



Shaping the future of oil  
exploration and  
production in Africa

February 2017



# Production Starts at Otakikpo



**5,000 bopd\***

initial rate on 16 Feb



**10,000 bopd**

by end of Q2

- ✓ **Both wells -002 and -003 performing to expectations**
  - ✓ Oil to tank started from well -003 which, was not previously flow tested
  - ✓ Focused on gathering initial production data and optimizing well performance
- ✓ **First crude loadings have commenced onto shuttle tanker**
  - ✓ Regular exports underway
  - ✓ Current storage onsite = 45,000 barrels (filled up once oil flowed to tank)

\*Per Current Regulatory Approvals for Production Commencement

# Otakikpo: From Swamp to Producing Field in <2 years



Onshore crude storage



Wells complete (-002 pictured)



Tanker onsite for crude loadings



Pipeline infrastructure complete



# Otakikpo

## Producing marginal field

40% working interest, 88% economic interest\*

Tested & Flowed Zones (well -002)	Commercial Production
<b>C5</b> 6,404 bopd	<b>5,000 bopd</b> currently
<b>C6</b> 5,684 bopd	
<b>E1</b> 5,703 bopd	<b>10,000 bopd</b> by end of Q2

- Adjacent to shoreline with **multiple crude evacuation options**
- 3 previously drilled wells with **hydrocarbons encountered at multiple intervals**
- Robust economics with **breakeven below \$30/bbl**

\*During Cost Recovery



# Our assets



Otakikpo  
**20.4 mmbls net** |

56.7 mmbls gross 2P + 2C resources  
 +162.8 mmbls gross, STOIP upside



OPL310  
**541.8 mmboe net** |

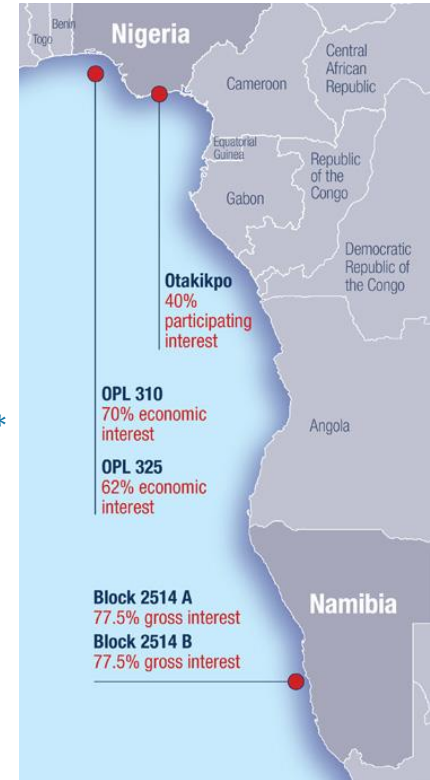
774.0 mmboe gross prospective resources\*



OPL325  
**5 -6 billion boe STOIP\*\***

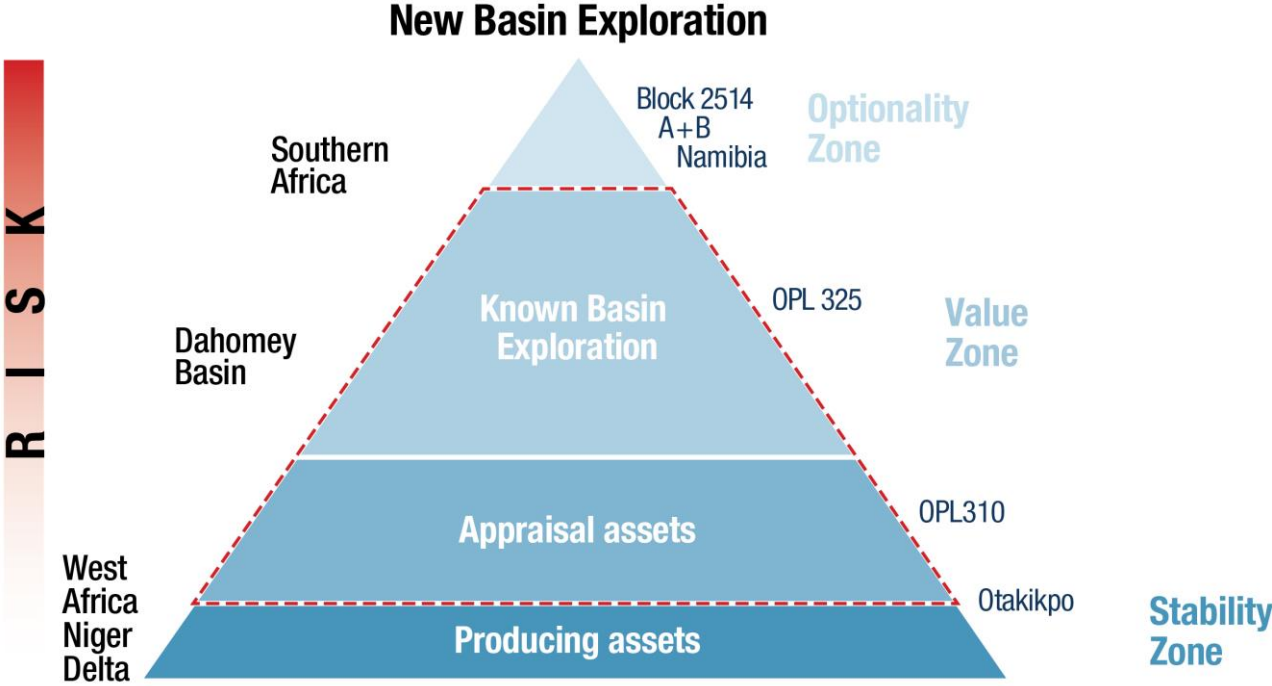
\*Acquisition subject to ministerial consent

\*\*Third party estimate by Lumina Geophysical



# Corporate strategy

A well-balanced portfolio of assets



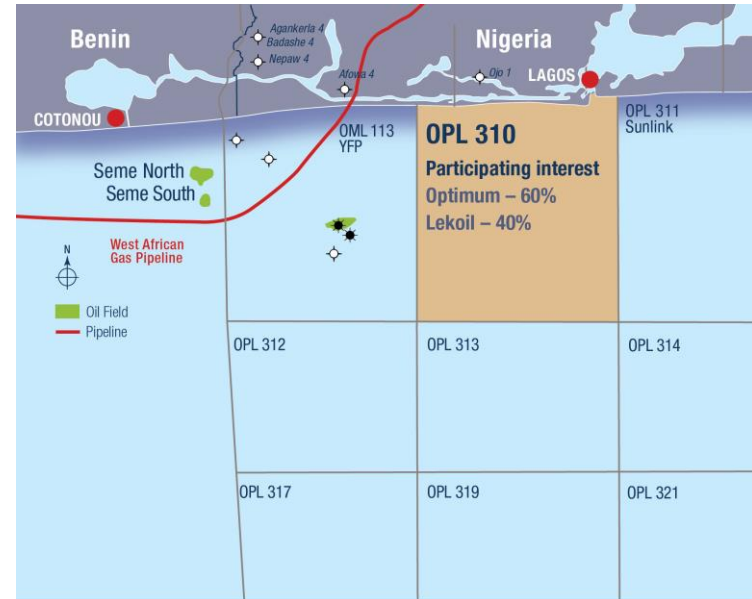
# OPL 310

Contains the “Ogo” world-class discovery

40% working interest\*, 70% economic interest\*\*



- Located in the Dahomey Basin that runs along the **West African Transform Margin** covering area of 1,900 km<sup>2</sup>
- **Shallow water asset close to Lagos** and existing gas infrastructure
- **Additional upside potential** expected from other identified syn-rift leads within the block
- Lekoil farmed-in to Afren's interest in February 2013 and **acquired the balance of its interest** in December 2015



\*Subject to ministerial consent

\*\*During cost recovery

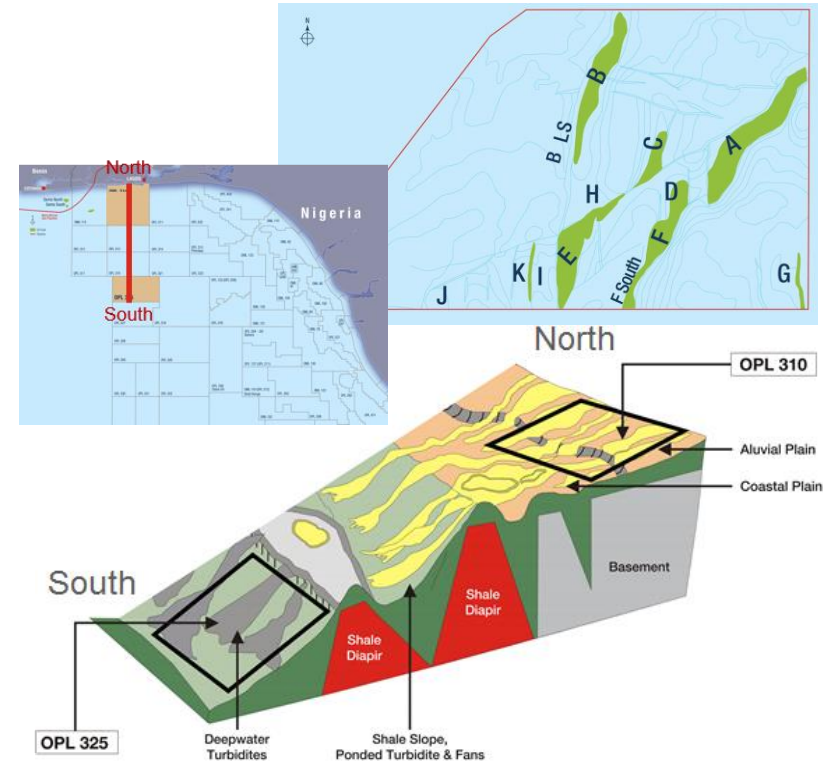
# OPL 325

Promising asset with deep water turbidite fan play



62% indirect equity interest

- We identified this block as a **key target** with **exploration upside** in our proprietary Dahomey Basin study
- OPL 325 is a deep to ultra-deep-water block located in the **Dahomey Basin** on the western side of the Niger Delta
- **Highly prospective** and on trend with OPL310, geologically
- **Low-cost** entry and **prolific** geology

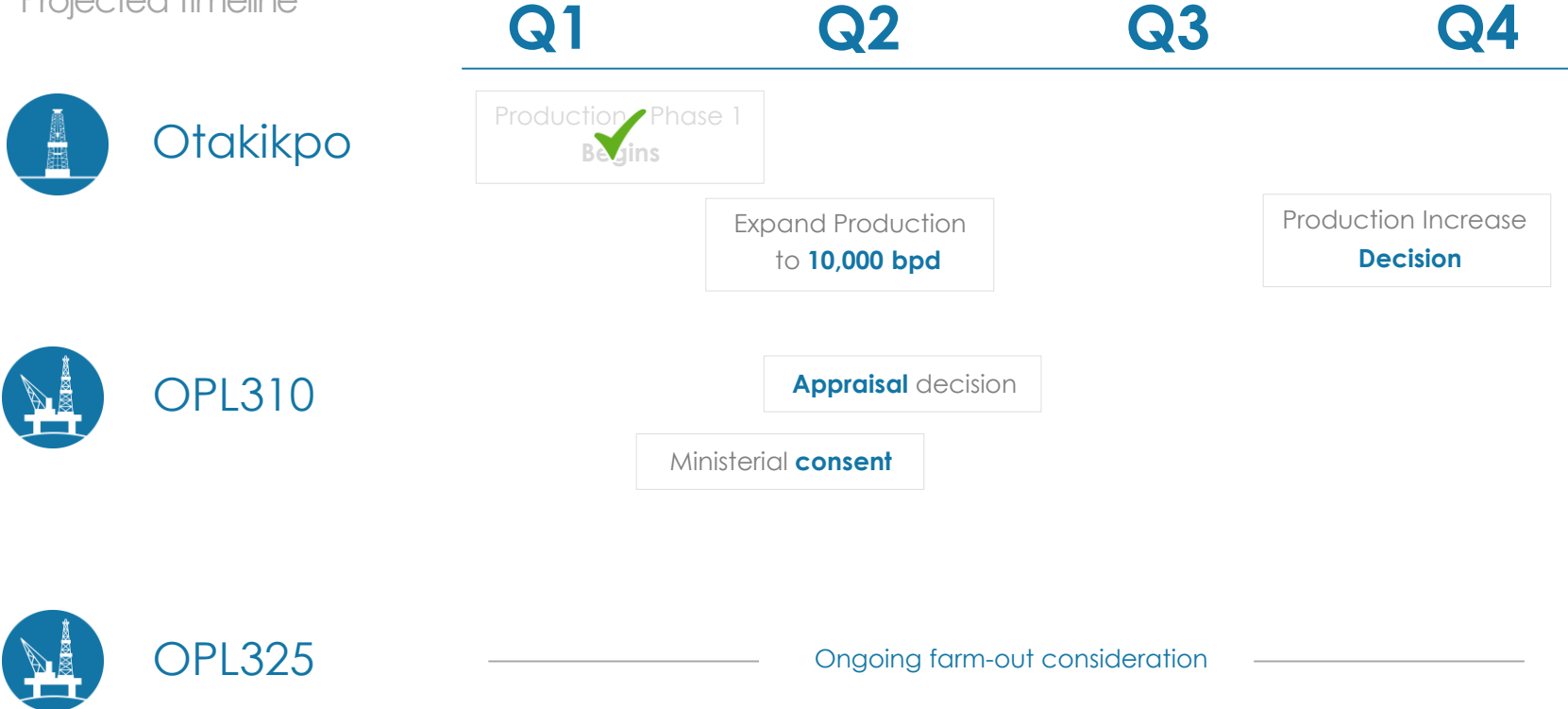




# 2017: Focusing on OPL310

## Jewel In The Portfolio

Projected Timeline



# Our focus for 2017 and beyond

- Steady state **production of 10,000 bpd**
- **De-risking exploration assets** and finding complementary portfolio opportunities
- Considering **non-dilutive** financial structures and strategic partnerships
  - Allowing access to substantial sources of capital
- Build a resource base that will **drive substantial production growth** over the next five years
- Retain a strong team and be a **good corporate citizen**

## Why Lekoil?

- ✓ We are an **indigenous** Nigerian upstream E&P company with a focus on West Africa
- ✓ Forecasted strong production growth with **low cash breakeven**
- ✓ We opened an **underexplored** basin with **transformational** oil and gas potential
- ✓ Focus on **cost discipline** and efficiency
- ✓ **Highly experienced** technical team
- ✓ Strength to create **value through the cycle**

# Team

# Highly experienced team

**Lekan Akinyanmi**  
Executive Board Member,  
Chief Executive Officer

- ✓ Formerly the international Energy Sector Head at **Alliance Bernstein**
- ✓ 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**
- ✓ 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 industry with Oil majors and **Schlumberger**
- ✓ Former chief geophysicist at **Shell**
- ✓ 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 industry with **Shell** and **Agip** in a career that spanned locations in Nigeria, Italy, The Netherlands and Oman
- ✓ General Manager, Corporate Security at **Shell** in Nigeria
- ✓ Has held various senior management positions (Production Operations and Maintenance Manager, Senior Portfolio Development Manager and General Manager Corporate Security)

**Bruce Burrows**  
Executive Board Member,  
Chief Financial Officer

- ✓ Over 20 years experience in the industry, including 6 years as CFO of **Seven Energy**, a private integrated gas company in South East Nigeria
- ✓ Previously Finance Director at AIM-listed UKranian and Central European E&P **JKX Oil & Gas** for 14 years
- ✓ Member of the Institute of **Chartered Accountants** of New Zealand
- ✓ Held positions at **Ernst & Young** in both Wellington and London
- ✓ **BSc Honours from Canterbury University** and a diploma in accounting from Victoria University

# Highly experienced team (continued)



**Dr. Kehinde Ladipo**

Senior Exploration Advisor

- ✓ Award winning and leading Nigerian expert in the geosciences, specializing in sedimentology, geology and geophysics
- ✓ 35+ years of experience in Exploration Geology, at **Shell** and most recently **Head of Geological Services**
- ✓ Member of the **Nigerian Mining and Geological Society (NMGS)** and a **Fellow of the Nigerian Association of Petroleum Explorationists (NAPE)**



**Keji Ajayi**

Head of Corporate Finance

- ✓ Responsible for the short-term and strategic funding of Lekoil
- ✓ Formerly from **Oando**, participating in all debt capital raising and M&A
- ✓ 10+ years of finance and investment banking experience at **The Carlyle Group** focusing on Sub-Saharan Africa; and at **JP Morgan** and **Credit Suisse** focusing on Leveraged Finance in oil & gas
- ✓ Holds an **MBA from INSEAD**



**Dotun Adejuyigbe**

Head of Commercial

- ✓ Coordinates the commercial, business and strategic planning functions at Lekoil including hydrocarbon marketing and support for corporate finance functions
- ✓ Wide-ranging experience in project management, consulting, private equity, and corporate finance across projects in Africa, Europe, North and South America
- ✓ Holds an **MBA from INSEAD**

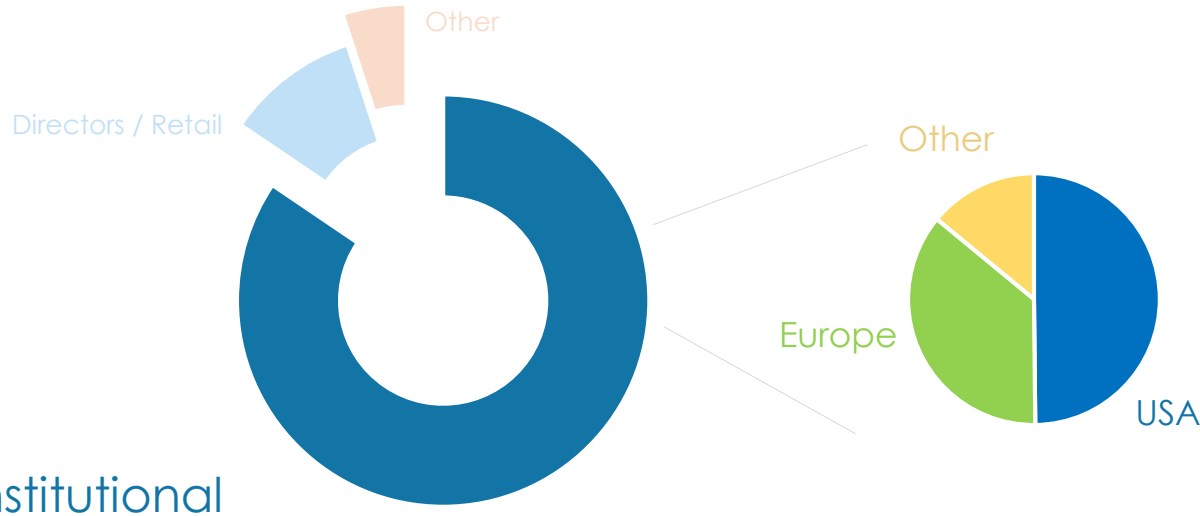


**Alfred Castaneda**

Head of Investor Relations

- ✓ Specialized in international oil & gas equity fund raising at **Ladenburg Thalmann** and **Revere**
- ✓ 10+ years of equities and capital markets experience including **Lekoil's 2013 IPO** and subsequent equity funding
- ✓ Member of the #1 Institutional Investor-ranked Oil Services Equity Research team at **Morgan Stanley** from 2010-2012
- ✓ Holds a BS in both Accounting and Finance from **Fordham University**

## World-class shareholder register



LSE AIM: LEK

**794,417**  
30-day average volume

**536,529,893**  
current shares outstanding

Source: Bloomberg as of February 17, 2017

Institutional



# Disclaimer

This presentation may contain forward looking statements which involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, including those risk factors associated with the oil and gas businesses, many of which are outside the control of, and may be unknown to LEKOIL. In particular, any forward looking statements speak only as of the date of this presentation, they assume the success of the strategy of LEKOIL and they are subject to significant regulatory, business, competitive and economic uncertainties and risks.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including by LEKOIL, any of its related bodies corporate, directors, officers, employees or their representatives). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements, and should rely entirely on their own independent

enquiries, investigations and advice regarding any information contained in this presentation. Any reliance placed by a reader on the information contained in this presentation is wholly at the reader's own risk. The information in this presentation is provided for informational purposes only and does not take into account the investment objectives, financial situation and needs of any particular investor. Each of LEKOIL and its related bodies corporate and affiliates and their respective directors, partners, employees, agents and advisers disclaim any liability for any direct, indirect or consequential loss or damages suffered by any person as a result of relying on any statement in, or omission from, this presentation.

Subject to any continuing obligations under applicable laws, LEKOIL disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in this presentation to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statements is based. Nothing in this presentation shall under any circumstances create an implication that there has been no change in the affairs of LEKOIL since the date of this presentation. All other disclosures as in previous presentations apply.



# Board of Directors

# Non-Executive Board Directors



Sam Adegboyega  
Chairman of the Board

- ✓ 32+ years of oilfield experience including working with **Dowell Schlumberger** in Iraq, Abu Dhabi, Venezuela, Canada, Syria, France and Nigeria
- ✓ **Founder and Managing Director, SOWSCO Well Services** – one of Nigeria's foremost indigenous oil service firms
- ✓ Founding member of **PETAN (Petroleum Technology Association of Nigeria)**
- ✓ Member of the audit and remuneration committees of Lekoil



John Van Der Welle

- ✓ 25 years+ oil industry experience, qualified as a **Chartered Accountant** with **Arthur Andersen** in 1981
- ✓ Member of the Association of Corporate Treasurers and the Institute of Taxation
- ✓ Business Development Manager and subsequently Group Treasurer at **Enterprise Oil** for 11 years
- ✓ Finance Director of multiple listed E&P companies, including **Premier Oil** between 1999 and 2005
- ✓ Managing Director, Head of oil and gas, at the **Royal Bank of Scotland** in 2007-2008
- ✓ Worked as a consultant to, and non-executive director of, a number of listed and private E&P companies since 2010 most recently on the board of **Hurricane Exploration Plc**



H. Adesola Oyinlola

- ✓ Most recently **Chairman of Africa at Schlumberger** and was also the **President of the Schlumberger Foundation**, a non-profit corporate foundation
- ✓ 30+ years at **Schlumberger**, holding senior operational positions globally, including Vice President and Global Treasurer, and Managing Director for Nigeria and West Africa
- ✓ Co-founder of the **Petroleum Club of Lagos** and serves on a number of boards including **Guaranty Trust Bank plc** and the Schlumberger Foundation
- ✓ Holds a BSc in Accounting from the University of Ghana, and an **MBA from Stanford University**; alumnus of the **Oxford Institute for Energy Studies**

# Non-Executive Board Directors



Gregory Eckersley

- ✓ Global head of the **Abu Dhabi Investment Authority's** internal equities department overseeing portfolios, risk management and due-diligence processes
- ✓ Former Senior Vice President and Portfolio Manager at **Alliance Bernstein**, managing multi-billion dollar portfolios in Global and International Large Cap Growth Equities
- ✓ Chief Executive Officer & Chief Investment Officer of **Alliance Capital Management**, South Africa where he created and managed the business and grew assets to US\$2 billion under management



Aisha  
Mohammed-Oyebode

- ✓ Group CEO of **Asset Management Group (AMG) Limited**
- ✓ Legal practitioner with an LLM (Public International Law) from **Kings College, University of London** and a Masters in Business Administration (MBA) with a distinction in Finance from **Imperial College, University of London**
- ✓ Called to the **Nigerian Bar Association** in 1989.
- ✓ Completed several attachments with the following: Caisse Privee Banque, Brussels; Banque Rivaud, Paris; Banque Privee, Geneva

# LEKOIL

The logo for Lekoil features the word "LEKOIL" in a bold, red, sans-serif font. The letter "O" is replaced by a stylized, golden-yellow silhouette of a cheetah in a pouncing or running pose, facing right.

[www.lekoil.com](http://www.lekoil.com)

[IR@lekoil.com](mailto:IR@lekoil.com)