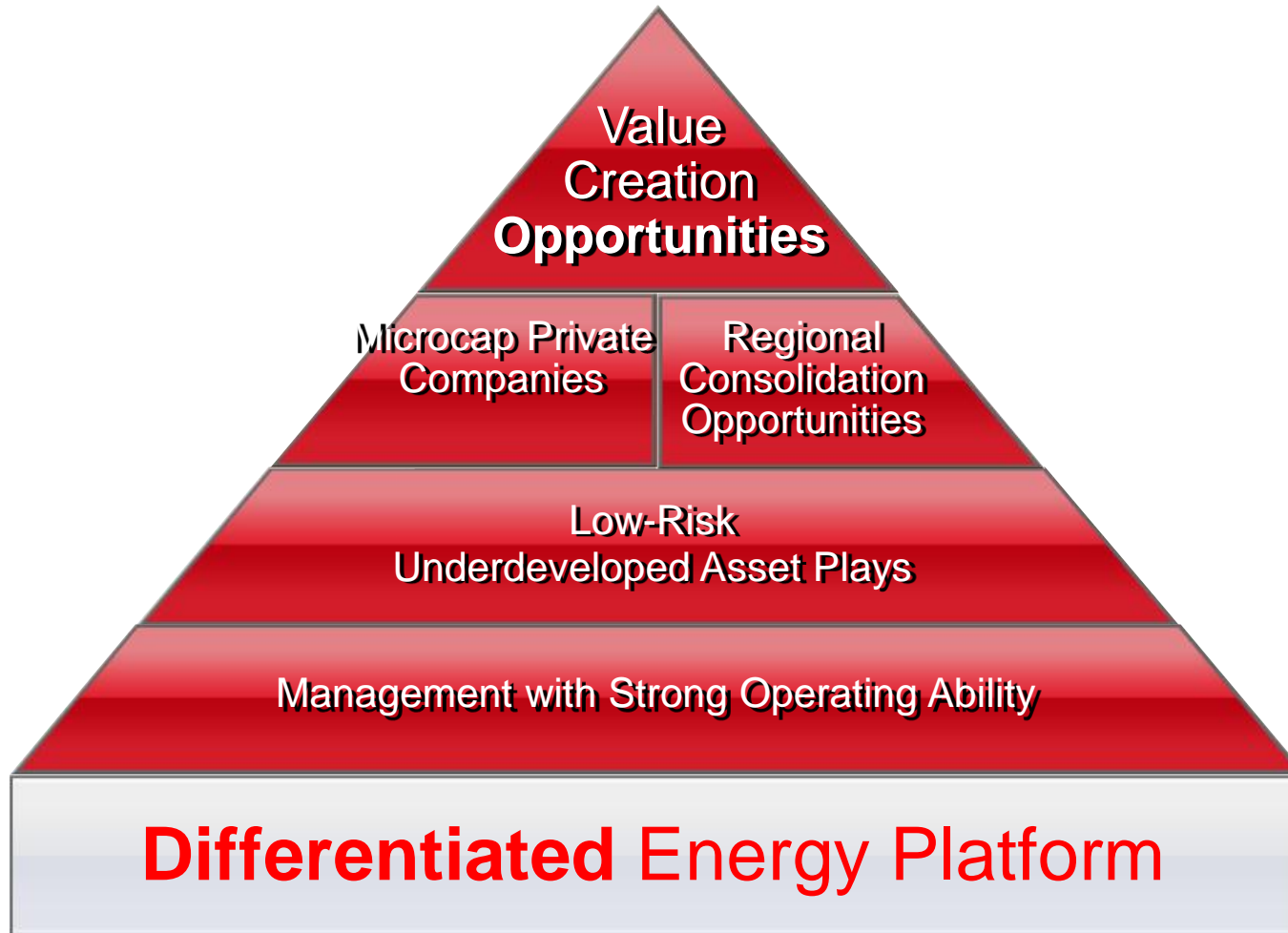
M&A

\$187 Million in **Upstream Commitments** across **Six Deals** to Date

Competitively Positioned with Focus on an **Underserved Segment** of the **E&P Market**

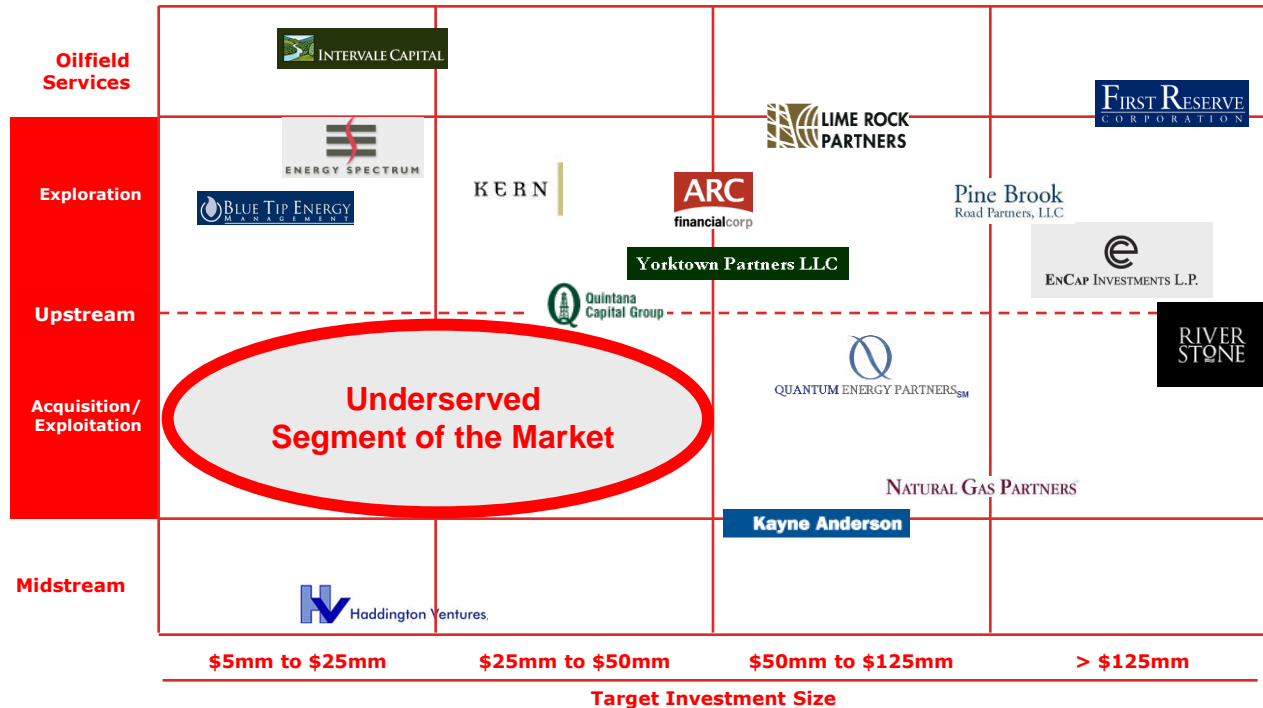
Founded in **January 2011**, Currently Investing **First Fund**

Investment Strategy



Energy Private Equity Landscape

Differentiated Competitive Position



Power / Downstream



Large Generalist Funds



Resource / Asset Funds



Investment Strategy

Differentiated Energy Platform



Differentiated Energy Platform

Investment
Managers Skills



Scotia Waterous
Industry Expertise

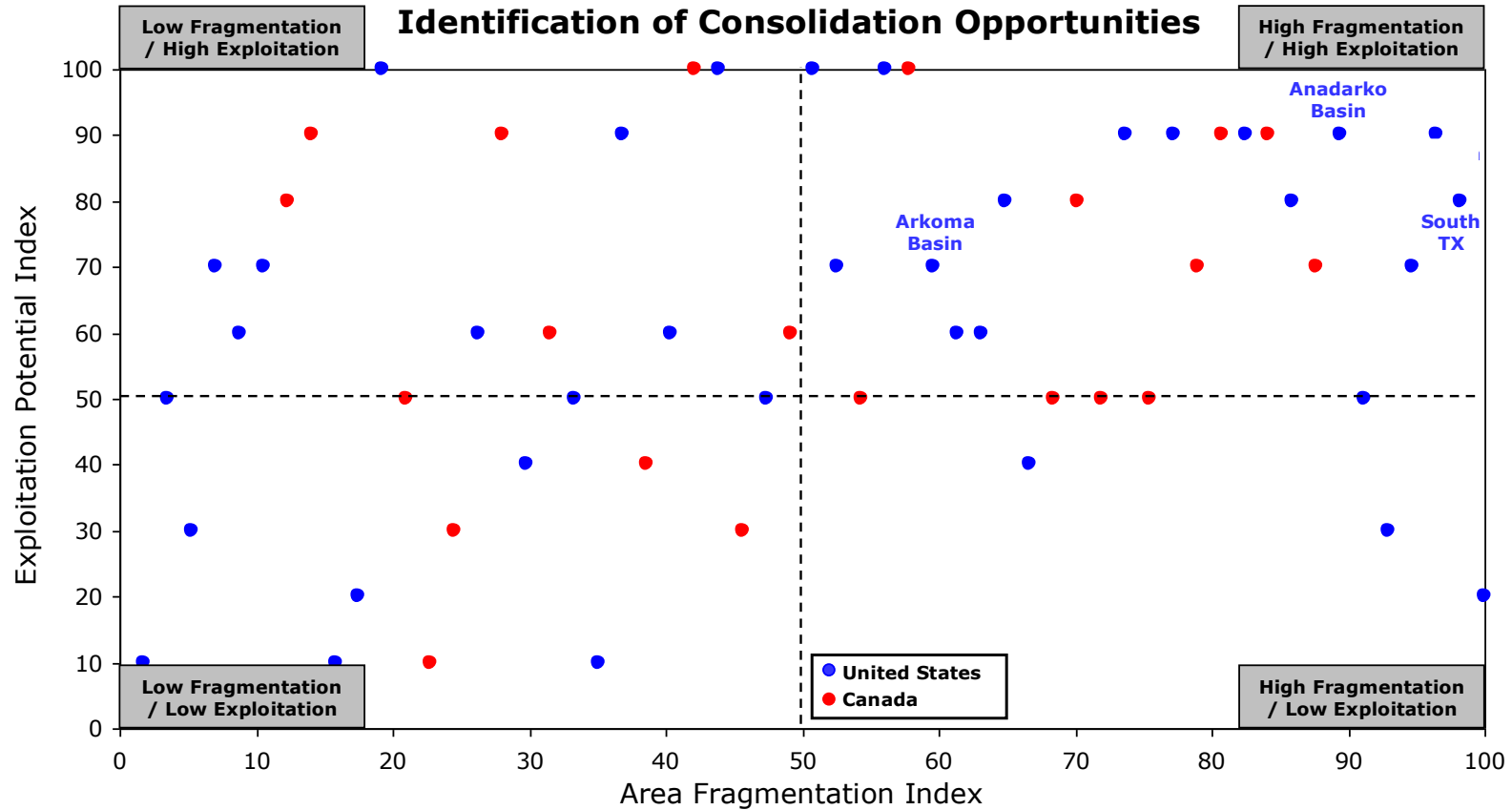
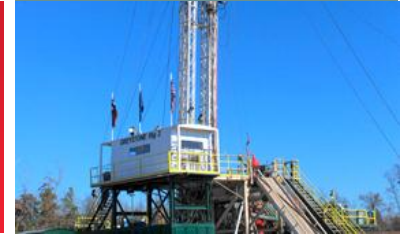
Technical,
Operational,
Transactional,
Investment &
Financial
Expertise

**Proprietary
Databases on
Global M&A
Transactions and
Oil & Gas
Companies**

Specialized
**Market
Intelligence
& Extensive
Relationship
Network**

Proactive Investment Approach

Key Targeted Areas



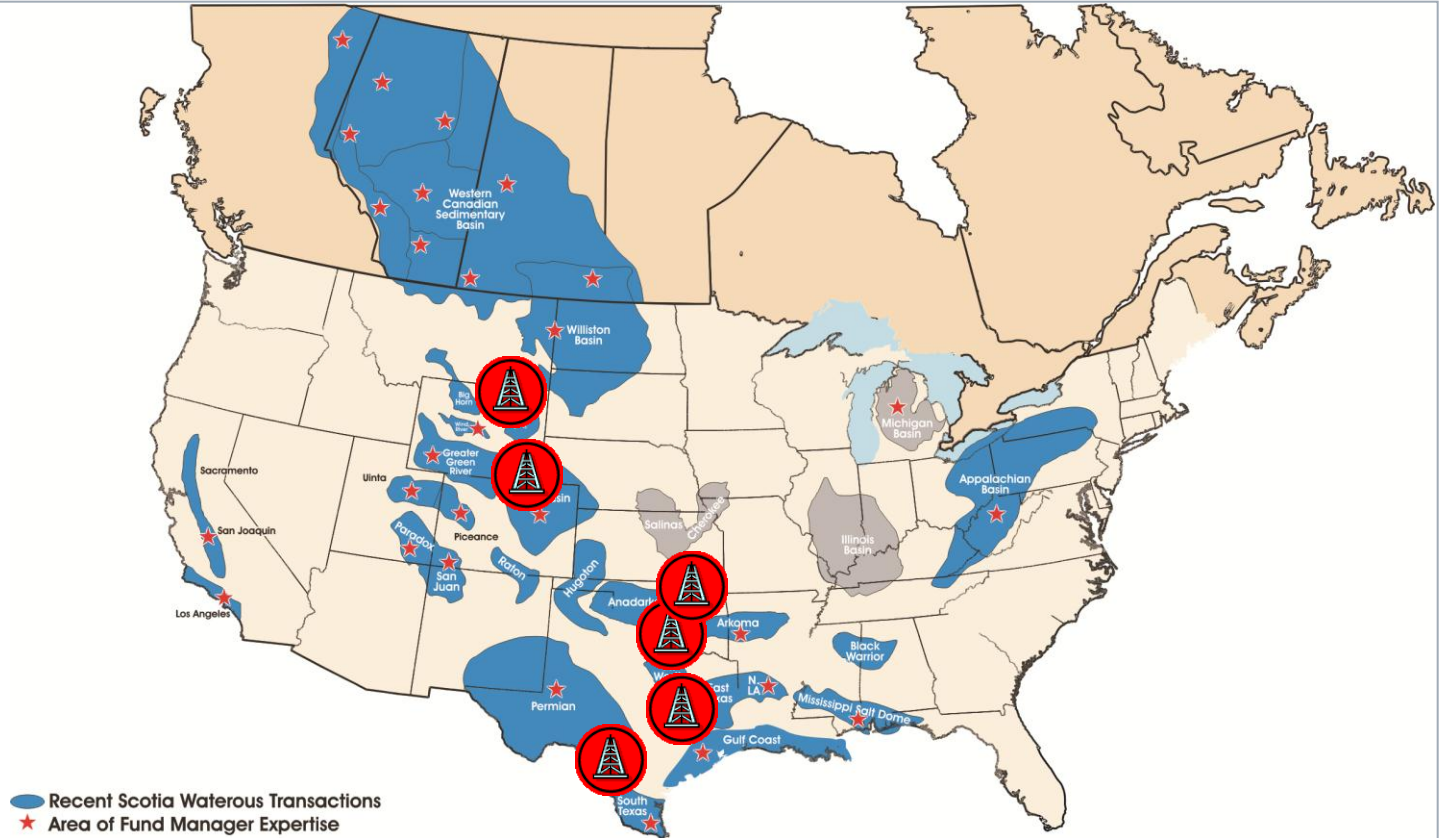
Note: Fragmentation is based on the Herfindahl-Hirschman Index (HHI), which is an approach used to measure industry concentration in United States antitrust guidelines. It is calculated as the sum of the squared market share of each firm; in this case the market share is approximated using the concentration of production (e.g. each producer's % of total production in the area).

Source: Scotia Waterous.

Proactively Managed Footprint Positions In Strategically Advantaged Basins



Current
Investment



Regional Access to **Technical, Valuation & Market** Insights
Longstanding **Relationships** Drive **Proprietary Sourced Deals**

Recurring Themes of Initial Deals

Building A High Quality Portfolio of Investments



The Opportunity

- Ability to establish position at reasonable values
- Existing asset base, demonstrable drilling inventory
- Application of big company technical expertise at small company costs
- Leverage management's strong track record and expertise
- Visibility on exit alternatives (>2-4x ROI) within 2 to 5 years

Investment Thesis

- Significant exploitation and low risk development drilling opportunities
- Ability to scale position through bolt-on property / leasehold acquisitions
- Solid capital efficiency and compelling project level return economics
- Partnering with technically driven management team with specialized expertise, local insights and relationships

SW Value Add

- Investment structure with strong management alignment
- Proprietary sourcing, business development leads and acquisition ideas
- Compete on value add as partner, not on terms
- Existing SW relationships and transaction insights help inform entry and exit expectations and considerations

Contact Our SW Capital Team

Fund Managers



Tym Tombar

Managing Director (Houston)

(713) 437-5068

ttombar@swenergycap.com

Jay Brown

Managing Director (Calgary)

(403) 261-4239

jbrown@swenergycap.com

Don Hansen

Managing Director (Calgary)

(403) 218-6791

dhansen@swenergycap.com

For more information, please visit
www.swenergycap.com

SW Capital Partners

IPAA, January 24, 2012

