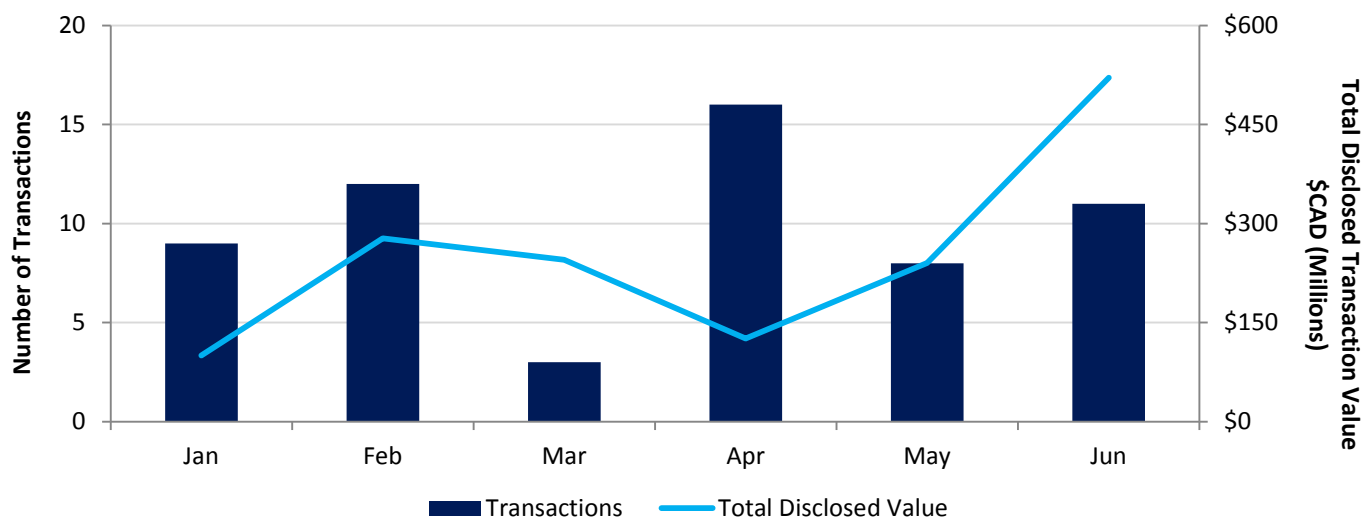


Quarterly Deal Statistics

YTD 2013 Western Canadian Energy and Industrial Services Transactions



In the 2nd quarter of 2013, there were 35 publicly disclosed transactions involving Western Canadian based companies in the Energy Services, Construction, and Industrial Services market. The disclosed transaction values totaled \$887 million, up from 24 transactions totaling \$623 million in the 1st quarter.

Of the 35 transactions in the quarter, 34% involved a foreign acquirer versus 30% in the 2nd quarter of 2012. Over \$1.5 billion of M&A transactions in 2013 have involved Western Canadian Energy and Industrial Services Companies, a decrease from \$2.7 billion in the first two quarters of 2012.

We would be happy to discuss additional details on the closed transactions and multiples. Contact information for our team is included on the last page of this newsletter.

Select Transactions in the Quarter

Pipeline and Facility Construction M&A on the Rise

Since the beginning of 2013, we have seen significant consolidation in the pipeline and facility construction space:

Announced Date	Target	Buyer	Status	Transaction Value (\$CAD MM)	EV/ EBITDA
05/30/2013	Big Country Energy Services LP	MasTec, Inc. (NYSE:MTZ)	Closed	127.0	ND
04/17/2013	Pipeworx Ltd.	PLH Group, Inc.	Closed	ND	ND
04/01/2013	Frontline Integrated Services Ltd.	Secure Energy Services Inc. (TSX:SES)	Closed	23.1	4.8x
01/03/2013	Parkland Pipeline Contractors Ltd.	Tetra Tech Inc. (NasdaqGS:TTEK)	Announced	ND	ND

Select Transactions in the Quarter

Pipeline and Facility Construction M&A on the Rise (Cont'd...)

Of the four transactions, three involved US-based acquirers, suggesting that foreign players are optimistic on the outlook for oil and gas infrastructure development in Western Canada.

The fragmented nature of the sub-sector provides opportunities for well capitalized US acquirers to expand their footprint in Canada.

Everything is for Sale... For a Price

We continue to see companies rationalizing non-core operations and considering sales of these divisions if valuations make sense. Two recent examples of this include North American Piling and the Sup-R-Jar Drilling Jar assets of Smith International (a subsidiary of Schlumberger):

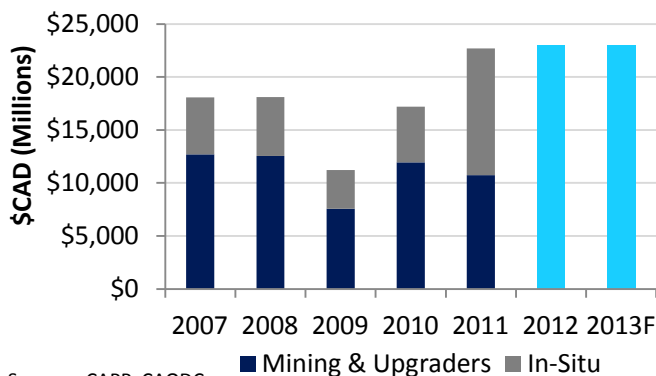
Announced Date	Target	Buyer	Status	Transaction Value (\$CAD MM)	EV/ EBITDA
06/10/2013	North American Piling	Keller Group plc (LSE:KLR)	Announced	320.0	6.9x
04/01/2013	Smith International, Inc. (The Sup-R-Jar Drilling Jar Line)	Logan International Inc. (TSX:LII)	Closed	17.5	ND

North American Energy Partners' sale of its piling division for \$320 million allows the Company to pay off a significant portion of its debt, focus on being a pure-play heavy construction and mining contracting services provider, and realize a strong price for assets that were undervalued by the public markets.

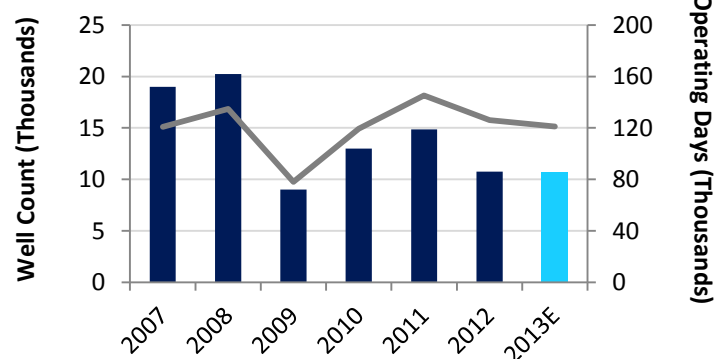
Although immaterial for Schlumberger, the sale of its Sup-R-Jar Drilling Jar Line for \$17.5 million boosts Logan International's ability to offer a breadth of drilling and downhole tools to its customers in international markets.

Industry Overview

Oil Sands Capital Spending

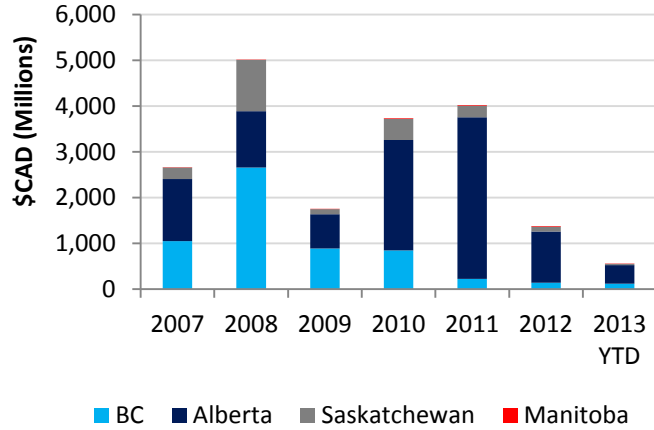


Western Canada Total Well Count

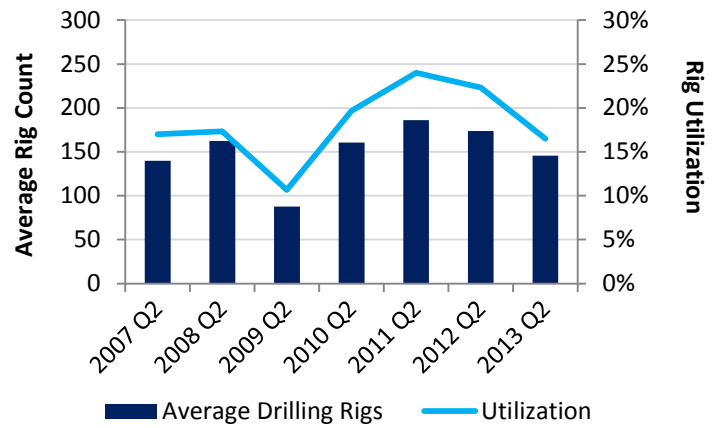


Industry Overview

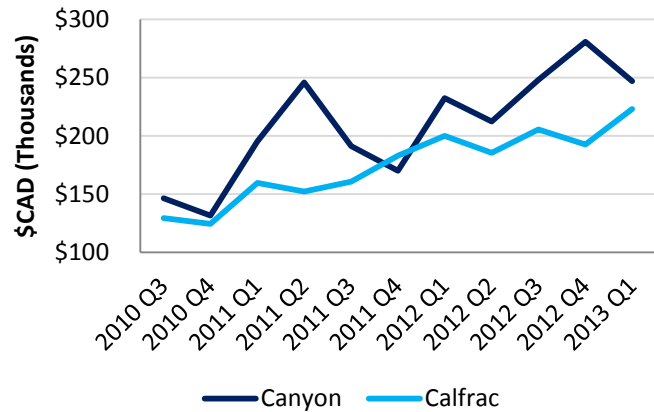
WCSB Land Sales



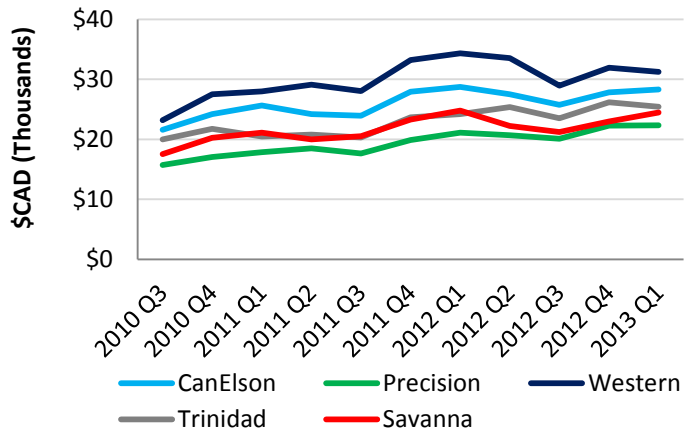
Western Canada Active Rig Count (Q2)



Average Revenue per Fracking Job

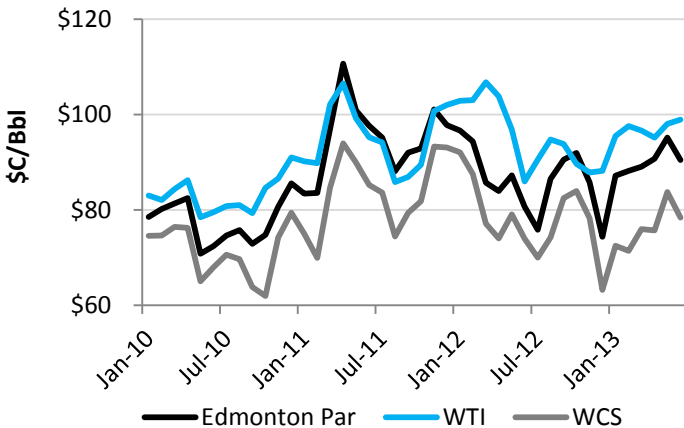


Drilling Rig Rates per Operating Day

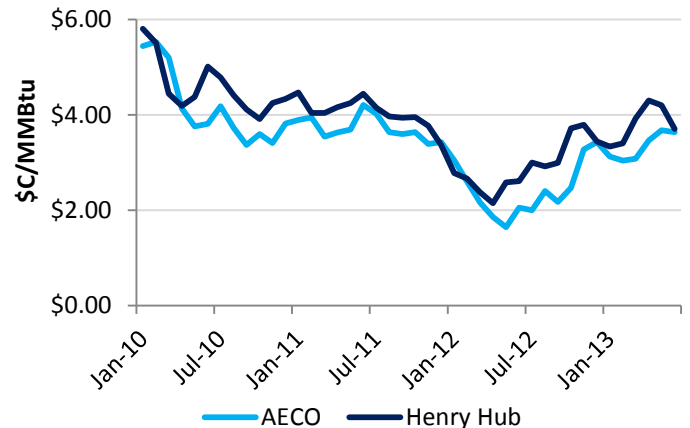


Commodity Price Overview

WTI, Edmonton Par and WCS Prices



AECO and Henry Hub Prices



Select Companies Operating in the Canadian OFS Sector

As at July 3, 2013

Ticker	Share Price	Dividend Yield	Market Cap	Enterprise Value		TTM Revenue	EBITDA	EBITDA Margin	EV/EBITDA			Price/Book	Net Debt/TTM EBITDA
				(\$mm)	(\$mm)				TTM	2013E	2014E		
Drilling & Equipment													
CanElson Drilling Inc.	TSX:CDI	\$ 5.53	4.4%	453	490	239	83	34.5%	5.9x	5.4x	4.3x	1.4x	0.2x
CWC Well Services Corp.	TSXV:CWC	\$ 0.70	9.3%	109	151	112	24	21.8%	6.2x	5.1x	4.4x	1.1x	1.7x
Ensign Energy Services Inc.	TSX:ESI	\$16.54	2.6%	2,548	3,022	2,101	505	24.0%	6.0x	6.0x	5.3x	1.3x	0.9x
Essential Energy Services Ltd.	TSX:ESN	\$ 2.62	3.8%	323	363	351	73	20.8%	5.0x	4.4x	4.0x	1.0x	0.5x
High Arctic Energy Services Inc	TSX:HWO	\$ 2.09	7.2%	100	91	149	37	24.7%	2.5x	2.7x	2.3x	1.0x	NM
Hyduke Energy Services Inc.	TSX:HYD	\$ 0.53	-	13	22	92	1	0.8%	28.8x	NM	NM	0.4x	12.3x
Leader Energy Services Ltd.	TSXV:LEA	\$ 0.20	-	6	29	22	(1)	NM	NM	4.9x	3.3x	1.0x	NM
McCoy Corp.	TSX:MCB	\$ 5.22	3.8%	140	132	176	22	12.4%	6.1x	5.6x	4.7x	1.8x	NM
Pason Systems Inc.	TSX:PSI	\$20.20	2.7%	1,659	1,490	381	162	42.6%	9.2x	7.1x	6.3x	4.2x	NM
PHX Energy Services Corp.	TSX:PHX	\$10.77	6.7%	308	409	315	51	16.2%	8.0x	7.2x	6.1x	2.5x	2.0x
Precision Drilling Corporation	TSX:PD	\$ 9.06	2.2%	2,506	3,653	1,996	446	22.4%	8.2x	5.6x	5.0x	1.1x	2.6x
Savanna Energy Services Corp.	TSX:SVY	\$ 7.00	5.1%	607	892	673	138	20.5%	6.5x	5.7x	4.9x	0.7x	1.9x
Total Energy Services Inc.	TSX:TOT	\$14.88	1.4%	457	517	309	80	25.9%	6.5x	5.6x	4.4x	1.4x	0.8x
Trinidad Drilling Ltd.	TSX:TGD	\$ 7.75	2.6%	937	1,427	846	262	30.9%	5.5x	5.5x	5.1x	1.0x	1.9x
Tuscany International Drilling Inc.	TSX:TID	\$ 0.17	-	62	297	299	50	16.8%	6.0x	5.4x	4.1x	0.2x	4.7x
Western Energy Services Corp.	TSX:WRG	\$ 7.81	3.8%	567	726	296	97	32.9%	7.5x	6.1x	4.6x	1.0x	1.6x
Xtreme Drilling and Coil Services Corp.	TSX:XDC	\$ 2.89	-	233	373	190	42	22.1%	8.9x	4.5x	4.0x	0.7x	3.1x
Mean								23.1%	7.9x	5.4x	4.6x	1.3x	2.6x
Median								22.2%	6.3x	5.6x	4.5x	1.0x	1.9x
Production & Completion													
Bonnett's Energy Corp.	TSX:BT	\$ 5.14	5.4%	75	81	102	22	21.4%	3.7x	NM	NM	0.9x	0.3x
Bri-Chem Corp.	TSX:BRY	\$ 1.56	-	27	93	157	9	5.7%	10.3x	7.5x	5.4x	0.5x	7.1x
Calmena Energy Services Inc.	TSX:CEZ	\$ 0.10	-	30	91	154	8	5.0%	11.7x	5.2x	3.7x	0.2x	7.8x
Canadian Energy Services & Technology Corp.	TSX:CEU	\$15.78	4.1%	1,024	1,304	464	57	12.4%	22.7x	12.6x	10.1x	3.6x	4.9x
Canadian Oilfield Solutions Corp.	TSXV:OTS	\$ 0.17	-	11	12	19	1	3.0%	21.5x	NM	NM	1.6x	1.4x
Cathedral Energy Services Ltd.	TSX:CET	\$ 4.68	6.4%	168	225	189	25	13.2%	9.0x	7.2x	5.0x	1.3x	2.3x
Computer Modelling Group Ltd.	TSX:CMG	\$23.74	3.3%	898	839	69	36	52.2%	23.4x	NM	18.9x	17.4x	NM
Enerflex Ltd.	TSX:EFX	\$13.50	2.1%	1,025	984	1,499	156	10.4%	6.3x	6.6x	6.1x	1.1x	NM
Enseco Energy Services Corp.	TSXV:ENS	\$ 0.39	-	9	35	79	11	14.4%	3.1x	8.8x	5.6x	0.4x	2.6x
Estrella International Energy Services Ltd	TSXV:EEEN	\$ 0.04	-	10	52	66	(7)	NM	NM	NM	NM	0.2x	NM
Genoil Inc.	TSXV:GNO	\$ 0.02	-	7	10	0	(2)	NM	NM	NM	NM	NM	NM
Logan International Inc.	TSX:LII	\$ 8.00	-	239	300	182	40	21.7%	7.7x	5.6x	5.0x	1.3x	1.5x
LoneStar West Inc	TSXV:LSI	\$ 2.84	-	51	61	26	4	15.8%	14.8x	12.9x	7.0x	4.7x	2.4x
MatRRix Energy Technologies Inc.	TSXV:MXX	\$ 0.70	-	23	17	14	1	3.9%	31.8x	8.3x	3.1x	0.9x	NM
Raise Production Inc	TSXV:RPC	\$ 0.50	-	26	23	0	(5)	NM	NM	NM	NM	7.4x	NM
RMS Systems, Inc.	TSXV:RMS	\$ 0.20	-	15	15	7	(2)	NM	NM	NM	NM	1.5x	NM
Strad Energy Services Ltd.	TSX:SDY	\$ 3.35	6.7%	121	186	192	41	21.3%	4.6x	4.3x	3.5x	0.9x	1.6x
ZCL Composites Inc.	TSX:ZCL	\$ 4.92	2.0%	143	143	171	22	13.0%	6.4x	5.6x	4.9x	1.6x	NM
Zedi Inc.	TSXV:ZED	\$ 0.61	-	59	75	106	12	11.0%	6.4x	4.6x	3.9x	1.0x	1.3x
Mean								15.0%	12.2x	7.4x	6.3x	2.6x	3.0x
Median								13.0%	9.0x	6.9x	5.0x	1.2x	2.3x
Pressure Pumping													
Calfrac Well Services Ltd.	TSX:CFW	\$31.17	3.3%	1,396	1,808	1,545	206	13.4%	8.8x	8.3x	5.5x	1.7x	2.0x
Canyon Services Group, Inc.	TSX:FRC	\$11.58	5.1%	737	712	304	67	21.9%	10.7x	9.7x	5.3x	2.2x	NM
GASFRAC Energy Services, Inc.	TSX:GFS	\$ 1.89	-	121	177	136	(2)	NM	NM	12.1x	6.4x	0.7x	NM
Trican Well Service Ltd.	TSX:TCW	\$14.37	2.1%	2,103	2,779	2,115	167	7.9%	16.6x	9.3x	5.9x	1.5x	4.0x
Mean								14.4%	12.0x	9.8x	5.8x	1.5x	3.0x
Median								13.4%	10.7x	9.5x	5.7x	1.6x	3.0x
Exploration & Geophysical													
Divestco Inc.	TSXV:DVT	\$ 0.18	-	12	21	37	6	15.4%	3.8x	NM	NM	0.7x	1.6x
Pulse Seismic Inc.	TSX:PSD	\$ 4.09	2.0%	246	270	77	67	86.7%	4.1x	7.0x	6.2x	2.5x	0.4x
Tesla Exploration Ltd.	TSX:TXL	\$ 2.99	-	68	87	155	22	14.2%	4.0x	NM	NM	0.9x	0.9x
Mean								38.8%	3.9x	7.0x	6.2x	1.4x	1.0x
Median								15.4%	4.0x	7.0x	6.2x	0.9x	0.9x

Select Companies Operating in the Canadian OFS Sector

As at July 3, 2013

	Ticker	Share Price	Dividend Yield	Market Cap	Enterprise Value	Revenue	TTM EBITDA	EBITDA Margin	EV/EBITDA			Price/Book	Net Debt/TTM EBITDA
				(\$mm)	(\$mm)	(\$mm)	(\$mm)	(%)	(x)	(x)	(x)	(x)	(x)
Oilfield & Facility Construction													
Aecon Group Inc.	TSX:ARE	\$ 11.20	3.0%	606	1,061	3,028	144	4.8%	7.4x	5.8x	4.8x	1.1x	3.2x
Badger Daylighting Ltd.	TSX:BAD	\$ 50.18	2.2%	616	655	254	66	26.0%	9.9x	8.6x	7.3x	4.3x	0.6x
Bird Construction Inc.	TSX:BDT	\$ 12.69	5.9%	550	438	1,449	97	6.7%	4.5x	6.8x	5.4x	2.9x	NM
The Churchill Corporation	TSX:CUQ	\$ 8.34	5.9%	201	296	1,126	31	2.8%	9.5x	6.3x	4.9x	0.9x	3.0x
Cordy Oilfield Services Inc.	TSXV:CKK	\$ 0.18	-	16	40	114	4	3.7%	9.6x	NM	NM	0.4x	5.5x
Dalmac Energy Inc.	TSXV:DAL	\$ 0.46	-	11	21	41	6	14.0%	3.7x	NM	NM	0.8x	1.9x
Enterprise Group, Inc.	TSX:E	\$ 0.66	-	48	57	24	8	33.0%	7.3x	3.7x	2.4x	2.5x	1.1x
Finning International Inc.	TSX:FTT	\$ 22.67	2.7%	3,868	5,568	6,735	706	10.5%	7.9x	7.2x	6.6x	2.4x	2.4x
Gemini Corp.	TSXV:GKX	\$ 0.23	-	12	18	84	1	1.7%	12.6x	NM	NM	0.7x	4.0x
Macro Enterprises Inc.	TSXV:MCR	\$ 4.01	-	118	133	167	37	22.5%	3.6x	3.5x	3.1x	2.2x	0.2x
North American Energy Partners Inc.	NYSE:NOA	\$ 4.92	-	181	503	545	30	5.6%	16.6x	13.3x	8.7x	1.4x	10.3x
Petrowest Corporation	TSX:PRW	\$ 0.75	-	93	165	192	32	16.8%	5.1x	4.2x	3.5x	3.3x	2.3x
ShawCor Ltd.	TSX:SCL	\$ 40.72	1.2%	2,406	2,551	1,625	320	19.7%	8.0x	6.0x	6.9x	4.3x	0.5x
Toromont Industries Ltd.	TSX:TIH	\$ 23.41	2.2%	1,787	1,955	1,539	226	14.7%	8.7x	8.8x	8.0x	3.7x	0.7x
Mean								13.0%	8.2x	6.7x	5.6x	2.2x	2.7x
Median								12.2%	7.9x	6.3x	5.4x	2.3x	2.3x
Transportation & Logistics													
Aveda Transportation and Energy Services Inc.	TSXV:AVE	\$ 2.60	-	26	54	84	11	12.7%	5.1x	3.7x	3.4x	1.0x	2.7x
ENTREC Corporation	TSXV:ENT	\$ 1.36	-	145	231	161	39	24.3%	5.9x	3.6x	2.9x	0.9x	2.2x
Gibson Energy Inc.	TSX:GEI	\$ 24.30	4.4%	2,947	3,542	5,181	340	6.6%	10.4x	8.6x	8.7x	2.2x	1.7x
Mullen Group Ltd.	TSX:MTL	\$ 23.28	5.2%	2,098	2,432	1,387	282	20.4%	8.6x	8.4x	7.7x	2.4x	1.2x
TransForce Inc.	TSX:TFI	\$ 19.89	2.6%	1,848	2,734	3,102	378	12.2%	7.2x	7.3x	6.4x	2.5x	2.3x
Mean								15.2%	7.5x	6.3x	5.8x	1.8x	2.0x
Median								12.7%	7.3x	7.3x	6.4x	2.2x	2.2x
Environmental & Waste Management													
Canadian Oil Recovery & Remediation Enterprises Ltd.	TSXV:CVR	\$ 0.11	-	12	12	0	(2)	NM	NM	NM	NM	1.2x	NM
Formation Fluid Management Inc.	TSXV:FFM	\$ 0.07	-	3	3	0	(1)	NM	NM	NM	NM	1.0x	NM
New West Energy Services Inc.	TSXV:NWE	\$ 0.09	-	8	8	18	1	8.4%	5.2x	NM	NM	0.9x	NM
Newalta Corporation	TSX:NAL	\$ 14.35	3.1%	792	1,179	731	132	18.0%	9.0x	7.6x	6.1x	1.2x	2.9x
Ridgeline Energy Services Inc.	TSXV:RLE	\$ 0.34	-	57	55	21	(5)	NM	NM	NM	3.5x	1.1x	NM
Secure Energy Services Inc.	TSX:SES	\$ 13.49	1.2%	1,463	1,635	1,075	101	9.4%	16.1x	11.6x	8.6x	2.9x	1.7x
Mean								12.0%	10.1x	9.6x	6.1x	1.4x	2.3x
Median								9.4%	9.0x	9.6x	6.1x	1.1x	2.3x
Camps & Catering													
Black Diamond Group Limited	TSX:BDI	\$ 22.34	3.7%	946	1,104	296	122	41.3%	9.0x	7.1x	6.2x	2.5x	1.2x
Horizon North Logistics Inc.	TSX:HNL	\$ 6.59	3.8%	715	852	538	144	26.9%	5.9x	5.6x	5.2x	2.5x	0.9x
WesternOne Inc.	TSX:WEQ	\$ 8.04	7.6%	190	372	243	32	13.1%	11.7x	6.6x	5.8x	3.5x	5.6x
Winalta Inc.	TSXV:WTA	\$ 0.78	5.1%	31	44	18	8	42.8%	5.8x	4.5x	3.4x	1.2x	1.6x
Mean								31.0%	8.1x	5.9x	5.1x	2.4x	2.4x
Median								34.1%	7.5x	6.1x	5.5x	2.5x	1.4x
Large Cap NYSE Oilfield Majors													
Schlumberger Limited	NYSE:SLB	\$ 76.88	1.7%	102,210	108,171	43,635	11,358	26.0%	9.7x	8.4x	7.3x	2.7x	0.5x
Halliburton Company	NYSE:HAL	\$ 44.91	1.2%	41,859	44,517	29,100	5,827	20.0%	7.8x	6.8x	5.6x	2.5x	0.4x
National Oilwell Varco, Inc.	NYSE:NOV	\$ 74.04	1.5%	31,635	33,781	21,406	4,155	19.4%	8.3x	7.4x	6.5x	1.5x	0.5x
Baker Hughes Incorporated	NYSE:BHI	\$ 50.15	1.3%	22,156	26,562	21,600	3,767	17.4%	7.2x	6.5x	5.4x	1.2x	1.1x
Transocean Ltd.	NYSE:RIG	\$ 49.90	4.7%	17,982	25,913	9,442	2,771	29.3%	9.5x	6.8x	5.5x	1.1x	2.8x
Weatherford International Ltd.	NYSE:WFT	\$ 14.57	-	11,160	20,297	15,726	2,436	15.5%	8.5x	6.5x	5.5x	1.2x	3.6x
Enasco plc	NYSE:ESV	\$ 59.78	3.5%	13,927	18,377	4,506	2,209	49.0%	8.5x	7.0x	6.0x	1.1x	1.9x
Cameron International Corporation	NYSE:CAM	\$ 65.91	-	16,349	16,879	8,967	1,397	15.6%	12.3x	9.8x	7.5x	2.7x	0.4x
Noble Corp.	NYSE:NE	\$ 39.65	2.6%	10,041	15,741	3,681	1,677	45.6%	9.5x	7.7x	5.6x	1.2x	2.8x
FMC Technologies, Inc.	NYSE:FTI	\$ 58.81	-	13,949	15,489	6,511	837	12.9%	18.8x	15.4x	11.9x	7.1x	1.8x
Diamond Offshore Drilling, Inc.	NYSE:DO	\$ 71.50	5.1%	9,941	9,981	2,930	1,326	45.3%	7.7x	7.4x	5.0x	2.0x	0.0x
Nabors Industries Ltd.	NYSE:NBR	\$ 16.62	1.0%	4,896	8,865	6,792	1,859	27.4%	4.9x	5.0x	4.3x	0.8x	2.0x
Helmerich & Payne, Inc.	NYSE:HP	\$ 67.20	3.1%	7,151	7,217	3,389	1,381	40.7%	5.3x	5.0x	4.8x	1.6x	0.0x
Mean								28.0%	9.1x	7.7x	6.2x	2.1x	1.4x
Median								26.0%	8.5x	7.0x	5.6x	1.5x	1.1x

About Us

Sequeira Partners offers Corporate Finance services to mid-market private and public energy, industrial and resource based service companies. From our Western Canadian offices in Edmonton, Vancouver and Calgary, we deliver confidence and peace of mind to your significant business transactions.

Sequeira Partners News

Sequeira Partners is excited to announce the completion of a recapitalization for a rapidly growing Western Canadian based Engineering Firm.

After discussing the owners' desire to de-risk and take some chips off the table, Sequeira Partners explored liquidity options and ultimately assisted in recapitalizing the business with the backing of a Schedule 1 Canadian Bank. This solution allowed management to capture some liquidity on their investment at a reasonable cost of capital while retaining their ownership interests.

Our team would be happy to discuss the financing options available for your business.

Lead Advisor to

**Western Canadian
based
Engineering Firm**

*In the
Recapitalization
of the Business*

Our Successes

<p>Lead Advisor to</p>  <p>in the sale to</p> 	<p>Lead Advisor to</p>  <p>in the sale to</p> 	<p>Lead Advisor to</p>  <p>in the sale to</p> <p>Entrepreneurial Buyer</p>	<p>Lead Advisor to</p>  <p>in hostile take-over bid defense and strategic options review</p>
<p>Lead Advisor to</p>  <p>on the sale of</p> 	<p>Lead Advisor to</p>  <p>on the sale of</p> 	<p>Lead Advisor to</p>  <p>in the sale to</p> 	<p>Lead Advisor to</p>  <p>in the sale to</p>  <p><small>* a private equity portfolio company</small></p>

Our Team

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