

NEW STANDARD ENERGY

AGM Presentation
November 2010

Corporate & Exploration Update



NEW STANDARD
ENERGY

Important Notice

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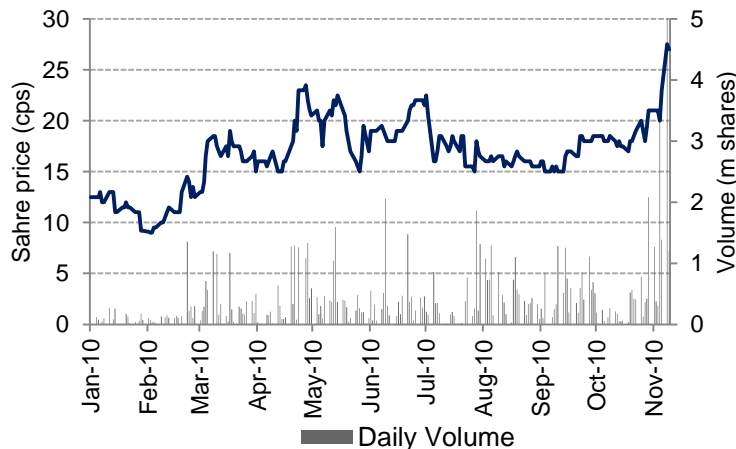
Prospective investors should make their own independent evaluation of an investment in NSE including without limitation, seeking professional advice.

Competent Person: Some of the information in this announcement is based on information provided to New Standard Energy by AKG Energy LP and Burleson Energy Ltd and reviewed by Dr Mark Hagan (BSc Hons, PhD) who is a Petroleum Geologist and Geophysicist with more than 35 years experience in the industry. Dr Hagan is Technical Director of New Standard Energy and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Corporate Overview

Emerging hydrocarbon developer

ASX-Code – NSE	
Ordinary shares	190.2m
Unlisted options	23.7m
Market capitalisation (@ 30c/share)	~\$57.0m
Cash	~\$5.0m
Investment in BRU (@ 50c/share)	~\$9.0m



Experienced board

Ian Paton – Chairman

- 🌿 Petroleum geologist & geophysicist
- 🌿 Ex Coogee Resources, Conoco, Santos & BHP
- 🌿 Identified and developed significant oil discoveries in Australia and South East Asia

Sam Willis – Managing Director

- 🌿 Corporate finance and resources background
- 🌿 Over 10 years corporate advisory and capital markets experience

Mark Hagan – Technical Director

- 🌿 Petroleum geologist, over 30 years experience in oil and gas exploration and production
- 🌿 18 years working for Sun Oil, ultimately responsible for worldwide exploration activities (Australia, Europe, SE Asia and South America)

A Year of Business Building

2009

Australian Portfolio

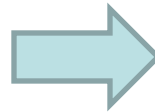
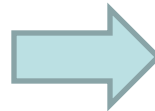
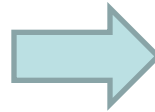
Large acreage holder in Canning Basin
Goldwyer shale gas concept

United States Portfolio

New 3D seismic acquired
Colorado County drill prospects ranked
No drilling commenced

Corporate Position

10% equity stake in Buru valued at ~\$3.6m
Cash position ~ \$6m
No research support



2010

Australian Portfolio

Leading Australian shale gas acreage holder
Goldwyer shale gas play (12m acres)
Laurel shale/tight gas play (780k acres)
Merlinleigh shale/tight gas play (2m acres)

United States Portfolio

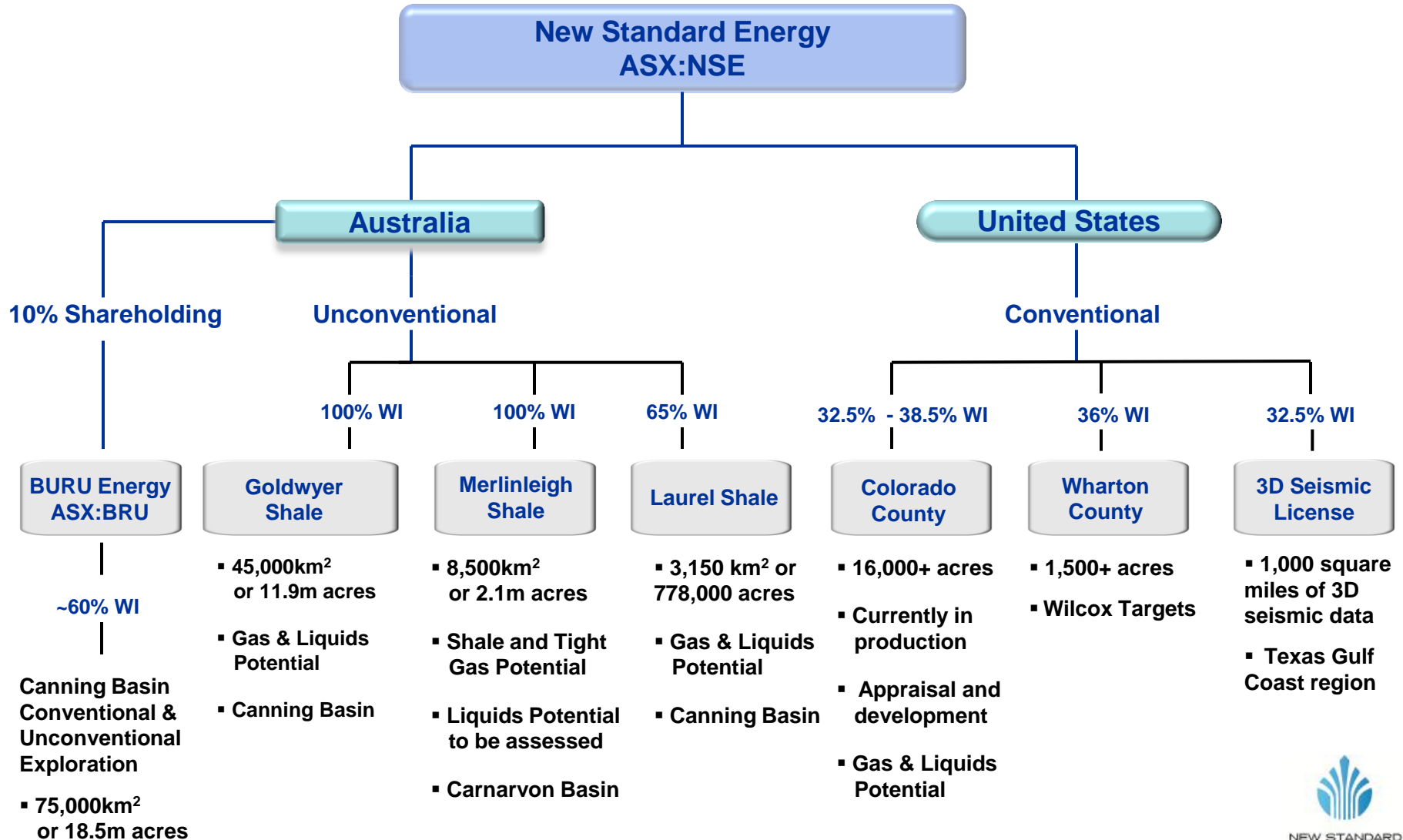
E&P business established
3 out of 4 drill successes, production established
2 additional projects secured
Exploration upside

Corporate Position

10% equity stake in Buru valued at ~\$9m
Cash position ~\$5m
Researched by Euroz Securities



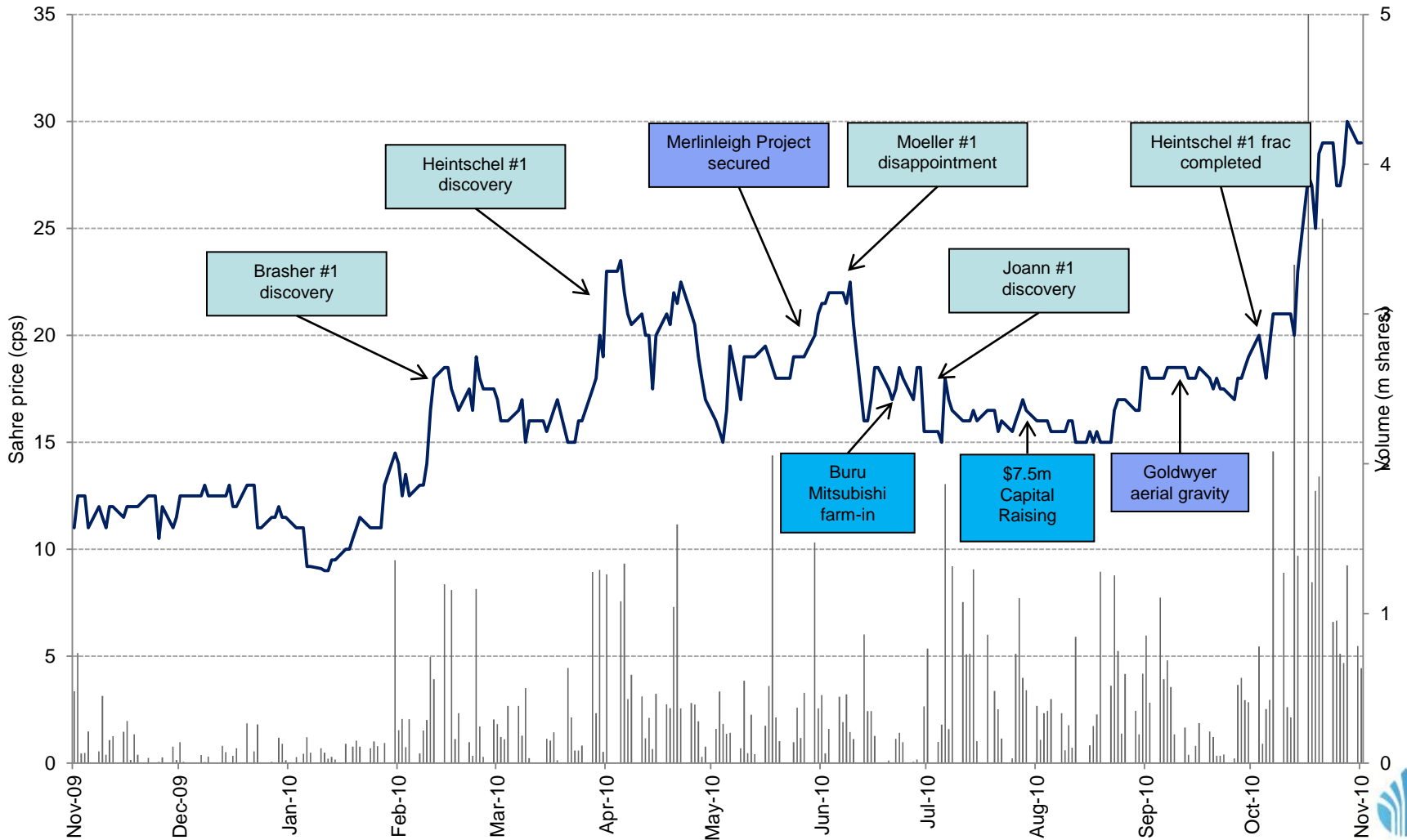
Focused Asset Portfolio



Note: Acreage areas are gross acres



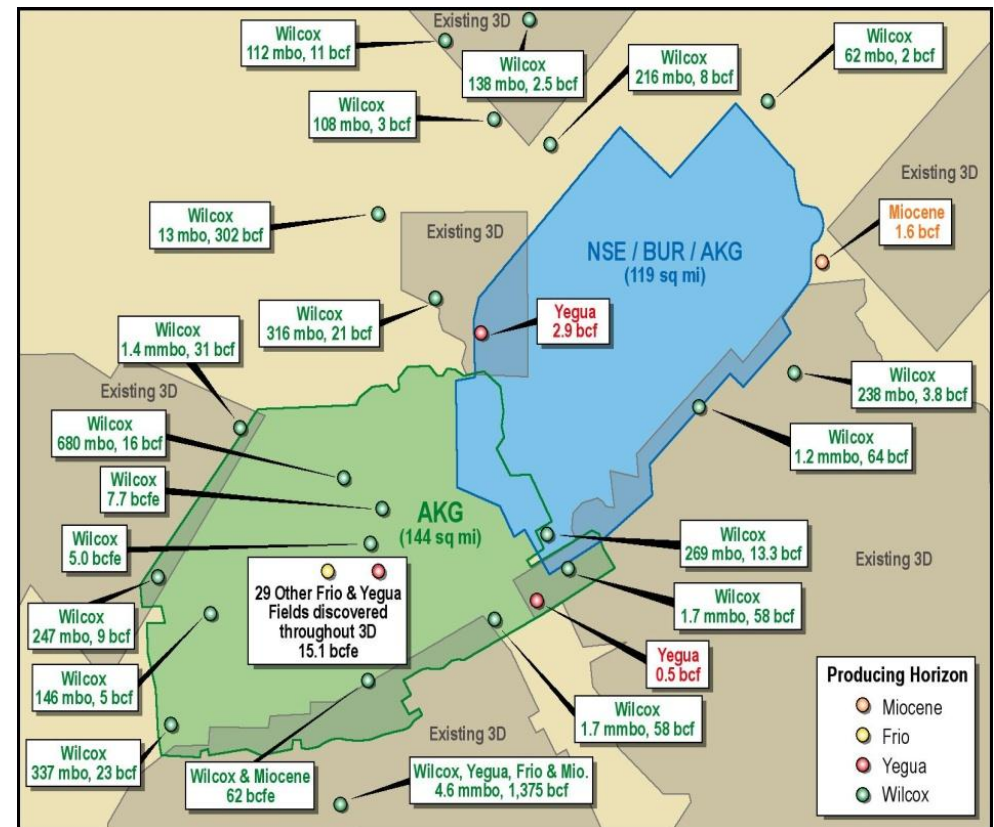
Focus is Starting to Deliver Results



United States Exploration: Initial Investment Rationale

- 🌿 Onshore projects with low entry costs
- 🌿 Primary focus on Wilcox reservoirs in proven production areas
 - 🌿 Meaningful prospects in mature proven hydrocarbon province
 - 🌿 High rates of drilling success (new 3D seismic)
 - 🌿 Low and manageable drill costs
- 🌿 Meaningful project equity interests
- 🌿 Securable land positions, reasonable cost
- 🌿 Known or reputable onshore operators with relevant experience
- 🌿 Mature infrastructure providing direct pathway to production & cashflow

Colorado County Project, Onshore, Texas, USA



AMI: 16,000+ gross acres

NSE: 32.5% working interest

NRI: ~76% after operator ORR

US Conventional: Establishing a Business

Colorado County Project

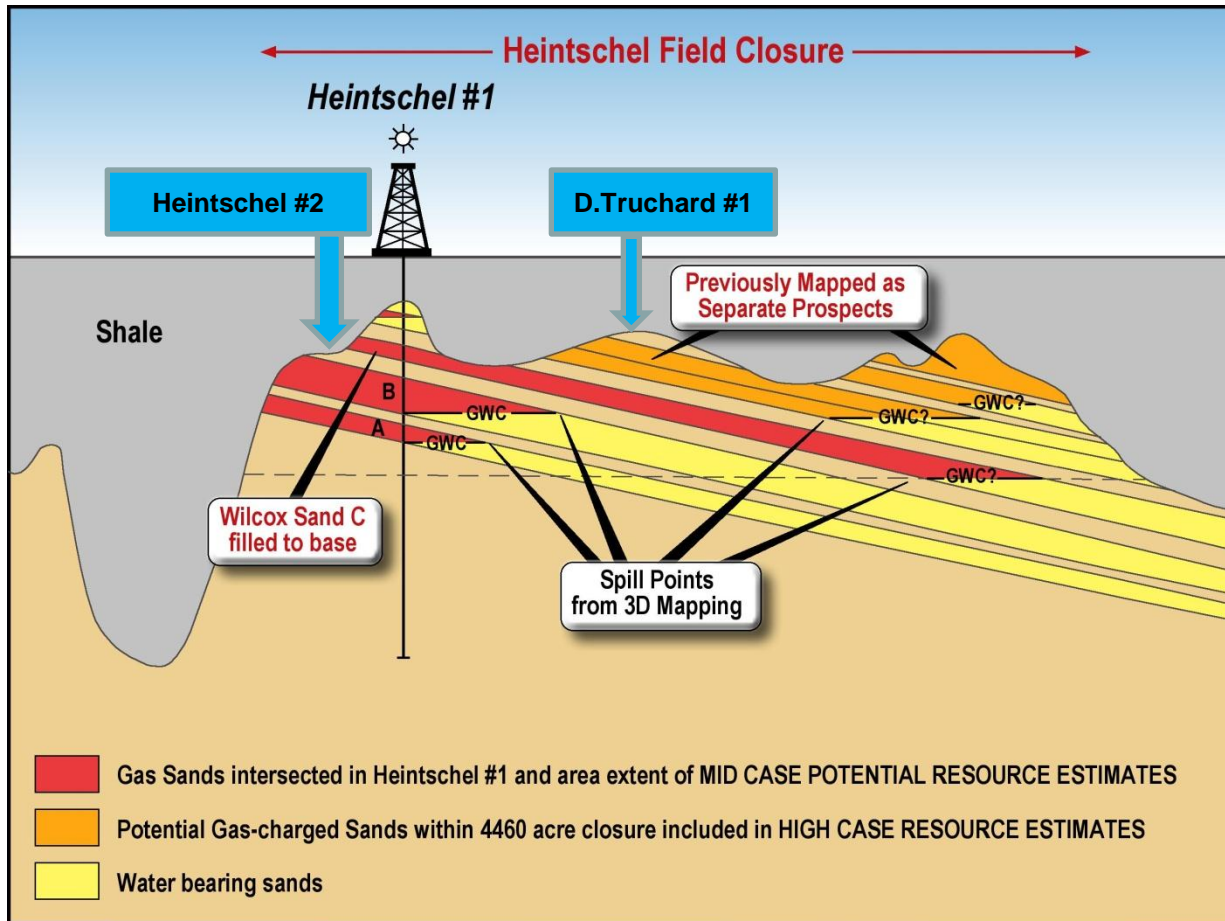
- ❖ Four wells drilled for three commercial successes
 - ❖ Brasher #1 (32.5%; tied in and producing)
 - ❖ Heintschel #1 (32.5%; tied in and producing)
 - ❖ Joann #1 (33.7%; awaiting tie into sales and successfully flow tested)
 - ❖ Production established with upcoming appraisal drilling
 - ❖ increase cashflow and assess resources/reserves
 - ❖ Exploration upside (Wilcox, Eagleford, Edwards/Sligo)

Other Projects

- ❖ Moeller Project (38.5%, updip potential)
- ❖ Wharton County Project (36%, multiple large Wilcox prospects)
- ❖ 3D seismic license for 1,000 sq miles of data (32.5%, Texas Gulf Coast focus)



US Conventional: Heintschel Discovery



Heintschel Success & Appraisal

- Heintschel #1 frac successful
- De-risks Heintschel field
- Healthy flow test rates
- Gas and condensate
- Water influx to be monitored
- Good reservoir permeability
- Good condensate to gas ratio
- Producing to sales network
- Immediate appraisal drilling
 - D. Truchard #1
 - Heintschel #2
- Frac contractors being lined up

Initial 2010 appraisal program at Heintschel is designed to assist delineate resources and grow cashflow

US Conventional: Heintschel Upside

Potential Resource and Reserves

- 🌿 Significant potential gas/condensate field
 - 🌿 Mid case of 59bcf gas and 1mm bbls condensate
 - 🌿 Contingent recoverable resource numbers
- 🌿 Additional drilling to begin to delineate upside
 - 🌿 Increase cashflow and assess reserves/resources
- 🌿 Potential condensate upside
- 🌿 Development program on the horizon



Heintschel Field: Contingent Recoverable Resources

Category	Potential Recoverable Gas (BCF)	Potential Recoverable Condensate (mmbc)	Potential Number of Development Wells
Low Case	25.6	0.465	4-8
Mid Case	58.9	1.07	6-16
High Case	87.7	1.6	12-24

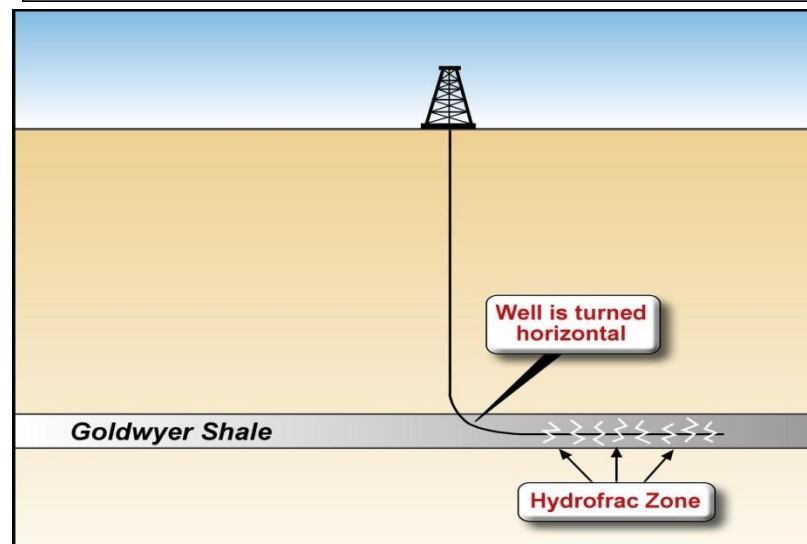
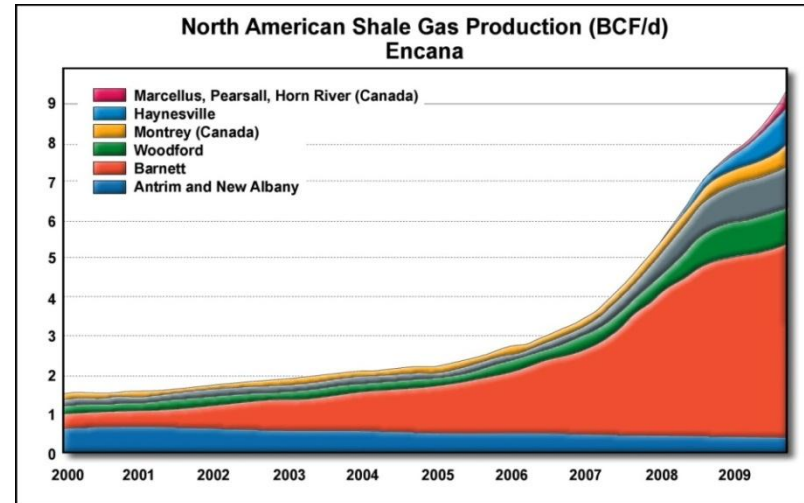
Source: AKG Energy, US based operator and JV partner

Australian Unconventional Gas: The Next Growth Opportunity

International shale gas expansion

- Industry growth in the US has been massive
 - Improved understanding and expertise
 - Drilling and fracking improved
 - Cost reduction and increasing success
- Corporate transactions involving large players have marked a serious push into the industry
 - Supermajors now invested in shale gas exploration/production
- Shale gas now comprises 15% (2TCF/year) of all gas production in the United States
- 1 in 3 gas discoveries in the United States are shale gas discoveries
- JP Morgan expects that shale production in the US alone will rival total global LNG production by 2015.
- Shale gas exploration and production now expanding beyond the United States to Europe, Asia, Australia

United States Shale Gas Production



2010: Australian Unconventional Activity is Increasing

March

New Standard announces shale gas exploration program with Goldwyer shale the focus

April/May

Review of New Standard's Goldwyer shale data by Netherland Sewell & Associates (NSAI) confirms Goldwyer shale in New Standard's exploration area is prospective for shale gas

June/July

Assessment of Australian shale gas by RISC estimates potential gas initially in place (GIIP) of 40 – 480 Tcf (Trillion Cubic Feet) over the most prospective parts of the Goldwyer Formation (estimated to be around 80,000 sq km)

New Standard adds Merlinleigh Project in Carnarvon Basin to shale gas exploration portfolio

Mitsubishi pays \$152m to farm-in to Buru Energy's Canning Basin exploration program

September
to November

NWE announces shale gas farm-out to Indian firm Bharat PetroResources

AWE estimates that the middle interval of the Carynginia Shale may hold Gas in Place of 13-20 Tcf in the Perth Basin based on core analysis correlated with log data from existing wells

Beach Energy spuds shale gas well in Cooper Basin - encouraging early signs announced

Buru Energy fracs and flow tests Yulleroo-2 well in Canning Basin to targeting Laurel shale and tight gas sands. Gas flows to surface, still being evaluated.



Strong Unconventional Acreage Position in WA

Demand side

Large market and growing

High WA domestic gas prices with emerging channels to market, including LNG

Active export markets are opening as a result of existing and new LNG projects in region

Potential for on shore shale gas to offset and meet Domestic Gas reservation requirements for offshore LNG

Direct access to growing Midwest and Pilbara resource development projects

New energy intensive projects planned for Kimberley regions



Supply side

New Standard well positioned

West Australian focus – dominant land position with total acreage of ~ 14.8m gross acres (56,650sq km)

Growing infrastructure in Kimberley region with LNG developments and large players positioning

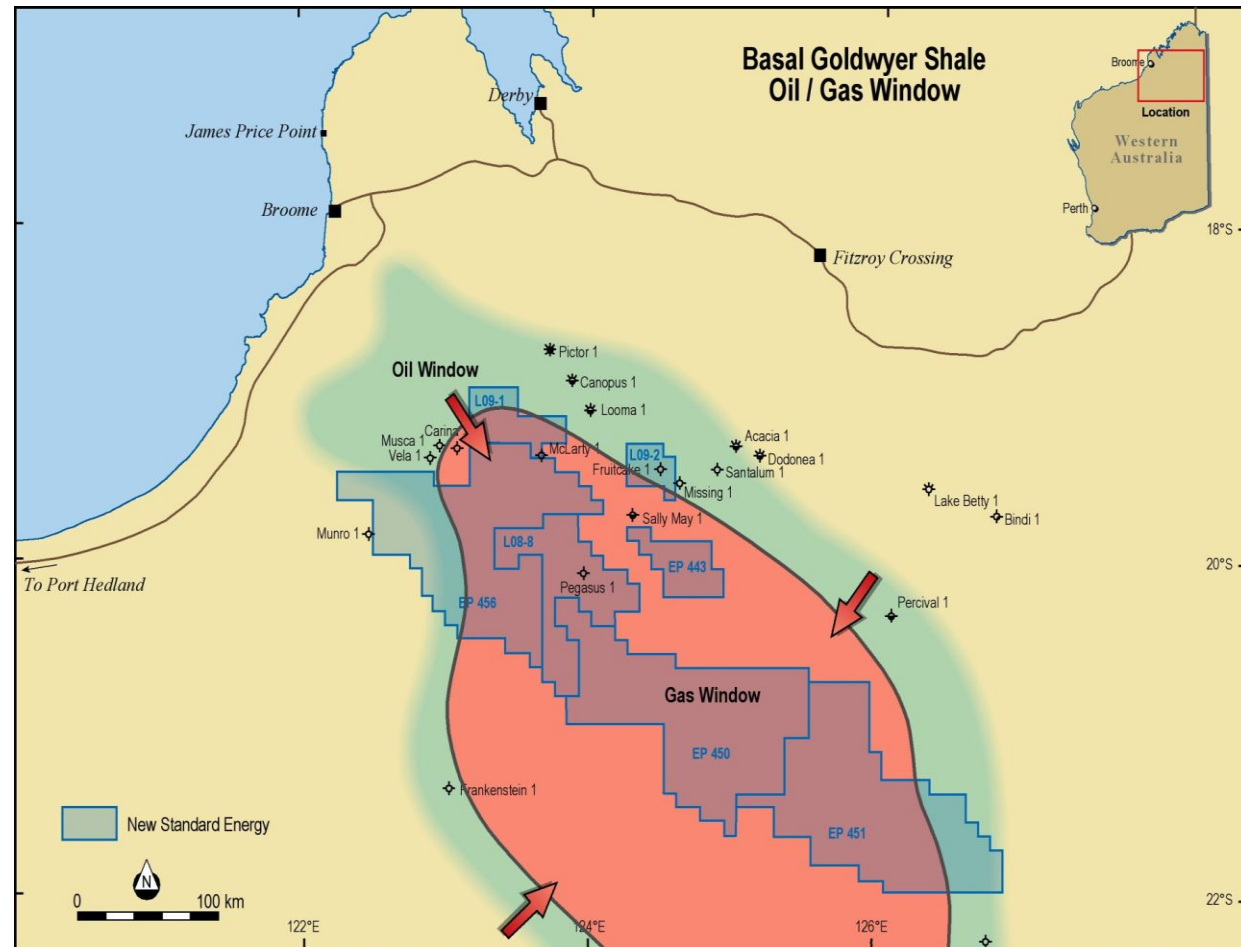
Pipeline access to Pilbara resources markets and Perth metropolitan area being planned via proposed Buru Energy pipeline

Merlino project located adjacent to existing major gas infrastructure

New Standard has one of the largest shale gas exploration acreage positions of any oil and gas explorer in Australia

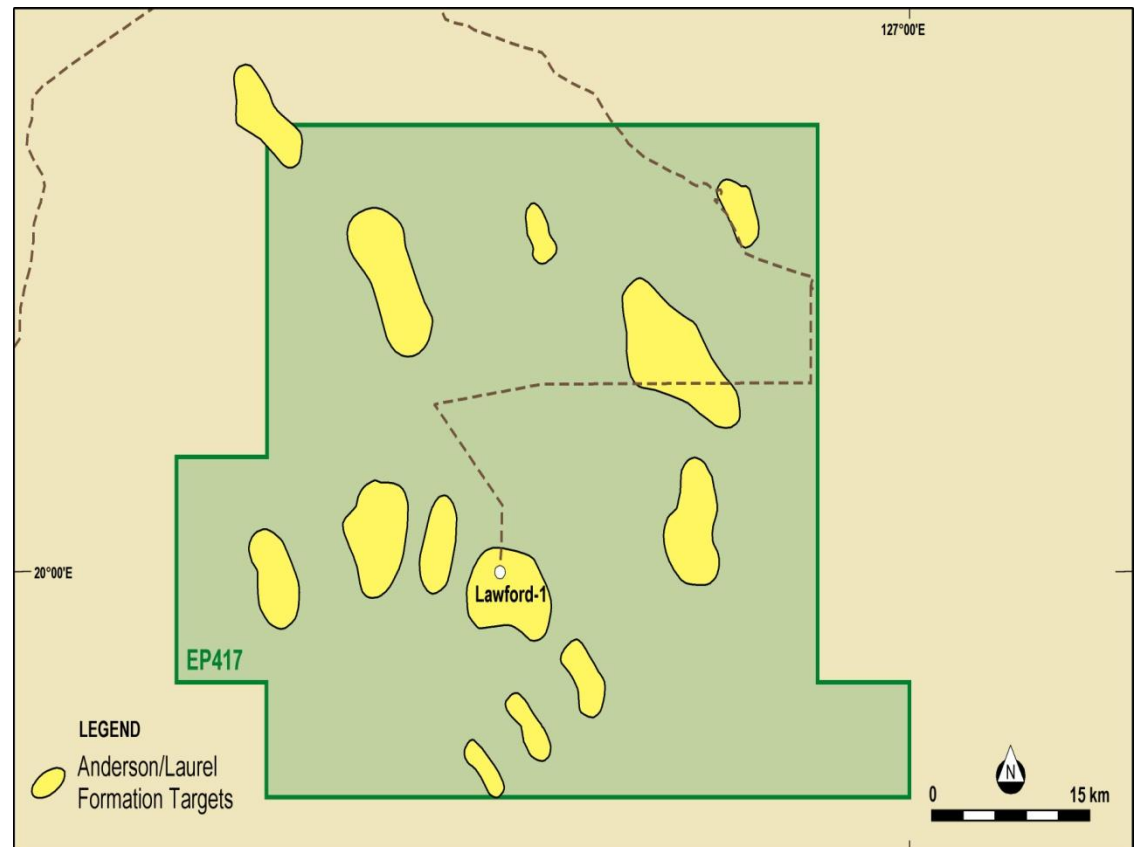
Australian Unconventional: Goldwyer Shale

- ❖ 48,000km² of acreage; more than 11.9 million net acres
- ❖ 100% owned by New Standard
- ❖ Shale prospectivity confirmed by independent experts (NSAI and RISC)
- ❖ Significant scale and upside potential, with independent regional estimates of 40 to 480 Tcf gas initially in place
- ❖ Liquids potential
- ❖ Long tenure with manageable commitments
- ❖ Regional gravity survey currently being acquired
- ❖ Weather window and dunes
- ❖ New Standard currently seeking farm-in partners



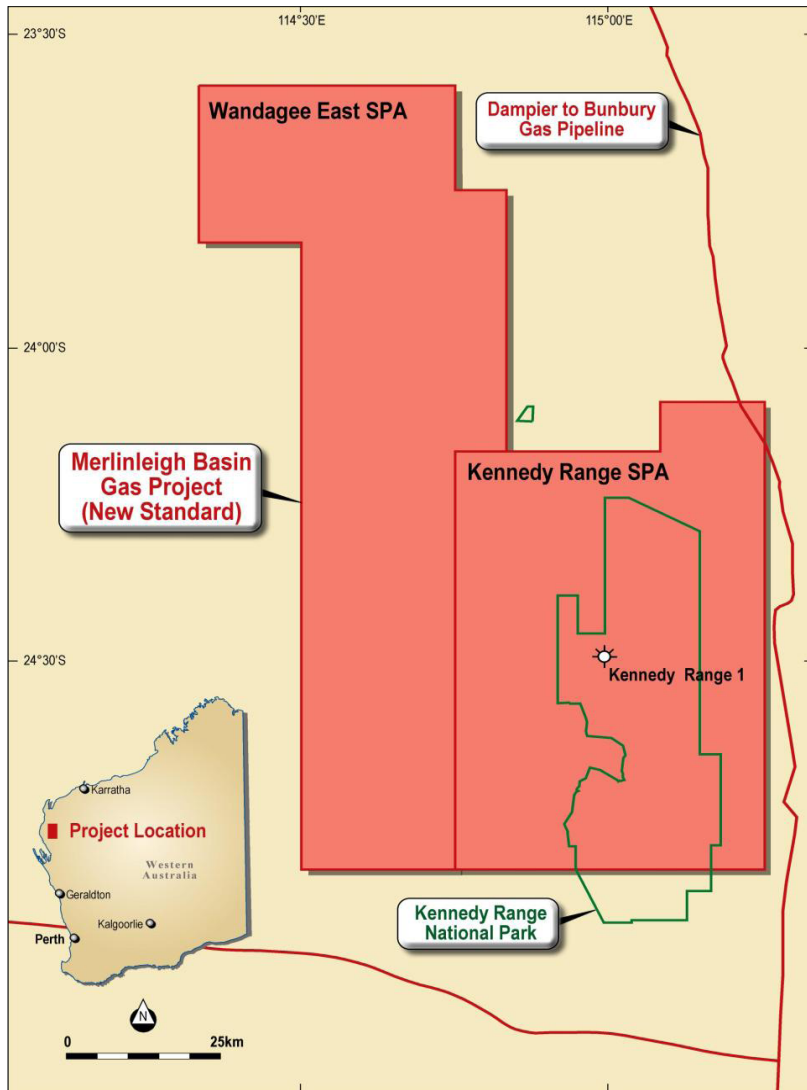
Australian Unconventional: Laurel Shale

- EP417: 3,150km² of acreage equivalent to 778,000 gross acres
- 65% owned and operated by New Standard
 - BRU 35% JV partner
- Numerous prospects across EP417 including Lawford region
- Liquids potential
- Laurel shale prospectivity
 - One of Buru Energy's targets at Yulleroo 2 to NW
- Lawford #1 well suspended above Anderson and Laurel sections
- Seeking to revisit Lawford #1 in 2011
 - assess the Anderson/Laurel unconventional prospectivity



Numerous large Laurel formation structures exist on EP417 for future shale gas and tight gas exploration

Australian Unconventional: Merlinleigh Project



- 100% equity in 8,500km² (2million net acres) in onshore Carnarvon Basin
- Prospective for both unconventional and conventional gas
- Shale formation present across acreage at attractive depths
- Primary shale target up to 300m thick
- Average TOC of 6% - 7% and up to 16% in Wooramel group
- Conventional gas targets have potential for up to 500 bcf GIP
- Immediately adjacent to Dampier to Bunbury pipeline infrastructure

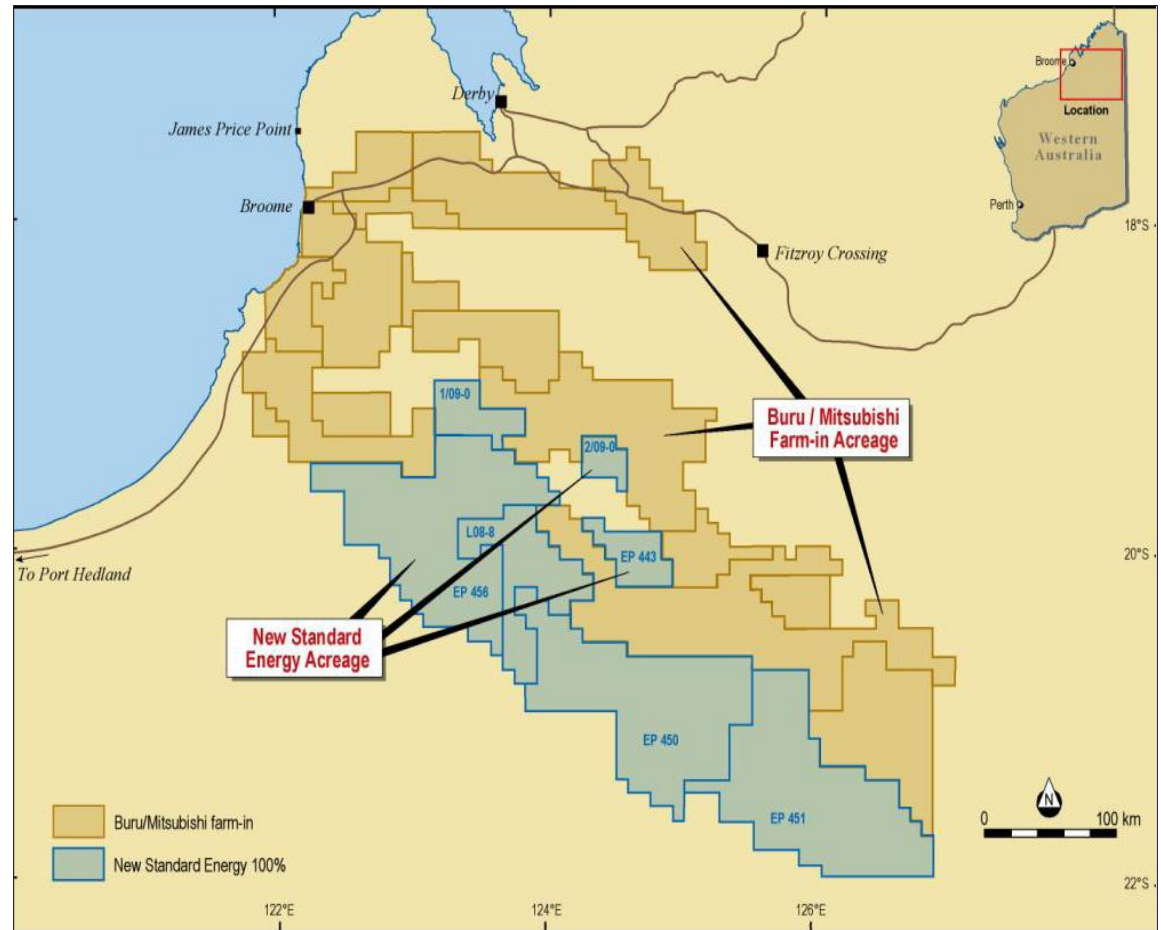
Forward Shale Gas Work Program

2010: Geochemical Program currently underway

2011: Cored wells and assessment (subject to native title agreements)

Strategic 10% Equity Stake in Buru Energy

- New Standard's 10% shareholding in Buru Energy valued ~\$9m
- New Standard and Buru collectively hold majority of the Canning Basin acreage
- Mitsubishi has farmed-in to BRU's Canning Basin assets immediately adjacent to New Standard
 - Earn up to 50% interest through a \$152.4m exploration and development program
 - Includes \$40m+ of unconventional exploration
 - Major international player
- Buru Energy has an active work program planned for 2010 and 2011



Buru Energy is currently fraccing and testing the Yulleroo 2 well targeting Laurel shale and tight gas sands

Conceptual Work Program

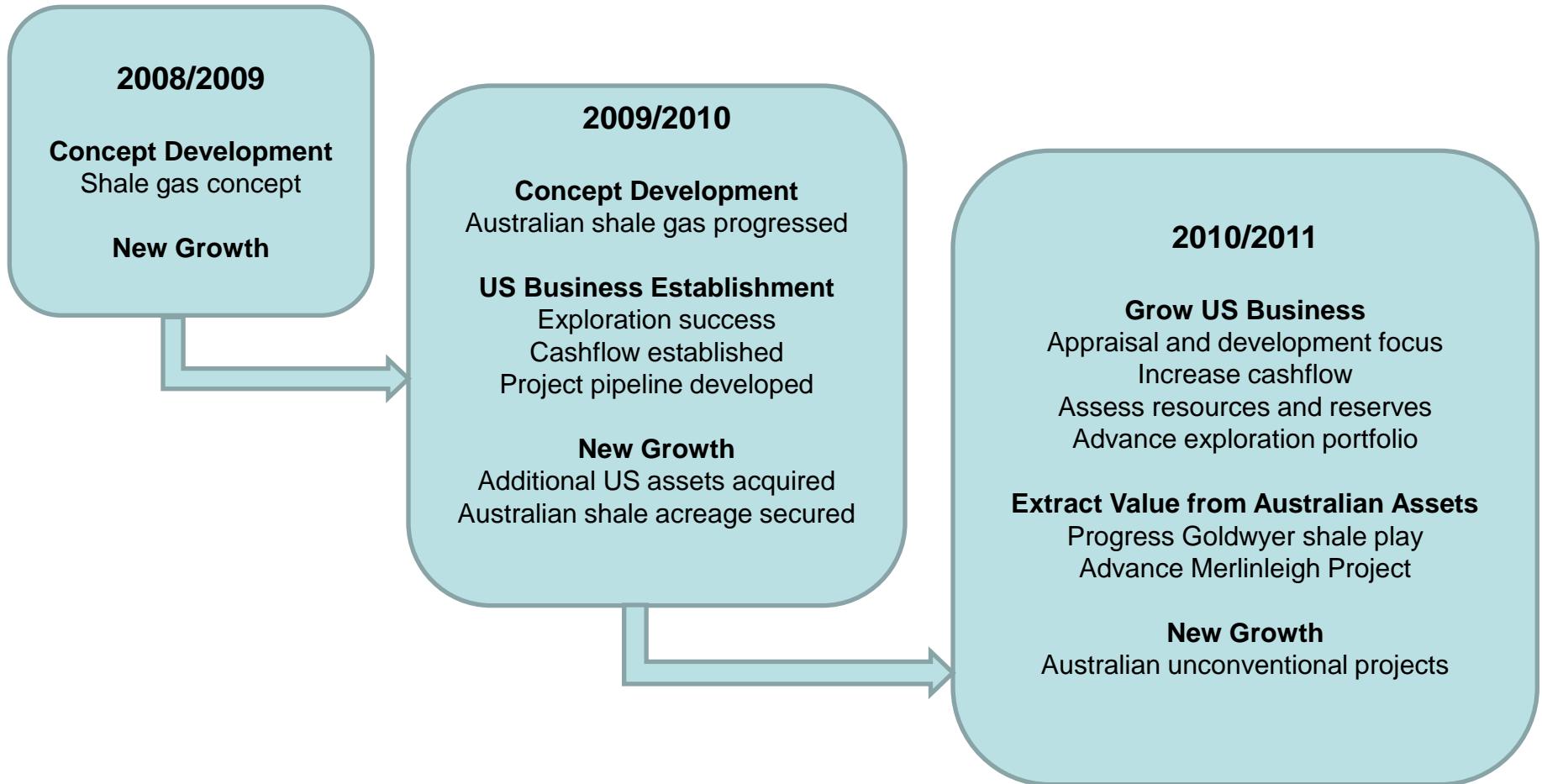
	H2 CY2010	CY2011		
United States	Colorado County	Drill D.Truchard #1 step-out well		
		Drill Heintschel #2 off-set well		
		Joann #1 tied into sales		
	Wharton County	Heintschel development drilling program		
		Wilcox wildcat drilling program		
		Drill up-dip Moeller well		
		Drill Wilcox prospects		
	3D Seismic Data	Ongoing project generation		
Australia	Goldwyer	Aerial Gravity Survey Acquisition		
		Farm-out of Goldwyer Shale Project	Geological studies	Drilling and coring of shales
	EP417		Drill Lawford #1 and assess	
	Merlinleigh	Geochemical program	Drilling and coring of shales	
		Desktop studies/Native title		

Active and focused exploration program throughout 2010 and into 2011

Note: Exploration program outlined is indicative only and subject to change based on further results, joint venture discussions and market conditions



Focus on Extracting Value



Our focus: Grow the business through extracting and crystallising value from the assets and selectively adding to the portfolio

By leveraging and maximising value from Australian shale exploration and commencing United States appraisal drilling to maximise production, New Standard Energy is well positioned to drive value for shareholders

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