

CanCambria Energy Corp.

CCEC-TSXV	Rating	Price: Dec-1	Target	Total Rtn
	BUY	\$0.53	\$2.05	287%

CanCambria Strenghtens Its Board and Leadership Ranks

Bottom Line:

Impact – Positive. CanCambria announced today the immediate appointment of three industry professionals to its Board of Directors and leadership team. We view this announcement as positive and it further highlights the significant opportunity ahead of the company as it advances development of the Kiskunhalas tight gas project in Hungary. **We reiterate our Buy rating and \$2.05/share target price.**

Key Points

Mr. Jerald (Jay) Stratton Jr. appointed Independent Director. Mr. Stratton is an accomplished oil and gas executive with over 40 years of experience at companies including OXY, ARCO, Anadarko and Chesapeake Energy with both domestic and international experience. He was most recently the COO of Ultra Petroleum where he focused on improving capital efficiency and operational excellence delivering a 20% cost reduction at the Pinedale tight gas field in Wyoming. Mr. Stratton holds a B.S. in Petroleum Engineering from Texas A&M University.

Mr. Larry Busnardo appointed VP Investor Relations. Mr. Busnardo brings more than 25 years of oil and gas experience with a focus on finance, capital markets and investor relations, most recently serving as Managing Director at EnerCom, Inc., an internationally recognized management consulting firm advising clients on investor relations and marketing. Prior roles include VP Investor Relations at HighPoint Resources and Forest Oil in Denver. He also spent more than a decade as a sell-side analyst at Macquarie Capital, Tristone Capital and Petrie Parkman & Co. He holds a Bachelor of Science in Accounting from Metropolitan State University.

Mr. Lee Lehtonen appointed Technical Lead – Exploration. Mr. Lehtonen has more than 35 years of domestic and international oil and gas experience working both for independents and majors. He has worked on all aspects of the exploration and production life cycle on three continents at the senior leadership level. He has been a key contributor in major deep-water discoveries and development projects for Mobil, Texaco, Pioneer, Vanari and Nexen. He holds a B.A. in Geology (Colgate University), M.Sc. Applied Geophysics (University of Texas, El Paso) and an MBA from SMU Cox Business School, Dallas.

A significant strengthening and deepening of the leadership team at CanCambria. Today’s announcement underscores the significant opportunity for the Company at its Kiskunhalas tight gas project and highlights the very strong team that it has created to further the development of this very significant project.

Important Disclosures: See pages 2-3

Oil & Gas

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Source: FactSet

Dividend	\$0.00	Shares O/S (mm)	114.7
Yield	0.0%	Market Cap (mm)	\$60.8
EV (mm)	\$54.9	Net Debt (mm)	NA

Valuation

Our target price is based on our risked Net Asset Value per Share (NAVPS). In arriving at our \$2.05/share target price, we have assigned an 80.0% probability of commerciality.

Company Description

CanCambria Energy Corp. is a Canadian junior oil and gas exploration and production company that focuses on the acquisition and development of low-risk assets. The company holds a 100% working interest in the Kiskunhalas Tight Gas Sand Project in Hungary.

Our Thesis

CanCambria has a compelling, low-risk unconventional asset that can be commercialized by leveraging technology. Management of CanCambria is highly skilled and experienced at developing unconventional natural gas assets.

Important Disclosures

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HOLD: The stock is expected to generate returns of 0-20% over the next 24 months;

SELL: The stock is expected to generate negative returns over the next 24 months;

NOT RATED (NR): Granite Point Research does not provide research coverage on the respective company;

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RATING	COVERED COMPANIES
BUY	1
HOLD	
SELL	

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