



For personal use only

# WHL Energy Limited

Investor Presentation  
March 2011

# Disclaimer

This presentation has been prepared by WHL Energy Limited (“WHL” or the “Company”). It should not be considered as an offer or invitation to subscribe for, or purchase any, securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation

This presentation contains forecasts, projections and forward looking information. Such forecasts, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of WHL’s control. Actual results and developments will almost certainly differ materially from those expressed or implied. WHL has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. To the maximum extent permitted by applicable laws, WHL makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for (1) the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this presentation and (2) without prejudice to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this presentation

Throughout this presentation all figures are quoted in A\$ dollars unless otherwise stated. You should not act in reliance on this presentation material. This overview of the Company does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of WHL’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision

## **Competent Person’s Statement**

In accordance with Chapter 5 of the Listing Rules, the geological information in this report has been reviewed by Mr Mark Sloan, a geologist and Geophysicist with 22 years experience. He is a member of the European Association of Geoscientists and Engineers. Mr Sloan has given his consent for the information in the form and content to which it appears

# Investment Highlights

For personal use only

Extensive East African exploration acreage with numerous world class oil and gas leads with many containing multi-hundred million barrel oil / multi tcf gas potential

100% interest in 35 offshore exploration blocks in the Republic of Seychelles

7,000km 2D seismic acquisition campaign progressing well with 98 of 120 sail lines completed as at 1 March 2011

Seismic survey focussing on 20 previously mapped structures

3 of 4 previous wells on inferior seismic encountered hydrocarbons

Potential for many multiple share price returns based on peer group analysis

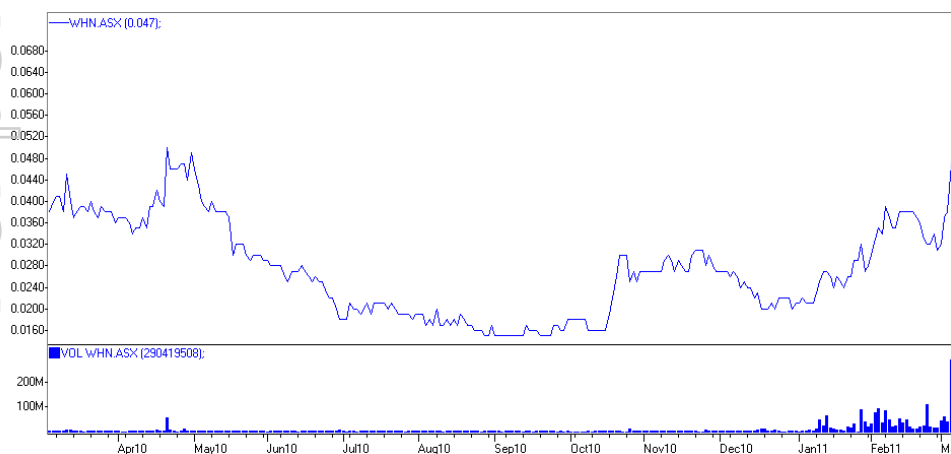
Independent oil and gas expert Isis recently confirms:

- that it is likely an active petroleum system is in place
- the presence of key existing leads
- the presence of new leads which warrant further data acquisition and evaluation
- the presence of three key play types

# Corporate Snapshot

Capital Structure	ASX: WHN
Ordinary shares <sup>1</sup>	849,088,386
Listed options (ex 7.5 cents)	169,808,346
Unlisted options (ex ~ 5 cents)	11,000,000
“Performance” options <sup>2</sup>	250,000,000
Market capitalisation at 4.7 cents	\$40 million
Cash as at 28 February 2011	\$1.0 million
Debt	Nil

1. 75,000,000 shares are subject to a voluntary escrow until 28 January 2012
2. The “performance” options, exercisable at \$0.0001, will not vest and become exercisable unless:
  - i. WHL Energy (or one of its subsidiaries) has entered into one or more binding farmin agreements with one or more third parties under which the farminee/s have a collective obligation to spend the greater of \$10,000,000 or 50% of the work commitment on the licences; or
  - ii. the volume weighted average price of the Company’s shares as traded on ASX is at least 10 cents or more for ten consecutive trading days

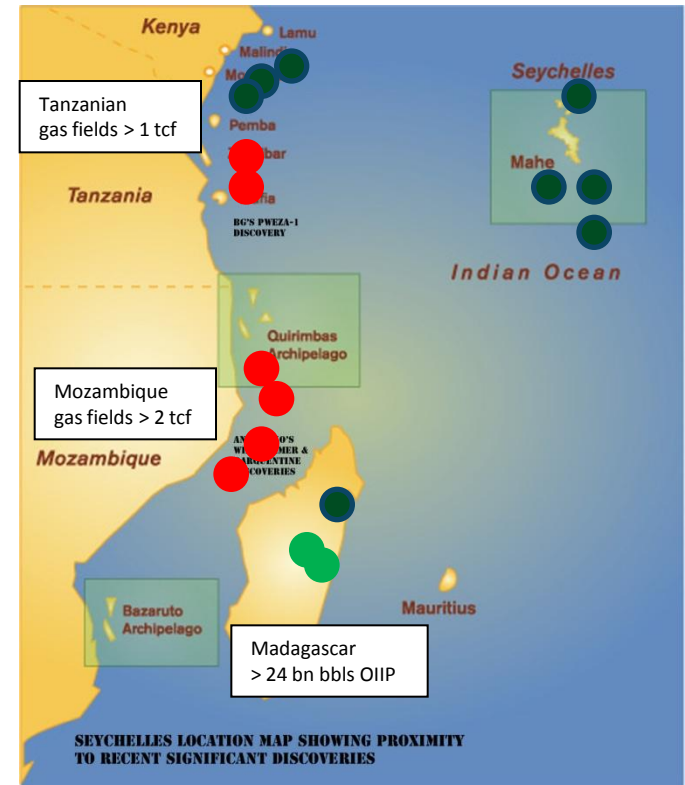


For personal use only

# East Africa – An Emerging Petroleum Province

For personal use only

- Recent successes include:
  - Anadarko Petroleum / Cove Energy Plc's discovery of more than 416 net feet of natural gas
  - The same joint venture's significant gas find at the Windjammer prospect in the same area in February 2010
  - Three gas discoveries by a joint venture between Ophir Energy Plc and BG Group
- The region has recently attracted new investors including UK-based Afren PLC, which recently concluded a A\$110 million takeover of Black Marlin Energy Holdings Limited, which holds 11,000 sq. km (net) of exploration interests off the Seychelles coast
- New interest in the area to be created by upcoming Seychelles Licensing Round



**“East Africa Emerging As the Next Major Hub For Oil And Gas Exploration And Development”** ([www.researchandmarkets.com](http://www.researchandmarkets.com))

- Major gas discoveries
- Major oil discoveries
- Significant oil seeps and shows

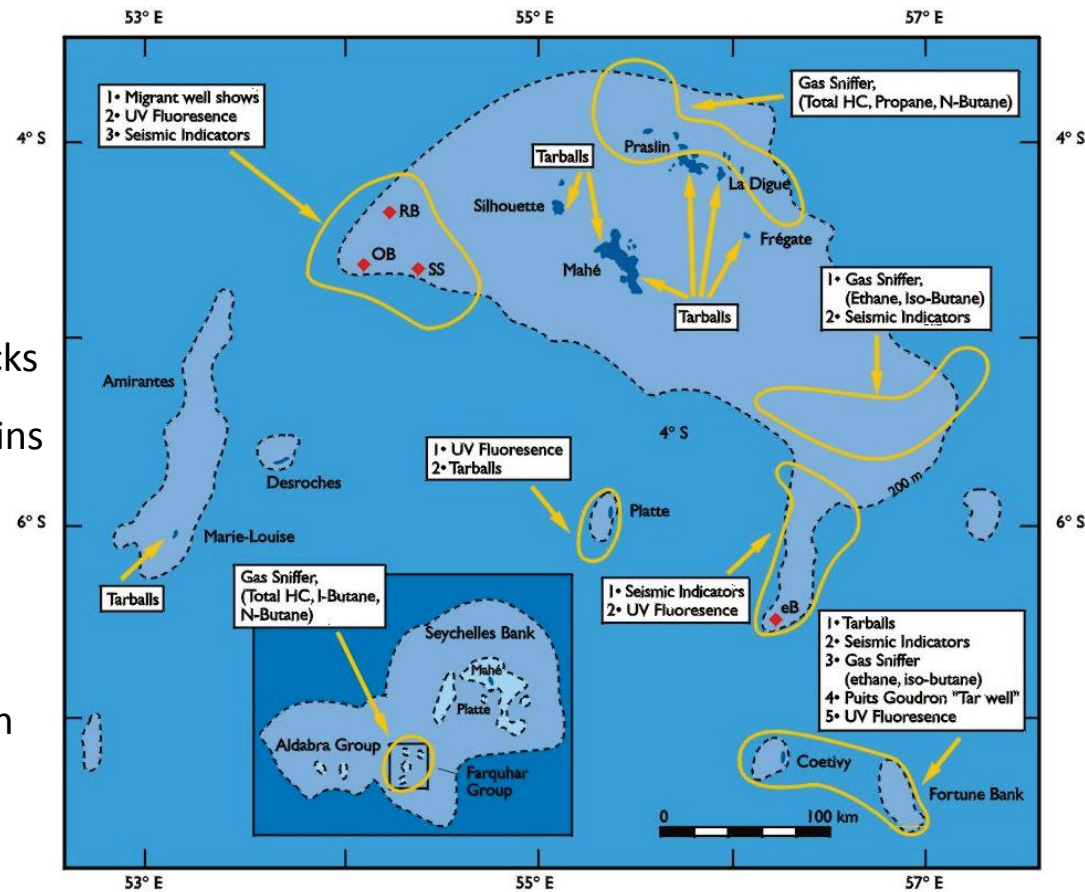
# Seychelles – Prospective Frontier Petroleum Basin

## Geological Setting

- Surrounded by giant oil-fields (plate reconstructions)
- Proven Mesozoic 'petroleum systems'
- Stranded bitumen tied to local source rocks
- Frontier 'Gondawana' poly-phase rift basins

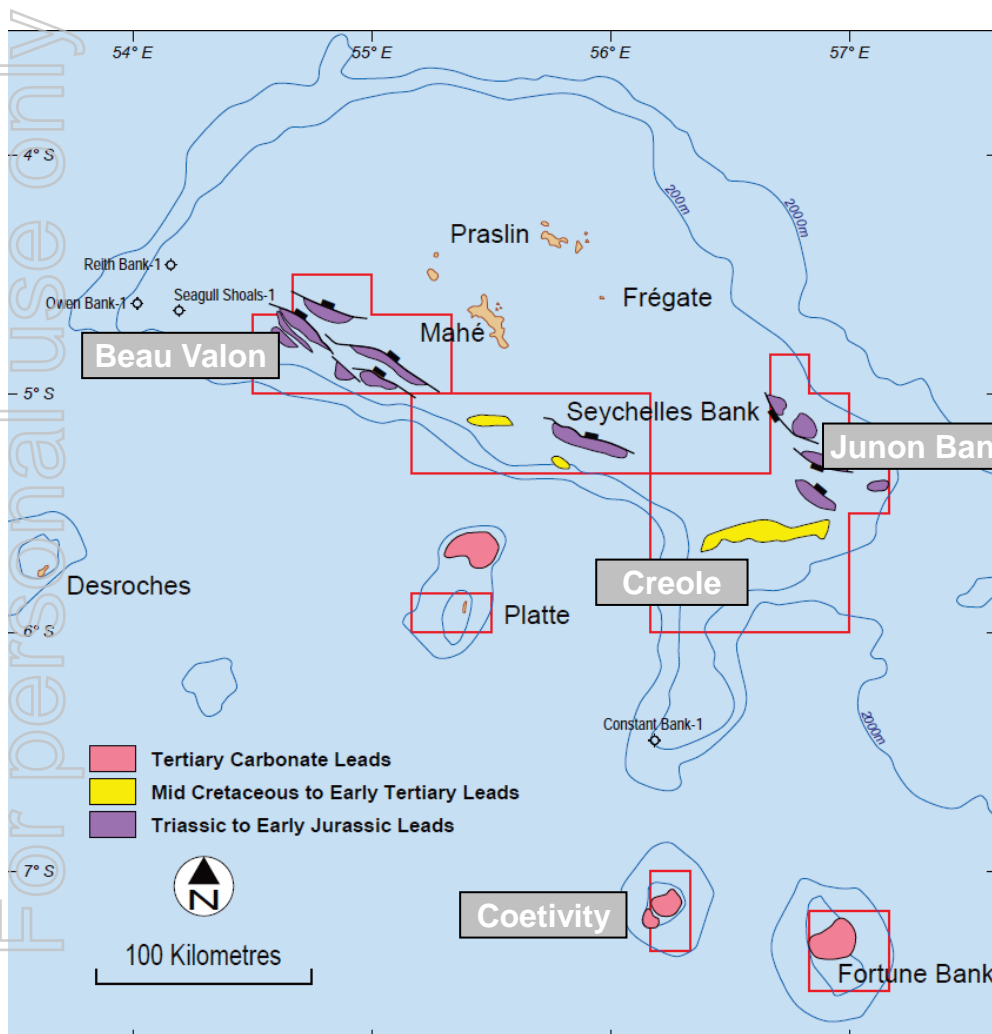
## Political Setting

- Attractive fiscal rates- no PSC'S – ' Model Agreements'
- Stable Government/Legal System – Crown Law
- Modern Infrastructure – Deep Port - Oil storage
- Environmental impact – studied by government / World Bank



For personal use only

# Seychelles – A significant Acreage Position



- 35 exploration blocks in prospective shallow waters covering an area of approximately 20,700km<sup>2</sup> (>5 million acres) located off the southern Seychelles coast
- The area significantly underexplored with most activity occurring in the 1970's and 1980's
- Renewed interest following recent discoveries along east coast Africa
- 7,000 km of new 2D seismic currently under way
- Seismic survey to focus on 20 mapped structures identified from previous 2D seismic acquired over the nominated blocks and recently identified leads

# ISIS Report Highlights

WHL Energy recently engaged Isis Petroleum Consultants to consider the historic work that has been completed on WHL's 35 exploration licences. WHL Energy is extremely pleased with the findings of Isis:

- **Confirmed large structures** with the potential to contain world class multi 100 MMbbl / multi Tcf range hydrocarbon accumulations
- Confirmed good evidence of a **working petroleum system** in the area of the WHL blocks, with evidence including surface seeps, tar occurrences and offset well data
- Noted that studies from analogue basin data show potential for the presence of **high quality, mature source rocks and prospective reservoirs**
- Validated the presence of **key existing leads**
- Identified **new leads** that warrant further data acquisition and evaluation
- Confirmed **three key play types**

*"The encouraging findings from the Isis report have helped further progress discussions with a number of interested potential farm-in partners" David Rowbottam WHL Energy CEO*



For personal use only

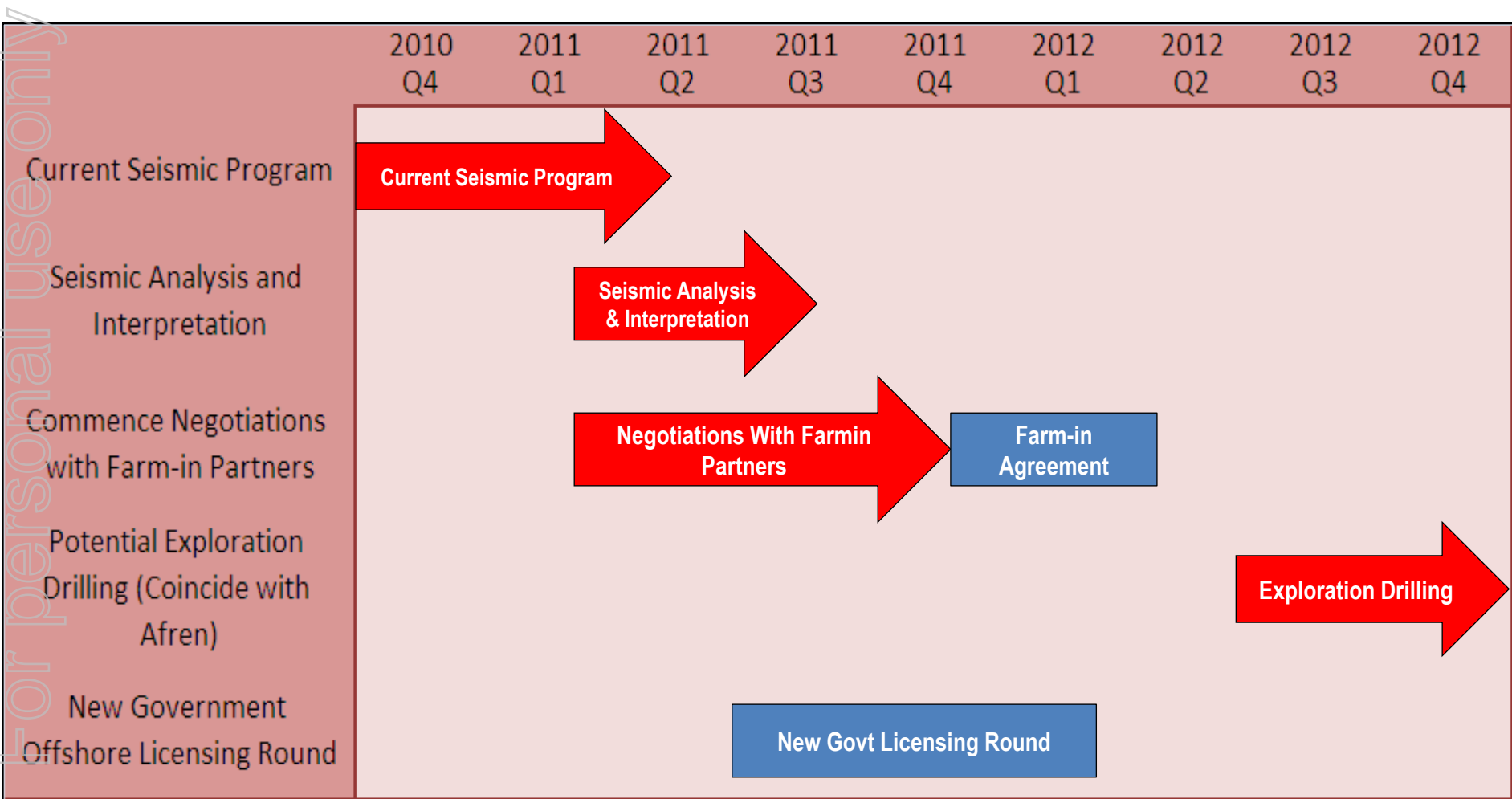


# Seychelles – Exploration Opportunities

- Previously identified leads in the mapped structures include
  - **Beau Valon** – A giant drape structure estimated both by the previous operator Texaco and the current operator to hold as much as **3 billion barrels of oil equivalent**
  - **Coetivy Bank** – A four way dip close structure with a repeatable hydrocarbon seep that has been mapped with 200 m of vertical closure over an **area exceeding 100 sq km**
  - **Junon Bank** – A super-giant fault block, mapped by a number of operators to have vertical closure in excess of 450 m, over an **area exceeding 650 sq km**. The oil upside on this structure is world class
  - **Creole** – A giant stratigraphic pinch-out trap with associated seismic hydrocarbon indicators including a gas chimney and a possible flat spot interpretation extending 24 km down dip from the pinch out termination
  - **New Leads** – Additional leads on the Seychelles Bank have been identified by the Independent Expert (ISIS).
- The prospects/leads identified above are exceptionally large. The current seismic acquisition program is expected to refine these targets, providing a sound foundation for further discussions with potential farmin partners

For personal use only

# Seychelles – Exploration Strategy Timetable

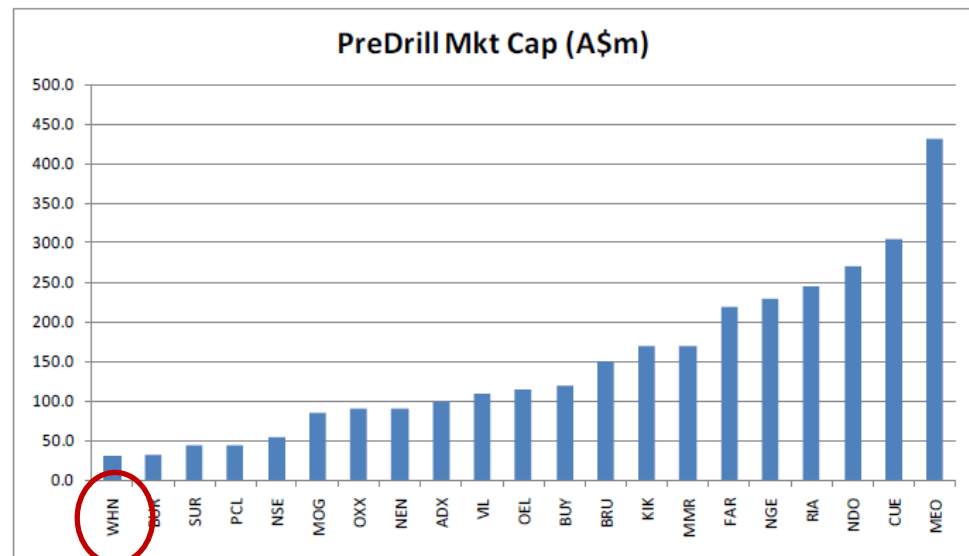
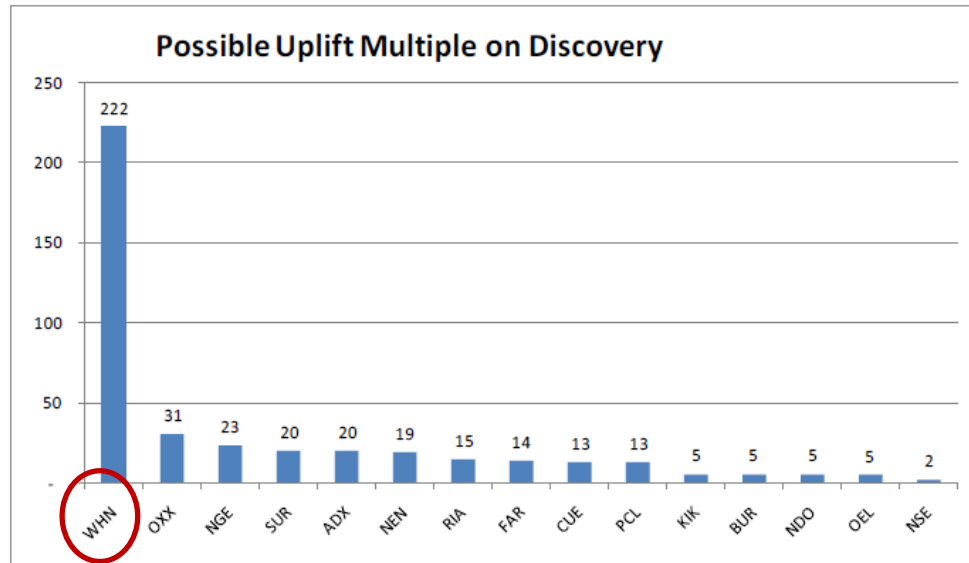


# Upside Potential and Peer Comparison

For personal use only

ASX Listed peer metrics suggest that WHL can trade significantly higher in the lead up to drilling.

Peers on other exchanges have traded at market capitalisations in excess of A\$1b without ever having drilled a well



# Additional Assets - UK Wind Farm Assets

For personal use only

- WHL Energy continues to work towards mitigation of aviation radar issues to enable the resubmission of an appeal for planning consent for the development of the proposed 48 MW Wings Law Project
- If successful this could provide WHL Energy with an energy development opportunity of substantial value
- Recent transactions for projects with planning approvals in place have valued each MW of capacity at +GBP450,000 (potential value of +GBP21,600,000 for WHL Energy)
- The valuations are supported by the EU pricing mechanism to reach renewable energy target for 2020
- Three other smaller projects, less mature in terms of the approval process, are currently under due diligence and have potential to provide an improvement to the short term cash position



# Additional Assets - North American Oil and Gas

- Work continuing on water flooding to increase production at Kansas oil assets, while sales negotiation process continues.
- Kentucky shale gas play moved to plug and abandon
- Negotiating sale of Tennessee Venture to local drilling contractor
- Will commence legal action on Wardlaw drilling advance although JV partner is under financial stress



For personal use only

# Company Board & Management

## Chairman

### **Peter Bartter**

Peter is the former chairman of Bartter Enterprises Pty Ltd, which he co-founded with his brother in the 1960s, and which went on to become a very successful Australian business. He recently sold his interest in Bartter Enterprises in order to concentrate on new opportunities

## Chief Executive Officer

### **David Rowbottam**

David Rowbottam was previously the founding Managing Director of Exoma Energy Limited, an ASX listed, US focused oil and gas exploration company from July 2007 through to March 2010. Prior to that role, Mr Rowbottam had worked as a senior financial executive with international and Australian experience in General Manager, Chief Financial Officer, Financial Controller and Senior Management positions with businesses including Exoma Energy Ltd, Antares Energy Ltd, Alinta Group (2002-2005) and the BHP Group (1987-1999)

## Non-Executive Director

### **Steven Noske**

Steven Noske is a senior manager in the energy industry with more than 22 years experience and 15 years in senior management roles, having worked both in Australia and throughout Asia.

Mr Noske's career included senior management roles with BHPB, TRU Energy and Mitsui E&P Australia Pty Ltd.

Mr Noske established BNA Petroleum Asset Management Pty Ltd (BNA) with his partners in 2002 to offer management services in the areas of petroleum commercialisation specialising in the commercialisation of gas opportunities worldwide. BNA has consulted to many blue chip organisations including Woodside, Santos, Petronas (Malaysia), Rothschild Australia and PWC. He continues to work closely with Mitsui E & P Australia Pty Ltd

## Geophysical Advisor

### **Cliff Ford**

Cliff Ford is a senior consultant geophysicist having worked for more than 20 year on a number of Australian based projects in both management and consulting roles. This has included a period as a Principal Consultant at RISC providing independent commercial and technical advice to companies in and associated with the oil and gas industry. Currently Mr. Ford is working as an independent consultant focused on seismic interpretation and mapping oil and gas asset evaluation. Mr Ford has also work in senior geophysicist management roles with assignments focused on asset evaluation project Timor Sea (RPS Energy) and Browse Gas Field Appraisal - Calliance, Brecknock, Scott Reef and TorosaWA-271-P Oil Exploration Exmouth Sub-Basin, Northern Carnarvon Basin NWS Australia (Woodside Energy).

# Summary

- WHL Energy has 100% of 35 blocks (> 20,000km<sup>2</sup>) on the southern continental shelf off-shore Seychelles
- These blocks contain oil and gas leads of a truly world class scale
- Isis report confirms active petroleum system in place with multiple targets prospective for multi 100m barrel oil / multi Tcf gas targets
- 7,000 line km seismic program ongoing which is 95% complete - data is of a very high quality
- Farm-in discussion have commenced with numerous interested parties
- Undervalued relative to peers - potential for multiple share price re-ratings
- Board and management team capable of delivering favourable commercial outcomes
- A portfolio of UK wind farm and US oil and gas assets that have potential to unlock significant value for WHL shareholders

For personal use only

# Contacts

For personal use only



## David Rowbottom

Chief Executive Officer & Executive Director

P: +61 8 6500 0277  
M: +61 0 403 064 058  
F: +61 8 6389 1151  
drowbottom@whlenergy.com

**WHL Energy Ltd**  
Ground Floor, 2 Leura Street  
Nedlands WA 6009  
[www.whlenergy.com](http://www.whlenergy.com)



## Steve Noske

Director

P: +61 8 6500 0271  
M: +61 0 422 517 071  
F: +61 8 6389 1151  
snoske@whlenergy.com

**WHL Energy Ltd**  
Ground Floor, 2 Leura Street  
Nedlands WA 6009  
[www.whlenergy.com](http://www.whlenergy.com)



## Hartleys

David Wall B.Comm  
Energy Analyst

Hartleys Limited [www.hartleys.com.au](http://www.hartleys.com.au)  
Participant of the ASX Group T +61 8 9268 2826  
Level 6, 141 St Georges Terrace F +61 8 9268 2800  
Perth WA 6000 M 0408 718 440  
GPO Box 2777, Perth WA 6001 david\_wall@hartleys.com.au



## Hartleys

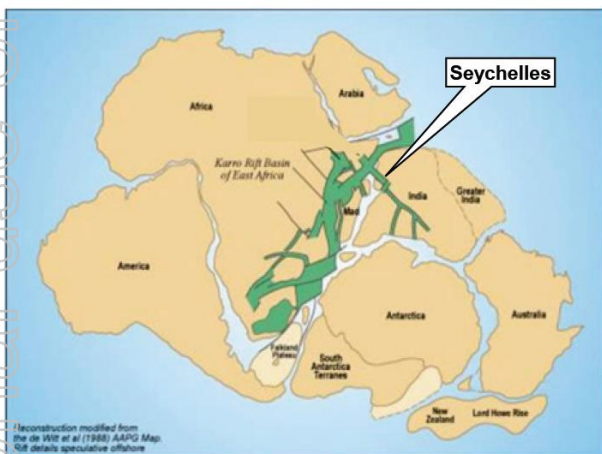
Dale Bryan  
Director - Corporate Finance

Hartleys Limited [www.hartleys.com.au](http://www.hartleys.com.au)  
Participant of the ASX Group T +61 8 9268 2829  
Level 6, 141 St Georges Terrace F +61 8 9268 2830  
Perth WA 6000 M 0400 203 539  
GPO Box 2777, Perth WA 6001 dale\_bryan@hartleys.com.au

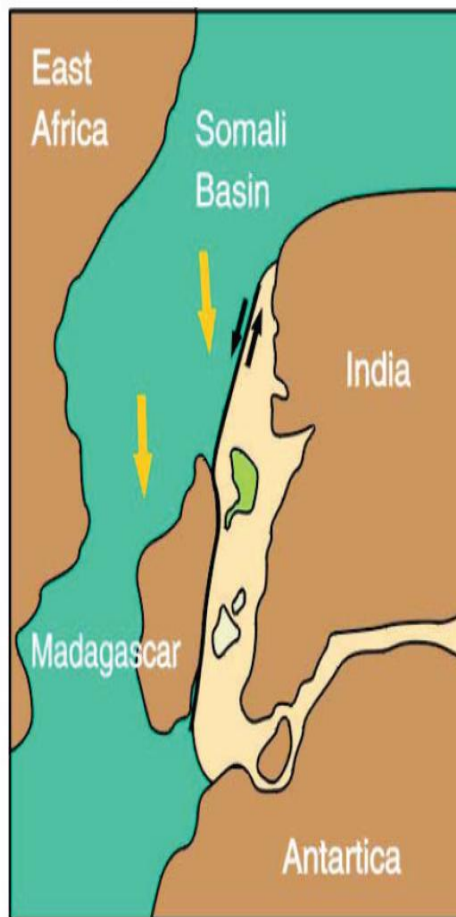


# Technical background – Seychelles Assets

Early Breakup Reconstruction  
Late Permian / Early Triassic



Early Cretaceous (~150 Ma)  
After separation of East and West Gondwana



PetroQuest 2009

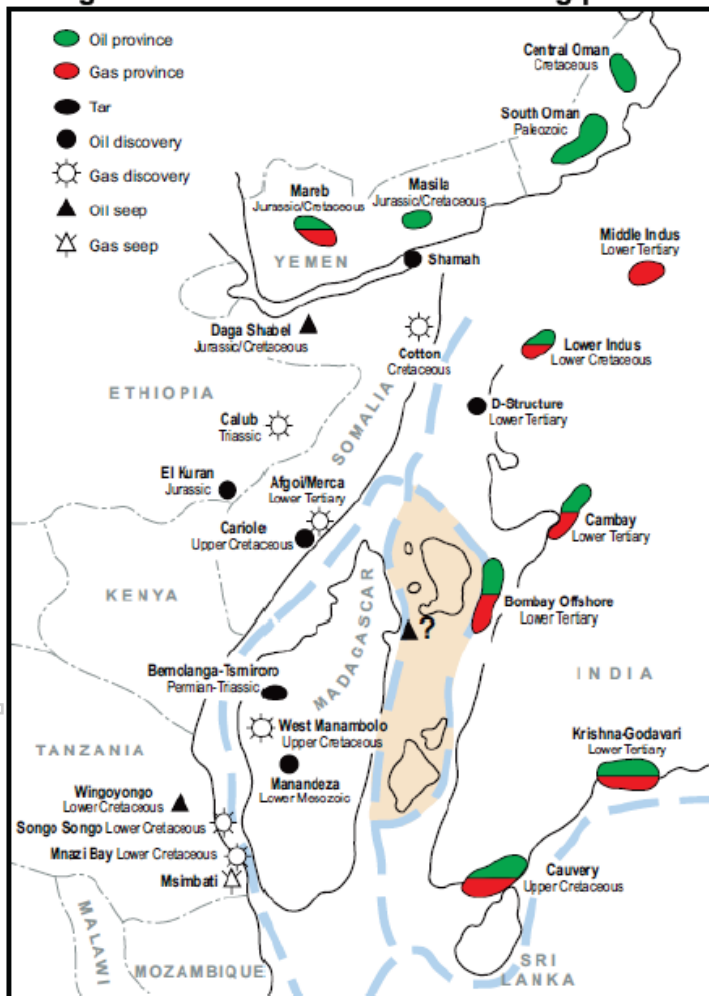
- Sea floor spreading took place during the Early Jurassic between Madagascar and East Africa
- Rifting resulted in thick Middle Jurassic marine shales (potential source rocks) which were deposited in the deeper basin areas. Potential turbidite sands may also have been deposited in these basins. Interbedded shales, mudstone and sandstones were deposited in shelf settings
- In addition, Oolitic limestone is a regionally recognized Middle Jurassic marker and may form a reservoir objective

- Seychelles was originally part of the Gondwana Super Continent, nestled between Madagascar, India and Somalia
- Three phases of rifting have impacted the Seychelles micro-continent eventually leading to its present isolated position:
  1. Mid-Early Jurassic rifting - Separation of Madagascar, Seychelles and India from Africa along the Karoo rift zone
  2. Mid Cretaceous rifting - Related to separation of Seychelles and Madagascar.
  3. Upper Cretaceous rifting - Related to rifting of India from Seychelles, and extrusion of Deccan basalts

For personal use only

# Technical background – Seychelles Assets

## Reconstruction of Seychelles position within Gondwana and age of source rocks for surrounding provinces

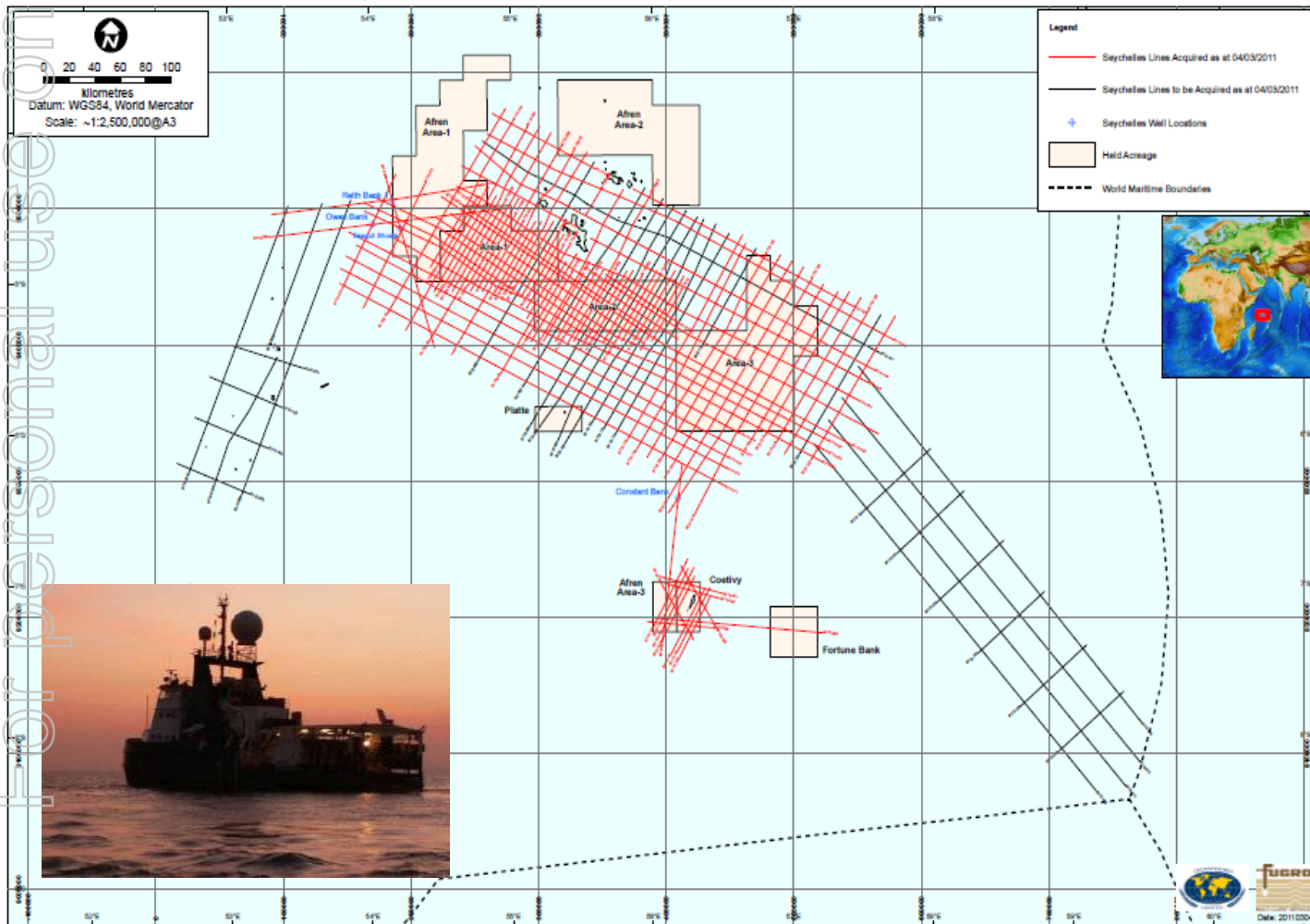


- The Seychelles is in similar structural/tectonic setting to many proven hydrocarbon provinces in adjacent areas
- World class source rocks are recognised in the Karoo Formation and also in Jurassic, Cretaceous and Lower Tertiary sediments in the region (Rayer and Du Toit, 1999):
  - Shales near the Permo-Triassic boundary include: The Bokh Shale Fm, the source for the gas and condensates in the Calub Gas Field (Ogaden Basin, Ethiopia); the Middle Sakamena Fm in Madagascar, regarded as the source of tar sands (Bemolanga) and heavy oil (Tsimiroro); the organic rich Mikumi Formation in Tanzania; the organic rich Maji ya Chumvi Fm in Kenya.
  - Kimmeridgian-Portlandian shales are the prime source-rock in the Ogaden Basin in Ethiopia
  - Anoxic events are thought to be developed regionally near the top Lower Cretaceous
  - Potentially attractive organic facies are present in the Paleogene in Kenya and Tanzania

From Geotack Report #622 provided in the Seychelles Petroleum Company Geological and Geophysical Data Catalogue

# Technical background – Seychelles Assets

Fugro Multi Client Services  
Seychelles - 04/03/2011 Edited Preplot vs Postplot 2D Lines



- The survey will result in ~4 Km grid over western (Area 1) and central (Area 2) WHL blocks and Coetivy Block and 10 Km grid over the east block (Area 3)
- New data will result in 4 Km grid in western areas and over the Coetivy Bank area and provide valuable new information
- Lines in the eastern block are being partly duplicated without adding significantly to coverage
- Additional data may be required over high graded leads prior to drilling as a 4 Km grid may be too sparse for choosing a well location





For personal use only

# Appendix 1.

## EXECUTIVE SUMMARY OF ISIS REPORT

**WHL Energy Ltd**

**Seychelles Exploration Blocks**

**Executive Summary**

**Independent Expert's Report**

**February 2011**

**Isis Petroleum Consultants Pty Ltd**  
**Perth, Western Australia**

**WHL Energy Limited (“WHL”) commissioned Isis Petroleum Consultants Pty Ltd (“Isis”) to prepare an Independent Technical Expert’s Report on the petroleum exploration assets currently held in the Seychelles.**

**The evaluation of petroleum assets is subject to uncertainty because it involves judgments on many parameters that cannot be precisely assessed and which may change as new information becomes available.**

**The statements and opinions attributed to Isis are given in good faith and in the belief that such statements are neither false nor misleading. In carrying out its tasks, Isis has considered and relied upon data and information provided by WHL. Consequently Isis and its servants do not accept any liability for its accuracy, nor do we warrant that our enquiries have revealed all of the matters that a more extensive examination may disclose.**

**Neither Isis nor its subcontractors have any pecuniary interest or any other interest in WHL or the assets evaluated other than for professional fees received for carrying out this project.**

**Isis Petroleum Consultants Pty Ltd  
Ground Floor, 47 Colin Street  
West Perth, 6005  
Western Australia  
AUSTRALIA  
Tel: +61 8 9226 4610  
Fax: +61 8 9226 0999  
Email: [isis@isispetroleum.com.au](mailto:isis@isispetroleum.com.au)**

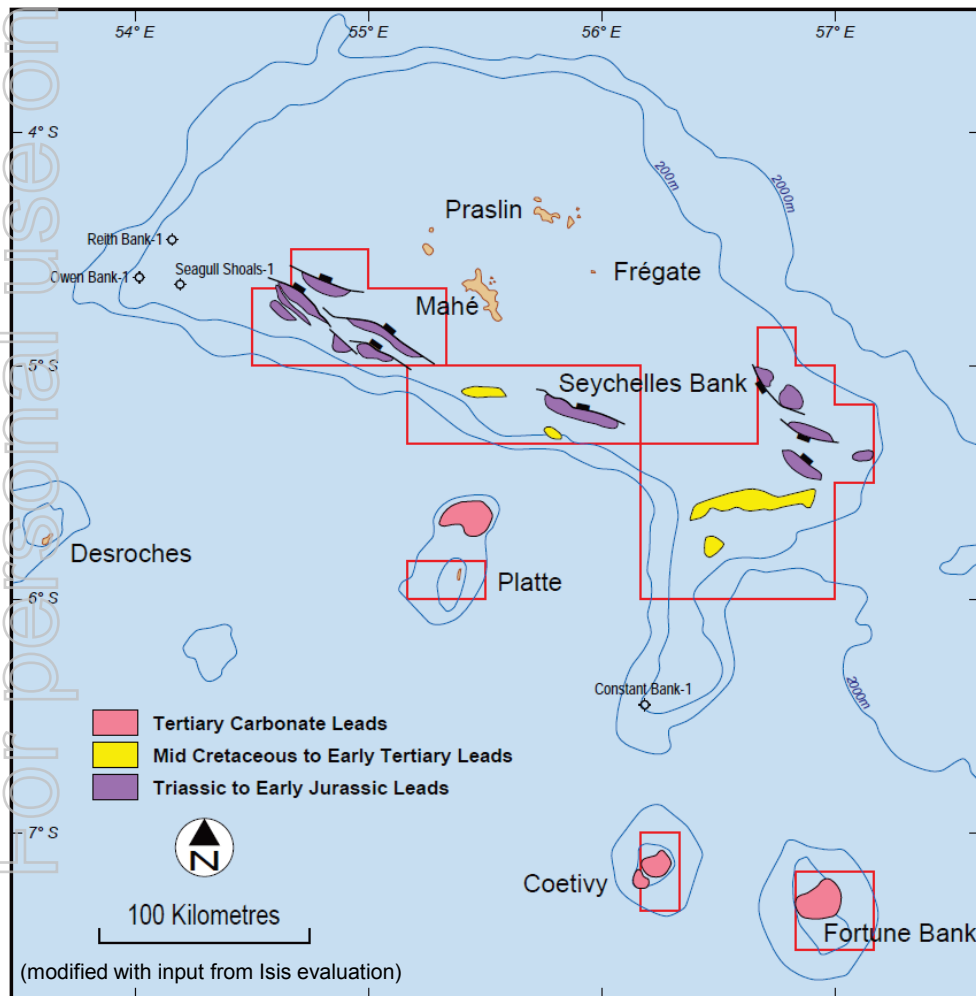
For personal use only

- 1. Executive Summary**
2. Introduction and Database
3. Exploration History and Well Results
4. Tectonic History
5. Sequence Stratigraphic Framework
6. Petroleum Systems Summary, Analogues and Play Concepts
7. Seismic Interpretation and Mapping
8. Prospects and Leads Inventory
9. Recommendations

# 1. Executive Summary

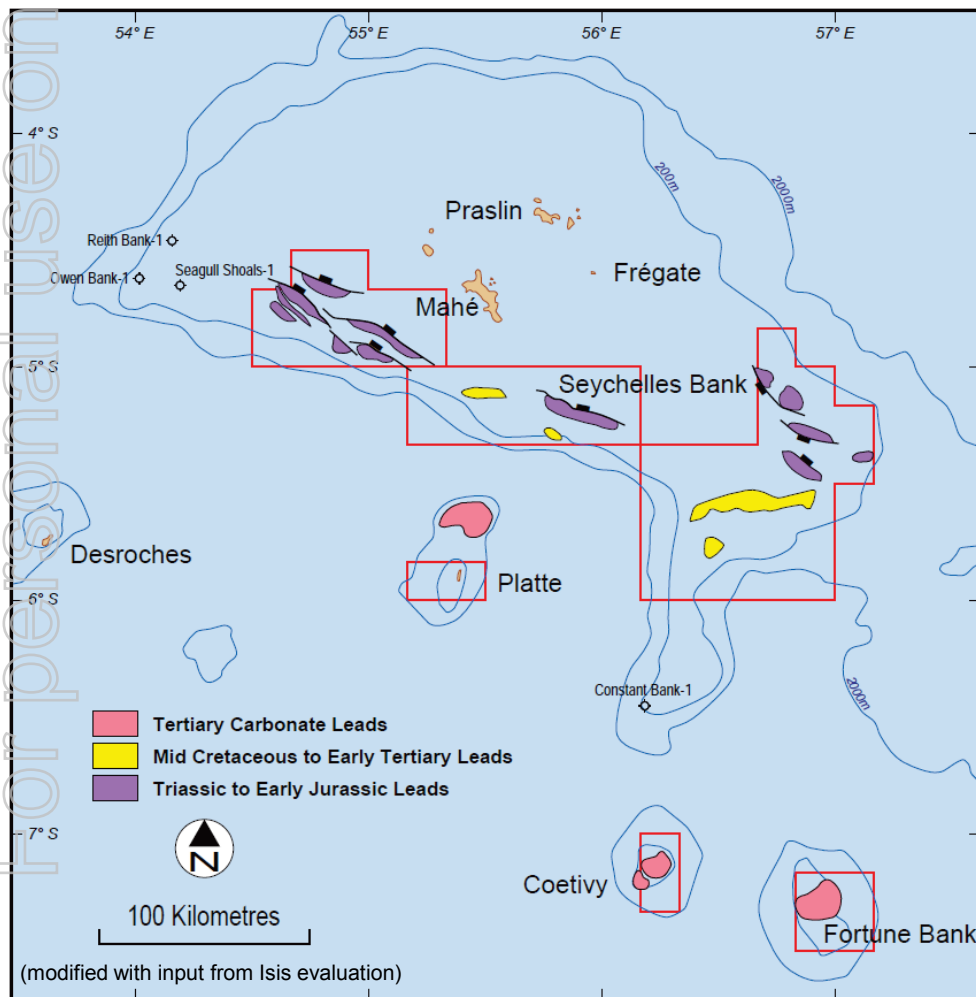


## WHL Acreage and Updated Leads Map



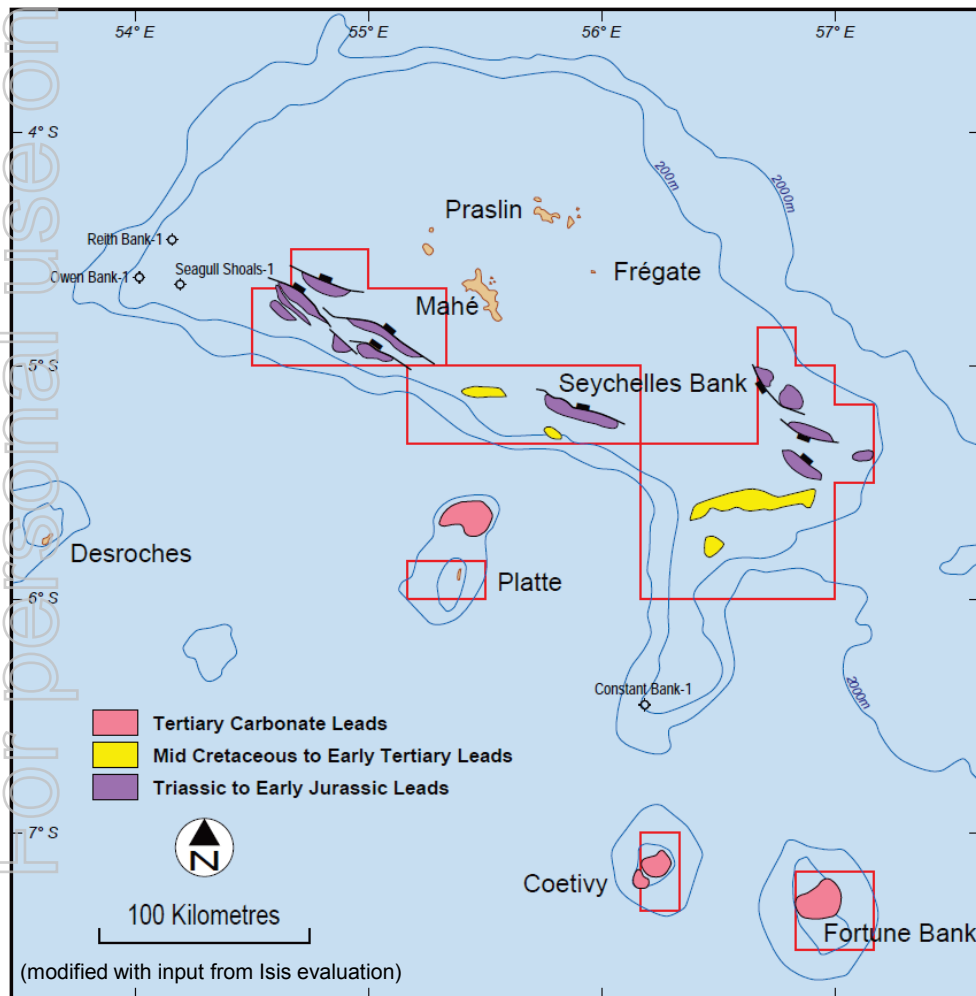
- WHL Energy Limited (“WHL”) commissioned Isis Petroleum Consultants Pty Ltd (“Isis”) to prepare an Independent Expert’s Report on the prospectivity of their Seychelles petroleum exploration blocks which are the subject of a Share Sale agreement between WHL and SEYCO Energy Pty Ltd (“SEYCO”)
- This report has been completed according to the requirements of the SPE / WPC / AAPG guidelines and standards as published in March 2007 and the guidelines from the Valmin Code
- WHL was able to make available a Kingdom project containing recent PQ 2006 2D seismic data and well information for the four wells in the area. The Kingdom project did not include older vintage seismic data but some of these lines were made available as PDFs

## WHL Acreage and Updated Leads Map



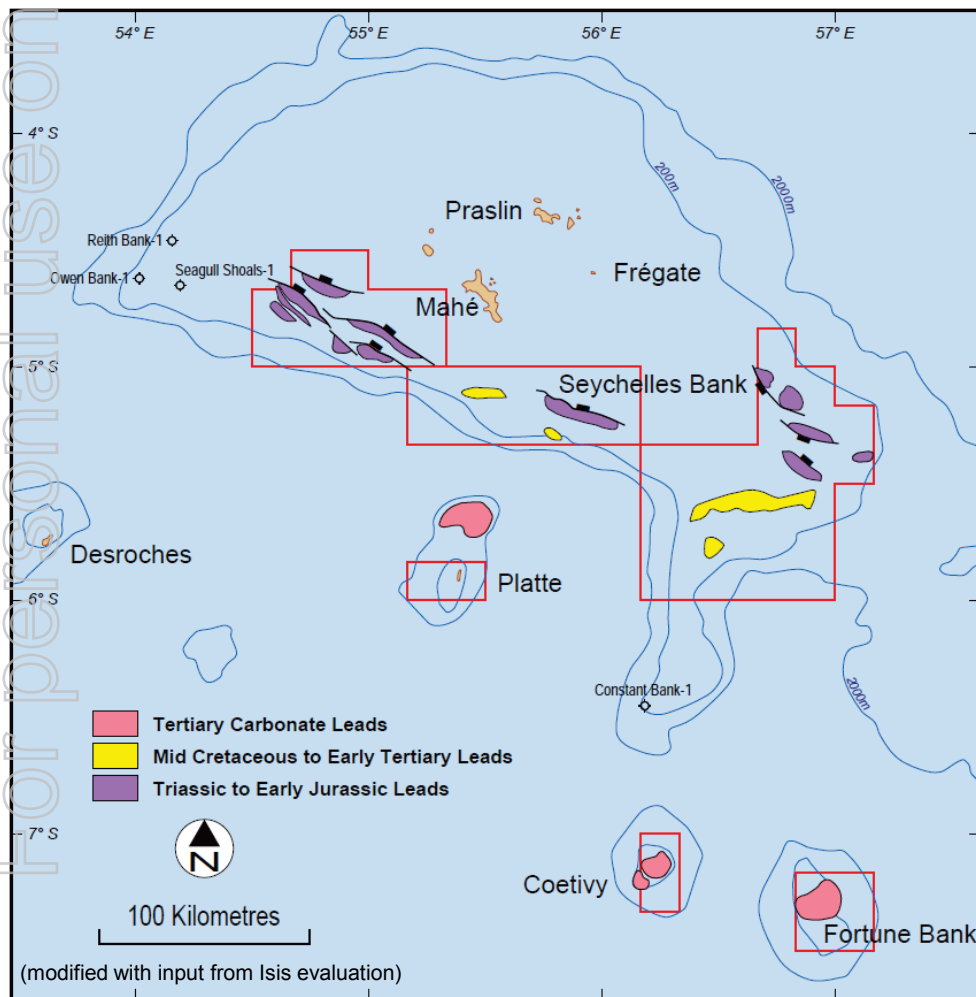
- **WHL Seychelles blocks contain a variety of prospective plays including:**
  - Triassic to Early Jurassic Karroo Group equivalent non-marine sands
  - Late Jurassic to Early Cretaceous sands and oolitic limestone
  - Middle Cretaceous to Paleocene shelf and turbidite sands
  - Early Tertiary carbonate plays (reefal build ups and oolitic shoals)
  
- **Isis concludes there is good evidence of a working petroleum systems in the area of the WHL blocks. The evidence includes surface seeps, tar occurrences observed on Seychelles islands and well data. In addition, analogue studies from offset basin data show potential for the presence of good quality, mature source rocks and prospective reservoirs**

## WHL Acreage and Updated Leads Map



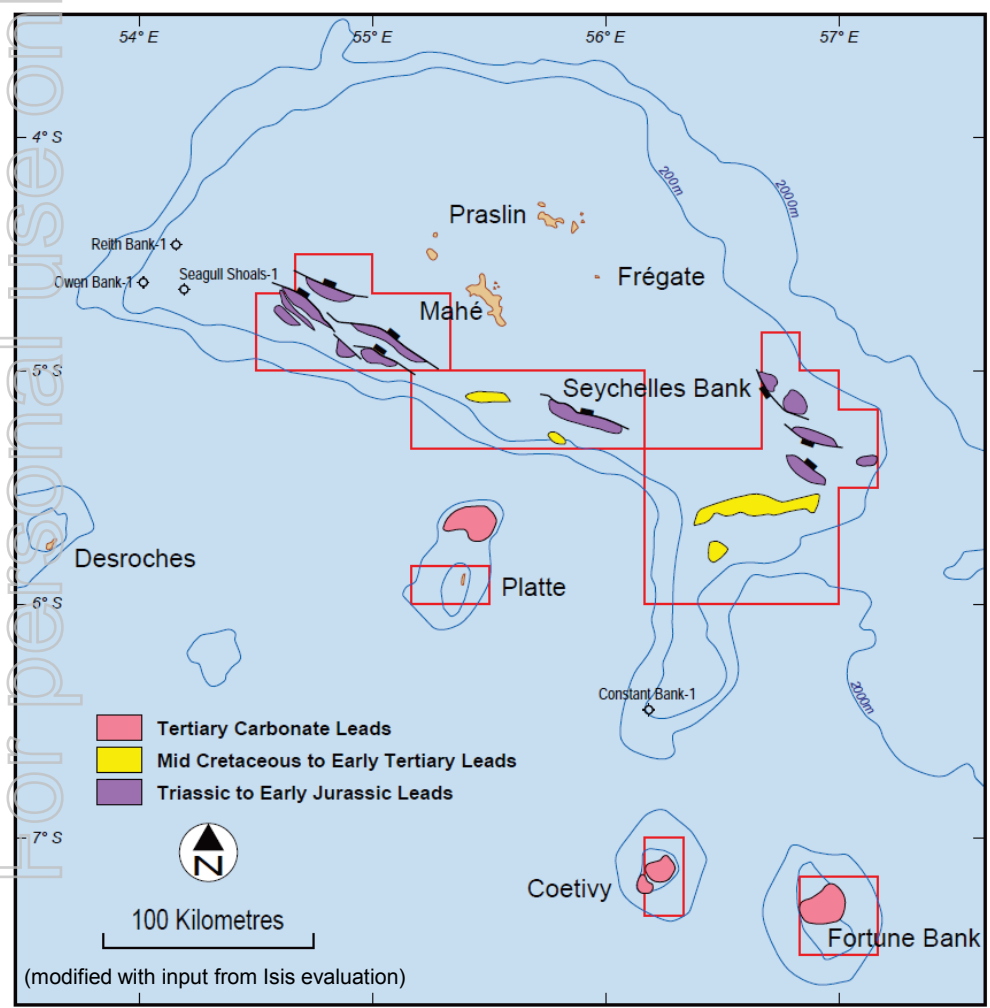
- Isis has validated the presence of some of the key existing leads and prospects using the seismic data provided by WHL together with other publicly available data
- The larger structures identified in the blocks have the potential to contain multi Tcf / multi 100 MMbbl range hydrocarbon accumulations
- Isis has delineated new leads which warrant further evaluation. A number of previously existing leads have however been downgraded from the review of the available data

## WHL Acreage and Updated Leads Map



- The critical risks in the WHL blocks are:
  - **Trap definition** due to overall sparse seismic line spacing and (in places) poor seismic data quality, especially for the deeper Karroo play
  - **Seal** due to an overlying porous Tertiary carbonate section and to the reliance of some traps on fault seal or a stratigraphic pinchout geometry
  - **Charge timing** from the Karroo source rocks which may predate in some cases the trap formation for some of the leads
  
- **Maastrichtian to Paleocene volcanics** in the area (basalts & tuffs) complicate the evaluation due to their dampening of the underlying seismic data quality and also because the volcanics tend to have a bright seismic response which can be mistaken for a prospective hydrocarbon bearing reservoir

## WHL Acreage and Updated Leads Map



- The new Fugro seismic will provide valuable data over the identified leads and prospects
- Additional 2D or 3D seismic data may be required to mature high-graded leads and prospects into a drillable status
- Isis will undertake a volumetric and risk assessment of the leads and prospects identified in this stage of the project. The volumetric evaluation will be part of Phase 2 of the project