



Company Update

October 2016

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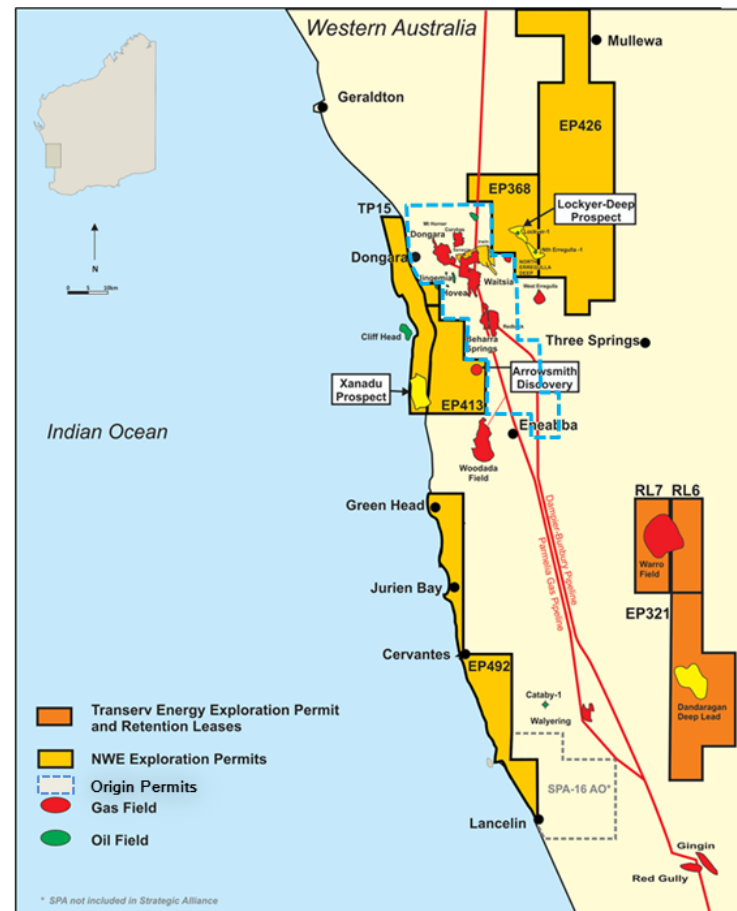
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SUMMARY & ONGOING STRATEGY

- Strategic Focus on the Perth Basin:
 - Leveraging off Transerv's experience and expertise gained throughout the Warro project;
 - Carry out technical review of all Warro data to determine whether it is possible to monetise Warro gas resources;
 - NWE Alliance : 160mmBOE Xanadu project, Lockyer Deep and Arrowsmith:
 - TSV paying 20% to earn 15% of Xanadu and TP/15.
 - Ongoing participation in Origin Asset Sale.
- Pursue other compatible growth opportunities.
- Ongoing Cost Rationalisation.
- Maintain current excellent HSE record.
- Maintain strong, positive and open relationship with community.



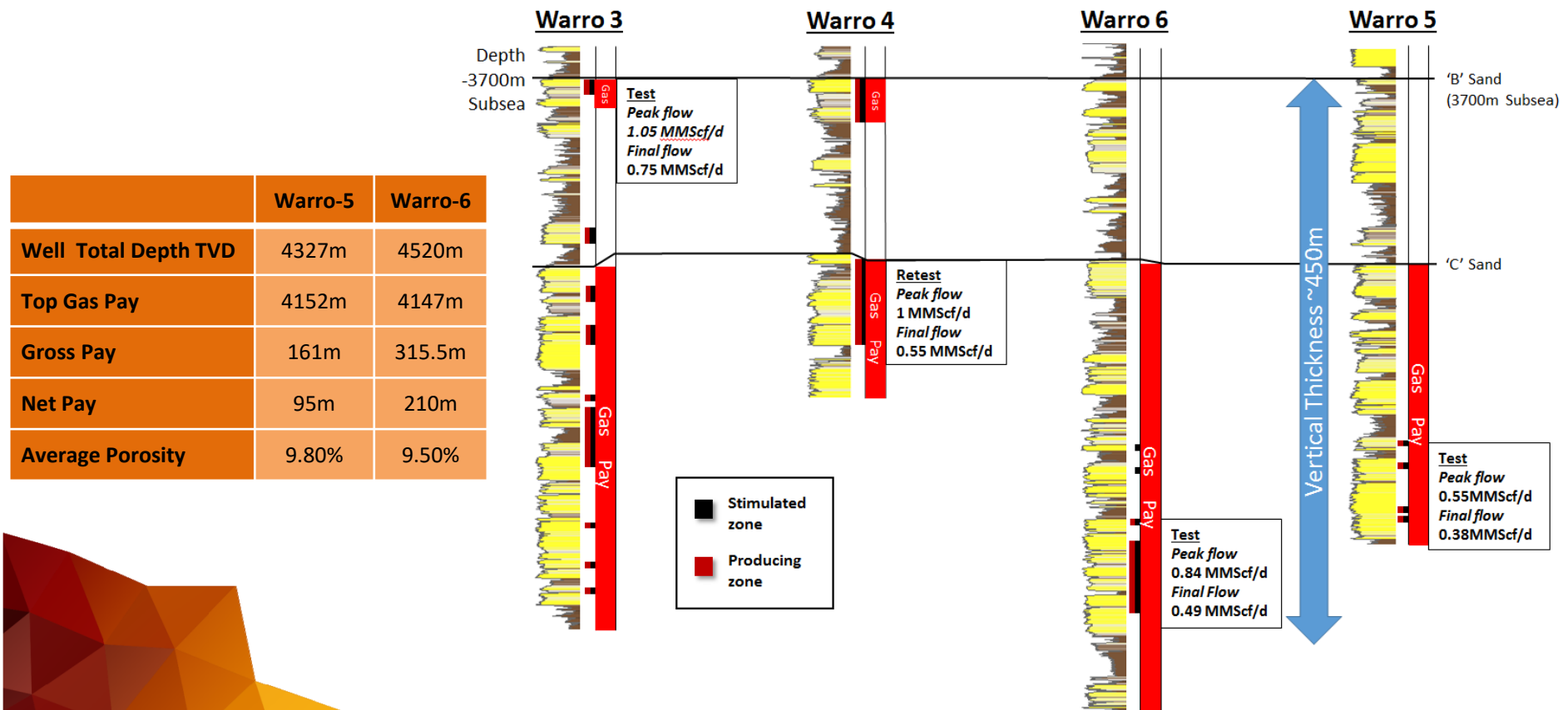
2016 Warro Results

- Excellent relationship and ongoing support with JV Partner Alcoa.
- Well Programme FY16:
 - Drilled and tested Warro-5 & Warro-6, Retested Warro-4;
 - Sub commercial natural gas flows from all wells with accompanying high water cuts;
 - Results confirm the widespread nature of the gas accumulation and provide valuable insight into the variable reservoir characteristics of the Warro field.
- Total Gas Resources increased by 15%.
- Well results showed variable nature of reservoir.
- Water management techniques trialled successfully.
- Baseline environmental studies confirmed no impacts.
- Continued community support.



WARRO WELL RESULTS

- Established thick gas bearing zones in C sands with “gas on rock”
- Sand units continuous between wells but reservoir quality, especially permeability and gas saturation, variable
- Low gas rates and high water recoveries seen from all wells



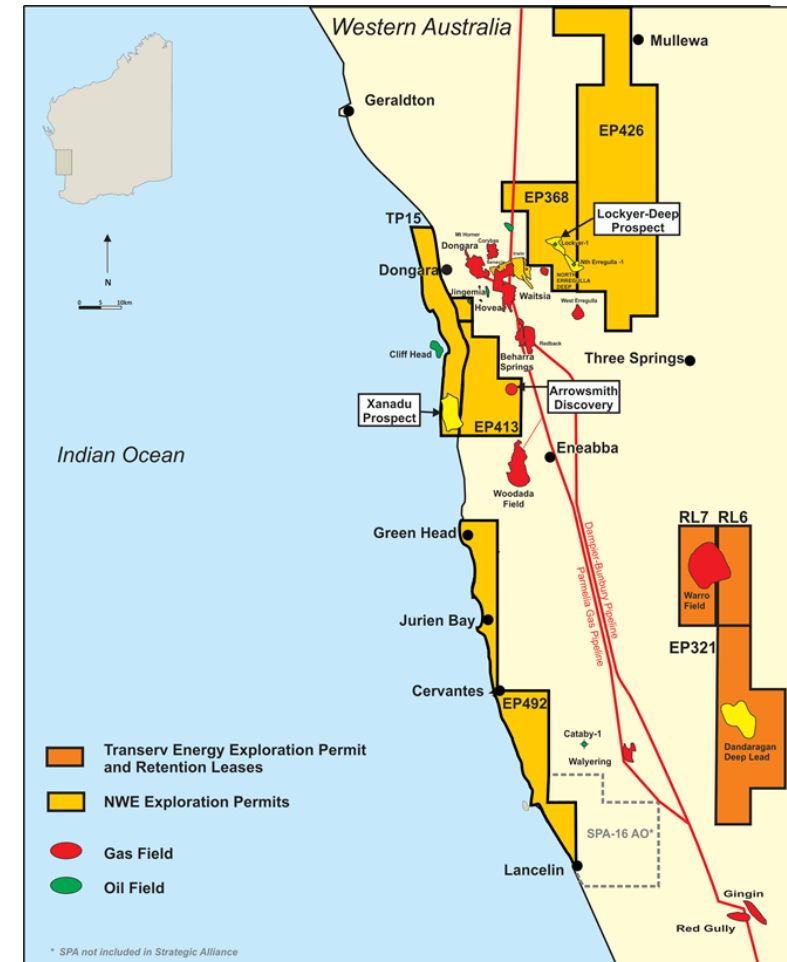
WARRO NEXT STEPS

- Warro-5 and 6 did not achieve viable gas flow rates and work is underway to understand why.
- Future detailed technical work will focus on explaining results to date and identifying reservoir “sweet spots” for future targets. Work will encompass:
 - Review of all reservoir characteristics (petrophysics, core analysis, stress regime);
 - Analysis of well flow results and reservoir pressure information;
 - Re-evaluation of frac design and implementation;
 - Reservoir seismic attribute analysis.
- Aim: to determine if the field resources can be exploited commercially using alternative drilling and stimulation methods focussing on higher quality pay zones.



STRATEGIC ALLIANCE - NORWEST ENERGY

- Strategic Alliance to:
 - Farmout 160 Million Barrel Xanadu Prospect – 60% committed so far (20% for 15% TSV, 40% for 30% Triangle);
 - TSV has acquired 100m shares in NWE and have the right to participate in farmout wells and earn a material interest in all the Perth Basin areas in which NWE is a participant on the successful completion of appropriate farmout.
- The Xanadu Prospect is a highly prospective structural closure situated in State Territorial waters close to the coast near the Cliff Head and Jingamia oilfields but drillable from onshore.
- Permits include EP368 and EP426, which are to the east and adjacent to the Waitsia gas discovery, and EP413 which holds the Arrowsmith discovery.



ORIGIN SALE PROCESS

- As announced on 11 July 2016, TSV is participating in the acquisition process for the Origin Assets.
- This process is ongoing and expected to be concluded by year end.
- While the outcome of the process is unknown, Transerv has Perth Basin experience and expertise and has been well supported by institutions throughout this process.
- The Origin Assets include 50% of Australia's largest new onshore conventional gas field "Waitsia" and 67% of the producing Beharra Springs Gas Field and associated infrastructure.

