

# UNITED OIL & GAS Plc

## WALTON MORANT LICENCE, OFFSHORE JAMAICA

### INVESTOR EVENING



23rd May 2024



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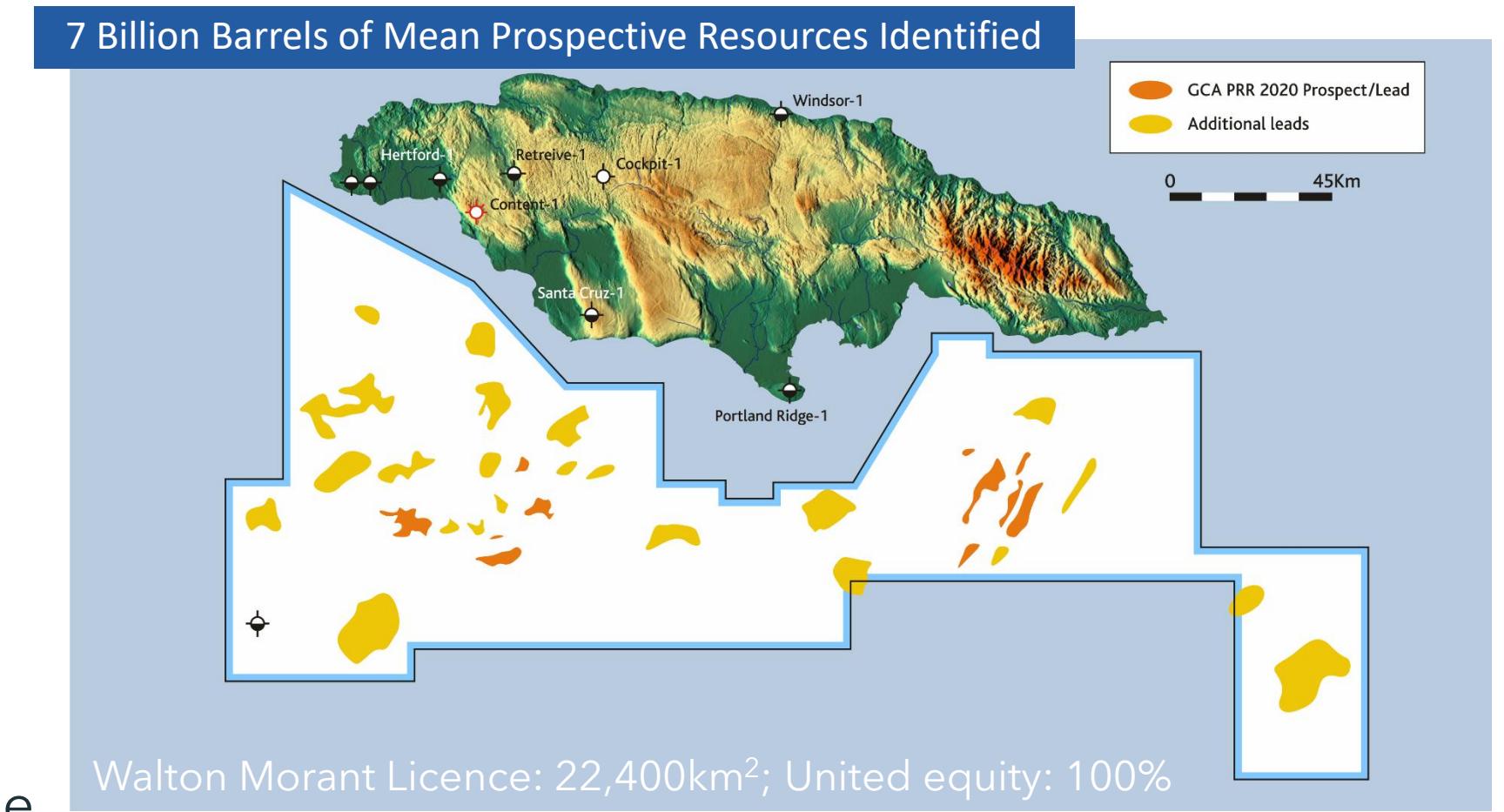
# Executive Summary



# WALTON-MORANT LICENCE, JAMAICA

## World-Class Exploration Licence

- Massive 22,400km<sup>2</sup> exploration block
- Globally significant prospective resource potential
  - 7-billion-barrel mean/mid-case prospective resources<sup>1</sup> identified to date
  - Huge upside potential and running room
- Walton-Morant has favourable fiscal terms designed to attract investment into Jamaica
- Highly supportive government policy and actions supporting the progression of the Walton-Morant block
- Potential to build a substantial Jamaican business with substantial economic benefits for all stakeholders



**The opportunity now exists for a suitably qualified and capable company to partner with United Oil & Gas to realize the massive potential of the Walton-Morant licence.**

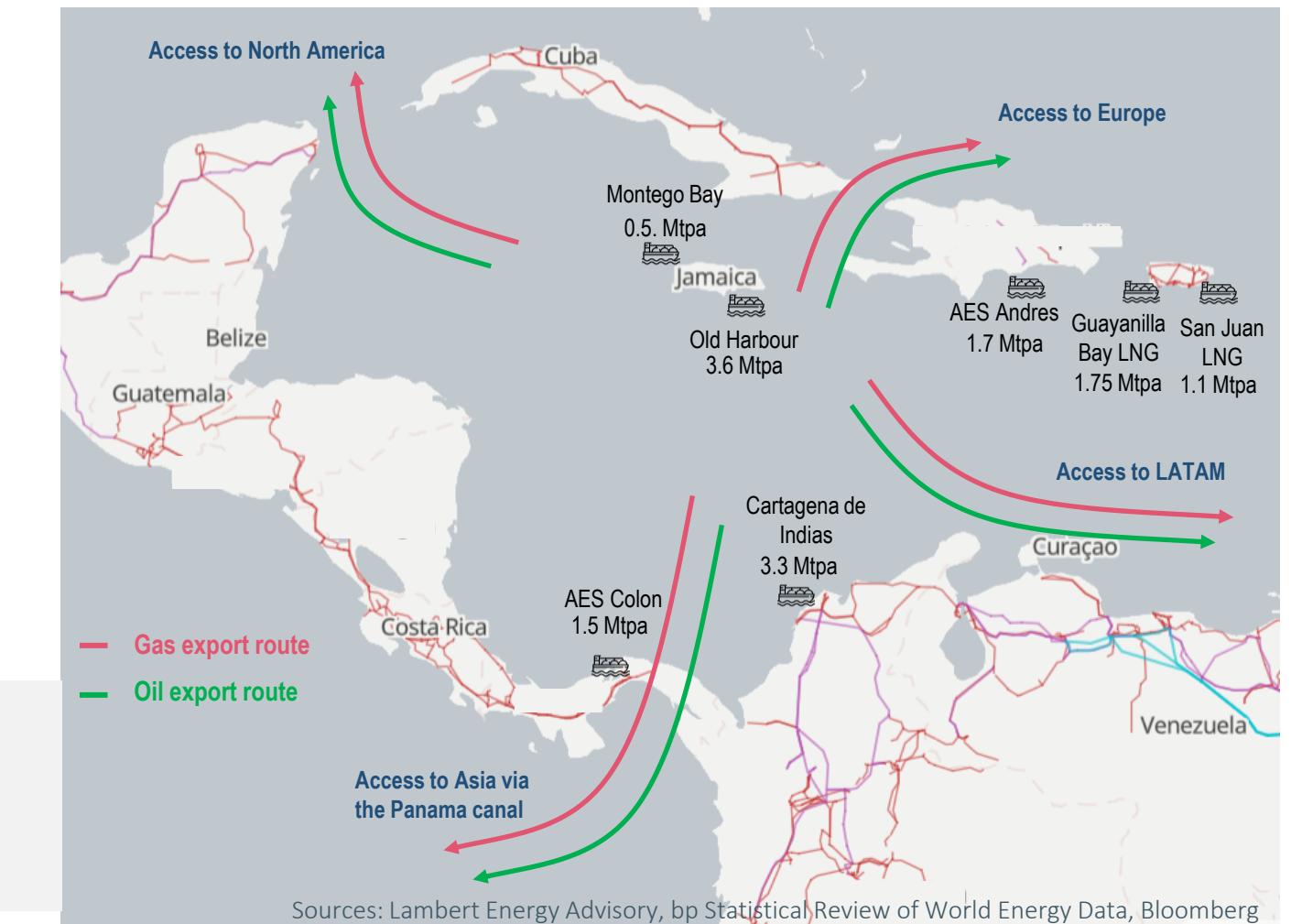
<sup>1</sup> 7 Billion bbls is UOG's arithmetic sum of the Unrisked Mean/Mid-Case Prospective Resources for each prospect/lead identified within the Walton Morant Licence boundary by UOG and previous operators

# JAMAICA IS AN EXCELLENT PLACE FOR BUSINESS

## Jamaica provides huge potential for integrated business opportunities...

- 
- Jamaica is **fully open to foreign investment**
- Country-entry provides access to **growing energy markets** in Jamaica and wider Caribbean
- Opportunity to be part of ongoing development of Jamaica and a **sustainable future** for its citizens
- Potential to reduce emissions and provide **energy security** by playing a role in replacing fuel imports in an energy hungry country
- **Regional hub** for energy distribution to wider Caribbean and beyond - Kingston harbour is the 7<sup>th</sup>-largest natural harbour in the world
- In country refinement of **raw bauxite ore** and export of higher value **aluminium** products
- Established pathways to major **global markets**

**...not just an Exploration Opportunity**



# JAMAICA IS AN EXCELLENT LOCATION FOR MONETIZING EXPLORATION

## 1. Material Prospectiveity

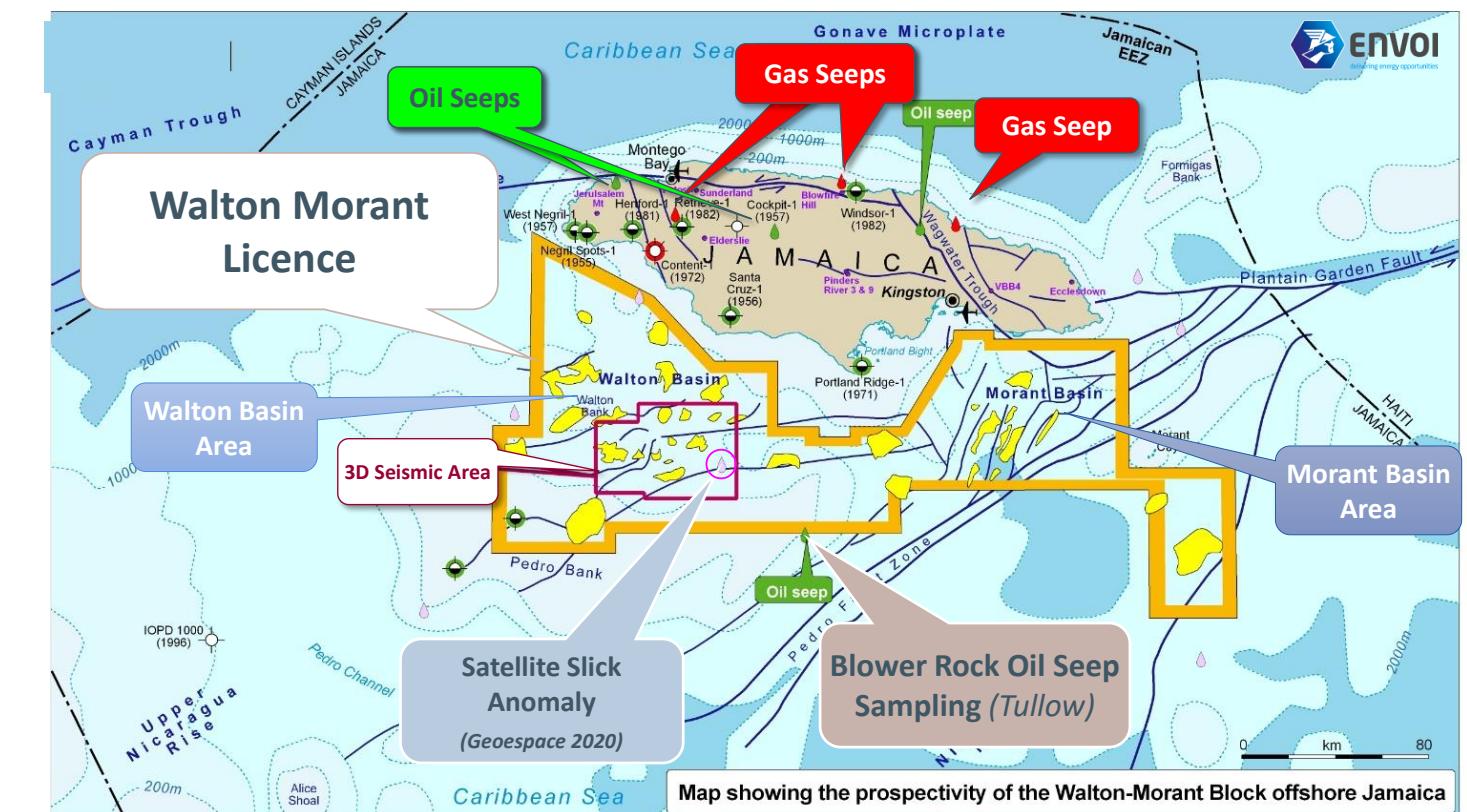
- Multiple plays offshore with **>7 bn barrels** mean/mid-case potential across the licence
- Huge upside potential

## 2. Active Hydrocarbon System

- All wells drilled to date have **oil shows**
- Numerous seeps** identified and sampled both onshore and offshore
- Seismic evidence for **hydrocarbon migration**
- Cretaceous **source rock development**. Onshore sample TOC's c. 8%

## 3. Attractive Monetization Potential

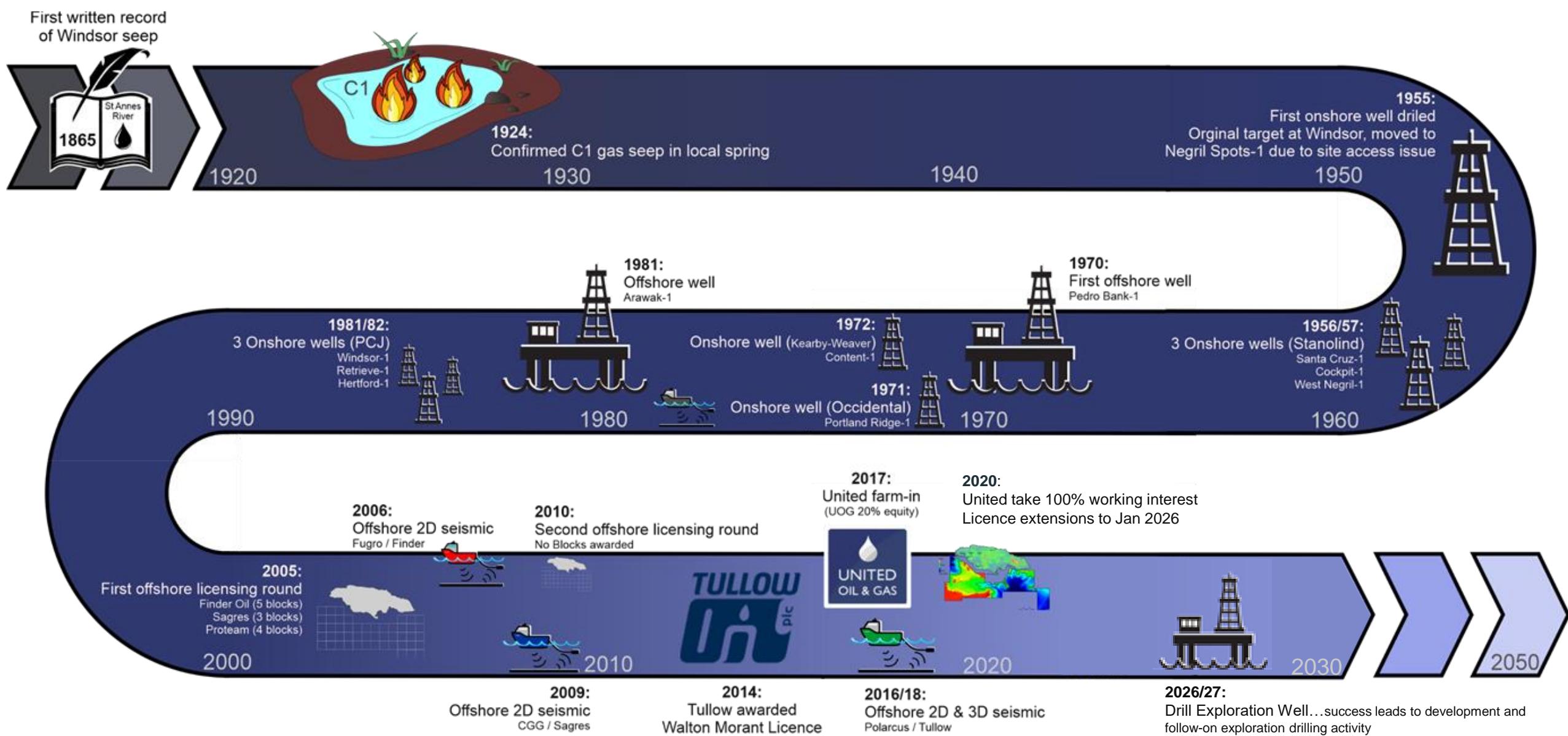
- Supportive** government policy and fiscal terms
- Walton-Morant's monetization potential is **directly comparable** to the development of the nearby 11 bn barrel Stabroek resource in Guyana
- Massive Value Potential** is present in Walton-Morant with > 1 MMBOPD potential



**Material Prospectiveity  
with Massive Value Potential**

# JAMAICA'S EXPLORATION HISTORY...AND WHAT'S DIFFERENT NOW

- 1950s - 1980s poor decisions and practices
- Drilling on surface expression alone is a guarantee of failure
- Poor quality legacy seismic data led to....
- The wrong targets drilled offshore
- Despite this hydrocarbons found in every well
- What could be possible with today's technology and improved subsurface understanding?



## What has changed?

- Exploration concepts – targeting intact prospectivity in the offshore basins, not the basin margins or breached structures onshore
- Better understanding of the regional source rock distribution and geological history in general
- Data quality – 3D acquired in 2018 (processed in 2019) a game-changer in terms of image quality, clarity and geophysical attributes

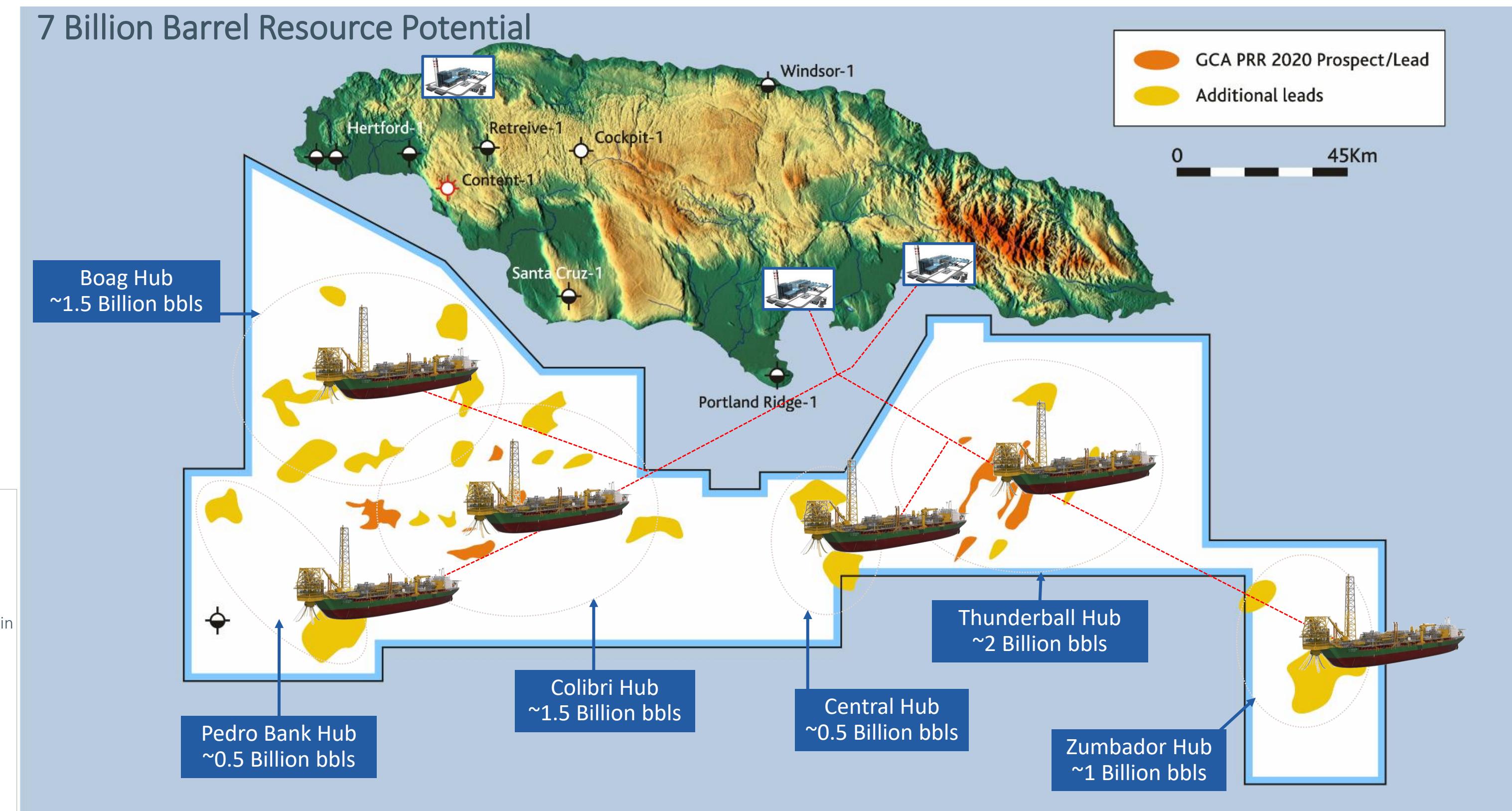
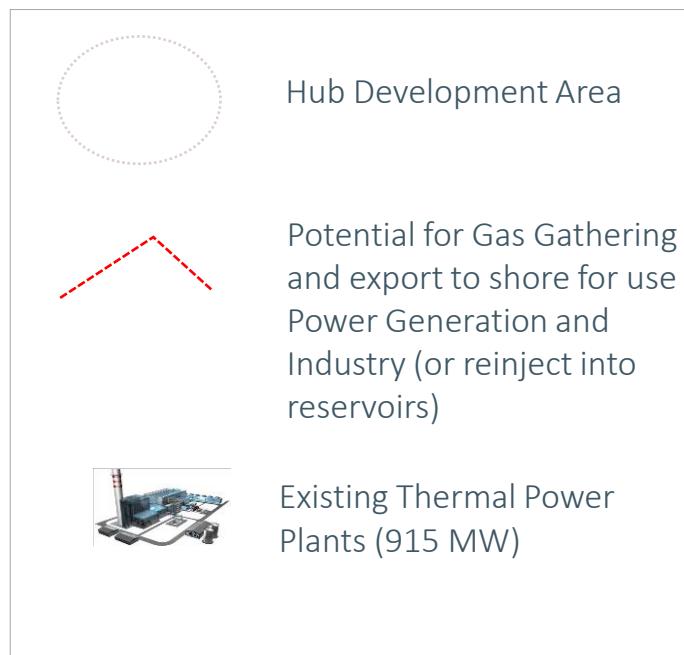
# Massive Value Potential of a World- Class Exploration Block



Source: SBM Offshore, via Offshore Magazine

# WALTON-MORANT, DEVELOPMENT POTENTIAL

- Massive block with world-class potential scale
- **7 Billion Barrels** of Prospective Resources identified across numerous prospects and leads
- **>1 MMBOPD** production potential on success given scale of resource potential
- **Conventional development** approach feasible, analogous to Stabroek, Guyana



**7 Bn BBL Potential that could be Developed with Conventional FPSO Approach**

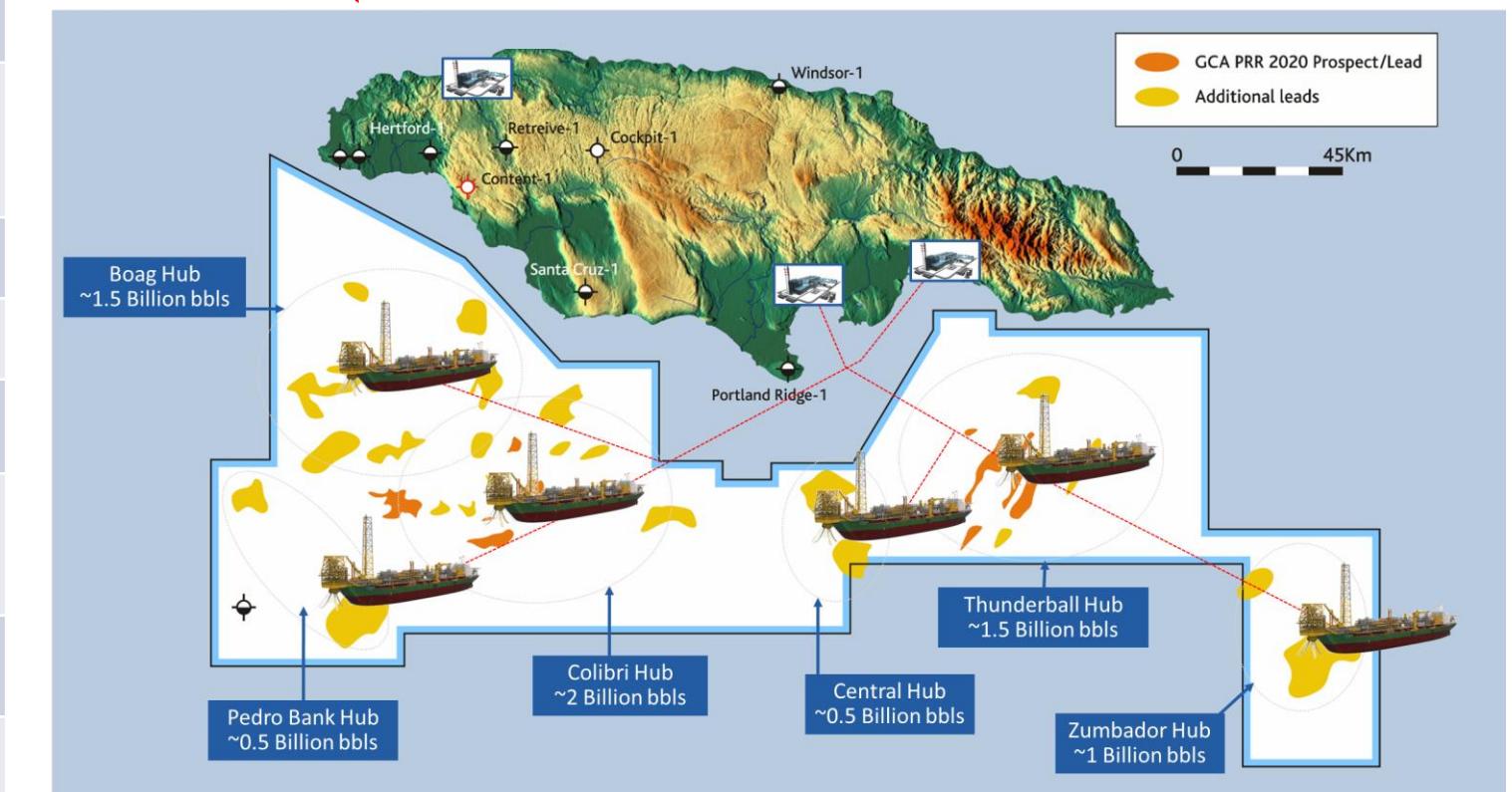
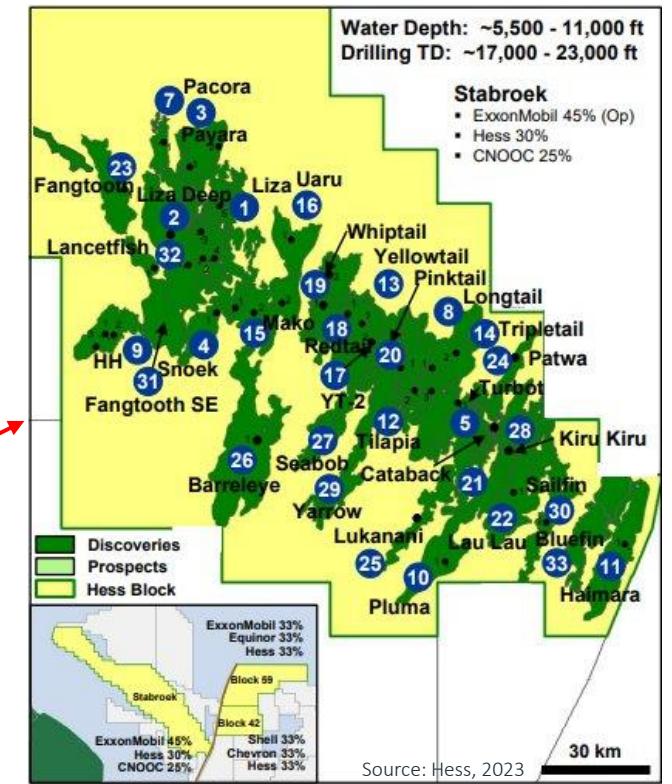
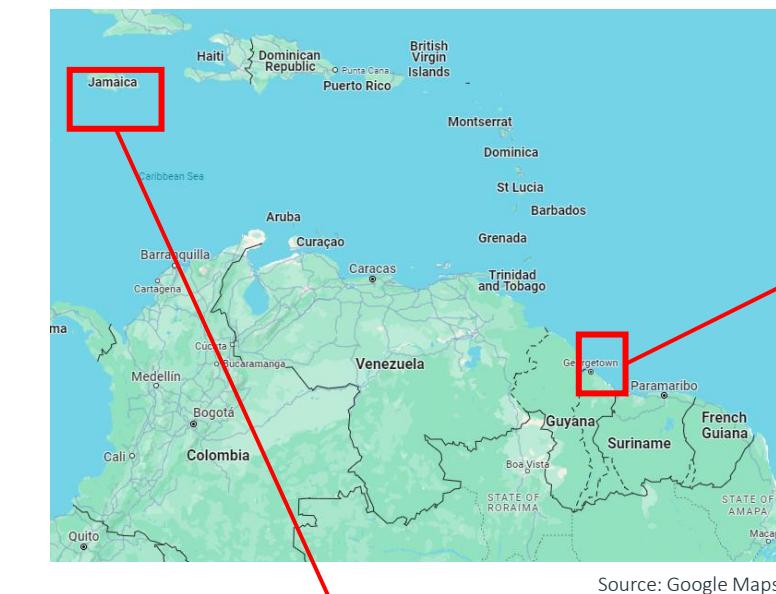
# BLOCK ANALOG - STABROEK GUYANA & WALTON-MORANT JAMAICA

Walton-Morant Block: Similarities with World-Class Stabroek Block, Guyana

<sup>(1)</sup> Hess Investor Presentation September 2023 and May 2024

Characteristic	Stabroek, Guyana <sup>(1)</sup>	Walton-Morant, Jamaica
Block Size	26,800 km <sup>2</sup>	22,400 km <sup>2</sup>
Water Depth	1900m – 3350m	50m – 2000m
Drilling TD	5000m – 7000m	2000m – 4000m
Source Rock	Cretaceous Oceanic Anoxic Event 2	Cretaceous Oceanic Anoxic Event 2
Resource Potential	11 Billion Barrels (discovered)	7 Billion Barrels (Mean)
Number Prospects/Leads > 100 MMBO	33 Discoveries (so far)	21 Mapped (so far)
Average Resources (per Prospect > 100 MMBO)	c. 335 MMBO average per discovery	c. 300 MMBO average per prospect/lead
Conventional Development	FPSO Hubs with Multiple Discoveries & Drill Centres	FPSO Hubs with Multiple Prospects & Drill Centres
Discovery to First Oil	< 4 Years	<4 Years
Potential FPSO Hubs	10 FPSO Hubs	6 FPSO Hubs
Resource Potential per FPSO	1.1 BBO / FPSO Hub	1.2 BBO / FPSO Hub
Production Potential	> 1.2 Million BOPD from the First 6 FPSO's	> 1 Million BOPD from 6 FPSO's
Unit Development Cost	\$7/bbl (Lisa Phase 1)	8.5 \$/bbl
NPV10 Breakeven Oil Price	c. \$25-35/bbl	c. \$25/bbl

Stabroek and Walton Morant maps approx. same scale



**Walton Morant Value Potential is Analogous to the Prolific Stabroek Block Offshore Guyana**

# MONETIZATION ANALOG - STABROEK GUYANA & WALTON-MORANT JAMAICA

## Walton-Morant and Stabroek –World-Class Blocks of Same Scale and Potential

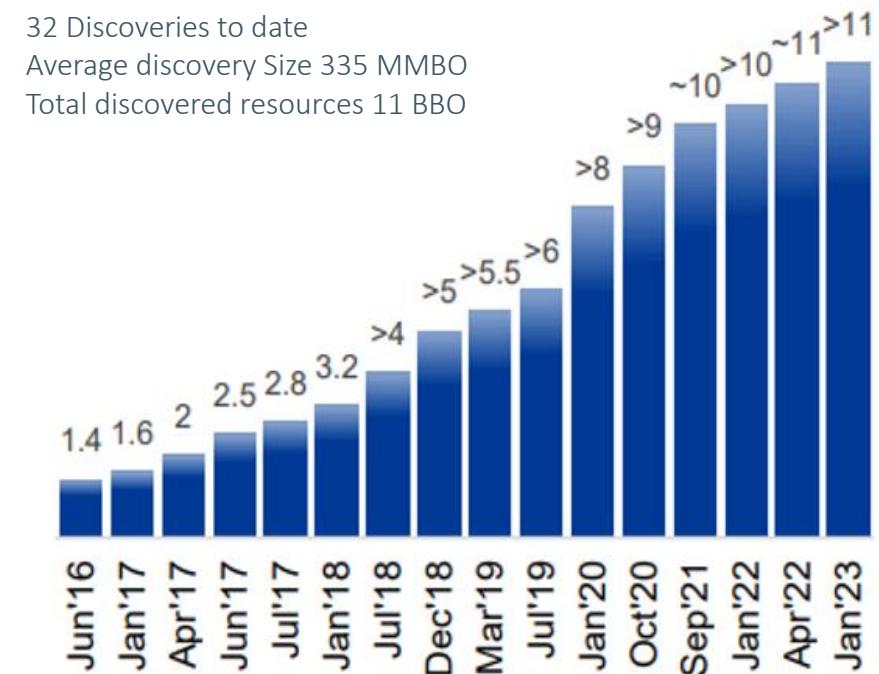
- Direct analog to Walton-Morant in terms of block size, resource potential, prospect size distribution and production potential.
- Stabroek Guyana is being developed with multiple FPSOs Hubs to develop the multiple discoveries made to date
- Potential for > 1 MMBOPD Production from Walton-Morant based on the vast 7 BBO prospective resource potential



### Guyana

#### Discovered Recoverable Resource

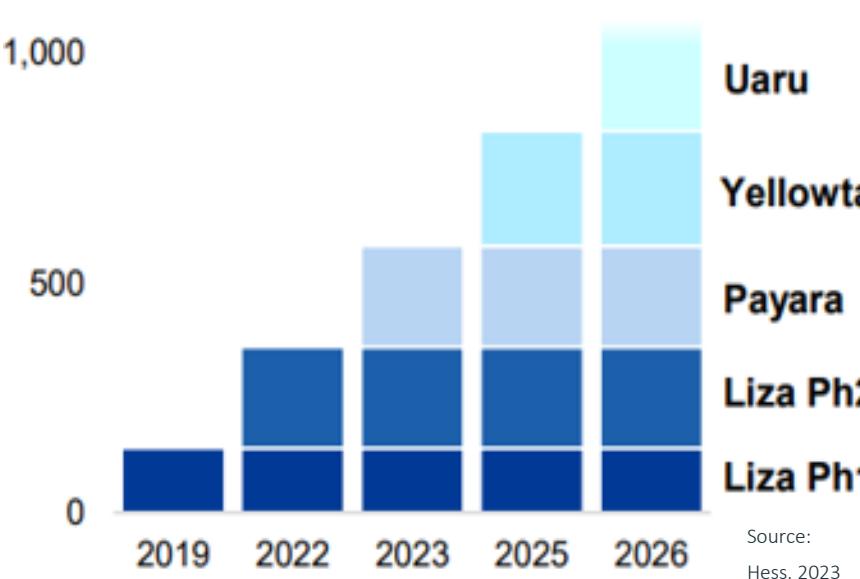
Cumulative BBOE<sup>1</sup>



**Potential for up to 6 FPSOs on the Stabroek block by the end of 2027 | Discovered resources to date underpin up to 10 FPSOs**

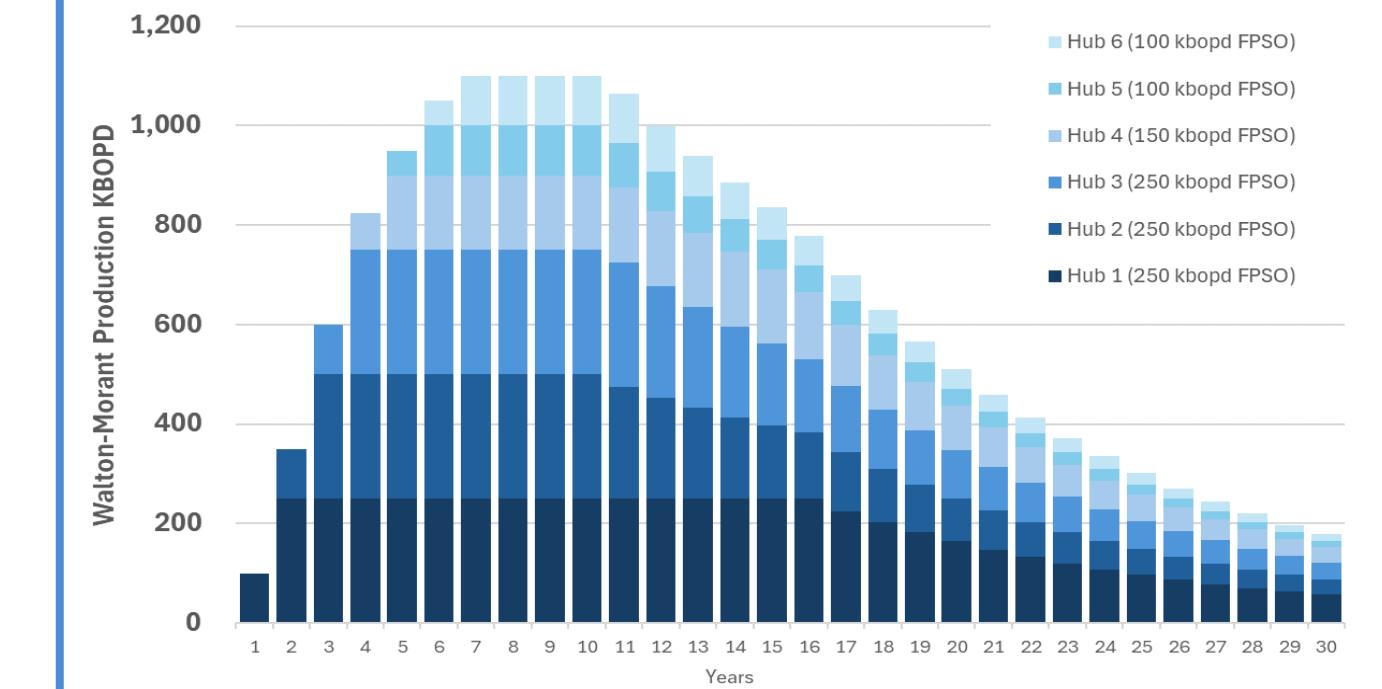
#### Guyana Production Capacity

Gross Production Capacity; MBOD<sup>1</sup>



#### Walton Morant Production Potential

7 Bn BBL Mean Potential

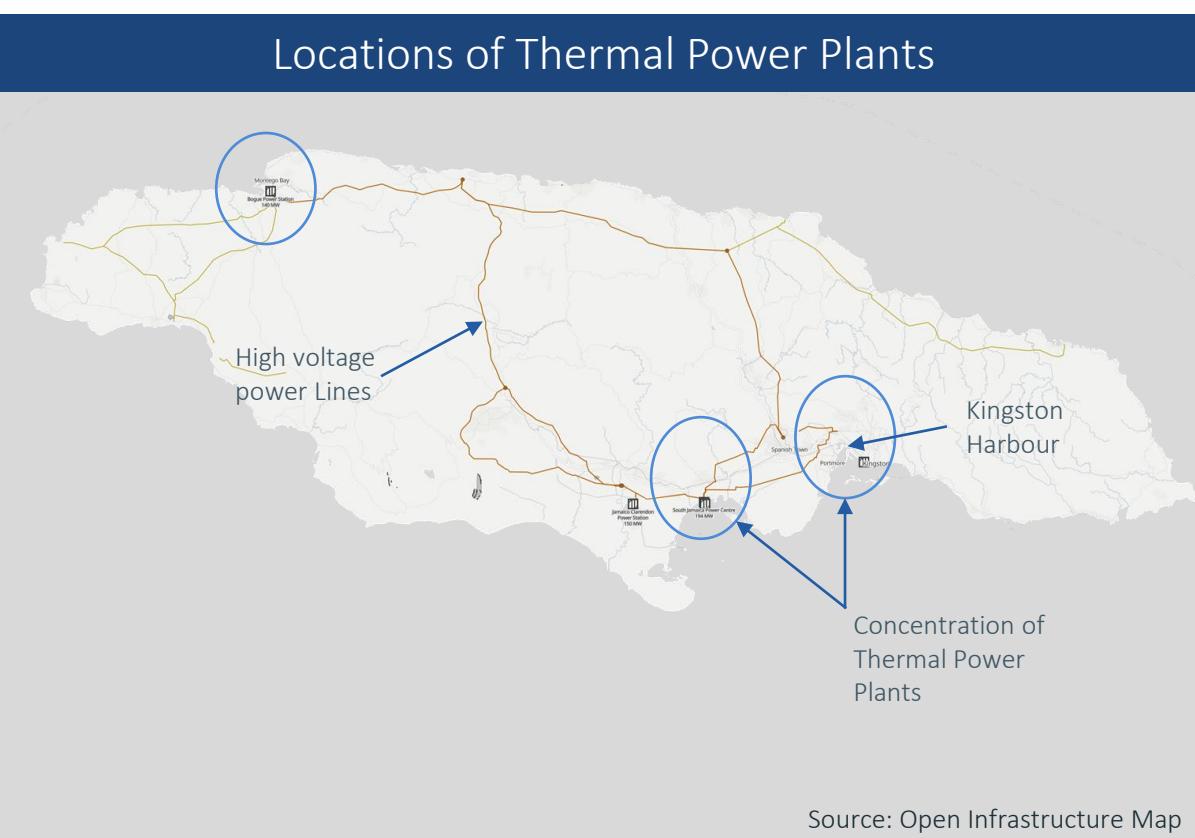


**Potential for Rapid Production Build Up and Monetization Using Tried and Tested Approach**

# OPTIONS FOR DEVELOPING GAS TO SHORE FOR LOCAL DEMAND

## Options to Export to Shore for Low-Carbon Power Production or Reinject into Reservoirs

- Currently 20 Power Plants in Jamaica, totalling > 1 GW of output capacity
- Oil & Gas fired thermal power plants make up about 90% of the power generation capacity
  - 494 MW Gas (imported gas) + 421 MW Oil (imported oil)
- Majority of thermal power plants concentrated on the south coast
- Potential for Walton-Morant to export associated gas to shore for use in low-carbon power generation
- Additionally, any excess gas could be re-injected into the reservoirs for pressure support (in addition to water injection)
- Additional Oil & Gas facilities and potential customers
  - PetroJam Refinery, Kingston - 35,000 BOPD capacity
  - Jamaica Bauxite mining industry is largest sector by energy demand



All 20 Power Plants in Jamaica

Name	English Name	Operator	Output	Source	Method
South Jamaica Power Centre		South Jamaica Power Company	194 MW	gas	combustion
Hunts Bay Power Plant		JPS	171 MW	oil	combustion
Jamalco Clarendon Power Station		New Fortress Energy	150 MW	gas	combustion
Bogue Power Station		JPS	140 MW	gas	combustion
Doctor Bird I & II Power Plant		Jamaica Energy Partners	124 MW	oil	combustion
West Kingston Power Partners		West Kingston Power Partners	66 MW	oil	combustion
Wigton Windfarm		Wigton Windfarm Limited	63 MW	wind	wind_turbine
Jamaica Private Power Company		Jamaica Private Power Company	60 MW	oil	combustion
Eight Rivers Energy		Eight Rivers Energy Company	37.00 MW	solar	photovoltaic
BMR Jamaica Wind Limited		BMR Jamaica Wind Limited	36.30 MW	wind	
Content Solar			20.00 MW	solar	photovoltaic
The Nest Power Station		JPS	10.00 MW	gas	combustion
Maggotty Hydro Electric Station		JPS	7.20 MW	hydro	
Munro Wind Farm		JPS	3.00 MW	wind	
Old Harbour Power Plant		JPS		gas	
Rio Bueno Hydro Power Station		JPS		hydro	
Roaring River Hydro Power Station		JPS		hydro	
Rockfort Power Station		JPS		oil	combustion
[unnamed]				solar	
[unnamed]		JPS		hydro	

Source: Open Infrastructure Map



**Associated Gas Can Provide Additional Value to the Project and to Jamaica**

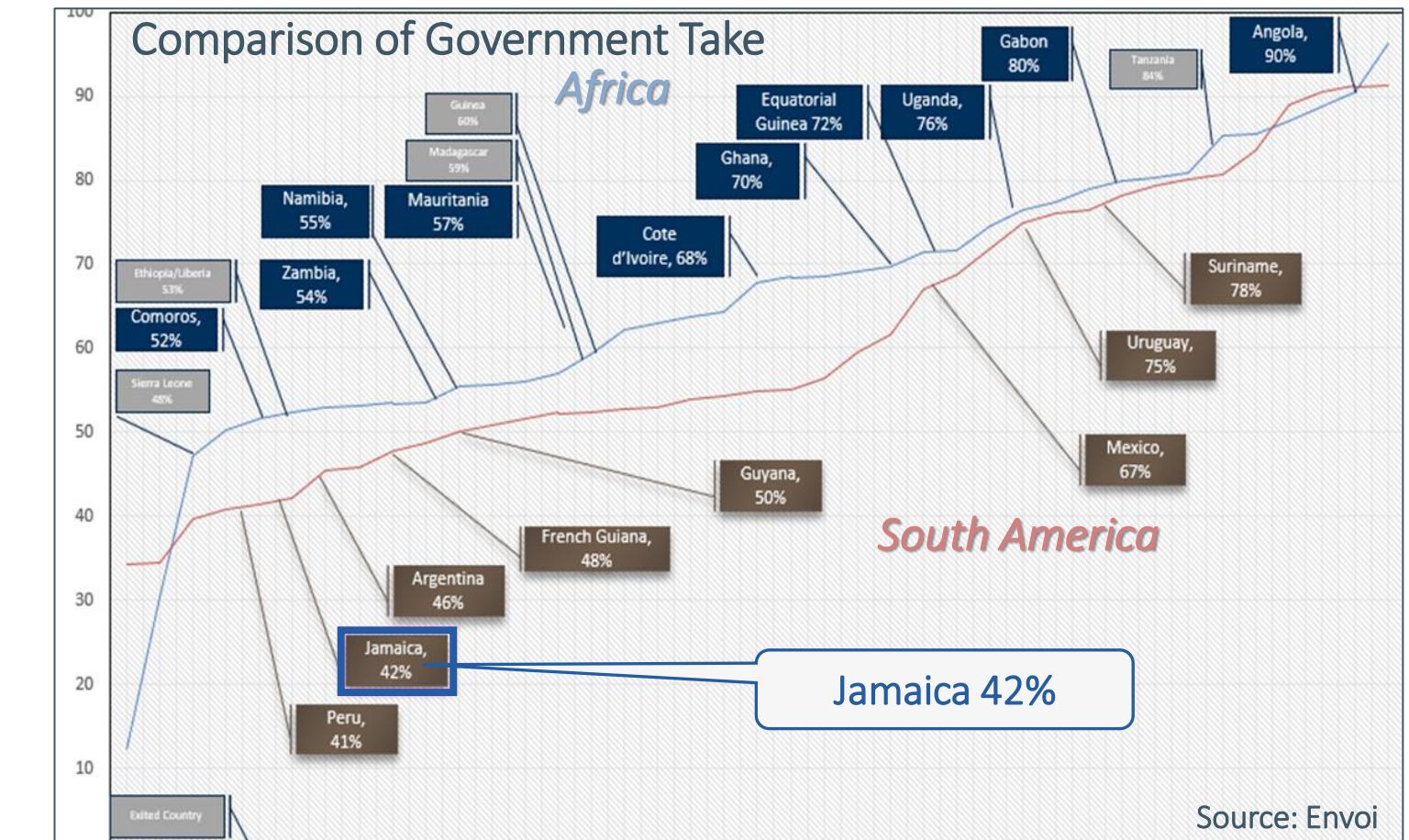
# FISCAL TERMS SET TO ATTRACT INVESTMENT

Jamaica operates a very favourable Production Sharing Agreement (PSA) Regime with no state participation

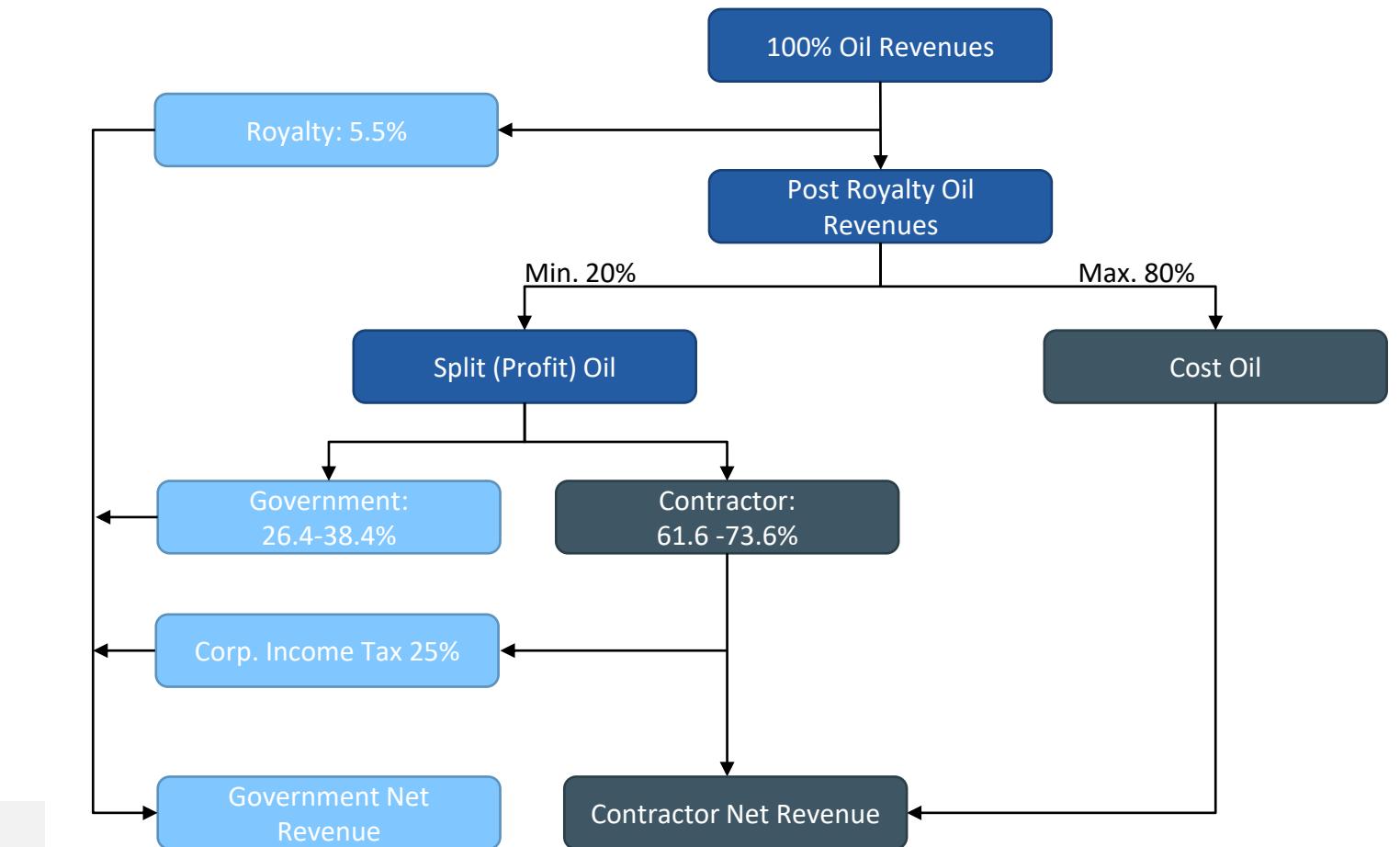
- PSA Duration: 25 years + 10 years extension
- Royalty:
  - Oil: Payable at 10% Revenue reducing to 2.5% depending on water depth (5.5% on average);
  - Gas: Payable at 7.5% of gas revenues after gas adjustment factor reducing to 0.88% depending on water depth;
- Cost Recovery : up to 80% of Revenue
- Profit-Oil Split: According to production tranches, and adjusted according to water depth, 62% - 74% contractor share for Walton Basin area of interest:

Gross Field Production (Mbbl/d)	Contractor Profit Oil Share (< 501-800m WD)	Contractor Royalty (< 501-800m WD)
0 – 10	73.6%	5.5%
>10 – 25	69.6%	5.5%
>25 – 50	65.6%	5.5%
>50	61.6%	5.5%

- Corporate Income Tax: Charged at 25% with some Yr 1 capital allowance incentives available
- The PSA also benefits from a tax stabilisation clause
- Surface Rental Fee: Contractor is obliged to pay an annual fee of US\$128,260 (US\$ 4.00/km<sup>2</sup>)
- Employment & Training Fund: Contractor is obliged to pay an annual fee of US\$ 100,000 adjusted by an annual inflation factor



Source: Envi



**Competitive Fiscal Terms Designed to Reward Investment**

# POTENTIAL FOR CONSIDERABLE ECONOMIC RETURNS

## Walton Morant - Single 400 MMBO Project Economics

- A single 400 MMBO prospect (e.g. comparable to Liza Phase 1) as a standalone development on Walton Morant demonstrates highly attractive project economic returns:

400 MMBO Single Prospect Development (at \$80/bbl) Net Project Economics	
After Tax NPV10 (\$m)	4,550
IRR	45%
NPV10 \$/bbl	11.6

The Standalone Prospect Economic return on equity can be boosted further by employing:

- FPSO Leasing Strategy: NPV10 4.4 \$B, IRR 54%
- EWT/Early Production System: NPV10 4.9 \$B, IRR 63%
- Project or Corporate leveraging could improve IRR further.

Working excel economic file for 400MMBO Standalone prospect is provided on the VDR

## Overall Walton-Morant Block Economic Potential

- Stabroek Guyana NPV10 \$10/bbl<sup>(1)</sup> and IRR 35%-40% <sup>(2)</sup>
- Walton-Morant Overall Economic Potential, assuming similar NPV10 @ \$10/bbl :

Development	Mean Prospective Resources	Potential NPV10 @ \$10/bbl
FPSO Hub 1	2.0 BBO	\$20 Billion
FPSO Hub 2	1.5 BBO	\$15 Billion
FPSO Hub 3	1.5 BBO	\$15 Billion
FPSO Hub 4	1 BBO	\$10 Billion
FPSO Hub 5	0.5 BBO	\$5 Billion
FPSO Hub 6	0.5 BBO	\$5 Billion
<b>TOTAL</b>	<b>7 BBO</b>	<b>\$70 Billion</b>

- The large resource potential of the Walton Morant block provides optionality and flexibility on how to develop and monetize the resources.

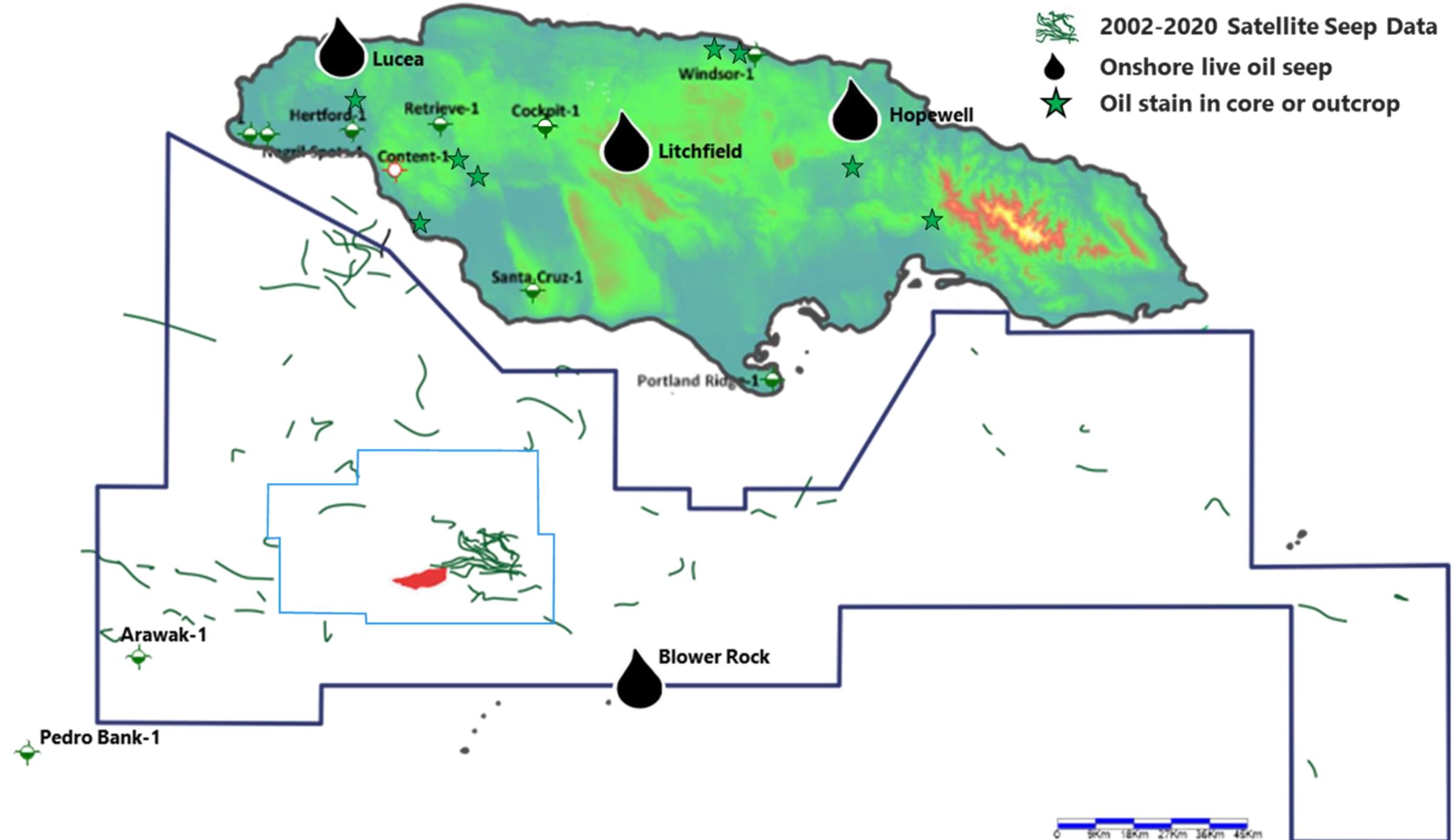
**Massive Economic Value Potential ~ \$70 Billion**

# Technical Evidence and Prospectivity Overview



# ACTIVE HYDROCARBON SYSTEM IN JAMAICA

- All 11 wells drilled so far showed evidence for hydrocarbons
- Documented occurrences of live surface oil seeps and outcrop oil staining
- Satellite analysis indicates the presence of repeated slick anomalies
- Seismic evidence for hydrocarbon migration, reservoir, trap and seal
- Onshore outcrop analogues for source rocks, reservoirs and seals



Multiple lines of evidence for an active hydrocarbon system in Jamaica

# PROSPECTIVITY SUMMARY - LOW-COST ENTRY...HUGE POTENTIAL

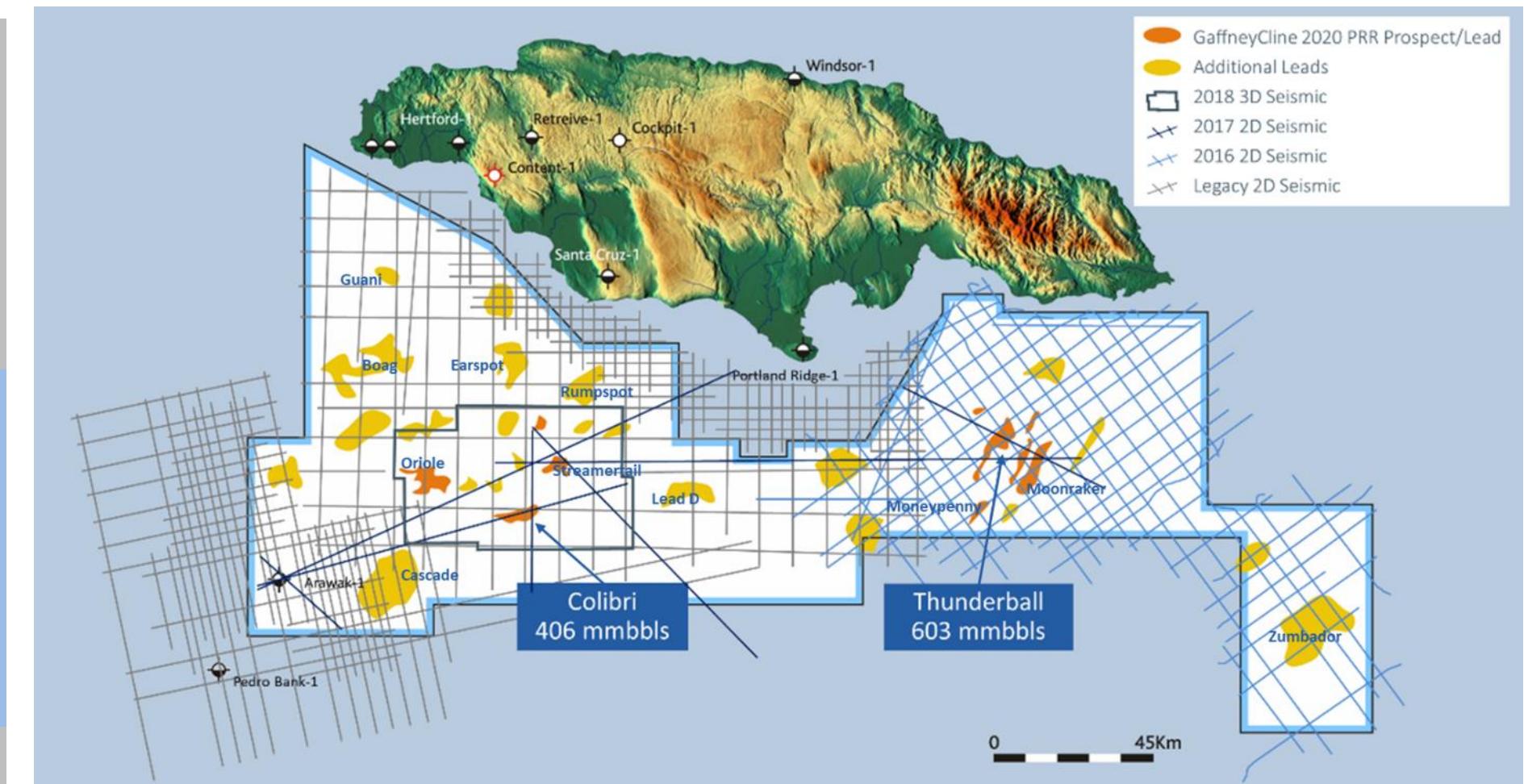
Name	Assignation	Location	Seismic Data Type	Mean/Mid Volume (mmbls / mmboe)
Lead 11F	Lead	Walton Basin	2D	1126
Zumbador	Lead	Morant Basin	2D	925
Thunderball	Lead	Morant Basin	2D	603
Colibri	Prospect	Walton Basin	3D	406
Lead D	Lead	Walton Basin	2D	382
Moonraker	Lead	Morant Basin	2D	323
Cascade Central	Lead	Pedro Bank	2D	275
Streamertail	Prospect	Walton Basin	3D	221
Oriole	Prospect	Walton Basin	3D	220
Boag	Lead	Walton Bank	2D	219
Lead 6I	Lead	Walton Bank	2D	205
Goldeneye	Lead	Morant Basin	2D	174
Moneypenny	Lead	Morant Basin	2D	173
Blofeld	Lead	Morant Basin	2D	171
Earspot	Lead	Walton Bank	2D	145
Squire	Lead	Walton Basin	2D	139
Lead 12M	Lead	Walton Basin	2D	133
Lead 6H	Lead	Walton Bank	2D	120
Lead 12V	Lead	Walton Basin	2D	111
Cascade South	Lead	Pedro Bank	2D	101
Lead6Q	Lead	Walton Bank	2D	101
Cascade East	Lead	Pedro Bank	2D	86
Rumpspot	Lead	Walton Bank	2D	85
Lead 7P	Lead	Walton Bank	2D	76
Lead 7N	Lead	Walton Bank	2D	70
Lead 10K	Lead	Walton Basin	2D	70
Lead 12L	Lead	Walton Basin	2D	70
Lead 7T	Lead	Walton Bank	2D	60
Bluefields	Lead	Walton Bank	2D	57
Tody	Prospect	Walton Bank	3D	53
Mango	Lead	Walton Basin	2D	53
Guaní	Lead	Walton Bank	2D	53
Lead 12U	Lead	Walton Basin	2D	41
Jaws	Lead	Morant Basin	2D	39
Euphonia	Prospect	Walton Bank	3D	38
Lead 6G	Lead	Walton Bank	2D	38
Booby	Lead	Walton Basin	3D	34
Lead 10B	Lead	Walton Basin	2D	32
Lead 7R	Lead	Walton Bank	2D	28
Lead 7S	Lead	Walton Bank	2D	28

>7 billion barrels<sup>1</sup>

21 prospects/leads with > 100 million barrels

11 high-graded prospects and leads included in Gaffney Cline & Associates Prospective Resources Report  
Total: 2.4 BBO Mean Prospective Recoverable

Additional leads identified on 2016 Morant Basin 2D, 2006 & 2009 spec 2D data and legacy 2D data  
Total: 4.8 BBO Mid-case Prospective Recoverable



High quality database with ~\$40million spent to date

Compelling evidence for a substantially de-risked working petroleum system, with multi-play potential

Large, attractive prospects and leads identified with significant volumetric upside

Attractive Near-, Medium- and Longer-Term exploration targets with >7 billion barrels<sup>1</sup> potential across the Walton Morant Licence

<sup>1</sup> 7 Billion bbls is UOG's arithmetic sum of the Unrisked Mean/Mid-Case Prospective Resources for each prospect/lead identified within the Walton Morant Licence boundary by UOG and previous operators

## Current Work Programme



# 2024-2026 TECHNICAL WORK PROGRAMME

**Focussed, cost-effective 2024-2026 work programme designed to further derisk high-value exploration potential**

## Piston Coring Survey

- Using the 2018-acquired 3D data, ~40 seabed locations have been identified for sampling
- These are associated with seabed and seismic anomalies and will be sampled for the presence of hydrocarbons
- Potential to further substantially de-risk the presence of an active petroleum system in the offshore basins

Chance of Success -  
Colibri example

Current risking:  
 $P_g$  19.1%

## Seismic Reprocessing

- Recent technological advances in processing techniques could significantly improve the quality of the subsurface imaging of the 3D acquired in 2018
- Potential to integrate 2D and 3D seismic reprocessing to provide a seamless dataset spanning the basinal area to the south of Jamaica
- Aim is to improve structural and reservoir imaging and increase likelihood of DHIs – all of which would feed into reducing geological risk and constraining volumetric ranges

If Piston Coring positively addresses source risk:  
 $P_g$  25.4%

If Seismic Reprocessing positively addresses trap and reservoir risk:  
 $P_g$  33.8%

**Future Commitments:** 'Drill-or-Drop' decision by Jan 2026 with commitment to drill one well in 2-year Phase 2 Exploration Term before Jan 2028

## Conclusion



# WALTON-MORANT SUMMARY

## Massive Block - Massive Potential

- Walton-Morant is a massive block containing World-Class potential of 7 Billion Barrel prospective resources, with multiple “elephant” basin openers
- Directly comparable to the scale of Stabroek Guyana resource (11 BBO), and monetization analogue to Stabroek utilising multiple FPSO hub development
- Walton-Morant has favourable fiscal terms designed to attract investment, with supportive government policy resulting in excellent economic potential, up to \$70 Billion
- **World-Class frontier exploration block with huge potential.**