



Figure 126: Seven Generations Financial Summary

Issue	Rating	Maturity	NC Date	NC Price					
8.25% Senior Notes due 2020	B3(Po)/CCC(Stable)	15-May-20	15-May-16	106.19					
Canadian \$mm	Q3 '13	Q4 '13	Q1 '14	Q2 '14	Q3 '14	LTM	2012	2013	
Revenue	24	51	104	123	166	443	56	120	
Realized Hedging Gain / (Loss) - Cash Flow Hedges	-	-	-	-	-	-	-	-	
Net Revenue	24	51	104	123	166	443	56	120	
Operating Costs	15	21	33	37	56	147	31	59	
Realized Hedging Gain / (Loss)	0	0	(5)	(7)	(0)	(12)	2	0	
EBITDAX with Hedges	9	30	65	79	109	283	27	61	
DDA	8	14	24	31	47	115	29	39	
EBIT	1	16	41	49	62	168	(2)	22	
Interest	8	9	13	15	15	53	(2)	22	
EBT (excl others)	(7)	7	28	33	47	116	1	0	
Others	(6)	13	23	(22)	(0)	14	2	14	
One time charges	-	-	-	-	-	-	-	-	
EBT(incl others)	(1)	(6)	5	56	47	102	(1)	(14)	
Taxes	(8)	0	3	12	17	32	2	0	
Net Income	(1)	(6)	1	44	30	70	(3)	(14)	
LTM EBITDAX with Hedges	38	61	115	183	283	283	27	61	
LTM EBITDAX without Hedges	37	61	128	195	296	296	25	61	
WTI Crude (\$/Bbl)	\$109.90	\$102.43	\$108.74	\$112.30	\$105.32	\$107.20	\$94.16	\$100.97	
AECO Natural Gas (\$/Mcf)	\$2.54	\$3.38	\$4.69	\$4.42	\$3.70	\$4.02	\$2.31	\$3.06	
<b>Key Production Data</b>									
Natural Gas Production (Mmcf)	2,115	2,658	4,857	5,457	8,252	21,023	6,305	7,988	
Realized Nat. Gas Price (\$/Mcf)	NA	NA	NA	NA	NA	NA	NA	NA	
Crude Oil Production (Mbbbls)	6	5	3	3	-	11	346	24	
Realized Oil Price (\$/Bbl)	NA	NA	NA	NA	NA	NA	NA	NA	
Company NGL Production (Mbbbls)	294	618	1,041	1,271	1,920	4,851	234	1,486	
Realized NGL Price (\$/Bbl)	NA	NA	NA	NA	NA	NA	NA	NA	
Total Equivalent Produced (boe)	652	1,366	1,821	2,184	3,295	8,366	1,631	2,842	
Total Equivalent Realized (\$/boe)	\$36.38	\$47.73	\$53.79	\$53.17	\$50.17	\$51.43	\$39.33	\$41.99	
<b>Revenue &amp; Operating Margins per Boe</b>									
Realization	\$36.38	\$47.73	\$53.79	\$53.17	\$50.17	\$51.43	\$39.33	\$41.99	
Lifting Costs	\$14.14	\$16.17	\$15.30	\$13.29	\$14.56	\$14.61	\$10.71	\$14.51	
DDA	\$9.70	\$3.38	\$2.71	\$3.65	\$2.43	\$2.33	\$6.01	\$6.69	
DD&A	\$12.43	\$12.86	\$13.20	\$13.97	\$14.24	\$13.77	\$17.67	\$13.69	
Operating Income	\$1.10	\$15.32	\$22.50	\$22.25	\$18.94	\$20.32	\$2.36	\$7.57	
Interest	\$14.11	\$9.37	\$7.99	\$7.53	\$4.95	\$6.71	\$9.46	\$8.60	
3-yr avg. F&D all (in acc)	NA	NA	NA	NA	NA	NA	NA	NA	
3-yr avg. F&D all (incl acc)	NA	NA	NA	NA	NA	NA	NA	NA	
Full cycle costs	NA	NA	NA	NA	NA	NA	NA	NA	
<b>Free Cash Flow:</b>									
EBITDAX with Hedges	9	30	65	79	109	283	27	61	
Current Taxes	-	-	-	-	-	-	-	-	
Total Capex	(142)	(178)	(193)	(219)	(228)	(919)	(235)	(374)	
Change in Net Working Capital	59	(22)	14	(31)	12	(27)	-	-	
Cash Available for Debt Service	(123)	(171)	(114)	(171)	(207)	(663)	(206)	(513)	
Interest (Excl. Capitalized Interest)	0	1	0	33	1	36	0	23	
Free Cash Flow	(124)	(172)	(114)	(246)	(288)	(699)	(206)	(506)	
Disposal of Assets	-	-	-	-	-	-	-	-	
Free Cash Flow Incl Asset Sales	(124)	(172)	(114)	(246)	(288)	(699)	(206)	(506)	
<b>Balance Sheet Data</b>									
Cash	-	307	529	347	197	197	146	307	
<b>Debt</b>									
- Credit Facilities	NA	-	NA	-	-	-	-	-	
- Senior Notes & Other	NA	415	NA	749	786	786	-	415	
Long Term Debt	-	415	NA	749	786	786	-	415	
<b>YoY Growth Statistics</b>									
Revenue Growth (including Realized Hedging Gain)	65%	252%	333%	400%	597%	415%	48%	109%	
Production Growth	60%	161%	234%	289%	406%	74%	65%	74%	
<b>LTM Credit Statistics</b>									
EBITDAX/Cash Interest (incl. Capitalized Interest)	39.7x	26.2x	46.5x	5.2x	7.9x	7.9x	100.8x	2.7x	
Sr. Sec debt/EBITDAX	NA	-	NA	-	-	-	-	-	
Debt/EBITDAX	NA	6.8x	NA	4.1x	2.8x	2.8x	-	6.8x	
Net Debt/EBITDAX	NA	1.8x	NA	2.2x	2.1x	2.1x	(5.4x)	1.8x	
Debt/Proved Reserves (\$/Boe)	NA	\$4.18	NA	\$7.55	\$7.92	\$7.92	NA	\$4.18	
Debt/Proved Developed Reserves (\$/Boe)	NA	\$30.56	NA	\$55.20	\$57.94	\$57.94	NA	\$30.56	
<b>Liquidity/ Capitalization</b>	Q3 '14	PF (1)							
Cash & Marketable Securities	197	1,085							
Revolving Credit Agreement April 2016	480	480							
Less Short term Debt	-	-							
Liquidity	677	1,565							
<b>Capitalization</b>	Q3 '14	PF (1)							
Revolving Credit Agreement April 2016	-	-							
Total Secured Debt	-	-							
8.25% Senior Notes due 2020	786	786							
Total Debt	786	786							
Net Debt	589	(299)							
Minority Interest & Others	-	-							
Mcip	NA	4,070							
Enterprise Value	NA	3,771							
EV/EBITDAX	NA	13.3x							
Net Debt/EBITDAX	2.1x	(1.1x)							
(1) Pro forma for ~\$800M of net proceeds raised from IPO post quarter									
(2) Reserves at end of Q2 14 stood at 287 Mboe with PV-10 of 53.30B									
<b>Company Description:</b> Seven Generations (SEVGEN) is a Canadian E&P company headquartered in Calgary, Alberta. The company's primary asset consists of 359K net acres in the Kainaiwa area of Northwest Alberta of which 336K net acres are in Mortony. The company drilled its first horizontal well in Mortony in Oct '11 and began commercial development in the play starting Q3 '13 - Q3 '14 production stood at 35.4 Mboer/d, almost a ten fold increase from the levels in Q2 '13. As of Jun 30, 2014, the company's net proved reserves and PV-10 stood at 297 Mboe and \$3.38B respectively. The company filed for an IPO in September 2014.			<b>Reserve Description<sup>(2)</sup></b>		<b>2013</b>				
<b>Regions</b>			Kainaiwa - Northwest Of Alberta		P Reserves - Net Gas (mmcf)		305,623		
<b>Debt Maturity</b>			FY14 0		P Reserves - Liquids(Mbbbls)		48,228		
			FY15 0		P Oil Equivalent(Mboe)		99,165		
			FY 16+ 786		% Gas		51%		
					% Proved Developed		14%		
					Reserve Life (Years)		-		
					Reserve Replacement (All In)		NA		
					Reserve Replacement (Drill Bit)		NA		
					PV of Reserves (\$mm)		1,023		
					<b>Hedges</b>		<b>%</b>   <b>\$ mtoe</b>		
					2014E		46% 8.23 - 10.89		
					2015E		30% 10.14 - 10.82		

Source: Deutsche Bank, Company data