

INTEROIL



CERTIFICADO C008/2616



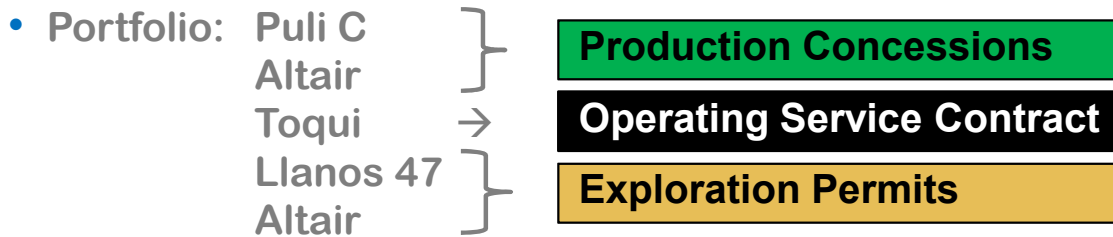
CERTIFICADO C008/2615



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# Overview

- Independent E&P public company with more than 15 years of proven successful track record in LatAm.



- Certified Reserves of 4.6 MMboe (proven + probable)

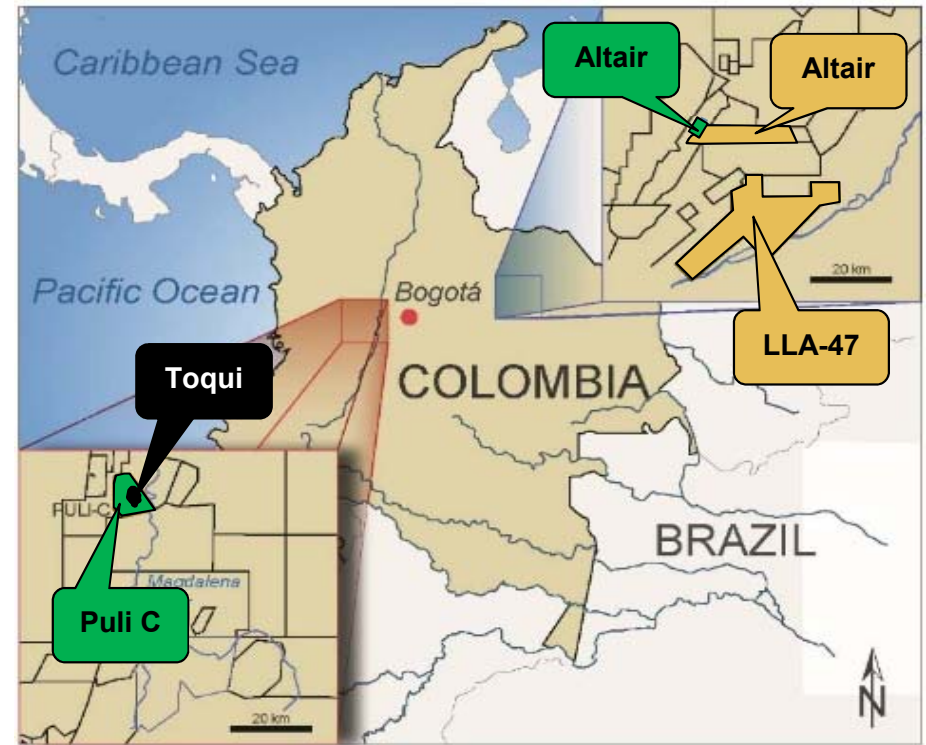
- Unrisked Resources of ~50 MMbbl

- Interoil operates +2300 boepd

- Expansion through low risk + high reward exploration and acquisitions of underdeveloped producing fields in prolific hydrocarbon basins.

- Andes' founder shareholders (AEN-LSE:AIMS):

- ✓ Integra Capital
  - ✓ Vetair
  - ✓ Michael Steven
 } confirmed intention to recreate Andes success story.



BLOCKS	PULI C	TOQUI	ALTAIR	LLA-47
FIELDS	<ul style="list-style-type: none"> <li>•AMBROSIA</li> <li>•MANA</li> <li>•RIO OPIA</li> </ul>	TOQUI	ALTAIR	VIKINGO
SHARE	70%	SERVICE CONTRACT WITH ECOPEPETROL	90%	100%
OIL PRODUCTION	810 BPD WI: 557 BPD	610 BPD WI: 0 BPD	45 BPD WI: 50BPD	600 BPD* WI: 546 BPD*
GAS PRODUCTION	3100 Kscfd WI: 2,170 Kscfpd	2500 Kscfd	NA	NA
2P RESERVES	Oil: 4.5MMBlls Gas: 17.1 Bcf		Oil:0.1MMBblls	
CONTINGENT RESOURCES	Oil: 2.4 MMBla Gas: 10.7 Bcf		Oil: 7.4 MMBla	Oil: 41 MMBla

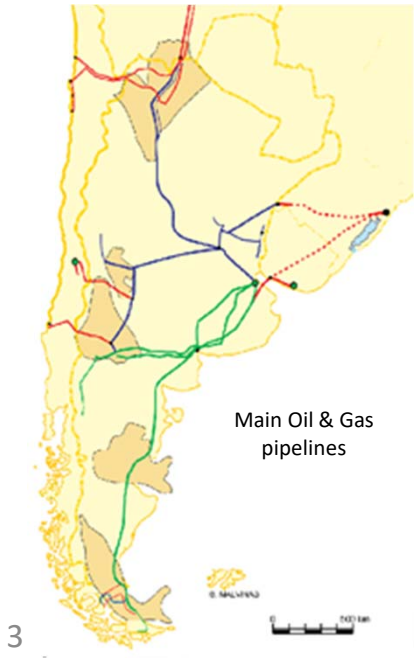
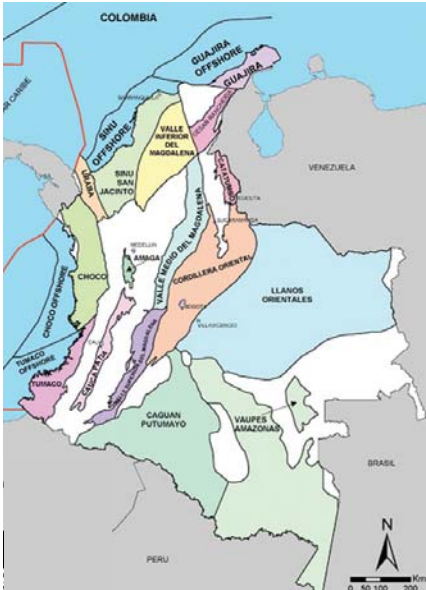
\*Includes Vikingo target production as of September.

# Strategy

## Interoil will grow its activity as a key E&P player in Latin America through low risk – high reward E&P assets

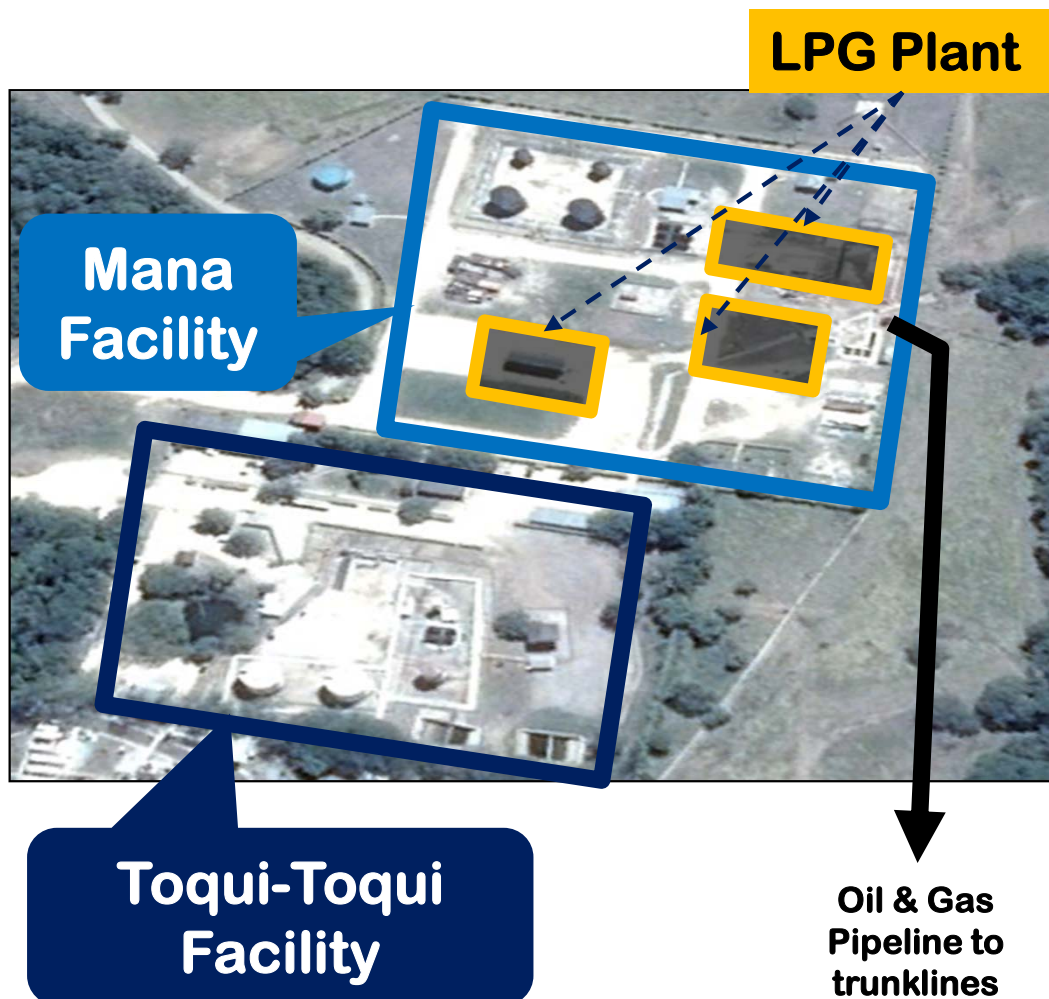
- ✓ expand Colombia operation
  - ❖ continue with exploration program in current portfolio
  - ❖ optimize current asset portfolio operation
  - ❖ acquiring underdeveloped exploitation assets

- ✓ enter in Argentina
  - ❖ access to underdeveloped exploitation fields
  - ❖ huge unconventional resources potential
  - ❖ available capacity in open access gas & oil pipelines



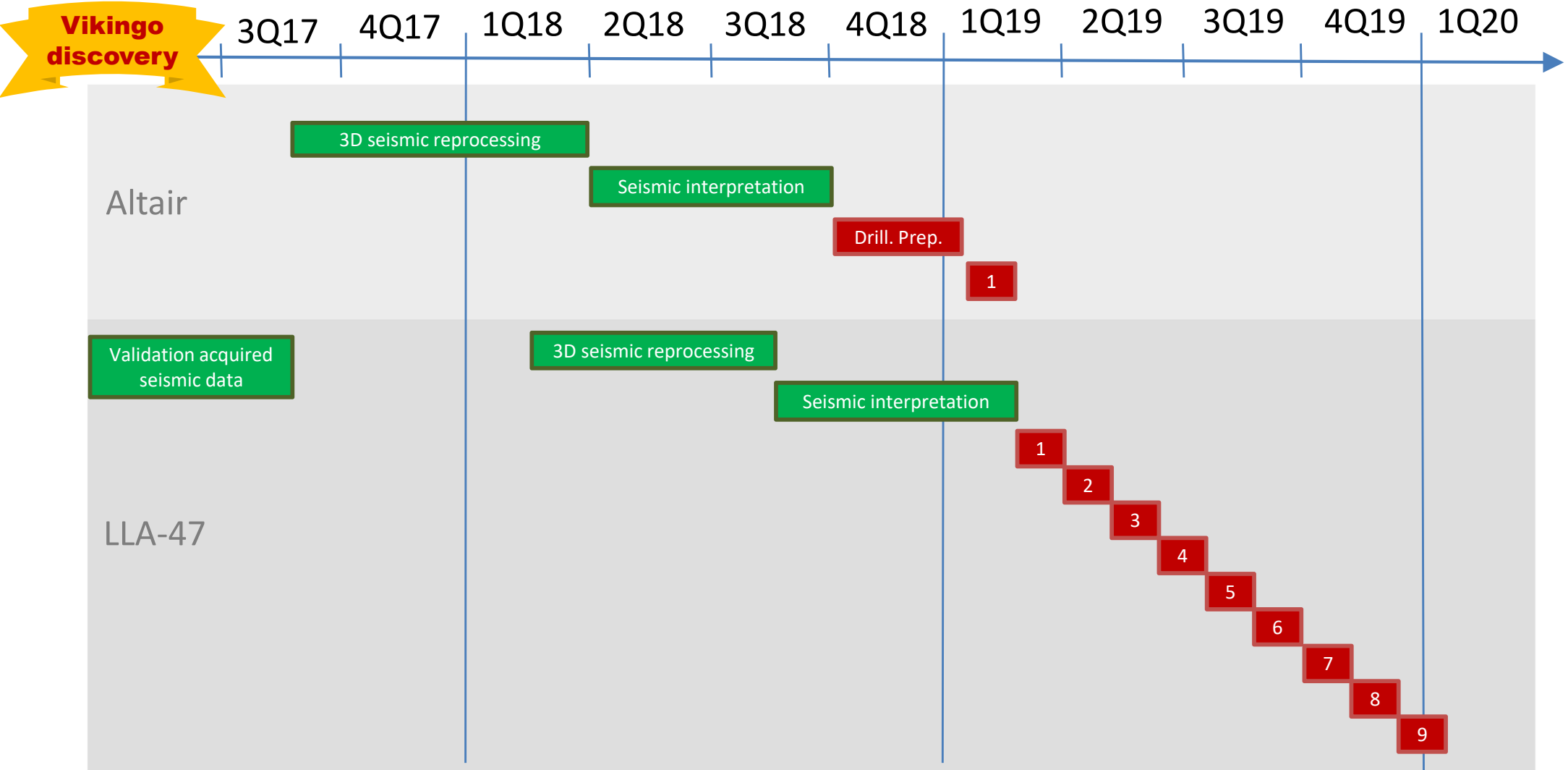
# Colombia: Installation of a JT Gas Treatment Plant

This gas plant in Mana will enhance synergies + reduce opex + improve revenues



- Building a dynamic reservoir model.
- Feasibility for 4 infield wells.
- Feasibility study for waterflooding
- Pressure debottlenecking of tie-in lines.
- Installation of wellhead compressors.
- Installation of new gas treatment facilities
- Integration of toqui toqui production with Mana oil-treatment facility
- Construction of a gas selling pipeline to main open access gas trunkline.
- Construction of a oil pipeline to connect to nearby oil trunkline.

# Colombia: Llanos Exploration Program



- G&G work
- Drilling activity

# Legal Proceedings

## COR-6 Arbitration

- **The Group is looking to transfer the COR-6 commitments to the Altair and LLA-47 licenses.**

An agreement to transfer the USD 22 million assigned exploration commitments on COR-6 to Altair and LLA-47 was agreed with the ANH and confirmed by the Attorney's General's office, subject to Court approval. The obligations include high density geochemical sampling of 10,000 surface points to be taken on Altair and 20,000 on LLA-47, both to be completed by March 2017, in addition to drilling 1 stratigraphic well on the Altair license and 2 exploratory wells on the Altair license; all wells to be completed by April 2018. The Company will be required to have in place stand by letters of credit for an amount equal to 20% of the remaining commitments. The Company was, however, advised that the Court did not ratify the agreement and the Company filed a motion for reconsideration. Court subsequently rejected the reconsideration motion in February 2017, and in March 2017, ANH sent a letter inviting to pay USD 22 million pursuant to a claim for damages for breach of contract. This is not a mandatory payment order and the company has responded to the ANH reiterating its position and its continuing willingness to formalise the agreement reached with the ANH to transfer the COR-6 license commitments to the Altair and LLA-47 licenses. **An arbitration process has started to obtain a favourable resolution of the matter. Arbitrators are in the process of being appointed. The Company is confident to make substantial progress in the near future.**

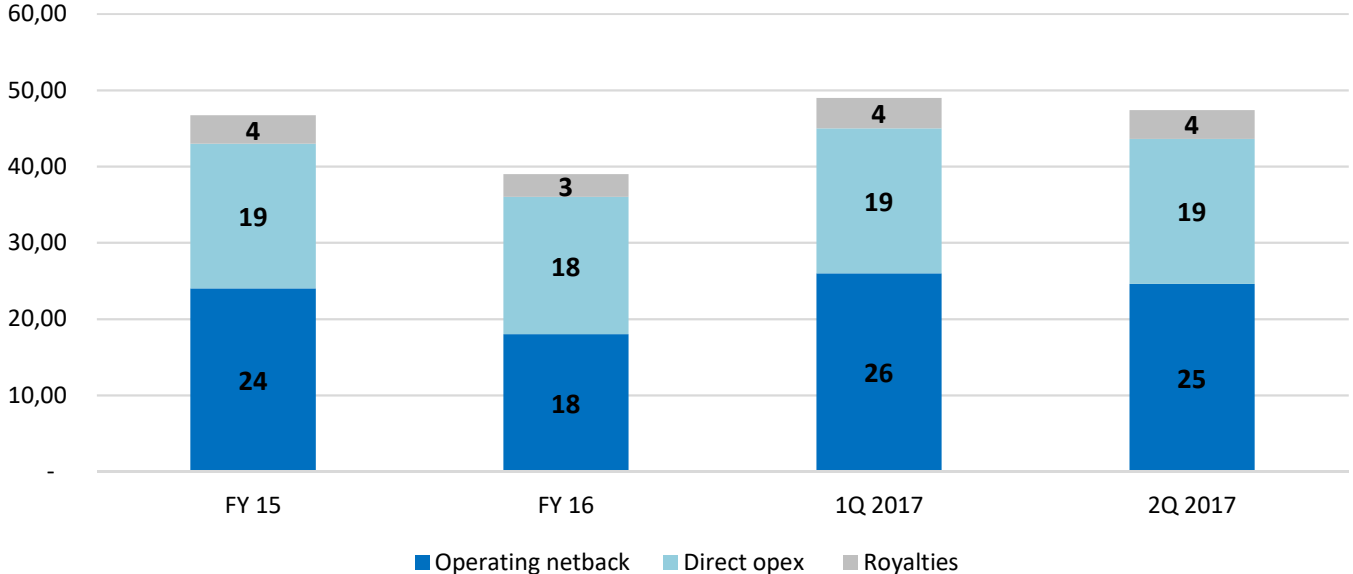
## ANH Guaranty

- **LLA- 47 phase 1 and 2 unification requires a guarantee increase.**

Following LLA- 47 exploration contract, the combination of the phase 1 and 2 requires the existing USD 4,8 million bank guarantee to be increased. Hence, Interoil is in constant conversation with the ANH aiming to structure a guarantee scheme that would fulfil the ANH requirement based on Interoil's possibilities under current market circumstances..

# Operational costs in time

## Net back



- Keep operating costs low.

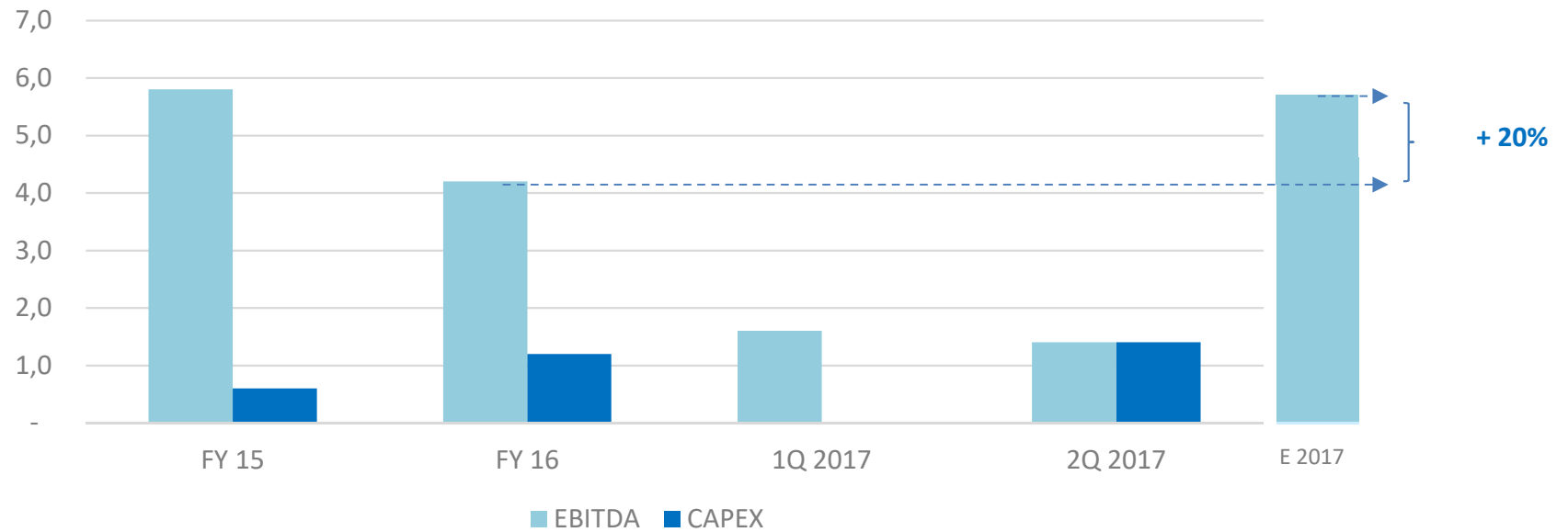
## Employees per boepd

	2014	2015	2016	2017E
# Employees	106	72	69	58
Boepd per Employee	15,1	17,1	14,7	22,6

- focus on improving operating efficiency.

# Financial Information

## 2017 reaching a turning point



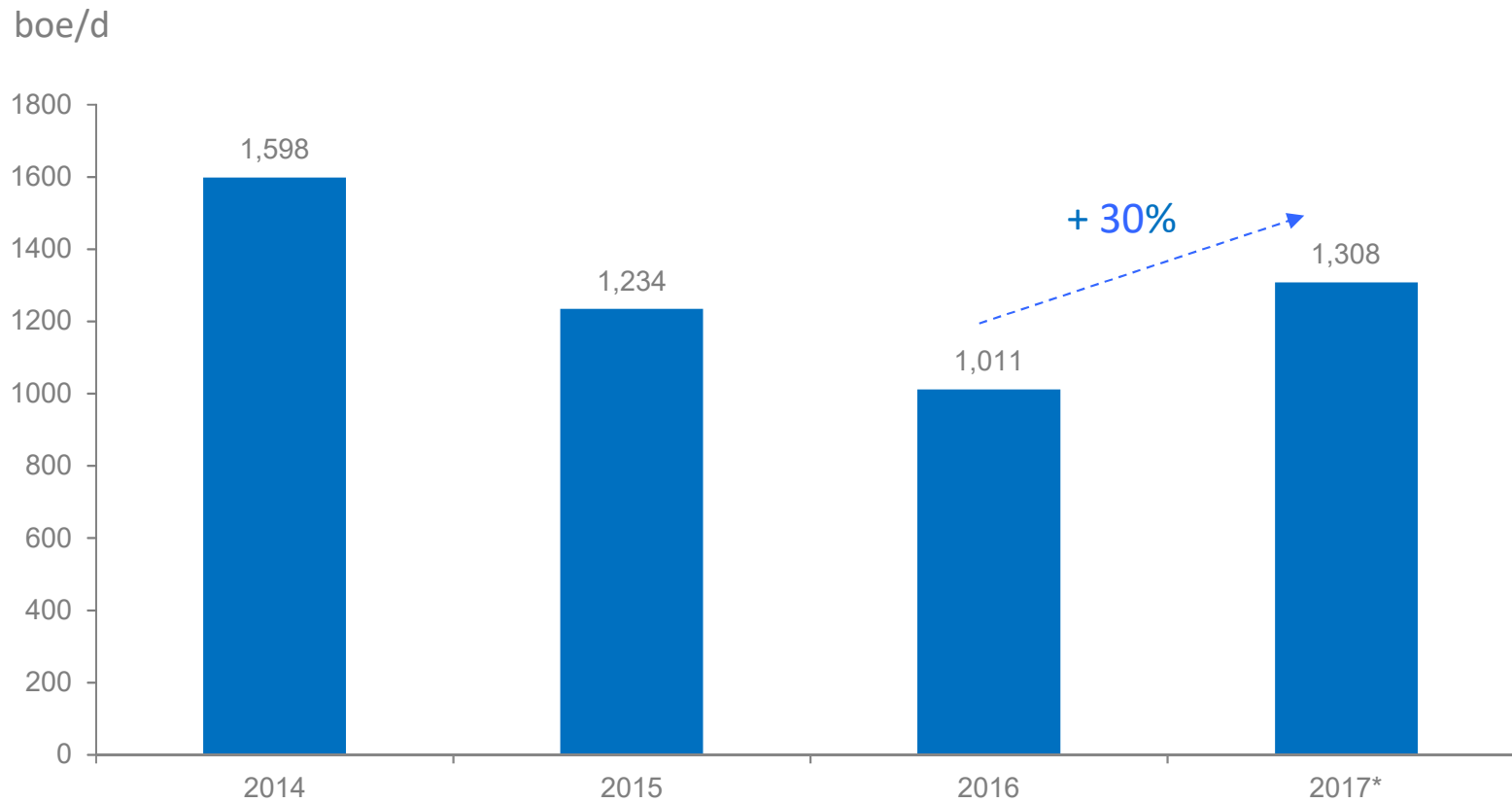
USD million	FY 15	FY 16	1Q 2017	2Q 2017
Realized oil price	47,2	37,4	49,7	47,4
Production (Boed WI after royalty)	1.234	1.011	1.059	1.020
Sales	18,9	15,1	3,7	3,5
EBITDA	5,8	4,2	1,6	1,3
CapEx	0,4	1,3	-	1,4



# Production Profile

Growth comes from:

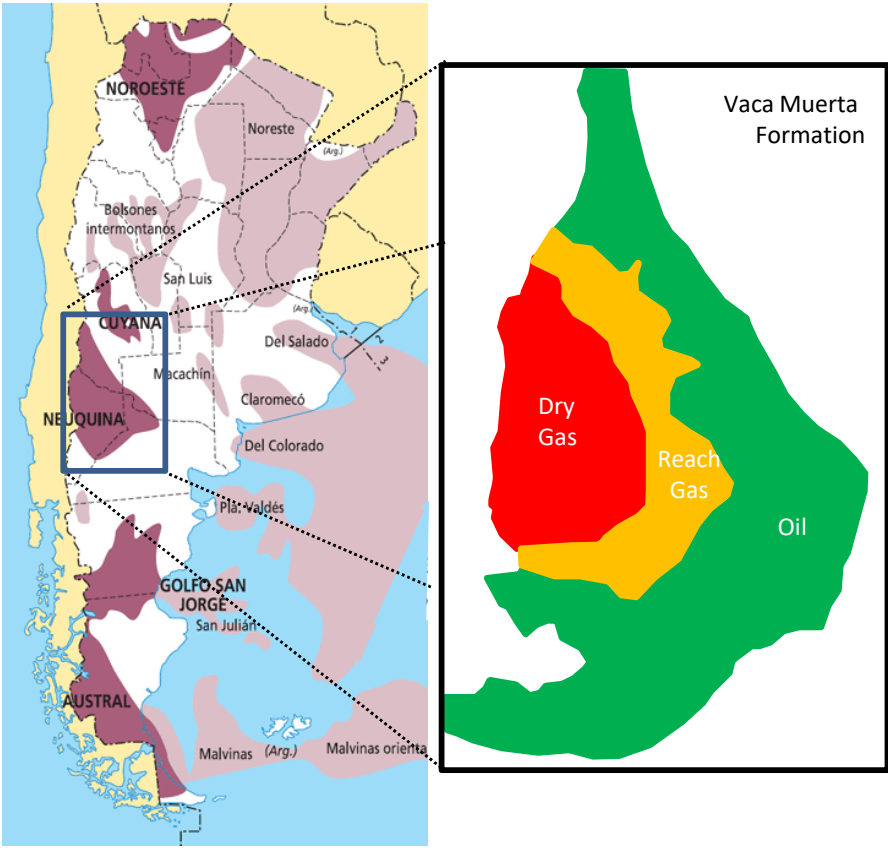
- ✓ Mana production optimization → field debottlenecking
- ✓ Exploration campaign → Vikingo discovery



\*Includes Vikingo target production as of September.

# Why entering in Argentina

- ✓ Improved political conditions
- ✓ Statoil entered the unconventional market
- ✓ Full access to capital market
- ✓ Huge conventional and Unconventional potential



world's third largest unconventional resources:  
170 Bnboe



	Vaca Muerta	Wolfgang	Eagle Ford
Area [Km <sup>2</sup> ]	<b>39,590</b>	38,872	54,188
Oil content [%]	<b>2.55</b>	5.5	4.5
Thickness [m]	<b>30 - 450</b>	172	41
Pressure Gradient [psi/ft]	<b>0.82</b>	0.48	0.92



# Interoil

Key E&P player in Latin America



Vikingo-x1



Mana wellhead compressor



Mana Gas Plant



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