

# **Company Presentation**

February, 2015

# **Investment Highlights**



Diversified Asset Portfolio	> Conventional oil and gas company with principal onshore interests in the Philippines and France
	> Assets have low exploration risk and operate in geographies with excellent fiscal terms and low sovereign risk
	> Near term oil field development opportunity in the Philippines (100%)
	> Longer term oil potential in Aquitaine Basin, southwest France (100%)
Philippines with Contingent Oil Resource Requires New Completion Technology	> Malolos-1 Contingent Resource Oil Best Estimate of 20.4 Million barrels Oil in Place
	> 2014 production test of Malolos-1 established oil reservoirs that will require specialist completions
	> Philippine Government granted 2 year technical moratorium to demonstrate field commerciality
	> Oil recovery results also support a broad, low risk exploration program targeting nearby surface anticlines that will likely replicate the success of Malolos-1 oil discovery
2015 Work Commitment	> Resolve Malolos fines migration and sand production issue to confirm longer term production rate
	> Technical review to identify best drilling and completion technology to maximise oil production
2015 Work Program	> Studies plus either deepen Nuevo Malolos-1/drill a new Malolos well and place into oil production
	> Funding by farmout – commenced efforts
Big Oil Aspirations in France	> Prolific hydrocarbon province with 13 TCF of gas & 450 Million barrels of liquids already produced
	> New licence applications nearing end of processing; competing bids resolved; Government delays
	> 100% ownership provides funding flexibility for planned seismic and drilling: 12-24 months
	2 100% Ownership provides funding flexibility for planned seisiffic and drining. 12-24 months
Management with 'skin in the game'	> Leadership team with extensive experience in asset identification, exploration through to appraisal, development, permitting, construction and off-take deals
	> Ownership of ~29% provides alignment shareholders - not a 'lifestyle' company
	> All Directors invest their fees to purchase shares in the Company – subject to shareholder approval

### SC 44 - SUMMARY



### **KEY ELEMENTS**

- 2014 Philippine Department of Energy recognised Malolos-1 as an "Oil Discovery"
- 2014 extended production test significant oil production (200 bopd short term)
- Fines/sand production plugging perforations and impeding oil production rate
- 2 year Technical Moratorium granted by DOE to January, 2017 in order to study problem, find solution and drill new well to demonstrate sustained oil production

### FORWARD PLAN (January, 2015 to January, 2017)

- Research best completion type for Malubog Formation sandstone reservoirs, study to incorporate all available data and to be conducted with industry experts
- Finalise open hole well design and production completion program
- Review and, if warranted, implement Malolos-1 recompletion to enhance oil production
- Deepen and deviate updip Nuevo Malolos-1 to oil bearing reservoirs, core and record modern open hole electric logs (Option: drill new Malolos well)
- Complete well for oil production implementing new completion technology
- Commence extended oil production test to establish field commerciality and be issued a
   25 year production period

# **Philippines – Attractive Geology for Oil**

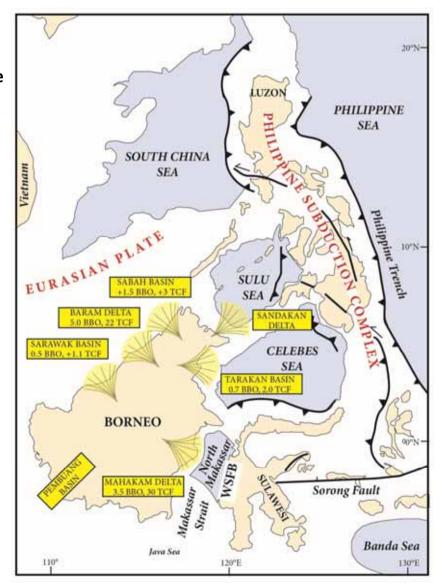


### **INDUSTRY ACCEPTED MYTH**

"The major problem in the Philippines with respect to petroleum exploration seems to be finding the presence and/or the location of good reservoir beds. This problem arises because portions of the Northern and Central Philippines contain typical island arc environments along with continental fragments (Karig, 1982)."

### ATTRACTIVE OIL PROVINCE

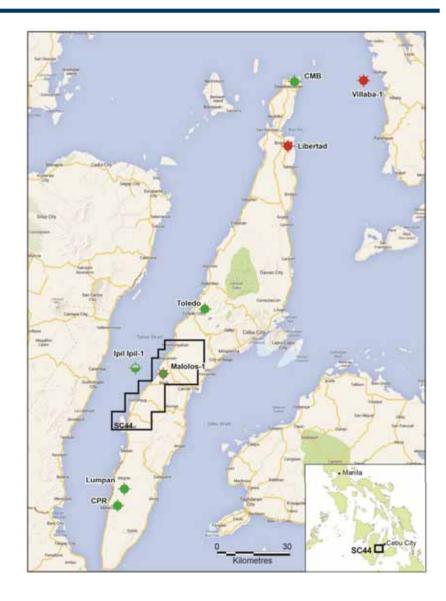
This long held, industry wide assumption is not true. The Philippine islands form part of the rifted eastern continental margin of the South China Sea with very similar Oligocene-Miocene age geology and continental sediment source to that of Indonesia, Malaysia, Thailand, Vietnam and south-eastern China. The Philippines forms the northern extension of Borneo with a very similar geological history. Late Oligocene - Early Miocene carbonates and Early – Mid Miocene quartz sandstone are very attractive exploration targets. The island arc overprint is geologically very young and does not effect reservoir quality.



# **Philippines – Petroleum Discoveries**



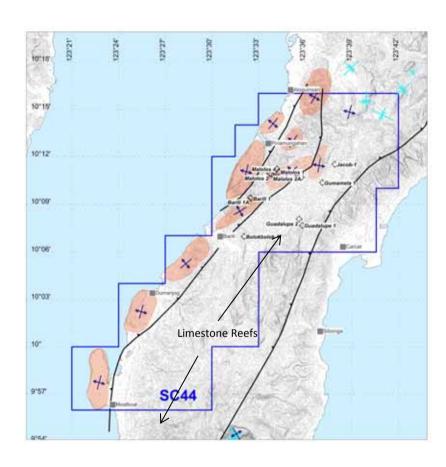
- > Producing petroleum region with on and offshore oil and gas production since the 1960s.
- > Shell, Total, Chevron still active offshore.
- > Exploration focus onshore targets in SC44 near previous oil and discoveries.
- > Past oil discoveries in Cebu have not sustained continuous commercial oil production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



# **SC44: Summary**

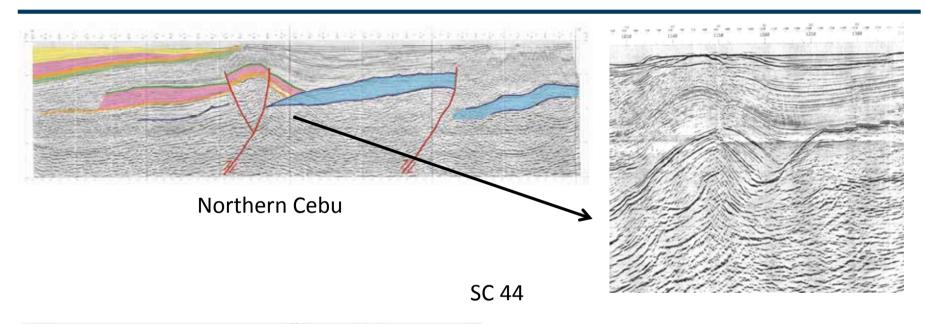


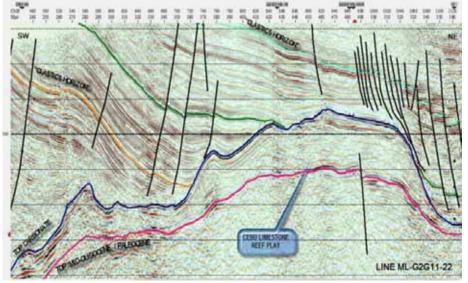
- Numerous surface anticlines mapped Malolos anticline confirms oil bearing intervals in quartz sandstone reservoirs which will likely be replicated in other anticlines across SC 44
- > Malolos Oil Field "Contingent Resource" Oil in Place:
  - > 1C: 6.8 MMbbls
  - > 2C: 20.4 MMbbls "Best Estimate"
  - > 3C: 68.1 MMbbls
- Oil discoveries made adjacent to SC 44 Polyard , SC 49, located immediately south of SC 44, successful oil/gas well from same age sandstone reservoirs
- > SC 44 production test program completed in 2014
- > 2 year Moratorium (till January, 2017) issued to determine and implement optimum drilling/completion technology
- > Oil sales achievable within months of establishing commercial production with logistic and transport solutions to market.

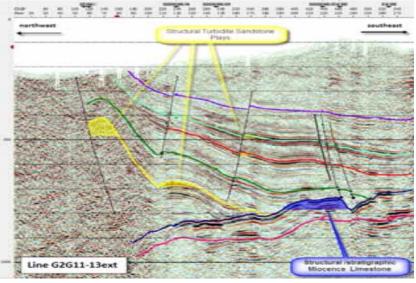


# **SC 44: Western Reef Edge and Anticlines**



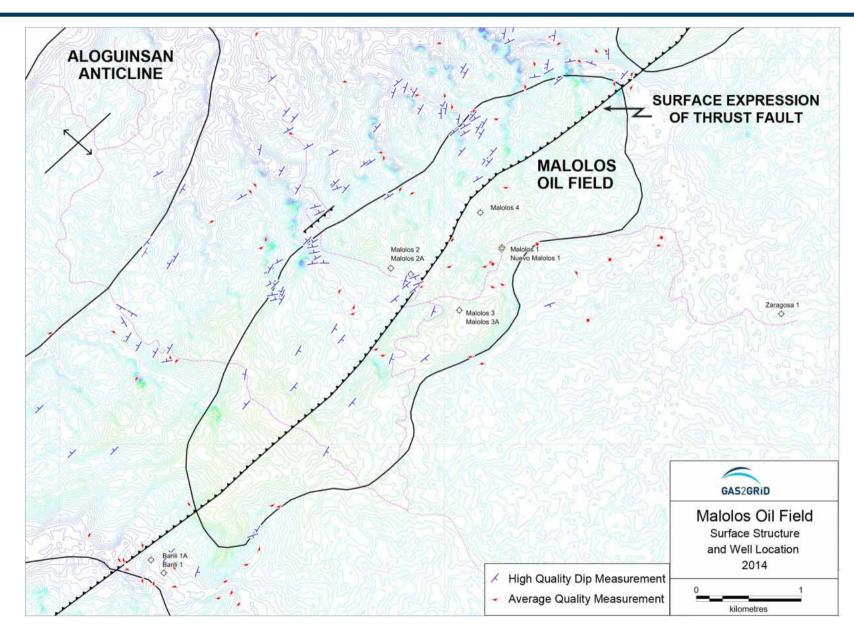






# **SC 44: Malolos Anticline**





# Geological Mapping

# **MALOLOS ANTICLINE: Outcrop**



Main Thrust Fault



Steeply Dipping Barili Formation – East Limb



Antithetic Thrust Fault – near main thrust

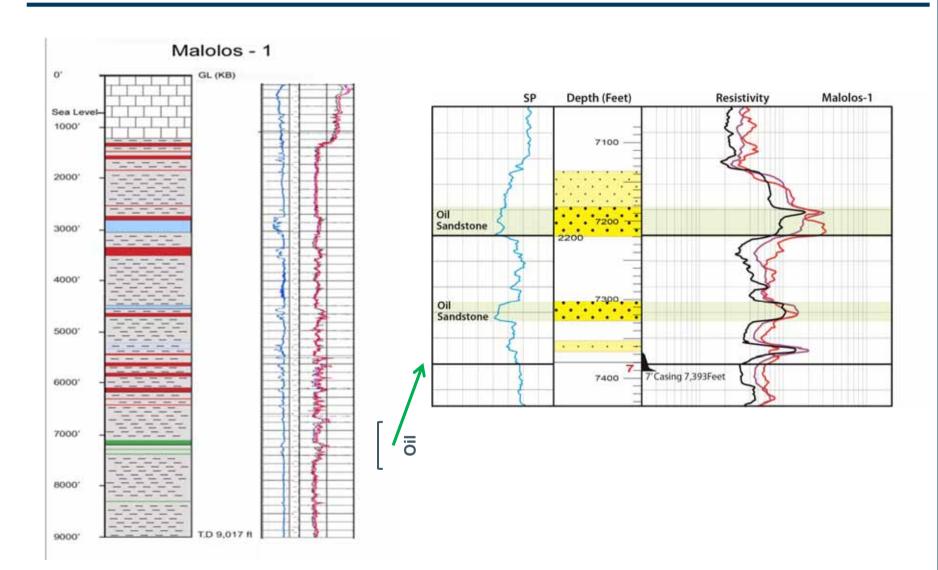


Steeply Dipping East Limb



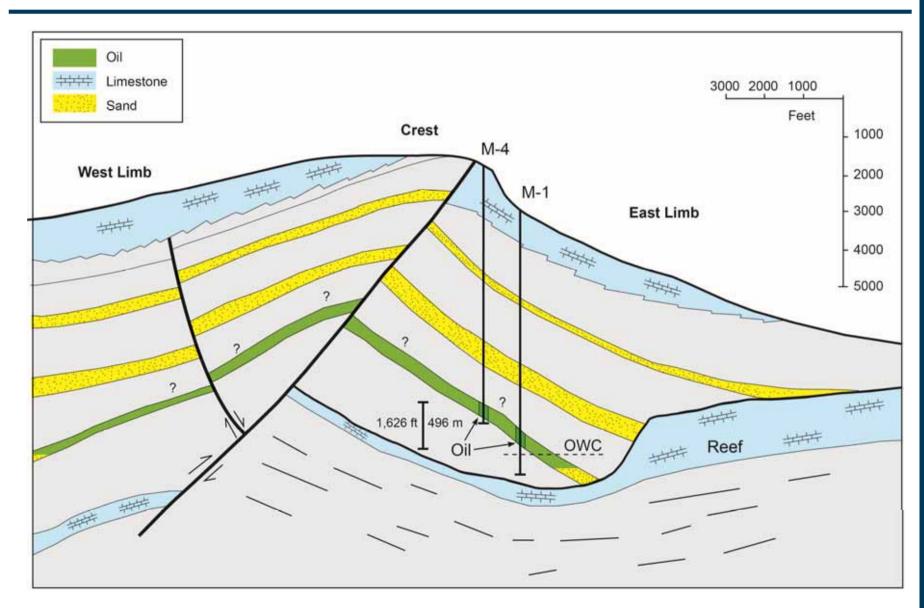
# **Malolos-1: Oil Intervals**





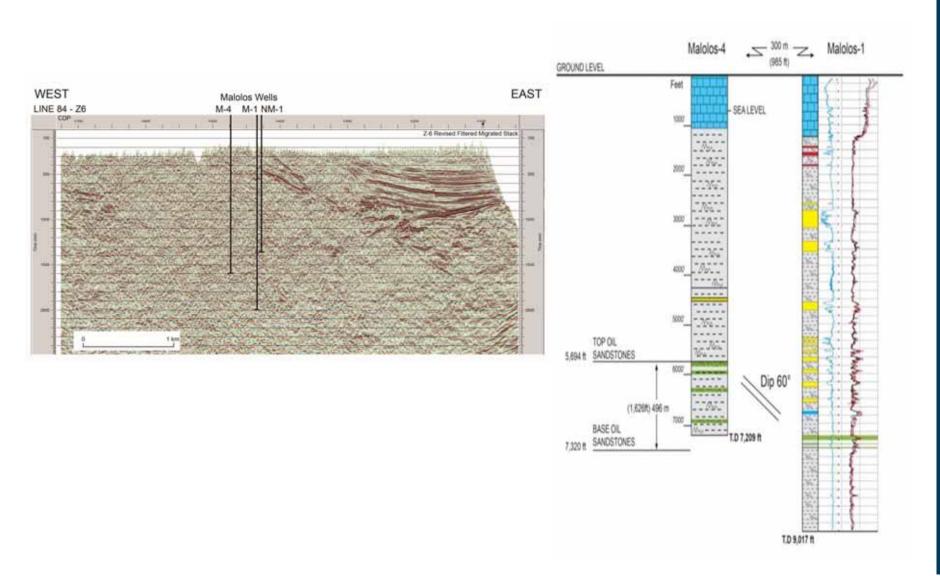
# **MALOLOS OIL FIELD: Cross-Section**





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





# MALUBOG FORMATION: Outcrop of Marine Sandstone Reservoirs GAS2GRID









# **MALUBOG FORMATION: Conglomerate & Sandstone Reservoirs**











# **MALUBOG FORMATION: SC 44: Outcrop of Oil Source Rocks**









# Malolos-1: Wellsite – May, 2014









# Malolos-1: 2014 Oil Testing – Sand & Fines Migration









## **MALOLOS-1**



### **TEST RESULTS**

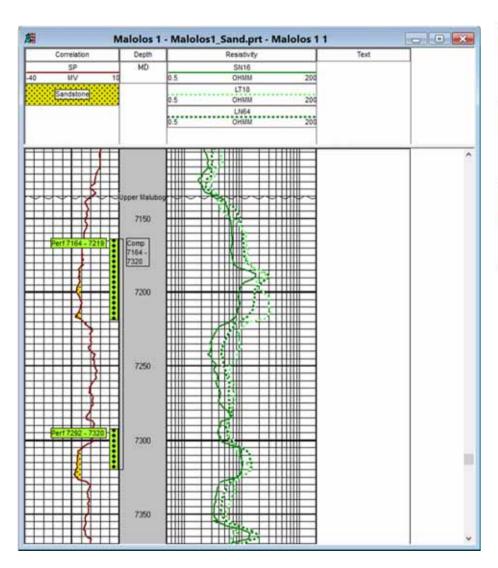
- Proved that sandstones at a depth of 7,100 and 7,300 foot are oil bearing
- 100-200 barrel/day short term oil influx rates
- Fines migration and sand production impeding sustained, higher production rate
- Have established close proximity to an oil-water contact in lower sandstone
- Malolos-1 drilled & completed in 1960 inexpensive mini-frac to enhance oil rate
- All wells in Cebu have encountered poor open hole conditions with washouts
- All completed wells in sandstone reservoirs in Cebu have encountered sand production limiting oil rates but issue never addressed with optimum completions
- Fines migration and sand production common problem with most Tertiary age oil fields producing from sandstone in the World eg. Indonesia, Malaysia, Thailand, China, West Africa, Gulf Coast (USA), Australia existing technology solves issue

### **TARGET PROGRAM**

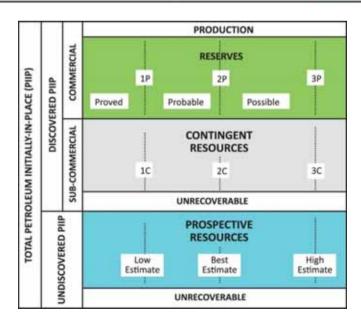
- Determine the best open hole drilling fluid program to minimise formation damage
- Production completions will likely require screens, gravel pack or frac-pack to manage reservoir fines and sand production
- Deepen and deviate up-dip Nuevo Malolos-1 (or drill new well) to implement drilling and completion program
- Place well into extended oil production to establish commerciality and grant of 25 year production period

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





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



# **Open Hole Sand Control: Screens**



**SCREENS:** This completion is selected where the liner is required to mechanically hold back the movement of formation sand. Screen designs are mainly wire-wrap or premium; wire-wrap screens use spiral-welded corrosion-resistant wire wrapped around a drilled base pipe to provide a consistent small helical gap. Premium screens use a woven metal cloth wrapped around a base pipe. Expandable screens are run to depth before being mechanically swaged to a larger diameter.

**GRAVEL PACK:** A gravel pack is simply a downhole filter designed to prevent the production of unwanted formation sand. The formation sand is held in place by properly sized gravel pack sand that, in turn, is held in place with a properly-sized screen.

**FRAC-PACK:** combine gravel packing with fracturing, creating wide, highly conductive fractures connecting the reservoir to the wellbore.







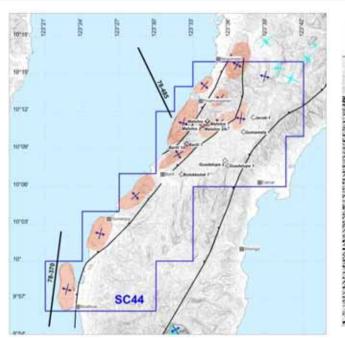
# **Malolos Oil Field - Transportation**

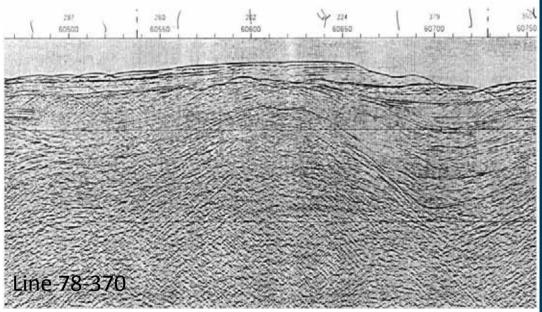




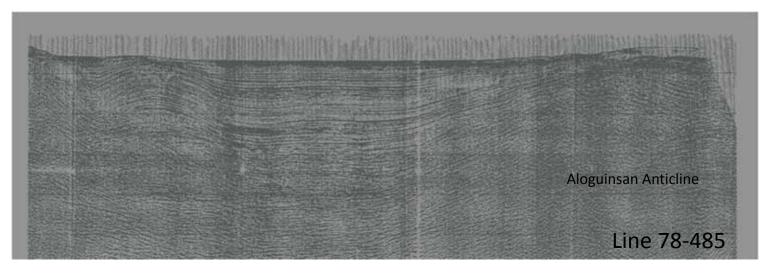
# **PROSPECTS:** Large







Moalboal Anticline



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



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

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



### **Brewster 200 Workover Rig**

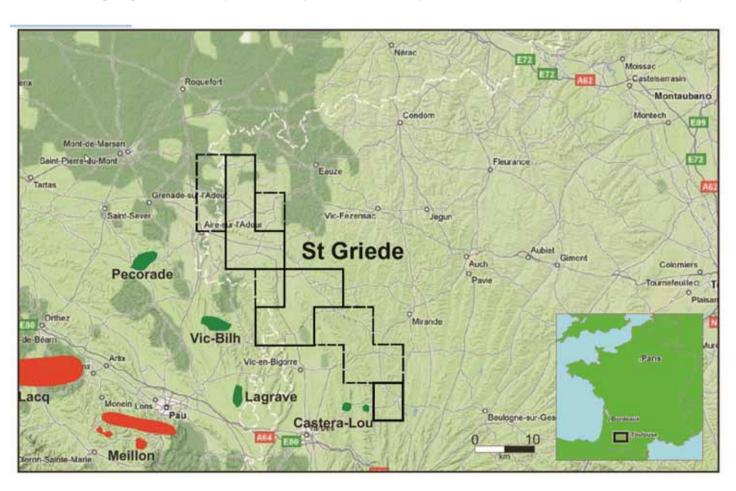
- > Capable of work-over and flow testing
- > Set surface conductor and surface casing.



# St. Griede Licence, Aquitaine Basin



- > Aquitaine Basin is a prolific hydrocarbon province with over 13 TCF of gas and 450 million barrels of liquid hydrocarbons having been produced from the basin and currently producing.
- > Under-utilised oil and gas infrastructure within 20km of licence area.
- > Undergoing renewal and partial relinquishment 619sq km licence area with 100% to GGX & Operator .



# Neighbouring Oil & Gas Fields:

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

# St. GRIEDE - Big Oil Potential



### History

- > Aquitaine Basin is a prolific hydrocarbon province with over 13 TCF of gas and 450 million barrels of liquid hydrocarbons having been produced from the basin and currently producing.
- > Markets and infrastructure are well developed for a commercial discovery.
- > Little activity in past decade as French majors went international.
- > Gas prices in Europe continue to trade at highs (~\$12/GJ) roughly 3-4 times East Coast Australia.
- > 100% working interest provides flexibility in funding forward work program for exploration drilling.

### **Proposed Work Program (on licence renewal)**

- 2015: new seismic data acquisition.
- 2015-2016: drill one well.

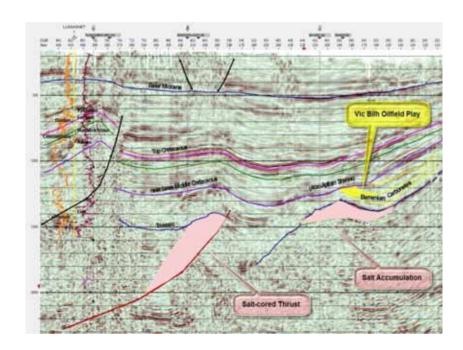
### **Attractive Fiscal Terms**

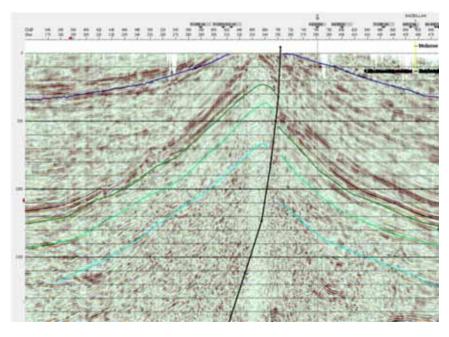
- Oil royalty system with royalty and taxes based on annual field production.
- Royalty progresses from 0-12% from <50,000 to >300,000 metric tonnes.
- Oil taxes: Communities €213/100t production; Department €271/t.
- Gas royalties progress from 0-5% for <300mcf to > 300 mcm.
- Gas taxes: Communities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

# St. Griede Prospects are Very Large



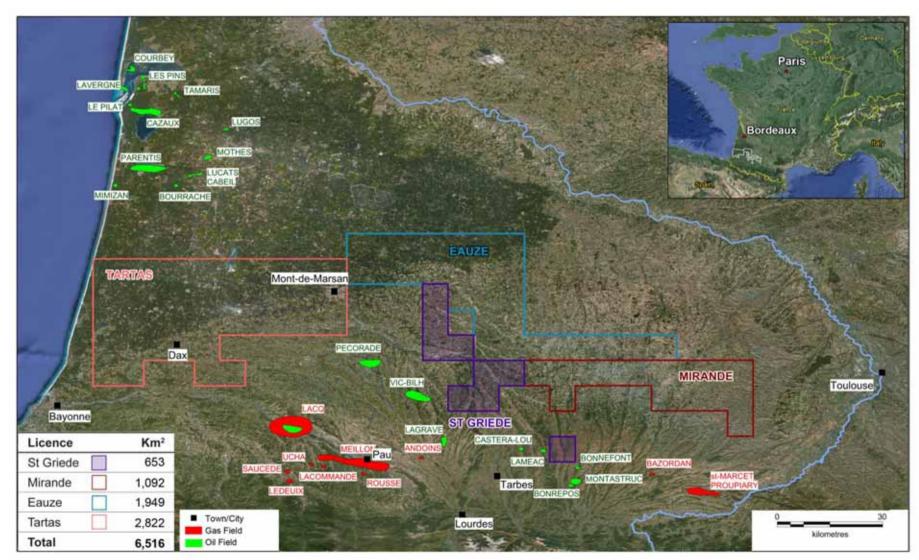
- > Historical seismic interpretation, aero-gravity survey and available petroleum well data combined to identify very large prospects.
- > New seismic data to be acquired to confirm the first of many drill ready prospects.





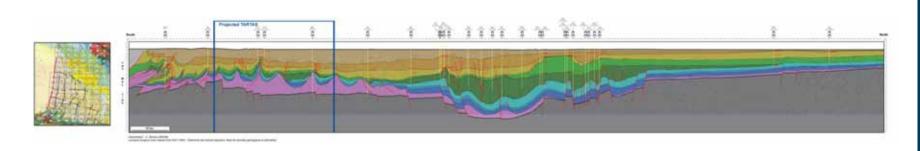
# Licence Applications: Aquitaine Basin

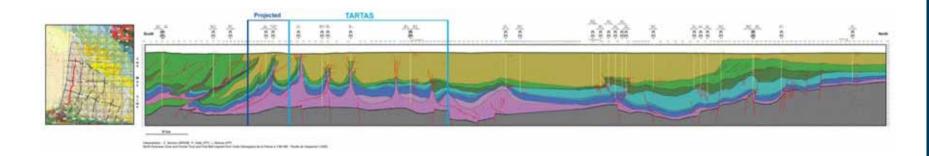


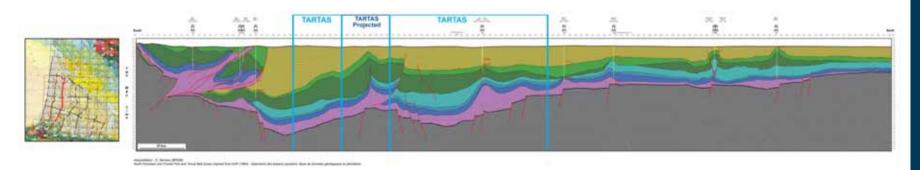


# **AQUITAINE BASIN: Tartas Regional Seismic Lines**



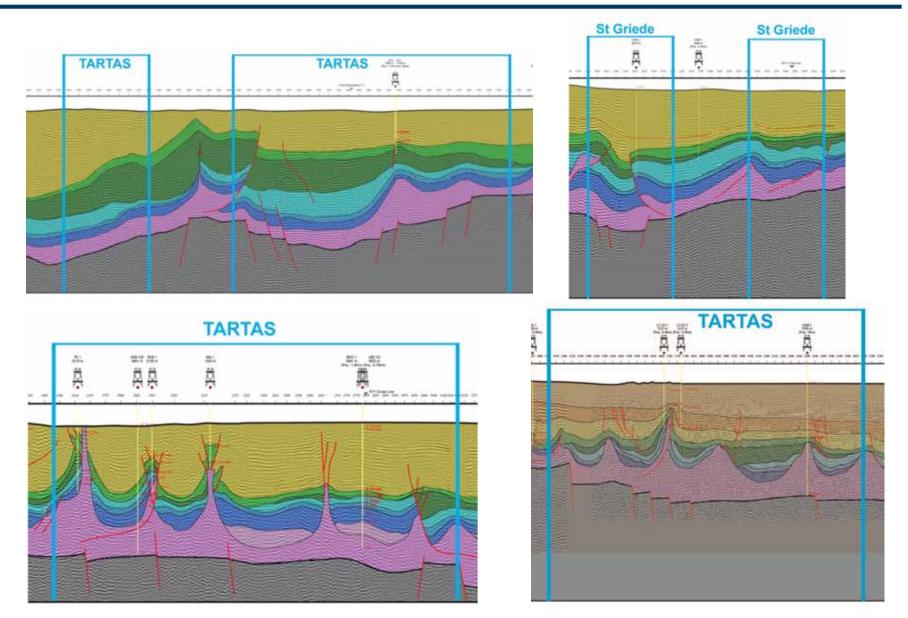






# **TARTAS: Seismic Data**





# **Corporate Overview**



Corporate Profile		Asset Portfolio	
ASX Code	GGX.AU		Onshore, Central Cebu Island, <b>Philippines</b>
Shares on Issue	789 million	SC 44 (100%)	2013-2017 Drilling & Development
Share Price	\$0.007	St. Griede (100%)	Onshore, Aquitaine Basin, <b>France</b>
Market Capitalisation	\$5.5 million		2015-2016 Seismic Drilling
Cash*	\$0.1 million	France (100%)	Onshore, Aquitaine Basin, <b>France</b>
Key Shareholders	Directors 29%		Tartas Application
	Top 20 – approx. 52%		Mirande Application
* As at 31st December 2014 – unaudited and approximate			Eauze Application

### **Board & Management**

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

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