

# Investing in Oil & Gas Drillings Projects



**Wellspring Capital**

From Thought to Execution

November 2014

# About Wellspring Capital

- Wellspring Capital is an Investments firm headquartered in Tel Aviv, Israel. Wellspring Capital adds capital, talent and strategy to increase value.
- Wellspring Capital uses several methods to execute a successful fund raising such as equity, Debt, convertibles, on the Tel Aviv capital market.
- Wellspring Capital cooperates with Israeli legal, tax, underwriting and PR/IR industry's leaders to ensure the success of the fund raising needs.



# Wellspring Capital

Founded by Yaniv Bresler and Yaniv Lubinski. Both partners bring to the table vast experience in the Israeli capital market and innovative thinking to solve fund raising needs and unlock value.



## **Yaniv Bresler**

MBA, LLB (ISR), over 14 years of experience in Corporate Finance, fund raising, M&A, IPO's, RTO's in public and private companies from variant sectors in Israel, North America and Africa.

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## **Yaniv Lubinski**

MBA, CPA (ISR), over 14 years of experience in international financial management, investments and fund raising. Talent for creative thinking and a multidisciplinary approach in solving challenged situations.

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# The Resources Angle

- Both partners have vast knowledge in the resource segment.
- Serve as consultants and fund raisers for the Forbes & Manhattan group – a leading private merchant bank with a global focus on the resource-based sectors. F&M is headquartered in Toronto, Ontario, Canada.
- Serve as consultants and fund raisers for a leading junior Potash corp. trades on the TSXV.



# The Opportunity – Scalable and Robust Access to Public Capital Market

Strong preference of local investors for the Oil & Gas investments opportunities

Little supply in local Oil & Gas investments opportunities

Robust – ability to finance high amounts of drills

Israeli capital market is accessible for relatively small companies

Strong macro economics

High perception for yield assets



# Recommended Criteria For Oil & Gas Asset

Section	Criteria
Expected Production	Starts at 100 BOPD per well
Time to Operation	6-12 Months
Cash Requirement	\$0.5 per well
Disclosure	Full and publicly available disclosure and reporting liability for the investors



# An Overview Of The Israeli Market

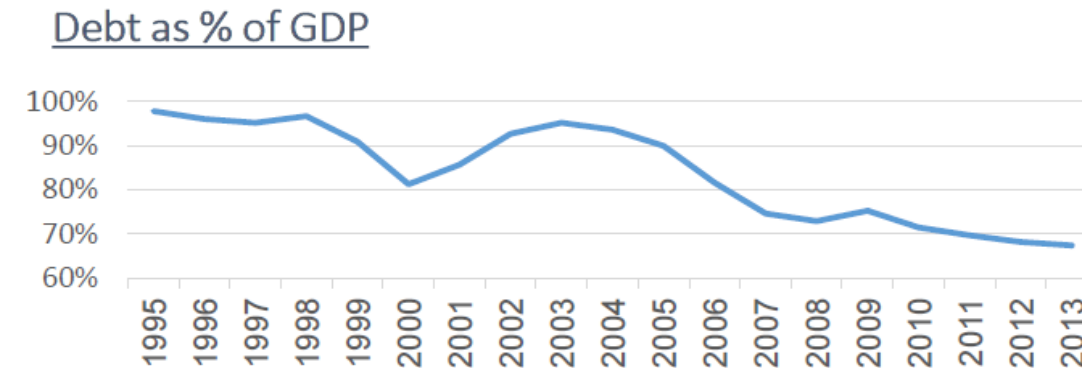
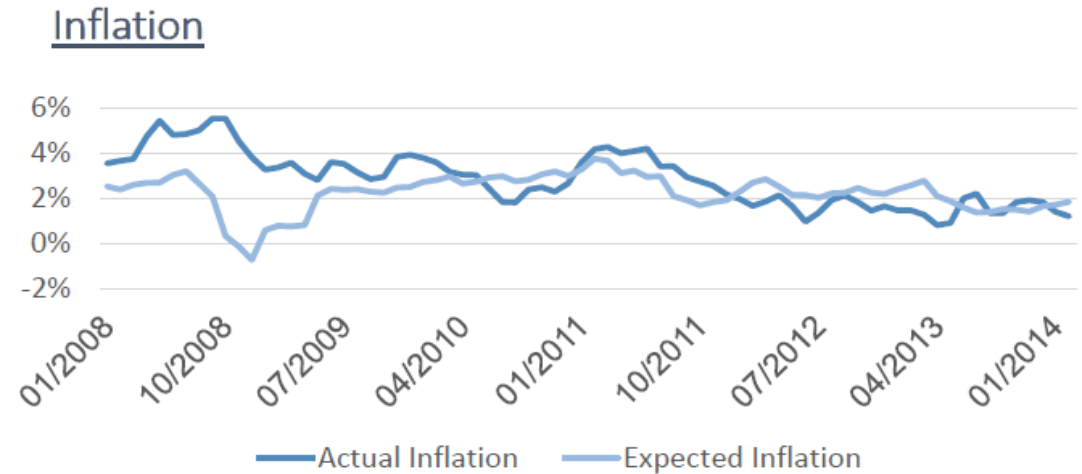


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# Strong Macro Economics

General Macro Economics Data	
Population	8.14 Million
Unemployment rate	5.6%
GDP	~ \$266.1 bn
GDP per capita	~ \$34,651
Government bond ratings	S&P – (A+) Moody's – (A1)
Exports	~\$84.2 bn
Imports	~\$83.1 bn
Inflation rate	~ 1.2%
GDP growth forecast	~ 2.08% (2014 forecast)
Bank of Israel interest rate	0.75%

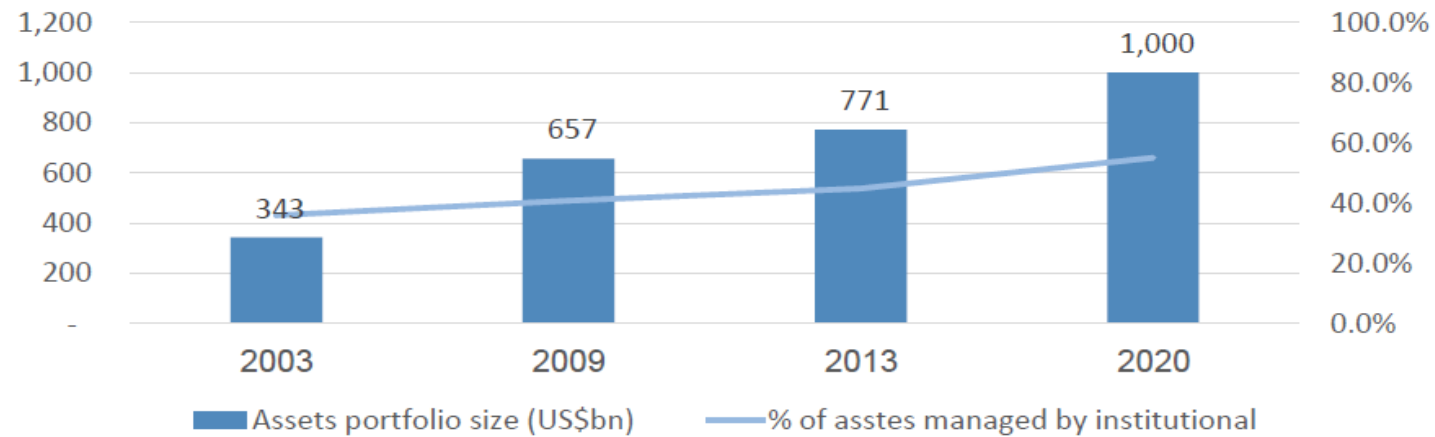


Over the past decade, the Israeli economy has grown significantly



# High Liquidity of the Local Institutional Investors

- Institutional investors manage over US\$405bn (~NIS1,420bn) as of 2014 and are expected to reach US\$571bn (~NIS2,000bn) by 2020 ( ~57% of the total assets portfolio).



Source: Bank Of Israel, Globes

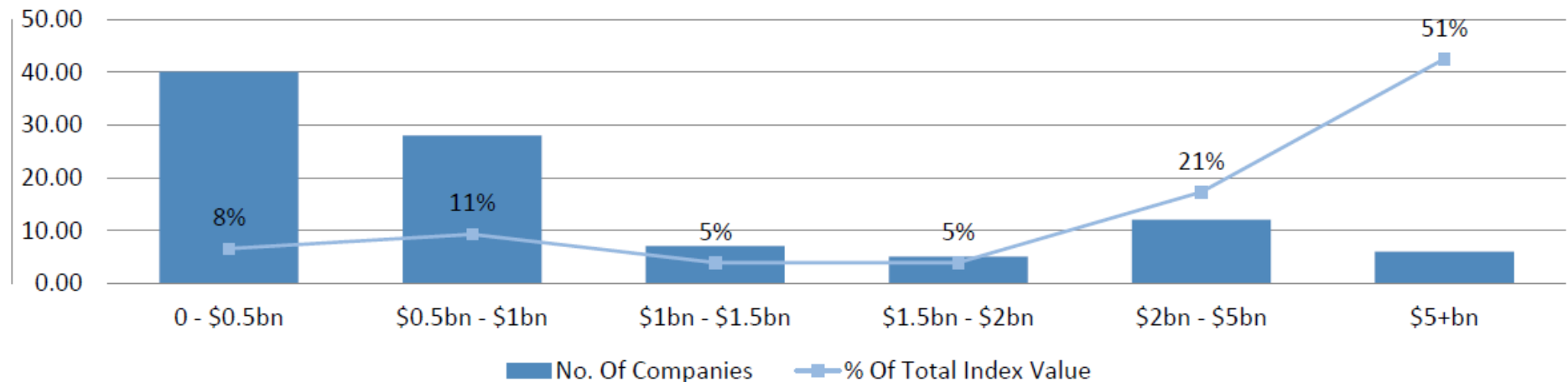


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# Size Advantages

- Size advantages –a relatively small company in a foreign market (especially the North American markets) could be considered a large company in Israel.
- Over 40% of Tel Aviv 100 index companies have a market cap of below US\$0.5bn.
- The average market cap of companies traded in the Real Estate 15 index (which is composed by Israel's leading real estate companies) is ~ US\$1bn.

Tel Aviv 100 index – by market cap



Tel Aviv 100 – top 100 companies by market cap

Source: TASE



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