

Silverhawk Capital Partners Makes Follow-on Investment in Paloma Resources

September 17th, 2007 – Silverhawk Capital Partners (Silverhawk), a private investment firm based in Greenwich, Connecticut, today announced that it has made a follow-on equity investment in Paloma Partners I, LLC, an affiliate of Paloma Resources, an oil & gas exploration and production company. Silverhawk and Macquarie Bank (Macquarie), both existing investors in Paloma, invested in this round in further support of Paloma's successful lease acquisition and drilling efforts to date.

Silverhawk completed an additional investment of \$10 million and Macquarie made an additional investment of \$5 million. Detailed financial terms of this transaction were not disclosed.

Paloma is an oil and gas company focused on exploration, exploitation, acquisition, and production of oil and gas reserves. Paloma's focus areas are; (1) The Lobo / Expanded Wilcox trend in Webb and Zapata Counties, Texas, and (2) The Barnett Shale trend in North Texas. The Silverhawk principals previously invested successfully with Paloma Co-Founder & President Chris O'Sullivan in San Juan Partners. San Juan Partners was an oil and gas production company formed in 1998 to develop gas wells in the Northeast Blanco Unit of the San Juan Basin in New Mexico. In 1999, San Juan Partners was sold to Dominion Resources generating an attractive return for its investors. Paloma is based in Houston, Texas, and is led by Chris O'Sullivan, John Hastings (Vice-President of Exploration), and John Whiting (Vice-President of Operations).

About Silverhawk Capital Partners Silverhawk Capital Partners is an independent investment firm established in 2005 to investment in middle market transactions in the Growth Industrial, Energy/Natural Resources and Business Services sectors. Silverhawk typically invests between \$10 million and \$50 million of equity capital in growth oriented businesses with revenues typically ranging from \$25 million to \$250 million.

Silverhawk currently manages \$150 million from its debut fund. Silverhawk has offices in Greenwich, Connecticut and Charlotte, North Carolina.

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