



UKOG Turkey New Licence Application

TURKEY
December 2020

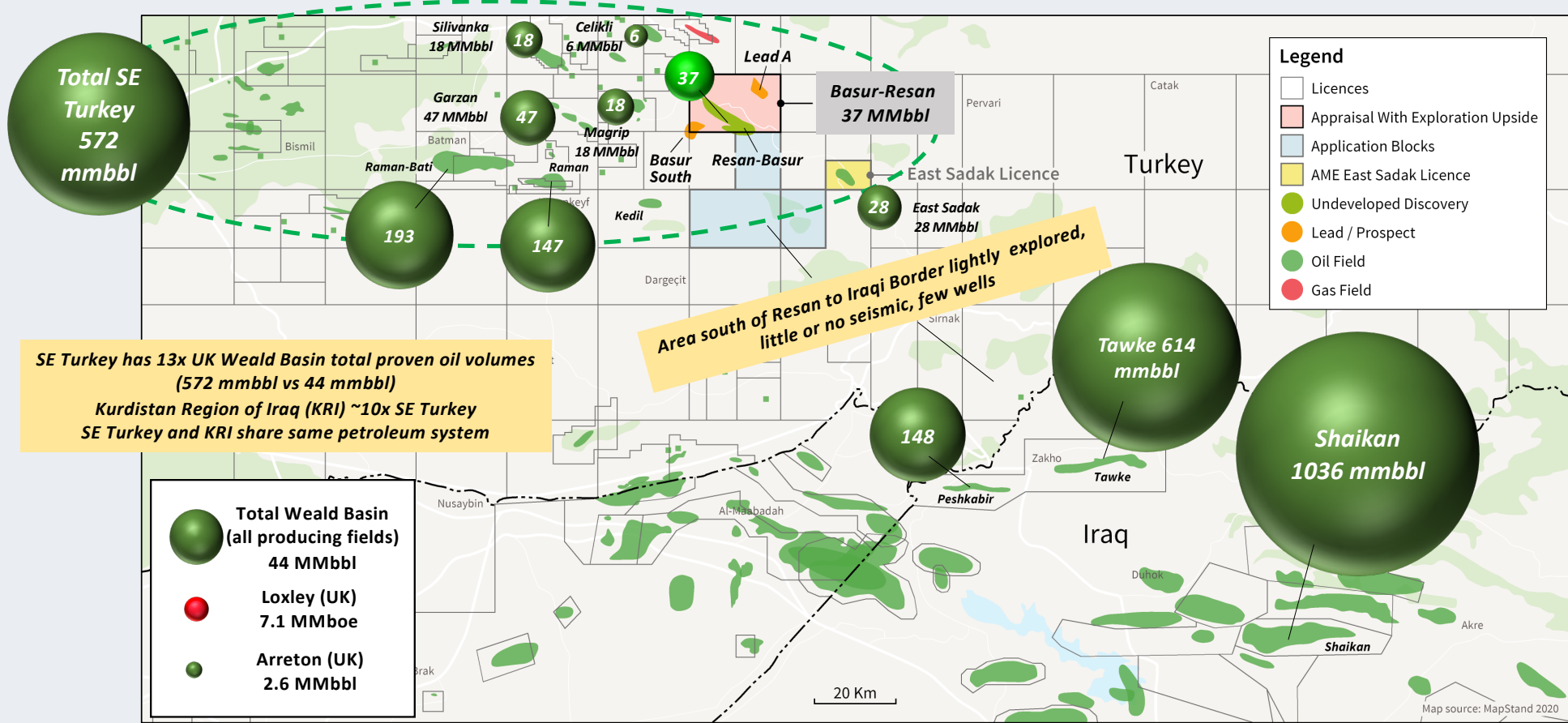


Turkey: New UKOG Turkey Licence Application



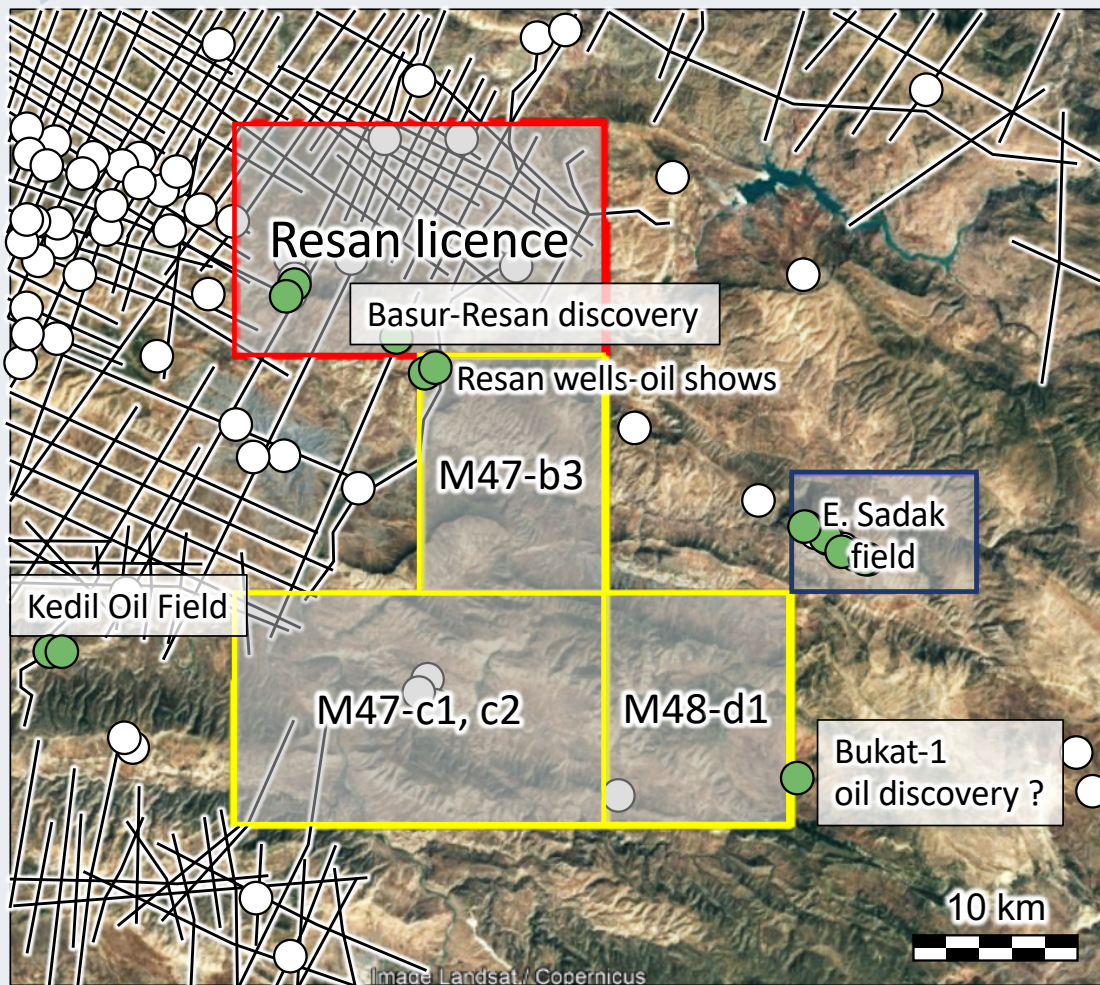
- **UKOG Turkey and its 50/50 partner Aladdin Middle East (AME) have applied to the Turkish authorities for three further exploration licences in south east Turkey.**
- **The application area covers four blocks (total area 612 km²) lying to the south and south east of the Company's 305 km² Basur-Resan Licence (see RNS releases of July 23 and October 13, 2020).**
- **This application is on a ground floor basis with UKOG responsible solely for its 50% share of any future costs.**
- **The four blocks straddle multiple large identified undrilled surface geological features (i.e., surface anticlines), each geologically similar to the Company's Basur-Resan oil appraisal project, AME's producing East Sadak oil field and the Kurdistan Region of Iraq's oil fields to the south.**
- **To date, the application blocks have been scantily explored with almost no seismic coverage and few wells.**
- **At this stage, whilst indications are positive, we await formal notification as to which licence or licences, if any, are awarded to AME/UKOG.**

Resan licence, application blocks (blue), field sizes mmbbl






Source: UKOG CPR, 2018; Xodus report 6/2020, 8/2020; IHS Energy; JKP website; DNO website, ERCE CPR, 2016; OGA website

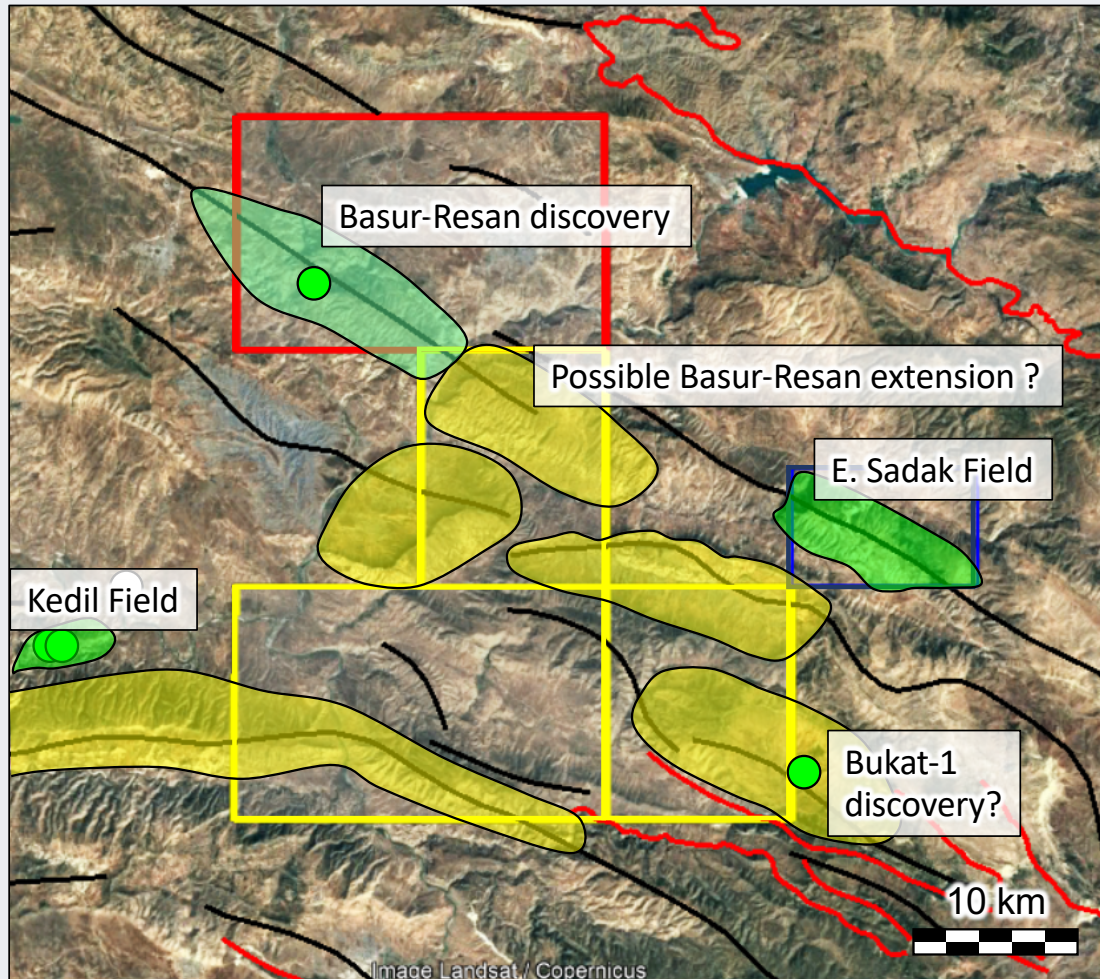
UKOG Turkey: New licence application area



- Little exploration activity to date, 2 wells in SE of Basur-Resan structure with good oil indications (4 km²), only 3 wells in remaining 608 km² in 60 years, no real seismic coverage
- Area overlooked until AME's 2014 success at East Sadak plus Kedil in same year, where fractured Cretaceous Mardin limestones proven commercial
- UKOG 50% / AME 50% (Operator)- ground-floor i.e., no promote, UKOG pays working interest share

-  Application Block
-  Seismic line
-  Well

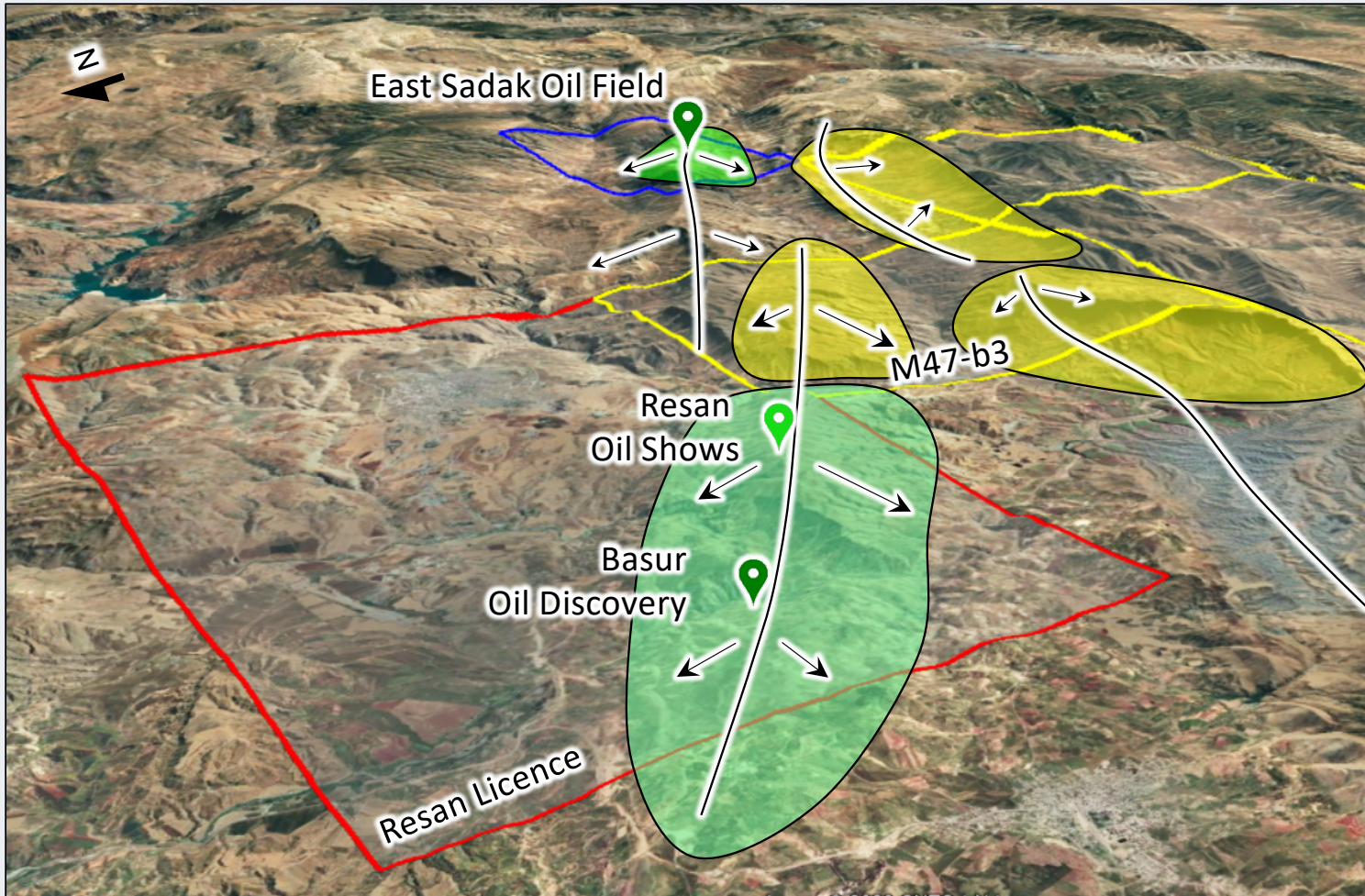
Significant potential, lightly explored



- Contains SE extremity of Basur-Resan oil accumulation (light green) plus possible further significant extension (yellow) to SE on geological trend.
- Recent Bukat-1 understood to have brought oil to surface from same reservoir formation as E. Sadak. Bukat geological feature (anticline) extends into application block
- Further undrilled surface geological features (yellow) identified from satellite and surface geological mapping. Geologically similar to UKOG's Basur-Resan discovery, AME producing E. Sadak field and small Kedil field.

- Application Block
- Axis of surface geological feature (anticline)
- Oil field or discovery
- Prospective geological feature (surface anticline)

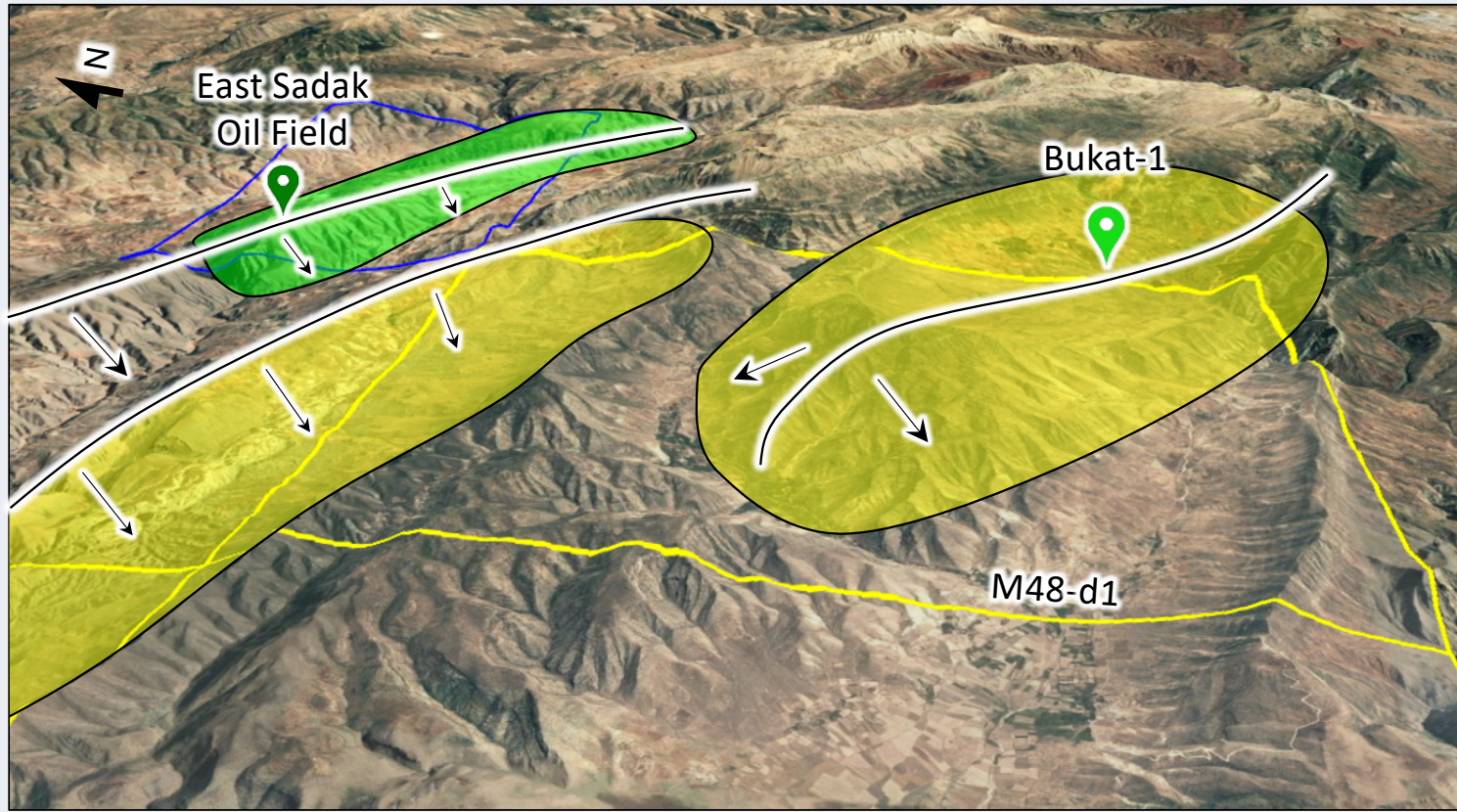
Application Block M47-b3



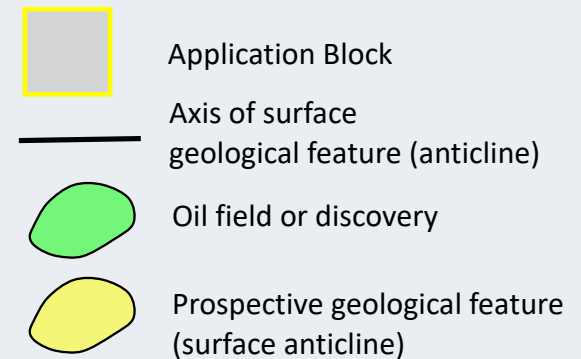
- M47-b3 lies between Resan and East Sadak oil field along the same surface geological feature (anticline). Offers possible further extension of Basur-Resan towards E. Sadak
- Other undrilled geological features (anticlines) in south of block

- Application Block
- Axis of surface geological feature (anticline)
- Oil field or discovery
- Prospective geological feature (surface anticline)

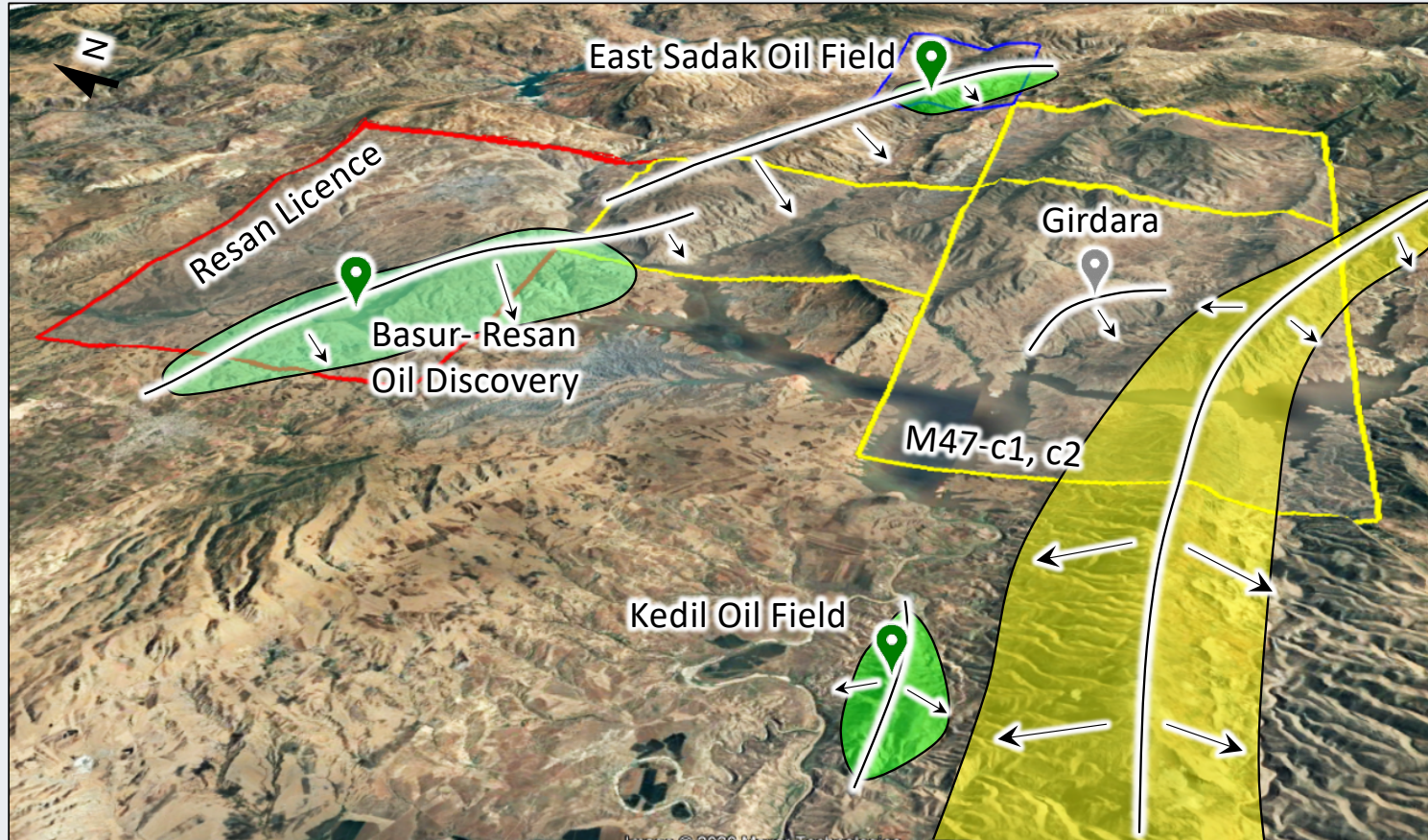
Application Block M48-d1



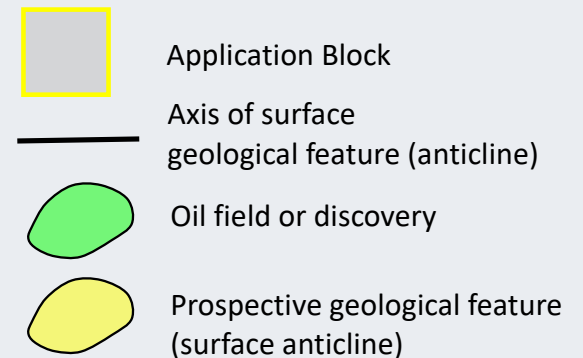
- M48-d1 lies south west of East Sadak oil field
- Recent Bukat-1 understood to have recovered oil to surface from same Cretaceous-age fractured limestone as East Sadak
- Contains another undrilled surface anticline with deeper Jurassic to Palaeozoic potential



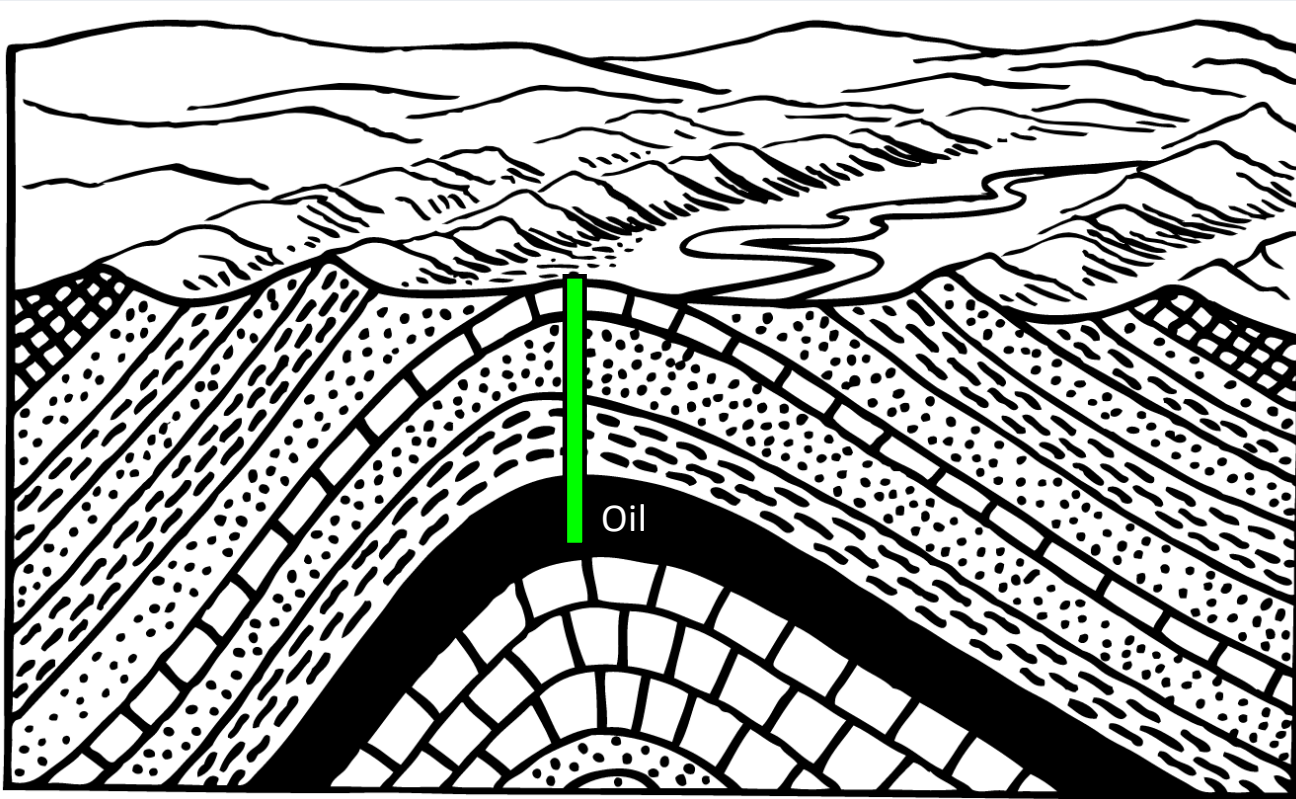
Application Blocks M47-c1 and c2



- M47-c1, c2 lies east of Kedil oil field, on parallel geological trend (surface anticline)
- Kedil field produces from same fractured Cretaceous Mardin limestones as East Sadak and Basur



What is an anticline?



- “Anticline” is a geological term for a feature containing folded rocks with an arch-like cross section and oval/lozenge shape plan view and which has the oldest rocks at its core.
- They are a typical feature associated with mountains such as the Turkish Taurus and Iraq-Iran Zagros. A fold belt is simply a series of anticlines resulting from mountain building i.e. the Taurus-Zagros fold belt
- An anticline that can be discerned from the configuration of rocks at surface is called a “surface anticline”. Most of the major anticlines and related oil fields in Turkey, Iraq and Iran have surface expression of the underlying geology, hence why satellite imagery is useful.
- Anticlines are the most common geological feature in which oil & gas are found and account for most of the fields in Iraq, Iran and SE Turkey