



SAN LEON
ENERGY

**San Leon Energy plc
Annual General Meeting
28th September 2018**

Alakiri flow station, OML 18, Nigeria



DISCLAIMER and IMPORTANT NOTICE

THIS PRESENTATION IS NOT, AND DOES NOT CONSTITUTE, AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, COMPANY SECURITIES BY ANY PERSON.

NO SECURITIES OF THE COMPANY HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, NOR HAS THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY STATE REGULATORY AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PRESENTATION OR ENDORSED THE MERITS OF AN INVESTMENT IN THE COMPANY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

READERS OF THIS PRESENTATION SHOULD NOT CONSTRUE THE CONTENTS OF THIS PRESENTATION AS LEGAL, TAX, INVESTMENT OR OTHER ADVICE. READERS OF THIS PRESENTATION SHOULD CONSULT THEIR OWN ATTORNEY, BUSINESS ADVISOR AND TAX ADVISOR AS TO LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE COMPANY.

EXCEPT AS OTHERWISE INDICATED, THIS PRESENTATION SPEAKS AS OF THE DATE HEREOF. THE PRESENCE OF THIS PRESENTATION ON THE COMPANY'S WEBSITE SHALL NOT, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION CONTAINED HEREIN AFTER THE DATE HEREOF.

THIS PRESENTATION INCLUDES CERTAIN STATEMENTS BY THE COMPANY WITH RESPECT TO THE COMPANY'S FUTURE PERFORMANCE. ESTIMATES OF FUTURE PERFORMANCE REFLECT VARIOUS ASSUMPTIONS MADE BY THE COMPANY WHICH MAY OR MAY NOT PROVE ACCURATE, AS WELL AS THE EXERCISE OF A SUBSTANTIAL DEGREE OF JUDGMENT BY MANAGEMENT AS TO THE SCOPE AND PRESENTATION OF SUCH INFORMATION. NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF SUCH STATEMENTS OR ESTIMATES OF FUTURE PERFORMANCE. ACTUAL RESULTS ACHIEVED DURING PROJECTION PERIODS MAY DIFFER SUBSTANTIALLY FROM THOSE PROJECTED.

FORWARD-LOOKING STATEMENTS

This Presentation includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Presentation and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, its financial position, operating results, liquidity, prospects, growth, strategies and the industry in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Prospective investors are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Presentation. The Company cannot assure you that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur. These forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed in this Presentation.

The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise.



San Leon Today

❑ Significantly improved financial position

- ❑ Cash €22.6 million (30 June 2018, €0.3 million at 30 June 2017)
- ❑ Debt free

❑ Expected future cash flow from:

- ❑ Continued principal and interest repayments from the Loan Notes* (\$157.8 million of principal and interest outstanding)
- ❑ Income from the Master Services Agreement (“MSA”)
- ❑ Dividends from the Company’s initial indirect 9.72% economic interest in OML 18 (once Eroton is in a position to pay such dividends)
- ❑ Potential income or sale of the Company’s 4.5% Net Profit Interest in the Barryroe oil field (offshore Ireland).

❑ Focus on OML 18

- ❑ Monetising or exiting non-core assets

*US\$174.5 million Midwestern Leon Petroleum Limited (“MLPL”) Loan Notes (“Loan Notes”)



OML 18 – 2 Years In

- ❑ Gross production around 49,000 bopd
- ❑ Well-documented issues with pipeline losses and production downtime are being tackled
 - ❑ 3 out of 5 Lease Automatic Custody Transfer (“LACT”) units now in place, expected to reduce pipeline losses
 - ❑ New export pipeline planned by operator, Eroton, for 2019
- ❑ Well activity picking up:
 - ❑ Multiple cement packer workovers complete
 - ❑ Gas lift installations ongoing
 - ❑ First new well in Eroton’s operatorship planned to be drilled from November 2018

Eroton’s plan is increasing gross production, and decreasing downtime and losses



San Leon Over Last 12 Months

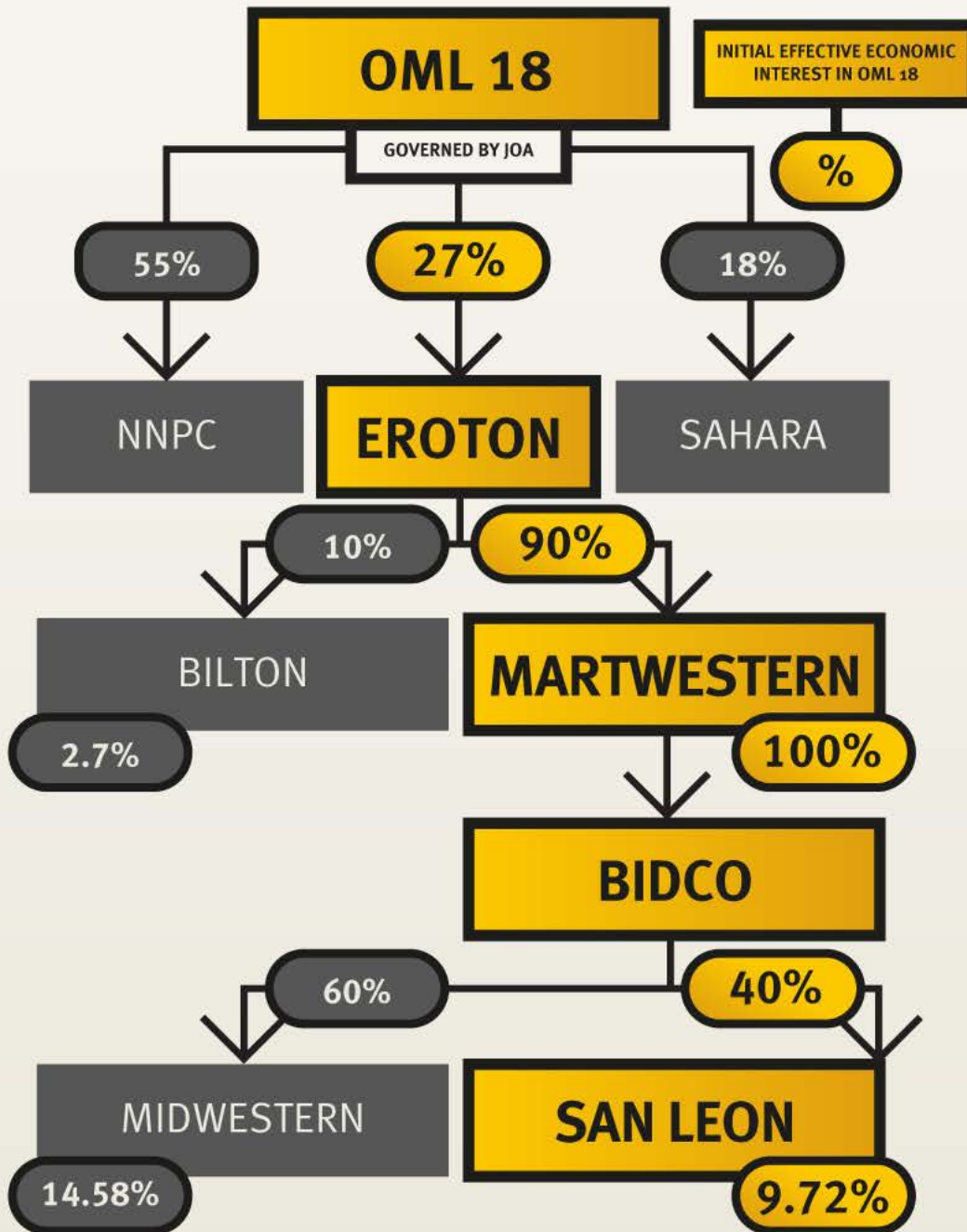
- ❑ Enhanced Board with the appointments of Linda Beal and Bill Higgs as non-execs
- ❑ Having received an approach by Midwestern Oil & Gas Company Limited in November 2017, the Company decided in April 2018 not to accept the proposal, and the suspended shares recommenced trading
- ❑ Vigorously defending allegations by SunTrust, which the Company and its advisors consider to have no merit
- ❑ Progressing capital reorganisation to enable capital return to shareholders
 - ❑ expected to complete in October/November 2018
 - ❑ Company then intends initially to return not less than \$10 million to shareholders through a share buy-back Programme

APPENDIX





DEAL STRUCTURE: ECONOMIC INTEREST



SLE holds an initial 9.72% economic interest in OML 18

OML 18 Partners

NNPC: Nigerian National Petroleum Corporation

Eroton Exploration and Production Company Limited: Current operator that completed purchase of 45% of OML 18 for \$1.1 billion from Shell, Total and ENI in March 2015. Chaired by Mr Onajite Okoloko

Sahara Field Production Limited: Nigerian privately owned integrated oil & gas company – part of power & energy conglomerate established in 1996. Purchased effective 18% stake was part of Eroton’s 45% purchase

Bilton Energy Limited: Indigenous carry vehicle

Martwestern Energy Limited: Nigerian holding company, 100%-owned by BidCo, the SPV vehicle set up to acquire SLE’s interest

BidCo: Midwestern Leon Petroleum Limited, a Mauritian incorporated special purpose vehicle, established for the purpose of holding the combined OML 18 interest of both SLE and Midwestern Oil & Gas Limited.

Midwestern Oil and Gas Company Limited: Awarded 70% interest in Umusadege Marginal Field located in OML 56 in 2003. Took production from 3,000 to ~20,000 bopd. Chaired by Mr. Onajite Okoloko