

SilverWillow Energy Corporation is a pure play oil sands development company focused on the exploration and development of opportunities within the oil sands and heavy oil industry. SilverWillow was formed in April 2012 by way of a plan of arrangement between Teck Resources and SilverBirch Energy.

SilverWillow has:

- 1.85 billion barrels of Discovered Resource (in situ)
- 174,720 acres of oil sands leases in the Athabasca Oil Sands Area of Northeastern Alberta.
- Total of approximately 117,000 acres of exploration potential.
- Total net book value of approximately \$123 million or \$2.17/share.

Potential near-term and medium-term catalysts are:

- Completion of preliminary engineering and cost estimate for Phase I of Audet
- Planned submission of Audet regulatory application for Phase I in Q4-2013
- Updated resource estimate in Q1-2014
- Ongoing development of surrounding leases in the area (i.e., Cenovus' Telephone Lake)
- Positive oil sands industry developments (i.e., Keystone and Gateway) and other M&A activity.

SHARE INFORMATION

TSXV: SWE

52-week high/low: \$1.19/\$0.35*

56,680,031 shares outstanding*

Market cap (@ \$0.425/share) ~ \$24 mm*

*as of August 16, 2013, intro-day

ANALYST COVERAGE

National Bank Financial

Peters & Co

RBC Capital Markets

ASSETS AND STRATEGY: AUDET	ASSETS AND STRATEGY: BIRCH MOUNTAINS	FINANCE														
<p>Audet – a high quality reservoir with excellent upside potential</p> <ul style="list-style-type: none"> • 1.85 billion barrels of DPIIP • 68 million barrels assigned as best estimate contingent bitumen resources • 23,040 acres • Preliminary caprock assessment program and reservoir engineering completed • Testing and simulation indicates steam containment by McMurray shale caprock or low pressure SAGD scheme operating at 1,350 kPa <p>Next steps</p> <ul style="list-style-type: none"> ➤ Progressing the project towards commercial production through the completion of the Design Basis Memorandum for a 12,000 barrel per day bitumen facility ➤ Preparation and submission of a regulatory application for submission in Q4-2013 	<p>Birch Mountains – 100% working interest in 9 leases with in situ potential</p> <ul style="list-style-type: none"> • 94,080 acres • 78kms of 2D seismic acquired <p>Next steps</p> <ul style="list-style-type: none"> ➤ Further interpretation work will be undertaken to assess the character of the geological structures; results are expected in Q3-2013 and will be used to define a future exploration drilling program ➤ Stakeholder consultation and permitting for an exploration program are underway ➤ SilverWillow will pursue further exploration work subject to financing and market conditions 	<ul style="list-style-type: none"> • As of June 30, 2013, SilverWillow has working capital of \$7.9 million • Company is financed into Q3 2014 • Successful completion of \$4.0 million flow through share offering in October 2012 • No long-term debt <p>Forecasted Expenditures for 2013</p> <table border="1"> <thead> <tr> <th>(\$ MILLIONS)</th> <th>2013</th> </tr> </thead> <tbody> <tr> <td>Audet</td> <td>12.4</td> </tr> <tr> <td>Birch Mountains</td> <td>4.8</td> </tr> <tr> <td>Cash G&A</td> <td>4.1</td> </tr> <tr> <td>Projects (lease costs & working capital)</td> <td>1.7</td> </tr> <tr> <td>Plus Interest Income</td> <td>.1</td> </tr> <tr> <td>Estimated Closing Cash Position year end</td> <td>3.6</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Audet spending includes preparation of regulatory application and small field core hole program 	(\$ MILLIONS)	2013	Audet	12.4	Birch Mountains	4.8	Cash G&A	4.1	Projects (lease costs & working capital)	1.7	Plus Interest Income	.1	Estimated Closing Cash Position year end	3.6
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¹Sproule Audet Report, dated December 31, 2012. See SilverWillow's Q2 2013 MD&A for additional information.

Note: The term "discovered petroleum initially-in-place" (equivalent to Discovered Resources) is defined in the COGE Handbook as that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially-in-place includes production, reserves, and contingent resources; the remainder is unrecoverable. These resources have been independently estimated by Sproule. Sproule was unable to classify the discovered resources into one of the subcategories because development projects could not be defined for the discovered resource volumes. It is yet to be determined what recovery process will be applied in the Audet Lands due to current uncertainty regarding caprock extent and integrity.

SENIOR MANAGEMENT TEAM -Solid and proven exploration and development record

Howard Lutley, President and Chief Executive Officer	Michael L. Stevens, Vice President and Chief Financial Officer	Cam Bateman Vice President Projects
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