

Larus Energy Limited

ANNUAL GENERAL MEETING, 8TH AUGUST, 2015
COMPANY UPDATE

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PPL326 onshore – flat coastal plains



PPL326 onshore – flat coastal plains

License Status, Current

License Period / Year	License Work Commitment	Work Commitment Status	Expenditure	License Status
Period 1 - Year 1 and 2	Aeromagnetic and Gravity Data	Complete	\$2,499,546	Good Standing
	Geological and Geophysical Mapping and Review	Complete		
	Remote Sensing Data Interpretation	Complete		
	Preliminary Prospects and Leads Inventory	Complete		
	Plan Seismic Acquisition Program	Complete		
	Minimum Spend \$2,000,000	Complete		
Period 2 - Year 3 and 4	Plan and acquire 300km of seismic data	Complete	\$6,359,549	Good Standing
	Plan and acquire further 300km of seismic data	Complete		
Period 3 - Year 5 and 6	Plan and acquire 400km of seismic data	Complete	\$2,400,153 (Ongoing)	Good Standing
	License review	Complete		

Progress and Status Quo in PPL326

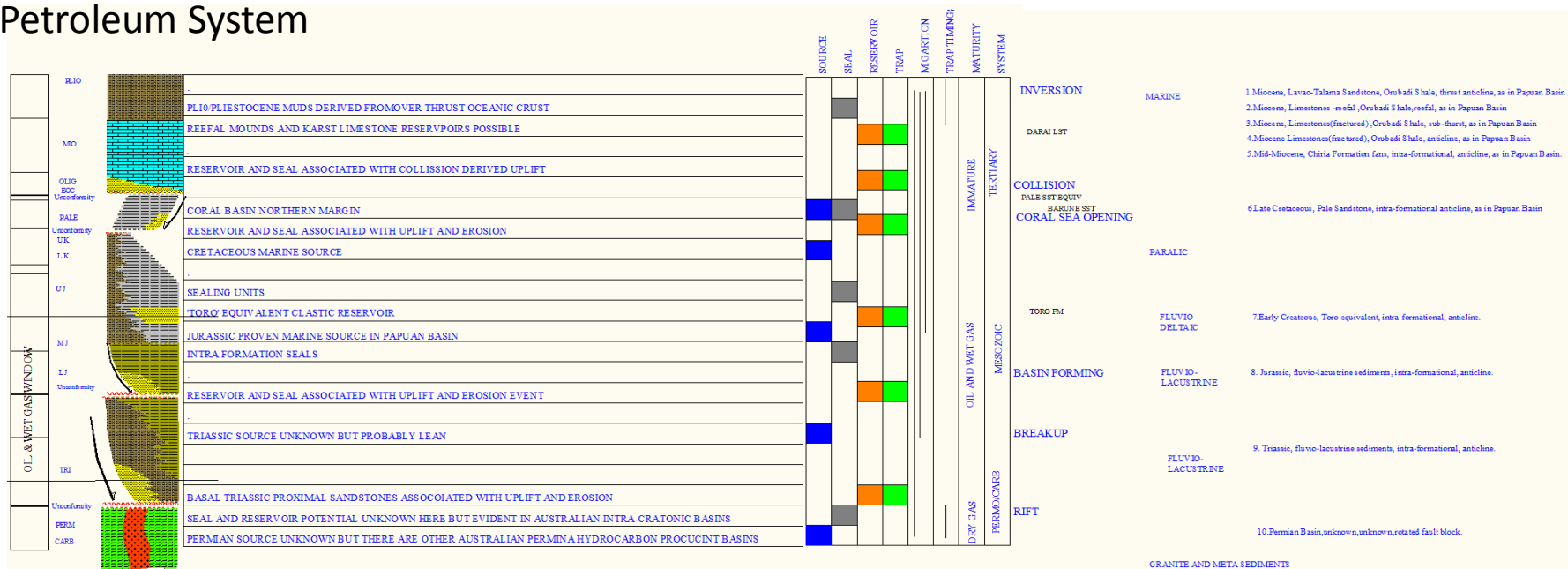
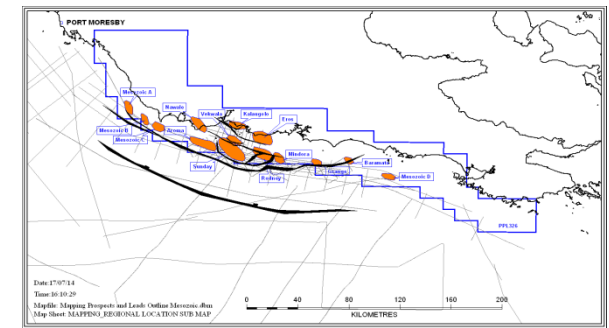
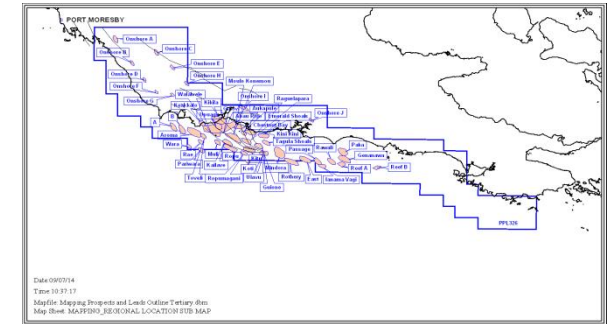


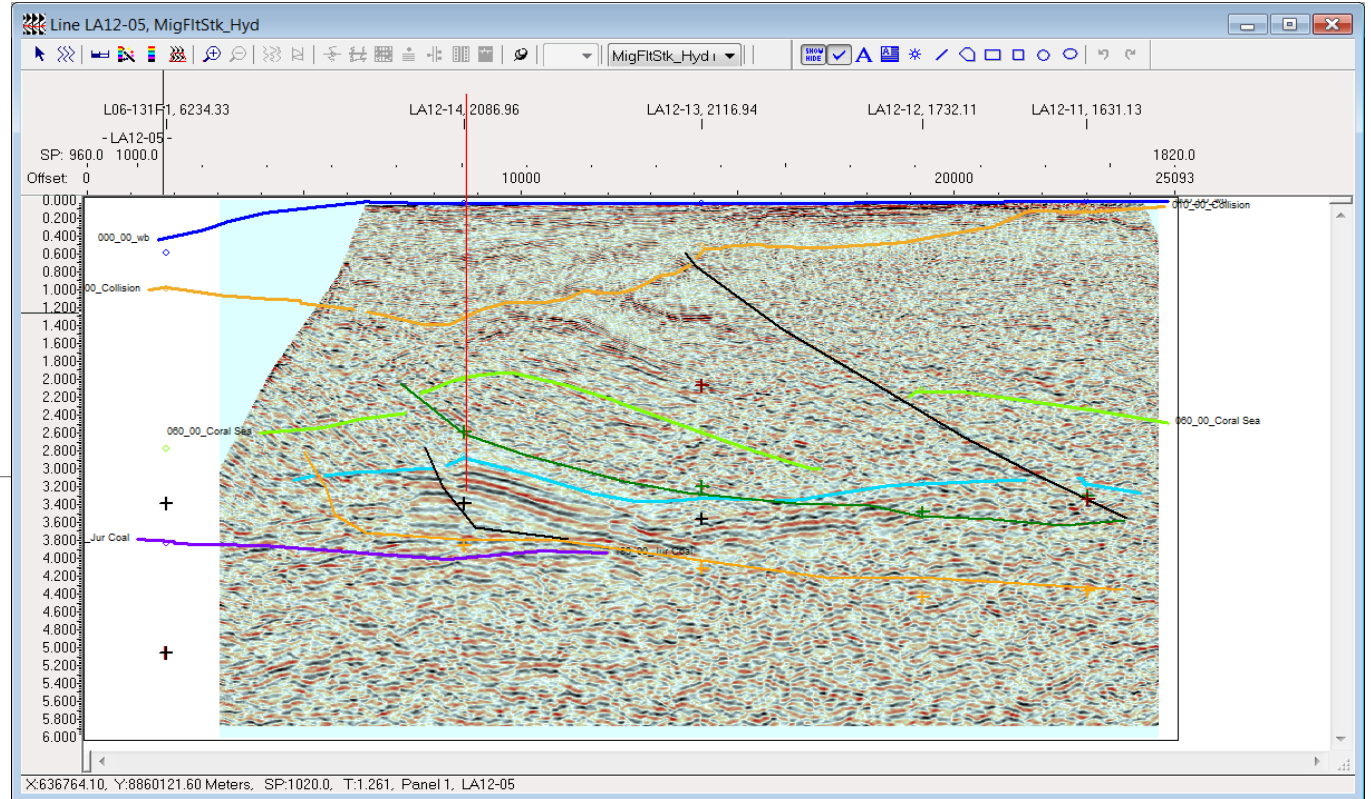
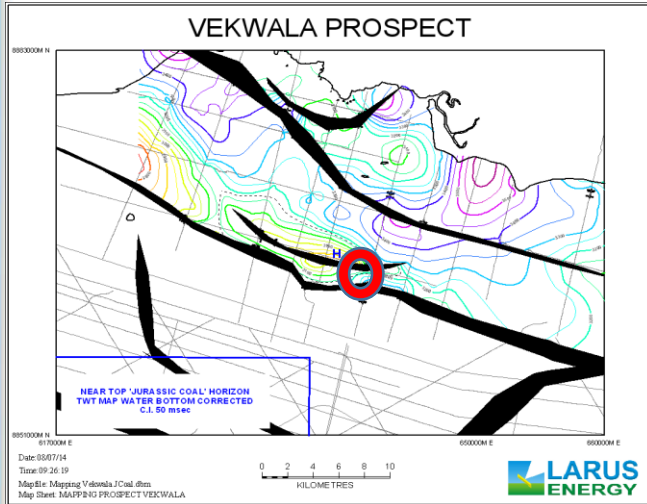
Prospects and Leads book not diminished;
 6 Prospects (Sunday and Vekwala etc..)
 24 Strong Leads
 26 Weak Leads
 68% of area still to be covered with seismic

Current portfolio of ;

1.5 B BBls / 107 M Bbls risked
 93 TCF /6.7 TCF risked
 0.62 M bbls/km² & 36 BCF/km²

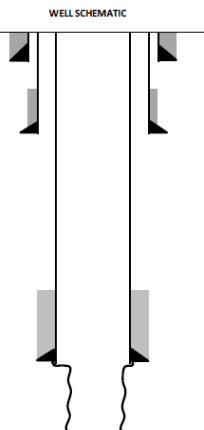
Mesozoic and Tertiary play and 1:10 Risk Petroleum System





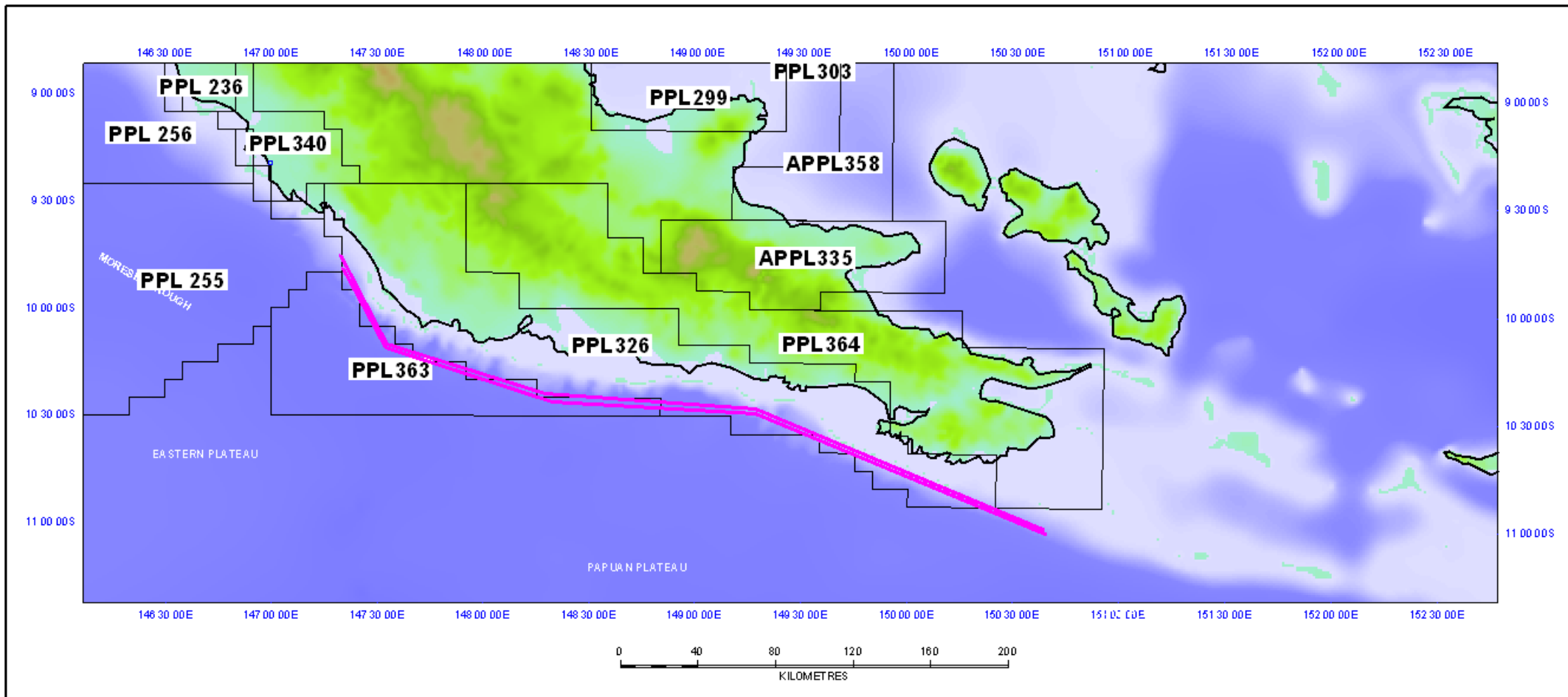
WELL DATA	
WELL NAME: Vekwala-1	LATITUDE: 10° 15' 25.02" South
WELL TYPE: Exploration	LONGITUDE: 148° 35' 41.82" East
WELL AREA: PPL325	RIG: TBC
	RT: TBC
	WD: 41.0 m
	Date of revision: 2-Jul-14
OBJECTIVES: Mesozoic SST	
	Pale SST
	Barume SST

CASING & OPEN HOLE DATA							
SIZE	WEIGHT	CONNECTION	GRADE	SHOE DEPTH		DRILLING FLUIDS	
				MDSS	TVDSS	SYSTEM	MW
36"/30"	TBC	TBC	TBC	89.0m	89.0m	SW + PHG sweeps	1.03 SG 8.6 ppg
26"/20"	TBC	TBC	TBC	1,200.0m	1,200.0m	SW + PHG sweeps	1.03 SG 8.6 ppg
17-1/2"/13-3/8"	TBC	TBC	TBC	3,400.0m	3,400.0m	WBM	1.08 SG 9.0 ppg
12-1/4"				3,600.0m	3,600.0m	WBM	1.32 SG 11.0 ppg

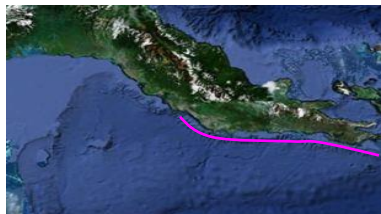
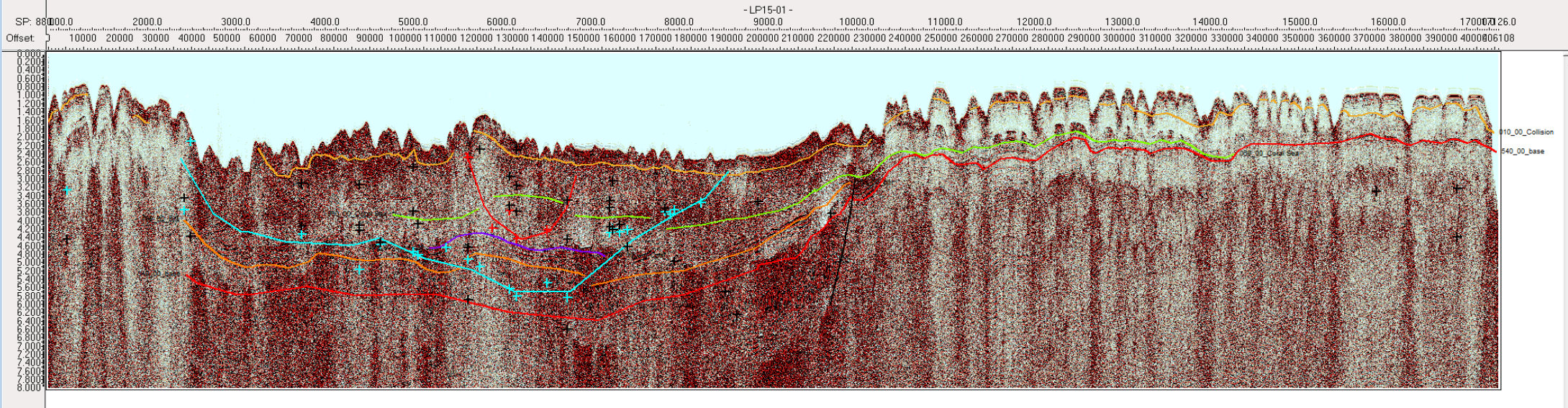
WELL SCHEMATIC		
DEPTH	WELL SCHEMATIC	DESCRIPTION
TVDSS		Seabed @ 41 m TVDSS
Depths for formation tops		30" Conductor @ 89 m TVDSS
		36" Hole @ 91 m TVDSS
		20" TOC 1050 m TVDSS
		20" Shoe @ 1200 m TVDSS
		26" Hole @ 1203 m TVDSS
1375	Limestone (Karstified)	
2000	Barume SST	
2140	Pale SST	
		13-3/8" TOC 3000 m TVDSS
		13-3/8" Shoe @ 3400 m TVDSS
		17-1/2" Hole @ 3403 m TVDSS
3480	Target Sand	
3575	Coal/Volcanics	
3600	TD	

Prospect: Vekwala ready to drill.
 Large thrust anticline just behind frontal thrust. Thrust anticline at apex of thrust front complex. Probably one of the larger structures in the basin.

Paluma Seismic Survey

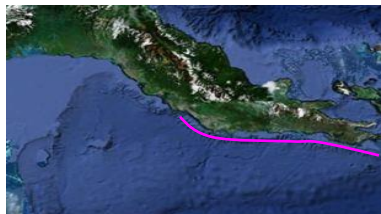
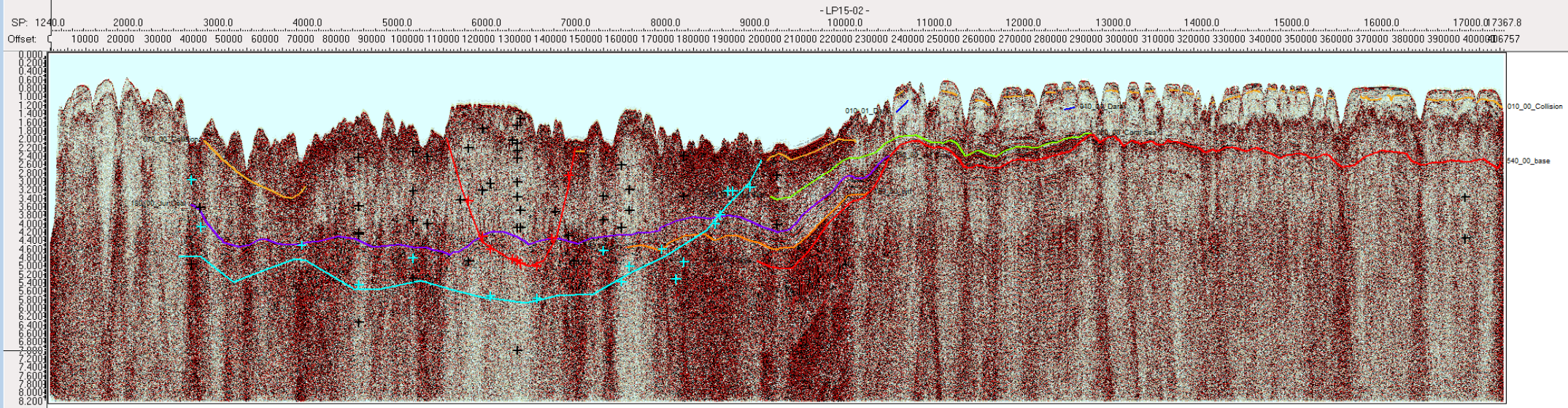


Paluma seismic Survey is two long strike lines along the long axis of PPL326. It was designed to look at the foot wall of the Sunday Prospect and confirm the geology of the north west and south east portions of PPL326 prior to relinquishment, due 25 August 2015



100 km

Field Stack shows Torres Basin extents,
 Western and eastern extremities are relatively free
 of structuring

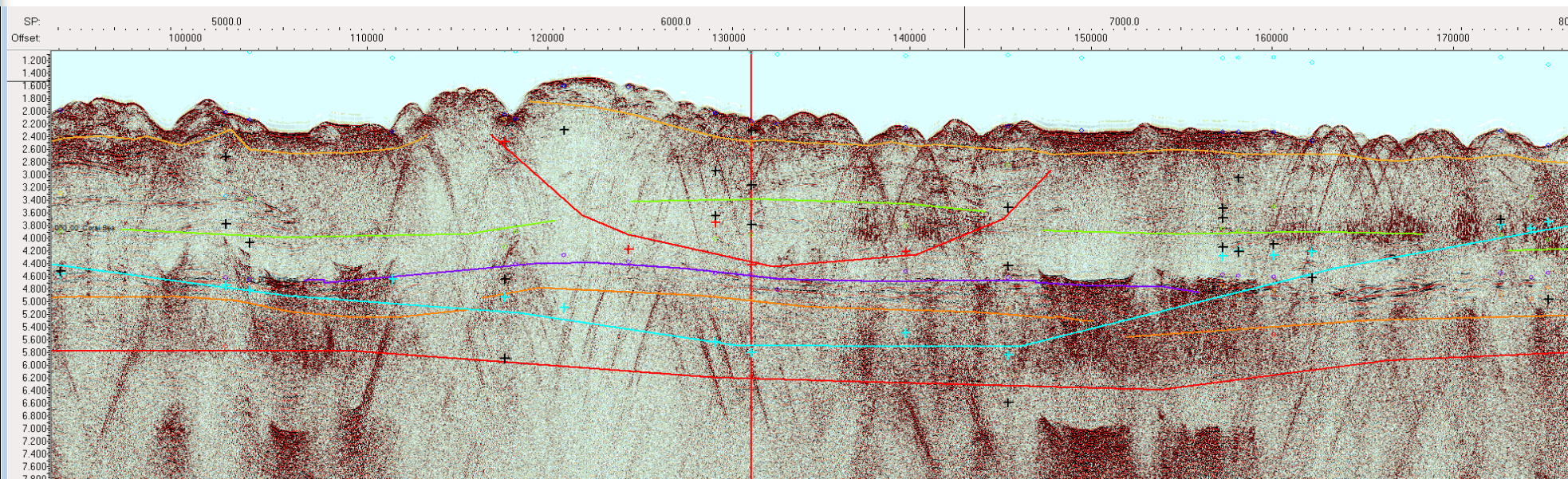
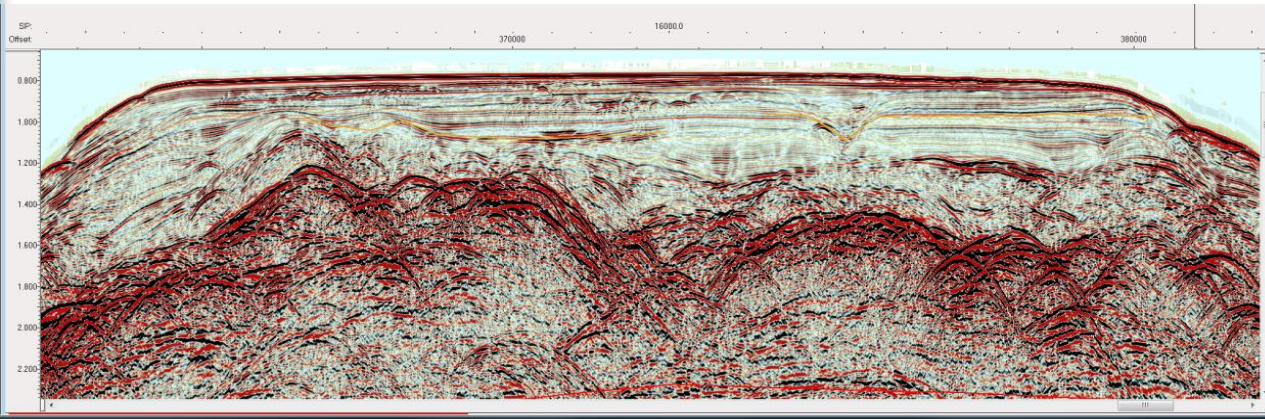


100 km

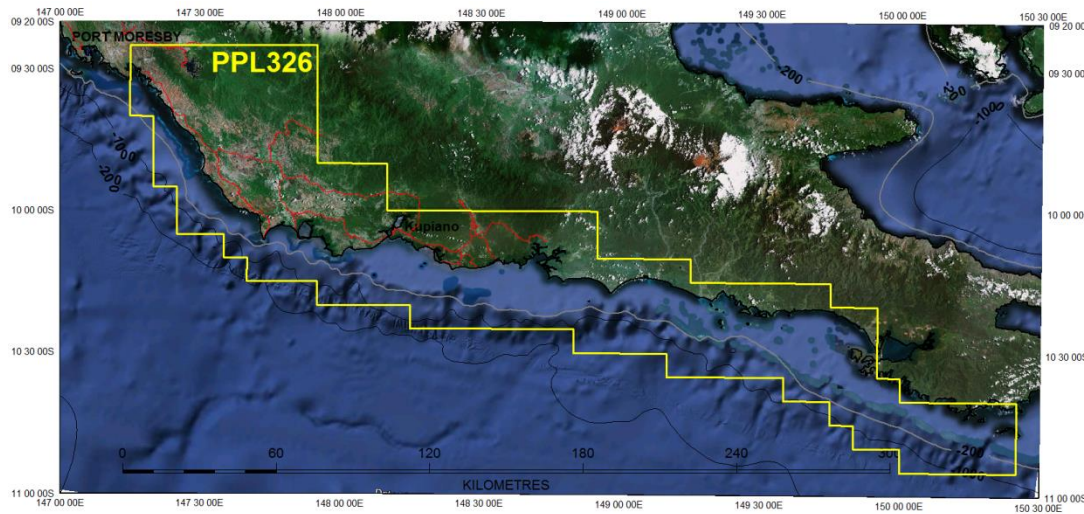
Field Stack shows Torres Basin extents,
 Western and eastern extremities are relatively free
 of structuring

Volcanics shallow in section

Sub-thrust folded

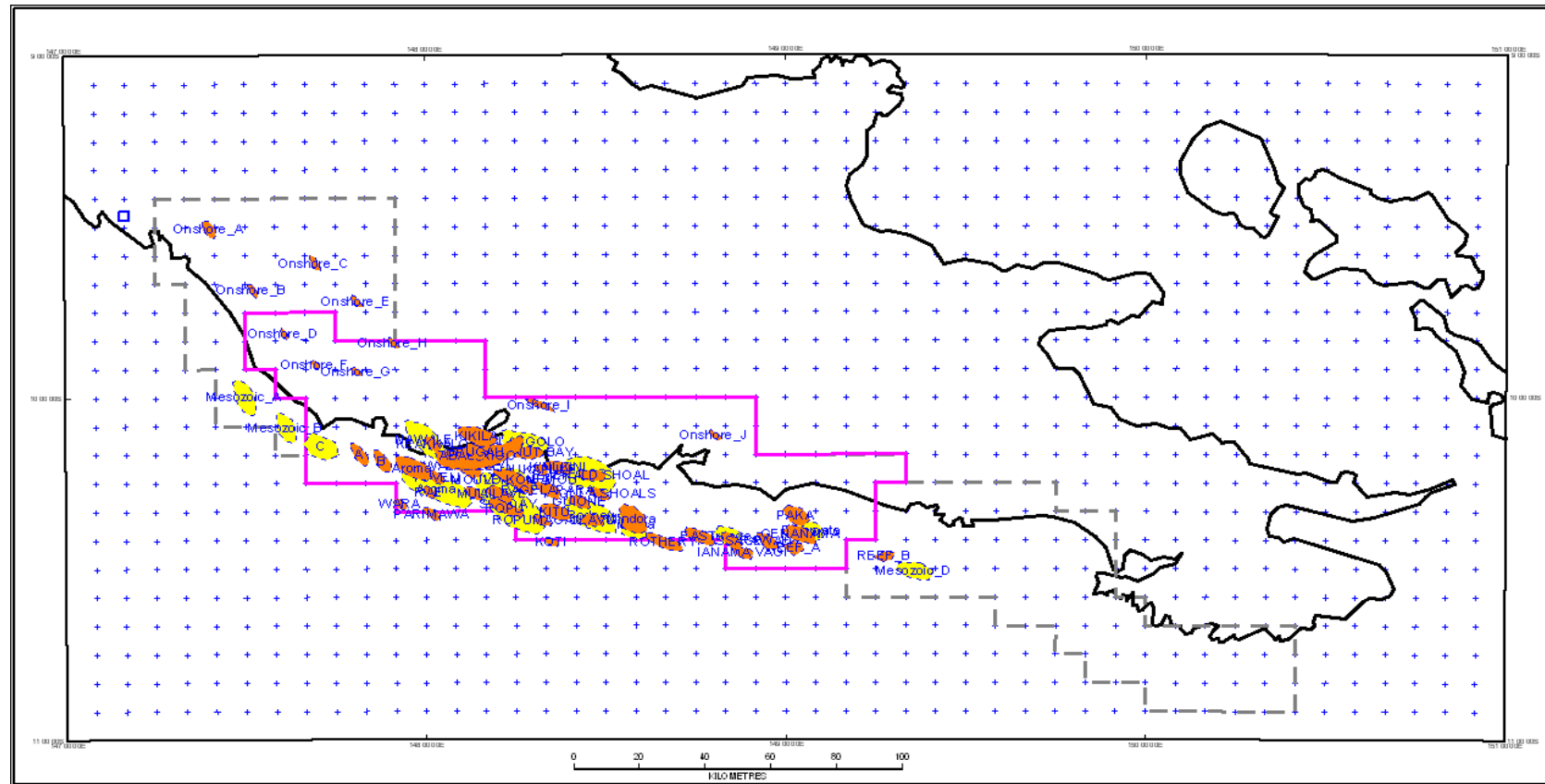


Relinquishment



By Law the end of Year 6 of exploration requires 50% of the PPL to be handed back To the PNG Government. As PPL326 is a very Large permit of 200 sub-blocks there is no difficulty in retaining the ‘sweet spot’ for future exploration. Not one strong lead or prospect has been lost.

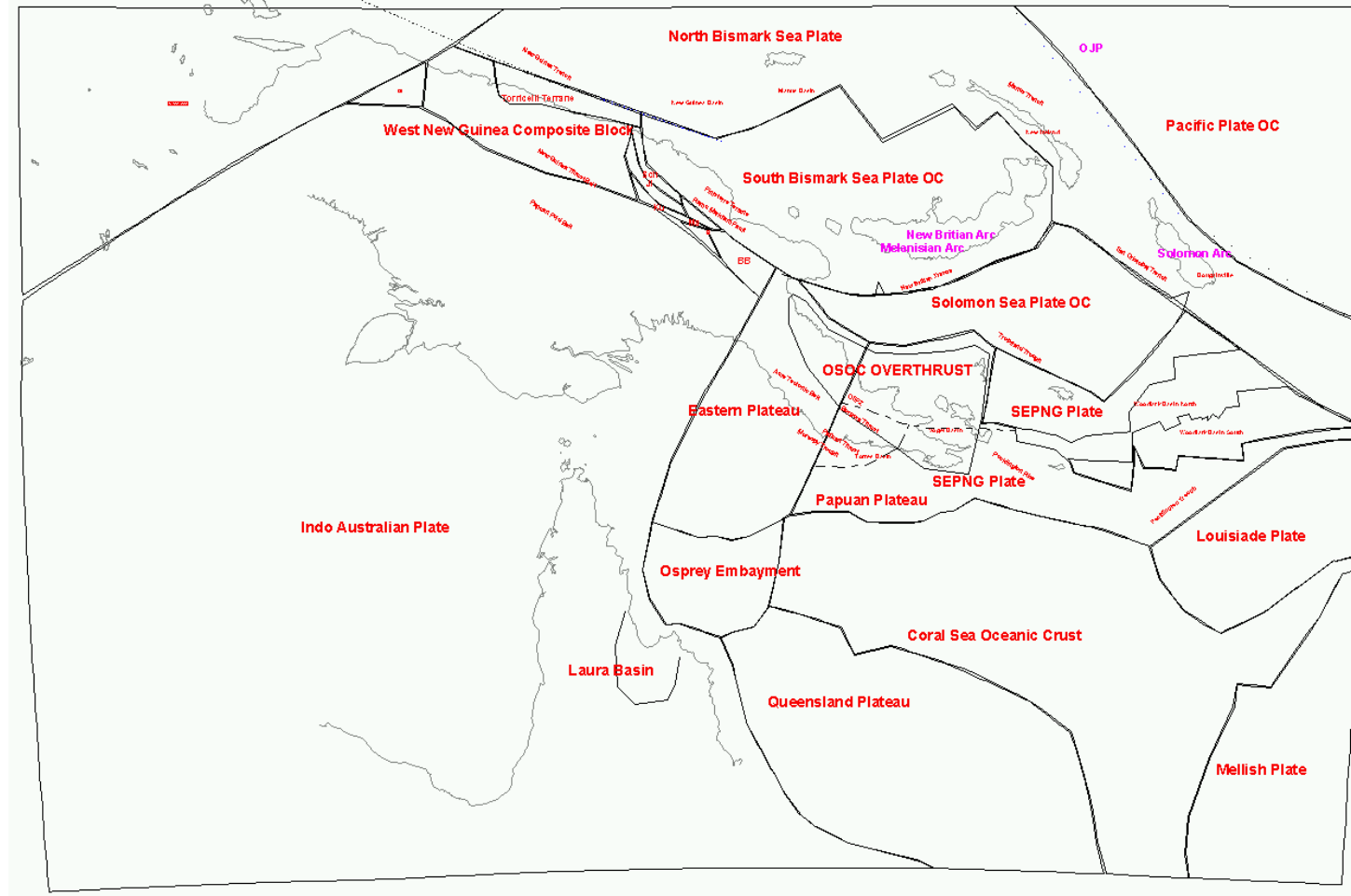
Purple outline is the new PPL326. We keep the bulk of the leads and all the prospects



Farmout Effort and Conferences



APPEX London March 2015 – Moyes & Co introduced opportunity to global players
SEAPEX Singapore June 2015 – Moyes & Co introduced opportunity to regional players
AAPG Melbourne September 2015 – PNG Basins Conference – country players the target.



Larus has aimed to further de-risk PPL326 with high level interpretation and modelling.
The extent of the Torres Basin has been increased, the petroleum systems are better understood.

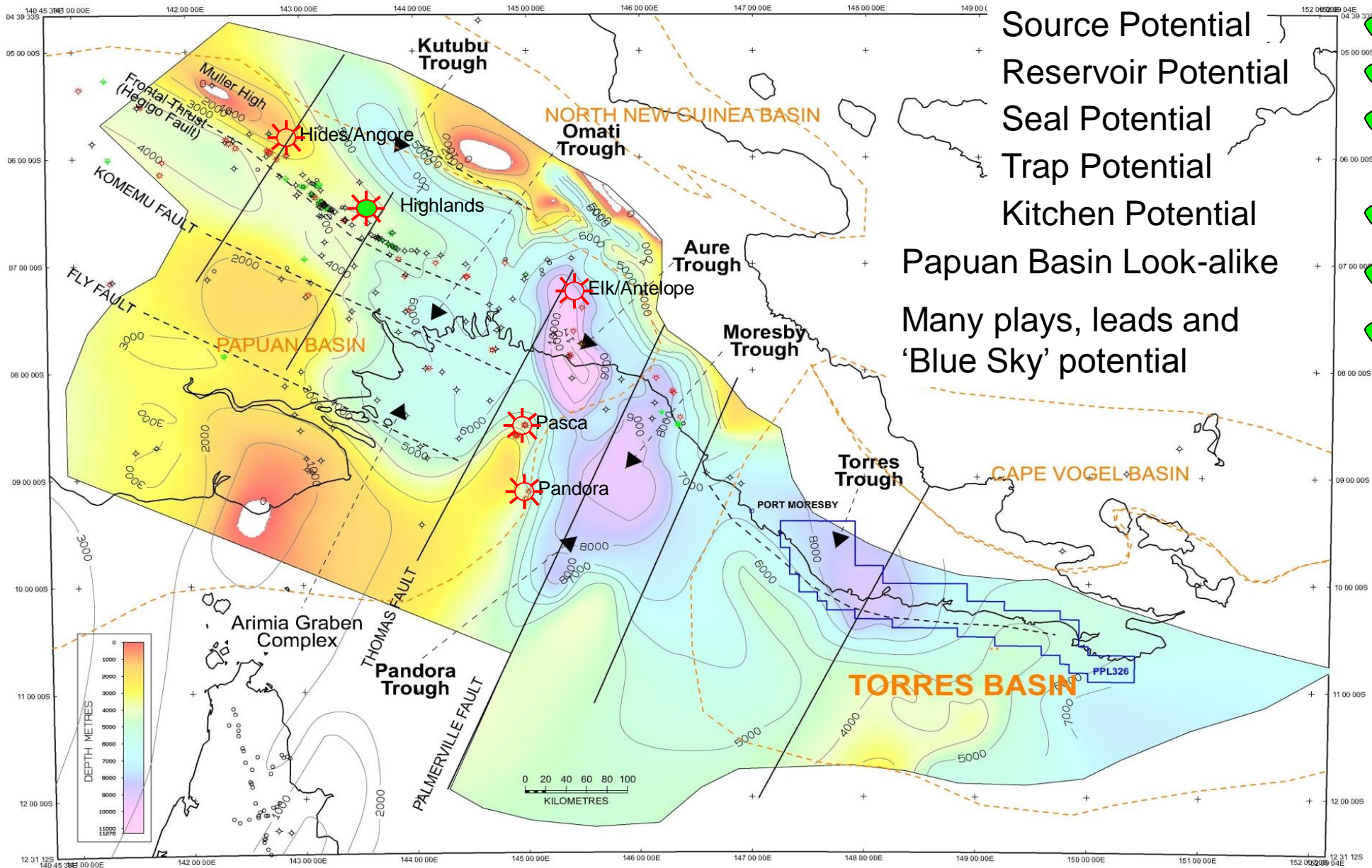
Forward Work Commitments

PPL326 License Extension, Minimum Forward Program					
Extension Period	Period 1			Period 2	
Extension Year	Year 1	Year 2	Year 3	Year 4	Year 5
Minimum Work Program	One Exploration Well (Onshore or Offshore) Geological and Geophysical Technical Studies Geological and Geophysical Mapping and Review Prospects and Leads Inventory Development			One Exploration Well (Onshore or Offshore)	
Minimum Expected Expenditure (AUD)	\$2,000,000		\$15,000,000	\$15,000,000	

Summary

- Consolidated PPL326 as world class frontier exploration permit.
 - Average one lead every 100 km², holding 61 M Bbls/3.6 TCF resource.
- Identified Abau-Rigo district a significant 'sweet' spot in PPL326.
 - Nearby active 'kitchen', numerous traps.
- Trendology points to significant 'Blue Sky' onshore Aroma Coast.
 - Large exploration potential in the SE offshore region (2000 km²).
- Multiple exploration-development pathways.
 - Easy oil and/or mega Gas/Condensate/LNG/LPG
 - Onshore and offshore
- Long term opportunity
 - Large stand alone or numerous 'daisy chain' developments.
 - Relinquishment without impinging core asset area.

Basement Map



Source Potential
 Reservoir Potential
 Seal Potential
 Trap Potential
 Kitchen Potential
 Papuan Basin Look-alike
 Many plays, leads and
 'Blue Sky' potential

