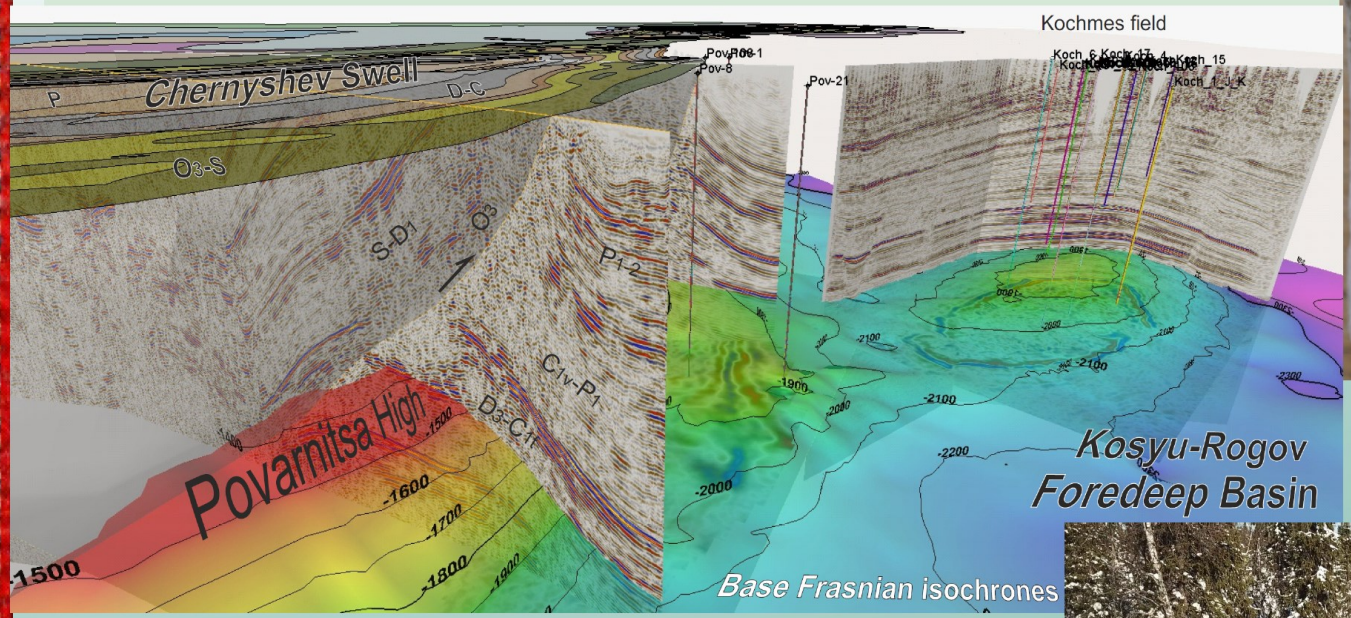
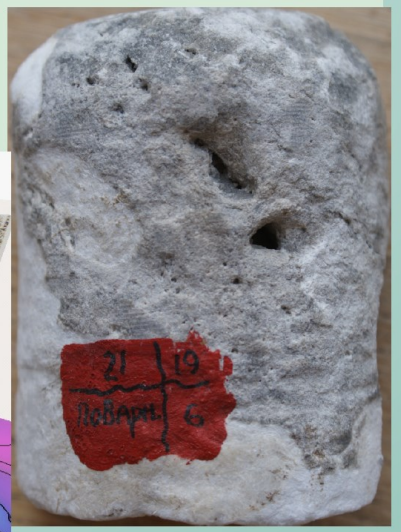
North Uralian Petroleum Company

Farm-Out Presentation





Moscow, October, 2020

Opportunity summary

- North Uralian Petroleum Company (NUPCo) is seeking a partner to develop their project in Timan-Pechora which is one of the World's superbasins

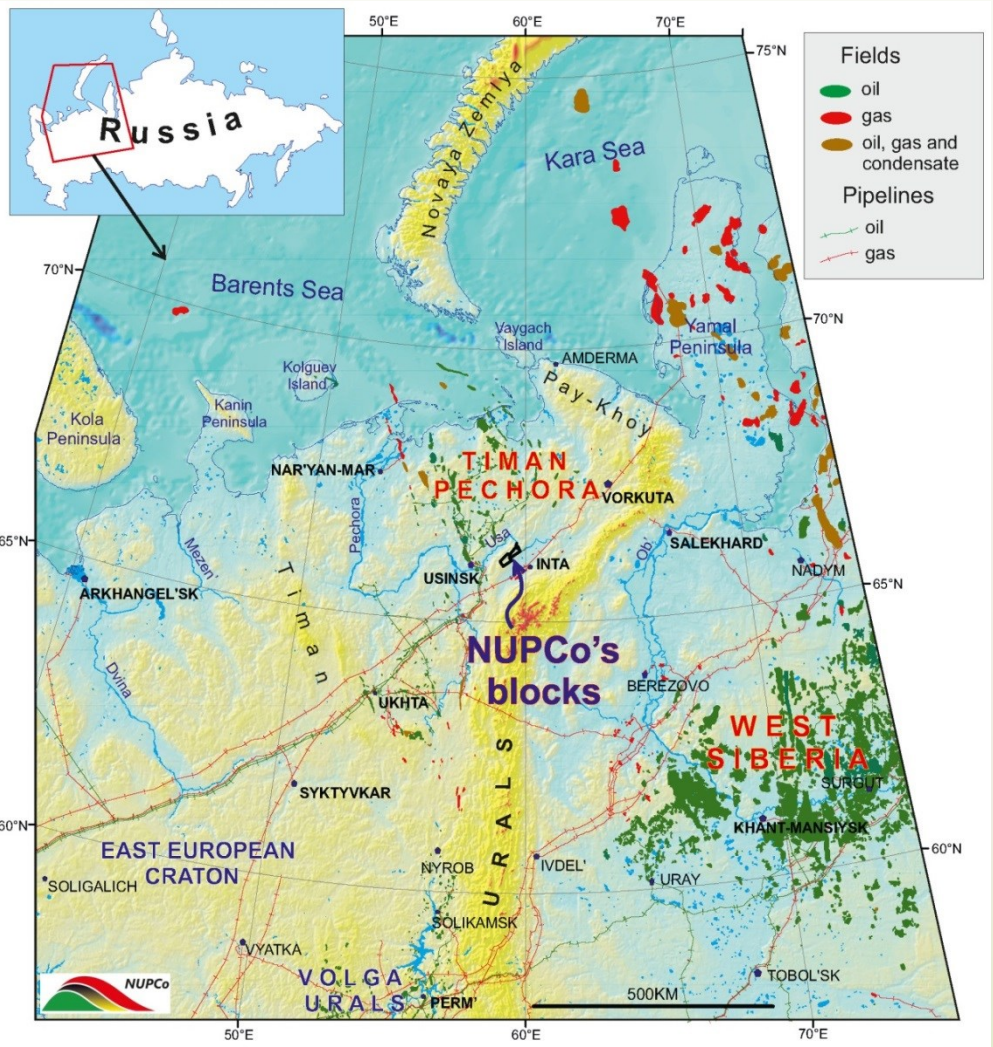
- Registered in Ukhta (Republic of Komi) NUPCo is a private company with 100% interest in 2 petroleum licenses located in the area with proven petroleum systems

- NUPCo acreage includes a huge drill-ready prospect with 462MMboe 3P conventional oil reserves and several additional leads providing upside.

- The transaction offers low-cost & low-risk access to large recourse base with potential of the development of new oil production hub

North Uralian Petroleum Company

NW Russia elevation map



Main features

✔ experienced team based in Moscow and Ukhta (Republic of Komi)

✔ 2 licenses in Republic of Komi: Kochmes 10 & Yuzhno-Povarnitskiy

✔ total acreage 550 km^2

✔ 1 flowing cased well, drilled in 1985 on flank of prospect, light oil 0.81g/cm^2

✔ acquisition of new 3D seismic survey and integrated reinterpretation of legacy dataset, identification and mapping of a large prospective structure

✔ officially approved extractable oil resources of the Povarnitsa prospective structure: D_0 63.369 mln. t./462.6 MM bbls (Juny 2020) and significant upside

✔ high impact opportunity is ready to drill

✔ no outstanding legal or financial obligations

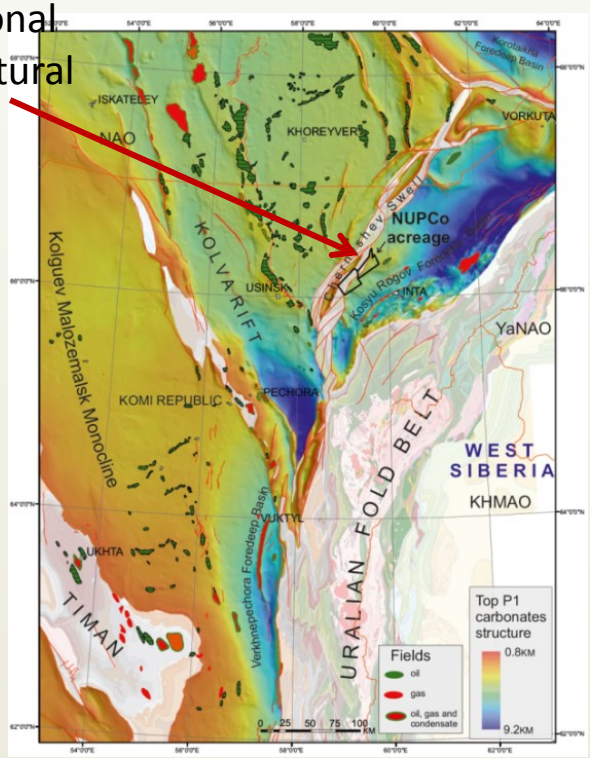
✔ special Arctic tax terms (July 2020)

Blocks selection criteria

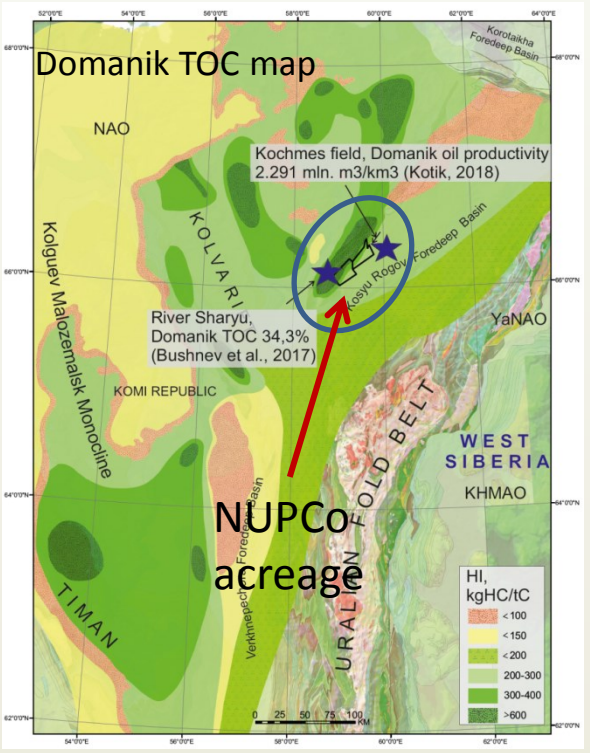
✔ presence of large conventional oil prospects
✔ drillable depths ranging from 1 to 4 km
✔ potential for the development of a new oil production hub
✔ high probability of flow rates from 1500 bopd
✔ near-term pilot oil production potential
✔ robust economics

North Uralian foreland structure

Regional structural high



World-class mature source rock

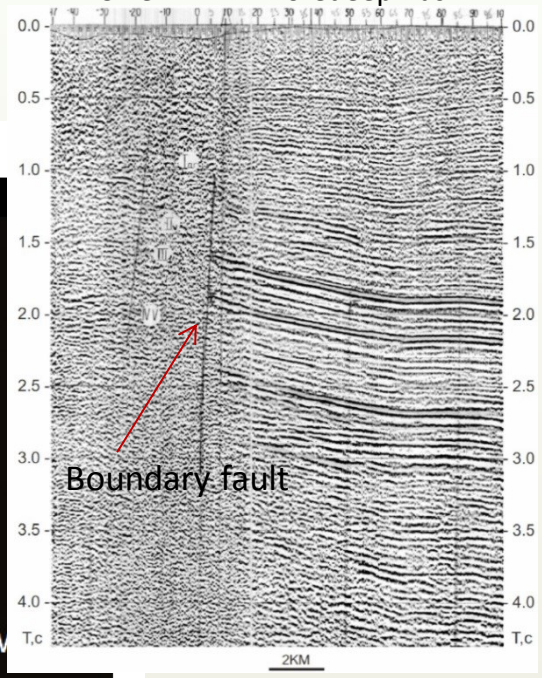


Revisiting legacy exploration site

Past drilling campaign took place in 1985-87. It was based on poor resolution seismic data. The subthrust extension of the Povarnitsky High was not mapped. All wells showed oil. Well Povarnitsa-21 flowed light oil from the Upper Devonian carbonates. New data, including 3D seismics, show large 3-way dip closure juxtaposed against salt wall.

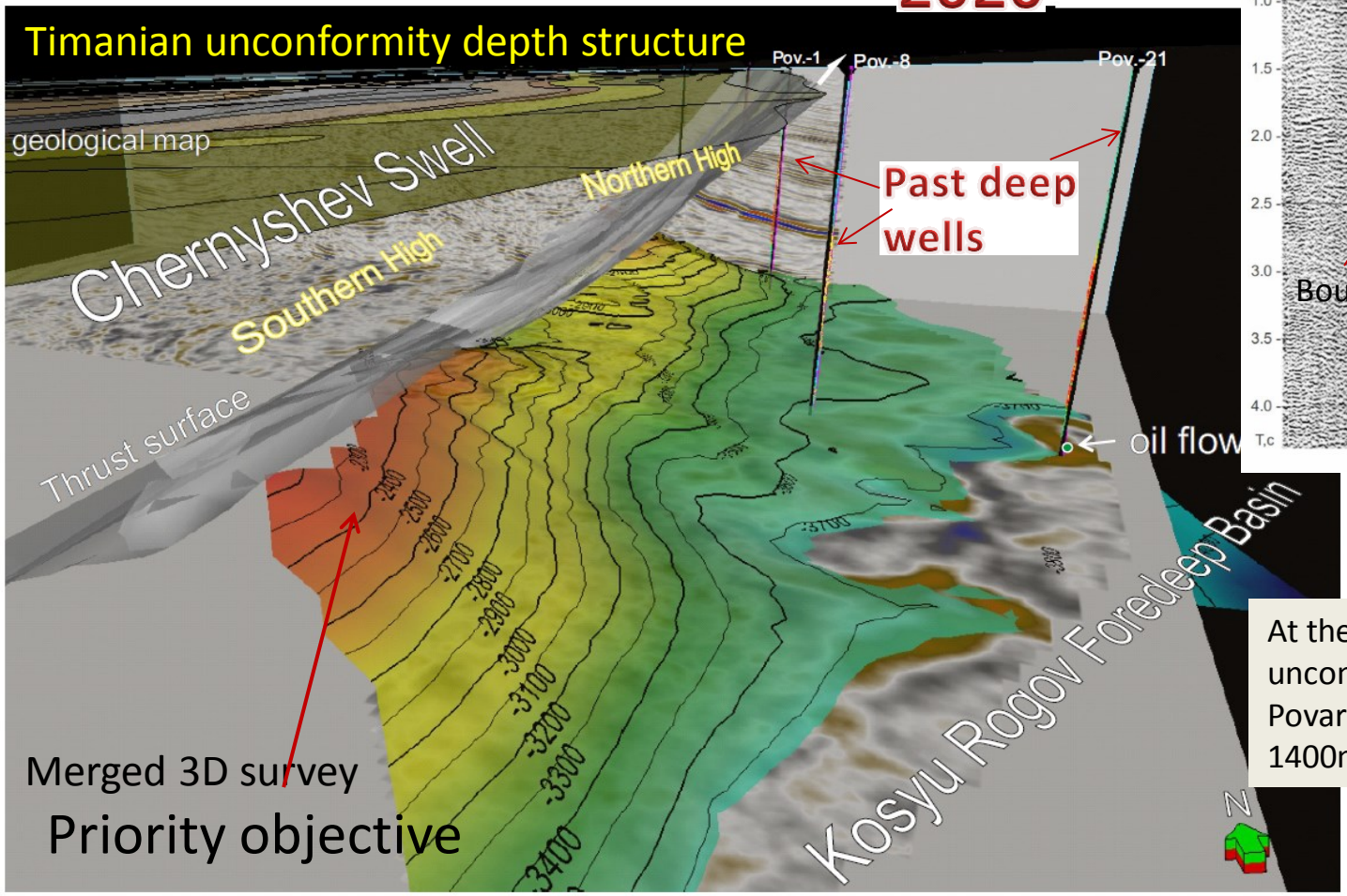
1980s

Chernyshev Swell — Foredeep Basin



Vintage (1984) seismic data

2020



At the Timanian (Frasnian) unconformity level the Povarnitsky High features up to 1400m of structural relief

NUPCo' G&G database

✔ 3 deep and 1 shallow wells, oil shows in all, oil flow from 21-Pov.

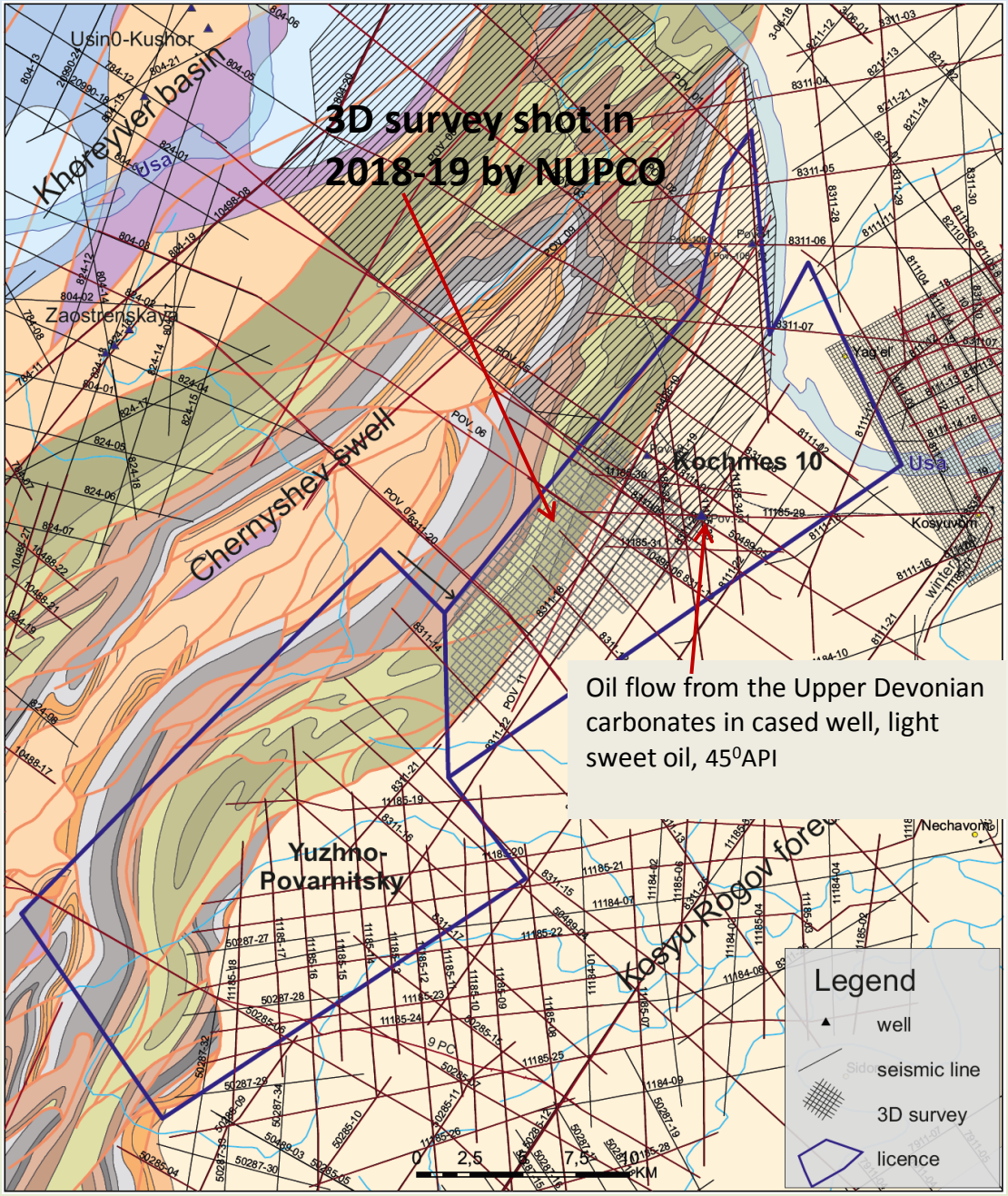
✔ extensive 2D seismic coverage, shot in 1980-ies

✔ 3D surveys shot by Gazprom and Soyuz (GazpromBank) in 2009-2011

✔ 3D survey shot in 2018-2019 by NUPCo

✔ MT, gravity and magnetic data acquired along selected lines in 2018-2019 by NUPCo.

3D data and selected 2D lines were reprocessed by leading Russian service companies.
All 2 &3D seismic data were reinterpreted.



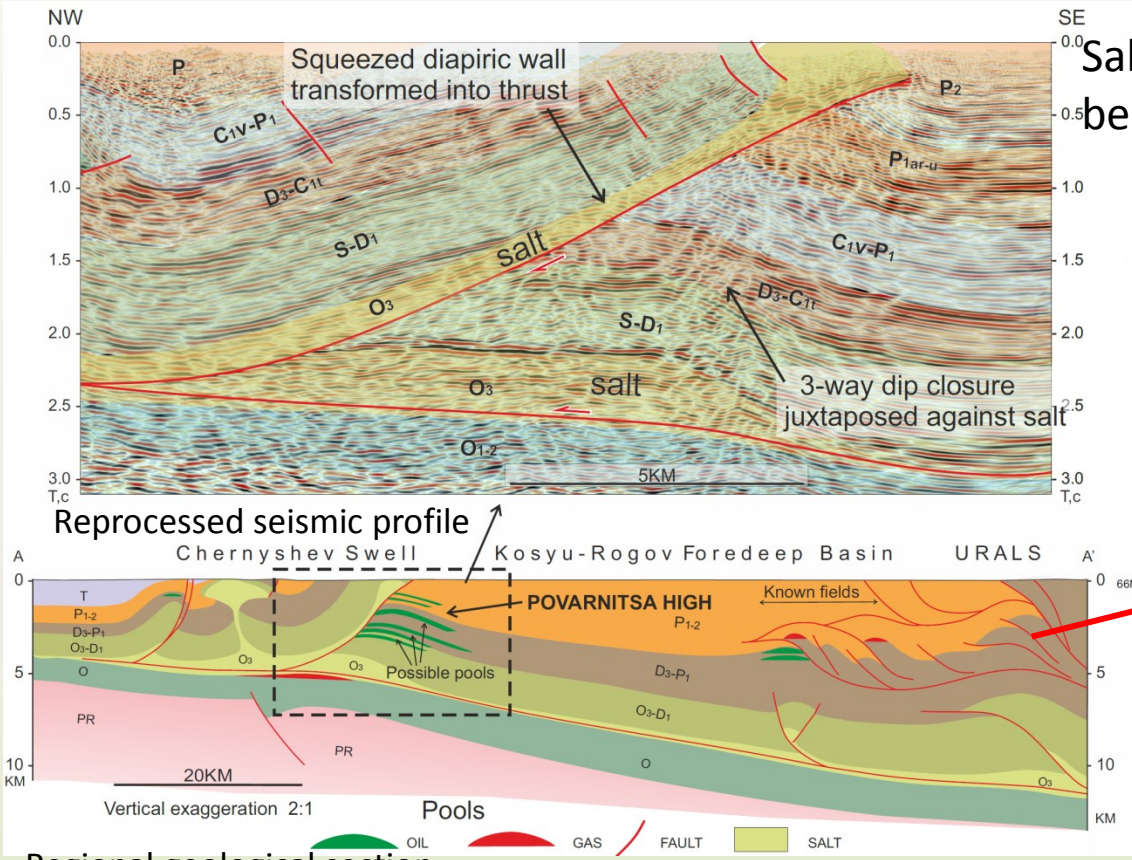
Oil flow from the Upper Devonian carbonates in cased well, light sweet oil, 45^{0}API

Regional structural setting, trap type

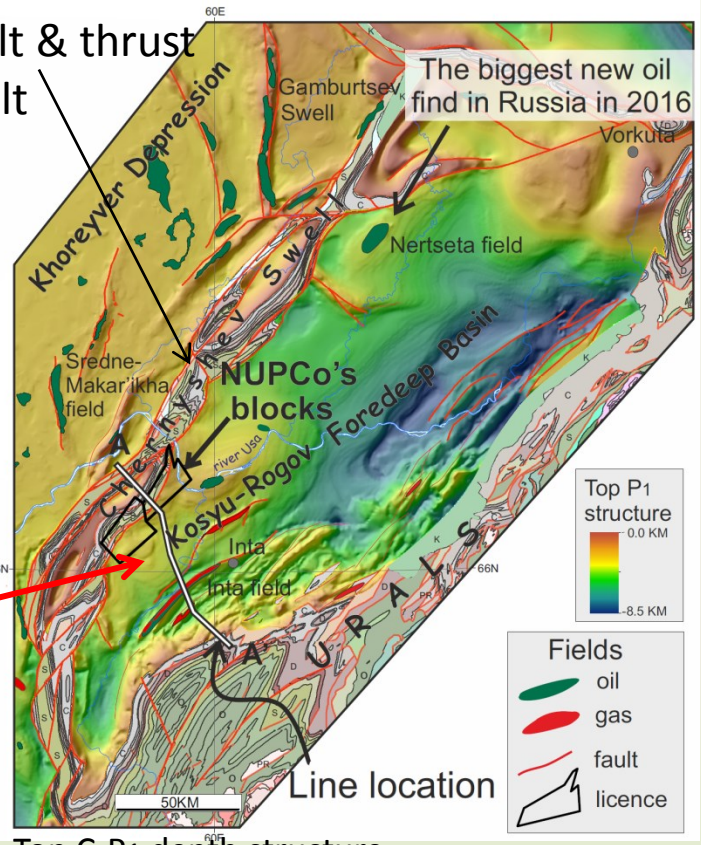
✔ NUPCo's blocks occupy crest of the Povarnitsa High, the largest positive structure in the North Uralian Foreland

✔ The Povarnitsa High features a regional 3-way dip closure juxtaposed against a squeezed salt wall formed by the Upper Ordovician evaporites

✔ The areal footprint of this structure is c. 250 km^2, its structural relief exceeds 1 km



Regional geological section

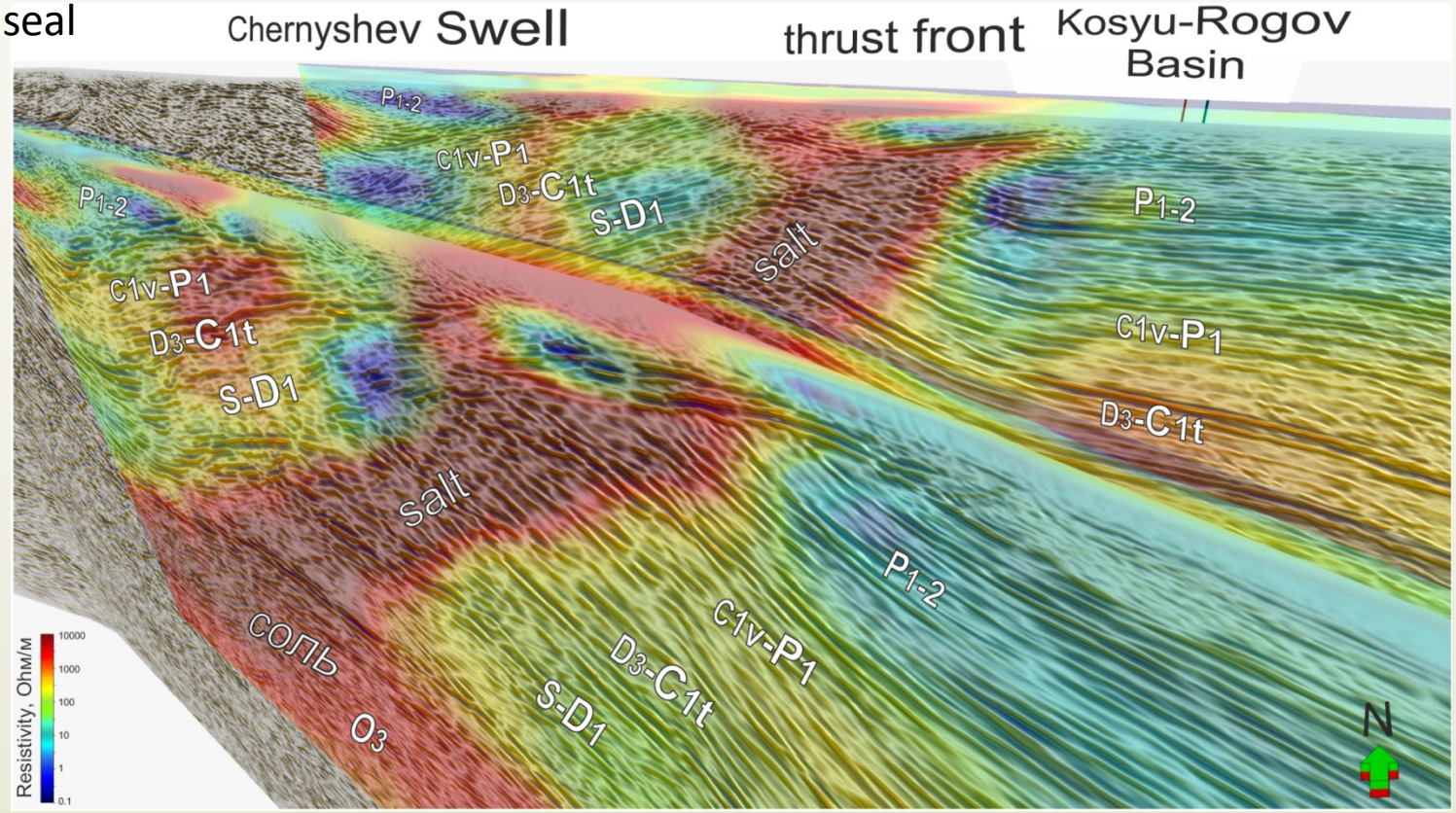


Top C-P1 depth structure

Integrated interpretation

✔ Specially acquired seismic, magnetotelluric (MT), gravimetric and magnetometric data along with digital topography constrained the geological interpretation and derisk the play

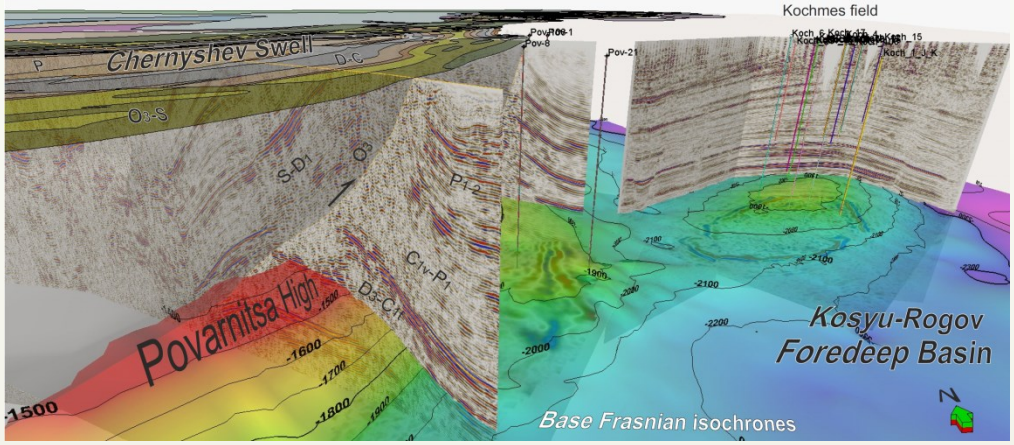
✔ Main purposes: subthrust imaging and tracing of the salt wall which provides the updip seal



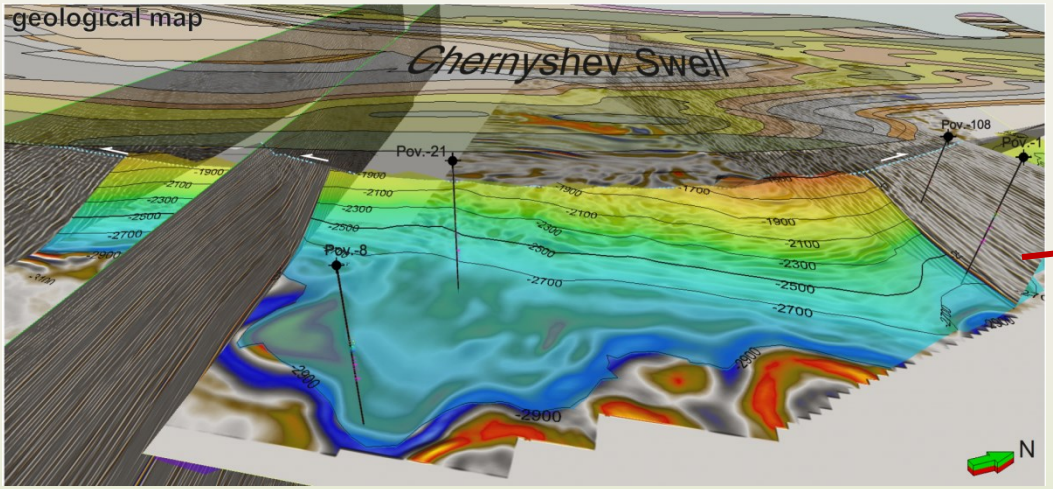
Seismic data with magnetotelluric (MT) resistivity overlay. High resistivity (red) corresponds to salt bodies.

Mapping of the Povarnitsa supertrap

The 3-way dip closure juxtaposed against thrust with salt in the base. Trap footprint is c. 250 km^2

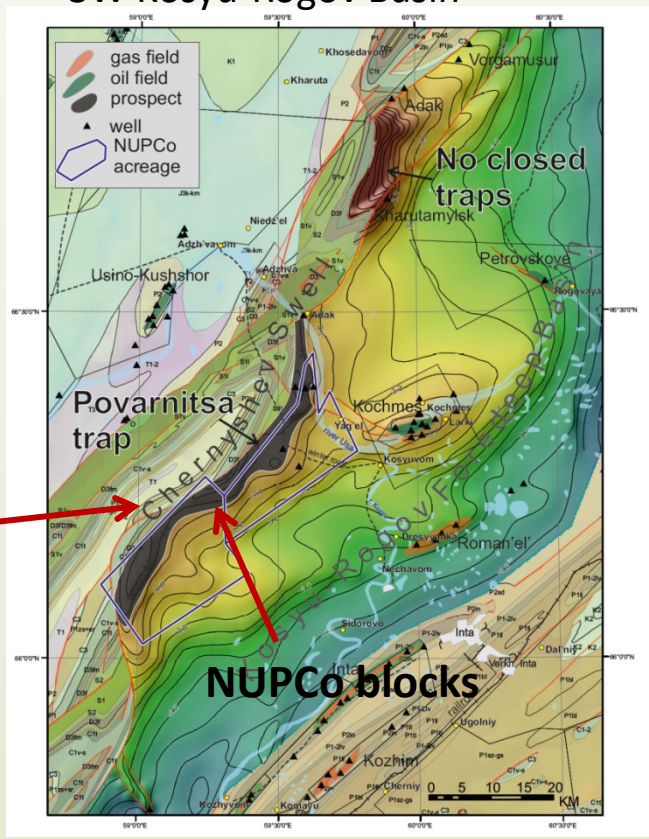


Base Frasnian isochrones of the SW Kosyu-Rogov Basin



Visean depth structure of the Povarnitsa High

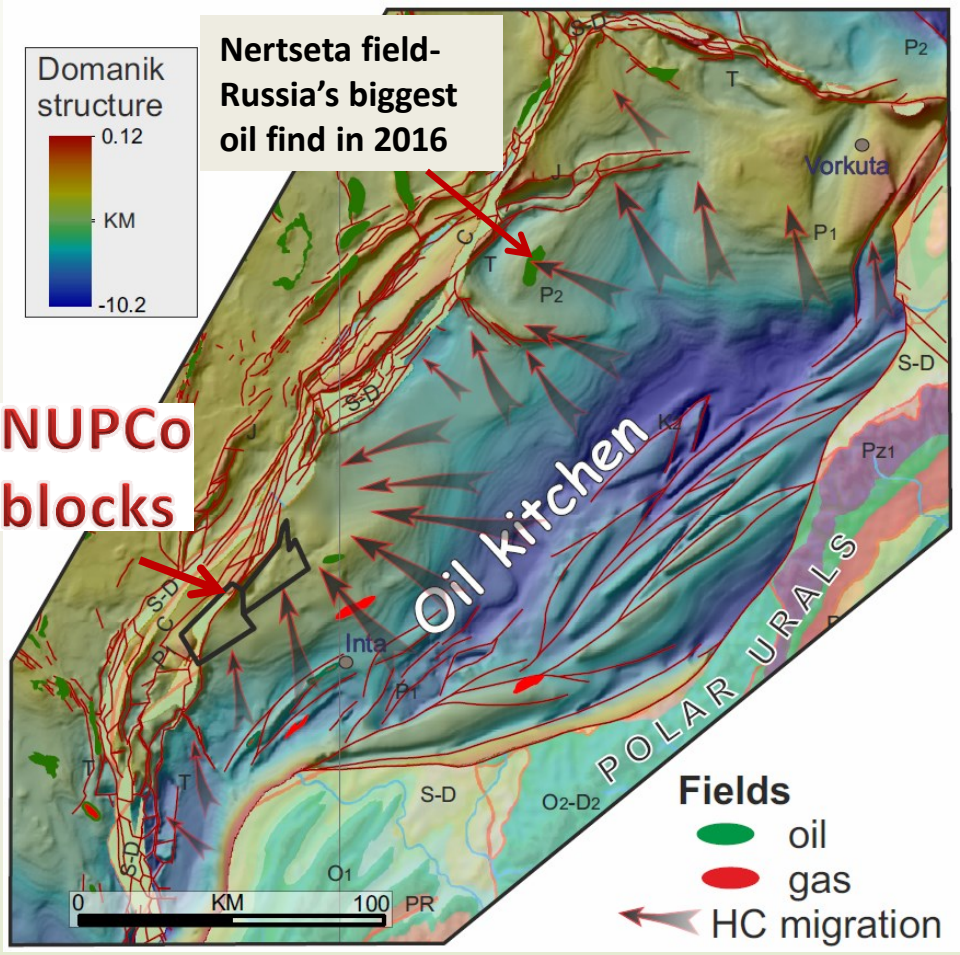
Visean depth structure of the SW Kosyu-Rogov Basin



Petroleum systems:

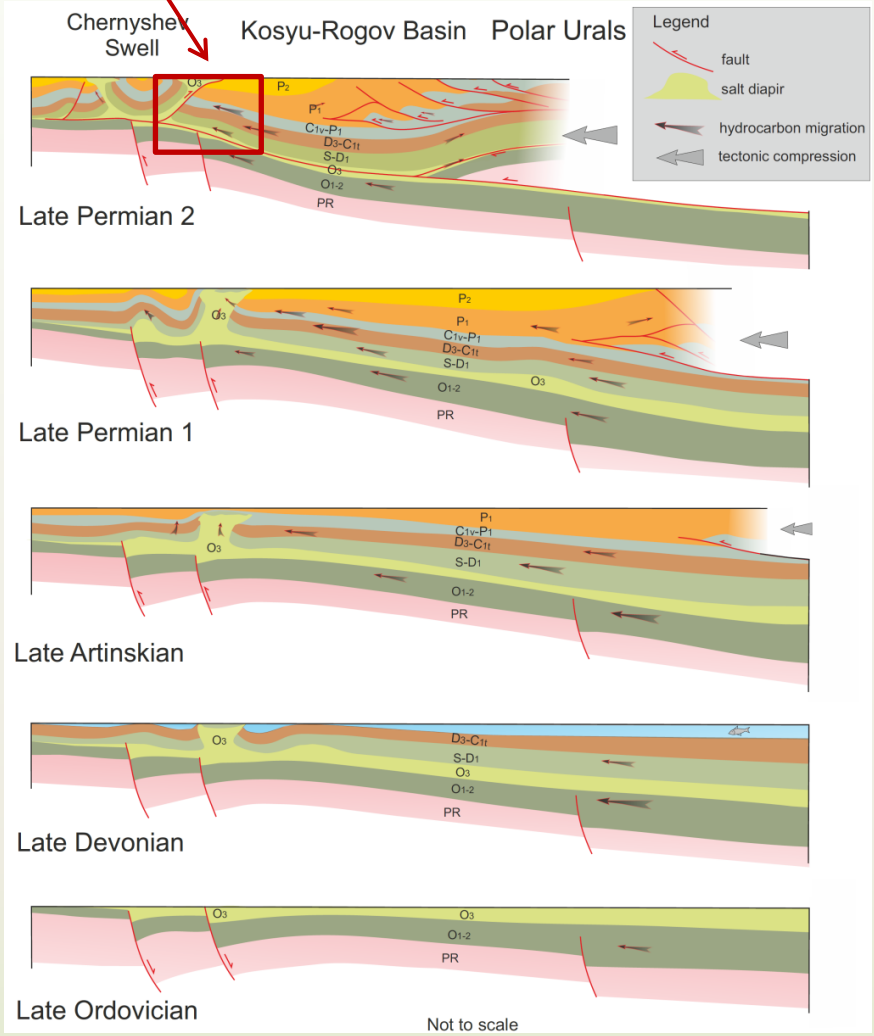
HC expulsion and accumulation

NUPCo acreage sits on top of the largest regional high which acted as the main oil migration focus in the basin



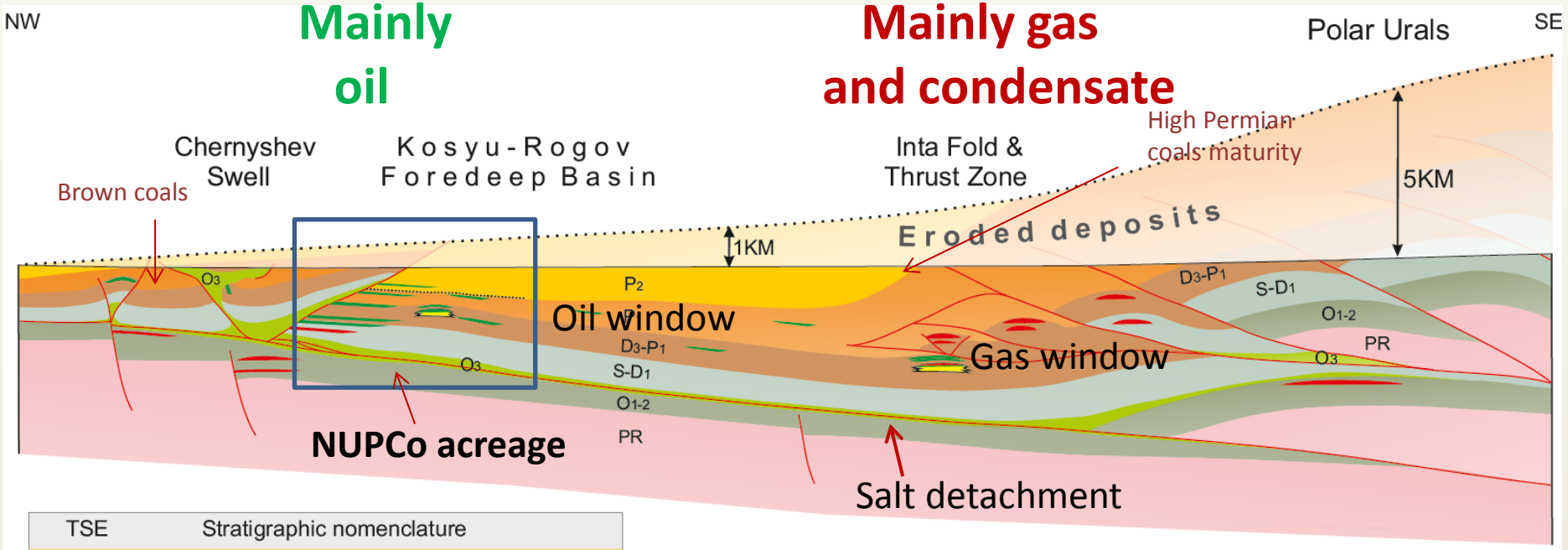
NUPCo acreage

Structural development of the Kosyu-Rogov Basin and the Chernyshev Swell



Petroleum systems: fluid types

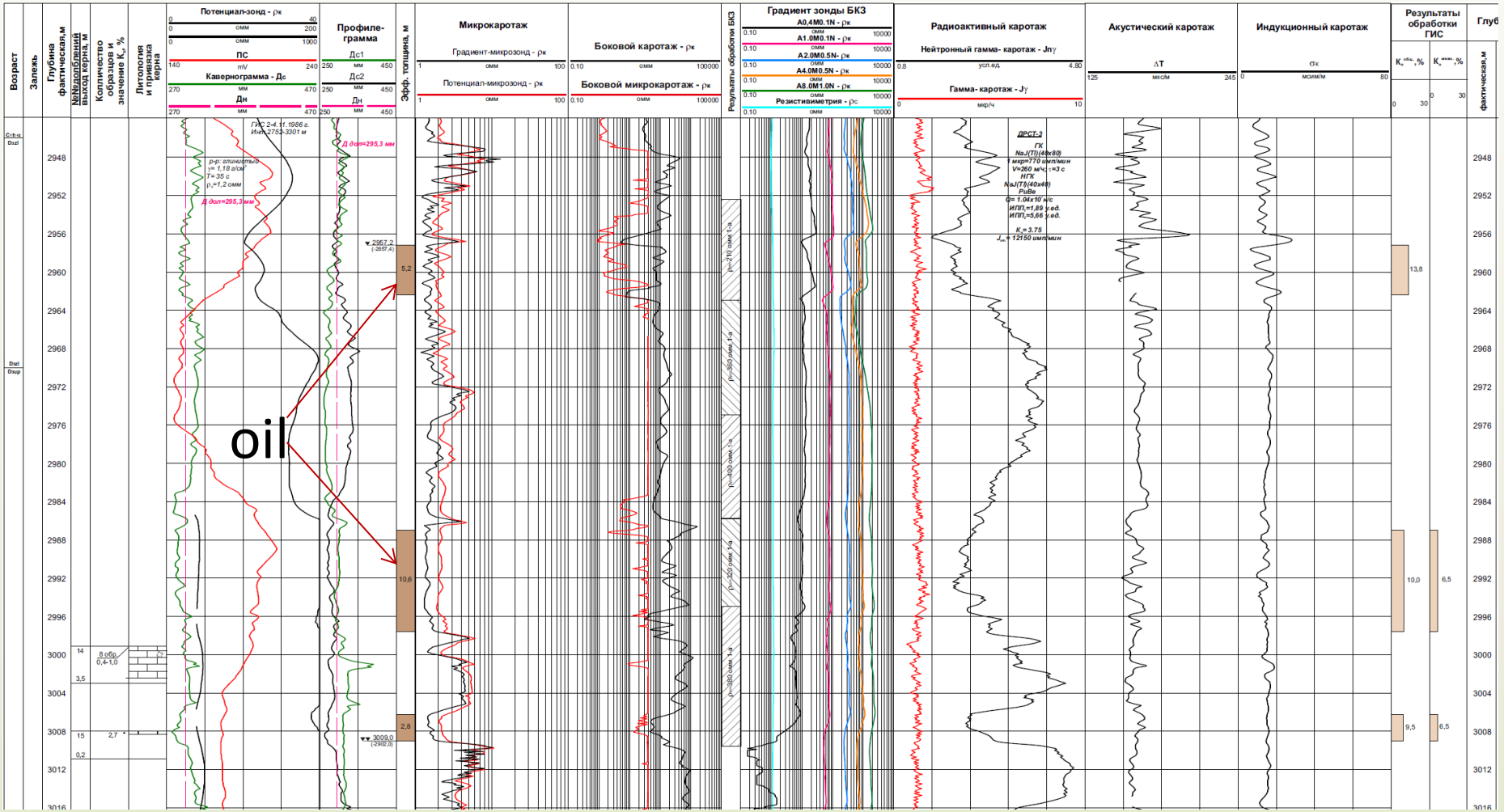
Estimates of the vitrinite reflectivity show gas window conditions in the eastern flank of the foredeep basin and oil window conditions in the western flank (NUPCo acreage)



TSE	Stratigraphic nomenclature	
Syn-orogenic TSE	P_2	Upper Permian, siliciclastic
	P_1	Upper Artinskian-Kungurian, siliciclastic
Post-rift TSE	D_3-P_1	Visean-Lower Artinskian, carbonates
	S-D_1	Silurian-Lower Devonian, carbonates
Rift TSE	O_3	Upper Ordovician, evaporites and carbonates
	O_{1-2}	Lower-Middle Ordovician, siliciclastic
	PR	Proterozoic basement

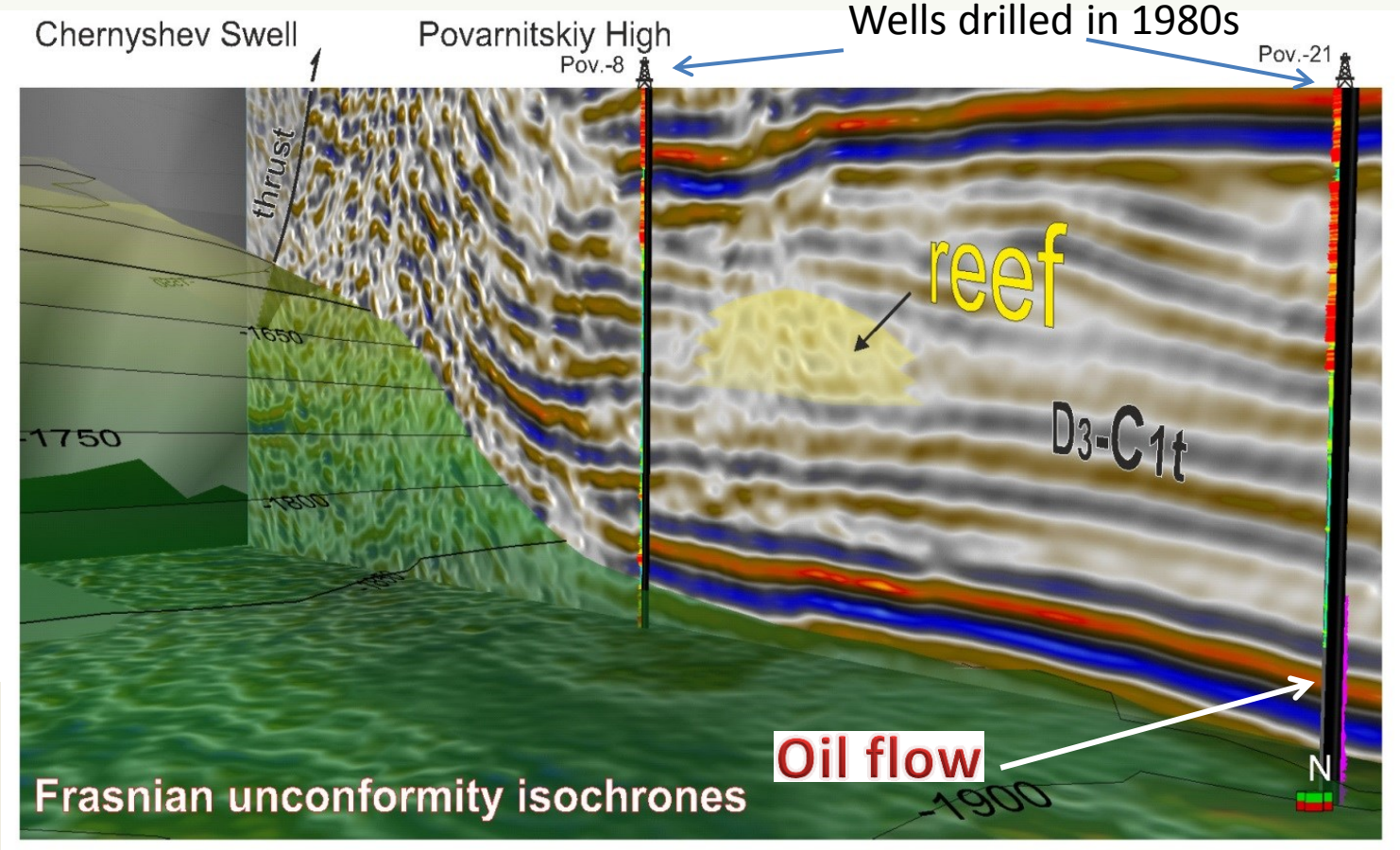
Oil shows on well logs, well 21-Pov.

✔ Example of identification of the oil saturation intervals in well 21-Pov. drilled c. 1000 m down-dip from the crest of the Povarnitsa High



Potential production sweet spots

Up to 300m thick Upper Devonian reefs are mapped within the trap on 3D seismic data: potential production sweet spots



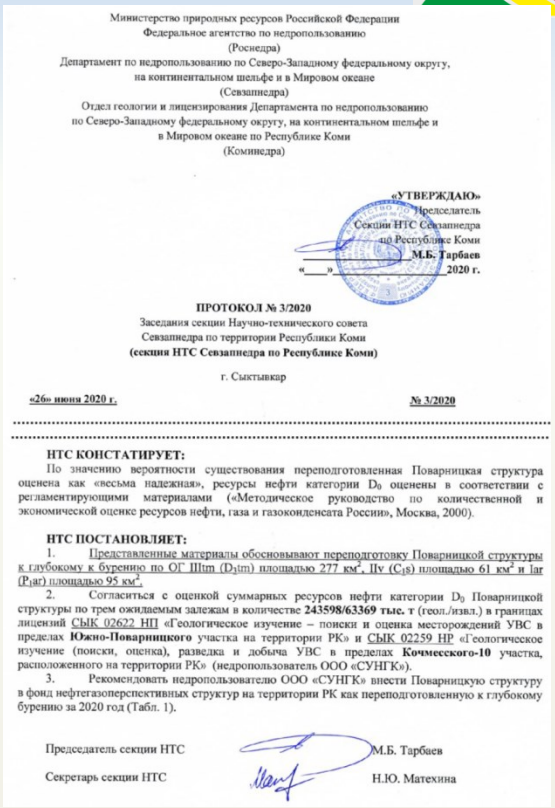
Processing by CGG with use of RTM migration

Combined view of seismic profile, wells, and a grid of the base Frasnian unconformity isochrones surface of the Povarnitsa High

Oil recourses

✔ The officially approved recoverable oil recourse estimate of the identified prospect is 462 MMbbls (appox. equivalent of 3P reserves). This estimate includes three the most prospective pay zones in the Upper Devonian-Lower Carboniferous section only.

✔ Upside: several other prospective intervals and leads of the structure provide contingent resources.



Министерство природных ресурсов Российской Федерации
Федеральное агентство по недропользованию
(Роснедра)
Департамент по недропользованию по Северо-Западному федеральному округу, на континентальном шельфе и в Мировом океане
(Севзапнедра)
Отдел геологии и лицензирования Департамента по недропользованию по Северо-Западному федеральному округу, на континентальном шельфе и в Мировом океане по Республике Коми
(Коминедра)

«УТВЕРЖДАЮ»
Председатель
Секции НТС Севзапнедра
по Республике Коми
_____ М.Б. Тарбаев
«____» _____ 2020 г.

ПРОТОКОЛ № 3/2020
Заседания секции Научно-технического совета
Севзапнедра по территории Республики Коми
(секция НТС Севзапнедра по Республике Коми)

г. Сыктывкар

«26» июня 2020 г. № 3/2020

НТС КОНСТАТИРУЕТ:

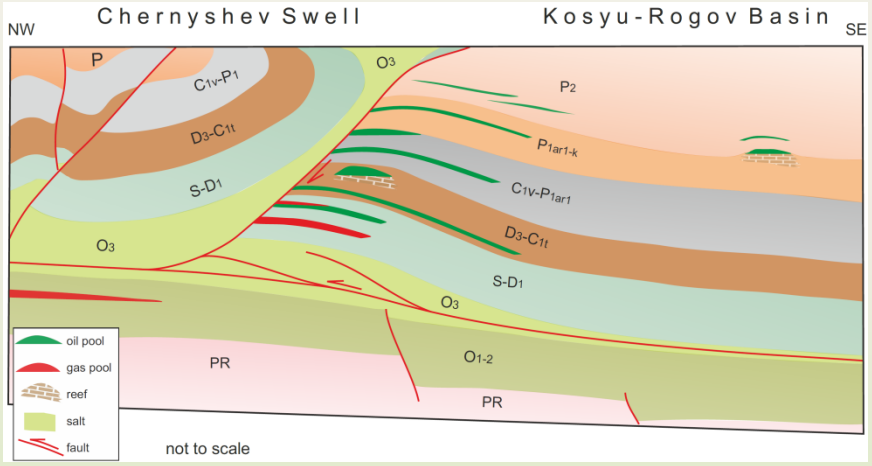
По значению вероятности существования переподготовленная Поварницкая структура оценена как «весьма надежная», ресурсы нефти категории D_0 оценены в соответствии с регламентирующими материалами («Методическое руководство по количественной и экономической оценке ресурсов нефти, газа и газоконденсата России», Москва, 2000).

НТС ПОСТАНОВЛЯЕТ:

1. Представленные материалы обосновывают переподготовку Поварницкой структуры к глубокому к бурению по O_3^1 IIItm (D_3tm) площадью 277 км², IIv (C_1s) площадью 61 км² и Iar (P_1ar) площадью 95 км².
2. Согласиться с оценкой суммарных ресурсов нефти категории D_0 Поварницкой структуры по трем ожидаемым залежам в количестве **243598/63369 тыс. т** (геол./извл.) в границах лицензий СЫК 02622 НП «Геологическое изучение – поиски и оценка месторождений УВС в пределах **Южно-Поварницкого** участка на территории РК» и СЫК 02259 НР «Геологическое изучение (поиски, оценка), разведка и добыча УВС в пределах **Кочмесского-10** участка, расположенного на территории РК» (недропользователь ООО «СУНГК»).
3. Рекомендовать недропользователю ООО «СУНГК» внести Поварницкую структуру в фонд нефтегазоперспективных структур на территории РК как переподготовленную к глубокому бурению за 2020 год (Табл. 1).

Председатель секции НТС М.Б. Тарбаев
Секретарь секции НТС Н.Ю. Матехина

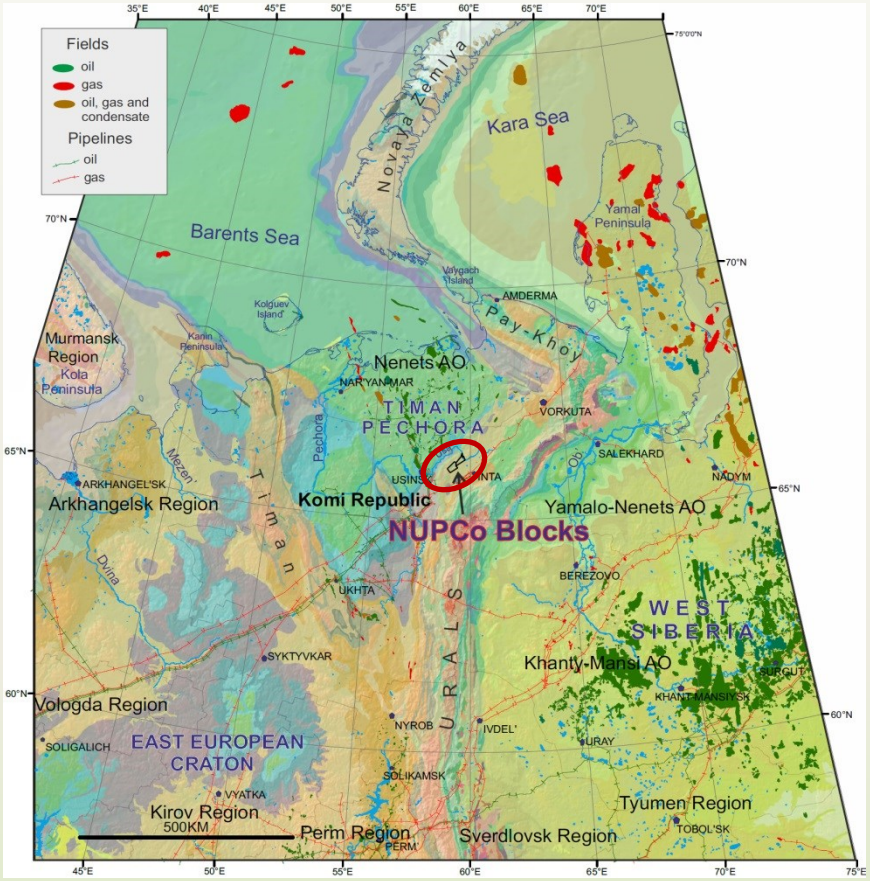
Povarnitsa High play concept

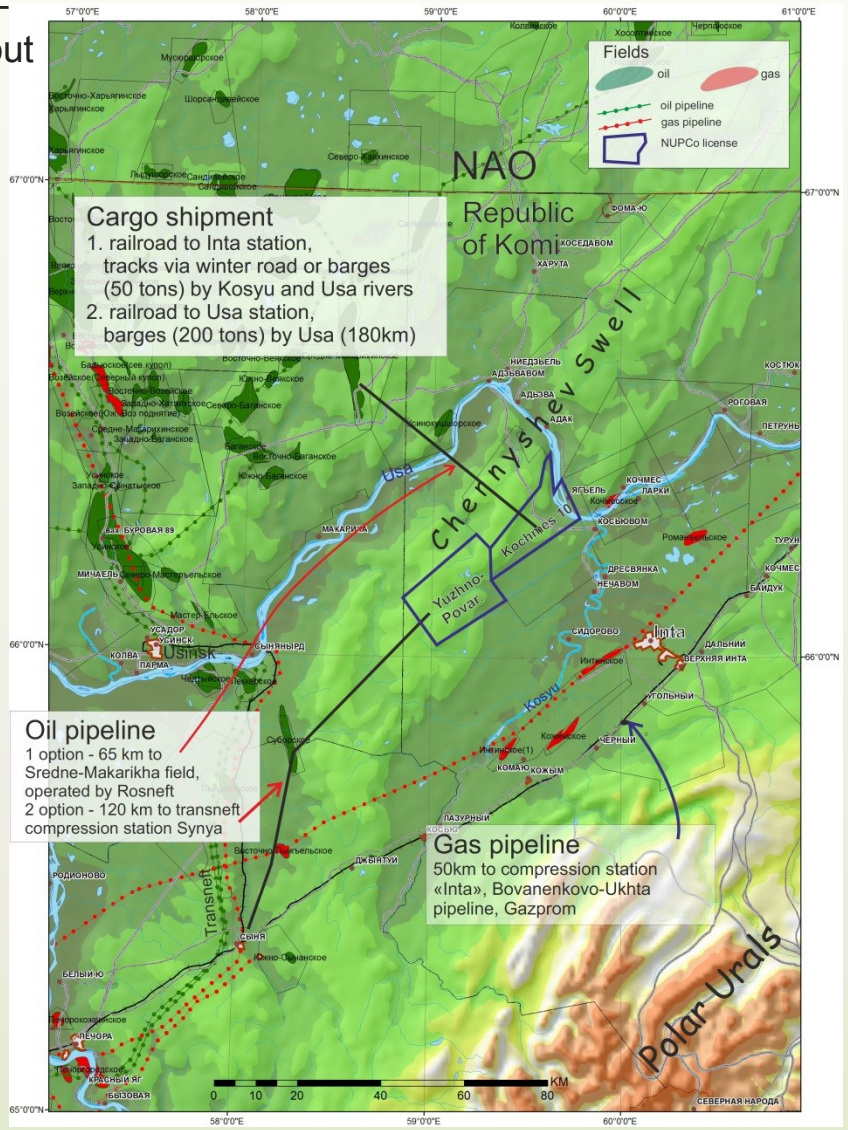


Production potential, logistics

✔ The petroleum potential of the NUPCo blocks provides an opportunity to develop a new oil production hub in the Timan-Pechora Basin in 4-5 years with a production capacity of about 70 Mbbls/d.

✔ The acreage is situated between the cities of Inta and Usinsk. The latter is the major center of the Timan Pechora petroleum industry.





Economics

- In current economic environment NPV of the project is $102 mln, IRR 26.1%

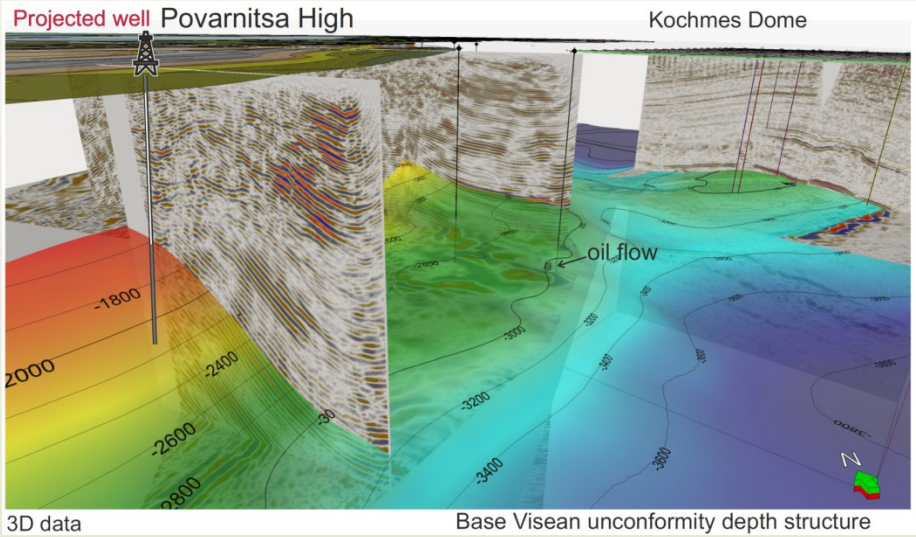
- The project is eligible for special tax incentives, being included in the Arctic zone of Russia in July 2020. This along with the material resource base provides robust economics even in low oil price scenarios

Investment proposal

- ✔ We wish to engage with an experienced partner to accelerate the project and are therefore offering 50% interest in the project in return for a staged investment in the project development in 2021-2023 including an exploration well and additional 3D seismic.

- ✔ Estimated cost of the exploration well and additional 3D seismic is $16 mln.

- ✔ Further options:
  - further development of the project
  - partnership with a major player
  - 100% sale



Thank you!

3D seismic surveying, March 2019

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