



PROSPEX
ENERGY PLC

Prospect Energy plc

Corporate Presentation

AIM : PXEN
April 2022



DISCLAIMER

This Presentation does not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever or constitute an invitation or inducement to engage in investment activity under section 21 of the UK Financial Services and Markets Act 2000.

No representation or warranty, express or implied, is made or given by or on behalf of the Company, its advisers or any of their respective parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertakings or any of the directors, officers or employees of any such person as to the accuracy, completeness or fairness of the information or opinions contained in this Presentation and no responsibility or liability is accepted by any person for such information or opinions. No person has been authorised to give any information or make any representations other than those contained in this Presentation and, if given and/or made, such information or representations must not be relied upon as having been so authorised. The contents of this Presentation are not to be construed as legal, financial or tax advice. The information has not been verified nor independently verified by the Company's advisers and is subject to material updating, revision and further amendment.

Forward-Looking Statements. Information contained in this Presentation may include 'forward-looking statements'. All statements other than statements of historical facts included herein, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's business) are forward-looking statements.

Such forward-looking statements are based on a number of assumptions regarding the Company's present and future business strategies and the environment in which the Company expects to operate in future. Actual results may vary materially from the results anticipated by these forward-looking statements as a result of a variety of factors. These forward-looking statements speak only as to the date of this Presentation and cannot be relied upon as a guide to future performance. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this Presentation to reflect any changes in its expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

The Company's ordinary shares have not been registered under the US Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. No public offering of the ordinary shares is or will be made in the United States. In addition, the Company's ordinary shares have not been and will not be registered under the applicable laws of Australia, Canada, Japan and South Africa and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or South Africa or to any national, resident or citizen of Australia, Canada, Japan or South Africa.

RECENT HIGH IMPACT EVENTS



Higher-than-predicted revenue generation from our Spanish assets due to historically high electricity prices. Spanish subsidiary now significantly cash-positive



Government approval and completion of acquisition of UOG's 20% share in the Selva field in Italy, bringing PXEN's interest to 37%



Italian Production application has passed key stage of ministerial evaluation, now passed down to local stakeholders for the last stages of the approval process

GROWTH IN ITALY



- The enlarged interest in the Italian asset is projected to generate net cashflows of €2.6 million per year, according to the CGG CPR, calculated at 2019 gas prices
- Using current forward curve gas price predictions (ICE TTF) the 2023 net annual cashflow figure is in excess of €8 million, according to PXEN calculations

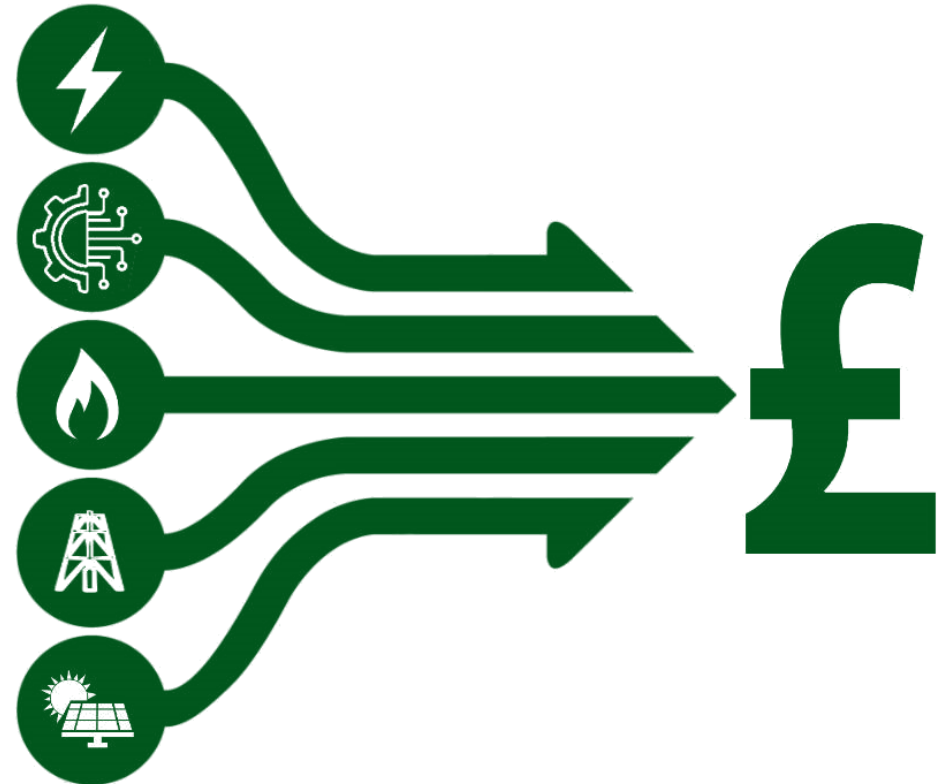
GROWTH IN SPAIN



- 11 low-risk gas well drilling targets identified in our application for permitting to the Spanish regulators in El Romeral
- Major undeveloped discovery from 1957, awaiting re-drill in Tesorillo, when the regulator re-activates the permit
- Solar energy - Viability study, initially as plant optimisation and at a later stage, as part of our energy generation mix at the Romeral Plant

MULTIPLE PATHS TO INCOME GENERATION AND OPTIMISATION

- Electricity Sales from the El Romeral Power Plant
- Automation of the Power Plant for around-the-clock power generation
- Gas Sales from the Selva field in Italy
- Multi-well campaign submitted for environmental approval to grow our Spanish reserves and gas production
- Studying solar panels as plant optimisation and at stage 2, as a boost to power-generating capabilities of El Romeral Power Station



ABOUT PROSPEX

AIM listed natural gas production and power generation investment company (AIM:PXEN)

Spain: Ongoing Production & Power Generation

- ▶ 8.1MW power station generating revenue at record-high electricity prices, allowing loan repayments to Prospex
- ▶ Plant upgrade completed to allow 24/7 power generation
- ▶ Permitting underway for near-term multi-well drilling campaign

Italy: Near Term Gas Production

- ▶ Environmental Impact Assessment (EIA) approved by Regulator
- ▶ Operator has started monitoring to establish environmental baselines for seismicity before gas production commences
- ▶ Expecting production for Q4 2022/Q1 2023



European Growth Strategy

Identifying low-risk opportunities that will generate shareholder returns, positive cashflows and sustainable production



PROSPEX
ENERGY PLC

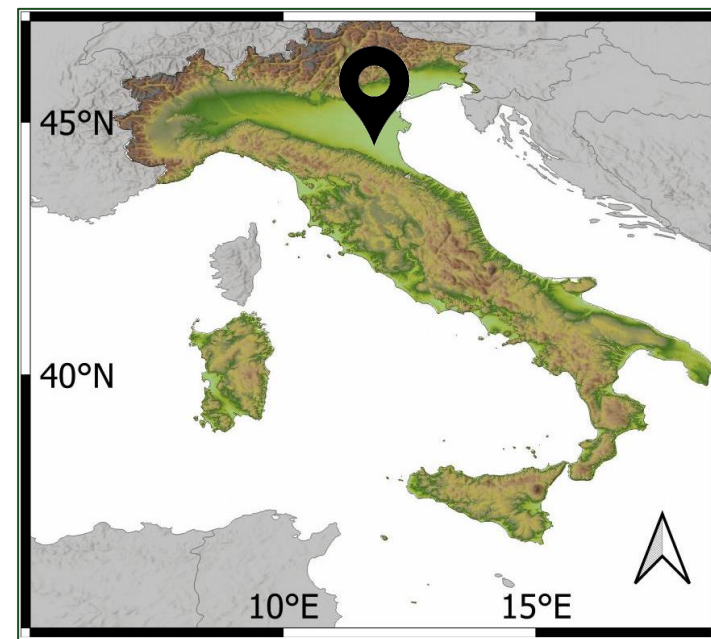
Assets: Italy and Spain



ITALY – PODERE GALLINA

Proven GAS RESERVES in prolific Po Valley region

- ▶ Podere Gallina is a 331km² exploration permit with multiple prospects
- ▶ PXEN farmed-in to 17% in October 2017
- ▶ Podere Maiar (PM-1) discovery well drilled in December 2017
- ▶ Well tested gas to surface in January 2018 from 2 intervals – now suspended and awaiting production
- ▶ Selva Malvezzi production concession defined and approved after PM-1 discovery within Podere Gallina
- ▶ Completed acquisition of UOG’s working Interest in Selva, bringing PXEN interest to 37%



2019 CGG CPR categories	Podere Gallina (Bcf) - Gross	Net to PXEN (Bcf @ 37%)
Reserves (2P)	13.4	5.0 (NPV €10.2 MM)*
Contingent Resources (2C)	14.1	5.2
Prospective Resources (Best Estimate)	91.5	33.9

SELVA GAS PRODUCTION

STEPS TO GETTING ON PRODUCTION

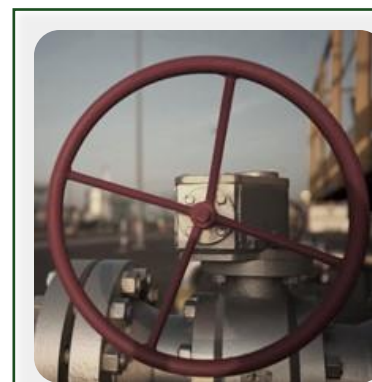
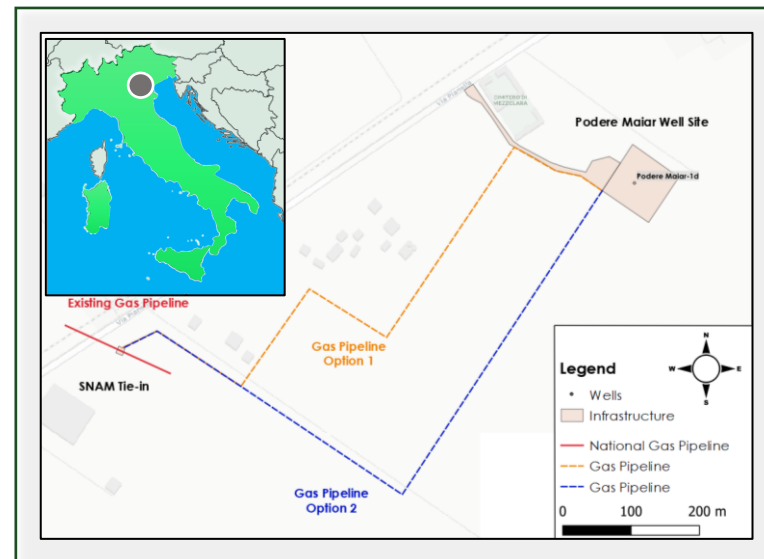
- ▶ Preliminary production concession, **approved Feb 2019**
- ▶ Technical environmental approval, **approved Jan 2020 & Nov 2020**
- ▶ Environment Minister Decree, **approved April 2021**
- ▶ INTESA (Intergovernmental agreement) **ongoing, target Q2 2022**
- ▶ Final Production concession by Economic Development Ministry
- ▶ Installation of fully automated gas plant and 0.8 km pipeline connecting the well to the grid

STRONG FLOW RATE

- ▶ C1 and C2 sands tested >150,000 scm/day in test (5.3 MMscfd)
- ▶ Plant being designed to handle 150,000 scm/day (5.3 MMscfd)
- ▶ Budget based on 100,000 scm/day (3.5 MMscfd)

ITALIAN PROJECT – CATALYST TO RERATING

- ▶ Will increase net production by 3 to 4 times
- ▶ Generates free cash and allows exploration & development of wider portfolio



Key hurdle of EIA crossed
Production Expected in
Q4 2022/Q1 2023
Working interest increased
to PXEN 37%

EL ROMERAL:

PRODUCTION & DEVELOPMENT PROJECT

HISTORY

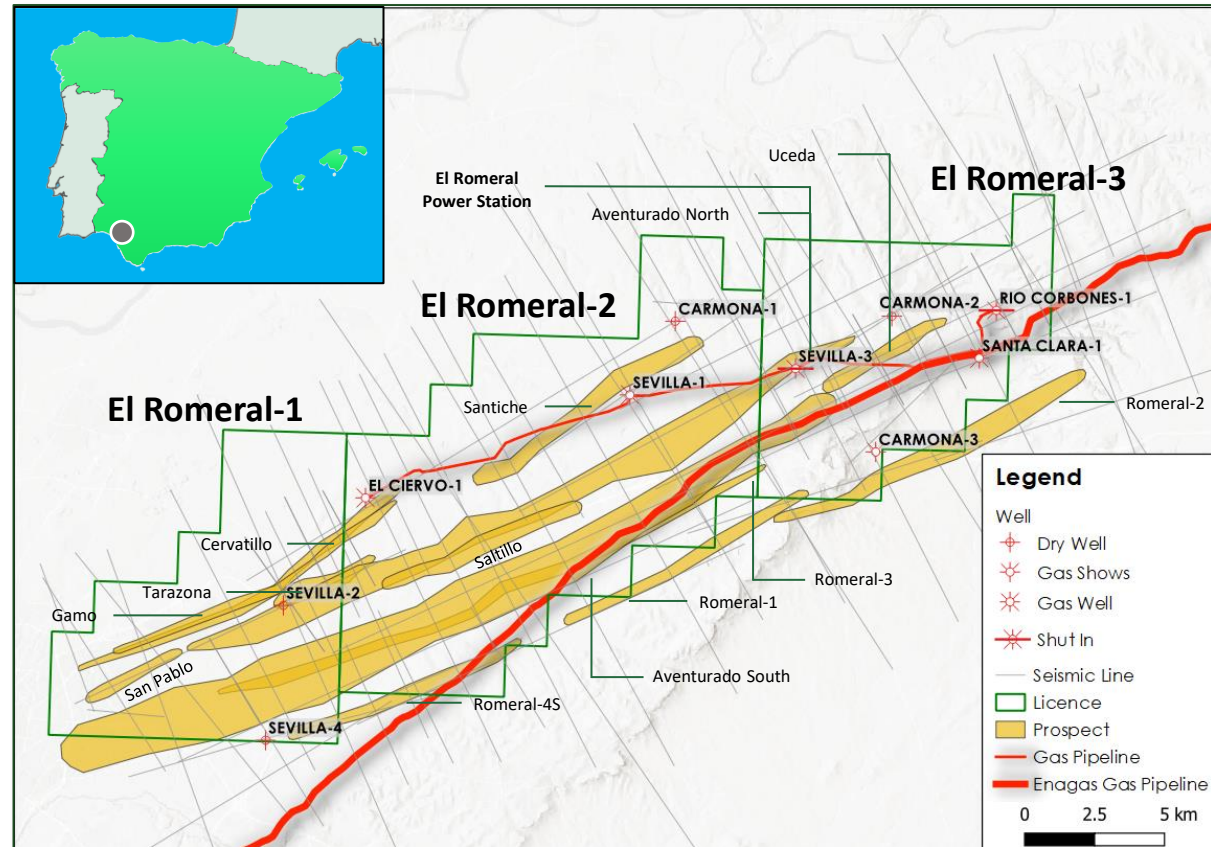
- ▶ Since 1983, 7 wells drilled resulted in gas discoveries
- ▶ 5 went on production from 2002
- ▶ 2 proven undeveloped discoveries (PUDs)

CURRENT

- ▶ Production from 2 wells
- ▶ Record-high electricity prices
- ▶ 26-inch ENAGAS pipeline traverses the three Romeral concessions
- ▶ El Romeral power station, recently successfully upgraded to work 24/7

UPCOMING

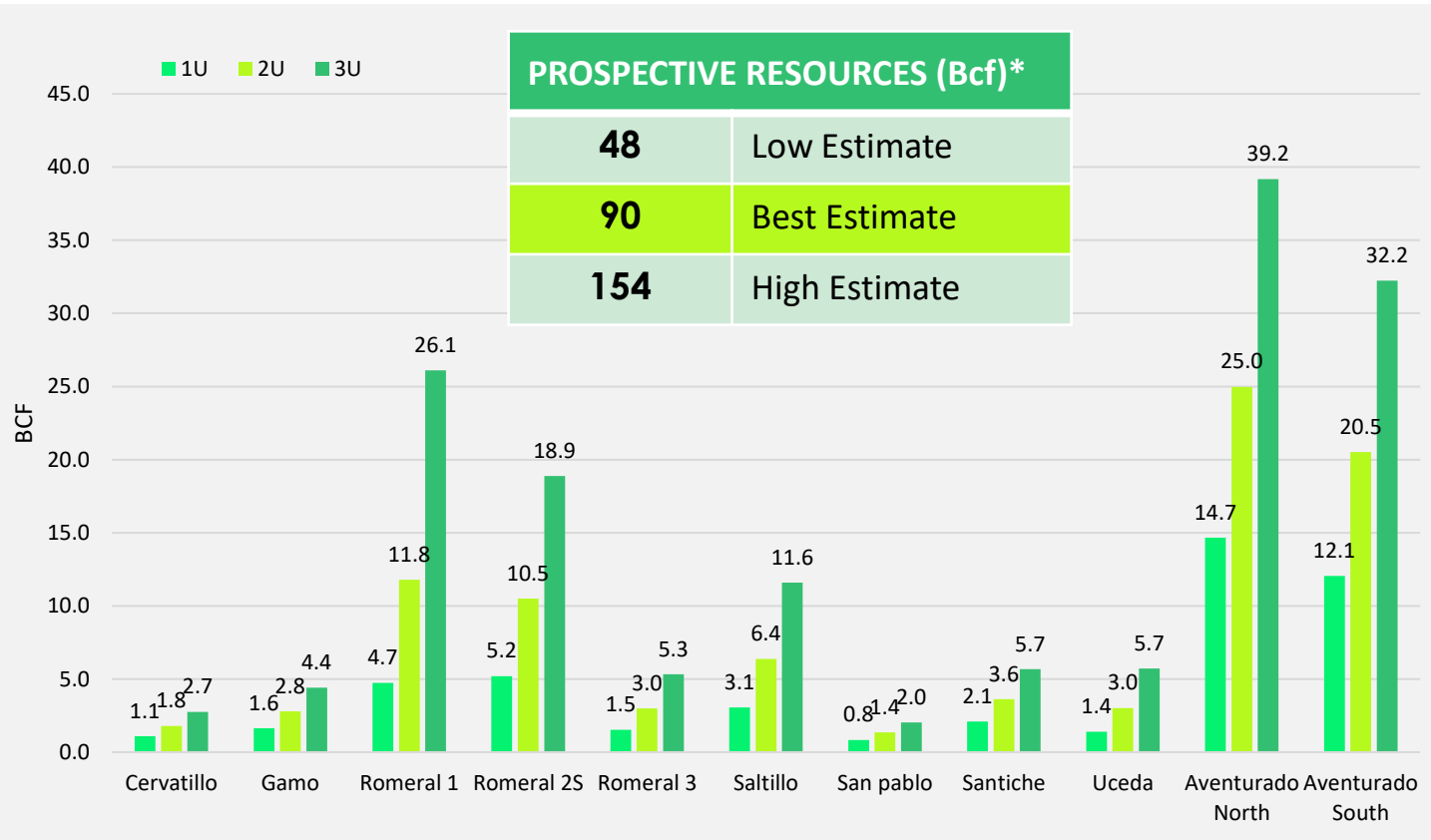
- ▶ 11 very low risk prospects targeting 90 Bcf* (Best estimate prospective resources)
- ▶ EIA initiation document for the campaign has been submitted and its review period is coming to an end
- ▶ Expecting update from the regulator in the coming months
- ▶ Rig will be mobilised to drill the first three wells as soon as the permits to drill are granted
- ▶ Two wells with production of 25,000 scm/d will take the plant to 100% utilisation



Over 500 km of 2D seismic and AVO by Chevron and Repsol
Dataset provides in depth basin insight and lowers play risk

EL ROMERAL: GAS READY FOR DEVELOPMENT

▶ **VERY LOW RISK Prospective Resources (NSAI-certified 2019) in El Romeral - ready for development**



▶ **11 selected prospect locations, 19 drilling locations, over 3 production licences**

▶ **2 PUDs (5 Bcf, 2C resources)**

▶ **Local Gas pipeline network with spare capacity over 3 licences**

▶ **Easy access for drilling**

▶ **Minimal environmental impact**

SPAIN – TESORILLO PROJECT



POTENTIAL UNDEVELOPED DISCOVERY

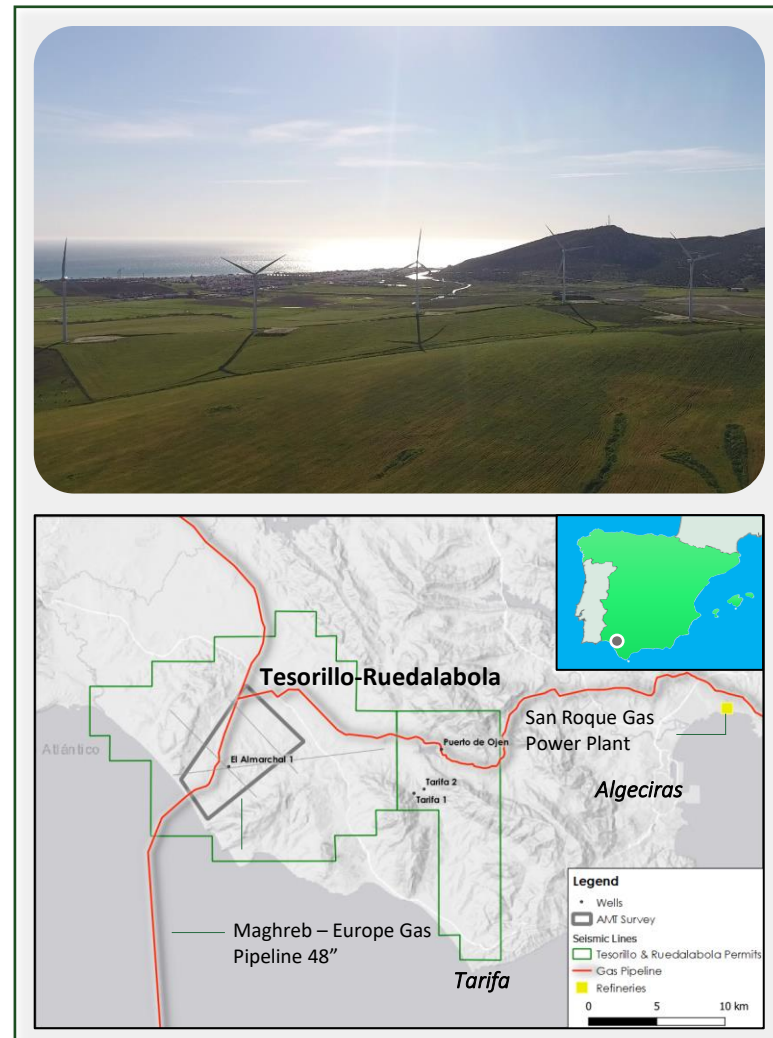
- ▶ PERMIT TEMPORARILY SUSPENDED, awaits Ministry resolution and reinstatement as production licence
- ▶ Contains the Almarchal-1 gas discovery well (drilled in 1957) which logged 212m of net gas pay. Multiple DST's flowed gas to surface
- ▶ Operated by Tarba (85% WGO : 15% PXEN) PXEN option to increase to 49.9% for €1,725,000 ahead of drilling a well

LOCATION/RESOURCES

- ▶ Cadiz Province, Southern Spain, over 380 km² of surface area
- ▶ Tesorillo holds independently certified Gross Prospective P90/P50/P10 Resource of 219/831/2,288 Bcf*

DEVELOPMENT

- ▶ Well designed and location agreed - Q4 2021
- ▶ Environmental Impact Assessment Initiation Document for Tesorillo-1 well submitted - Q4 2021, awaiting feedback from Regulator to start EIA
- ▶ State of the art G&G work programme to de-risk prospects
- ▶ Close to infrastructure for easy gas monetisation, 3km from 48" Maghreb to Europe pipeline distributing gas across Spain to European market



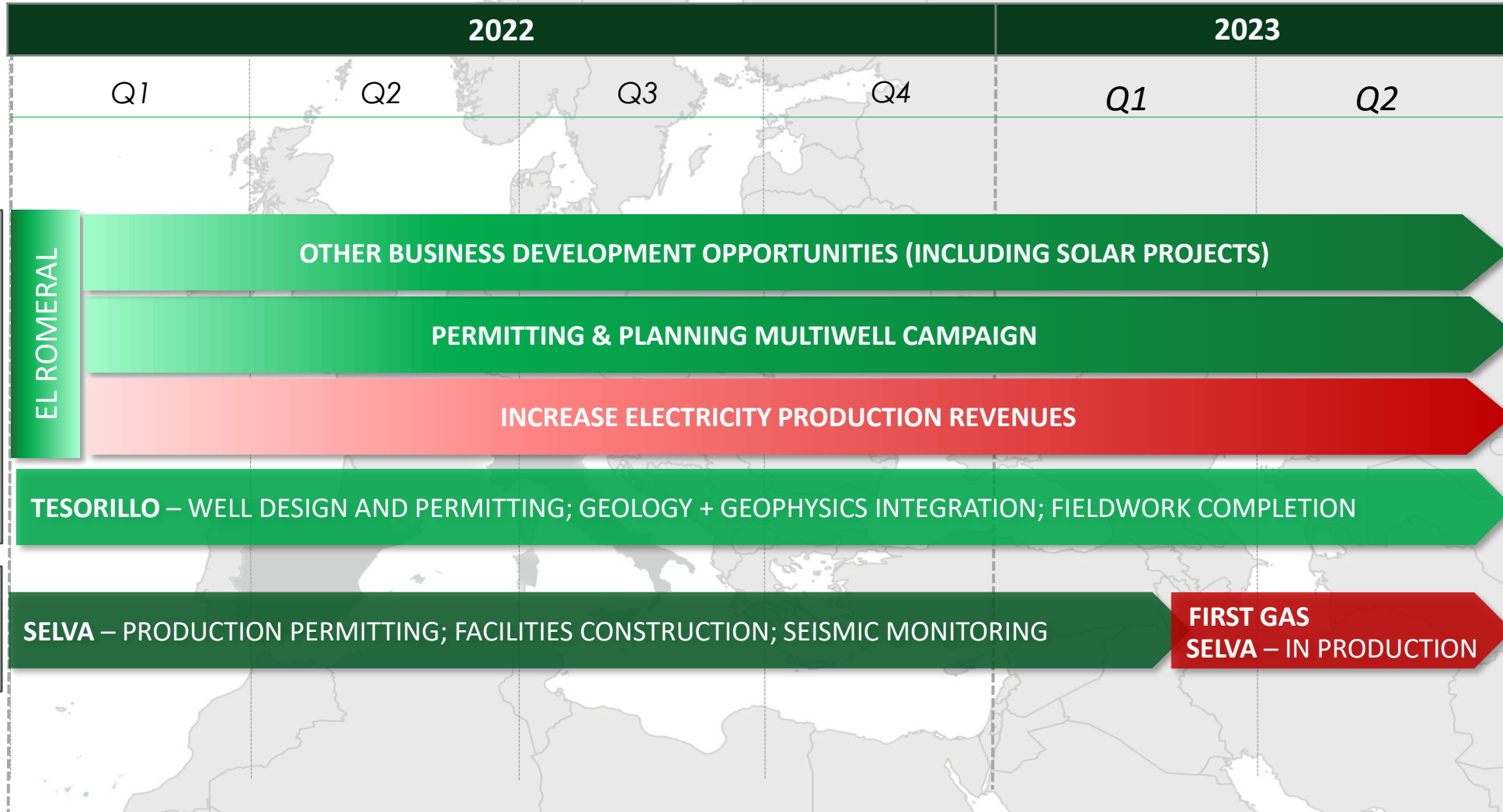


PROSPEX
ENERGY PLC

The Team
Outlook & Objectives



OUTLOOK FOR 2022-2023



SUMMARY

Investment case:



- ▶ Secured reserves/commercial revenue generation in 2021
- ▶ Rising share price in response to commodity prices and loan repayments, still trading at discount to market valuation
- ▶ Huge potential NPV uplift from exploration projects

Unlocking shareholder value:



- ▶ Diversified portfolio assembled
- ▶ Risk managed
- ▶ Multiple routes to significant shareholder value growth

European focused:



- ▶ Focus on mature markets with existing infrastructure and available capacity
- ▶ Politically stable countries with desire to reduce foreign energy dependency and LNG importation
- ▶ Strong emphasis on conventional gas

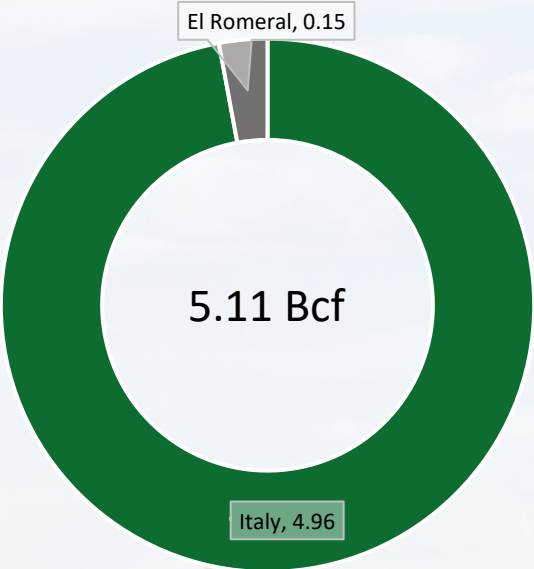
Strong management:



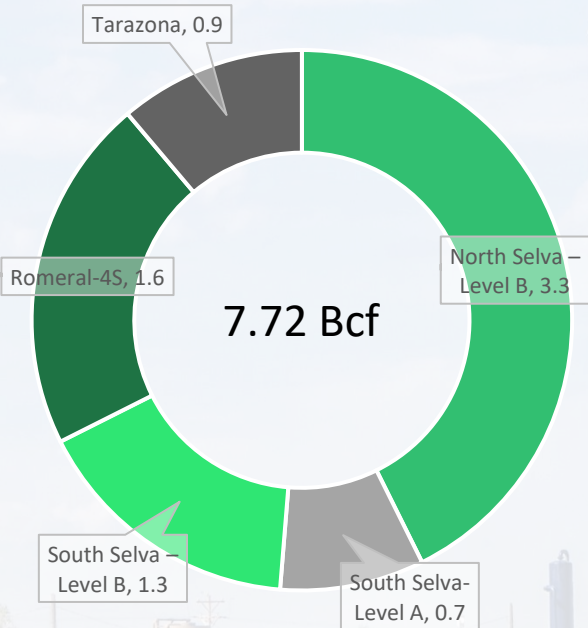
- ▶ Highly experienced team of technically led professionals
- ▶ CEO's proven track record of growing companies with more than 40 years in the oil & gas industry
- ▶ Strong Board with independent representation

RESERVES AND RESOURCES

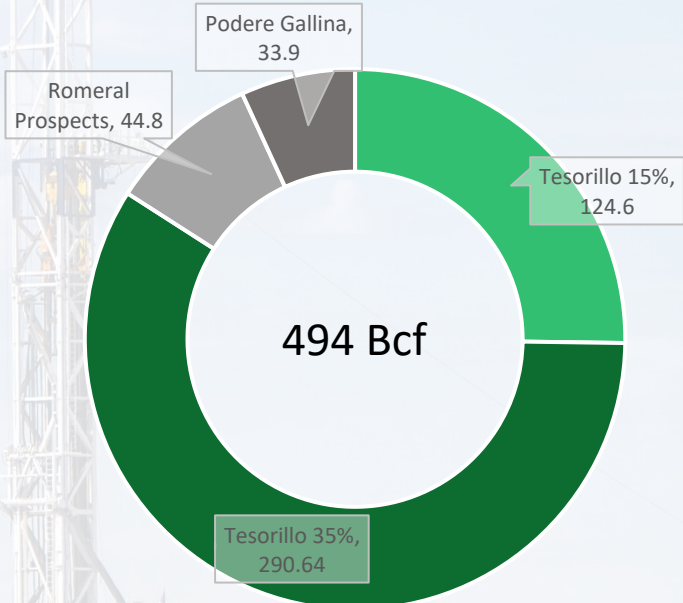
Net 2P Reserves



Net Contingent Resources



Net Prospective Resources



THE TEAM



Mark Routh

CEO & Managing Director

Mark is a Petroleum Engineer with more than 40 years of experience in the oil & gas industry. He has an MSc in Petroleum Engineering. He spent eight years as CEO/Chairman of AIM listed IOG plc. Founded CH4 Energy in 2002, which was focused on gas in NW Europe – sold for £152m after four years. Prior to CH4 Mark spent 10 years with Hess, six years with BP and five years with Schlumberger in Southeast Asia and the North Sea.

Carlos Venturini

Exploration Manager

Petroleum geoscientist (BSc) with an MSc in structural geology and near 40 years experience in G&G, interpretation and prospect generation gained with Schlumberger, ENI, Siperol, and from his own Libya-based consultancy working for Petrobras, GDF, OMV amongst others. He has worked in more than 30 basins, and 3 continents and he is an expert in Mediterranean and African petroleum geology.

Bill Smith

Non-Executive Chairman

Bill is a Canadian solicitor with 40 years of experience in corporate finance and is a director of a number of listed and private companies including Pacific Bay Minerals, a TSXV listed company and PFB Corporation (TSX). He was a senior partner of McCarthy Tetrault LLP in Canada and was subsequently Executive Vice President of two listed international oil companies and a listed investment firm. He has extensive experience including a number of start-up ventures in the sector.

Richard Mays

Non-Executive Director

Richard is a solicitor in Scotland and has extensive industry, commercial and legal experience. He is VP and General Counsel at Canadian Overseas Petroleum Limited (TSX and FTSE) and has leadership and senior management experience of other LSE listed companies, including DEO Petroleum plc and Oilexco North Sea Limited. He has also served as Executive Chairman of Peppercoast Petroleum plc and Black Star Petroleum plc. Formerly Professor and Deputy Dean of the Aberdeen Business School.

Alasdair Buchanan

Independent Non-Executive Director

Alasdair has a BSc in Chemical Engineering and over 40 years of experience in the upstream oil and gas sector. Most recently he was Global Energy Director at Lloyds Register and was COO and a director of Senergy Group plc. Alasdair was a non-executive director of Warrego Energy from 2012-2019 prior to its public listing on the ASX. Alasdair worked for Halliburton for three years in Aberdeen and Texas, most recently as Vice President UK and worked for BJ Services for 28 years both in the UK and internationally.



PROSPEX
ENERGY PLC

Thank you

