

TREMISIS ENERGY ACQUISITION CORP
Form PRER14A
March 09, 2006
Table of Contents

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No. 2)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Preliminary Proxy Statement | <input type="checkbox"/> Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2)) |
| <input type="checkbox"/> Definitive Proxy Statement | |
| <input type="checkbox"/> Definitive Additional Materials | |
| <input type="checkbox"/> Soliciting Material Under Rule 14a-12 | |

TREMISIS ENERGY ACQUISITION CORPORATION

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock of Tremisis Energy Acquisition Corporation

(2) Aggregate number of securities to which transaction applies:

25,600,000

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

Average of high and low prices for common stock on November 30, 2005 (\$5.45)

(4) Proposed maximum aggregate value of transaction:

\$169,520,000

(5) Total fee paid:

\$33,904

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

This proxy statement is dated _____, 2006 and is first being mailed to Tremisis stockholders on or about _____, 2006.

Tremisis Energy Acquisition Corporation

1755 Broadway, Suite 604

New York, New York 10019

To the Stockholders of Tremisis Energy Acquisition Corporation:

You are cordially invited to attend a special meeting of the stockholders of Tremisis Energy Acquisition Corporation (Tremisis), relating to the proposed merger of our subsidiary, RAM Energy Acquisition, Inc., into RAM Energy, Inc., and related matters. The meeting will be held at 10:00 a.m., eastern time, on _____, 2006, at the offices of Graubard Miller, Tremisis counsel, at The Chrysler Building, 405 Lexington Avenue, 19th Floor, New York, New York 10174.

At this meeting, you will be asked to consider and vote upon the following proposals:

(1) to adopt the Agreement and Plan of Merger, dated as of October 20, 2005, as amended, among Tremisis, RAM Energy Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of Tremisis (Merger Sub), RAM Energy, Inc., a Delaware corporation (RAM), and the stockholders of RAM, and the transactions contemplated thereby we refer to this proposal as the merger proposal;

(2) to approve an amendment to the certificate of incorporation of Tremisis to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc. we refer to this proposal as the name change amendment;

(3) to approve an amendment to the certificate of incorporation of Tremisis to increase the number of authorized shares of Tremisis common stock from 30,000,000 to 100,000,000 we refer to this proposal as the capitalization amendment;

(4) to approve an amendment to the certificate of incorporation of Tremisis to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing of the merger, as these provisions that will no longer be applicable to Tremisis, and to redesignate section E of Article Sixth as Article Sixth we refer to this proposal as the Article Sixth amendment; and

(5) to approve the 2006 Long-Term Incentive Plan (an equity-based incentive compensation plan) we refer to this proposal as the incentive compensation plan proposal.

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

The affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock on the record date is required to approve each of the merger proposal, the name change amendment, the capitalization amendment and the Article Sixth Amendment. The approval of the incentive compensation plan will require the affirmative vote of the holders of a majority of the shares of Tremisis common stock represented in person or by proxy and entitled to vote at the meeting.

The adoption of the merger proposal is conditioned on the adoption of the name change amendment and the capitalization amendment, and neither the name change amendment nor the capitalization amendment will be presented to the meeting for adoption unless the merger is approved. The adoption of the Article Sixth amendment and the incentive compensation plan proposal are not conditions to the merger proposal or to the adoption of either of the name change amendment or the capitalization amendment, but if the merger is not approved, neither will be presented at the meeting for adoption.

Each Tremisis stockholder who holds shares of common stock issued in Tremisis initial public offering (IPO) has the right to vote against the merger proposal and at the same time demand that Tremisis convert such stockholder's shares into cash equal to a pro rata portion of the funds held in the trust account into which a substantial portion of the net proceeds of Tremisis IPO was deposited. On _____, the record date for the

Table of Contents

meeting of stockholders, the conversion price was approximately \$ _____ in cash for each share of Tremisis common stock. These shares will be converted into cash only if the merger agreement is consummated. However, if the holders of 1,265,000 or more shares of common stock issued in Tremisis IPO vote against the merger proposal and demand conversion of their shares, Tremisis will not consummate the merger. Prior to exercising conversion rights, Tremisis stockholders should verify the market price of Tremisis common stock as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their conversion rights. Shares of Tremisis common stock are quoted on the Over-the-Counter Bulletin Board under the symbol TEGY. On the record date, the last sale price of Tremisis common stock was \$ _____.

Tremisis initial stockholders who purchased their shares of common stock prior to its IPO, and presently own an aggregate of approximately 17.9% of the outstanding shares of Tremisis common stock, have agreed to vote all of their shares on the merger proposal in accordance with the vote of the majority of the votes cast by the holders of shares issued in the IPO. The initial stockholders have also indicated that they intend to vote FOR the adoption of the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal.

After careful consideration, Tremisis board of directors has determined that the merger proposal is fair to and in the best interests of Tremisis and its stockholders. Tremisis board of directors has also determined that the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal are in the best interests of Tremisis stockholders. Tremisis board of directors unanimously recommends that you vote or give instruction to vote FOR the adoption of the merger proposal, the name change amendment proposal, the capitalization amendment proposal, the Article Sixth amendment proposal and the incentive compensation plan proposal.

Enclosed is a notice of special meeting and proxy statement containing detailed information concerning the merger proposal and the transactions contemplated thereby, as well as detailed information concerning the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal. Whether or not you plan to attend the special meeting, we urge you to read this material carefully.

Your vote is important. Whether you plan to attend the special meeting or not, please sign, date and return the enclosed proxy card as soon as possible in the envelope provided.

I look forward to seeing you at the meeting.

Sincerely,

Lawrence S. Coben

Chairman of the Board and

Chief Executive Officer

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Neither the Securities and Exchange Commission nor any state securities commission has determined if this proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.

SEE RISK FACTORS BEGINNING ON PAGE 25 FOR A DISCUSSION OF VARIOUS FACTORS THAT YOU SHOULD CONSIDER IN CONNECTION WITH THE MERGER.

Table of Contents

Tremisis Energy Acquisition Corporation

1775 Broadway, Suite 604

New York, New York 10019

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON _____, 2006

TO THE STOCKHOLDERS OF TREMISIS ENERGY ACQUISITION CORPORATION:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Tremisis Energy Acquisition Corporation (Tremisis), a Delaware corporation, will be held at 10:00 a.m. eastern time, on _____, 2006, at the offices of Graubard Miller, Tremisis counsel, at The Chrysler Building, 405 Lexington Avenue, 19th Floor, New York, New York 10174 for the following purposes:

- (1) to consider and vote upon the adoption of the Agreement and Plan of Merger, dated as of October 20, 2005, as amended, among Tremisis, RAM Energy Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of Tremisis (Merger Sub), RAM Energy, Inc., a Delaware corporation (RAM), and the stockholders of RAM (the RAM stockholders), and the transactions contemplated thereby. RAM's board of directors and stockholders have already approved and adopted the merger agreement;
- (2) to consider and vote upon an amendment to the certificate of incorporation of Tremisis to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc.;
- (3) to consider and vote upon an amendment to the certificate of incorporation of Tremisis to increase the number of authorized shares of Tremisis common stock from 30,000,000 to 100,000,000;
- (4) to consider and vote upon an amendment to the certificate of incorporation of Tremisis to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing of the merger, as these provisions will no longer be applicable to Tremisis, and to redesignate section E of Article Sixth as Article Sixth; and
- (5) to consider and vote upon the approval of the 2006 Long-Term Incentive Plan (an equity-based incentive compensation plan).

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

These items of business are described in the attached proxy statement, which we encourage you to read in its entirety before voting. Only holders of record of Tremisis common stock at the close of business on _____, 2006 are entitled to notice of the special meeting and to vote at the special meeting and any adjournments or postponements of the special meeting. Only the holders of record of Tremisis common stock on that date are entitled to have their votes counted at the Tremisis special meeting and any adjournments or postponements of it. Tremisis will not transact any other business at the special meeting except for business properly brought before the special meeting or any adjournment or postponement of it by Tremisis board of directors.

A complete list of Tremisis stockholders of record entitled to vote at the special meeting will be available for 10 days before the special meeting at the principal executive offices of Tremisis for inspection by stockholders during ordinary business hours for any purpose germane to the special meeting.

Your vote is important regardless of the number of shares you own. The first, second, third and fourth proposals must be approved by the holders of a majority of the outstanding shares of Tremisis common stock. The fifth proposal must be approved by the holders of a majority of the shares of Tremisis common stock present in person or represented by proxy and entitled to vote at the meeting.

Table of Contents

All Tremisis stockholders are cordially invited to attend the special meeting in person. However, to ensure your representation at the special meeting, you are urged to complete, sign, date and return the enclosed proxy card as soon as possible. If you are a stockholder of record of Tremisis common stock, you may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank on how to vote your shares. If you do not vote or do not instruct your broker or bank how to vote, it will have the same effect as voting against the merger, the name change amendment, the capitalization amendment and the Article Sixth amendment.

The board of directors of Tremisis unanimously recommends that you vote **FOR** each of the proposals, which are described in detail in the accompanying proxy statement.

By Order of the Board of Directors

Lawrence S. Coben

Chairman of the Board and

Chief Executive Officer

, 2006

Table of Contents**TABLE OF CONTENTS**

<u>Section Heading</u>	<u>Page</u>
<u>SUMMARY OF MATERIAL TERMS OF THE MERGER</u>	1
<u>QUESTIONS AND ANSWERS ABOUT THE PROPOSALS</u>	2
<u>SUMMARY OF THE PROXY STATEMENT</u>	9
<u>The Parties</u>	9
<u>The Merger</u>	11
<u>Tremisis Recommendations to Stockholders; Reasons for the Merger</u>	12
<u>The Certificate of Incorporation Amendments</u>	12
<u>The Proposed Tremisis 2006 Long-Term Incentive Plan</u>	12
<u>Management of Tremisis and RAM</u>	13
<u>Voting Agreement</u>	13
<u>Tremisis Inside Stockholders</u>	13
<u>Merger Consideration</u>	13
<u>Pre-Closing RAM Dividends/Redemption</u>	14
<u>Escrow Agreement Indemnification of Tremisis</u>	14
<u>Lock-Up Agreement</u>	15
<u>Registration Rights Agreement</u>	15
<u>Date, Time and Place of Special Meeting of Tremisis Stockholders</u>	15
<u>Voting Power; Record Date</u>	15
<u>Approval of the RAM stockholders</u>	15
<u>Quorum and Vote of Tremisis Stockholders</u>	16
<u>Relation of Proposals</u>	16
<u>Conversion Rights</u>	16
<u>Appraisal Rights</u>	17
<u>Proxies</u>	17
<u>Interests of Tremisis Directors and Officers in the Merger</u>	17
<u>Conditions to the Closing of the Merger</u>	17
<u>Termination, Amendment and Waiver</u>	19
<u>Quotation or Listing</u>	19
<u>Tax Consequences of the Merger</u>	20
<u>Accounting Treatment</u>	20
<u>Regulatory Matters</u>	20
<u>Risk Factors</u>	20
<u>SELECTED SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL INFORMATION</u>	21
<u>RAM s Selected Historical Financial Information</u>	21
<u>Tremisis Selected Historical Financial Information</u>	22
<u>Selected Unaudited Pro Forma Combined Financial Information of Tremisis and RAM</u>	22
<u>Per Share Data</u>	23
<u>Market Price and Dividend Data for Tremisis Securities</u>	24
<u> Holders</u>	24
<u>Dividends</u>	24
<u>RISK FACTORS</u>	25
<u>Risks Related to our Business and Operations Following the Merger with RAM</u>	25
<u>Risks Related to the Merger</u>	28
<u>FORWARD-LOOKING STATEMENTS</u>	30
<u>SPECIAL MEETING OF TREMISIS STOCKHOLDERS</u>	31
<u>General</u>	31
<u>Date, Time and Place</u>	31
<u>Purpose of the Tremisis Special Meeting</u>	31

Table of Contents

<u>Section Heading</u>	<u>Page</u>
<u>Recommendation of Tremisis Board of Directors</u>	31
<u>Record Date: Who is Entitled to Vote</u>	32
<u>Quorum</u>	32
<u>Abstentions and Broker Non-Votes</u>	32
<u>Vote of Our Stockholders Required</u>	32
<u>Voting Your Shares</u>	32
<u>Revoking Your Proxy</u>	33
<u>Who Can Answer Your Questions About Voting Your Shares</u>	33
<u>No Additional Matters May Be Presented at the Special Meeting</u>	33
<u>Conversion Rights</u>	33
<u>Appraisal Rights</u>	34
<u>Proxy Solicitation Costs</u>	34
<u>Tremisis Inside Stockholders</u>	34
<u>Tremisis Fairness Opinion</u>	34
<u>THE MERGER PROPOSAL</u>	35
<u>General Description of the Merger</u>	35
<u>Pre-Closing RAM Dividends/Redemption</u>	35
<u>Background of the Merger</u>	36
<u>Tremisis Board of Directors Reasons for the Approval of the Merger</u>	39
<u>Recommendation of Tremisis Board of Directors</u>	41
<u>Fairness Opinion</u>	41
<u>Material Federal Income Tax Consequences of the Merger</u>	46
<u>Anticipated Accounting Treatment</u>	47
<u>Regulatory Matters</u>	48
<u>THE MERGER AGREEMENT</u>	49
<u>General: Structure of Merger</u>	49
<u>Closing and Effective Time of the Merger</u>	49
<u>Name: Headquarters: Stock Symbols</u>	49
<u>Merger Consideration</u>	49
<u>Pre-Closing RAM Dividends/Redemption</u>	50
<u>Escrow Agreement</u>	50
<u>Lock-Up Agreement</u>	50
<u>Employment Agreement</u>	50
<u>Election of Directors: Voting Agreement</u>	50
<u>Registration Rights Agreement</u>	51
<u>Representations and Warranties</u>	51
<u>Covenants</u>	51
<u>Conditions to Closing of the Merger</u>	54
<u>Indemnification</u>	56
<u>Termination</u>	56
<u>Effect of Termination</u>	57
<u>Fees and Expenses</u>	58
<u>Confidentiality: Access to Information</u>	58
<u>Amendment</u>	58
<u>Extension: Waiver</u>	59
<u>Public Announcements</u>	59
<u>Arbitration</u>	59
<u>UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS</u>	60
<u>NAME CHANGE AMENDMENT PROPOSAL</u>	66
<u>CAPITALIZATION AMENDMENT PROPOSAL</u>	67
<u>ARTICLE SIXTH AMENDMENT PROPOSAL</u>	68

Table of Contents

<u>Section Heading</u>	<u>Page</u>
<u>2006 LONG-TERM INCENTIVE PLAN PROPOSAL</u>	69
<u>Background</u>	69
<u>Stock Subject to the 2006 Plan</u>	69
<u>Administration</u>	69
<u>Types of Awards</u>	70
<u>Transferability</u>	72
<u>Change of Control Event</u>	72
<u>Termination of Employment/Relationship</u>	72
<u>Dilution; Substitution</u>	72
<u>Amendment of the 2006 Plan</u>	72
<u>Accounting Treatment</u>	73
<u>Tax Treatment</u>	73
<u>Recommendation and Vote Required</u>	75
<u>OTHER INFORMATION RELATED TO TREMISIS</u>	75
<u>Business of Tremisis</u>	75
<u>Offering Proceeds Held in Trust</u>	75
<u>Fair Market Value of Target Business</u>	75
<u>Stockholder Approval of Business Combination</u>	75
<u>Liquidation If No Business Combination</u>	76
<u>Facilities</u>	76
<u>Employees</u>	76
<u>Periodic Reporting and Audited Financial Statements</u>	76
<u>Legal Proceedings</u>	76
<u>Plan of Operations</u>	77
<u>Off-Balance Sheet Arrangements</u>	78
<u>BUSINESS OF RAM</u>	79
<u>General</u>	79
<u>Principal Properties</u>	80
<u>Other Properties</u>	84
<u>Development, Exploration and Exploitation Programs</u>	84
<u>Oil and Natural Gas Reserves</u>	85
<u>Net Production, Unit Prices and Costs</u>	88
<u>Acquisition, Development and Exploration Capital Expenditures</u>	88
<u>Producing Wells</u>	89
<u>Acreage</u>	89
<u>Drilling Activities</u>	89
<u>Oil and Natural Gas Marketing and Hedging</u>	89
<u>Competition</u>	90
<u>Title to Properties</u>	91
<u>Facilities</u>	91
<u>Regulation</u>	91
<u>Legal Proceedings</u>	92
<u>Employees</u>	93
<u>RAM'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	94
<u>DIRECTORS AND EXECUTIVE OFFICERS OF TREMISIS FOLLOWING THE MERGER</u>	108
<u>Meetings and Committees of the Board of Directors of Tremisis</u>	110
<u>Independence of Directors</u>	110
<u>Audit Committee</u>	110
<u>Code of Ethics</u>	111
<u>Compensation Committee Information</u>	111

Table of Contents

<u>Section Heading</u>	<u>Page</u>
<u>Nominating Committee Information</u>	112
<u>Election of Directors: Voting Agreement</u>	112
<u>Executive Compensation</u>	112
<u>Employment Agreement</u>	113
<u>BENEFICIAL OWNERSHIP OF SECURITIES</u>	114
<u>Security Ownership of Certain Beneficial Owners and Management</u>	114
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u>	116
<u>Tremisis Related Party Transactions</u>	116
<u>RAM Related Party Transactions</u>	117
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	118
<u>DESCRIPTION OF TREMISIS COMMON STOCK AND OTHER SECURITIES</u>	119
<u>General</u>	119
<u>Common Stock</u>	119
<u>Preferred Stock</u>	119
<u>Warrants</u>	120
<u>PRICE RANGE OF TREMISIS SECURITIES AND DIVIDENDS</u>	121
<u>Holders</u>	121
<u>Dividends</u>	121
<u>APPRAISAL RIGHTS</u>	122
<u>STOCKHOLDER PROPOSALS</u>	122
<u>EXPERTS</u>	122
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	123
<u>GLOSSARY</u>	124
<u>INDEX TO FINANCIAL STATEMENTS</u>	F-1
 <i>ANNEXES</i>	
<u>A. Agreement and Plan of Merger, as amended</u>	A-1
<u>B. Amended and Restated Certificate of Incorporation</u>	B-1
<u>C. Form of 2006 Long-Term Incentive Plan</u>	C-1
<u>D. Amended and Restated Voting Agreement</u>	D-1
<u>E. Form of Escrow Agreement</u>	E-1
<u>F. Tax Opinion issued to Tremisis</u>	F-1
<u>G. Fairness Opinion issued to Tremisis</u>	G-1
<u>H. Form of Employment Agreement</u>	H-1
<u>I. Form of Registration Rights Agreement</u>	I-1

Table of Contents

SUMMARY OF THE MATERIAL TERMS OF THE MERGER

The parties to the merger are Tremisis Energy Acquisition Corporation, RAM Energy, Inc., and RAM Acquisition, Inc, which was formed by Tremisis to effect the merger and is referred to as Merger Sub. See the section entitled The Merger Proposal.

RAM is an independent oil and gas company engaged in the acquisition, exploration, exploitation and development of oil and natural gas properties and the production of oil and natural gas. Its properties are located principally in Texas, Louisiana and Oklahoma. See the section entitled Business of RAM.

On closing of the merger, the Merger Sub will merge into RAM and RAM will become a wholly owned subsidiary of Tremisis. See the section entitled The Merger Proposal.

In return for all of their stock in RAM, the stockholders of RAM will receive from Tremisis 25,600,000 shares of Tremisis common stock and cash equal to \$30,000,000 or such lesser amount as may be available from Tremisis trust account after payments to Tremisis stockholders who vote against the merger and demand that their shares be converted into cash. Also, RAM will pay its stockholders a one-time extraordinary dividend or redeem a portion of its outstanding stock immediately prior to the merger, in an aggregate amount of up to the difference between \$40,000,000 and the amount of cash they receive from Tremisis. See the section entitled The Merger Agreement Merger Consideration.

As a result of the merger and assuming that no Tremisis stockholder demands that Tremisis convert its shares to cash, as permitted by Tremisis certificate of incorporation, the stockholders of RAM will own approximately 77% of the outstanding Tremisis common stock and the present stockholders of Tremisis (or their transferees) will own approximately 23% of the outstanding Tremisis common stock. See the section entitled The Merger Agreement Merger Consideration.

12.5% of the Tremisis shares to be received by the RAM stockholders will be placed in escrow until June 30, 2007 as a fund for the payment of indemnification claims that may be made by Tremisis as a result of breaches of RAM's covenants, representations and warranties in the merger agreement and a lawsuit to which RAM is a party. See the section entitled The Merger Agreement Escrow Agreement.

In addition to voting on the merger, the stockholders of Tremisis will vote on proposals to change its name to RAM Energy Resources, Inc., to increase the number of shares of common stock it is authorized to issue to 100,000,000 from 30,000,000, to amend its charter to delete certain provisions that will no longer be applicable after the merger and to approve a long term incentive plan. See the sections entitled Name Change Amendment Proposal, Capitalization Amendment Proposal, Article Sixth Amendment Proposal and 2006 Long-Term Incentive Plan Proposal.

The stockholders of RAM have agreed not to sell any of the shares of Tremisis common stock they receive in the merger for six months and no more than 50% of the shares they receive for a further six months, subject to certain exceptions. Tremisis has agreed to register their shares with the SEC on request in certain circumstances. See the section entitled The Merger Agreement Lock-Up Agreement.

None of Tremisis present officers and directors will continue in such positions after the merger. After the merger, the directors of Tremisis will be three persons who have been designated by the RAM stockholders and one person who has been designated by Lawrence S. Coben, chairman and chief executive officer of Tremisis, and Isaac Kier, secretary, treasurer and a director of Tremisis. The stockholders of RAM and Messrs. Coben and Kier have agreed to vote their shares of Tremisis stock in favor of their respective designees to serve as directors of Tremisis through the annual meeting of stockholders of Tremisis to be held in 2008. See the section entitled The Merger Agreement Election of Directors; Voting Agreement.

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

After the merger, all of the officers of Tremisis will be persons who presently hold similar positions with RAM. Larry E. Lee, RAM's president and chief executive officer, will enter into a three-year employment agreement with Tremisis, effective upon the merger, pursuant to which he will hold similar positions with Tremisis. See the section entitled "The Merger Agreement Employment Agreement."

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

- Q. Why am I receiving this proxy statement?**
- A. Tremisis and RAM have agreed to a business combination under the terms of the Agreement and Plan of Merger dated October 20, 2005, as amended on November 11, 2005, and February 15, 2006 that is described in this proxy statement. This agreement is referred to as the merger agreement. A copy of the merger agreement, as amended, is attached to this proxy statement as Annex A, which we encourage you to review.
- In order to complete the merger, Tremisis stockholders must vote to approve (i) the merger agreement, (ii) an amendment to Tremisis' certificate of incorporation to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc., and (iii) an amendment to Tremisis' certificate of incorporation to increase the number of shares of authorized common stock from 30,000,000 to 100,000,000. Tremisis stockholders will also be asked to vote to approve (i) an amendment to Tremisis' certificate of incorporation to make certain modifications to Article Sixth thereof and (ii) the incentive compensation plan, but such approvals are not conditions to the merger. The incentive compensation plan has been approved by Tremisis' board of directors and will be effective upon consummation of the merger, but stockholder approval is necessary to obtain incentive stock option tax treatment. Tremisis' amended and restated certificate of incorporation, as it will appear if all amendments to its certificate of incorporation are approved, is annexed as Annex B hereto. The incentive compensation plan is annexed as Annex C hereto.
- Tremisis will hold a special meeting of its stockholders to obtain these approvals. This proxy statement contains important information about the proposed merger, the other proposals and the meeting of Tremisis stockholders. You should read it carefully.
- Your vote is important. We encourage you to vote as soon as possible after carefully reviewing this proxy statement.
- Q. Why is Tremisis proposing the merger?**
- A. Tremisis was organized to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business in either the energy or the environmental industry and their related infrastructures. RAM is an independent oil and gas company engaged in the acquisition, exploration, exploitation and development of oil and gas properties and the production of oil and gas. Tremisis believes that RAM, with its estimated net proved reserves of 18.8 million barrels of oil equivalent, or Boe, at December 31, 2005 and its interests in approximately 2,900 wells, is positioned for significant growth in present and future energy markets and believes that a business combination with RAM will provide Tremisis stockholders with an opportunity to participate in a company with significant growth potential.
- Q. What is being voted on?**
- A. There are five proposals on which the Tremisis stockholders are being asked to vote. The first proposal is to adopt and approve the merger agreement and the transactions contemplated thereby. We refer to this proposal as the merger proposal.
- The second proposal is to approve an amendment to the certificate of incorporation to change the name of Tremisis from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc. We refer to this proposal as the name change amendment.

Table of Contents

The third proposal is to approve an amendment to the certificate of incorporation to increase the number of authorized shares of Tremisis common stock from 30,000,000 to 100,000,000. We refer to this proposal as the capitalization amendment.

The fourth proposal is to approve an amendment to the certificate of incorporation to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing and to redesignate section E of Article Sixth as Article Sixth. The items being removed will no longer be operative upon consummation of the merger; therefore, this amendment is being proposed to revise the certificate of incorporation on a going-forward basis. We refer to this proposal as the Article Sixth amendment.

The fifth proposal is to approve Tremisis 2006 Long-Term Incentive Plan. We refer to this proposal as the incentive compensation plan proposal.

- Q. What vote is required in order to adopt the merger proposal?** A. The approval of the merger will require the affirmative vote of holders of a majority of the outstanding shares of Tremisis common stock. If the holders of 20% or more of the shares of the common stock issued in Tremisis initial public offering (the IPO) pursuant to its prospectus, dated May 12, 2004, vote against the merger and demand that Tremisis convert their shares into a pro rata portion of Tremisis trust account as of the record date, then the merger will not be consummated. No vote of the holders of Tremisis warrants is necessary to adopt the merger proposal or other proposals and Tremisis is not asking the warrant holders to vote on the merger proposal or the other proposals. Tremisis will not consummate the merger transaction unless both the name change amendment and the capitalization amendment are also approved. The approvals of the Article Sixth amendment and the incentive compensation plan proposal are not conditions to the consummation of the merger. The incentive compensation plan has been approved by Tremisis Board of Directors and will be effective upon consummation of the merger, subject to stockholder approval of the plan. If the merger proposal is not approved, none of the other proposals will be presented for approval.
- Q. What vote is required in order to adopt the name change amendment?** A. The approval of the name change amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock. The approval of the name change amendment is a condition to the consummation of the merger.
- Q. What vote is required in order to adopt the capitalization amendment?** A. The approval of the capitalization amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock. The approval of the capitalization amendment is a condition to the consummation of the merger.
- Q. What vote is required in order to adopt the Article Sixth amendment?** A. The approval of the Article Sixth amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock. The approval of the Article Sixth amendment is not a condition to the consummation of the merger or to the effectuation of the name change amendment or the capitalization amendment.

Table of Contents

- Q. What vote is required in order to adopt the incentive compensation plan?** A. The approval of the incentive compensation plan proposal will require the affirmative vote of the holders of a majority of the shares of Tremisis common stock represented in person or by proxy and entitled to vote at the special meeting. The approval of the incentive compensation plan proposal is not a condition to the approval of the merger proposal or to the effectuation of the name change amendment or the capitalization amendment.
- Q. Why is Tremisis proposing the incentive compensation plan?** A. Tremisis is proposing the incentive compensation plan to enable it to attract, retain and reward its directors, officers, employees and consultants using equity-based incentives. The incentive compensation plan has been approved by Tremisis Board of Directors and will be effective upon consummation of the merger, subject to stockholder approval of the plan.
- Q. Does the Tremisis board recommend voting in favor of the merger, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan?** A. Yes. After careful consideration of the terms and conditions of the merger agreement, the amendment to the certificate of incorporation and the incentive compensation plan, the board of directors of Tremisis has determined that the merger and the transactions contemplated thereby, each certificate of incorporation amendment and the incentive compensation plan are fair to and in the best interests of Tremisis and its stockholders. The Tremisis board of directors recommends that Tremisis stockholders vote FOR each of (i) the merger, (ii) the name change amendment, (iii) the capitalization amendment, (iv) the Article Sixth amendment and (v) the incentive compensation plan proposal. The members of Tremisis board of directors have interests in the merger that are different from, or in addition to, your interests as a stockholder. For a description of such interests, please see the section entitled Summary of the Proxy Statement Interests of Tremisis Directors and Officers in the Merger on page 17.
- For a description of the factors considered by Tremisis board of directors in making its determination, see the section entitled Tremisis Board of Directors Reasons for Approval of the Merger beginning on page 39.
- Tremisis has obtained an opinion from Gilford Securities Incorporated that the merger is fair, from a financial perspective, to the stockholders of Tremisis. For a description of the fairness opinion and the assumptions made, matters considered and procedures followed by Gilford Securities Incorporated in rendering such opinion, see the section entitled Fairness Opinion beginning on page 41.
- Q. What will happen in the proposed merger?** A. As a consequence of the merger, a wholly owned subsidiary of Tremisis will be merged with and into RAM and RAM will continue as the surviving corporation, becoming a wholly owned subsidiary of Tremisis. Stockholders of RAM will become stockholders of Tremisis and will own at least 77% of the shares of Tremisis common stock outstanding after the merger.
- Q. How do the Tremisis insiders intend to vote their shares?** A. All of the Tremisis insiders (including all of Tremisis officers and directors) have agreed to vote the shares held by them that they acquired prior to the IPO on the merger proposal in accordance with the vote of the majority of the shares of common stock issued in the IPO. They have indicated that they will vote the shares held by them in favor of the certificate of incorporation amendments and the incentive compensation plan.
- Q. What will I receive in the proposed merger?** A. Tremisis stockholders will receive nothing in the merger. Tremisis stockholders will continue to hold the shares of Tremisis common stock that they owned prior to the merger.

Table of Contents

- Q. What will RAM security holders receive in the proposed merger?** A. The RAM stockholders, including a holder of an option to purchase shares of common stock of RAM (the only outstanding securities exercisable or convertible into shares of common stock of RAM) who has agreed to exercise such option prior to the consummation of the merger, will receive 25,600,000 shares of Tremisis common stock and \$30.0 million in cash, or such lesser amount as may be available in the trust account after payment to the holders of Tremisis common stock voting against the merger and demanding conversion. Of the shares to be issued to the RAM stockholders, 3,200,000 shares, or 12.5%, will be placed in escrow to secure Tremisis indemnity rights under the merger agreement. The merger agreement authorizes RAM, prior to the consummation of the merger, to either declare a one-time extraordinary dividend, or redeem a portion of its outstanding stock, in an aggregate amount of up to the difference between \$40 million and the amount of cash consideration to be received by the RAM stockholders from Tremisis in the merger. Subject to the availability of distributable funds, RAM intends to effect such payment. See the section entitled Merger Consideration beginning on page 49.
- Q. How much of Tremisis will existing Tremisis stockholders own after the merger?** A. After the merger, if no Tremisis stockholder demands that Tremisis convert its shares into a pro rata portion of the trust account, then existing Tremisis stockholders will own approximately 23% of the outstanding common stock of Tremisis. Existing Tremisis stockholders would own less than that percentage of shares if one or more Tremisis stockholders vote against the merger proposal and demand conversion of their shares into a pro rata portion of the trust account.
- Q. Do I have conversion rights?** A. If you hold shares of common stock issued in Tremisis IPO, then you have the right to vote against the merger proposal and demand that Tremisis convert such shares into a pro rata portion of the trust account in which a substantial portion of the net proceeds of Tremisis IPO are held. We sometimes refer to these rights to vote against the merger and demand conversion of the shares into a pro rata portion of the trust account as conversion rights.
- Q. How do I exercise my conversion rights?** A. If you wish to exercise your conversion rights, you must vote against the merger proposal and at the same time demand that Tremisis convert your shares into cash. You may exercise your conversion rights either by checking the box on the proxy card or by submitting your request in writing to Tremisis at the address listed below. You may contact Tremisis at the phone number listed below for instructions on how to remedy an improperly executed demand for conversion at any time until the stockholder meeting. If, notwithstanding your negative vote, the merger is completed, then you will be entitled to receive a pro rata portion of the trust account, including any interest earned thereon through the record date. As of the record date, there was approximately \$ in trust, so you will be entitled to convert each share of common stock that you hold into approximately \$. If you exercise your conversion rights, then you will be exchanging your shares of Tremisis common stock for cash and will no longer own these shares. You will be entitled to receive cash for these shares only if you continue to hold these shares through the closing of the merger and then tender your stock certificate. Exercise of your conversion rights does not result in either the conversion or a loss of your warrants. Your warrants will continue to be outstanding and exercisable following a conversion of your common stock.

Table of Contents

certificate of incorporation amendments. An abstention will have the effect of voting against the incentive compensation plan proposal, but failures to vote will have no effect on the incentive compensation plan proposal.

- Q. If my shares are held in street name, will my broker, bank or nominee automatically vote my shares for me?**
- A.** No. Your broker, bank or nominee cannot vote your shares unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank or nominee.
- Q. Can I change my vote after I have mailed my signed proxy or direction form?**
- A.** Yes. Send a later-dated, signed proxy card to Tremisis secretary at the address of Tremisis corporate headquarters prior to the date of the special meeting or attend the special meeting in person and vote. You also may revoke your proxy by sending a notice of revocation to Tremisis secretary.
- Q. Do I need to send in my stock certificates?**
- A.** No. Tremisis stockholders who do not elect to have their shares converted into the pro rata share of the trust account should not submit their stock certificates now or after the merger, because their shares will not be converted or exchanged in the merger.
- Q. What should I do if I receive more than one set of voting materials?**
- A.** You may receive more than one set of voting materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive in order to cast a vote with respect to all of your Tremisis shares.
- Q. What are the federal income tax consequences of the merger to Tremisis and its stockholders?**
- A.** The merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and no gain or loss will be recognized by Tremisis as a result of the merger.

A stockholder of Tremisis who exercises conversion rights and effects a termination of the stockholder's interest in Tremisis will generally be required to recognize capital gain or loss upon the exchange of that stockholder's shares of common stock of Tremisis for cash, if such shares were held as a capital asset on the date of the merger. Such gain or loss will be measured by the difference between the amount of cash received and the tax basis of that stockholder's shares of Tremisis common stock.

No gain or loss will be recognized by non-converting stockholders of Tremisis.

Table of Contents

For a description of the material federal income tax consequences of the merger, please see the information set forth in **Material Federal Income Tax Consequences of the Merger** beginning on page 46.

- Q. Who can help answer my questions?** **A.** If you have questions about the merger or if you need additional copies of the proxy statement or the enclosed proxy card you should contact:

Lawrence S. Coben

Tremisis Energy Acquisition Corporation

1755 Broadway, Suite 604

New York, New York 10019

Tel: (212) 397-1464

You may also obtain additional information about Tremisis from documents filed with the SEC by following the instructions in the section entitled **Where You Can Find More Information** beginning on page 127.

Table of Contents

SUMMARY OF THE PROXY STATEMENT

This summary highlights selected information from this proxy statement and does not contain all of the information that is important to you. To better understand the merger, you should read this entire document carefully, including the merger agreement, as amended, attached as Annex A to this proxy statement. We encourage you to read the merger agreement carefully. It is the legal document that governs the merger and the other transactions contemplated by the merger agreement. It is also described in detail elsewhere in this proxy statement.

The Parties

Tremisis

Tremisis is a blank check company organized as a corporation under the laws of the State of Delaware on February 5, 2004. It was formed to effect a business combination with an unidentified operating business in either the energy or the environmental industry and their related infrastructures. On May 18, 2004, it consummated an IPO of its equity securities from which it derived net proceeds of approximately \$34,163,000. The Tremisis common stock, warrants to purchase common stock and units (each unit consisting of one share of common stock and two warrants to purchase common stock) are quoted on the Over-the-Counter Bulletin Board (OTCBB) under the symbols TEGY for the common stock, TEGYW for the warrants and TEGYU for the units. Approximately \$33,143,000 of the net proceeds of the IPO were placed in a trust account. Such funds, with the interest earned thereon, will be released to Tremisis upon consummation of the merger, and used to pay the cash portion of the merger consideration to the RAM stockholders and payments owed to Tremisis stockholders who exercise conversion rights, with the balance being used for working capital for the post-merger entity.

The balance of the net proceeds of the IPO, or approximately \$1,020,000, was held outside of the trust account and has been and will be used by Tremisis to pay the expenses incurred in its pursuit of a business combination. As of December 31, 2005, Tremisis had spent approximately \$729,000 of such amount. Other than its IPO and the pursuit of a business combination, Tremisis has not engaged in any business to date. If Tremisis does not consummate a business combination by May 18, 2006, then, pursuant to Article Sixth of its certificate of incorporation, Tremisis' officers must take all actions necessary to dissolve and liquidate Tremisis within 60 days of such date. Such actions include (i) prompt notice to the trustee of the trust account who will then notify the accounts where the funds are invested to commence liquidation of any investments that are not already in cash; and (ii) using any of Tremisis' cash remaining outside of the trust account to pay liabilities. The amount to be distributed to Tremisis' public stockholders in a liquidation will be the amount in the trust account plus any cash remaining outside of the trust account which is not used to pay Tremisis' liabilities.

The mailing address of Tremisis' principal executive office is Tremisis Energy Acquisition Corporation, 1775 Broadway, Suite 604, New York, New York 10019, and its telephone number is (212) 397-1464.

RAM Acquisition, Inc.

RAM Acquisition, Inc. was organized as a corporation under the laws of the State of Delaware on October 5, 2005. It was formed to effect a merger with RAM and is a wholly owned subsidiary of Tremisis. We sometimes refer to RAM Acquisition, Inc. as the Merger Sub.

RAM

RAM is a privately owned, independent, oil and gas company. RAM's business strategy is to acquire, explore, develop, exploit, produce and manage oil and gas properties, primarily in Texas, Louisiana and Oklahoma. RAM has been active in these core areas since its inception in 1987. RAM's management team has extensive technical and operating expertise in all areas of its geographic focus.

Table of Contents

At December 31, 2005, RAM's estimated net proved reserves were 18.8 million barrels of oil equivalent, or Boe, of which approximately 60% were crude oil, 30% were natural gas, and 10% were natural gas liquids. The present value of future net revenue from RAM's estimated net proved reserves, calculated before applicable income taxes, discounted at 10%, which we refer to as PV-10 Value, was approximately \$345.5 million, based on prices RAM was receiving as of December 31, 2005, which were \$58.63 per barrel, or Bbl, of oil, \$35.89 per Bbl of natural gas liquids, or NGLs, and \$9.14 per thousand cubic feet, or Mcf, of natural gas, without regard to financial hedges or hedging activities. At December 31, 2005, based on the methodology provided in Statement of Financial Accounting Standard No. 69, the standardized measure of the discounted value of future cash flows related to RAM's estimated proved oil and natural gas reserves was \$226.7 million. For further information regarding the standardized measure, please see "Business of RAM Oil and Natural Gas Reserves" and note R of the notes to RAM's financial statements for the year ended December 31, 2005, appearing elsewhere in this proxy statement. At December 31, 2005, RAM's proved developed reserves comprised 70.0% of its total proved reserves and the estimated reserve life for RAM's total proved reserves was approximately 13 years.

The following table presents certain information with respect to RAM's oil and natural gas production, prices and costs attributable to all oil and natural gas properties owned by RAM for the periods shown. Average realized prices reflect the actual realized prices received by RAM, before and after giving effect to the results of RAM's hedging activities.

	Year Ended December 31,		
	2003	2004	2005
Production volumes:			
Oil and condensate (MBbls)	277	178	787
Natural gas liquids (MBbls)	5	12	170
Natural gas (MMcf)	2,334	2,084	2,681
Total (MBoe)	671	538	1,405
Average realized prices (before effects of hedging):			
Oil and condensate (per Bbl)	\$ 29.47	\$ 37.63	\$ 53.75
Natural gas liquids (per Bbl)	\$ 16.94	\$ 26.41	\$ 36.33
Natural gas (per Mcf)	\$ 5.06	\$ 5.26	\$ 6.61
Total per Boe	\$ 29.89	\$ 33.44	\$ 47.16
Effect of settlement of hedging contracts:			
Oil and condensate (per Bbl)	\$ 0.00	(\$3.95)	(\$1.40)
Natural gas liquids (per Bbl)	\$ 0.00	\$ 0.00	\$ 0.00
Natural gas (per Mcf)	\$ 0.00	\$ 0.05	(\$1.04)
Average realized prices (after effects of hedging):			
Oil and condensate (per Bbl)	\$ 29.47	\$ 33.68	\$ 52.35
Natural gas liquids (per Bbl)	\$ 16.94	\$ 26.41	\$ 36.33
Natural gas (per Mcf)	\$ 5.06	\$ 4.98	\$ 5.57
Expenses (per Boe):			
Oil and natural gas production taxes	\$ 2.10	\$ 2.35	\$ 2.36
Oil and natural gas production expenses	\$ 5.26	\$ 6.70	\$ 11.46
Amortization of full-cost pool	\$ 5.64	\$ 5.55	\$ 8.93
General and administrative	\$ 9.44	\$ 12.28	\$ 6.13

RAM owns interests in approximately 2,900 wells and is the operator of leases upon which approximately 1,900 of these wells are located. The PV-10 Value attributable to RAM's interests in the properties operated by RAM represented approximately 86% of RAM's aggregate PV-10 Value as of December 31, 2005. In addition,

Table of Contents

RAM has positioned itself for participation in two emerging resource plays: (1) the on-going Barnett Shale play located in Jack and Wise Counties, Texas, where RAM owns interests in approximately 27,069 gross acres (6,700 net acres), and (2) an exploratory Barnett and Woodford Shale play located in Reeves County, Texas, where RAM owns interests in approximately 70,000 gross acres (11,800 net acres). RAM also owns interests in various gathering systems and a natural gas processing plant that serves its producing properties.

RAM has grown principally through acquisitions of producing properties and the further development of these acquired properties. Since 1987, RAM has arranged and managed over 20 acquisitions of producing oil and gas properties and related assets for an aggregate purchase price approximating \$400 million. The most recent of these acquisitions, which closed in December 2004, was RAM's purchase of WG Energy Holdings, Inc. for \$82.5 million, following which WG Energy's name was changed to RWG Energy, Inc., or RWG. RWG's estimated proved reserves at December 31, 2004 included 9.5 million Bbls of oil, 2.1 million Bbls of NGLs, and 10.0 billion cubic feet, or Bcf, of natural gas, or a total of 13.2 million Boe. The cost of the acquisition on a per Boe basis was approximately \$6.25 per Boe.

From January 1, 1997 through December 31, 2005, RAM's reserve replacement percentage, through discoveries, extensions, revisions and acquisitions, but excluding dispositions, was 345%. From January 1, 1989 through December 31, 2005, RAM drilled or participated in the drilling of 465 oil and natural gas wells, of which 92% were completed and produced hydrocarbons in commercial quantities, which RAM considers to be its success rate. Since January 1, 1997, RAM's historical average finding cost from all sources, exclusive of acquisitions, has been \$6.21 per Boe.

RAM owns or has access to 2-D seismic data covering approximately 3,285 square miles and 3-D seismic information covering approximately 108 square miles in its core areas. RAM is actively engaged in re-interpreting and re-processing such data in an effort to identify additional exploration and exploitation targets across RAM's owned acreage. RAM regularly reviews prospects proposed by other operators and from time to time participates in exploration plays within its core areas.

During 2005, RAM drilled or participated in the drilling of 67 wells on its oil and gas properties, 60 of which were successfully completed as producing wells and seven of which were either still drilling or awaiting completion at year end. Through December 31, 2005, RAM's capital expenditures in connection with the drilling and completion of these 67 wells aggregated approximately \$7.6 million. One of the wells drilled during 2005 was an exploratory well in which RAM owns a 25% non-operating working interest, and the remaining 66 wells were development wells, 57 of which were drilled and are being operated by RAM. In addition, RAM conducted or participated in recompletion operations on 22 of its existing wells, resulting in the reestablishment or enhancement of production from 21 of these wells, with one well remaining shut in at year end. RAM's capital expenditures in connection with its 2005 recompletion operations aggregated approximately \$1.7 million.

RAM was organized as a corporation under the laws of the State of Delaware on September 28, 1987. The mailing address of RAM's principal executive offices is 5100 E. Skelly Drive, Suite 650, Tulsa, Oklahoma 74135, and its telephone number is (918) 663-2800.

The Merger

The merger agreement provides for a business combination transaction by means of a merger of Merger Sub with and into RAM in which RAM will be the surviving entity and become a wholly owned subsidiary of Tremisis. This will be accomplished through an exchange of all the issued and outstanding shares of capital stock of RAM for cash and shares of common stock of Tremisis. Shares of Tremisis common stock, representing 12.5% of the shares of Tremisis common stock to be issued to the RAM stockholders, will be placed in escrow as the sole remedy for Tremisis' rights to indemnity set forth in the merger agreement.

Table of Contents

Tremisis and RAM plan to complete the merger promptly after the Tremisis special meeting, provided that:

Tremisis stockholders have approved the merger agreement, the name change amendment and capitalization amendment;

holders of 20% or more of the shares of common stock issued in Tremisis IPO have not voted against the merger proposal and demanded conversion of their shares into cash; and

the other conditions specified in the merger agreement have been satisfied or waived.

Tremisis Recommendations to Stockholders; Reasons for the Merger

After careful consideration of the terms and conditions of the merger agreement, the certificate of incorporation amendments and the incentive compensation plan, the board of directors of Tremisis has determined that the merger and the transactions contemplated thereby, each certificate of incorporation amendment and the incentive compensation plan are fair to and in the best interests of Tremisis and its stockholders. In reaching its decision with respect to the merger and the transactions contemplated thereby, the board of directors of Tremisis reviewed various industry and financial data and the due diligence and evaluation materials provided by RAM in order to determine that the consideration to be paid to the RAM stockholders was reasonable. Further, Tremisis has received an opinion from Gilford Securities Incorporated that, in its opinion, the merger and the transactions contemplated thereby are fair to Tremisis stockholders from a financial point of view. Accordingly, Tremisis board of directors recommends that Tremisis stockholders vote:

FOR the merger proposal;

FOR the name change amendment;

FOR the capitalization amendment;

FOR the Article Sixth amendment; and

FOR the incentive compensation plan proposal.

The Certificate of Incorporation Amendments

The amendments to Tremisis certificate of incorporation are being proposed, upon consummation of the merger, to change Tremisis name, increase the number of shares of common stock it is authorized to issue, and eliminate certain provisions that are applicable to Tremisis only prior to its completion of a business combination. As a result of the amendments, after the merger, Tremisis will be named RAM Energy Resources, Inc., the number of shares of common stock it will be authorized to issue will be increased from 30 million to 100 million and Article Sixth of its certificate of incorporation will address only its classified board of directors, with existing provisions that relate to it as a blank check company being deleted.

The Proposed 2006 Long-Term Incentive Plan

The 2006 Long-Term Incentive Plan reserves 2,400,000 shares of Tremisis common stock for issuance in accordance with the plan's terms. The purpose of the plan is to create incentives designed to motivate our employees to significantly contribute toward our growth and profitability, to provide Tremisis executives, directors and other employees and persons who, by their position, ability and diligence are able to make important contributions to our growth and profitability, with an incentive to assist us in achieving our long-term corporate objectives, to attract and retain executives and other employees of outstanding competence and to provide such persons with an opportunity to acquire an equity interest in Tremisis. The plan is attached as Annex C to this proxy statement. We encourage you to read the plan in its entirety.

Table of Contents

Management of Tremisis and RAM

Tremisis

As a result of the merger, Merger Sub will be merged with and into RAM and will cease to survive. RAM and Tremisis will both survive the merger, with RAM becoming a wholly owned subsidiary of Tremisis.

After the consummation of the merger, the board of directors of Tremisis will consist of Larry E. Lee and Sean P. Lane (each in the class to stand for election in 2006), Gerald R. Marshall (in the class to stand for election in 2007), and John M. Reardon (in the class to stand for election in 2008). Messrs. Lee, Marshall and Reardon are currently directors of RAM and are designees of RAM's stockholders under the voting agreement. Mr. Lane is a designee of Messrs. Coben and Kier under the voting agreement.

After the consummation of the merger, the executive officers of Tremisis will be Larry E. Lee, chairman, president and chief executive officer, John M. Longmire, senior vice president and chief financial officer, Larry G. Rampey, senior vice president, Drake N. Smiley, senior vice president and John L. Cox, vice president, secretary and treasurer, each of whom currently is an executive officer of RAM. None of Tremisis current officers and directors will continue in his position after the merger.

RAM

After the consummation of the merger, the board of directors of RAM will be Larry E. Lee, Sean P. Lane, Gerald R. Marshall and John M. Reardon. The officers of RAM will be Larry E. Lee, chairman, president and chief executive officer, John M. Longmire, senior vice president and chief financial officer, Larry G. Rampey, senior vice president, Drake N. Smiley, senior vice president and John L. Cox, vice president, secretary and treasurer.

Voting Agreement

The RAM stockholders, certain stockholders of Tremisis and Tremisis entered into a voting agreement dated as of October 20, 2005. After consummation of the merger, the parties to the voting agreement will own approximately 80.5% of Tremisis' outstanding stock. The voting agreement provides that each individual party will vote for the respective designees of the individual parties affiliated with each of Tremisis and RAM as directors of Tremisis until immediately following the election that will be held in 2008. Tremisis will be obligated to provide for its board of directors to be comprised of four members and to enable the election to the board of directors of the persons designated by the parties to the voting agreement. The voting agreement is attached as Annex D hereto. We encourage you to read the voting agreement in its entirety.

Tremisis Inside Stockholders

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

On the record date, directors and executive officers of Tremisis and their affiliates (the Tremisis Inside Stockholders) beneficially owned and were entitled to vote 1,375,000 shares or approximately 17.9% of Tremisis outstanding common stock. In connection with its IPO, Tremisis and EarlyBirdCapital, Inc., the managing underwriter of the IPO, entered into agreements with each of the Tremisis Inside Stockholders pursuant to which each Tremisis Inside Stockholder agreed to vote his shares of Tremisis common stock on the merger proposal in accordance with the majority of the votes cast by the holders of shares issued in connection with the IPO. The Tremisis Inside Stockholders also agreed, in connection with the IPO, to place their shares in escrow until May 12, 2007.

Merger Consideration

The holders of the outstanding shares of common stock of RAM immediately before the merger will receive from Tremisis 25,600,000 shares of Tremisis common stock and \$30 million in cash, or such lesser amount as

Table of Contents

may be available in the trust account after payment to the owners of Tremisis common stock voting against the merger and demanding conversion. Immediately following the merger, the RAM stockholders will own approximately 77% of the total issued and outstanding Tremisis common stock, assuming that no Tremisis stockholders seek conversion of their Tremisis stock into their pro rata share of the trust account. Of the shares to be issued to the RAM stockholders, 3,200,000 shares, or 12.5%, will be placed in escrow to secure Tremisis' indemnity rights under the merger agreement.

Pre-Closing RAM Dividends/Redemption

The merger agreement authorizes RAM, prior to the consummation of the merger, to pay its normal quarterly dividends for the fourth quarter of 2005 and the first quarter of 2006, each in the amount of \$500,000. Also, because Tremisis will not have sufficient funds in its trust account to permit payment of \$40.0 million in cash merger consideration to the RAM stockholders, it was agreed that, prior to the consummation of the merger, in addition to its normal quarterly dividends, RAM would be authorized to declare and pay a one-time extraordinary dividend, or make a redemption of outstanding RAM common stock, in an amount which, when added to the cash merger consideration received from Tremisis, would permit the RAM stockholders to receive an aggregate \$40.0 million in cash. Accordingly, the merger agreement provides that, prior to the closing of the merger, RAM is authorized to declare and pay two normal \$500,000 quarterly dividends to its stockholders, and to either declare a one-time extraordinary dividend, or redeem a portion of its outstanding common stock, in an aggregate amount up to the difference between \$40.0 million and the amount of the cash consideration to be received by the RAM stockholders in the merger. It is anticipated that the RAM stockholders will receive \$30.0 million of cash merger consideration from Tremisis and, therefore, that the RAM extraordinary dividend/redemption will be \$10.0 million. If, after giving effect to payments by Tremisis to the holders of Tremisis common stock who vote against the merger and demand conversion, and after payment of Tremisis' expenses incurred in connection with the merger, less than \$30.0 million remains in the Tremisis trust account for payment of cash merger consideration to the RAM stockholders, the amount of the authorized RAM dividend or redemption payment will be increased as necessary to permit the aggregate amount received by the RAM stockholders, both as cash merger consideration and as a dividend or redemption payment, to equal \$40.0 million.

The amount of the dividend/redemption payments actually made by RAM will depend upon the amount of cash available to RAM for making such payments. Accordingly, it may be necessary for RAM to amend its existing credit facility or enter into a new credit facility with a higher credit limit prior to the closing. The merger agreement specifically authorizes RAM to enter into a new credit facility to replace its existing senior secured credit facility, and to draw funds under the new credit facility for purposes of making the dividend/redemption payments, subject only to an aggregate indebtedness limitation outstanding at the closing. In the event RAM does not have sufficient funds to make the full amount of the pre-closing dividend/redemption payments authorized by the terms of the merger agreement, the dividend/redemption payments actually made will be limited to the funds available for making such payments and neither RAM nor Tremisis will have any obligation to make any additional payments to the RAM stockholders after the closing with respect to any shortfall.

Escrow Agreement Indemnification of Tremisis

As the sole remedy for the obligation of the stockholders of RAM to indemnify and hold harmless Tremisis for any damages, whether as a result of any third party claim or otherwise, and which arise as a result of or in connection with the breach of representations and warranties and agreements and covenants of RAM or in connection with an identified, existing legal action involving certain of RAM's subsidiaries and affiliates, at the closing, there will be deposited in escrow, until June 30, 2007, 12.5% of the shares of Tremisis common stock to be issued to the RAM stockholders upon consummation of the merger. The RAM stockholders shall have the right to substitute for the escrow shares that otherwise would be paid in satisfaction of a claim, cash in an amount equal to the fair market value of the shares to be paid for a claim. For purposes of satisfying an indemnification

Table of Contents

claim, shares of Tremisis common stock will be valued at the average reported last sales price for the ten trading days ending on the last day prior to the day that the claim is paid. The escrow agreement is attached as Annex E hereto. We encourage you to read the escrow agreement in its entirety.

The determination to assert a claim for indemnification by Tremisis against the escrow shares will be made by Lawrence S. Coben, who is a current member of Tremisis board of directors. Larry E. Lee has been designated under the merger agreement to represent the interests of the stockholders of RAM with respect to claims for indemnification by Tremisis against such shares.

Lock-Up Agreement

The RAM stockholders have entered into a lock-up agreement that provides that they not sell or otherwise transfer any of the shares of common stock of Tremisis that they receive in the merger until the six-month anniversary of the consummation of the merger, and no more than 50% of such shares during the following six months, subject to the following exceptions: (i) if such shares are registered on a registration statement filed and declared effective with the Securities and Exchange Commission, (ii) upon approval from Tremisis board of directors and Lawrence S. Coben, a current member of Tremisis board of directors, or (iii) certain private transfers (e.g. to family members), where the transferee agrees to be bound by the terms of the lock-up agreement. The lock-up agreement was entered into to ensure that the shares of Tremisis common stock received by the RAM stockholders in the merger will not offer the potential to impact upon the market price during the periods the restrictions apply.

Registration Rights Agreement

Upon consummation of the merger, Tremisis and the RAM stockholders shall enter into a registration rights agreement to provide the RAM stockholders with certain piggy back and demand rights relating to the registration of shares of Tremisis common stock that they will receive as a result of the merger. The form of registration rights agreement is attached as Annex I hereto. We encourage you to read the registration rights agreement in its entirety.

Date, Time and Place of Special Meeting of Tremisis Stockholders

The special meeting of the stockholders of Tremisis will be held at 10:00 a.m., eastern time, on _____, 2006, at the offices of Graubard Miller, Tremisis counsel, at The Chrysler Building, 405 Lexington Avenue, 19th Floor, New York, New York 10174 to consider and vote upon the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal.

Voting Power; Record Date

You will be entitled to vote or direct votes to be cast at the special meeting if you owned shares of Tremisis common stock at the close of business on _____, 2006, which is the record date for the special meeting. You will have one vote for each share of Tremisis common

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

stock you owned at the close of business on the record date. Tremisis warrants do not have voting rights. On the record date, there were 7,700,000 shares of Tremisis common stock outstanding.

Approval of the RAM stockholders

All of the stockholders of RAM have approved the merger and the transactions contemplated thereby by consent action for purposes of the DGCL. Accordingly, no further action by the RAM stockholders is needed to approve the merger.

Table of Contents

Quorum and Vote of Tremisis Stockholders

A quorum of Tremisis stockholders is necessary to hold a valid meeting. A quorum will be present at the Tremisis special meeting if a majority of the outstanding shares entitled to vote at the meeting are represented in person or by proxy. Abstentions and broker non-votes will count as present for the purposes of establishing a quorum.

The approval of the merger proposal will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock on the record date. The merger will not be consummated if the holders of 20% or more of the common stock issued in Tremisis IPO (1,265,000 shares or more) exercise their conversion rights.

The approval of the name change amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock on the record date.

The approval of the capitalization amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock on the record date.

The approval of the Article Sixth amendment will require the affirmative vote of the holders of a majority of the outstanding shares of Tremisis common stock on the record date.

The approval of the incentive compensation plan will require the affirmative vote of the holders of a majority of the shares of Tremisis common stock represented in person or by proxy and entitled to vote at the meeting.

Abstentions will have the same effect as a vote AGAINST the merger proposal and the proposals to amend the certificate of incorporation and the incentive compensation plan. Broker non-votes, while considered present for the purposes of establishing a quorum, will have the effect of votes against the merger proposal and the proposals to amend the certificate of incorporation, but will have no effect on the incentive compensation plan. Please note that you cannot seek conversion of your shares unless you affirmatively vote against the merger.

Relation of Proposals

The merger will not be consummated unless each of the name change amendment and the capitalization amendment is approved, and neither of the name change amendment nor the capitalization amendment will be presented to the meeting for adoption unless the merger is approved. The approvals of the Article Sixth amendment and the incentive compensation plan proposal are not conditions to the consummation of the merger or to the adoption of either of the name change amendment or the capitalization amendment but, if the merger proposal is not approved, neither will be presented at the meeting for adoption. The incentive compensation plan has been approved by Tremisis Board of Directors and will take effect upon consummation of the merger, subject to stockholder approval of the plan.

Conversion Rights

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Pursuant to Tremisis' certificate of incorporation, a holder of shares of Tremisis' common stock issued in its IPO may, if the stockholder votes against the merger, demand that Tremisis convert such shares into cash. This demand must be made in writing at the same time that the stockholder votes against the merger proposal. If properly demanded, Tremisis will convert each share of common stock into a pro rata portion of the trust account as of the record date. This would amount to approximately \$ [redacted] per share of Tremisis' common stock. If you exercise your conversion rights, then you will be exchanging your shares of Tremisis common stock for cash and will no longer own the shares. You will be entitled to receive cash for these shares only if you continue to hold these shares through the effective time of the merger and then tender your stock certificate to Tremisis. If the merger is not completed, these shares will not be converted into cash. However, if we are unable to complete the

Table of Contents

merger, we will be forced to liquidate and all public stockholders will receive at least the amount they would have received if they sought conversion of their shares and we did consummate the merger.

The merger will not be consummated if the holders of 20% or more of the common stock issued in Tremisis IPO (1,265,000 shares or more) exercise their conversion rights.

Appraisal Rights

Tremisis stockholders do not have appraisal rights in connection with the merger under the DGCL.

Proxies

Proxies may be solicited by mail, telephone or in person.

If you grant a proxy, you may still vote your shares in person if you revoke your proxy before the special meeting.

Interests of Tremisis Directors and Officers in the Merger

When you consider the recommendation of Tremisis board of directors in favor of adoption of the merger proposal, you should keep in mind that Tremisis executive officers and members of Tremisis board have interests in the merger transaction that are different from, or in addition to, your interests as a stockholder. These interests include, among other things:

if the merger is not approved, Tremisis will be required to liquidate. In such event, the 1,375,000 shares of common stock held by Tremisis officers and directors that were acquired prior to the IPO will be worthless because Tremisis initial stockholders are not entitled to receive any liquidation proceeds. Such shares had an aggregate value of \$ based on the last sale price of \$ on the OTCBB on , 2006, the record date. Moreover, the Tremisis officers and directors have purchased 580,000 warrants in the public market for an aggregate purchase price of \$377,000. Such warrants had an aggregate market value of \$, based upon the last sale price of \$ on the OTCBB on , the record date. All of the warrants will become worthless if the merger is not consummated.

if Tremisis liquidates prior to the consummation of a business combination, Lawrence S. Coben, our current chairman of the board and chief executive officer, will be personally liable to pay debts and obligations, if any, to vendors and other entities that are owed money by Tremisis for services rendered or products sold to Tremisis, or to any target business, to the extent such creditors bring claims that require payment from moneys in the trust account. This arrangement was entered into to ensure that, in the event of liquidation, the trust account is not reduced by claims of creditors.

Conditions to the Closing of the Merger

Consummation of the merger agreement and the related transactions is conditioned on the Tremisis stockholders (i) adopting the merger proposal, (ii) approving the name change amendment, and (iii) approving the capitalization amendment. The Tremisis stockholders will also be asked to adopt the incentive compensation plan and to approve the removal of all of the provisions of Article Sixth of Tremisis' certificate of incorporation other than the paragraph relating to Tremisis' staggered board of directors. The transaction is not dependent on the approval of either of such actions. The incentive compensation plan has been approved by our Board of Directors and will be effective upon consummation of the merger if approved by the Tremisis stockholders. If stockholders owning 20% or more of the shares sold in the IPO vote against the transaction and exercise their right to convert their shares purchased in the IPO into a pro-rata portion of the funds held in trust by Tremisis for the benefit of the holders of shares purchased in the IPO, then the merger cannot be consummated.

Table of Contents

In addition, the consummation of the merger is conditioned upon the following:

no order, stay, judgment or decree being issued by any governmental authority preventing, restraining or prohibiting in whole or in part, the consummation of such transactions;

the delivery by each party to the other party of a certificate to the effect that the representations and warranties of the delivering party are true and correct in all material respects as of the closing and all covenants contained in the merger agreement have been materially complied with by the delivering party;

the receipt of necessary consents and approvals by third parties and the completion of necessary proceedings; and

Tremisis common stock being quoted on the OTCBB or listed for trading on Nasdaq.

RAM's Conditions to Closing of the Merger

The obligations of RAM to consummate the transactions contemplated by the merger agreement, in addition to the conditions described above, are conditioned upon each of the following, among other things:

there shall have been no material adverse effect with respect to Tremisis since the date of the merger agreement;

RAM shall have received a legal opinion substantially in the form annexed to the merger agreement, which is customary for transactions of this nature, from Graubard Miller, counsel to Tremisis;

Tremisis shall have made appropriate arrangements with Continental Stock Transfer & Trust Company to have the trust account disbursed to Tremisis immediately upon the Closing; and

the registration rights agreement shall be in full force and effect.

Tremisis' Conditions to Closing of the Merger

The obligations of Tremisis to consummate the transactions contemplated by the merger agreement, in addition to the conditions described above in the second paragraph of this section, are conditioned upon each of the following, among other things:

at the closing, there shall have been no material adverse effect with respect to RAM since the date of the merger agreement;

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

an employment agreement between Tremisis and Larry E. Lee shall be in full force and effect;

Tremisis shall have received a legal opinion substantially in the form annexed to the merger agreement, which is customary for transactions of this nature, from McAfee & Taft A Professional Corporation, counsel to RAM;

Tremisis shall have received comfort letters from BDO Seidman, LLP and UHY Mann Frankfort Stein & Lipp CPAs, LLP, dated the date of distribution of this proxy statement and the date of consummation of the merger in forms customary for transactions of this nature, confirming that certain financial data in this proxy statement, other than the numbers in the actual financial statements, are accurate and/or derived from the financial statements; and

the adjusted indebtedness of RAM and its subsidiaries for borrowed money shall not exceed \$125.0 million, excluding (i) any cash deposits posted by RAM as security in connection with outstanding RAM hedging contracts, (ii) the amount by which \$30,000,000 exceeds the cash portion of the merger consideration paid to the RAM stockholders, (iii) an amount up to \$6.0 million for aggregate fees, costs and expenses paid by RAM in connection with replacing, enhancing or improving its existing credit facilities, and (iv) the aggregate amount of capital expenditures by RAM after March 1, 2006.

Table of Contents

Termination, Amendment and Waiver

The merger agreement may be terminated at any time, but not later than the closing, as follows:

by mutual written consent of Tremisis and RAM;

by either party if a governmental entity shall have issued an order, decree or ruling or taken any other action, in any case having the effect of permanently restraining, enjoining or otherwise prohibiting the merger, which order, decree, ruling or other action is final and nonappealable;

by either party if this proxy statement has not been mailed to the record owners of Tremisis common stock on or before April 27, 2006;

by either party if the other party has breached any of its covenants or representations and warranties in any material respect and has not cured its breach within 30 days of the notice of an intent to terminate, provided that the terminating party is itself not in breach;

by Tremisis if any RAM properties are damaged or destroyed by fire or other casualty or are taken under the right of eminent domain and as result thereon the aggregate value of the properties, in Tremisis' good faith judgment, is reduced by an amount exceeding \$1 million (net of insurance proceeds);

by either party if, at the Tremisis stockholders' meeting, the merger agreement and the transactions contemplated thereby shall fail to be approved and adopted by the affirmative vote of the holders of a majority of Tremisis' outstanding common stock; or

by either party if the holders of 20% or more of the shares issued in Tremisis' IPO exercise their conversion rights.

If Tremisis wrongfully fails or refuses to consummate the merger or RAM terminates the merger agreement because of a material breach by Tremisis of its covenants, representations or warranties that remains uncured 30 days after receipt of a notice of intent to terminate from RAM and Tremisis consummates a merger or other business combination with another entity on or before May 18, 2006, Tremisis will be obligated to pay RAM, concurrently with the consummation of such other merger or business combination, a cash termination fee of \$7,500,000, payment of which shall be in full satisfaction of all other rights of RAM for damages under the merger agreement or otherwise. In such event, Tremisis would obtain the funds to make the termination payment from the moneys in the trust account when they are released upon the consummation of the other business combination.

The merger agreement does not specifically address the rights of a party in the event of a refusal or wrongful failure of the other party to consummate the merger, except in the case described above in a situation where Tremisis would be required to pay RAM the \$7,500,000 termination fee. Other than in such event, the non-wrongful party would be entitled to assert its legal rights for breach of contract against the wrongful party.

If permitted under the applicable law, either RAM or Tremisis may waive any inaccuracies in the representations and warranties made to such party contained in the merger agreement and waive compliance with any agreements or conditions for the benefit of itself or such party contained in the merger agreement. The condition requiring that the holders of fewer than 20% of the shares of Tremisis common stock issued in

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

its IPO affirmatively vote against the merger proposal and demand conversion of their shares into cash may not be waived. We cannot assure you that any or all of the conditions will be satisfied or waived.

Quotation or Listing

Tremisis' outstanding common stock, warrants and units are quoted on the OTCBB. Tremisis and RAM will use their reasonable best efforts to obtain the listing for trading on Nasdaq of Tremisis common stock, warrants

Table of Contents

and units. In the event Tremisis common stock, warrants and units are listed on Nasdaq at the time of the closing of the merger, the symbols will change to ones determined by the board of directors of Tremisis and Nasdaq that are reasonably representative of the corporate name or business of Tremisis. If the listing on Nasdaq is not approved, it is expected that the Tremisis common stock, warrants and units will continue to be quoted on the OTCBB.

Tax Consequences of the Merger

Tremisis has received an opinion from its counsel, Graubard Miller, that, for federal income tax purposes:

The merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and no gain or loss will be recognized by Tremisis as a result of the merger;

A stockholder of Tremisis who exercises conversion rights and effects a termination of the stockholder's interest in Tremisis will generally be required to recognize capital gain or loss upon the exchange of that stockholder's shares of common stock of Tremisis for cash, if such shares were held as a capital asset on the date of the merger. Such gain or loss will be measured by the difference between the amount of cash received and the tax basis of that stockholder's shares of Tremisis common stock; and

No gain or loss will be recognized by non-converting stockholders of Tremisis.

The tax opinion is attached to this proxy statement as Annex F. Graubard Miller has consented to the use of its opinion in this proxy statement. For a description of the material federal income tax consequences of the merger, please see the information set forth in Material Federal Income Tax Consequences of the Merger beginning on page 46.

Accounting Treatment

The merger will be accounted for under the purchase method of accounting as a reverse acquisition in accordance with U.S. generally accepted accounting principles for accounting and financial reporting purposes. Under this method of accounting, Tremisis will be treated as the acquired company for financial reporting purposes. In accordance with guidance applicable to these circumstances, the merger will be considered to be a capital transaction in substance. Accordingly, for accounting purposes, the merger will be treated as the equivalent of RAM issuing stock for the net monetary assets of Tremisis, accompanied by a recapitalization. The net monetary assets of Tremisis will be stated at their fair value, essentially equivalent to historical costs, with no goodwill or other intangible assets recorded. The accumulated earnings deficit of RAM will be carried forward after the merger. Operations prior to the merger will be those of RAM.

Regulatory Matters

The merger and the transactions contemplated by the merger agreement are not subject to any additional federal or state regulatory requirement or approval, including the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or HSR Act, except for filings with the State of Delaware necessary to effectuate the transactions contemplated by the merger agreement.

Risk Factors

In evaluating the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal, you should carefully read this proxy statement and especially consider the factors discussed in the section entitled Risk Factors.

Table of Contents**SELECTED SUMMARY HISTORICAL AND PRO FORMA****CONSOLIDATED FINANCIAL INFORMATION**

We are providing the following selected financial information to assist you in your analysis of the financial aspects of the merger. RAM's consolidated balance sheet data as of December 31, 2004 and 2005, and the consolidated statement of operations data for the years ended December 31, 2003, 2004, 2005, are derived from RAM's consolidated financial statements audited by UHY Mann Frankfort Stein & Lipp CPAs, LLP, independent registered public accountants and are included elsewhere in this proxy statement. RAM's consolidated balance sheet data as of December 31, 2003 and the statement of operations data for the year ended December 31, 2002 are derived from RAM's consolidated financial statements audited by UHY Mann Frankfort Stein & Lipp CPAs, LLP, independent registered public accountants, which are not included in this proxy statement. RAM's consolidated balance sheet data as of December 31, 2001 and 2002 and the statement of operations data for the year ended December 31, 2001 are derived from RAM's unaudited consolidated financial statements, which are not included in this proxy statement.

The Tremisis historical financial data are derived from the Tremisis financial statements audited by BDO Seidman, LLP, independent registered public accountants and are included elsewhere in this proxy statement.

The selected financial information of RAM and Tremisis is only a summary and should be read in conjunction with each company's historical consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained elsewhere herein. The historical results included below and elsewhere in this proxy statement may not be indicative of the future performance of RAM, Tremisis or the combined company resulting from the merger. RAM's financial position and results of operations for 2003 and 2004 may not be comparative to other periods as a result of certain divestitures and acquisitions, as more fully described in RAM's financial statements included elsewhere in this proxy statement.

RAM's Selected Historical Financial Information

(in thousands, except per share data)

	Year Ended December 31,				
	2001	2002	2003	2004	2005
Revenues and other operating income	\$ 25,614	\$ 10,183	\$ 20,020	\$ 29,659	\$ 55,399
Net income (loss)	\$ 3,751	\$ 2,086	\$ (2,007)	\$ 6,076	\$ 543
Net income (loss) per share attributable to common stockholders - basic	\$ 1,375.50	\$ 764.93	\$ (735.97)	\$ 2,383.67	\$ 238.94
Cash dividends per share	\$ 0.00	\$ 0.00	\$ 294.83	\$ 470.77	\$ 615.93
	As of December 31,				
	2001	2002	2003	2004	2005
Total assets	\$ 98,322	\$ 62,038	\$ 45,908	\$ 140,324	\$ 143,276
Long-term debt, including current portion	\$ 91,400	\$ 56,267	\$ 46,057	\$ 117,344	\$ 112,846

Stockholder s deficit	\$ (20,347)	\$ (18,342)	\$ (19,653)	\$ (19,912)	\$ (20,865)
-----------------------	-------------	-------------	-------------	-------------	-------------

Table of Contents**Tremisis Selected Historical Financial Information**

(in thousands, except per share data)

	For the Period From February 5, 2004 (inception) to December 31, 2004	Year Ended December 31, 2005	Period From February 5, 2004 (inception) to December 31, 2005
Revenue	\$	\$	\$
Interest income	\$ 308	\$ 989	\$ 1,297
Net income	\$ 65	\$ 351	\$ 416
Accretion of Trust Account related to common stock subject to possible conversion	\$ 60	\$ 196	\$ 256
Net income attributable to common stockholders	\$ 5	\$ 155	\$ 160
Net income per share	\$.00	\$.02	
		As of December 31, 2004	As of December 31, 2005
Total assets (including US Government Securities deposited in Trust Account)		\$ 34,305	\$ 35,289
Common stock subject to possible conversion		\$ 6,685	\$ 6,881
Stockholders' equity		\$ 27,567	\$ 27,723

Selected Unaudited Pro Forma Combined Financial Information of Tremisis and RAM

The merger will be accounted for as a reverse acquisition under the purchase method of accounting. RAM will be treated as the continuing reporting entity for accounting purposes. The assets and liabilities of Tremisis will be recorded, as of completion of the merger, at the fair value, which is considered to approximate historical cost and added to those of RAM. Since Tremisis had no operations, the merger has been accounted for as a recapitalization of RAM. For a more detailed description of purchase accounting, see "The Merger Proposal - Anticipated Accounting Treatment" on page 47.

We have presented below the unaudited pro forma combined financial information that reflects the merger as a recapitalization of RAM. The following selected unaudited pro forma combined financial information has been derived from, and should be read in conjunction with, the unaudited pro forma condensed combined balance sheet and related notes thereto included elsewhere in this proxy statement.

The unaudited pro forma condensed combined statement of operations has been prepared assuming the merger was consummated on January 1, 2005. The unaudited pro forma condensed combined statement of operations does not purport to represent the results of operations which would have occurred had such transactions been consummated on the dates indicated or results of operations for any future date or period.

Pro Forma Condensed Combined Statement of Operations

	<u>Year ended December 31, 2005</u>	
	<u>(in thousands, except per share data)</u>	
Revenues and other operating income	\$	55,399
Net income		370
Net income per share	\$	0.01

Table of Contents

The unaudited pro forma condensed combined balance sheet has been prepared assuming the merger took place December 31, 2005.

Pro Forma Condensed Combined Balance Sheet

	At December 31, 2005	
	Assuming No Conversions ⁽¹⁾	Assuming Maximum Conversions ⁽²⁾
	(in thousands)	
Total assets	\$ 143,287	\$ 143,287
Long-term debt	122,068	128,949
Other liabilities	51,844	51,844
Common stock subject to conversion	0	0
Stockholders' deficit	(30,665)	(37,546)
	\$ 143,287	\$ 143,287

(1) Assumes that no Tremisis stockholder seeks conversion of Tremisis stock into a pro rata share of the trust account.

(2) Assumes that 1,264,368 shares of Tremisis common stock were converted into a pro rata share of the trust account.

Per Share Data

The following table sets forth unaudited pro forma combined per share ownership information of RAM and Tremisis after giving effect to the merger, assuming both no conversions and maximum conversions by Tremisis stockholders. You should read this information in conjunction with the selected summary historical financial information included elsewhere in this proxy statement, and the historical financial statements of RAM and Tremisis and related notes that are included elsewhere in this proxy statement. The unaudited RAM and Tremisis pro forma combined per share information is derived from, and should be read in conjunction with, the unaudited pro forma condensed combined financial information and related notes included elsewhere in this proxy statement.

The unaudited pro forma combined earnings per share information below does not purport to represent the earnings per share which would have occurred had the companies been combined, nor earnings per share for any future date or period. The unaudited pro forma combined book value per share information below does not purport to represent what the value of RAM and Tremisis would have been had the companies been combined.

	RAM	Tremisis	Combined Company
	(in thousands, except per share data)		
Number of shares of common stock outstanding upon consummation of the merger:			

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Assuming no conversions ⁽¹⁾	25,600	7,700	33,300
Assuming maximum conversions ⁽²⁾	25,600	6,436	32,036
Earnings per share historical December 31, 2005	\$ 238.94	\$ 0.02	
Earnings per share pro forma December 31, 2005			
Assuming no conversions			\$ 0.01
Assuming maximum conversions			\$ 0.01
Book value historical December 31, 2005	\$ (20,865)	\$ 27,723	
Book value pro forma December 31, 2005			
No conversions			\$ (30,669)
Maximum conversions			\$ (37,546)
Book value per share pro forma December 31, 2005			
No conversions			\$ (0.92)
Maximum conversions			\$ (1.17)

(1) Assumes no Tremisis stockholder seeks conversion of Tremisis stock into a pro rata share of the trust account.

(2) Assumes that 1,264,368 shares of Tremisis common stock were converted into a pro rata share of the trust account.

Table of Contents

Market Price and Dividend Data for Tremisis Securities

Tremisis consummated its IPO on May 18, 2004. In the IPO, Tremisis sold 6,325,000 units, which include all of the 825,000 units that were subject to the underwriters' over-allotment option. Each unit consists of one share of Tremisis common stock and two redeemable common stock purchase warrants, each to purchase one share of Tremisis common stock. Tremisis common stock, warrants and units are quoted on the OTCBB under the symbols TEGY, TEGYW and TEGYU, respectively. Tremisis units commenced public trading on May 13, 2004, and its common stock and warrants commenced separate public trading on May 24, 2004. The closing price for each share of common stock, warrant and unit of Tremisis on October 19, 2005, the last trading day before announcement of the execution of the merger agreement, as amended, was \$5.43, \$0.80 and \$6.75, respectively.

Tremisis and RAM will use their reasonable best efforts to obtain the listing for trading on Nasdaq of Tremisis common stock, warrants and units. In the event Tremisis common stock, warrants and units are listed on Nasdaq at the time of the closing of the merger, the symbols will change to ones determined by Tremisis and Nasdaq that are reasonably representative of the corporate name or business of Tremisis. Tremisis management anticipates that the Nasdaq listing will be concurrent with the consummation of the merger. If the listing on Nasdaq is not approved, it is expected that the common stock, warrants and units will continue to be quoted on the OTCBB.

Holders

As of _____, 2006, there were _____ holders of record of the units, _____ holders of record of the common stock and _____ holders of record of the warrants. Tremisis believes the beneficial holders of the units, common stock and warrants to be in excess of _____ persons each.

Dividends

Tremisis has not paid any cash dividends on its common stock to date and does not intend to pay dividends prior to the completion of the merger. It is the present intention of the board of directors to retain all earnings, if any, for use in the business operations, and accordingly, the board does not anticipate declaring any dividends in the foreseeable future. The payment of any dividends subsequent to the merger will be within the discretion of the then board of directors and will be contingent upon revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of a business combination.

Table of Contents

RISK FACTORS

You should carefully consider the following risk factors, together with all of the other information included in this proxy statement, before you decide whether to vote or instruct your vote to be cast to adopt the merger proposal.

Risks Related to our Business and Operations Following the Merger with RAM

The value of your investment in Tremisis following consummation of the merger will be subject to the significant risks inherent in the oil and natural gas business. You should carefully consider the risks and uncertainties described below and other information included in this proxy statement. If any of the events described below occur, Tremisis post-merger business and financial results could be adversely affected in a material way. This could cause the trading price of its common stock to decline, perhaps significantly, and you therefore may lose all or part of your investment.

The volatility of oil and natural gas prices due to factors beyond RAM's control greatly affects its profitability.

RAM's revenues, operating results, profitability, future rate of growth and the carrying value of RAM's oil and natural gas properties depend primarily upon the prevailing prices for oil and natural gas. Historically, oil and natural gas prices have been volatile and are subject to fluctuations in response to changes in supply and demand, market uncertainty and a variety of additional factors that are beyond RAM's control. The spot prices for crude oil and natural gas used for calculating RAM's PV-10 Value at December 31, 2005 were \$58.63 per Bbl of oil, \$9.14 per Mcf of natural gas, and \$35.89 per Bbl of NGLs. Any substantial decline in the price of oil and natural gas will likely have a material adverse effect on RAM's operations, financial condition and level of expenditures for the development of its oil and natural gas reserves, and may result in writedowns of RAM's investments as a result of RAM's use of the full cost accounting method it uses for its oil and natural gas properties.

RAM's management believes that, as of December 31, 2005, a \$1.00 per Boe decrease in the price of oil, natural gas and NGLs would have resulted in a reduction of the PV-10 Value of RAM's proved reserves of \$8.7 million; a \$5.00 per Boe decrease in the price of oil, natural gas and NGLs would have resulted in a reduction of the PV-10 Value of RAM's proved reserves of \$43.4 million, and a \$10.00 per Boe decrease in the price of oil, natural gas and NGLs would have resulted in a reduction of the PV-10 Value of RAM's proved reserves of \$86.9 million; and within those price ranges the estimated quantities of its proved reserves would not materially decrease solely as a result of changes in the prices of production.

Wide fluctuations in oil and natural gas prices may result from relatively minor changes in the supply of and demand for oil and natural gas, market uncertainty and other factors that are beyond RAM's control, including:

worldwide and domestic supplies of oil and natural gas;

weather conditions;

the level of consumer demand;

the price and availability of alternative fuels;

the availability of drilling rigs and completion equipment;

the availability of pipeline capacity;

the price and level of foreign imports;

domestic and foreign governmental regulations and taxes;

the ability of the members of the Organization of Petroleum Exporting Countries to agree to and maintain oil price and production controls;

Table of Contents

political instability or armed conflict in oil-producing regions; and

the overall economic environment.

These factors and the volatility of the energy markets make it extremely difficult to predict future oil and natural gas price movements with any certainty. Declines in oil and natural gas prices would not only reduce revenue, but could reduce the amount of oil and natural gas that RAM can produce economically and, as a result, could have a material adverse effect on its financial condition, results of operations and reserves.

RAM's success depends on acquiring or finding additional reserves.

RAM's future success depends upon its ability to find, develop or acquire additional oil and natural gas reserves that are economically recoverable. RAM's proved reserves will generally decline as reserves are produced, except to the extent that RAM conducts successful exploration or development activities or acquires properties containing proved reserves, or both. To increase reserves and production, RAM must commence exploratory drilling, undertake other replacement activities or utilize third parties to accomplish these activities. There can be no assurance, however, that RAM will have sufficient resources to undertake these actions, that RAM's exploratory projects or other replacement activities will result in significant additional reserves or that RAM will have success drilling productive wells at low finding and development costs. Furthermore, although RAM's revenues may increase if prevailing oil and natural gas prices increase significantly, RAM's finding costs for additional reserves could also increase.

In accordance with customary industry practice, RAM relies on independent third party service providers to provide most of the services necessary to drill new wells, including drilling rigs and related equipment and services, horizontal drilling equipment and services, trucking services, tubulars, fracing and completion services and production equipment. The industry has experienced significant price increases for these services during the last year and this trend is expected to continue into the future. These cost increases could in the future significantly increase RAM's development costs and decrease the return possible from drilling and development activities, and possibly render the development of certain proved undeveloped reserves uneconomical.

Estimates of oil and natural gas reserves are uncertain and may vary substantially from actual production.

There are numerous uncertainties inherent in estimating quantities of proved reserves and in projecting future rates of production and timing of expenditures, including many factors beyond RAM's control. The reserve information set forth in this proxy statement represents only estimates based on reports prepared as of December 31, 2005 and December 31, 2004 prepared by Williamson Petroleum Consultants and Forrest A. Garb & Associates, independent petroleum engineers and as of December 31, 2003 prepared by Forrest A. Garb & Associates. Petroleum engineering is not an exact science. Information relating to the RAM's proved oil and natural gas reserves is based upon engineering estimates. Estimates of economically recoverable oil and natural gas reserves and of future net cash flows necessarily depend upon a number of variable factors and assumptions, such as historical production from the area compared with production from other producing areas, future site restoration and abandonment costs, the assumed effects of regulations by governmental agencies and assumptions concerning future oil and natural gas prices, future operating costs, severance and excise taxes, capital expenditures and workover and remedial costs, all of which may in fact vary considerably from actual results. For these reasons, estimates of the economically recoverable quantities of oil and natural gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of the future net cash flows expected therefrom prepared by different engineers or by the same engineers at different times may vary substantially. Actual production, revenues and expenditures with respect to RAM's reserves will likely vary from estimates, and such variances may be material.

Operating hazards and uninsured risks may result in substantial losses.

RAM's operations are subject to all of the hazards and operating risks inherent in drilling for and the production of oil and natural gas, including the risk of fire, explosions, blow-outs, pipe failure, abnormally

Table of Contents

pressured formations and environmental hazards such as oil spills, gas leaks, ruptures or discharges of toxic gases. The occurrence of any of these events could result in substantial losses to RAM due to injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations. In accordance with customary industry practice, RAM maintains insurance against some, but not all, of these risks. There can be no assurance that any insurance will be adequate to cover any losses or liabilities. RAM cannot predict the continued availability of insurance, or its availability at premium levels that justify its purchase. In addition, RAM may be liable for environmental damage caused by previous owners of properties purchased by RAM, which liabilities would not be covered by RAM's insurance. RAM is currently unaware of any material liability it may have for environmental damages caused by previous owners of properties purchased by RAM.

RAM's operations are subject to various governmental regulations that require compliance that can be burdensome and expensive.

RAM's oil and natural gas operations are subject to various federal, state and local governmental regulations that may be changed from time to time in response to economic and political conditions. Matters subject to regulation include discharge from drilling operations, drilling bonds, reports concerning operations, the spacing of wells, unitization and pooling of properties and taxation. From time to time, regulatory agencies have imposed price controls and limitations on production by restricting the rate of flow of oil and natural gas wells below actual production capacity to conserve supplies of oil and natural gas. In addition, the production, handling, storage, transportation and disposal of oil and natural gas, by-products thereof and other substances and materials produced or used in connection with oil and natural gas operations are subject to regulation under federal, state and local laws and regulations primarily relating to protection of human health and the environment. These laws and regulations have continually imposed increasingly strict requirements for water and air pollution control and solid waste management, and compliance with these laws may cause delays in the additional drilling and development of RAM's properties. Significant expenditures may be required to comply with governmental laws and regulations applicable to RAM. RAM believes the trend of more expansive and stricter environmental legislation and regulations will continue. While historically RAM has not experienced any material adverse effect from regulatory delays, there can be no assurance that such delays will not occur in the future.

RAM's method of accounting for investments in oil and natural gas properties may result in impairment of asset value, which could affect RAM's stockholder equity and net profit or loss.

RAM uses the full cost method of accounting for its investment in oil and natural gas properties. Under the full cost method of accounting, all costs of acquisition, exploration and development of oil and natural gas reserves are capitalized into a full cost pool. Capitalized costs in the pool are depleted and charged to operations using the units-of-production method based on the ratio of current production to total proved oil and natural gas reserves. To the extent that such capitalized costs, net of depletion and amortization, exceed the PV-10 Value of proved oil and natural gas reserves at any reporting date, such excess costs are charged to operations. Once incurred, a write down of oil and natural gas properties is not reversible at a later date, even if the PV-10 value of the oil and natural gas reserves increases as a result of an increase in oil or natural gas prices.

Properties that RAM acquires may not produce as projected, and RAM may be unable to identify liabilities associated with the properties or obtain protection from sellers against them

As part of its business strategy, RAM continually seeks acquisitions of gas and oil properties. The most recent of these acquisitions, which closed in December 2004, was RAM's purchase of WG Energy Holdings, Inc. The successful acquisition of oil and natural gas properties requires assessment of many factors, which are inherently inexact and may be inaccurate, including the following:

future oil and natural gas prices;

the amount of recoverable reserves;

Table of Contents

future operating costs;

future development costs;

failure of titles to properties;

costs and timing of plugging and abandoning wells; and

potential environmental and other liabilities.

RAM's assessment will not necessarily reveal all existing or potential problems, nor will it permit RAM to become familiar enough with the properties to assess fully their capabilities and deficiencies. With respect to properties on which there is current production, RAM may not inspect every well location, every potential well location, or pipeline in the course of its due diligence. Inspections may not reveal structural and environmental problems such as pipeline corrosion or groundwater contamination. RAM may not be able to obtain or recover on contractual indemnities from the seller for liabilities that it created. RAM may be required to assume the risk of the physical condition of the properties in addition to the risk that the properties may not perform in accordance with RAM's expectations.

Risks Related to the Merger

There will be a substantial number of shares of Tremisis common stock available for sale in the future that may increase the volume of common stock available for sale in the open market and may cause a decline in the market price of our common stock.

The consideration to be issued in the merger to the RAM stockholders will include 25,600,000 shares of Tremisis common stock. These shares are initially not being registered and will be held by Messrs. Larry E. Lee and David Stinson and Danish Knights, A Limited Partnership, so they will be restricted. All of such shares will be subject to the lock-up agreement and cannot be sold publicly until the expiration of the restricted periods set out in the lock-up agreement (a maximum of one year after the closing) and under Rule 144 promulgated under the Securities Act of 1933. However, the holders of such shares will have certain registration rights and will be able to sell their shares in the public market prior to such times if registration is effected. The presence of this additional number of shares of common stock eligible for trading in the public market may have an adverse effect on the market price of our common stock.

Our outstanding warrants may be exercised in the future, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

Outstanding redeemable warrants to purchase an aggregate of 12,650,000 shares of common stock issued in the IPO will become exercisable after the consummation of the merger. These will be exercised only if the \$5.00 per share exercise price is below the market price of our common stock. To the extent they are exercised, additional shares of our common stock will be issued, which will result in dilution to our stockholders and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of such shares.

Our working capital will be reduced if Tremisis stockholders exercise their right to convert their shares into cash. This would reduce our cash reserve after the merger.

Pursuant to our certificate of incorporation, holders of shares issued in our IPO may vote against the merger and demand that we convert their shares, as of the record date, into a pro rata share of the trust account where a substantial portion of the net proceeds of the IPO are held. We and RAM will not consummate the merger if holders of 1,265,000 or more shares of common stock issued in our IPO exercise these conversion rights. To the extent the merger is consummated and holders have demanded to so convert their shares, there will be a corresponding reduction in the amount of funds available to the combined company following the merger. As of _____, 2006, the record date, assuming the merger proposal is adopted, the maximum amount of funds that could be disbursed to our stockholders upon the exercise of their conversion rights is approximately \$ _____, or _____.

Table of Contents

approximately 20% of the funds then held in the trust account. Any payment upon exercise of conversion rights will reduce our cash after the merger, which may limit our ability to implement our business plan.

If we are unable to obtain a listing of our securities on Nasdaq or any stock exchange, it may be more difficult for our stockholders to sell their securities.

Tremisis units, common stock and warrants are currently traded in the over-the-counter market and quoted on the OTCBB. We have applied for listing on Nasdaq. Generally, Nasdaq requires that a company applying for listing on the Nasdaq Capital Market have stockholders' equity of not less than \$5.0 million or a market value of listed securities of \$50 million or net income from continuing operations of not less than \$750,000, at least 1,000,000 publicly held shares, and a minimum bid price of \$4.00 with over 300 round lot shareholders. There is no assurance that such listing will be obtained and listing is not a condition to closing the merger. If we are unable to obtain a listing or approval of trading of its securities on Nasdaq, then it may be more difficult for stockholders to sell their securities.

Our current directors and executive officers have interests in the merger that are different from yours because if the merger is not approved the securities held by them will become worthless.

In considering the recommendation of our board of directors to vote for the proposal to adopt the merger agreement and other proposals, you should be aware that members of our board are parties to agreements or arrangements that provide them with interests that differ from, or are in addition to, those of our stockholders generally. Our executives and directors are not entitled to receive any of the net proceeds of our IPO that may be distributed upon our liquidation. Therefore, if the merger is not approved and we are forced to liquidate, the shares held by our officers and directors will be worthless. Additionally, such persons purchased 580,000 warrants in the aftermarket after our IPO. These warrants cannot be sold by them prior to the consummation of the merger and will be worthless unless the merger is consummated.

Also, if Tremisis liquidates prior to the consummation of a business combination, Lawrence S. Coben, our current chairman of the board and chief executive officer, will be personally liable to pay debts and obligations, if any, to vendors and other entities that are owed money by Tremisis for services rendered or products sold to Tremisis, or to any target business, to the extent such creditors bring claims that would otherwise require payment from the trust account. This arrangement was entered into to ensure that, in the event of liquidation, the trust account is not reduced by claims of creditors.

Voting control by our executive officers, directors and other affiliates may limit your ability to influence the outcome of director elections and other matters requiring stockholder approval.

Upon consummation of the merger, the persons who are parties to the voting agreement, Lawrence S. Cohen, Isaac Kier, Larry E. Lee, David Stinson and Danish Knights, A Limited Partnership, will own approximately 80.5% of our voting stock. These persons have agreed to vote for each other's designees to our board of directors through director elections in 2008. Accordingly, they will be able to control the election of directors and, therefore, our policies and direction during the term of the voting agreement. This concentration of ownership and voting agreement could have the effect of delaying or preventing a change in our control or discouraging a potential acquirer from attempting to obtain control of us, which in turn could have a material adverse effect on the market price of our common stock or prevent our stockholders from realizing a premium over the market price for their shares of common stock.

Table of Contents

FORWARD-LOOKING STATEMENTS

We believe that some of the information in this proxy statement constitutes forward-looking statements within the definition of the Private Securities Litigation Reform Act of 1995. However, the safe-harbor provisions of that act do not apply to statements made in this proxy statement. You can identify these statements by forward-looking words such as may, expect, anticipate, contemplate, believe, estimate, and continue or similar words. You should read statements that contain these words carefully because they:

discuss future expectations;

contain projections of future results of operations or financial condition; or

state other forward-looking information.

We believe it is important to communicate our expectations to our stockholders. However, there may be events in the future that we are not able to predict accurately or over which we have no control. The risk factors and cautionary language discussed in this proxy statement provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described by us or RAM in such forward-looking statements, including among other things:

the number and percentage of our stockholders voting against the merger proposal and seeking conversion;

outcomes of government reviews, inquiries, investigations and related litigation;

continued compliance with government regulations;

legislation or regulatory environments, requirements or changes adversely affecting the business in which RAM is engaged;

fluctuations in customer demand;

management of rapid growth;

general economic conditions;

RAM's business strategy and plans;

the actual quantities of RAM's reserves of oil and natural gas;

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

the future levels of production of oil and natural gas by RAM;

future prices of and demand for oil and natural gas;

the results of RAM's future exploration, development and exploitation activities;

future operating and development costs of RAM's oil and natural gas properties; and

the results of future financing efforts.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement.

All forward-looking statements included herein attributable to any of Tremisis, RAM or any person acting on either party's behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, Tremisis and RAM undertake no obligations to update these forward-looking statements to reflect events or circumstances after the date of this proxy statement or to reflect the occurrence of unanticipated events.

Before you grant your proxy or instruct how your vote should be cast or vote on the adoption of the merger agreement, you should be aware that the occurrence of the events described in the "Risk Factors" section and elsewhere in this proxy statement could have a material adverse effect on Tremisis and/or RAM.

Table of Contents

SPECIAL MEETING OF TREMISIS STOCKHOLDERS

General

We are furnishing this proxy statement to Tremisis stockholders as part of the solicitation of proxies by our board of directors for use at the special meeting of Tremisis stockholders to be held on _____, 2006, and at any adjournment or postponement thereof. This proxy statement is first being furnished to our stockholders on or about _____, 2006 in connection with the vote on the merger proposal, the certificate of incorporation amendments and incentive compensation plan proposal. This document provides you with the information you need to know to be able to vote or instruct your vote to be cast at the special meeting.

Date, Time and Place

The special meeting of stockholders will be held on _____, 2006, at _____ a.m., eastern time, at the offices of Graubard Miller, Tremisis counsel, at The Chrysler Building, 405 Lexington Avenue, 19th Floor, New York, New York 10174.

Purpose of the Tremisis Special Meeting

At the special meeting, we are asking holders of Tremisis common stock to:

approve the merger agreement and the transactions contemplated thereby (merger proposal);

approve an amendment to our certificate of incorporation to change our name from Tremisis Energy Acquisition Corporation to RAM Energy Resources, Inc. (name change amendment);

approve an amendment to our certificate of incorporation to increase the number of authorized shares of our common stock from 30,000,000 to 100,000,000 (capitalization amendment);

approve an amendment to our certificate of incorporation to remove the preamble and sections A through D, inclusive, of Article Sixth from the certificate of incorporation from and after the closing of the merger, as these provisions will no longer be applicable to us, and to redesignate section E of Article Sixth, which relates to the staggered board, as Article Sixth (Article Sixth amendment); and

approve the adoption of the 2006 Long-Term Incentive Plan (incentive compensation plan proposal).

Recommendation of Tremisis Board of Directors

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Our board of directors:

has unanimously determined that each of the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal is fair to and in the best interests of us and our stockholders;

has unanimously approved the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal;

unanimously recommends that our common stockholders vote FOR the merger proposal;

unanimously recommends that our common stockholders vote FOR the proposal to adopt the name change amendment;

unanimously recommends that our common stockholders vote FOR the proposal to adopt the capitalization amendment;

unanimously recommends that our common stockholders vote FOR the proposal to adopt the Article Sixth amendment; and

unanimously recommends that our common stockholders vote FOR the proposal to approve the incentive compensation plan proposal.

Table of Contents

Record Date; Who is Entitled to Vote

We have fixed the close of business on _____, 2006, as the record date for determining Tremisis stockholders entitled to notice of and to attend and vote at the special meeting. As of the close of business on _____, 2006, there were 7,700,000 shares of our common stock outstanding and entitled to vote. Each share of our common stock is entitled to one vote per share at the special meeting.

Pursuant to agreements with us, the 1,375,000 shares of our common stock held by stockholders who purchased their shares of common stock prior to our IPO will be voted on the merger proposal in accordance with the majority of the votes cast at the special meeting.

Quorum

The presence, in person or by proxy, of a majority of all the outstanding shares of common stock constitutes a quorum at the special meeting.

Abstentions and Broker Non-Votes

Proxies that are marked abstain and proxies relating to street name shares that are returned to us but marked by brokers as not voted will be treated as shares present for purposes of determining the presence of a quorum on all matters. The latter will not be treated as shares entitled to vote on the matter as to which authority to vote is withheld by the broker. If you do not give the broker voting instructions, under the rules of the NASD, your broker may not vote your shares on the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal. Since a stockholder must affirmatively vote against the merger proposal to have conversion rights, individuals who fail to vote or who abstain from voting may not exercise their conversion rights. Beneficial holders of shares held in street name that are voted against the merger may exercise their conversion rights. See the information set forth in *Special Meeting of Tremisis Stockholders Conversion Rights* on page 33.

Vote of Our Stockholders Required

The approval of the merger proposal, the name change amendment, the capitalization amendment and the Article Sixth amendment will require the affirmative vote of the holders of a majority of Tremisis common stock outstanding on the record date. Because each of these proposals requires the affirmative vote of a majority of the shares of common stock outstanding and entitled to vote, abstentions and shares not entitled to vote because of a broker non-vote will have the same effect as a vote against these proposals.

In order to consummate the merger, each of the name change amendment and the capitalization amendment proposals must be approved by the stockholders. For both of the name change amendment and the capitalization amendment to be implemented, the merger proposal must be approved by the stockholders.

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

The approval of the incentive compensation plan will require the affirmative vote of the holders of a majority of our common stock represented and entitled to vote at the meeting. Abstentions are deemed entitled to vote on the proposals. Therefore, they have the same effect as a vote against the proposal. Broker non-votes are not deemed entitled to vote on the proposal and, therefore, they will have no effect on the vote on the proposal.

Voting Your Shares

Each share of Tremisis common stock that you own in your name entitles you to one vote. Your proxy card shows the number of shares of our common stock that you own.

There are two ways to vote your shares of Tremisis common stock at the special meeting:

You can vote by signing and returning the enclosed proxy card. If you vote by proxy card, your proxy, whose name is listed on the proxy card, will vote your shares as you instruct on the proxy card. If you sign and return the proxy card but do not give instructions on how to vote your shares, your shares will

Table of Contents

be voted as recommended by our board FOR the adoption of the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal. Votes received after a matter has been voted upon at the special meeting will not be counted.

You can attend the special meeting and vote in person. We will give you a ballot when you arrive. However, if your shares are held in the name of your broker, bank or another nominee, you must get a proxy from the broker, bank or other nominee. That is the only way we can be sure that the broker, bank or nominee has not already voted your shares.

IF YOU DO NOT VOTE YOUR SHARES OF OUR COMMON STOCK IN ANY OF THE WAYS DESCRIBED ABOVE, IT WILL HAVE THE SAME EFFECT AS A VOTE AGAINST THE ADOPTION OF THE MERGER PROPOSAL, BUT WILL NOT HAVE THE EFFECT OF A DEMAND FOR CONVERSION OF YOUR SHARES INTO A PRO RATA SHARE OF THE TRUST ACCOUNT IN WHICH A SUBSTANTIAL PORTION OF THE PROCEEDS OF OUR IPO ARE HELD.

Revoking Your Proxy

If you give a proxy, you may revoke it at any time before it is exercised by doing any one of the following:

you may send another proxy card with a later date;

you may notify Lawrence S. Coben, our chairman and chief executive officer, in writing before the special meeting that you have revoked your proxy; or

you may attend the special meeting, revoke your proxy, and vote in person, as indicated above.

Who Can Answer Your Questions About Voting Your Shares

If you have any questions about how to vote or direct a vote in respect of your shares of our common stock, you may call Lawrence S. Coben, our chairman and chief executive officer, at (212) 397-1464.

No Additional Matters May Be Presented at the Special Meeting

This special meeting has been called only to consider the adoption of the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan proposal. Under our by-laws, other than procedural matters incident to the conduct of the meeting, no other matters may be considered at the special meeting if they are not included in the notice of the meeting.

Conversion Rights

Any of our stockholders holding shares of Tremisis common stock issued in our IPO who votes against the merger proposal may, at the same time, demand that we convert his shares into a pro rata portion of the trust account as of the record date. If demand is made and the merger is consummated, we will convert these shares into a pro rata portion of funds held in the trust account plus interest, as of the record date.

The closing price of our common stock on _____, 2006 (the record date) was \$ _____ and the per-share, pro-rata cash held in the trust account on that date was approximately \$ _____. Prior to exercising conversion rights, our stockholders should verify the market price of our common stock as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their conversion rights if the market price per share is higher than the conversion price.

If the holders of at least 1,265,000 or more shares of common stock issued in our IPO (an amount equal to 20% or more of those shares), vote against the merger and demand conversion of their shares, we will not be able to consummate the merger.

If you exercise your conversion rights, then you will be exchanging your shares of our common stock for cash and will no longer own those shares. You will be entitled to receive cash for these shares only if you continue to hold those shares through the effective time of the merger and then tender your stock certificate to us. If you hold the shares in street name, you will have to coordinate with your broker to have your shares certificated.

Table of Contents

Appraisal Rights

Stockholders of Tremisis do not have appraisal rights in connection the merger under the DGCL.

Proxy Solicitation Costs

We are soliciting proxies on behalf of our board of directors. This solicitation is being made by mail but also may be made by telephone or in person. We and our directors, officers and employees may also solicit proxies in person, by telephone or by other electronic means.

We have hired Morrow & Co., Inc. to assist in the proxy solicitation process. We will pay Morrow & Co., Inc. a fee of approximately \$7,500. Such fee will be paid with non-trust account funds.

We will ask banks, brokers and other institutions, nominees and fiduciaries to forward its proxy materials to their principals and to obtain their authority to execute proxies and voting instructions. We will reimburse them for their reasonable expenses.

Tremisis Inside Stockholders

At the close of business on the record date, Lawrence S. Coben, Isaac Kier, David A. Preiser and Jon Schotz, to whom we collectively refer as the Tremisis Inside Stockholders, beneficially owned and were entitled to vote 1,375,000 shares or approximately 17.9% of the then outstanding shares of our common stock, which includes all of the shares held by our directors and executive officers and their affiliates. Mr. Coben is currently our chairman of our board of directors and our chief executive officer, Mr. Kier is currently our secretary, treasurer and a director, Mr. Preiser is currently a director, and Mr. Schotz is currently a director. All our stockholders prior to our IPO have agreed to vote their shares on the merger proposal in accordance with the majority of the votes cast by the holders of shares issued in our IPO. The Tremisis Inside Stockholders also agreed, in connection with the IPO, to place their shares in escrow until May 12, 2007.

Tremisis Fairness Opinion

Pursuant to an engagement letter dated August 31, 2005, we engaged Gilford Securities Incorporated to render an opinion that our merger with RAM on the terms and conditions set forth in the merger agreement is fair to our stockholders from a financial perspective and that the fair market value of RAM is at least equal to 80% of our net assets. Gilford is an investment banking firm that, as part of its investment banking business, regularly is engaged in the evaluation of businesses and their securities in connection with mergers, acquisitions, corporate restructurings, private placements, and for other purposes. Our board of directors determined to use the services of Gilford because it is a recognized investment banking firm that has substantial experience in similar matters. The engagement letter provides that we will pay Gilford a fee of \$75,000, of which \$50,000 has been paid to date with the remaining balance due upon consummation of the merger, and will reimburse Gilford for its reasonable out-of-pocket expenses, including attorneys' fees. If the merger is not consummated, the \$25,000 balance of the fee due to Gilford is not payable. The amount of such fee was determined pursuant to negotiations between us and Gilford. We have also agreed to indemnify Gilford against certain liabilities that may arise out of the rendering of the opinion.

Gilford delivered its written opinion to our board of directors on September 22, 2005, which stated that, as of such date, and based upon and subject to the assumptions made, matters considered, and limitations on its review as set forth in the opinion, (i) the consideration to be paid by us in the merger is fair to our stockholders from a financial point of view, and (ii) the fair market value of RAM is at least equal to 80% of our net assets. The full text of Gilford's written opinion is attached hereto as Annex G. You are urged to read the Gilford opinion carefully and in its entirety for a description of the assumptions made, matters considered, procedures followed and limitations on the review undertaken by Gilford in rendering its opinion. The summary of the Gilford opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of the opinion. Gilford's opinion is addressed to our board of directors only and does not constitute a recommendation to any of our stockholders as to how such stockholders should vote with respect to the merger proposal and the transactions contemplated thereby.

Table of Contents

THE MERGER PROPOSAL

The discussion in this document of the merger and the principal terms of the merger agreement, as amended, by and among Tremisis, RAM, Merger Sub and the RAM stockholders is subject to, and is qualified in its entirety by reference to, the merger agreement. A copy of the merger agreement, as amended, is attached as Annex A to this proxy statement.

General Description of the Merger

Pursuant to the merger agreement, Merger Sub, a wholly owned subsidiary of Tremisis, will merge with and into RAM and RAM will be the surviving entity and a wholly owned subsidiary of Tremisis. The separate corporate existence of Merger Sub shall cease. Tremisis will be renamed RAM Energy Resources, Inc. after completion of the merger. Holders of all the issued and outstanding shares of common stock of RAM will receive 25,600,000 shares of Tremisis common stock and \$30 million in cash, or such lesser amount as may be available in the trust account after payment to the owners of Tremisis common stock voting against the merger and demanding conversion. After the completion of the merger, the RAM stockholders will own approximately 77% of Tremisis common stock, assuming that no Tremisis stockholders seek conversion of their Tremisis stock into their pro rata share of the trust account.

Pre-Closing RAM Dividends/Redemption

The merger agreement authorizes RAM, prior to the consummation of the merger, to pay its normal \$500,000 quarterly dividends for the fourth quarter of 2005 and the first quarter of 2006. Also, because Tremisis did not have sufficient funds in its trust account to permit payment of \$40.0 million in cash merger consideration to the RAM stockholders, it was agreed that, prior to the consummation of the merger, in addition to its normal quarterly dividends, RAM would be authorized to declare and pay a one-time extraordinary dividend, or redeem a portion of the outstanding share of RAM common stock, in an amount which, when added to the cash merger consideration received from Tremisis, would permit the RAM stockholders to receive an aggregate \$40.0 million in cash. Accordingly, the merger agreement provides that, prior to the closing of the merger, RAM is authorized to declare and pay to its stockholders its quarterly dividends, and to either declare a one-time extraordinary dividend, or redeem a portion of its outstanding common stock, in an aggregate amount up to the difference between \$40.0 million and the amount of the cash consideration to be received by the RAM stockholders in the merger. It is anticipated that the cash merger consideration to be received from Tremisis will be \$30.0 million and, therefore, that the RAM extraordinary dividend/redemption will be \$10.0 million. However, if after payments by Tremisis to the holders of Tremisis common stock who vote against the merger and demand conversion, and after payment of Tremisis expenses incurred in connection with the transaction, less than \$30.0 million remains in the Tremisis trust account for payment of cash merger consideration to the RAM stockholders, the amount of the authorized RAM dividend or redemption payment will be increased to permit the aggregate amount received by the RAM stockholders, both as merger consideration and as a dividend or redemption payment, to equal \$40.0 million.

The amount of the dividend/redemption payments actually made by RAM will depend upon the amount of cash available to RAM for making such payment. In order to have sufficient availability for making such payment, it may be necessary for RAM to amend its existing credit facility or enter into a new credit facility with a higher credit limit prior to the closing. The merger agreement authorizes RAM to amend its existing credit facility or enter into a new credit facility to replace its existing credit facility, and to draw funds under the amended or new credit facility for purposes of making the dividend/redemption payment, subject only to an aggregate indebtedness limitation outstanding at the closing. In the event RAM does not have sufficient funds to make the full amount of the pre-closing dividend/redemption payment authorized by the terms of the merger agreement, the dividend/redemption payment actually made will be limited to the funds available for making such payments and neither RAM nor Tremisis will have any obligation to make any additional payments to the RAM stockholders after the closing with respect to any shortfall.

Table of Contents

Background of the Merger

The terms of the merger agreement are the result of arm's-length negotiations between representatives of Tremisis and RAM. The following is a brief discussion of the background of these negotiations, the merger agreement and related transactions.

Tremisis was formed on February 5, 2004 to effect a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business in either the energy or the environmental industry and their related infrastructures. Tremisis completed its IPO on May 18, 2004, raising net proceeds of approximately \$34,163,000. Of these net proceeds, \$33,143,000 were placed in a trust account immediately following the IPO and, in accordance with Tremisis' certificate of incorporation, will be released either upon the consummation of a business combination or upon the liquidation of Tremisis. Tremisis must liquidate unless it has consummated a business combination by May 18, 2006. As of September 30, 2005, approximately \$34,117,691 was held in deposit in the trust account.

Promptly following Tremisis' IPO, we contacted several investment bankers, private equity firms, consulting firms, legal and accounting firms and other firms specializing in our target industries, as well as current and former senior executives of energy and environmental companies with whom we have worked in the past. Through these efforts, we identified and reviewed information with respect to more than 50 merger opportunities.

By June 2005, we had entered into substantial discussions with a few companies, including discussions regarding the type and amount of consideration to be provided relative to a potential transaction. One of these companies was provided with a preliminary letter of intent, which included specified levels of merger consideration. The recipient responded with a counter-proposal that included higher levels of merger consideration. We continued negotiations but were not able to reach agreement with that company and the proposal was not presented to our board of directors for consideration. Throughout the course of our discussions and negotiations with other targets, similar issues arose with the companies being considered, including an inability to agree on valuation, unfavorable issues identified in our due diligence process, lack of progress on the anticipated growth of the target company and perceived issues with the overall structure of the transaction, as well as accounting and regulatory issues. Accordingly, none of these opportunities proved to be a satisfactory candidate for a merger and no proposals were submitted to our board for consideration other than with respect to the RAM merger.

In late February 2005, Ronald D. Ormand, an investment banker with considerable experience representing clients in the energy industry, met in New York City with Mr. Coben, our chairman and CEO, and discussed Tremisis' interests in a business combination with an oil and gas company. In the ordinary course of his investment banking activities, Mr. Ormand had become aware of Tremisis as a specified purpose acquisition company dedicated to engaging in a business combination with an established operating company in either the energy or environmental industry. Mr. Ormand had no relationship or acquaintance with Tremisis or Mr. Coben prior to the February 2005 meeting. Mr. Ormand was a longtime business acquaintance of Mr. Larry Lee, president and CEO of RAM, and from time to time would contact Mr. Lee to suggest a particular business strategy or present a particular business opportunity for consideration by RAM; however, prior to the pending transaction with Tremisis, RAM had not engaged Mr. Ormand or his investment banking firm to represent RAM in connection with any transaction. In early March 2005, Mr. Ormand contacted Mr. Lee, provided information concerning Tremisis and suggested a structure for a proposed transaction between RAM and Tremisis. Mr. Lee indicated an interest in exploring the possibility of a transaction with Tremisis and advised Mr. Ormand that Mr. Lee would be in New York for an industry conference during the third week of April. Soon thereafter Mr. Ormand, now representing WestLB, contacted Mr. Coben and arranged a meeting with Mr. Lee. Prior to that time, none of Tremisis' officers or directors knew of RAM or was aware that RAM's owners were interested in some type of business combination. At Mr. Ormand's suggestion, on April 14, 2005, a confidentiality agreement was executed and a substantial amount of information was exchanged between the two companies for review in advance of their initial meeting. On April 19, 2005, Mr. Coben and Mr. Kier, our treasurer, met in Tremisis' New York City office with Mr. Ormand and Mr. Lee. Both Tremisis and RAM described their respective companies.

Table of Contents

On June 13, 2005, Messrs. Coben and Kier met with Messrs. Lee and Ormand as well as other senior executives and advisors of RAM at RAM's headquarters in Tulsa, Oklahoma. During this meeting, Mr. Coben and Mr. Lee discussed the valuation parameters of a potential transaction. Shortly following this meeting, Tremisis retained certain advisors who are specialists in the oil and gas exploration and production industry to assist in its due diligence of RAM, which commenced in late June 2005. Tremisis' advisors were Mr. William Anderson, of Anderson Oil & Gas, Inc., who coordinated all of the due diligence and analysis efforts; Netherland Sewell & Associates, Inc., who performed due diligence on RAM's oil and gas reserves; Mr. Jon Nelson, who provided land and title services; Mr. Jack Roach, who is an oil and gas attorney; Arkwood Engineering Incorporated, who performed environmental due diligence; and Chandra Wisniewski, who provided oil lease and partnership accounting services. These due diligence efforts accelerated after receipt of June 30th financial results and updated reserve report. We and our advisors continued to gather, review and evaluate due diligence information. Numerous telephone conversations were held between Tremisis and RAM and their advisors, and certain of Tremisis' advisors visited the RAM headquarters in Tulsa in August 2005. On August 25, 2005, we entered into a letter of intent with RAM and commenced negotiation of a definitive merger agreement.

The merger consideration was negotiated during the course of discussions and negotiations regarding the letter of intent. The final consideration was determined to be a minimum of 25,600,000 shares of Tremisis common stock and \$30 million in cash, or such lesser amount as may be available in the trust account after payment to the owners of Tremisis common stock voting against the merger and demanding conversion. Based on the assumption that the merger would be consummated in the first quarter of 2006, it was also agreed that, prior to closing, RAM would be authorized to declare and pay one normal quarterly dividend to its stockholders in the amount of \$500,000 and to either declare a one-time extraordinary dividend or redeem a portion of its outstanding common stock in an aggregate amount equal to the difference between \$40.0 million and the amount of cash consideration to be received by the RAM stockholders in the merger. In addition, it was also recognized that RAM, which will survive the merger as a wholly owned subsidiary of Tremisis, will remain liable for its outstanding debt. Counsel for Tremisis did not participate in the determination of the consideration to be paid by Tremisis in the merger.

During the course of the negotiations leading to the letter of intent, and thereafter through the negotiations regarding the merger agreement, the officers and directors of Tremisis, together with their advisors, conducted a variety of valuation analyses of RAM, including comparable sale transactions, public company comparables and discounted cash flows. These analyses were substantially similar to those conducted by Gilford in connection with the rendering of its fairness opinion.

Within days of executing the letter of intent, we delivered to RAM an extensive due diligence request list. Simultaneously, we worked with our counsel to prepare a first draft of the merger agreement. We also retained Gilford Securities to render an opinion that the consideration to be paid in the merger is fair to our stockholders, and to opine that the fair market value of RAM is at least 80% of our net assets.

A meeting was held in RAM's Tulsa offices on September 14, 2005 among Mr. Coben, Mr. Lee and the late William Talley, then chairman of RAM, and RAM's advisors. On September 15, 2005, Messrs. Coben, Lee and Larry Rampey, a RAM senior vice president, traveled to see certain of RAM's properties. In mid-September, we

Table of Contents

delivered the first draft of the merger agreement to RAM, which resulted in additional discussions and negotiations of various aspects of the proposed business combination. Succeeding drafts of the transaction documents were prepared in response to comments and suggestions of the parties and their counsel, with management and counsel for both companies engaging in numerous telephonic conferences and negotiating sessions. Included in the various transaction documents were an Escrow Agreement, Voting Agreement, Lock-Up Agreement, Registration Rights Agreement and an Employment Agreement for Mr. Lee.

During August, September and October 2005, Mr. Coben contacted our other three directors on numerous occasions both individually and jointly on telephonic conference calls to discuss the transaction and to describe the status of negotiations. On September 22, 2005, we held a formal meeting of our board of directors to discuss the proposed business combination with RAM. Messrs. Coben, Kier, Jon Schotz and David Preiser, constituting all of our directors, were present at the meeting. Also present, by invitation, were Noah Scooler (in person) and David Miller (telephonically) of Graubard Miller, our general counsel. Prior to the meeting, copies of the most recent drafts of the significant transaction documents were delivered to the directors in connection with their consideration of the proposed business combination with RAM, including the Agreement and Plan of Merger, Escrow Agreement, Voting Agreement, Lock-Up Agreement, the Registration Rights Agreement and the Employment Agreement for Mr. Lee. The directors had also been given copies of the various schedules to the merger agreement in their then current forms, including RAM's disclosure schedule. A presentation regarding due diligence of RAM's properties was made by William Anderson, an advisor to the company on matters relating to the oil and gas exploration and production industry. Mr. Robert Maley of Gilford Securities made a presentation regarding the fairness of the consideration to be paid in the merger. Our board asked numerous questions of Mr. Anderson and Mr. Maley, each of whom was present only during their respective presentations. The board also discussed the proposed charter amendments and stock option plan.

On October 3, 2005, a formal telephonic meeting of the board of directors was held. All directors attended, as did, by invitation, David Miller and Brian Ross of Graubard Miller. Prior to the meeting, copies of the most recent drafts of the significant transaction documents, in substantially final form, were delivered to the directors. Mr. Anderson made another presentation regarding the due diligence of RAM's properties. Mr. Maley advised the board that it was the opinion of Gilford Securities that the consideration to be paid in the merger was fair to our stockholders, and that the fair market value of RAM is at least 80% of our net assets. Mr. Maley detailed for the board the analysis performed by Gilford and made a presentation concerning how Gilford had arrived at its opinion. Mr. Maley discussed at length with our board the different analyses used to determine whether or not the merger consideration to be paid by us was fair from a financial point of view to our stockholders, as well as to determine the fair market value of RAM. Our board asked numerous questions of Mr. Anderson and Mr. Maley, each of whom was present only during their respective presentations. Our board of directors then had considerable discussion concerning the merger. After considerable review and discussion, the merger agreement and related documents were unanimously approved, subject to final negotiations and modifications, and the board determined to recommend the approval of the merger agreement, the charter amendments and the incentive compensation plan to the stockholders. For a more detailed description of the Gilford Securities fairness opinion, see "The Merger Proposal Fairness Opinion" on page 41.

A few more telephonic meetings among Tremisis, RAM and their advisors were conducted in early and mid October 2005 to finalize the transaction documents.

The merger agreement was signed on October 20, 2005. Immediately thereafter, Tremisis issued a press release and, on October 26, 2005, filed a Current Report on Form 8-K announcing the execution of the merger agreement and discussing the terms of the merger agreement.

On November 11, 2005, the merger agreement was amended to fix the number of Tremisis shares to be issued to the RAM stockholders in the merger at 25,600,000 and to exclude from the limitation on indebtedness for borrowed money at closing certain expenses incurred by RAM in refinancing its existing credit facility. Immediately thereafter, Tremisis issued a press release and, on November 14, 2005, filed a Current Report on Form 8-K announcing the amendment to the merger agreement, discussing the terms of the amendment and

Table of Contents

announcing RAM's third quarter operating results and proved reserves as of September 30, 2005. On January 17, 2006, Tremisis filed a Current Report on Form 8-K announcing certain results of RAM's operations for the year ended December 31, 2005, including aggregate net production, capital expenditures and results of drilling activity.

On February 15, 2006, the merger agreement was further amended to, among other things, include changes occasioned by the fact that the merger will close in the second quarter of 2006, as opposed to the first quarter, as originally anticipated. Specifically, the agreement was amended to: (i) extend until April 27, 2006 the deadline for mailing this proxy statement to the Tremisis stockholders; (ii) permit RAM to declare and pay its normal quarterly dividend for the first quarter of 2006 in the amount of \$500,000; (iii) exclude from the limitation on RAM indebtedness at closing an amount equal to the sum of all capital expenditures incurred by RAM after March 1, 2006; (iv) delete the requirement for Tremisis to retain \$1,000,000 for working capital purposes in the event the amount of cash available to be paid to the RAM stockholders at closing is less than \$30.0 million due to payments by Tremisis for transaction expenses and to stockholders voting against the merger and demanding conversion of their shares; (v) exclude from the \$1,000,000 indemnification basket for post-closing claims that may be asserted by Tremisis the amount of any claims asserted with respect to a specified pending lawsuit; (vi) require the RAM stockholders and REPCO, LLC, their nominee with respect to participation in the KCS exploration prospect in eastern Oklahoma, to pay in full all amounts owing to RAM at the closing; and (vii) except as a condition to closing the requirement that Tremisis shall have paid in full all income taxes due with respect to the year ended December 31, 2005.

Tremisis Board of Directors Reasons for the Approval of the Merger

The final agreed-upon consideration in the merger agreement was determined by several factors. Tremisis' board of directors reviewed various industry and financial data, including certain valuation analyses and metrics compiled by members of the board in order to determine that the consideration to be paid to RAM was reasonable and that the merger was in the best interests of Tremisis' stockholders.

Tremisis conducted a due diligence review of RAM that included an industry analysis, a description of RAM's existing business model, a valuation analysis and financial projections in order to enable the board of directors to ascertain the reasonableness of this range of consideration. During its negotiations with RAM, Tremisis did not receive services from any financial advisor.

The Tremisis board of directors concluded that the merger agreement with RAM is in the best interests of Tremisis' stockholders. The Tremisis board of directors obtained a fairness opinion prior to approving the merger agreement.

The Tremisis board of directors considered a wide variety of factors in connection with its evaluation of the merger. In light of the complexity of those factors, the Tremisis board of directors did not consider it practicable to, nor did it attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its decision. In addition, individual members of the Tremisis board may have given different weight to different factors.

In considering the merger, the Tremisis board of directors gave considerable weight to the following factors:

RAM's attractive stable asset base and high potential for future growth

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Important criteria to Tremisis board of directors in identifying an acquisition target were that the company have established business operations, that it was generating current revenues and EBITDA, and that it have what the board believes to be a potential to experience rapid additional growth. Tremisis board of directors believes that RAM's diverse and long-lived portfolio of proven developed reserves, its inventory of proved undeveloped drilling locations, and its acreage position in emerging resource plays in the Barnett and Woodford shales in Texas made RAM an attractive merger candidate.

Table of Contents

The experience of RAM's management

Another important criteria to Tremisis' board of directors in identifying an acquisition target was that the company have a seasoned management team with specialized knowledge of the markets within which it operates and the ability to lead a company in a rapidly changing environment. Tremisis' board of directors believes that RAM's management has significant experience in the oil and gas exploration and production industry, as demonstrated by RAM's ability to develop new and profitable business opportunities and operations.

Also important to the board was RAM's ability to execute its business plan after the merger using its own available cash resources since the cash held in our trust account will be used to pay a part of the merger consideration to the RAM stockholders and to Tremisis' public stockholders who vote against the merger and exercise their conversion rights.

Tremisis' board of directors considered the fact that a majority of the cash in its trust account will be paid to the RAM stockholders in the merger and to Tremisis' stockholders who exercise their conversion rights and will not be available to fund working capital requirements following the merger. Tremisis' board of directors believes that RAM has the financial capabilities to execute its business plan after the merger using its own available cash resources.

Satisfaction of 80% Test

It is a requirement that any business acquired by Tremisis have a fair market value equal to at least 80% of Tremisis' net assets at the time of acquisition, which assets shall include the amount in the trust account. Based on the financial analysis of RAM generally used to approve the transaction, the Tremisis board of directors determined that this requirement was met. The board determined that consideration being paid in the merger, which amount was negotiated at arms-length, was fair to and in the best interests of Tremisis and its stockholders and appropriately reflected RAM's value. The Tremisis board of directors believes, because of the financial skills and background of several of its members, it was qualified to conclude that the acquisition of RAM met this requirement. However, Tremisis has also received an opinion from Gilford Securities Incorporated that the 80% test has been met.

Interest of Tremisis' directors and officers in the merger

In considering the recommendation of the board of directors of Tremisis to vote for the proposals to approve the merger agreement, the certificate of incorporation amendments and the equity compensation plan proposal, you should be aware that certain members of the Tremisis board have agreements or arrangements that provide them with interests in the merger that differ from, or are in addition to, those of Tremisis stockholders generally. In particular:

if the merger is not consummated by May 18, 2006, Tremisis will be liquidated. In such event, the 1,375,000 shares of common stock held by Tremisis' directors and officers that were acquired before the IPO would be worthless because Tremisis' directors and officers are not entitled to receive any of the liquidation proceeds. Such shares had an aggregate market value of \$ _____, based upon the last sale price of \$ _____ on the OTCBB on _____, 2006, the record date. Moreover, the Tremisis officers and directors have purchased 580,000 warrants in the public market for an aggregate purchase price of \$377,000. Such warrants had an aggregate market value of \$ _____, based upon the last sale price of \$ _____ on the OTCBB on _____, the record date. All of the warrants will become worthless if the merger is not consummated; and

if Tremisis liquidates prior to the consummation of a business combination, Mr. Lawrence S. Coben, Tremisis chairman and chief executive officer, will be personally liable to pay debts and obligations to vendors and other entities that are owed money by Tremisis for services rendered or products sold to Tremisis, or to any target business, to the extent such debts and obligations are not covered by Tremisis assets, excluding amounts in the trust account.

Table of Contents

Recommendation of Tremisis Board of Directors

After careful consideration, Tremisis board of directors determined unanimously that each of the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan is fair to and in the best interests of Tremisis and its stockholders. Tremisis board of directors has approved and declared advisable the merger, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan and unanimously recommends that you vote or give instructions to vote FOR each of the proposals to approve the merger proposal, the name change amendment, the capitalization amendment, the Article Sixth amendment and the incentive compensation plan.

The foregoing discussion of the information and factors considered by the Tremisis board of directors is not meant to be exhaustive, but includes the material information and factors considered by the Tremisis board of directors.

Fairness Opinion

In connection with its determination to approve the merger, Tremisis board of directors engaged Gilford Securities Incorporated to provide it with a fairness opinion as to whether the merger consideration to be paid by Tremisis is fair, from a financial point of view, to Tremisis stockholders. Gilford, which was founded in 1979 and maintains offices in New York City and elsewhere in the United States, is a private national investment banking firm whose senior officers and other employees are highly experienced in the evaluation of companies and other elements of finance and investment banking. The board selected Gilford on the basis of Gilford's experience, recommendations from other companies that had engaged Gilford for similar purposes, its ability to do the research and provide the fairness opinion within the required timeframe and the competitiveness of its fee, which was specified by Gilford in its proposal to the board.

Gilford made a presentation to our board of directors on September 22, 2005 and subsequently delivered its written opinion to the board of directors, which stated that, as of September 22, 2005, and based upon and subject to the assumptions made, matters considered, and limitations on its review as set forth in the opinion, (i) the merger consideration is fair, from a financial point of view, to our stockholders, and (ii) the fair market value of RAM is at least equal to 80% of our net assets. Gilford has consented to the use of its opinion in this proxy statement. The amount of the merger consideration was determined pursuant to negotiations between us and RAM and not pursuant to recommendations of Gilford. The full text of the opinion of Gilford is attached as Annex G. You are urged to read the Gilford opinion carefully and in its entirety for a description of the assumptions made, matters considered, procedures followed and limitations on the review undertaken by Gilford in rendering its opinion. The summary of the Gilford opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of the opinion.

The Gilford opinion is not intended to be and does not constitute a recommendation to you as to how you should vote or proceed with respect to the merger.

Gilford was not requested to opine as to, and the opinion does not in any manner address, the relative merits of the merger as compared to any alternative business strategy that might exist for us, our underlying business decision to proceed with or effect the merger, and other alternatives to the merger that might exist for us.

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

In arriving at its opinion, Gilford took into account an assessment of general economic, market and financial conditions, as well as its experience in connection with similar transactions and securities valuations generally. In so doing, among other things, Gilford:

reviewed the merger agreement;

reviewed publicly available financial information and other data with respect to Tremisis, including the Annual Report on Form 10-KSB for the year ended December 31, 2004, the Form 10-QSBs filed on May 16 and August 15, 2005, and the Registration Statement on Form S-1 filed on March 12, 2004, and amendments thereto;

Table of Contents

reviewed financial and other information with respect to RAM, including its annual report for the year 2004, which included financial statements for the years ended December 31, 2003 and 2004, the Pro Forma Combined Statements of Operations for the years ended December 31, 2003 and 2004 taking into account the acquisition of WG Energy Holdings, Inc, the draft unaudited financial statements for the six months ended June 30, 2005, the RAM reserve reports as of June 30, 2005 and other financial information and projections prepared by RAM management and its advisors;

considered the historical financial results and present financial condition of both Tremisis and RAM;

reviewed and analyzed certain financial characteristics of companies that were deemed to have characteristics comparable to RAM; and

reviewed and analyzed the cash flows of RAM and prepared a discounted cash flow analysis.

Gilford also performed such other analyses and examinations as it deemed appropriate and held discussions with Tremisis and RAM's senior management in relation to certain financial and operating information furnished to Gilford, including financial analyses with respect to their respective businesses and operations.

In arriving at its opinion, Gilford relied upon and assumed the accuracy and completeness of all of the financial and other information that was made available to Gilford without assuming any responsibility for any independent verification of any such information. Further, Gilford relied upon the assurances of Tremisis and RAM's management that they were not aware of any facts that would make any such information inaccurate or misleading. With respect to the financial information and projections utilized, Gilford assumed that such information has been reasonably prepared on a basis reflecting the best currently available estimates and judgments, and that such information provides a reasonable basis upon which it could make an analysis and form an opinion. Gilford did not make a physical inspection of the properties and facilities of Tremisis and RAM and did not make or obtain any evaluations or appraisals of either company's assets and liabilities (contingent or otherwise). In addition, Gilford did not attempt to confirm whether Tremisis and RAM had good title to their respective assets. Gilford assumed that the merger will be consummated in a manner that complies in all respects with the applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and all other applicable federal and state statutes, rules and regulations. Gilford assumed that the merger will be consummated substantially in accordance with the terms set forth in the merger agreement, without any further amendments thereto, and that any amendments, revisions or waivers thereto will not be detrimental to our stockholders.

Gilford's opinion is necessarily based upon market, economic and other conditions as they existed on, and could be evaluated as of, September 22, 2005. Accordingly, although subsequent developments may affect its opinion, Gilford has not assumed any obligation to update, review or reaffirm its opinion.

In connection with rendering its opinion, Gilford performed certain financial, comparative and other analyses as summarized below. Each of the analyses conducted by Gilford was carried out to provide a different perspective on the merger, and to enhance the total mix of information available. Gilford did not form a conclusion as to whether any individual analysis, considered in isolation, supported or failed to support an opinion as to the fairness, from a financial point of view, of the merger consideration to our stockholders. Further, the summary of Gilford's analyses described below is not a complete description of the analyses underlying Gilford's opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Gilford made qualitative judgments as to the relevance of each analysis and factor that it considered. In addition, Gilford may have given various analyses more or less weight than other analyses, and may have deemed various assumptions more or less probable than other assumptions, so that the range of valuations resulting from any particular analysis described above should not be taken to be Gilford's view of the value of RAM's assets. The estimates contained in Gilford's analyses

Table of Contents

and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by such analyses. In addition, analyses relating to the value of businesses or assets neither purports to be appraisals nor do they necessarily reflect the prices at which businesses or assets may actually be sold. Accordingly, Gilford's analyses and estimates are inherently subject to substantial uncertainty. Gilford believes that its analyses must be considered as a whole and that selecting portions of its analyses or the factors it considered, without considering all analyses and factors collectively, could create an incomplete and misleading view of the process underlying the analyses performed by Gilford in connection with the preparation of its opinion.

The analyses performed were prepared solely as part of Gilford's analysis of the fairness, from a financial point of view, of the merger consideration to our stockholders, and were provided to our board of directors in connection with the delivery of Gilford's opinion. The opinion of Gilford was just one of the many factors taken into account by our board of directors in making its determination to approve the merger, including those described elsewhere in this proxy statement.

Valuation Overview

Based upon a review of the historical and projected financial data and certain other qualitative data for RAM, Gilford utilized several valuation methodologies and analyses to determine ranges of values. Gilford utilized the comparable company, discounted cash flow and the comparable transaction analyses (all of which are discussed in more detail below) for the valuation of RAM.

Gilford equally weighted the three approaches and arrived at an indicated equity value range for RAM of approximately \$295.3 million to approximately \$372.1 million.

Valuation Method	Valuation Range	
	High	Low
	(\$s in millions)	
Comparable Company Analysis	429.3	338.7
Discounted Cash Flow Analysis		
DCF Case #1	364.3	287.3
DCF Case #2	398.7	316.0
Transaction Analysis 2005	296.3	239.1
Weighted Average of Analyses	372.1	295.3

Gilford noted that the proposed acquisition consideration of approximately \$300 million for RAM was at the low end of the indicated equity value range for RAM of approximately \$295.3 million to approximately \$372.1 million.

Comparable Company Analysis

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Gilford utilized the selected comparable company analysis, a market valuation approach, for the purposes of compiling guidelines or comparable company statistics and developing valuation metrics based on prices at which stocks of similar companies are trading in a public market.

The selected comparable company analysis is based on a review and comparison of the trading multiples of publicly traded companies that are similar with respect to business model, operating sector, size and target market. Gilford located 10 companies in the oil and natural gas exploration and production sector that it deemed comparable to RAM with respect to their industry sector, geographic location of projects, and operating model. All of the comparable companies engage in the exploration, development and production of onshore domestic oil and natural gas properties.

Table of Contents

Gilford reviewed the trading multiples of the following 10 selected publicly held companies in the oil and natural gas exploration and production sector:

Brigham Exploration Company

Carrizo Oil & Gas Inc.

Clayton Williams Energy Inc.

Delta Petroleum Corporation

Edgepetroleum Corporation

Goodrich Petroleum Corporation

KCS Energy Inc.

Petrohawk Energy Corporation

Swift Energy Company

Whiting Petroleum Corporation

The financial information included market capitalization; total enterprise value (TEV); revenue; earnings before interest, taxes, depreciation and amortization (EBITDA); earnings per share (EPS); and present value discounted at 10% (PV-10) reserves. The trading multiples included TEV/revenue, TEV/EBITDA, price/earnings and TEV/PV-10 reserves.

	Multiples for Selected Companies			
	High	Low	Mean	Mean (excl. High & Low)
Total Enterprise Value as Multiple of:				
Revenue Estimate CY 2005	9.8x	2.7x	5.7x	5.6x
Revenue Estimate CY 2006	7.2x	2.5x	4.3x	4.1x
EBITDA Estimate CY 2005	14.5x	3.7x	8.3x	8.1x
EBITDA Estimate CY 2006	11.1x	3.7x	6.3x	6.0x
PV-10 Reserves	3.3x	0.8x	1.8x	1.7x

Price to Earnings Multiple:

Estimate CY 2005	88.4x	9.2x	27.0x	21.6x
Estimate CY 2006	37.2x	9.9x	17.2x	15.4x

2005 & 2006 reported financial industry estimates were utilized as the most comparable based on RAM's WG Energy Holdings acquisition in December 2004 and the rapid pace of change of valuations in the oil and natural gas exploration and production sector.

The average of all the mean trading multiples (excluding high and low) implied a valuation of \$383.79 million for RAM.

Removing the outliers from the mean trading multiples (excluding high and low) indicates a valuation range of \$338.8 million (TEV/EBITDA 2005 multiple of 8.1x) to \$429.30 million (TEV/EBITDA 2006 multiple of 6.0x).

Discounted Cash Flow Analysis

A discounted cash flow, or DCF, analysis estimates value based upon a company's projected future free cash flow discounted at a rate reflecting risks inherent in its business and capital structure. Unlevered free cash flow represents the amount of cash generated and available for principal, interest and dividend payments after providing for ongoing business operations.

Table of Contents

Utilizing projections provided by RAM management and their advisors, Gilford determined the net present value of the unlevered free cash flows for the years ended 2005-2019 to determine the enterprise value for RAM.

To arrive at a present value, Gilford used discount rates ranging from 10.0%, 12.5% and 15.0%. This was based on an estimated weighted average cost of capital, or WACC, of 9.5%. Gilford used the remaining net present value of cash flows from proven reserves provided by consultants to Tremisis to determine a terminal value.

Two DCF cases were analyzed using different commodity price assumptions.

DCF Case #1 utilized flat commodity prices of \$60.00 per Bbl of oil, \$8.50 per Mcf of natural gas and \$45.00 per Bbl of NGLs. This resulted in a DCF valuation for RAM of \$364.3 million using a 10% discount rate; \$321.8 million using a 12.5% discount rate; and \$287.3 million using a 15% discount rate.

DCF Case #2 utilized a percentage of the five year strip prices as of September 1, 2005, 98% per Bbl of oil, 90% per Mcf of natural gas and 70% per Bbl of NGLs. This resulted in a DCF valuation for RAM of \$398.8 million using a 10% discount rate; \$353.1 million using a 12.5% discount rate; and \$316.04 million using a 15% discount rate.

Discounted Cash Flow Analysis	Discount Rate		
	10.0%	12.5%	15.0%
PV (in millions of \$)			
DCF Case #1	364.3	321.8	287.3
DCF Case #2	398.7	353.1	316.0

Comparable Transaction Analysis

A comparable transaction analysis is based on a review of merger, acquisition and asset purchase transactions involving target companies that are in related industries to RAM. The comparable transaction analysis generally provides the widest range of value due to the varying importance of an acquisition to a buyer (i.e., a strategic buyer willing to pay more than a financial buyer) in addition to the potential differences in the transaction process (i.e., competitiveness among potential buyers).

Gilford located eight transactions announced since May 2004 involving target companies in the oil and natural gas exploration and production sector that it deemed comparable to RAM with respect to their total transaction value, geographic location of projects (the Comparable Transactions) and for which financial information was available.

Gilford noted the following with respect to the Comparable Transactions:

Edgar Filing: TREMISIS ENERGY ACQUISITION CORP - Form PRER14A

Gilford reviewed reported mergers and acquisitions activity in the oil and natural gas exploration and production industry, during 2004 and through September 1, 2005, with target companies located in Texas, Louisiana, New Mexico and Oklahoma and transactions having a total transaction value between \$200 million and \$700 million.

Gilford reviewed eight transactions in order to compare the total transaction value to the proved reserves on Bcfe basis of the respective acquired companies. Gilford also reviewed a subset of three transactions from 2005 to analyze the time sensitivity. The multiples were applied to RAM's proved reserves on Bcfe basis for both the base and time adjusted cases.

Gilford determined that the ratio of the total transaction values to proved reserves from the three transactions from 2005 better reflected the trend of the mergers and acquisitions market in the oil and natural gas exploration and production industry in general and in this region specifically. The range of valuations for the transaction analysis was between \$296.3 million (high) to \$239.1 million (low) with a mean valuation of \$268.3 million.

Table of Contents

The average price of oil (West Texas Intermediate Crude, or WTI) for the third quarter of 2005 was \$63.31 per Bbl of oil compared to \$50.03 in first quarter 2005 and \$53.22 in the second quarter of 2005, an increase of 27% and 19%, respectively. The average price of natural gas (NYMEX Henry Hub) in the third quarter of 2005 was \$9.73 per Mmbtu compared to \$6.50 in the first quarter of 2005 and \$6.95 in the second quarter of 2005, an increase of 50% and 40%, respectively. (Source: Bloomberg, FirstEnergy)

Gilford believes that based on the increase in oil and natural gas prices (outlined in bullet point above) if these transactions were to take place in the current pricing environment, it is reasonable to assume the reserve multiples would realize a portion of the 20% to 50% increase.

Multiples

Implied Valuation of RAM Proved