



LEADOUT
P A R T N E R S

January 2013

Overview

Leadout Partners provides financial and transaction advisory services to small and middle-market energy, oilfield, manufacturing and construction service companies.

We strive to build long-term relationships with our clients and to become a trusted partner to the owners and investors we work with.



Our Approach

We are unique in our ability and experience in working with small and mid-market private companies.

- ▶ Focused on energy, oilfield, manufacturing and construction service companies
- ▶ Several years of experience working at executive levels in small and mid-market companies gives us a valued perspective
- ▶ Ability to bridge the gap and act as a buffer between current business owners and current investors or potential purchasers
- ▶ Proven history of preparing companies and successfully guiding them through a transaction



Client Profile

We usually work with the following types of clients:

- ▶ Private business owners who are looking to:
 - ▶ Sell a majority position in their business
 - ▶ Select a financial partner to fund their growth or expansion plans
 - ▶ Ensure their business is scalable and capable of anticipated growth
 - ▶ Improve their accounting and reporting processes to keep pace with their operational growth

- ▶ Private-equity or investor-owned businesses that are interested in:
 - ▶ Improving accounting and reporting functions at a portfolio company
 - ▶ Retaining an Interim-CFO or Controller at a portfolio or target company
 - ▶ Assistance with due-diligence and data room preparations
 - ▶ Acquisition integration planning and execution



Value Proposition – Consulting Services

It's what we accomplish that sets us apart.

- ▶ Broad experience in both industry and public accounting
- ▶ Ability to effectively communicate with both owners and investors
- ▶ We add value by documenting, recommending and implementing improvements in the following key areas:
 - ▶ Accounting systems and processes
 - ▶ Organizational chart
 - ▶ Forecasts and planning
 - ▶ Information Technology
 - ▶ Strategic and operational goals
- ▶ Post-transaction integration focuses on accounting, reporting, IT and people



Value Proposition – Transaction Advisory Services

We bring a fresh perspective to the deal process.

- ▶ Able to quickly understand your market and identify purchasers that will see the greatest value in your business
- ▶ Understand that there is no “one-size fits all” transaction process – we are able to modify the process to fit a specific situation or an owner’s desire
- ▶ We increase the likelihood of a successful transaction by:
 - ▶ Limiting the marketing process to qualified, interested parties
 - ▶ Ensuring the underlying information is correct, consistent and sufficient to get through the due diligence process
 - ▶ Allowing business owners to focus on continuing to run their business day-to-day
 - ▶ Staying involved and managing the entire transaction process



Our Team

We have purposefully built a core team with a well-rounded, but specific skillset which best fits our clients' needs.

We are a small firm by design. It allows us to be selective and limit the number of our engagements to provide the personalized service our clients expect. We have the ability to bring in additional resources on an engagement, as necessary.





Our Team

Brad Romanchuk, CPA

Managing Partner

Brad founded the firm in June 2011, and serves as its Managing Partner. He most recently served as COO and CFO of a private-equity backed, strategic consolidation of electrical infrastructure construction and oilfield services firms. Previously, he has served as CFO and other executive level financial positions in both public and private energy and construction services companies since 2001.

He has experience in working with both start-ups and middle-market companies, and has been involved in several M&A transactions, on both buy and sell-sides of the transaction. Brad is a member of the AICPA, CGMA, the Association for Corporate Growth and the Construction Financial Management Association. He received a Bachelor of Science in Accountancy from Arizona State University, and is a licensed CPA in the state of Arizona.

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Our Team

Dylan Dahmann, CPA

Senior Associate

Dylan joined the firm in 2012 and serves as Senior Associate. His primary role is to identify and implement accounting, internal control, and finance process improvements as part of the consultation process as well as facilitate due diligence efforts.

Previously, Dylan worked in the audit practice of Deloitte & Touche LLP, where he primarily worked with Fortune 500 clients in the manufacturing industry in addition to oil & gas, retail, healthcare and not for profit clients of varying sizes. Dylan is a licensed CPA in the state of Texas and a member of the AICPA. He graduated from Texas State University with a BS and Masters of Accountancy.

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Services Model

Leadout Partners has created its services process around the following four distinct phases.



Our engagements may include any one or a combination of these phases.

Strategic Advisory Services



All successful strategies start with a plan.

- ▶ Consultation to determine client's goals with business
- ▶ Initial review and assessment of strategic alternatives
- ▶ Strategic business objectives assessment
- ▶ Potential growth and exit strategy planning
- ▶ Corporate planning and proper structure
- ▶ Current finance and accounting process assessment
- ▶ Strategic business plan development and enhancement

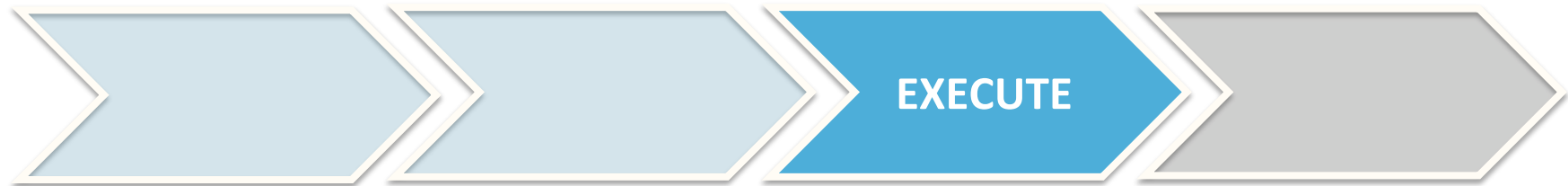
Financial & Accounting Advisory Services



Now is the time to get the books in order.

- ▶ Workflow process and procedures design and implementation
- ▶ Accounting systems review and implementation
- ▶ Financial reporting design and implementation
- ▶ Forecasting and budgeting process implementation
- ▶ Assessment, establishment and monitoring of internal controls
- ▶ Profit enhancement and maximization

Transaction Advisory & Support Services



Boutique sell-side transaction advisory services – either leading the process or supplementing your existing team.

- ▶ Strategic assessment of industry, market and competition
- ▶ Preparation of transaction marketing materials and presentations
- ▶ Due diligence and virtual data room preparation
- ▶ Identification and vetting of potential acquirers or targets
- ▶ Coordinate, structure and participate in meetings
- ▶ Negotiate and advise through legal documentation
- ▶ Advise throughout the entire transaction process on client's behalf

Post-Transaction Integration Services



This is how it all fits together.

- ▶ Review and assess current transaction goals
- ▶ Put together a milestone-based integration plan
- ▶ Support existing accounting departments through transition
- ▶ Adoption and implementation of uniform financial policies and procedures
- ▶ Design and implement internal financial reporting processes and procedures
- ▶ Preparation and maintenance of rolling forecasts and/or budgets
- ▶ Planning and implementation of consolidated systems and IT integration

Recent Transaction Experience

We are both selective and successful with our transaction advisory engagements.

This announcement appears as a matter of record only

December 20, 2011



has been acquired by



The undersigned served as the exclusive financial advisor to Guardian Wellhead Protection, Inc.



This announcement appears as a matter of record only

June 1, 2012



has been acquired by




The undersigned served as the exclusive financial advisor to Southwest Proppants & Services, LLC




This announcement appears as a matter of record only


June 1, 2012



has been acquired by



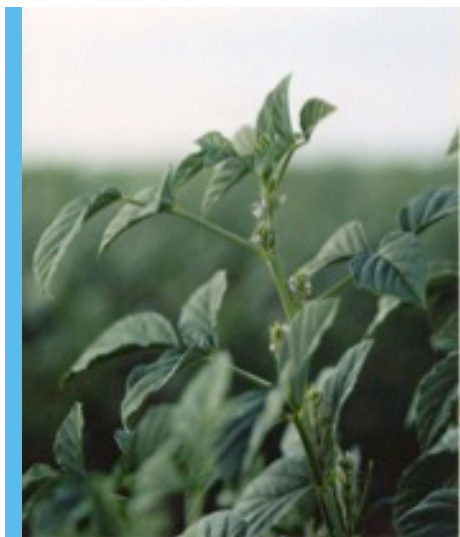
The undersigned served as the exclusive financial advisor to Silverline Transportation, LLC



Current Engagement – Oilfield/Agricultural Firm

Client Overview:

- ▶ Our client is a full-cycle agricultural commodity marketing and processing firm that has been in business for several years
- ▶ Recent investment by a hedge-fund provides an immediate opportunity for rapid growth



Engagement Summary:

- ▶ Initially contacted by hedge-fund to assist in improving financial/accounting functions and various other duties
- ▶ Preparing data room information for current sell-side process being run by a large investment banking firm
- ▶ Revised engagement to serve as Interim-CFO of client
- ▶ Restructuring of the accounting department and functions to prepare company for timely sale
- ▶ Recommended and implemented new inventory accounting software system to capture vital inventory data and meaningful reporting to management
- ▶ Developed, implemented and maintain monthly and quarterly Board reporting packages

Case Study – Southwest Proppants & Services

Client Overview:

- ▶ Southwest Proppants & Services sells and provides related storage, distribution and transloading services of proppant sand materials used in the hydraulic fracturing process



Engagement Summary:

- ▶ Engaged to assist in restructuring of the accounting department and prepare young company for timely sale
- ▶ Importance of timing to capitalize on volatile proppants market
- ▶ Marketed company to a select, small group of potential acquirers
- ▶ Identified Rockwater Energy Solutions' fluids management and logistics operations as ideal strategic fit
- ▶ Proceeded with an efficient transaction process and closing

Challenges Overcome:

- ▶ New company with limited operating history (18 months)
- ▶ No prior financial statement review or audit
- ▶ Dramatic recent growth – needed comprehensive forecast to show sustainable future of business
- ▶ Volatile proppant sand supply market



Case Study – Guardian Wellhead Protection



Client Overview:

- ▶ Guardian Wellhead Protection provides casing and tree-saver services and a wide variety of well intervention rental equipment throughout the Permian Basin, as well as testing, hydraulic chokes and flow-back services in the Eagle Ford through its newly formed subsidiary, Guardian Well Testing Services

Engagement Summary:

- ▶ Engaged to assist in restructure of the accounting department and prepare company for sale transaction
- ▶ Focus on preparation of historic accounting information for sale
- ▶ Build forecast for new division and services in Eagle Ford shale
- ▶ Greene's Energy Group ideal strategic fit

Challenges Overcome:

- ▶ Recent expansion to Eagle Ford shale with new management, services, financing and equipment needed
- ▶ No prior financial statement review or audit
- ▶ Limited owner involvement in transaction process
- ▶ Very tight transaction timeline – 49 days from LOI to close

Value Proposition Summary

What does Leadout bring to the table?

- ▶ You know who will be working on your engagement – you are hiring us for our personal experience and that is what you will receive
- ▶ We have direct experience in working *in* small to mid-market companies – we can quickly gain a better understanding of the business because of our experience
- ▶ We assist in managing the entire transaction process – we are involved in all aspects from planning the process through negotiating definitive legal documentation and closing
- ▶ We increase the likelihood of a successful transaction



Contact Us

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