



2019 Drilling Campaign



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Board of Directors



Chief Executive Officer: Mike Buck

- 40 years of international E&P experience including 9 years as COO of Salamander Energy
- Proven track record of exploration success in S. America, N. Africa and Asia. Directly involved in the discovery of more than one billion barrels of recoverable reserves
- Managed major development projects in Libya, Pakistan and Iran



Chief Financial Officer: John Henriksen

- 40 years of upstream E&P experience in Canada, UK, Southeast Asia, Central Asia
- 7 years in Mongolia with Petro Matad



Non-Executive Chair-person: Enkhmaa Davaanyam

- 20 years of energy, mining and infrastructure project management
- CEO of Petrovis Group, Mongolia's largest fuel importation and distribution company



Non-Executive Director: Shinezaya Batbold

- CEO of Petrovis Venture Capital LLC
- Currently holds a number of board and chair positions in diversified business sectors in Mongolia



Non-Executive Director: Tim Bushell

- 35 years of international E&P experience including 10 years as CEO of Falklands Oil and Gas Ltd
- Directly involved in the discovery of more than 700 million barrels of recoverable reserves in S Atlantic and Norway

Corporate Overview

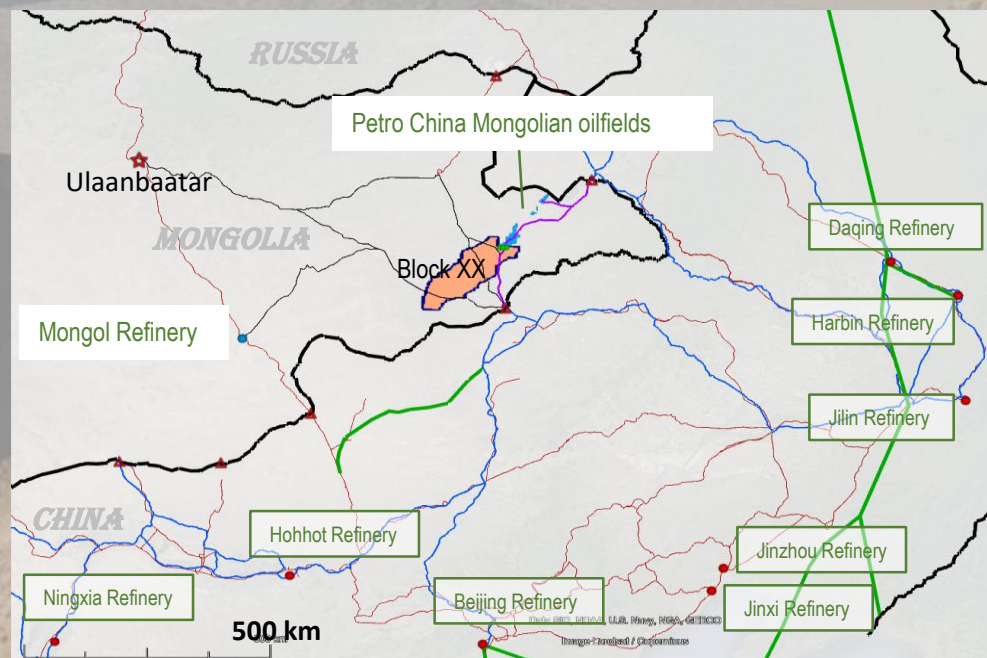
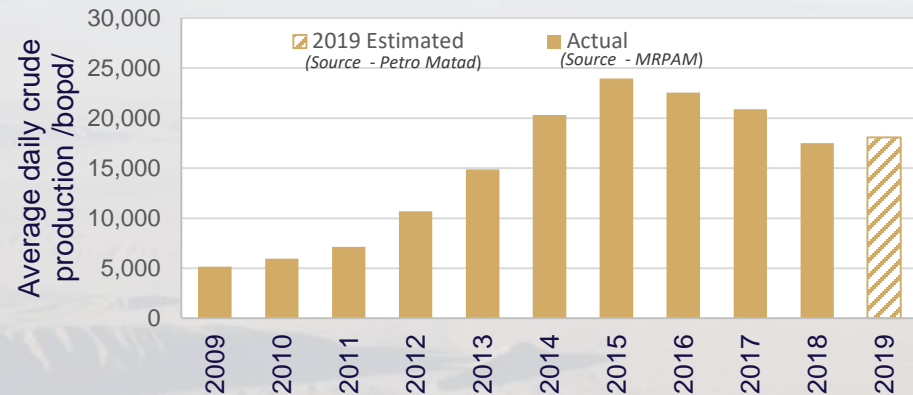
Petro Matad Limited

- London, AIM Listed (MATD), Mongolia focused
- Experienced Board and Management Team
 - Track record of discovering and monetizing oil/gas fields
- Large acreage position: 100% working interest in three blocks in Mongolia covering 60,000 km²
 - Basins geologically similar to prolific producing basins in northern China
- Mongolia's most active oil explorer: two wells drilled in 2018 including Snow Leopard 1 which proved a working petroleum system in the Taats Basin in Block V
- 2019 four well programme to start in July
 - Three wells in Block XX including near field exploration and appraisal wells adjacent to producing fields
 - Targeting cumulative Mean Prospective Recoverable Resources of 86 MMbo
 - Within 20 km of production infrastructure with spare processing and export capacity
 - Immediate production of discoveries possible. Potential to generate revenue from 2020
 - Follow up potential close to 2019 drilling targets including structures with oil proven on the neighbouring Block XIX
 - Fourth well
 - Either an exploration well in Block V on the Velociraptor Prospect, a large, shallow, inversion anticline with 201 MMbo Mean Prospective Recoverable Resource potential in the Taats Basin
 - Or part of an appraisal programme in Block XX dependent on results in the first three 2019 wells

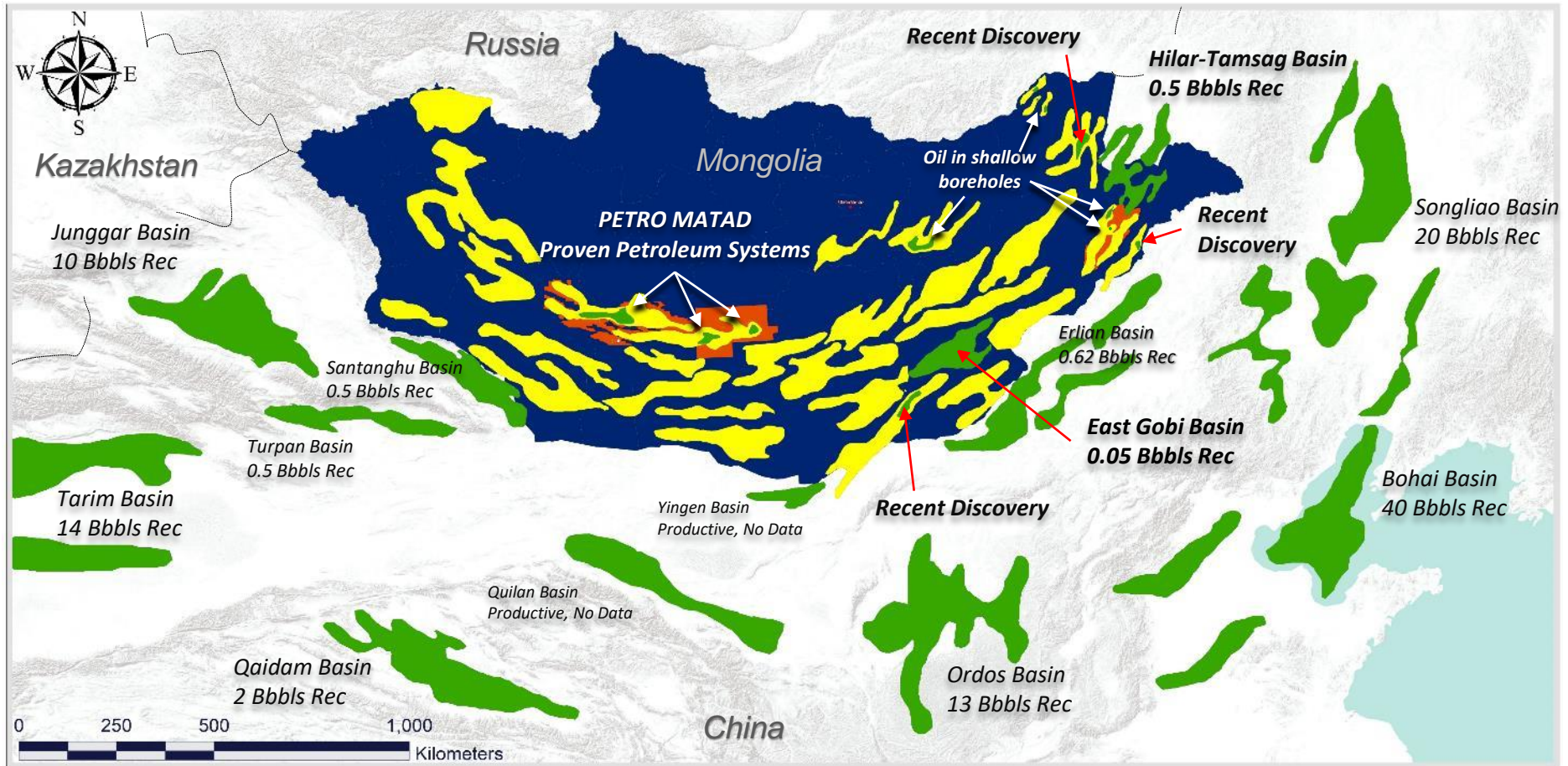
Mongolia Oil Industry Update

- 26 current PSCs of which 3 in production and 14 inactive or being terminated
- Petro Matad the leading explorer
- Mongolia's daily crude production peaked at c.25,000bopd in 2015
- Petro China operates 95% of country's production. Fields are in decline
- All crude trucked to China
- Mongolia's demand for refined products is c.25,000bopd. All imported from Russia
- New Mongolian refinery under construction using \$1bn soft loan from India
 - FEED completed and infrastructure projects (rail, road, power) progressing
 - EPC contract launched
 - Start up scheduled October 2021 designed for 30,000bopd feedstock

Daily crude production of Mongolia



Proven Petroleum System in Mongolia and China



■ Producing Basins
 ■ Prospective Basins
 ■ Proven Petroleum Systems

References

- The Cretaceous Play and the exploration potential of the East Gobi Basin, Mongolia. 2015, Qin Et al.
- Analysis of the distribution of onshore sedimentary basins and hydrocarbon potential in China. 2015. Jiang Z. Et Al
- Tellus Database Contract: ca 2012, CGG Robertson's www.cgg.com.

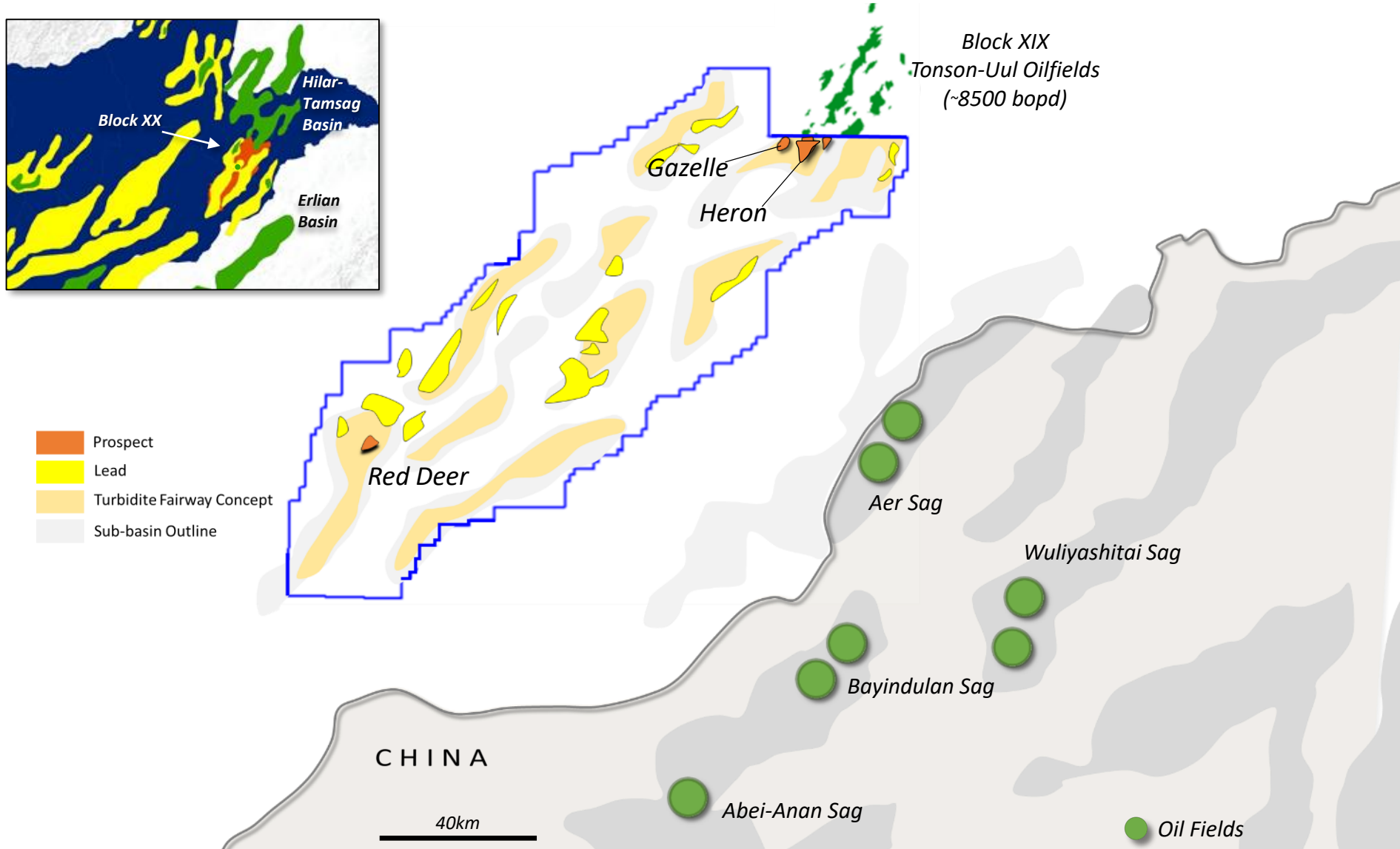
2019 Programme - Block XX

Near Field Exploration and Appraisal



View looking North from Heron 1 location into Block XIX and the 19-46 Field Development area

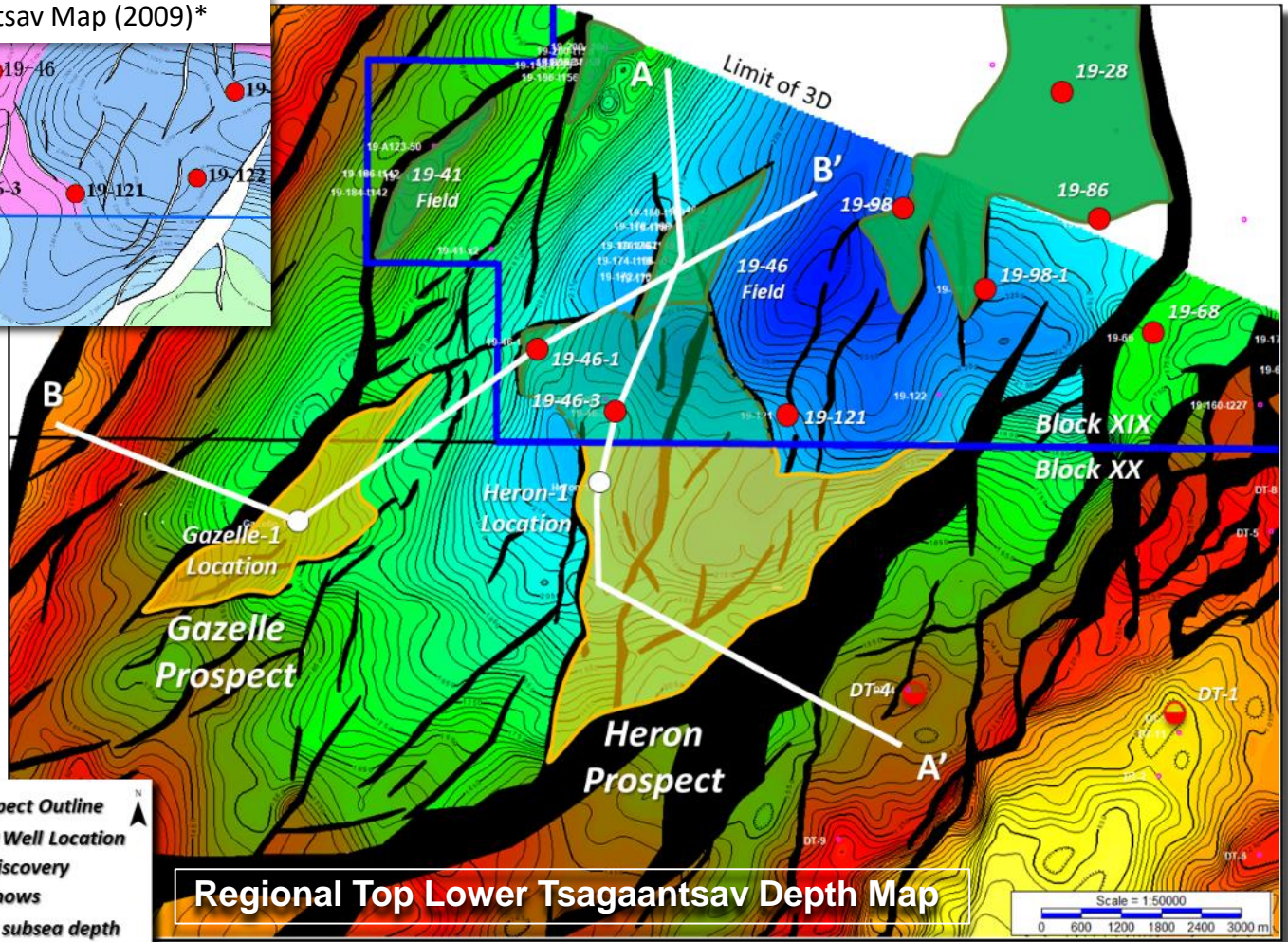
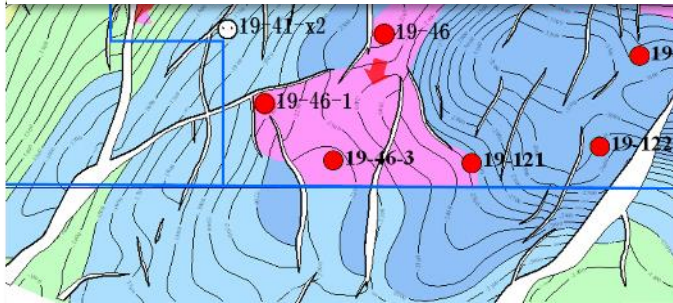
Block XX Proximity to Producing Basins



Latest Mapping Northern Block XX

- Mapping/well data show T19-46 oilfield, T19-46-1, T19-46-3 discoveries in Block XIX are part of the same accumulation
- This structure clearly extends up-dip into Block XX (the Heron Prospect) as mapped on high quality 3D seismic

Petro China Top Tsagaantsav Map (2009)*

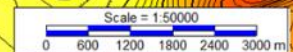


Line A - A' Slide 10

Line B - B' Slide 12

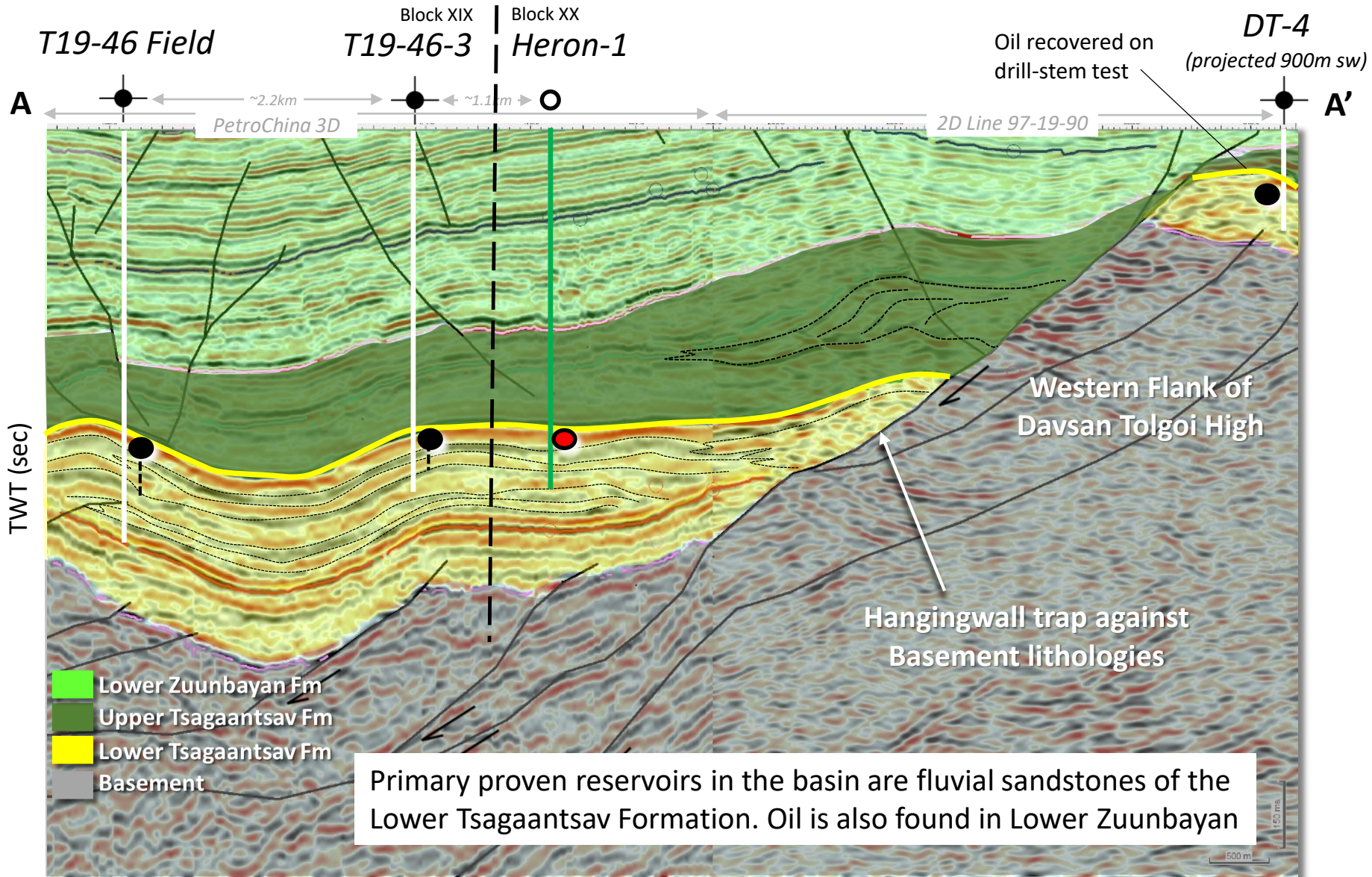


Regional Top Lower Tsagaantsav Depth Map

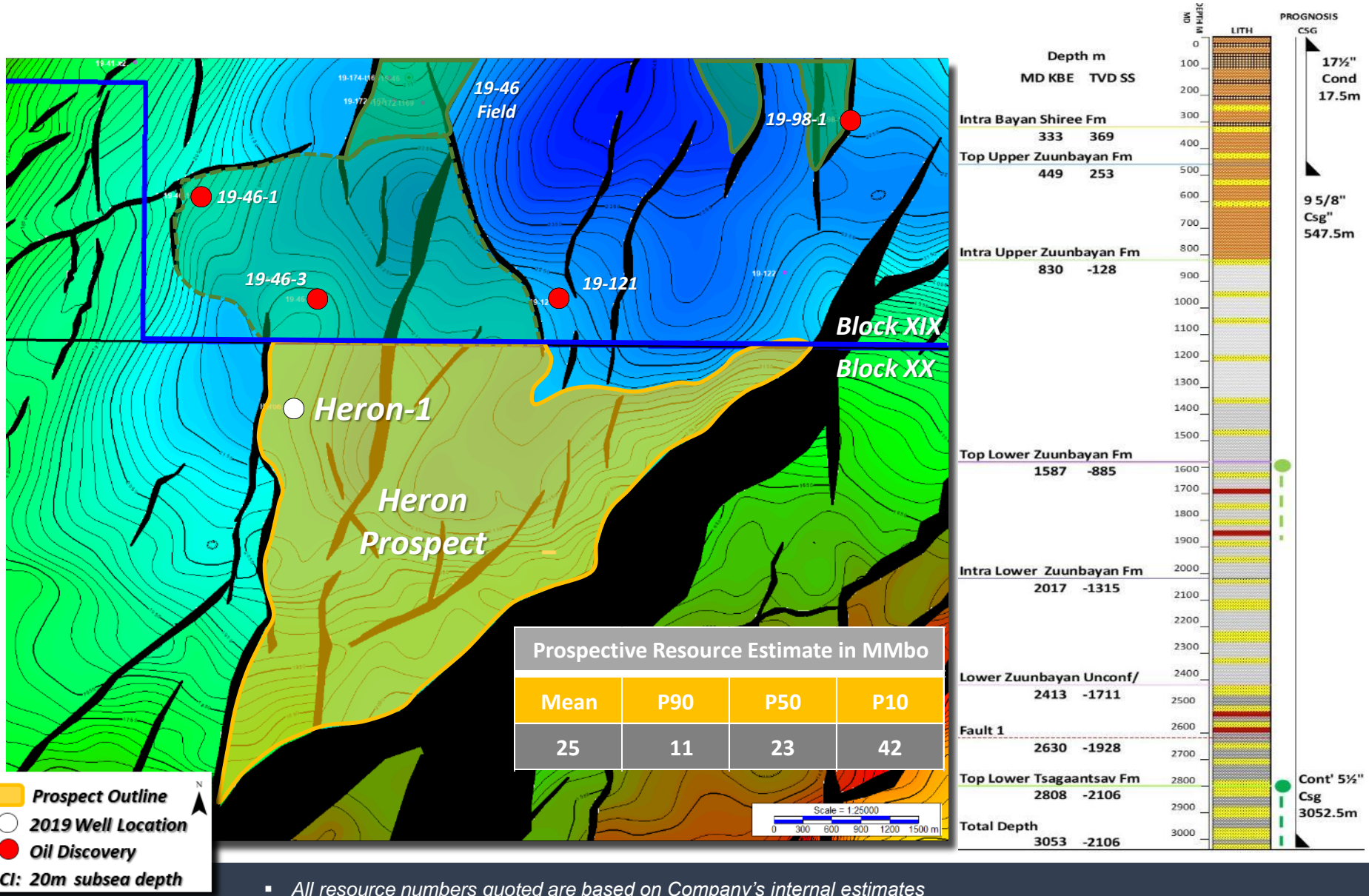


*Source: Mongolia Oil Shale Conference 2014: Petro China presentation

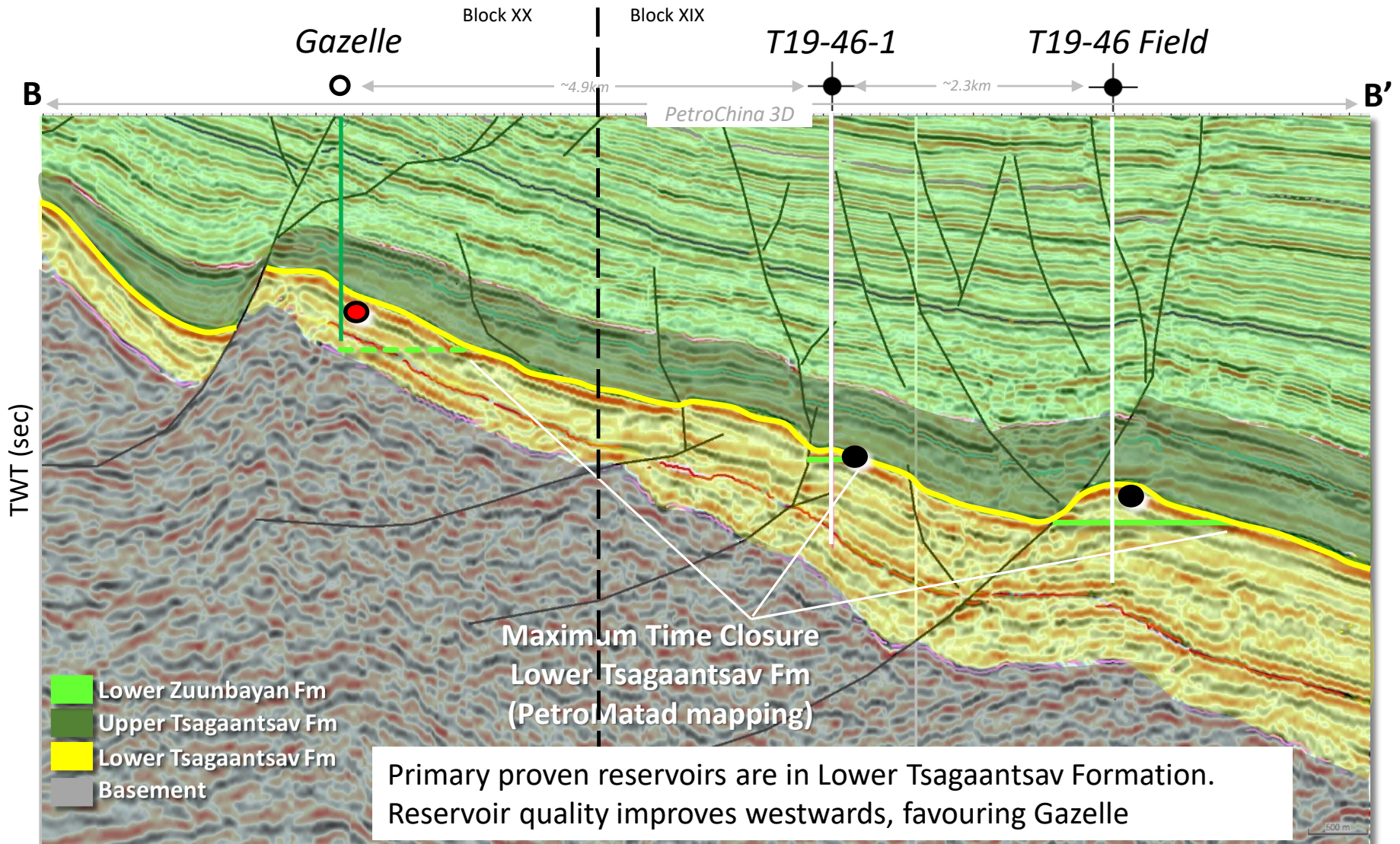
Heron-1: Appraisal of T19-46-3 Discovery



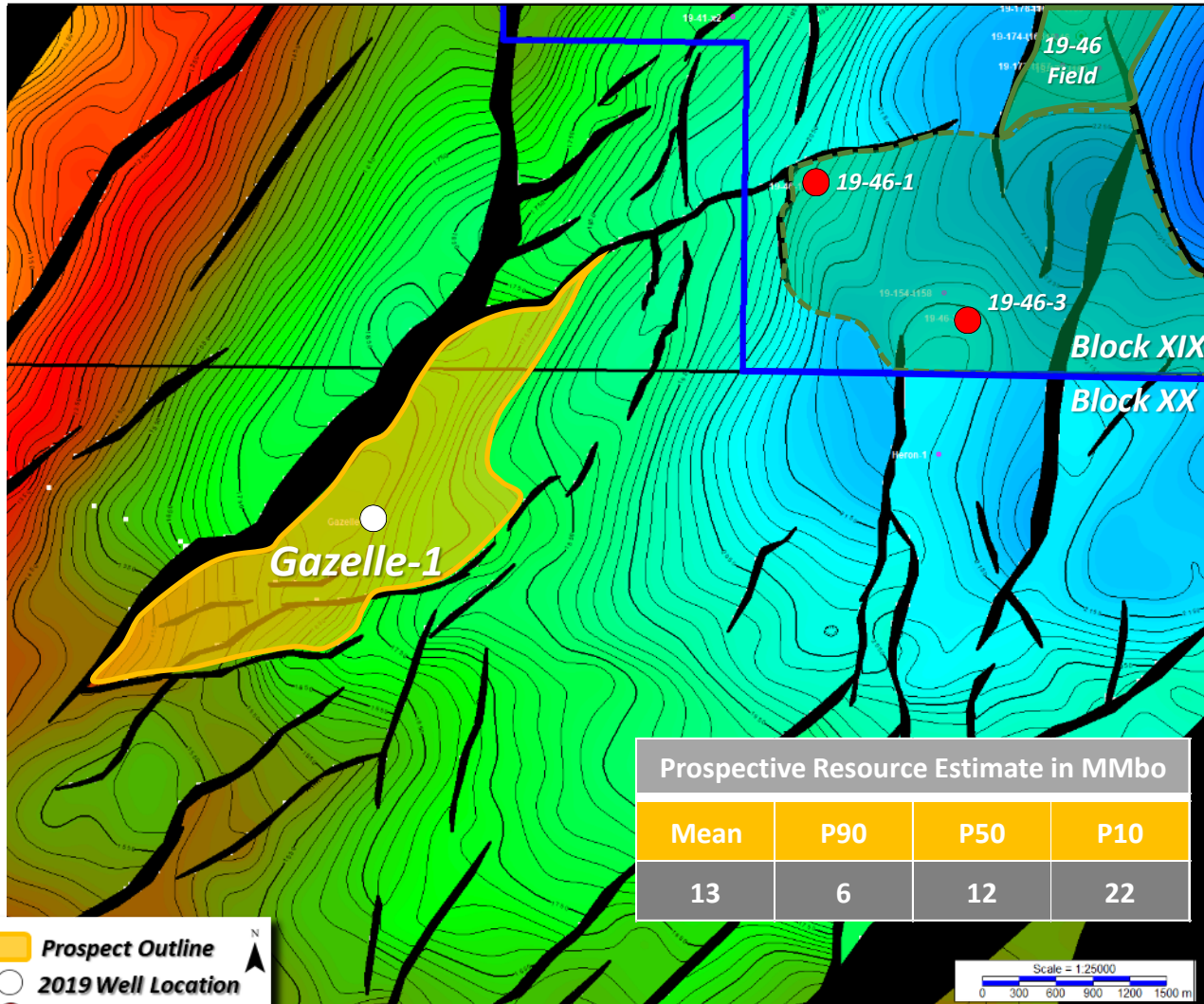
Heron Prospect and Well Prognosis



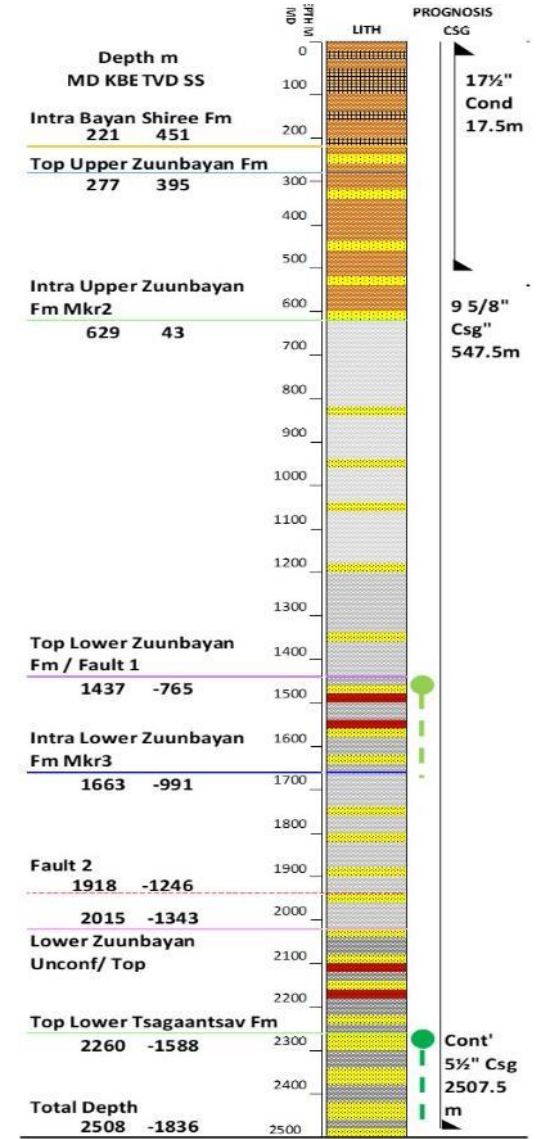
Gazelle-1: Updip of Proven Oil



Gazelle Prospect and Well Prognosis



- Prospect Outline
- 2019 Well Location
- Oil Discovery
- CI: 20m subsea depth



■ All resource numbers quoted are based on Company's internal estimates

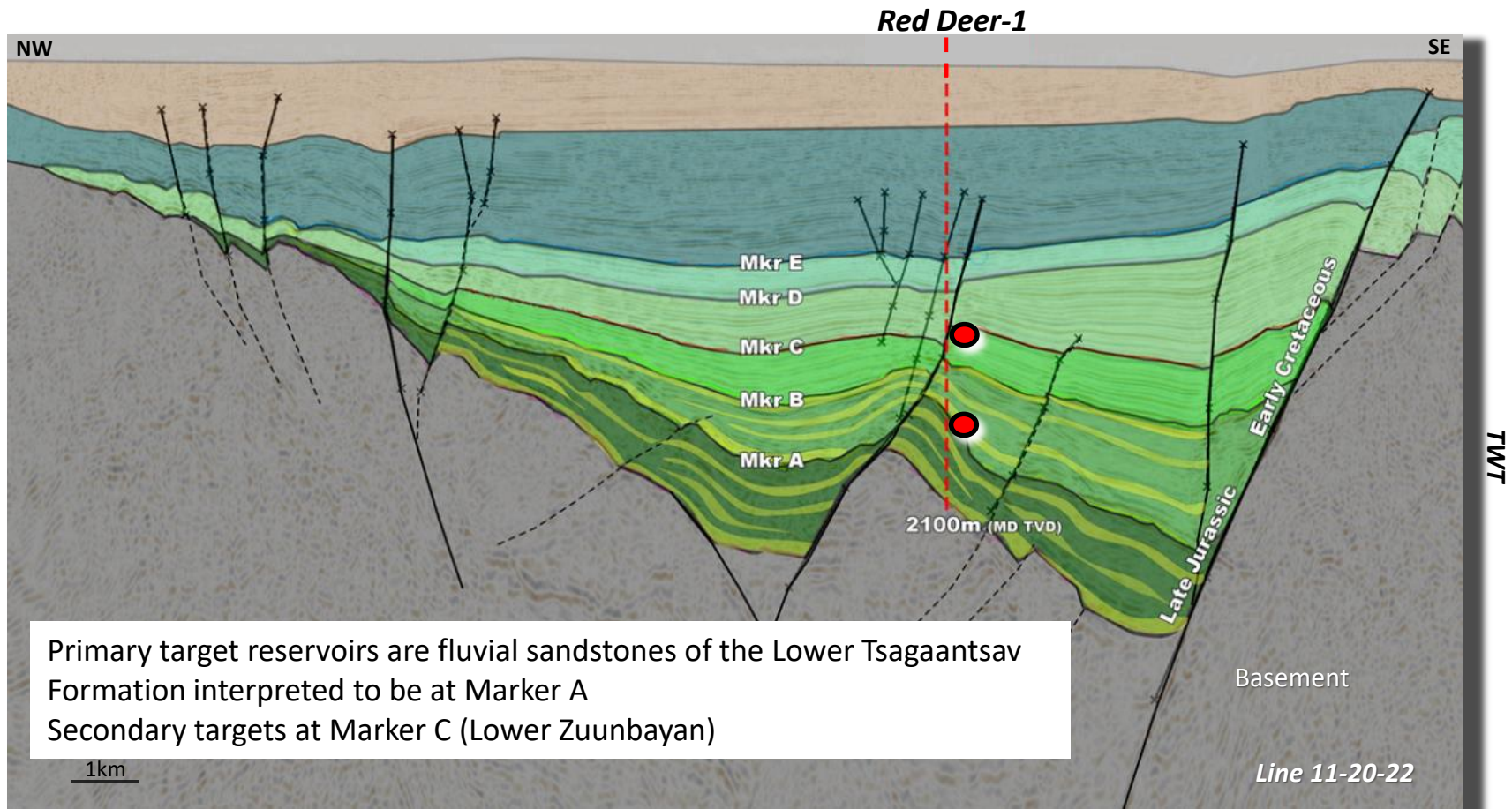
Red Deer - Southern Block XX



Red Deer 1 site under construction. Water supply well drilling

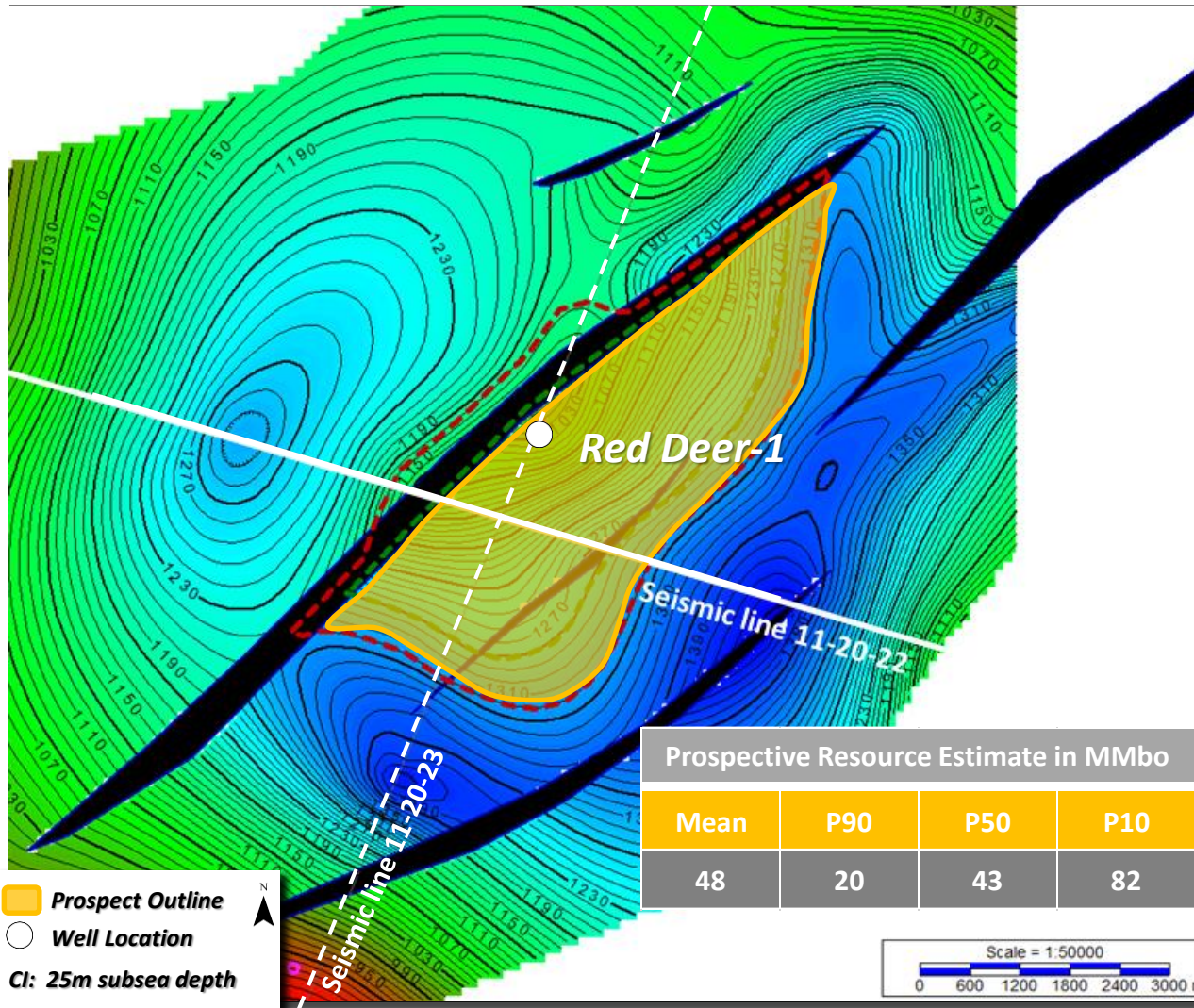
Red Deer Prospect - Block XX Southwest

- New basin opening well in Asgat Sag, 100km southwest of existing Petro China operated production
- Targeting Early Cretaceous Petroleum System proven in surrounding basins
- Outcrop and shallow borehole data confirm presence of oil prone source rocks
- Basin centre 3-way dip fault bounded closure
- Attractive resource size with significant follow up potential

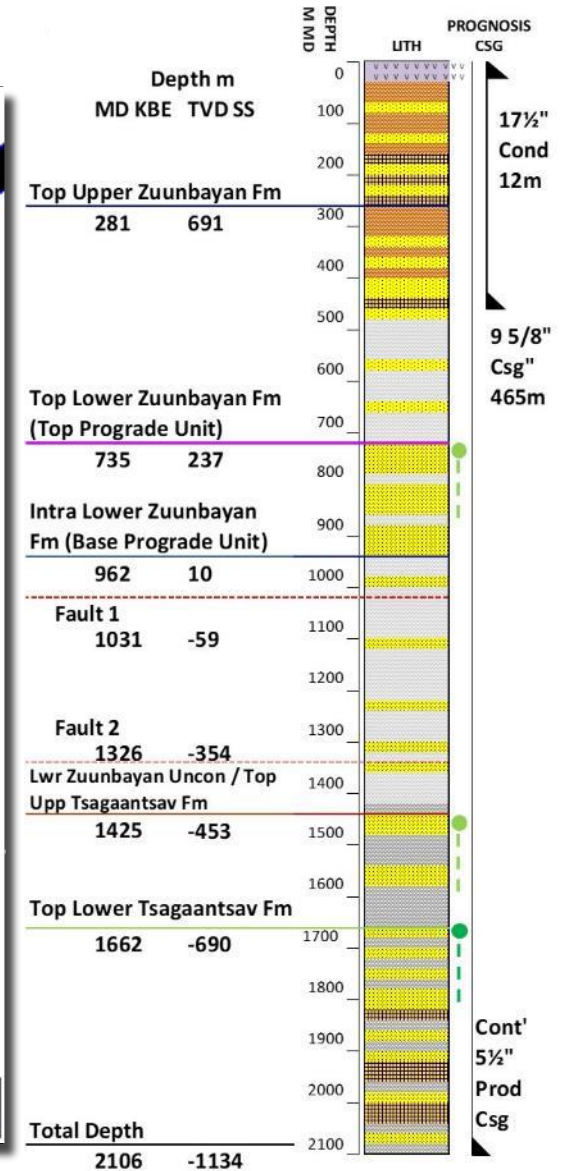


Red Deer Prospect and Well Prognosis

Top Lower Tsagaantsav Fm Equivalent Depth Map

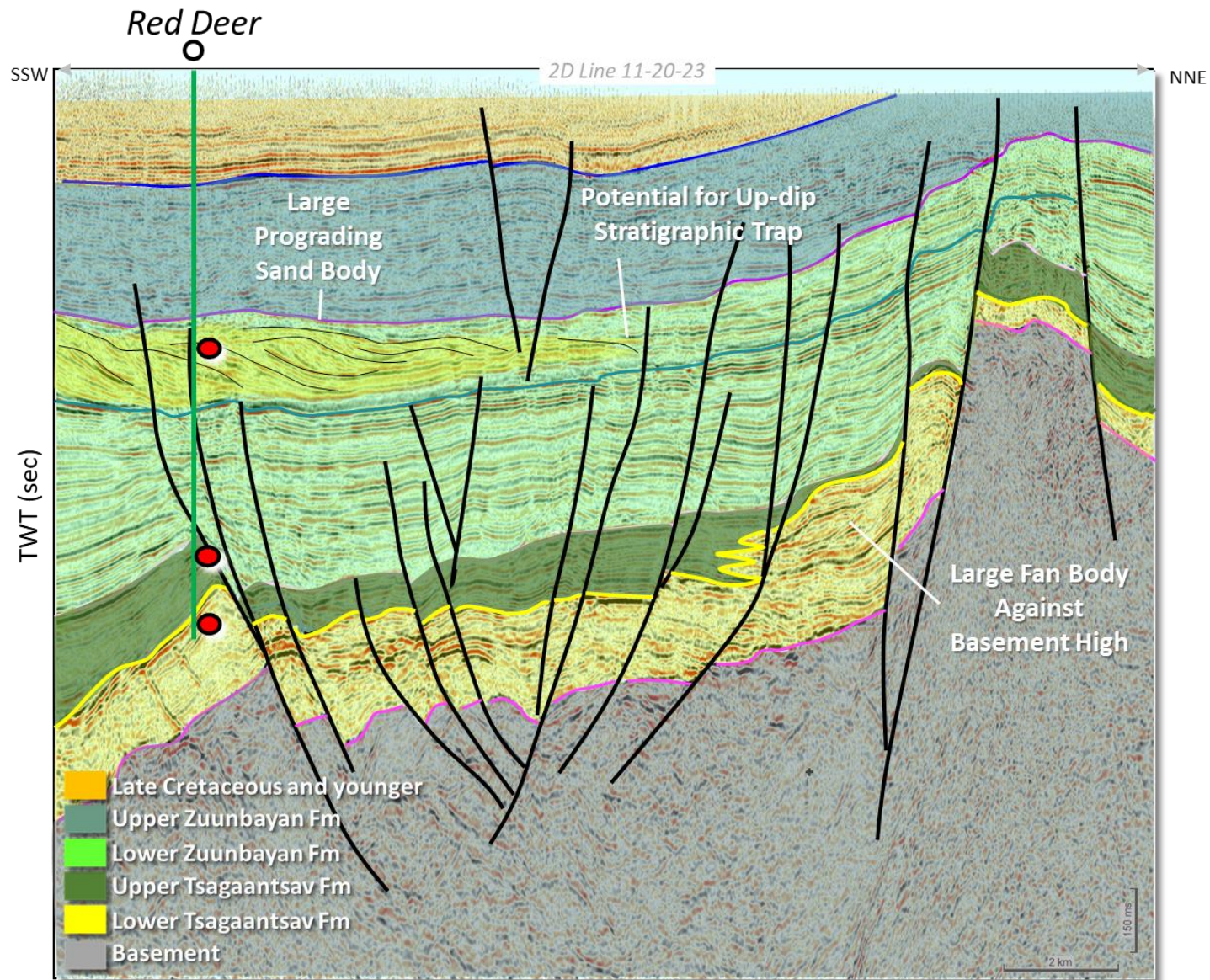


Prospective Resource Estimate in MMbo			
Mean	P90	P50	P10
48	20	43	82

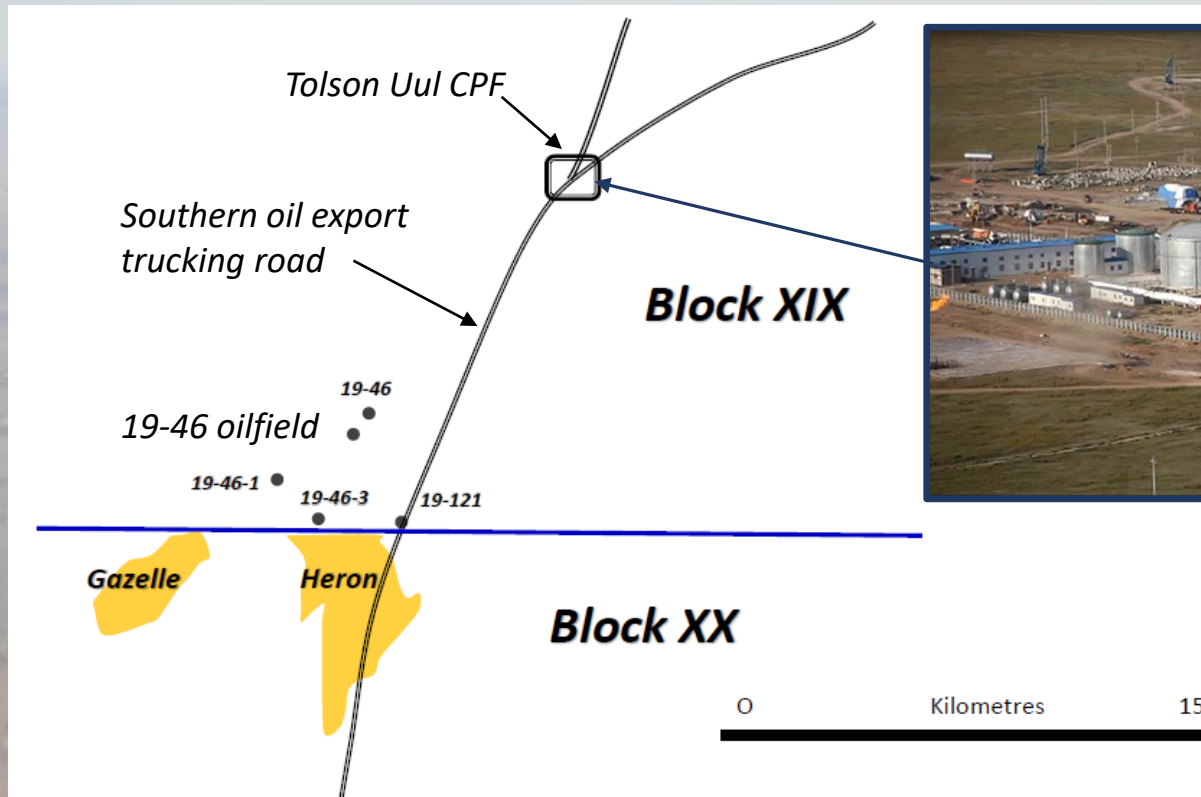


All resource numbers quoted are based on Company's internal estimates

Asgat Basin Upside



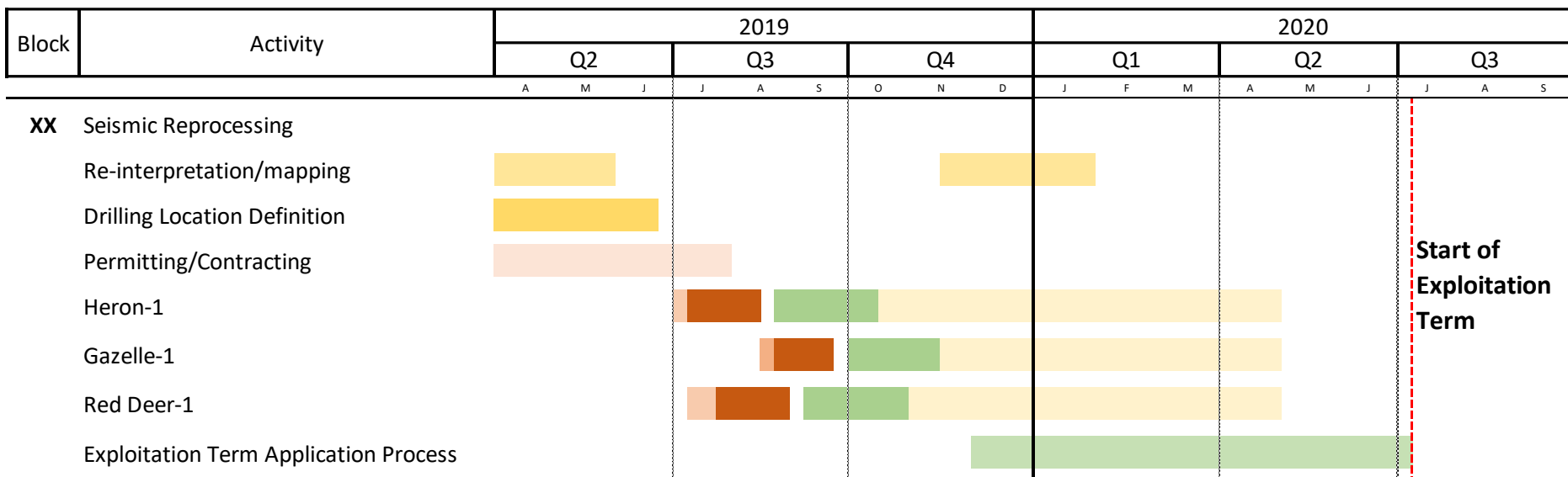
Block XX Rapid Commercialisation Potential



- Heron/Gazelle c.20km south of Block XIX Central Processing Facilities (CPF)
- Spare ullage available and Petro China willing to incorporate Block XX production into processing and export operations
- Potential to put Block XX wells onstream soon after drilling

- Block XIX electrical power supply and intra-field roads in place as far south as 19-46-3 (1.1km from Heron 1)
- Southerly export road runs through Heron area
- Test production permitted as part of appraisal programme with revenue shared as per PSC

2019/2020 Block XX Work Schedule and Economics



**Start of
Exploitation
Term**

 **Drilling**

 **Mobilisation/Rig Move**

 **Appraisal Programme: Testing/Production Testing/Post-Well Studies**

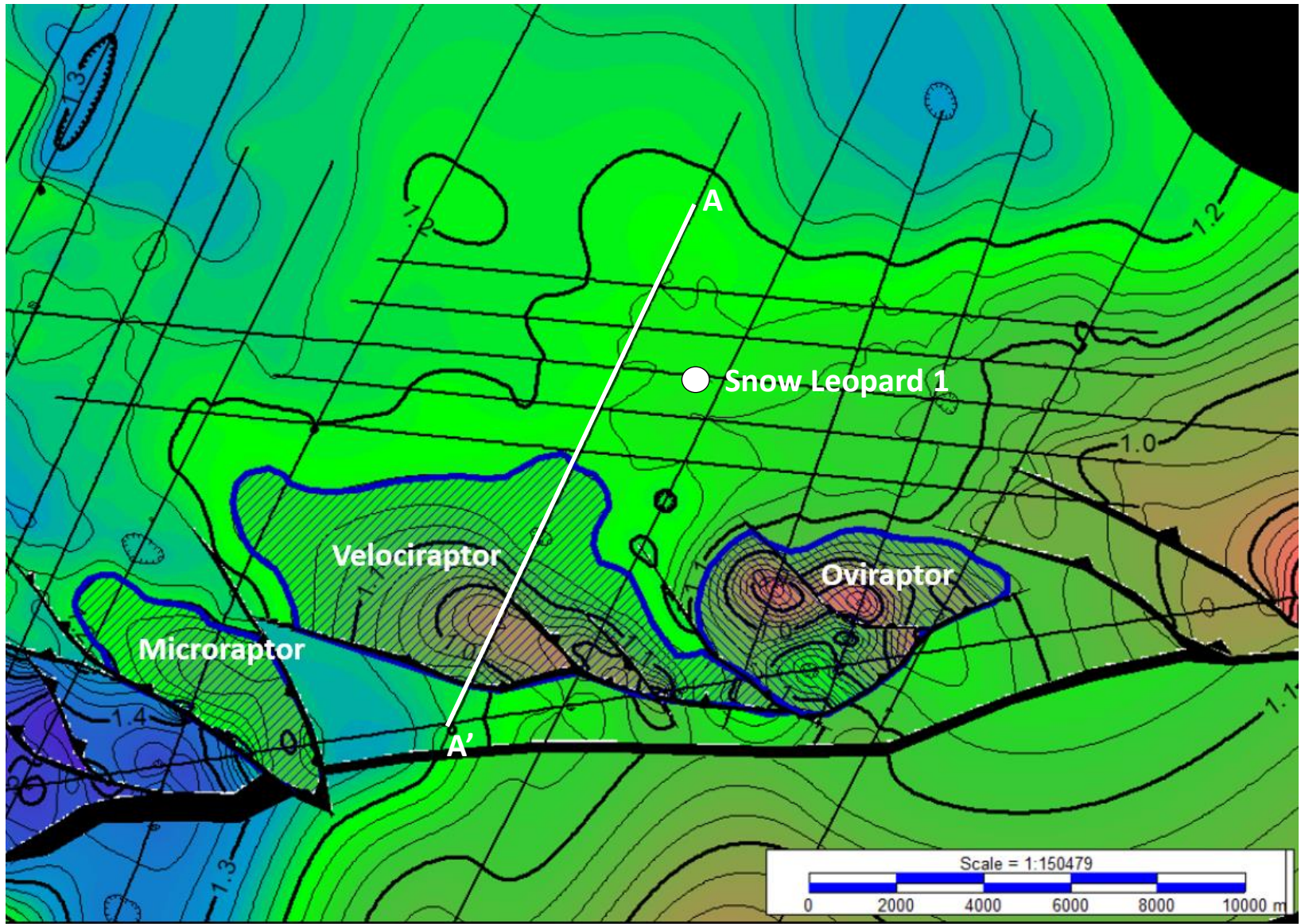
- Good cooperation from Petro China on 2019 operations so far, sharing of equipment/permits etc.
- Detailed discussions held with MRPAM and Ministry to confirm process to secure Exploitation License in the event of success. Plans and permits in place to expedite appraisal activities
- Success case economics are good:

	Recoverable Reserves MMbo	NPV10 \$MM	IRR %
	15	80	42
	50	300	39

Block V Exploratory Drilling in the Taats Basin

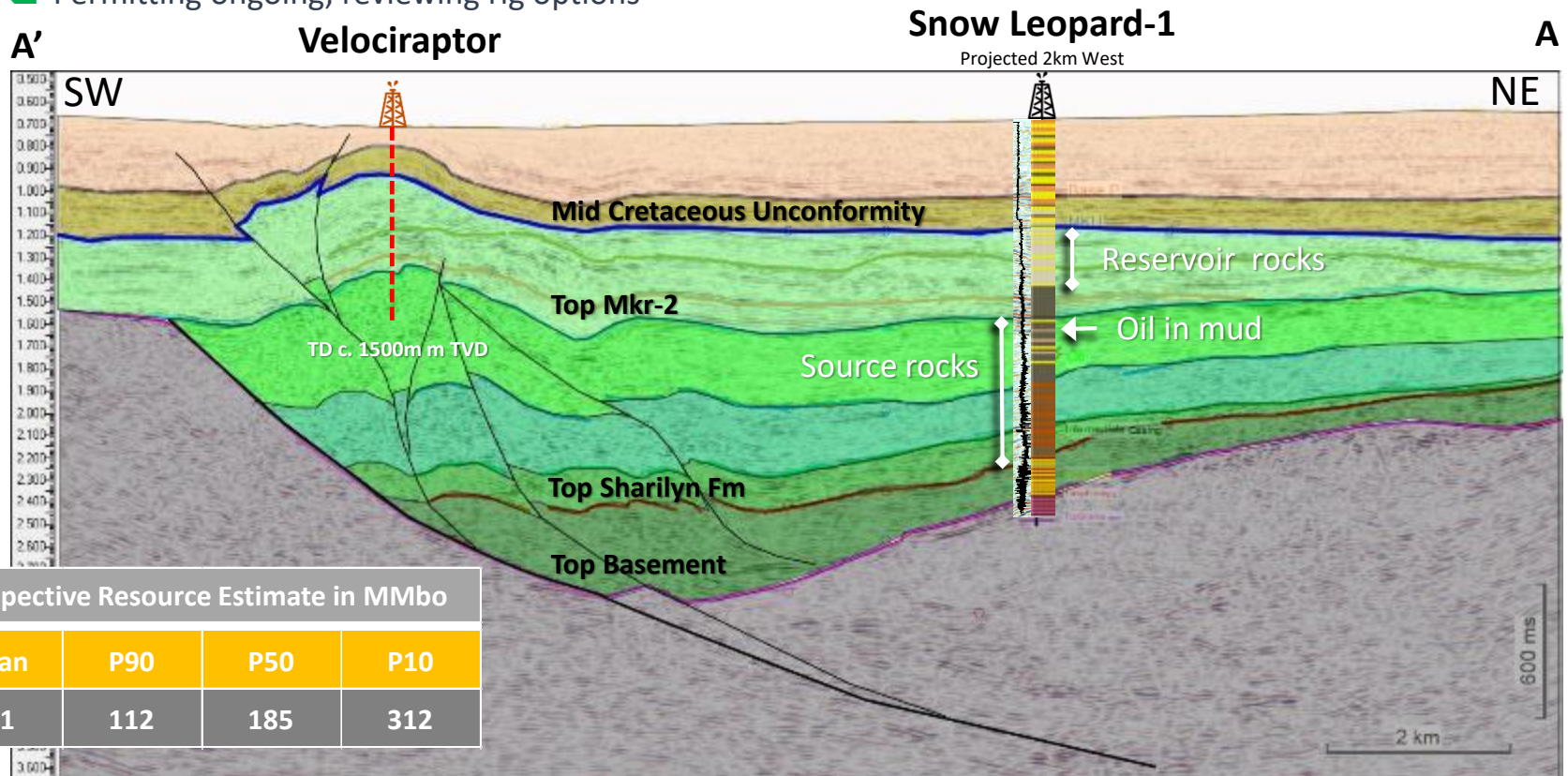


Block V – Raptor Trend



Velociraptor Prospect - Block V

- ❑ Anticlinal closure over thick depocentre
- ❑ Source intervals in Snow Leopard 1 thicken to South. Short vertical migration pathways into Raptor Trend
- ❑ Shallow, good quality, sandstone reservoirs seen in Snow Leopard 1 likely sourced from basin bounding fault scarp to the South. Raptor Trend well located for thick reservoir units
- ❑ Requires only a shallow well to test large closure at Velociraptor with 201 MMbo potential and upside on Raptor Trend (~400 MMbo)
- ❑ Permitting ongoing, reviewing rig options



▪ All resource numbers quoted are based on Company's internal estimates

Conclusions

- Fully funded for the 2019 drilling programme
- Two wells spudding in July

2019 Programme – Block XX

- Three well programme. Two of which are in Mongolia's main oil producing basin
 - Heron 1 appraising the T19-46-3 structure proven productive on adjacent Block XIX
 - Gazelle 1 updip of proven oil and on trend with the best producing wells in Block XIX
 - Red Deer 1 targeting a sizeable structure in an undrilled basin with good evidence of the same geology and structural development as surrounding producing basins
- Cumulative Mean Prospective Recoverable Resource of 86 MMbo targeted
- Nearby infrastructure with spare capacity for processing and export allowing for early test production and rapid commercial development
- Block XX appraisal activities will be prioritised in the event of success
- Process to secure Exploitation Permits underway
- New Mongolian refinery project further incentivising government to support active explorers

Block V

- Velociraptor selected as next target in Block V
- 201 MMbo Mean Prospective Recoverable Resource potential. Inversion anticline in a basin with a proven petroleum system with satellite structures offering significant upside