

AGM

Thursday 13 July 2023



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These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Company’s intentions, beliefs or current expectations concerning, amongst other things, the Company’s results of operations and financial condition and future business plans and strategies. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances.

Forward-looking statements are not guarantees of future performance and the actual results of the Company’s operations, financial position and liquidity, prospects, growth, strategies and expectations and the development of the markets and the industry in which the Company operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. No statement in this document is intended to be or may be construed as a profit forecast.

A number of factors could cause results and developments of the Company to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors. The Company does not undertake to update or supplement any forward-looking statement in this document.

Tanzania gas exploration and development company for the domestic market

- ❑ Standard listed on London Stock Exchange
- ❑ Operated in Tanzania for more than twenty years
- ❑ Strong relations with Government of Tanzania
- ❑ Multi TCF Tanzanian gas resource base
- ❑ Company's key gas asset, Ruvuma, carried to full field development
- ❑ Large Cornerstone investor: Eclipse Investments, part of Zubair Group of Oman
- ❑ Low-cost gas explorer with strict cost controls
- ❑ Non-operating strategy
- ❑ Robust local gas market with clear social and environmental benefits for the country

Move from an operating to a non-operating business, de-risking the business and anchoring shareholder value.

- I. We have shifted operational risk on our most valuable and important asset, Ruvuma, to a highly competent, capable and well-funded operator-- ARA Petroleum Tanzania Limited (“APT”).
- II. By accelerating gas production, we have moved the operational narrative of Ruvuma from dependence on the spudding and outcome of the Chikumbi-1 well (“CH-1”) to a broader development effort as we move toward early gas production, significantly earlier than previously planned.
- III. We have reduced our operating expenses and overhead considerably to protect the Company until receipt of Ruvuma revenue.
- IV. We have successfully acquired the necessary funds via our equity placing in April 2022 to ensure our running costs are covered (before one-off and exceptional items) until receipt of revenues.

- Our successful equity raise of \$4.35 million (before expenses) in April 2022, and our efforts through cost-cutting to preserve cash until receipt of Ruvuma revenues is a key element of our de-risking strategy.
- The Board continues to scrutinise all G&A costs with the intention of keeping costs under control. For example:
 - G&A costs for 2022 were slightly less than budgeted, coming in at \$1.46 million (excluding non-cash costs and one-off items), a significant reduction from 2018 levels.
 - Board, UK and Tanzanian staff have been reduced significantly since 2019
 - As mentioned last year, advisory and contractor costs have been cut significantly; following the expiry of the London office lease in January 2022, the Company successfully shifted to a fully virtual operation; and in-country admin operations are staffed through third-party service provider.
 - G&A costs for 2023 are expected to be similar to last year, which in the absence of one-off or exceptional items, will be more than sufficient for the Company until Ruvuma revenue.
 - The Company continues to review and process the various assessments made by the Tanzania Revenue Authority and management are confident that these will be managed satisfactorily over the coming year.

Appraisal / Development

Ruvuma (25% carried interest - non-operated)

- Track record of successful exploration drilling in contract area
- Projected \$140 million of investment into asset (Aminex fully carried)
- Appraisal and development programme ongoing
- Targeting up to 140 MMcfd and first gas at the end of 2023

Development

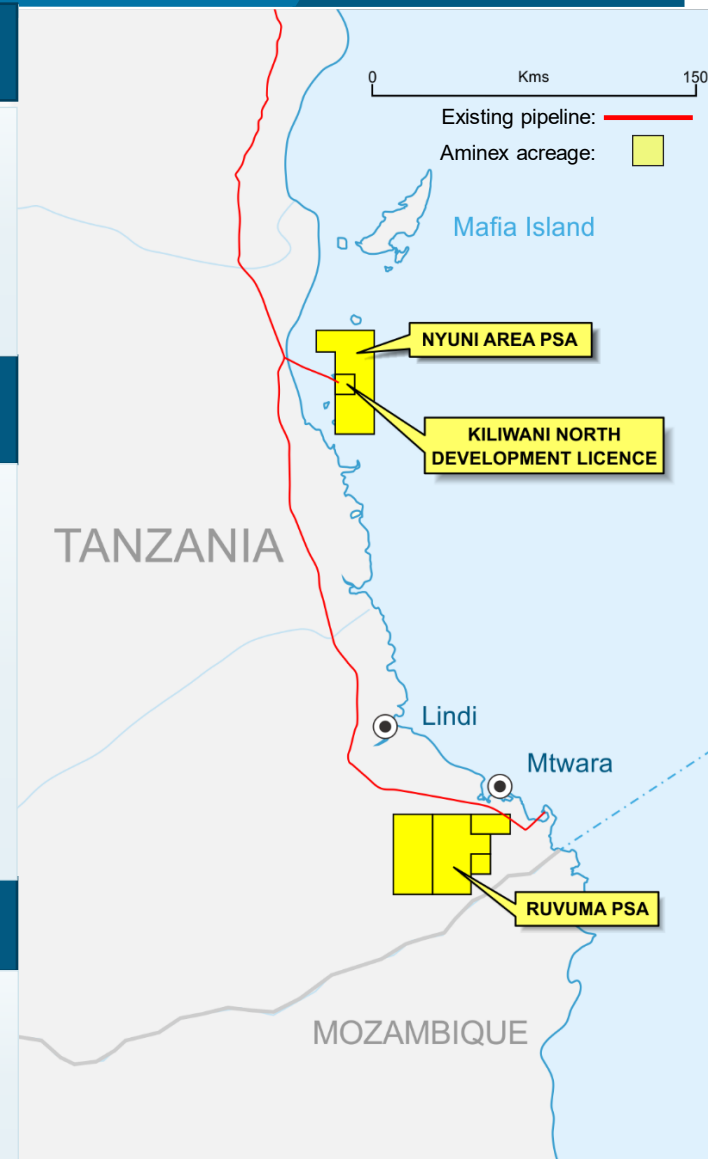
Kiliwani North (64% interest - operated)

- Produced 6.5 BCF to date and development Licence in place to 2036
- Gas sales agreement signed with fixed price (inflation adjusted) gas terms
- Existing tie-in to the Songo Songo Gas Processing Plant (capacity 140 MMcfd)
- Settled outstanding gas receivables with TPDC
- Agreement with PanAfrican Energy Tanzania (“PAET”) (a subsidiary of Orca Exploration) to acquire 12.5 km² of 3D seismic within the licence area at no cost to the JV
- PAET expect to complete the seismic acquisition by Q3 2023 with the Company expecting to receive processed data by end-2023/early-2024
- High-quality data will provide Company with a better understanding of the reservoir and enable more robust discussions with future partners to operate the asset

Exploration

Nyuni Area (100% - operated)

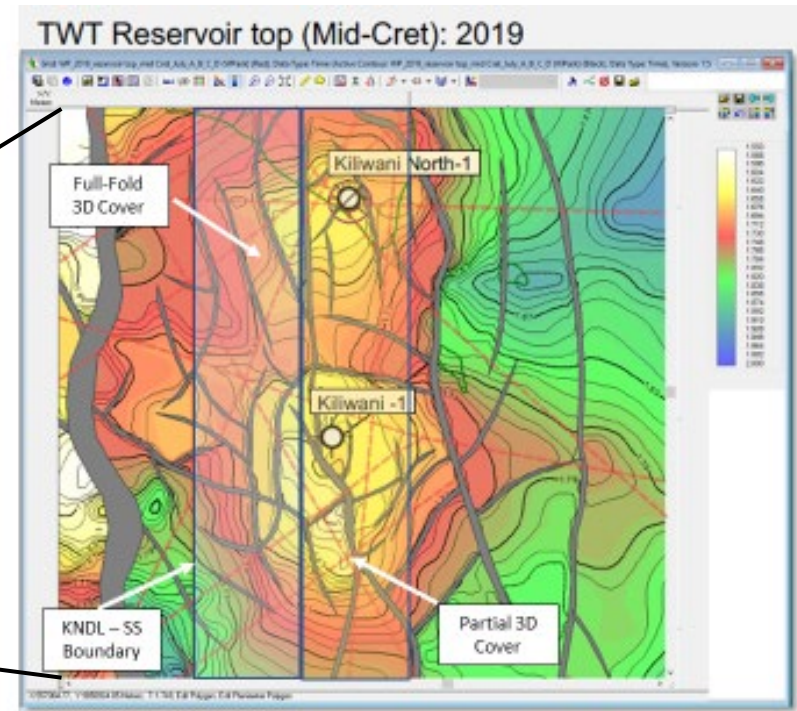
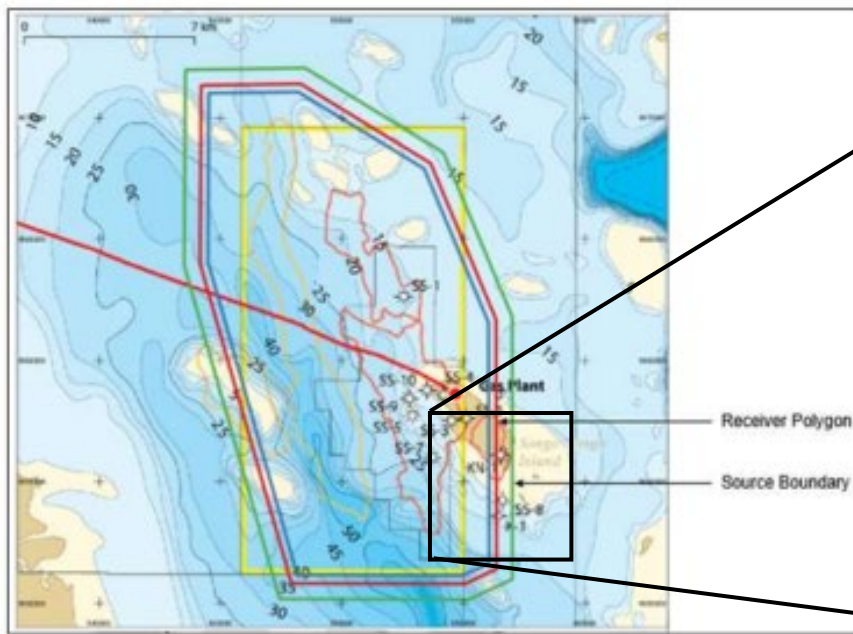
- Company commenced discussions with the Tanzanian authorities in 2022 to return the licence
- Following meetings at the end of 2022, the Company was requested to continue efforts to secure a farm-in partner over the course of 2023, which is ongoing.



Kiliwani North – Partial 3D Acquisition

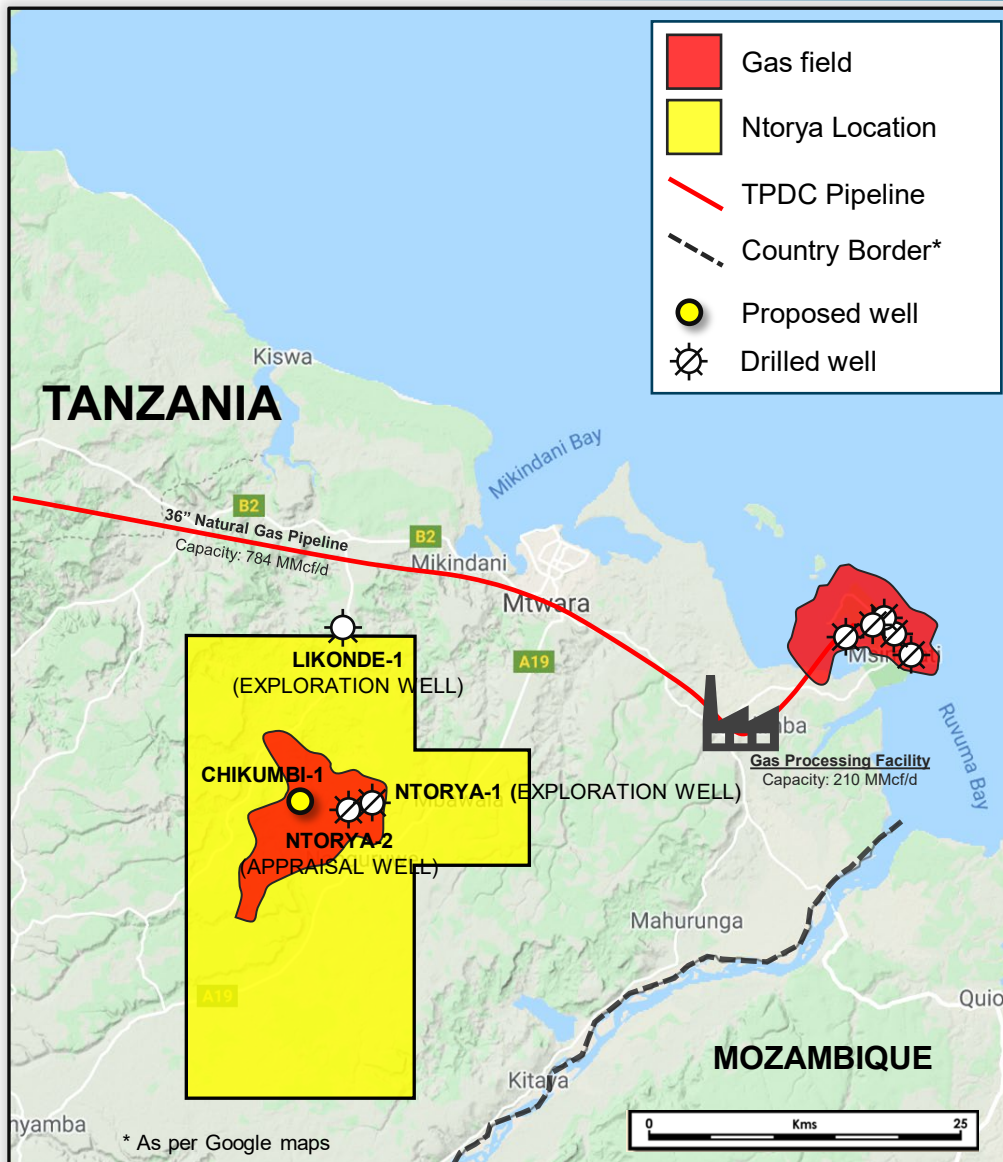
PAET, Operator of the Songo Songo Field is currently acquiring 3D seismic over a large part of their block – full coverage to the Songo Songo-KNDL boundary requires acquisition within KNDL resulting in 12.5km² full fold cover over KNDL. At no cost to the KNDL JV, we will receive valuable high quality seismic later this year or early 2024 that will allow us to:

- Remap key structures and faults along western margins of the prospective Kiliwani structures
- Project fault trends, defined by 3D seismic, into the area covered by existing 2D data leading to better definition of potential drill targets on Kiliwani North and Kiliwani South structures



(a) Yellow polygon shows PAET's block, (b) Blue polygon shows the acquisition area (c) Red polygon shows receiver position, (d) Green polygon shows source position.

Background to Ruvuma PSA



- Aminex 25% non-operated working interest fully carried to maximum net spend of \$35 MM under Farm-Out (equivalent to \$140 MM gross field)
- Two-year exploration licence extension received August 2021 – Development Licence expected imminently
- Licence extension work commitments:
 - Drill the Chikumbi-1 exploration/appraisal well – Q4 2023
 - Acquire minimum 200 km² of 3D seismic - COMPLETED
 - Complete negotiation of gas terms - COMPLETED

Since last year's AGM, the Operator, working closely with the Tanzanian authorities, has made substantial progress on the asset:

- The seismic acquisition programme, the largest 3D survey in onshore East Africa, was completed by the Operator in October 2022.
- An addendum to the Ruvuma PSA containing the fiscal terms for gas production was signed in November 2022.
- With strong support from the Ministry of Energy, a plan to accelerate gas production was initiated, de-coupling the drilling of the Chikumbi-1 well from the development plan and bringing forward the expected date for first gas and revenues to the Company by approximately 12 months—the end of 2023.
- The acceleration of gas production re-defines and de-risks the project materially.

The Operator:

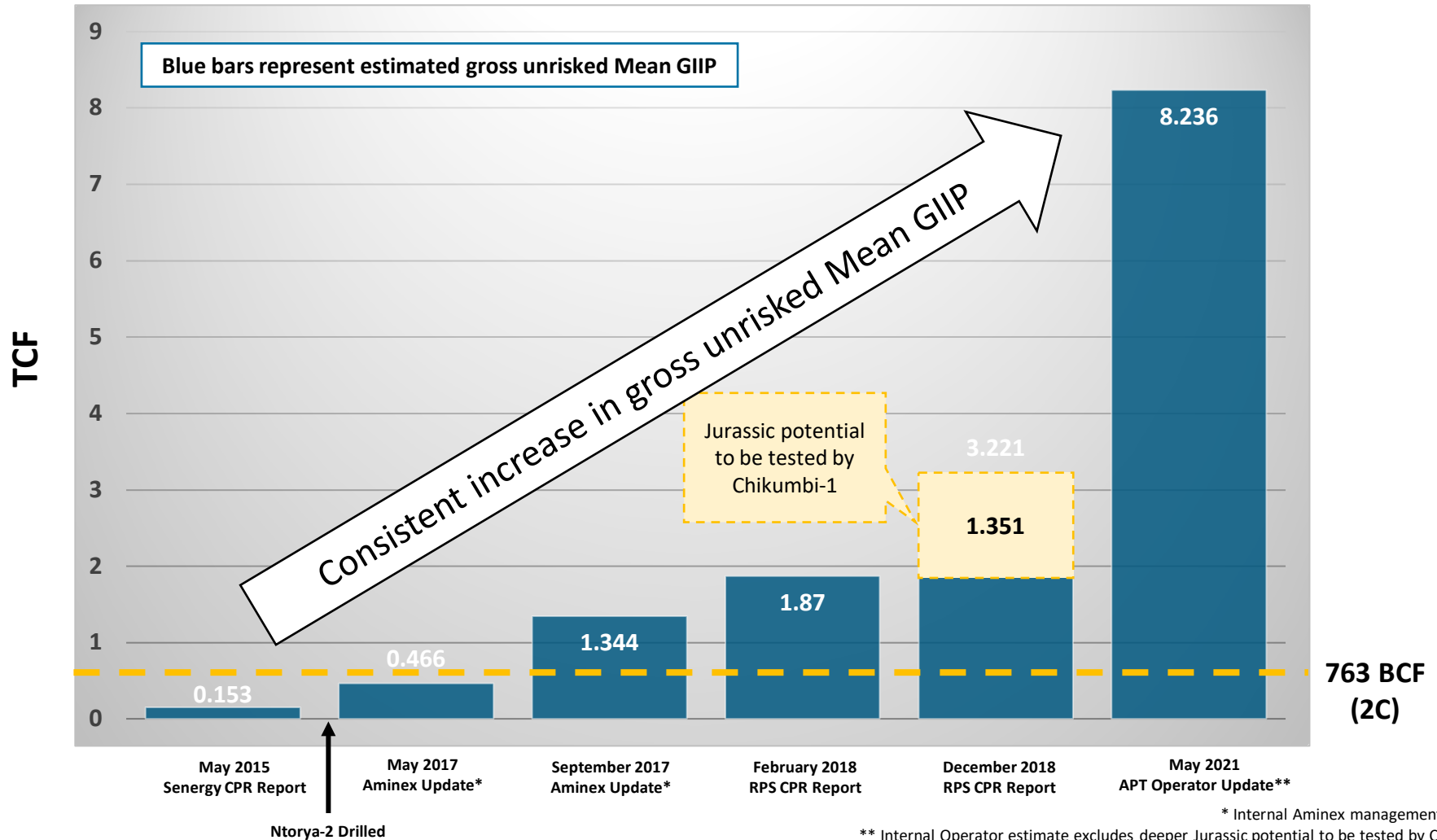
- Has chosen a new optimal target location of the Chikumbi-1 well (“CH-1”), which has been approved by the partners and provisionally approved by the Tanzanian authorities, with final written approval expected soon.
- Has fully processed the 3D seismic data. Given the vast volume of data acquired, interpretation is now due to be completed in Q4 2023, which may result in a full revision of gas reserve and resource potential for the field.
- Will undertake a well-workover of the Ntorya-1 well, to enable rapid tie-in to the gas production facilities and bring the well into early production. This requires the use of a drilling rig and remains scheduled to run after the drilling of CH-1.
- Has reached agreement with the JV partners and the Tanzania Petroleum Development Corporation on the Gas Sales Agreement (“GSA”) in respect of the Ntorya Gas Field. Signing of the GSA will take place upon approval by the Attorney General’s Office.
- Has successfully received approval by all parties of the Field Development Plan for the development of the Ntorya Area.
- Has obtained approval of all relevant Tanzanian authorities for the Development Licence for the Ntorya Area, which has been submitted to the Cabinet of Ministers for final authorisation.
- Has recently received the first shipment of long lead items, including tubulars, required for the spudding of the CH-1 well.
- Has rescheduled its two-week well-testing programme (originally proposed for late March 2023) on the Ntorya-2 well, designed to provide additional information required for the design of in-field processing facilities, to be completed in the coming months

Finally, the Tanzanian authorities have continued with the necessary workstreams to progress the construction of the export pipeline from Ntorya to the Madimba Gas Plant to accommodate gas, according to recent public reports, by December 2023.

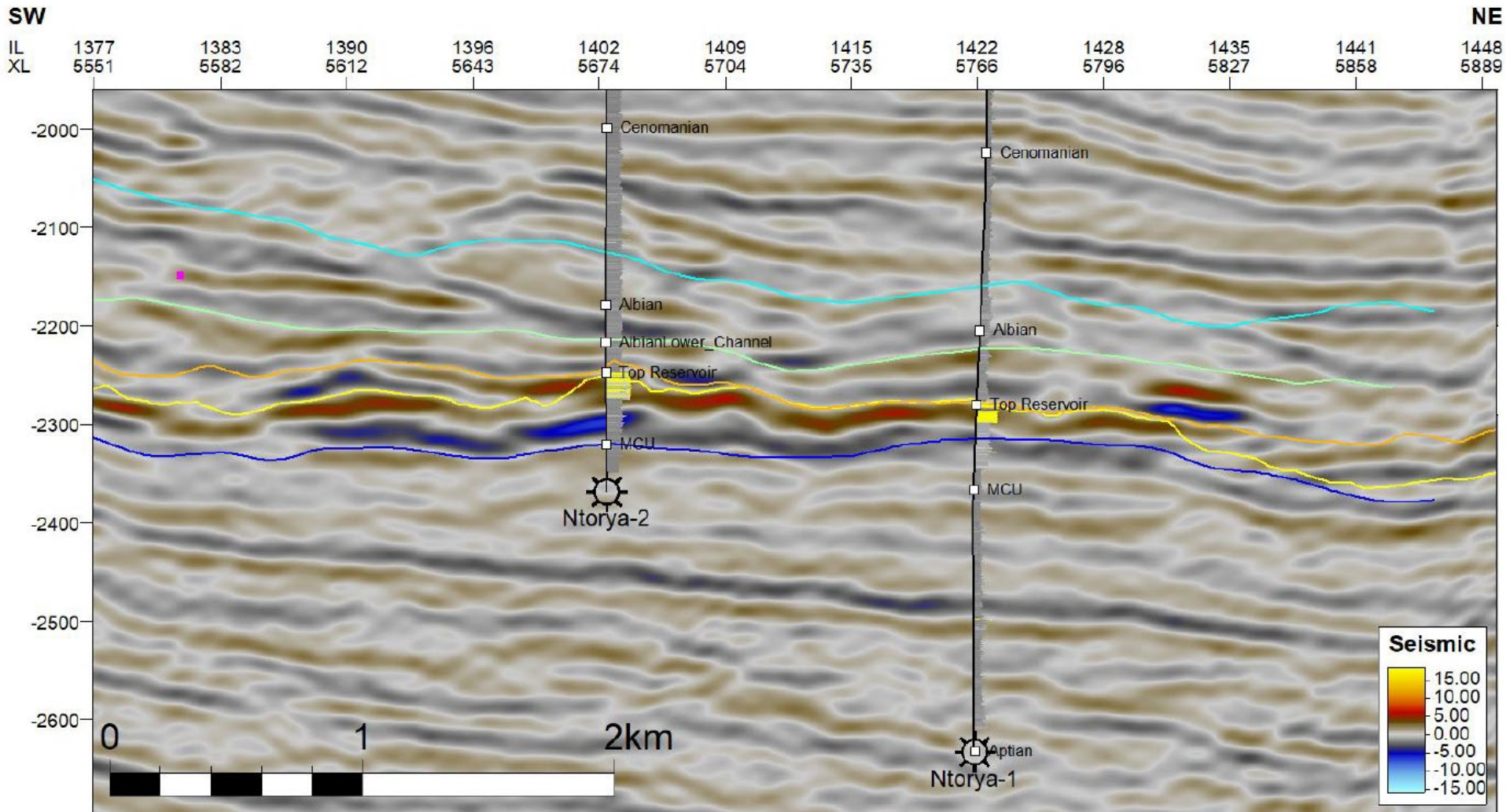
Ruvuma exploration success



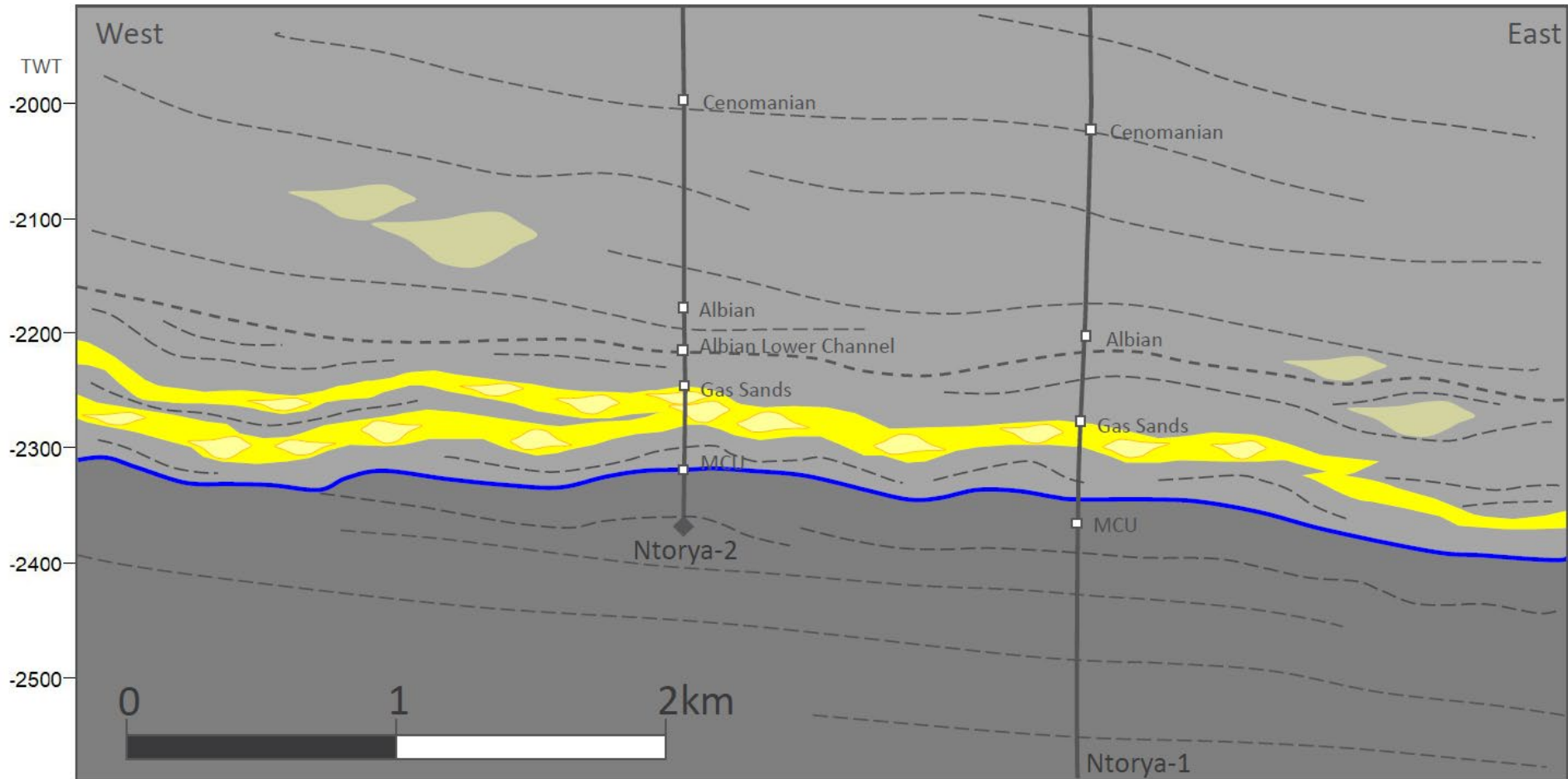
Proven track record of exploration success on Ruvuma



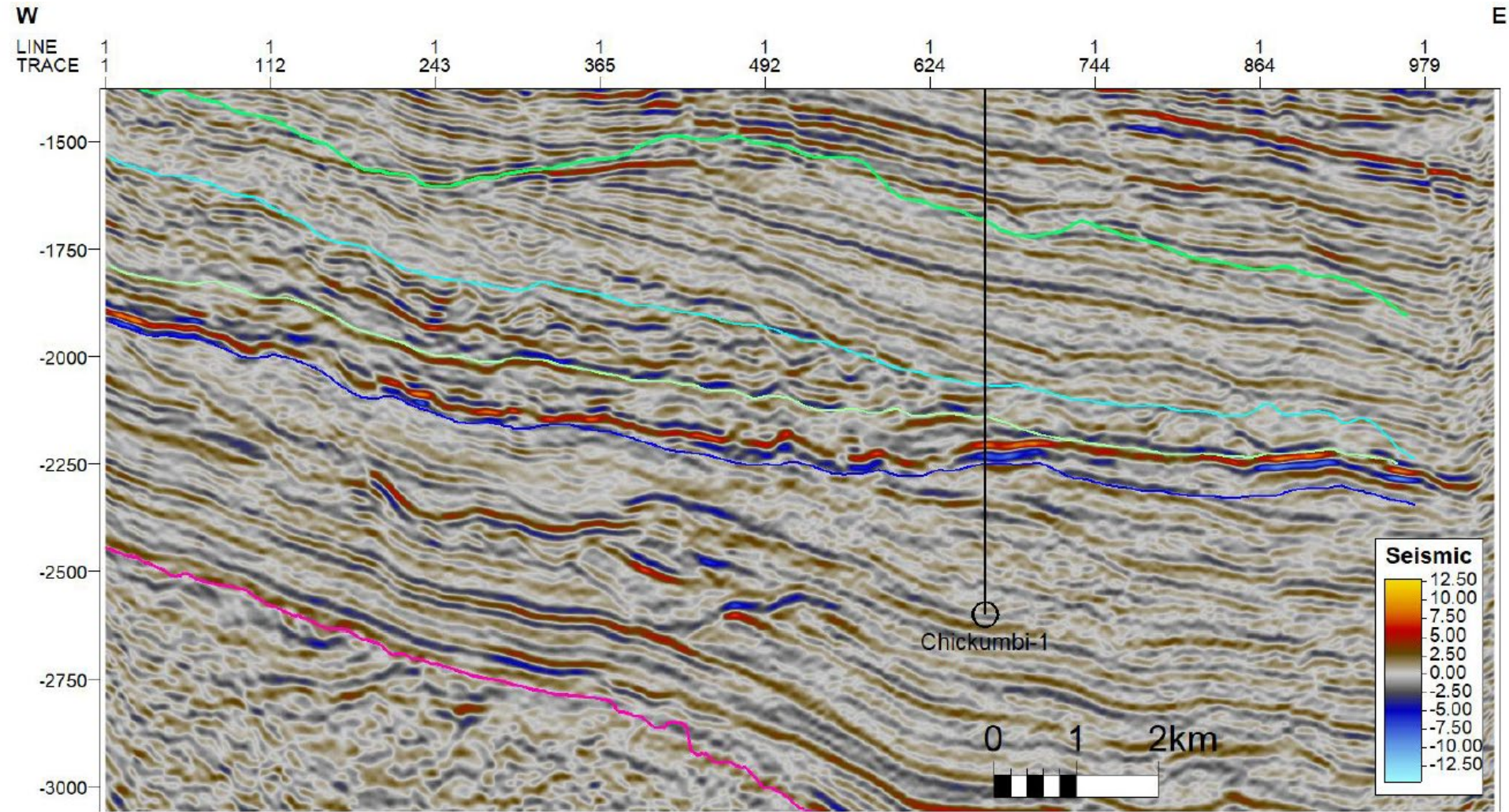
3D Seismic tie-line NT-2 – NT-1



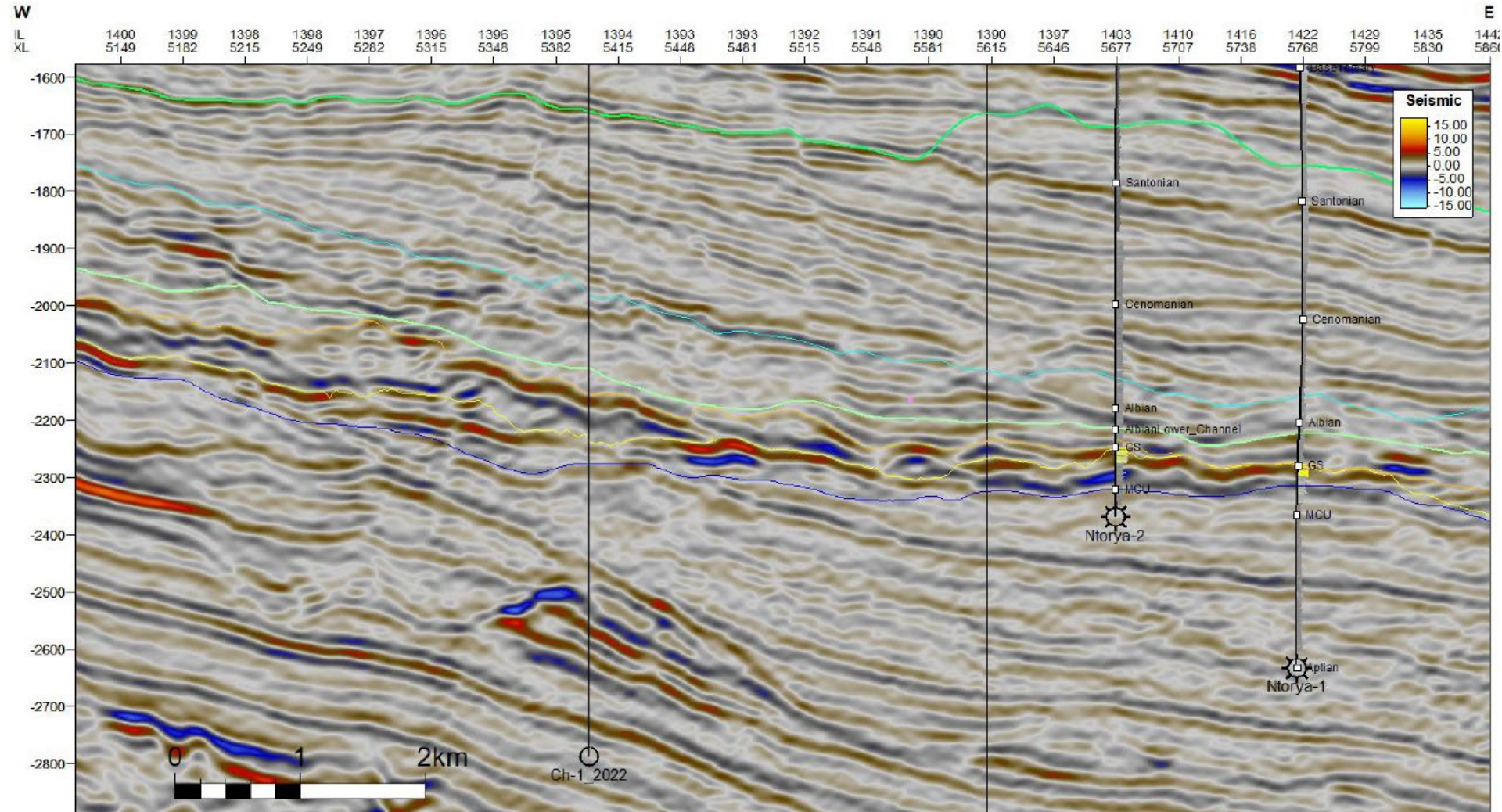
Reservoir development model along tie-line



Random line showing chaotic slump deposits



Random line showing tie to wells and old CH-1 location



Strong local market fundamentals with clear social and environmental benefits

Macro

- Sustained high GDP growth averaging 5.5% in Tanzania over the past ten years¹
- Significant existing natural gas transportation and processing infrastructure
- Increasing economic stability (inflation down from 16% in 2012 to 4% in 2020)¹

Social

- Population of 65 million; only ~33% of whom have access to electricity with 7.7 million households without access to power²

Environmental

- Gas is a cleaner form of energy compared with existing alternatives like charcoal
- Use of charcoal consistently decimates country's forests

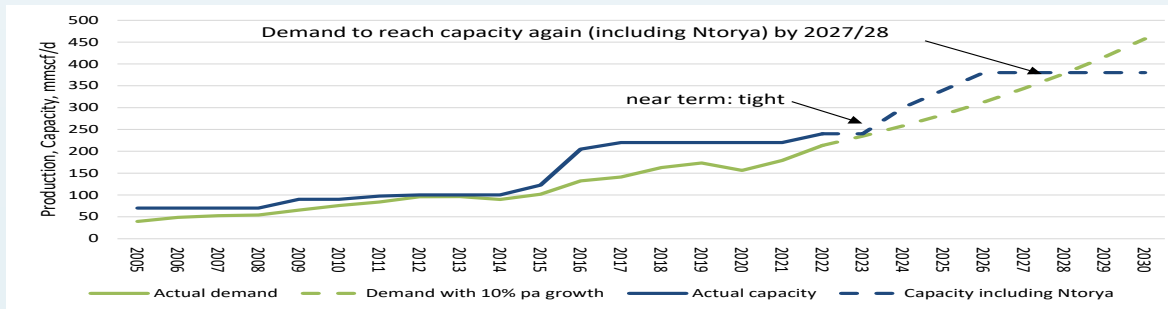
1. World Bank World Development Indicators Data Bank, 2022

2. USAID Power Africa Fact Sheet: Tanzania, 2020

Multiple drivers supporting the opportunity for growth in the Tanzanian gas market

In its Research Note on Aminex, published in May 2023, Shard Capital Partners noted the following observations on the Tanzanian gas market:

- There are only two producing assets in Tanzania, Songo-Songo and Mnazi Bay, with a combined production capacity of ~240 MMcfd, with limited scope to increase capacity
- The overall demand growth in Tanzania has been very steady in the last 14 years, with an estimated overall growth of 8-10% per annum
- The following graph shows the estimated gas consumption and capacity growth (including the Ntorya development):



Source: Shard estimates, EWURA, Orca Exploration, Wentworth Resources

- Shard believes that in the near-term, demand will be tight, justifying plans to accelerate production by the Ruvuma partners and the government.
- Furthermore, assuming the historical growth of 10% pa, Shard estimates that the full Ntorya capacity will be utilised by 2028, even conservatively assuming no declines from the two current producing fields.

In conclusion...

1 Large supportive cornerstone investor in Company with key asset and partnered with strong and competent operator

2 Low-cost Company with no debt and cash to meet forecasted costs to Q4 2024

3 Operating in country with supportive government and significant gas market as well as global demand driving growth

4 \$35 MM carry for development of key exploration / appraisal asset

5 Multiple significant near-term share value inflection points on Ntorya development: (1) submission of FDP and approval of Development Licence; (2) signing of GSA; (3) 3D seismic results; (4) construction of pipeline from Ntorya to Madimba; (5) drilling of CH-1 in new optimal location; and (6) testing of CH-1

