25TH ANNIVERSARY AOW AFRICA OIL WEEK

5 – 9 November 2018

Cape Town International
Convention Centre
South Africa

Prospect Forum

Tower Resources

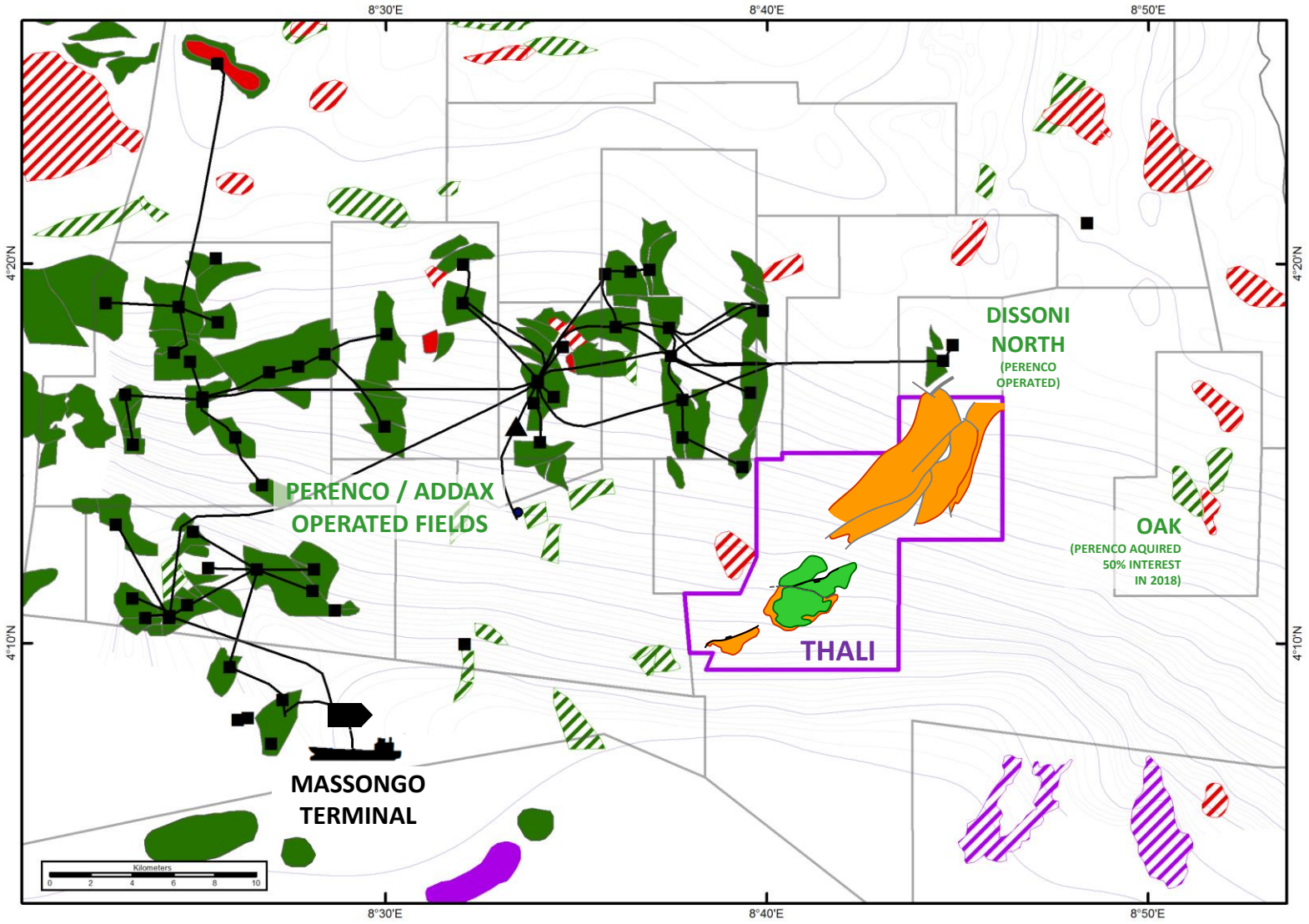
Cameroon

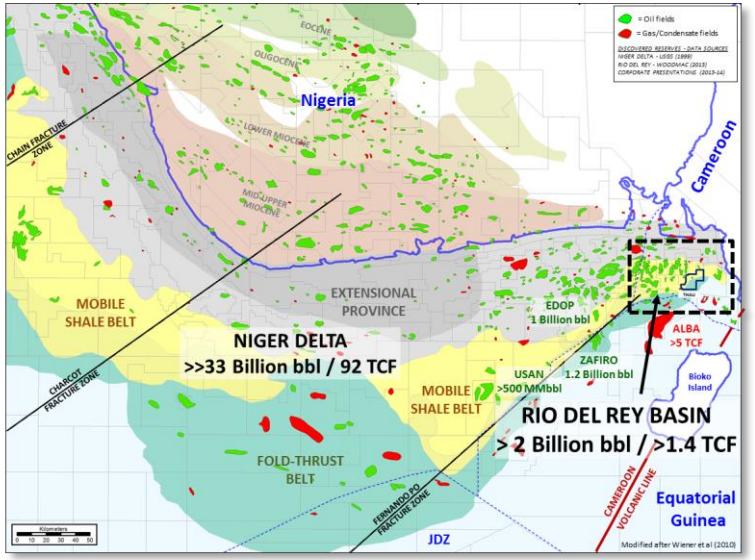
tower resources
oil and gas

africa-oilweek.com

Cameroon, Thali Block
Rio del Rey Basin

tower resources oil and gas





Installation Buoy
Production Platform
Tanker

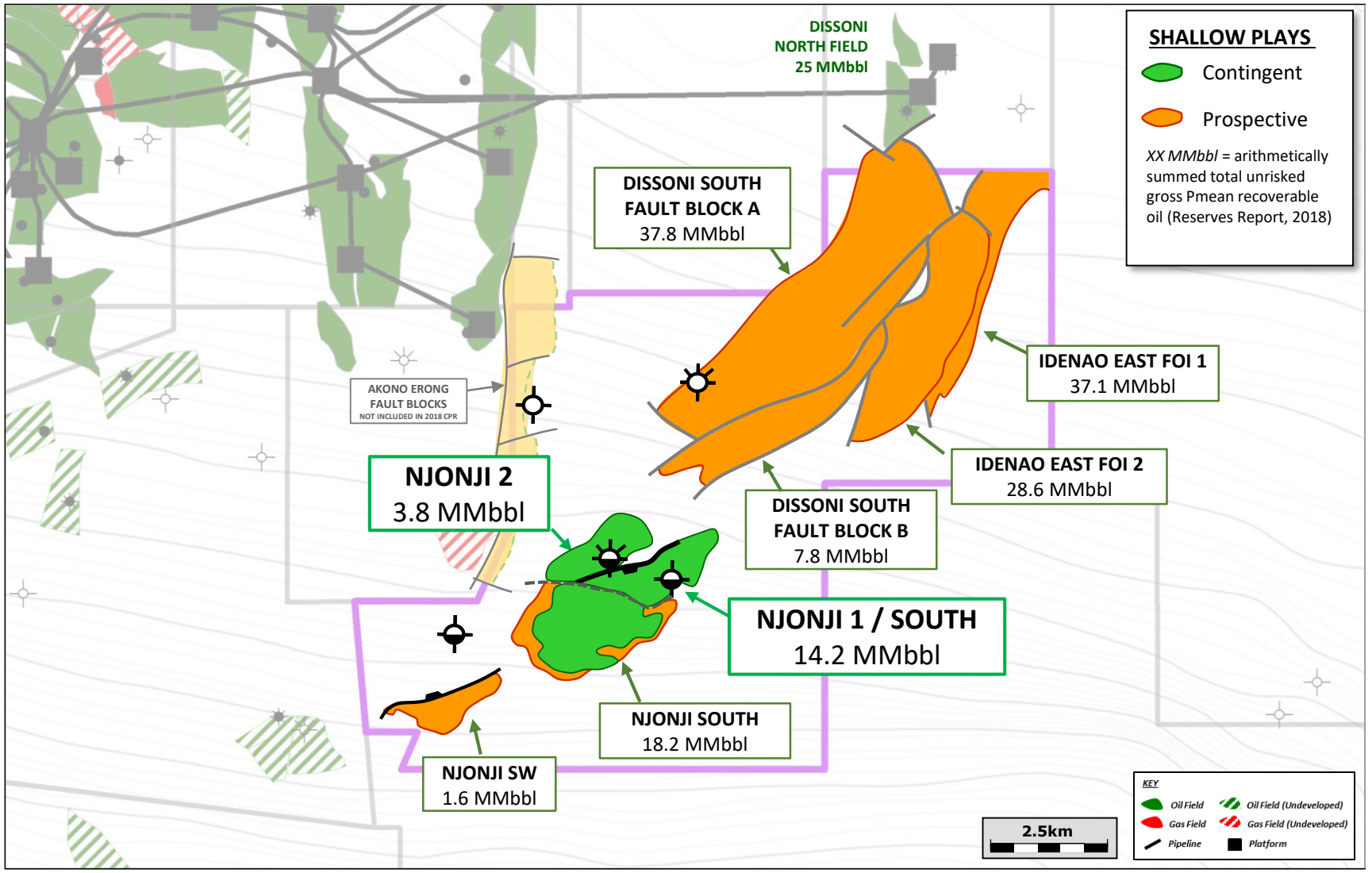
Fields:
- Gas,
- Gas, Undeveloped
- Gas/Con,
- Gas/Con, Undeveloped
- Oil & Gas,
- Oil,
- Oil, Undeveloped

Water depth (m)

THALI PSC
- Contingent
- Prospective

25TH ANNIVERSARY AOW AFRICA OIL WEEK

Cameroon, Thali Block
Updated Pmean Resource Estimates

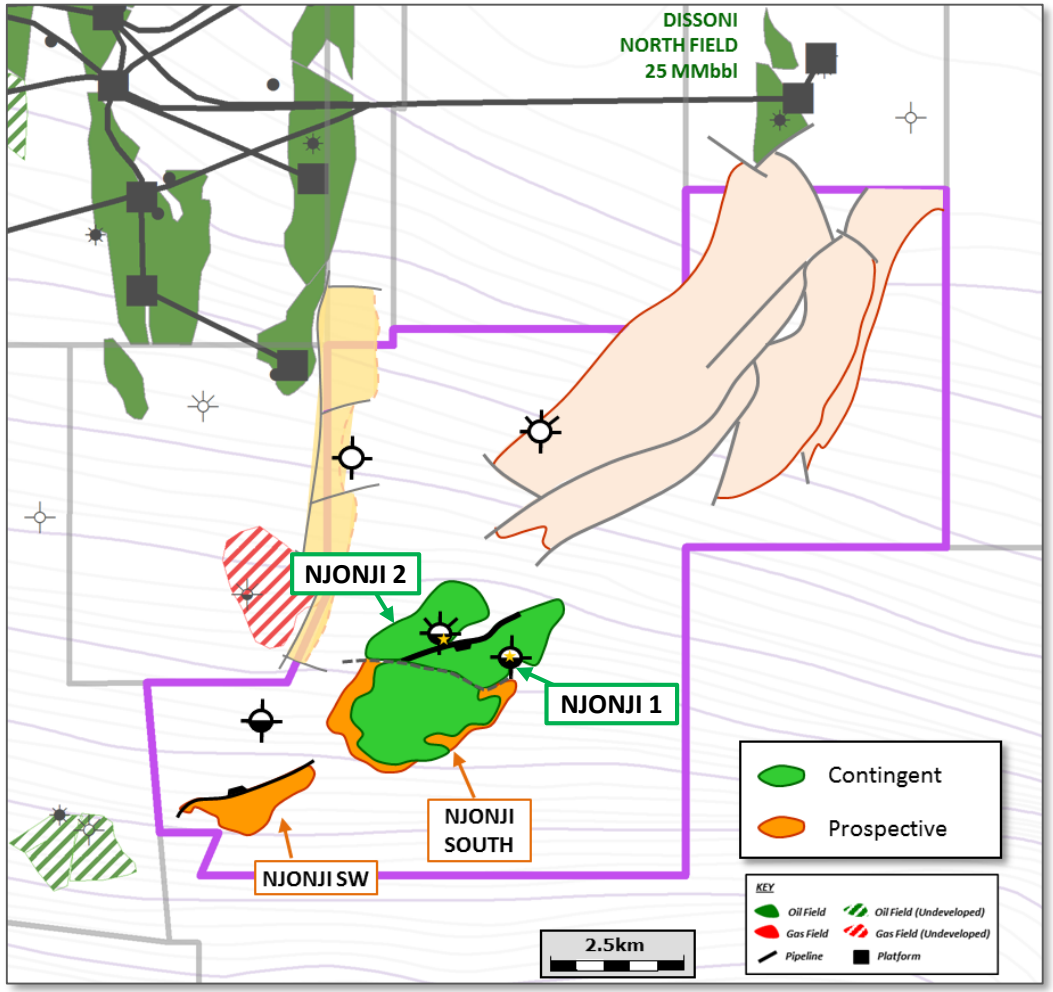


Cameroon, Thali Block
Existing Discovery at Njonji

- Two proven fault blocks (+ add-on prospects)
- Average 35° API oil
- Shallow drilling depths (900 - 1100m)
- 30m water depth

NJONJI - CONTINGENT RESOURCES (Recoverable Oil, MMbbl)				
	Low Estimate	Best Estimate	High Estimate	Mean
Phase 1	5.0	11.8	19.6	
Phase 2	0	3.4	14.8	
TOTAL	**5.0**	**15.2**	**34.4**	**17.9**

NJONJI - PROSPECTIVE RESOURCES (Recoverable Oil, MMbbl)				
	Low Estimate	Best Estimate	High Estimate	Mean
NJONJI SOUTH	4.7	14.9	35.4	18.2
NJONJI SW	0.2	1.1	3.6	1.6
TOTAL	**4.9**	**16.0**	**39.0**	**19.8**



All resource estimates shown are arithmetically summed total unrisked gross recoverable oil (Reserves Report, 2018)

Cameroon, Thali Block
Additional Shallow Prospectivity

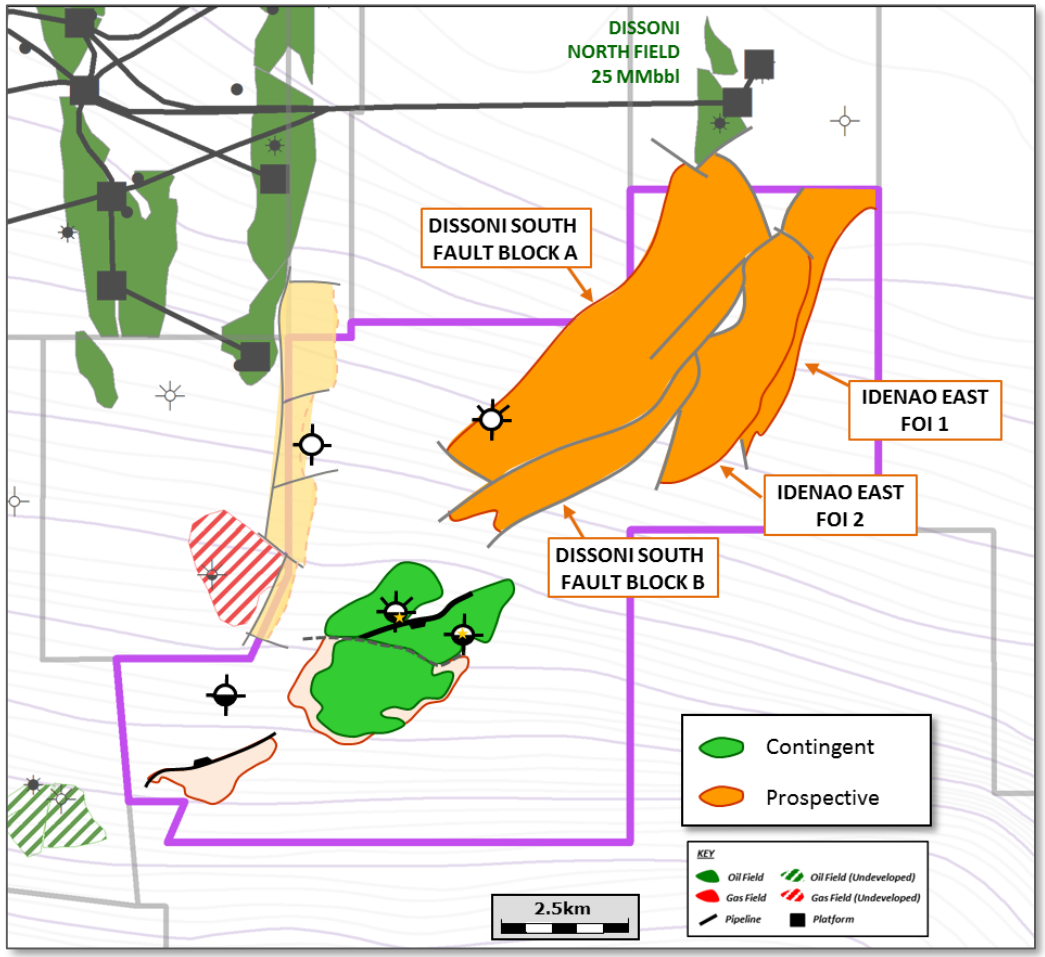
tower resources oil and gas

Dissoni South & Idenao East Prospects

- Multiple shallow prospects (< 1200m depth) identified
- Adjacent to the producing Dissoni North field
- Stacked reservoir targets

DISSONI & IDENAO - PROSPECTIVE RESOURCES (Recoverable Oil, MMbbl)				
	Low Estimate	Best Estimate	High Estimate	Mean
Dissoni South A	8.3	30.9	76.2	37.8
Dissoni South B	1.3	5.6	16.8	7.8
Idenao East FOI1	5.1	21.2	62.0	28.6
Idenao East FOI2	6.4	26.6	82.1	37.1
TOTAL	**21.2**	**84.3**	**237.1**	**111.3**

All resource estimates shown are arithmetically summed total unrisked gross recoverable oil (Reserves Report, 2018)

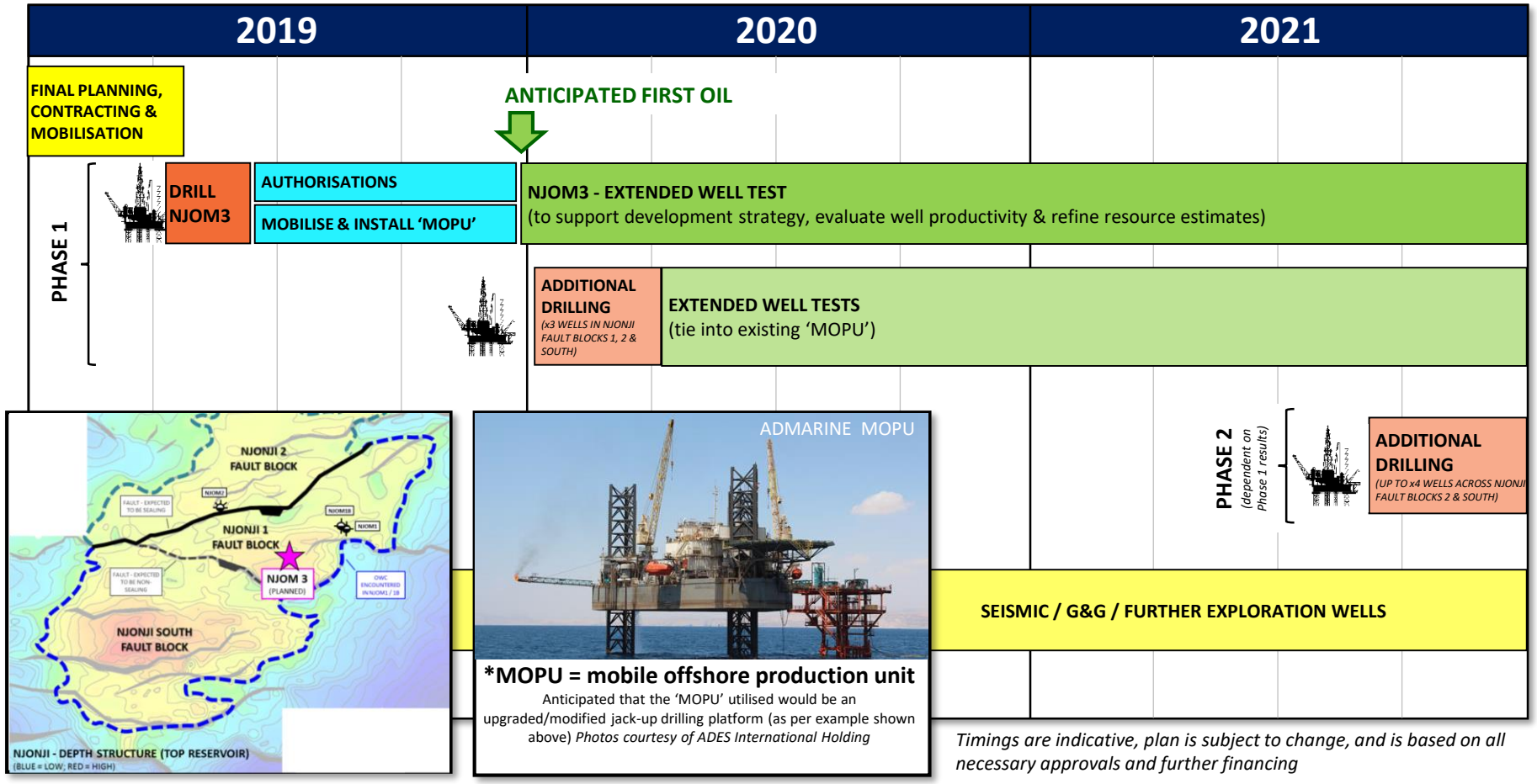


- Potential to test shallow prospects & significant upside in deeper reservoirs with a single well

25TH ANNIVERSARY AOW AFRICA OIL WEEK

Cameroon, Thali Block
Njonji Development

- NJOM3 well & extended well test - confirm development strategy
- Phased approach, low upfront costs - leased or project-financed MOPU* & shuttle tanker
- Three further wells deviated from central Phase 1 hub - reduce surface infrastructure requirements
- Including deviated Njonji South well - produce from shallow and test deeper reservoirs



Timings are indicative, plan is subject to change, and is based on all necessary approvals and further financing

Cameroon, Thali Block
Njonji Economics

- Best estimate Contingent Resources **NPV10 of $158 million** and EMV10 of $118 million
- NPV10 and EMV10 take into account costs of development including April 2019 well
- Over $100 million of further NPV10 in Njonji South if the prospective deeper reservoir can be proven

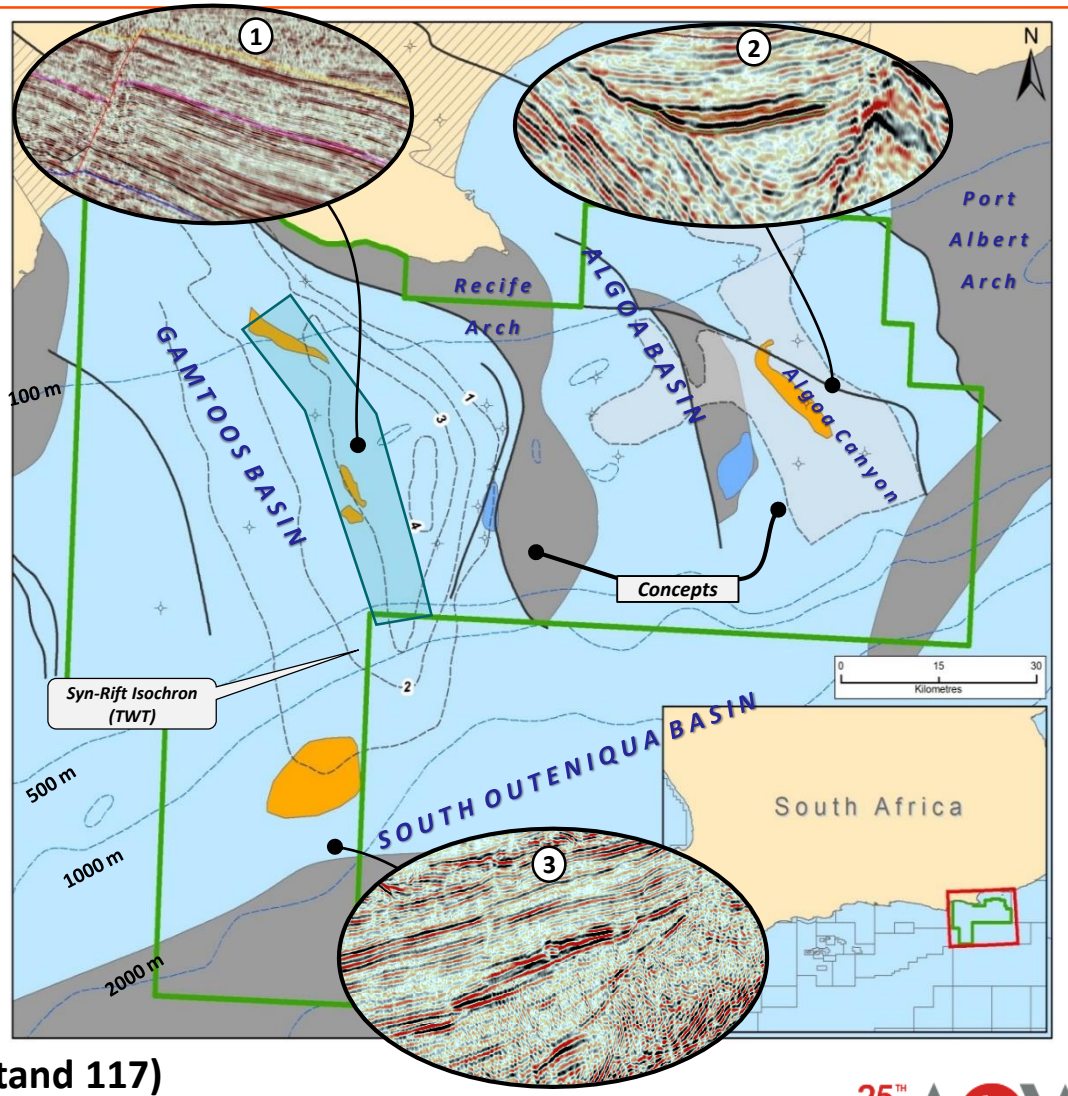
CONTINGENT RESOURCES	After Tax NPV10 Attributable to Tower			Chance of Development Pd	Cost of Failure	EMV10
	Low Estimate	Best Estimate	High Estimate			Swanson's Rule*
NJONJI 1, 2 & SOUTH	$m MOD	$m MOD	$m MOD	%	$m MOD	$m MOD
Phase 1	$4	$139	$206	80%	$17	$91
Phase 2	$0	$19	$114	70%	$9	$27
Total	**$4**	**$158**	**$320**	-	-	**$118**

PROSPECTIVE RESOURCES	After Tax NPV10 Attributable to Tower			Chance of Development Pd	Cost of Failure	EMV10
	Low Estimate	Best Estimate	High Estimate			Swanson's Rule
	$m MOD	$m MOD	$m MOD	%	$m MOD	$m MOD
Njonji South	$31	$117	$262	30%	$13	$30
Njonji SW	-$3	$7	$29	16%	$11	-$8

**Swanson's rule = 40% P50 + 30% P90 +30% P10*

While we are in South Africa…
Algoa-Gamtoos Highlights

- New Age 50% (op.); Tower Resources 50%
- Licence covers 9369 km^2 with majority of WD < 500 m
- 20 wells prove working petroleum system but only one well drilled in last 25 years and none sited on 3D seismic
- Leads identified in syn-rift and post-rift plays but need seismic to mature
- First Renewal period ends August 2019 with 2D or 3D seismic commitment
- ***Aim**:* Obtain partners to fund seismic program with optional well in 2021



1. ***Moderate risk, structural targets*** *1st structure out of basin, present day shelf*
   - *Leads ~ 100 – 300 MMbbl Mean STOIIP*

2. ***Moderate risk, post-rift stratigraphic*** *targets on 3D seismic, present day shelf*
   - *Target 250 MMbbl Mean STOIIP*

3. ***High risk, post-rift submarine fan*** *targets, deep water setting*
   - *Target 650 MMbbl Mean STOIIP*

For further details contact farmout agent Mike Lakin at ENVOI Ltd (Stand 117)

For more information on Cameroon/Thali please contact Jeremy Asher

ja@towerresources.co.uk

The Thali Reserve Report Executive Summary can be found at

www.towerresources.co.uk