MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

The following discussion and analysis is provided by the Management of Seaview Energy Inc. ("Seaview" or the "Company") as of April 23, 2008 and should be read in conjunction with the audited consolidated financial statements and notes of Seaview for the periods ended December 31, 2007 and 2006. This financial data has been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The reporting and the measurement currency is Canadian dollars.

Description of the Company

Seaview is a Calgary based, natural gas and light crude oil focused, exploration and development company, established on December 13, 2006. The Company completed its Initial Public Offering on October 17, 2007. The primary area of operation is the Peace River Arch area of northwest Alberta. The Class A and Class B shares of Seaview trade on the TSX Venture Exchange ("TSX – Venture") under the symbols CVU.A and CVU.B. As this is the first year of operations for the Company and the impact of the IPO and acquisition of PrivateCo are included from October 17, 2007 forward, the financial results may not be indicative of future periods and the comparative information reported is that of Seaview alone.

Non-GAAP measures

This MD&A contains the term "funds flow from operations" and "funds flow from operations per share" which do not have any standardized meaning prescribed by Canadian GAAP. Management uses funds flow from operations and funds flow from operations per share to analyze operating performance and leverage and considers funds flow from operations to be a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt, if any. Funds flow from operations should not be considered an alternative to, or more meaningful than, cash flow from operating activities, as determined in accordance with Canadian GAAP, as an indicator of the Company's performance. Therefore, references to funds flow from operations or funds flow from operations per share (basic and diluted) may not be comparable with the calculation of similar measures of other entities. Funds flow from operations per share is calculated using the basic and diluted weighted average number of shares for the period. The reconciliation between funds flow from operations and cash flow from operating activities after changes in working capital for the year ended December 31, 2007 is as follows:

		2007
Funds flow from operations	$	**93,380**
Changes in non-cash working capital		**(404,780)**
Cash used in operating activities	$	**(311,400)**

Management uses certain industry benchmarks such as operating netback to analyze financial and operating performance. This benchmark, as presented, does not have any standardized meaning prescribed by Canadian GAAP and therefore, may not be comparable with the calculation of similar measures for other entities. Management considers netbacks an important measure as it demonstrates its profitability relative to current commodity prices. The Company uses these measures to help evaluate its performance and in capital allocation decisions.

Boe presentation

Barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet ("mcf") to one barrel ("bbl") is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this report are derived by converting natural gas to oil in the ratio of six mcf of gas to one barrel of oil. A list of other commonly used abbreviations is included at the end of this report.

Forward-looking information

Certain information regarding the Company set forth in this document, including Management's assessment of the Company's future plans and operations, may constitute forward-looking statements under applicable securities law and necessarily involve risks associated with oil and gas exploration, production, marketing, and transportation, such as loss of market, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

The audited consolidated financial statements and this MD&A for the year ended December 31, 2007 include the impact of the Initial Public Offering ("IPO") and the acquisition of 1276921 Alberta Ltd ("PrivateCo"), from the date of closing on October 17, 2007. The results do not include the impact of the 1332915 Alberta Ltd acquisition ("133"), which closed on April 1, 2008. Please see the discussions regarding subsequent events.

HIGHLIGHTS OF 2007 AND SUBSEQUENT EVENTS

- In October 2007, the Company closed its Initial Public Offering with gross proceeds of $11,706,000 and concurrently closed the acquisition of 1276921 Alberta Ltd ("PrivateCo"), establishing an initial core area in the Peace River Arch, focused in the Gordondale area;
- The 2007 capital program resulted in the completion of 7 (3.8 net) operations with an 87% success rate which included the drilling of 2 (1.5 net) wells with 100% success rate, the completion of 4 (1.8 net) wells previously drilled by PrivateCo and re-entering one (0.5 net) suspended well bore, resulting in 4 (1.8) net producing gas wells and 2 (1.5 net) potential gas wells;
- Subsequent to year end, the Company closed the acquisition of 1332915 Alberta Ltd ("133") on April 1, 2008 for total consideration of $27.4 million, comprised of the assumption of 133's net debt position and the issuance of 8,049,250 Class A shares of Seaview;
- The acquisition of 133 was highly accretive to Seaview on all measures and significantly expanded the Company's reserves, production, cash flow, land and drilling inventory;
  - The assets acquired consist of high quality, natural gas and light oil focused properties in the Peace River Arch area with production of 550 boe/d (92% natural gas weighted) at the time of closing;
  - Seaview's land opportunity base expanded to 71,333 gross acres (23,695 net acres) of land including 10,100 net acres of undeveloped land. In addition, Seaview has exposure to additional lands through several farm-in options totalling 31,786 gross acres (19,054 net acres) of undeveloped land.
  - Seaview's long term development potential in the Montney-Doig resource play increased as a result of consolidating the Companies interests in the Pouce Coupe area, increasing Seaview's land position to approximately 3 net sections;
  - Significantly expanded the Company's drilling inventory to over 45 opportunities, offering a diversified portfolio of exploration, development and lower-risk optimization projects.
- On April 2, 2008, management upwardly revised the Company's 2008 production guidance to an average daily production estimate of more than 750 boe/d and 2008 production exit rate target to approximately 900 boe/d;
- The Company completed a very successful winter 2008 drilling program resulting in 6 (3.3 net) wells drilled, resulting in 5 (2.8 net) successful wells for an 85% drilling success rate;
  - Significant new pool discoveries were made in Clayhurst, Boundary Lake and Gordondale during the first quarter of 2008. In Clayhurst, the gas well (1.0 net) has been placed on production at current rates of 1.0 mmcf/d (167 boe/d net). The Boundary Lake discovery gas well (0.5 net) is currently on production at a restricted rate of 1.0 mmcf/d gross (83 boe/d net);
  - Seaview's Gordondale Kiskatinaw discovery (0.3 net) has been successfully completed and evaluated with test rates of 3.8 mmcf/d (190 boe/d net) at a flowing pressure of 1200 psi. Tie-in operations are underway with initial production rates of 2.0 – 2.5 mmcf/d (100 – 125 boe/d net) expected to be online by the third quarter of 2008;
  - Seaview drilled a multi-zone exploratory well (0.4 net) at Valhalla that tested at 200 bbls/d from a new light oil pool discovery. The well is expected to be brought on production post break-up and will be restricted to a regulatory allowable of 60 bbls/d. In addition to the new pool discovery, the Valhalla well encountered four other prospective pay zones leading to additional development potential as a result of this new discovery.
- The secured credit facility with a Canadian chartered bank increased to $13.5 million concurrent with the 133 acquisition and is anticipated to be increased to more than $16.5 million, subject to final lender approval.

RESULTS OF OPERATIONS FOR 2007

Corporate acquisition

On October 17, 2007, the Company closed the acquisition of 1276921 Alberta Ltd ("PrivateCo"). The Company issued 0.9076 Seaview Class A shares for each common share of PrivateCo outstanding, with a value of $1.38 per Seaview Class A share. The purchase has been accounted for as an acquisition of PrivateCo by Seaview using the purchase method of accounting. The acquisition brought immediate production and cash flow to the Company. From October 17, 2007 to December 31, 2007, the Company had daily average production of 184 boe per day, consisting of 1,048 mcf/d of natural gas and 10 bbl/d of crude oil and liquids. Over the quarter, the average daily production was 151 boe per day (858 mcf/d of natural and 8 bbl/d of crude oil and liquids), accounting for the first 16 days of the quarter where Seaview had no production, prior to the acquisition.

For the year ending December 31, 2007, the Company incurred a net loss of $375,075. As this is the first year of operations for the Company and the impact of the IPO and acquisition of PrivateCo are included from October 17, 2007 forward, the financial results may not be indicative of future periods and the comparative information reported is that of Seaview alone.

The following table summarizes selected information for the fourth quarter of 2007, which is the only quarter Seaview had active operations:

		Q4 2007(1)
Daily Production		
Natural gas (mcf/d)		858
Crude oil and NGL's (bbl/d)		8
Boe/d @ 6:1		151
Petroleum and natural gas sales	$	566,962
Funds flow from operations		98,865
Per share – basic and diluted		0.01
Net loss and comprehensive loss		(369,591)
Per share – basic and diluted		(0.02)

(1) Seaview was incorporated December 13, 2006 and was inactive until June 2007 when it raised capital through an equity offering. The acquisition of PrivateCo, which closed on October 17, 2007, is treated as an acquisition by Seaview and, therefore, the operations of PrivateCo are included in the results of Seaview from the date of closing forward.

Commodity prices

The AECO Daily Index gas price averaged $5.92/gj or $6.25/mcf for the fourth quarter of 2007 (the "Quarter"), Seaview's first quarter of operations. The natural gas price received by Seaview was $6.40/mcf for the Quarter and year to date. Seaview receives a premium to the stated AECO Daily Index as we produce high heat content natural gas that attracts premium market prices. Seaview had no production in previous periods.

The price of West Texas Intermediate crude averaged US$90.81/bbl during the Quarter. For the Quarter, Seaview received an average oil price of $85.80/bbl and a combined average price of $85.92, including our natural gas liquids.

The Canadian dollar continues to show strength against the U.S. dollar, averaging US$0.9820 during the Quarter. As the price of WTI crude oil and Nymex natural gas is quoted in U.S. dollars, appreciation in the Canadian dollar reduces the average price received for our production. Seaview will mitigate exposure to the impact of exchange rate fluctuations by hedging a portion of our production in Canadian dollar denominated puts, swaps and collars.

Commodity price risk management

The prices we receive for our petroleum and natural gas can fluctuate significantly due to weather patterns, the economic environment or political uncertainty.

Our commodity price risk management program is designed to provide price protection on a portion of our future production in the event of adverse commodity price movement, while retaining the opportunity to participate in favourable price movements. This practice allows us to generate stable funds flow for capital development and acquisition activities, and to ensure positive economic returns on those activities. During 2007 and as at December 31, 2007, the Company had no natural gas financial contracts in place.

The Company has elected not to use hedge accounting and consequently will record the fair value of any natural gas financial contracts at each reporting period with the change in the fair value being classified as unrealized gains and losses in the statement of earnings. As there were no outstanding contracts on the date of adoption, no amounts were recognized in the financial statements on adoption.

The Company's financial derivative trading activities are conducted pursuant to the Company's Hedging Policy Manual approved by the Board of Directors. The Hedging Policy Manual has the objectives of reducing risk exposure to budgeted annual funds generated from operations projections resulting from uncertainty or changes in commodity prices; limiting financial contract volumes up to a maximum of 50 percent of forecasted production, and limiting financial derivative trading activity to counter-parties that provide sufficient collateral in support of payment or have investment grade credit ratings.

Seaview's natural gas financial contracts put in place after December 31, 2007 are described in Note 8 of the audited consolidated financial statements. There were no natural gas derivative contracts outstanding as at December 31, 2007. Subsequent to year end, the Company entered into contracts for the period April 2008 to March 2009 and on the acquisition of 133, the Company assumed 133's contract for the same period. The total volumes hedged for the period of April 2008 to March 2009 are 1,500 gj/ per day using a fixed price swap of $7.83/gj (500 gj/d) and a put (with a floor, net of premiums) of $6.75/gj (1,000 gj/d).

Petroleum and natural gas sales

		2007
Natural gas	$	**504,994**
Crude oil and natural gas liquids		**61,968**
Petroleum and natural gas sales	$	**566,962**

Petroleum and natural gas sales, before royalties and transportation costs were $599,962 for 2007 ($nil – 2006). The increase is solely attributable to the acquisition of PrivateCo which closed on October 17, 2007.

Royalties

		2007
Royalties	$	**131,257**
Percentage of petroleum and natural gas revenue		**23.1%**
$/boe	$	**9.46**

We pay royalties to the owners of the mineral rights with whom we hold leases, including the provincial governments. Overriding royalties are also paid to other parties according to contracts. In Alberta, where we produce our natural gas, a crown royalty is invoiced on the Crown's share of production based on a monthly established Alberta Reference Price. The Alberta Reference Price is a monthly weighted average price of gas consumed in Alberta and gas exported from Alberta reduced for transportation and marketing allowances. There is a maximum rate of 30 percent for new gas and 45 percent on old gas. The majority of our gas production is from new gas. In today's gas price environment, we are subject to the maximum rates. Gas cost allowance, low productivity and other incentive schemes serve to reduce our effective royalty rate.

All of our oil production is in Alberta. Royalty rates in Alberta vary depending on the rate of production, oil prices and applicable incentives. Seaview had oil royalty holidays in 2007 on its oil production acquired with the closing of PrivateCo.

Royalties for the year totalled $131,257 ($nil – 2006). As a percentage of sales royalties averaged 23.1 percent during the year or $9.46/boe. The outlook for 2008 is for royalties to range between 20 percent and 25 percent, depending on the success of our drilling programs.

On October 15, 2007, the Government of Alberta announced changes to the royalties payable on all Crown mineral rights owned by the Province. If enacted on January 1, 2009, as released on October 25, 2007, factors determining the calculation of Crown royalties to be paid will include the rate of production per well, commodity prices and the depth drilled. At this time, based on the January 2008 price assumptions of Sproule Associates Limited, Seaview anticipates that the royalty rate would increase to between 26 and 29 percent from 20 to 22 percent. This estimate is subject to change based on the actual plan implemented by the Government, the success of our drilling program and the ultimate rate of production, depth of the wells drilled and the commodity prices we receive in 2009.

Operating expenses

		2007
Operating expenses	$	**154,699**
$/boe	$	**11.15**

Operating expenses, for 2007 were $154,699 ($nil – 2006) as a result of the PrivateCo acquisition which closed October 17, 2007. On a unit-of-production basis, operating expenses averaged $11.15 per boe.

Our operating expenses were higher than we expect them to be on a go forward basis as three low productivity oil wells were shut in at the end of the Quarter. Without those oil wells, our operating expenses would have been $8.86 per boe. We expect our operating expenses to average between $9.00 and $10.00 per boe during 2008.

Transportation expense

		2007
Transportation expense	$	16,723
$/boe	$	1.21

For 2007, transportation expense totalled $16,723 or $1.21 per boe ($nil – 2006). Oil Transportation expense, associated with pipeline tariffs and trucking of clean oil to a sales point, averaged $1.18 per bbl. Natural gas transportation expense, associated with pipeline tariffs, averaged $0.20 per mcf.

Operating netbacks

Netbacks *($/boe)*		2007
Petroleum and natural gas sales	$	40.86
Less:		
Royalties		9.46
Operating expenses		11.15
Transportation expense		1.21
Net operating income (operating netback)		19.04

General and administrative ("G&A")

		2007
G&A expenses	$	592,380
Overhead recoveries		(327,216)
Net G&A expenses	$	265,164
$/boe	$	19.11

G&A, net of overhead recoveries on operated properties and capitalized expenditures, totalled $265,164 ($nil – 2006). On a unit-of-production basis, G&A expenses were $19.11 per boe. The majority of the expenses were incurred in the fourth quarter of 2007 once Seaview commenced active operations. The most significant components of the G&A expense include head office employee compensation and office lease costs. With the acquisition of PrivateCo, Seaview added a full complement of management, technical and support staff to manage the producing assets and the 2007/2008 drilling and acquisition program.

Our G&A per unit-of-production is high due to the start up nature of our business. With additional volumes anticipated on the success of our drilling programs and through synergistic, strategic acquisitions, we believe we will bring our G&A per boe in line with industry averages.

Interest income

		2007
Interest income	$	94,261
$/boe	$	6.79

Interest income, representing interest on invested cash balances, was $94,261 or $6.79 per boe ($nil – 2006). From October 17, 2007 forward, the average balance invested was $10.3 million, earning an average of 4.53 percent per annum.

Stock option compensation

The Company has a stock option plan, which is fully described in Note 6 of the audited consolidated financial statements. The Company issued 958,810 stock options during 2007 with an exercise price of $0.40 per Class A share. At December 31, 2007, 958,810 options were outstanding with a weighted average remaining contractual life of 4.8 years. None of the options were exercisable.

For the year ended December 31, 2007, the Company recorded a compensation expense of $36,620 ($nil - 2006) and capitalized $52,451 (including a tax effect of $15,625) ($nil – 2006).

Depletion, depreciation and accretion ("DD&A")

The current year provision for DD&A totalled $560,479 ($nil – 2006). On a unit-of-production basis, DD&A costs averaged $40.39 per boe, as a result of the PrivateCo acquisition, which closed October 17, 2007. The acquisition brought immediate production and cash flow to Seaview.

Future income taxes

A future income tax reduction of $128,644 has been recorded for 2007 ($nil – 2006). No current tax expense has been recorded as Seaview is not subject to capital taxes and has no current income tax liability.

The following table summarizes Seaview's federal tax pools by classification at December 31, 2007.

Tax pools		2007
Canadian exploration expense (CEE)	$	**2,445,384**
Canadian development expense (CDE)		**25,893**
Canadian oil and gas property expense (COGPE)		**214,170**
Undepreciated capital costs (UCC)		**1,618,256**
Non capital losses (NCLs)		**1,298,709**
Share issue costs (SICs)		**1,007,963**
	$	**6,610,374**

Net loss, comprehensive loss and funds flow from operations

Net loss and comprehensive loss for 2007 was $375,075 ($nil – 2006). Seaview commenced active operations in the fourth quarter of 2007. Basic and diluted net loss per share for 2007 was $0.07 ($nil – 2006). Funds flow from operations was $93,380 ($nil – 2006). Basic and diluted funds flow from operations per share was $0.02 ($nil – 2006).

The following table summarized netbacks, funds flow from operations and net loss on a barrel of oil equivalent basis:

Netbacks *($/boe)*		2007
Petroleum and natural gas sales	$	**40.86**
Less:		
Royalties		**9.46**
Operating expenses		**11.15**
Transportation expense		**1.21**
Net operating income (operating netback)		**19.04**
General and administrative		**19.11**
Interest income		**(6.79)**
Funds flow from operations		**6.72**
Depletion, depreciation and accretion		**40.39**
Stock option compensation		**2.64**
Future income tax reduction		**(9.27)**
Net Loss *($/boe)*	$	**(27.04)**

SHARE INFORMATION

	2007
Weighted average shares outstanding	
Basic and diluted	**5,550,784**
Outstanding securities at December 31, 2007	
Class A shares	**19,073,007**
Class B shares	**1,053,540**
Options, Class A shares	**958,810**
Outstanding securities at April 23, 2008	
Class A shares	**27,122,257**
Class B shares	**1,053,540**
Options, Class A shares	**1,640,000**

The Company's Class B shares are convertible (at the option of the Company) at any time after June 1, 2010 and before May 31, 2012, into Class A shares. The number of Class A shares obtained upon the conversion of each Class B share will be equal to $10.00 divided by the greater of $1.00 and the weighted average trading price of the Class A shares during the thirty days prior to the conversion date. If conversion has not occurred by the close of business on May 31, 2012, the Class B shares become convertible (at the option of the holder) into Class A shares on the same basis. Effective June 30, 2012, all remaining Class B shares will automatically convert to Class A shares.

INVESTMENT

Capital expenditures

Capital expenditures during 2007 totalled $16,783,763. The Company acquired PrivateCo on October 17, 2007 for $13.1 million, immediately after closing the IPO. The Company incurred $3.7 million, the majority of which was incurred subsequent to the IPO, on the drilling of 2 (1.5 net) wells and completions of 5 (2.3 net) wells as well as participating in a seismic shoot and Crown land sales. The table below summarizes the capital expenditures.

		2007
Land	$	232,975
Geological and geophysical		465,295
Drilling and Completions		2,501,980
Tangible equipment		488,189
Asset retirement obligations		42,526
	$	3,730,965
Corporate Acquisitions		13,052,000
Office furniture & fixtures		798
	$	13,052,798
Total capital expenditures	$	16,783,763

Seaview has total land at December 31, 2007 of approximately 4,500 net acres. Subsequent to year end, on the acquisition of 133, the Company had approximately 21,000 net acres of land. In addition, the Company has access to approximately 32,000 gross acres of land under options through various farm-in agreements. All of Seaview's land is in the Peace River Arch area of northwest Alberta.

CAPITALIZATION AND CAPITAL RESOURCES

The Company's total capitalization was $34.4 million at December 31, 2007 with the market value of Class A and Class B shares representing 92 percent of the total capitalization. The market value of the Company's shares at December 31, 2007 was $31.6 million.

		2007
Class A shares outstanding		19,072,907
Class A share price (1)	$	1.52
Class A market capitalization		28,990,819
Class B shares outstanding		1,053,540
Class B share price (1)		2.51
Class B market capitalization		2,644,385
Total market capitalization		31,635,204
Asset retirement obligations		196,963
Future income tax liability		2,570,406
Total capitalization	$	34,402,573

(1) *Represents the closing price on the TSX Venture on December 31*

Bank facility

At December 31, 2007, the Company had a $2.0 million credit facility, which had no amounts drawn against it. The facility is a revolving demand borrowing base facility with a Canadian chartered bank, that is determined based on, among other things, the Company's current reserve report, results of operations, current and forecasted commodity prices and the current economic environment. Subsequent to year end, the credit facility was increased to $13.5 million, as discussed in the subsequent events section and in Note 9 of the audited consolidated financial statements.

Investing program funding

		2007
Funds flow from operations	$	**93,380**
Changes in non-cash working capital		**2,647,505**
Issue of shares for cash (net of share issue costs)		**11,777,594**
Issue of shares for corporate acquisition		**13,251,448**
Less cash and short term investments, end of period		**(10,776,213)**
Capital expenditures during the year	$	**16,993,739**

The Company's 2007 capital investment program was funded by funds flow from operations, the two private equity offerings, the IPO and a share issuance for the corporate acquisition of PrivateCo.

Working capital

The capital intensive nature of the Company's activities may create a negative working capital position in years with high levels of capital investment. The working capital surplus increased from $25 as at December 31, 2006 to $8.2 million as at December 31, 2007 as a result of the IPO closing on October 17, 2007.

Substantially all of the Company's petroleum and natural gas production is marketed to purchasers with investment grade credit ratings. The industry has a pre-arranged monthly clearing day for payment of revenues from all buyers of crude oil and natural gas. This occurs on the 25th day following the month of sale. As a result, the Company's production revenues are collected in an orderly fashion. The Company monitors its revenue counterparty credit positions to mitigate any potential credit losses. To the extent the Company has joint venture partners in its activities, it must collect on a monthly basis, partners' share of capital and operating expenses. These are subject to normal collection risk. The Company normally collects significant amounts related to partners' share of capital amounts in advance of expenditures taking place, in accordance with standard industry operating procedures. Accounts payable consist of amounts payable to suppliers on field operating activities and capital spending activities. These invoices are processed within the Company's normal payment period. At December 31, 2007, the Company had no material accounts receivable that it deemed uncollectible.

The Company actively manages its capital structure. The Company's objectives when managing capital is to maintain a flexible capital structure to allow it to execute on its capital investment program, which includes investing in oil and gas activities that may or may not be successful. The Company will strive to balance the proportion of debt and equity in its capital structure to take into account the level of risk being incurred in its capital expenditures.

GUARANTEES/OFF-BALANCE SHEET ARRANGEMENTS

The Company has no guarantees or off-balance sheet arrangements, except for certain lease agreements. Seaview has certain lease agreements that are entered into in the normal course of operations. All leases are treated as operating leases whereby the lease payments are included in operating expenses or G&A expense depending on the nature of the lease. No asset or liability value has been assigned to these leases on the balance sheet as at December 31, 2007. The total future obligation from these operating leases is described below in the section "Contractual obligations and commitments".

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

As part of the Company's land capture strategy, it will commit to industry partners to drill wells and/or shoot seismic in order to earn positions in contiguous land blocks. As at December 31, 2007, Seaview had commitments to drill 2 wells and to re-enter and complete a series of wells, totaling approximately $2.5 million (net) in 2008 which will earn lands from area competitors in the Peace River Arch area of northwest Alberta.

The Company issued $11,706,000 of flow through shares on October 17, 2007 under the IPO. These funds must be spent on qualifying expenditures prior to December 31, 2008. As at December 31, 2007, the Company had a remaining commitment to spend $10.0 million. Part of this commitment is fulfilled by completing the farm-in obligations noted above.

The Company must pay Crown royalties, surface rentals, mineral taxes and abandonment and reclamation costs with respect to its ongoing ownership of hydrocarbon production rights. The amounts paid with respect to these burdens will depend on the future ownership, production, commodity prices and regulatory environment at the time.

In addition, subsequent to December 31, 2007, the Company assumed derivative financial instruments as part of the corporate acquisition as described in Note 9 to the audited consolidated financial statements. The terms and conditions are disclosed in Note 8 of the audited consolidated financial statements. The future premiums Seaview is committed to pay are included in the table below.

The Company's future contractual commitments are summarized below:

		Total	2008	2009	2010	2011	2012
Operating leases	$	1,412,637	287,316	287,316	287,316	287,316	263,373
Farm-in and flow through share drilling	$	10,776,656	10,776,656	-	-	-	-
Financial instrument premiums	$	299,300	225,500	73,800	-	-	-
Total contractual obligations	$	12,488,593	11,289,472	361,116	287,316	287,316	263,373

SUBSEQUENT EVENTS

On April 1, 2008, the Company acquired 1332915 Alberta Ltd ("133"). Each 133 shareholder received 8.74 Class A shares for each 133 common share they held, resulting in the issuance of 8,049,250 Class A shares at $1.00 per Class A share. Following the closing of the acquisition, the Company had 27,122,257 Class A shares and 1,053,540 Class B shares outstanding.

The purchase will be accounted for as an acquisition of 133 by Seaview using the purchase method of accounting. The following is an estimate of the purchase price allocation as at December 31, 2007 and is subject to change once final values are known:

Current assets	$	**2,046,624**
Property, plant and equipment		**27,664,000**
Bank debt		**(18,407,664)**
Accounts payable and accrued liabilities		**(2,426,613)**
Unrealized loss on derivative contract		**(178,663)**
Goodwill		**6,610,913**
Future income taxes		**(6,546,561)**
Asset retirement obligations		**(462,786)**
	$	**8,299,250**
Consideration will be comprised of:		
Issuance of 8,049,250 Class A shares		**8,049,250**
Estimated transaction costs		**250,000**
	$	**8,299,250**

SELECTED QUARTERLY INFORMATION AND FOURTH QUARTER ANALYSIS

Financial		Q4 2007[1]
Petroleum and natural gas sales	$	566,962
Funds flow from operations		98,865
Basic and diluted per share		0.01
Net loss		(369,591)
Basic and diluted per share		(0.02)
Capital expenditures, E&D		3,274,652
Corporate acquisitions		13,242,776
Working Capital surplus		8,242,885
Shares Outstanding		
Class A		19,073,007
Class B		1,053,540
Operations		
Daily production		
Natural gas (mcf/d)		858
Light oil and NGLs (bbls/d)		8
Total production (boe/d)		151
Average sales price		
Natural gas (per mcf)	$	6.40
Light oil and NGL (per bbl)		85.96
Netback per boe		
Sales price	$	40.86
Royalties		9.46
Operating expenses		11.15
Transportation		1.21
Operating netback	$	19.04

(1) Seaview was incorporated December 13, 2006 and was inactive until June 2007 when it raised capital through an equity offering. The acquisition of PrivateCo, which closed on October 17, 2007, is treated as an acquisition by Seaview and, therefore, the operations of PrivateCo are included in the results of Seaview from the date of closing forward

Production

Production during the Quarter of 151 boe/d represents the first quarter of operational history for Seaview and is wholly attributable to the acquisition of PrivateCo. If the acquisition had occurred on October 1, 2007, the average daily production for the quarter would have been 184 boe/d.

Petroleum and natural gas sales

Petroleum and natural gas sales, before royalties and transportation costs were $599,962 for the Quarter ($nil – 2006). The increase is solely attributable to the acquisition of PrivateCo which closed on October 17, 2007.

Royalties

During the Quarter, royalties totalled $131,257 ($nil – 2006). As a percentage of sales, royalties averaged 23.1 percent during the Quarter or $9.46/boe.

Operating expenses

Operating expenses during the Quarter were $154,699 ($nil – 2006), as a result of the PrivateCo acquisition which closed October 17, 2007. On a unit-of-production basis, operating expenses averaged $11.15 per boe.

Operating expenses were higher in the Quarter than we expect them to be on a go forward basis as three low productivity oil wells were shut in at the end of the Quarter. Without those oil wells, our operating expenses would have been $8.86 per boe.

Transportation expense

During the Quarter, transportation expense totalled $16,723 or $1.21 per boe ($nil – 2006). Oil Transportation expense, associated with pipeline tariffs and trucking of clean oil to the sales point, averaged $1.18 per bbl. Natural gas transportation expense, associated with pipeline tariffs, averaged $0.20 per mcf.

General and administrative expenses ("G&A")

G&A net of overhead recoveries, on operated properties and capitalized expenditures, totalled $259,680 for the Quarter as compared to $5,485 in the third quarter of 2007 and nil in all previous quarters. On a unit-of-production basis, G&A expenses were $18.72 per boe for the Quarter. The majority of the G&A expenses for the year were incurred in the Quarter once Seaview commenced active operations. The most significant components of the G&A expense include head office employee compensation and office lease costs. With the acquisition of PrivateCo, Seaview added a full complement of management, technical and support staff to manage the producing assets and the 2007/2008 drilling and acquisition program.

Interest income

Interest income, representing interest on invested cash balances, was $94,261 or $6.79 per boe ($nil – 2006). From October 17, 2007 forward, the average balance invested was $10.3 million, earning an average of 4.53 percent per annum.

Depletion, depreciation and accretion ("DD&A")

The provision for DD&A during the Quarter totalled $560,479 as compared to nil for all prior quarters. On a unit-of-production basis, DD&A costs averaged $40.39 per boe as compared to nil in all prior periods, as a result of the PrivateCo acquisition, which closed October 17, 2007. The acquisition brought immediate production and cash flow to Seaview.

Future income taxes

A future income tax reduction of $128,644 has been recorded for the Quarter as compared to nil in all prior quarters. No current tax expense has been recorded as Seaview is not subject to capital taxes and has no current income tax liability.

Net loss, comprehensive loss and funds flow from operations

Net loss and comprehensive loss for the Quarter was $369,591 as compared to a loss of $5,485 in the third quarter of 2007 and nil in all previous quarters as Seaview commenced active operations in the fourth quarter of 2007. Basic and diluted net loss per share for the Quarter was $0.02. Funds flow from operations was $98,865 for the Quarter as compared to Funds flow from operations of ($5,485) in the third quarter of 2007 and nil in all previous quarters.. Basic and diluted funds flow from operations per share for the Quarter was $0.01

Capital expenditures

For the Quarter, capital expenditures totalled $16,535,805. The Company acquired PrivateCo on October 17, 2007 for $13.1 million, immediately after closing the IPO. The Company incurred $3.5 million in the Quarter on the drilling of 2 (1.5 net) wells and completions of 5 (2.3 net) wells and as well as participating in a seismic shoot and a Crown land sale. The table below summarizes the capital expenditures during the Quarter.

		Q4 2007
Land	$	179,267
Geological and geophysical		271,045
Drilling and Completions		2,501,980
Tangible equipment		488,189
Asset retirement obligations		42,526
	$	3,483,007
Corporate Acquisitions		13,052,000
Office furniture & fixtures		798
	$	13,052,798
Total capital expenditures	$	16,535,805

OUTLOOK

With the execution of two strategic corporate acquisitions, combined with a very successful 2008 winter drilling program, Seaview now has the following corporate characteristics:

- Total Proven reserves of 2,323 mboe, and Total Proven plus Probable reserves of 3,291 mboe, effective March 31, 2008, as evaluated by Sproule and Associates Limited utilizing NI 51-101 reserve definitions;
- Reserve life index of 9 years based on Total Proven plus Probable reserves;
- Total Proven reserves value of $47.9 million, based on before tax net present value at a 10% discount rate (“BTAX NPV10%”). Total Proven plus Probable reserves value of $62.9 million at BTAX NPV10%;
- Net asset value of $2.51 and $1.99 per Class A share, using a BTAX 5% and 10% discount rate respectively, including value of undeveloped land;
- Forecast 2008 average daily production estimate of more than 750 boe/d and 2008 production exit rate target to approximately 900 boe/d;
- Forecast annualized cash flow of $10.3 million ($0.38 per Class A share), assuming 2008 average AECO gas price of $8.85/GJ which represents a 10% discount to 2008 calendar year strip prices at April 23, 2008;
- A debt to cash flow ratio of 1.0 times (based on current estimated net debt of $10.5 million and the aforementioned cash flow estimate);
- Current secured credit facility of $13.5 million which is anticipated to be increased to more than $16.5 million, subject to final lender approval.

Seaview’s management team has aggressively positioned the Company for solid future growth per share through the successful execution of the Company’s business strategy.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in accordance with Canadian GAAP requires Management to make judgments and estimates that affect the financial results of the Company. Seaview’s Management reviews its estimates regularly, but new information and changed circumstances may result in actual results or changes to estimated amounts that differ materially from current estimates. A summary of significant accounting policies are presented in Note 1 to the audited consolidated financial statements. The critical estimates are discussed below:

Petroleum and natural gas reserves

All of Seaview’s petroleum and natural gas reserves are evaluated and reported on by independent petroleum engineering consultants in accordance with Canadian Securities Administrators’ National Instrument 51-101 (“NI 51-101”). The evaluation of reserves is a subjective process. Forecasts are based on engineering data, projected future rates of production, commodity prices and the timing of future expenditures, all of which are subject to numerous uncertainties and various interpretations. The Company expects that its estimates of reserves will change to reflect updated information. Reserve estimates can be revised upward or downward based on the results of future drilling, testing, production levels and changes in costs and commodity prices.

Depletion expense

The Company uses the full cost method of accounting for exploration and development activities whereby all costs associated with these activities are capitalized, whether successful or not. The aggregate of capitalized costs, net of certain costs related to unproved properties, and estimated future development capital is amortized using the unit-of-production method based on estimated proved reserves. Changes in estimated proved reserves or future development capital have a direct impact on depletion expense.

Certain costs related to unproved properties and major development projects may be excluded from costs subject to depletion until proved reserves have been determined or their value is impaired. These properties are reviewed quarterly to determine if proved reserves should be assigned, at which point they would be included in the depletion calculation, or for impairment, for which any write-down would be charged to depletion and depreciation expense.

Full cost accounting ceiling test

The carrying value of property, plant and equipment is reviewed at least annually for impairment. Impairment occurs when the carrying value of the assets is not recoverable by the future undiscounted cash flows. The cost recovery ceiling test is based on estimates of proved reserves, production rates, petroleum and natural gas prices, future costs and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the impact on the financial statements could be material. Any impairment would be charged as additional depletion expense.

Asset retirement obligations

The asset retirement obligation is estimated based on existing laws, contracts or other policies. The fair value of the obligation is based on estimated future costs for abandonments and reclamations discounted at a credit adjusted risk free rate. The liability is adjusted each reporting period to reflect the passage of time, with the accretion charged to earnings and for revisions to the estimated future cash flows. By their nature, these estimates are subject to measurement uncertainty and the impact on the financial statements could be material.

Income taxes

The determination of the Company's income and other tax liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax liability may differ significantly from that estimated and recorded.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by Seaview is accumulated and communicated to the Company's Management as appropriate to allow timely decisions regarding required disclosures. The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have concluded, based on their evaluation as of the end of the period covered by the annual filings, that the Company's internal controls over financial reporting are effective to provide reasonable assurance that material information related to the issuer, is made known to them by others within the Company. It should be noted that while the Company's CEO and CFO believe that the Company's internal controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that these controls will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

CHANGE IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

Internal control reporting

In March 2006, Canadian Securities Administrators decided to not proceed with proposed multilateral instrument 52-111 Reporting on Internal Control over Financial Reporting and instead proposed to expand multilateral instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings. The major changes resulting from this is the CEO and CFO will be required to certify in the annual certificates that they have evaluated the effectiveness of internal controls over financial reporting ("ICOFR") as of the end of the financial year and disclose in the annual MD&A their conclusions about the effectiveness of ICOFR. There will be no requirement to obtain an internal control audit opinion from the issuer's auditors concerning management's assessment of the effectiveness of ICOFR.

There is also no requirement to design and evaluate internal controls against a suitable control framework. This proposed amendment is expected to apply for the year ended December 31, 2008. Seaview is continuing with its evaluation of ICOFR to ensure it meets the criteria for the proposed certification for December 31, 2008.

Financial instruments

The following standards regarding financial instruments are effective for January 1, 2007; 3855 – "Financial Instruments – Recognition and Measurement", 3861 Financial Instruments – Disclosure and Presentation, 1530 – "Comprehensive Income", and 3865 – "Hedges". The standards require all financial instruments other than held-to-maturity investments, loans and receivables, to be included on a company's balance sheet at their fair value. Held-to-maturity investments, loans and receivables would be measured at their amortized cost. The standards create a new statement for comprehensive income that will include changes in the fair value of certain derivative financial instruments. As a result of these new standards, the Company elected not to use hedge accounting beginning January 1, 2007 and will mark-to-market its natural gas derivative contracts under its risk management program.

Effective December 31, 2006, Seaview early adopted the disclosures required under section 3862 Financial Instruments – Disclosures which applies to both recognized and unrecognized financial instruments. These disclosures, which include the nature and extent of risks arising from financial instruments, are included in Note 8 of the audited consolidated financial statements.

Capital disclosures

Effective December 31, 2007 Seaview early adopted the new recommendations of the CICA for disclosure of the Company's objectives, policies and processes for managing capital (Section 1535) as discussed in Note 6 of the audited consolidated financial statements.

Convergence with international reporting standards

On February 13, 2008, Canada's Accounting Standards Board confirmed January 1, 2011 as the effective date for the convergence of Canadian GAAP to International Financial Reporting Standards. The Canadian Securities Administrators are is the process of examining changes to securities rules as a result of this initiative. As this change initiative is in its infancy, Seaview has not determined its impact on its financial position or results of operations. Seaview is involved with the Canadian Association of Petroleum Producers' ("CAPP") task force with regards to implementation of these standards for the oil and gas industry.

RISK ASSESSMENT

There are a number of risks facing participants in the Canadian oil and gas industry. Some of the risks are common to all businesses while others are specific to the sector. The following reviews the general and specific risks.

Exploration, development & production risks

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. Seaview's long-term commercial success depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, any existing reserves it may have at any particular time and the production therefrom will decline over time as such existing reserves are exploited. A future increase in Seaview's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that the Company will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, Seaview may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that further commercial quantities of oil and natural gas will be discovered or acquired by Seaview. Future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include: delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Oil and natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas release and spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or in personal injury. In accordance with industry practice, the Company is not fully insured against all of these risks, nor are all such risks insurable. Although Seaview maintains liability insurance, when available, in an amount that it considers consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into production formations. Losses resulting from the occurrence of any of these risks could have a material adverse effect on future results of operations, liquidity and financial condition.

Finding

Oil and gas exploration requires manpower and capital to generate and test exploration concepts. The eventual testing of a concept will not necessarily result in the discovery of economical reserves. Seaview attempts to minimize finding risk by ensuring that:

- The majority of prospects have multi-zone potential.
- Activity is focused in core regions where expertise and experience is greatest.
- Number of wells drilled is large enough to increase the probability of statistical success rates.
- Working interest are targeted at over 60 percent in new prospects.
- Geophysical techniques are utilized where appropriate.

Investment risk profile

The Company's investment selection process is based on risk analysis to ensure capital expenditures balance the objectives of immediate cash flow growth (development activity) and future cash flow from the discovery or reserves (exploration). This careful prospect selection process can yield consistent and efficient results. The Company currently focuses its activity in one core area, allowing it to leverage off its experience and knowledge in this area further aiding efficiencies. The Company attempts to maintain a broad range of investment choices to limit the investment risk by continually investing a portion of its annual budget to future years. The Company attempts to use farm-outs to minimize risk on plays it considers higher risk.

Production

Beyond exploration risk, there is the potential that the Company's oil and natural gas reserves may not be economically produced at prevailing prices. Seaview minimizes this risk by generating exploration prospects internally, targeting high quality projects and attempting to operate the associated project. Operational control allows the Company to control costs, timing, method and sales of production. Production risk is also minimized by concentrating exploration efforts in regions where facilities and infrastructure are Seaview owned, or the Company can control the future development of new facilities and infrastructure.

Reserve estimates

Economically recoverable oil and natural gas reserves (including natural gas liquids), estimated by the Company's independent engineering firm, Sproule Associated Limited., and the future net cash flows there from are based upon a number of variable factors and assumptions, such as commodity prices, projected production from the properties, the assumed effects of regulation by government agencies and future operating costs. All of these estimates may vary from actual results. Estimates of the recoverable oil and natural gas reserves attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of future net revenues expected there from, may vary. The Company's actual production, revenues, taxes, development and operating expenditures with respect to its reserves may vary from such estimates, and such variances could be material.

Competitive industry conditions

The western Canadian oil and natural gas industry has become a very competitive industry for oil and gas properties, undeveloped land, drillable prospects and oil and natural gas industry professionals. The Company has earned contiguous land blocks through farm-in agreements with area competitors and will continually try to earn land in this manner or through competitive bids at public land sales.

Supply of service and production equipment

The supply of service and production equipment at competitive prices is critical to the ability to add reserves at a competitive cost and produce these reserves in an economic and timely fashion. In periods of increased activity these services and supplies can become difficult to obtain. The Company attempts to mitigate this risk by developing strong long term relationships with suppliers and contractors.

Prices, markets and marketing

The marketability and price of oil and natural gas that may be acquired or discovered by the Company will be affected by numerous factors beyond its control. Seaview's ability to market its natural gas may depend upon our ability to acquire space on pipelines that deliver natural gas to commercial markets. We may also be affected by deliverability uncertainties related to the proximity of our reserves to pipelines and processing facilities, and related to operational problems with such pipelines and facilities as well as extensive government and regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Both oil and natural gas prices are unstable and are subject to fluctuation. Any material decline in prices could result in a reduction of our net production revenue. The economics of producing from some wells may change as a result of lower prices, which could result in a reduction in the volumes of our reserves. Seaview might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in the Company's net production revenue causing a reduction in its oil and gas acquisition, development and exploration activities. In addition, bank borrowings available to use are in part determined by our borrowing base, A sustained material decline in prices from historical average prices could reduce our borrowing base, therefore reducing the bank credit available to us which could require that a portion, or all, of our bank debt be repaid.

Demand for crude oil and natural gas produced by the Company exists within Canada and the US, however, crude oil prices are affected by worldwide supply and demand fundamentals while natural gas prices are affected by North American supply and demand fundamentals. Demand for natural gas liquids is dictated predominately by demand for petrochemicals in North American and offshore markets. Seaview mitigates the risks as follows:

- . Natural gas is connected to mature pipeline infrastructure that operates with minimal interruptions.
- Crude oil production is of a high quality and hence not subject to adverse quality differentials
- Exploration efforts target high quality oil and liquids rich natural gas reserves.
- Exploration efforts are concentrated in regions where marketing expertise levels are highest.
- Financial instruments are used, where appropriate, to manage commodity price volatility.

Risk management

From time to time, Seaview may enter into agreements to receive fixed prices on our oil and natural gas production to offset the risk of revenue losses if commodity prices decline; however, if commodity prices increase beyond the levels set in such agreements, we will not benefit from such increases. Similarly, from time to time, Seaview may enter into agreements to fix the exchange rate of Canadian to US dollars in order to offset the risk of revenue losses if the Canadian dollar increases in value compared to the United States dollar; however, if the Canadian dollar declines in value compared to the United States dollar, we will not benefit from the fluctuating exchange rate.

Seaview has a Hedging Policy Manual, the objective of which is to ensure cash flow is sufficient to fund the capital program and cover debt payments by reducing the exposure to commodity prices. These objectives may be achieved through the use of financial instruments or through fixed price contracts for the delivery of physical volumes. The program has established targets and guidelines as approved by the Board of Directors from time to time. Effective controls and procedures are in place to ensure that the mandate is followed.

Regulatory

Oil and natural gas operations (exploration, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government that may be amended from time to time. Seaview's operations may require licenses from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration and development at it projects.

Kyoto Protocol

Canada is a signatory to the United Nations Framework Convention on Climate Change and has ratified the Kyoto Protocol established thereunder to set legally binding targets to reduce nationwide emissions of carbon dioxide, methane, nitrous oxide and other so-called "greenhouse gases". Seaview's exploration and production facilities and other operations and activities emit greenhouse gases which will likely subject Seaview to possible future legislation regulating emissions of greenhouse gases, such as the government of Canada's proposed Clean Air Act of 2006 and Alberta's recently enacted Climate Change and Emissions Management Act. The direct or indirect costs of these regulations may adversely affect the expected business of the Seaview.

Environmental and safety risks

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach of applicable environmental legislation may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require Seaview to incur costs to remedy such discharge. Although Seaview believes that it will be in material compliance with current applicable environmental regulations no assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect Seaview's financial condition, results of operations or prospects. There has been much public debate with respect to Canada's ability to meet these targets and the Government's strategy or alternative strategies with respect to climate change and the control of greenhouse gases. Implementation of strategies for reducing greenhouse gases whether to meet the limits required by the Kyoto Protocol or as otherwise determined, could have a material impact on the nature of oil and natural gas operations, including those of Seaview. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict either the nature of those requirements or the impact on Seaview and its operations and financial condition.

There are potential risks to the environment inherent in the business activities of the Company. Seaview has developed and implemented policies and procedures to mitigate environmental, health and safety (EH&S) risks. These policies and procedures include the corporate EH&S policy, emergency response plans, and other policies and procedures. These policies and procedures are designed to protect and maintain the environment, and public and employer safety, with respect to all corporate operations on behalf of shareholders, employees and the public at large. The Company mitigates environmental and safety risks by maintaining its facilities, complying with all provincial and federal environmental and safety regulations. The Company has estimated future asset retirement obligations of $196,963 as at December 31, 2007. The Company recognizes period-to-period changes in the liability of the asset retirement obligation resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flows.

Financial and liquidity risks – additional funding requirements

The funds flow from operations from the Company's reserves may not be sufficient to fund its ongoing activities at all times. From time to time, Seaview may require additional financing in order to carry out its oil and gas acquisition, exploration and development activities. Seaview relies on various sources of funding to support its growing capital expenditure program, including:

• Internally generated funds flow from operations provides the minimum level of funding on which the Company's annual capital expenditures program is based.
• Debt may be utilized to expand capital programs when deemed appropriate.
• New equity, if available and on favorable terms, may be utilized to expand exploration programs and fund acquisitions.

Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate operations. If the revenues from the Company's reserves decrease as a result of lower oil and natural gas prices or otherwise, it will effect its ability to expend the necessary capital to replace its reserves or to maintain its production. If funds flow from operations is not sufficient to satisfy capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on terms acceptable. Neither its articles nor by-laws limit the amount of indebtedness that the Company may incur. The level of indebtedness from time to time, could impair its ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise. In addition, funds flow from operations is influenced by factors which the Company cannot control, such as commodity prices, the US/Cdn exchange rate, interest rates and changes to existing government regulations and tax policies. Should circumstances affect funds flow from operations in a detrimental way, Seaview would respond by increasing debt to within the Company's self-imposed debt guideline and/or reducing capital expenditures.

Title to assets

Although title reviews may be conducted prior to the purchase of oil and natural gas producing properties or the commencement of drilling wells, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat our claim which could result in a reduction of the revenue received.

Insurance

The Company's involvement in the exploration for and development of oil and natural gas properties may result in its becoming subject to liability for pollution, blowouts, property damage, personal injury or other hazards. Although prior to drilling Seaview will obtain insurance in accordance with industry standards to address certain of these risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not in all circumstances be insurable or, in certain circumstances, Seaview may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds flow from operations. The occurrence of a significant event that Seaview is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on our financial position, results of operations or prospects.

Conflicts of interest

Certain directors are also directors of other oil and gas companies and as such may, in certain circumstances, have a conflict of interest requiring them to abstain from certain decisions.

Aboriginal claims

Aboriginal peoples have claimed aboriginal title and rights to portions of Canada. The Company is not aware that any claims have been made in respect of its property or assets. However, if a claim arose and was successful this could have an adverse effect on the Company and its operations.

Reliance on key personnel

Seaview's success depends in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on Seaview. We do not have key person insurance in effect for Management. The contributions of these individuals to Seaview's immediate operations are likely to be of central importance. In addition, the competition for qualified personnel in the oil and natural gas industry is intense and there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of our business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of management.

ADDITIONAL INFORMATION

Additional information relating to the Company is filed on SEDAR and can be viewed at www.sedar.com. Information can also be obtained by contacting the Company at Seaview Energy Inc. 1500, 444 - 5th Avenue S.W., Calgary, Alberta, Canada T2P 2T8 or by email at info@Seaviewenergy.com. Information is also accessible on the Company's web site at www.Seaviewenergy.com.

COMMONLY USED ABBREVIATIONS

boe	Barrel of oil equivalent
boe/d	Barrel of oil equivalent per day
mboe	thousand barrel of oil equivalent
mcf	thousand cubic feet
mcf/d	thousand cubit feet per day
mmcf	million cubic feet
mmcf/d	million cubic feet per day
bbl	barrel
bbl/d	barrels per day
MMBTU	Million British Thermal Units
6:1	A boe conversion ratio of six mcf to one bbl

CORRATE INFORMATION

OFFICERS AND SENIOR MANAGEMENT

Michael J.J. Wuetherick, P.Eng
President and Chief Executive Officer

Stephanie A. Bunch, CA
Vice President, Finance and Chief Financial Officer

H. Scott Oldale
Vice President, Exploration and Chief Operating Officer

Davin Chandler, P.Eng
Vice President, Engineering

Timothy L. Campbell
Vice President, Land

DIRECTORS

Paul Colborne [1],[3] *Calgary, Alberta*
Chairman

Michael J.J. Wuetherick, *P.Eng, Calgary, Alberta*
President, Chief Executive Officer and Director

H. Scott Oldale, *Calgary, Alberta*
Vice President, Exploration, Chief Operating Officer and Director

Gregory Turnbull, [2],[3] *LLB, Calgary, Alberta*
Corporate Governance Committee Chair

James Howe, [4] *CA, Calgary, Alberta*
Audit Committee Chair

Daryl Gilbert, [4] *P.Eng, Calgary, Alberta*
Reserves and Environment Committee Chair

Steven VanSickle, [1],[2] *Calgary, Alberta*
Compensation Committee Chair

Sanjib Gill, *LLB, Calgary, Alberta*
Corporate Secretary

[1] *Member of the Audit Committee*

[2] *Member of the Reserves and Environment Committee*

[3] *Member of the Compensation Committee*

[4] *Member of the Corporate Governance Committee*

BANKERS

National Bank of Canada

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McCarthy Tetrault LLP
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT

Olympia Trust Company
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STOCK EXCHANGE LISTING

TSX - Venture: CVU.A & CVU.B

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