

By Quentin Casey • Photography by David Dean



## The Young and the Resolute

Calgary finance whiz Jeremy Cheyne scores big for a junior oil and gas company

### Jeremy Cheyne knows the scenario well.

He walks into a boardroom of potential investors and is hit with skeptical stares and hesitant half-smiles. "What is this?" the investment bankers and brokers wonder to themselves. "Bring your kid to work day?"

But this strapping boy-wonder is the real deal: chief financial officer of an emerging oil and gas company. And he wants you to invest millions in land he says is beaming with exploration potential. And, yes, he's only 28.

"Right away they're pessimistic," he says. "They're like, 'This guy is too young to be doing this.' It's a tough sell, but over time, you prove yourself. You have to show that you're going to make this happen. That's what you do to get the money."

And Cheyne, CFO of Black Goose Holdings Inc., has secured some significant cash. Since landing with the Calgary-based junior oil and gas firm in August 2007, he has raised nearly \$15 million and is close to netting another \$25

million. However, it didn't fall at his feet.

The first \$3 million, secured from family and friends, was a breeze. Then, it turned difficult. Potential investors told him to come back when the company actually owned land with exploration potential. So Cheyne and the privately held firm did just that. The result was \$7 million in the first wave of outside investment. "They needed to know that we've bought in and have some skin in the game," he says.

Cheyne now faces a similar problem as he looks to secure the additional \$25 million. Would-be backers, spanning from California to New York to London to Dubai, want the firm to first spud a well — to prove that Cheyne's promises are more than youthful boasting.

So, Black Goose plans to drill up to six wells by spring, and expects to be producing oil and gas by next summer. The aim is to turn out the equivalent of 2,000 to 4,000 barrels of oil a day by 2010.

Cheyne says there's no mystery to his suc-

## MEET YOUR COMPETITION

**Rookie:** Jeremy Cheyne, chief financial officer, 28

**Business:** Black Goose Holdings Inc.

**Number of employees:** 12

**Hired on:** August, 2007

cess in an industry populated with "guys who have more letters behind their names and more experience." His know-how exceeds his age. After all, he started at ground zero.

At age 16, he worked summers for the pipeline company Petro-Line Construction Group. He did it all: grunt work, heavy equipment operator, pipeline tester. "A lot of people in management have never worked on the end of a shovel," he says. "I've been out there. It's been a huge asset."

Cheyne always thought he'd become an engineer. That changed when he accepted a hockey scholarship to Western Michigan University in 2000. Cheyne was raised on shiny, playing in Alberta's junior ranks and, back then, still harbored dreams of NHL glory. At Michigan, though, he opted to take accounting and finance classes over the more difficult engineering courses. Clearly, it was the right decision.

By 24, Cheyne was the controller at Ironhorse Oil & Gas Inc. He oversaw payroll and the company's financial statements, and learned how to swing land deals and launch drilling programs. By 26, he was the youngest applicant ever accepted into the University of Calgary's Executive MBA program.

Throughout this time, there were also stints playing professional hockey in Germany and Victoria, an appearance on the hockey reality show *Making the Cut* and he played for the Calgary Roughnecks pro lacrosse team. Yet despite that record of success, Cheyne's biggest challenges — and potential triumphs — lie ahead.

Black Goose has identified 400,000 acres of land, mainly in B.C., ripe with oil and gas potential. But the firm has only secured 40,000 acres. The goal is to possess 100,000 acres by year-end and the rest by 2010.

The company plans to spend \$40 million over the next three years to make it happen. That means a slew of investor meetings on the horizon for Cheyne, and plenty of time showing the current titans of industry that the next generation has arrived. "It's an uphill battle, but nothing that can't be overcome," he says. "You just have to work harder and do your homework a little bit more." ■

## PERSONAL MUSINGS

### Strengths:

Ability to strategize, view things objectively and see the big picture. Oh yeah, and the wrist shot

### Things I value:

Above all, relationships with family, friends and my girlfriend. "These are the people who will always be with me."

### Things that upset me:

Backdoor deals and untrustworthy people

### Key accomplishments:

- I was the youngest applicant ever accepted into the University of Calgary's Executive MBA program
- My role in taking Black Goose Holdings from startup to being viewed as a legitimate oil and gas company

## NUTS & BOLTS

**9:** Number on his hockey jersey

**10:** Number of times he has moved from city to city

**24:** Age when he was top accountant at Ironhorse Oil & Gas Inc.

**26:** Age when he became the youngest applicant ever accepted into the University of Calgary's Executive MBA program

**40,000:** Number of acres of potential oil and gas land Black Goose Holdings has secured

**400,000:** Number of acres they aim to hold by 2010

**\$15 million:** Funds Cheyne has raised since August 2007 (with another \$25 million likely on the way)

**30:** Number of people he approached to secure his first million