



# Investor Presentation Q2 2016



# Building a Mid-cap Mediterranean Gas Company...

## Regional gas strategy underpinned by

- Strong European gas fundamentals
- Pan European / African Strategic Partnership with Schlumberger
- Supportive Cornerstone Investor

## Strong thematic positioning

- Sheltered from recent oil price decline
- Carbon consciousness and global warming driving transition to gas

## Multiple near-term Strategic Plays

- Tendirara, Sidi Moktar and Badile

## Balanced and evolving portfolio

- Includes production
- Well funded

## Bold growth agenda

- Significant opportunities in distressed oil sector
- Limited competition from cash constrained peers

## Journey so far...

**Acquisition of  
Italian onshore  
gas portfolio**

**Securing cost  
covering  
production**

Rapagnano  
Nervesa

**Introduction of  
Cornerstone  
Investor**

Continental  
Investment Partners

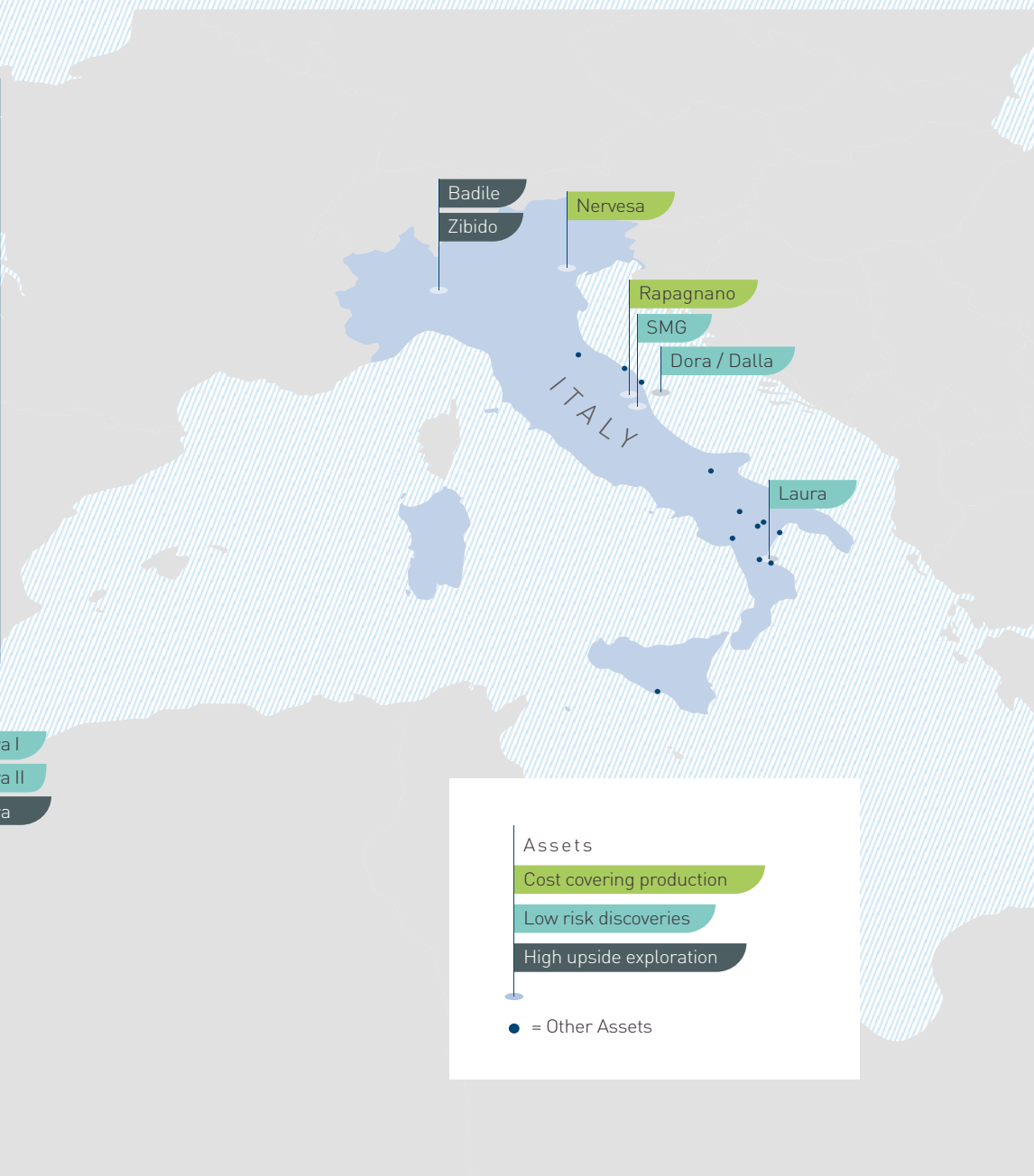
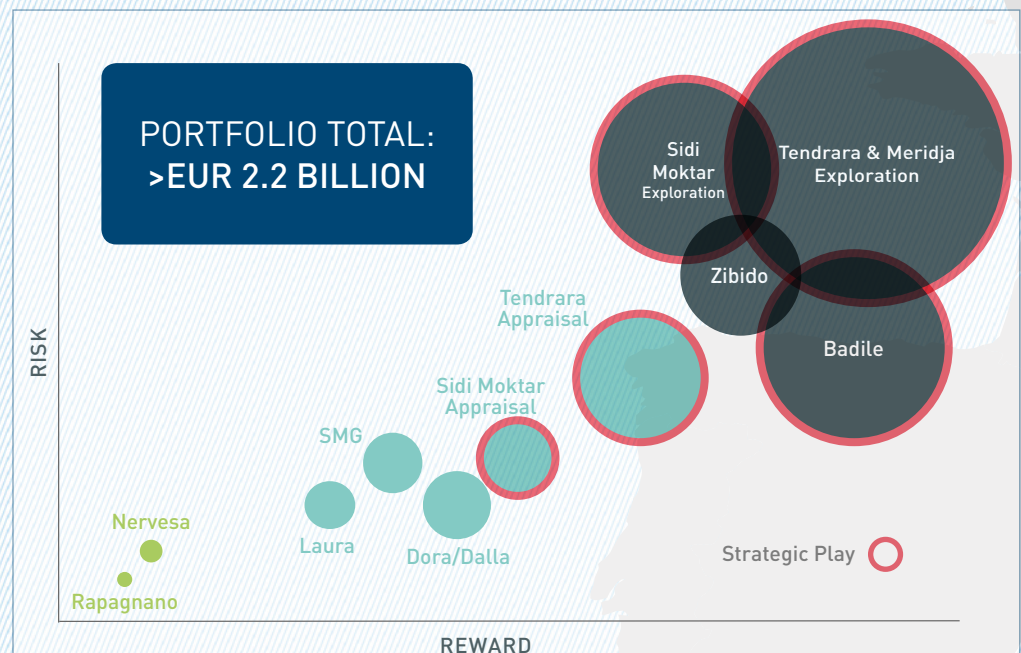
**Acquisition  
of Moroccan  
onshore gas  
portfolio**

Tendirara, Sidi Moktar,  
Meridja

**Introduction  
of Strategic  
Partner**

Schlumberger

# Balanced Portfolio



# The Team



**James Parsons**

**Chief Executive Officer**

Over 20 years in oil & gas strategy, general management, M&A and finance across Europe, South America and Central America

12 years with Royal Dutch Shell

Specialist in restructuring, funding and growing small listed upstream companies; qualified accountant

Joined Sound Energy in 2011



**Luca Madeddu**

**Managing Director, Morocco**

Over 25 years managerial experience across Europe, Asia and South America. Reservoir geologist background with 22 years with ENI E&P



**Leonardo Spicci**

**Managing Director, Italy**

Over 25 years experience in O&G management and operations across Kazakhstan, north Africa and Italy. Reservoir geologist background with 23 years with ENI E&P



**Mary Hood**

**Chief Financial Officer**

10 years upstream experience with Gulf Keystone and Deloitte

Qualified Chartered Accountant and Chartered Company Secretary



**Leonardo Salvadori**

**Business Development / Deputy MD, Italy**

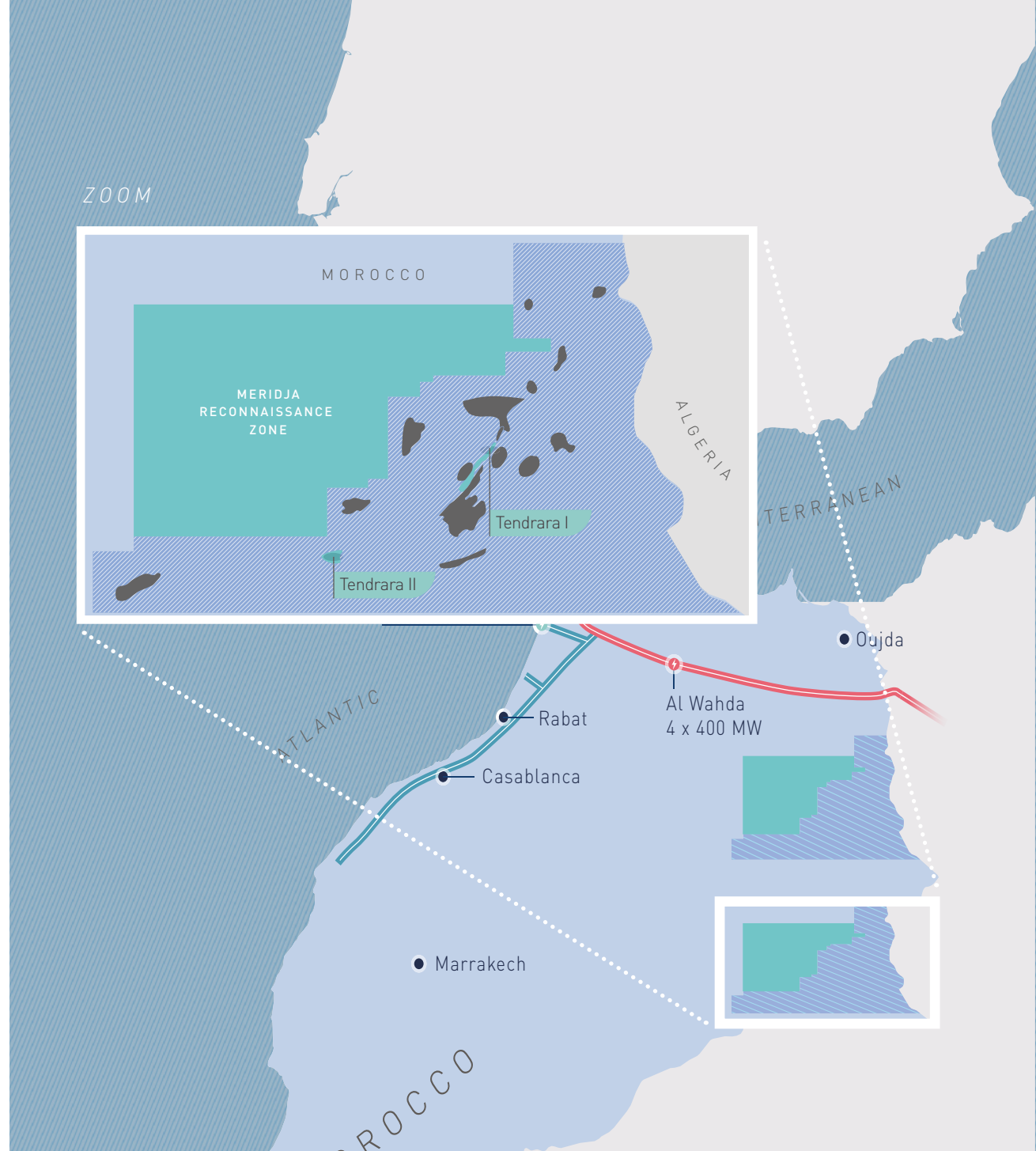
Over 30 years upstream experience with ENI and Dana Gas in exploration, business development and general management

# Eastern Morocco Strategic Play

## Tendrara

**Net Effective 27.5% interest (Paying 20%); operated**

- Continuity of the Algerian Triassic Province and Saharan Hercynian platform
- Play type: gas discovery with condensate
  - light oil shows in the Lower Triassic sequence (TD 2,600 m); TAGI sand objective
- Eight exploration licenses, 14,500 km<sup>2</sup> acreage, seven wells drilled, five of which were gas bearing, two tested gas
- Multiple Tcf potential across multiple prospects / leads; 0.4 Tcf Best Estimate and 1.2 Tcf High Estimate of which near-term appraisal 85.4 Bscf with NPV10 EUR 249 m (net to Sound).
- Previous wells sub-optimally perforated; first well spuds mid-April 2016
- First project in agreed Schlumberger Strategic Partnership where Schlumberger co-fund (80%) and technically de-risk the asset



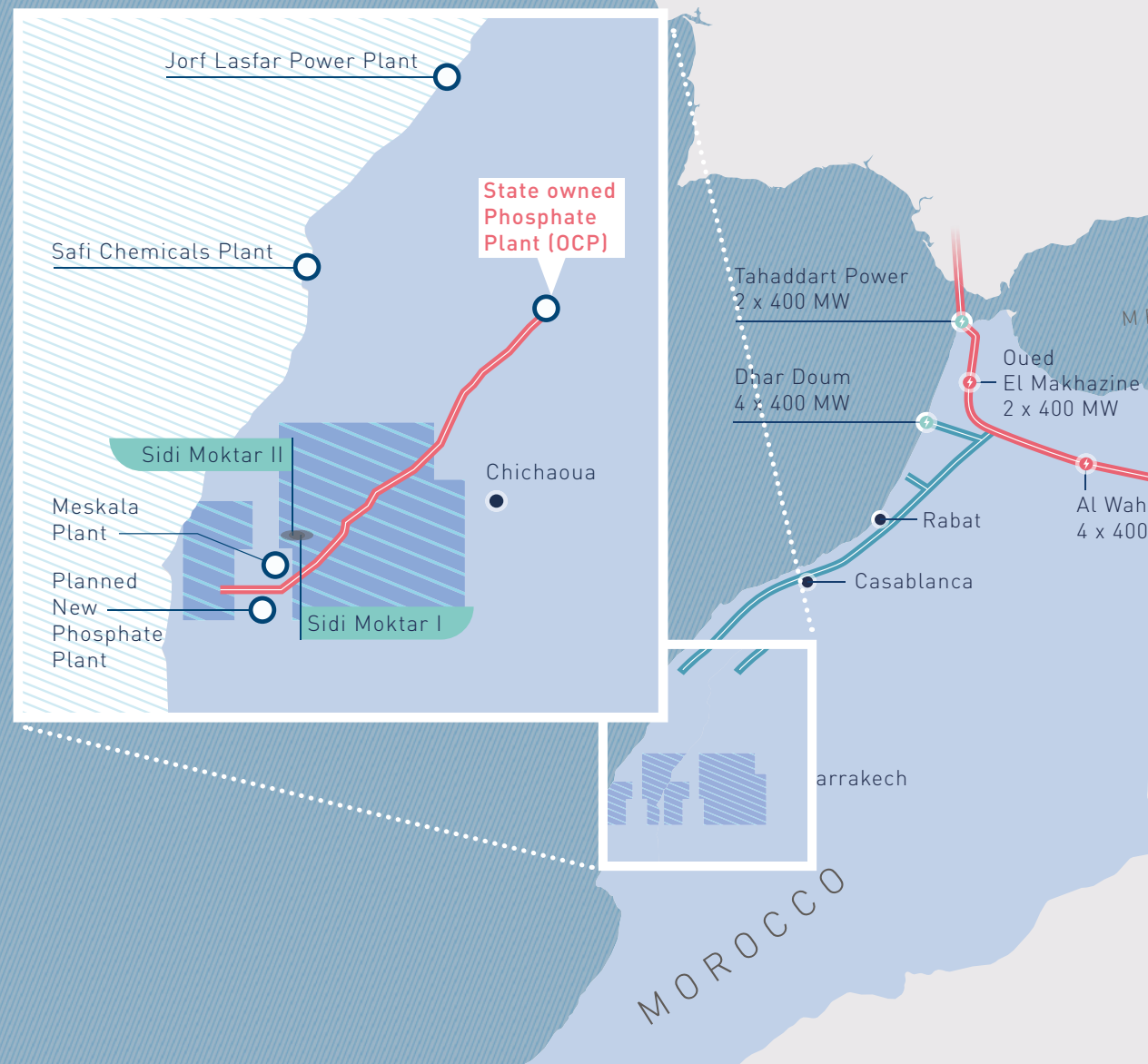
# Southern Morocco Strategic Play

## Sidi Moktar

**Net Effective 25% interest, carried for first USD 18 m; operated**

- Play type: gas discovery (Kechoula) in the Lower Liassic sequence, [73 Bscf net to Sound, initial estimate, single accumulation most likely]
- Two wells drilled with positive gas indications from log and gas shows; extended well test planned in 2016
- Triassic across multiple blocks considered analogous to the adjacent Meskala field
- 0.2 Tcf exploration potential targeting the Triassic (TAGI) wobjective; net to Sound
- Asset is located 10 km from the Meskala gas processing plant
- CPR being commissioned

ZOOM



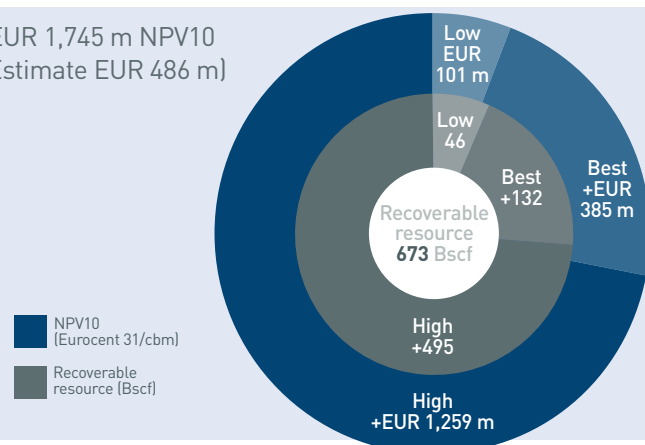
# Northern Italy Strategic Play

## Badile

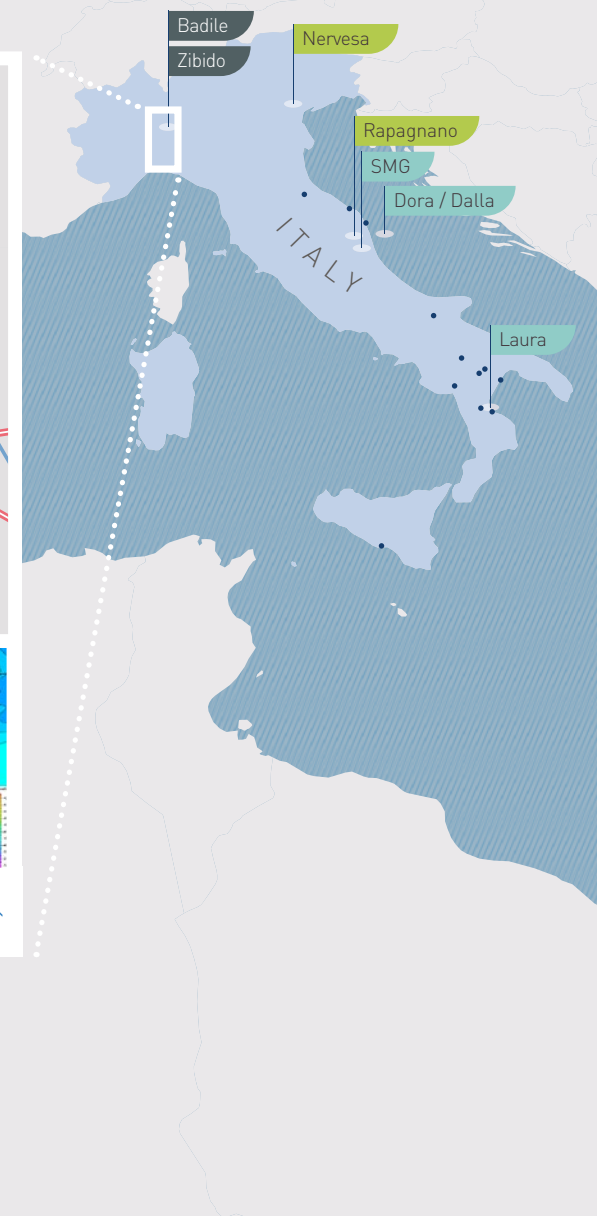
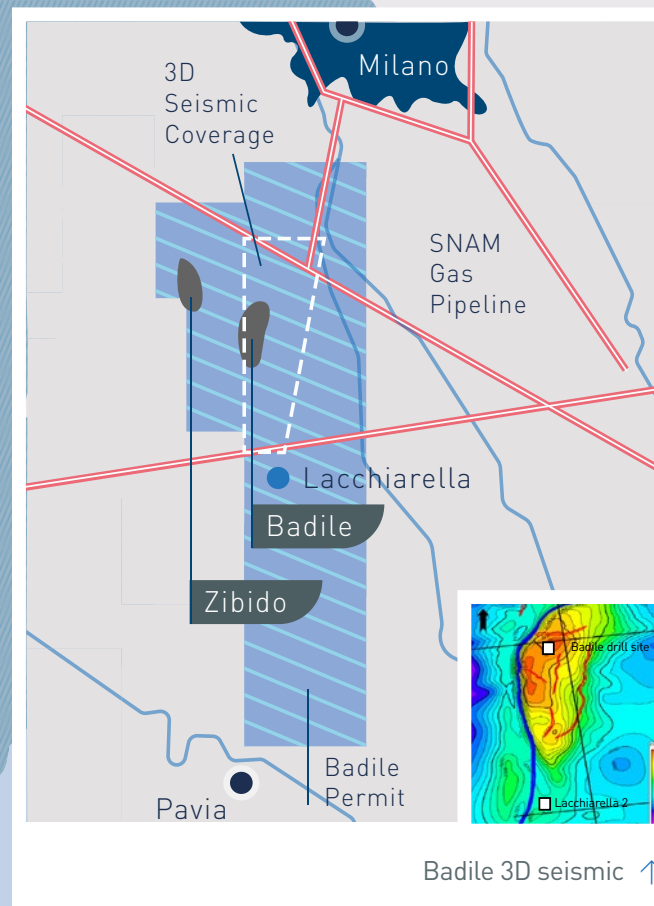
**Owned 100% (farm out under negotiation); operated**

- Po Valley (Northern Italy); 45 km SW of analogous 'Malossa' gas field
- Permit located close to Milan, with a tie-in available c. 2 km from the Badile permit
- Play type: Inverted fault block; gas-condensate in Mesozoic (TD c. 4,600 m)
- Permit to drill imminent
- Well cost of EUR 25 m (tested and completed); chance of success 34%
- 178 Bscf: 106 Bscf gas and 12 mmboe condensate (gross best-case prospective resources)
- 460 km 2D seismic and 238 km<sup>2</sup> 3D seismic acquired between 1974 and 1990

Up to EUR 1,745 m NPV10  
(Best Estimate EUR 486 m)



ZOOM



# Broader Portfolio

## Cost Covering Production (3 licenses)

### Nervesa (currently 0.4 MMscf/d)

- Nervesa: Drilled 2013, first gas February 2016
- GSA signed with Royal Dutch Shell

### Rapagnano (currently 0.4 MMscf/d)

- Located in the Marche region (Central Italy), with first gas achieved 15 May 2013 from the Pliocene Sandstone reservoir
- 10 years production remaining

## Appraisal (6 licenses, excluding Strategic Plays)

### Laura

- Gulf of Taranto (4 km offshore, 200 m water depth)
- Play type: inverted fault block, gas in Pleistocene (MVD 1,300 m)
- Long reach deviated well from onshore
- EUR 16.2 m well cost; under review

### Dora / Dalla

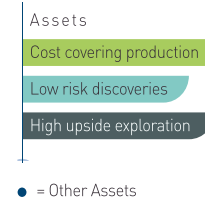
- Adriatic Sea; majority of license >12 miles offshore
- Play type: faulted anticline, gas-condensate in Scaglia Formation (TD 1,400 m)
- Dora gas discovery previously drilled 1972, tested 20 MMScf/d
- Well cost of EUR 13 m
- Exploration potential from Dalla prospect



## Exploration (9 license excluding Strategic Plays)

### Zibido

- Po Valley; Zibido is adjacent to Badile prospect
- Play type: Downthrown fault terrace gas/oil in Mesozoic (TD 5,600 m)



# Summary, Funding and News Flow

## Regional gas strategy underpinned by

- Strong European gas fundamentals
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## Strong thematic positioning

- Sheltered from recent oil price decline
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## Multiple near-term Strategic Plays

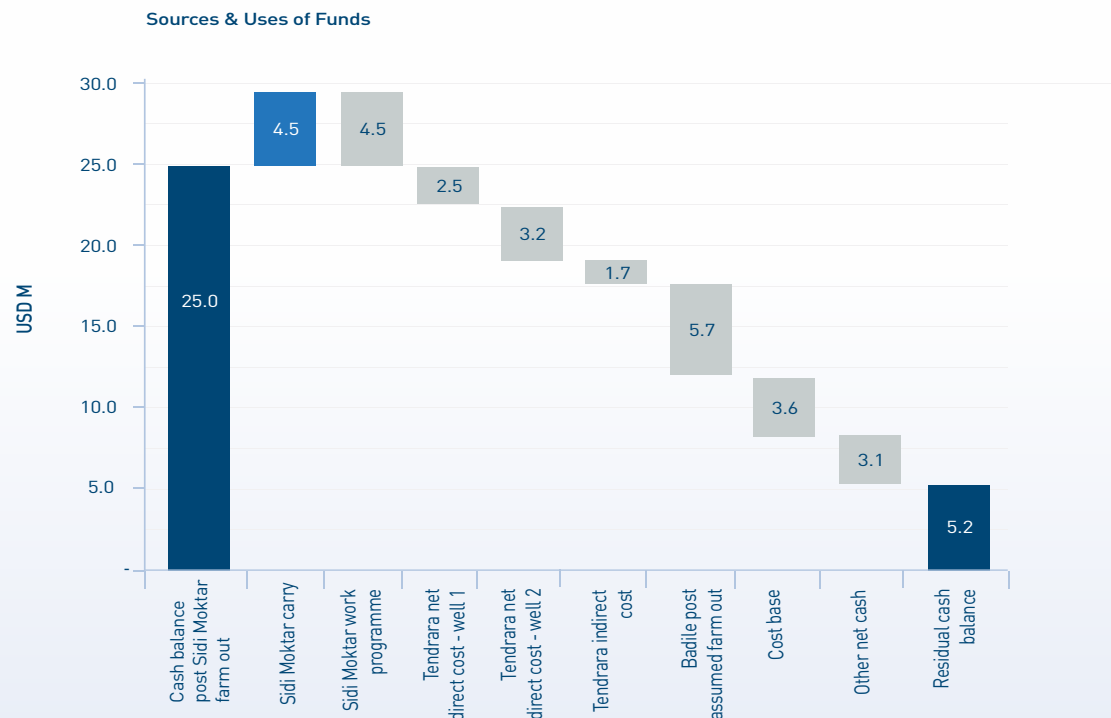
- Tendrara, Sidi Moktar and Badile

## Balanced and evolving portfolio

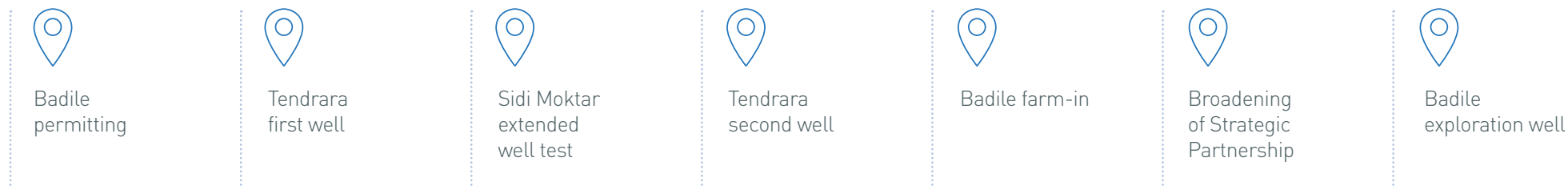
- Includes production
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## Bold growth agenda

- Significant opportunities in distressed oil sector
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## Upcoming news flow



For more information please contact:

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[www.soundenergyplc.com](http://www.soundenergyplc.com)

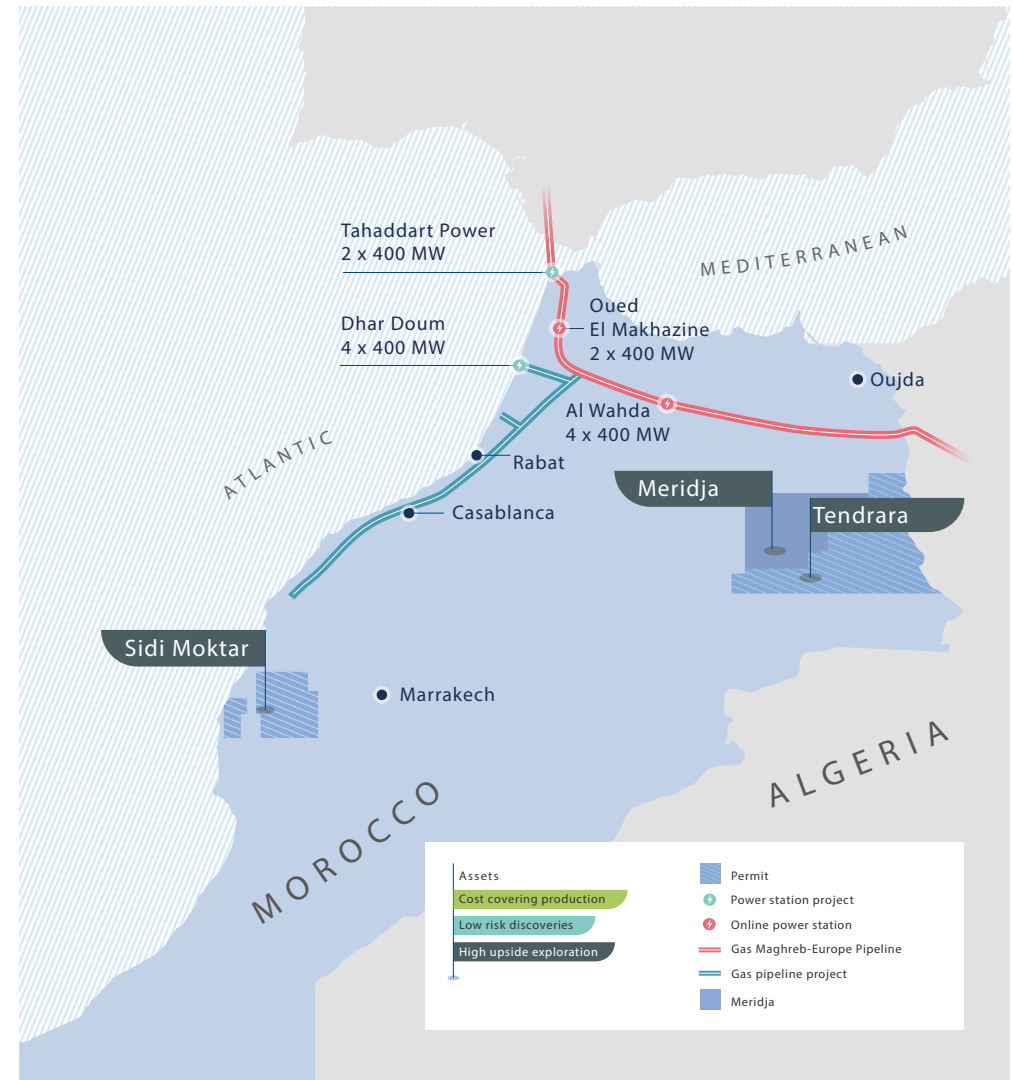
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# Strong Regional Infrastructure

ITALIAN HIGH PRESSURE GAS PIPELINE NETWORK



MOROCCAN GAS PIPELINE NETWORK



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