



Rockhopper Egypt Acquisition - A Transformational Opportunity

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Transformational Acquisition of Rockhopper Egypt



Conditional agreement to acquire 100% of Rockhopper Egypt Pty for US\$16m
Includes 22% non-operating interest in the Abu Sennan Concession

ACQUISITION METRICS

 <p>\$16m Acquisition Cost</p>	 <p>2.64mmboe Net 2P Reserves</p>	 <p>>1,100boepd Current Net Production</p>	 <p>\$22.9¹-29.9²m 2P NPV10</p>
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¹ Gaffney Cline & Associates report, end-2018; ² UOG estimate based on June 2019 production levels

FINANCING



BP to provide a senior secured prepayment financing structure for up to \$8m



Rockhopper has agreed to accept up to \$5m of Consideration Shares in United



High quality portfolio

- Consistent with strategy to build a balanced full-cycle portfolio of assets to significantly increase shareholder value potential
- Value creation through active management of production, development and low-risk exploration/appraisal assets in Europe/Greater Mediterranean region

Fit with articulated strategy

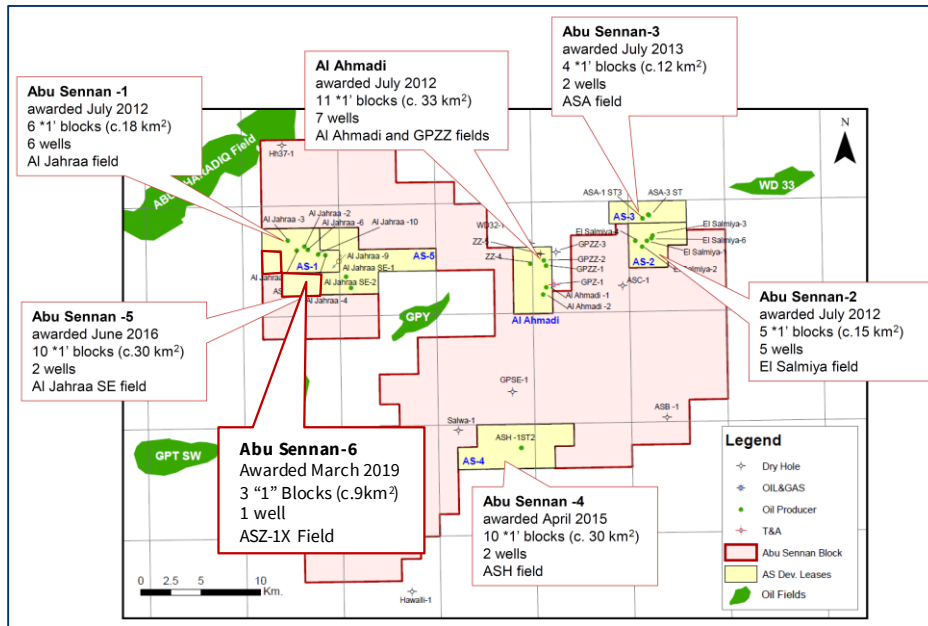
- Provides the Company's first production of c. 1,100 boepd
- Adds c. 2.64 million boe of 2P Reserves at end of 2018
 - 2P Reserves split of 83% Oil and 17% Gas
- Good quality crude with average discount to Brent of \$1.95/bbl
- Low-risk exploration and appraisal potential to grow reserves and extend field life

Attractive terms

- Low-cost entry, with implied acquisition cost of \$5.9 per boe
- Low cash operating costs (\$6.5 per boe in 2018) and limited capital commitments
- PSC terms reduce cash flow impact of lower oil prices
- IRR: 27%*
- Payback in ~3.5 years at \$65/bbl*

* UOG Estimate

Abu Sennan Licence Summary



EXPLORATION LICENCE	
Duration	5 Yrs in 3 Phases Ends Sept '23
Area	653 km ²
Financial Commitments	\$10m
Drilling Commitments and Phasing	Phase 1 (Sept '21): 2 wells* Phase 2 (Sept '22): 1 well Phase 3 (Sept 2023): 1 well
Relinquishment	At the end of the licence period, the remainder of the area not converted to a development lease will be relinquished

*NB. One of these drilling commitments has already been fulfilled with the successful drilling of the ASZ-1X well

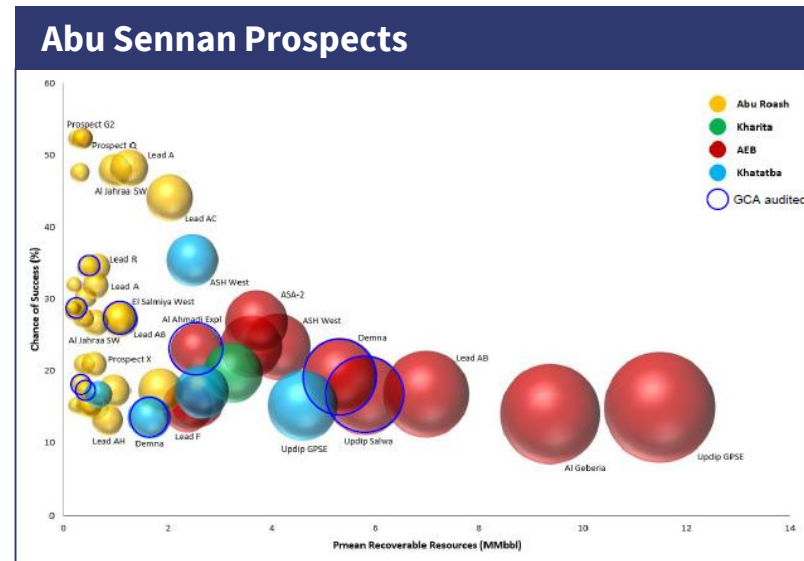
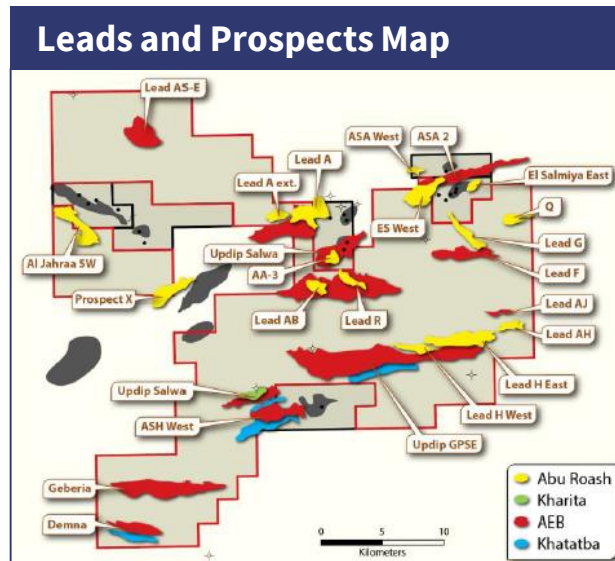
DEVELOPMENT CONCESSIONS		
Licence / Field	Number of Wells	Expiry (+5yr Ext)
Al Ahmadi (ZZ, Al Ahmadi Fields)	4	March 2032
Abu Sennan 1 (Al Jahraa)	8	February 2032
Abu Sennan 2 (El Salmiya)	6	March 2032
Abu Sennan 3 (ASA)	2	July 2033
Abu Sennan 4 (ASH)	1	April 2035
Abu Sennan 5 (Al Jahraa SE)	2	July 2036
Abu Sennan 6 (ASZ-1X)	1	March 2039

Partner	WI
Kuwait Energy Egypt ¹	25% (Op)
Global Connect Ltd	25%
Dover Investments ²	28%
Rockhopper	22%

1. A wholly-owned subsidiary of UEG Egypt
2. Costs carried by Kuwait Energy

Upside Potential

Significant infill potential from bypassed pay and previously untargeted reservoirs;
Sizeable exploration upside potential



- Ongoing infill drilling campaign has had considerable success to date – gross production levels have increased from <4,000boepd at the start of the year to >5,000boepd currently
- Recent drilling results from the Bahariya reservoir of the Al Jahraa Field highlight the infill potential across the seven production concessions (AJ-6 producing at c.500bopd; AJ-11 at >780bopd)
- In addition to the infill potential on the producing fields, large exploration area (653km²), with significant prospect and lead inventory presents exciting range of opportunities
- Multiple, high geological chance of success prospects close to infrastructure in classical Upper Cretaceous reservoirs

Key Commercial Terms

Transaction Funding



US\$16m

Cash consideration for the purchase of Rockhopper Egypt Pty Ltd



Combination of prepayment finance and equity funding for the acquisition



US\$8m

Senior secured prepayment finance signed with BP which also provides a downside price protection for UOG



US\$5m

Rockhopper to take up to \$5m of Consideration Shares in United.



3-4 months

Expected timeframe for transaction to complete



Transaction Timing and Next Steps



23 July 2019

SPA Announcement & Share Suspension

22 Aug 2019

JV Partner Consents

Q4 2019

Publication of AIM Re-admission Document and resumption of trading

General Meeting

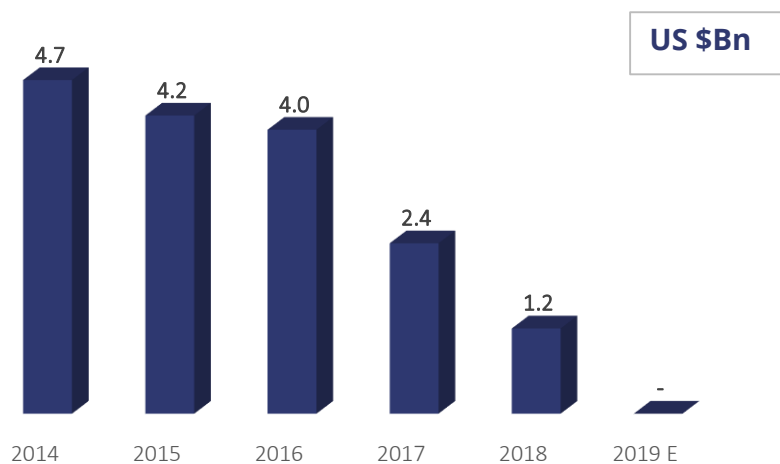
Regulatory Approval and Admission of enlarged group to trading on AIM

Completion expected Q4-2019

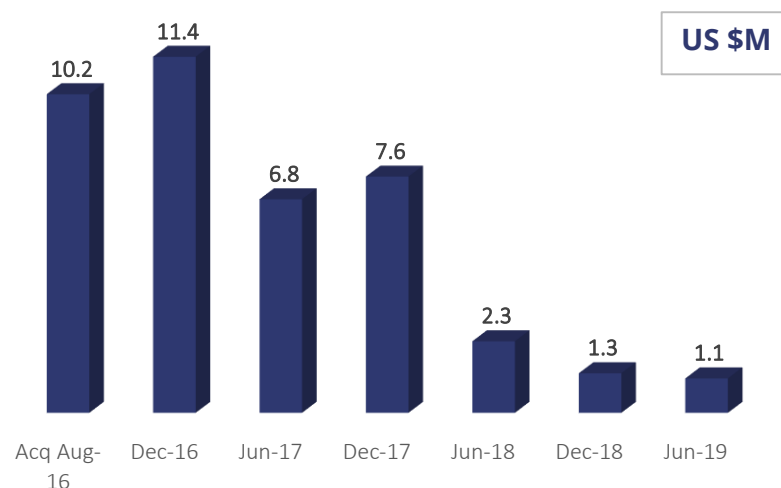
Economic Overview

- Political and Economic Stability: Sisi's government reinstated for second term in Mar-18
- Commitment to IMF Reform Programme: 5th \$2bn Tranche of \$12bn disbursed Feb-19
- Credit rating B(Stable)/B3/B+ (Stable) S&P, Moody's Fitch
- Egypt will raise US \$4-7 Bn on the international bond market in the coming fiscal year having raised US \$4bn in Feb-19
- Africa's fifth largest producer with presence of Eni, BP, Shell & Apache
- Recent sector M&A Activity: Energean/Edison \$750m Jul-19 & Soco/Merlon \$215m Sep 18
- Government & IMF expressed commitments to eliminate EGPC arrears by June 2019

Outstanding Arrears to IOC's in Egypt



Outstanding Arrears Rockhopper Egypt





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