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United Oil & Gas Plc*

18 July 2017

Stock Data

Share Price:	Private Company
Valuation:	£8.8m
Pro forma equity:	228.9m** (fully diluted)

Company Profile

Sector:	Oil & Gas
Exchange:	LSE Standard List**
Proposed ticker:	UOG

Activities

Oil and gas exploration, development and production company with existing assets in the UK and Italy. Management strategy is to expand the current portfolio with value accretive acquisitions focused primarily on stable jurisdictions in the UK and Europe.

Performance Data

N/A

Directors

Brian Larkin:	Managing Director
Jonathan Leather:	Technical Director
Alberto Cattaruzza:	Non-Exec. Director

*Optiva Securities acts as broker to Senterra Energy plc and will act as broker to United Oil & Gas Plc upon its reversal into Senterra Energy plc.

**Estimated fully diluted number of shares in issue after reversal of United Oil & Gas Plc into Standard Listed Senterra Energy plc and a £3m placing of new shares.

Leveraging experience to build a portfolio

United is an independent oil and gas company established by two former senior employees of Tullow Oil in 2015. United's strategy is to leverage management's experience and contacts within the oil industry in order to acquire an exciting portfolio of hydrocarbon assets. The company has already secured an interest in the Waddock Cross oil field in the UK and agreed to farm into the drill-ready Selva gas field in Italy. With the company currently conducting an RTO of Senterra Energy, we believe that United is poised to accelerate significantly the development of an exciting European-focused oil and gas business.

United's strategy is to build a portfolio of oil and gas E&P assets with an initial focus on the UK and Europe. In particular, the management has demonstrated expertise in evaluating oil and gas assets and subsequent farm-in opportunities. Further expansion of the company will likely focus on assets within stable political and fiscal regimes and management is keen to leverage off its contacts within the industry to gain access to early divestment opportunities and avoid auctioned transactions.

United acquired interests in the Waddock Cross field (26.25%) and the associated exploration upside (18.95%) on licence PL090 in Southern England in July 2016. The field was shut-in in 2014 due to an excessive water cut. However, reassessment of existing 3D seismic data has indicated that two wells to probe the crest of the field well above the oil water contact have the potential to boost production significantly by 2018/19.

We expect that United will participate in the first of a two well programme in Q4, whereby a successful result will de-risk the field significantly. Consequently, we anticipate that the company's maximum financial exposure to Waddock Cross will be approximately US$0.6m by the end of 2018.

In Italy, United has signed an exclusive option with ASX-listed Po Valley Energy to acquire a 20% interest in the Podere Gallina licence in Northern Italy under a capped 2 for 1 farm-in agreement. This licence contains the currently shut-in Selva gas field in addition to several exploration opportunities on the surrounding block.

United understands that a single well drilled updip to previously exploited areas of Selva will access at least 17 BCF (gross) of gas resources located in very high quality reservoir. As such, Selva has the potential to produce gas at stable plateau for up to eight years providing a very attractive source of long term cash flow to United.

On the exploration side, United has identified the Broadmayne prospect on UK licence PL090 as possessing major potential upside, whereas in Italy, the Podere Gallina licence exhibits several interesting prospects, one of which; East Selva could provide significant upside to the re-development of the main Selva field.

In the context of the imminent RTO with Senterra, we have established a conservative NPV valuation of US$11.1m (£8.8m) for United which focuses on the core assets within the portfolio. This is equivalent to a pro forma fully diluted value of 3.8p per share assuming a total of 228.9m shares in issue. For illustrative purposes, we also calculate that the upside valuation for the company could be as high as US$38.0m (£30.3m) on an unrisked basis, equivalent to 13.3p per share on a fully diluted basis.

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