

Blue Energy Limited



**RBS Morgans Noosa Mining Conference
17 July 2013**

Disclaimer

This presentation may contain forward looking statements that are subject to risk factors associated with the gas and energy industry. It is believed that the expectations reflected in the statements contained within are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

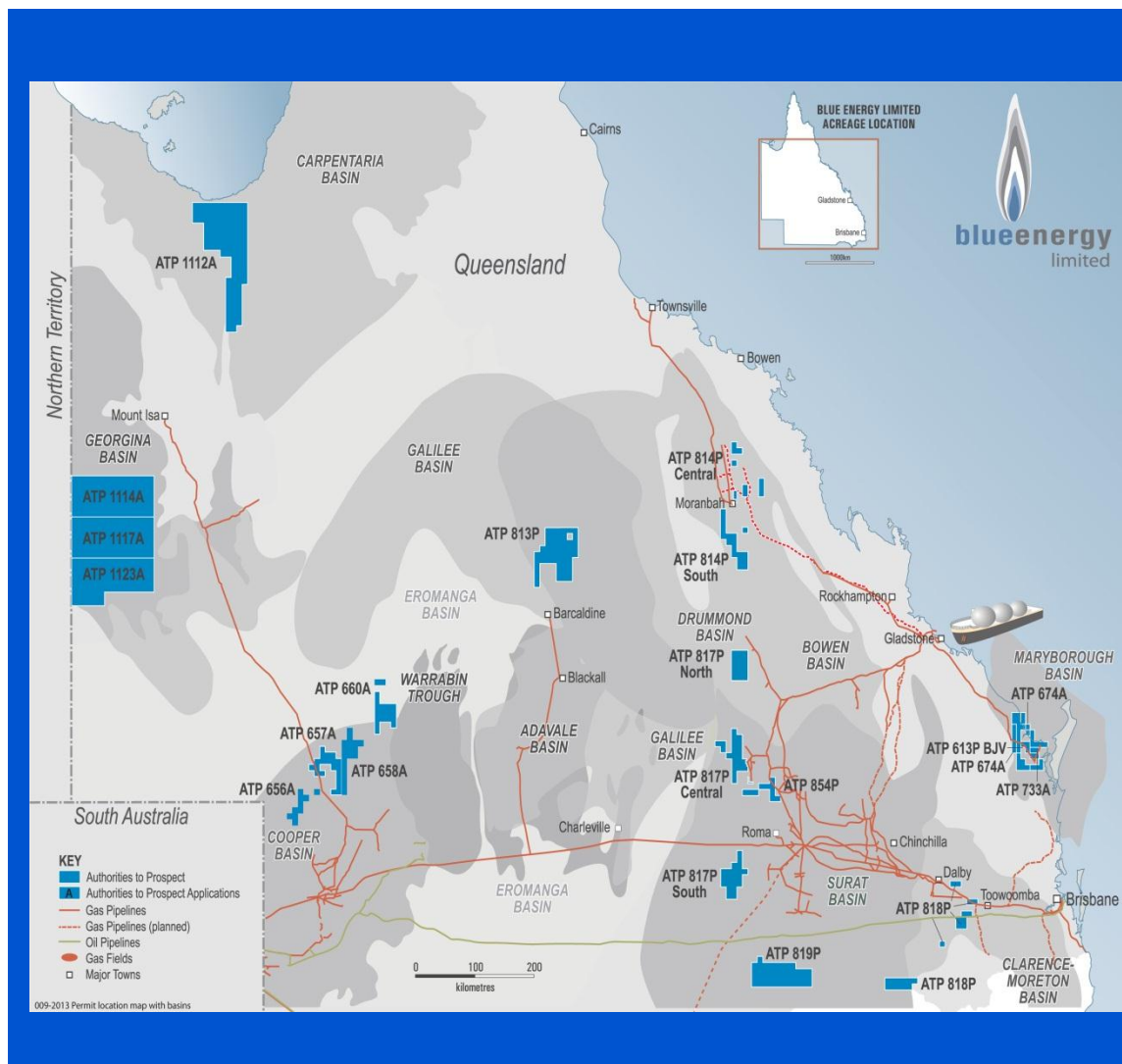
Competent Person Statement

The estimates of Reserves and Contingent Resources have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc. Mr Hattner is a full time employee of NSAI, has over 30 years of industry experience and 20 years' experience in reserve estimation, is a licensed geologist, and has consented to the use of the information presented herein. The estimates in the report by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum and Resource Management System (PRMS) approved by the Society of Petroleum Engineers (SPE).

Corporate Snapshot

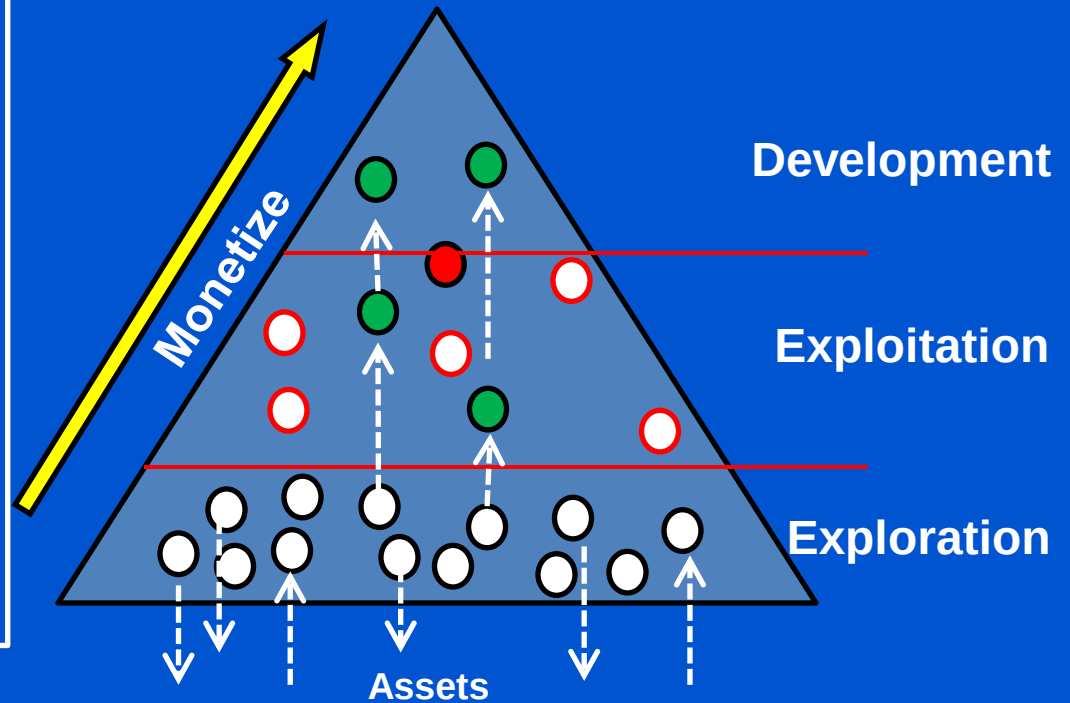
ASX	BUL
2P Reserves	50PJ
3P Reserves	180PJ
Contingent Resource	3,481PJ 3C
Cash	\$17.1 million
Acreage	~54,000km ²
Employees	8

- Operator of all acreage held
- 100% equity in acreage*
- Uncontracted gas reserves
- Adjacent to LNG proponents
- Active work program
- Diversity of basins and plays
- Natural gas and oil portfolio



Blue's Opportunity Conveyor

- Portfolio diversity and regeneration is key
- Exploration skill sets on hand
- Retain operatorship
- Gas assets monetized by farm out or sale
- Will operate oil discoveries



Oil Exploration Portfolio

■ Producing basin

Cooper: 5,357km²

Surat: 5,785km²

Total 11,142km²

(2.753 million acres)

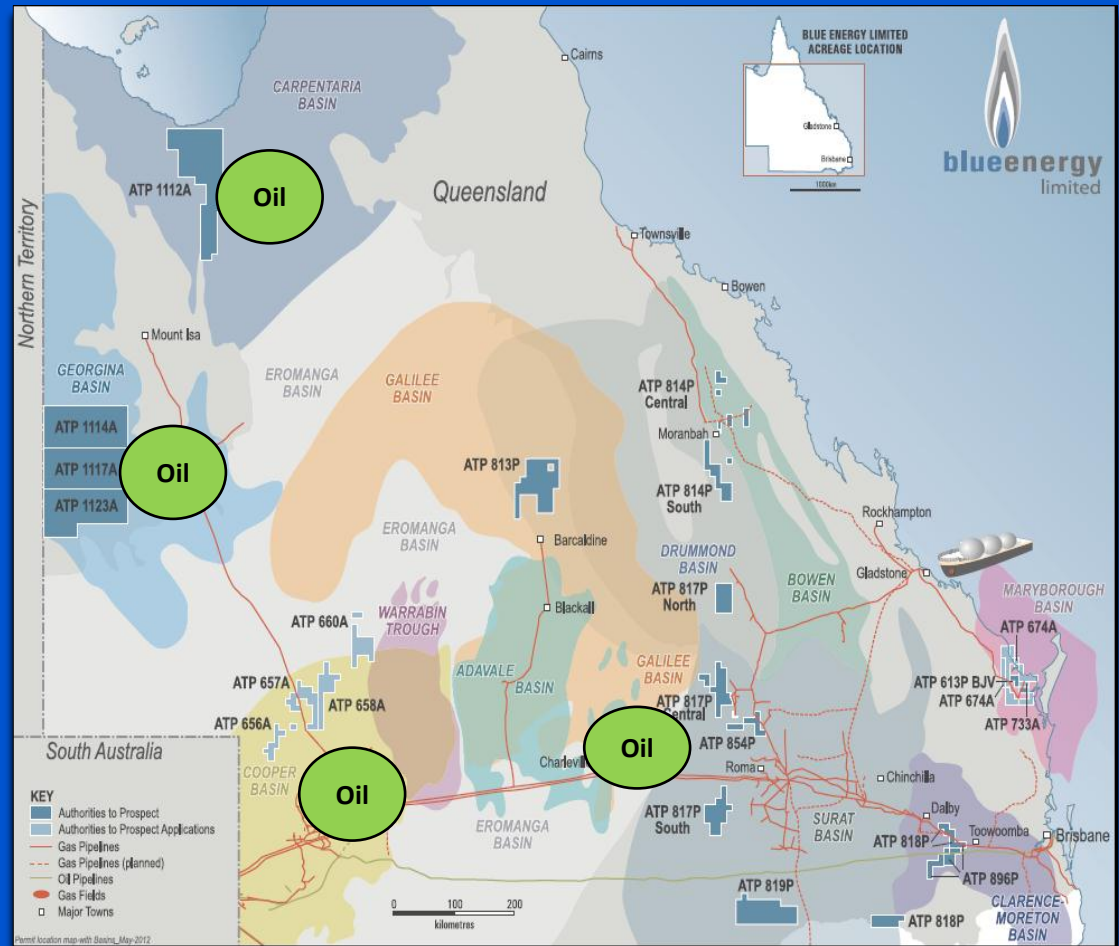
■ Frontier basin

Georgina: 21,351km²

Carpentaria: 7,996km²

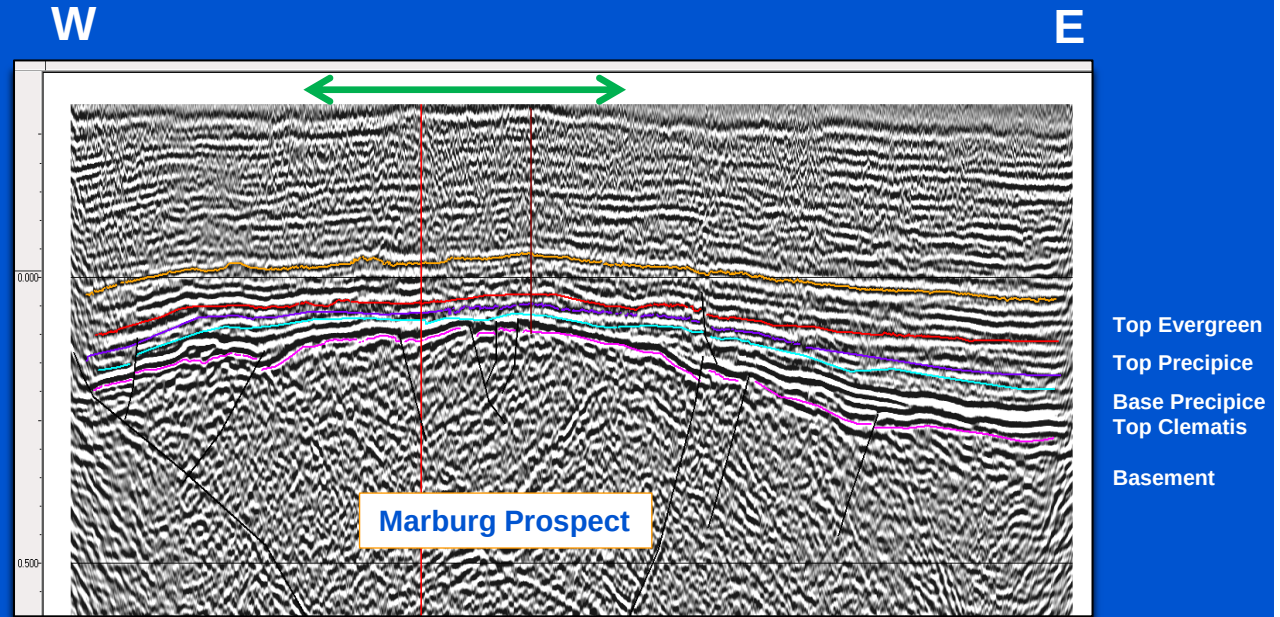
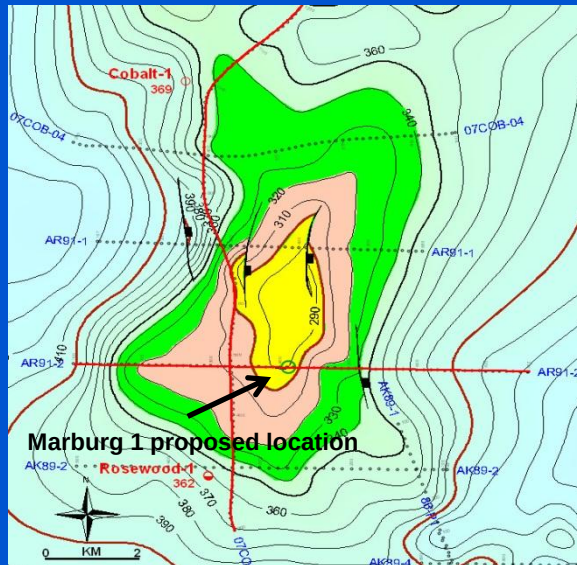
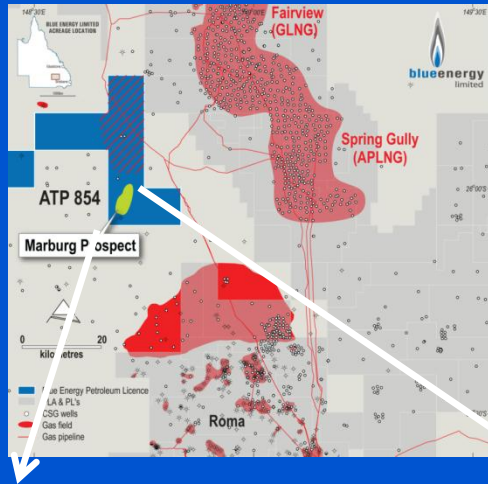
Total 29,347km²

(7.251 million acres)

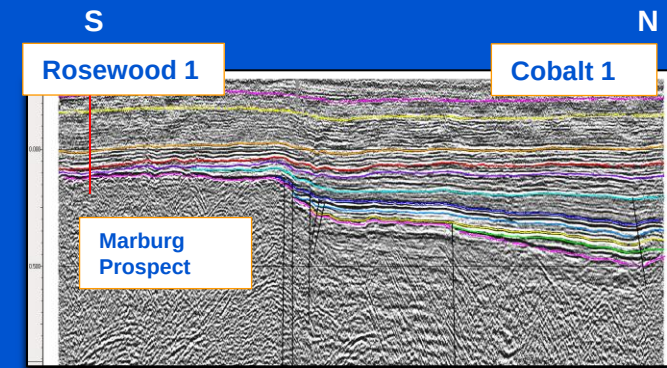


Oil Portfolio

Near Term Drilling – Marburg 1 Prospect Surat Basin

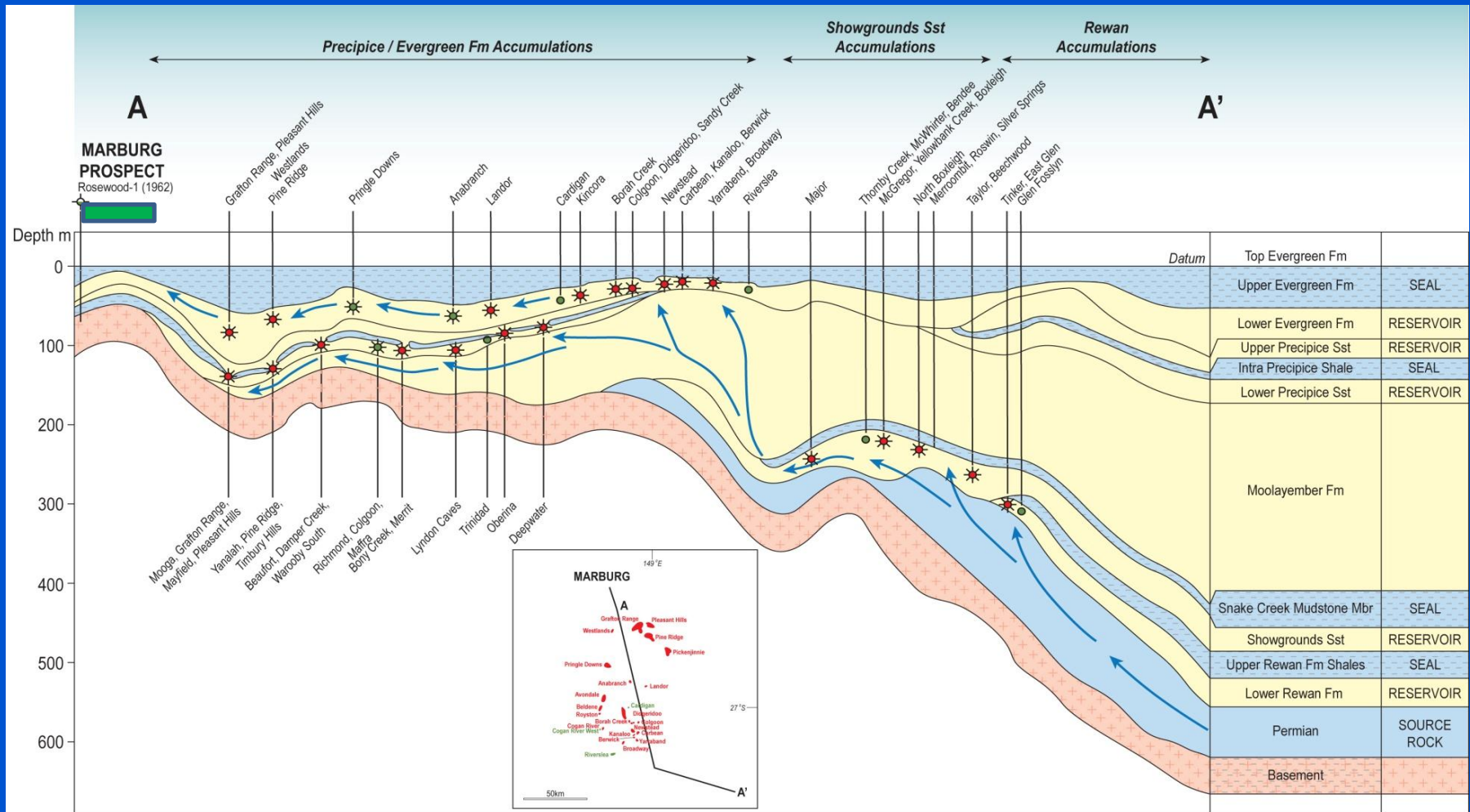


- Structural oil play – updip of old well with shows
- Adjacent to source kitchen
- 55m relief over 39km²
- Precipice/Evergreen play
- 35 mmstb upside potential



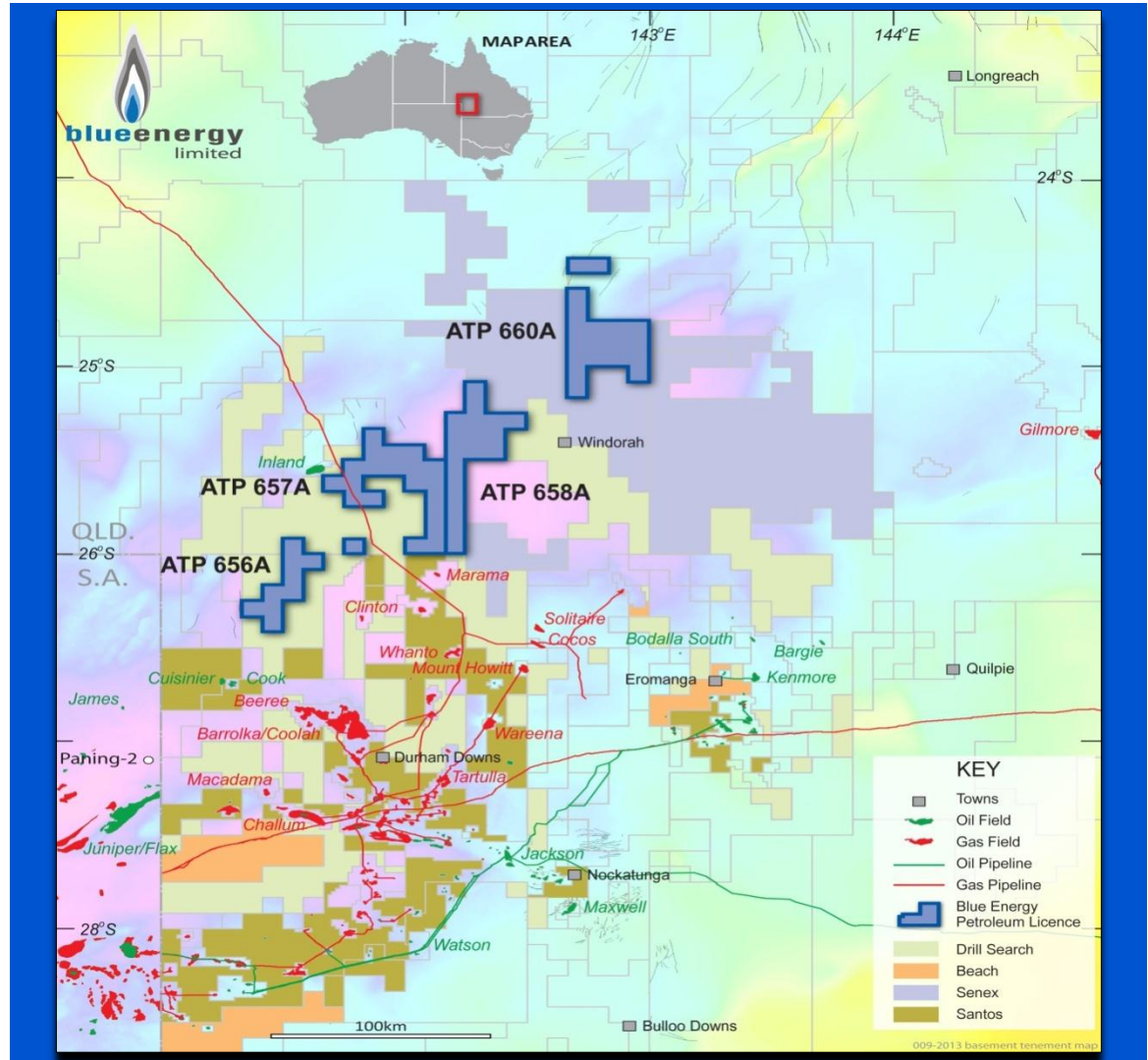
Oil Portfolio – Marburg 1

Surat Basin Fill and Spill Model



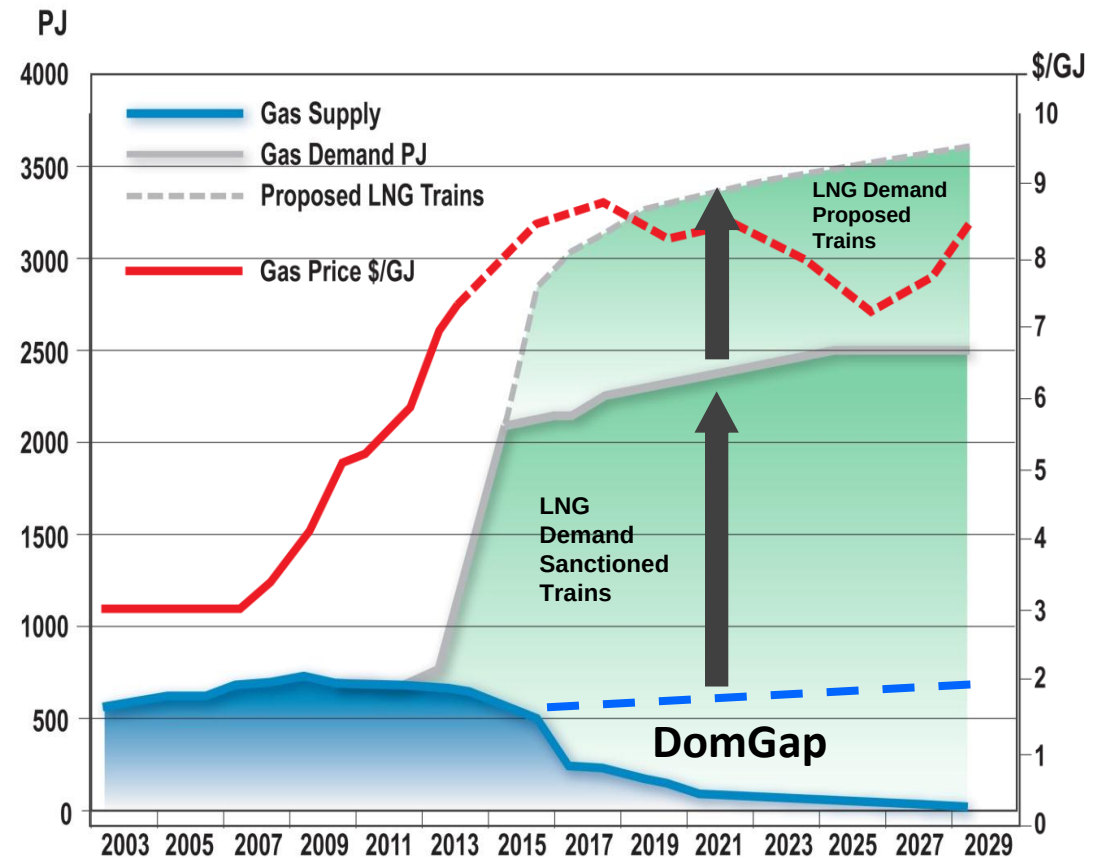
Cooper Basin Assets

- Giant proven natural gas basin
- Infrastructure to East Coast
- Established liquids producing basin
- Active Operators adjacent
- Blue has 100% of applications
- Multiple Plays
 - Permian Gas and Shale play
 - Jurassic Oil
 - Murta oil play
 - Toolebuc shale play



East Coast Gas Supply - Shortage

- Domestic gas contracts rolling off 2015-2017
- Steep demand rise by 2014
- Dom gas competes with LNG on price and supply
- Uncontracted reserves now of greater value
- Domestic gas end users now taking upstream risk to secure molecules

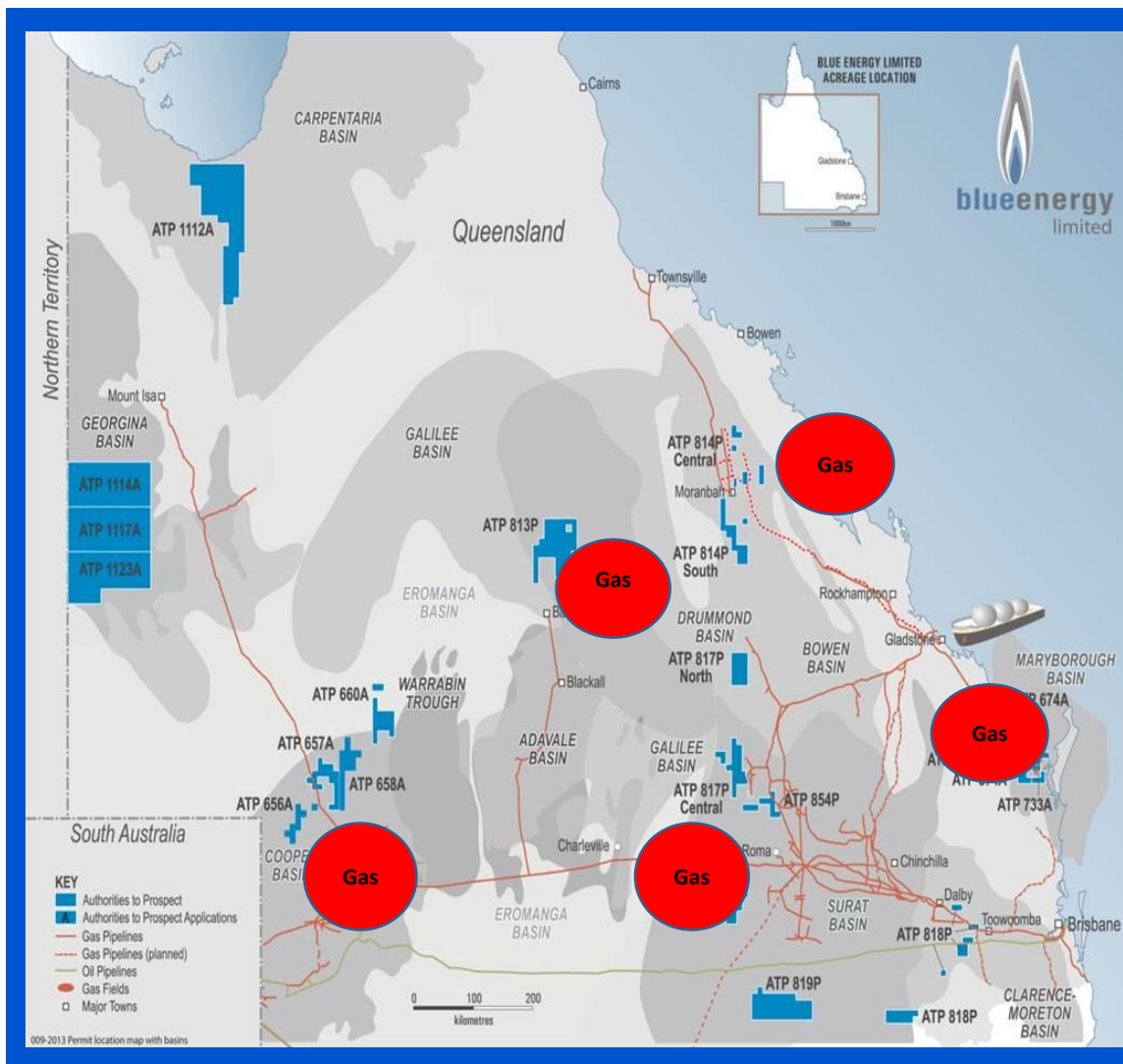


After SKM/MMA 2011; AEMO 2012

East Coast Natural Gas Portfolio

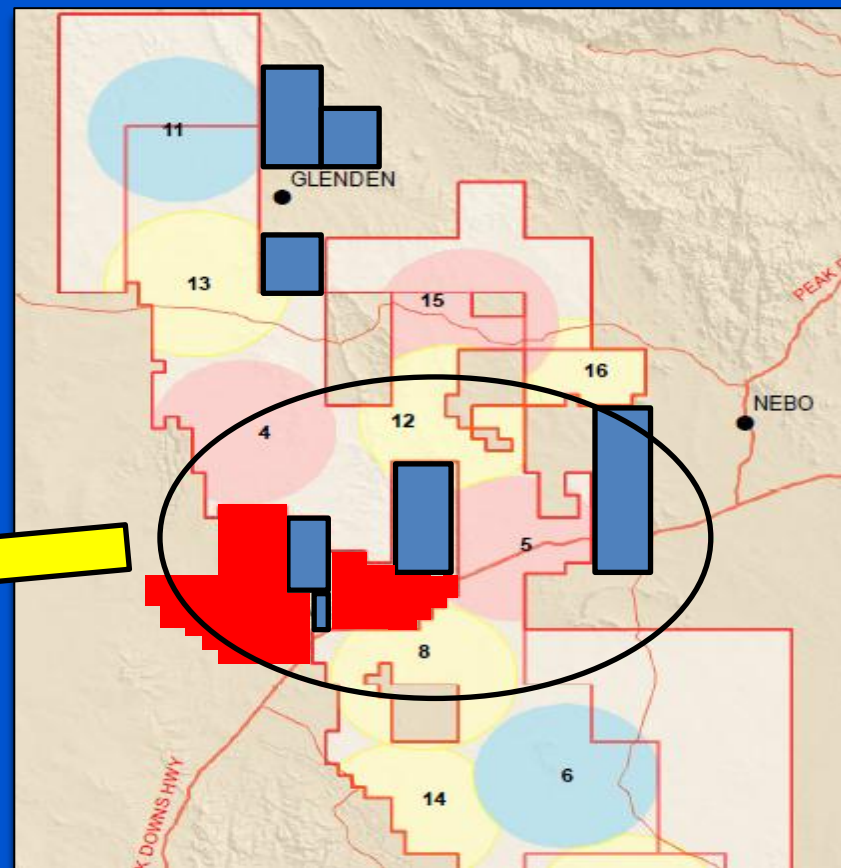
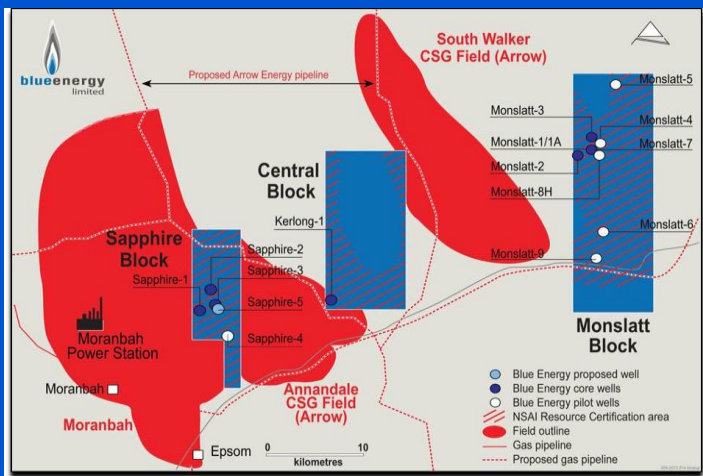
Proven and potentially productive basins

Cooper:	5,357km ²
Bowen:	6,685km ²
Surat:	5,785km ²
Maryborough:	3,358km ²
Galilee:	<u>4,158km²</u>
Total	25,343km ² (6.262 million acres)



Bowen Basin Permit – Moranbah

- 814P uncontracted Resources and Reserves
 - 2P: 50PJ
 - 3P: 180PJ
 - 3C: 2,834PJ
- Surrounded by Shell/Petrochina activity



Gas processing facilities modified from Arrow's Draft EIS
11 March 2013 – blue areas are Blue Energy's ATP814P

Why Blue?

- **Near Term Value Drivers**
 - Blue's Capital Program – Marburg 1 oil prospect/Galilee drilling
 - Work programs of significant neighbours - Moranbah
- **Short Term Oil and Gas Potential**
- **Diversified portfolio – producing and frontier basins**
- **Strategic acreage position**
- **Well placed for east coast Gas Supply shortage**
- **Strong Cash Position**
- **Operatorship allows control of destiny**



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limited

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