

**Company Presentation:**  
*Pareto E&P Independents*  
*Conference*



**African  
Petroleum**  
CORP LTD

13 March 2014



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*The information in this Presentation relating to hydrocarbon resource estimates includes information compiled by Dr Adam Law, Geoscience Director of ERC Equipoise Ltd. Dr Law, is a post-graduate in Geology, a Fellow of the Geological Society and a member of the Society of Petroleum Evaluation Engineers. He has 18 years relevant experience in the evaluation of oil and gas fields and exploration acreage, preparation of development plans and assessment of reserves and resources. Dr Law has consented to the inclusion in this Presentation of the matters based on the information in the form and context in which it appears.*

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# The Investment Case for African Petroleum

## About Us

- > High Impact Exploration (>5.2bn barrels unrisked\*)
- > Second largest net acreage holders in West African Transform Margin (4 countries, 8 licences)
- > Early mover advantage, strong relationships with host Governments and excellent licence terms
- > Exposed to a large diverse portfolio in multiple "liquid rich" plays
- > Proven deep-water operator, made first oil discovery in Central Liberian Basin

## What's Changed

- > New Governance – new Chairman, CEO, Finance Director
- > New strategy and new plan leveraging past accomplishments to drive new initiatives
- > Licence extensions granted in Liberia and Sierra Leone
- > New funding with renewed emphasis on capital discipline
- > Focus on securing pre-drill partnerships to manage risk and build a clear path to drilling

## Why Today?

- > Attractive valuation in the market
- > Diverse portfolio options available in frontier and emerging basins
- > Recent licence extensions provides room to de-risk ahead of the drill bit
- > Catalyst positioning, third party drilling activity in adjacent acreage during 2014
- > Actively seeking partners to share risk and reward across all assets and participate in future growth



# What's New in 2014?

> Board Re-organised, Majority Independent, New Corporate Governance Structure being implemented  
 New Board Members and Senior Management in 2013 / 14



## Charles Matthews, OBE: Chairman

- > Over 10 years' experience in chairman and director positions
- > Currently Chairman of LSE listed Porvair Plc
- > Previously held senior management positions at Cosworth Group, Rolls Royce and Bentley Motor Cars, and has served as a Member of the Vickers Group Executive Board.



## Dr. Stuart Lake: CEO and Executive Director

- > Over 27 years of experience in Hess Corporation, Apache Corporation & Shell
- > Demonstrated as proven oil finder based on drilling over 300 wells in 11 countries maintaining 85% geologic success
- > Oversaw exploration campaign in Ghana that led to 7 consecutive hydrocarbon discoveries and West African New Ventures
- > Directed more than 30 discoveries in Russia at Hess as VP Exploration.



## Dr. David King: Non-Executive Director

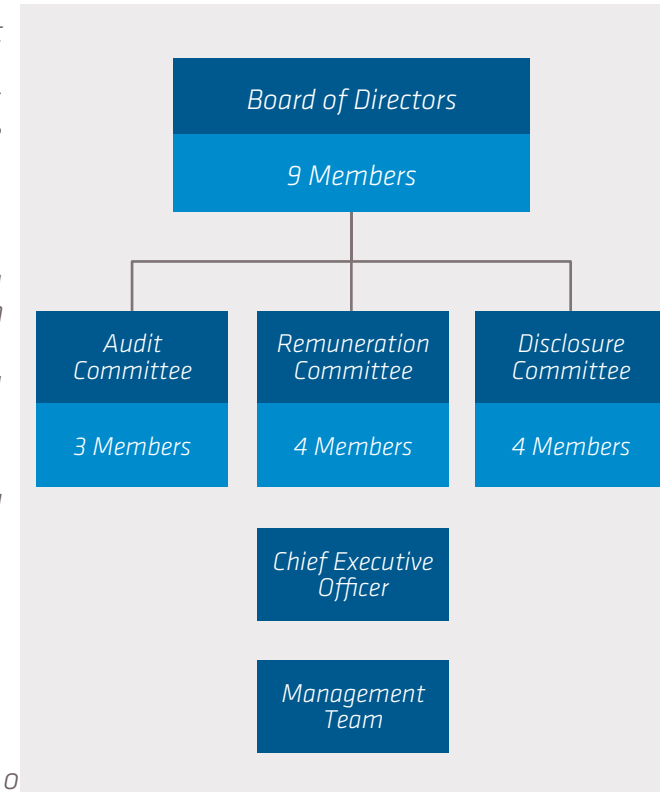
- > Over 30 years experience in natural resources
- > Co-founded and held executive and non-executive board positions in a number of successful ASX listed companies
- Executive Director of a number of ASX listed companies

> Currently Non-Executive Chairman and Non-



## Stephen West: Finance Director

- > Over 20 years of financial and corporate experience from public practice, oil & gas, mining and investment banking
- > Qualified Chartered Accountant with Bachelor of Commerce (Accounting and Business Law)
- > Non-Executive director of Apollo Consolidated Limited, Zeta Petroleum and Norsve Resources plc



# Blue Chip Shareholder Base



## Australia

> Colonial First State

## UK

> Amiya Capital  
> BlackRock Investment Mgt  
> Charlemagne Capital  
> Cheyne Capital  
> Esemplia  
> Elliott  
> Eton Park  
> Fulcrum Asset Mgt  
> Front Street Capital  
> Henderson Global Investors  
> ING Bank  
> Investec Wealth & Investment  
> JP Morgan Asset Mgt  
> Jupiter Asset Mgt  
> Levine Capital  
> Lombard Odier  
> M&G Investment Mgt  
> Meridian Capital  
> North of South Capital  
> RAB Capital  
> Rathbone Investment Mgt  
> RBC Asset Mgt UK  
> TT International  
> UBS Wealth Mgt

> Walker Crips Stockbrokers  
> WMG Capital

## Europe

> Bank Julius Baer  
> Banque de Luxembourg  
> Banque Heritage  
> BSI Credit Foncier de Monaco  
> Credit Suisse Private Banking  
> Deutsche Asset & Wealth Mgt  
Investment  
> Deutsche Bank (Suisse)  
> Lombard Odier Darier Hentsch & Cie  
> Pictet & Cie Rahn & Bodmer  
Banquiers  
> Robeco  
> UBS Wolfgang Mayr Asset Mgt

## North America

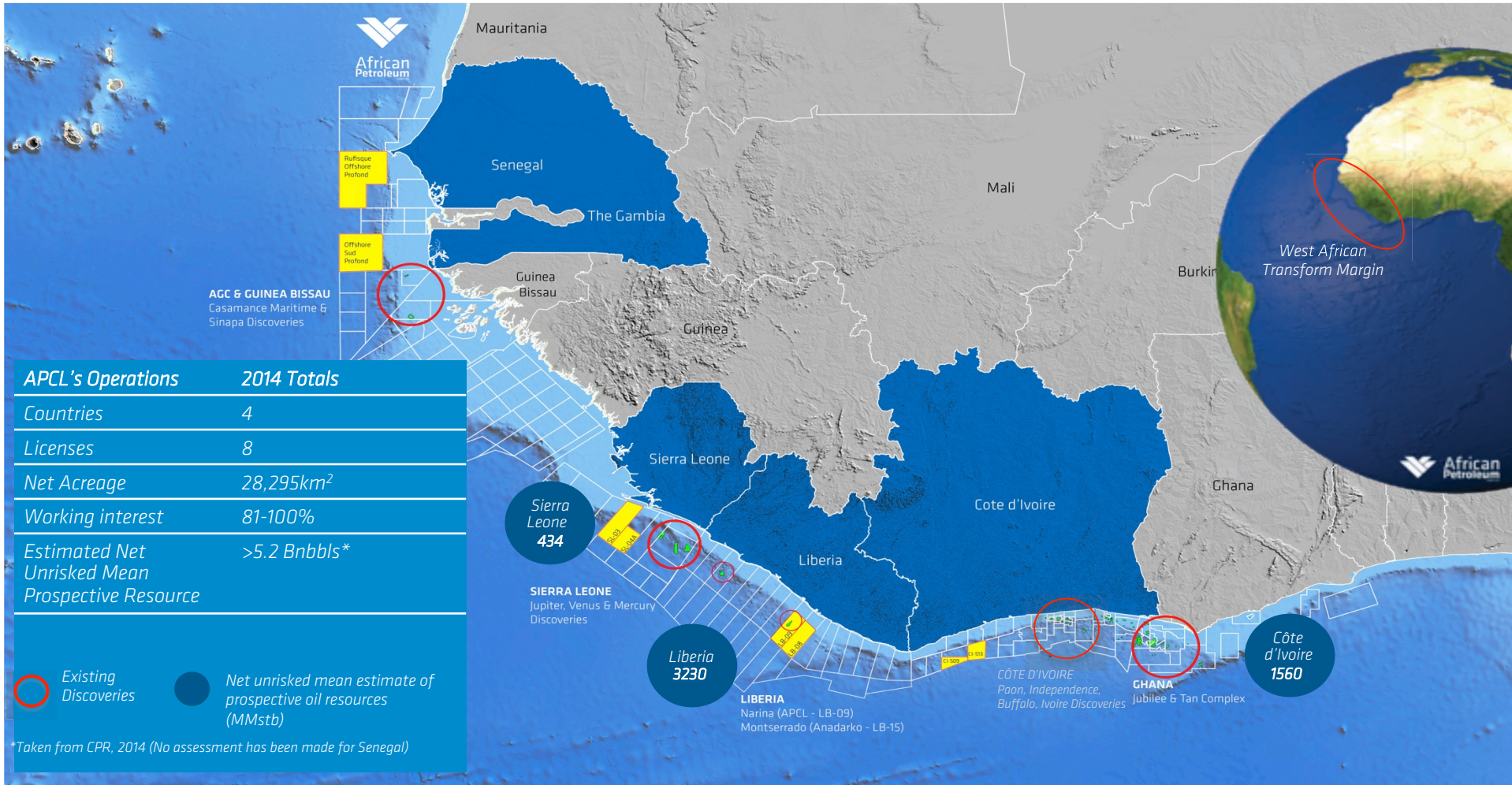
> Alliance Bernstein  
> Balantrove  
> Capital Research Global Investors  
> Dundee Corporation  
> Edgehill Capital Partners  
> Elliott Associates  
> Eton Park Capital  
> Goodman & Company

> Knighthead Capital Mgt  
> Lighthouse Partners  
> Marquest Asset Mgt  
> Perella Weinberg Partners  
> RBC Asset Mgt  
> Rima  
> Salida Capital  
> TD Waterhouse Canada  
> Barclays Bank  
> BlackRock Investment Mgt  
> Deutsche Bank  
> First State Investments  
> Value Partners  
> Winnington Capital

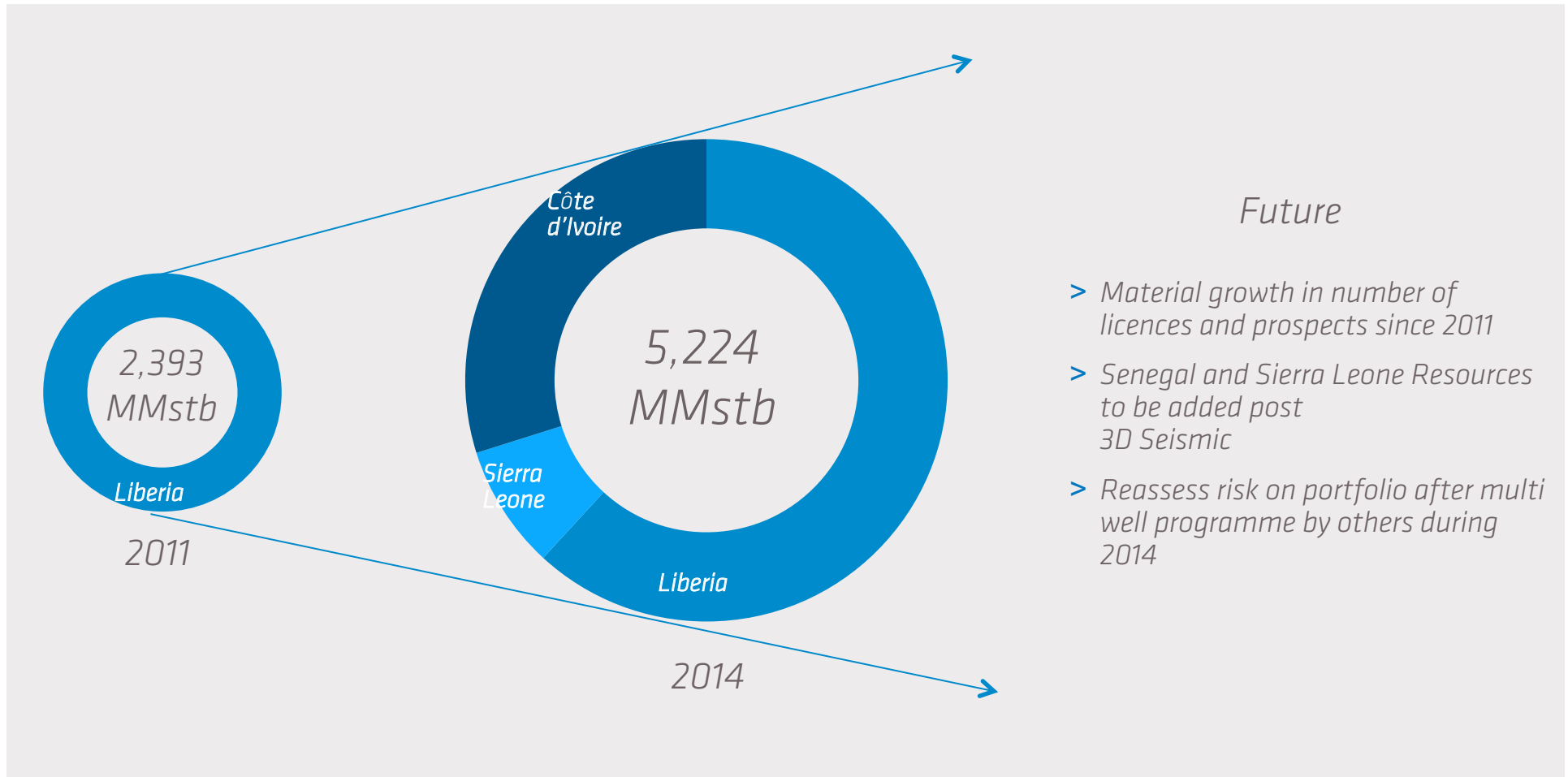
## Asia

> Barclays Bank  
> BlackRock Investment Mgt  
> Deutsche Bank  
> First State Investments  
> Value Partners  
> Winnington Capital

# African Petroleum Assets & Portfolio



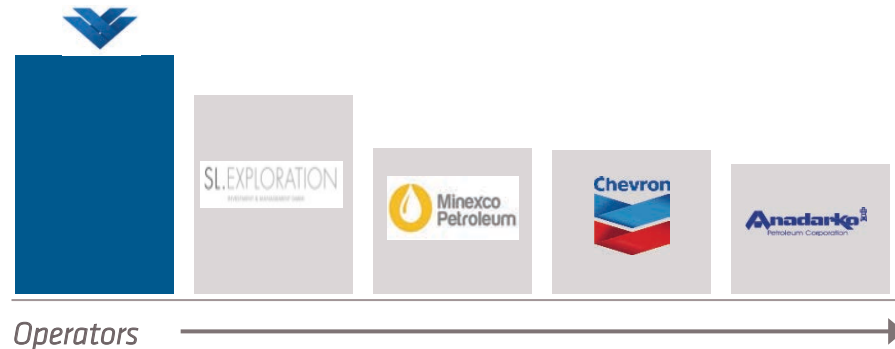
## APCL's Portfolio – Growth of Net Unrisked MMstb



# APCL's Net Acreage Position relative to other Major Operators in West Africa

## Sierra Leone

Operated offshore acreage in km<sup>2</sup>



## Liberia

Operated offshore acreage in km<sup>2</sup>



## Senegal

Operated offshore acreage in km<sup>2</sup>



## Côte d'Ivoire

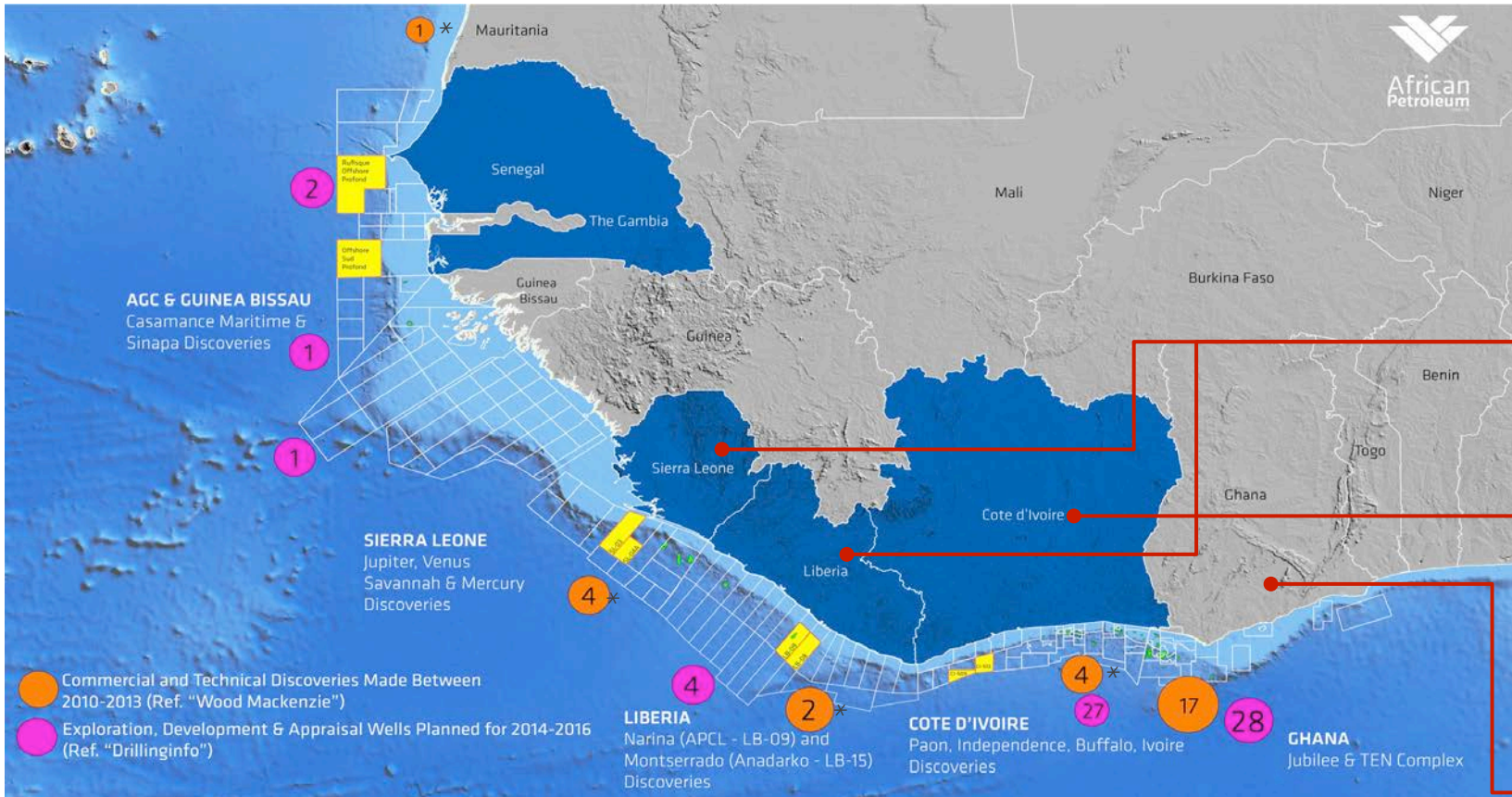
Operated offshore acreage in km<sup>2</sup>



\* Data taken from Wood Mackenzie Feb 2014



# High Success Rate and Upcoming Activity throughout APCL's Focus Area Activity between 2010-16



2010 - 2013

**28** Discoveries

2014 - 2016

**63** Wells Planned

Historic

**12** Wells drilled

**73%** Exploration Success

**9** Wells drilled

**67%** Exploration Success

**29** Wells drilled

**72%** Exploration Success

63% commercial success (18 wells)

Data sources include Wood Mackenzie, Scout Data, Richmond Energy, Drillinginfo® and Company Websites

\*Technical discoveries

# Strategic Focus – The Way Forward

## Current 12 months

**Objective: Consolidate Position: Maximise Efficiency of External Relations & Capital Effectiveness, utilise information from others**

- > Proven Deep-water low cost operator
- > New Management team
- > 2 year Licence extensions achieved in Sierra Leone & Liberia
- > Raise new capital & move to an alternate exchange
- > Bring in new partners to share risk and reward
- > Complete wider regional analyses and incorporate learnings into a predictive model
- > Acquire more 3D seismic data incl. high resolution for potential appraisal follow up (Liberia & Sierra Leone)
- > Execute high impact exploration programme
- > Enhance engagement with Government and Partners

## Future 36 months

**Objective: Develop Our High-Potential Assets**

- > Leverage technology and its application to de-risk ahead of the drill bit
- > Drill key exploration wells with partners – including down-dip test of ‘Basin floor fans’ in Upper Cretaceous reservoirs
- > Collaborate with others re: trade and staff resources
- > Build off exploration success with early appraisal
- > Continue to work social programmes and local content in host countries
- > Continue to make efficient use of capital and resources
- > Further build acreage positions with others
- > Seek and execute commercial options

## Long Term 5 years

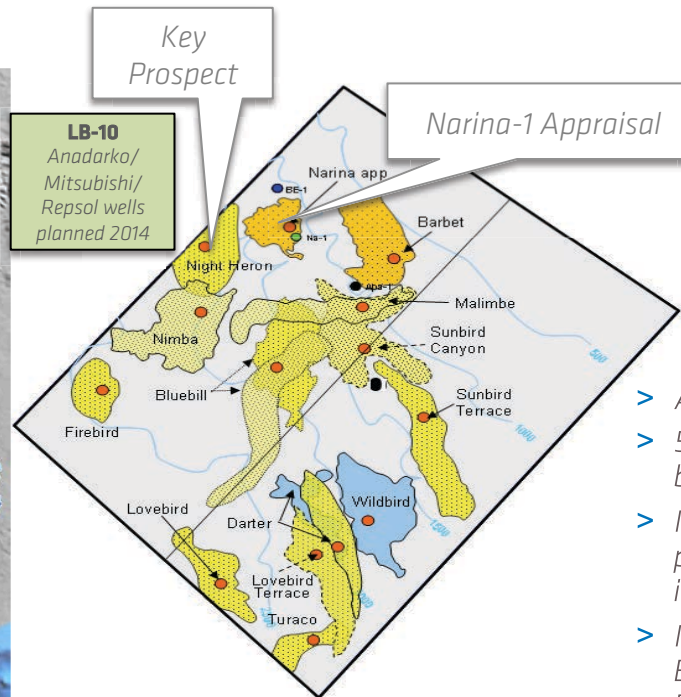
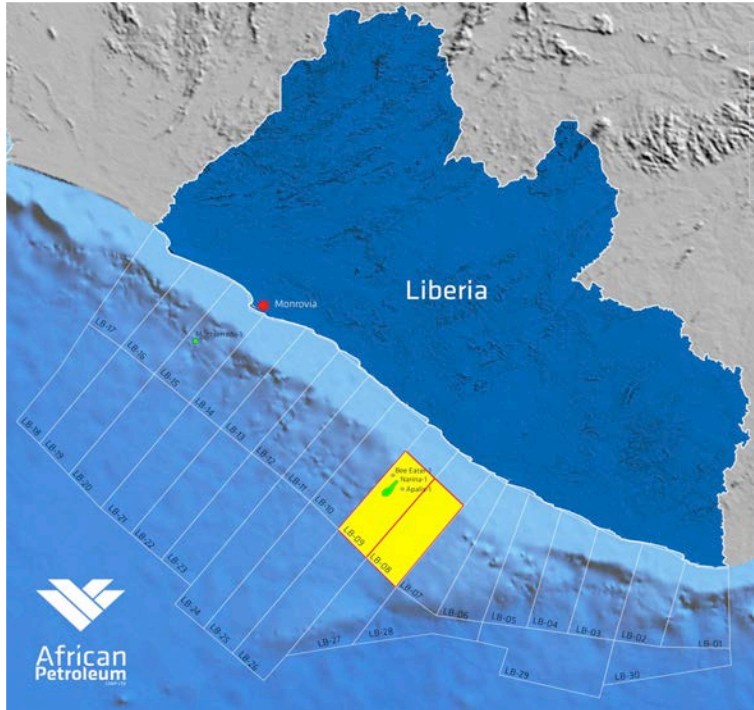
**Objective: Commercialise & Expand**

- > Seek to move discoveries to commerciality – assuming success in exploration
- > Acquire new acreage; focus on geology and good terms, not geography
- > Consider access to non operating equity in producing blocks
- > Expand portfolio options over broader asset base, including joint ventures
- > Strong financials to support further growth opportunities
- > Create sustainable commerciality and stakeholder value with a continued “liquids focus”

## Build Shareholder Value

Data sources include Scout Data and Company Websites

# Liberia – LB-08 and LB-09



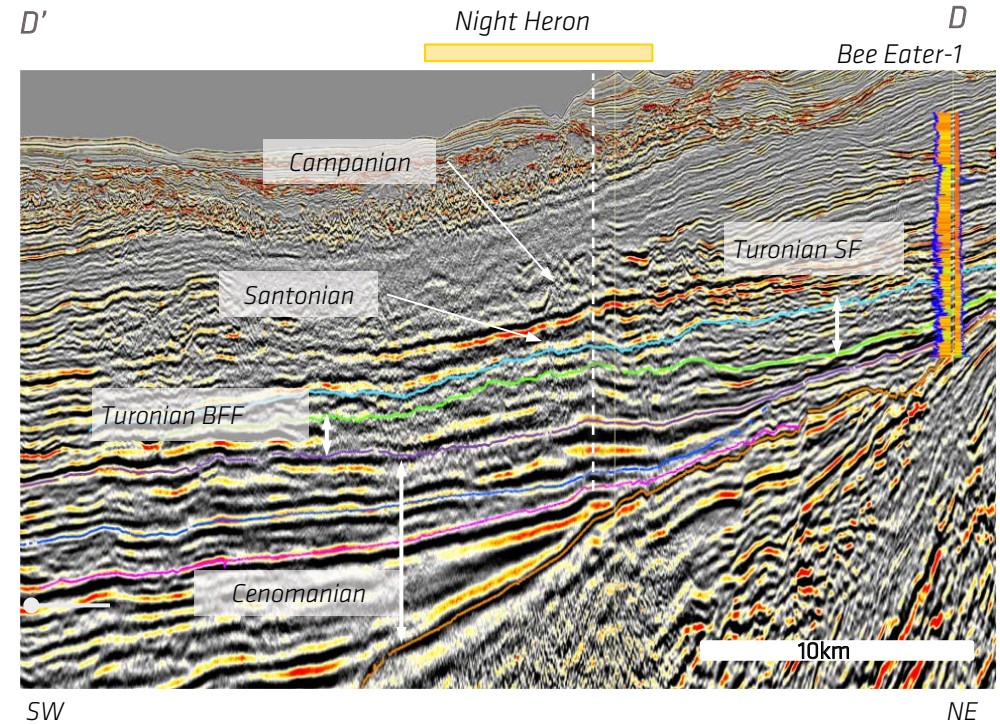
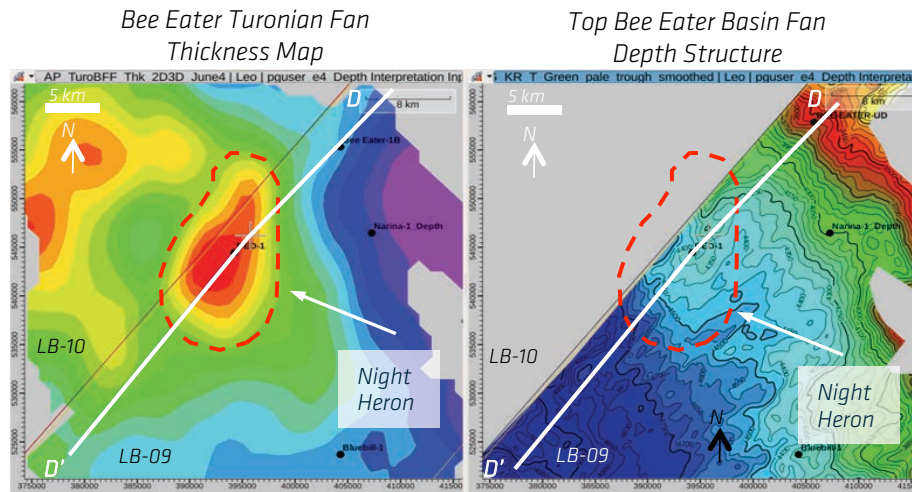
- > Attractive early mover fiscal terms
- > 5 discoveries in the Liberia – Sierra Leone basin
- > Narina-1 oil discovery in LB-09, multiple proven source rocks and target reservoir intervals, 32 metres net pay in 2 zones
- > Night Heron prospect down-dip Bee-Eater-1 with similar potential to Hess’ Pecan discovery in Ghana
- > Extensive prospect portfolio
- > New 3D seismic planned for further de-risking and potential appraisal
- > Offset drilling activity in LB-10 in 2014

Licence	APCL WI	Date of Grant	Licence Period	Current Status	Remaining 2 <sup>nd</sup> Exploration Period Commitments
LB-08	100%	June 2008	4 + 2* + 2	2 <sup>nd</sup> exploration period	High resolution 3D seismic
LB-09	100%	June 2008	4 + 2* + 2	2 <sup>nd</sup> exploration period	High resolution 3D seismic

\* Second exploration period extended by 2 years for both blocks

# Liberia – Block 9 - Night Heron Prospect

<b>Prospect</b>	<b>Night Heron</b>
Block	LB-09
Licence Area	2,634km <sup>2</sup>
Water Depth	1000-2300m
Play Fairway	Turonian
Mean Prospective Unrisked Resources	759 MMstb*



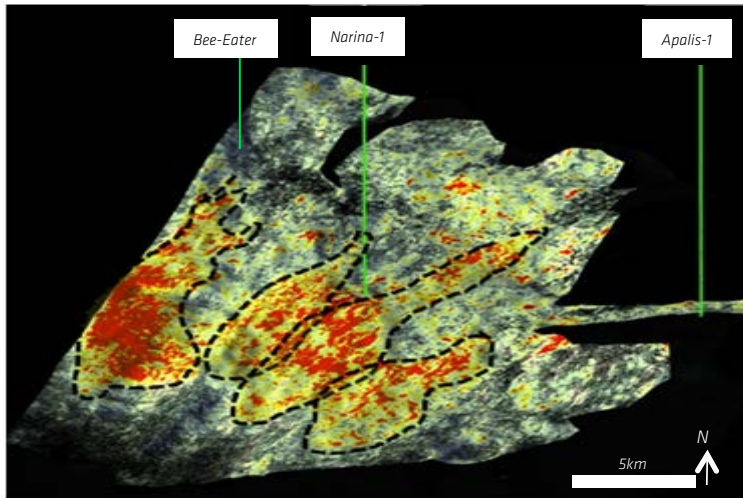
\*ERC Equipoise CPR 2014 (Gross)

# Liberia – Block 9 – Narina West

- > Narina-1 21 metres net pay Turonian (37° API)
- > Updated CPR – Narina West 184 MMstb (mean unrisked prospective resource)
- > Lateral limit - stratigraphic pinch-out
- > Down-dip limit defined by projected OWC from pressure data (predicted at 3840m)
- > Amplitudes help define target sweet-spots (maximum gross 300m)
- > New high resolution 3D seismic to optimise well location

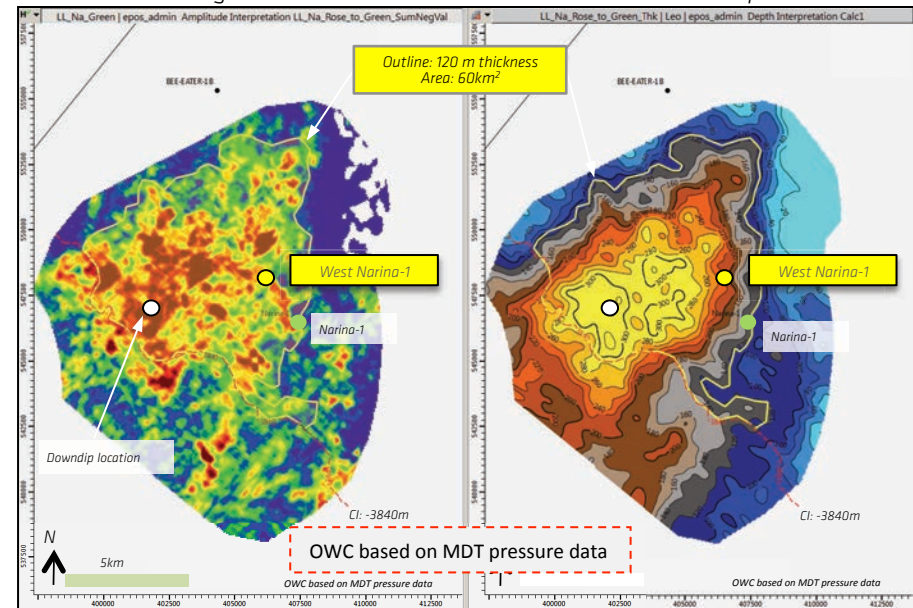
Prospect	Narina West
Block	LB09
Licence Area	2,634km <sup>2</sup>
Water Depth	900-1200m
Play Fairway	Turonian
Mean Prospective Unrisked Resources	184* MMstb

Narina Area Fan Systems



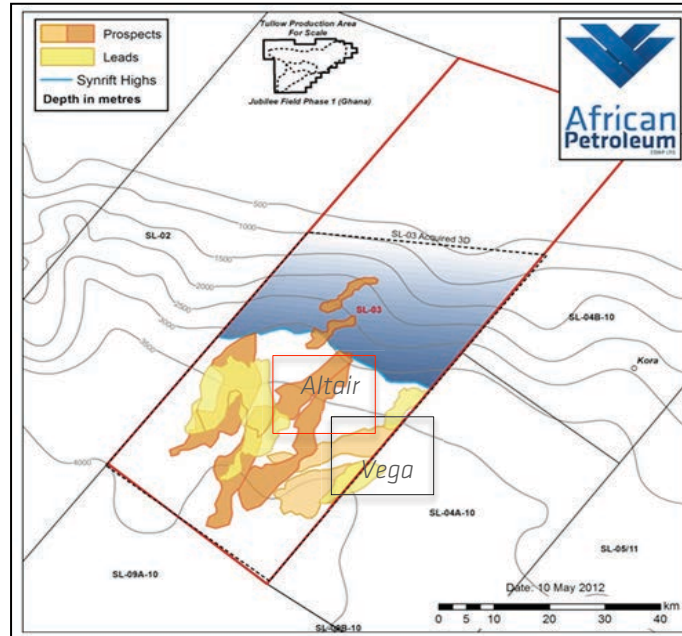
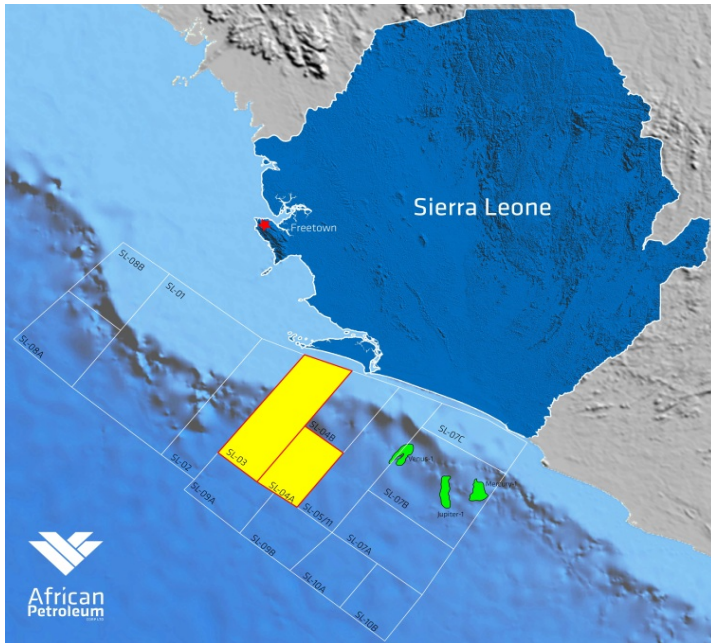
Narina Slope Fan  
Sum Negative Values

Narina Slope Fan  
Thickness Map



\*ERC Equipoise CPR 2014 (Gross)

# Sierra Leone – SL-03 and SL-4A-10

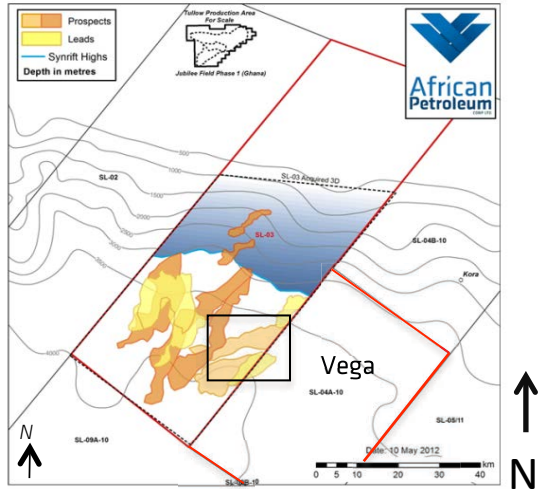


- > Block SL-03 covered by 3D, SL-04A-10 2D coverage and partial 3D
- > New infill 2D available Q2 2014, potential new seismic acquisition over SL-04A-10
- > Prospective at multiple levels within the Cretaceous stratigraphic pinch-out fan play
- > On trend with oil discoveries in SL-05-11 & SL-07b-10
- > Possible amplitude support for stacked hydrocarbon pays at multiple Upper Cretaceous levels
- > Three out of four deep-water exploration wells drilled to date in Sierra Leone by Anadarko/Tullow/Repsol partnership have encountered hydrocarbons

Licence	APCL WI	Date of Grant	Licence Period	Current Status	Remaining 1 <sup>st</sup> Exploration Commitments
SL-03	100%	April 2010	3 +2+2	Initial exploration period Extension granted – 23/4/2015	Completed Seismic
SL-4A-10	100%	July 2012	3*+2+2	1 <sup>st</sup> exploration period	Contingent well/Acquire 1,500 km <sup>2</sup> Seismic

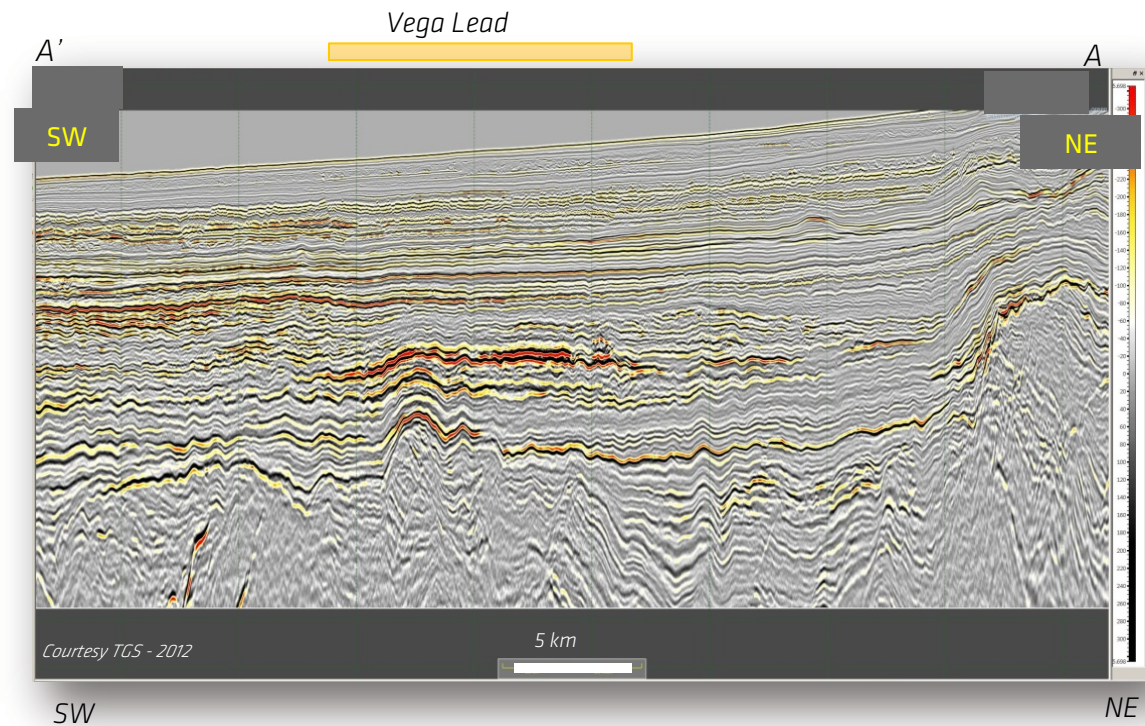
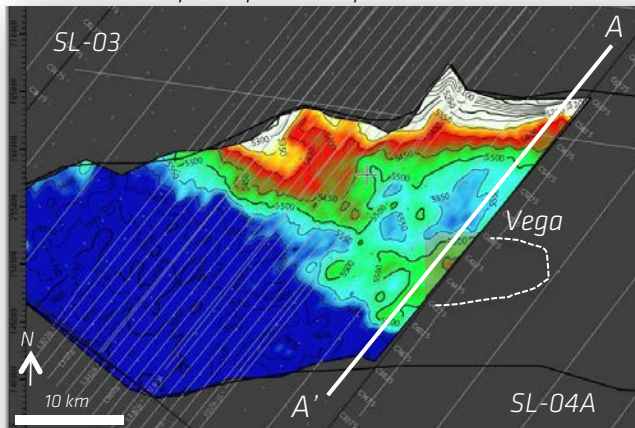
\*Licence extension granted

# Sierra Leone – SL – 04/03 Vega Lead

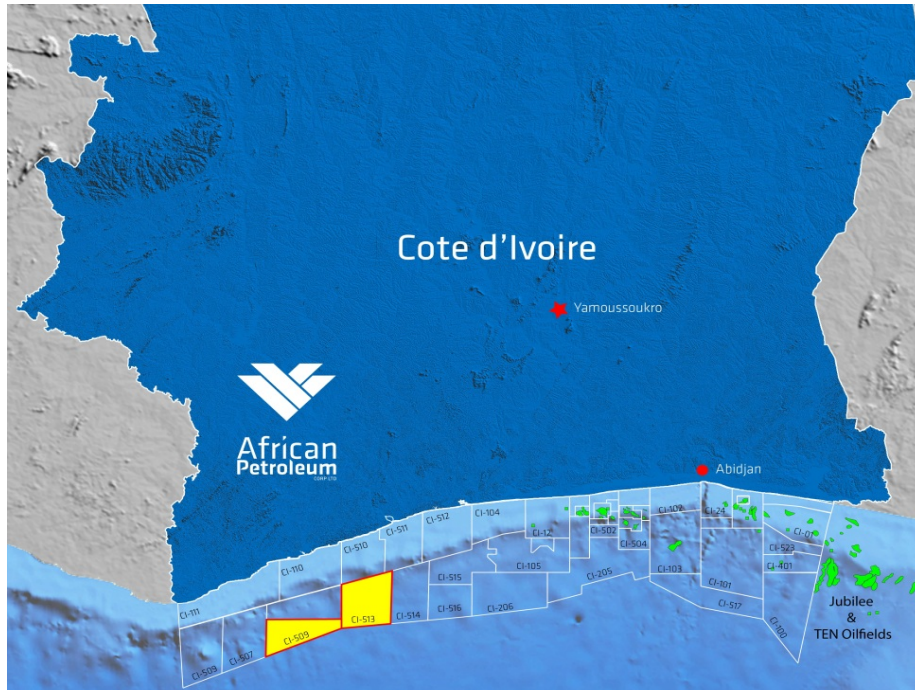


<b>Prospect</b>	<b>Vega</b>
Block	SL-03 & SL-4A-10
License Area	5,855 km <sup>2</sup>
Water Depth	3500-3800m
Play Fairway	Campanian

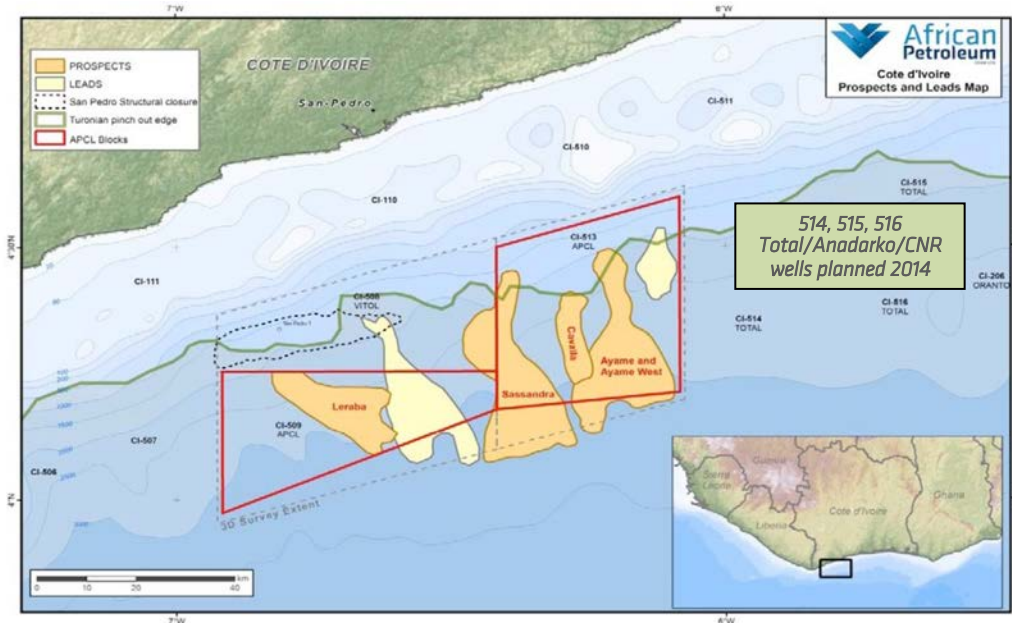
Top Campanian Depth Structure



# Côte d'Ivoire – CI-509 and CI-513



- > High quality 3D seismic has been acquired on a proprietary basis over Côte d'Ivoire blocks
- > The final processing product, the PSDM will be delivered in March 2014
- > Commercial size primary prospects
- > Amplitude support for hydrocarbons may be possible in Côte d'Ivoire, well calibration of 3D seismic is a necessary step in validation



Licence	APCL WI	Date of Grant	Licence Period	Current Status	Remaining 1 <sup>st</sup> Exploration Period Work Commitments
CI-513	90%	December 2011	3 + 2 + 2	1 <sup>st</sup> Exploration Period	3D Seismic complete, One well to follow
CI-509	90%	March 2012	3 + 3 + 2	1 <sup>st</sup> Exploration Period	3D Seismic complete, One well to follow



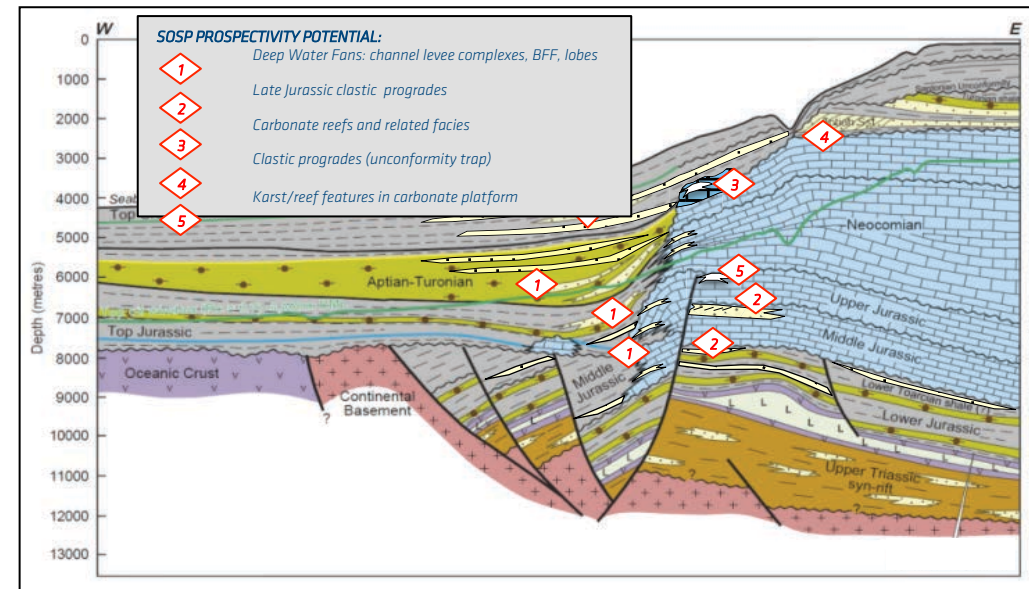
# Senegal – ROP and SOSIP



Licence	APCL WI	Date of Grant	Licence Period	Current Status	Remaining 1 <sup>st</sup> Exploration Period Work Commitments
ROP	81%	October 2011	4+2+2	1 <sup>st</sup> Exploration Period	Seismic obligations met, 1 well outstanding
SOSIP	81%	October 2011	3+3+2.5	1 <sup>st</sup> Exploration Period	3D Seismic complete, Seismic Processing underway

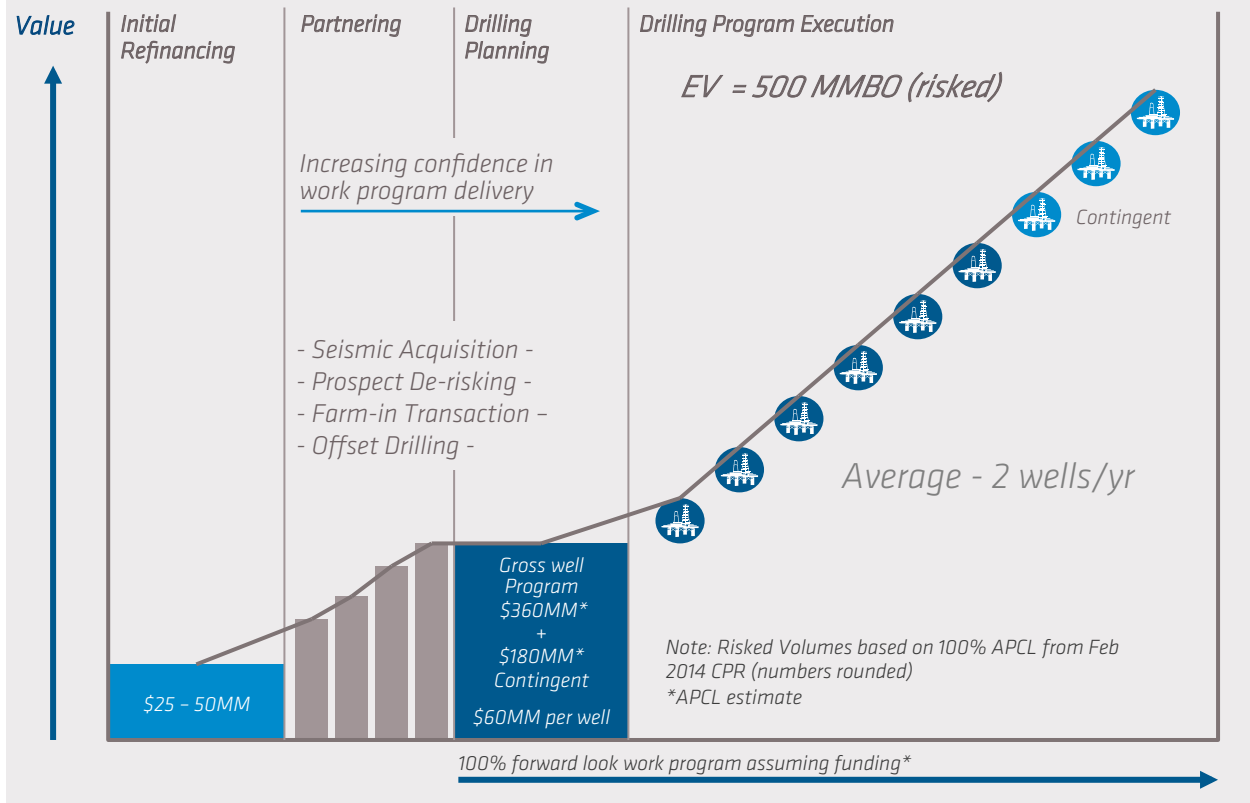
NB: The Gambia: The Government of the Republic of the Gambia purported to terminate both licences over Blocks A1 and A4 by letters dated 3 January 2014. African Petroleum Gambia Limited (APGL) disputes the Government's actions, which APGL considers are in breach of its licence obligations. Disputes under the licences are subject to resolution by confidential arbitration at ICSID.

- > High potential frontier exploration area
- > Industry drilling activity on trend in 2014 (Mauritania, Senegal, AGC)
- > Multiple plays -Cretaceous deep-water fan systems and platform margin carbonates
- > Extensive 3D seismic coverage with a 2012 survey acquired over SOSIP
- > Oil accumulations and hydrocarbon shows in shelf areas along the margin



# Poised to Recommence Drilling

## Value Growth through Partnering and Drilling Program Execution



### Initial Refinancing

- > Private Placement
- > Public Listing on new exchange
- > Continued data room support
- > More time to secure farm-in partner
- > Further technical maturation of portfolio
- > Offset wells de-risk prospects

### Partnering

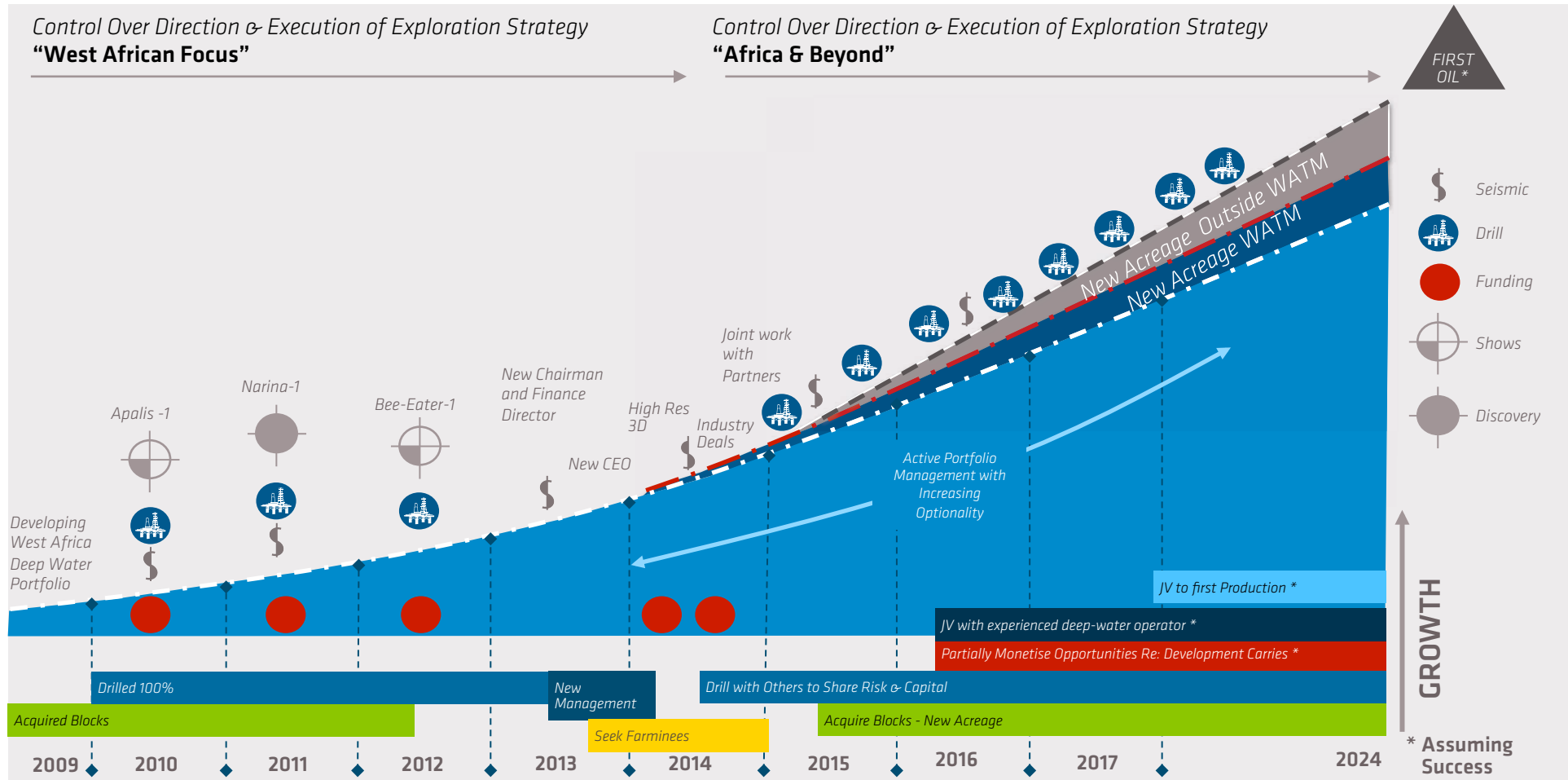
- > Reduce capital exposure through risk sharing
- > Recover back costs to forward work program
- > Potential promote on well program

### Drilling Execution

- > Assuming funded drilling program
- > Share technical expertise with partner
- > Potential value growth of Expected Value (EV) ~500MMBO in 3 years

Programme order subject to ongoing negotiations with third parties

# Operational Timeline: History and Outlook



## Corporate Social Responsibility, examples in action



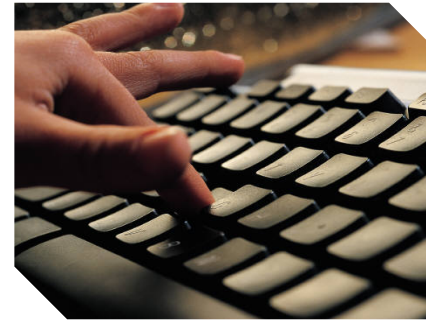
### Sightsavers

- > APCL sponsored trainees will deliver preventative eye care to a population of over 1.6 million
- > Providing funding and equipment to rural eye-care clinics



### Gbowee Peace Foundation

- > Worked with Nobel laureate to design after school program
- > Teaching leadership skills and reproductive health to school girls



### University of Liberia Computer Lab

- > Increased capacity for G&G related educational training
- > Provided software licenses and equipment for geo-sciences program



### Student Sponsorship

- > G&G scholarship, opportunity to study at top universities in the UK

## Why Today? Primed for Growth: A Uniquely Attractive Investment Proposition

### Volume Potential

- > >5.2 billion barrels net unrisked mean prospective resources\* over a diversified portfolio
- > Major hydrocarbon discoveries along the margin

### Operational Environment

- > Low-cost deep-water environment in 4 countries, 8 licences
- > Strong industry exploration track record in the region

### Value

- > We are seeking partners to share the value and rewards
- > “Liquid rich” environment with excellent terms, high net working interest, and attractive asset valuations

### New Wave of Exploration

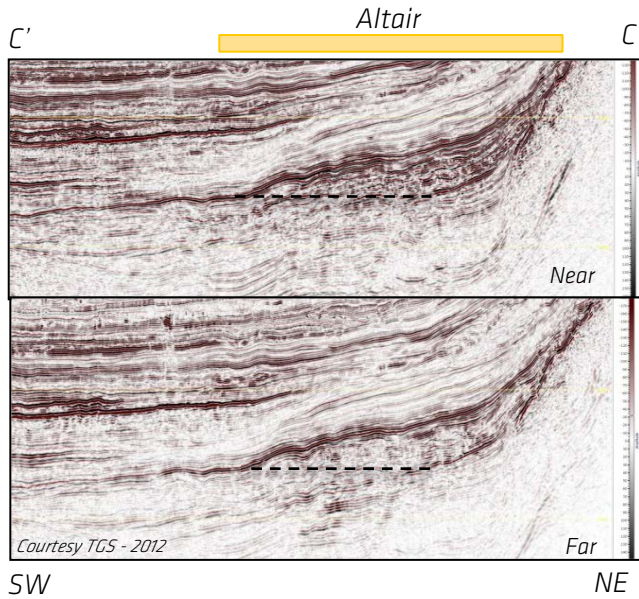
- > 16 exploration and appraisal\*\* wells in neighbouring blocks in 2014
- > Catalyst wells provides potential to de-risk portfolio
- > Licence extensions provide opportunity to leverage learnings and find partners

\* Taken from ERC Equipoise CPR 2014

\*\*Taken from drillinginfo® 2014

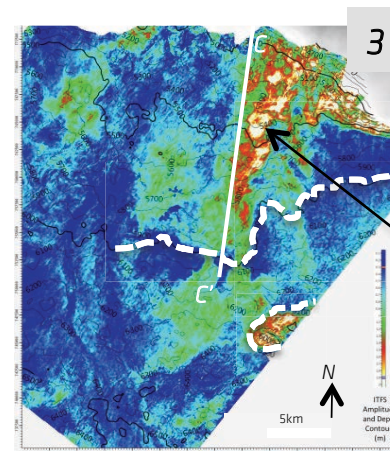
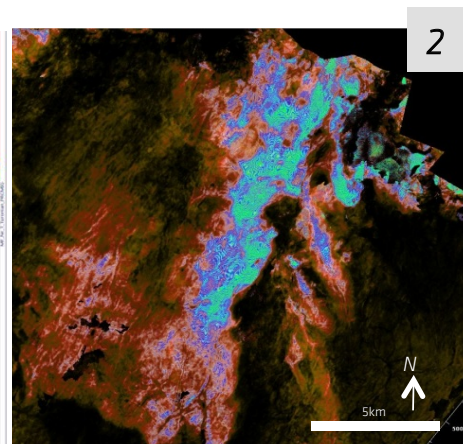
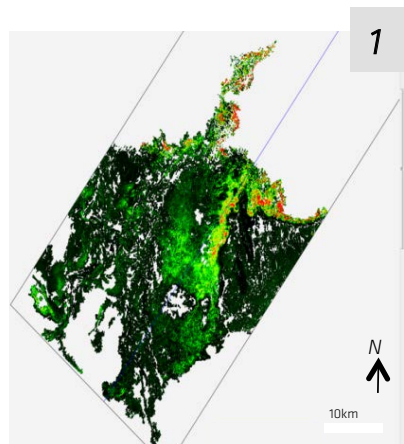
Q&A

# Appendix: Sierra Leone – SL-03 Altair Prospect



- > Altair has excellent trap geometry, fed by up-dip canyon
- > Amplitude supported - evidence for good reservoir and possible hydrocarbons
- > Working petroleum system proven by offset discoveries

Prospect	Altair
Block	SL-03
Licence Area	3,860km <sup>2</sup>
Water Depth	2800 - 3600m
Play Fairway	Turonian
Mean Prospective Unrisked Resources	434* MMstb



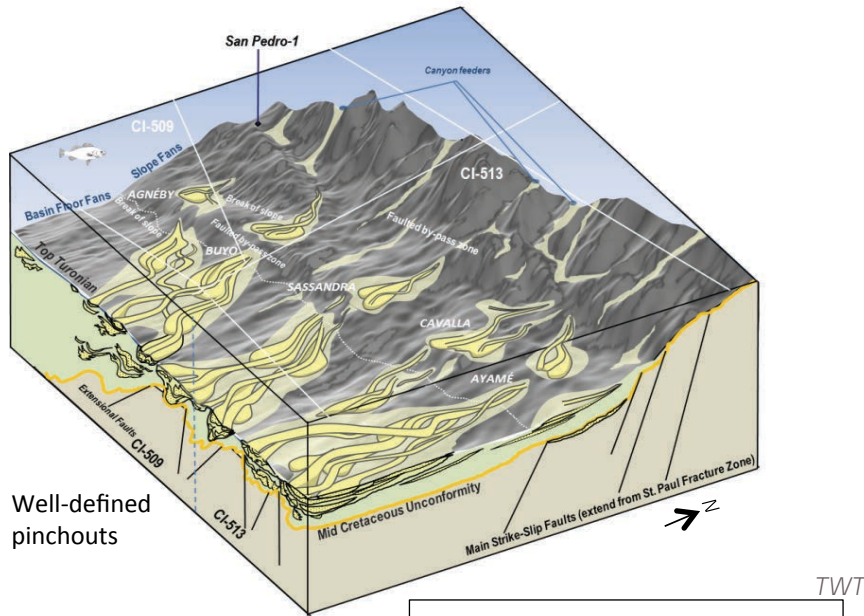
Turonian RMS amplitude with depth contours

Altair

1. Fluid Factor
2. Optical Stack
3. PSTM amps

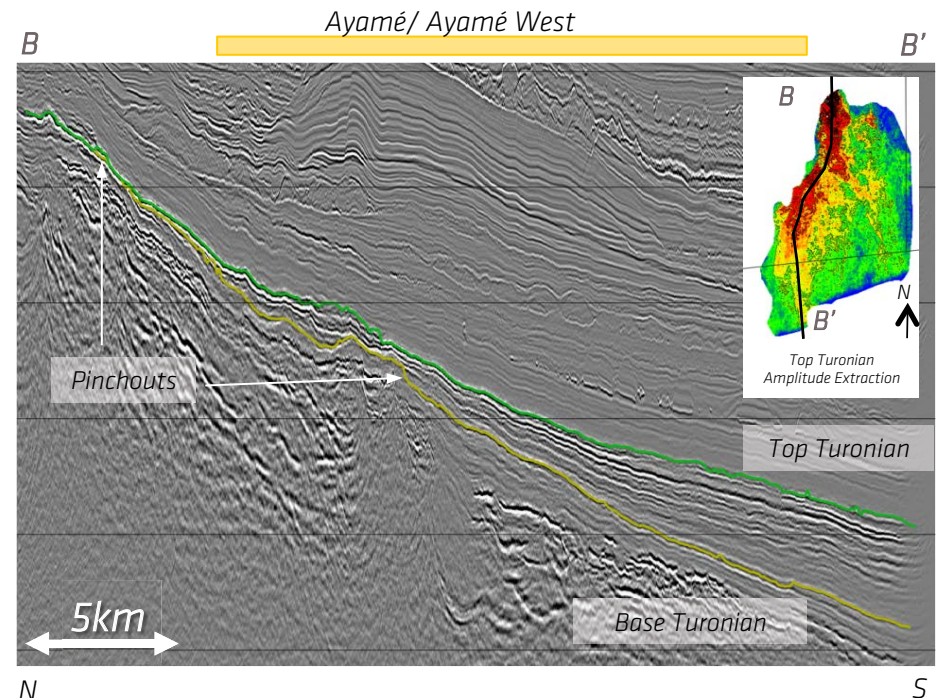
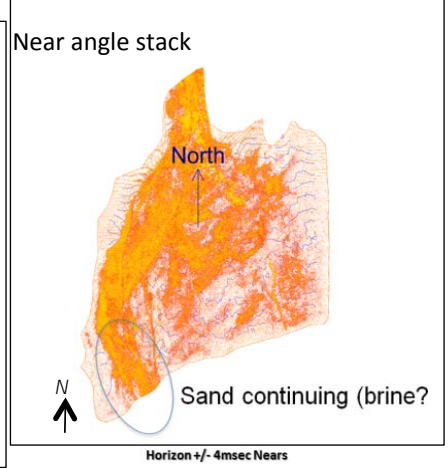
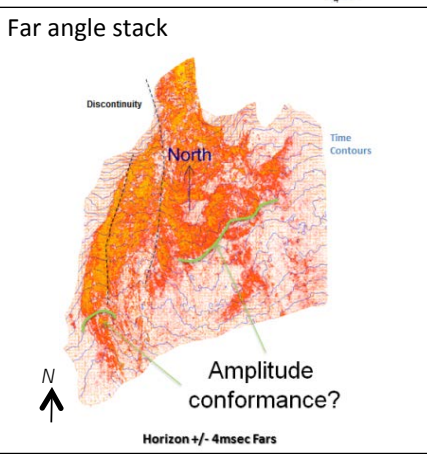
\*ERC Equipoise CPR 2014 (Gross)

# Appendix: Côte d'Ivoire – CI-513 Ayamé Prospect



Well-defined pinchouts

<b>Prospect</b>	<b>Ayamé/ Ayamé West</b>
Block	CI-513
License Area	1,446km <sup>2</sup>
Water Depth	900-3150m
Play Fairway	Turonian
Mean Prospective Unrisked Resources	922* MMstb

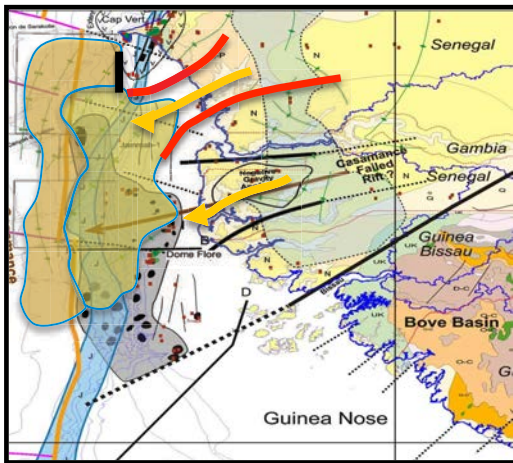


\*ERC Equipoise CPR 2014 (Gross)

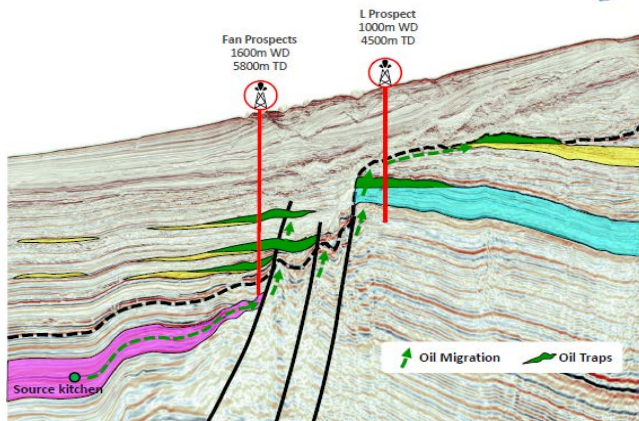
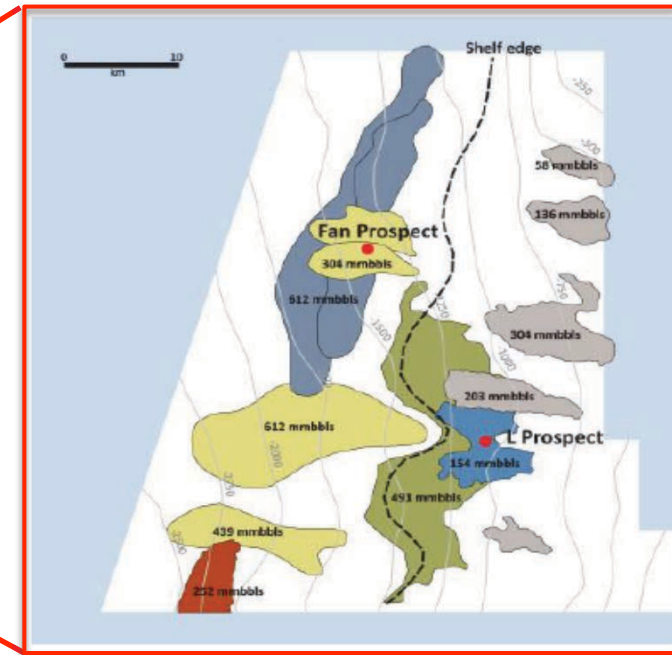


# Appendix: Senegal Sangomar Drilling Q1/Q2 2014

Clastic fan play and carbonate margin play



Modified from Daison (2005)



\*FAR pre drill view

- > Two wells will be drilled in Q1/Q2 2014 in Sangomar
- > Success here will have a positive de-risking impact on APCL Senegal Acreage

\*Information taken FAR Investor Presentation 6/2/2014

# Appendix: Senegal SOSP

- > Recent work on the final 3D volume has revealed multiple carbonate leads
- > A pre-stack depth migration is expected to enhance the ability to de-risk these prospects

