

The logo for Seaview Energy Inc, featuring the company name in a bold, black, sans-serif font. The word "SEAVIEW" is on the top line and "ENERGY INC" is on the bottom line. A horizontal gold bar is positioned below the text. The logo is centered within a large white circle that has a gold inner border and a grey outer border. The background of the page is a vertical strip of blue sky with white clouds, bordered on the left by a gold vertical bar.

**SEAVIEW
ENERGY INC**

Q1

FIRST QUARTER 2008 **REPORT**

*For the three months ended
March 31, 2008*

08

A NEW PERSPECTIVE

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 May 20, 2008 and should be read in conjunction with the unaudited interim consolidated financial statements and selected notes for the period ended March 31, 2008 and the audited consolidated financial statements and MD&A 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 Seaview has only been in operation since October 17, 2007, there is no comparative information for the period ended March 31, 2007. The financial results may not be indicative of future periods.

Non-GAAP measures

This MD&A contains the terms "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 three months ended March 31, 2008 and December 31, 2007 is as follows:

	Three months ended	
	March 31, 2008	December 31, 2007
Funds flow from operations	\$ 352,418	\$ 98,865
Changes in non-cash working capital	(20,288)	(461,595)
Cash provided by operating activities	\$ 332,130	\$ (362,730)

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 unaudited interim consolidated financial statements and this MD&A for the three months ended March 31, 2008 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.

(1) Seaview closed the acquisition of 133 on April 1, 2008, subsequent to the period end, therefore, the results of that acquisition are not included in these amounts.

SELECTED FINANCIAL INFORMATION

Financial		Q1 2008 ⁽¹⁾		Q4 2007 ⁽²⁾
Petroleum and natural gas sales	\$	1,130,240	\$	566,962
Funds flow from operations		352,418		98,865
Basic and diluted per share		0.02		0.01
Net loss		(353,357)		(369,591)
Basic and diluted per share		(0.02)		(0.02)
Capital expenditures		4,516,294		3,274,652
Corporate acquisitions		-		13,242,776
Working Capital surplus		3,800,952		8,242,885
Shares Outstanding				
Class A		19,073,007		19,073,007
Class B		1,053,540		1,053,540
Operations				
Daily production				
Natural gas (mcf/d)		1,456		858
Light oil and NGLs (bbl/d)		4		8
Total production (boe/d)		246		151
Average realized sales price				
Natural gas (per mcf)	\$	8.28	\$	6.40
Light oil and NGL (per bbl)		100.81		85.96
Netback per boe				
Sales price	\$	50.43	\$	40.86
Royalties		11.83		9.46
Operating expenses		11.23		11.15
Transportation		1.25		1.21
Operating netback	\$	26.12	\$	19.04

(2) 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.

HIGHLIGHTS OF FIRST QUARTER OF 2008 AND SUBSEQUENT EVENTS

- Average production increased 63% to 246 boe per day, compared to the average production for the fourth quarter of 2007 of 151 boe per day;
- Cash flow for the quarter increased 256% to \$352,418 from \$98,865 in the fourth quarter of 2007. Correspondingly, cash flow per share doubled to \$0.02;
- Including the combination of the 1332915 acquisition and the winter drilling program, Seaview has already exceeded management's annual average production guidance previous issued;
- The Company completed a very successful winter 2008 drilling program resulting in 6 (3.3 net) wells drilled, comprised of 5 (2.8 net) successful wells for an 85% drilling success rate;
 - Significant new pool discoveries were made at 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 per day (167 boe per day, net). The Boundary Lake discovery gas well (0.5 net) is currently on production at a restricted rate of 1.0 mmcf per day gross (83 boe per day, net);
 - Seaview's Gordondale Kiskatinaw discovery (0.3 net) has been successfully completed and evaluated with test rates of 3.8 mmcf per day (190 boe per day, net) at a flowing pressure of 1200 psi. Tie-in operations are underway with initial production rates of 2.0 – 2.5 mmcf per day (100 – 125 boe per day, net) expected to be online by the third quarter of 2008;

- Seaview successfully drilled a multi-zone exploratory well (0.4 net) at Valhalla that tested light oil from the first zone completed at 200 bbl per day. The well is expected to be brought on production post break up and will be restricted to a regulatory allowable of 60 bbl per day. 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 discovery.
- Closed the corporate acquisition of 1332915 on April 1, 2008 for total consideration of \$27.4 million, comprised of the assumption of 1332915's net debt position and the issuance of 8,049,250 Class A shares of Seaview at \$1.00;
- The acquisition of 1332915 was highly accretive on all measures to Seaview, and significantly expanded the Company's reserves, production, cash flow, land and drilling inventory;
 - The assets acquired from 1332915 consist of high quality, natural gas and light oil properties focused in the Peace River Arch area with production of 550 boe per day (92% natural gas weighted) at the time of closing;
 - Expanded Seaview's land opportunity base 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;
 - Consolidated the Company's interests in the Pouce Coupe area, increasing Seaview's land position to approximately 3 net sections as well as the exposure to the long term development potential in the Montney-Doig resource play;
 - 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 per day and 2008 production exit rate target to approximately 900 boe per day;
- Increased the current bank line to \$13.5 million and anticipate it to be increased to more than \$16.5 million, subject to final lender approval;
- On May 6, 2008, Seaview announced a bought-deal financing for gross proceeds of up to \$6 million through the issuance of up to 2,792,000 Class A Shares to be issued on a "flow-through basis" at a price of \$2.15 per share. The offering is scheduled to close on or about May 29, 2008.

RESULTS OF OPERATIONS FOR THE FIRST QUARTER OF 2008

Corporate acquisition closed on April 1, 2008

On April 1, 2008, the Company closed the acquisition of 133. The Company issued 8,049,250 Seaview Class A shares, with a value of \$1.00 per Seaview Class A share. The purchase has been accounted for as an acquisition of 133 by Seaview using the purchase method of accounting. The acquisition is accretive to Seaview on all measures and is discussed more fully in Note 9 of the interim unaudited financial statement and in the subsequent events section of this MD&A.

Operations

For the three months ended March 31, 2008, the Company incurred a net loss of \$353,357 (nil – March 31, 2007). As the Company has had active operations only from October 17, 2007, these 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 first quarter of 2008 (the "Quarter") and the fourth quarter of 2007 (the "Previous Quarter") when the Company commenced active operations:

	Q1 2008 ⁽¹⁾	Q4 2007 ⁽²⁾
Daily Production		
Natural gas (mcf/d)	1,456	858
Crude oil and NGL's (bbl/d)	4	8
Boe/d day @ 6:1	246	151
Petroleum and natural gas sales	\$ 1,130,240	\$ 566,962
Funds flow from operations	352,418	98,865
Per share – basic and diluted	0.02	0.01
Net loss and comprehensive loss	(353,357)	(369,591)
Per share – basic and diluted	(0.02)	(0.02)

(1) Seaview closed the acquisition of 133 on April 1, 2008, subsequent to the period end, therefore, the results of that acquisition are not included here.

(2) 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 \$7.49 per gj or \$7.90 per mcf for the Quarter as compared to \$5.92 per gj or \$6.25 per mcf during the Previous Quarter. The increase is due to a colder than expected winter, a drop in North American liquefied natural gas (“LNG”) imports which were partially offset by an increase in U.S. domestic production. The natural gas price received by Seaview was \$8.28 per mcf for the Quarter compared to \$6.40 per mcf for the Previous Quarter. Seaview receives a premium to the stated AECO Daily Index as the Company produces high heat content natural gas that attracts premium market prices.

The price of West Texas Intermediate (“WTI”) crude averaged U.S.\$97.96 per bbl during the Quarter compared to U.S.\$90.81 per bbl during the Previous Quarter. Seaview received a combined average price, including natural gas liquids, of \$100.64 per bbl during the Quarter compared to \$85.92 during the Previous Quarter. As discussed below, the U.S. dollar gained some ground during the Quarter, resulting in a higher Canadian dollar price for Seaview’s product than the quoted benchmark price.

The Canadian dollar averaged U.S.\$1.0038 during the Quarter, which is slightly below par, as compared to \$0.9820 during the Previous Quarter, resulting in higher Canadian dollar prices. 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. Seaview will mitigate exposure to the impact of exchange rate fluctuations by hedging a portion of the production in Canadian dollar denominated puts, swaps and collars.

Commodity price risk management

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

Seaview’s commodity price risk management program is designed to provide price protection on a portion of the future production in the event of adverse commodity price movement, while retaining the opportunity to participate in favourable price movements. This practice allows the Company to generate stable funds flow for capital development and acquisition activities, and to ensure positive economic returns on those activities. During the Quarter, the Company put one natural gas financial contract in place, which is described in Note 8 of the unaudited interim consolidated financial statements.

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 at March 31, 2008, the Company recorded an unrealized loss on financial contracts of \$254,887 reflecting the fair value of the natural gas contract outstanding at March 31, 2008. On April 1, 2008, the Company assumed the natural gas financial contracts held by 133 with a fair value at March 31, 2008 of \$178,663. The total volumes hedged for the period of April 2008 to March 2009 (including the contract acquired) are 1,500 gj per day using a fixed price swap of \$7.83 per gj (on 500 gj per day) and a put (with a floor, net of premiums) of \$6.75/gj (on 1,000 gj per day). See Note 8 of the unaudited interim consolidated financial statements for a description of the contracts assumed.

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 % of forecasted production (net of royalties), and limiting financial derivative trading activity to counter-parties that provide sufficient collateral in support of payment or have investment grade credit ratings.

Petroleum and natural gas sales

		Q1 2008		Q4 2007
Natural gas	\$	1,096,368	\$	504,994
Crude oil and natural gas liquids		33,872		61,968
Petroleum and natural gas sales	\$	1,130,240	\$	566,962

Petroleum and natural gas sales for the Quarter, before royalties and transportation costs were \$1,130,240 for 2007 (\$599,962 – Previous Quarter). The increase is attributable to new wells coming on production during the Quarter as well as an increase in both oil and natural gas prices.

Royalties

		Q1 2008		Q4 2007
Royalties	\$	265,178	\$	131,257
Percentage of petroleum and natural gas revenue		23.4%		23.1%
\$/boe	\$	11.83	\$	9.46

Royalties are paid to the owners of the mineral rights with whom leases are held, including the provincial governments. Overriding royalties are also paid to other parties according to contracts. In Alberta, 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% for new gas and 45% on old gas. The majority of the Company's gas production is from new gas. In today's gas price environment, the Company are subject to the maximum rates. Gas cost allowance, low productivity and other incentive schemes serve to reduce the effective royalty rate.

All of the Company's 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 2008 on its oil production acquired with the closing of PrivateCo.

Royalties for the Quarter totalled \$265,178 (\$131,257 – Previous Quarter). As a percentage of sales, royalties averaged 23.4% during the Quarter or \$11.83 per boe (23.1% and \$9.46 per boe, comparatively, for the Previous Quarter). The outlook for the remainder of 2008 is for royalties to range between 20% and 25%.

Operating expenses

		Q1 2008		Q4 2007
Operating expenses	\$	251,697	\$	154,699
\$/boe	\$	11.23	\$	11.15

Operating expenses, for the Quarter were \$251,697 (\$154,699 – Previous Quarter). On a unit-of-production basis, operating expenses averaged \$11.23 per boe (\$11.15 per boe – Previous Quarter).

Operating expenses were higher in the Quarter than they are expected to be on a go forward basis due to clean up costs of shutting in the three low productivity oil wells at the end of the Previous Quarter.

Transportation expense

		Q1 2008		Q4 2007
Transportation expense	\$	28,053	\$	16,723
\$/boe	\$	1.25	\$	1.21

For the Quarter, transportation expense totalled \$28,053 or \$1.25 per boe (\$16,723 or \$1.21 per boe – Previous Quarter). The majority of the transportation expenses relate to natural gas pipeline tariff charges.

Operating netbacks (\$/boe)

		Q1 2008		Q4 2007
Petroleum and natural gas sales	\$	50.43	\$	40.86
Less:				
Royalties		11.83		9.46
Operating expenses		11.23		11.15
Transportation expense		1.25		1.21
Net operating income (operating netback)		26.12		19.04

General and administrative ("G&A")

		Q1 2008		Q4 2007
G&A expenses	\$	578,245	\$	592,380
Overhead recoveries		(296,317)		(327,216)
Net G&A expenses	\$	281,928	\$	265,164
\$/boe	\$	12.58	\$	19.11

During the Quarter, G&A, net of overhead recoveries on operated properties and capitalized expenditures, totalled \$281,928 (\$265,164 – Previous Quarter). On a unit-of-production basis, G&A expenses were \$12.58 per boe (\$19.11 per boe – Previous Quarter). The majority of the expenses incurred in the Quarter relate to 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.

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

<u>Interest income</u>		<u>Q1 2008</u>		Q4 2007
Interest income	\$	49,034	\$	94,261
\$/boe	\$	2.19	\$	6.79

Interest income, representing interest on invested cash balances, net of fees, received during the Quarter was \$49,034 or \$2.19 per boe (\$94,261 or \$6.79 per boe – Previous Quarter). The average balance invested during the Quarter was \$7.7million, (\$10.3 million – Previous Quarter), earning an average of 4.23 % per annum (4.53 % per annum – Previous Quarter).

Stock option compensation

The Company has a stock option plan, which is fully described in Note 6 of the unaudited interim consolidated financial statements. The Company issued 724,690 stock options during the Quarter (958,810 during the Previous Quarter) with an exercise price of \$1.00 per Class A share (\$0.40 – Previous Quarter) and cancelled 43,500 options previously issued. At March 31, 2008, 1,640,000 options were outstanding with an average exercise price of \$0.68 and a weighted average remaining contractual life of 4.9 years (958,810 outstanding at December 31, 2007 with a weighted average remaining contractual life of 4.8years). None of the options were exercisable.

For the Quarter, the Company recorded a compensation expense of \$45,497 (\$36,620 - Previous Quarter) and capitalized \$60,404 (including tax effect of \$16,158), (\$52,451 (including tax effect of \$15,625) – Previous Quarter).

Depletion, depreciation and accretion (“DD&A”)

The Quarter provision for DD&A totalled \$568,324 (\$560,479 – Previous Quarter). On a unit-of-production basis, DD&A costs averaged \$25.36 per boe (\$40.39 per boe – Previous Quarter). DD&A per unit-of-production was significantly lower in the Quarter compared to the Previous Quarter due to the success of the drilling program during the Quarter. As a result of the drilling program, the Total Proved reserves used in the depletion calculation was more than double that used at year end.

Future income taxes

A future income tax reduction of \$162,934 has been recorded for the Quarter (\$128,644 – Previous Quarter). The effective tax rates dropped in the Quarter and accordingly a reduction in the future income tax liability was recorded, increasing the expected future income tax reduction. 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 \$353,357 (\$369,590 – Previous Quarter). Seaview commenced active operations in the Previous Quarter. Basic and diluted net loss per share for the Quarter was \$0.02 (\$0.02 – Previous Quarter). Funds flow from operations was \$352,418 for the Quarter (\$98,865 – Previous Quarter). Basic and diluted funds flow from operations per share for the Quarter was \$0.02 (\$0.01– Previous Quarter).

The following table summarizes netbacks, funds flow from operations and net loss on a barrel of oil equivalent basis for the Quarter and Previous Quarter:

<u>Netbacks (\$/boe)</u>		<u>Q1 2008</u>		Q4 2007
Petroleum and natural gas sales	\$	50.43	\$	40.86
Less:				
Royalties		11.83		9.46
Operating expenses		11.23		11.15
Transportation expense		1.25		1.21
Net operating income (operating netback)		26.12		19.04
General and administrative		12.58		19.11
Interest income		(2.19)		(6.79)
Funds flow from operations		15.73		6.72
Depletion, depreciation and accretion		25.36		40.39
Unrealized loss on financial derivatives		11.37		-
Stock option compensation		2.03		2.64
Future income tax reduction		(7.27)		(9.27)
Net Loss (\$/boe)	\$	(15.76)	\$	(27.04)

SHARE INFORMATION

	March 31, 2008	December 31, 2007
Weighted average shares outstanding		
Basic and diluted	20,126,547	5,550,784
Outstanding securities at period end		
Class A shares	19,073,007	19,073,007
Class B shares	1,053,540	1,053,540
Options, Class A shares	1,640,000	958,810
Outstanding securities at May 20, 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

For the Quarter, capital expenditures totalled \$4,696,854 (\$16,535,805 – Previous Quarter). The Company incurred \$3.7 million in the Quarter (\$3.5 million – Previous Quarter) on the drilling of 6 (3.3 net) wells with an 85% success rate as well as acquiring land at a Crown land sale. The drilling program during the Quarter added significant reserves and will add significant production for the Company during the upcoming Quarters as production is tied in. Additionally, a majority of the expenditure is considered qualifying expenditure for flow through purposes and reduces the remaining commitment. The table below summarizes the capital expenditures during the Quarter and the Previous Quarter.

	Q1 2008		Q4 2007	
Land	\$	79,446	\$	179,267
Geological and geophysical		29,204		271,045
Drilling and Completions		3,695,995		2,501,980
Tangible equipment		724,463		488,189
Asset retirement obligations		120,156		42,526
	\$	4,649,264	\$	3,483,007
Corporate Acquisitions		-		13,052,000
Office furniture & fixtures		47,590		798
	\$	47,590	\$	13,052,798
Total capital expenditures	\$	4,696,854	\$	16,535,805

CAPITALIZATION AND CAPITAL RESOURCES

The Company's total capitalization was \$31.5 million at March 31, 2008 with the market value of Class A and Class B shares representing 80% of the total capitalization (\$34.4 million at December 31, 2007 with the market value of Class A and Class B shares representing 92%). The market value of the Company's shares at March 31, 2008 was \$25.3 million (\$31.6 million – December 31, 2007)

	March 31, 2008	December 31, 2007
Class A shares outstanding	19,072,907	19,072,907
Class A share price ⁽¹⁾	\$ 1.14	\$ 1.52
Class A market capitalization	21,743,114	28,990,819
Class B shares outstanding	1,053,540	1,053,540
Class B share price ⁽¹⁾	3.40	2.51
Class B market capitalization	3,582,036	2,644,385
Total market capitalization	25,325,150	31,635,204
Asset retirement obligations	320,953	196,963
Financial contract liability	254,887	
Future income tax liability	5,548,632	2,570,406
Total capitalization	\$ 31,449,622	\$ 34,402,573

⁽¹⁾ Represents the closing price on the TSX Venture at period end

Bank facility

At March 31, 2008, 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 Quarter end, the credit facility was increased to \$13.5 million, as discussed in the subsequent events section and in Note 9 of the unaudited interim consolidated financial statements.

Investing program funding

Funds flow from operations	\$ 352,418
Changes in non-cash working capital	2,392,219
Share issue costs	(23,171)
Change in cash during the period	1,794,828
Capital expenditures during the year	\$ (4,516,294)

The Company's Quarter capital investment program was funded by funds flow from operations and the available cash balances from December 31, 2007.

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 decreased from \$8.2 million as at December 31, 2007 to \$3.8 million as at March 31, 2008 as a result of the Quarter's capital program, funds flow from operations and the recognition of an unrealized loss on financial contracts.

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 interest 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 March 31, 2008, 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 March 31, 2008. 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 March 31, 2008, Seaview had commitments to drill 1 well and to re-enter and complete a series of wells, totaling approximately \$1.5 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 March 31, 2008, the Company had a remaining commitment to spend \$6.5 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.

Subsequent to the Quarter end, the Company assumed derivative financial instruments as part of the corporate acquisition described in Note 9 to the unaudited interim consolidated financial statements. The terms and conditions are disclosed in Note 8 of the unaudited interim 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	\$	1,340,808	215,487	287,316	287,316	287,316	263,373
Farm-in and flow through share drilling	\$	6,902,968	6,902,968	-	-	-	-
Financial instrument premiums	\$	299,300	225,500	73,800	-	-	-
Total contractual obligations	\$	8,543,076	7,343,955	361,116	287,316	287,316	263,373

SUBSEQUENT EVENTS

On April 1, 2008, the Company acquired all of the outstanding common shares of 133 with the issuance of 8,049,250 Class A shares with an ascribed value of \$1.00. The Company also assumed all of 133's outstanding obligations and financial derivatives contracts. Concurrently, the Company increased the available credit under a secured lending agreement with a Canadian chartered Bank from \$2.0 million to \$13.5 million. The acquisition will be accounted for using the purchase method of accounting where the Company is the acquirer. One member of the Board of Directors and one member of management acquired 958,260 of the Seaview Class A shares issued in conjunction with the acquisition.

The purchase price allocation is estimated as at December 31, 2007 as follows and is subject to change once the 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

On May 6, 2008, the Company announced a bought deal equity financing for \$5 million (prior to a \$1 million over-allotment) on a flow through basis. The financing is expected to close on or about May 29, 2008 and if fully exercised, 2,792,000 Class A shares will be issued at \$2.15 per share resulting in gross proceeds will be \$6 million with net proceeds of approximately \$5.4 million, after deducting commissions and estimated out of pocket expenses. After the closing of the 133 acquisition and equity financing, the Company will have 29,914,257 Class A shares and 1,053,540 Class B shares outstanding.

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;
- Total Proven plus Probable reserve life index of 9 years;
- 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 internal estimates for undeveloped land;
- 2008 production estimate of more than 750 boe per day and 2008 exit rate target of approximately 900 boe per day;
- Current bank line of \$13.5 million which is anticipated to be increased to more than \$16.5 million, subject to final lender approval;
- 27.12 million Class A shares and 1.054 million Class B shares outstanding, increasing to 29.45 million Class A shares (29.92 million on the exercise of the over-allotment option) on the closing of the bought-deal financing on or about May 29, 2008.

CRITICAL ACCOUNTING ESTIMATES

The reader is advised that the critical accounting estimates, policies and practices as described in the MD&A at December 31, 2007 continue to be critical in determining Seaview's financial results as at March 31, 2008.

CHANGE IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

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 in 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

The reader is advised that the risk assessment for the Company is fully described in the MD&A at December 31, 2007 and is relevant to the readers' understanding of the Company's financial results as at March 31, 2008.

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
gj	Gigajoule
gj/d	Gigajoule per day
mboe	Thousand barrels of oil equivalent
mcf	Thousand cubic feet
mcf/d	Thousand cubic 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	Boe conversion ratio of six mcf to one bbl

SEAVIEW ENERGY INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)

	As at March 31 2008	As at December 31 2007
CURRENT ASSETS		
Cash	\$ 8,981,385	\$ 10,776,213
Accounts receivable	2,152,026	1,434,401
Prepaid expenses and deposits	218,553	233,868
Total current assets	11,351,964	12,444,482
Property and equipment <i>(Note 3)</i>	20,358,572	16,226,209
Goodwill <i>(Note 2)</i>	3,331,351	3,331,351
TOTAL ASSETS	\$ 35,041,887	\$ 32,002,042
LIABILITIES		
Accounts payable and accrued liabilities	\$ 7,296,125	\$ 4,201,597
Financial contract <i>(Note 7)</i>	254,887	-
Total current liabilities	7,551,012	4,201,597
Future income taxes	5,548,631	2,570,406
Asset retirement obligation <i>(Note 4)</i>	320,953	196,963
Total liabilities	13,420,596	6,968,966
SHAREHOLDERS' EQUITY		
Share capital <i>(Note 6)</i>	\$ 22,186,534	\$ 25,334,705
Contributed surplus <i>(Note 6)</i>	163,189	73,446
Deficit	(728,432)	(375,075)
Total shareholders' equity	21,621,291	25,033,076
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	\$ 35,041,887	\$ 32,002,042
Commitments <i>(Note 7)</i>		
Subsequent events <i>(Notes 8 and 9)</i>		
See accompanying notes to the interim consolidated financial statements		

SEAVIEW ENERGY INC.**CONSOLIDATED STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS AND DEFICIT**

(unaudited)

	Three month ended March 31		
	2008		2007
Revenue			
Petroleum and natural gas sales	\$ 1,130,240	\$	-
Royalties	265,178		-
	865,062		-
Expenses			
Operating expenses	251,697		-
Transportation expense	28,053		-
General and administrative	281,928		-
Interest income	(49,034)		-
Unrealized loss on financial contract <i>(Note 8)</i>	254,887		-
Stock option compensation <i>(Note 6)</i>	45,497		-
Depletion, depreciation & accretion	568,325		-
	1,381,353		-
Loss before taxes	\$ (516,291)	\$	-
Future income tax reduction	(162,934)		-
Net loss and comprehensive loss	\$ (353,357)	\$	-
Deficit, beginning of period	(375,075)		-
Deficit, end of period	\$ (728,432)	\$	-
Loss per share – basic and diluted <i>(Note 6)</i>	\$ (0.02)	\$	-

See accompanying notes to the interim consolidated financial statements

SEAVIEW ENERGY INC.
CONSOLIDATED STATEMENTS OF NET CASH FLOWS
(unaudited)

Three months ended March 31

	2008		2007	
Operating activities				
Net loss	\$	(353,357)	\$	-
Depletion, depreciation and accretion		568,325		-
Unrealized loss on financial derivatives		254,887		-
Stock option compensation		45,497		-
Future Income tax reduction		(162,934)		-
		352,418		-
Changes in non-cash working capital		(20,288)		-
Cash provided by operating activities	\$	332,130	\$	-
Financing activities				
Share issue costs		(23,171)		-
Cash used in financing activities	\$	(23,171)	\$	-
Investing activities				
Property and equipment additions		(4,516,294)		-
Changes in non-cash working capital		2,412,506		-
Cash used in investing activities	\$	(2,103,788)	\$	-
Decrease in cash during the period	\$	(1,794,828)	\$	-
Cash – beginning of period		10,776,213		-
Cash – end of period	\$	8,981,385	\$	-

See accompanying notes to the interim consolidated financial statements

SEAVIEW ENERGY INC.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The three months ended March 31, 2008

1. Significant accounting policies

Nature of business and basis of presentation

Seaview Energy Inc (the "Company" or "Seaview") is incorporated under the Business Corporations Act (Alberta). The Company's principal business activity is the exploration, development and operation of oil and gas properties. The interim unaudited consolidated financial statements are stated in Canadian dollars and have been prepared by management in accordance with Canadian generally accepted accounting principles. Management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and revenues and expenses during the reporting period. Management reviews these estimates, including those related to accruals, litigation, environmental and asset retirement obligations, income taxes and the determination of proved reserves on an ongoing basis. Changes in facts and circumstances may result in revised estimates, and actual results may differ from these estimates. These consolidated financial statements have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the significant accounting policies consistent with those accounting policies and methods of computation for the fiscal year ended December 31, 2007. Accordingly, these interim unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the periods ended December 31, 2007 and 2006.

2. Business combination

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, for a value of \$1.38 per Seaview Class A share. The purchase was accounted for as an acquisition of PrivateCo by the Company at October 17, 2007 using the purchase method of accounting. The purchase price allocation is as follows:

Property and equipment	\$	13,052,000
Working capital		114,177
Goodwill		3,331,351
Future income taxes		(2,989,063)
Asset retirement obligation		(151,512)
	\$	13,356,953
Consideration was comprised of:		
9,602,507 Class A shares		13,251,448
Transaction costs		105,505
	\$	13,356,953

3. Property and equipment

	March 31, 2008	December 31, 2007
Petroleum and natural gas assets	\$ 21,480,617	\$ 16,783,763
Accumulated depletion and depreciation	(1,122,045)	(557,554)
Property and equipment, net	\$ 20,358,572	\$ 16,226,209

For the three months ended March 31, 2008, the Company capitalized general and administrative expenses directly relating to exploration and development activities in the amount of \$182,867 (\$184,133 – December 31, 2007) and stock option compensation of \$60,404 (including tax effect of \$16,158) (\$52,451 (including tax effect of \$15,625) – December 31, 2007).

Unproved property costs amounting to \$601,442 have been excluded from costs subject to depletion at March 31, 2008 (\$498,861 – December 31, 2007) and future development costs of \$1,344,000 (\$833,000 – December 31, 2007) have been included in costs subject to depletion.

SEAVIEW ENERGY INC.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The three months ended March 31, 2008

4. Asset retirement obligation

The total future asset retirement obligations were estimated by management based on the Company's net working interest in all wells and facilities, estimated costs to reclaim and abandon wells and facilities and the estimated timing of the costs to be incurred in future periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements could be significant. The Company estimates the undiscounted cash flows related to the asset retirement obligations, adjusted for inflation, to be incurred over the next 15 years will total approximately \$879,466, with the majority of the expenditures to be incurred between 2017 and 2022. The fair value at March 31, 2008 is \$320,953 (\$196,963 – December 31, 2007) using a discount rate of 8% per annum and an inflation rate of 2% per annum. As at March 31, 2008, no funds have been set aside to settle this obligation.

Balance, beginning of period	\$	196,963
Liabilities incurred		120,156
Accretion expense		3,834
Balance, end of period	\$	320,953

5. Secured credit facility

At March 31, 2008, the Company had a \$2.0 million credit facility, which had no amounts drawn against it. Subsequent to the period end, the credit facility was increased to \$13.5 million, as discussed in Note 9.

6. Share capital

	Number	Amount
Class A shares		
Balance, December 31, 2006	100	\$ 25
Issued for cash	9,470,400	2,367,600
Issued for corporate acquisition	9,602,507	13,251,448
Share issue costs (net of tax of \$305,638)	-	(819,768)
Balance, December 31, 2007	19,073,007	\$ 14,799,305
Share issue costs (net of tax of \$6,198)	-	(16,972)
Tax effect on flow through shares	-	(313,120)
Balance, March 31, 2008	19,073,007	14,469,213
Class B shares		
Balance, December 31, 2006	-	\$ -
Issued for cash	1,053,540	10,535,400
Balance, December 31, 2007	1,053,540	\$ 10,535,400
Tax effect on flow through shares	-	(2,818,079)
Balance, March 31, 2008		7,717,321
Total share capital, balance March 31, 2008		\$ 22,186,534

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.

SEAVIEW ENERGY INC.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The three months ended March 31, 2008

6. Share capital (continued)

Stock option plan

The Company has a stock option plan (the "Plan") pursuant to which options to purchase Class A shares may be granted by the board of directors to directors, officers, employees of, and consultants to, the Company. The Plan has reserved for issuance a number of Class A Shares equal to 10% of the Class A shares issued and outstanding from time to time and no optionee is permitted to hold options entitling such optionee to purchase more than 5% of the issued and outstanding Class A shares. Options granted under the Plan will have an exercise price which is not less than the price allowed by regulatory authorities, will be non-transferable and will be exercisable for a period not to exceed five years.

Options granted under the Plan will terminate upon the date which is 30 days from the termination of an optionee's employment or, from the date such optionee ceased to be a director of the Company, unless the directors of the Company determine otherwise, or, provided the optionee has died and was an employee or director for at least one year following the grant of the options, shall terminate six months following the death of the optionee.

The options will vest as to one-third on each of the first, second and third anniversaries of the date of the grant. At March 31, 2008, the Company has 1,640,000 options under the Plan with an average exercise price of \$0.68. The issued options have a weighted average contractual life of 4.9 years and no options were exercisable.

The Company issued 724,690 stock options during the three months ended March 31, 2008 (958,810 during the year ended December 31, 2007) with an exercise price of \$1.00 per Class A share (\$0.40 – December 31, 2007) and cancelled 43,500 options previously issued. At March 31, 2008, 1,640,000 options were outstanding with an average exercise price of \$0.68 and a weighted average remaining contractual life of 4.9 years (958,810 outstanding at December 31, 2007 with a weighted average remaining contractual life of 4.8 years). None of the options were exercisable.

For the period ended March 31, 2008, the Company recorded a compensation expense of \$45,497 (\$36,620 – December 31, 2007) and capitalized \$60,404 (including tax effect of \$16,158), (\$52,451 (including tax effect of \$15,625) – December 31, 2007).

The fair value of the options granted during the periods ended March 31, 2008 and December 31, 2007 was estimated on the date of the grants using the Black-Scholes option pricing model with the following assumptions and resulting values:

Assumptions	March 31, 2008	December 31, 2007
Risk free interest rate	2.9%	4.35%
Expected life	5.00 years	5.00 years
Expected volatility	72.62%	56.65%
Fair value of options granted	\$ 0.61	\$ 1.10

Per share amounts

Per share amounts have been calculated using the weighted average number of shares outstanding during the period. The basic weighted average number of shares outstanding for the period ended March 31, 2008 was 20,126,547 (nil - March 31, 2007). Options totaling 1,640,000 were excluded from the calculation of diluted loss per share as the effect would have been anti-dilutive.

The following table reconciles the Company's contributed surplus	March 31, 2008	December 31, 2007
Balance, beginning of period	\$ 73,446	\$ -
Stock based compensation expense	45,497	36,620
Stock based compensation capitalized	44,246	36,826
Balance, end of period	\$ 163,189	\$ 73,446

SEAVIEW ENERGY INC.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The three months ended March 31, 2008

7. 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 March 31, 2008, Seaview had commitments to drill 1 well and to re-enter and complete a series of wells, totaling approximately \$1.5 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 March 31, 2008, the Company had a remaining commitment to spend \$5.4 million. Part of this commitment is fulfilled by fulfilling 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.

On April 1, 2008, the Company assumed the derivative financial instruments of 1332915 Alberta Ltd ("133") as part of the corporate acquisition. The terms and conditions of these contracts are disclosed in Note 8. The future premiums Seaview is committed to pay are included in the table below. The Company's future contractual commitments are highlighted below:

		Total	2008	2009	2010	2011	2012
Operating leases	\$	1,340,808	215,487	287,316	287,316	287,316	263,373
Farm-in and flow through share drilling	\$	6,902,968	6,902,968	-	-	-	-
Financial instrument premiums	\$	299,300	250,500	73,800	-	-	-
Total contractual obligations	\$	8,543,076	7,343,955	361,116	287,316	287,316	263,373

8. Financial instruments

There are no significant changes in the risks of the Company from those disclosed in Note 8 of the audited consolidated financial statements for the periods ended December 31, 2007 and 2006.

Financial contracts

The Company enters into natural gas financial contracts from time to time for the purpose of protecting its cash flow from operations (before changes in non-cash working capital) from the volatility of natural gas prices. The contract outstanding as at March 31, 2008 is as follows:

Natural gas	Volume	Pricing Point	Strike Price	Cost/Premium	Term	Value
Fixed price swap	500 gj/d	AECO Daily	\$ 7.83/gj	\$ -	April 1, 2008 to March 31, 2009	(\$254,887)

In conjunction with the acquisition noted in Note 8, the following financial contract was acquired:

Natural gas	Volume	Pricing Point	Strike Price	Cost/Premium	Term	Value
Put	1,000 gj/d	AECO Monthly	\$ 7.57/gj	\$ 0.82/gj	April 1, 2008 to March 31, 2009	(\$178,663)

9. Subsequent events

- On April 1, 2008, the Company acquired all of the outstanding common shares of 133 with the issuance of 8,049,250 Class A shares with an ascribed value of \$1.00. The Company also assumed all of 133's outstanding obligations and financial contracts. Concurrently, the Company increased the available credit under a secured lending agreement with a Canadian chartered Bank from \$2.0 million to \$13.5 million. The acquisition will be accounted for using the purchase method of accounting where the Company is the acquirer. One member of the Board of Directors and one member of management acquired 958,260 of the Seaview Class A shares issued in conjunction with the acquisition.

SEAVIEW ENERGY INC.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The three months ended March 31, 2008

9. Subsequent events (continued)

The purchase price allocation is estimated as at December 31, 2007 as follows and is subject to change once the 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

- b. On May 6, 2008, the Company announced a bought deal equity financing for \$5 million (prior to a \$1 million over-allotment) on a flow through basis. The financing is expected to close on or about May 29, 2008 and if fully exercised, 2,792,000 Class A shares will be issued at \$2.15 per share, resulting in gross proceeds will be \$6 million with net proceeds of approximately \$5.4 million, after deducting commissions and estimated out of pocket expenses. After the closing of the 133 acquisition and equity financing, the Company will have 29,914,257 Class A shares and 1,053,540 Class B shares outstanding.

CORPORATE INFORMATION

OFFICERS AND SENIOR MANAGEMENT

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

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

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

Davin Chandler, P.Eng
Vice President, Engineering

Timothy L. Campbell
Vice President, Land

DIRECTORS

Paul Colborne ^{(1),(3)} *Calgary, Alberta*
Chairman

Daryl Gilbert, ⁽⁴⁾ *P.Eng, Calgary, Alberta*
Reserves and Environment Committee Chair

James Howe, ⁽⁴⁾ *CA, Calgary, Alberta*
Audit Committee Chair

Gregory Turnbull, ^{(2),(3)} *LLB, Calgary, Alberta*
Corporate Governance Committee Chair

Steven VanSickle, ^{(1),(2)} *Calgary, Alberta*
Compensation Committee Chair

Robert Peters, *Calgary, Alberta*
Director

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

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

PETROLEUM CONSULTANTS

Sproule Associates Limited
Calgary, Alberta

LEGAL COUNSEL

McCarthy Tetrault LLP
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT

Olympia Trust Company
Calgary, Alberta

STOCK EXCHANGE LISTING

TSX - Venture: CVU.A & CVU.B

AUDITORS

KPMG LLP
Calgary, Alberta

INVESTOR RELATIONS

Telephone: (403) 450-3713
Investor Toll Free: 1-877-242-0222
E-mail: info@seaviewenergy.com

SEAVIEW ENERGY INC

The logo for Seaview Energy Inc features the company name in a bold, black, sans-serif font. The word "SEAVIEW" is on the top line and "ENERGY INC" is on the bottom line. A thin blue horizontal line is positioned below the text, with a gold-colored triangular shape on the right side that tapers to a point on the left, creating a stylized wave or horizon effect.

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