

A Message from the Outgoing Chairman



As you would have seen from our latest News Release, I have decided to retire from Canadian Imperial Venture Corp. This decision was not a sudden one – I have been waiting for quite a while for an opportune time to hand over the reins and I think that now is the time.

I will be handing over to a talented team, most of whom have been with the Company through thick and thin for more than 15 years. They are more than capable of moving the Company along, advancing current initiatives and introducing exciting new ones.

Currently, the Company is well positioned to profit from its hard work exploring in the Port au Port region of Western Newfoundland. It has been a tough and expensive journey which has concentrated our attention on the Green Point oil-in-shale play in and around Port au Port Bay.

A 2010 independent resource estimate by AJM Petroleum Consultants of Calgary indicated that the Discovered Original Oil-in-Place is 1.6 billion barrels of oil (Best Estimate, unrisked). This is a major potential prize and our current task is to determine how much, if any, of this resource is recoverable and economic. The currently drilling well is designed to produce critical information for this determination and results should not be long coming.

Although the Green Point resource is mainly offshore, all subsurface targets are reachable from onshore surface locations by directional drilling, which is a huge cost advantage. Our preliminary development scenario envisages field development by clusters of directional wells drilled from onshore locations with production being transported to Stephenville.

The Company's development philosophy favours capturing, as much as possible, of the value chain from natural resource production locally. In the case of the Green Point, our concept would be to add value to the produced oil by processing it locally before exporting the processed products. Associated natural gas could be the basis of natural gas based industrial activities in the region. This concept is the subject of a current study being conducted for the Company by Stantec Consulting Ltd. as a first step in determining the feasibility of our development philosophy.

In keeping with our development philosophy and our corporate history as a "Venture Corporation" we have taken a position in an industrial minerals exploration project, the "Odd Twins Magnetic Anomaly" on the Port au Port Peninsula. While this is an attractive exploration project in its own right, it may also be an opportunity for the use of locally produced natural gas for processing of the ore. The first round of core-hole drilling has been completed and the core material is currently being analyzed. To complete our inventory of interests in Western Newfoundland, there is our Royalty Interest in 2 of the 3 land parcels currently being drilled in the Parson's Pond area of the Great Northern Peninsula by Nalcor Energy and partners. Drilling of 2 wells is complete and the third well is expected to commence shortly.

In conclusion, the Company has a diverse portfolio of interests with the major concentration being on the Green Point oil-in-shale project. The Company works most comfortably in conjunction with partners with similar working philosophies and complementary or synergistic strengths. This approach will, in all probability, be continued.

I look forward with confidence to the success of the Company.

Steven M. Millan