



FOLLOW ON ACQUISITION OF ADDITIONAL INTEREST IN ANGOLA



July 2022

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Additional interest in Block 3/05; entry into Block 3/05A

- Attractive “incremental” acquisition to Afentra’s recent entry in Angola
 - Further 4% equity in Block 3/05, leading to combined equity ownership of 24%
 - Entry to Block 3/05a (5.33%), providing access to incremental “tie back” developments
 - Material assets with potential to deliver significant upside value

Block 3/05

- >3 billion bbls in place, 1% increase in recovery factor = 30 million bbls
- Significant portfolio of fields (8), wells (~100) and existing infrastructure
- Long-life asset with low-cost incremental investment opportunities

Block 3/05A

- >300 million bbls light oil in place, produced only 1% of resources
- 1 partially developed and 2 un-developed oil discoveries
- Incremental development opportunities leveraging existing infrastructure

- Strong commercial metrics and scope for broad based ESG impact
 - Asset has opportunities for emissions reductions and positive socio-economic impact
 - Further low-cost acquisition of equity in asset with low breakeven and strong cashflow delivery
 - Acquisition of both Sonangol and INA interests are expected to be funded through debt and available funds

Deal summary

INA Transaction

- Effective Date – 30th September 2021

Block 3/05 - 4% Working Interest

- \$9 million cash up-front subject to customary completion adjustments
- \$10 million payment upon licence extension¹
- Up to \$6 million of contingent payments
 - Subject to a price hurdle of \$65/bbl
 - Limited to an annual cap of \$2 million

Block 3/05A - 5.33%² Working Interest

- \$3 million cash up-front, subject to customary completion adjustments
- Up to \$5 million of contingent payments
 - Linked to successful future developments of existing discoveries, subject to oil price of \$65/bbl

Combined Sonangol (20%) and INA (4%) Deal Metrics

- Low-cost entry with implied acquisition cost of ~\$4/ 2P bbl³
- Attractive asset breakeven economics of \$35/bbl
- Average net FCF after capex of ~\$35 million p.a. @ \$75/bbl over next 5 years
- Payback in <3 years at ~\$75/bbl based on 2P production alone

Fiscal Framework

- Improved PSC terms with licence to be extended to 2040¹
- PSC terms reduce cash flow impact at lower oil prices
- Decommissioning costs for Block 3/05 have been pre-funded by previous and existing JV partners

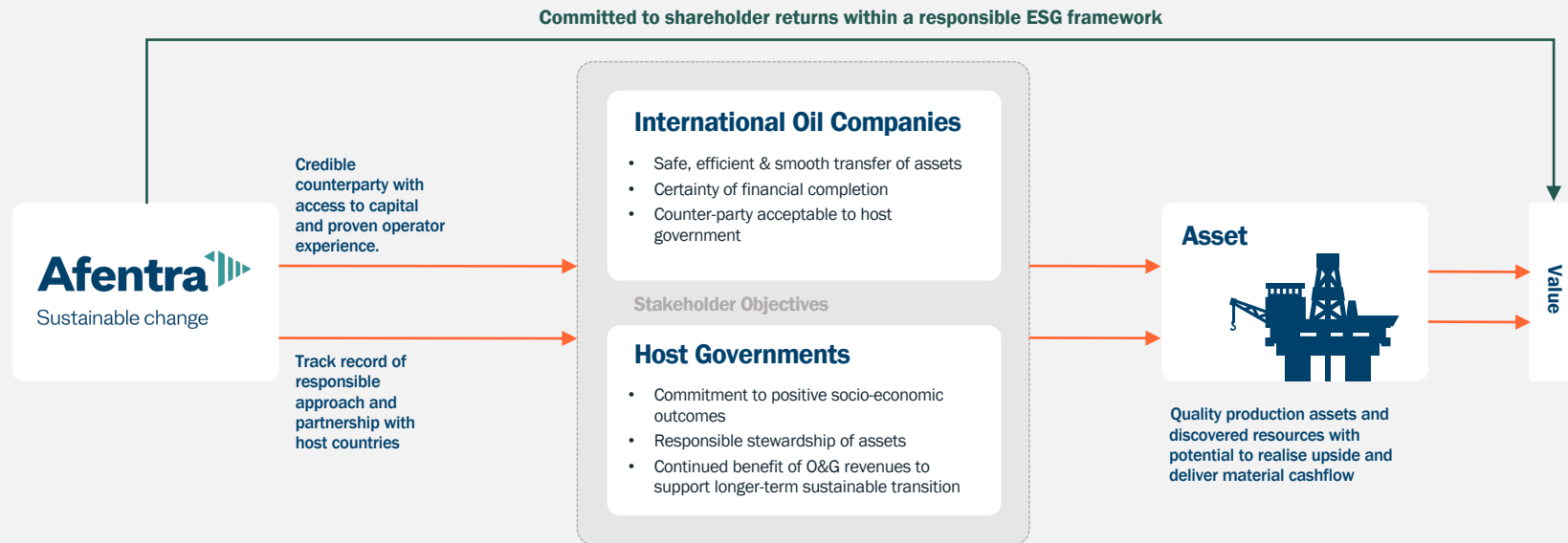
Funding

- Both Sonangol and INA transactions are anticipated to be funded with new debt facilities and cash on balance sheet
- Discussions with the selected debt finance provider are well advanced and will be finalised ahead of re-admission

1. Licence extension from 2025 to 2040 applicable to Block 3/05. Current licence for Block 3/05a expires 2035
2. Assumes that the default China Sonangol interests have been redistributed pro-rata amongst existing Partners
3. Based on Afentra 2P reserve estimate of 100 mmbbl as at 1/1/2022 and \$102mm combined upfront consideration

Angolan acquisitions fit strategy set out in 2021

Afentra's objective is to turn legacy producing fields and discovered resources into profitable assets for Afentra and all of our stakeholders



Process creates long-term value for all stakeholders through effective transition

Angola – a key strategic target

Why Angola?

- One of the largest oil producers in Africa
- Current production of 1.2 million bbl/d from deepwater, shallow-water & onshore dating back to 1956
- Economy dependent on responsible management of resources
- Investment historically dominated by IOCs, however assets starting to change hands, similar status to the UKCS 25 years ago

Offshore & Onshore Oil and Gas

- ~300 fields discovered; less than half developed (IHS 2022)
- Fiscal terms improved to attract new investment & licences extended
- Actively seeking new oil & gas investors
- Large opportunities for growth & limited competition in independent space
- Significant remaining developed & discovered resources

MATERIAL OIL
& GAS RESERVES &
RESOURCES (boe)

~15Bn

West Africa WoodMac 2020

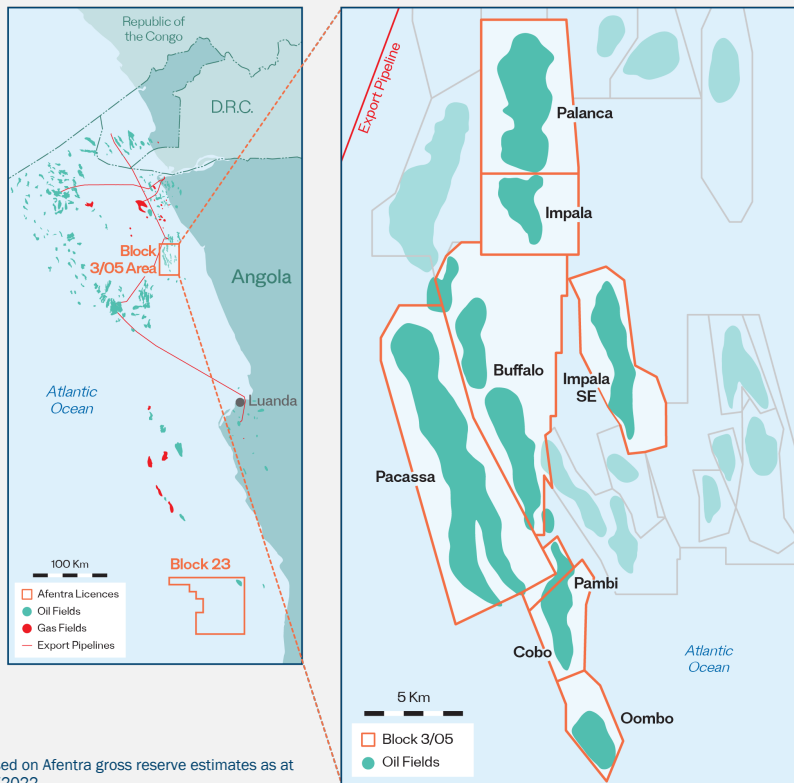
LIFE OF DISCOVERED
/ DEVELOPED RESOURCES

>45 years



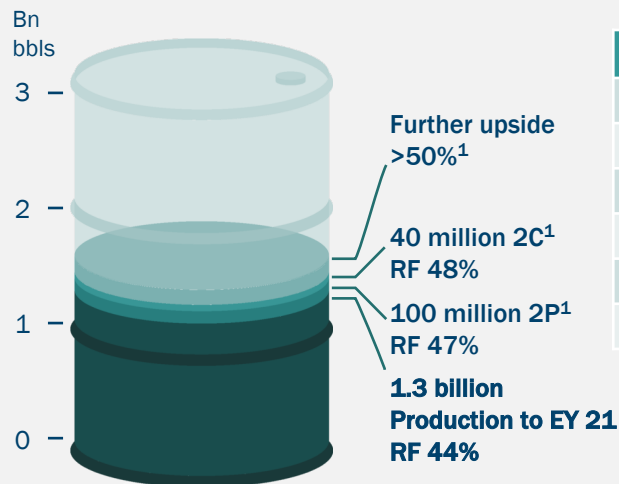
**A material hydrocarbon province with a
wealth of future opportunities for
responsible and ambitious independents**

Block 3/05: Material shallow water production asset



¹ Based on Afentra gross reserve estimates as at 1/1/2022

OIIP / Recoverable million bbls



Post Deal Interests

Company	Interest
Sonangol	30%
Afentra	24%
M&P	20%
ENI	12%
Somol	10%
Naftagas	4%

- Sonangol operated shallow water production assets with large OIIP
- Diverse portfolio of over 100 active and inactive wells
- Existing infrastructure in place including wellhead and processing platforms
- Sweet light oil and associated gas with potential options to export

Block 3/05 overview

Stable production and cash flow providing near-term growth

- Production averaged ~19,500 bbl/d in 1H 2022
- Material production growth potential to 30,000 bbl/d
- Potential to improve opex to around ~\$20/bbl

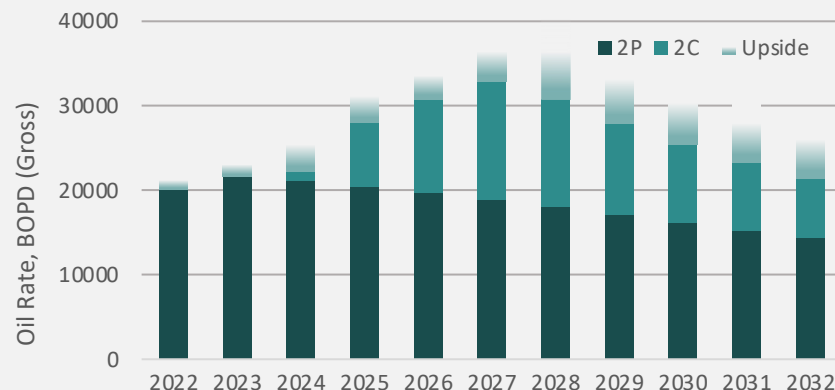
Material remaining reserves and resource potential

- Successful re-instatement of waterfloods with a focus on accelerating reservoir throughput
- Optimisation of existing well stock including access to behind pipe oil pools and artificial lift opportunities
- In-fill and periphery drilling campaigns within 5-year timeline funded from cash flow
- Every 1% incremental RF = ~30MMbbl additional reserves

Working with operator to improve ESG characteristics

- ESG studies initiated to define emission reduction opportunities
- Gas utilisation opportunities by maximising use of existing infrastructure

Block 305	
Fields	Palanca, Pacassa, Bufalo, Cobo, Pambi, Oombo, Impala and Impala SE
Key dates and licence history	Discovered 1981-1992, First production 1985-1997, Production Licence to 2040 ¹
Infrastructure	Shallow water well head and processing platforms with investment case abandonment pre-funded
Reservoir	Carbonates and clastic turbidities
OIIP /Recovery YE 2021	>3 billion barrels/ 1.3 Bbl (44% RF);
2P / 2C / Upside	~ 100 million ² / ~ 40 million ² / ~ 30-60 million



¹ Licence extension is a CP to completion;

² Based on Afentra gross reserve estimates as at 1/1/2022

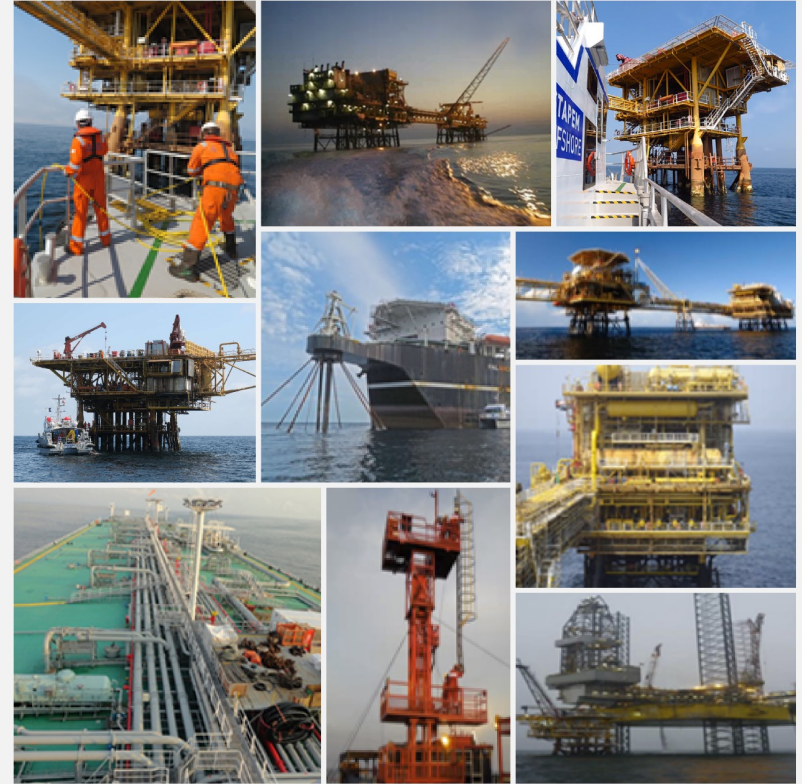
A mature asset with opportunities to grow & improve

Environmental Management

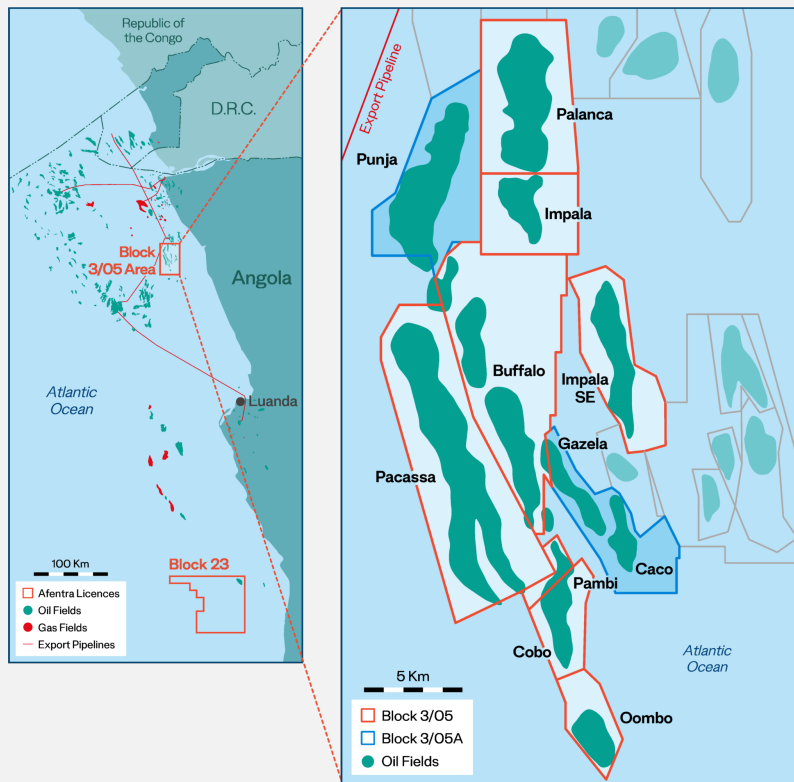
- Strong environmental KPIs targeting continuous improvement
- Annual action plans to reduce emissions based on identification, quantification and categorisation
- Potential future opportunities to improve gas utilisation within the asset
- ESG baseline performance study underway to identify potential future improvement projects

Operational Health & Safety

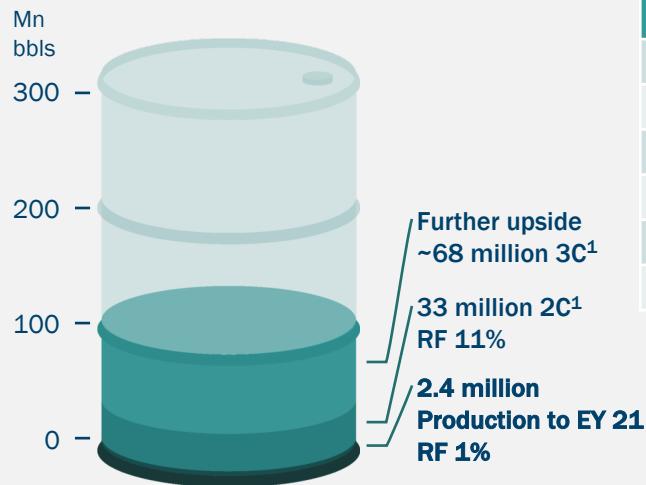
- Health and safety system monitors standard industry benchmarks (TRIF & LTI)
- Historical performance suggests good performance relative to IOGP benchmarks
- Multi-year asset integrity plan in place with annual rolling maintenance program
- Focus on asset uptime & production limits



Block 3/05A: Material shallow water development asset



OIIP / Recoverable million bbls



Post Deal Interests²

Company	Interest
Sonangol	33.33%
M&P	26.67%
ENI	16%
Somol	13.33%
Afentra	5.33%
Naftagas	5.33%

- Sonangol operated shallow water development assets
- Fields appraised by 7 suspended wells
- Ability to be developed via tie backs to existing infrastructure
- Sweet light oil and associated gas with potential options to export

Block 3/05A overview

Near term production with short cycle developments

- Four well initial development
- Material production growth potential to >10,000 bbl/d
- Potential to improve opex of Block 3/05

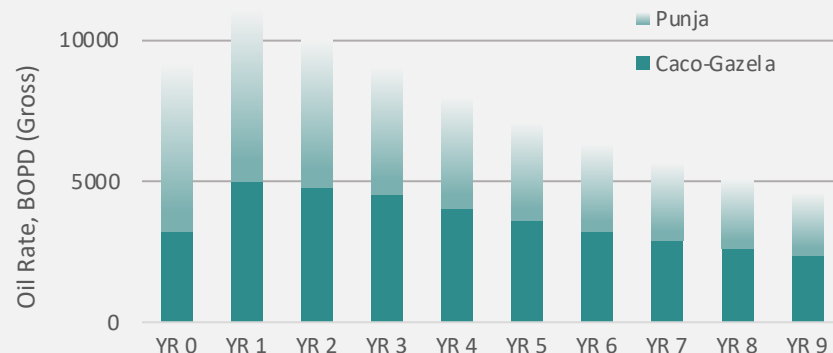
Multiple low cost, shallow water, opportunities within block

- Subsea development of Caco-Gazela back to Cobo-Pambi
- Punja phased development with zero flaring & gas export
- Over 300 mmbbl oil in place to exploit

Working with operator to improve ESG characteristics

- ESG studies initiated to define emission reduction opportunities
- Gas utilisation opportunities by maximising use of existing infrastructure

Block 3/05A	
Fields	Punja, Caco, Gazela
Key dates and licence history	Discovered 1982, 1986, 1990, First production - 2015, Production Licence to 2035
Infrastructure	Subsea tie backs to existing Infrastructure. Development to be phased
Reservoir	Carbonates and clastic turbidities
OIIP / Recovery YE 2021 2C / Upside	Over 300 million barrels/ 2.4 mbl (1% RF); ~ 2C 33 million ¹ / ~ Upside 68 million ¹



Transaction timing and next steps

Sonangol Transaction

April

- SPA signing announcement, shares continue to be suspended from trading

June

- Completion of due diligence and placement of 10% transaction deposit bank guarantee

Aug

- Publication of AIM re-admission document and resumption of trading
- General Meeting to approve the transaction

Q3/Q4

- Government approvals and INA deal completion
- Block 3/05 licence extension, government approvals, and Sonangol deal completion leading to admission of enlarged group to trading on AIM

INA Transaction

July

- SPA signing announcement, placement of 10% transaction deposit

Completion of INA and Sonangol deals expected Q3/Q4 2022

Sonangol & INA deals provide strong foundation for future acquisitions

Entry to Angola provides foundation for growth

- Consistent with strategy to build a balanced cash flow generative portfolio of assets
- Afentra is uniquely positioned to build strong relationship with Sonangol
- Significant pipeline of production opportunities as IOCs reposition

High quality long life asset with significant upside

- >3 billion bbls of light oil in place provides very material upside potential
- Delivers initial 2P reserves of ~24 million barrels and production of ~4,680 bbl/day
- Significant opportunities for future reserves and production growth

Strong deal metrics and opportunities for ESG impact

- Attractive acquisition cost, low asset breakeven and strong cashflow delivery
- Payback anticipated in less than 3 years at \$75/bbl on 2P alone
- Opportunities for emissions reductions and positive socio-economic impact

Pipeline of further West African opportunities

- West African countries have a renewed focus on diversifying oil and gas industry
- Material pipeline of further production and development opportunities
- Responsible and ambitious independents well positioned to grow in this environment



Sustainable change

**Uniquely positioned to capitalise on the
African Energy Transition**

1.

Significant
hydrocarbon
resource base in
Africa with material
M&A pipeline

2.

Gap in market for
credible operators
to facilitate safe
and responsible
transition

3.

Proven team
with significant
experience of
working in Africa

4.

Committed to
responsible
stewardship and
positive stakeholder
outcomes

5.

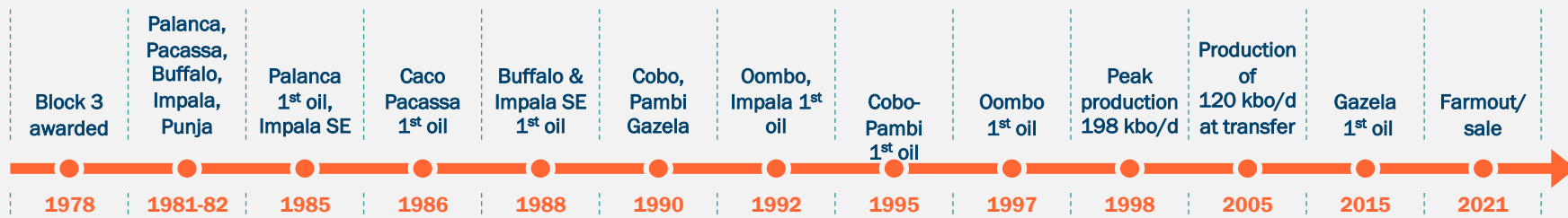
African Energy
Transition provides
compelling
investment
opportunity



Afentra

Appendix

Development history of Block 3/05 & 3/05A



Elf¹ period 1978-2005/2013

- Discovered from 1981-1990 in carbonate reservoirs with first oil in 1985-1997
- Shallow water (40-100m), platform based developments executed by ELF
- Successful waterfloods implemented on fields

Sonangol period 2005/2013 to present day

- Stepwise handover from Total from 2005 to 2013
- Focus on sustaining production, workovers and maintaining asset integrity
- No infill drilling campaigns since 2005
- 48 development wells used in 2021 with more suspended well stock available

Satellite Developments

- Tie-in of 3rd party developments, maximising value of existing infrastructure, generating tariff income & lowering opex

2021



36 - 39 production wells

6 - 9 water injection wells

17 well head & support platforms

4 processing platforms

Oil exported via Palanca FSO

Information provided by Operator

How Afentra's proposition aligns with UNSDGs

Drivers of change



Pre-asset acquisition

Changing responsibly



Asset development

Impactful change



Asset production

Afentra's focus and planned progression

Afentra's strategy is fully committed to the creation of shared value for all stakeholders. Our proposition will increasingly meet the specific targets of the United Nations Sustainable Development Goals as we progress from acquisition and development through to operatorship and production.