

**Peak Oil & Gas**

**Excellence in Oil & Gas Conference**  
**2<sup>nd</sup> March 2011**

[www.peakoil-gas.com](http://www.peakoil-gas.com)

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# Introduction



Peak is a private Oil & Gas Exploration & Production company which is actively developing and exploring for petroleum in the Asia Pacific region

Peak is currently engaged in a merger with ASX listed Uranium Explorer Raisama Limited

The presentation will discuss Peaks projects and the merger rationale

# Board and Management – Post Merger

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## **David Berrie** – Executive Chairman

- 20 years in the resources sector, including 7 years in the Australian Uranium sector
- Previously managing director of Fusion Resources and Summit Resources
- Over 18 years at senior level with Western Mining

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## **Jeff Steketee** – Managing Director / Co-Founder

- 25 years upstream experience, senior roles with Halliburton and Unocal in Asia
- Previously managed private equity portfolio focused on energy and minerals

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## **Jim Durrant** – Technical Director

- 30 years upstream experience, senior roles with Delhi Petroleum and Western Mining Corp
- Co-founded Strike Oil, responsible for Casino discovery

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## **Guy Cowan** – Non Executive Director

- 23 years with Shell, former alternate Director of Woodside, previously CFO of Fonterra
  - Current Director of ASX listed United Group Limited and Ludowici Limited
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## **Matthew Howison** – Non Executive Director

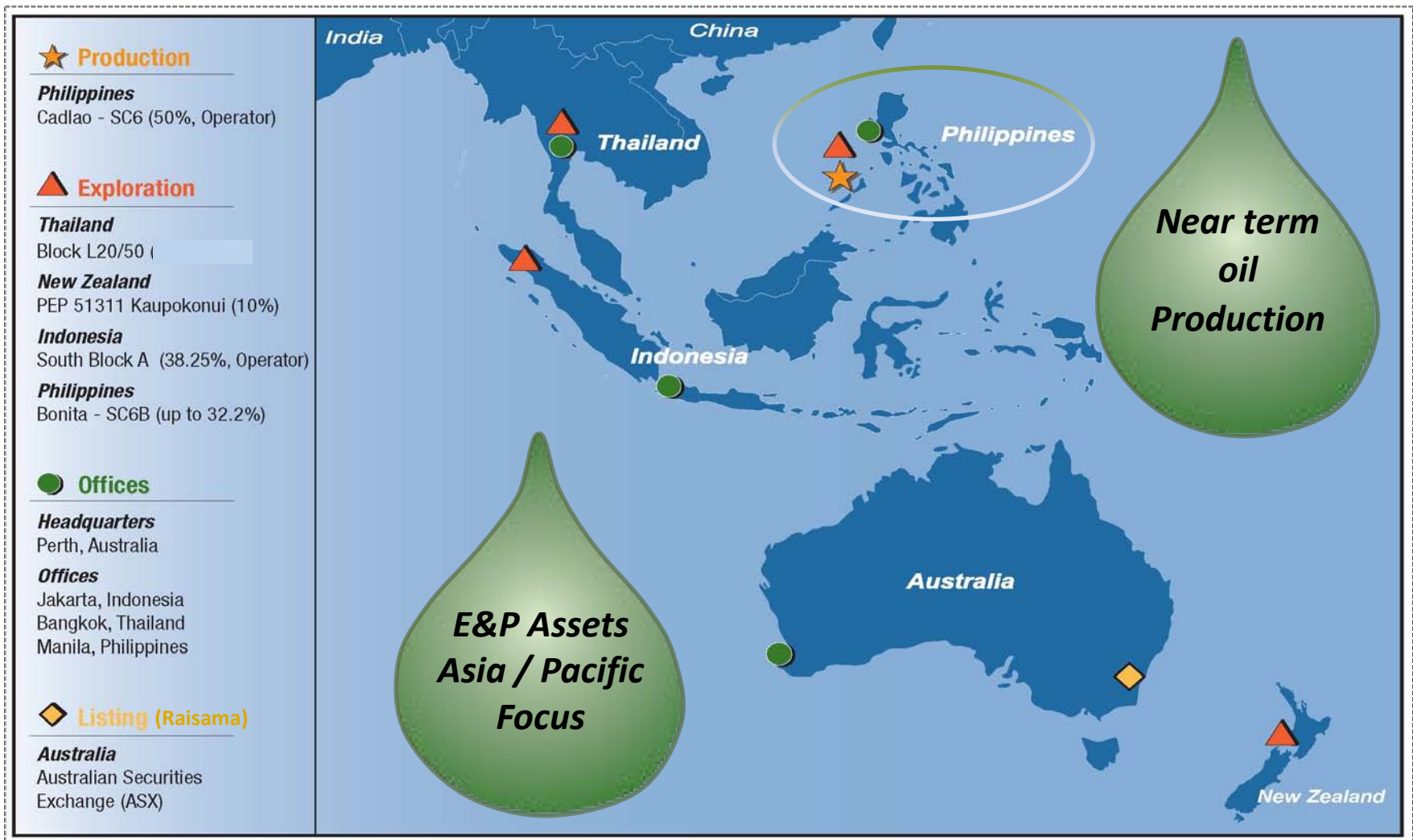
- Lawyer and investment banker with over 20 years experience as an adviser in relation to M&A and capital raisings
- Held senior positions at Rothschild Australia, Turnbull & Partners, Goldman Sachs and Salomon Smith Barney

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## **Chris Reindler** – Non Executive Director

- 38 years in the mining and exploration industry in WA, including 18 years as an independent prospector
  - Responsible for numerous target areas and subsequent joint ventures with major companies in WA
-

# Peak Oil & Gas Assets



# Cadlao Oil-Field Concession SC6 Palawan Basin

## Cadlao Oil Field:

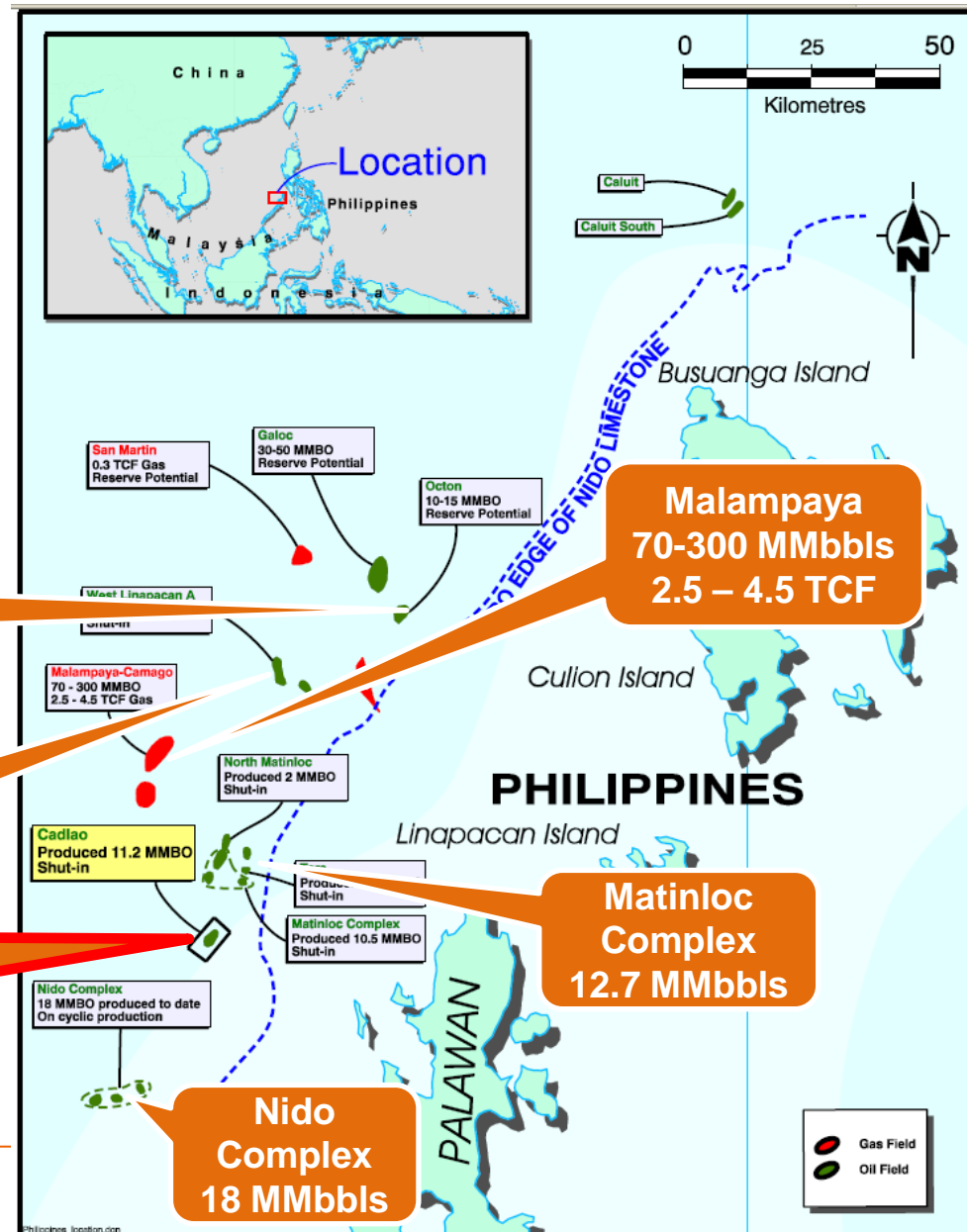
- Discovered by AMOCO 1977
- Produced 11.1 MMbbls 1981-1991
- Regional Spec. 3D Seismic Survey acquired by Western Geco 1996
- Identified additional 2P reserves of 6 MMbbls** (Gaffney Cline & Assoc.)  
Up-dip from producing wells mapped on 3D Seismic Data



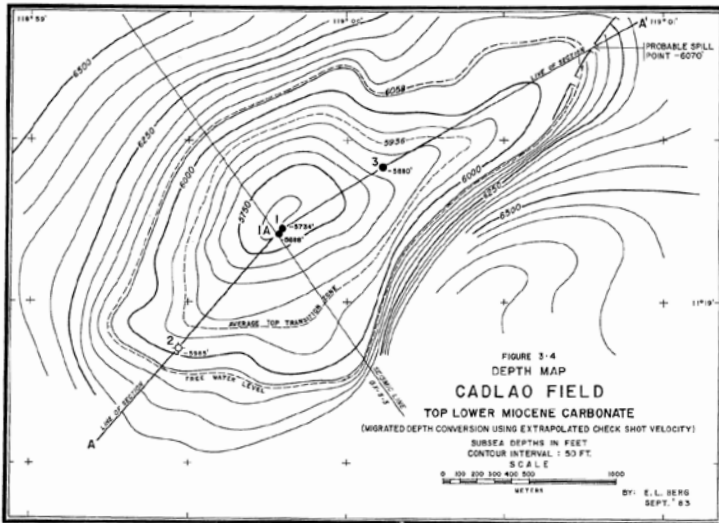
# Cadlao Oil-Field Redevelopment

## Extremely low risk:

- Surrounded by many nearby successful field developments
- Total 42 MMbbls produced from immediate vicinity Matinloc / Nido / Cadlao



# Cadlao is a proven producing oilfield mapped on 3D Seismic data updip from producing wells

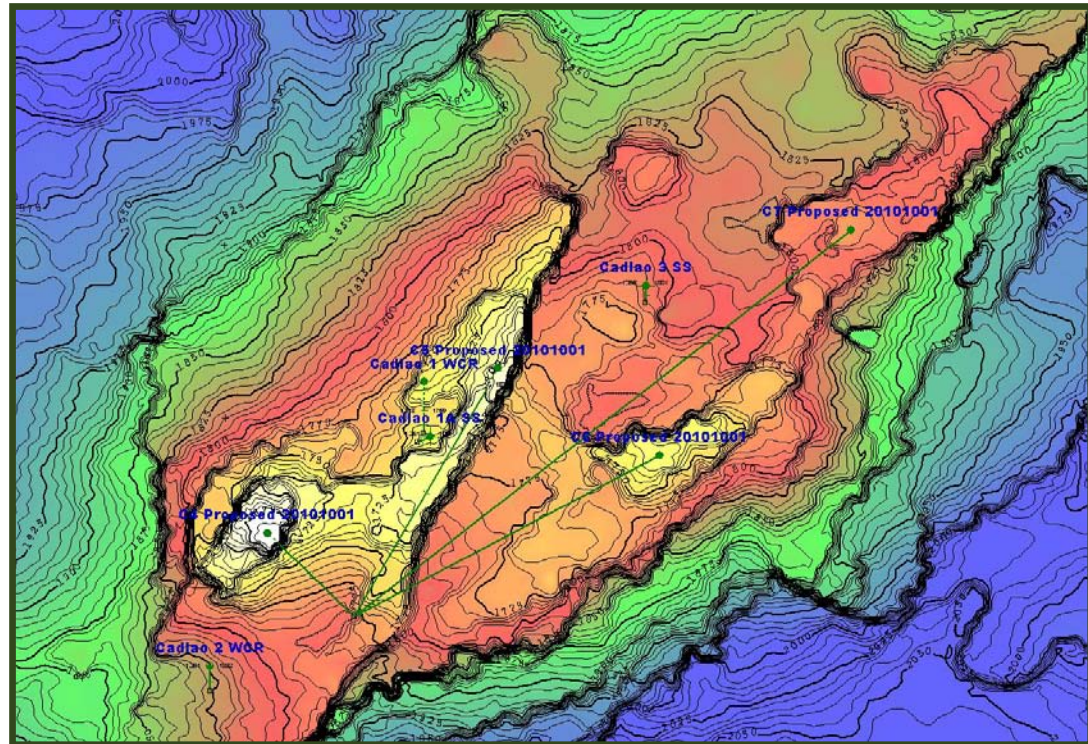


Amoco Development Map: 1983

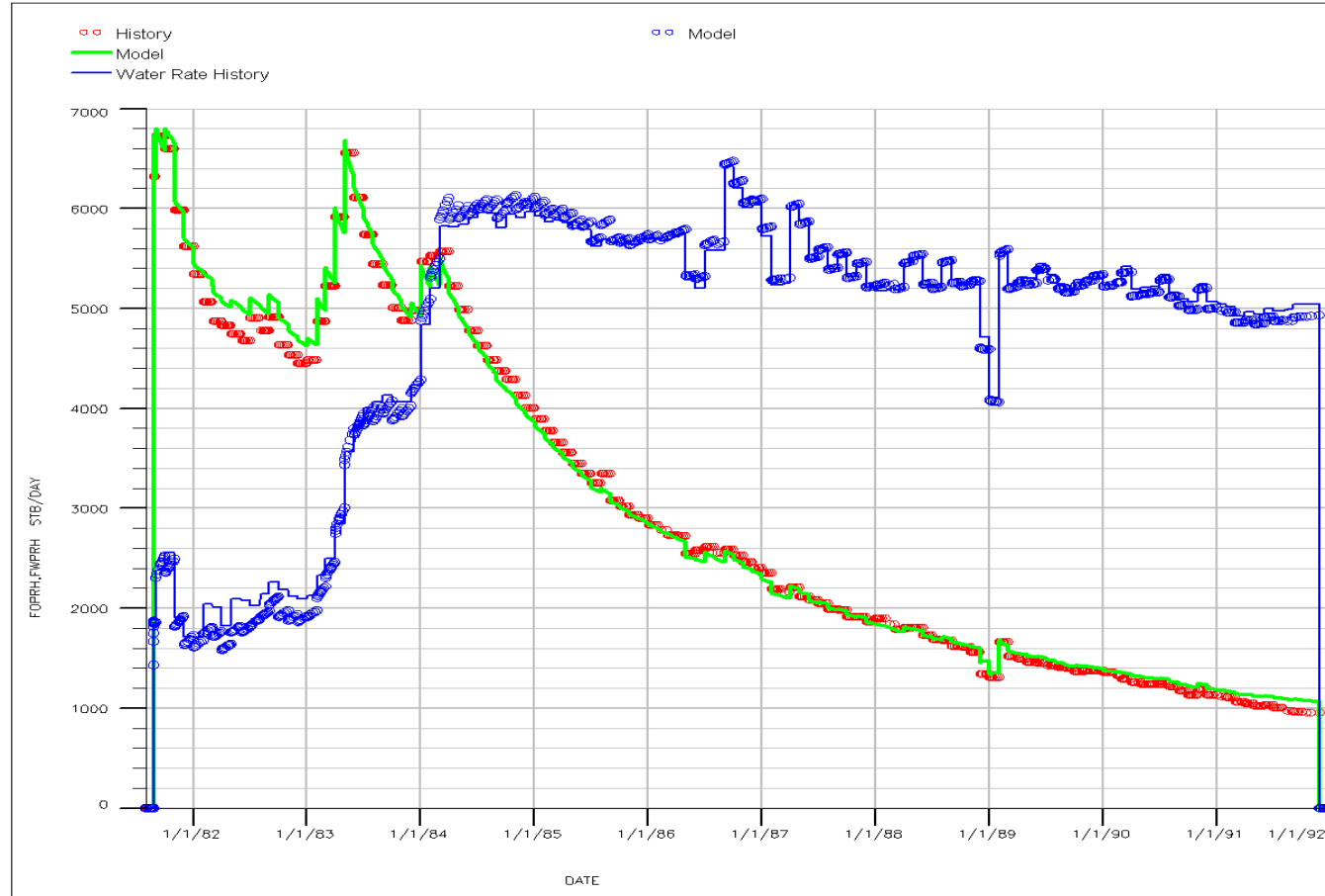
**11.1 MMbbls**  
**Oil produced from**  
**initial development on**  
**sparse 2D Seismic**

**3D Seismic defined**  
**6 MMbbls Oil**  
**Up-dip from previous**  
**producing wells**

3D Seismic Development Map



# Previous 10 yrs production history used to create reservoir model

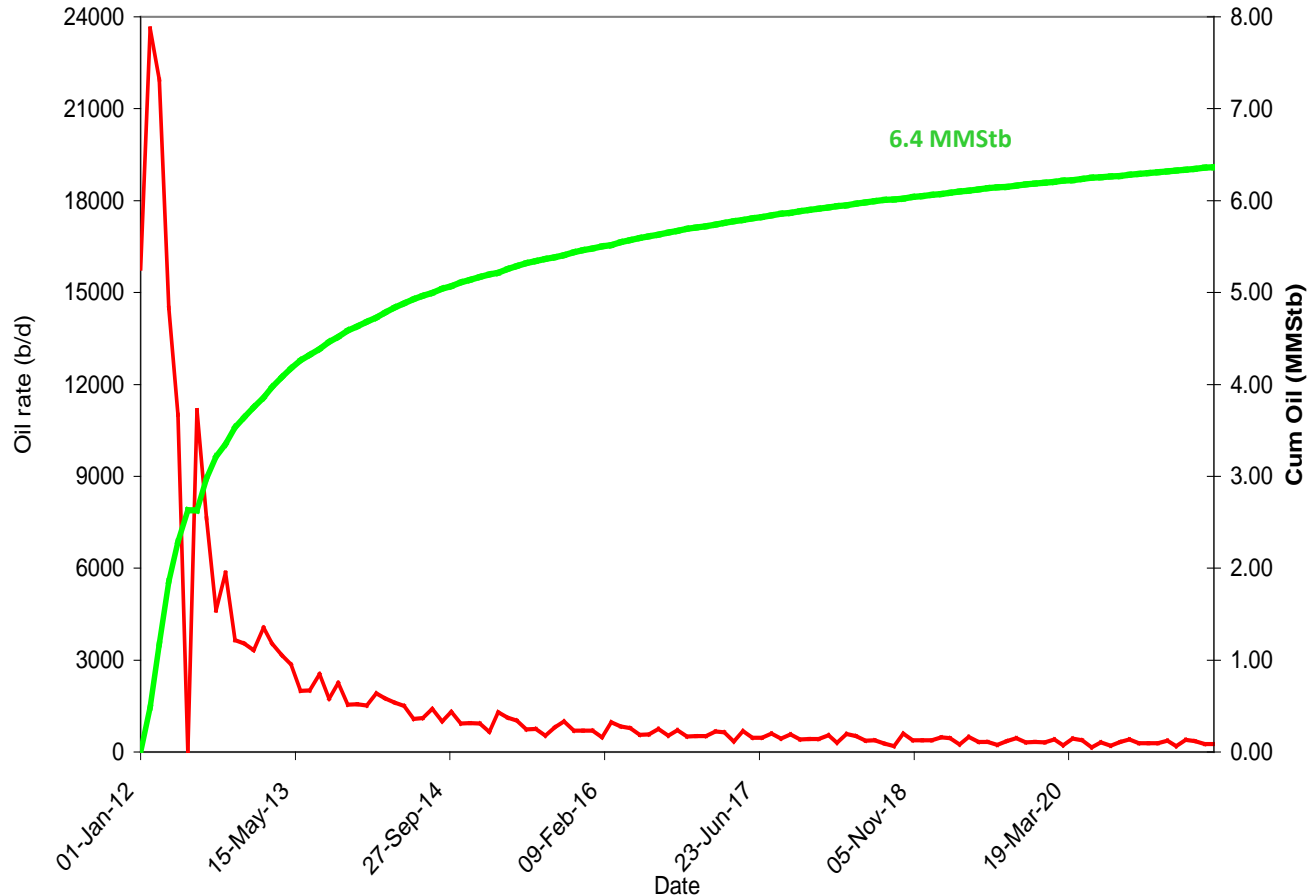


*Close match  
between historic  
production and  
reservoir model  
provides confidence in  
field performance*

**Premium 45° API Oil:** Very Low Viscosity (0.29 cp) High Mobility Oil - Flows preferentially to water  
**Moderate fracturing:** Less connectivity to aquifer

# Most Likely (2P) recoverable oil

*Reservoir model predicts very high front end production declining rapidly*



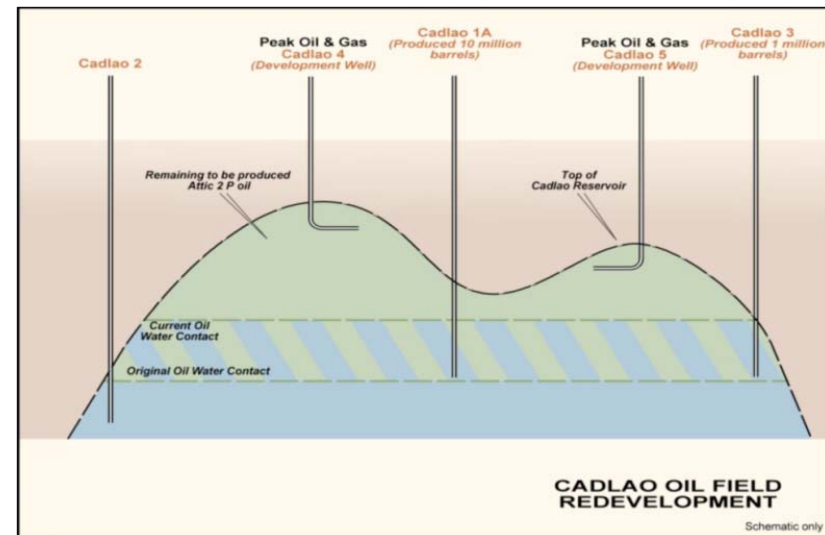
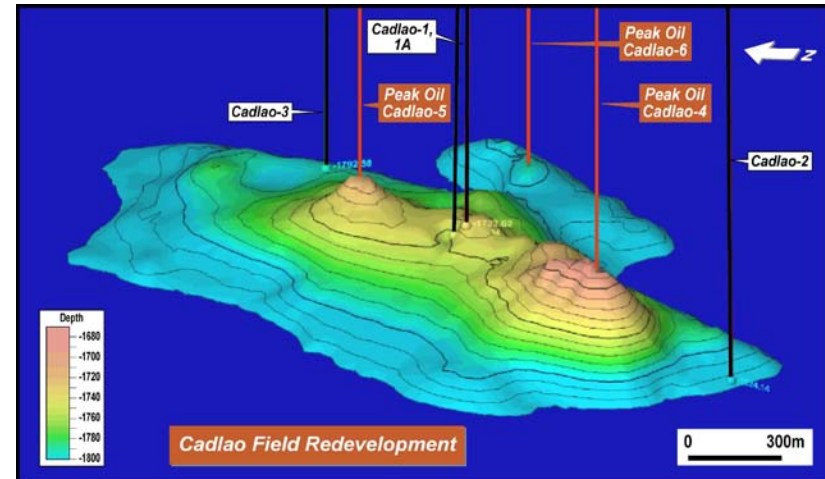
**Initial oil rates of ~25000 bopd is forecast  
Oil rate declines rapidly with increasing water cut  
By 2016, the oil rate is expected to ~500 bopd**

# Cadlao redevelopment project overview

Production – Cadlao (50%, Operator)

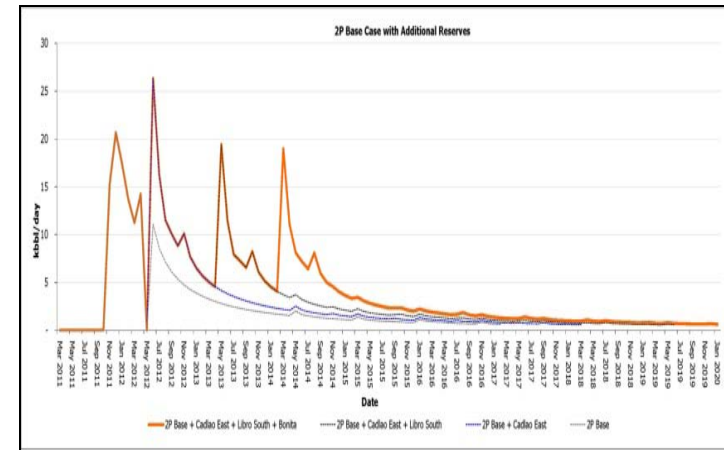
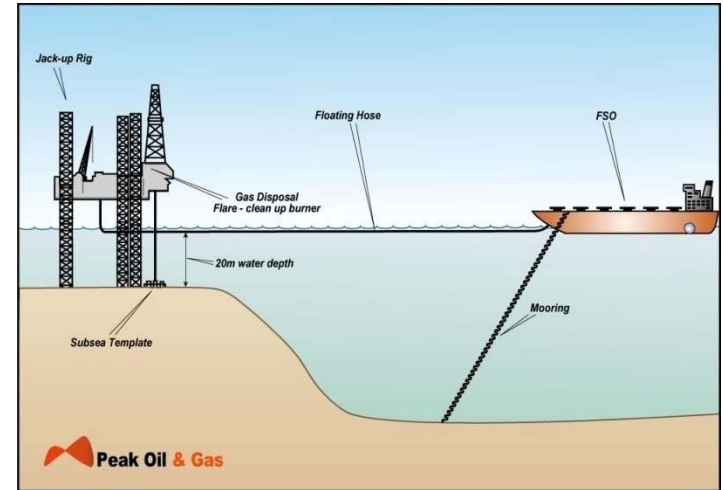
- Near term production - first (new) oil targeting Dec 2011
- Accessing attic oil up-dip from previous production wells
- Previous development shut in due:
  - declining oil production from mislocated wells
  - low oil price environment
  - escalating (FPSO) operating costs in late 1990's
- Redevelopment solution - low cost, proven, low risk
- Significant upside from:
  - Potential Cadlao reserves upgrade
  - Nearby tieback opportunities
  - Numerous exploration prospects

*Pays back in less than 3 months  
and provides hub for nearby  
prospect development*



# Project Economics

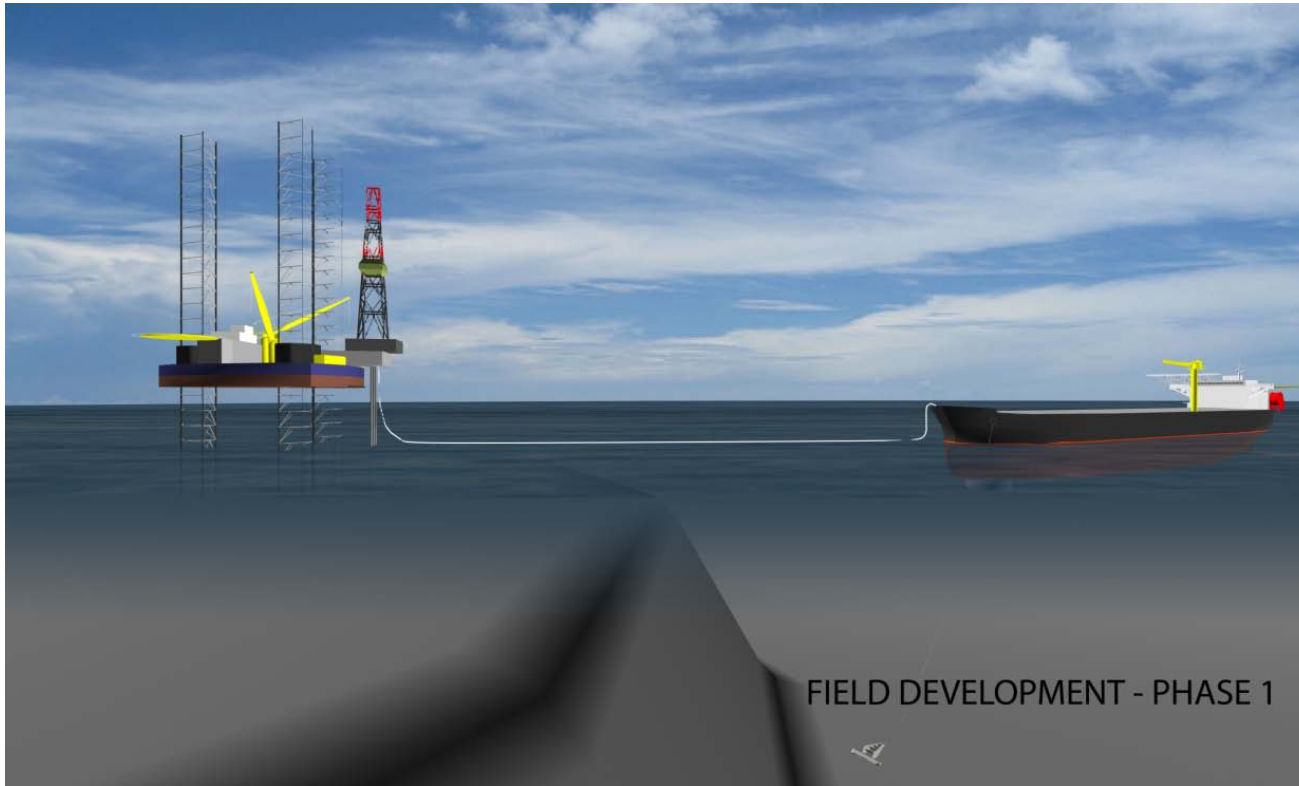
Base case*	Project US\$m	Peak US\$m
NPV	136	79
Free cash flow (6 months after 1 <sup>st</sup> Oil)	70	56
Payback months (from first oil)	2 months	2 months
<b>Potential upside – Indicative Incremental NPV*</b>		
Acquisition of residual ORRI	5	3
Acquisition of Production Royalty	7	4
Reserves enhancement	10	6
Satellite field tie-in (4.0 mmbbl)	60	30
<b>Potential incremental NPV*</b>	<b>82</b>	<b>43</b>
<b>Base case assumptions</b>		
2P reserves		6.0 mmbbl
Net 2P reserves		3.0 mmbbl
Oil price (GCA price forecast)		US\$87/bbl
Capex		US\$5/bbl
Opex (average)		US\$22/bbl
Discount rate		10%



Note: Production assumptions beyond the Cadiao 2P Base Case are by Peak and may or may not be realised.

\* GCA estimates

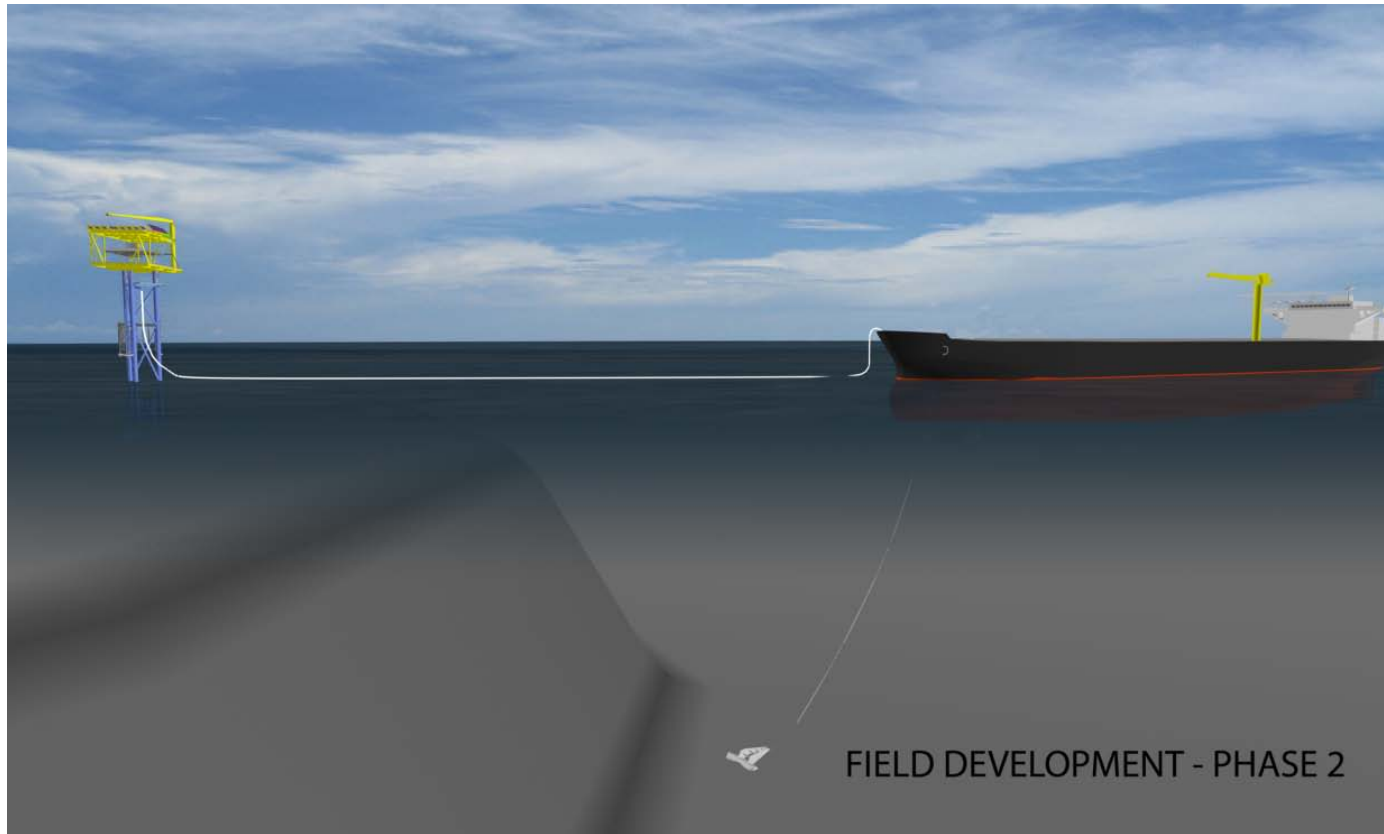
# Development and Operations



***SIMOPS  
funds ongoing  
development from  
production revenue***

## Phase 1 – Drilling / Co-production (SIMOPS)

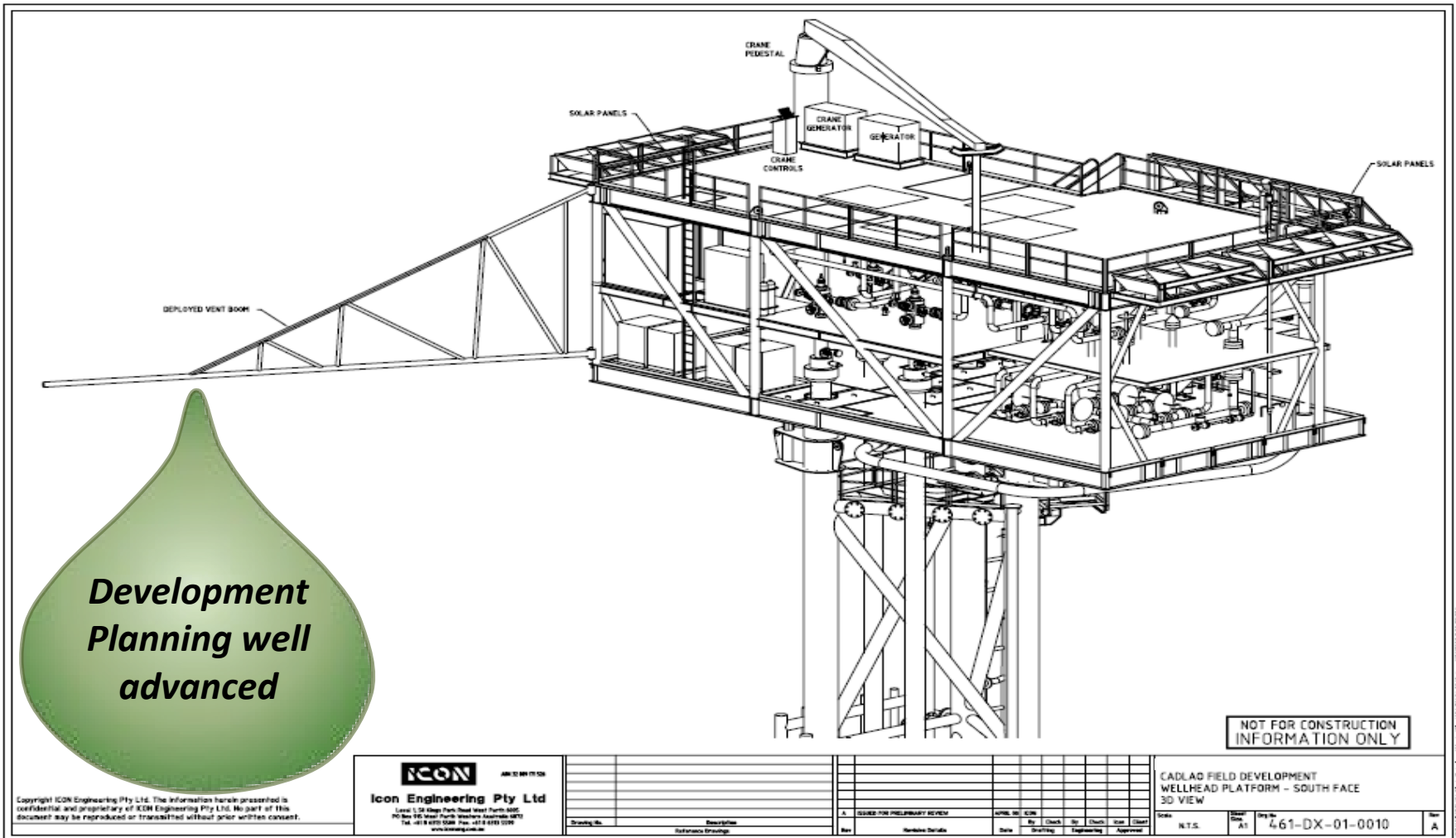
# Development and Operations



*Installation of small platform and demobilisation of drilling rig saves significant opex*

**Phase 2 – Sustained Production after demobilisation of drilling rig**

# Development and Operations



## Schematic of Production Platform

# Development and Operations

- Declining production rates
- Low field opex
- FSO replaced by storage/shuttle barges
- Similar arrangement to Nido/Matinloc fields



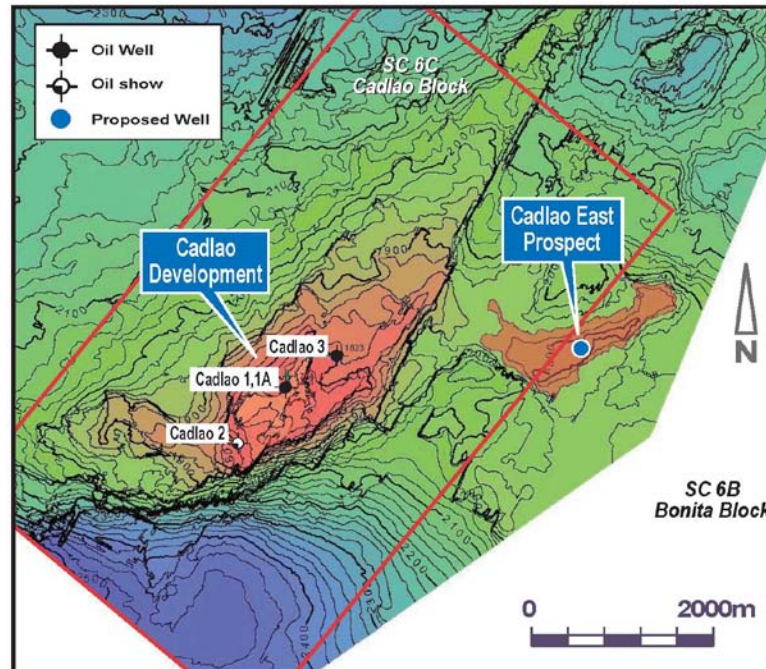
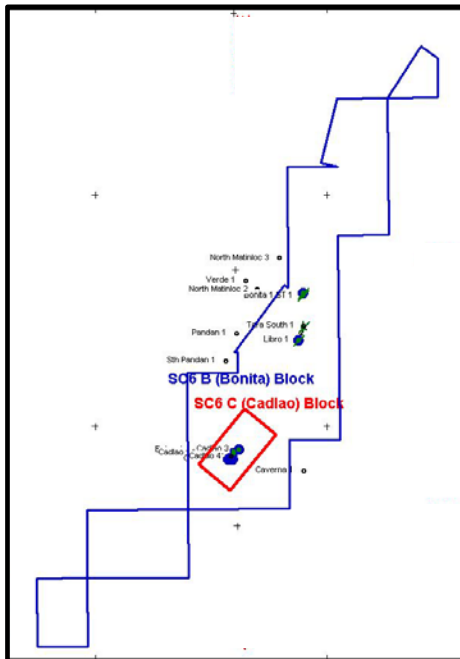
## Phase 3 – End of Field Life

# Tieback Upside to Cadlao Hub

Exploration – Bonita (32.2%)

*Cadlao East  
early upside  
drilling  
opportunity*

- Several high value and low risk drilling opportunities exist in the Bonita Block, surrounding Cadlao development block
- Cumulative upside potential in the area greater than 10 mmbbls (unrisked) adding significant value to the Cadlao Project
- Cadlao East prospect potential of 4 mmbbls recoverable oil located 3km and drillable from production platform (MOPU)
- Plan to drill as part of development drilling program

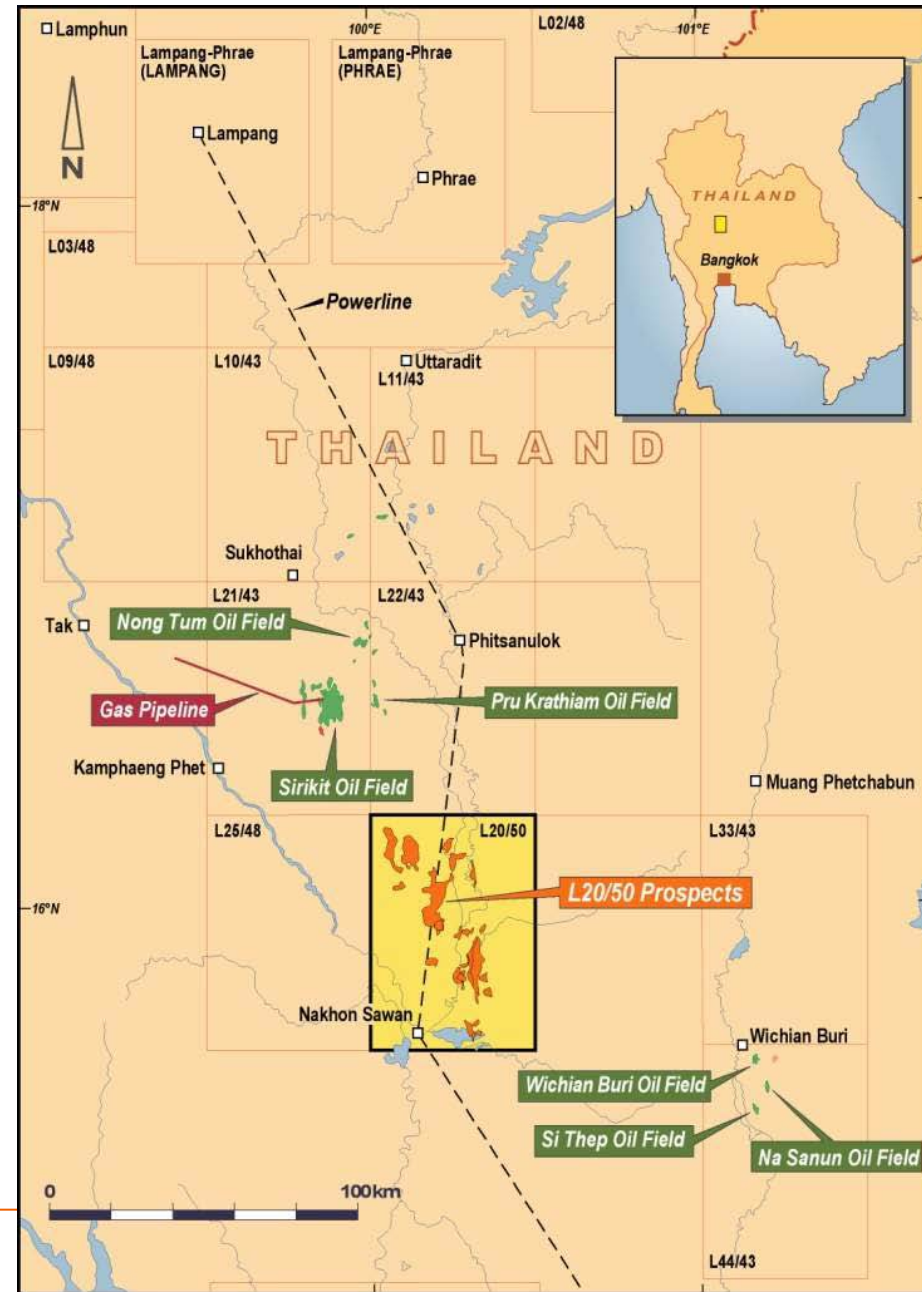


*Cadlao  
Development  
could become Hub  
for satellite oil  
fields*

# Thailand Project

## Exploration – Block L20/50 (7.5%)

- Drilling continuing to test 70 mmbbls potential
- On trend and adjacent to Thailand's largest producing onshore oilfields
- Program includes 1 firm plus 1 contingent well
- Production easily tied into existing infrastructure

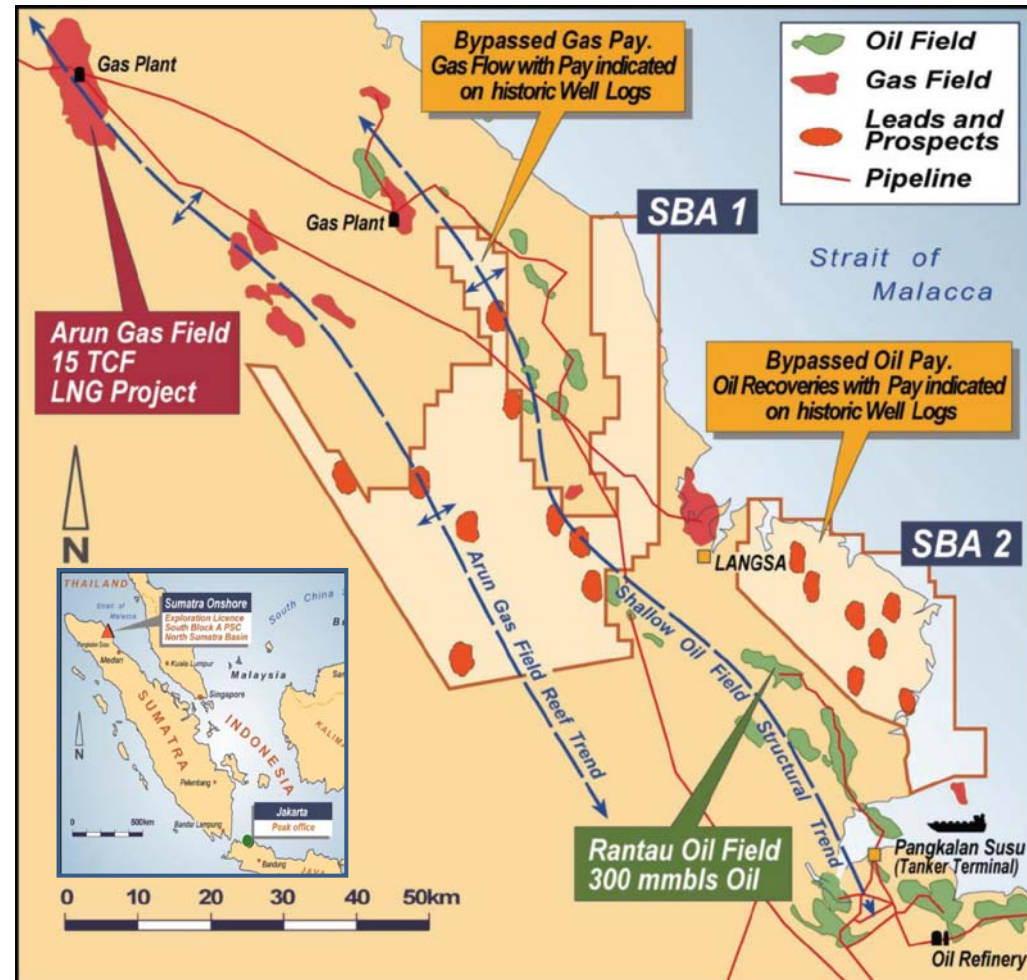


# Indonesia Project – South Block A (38.25%)

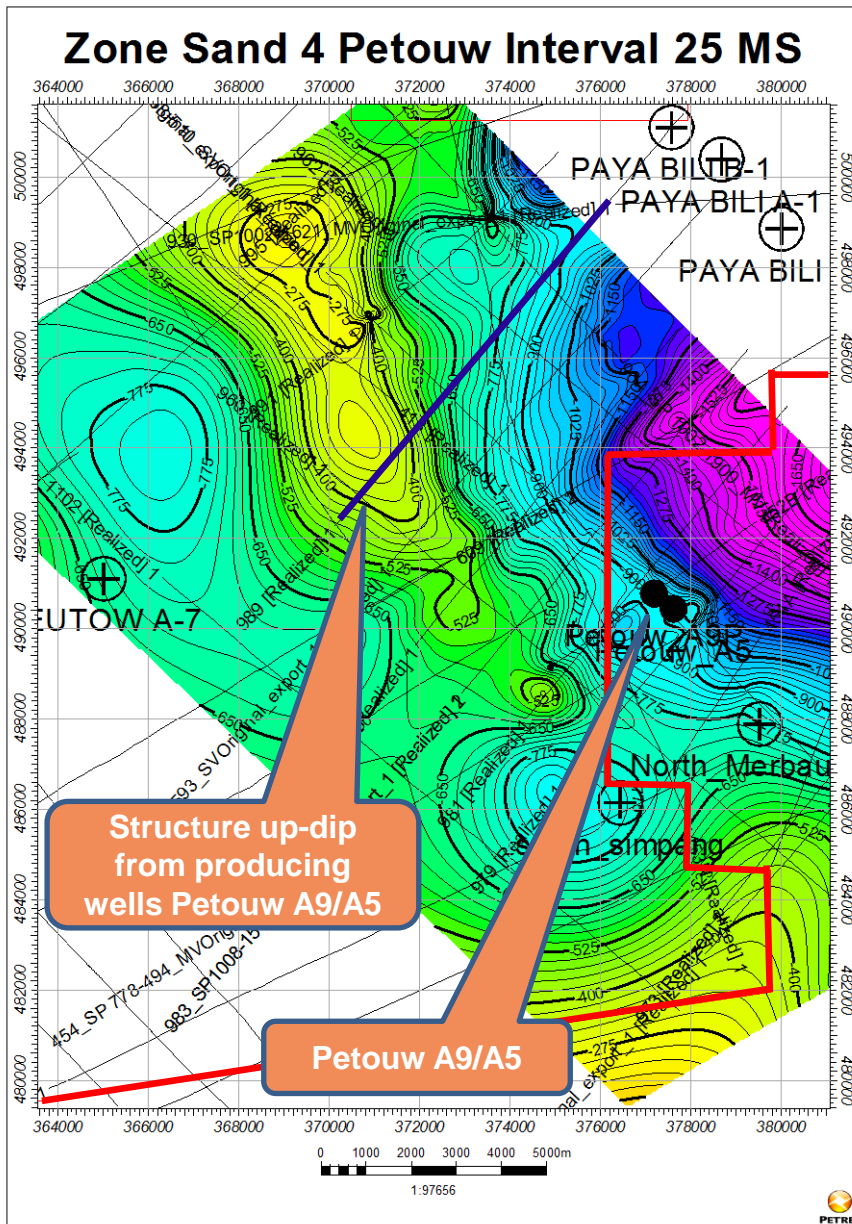
Located amongst the prolific oil & gas fields of North Sumatra

- Exclusive relationship with in-country partner, RENCO
- Existing prospect inventory contains estimated unrisks mean in place prospective resource of 858 mmbbl (oil case) 1.47 tcf (Gas case)
- Discoveries nearby exceed 1 bn boe
  - 15 tcf Arun LNG / 300 mmbbls Rantau Field
- Immediate work program
  - 170 km 2D seismic planned for 1H 2011
  - 3 well campaign planned to commence 1Q 2012
- Substantial upside from unexploited deeper gas plays

*Develop shallow oil production to fund large upside gas development*



# Up-dip Shallow Oil potential from down-dip oil producer



## Down-Dip Well Petouw A-9: Drilled pre seismic

### Prod Tests:

542.5-544.5 m

504 Bopd

610.5-611.5 m

379 Bfpd @ 3.5% Oil

### Drill Stem Test:

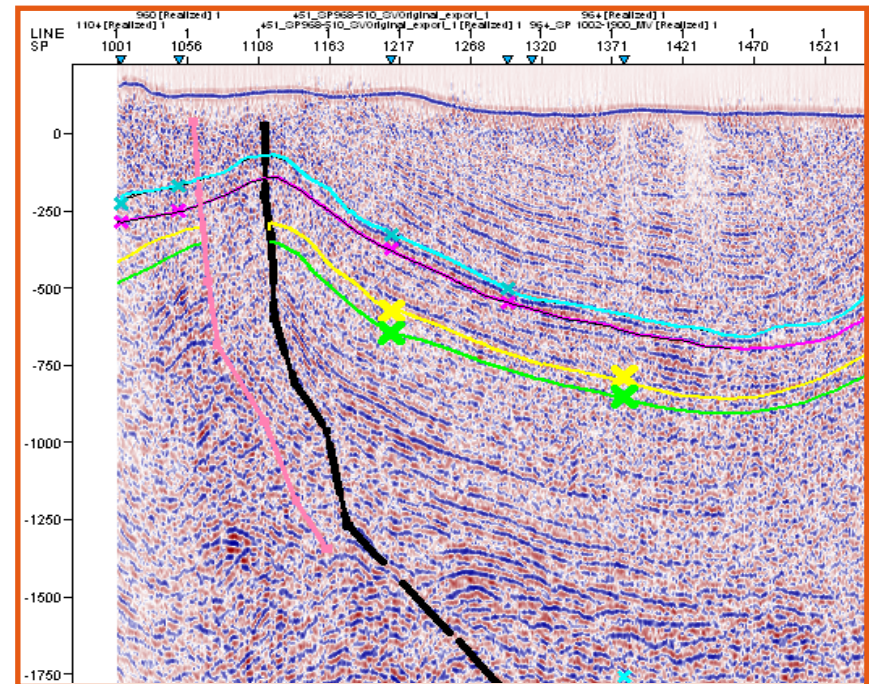
909-918 m Gas 411 Mscf/d

### Cumulative Production:

44,175 bbls Oil / 877 MMscf Gas

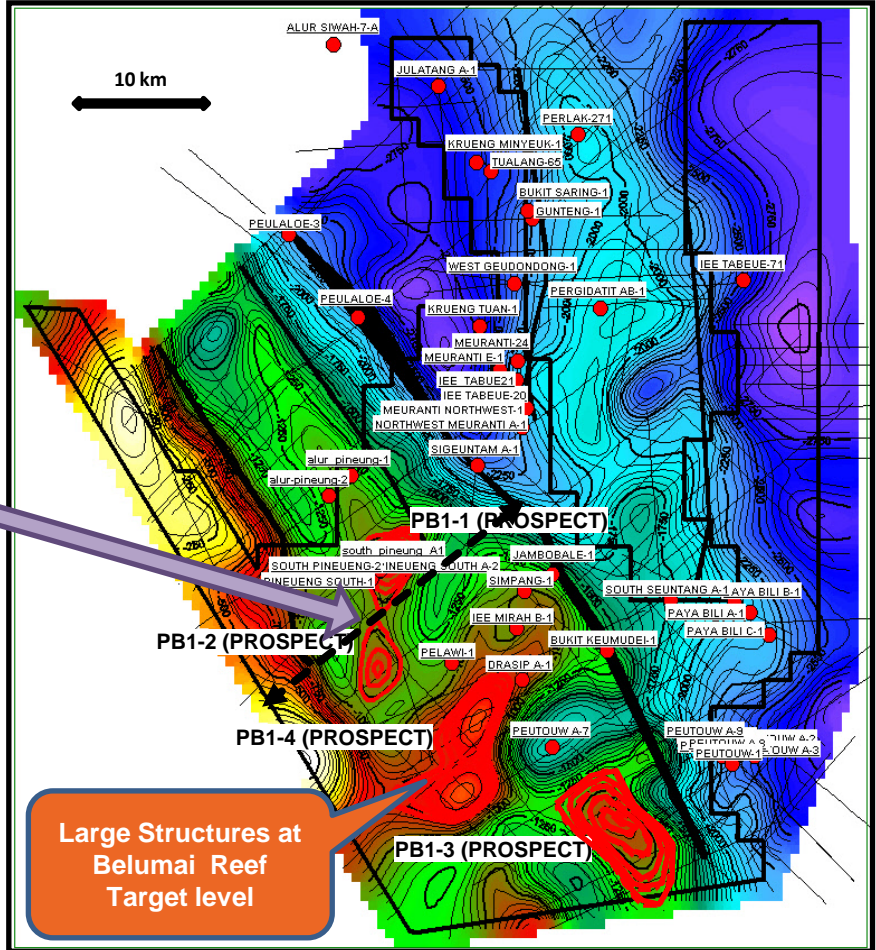
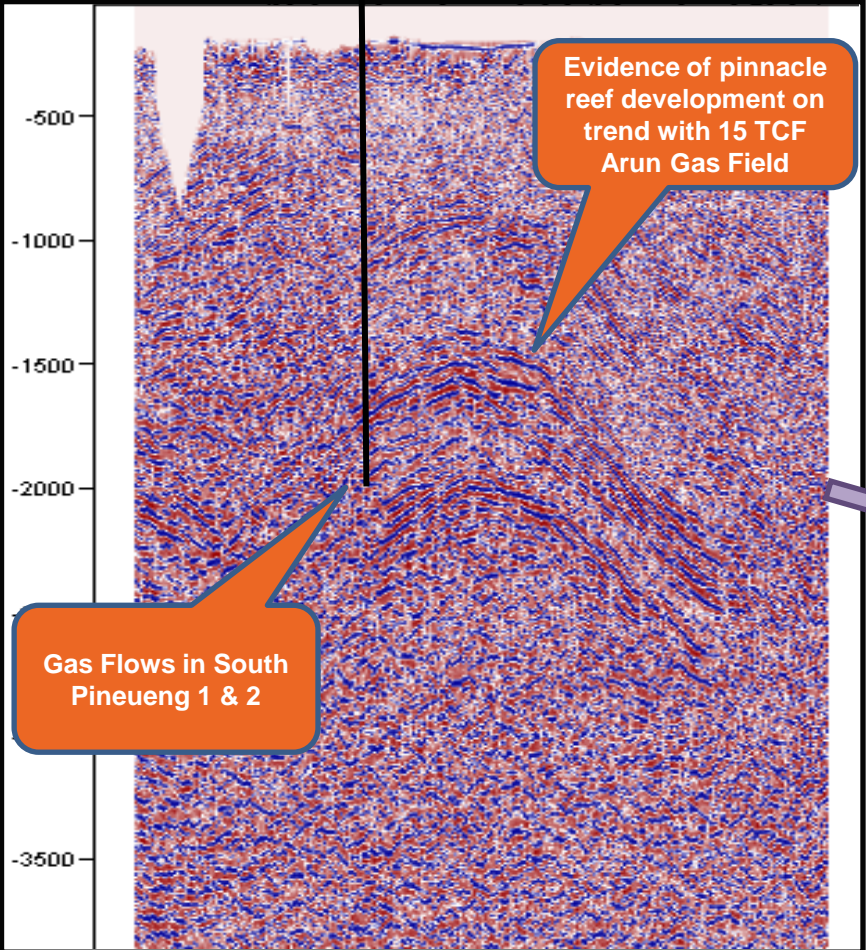
**Petouw A5: cumulative production:**

**was 72,053 bbls Oil / 83 MMSCF gas.**



# Belumai Pinnacle Reef Play – On Trend with 15 TCF Arun Gas Field

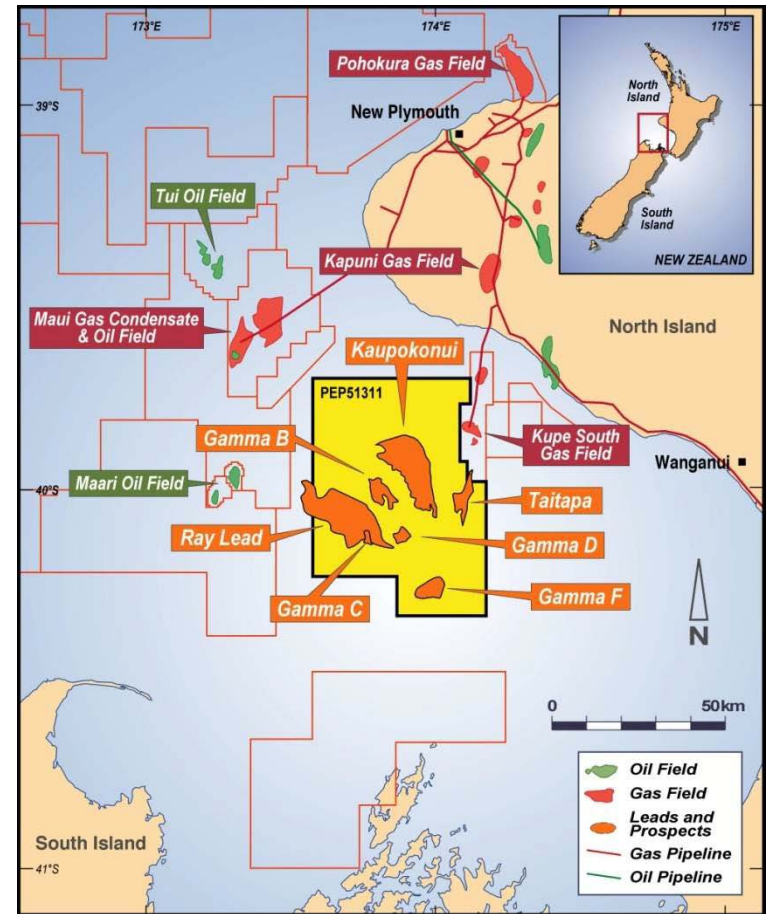
South Pineueng 1/2 Proj – 1977 well  
Strong gas blow / Gas to surface  
Oil and gas zones on logs in nearby Alur Pineueng1 1972



# Project Overview - New Zealand

Exploration – PEP 51311 Kaupokonui (10%)

- Kaupokonui prospect expected to drill in H1 2012
- High impact exploration acreage in Taranaki Basin with 1.2 bn boe already discovered
- Substantial prospect containing 378 mmbbls mean recoverable prospective oil resource
- 38 MMbbls net to Peak Oil & Gas
- Located between Maari Oil Field (51 mmbbls) and Kupe Gas Condensate Field (288 BCF/27 mmbbls)



# Operations Schedule

Phase / Timing			2010	2011				2012			
Project	Country	Activity	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Exploration</b>											
Block L20/50	Thailand	Drilling campaign		■							
South Block A	Indonesia	2D Seismic			■						
	Indonesia	Multi-well drilling campaign							■		
PEP 51311	New Zealand	Kaupokonui Prospect*						■			
SC-6 (Cadlao)	Philippines	Cadlao East - <i>Contingent</i>								■	
SC-6 (Bonita)	Philippines	Libro South - <i>Contingent</i>									■
<b>Development</b>											
Cadlao Oil Field	Philippines	Front-end engineering design	■								
	Philippines	Development plan approvals		■							
	Philippines	Final investment decision (FID)			▼						
	Philippines	Award major contracts			■						
	Philippines	Development drilling					■				
	Philippines	First Oil						▼			
	Philippines	Engineer/construction for FFD							■		
<b>Production</b>											
Cadlao Oil Field	Philippines	Initial Phase (including EWT)					■				
	Philippines	Full Field Development (FFD)								■	

\* Drilling rig will be contracted on a multi well basis in conjunction with other local operators and program may be delayed due to rig availability.

**Note:** This schedule is subject to modification depending on results.

# Use of Funds

Anticipated Use of Funds	A\$m	A\$m	A\$m
	First Oil Dec 2011	Dec 2012	Total
Production/Development	17.1	63.4	80.5
Exploration	4.4	11.5	15.9
Corporate	1.3	1.1	2.4
<b>Total Requirement</b>	<b>22.8</b>	<b>76.0</b>	<b>98.8</b>

Anticipated Source of Funds			
Cash	12.9		12.9
Debt + Working Capital*	10.0	15.0	25.0
New Funding (Equity - Corp or Project)	0.0		0.0
Production Revenue		147.0	147.0
<b>Total Sources</b>	<b>22.9</b>	<b>162.0</b>	<b>184.9</b>

**Notes\*:** Peak is currently negotiating a circa US\$25m debt facility for the Cadlao Project. Subject to the terms of such facility, Peak may not need to raise additional equity capital.

# Peer Comparison

Company	Share price A\$	Diluted mkt cap A\$m	EV A\$m	EV/2P	BOPD	Countries
AWE	1.65	861	797	11	18,937	Australia, New Zealand, Indonesia, Argentina and Yemen
ROC Oil Company	0.355	253	250	18	8,000	China, Australia, New Zealand, United Kingdom, Mauritania, Equatorial Guinea, Angola and Madagascar
Carnarvon Petroleum	0.35	241	212	9	4,500	Thailand, Australia and Indonesia
Nido Petroleum	0.089	124	113	45	2,487	Philippines
Otto Energy	0.099	112	83	79	1,684	Philippines, Turkey, Italy and Argentina
AED Oil	0.32	64	65	8	-	Indonesia, Australia and Brunei
<b>Raisama / Peak Oil &amp; Gas</b>	0.20	~52	39	13	5,700*	Philippines, Indonesia ,Thailand and New Zealand
Kairiki Energy	0.038	45	53	34	2,107	Philippines

\*Average production Net to Peak for first 6 months.

**Notes:** Share prices as at close 25 February 2011. Market capitalisation refers to fully diluted market value of equity and includes escrowed shares and ITM options. Figures for Peak Oil & Gas based on post acquisition of all its shares by Raisama, net to Peak has been considered for BOPD. All non Peak information has been taken from public sources.

# Peak / Raisama Merger

- **Off market takeover**
- **Offer values Peak Oil & Gas at A\$0.30 a share, or A\$39m**
- **15 RAI shares offered for every 11 Peak shares**
- **Offer is unanimously recommended by Peak's Board of Directors**
- **Peak acceptances already exceed 90% - Offer now unconditional**
- **RAI meeting to approve transaction – 10<sup>th</sup> March**
- **RAI share currently trading \$0.20 - \$0.25**

# Peak / Raisama Merger Summary

- **ASX listing gives Peak better access to capital and a broader investor base**
- **Near-term cash flow from Cadlao Redevelopment Project transforms RAI/Peak entity from Explorer to Producer providing funds for development of petroleum and uranium asset portfolio**
- **Strong inventory of new petroleum and uranium projects, providing a pipeline for future growth**
- **Positioned to exploit growth in Asian energy demand**
- **Experienced and well credentialed board and management team**

# Corporate Overview

## Raisama

ASX Listing	Dec 2009
Share Price (29/11/10)	\$0.25
Shares	82.25m
Options	30.0m
Market Cap	\$20.5m
Cash (as at 31 Dec 2010)	\$7.38m

## Pro-Forma Merged Entity

Completion of Merger	Mar 2011
Shares	241.9m
Options	54.5m
Cash (31 Dec 2010)	\$13.31m

- Existing shareholder base includes institutional, strategic and high net worth investors:
  - Peter Smedvig: Chairman of Smedvig Group which includes the private equity firm Smedvig Capital (London/Norway). Oil & gas exploration services magnate.
  - Hebei Mining: Chinese state owned mining company with extensive minerals and energy interests globally; Hebei sixth largest economy in the PRC.
  - Goldman Sachs Institutional Fund

# RAISAMA (RAI) - Uranium

# AUSTRALIAN ASSETS



## Uranium projects across Australia

- Prime Projects – Sunday Creek (along with Kashkasu Project in Kyrgyz Republic)
- Sunday Creek close to world class Kintyre Uranium Deposit
- Kintyre deposit recently purchased for around half a billion dollars by Cameco and Mitsubishi

## SUNDAY CREEK – Western Australia 100% Stake

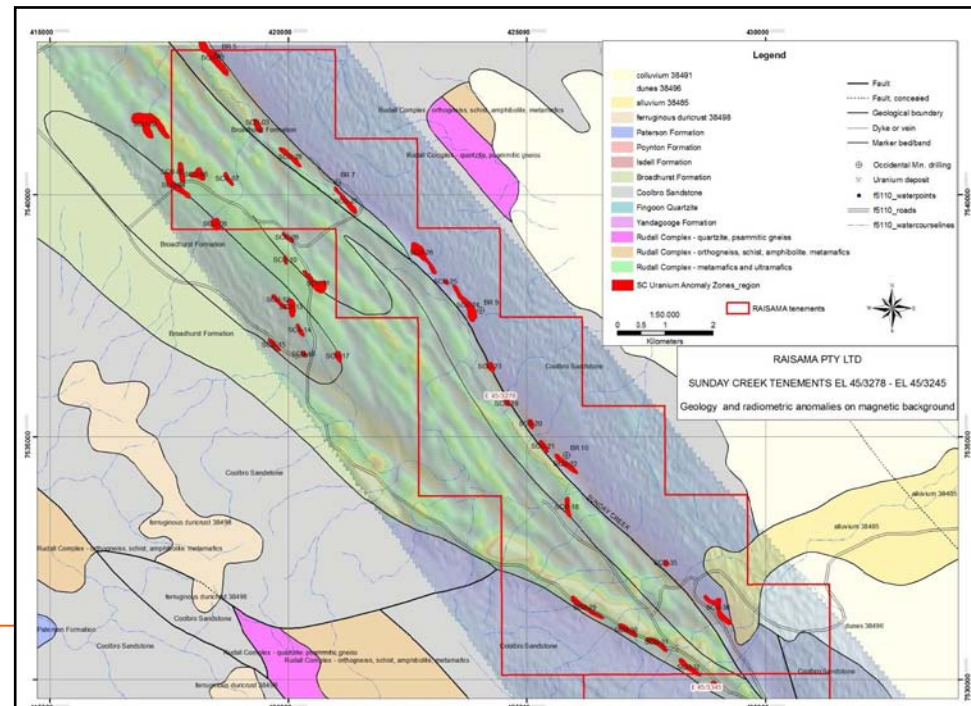
- Close to signing heritage access agreement with Martu
- Significant drill intersections
- Multiple Drill Targets

1.9m @ 1306 ppm  $eU_3O_8$

1.3m @ 603ppm  $eU_3O_8$

0.4m @ 1352 ppm  $eU_3O_8$

1.9m @ 893ppm  $eU_3O_8$

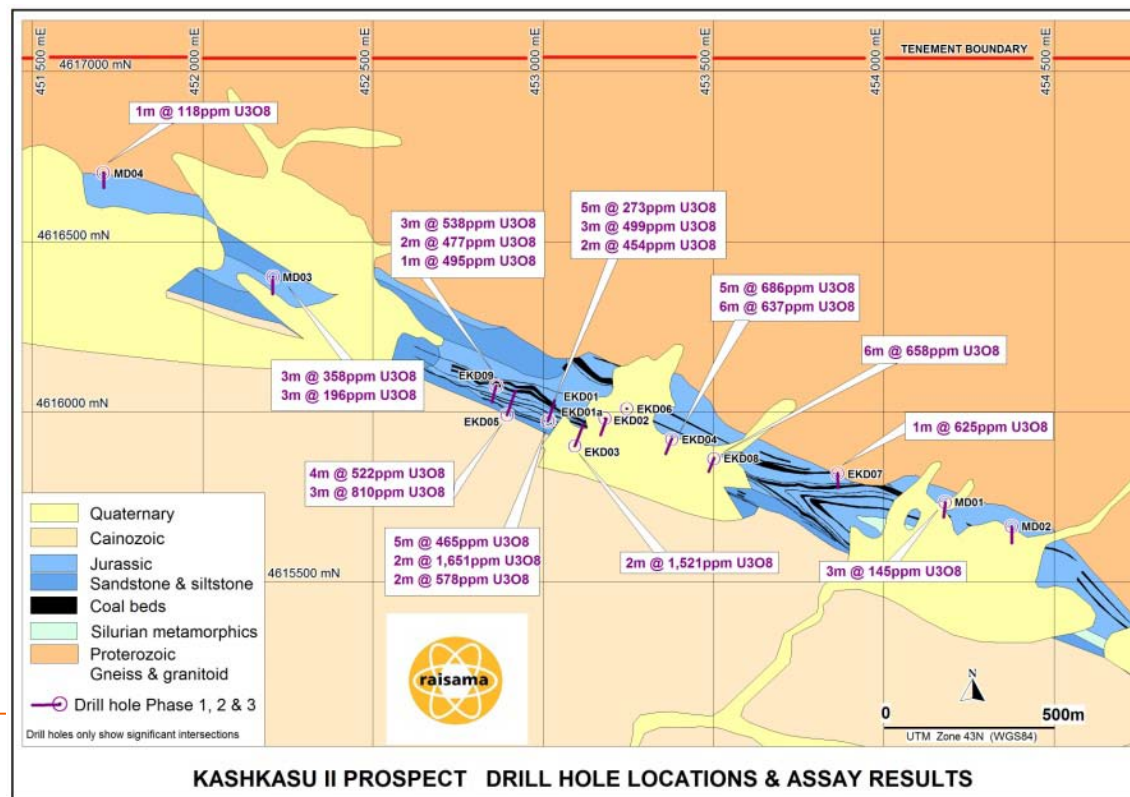


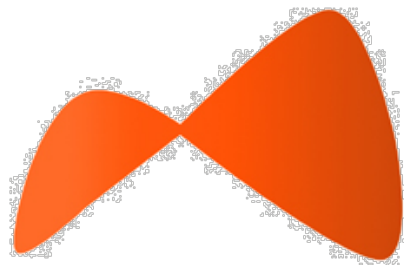
## Kashkasu II - 75% stake

- Uranium mineralisation identified over 2.6km strike
- Working towards a maiden JORC resource by end of 2011
- Drilling to re-commence next week

### Significant drill intersections include:

2m @ 1651 ppm U <sub>3</sub> O <sub>8</sub>	6m @ 625ppm U <sub>3</sub> O <sub>8</sub>
2m @ 1521 ppm U <sub>3</sub> O <sub>8</sub>	5m @ 637ppm U <sub>3</sub> O <sub>8</sub>
5m @ 686 ppm U <sub>3</sub> O <sub>8</sub>	3m @ 810ppm U <sub>3</sub> O <sub>8</sub>





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