



Presentation to  
2018 RIU Good Oil  
Conference  
Sept 2018



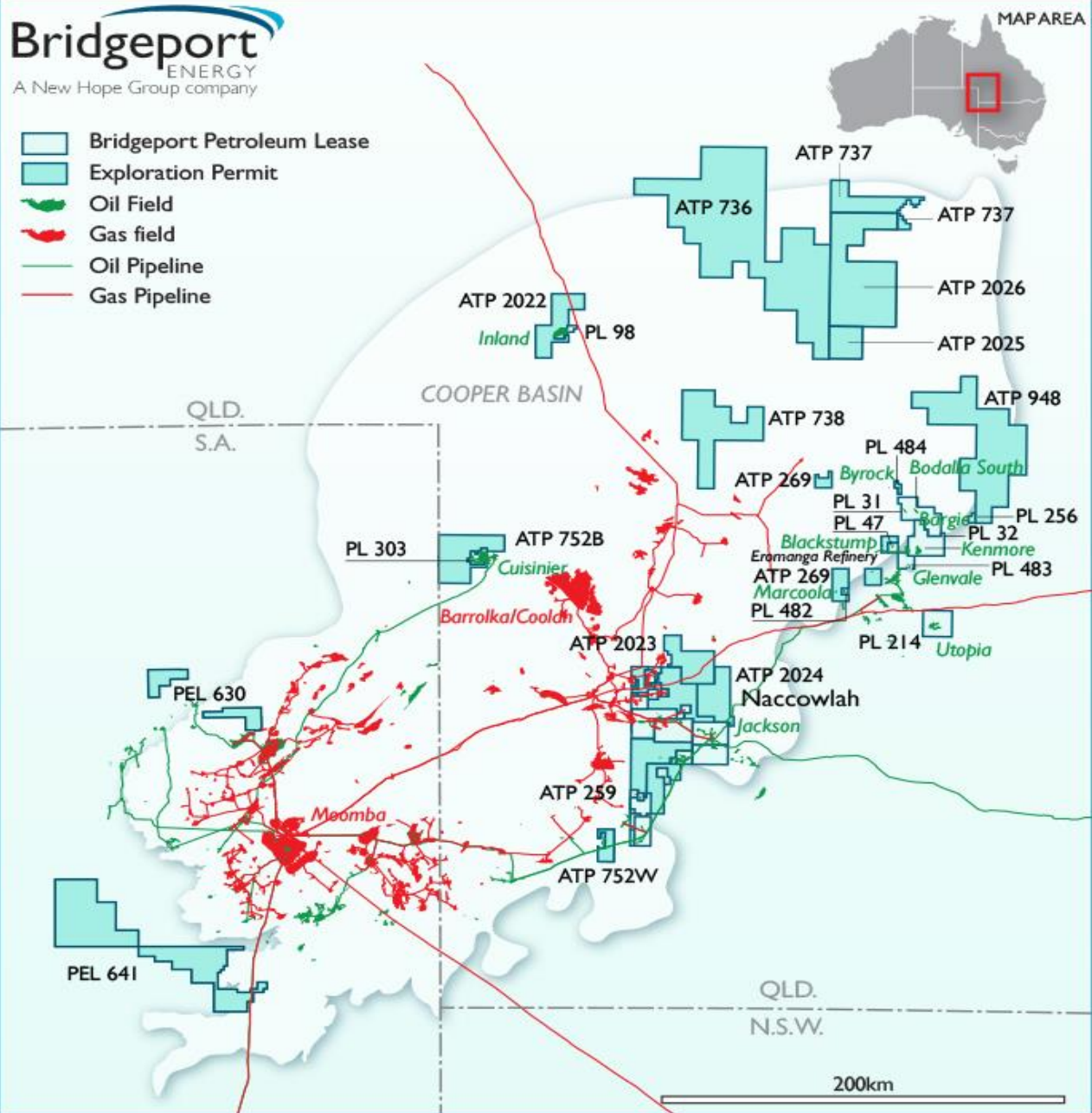
# Company Snapshot

- Established 2009 by former executives of ROC Oil and Anzon with private equity first acquisition small operated oilfield (<30bopd) in the Cooper Basin
- Highly qualified management team with extensive operations experience
- Wholly owned subsidiary of New Hope Group since 2013, after NHC took an initial equity position in 2011
- Profitable contributor to the New Hope group with current:

Production	375,000 barrels per annum
Revenue	\$30 million per annum
Staff	48

- Domestic security of supply and natural oil price hedge for New Hope Group
- Focussed on conventional oil (10 operated, 2 non-operated fields) in the Cooper and Surat Basins and reviewing opportunities for future gas production
- Operated fields supply domestic markets via IOR Eromanga and Caltex Brisbane
- One of only four significant operators in Cooper Eromanga Basin, 5<sup>th</sup> largest tenement area holder in and 4<sup>th</sup> largest liquids producer.

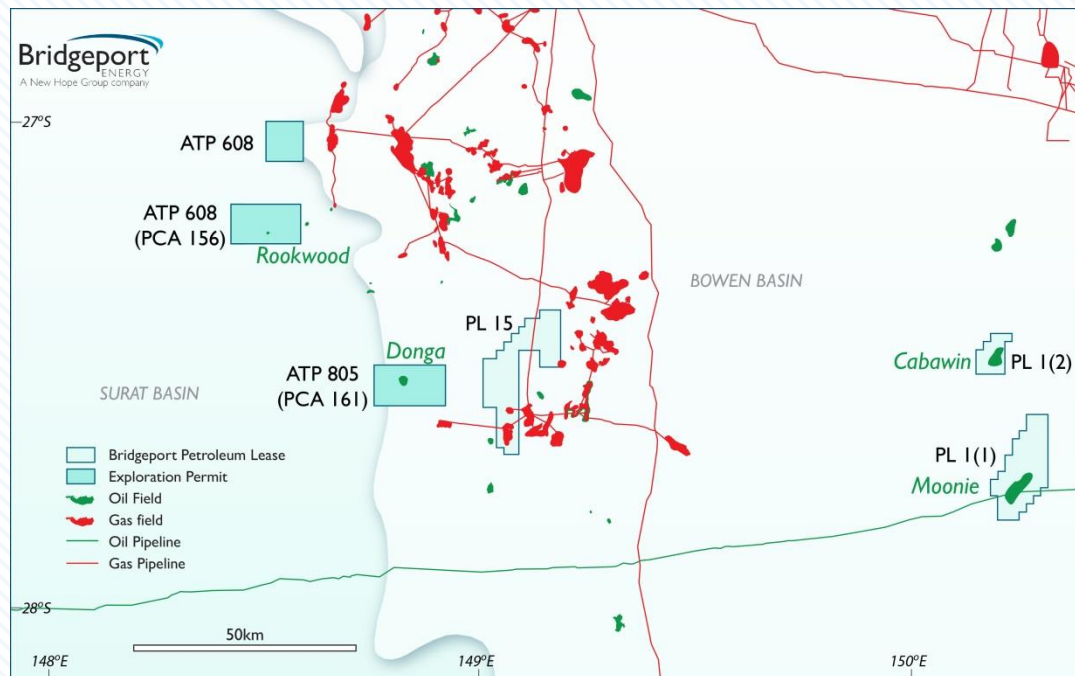
- Bridgeport Petroleum Lease
- Exploration Permit
- Oil Field
- Gas field
- Oil Pipeline
- Gas Pipeline



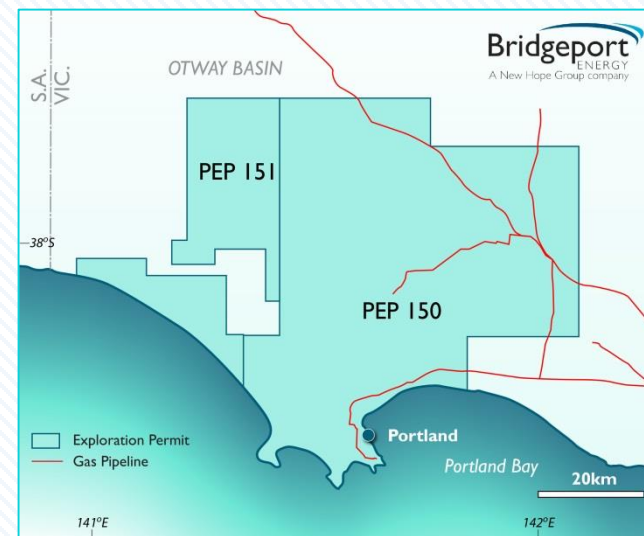
## Cooper Basin

**Note:** Oil - wet gas - gas production is inboard of Cooper Basin & oil is mainly outboard of the Permian edge

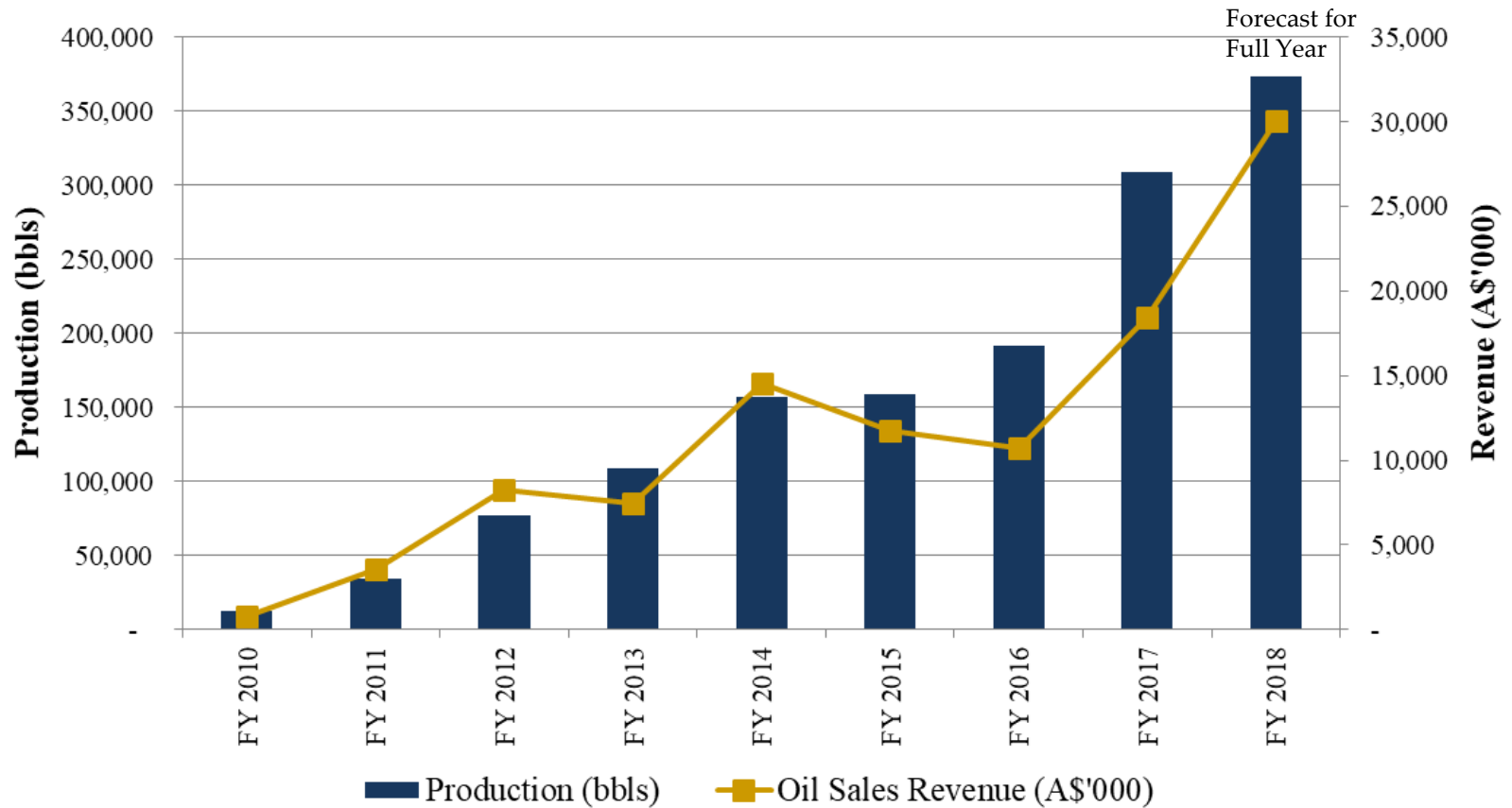
## Surat Basin



## Otway Basin (Moratorium to 2020)



## Bridgeport Energy Group Production and Oil Sales Revenue

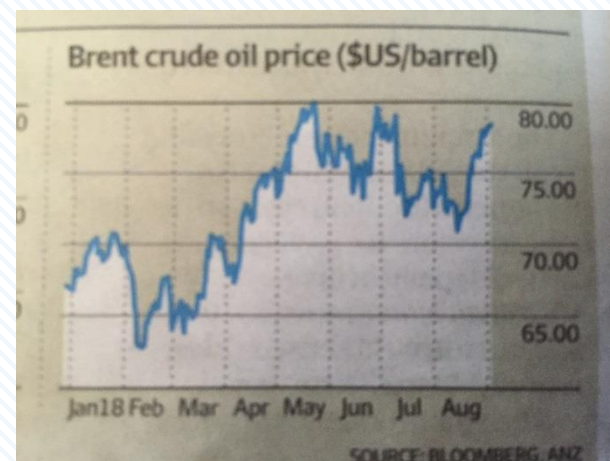




# Financial Overview

Financial Overview	FY 2018	FY 2017	% Change
Production Volumes '000 bbls	374	309	21%
Sales Volumes '000 bbls	342	283	21%
Revenue A\$mm	TBA	18.5	TBA
Average Realised Oil Price per bbl A\$	88	65	36%
Operating Costs* per produced bbl A\$	41	43	-3%
EBITDA A\$'mm	TBA	1.7	TBA

- Field + oil transport costs to market but excluding royalties
- Company financial results reporting date 18 Sept as part of NHCL Group



# Strategic Objectives

- Volume growth and low cost operations to generate cash flow
- Target strategic acquisitions to complement asset lifecycle
- Focus on high potential exploration targets
- Utilise own drilling rig to minimize well costs and optimize capital decision making in changing market conditions
- Reserves replacement from existing portfolio
- Reserves growth from acquisitions and EOR activities
- Prioritise EOR project to maximize recovery efficiency
- Maximise performance from our agile workforce

## Low cost production operator in the Cooper Basin

- Field operating costs: A\$28/bbl
- Transport & handling costs: A\$17/bbl
- Royalties: A\$5/bbl
- Netback (at US\$75/bbl, exchange rate of 75c): A\$50/bbl

## Lowest cost wells in the Cooper Basin

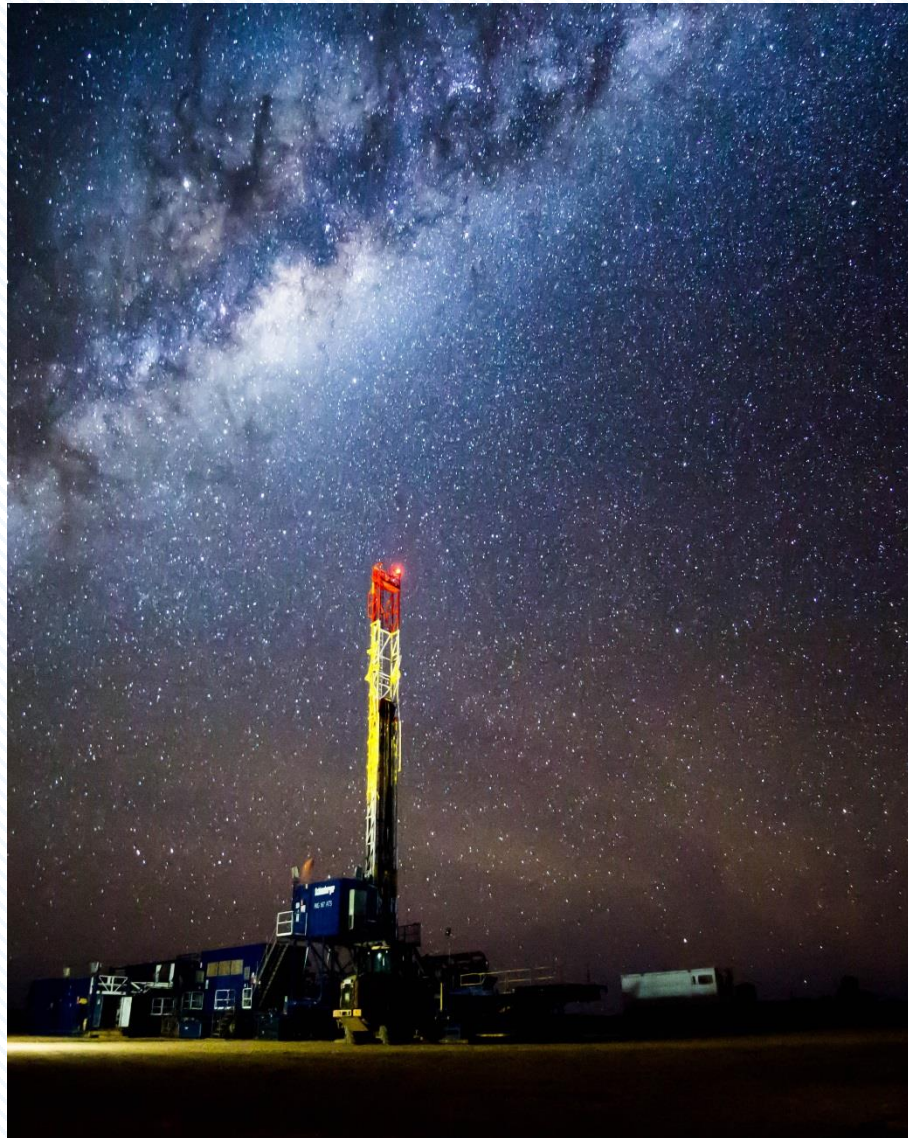
- **Drilled completed and on pump** targeting:
  - A\$1.2mm for shallower wells (up to 1,500m)
  - A\$1.8mm for deeper wells (up to 2,700m)
- Typical Capex to deliver 2P undeveloped and 2C of **A\$10-20/bbl**
- Greater than **10** years of reserves cover at current production rates
- 38 wells drilled since start-up, 5 operated development wells planned this year

## Secrets to low cost operations

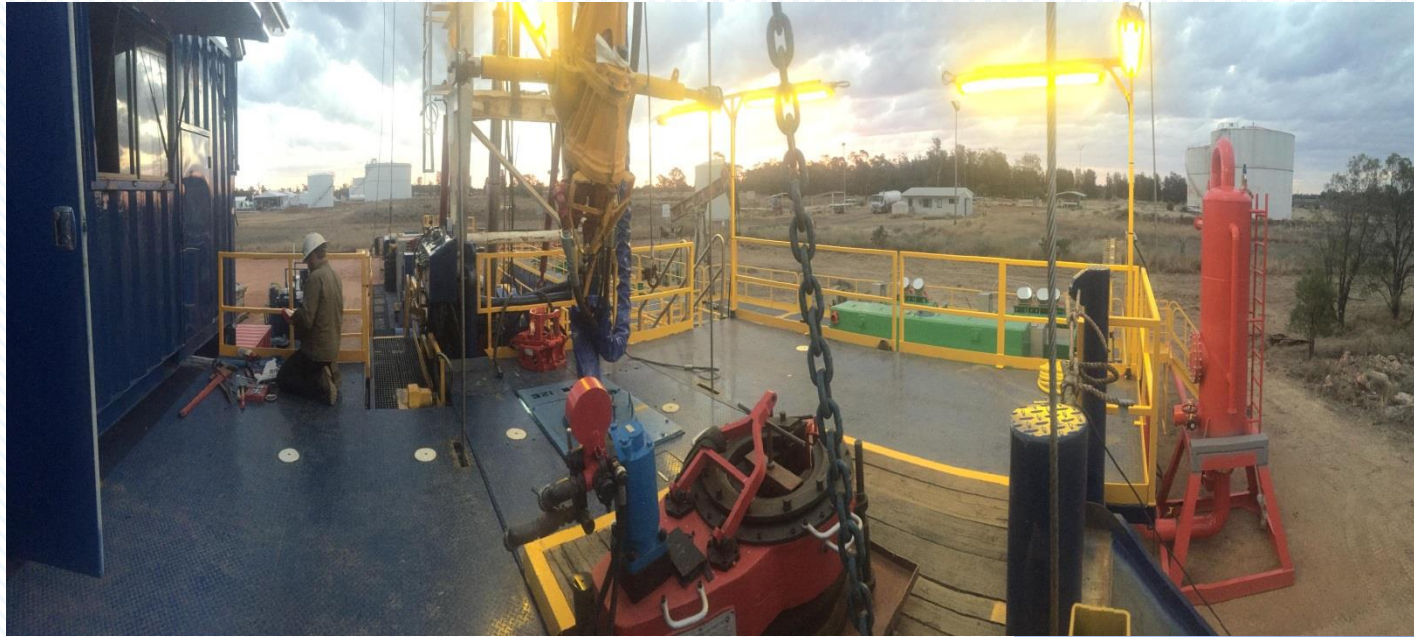
- Strong partnerships with suppliers
- Continuous focus on detail and improvements
- Reuse and recycle equipment for maximum economic benefit
- Multi discipline trade trained production supervisors and operators
- Own your own equipment (eg: service and drilling rig) where it makes sense
- Focus on operation days and the dollars resolve themselves



# Bridgeport Operations



# Bridgeport Operations (BDR1)



Controlling our capex and well  
service costs





## **Four Key Operated Producing Areas:**

**Moonie, Kenmore Hub, Utopia and Inland (10 fields in total)**

## **Production Activities**

- Self owned service rig (BDR-1) continually working fields
- Upgrading and recertifying facilities to ensure production integrity
- Looking at repowering alternatives (PV where feasible)
- Providing produced water to pastoral landowners
- Ongoing remediation and replanting of rehabilitated areas to establish biofuel stock option for pastoral landowners
- All fields under review for CO<sub>2</sub> enhanced tertiary oil recovery

## **Drilling Activities**

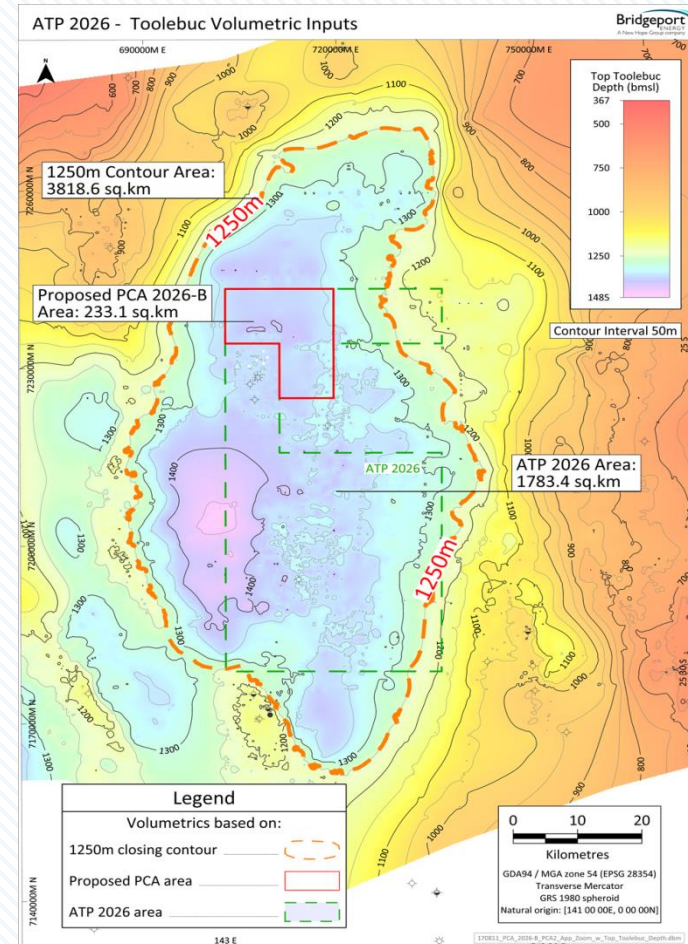
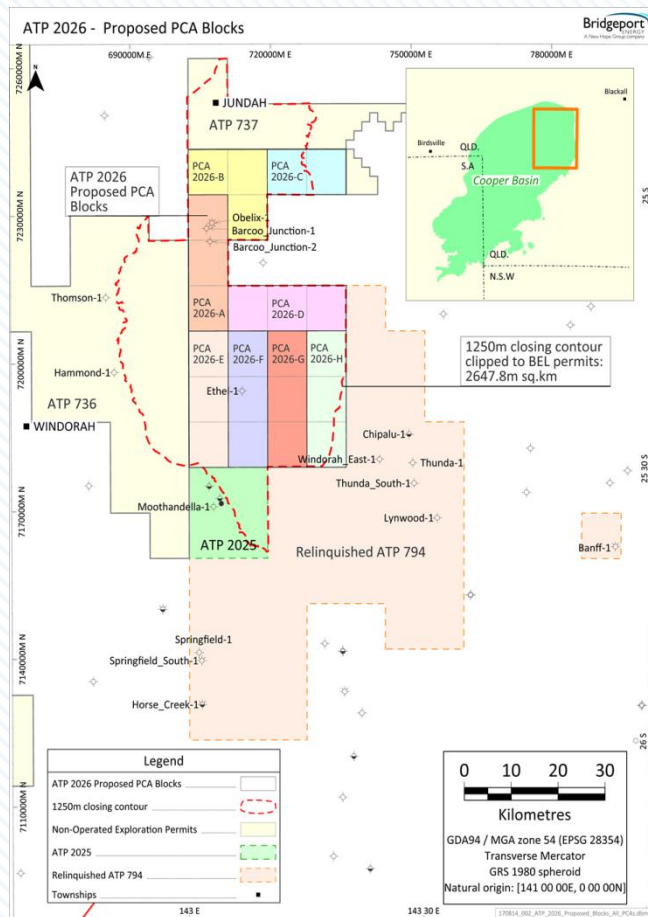
- Historically contracted drilling rigs for infill drilling
- Recent refurb of BDR-1 self owned rig to drilling capable
- Currently drilling 5 operated development wells (Moonie and Utopia)
- Completed 15 workovers in past budget year, further 15 this year

## **Exploration Activities (QLD, SA and VIC)**

- Portfolio acquired through production acquisitions and gazettals
- Seismic acquisition programme Q4 in QLD tenements
- Sourcing existing field data for widespread seismic reprocessing
- Preparing for lifting of Victorian moratorium - prospect drill ready in PEP 151
- Farm out campaign underway for some of our 100% tenements

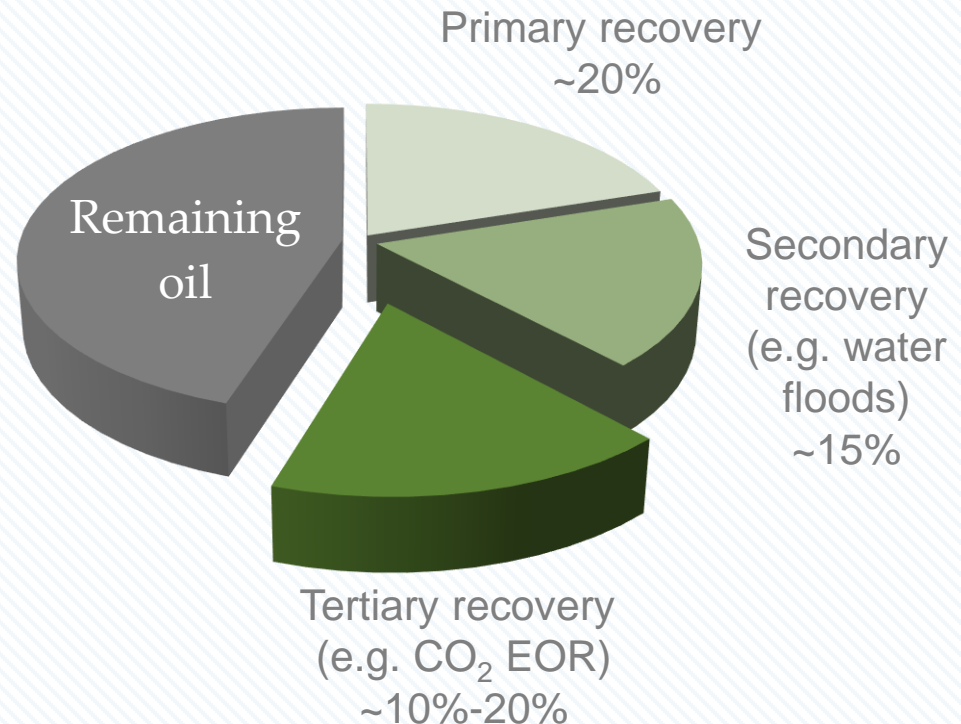
# Exploration & Appraisal Activities

- Evolving 1,500m depth shale play in NE Cooper with material gas liquids resource (coring and testing awaiting issue of PCA's). Farming down.
- Two gas wells completed in PEL 630 South Australia (both P&A, one tested wet gas at 1.5mmcf/d), Beach operated.



# Game Changer – EOR Appraisal Activities

- Moonie Oil Field has >80mmbbls OOIP and has produced 25mmbbls
- Opportunity for tertiary recovery 10% incremental would be achievable (reservoir modelling completed)
- CO<sub>2</sub> enhanced oil recovery project advancing into pilot phase. Dual benefit with increased oil production and sequestration of CO<sub>2</sub> throughout the process
- Pilot phase up to 200,000 tonne/yr, full field phase up to 1 million tonne/yr
- CO<sub>2</sub> source from small industrial emitters and opportunity to move to large scale sourced from coal fired generators





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# Questions

