

CVU.A | CVU.B

**SEAVIEW  
ENERGY INC**



*2010 Spring Investor Showcase  
Corporate Update*

June 2, 2010

# Corporate Snapshot



- **Well capitalized, high-growth Junior representing excellent value**
  - Current production of 3,100 boe/d with 500 boe/d behind pipe
  - CVU trades at steep a discount to junior peer group
    - CVU \$27,500 per flowing boe (vs. peer group avg of \$55,600 per boe)
    - 65% price upside compared to analyst's target of \$1.66 (CVU analyst consensus target)
- **Strong financial position is a key asset in volatile markets**
  - Current net debt estimated at \$11 mm with credit facility of \$52 mm
  - Over 45% of 2010 forecast production hedged at minimum floor price of \$6.00/mcfe
- **Increased 2010 Capex by \$10 mm to focus on Wapiti Cardium play**
  - Increased 2010 capital to \$22.2 mm
    - \$10 mm H2-10 directed towards Cardium resource play in Wapiti
      - Plan to drill total of 4 multi-frac Hz in 2010, 2<sup>nd</sup> well to spud late Q2-10
      - 1<sup>st</sup> Hz Cardium well expected to come online July 1<sup>st</sup>
  - Target 2010 exit production increased to more than 3,450 boe/d (15% liquids)

# Corporate Leadership



## Board of Directors

Daryl Gilbert, P.Eng - Chairman

Michael R. Culbert

Bruce Francis, P.Eng.

Jim Howe, CA

Robert G. Peters

Greg Turnbull, LLB

Steve VanSickle

Michael Wuetherick, P.Eng

Scott Oldale

Independent Businessman

President & CEO, Progress Energy Resources Corp.

Independent Businessman

President of Bragg Creek Financial

Independent Businessman

Regional Mng. Partner, McCarthy Tetrault

President & CEO, Fairborne Energy Ltd.

President & CEO, Seaview Energy Inc.

VP Exploration & COO, Seaview Energy Inc.

## Management Team

Michael Wuetherick, P.Eng

Scott Oldale

Stephanie Bunch, CA

Davin Chandler, P.Eng

Tim Campbell

President & CEO

VP Exploration & COO

VP Finance & CFO

VP Engineering

VP Land

*See full director and management bios at [www.seaviewenergy.com](http://www.seaviewenergy.com)*

*Additional complement of 13 staff including technical, accounting and administration support*

# Capital Structure

	Q1-10
<b>Shares Outstanding (millions)</b>	
Class A (TSX-Venture CVU.A)	65.45
Class A Options (average \$1.50 strike price)	5.45
Class B (TSX Venture CVU.B)	1.05
Fully Diluted (B's converted at 10/\$1.00 per A share)	81.40
Q1-10 Exit Net Debt (\$mm) – net of Sask sale	\$11.5
Available Credit Facility (\$mm)	\$52.0
<b>Total Enterprise Value @ \$1.00 per share</b>	<b>\$93.0</b>

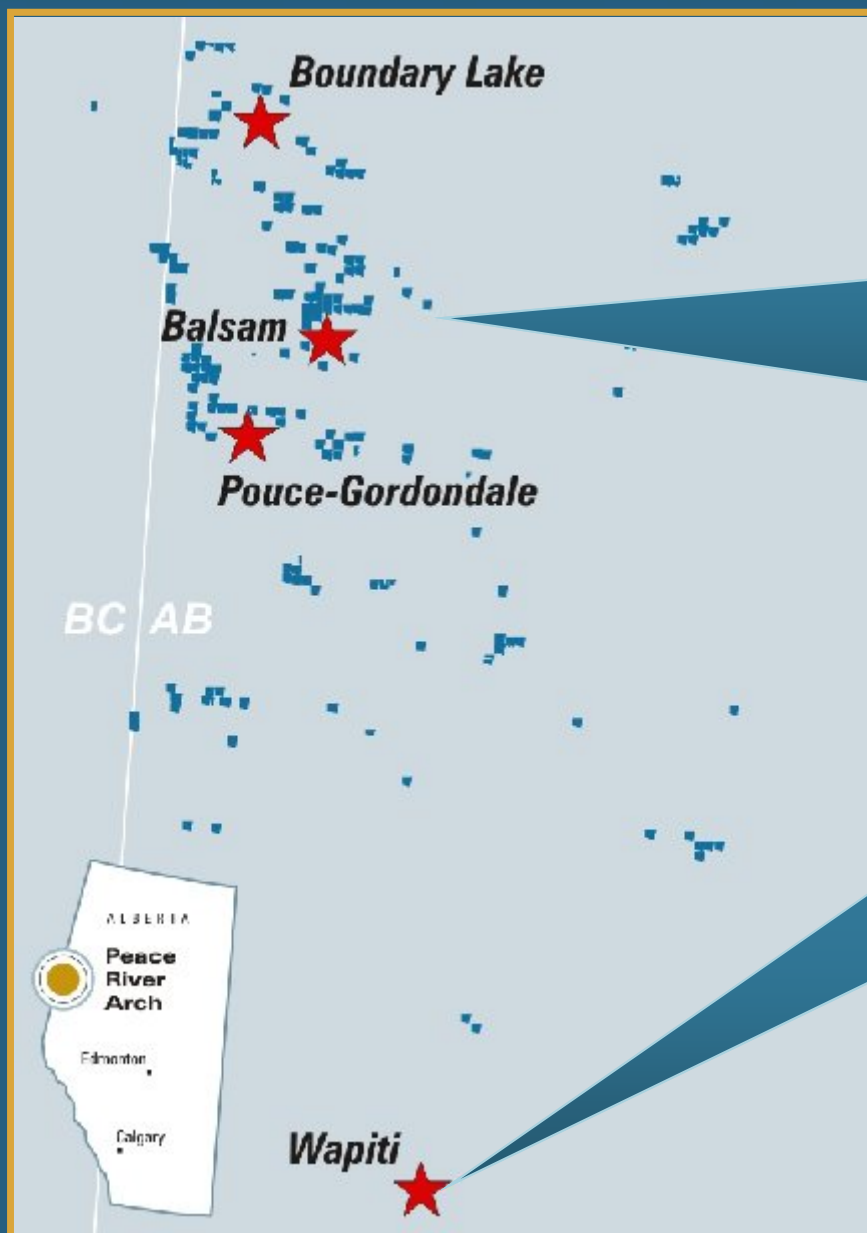
- **Significant insider ownership at 38%**
  - Management 13%, Directors 12% and Progress Energy Resources Corp. 13%
- **Daily trading volume of 136,000 (YTD 2010 average daily volume)**

# Corporate Growth Strategy



- **Cost effective growth of reserves, production and cash flow per share through a balanced strategy of acquisitions, exploration and development**
- **Initial phase – Conventional focus to build stable cash-flow stream**
  - Focused Peace River Arch (PRA) asset base featuring high quality, long life reserves
    - Drilled 29 wells to date at 83% success rate
    - Added over 5.2 mmboe through the drill bit with F&D costs of \$11.05boe TPP since inception
  - Delivered 10 consecutive quarters of growth since inception
  - Solid inventory of over 40 opportunities targeting conventional reservoirs
- **Growth phase - Increased exposure to resource plays**
  - Early exploration success has added significant repeatable, resource exposure to both oil and natural gas plays in 3 areas
    - Wapiti (Cardium Oil), Pouce Coupe (Montney gas) and Harlech (Nordegg liquids rich gas)

# Core Focus Areas



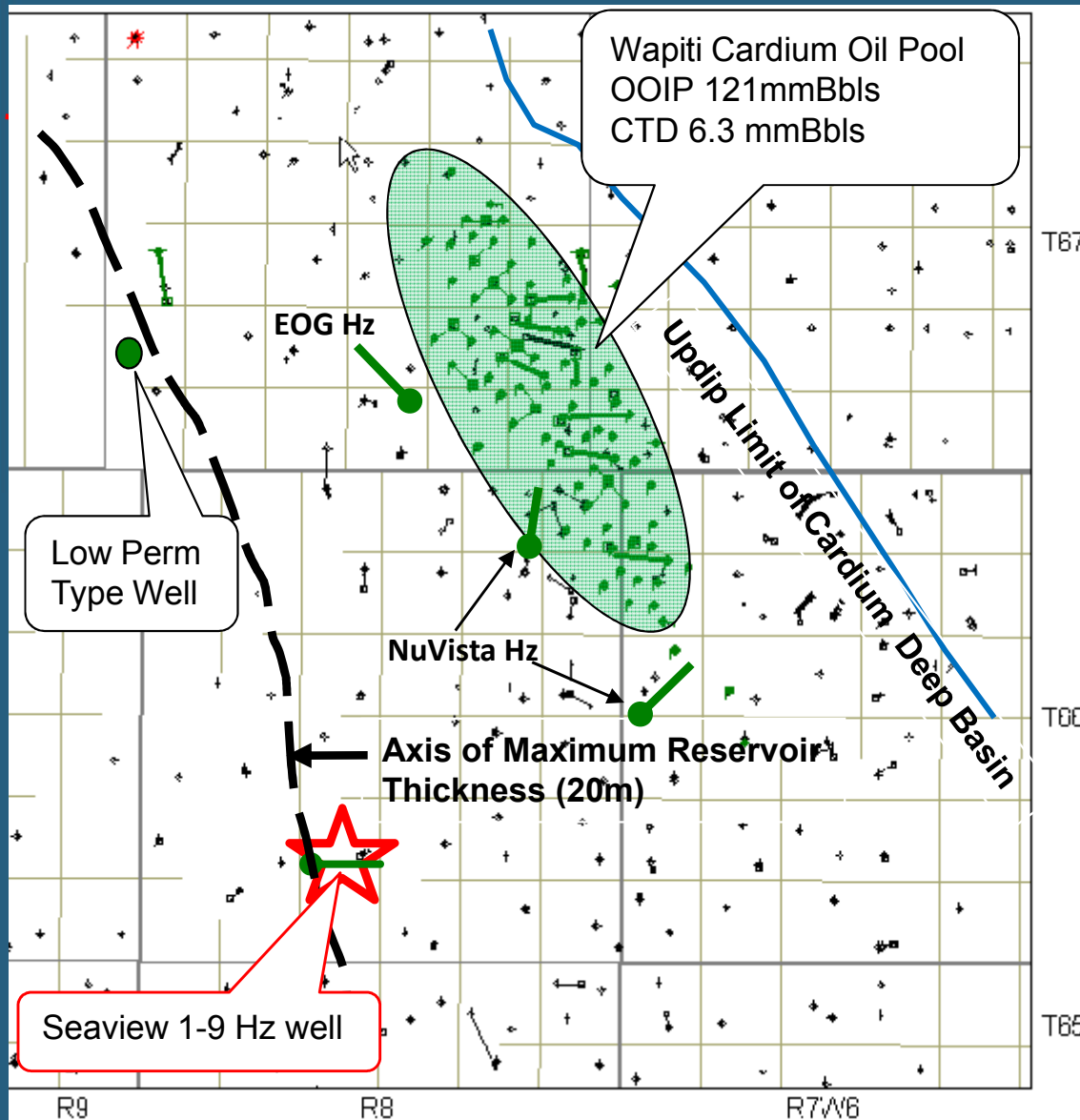
## Peace River Arch

- Current 3,100 boe/d production (92% gas)
- 2009 TPP reserves of 9.74 mmboe (8.6 yr RLI)
- 26,752 net acres undeveloped (48% avg WI)
- Over 40 conventional locations in inventory
- Pouce-Gordondale resource play with 20 net locations targeting Montney gas

## Wapiti Cardium light oil resource play

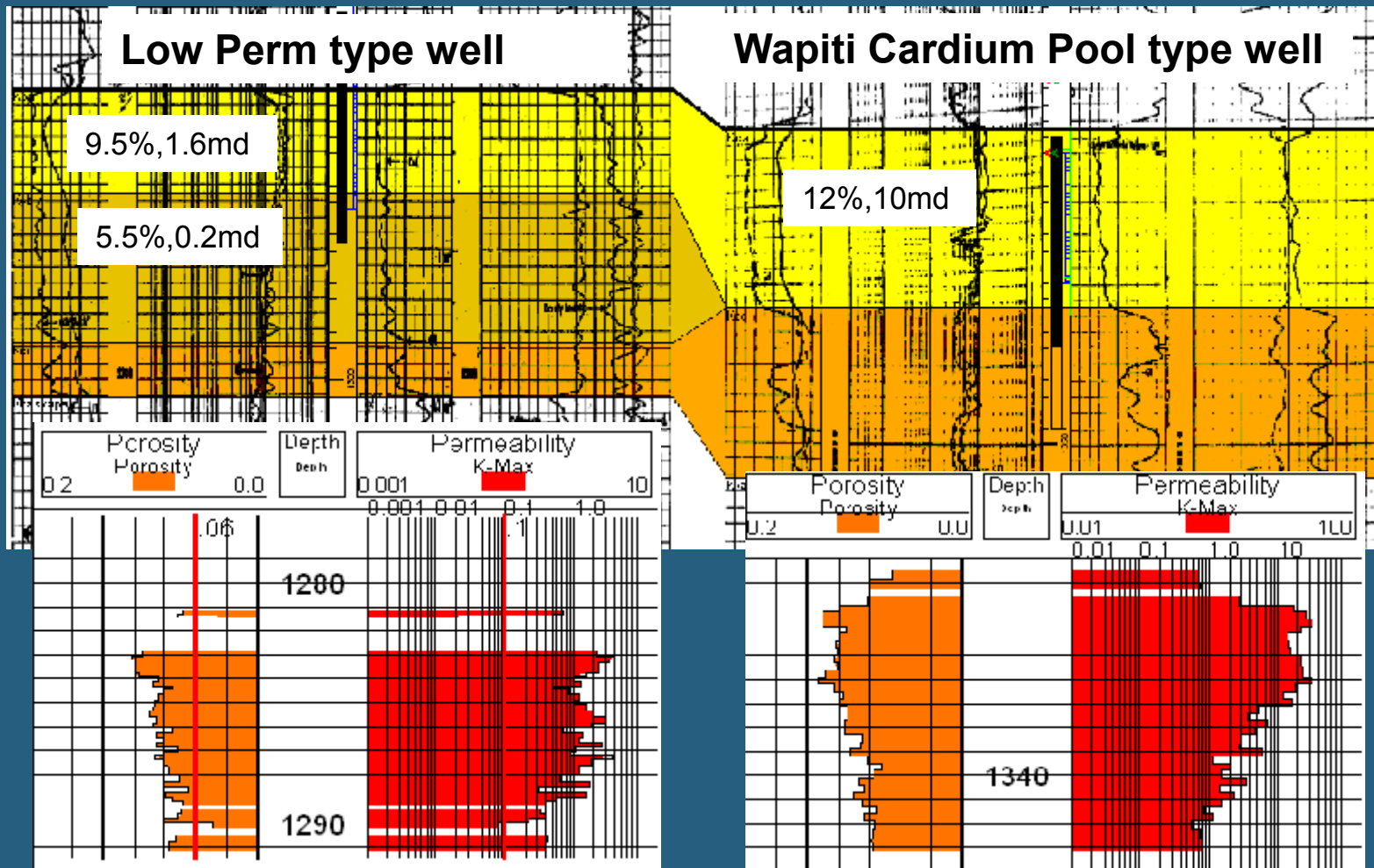
- 18.5 (10.2 net) sections of prospective land
- 1<sup>st</sup> Hz (0.7 net) drilled and completed in Q1-10
- 3 (1.6 net) Hz follow-up wells to be drilled in 2010
- 40+ contingent follow-up locations

# Cardium Light Oil Resource Prospect



- **Significant light oil resource potential**
  - Estimated 140+ sections of prospective light oil fairway
  - 1.1 Billion Bbls OOIP (7.7 mmbbl per section) plus 608 bcf OGIP (4.3 BCF per section)
  - EOG and Nuvista have licensed 3 Hz wells further validating play concept
- **Seaview's land potential**
  - 18.5 (10.2 net) sections of land within resource fairway
  - Potential of 40+ net locations
  - Seaview exposure of over 75 mmBbls OOIP and 43 bcf OGIP

# Reservoir Comparison



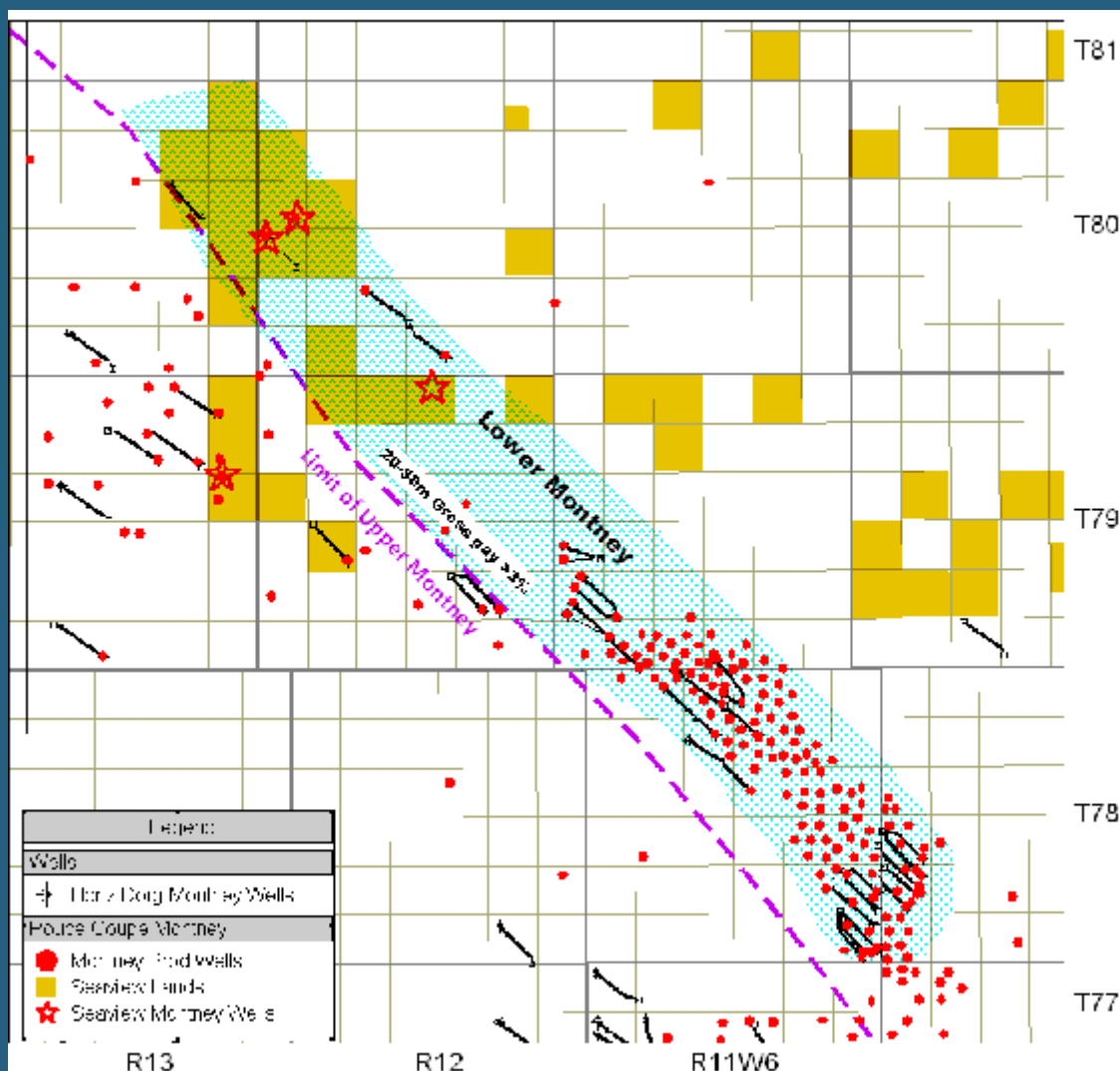
- Cardium resource fairway features similar reservoir characteristics with lower permeability

# 2010 – Wapiti Cardium Capital Program



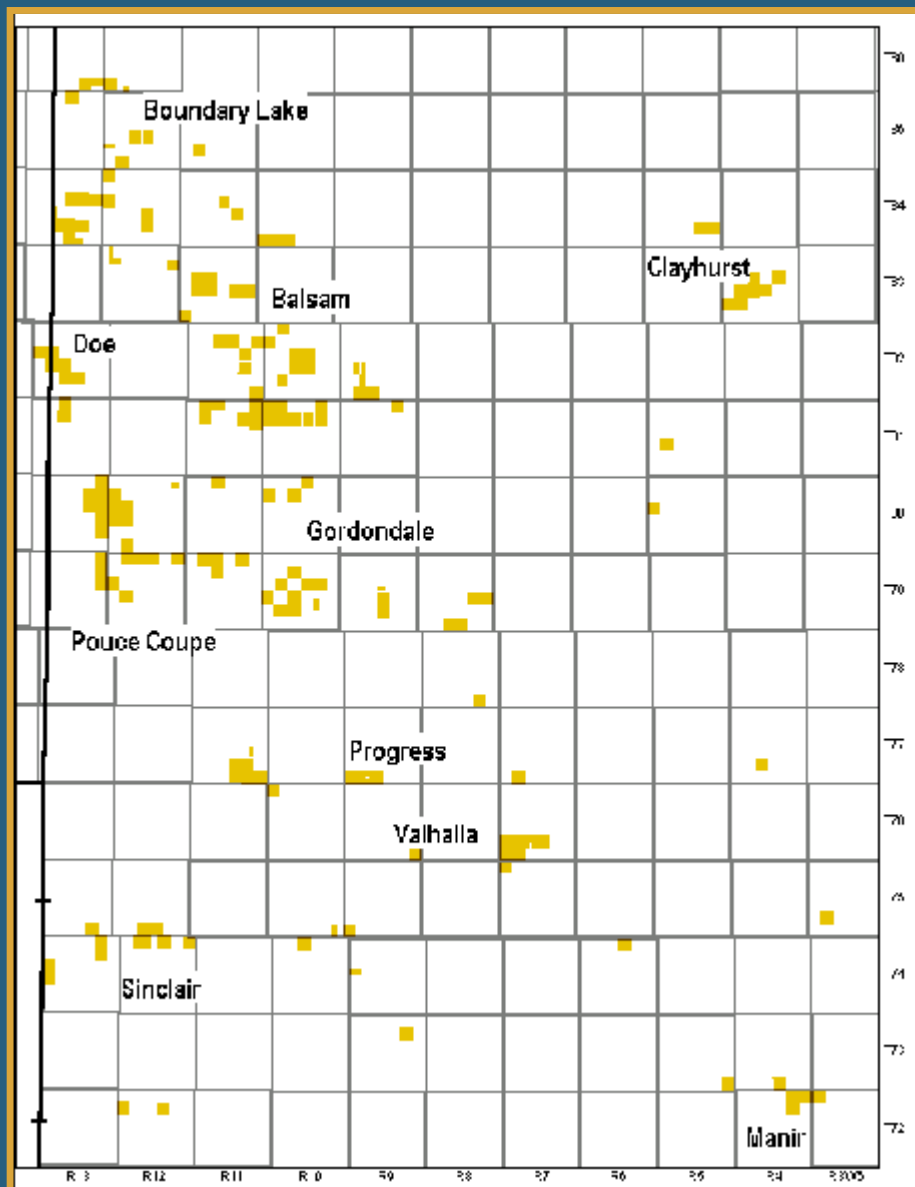
- **\$10 mm increase to Capital spending over the balance of 2010**
  - CVU plans to drill 3 (1.6 net) additional HZ Cardium wells this year
    - Next 2 (0.9 net) wells to be drilled and completed by early Q3-10
    - Minimum of 1 (0.7 net) well to be drilled in late Q3-10
  - 1-9 HZ Cardium oil well expected to be on production in Q3-10
- **Continued success will set-up long term development project**
  - Potential for more than 40 net wells (based on 4 wells per section)
    - 5% recovery factor yields 425 mboe per section
  - Development program all-in capital cost of \$2.8 - \$3.0 mm gross per well
  - Potential for significant reserve additions in 2010

# Pouce Coupe Montney Gas Project



- **Seaview's Montney exposure**
  - 21 (4.5 net) sections of land within Montney resource fairway with over 20 net locations
  - Hz offset wells ranging from 1 – 5 mmcf/d IP rates and 2.5 bcf per well
- **Early drilling success supports future development**
  - CVU has drilled 3 (1.6 net) verticals and 1 (0.24 net) Hz well to date
  - 475 mboe TPP reserves booked to 4 (1.1 net) Hz wells
  - Resource potential of 45 bcf net based on 10 bcf OGIP per section

# Peace River Arch – Cash Flow Engine



<i>Reservoir Zone</i>	<i>Reserve Target Size (mboe/well)</i>	<i>Drilling Results to Date</i>
Dunvegan, Doe Creek	30-160	2/2
Bluesky, Gething	80-320	10/11
Charlie Lake, Doig, Montney	50-480	6/8
Kiskatinaw	320-800	6/8
<b>Total</b>		<b>24/29</b>

## • 2009 Highlights

- Closed acquisition 725 boe/d from partner in June
- Successful Q3-09 drilling program added over 1,500 boe/d of new production at less than \$5,000 per boe CAPEX

## • Alberta Royalty Incentive Program impacts

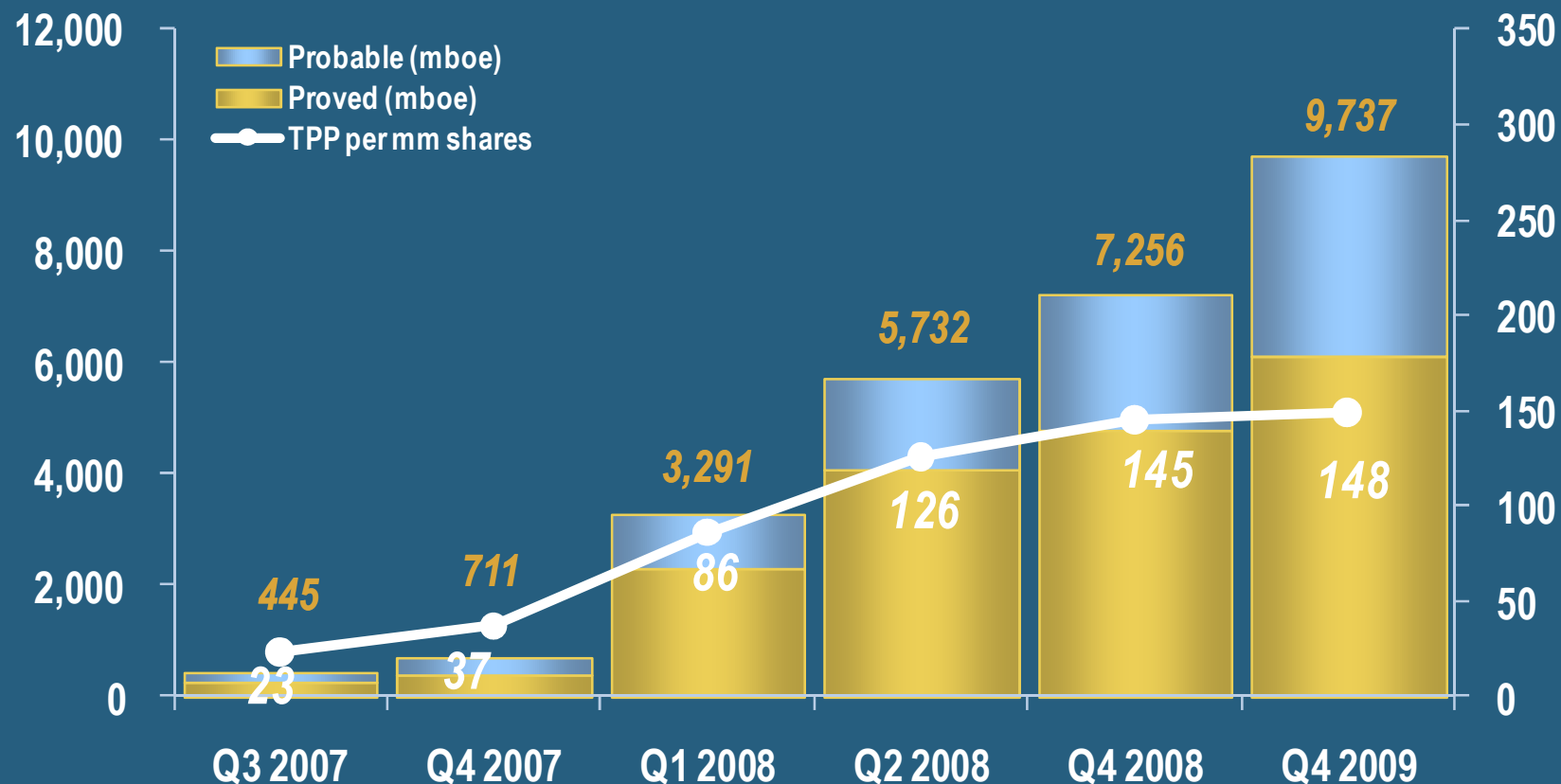
- Drilling credits enhance full-cycle economics short term
- 5% permanent royalty holiday program improves IRR

# Track Record of Production Growth



- **Ten consecutive quarters of production growth (22% CGR per share, per quarter)**
  - Current production of 3,100 boe/d net of Saskatchewan divestment
- **Behind pipe production of 500-600 boe/d from 3 (2.3 net) gas wells awaiting tie-in**

# Track Record of Reserves Growth



- Increased TPP reserves by 53% in 2009 to 11,068 mboe (excluding Sask sale)
- Reserves as at December 31, 2009 (net of SE Sask divestment) :
  - 5.1 mmboe PDP, 6.2 mmboe TP and 9.8 mmboe TPP basis

# Demonstrated Capital Efficiency in 2009



	2009		3-Year Average <sup>(2)</sup>	
	TP	TPP	TP	TPP
<b>Capital Costs (including change in FDC)</b>				
Exploration and Development	\$16.7	\$18.9	\$46.7	\$56.6
All-in Capital including Acquisitions	\$47.2	\$49.3	\$149.0	\$158.9
<b>Reserve Additions (including technical revisions)</b>				
Exploration and Development (mboe)	1,696	2,458	3,309	5,118
Total Reserve Additions (mboe)	3,160	4,616	7,387	11,000
<b>Capital Efficiency (including change in FDC)</b>				
Seaview Energy F&D costs (\$/boe)	\$9.85	\$7.67	\$14.10	\$11.05
Peer group average F&D costs	\$20.50	\$15.83		
Seaview Energy FD&A costs (\$/boe)	\$14.93	\$10.32	\$20.18	\$14.45
Peer Group average FD&A costs	\$19.76	\$18.82		\$17.66

- Seaview's finding costs rank in the top-quartile of small-cap peer group

1. Peer group data based on public company records from 32 companies ranging from 500 – 10,000 boe/d in 2009

2. Seaview's 3-year average costs are net of Southeast Saskatchewan disposition

# Valuation Comparables – Junior E&P



<b>Valuation Parameters<sup>(1)(2)</sup></b>	<b>Seaview</b>	<b>Peer Average</b>
Enterprise Value per flowing boe (\$/boe)	\$27,500	\$55,600
Enterprise Value per TPP reserves (\$/boe)	\$8.71	\$15.30
Enterprise Value per PDP reserves (\$/boe)	\$16.54	\$43.50
2010 Debt-adjusted cash flow multiple	4.3	6.3
<b>Operations and Financial Comparables</b>		
% 2010 Production Hedged	45%	29%
Credit Facility Utilization	21%	59%
FDC relative to Enterprise Value	14%	38%
PDP Reserves % of Total Proven plus Probable Reserves	54%	35%

1. Valuation parameters based on National Bank Financial - Junior Producers Compsheet

2. Other comparables based on public data as provided by Canoils database

# 2010 - 2011 Hedging Summary



- **Plan to continue successful hedging program**
  - Use of Puts to ensure exposure to upside potential
  - 2009 hedging program contributed \$6.4 mm of revenue
- **2010 - 45% of current production hedged at \$6.00/mcfe minimum price**
  - 7,778 GJ/d gas production net floor price of \$4.68/GJ (\$4.94/mcf) to Dec-10
    - 21% premium to current CAL-10 , 38% premium to AECO spot prices
  - 200 bbl/d crude hedged at \$75.00/bbl net floor price until Dec-11
- **2011 - 17% of current production hedged at \$7.92/mcfe minimum price**
  - 2,000 GJ/d gas production net floor price of \$4.75/GJ (\$5.01/mcf) to Dec-11
  - 200 bbl/d crude hedged at \$75.00/bbl net floor price until Dec-11

# 2010 Capital Program and Guidance



- **2010 Capital budget of \$22.2 mm**
  - Q1-10 Capex of \$8.1 mm completed with drilling of 5 (4 net) wells (80% success rate)
  - H2-10 Capital spending directed towards expanded Wapiti Cardium drilling
    - Drill 3 (1.6 net) additional Cardium Hz wells
    - Drill up to 3 (1.8 net) PRA prospects (contingent on commodity prices)
    - Complete equip and tie-in operations to bring 500 boe/d behind pipe online by year-end
- **Upward revision to 2010 guidance**
  - **2010 exit target of more than 3,450 boe/d**
    - Increase of 15% compared to Q4-09 exit of 3,000 boe/d
  - **2010 average production of more than 3,100 boe/d**
    - Increase of 34% relative to 2009 average of 2,321 boe/d

# Why Invest in Seaview?



- **Seaview offers investors a unique investment opportunity**
- **Discount valuation for a Junior E&P, despite these attributes!**
  - Demonstrated success in executing business strategy
  - Top-quartile finding and development costs, best indicator of value generation
  - Under leveraged balance sheet with \$40 mm credit availability
  - Strong hedge book stabilizing cash-flow in volatile price environment
  - Inventory of high-quality prospects
- **Limited share price downside with potential near-term catalysts**
  - Wapiti Cardium light oil resource play is a “free-option” with continued drilling success
  - Strong balance sheet provided opportunity to capitalize on strategic opportunities

# Research Analyst Coverage

<i>Company</i>	<i>Analyst</i>	<i>Target</i>	
Cannacord-Genuity Capital	Brian Kristjansen	\$1.80	BUY
MacQuarie Capital Markets	David Popowich	\$1.35	BUY
Jacob Securities	Rob Pare	\$1.75	BUY
National Bank Financial	Jeff Sears	\$1.50	BUY
Paradigm Capital	Lyndon Dunkley	\$1.80	BUY
Wellington West Capital Markets	Kim Page	\$1.75	BUY

# Disclaimer Information



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# Contact Information



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**Auditor**        KPMG LLP

**Evaluation  
Engineers**      Sproule Associates Limited

**Bankers**        National Bank of Canada

# Management Team Bio's



## **Michael Wuetherick, President and Chief Executive Officer and Director**

Mr. Wuetherick is a P. Eng with 20 years of oil and gas experience. The first half of Michael's career focused on operations, reservoir engineering, facilities construction and project management roles with Norcen and Suncor. From 1997- 2000 Michael focused on merger and acquisition evaluations for Rio Alto Exploration as Team Leader and Manager, Business Development. From 2000 - 2003 Michael was President and CEO of Capture Energy Ltd, a private company with 1,300 boe/d of production, sold in April 2003. From 2003 to June 2006, Michael was the Chief Operating Officer of SignalEnergy. In the fall of 2006, Michael joined 1276921 Alberta Ltd, a private company acquired by Seaview in October 2007. Michael has worked for Seaview since that time.

## **Scott Oldale, Vice President, Exploration and Chief Operating Officer and Director**

Mr. Oldale is a geologist and has 28 years of oil and gas experience. Scott has been an officer and director of several junior oil and gas companies; including Stride Energy, Ketch Energy and Kintail Energy which were subsequently sold to larger entities. Scott has held various management positions as COO, VP Exploration and VP Business Development and has played a key role in the initiation and growth of these companies. Scott also held management positions and senior technical roles with Northstar Energy from 1996 - 1998 and Sceptre Resources from 1989 -1996 and has worked as an exploration geologist for PetroCanada from 1982 - 1989. In the fall of 2006, Scott joined 1276921 Alberta Ltd, a private company acquired by Seaview in October 2007. Scott has worked for Seaview since the acquisition in October 2007.

## **Stephanie Bunch, Vice President, Finance and Chief Financial Officer**

Ms. Bunch is a CA with 19 years experience. Stephanie started her career with KPMG and spent 6 years in various roles, with the most senior position being Manager, Tax. From 1997 - 2000, Stephanie worked for various junior private and public oil and gas companies in the roll of Controller. From 2000 - 2006, Stephanie worked for Canetic Resources Trust and its predecessors Acclaim Energy Trust and Ketch Energy in various positions from Controller to Treasurer, responsible for financial reporting, internal controls, tax planning and acquisition analysis and tax structuring. In January 2007, Stephanie joined 1276921 Alberta Ltd., a private company acquired by Seaview in October 2007. Stephanie has worked for Seaview since that time.

# Management Team Bio's



## **Davin Chandler, Vice President, Engineering**

Mr. Chandler is a P. Eng with 23 years of oil and gas experience. Davin began his career as an operator, moving through facility construction and supervising service rigs. Davin then worked for Samson Canada for 4 years managing exploitation and acquisition opportunities as the company grew from 700 to 7,000 boe/d. After leaving Samson, Davin spent the next 9 years building 3 private companies, the last being Stride Energy, which sold in April 2006 for \$12.3 mm when it was producing 220 boe/d with positive working capital of \$3 million. In the fall of 2006, Davin joined 1276921 Alberta Ltd, a private company acquired by Seaview in October 2007. Davin has worked for Seaview since that time.

## **Timothy Campbell, Vice President, Land**

Mr. Campbell has over 31 years of oil and gas experience. Tim began his career in 1978 as a landman with Mobil Oil Canada. From 1980 - 1985, Tim was a senior landman with Merland Explorations and from 1985 - 1987, he was President of Trapper Resources. From 1988 - 1997, Tim was the President of Campbell Oil (land consulting) and in 1998 - 2002 he was the President of FarPoint Energy. In 2003, Mr. Campbell joined Hawker Resources as VP, Land and Corporate Development and from 2004 - 2006 was VP, Land with SignalEnergy. He is also a director for several public and private companies. In the fall of 2006, Tim joined 1276921 Alberta Ltd, a private company acquired by Seaview in October 2007. Tim has worked for Seaview since that time.