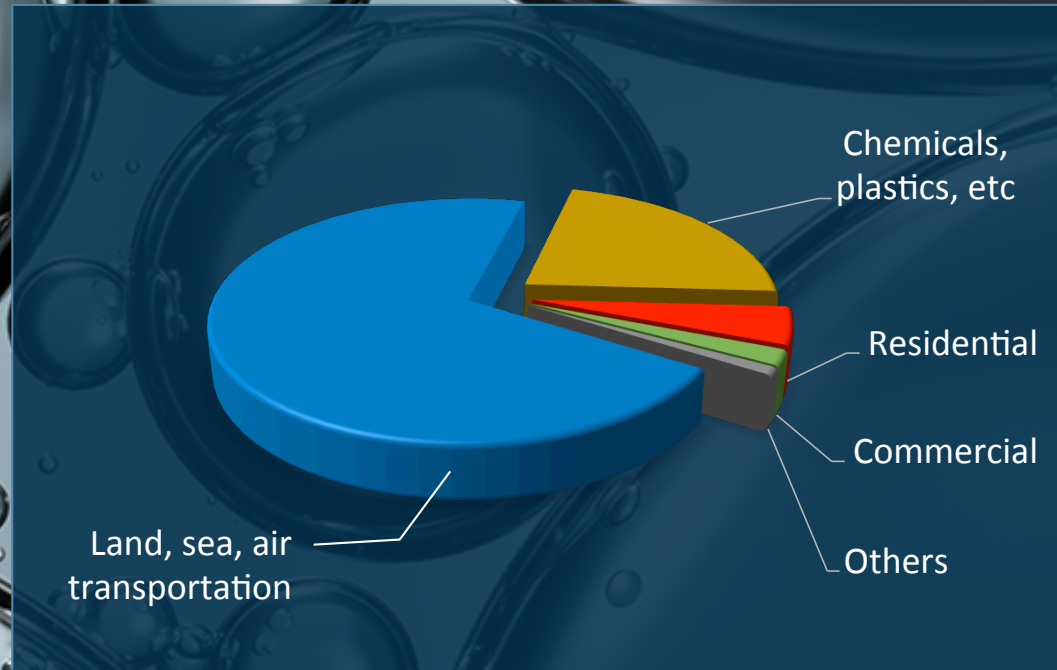


KIMMERIDGE OIL BRITANNIA

UK DAILY OIL CONSUMPTION 2014-15

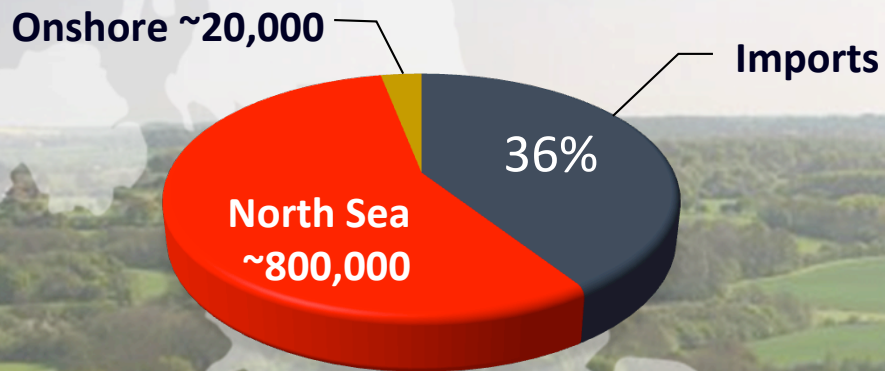
Britain consumes
**~1.4 million
barrels per day**

- 70% of it is used as fuel for transport.
- 30% of it is used as petrochemical feedstock
- None of it is used for electricity generation



UK DAILY OIL SUPPLY 2016-2030, NORTH SEA DECLINING

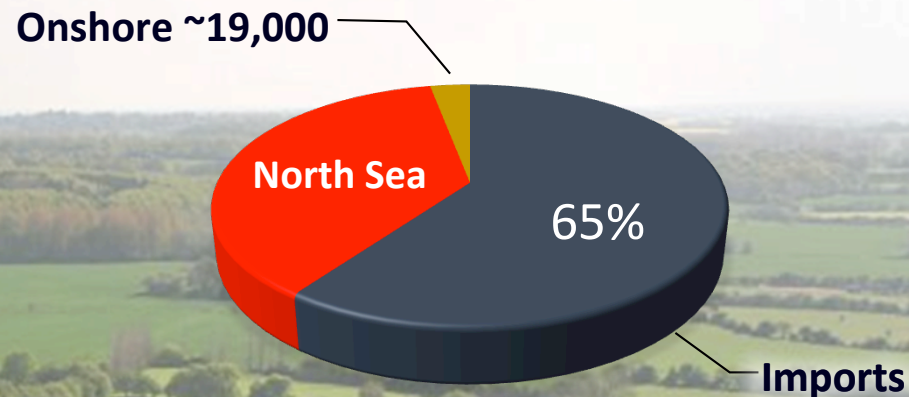
2016 (BOPD)



Net oil import dependency

36%

2030 (BOPD)

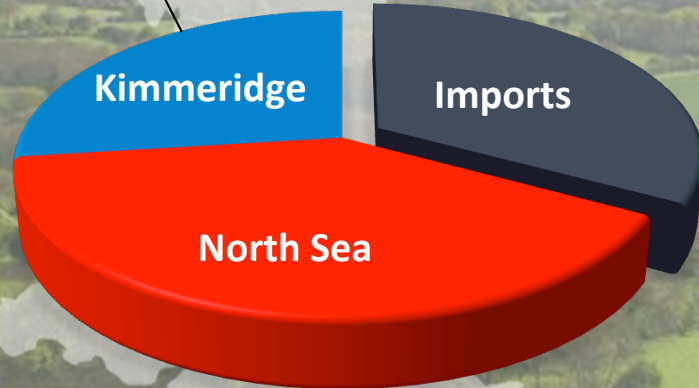


Net oil import dependency

65%

KIMMERIDGE OIL COULD MAKE A DIFFERENCE TO UK

2030 DAILY OIL SUPPLY



“Energy security provides the foundation of our future economic success. It is the top priority.”

Amber Rudd, Secretary of State for Energy and Climate Change

Kimmeridge Oil could reduce imports by up to ~27%, create jobs and boost economy

GEOLOGY LESSON- KIMMERIDGE BAY & HORSE HILL



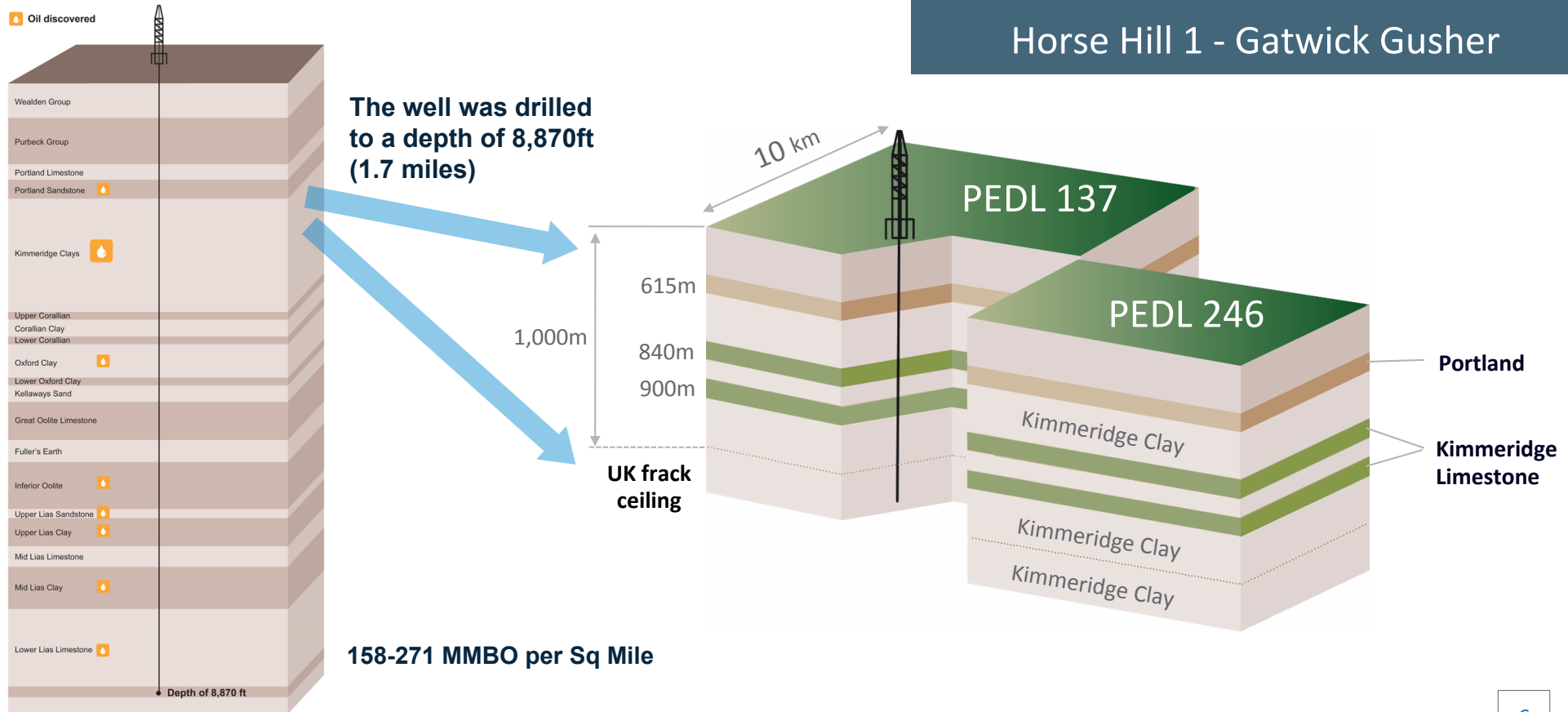
Horse Hill Oil



Kimmeridge Clay



HH-1 OIL DISCOVERY 2014



WEALD BASIN: CALCULATED OIL IN GROUND, post HH-1

TOTAL WEALD

124 billion barrels OIP

19.5 billion barrels Kimmeridge Limestone

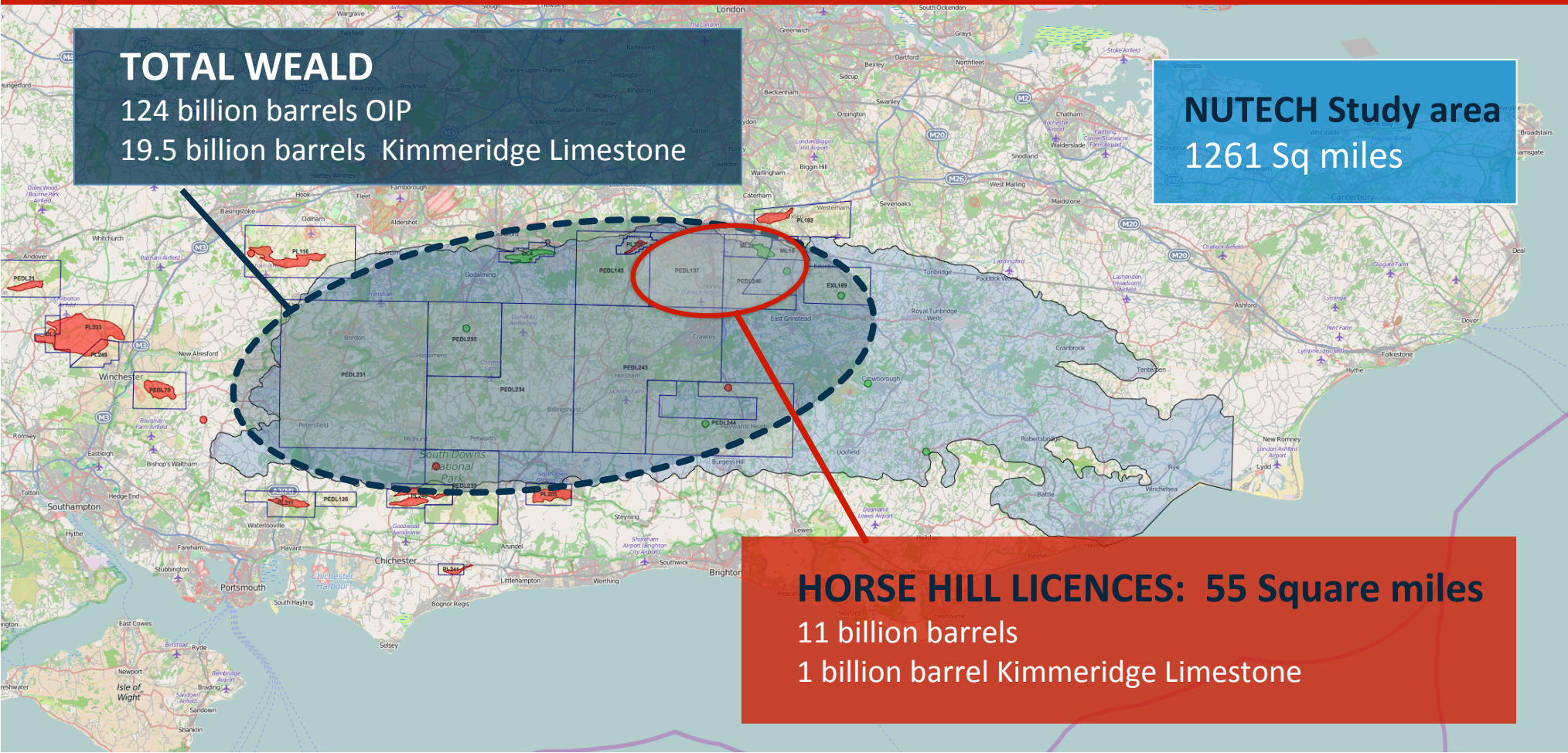
NUTECH Study area

1261 Sq miles

HORSE HILL LICENCES: 55 Square miles

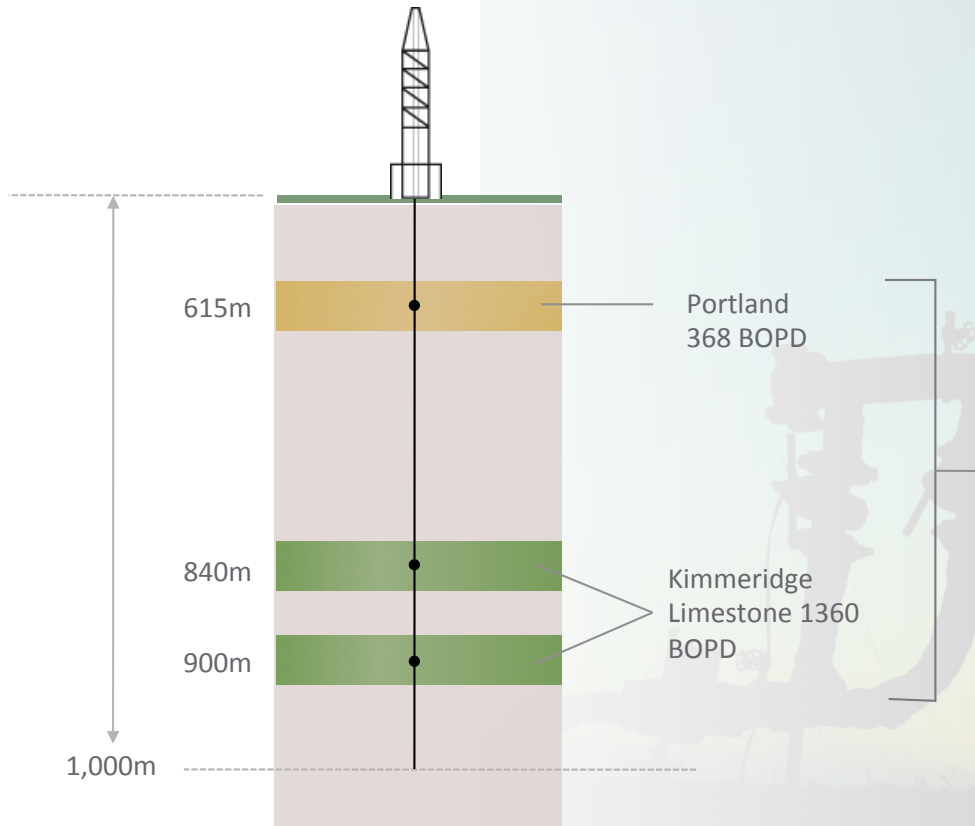
11 billion barrels

1 billion barrel Kimmeridge Limestone



GATWICK GUSHER FLOW TEST

From Science Project to Commercial Reality



- ~1360 bopd aggregate dry stable from Kimmeridge
- Natural flow- natural fractures- dual porosity- no depletion seen
- 1,688 BOPD aggregate Kimmeridge + Portland stable, dry oil of rate
- Highest stable dry oil rate of any UK onshore discovery Well
- ~ 8.5% of total UK onshore daily oil production

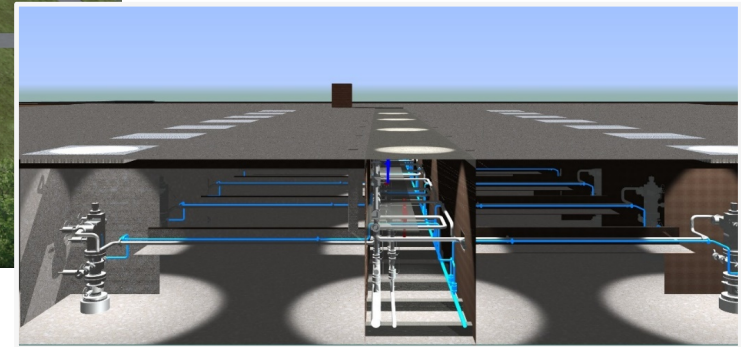
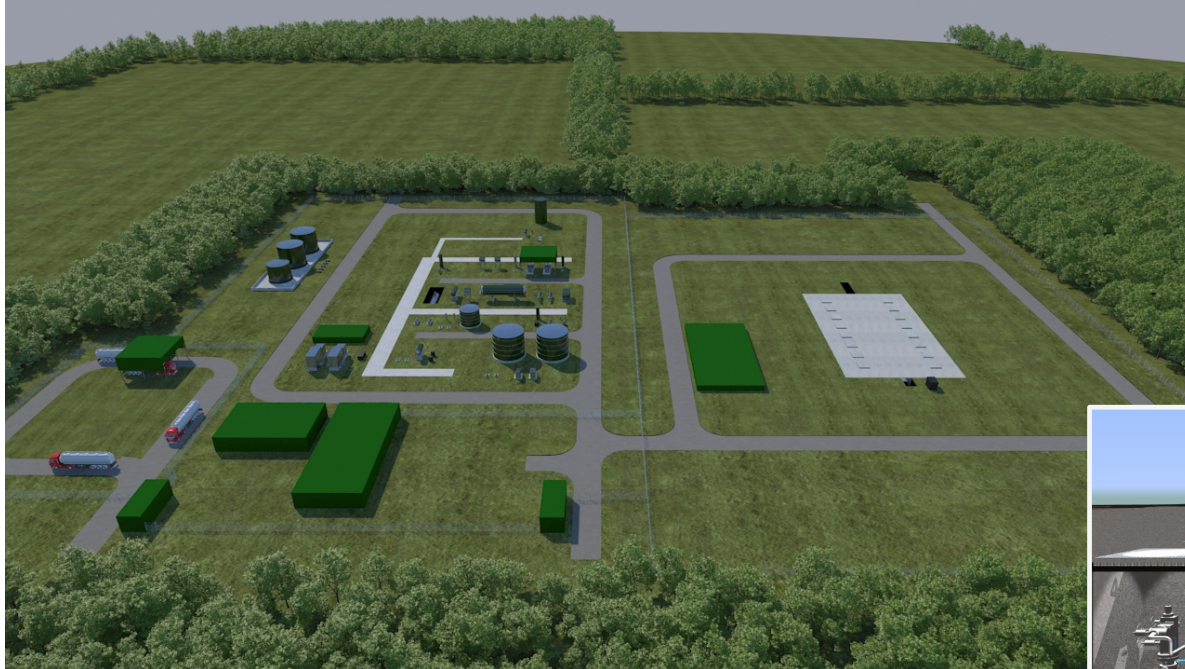
KIMMERIDGE LIMESTONE OIL PRODUCTION

*Can be produced with
low visual impact*

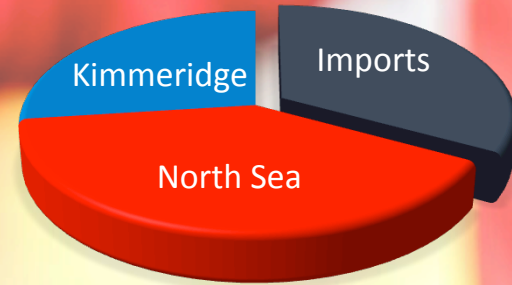
- 12-24 wells in 4-6 acre site
- Wells and pumps below ground level
- Control production to reduce initial road tanker impact
- **Can be located in brown field sites and away from villages, houses, small roads**



LOW IMPACT DEVELOPMENT PLAN by Xodus Group



IMPACT ON UK ECONOMY: EY REPORT



Future peak oil production could provide approximately **4% - 27% of UK daily oil demand over the life of the project**

Gross Value Added to the UK economy could range from **£7.1 billion to £52.6 billion**

Generates a peak of **8000 to 49000 jobs in the UK**

Lifetime **tax revenues of between £2.1 billion to £18.1 billion**

The journey has just begun

- Consolidate and increase licence holding
 - **Control the Kimmeridge Oil play**
- Bring Horse Hill/Gatwick Gusher to production
 - 3x 90 day production tests (2016/17)
 - 3D seismic (2017)
 - Horizontal production well (2017/18)
- Show HH-1 results can be repeated to south and west in basin sweet-spot
 - Holmwood -1 well (2016/17)
 - 3 other identified wells (2017/18)



<http://www.ukogplc.com/>