2011 IPAA Private Capital Conference: Denham Capital Oil and Gas Overview

Carl Tricoli – Founder & Managing Partner

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Denham Capital Management Overview

Denham Capital is a global energy and commodities focused private investment firm with over $4.5 billion of assets under management

- Investment focus areas include upstream E&P, Midstream, Oilfield Service, Metals & Mining and Power & Renewables
- Integrated team of experienced investment professionals based in Houston, Boston, Short Hills, London, São Paulo and Singapore
- Currently investing $2 billion Denham Commodity Partners Fund V, of which $1.5 billion has been invested and committed
- As of 12/31/10, Denham has invested and committed approximately $3.3 billion in 46 portfolio companies worldwide
- Target equity investments of between $75 and $200 million
What Denham Brings as a Partner

Denham Capital is a leading source of capital for the oil and gas industry with $1.4 billion invested and committed to 21 upstream E&P, midstream and oilfield services Companies

- Denham is an investment platform focused solely on creating long term value in the energy industry, particularly the oil and gas industry – “we are here to stay”
- Deep industry knowledge and expertise
- Flexible, long term capital
- Capital markets expertise
- Value added governance
- Global reach
- Synergistic relationships with other Denham investments
- Comfort with all stages of the corporate and asset lifecycle
Flexible solutions for the E&P industry

*Selected recent Denham capital E&P investments*

<table>
<thead>
<tr>
<th>Geography /Region</th>
<th>Amount Committed</th>
<th>Stage of Investment</th>
<th>Structure of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bakken</td>
<td>$125 million</td>
<td>Back-a-Management Team</td>
<td>Common Equity</td>
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<tr>
<td>Marcellus</td>
<td>$60 million</td>
<td>Acreage</td>
<td>Non-op WI</td>
</tr>
<tr>
<td>Colombia</td>
<td>$60 million</td>
<td>Exploration</td>
<td>Preferred Equity</td>
</tr>
<tr>
<td>Gulf Coast</td>
<td>$150 million</td>
<td>Growth</td>
<td>Structured Equity</td>
</tr>
<tr>
<td>Canada</td>
<td>$140 million</td>
<td>Growth</td>
<td>PIPE into Public Company</td>
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Flexible solutions for the Midstream & OFS industries

*Selected recent Denham capital midstream and oilfield service investments*

<table>
<thead>
<tr>
<th>Geography / Region</th>
<th>Amount Committed</th>
<th>Stage of Investment</th>
<th>Structure of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>$140 million</td>
<td>Pre-Production / Pre-Construction</td>
<td>Common Equity</td>
</tr>
<tr>
<td>North America</td>
<td>$125 million</td>
<td>Growth (through downturn)</td>
<td>Common Equity</td>
</tr>
<tr>
<td>Canada</td>
<td>$15 million</td>
<td>Pre-Feasibility</td>
<td>Common Equity</td>
</tr>
<tr>
<td>Alabama</td>
<td>$50 million</td>
<td>Pre-Feasibility / Pre-Construction</td>
<td>Preferred Equity</td>
</tr>
<tr>
<td>Midwest</td>
<td>$40 million</td>
<td>Growth</td>
<td>Common Equity</td>
</tr>
</tbody>
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Denham Capital is a flexible, long term and value-added capital partner to the oil and gas industry

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