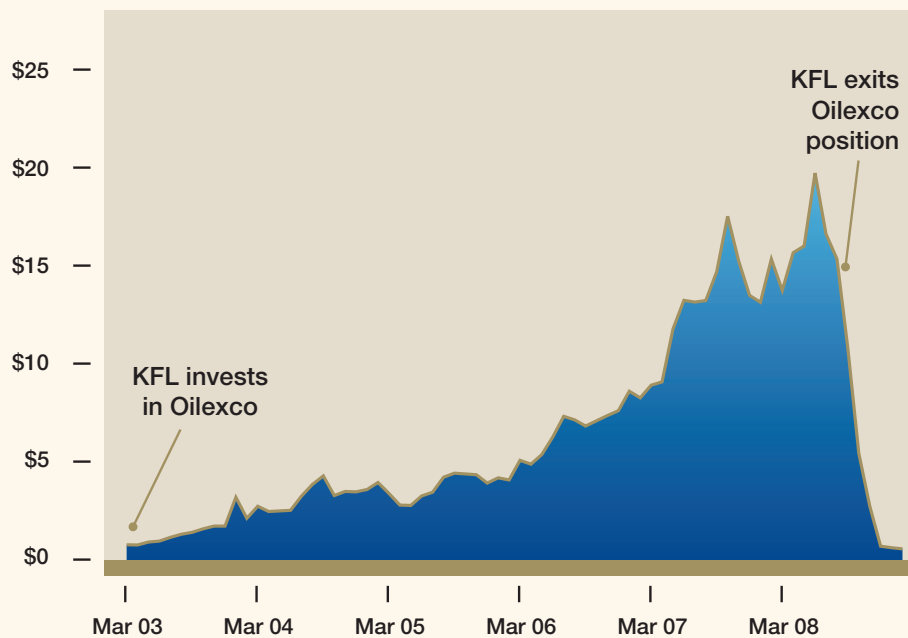


## Oilexco Inc.

### A Case Study in Seed Capital Investment

- In 2003, KFL started accumulating shares of Oilexco Inc., a North Sea exploration and production company, at a price of \$0.25 per share. The rationale: due diligence suggested the shares represented good value and the assets had excellent growth prospects.
- Oilexco's share price soared to more than \$19 a share during the summer of 2008.
- In September 2008, KFL exited its position in Oilexco, realizing a gain of more than 2,000 percent on capital invested.

#### Oilexco Share Price



Note: All financial figures in Canadian dollars unless otherwise indicated.