



JERSEY OIL&GAS



Oil Capital Conference  
Corporate Presentation  
Building Value in the North Sea

11<sup>th</sup> May 2017

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## People

- Management team with over 100 years combined experience in the North Sea
- Key management have significant shareholdings (18.1%)

## Valuable Exploration Assets

- Licence P.2170 - Verbier prospect – planned for summer 2017
- Licence P.1989 - Conditional future payments of up to \$4mm, 2017 well plan
- Licence P.2032 - Disputed claim for £1 mm plus interest

## Production Asset Acquisition

- Significant ongoing deal flow
- £25mm tax losses to enable competitive bids
- Indicative bank funding support

## Creation of Shareholder Value

- Successful deal execution
- Debt free with no material liabilities

### CPR undertaken by ERC Equipoise Ltd

- Significant resources upgrade to Verbier prospect
- Mean Prospective Resources increased to 162MMboe from 118MMboe
- P10 Prospective Resources increased to 855MMboe from 450MMboe
- Chance of success increased to 29% from 26%
- Contingent Resources attributed to Verbier

### Verbier Well

- Transocean Spitsbergen contracted by Statoil in March 2017
- Drilling of the Verbier Prospect planned for summer 2017

### Farm Out to Statoil

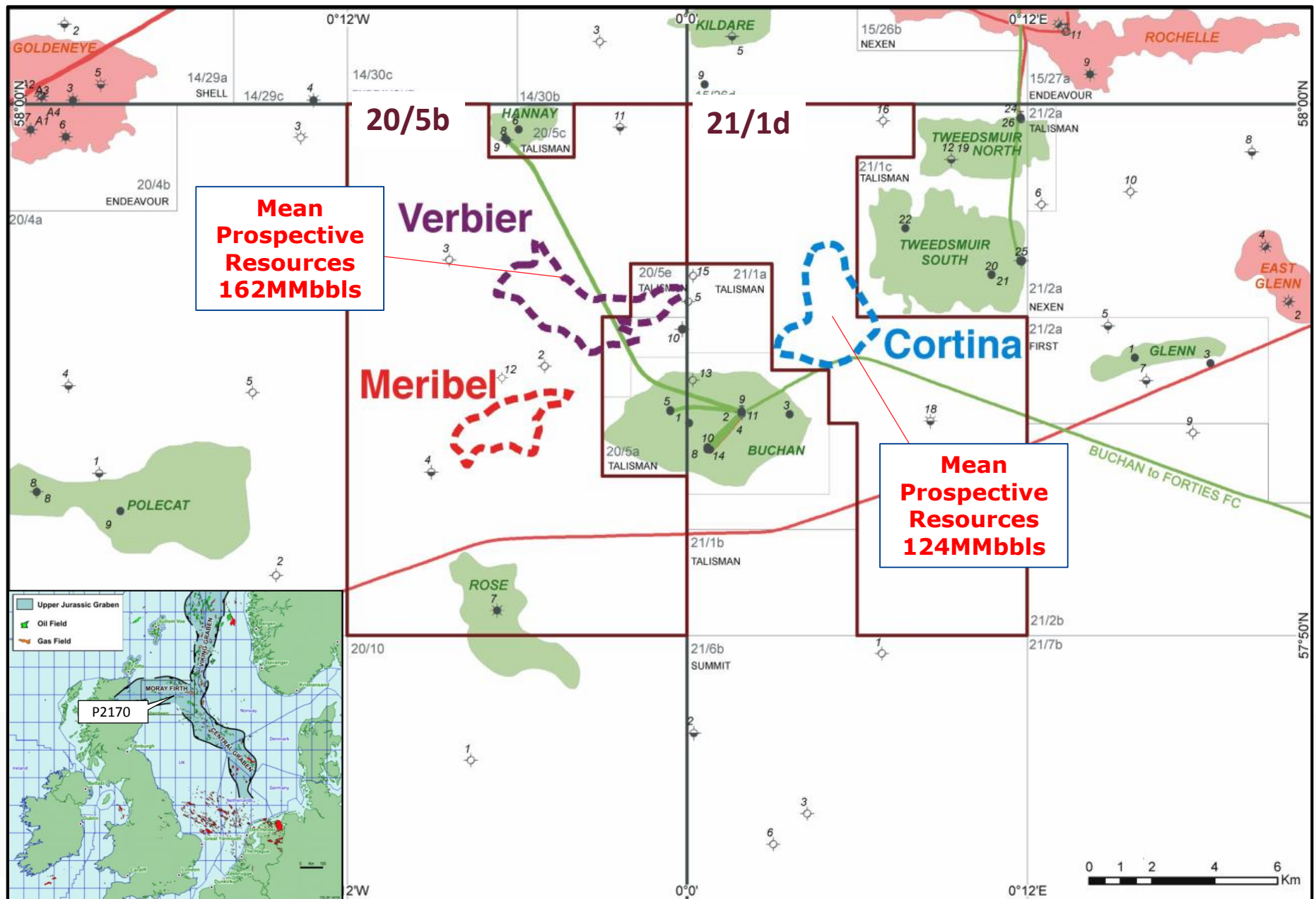
- Statoil to carry JOG and CIECO on well up to \$25m
- JOG benefits from additional 10% carry from CIECO
- JOG retains a material 18% working interest



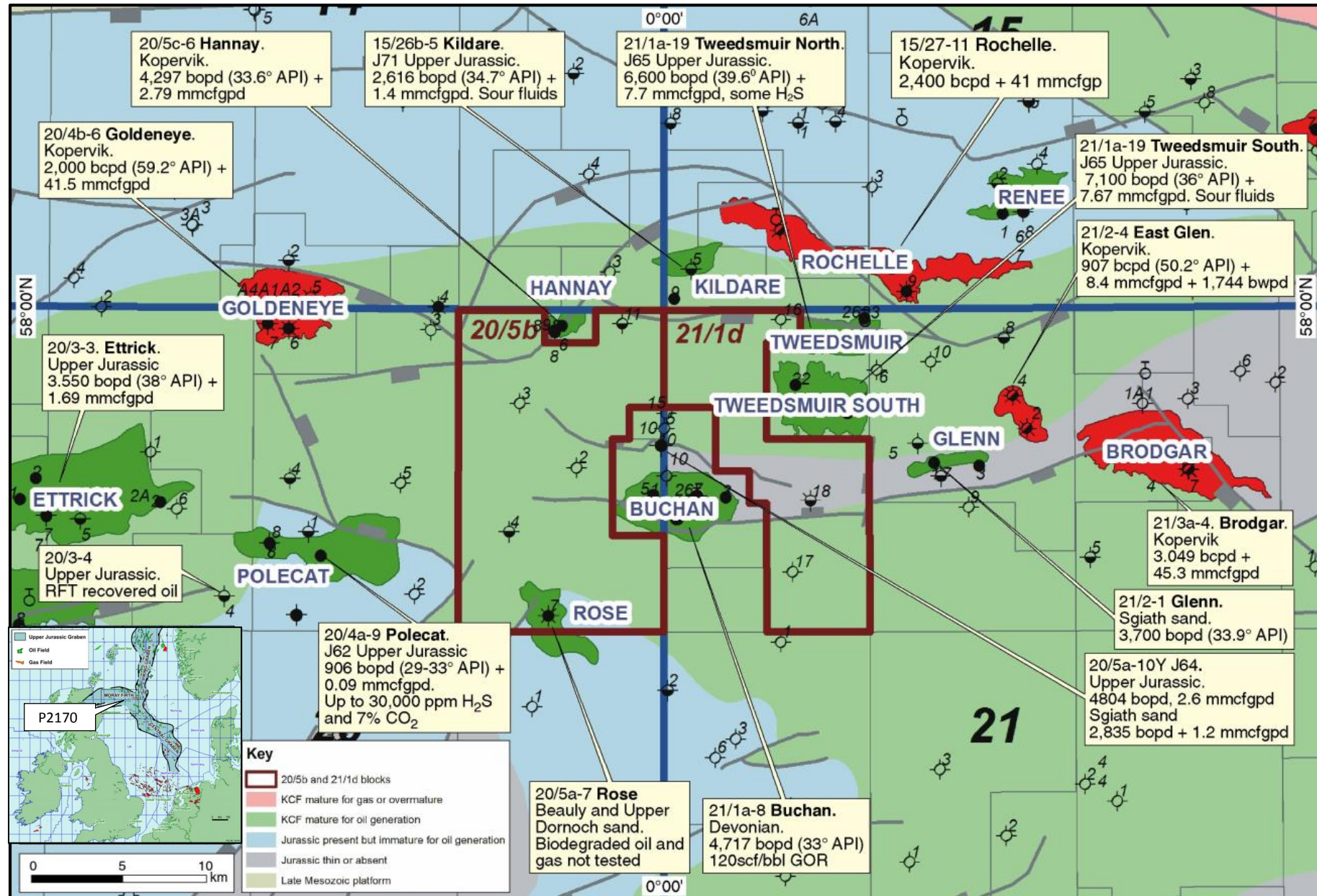


Source: Statoil

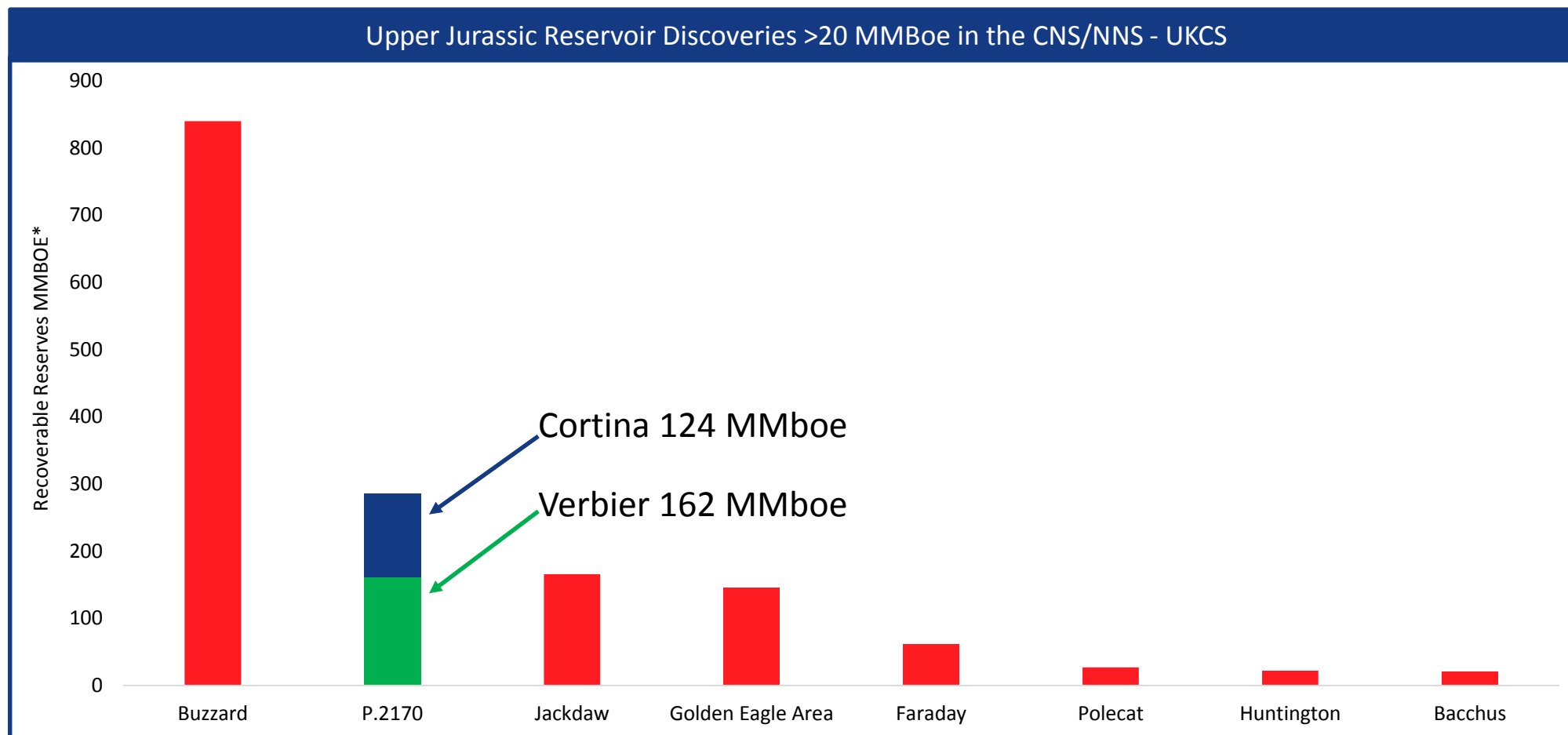
- Statoil acquired operatorship – October 2016
- JV Commitment to drill - November 2016
- Acquired site survey Oct/Nov 2016
- Contracted drilling rig March 2017
  - Dual-activity semi submersible
- Drilling Scheduled for Summer 2017
- Finalising well program
- Contracting drilling services







Source: Public records

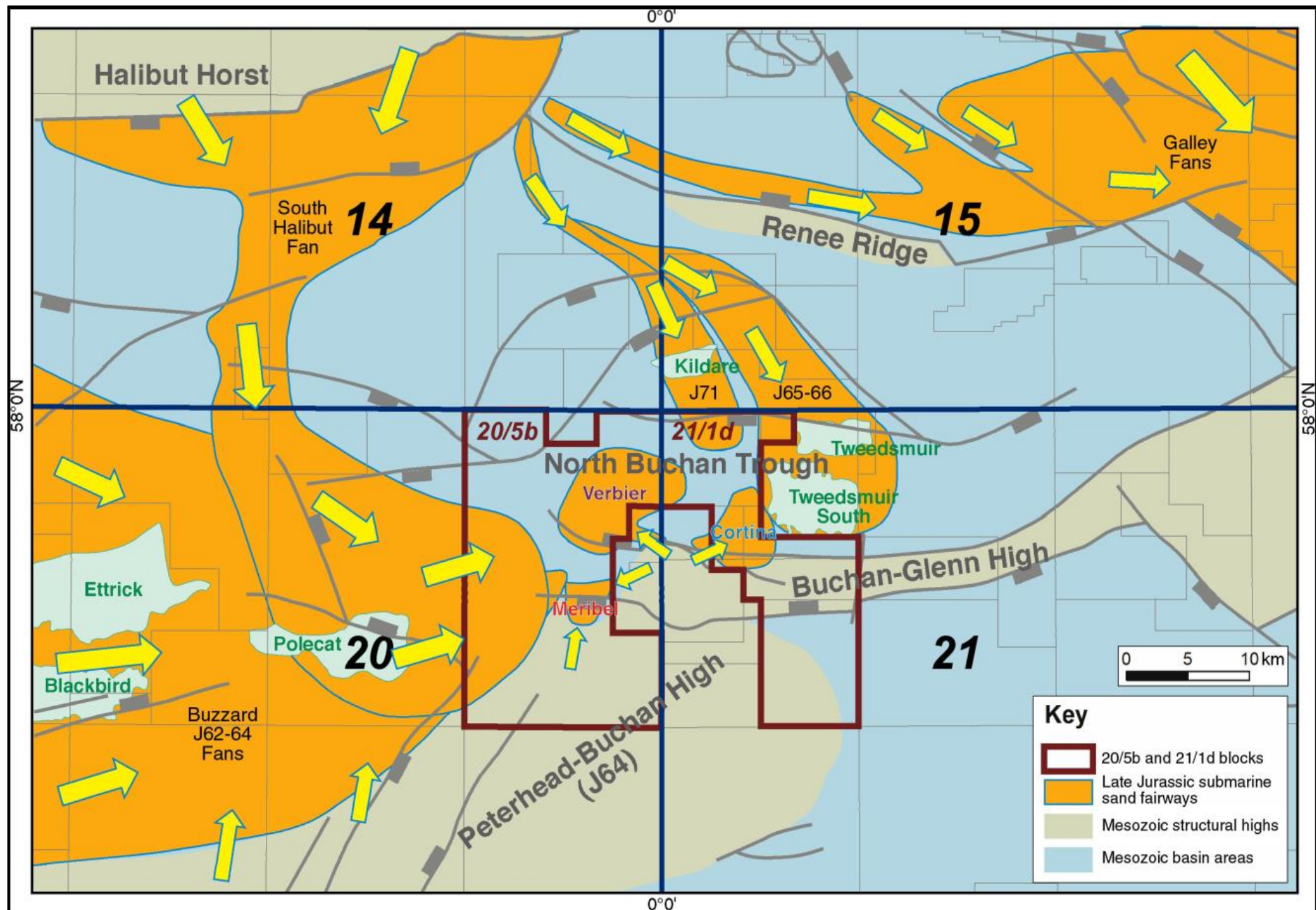


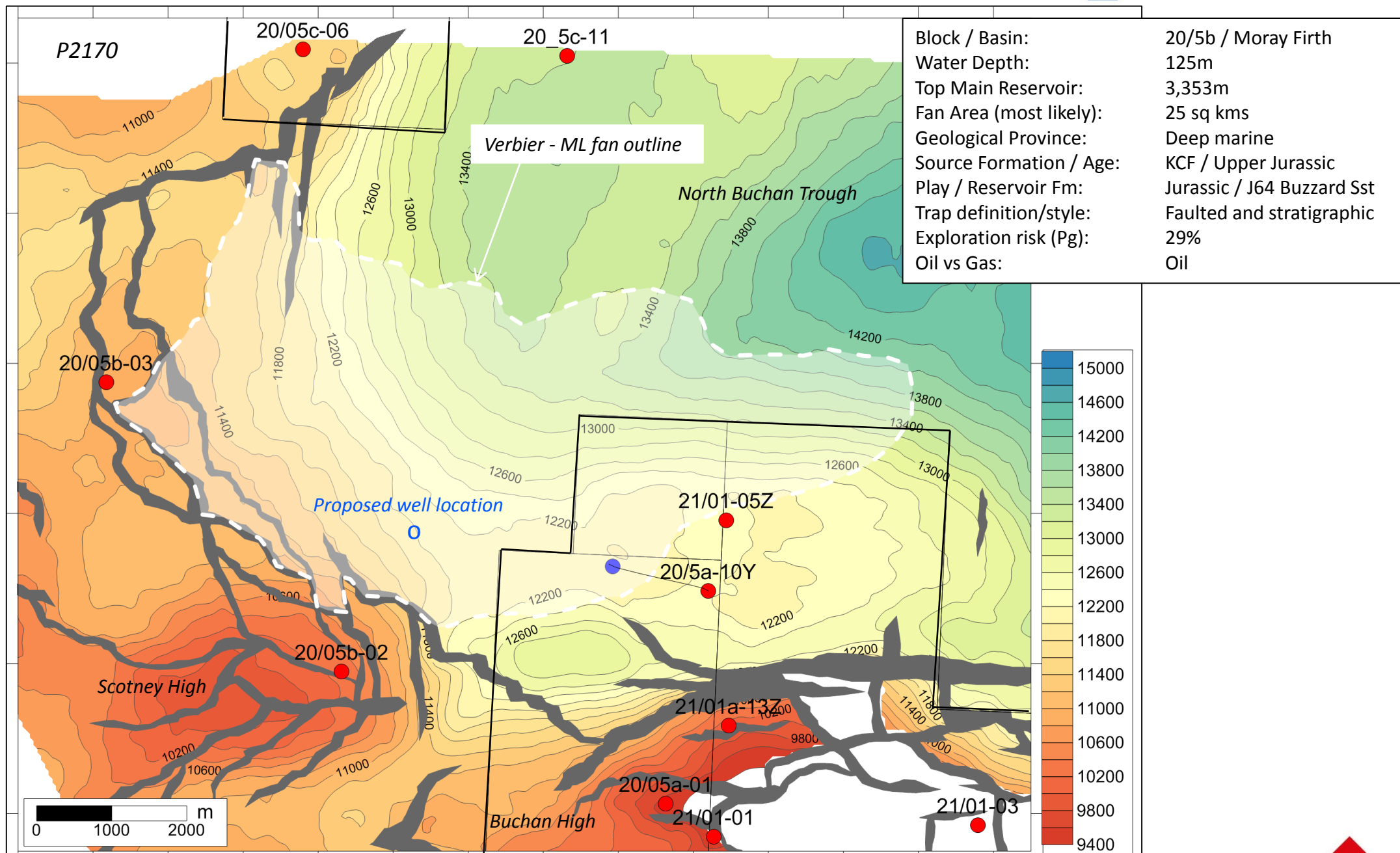
- Recoverable resource estimates attributed to P.2170 indicate that the prospects are potentially significant in relation to other recent UKCS discoveries
- The Late Jurassic turbidite reservoirs in Buzzard are analogous to Verbier and Cortina

*\* Verbier and Cortina are Gross Mean Prospective Resources estimates attributable to P2170, not proven reserves*

Source: Woodmac and ERC Equipoise



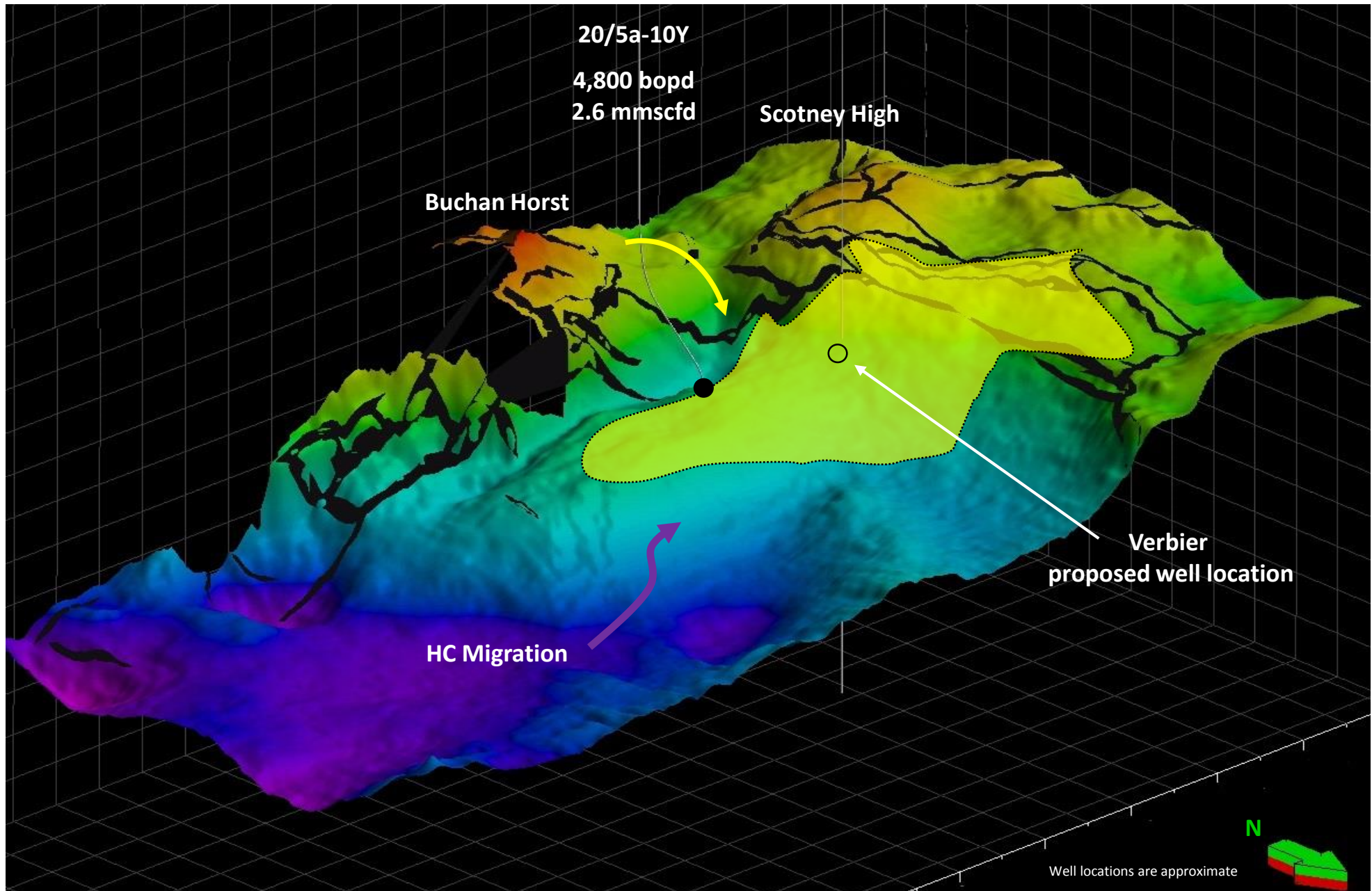




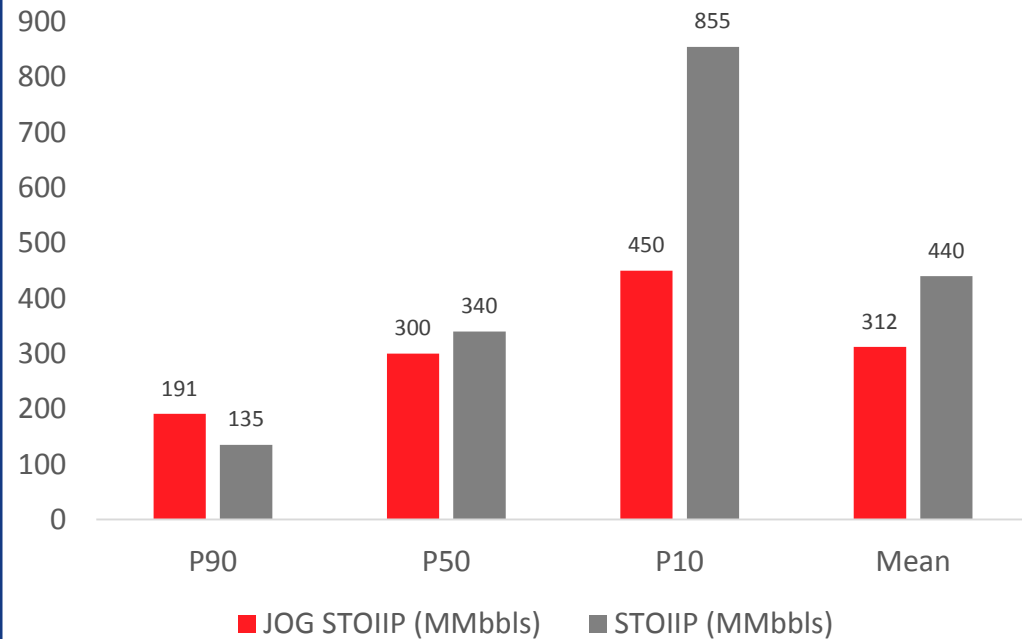




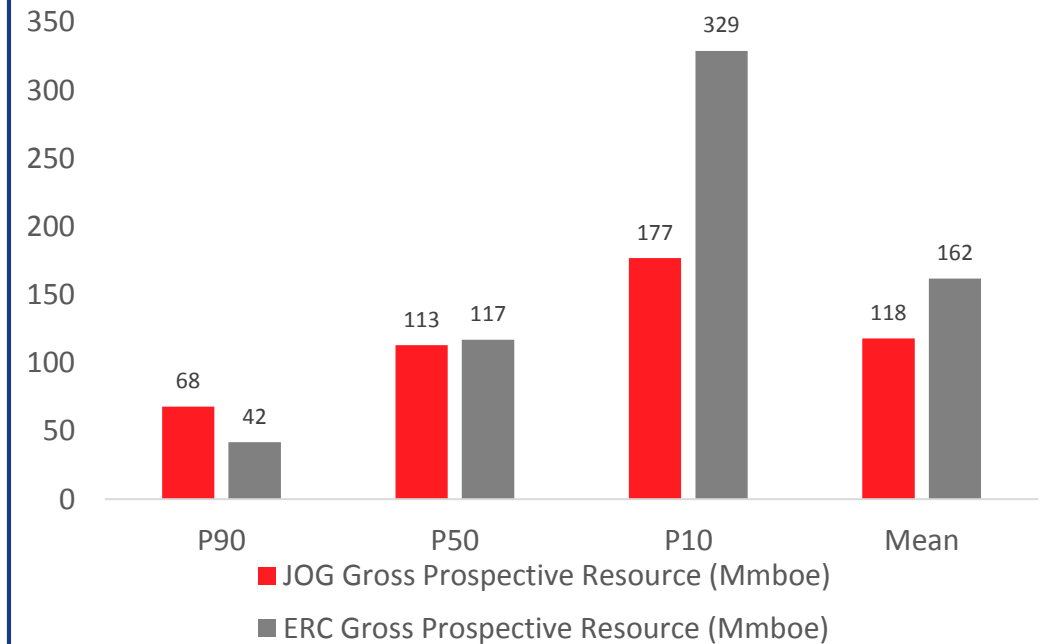




P2170 STOIP - Verbier



P2170 Gross Prospective Resources - Verbier



- CPR undertaken by ERC Equipoise Ltd
- Significant resources upgrade to Verbier prospect for Mean and P10 case
- Chance of success increased to 29% from 26%



- Further upside potential with Cortina, Mean Prospective Resources 124 MMboe

\* Based on CPR estimates

\*\* JOG Management Valuation estimate, FX rate USD\$/GBP 1.25, oil price scenario of \$50/bbl flat, valuation based on stand alone development



## A Production-Lead UKCS North Sea Strategy

- Build a diversified non-operated North Sea asset portfolio
- Skilled diverse team performing extensive technical and commercial due diligence

## Target Asset Profile

- Assets with long profiles and upside potential
- Diverse asset type to spread downside oil price risk

## Key Areas

- Manageable decommissioning liabilities – decommissioning retention
- Long term production-based tariff agreements
- Limited exposure to host platform costs

## Production Target

- Working interests in 6-10 producing fields
- 10,000bopd net production
- Reserves target of 15-20MMbbls

## **Verbier -The Next Step**

- Rig Contract Awarded
- Drilling preparation on budget and time
- Drilling Scheduled for summer 2017

## **Verbier - Value**

- Mean Prospective Resources 162 MMboe\*
- Unrisked Gross NPV(10) £774 million\*\*
- Unrisked Net to JOG NPV(10) Value Potential £139 million

## **Asset Acquisition**

- Dedicated team – numerous live opportunities under evaluation
- £25m of useable tax losses

\* Based on CPR estimates

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