

## WCSB GORR OIL & GAS ROYALTY INCOME 2008-I LIMITED PARTNERSHIP

### INVESTMENT SUMMARY

Offering Closed:	July/August 2008
Original Targeted Liquidity Date:	On or before June 30, 2012
Number of Producing Wells:	11 (13 total drilled)
Percentage of Natural Gas:	67%
Average Production Rate:	18 - 20 BOE/d
Drilling Success Rate:	85%
Natural Gas Price @ Investment Date:	\$10.00+
Average Natural Gas Price Decline:	67%
Natural Gas Price Realized:	

### VALUATION SUMMARY (PER \$100 INVESTED)

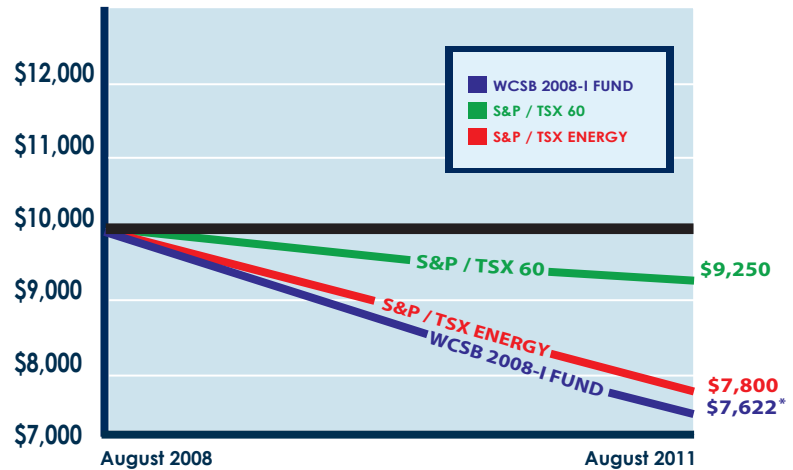
Cash realized from Tax Savings	\$ 45.00
Cash realized from Distributions <sup>(1)</sup>	\$ 9.48
Caledonian Unit Value <sup>(2)</sup>	\$ 21.74
<b>TOTAL VALUE (PER \$100 INVESTED)</b>	<b>\$ 76.22</b>

<sup>(1)</sup> Distributions are to July 15, 2011 and are pre-tax.

<sup>(2)</sup> Does not include capital gains tax on disposition and is subject to adjustments.

### PERFORMANCE COMPARISON

Results of a \$10,000 investment in WCSB 2008-I Fund.



\*Includes tax savings at tax rate of 45%, cash distributions and Caledonian Unit value (subject to adjustment). Does not include capital gains tax on disposition.

#### Step #1:

Investors invest into WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership

#### Step #8: WCSB investors will have an opportunity to:

- Liquidate their investment and pay capital gains tax when Caledonian achieves a public listing<sup>(3)</sup>; or
- Hold the investment for ongoing income distributions and capital appreciation potential

#### Step #7:

WCSB investors review the details of the bid as provided by the information circular and have an opportunity to vote to approve the recommended transaction

#### Step #6: (prior to end of 3rd year)

WCSB's Board of Directors reviews and thoroughly analyzes all bids and, after consultation with RBC Rundle recommends to WCSB investors acceptance of the best over-all bid

<sup>(3)</sup> while it is the intention of Caledonian Royalty Corporation to achieve a public listing there can be no assurance that this will be achieved.

#### Step #5: (prior to end of third year)

WCSB commences an open market auction of its assets (royalties) through RBC Rundle Energy Partners of Calgary, Alberta, an independent oil & gas divestiture firm

#### Step #2: (within the first year)

Capital raised is invested into joint venture development wells in exchange for gross over-riding royalties

#### Step #3: (within the 1st year)

- Operator drills wells
- Operator pays WCSB its share of revenues based on production of the wells

#### Step #4: (within the first 18 months)

- Investors start realizing tax savings
- WCSB commences distribution of cash to investors

## WCSB INVESTMENT LIFECYCLE

**BELOW PLEASE FIND A NUMBER OF REASONS WHY WE BELIEVE THE CALEDONIAN ROYALTY CORPORATION ("CRC") OPPORTUNITY IS IN THE BEST INTERESTS OF WCSB INVESTORS.**

**1. ENHANCED DIVERSIFICATION:**

CRC provides significantly improved diversification both in respect to the number of producing wells (1,400+) each of which pay royalties to investors but also in respect to the widespread geographic diversification of existing and potential production locations and zones (Cardium, Notikewin, Wilrich, Bluesky, Fernie, Belly River, Edmonton Sand, Milky River). For example, for 2010, CRC received royalty revenue on approximately 19,100 BOE/d and is currently receiving revenue on Royalty Land (i.e. land in which CRC owns royalties on) with total production of over 17,000 BOE/d from over 1,400 wells vrs WCSB's 23 wells.

**2. ATTRACTIVE MONTHLY CASH DISTRIBUTIONS:**

CRC currently pays investors attractive monthly cash distributions providing WCSB investors with an approximate 7% annualized return.

**3. LONG RESERVE LIFE ASSETS:**

CRC's royalty is on an asset base that has a long reserve life of approximately 9.5 years proved and 13.7 years proved plus probable basis.

**4. CONTROL OF INFRASTRUCTURE:**

Operators have control of 3 gas plants.

**5. SIGNIFICANT LAND BASE & TITLE:**

CRC holds a 5% royalty interest on 1,127,105 gross acres (the "Royalty Land") of which 570,653 are undeveloped providing investors with significant upside potential through future development opportunities, including down-sizing and multi-zone opportunities on the Royalty Lands.

**6. LARGER AND SOLID UNDERLYING ASSET BASE:**

As at December 31, 2010 CRC had a net present value of \$98,000,000 (at a 10% discount), average daily production of 955 BOE/d and a net asset value per Unit of \$12.05.

**7. SUSTAINABLE BUSINESS MODEL:**

The CRC business model of owning a 5% royalty on 1,127,105 gross acres of Royalty Land provides investors with improved sustainability of returns and enhanced upside potential. For example, when Compton, who continues to actively develop the Royalty Land, or any one of four other operators who have acquired the rights to develop the Royalty Land, drill and tie-in a well on the Royalty Land, then CRC is automatically entitled (without any further capital contribution) to a 5% royalty of production from each new well.

**8. ASSET ACQUISITION MANDATE:**

CRC is actively evaluating potential future royalty acquisitions and transactions that will both enhance distributions and liquidity opportunities.

**9. SIGNIFICANT UPSIDE POTENTIAL:**

With a gross over-riding royalty on over 1,000,000 acres of land and with over 570,000 acres of undeveloped land there exists considerable upside potential through both further development of the Royalty Lands and by way of improved natural gas prices. Further, much of the Royalty Land provides operators with down-spacing and commingling potential and with attractive multi-zone development opportunities through contiguous land blocks. Certain of the Royalty Lands are also in close proximity to the Cardium play which has experienced recent success.

**10. EXPERIENCED AND SUCCESSFUL MANAGEMENT TEAM:**

CRC has one of the most experienced and successful management teams in the Canadian energy sector having founded and managed Pengrowth Energy Trust to over 80,000 BOE/d, raised over \$3.5 Billion and produced an average annual compound rate of return in excess of 14% over twenty years, including distribution re-investment.

**11. LIQUIDITY:**

Management of CRC has provided an undertaking to list securities on a recognized stock exchange.

***\*Distributions from date of suspension accrue and will be payable (subject to closing adjustments) to investors upon closing the CRC transactions.***

**FURTHER INFORMATION**

**Tel:** 604.684.5742 | **Fax:** 604.684.5748 | **Email:** info@cadobancorp.ca | **Web:** www.wcsb.ca