Equity Research

3545 SW Corporate Parkway, Palm City, FL 34990

RESEARCH REPORT

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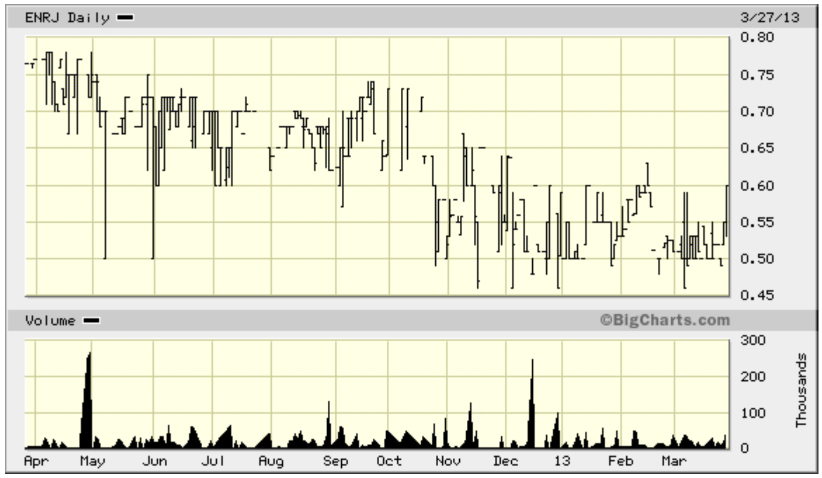
March 28, 2013

ENERJEX RESOURCES

Rating - Buy	Current
Target Value Low	$1.03
Target Value High	$1.70
Target Value Average	**$1.21**

OTCQB: ENRJ
Sector: Energy
Industry: Oil and Gas E&P
Risk Level: Aggressive

Statistics	
3/27/13 Closing Price	$0.60
Coverage Initiation Price	$0.60
52 Week High	$0.78
52 Week Low	$0.46
Market Cap (Fully Diluted)	$45.4M
Enterprise Value	$50.7M
Shares Outstanding:	
-Primary (9/30/12)	69.7M
-Fully Diluted (9/30/12)	75.7M
-Float (Approximate)	24.4M
-10 Day Average Volume	17,986
Balance Sheet Data (9/30/12):	
-Current Assets	$3.0M
-Current Liabilities	$2.7M
-Total Assets	$34.6M
-Total Liabilities	$10.8M
Forward Fiscal 2014 P/E	9.1x
Price to Sales 2014E	1.8x



Source: BigCharts.com

Fiscal Year -End Dec.	*Actual 2011*	*Estimated 2012*	*Estimated 2013*	*Estimated 2014*
Revenue	$6.29M	$8.52M	$10.87M	$23.28M
Net Income (Loss)	-$2.02M	-$0.65M	$2.04M	$4.59M
EPS – *basic*	-$0.03	-$0.01	$0.03	$0.07
EPS – *diluted*	-$0.03	-$0.01	$0.03	$0.07

Investment Highlights:

- During 2012, the Company achieved a 97.6% drilling success rate, drilling 123 economically successful oil wells out of 126 wells drilled in its Kansas plays.
- During the fourth quarter of 2012, EnerJex produced 27,856 net barrels of oil (approximately 310 barrels per day), representing an 81% increase (adjusted for asset sales) compared to the same period in 2011. For the full year, EnerJex produced 96,842 net barrels of oil, representing a year-over-year increase of 88% (adjusted for asset sales) compared to 2011.
- The Company has identified hundreds of low-risk shallow oil drilling opportunities on its existing properties.
- Because the wells that EnerJex is drilling are vertical and shallow, they are very inexpensive to drill and complete. Cash on cash IRR's on these wells often approaches or exceeds 50%.
- Oil represents 100% of reserves, which is a big benefit in the current low natural gas price environment.
- As of December 31, 2011, the Company had 2.7 million barrels of proved oil reserves and 1.3 million barrels of probable oil reserves, representing a $53.2 million proved PV-10 value plus a $19.2 million probable PV-10 value. This represents a 4.7% discount (not including probable) to ENRJ's current total enterprise value of $50.7 million.

Investment Consideration:

We are initiating coverage of ENRJ with a Buy rating and projecting revenue of $10.9 million, $23.3 million, and $39.6 million for fiscal years 2013, 2014 and 2015 respectively, which equates to a weighted average target value of $1.21 per share.

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Important Note: This report contains forward-looking statements, particularly as related to pro forma financial statements, earnings estimates and business expectations, within the meaning of Section 27A of the Securities Act of 1933 and Sections 21E of the Securities Exchange Act of 1934, and is subject to the safe harbor created by these sections. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. These forward-looking statements are only made as of the date of their release and Wall Street Resources and the featured Company in this report do not undertake any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

I. OVERVIEW

Company

EnerJex Resources, Inc. ("EnerJex" or the "Company") is an Exploration and Production (E&P) company with producing assets located in Eastern Kansas and South Texas. The Company is focused on the acquisition and development of shallow oil properties that have low production decline rates and offer abundant drilling opportunities with low risk profiles. In addition, oil currently represents 100% of production and reserves, which is a big benefit in the current low natural gas price environment.

As of December 31, 2011, EnerJex had 2.7 million barrels of proved oil reserves and 1.3 million barrels of probable oil reserves, representing a $53.2 million proved PV-10 value and a $19.2 million probable PV-10 value. This equates to a 4.7% discount (not including probable) from its TEV of $50.7 million.

The Company is currently participating in three projects: El Toro, Mississippian, and Cherokee. EnerJex is a Nevada corporation and is headquartered in San Antonio, TX. Its shares trade on the OTCQB under the ticker symbol ENRJ.

Overview

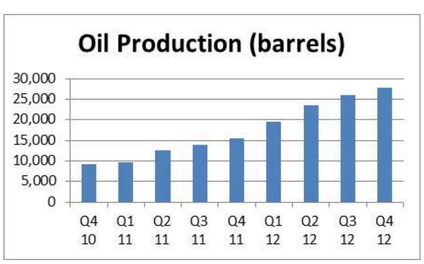
EnerJex is re-developing and expanding old oil fields, some discovered as long as a century ago, using waterflooding as a secondary recovery and pressure maintenance method. The Company is focused on minimizing "dry hole" risk by drilling in and around fields that have already been discovered but not efficiently exploited. During 2012, the Company reported a 97.6% drilling success rate, drilling 123 economically successful wells out of 126 wells drilled in its Kansas plays. Equally important, it has identified hundreds of low-risk shallow oil drilling opportunities on its existing properties.

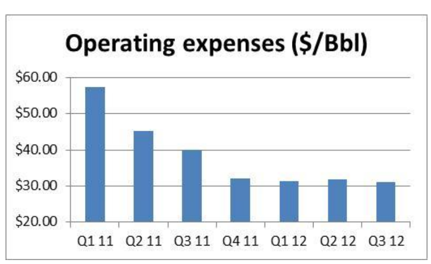
During the fourth quarter of 2012, EnerJex produced 27,856 net barrels of oil (approximately 310 barrels per day), representing an 81% increase (adjusted for asset sales) compared to the same period in 2011. For the full year, the Company produced 96,842 net barrels of oil. This represents a year-over-year increase of 88% (adjusted for asset sales) compared to 2011.

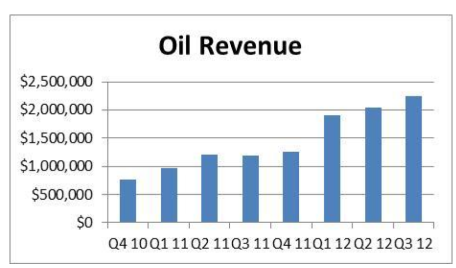
Investment Positives

- *Consistent revenue and production growth*

Since the fourth quarter of 2010, the Company has demonstrated a consistent track record of quarterly oil production growth and quarterly oil revenue growth[1] while simultaneously reducing its quarterly operating expenses per barrel, resulting in expanding profit margins per barrel produced.







[1] Oil production and oil revenue are pro forma numbers from existing properties excluding asset sales

- *Attractive Valuation*

Based on the Company's year-end 2011 reserve report, shares of ENRJ trade at Total Enterprise Value-to-Proved PV10 ratio of just under 1.0x. This represents a 33% discount to ENRJ's peers (as show in the table below), which trade at an average of 1.5x. Further, we believe that the Company's year-end 2012 PV10 value will be significantly higher when these figures are reported, which may create an even greater discount.

Company Name	Ticker	Stock Price	% of Oil Rev/Total	EV/EBITDA	EV/Proved PV10	EV/Proved Barrels	Total Enterprise Value
		($)	*(%)*	*(x)*	*(x)*	*(x)*	*($M)*
American Standard Energy Corp.	ASEN	0.64	73.2%	N/A	1.2	28.5	61.9
Cross Border Resources, Inc.	XBOR	0.63	67.3%	3.2	0.4	11.3	19.2
Recovery Energy, Inc.	RECV	1.67	85.5%	32.5	3.1	101.4	61.7
Tengasco, Inc.	TGC	0.64	N/A	5.2	0.7	19.7	51.1
Emerald Oil, Inc.	EOX	7.10	97.5%	19.7	2.2	57.0	184.0
Average			**80.8%**	**15.2**	**1.5**	43.6	
EnerJex Resources, Inc.	ENRJ	0.60	100.0%	111.9	1.0	18.7	50.7
Source: Yahoo Finance, 3/27/13. Reserve data as of 12/31/11							

In addition, EnerJex shares trade at $18.7 per proved barrel of oil reserves, as compared to $43.6 for its peer group, representing a 57% discount as shown in the chart above.

- *Minimal capital risk*

Because the wells that EnerJex is drilling are vertical and shallow, they are very inexpensive to drill and complete. On average, EnerJex's cost to drill and complete wells are $30,000 in its Cherokee play and $80,000 in its Mississippian play. Given the low capital commitment per well, there is minimal dry hole risk. Further, these wells often approach or exceed a 50% rate of return.

- *Efficient drilling: Five spot pattern with dense well spacing*

The Company is drilling on a five spot pattern which includes one injection well in the middle of every four production wells. In its Cherokee play for instance, it is drilling on four acre spacing, which is very dense. In its Mississippian play, it is drilling on ten acre spacing. This is why the Company has very little dry hole risk, because it has very good well control from fields that were discovered in the past, drilling in and around them and utilizing water injection to re-pressurize the oil reservoir and sweep additional oil to the producing wells. Many wells in EnerJex's Kansas projects were abandoned prematurely decades ago due to failed casing and low oil prices.

- *100% Oil-focused*

In 2007[2], EnerJex's current management team made the decision to focus on oil exclusively. Its peer group averages 80.8% oil in annualized revenues (see chart above). In this environment of low natural gas prices, an oil-exclusive E&P player is very attractive.

[2] EnerJex's management team made the strategic decision to focus on long-lived oil reserves in 2007, but didn't join EnerJex until December 2010.

- *Existing assets have large upside and long economic lives*

There are hundreds of low-risk shallow oil drilling opportunities on EnerJex's existing properties. Through the development of identified drilling locations in its existing asset portfolio, the Company expects to achieve a stabilized production rate of 1,000 barrels of oil per day within approximately 24 months. Due to the shallow and long lived nature of EnerJex's oil properties, annual production decline rates from producing wells are expected to be approximately 5%, resulting in an economic life of approximately 50 years for new wells.

- *Management owns a significant percentage of the Company*

Management has a significant stake (skin in the game) in the common shares of the Company, making them highly incentivized to create value for the shareholders of ENRJ. Robert Watson, Jr., the Company's CEO, beneficially owns 6.5% of the common shares outstanding.

- *Clean Balance Sheet with Dry Powder*

The Company has a clean balance sheet with total assets of $34,558,473 exceeding total liabilities of $10,756,065 by $23,802,408. In addition, EnerJex has a $50 million line of credit with Texas Capital Bank (TCB) with a $12.15 million borrowing base, of which it had borrowed approximately $5.7 million as of September 30th, 2012. The Company intends to conduct an additional borrowing base review near the end of the first quarter of 2013 and expects increases in oil production and the maturity of existing properties to result in an additional borrowing base increase. There is no other debt on the balance sheet.

- *Self-funded development plan*

EnerJex intends to fund a capital program of more than $10 million in 2013 with cash from operations and periodic increases in its borrowing base. See page 7 for more details on the drilling plan.

Investment Summary/Conclusion

We are initiating our coverage on EnerJex Resources, Inc. with a Buy rating. EnerJex is an efficient E&P player with a geographic focus in low risk, consistent oil producing areas that have been productive for the past 50 to 100 years. Its dense well spacing allows it to stick a high number of straws in the ground at very inexpensive drilling and completion costs, rendering high cash-on-cash returns with very little dry hole risk.

The Company has shown consistent growth in production and revenues over the past two years, and we expect its reserves to be significantly higher when it issues its 10-K annual report in the near future. We believe that EnerJex will not need to seek out new capital sources to meet its development program goals over the next 12 months. Further out, we expect the Company to leverage its growing asset base and take larger, calculated risks which should help propel EnerJex to the next level. Additionally, a listing on a major exchange should help shares of ENRJ gain liquidity with much higher trading volume. We believe that an investment in shares of ENRJ represents a compelling opportunity for aggressive investors.

II. CORPORATE STRATEGY

Business Model

EnerJex is focused on acquiring and developing shallow oil properties that have low production decline rates and offer abundant drilling opportunities with low risk profiles. The Company is currently focused on oil drilling in Eastern Kansas and South Texas; with a near term focus on Eastern Kansas. The South Texas play is currently a secondary focus due to rising costs and constraints of services and equipment in South Texas created by the rapidly developing Eagle Ford Shale play.

EnerJex's corporate strategy is centered on the following principal elements:

- Develop its Existing Properties: Creating production, cash flow, and reserve growth by developing EnerJex's extensive inventory of hundreds of drilling locations that it has identified in its existing properties.

- Self-Funding its Development Program: EnerJex expects to fund a drilling schedule of more than $10 million in 2013 from cash flow in addition to periodic increases in its borrowing base.

- Maximize Operational Control: The Company seeks to operate and maintain a substantial working interest in the majority of its properties. EnerJex management believes that the ability to control its drilling inventory will provide the Company with the opportunity to more efficiently allocate capital, manage resources, control operating and development costs, and utilize EnerJex management's experience and knowledge of oilfield technologies.

- Pursue Selective Acquisitions and Joint Ventures: The Company's local presence in Eastern Kansas and South Texas makes it well-positioned to pursue selected acquisitions and joint venture arrangements. EnerJex is focused on identifying and executing creative strategies for developing its acreage without diluting shareholders. The Rantoul Partnership, as detailed on page 13, is a good example of this.

- Reduce Unit Costs through Economies of Scale and Efficient Operations: As EnerJex is able to increase oil production and develop its existing properties, the Company's unit cost structure will benefit from economies of scale. In particular, management anticipates reducing unit costs by greater utilization of its existing infrastructure over a larger number of wells.

- Achieve Critical Mass: EnerJex's intention is to achieve 1,000 barrels per day of production as quickly as possible. Management believes this goal to be readily achievable in its existing portfolio within 24 months. It will also continue to do technical work on its portfolio which will augment reserves.

- Listed Exchange: The Company intends to meet the requirements[3] and apply to get its shares listed and traded on a major stock exchange such as the NYSE Mkt or NASDAQ in the next 24 months. This listing will help create visibility and liquidity for the Company and help its shares realize a fuller value.

[3] The Company currently complies with all of the material listing requirements outside of its share price and the number of its independent directors.

EnerJex will continually evaluate new opportunities in Eastern Kansas and South Texas and may eventually enter into joint venture arrangements with partners who would contribute capital and/or operational expertise to develop leases the Company currently owns or would acquire as part of a joint venture arrangement. This strategy will help EnerJex expand its existing operations at attractive terms. In addition, it plans to evaluate the potential for horizontal drilling in its El Toro play in Texas and also identify additional higher impact plays.

The board of directors has approved a crude oil hedging strategy that will allow management to hedge up to 80% of its net production. EnerJex's management believes in hedging a significant amount of its production in the current price environment in order to protect its cash flow and prudently manage its borrowings. As a small E&P company, it cannot afford to be vulnerable to severe fluctuations in commodity prices.

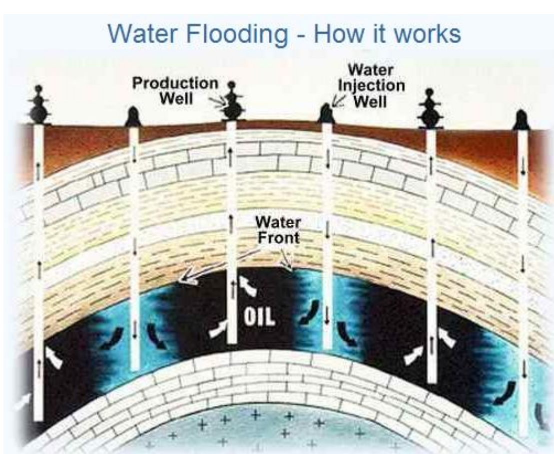
Drilling Plan

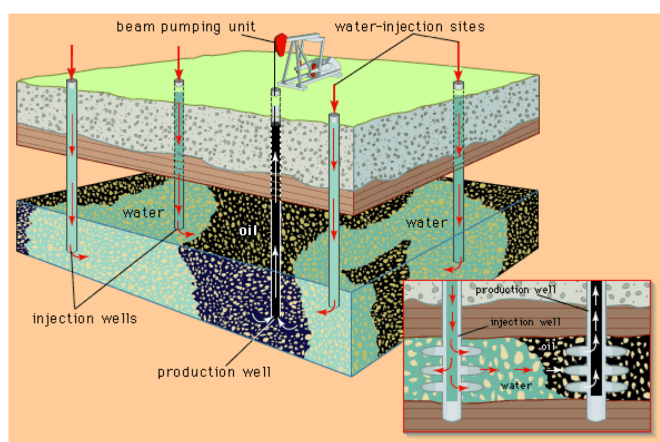
EnerJex intends to drill more than 100 wells in its Mississippian Project and more than 150 wells in its Cherokee Project during 2013, representing an expected increase of more than 100% in its Mississippian Project and a similar number of wells in its Cherokee Project compared to 2012. Management expects this drilling program to be funded by cash flow from operations and additional borrowings under its existing credit facility, which currently bears interest at 3.75% per annum.

Waterflooding

When an oil field is first produced, the oil typically is recovered as a result of natural pressure within the producing formation, often assisted by pumps of various types. The only natural force present to move the crude oil to the wellbore is the pressure differential between the higher pressure in the oil formation and the lower pressure in the wellbore. At the same time, there are many factors that act to impede the flow of crude oil, depending on the nature of the formation and fluid properties, such as pressure, permeability, viscosity and water saturation. This stage of production is referred to as "primary production," which typically only recovers 5% to 15% of the crude oil originally in place in a producing formation.

Production from oil fields can often be enhanced through the implementation of "secondary recovery", also known as waterflooding, which is a method in which water is injected into the reservoir through injector wells in order to maintain or increase reservoir pressure and push oil to the adjacent producing wellbores. EnerJex utilizes waterflooding as a secondary recovery technique for the majority of its oil properties in Eastern Kansas, even in the early stages of production to maintain reservoir pressure.





As a waterflood matures over time, the fluid produced contains increasing amounts of water and decreasing amounts of oil. Surface equipment is used to separate the produced oil from water, with the oil going to holding tanks for sale and the water being re-injected into the oil reservoir.

In addition, EnerJex may utilize 3D seismic analysis, horizontal drilling, and other technologies and production techniques to improve drilling results and oil recovery, and to ultimately enhance production and returns. EnerJex management believes that the use of such technologies and production techniques in exploring for, developing, and exploiting oil properties will help reduce drilling risks, lower finding costs and provide for more efficient production of oil from its properties.

Well spacing

The well-spacing pattern is equally important. In very shallow fields, a close spacing between wells is used because of the limitation on the amount of pressure that can be applied without damage to the reservoir. In producing formations that are at greater depths, a wider spacing pattern is employed. The selection of the optimum spacing involves a balance between the efficiency of recovery and the costs of development and operation.

In its Cherokee play for instance, it is drilling on 4 acre spacing, which is very dense. In the Mississippian play, it is drilling on 10 acre spacing. In the El Toro play, it is currently drilling on 40 acre spacing with the opportunity to down space to 20 acres, and possibly even 10 acres. This is one of the reasons the Company has very little dry hole risk, because the Company has very good well control from fields that were discovered in the past, re-drilling them, extending them and implementing secondary recovery water injection.

III. LEASEHOLD POSITIONS

Projects

The Opportunity in Kansas

According to the Kansas Geological Survey, the State of Kansas has historically been one of the top 10 domestic oil producing regions in the United States. Approximately 41 million barrels of oil were produced in Kansas during 2011. Twenty companies accounted for approximately 35% of the state's total production, with the remaining 65% produced by more than 3,000 active producers.

In addition to significant historical oil production levels in the region, we believe that a confluence of the following factors in Eastern Kansas and the surrounding region make it an attractive area for oil development activities:

- Numerous Acquisition Opportunities in Fragmented Markets. The exploration and production business in Eastern Kansas is highly fragmented and consists of many small operators that operate producing oil properties on relatively small budgets. Consequently, numerous acquisition opportunities with drilling and expansion potential exist in the area.

- Opportunity to Enhance Operational Efficiency of Mature Leases. Many potential acquisition targets include significant opportunities for enhanced operational efficiencies and increased ultimate recoveries of oil through the application of modern engineering technologies, professional approaches to reservoir engineering and operations management, and the potential application of a number of enhanced oil recovery technologies.

- Opportunity to Reduce Operating Costs per Barrel Through Economies of Scale. A significant portion of expenses at the field level are fixed (primarily labor and equipment). These costs are scalable, and lease operating expenses per barrel may be significantly reduced by increasing production in current areas of operation by drilling low risk development wells, acquiring producing properties in close proximity to existing operations, and utilizing modern enhanced oil recovery technologies.

- Large Oil Reserves in Place and Relatively Low Exploration Risk. A majority of the oil reserves in Eastern Kansas are present at relatively shallow horizons (most at a depth of less than 3,000 feet) and contain significant volumes of oil in place. These shallow reservoirs often have relatively low reservoir pressure and lack a strong natural drive mechanism. As a result, the ultimate recovery of oil in place can be significantly increased through the application of secondary recovery technologies.

Mississippian Project

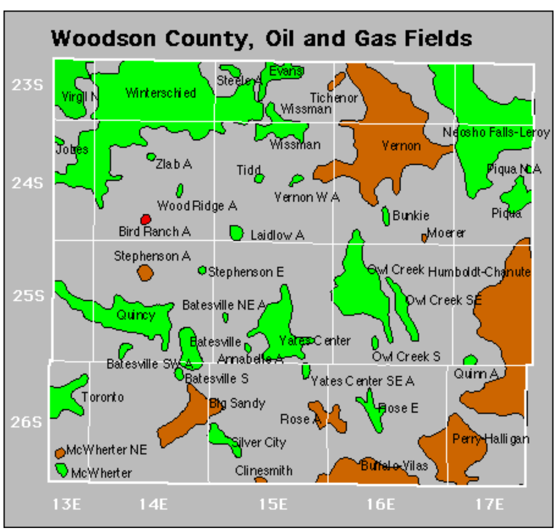
EnerJex's Mississippian Project is located in Woodson and Greenwood Counties in Southeast Kansas, where the Company owned a 90% working interest in 3,000 acres as of December 31, 2011. All of the leases in this project are currently held-by-production. In addition, EnerJex has an agreement in place to acquire a 90% working interest in approximately 1,300 adjacent acres upon fulfilling certain drilling milestones related to its existing acreage in this project.

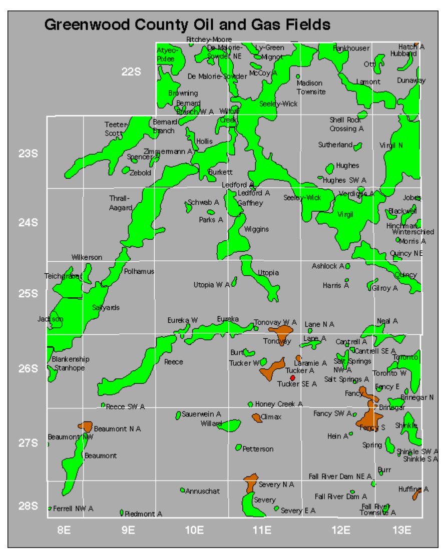
This project produces oil from the Mississippian formation at a depth of 1,700 feet, and the Company believes it has the potential to produce at a stabilized rate of more than 1,000 barrels of oil per day once it is fully developed. As of December 31, 2011, the project was producing approximately 100 barrels of oil per day, and it is currently producing 150 barrels per day. EnerJex drilled and completed 13 new wells in its Mississippian Project during 2011 with a 100% success rate.

According to the Kansas Geological Survey, the Mississippian formation has cumulatively produced more than 1 billion barrels of oil in Kansas and represents more than 25% of the state's 40 million barrels of annual production. EnerJex's Mississippian Project is estimated to have produced more than 5 million barrels of oil since 1920.

During 2012, EnerJex drilled 35 oil wells and 14 secondary recovery water injection wells in its Mississippian Project, representing a 289% increase in new producer wells and a 250% increase in new injector wells compared to 2011. Approximately half of the producer wells and two-thirds of the injector wells were drilled in the fourth quarter 2012. The Company achieved a 97% drilling success rate in this project during 2012, experiencing only one dry hole that was drilled on the boundary of a lease.

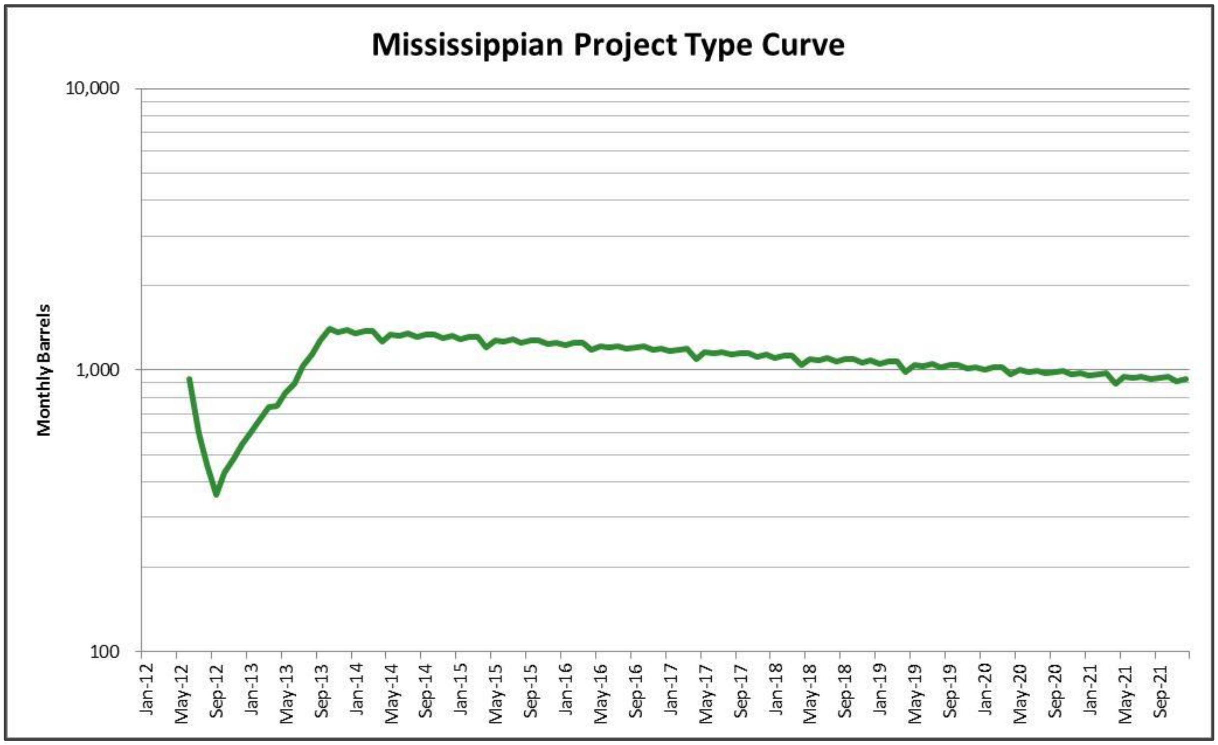
EnerJex expects a material increase in oil production from this project in 2013. Importantly, the water injection wells that were drilled in 2012 and early 2013 are expected to significantly increase reservoir pressure in the Mississippian formation and cause a substantial rise in production from all of the adjacent production wells.





Type Curve

When EnerJex drills new wells in this project, they typically begin producing at a relatively high rate and quickly decline due to the surrounding reservoir pressure. The Company often achieves flush rates ranging between 5-10 barrels of oil per day that decline quickly until waterflood operations increase reservoir pressure, at which point production will begin to increase. Production from this project is expected to decline at a modest annual decline rate of approximately 5% once peak rates are achieved, typically around month 18 of the waterflood operation.



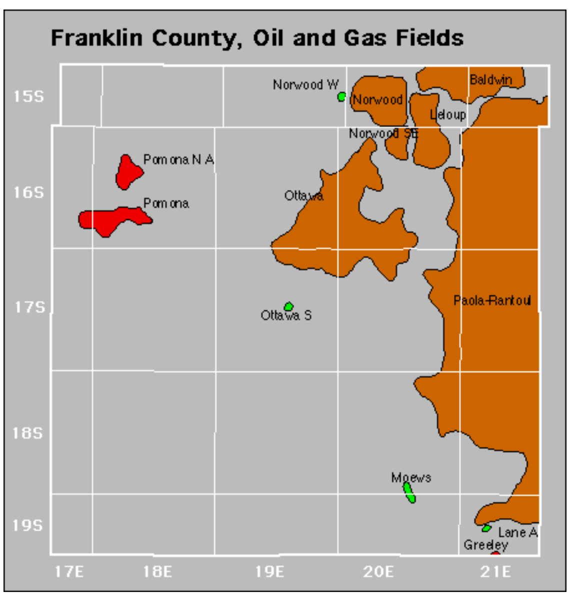
Cherokee Project

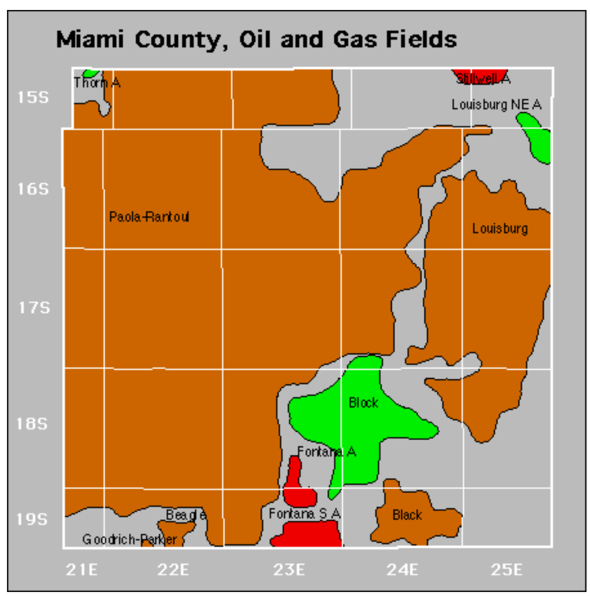
EnerJex's Cherokee (aka Rantoul) Project is located in Miami and Franklin Counties in Eastern Kansas, where the Company owned an average working interest of 81% in 1,700 acres as of December 31, 2011. This project produces oil from the Squirrel formation at a depth of 600 feet. As of December 31, 2011, this project was producing approximately 100 barrels of oil per day. EnerJex drilled and completed 75 new wells (47 new oil wells and 28 new water injection wells) in its Cherokee Project during 2011 with a 100% success rate. At present, the Company has approximately 10,000 acres leased in the play, and the acreage is either HBP, or has long primary terms (typically 3 years plus a 3 year extension option).

The Company's Cherokee Project is located in the prolific Paola Rantoul Field. According to the Kansas Geological Survey, this field has produced approximately 30 million barrels of oil and continues to produce more than 600 barrels of oil per day. The Company has increased its gross production in this project from 30 to 250 barrels of oil per day over the past two years.

In both Kansas projects, because of the depth there is very little dry hole cost. In addition, the capital commitment required to drill these wells is very small. As such, the drilling program is a high rate of return play with cash-on-cash IRR's approaching and sometimes exceeding 50%.

During 2012, the Company drilled 91 oil wells and 86 secondary recovery water injection wells in its Cherokee Project. This represents a 94% increase in new producer wells and a 207% increase in new injector wells compared to 2011. Approximately 20% of the producer and injector wells were drilled in the fourth quarter 2012. EnerJex achieved a 98% drilling success rate in this project during 2012, experiencing only two dry holes that were drilled on expansion leases. The Company expects a material increase in oil production from this project in 2013.



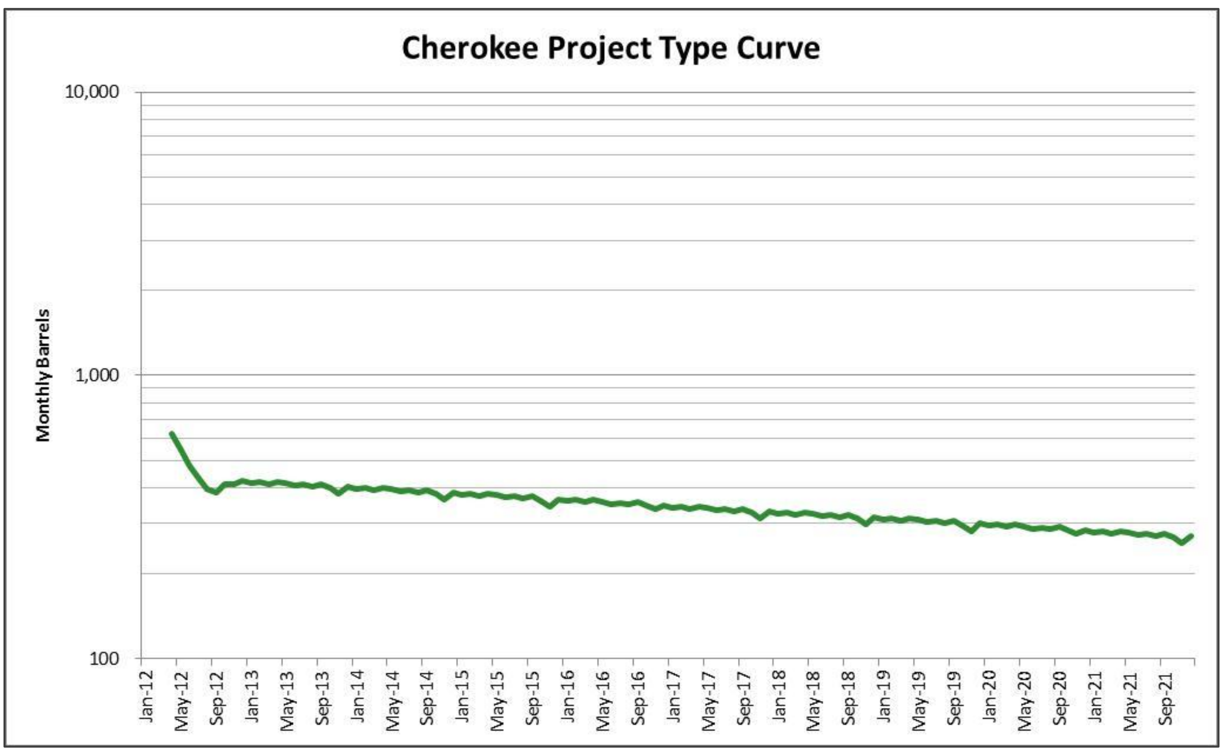


Project Financing

On December 14, 2011, EnerJex entered into an agreement in which it formed a general partnership named Rantoul Partners to own and develop certain assets in its Cherokee Project. The partnership was fully funded in 2012, and $5 million in cumulative capital was deployed to develop certain leases covering approximately 1,000 acres that were contributed to the partnership. The Partnership was dissolved effective 12/31/12 and the underlying assets were distributed in kind to each partner. EnerJex now owns and operates a 75% working interest in the assets that were a part of the partnership. This partnership is a good example of EnerJex's creativity with respect to pursuing the development of its assets without diluting its shareholders.

<u>Type Curve</u>

EnerJex's leases in the Cherokee project are typically on the fringes of acreage that was developed in the past, so most of the development activity in this project area occurs on acreage that has not been depleted. Consequently, the decline curves of this project are atypical for a traditional waterflood. The waterflood operations in this project area serve as a pressure maintenance operation as compared to the pressurization operation that occurs in the Mississippian project. New wells in this project typically have an initial production rate of 2-5 barrels of oil per day, and then decline to a normalized production rate, at which point decline rates are expected to be modest at approximately 5% per year.



<u>The Opportunity in South Texas</u>

Technological advances in the oil industry have made great strides over the last decade, especially in the area of completion technologies, mainly through horizontal drilling and artificial fracture stimulation. Multiple sizeable oil deposits were discovered in South Texas during previous decades, but operators lacked the technology to economically produce oil from these reservoirs at the time of discovery. The availability of modern completion technologies coupled with the current commodity price environment provide an opportunity for operators to economically produce oil from reservoirs that were discovered in the past, yet were never fully developed due to technology and economic constraints.

El Toro Project

EnerJex's El Toro Project is located in Atascosa and Frio Counties in Texas, just south of San Antonio in the heart of one of the most productive oil regions in the world. This play was originally put together before the Eagle Ford Shale play emerged with the intent to use modern fracture stimulation technology to extend the economic boundary of a field that was discovered and drilled in the 1950's.

As of December 31, 2011, the Company owned an average working interest of 46% in 5,600 acres, of which the majority is not currently held by production. EnerJex announced successful production results from three new wells in this project during early 2012. Two of the wells achieved an initial production rate of 40 to 50 barrels of oil per day each, and one well achieved an initial production rate of 20 to 30 barrels of oil per day from the Olmos formation at a depth of 4,500 feet. The Company drilled and completed 3 new wells in its El Toro Project during 2011 with a 100% success rate. As of this report date, the Company currently has seven vertical wells producing approximately 60 barrels per day.

EnerJex believes its El Toro Project has the potential to yield millions of barrels of recoverable oil. Multiple oil fields surround the Company's acreage, which combined have produced more than 100 million barrels of oil since the 1950's from the Olmos formation. The Company believes its El Toro Project acreage was neglected due to its relatively tight (low permeability) reservoir characteristics. Recent advances in stimulation technology have enabled EnerJex to drill and complete new oil wells in this project with a high degree of success. As evidence of this success, the first two wells drilled by the Company produced approximately 100% more oil during the first 12 months of production than the best well in a directly adjacent field, which has produced approximately 10 million barrels of oil since being developed in the 1950's.

EnerJex has completed 12 wells in the El Toro Project since 2009 spanning 8 miles across its acreage position. While petrophysical data obtained from these wells has been consistent across the project acreage, production results have been inconsistent. At least 8 of the 12 wells appear to be economic producers, and the Company intends to conduct more testing on additional wells that are temporarily shut-in. The three most recent wells completed in this project have been successful, although the costs and time lag associated with drilling and completing them significantly exceeded management's expectations. This is a direct result of the high demand and limited supply of services and equipment in the El Toro Project area due to the rapidly developing Eagle Ford Shale play. As a result of increasing costs in this project area, EnerJex has decided to focus its resources on its Eastern Kansas properties in the near term. Ultimately, EnerJex believes that this project will be a horizontal drilling candidate with the potential for higher impact.

Project Summary

Each of ENRJ's projects has the following three upside potential factors:

- A significant number of low-risk drilling locations.
- Multiple prospective oil zones.
- Potential to recover a higher percentage of oil in place.

Project Profiles

	Cherokee	El Toro	Mississippian	Other	Total
Location	Franklin/Miami, KS	Atascosa/Frio, TX	Woodson, KS	KS and TX	KS and TX
Gross Acres	9,830	3,790	4,260	2,745	20,625
Working Interest	58%	44%	90%	97%	64%
Producing Formation	Squirrel	Olmos	Mississippian		
Formation Depth	600	4500	1700	600-4,200	600-4,500
Cumulative Oil Production	570,000	45,846	5,300,000		
Current Oil Production	240 Barrels per day	55 Barrels per day	150 Barrels per day	15 Barrels per day	460 Barrels per day
Net Barrels of Oil per day	170 Barrels per day	20 Barrels per day	135 Barrels per day	15 Barrels per day	340 Barrels per day

Competition

The oil and natural gas industry is highly competitive. Below is a list of other comparable oil and gas drillers.

Company Name	Ticker	Stock Price	% of Oil Rev/Total	EV/EBITDA	EV/Proved PV10	EV/Proved Barrels	Total Enterprise Value
		($)	(%)	(x)	(x)	(x)	($M)
American Standard Energy Corp.	ASEN	0.64	73.2%	N/A	1.2	28.5	61.9
Cross Border Resources, Inc.	XBOR	0.63	67.3%	3.2	0.4	11.3	19.2
Recovery Energy, Inc.	RECV	1.67	85.5%	32.5	3.1	101.4	61.7
Tengasco, Inc.	TGC	0.64	N/A	5.2	0.7	19.7	51.1
Emerald Oil, Inc.	EOX	7.10	97.5%	19.7	2.2	57.0	184.0
Average			**80.8%**	**15.2**	**1.5**	43.6	
EnerJex Resources, Inc.	ENRJ	0.60	100.0%	111.9	1.0	18.7	50.7
Source: Yahoo Finance, 3/27/13. Reserve data as of 12/31/11							

Some of these competitors include larger companies which, in particular, may have access to greater resources. However, EnerJex's small size relative to its peers allows it to be more nimble and report significantly higher production and revenue growth than larger oil and gas drillers.

V. FINANCIALS

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- **Revenue Breakdown**
- **Income Statement and Financial Projections**
- **Balance Sheet**
- **Statement of Cash Flows**
- **Comparison Table and Valuation Metrics**

Income Statement and Financial Projections

EnerJex Earnings Model	2011 (A)	2012 (E)	2013 (E)	2014 (E)	2015 (E)	2016 (E)
Oil and Gas sales	6,285,411	8,524,999	10,873,617	23,280,298	39,574,113	46,870,710
Operating expenses						
Direct operating costs	3,440,228	2,994,594	3,262,085	6,984,089	11,872,234	14,061,213
Depreciation, depletion, and amortization	1,128,712	1,763,943	2,174,723	4,656,060	7,914,823	9,374,142
Professional fees	1,453,386	1,412,703	1,359,202	2,910,037	4,946,764	5,858,839
Salaries	502,924	471,491	761,153	1,396,818	1,978,706	2,343,535
Administrative expenses	960,744	754,724	543,681	931,212	1,187,223	1,406,121
Total operating expensess	7,485,994	7,397,454	8,100,844	16,878,216	27,899,750	33,043,850
Net operating income (loss)	(1,200,583)	1,127,545	2,772,772	6,402,082	11,674,363	13,826,859
EBITDA	(71,871)	2,891,489	4,947,496	11,058,142	19,589,186	23,201,001
Other income (expense)						
Interest expense	(463,021)	(383,079)	522,000	1,002,000	807,000	42,000
Gain (loss) on derivatives	(409,399)	(1,413,648)				
Other income (loss)	55,741	18,246	(8,129)	(8,129)	(8,129)	(8,129)
Total other income	(816,679)	(1,778,481)	513,871	993,871	798,871	33,871
Adj for NOL						
Income (loss) before provision for income taxes	(2,017,262)	(650,935)	3,286,644	7,395,953	12,473,235	13,860,731
Provision for income taxes		0	(1,248,925)	(2,810,462)	(4,739,829)	(5,267,078)
Net Income (Loss) attributed to ENRJ	(2,038,622)	(923,128)	2,037,719	4,585,491	7,733,406	8,593,653
Net Income (Loss) attributed to non controlling interest in sub	21,360					
Net Income (Loss)	(2,017,262)	(650,935)	2,037,719	4,585,491	7,733,406	8,593,653
Net Income (Loss) per share	($0.03)	($0.01)	$0.03	$0.07	$0.11	$0.12
Weighted average shares-diluted	69,029,617	69,696,614	69,714,165	69,714,165	69,714,165	69,714,165

In our earnings model above, we are projecting that the Company spends approximately $16.3 million, $18.5 million, and $3.3 million in drilling and completion costs (CapEx) during 2013, 2014, and 2015 respectively. This represent 198 producing wells and 170 injection wells in 2013, 208 producing wells and 161 injection wells in 2014, and 21 producing wells and 20 injection wells in 2015. We note that the CapEx estimates in 2015 are very low, reflecting the most pessimistic operating and unfavorable commodity pricing environment scenarios. As such, we expect the CapEx figures in the outer years to greatly exceed our estimates in this model. The Company expects to fund its development program via its line of credit in addition to cash flow from operations.

We do not include any horizontal wells in this earnings model; however we note that the Company may pursue some horizontal wells in the future if these opportunities clear the Company's investment hurdles. Should the Company drills these horizontal wells, the CapEx and the production variables will be significantly larger than those seen in this financial projection.

We note that this model is GAAP-based, and therefore has historical gains and losses on derivatives resulting from commodity price fluctuations with respect to the Company's oil price hedging activities. If the price of oil goes up, the Company incurs a non-cash loss. If the price of oil declines, the Company incurs a non-cash gain. Because we cannot predict the fluctuations of crude oil prices over any future time span, we do not include an estimate of GAAP gains and/or losses in this line item, but note that they be material depending on the size of the price move.

Note: The preferred dividends do not appear on the income statement because they are a return of capital - no interest rate / dividend rate - just a contractual repayment of principal.

Note: With respect to the non-controlling interest in subsidiary, the Company consolidates for 100% of Rantoul Partners, and then (in compliance with GAAP) backs out net income owned by non-Enerjex partners. Now that the partnership is dissolved, it won't consolidate for the interest it doesn't own, so revenue, cash flow will decrease and it won't have the non-controlling interest running through the P&L.

Note: As of 12/31/11, there was a Net Operating Loss carry forward of approximately $4.3 million. We assume that since December 2011, NOL's have increased due to drilling activity throughout the year. In our model above, to be conservative we didn't assume a tax benefit from these NOL's, however in reality; the NOL's will likely decrease income tax expense in the near future.

Balance Sheet

	September 30, 2012 (unaudited)	December 31, 2011 (Audited)
Current assets:		
Cash	406,287	2,770,440
Accounts receivable:	1,290,235	1,454,405
Marketable securities	1,018,573	1,018,573
Deposits and prepaid expenses	297,958	114,436
Total current assets	3,013,053	5,357,854
Fixed Assets	575,061	529,371
less: Accumulated Depreciation	(291,638)	(232,508)
Total fixed assets	283,423	296,863
Other assets		
Oil Properties using full cost accounting		
Properties not subject to amortization	8,170,112	7,922,734
Properties subject to amortization	23,091,885	17,837,766
Total other assets	31,261,997	25,760,500
Total assets	34,558,473	31,415,217
Current Liabilities		
Accounts payable	1,563,179	2,355,692
Accrued liabilities	399,783	123,789
Derivative liability	764,672	959,114
Long-term debt, current		
Total current liabilities	2,727,634	3,438,595
Asset Retirement Obligation	1,302,947	908,790
Long-Term Debt	5,666,000	3,826,484
Derivative liability	1,059,484	1,768,220
Total liabilities	10,756,065	9,942,089
Stockholders' Equity		
Preferred stock	4,780	4,780
Common stock	73,943	73,412
Treasury stock	(1,500,000)	(1,500,000)
Equity based compensation unearned	(173,110)	(230,813)
Paid-in capital	44,889,205	43,556,486
Accumulated other comprehensive income	(552,589)	(552,589)
Retained (deficit)	(20,236,116)	(20,450,876)
Total stockholders' equity EnerJex Resources, Inc.	22,506,113	20,900,400
Non controlling interest in subsidiary	1,296,295	565,728
Total stockholders' equity	23,802,408	21,466,128
Total liabilities and stockholders equity	34,558,473	31,408,217

Statement of Cash Flows

	For the 9 Months Ended September 30, 2012	For the 9 Months Ended September 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	683,995	1,194,175
Adjustments to reconcile		
Depreciation and depletion	1,290,334	984,151
Shares based payments issued for services	154,074	57,702
Accretion of asset retirement obligation	75,551	60,525
(Gain) loss on derivatives	(903,178)	(2,695,096)
Loss on sale of fixed assets	308	1,400
Changes in current assets and liabilities:		
Accounts receivable	164,170	(569,153)
Prepaid expenses	(111,798)	19,039
Accounts payable	(792,513)	16,080
Accrued liabilities	275,994	47,307
Net cash provided by operating activities	836,937	(883,870)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Treasury Stock		(1,500,000)
Purchase of fixed assets	(58,818)	(273,956)
Additions to oil properties	(6,414,494)	(3,904,205)
Proceeds from the sale of fixed assets	8,562	
Net cash used in investing activities	(6,464,750)	(5,678,161)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long term debt	(17,484)	(14,113)
Sale of marketable securities		1,400,000
Sale of common stock		3,435,996
Proceeds from borrowings	1,850,000	
Distribution to non controlling interest in sub	(353,162)	
Sale of non controlling interest in subsidiary	2,000,000	
Dividends paid on preferred stock	(215,694)	
Net cash provided by financing activities	3,263,660	4,821,883
NET CHANGE IN CASH	(2,364,153)	(1,740,148)
CASH AT BEGINNING OF PERIOD	2,770,440	2,961,819
CASH AT END OF PERIOD	406,287	1,221,671

Comparisons

Company Name	Ticker	Stock Price	% of Oil Rev/Total	EV/EBITDA	EV/Proved PV10	EV/Proved Barrels	Total Enterprise Value
		($)	(%)	(x)	(x)	(x)	($M)
American Standard Energy Corp.	ASEN	0.64	73.2%	N/A	1.2	28.5	61.9
Cross Border Resources, Inc.	XBOR	0.63	67.3%	3.2	0.4	11.3	19.2
Recovery Energy, Inc.	RECV	1.67	85.5%	32.5	3.1	101.4	61.7
Tengasco, Inc.	TGC	0.64	N/A	5.2	0.7	19.7	51.1
Emerald Oil, Inc.	EOX	7.10	97.5%	19.7	2.2	57.0	184.0
Average			**80.8%**	**15.2**	**1.5**	43.6	
EnerJex Resources, Inc.	ENRJ	0.60	100.0%	111.9	1.0	18.7	50.7

Source: Yahoo Finance, 3/27/13. Reserve data as of 12/31/11

Reserves

EnerJex's estimated total proved PV10 before tax of reserves as of December 31, 2011 was $53.2 million, versus $31.2 million as of December 31, 2010, an increase of 70% year-over-year. Of the 2.71 million net barrels of total proved reserves at December 31, 2011, approximately 24% were proved developed and approximately 76% were proved undeveloped.

Summary of Proved Oil Reserves as of December 31, 2011

Proved Reserves Category	Gross STB*	Net STB	PV10 (before tax)
Proved, Developed Producing	913,530	585,370	15,584,300
Proved, Developed Non-Producing	108,010	57,730	1,148,330
Proved, Undeveloped	2,942,670	2,071,050	36,516,400
Total Proved	3,964,210	2,714,150	53,249,030

Number of fully diluted shares outstanding	75,684,739
PV10 per share	$0.70

*STB stands for one stock-tank barrel

On a Total Enterprise Value basis, ENRJ is currently trading at a 4.7% discount to proved PV10. In addition, we believe that the PV10 value will be significantly higher as of 12/31/12, which will make the discount to PV10 and the investment opportunity greater.

Valuation Metrics

To calculate a valuation estimate for shares of ENRJ, we used three approaches: TEV/EBITDA, TEV/Proved Barrels, and TEV/Proved PV-10. Below are the calculations and our conclusions.

TEV/EBITDA Calculation

Year	EBITDA Estimate	TEV/ EBITDA Multiple (X)	Future Value	Discount Rate	Target Value
2013	$0.07	8.0	$0.57	20%	$0.50
2014	$0.16	8.0	$1.27	20%	$0.92
2015	$0.28	8.0	$2.25	20%	$1.36
2016	$0.33	8.0	$2.66	20%	$1.34
Average:					**$1.03**

This valuation was calculated and illustrated by applying various assumptions. Based on pro forma expectations and by applying an 8 times (TEV to EBITDA) multiple with a 20% discount rate, we calculate a target TEV of $1.03 per share.

TEV/Proved Barrels

Company Name	Ticker	Proved barrels (developed) *mbbls*	Proved barrels (undeveloped) *mbbls*	Total Proved barrels *mbbls*	Average Comp EV/Proved Barrels *(x)*	Total Enterprise Value *($M)*	Total Enterprise Value per share
EnerJex Resources, Inc.	ENRJ	643	2,071	2,714	43.6	$118.3	$1.70

Based on the number of proved barrels of oil and applying the comparison group average multiple of 43.6x, we calculate a total enterprise value of $1.70 per share.

TEV/PV10

Company Name	Ticker	Stock Price *($)*	% of Oil Rev/Total *(%)*	Proved PV10 *($M)*	Average Comp EV/Proved PV10 *(x)*	Total Enterprise Value *($M)*	Total Enterprise Value per share
EnerJex Resources, Inc.	ENRJ	0.60	100.0%	$53.25	1.5	$79.87	$1.15
Source: Yahoo Finance, 3/27/13. Reserve data as of 12/31/11							

Based on the proved PV10 value of $53.25 million and applying the comparison group average multiple of 1.5x, we calculate a total enterprise value of $1.15 per share.

Summary

Valuation Methodology	Target Value	Weight	Target Value
TEV/EBITDA	$1.03	33%	$0.34
TEV/Proved Barrels	$1.70	33%	$0.57
TEV/Proved PV10	$1.15	33%	$0.38
Total Enterprise Value			**$1.29**
Total Market Cap			**$1.21**

Combining the three valuation methodologies from page 21 and using an equal weight, we arrive at an average valuation (TEV) of $1.29 per share. Using existing debt and cash figures (see balance sheet), this translates into a share price of $1.21.

Ownership and Cap Table

Ownership Table - September 30, 2012

Description	# of shares	% shares outstanding	# of beneficial shares shares	% of beneficial shares outstanding
Officers/Directors/>5% Shareholders				
Montecito Venture Partners, LLC	14,934,859	21.4%	17,352,519	22.9%
West Coast Opportunity Fund, LLC	11,812,103	16.9%	11,812,103	15.6%
Enutroff, LLC	4,932,355	7.1%	4,932,355	6.5%
Robert G. Watson	4,000,000	5.7%	4,900,000	6.5%
Coal Creek Energy, LLC	3,944,648	5.7%	3,944,648	5.2%
Jeffrey C. Newman	3,529,533	5.1%	3,529,533	4.7%
James G. Miller	2,173,871	3.1%	2,173,871	2.9%
Total Officers/Directors/>5% Shareholders	45,327,369	65.0%	48,645,029	64.3%
Public Float	24,427,910	35.0%	27,039,710	35.7%
Total Common Shares Outstanding	69,755,279	100.0%	75,684,739	100.0%

Capitalization Table - June 30, 2012

Description	# Outstanding	Weighted Avg. Price
Total Common shares outstanding	69,755,279	N/A
Options	900,000	$0.40
Warrants	250,000	$0.70
Series A Preferred Shares	4,779,460	$1.00
Total Fully Diluted Shares Outstanding	75,684,739	N/A

VI. RISKS

General Risk Factors

Following are some general risk factors: (1) Industry fundamentals with respect to customer demand or product / service pricing could change and adversely impact expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes toward the sector or this stock; (3) Unforeseen developments with respect to the management, financial condition or accounting policies or practices could alter the prospective valuation; or (4) External factors that affect the U.S. economy, interest rates, the U.S. dollar or major segments of the economy could alter investor confidence and investment prospects. International investments involve additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability.

Investment risks

Commodity price swings could impact most E&P companies. However, the Company is protected against this risk with its crude oil hedging activities. All of the Company's key assets are located in Eastern Kansas and South Texas. If production and development in this area is interrupted (flooding, pipeline outages, etc.) this could impact the company's production, cash flow and share price negatively.

EnerJex is a growth company and it may need to raise money to sustain its drilling program. Despite the company's best planning, logistical delays could occur and the production projections could be negatively impacted. The Company is exposed to regulatory and environmentally delays in some of its operating areas.

Risk Factors Specific to Industry

The crude oil and natural gas markets are very volatile and unpredictable. The price the Company receives for its crude oil and natural gas production heavily influences its revenue, profitability, access to capital and future rate of growth. The prices it receives for production and the levels of production depend on numerous factors beyond the Company's control. These factors include, but are not limited to, the following:

- Changes in global supply and demand for crude oil and natural gas;
- The actions of the Organization of Petroleum Exporting Countries;
- The price and quantity of imports of foreign crude oil and natural gas;
- Political and economic conditions, including embargoes, in crude oil-producing countries or affecting other crude oil-producing activity;
- The level of global crude oil and natural gas exploration and production activity;
- The level of global crude oil and natural gas inventories;
- Weather conditions;
- Technological advances affecting energy consumption;
- Domestic and foreign governmental regulations;
- Proximity and capacity of crude oil and natural gas pipelines and other transportation facilities;
- The price and availability of competitors' supplies of crude oil and natural gas in captive market areas; and
- The price and availability of alternative fuels.

Lower crude oil and natural gas prices may not only decrease revenues on a per unit basis but also may reduce the amount of crude oil and natural gas that can be produced economically and therefore potentially lower reserve bookings. A substantial or extended decline in crude oil or natural gas prices may result in impairments of proved crude oil and natural gas properties and may materially and adversely affect the Company's future business, financial condition, results of operations, liquidity or ability to finance planned capital expenditures.

Risk Factors Specific to Company

Competition Risk

Oil and natural gas exploration is intensely competitive and involves a high degree of risk. In its efforts to acquire oil and natural gas producing properties, EnerJex sometimes competes with other companies that have greater resources. Many of these companies not only explore for and produce oil and natural gas, but also conduct refining and petroleum marketing operations on a worldwide basis. The Company's ability to compete for oil and natural gas producing properties will be affected by the available capital and available information. The Company will also face competition from alternative fuel sources and technologies.

Execution Risk

As with any early stage company implementing an aggressive growth plan, EnerJex's success or failure will depend on management's ability to execute their business plan in an efficient and timely manner.

Financial Risk

The Company is dependent on continued financing from outside investors due to recurring operating losses. As a result, the Company's ability to continue as a going concern could depend upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due and to generate profitable operations in the future. There can be no assurance that any funding would be attainable or attainable on favorable terms, thus investors should be financially capable of losing all or a portion of their investment.

Key Management Risk

Management's skill and experience is a key determinant of success. EnerJex, like most small companies, is heavily dependent on key management, the loss of any of which could seriously, adversely affect the company.

Micro-capital Investment Risk

Micro-capital investing involves inherent risk and investors should carefully research any company considered for investment. Micro-capital companies are usually early in their market cycle and vulnerable to significant price volatility.

Risk Categories

WSR's investment universe revolves around undiscovered emerging growth companies that possess higher risk profiles than established "blue chip" companies. Presently WSR maintains three risk categories including growth, aggressive growth and speculative with the later assigned to higher risk companies.

Growth – Lower risk investment relative to small capital company investments with a defined revenue pattern, reasonable earnings predictability and sound balance sheet.

Aggressive Growth – Average to higher risk investment relative to small capital company investments in a high growth stage or industry. May have limited history of generating revenue or be operating in a highly competitive or rapidly changing environment. Investors must have the financial capacity to lose a significant portion of his or her investment.

Speculation - High risk investment with short or unprofitable operating history and limited revenue or earnings predictability. Companies are typically early stage and in the process of commercializing a new and often potentially disruptive technology into a large market. Investors must have the financial capacity to lose his or her entire investment.

VII. MANAGEMENT AND DIRECTORS

Officers, Directors and Key Management

Name	Age	Position
Robert Watson, Jr.	36	Chief Executive Officer, Director
Atticus Lowe	32	SVP of Corporate Development, Director
Douglas M. Wright	60	Chief Financial Officer
James Miller	64	Director
Lance Helfert	39	Director

Robert Watson, Jr. — Chief Executive Officer, Director

Robert Watson, Jr. co-founded Black Sable Energy, LLC approximately 3 years ago and served as its Chief Executive Officer. During his tenure at Black Sable, Mr. Watson was responsible for the company's acquisition and development of two grassroots oil projects in South Texas, both of which have been partnered with larger oil and gas companies on a promoted basis. Prior to founding Black Sable, he was a Senior Associate at American Capital, Ltd. (NASDAQ: ACAS), a publicly traded private equity firm and global asset manager with $18 billion in capital resources under management. Mr. Watson began his career in the Energy Investment Banking Group at CIBC World Markets and subsequently founded and served as the Managing Partner of Centerra Energy Partners.

Atticus Lowe — Senior Vice President of Corporate Development, Director

Atticus Lowe is the Chief Investment Officer of West Coast Asset Management, Inc., a registered investment advisor that has invested more than $200 million in the oil and gas industry on behalf of its principals and clients during the past 10 years. Mr. Lowe serves as a Director and Chairman of the Audit Committee for Black Raven Energy, Inc., a privately held oil and gas company headquartered in Denver, CO. He is a CFA charterholder and a co-author of The Entrepreneurial Investor, a book Published by John Wiley & Sons. Mr. Lowe has also been profiled in Oil and Gas Investor magazine and Value Investor Insight, and he has been a featured speaker at the Value Investing Congress in New York and California.

Douglas M. Wright — Chief Financial Officer

Served as the Corporate Controller and Chief Accounting Officer of Nations Petroleum Company, Ltd. from 2006 until his appointment by the Company. Prior to his employment with Nations, in 2005 to 2006 he was a Manager of Financial Reporting for Noble Energy, Inc. (NYSE: NBL), where he was responsible for SEC reporting relating to its $3.4 billion acquisition of Patina Oil & Gas Corp. Mr. Wright also served in various managerial roles from 1986 to 1996 at Oryx Energy Co., which was purchased by Kerr McGee Corp. for $3.1 billion. Mr. Wright began his career at Deloitte & Touche where he served as a manager from 1977 to 1986, and was the firm's designated specialists in the energy field. Mr. Wright received a Bachelor's degree from the University of Pittsburgh and a Master of Business Administration Degree from the University of North Texas.

Directors

James Miller

James Miller retired in 2002 after serving as the Chief Executive Officer of Utilicorp United, Inc.'s business unit responsible for the company's electricity generation and electric and natural gas transmission and distribution businesses which served 1.3 million customers in seven mid-continent states. Utilicorp traded on the New York Stock Exchange and the company was renamed Aquila in 2002. In 2007 its electricity assets in northwest Missouri were acquired by Great Plains Energy Incorporated (NYSE: GXP) for $1.7 billion and its natural gas properties and other assets were acquired by Black Hills Corporation (NYSE: BKH) for $940 million. Mr. Miller joined Utilicorp in 1989 through its acquisition of Michigan Gas Utilities, for which he served as the president from 1983 to 1991. Mr. Miller currently serves as Vice Chairman of The Nature Conservancy, Missouri Chapter, for which he has been a Board member for the past 10 years.

Lance Helfert

Lance Helfert is the President and a co-founder of West Coast Asset Management, Inc., a registered investment advisor with approximately $200 million in assets under management. Prior to founding West Coast Asset Management, he oversaw a $1 billion portfolio at Wilshire Associates and was involved in a full range of financial strategies at M.L. Stern & Co. Mr. Helfert is a co-author of The Entrepreneurial Investor, a book published by John Wiley & Sons, and he has been a featured speaker at the Value Investing Congress in New York and California. Mr. Helfert has also served on the board of directors for Junior Achievement of Southern California and the Tri-Counties Make-A-Wish Foundation.

VIII. CORPORATE OFFICES & ADVISORS

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About the Analyst:
Mr. Silver joined Wall Street Resources in 2006 as the Director of Research. He has been in the financial services industry since 1995 and began his professional career in auditing with a Big Four accounting firm in New York City. Mr. Silver made the move to Wall Street as a sell-side research analyst for two global investment banks in New York City including Salomon Smith Barney and UBS Paine Webber. At Salomon Smith Barney he was a member of the firm's research team covering REITs that was consistently ranked #1 by Institutional Investor magazine. Most recently, Mr. Silver worked for a private equity firm as its Chief Investment Strategist. Mr. Silver is a graduate of the College of William and Mary in Virginia with a BA in liberal arts and New York University's Stern Business School with an MBA in International Finance and Accounting.