



Agile Business Development & Strategy

Cillium Corp Consulting Review
for
CREEnergy and
First Nation

CREEnergy Oil & Gas Inc. (CREEnergy) has multiple prospective land bases in which to exploit for oil & gas extraction across Canada and the US. As CREEnergy holds both the surface rights and minerals rights for all planned operations, they have an advantage over most oil and gas producers. CREEnergy will focus on operational efficiencies, environmental and regulatory compliance and giving back to their communities. Partnerships with experienced and trusted service providers are currently being negotiated.

CREEnergy was formed to be the managing company that will provide all products and services to and on behalf of the contracted First Nation to develop and to deliver to market the natural resources that are owned by First Nation. The original is for eight of the over fifty bands located in Canada. These resources include but are not limited to:
OIL Reserves - Natural Gas – Coal - Other Natural Resources

Objectives

- Develop 100% of the initial eight bands of First Nation oil fields
- Contract for rights of the remaining bands other natural resources
- Develop and construct the operational infrastructure to capture, process and deliver the products from our natural resources in a global market
- Develop and construct the operational infrastructure to deliver the economic, health and societal needs of First Nation
- Develop the foundation to expand First Nation into other industries to include manufacturing, research/development, social media, communications, medical,

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etc. to provide the people of First Nation a variety of employment opportunities

First Nation Operational Oil Development
Project Plan for
Exploration, Extraction,
Production/Transportation Revenue Generation

First Nation economic development is focused on oil revenue generation.

The goal is to get the oil and/or refined product to the client in the most efficient, economical and environmentally safe methods possible. Each sub project carries equal importance to the overall success of this project. The sub projects include three refineries, oil exploration/extraction, infrastructure development, expanded market products and social development.

It is understood that drilling, refining and production of the natural resources is the essential component that provides the basis for the funding for all the projects that are greatly required.

We have begun discussions with our strategic partners about the process necessary to restart the existing wells and the designing of the new wells. The discussions have included that we must ensure maximum production while protecting the environment and the beauty of the lands of The First Nation.

We have also begun the process to arrange the research that will provide the necessary data to make the best selections of where to drill, when to drill, how to drill and what the drilling is for.

Other things that must be considered are delivery systems of the products (trucks, pipes, etc.), staging of equipment, and training of the local support, supplies necessary for the drilling process, back office support, payroll, insurances, medical support and all other services for successful implementation of these projects.

District – Frog Lake-

While Frog Lake may not be the most profitable of the projects it may be the fastest to revenue generation. Therefore, it should be considered as our starting point.

Reactivation of wells - It is the current understanding that Frog Lake has 7 existing wells, 3 abandoned and 4 deactivated. Within the first two weeks after contracts ratified, we will have on site drilling experts to ascertain the feasibility of reengaging the production of the 7 wells and the associated cost. Depending on the way in which the wells were deactivated, these could be the first producing wells. Once it is determined that the wells can be reactivated into production than that process will begin immediately.

Design of new wells – Current information suggests that at least 30 new vertical and 20 new horizontal wells should be constructed. Within the first month after contract ratified, the site for these wells should be verified and well construction should begin.

While the reactivation and new well construction is in process, the infrastructure needs will be determined and that process will begin. Each well must have the ability to be remotely monitored, have necessary infrastructure to be in production and delivery to the storage/staging facility. This may be roads for trucks, rail car tracks, pipe line or any manner of transport that is the best solution for the environment and cost effectiveness. We must also ensure that the necessary power for the pumps and construction crews is in place.

Storage facility if needed and not in place will need to be constructed. The storage capacity must contain more than the daily production minus the daily transportation. This will be calculated on maximum capacity of production and delivery. There should never be a need to reduce production due to lack of onsite storage. The storage facility should be located strategically as to make it cost effective from each well. There should be a secondary location selected if the need for growth ever arises.

The finished product must be delivered to a location that will coordinate the delivery to the end user client. As our client base is developed, our projection will allow for the analysis that will determine where the product is delivered. It may be port cities, rail centers, trucking or pipelines. Transportation system may include tanker trucks, rail cars or pipe lines depending on the end destination of the oil.

Revenue generation is the sale of the oil. This will be normally contracted with large clients that will require letters of credit transferable upon delivery. Since the demand for oil continues to increase, the finding of willing clients will not be difficult. However, when meeting the client's needs, we should consider the size and destination of the orders to help determine which oil district we use for that order. Failing to choose the correct supply location could result in slightly lesser profits.

District – Frog Lake-
Reactivation of 7 wells -

Design of new wells –30 new vertical and 20 new horizontal wells should be constructed.

Cost estimate - \$155,000,000.00 average cost of \$3 million per well to market

10 year revenue - \$291,232,000.00

20 year revenue – \$582,464,000.00

10 year job growth 500

District – Gregoire Lake –

Design of new wells – Current information suggests that at least 100 new wells should be constructed. Within the first month after contract ratified, the site for these wells should begin the verification process and well construction should begin.

With such a large number of new well sites, Gregoire Lake provides the greatest potential for revenue generation. It will also provide its own set of unique challenges. The quantity of wells will require a strategic layout that can maximize production while minimizing cost and environmental risk. It should be designed so that the storage center is located with easy delivery from all wells without one well interfering with another well's production or infrastructure. Like in Frog Lake each well must have the ability to be remotely monitored, have necessary infrastructure to be in production and delivery to the storage/staging facility. This may be roads for trucks, rail car tracks, pipe line or any manner of transport that is the best solution for the environment and cost effectiveness. We must also ensure that the necessary power for the pumps and construction crews is in place.

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As our client base is developed, our projection will allow for the analysis that will determine where the product is delivered. It may be port cities, rail centers, trucking or pipelines. We must be prepared for the transportation to be dynamic in the destinations as our clients and their needs change. Transportation system may include tanker trucks, rail cars or pipe lines depending on the end destination of the oil.

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District – Gregoire Lake –

Design of new wells – 224 new wells should be constructed.

Cost estimate - \$ 615,000,000.00 average cost of \$3 million per well to market

10 year revenue - \$2,085,000,000.00

20 year revenue - \$4,170,000,000.00

10 year job growth 1,500

District – Martin Hills –

Information indicates that this may be the most geographically contained site and will require attention to that aspect of the project. Like in Frog Lake and Gregoire Lake each well must have the ability to be remotely monitored, have necessary infrastructure to be in production and delivery to the storage/staging facility. This may be roads for trucks, rail car tracks, pipe line or any manner of transport that is the best solution for the environment and cost effectiveness.

We must also ensure that the necessary power for the pumps and construction crews is in place. This can be locally purchased or produced depending on cost effectiveness.

Temporary offices and housing may be required for the construction crews as well as water, food and other amenities.

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District – Martin Hills –

Design of new wells – 18 new wells should be constructed.

Cost estimate - \$ 53,357,143.00 average cost of \$3 million per well to market

10 year revenue - \$ 82,000,000.00

20 year revenue - \$164,000,000.00

10 year job growth 1,000

Other consideration in the development of the Operational Plan

The production of purified water is essential to the health and well being of First Nation and our collective partners and employees that will be on site. We are already reviewing the types of water purification. Reverse osmosis water purification systems, new water sources or importing bottled water will help to begin to improve the general health of First Nation's tribal members are potential solutions. However, we must include the location of the natural resource wells in addition to location of the housing, medical services, community services and other water requirements in the decision making process to determine the best solution(s) for fresh water.

Understanding the current and future electrical power requirements will be essential for First Nation's tribal members to have the independence and self sustainability the desire. Again, understanding the same information that we need for water purification and delivery will provide us the ability to determine current and future electrical production designs. The assumption is that First Nation will want to be as environmentally friendly as possible while meeting the needs and desires of their tribal members. We have already begun the process of evaluating gasification/biomass (First Nation will be producing more trash that can used for fuel and eliminate the need for land fills), solar, wind, coal and other technologies that will provide the necessary power today and into the future.

The development of a housing plan is the beginning of the upgrade of the standard of living of the First Nation members. Quality living conditions are the beginning of better physical and mental health throughout First Nation. The housing should include the newest in technology and general home comforts. There are several directions this can take. We can develop single family homes, condominiums and/or apartment units. There many new technologies and building materials and process that will allow us to provide the First Nation a variety of choices. The housing should the newest of technologies.

We are already evaluating the infrastructure needs to deliver electricity, phone services, highest speed internet, cable/satellite and other connivances. This can be a private First Nation system with their own ISP, email, servers, broadcast systems and still have the ability to connect to other outside services. A complete infrastructure needs to include fiber backbone for the internet, web hosting, ISP, telecommunications, cell phones, data connectivity provided to all homes, business, schools and service providers. We are reviewing the newest technologies in high speed information transmission. These include our equity partner that has developed a laser/microwave device that provides light speeds through the airways thus reducing the cost of certain pieces of the infrastructure.

Education services are essential to the continued improvements of the quality of life. The construction of schools and the training of teachers will provide the youth the skills that will continue the advancement of First Nation. Adult education services should include new technologies like internet, social media, financial management, personal health and all other forms of education services. We must develop classes that will transition the tribal members into the complete information age with a pace that is not overwhelming but aggressive at the same time.

The data gather above for the wells and housing will provide the guidance necessary to build the proper medical facilities at the most advantageous locations. We need to determine the level of medical care to be provide by their facilities. We need to determine if the medical staff is general medicine or surgeons and other specialist. The construction of medical facilities might include hospitals, general doctors' offices, dental services, community services, family health and mental health services. Pharmacies and other medications facilities need to be located for the connivance of the community. The overall health of the members of First Nation must have the highest importance.

The mental health aspect should include financial management and information on coping with the new found wealth. Their may be a lot of temptations from drugs, alcohol, financial scam artist, investments and other high stress situations. One thought is we may try to get the First Nation in contact with Native Americans that have gone through the transition. Learning from their experiences may help The First Nation adjust to their social economic position. We can assist by developing financial management classes, stress management classes and other educational opportunities to assist in their transition.

Security will become a new issue. We have engaged in conversations a security firm about developing a public safety and security strategy. With increased wealth, sometime comes the increased possibility of crime. Police training, detention centers and safety programs will assist in helping to protect the members of First Nation. Public awareness training can be developed to help the tribal members know what dangers to look for and how to safely address them.

Public safety training and services centers will assist in the protection of the members of First Nation. With new services comes the need to ensure that the systems, technologies and amenities are used in a safe manner.

With the new revenues, the First Nation can decide to inter into other industries or services. Working with them to determine what, when, how and why to enter industries allow First Nation to continually increase their collective wealth. They may have enough property to develop into a commerce center to produce other products to be exported throughout Canada, the US and the rest of the world.

The marketing of the First Nation products will be of the greatest importance since that is the resources that will provide the new services to the tribal members. We currently have relationships with several countries that are large importers of oil, natural gas and

coal. We can assist in the development of long term strategic partnerships that need the First Nation natural resources. We also can assist in the importation of goods and services into First Nation. They need stores that sell food, clothing, household items, high tech equipment, restaurants and other commodities. The initial data gathered will assist in our recommendations of the locations of the store and the deliver of their needed infrastructure.

Deployment Schedule

The implementation plan is designed to maximize the funds available in an efficient manner to provide the time element necessary for revenue generation that will drive the long term growth of the CREnergy – First Nation projects.

The first steps upon funding are:

Month one – solidify engineering, consulting, construction, oil productions, refinery and support needs for successful project completion.

Month two - begin contract initiation for above listed services

Month three - begin construction of first of three refineries, begin construction of infrastructure (roads, energy, communications, etc.), begin construction of storage facility for unprocessed oil, begin training of new support personnel, implement safety plans and solidify project management leadership team

Month four - open existing wells and begin process of drilling new wells

Month five through twelve – continue build out of project

Year two – start new refinery number two
complete refinery number one
continue development of new wells
continue development of all infrastructure
begin development of social needs (communications, additional power generation, housing, medical, etc)
begin research of the utilization of other natural resources

Year three - start new refinery three
complete refinery number two
continue development of new wells
continue development of all infrastructure
continue development of social needs (communications, additional power generation, housing, medical, etc)
continue research of the utilization of other natural resources

Year four - complete refinery three

utilize revenue to continue to grow the business and provide
services to the people of First Nation