

SURE
ENERGY

TSX:SHR

Corporate Presentation

February, 2012

This presentation contains forward-looking financial and operational information including earnings, cash flow, production and capital expenditure projections. These projections are based on the Company's expectations and are subject to a number of risks and uncertainties that could materially affect the results. These risks include, but are not limited to, future commodity prices, exchange rates, interest rates, geological risk, reserve risk, political risk, product demand and transportation restrictions.

In this report the calculation of barrels of oil equivalent (BOE) is calculated at a conversion rate of 6,000 cubic feet (6 Mcf) of natural gas for one barrel (Bbl) of oil based on an energy equivalency conversion method. Boe's may be misleading particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Corporate Overview

- Junior TSX listed domestic oil & natural gas producer
- Transitioning from gas producer to an oil producer
- Material exposure to Viking light oil resource play at Redwater and Beaverhill Lake light oil play at Virginia Hills
- Experienced and proven management team with significant ownership and a track record of adding value

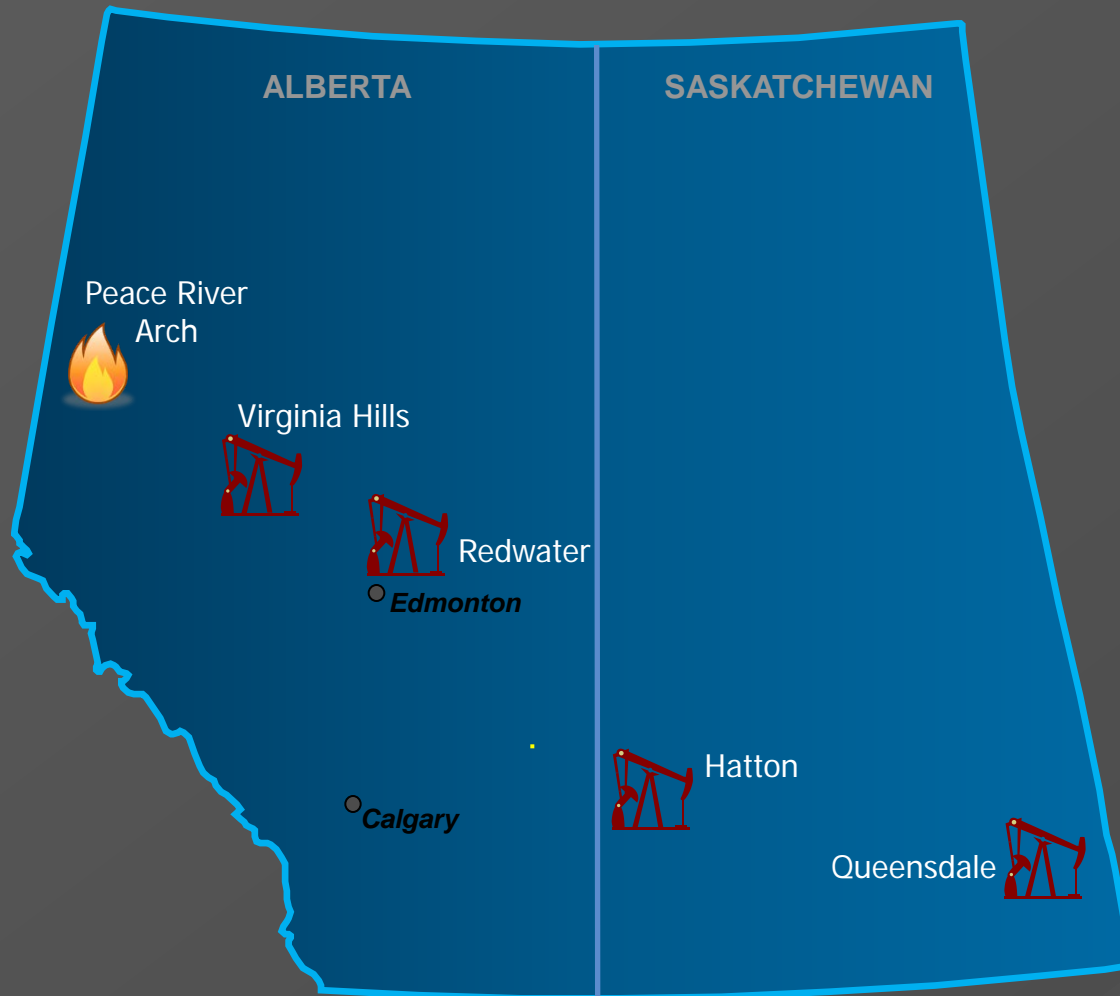
Highlights



- Continued success with new wells at Redwater and Queensdale
- Oil production increased from 64 barrels of oil a day to 875 barrels of oil a day in little over a year
- New heavy oil pool discovery at Hatton
- Increased bank line from \$25 million to \$33 million
- \$38 million budget approved for 2012
- Drilled and cased first vertical well in the Viking at Virginia Hills

Company Snapshot

Current share price	\$1.40 - \$1.60
Shares outstanding (Basic)	60,528,630
Market capitalization	\$ 84 – 96 MM
Production (<i>65% oil & liquids</i>)	1,435 Boe/d
Proved + Probable reserves (<i>Dec 31, 2010</i>)	4,470 Mboe
2012 Base CAPEX	\$38.0 MM
Bank Credit Facility	\$33.0 MM
Note Term Facility	\$20.0 MM
Equity Issue Dec 29, 2011 (net)	\$17.0 MM
Net Debt (<i>after equity issue</i>)	\$19.3 MM
Available Credit Capacity	\$33.7 MM

Areas of Operation

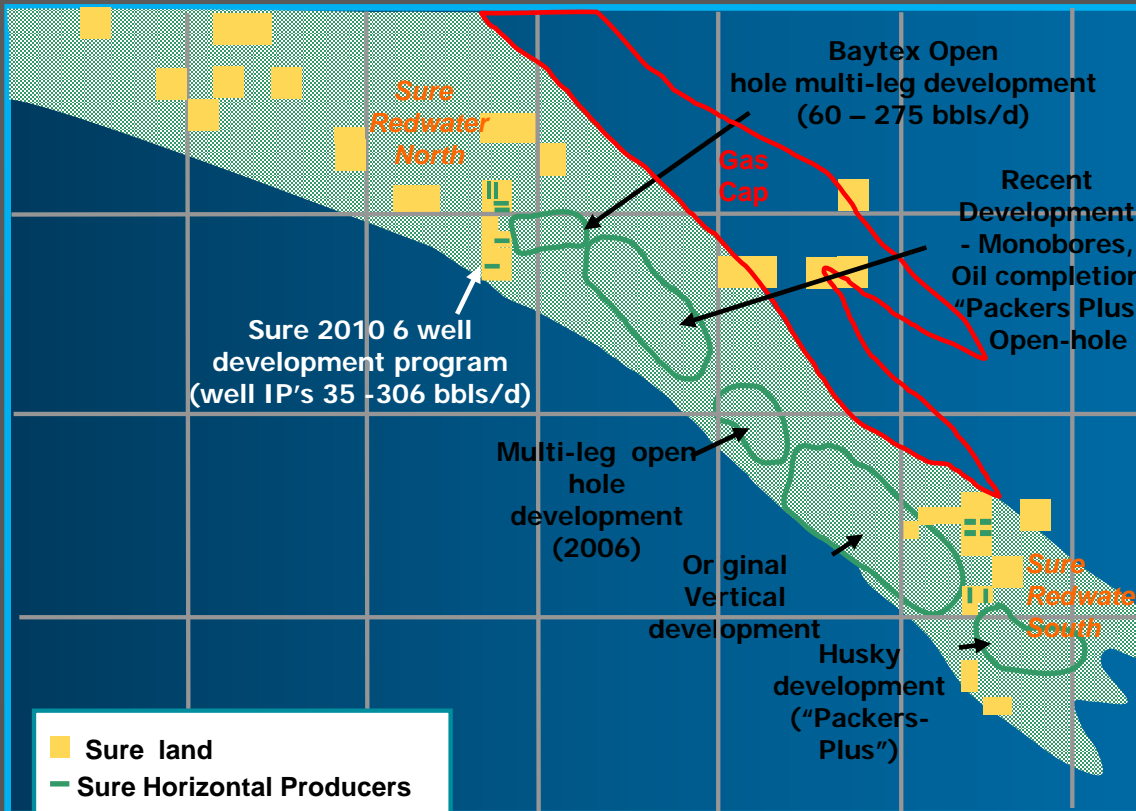


	Oil
	Gas

Property Review

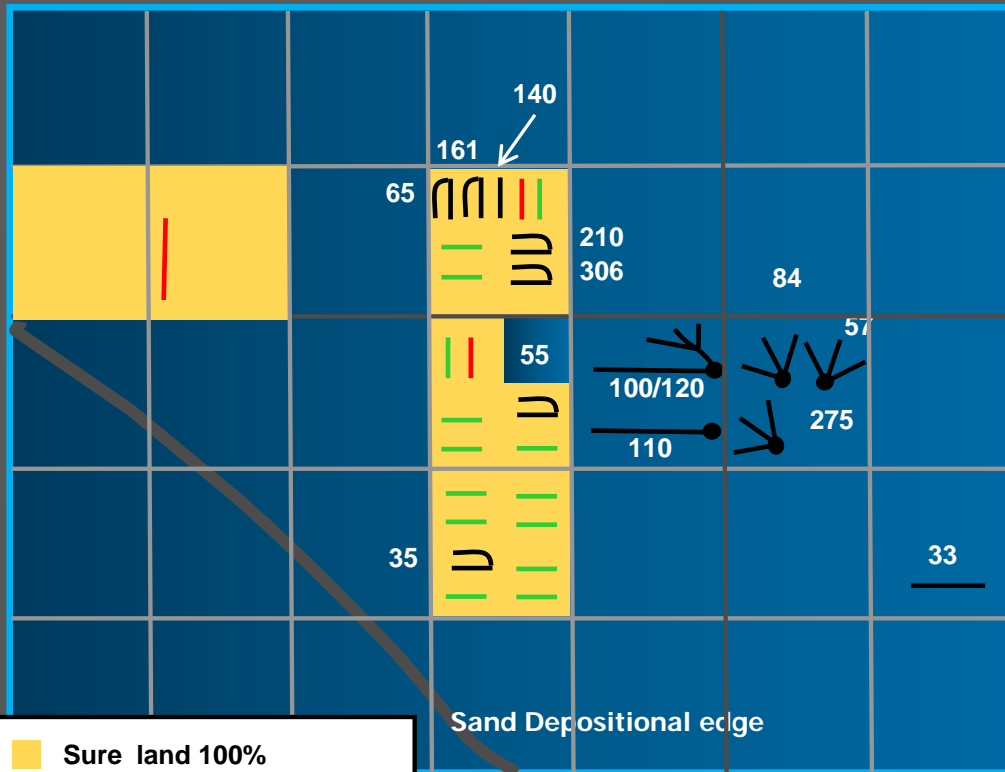
Area Name	Production (Boe/d)	Production Oil & Liquids	Undev. Land (Net Acres)	Operator
Redwater	460	410	12,951	Yes
Queensdale	170	170	4,070	Yes
Virginia Hills	300	215	25,055	Yes
Hatton	75	75	2,400	Yes
Peace River Arch	140	18	9,035	Yes/no
Other	290	27	16,769	Yes/No
Total Capability	1,435	915	70,280	
Behind pipe	118 (26 barrels oil per day; 92 BOE/d gas)			

Redwater



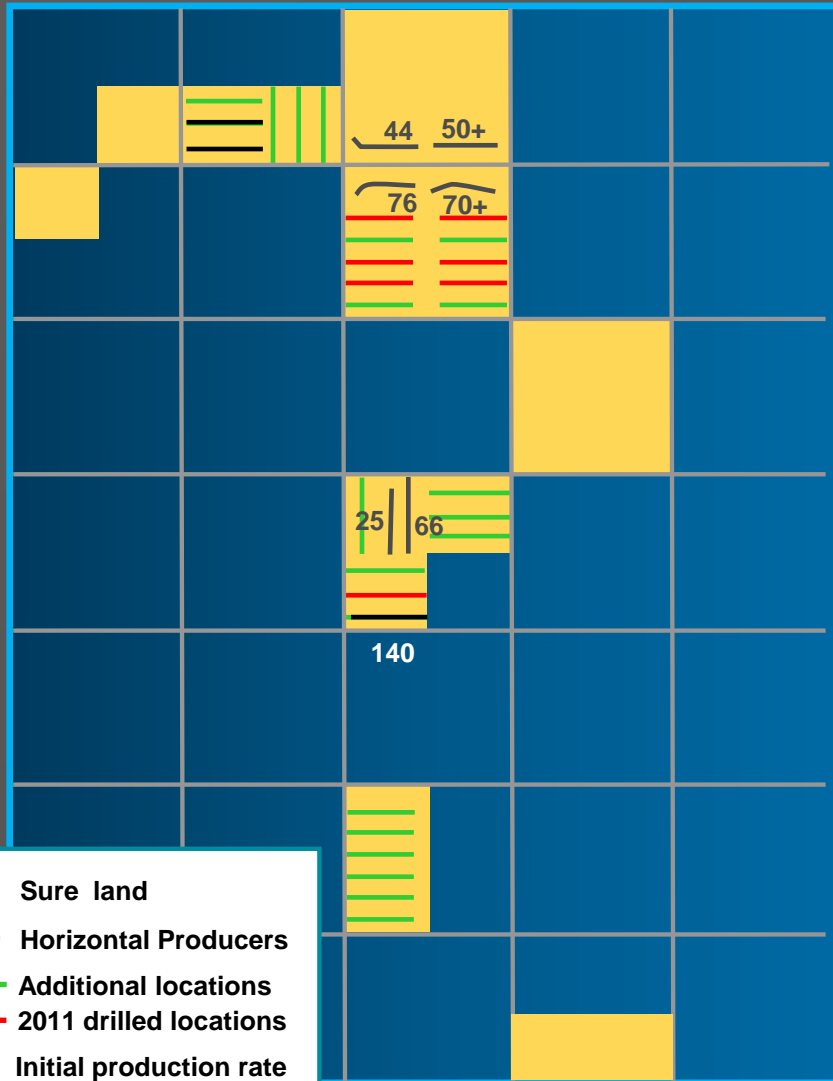
- Sure Energy's land on the north end of the trend is 100% working interest
- Sure Energy's land on the south end of the trend is 40 - 100% working interest
- 14 gross (10.4 net) producing hz oil wells
- 16 ½ sections of land still to evaluate
- Over 200 total producing horizontal Viking wells on trend

Redwater North



- 30 day IP rates 35 – 306 barrels of oil per day
- 16 low risk development locations
- Sproule Dec 2010
 - Recoverable reserves per well 64,500 barrels of oil
 - 2 wells per quarter
 - 129,000 barrels of oil recoverable per quarter
- 1 development and 1 exploration well budgeted in 2012

Redwater South



- Typical 30 day IP rates 50 – 125 barrels of oil per day
- 26 gross (16.1 net) low risk development locations
- Sproule Dec 2010
 - Recoverable reserves per well 55,000 barrels of oil
 - 3 wells per quarter
 - 165,000 barrels of oil recoverable per quarter
- 1 development (80%) and 6 development (40%) wells budgeted in 2012

Redwater Low Risk Oil Development

North Redwater *(based on 8 dual laterals per section)*

					Total	Total	
	# wells	IP	Res	WI	Net IP	Net Res.	Net Cap.
Sec 2	4	100	64.5	100%	400	258	6.4
Sec 35	5	60	64.5	100%	300	322.5	8.0
Sec 26	7	60	64.5	100%	420	451.5	11.2
	16				1,120	1,032	25.6

South Redwater *(based on 3 single legs per ¼ section)*

Sec 16	10	60	55	40%	240	220	6.0
Sec 20	4	60	55	40%	96	88	2.4
Sec 4	5	100	55	80%	400	220	7.2
Sec 4	1	100	55	50%	50	27	0.7
Sec 28	6	60	55	100%	360	330	9.0
	26				1,146	885	25.3

Total **42** (32.1 net)

Viking Drilling Economics - Redwater

Initial Prod. Rate	Avg. 1 st Year Prod.	Recoverable Reserves	10% NPV MM\$	ROI %	PO yrs	Netback \$/BOE	Recycle Ratio
150	93	120	3.24	>100	0.8	68.35	4.8
100	60	100	1.70	69	1.3	67.53	4.0
60	44	92	0.85	27	2.9	66.36	3.6

Notes:

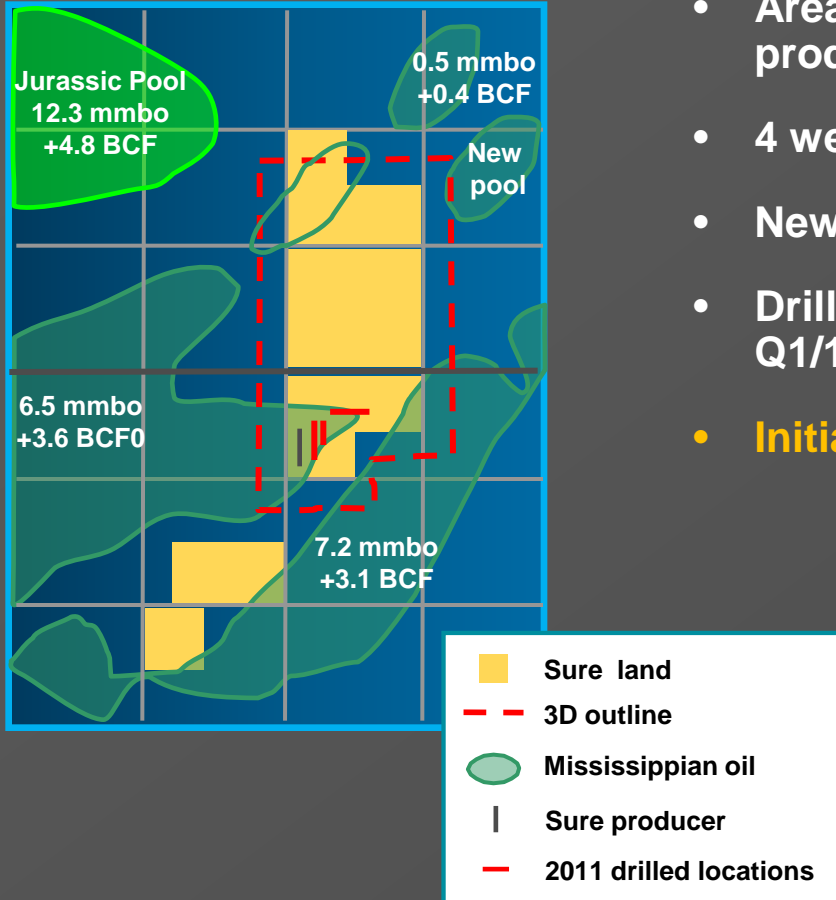
On-stream cost of \$1.7 MM

WTI US \$85/bbl

New Well Royalty Rate for 18 months/50,000 bbls

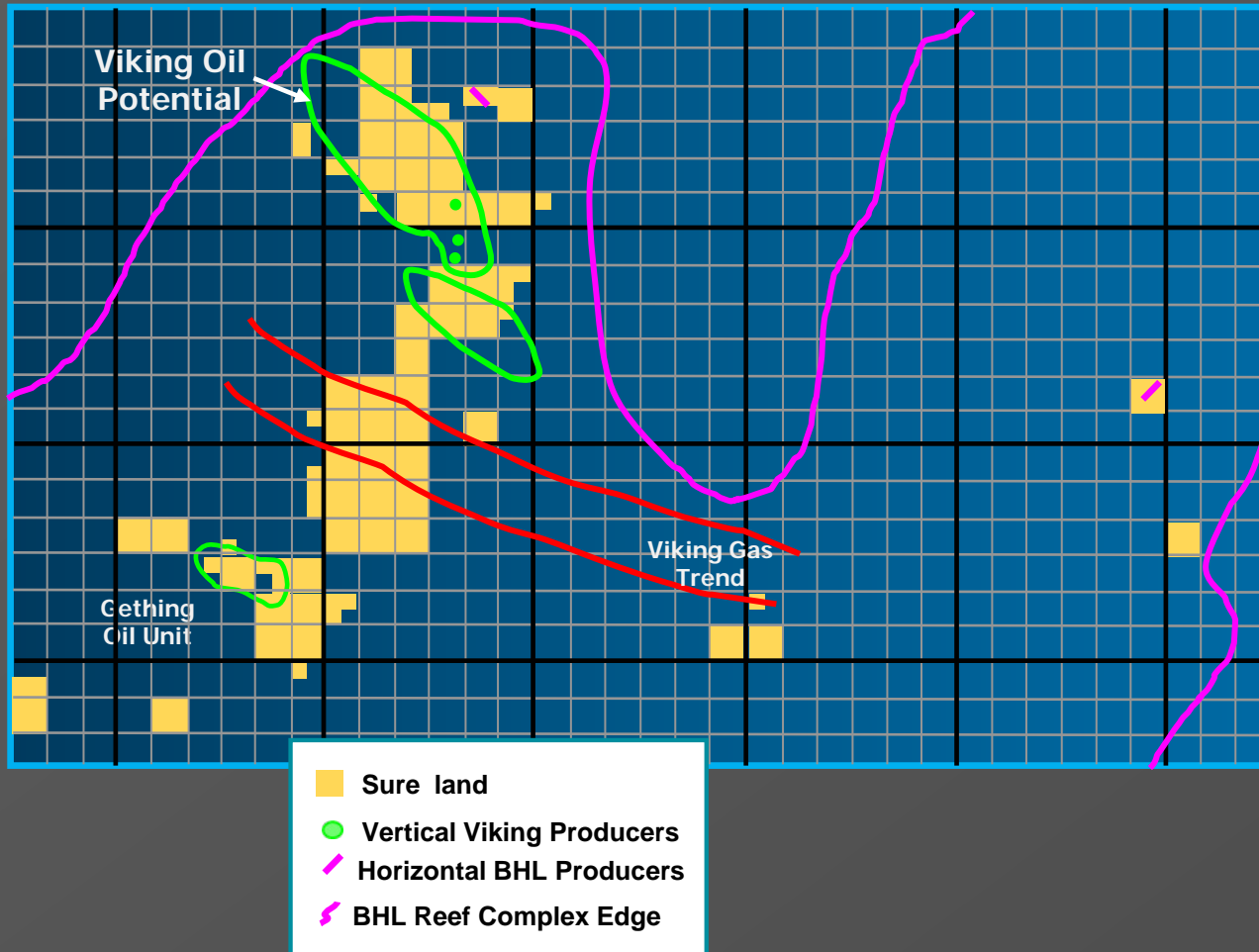


SE Saskatchewan *Queensdale*



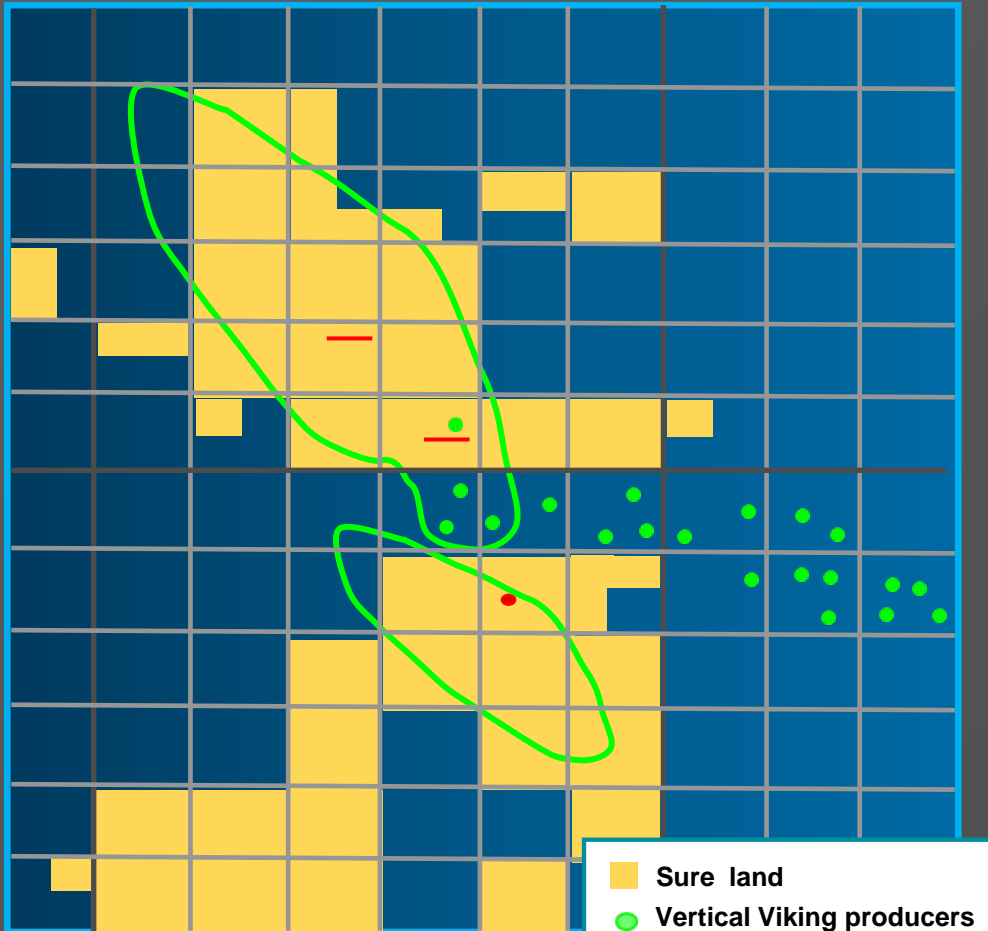
- Area of prolific Mississippian light oil production both horizontal and vertical
- 4 wells drilled into Alida pool extension
- New battery construction complete
- Drilling disposal well at battery site in Q1/12
- **Initial well paid out in 3 months**

Virginia Hills



- Two separate asset deals: Jan 20 and April 15
- Total acquired acreage: 44,320 gross (28,382 net) acres
- Viking oil play
- BHL oil potential
- Gething oil unit
- Shallow Gas (Viking, 2nd WS, Belly River)
- Mature producing area with facilities, gas, oil and road infrastructure
- Site specific all season access

Virginia Hills *Viking*

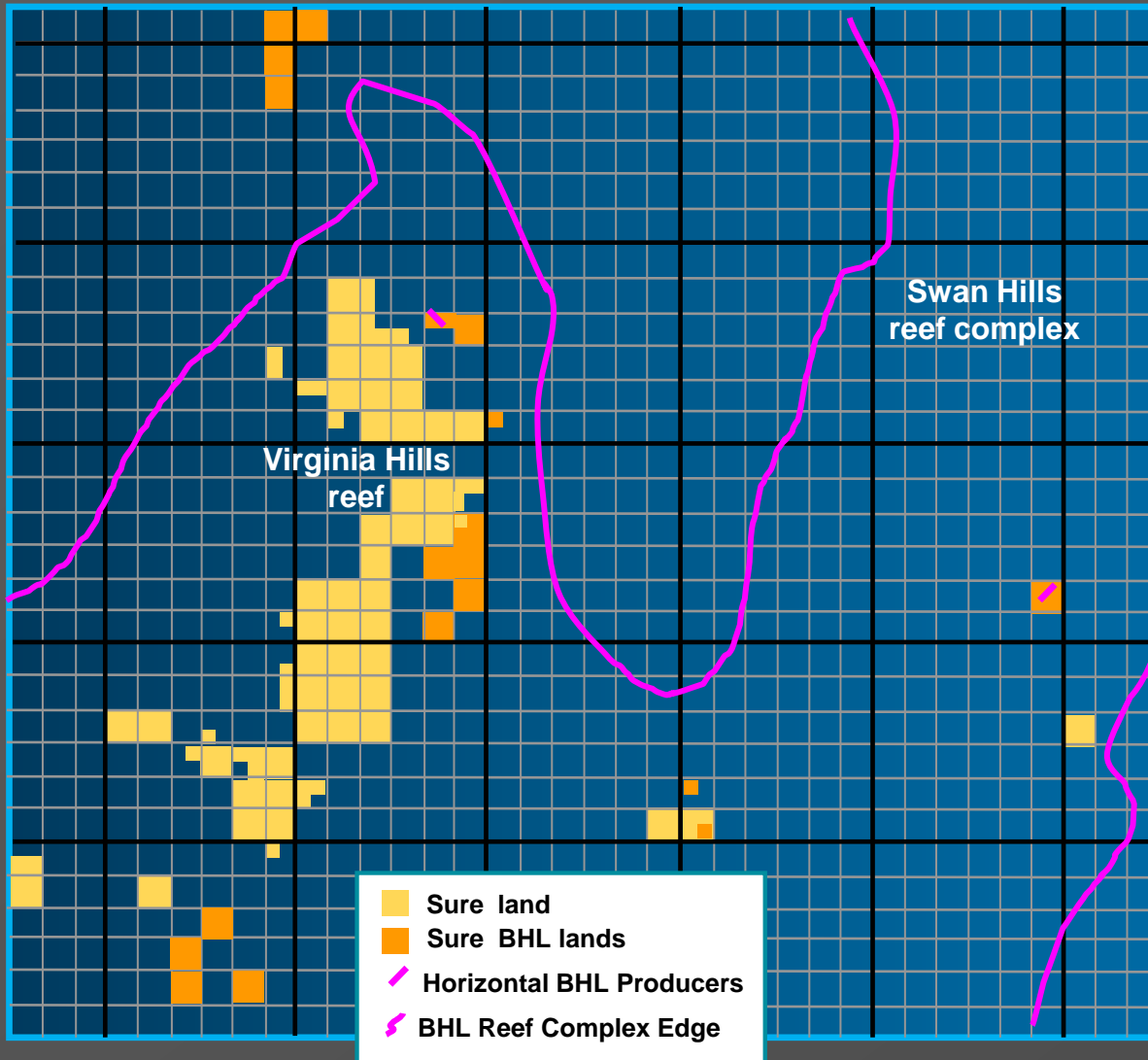


- Sure land
- Vertical Viking producers
- Potential Viking resource
- 2012 horizontal location
- Vertical location

Viking oil play

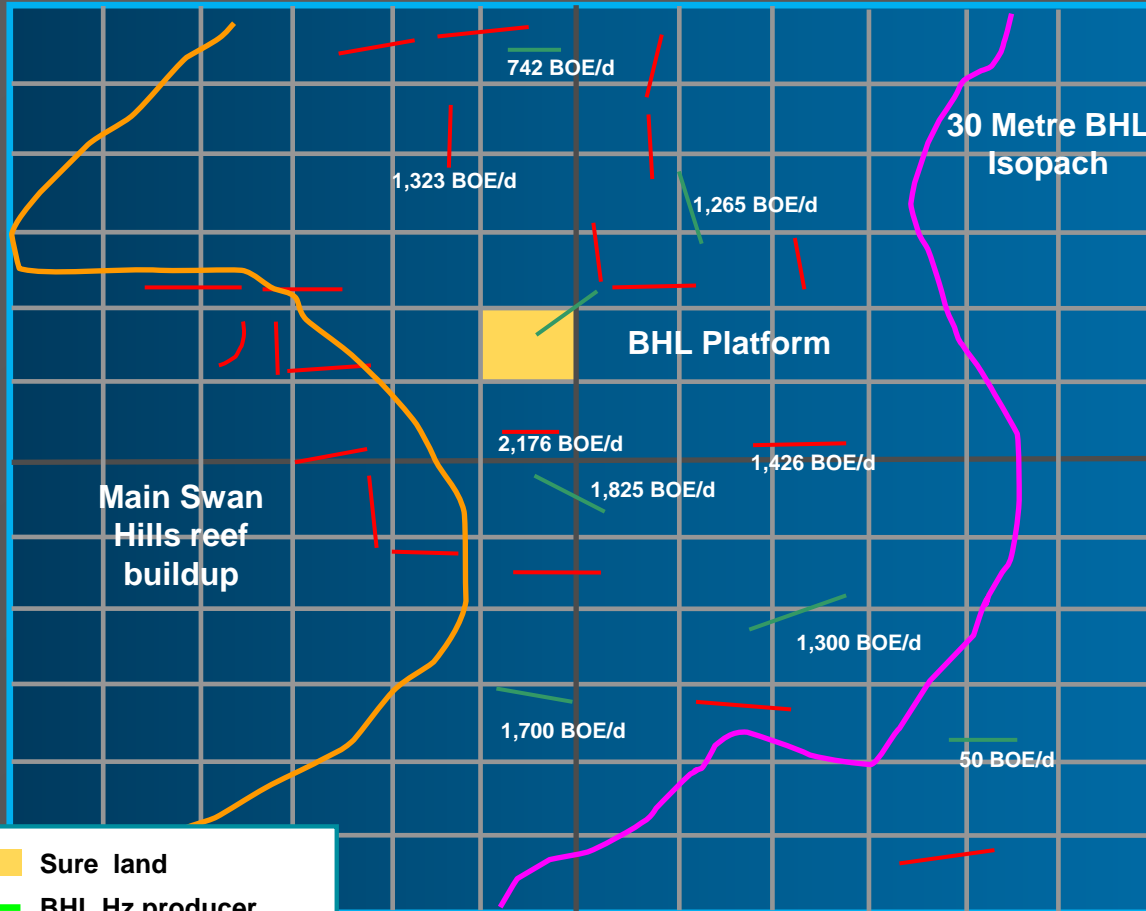
- Vertical production adjacent
 - 30 – 70 bopd initial rates
 - up to 130,000 boe/well
 - No horizontal drilling to date
- 1,500 metre depth
- 10 – 15 metres prospective section
- Light oil - 37° API
- Numerous deeper penetrations and cores to assist mapping
- **Vertical Viking well drilled and cased**
- **2 Horizontal Viking wells budgeted for 2012**

Virginia Hills *BHL*



- 16 sections BHL rights - 10,240 gross acres (9,865 net acres)
- 2 producing BHL horizontal wells – drilled prior to multi-stage acid fracs
- BHL is a fast developing play with several new horizontal wells reporting initial production rates greater than 1,000 BOE/d

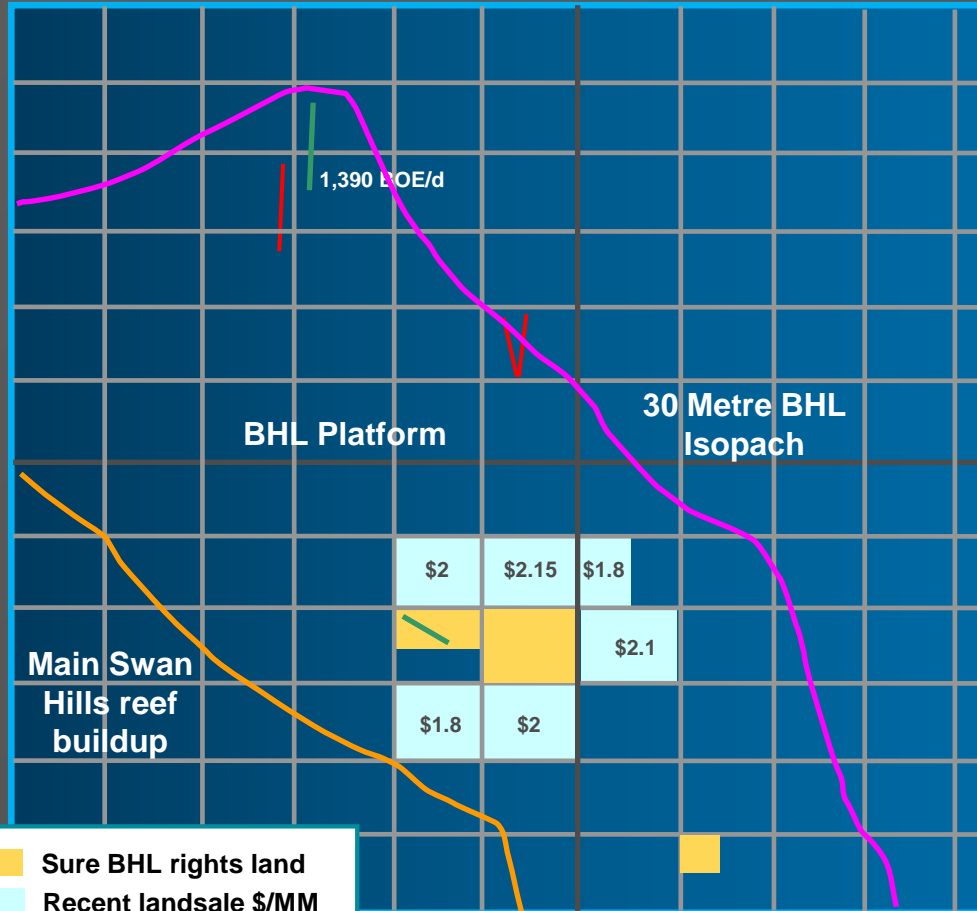
Virginia Hills *BHL East*



- Sure land
- BHL Hz producer
- BHL Hz locations

- 1 section 100% working interest land
- Producing horizontal well on section – NOT FRAC'D
- Several recent BHL horizontals offsetting - 1,000 BOE/d plus
- **Recompleted existing BHL oil well on 100% land.** Well flowed up to 1,129 barrels of oil per day during completion. Subsequently stopped flowing. Well on production

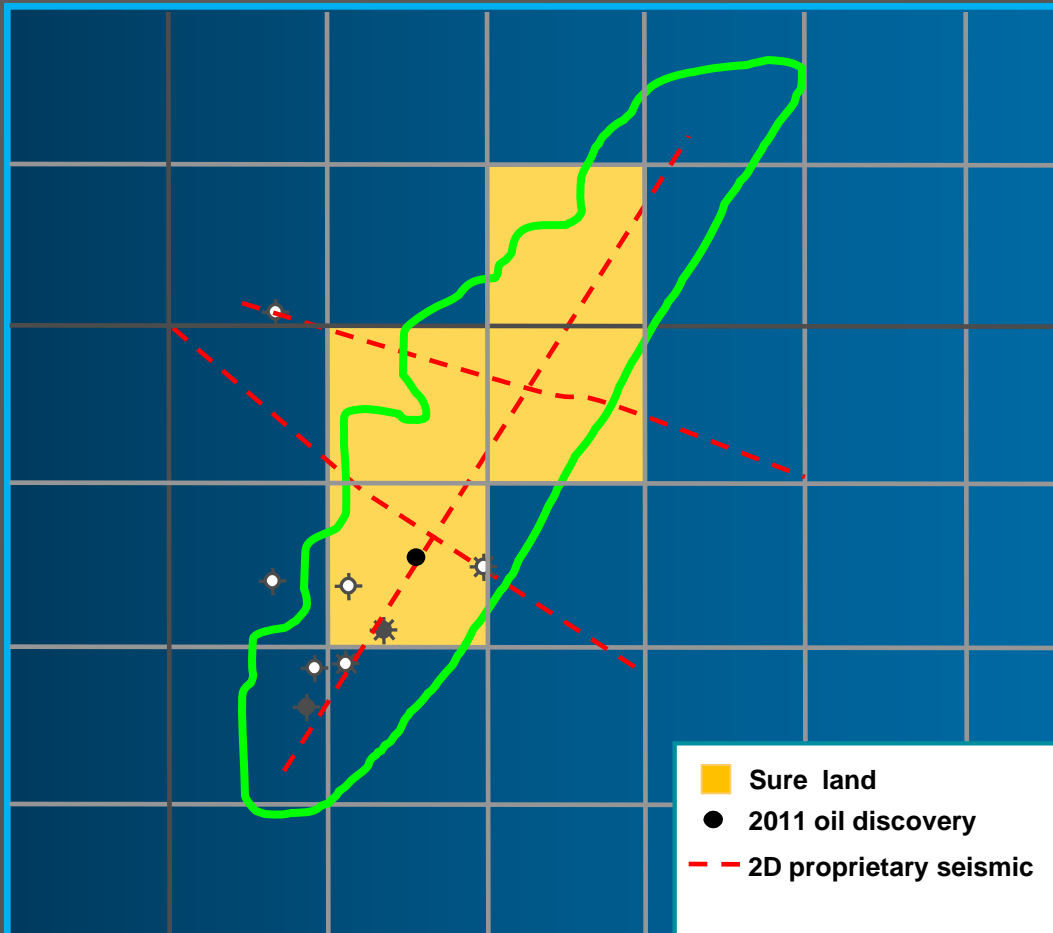
Virginia Hills *BHL North*



- Sure BHL rights land
- Recent landsale \$/MM
- BHL Hz Producer
- Horizontal locations

- 1.5 sections 100% working interest land
- Producing horizontal well on one section – NOT FRAC'D
- Estimated cost \$2.5 mm
- Recent landsales around Sure land - \$1.8 to \$3.6 mm per section
- **Potential recompletion (multi-stage acid frac) in 2012**

Hatton



- Drilled vertical well Oct 2011
- 6.5 metre sand 12° API oil IP (30) 85 barrels of oil per day
- 9 – 23 development locations on 40 acre spacing
- Sand bar defined on 2D seismic
- Mantario (analog pool) 1.7 mmo recoverable per ½ section
- **2 development wells and 1 step out well budgeted for 2012**

Additional Oil Upside*

	# wells	Formation	IP	Res	C.O.S.	Avg. WI
South Redwater	13	Viking	60	55	60%	77%
North Redwater	40	Viking	60	64.5	50%	100%
Hatton	9 - 23	Lloyd	50	60	60%	100%
Virginia Hills	30 - 60	Viking	70	130	50%	60%
Virginia Hills	8	BHL	300	200	25%	100%
Total Locations	100 - 144					
Virginia Hills recompletion	1	BHL	150	200	50%	100%

**No reserves assigned to any of these locations*

2012 Budget

	\$ million	%
Land, seismic & G&A	3.5	9
Queensdale facilities	1.5	4
Virginia Hills Operations	16.5	43
Redwater Operations	11.0	29
Hatton	3.3	9
SE Saskatchewan exploration	2.2	6
	38.0 million	100%

2012 Drilling Program

	Type*	Gross IP Rate/Well	Gross Res/Well	WI %	WI on Prod Cost/Well	C.O.S.
Virginia Hills						
1 vertical Viking	App	70	130	100	1.3	50
2 horizontal Viking	App	100	110	100	2.7	70
1 horizontal BHL	Dev	300	200	100	6.0	100
1 BHL recompletion	Dev	250	120	100	2.5	100
South Redwater						
6 horizontal Viking	Dev	60	55	40	0.5	100
1 horizontal Viking	Dev	100	55	80	1.3	100
North Redwater						
2 horizontal Viking	Dev	80	65	100	1.6	100
1 horizontal Viking	Exp	60	65	100	1.75	50
Hatton						
2 vertical Cretaceous	Dev	80	50	100	1.1	80
1 vertical Cretaceous	SO	80	50	100	1.1	50
SE Saskatchewan						
2 vertical Mississippian	Exp	100	90	100	1.1	33

* App = Appraisal, Dev = Development, Exp = Exploration, SO = Step-out

Netback Analysis

	Actual	Q3
(\$/BOE)	2010	2011
Revenue	\$36.64	\$53.50
Royalties	(3.22)	(5.66)
Lifting/transportation	(10.56)	(13.42)
Operating netback	22.86	34.42
G&A	(4.19)	(6.12)
Cash Interest	(0.73)	(1.37)
Cash flow netback	\$17.94	\$26.93

Cash Flow Sensitivities

	Annualized Cash flow	CFPS (basic)
Oil price US \$1.00 (WTI)	200,000	\$0.01
Gas price C \$0.50 (AECO)	600,000	\$0.02
Oil volume 100 bbl/d	2,300,000	\$0.05
Gas volume 1 mmcf/d	372,000	\$0.01

2012 Budget Assumptions

Crude Oil (WTI US)	\$90.00
Natural Gas (Cdn/mmcf)	\$3.00
Currency (Cdn/US)	\$0.98
Hedges:	50 barrels oil per day for 2012 at Cdn \$100.32
	50 barrels oil per day for Feb – Dec 2012 at Cdn \$104.00

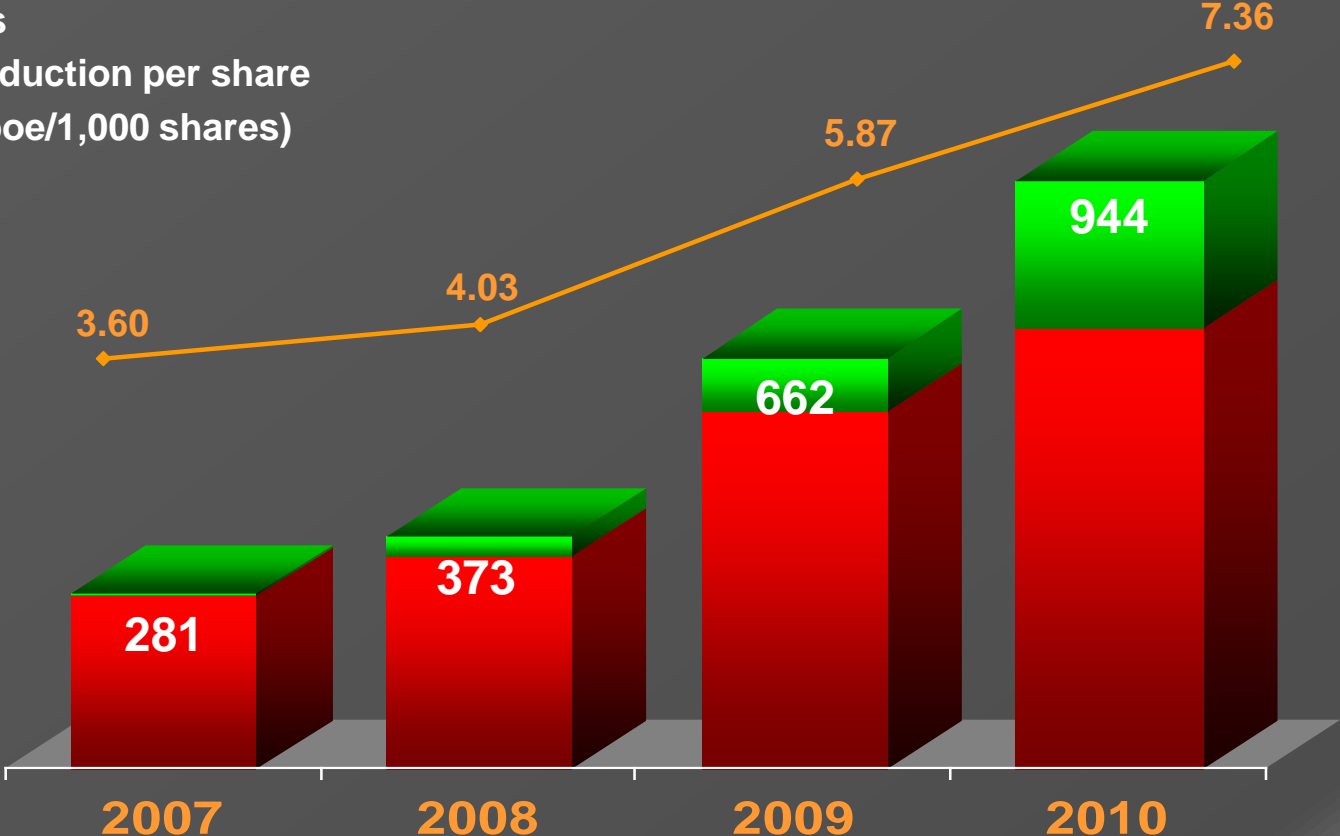
Production (6:1)

Average Daily Production (Boe/d)

Oil & NGL's

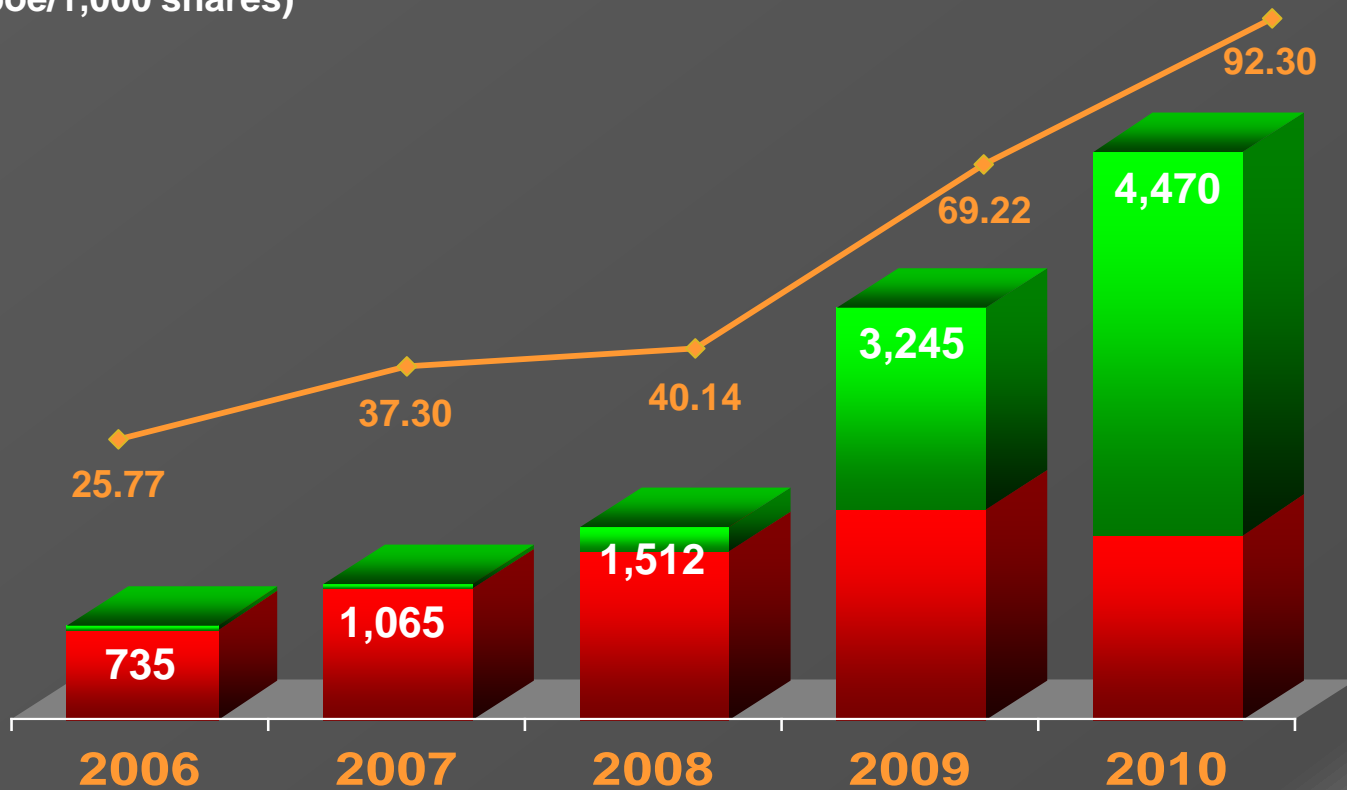
Gas

Production per share
(boe/1,000 shares)



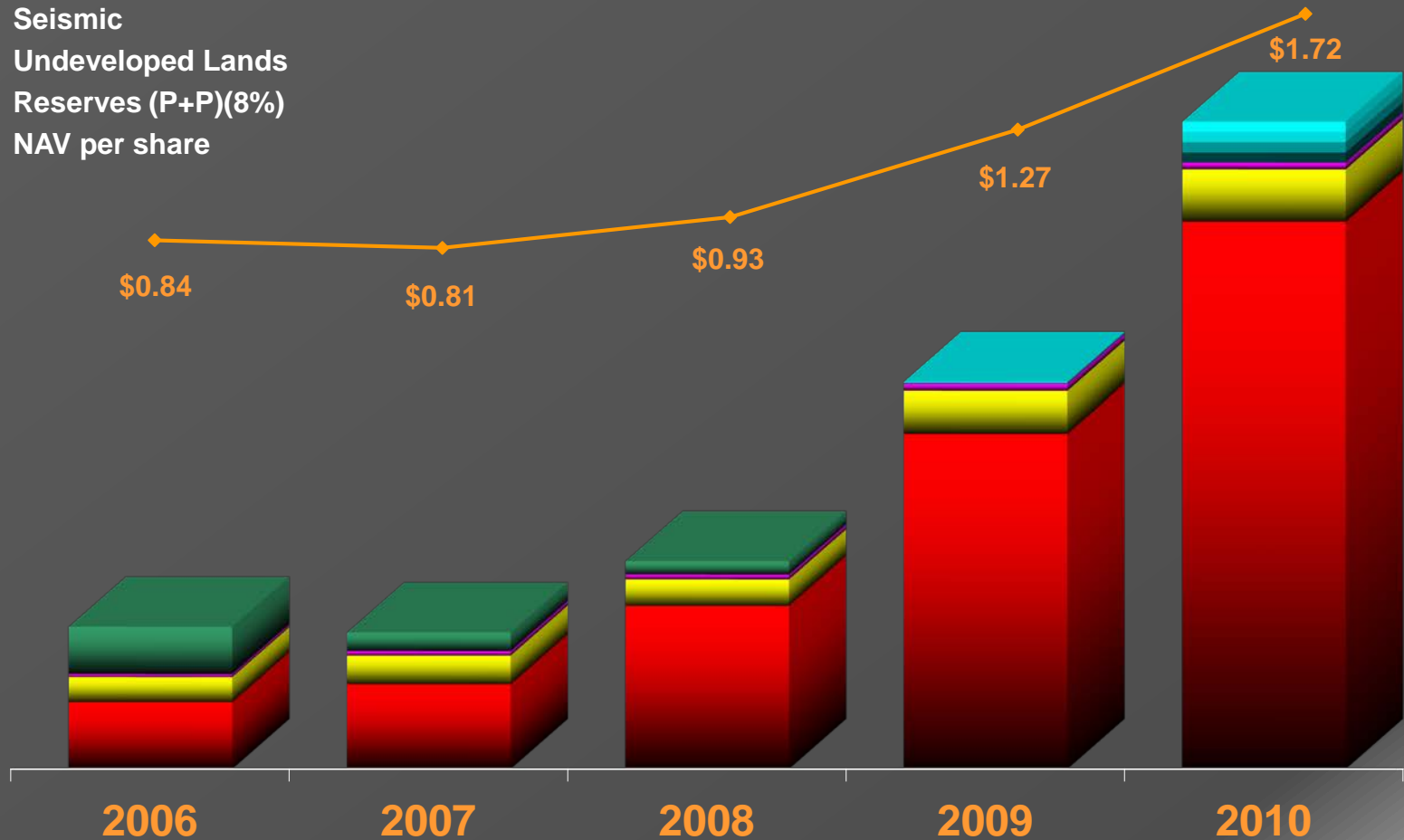
Proved plus Probable Reserves (6:1)

- Oil & NGL's
- Gas
- Reserves per share (boe/1,000 shares)

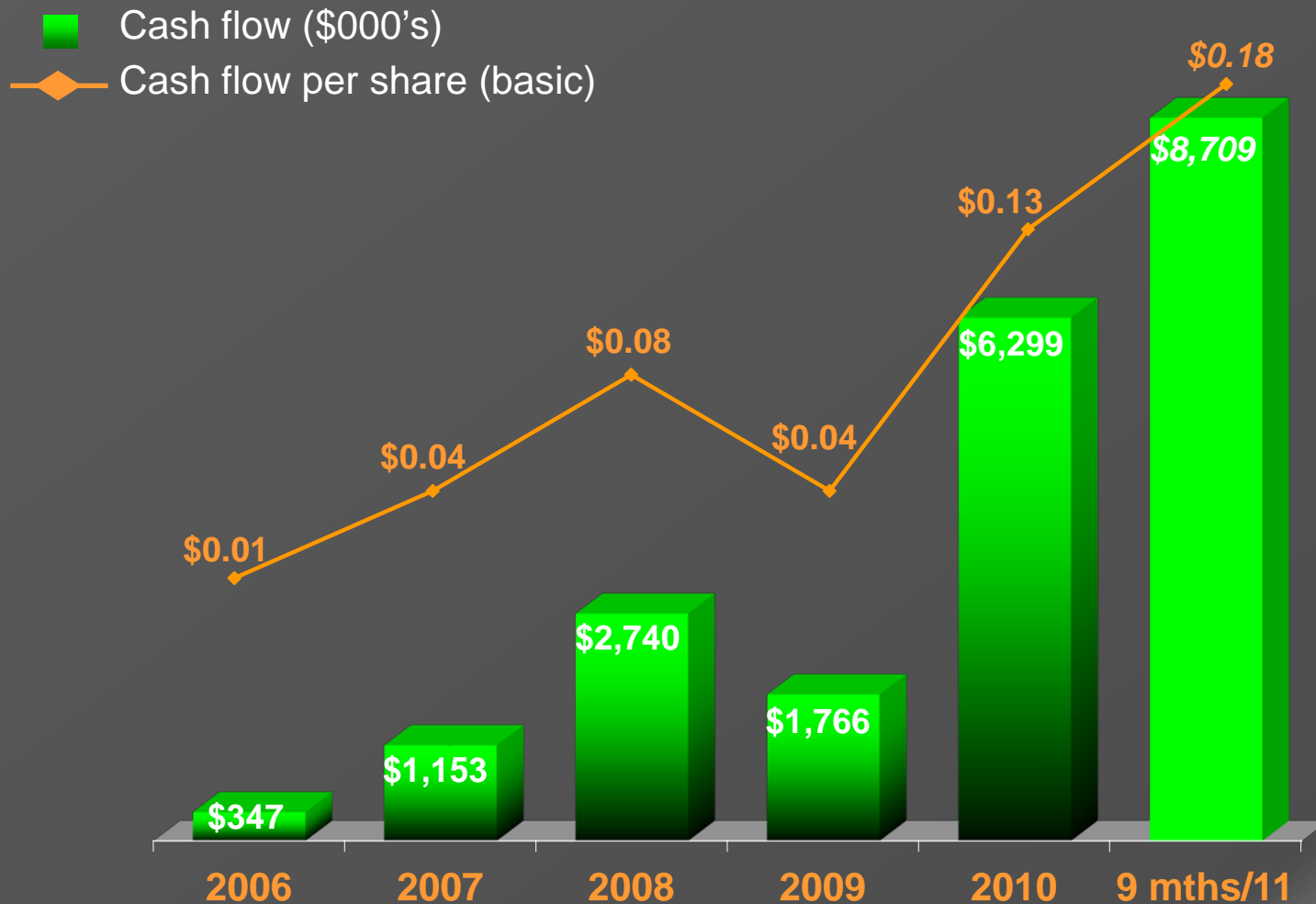


Net Asset Value

- Working Capital
- Options
- Seismic
- Undeveloped Lands
- Reserves (P+P)(8%)
- NAV per share



Cash Flow (\$000's Cdn)



Highlights

- Undergoing transition to a higher growth oil producer
- Extensive inventory (42 locations) of low risk oil development at Redwater
- New project area (Virginia Hills) with Viking and Beaverhill Lake light oil resource plays
- New pool heavy oil discovery at Hatton
- Additional oil upside of over 100 locations
- \$38 MM 2012 Base Capital Budget

Appendix

- Officers
- Directors
- Share Structure
- Deans Knight Term Facility
- Corporate Services

Officers

- **Jeffrey S. Boyce**, *Chairman, CEO and Director*
 - Professional Landman, 30 years in industry
 - Co Founder Vermilion Resources & Clear Energy
 - Previously CEO, Clear Energy
- **Chris Baker**, B.Sc.Hons, *President, COO and VP Exploration*
 - Professional Geologist, 35 years in industry
 - Previously VP Exploration, Clear Energy & Vermilion Resources
- **Tom Banks**, P.Eng, *VP Engineering*
 - Professional Engineer, 26 years in industry
 - Previously VP Engineering, Clear Energy & Vermilion Resources
- **Rob Sheedy**, B.Comm, *VP Land*
 - Landman, 16 years in industry
 - Previously VP. Land, Clear Energy & Land Manager, Vermilion Resources
- **Lance Wirth**, B.Comm, *VP Finance & CFO*
 - Chartered Accountant, 16 years in industry
 - Previously Manager, Financial Reporting, Canetic Resources Trust
- **Dale Kuzyk**, P. Eng, *VP Production*
 - Professional Engineer, 16 years in industry
 - Previously Production & Operations Manager, Crew Energy Inc.

Directors

- Jeffrey S. Boyce,
Chairman & CEO, Sure Energy Inc.
- W. Peter Comber,
Managing Director, Barrantagh Investment Management Inc.
- Larry Macdonald,
Chairman & CEO, Point Energy Inc.
- Tom Stan,
President & CEO, Foundation Oil and Gas

Share Structure "SHR:TSX"

Shares outstanding

- **Basic** 60,548,630
- Diluted (*w/options – 4,335,834 @ \$1.10*) 64,884,464
- Diluted (*w/rights – 2,830,000 @ \$1.00*) 67,714,464
- **Diluted** (*w/warrants – 2,500,000 @ \$1.80*) 60,214,464

Market capitalization

\$ 84 - \$96 MM

Director, Officer & Employee Ownership

Fully Diluted

29.3 %

Basic

21.9 %



Deans Knight Term Facility

- Closed \$20 MM Term Facility (3 year) on Dec 21, 2010
- Principal draw amount at closing \$10 MM
 - Interest Rate 6.25%
 - Standby Rate 0.25%
 - Draw in minimum \$2.5 MM increments
 - 2.5 MM 3 year Warrants @ \$1.80 issued at closing

Corporate Services

- Reservoir Engineers
Sproule Associates Limited
- Auditors
Deloitte & Touche LLP
- Trust Company
Valiant Trust
- Bankers
The National Bank
- Lawyers
Borden Ladner Gervais LLP



Contact Information

Sure Energy Inc.

Suite 1100

606 4th Street S.W.

Calgary, Alberta T2P 1T1

Phone: (403) 410-3100

Fax: (403) 410-3111

Webpage: www.sureenergyinc.com

Email: info@sureenergyinc.com

Jeffrey S. Boyce,
Chairman & CEO

Chris Baker,
President, COO & VP, Exploration

Lance L. Wirth,
VP, Finance & CFO

