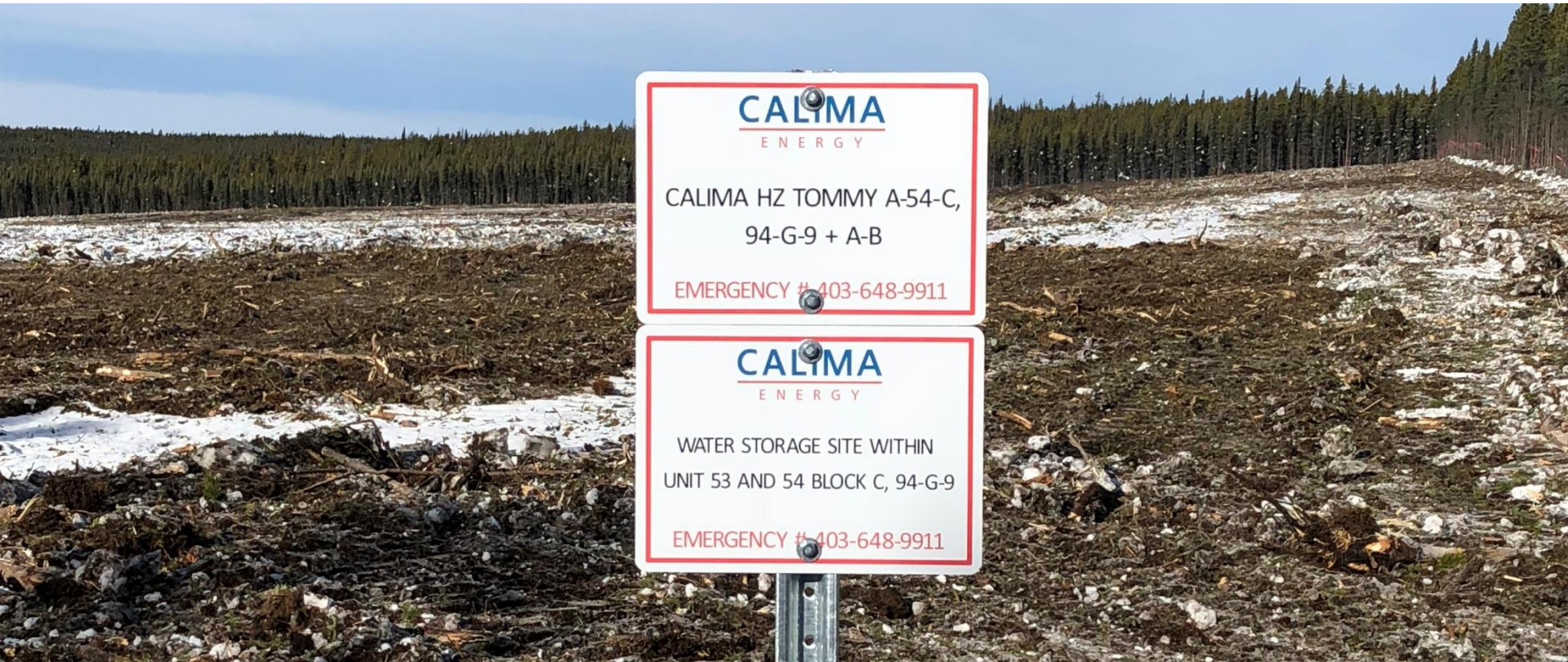


# CALIMA

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E N E R G Y



## Liquids-Rich Montney Formation, Western Canada

1-2-1 Hong Kong  
May 2018

# INTRODUCTION TO CALIMA

ASX Code	<b>CE1</b>
Ordinary Shares	<b>555.4 M</b>
Management Perf. Equity <sup>(1)</sup>	<b>55.5 M</b>
Market Capitalisation <sup>(2)</sup>	<b>\$24.5 M</b>
Cash & Securities (no debt) <sup>(3)</sup>	<b>\$4.7 M</b>
Enterprise Value (EV)	<b>\$19.8 M</b>

## Shareholders

Board & Management	<b>16.28%</b>
Euroz Principals & Clients	<b>11.74%</b>
Small Cap Institutions	<b>7.42%</b>
Pacific World Energy Ltd	<b>6.04%</b>
Croesus Mining Pty Ltd	<b>2.12%</b>
<b>Top 5</b>	<b>43.61%</b>

Calima Energy Limited is an ASX listed company that has drilling rights over 72,000 acres of land in British Columbia – The Calima Lands.

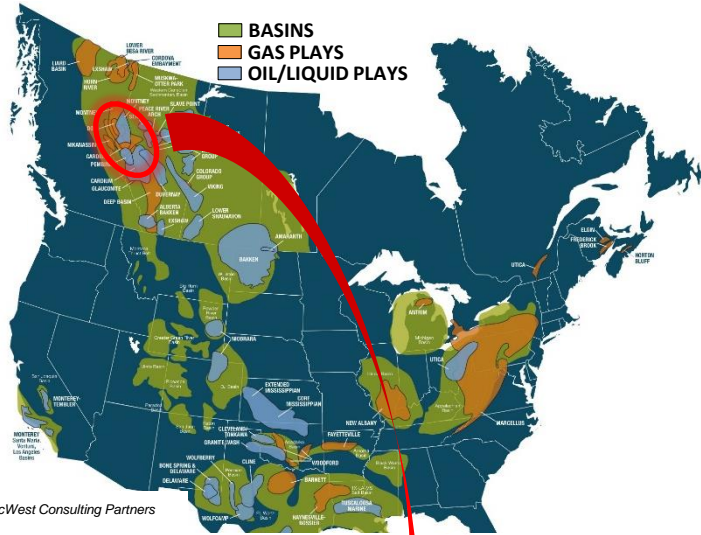
Calima currently owns 20% of the Calima Lands and is the project Operator. The Company has the right to acquire up to 55%.

(1) Includes performance shares, performance rights (\$0.15) and options (\$0.09 and \$0.12). For details see prospectus dated June 30<sup>th</sup> 2017

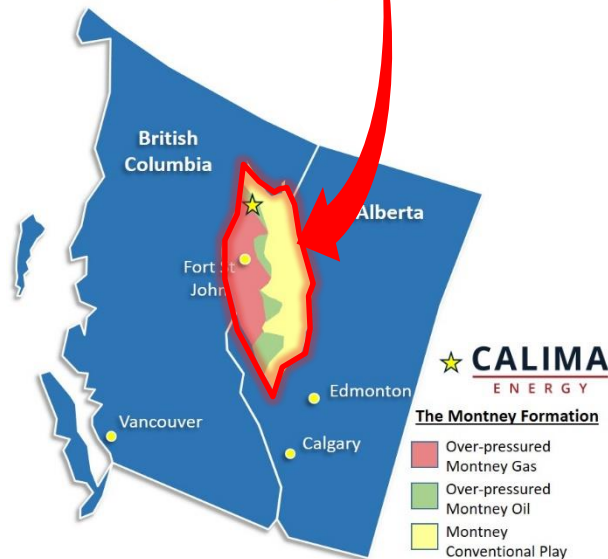
(2) Based on the closing price on March 31<sup>st</sup> 2018

(3) Estimated cash balance at March 31<sup>st</sup> 2018

# THE MONTNEY FORMATION



Source: Modified from PacWest Consulting Partners

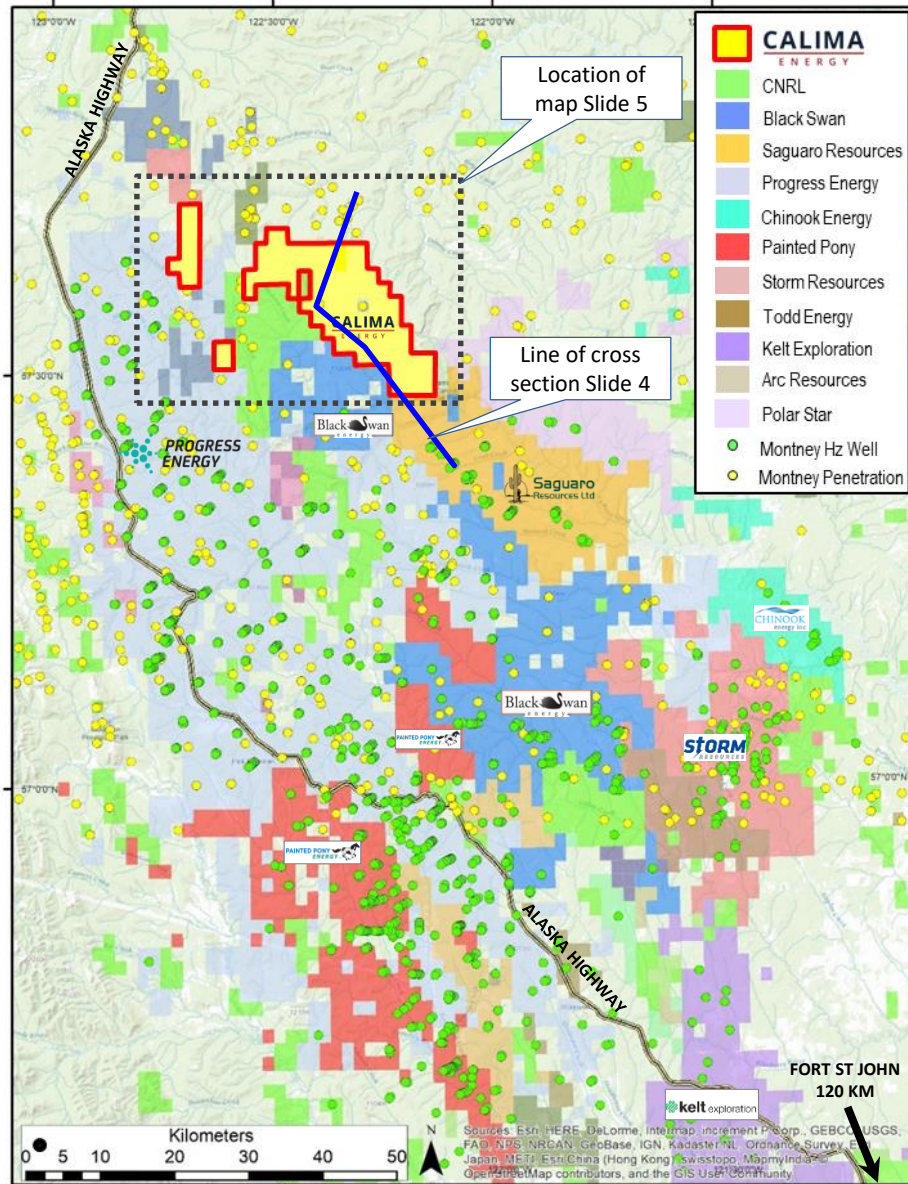


- Covers 130,000 km<sup>2</sup> of British Columbia and Alberta.
- Estimated remaining 449 Tcf of gas, 14.4 bn bbls of condensate and 1.1 bn bbls of oil<sup>(1)</sup>.
- The most active oil and gas play in Canada with C\$5.2 Bn in investment last year rising to C\$7.5 Bn by 2022<sup>(2)</sup>.
- Current production is 6.3 bcfed (including 247,000 bbl/d condensate and other liquids) which is predicted to more than double by 2022<sup>(2)</sup>.
- Siltstone - delivers better productivity than shale plays.
- Ideal rock properties for fracture stimulation - results in enhanced productivity.
- Thicker than most other unconventional plays (200-300m) - allows for multi-layer completions from one surface location.
- Breakeven costs in the liquids rich window of the Montney play (US\$1.69/mcfe) are amongst the most competitive in North America, delivering excellent returns at current prices<sup>(2)</sup>.

(1) *The Ultimate Potential For Unconventional Petroleum From The Montney Formation Of British Columbia and Alberta, National Energy Board, November 2013*

(2) *Wood Mackenzie Unconventional Service, Montney Key Play Report, April 2017*

# MONTNEY POSITION – CALIMA LANDS

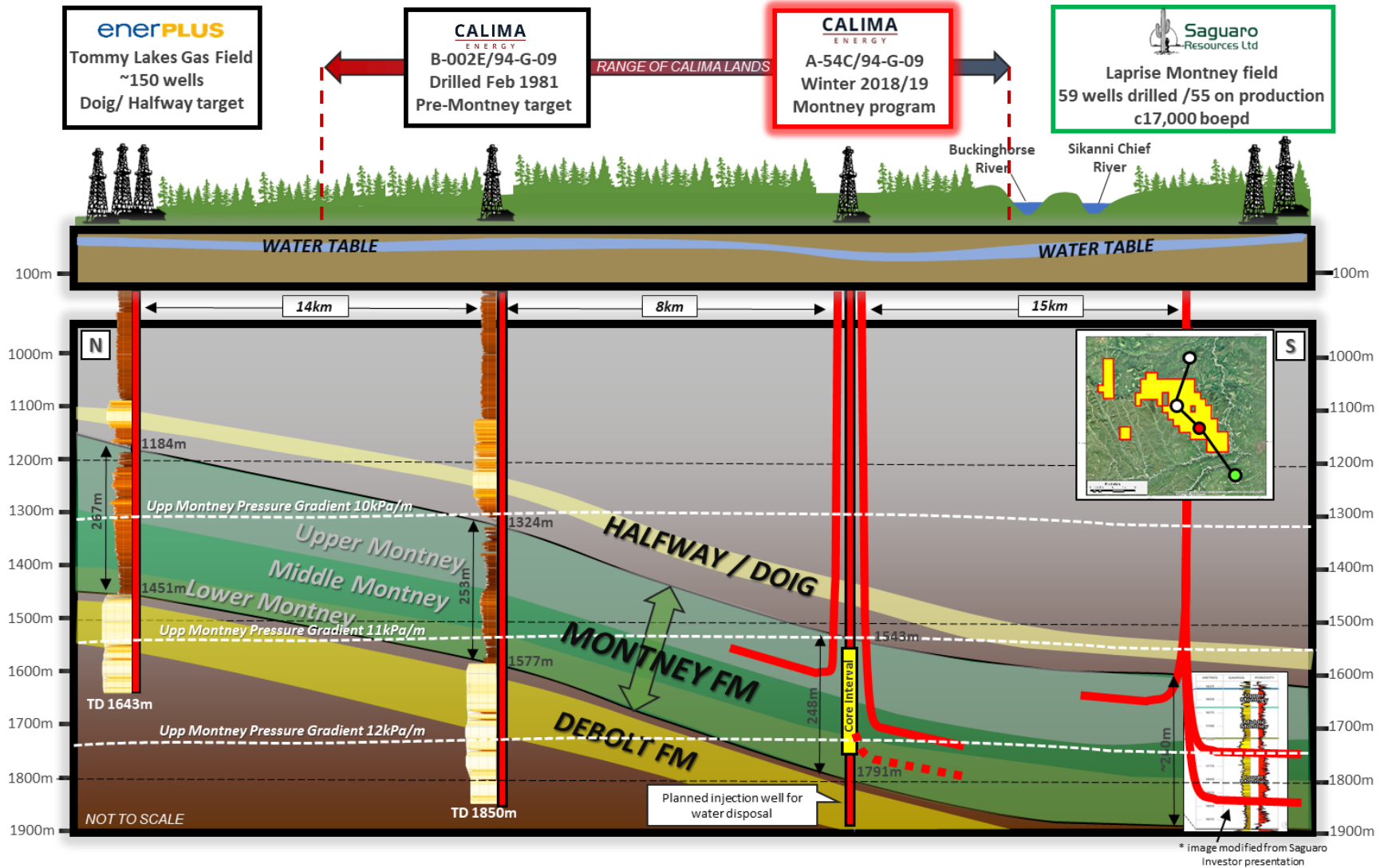


- Calima has an interest in 72,000 acres of drilling rights in Northeast British Columbia - The Calima Lands.
- Independent geological report by McDaniel & Associates <sup>(1)</sup> confirms that the Calima Lands will be rich in condensate and that the land being developed by an adjacent Operator, Saguario Resources, is a valid analogue.
- Saguario Lands acquired for C\$1,100 per acre.
- Calima Lands acquired for C\$130 per acre.
- Saguario independent reserve report has Proved plus Probable (2P) based on 353 well locations of 400 MMBOE.
- Calima independent report has gross prospective resource<sup>(2)</sup> based on 400 well locations of 475 MMBOE (2.16 Tcf & 114.42 Mmbbl liquids).

<sup>(1)</sup> Appendix 1

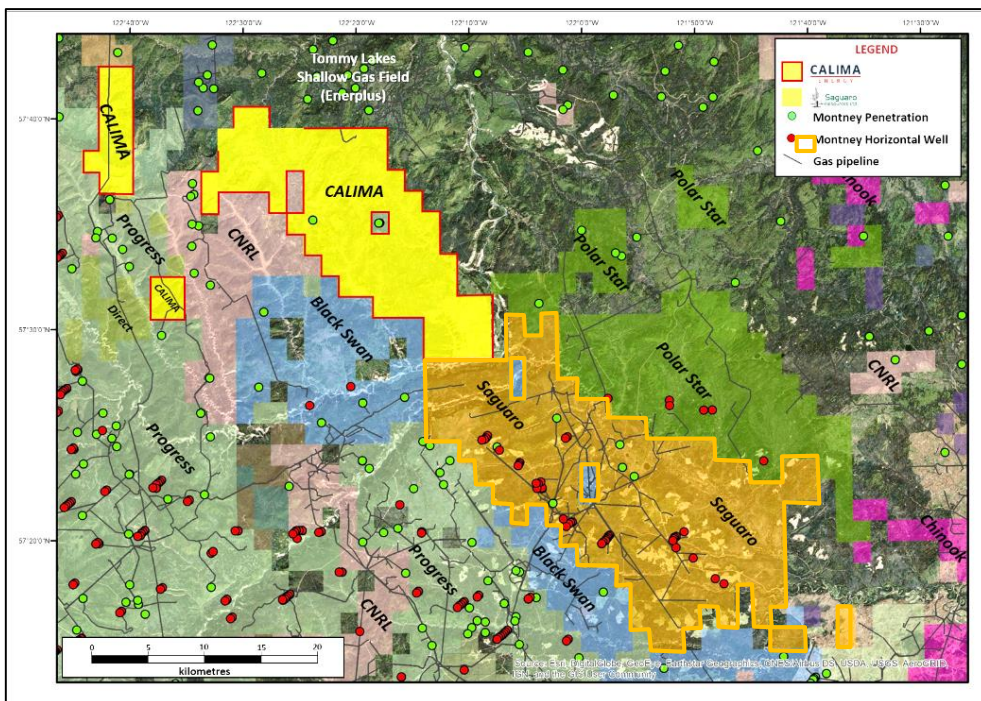
<sup>(2)</sup> Based on 100% project ownership. Calima has the right to acquire 55% of the project. Further details in Appendix 2

# CROSS SECTION



- The Calima Lands lie immediately to the north of the land being successfully developed by Saguario Resources.
- Production from the Tommy Lakes field to the north is conventional production from the Halfway/Doig Formations.

# SAGUARO RESOURCES (1,2) – OFFSET ACTIVITY & ANALOGUE



- Independent geological audit confirms that Saguario is a valid analogue for Calima Lands.
- Saguario Resources has drilling and production rights covering 110,000 acres along geological trend and adjoining the Calima Lands.
- Funded via C\$444mm equity investment supplemented by C\$190mm of debt.
- More than C\$500mm invested in land acquisition, drilling c. 50 wells and infrastructure.
- Year end 2017 production >16,600 Boepd.
- Planning to drill 36 wells in 2018 to exceed 25,000 Boepd.
- Liquids rich yield of 52 bbls/mmcf of which c. 70% is condensate.
- Liquids account for 60% of revenue (50% from condensate).
- Q3 17 netback \$11.83 per Boe.
- Estimated Ultimate Recoveries (EUR) per well trending towards 8 Bcf which delivers a single well IRR of >80%.

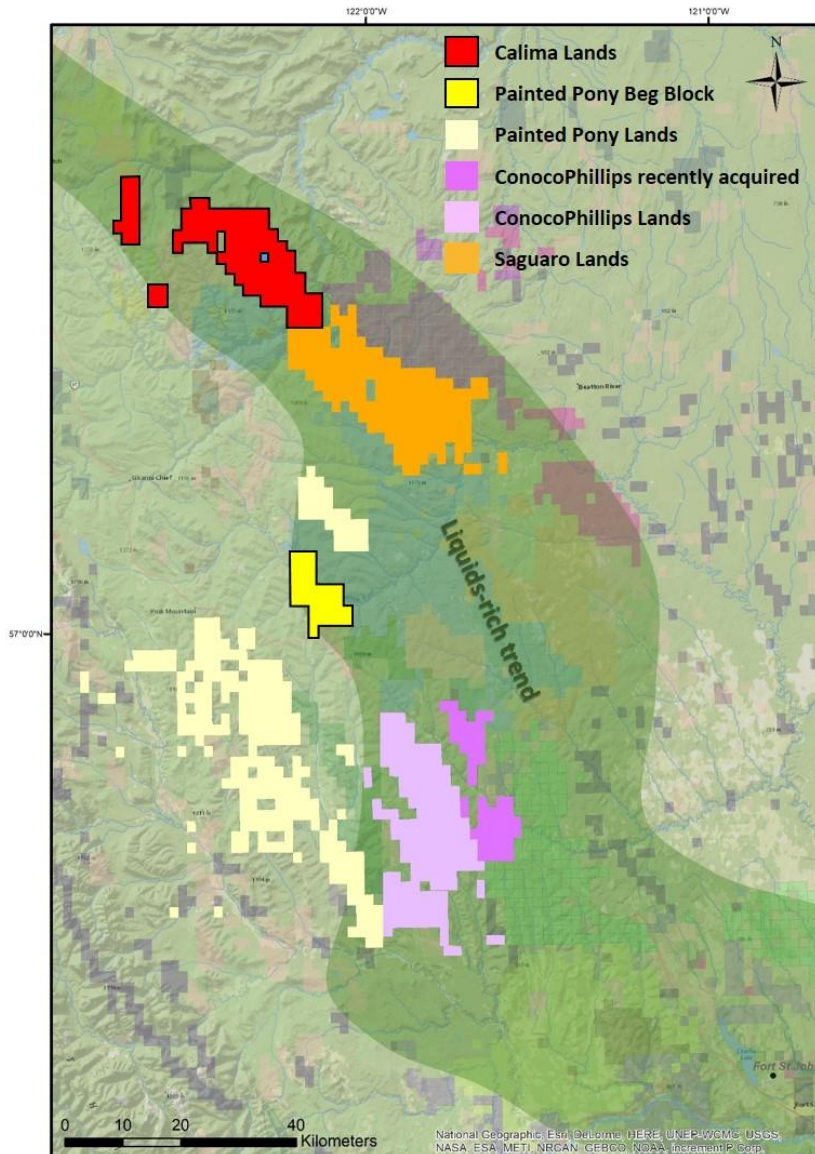
Saguaro Resources January, 2018 <sup>(1)</sup>	Proved Developed Producing (PDP)	Total Proved (1P)	Total Proved Plus Probable (2P)
Total Reserves (Mmboe)	24.50	140.72	400.37
NPV10 (BT \$MM)	\$276	\$1,129	\$2,968
NPV10 (BT \$/Boe)	\$11.27	\$8.02	\$7.41
<b>F&amp;D (Incl FDC) (\$/Boe)</b>	<b>\$10.74</b>	<b>\$5.27</b>	<b>\$3.60</b>
<b>FD&amp;A (Incl FDC) (\$/Boe)</b>	<b>\$10.81</b>	<b>\$5.29</b>	<b>\$3.61</b>
<b>Locations<sup>3</sup></b>	<b>43</b>	<b>169</b>	<b>353</b>

(1) Saguario Resources, Corporate Presentation, January 2018. [www.saguaroresources.com](http://www.saguaroresources.com)

(2) An Emerging NEBC Montney Player; Introducing Saguario Resources & Lapsrise, Cormark Securities Inc., Research Note, July 13, 2017

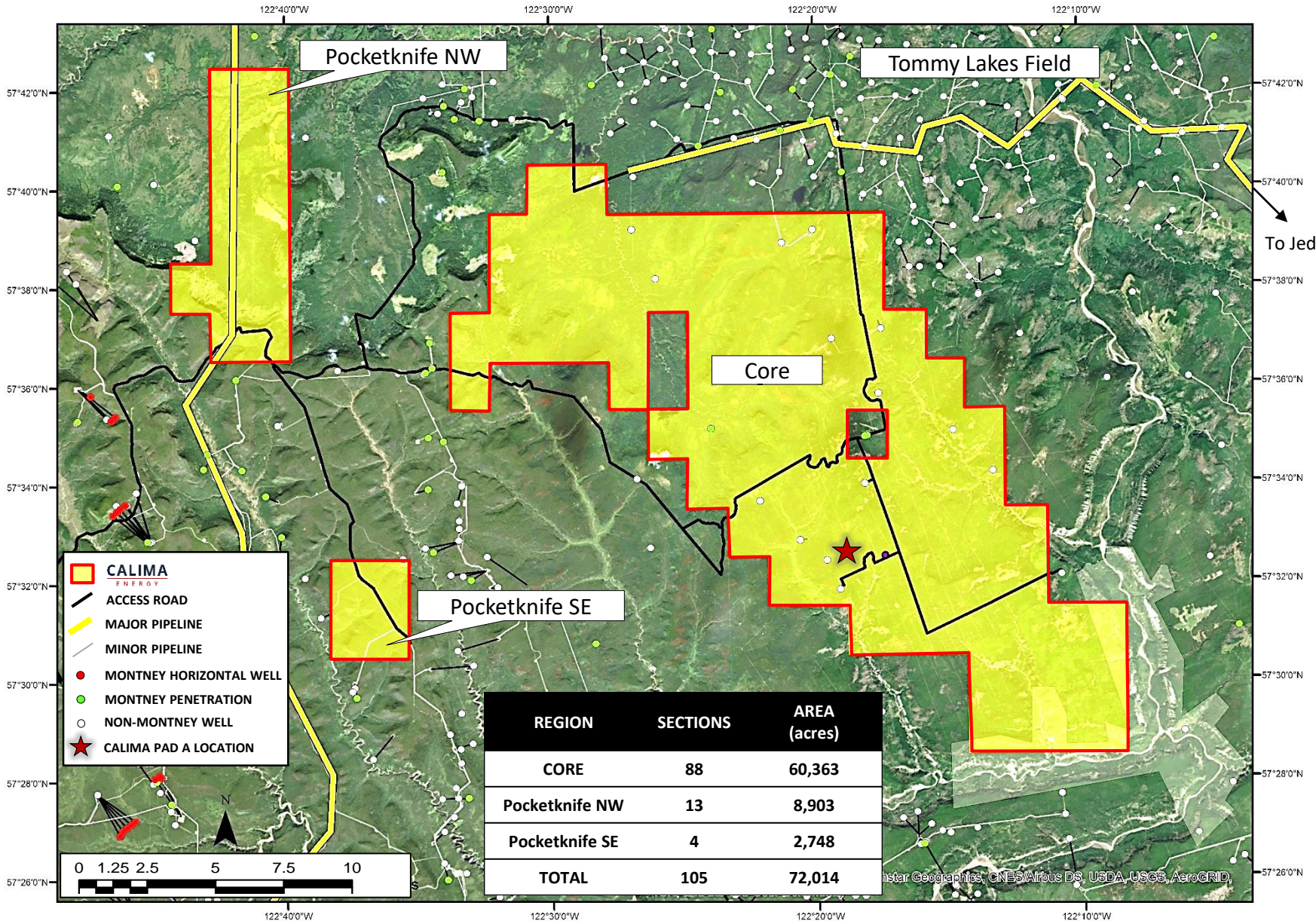
(3) Montney locations refers to the number of wells used in the reserves estimate

## OFFSET ACTIVITY - RECENT NEWSFLOW



- The weighted average price of undeveloped Montney land during 2017 was C\$3,700 per acre.
- Conoco/Phillips recently acquired 35,000 acres of undeveloped Montney land 65 km to the south of the Calima Lands for a consideration of C\$4,400 per acre.
- Conoco plans to drill 14 wells and management noted that the acquisition should be very competitive from a full-cycle cost of supply perspective.
- Painted Pony recently completed a 2,267 m horizontal well in the Upper Montney on the Beg Block 40 km south of the Calima Lands. The well flowed on test at a rate of 10 mmcf/d of gas and 360 bbl/d of liquids.
- According to press reports Shell remain on track to take a final investment decision (FID) on the Kitimat LNG project before the end of the year.
- This and several other LNG projects proposed for the west coast of Canada will be supplied primarily from the Montney.
- Progress Energy Canada (Petronas) divested their Alberta Deep Basin assets in February and stated that they plan to use the proceeds to grow their North Montney assets which lie immediately to the east of the Calima Lands.

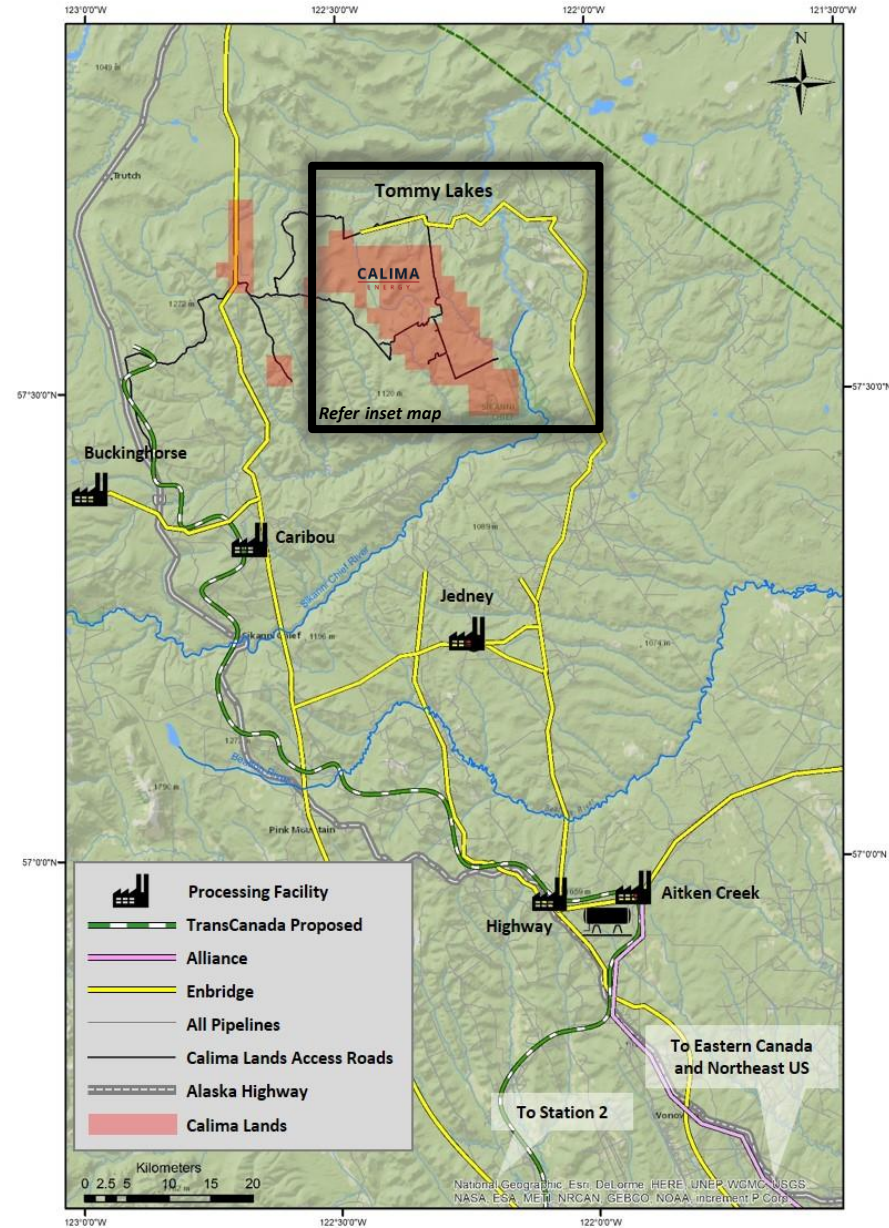
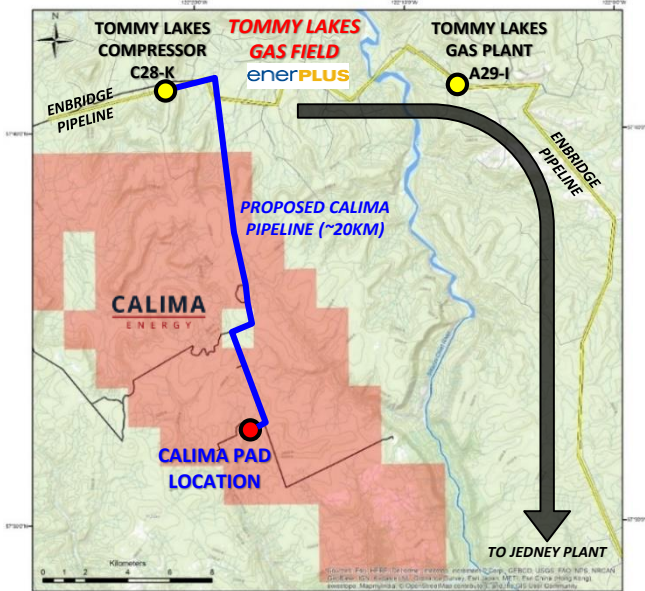
# CALIMA LANDS – DRILLING LEASES





# GOOD LOCATION FOR PIPELINE & INFRASTRUCTURE

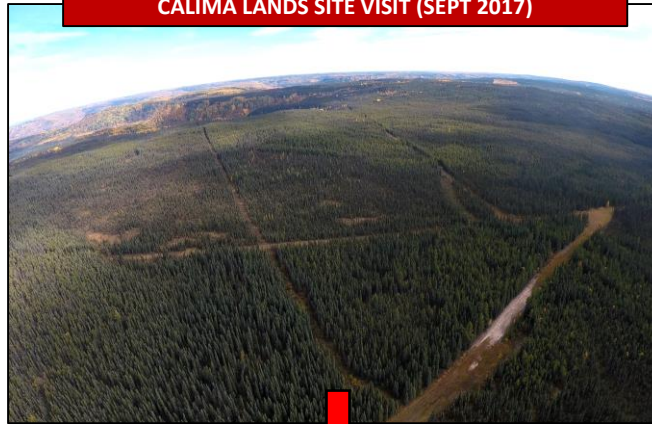
- Immediate takeaway capacity exists to **the north towards the Tommy Lakes Field operated by Enerplus**. Tommy Lakes production goes through Jedney to Highway via Enbridge.
- The **Enbridge T-North** line (west of Calima Lands) has available firm capacity for processed gas. Enbridge has scheduled de-bottlenecking projects to increase gas flow to Station 2.
- **TransCanada** applied to amend their NEB approval to allow the Montney North line to be built as far north as the Aitken Creek station - independent of an LNG plant decision. TransCanada have almost completed their 2017 NGTL system expansion project (C\$2.4Bn) to increase gas flow across their system.
- In March 2018, **Alliance** announced an open season for an expansion of 400MMscf/d for an in-service date of November 2021.
- The **Keyera** Caribou plant is currently shut-in although Calima is aware of discussions to re-activate the plant with other area operators.
- Area operators are continually collaborating for innovative mid-stream solutions in the NEBC region



# MILESTONES & ACTIVITY – AHEAD OF TARGETS

- Operational planning ahead of schedule.
- Initial geoscience evaluation completed.
- McDaniel & Associates independent Prospective Resource report completed.
- Drilling location identified
- Well design optimised to capture dramatic increases in recovery and productivity.
- Created flexible drilling programme linked to availability of capital.
- Negotiations regarding access to pipeline infrastructure underway.
- All necessary government approvals have been granted by BC authorities.
- Site clearing completed in Feb 2018.
- Frac water source pipeline survey completed in March 2018.

CALIMA LANDS SITE VISIT (SEPT 2017)



SITE CLEARING (FEB 2018)



SURVEY TEAM SCOUTING (NOV 2017)



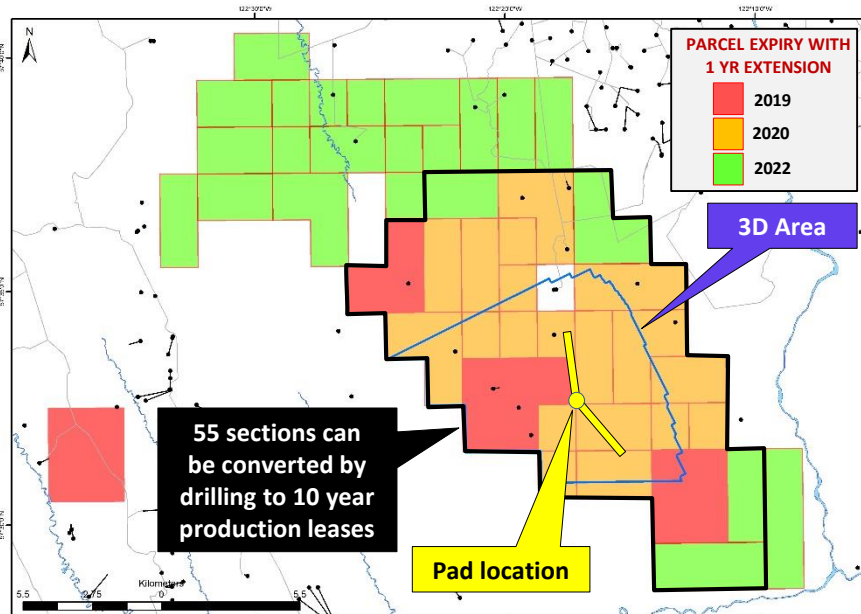
WATER SOURCE OPTIONS & WINTER ACCESS (JAN 2018)



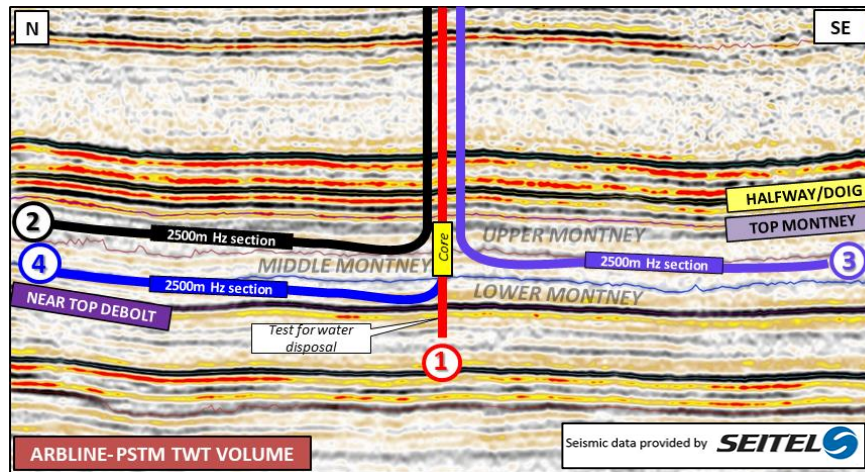
ROAD CLEARING (FEB 2018)



# 2018/19 WINTER WORK PROGRAMME



ACTIVITY	CAD\$M
G&G	\$0.62
G&A	\$1.60
ACCESS/SITE CONSTRUCTION	\$1.70
ALL SEASON ROAD ACCESS	\$7.0
WATER MANAGEMENT	\$1.62
DRILLING/CORING – INJECTOR WELL	\$1.46
DRILLING – HORIZONTALS @ \$2.2M/well	\$6.59
COMPLETION - INJECTOR WELL	\$0.25
COMPLETIONS – HORIZONTALS @\$4.7/well	\$14.1
PIPELINE TIE-IN	\$7.0
PRODUCTION FACILITY	\$2.95
DISPOSAL EQUIPMENT	\$0.5
<b>TOTAL</b>	<b>\$45.48</b>



Seismic image not for distribution

## Base Case – C\$22 million

- 1x vertical well
- 2x horizontal well
- Short term test

## Mid Case – C\$31 million

- 1 x vertical well
- 2x horizontal Well
- Pipeline & long term test

## Best Case – C\$46 million

- 1 x vertical well
- 3x Horizontal Well
- All weather road access
- Pipeline & long term test

- Experienced management team aligned with shareholders
- A buy, develop and monetise strategy in one of the most attractive resource plays in North America
- Low technical risk with excellent upside



- Un-risked prospective resource<sup>(1)</sup> – 2.16 Tcf of gas and 114.4 Mmdbl of liquids.
- In a stable jurisdiction where deals are done and capital available
- Significant potential for valuation arbitrage

(1) Appendix 2

# CALIMA

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## ENERGY

CALIMA  
ENERGY



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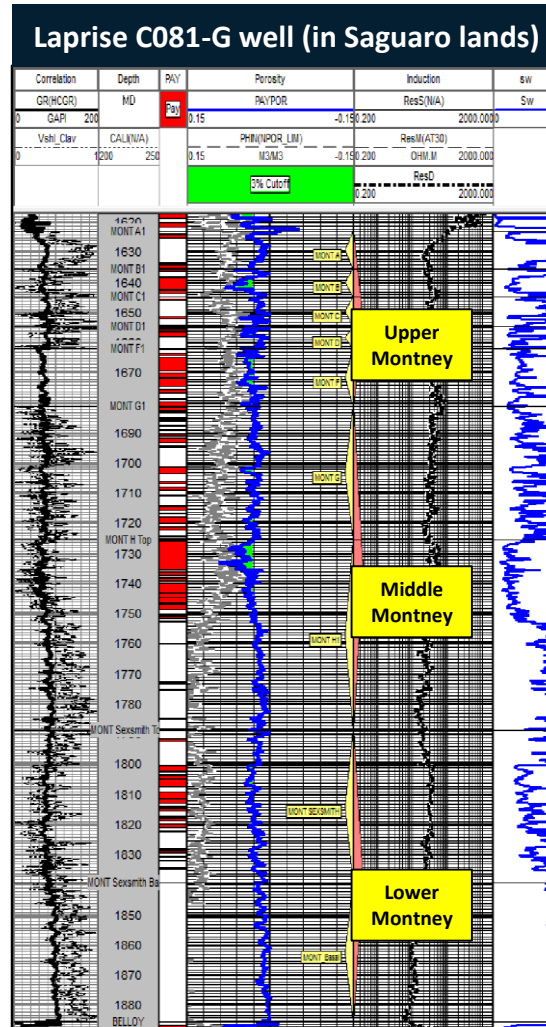
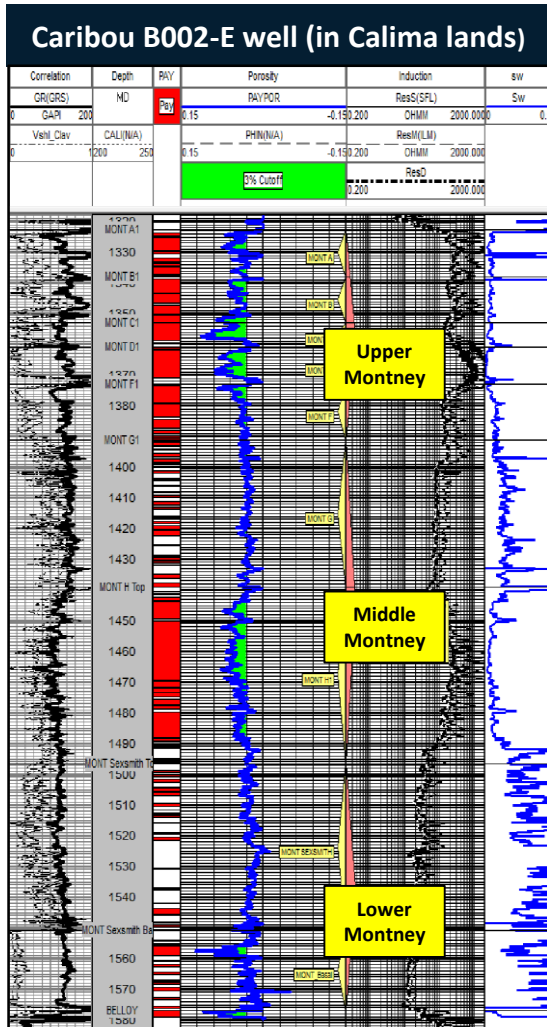


<https://twitter.com/CalimaEnergy>



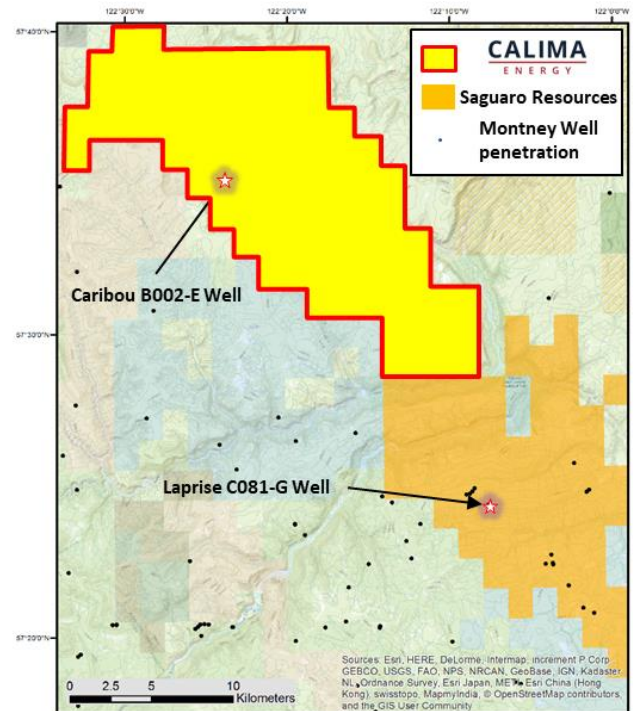
<http://linkedin.com/company/calima-energy.com>

# APPENDIX 1 - SAGUARO RESOURCES – THE ANALOGUE



In July 2017, McDaniel & Associates Consultants Limited (McDaniel) provided a geological audit and review of offsetting competitor production for the Montney Formation on the Calima lands in the Caribou Area.

*Calima expects wells drilled in its lands will deliver similar performance to those drilled by Saguaro.*



- Log data from a well in the Calima Lands (Caribou B002-E) and a well in the adjacent Saguaro lands (Laprise C081-G) used by McDaniel to compare reservoir parameters. Red flag denotes pay zone. A full copy of the McDaniel report can be obtained from the Company website ([www.calimaenergy.com](http://www.calimaenergy.com))

## APPENDIX 1 - SAGUARO RESOURCES – THE ANALOGUE

### Upper Montney

Well ID	Top (m)	Pay (m)	Porosity (%)	Water Saturation (%)	Gradient (kPa/metre)	Temperature (Celsius)	Pressure (kPa)	Compressibility (Z-factor)	Illustrative Gas in Place (Bcf/sq mile)
Calima 200	1332.6	55.5	5.2	15	11.5	42	15,209	0.764	<b>40.0</b>
Saguaro 202	1622.7	26.4	4.2	17	13	52	21,096	0.805	<b>19.2</b>

### Middle Montney

Well ID	Top (m)	Pay (m)	Porosity (%)	Water Saturation (%)	Gradient (kPa/metre)	Temperature (Celsius)	Pressure (kPa)	Compressibility (Z-factor)	Illustrative Gas in Place (Bcf/sq mile)
Calima 200	1391.2	63.3	4.5	15	11.5	45	15,998	0.771	<b>40.9</b>
Saguaro 202	1680.9	37.1	4.1	16	13	54	21,851	0.814	<b>27.1</b>

### Lower Montney

Well ID	Top (m)	Pay (m)	Porosity (%)	Water Saturation (%)	Gradient (kPa/metre)	Temperature (Celsius)	Pressure (kPa)	Compressibility (Z-factor)	Illustrative Gas in Place (Bcf/sq mile)
Calima 200	1496.5	21.2	4.3	26	11.5	48	17,209	0.780	<b>12.0</b>
Saguaro 202	1788.4	16.1	3.5	23	13	57	23,249	0.830	<b>9.5</b>

The following extract from the McDaniel report describes the comparison of a well in the Calima Lands with a well in the Saguaro lands;

- *“The Middle and Upper Montney reservoirs on Calima acreage compare favourably to what has recently and is currently being developed by Saguaro to the south.*
- *Pay thickness and average porosity are both higher in the Caribou Area.*
- *The biggest difference between the Caribou and Laprise areas is the reservoir depth, the Montney Formation at Laprise is roughly 300 m deeper than Caribou, which would explain the difference in porosity as the zone is at a lower burial depth and likely has seen less compaction.”*

A copy of the McDaniel report can be obtained from the Company website ([www.calimaenergy.com](http://www.calimaenergy.com))

## APPENDIX 2 - RESOURCE AUDIT BY McDANIEL & ASSOCIATES (1)

	<b>Calima Lands 100%</b>
Natural Gas (Tcf)	2.16
Condensate (Mmbbl)	54.20
Natural Gas Liquids <sup>2</sup> (Mmbbl)	60.22
<b>Total Liquids (Mmbbl)<sup>3</sup></b>	<b>114.42</b>
<b>TOTAL (Mmboe)<sup>4</sup></b>	<b>475.79</b>

### BEST ESTIMATE UNRISKED PROSPECTIVE RESOURCES <sup>1,5</sup>

- McDaniel estimates based on 400 locations using 70% of available drainage area.
- Assumes a two layer development of Upper and Lower Montney whereas Saguario are developing three layers into the Upper Middle and Lower Montney.
- Estimated ultimate recovery (EUR) from individual wells; 6.8 Bcf Upper Montney and 5.6 Bcf Lower Montney.
- Saguario EUR's now trending towards 8 Bcf.
- Calima Lands are of sufficient scale to warrant standalone development.
- Drilling at the end of the year should elevate some of these prospective resources to reserves and contingent resources.
- Calima currently has the right to earn up to 55% of the Calima Lands as part of a farmin agreement<sup>6</sup>.

(1) ASX announcement dated March 13<sup>th</sup> 2018

(2) Natural Gas Liquids (propane and butane) volumes do not include Condensate.

(3) Sum of Condensate and Natural Gas Liquids. Based on public domain data and the results of wells drilled on adjacent land McDaniel estimate that the average condensate to gas ratio for wells in the Calima Lands would be 23 bbl/MMcf (wellhead condensate/gas ratio). Additional liquids would be stripped from the gas upon processing. The adjacent Operator, Saguario, recovers more than 50 bbl/MMcf after processing and obtains more than 50% of its revenue from condensate and other natural gas liquids. (Saguario Resources Ltd. Investor Presentation, January 2018)

(4) Barrels of Oil Equivalent based on 6:1 for Natural Gas, 1:1 for Condensate and C5+, 1:1 for Ethane, 1:1 for Propane, 1:1 for Butanes. BOE's may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

(5) Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discover and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The project maturity sub-class is Prospect which means that the project is regarded as sufficiently well defined to represent a viable drilling target.

(6) Company has the right to acquire up to 55% of the Calima Lands pursuant to a farmin agreement with TSV-Montney Ltd and TMK-Montney Ltd. Details of the farmin agreement were announced in the Company Prospectus dated June 30, 2017.



## APPENDIX 3 - CALIMA BOARD & MANAGEMENT

### **Alan Stein**

#### Managing Director

Dr Stein has more than 25 years' experience in the international oil and gas industry. He was one of the founding partners of the geoscience consultancy IKODA Limited based in London and Perth and was the founding Managing Director of Fusion Oil & Gas plc and Ophir Energy plc.

Dr Stein is currently the Non-Executive Chairman of Hanno Resources Ltd and Sea Captaur Limited and is a Non-Executive Director of Bahari Holding Company Limited.

### **Glenn Whiddon**

#### Chairman

Mr Whiddon has an extensive background in equity capital markets, banking and corporate advisory, with a specific focus on natural resources. Glenn holds a degree in Economics and has extensive corporate and management experience. He is currently Director of a number of Australian and international public listed companies in the resources sector.

Mr Whiddon was formerly Executive Chairman, Chief Executive Officer and President of Grove Energy Limited, a European and Mediterranean oil and gas exploration and development company, with operations in Italy, Romania, Slovenia, Tunisia and the UK and Dutch North Seas.

Mr Whiddon is currently a director of Auroch Minerals Limited, Statesman Resources Limited and Fraser Range Metals Group Limited.

### **Jonathan Taylor**

#### Technical Director

Mr Taylor has more than 25 years' experience in the international oil and gas industry. He started his career with Amerada Hess in the UK before moving to Clyde Petroleum plc. He relocated to Perth in 1998 to take up the role of Technical Director at Fusion Oil & Gas plc. Following the sale of Fusion, Mr Taylor, together with Dr Alan Stein, was one of the two founding executive directors of Ophir Energy plc serving initially as its Technical Director.

Mr Taylor is currently a non-executive director of Octant Petroleum, Helium One Limited and Citra Partners Ltd.

### **Neil Hackett**

#### Non-Executive Director

#### Member of the Audit & Risk Committee & Remuneration Committee

Mr Hackett holds a Bachelor of Economics from the University of Western Australia, Post-graduate qualifications in Applied Finance and Investment, and is a Graduate (Order of Merit) with the Australian Institute of Company Directors.

Mr Hackett is currently Non-executive Chairman of Australian Securities Exchange listed entity Ardiden Ltd (ADV), and previous NED of African Chrome Fields Ltd (ACF), Modun Resources Ltd (MOU) and has held various ASX Company Secretary positions including Sundance Resources Ltd, Ampella Mining Ltd, and ThinkSmart Ltd. Mr Hackett is currently Chairman of WA State Government peak cycling organisation West Cycle Inc and company secretary of industrial footwear manufacturer Steel Blue Pty Ltd.

## APPENDIX 3 - CALIMA BOARD & MANAGEMENT

### **Mike Dobovich**

Country Manager (Canada)

Mr Dobovich has over 20 years of experience in the oil and gas industry in Canada and the US. A graduate of the Land Acquisition and Management program of Olds College, he has been involved in the development and operations of onshore oil and gas plays, SAGD oil sands as well as offshore exploration. Mr. Dobovich has extensive experience in Stakeholder and Aboriginal Engagement as well as Regulatory and Environmental process in multiple jurisdictions. He recently held a position on the Senior Leadership Team of Statoil Canada as the Head of Safety and Sustainability.

### **Aaron Bauer**

Operations Manager (Canada)

Mr Bauer is an engineer with more than 15 years of drilling and completions experience in the Montney and other resource plays in Canada. He has worked for large companies such as Caltex and Burlington Resources as well as West Valley Energy, a private equity funded start-up where he was VP Operations involved in all aspects of business development including commercial modelling and scenario planning.

### **Justin Norris**

Montney Sub-Surface Project Leader

Mr Norris is a geophysicist with over 20 years of experience in the international oil and gas industry across a wide variety of jurisdictions and geological regions. He entered the industry as a Schlumberger graduate and had several international postings before leaving the service industry. Mr Norris took up the role of chief geophysicist at Fusion Oil & Gas plc and Ophir Energy plc and headed Ophir's New Ventures team in London.

Justin is a member of the Society of Exploration Geophysics (SEG), Petroleum Exploration Society of Great Britain (PESGB), European Association of Geoscientists and Engineers (EAGE) and the American Association of Petroleum Geologists (AAPG).

## APPENDIX 4 – HAVOC PARTNERS

In May 2017 the five founding partners of Havoc Partners LLP (Havoc) all joined the management team of the Company. Alan Stein and Jonathan Taylor joined the Board as Managing Director and Technical Director respectively and the three remaining partners; Richard Higgins, Justin Norris and Mark Sofield fulfil technical and commercial management functions.

Havoc is a natural resources investment company focused on oil and gas, precious- and base-metals and strategic noble gases. The five founding partners of Havoc are geoscientists who have worked together for more than 16 years and collectively have more than 100 years of international upstream experience. Havoc was established to provide a platform to deploy the expertise and relationships of the partners in making direct and indirect investments in the natural resources sector with an emphasis on oil and gas.

The partners were the founders of AIM listed Fusion Oil & Gas plc which made several discoveries offshore Mauritania and then were the founders of Ophir Energy plc which made discoveries offshore Equatorial Guinea and Tanzania. When it listed on the LSE in 2011 Ophir was the biggest ever E&P IPO in London at the time and was the most successful float of the year.

The Havoc team took Ophir from a small exploration focused African player to a c. £1.9 Bn FTSE 250 company with contingent resources in excess of 1 bn bbls; one of the most successful growth stories of the African E&P players.

[www.havocpartners.com](http://www.havocpartners.com)



UK AIM listed

**Mauritania**

Chinguetti, Banda and Tevet.



UK LSE listed

**Equatorial Guinea**

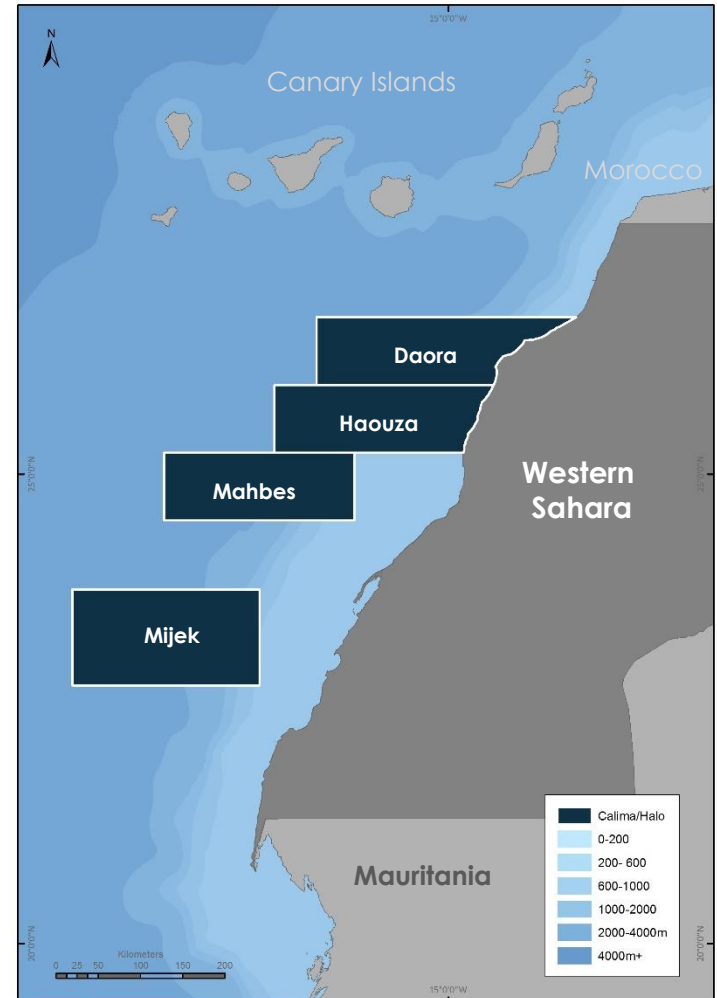
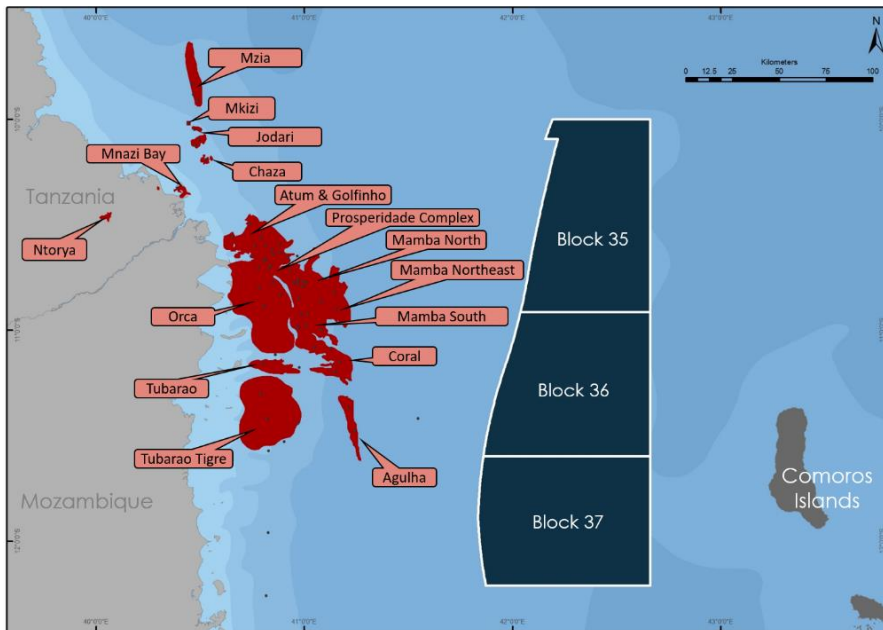
Fortuna, Silenus, Viscata, Tonel and Lykos.

**Tanzania**

Jodari, Mzia, Pweza, Taachui, Kamba, Mkizi, Chewa, Papa and Chaza.

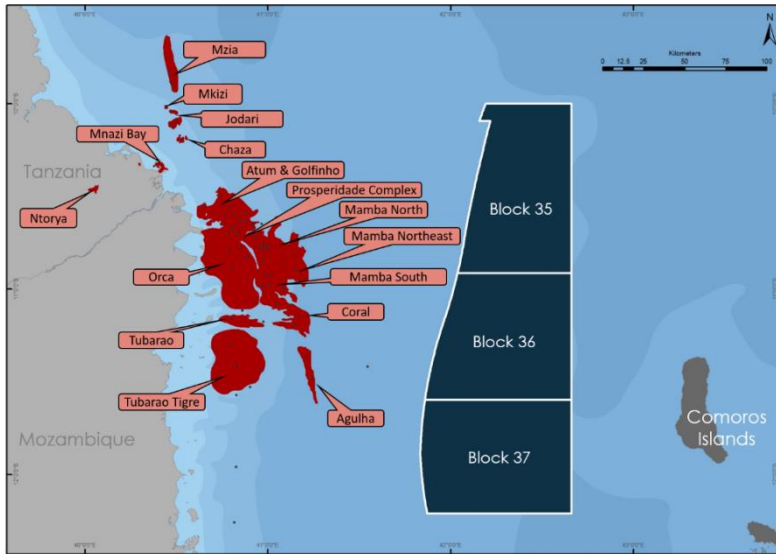
## APPENDIX 5 – PORTFOLIO ASSETS

- As part of the transaction announced on May 1<sup>st</sup> 2017 Calima acquired certain other assets from Havoc Partners LLP.
- Bahari Holding Company Limited (10% shareholding) – Bahari has exploration interests offshore Comoros in East Africa.
- Western Sahara (50% interest in 4 PSCs) – Calima has interests in 4 PSCs subject to resolution of a sovereignty dispute.
- These are passive investments which do not currently require any capital investment from Calima.

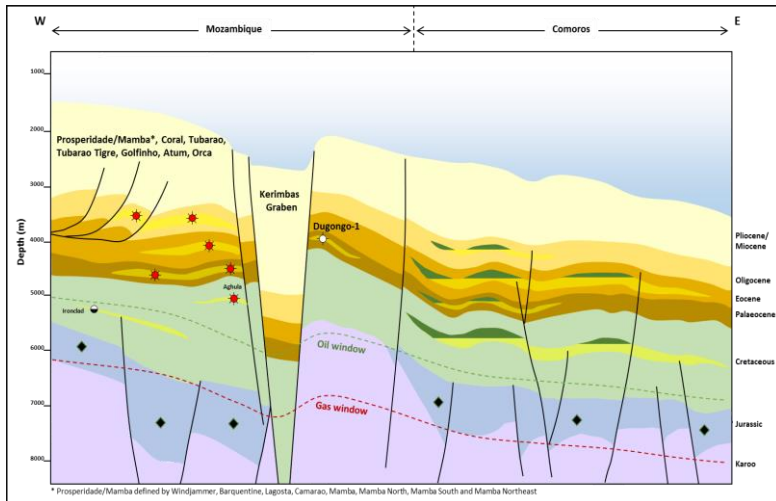


*For further information regarding either asset please refer to Appendix 2 of the Corporate Presentation dated April 2017 which is available from [www.calimaenergy.com](http://www.calimaenergy.com)*

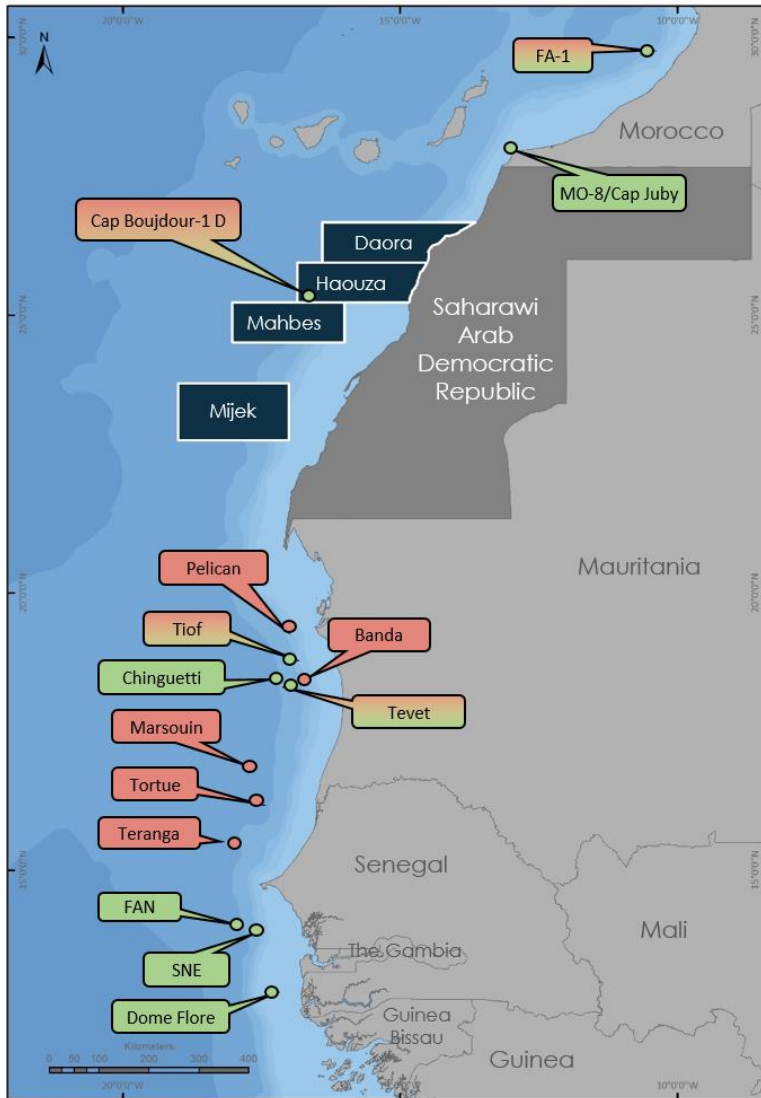
## APPENDIX 5 CONTD. – COMOROS, EAST AFRICA



- Calima owns 10% of the issued share capital of Bahari Holding Company Limited (Bahari), a private Guernsey registered company that owns 40% of three production sharing contracts (PSCs) in the offshore territory of the Union of the Comoros.
- The PSCs lie immediately adjacent to the border with Mozambique and a short distance from the giant gas discoveries made by Eni and Anadarko, who have discovered more than 175 Tcf of natural gas.
- Ground breaking research by Bahari has demonstrated that the petroleum system in the Comoros is identical to that in Mozambique, however, the primary source rocks have been less deeply buried and are considered to be prospective for oil rather than gas.
- Tar strandings recovered by Bahari from beaches in the Comoros have been sourced from the same Lower Jurassic oil-prone source rocks that have been proven in Tanzania and elsewhere in East Africa.
- The Calima management team were involved in the first offshore gas discoveries in Tanzania and have extensive experience in East Africa.
- East Africa is probably the largest new offshore hydrocarbon province of the 21<sup>st</sup> Century.



## APPENDIX 5 CONTD. – WESTERN SAHARA, WEST AFRICA



- Calima owns 50% of four offshore Production Sharing Contracts (PSCs) awarded by the Saharawi Arab Democratic Republic (SADR), which is more commonly known as Western Sahara.
- The rights to the PSCs are held via Assurance Agreements which convert automatically into PSCs once the UN recognises the SADR as a sovereign state.
- At present a significant part of the SADR, including the offshore, is occupied by Morocco and until such time as there is a resolution to the sovereignty dispute, Calima cannot undertake exploration activity.
- Recent exploration success in Senegal and Mauritania has resulted in increased industry interest in Northwest Africa as evidenced by recent transactions by BP, Woodside and CNOOC, who have all acquired acreage positions.
- The Calima management team were involved in the first offshore oil discoveries in Mauritania and have extensive experience along the Northwest African margin.
- Northwest Africa is probably the second largest new offshore hydrocarbon province of the 21<sup>st</sup> Century after East Africa.

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