



PanAm Acquisition & Development Fund 2014 -1

Strategy Overview - Portfolio Variation 1

The PanAm Acquisition & Development Fund Variation 1 (“The Income Fund”) has been exclusively formed for the purpose of offering an investment with low risk and attractive yield.* This is accomplished by acquiring ownership in or providing production loans for “proven, income generating” wells, currently producing from an established oil and gas reserve base. Our focus will be exclusively on properties in Canada and the U.S., with “opportunities for improved revenues” through the use of further drilling and/or the implementation of enhanced recovery methods.

In this fund, approximately 90% of monies available for investment will be directed toward the acquisition of producing oil and gas wells “within the limits of existing fields”. About 10% of funds will be utilized for development activities in fields with upside potential. Such development activities may include well work-overs, re-completions and enhanced recovery methods. Our strategy will be to invest 70% or more of funds available for acquisition of interests in oil or natural gas liquids and a maximum of 30% for the acquisition of natural gas assets.*

Investment Highlights

Attractive Investment Targets and Cash Returns

- Targeting projects with above average expected gross internal rates of return
- Semi-annual distributions are planned, beginning within 6 months of investment

North America is an Excellent Place in which to Invest

- Home of the world’s largest consumer
- Excellent quality and transparency of resource information
- Readily available infrastructure to bring product to market
- Attractive economic terms (i.e. size of Government “take” reasonable)
- Safe and secure operating environment with well-defined regulation
- Strong and stable banking sectors and currencies

Experienced Management and Advisory Team

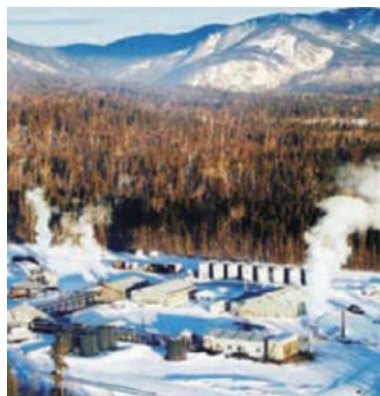
- Collectively over 150 years of experience
- Team comprised of Professionals in the areas of Geology, Geophysics, Engineering, Financial reporting and Mineral lease management
- Successful track record of investing in acquisition and drilling projects

Transparent and Disciplined Investment Management Platform

- Strict asset acquisition criteria aims to ensure capital deployment is focused and prudent
- All major investments evaluated by independent engineering firms
- Results audited and published annually by Deloitte’s world-wide energy service teams

Favorable Fund Structure with Operational Risk Control

- Planned regular cash distributions reduce investors’ “at-risk-capital”
- Strict portfolio investment criteria ensure capital is prudently deployed
- Alignment of interest: No management bonuses until investors have received full payout of invested capital



*Our acquisition parameters are based on an assumption that oil prices will fluctuate in a range of \$60 to \$80 per barrel from 2016 forward, and that the conversion ratio for natural gas to a barrel of oil equivalent (BOE) should be 20 to 25 Mcf (not 6 Mcf).