



Afentra 

AFRICAN ENERGY TRANSITION

Annual General Meeting
20 June 2023

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Strategic progress over the past 12 months

Delivering against a focused strategy.

Readmission to trading on AIM – August '22

- Publication of Admission Document followed by shareholder approval on 30 August 2022 in relation to reverse takeover announced under Rule 14 to acquire 24% non-operated interests in Block 3/05 from Sonangol and INA

Completion of INA Acquisition – May '23

- Net completion payment of \$17.0m. Afentra inherited crude oil stock valued at \$16.6 million based on \$80/bbl.¹
- Further \$10m contingent payment made upon approval of the Block 3/05 PSA extension

Approval of Block 3/05 PSA Extension to 2040 – May '23

- Executive Decree issued in May 2023 to formally approve the period of the Block 3/05 PSA to December 2040²
- Fiscal terms of extended PSA agreed between Block 3/05 partners and ANPG; submitted for formal approval

Sonangol Acquisition near completion

- Sonangol is pursuing the requisite government approvals for the transaction following licence extension agreement
- Completion expected to occur in July 2023

Ongoing business development

- Continued to screen and evaluate compelling M&A opportunities in line with the Company strategy

Key financial updates

Financing & offtake agreements

\$75m RBL³ + \$30m Working Capital

RBL and Working Capital ('W/C') facilities agreed with Trafigura. Mauritius Commercial Bank subsequently became lender to Afentra, entering both RBL and W/C facilities as lender with Trafigura retaining an interest in the RBL. Trafigura maintains the offtake agreement for Afentra's crude oil entitlement.

Cash at YE'22

\$30.6m

including restricted funds of \$10.2m

Adj. EBITDAX loss

\$5.2m⁴

versus \$2.0m loss in 2021

Access to accordion RBL

\$35m

Included in RBL agreement to finance a third transaction in Angola (Trafigura and Mauritius Commercial Bank)

Odewayne operations

Fully carried

Afentra remains fully carried for Third and Fourth Exploration Periods (through 2 May 2027)

¹ Afentra share of stock-in-tank of 207,868 bbls at 30 April 2023, valued at \$80/bbl on a pre-tax basis

² Current Block 3/05 PSA expires 30 June 2025

³ RBL facility has a limit of \$110 million, made of up to \$75 million to finance the Sonangol and INA transactions, and a \$35 million accordion facility to finance a third transaction in Angola

⁴ Includes cost of Reverse Takeover (RTO) process associated with Sonangol transaction

INA deal completed May 2023

Significant offset to completion costs with earned cash flow & stock at completion

INA Transaction

Block 3/05 (4%), Block 3/05A (4%)¹ – effective date 30 September 2021

Completion Date – 5 May 2023	\$ million
Upfront consideration	12.0
Working capital & interests ²	4.8
Contingent consideration due	2.0
Asset cashflow contribution ³	(1.8)
Net completion payment to INA	17.0
Licence extension payment⁴	10.0
Stock entitlement at completion 207,868 bbls	~16.6⁵

Transaction status & funding

- **Transaction completion**
 - Government approval received in January 2023
 - Completion documentation finalised on 5 May 2023
- **Funding of \$27.0m net upfront consideration and escrow deposit**
 - \$18.9m debt facilities
 - \$8.1m cash
- **Further contingent payments**
 - Up to \$4m over 2 years subject to oil price hurdles⁶
 - Up to \$5m subject to Block 3/05A future developments⁷

¹ Subject to final approval of the distribution of the China Sonangol International interest to remaining joint venture partners, Afentra's working interest in Block 3/05A would increase from 4% to 5.33%

² Working capital adjustments and interest on consideration from effective date to completion date

³ Asset cashflow generation from effective date to completion, comprising crude oil sales less cash calls paid, excluding significant stock-in-tank inherited at completion

⁴ Paid to INA on 17 May 2023 following License Extension approval

⁵ Afentra share of stock-in-tank at 30 April 2023, valued at \$80/bbl on a pre-tax basis

⁶ Calculated as 30% share of revenue upside above Brent price of \$65/bbl with an annual cap of \$2m

⁷ Subject to development of existing discoveries and a minimum Brent price of \$65/bbl

Sonangol deal near completion

Block 3/05 PSA extension

- Executive Decree issued May 2023 to formally approve the period of the Block 3/05 PSA to December 2040¹
- Licence extension approval satisfies a key condition precedent under the Sonangol SPA
- Block 3/05 partners and ANPG have agreed the terms of the licence extension, which have now been submitted for formal approval

Completion pending

- Sonangol is pursuing the requisite government approvals for the transaction following the licence extension agreement
- Completion expected to occur in July 2023

Post-deal interests

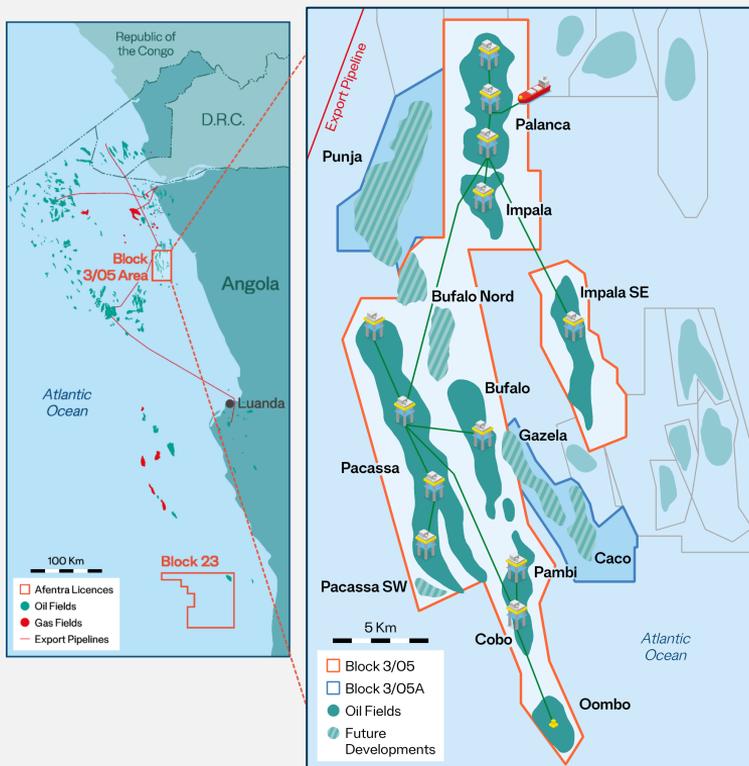
Block 3/05 partners	INA completion	Sonangol completion
Sonangol	50%	30%
Afentra	4%	24%
M&P	20%	20%
Azule	12%	12%
Somoil	10%	10%
NIS	4%	4%

Block 3/05A partners ²	INA completion	Sonangol completion
Sonangol	33.33%	33.33%
M&P	26.67%	26.67%
Azule	16.00%	16.00%
Somoil	13.33%	13.33%
Afentra	5.33%²	5.33%²
NIS	5.33%	5.33%

¹ Current Block 3/05 PSA expires 30 June 2025

² Assumes that the default China Sonangol interests have been redistributed pro-rata amongst existing Partners (subject to final approval)

June 2023 Operational Update: Blocks 3/05 and 3/05A



Block 3/05 (Congo basin) – 24%¹

- **May 2023 production averaged ~18,900 bbl/d**
 - Compares to Q1'23 of 17,206 bbl/d when rates were impacted by downtime due to planned restoration works on power generation and distribution network
 - Updated CPR completed with 1P/2P/3P reserves of 72/108/145 mmbbls (gross) at 1.1.23 effective date. 2C resources of 43 mmbbls.
- **Key 2023/2024 activities:**
 - Water injection rates have averaged ~39,000 bw/d January through May 2023. Continued investment and focus.
 - Light well interventions ongoing with a further 30 interventions in next 18 months
 - Ongoing investment in infrastructure to enhance reliability and uptime
 - Building full understanding of emissions and potential mitigation options

Block 3/05A (Congo basin) – 5.33%^{2,3}

- Long-term testing continues at the Gazela field of an additional 1,100 bbl/d, enabling framing of potential development options
- Punja development concept meetings ongoing to frame opportunity

¹ Upon completion of the Sonangol transaction, Afentra's working interest in Block 3/05 increases from 4% to 24%

² Subject to final approval of the distribution of the China Sonangol International ('CSI') interest to the remaining joint venture partners, Afentra's working interest in Block 3/05A would increase from 4% to 5.33%

³ Caco-Gazela & Punja resources not included in 2023 CPR

Transaction timing and next steps

Sonangol Transaction

April'22

- SPA signing announcement, shares continue to be suspended from trading

June'22

- Completion of due diligence and placement of 10% transaction deposit bank guarantee

Aug'22

- Publication of AIM Admission Document and resumption of trading
- General Meeting to approve the transaction

May'23

- Block 3/05 licence period extended to Dec 2040 and addendum terms agreed between JV partners & ANPG

June -
July'23

- Approval of Block 3/05 licence extension satisfied; approvals for new terms and Sonangol transaction being pursued
- Deal completion expected to occur in July 2023

INA Transaction

July'22

- SPA signing announcement, placement of 10% transaction deposit

Jan'23

- Ministerial approval of INA deal

May'23

- Deal completed on 5 May 2023

Next steps for Afentra

Afentra is leveraging extensive regional experience and network to deliver significant value

African pipeline of opportunities

- Foothold established in Angola with initial acquisitions in Blocks 3/05 & 3/05A; long life production asset with low decline rate, material upside and future short-cycle developments
- Provides foundation for future growth and consolidation in Angola
- Similar scale & larger operated and non-operated opportunities onshore and offshore West Africa being evaluated
- Opportunity for new credible & responsible operators like Afentra to:
 - benefit from the more pragmatic narrative for a just and responsible transition; and
 - manage the oil & gas transition for the benefit of all stakeholders.

MATERIAL OIL & GAS
RESOURCES (boe)

~100Bn

LIFE OF DISCOVERED /
DEVELOPED RESOURCES

>20 years

Wood Mackenzie 2020



An ability to create significant value from an industry transition that has just commenced



Sustainable change

**Uniquely positioned to capitalise on
the African Energy Transition**

1.

Significant hydrocarbon resource base in Africa with material M&A pipeline

2.

Gap in market for credible operators to facilitate safe and responsible transition

3.

Proven team with significant experience of working in Africa

4.

Committed to responsible stewardship and positive stakeholder outcomes

5.

African Energy Transition provides compelling investment opportunity