



FIRST QUARTER 2024

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7 May 2024





Q1 2024 Highlights

- Block 56 FDP being finalised – to be submitted to MEM before the end of May
- Block 58 Kunooz-1 preparations completed – spud in June
- Block 49 – entered second exploration phase

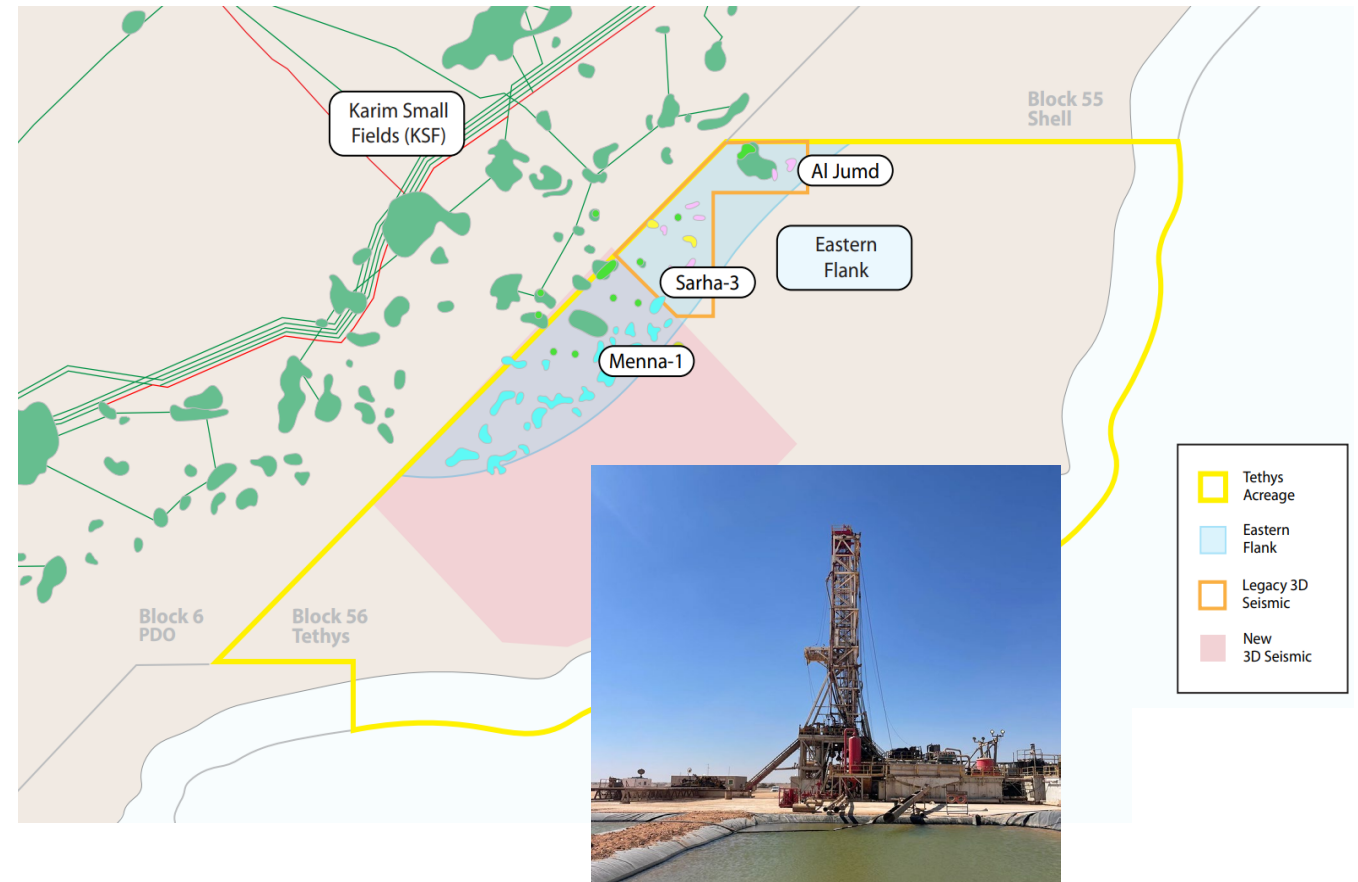
- Jefferies mandated as advisor in ongoing strategic review
- Heads of Agreement with Sonatrach

- Q1-24 production from Blocks 3&4 in the quarter amounted to 8,032 barrels of oil per day (8,397)
- Q1-24 Revenue and other income: **MUSD 30.1** (36.4) and EBITDA: **MUSD 13.0** (21.5)

Block 56 – Field Development Plan

The road to commercialisation and production

- FDP to be submitted to MEM before the end of May
- Includes:
 - Al Jumud,
 - Sarha,
 - Menna, and
 - Strong exploration prospect portfolio with substantial prospective resources



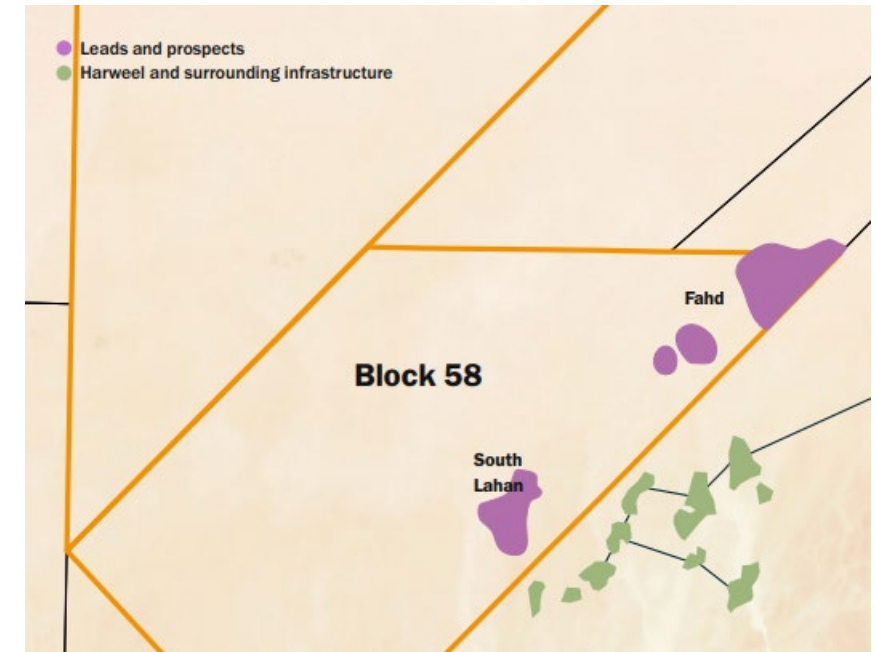
Block 58 - High-potential exploration drilling

Fahd area – first target

- Kunooz-1 exploration well to spud in June
 - Targets +120 mmbo of unrisks prospective resource
 - All site preparation work completed
 - Rig contracted in Q1 being mobilised

South Lahan

- Six identified prospects
 - 251.5 mmbo of unrisks recoverable prospective resources
 - Audited by Merlin Energy Resources Ltd.



PROSPECT	FORMATION	STOIIP (MMbbbls)				RECOVERABLE (MMbbbls)					RISKED Pmean REC (MMbbbls)
		P90	P50	P10	Pmean	P90	P50	P10	Pmean	Pg	
SL1	Ara A2C	79.9	290.9	677.5	341.9	14.1	54.3	144.7	68.6	0.10	6.8
SL2	Ara A2C	26.7	81.1	183.4	94.8	4.8	15.2	38.4	18.9	0.14	2.6
SL5	Ara A2C	60.3	218.8	506.2	256.1	10.8	41.0	108.0	51.7	0.10	4.9
SL6	Ara A2C	58.0	210.0	491.4	247.3	10.2	39.3	101.8	49.2	0.06	2.8
SL9*	Ara A2C	46.3	159.8	371.3	188.4	8.3	29.4	77.4	37.5	0.11	4.0
SL9*	Ara A5C	5.6	16.2	34.8	18.3	1.0	3.0	7.3	3.7	0.10	0.4
SL10	Ara A2C	29.4	92.6	212.5	109.2	5.3	17.5	45.0	21.9	0.11	2.3
Total		306.2	1,069.4	2,477.1	1,256.0	54.5	199.7	522.6	251.5		23.8

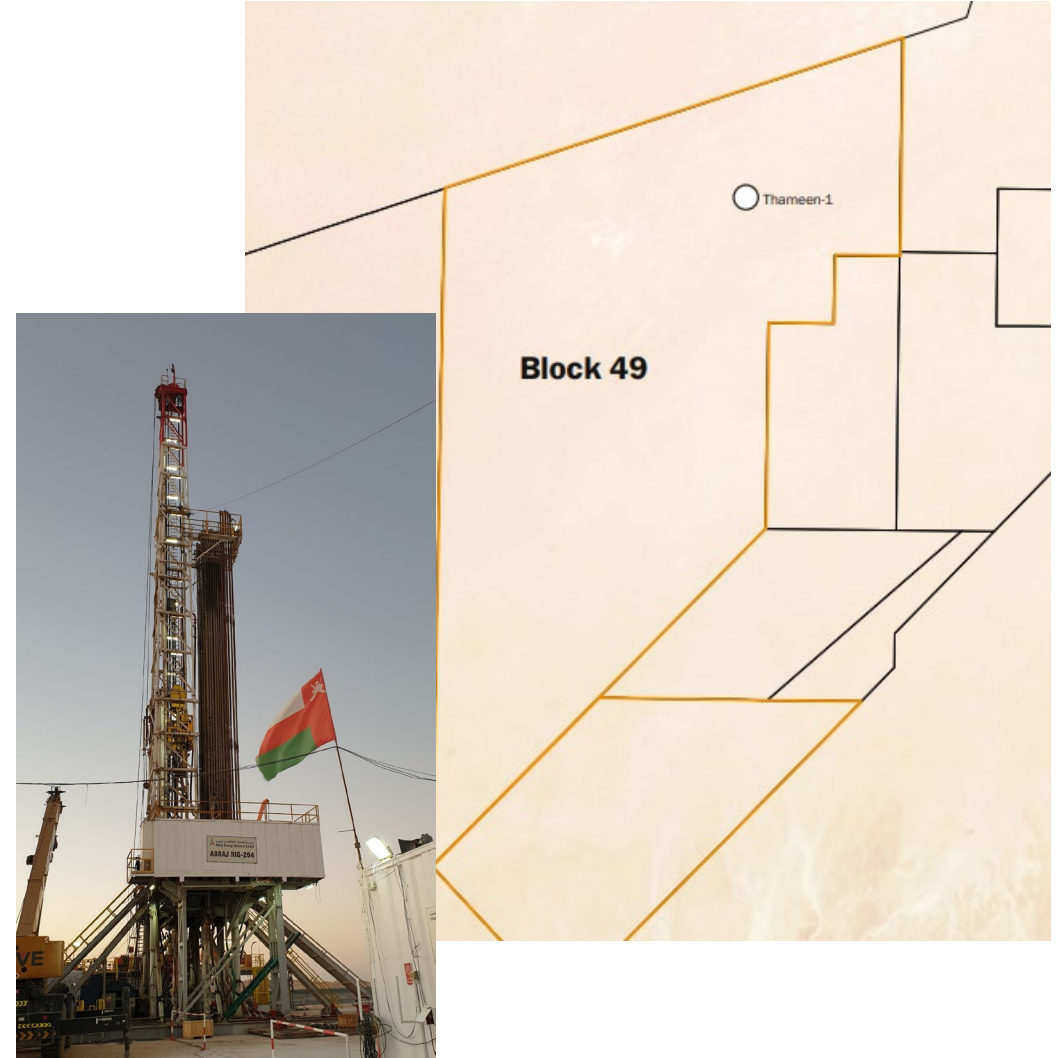
Block 49 – Second exploration phase

Second exploration phase entered in March

- EPSA extended until December 2026
- Aim to establish Thameen-1 as a discovery
- Appraise resource volumes and production capabilities

Coming steps

- Workover hoist to prepare the well for fracking operations
- Tendering and procurement process for integrated service contract expected to be completed in September
- Detailed timeline and plan of activities expected to be presented in Q3 or Q4



Blocks 3&4 – production, appraisal and exploration

6 development wells in Q1

- 2 oil producers
- 18 workovers – focused on replacement of pumps

6 appraisal wells in Q1 – split between Farha South and Shahd

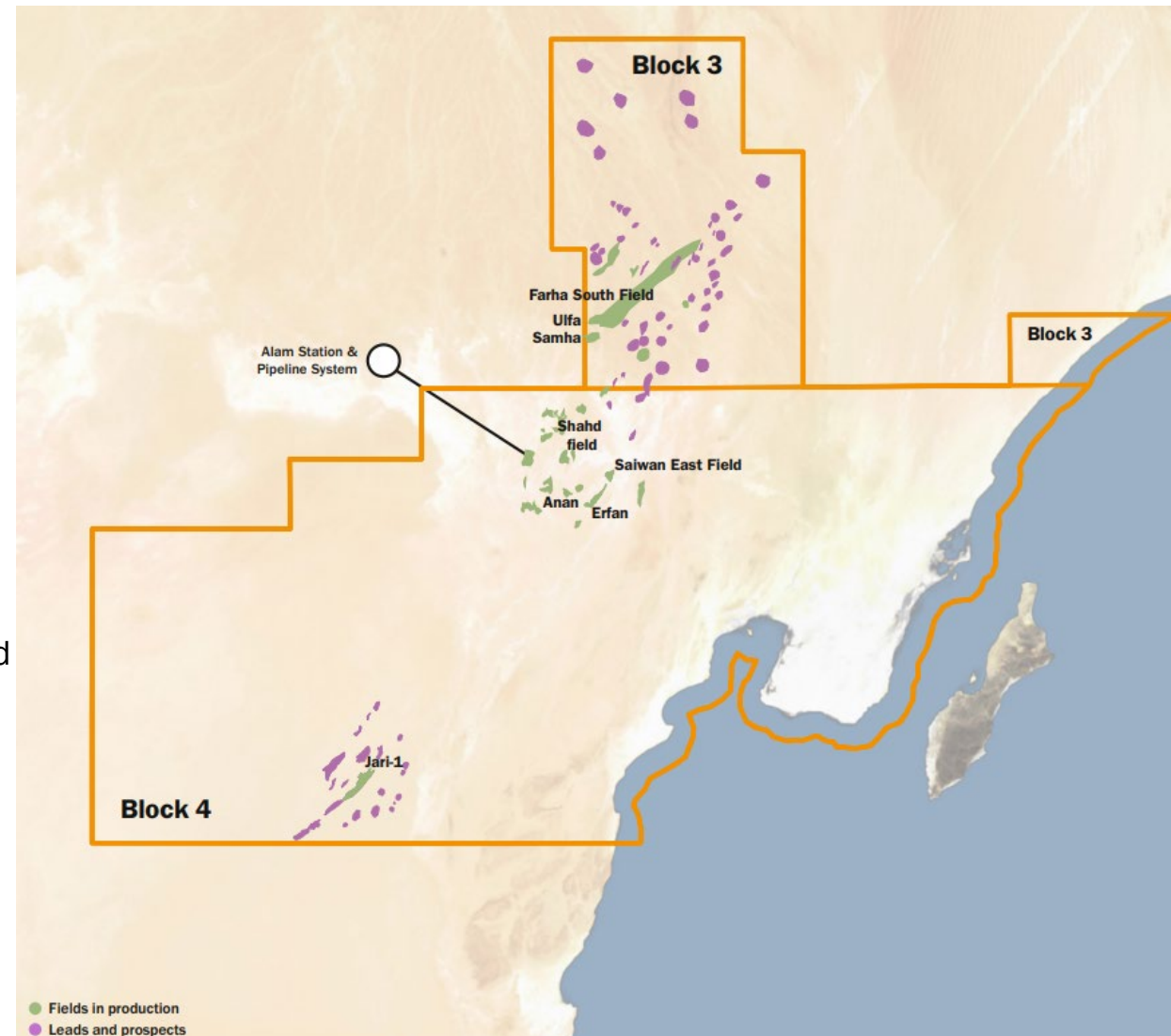
- 5 wells hooked up to the production system
- 19 appraisal wells to be drilled in 2024

FNW-1 exploration well to be drilled in May

- Targets a Barik formation on a parallel fault block to the main trend on the Farha South Field
- Two Shahd exploration wells to target the Khufai formation in July and November respectively

Block 4 seismic acquisition programme covering 6,200 km²

- Expected to conclude in Q3
- Interpretation commenced

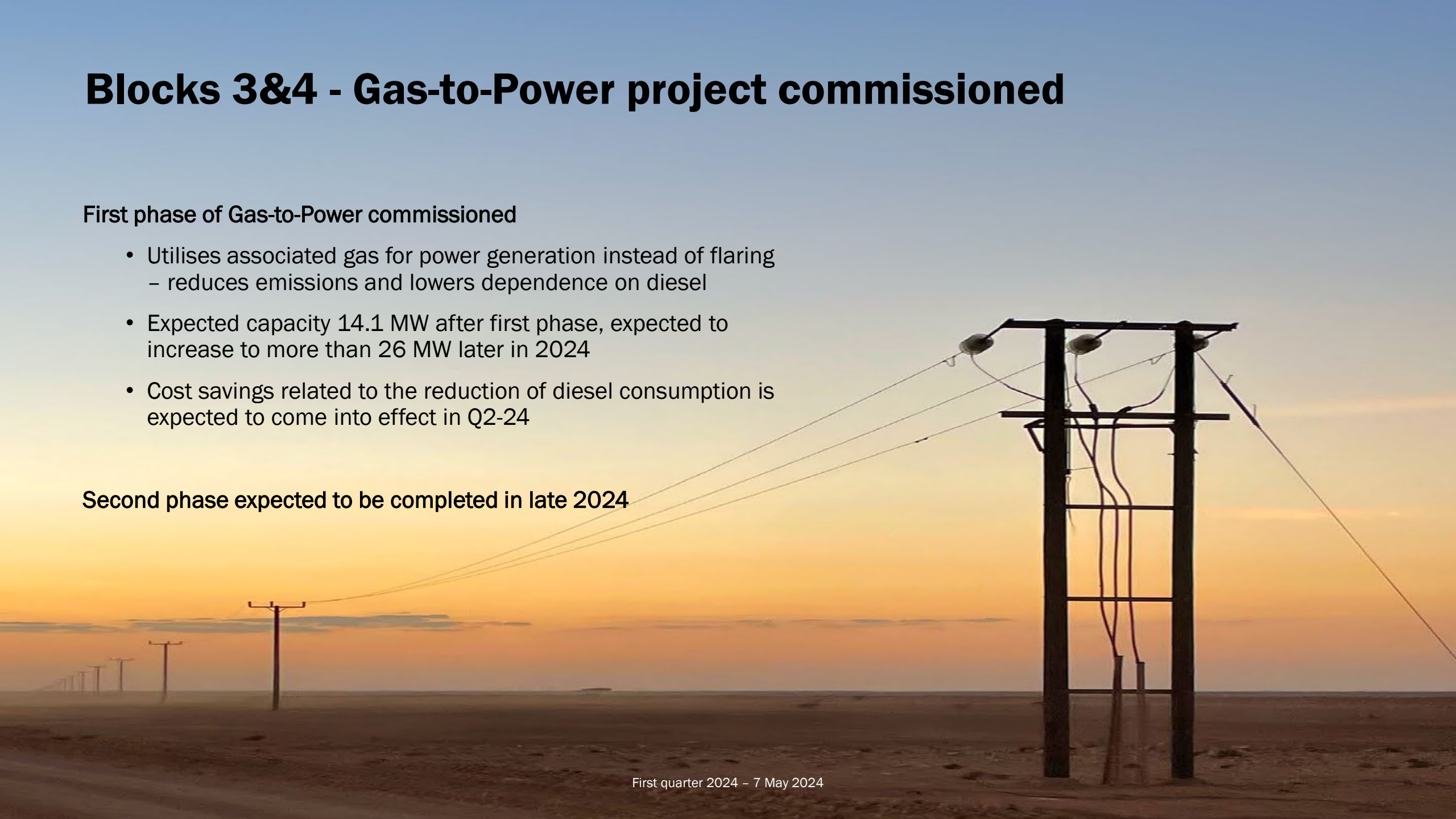


Blocks 3&4 - Gas-to-Power project commissioned

First phase of Gas-to-Power commissioned

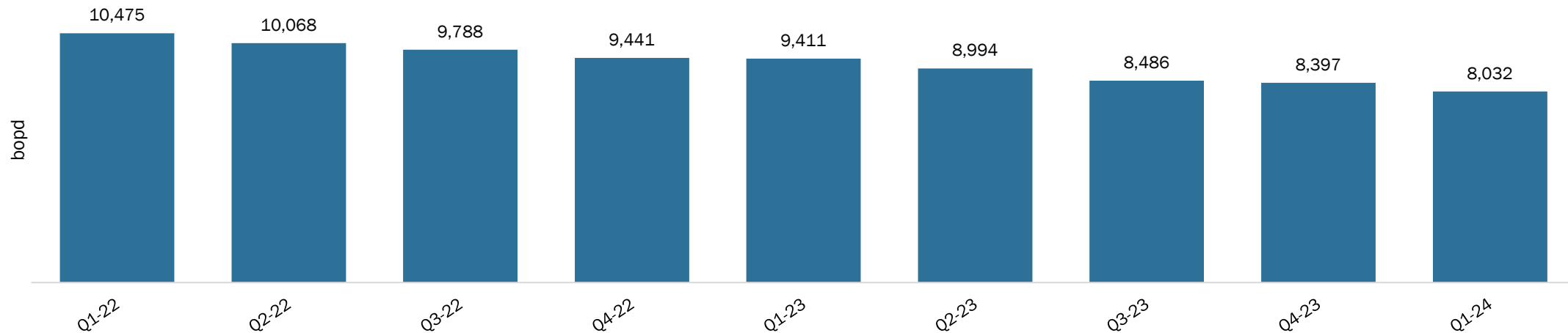
- Utilises associated gas for power generation instead of flaring – reduces emissions and lowers dependence on diesel
- Expected capacity 14.1 MW after first phase, expected to increase to more than 26 MW later in 2024
- Cost savings related to the reduction of diesel consumption is expected to come into effect in Q2-24

Second phase expected to be completed in late 2024



Production on Blocks 3&4

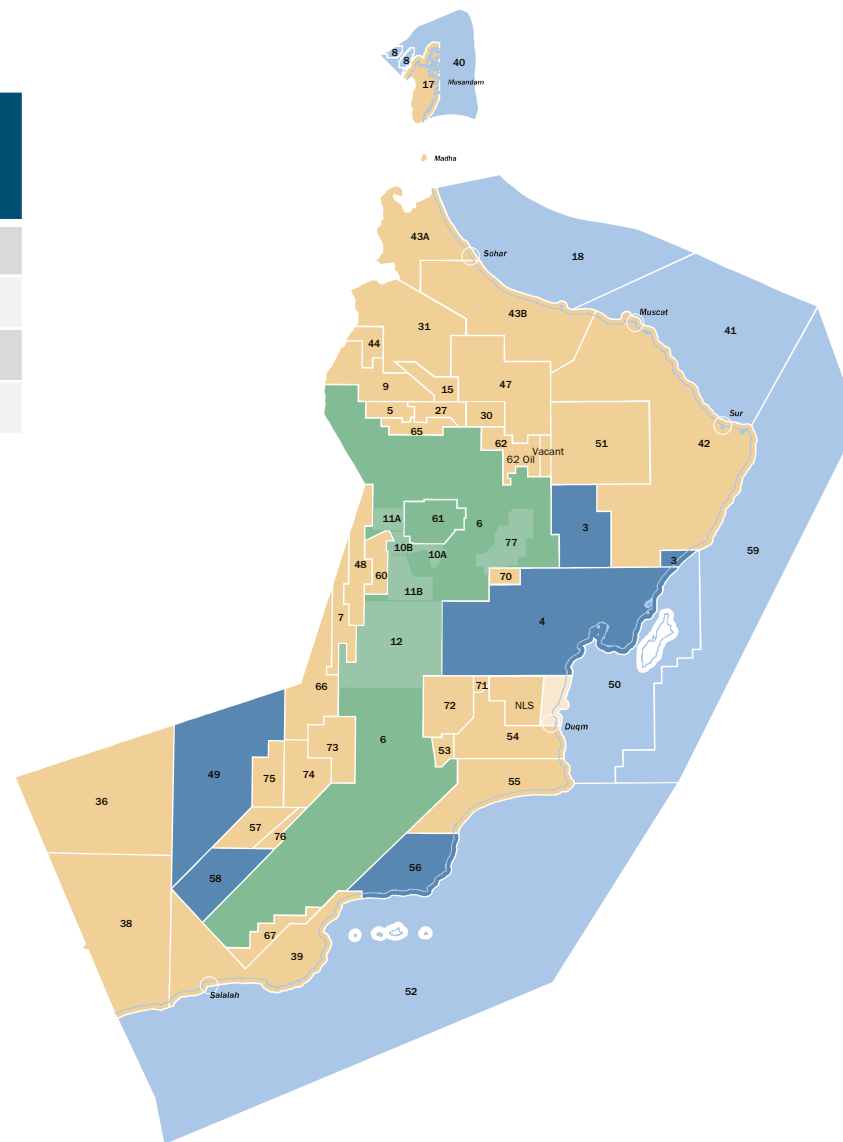
- Q1-24 production of **8,032** bopd, a 4% decrease compared to Q4-23
- Production negatively impacted by planned maintenance and extreme weather conditions
- April production was also impacted by the severe weather



Strategic Portfolio Review

EPSA/Licences (operated Blocks in bold)	Working Interest %	Award/ Acquisition	Phase	Expiry	Partners (operator in bold)
Blocks 3&4	30%	2007	Production	2040	CCED , Tethys Oil, Mitsui
Block 49	100%	2017	2nd exploration	2026	Tethys Oil
Block 56	65%	2019	2nd exploration	2024	Tethys Oil , Medco, Biyaq, Intaj
Block 58	100%	2020	1st exploration	2024	Tethys Oil

- Process ongoing with Jefferies Financial Group Inc. as advisors
- Identify optimised capital allocation strategy
- Prioritise growth, profitability and shareholder value
- Explore portfolio rebalancing opportunities



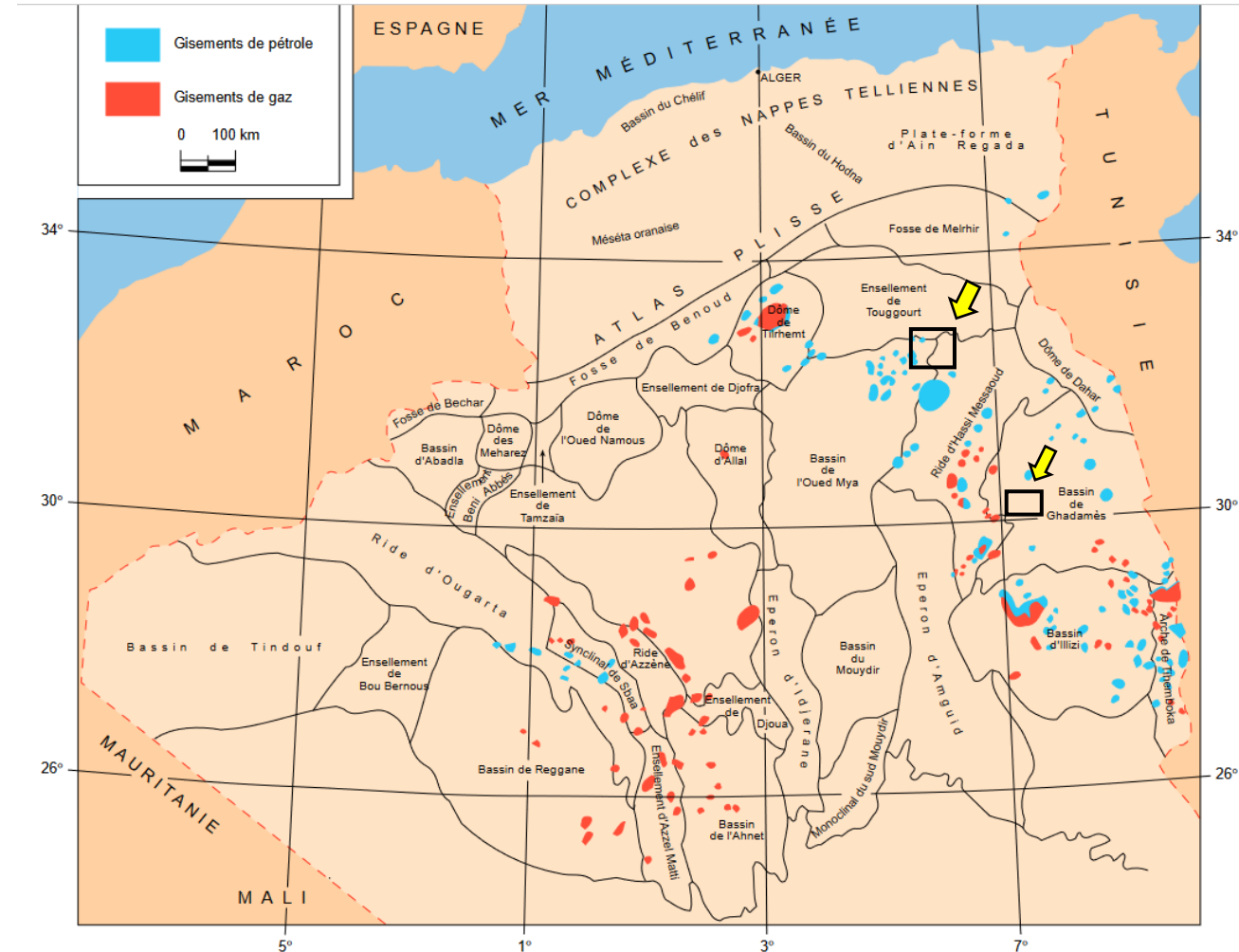
Heads of Agreement with Sonatrach

Algeria: third largest country in Africa in terms of reserves and production

- HoA a key step to exclusively negotiate potential production sharing agreements

Two areas NE Algeria

- El Hadjira II & El Haiad II
- Greater area with known discoveries, production and infrastructure



Exploration of energy transition opportunities

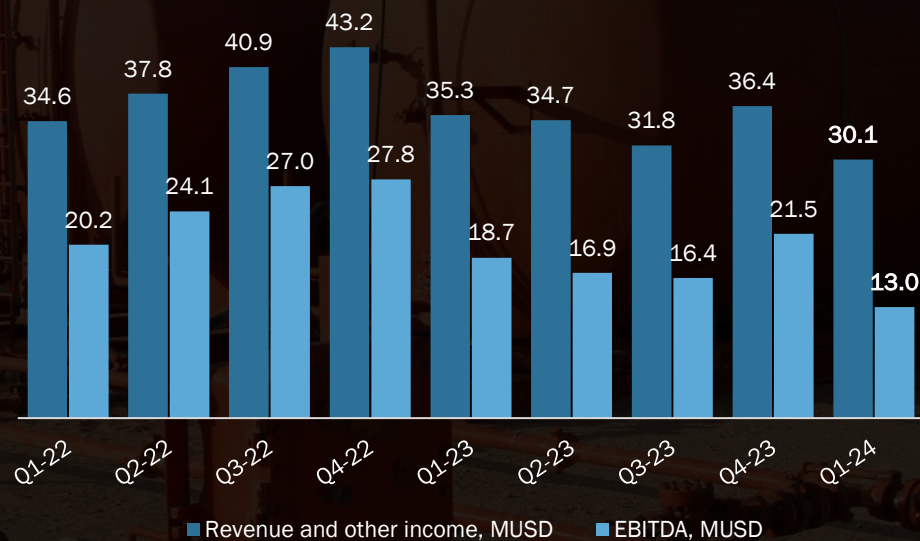
- Focus on technological and geological opportunities that synergies with core operations
- Primary interest in subsurface operations in geographical areas where the Group has a presence
- Example: Carbon Capturing and Storage



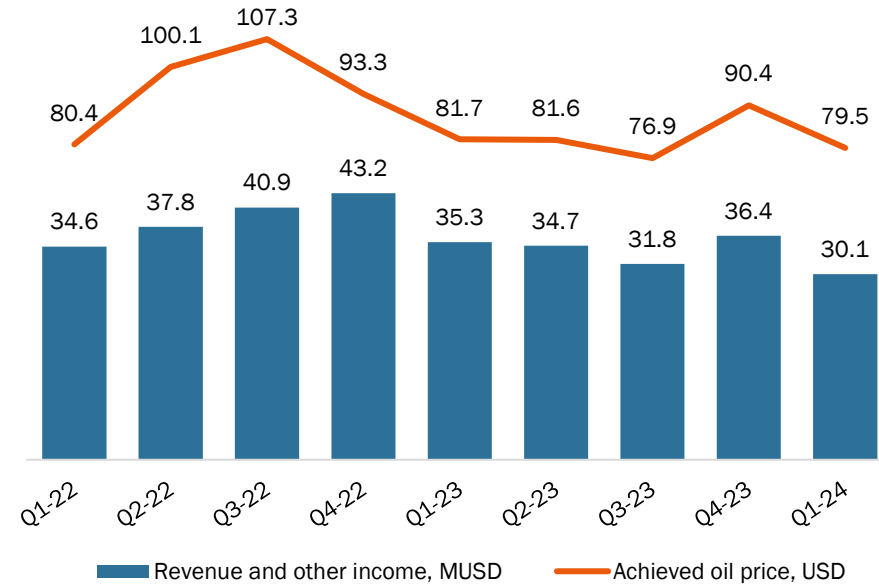
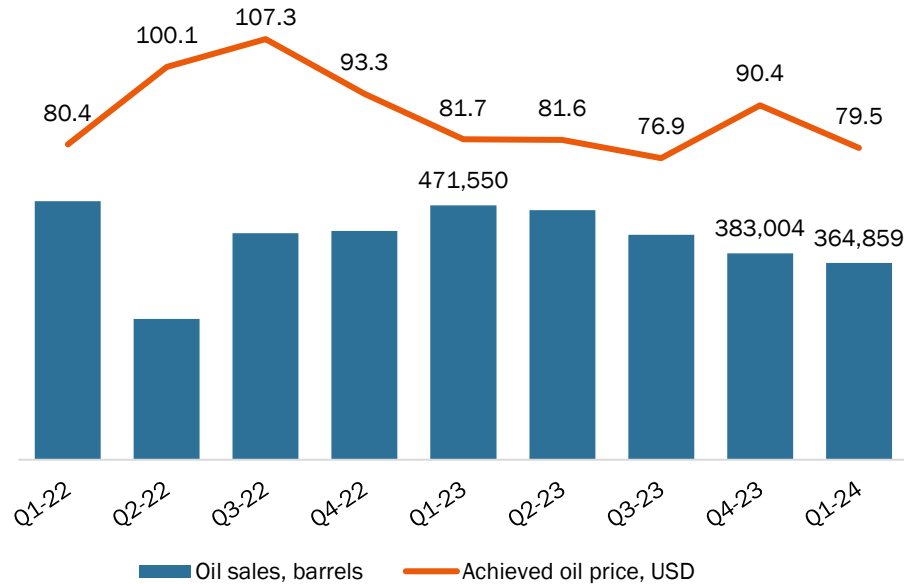


Financial highlights for Q1 2024

- Achieved Oil Price USD 79.5 (90.4) per barrel
- Revenue and other income: MUSD 30.1 (36.4)
- EBITDA: MUSD 13.0 (21.5)
- Investments in oil & gas properties: 17.2 (19.2)
- Free Cash Flow MUSD: -10.8 (2.5)
- Net Cash: MUSD 14.9 (25.8)



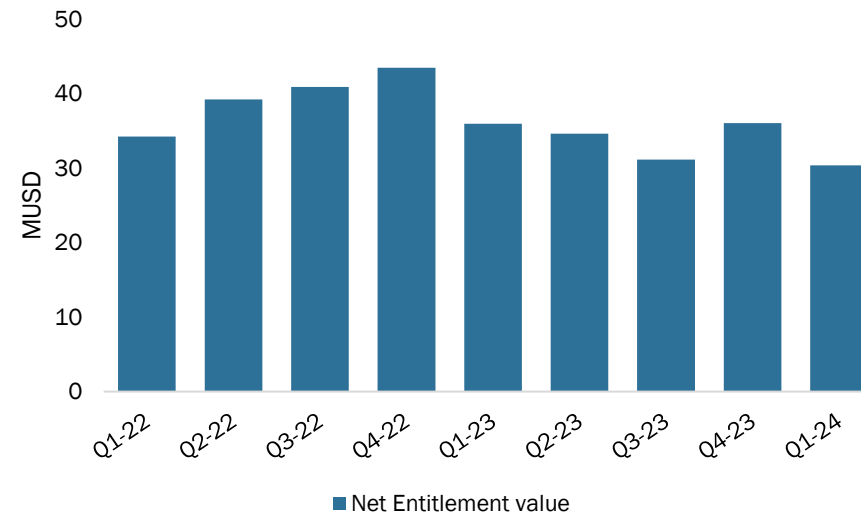
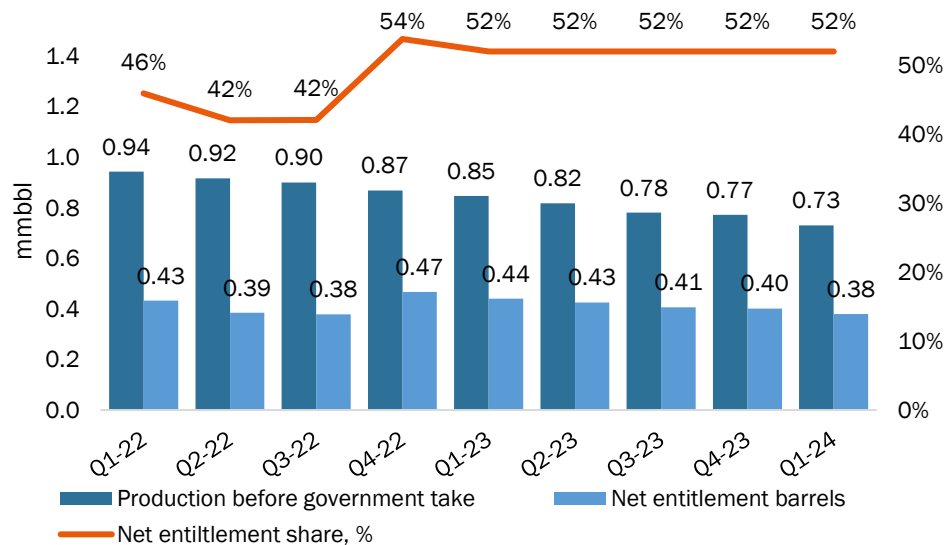
Oil Sales in Q1-24



- Oil sales down by 5% from previous quarter
- Revenue from oil sales was MUSD 30.1, down 17% mainly as a result of the lower Achieved oil price
- Achieved oil price in Q1-24 was USD 79.5 per barrel vs USD 90.4 in Q4-23
- Underlift of 15,194 barrels compared to entitlement in Q1-24 increasing the underlift position to 20,815 barrels (5,620)

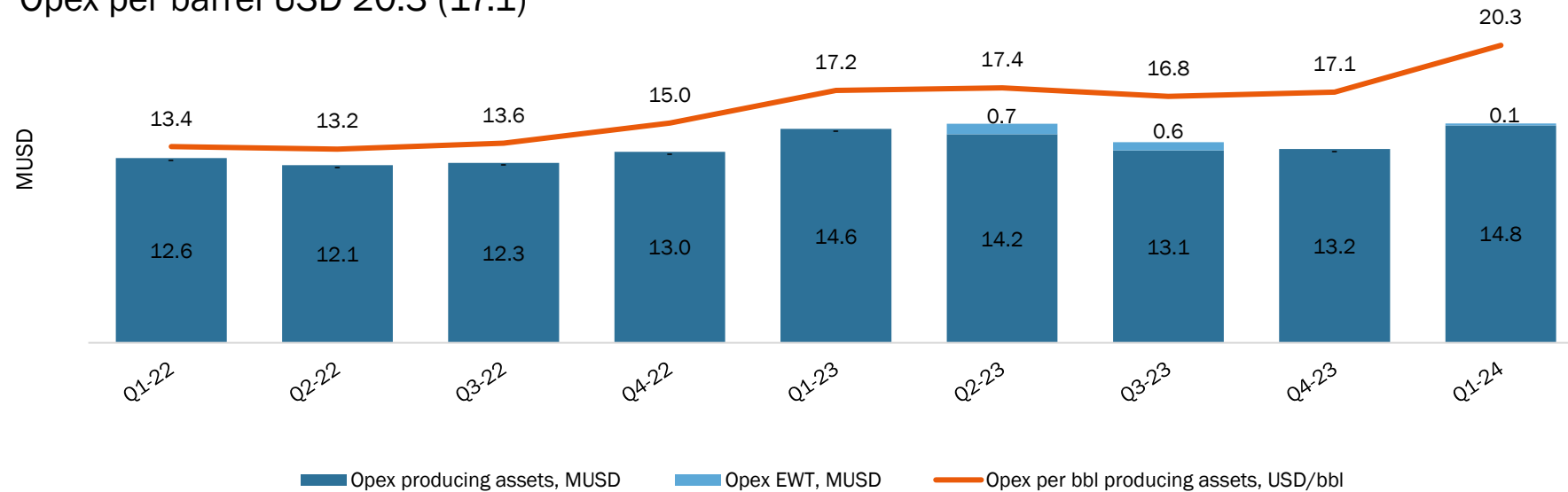
Net Entitlement Q1-24

- Net entitlement remained at 52%
- Net Entitlement in barrels decreased by 5% due to lower production vs Q4-23 and unchanged net entitlement share
- Net Entitlement value is down 16% due to a combination of the lower oil price and lower production



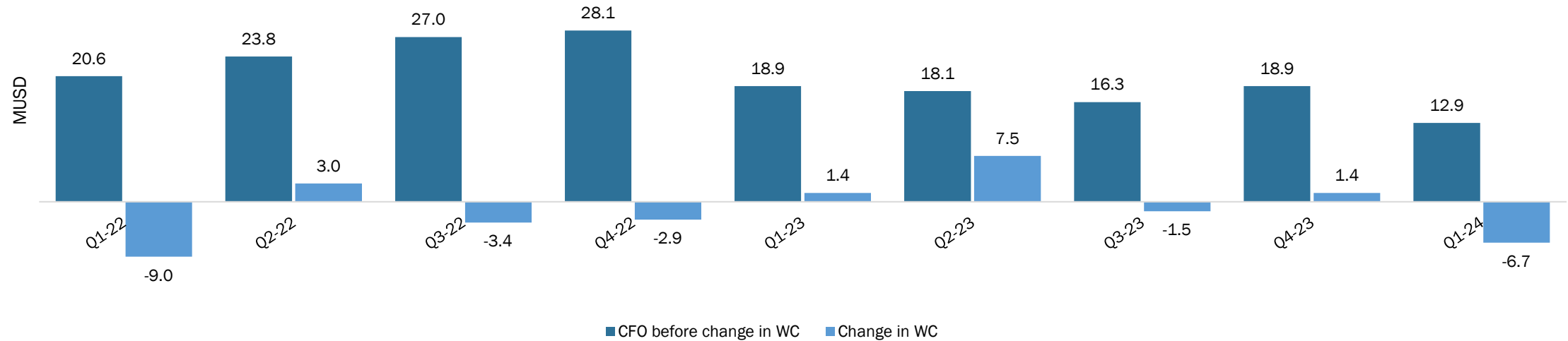
Q1-24 increase in Opex as Gas-to-Power project is initiated

- Q1-24 total operating expenditure increased to MUSD 14.9 (13.2).
- The expected increase is a result of the start-up of the first phase of the Gas-to-power project on Blocks 3&4.
 - Also includes annual benefits & bonus payments
 - and late recognition of MUSD 0.1 related to EWT performed on Block 56 in 2023
- Opex per barrel USD 20.3 (17.1)



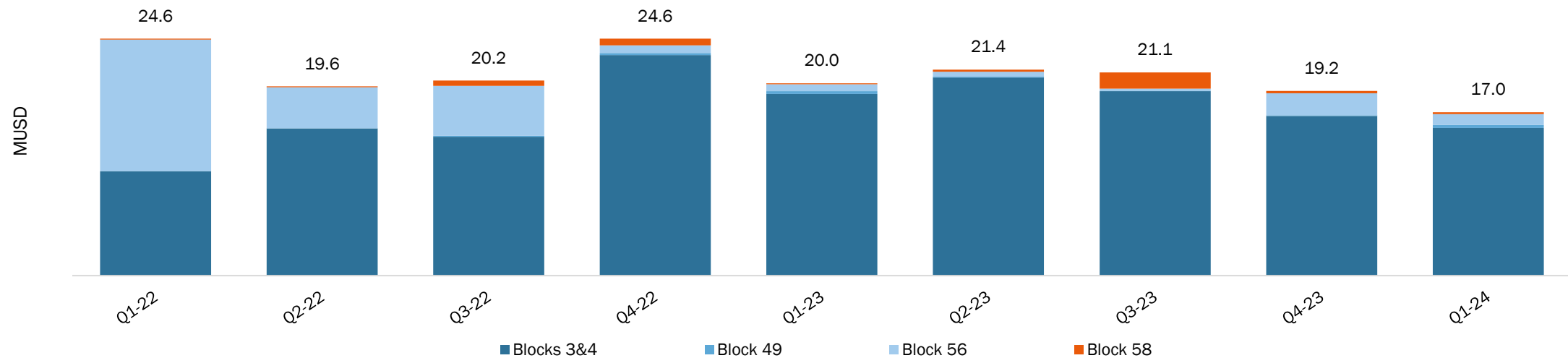
Cash flow from operations

- Cash flow from operations at MUSD 12.9 in Q1-24
- Down from Q4-23 as a result of lower Achieved oil price and higher opex
- Negative contribution from working capital MUSD -6.7 (MUSD 1.4)
 - Primarily due to lower joint operations payables



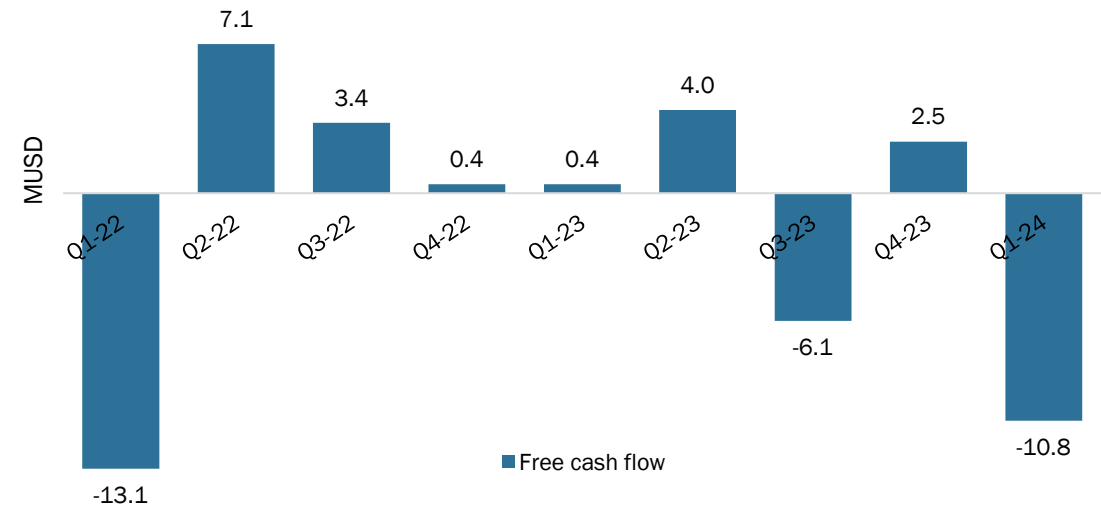
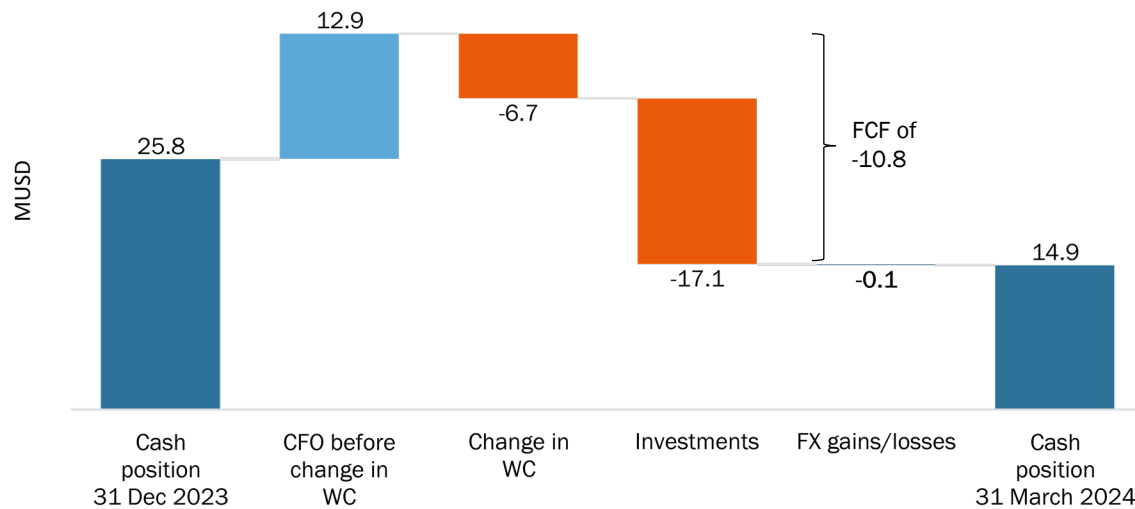
Investments

- Q1-24 investments amounted to MUSD 17.0 (19.2)
- Continued trend of lower investments in Oil & Gas properties
- Planned 2024 investments on Blocks 56 and 58 expected in the latter half of the year



Free cash flow

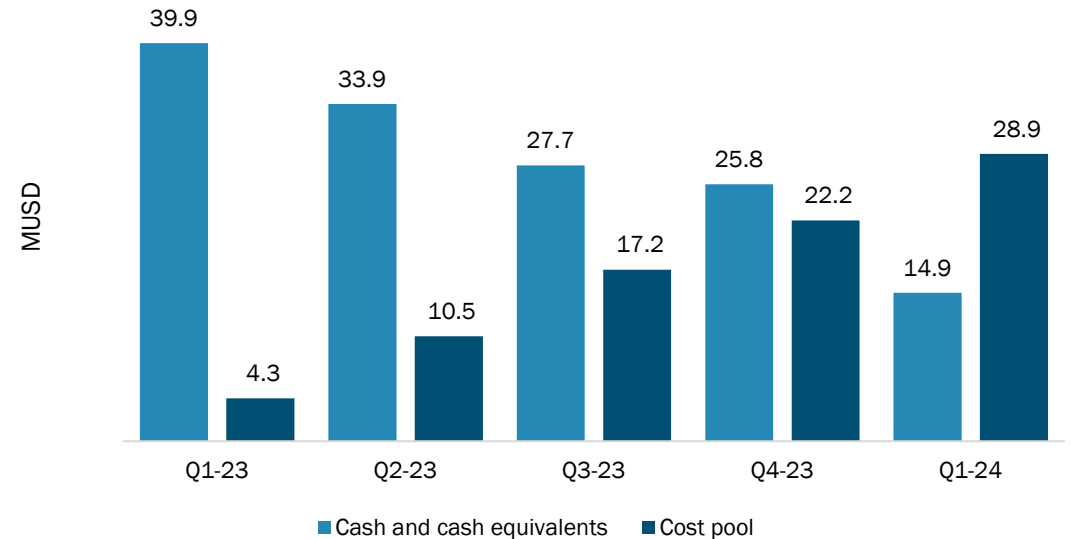
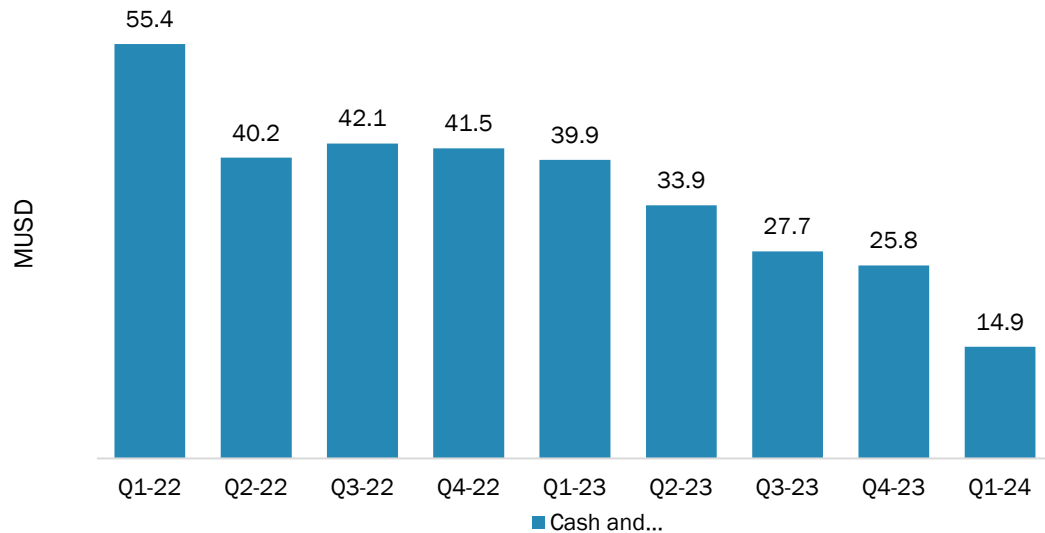
- Free cash flow in Q1-24 of MUSD -10.8 (2.5)
- The lower level of investments was not enough to offset the combination of lower cash flow from operations and negative change in WC



First quarter 2024 – 7 May 2024

Liquidity and Financing

- Net Cash at end of Q1-24 was MUSD 14.9 (MUSD 25.8)
- Finalisation of the MUSD 60 credit facility is expected in the coming weeks with funds available before the end Of Q2
- Blocks 3&4 cost pool at the end of Q1–24 was MUSD 28.9 (22.2)
- The cost pool should be considered to be deferred cash flow
 - Repaid once expenditures on Blocks 3&4 are below the cost oil allowance



FY 2024 - Production & Financial guidance

- Production expected to be 8,200 ± 400 barrels of oil per day for FY-24
 - February to April production affected by planned longer maintenance and extraordinary weather
- Operating expenditures expected to be USD 17.5 per barrel
 - 2024 opex expected to be frontloaded due to the start-up phase of the Gas-to-Power project
- Investments in oil & gas assets to be in the range of MUSD 90-94
- Administrative expenses to be in the range of MUSD 6-8
- Investments will be financed by cash flow, cash on hand, and external debt

	Investments, MUSD	Comments
Block 3&4	63-67	Includes completion of 3D seismic campaign and second phase of Gas-to-Power project
Block 49	0.5	
Block 56	8.0	Drilling of one exploration well and FDP preparations
Block 58	18.5	Drilling of two exploration wells including Kunooz-1
Total	90-94	



Outlook – key events

- Block 56 – Field Development Plan and Declaration of Commerciality
- Block 58 – Spud of Kunooz-1
- Conclusion of strategic review



Thank you for your time!

Financial Calendar 2024

- AGM on May 15 2024
- Report for the second quarter 2024 (January – June 2024) on 6 August 2024
- Report for the third quarter 2024 (January – September) on 5 November 2024

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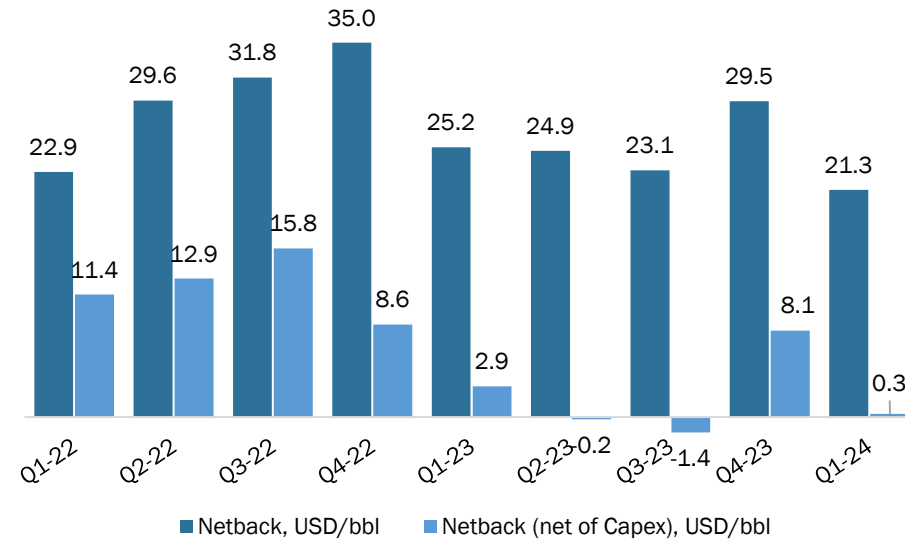
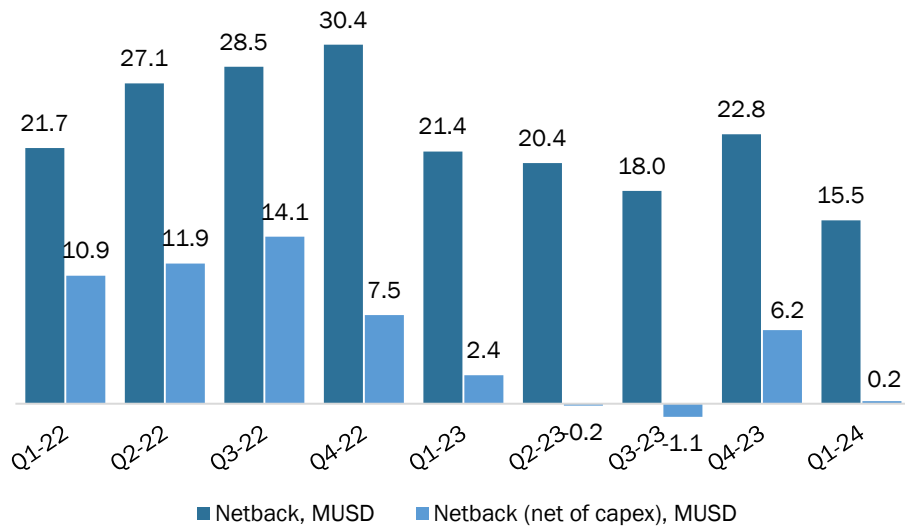


Supporting slides



Netback

- Netback (net of Capex) per barrel decreased as a result of both the oil price decreasing and the operating expenses per barrel increasing



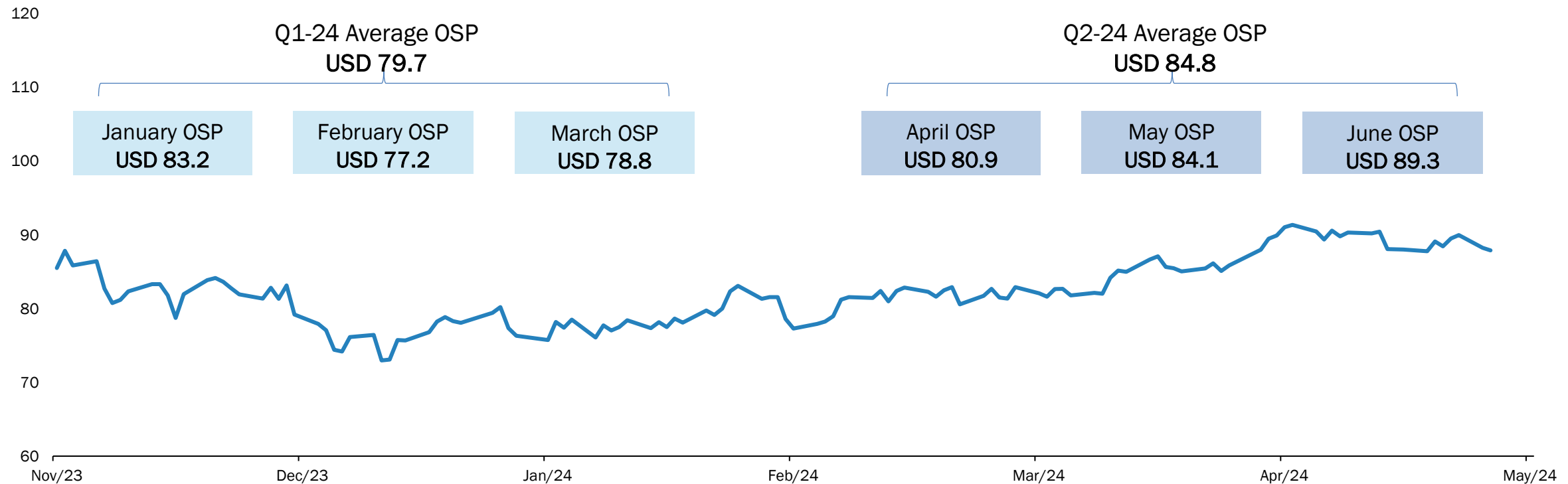
Oil price development in 2024

- Positive oil price development in 2024YTD, with Brent advancing by 14.1% and DME Oman by 15.2% YTD



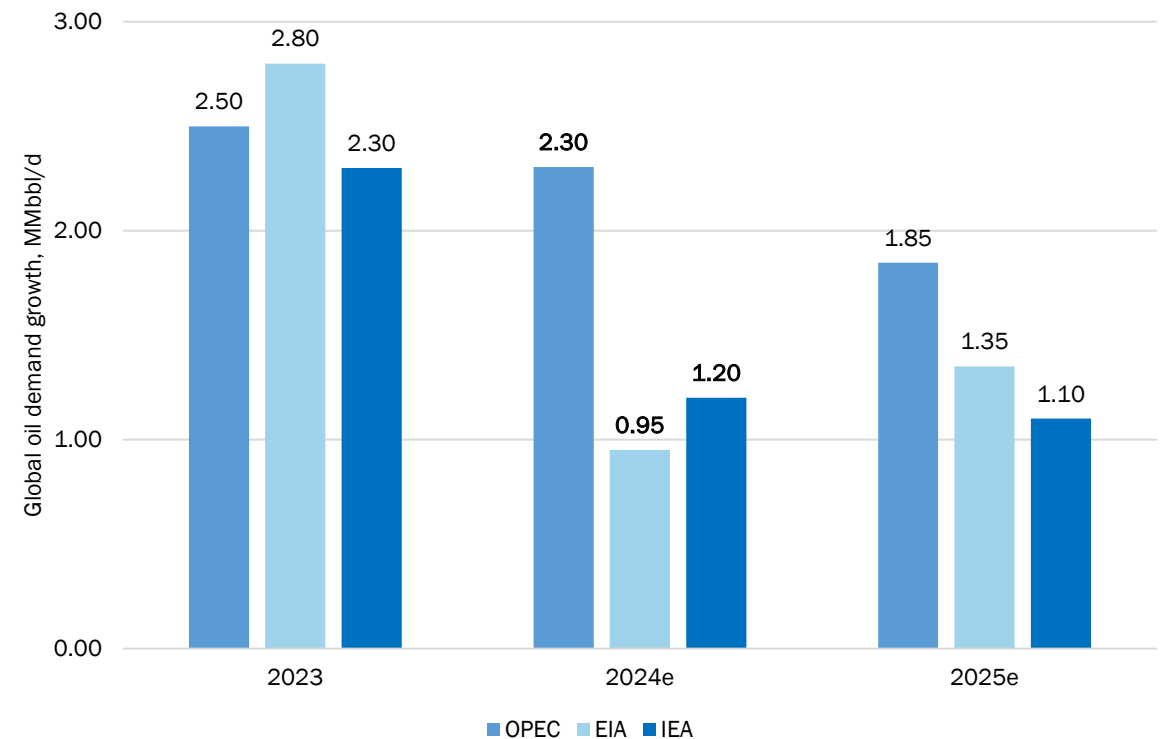
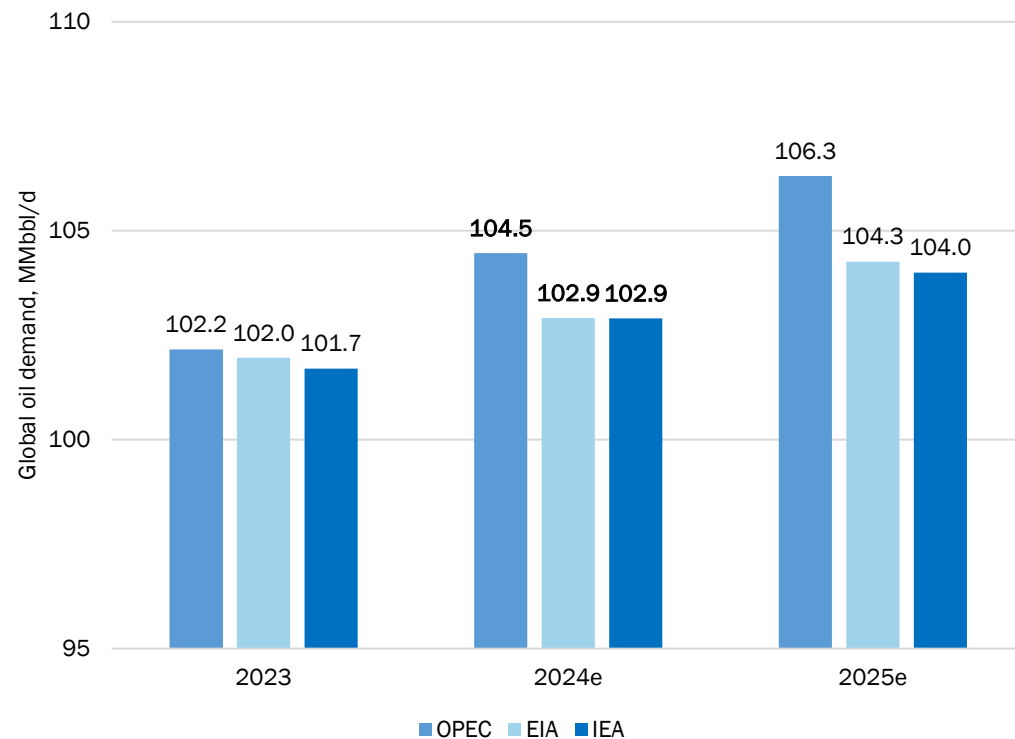
OSPs in Q1-24 and Q2-24

- Average OSP in Q1-24 (USD 79.7) declined vs Q4-23 (USD/bbl 89.7) due to lower prices observed in November/December
- **Much stronger OSP for Q2-24 (USD 84.8)** due to price recovering in February/April



Global oil demand

- Strong oil demand in the range of mmbbl/d 1.0 – 2.3 is expected in 2024
- Good momentum to be carried over in 2025 as well, as monetary easing gradually taking place in late 2024 – early 2025



OPEC+ balancing market effectively in H1-2024

- OPEC+ extended decreased targeted production (ca. mmbbl/d 34.3) for entire H1-2024, balancing oil market effectively
- The extension of current quota can be also expected for the end of 2024, if negative surprises on demand side appear

