


Corporate Presentation 2023



High Impact Oil Exploration
and
Renewable Energy Potential

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Petro Matad 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



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

- Chair-person of Petrovis Board of Directors
- 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

Mongolia's Leading Independent Oil Company



AIM Listed (MATD)

Mongolia focused oil company with experienced Board and Management Team



Two PSCs with Government of Mongolia

100% working interest and ownership

Block V Exploration Licence, Block XX Exploitation Licence only the third ever awarded in Mongolia

2022/23 Exploration Tender Round underway



Transition into E&P plus Renewables

Block XX Heron development

Block V transformational exploration upside and new blocks

Targeting Renewable Energy projects



Strong Government relationships

Sector-friendly jurisdiction with Government committed to developing domestic oil industry

Received the sector's 'Best Entity Award' for 2021

Responsible approach to operations, proactively managing all environmental and social risks and working in partnership with local stakeholders to support licence to operate



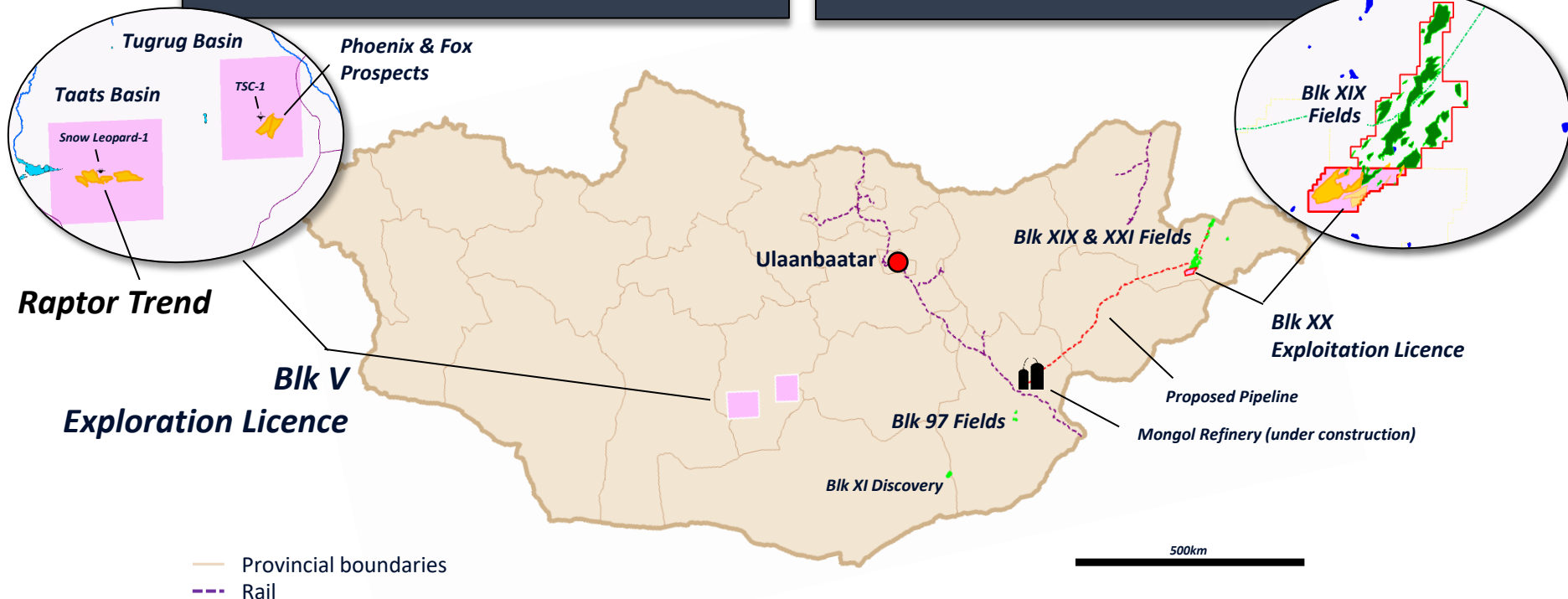
Our Assets

Block V

Wildcat Exploration with large resource potential, very high impact, low cost. Snow Leopard 1 proved an active petroleum system.

Block XX

Development, appraisal, exploration. Adjacent to Mongolia's main oil producing area. Heron field & Gazelle discovery with exploration upside



Block V high impact exploration opportunity
Block XX Heron Field development planned to start in 2023

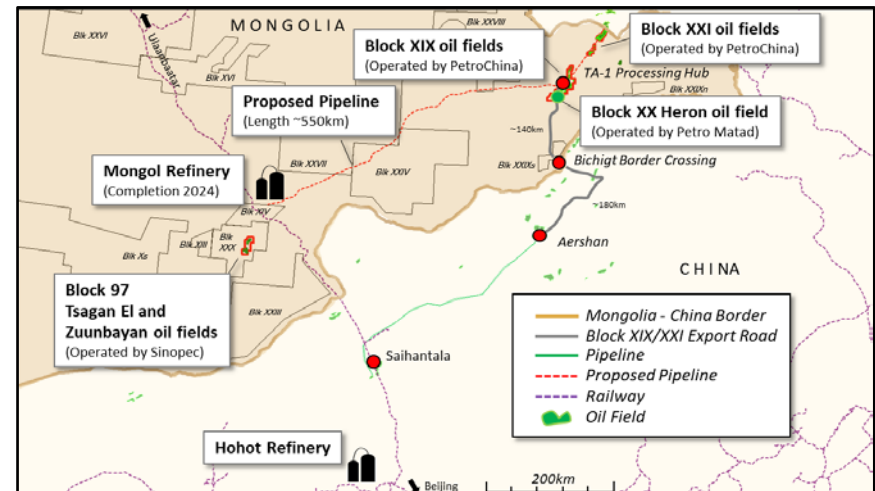
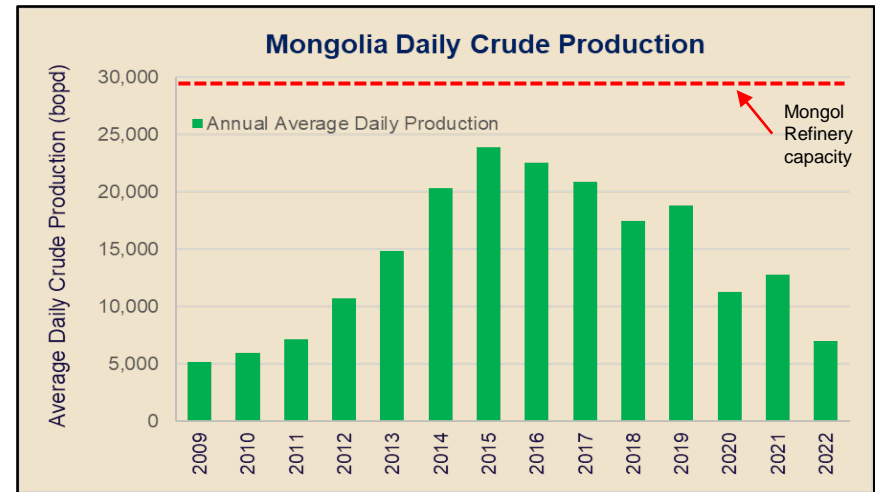
Mongolia Oil Industry

Government fully supportive of domestic oil industry

- Mongolia's average daily crude production in 2022 was 6,981 bopd¹. Operations impacted by COVID-19
- Petro China operates 95% of country's production which is trucked to Chinese refineries
- Mongolia's refined product need is ~40,000 bopd¹
- Government supportive to increase investment in upstream oil sector to meet domestic demand

New Mongolian refinery under construction using \$1bn+ soft loan from India

- Infrastructure connections (rail, road, power) complete
- 3 EPC contracts awarded. EPC1 for site preparation complete mid-23, EPC2 and 3 support facilities, power plant starting 2Q23. Refinery scheduled on stream 2025²
- Designed for 30,000 bopd feedstock. Heron production will help meet this but the government aspires to increase its energy independence and to be an exporter of crude and/or refined products
- Pipeline from Block XIX to refinery: Contractor chosen and work started in mid 2022²



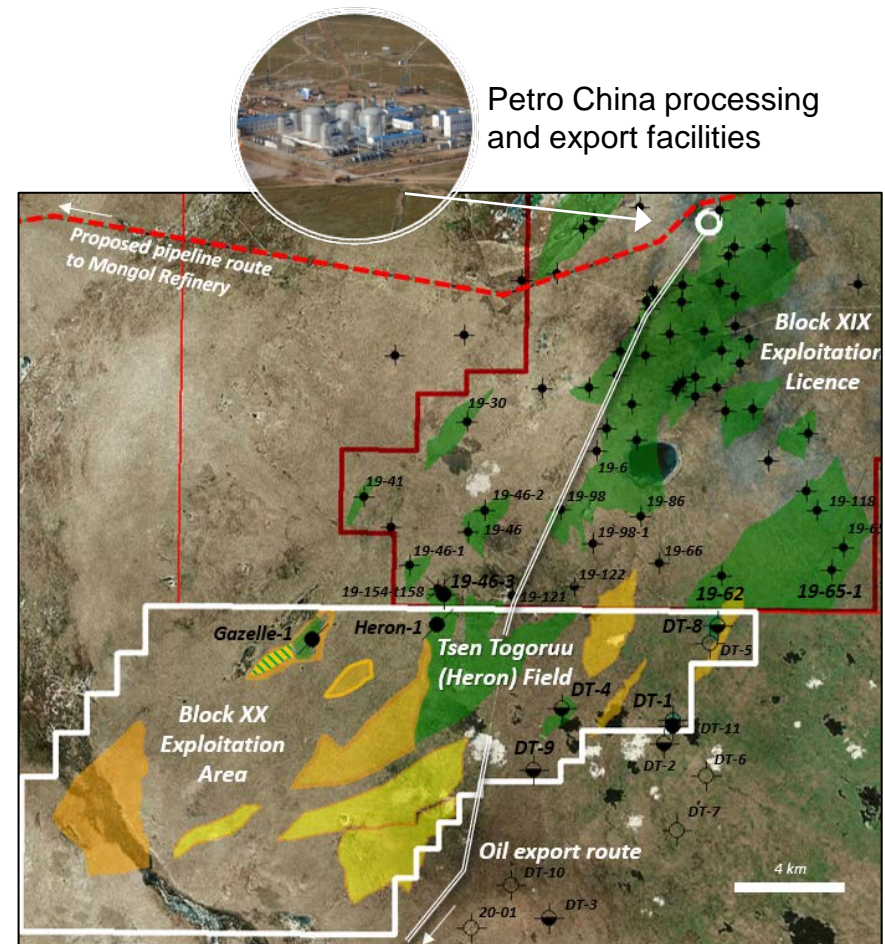
- Heron field located in Block XX
- Petro Matad holds 100% working interest and operates Block XX
- Exploitation Licence secured – tenure for 25 years+

Oil discovery

- Heron 1 discovery made in 2019 drilling campaign
- Heron 1 flowed 821 bopd 44° API to surface. 3rd best exploration well test rate¹ reported in Mongolia

Transformational for the Company

- First oil forecast in 2023 using adjacent infrastructure
- 194 MMbo² resource in place, 33 MMbo³ to >60 MMbo³ recoverable
- Low-cost appraisal/development
- Funded for production start up once the government resolves land access issues
- Production equipment for Heron 1 acquired
- Negotiations for a multi-year multi-well drilling contract at an advanced stage offering significant cost reduction potential
- Negotiations on oil processing and export underway
- Near-field exploration will be targeted during exploitation phase with high chance of success, low cost drilling, significant resource potential



Block XX Exploration & Appraisal

Low-cost exploration upside

- Gazelle discovery adjacent to Heron Field
- Total resource potential 500 MMbo in place. 100 to 200 MMbo recoverable¹
- Proven reservoir sections mappable up-dip towards southern basin margin

218km² exploitation area

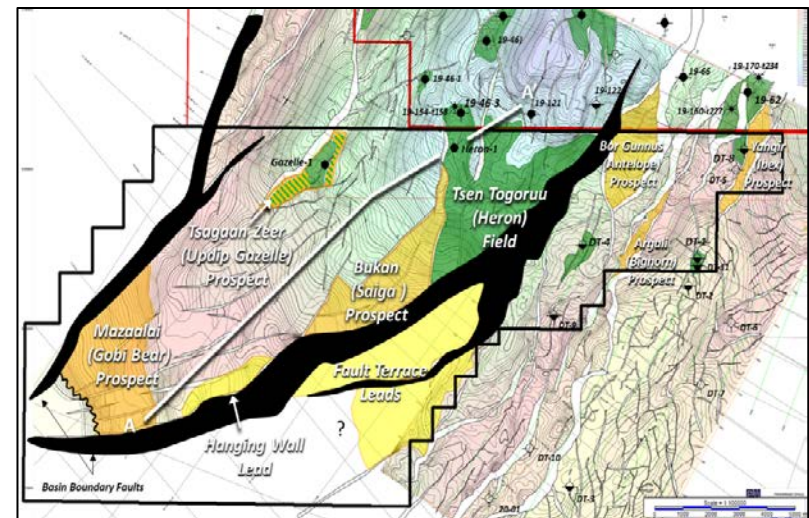
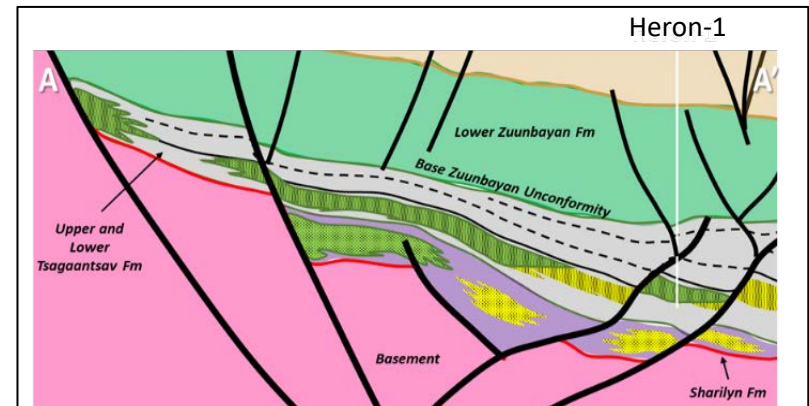
- Entire extension of Tosun Uul sub-basin into Block XX
- Source kitchen for c.2 Bbo in place in Blocks XIX and XXI
- Favourable geometry for charge and trapping

Prospectivity

- Gazelle up-dip and DT-4 discoveries offer appraisal opportunities
- 19-46-1, 19-122 and 19-62 discoveries may also extend into Block XX
- Southern prospects are shallow (c. 1000m to 1500m)
- Drillable with small rigs available in Block XIX or with modified mineral rig

Well cost

- Target well cost \$1 MM



Block V: Low cost, high impact exploration

Working interests, operatorship, tenure

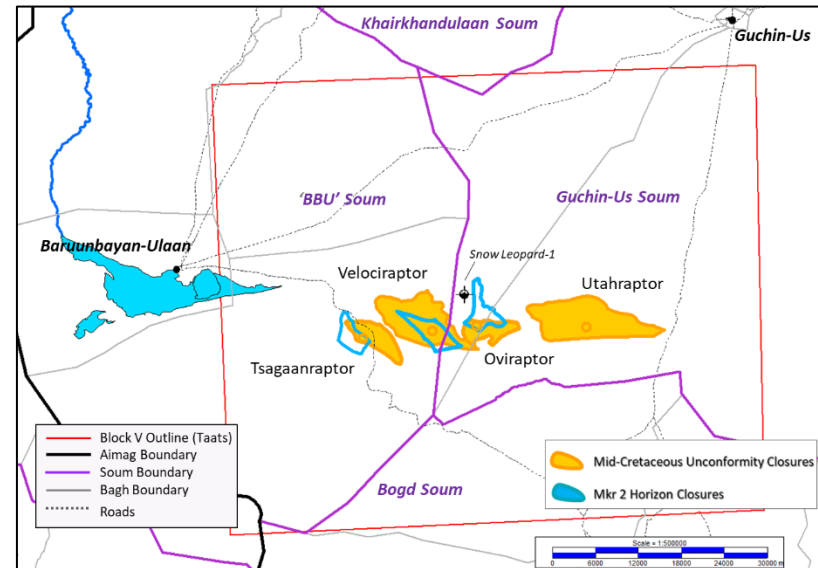
- Petro Matad holds 100% working interest and operates Block V
- Exploration Licence runs until 29th July 2024

Proven petroleum system

- 2018 Snow Leopard 1 with good oil shows
- Large, shallow prospects with multiple targets identified 7km south of Snow Leopard 1 along the Raptor Trend

Transformational potential for country and company

- Approx. 200MMbo¹ recoverable resource potential in Velociraptor Prospect which is drill ready
- Approx. 380MMbo¹ follow up in adjacent structures
- Very low cost drilling (<\$2.0MM)
- 20% chance of success¹, better than most high impact frontier wells
- Time remaining on PSC sufficient to follow up success with appraisal well, well testing, related post-well studies and Exploitation Licence application
- Precedent set for Exploitation Area to include discoveries plus adjacent exploration upside
- Potential to be on stream within 2 years¹ and to meet the needs of the Mongol Refinery on start-up



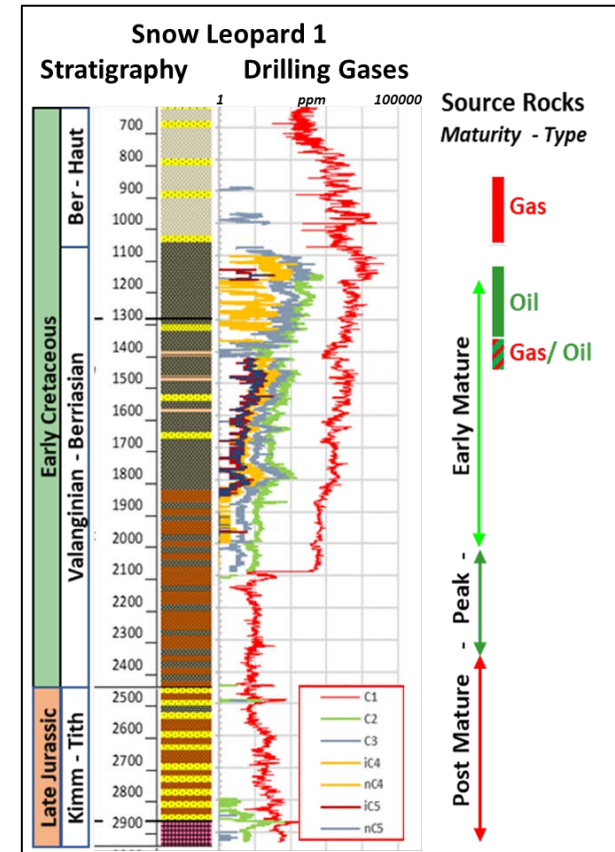
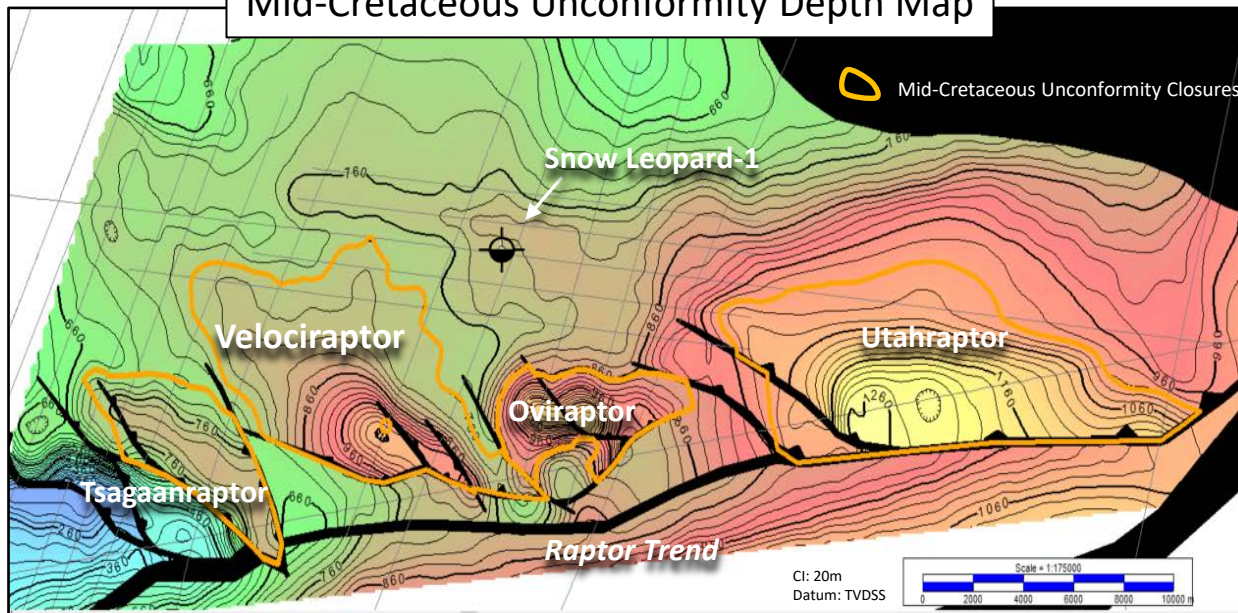
Block V – Raptor Trend

- Four prospects defined along southern margin of Taats Basin
- Inversion 3-way dip stacked closures against basin edge fault system
- Reservoir fan systems generated along basin margin faults
- Total recoverable resource potential ~580 MMbo¹ Mean unrisks

Active petroleum system proven

- Snow Leopard 1 proved active petroleum systems
- Live oil and excellent mature source rocks encountered in the well
- Raptor Trend structurally up-dip of source rocks in Snow Leopard 1

Mid-Cretaceous Unconformity Depth Map



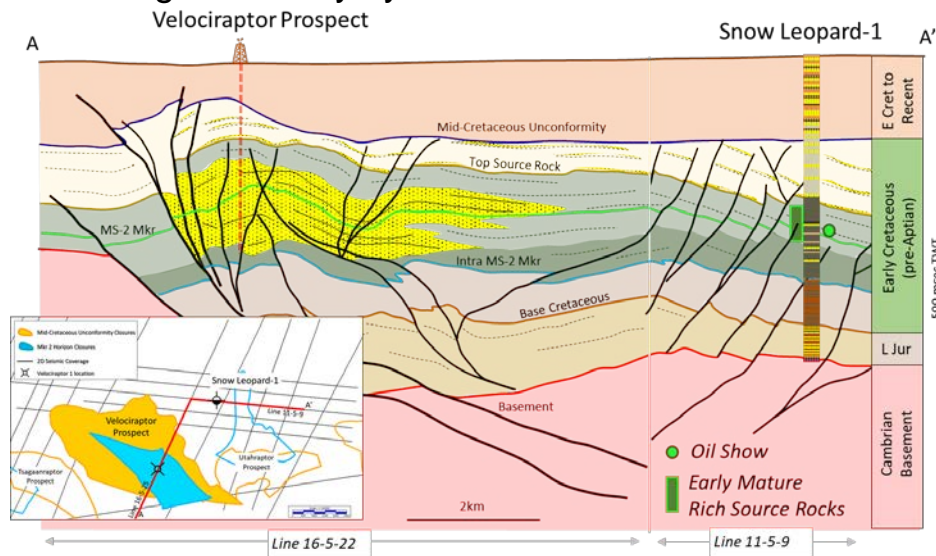
Impact of Snow Leopard 1 post well studies

- Stratigraphy compatible with reservoir presence
- Multiple source rocks present in basin
- Oil expulsion proven - likely present day active
- Basin margin areas most prospective
Updip of proven active petroleum systems
Reservoirs better developed at basin margins

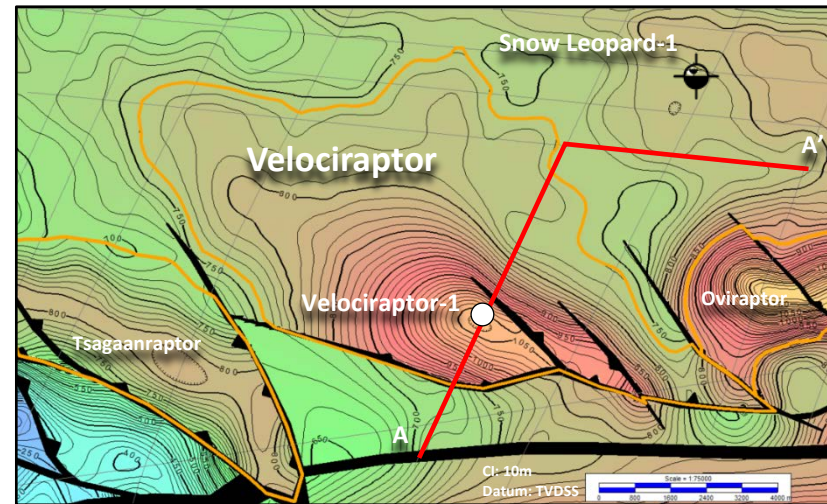
Block V – Velociraptor Prospect

Low-cost, high impact exploration opportunity

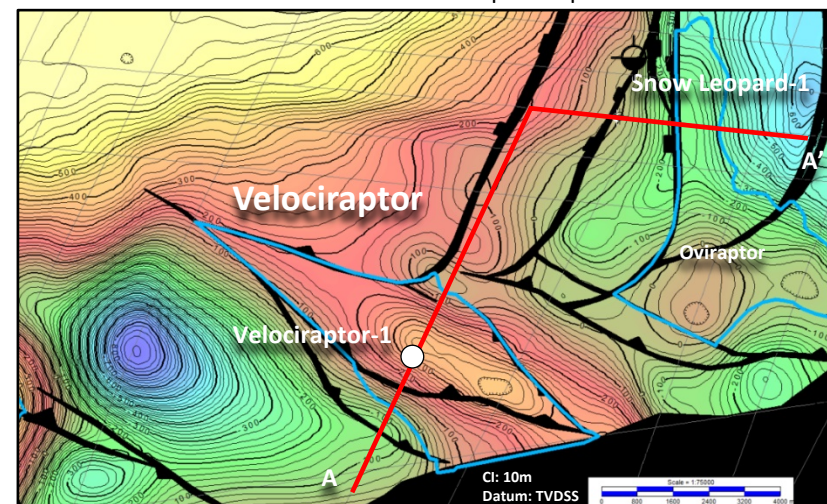
- Stacked reservoir targets all within closure below Mid-Cretaceous Unconformity at c.600m
- Velociraptor approx. 200 MMbo¹ recoverable resource potential. Total depth ~1500m, c. 30 days. 2Q23
- Well cost c.\$2.0 MM. Better than a “normal” wildcat chance of success (20% versus <10%)¹
- Success will excite would-be development partners
- First oil achievable as early as 2024¹ to Chinese buyers with a continuing appetite and into the Mongol Refinery by 2025



Mid-Cretaceous Unconformity Depth Map

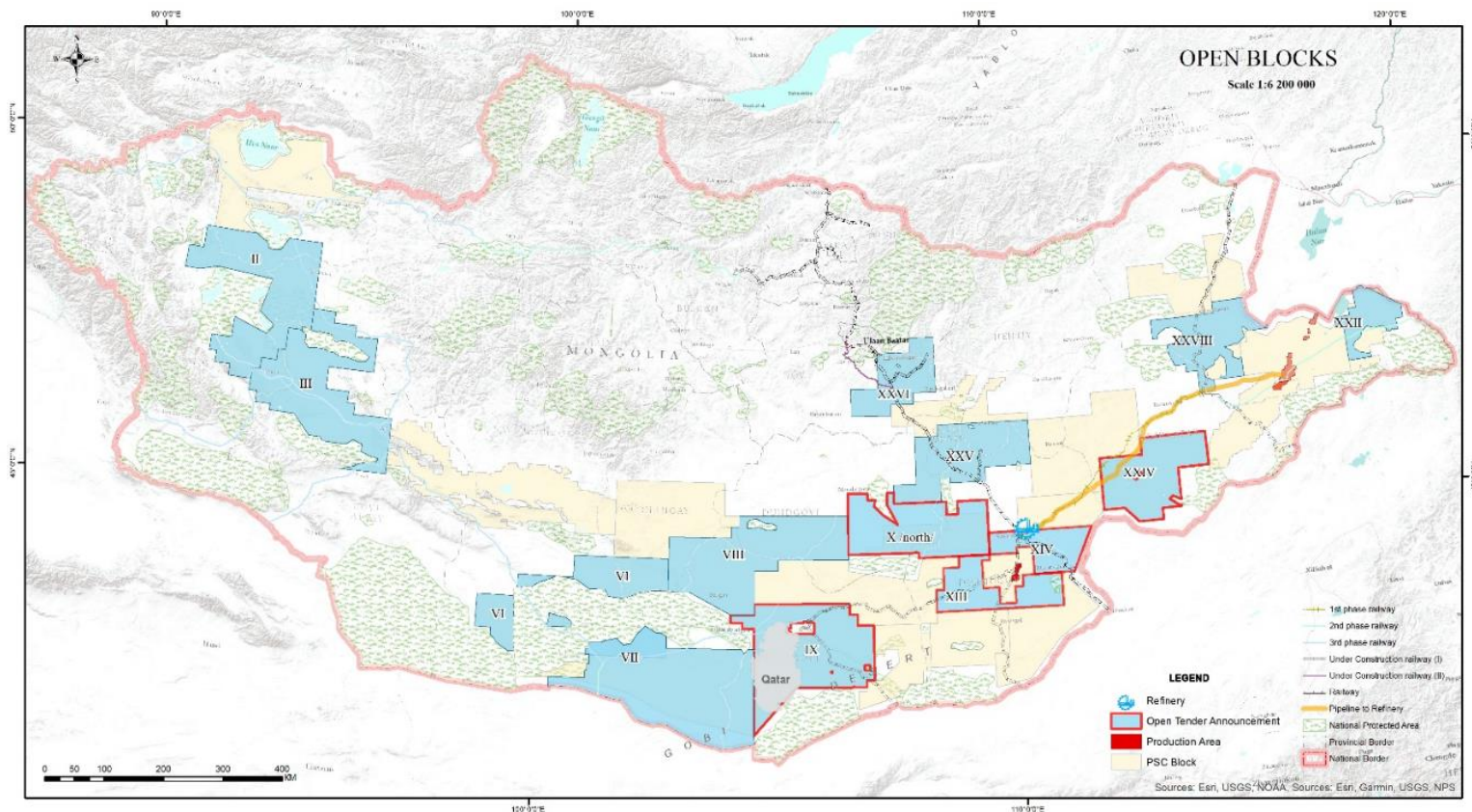


Mkr 2 Horizon Depth Map



2022/23 Exploration Block Tender Round

- Regulator has announced the first Tender Round in Mongolia since 2016. 14 Exploration Blocks on offer in three phases, first 5 blocks (red outline) now available, the rest to follow during 2023
- Average block size $>17,600 \text{ km}^2$ including near field potential, extensions of proven Chinese basins and wildcat acreage. This is the planet's last remaining undrilled onshore exploration province. A low cost operating environment, top quartile fiscal terms
- Petro Matad has a significant competitive advantage derived from its technical team, data base and extensive operating experience
- 4 or 5 priority blocks identified including 1 in the first phase offering
- Low cost opportunity to re-stock Petro Matad's acreage portfolio and pursue prospects with a range of risk and reward



Mongolian Current Energy Mix

Mongolia Energy Generation Landscape¹

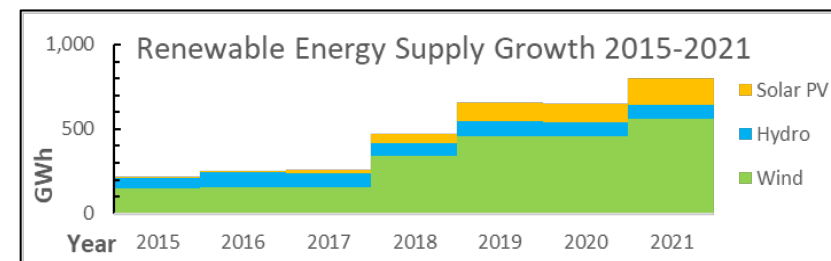
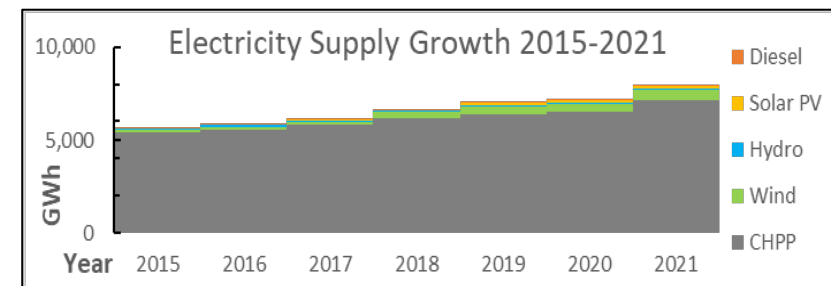
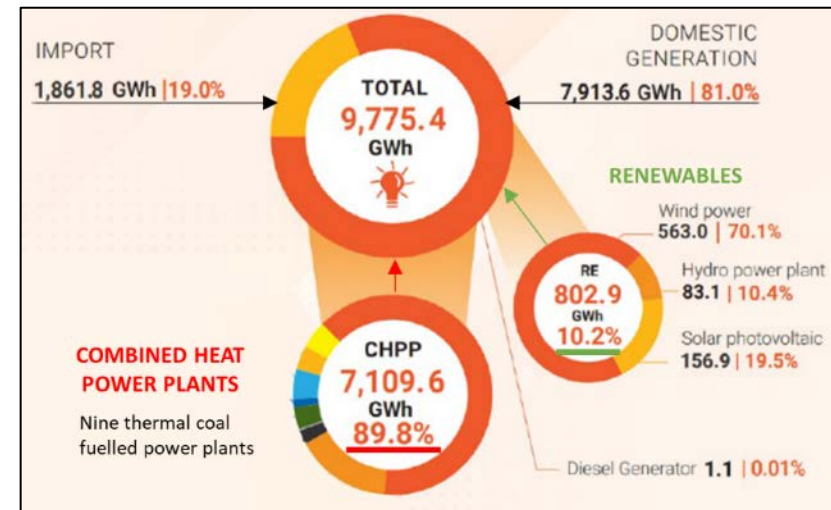
- Total electricity generation 9,775 GWh
- 19% of total demand is imported – 1.9 GWh
- 81% of total demand from domestic generation
 - 7,110 GWh (90%) from coal fired power stations
 - 803 GWh from renewables

Supply/Demand Growth 2015-2021

- 40% growth in total electricity demand 2015-2021
 - 11% growth 2020 to 2021
- Growth supplied by coal fired power stations 62%
- 22% of supply growth from renewables, principally wind and solar PV
- Energy imports supplied the rest

Government Strategy

- Government Energy Strategy and COP26 pledge:
 - 30% domestic generation from renewables by 2030
 - 36% reduction in reliance on thermal power by 2030
- Meet 100% of national energy demand from domestic supply and become an energy exporting country by 2030



Mongolian Renewables Energy Opportunity

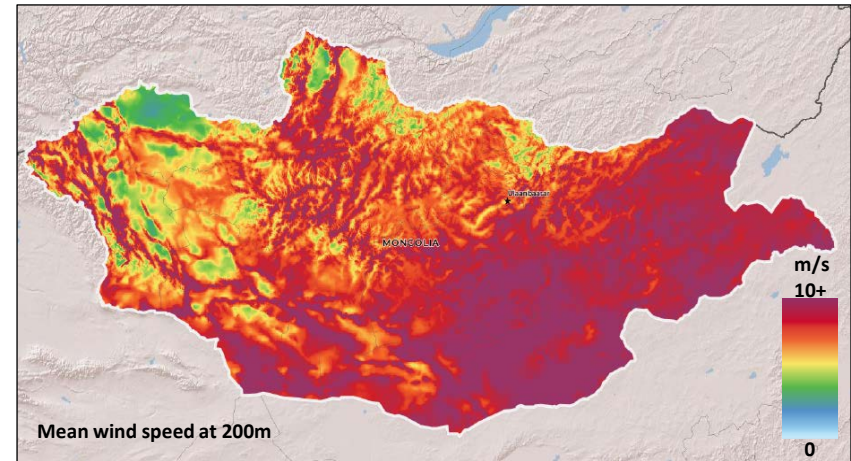
Opportunities

- Huge potential for sector growth given:
 - >7 TWh/yr solar and wind potential³
 - China's total electricity generation 8,310 TWh/yr in 2021
 - Top quartile solar potential globally
 - Access to vast areas of land for large scale solar and wind projects
 - Both domestic and export demand
 - Inner Mongolia predicted to be China's largest renewables generating area by 2050

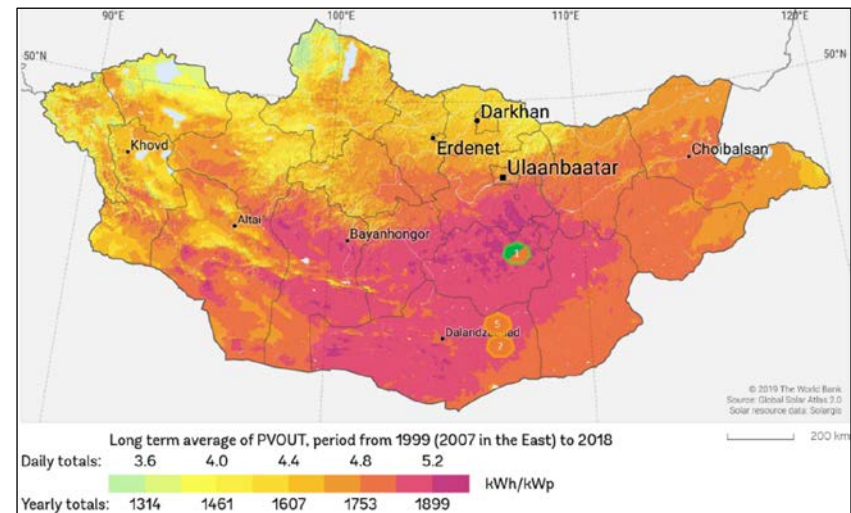
Current Landscape

- Sector at very early stage of growth
 - First wind farm 2013, first Solar PV project 2017
 - Currently 6 PV plants in operation, one under construction, largest to date 30 MW (57 GWh/pa)
 - Currently 3 wind farms in operation, largest to date 55 MW (210 GWh/pa)
 - Fiscal framework in place and working
 - Tariffs in US\$ (PV \$0.12 & wind \$0.085 per kWh)
 - Take or pay provisions exist

Wind: 2,550 TWh/yr potential ^{2,3}



Solar: 4,774 TWh/yr potential (3rd highest from worlds deserts)^{2,3}



SunSteppe Renewable Energy JV

Joint Venture being established between SunSteppe Energy and Petro Matad in 1Q23

- SunSteppe: Proven project developer in Mongolia. Worked on PV, wind and first utility scale battery storage
- Majority Mongolian team led by Zula Luvsandorj, a leading figure in the Mongolian renewables sector
- SunSteppe provides JV with renewables experience, expertise and government contacts. Petro Matad provides project execution capability, all support disciplines and in-country infrastructure
- Goal: Develop multiple renewables projects targeting construction ready liquidity events (flip or fund and construct) within 12 to 18 months. Construction funding targeted from grants, development/commercial and Mongolian banks. Looking to exploit early entrant advantages

Projects prioritised

- Battery storage to improve grid efficiency/reduce imports. 100MW+. Already discussed with Ministry of Energy
- Off-grid supply to major mining projects reducing use of coal fired power. Initial target 500MW PV and wind. JV has 42,000ha land bank. Letter of cooperation with one mine operator. Seeking early binding undertaking
- Discussed with government its biomass power, hydrogen and carbon capture initiatives. Potential to participate

Financial dimensions

- Grid projects offer double digit rate of return and are sized from 10s to 100s of MW (European based projects commonly generate single digit returns). Net cash flow from a 50 MW PV Project c. \$1MM to \$4MM depending on financing structure
- Off grid projects are large. Off takers targeted are blue chip international companies with stated goals to improve sustainability

Summary

Velociraptor drilling tests significant recoverable resource potential of ~200 MMbo at low-cost

Follow on potential along trend of similar resource scale

Participation in 2022/23 Mongolian Exploration Tender

JV set up combining experienced renewables developer and Petro Matad's project execution expertise

Strong stakeholder relationships, including a government committed to improving energy independence and sustainability

Responsible operator committed to proactively managing its ESG risks

Thank you

General Enquiries:

admin@petromatadgroup.com

Twitter:

@Petro_Matad

LinkedIn:

Petro Matad Limited