



For Immediate Release ASX Announcement

8 June 2017

Company Presentation Material

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Australis Oil & Gas Limited

June 2017

Investor Presentation

Implementation of corporate strategy has generated a platform for significant growth

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Investment Highlights

The recent TMS acquisition has delivered on Australis' strategy of securing a significant inventory of oil at a compelling price

✓ Large Operated Position in Tier 1 Acreage	<ul style="list-style-type: none">141,300 net acres of which 22,000 net acres are held by productionAll acreage in the 'sweet spot' of the TMS, with significant oil in place and proven productivityOperatorship – provides flexibility and control of spending and development activities
✓ Reserves & Production	<ul style="list-style-type: none">Average net production of 1,700 bbls/day from 32 Operated wellsOperating breakeven oil price US\$15/bbl5 million bbls Proved Developed Producing Reserves¹
✓ Significant Resource Base	<ul style="list-style-type: none">2C Contingent Resource (TMS) of 106 million bbls¹Additional 2C Resources (Portugal) of 458 Bcf²
✓ Large Inventory of Future Well Locations	<ul style="list-style-type: none">291 future TMS locations @ 250 acre well spacingPlan to commence select drilling in early 2018 to demonstrate value
✓ Low Cost Entry	<ul style="list-style-type: none">Acquisition cost is keen at US\$80 million. NPV(10) of acquired production at the forward strip 1/2/17 was US\$95 million.All activity funded from existing cash flow

Corporate Snapshot



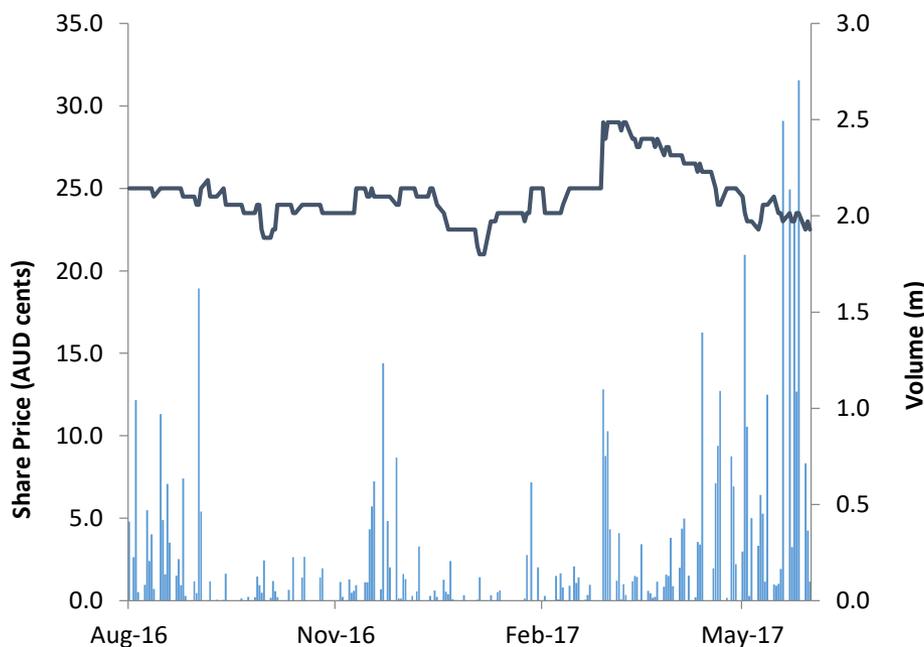
Australis has a tightly held share register with Directors & Management having contributed a significant amount of funding¹²

Inventory / Production

PDP ¹	5 MMbbl
2C Resources ^{1,2}	183 MMboe*
Production	1,700 bbl/day

* Includes Portuguese Concessions

Share Price & Volume from Listing



Capital Structure

Ordinary Shares	776.4
Options*	103.3
Fully Diluted Capital	879.7
Market Capitalization (6 June 2017)	A\$174.7MM
Total Cash (1 May 2017)	A\$27.5MM
Total Debt (6 June 2017)	Nil
Enterprise Value	A\$147.2MM

* Please refer to Appendices for a summary of the options outstanding
Exchange rate A\$1.00 = US\$0.75

Substantial Shareholders (6 June 17)

Westoz Funds Management	7.7%
JP Morgan	6.6%
Paradice Investment Management	6.4%
Eley Griffiths Group	6.0%
Kinetic Investment Partners	5.7%
<i>Directors & Management</i>	<i>12.7%</i>
<i>Institutions / Management</i>	<i>75.6%</i>

8% of issued shares are held under escrow until July 2018

A successfully implemented strategy and a disciplined approach to shareholder capital

Strategy to
maximise
shareholder
value

- Australis formed in August 2014 following sale of Aurora Oil & Gas – it's the same team
- Strategy set during oil price fall:
 - Secure a future inventory of oil and drilling locations at compelling prices and economics
 - Retain control of capital expenditure requirements
 - Maintain technical discipline and patience
- Maintained private status until mid 2016 whilst we waited for the market to readjust on price expectation. Increased our technical knowledge on other plays
- First asset secured (late 2015) in Portugal – a valuable strategic asset
- Second asset acquired (2016) was our initial position in the TMS. Acreage secured entirely within delineated core of play
- Established institutional shareholder base at IPO in mid 2016 based on belief that larger transformational acquisition was now more likely
- Completed acquisition of Encana TMS assets in April 2017

The TMS Delivers on Strategy

TMS is one of the few remaining undeveloped US onshore resource plays

Execution of strategy

- The Tuscaloosa Marine Shale (**TMS**) represents a very significant opportunity for Australis, arising principally due to timing and quirks of history
- The two acquisitions made and ongoing lease work has created a low cost entry whilst maintaining strict technical discipline
- Australis has the largest operated acreage exposure to the production delineated core area of the TMS
- Large inventory of future well locations – each 95% oil
- Production revenue will fund the planned land program and preparation/execution of 2018 operations
- Land strategy generates a very flexible forward program – timing and capex commitments
- Conservative assumptions, based on historical appraisal activity, generates positive NPV(10) well economics at \$50/oil, upside to oil price and evolution of the play
- De-risked platform for significant value growth for shareholders



Tuscaloosa Marine Shale

Tier 1 acreage in an emerging shale province

What is the TMS?

The Tier 1 acreage in the TMS is comparable with other prolific shale plays in the US

TMS Location

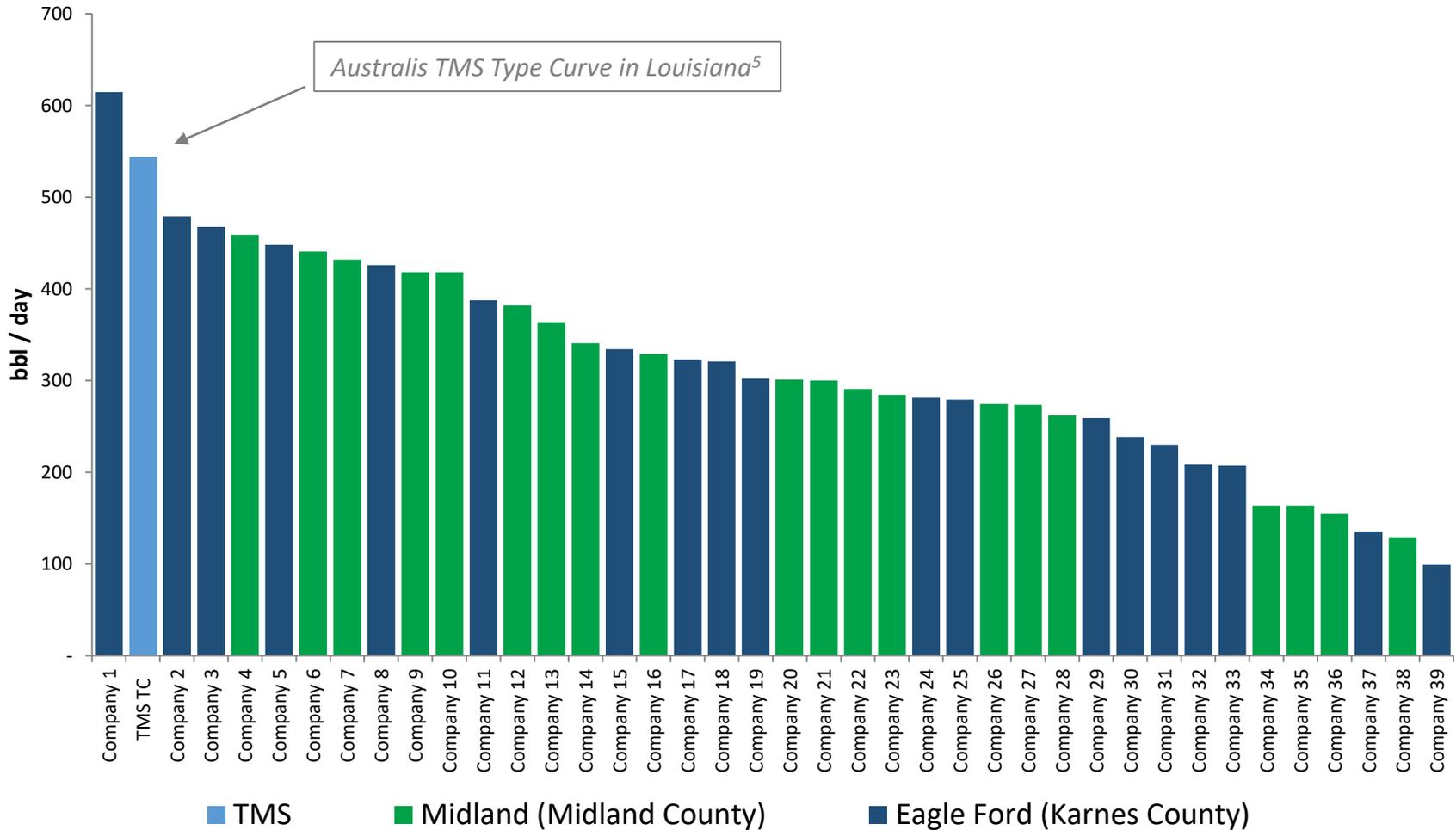


- TMS depositional area of 14 million acres
- Same age as Eagle Ford. Cretaceous shallow marine environment, more clastic than carbonate
- Initially operators, acquired large positions speculatively on the back of then strong oil prices and success in other plays
- Early production results were variable
- Early well costs were high due to operational difficulties and competition for services
- In total approximately 80 wells were drilled up to the end of 2014, delineated a core fairway with binary outcome. No Tier 2 in the TMS, but average Tier 1 comparable to any other play
- Engineered solution to drilling difficulties evolved and was successfully implemented by Encana
- Play was at an inflection point when oil prices dropped, no activity since early 2015

TMS Oil Productivity vs Other Major Plays

TMS core productivity is very strong when compared to the Eagle Ford and Midland plays

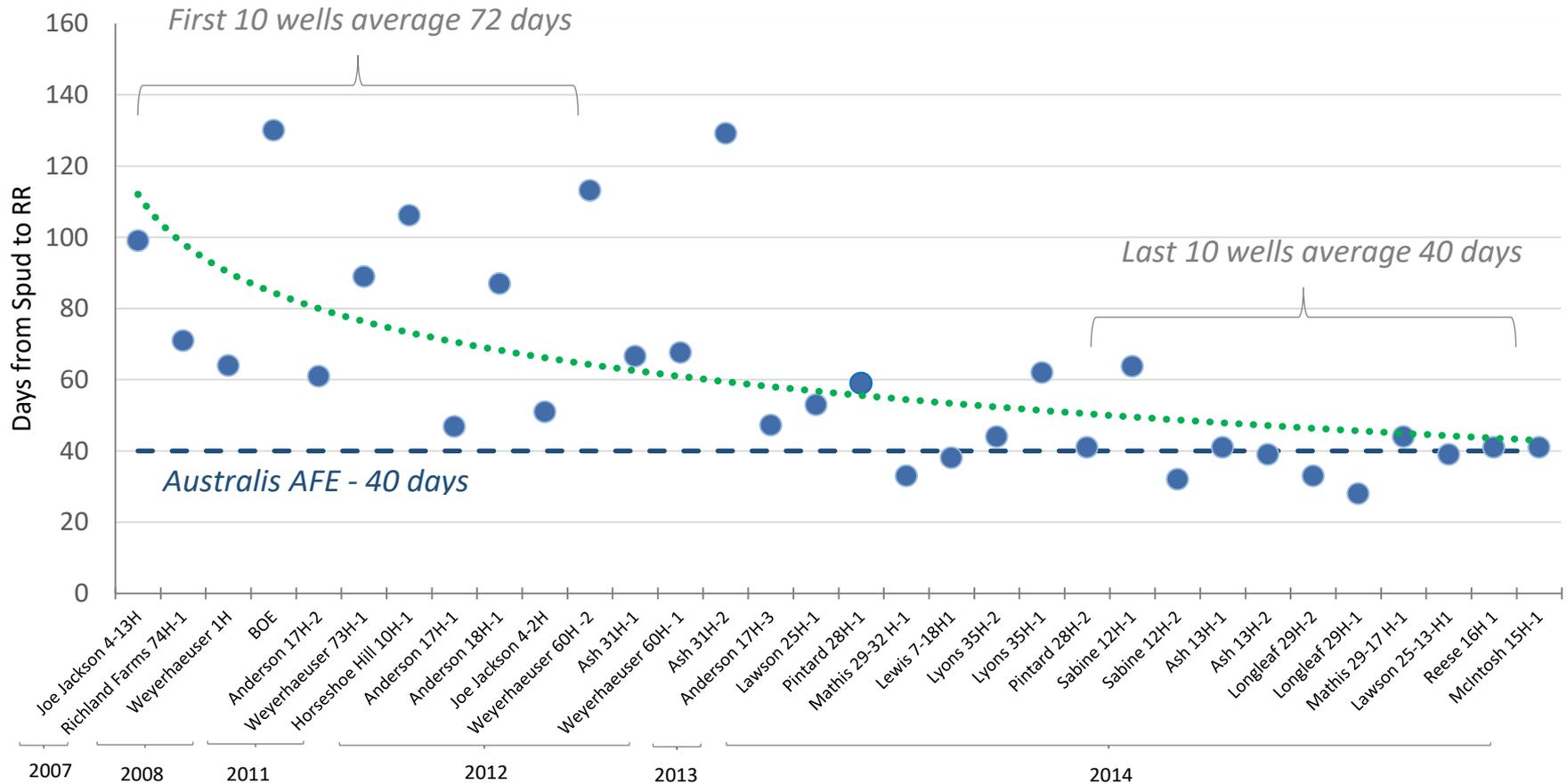
Oil Production for the first 180 days^(3,4)



TMS Well Drilling Times

TMS drilling times have been reduced over time as operational challenges resolved

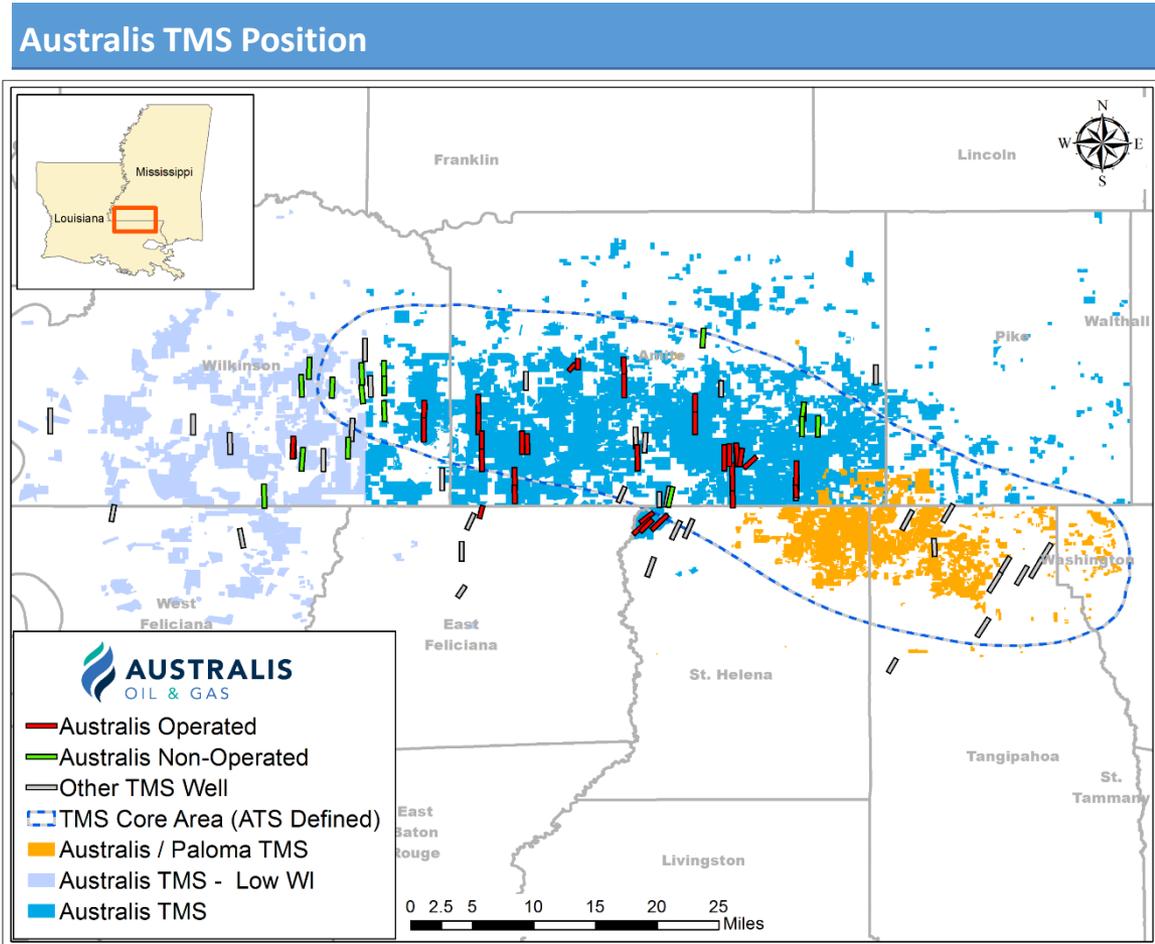
Australis operated well drilling performance (rig mobilization to rig release)



Australis TMS Land Position

Australis holds a dominant and strategic land position within the TMS Core

Australis Net Acreage	
Australis	
HBP acres	22,000*
Undeveloped – Permitted	40,000*
Undeveloped – Non-permitted	60,000
Australis / Paloma	
Undeveloped acreage	19,300*
Total Net Acres	141,300



- Australis remains focused on production defined core only
- At this stage, no value or future well inventory allocated to non permitted operated acreage

* Acreage categories used by Ryder Scott in resource estimates¹

Reserves and Resources

Significant certified reserves and resource base with over 291 future net well locations

- Ryder Scott Company have prepared a report with an effective date of 1 February 2017¹
- Assessed existing position and acquisition acreage
- Resource estimates contingent on development only and are net of royalty obligations
- The Reserves and Resources are based on Australis' holding of 30.6 net wells (29 net operated wells) and 81,000 net operated HBP and TMS Core focus acres
- Australis estimates 291 future net well locations based on approximately 250 acre spacing (assumes 8% recovery of STOIP)

TMS Reserves & Resource Assessment (1 Feb 2017)

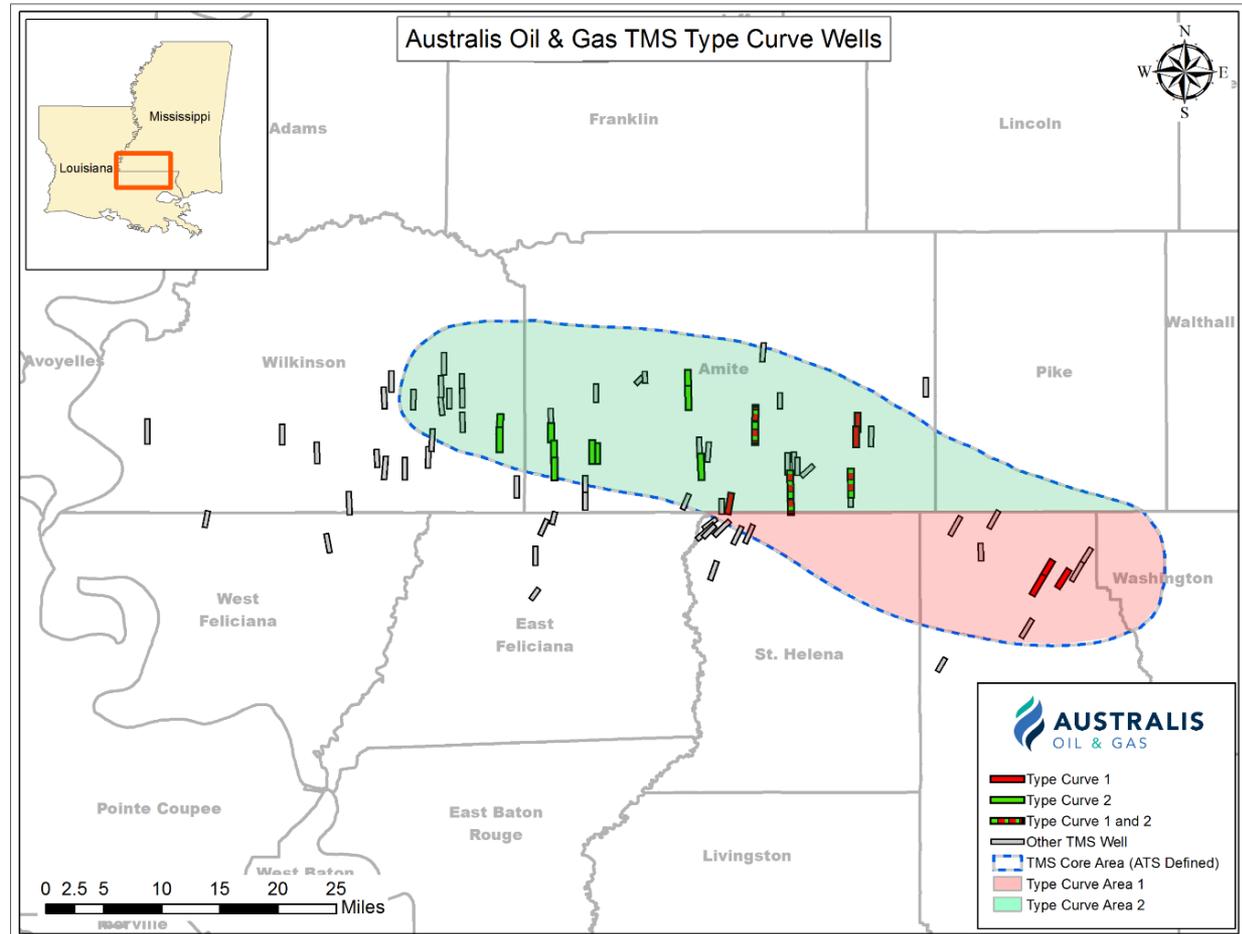
Reserves (Ryder Scott)	MMbbl
Proved Developed Producing	5.0
Resources (Ryder Scott)	MMbbl
1C	34.6
2C	106.6
3C	181.0
Well Inventory	# Wells
Future Net Well Locations	291

Australis TMS Type Curve

Conservative approach to anticipated well performance

- Type curves generated by history matching average well performance, no assumed improvement
- In Louisiana (Type Curve 1) averaged 11 closest TMS Modern Offset Wells¹³
- In Mississippi (Type Curve 2) averaged 15 most recent Encana wells (all drilled 2014)

Australis Type Curve Wells



TMS Productivity, Economics & Sensitivities

TMS Core acreage is economic at current oil prices

- The TMS Core is economic at current oil prices and current single well cost estimates (US\$10-11 million) without assumed improvements, batch drilling or economies that come with scale
- Significant value upside has been experienced in other shale plays and could be seen in the TMS through: oil price increases; lower drilling and development costs for field development scenarios; higher recovery factors via improved wells or additional location

Single well economics & sensitivities BT NPV(10) based on ATS type curves

Well Cost (D, C & T)	WTI/bbl	ATS Type Curve 1* Louisiana ⁵	ATS Type Curve 2* Mississippi ⁶	ATS Type Curve 2* Optimised ¹⁰
		538 Mboe EUR	587 Mboe EUR	621 Mboe EUR
		US\$ million	US\$ million	US\$ million
US\$11 million	US\$50	\$0	\$1.2	\$1.9
	US\$70	\$4.8	\$6.6	\$7.5
US\$10 million	US\$50	\$0.9	\$2.2	\$2.8
	US\$70	\$5.7	\$7.5	\$8.4
US\$9 million	US\$50	\$1.8	\$3.1	\$3.7
	US\$70	\$6.6	\$8.4	\$9.3

(*See Appendices for more details on type curves)

Operational Update and Forward Program

Following acquisition, the initial focus has been extending the lease terms of the primary acreage to beyond 2020



- Encana acquisition closed 13 April 2017 ✓
- Information transfer complete ✓
- Phased transition arranged with Encana to end July, 2017 ✓
- Assumed operatorship of 32 producing wells ✓
- Maintain lease position of 40,000 net acres within the Permitted Drilling Units by extending primary term and improving royalties – fully funded with cash flow from production
- Assume operatorship of original 38,600 gross acreage (50% Australis) position in January 2018
- Prepare for initial multi well drilling program as operator
- Location of initial Australis operated wells to be based on offset productivity and involving existing partner and neighboring participants
- Source industry or financial partners to fund next phases of development activity – size of position offers considerable flexibility

Budget & Estimated Cash Flow

Following the Encana acquisition, Australis generates an operating cash flow ensuring a growing cash base in the near-term

	Apr - Dec 2017 US\$MM ^D	2018 US\$MM ^D
Cash – end Q1 (31 March)	11	20
Financing – A\$100MM equity raising (net of costs of transaction)	71	
Acquisition cost (excluding pre paid deposit)	(60)	
Estimated net operating cash flow from Asset production ^A	16	19
Capital & overhead ^B	(18)	(11)
Estimated Cash – end of year (31 December)^C	US\$20MM	US\$28MM

- A) Based on the Ryder Scott report for production, revenue, royalties, taxes and field operating costs the 9 month period to 31 December 2017 and calendar year 2018. Revenue is based on the forward strip oil pricing as at the effective date of their report of 1 February 2017¹
- B) The capital & overhead budget assumes successful completion of the 2017 and 2018 leasing renewal program on Australis' existing leases and leasehold areas acquired from Encana. The majority of the capital budget is discretionary expenditure. The capital budget does not include any drilling operations
- C) The estimated cash as at each year ends are estimates only
- D) Exchange rate A\$1.00 = US\$0.75



Portuguese Exploration Assets

Large, low cost onshore acreage with minimal work commitments

Portuguese Concessions - Overview

Large onshore acreage position with gas development potential

- Two onshore concessions (Batalha and Pombal) - 620,000 acres or 2,510 km²
- NSAI assessed 458 bcf 2C resource (net)²
- Total well count ~ 175 (148 onshore). 117 had shows and 27 were tested
- Onshore results have confirmed working hydrocarbon systems, but as yet no commercial discoveries
- Identified 7 specific conventional exploration prospects and 1 discovery

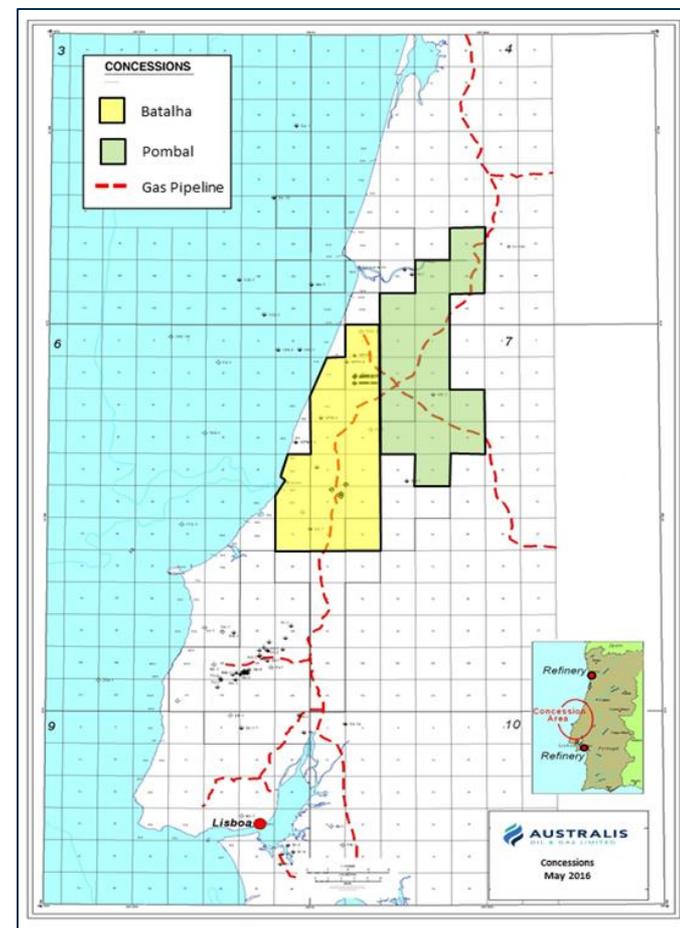
Net Contingent Resource^A – conventional

	Oil (MMbbl)	Gas (Bcf)	Oil Equivalent (MMboe) ^B
Low (1C)	0.0	217.4	36.2
Best (2C)	0.0	458.5	76.4
High (3C)	0.0	817.7	136.3

A. The contingent resource estimates are located in the Batalha Concession.

B. Oil equivalent volumes are expressed in thousands of barrels of oil equivalent (Mboe), determined using the ratio of 6 Mscf of gas to 1 bbl of oil.

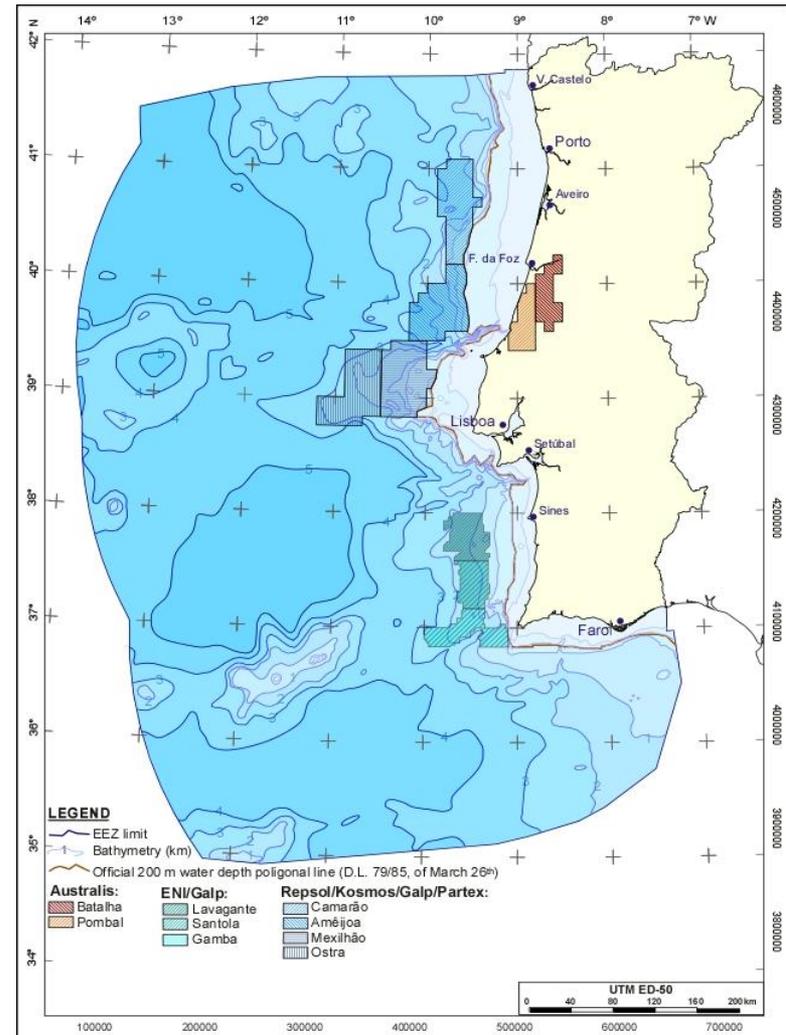
Asset Location



Fiscal Terms and Infrastructure

Favourable economics with excellent terms and minimal work commitments

- Exclusive exploration period of 8 years from October 2015 with ability to extend for a further 2 years
- Tax provisions - Corporate tax 21%
- Gas prices linked to LNG – premium to European market prices
- Royalty structure is stepped between 0% and 8% for gas and between 0% and 9% for oil
- Favourable economic concession terms, minimal work commitment and low royalty rates & corp. taxes
- No oil or gas production in Portugal, all imported



Map Source: Entidade Nacional para o Mercado de Combustíveis website April 2017



Appendices and Additional Slides

Louisiana TMS Type Curve 1 data



Summary of monthly oil production data for TMS Modern Offset Wells

Well Name	Denkmann 33-28H	Longleaf 29H 1H	Longleaf 29H 2H	Mathis 29-32H	Mathis 29-17H	Lawson 25-13H	Spears 31-6H	C. H. Lewis 30-19H	Verberne 5H	Blades 33 H	Williams 46H	Average	Cumulative
Operator	Goodrich Petroleum Company	Encana Oil & Gas (USA) Inc	Goodrich Petroleum Company										
State	Mississippi	Louisiana	Louisiana	Louisiana									
Months of Production	23	21	21	23	22	21	23	23	23	23	23		
Stimulated Lateral Length	5,841	6,955	7,138	6,170	9,081	9,754	7,285	6,451	5,371	4,945	3,769		
	Produced Volume (bbls)												
Total	133,373	185,581	308,952	148,384	252,477	313,124	156,294	175,457	180,982	191,108	197,527		
Month 1	7,808	21,594	32,088	3,406	22,677	10,325	16,726	9,536	28,671	23,811	24,482	18,284	18,284
Month 2	23,858	20,754	33,798	26,701	34,715	37,986	23,587	27,445	16,306	20,305	19,432	25,899	44,183
Month 3	13,774	14,660	26,187	16,437	23,901	32,280	14,681	15,524	12,722	14,175	13,629	17,997	62,180
Month 4	10,028	11,749	19,532	11,692	18,134	25,061	11,731	13,366	11,323	11,112	11,954	14,153	76,333
Month 5	9,423	10,170	16,443	6,534	15,486	21,038	8,258	10,293	9,599	10,407	11,501	11,741	88,074
Month 6	8,159	6,311	14,309	8,110	13,950	17,704	9,554	9,053	9,869	8,808	10,884	10,610	98,684
Month 7	6,054	9,628	10,441	8,175	11,281	14,876	7,580	7,494	7,695	8,577	9,502	9,209	107,894
Month 8	6,315	8,787	12,431	9,290	10,143	13,648	6,412	5,812	7,630	7,610	9,106	8,835	116,728
Month 9	5,052	7,298	14,007	3,883	12,177	11,802	6,229	4,787	7,007	9,138	8,508	8,172	124,900
Month 10	4,893	7,154	11,524	5,974	9,737	11,020	5,580	7,880	6,090	8,120	7,610	7,780	132,680
Month 11	4,888	6,848	11,601	6,430	9,224	9,564	5,125	7,742	5,794	6,615	7,388	7,384	140,064
Month 12	4,386	4,885	9,016	4,085	8,512	12,481	4,627	6,388	5,494	6,753	6,379	6,637	146,701
Month 13	3,780	6,073	10,379	3,755	7,418	11,882	4,368	5,861	4,995	6,925	6,685	6,556	153,257
Month 14	3,333	5,842	8,261	5,494	5,933	11,140	3,893	2,049	6,391	6,425	6,165	5,902	159,160
Month 15	3,271	5,471	8,258	5,089	5,643	9,560	3,433	5,858	5,461	5,732	5,264	5,731	164,890
Month 16	2,924	5,303	6,731	3,808	5,657	9,495	3,671	5,049	5,515	5,389	5,470	5,365	170,255
Month 17	2,713	5,389	7,449	3,430	5,089	9,035	3,109	5,110	4,930	5,277	5,103	5,149	175,404
Month 18	2,567	4,495	8,209	1,656	5,307	8,994	3,058	5,008	4,949	4,854	5,007	4,919	180,322
Month 19	2,044	4,984	7,778	287	6,633	8,019	3,124	4,846	4,116	4,779	4,493	4,646	184,968
Month 20	2,108	5,241	6,403	6,383	5,949	7,898	2,996	4,837	4,250	4,032	4,699	4,979	189,987
Month 21	2,121	4,658	11,950	3,266	5,647	6,423	2,680	4,114	4,238	4,351	4,800	4,932	194,879
Month 22	2,025	4,000	12,603	15	3,808	6,357	3,047	3,468	3,999	4,087	4,719	4,376	199,255
Month 23	1,849	4,314	9,553	4,484	5,456	6,536	2,814	3,937	3,938	3,826	4,747	4,678	203,933

Data sourced from Louisiana Department of Natural Resources & Mississippi Oil & Gas Board .

There is no guarantee future well performance will be consistent with the average of the results of the Offset Operators

The following wells were excluded from this data set for mechanical and completion vintage reasons: R.Nez 43 H1 & H2, Kinchen 58 H1, Lawson 25H, Thomas 38H, Kent 4H-1

Data cut off after 23 months.

Single Well Louisiana TMS Type Curve 1

ATS type curve history matched to actual production from TMS Modern Offset Wells⁵

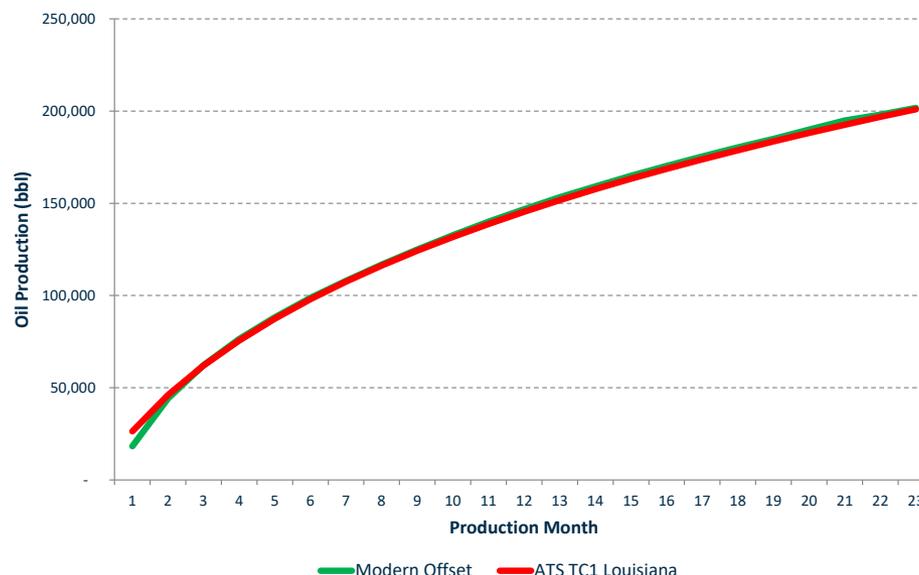
Louisiana Type Curve 1 – Assumptions⁵

- Oil EUR – 499 Mbbls
- Gas EUR – 132 MMscf
- NGL EUR – 17 Mbbls
- EUR (20 yr) – 538 Mboe (97% liquids)
- Capex US\$11million (6,500 ft lateral)
- Opex US\$13,700/well/month + US\$2.80/boe

Results

- Positive BT NPV(10) at US\$50.50/bbl WTI (assumes a +\$2 differential for LLS)

Cumulative Oil Production
Modern Offset Wells v Australis Type Curve 1 - Louisiana



Conservative assumptions compared to industry disclosure

Offset Operators ⁹	Well EUR	D,C & T Costs (US\$ million)
ATS TC1 - Louisiana	538 Mboe	\$11 (6,500ft lateral)
Offset operators	600 – 800 Mboe	\$8 - \$13 (5,000ft – 10,000ft lateral)

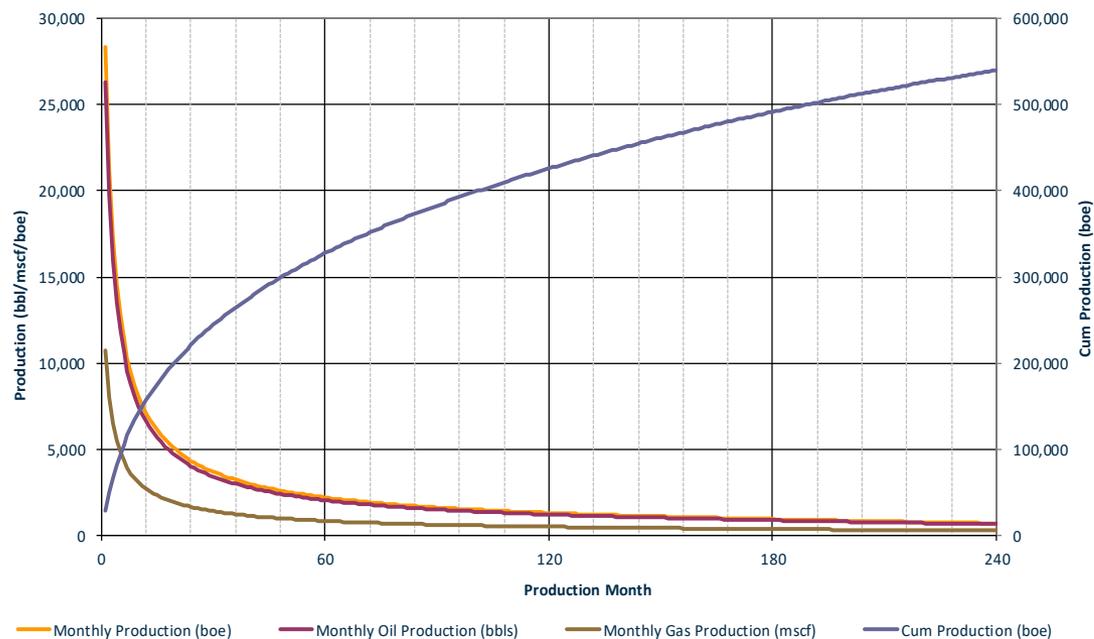
Louisiana TMS Type Curve 1

Base Assumptions: ATS TC1 - Louisiana

Future Well Type Curve

Target	Lower TMS	Louisiana
EUR		
Gas	0.13	bcf
Oil/Condensate	499	mbbl
NGLs	17	mbbl
EUR/well	538	mboe
Well Cost		
Drilling	\$5.0	million
Completion	\$5.0	million
Tie in	\$1.0	million
Total Well Cost	\$11.0	million
Operating Expenditure		
Fixed Opex	\$13,700	/well/month
Variable Opex	\$2.8	per boe
Other Assumptions		
NRI	80%	
Abandonment cost	1.0%	well cost

Production Forecast



Single Well Economics

Oil Price - WTI \$/bbl	Cashflow US\$million	Pre Tax			Single Well Netback (Pre Tax) ¹¹					
		NPV10 US\$million	IRR %	Payback Months	Revenue \$/boe	Prodn Taxes \$/boe	Opex + Trans \$/boe	Operating Netback \$/boe	Development Cost \$/boe	Cashflow \$/boe
\$50.0	\$3.3	\$0.0	10%	58	\$47.5	-\$3.5	-\$10.4	\$33.5	-\$25.6	\$8.0
\$60.0	\$7.1	\$2.4	25%	35	\$56.8	-\$4.2	-\$10.4	\$42.2	-\$25.6	\$16.7
\$70.0	\$10.8	\$4.8	47%	24	\$66.2	-\$4.9	-\$10.4	\$50.9	-\$25.6	\$25.3
\$80.0	\$14.5	\$7.2	86%	18	\$75.6	-\$5.6	-\$10.4	\$59.6	-\$25.6	\$34.0
		\$2.50	/mmbtu gas							

Whilst well performance cannot be guaranteed the production and opex assumptions are based on history and the capex costs are current third party estimates.

Mississippi TMS Type Curve 2 data



Summary of monthly oil production data for the most recent 15 Encana operated modern offset Mississippi wells

Well Name	Lewis 7-18H 1	Pintard 28H 2	Lyons 35H 2	Pintard 28H 1	Longleaf 29H 1H	Longleaf 29H 2H	Mathis 29-32H	Mathis 29-17H	Lawson 25-13H*	Ash 13H 1*	Ash 13H 2	Sabine 12H 1*	Sabine 12H 2	McIntosh 15H*	Reese 16H*	Average	Cumulative
Operator	Encana Oil & Gas (USA) Inc																
State	Mississippi																
Months of Production	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20		
Stimulated Lateral Length	8,263	8,215	5,485	5,492	6,955	7,138	6,170	9,081	9,754	7,066	7,194	6,815	7,425	7,585	6,167		
Produced Volume (bbls)																	
Total	172,813	228,869	168,718	129,836	172,609	274,846	140,619	237,566	293,745	190,835	165,376	199,978	218,041	212,442	142,061		
Month 1	2,325	25,027	34,743	22,049	21,594	32,088	3,406	22,677	10,325	10,766	7,922	29,701	27,525	10,787	5,640	18,438	18,438
Month 2	28,807	32,397	24,536	13,386	20,754	33,798	26,701	34,715	37,986	27,317	21,417	23,313	25,174	31,074	19,422	26,720	45,158
Month 3	17,804	22,678	17,400	8,385	14,660	26,187	16,437	23,901	32,280	22,186	17,098	16,528	18,136	22,652	13,944	19,352	64,510
Month 4	15,003	18,816	14,431	10,221	11,749	19,532	11,692	18,134	25,061	6,934	13,663	14,908	16,570	17,881	10,978	15,038	79,548
Month 5	11,196	15,596	12,121	7,748	10,170	16,443	6,534	15,486	21,038	11,547	12,156	12,292	13,347	14,610	9,168	12,630	92,178
Month 6	9,143	11,908	9,434	6,256	6,311	14,309	8,110	13,950	17,704	13,408	9,048	10,714	11,967	11,942	8,935	10,876	103,054
Month 7	9,013	11,916	8,843	5,554	9,628	10,441	8,175	11,281	14,876	7,155	8,944	8,580	10,385	10,227	9,330	9,623	112,677
Month 8	7,606	11,513	8,487	5,202	8,787	12,431	9,290	10,143	13,648	10,268	8,753	358	9,301	9,154	7,345	8,819	121,496
Month 9	7,695	10,743	7,708	4,747	7,298	14,007	3,883	12,177	11,802	7,396	8,318	9,168	5,253	9,653	7,695	8,503	129,999
Month 10	6,625	8,787	6,176	4,011	7,154	11,524	5,974	9,737	11,020	9,896	7,378	8,264	12,739	10,240	6,007	8,369	138,368
Month 11	5,565	7,373	7,160	4,378	6,848	11,602	6,430	9,224	9,564	9,714	6,561	8,867	9,315	8,776	5,706	7,806	146,174
Month 12	2,583	8,195	7,476	4,053	4,885	9,016	4,085	8,512	12,481	10,001	6,328	8,673	7,838	8,343	5,325	7,182	153,356
Month 13	7,388	6,924	6,393	3,117	6,073	10,379	3,755	7,418	11,882	7,938	6,063	7,241	5,442	5,469	4,321	6,654	160,009
Month 14	4,559	6,502	6,035	4,383	5,842	8,261	5,494	5,933	11,140	2,885	5,322	7,066	8,492	7,166	4,867	6,263	166,272
Month 15	5,405	6,240	5,423	5,420	5,471	8,258	5,089	5,643	9,560	5,575	5,500	6,452	6,276	5,588	4,630	6,035	172,308
Month 16	5,089	5,998	5,379	3,618	5,303	6,731	3,808	5,657	9,495	6,655	4,737	6,268	7,172	5,957	4,458	5,755	178,063
Month 17	4,911	5,347	5,256	4,749	5,389	7,449	3,430	5,089	9,035	6,326	4,337	5,762	6,303	5,604	4,006	5,533	183,596
Month 18	4,029	5,192	4,172	4,423	4,495	8,209	1,656	5,307	8,994	4,805	2,546	5,555	6,054	5,502	3,649	4,973	188,568
Month 19	4,075	4,806	4,433	4,249	4,984	7,778	287	6,633	8,019	6,256	5,213	5,075	5,044	5,394	3,597	5,056	193,624
Month 20	3,992	2,911	4,007	3,887	5,241	6,403	6,383	5,949	7,898	3,807	4,072	5,193	5,708	6,423	3,038	4,992	198,617

Data sourced from Mississippi Oil & Gas Board as of January 2017. Only adjustment made to Pintard 28H1 which was shut in for 8 months so listing Producing months for this well
 There is no guarantee future well performance will be consistent with the average of the results of the wells.
 Data cut off after 20 months.

Single Well TMS Mississippi Type Curve 2



ATS type curve history matched to production from the most recent 15 Mississippi ECA wells⁶

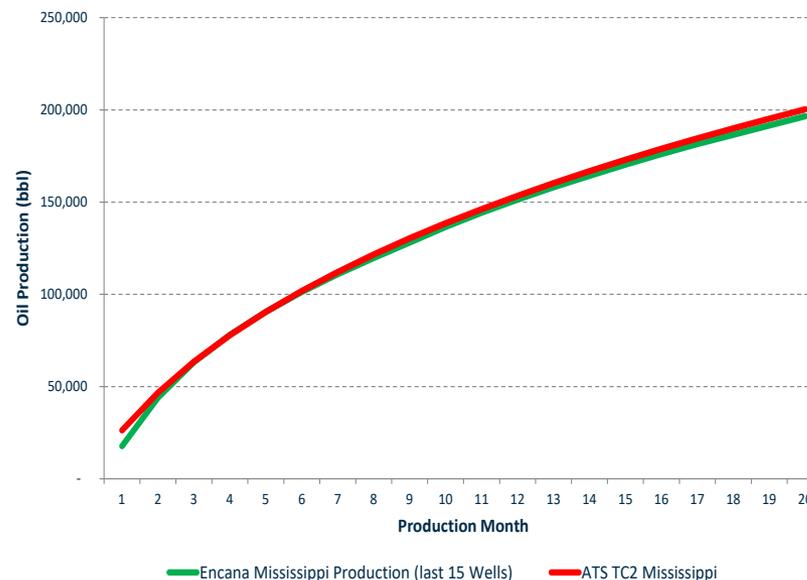
Mississippi Type Curve 2 – Assumptions⁶

- Oil EUR – 545 Mbbls
- Gas EUR – 142 MMscf
- NGL EUR – 18 Mbbls
- EUR (20 yr) – 587 Mboe (97% liquids)
- Capex US\$11million (7,200 ft lateral)
- Opex US\$13,700/well/month + US\$2.8/boe

Results

- Positive BT NPV(10) at US\$46.00/bbl WTI (assumes a +\$2 differential for LLS)

Cumulative Oil Production
Encana Modern Offset Wells v Australis Type Curve 2 - Mississippi



Conservative assumptions with upside

Type Curve	Well EUR	Basis
ATS TC2 - Mississippi	587 Mboe	History match average of the most recent 15 wells drilled by Encana in 2014/15 (~7,200 ft stimulated lateral)
ATS TC2 – Optimised ¹²	621 Mboe	History match for 5 of these 15 Encana Mississippi wells utilising Encana’s optimised completion design (~7,500 Stimulated Lateral)

Mississippi TMS Type Curve 2

Whilst well performance cannot be guaranteed the production and opex assumptions are based on history and the capex costs are current third party estimates.

Base Assumptions: ATS TC2 - Mississippi

Future Well Type Curve

Target	Lower TMS	Mississippi
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EUR

Gas	0.14	bcf
Oil/Condensate	545	mbbl
NGLs	18	mbbl
EUR/well	587	mboe

Well Cost

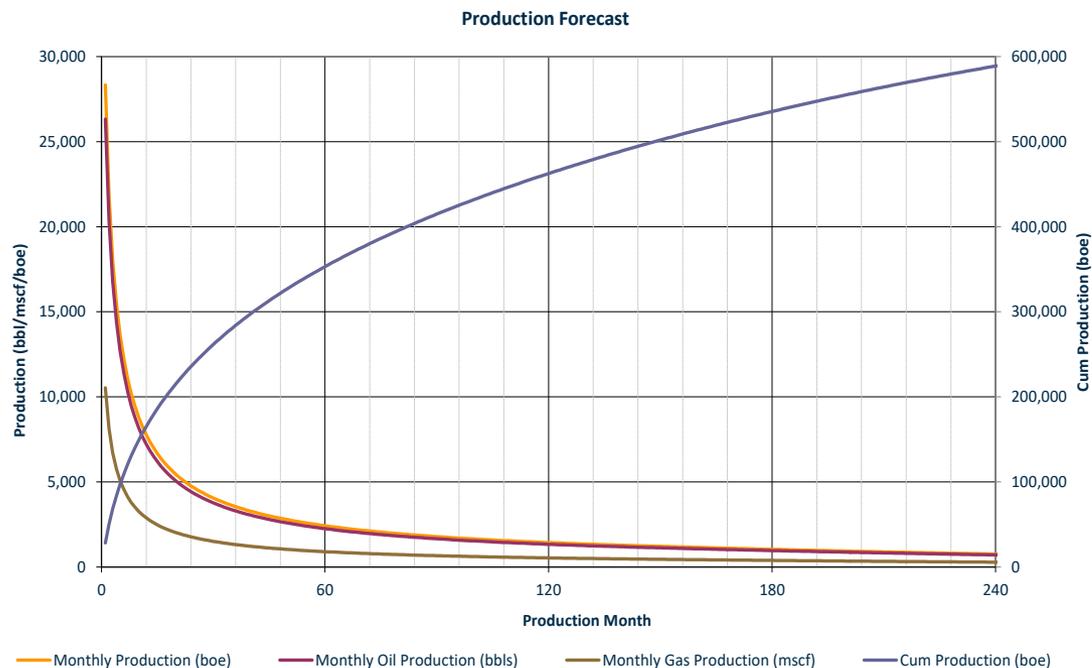
Drilling	\$5.0	million
Completion	\$5.0	million
Tie in	\$1.0	million
Total Well Cost	\$11.0	million

Operating Expenditure

Fixed Opex	\$13,700	/well/month
Variable Opex	\$2.8	per boe

Other Assumptions

NRI	80%	
Abandonment cost	1.0%	well cost



Single Well Economics

Oil Price - WTI	Cashflow	Pre Tax NPV10	IRR	Payback
\$/bbl	US\$million	US\$million	%	Months
\$50.0	\$5.7	\$1.2	16%	46
\$60.0	\$9.9	\$3.9	34%	30
\$70.0	\$14.1	\$6.6	62%	21
\$80.0	\$18.3	\$9.2	110%	16

\$2.50 /mmbtu gas

Single Well Netback (Pre Tax) ¹¹

Revenue	Prodn Taxes	Opex + Trans	Operating Netback	Development Cost	Cashflow
\$/boe	\$/boe	\$/boe	\$/boe	\$/boe	\$/boe
\$47.5	-\$1.9	-\$9.8	\$35.8	-\$23.4	\$12.3
\$56.9	-\$2.3	-\$9.8	\$44.8	-\$23.4	\$21.3
\$66.3	-\$2.7	-\$9.8	\$53.8	-\$23.4	\$30.3
\$75.7	-\$3.1	-\$9.8	\$62.8	-\$23.4	\$39.3

Option Terms Summary

Grant date	Exercise Price (A\$)	Vesting	Expiry	Number	Cash payable on exercise (A\$)
Directors, Executives & Management					
13 Nov 2015	\$0.25	Vested	31 Dec 2020	19,675,000	\$4,918,750
13 Nov 2015	\$0.30 (Series A)	Vested	31 Dec 2020	27,775,000	\$8,332,500
28 Apr 2016	\$0.30 (Series B)	Vested	31 Dec 2020	1,000,000	\$300,000
13 Nov 2015	\$0.35 (Series A)	13 Nov 2017 ^A	31 Dec 2022	27,600,000	\$9,660,000
13 Nov 2015	\$0.35 (Series B)	13 Nov 2018 ^A	31 Dec 2022	1,600,000	\$560,000
28 Apr 2016	\$0.35 (Series C)	13 Nov 2017 ^A	31 Dec 2022	1,000,000	\$350,000
28 Apr 2016	\$0.35 (Series D)	13 Nov 2018 ^A	31 Dec 2022	1,000,000	\$350,000
24 May 2016	\$0.275 (Series B, C, D)	See note ^B	24 May 2021	420,000	\$115,500
10 April 2017	\$0.3125 (Series A,B,C)	See note ^C	30 Nov 2021	420,000	\$131,250
				80,490,000	\$24,718,000
Investors - granted to subscribers on a 1 for every 2 new shares subscribed (A\$10.05mm placement – May 2016)					
16 May 2016	\$0.275 (Series A)	N/A ^D	30 Jun 2019	22,840,933	\$6,281,257

- A. Vesting of the Options is conditional upon continued holding of office or employment of the relevant Director or employee until the relevant vesting date
- B. Non Executive Director Options vest 33.3% on each anniversary from the date of appointment, 24 May 2016, subject to the Non Executive Director remaining a director of the Company
- C. Non Executive Director Options vest 33.3% on each anniversary from the date of appointment, 30 November 2016, subject to the Non Executive Director remaining a director of the Company
- D. No vesting condition applies to Options granted as part of the Company's private capital raising completed in May 2016 (pre IPO) to sophisticated investors at a price of A\$0.22 per new share to raise A\$10.05 million

Petroleum Rights in the TMS – Leasing

A summary of the leasing system in the US

Petroleum Rights

- In the USA, the rights of access to hydrocarbons are generally attached to the surface landowner as real property
- However, such rights can be separated from the surface land ownership, which is typically leased to a third party oil and gas company
- Australis' right of access to hydrocarbons in the TMS is governed by leases held with the various mineral rights owners

Lease Terms

- Consideration for the leases is generally paid in the form of an initial bonus payment and an agreed royalty:
 - The bonus payment is an agreed upon amount calculated on a per acre basis
 - The royalty represents a percentage of proceeds of production that is free from the expense of drilling and operating the well, typically ranging between 12.5% to 25%

Primary and Secondary Terms

- The lease will have a primary term (typically 3 to 5 years, no more than 10 years) without the need for production
- The lease contract will often include an option to extend the primary term for the payment of a further agreed bonus (typically 2 years)

Production Units

- When drilling a horizontal well, the operator must establish an area around the planned well and form a production unit
- This is necessary because often a horizontal well can produce oil beneath multiple leases
- The lease terms are then aggregated on a pro-rata basis into a common royalty distribution for the unit

Held by Production

- Once production occurs within the production unit, then the leases within will become 'Held by Production' or 'HBP'
- Once the lease is HBP, the lease remains in place on the original terms until production expires

Footnotes

1. All estimates and risk factors taken from Ryder Scott, report prepared as at 1 February 2017 and generated for the Australis concessions to SPE standards. See ASX announcement titled “US Shale Acquisition and A\$100 Million Placement’ dated 28 February 2017. Australis is not aware of any new information or data that materially affects the information included in the referenced announcement and all the material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Ryder Scott generated their independent reserve and contingent resource estimates using a combination of deterministic and probabilistic methods.
2. All estimates and risk factors taken from Netherland, Sewell & Associates, report prepared as at 31 December 2016 and generated for the Australis concessions to SPE standards. See announcement titled “2016 Year End Resource Update’ dated 25 January 2015. Australis is not aware of any new information or data that materially affects the information included in the referenced announcement and all the material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. The contingent resource estimates are located in the Batalha Concession. NSAI generated their independent contingent resource estimates using a combination of deterministic and probabilistic methods
3. Data sourced from industry and company disclosures from 2014 and onwards. Companies included for the Eagle Ford Basin (Karnes County) BHP, CHK, COG, COP, CRZO, DVN, ECA, EOG, EPE, MRO, MTDR, MUR, NBL, NEU, PVA, PZD, SME, STO, and TLM.
4. Data sourced from industry and company disclosures from 2014 and onwards. Companies included for the Midland Basin : APA, AREX, CPE, CXO, DVN, EGN, EGO, ECA, END, EPE, FANG, PLI, OXY, PE, PXD, QEP, RSPP, SME and XOM
5. The TMS Modern Offset Wells comprise the wells detailed in the appendix slide titled “Louisiana TMS Type Curve 1” (Page 22). There is no guarantee future well performance will be consistent with the average of results of the Offset Operators.
6. The 15 Mississippi ECA wells are detailed in the appendix slide titled “Mississippi TMS Type Curve 2” (Page 25). There is no guarantee future well performance will be consistent with the average of these results.
7. Data sourced from the Mississippi Oil & Gas Board and the Louisiana Department of Natural Resources.
8. Australis TMS Core single well cost estimate is based on cost estimates received as at December 2016 from service providers for the drilling and completion of a 7,500ft horizontal well. Please refer to the Risks and the disclaimer slides within this presentation regarding estimations.
9. Assumptions taken from company investor presentations since 2013 including : Goodrich, Halcon, Comstock and Encana.
10. ATS Type Curve 2 – Optimised means a subset of 5 of the 15 Encana Mississippi wells that comprise the Mississippi TMS Type Curve 2. The 5 wells comprising this subset all utilised Encana’s optimised completion design at the time of completion and the average horizontal length of ~7,500 (Stimulated Lateral).
11. Operating Netback is calculated based on revenue, after royalties, from oil and gas sales and expenses incurred at the field level of field operating costs, transport and all revenue and production related taxes.
12. The Directors and management have contributed equity funds of A\$11.352 million to date, including A\$2.6 million to Australis Europe Pty Ltd (formerly Australis Oil & Gas Pty Ltd) and participation in two private raisings as follows: a) In Nov 2015 the Company raised A\$24.175 million at A\$0.20 per share with Directors and management contributing A\$6 million, and b) in May 2016 the Company raised A\$10.05 million at A\$0.22 per share with one free attaching option exercisable at A\$0.275, with Directors and management contributing A\$2.752 million. Directors also contributed a total of A\$186,607 for the subscription of shares at \$A0.25 cents each pursuant to the IPO of the Company in July 2016.
13. Wells excluded if completion operational issues occurred, if wells older than 2014 and if less than 12 months production data.

Unit	Measure	Unit	Measure
B	Prefix - Billions	bbl	Barrel of oil
MM or mm	Prefix - Millions	boe	Barrel of oil equivalent (1bbl = 6 mscf)
M or m	Prefix - Thousands	scf	Standard cubic foot of gas
/d	Suffix - per day		

Abbreviation	Description
TMS Core	The Australis designated productive core area of the TMS delineated by production history
Permitted Drilling Units	Acreage within a formed and approved drilling unit but is yet to be HBP as a well has not been drilled and commenced production
WI	Working Interest
C	Contingent Resources – 1C/2C/3C – low/most likely/high
NRI	Net Revenue Interest (after royalty)
BT NPV (10)	Net Present Value (discount rate), before income tax
HBP	Held by Production (lease obligations met)
AFE	Authorised for Expenditure
EUR	Estimated Ultimate Recovery

Glossary - continued

Abbreviation	Description
WTI	West Texas Intermediate Oil Benchmark Price
LLS	Louisiana Light Sweet Oil Benchmark Price
D, C & T	Drill, Complete and Tie-in well cost estimate
2D / 3D	2 dimensional and 3 dimensional seismic surveys
Opex	Operating Expenditure
PDP	Proved Developed Producing
Capex	Capital costs relating to field development costs, excluding leasing costs
Ryder Scott	Ryder Scott Company
NSAI	Netherland Sewell & Associates, Inc.
IP180	Average daily production for the first 180 days of production
PSA	Purchase and Sale Agreement dated 27 February 2017 between Encana & Australis
Encana	Encana Oil & Gas (USA) Inc., a subsidiary of Encana Corporation (TSX:ECA)