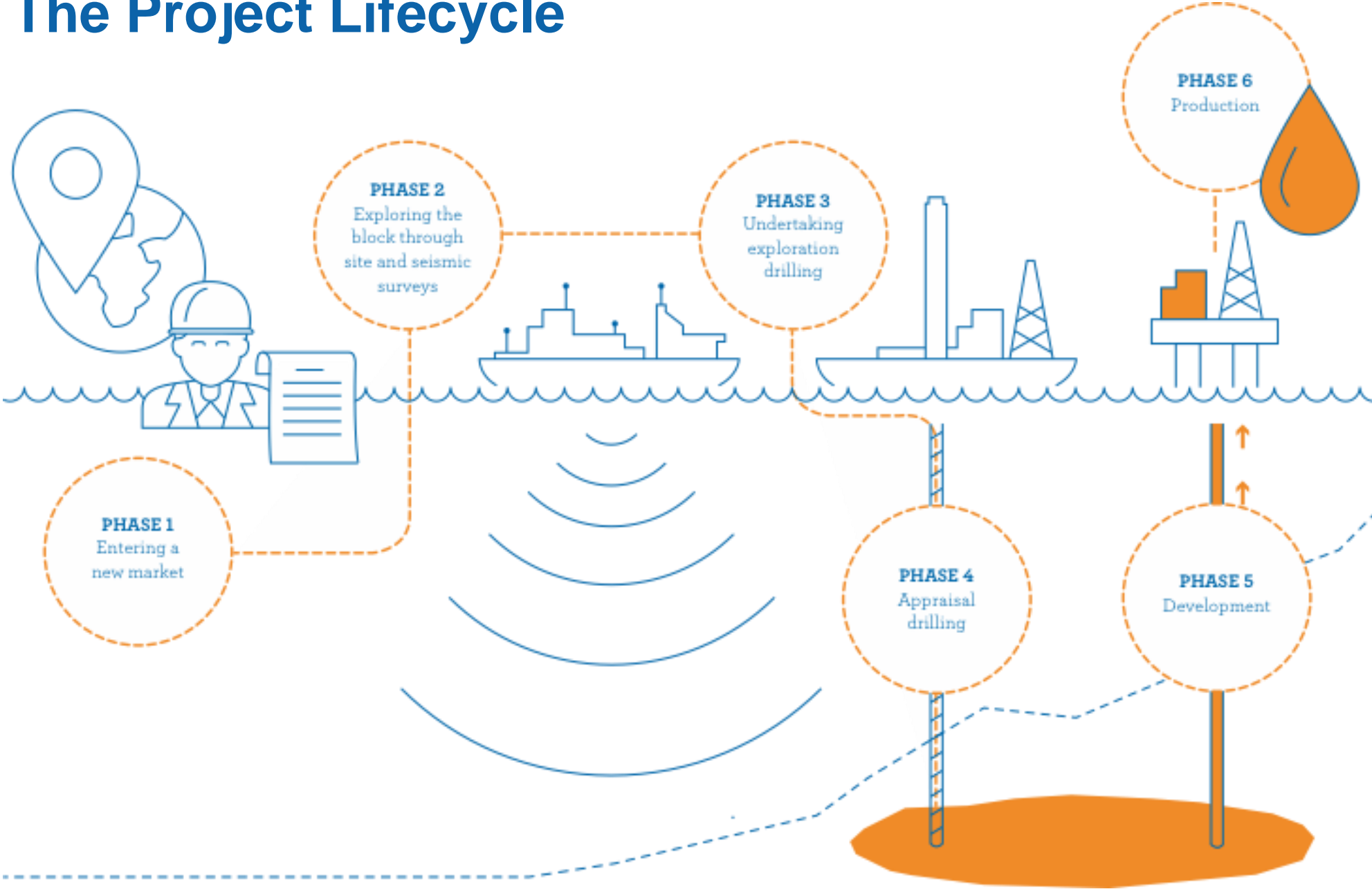


The Project Lifecycle





Entering a new market



Key activities:



1. Identify potential under-explored or overlooked geological territories



2. Acquire existing seismic surveys



3. Assess geopolitical, operational, and financial viability of operating in territory



4. Secure rights to explore area through licenses with host governments

Timeline: up to a year



Exploring the block through site and seismic surveys



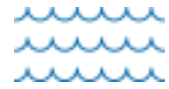
Key activities:



1. Assessment of potential impact on the environment when undertaking seismic surveys



2. Undertake 2D/3D seismic surveys to establish potential presence of oil or gas



3. Site surveys to assess conditions on and below ocean floor



4. If possibility of oil or gas ('prospects') shown to exist, oil and gas company ('operator') moves to exploration drilling phase



5. Companies may consider bringing in other O&G companies (farm-in) at this stage

Timeline: 1 - 2 years



Undertaking exploration drilling



Key activities:



1. Exploration drilling is preceded by an Environmental and Social Impact Assessment



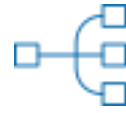
2. An oil spill response plan will be developed and approved by the Government



3. Exploration wells are drilled into seabed (by drillship) to determine presence of oil or gas and a working hydrocarbon system



4. Additional information on seabed and subsea conditions is also gathered



5. Three potential scenarios. See below

- a. **Dry hole** - if no oil or gas is found, well is plugged, sealed, and secured
- b. **Non-commercial well** – if oil or gas is found but well is not commercial, further exploratory drilling may be undertaken
- c. **Discovery** - if well is found to be 'hydrocarbon-bearing', it is further tested to determine viability and companies will move to appraisal phase

Timeline: 1 - 3 years



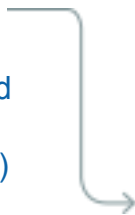
Exiting the block



Key activities:



1. In some circumstances, companies that don't find oil and gas may look to relinquish their license(s) or opt not to renew their license(s)



2. This can happen at any point during phases 2 and 3



3. There are three ways in which a licensee can give up acreage:

- Surrender part of the licensed area while the license continues over the remaining area
- Relinquish the entire license
- Decide not to renew the exploration license when the contract expires



4. Depending on the original license agreement, the company may have certain obligations to complete e.g. social investments, before it is released from the agreement



Appraisal drilling



Key activities:



1. Appraisal drilling follows successful exploratory drilling



2. Can involve drilling multiple wells



3. Assesses size of oil or gas discovery and whether it is commercially viable system



4. If discovery is deemed commercially viable, the operator can move on to development



5. Social and environmental impact of appraisal drilling is comparable to exploration drilling

Timeline: 1 - 3 years



PHASE 5

Development



Key activities:



1. A development plan is submitted to relevant national authorities for approval



2. Carry out assessment of all potential risks, including long-term appraisal of environmental and social impact



3. Materials, services and equipment procured and installed



4. Drilling of production wells takes place



5. Tests run to verify that a stable production level can be achieved



6. Production begins

Timeline: 1 - 3 years



PHASE 6

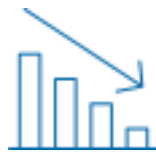
Production



Key activities:



1. Phased increase in production until maximum level is reached



2. Production is maintained at maximum level until it begins to decline



3. Regular ongoing reviews of social and environmental performance

Timeline: 10 - 30 years