



FOR IMMEDIATE RELEASE

West Valley Energy Announces Formation of New Oil and Gas Exploration and Production Company

Warburg Pincus and Kayne Anderson Energy Funds to Invest

Calgary and New York, June 5, 2012: West Valley Energy Corp. ("West Valley" or the "Company") today announced a new private oil and gas company formed to capture and develop scalable resource plays in Alberta backed by Warburg Pincus, a global private equity firm focused on growth investing, and Kayne Anderson Energy Funds ("Kayne Anderson"), an energy-focused private equity firm. The Company will identify new or emerging oil projects with the potential for value creation through field extension and improved recovery.

West Valley is led by Chief Executive Officer (CEO) Amar Pandila, Chief Operating Officer (COO) Shaun James and Chief Financial Officer (CFO) Travis Beatty. Mr. Pandila is an experienced executive with more than two decades of industry experience who previously was a founder and served as head of corporate development at Monterey Exploration. Mr. James joined the Company from Caltex Energy where he was a founder and head of engineering and operations. Mr. Beatty was previously the CFO of OPTI Canada where he led several strategic capital markets transactions.

The Company's independent directors include Lanny Fenwick, an experienced oil and gas executive who was most recently Senior Vice President and General Manager of EOG Resources Canada Inc.; Mike Graham who was most recently the Executive Vice President and President of EnCana Corporation's Canadian division until February 2012; John Brussa, partner and head of the tax department at Burnet, Duckworth & Palmer and the director of a number of private and public companies; and Mike Kohut, the CFO of Trilogy Energy. Representatives from Warburg Pincus and Kayne Anderson will also hold Board seats.

Amar Pandila, CEO, West Valley commented, "We are excited to have attracted financial partners Warburg Pincus and Kayne Anderson that possess extensive industry experience and market credibility. With our people, our strategic plan and strong financial support, we are well positioned to develop and grow our business."

David Krieger, Managing Director, Warburg Pincus said, "We are pleased to partner with Amar, Shaun, Travis and their seasoned management team, and look forward to working with the Company as it explores for and develops oil and gas resources in western Canada."

Danny Weingeist, Managing Partner, Kayne Anderson said, "We are thrilled to support the West Valley team in their new venture. They bring a depth of talent across all disciplines as well as a deep network of relationships in the industry. We look forward to working with Amar, Shaun and Travis for many years to come."

Warburg Pincus' investment in West Valley brings to seven the total number of Canadian energy companies currently in its portfolio, which also includes Black Swan Energy, Canbriam Energy, Endurance Energy, MEG Energy (TSX: MEG), Osum Oil Sands and Velvet Energy.

About West Valley Energy

West Valley Energy Corp. is a private oil and gas company formed to capture and develop scalable resource plays in Alberta, Canada. The Company's focus is to identify new or emerging oil projects with the potential for value creation through field extension and improved recovery. The Company is led by CEO Amar Pandila, COO Shaun James and CFO Travis Beatty.

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$35 billion in assets under management. Its active portfolio of more than 130 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 13 private equity funds, which have invested more than \$40 billion in over 650 companies in more than 30 countries.

For more than two decades, the firm's energy group has provided over \$6 billion of equity for companies around the world involved in oil and gas exploration and production, midstream, power generation, oilfield technology and related-services, and alternative energy development. Warburg Pincus has been the lead investor in several dozen energy companies including Antero Resources, Bill Barrett Corporation (NYSE: BBG), Encore Acquisition Company, ElectroMagnetic GeoServices (OSE: EMGS), Kosmos Energy (NYSE: KOS), Laredo Petroleum (NYSE: LPI), Newfield Exploration (NYSE: NFX), Spinnaker Exploration and Targa Resources (NYSE: NGLS, TRGP).

The firm is headquartered in New York with offices in Amsterdam, Beijing, Frankfurt, Hong Kong, London, Luxembourg, Mauritius, Mumbai, San Francisco, São Paulo and Shanghai. For more information, please visit www.warburgpincus.com.

About Kayne Anderson

Established in 1984, Kayne Anderson Capital Advisors is a leading financial management firm with over \$15 billion in assets under management. The firm pursues alternative investment niches that offer attractive and sustainable returns with moderate levels of risk. Kayne Anderson's separately dedicated investment teams focus on generating returns across a variety of strategies, including energy private equity, publicly-traded master limited partnerships, growth private equity, niche real estate and mezzanine financing.

Through Kayne Anderson Energy Funds, the firm manages over \$3.1 billion of committed capital dedicated to private equity investments in primarily upstream oil and gas companies. Currently, the firm has over 35 active portfolio companies focused on the acquisition and development of upstream oil and gas assets across North America.

The firm is headquartered in Los Angeles with offices in Chicago, Denver, Houston and New York. For more information, please visit www.kaynecapital.com.

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