

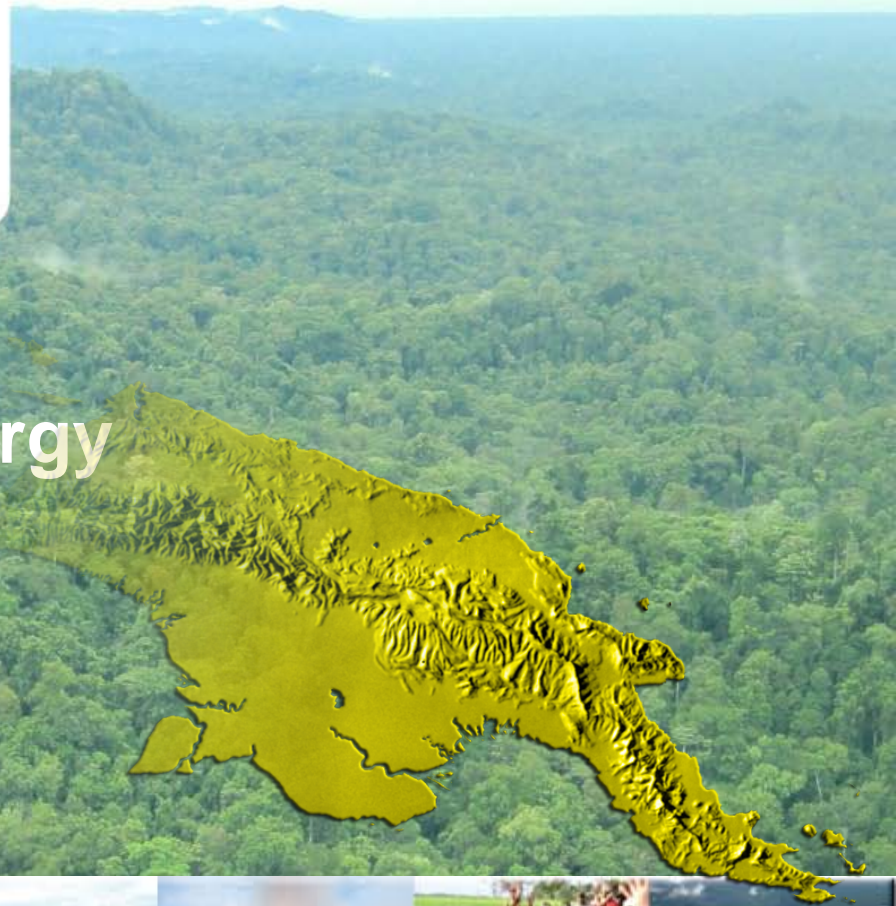


Kina
PETROLEUM LIMITED

PNG Company Number
1-63551

BBY
**Australian Resources, Energy
& Utilities Conference**
Sydney

2 & 3 September, 2014



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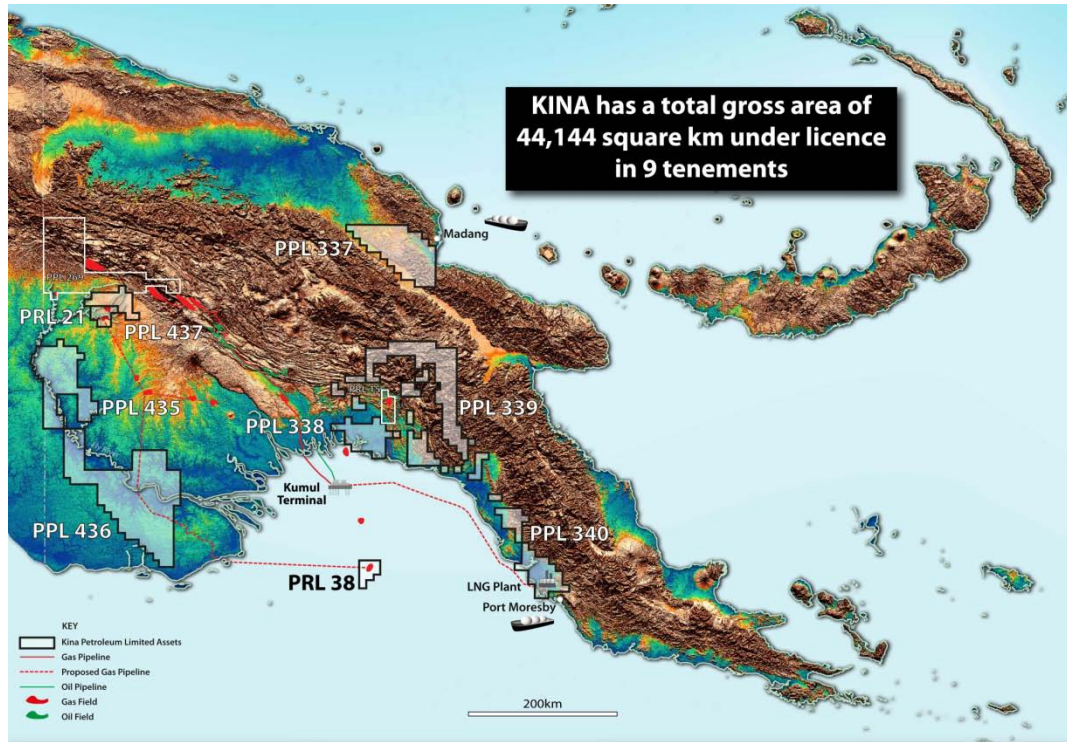
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Competent Person Statement

The technical information contained in this presentation is based on information compiled by Mr Richard Schroder (Managing Director). Mr Schroder has more than 30 years experience within the industry and consent to the information in the form and content in which it appears.



- Kina well located with recent Corporate Activity.
- PNG LNG project - May 2014.
- Total and Oil Search entry into Elk/ Antelope (PRL 15).
- Santos farm in to PPLs 261 and 426 and payment of up to \$US 40m for PPL 269.
- Osaka Gas farm in to PRL 21, PRL 4 and PPL 259.
- Oilsearch entry into PPL 269.
- Eaglewood buyout by Transform.
- Heritage Oil farmin to PPL 337 and PPL 437 with Kina, and PPL 319.



Development Activity

- **PRL 21** - success of Tingu discovery October 2013 has provided a basis for:
 - Submission of PDL application (March 14)
 - Continuation of FEED through 2014.
- **PRL 38** - Awarded December 2013. Key objective is to access technical data to determine resource size plus exploration & development potential.

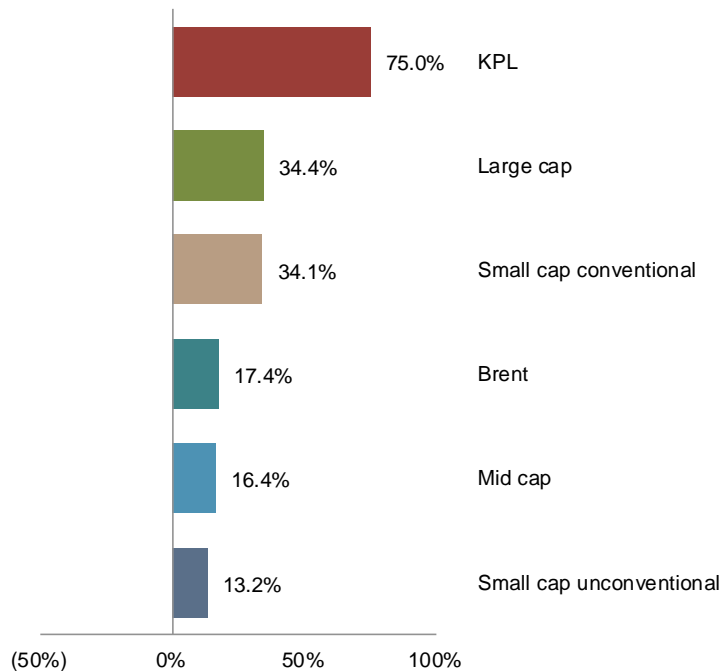
Exploration Activity

- **PPL 337** – wells are expected to spud in October 2014. KPL will be carried through these wells following the farmout to Heritage in 2013. The Raintree prospect will be drilled first, followed by the Kwila prospect.

Resources in this licence can service local and international energy markets – expressions of interest have been received from local power users.
- **PPL 437** – Seismic is underway, aimed at delineating a drillable prospect over the Malisa South Lead.

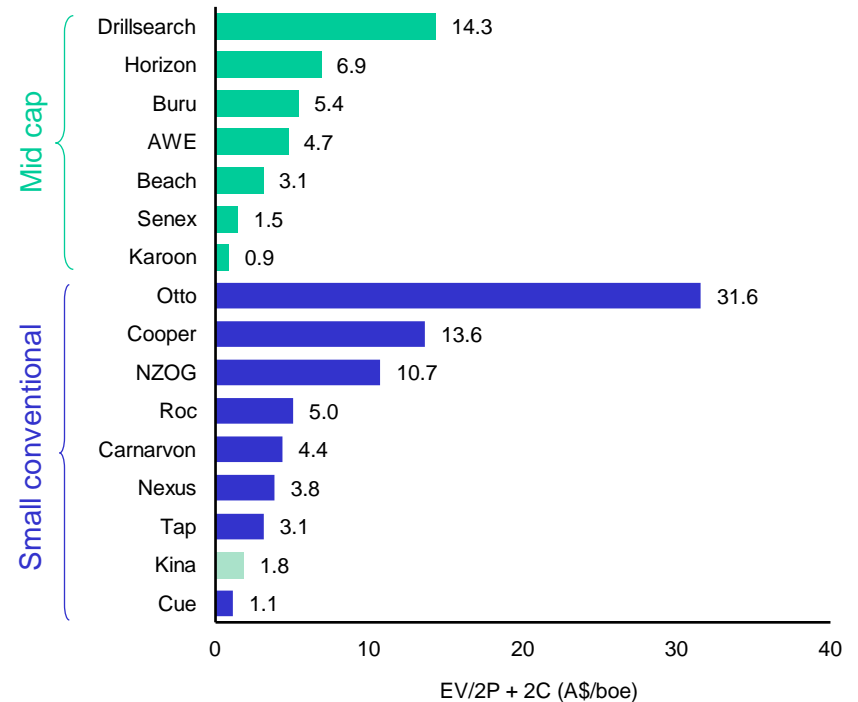
The licence is adjacent to PRL 21 discoveries – clear path to commercialisation of any discovery
- **PPLs 338 & 339** – The focus in PPL 338 is the Triceratops Up-dip prospect, while in PPL 339 we are focussed on accelerating activity in coming months so that there is sufficient seismic to define a drillable target.
- Prospects and Leads inventory has been refined to the point where targets are shortly to be drilled in PPL 337 and seismic in PPL 437 is targeted on Elevala and Ketu look-alike structures.
- **PPLs 340, 435 & 436** - Aerogravity and aeromagnetic surveys are now complete. Interpretation will shortly commence, allowing KPL to move to a farmout phase culminating in a substantial seismic program followed by drilling.

Since IPO in December 11, KPL has outperformed all key ASX indices

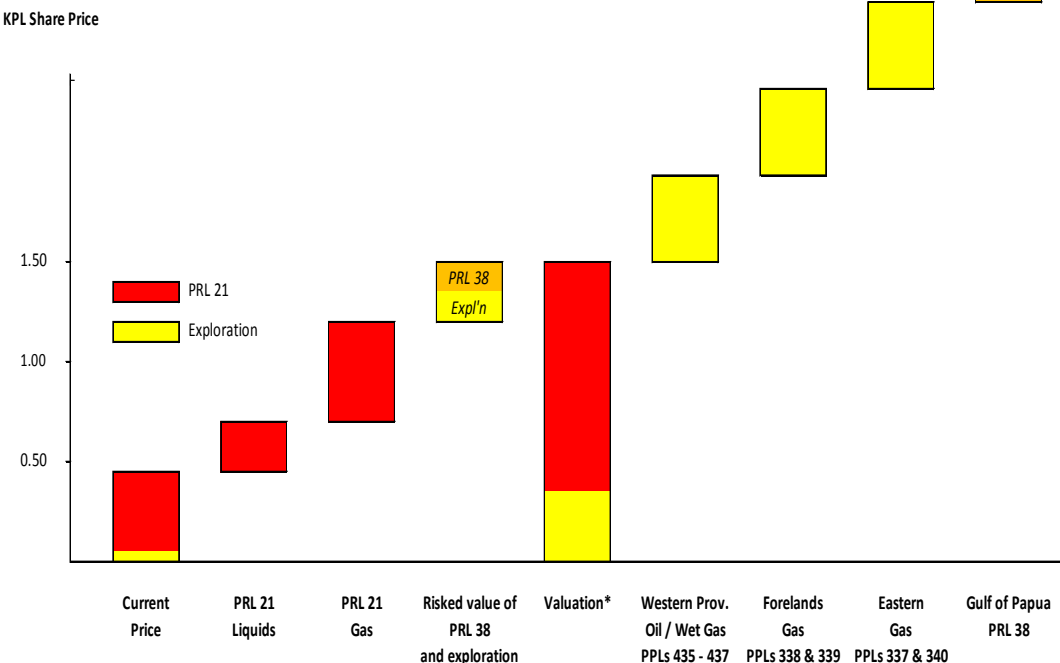


Source: UBS

KPL is undervalued relative to small cap and mid cap E&P companies



Value Matrix



*Source: BBY

Development Activity

Risked Exploration

Exploration and development Upside

Commerciality of Resources

- PRL 21 - PDL application lodged March 2014 for Elevela/Ketu/Tingu
- PRL38 – material resource exists, which is yet to be included in resource base.

Value of resource

- PRL 21 worth between \$A 0.54 and \$A1.34 per share¹

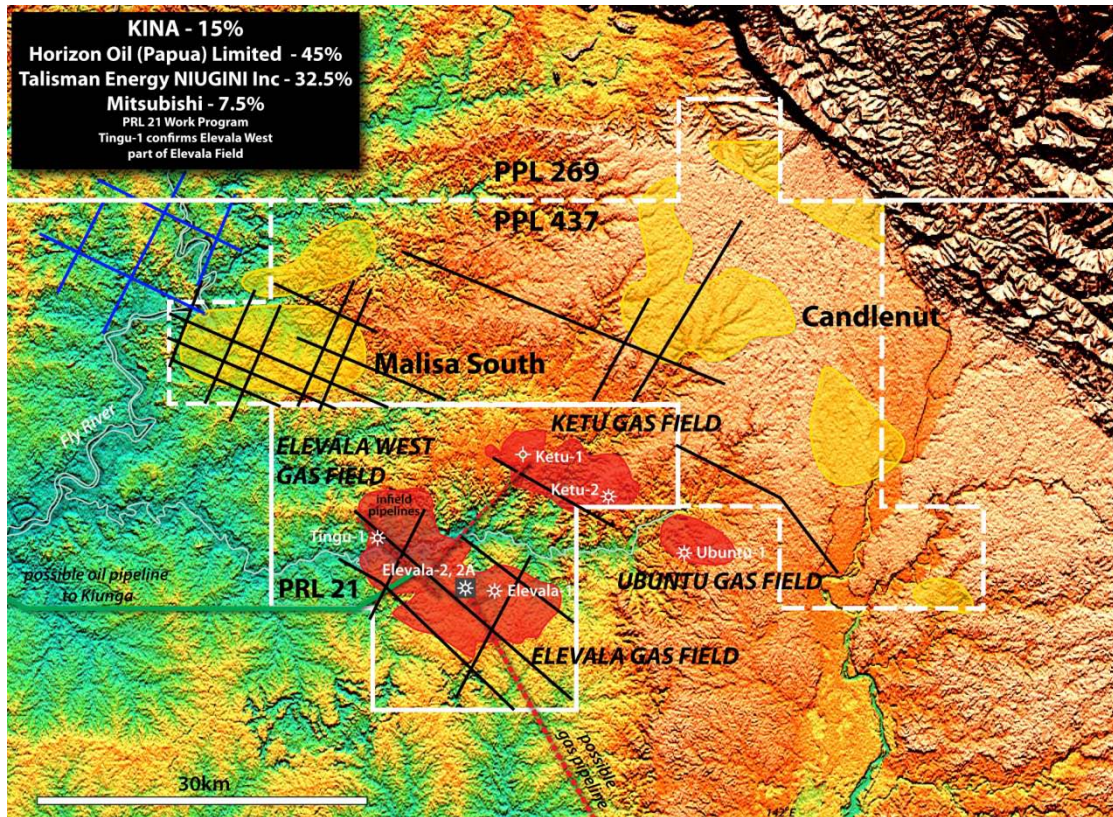
Large Acreage Footprint:

- Over 41,000km² in tenements held
- Dominant exploration position in Western Province & Eastern Province wet gas plays.
- Exploration acreage: 7 Licences proximal to recent discoveries

Capital Structure and Financial Strength

- Market cap. of \$A 83m (at 31 July 2014)
- 245m shares on issue
- \$3.9m cash on hand at end of June14.
- No debt

¹ Implied value based on range of risked and unrisked values per results of DCF & NPV analyses appearing in Independent Experts Report, prepared in respect of proposed ROC/Horizon merger, dated 15 June 2014.

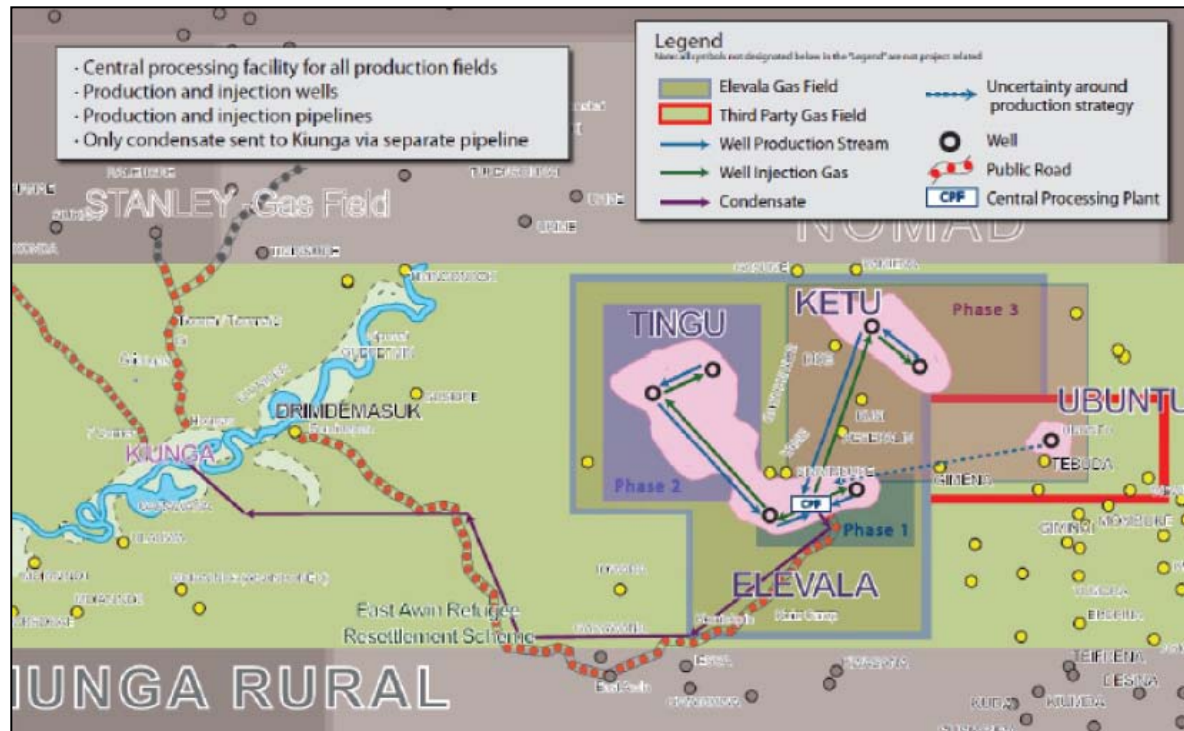


- Contains the commercial wet gas discoveries Elevala, Ketu and Tingu at ~ 3000m.
- Resource base is wet gas, with condensate content sufficient to underpin a liquids development.
- Tingu-1 tested gas rates at up to 46 mmscfd with 50-60 bbl/mmscf of condensate.
- Ketu-2 flowed gas at rates of 35 – 40 mmscfd & 50-60 bbl/mmscf condensate.
- PDL application lodged March 2014; now working towards FID and PDL approval.
- Seismic program approved to address development well location
- Liquids project represents a pre-investment of a future mid-stream LNG Project.

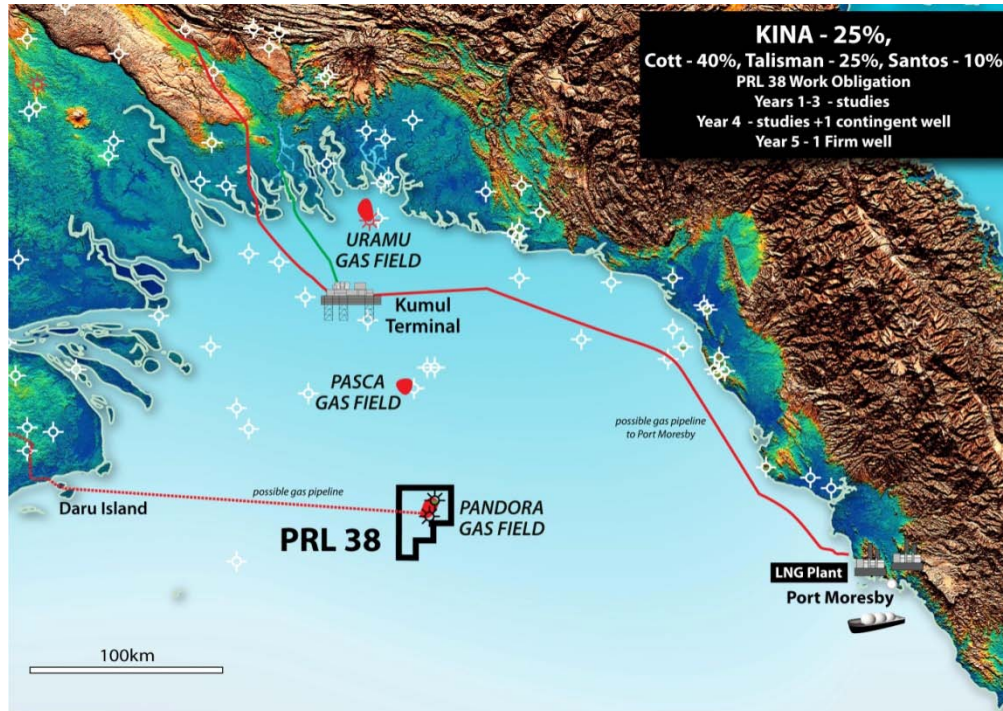


Tingu testing, October 2013

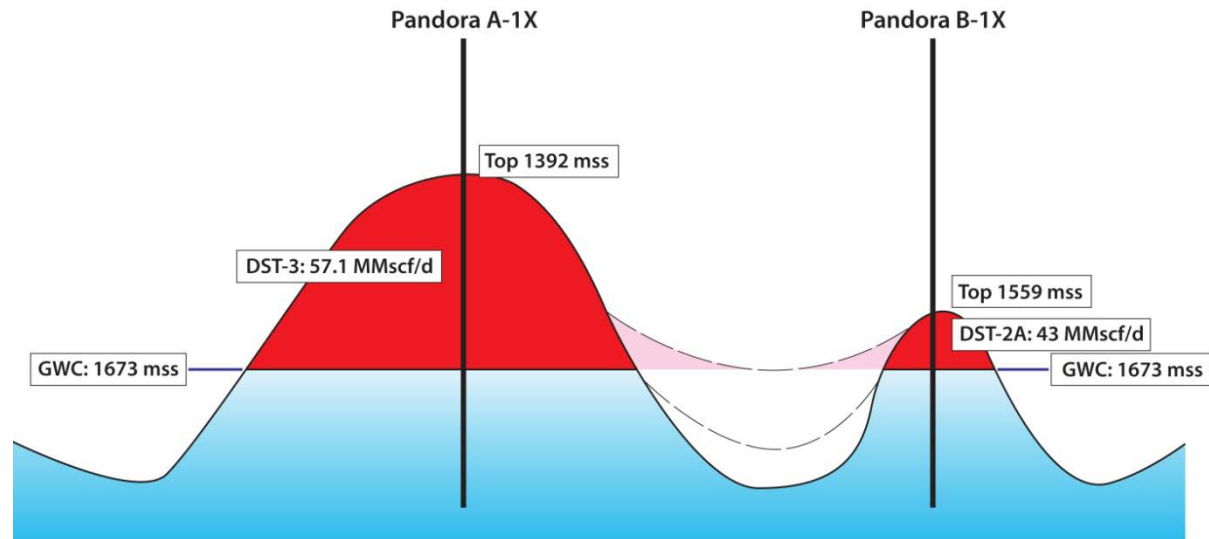
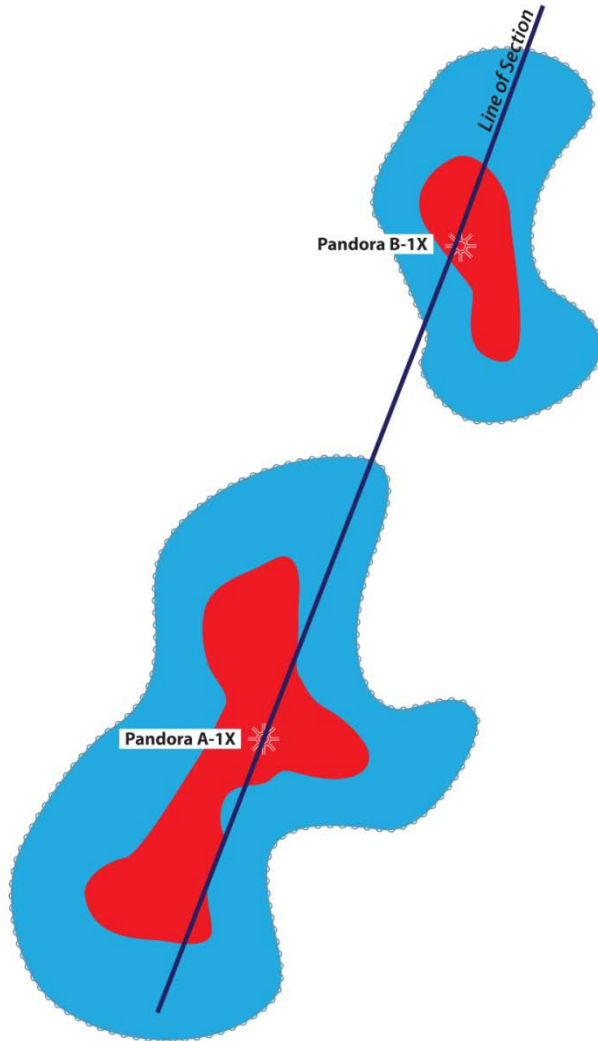
- Liquids stripping to commence late 2017/early 2018 with barge export of liquids from Kiunga, down Fly River.
- Liquids stripping infrastructure is a pre-investment in potential future mid scale LNG Project (2-4 mtpa).
- With LNG plant at coastal location, eg. Daru, to supply:
 - City and mining project power demand as substitute for diesel or fuel oil.
 - Singapore LNG and products hub
 - North Asian LNG markets



PRL 21 potential
Field development
schematic

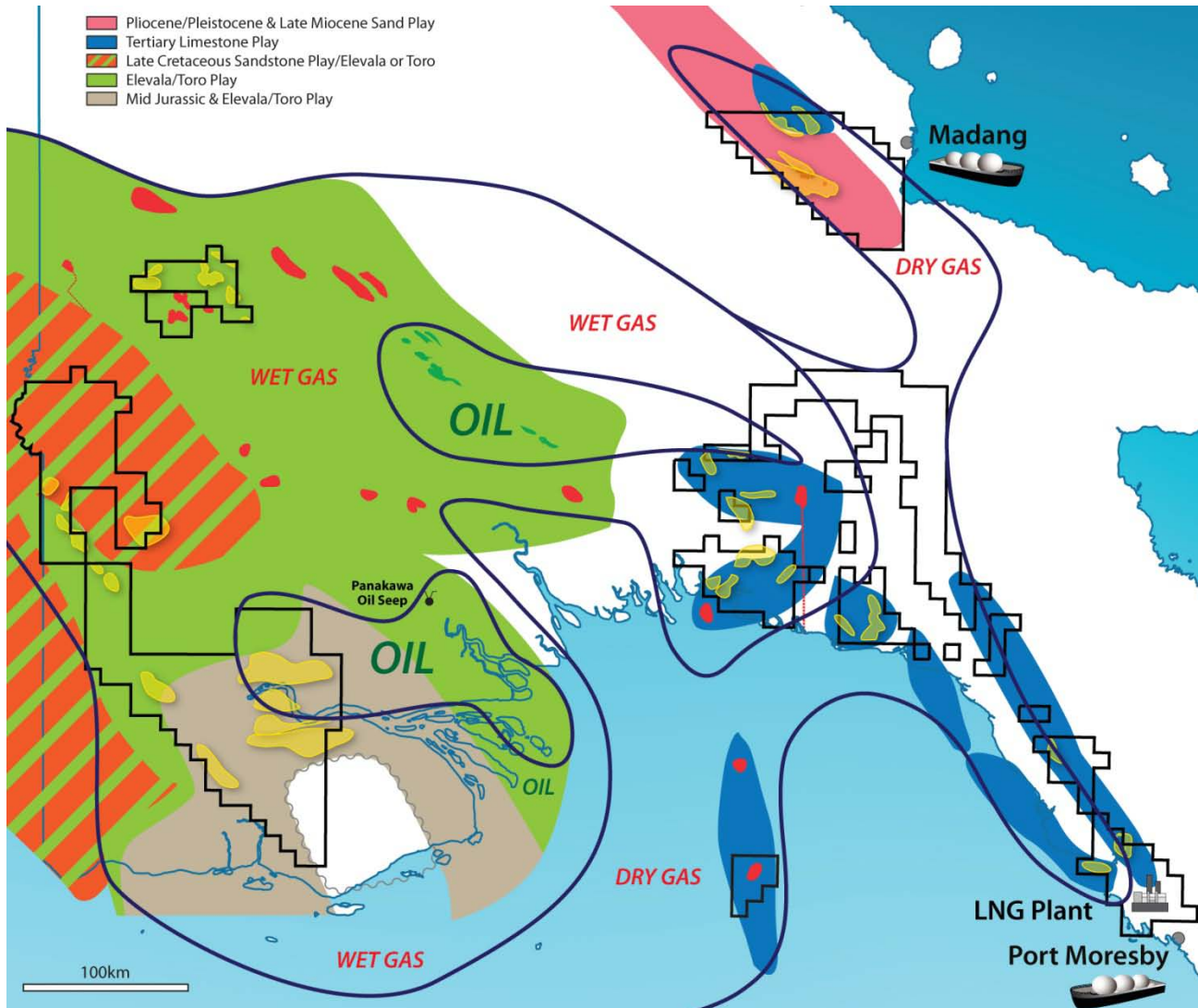


- Licence awarded December, 2013.
- JV: Cott (40%), Talisman (25%), Kina (25%) & Santos (10%).
- 2 gas discoveries at 1,500m TVD in 110m water.
- Substantial gas resource.
- Mid-scale FLNG project to be reviewed by JV.
- Gas could be liquefied on location or piped to near shore barge at Daru.to contribute to Western Province gas aggregation project.
- Exploration upside exists within PRL 38



Pandora A-1X & B-1X have a common gas water contact.
Is there communication and resource addition on flanks?

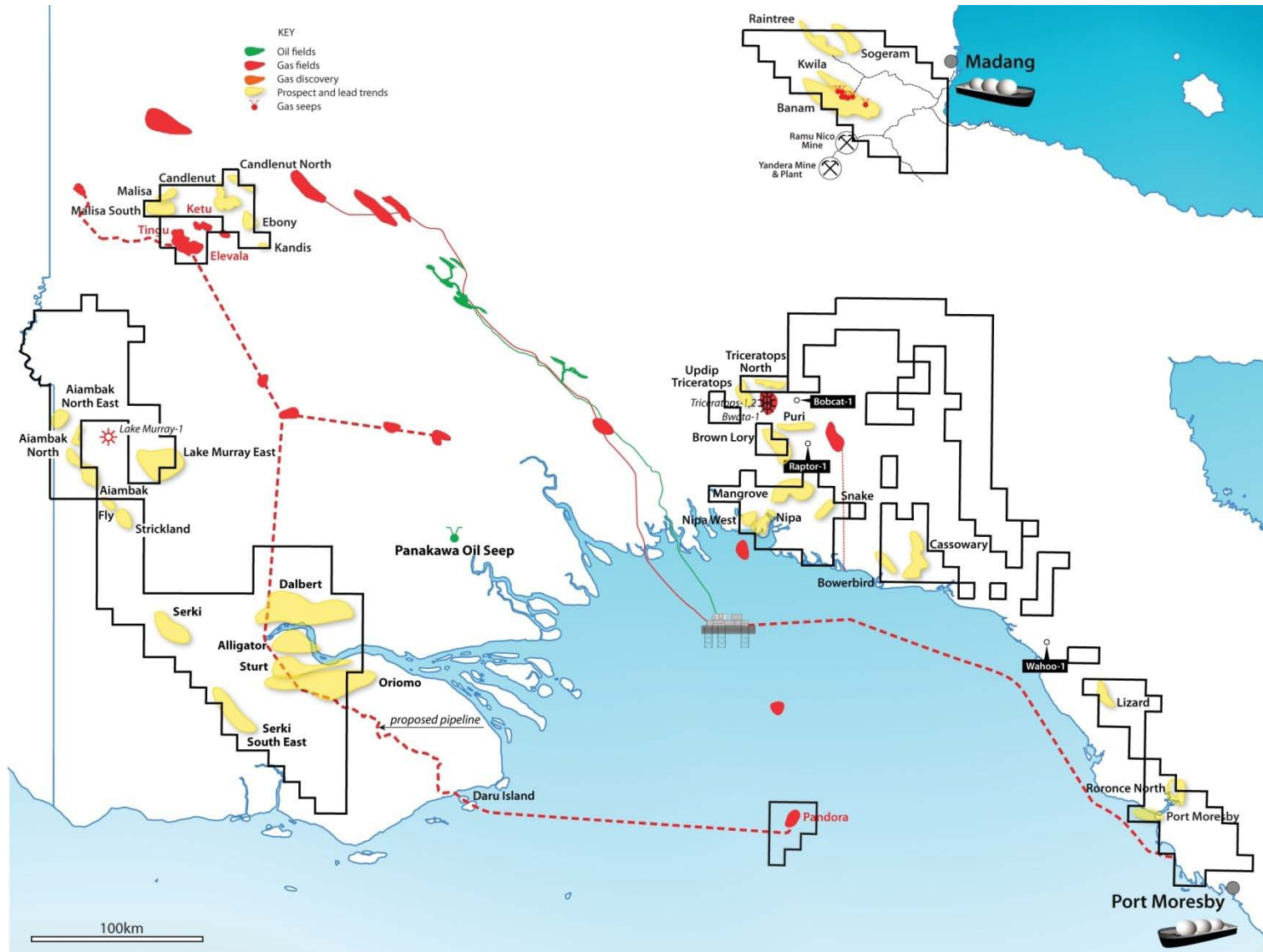
Kina has material upside through exploration



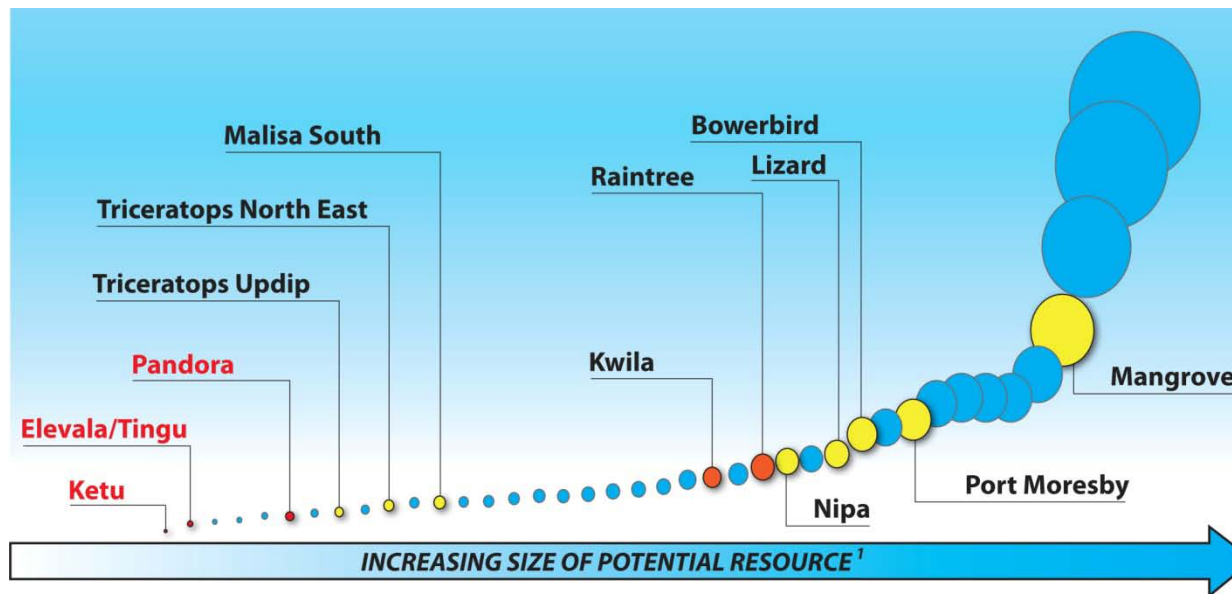
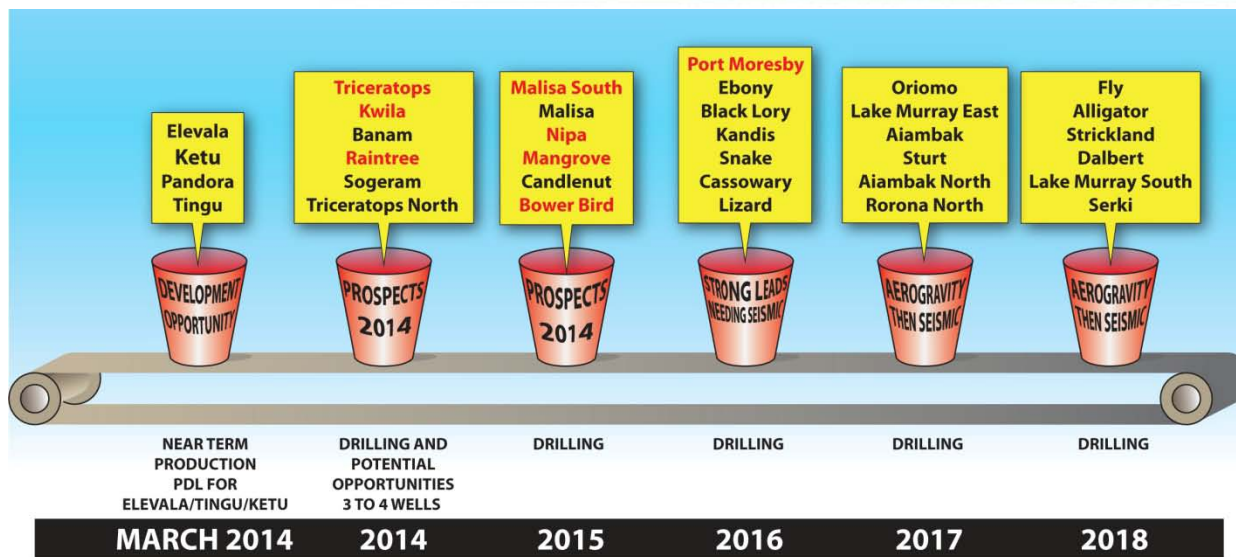
KPL Acreage covers:

- Western clastic play
- Eastern carbonate play.
- Wet gas upside in PPL 437, adjacent to PRL 21 discoveries.
- Eastern carbonate could extend to PPL 337
- Upper Miocene "carbonate" extends into PPL 338, 339, and south into PPL 340

Kina's Assets - Prospect & Lead Inventory

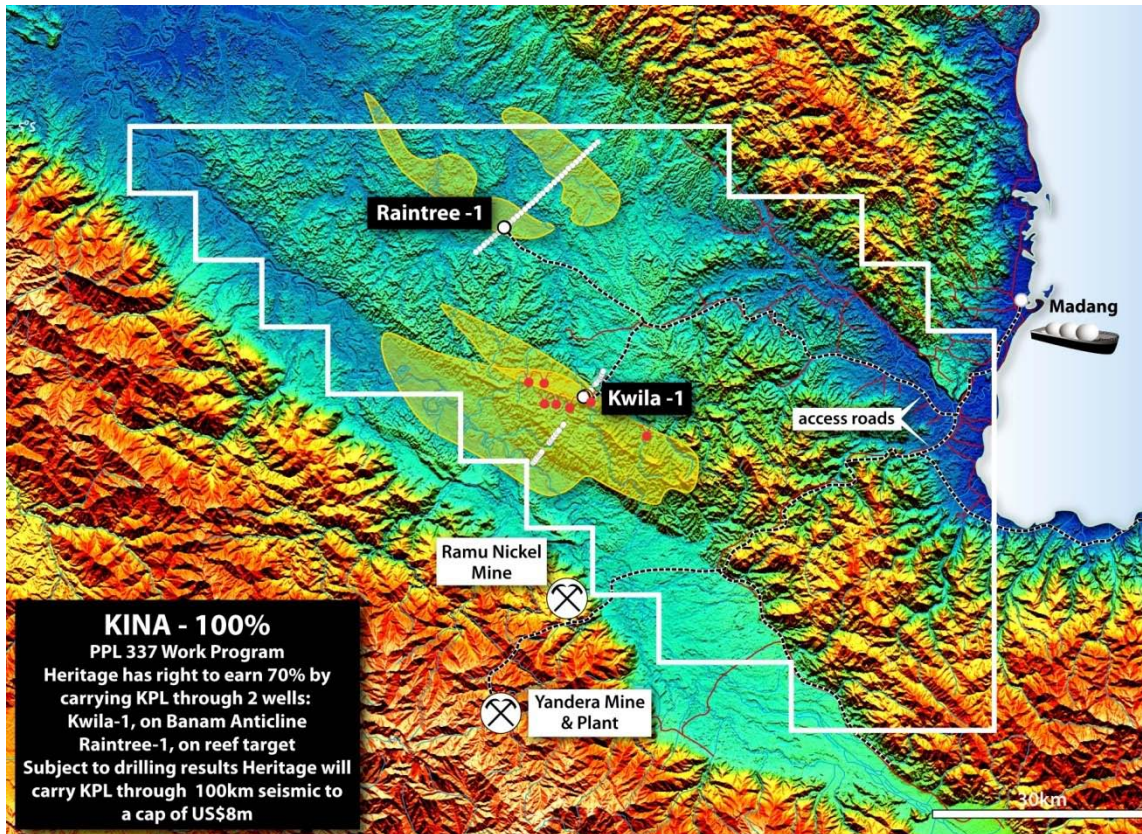


Kina's Prospect & Lead Inventory



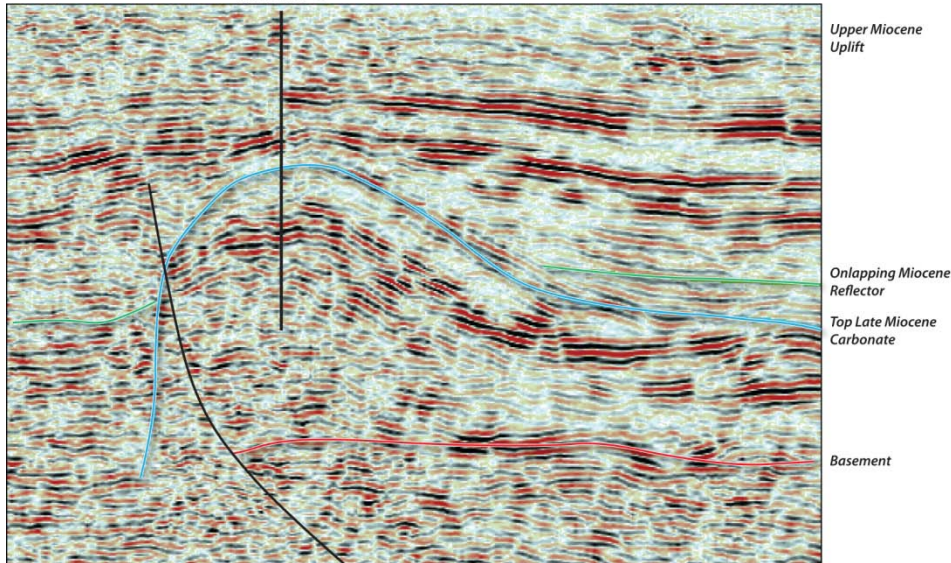
¹ Further evaluation is required to determine the existence of hydrocarbons with recovery dependent on future development.

- Covers ~ 5500 km².
- Heritage farmin October, 2013.
- Upper Miocene reef and Plio-Pleistocene sandstone targets, numerous seeps.
- 2 wells to be drilled back to back. First to spud in October.
- Eastern Carbonate play.
- Expressions of interest in gas from nearby mines demand about 20mmcf/d.
- Target sizes* are sufficient to support large scale independent development.
- Access by road from Madang.
- Deep water ports suitable for LNG within 90km of prospects.
- Learnings in respect of slim hole drilling have application to targets in PPLs 338/339 & 340.



* Across multiple targets in the licence. Further evaluation is required to determine the existence of hydrocarbons, with recovery dependent on potential future development.

Raintree-1



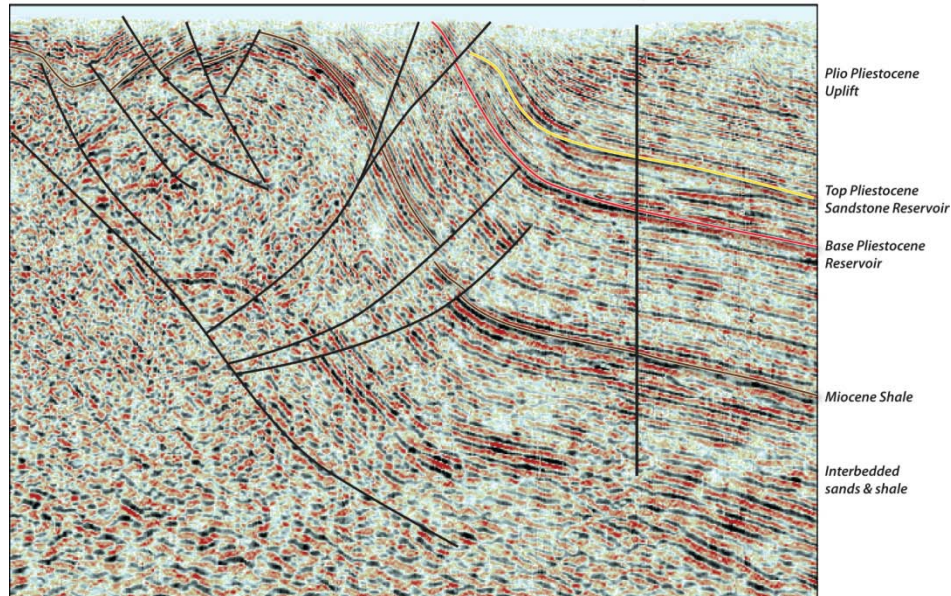
Raintree Location



Raintree -1

- Target late Miocene Pliocene reef
- Depth 845m
- Source biogenic gas or
- Thermogenic hydrocarbons generated from deeper within Miocene

Kwila-1

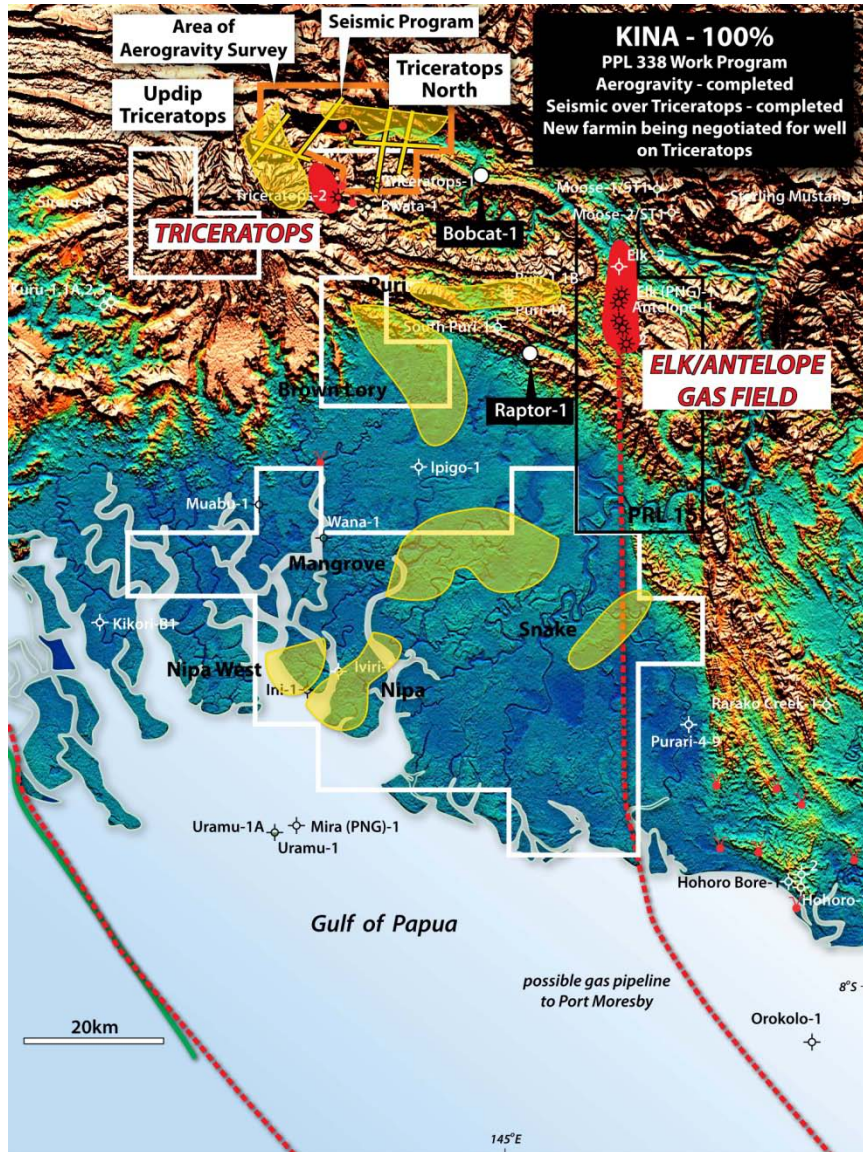


Road transportable rig being considered for drilling PPL 337

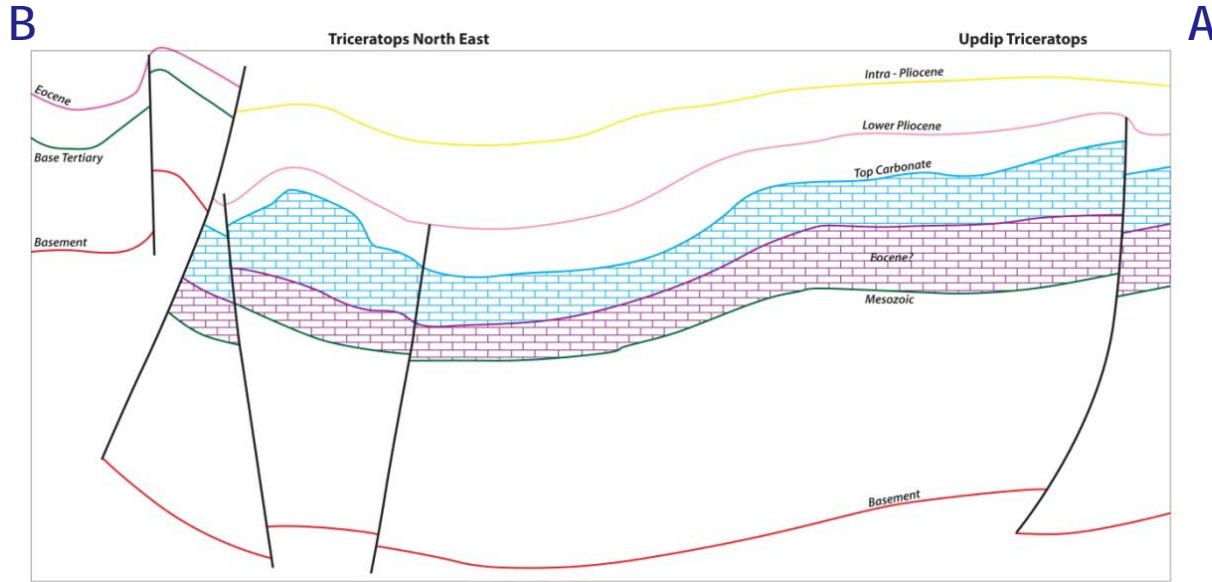


Kwila -1

- Target Plio/Pleistocene sands ponded on backlimb of late stage thrust
- Depth 650m & 1500m
- Source biogenic gas

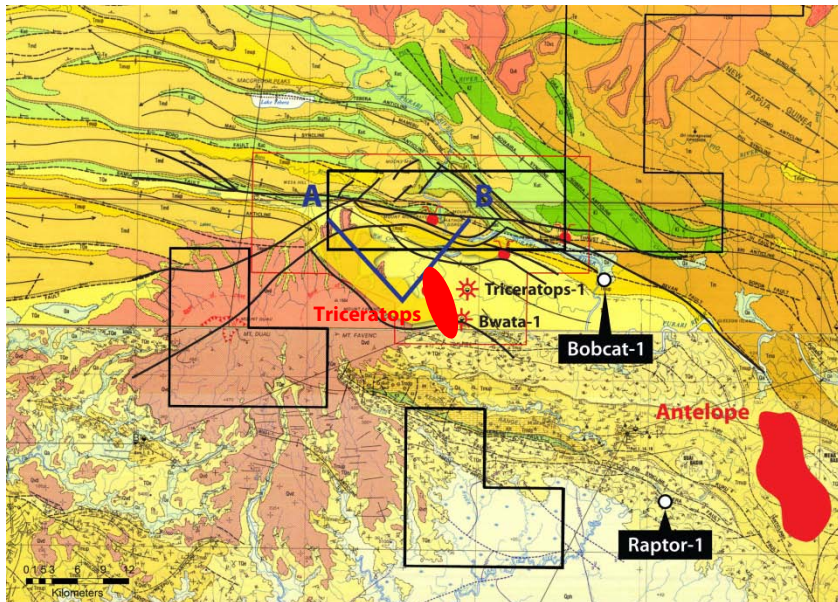


- Covers ~ 3100 km².
- Located at basin margin with wet gas potential.
- Adjacent to Elk/Antelope and Triceratops discoveries.
- Extension of proven reef play.
- Gradiometry and seismic program over extension of Triceratops completed.
- Triceratops Updip extends into PPL 338.
- Possible younger reef at Triceratops Northeast.
- Nipa and Mangrove can be elevated to drillable prospects with existing database.
- Learnings from PPL337 can have direct application to PPL 338.
- Multiple prospects can be tested using slimholes for cost of 1 conventional well.
- Discussions with potential farminees to drill 2015.

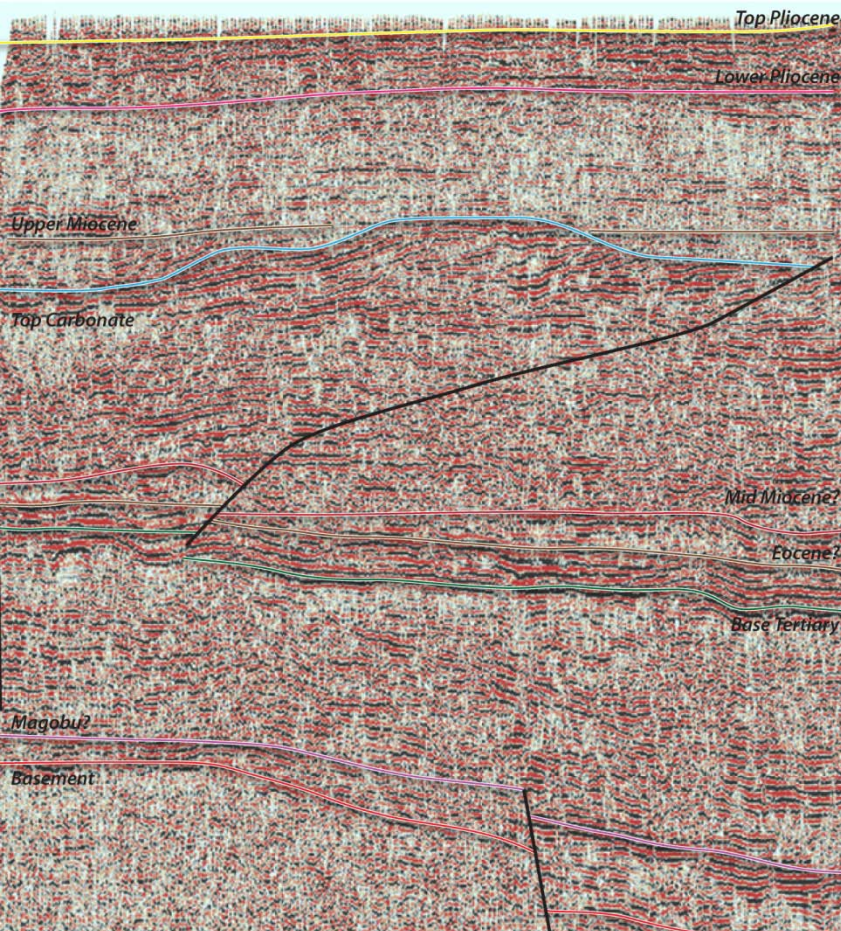


Updip Triceratops

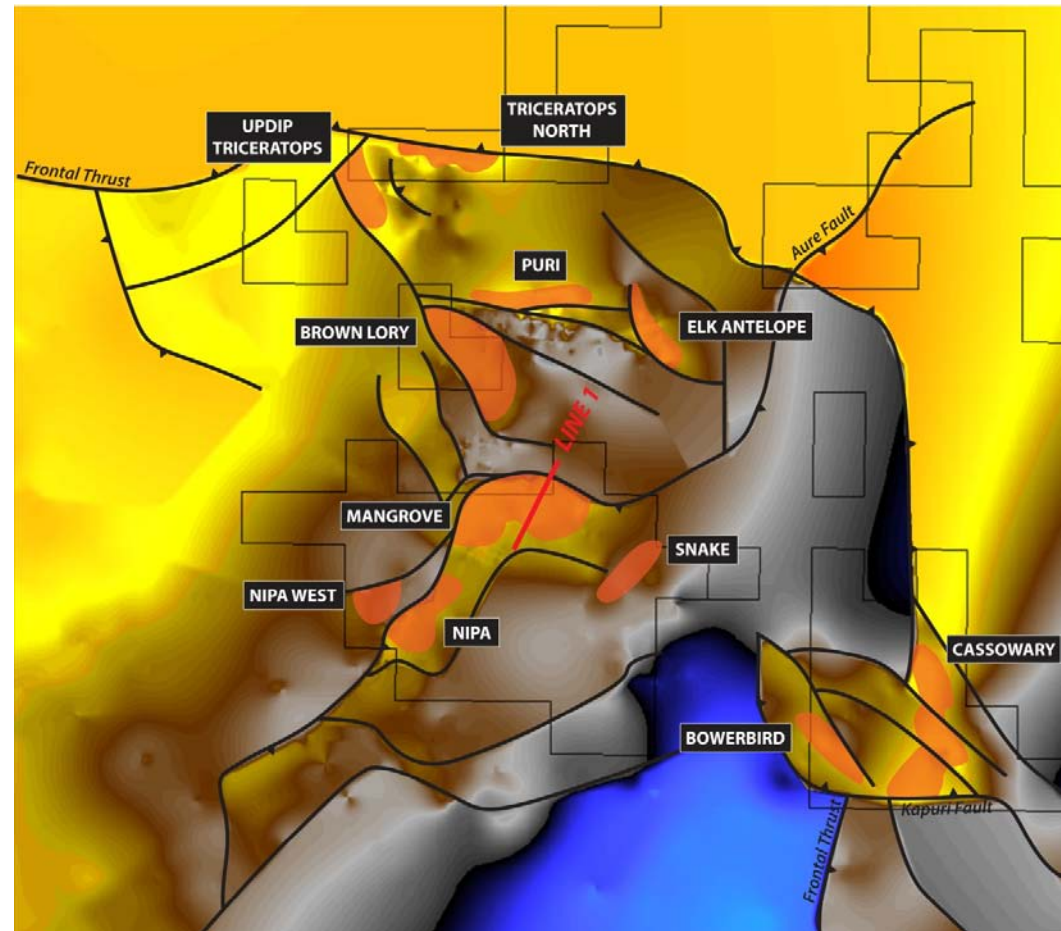
- Target Upper Miocene reef
- Target depth 600m

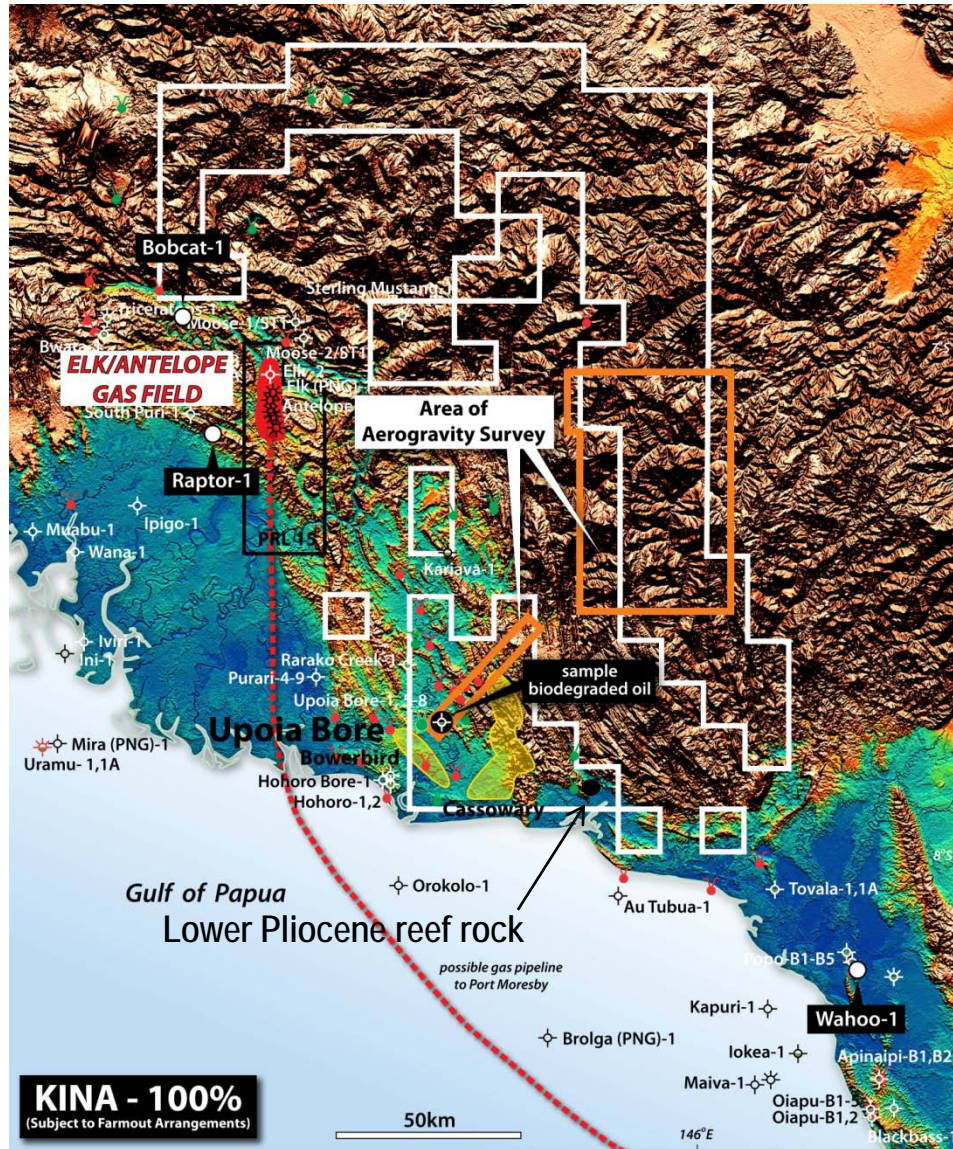


Mangrove Prospect

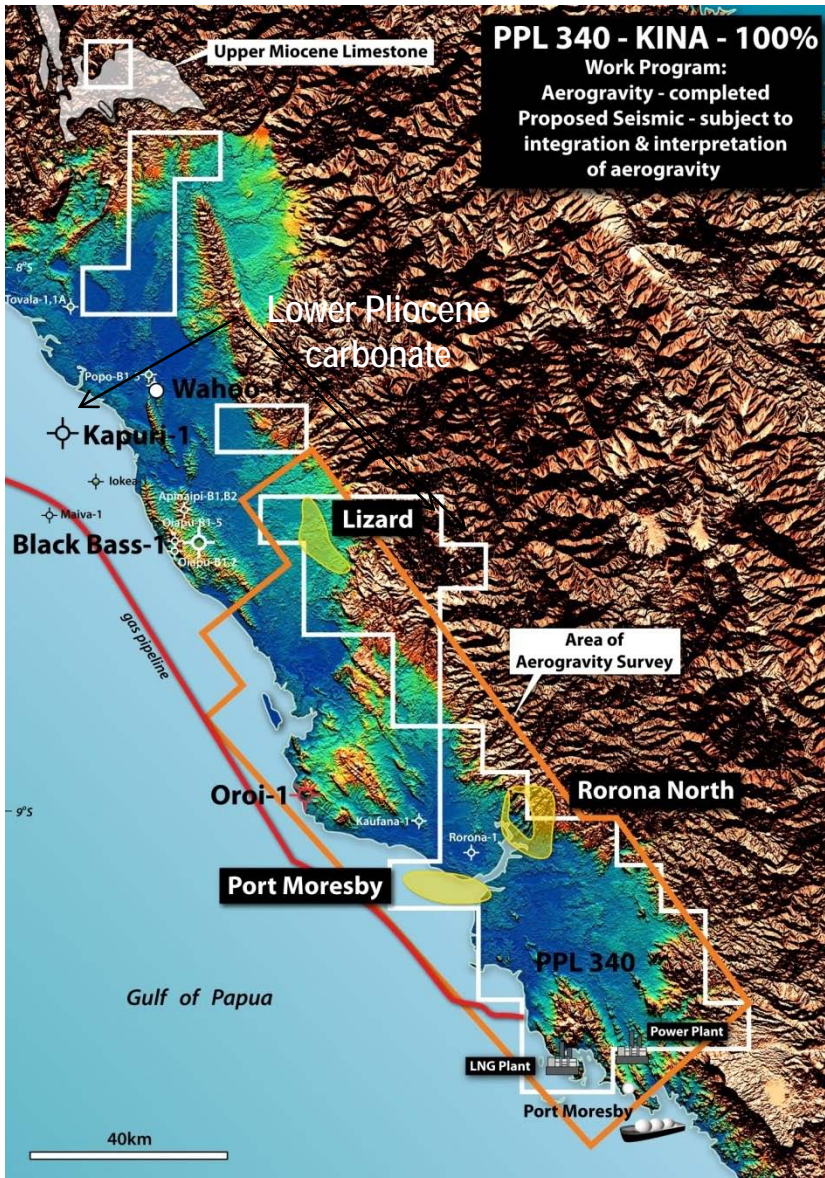


Target Upper Miocene reef
Target depth 1150m





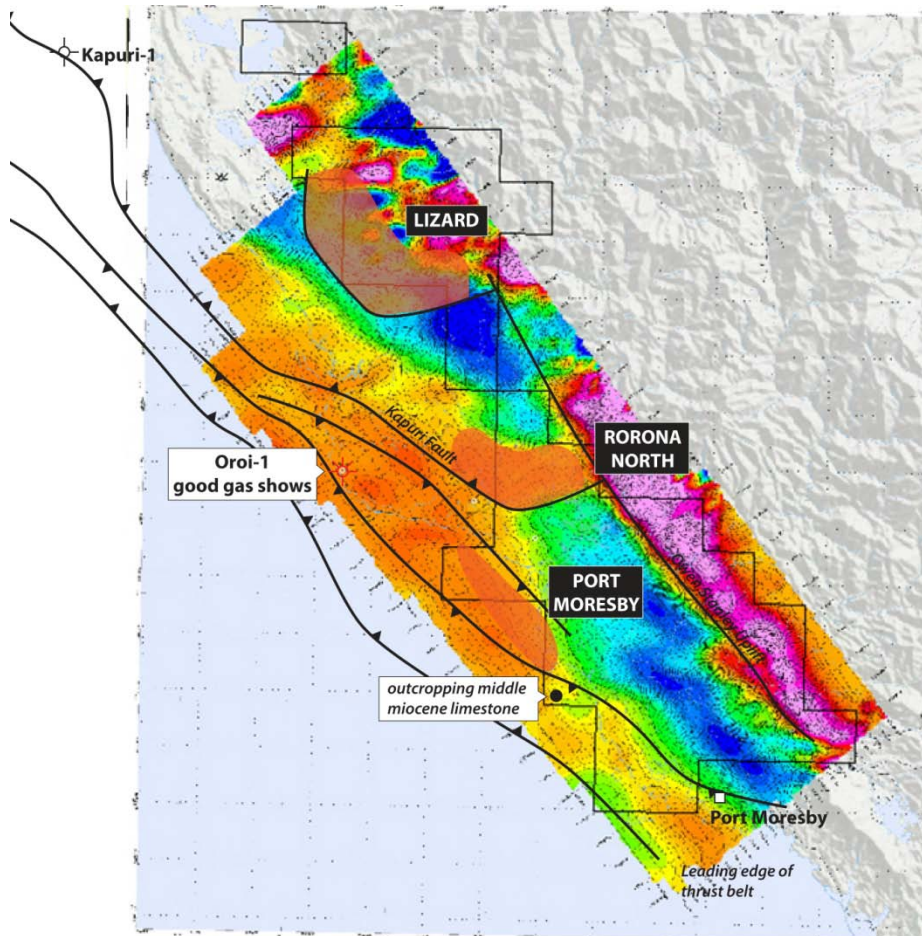
- Covers ~ 8,000 km².
- Located at basin margin with wet gas and possibly oil potential.
- South East of Elk/Antelope discoveries
- Outcrop evidence supports extension of Miocene Pliocene reef play.
- Seismic acquired 2011.
- Gravity Gradiometry currently being flown over Bowerbird.
- Upoia Bore oil seep analysis confirms active oil and gas kitchen.
- Target depth 1050m



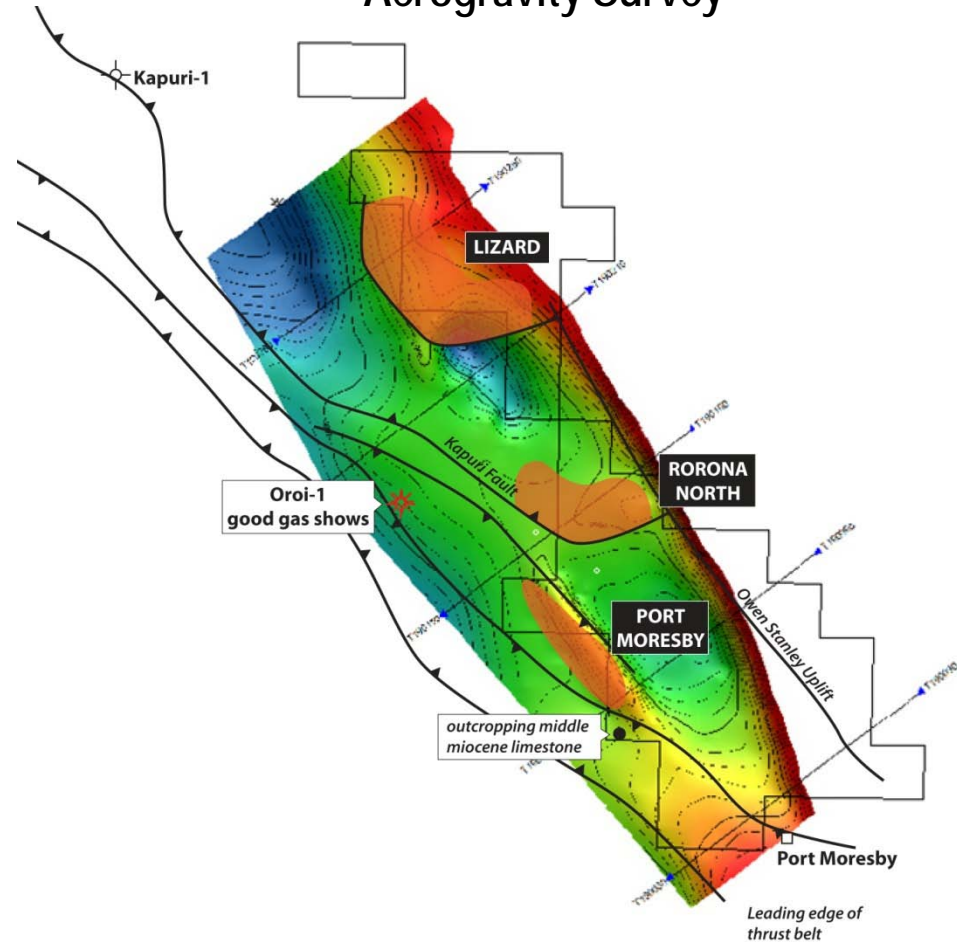
- Covers ~ 4,200 km².
- Mid-Miocene to late Pliocene carbonate development is evident from well and seismic data.
- 3 Leads: Port Moresby, Lizard, Rorona North.
- Target is gas into Port Moresby for power generation.
- Aeromagnetics and aerogravity completed.
- Follow up seismic program subject aeromag and aerograv interpretation.
- Wahoo-1 currently suspended by IOC supports generation of thermogenic hydrocarbons.
- Oro-i-1 intersected biogenic gas.
- Target depths : Lizard 600m, Port Moresby 750m.

Recent Aerogravity & Aeromagnetic Surveys

Aeromagnetic Survey

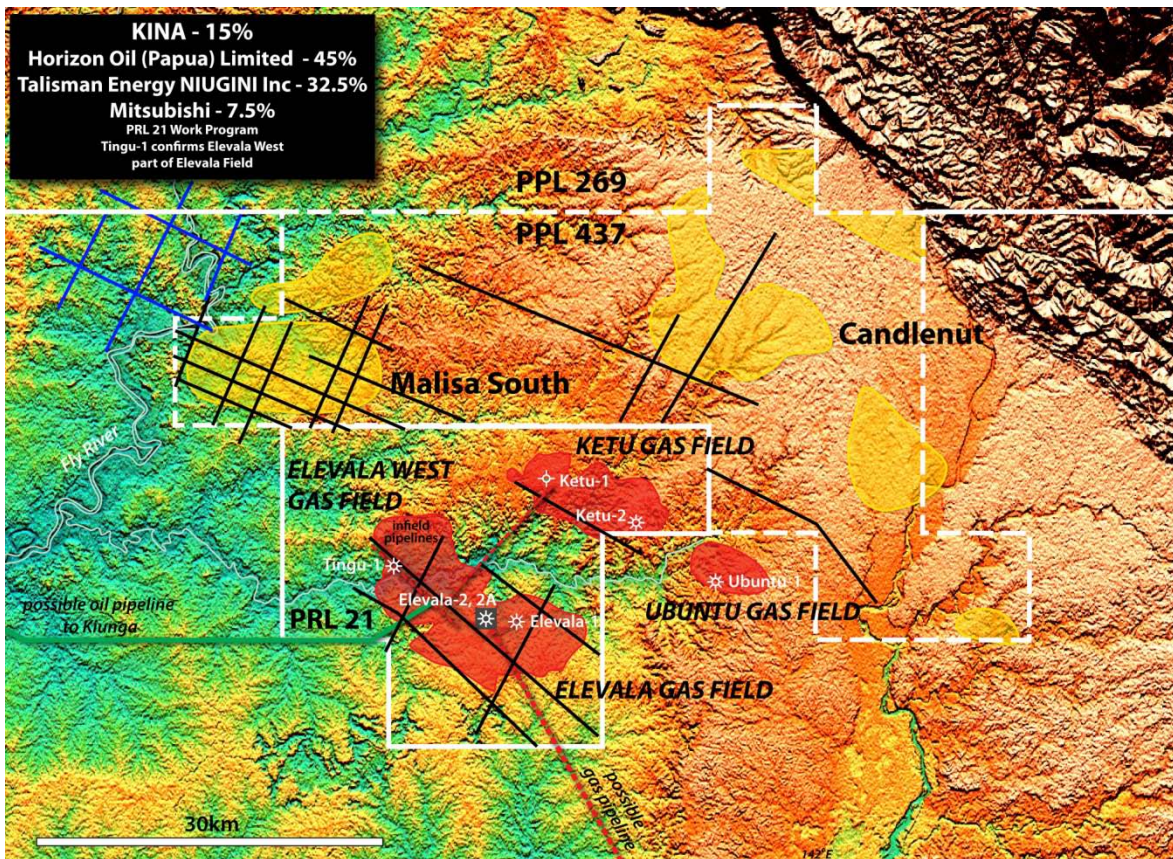


Aerogravity Survey



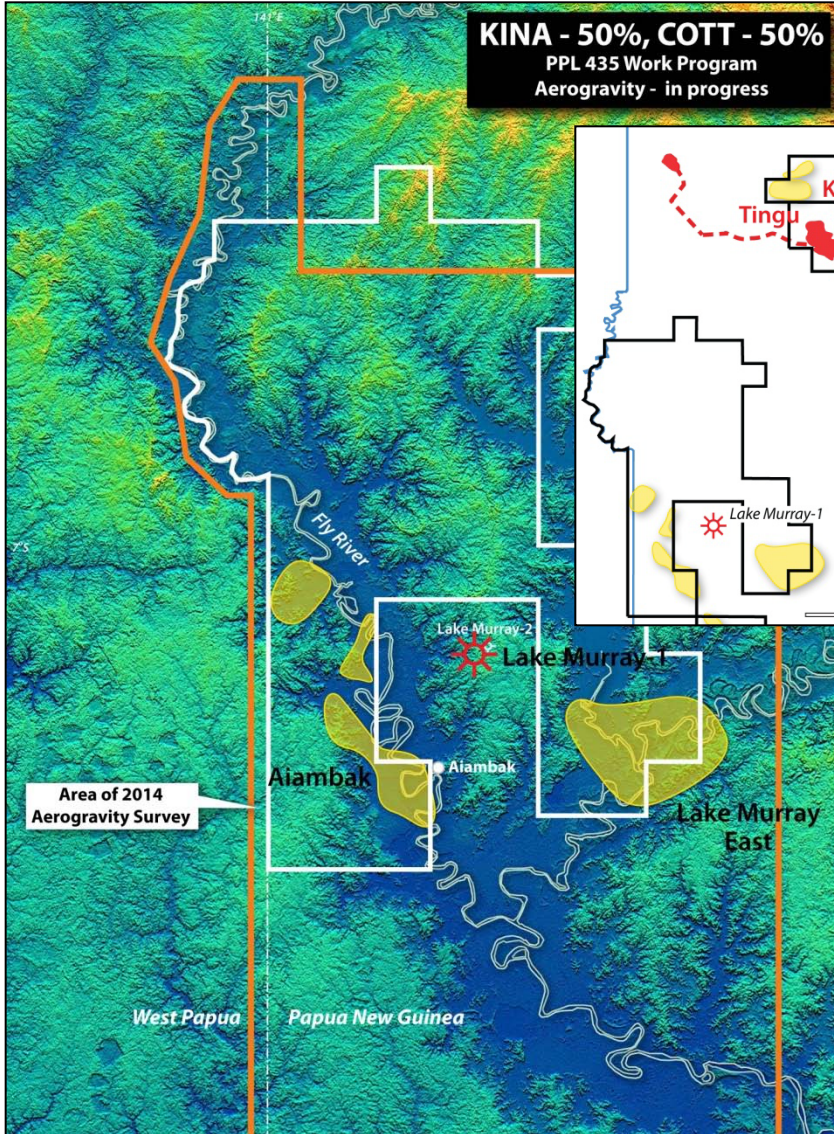
Recent program confirms 3 attractive targets at shallow depth close to Port Moresby

PPL 437 Western Clastic Play Potential Resource Addition Next to PRL 21



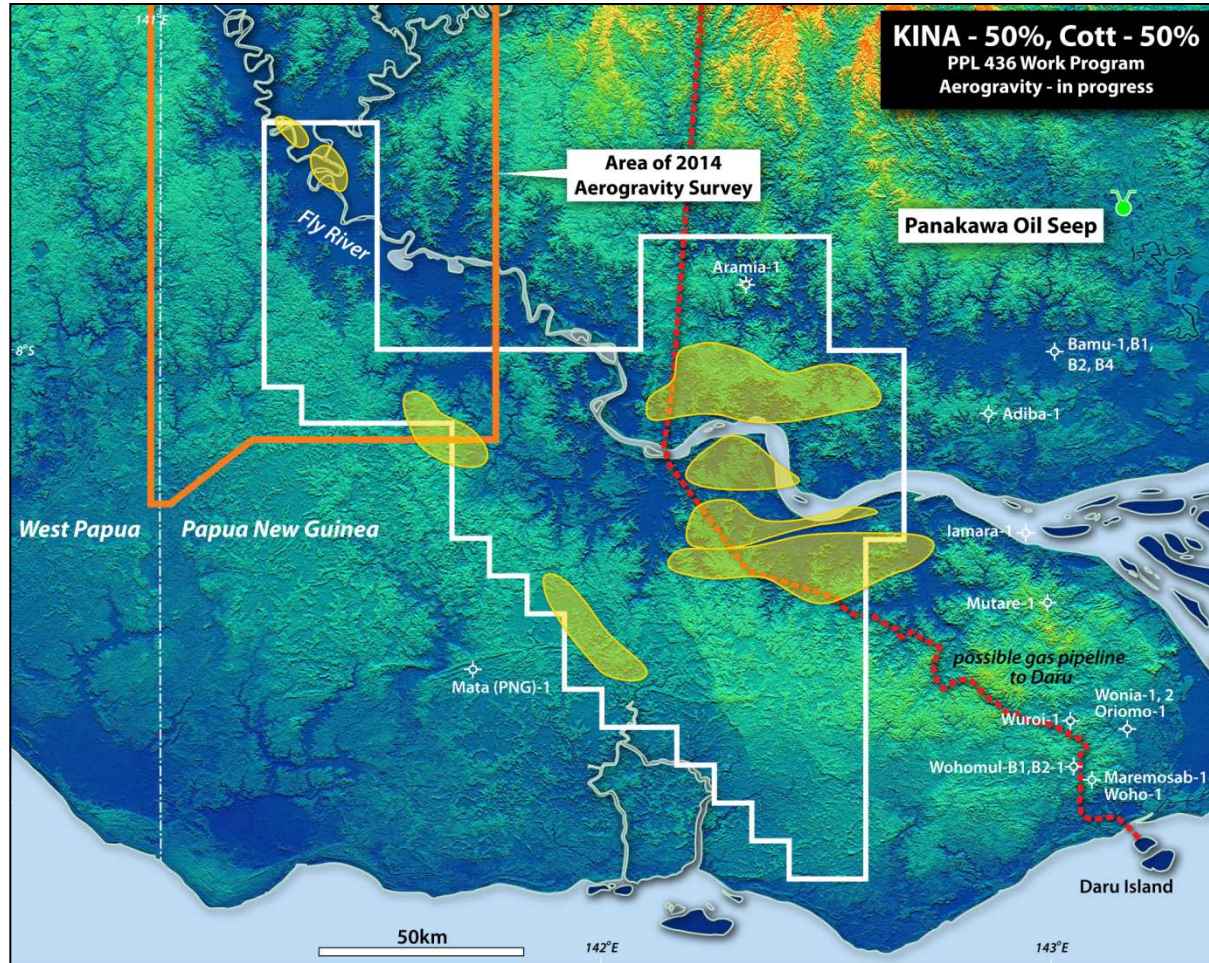
- Next to PRL 21.
- Commercially attractive - proximity to future PRL 21 facilities.
- Licence area is twice that of PRL 21.
- South of PPL 269 50% of which recently sold for up to \$40m.
- Recent Oilsearch entry into PPL 269
- Commercially attractive - proximity to future PRL 21 facilities.
- Farmout to Heritage Oil Plc which has a right to move to 50% by drilling a well.
- Seismic program completed. Cost effective use of cableless seismic acquisition.
- Survey contiguous with PPL 259 acquisition.
- Malisa South on trend to Tingu 1 discovery.
- Ideally placed for good development of upper shoreface reservoir

PPL 435 – Western Clastic Play Southern Papuan Basin Margin



- Covers ~ 5,300 km².
- Located in the Western Province updip of the PRL 21 licence (approx 50kms to the north east)
- Targeting wet gas in multiple leads. Wet gas confirmed in nearby Lake Murray 1 well.
- Aerogravity and aeromagnetic program complete.
- Commercially attractive due to flat terrain & access to Fly River and Aiambak port.
- Late and Early Cretaceous sandstone targets with secondary targets of Darai limestone.
- Target sizes* would be sufficient to host developments either independently or as part of an aggregation strategy.

* Across multiple targets in the licence. Further evaluation is required to determine the existence of hydrocarbons, with recovery dependent on potential future development.



- Covers ~ 13,100 km².
- Targeting basin margin wet gas and oil in multiple targets.
- South and updip of active Panakawa oil seep (5 BBL/d).
- Aerogravity program complete.
- Five reservoir targets: Elevala, Toro, Imburu, Koi lange and Magobu.
- Commercially attractive due access to Fly River and proximity to Daru.
- Target sizes* would be sufficient to host developments either independently or as part of an aggregation strategy.

* Across multiple targets in the licence. Further evaluation is required to determine the existence of hydrocarbons, with recovery dependent on potential future development.

