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AFRICAN E&P 2018

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INTRODUCTION

Entering the next phase of the oil price cycle

- Oil companies have generally either successfully reduced operational costs and budgets or gone under
  - Service costs significantly reduced
  - Great time for companies with cash to be undertaking exploration and development programmes
  - Seismic/rig companies still feeling strain
    - eg – WesternGeco market exit
    - Seadrill suggests rig market will not re-balance until 2021

- Beginning to see more awards, acquisitions, farm-ins
  - Driven by majors/supermajors
  - Independents with healthy cashsheet will follow
  - Will lead to increase in seismic activity/drilling
    - Drilling in particular to pick up in 2019
    - Will *eventually* result in higher prices

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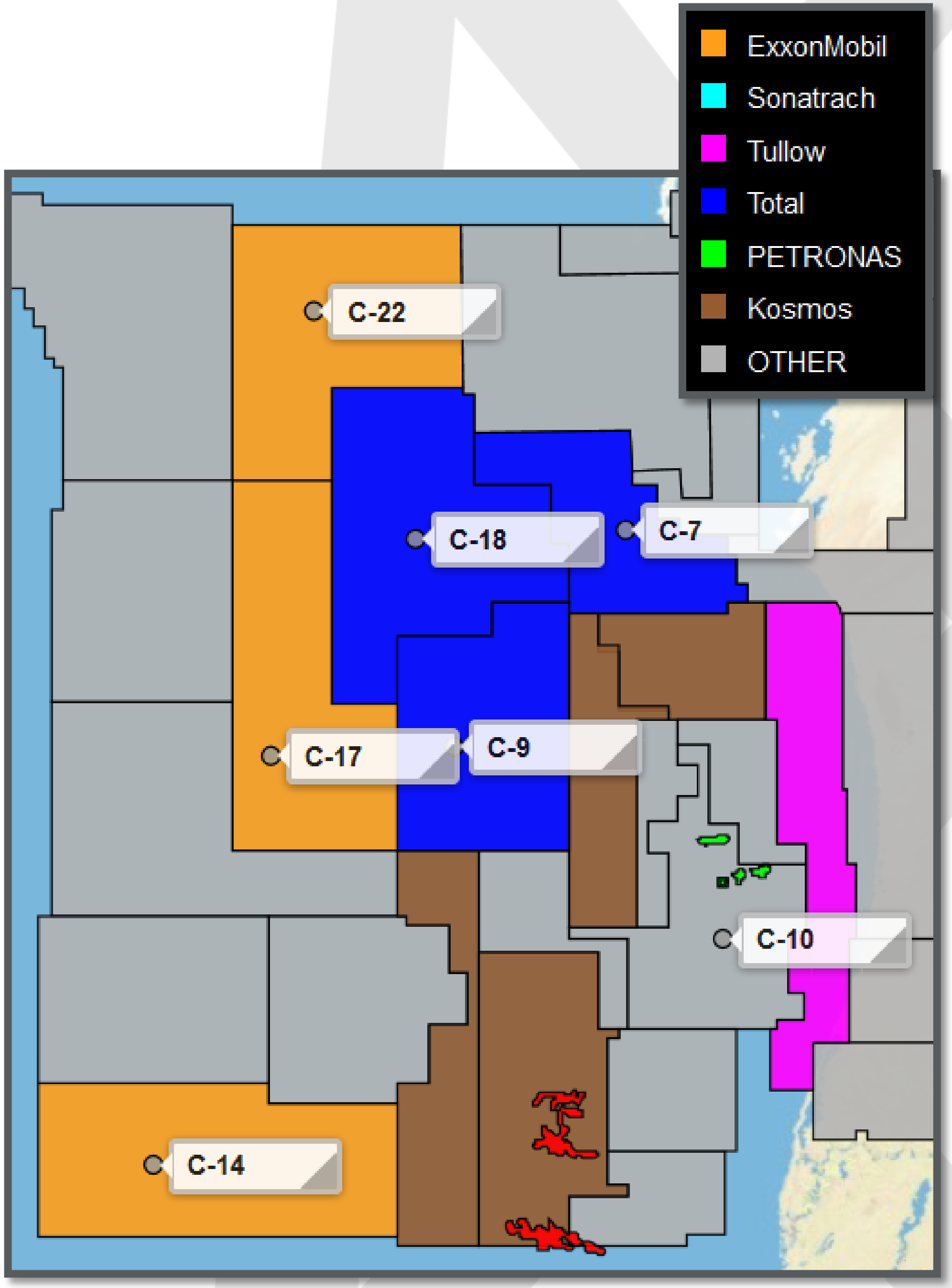
MAURITANIA (& SENEGAL)

Enter the majors

- BP/Kosmos discover 50TCF+ in Mauritania/Senegal
  - Most recently: Yakaar 1
    - Largest global discovery of 2017
  - However Lamantin 1, Hippocampe 1 & Requin Tigre 1 P&A dry
    - Is deepwater oil theory correct?
- Tortue gas development
  - Inter-gov cooperation agreement Feb 2018
    - Initial 50:50 split of revenues
  - FID targeted 2018, first gas in 2022?
  - LNG plant on manmade island near St Louis
- Total awarded C-7 & farmed-in to C-18 (with BP/Kosmos) in 2017
  - 3D seismic currently being acquired (CGG)
  - Also acquired 3D seis over C-9 in 2017 (PGS)
    - NFWs planned 2019+
- ExxonMobil awarded 3 blocks in Dec 2017
  - Seismic planned
- Tullow/Sterling relinquish C-10 in Nov 2018



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SENEGAL

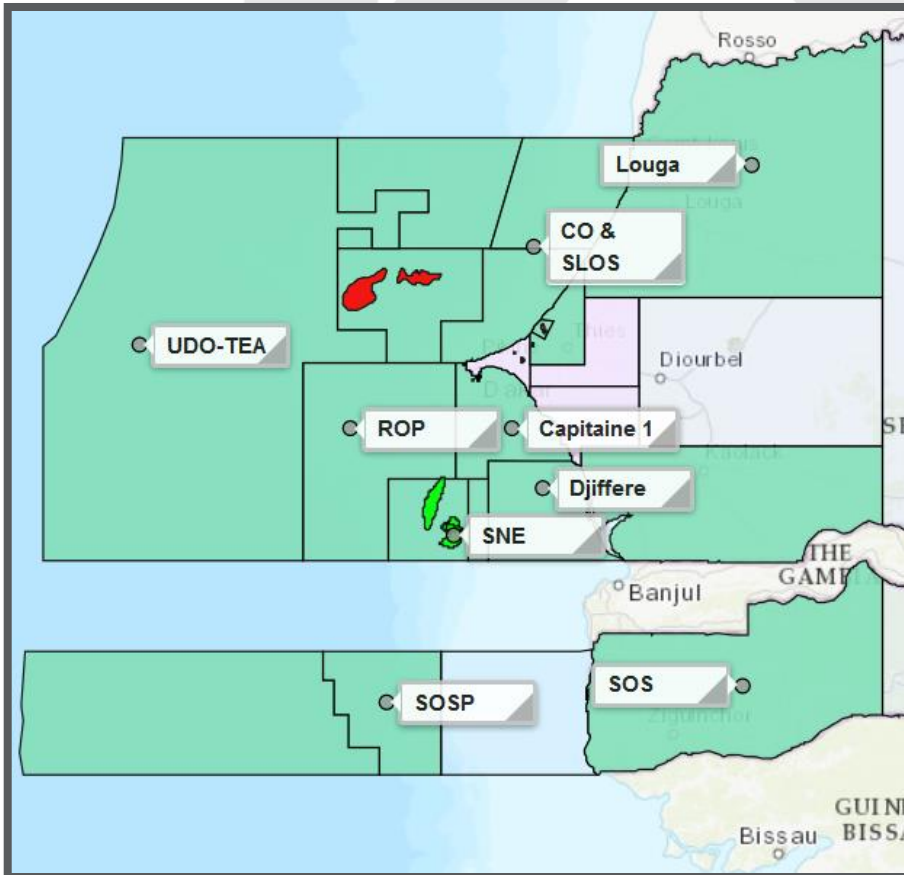
First mover advantage now long gone

- New Petroleum Code in the making
  - Bid round had been planned
    - However little open offshore acreage remains
  - Government announced only majors will be awarded new acreage

- Cairn/Woodside/FAR SNE development
  - FID in 2018? First Oil in 2021?

- Total awarded ROP & UDO-TEA May 2017
  - ROP award still disputed by APCL
  - Seismic currently underway
  - Drilling 2019?

- Farm-ins still available from APCL (SOSP) and Atlas Oranto (CO & SLOS)



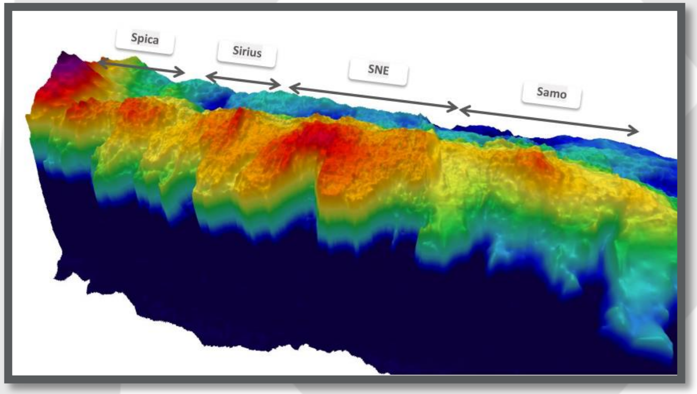
THE GAMBIA

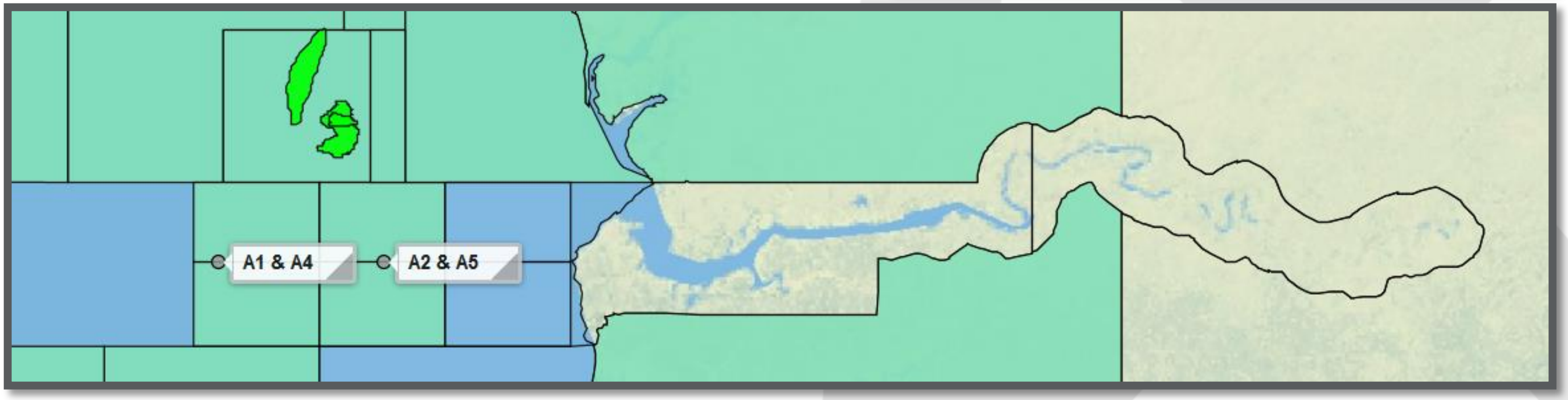
Growing interest from oil companies

- Government requested information from parties interested in acquiring open blocks
  - Submissions due 18 February 2018
  - All acreage available
    - APCL dispute regarding A1 & A4 ongoing
  - Government will now review submissions & invite its chosen parties to negotiate for licences

- PETRONAS farm-in with FAR & Erin Energy (blocks A2 & A5)
  - FAR planning Samo 1 in Q3 2018
    - On trend with SNE
      - P50 unrisked prospective resources – 825 MMbo
      - 55% CoS (FAR estimates)

From FAR Corporate Presentation





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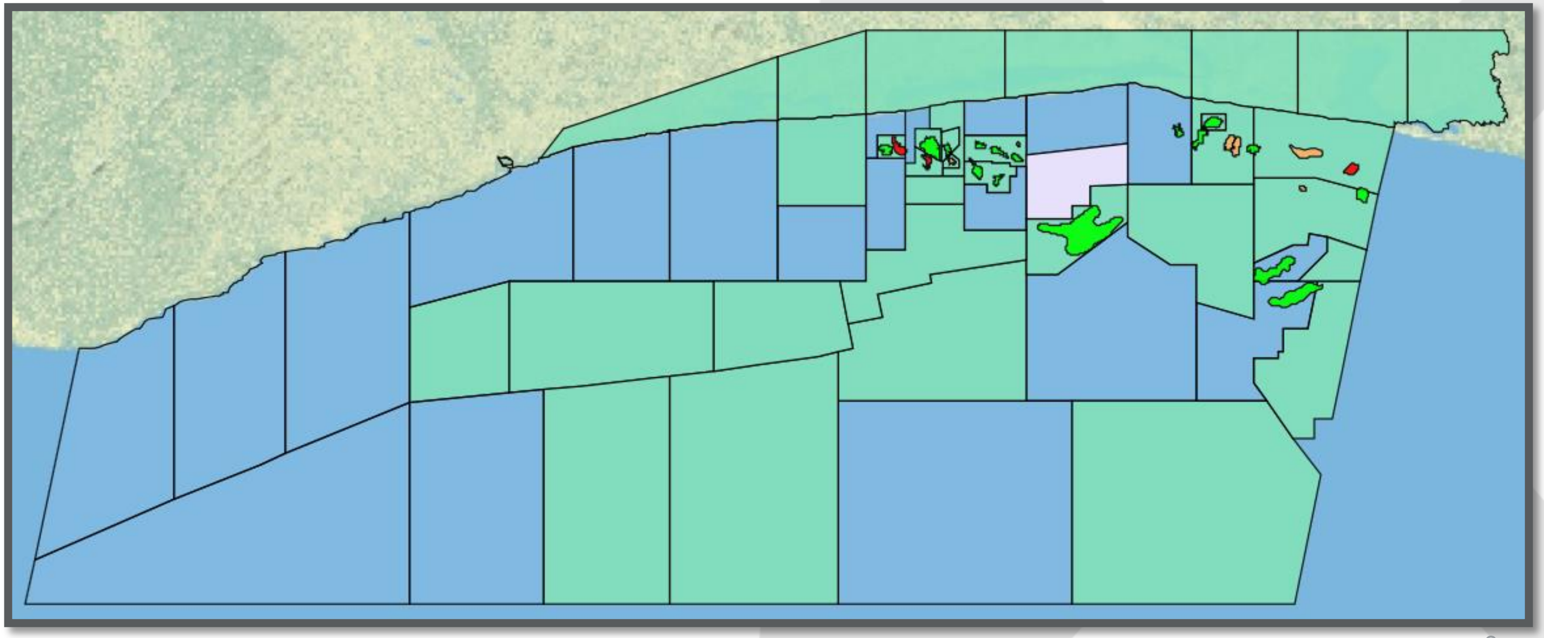
COTE I'VOIRE

One of region fastest growing economies - huge power demand

- Exploration Opportunities Promotion 2017 – 15 blocks awarded to date
  - BP/Kosmos, Tullow & SCDM all awarded acreage
  - Supported by PGS
  - However Anadarko & ExxonMobil both pull out
    - Anadarko's 2017 drilling programme unsuccessful

- Tullow planning onshore FTG/seismic in 2018/2019
- Eni acquires offshore seismic Q1 2018 (PGS)
- BP/Kosmos seismic commenced Feb 2018



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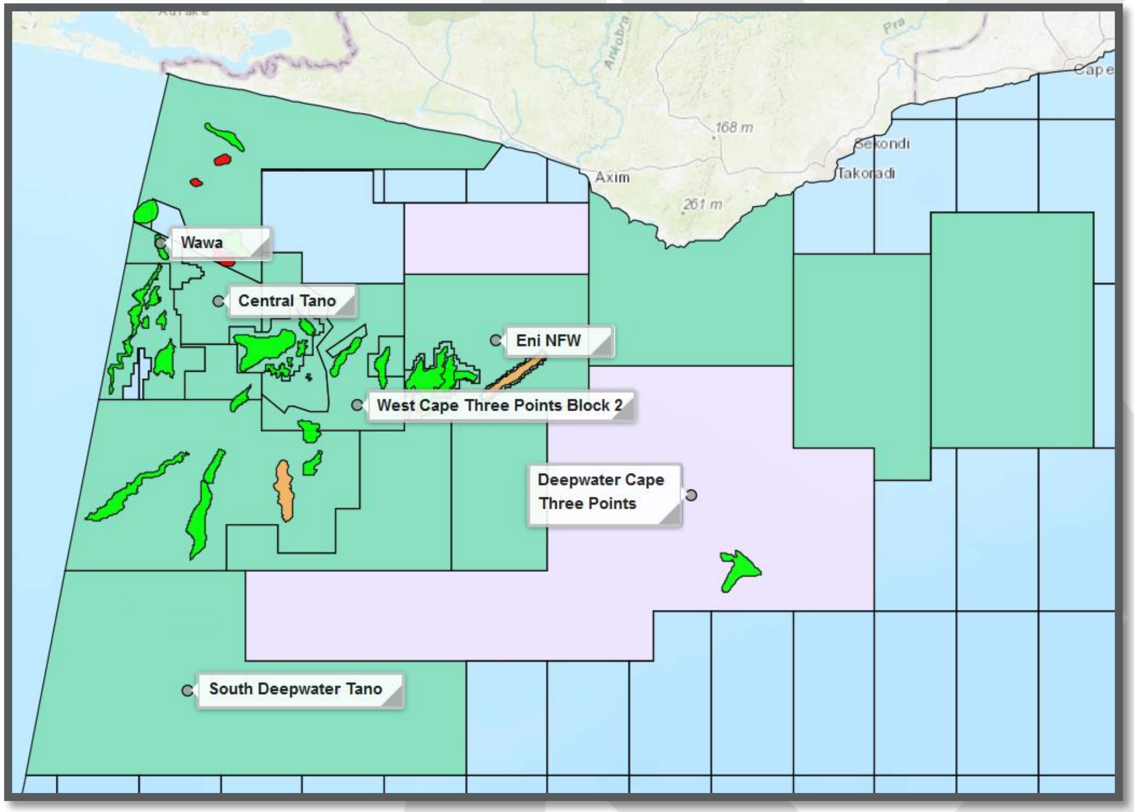
GHANA

New phase of exploration

- ExxonMobil awarded Deepwater Cape Three Points
  - Local partner to be identified before licence ratified

- Petroleum Code 2016 states bid rounds must be held going forward
  - Accra-Keta LR 2018?

- Multiple farm-ins available
  - Springfield – WCTP Block 2
    - NFW in 2019?
  - AMNI – Central Tano
    - 2 planned wells before 2020
  - AGM Petroleum – South Deepwater Tano
    - PGS currently acquiring seismic



- Field developments ongoing
  - Tullow – Mahogany/Teak (Greater Jubilee Full Field Dev)
    - Fields unitised with Jubilee
    - Tullow takes over operatorship from Kosmos
    - Development drilling in 2018
  - Aker Energy – Pecan et al
    - Hess management decides not to develop fields
  - Eni – Sankofa Phase II ongoing
    - NFW in 2018?

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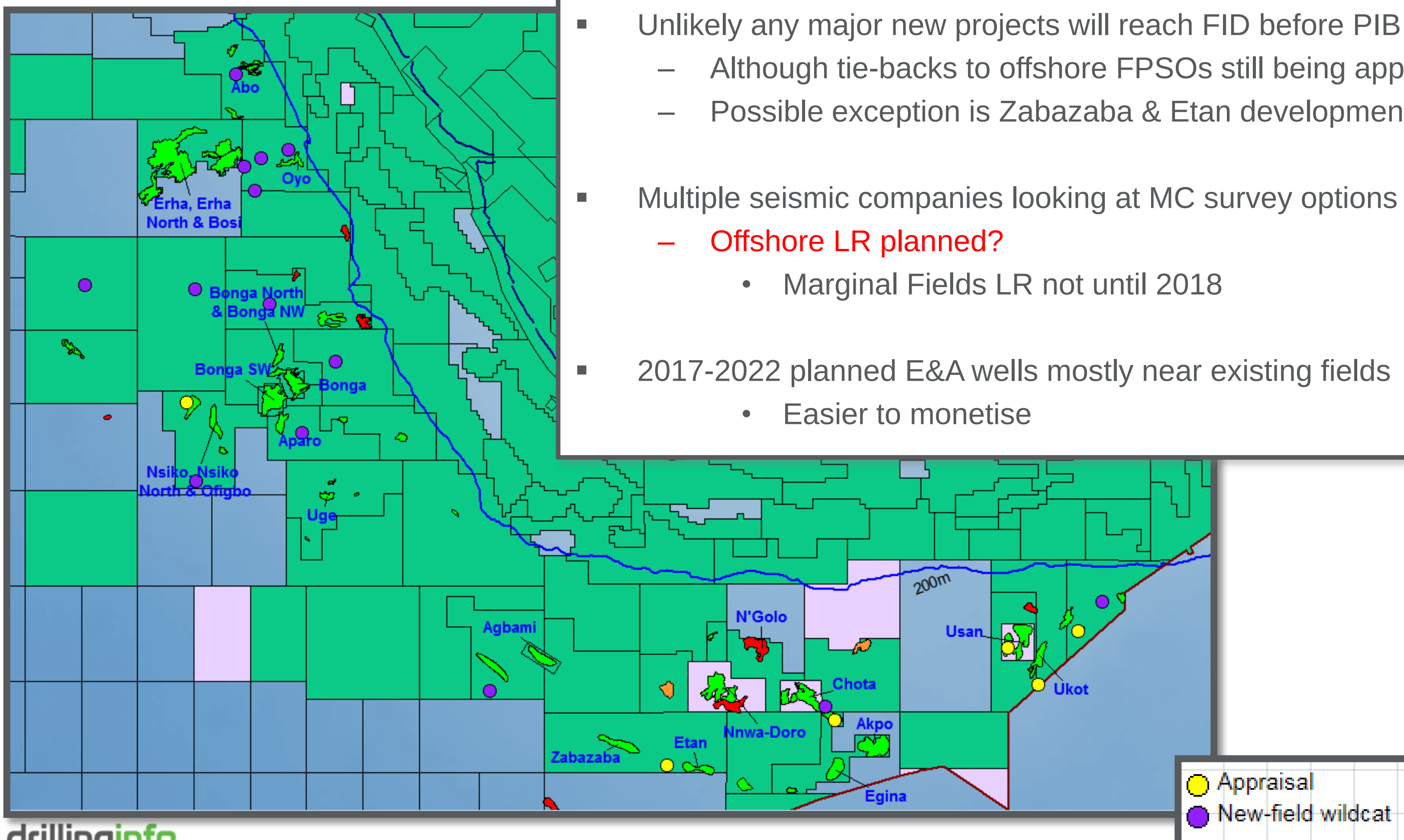
NIGERIA - OFFSHORE

Exploration has been on hold whilst fiscal & legal terms are resolved

- PIGB passed in Senate & House of Representatives
  - Still needs ratifying by President
  - Still 2 other parts to PIB (Fiscal Bill & Host Community Bill)
- Unlikely any major new projects will reach FID before PIB in place
  - Although tie-backs to offshore FPSOs still being approved
  - Possible exception is Zabazaba & Etan development
- Multiple seismic companies looking at MC survey options
  - Offshore LR planned?
    - Marginal Fields LR not until 2018
- 2017-2022 planned E&A wells mostly near existing fields
    - Easier to monetise



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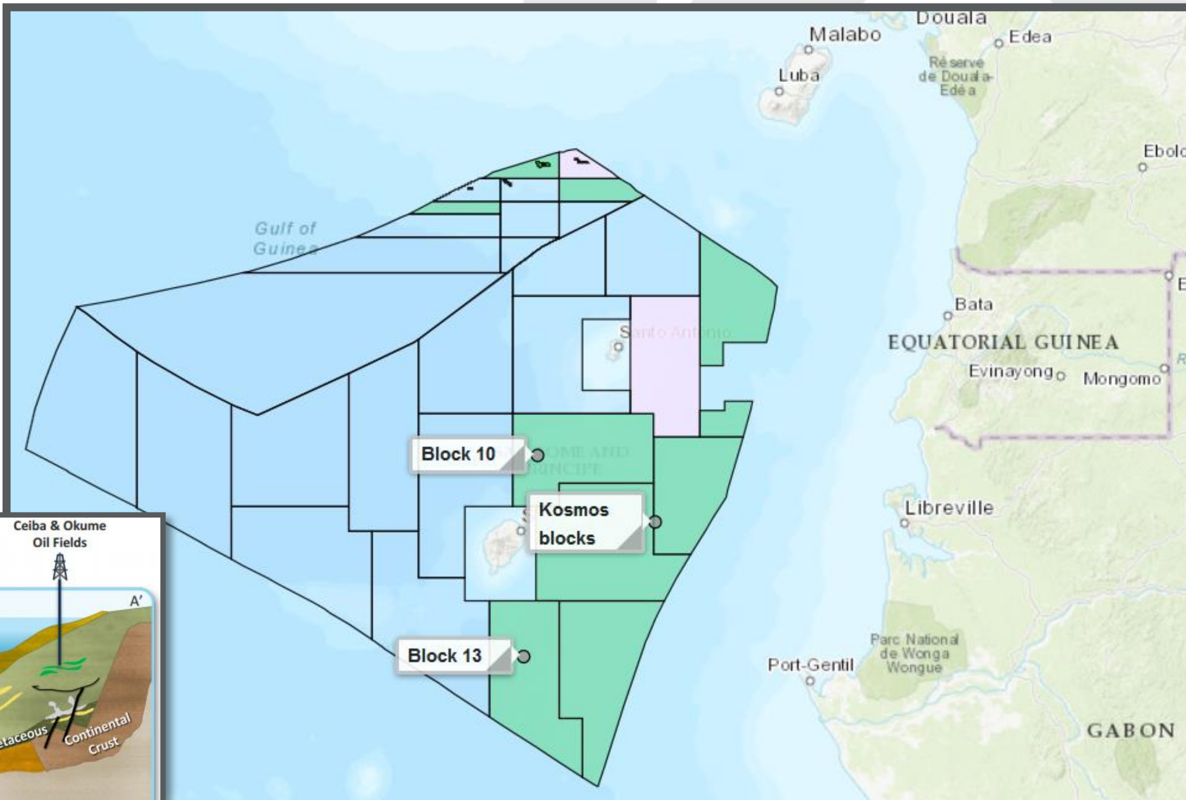
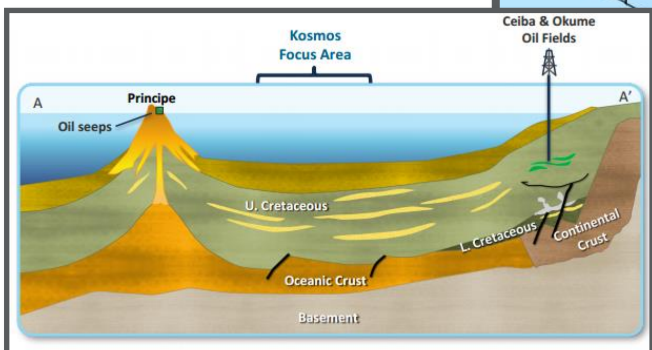
SAO TOME & PRINCIPE

New kid on the block

- Kosmos/Galp consortium awarded/farmed-in (with Oando) four adjacent licences in EEZ
  - Targeting extension of Rio Muni play
  - ~15,000 sq km 3D seismic acquired Feb-Aug 2017 (CGG)
  - Drilling 2019?
- Tender for Block 10 & 13 ended January 2018
  - Bids from Kosmos/BP & Total/Galp
  - Blocks awarded to Kosmos/BP
- Total rumoured to be in negotiations for new blocks





From Kosmos Corporate Presentation

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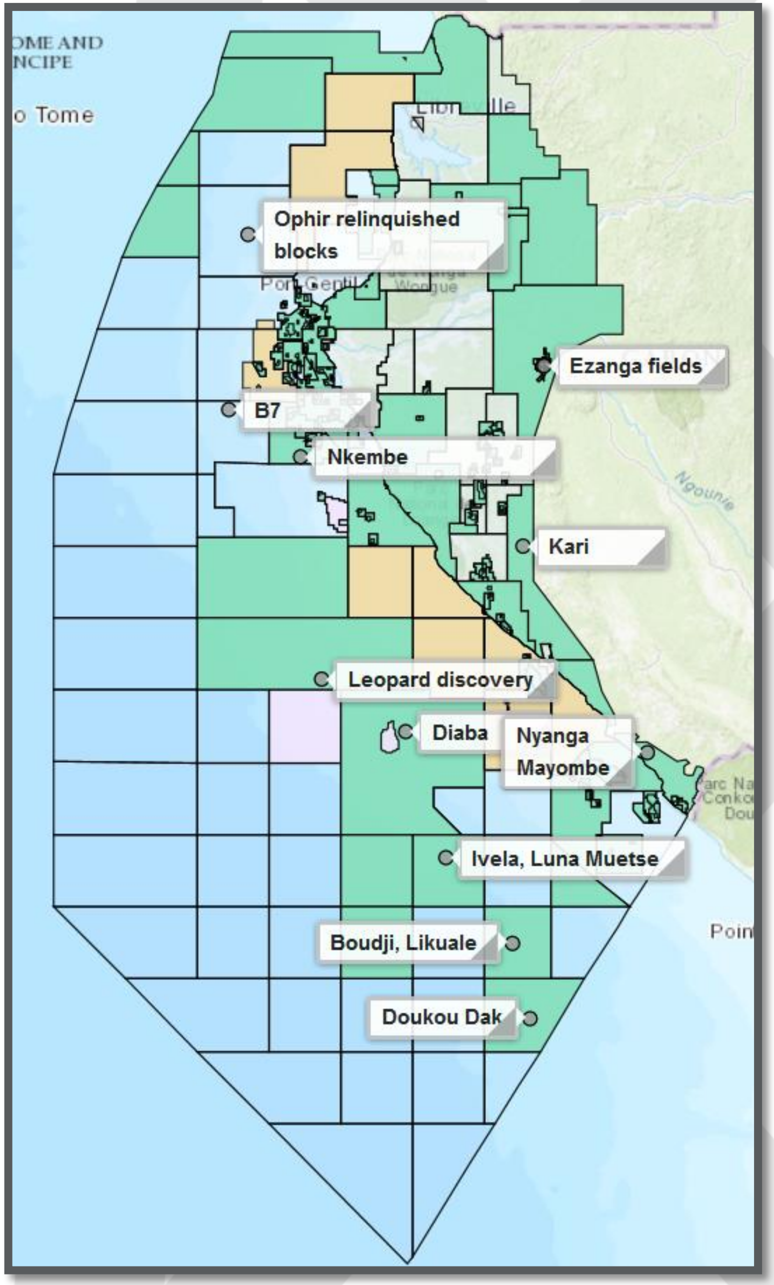
GABON

Where next?

- Change in focus to South Gabon basin (despite unsuccessful 2016 LR)
  - Woodside farms in to multiple blocks (Diaba, Luna Muetse, Likuale, also equity in Doukou Dak)
  - Impact & Marathon still looking for partners
  - 2018 drilling
    - Repsol – Ivela 1 – Drilling ahead
    - PETRONAS – Boudji 1
    - BW Offshore commences development drilling at Tortue

- Shallow water seismic
  - Spectrum acquiring 18,000 sq km 3D data in 3 phases
    - Phase 1 complete
    - Phase 2 commenced
  - Shallow water LR in 2018?
    - Director General of Hydrocarbons to be replaced (again)
    - Government looking at new fiscal terms prior to LR
      - These will include gas terms



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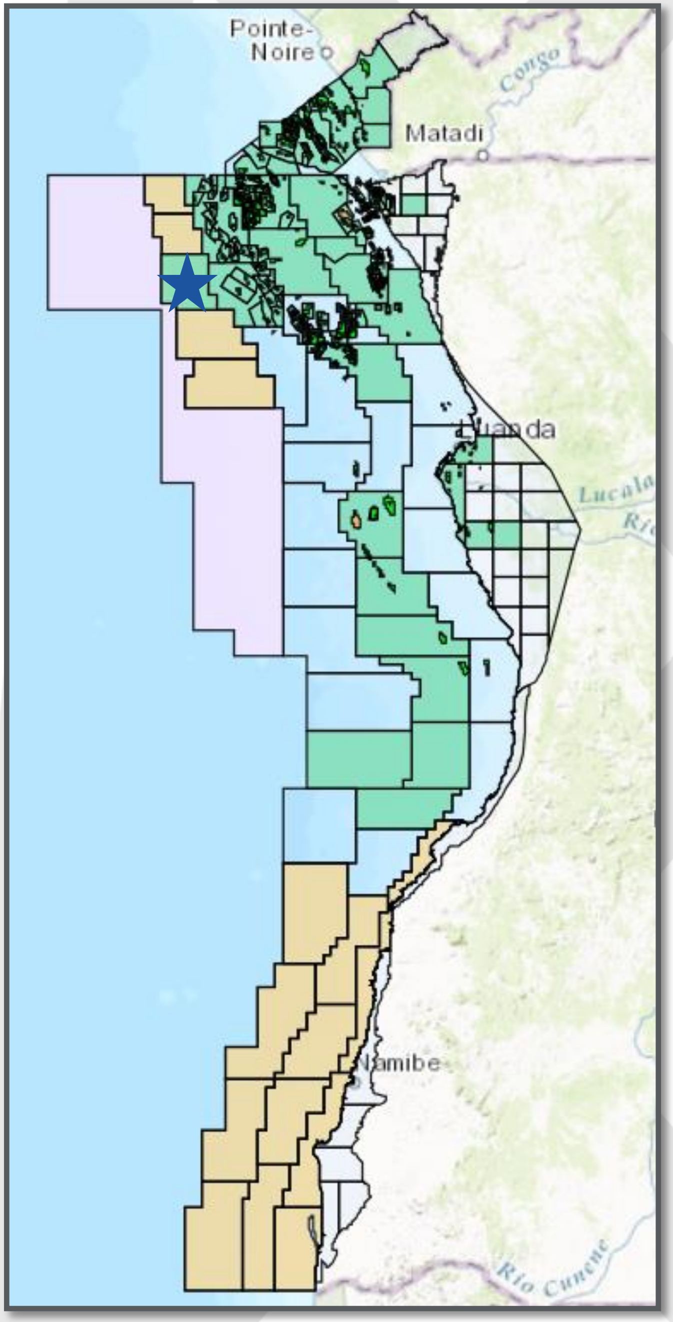
ANGOLA
First rays of new dawn?

- Deepwater Kwanza blocks relinquished after drilling failures
  - Gas ownership needs resolving
  - Cobalt files for bankruptcy

- Carlos Saturnino takes over Sonangol
  - Commitment to improve fiscal terms?
    - State take currently ~80-90%
    - New gas legislation moving forwards
    - Individual deals have been signed with Chevron & others
      - Chevron investigating infill drilling in Cabinda

- Uncertain timeframe for Lower Congo/Namibe Basin round
  - Multi-client sales beginning to increase

- Total enters Block 48/16 with Sonangol ★
  - Commitment well in first 2 years
  - Also agrees contractual terms for Zinia Phase II (Pazflor, Block 17)



NAMIBIA

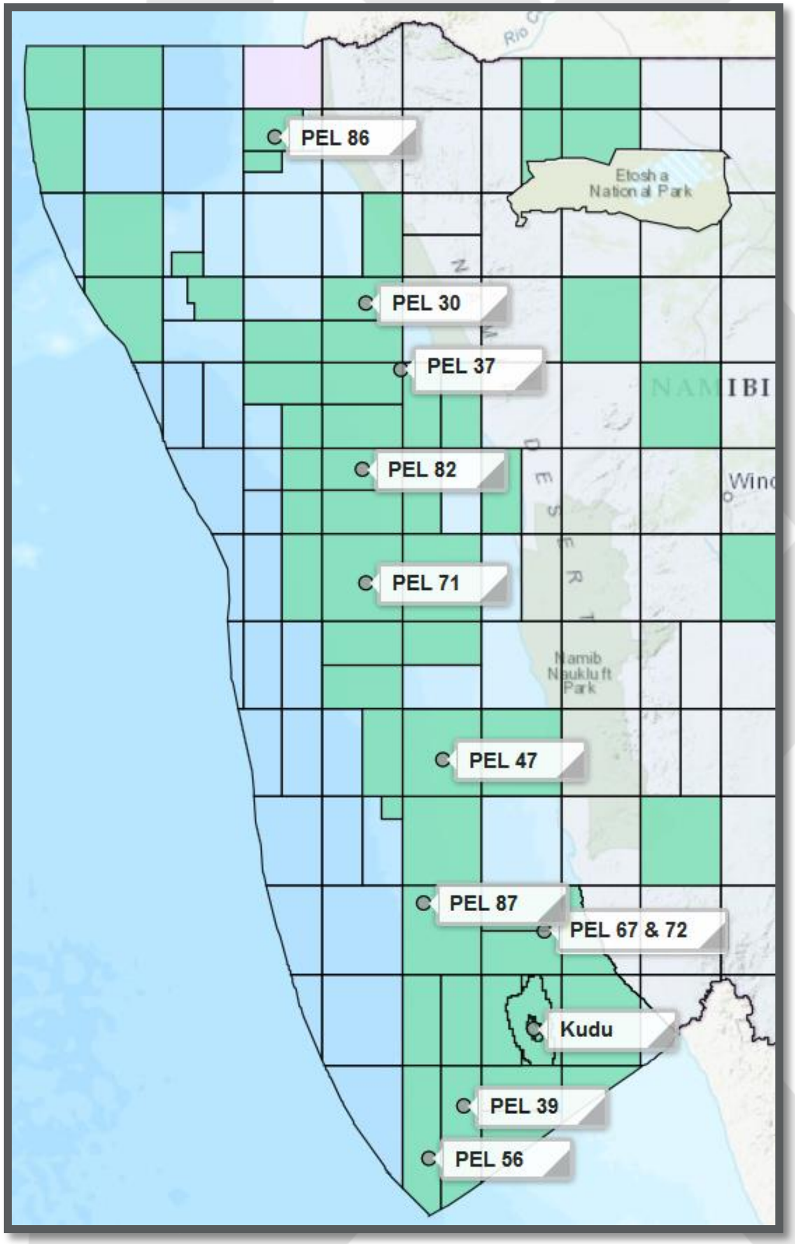
New interest - new drilling

- Namcor good at extending/modifying work commitments
  - Strategy has paid off - little acreage relinquished

- Supermajors beginning to grow footprint
  - ExxonMobil farm-in with Galp (PEL 82)
  - Total farm-in with Impact (PEL56) (also in SA)
    - Well planned 2019
  - ONGC/AEC farm-in to PEL 37
    - Comorant 1 NFW – firm well Sept 2018
  - ONGC farms-in to PEL 30
    - Contingent well 2019?

  - Africa Oil Corp acquires Eco Atlantic & Impact Shares

- Still plenty of farm-in opportunities available
  - Chariot – S1 planned well on PEL 71
  - Serica – planned well on PEL 47
  - Pancontinental awarded new block (PEL 87)
  - Namcor awarded its first operated blocks (PEL 86)
    - Also acquired PEL 67 & 72 following Chariot withdrawal with Quiver (local partner)



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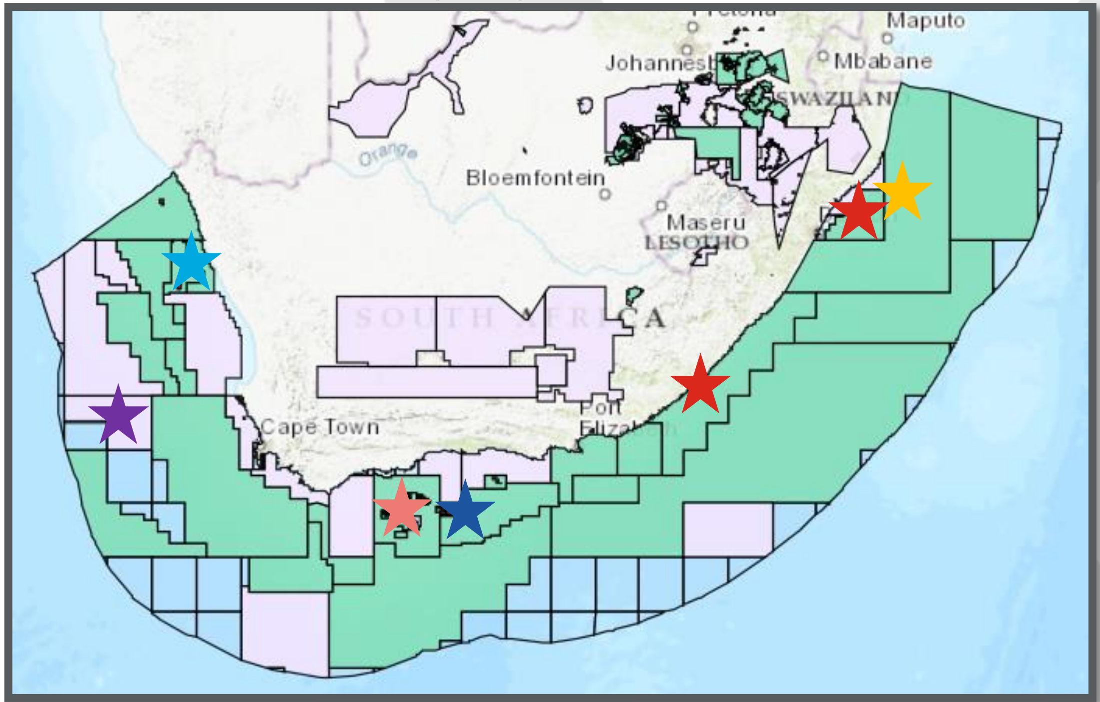
SOUTH AFRICA

Multiple deepwater wells planned

- Total/Qatar Petroleum/CNR/Main Street – Brulpadda redrill – Block 11B/12B – End 2018/Early 2019
  - Rig contracted

Contingent on MPDRA being passed

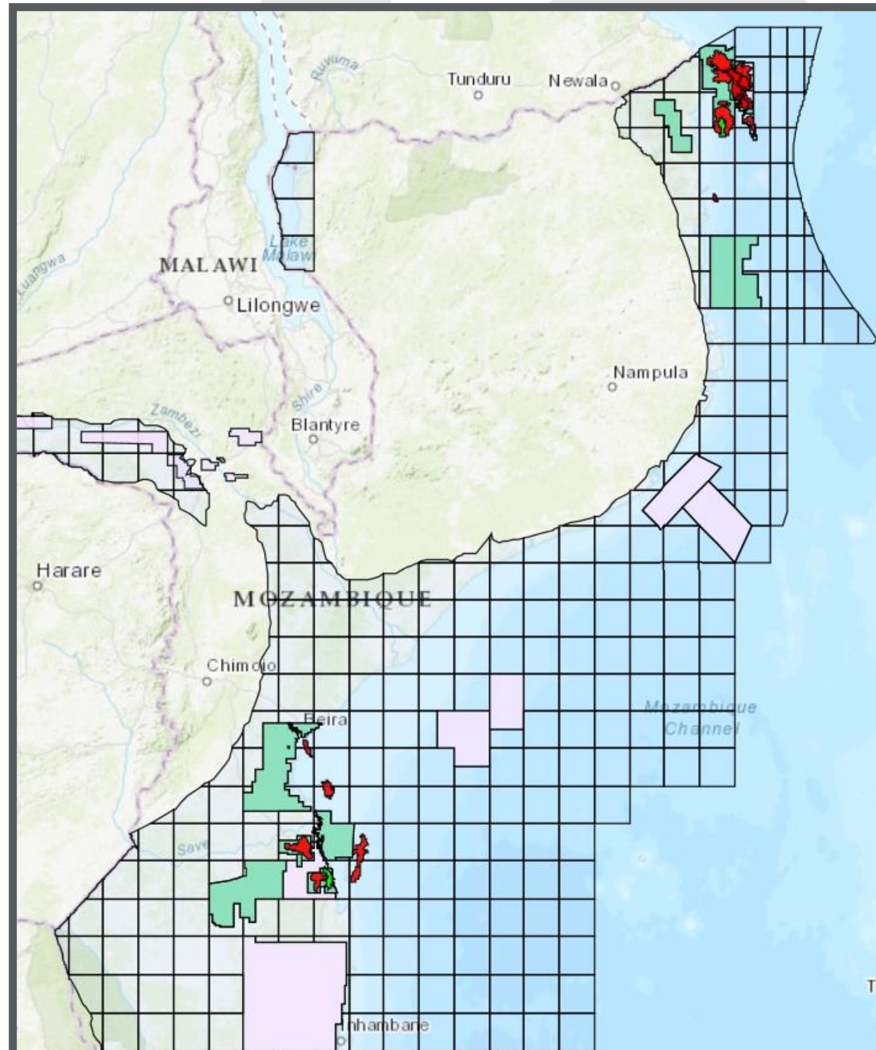
- Eni – 1-2 wells – ER 236 – Possible 2019
- ExxonMobil/Statoil/Impact – 1-2 wells? – 2020+
  - MC Seismic currently being acquired around Transkei Block (PGS)
- AEC – Block 2B – 2018/2019 well
  - Dependent on farm-in partner
- Total farm-in with Impact



MOZAMBIQUE

Slow progress better then no progress

- Progress being made on LNG projects
  - Eni Coral FLNG mooted for 2022 first gas
  - ExxonMobil farms in with Eni
    - Will takeover operatorship of onshore facilities
  - Anadarko signs SPA deal with EDF Feb 2018
    - FDP approved by government
    - Geophysical site surveys underway
- But what has happened to the 5th licensing round?
  - Statoil withdraws due to lack of progress
  - Other awardees known to be frustrated
- Multi-client seismic surveys ongoing
  - In preparation for 6th licensing round



CONCLUSIONS

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- MSGBC Basin one of only a handful of global exploration hotspots to emerge during downturn
  - Pursuit of acreage dominated by majors/supermajors
- Operations elsewhere have been depressed – happily this is changing
  - Lots of new acreage awards & farm-ins taking place
    - Mostly in West Africa
    - Driven by majors & supermajors
    - Uptick in seismic and drilling now anticipated – particularly in 2019
      - However, this is *eventually* likely to drive service costs up
  - Plenty of opportunities still available, especially in frontier areas and East Africa
- Government policies key
  - Countries willing to grant extensions (ie Namibia) or seen as easy to operate (CdI) generally doing better
  - Nigeria (uncertainty over fiscal regime, security issues) & Angola (very high state take) have struggled more

THANK YOU

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