



UNITED  
OIL & GAS



# CORPORATE PRESENTATION

November 2021

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# UNITED BOARD - 120+ YEARS COMBINED INDUSTRY EXPERIENCE

## Brian Larkin, Chief Executive Officer



### Skills and Experience

Strategic Planning, executive and public company leadership, M&A, capital markets, business development, accounting and audit, corporate finance risk management, investor and government relations.

**Geographies:** Ireland, Gulf of Mexico, Nigeria, UK



## David Quirke, Chief Financial Officer



### Skills and Experience

Treasury, corporate finance, accounting and audit, risk management, business development, executive leadership, investor relations, governance strategic planning, taxation, capital markets, M&A.

**Geographies:** West & North Africa, South America & Europe



## Jonathan Leather, Chief Operating Officer



### Skills and Experience

Technical expertise, exploration, development, production appraisal and operations, executive leadership, environment, health, safety and sustainability

**Geographies:** North Sea, Middle East, South America and the Caribbean, Africa



## Graham Martin, Non-executive Chair



### Skills and Experience

Extensive experience as in UK and international corporate and energy transactions, General Counsel. In-depth knowledge and understanding of Governance, international legal, and government affairs, executive leadership, M&A.



Vinson&Elkins

## Iman Hill, Non-executive director



### Skills and Experience

Extensive technical experience in global oil companies. Technical expertise, exploration, and production projects, executive leadership, strategic planning, environment, health, safety and sustainability



## Tom Hickey, Non-executive director



### Skills and Experience

Banking and Corporate finance, fund raising, stock exchange requirements, flotations and related transactions accounting and audit, risk management, business development, executive leadership, investor relations, governance, strategic planning, capital markets, M&A.



EXPERIENCED & ENTREPRENEURIAL BOARD TO DRIVE COMPANY GROWTH AMBITION

STRONG TRACK RECORD OF DELIVERING VALUE THOROUGH PORTFOLIO MANAGEMENT AND M&A

# SUSTAINABLE, CASH GENERATIVE PORTFOLIO WITH HIGH REWARD UPSIDE



**8**  
producing fields



**21**  
producing wells



**Existing production**  
generating cashflow



Near term  
**production growth**

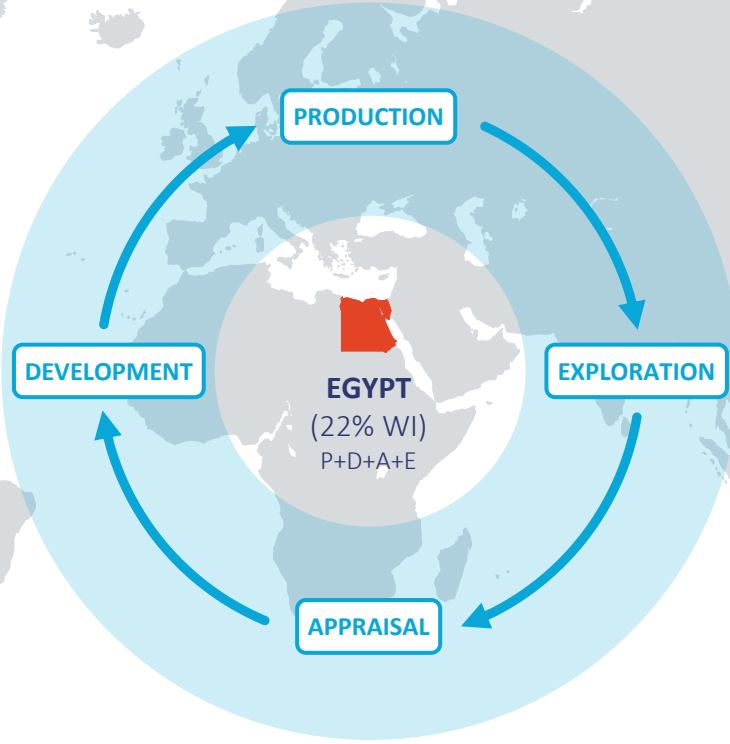


Near and long-term  
**material exploration**

High-impact,  
exploration



Full-cycle, cash-generative asset  
Development and exploration growth



P = Production; D = Development; A = Appraisal; E = Exploration

# COMMITMENT TO OPERATING A SUSTAINABLE BUSINESS

## Egypt

## Jamaica

### Social



**ZERO**

LTI's<sup>1</sup>

**\$50,000<sup>2</sup>**

Annual Training JV contribution for capacity building

**Al Amal Mentoring Programme**

Sponsorship supporting ~40 students p/a

**Capacity Building Sponsor**

4<sup>th</sup> Upstream Technical Convention

**\$100,000**

Annual contribution to Training & Education Fund in Jamaica

**\$400,000**

Contributed by JV to this fund since United joined the licence in 2017

### Environmental



**ZERO**

spills, fires, environmental incidents<sup>3</sup>

Operating to highest environmental and regulatory standards

United's role is to provide challenge to operating partners and ensure ESG practice is at the forefront of any activities

Clear ESG focus and actions including evaluation of emissions baseline in Egypt and review of social and environmental investment programmes

### Governance



Strong Governance Guided by the 10 principles set out in the QCA code

Embedded Risk Management

Board Committees for Audit, Remuneration, ESG & AIM Rules Compliance

Promoting a culture based on ethical values and behaviours

<sup>1</sup> Lost time Incidents as reported by the Abu Sennan operator, Kuwait Energy Egypt for H1 2021

<sup>2</sup> As per Joint Operating Agreement – up to \$50,000 to be paid per annum

<sup>3</sup> As reported by the Abu Sennan operator, Kuwait Energy Egypt for H1 2021

EGYPT  
CASH GENERATIVE PORTFOLIO  
NEAR TERM DEVELOPMENT /EXPLORATION UPSIDE  
FAST TURNAROUND FROM DISCOVERY TO REVENUES



# EGYPT HIGHLIGHTS

## ABU SENNAN HIGHLIGHTS

### Reserves and Production Base



- ✓ **Production** base of c. 2,100-2,300 boepd<sup>1</sup>
- ✓ WI 2P reserves of 3.7 mmboe<sup>2</sup>
- ✓ **Successful** 2021 drilling campaign contributing to production and reserves

### Attractive Economics



- ✓ **Low** operating costs of <\$5/bbl in 1H 21
- ✓ **Attractive** drilling costs c.\$1m (net)
- ✓ Infrastructure in place with spare **capacity** for production growth
- ✓ Typical **payback** of 3-12 months on drilling costs

### Exploration Upside



- ✓ **Significant** prospect/ lead portfolio both near field and concession wide
- ✓ **80%** historical exploration success rate<sup>3</sup>
- ✓ Recent ASX-1X and ASD-1X oil discoveries **de-risk** exploration targets
- ✓ Existing infrastructure allow **fast-track** commercialisation of discovery

### Stable Egyptian E&P Environment



- ✓ One of the **lowest-cost** operating environments globally
- ✓ **Significant** reduced receivable position
- ✓ Recent changes to tax regimes **beneficial** to E&P companies
- ✓ Active M&A market



## EGYPT SUPPORTS THE UPSTREAM SECTOR

### MODERNISATION PROGRAMME IN EGYPT'S OIL & GAS LAUNCHED 2016



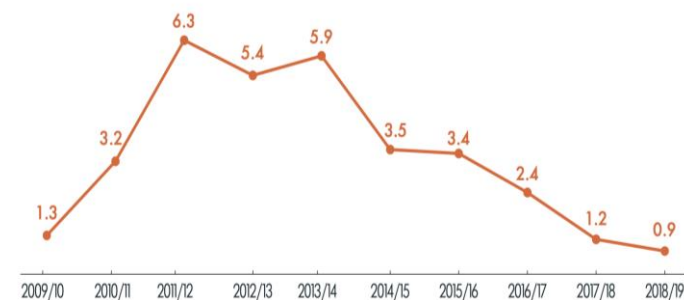
Ministry of Petroleum  
& Mineral Resources  
Arab Republic of Egypt

[www.petroleum.gov.eg](http://www.petroleum.gov.eg)

- ✓ Become a leading regional Oil & Gas hub
- ✓ Attract investment in research and exploration
- ✓ Develop an attractive environment for foreign investment
- ✓ Increase Oil & Gas production and pipeline of proven reserves
- ✓ Improve recovery rates and cost performance through world-class technology

### REDUCED IOC ARREARS (\$ billion)

74% decline in FY 18/19 vs FY 14/15

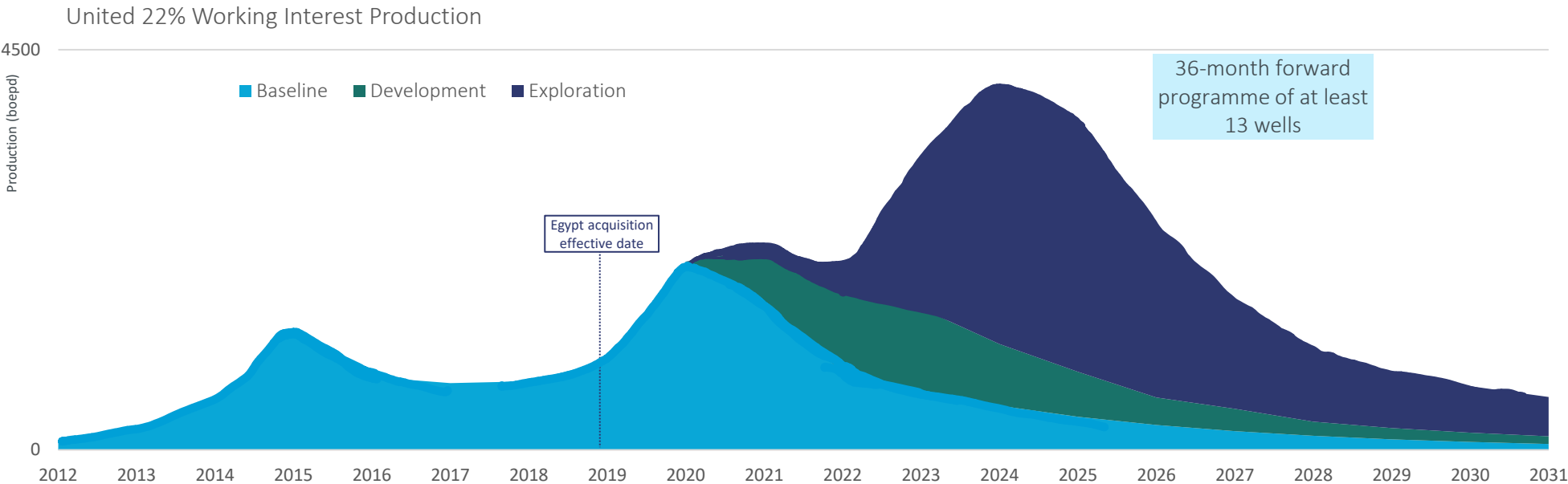


<sup>1</sup>22% Net Working Interest production guidance FY2021  
<sup>2</sup>Egypt reserves per GaffneyCline Report, YE2020.  
<sup>3</sup>Achieved since 2012



# LOW-COST ORGANIC PRODUCTION GROWTH POTENTIAL ~4,000 boepd net

## Illustrative potential net production growth at Abu Sennan



### 2022 Indicative 5-well programme

  
**INDICATIVE  
DRILL  
PROGRAMME**

  
**ASD-2<sup>1</sup>  
Dev**  
Follow on from ASD-1X success in Abu Roash reservoirs

  
**AJ-SE-3<sup>1</sup>  
W. Inj**  
Aiming to boost production from AJ and AJSE Fields

  
**ASH-5<sup>1</sup>  
Dev**  
Additional AEB target in the ASH Field

  
**ASF-1X<sup>1</sup>  
Exp**  
Exciting exploration targets with multi-million barrel recoverable potential

  
**AST-1X<sup>1</sup>  
Exp**

**2023  
4+ Wells**

**2024  
4+ Wells**

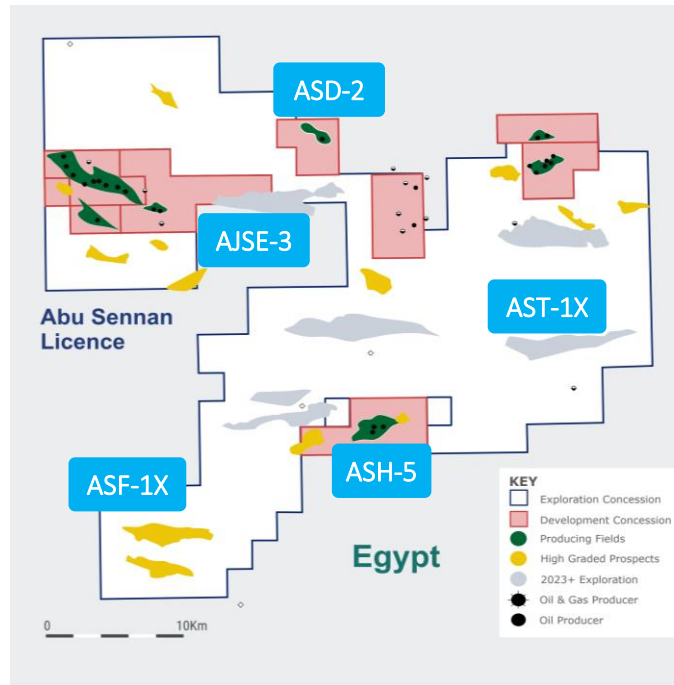
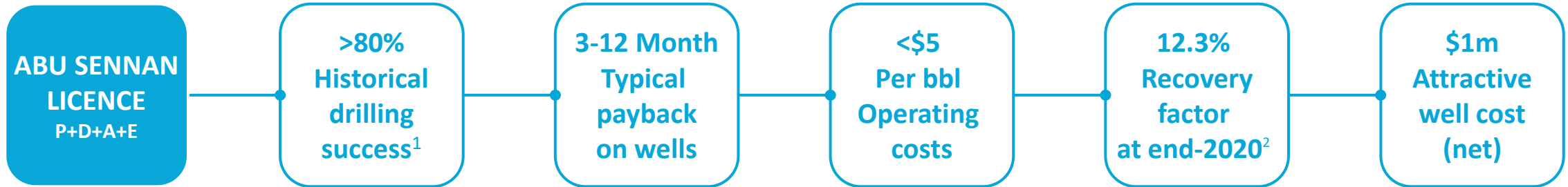
Working with partners to build on previous success and maximise value from Abu Sennan

**MULTIPLE NEAR-TERM VALUE DRIVER - POTENTIAL TO GENERATE FREE CASHFLOW**



# PATH TO SIGNIFICANTLY INCREASING PRODUCTION IN UNDER 24 MONTHS

Scalable | Low cost | Efficient Operations



## PRODUCTION UPSIDE

Development targets identified at ASD, Al Jahraa, ASH, El Salmiya, and ASA

# 7.6

mmboe 3P Net WI Reserves<sup>1</sup>

- ✓ Shallow onshore wells
  - ✓ Excess capacity in place
  - ✓ High activity area
- Short drilling-time, low-cost
- Ability to accommodate forecast growth
- Availability of facilities and infrastructure
- Highly experienced in-country team with 10-year operating history
  - Current FY 2021 production guidance 2,100-2,300 boepd (net)
  - First commercial production achieved in 2012
  - Oil is trucked to several facilities in the area and gas is commercialised via a 23 km pipeline to the Egypt gas grid

# PATH TO SIGNIFICANTLY INCREASING PRODUCTION IN UNDER 24 MONTHS - LOW RISK EXPLORATION

## 100% Exploration success rate since 2018<sup>1</sup>

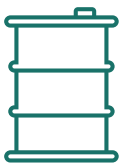
- Existing infrastructure: **fast-tracking** of commercial discoveries
- ASX-1X well brought **onstream** within 3 weeks of drilling results
- Low-risk** upside from near field activity
- Multiple prospects identified in **prolific** petroleum basin
- 100%** of acreage covered by 3D seismic

## Exploration Upside

Targets range from near-field step-outs (ASA-4) to potential play-openers (ASF)

21

Multi-target prospects<sup>1</sup>



5.7

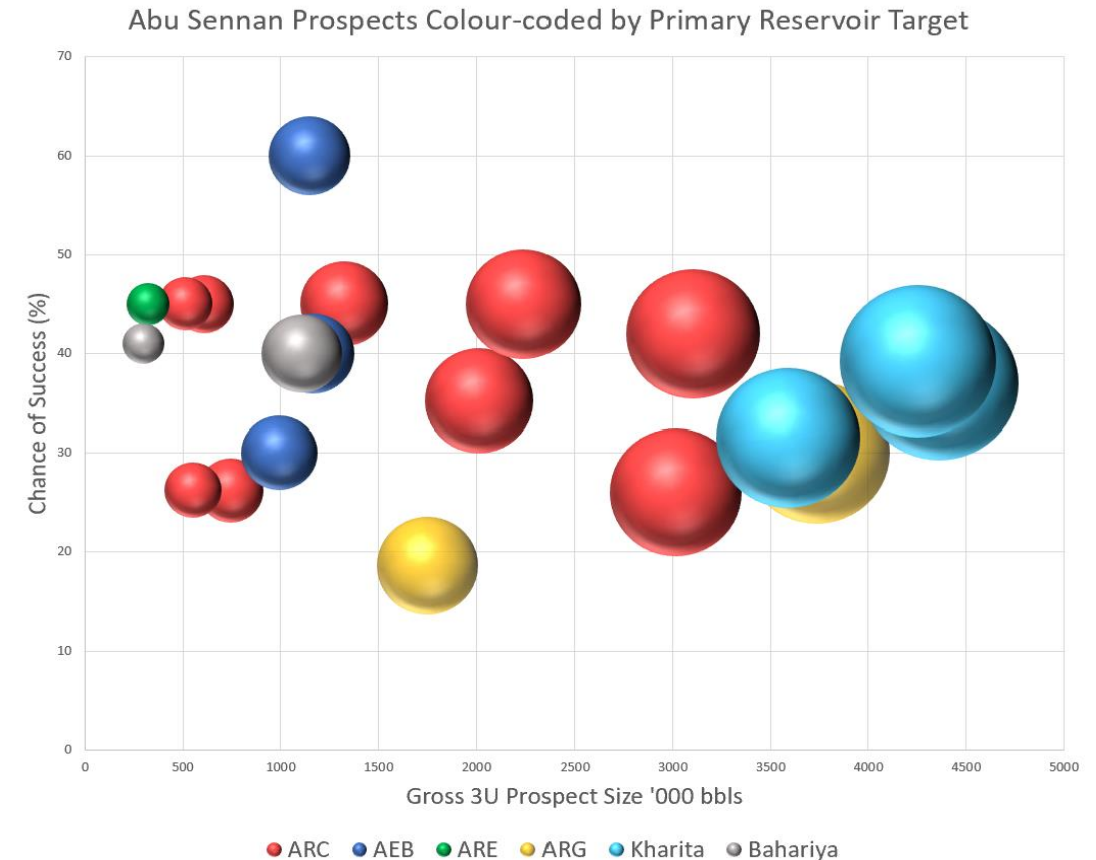
mmboe summed  
unrisked net 2U  
Prospective  
Resources<sup>2</sup>

12.7

mmboe summed  
unrisked net 3U  
Prospective  
Resources<sup>2</sup>

## ABU SENNAN PROSPECTIVITY

Upside (3U) Volumes vs Chance of Success<sup>3</sup>







JAMAICA  
HIGH REWARD UPSIDE



# HIGH IMPACT EXPLORATION POTENTIAL - WALTON MORANT LICENCE, JAMAICA

**400 MMstb**

Colibri drill-ready prospect prospective resources<sup>1</sup>

**2.4 Billion**

barrels unrisked mean prospective resources across the basin<sup>2</sup>

**>\$2bn**

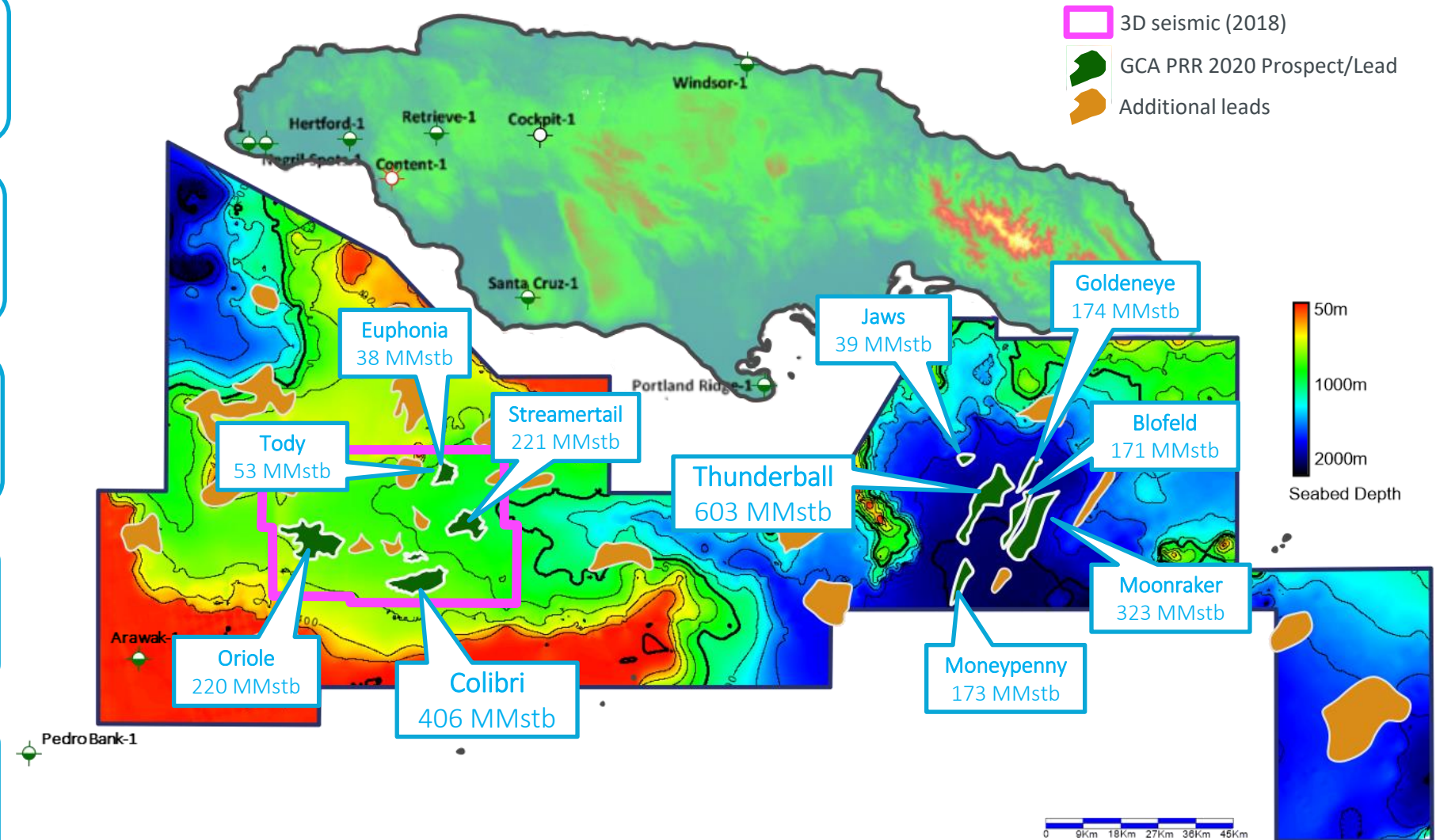
Standalone success-case NPV for Colibri at \$60 oil<sup>3</sup>

**High-quality 3D seismic**

Supports compelling evidence for a working petroleum system

**100%**

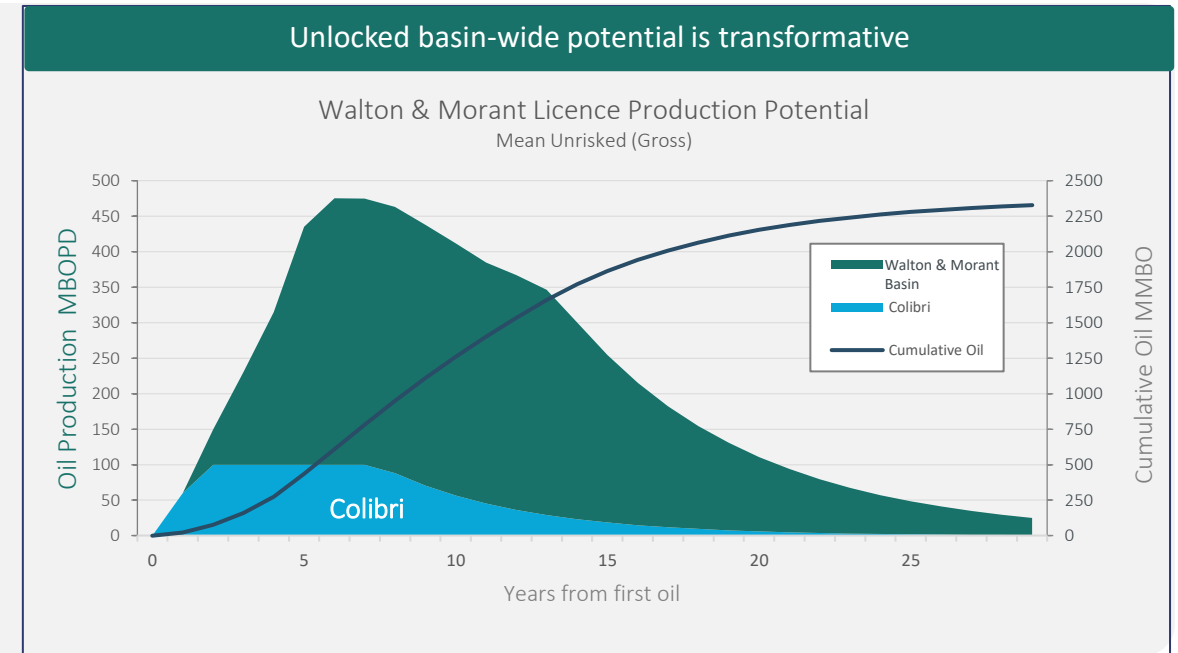
equity and operatorship in 22,400km<sup>2</sup> licence area





# HIGH IMPACT EXPLORATION POTENTIAL - WALTON MORANT LICENCE, JAMAICA

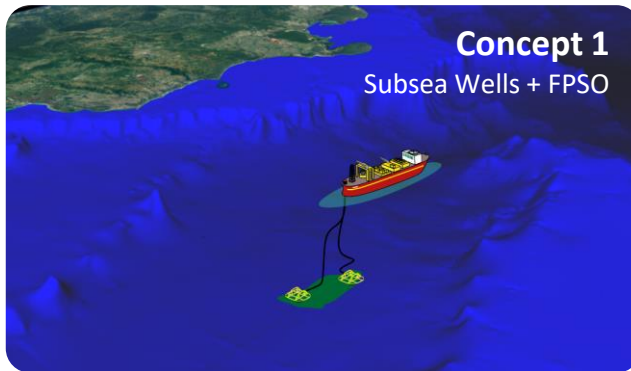
- **Farm-out** process launched in April 2021, with interest shown from a number of companies
- Basin-opening Colibri prospect at a **drill-ready** stage, and significant follow-on potential in the licence
- Jamaica is well-placed to take advantage of **higher energy prices** and returning exploration sentiment
- Licence extension request has been **positively** received by the Ministry



Economic modelling undertaken for a number of different development scenarios



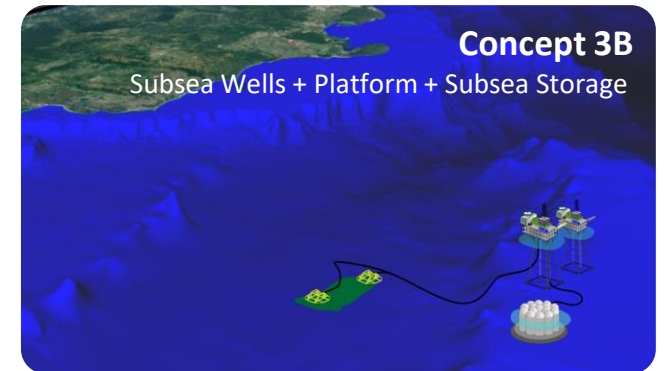
**Concept 1**  
Subsea Wells + FPSO



**Concept 2**  
Dry Trees + TLP + FPSO



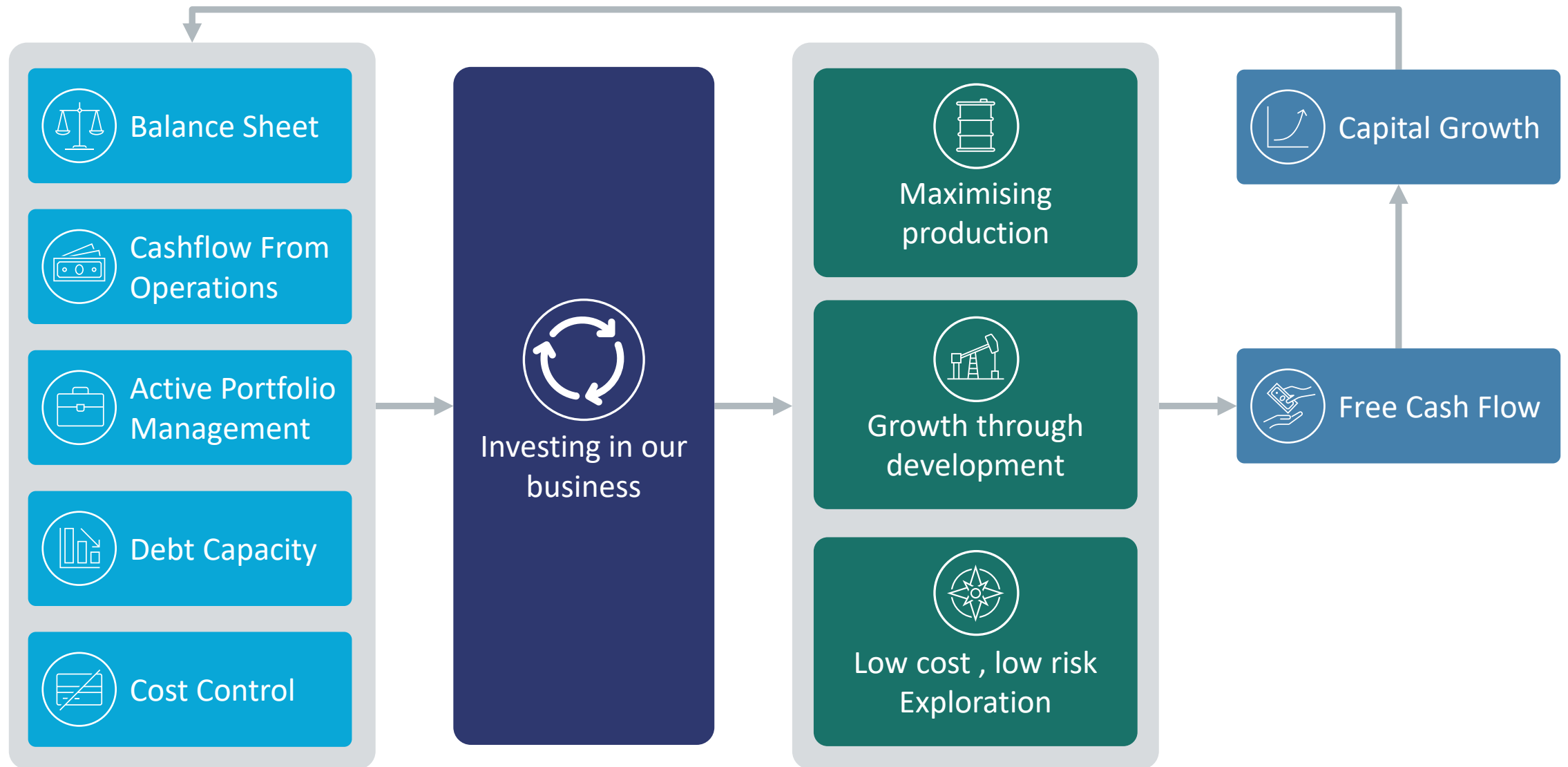
**Concept 3B**  
Subsea Wells + Platform + Subsea Storage



A scenic landscape photograph showing a deep valley with rolling green hills. In the foreground, a dark wooden railing runs across the frame. To the right, there are some plants with red flowers. The sky is filled with large, white clouds, and the sun is visible through the clouds, creating a bright glow. The overall mood is peaceful and expansive.



FINANCIAL DISCIPLINE  
SAFEGUARDING CAPITAL  
CAPITAL ALLOCATION TO GENERATE RETURNS

# FUNDING CYCLE - DISCIPLINED CAPITAL ALLOCATION FOR BEST RETURNS





# FINANCIAL STRATEGY - INVESTMENT AND SAFEGUARDING CAPITAL

	 <b>Measurement</b>	 <b>Delivery</b>
Capital Structure	Mix of Debt & Equity Funding	<ul style="list-style-type: none"> <li>✓ 50:50 Debt/Equity Split Egypt Acquisition</li> <li>✓ Financing Partner BP</li> <li>✓ \$20m Equity raised to date</li> </ul>
Portfolio Management	Proactively manage asset base to deliver value	<ul style="list-style-type: none"> <li>✓ Egypt Acquisition \$16m</li> <li>✓ UK Divestments \$8.0m</li> <li>✓ Italy Divestment \$2.5m</li> <li>✓ Jamaica Farm down</li> </ul>
Commodity Price Risk Management	Protection of revenues through active hedging	<ul style="list-style-type: none"> <li>✓ Prepay Facility BP repayments capped at \$60/bbl - 8.5 kbl/mth terms out Sep-22</li> <li>✓ Fixed price gas</li> </ul>
Capital Allocation	Investment criteria set for value creation	<ul style="list-style-type: none"> <li>✓ 90/10 Capex Allocation Policy</li> <li>✓ 90% of capital deployed on growing reserves and production</li> <li>✓ 10% of capital deployed on selective exploration and business development</li> </ul>
Free Cash Flow	Delivered through revenue optimisation and cost control	<ul style="list-style-type: none"> <li>✓ Egypt low cash operating cost &lt;\$5/boe</li> <li>✓ Disciplined G&amp;A management &lt;\$2.50/boe</li> </ul>





# 1H 2021 FINANCIAL SUMMARY



## Production<sup>1</sup>

2,730 boepd

(1H 2020: 1,975)<sup>2</sup>

## Realised Oil Price

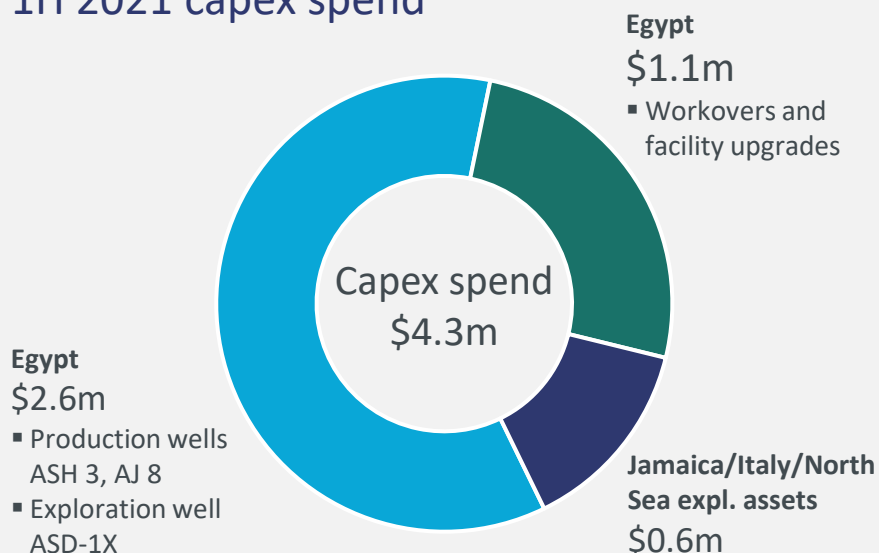
\$63/bbl

(1H 2020: \$28/bbl)

## Realised Gas Price

\$2.6/mmbtu

## 1H 2021 capex spend



## Group Revenue

\$10m

(1H 2020: \$2m)<sup>2</sup>  
Net of Government Take

## Gross Profit

\$6m

(1H 2020: \$0.30)

## Cash from operations

\$6m

(1H 2020: \$0.6)

## Cash Operating Cost

\$4.61/boe

(1H 2020: \$4.36/bbl)

## Cash Balance

\$2m

(1H 2020: \$2m)

## Cash Collections

\$8m

(1H 2020: \$4m)<sup>2</sup>

# VALUE OPPORTUNITY

**\$8m**

Portfolio management  
proceeds to be deployed to  
fund growth

**SELF FUNDING**

Funding Exploration &  
Development Wells from  
Operating Cashflow

**FLEXIBILITY**

to respond to  
commodity prices

**LEAN +  
EFFICIENT**

Low G&A costs \$2.5/boe

**COMPETITIVE**

<\$5/bbl Low cash opex

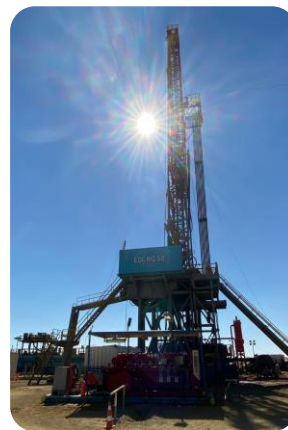
**LOW CAPEX**

commitments with  
flexibility

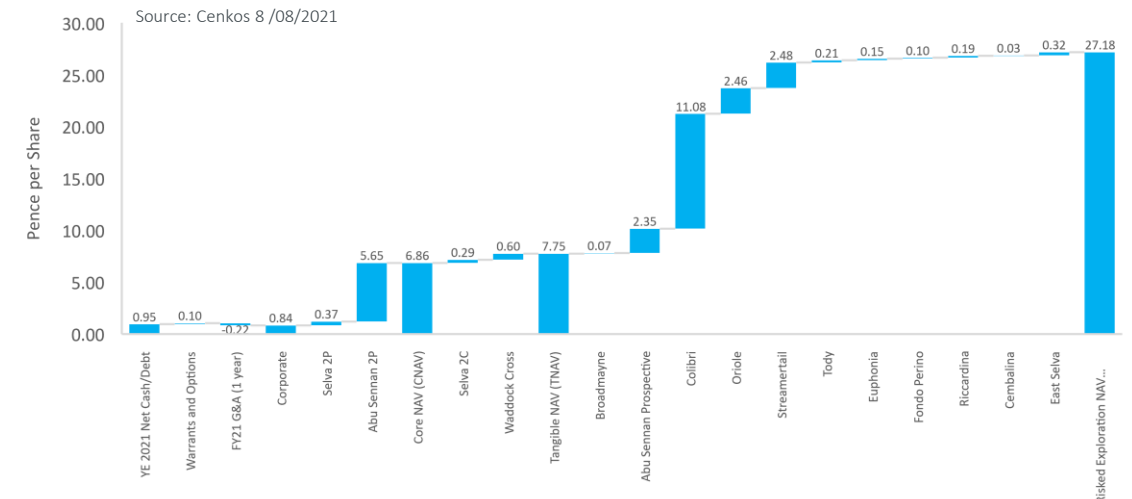
## Major Shareholders<sup>1</sup>

Shareholder	% IC
1 Hargreaves Lansdown Asset Mgt	14.01%
2 Jarvis Investment Mgt	13.48%
3 Interactive Investor	8.30%
4 Interests of the Management <sup>2</sup>	5.25%
5 Mr Joshua Rowe	4.93%
6 Halifax Share Dealing	4.75%
7 Mr D and Mrs M Newlands	3.15%
8 Mr W SC Richards	3.13%
9 Premier Miton Investors	2.95%
10 A J Bell Securities	2.93%
11 Optiva Securities	2.91%

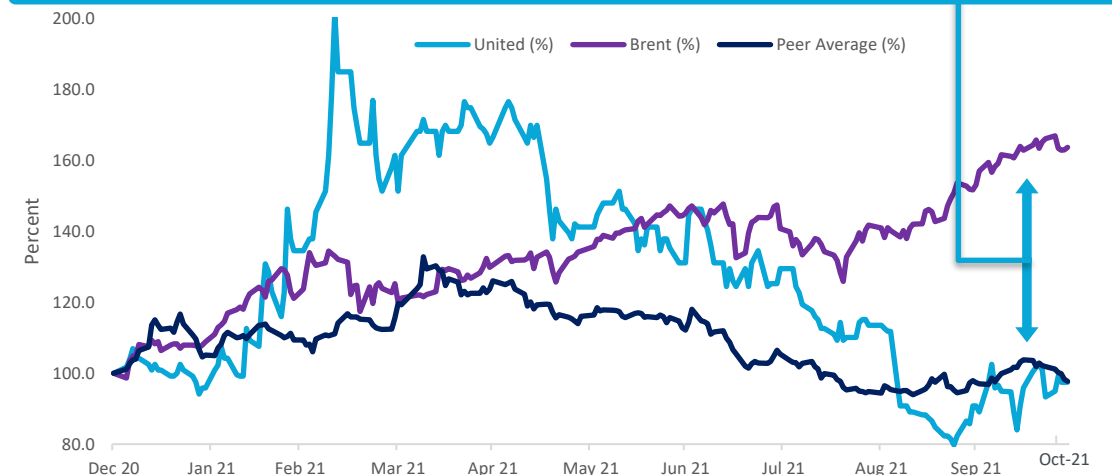
(1) As at 27 /09/21, (2) As at 19/10/21 post director dealings



## Trading at discount of c.60% to Core NAV at \$65/bbl oil price



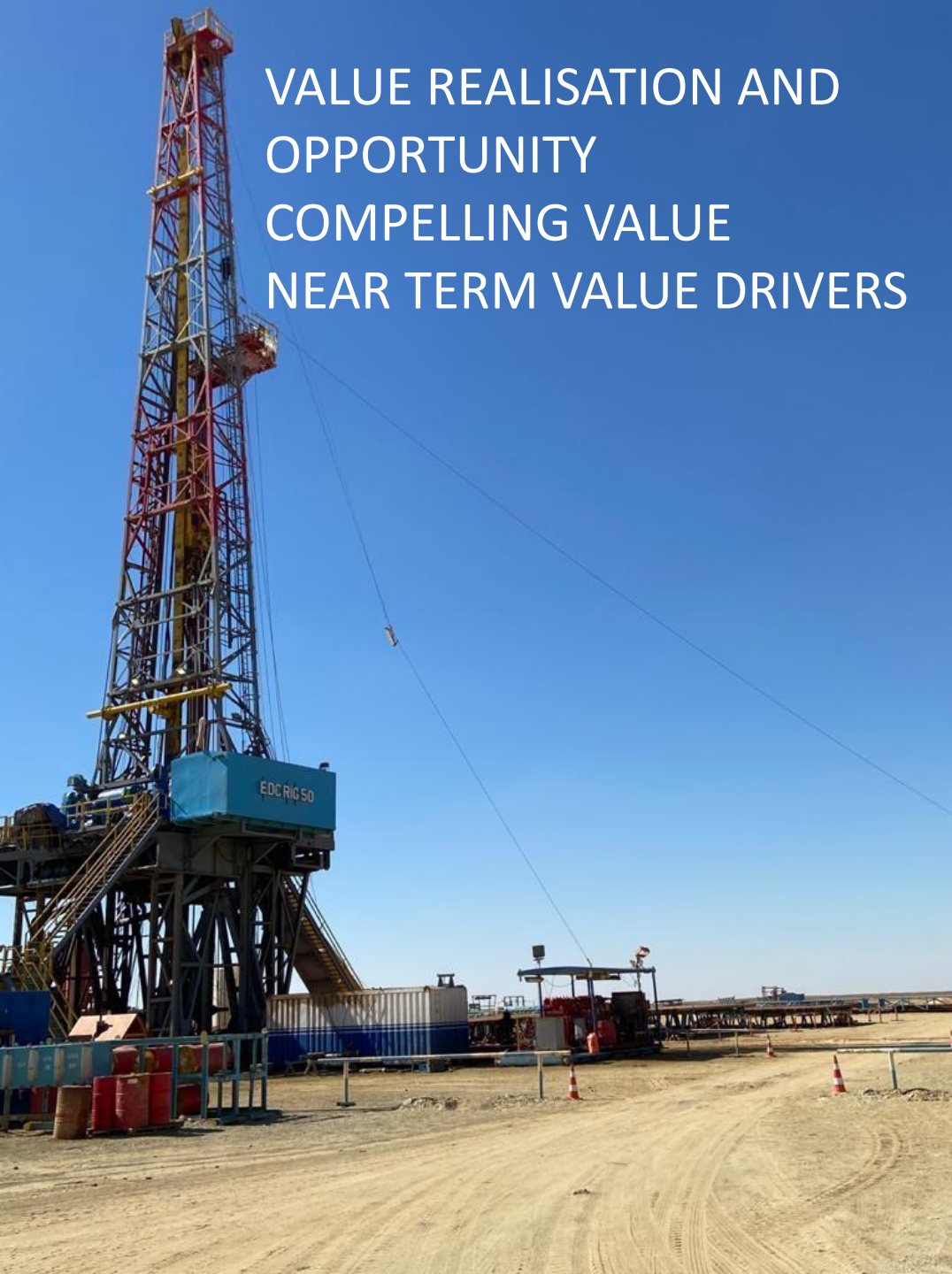
## Disconnect between Oil Price and E&P Sector Performance expected to close as generalist funds add Oil and Gas Weightings to Portfolios



Peer group; a group of 20 companies selected by production, reserves, market cap and geography.  
Source: Cenkos /Factset



VALUE REALISATION AND  
OPPORTUNITY  
COMPELLING VALUE  
NEAR TERM VALUE DRIVERS



# COMPELLING VALUE

## 1 VALUE OPPORTUNITY

Trading at c.60% discount to Core NAV at \$65/bbl

- Oil prices hit a seven-year high in October and demand is now back above 100 million bbls a day



## 2 MANAGED RISK ACROSS PORTFOLIO

Producing business, generating cash with development exploration upside



## 3 PORTFOLIO OF ORGANIC OPPORTUNITIES



### Egypt

- ✓ Production + Cash generative
- ✓ Clear path to near term low-cost low-risk production and exploration growth



### Jamaica

- ✓ Long term upside
- ✓ 2.4 Billion barrels unrisked mean prospective resources across the basin



## 4 DISCIPLINED CAPITAL ALLOCATION AND FLEXIBILITY, LOW G&A

- Work programme funded by operating cashflow
- Proportional spend on exploration and production



## 5 GROWTH AMBITIONS VIA FURTHER INORGANIC GROWTH

- Demonstrated by Egyptian acquisition



### Underpinned by

Experienced Board & entrepreneurial Executive team

Committed to operating a sustainable business

Strong Balance Sheet