



# UNEARTHING NEW OIL & GAS PROVINCES

12<sup>th</sup> PAPUA NEW GUINEA  
MINING & PETROLEUM  
INVESTMENT CONFERENCE

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HILTON SYDNEY



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# Today's agenda



- Company overview
- Papua New Guinea – our focus
- Work progress
- Resource size and commercialisation
- Working in Papua New Guinea
- Health, safety and environment
- Summary



**A journey through other parts of PNG**

# Corporate overview



- Larus Energy Limited is ASX ready – corporate governance, independent geologist’s report, audited ASX compliant accounts, draft prospectus
- Spread shareholder base, no dominant shareholder
- Sydney Head Office, PNG office at Kupiano



## Capital structure (30 November 2012)

Shares outstanding	162.1m
Granted options (15-40 cents)	16.5m
Capital raised since inception	>A\$13m
Debt	Nil

## Shareholders

Number of shareholders	~460
Top 20 shareholders	38%
Board and management	7%
Market cap @ 20cps	A\$32.4m

**Our goal: develop data-rich, drillable, farmout-ready petroleum exploration assets**

# Larus Energy Limited – a PNG story



Larus Energy Limited is an Australian public unlisted petroleum exploration company with 2 assets:

- **Torres Basin, Papua New Guinea**  
**Onshore and offshore**  
PPL 326  
Area: 16,752km<sup>2</sup>  
100% Larus
- **Gippsland Basin, Australia**  
**Offshore**  
VIC/P63, VIC/P64 and T/46P  
Area: approx. 8,300km<sup>2</sup>  
100% Larus



**Focused approach with high potential uplift**

# There is more to PNG



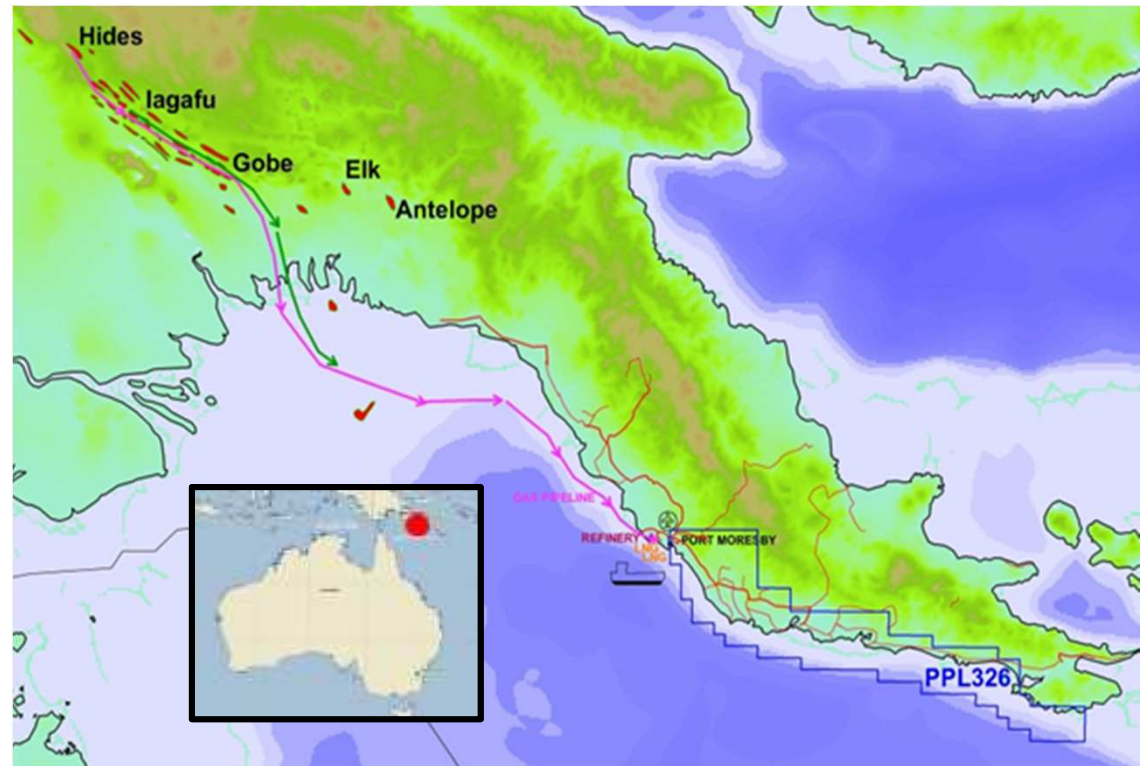
**PNG does extend east of Port Moresby**

# Larus Energy Limited – Focused on PNG



The Company's priority focus has and remains its PNG petroleum project in PPL 326

- We are in Year 4 of the initial 6 year term
- Work commitment has been completed on time and exceeded
- First time area under licence

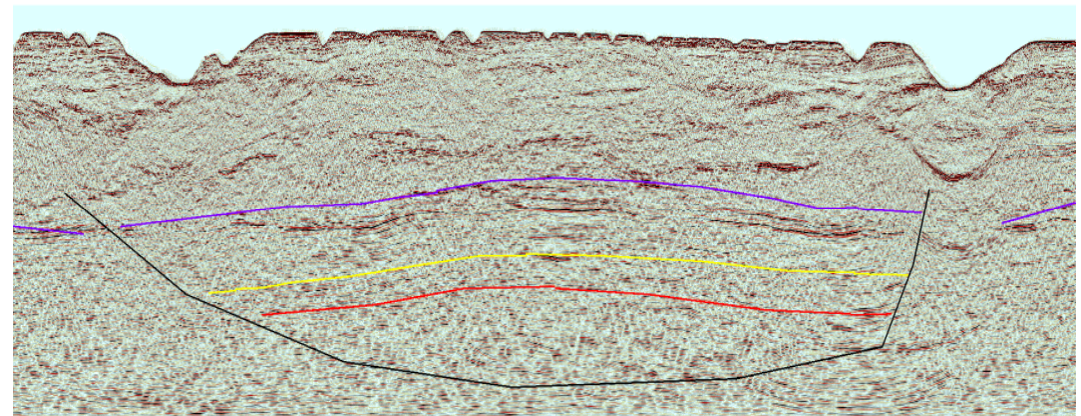
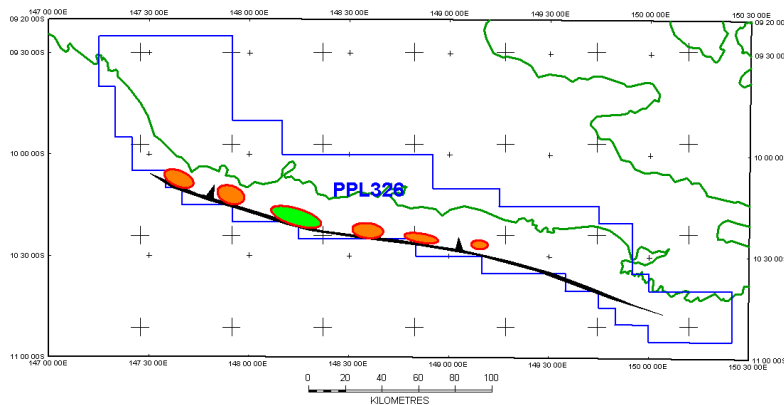


**Larus Energy is dedicated to developing oil and gas in PNG**

# Where were we in 2010



- 2010 conference we had just embarked on our exploration journey:
  - Just obtained Fugro-Searcher Lahara 2D 2006 seismic data
  - Just found the 1981 Sonne regional survey data
  - Identified a number of leads on the frontal thrust
  - Quantified Sunday Strong Lead as a structure much larger than Hides
  - Recognised we were possibly sitting on something special



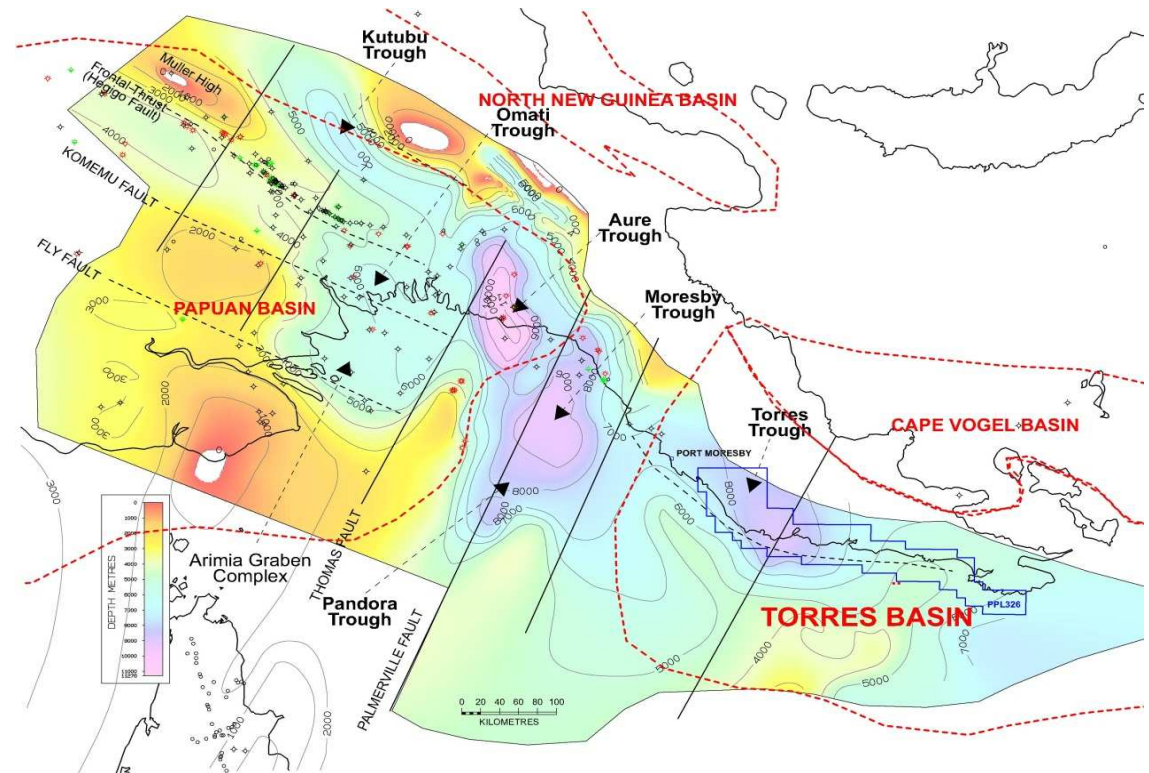
**Unique opportunity to unearth new oil and gas provinces in PNG**



# Where are we today



- Tantamount to a buried Highlands
- Contains its own kitchen
- The interpretation concludes that a Mesozoic petroleum system containing both source and reservoir is likely to exist
- All known existing plays in the Papuan can be demonstrated in the Torres Basin
- At least 12 plays to be pursued
- Key play risked at 40%, key prospect risked at 9%
- **World-class potential:** aggregate unrisked resource over 90 TCF gas in place and 1.5 billion barrels of oil in place so far identified



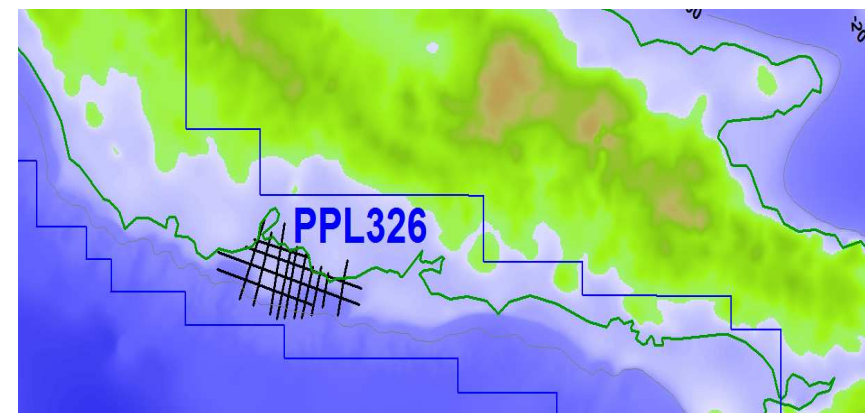
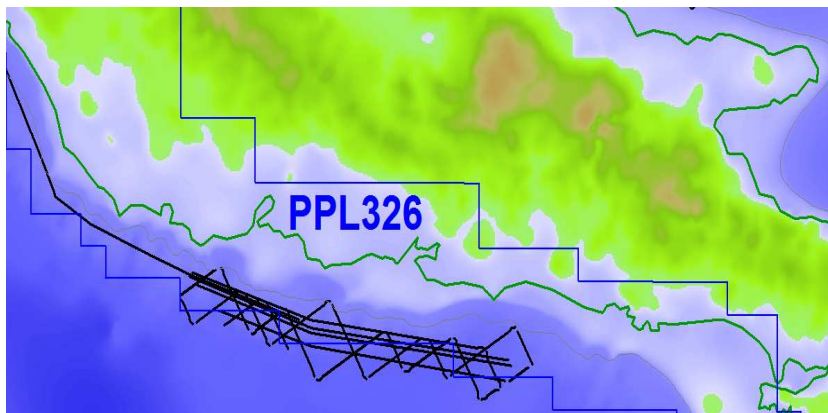
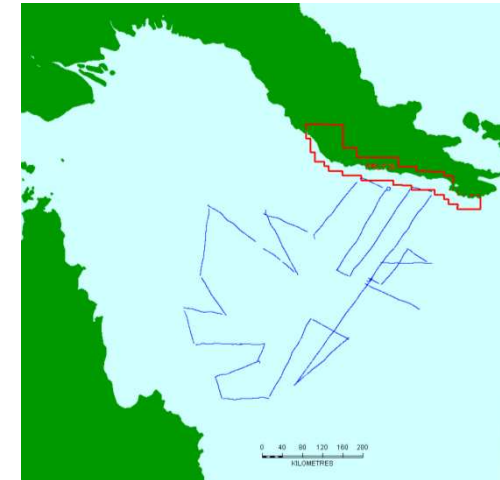
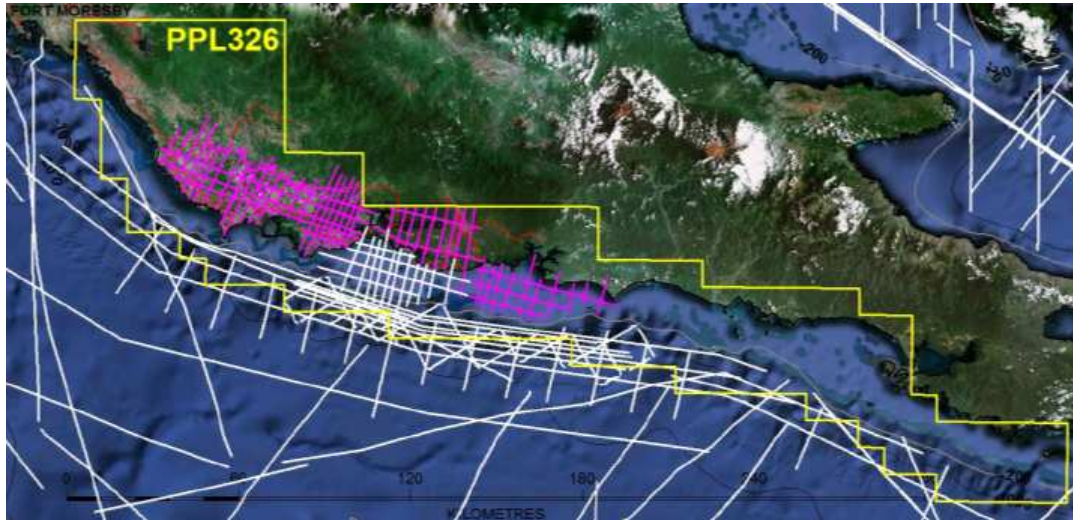
**New basin uncovered: twice the area of Highlands and world-class potential**

# Terrain differs from the rest of PNG



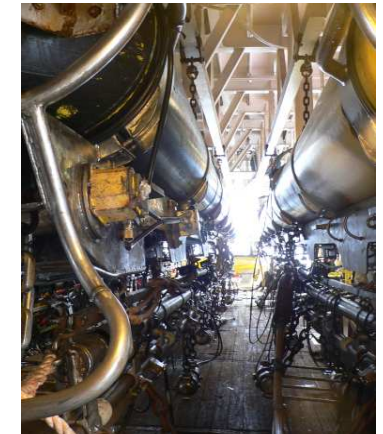
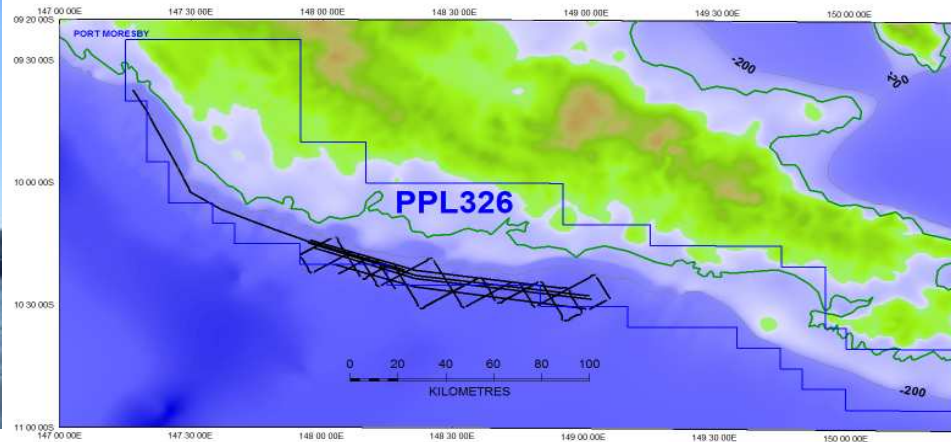
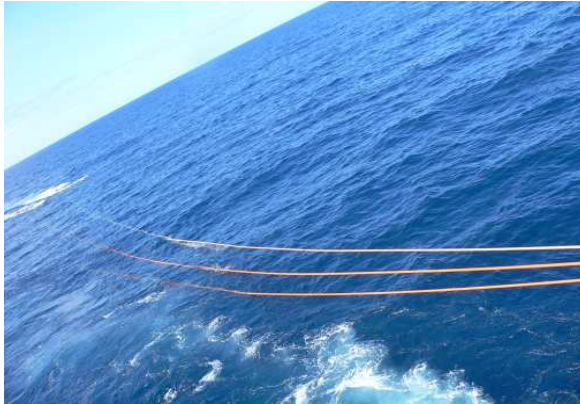
**No helicopters required!**

# Larus Energy's key advantage



**Larus is the ONLY company to have reviewed ALL data relevant to PPL 326**

# Baramata Deep Water Seismic Survey 2011

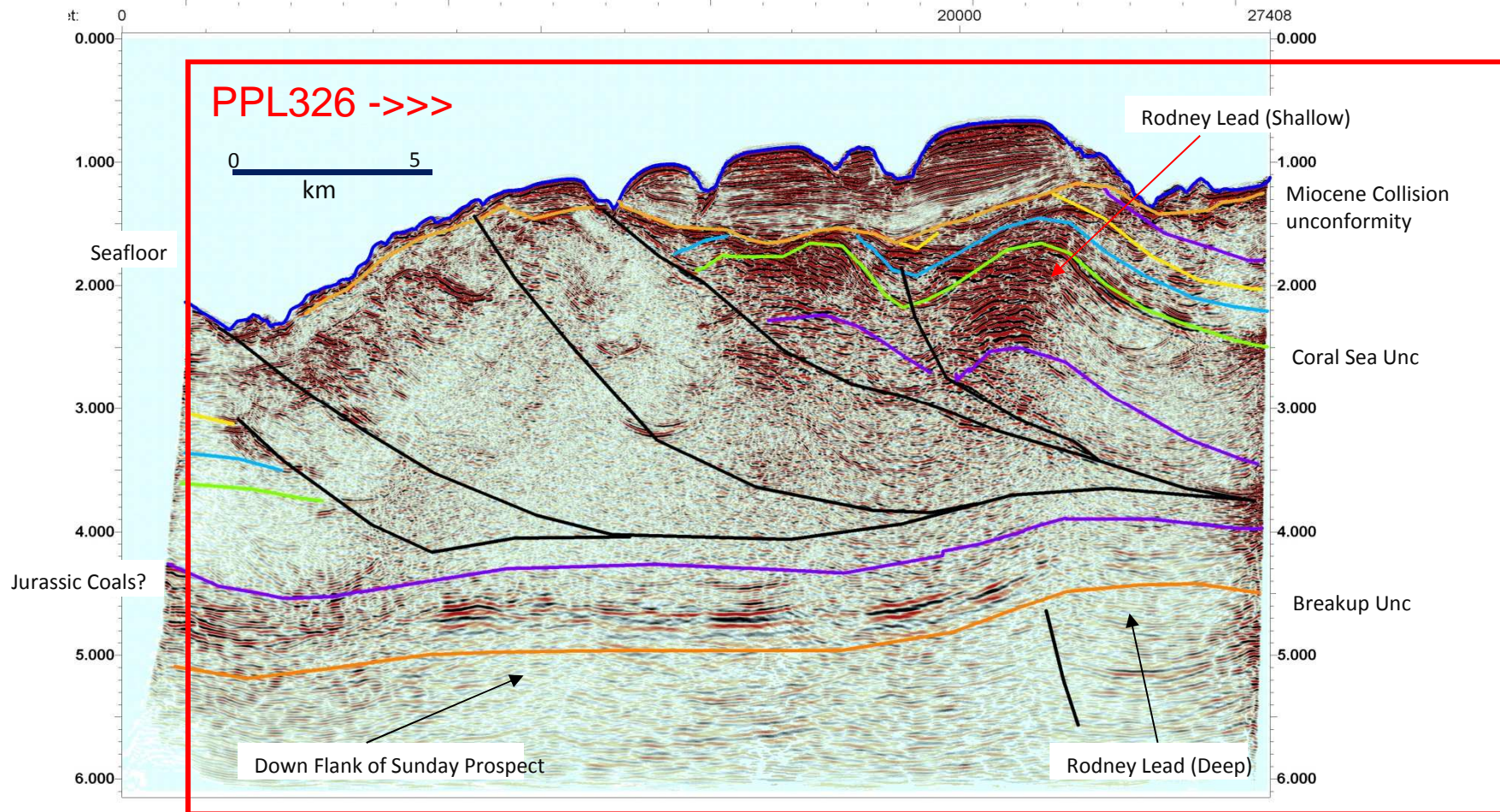


**1,000km of targeted 2D seismic provides more clues**

# Technical work highlights world-class potential



## Baramata 2D seismic survey – the first target-specific survey in the area

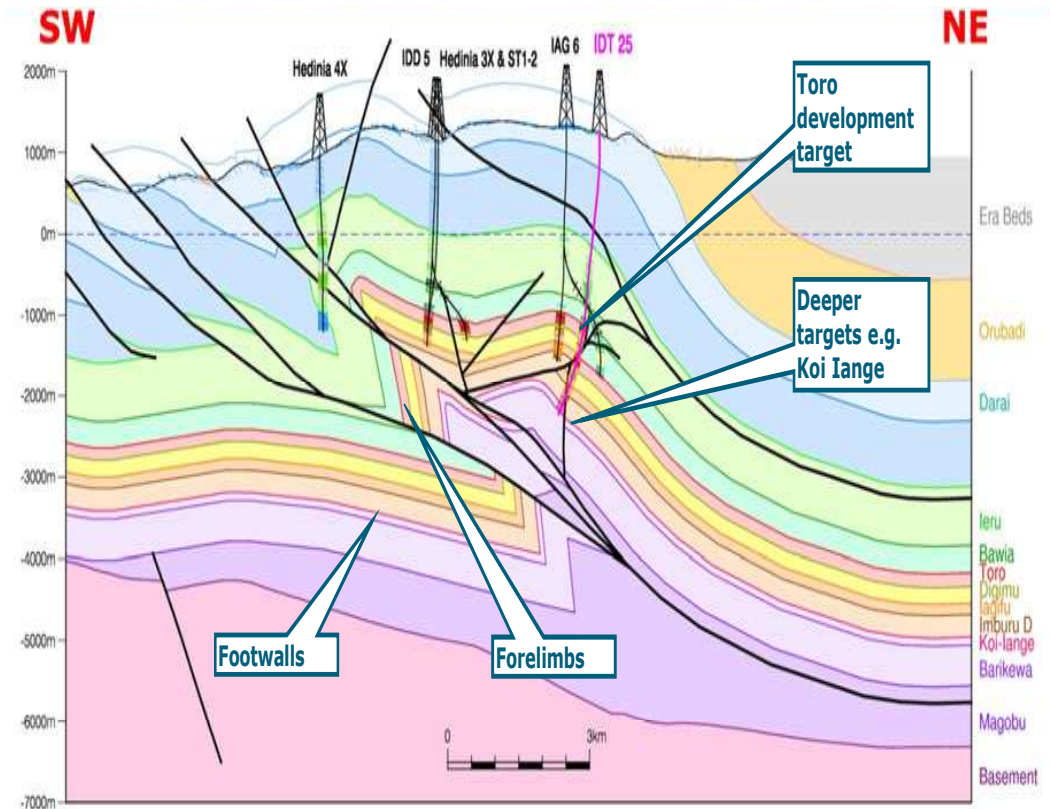
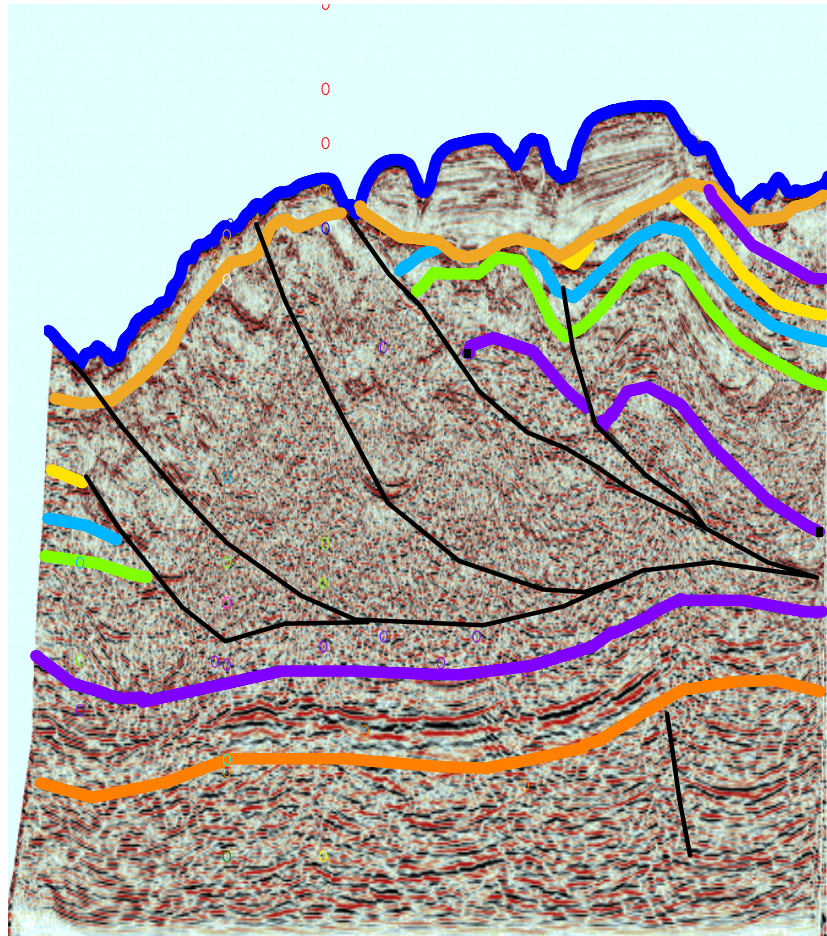


**Baramata survey shows PPL 326 amounts to a 'buried highlands'**

# Structural resemblance to Highlands



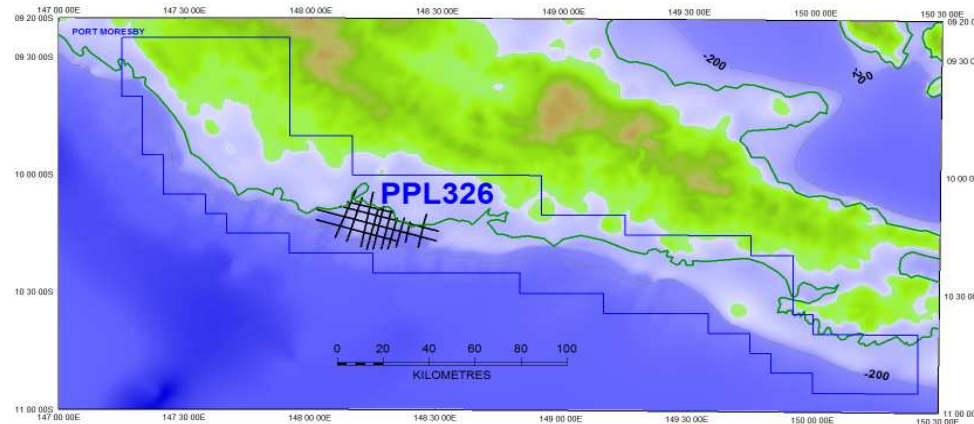
Baramata Deep Water Seismic Survey LB11-12 compared to Papuan Basin Highlands Geological Section



Source: Oil Search Ltd Investor Field Trip Presentation Nov 2011

**Structurally, south-east PNG is very much like the Papuan Highlands**

# Abau Shallow Water Seismic Survey 2012

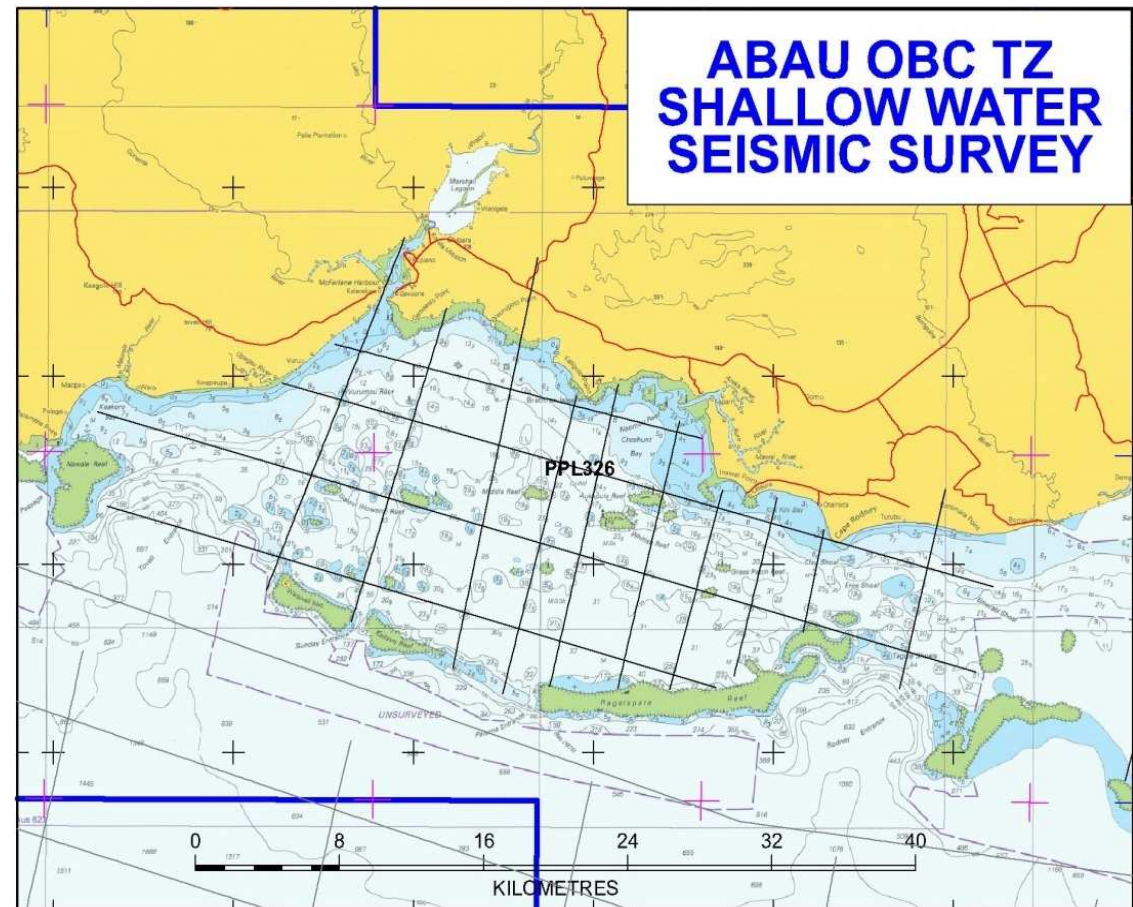


**300km OBC shallow water/TZ seismic unlocks more secrets**

# Shallow water 2D seismic survey



- Abau shallow water transition 2D seismic survey completed
- Data processed and interpretation being finalised
- Maturing existing leads and prospects
- Adding new leads, prospects and plays
- Produced a direct hydrocarbon indicator
- Shows the former hills now buried – under 800m of mud



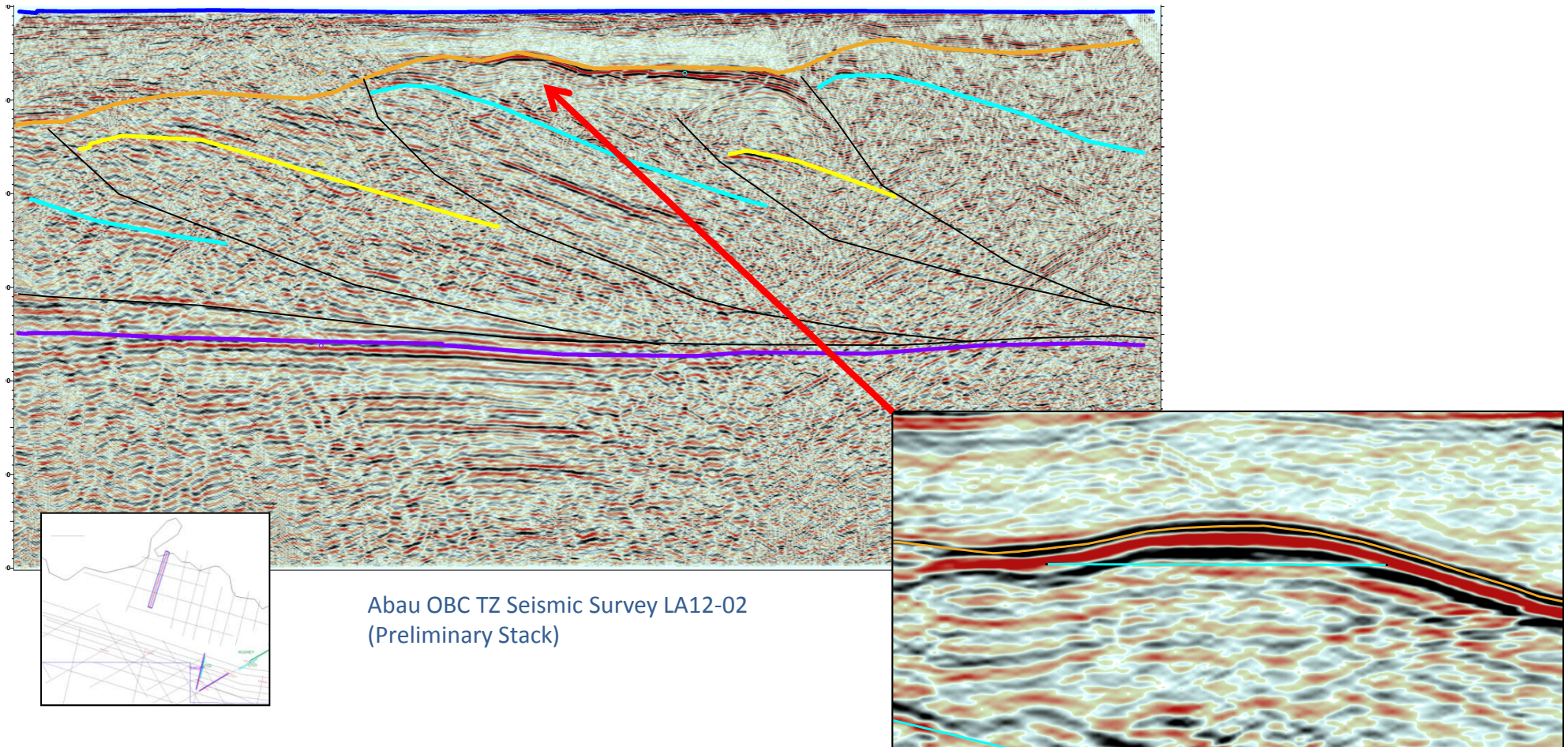
**More shallow water/TZ seismic will produce more prospects**



# PPL 326 just gets better



- The 'Holy Grail' of seismic exploration and usually a direct indication of gas in the system
- The lack of oil and gas seeps at the surface is now understood

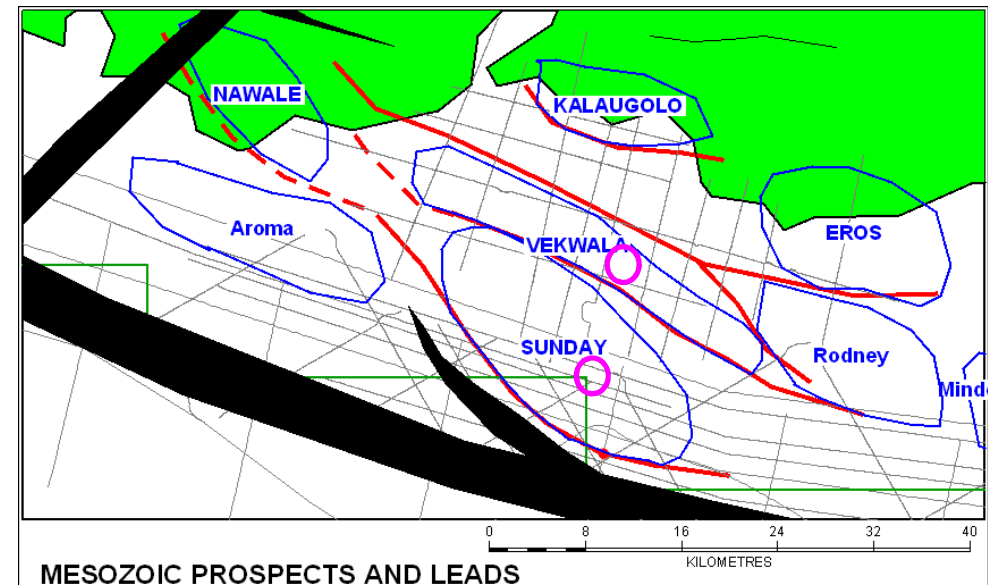
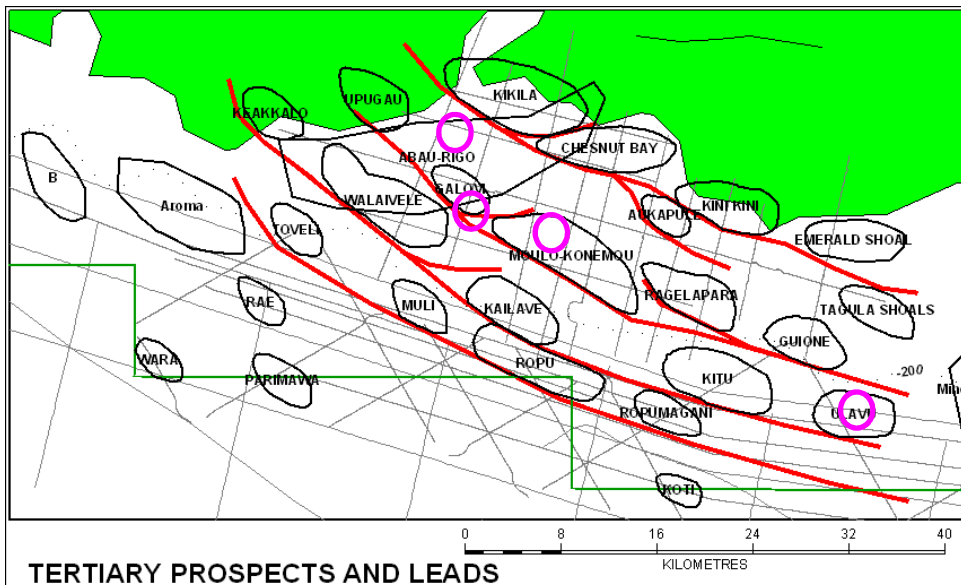


Abau OBC TZ Seismic Survey LA12-02  
(Preliminary Stack)

# PPL 326 – Prospects and leads



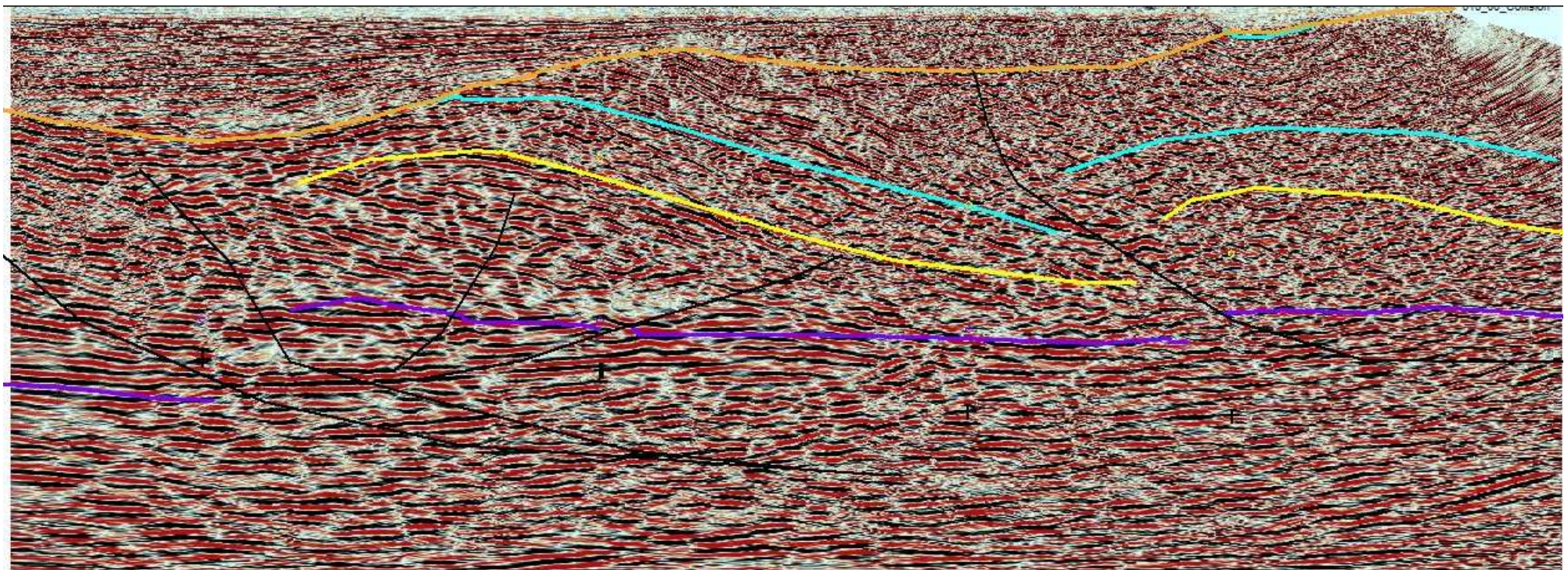
- Seismic data initially identified 50 leads/prospects – just the beginning
- Aggregate unrisks resource – 92 TCF gas in place and 1,500 MMbbls oil in place



# PPL 326 – Prospects and leads



- Vekwala Prospect – bigger than Sunday Prospect and in shallow water
- Unrisked resource – 13.9 TCF gas in place and 186 MMbbls oil in place (using published parameters for Hides)

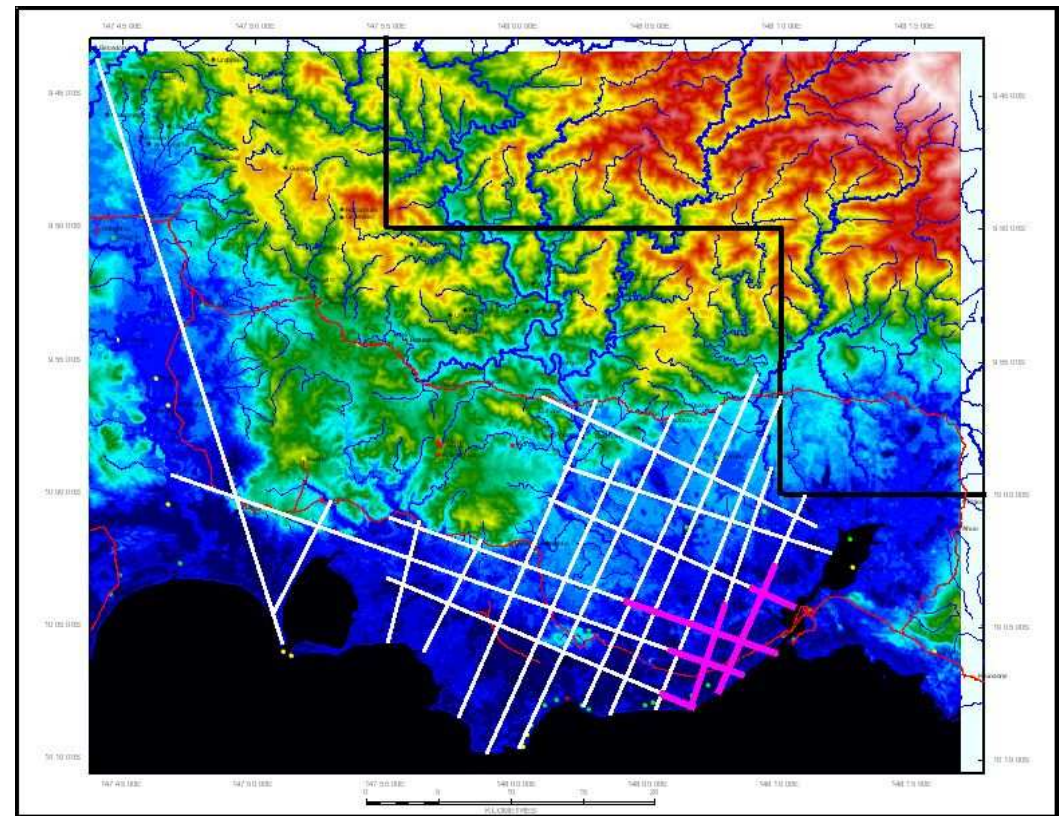


**The large structures just keep appearing**

# Work underway



- 300 – 450km onshore seismic program to commence shortly
- Line cutting well advanced using local crews
- Precursor to onshore drilling program planned to commence in 2013



# Good commercialisation prospects



- 180km by road to Port Moresby, only need 150km offshore pipeline
- Large Mesozoic targets lend themselves to an LNG project – existing, new, in the area
- Smaller shallower Tertiary targets expected onshore lend themselves to domestic gas – pipeline to Port Moresby (electricity generation), distributed CNG barged from Marshall Lagoon to isolated regions



# Working in PNG



- PNG headquarters established in Kupiano – provides closer link and access to people in the region
- Community awareness meetings have been occurring in the region and land access agreements being executed
- Local employment in areas where operating activities occur
- Local sewing club making uniforms
- We are small and an explorer, but support our region where we can



# Health, safety and environment



- Focused on HSE:
  - OBC technique used for Abau seismic survey in and around reefs
  - Fish monitoring program conducted as part of that
  - Onshore seismic to be acquired by mini-sosie or vibe where possible
  - Nil HSE incidents to date





- **Highly prospective, underexplored permit** in Papua New Guinea
- **100% owned permit** located close to major producers and infrastructure
- **Modern exploration** techniques being applied with modern datasets
- **Moving to bringing in experienced partners** to take exploration to the next level
- **Experienced Board and Management** with significant commercial, technical and management experience in the oil and gas sector

**PNG, a great place for developing oil and gas**



# Larus Energy – Join the excitement



## Larus Energy Limited

David Williams  
Managing Director  
[david@larusenergy.com.au](mailto:david@larusenergy.com.au)  
t: +61 2 8215 1519  
m: +61 419 779 250  
[www.larusenergy.com.au](http://www.larusenergy.com.au)

