



Shaping the future of oil exploration in Africa

Investor & Analyst Presentation

December 3, 2015

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Agenda

Topic	Presenter
Introduction and welcome	Hamilton Esi
Overview of Lekoil	Lekan Akinyanmi
Technical	Sam Olotu
Operations, HSE & Community	Leke Adedipe
Commercial	Dotun Adejuyigbe
Financial	Daniel Barcelo
Conclusion	Lekan Akinyanmi
Q&A	Panel

Overview

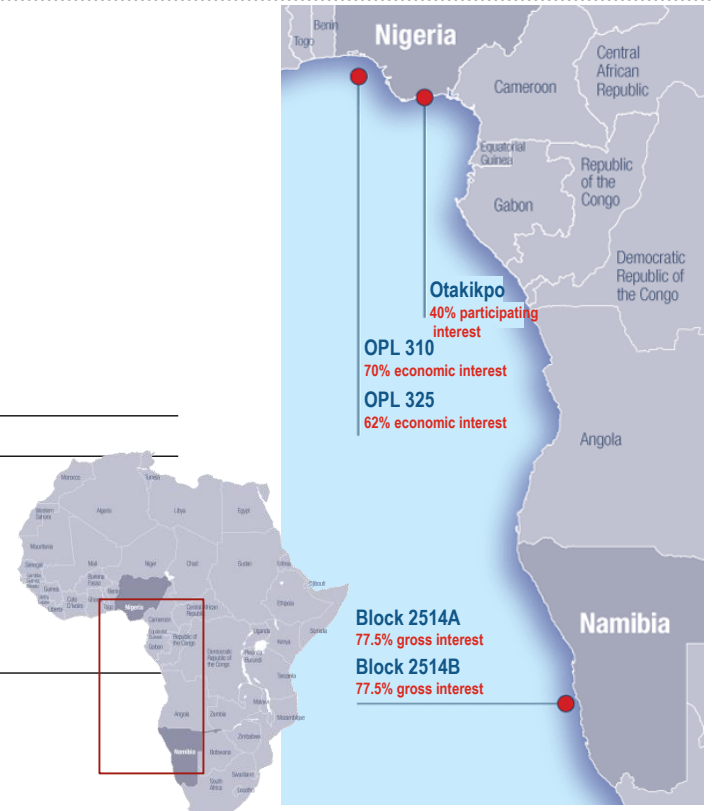


Lekoil at a glance

- Africa-focused exploration and production company
- Headquartered in Lagos and quoted on AIM (London Stock Exchange)
- Production, appraisal and exploration assets in Nigeria (Niger Delta and Dahomey basin) and exploration assets in Namibia
 1. **Otakikpo** near-term producing marginal field
 2. **Ogo (OPL 310)** world-class discovery
 3. **OPL 325** promising exploration licence
 4. **Namibia blocks** 2514A & 2514B

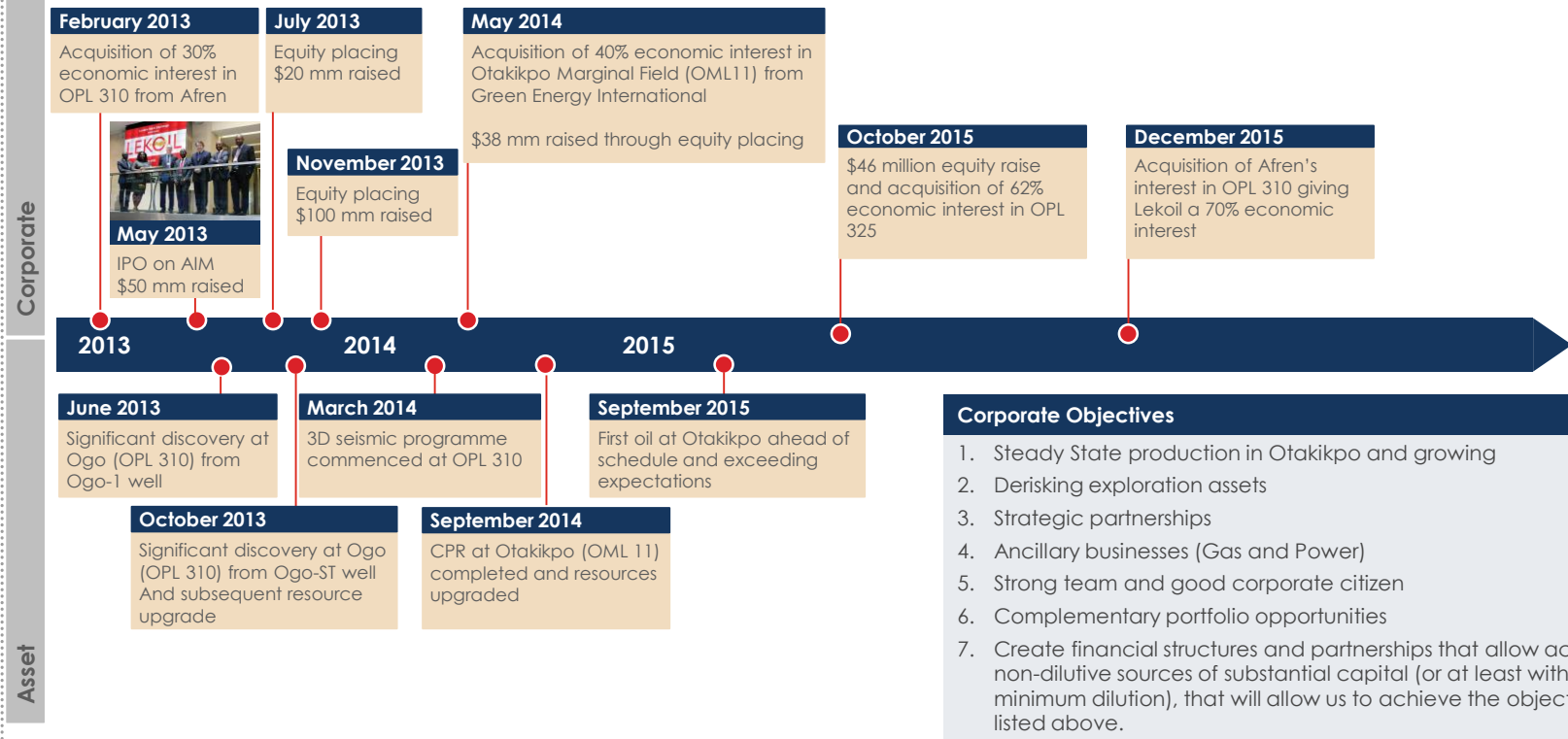
Reserves & Resources		Net	Gross
Otakikpo 2P+2C	(mmbbl)	20.4	56.6
STOIIIP Upside (Onshore)	(mmbbl)		163.0
Ogo Risked Prospective Resources	(mmboe)	541.8	774.0*

*Pending Competent Persons' Report



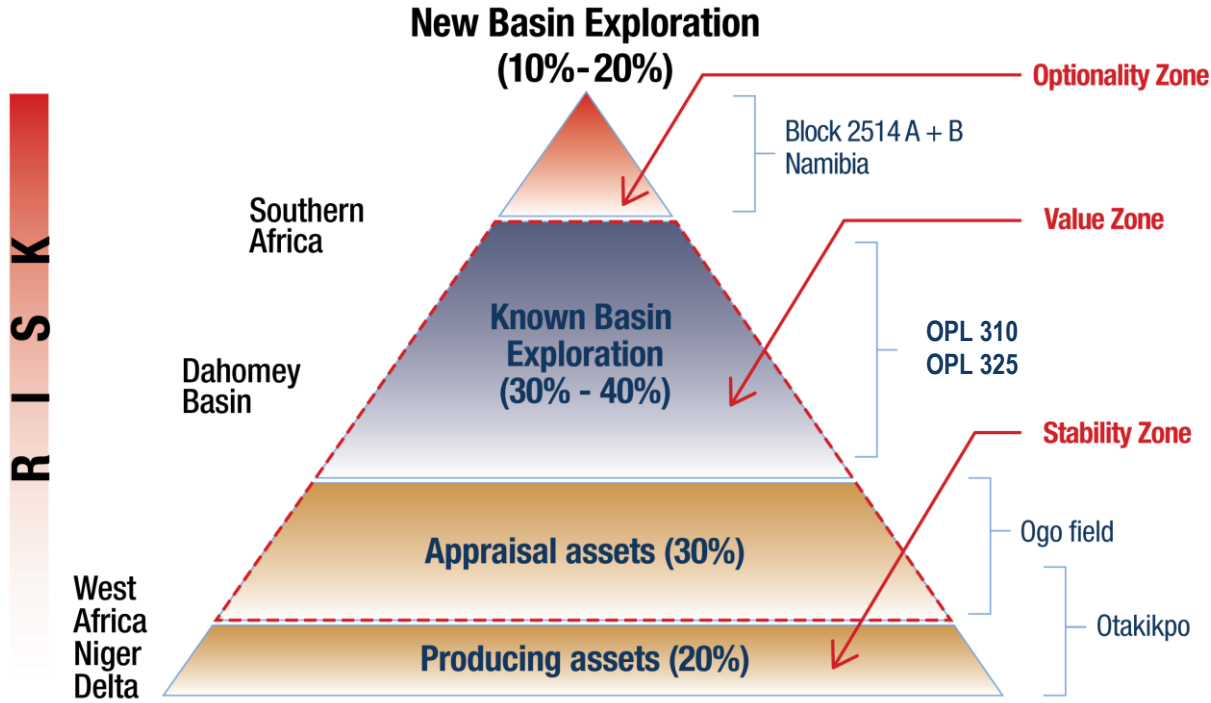
Growth ambitions: Achievements to date and growth objectives

Over \$200 million raised since listing on AIM



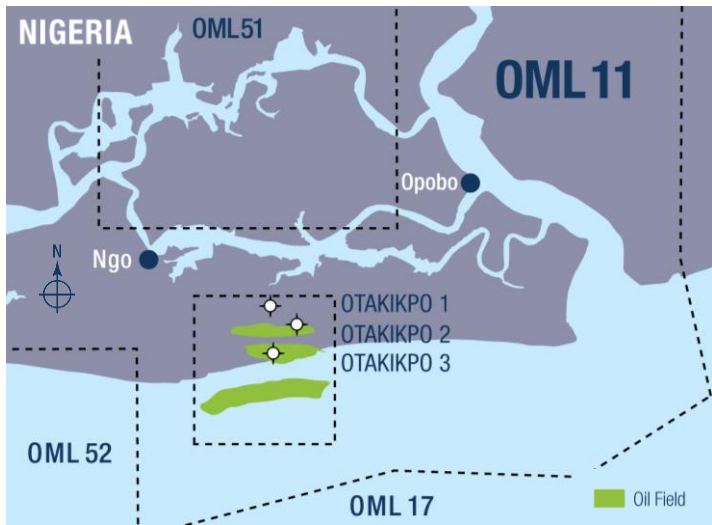
- ### Corporate Objectives
1. Steady State production in Otakikpo and growing
 2. Derisking exploration assets
 3. Strategic partnerships
 4. Ancillary businesses (Gas and Power)
 5. Strong team and good corporate citizen
 6. Complementary portfolio opportunities
 7. Create financial structures and partnerships that allow access to non-dilutive sources of substantial capital (or at least with minimum dilution), that will allow us to achieve the objectives listed above.

Corporate strategy: Portfolio approach



Otakikpo Marginal Field: Asset overview

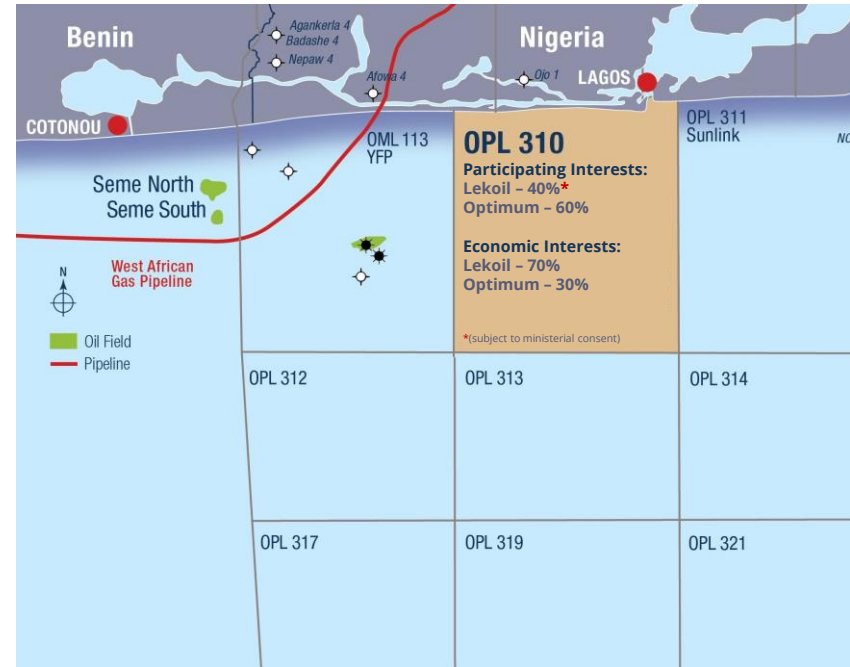
- **Partners' equity: Lekoil (40%), Green Energy (60%)**
 - During cost recovery: Lekoil (88%), Green Energy (12%)
- **Situated in swamp location in OML 11 adjacent to shoreline with multiple crude evacuation options**
- **3 wells have been drilled in the field and hydrocarbons encountered at multiple intervals**
- **Commercial production from phase 1 expected around Q1 2016**
- **Robust economics with breakeven less than \$40/bbl oil price**
 - NPV10 of \$169mm at \$60/bbl
- **Otakikpo may be eligible for Pioneer Tax Status**



Reserves & Resources		Net	Gross
Otakikpo 2P+2C	(mmbbl)	20.4	56.6
STOIIP Upside (Onshore)	(mmbbl)		163.0

OPL 310: Asset overview

- **Partners: Lekoil & Optimum Petroleum (operator)**
 - Lekoil farmed-in to Afren's interest in February 2013 and acquired the balance of its interest in December 2015
- **Located in the Dahomey Basin that runs along the West African Transform Margin covering area of 1,900 km²**
 - Shallow water asset close to Lagos and existing gas infrastructure
- **In 2013, Lekoil funded the first \$50mm towards drilling an exploration well and sidetrack that resulted in the world-class Ogo discovery**
- **Additional upside potential is expected from other identified syn-rift leads within the block**
- **Interpretation of the recently acquired 3D Seismic ongoing, to be followed by an appraisal well in 2016**



Management team



Lekan Akinyanmi

**Executive Board Member,
Chief Executive Officer**

Formerly the international Energy Sector Head at AllianceBernstein L.P. with direct responsibility for a \$1 billion energy and natural resource portfolio.

Engineering and operational roles within Schlumberger in a career that spanned Nigeria, Egypt, Pakistan, Oman and Scotland.

BSc. in Electronic and Electrical Engineering from Obafemi Awolowo University Ile-Ife, Nigeria (1991); and an MBA from MIT Sloan School of Management, USA.

Member of the #1 institutional investor-ranked team of analysts covering the oilfield services industry as an Associate Director at UBS Investment Research.



Sam Olotu

Chief Technical Officer

Over 25 years experience in the oil and gas industry with Oil majors and Schlumberger. With broad ranging experience in asset management and field development, reservoir management, seismic data processing and interpretation.

Managed major projects under difficult conditions and tight schedules, excellent project conceptualization and implementation abilities.

Experience in project management and assurance tools. Sound ability in building/leading diverse teams of varying sizes and delivering in a performance-driven environment. Has held responsibilities in Nigeria, Europe, Middle-East and Asia.



Leke Adedipe

Chief Operating Officer

Over 35 years of experience in the oil and gas industry with Shell and Agip in a career that spanned locations in Nigeria, Italy, The Netherlands and Oman.

Extensive experience in production operations and maintenance engineering, drilling engineering, production technology, reservoir management and production enhancement and a successful track record in corporate security.

Leke has held various senior management positions (Production Operations and Maintenance Manager, Senior Portfolio Development Manager and General Manager Corporate Security). He also had an early career at the Nigeria Agip Oil Company.

Management team



Dan Barcelo

Head, Corporate Finance

Daniel Barcelo is Head, Corporate Finance and responsible for the short-term and strategic funding of Lekoil. With over 20 years of energy finance experience Daniel brings an extensive relationship network across international investment banks, asset managers and corporates.

Prior to joining Lekoil, Daniel was CFO at Ruspetro plc, Portfolio Manager at Moore Capital and an equity research analyst with Lehman Brothers, Bank of America and Renaissance Capital in New York, London and Moscow.



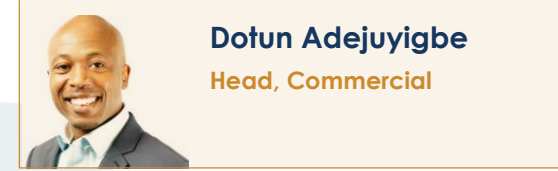
Dr. Kehinde Ladipo

Senior Exploration Advisor

Dr. Ladipo is an award winning and leading Nigerian expert in the geosciences, specializing in sedimentology, geology and geophysics.

With over 35 years of experience in Exploration Geology, Dr. Ladipo has had a long career in the Oil Industry and has held various senior management positions at Shell Petroleum Development Company, where he was most recently Head of Geological Services Department with Corporate responsibilities for geological data analyses and technical support.

He is a member of the Nigerian Mining and Geological Society (NMGS) and a Fellow of the Nigerian Association of Petroleum Explorationists (NAPE)



Dotun Adejuyigbe

Head, Commercial

Dotun and his team coordinate the commercial, business and strategic planning functions at Lekoil. His responsibilities include hydrocarbon marketing and support for corporate finance functions.

Dotun has wide-ranging experience in project management, consulting, private equity and corporate finance across projects in Africa, Europe, North and South America. He holds a BSc in Electronics and Electrical Engineering from Obafemi Awolowo University, Nigeria an MBA from INSEAD, France.

Technical



Otakikpo Marginal Field

Niger Delta, Nigeria

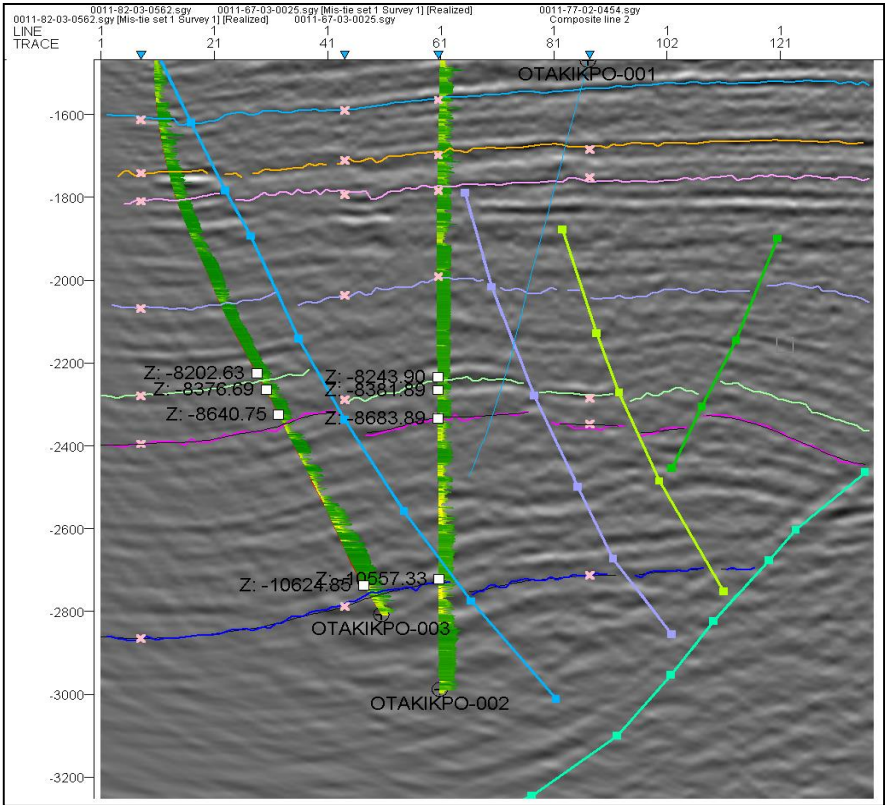
56.60 mmbbbls

Gross 2P+2C recoverable

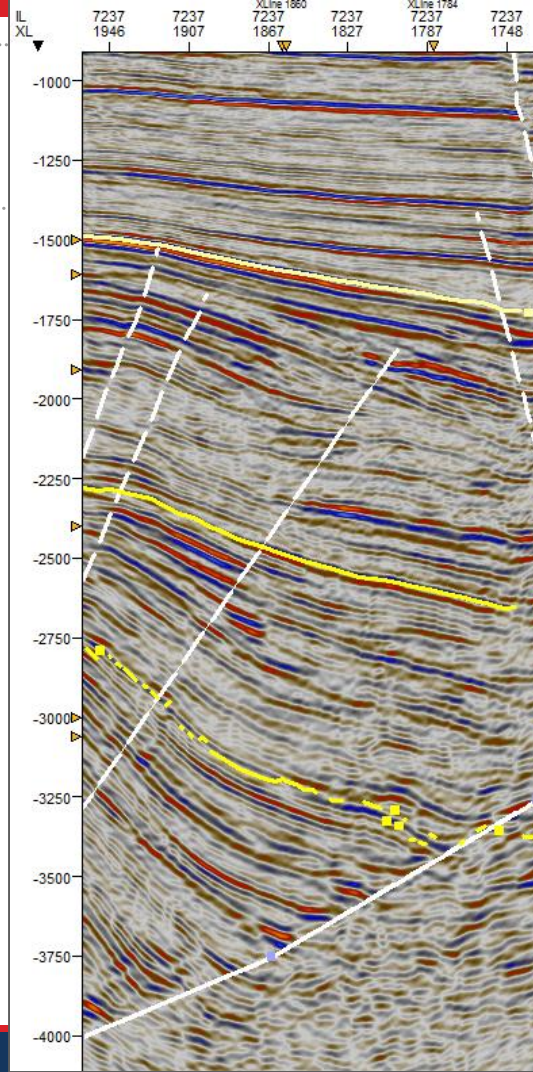
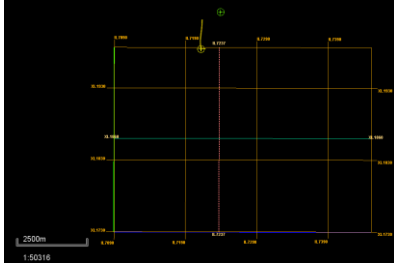
162.8 mmbbbls

Estimated Gross STOIIIP upside

Otakikpo Marginal Field: 2D seismic over Otakikpo Main



Otakikpo Marginal Field: Upside



Otakikpo Marginal Field: Production profile

- **Original work programme**
 - Phase 1
 - Recompletion of wells 2 and 3
 - Earlier production estimates of 6,000bopd – now 10,000bopd
 - Phase 2
 - Between four and seven additional wells
 - Central processing facility
 - Earlier production estimates of 10,000 bopd – now 20,000 bopd
- **Response to Oil price drop**
 - Opportunity to revise the work programme
 - Contract re-negotiation
- **Current update – First Oil**
 - Zone E1 tested and flowed at 5,700bopd vs. expectation of 1,500bopd
 - Zone C6 test expected around year end

Dahomey Basin, Nigeria

1,900 km²

OPL 310

>774 mmbob

Gross risked prospective resources

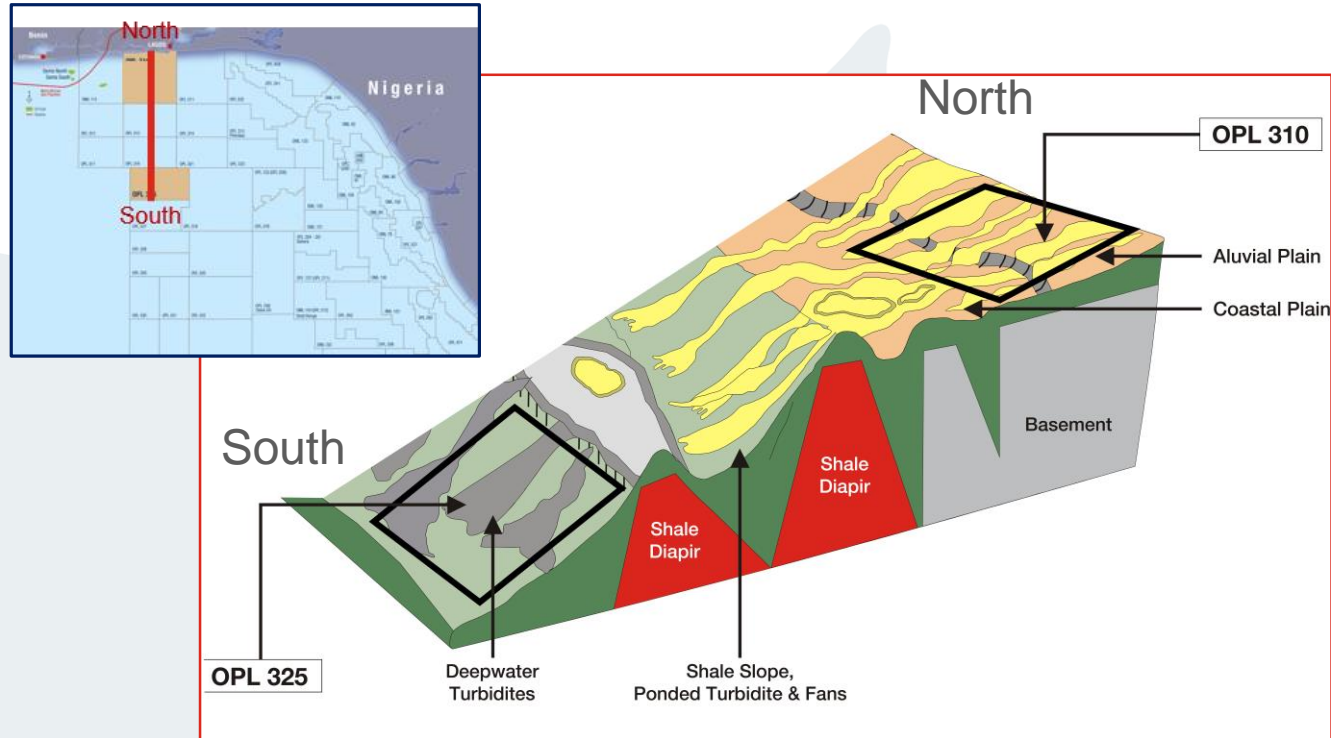
1,200 km²

OPL 325

5,700 MMbbls

Estimated gross unrisked prospective resources

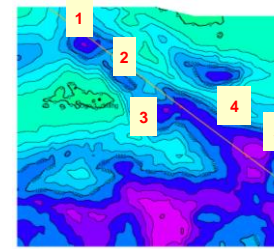
Dahomey Basin - Regional Schematic cross section and play types



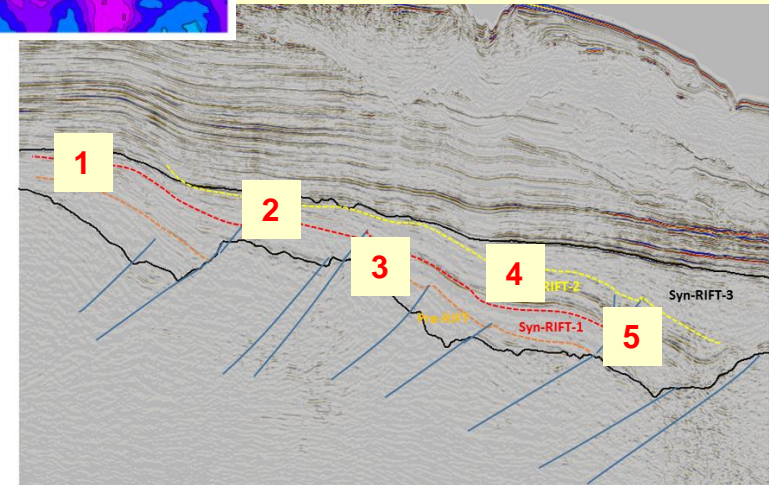
OPL 310:

Asset overview

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New 3D Seismic: OPL310 Prospectivity



OPL 310: Work programme

Work to date

- May 2013**

 - **Farm-in of a 17.14% participating interest in OPL 310 with Afren**
 - Total carry of up to \$50 million
- June 2013 to Sept 2013**

 - **Significant oil discovery from the high impact Ogo-1 Well and Sidetrack**
- Nov 2013**

 - **Updated net resource numbers show net recoverable resources of 232 mmboe**
- Mar 2014**

 - **Commencement of 3D seismic programme covering 1,505 km², ~80% of OPL 310 acreage**
- May 2014**

 - **Completion of 3D seismic acquisition**
- H2 2015**

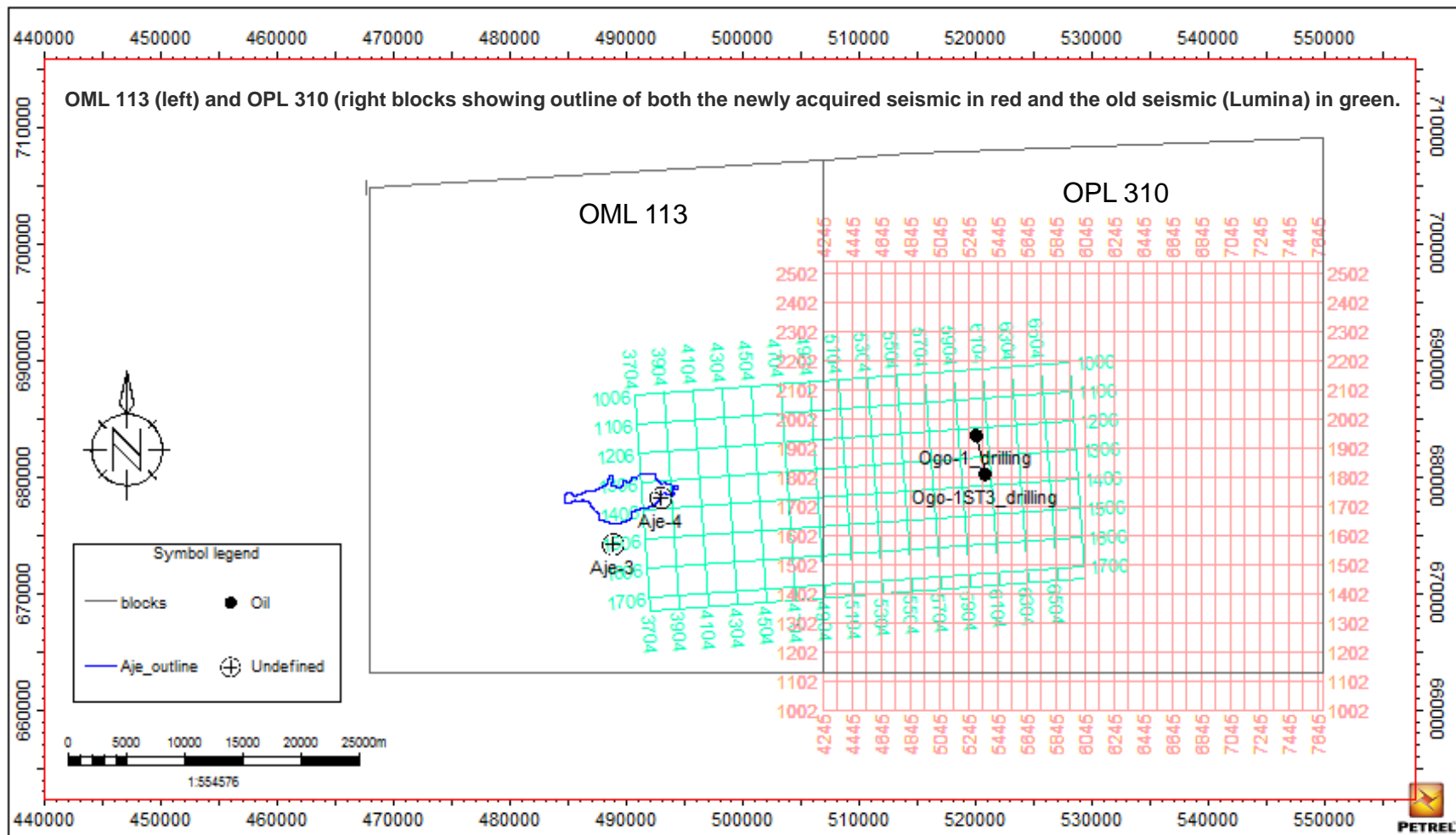
 - **Preliminary review and interpretation of acquired 3D seismic data**

Plan forward

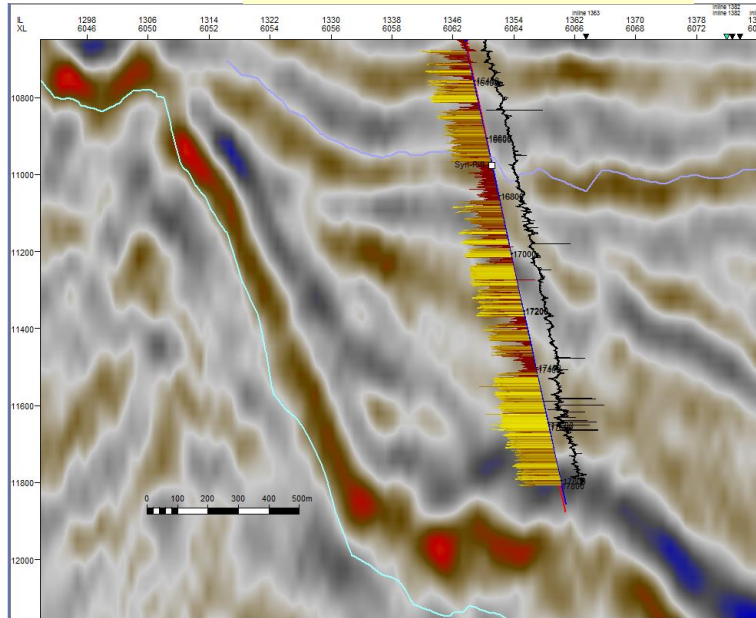
- H1 2016**

 - **Complete acquisition of Afren's interest**
 - **Strategic decision and/or appraisal drilling**
- 2016**

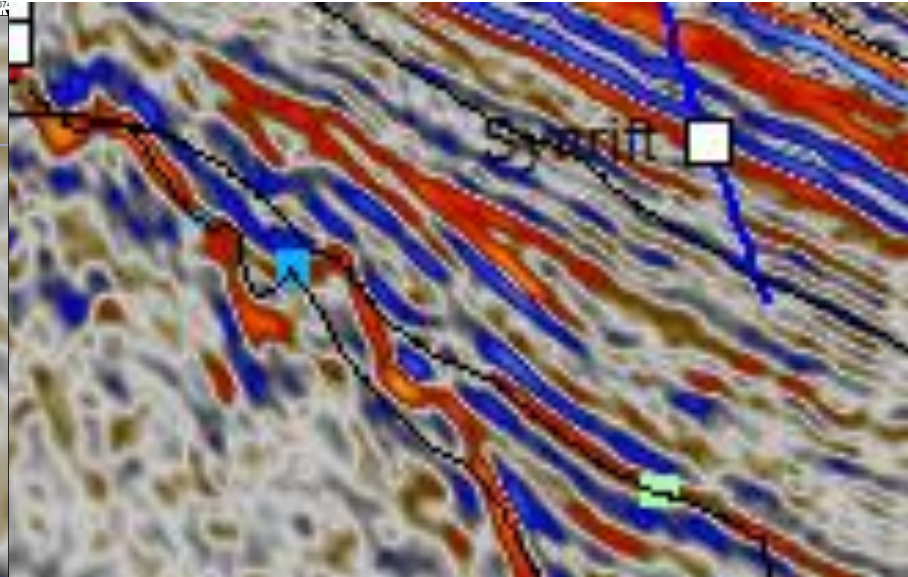
 - **Drill appraisal well**
-



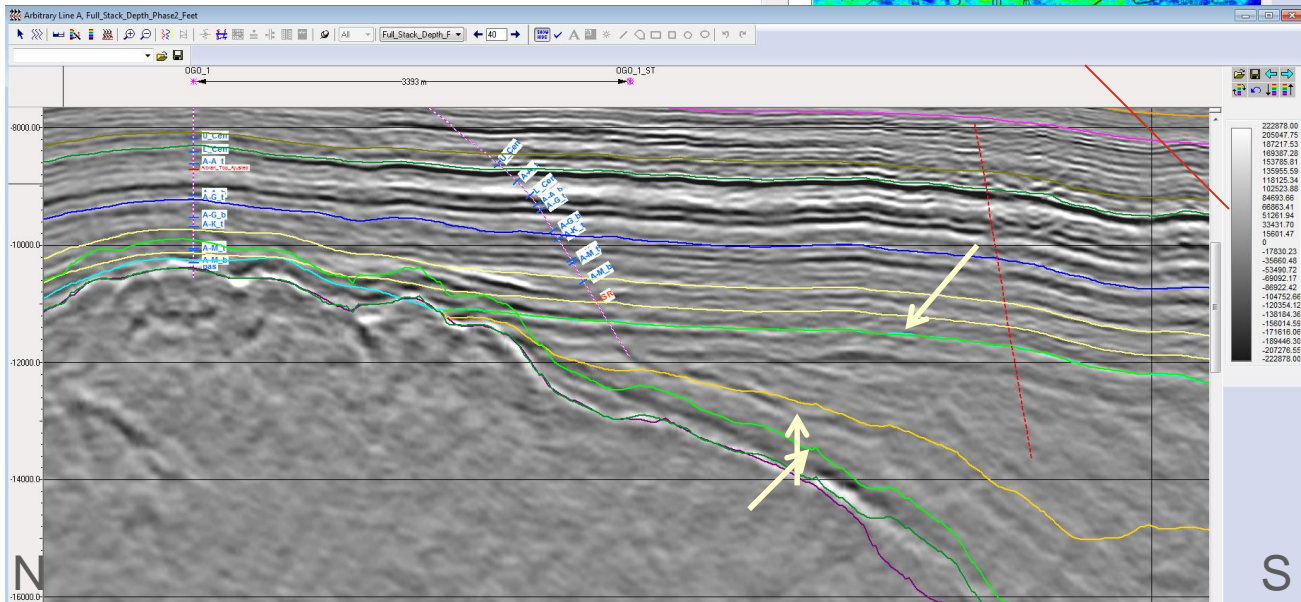
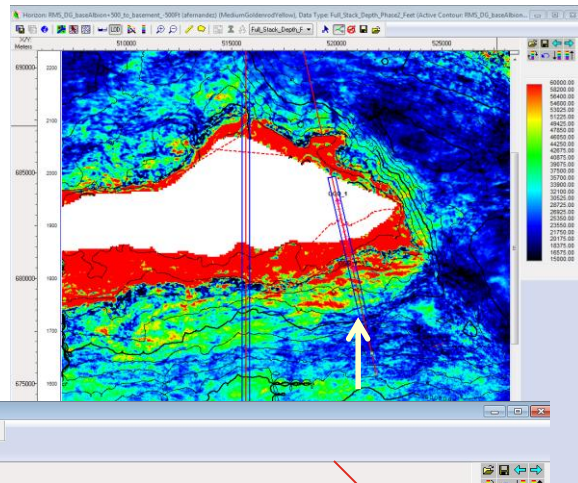
Old Seismic 1996

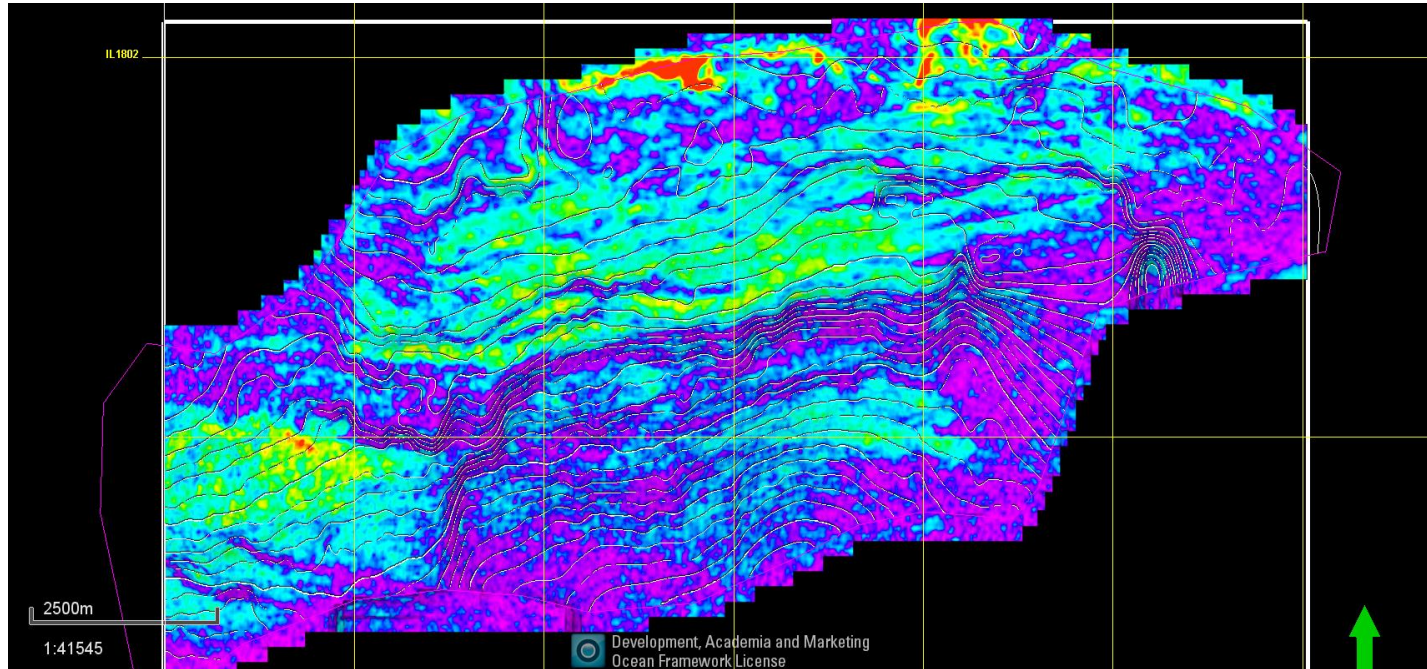


New Seismic 2014

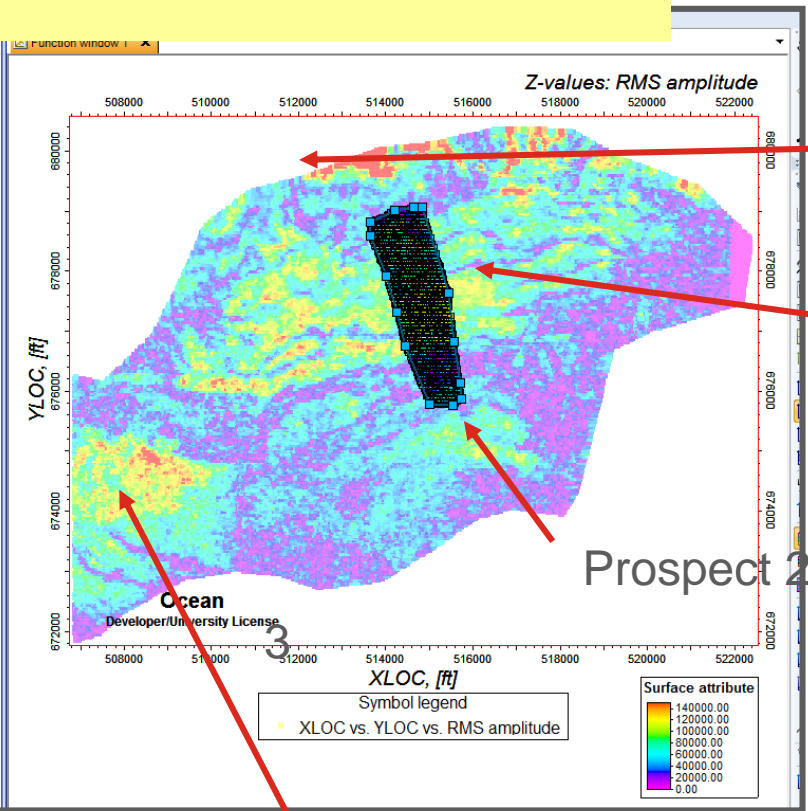
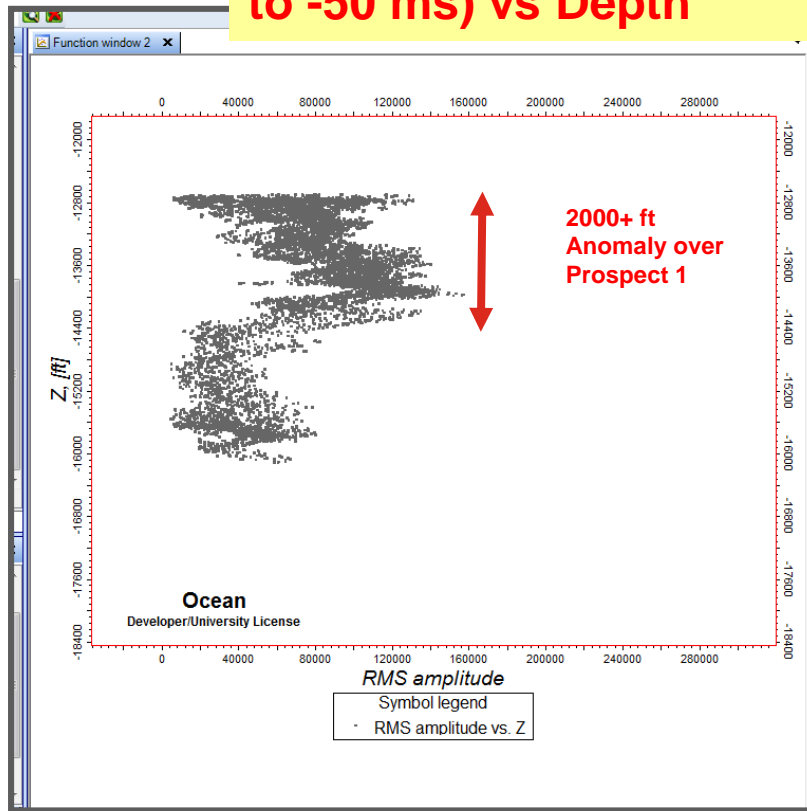


RMS amplitude between
base Albion and revised
basement – 500 Ft
- West of OGO-1 ST





3 Prospects South of Ogo: RMS Amplitude (+50 ms to -50 ms) vs Depth



Ogo bound

Prospect 1

Prospect 2

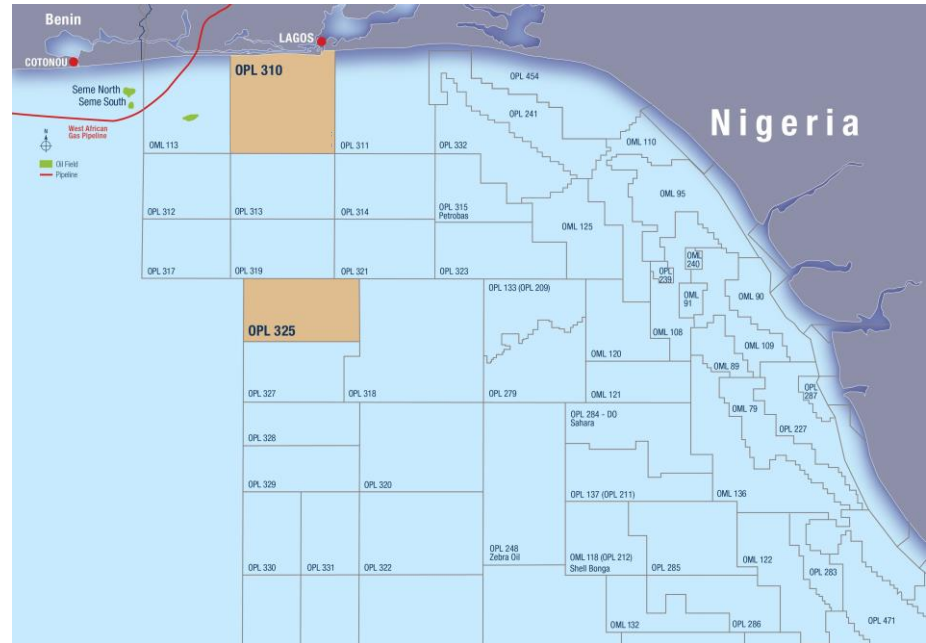
Prospect 3

OPL 325:

Asset overview

- OPL 325 is a deep to ultra-deep-water block located in the Dahomey Basin on the western side of the Niger Delta**
 - 100km south of the Lagos coastline with water depths within the block ranging from 2,300 – 3,200m
- The block was awarded as part of the 2005 Licensing Round to Ashbert Oil & Gas Limited (“Ashbert”) which currently has an equity interest in the asset of 70%**
- The remaining equity interests in the block are held by NPDC (20%) and LCV¹ (10%)**
- Preliminary technical work estimates gross P50 resources of 5 - 6 billion boe**
- The block was identified as a key target with exploration upside in Lekoil’s proprietary Dahomey basin study**

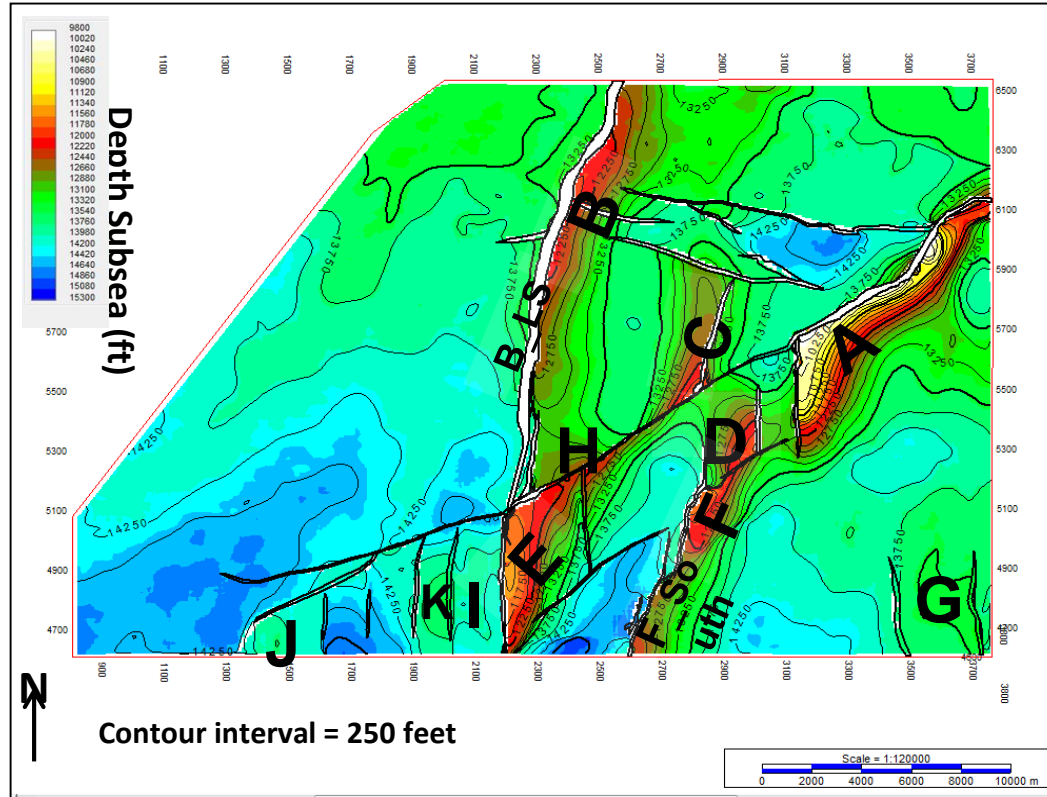
1. Local Content Vehicle (“LCV”).



OPL325 3D Seismic Coverage



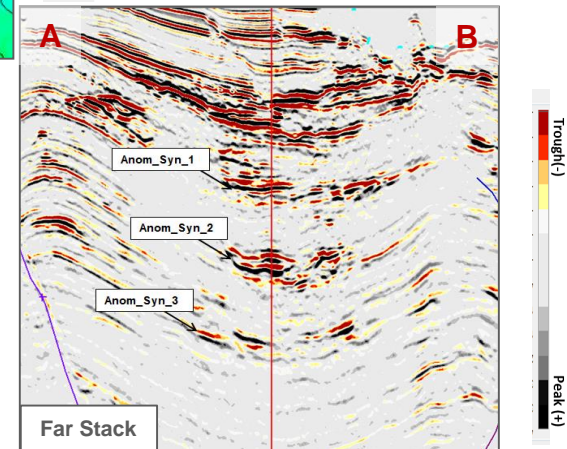
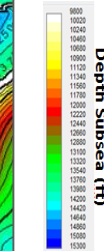
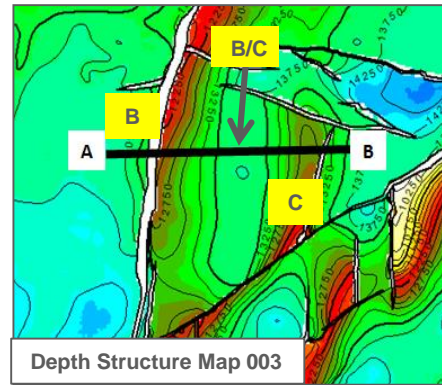
OPL 325: Multiple prospects/leads



- Opportunities: Several prospects and leads identified and labelled – A,B,C,D,E, F...

OPL 325: Prospects B,C & B/C

- Trap: Stratigraphic part structural. Deep water confined channels trapped in a syncline between two structural highs (B&C) and bounded to the north and south by thrust faults
- Reservoir: Confined channel complexes
- Seismic character: Multi cycle class 3 type AVO anomalies
- Opportunities: Good evidence for reservoir presence and stacked class 3 amplitude anomalies



Prospect B

Resource (P50):

1.192 BBO (5 main reservoirs)

Trap:

- 3-way combined structural-stratigraphic. Deep water channels draped over a thrust faulted anticline.

Reservoir:

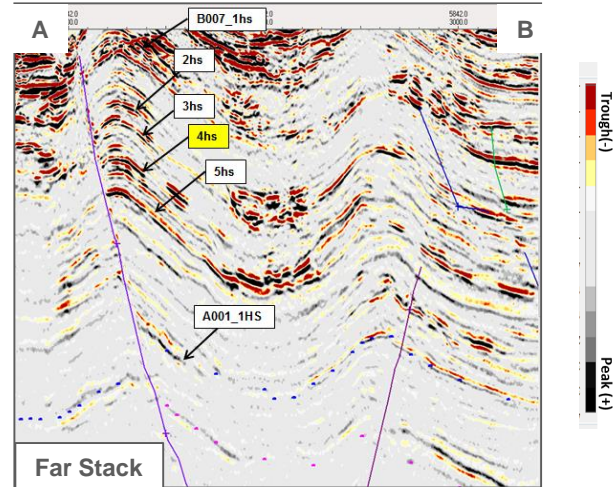
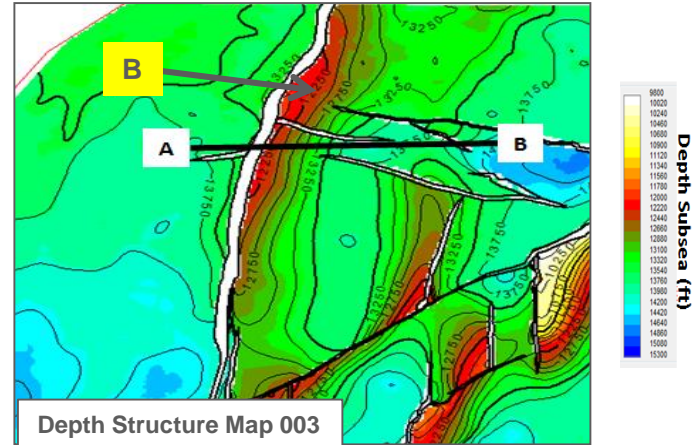
- Confined and weakly confined channel complexes

Seismic Character:

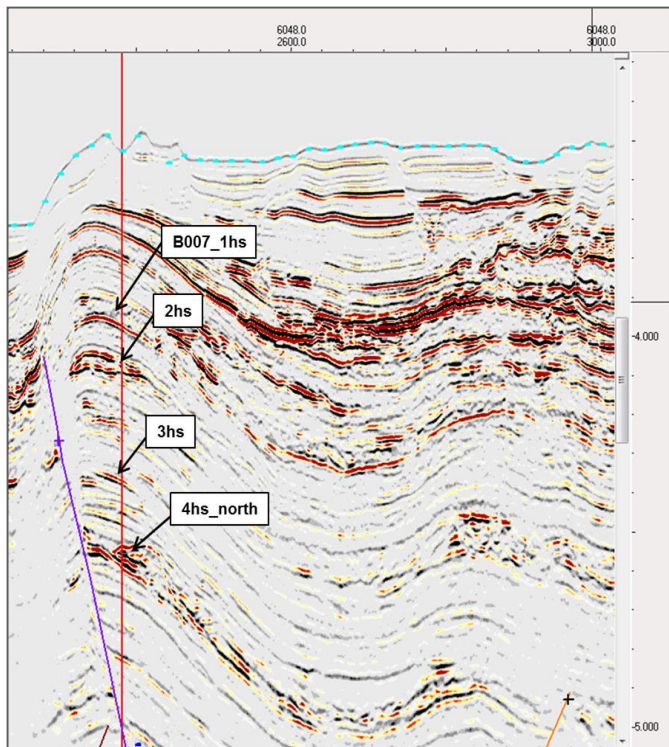
- Multi and single cycle class 3 and 2 type AVO anomalies

Strengths

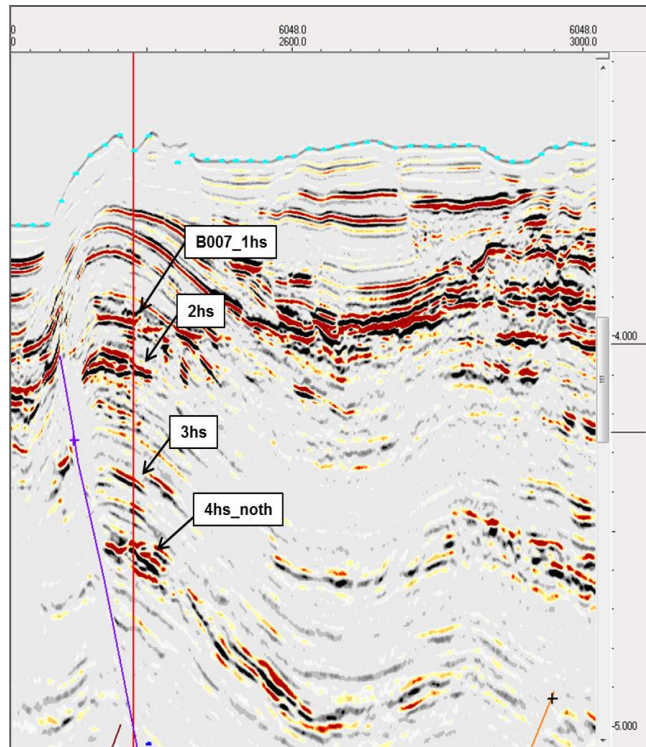
- Very large resource
- Good evidence for reservoir presence
- Stacked class 3 and 2 amplitude anomalies



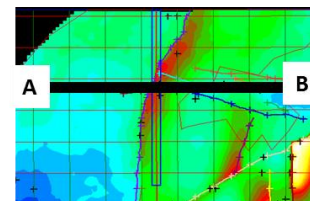
Prospect B – Near and Far Stacks



Near Stack



Far Stack



Prospect B/C

Resource (P50):

1.149 BBO (2 main reservoirs)

Trap:

- Stratigraphic part structural. Deep water confined channels trapped in a syncline between two structural highs (B & C) and bounded to the north and south by thrust faults

Reservoir:

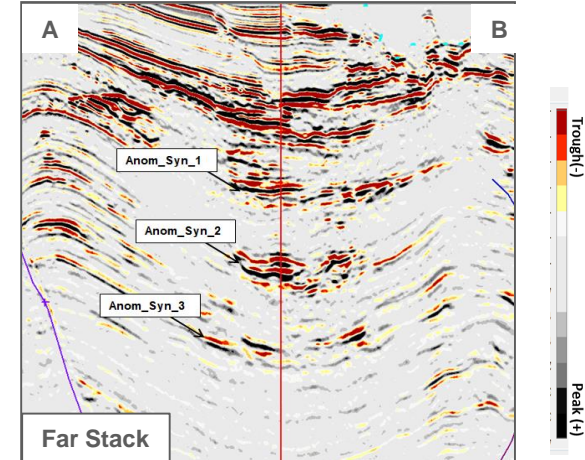
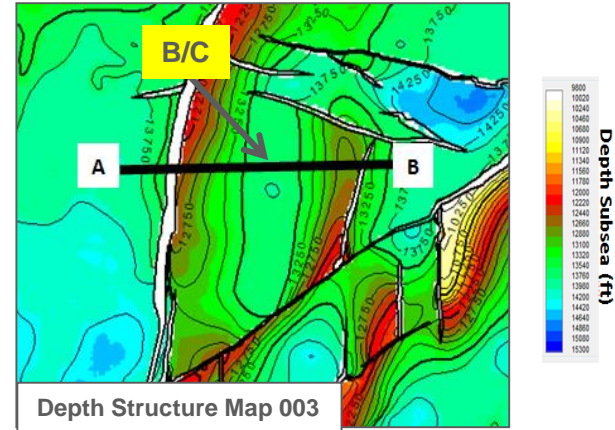
- Confined channel complexes

Seismic Character:

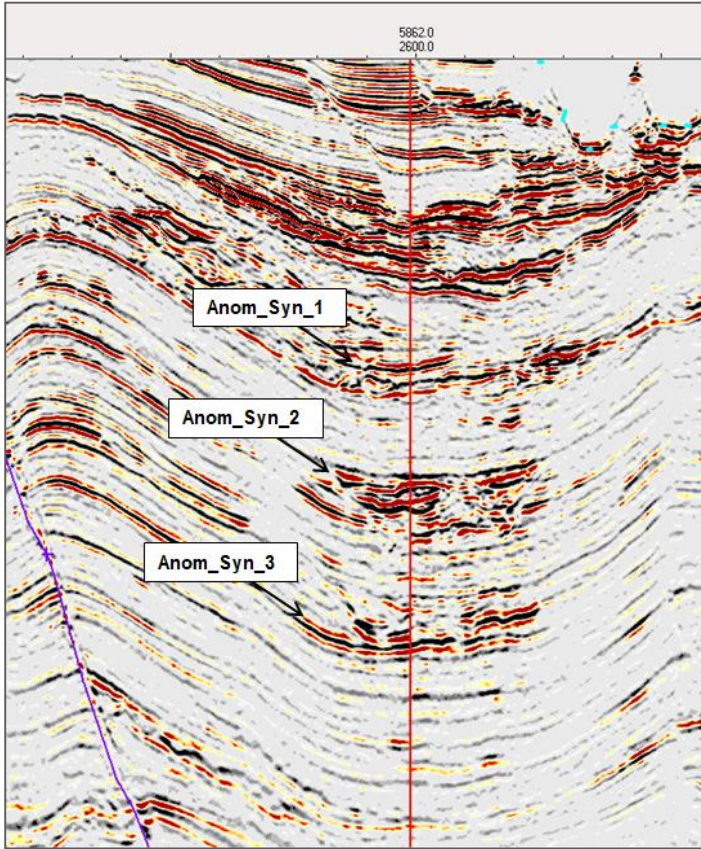
- Multi cycle class 3 type AVO anomalies

Strengths

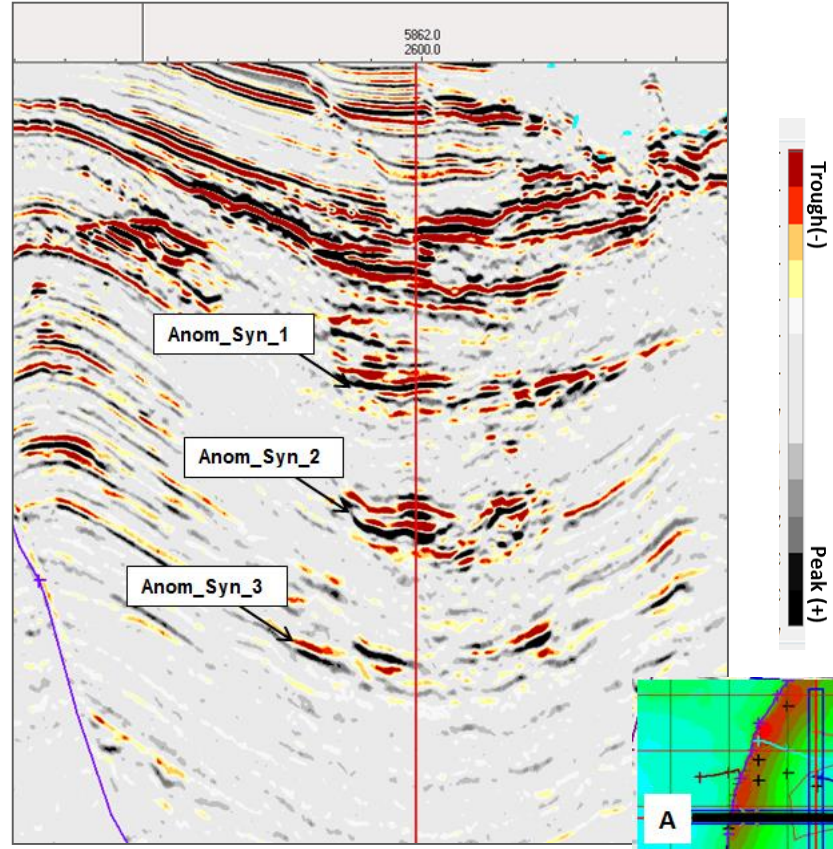
- Good evidence for reservoir presence
- Stacked class 3 amplitude anomalies



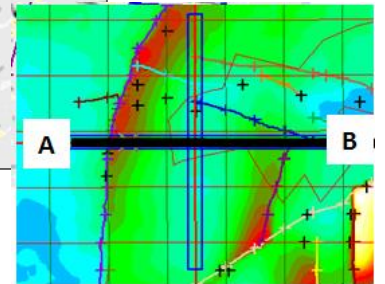
Prospect B/C – Near and Far Stacks



Near Stack



Far Stack



Prospect C Summary

Resource (P50):

825 MBO (3 main reservoirs)

Trap:

- 3-way combined structural-stratigraphic. Deep water channels draped over a thrust faulted anticline.

Reservoir:

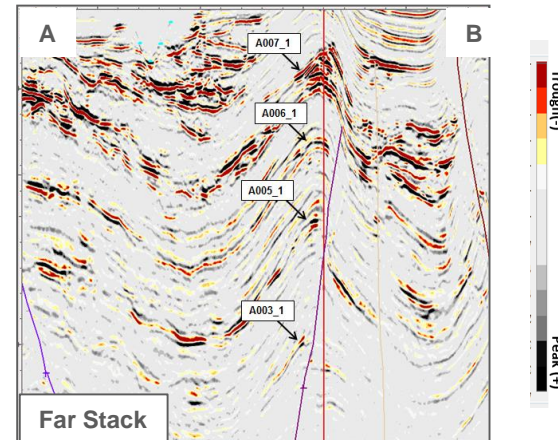
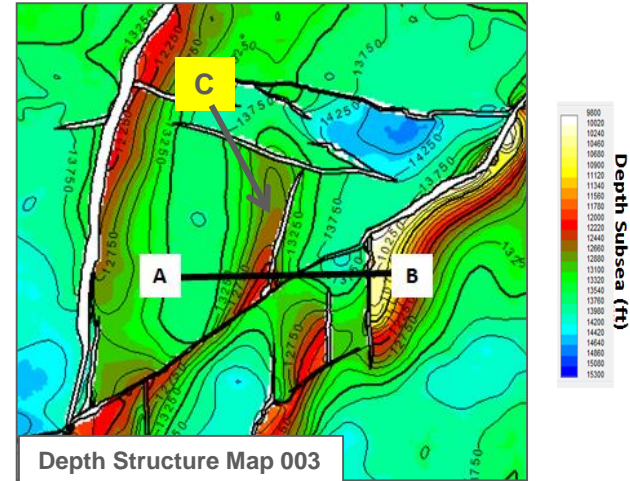
- Confined and weakly confined channel complexes

Seismic Character:

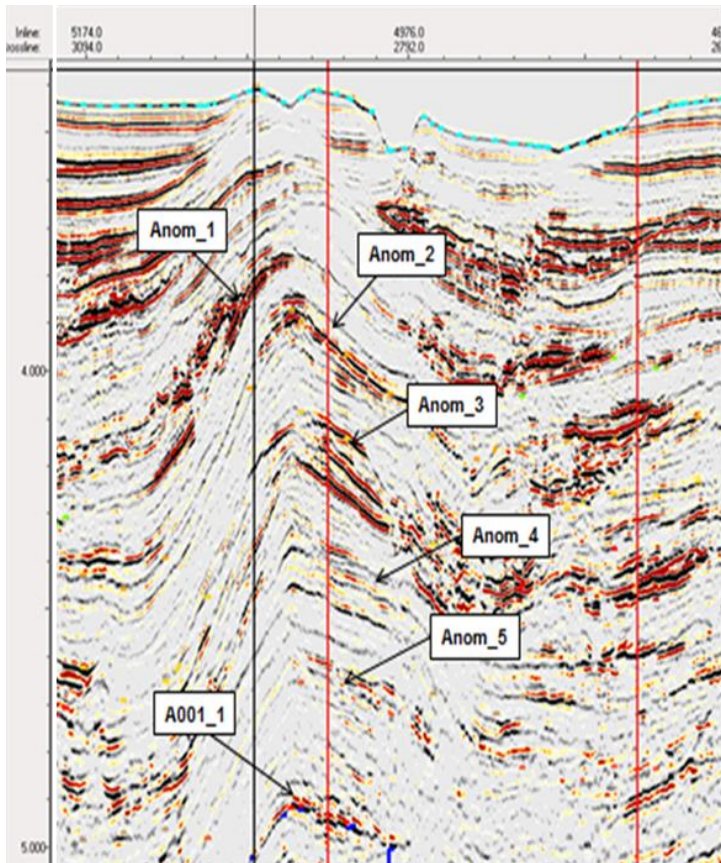
- Multi and single cycle class 3 and 2 type AVO anomalies

Strengths

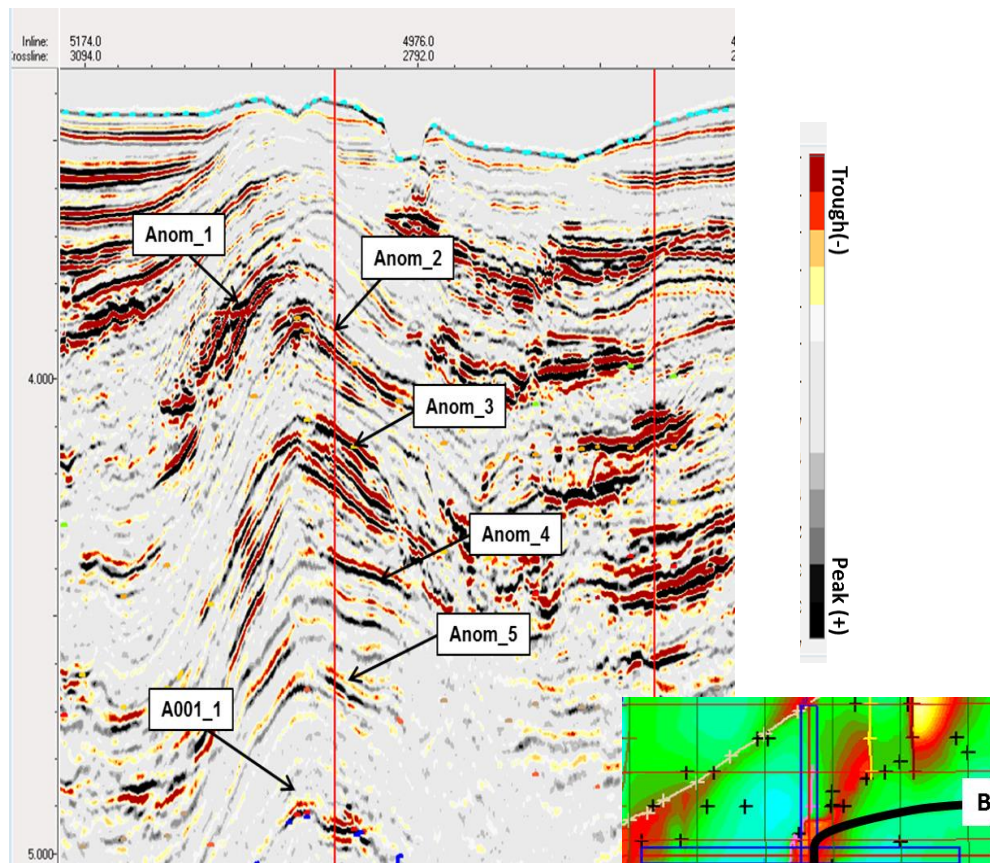
- Large resource
- Good evidence for reservoir presence
- Stacked class 3 and 2 amplitude anomalies



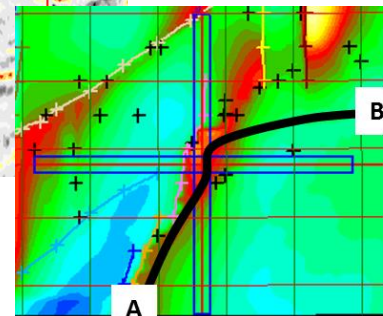
Prospect F – Near and Far Stacks



Near
Stack



Far
Stack



Namibia

Blocks 2514A & B

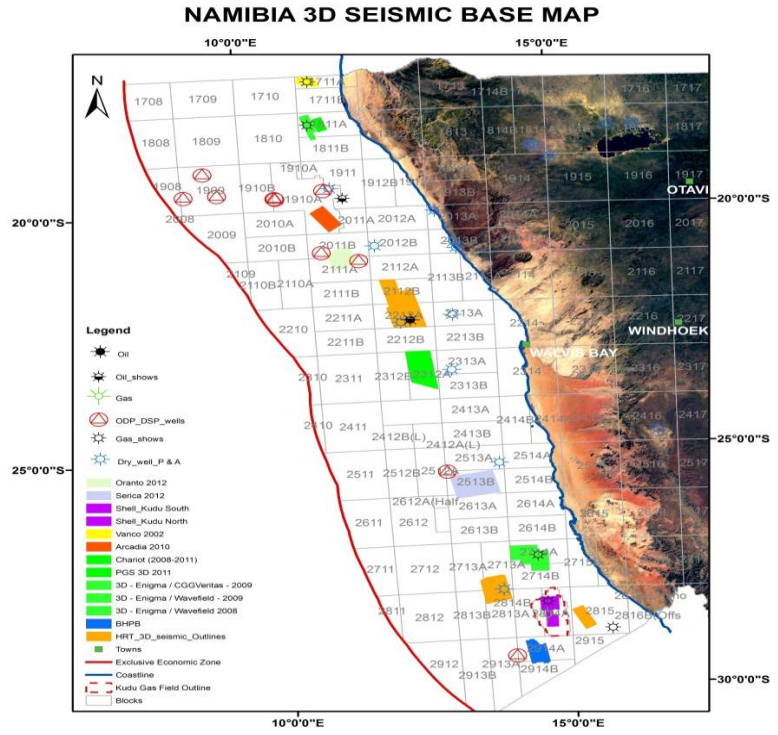
Exploration asset

Lüderitz Basin block



Namibia Blocks 2514A & B: Asset overview

- **2 Blocks in Luderitz Basin**
 - Blocks 2514A and 2514B
- **Prior history of oil seeps**
- **Acreage ~ about 11,000 Km2**
- **Lekoil has acquired net 77.5% stake and is operator of block**
- **Operational status**
 - Technical advisory committee meetings held with Namibian government
 - Currently reviewing historical seismic and well data



Operations



Otakikpo Marginal Field: Work to date

Lekoil work since the acquisition

Q3
2014

- Community engagement strategies commenced

Q4
2014

- Received regulatory approvals for re-entry of Otakikpo 2 and 3 Wells
- Site preparation commenced

H1
2015

- Memorandum of Understanding signed with host communities
- Mobilisation of drilling and other key contractors

H2
2015

- Ministerial consent received
- First Oil achieved on 5 September 2015

Otakikpo Marginal Field: First Oil



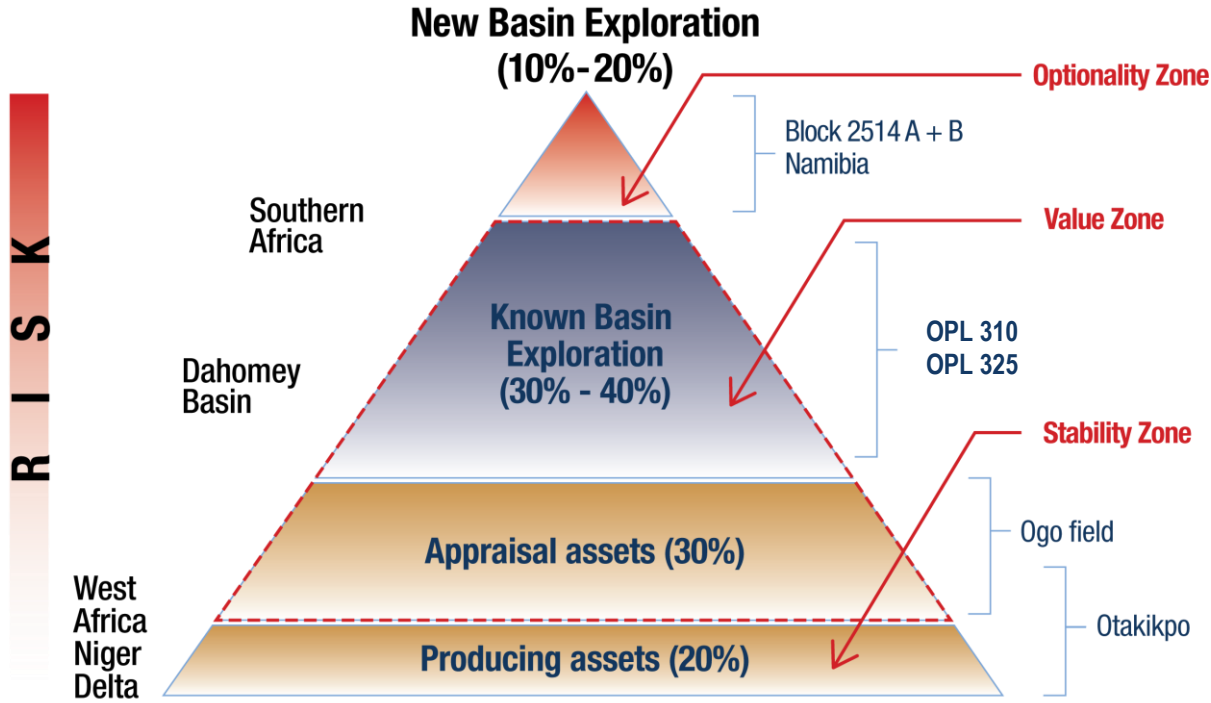
- **On 5 September 2015 Lekoil achieved First Oil on the Otakikpo Marginal Field**
 - Oil flowed to surface from the first well (Otakikpo 002) at a peak rate of 5,703 bopd vs. 1500 bopd expected
- **Next steps**
 - The C6 will be flow tested
 - Complete the well as a dual string production well on the C6 and E1 reservoirs
 - The two wells (Otakikpo 002 and 003) are expected to be fully completed by Q1 2016
 - Clean up and execute well test programme
 - Rig moves to Otakikpo 003 for well re-entry activities

Operations critical success factors

1. Sustainable Community Development
2. Safety, Occupational Health, Environment
3. Security Management Framework

Commercial

Corporate strategy: Portfolio approach



Commercial Outlook

1. 60 reviewed
2. Pan-African outlook
3. Strategic portfolio additions
 - Portfolio fit
 - Attractive entry
 - Development synergy
 - Good monetization
 - Credible partners
4. Key developmental partnerships
5. Creative deal structuring
6. Value adding offtake options
7. Strategic Planning and stakeholder management

Financial

Financial: Assumptions

- **Anticipate Otakikpo Phase 1 commercial production by end of 1Q 2016**
 - Otakikpo #002: Flow test year-end followed by extended well test
 - Otakikpo #003: Drilled, tested and completed around mid-year 2016
- **Production expected to ramp to 10,000 b/d from Otakikpo**
 - Based on identified resources, the Company believes peak production could reach 30,000 b/d
- **2016 Capital Expenditures**
 - Budget being finalized and following Board Approval the Company will update the market early next year
- **Funding flexibility**

Financial:

Balance Sheet Summary

As at 30 June 2015	Amount US\$m
Exploration & evaluation assets	112.6
Other	14.3
Non-current assets	126.9
Prepayments	12.8
Other	4.5
Cash	41.4
Current assets	58.7
Total assets	185.6
Trade payables	6.9
Other	0.9
Short term loan	10.0
Total liabilities	17.8

Financial:

2015 Cash Balances



2015	USD\$, mn
Cash Balance (30 June 2015)	41.4
Otakikpo	(18.0)
OPL 310 License and G&G	(12.9)
OPL 325 License	(16.5)
Namibia	(0.1)
Corporate	(5.2)
Bridge loan repayment & interest	(2.6)
Equity Issuance (net)	44.0
Estimated Cash Balance (31 December 2015)	30.0

Financial:

2015 Cash Balances



2015	USD\$, mn
Cash Balance (30 June 2015)	41.4
Otakikpo	(18.0)
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Financial:

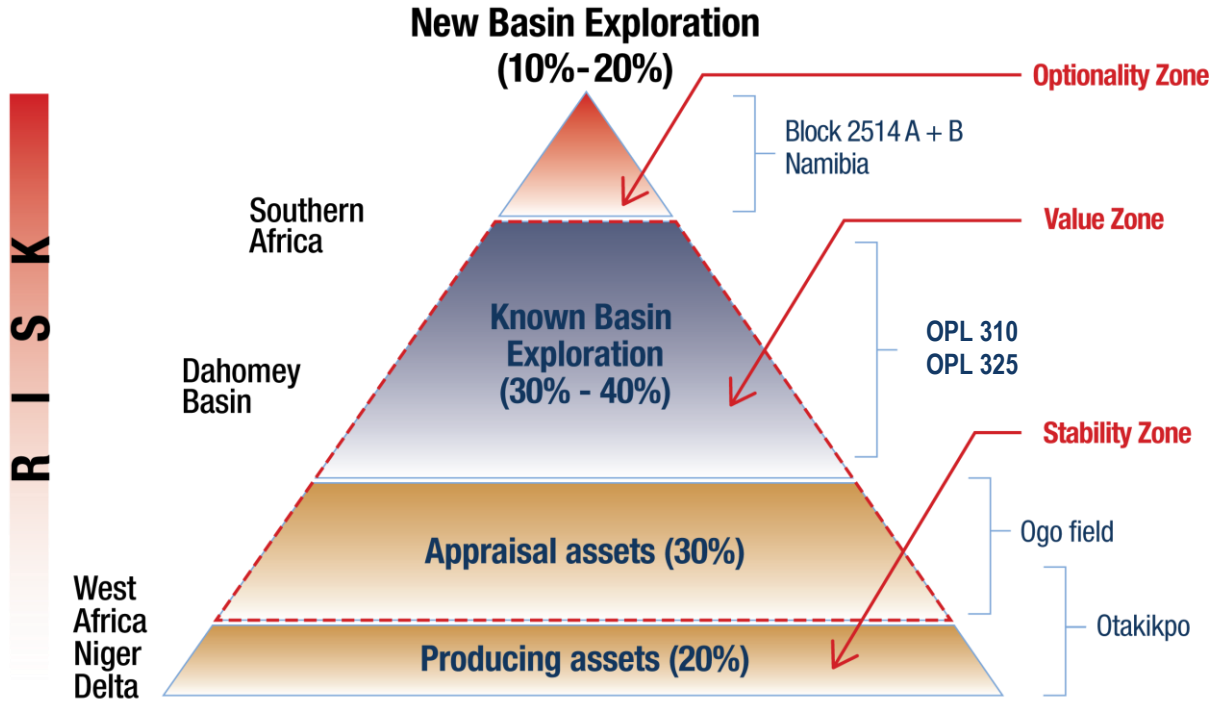
2016 Initial Work Plan



Asset	Activities	Minimum Work Obligation \$mn
Otakikpo	3D Seismic Flow test Production test 1 Well re-entry (end 1Q16) Facilities	N/A
OPL 310 (Ogo)	Seismic Interpretation 1 Well (spud by year-end) G&G CPR	N/A
OPL 325	G&G CSEM CPR	TBD
Namibia	G&G CSEM	\$0.9

Conclusion

Corporate strategy: Portfolio approach





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