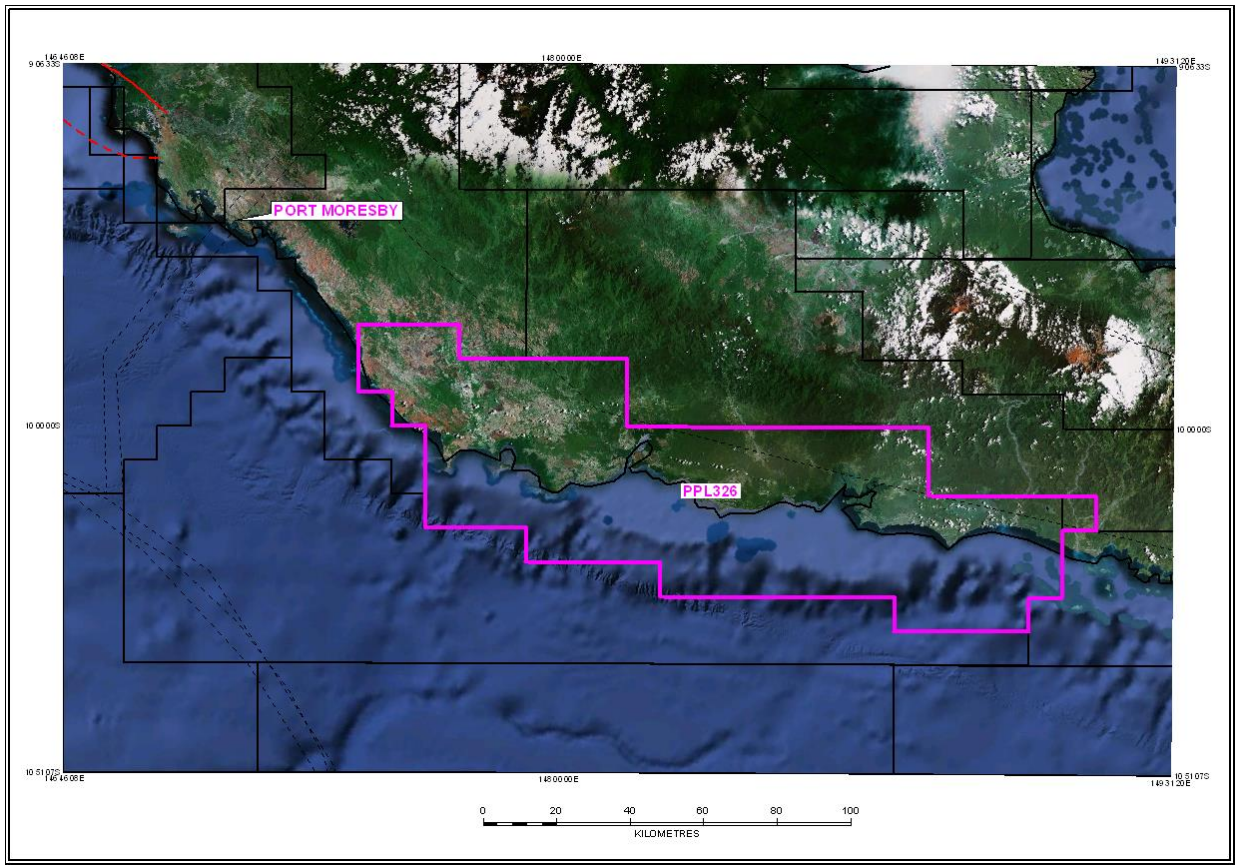
LARUS ENERGY

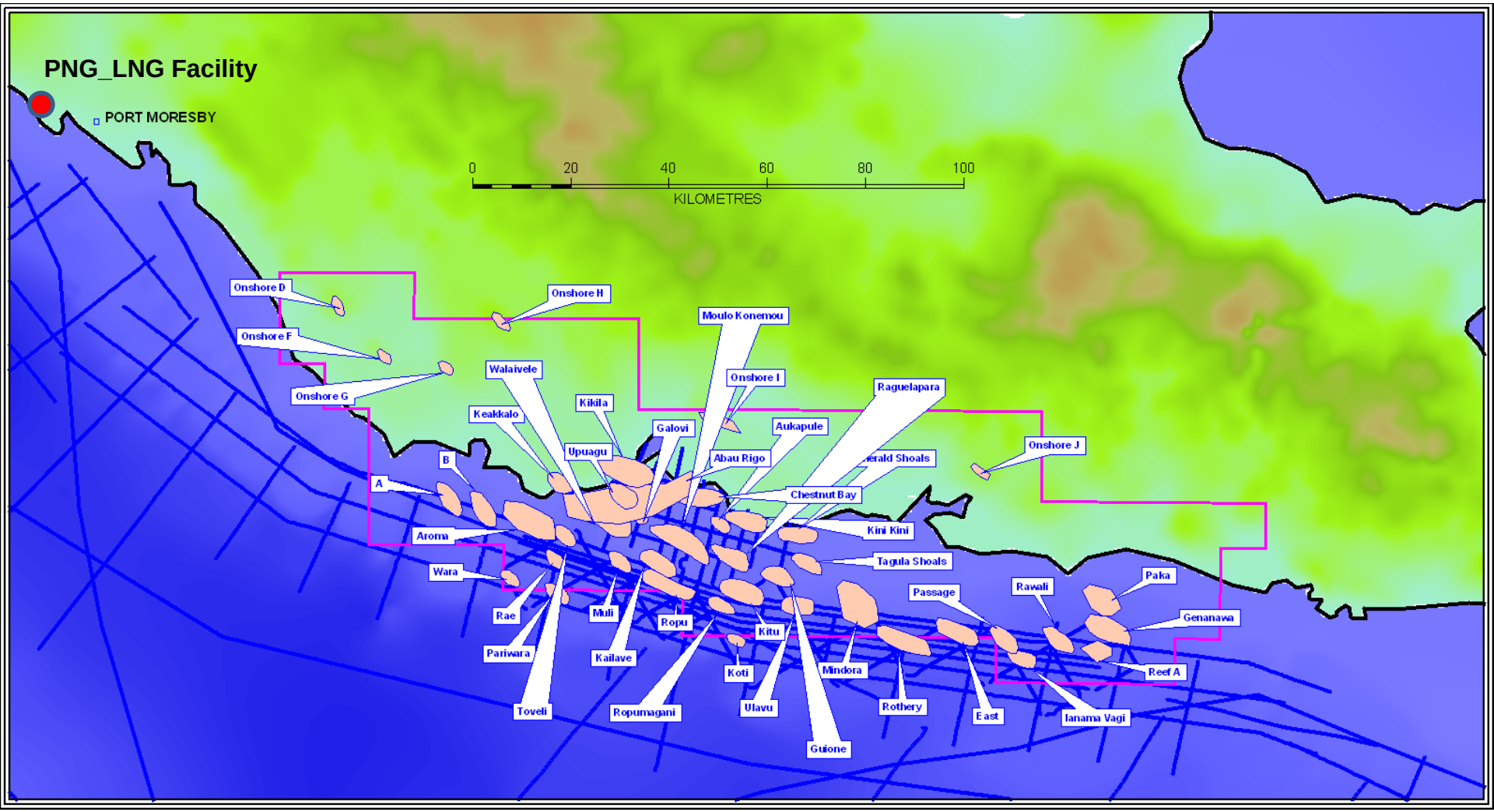
BACK TO BASICS

WHY THE TORRES BASIN COULD BE A COMPANY MAKER

Papua New Guinea :PPL326 A Frontier Basin

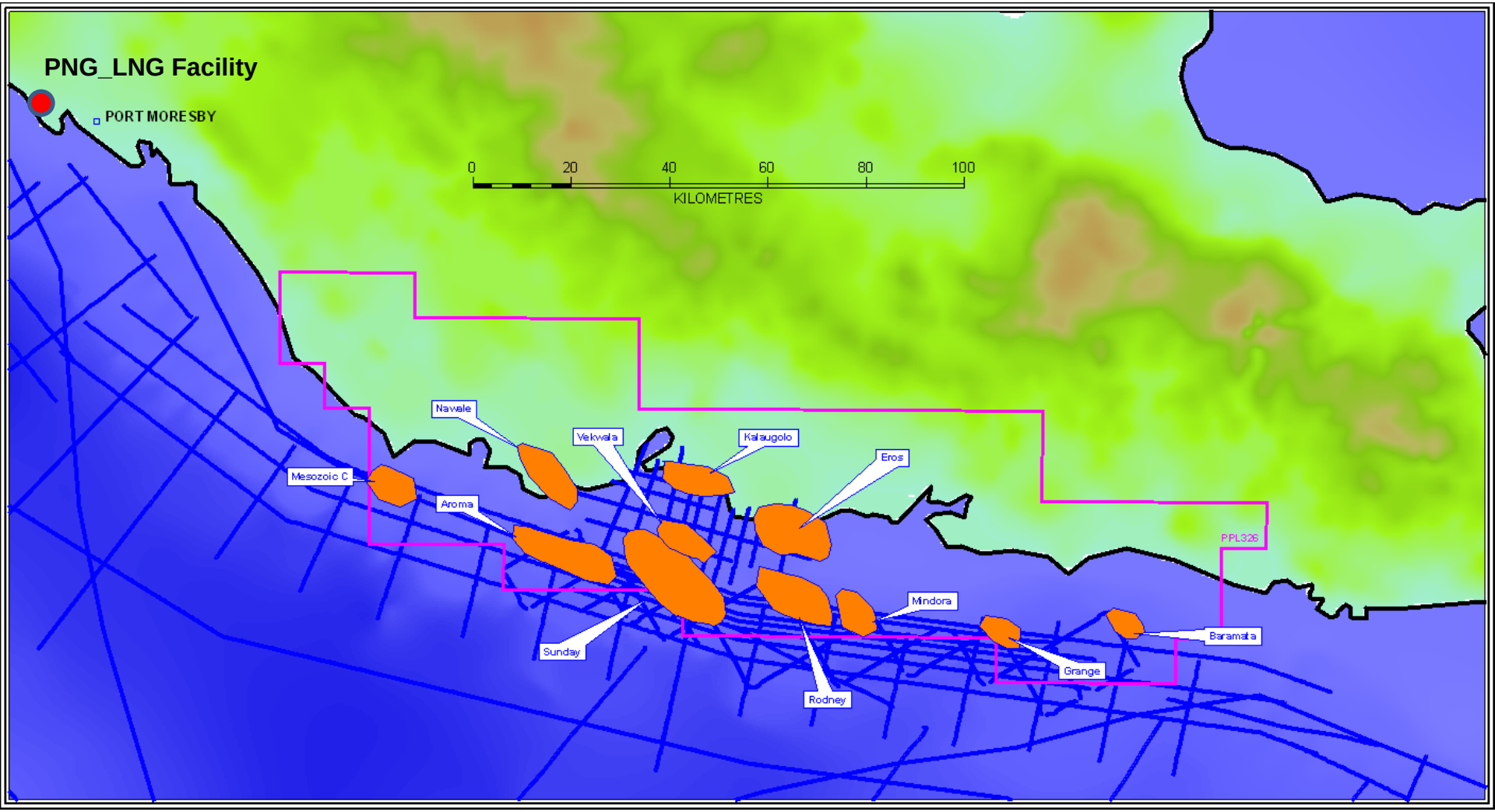


Tertiary Carbonate/Clastic Prospects and Leads



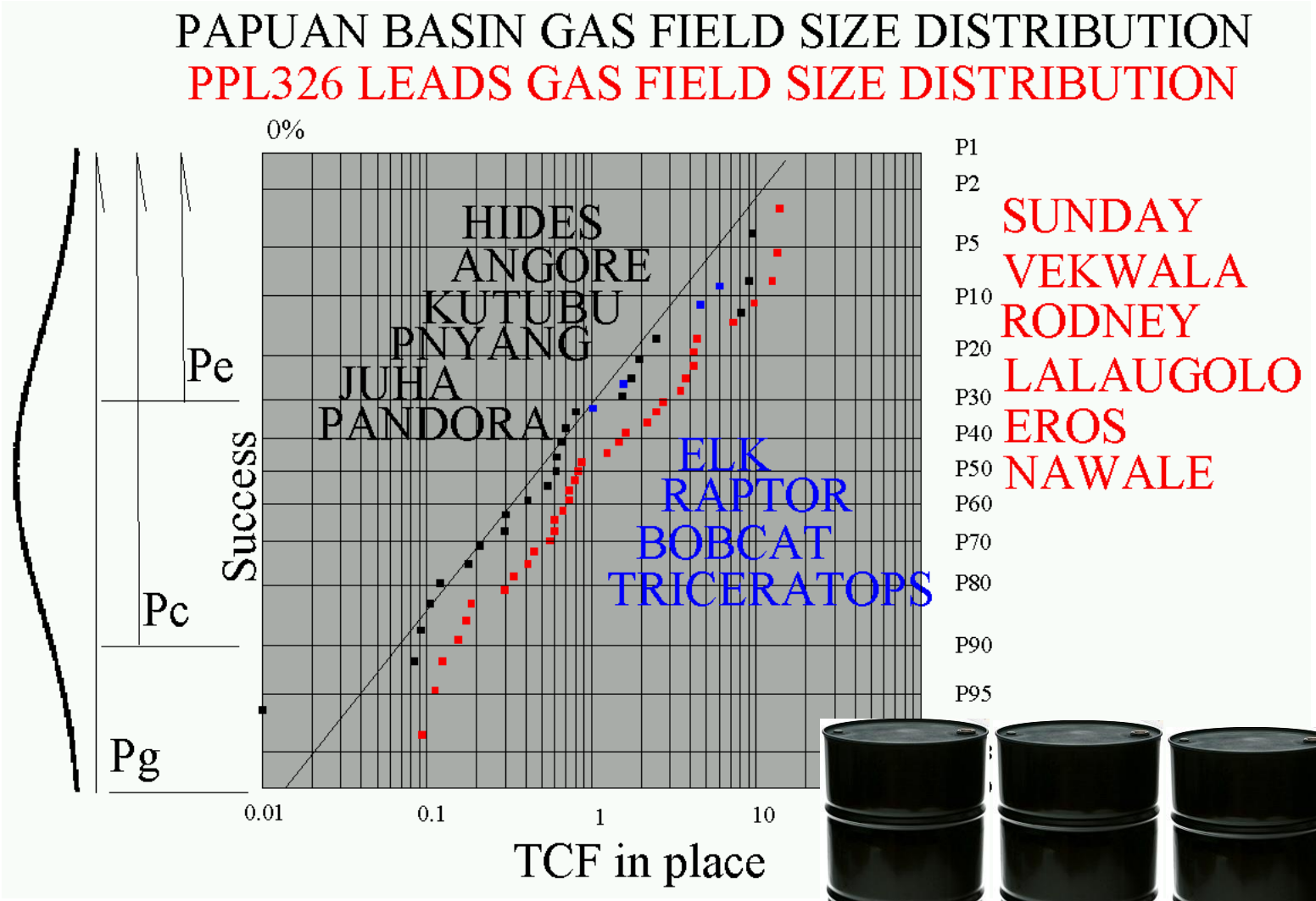
PPL326 has a large number of over thrust (shallow) Tertiary targets. 43 so far!

Jurassic/Cretaceous Clastic Prospects and Leads



PPL326 has a large number of over-thrust and sub-thrust (deep) Mesozoic targets. 11 so far!

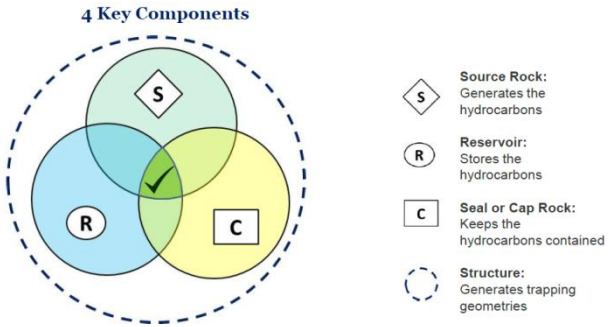
PPL326 Distribution of Prospects &Leads



Summary

- Permit in good standing. First six year program fully completed. Further G&G and two wells in next 5 year program, end August 2020.
- Consolidated PPL326 as world class frontier exploration permit.
  - Several big >10TCF project size company makers.
- Identified Abau-Rigo district a significant ‘sweet’ spot in PPL326.
  - Nearby active ‘kitchen’, Mesozoic traps or up dip Tertiary Sandstone or limestone. Torres and Easter Papuan basins
- Trendology points to similar size large structures onshore.
  - Large exploration potential in the near SE offshore region (2000 km^2).
- Multiple exploration-development pathways.
  - Proximal to existing infrastructure and projects.
  - Easy oil and/or mega Gas/Condensate/LNG/LPG??
  - Onshore and offshore
- Long term opportunity
  - Potentially large stand alone or numerous ‘daisy chain’ developments.
  - Relinquishment without impinging core asset area.
  - Currently planning new seismic and drilling for the future

WHAT EXACTLY IS THIS RISK-REWARD OPPORTUNITY?



After InterOil

Geological Success

Risk: **1:10** RPS Independent Report

Reservoir :area, N/G, RF, por/perm, saturation

Completion Success

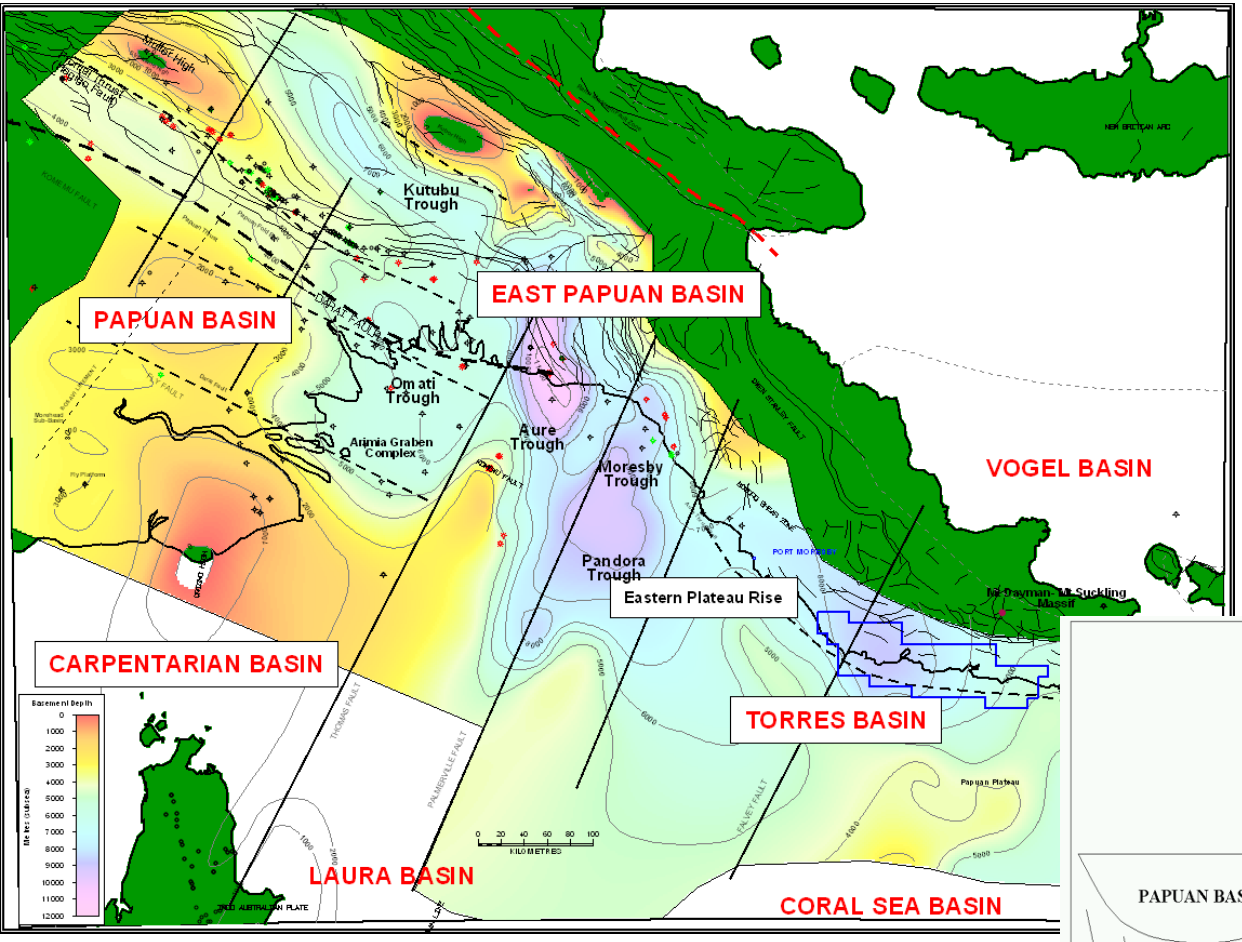
Field Size Distribution versus Production Costs

Commercial Success

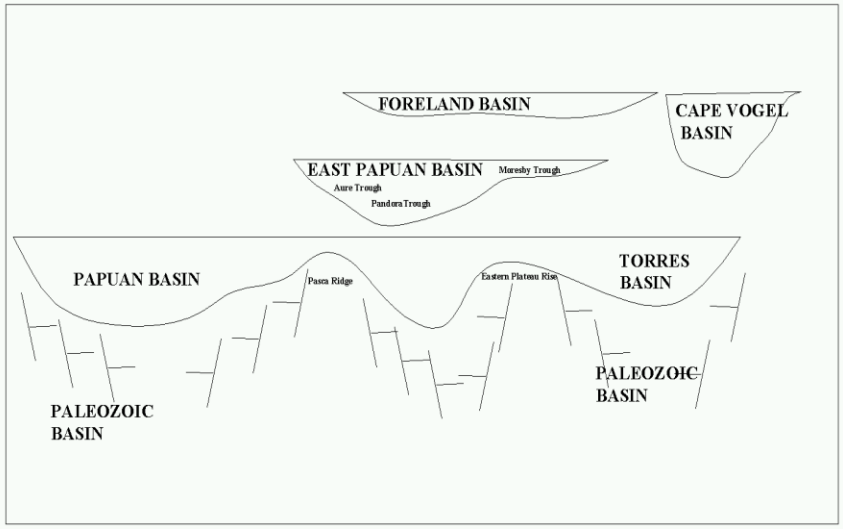
World Success Averages:

New Wildcat Fields	15%
All Exploration Wells	30%
All Development Wells	80%

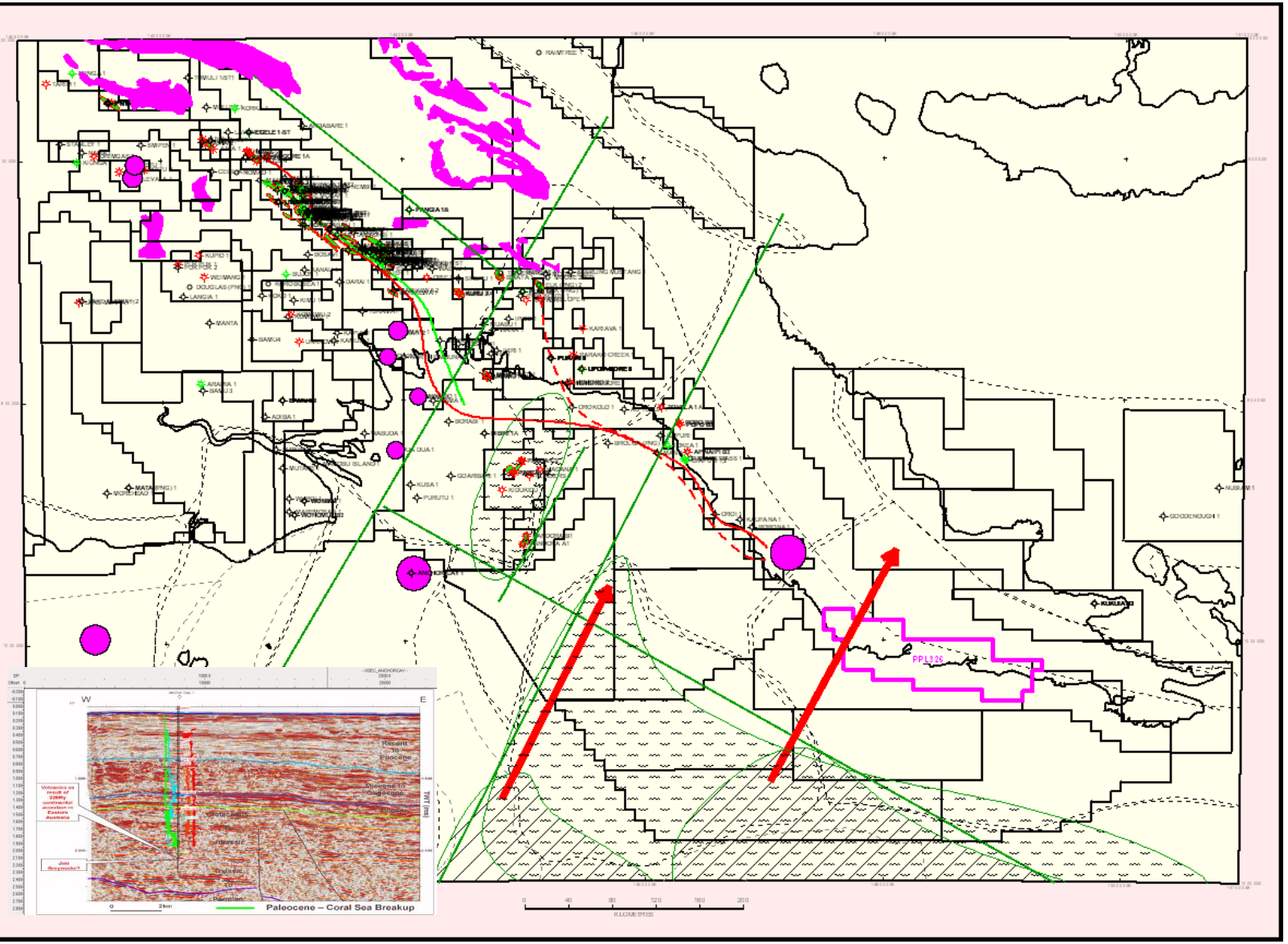
Basin Framework in the SE



The seismic shows that the Early Cretaceous Coral Sea opening unconformity has not removed all of the Mesozoic section. Source, seal and reservoir are preserved!

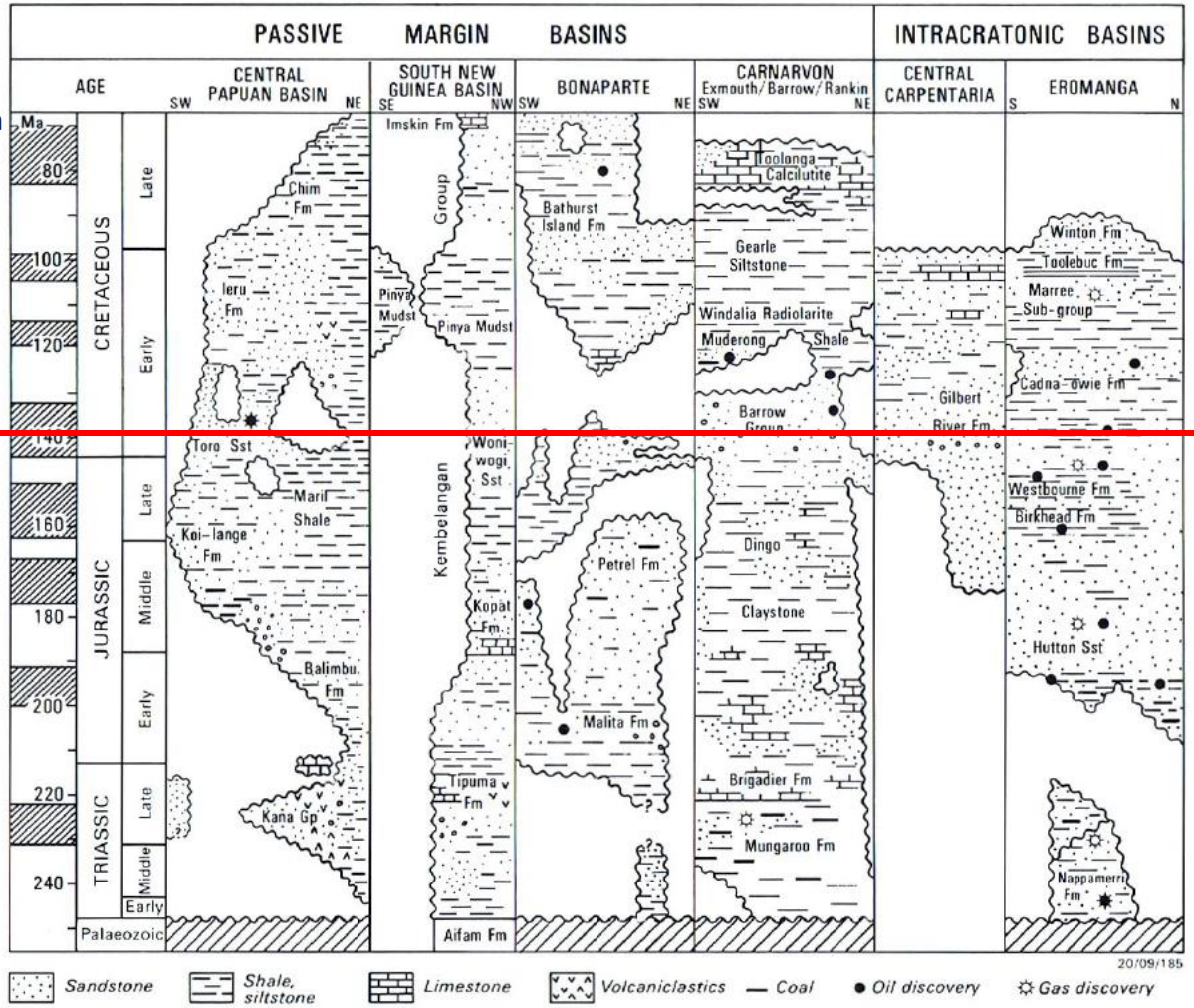


Mesozoic Rocks in PNG



Stratigraphy of Tethyan Basins in the region

Torres Basin undrilled



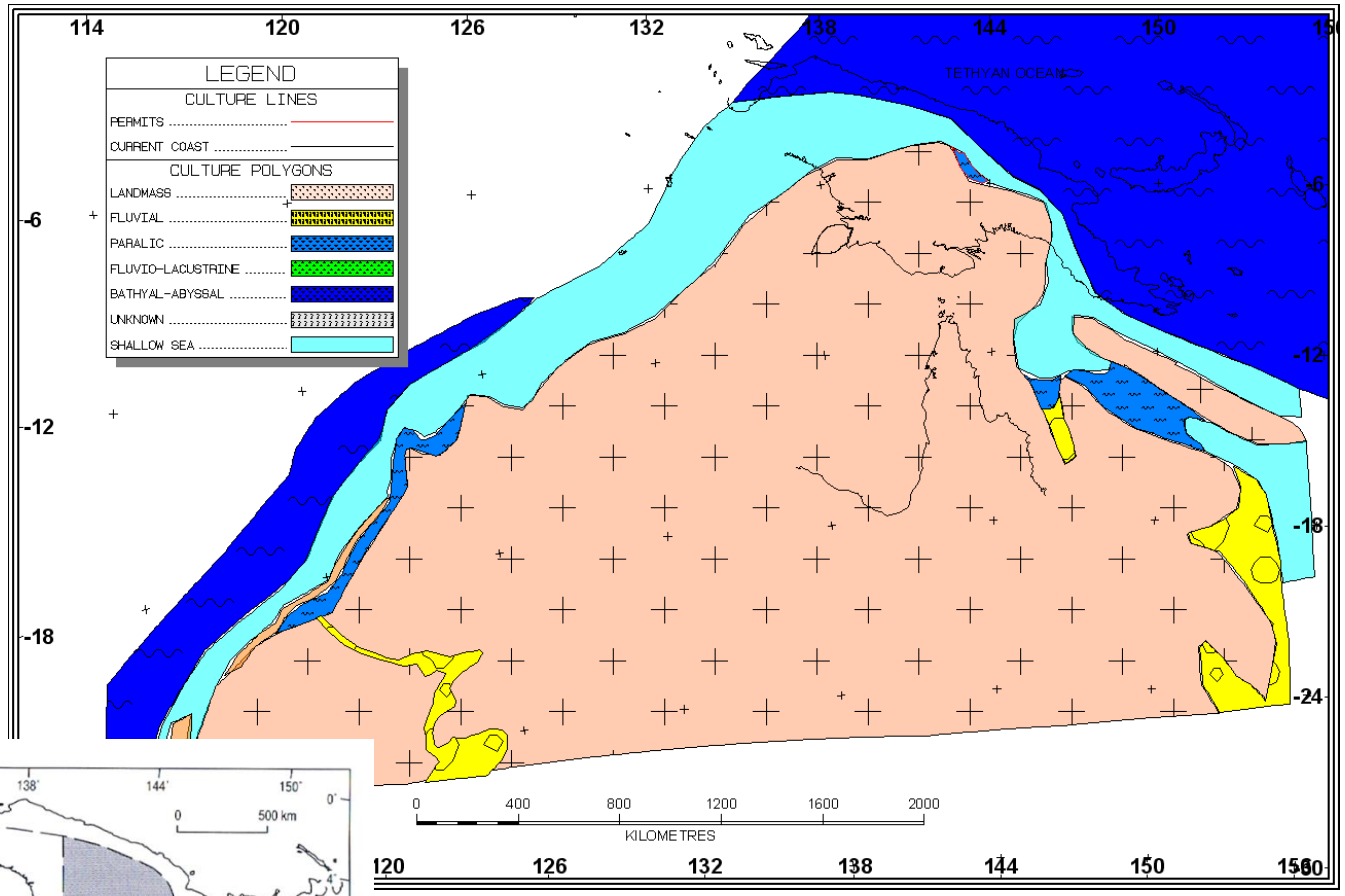
Reservoir Line

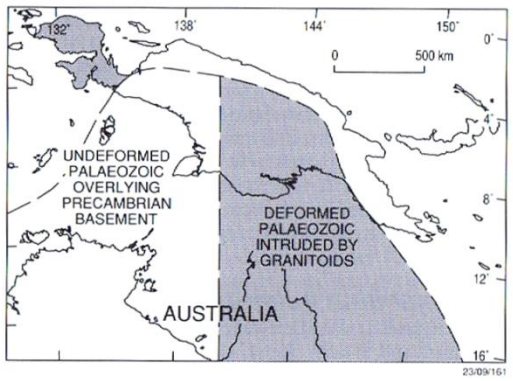
Source Rocks

Figure 2. Generalized lithostratigraphy for various basins of the northern Australian plate. Time intervals depicted in Figures 3 to 10 are indicated by shading. Time scale from Harland et al. (1982).

Struckmeyer, Yeung and Bradshaw 1990 Mesozoic Paleogeography of the Northern Margin of the Australian Plate and its implications for Hydrocarbon Exploration In Carman, G.J., and Z., (ed) 1990 Petroleum Exploration, Development and Production in Papua New Guinea, Proceedings from the 1st PNG Petroleum Convention 1990

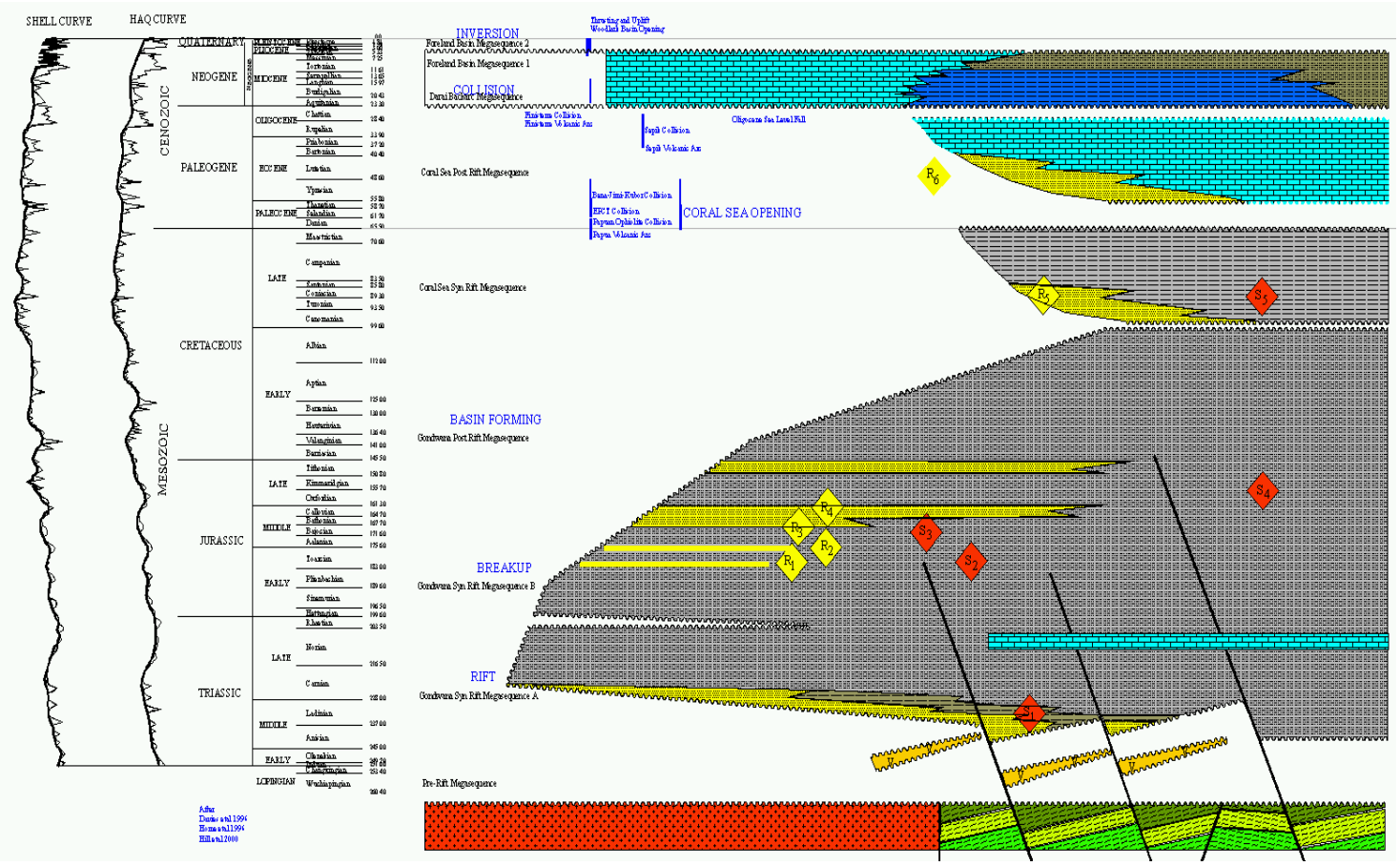
(WEST) PAPUAN BASIN- TORRES BASIN
Paleo-geography
Seal and Reservoir





Late Cretaceous

Implied Stratigraphic Framework in the SE



Thickness

500m

1800m

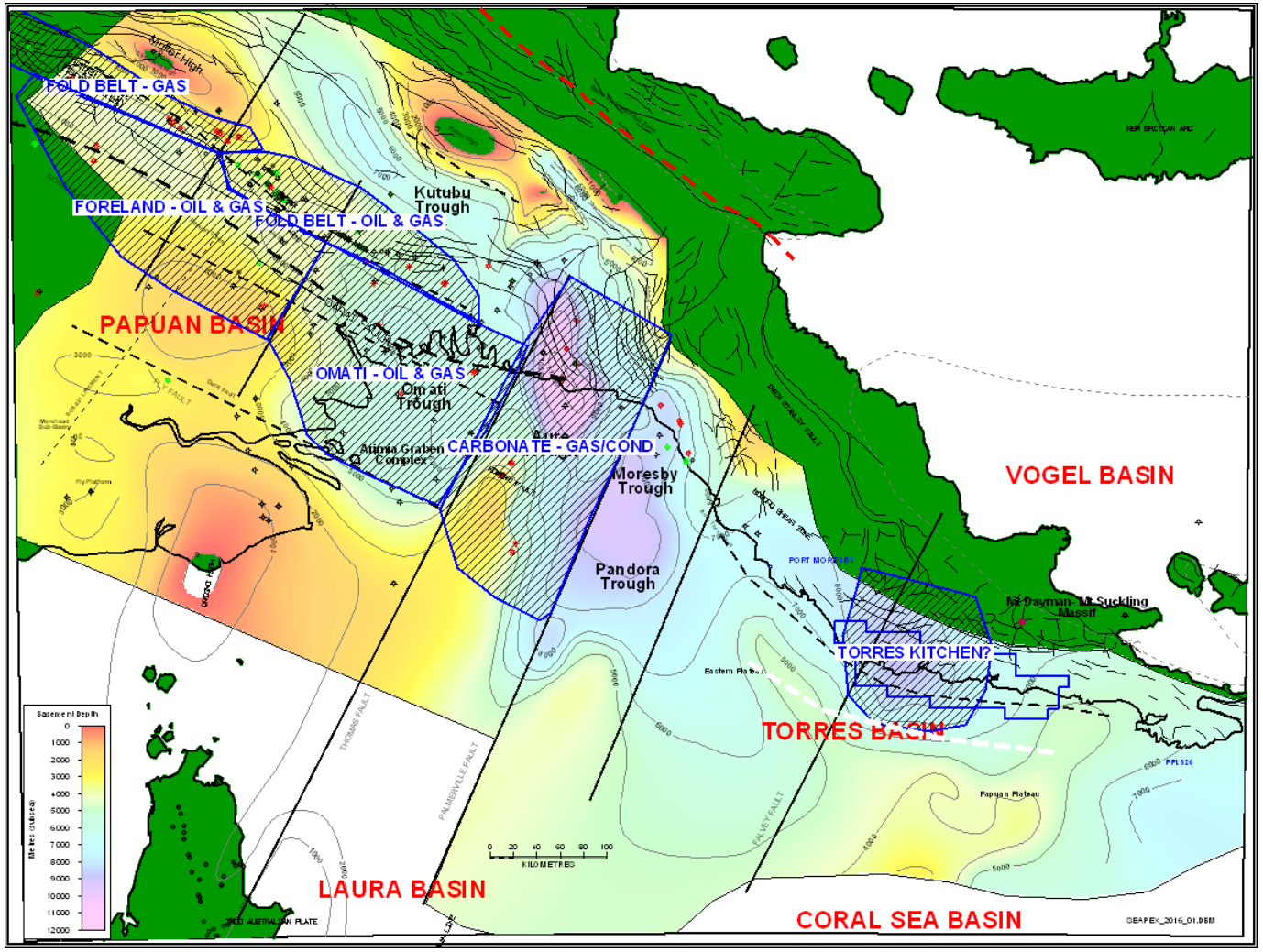
1000m

400m

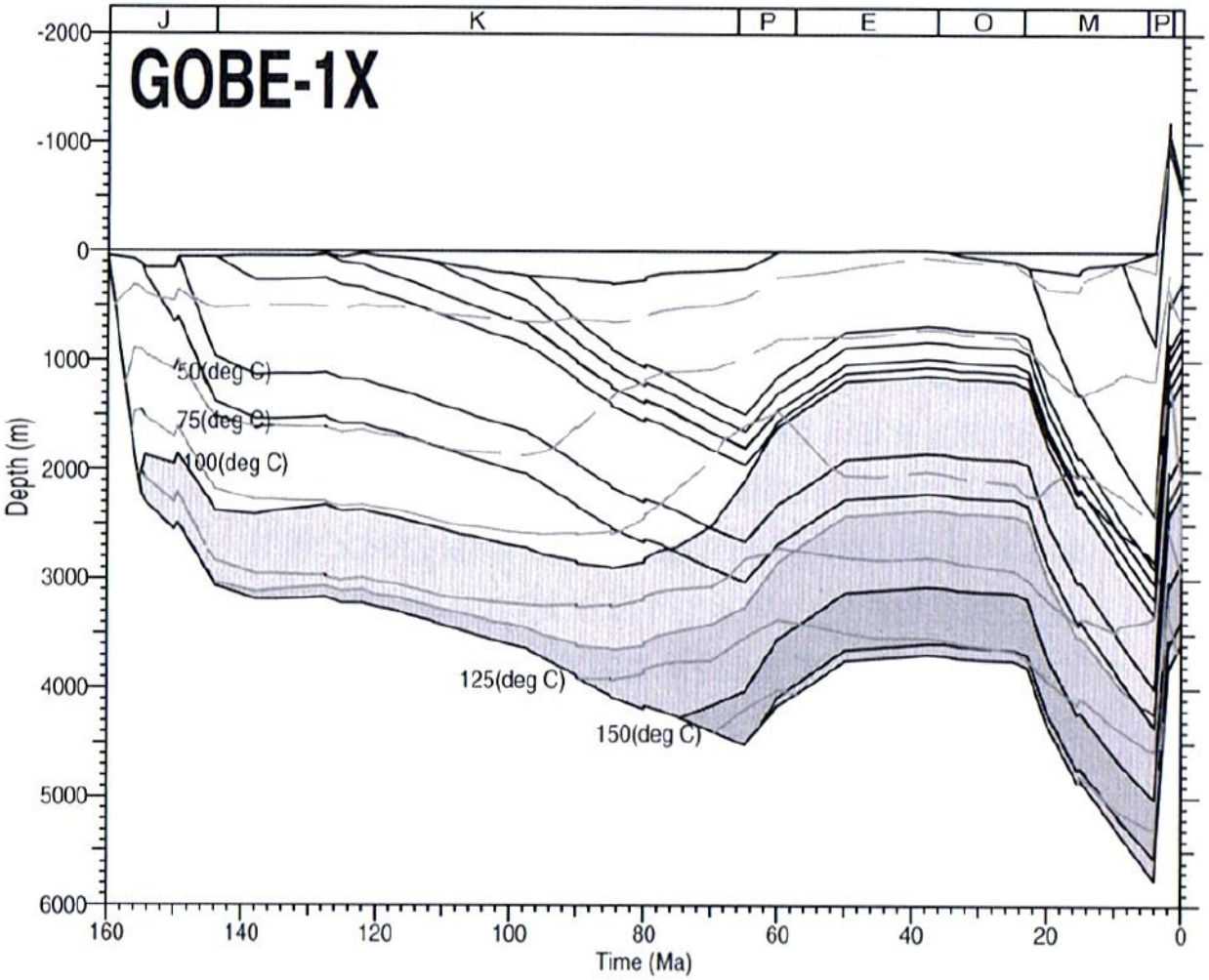
Total ~4000m

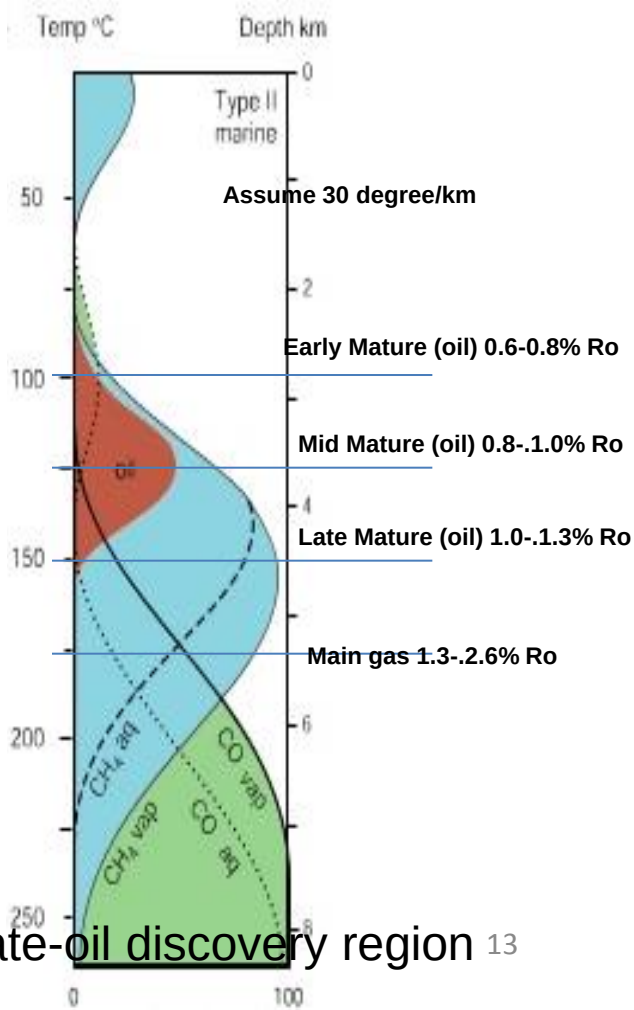
The model holds that the Early Cretaceous Coral Sea opening unconformity has not removed all of the Mesozoic section. Source, seal and reservoir are preserved!

Source and Kitchen



WEST PAPUAN BASIN GEOHISTORY





Assume 30 degree/km

Early Mature (oil) 0.6-0.8% Ro

Mid Mature (oil) 0.8-.1.0% Ro

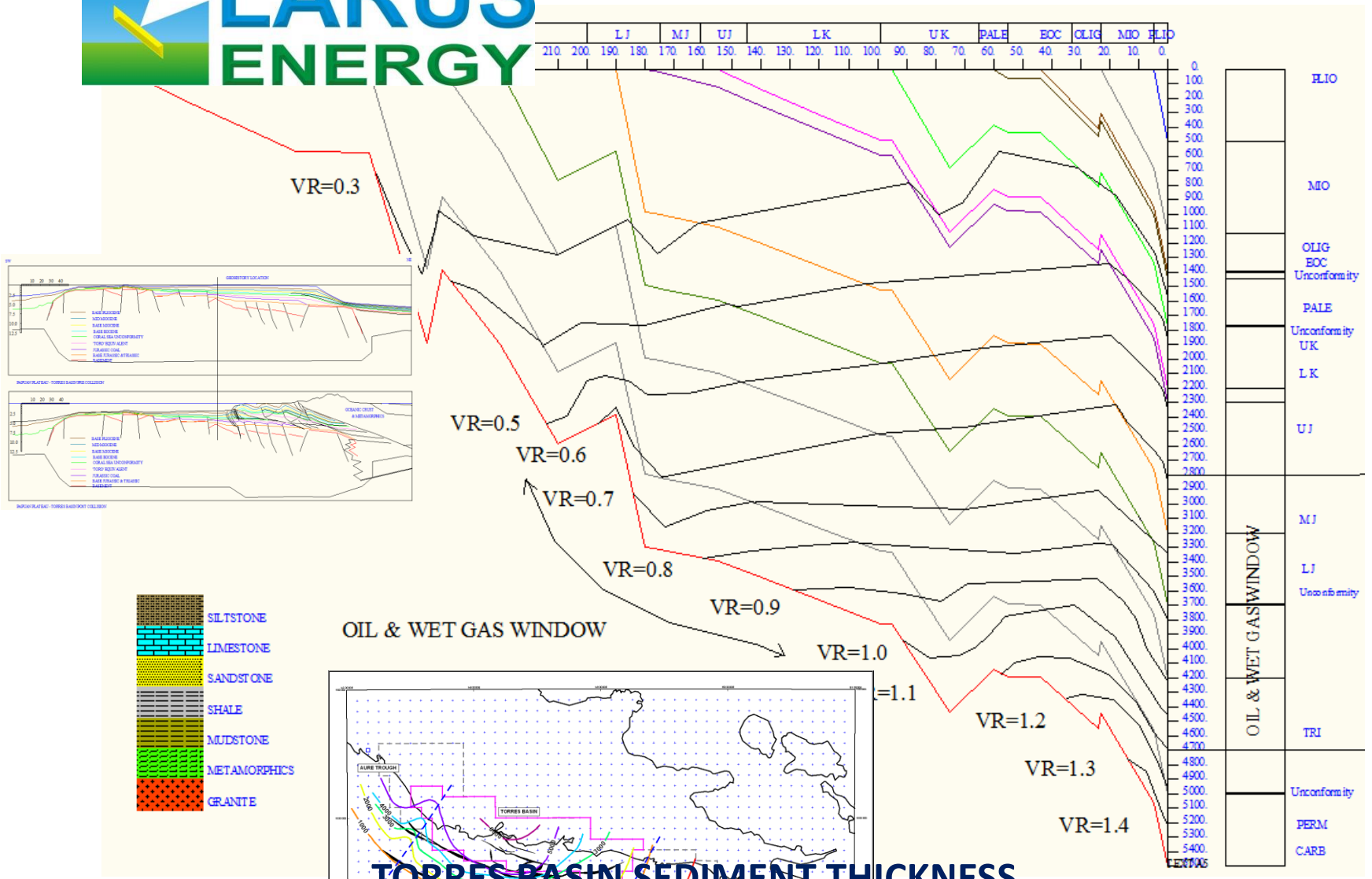
Late Mature (oil) 1.0-.1.3% Ro

Main gas 1.3-.2.6% Ro

The Western Papuan basin is a world class gas-condensate-oil discovery region

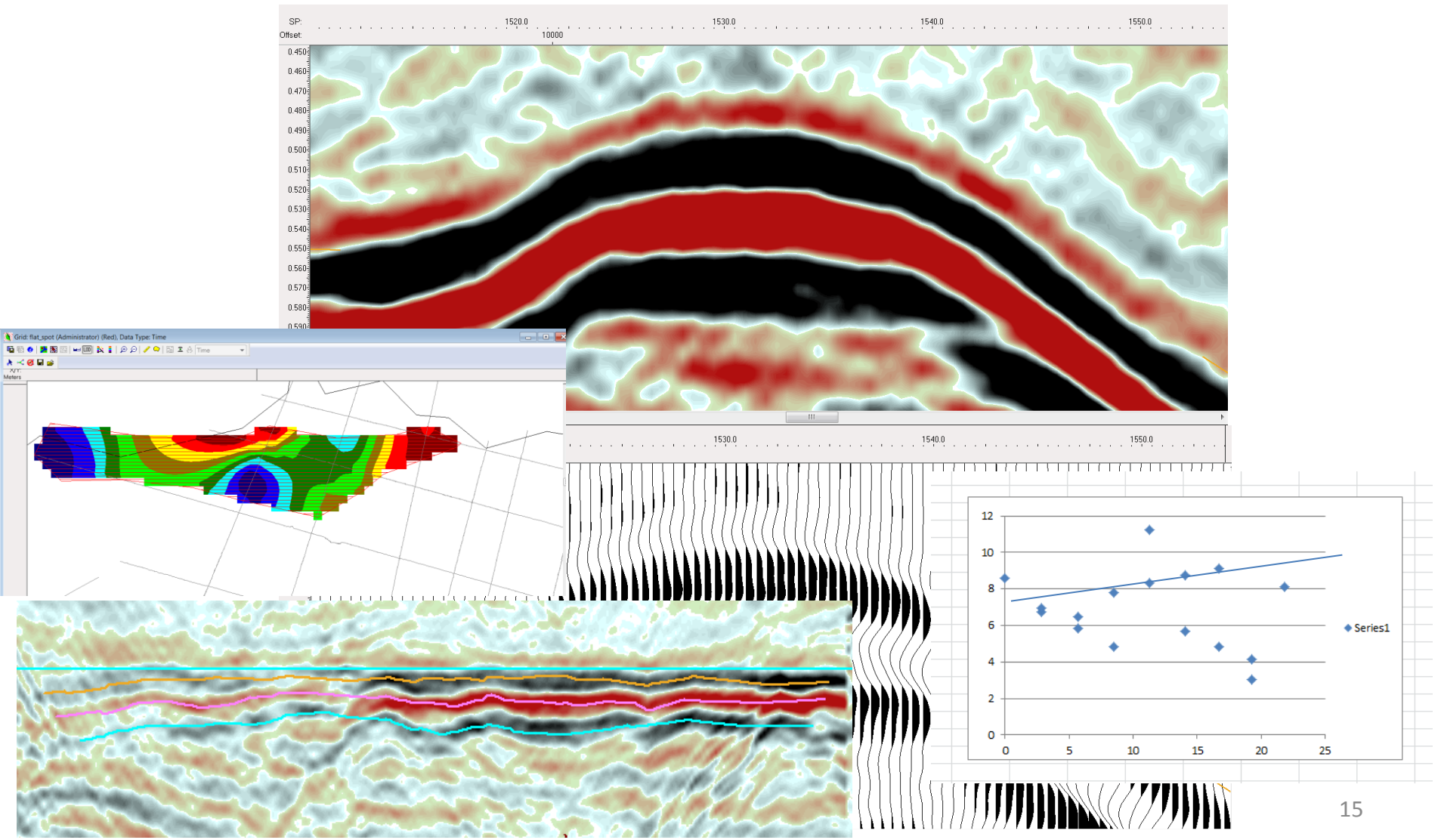
Torres Basin Geohistory Analysis

LARUS ENERGY



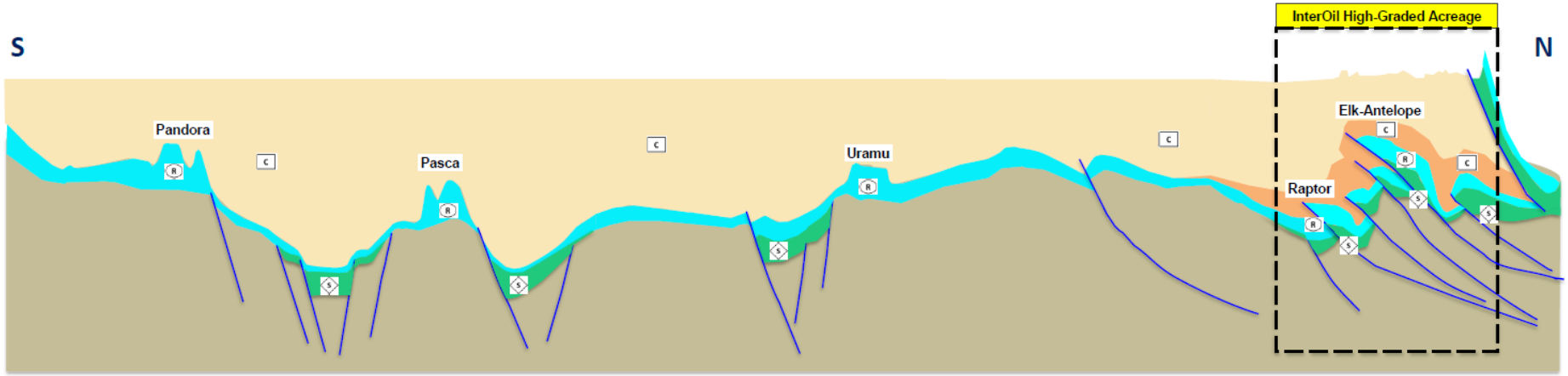
TORRES BASIN SEDIMENT THICKNESS

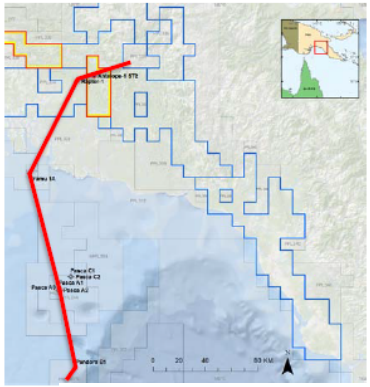
AVO-DHI points to currently active petroleum system



EAST PAPUAN BASIN
SOURCE SEAL RESERVOIR TRAP

Geological Cross-section through the Eastern Papuan Basin





S **Source Rock (green):** Prolific in InterOil's high-graded acreage as evidenced by the discovered resources and numerous surface seeps across the area

R **Reservoir (blue):** Proven effective limestone reservoir in Elk, Antelope, Triceratops, Raptor and Bobcat. Regional seismic, well and surface evidence for the presence of the reservoir across the acreage

C **Seal or Cap Rock (yellow):** The basal Orubadi Formation in InterOil's acreage is an impermeable claystone proven to trap >700m gas columns (shown in brown).

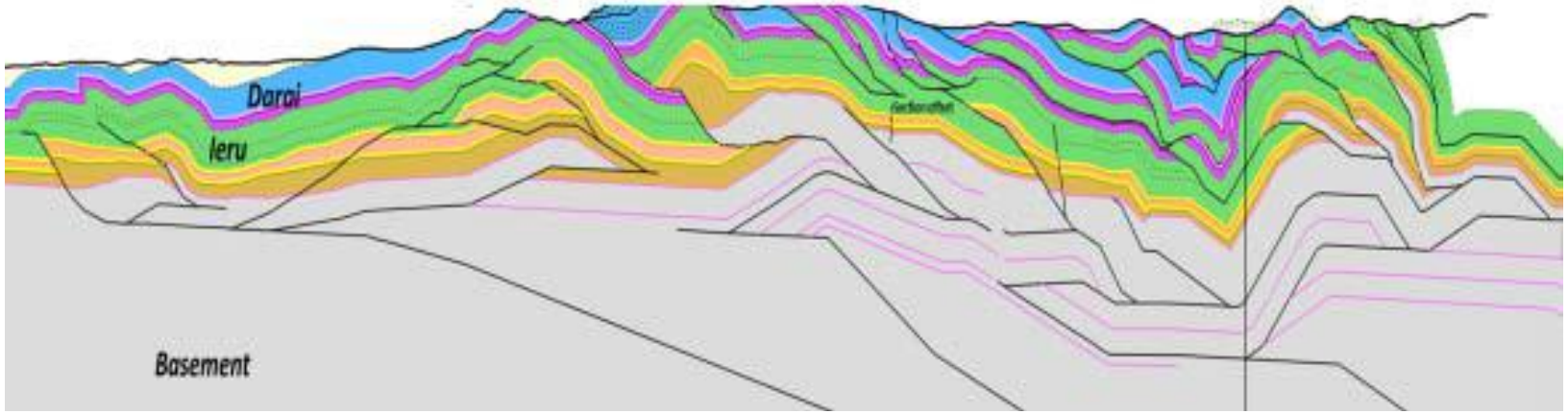
Structure: Many potential traps in InterOil's fold belt acreage

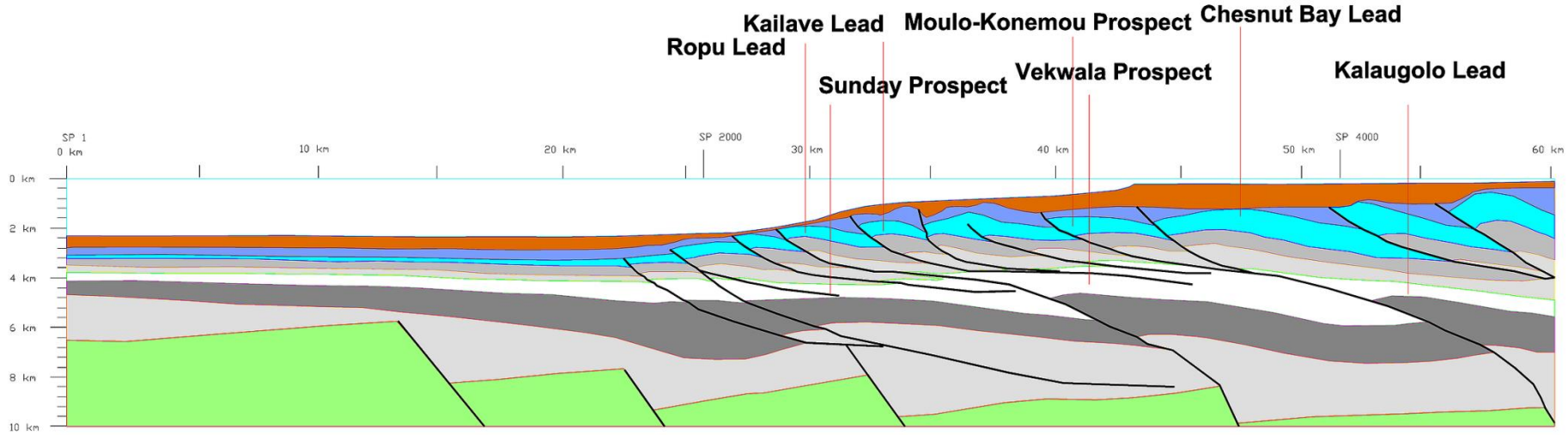
The Eastern Papuan Basin is an emerging basin with a world-class gas-condensate discovery at Elk-Antelope

Section courtesy Fugro Searcher

LARUS ENERGY

WEST PAPUAN BASIN
SOURCE SEAL RESERVOIR TRAP

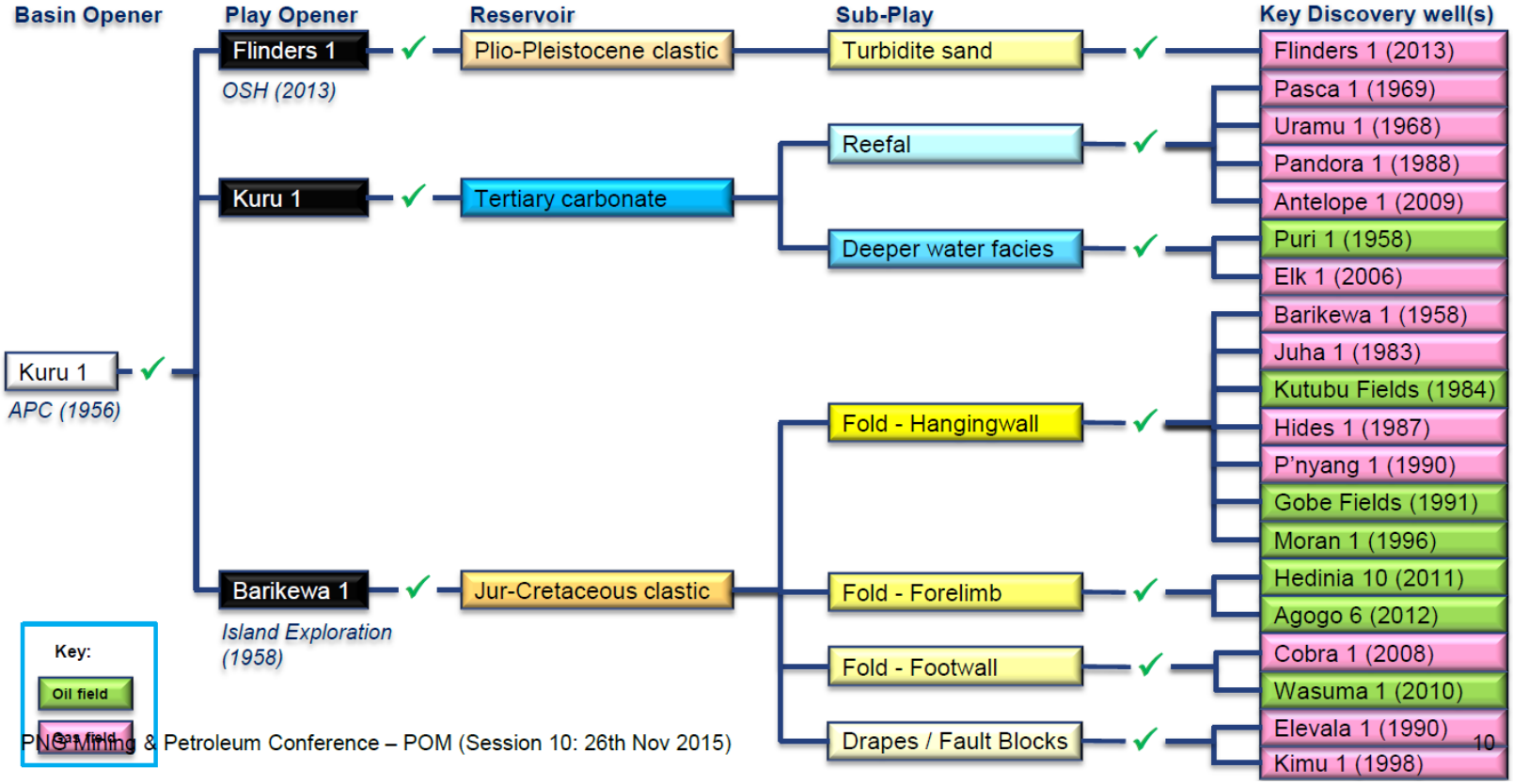




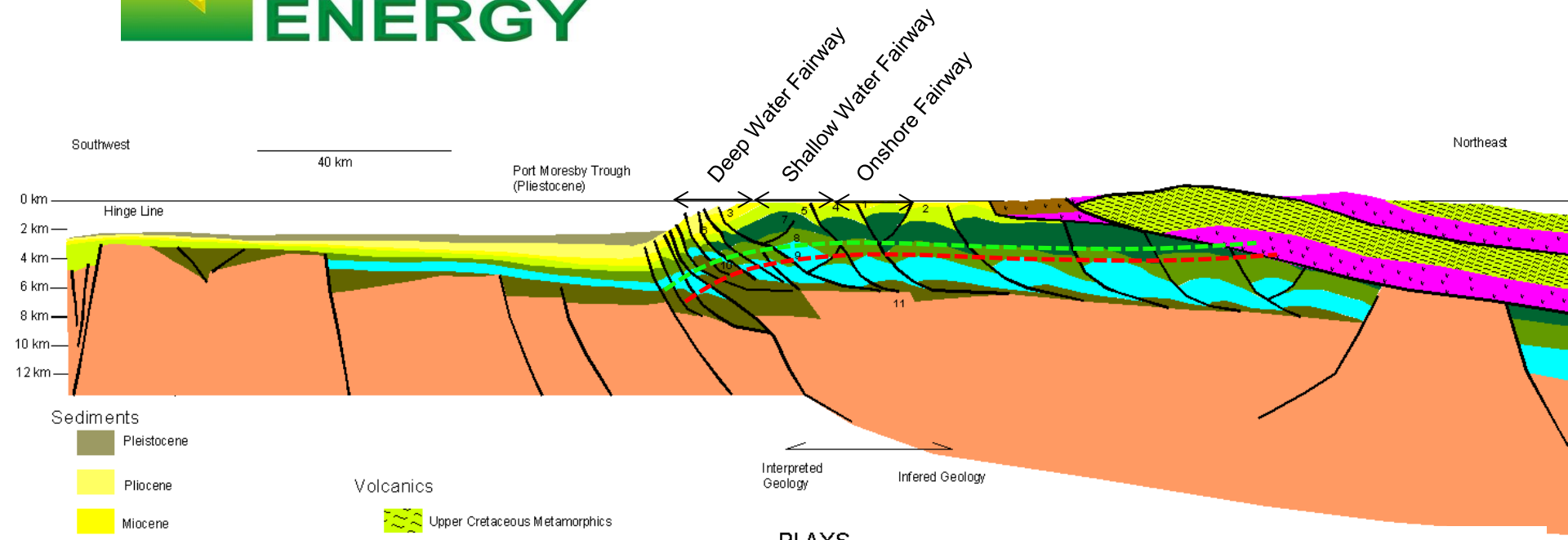
The Western Papuan basin is a world class gas-condensate-oil discovery region

Proven and Emerging Plays
The play openers

Oil Search



PLAYS



PLAYS

1. Karst Miocene Limestone
2. Miocene Sst thrust anticline
3. Miocene Reefs
4. Miocene fractured limestones thrust anticline
5. Miocene fractured limestones sub-thrust anticline
6. Mid-Miocene fans thrust anticline
7. Late Cretaceous Sst thrust anticline
8. Early Cretaceous Sst thrust anticline
9. Jurassic, fluvio-lacustrine thrust anticline
10. Triassic, fluvio-lacustrine thrust anticline
11. Permian Basin rotated fault block.

Where is this evident in PNG

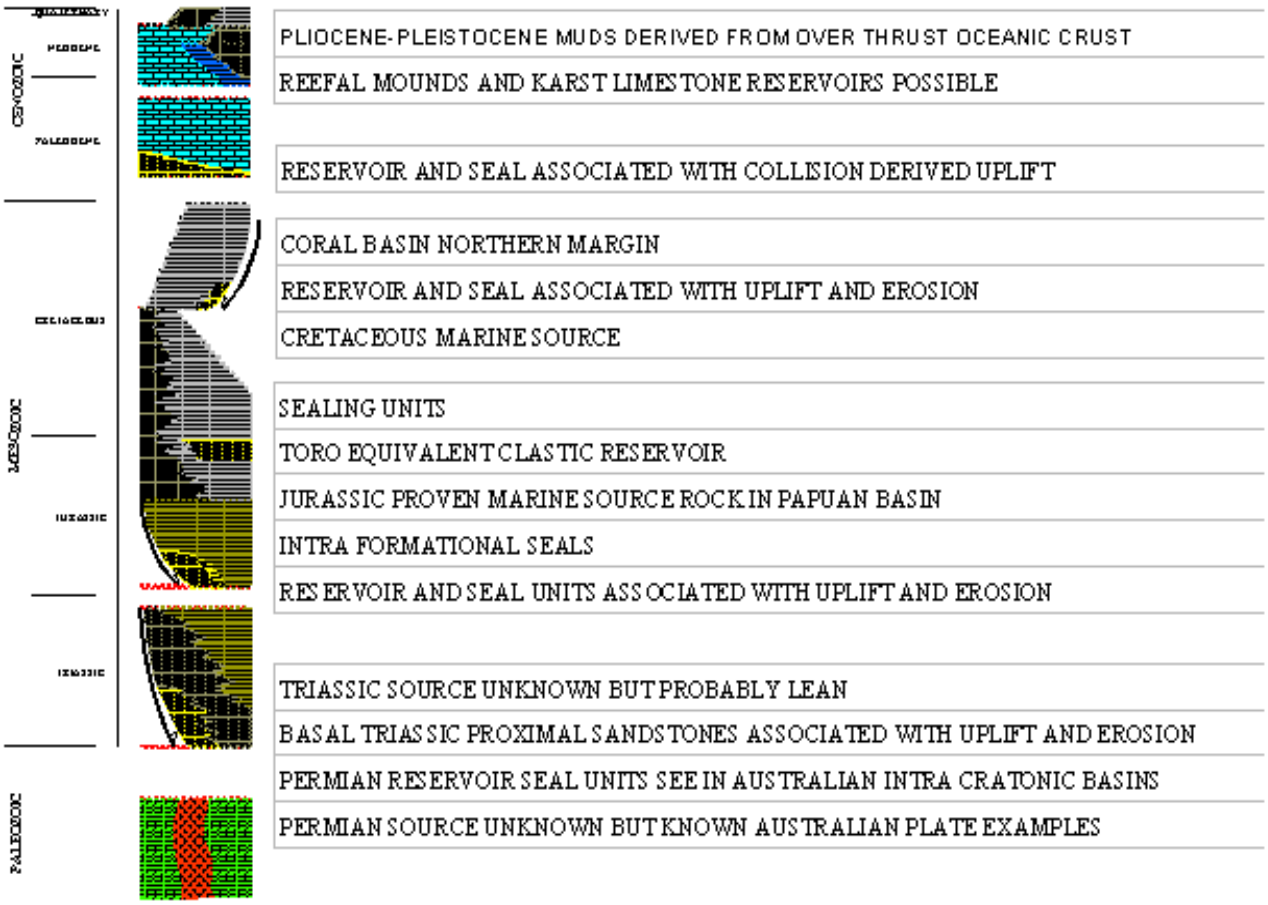
Pasca, Pandora

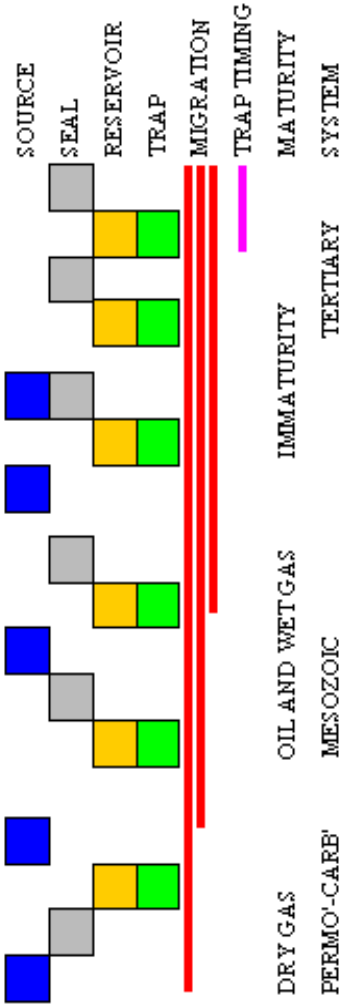
Elk/Antelope

Highlands

This is what is thought to be underneath – a Mesozoic kitchen!

Petroleum Systems
Oil and Gas

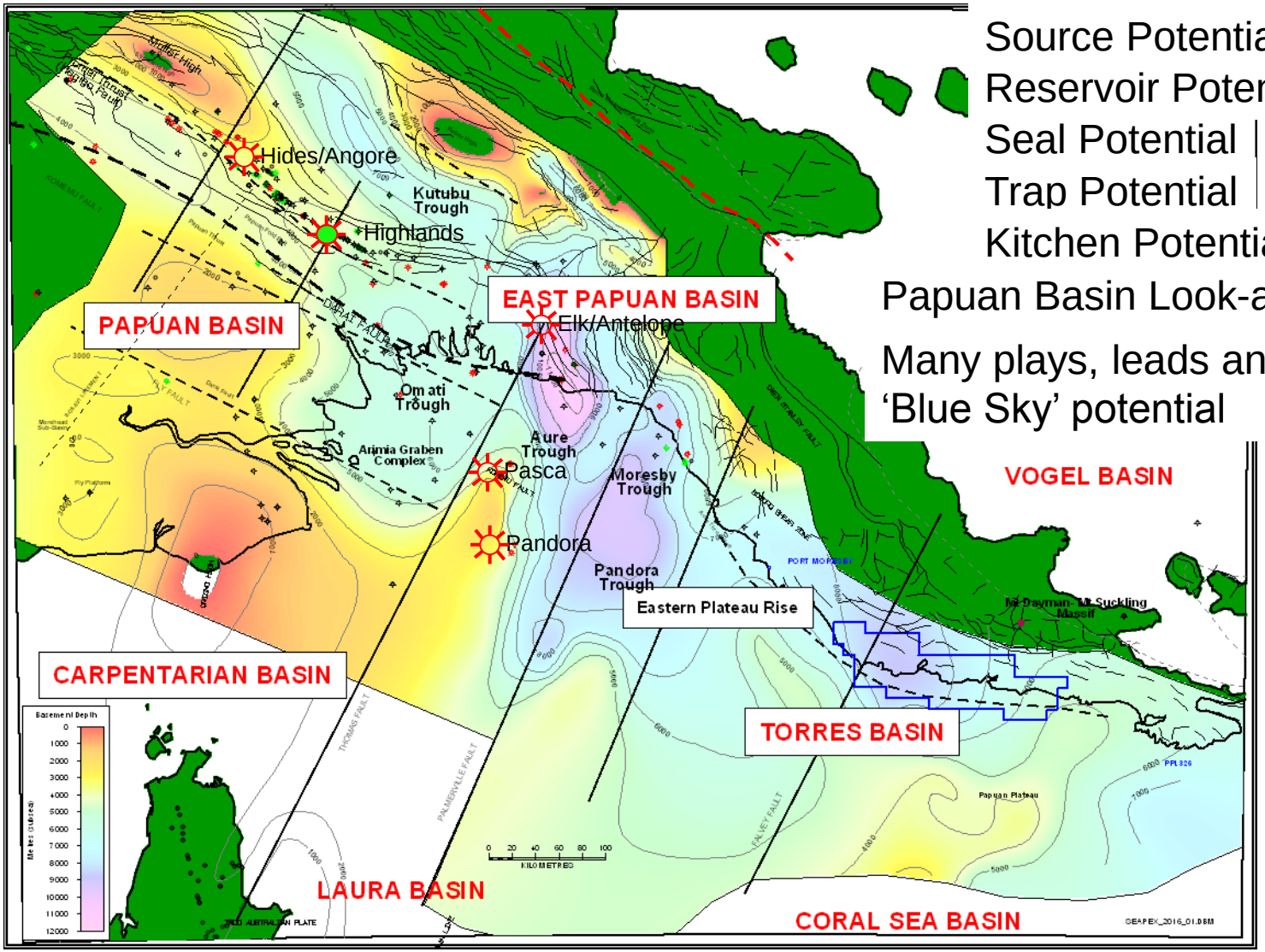




Time-space plot

New Basement Depth Map

- Thick Sedimentary pile ✓
- Source Potential ✓
- Reservoir Potential ✓
- Seal Potential ✓
- Trap Potential ✓
- Kitchen Potential ✓
- Papuan Basin Look-alike ✓
- Many plays, leads and ‘Blue Sky’ potential ✓



PPL326

High Risk – High Reward Frontier Basin

Larus holds all the basin

Unique exploration and development path.

For further information

Ian Cross

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