

# **Company Presentation**

AGM – 29<sup>th</sup> November, 2017

# **Investment Highlights**



Asset Portfolio	> Conventional oil and gas company with onshore interests in the Philippines and France
	> Assets have low exploration risk and operate in geographies with excellent fiscal terms
	> Near term oil field development opportunity in the Philippines (100%)
	> Longer term oil potential in Aquitaine Basin, southwest France (100%)
Comment	> SC 44 in limbo awaiting a decision by DOE to extend
	> France – shutting down petroleum exploration
	> Malolos Field Contingent Resource Oil Best Estimate of 20.4 Million barrels Oil in Place
Philippines	
	> Technical moratorium expired January, 2017 – late receipt of drilling approval
	> Waiting on extension decision by DOE – over 12 months
France	> Court orders Government to pay Company €3,000/day penalty for St. Griede non-renewal
	> New licence applications delayed by Government lack of process – industry wide treatment
	> New French President closing down petroleum exploration by new Government law
Forward Program	
	> Acquire new petroleum assets – likely overseas
	> Eastern Australia – Victoria/NSW industry shut-down; Queensland – slow application process
Management with 'skin in the game'	
	> Ownership of ~38% provides alignment with shareholders - not a 'lifestyle' company
	> Low oil price environment creates a challenging period for listed, junior oil exploration companies

### SC 44 - SUMMARY



#### **KEY ELEMENTS**

- Drilling application submitted in mid-March, 2016 to the DOE for approval of the Nuevo Malolos-1 Deepening but approval was only granted in mid-September, 2016.
- Applied to DOE for time extension to complete the work program refused
- Submitted extension request under Force Majeure
- Submitted to DOE extension period work program
- Waiting on extension decision Philippine Government indecisive

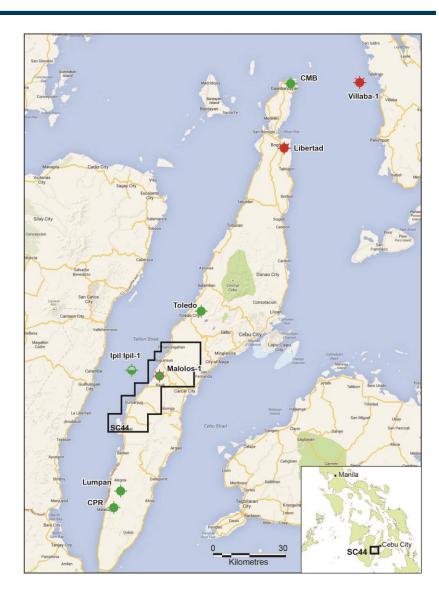
#### **FORWARD PROGRAM**

 Subject to DOE providing time extension the plan is to deepen and deviate up-dip Nuevo Malolos-1 to oil bearing reservoirs, core and record modern open hole electric logs; place into test production and apply for 25 year production term following successful test results

## **Philippines – Petroleum Discoveries**



- > Producing petroleum region with on and offshore oil and gas production since the 1960s.
- > Shell, Total, Chevron still active offshore.
- > Exploration focus onshore targets in SC44 near previous oil and gas discoveries.
- Past oil discoveries in Cebu have not sustained continuous commercial oil production rates due to fines migration and sand production
- > Miocene age limestone reef fields.
  - > Malampaya Gas Field, 4.3 TCF, 1992
  - > Libertad Gas Field, onshore Cebu Island
  - > Villaba gas field
  - > Nido & Matinloc oil fields
- > Miocene age marine sandstone fields.
  - > Toledo , Maya, Alegria oil fields, onshore Cebu
  - > Galoc Oil Field, offshore Palawan Basin
- > Strategy to convert gas discoveries into electricity for local sale.



# **SC44: Summary**



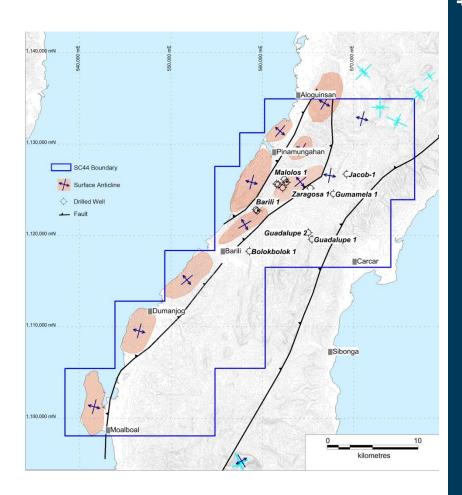
- Numerous surface anticlines mapped Malolos anticline confirms oil bearing intervals in quartz sandstone reservoirs which will likely be replicated in other anticlines across SC 44
- > Malolos Oil Field "Contingent Resource" Oil in Place:

> 1C: 6.8 MMbbls

> 2C: 20.4 MMbbls "Best Estimate"

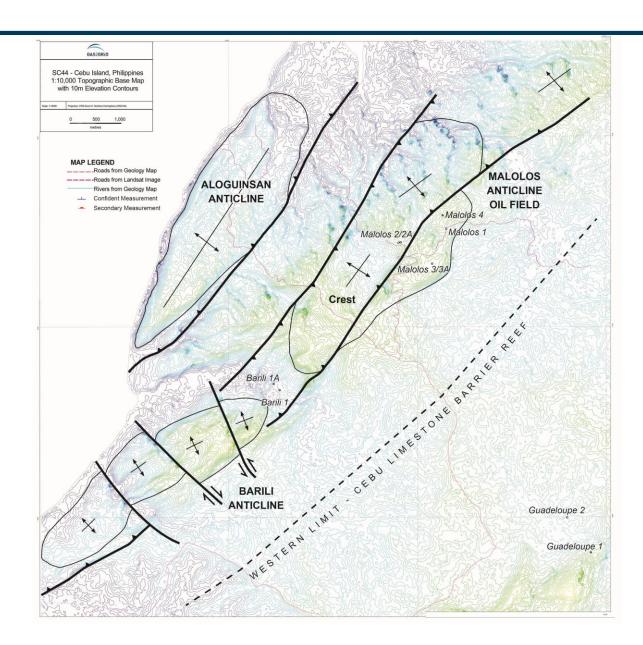
> 3C: 68.1 MMbbls

- Oil and gas development in area south of SC 44 –
   Polyard , SC 49, same age sandstone reservoirs
- > Oil sales achievable within months of establishing commercial production with logistic and transport solutions to market.



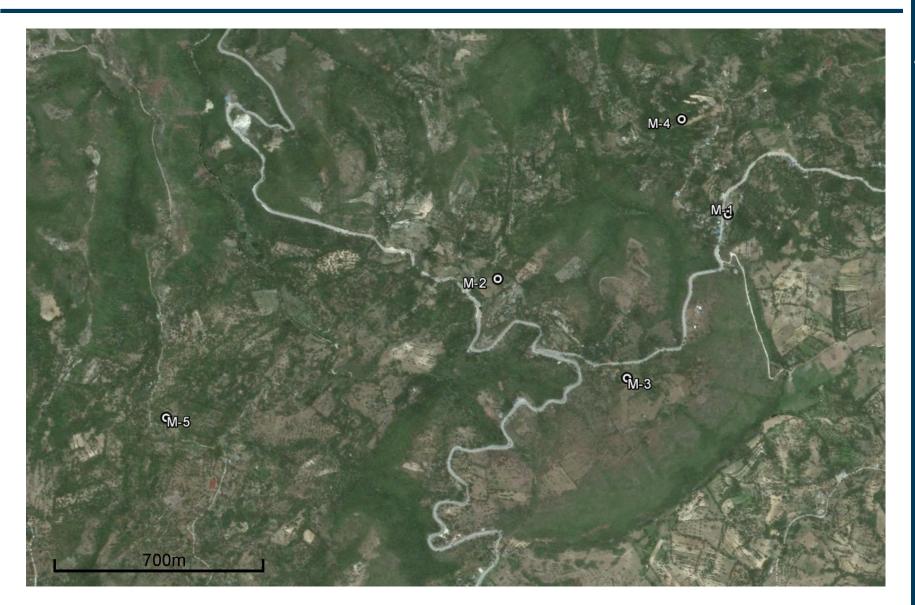
## SC 44: Malolos Anticline





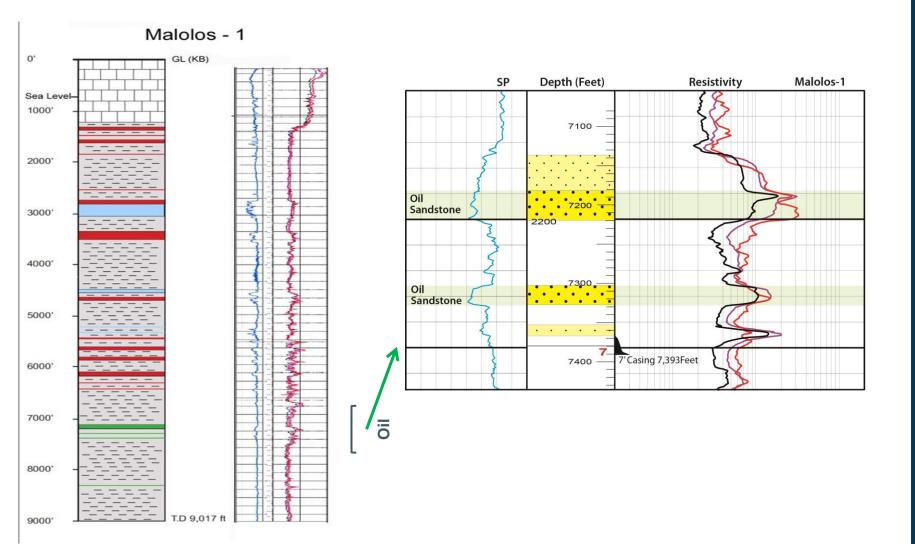
# SC 44: Malolos-5





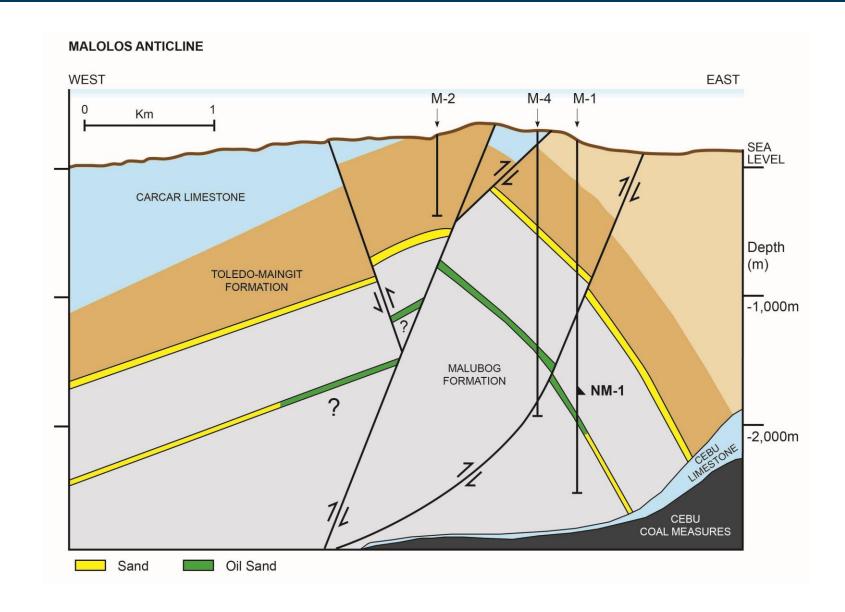
# Malolos-1: Oil Intervals





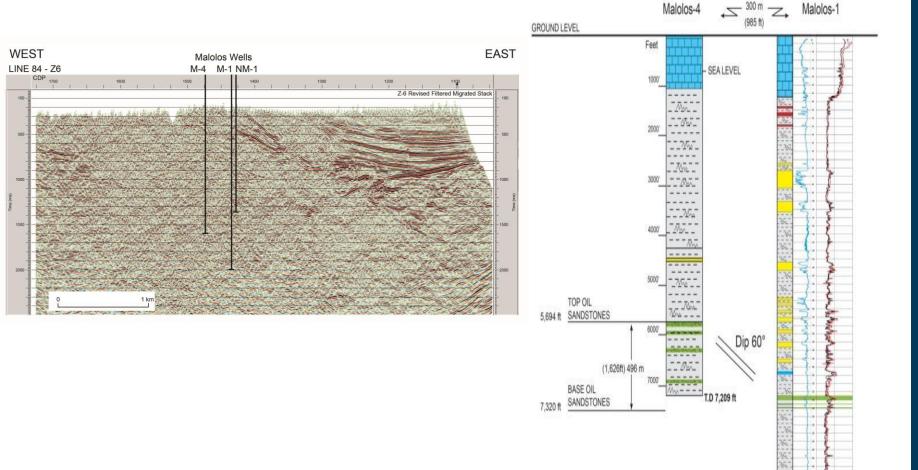
# **MALOLOS OIL FIELD: Cross-Section**





### **MALOLOS OIL FIELD: Geology & Seismic Data**





T.D 9,017 ft

# MALUBOG FORMATION: Outcrop of Marine Sandstone Reservoirs GAS2GRID



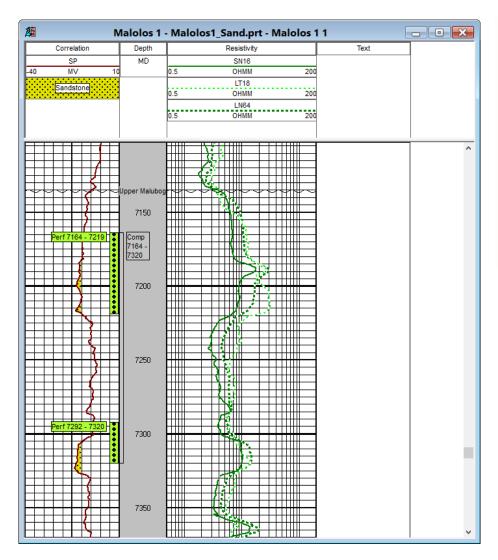




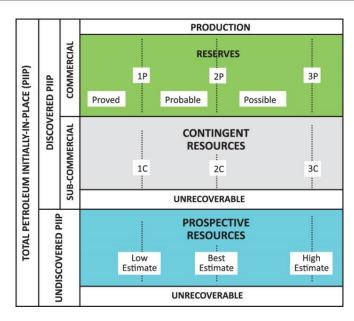


### **MALOLOS OIL FIELD: Contingent Oil Resources**





Low Estimate Contingent Resources (mmSTBO)	OIP Recoverable	6.8 2.38
Best Estimate Contingent Resources (mmSTBO)	OIP Recoverable	20.4 7.14
High Estimate Contingent Resources (mmSTBO)	OIP Recoverable	68.1 28.84



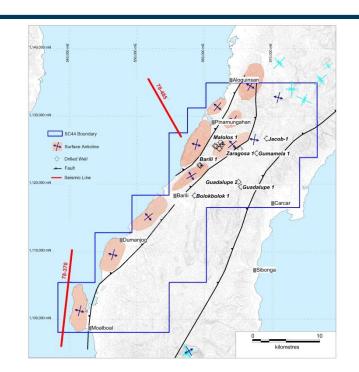
# **Malolos Oil Field - Transportation**

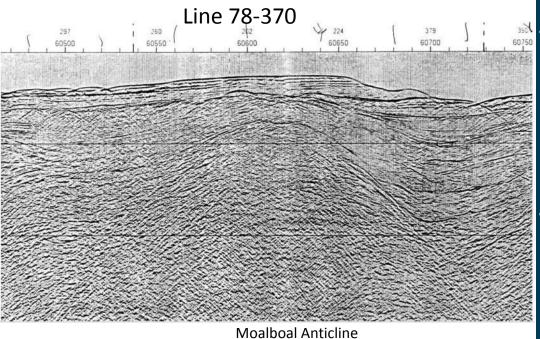




# **PROSPECTS:** Large







Aloguinsan Anticline

# **Drilling Rigs: Company Owned and Operated**



#### **Gardner Denver 500 Drilling Rig**

- > 800 HP; SCR (electric).
- > Capacity to drill to 2,740m with 4 ½" drill pipe
- > 3,650 m with 3 ½" drill pipe.



#### **Brewster 200 Workover Rig**

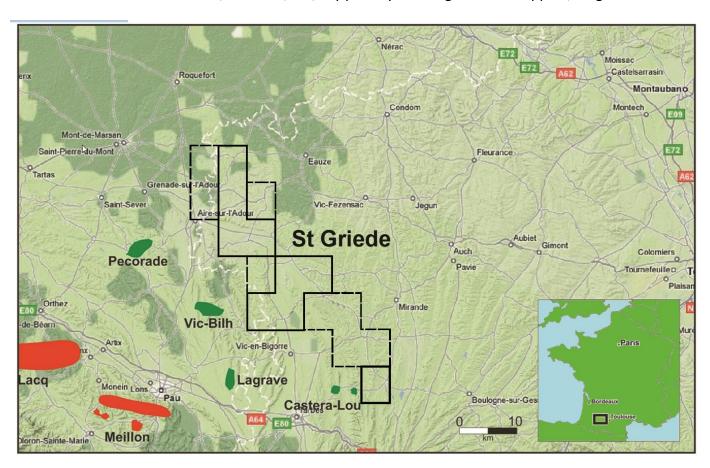
- Capable of work-over and flow testing
- > Set surface conductor and surface casing.



# St. Griede Licence, Aquitaine Basin



- > Aquitaine Basin is a prolific hydrocarbon province with over 13 TCF of gas and 450 million barrels of liquid hydrocarbons having been produced from the basin and currently producing.
- > Under-utilised oil and gas infrastructure within 20km of licence area.
- > Licence unlawfully cancelled. Court challenge lodged in November, 2015 with a court decision in favour of the Company announced in November, 2016. €3,000/day penalty accruing but under appeal; lodge financial claim



# Neighbouring Oil & Gas Fields:

- Pecorade (Total): 21 MMbbl & 38 bcf gas
- Vic Bilh (Total): 32
   MMbbl & 40 bcf gas
- Lagrave (Total): 24
   MMbl
- Castera-Lou

### St. GRIEDE



#### History

- > Aquitaine Basin is a prolific hydrocarbon province with over 13 TCF of gas and 450 million barrels of liquid hydrocarbons having been produced from the basin and currently producing.
- > Markets and infrastructure are well developed for a commercial discovery.
- > Little activity in past decade as French majors went international.
- > Gas prices in Europe continue to trade at highs roughly 2-3 times East Coast Australia.
- > 100% working interest provides flexibility in funding forward work program for exploration drilling.

#### **Attractive Fiscal Terms**

- Oil royalty system with royalty and taxes based on annual field production.
- Royalty progresses from 0-12% from <50,000 to >300,000 metric tonnes.
- Oil taxes: Communities €213/100t production; Department €271/t.
- Gas royalties progress from 0-5% for <300mcf to > 300 mcm.
- Gas taxes: Communities €61.7/mcm; Department €78/mcm.

### St. GRIEDE – Unlawful Licence Cancellation

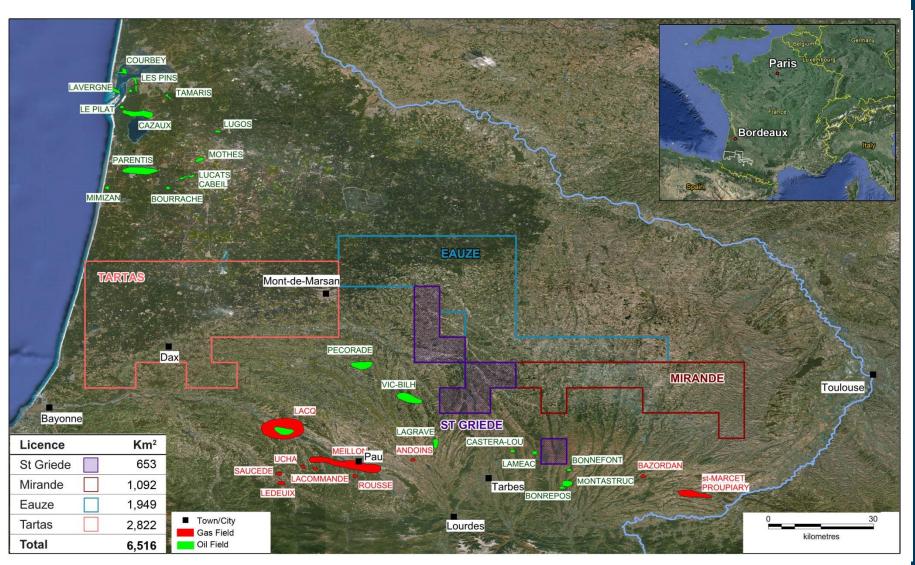


#### **History**

- In October 2015 the Company was advised that the Minister of Energy and Minister of Economy were not renewing the St. Griede licence.
- In November, 2015 the Company lodged a request in the tribunal for the suspension and annulment of the decision not to renew the St. Griede licence.
- On the 29<sup>th</sup> December 2015 the judge in the tribunal in France ruled to suspend the decision made by the Ministers not to renew the St. Griede licence and requested the Ministers to their make decisions on proper legal grounds.
- On the 28<sup>th</sup> January, 2016 the Company received notice from the Conseil d'Etat that the Minister of Energy had lodged an appeal for the annulment of the ruling made on 29<sup>th</sup> December, 2015 by the judge in the tribunal.
- On the 22<sup>nd</sup> August, 2016 the Company received a copy of an order issued by the Conseil d'Etat not to admit the appeal lodged by the Minister of Energy.
- On 3<sup>rd</sup> November, 2016 the Administrative Tribunal of Pau in France handed down a judgement that fully supports the Company by:
  - 1. Overturning the 25<sup>th</sup> September, 2015 decision by the French Ministers to refuse renewal of St Griede
  - 2. Instructed the Ministers to grant, within 30 days, a 5 year extension to the St Griede permit commencing from 3<sup>rd</sup> November 2016 and;
  - 3. Ordered a €3,000/day penalty, against French Government that the grant of the permit extension is delayed.
- The Government lodged an appeal awaiting appeal decision.

# Licence Applications: Aquitaine Basin





### **New Ventures**



- Uncertainty with retention of French and Philippine assets
- Company needs "a life" acquire new petroleum assets
- Gas for eastern Australia: industry shut-down in NSW/Victoria and long lead time gazettal in Queensland; South Australia fully licensed – indictment on State Governments as consumers suffer energy supply uncertainty and high prices
- Need to Look Overseas: realism that international jurisdictions only place to acquire petroleum assets in near term
- USA: technical understanding of particular USA petroleum basins being a new focus
- Asset acquisition either by leasing or farmin

# **Corporate Overview**



Corporate Profile		Asset Portfolio	
ASX Code	GGX.AU	CC 44 (4000)	Onshore, Central Cebu Island, <b>Philippines</b> 2016
Shares on Issue	901 million	SC 44 (100%)	Drilling & Development – extension request
Share Price	\$0.003	St. Griede (100%)	Onshore, Aquitaine Basin, <b>France</b>
Market Capitalisation	\$2.7 million		Reinstatement - under legal determination
Cash*	As required funding by Directors		Onshore, Aquitaine Basin, <b>France</b>
Key Shareholders	Directors 38%	France (100%)	Tartas Application
	Top 20 – 59%		Mirande Application
			Eauze Application

#### **Board & Management**

David Munns	Non-Exec Chairman
Dennis Morton	Managing Director
Patrick Sam Yue	Executive Director

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