

Confidential and Proprietary



Xun Energy, Inc.
OTCBB:XNRG

MISSION

- To become a leader in providing energy, through acquisition and energy source diversification.
- To acquire working interest positions and mineral rights leases for the purposes of oil and gas development and production using new technologies, advanced drilling and completion methods and invest to known, producing properties and surrounding areas.
- To be aggressive in gaining interest positions in leases and existing producing properties that will produce desirable returns, utilize leading technologies, and utilize methods to maximize exploration and production results while providing Return On Investment.

STRATEGY

Xun Energy aspires to be an independent oil and gas company in North America and to provide our shareholders with returns over the long-term.

To achieve this, Xun Energy will strive to optimize our capital investments to maximize growth in cash flows, earnings, production and establish reserves.

Xun Energy will do this by:

- Generating cash flow,
- Securing financing to acquire Xun's planned acquisitions,
- Exercising capital discipline,
- Ensuring financial strength, and
- Investing in oil and gas properties with strong full-cycle margins.

STRUCTURE

- **Xun Energy, Inc. is a publicly-traded company (OTC:BB:XNRG)**
- **Common Voting Shares:**
 - **Issued and outstanding as of November 30, 2012 - 381,454,093**
- **Preferred Shares:**
 - **Authorized: 50 Million shares**
 - **Issued and outstanding as of November 30, 2012 - Zero**

BUSINESS MODEL

- **Primary target is oil, accumulate natural gas reserves**
- **Generate cash flow through low risk offset drilling in producing oil and gas fields**
- **Acquisition of cash flow positive producing oil and gas leases:**
- **Debt financing**
- **Resource development (staff, expertise, infrastructure)**

EXECUTION

Staged Goals: (BPOD)

STAGE – Year 1:

Complete 45 Oil and Gas well location program - PA	40 – 100
Acquire Oil and Gas Producing properties	200 - 400

STAGE – Year 2:

Acquire Oil and Gas Producing properties	500 – 1,500
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STAGE – Year 3:

Acquire Oil and Gas Producing properties	2,000 – 3,000
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STAGE – Year 4:

Acquire Oil and Gas Producing properties	3,500 – 5,000
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STAGE – Year 5:

Acquire Oil and Gas Producing properties	7,500 – 15,000
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TOTAL: 5 - YEAR STAGED PROGRAM

13,740 – 25,000

EXECUTION

CAPEX \$(000,000'S)

STAGE – Year 1:

Complete 45 Oil and Gas well location program - PA	\$7.50
Acquire Oil and Gas Producing properties	\$20 - \$40

STAGE – Year 2:

Acquire Oil and Gas Producing properties	\$50 - \$150
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STAGE – Year 3:

Acquire Oil and Gas Producing properties	\$200 - \$300
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STAGE – Year 4:

Acquire Oil and Gas Producing properties	\$350 - \$500
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STAGE – Year 5:

Acquire Oil and Gas Producing properties	\$750 - \$1,500
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TOTAL: 5 - YEAR STAGED PROGRAM	\$1,380 - \$2,500
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EXECUTION

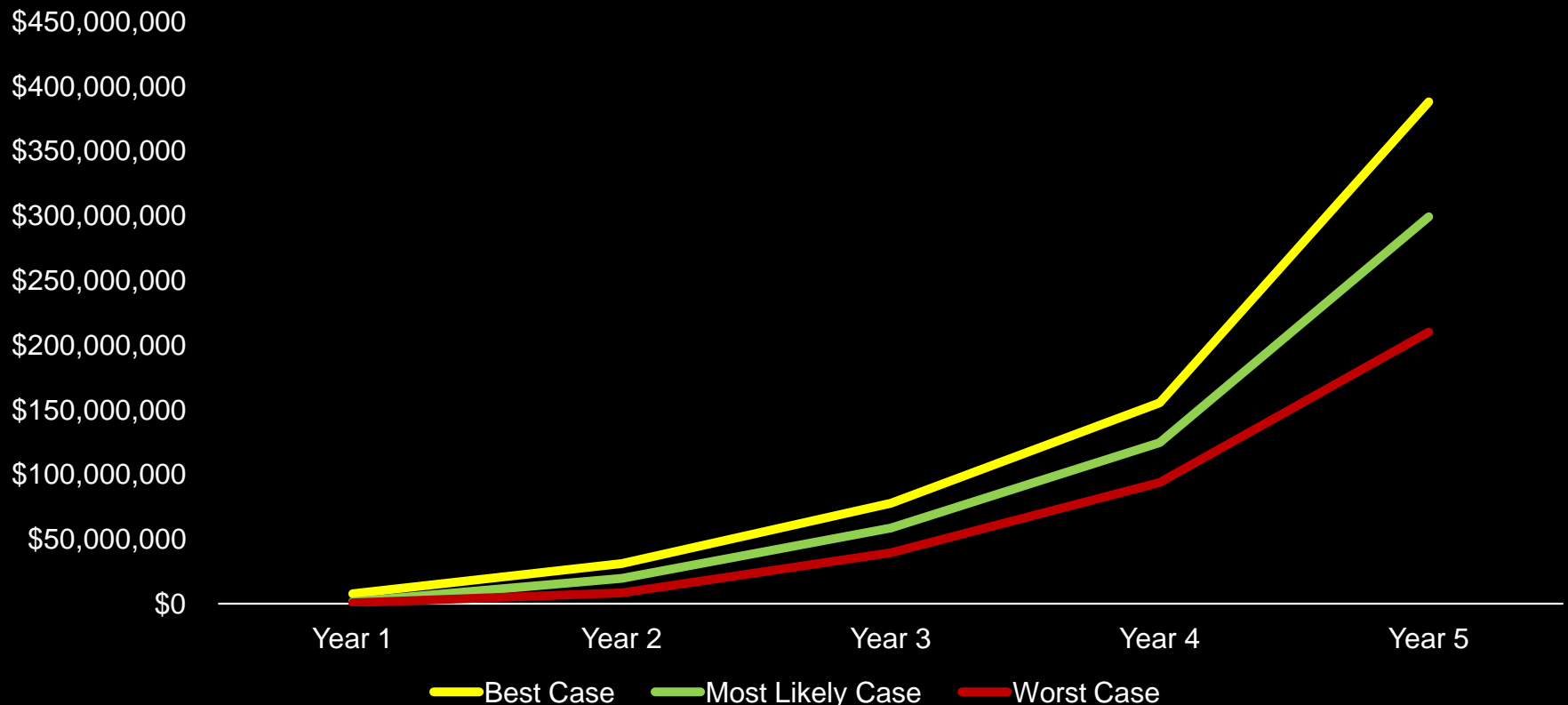
Daily Production of Oil – Scenarios

	Daily Production of Oil				
	Year 1	Year 2	Year 3	Year 4	Year 5
Best Case	500	2,000	5,000	10,000	25,000
Most Likely Case	100	1,270	3,770	8,020	19,270
Worst Case	40	540	2,540	6,040	13,540

EXECUTION

Netback Projections – 50% After Overhead

Yearly Netback @ 50% After Overhead



EXECUTION

EPS Projections (based on 381,454,093 Shares)

Earnings Per Share @ 381,454,093 Shares

	Year 1	Year 2	Year 3	Year 4	Year 5
Best Case	\$0.02033	\$0.08133	\$0.20333	\$0.40667	\$1.01667
Most Likely Case	\$0.00407	\$0.05165	\$0.15331	\$0.32615	\$0.78365
Worst Case	\$0.00163	\$0.02196	\$0.10329	\$0.24563	\$0.55063

FOCUS

- 45 Oil and gas well locations, Venango County, PA
- Offset drilling
- Low risk, oil presence
- Equity financing - \$668,000 (being finalized)
- Debt financing - \$5,000,000 (10 Year @ 6%, estimated)
- Cash flow financing - \$1,847,000

The Pennsylvania Advantage

- More than 2,680 oil and gas wells drilling in 2010, almost evenly divided between Marcellus Shale natural gas wells and wells targeting shallower conventional oil and gas formations
- 3.4 million barrels of oil and 198 billion cubic feet of gas was produced in 2009
- Ranks 19th in oil production in the U.S. and 15th in natural gas production
- Almost 19,000 oil wells in production and more than 55,000 natural gas wells
- Existing oil and gas infrastructure is extensive
- The state is centrally located for access and distribution to northern and eastern industrial market
- Costs are low because resources are shallow, turnkey cost of \$167,000 per well
- Breakeven point less than 3,000 barrels per well @ \$85 Oil

RISK EVALUATION

TABULATION OF RISK ANALYSIS – 45 OIL WELL LOCATION, VENANGO, PA

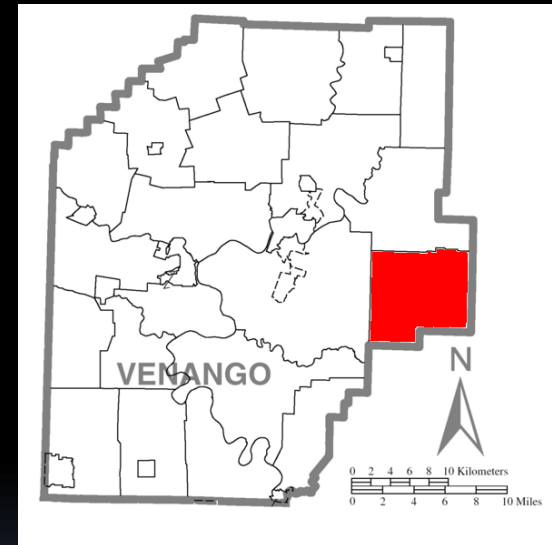
Subject	Assigned Risk	Description
Oil Recovery	Low - Rice and Lalley leases Low- Moderate on the Corse lease	Offset wells to producing oil wells, historical production, geological opinion on the Rice and Lalley leases, geological opinion being completed on the Corse lease with offset production on surrounding leases
Dry Hole	Low	Geological trends are consistent from lease to lease based on logs examined
Capital Costs	Low - Moderate	New equipment, used equipment is cheaper
Capital Cost Overrun	Low	Turnkey fixed cost of \$167,000 per well completed
Oil Price Volatility	Moderate - High	Revenue based on \$85 oil, 52 week low - \$79.34 and 52 week high - \$105.68
Processing Environmental	Moderate	Pennsylvania Department of Environmental Protection (PA DEP) has strict regulations. Operator has no record of infractions with PA DEP
Operating Costs	Low	New equipment, lower maintenance
Marketing	Low	Ergon Refinery purchases all the oil produced at market

Rice Lease Data

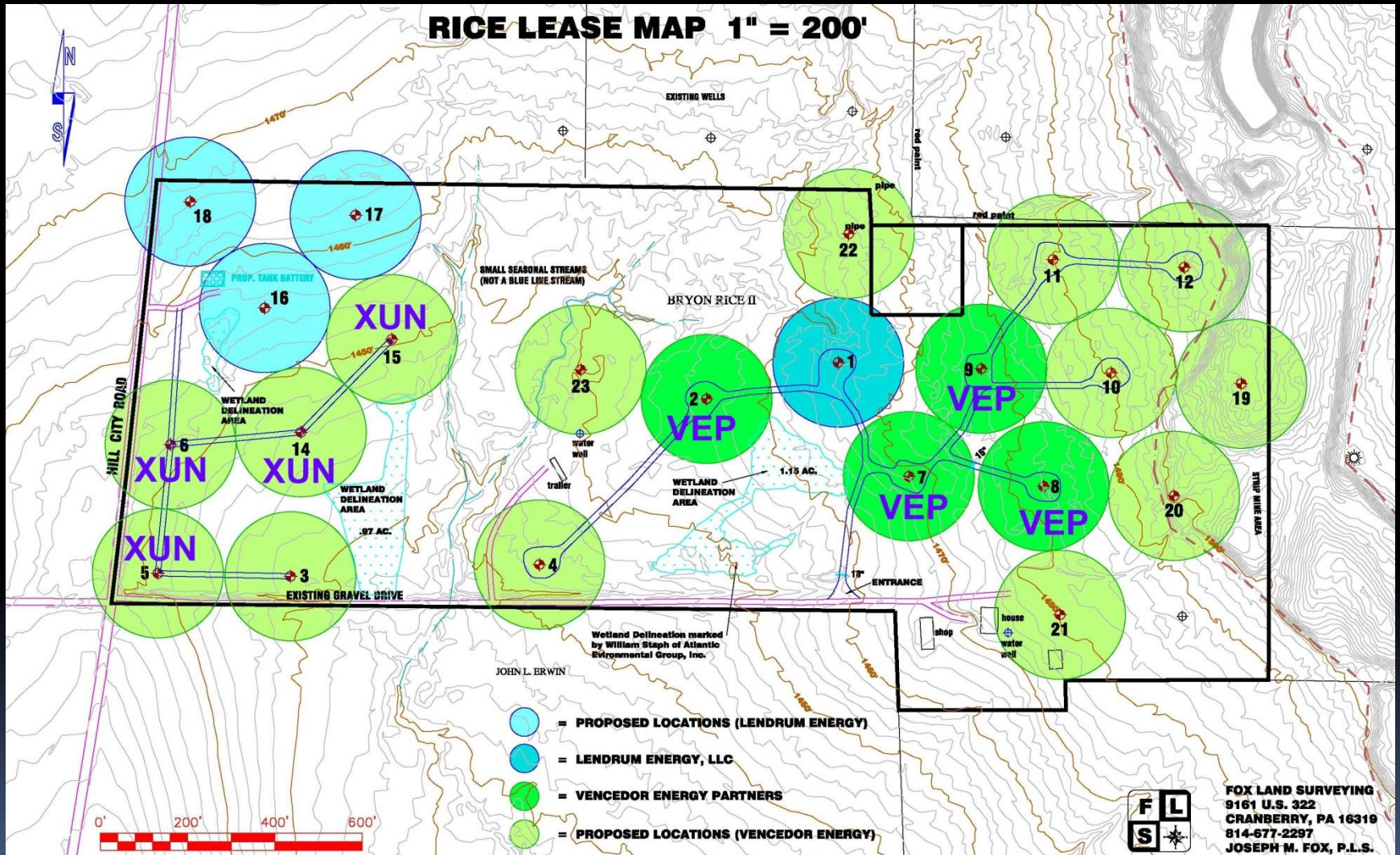
- Rice Lease – 54.58 acres – up to 8 oil well locations
- Pinegrove Township
- Venango First sand and the Venango Second sand targets
- Average of 15,650 barrels of oil in place per acre
- 1.62 acre spacing
- Estimated 25,353 standard stock barrels (STB) total in place per well location
- Average regional primary recovery 25%
- Expected average recovery per well location – 6,340 STB in first 10 years
- Vencedor producing from 4 new wells completed in July and August
- Vencedor produced 1,388 barrels in first month of full production from the 4 wells

Pinegrove Township Facts

- Area: 37.0 square miles
- Active Wells: 429
- Wells Per Square Mile: 11.6
- Population: 1,338 (2000 Census)



Rice Lease Locations

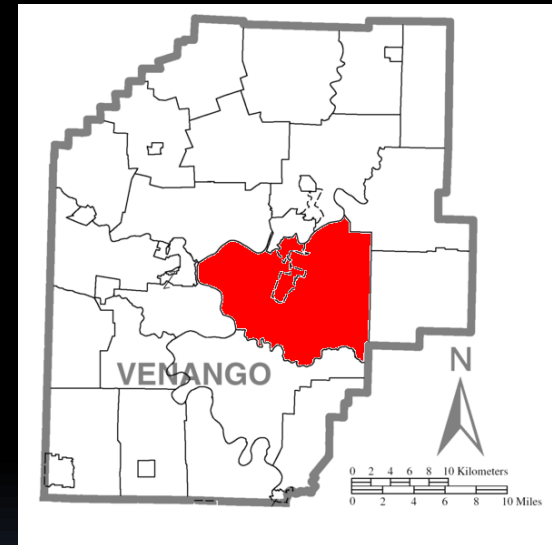


Lalley Lease Data

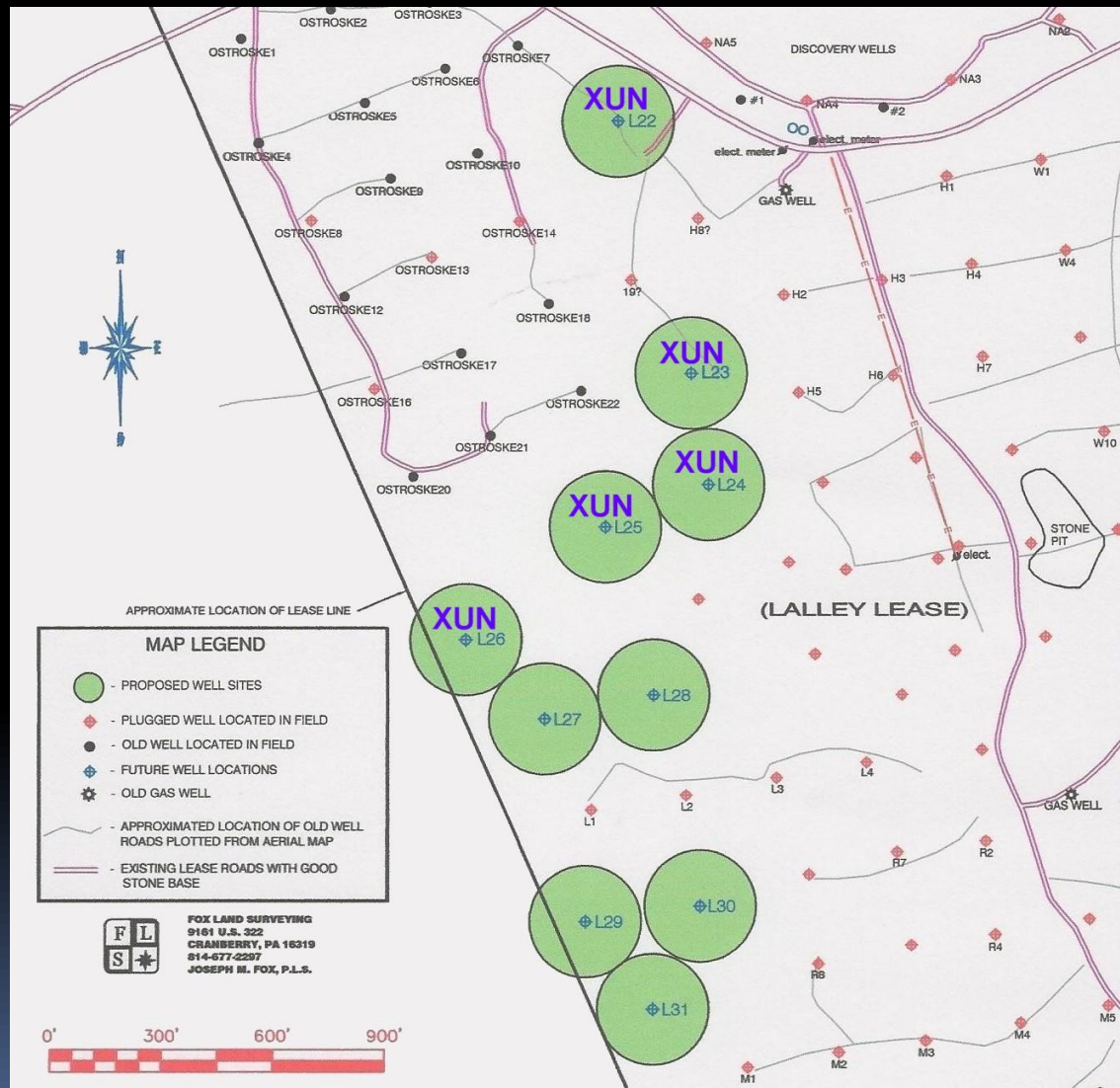
- Lalley Lease – 300 acres – up to 10 oil well locations
- Cranberry Township
- Red Valley sand and the Venango Second sand targets
- Average of 13,920 barrels of oil in place per acre
- 1.62 acre spacing
- Estimated 22,250 standard stock barrels (STB) total in place per well location
- Average regional primary recovery 25%
- Expected average recovery per well location – 5,560 STB in first 10 years
- 16 Ostroske wells drilled in 1984 on Lalley lease produced an average of 1,700 barrels of oil during the first year of production

Cranberry Township Facts

- Area: 71.3 square miles
- Active Wells: 2,307
- Wells Per Square Mile: 32.4
- Population: 7,014 (2000 Census)



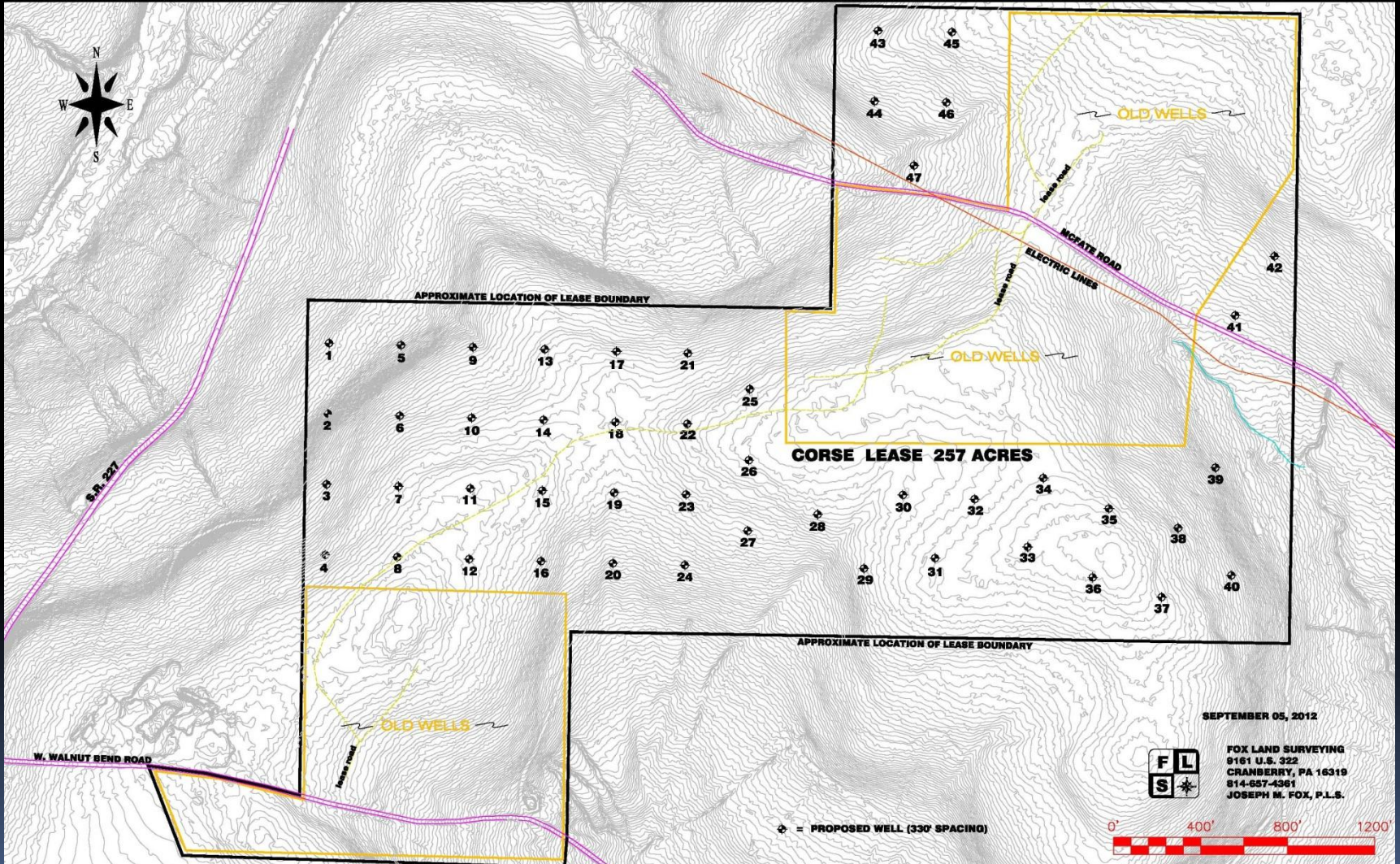
Lalley Lease Locations



Corse Lease Data

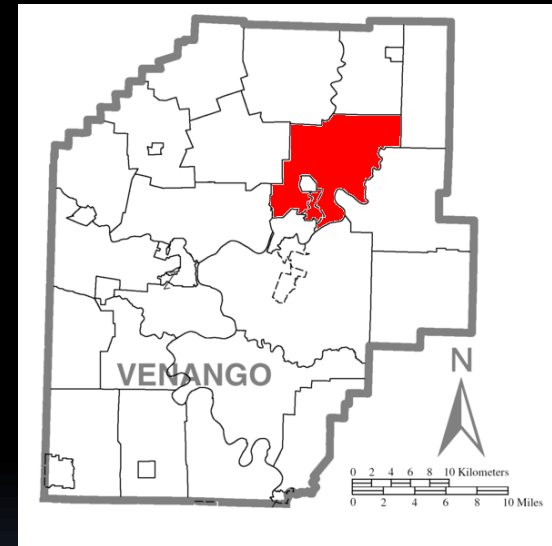
- Corse Lease – 257 acres – up to 15 oil well locations
- Cornplanter Township
- Option for additional 15 oil well locations
- Geological opinion currently being performed
- Final survey of well locations currently being performed
- Historical production
- Offset production

Corse Lease Locations



Cornplanter Township Facts

- Area: 37.8 square miles
- Active Wells: 1,563
- Wells Per Square Mile: 41.3
- Population: 2,687 (2000 Census)



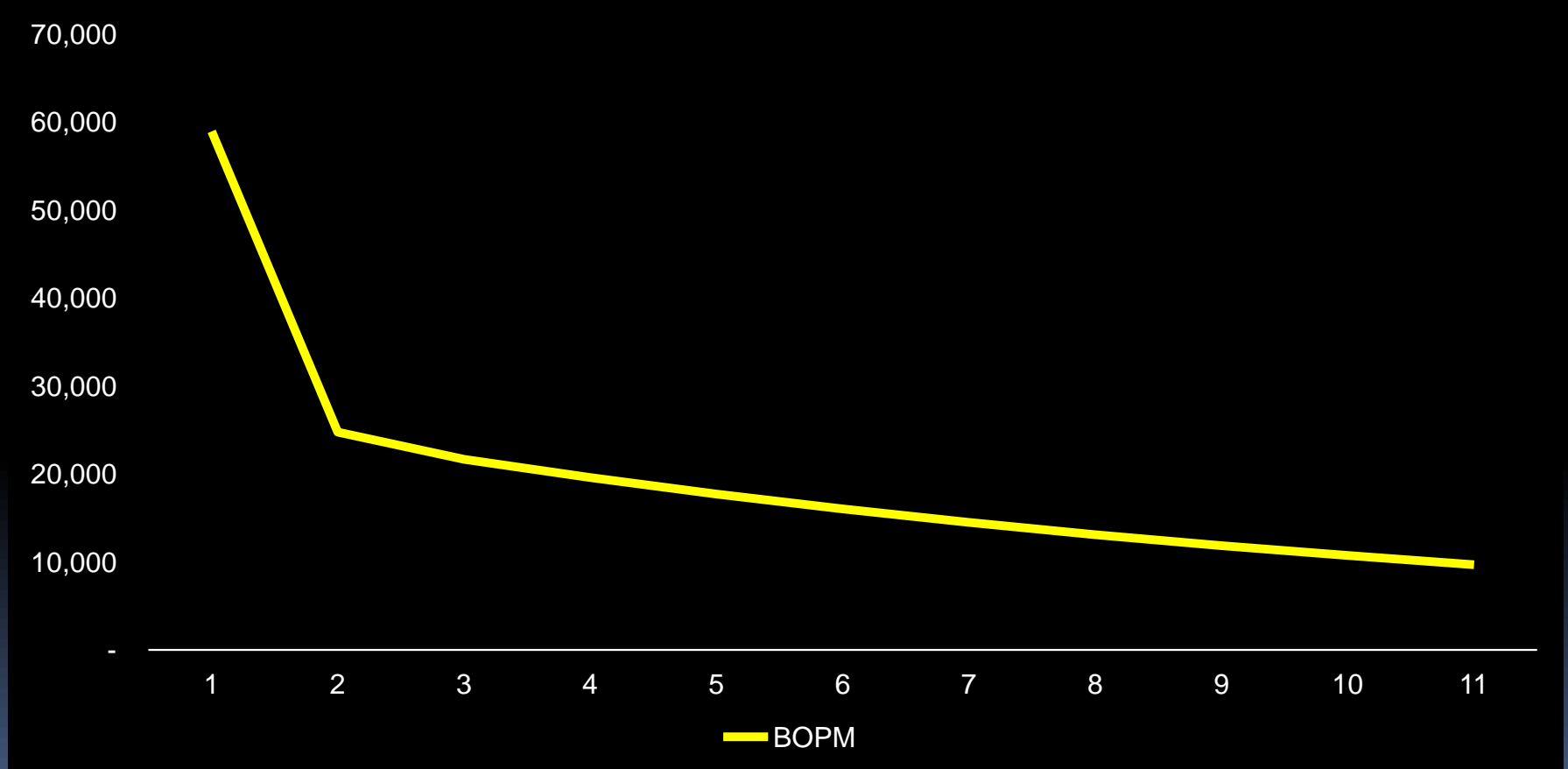
Timeline – Typical Well

- **Stage 1 - Pre-Development - 3 to 6 months**
 - Includes permitting which is a minimum of 45 days
- **Stage 2 - Site and Infrastructure – 2 – 4 weeks**
- **Stage 3 - Drilling – 1 week**
- **Stage 4 – Completion – 2 – 3 Weeks**
- **Stage 5 – Production – 1 week**
- **Stage 6 – Management – Ongoing 15 to 20 years**

Average Decline Curve

(45 Well Venango Locations)

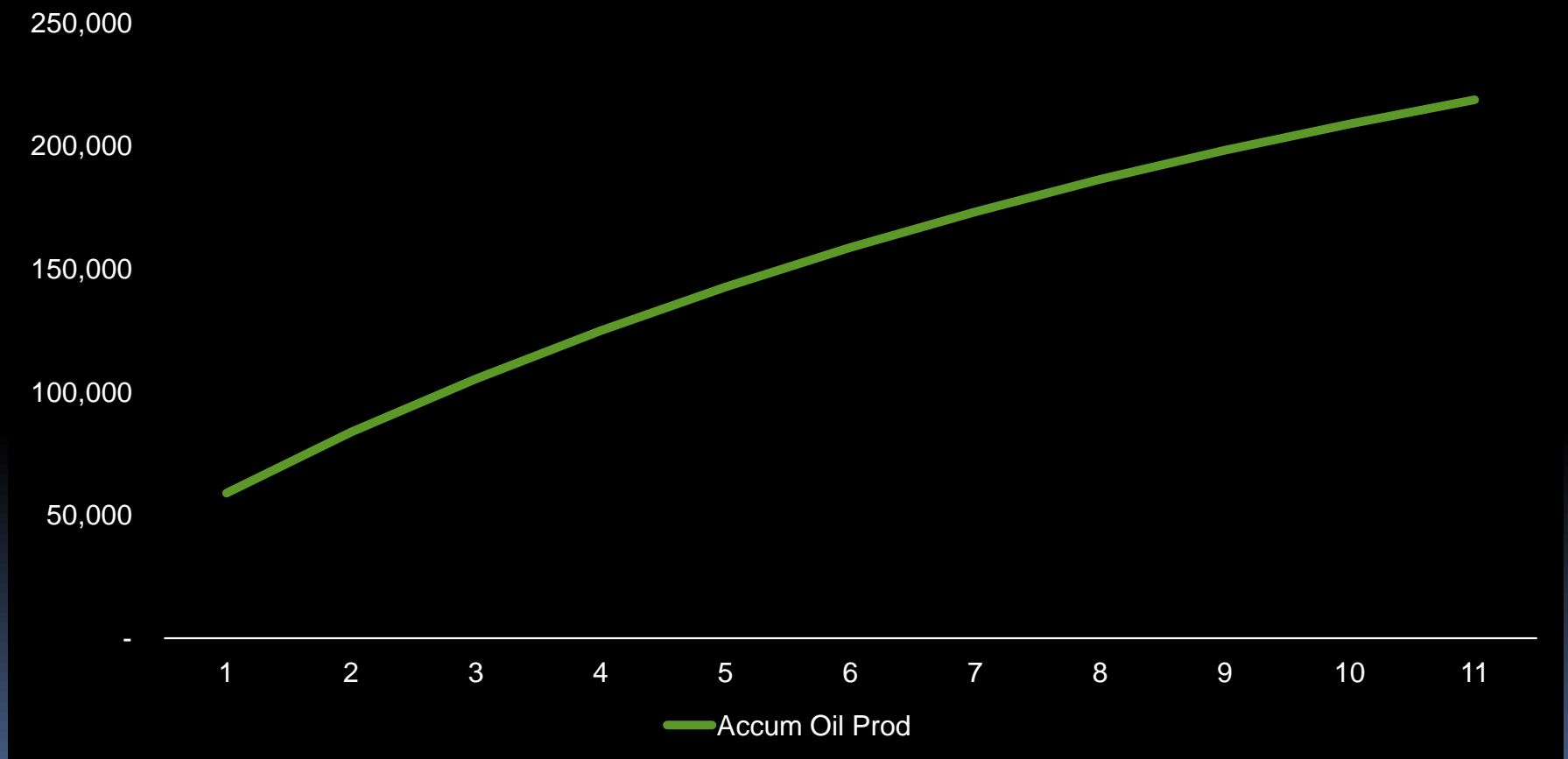
Barrels of Oil Per Year



11 Year Production Curve

(45 Well Venango Locations)

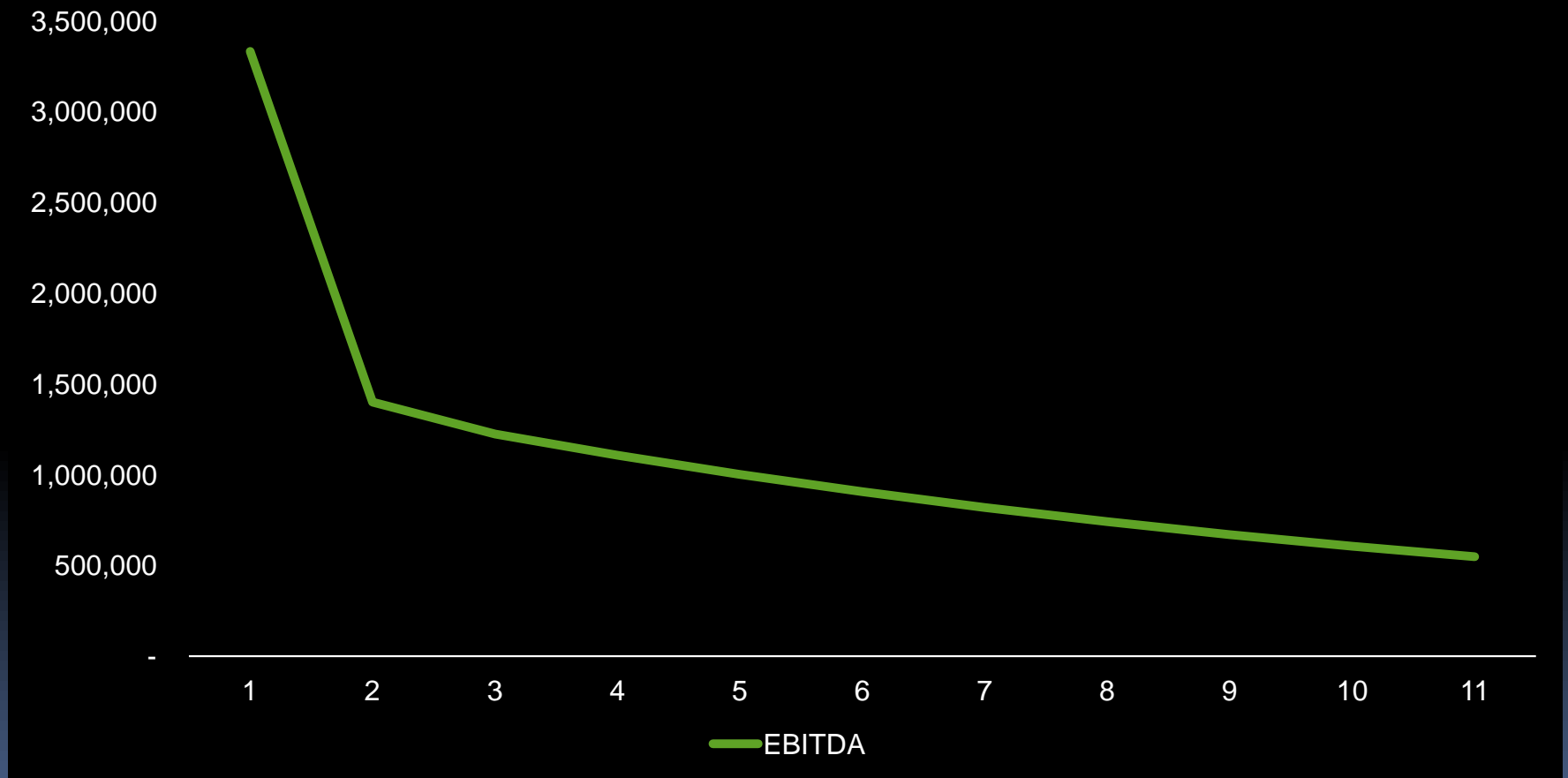
Accumulated Barrels of Oil



Yearly EBITDA

(45 Well Venango Locations)

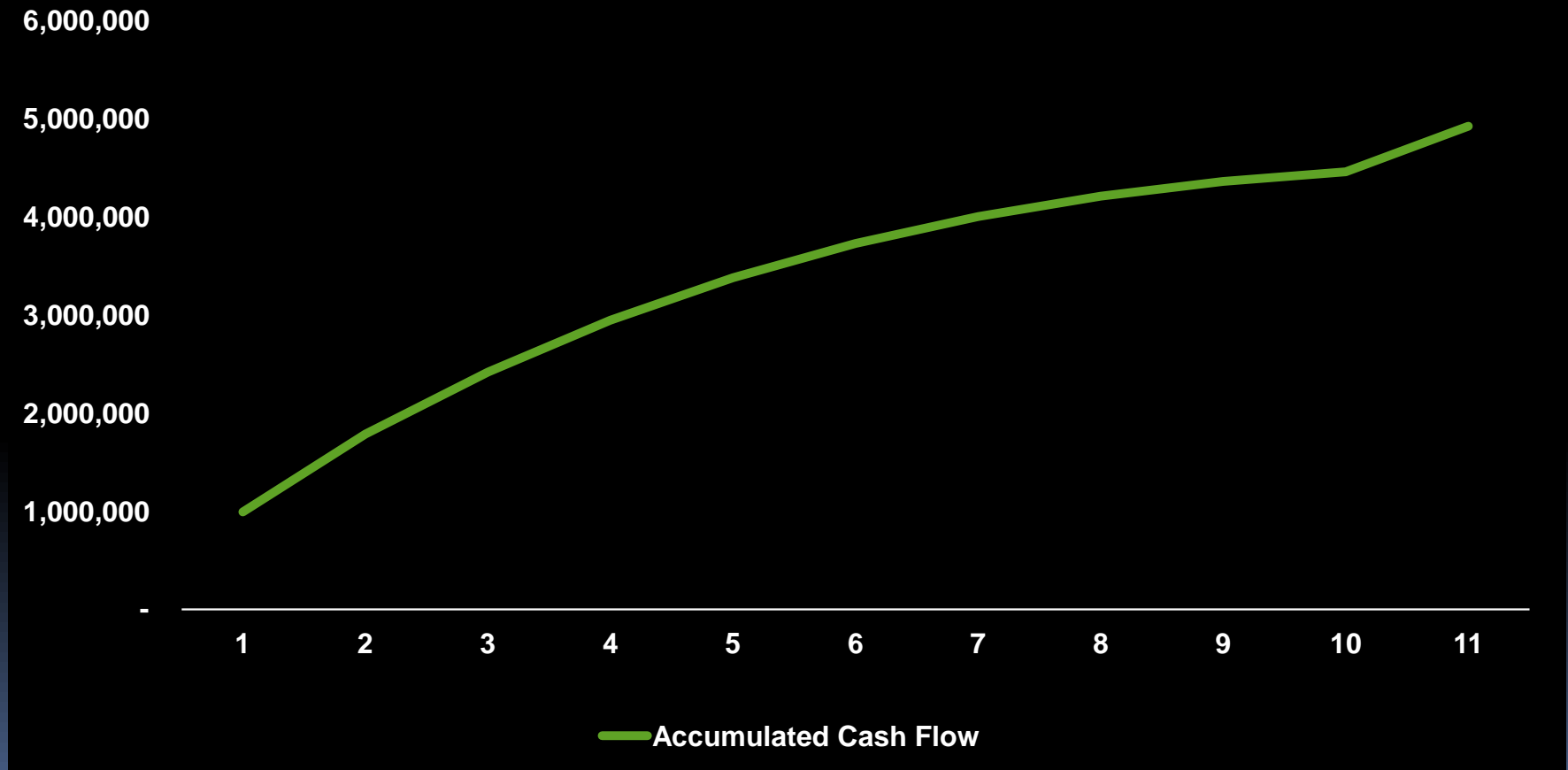
Yearly EBITDA



Accumulated Cash Net

(45 Well Venango Locations)

Accumulated Cash Flow Net Debt Service



Vencedor as Operator

- Privately held independent oil and gas operator incorporated in 2010
- Actively involved in acquiring, developing, and operating production of oil and gas leases in Pennsylvania, Ohio and Texas
- Guided by Brian S. Ambrose, a 3rd generation oil and gas operator, with over 20 years of experience in the oil and gas industry
- Currently operating several oil and gas wells on target leases
- Exemplary track record with the Pennsylvania Department of Environmental Protection
- Expertise in drilling supervision and management

Xun Management Team Expertise

- Extensive career in the oil and gas industry with BP, Husky Oil, Syncrude, Nova International (Mikolajczyk)
- Award winning “Chief” (Mikolajczyk)
- Expertise with public markets for companies throughout North America in the financial and natural resource sector (Matousek)
- Investor & Public Relations specialist (Matousek)
- Economics and business development to private equity funds in the U.S. and Europe for the past six years (Spier)
- Extensive history of publications and has authored more than fifty business plans for both start-ups and mature companies (Spier)
- Six-time recipient of the President's Award for exceeding Royal Bank of Scotland objectives (St. Cyr)
- Marketing Specialist (St. Cyr)

Summary

- Management with over 30 years experience in the oil and gas industry
- Experienced operator to supervise and manage the drilling, completions and operations
- Low risk oil and gas prospects
- Ability to generate above average returns
- Public reporting company with very large, rapid growth potential, tightly held
- Rapid growth through acquisitions of producing oil and gas properties

Vencedor Energy Partners - Drilling – Rice #7 - June 2012



Vencedor Energy Partners - Completion Work - Rice #2 - July 2012



Vencedor Energy Partners - Hydraulic Frac - Rice #2 - July 2012



Vencedor Energy Parthers - Pump Jacks - Rice Lease



Vencedor Energy Partners - Pump Jack Setup – Rice #2 - July 2012



Vencedor Energy Partners - Tank Battery #1 - Rice Lease



Safe Harbor

The statements contained in this presentation are not historical fact, are forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995), within the meaning of Section 27A of the Securities Act of 1933, as amended (the “**Securities Act**”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The forward-looking statements contained herein are based on current expectations that involve a number of risks and uncertainties. These statements can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “should,” or “anticipates,” or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The Company wishes to caution the reader that its forward-looking statements that are historical facts are only predictions. No assurances can be given that the future results indicated, whether expressed or implied, will be achieved. While sometimes presented with numerical specificity, these projections and other forward-looking statements are based upon a variety of assumptions relating to the business of the Company, which, although considered reasonable by the Company, may not be realized. Because of the number and range of assumptions underlying the Company’s forward-looking statements, many of which are subject to significant uncertainties and contingencies that are beyond the reasonable control of the Company, some of the assumptions inevitably will not materialize, and unanticipated events and circumstances may occur subsequent to the date of this report. These forward-looking statements are based on current expectations and the Company assumes no obligation to update this information. Therefore, the actual experience of the Company and the results achieved during the period covered by any particular forward-looking statements may differ substantially from those projected. Consequently, the inclusion of forward-looking statements should not be regarded as a representation by the Company or any other person that these estimates and projections will be realized. The Company’s actual results may vary materially. There can be no assurance that any of these expectations will be realized or that any of the forward-looking statements contained herein will prove to be accurate.



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OTCBB:XNRG

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