

# **NWest Energy Inc. Corporate Presentation**

**August 2008**

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## **Vision**

- ▶ To enhance shareholder value by creatively bringing undervalued or overlooked oil and gas projects or properties into production.

## **Mission**

- ▶ To become one of the best performing junior oil and gas exploration companies in the world.

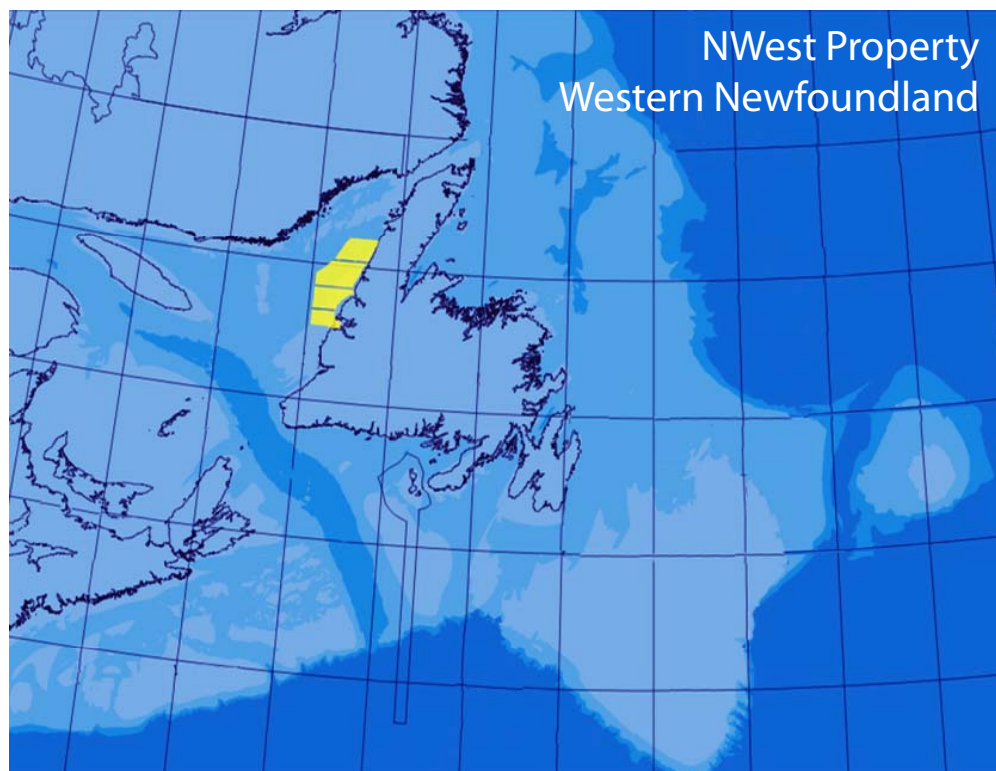
## **Goals**

- ▶ To explore, discover and bring to production high-value offshore oil fields in Western Newfoundland.
- ▶ To be the premier offshore junior exploration company with maximum exposure in Eastern Canada.

### **NWest Energy is a high impact Canadian oil and gas exploration company**

- TSX-V Listed - commenced trading as NWN March 2008
  - Market Cap approx. \$52 million
- World Class Offshore Exploration - 1.6M acres in Western Newfoundland
- Exceptional Management Team – totaling more than 100 years of management experience
- \$10M raised in private offering - December 2007
- NWest is about to begin the first 3D seismic acquisition program in Western Newfoundland – Sept. 2008.

## Highlights



- ▶ Four offshore licences in place until 2011/12 , plus 4 years with wells drilled
- ▶ Geophysical report reinterprets 5,000km of 2D seismic data
- ▶ Favorable petroleum system; top 11 leads have total potential 3.8B bbl OOIP
- ▶ 300M - 500M bbl targets
- ▶ Commitment made for 3D Seismic over 1,000 km<sup>2</sup> in Q3
- ▶ NWest owns 100% of project.

## Directors



- ▶ **François Gauthier, President & CEO**

- ▶ Previously Vice President and Resident Manager for Anadarko on location in Algeria.



- ▶ **Wade Dawe**

- ▶ President and Chief Executive Officer of Linear Gold Corp.; Chairman of Linear Metals Corporation.



- ▶ **Carl Sheppard**

- ▶ President and Managing Director of Strategic Concepts Inc., a business planning and advisory company.



- ▶ **Patrick Laracy**

- ▶ Chairman & President of Vulcan Minerals Inc. (TSX-V:VUL).



\*Two more External Directors expected to be invited to join BoD before year end.

## François Gauthier, P. Geol. - President & CEO

- ▶ 30+ years experience developing drilling and exploration programs in varying environments; played key role in inception and management of exploration program, including development and discovery of exploitation of 3B BOE in Sahara.

## Sharon Dunn, CA, CBV - Chief Financial Officer

- ▶ CA and Chartered Business Valuator with experience in Canada and UK; over 30 years in Public Accountancy.

## Robert Webb, MBA, B. Eng. - Vice-President, Business Development & Operations

- ▶ Played senior role in 30 M&As and Equity Financings totaling \$10B with CIBC World Markets; provided project planning, management & engineering services to Schlumberger and GlobalSantaFe in Asia and Canada.

## Chris Flanagan, MBA - Sr. Mgr Investor Relations & Corp. Communications

- ▶ Seven years in IR and PR at CHC Helicopter, largest offshore oil and gas transportation services company in world; connected to community with 5 years as Business Editor, The Telegram.

## Lori Foote, MBA - Office Manager

- ▶ International sales, pricing and market analysis with public telecommunications company Stratos Global Corp.

## Jock Drummond, MGeoph. - Geophysical Technology

- ▶ Over 30 years experience in geophysical acquisition, processing and research: including 20 with Petty-Ray and Halliburton and seven with Anadarko as Manager of Geophysical Technology, guiding Anadarko to forefront of Pre-stack 3D depth imaging.

# Industry Overview – Western NL Context



## Western Newfoundland represents promising, untested offshore region

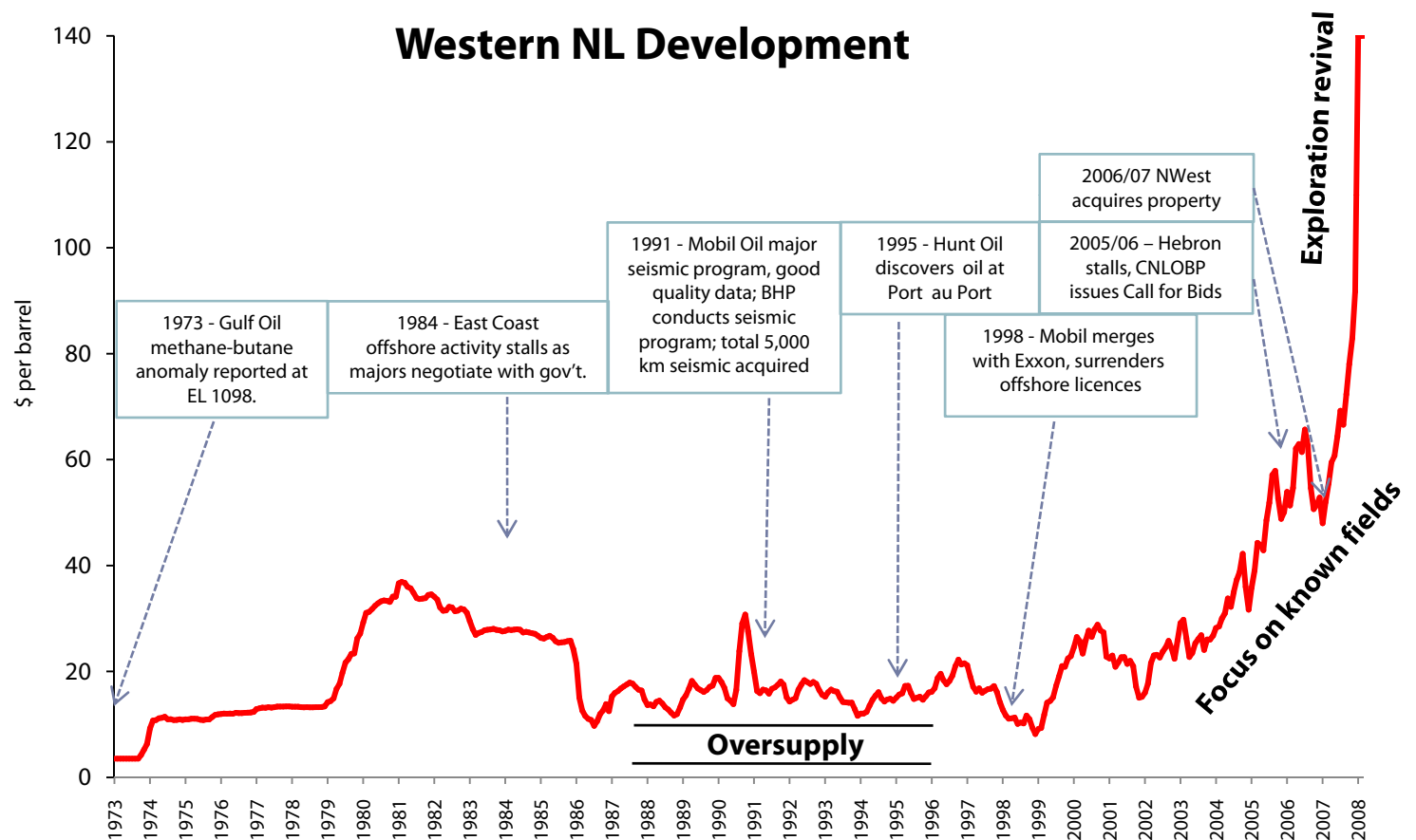
Positive indicators since the 1800s.

Grand Banks have dominated oil exploration in Eastern Canada.

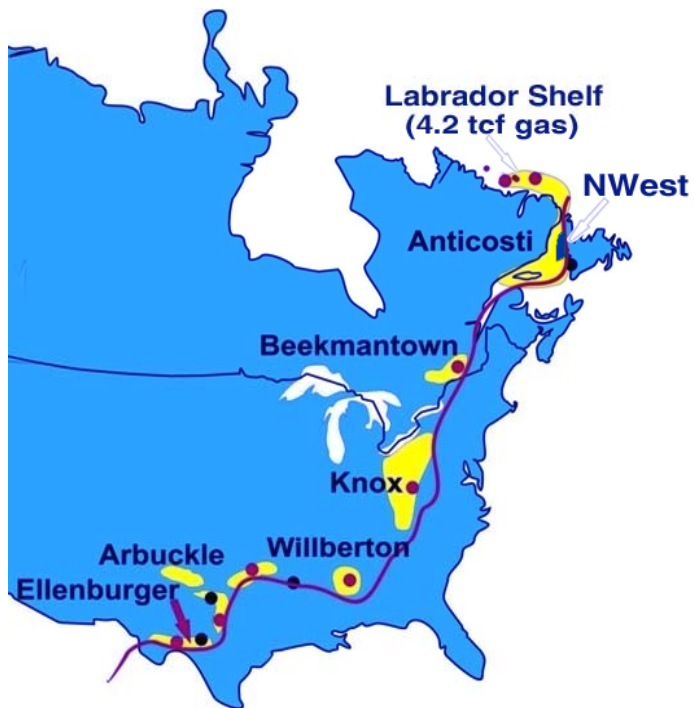
Mobil and BHP conducted major seismic programs when oil <\$20/bbl.

Mergers and acquisitions changed majors' strategies.

**Western NL has high impact potential, is easily accessible, and is low risk region in terms of politics, technology and regulation.**



## Basins along the Cambro-Ordovician Paleomargin for North America



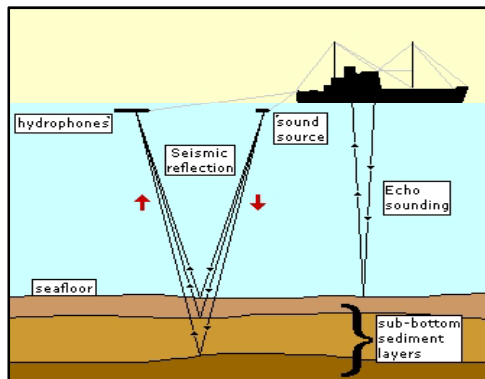
## Albion-Scipio play concept

### ▶ Trend

- ▶ Acreage in same play trend as Ellenburger, Knox and Beekmantown producing areas of U.S. and on trend with significant proven Labrador Gas discoveries.

### ▶ Petroleum System Indicators

- ▶ Large exhumed oilfield onshore – where NWest target rocks are exposed at surface.
- ▶ Parsons Pond sweet oil in shallow onshore wells; oil seeps dating to 1812.
- ▶ Butane/Methane anomaly reported by Gulf Oil 1973.
- ▶ Port au Port oil discovery 1995.



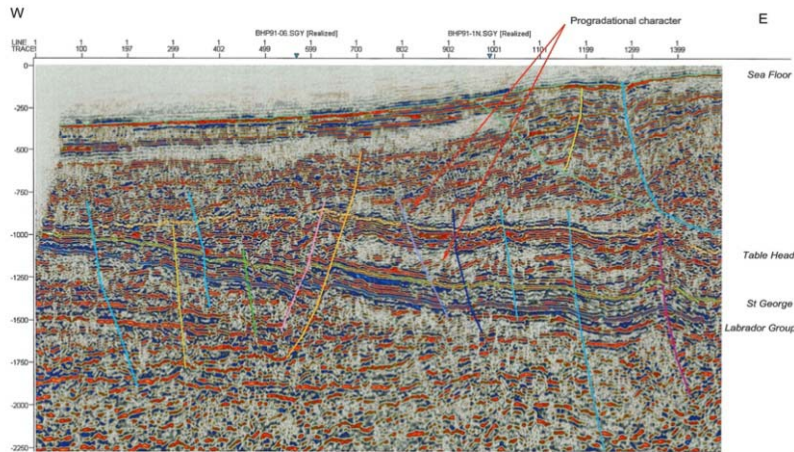
## ▶ Seismic Acquisition

- ▶ 3D Seismic Acquisition – 1,000 km<sup>2</sup> covering four major targets (300-570M bbl) and several smaller targets: Sept, 2008
- ▶ Contract awarded to Geophysical Service Inc. (GSI) – 90 m Vessel GSI Admiral currently en route from South America
- ▶ Data processing complete by year-end 2008.

## ▶ C-NLOPB (Regulator) Approval

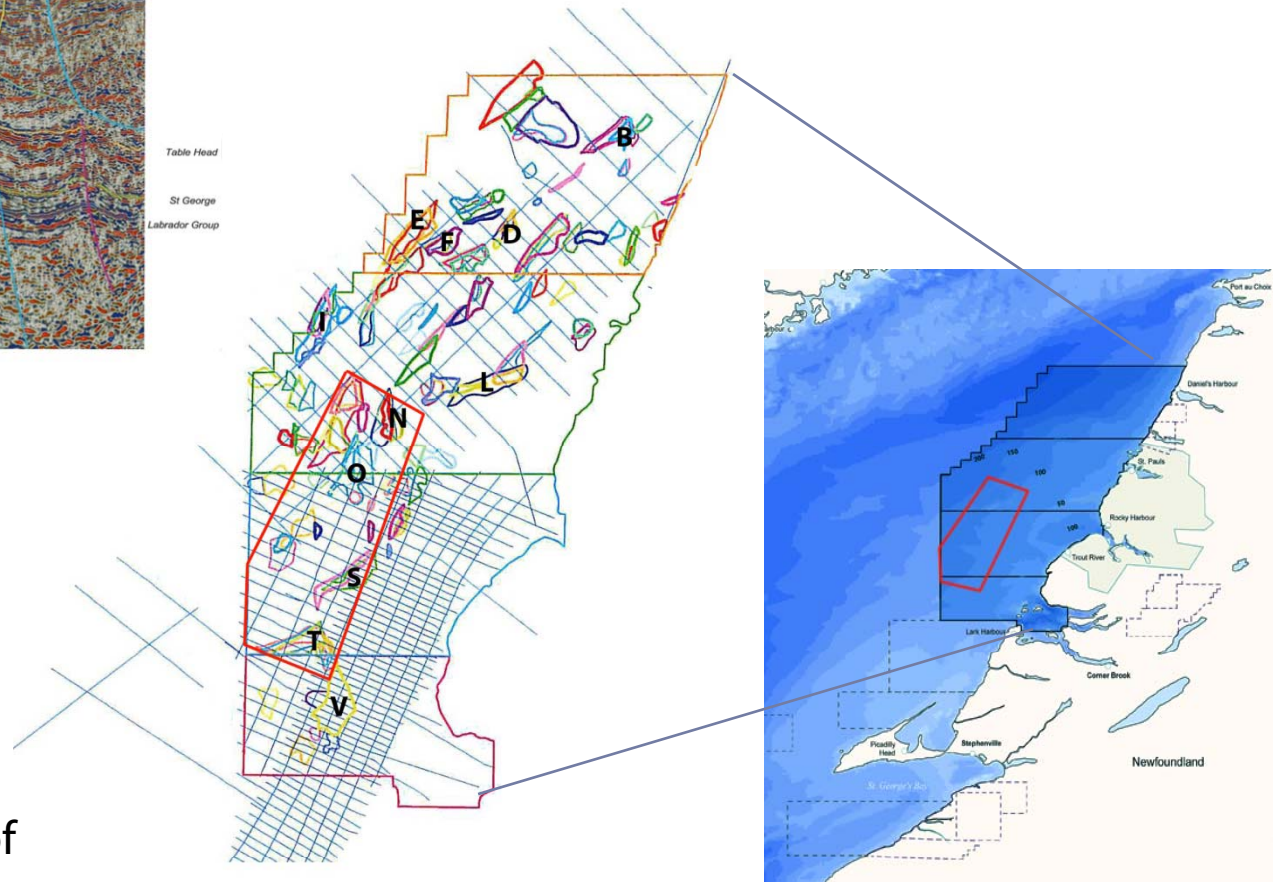
- ▶ Public consultation & EA document review completed
- ▶ Final stages of approval.

# Western NL Property – Seismic Program Area



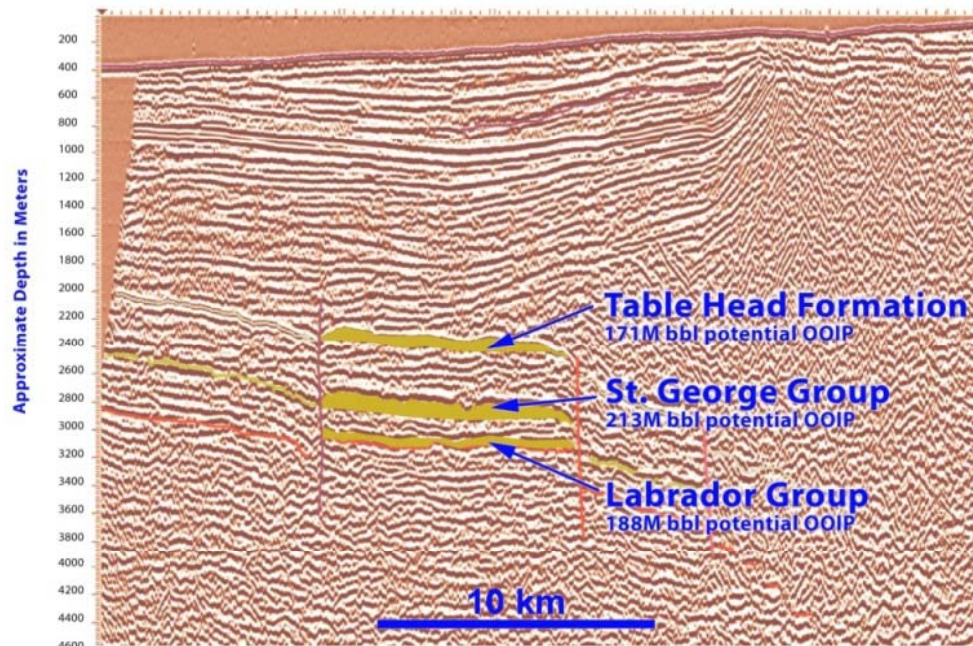
Example 2D Seismic Line BHP91-27

## Top 11 Targets



- 150 Leads/Prospects identified by Sproule Associates of Calgary.
- Best prospects stacked vertically.
- Top 11 structures undiscovered potential of 3.8 B bbl of oil in place.

## Sample Exploration Target “T” – 572 M bbl total potential OOIP



- ▶ Target “T” located in Block 1097/1098
- ▶ Approximate water depth: 110m (360 ft)
- ▶ Target depth: 2200m – 3200m
- ▶ 25 km from shore.

## Western NL property – Scorecard



	Factor	Present	Details
1	Geo-political stability	✓	Government of NL has well-established regulations and protocol; equity policy works in our favour
2	Favorable Tax Regime	✓	Generic Royalty Regime in place; minor negotiation to be done
3	Ground floor opportunity for large targets	✓	Targeting 300-500M bbl fields, NWest currently holds 100% interest.
4	Majors Interested?	✓	Mobil & BHP departed for non-technical reasons in 1996-98
5	Potential to attract partners	✓	Goldman Sachs cites 300M BOE as threshold for Global Top 170 Projects list
6	Favorable petroleum system	✓	Oil seep onshore & historical evidence
7	Shallow water	✓	80-200m
8	Close to shore	✓	20-40 km from shore
9	Conventional Technology	✓	Jack-up may be possible; subsea tie-back to onshore facility
10	Infrastructure	✓	Close to markets and refining; experienced offshore workforce and suppliers in province.

- ▶ **Primary Financing (Dec. 2007): \$10 million**
  - ▶ 3D Seismic Program: \$8 - \$9 million
  - ▶ Administrative/corporate: \$1 - \$2 million
  
- ▶ **Farm-Out Process Underway**
  - ▶ Exploratory drilling program: two commitment wells, plus one option well
    - ▶ Expect 50% partnership
    - ▶ Currently in discussion with several oil and gas companies
  - ▶ Proposed deal structure: 75-25% cost sharing for 50% interest in project.

# Western NL Property – Generalized Timeline



	2008			2009						2010					
	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	May-Jun	Jul-Aug	Sep-Oct	Nov-Dec	Jan-Feb	Mar-Apr	May-Jun	Jul-Aug	Sep-Oct	Nov-Dec
Seismic EA	█														
3D Seismic Program		█	█												
3D Seismic Processing and Interpretation			█	█											
Farm-out	█	█	█												
Drilling EA		█	█	█	█	█	█								
Drilling Prep	█	█	█	█	█	█	█								
Drilling Operations								█	█	█	█	█	█	█	█

## Forward Looking Statements



This presentation includes certain statements that may be deemed forward-looking statements. All statements that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at [www.sedar.com](http://www.sedar.com).



Right place. Right time. Right company.