



MERGERS & ACQUISITIONS: *Strategic Outsourcing*

M&A

Kaleut Strategies Inc. provides management consulting services with focus on processes, netbacks and recoveries. Our core staff are dedicated and highly qualified professionals from diverse disciplines in the oil and gas sector.

REALIZING M&A OPPORTUNITIES

THE OPPORTUNITY

Lower commodity prices have created buying opportunities for the energy sector. Concurrent to this, Canada's remaining Energy Trusts are preparing for the 2011 change in taxation rules by continuing their consolidation process. As a result, the industry as a whole can expect to see a significant volume of M&A activity in 2009 and 2010.

"The deal is not completed when the agreement is signed."

The expected volume of M&A activity requires special attention to this part of your business. We believe that this is currently not adequately addressed in the existing staffing structures of many organizations. The volume of work involved is often significantly underestimated and while the required manpower and skill may to some extent exist in-house, the additional tasks to staff's existing workloads increases the potential for errors, with the failure to discover and maximize the benefits of these transactions. Staff morale may be further compromised by the added stress of accomplishing all this within very tight timelines.

Consider outsourcing all or parts of your M&A function to a competent service provider, such as Kaleut, to provide the expertise and flexibility that is required to complete the anticipated transactions effectively and efficiently.

BENEFITS OF AN OUTSOURCED M&A FUNCTION

- Outsourcing can greatly **improve your organization's effectiveness** in its acquisitions (and divestments) programs by taking advantage of the service provider's experience which might not be available in-house. This experience is available immediately without costly training and delays.
- Outsourcing enables you to **focus on your core business** and corporate objectives. Your staff can continue to focus on their existing responsibilities without being distracted by the often conflicting demands of an acquisition. The resulting stress may create frustration and low morale, for both existing and new staff from the acquired firm, and may lead to premature departures of the new employees.
- Outsourcing can free up your time to **evaluate new opportunities** and bring an additional level of scrutiny and objectivity to the process. A review of certain operational accounting items in the due-diligence phase, for example, may significantly **reduce your risk from unresolved post-settlement issues**.

"Let's get the deal done, integrate the assets and move on."

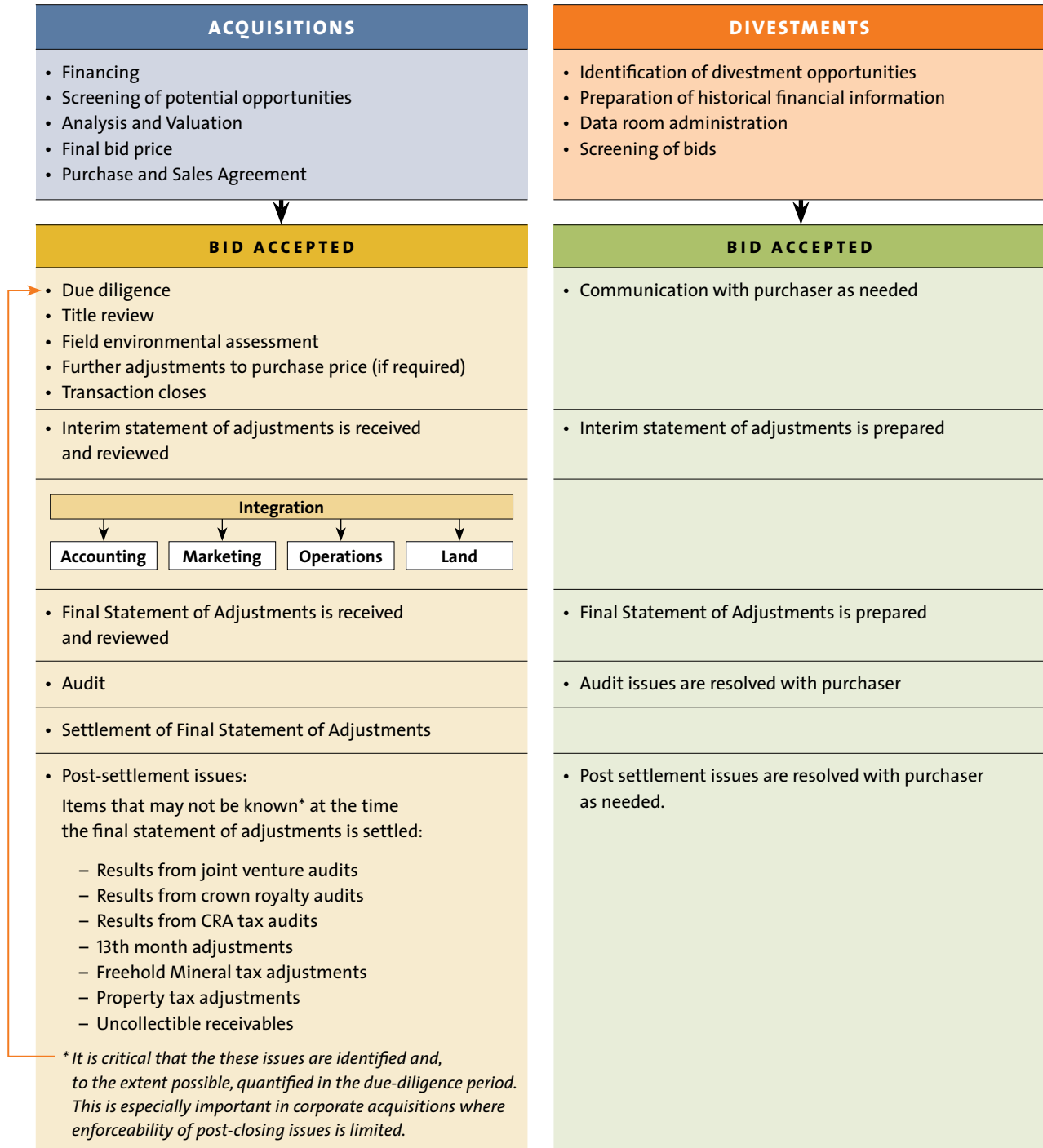
Overall, outsourcing can provide you with a strategic level of flexibility and agility in this challenging environment.

KALEUT CAN HELP

Kaleut can assist you in all phases of the transaction. As illustrated in the opposite example, our team of experienced professionals can provide an organized and streamlined approach to ensure the assets are integrated effectively and efficiently.

ACQUISITIONS & DIVESTMENTS CYCLE

M&A Services provided by Kaleut



Kaleut can provide strategic value to every aspect of your transaction.

**See our website for other
services offered by Kaleut:**

- Accounting
- Joint Venture Agreements
- Marketing Arrangements
- Training
- Corporate Communications
- Investor Relations

www.klsi.ca



KALEUT STRATEGIES INC.

Helmut Hauke, CGA, ACCA
President

Glenn Pomeroy, MBA
VP, Corporate Development

Bankers Hall, P.O. Box 22351, Calgary, Alberta T2P 4J1 T 403-615-1385 F 403-450-8457 E helmut@ksli.ca