
TALON PETROLEUM

A NEW GENERATION IN THE NORTH SEA

121 Oil and Gas Investment Conference – London
28 & 29 October 2019



DISCLAIMER

This presentation is provided for information purposes only and is not a disclosure document as defined under the Corporations Act 2001 (Cth). This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase, sale or issue of any securities or any financial product nor does it constitute financial product or investment advice. The presentation does not contain all the information that may be required for evaluating the Company's assets, prospects or potential opportunities and is not intended to be used as the basis for making an investment decision. The presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person.

No representation or warranty, express or implied, is made as to the accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this presentation. Neither the Company, its related bodies corporate, shareholders or affiliates, nor any of their respective officers, directors, employees, related bodies corporate, affiliates, agents or advisers makes any representations or warranties that this presentation is complete or that it contains all material information about the Company or which a prospective investor may require in evaluating a possible investment in the Company or acquisition of securities. To the maximum extent permitted by law, none of those persons accept any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of information contained in this presentation or in relation to the accuracy or completeness of the information, statements, opinions or matters, express or implied, contained in, arising out of or derived from, or for omissions from, this presentation. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns (if any) contained in this presentation nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. Neither the Company nor its related bodies corporate, shareholders or affiliates, nor any of their respective officers, directors, employees, related bodies corporate, affiliates, agents or advisers guarantees any return or generally the performance of the Company or the price at which its securities may trade. Any investment in the Company is subject to investment risks including the possibility of loss of capital invested and no return of income or payment of dividends. Before making an investment decision, you should assess whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances and consider seeking your own independent legal, financial and commercial advice. Past performance is no guarantee of future performance.

The distribution of this document in jurisdictions outside Australia may be restricted by law. Any recipient of this document outside Australia must seek advice on and observe any such restrictions.

This presentation may contain certain “forward-looking statements” with respect to the financial condition, results of operations and business of the Company and certain plans and objectives of the management of the Company. Forward looking statements can generally be identified by words such as ‘may’, ‘could’, ‘believes’, ‘plan’, ‘will’, ‘likely’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties, which may include, but are not limited to, the outcome and effects of the subject matter of this presentation. Indications of, and guidance on, future exchange rates, capital expenditure, earnings and financial position and performance are also forward-looking statements.

You are cautioned not to place undue reliance on forward looking statements as actual outcomes may differ materially from forward looking statements. Any forward-looking statements, opinions and estimates provided in this presentation necessarily involve uncertainties, assumptions, contingencies and other factors, and unknown risks may arise, many of which are outside the control of the Company. Such statements may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward looking statements. Forward-looking statements including, without limitation, guidance on future plans, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward looking statements speak only as of the date of this presentation.

The information in this presentation is current as at the date on the cover of the presentation and remains subject to change without notice, in particular the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Competent Persons Statement The information in this report that relates to Prospective Resource information in relation to the Skymoos and Rocket, Vantage, Thelma, Louise and Buffalo Prospects are based on information compiled by Mr Graham Dore and Mr Paul Young. Mr Dore and Mr Young are a Director and consultant to the Company respectively. This information was subsequently reviewed by Mr Paul Senycia BSc (Hons) (Mining Engineering), MAppSc (Exploration Geophysics), who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Senycia is a consultant to the Company, with more than 35 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Senycia. Mr Senycia is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Contingent Resource information in relation to Curlew-A is based on information compiled by technical employees of independent consultants, Software Information Solutions Schlumberger Oilfield UK and overseen by Mr. Charles M. Boyer II. This information was subsequently reviewed by Mr Paul Senycia BSc (Hons) (Mining Engineering), MAppSc (Exploration Geophysics), who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Senycia is a consultant to the Company, with more than 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Senycia. Mr Senycia is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

OUR STORY

- ✓ Unique combination of experienced North Sea explorers, with Australian funding, deal making and project management expertise
- ✓ Rapid accumulation of quality exploration and appraisal assets including:
 - Skymoos Prospect (107mmboe best estimate prospective resource)
 - Vantage Prospect (44 mmbo gross best estimate prospective resource)
 - Rocket Prospect (27 mmbo best estimate prospective resource)
 - Curlew-A (3.9mmboe net 2C contingent resource)
 - Block 14/30B:
 - Thelma Prospect (29mmbo (best estimate))
 - Louise Prospect (17mmbo (best estimate))
 - Buffalo Prospect (160Bcf (best estimate))
- ✓ Highly experienced UK North Sea finders Graham Dore (EnCounter Oil), Paul Young (EnCounter Oil) and Steven Jenkins (Nautical Petroleum) on board
- ✓ Strong acreage position - and the right team - to unlock the significant value of the portfolio

UK NORTH SEA OVERVIEW

THE NORTH SEA

- ✓ Prolific oil and gas province
- Over 50 years of oil and gas production
- ~43 billion barrels of oil and gas recovered

- ✓ Currently there is renewed interest in the province
 - Neptune Energy to purchase North Sea oil fields from Edison E&P for **US\$280m**
 - Petrogas purchased North Sea assets from Total for **\$510 million**

- ✓ Great opportunities to acquire targeted acreage through regular competitive bid rounds

- ✓ Significant recoverable resource potential
- Major discoveries still being made
 - 250 mmboe **Glengorm discovery** in early 2019 – biggest discovery in the UK since Culzean in 2008

- ✓ UK Oil & Gas Authority (OGA) advises that finding costs in 2018 were just over \$1 per barrel

- ✓ Abundant and world-class infrastructure allows for capital efficient development
- Low cost, competitive drilling environment

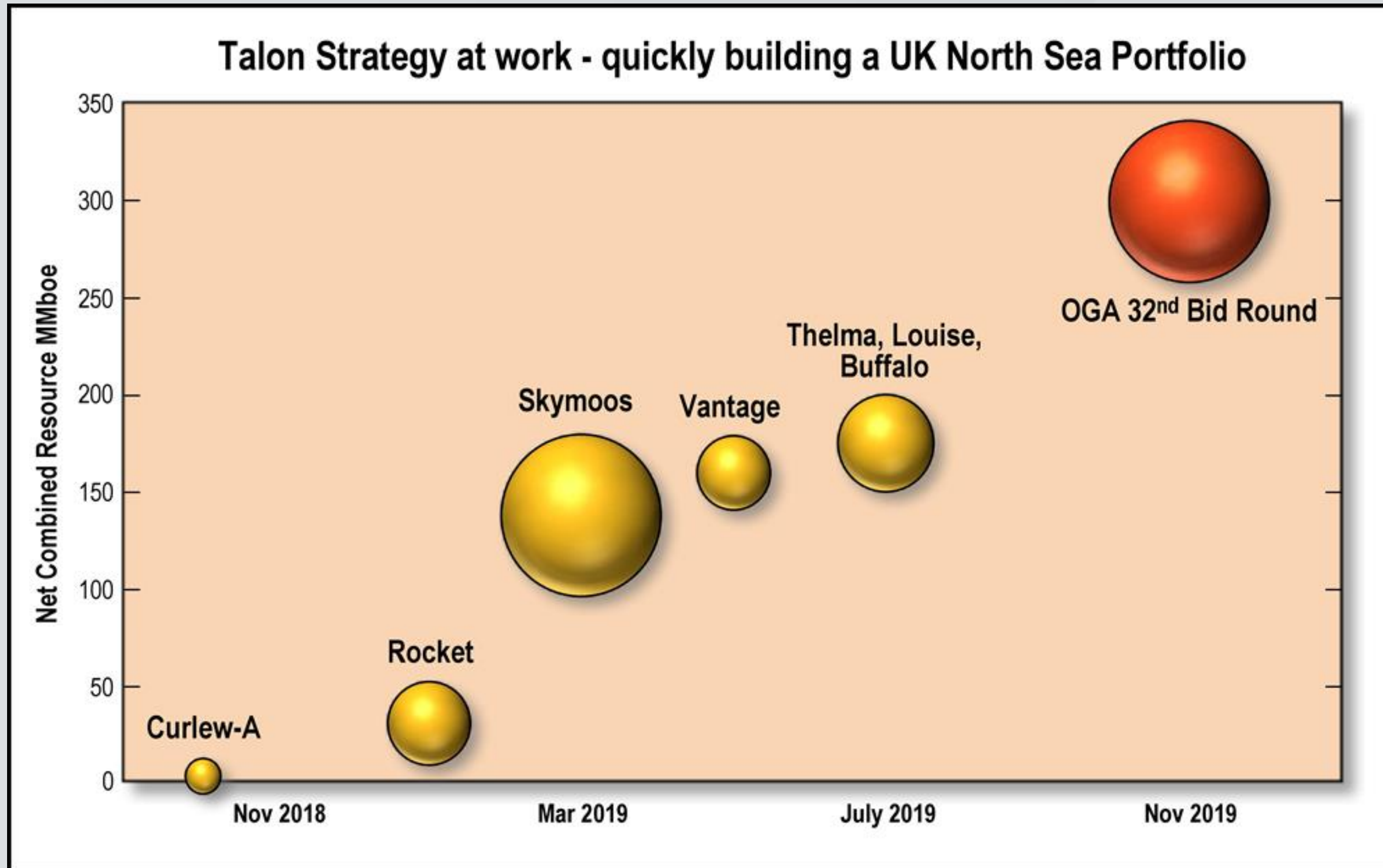


NORTH SEA STRATEGY

- ✓ Identify and target entry into early stage prospect opportunities via bid rounds; farm-out for carry
- ✓ Non-operated equity positions up to 20% - after farm-out
- ✓ Talon to be a partner of choice for established Operators within targeted areas of the North Sea
- ✓ Primary aim of drilling multiple wells per calendar year
- ✓ Drilling fundamentals:
 - appraisal of known discoveries
 - low-risk exploration
- ✓ Tie-backs to nearby infrastructure
- ✓ Timed exit at the right time of the development cycle



DELIVERING THE STRATEGY



*Curlew-A is classified as contingent resource with other prospects noted above being classified as prospective resources. Refer to respective slides in this presentation for more information on relevant resources

ACQUISITION OF ENCOUNTER OIL

ACQUISITION OF ENCOUNTER OIL

- ✓ Completed in May 2019
- ✓ Acquired 100% interest in two high-quality exploration licenses which contain:
 - Skymoos Prospect
 - Rocket Prospect
- ✓ Proven UK based North Sea oil finders, Graham Dorè, Paul Young and Steve Jenkins have joined Talon team
- ✓ Staged, incentive-based transaction structure
- ✓ EnCounter formed by former key members of EnCore Oil plc and Nautical Petroleum plc
- ✓ EnCore acquired by Premier Oil in 2011 for £221mm and Nautical acquired Cairn for £414mm, after making multiple discoveries in the North Sea



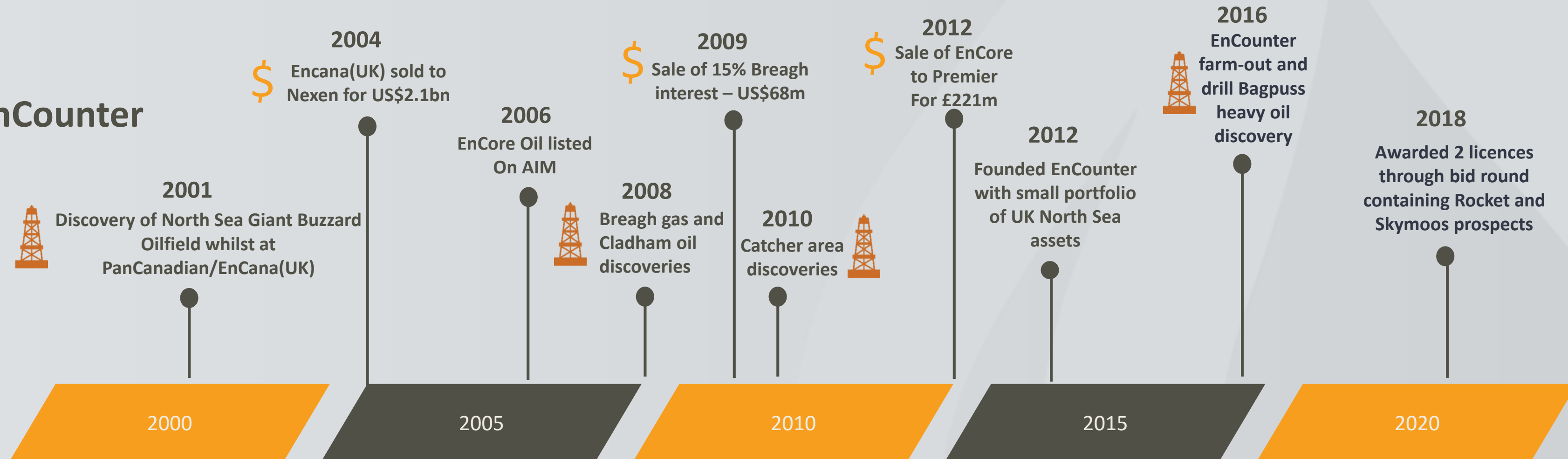
Catcher FPSO



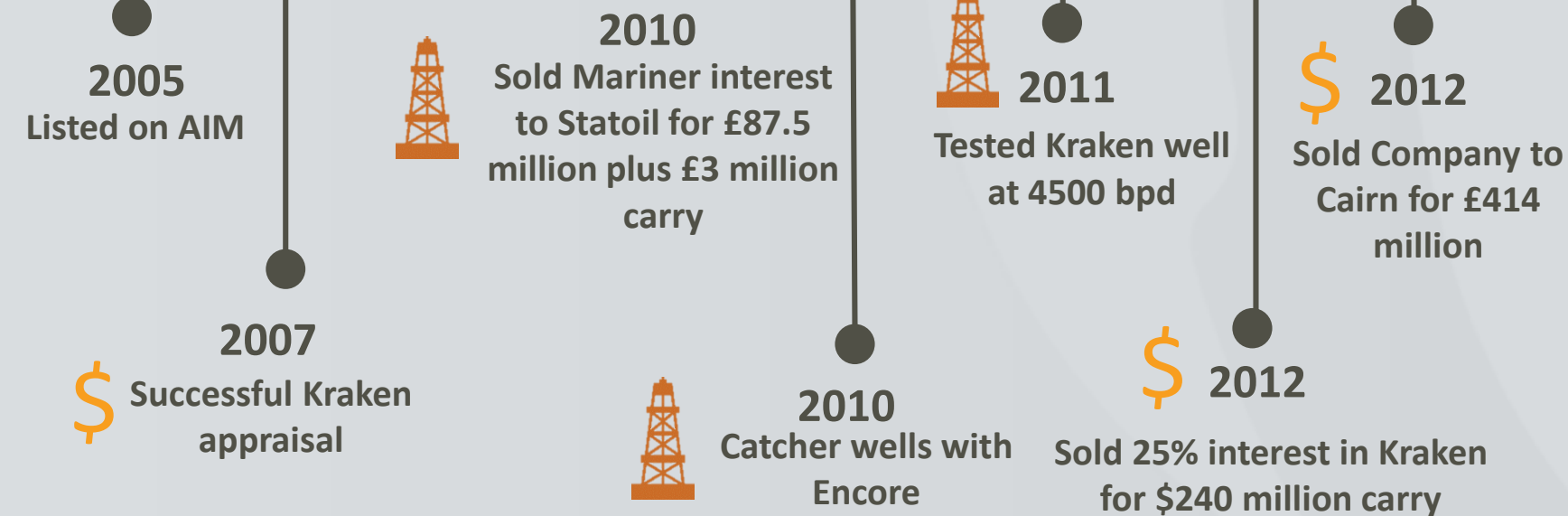
Breagh production platform

OUR TEAM'S SUCCESS IN THE NORTH SEA

EnCore/EnCounter



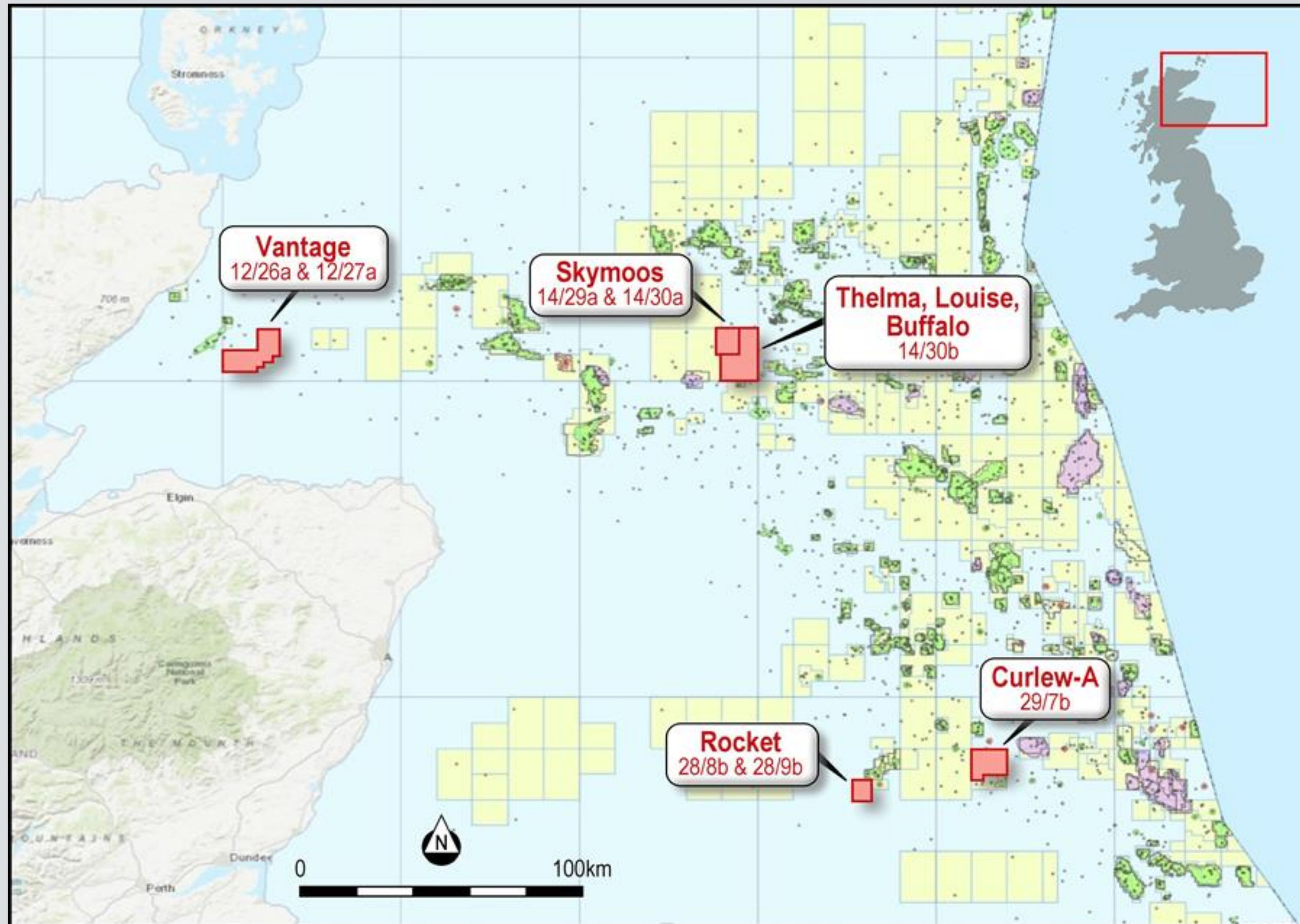
Nautical Petroleum



TALON PORTFOLIO

High impact exploration and low-risk
appraisal

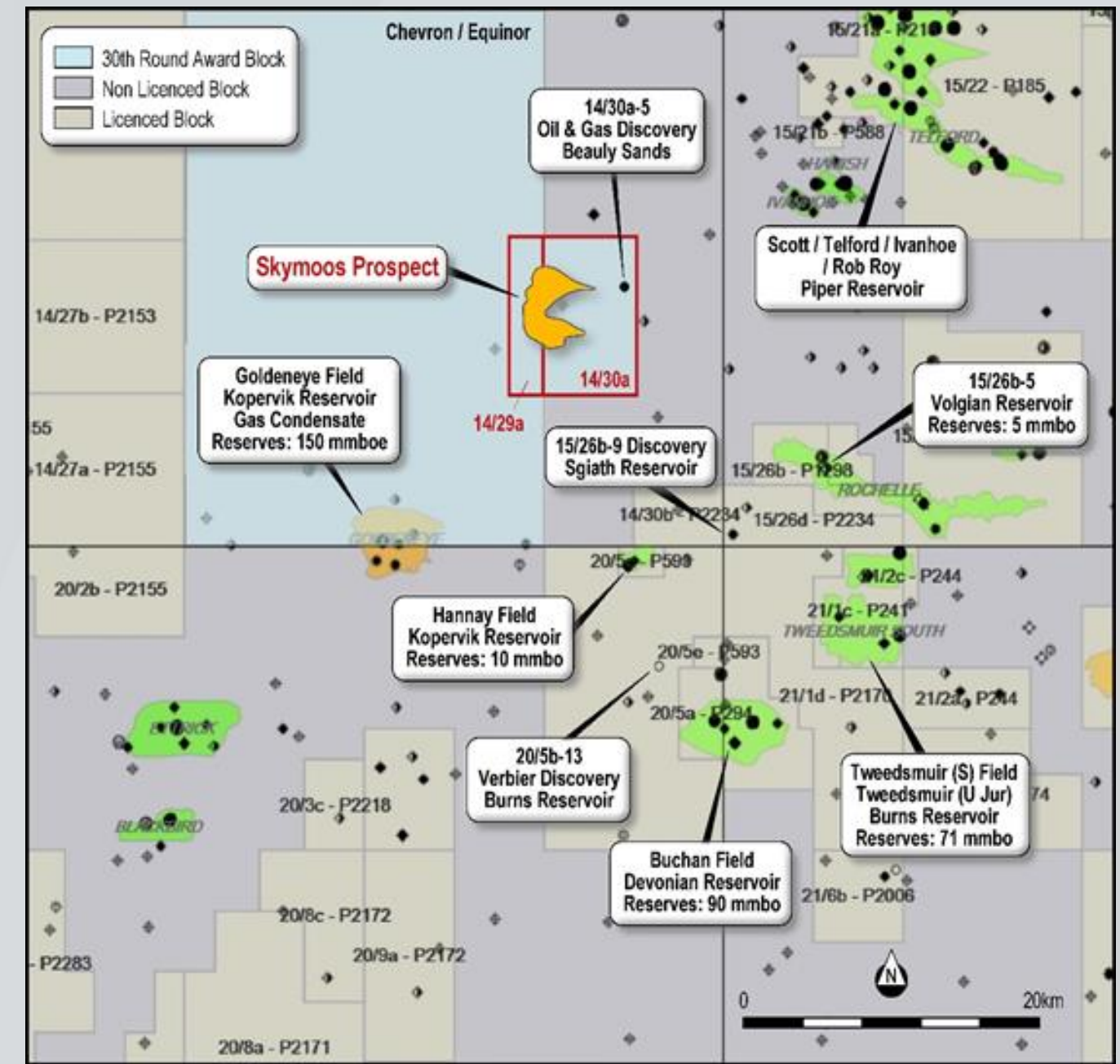
TALON ACREAGE POSITION



SKYMOOS PROSPECT

107mmboe best estimate prospective resource*

- ✓ 100% working interest
- ✓ Direct analogue to the Upper Jurassic Buzzard Field - UK North Sea's largest producing oil field as well as the 150mmboe Golden Eagle Field
- ✓ Large Jurassic age Stratigraphic trap
- ✓ Imaged on high-quality 3D seismic
- ✓ Relatively shallow, low-cost drilling of normally pressured reservoir
- ✓ EnCounter team intimate with play type having been instrumental in Buzzard and Golden Eagle discoveries
- ✓ Farmout process underway



Skymoos location and nearby fields

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

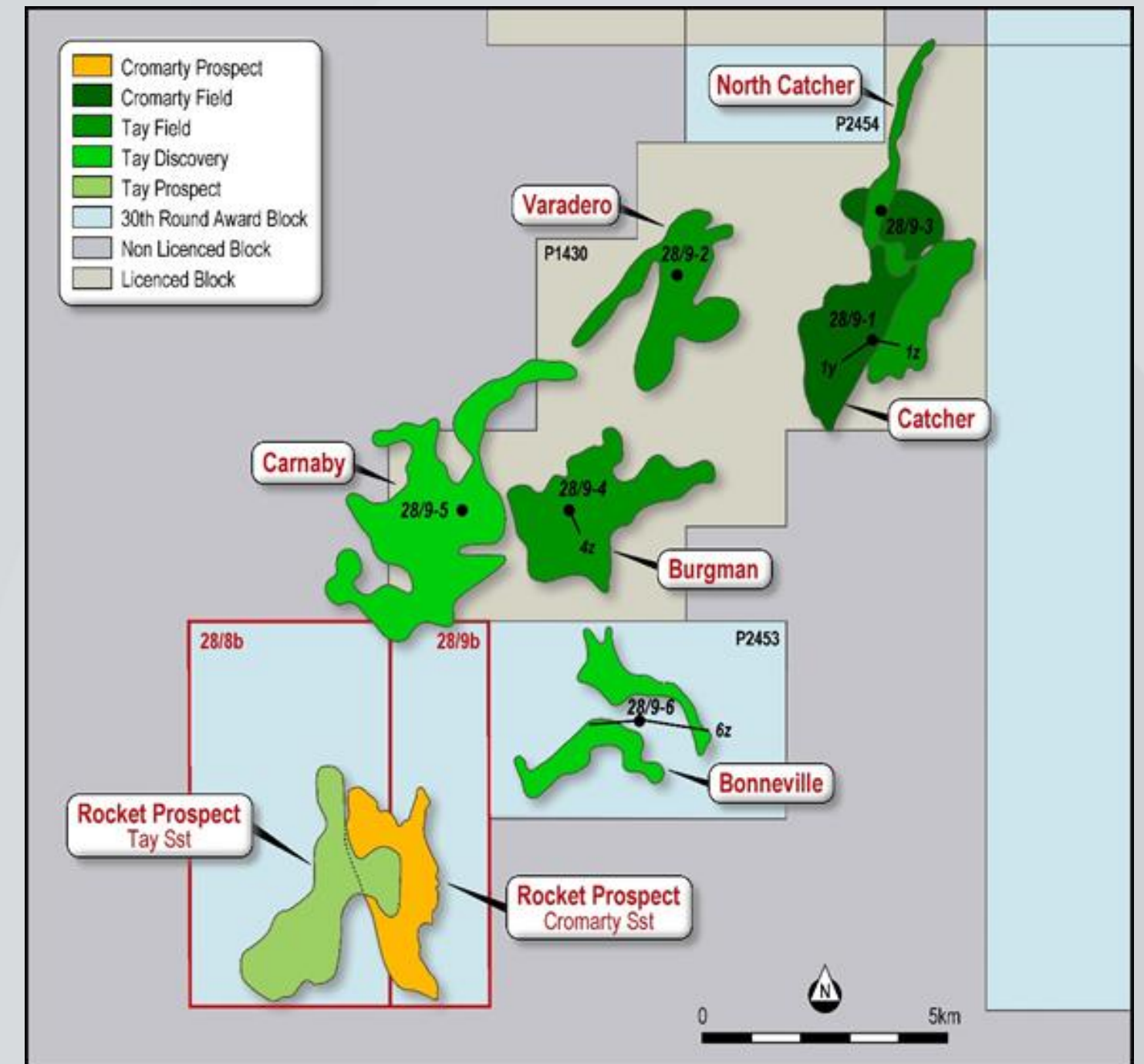
*Refer to ASX announcement dated 31 January 2019 for more information on prospective resources

ROCKET PROSPECT

27mmboe best estimate prospective resource*

- ✓ 100% working interest
- ✓ Direct analogue to amplitude supported oil fields to the north-east
- ✓ Imaged on excellent quality 3D seismic
- ✓ Shallow, low-cost drilling of high quality tertiary reservoirs
- ✓ Low-cost tieback to existing infrastructure
- ✓ EnCounter team intimate with play type having been responsible adjacent field discoveries
- ✓ Farmout process underway

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.



Map showing location of Licence P2392 (area in red) and proximity to Catcher Field Area discoveries made by the EnCounter team

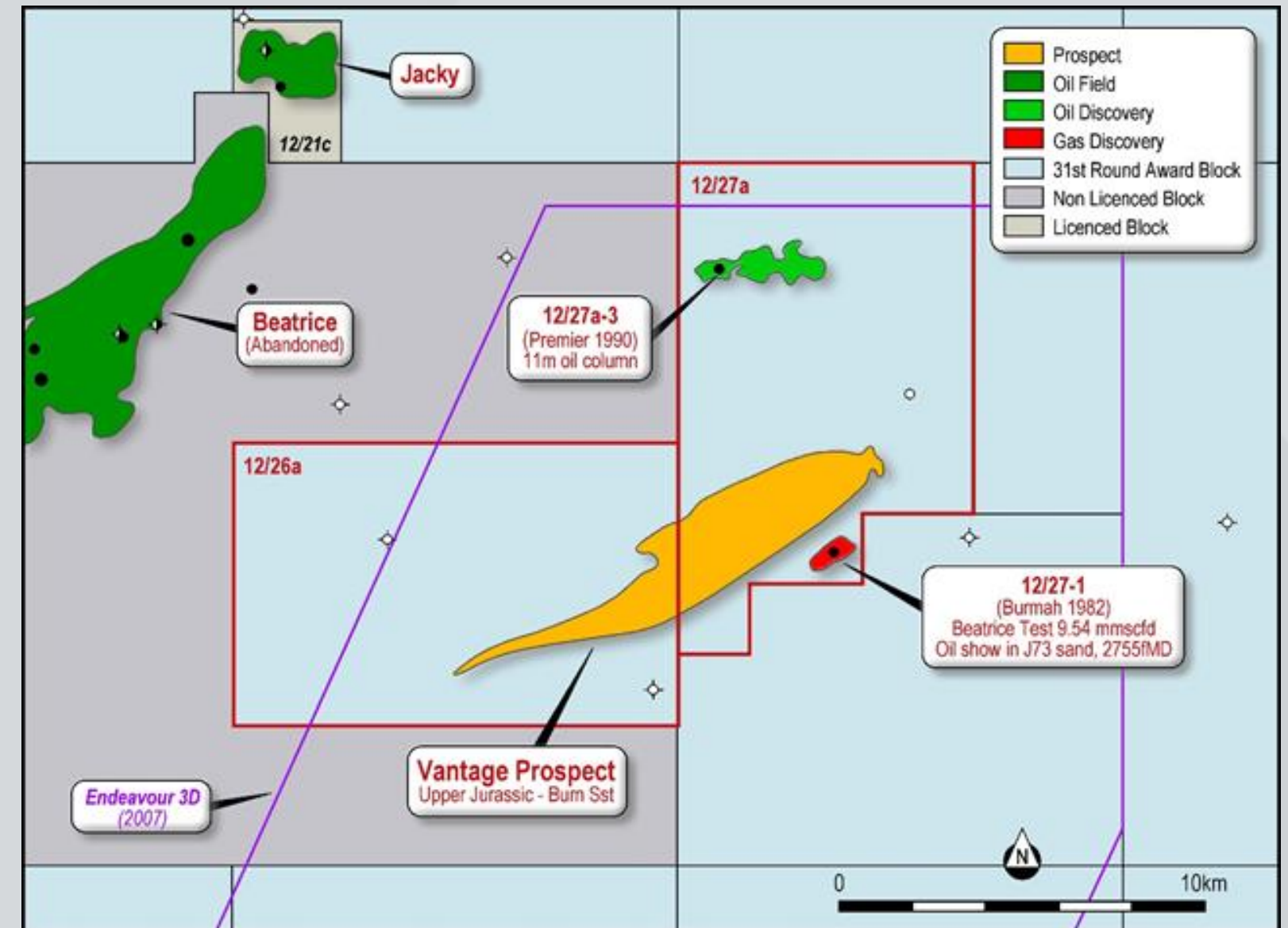
*Refer to ASX announcement dated 31 January 2019 for more information on prospective resources

VANTAGE PROSPECT

44mmboe best estimate prospective resource*

- ✓ Offer of award – 31st Offshore Round, June 2019, 2 year initial term
- ✓ 50% working interest
- ✓ Imaged on excellent quality 3D seismic
- ✓ Upper Jurassic stratigraphic trap up-dip from known oil
- ✓ To be readied for farmout post formal issue of license late 2019
- ✓ Farmout process underway

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

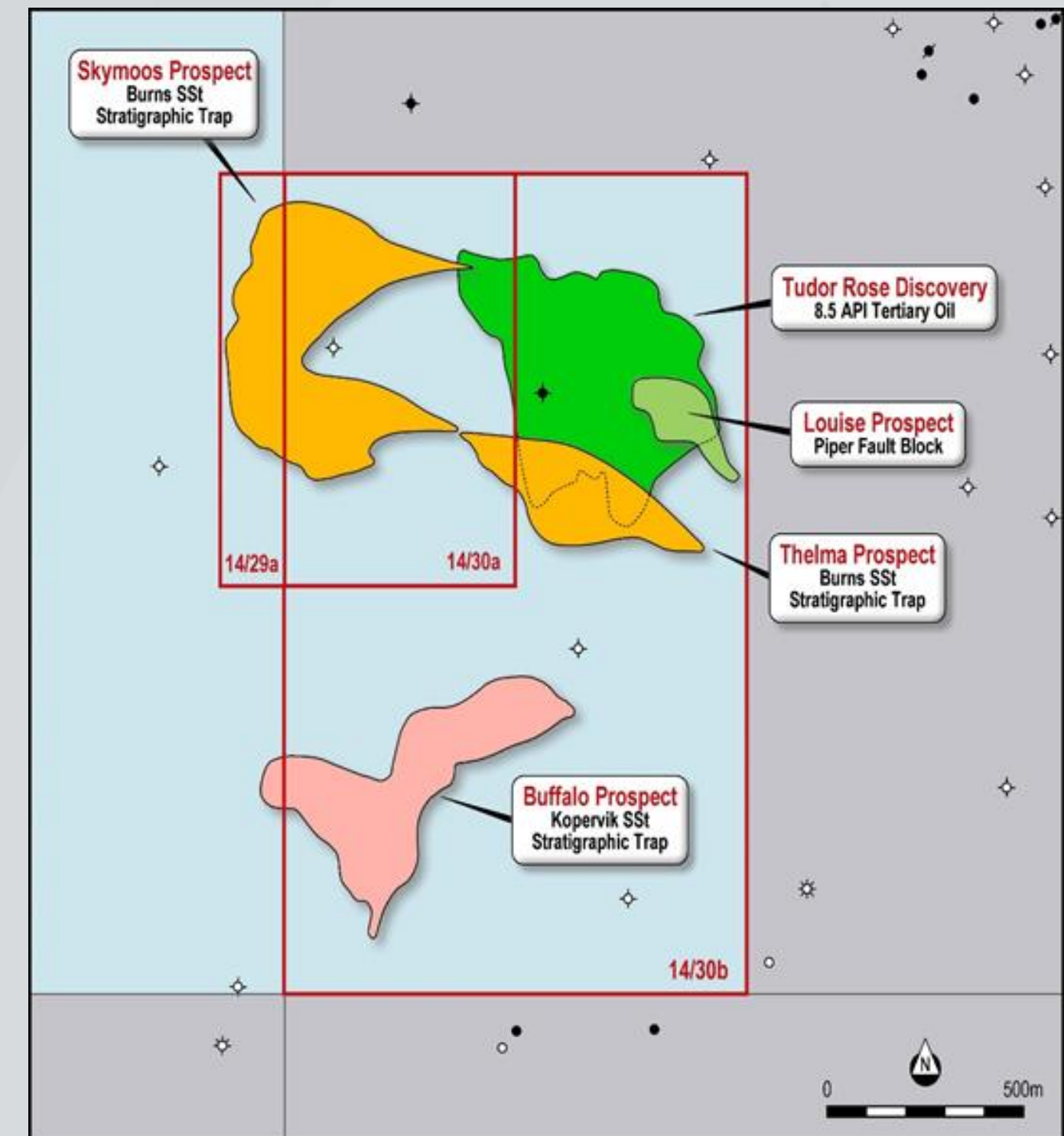


Map showing location of Blocks 12/26a and 12/27a (area in red) and Vantage Prospect straddling the block boundaries

BLOCK 14/30B

- ✓ Talon 100% participating interest
- ✓ Contains*
 - 29mmbo (best estimate) Thelma Prospect
 - 17mmbo (best estimate) Louise Prospect
 - 160Bcf (best estimate) Buffalo Prospect
- ✓ Prospects sit adjacent to Talon's Skymoos Prospect
- ✓ Provides leverage to Skymoos drilling success
- ✓ Farmout process underway

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

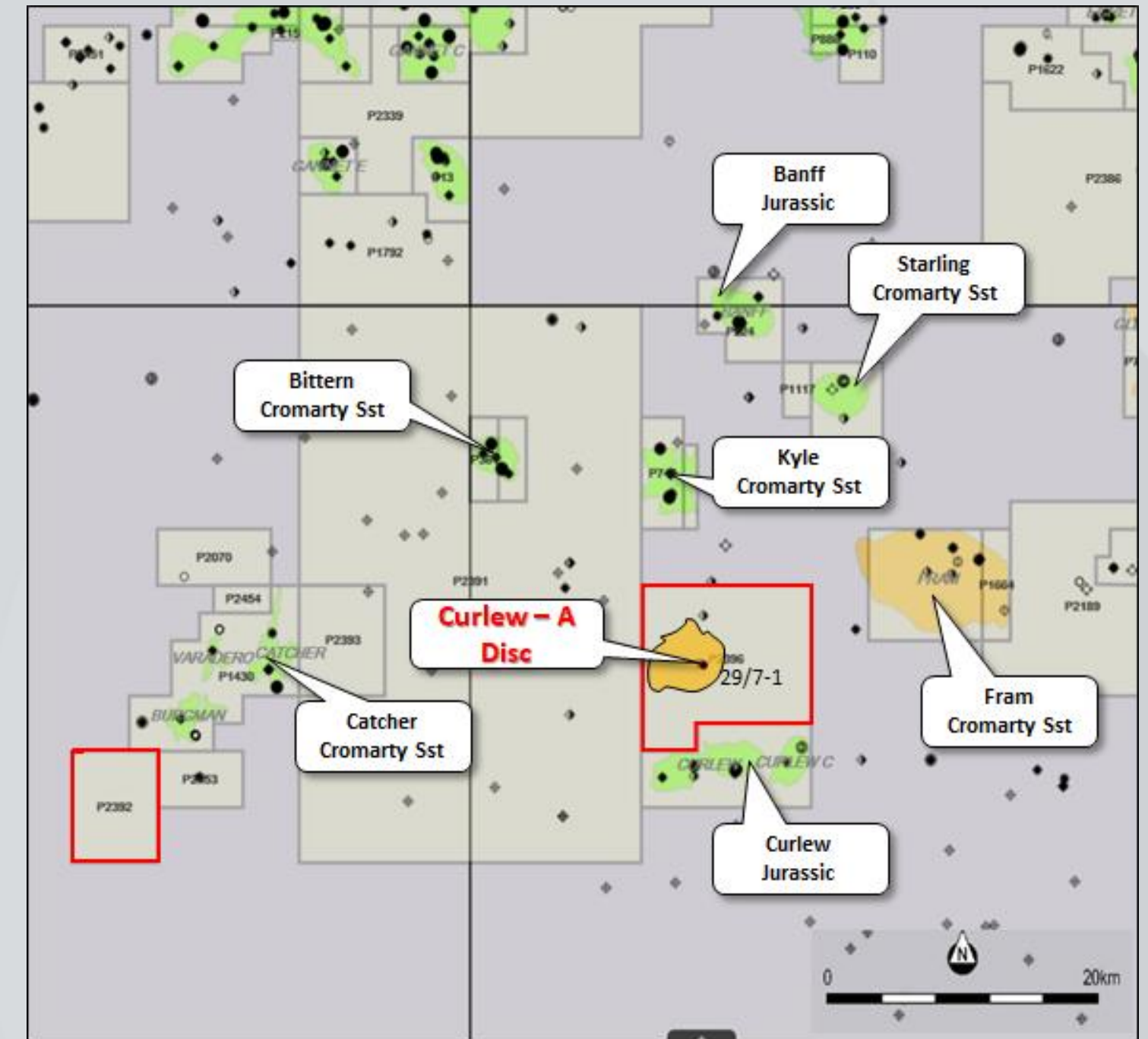


Block 14/30b location and proximity to Skymoos

*Refer to ASX announcement dated 23 July 2019 for more information on prospective resources

CURLEW-A APPRAISAL

- ✓ 10% working interest in 39mmboe 2C discovery*
- ✓ Located in Cromarty Sandstone, which houses several major discoveries
- ✓ Appraisal of significant Tertiary aged oil discovery made by Shell in 1979
- ✓ Low cost, low risk appraisal of discovered oil
- ✓ High quality shallow oil in good quality reservoir
- ✓ Straight forward drilling in normally pressured rocks
- ✓ Simple tie-back to nearby infrastructure
- ✓ Significant exploration upside in prolific Forties sands to be tested as part of appraisal drilling
- ✓ Drilling planned for H1 2020



Curlew-A location and nearby Cromarty Sandstone Fields

TALON CORPORATE

AN EXPERIENCED & PROVEN TEAM

PETER STICKLAND	<i>NON-EXEC CHAIRMAN</i>	Mr Stickland has over 25 years global experience in oil and gas exploration. Mr Stickland is currently a non-executive director of XCD Energy and Melbana Energy.
MATT WORNER	<i>MANAGING DIRECTOR</i>	Mr Worner is an experienced oil and gas executive who has worked with ASX and London listed E&P companies in various legal, commercial and new ventures/business development roles.
STEVE JENKINS	<i>NON-EXEC DIRECTOR</i>	Mr Jenkins has 35 years experience as a geologist and oil executive and was founder and CEO of UK North Sea focussed Nautical Petroleum plc, which was built up and eventually sold to Cairn Energy for £414 million. Mr Jenkins is currently Chairman of AIM listed Savannah Petroleum plc and the UK Oil and Gas Independent's Association and has strong networks in industry, government and capital markets
GRAHAM DORÈ	<i>NON-EXEC DIRECTOR</i>	Mr Dorè is a founder of EnCounter Oil and has over 30 years experience as an exploration geologist. A proven oil finder, Mr Doré has been involved in some of the most significant hydrocarbon discoveries in the UK North Sea this century.
PAUL YOUNG	<i>GEOSCIENCE MANAGER</i>	Mr Young is a founder of EnCounter Oil and has over 35 years experience as an exploration geophysicist. In his career at PanCanadian, EnCana and EnCore Oil, Mr Young has been involved in the discovery of several substantial oil and gas fields in the UK North Sea.
PAUL SENYCIA	<i>TECHNICAL ADVISOR</i>	Mr Senycia has over 35 years international oil and gas experience with companies including Beach Energy Limited, Woodside Energy Limited, Shell International and was most recently head of Exploration and New Ventures at Otto Energy Limited where he is now an non-executive director.

CORPORATE STRUCTURE

Ordinary shares (ASX:TPD)	1,776,789,524
Options exercisable @ \$0.005 each	97,500,000
Performance Shares – vest on farmout and drill of Skymoos and Rocket Prospects (50/50)	300,000,000
Market Capitalisation @ \$0.002	\$3.5 million
Cash	\$2.6 million
Enterprise Value	\$0.9 million
Top 20 Shareholders	~62%

FORWARD INDICATIVE TIMELINE



ADDRESS

1202 Hay Street
West Perth WA 6005

CONTACT INFO

Matt Worner – Managing Director
Email: matt@talonpetroleum.com.au
Phone: +61 8 6319 1900

www.talonpetroleum.com.au