

# APO ENERGY INC.

**APO Energy Inc.** is a private Ontario company engaged in oil and gas exploration and development in Colombia founded and initially controlled by the principals of Delavaco Capital.

From January 29, 2010 through February 17th, 2010, APO raised US\$1,280,000 by way of non-brokered private placements of 5,120,000 APO Shares to investors at US\$0.25 per APO Share.

On February 17, 2010, APO issued a convertible debenture of US\$500,000 convertible into APO shares at US\$1.00.

From February 18, 2010 through May 14, 2010, APO raised US\$25,580,000 by way of non-brokered private placements of 25,580,000 APO shares at US\$1.00 per share.

From May 14, 2010 through August 3, 2010, APO raised US\$21,681,830 by way of non-brokered private placements of 20,454,558 shares to investors at an issue price of US\$1.06 per share. In connection with such private placements, APO paid US\$1.5 million and issued warrants to purchase an aggregate of 1,000,000 shares, exercisable at a price of US\$1.25 and expiring November 12, 2011, in respect of financial advisory services.

In August 2010, APO raised US\$51,501,250 by way of a brokered private placement of: (i) 6,681,250 shares at an issue price of US\$1.25 per share; and (ii) a principal amount of US\$44,820,000 debentures. The debentures have an interest rate of 12%, are convertible at a price of US\$1.50 per share and mature September 30, 2013.

On December 20, 2010 following receipt of all necessary approvals from shareholders and debenture holders, P1 Energy Corp. and APO merged to form a new company which will carry on its business under the name P1 Energy Corporation. APO and P1 were both private Ontario companies engaged in oil and gas exploration, development and production in Colombia. The merged company, P1 Energy Corporation, also completed a \$60 million private placement of common shares valuing the combined company at approximately \$400 million.