



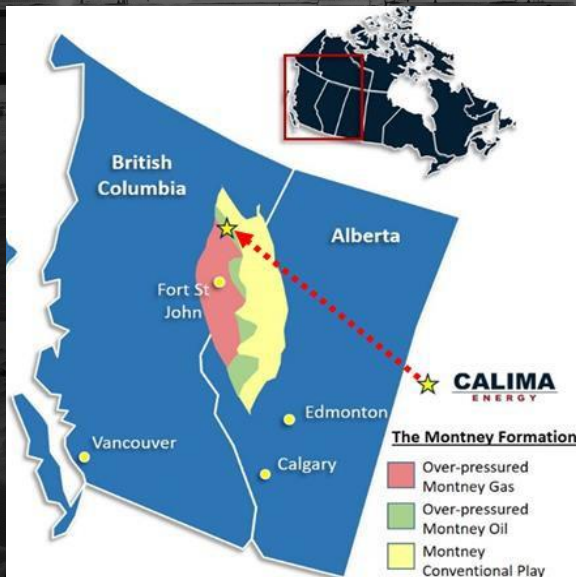
CALIMA

ENERGY

GOOD OIL CONFERENCE
SEPTEMBER 2019

Calima Energy

Calima Energy (CE1) is an ASX listed oil and gas company with its primary assets in the Montney Formation in British Columbia, Canada.



ABOUT CALIMA

- **Acreage** - CE1 owns and operates 100% interest in 72,000 acres of drilling rights in British Columbia
- **2019 Resource Update⁽¹⁾** – McDaniel revises Best estimate gross-unrisked **prospective resources of 497.3 Mmboe** plus maiden **contingent resources of 196.1 Mmboe**
- **Leases** - Three wells in 2019, allowed CE1 to convert **60% of its core acreage to 10-year production leases**
- **Top Quartile** - Initial production test results rank in the top quartile of peer group Montney wells (1,640boe/d)

CAPITAL STRUCTURE

• Ordinary Shares	2,156M
• Perf. Related Securities ⁽²⁾	68.3 M
• Market Capitalisation ⁽³⁾	\$21.5 M
• Cash & Securities ⁽⁴⁾	\$5.6 M

SHAREHOLDERS

• Institutions	15%
• Board/Management/Founders	14%
• Tribeca Inv. Partners	7%

(1) ASX Announcement 8th July 2019 and Appendix One

(2) See the Appendix 3B announcement dated 5 July 2019. Includes performance shares, performance rights and options on issue of which Management own 81%

(3) Based on the closing price on 9 Sept 2019

(4) Includes completion of placement, rights issue, receipt of proceeds of Namibia interests and net of outstanding payables as outlined in the Rights Issue Offer document 1 July 2019

Board & Management

The Calima Board and Senior Management comprise a highly successful and experienced team with a history of generating shareholder value.

MANAGEMENT

Mike Dobovich
Country Manager (Canada)

Aaron Bauer
Operations Manager (Canada)

Ed Mason
Corporate Advisor

Mark Freeman
CFO/Business Development

BOARD OF DIRECTORS

Alan Stein
Managing Director

Dr Stein has more than 30 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.

Glenn Whiddon
Chairman

Mr Whiddon has an extensive background in equity capital markets, banking and corporate advisory, with a specific focus on natural resources.. Formerly Executive Chairman of Grove Energy Limited. In 2002 Grove's Market capitalisation was less than C\$5 million. In April 2007, Grove was acquired by Stratic Energy Limited, a TSX-listed oil and gas company, for C\$150 million.

Jonathan Taylor
Technical Director

Mr Taylor has more than 30 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 Stein, was one of the two founding executive directors of Ophir Energy plc serving initially as its Technical Director.

Neil Hackett
Non-Executive Director

Mr Hackett is currently Non-executive Chairman of Australian Securities Exchange listed entity Ardiden Ltd (ADV), NED of Hastings Technology Metals Ltd (HAS) and previous NED of African Chrome Fields Ltd (ACF), Modun Resources Ltd (MOU) and has held various ASX Company Secretary positions including Sundance Resources, Ampella Mining, and ThinkSmart.

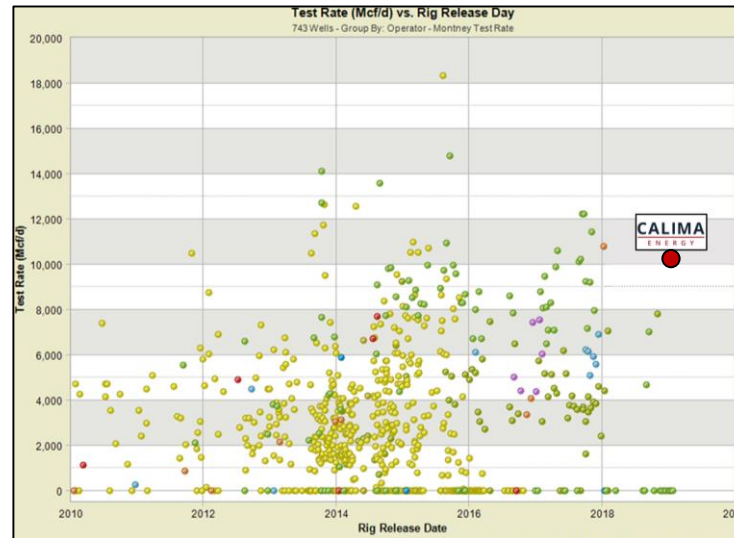
2019 Drilling - Exceeded Expectations

Calima – 2 & 3



(1) Drilling results ASX Announcement 30 May 2019

Production Test Results



- **Top quartile** performance relative to peer group
- Maximum gas rate **10.2 mmcf/d**
- After the initial clean out, Calima-2 condensate gas ratio (CGR) had **exceeded 40 bbl/mmc¹** and was climbing

In an independent review of Calima’s drilling results GLJ Petroleum Consultants noted;

“...Calima-2 well is likely to meet or exceed the performance of adjacent wells. This is true both in terms of overall production performance (such as gas production rate) and in terms of liquid yield.”

“...from the Calima-2 well, one can see that the total gas test rate from the Calima well compares favourably to other liquids-rich wells.”

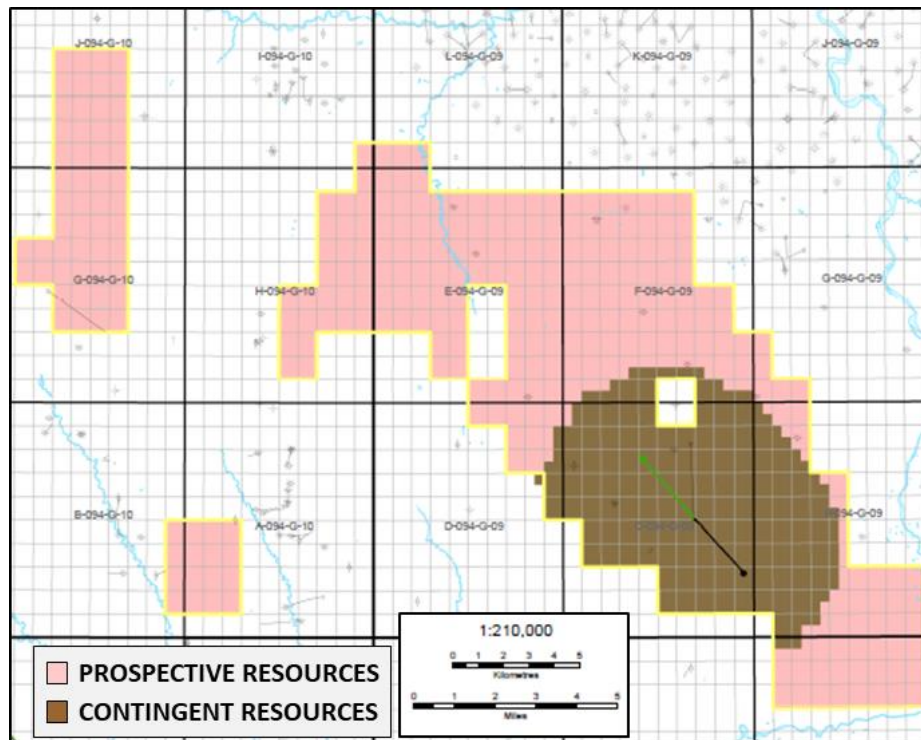
“...One can see that Calima’s focus on intense simulation helped the Calima-2 well to achieve above-average performance...”

July 2019 Independent Resource Update

2019 McDANIEL & ASSOCIATES BEST ESTIMATE GROSS UNRISKED **CONTINGENT** and **PROSPECTIVE RESOURCES** ^(1,6,7)

	Natural Gas (mmcf)	Condensate (mdbl)	Natural Gas Liquids ³ (mdbl)	TOTAL LIQUIDS ⁴ (mdbl)	TOTAL ⁵ mmboe
Contingent Resource (2C)⁶	904,897	20,115	25,136	45,251	196.1

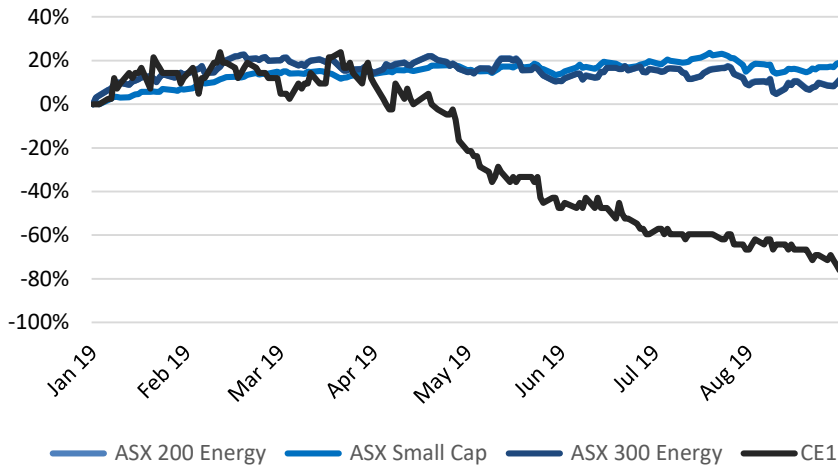
	Natural Gas (mmcf)	Condensate (mdbl)	Natural Gas Liquids ³ (mdbl)	TOTAL LIQUIDS ⁴ (mdbl)	TOTAL ⁵ mmboe
Prospective Resource (2U)⁷	2,295,070	51,017	63,752	114,769	497.3



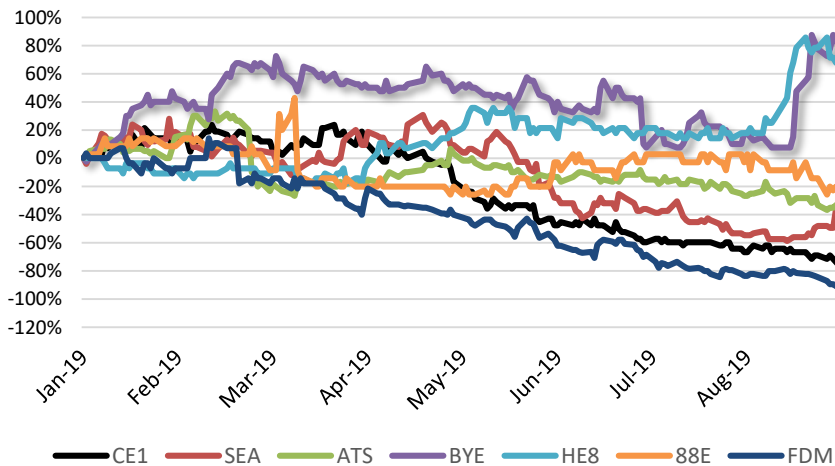
- Independent July 2019 Resource assessment delivered a **significant increase** in total resources including the classification of maiden Contingent Resources.
- Best estimate gross un-risked **prospective resources (2U)** of **497.3 Mmboe** plus the addition of Best estimate gross un-risked **contingent resources (2C)** of **196.1 Mmboe**
- **Estimated Ultimate Recovery (EUR) – 8.4 Bcf** per well.
- The Company expects to make a further **2P Reserves (Proved + Probable Undeveloped)** statement following completion of commercial negotiations during 2H 2019 on Tommy Lakes.

Calima Share Price

CE1 vs Index's



CE1 Vs ASX listed US peers

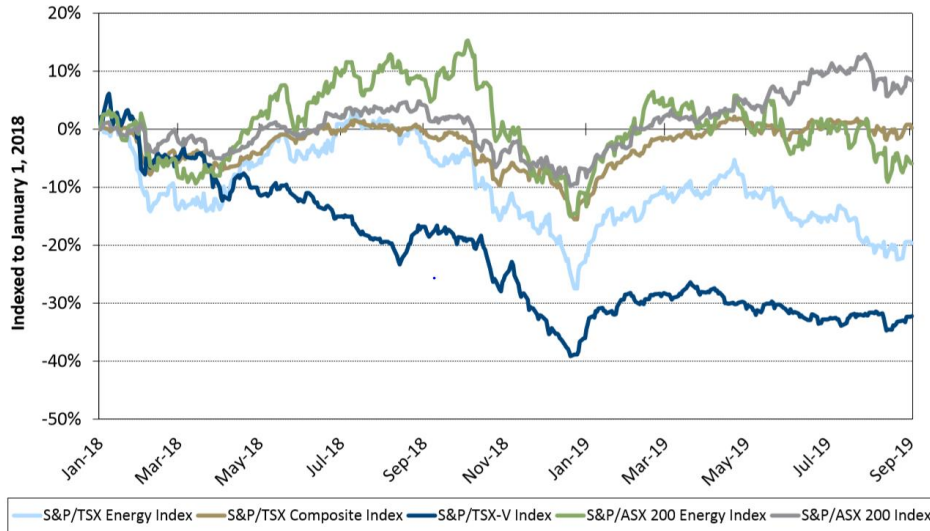


- Drilling results exceeded expectations.
- Top quartile production performance relative to peer group.
- Significant increase in resource numbers.
- Rich in condensate with WTI pricing.
- World class resource play in one of the worlds most prolific basins.
- 60% of core acreage position secured with 10 year production licenses and no drilling required on the balance until 2021.

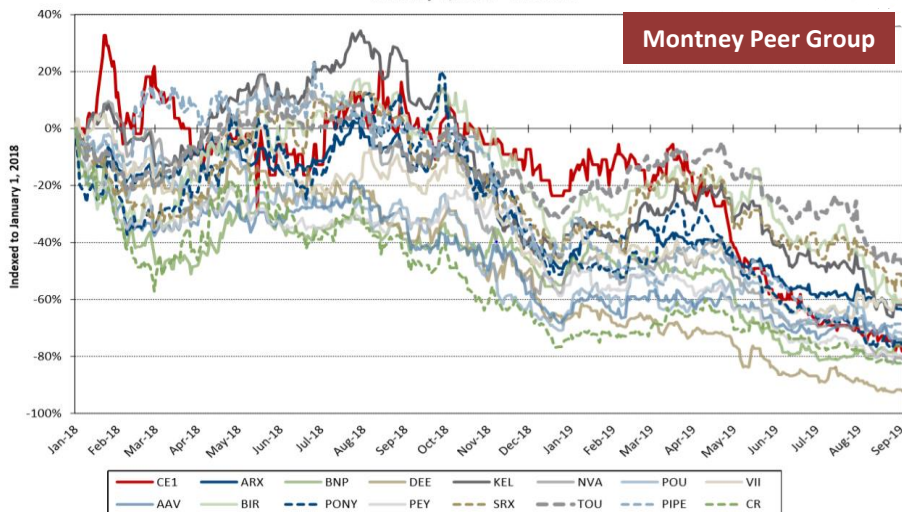
So Calima's share price performance requires some explanations.

Calima Vs Canadian Market

Comparative Performance Analysis
January 1, 2018 - Present



Comparative Performance Analysis
January 1, 2018 - Present



- TSX Energy Index underperforming ASX Energy Index.
- Calima share price performance in line with Montney peer group.
- Canadian gas prices remain depressed because of pipeline congestion.
- Canadian E&P equities touching 20 year lows.
- Equity capital market is closed.
- After a growth pulse in 2018 Canadian E&P M&A activity now touching 30 year lows.
- M&A market is closed.
- Federal Government policies restricting resource development and damaging investor confidence.
- ***What happens next?***

Public Awareness – It's about jobs....



Canadian Energy Sector Quick Facts

- ✓ direct employment 269,000
- ✓ indirect employment 550,000.
- ✓ 11% of nominal GDP.
- ✓ Government revenue \$14.1 Bn.
- ✓ 4th largest global gas production, 5th largest gas exporter.
- ✓ 4th largest oil production and 4th largest oil exporter.

Growing public awareness that Gov't policy is damaging Canada's oil and gas industry.

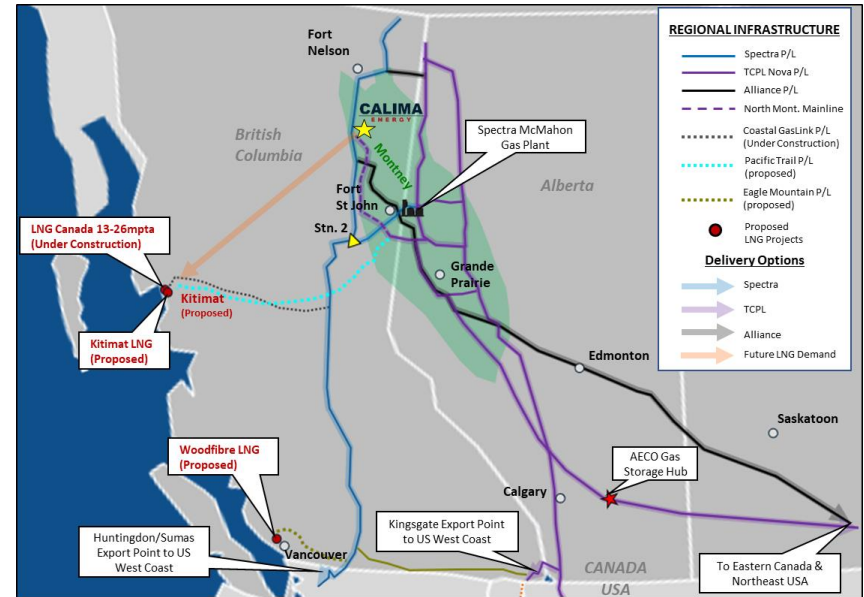
Federal election in October 2019 is a potential growth catalyst.

Parallels with 2019 Australian federal election.

Images from www.canadaaction.ca

Demand Growth and Pipeline Investments

- Montney production expected to reach 1.66 Bnboe/d during 2019.
- New projects will create demand for an additional 1.67Bnboe/d over the next 4-5 years requiring significant increase in production.
 - ✓ LNG Projects⁽¹⁾ 1.16 Bnboe/d
 - ✓ Coal to Gas 0.17 Bnboe/d
 - ✓ Trans Mountain 0.19 Bnboe/d
 - ✓ NGL Export 0.16 Bnboe/d
- Strong demand for condensate in Western Canada - pricing close to WTI (Calima Lands rich in condensate)
- C\$10 billion of investment in pipeline capacity underway.
- Canadian Government has approved five significant LNG projects.
- International Energy Agency predicts global natural gas consumption to grow by 45% over the next 25 years.
- Montney gas reserves equivalent to half total reserves of Qatar.
- Montney has the potential to grow production to meet new demand.
- **Near term outlook is positive.**



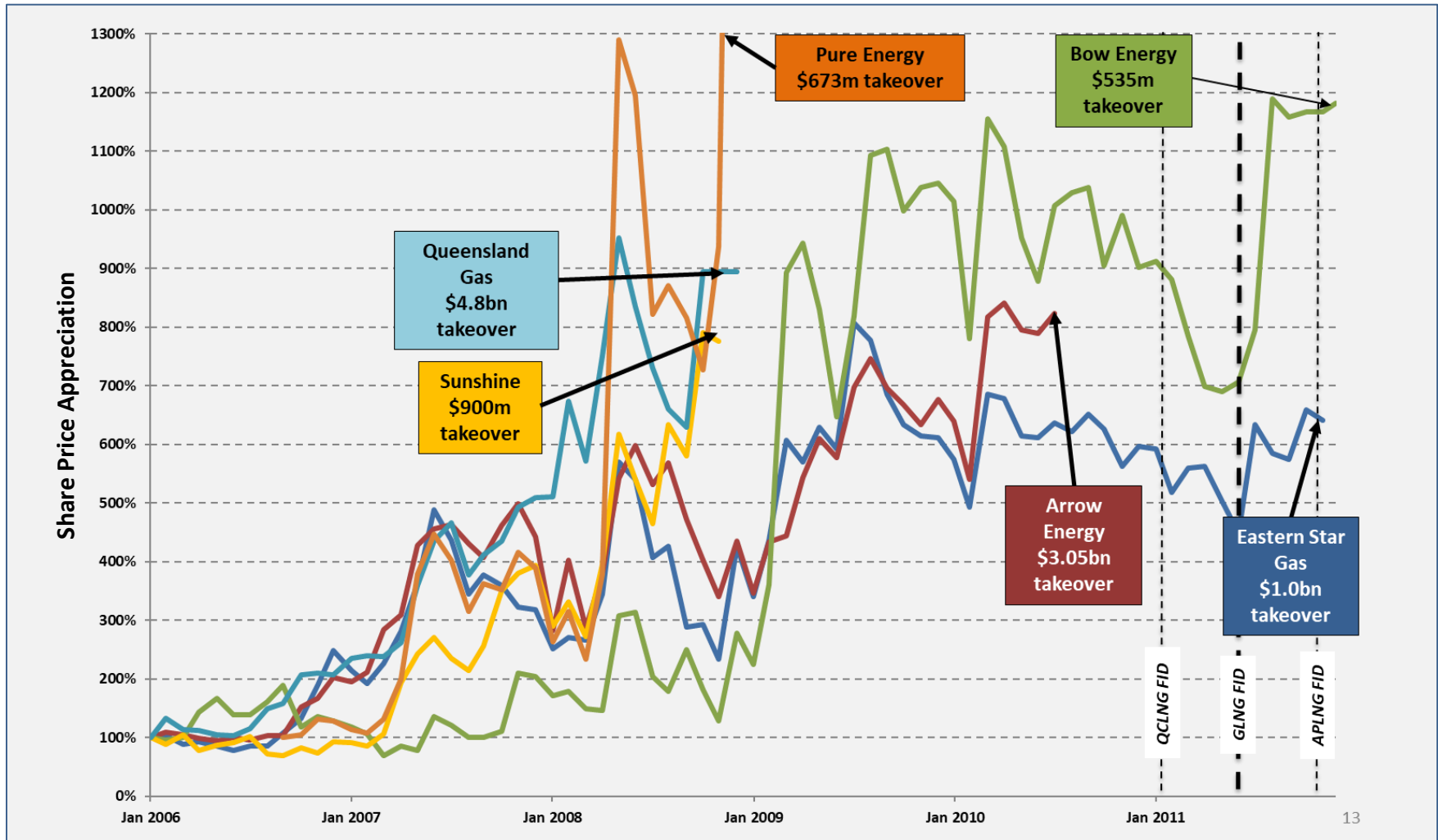
Western Canadian LNG

- ✓ Unit cost 50% of Australia average⁽²⁾.
- ✓ CO₂ footprint <50% of global average.
- ✓ Highly competitive as supply shortfall opens from 2025.

(1) Appendix Two

(2) Wood Mackenzie

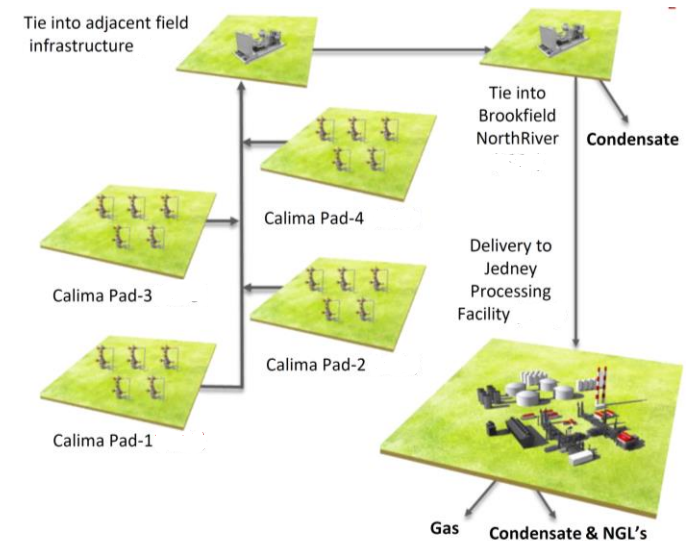
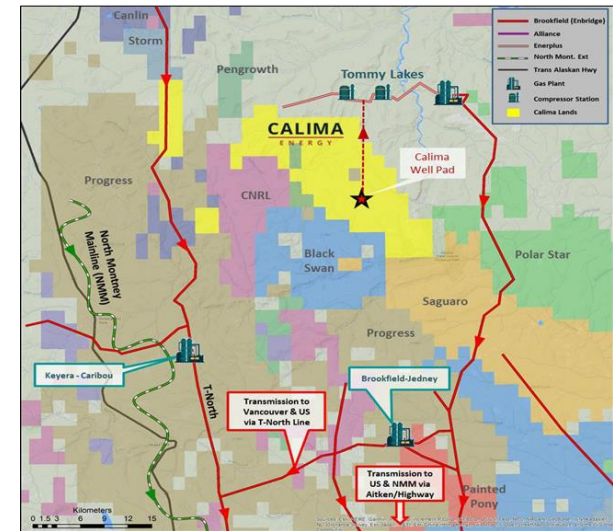
Impact of LNG on Australia's east coast



Montney gas is going to be exported to international markets through several LNG projects planned and under construction on the west coast of British Columbia.⁽¹⁾

Calima Poised for Growth

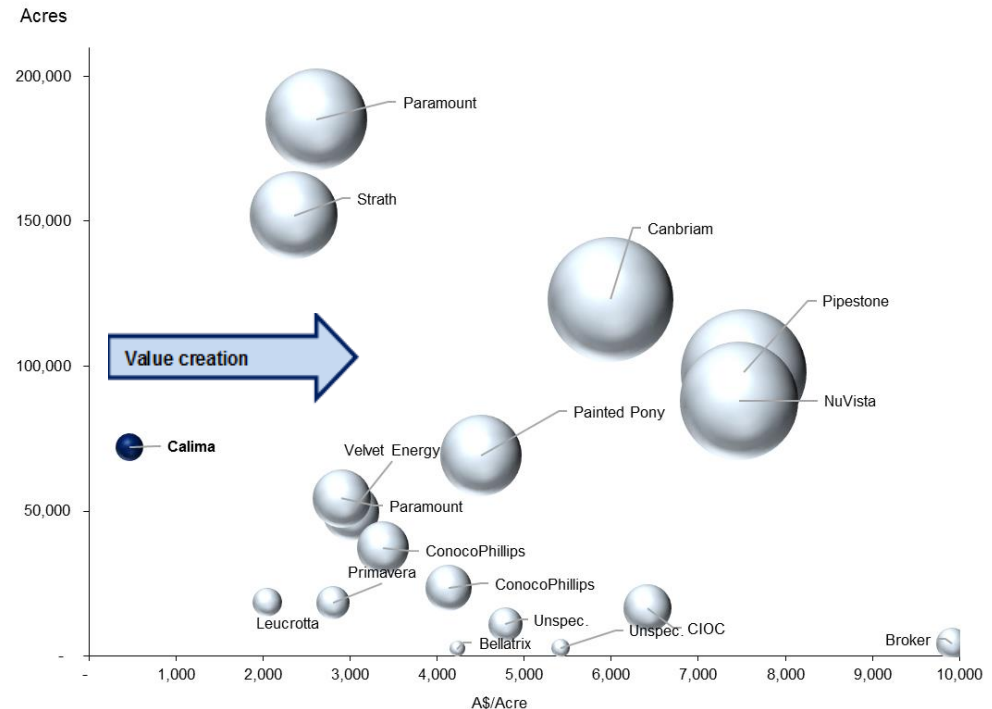
- Existing late-life field infrastructure 20km to the north of the Calima pad has capability to handle up to 50mmcf/d and 2,500bbl/d.
- Negotiations re access at an advanced stage.
- The field is connected to North River's Jedney processing plant, which offers multiple options to link to the U.S. and to LNG export markets.
- Infrastructure re-use creates an export route at reduced cost.
- Creates a project which works at current prices with optionality to expand or transact into anticipated increases in future demand.
- A development plan producing 50mmcf/d for eight years would consume less than 5% of the total gross resource based on the 2019 resource estimate.
- Significantly enhances the appeal of CE1 to investors, partners and potential acquirers.
- Discussions with prospective partners underway.



Forward Path

- GMP FirstEnergy appointed as Canadian Corporate Advisor is assisting CE1 in unlocking shareholder value in its Canadian portfolio via:
 - ✓ *Strategic Partnerships*
 - ✓ *Joint Ventures*
 - ✓ *Corporate transactions*
- Transaction activity points to continued demand for liquids rich Montney projects in anticipation of increased demand primarily from LNG.
- Proving a path to market with a valid development plan on a project that works at today's pricing will pave the way to creating long-term value for shareholders.
- Calima's acreage position is currently valued at A\$300/acre.

M&A Transaction values in the Montney (2017-2018)



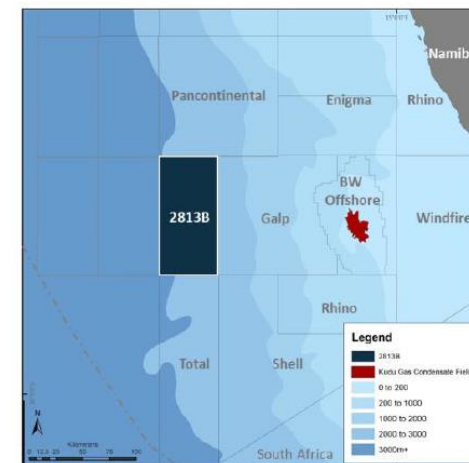
During the last M&A window in 2018 undeveloped Montney land transactions averaged >C\$4,000/acre

Other Assets

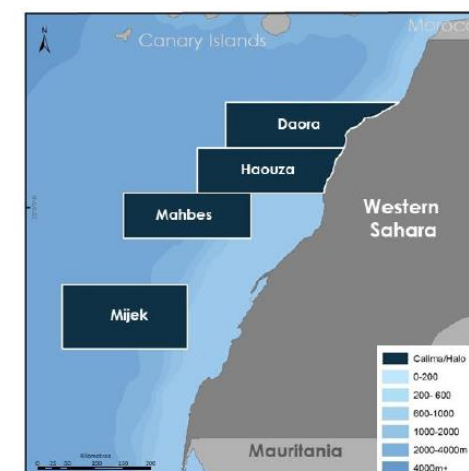
Three non-core investments:

- **Namibia** - 56% interest in PEL 90 (Block 2813B), offshore Namibia. Execution of binding agreement with Tullow for the sale of PEL 90 for A\$2.8m (net to CE1) plus success bonuses
 - Success bonuses totalling US\$10.0m allow Calima to retain upside in the Namibia project
 - Sales and purchase agreement and partner approvals completed now awaiting customary Government consent
- **Western Sahara** - 50% interest in four offshore PSCs awarded by the Saharawi Arab Democratic Republic (SADR), subject to resolution of a sovereignty dispute
- **Discover** - 0.425% shareholding in Discover Exploration Limited ⁽¹⁾
 - Discover is a private equity backed E&P company financed by Carlyle International Energy Partners, a \$2.5bn fund associated with the Carlyle Group
 - Discover holds a diverse and substantial portfolio of quality hydrocarbon acreage around the world

Namibia (56%)



Western Sahara (50%)



(1) Interest acquired as a consequence of the sale of Bahari Holding Company to Discover Exploration Limited. ASX Announcement, 3 December 2018.

ROADMAP FOR OUR BUSINESS

STICKING TO
THE PLAN



Conclusion

Create

- Built a 72,000 acre Montney land position in B.C.
- Drilling programme met or exceeded expectations.
- World class resource play in one of the most prolific basins in North America poised for LNG Development.

Build

- The building blocks for a 10,000boe/d development plan can be put in place with limited additional investment utilising existing wells and a debt facility

Realise

- Implementing a structured process to evaluate and progress investment interest and/or partnerships to create a pathway to shareholder value

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ASX:CE1

Disclaimer

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The petroleum resources information in presentation is based on, and fairly represents, information and supporting documentation in a report compiled by technical employees of McDaniel and Associates Ltd, a leading independent Canadian petroleum consulting firm registered with the Association of Professional Engineers and Geoscientists of Alberta, and was subsequently reviewed by Mr Mark Sofield, a consultant to the Company. Mr Sofield holds a BSc. Geology (Hons), is a Geologist with more than 20 years of experience in petroleum geology, geophysics, prospect generation and evaluations, prospect and project level resource and risk estimation and is a member of the American Association of Petroleum Geologists. Mr Sofield has consented to the inclusion of the petroleum resources information in this announcement in the form and context in which it appears.

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 discovery 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 prospective resources have also been classified using a deterministic method of petroleum reserves estimation having an evaluation date of 1 July 2019.

Print date 12-09-19

Appendix One – Resource Statement Footnotes

- (1) ASX Announcement 8 July 2019.*
- (2) ASX Announcement 14 March 2018.*
- (3) Natural Gas Liquids refers to the product recovered after processing. Approximately 10 bbl/MMcf of the product recovered after processing is also condensate (C5)*
- (4) Sum of Condensate and Natural Gas Liquids. Based on Company drilling results 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 22.5 bbl/MMcf (wellhead condensate/gas ratio) for the Middle Montney and 17.5bbl/MMcf for the Upper Montney. Additional liquids 25bbl/MMCF would be stripped from the gas upon processing comprising 6 bbl/MMcf of C3, 9 bbl/MMcf of C4, and 10 bbl/MMcf of C5+ (Condensate).*
- (5) 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.*
- (6) Contingent Resources (2C) - Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. Contingent resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by the economic status. The Contingent Resources (2C) in Tommy Lakes have been sub-classified as a "Development on Hold" as the accumulation is well defined and does represent a viable drilling target. The Contingent Resources have been classified using a deterministic method of estimation having an evaluation date of 1 July 2019.*
- (7) Prospective resources (2U) 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 discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbon. The Prospective Resources (2U) in Tommy Lakes have been sub-classified as a "Prospect" as the accumulation is well defined and does represent a viable drilling target. The prospective resources have also been classified using a deterministic method having an evaluation date of 1 July 2019.*

Appendix Two – Canadian LNG Projects

LNG Project	Location	Owners	Proposed Start	Nameplate Capacity (Mtpa)	Facility Cost (C\$/Bn)	Cost / Mtpa (C\$/Tonne)	NEB Export License	Environmental Assessment Approval
West Coast Canada								
LNG Canada	Kitimat, BC	Shell, PETRONAS, PetroChina, KOGAS, Mitsubishi	2023	26	\$40.0	\$1,538	✓	✓
Woodfibre LNG	Squamish, BC	Woodfibre LNG Ltd.	2020+	2.1	\$1.6	\$762	✓	✓
Kitimat LNG	Kitimat, BC	Chevron, Woodside	2025+	10	\$15.0	\$1,500	✓	✓
Steelhead LNG	Sarita Bay, BC	Steelhead LNG/Huu-ay-aht First Nation	TBD	24	\$30.0	\$1,250	✓	✗
Cedar LNG	Kitimat, BC	Cedar 1 LNG Export Ltd.	TBD	6.4	n/a	n/a	✗	✗
Orca LNG	Prince Rupert, BC	Orca LNG Ltd.	TBD	24	n/a	n/a	✓	✗
New Times Energy	Prince Rupert, BC	New Times Energy Ltd.	TBD	12	n/a	n/a	✓	✗
Stewart LNG	Stewart, BC	Canada Stewart Energy	TBD	30	n/a	n/a	✓	✗
WesPac LNG	Delta, BC	WesPac Midstream Vancouver LLC	TBD	3	n/a	n/a	✓	✗
				145.5mtpa (19bcf/d)				
East Coast Canada								
Pieridae Energy LNG	Goldboro, NS	Pieridae Energy	2023	10.5	\$10.7	\$1,016	✓	✓
Bear Head	Point Tupper, NS	LNG Ltd.	2025+	12	\$10.7	\$889	✓	✓
AC LNG	Middle Melford, NS	H-Energy	2023	13.5	n/a	n/a	✓	✗
Energie Saguenay	Port Saguenay, QC	GNL Quebec	2025	11	\$8.5	\$770	✓	✗
Stolt LNGaz	Becancour, QC	Stolt-Neilsen Gas/Sun LNG/LNGaz	TBD	0.5	\$0.6	\$1,200	✓	✗
				37.5mtpa (4.9bcf/d)				

When Shell and partners announced an FID for their LNG Canada project in October 2018, it was the first greenfield liquefaction project to be sanctioned in more than three years. With just eight global LNG projects sanctioned in the last three years, booming demand projections have set the stage for a second wave of new project announcements that could see as many as 14 projects sanctioned in North America alone by the end of 2019. The U.S. holds the majority of these projects, with our neighbour to the south on track to become the second largest exporter of natural gas globally by 2025 at close to 26bcf/d, more than doubling current capacity.

Source:  **HAYWOOD** *The Next LNG Wave is Here; This Time There are Canadian Players Ready to Catch it. April 2019.*

(1) Since publication of this table; Shell and their partners in the LNG Canada project have commenced construction, Chevron and Woodside have applied for export approval to lift the capacity of their facility to 18Mtpa and Woodfibre LNG have secured their gas supply from the Montney via the acquisition of Canbriam Energy Inc.