A successfully growing EUROPEAN INVESTMENT COMPANY

Corporate presentation
Q1 2019
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Summary Snapshot

AIM traded oil and gas investment company focused on high impact onshore European opportunities with short timelines to production

Proven team

- Highly experienced team with proven value creating credentials
- CEO’s last two Companies were sold to industry with Peppercoast achieving a 6x return
- Record price for an exploration block offshore West Africa in a pre discovery nation
- Similarly NEDs instrumental in growing Pan Ocean from $20m to $1.4bn sale

Revenue Generative

- Maiden Reserves
- Significant Increase in Production Due in 2020
- Presently trading at a big discount to brokers risked fair value 1.8p
- Potential NPV if successful is huge (>€0.4Bn)

Unlocking value

- Diversified portfolio assembled
- Risk managed
- Multiple routes to significant shareholder value growth
- Have been and will continue to be very active in searching for new projects

European focused

- Mature Markets
- Existing Infrastructure easy to utilise
- Host nations desire to reduce foreign dependency
- Stable politically, rule of law applies
Our strategy

**Build**

a sizable portfolio of oil and gas holdings

**Take advantage**

of present industry opportunities in Europe with a preference for:

- late stage, drill-ready exploration; or
- reworking of existing fields and “failed” exploration using technology

**Utilise**

Team’s proven track record of creating value*

**Create**

tangible value in core projects within 12 months

**Maximise**

impact of capital; balance risk/reward

**Transform**

Become an operator in own right. Move from an investment company to fully fledged E&P company**
Portfolio overview

Focused on the Foredeep play, which offers multi-production potential

**Romania**
50% Interest in 980 sq km Exploration Area of the Suceava Concession

Includes the Bainet gas field that commenced production in September 2018, the Granicesti SE-1 discovery, and drill ready prospects and leads

**Italy**
17% Interest in Podere Gallina Exploration Permit

Includes Selva Discovery on target for production in 2020. Company’s first maiden reserves. Start up revenue est €2.0m per year (Net). Multiple follow on targets one similar size one double the size

**Spain**
15% Interest with the right to acquire up to 49.9% in Tesorillo Project

Contains the Almalchal gas discovery. Assigned gross unrisked Prospective Resources of 830 Bcf and upside of over 2 Tcf In CPR

**Considered Risk Management:**

- Not beholden to one Government, spread of political risk
- Short time frames to production e.g. Bainet, confidence in short and mid term markets
- Mix of project scales
- Multiple basins but geological similarity
# CPR Reserves and Valuations Demonstrate Deep Value

**Current Portfolio**

<table>
<thead>
<tr>
<th>Producing Assets</th>
<th>Gross Licence Acreage Km²</th>
<th>WI %</th>
<th>Appraised Reserves (2P) Bcf</th>
<th>Prospective Resources (Mid-Case) Bcf</th>
<th>Peterhouse Valuation (July 2018) £millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romania. (EIV-1 Suceava License) Bainet Field (Bainet-1 well)</td>
<td>984</td>
<td>50%</td>
<td>1.2</td>
<td>0.6</td>
<td>1.70</td>
</tr>
<tr>
<td>Development Assets (Proven &amp; Appraised)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Romania. (EIV-1 Suceava License) Granicesti/SE1 (Work-over)</td>
<td>507</td>
<td>17%</td>
<td>13.3</td>
<td>2.3</td>
<td>4.50</td>
</tr>
<tr>
<td>Italy. (Podere Gallina License) Selva Gas Field (Podere Maiar 1 well)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unappraised</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Italy. (Podere Gallina License) Fond Pierino</td>
<td></td>
<td>17%</td>
<td>14.6</td>
<td>2.5</td>
<td>3.20</td>
</tr>
<tr>
<td>East Selva</td>
<td>34.8</td>
<td>5.9</td>
<td>49.4</td>
<td>8.398</td>
<td></td>
</tr>
<tr>
<td>Spain. (Tessorillo and Ruedalabola Licenses) Almarchal/Tessorillo</td>
<td>380</td>
<td>15% Option to take to 49.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>1871</td>
<td></td>
<td>14.98</td>
<td>3.1</td>
<td>881.2</td>
</tr>
</tbody>
</table>

**Fair Value GBX (pence)/Share:** 1.80

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**Prospex Oil & Gas – Corporate Presentation Q1 2019**

[Image – 2x461 to 781x540]
18-Month Progress

**2017**
- August: Romania Acquisition
- September: Bainet-1 Drill & Flow Test
- October: Italy Acquisition
- November: Selva Drill
- December: Spain Acquisition
- Equity Issue

**2018**
- January: Bainet Pipe-line build and Tie-in
- February: Selva Flow-test
- March: Production Application
- April: License Restart request
- May: License Restart request
- June: License Restart request
- July: License Restart request
- August: License Restart request
- September: License Restart request
- October: License Restart request
- November: License Restart request
- December: License Restart request

**2019**
- January: Bainet-1st Gas Sales
- February: Prelim. Production Concession Award
- March: New CPR 1st Reserves
- April: Increase Stake to 15%
- May: Tesorillo - Field Work Start (incl. MT Calibration, EIA, Structural Mapping)
- June: Loan Note Issue

Prospex Oil & Gas – Corporate Presentation Q1 2019
18-Month Outlook  
dates are illustrative

**2019**
- Bainet - Gas Sales
- Bainet West Well
- Selva EIA Submission
- Spain - Tesorillo - Field Work Completion (incl. MT extension)
- Tesorillo - Seismic Reprocessing
- Tesorillo - Geology and Geophysics integration
- Update CPR for Tesorillo
- Tesorillo - Well Location Decision
- Possible Granicesti well workover

**2020**
- Prod. Permitting and tie-in.
- Additional Production – Bainet West
- Selva – Production Permitting and Facilities Construction
- Selva - Production Completion and Production
- Increase Stake to 49.9% - Optional
- Well Permitting
Foredeep/foreland play: regional tectonic play

Foredeep basins typically host Tertiary turbidite sandstone reservoirs at the foothills of the Alpine systems in central and southern Europe. They are geologically young and therefore the reservoirs can be very shallow.
Romania: Suceava concession (50% WI)

**Acquired a 50% interest in Suceava in August 2017**
- Raffles Energy, an established gas producer in Romania, is the project operator

**Location**
- Close to other producing fields and infrastructure

**First Discovery and Production at Bainet**
- Commenced production in September 2018
- Drilled and into production within 11 months
- Pre-drill Bainet was assigned internal gross prospective resources of ~1.5bcf recoverable
- Operator using 15,000scm/d average for 2019 budgeting purpose

**Development**
- Similar gas prospective areas / potential drilling targets currently being evaluated as part of forward development plan to scale up revenues

Acquired a 50% interest in Suceava in August 2017

Location
- Close to other producing fields and infrastructure

First Discovery and Production at Bainet
- Commenced production in September 2018
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Development
- Similar gas prospective areas / potential drilling targets currently being evaluated as part of forward development plan to scale up revenues
Romania: multiple prospects

Multiple gas prospective areas / potential drilling targets being evaluated as part of forward development plan to scale up revenues

- Bainet-1 drilled to a total depth of 600m and encountered 9m of reservoir with 8m of net gas pay in November 2017
- €800,000 (€400,000 net) to drill and tie back
- Natural gas containing over 99% methane
- Pipeline of low cost, low risk targets mapped on a 1,600km line 2D seismic grid, includes
  - Bainet West (Bainet Look alike)
  - Grancesti SE-1 discovery:
    - Flowed at 1.2MMscfpd during limited short test from the Sarmatian reservoir at a depth of ~550m
    - Lies 1.5km from a high-pressure pipeline grid operated by Transgaz
    - Plan to workover and recomplete the well as a gas producer once land access secured
West Bainet is a twin of Bainet-1 on the next fault block. The position of the faults is indicated with dotted blue lines on the map and by the F1-F3 labels on the cartoon. The fault traces are highly schematic but clearly illustrate the trends in the area.

West Bainet is therefore situated between two known discoveries and in close proximity to the Bilca processing plant.

Further to structural style, West Bainet has a similar AVO response to both Bilca-1 and Bainet-1. The reservoir sands are of the same lithology and age and are segmented by faults.
Italy: Podere Gallina Permit (17% WI)

Farmed in Oct 2017, Acquired 17%
- Partners: PVE (63%) & United Oil & Gas plc (20%)

Location
- Prolific Po Valley region
- Short distance to existing gas grid

Selva Successfully Drilled up-dip
- Audited 13.3bcf of 2P Reserves in Selva. 2.3bcf Net to Prospex
- Further considerable permit potential: 7.0 to 11.1bcf NET prospective resources (Cembalina + Fondo Perino + East Selva)

Development
- Production concession preliminary approved, unaffected by 2019 changes to Italian Exploration laws
- First phase production targeted to commence 2020
Italy: Podere Maiar well

- Drilled into the attic gas of the shut in Selva Gas-Field (previously operated by ENI) in Dec 2017
- Two gas bearing sandstone reservoirs, C1 and C2, within the Porto Garibaldi Formation
- Total gross reservoir pay of 62m and net pay of 41m:
  - C2 is expected to be the primary producer
- Completed for production – targeted to commence 2020 at a rate of up to 150,000 cubic metres (5.3 mmcf/day) a day
- Assuming €0.23/m3 and an annualised start up rate net of 150,000m3 per day Prospex net revenue is c.€2m
- Flow rates in testing well in excess of the pre-test target of 2.8mmcf/day

<table>
<thead>
<tr>
<th>Interval</th>
<th>Top-Bottom (m TVD)</th>
<th>Perforation (m)</th>
<th>Flow Rates (3/8&quot;) mmcf/d</th>
<th>Porosity (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1 (gas bearing)</td>
<td>1245-1260</td>
<td>2.5</td>
<td>4.5</td>
<td>35.5</td>
</tr>
<tr>
<td>C1 (water bearing)</td>
<td>1260-1268</td>
<td></td>
<td></td>
<td>35.5</td>
</tr>
<tr>
<td>Shale</td>
<td>1268-1276</td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>C2 (gas bearing)</td>
<td>1276-1298</td>
<td>8.5</td>
<td>5.3</td>
<td>38.8</td>
</tr>
<tr>
<td>C2 (water bearing)</td>
<td>1298-1308</td>
<td></td>
<td></td>
<td>37.1</td>
</tr>
</tbody>
</table>
Italy: Substantial upside

- Further opportunities available inside and outside the proposed Production Concession area
- Opportunities inside the Production Concession not affected by 18 month moratorium on general exploration in Italy
- Successful wells in the production concession can be put on production quickly, benefit from the initial permitting work setting up the area
- Partners to shoot further 3D seismic to further delineate opportunities
- Strongest candidates are East Selva & Fondo Pierino
- East Selva assigned 35 bcf prospective resources, is on trend with Selva and Minnerbio fields
- Fondo Pierino 15 bcf
Spain: Tesorillo Project (up to 49% ownership)

Location
- Covers 38,000ha in a proven hydrocarbon region in the Cadiz Province of southern Spain
- Contains the Almarchal-1 gas discovery well

Resource
- CPR estimates gross unrisked Prospective Resources of 830bcf of gas (Best Estimate), with Upside in excess of 2 Tcf

Development
- Multi-strand work programme underway to further delineate and de-risk the Project’s prospectivity
- Excellent access to infrastructure: 3.9km from the North African Maghreb gas pipeline European landing point providing access to high priced European markets

Deal
- First Investment Dec 2017 increased stake to 15% in Dec 2018
- Option for a further 34.9% for €1,725,000 ahead of drilling a well
Spain: Almarchal-1 discovery well

- Almarchal-1 Drilled in 1956
- Drill-stem tests and log analysis confirm 48m of proven gas pay from two Miocene Aljibe Formation sandstone intervals at 1500m
- Further 492m of probable gas pay interpreted from logs
- Located on a seismically delineated thrust ramp anticline with closure area exceeding 70 km²
- Multi-tcf gas-in-place indicated in what is thought to be a large overlooked gas field
- 1957 Puerto de Ojen-1 well, 15km to the east in Ruedalabola licence, displayed similar gas shows to Almarchal-1
- Appears to be on a separate large thrust feature, but could not be tested for mechanical reasons
Spain: Company-making potential

The Company believes a modern well will demonstrate recoverable hydrocarbons in economic volumes

- 2018 programme to test known gas bearing sandstone sequences within a variant of the foredeep play that was successfully tested with two recent discoveries in Romania and in Italy
- In May 2015 Netherland Sewell and Associates independently certified an unrisked Prospective Resource of 830 Bcf of gas (best estimate) with upside of over 2 TCF for the Tesorillo Project as outlined below:

<table>
<thead>
<tr>
<th>Tesorillo</th>
<th>Prospective Resource BCF (Gross)</th>
<th>Original Gas In Place BCF (Gross)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Estimate (P90)</td>
<td>220</td>
<td>734</td>
</tr>
<tr>
<td>Best (Median) Estimate (P50)</td>
<td>830</td>
<td>1,661</td>
</tr>
<tr>
<td>High Estimate (P10)</td>
<td>2,289</td>
<td>3,270</td>
</tr>
</tbody>
</table>
Investment Case

Rapidly growing portfolio of late stage projects

- Suceava Exploration Area in Romania is cash flow generative
- Podere Gallina Licence, Italy – Selva gas discovery on stream 2020
- Tesorillo Project in Spain contains gas discovery with multi-tcf potential

Company-making resources

- 830bcf gross unrisked prospective gas resources at Tesorillo (CPR)
- 29.1 and 40.6bcf prospective resources at Podere Gallina (CPR)
- Maiden revenues being generated from Bainet gas field

High impact news flow

- Work programme on 830bcf gas discovery in Spain commences
- Production concession application award for Selva gas field, Italy
- Evaluating gas prospective areas / potential drilling targets in Romania to scale up revenues

Additional Upside

- Active growth strategy
- Multiple targets across portfolio and additional project pipeline being evaluated

Experienced management

- Proven track record of successfully identifying and advancing assets and generating significant value for investor
Contact details / Advisers

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Edward Dawson
CEO & MD

With a BEng and an MSc in investment analysis, Edward has over 15 years’ experience in the oil and gas sector. He has financed, managed and been a key investor in several oil and gas companies. Positions held include: MD of Peppercoast Petroleum plc and Black Star Petroleum plc; Analyst for RAB Capital's Energy Fund; Business Development and Finance Manager for Oilexco Incorporated; and a fund manager for Park Place Capital.

Bill Smith
Non-Executive Chairman

Bill is a director of a number of listed and private companies including: Orca Exploration Group (TSXV); Mosaic Capital Corporation (TSXV); PFB Corporation (TSX). He holds a license to practice law in Alberta and was a senior partner at McCarthy Tetrault LLP in Canada. He has extensive corporate experience including a number of start-up ventures in the oil and gas sector.

Richard Mays
Non-Executive Director

Richard is a solicitor in Scotland and has extensive industry, commercial and legal experience. He is VP and General Counsel at Canadian Overseas Petroleum Limited (TSX and FTSE) and has leadership and senior management experience of other LSE listed companies, including DEO Petroleum plc and Oilexco North Sea Limited. He has also served as Executive Chairman of Peppercoast Petroleum plc and Black Star Petroleum plc. Formerly Professor and Deputy Dean of the Aberdeen Business School.

James Smith
Non-Executive Director

James holds a MSc in Petroleum Geology and has over 25 years’ experience in the oil and gas sector. Having started his career as a petroleum geophysicist with Chevron UK in 1988, he became Vice President of Exploration for PanOcean Energy (‘PanOcean’) and in this capacity was instrumental in building the value of PanOcean from US$20m to its eventual sale to Addax Petroleum for US$1.4 billion in 2006. He has extensive experience in exploration, appraisal and development, with proven success in finding oil, delivering positive, high impact results and ultimately building value.

Carlos Venturini
Exploration Manager

Carlos is a geologist (BSc) with an MSc in structural geology and over 25 years’ experience in geophysical interpretation and oil prospect generation gained with Schlumberger, ENI, Sipetrol, and from his own Libya-based consultancy working for Petrobras, GDF, OMV amongst others. He is an expert in Mediterranean and African petroleum geology.

Peter Elliott
Business Development

Peter holds a degree in geology and an MSc in petroleum geology. He has 22 years’ experience in the international oil and gas industry working in new ventures and business development, most recently building oil company JVs in West Africa, including Senegal AGC, Liberia and Equatorial Guinea. He has also managed exploration contracts and work programmes.
Foredeep basins typically host Tertiary turbidite sandstone reservoirs at the foothills of the Alpine systems in central and southern Europe.