

**Borders & Southern Petroleum
AGM
30th June 2022**



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Corporate Overview

Board of Directors

Harry Dobson	Non-Executive Chairman
Howard Obee	Chief Executive
Peter Fleming	Finance Director
William Hodson	Non-Executive Director

Number of Ordinary shares in issue: 587,957,318

Market capitalisation (27/6/22): £19.3 million

Prospect Inventory

Near field prospects: > 1 billion bbl**

Other structural / stratigraphic: > 6.5 billion bbl**

** Management estimated un-risked P50 prospective resource

Financial Summary

	<u>31 Dec. 2021</u>	<u>31 Dec. 2020</u>
Cash balance:	\$0.71 million	\$2.18 million
Admin. Expense:	\$1.1 million	\$1.0 million
Operating loss:	\$1.0 million	\$1.0 million
Debt	Nil	Nil

In April 2022, the Company raised \$1.8 million through a subscription Agreement and an Open offer.

103,858,914 new Ordinary shares were issued.

The response to the Open Offer was extremely positive, resulting in significant over-subscription.

Darwin Resource Estimate

Estimated Wet Gas Initially In-place (Bscf)*

	Low	Best	High
Darwin East	659	1,096	1,759
Darwin West	1,361	2,110	3,160

Best Estimate Gross Contingent & Prospective Resource*

	Condensate (MMSTB)	Condensate & LPG (MMBBL)
Darwin East (Contingent (2C))	115	170
Darwin West (Prospective)	202	292

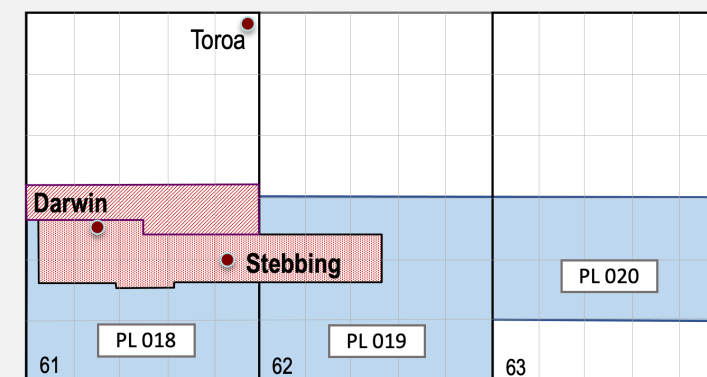
* Independent un-risked assessment

Falkland Islands Licences



Falkland Islands

- 40 Blocks, nearly 10,000 square kilometres
- 3 Production Licences
- 1 Discovery Area
- Licences and Discovery Area extensions
- Deep water, year round operations
- Good local infrastructure
- Significant discovery with first well
- Attractive growth portfolio once discovery has been brought into production

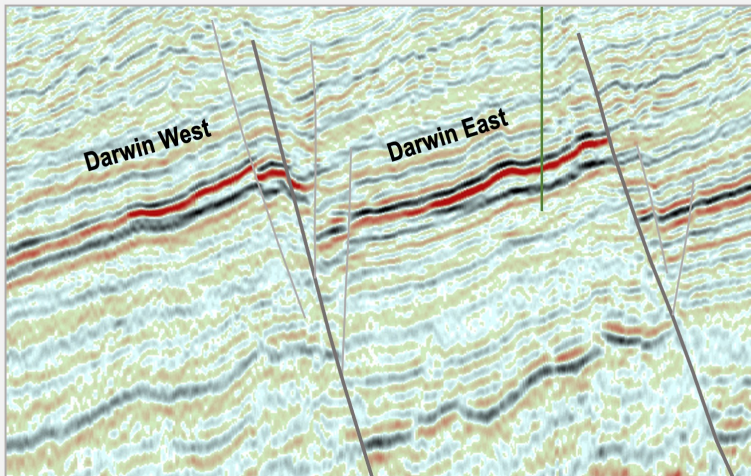


3D (2008) – 1,492 sq.km.

3D (2013) – 1,025 sq.km.

50 km

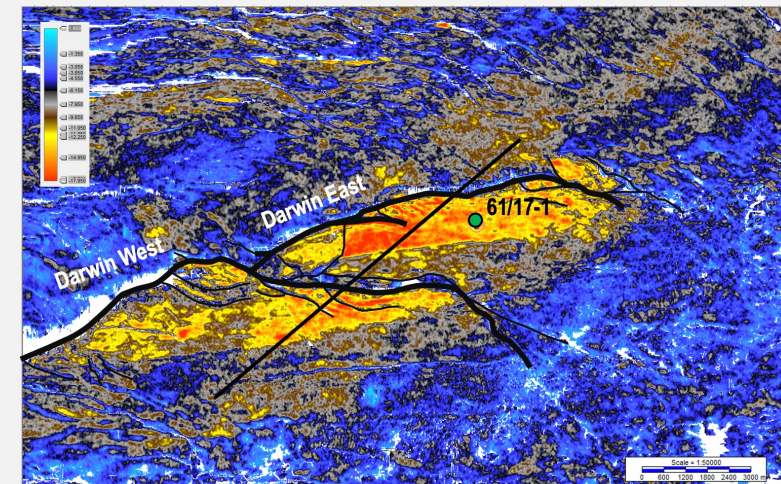
Sub-Surface



Seismic cross section through Darwin East & West

Darwin Gas Condensate Discovery

- Exceptionally imaged on seismic data
- Clear direct hydrocarbon indicators
- High quality, laterally continuous reservoir
- Average porosity 22%, permeability 337 mD
- Simple structural trap
- Net pay: 67.8 m
- Condensate API: 46-49 degrees
- CGR (from samples): 123-140 stb/MMscf

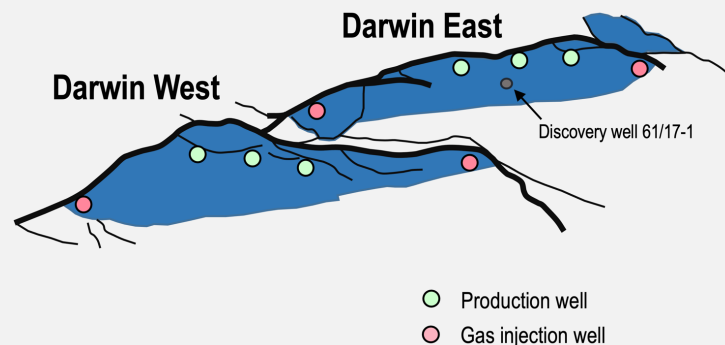


Seismic amplitude conformance to structure

Development Options

Full Field Development 90,000 bbl/d

- 6 production wells, 4 gas injection wells



Key Drivers

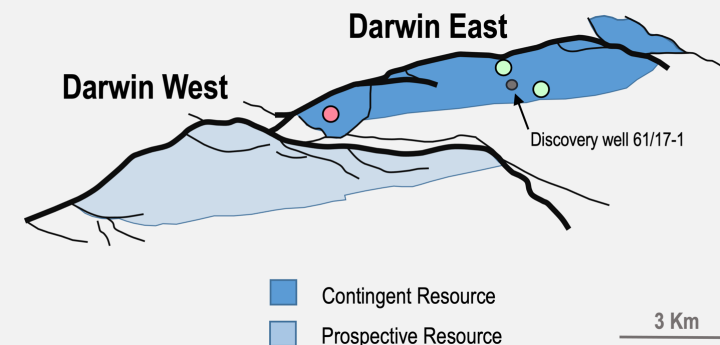
- Minimise initial capital investment
- Reduce time to first production
- Deliver fast payback
- Ensure a low breakeven oil price < \$40/bbl
- Ensure a small environmental footprint
- Allow project expansion from free cash flow

Conventional deep water FPSO development of Darwin East – target initial production of 25,000 bpd.

Project expansion through additional wells on Darwin East, then full development of Darwin West.

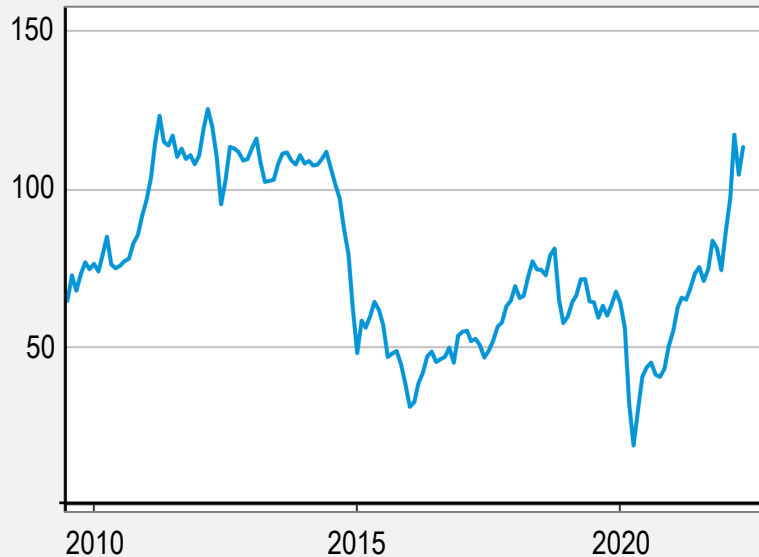
Phased Development 25,000 bbl/d

- 2 production wells, 1 gas injection well



Current Activity

Brent Crude \$/bbl



Source: EIA statistics

External Influences

- Energy Transition
- Energy Security
- Global economic growth
- Regional Politics

The Board believe that the Darwin project can make a valuable contribution to energy security during the energy transition. It can be developed with a small environmental footprint, produce lower carbon emissions than many global alternatives and provide significant economic benefit to all its stakeholder.

Future plans:

Active farmout, data room open

Development options, facilities cost analysis

Licence / Discovery Area extension



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