



Early results from initial drilling program validate value of large undeveloped oil position



Equity Raising Presentation
15 February 2019

ASX: ATS

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Transaction Overview

Executive Summary

Tuscaloosa Marine Shale (TMS)

Portugal

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Equity Raising Overview & Timetable



Australis is considering an equity raising of up to approx. US\$21.6 million (A\$30.5 million) through a private placement to existing and new investors

- Australis is seeking to place new equity to raise up to approximately US\$21.6 million^(A) (A\$30.5 million), before costs of the issue, via a two tranche placement of new ordinary shares at A\$0.35 per share equivalent to approximately 9.7% of the shares currently on issue:
 - Tranche 1 - unconditional placement to sophisticated and professional investors for approximately US\$20.8 (A\$29.4 million) (under its 15% placement capacity under ASX Listing Rule 7.1); and
 - Tranche 2 – conditional placement to certain Directors of Australis to subscribe for approximately US\$0.8 million (A\$1.1 million), subject only to shareholder approval.
- Following positive initial results described in the recent ASX announcements^(B), funds raised from the equity placement will be used to:
 - Increase financial flexibility for negotiation of rig and other services for the next phase of the TMS initial drilling program after the 6th well
 - Acquire additional derisked TMS Core area lease holdings
 - Strengthen balance sheet and working capital
- Australis has US\$38 million cash including US\$10 million debt drawn from the US\$75 million secured facility as at 31 December 2018

Indicative Financing Timetable

| | |
|---|--|
| Trading Halt | Pre-open ASX trading Friday, 15 February 2019 |
| Australian and international offer opens | 10:00 am (AEDT), Friday 15 February 2019 |
| Australian and international offer closes | 3:00 pm (AEDT), Friday 15 February 2019 |
| ASX announcement of Placement and return to trading | Monday 18 February 2019 |
| Settlement of Tranche 1 | Wednesday 27 February 2019 |
| General Meeting to approve Tranche 2 and Director Participation | April 2019 |
| Settlement of Tranche 2 | April 2019 |

(A) AUD:USD exchange rate of 0.71 (February 2019)

(B) Quarterly Report dated 31 January 2018; 2018 year end reserves update dated 6 February 2019; Corporate Presentation dated 11 February 2019

Australis Indicative Capital Structure

Indicative capital structure assuming US\$21.6m raised via equity placement

| Shares and Options | Shares (millions) | Options (millions) ^(A) | Ownership % | |
|---------------------------------|----------------------|--------------------------------------|-------------|--------------|
| | | | Pre options | Post Options |
| <i>On Issue:</i> | | | | |
| - Directors & Management | 101.5 | 87.9 ^(B) | 10.3% | 17.0% |
| - Existing Shareholders | 794.5 | 42.6 ^(C) | 80.8% | 75.2% |
| <i>Placement^(D)</i> | | | | |
| - T1: New Shares (ex directors) | 83.9 | - | 8.5% | 7.5% |
| - T2: Directors & Management | 3.1 | | 0.3% | 0.3% |
| Total | 982.9 | 130.5 | 100% | 100% |

Notes:

(A) Exercise price of options ranges from A\$0.25 to A\$0.40 and are set out in detail in the Appendix

(B) Excludes vested performance rights under the 2017 and 2018 LTI plans (0.6 million)

(C) Includes 30 million options issued to Macquarie under the Macquarie Bank debt facility

(D) For the purposes of this indicative capital structure, it is assumed that Australis issues 87 million shares under Tranche 1 and Tranche 2

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Investment Highlights



Large undeveloped TMS oil position with proven economics and multiple near term upside catalysts

| | |
|---------------------------------------|--|
| Operator of Quality Assets | <ul style="list-style-type: none">▪ Asset is focused in production delineated core of the TMS▪ First well in Australis drilling program under budget and materially outperforming type curve▪ Initial production highlighting increased productivity potential of the TMS Core▪ Australis TMS production is liquids rich (>95% oil) and sold at a premium to WTI (>\$6/bbl) |
| Significant Upside^A | <ul style="list-style-type: none">▪ Position of 110,000 net acres in the TMS core and 410 future net well locations▪ Each future well has NPV(10) of US\$6.3 million at WTI of \$60/bbl▪ Combined Reserves and 2C Resources of 197 MMbbl as at 31 December 2018^A▪ Early upside targeted: additional core acreage, well downspacing (+25%), production improvement (+20%) and lower costs per well (-20%). All consistent with achieved upsides in other onshore USA shale basins |
| Proven Execution Capability | <ul style="list-style-type: none">▪ Board and management were the founders and key executives of Aurora Oil & Gas and have a track record of delivering shareholder value with US unconventional assets |
| Disciplined Capital Management | <ul style="list-style-type: none">▪ Operatorship and lease terms provide control and flexibility over capital deployment▪ Funded for initial development with US\$38 million cash as at 31 December 2018, positive field cashflow and debt facility of US\$75 million^B |

A): Refer to Slide 15 and Appendices for underlying assumptions and basis for reserves and resources figures

B): Cash position includes US\$10m debt drawn from debt facility

Corporate Overview

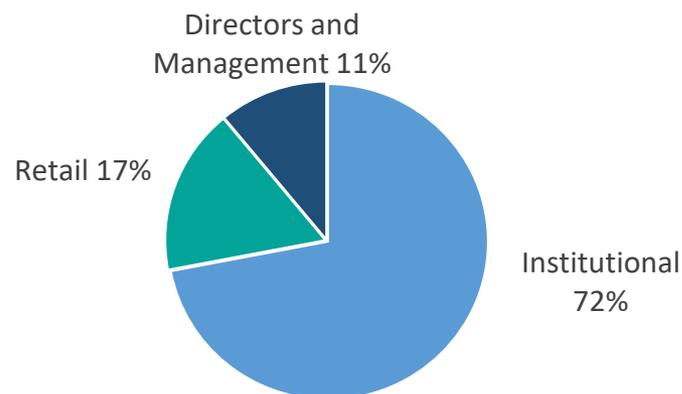
Existing reserves, production and revenue with an institutionally supported register

- Founded in 2014 with significant capital contribution by the founders & key management of Aurora Oil & Gas, listed on the ASX in July 2016 (ASX:ATS).
- Inventory of 410 future net well locations in the productive TMS with attractive economics and multi-layered upside.
- Gas discovery and large exploration targets in Portugal - 458 Bcf 2C².
- Strong balance sheet and cash flow:
 - Cash of US\$38 million at 31 Dec 2018 (US\$59 million post placement)
 - Free cash flow from operations funding G&A and lease acquisitions
 - US\$10 million debt drawn under the US\$75 million Macquarie Bank debt facility
- Focus for next 12 months:
 - TMS drilling program to replicate historical productivity at today's cost base.
 - Increase production and demonstrate well economics of the TMS Core
 - Carry out Environmental Impact Assessment in Portugal in preparation for drilling

Capital Structure (Feb 2019)^(A)

| | |
|---------------------------------|--------------------------------------|
| Ordinary Shares ^(B) | 896 million |
| Share Price (13 February 2019) | A\$0.40 |
| Market Capitalization | A\$358 million |
| Total Cash ^(C) | A\$54 million |
| Total Drawn Debt ^(C) | A\$14 million |
| Enterprise Value | A\$318 million |
| | US\$226 million^(C) |

Share Register Composition (Feb 2019)



- A. Figures are rounded
- B. Excludes 131 million unlisted options (an average strike price of A\$0.35) and 13m performance rights
- C. Exchange rate AUD to USD – 0.71

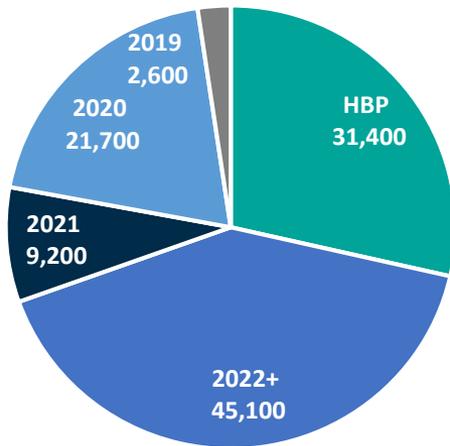
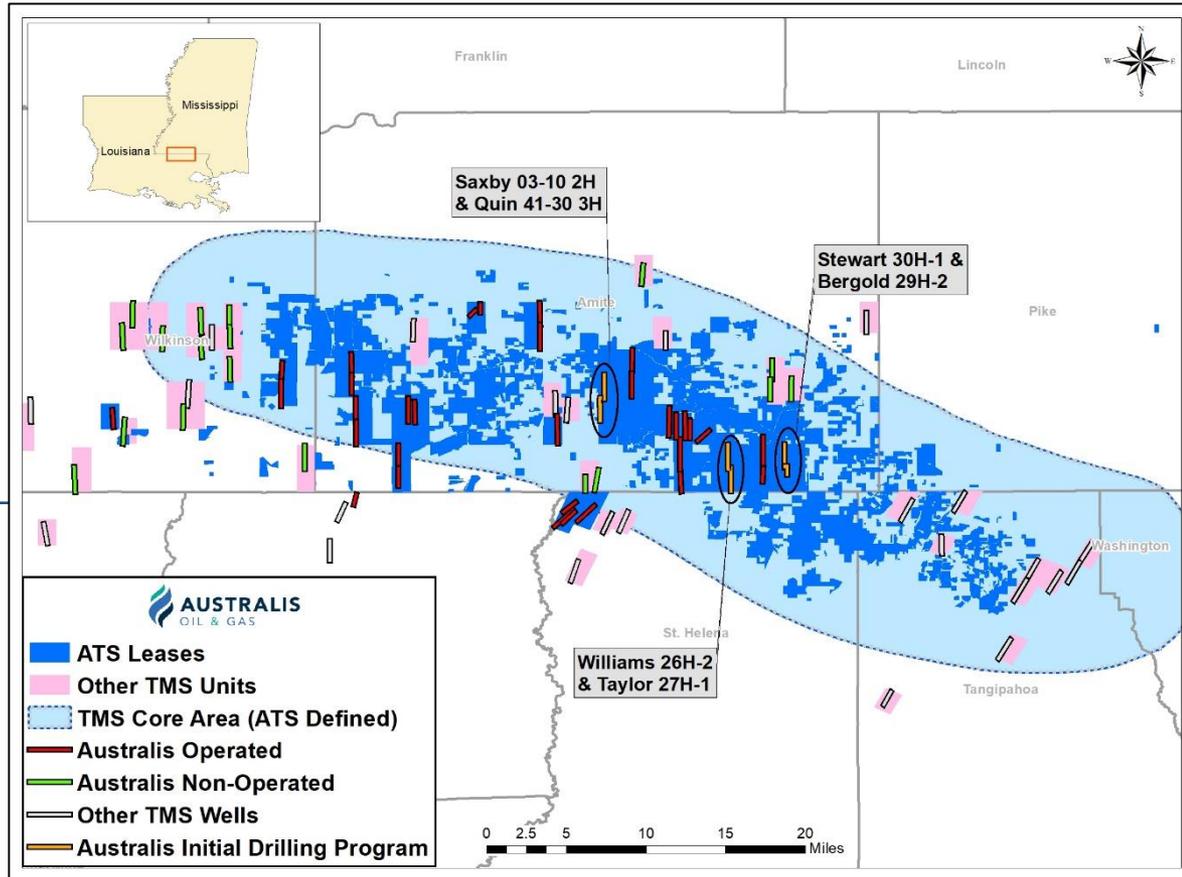
Australis TMS Land Position

During 2018 Australis has increased and extended the life of its 'core' land position

Australis TMS Position

| Land Position | Jan 19 | Jan 18 |
|---|---------------------------|--------|
| HBP (acres) | 31,400 | 27,600 |
| Total Core Area (net acres only within core area) | 110,000 | 95,000 |
| Future Net Well Locations ^A | 410 | 350 |
| Single Well EUR | 610,000 bbl ¹⁰ | |

Australis TMS Map



78% acreage is 2021+ or HBP

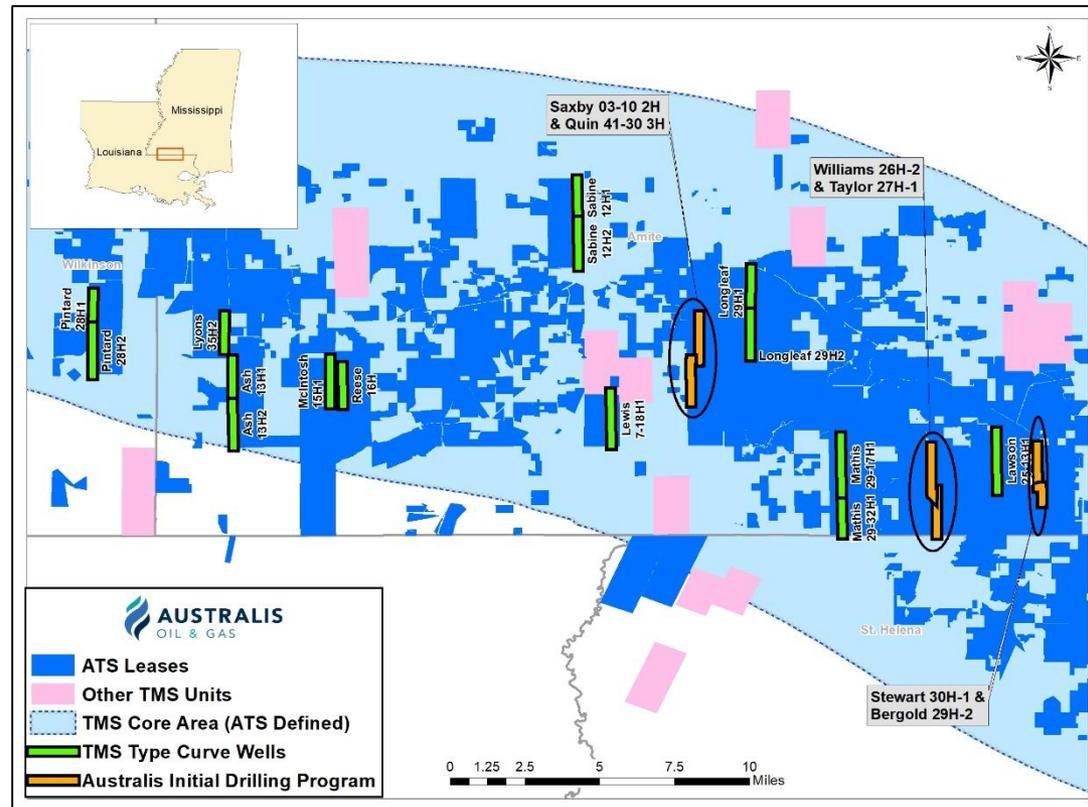
(A) 250 acre spacing, based on 110,000 net acres

Initial Drilling Program – Objectives & Results

Initial well program seeks to demonstrate value proposition by repeating historical well performance at updated cost base.

- Key objectives of TMS Drilling Program:
 - ✓ Repeat historical well performance at updated cost base
 - ✓ Demonstrate the compelling economics of the TMS Core
 - ✓ Convert acreage to HBP status
 - ✓ Increase field cash flow
- The Nabors B14 drilling rig was contracted to drill a minimum of 6 wells with the ability to negotiate extension.
- The locations for the first 6 wells were selected with an emphasis on execution and replication of the productivity performance of the TMS Type Curve (see appendix).
- Initial wells are being batch drilled in pairs to increase efficiency.

TMS Type Curve Wells

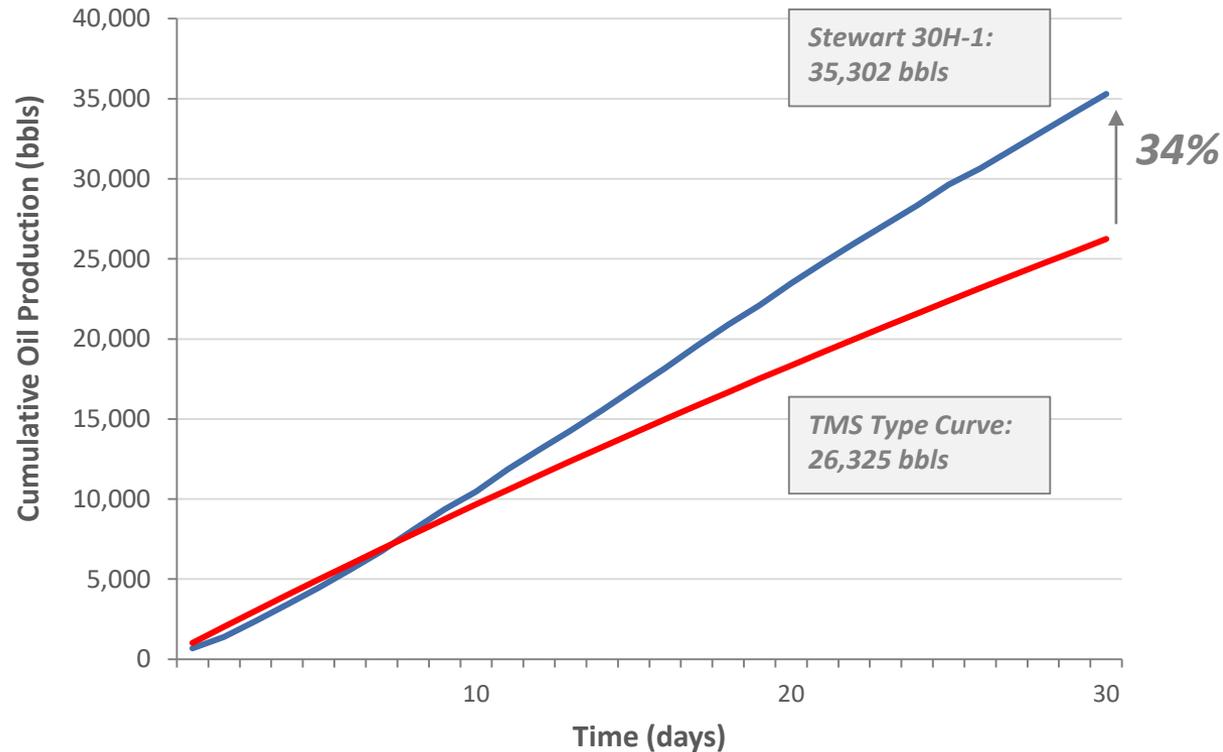


Initial Drilling Program Results – Stewart 30H-1

Australis' first new well materially outperforming the TMS Type Curve

Cumulative Oil Production: Stewart 30H-1 v TMS Type Curve

- Commenced oil production on 30 December 2018
- Stewart 30H-1 IP30 average is 1,177 bbl/d (1,248 boe/d) on a choke setting of (21/64)^A
- State reported 24 hour rate recorded during the 30-day period of 1,381 bbl/d
- Cumulative Production over 30 days is 35,302 bbls which is 34% above the TMS Type Curve
- Reservoir drawdown conservatively managed – production rate on day 30: 1,141 bbl/d



— Stewart 30H-1 Cumulative Production — TMS Type Curve Cumulative Production

A) Choke setting on 30th day of production

Initial Drilling Program – Status – Early February

All drilling and completion operations have been executed without any reportable safety or environmental incidents

Drilling Operations Summary

| Well | Status |
|----------------|--|
| Stewart 30H-1 | <ul style="list-style-type: none"> Lateral length drilled of 6,900ft, completed 20 stages - \$10.3 million D, C & T cost Commenced oil production 30 December 2018 IP30 of 1,177bbl/d |
| Bergold 29H-2 | <ul style="list-style-type: none"> Lateral length drilled of 2,000ft, completed 6 stages Remedial operations successfully completed, flowback commenced |
| Taylor 27H-1 | <ul style="list-style-type: none"> Lateral length drilled of 6,800ft, awaiting completion operations Presently on schedule and budget |
| Williams 26H-2 | <ul style="list-style-type: none"> Currently drilling horizontal lateral Presently on schedule and budget |
| Saxby 03-10 2H | <ul style="list-style-type: none"> Vertical surface hole drilled and cased to a depth of 3,210ft |
| Quin 41-30 3H | <ul style="list-style-type: none"> Vertical surface hole drilled and cased to a depth of 3,220ft |

Running Casing on Stewart 30H-1

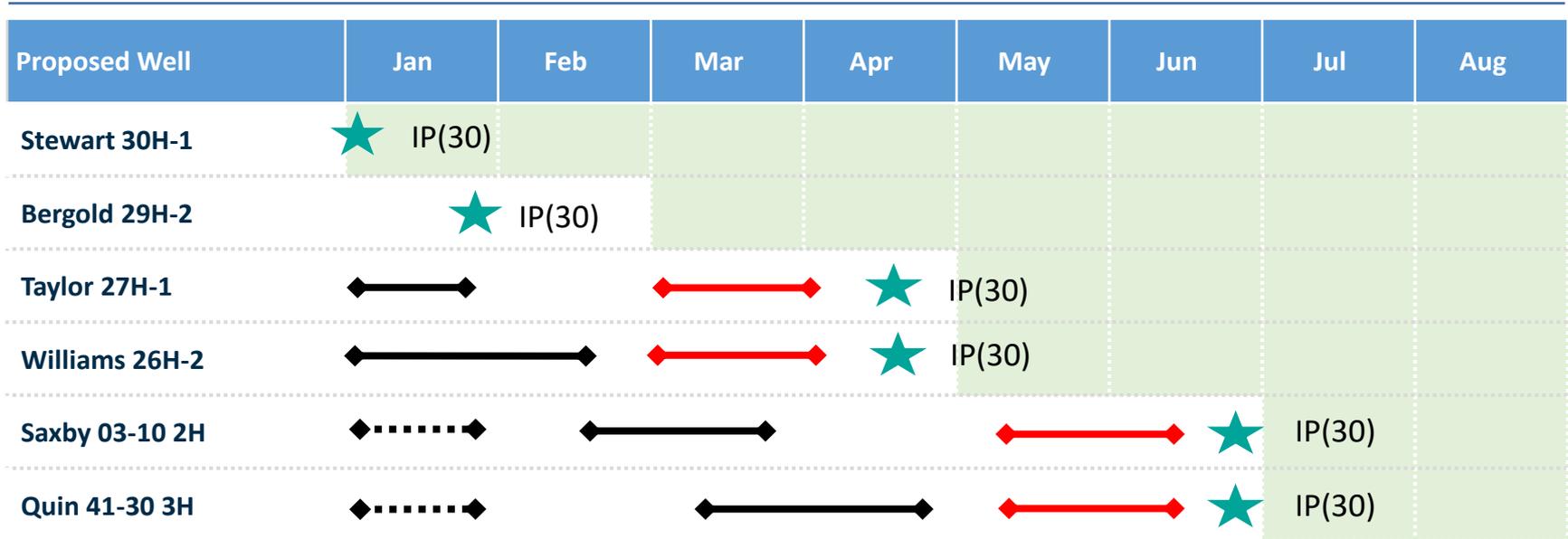


Initial Drilling Program – Costs and Schedule

Extensive planning delivering on-time and on-budget program

- The drilling and completion timetable is ahead of schedule and costs are currently under budget
 - Well D, C & T cost for Stewart 30H-1 is US\$10.3 million
 - Bergold 29H-2 well D, C & T cost anticipated to be <US\$10m with a cautious approach taken to preserve capital
- Australis has invested a further US\$0.8 million on infrastructure shared by these and to be shared by future wells in both the Stewart and Bergold units, such as surface roads, power access, and production facilities
- Timing for execution of the remainder of the drilling program past the initial six wells will be based upon the evaluation of results and market conditions towards the end of Q1

Initial 6 Wells Indicative Timetable



◆.....◆ Site Preparation & Spudder Rig ◆—◆ Drilling ◆—◆ Completion ★ First Production □ Ongoing Production

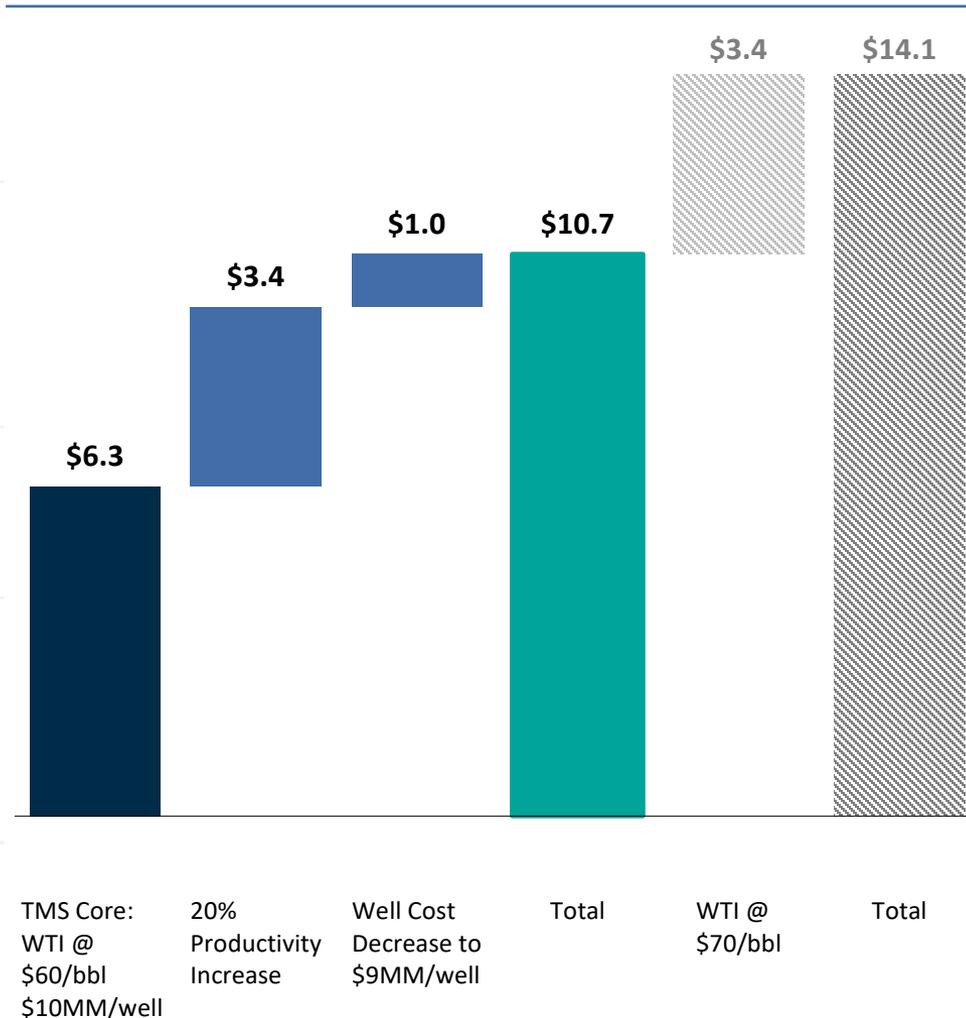
Pathway to Value

TMS Core acreage has multiple catalysts to realise and increase value

Value Catalysts

| | |
|----------------------|--|
| Well Performance | <ul style="list-style-type: none"> Type curves conservatively based on historical average well productivity Technology improvements over last 4 years not yet trialled in TMS |
| Well Cost Reductions | <ul style="list-style-type: none"> Continued refinement in design based on industry improvements over last 4 years and ATS experience Well location and design optimization & economies of scale in full development |
| Oil Price | <ul style="list-style-type: none"> A re-balancing of global demand / supply dynamics expected to generate upward pressure on oil price in the long term |
| Well Spacing | <ul style="list-style-type: none"> 250 acres per well is only 9% oil-in-place recovery – 410 future net wells Near-term potential for 190 acre spacing per well (increasing reserves and resources) – 504 future net wells |
| Additional Horizons | <ul style="list-style-type: none"> Austin Chalk activity proximal to Australis acreage (EOG, Marathon, ConocoPhillips) Majority of Australis leases include Austin Chalk rights |

Single Well Economics - Pre-tax NPV10 (US\$ in millions)



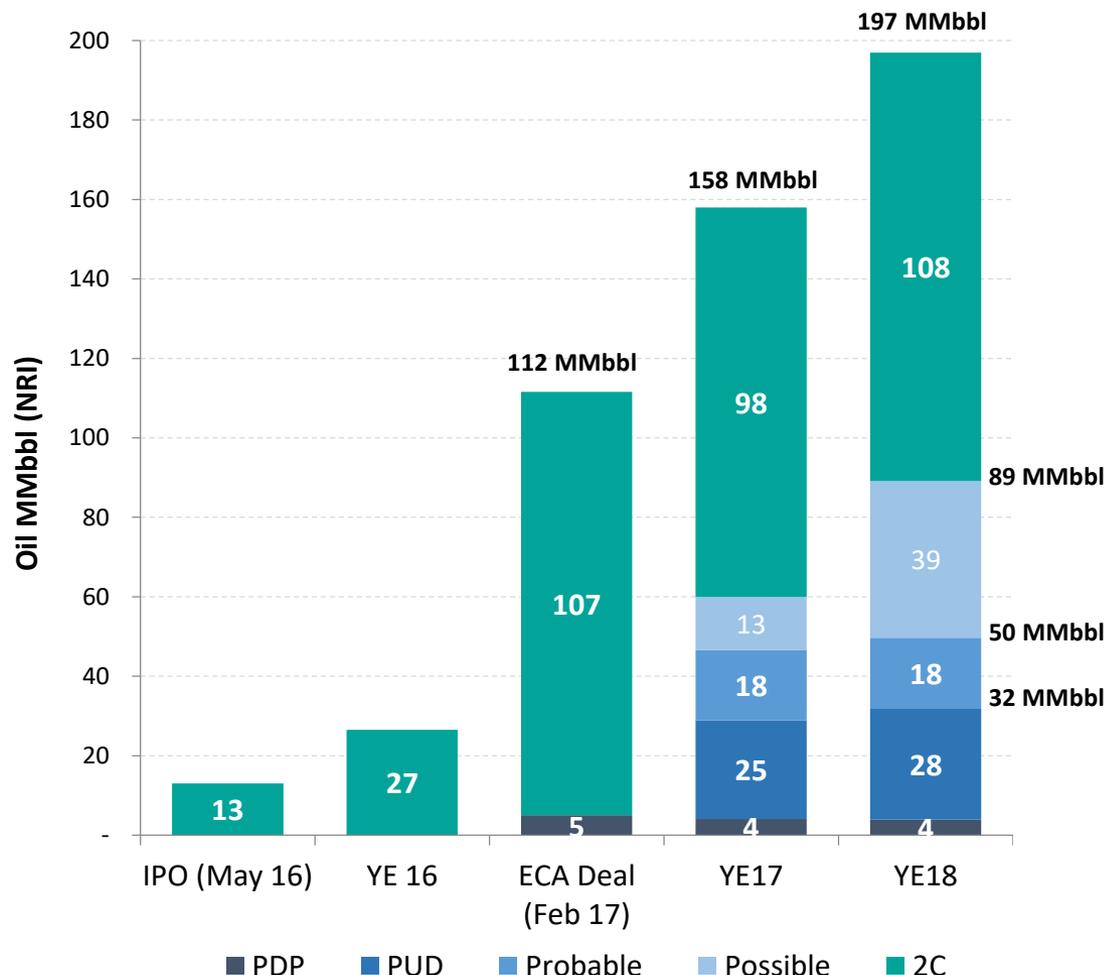
Refer to appendix for full economic analysis

Significant Underlying Value

Australis continues to add oil inventory on a highly accretive basis

- Australis' business strategy to accumulate 'oil in the ground' reflected in our substantial reserves and resources growth since IPO
- Considered approximately 38% of acreage with modest development program within proscribed 5 year timeframe for Reserves
- Remaining TMS acreage not assessed for development was allocated 2C Resources of 107.8 MMbbl
- During 2018 converted ~30 MMbbls of contingent resource to proved, probable or possible reserve category
- With additional development drilling, the Company expects further conversion of contingent resources and possible reserves to Proved and Probable reserves
- Australis enterprise value^A at 13 Feb 2018 US\$0.96/boe

Evolution of Oil Reserves and Resources⁽¹⁾



A) Valuation includes 2C resource in Portugal of 458 Bcf gas and Enterprise Value

Transaction Overview

Executive Summary



Tuscaloosa Marine Shale (TMS)

Portugal

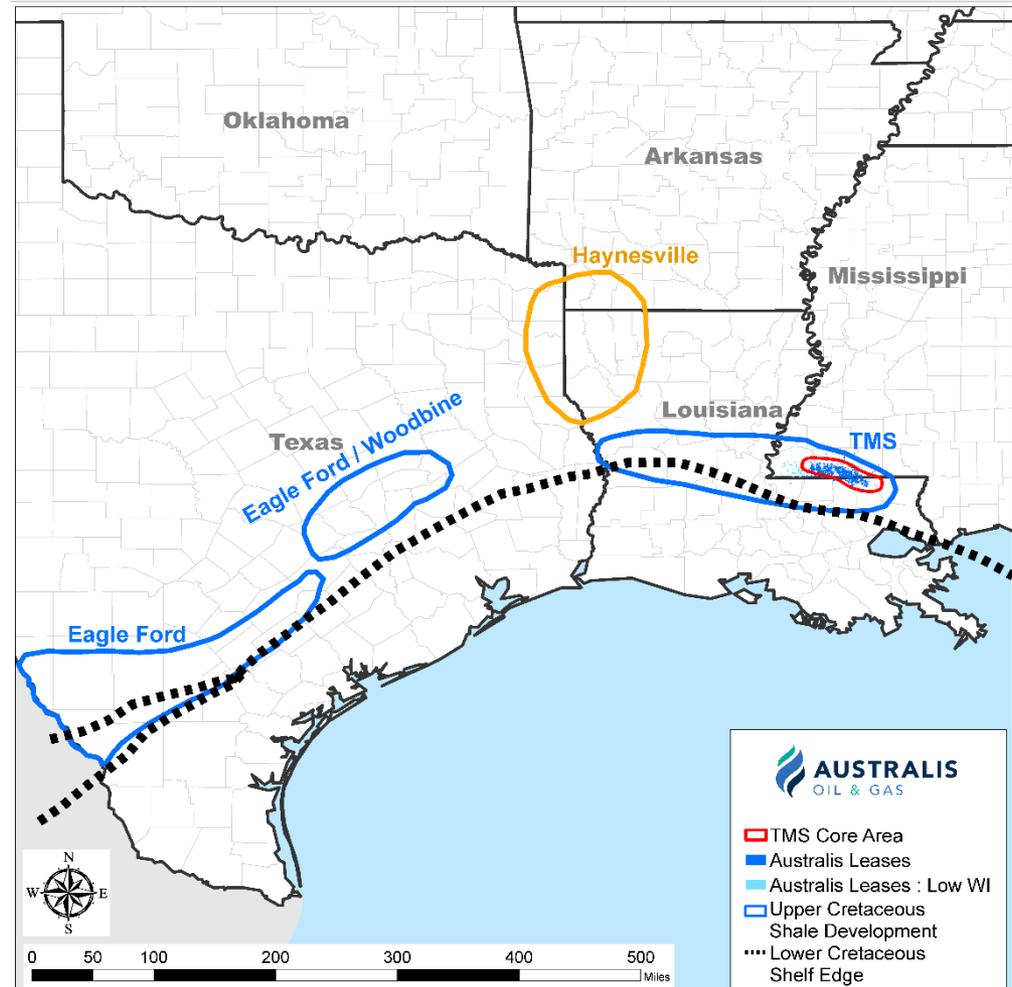
Appendix

What is the TMS?

The TMS is an emerging shale play: its 'core' is comparable with other prolific unconventional plays in the US

- Onshore basin - Louisiana and Mississippi.
- On trend with Eagle Ford Basin in Texas, similar depositional history and age.
- 80 horizontal wells were drilled from 2010 to 2014 and have delineated the Core Area.
- Performance from the early drilled wells was variable and unusually binary - either in or outside of the core area.
- The most recent wells were drilled in the core of the TMS (within Australis' acreage) in 2014. They have demonstrated consistently high oil productivity and downward trending well costs.
- Initial Australis well results continue this trend

TMS Location

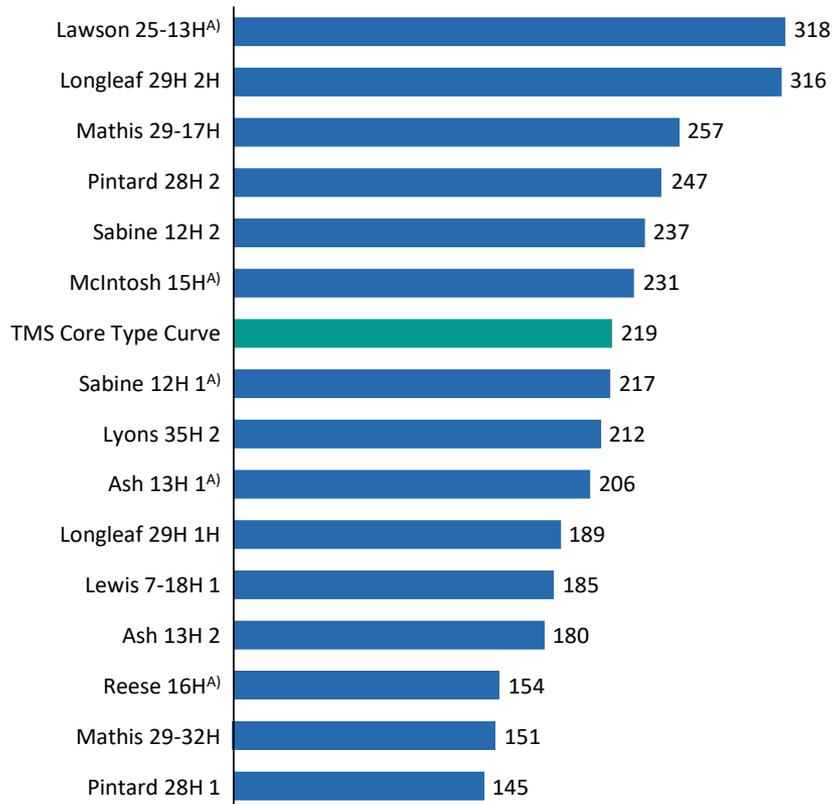


TMS Core Type Curve

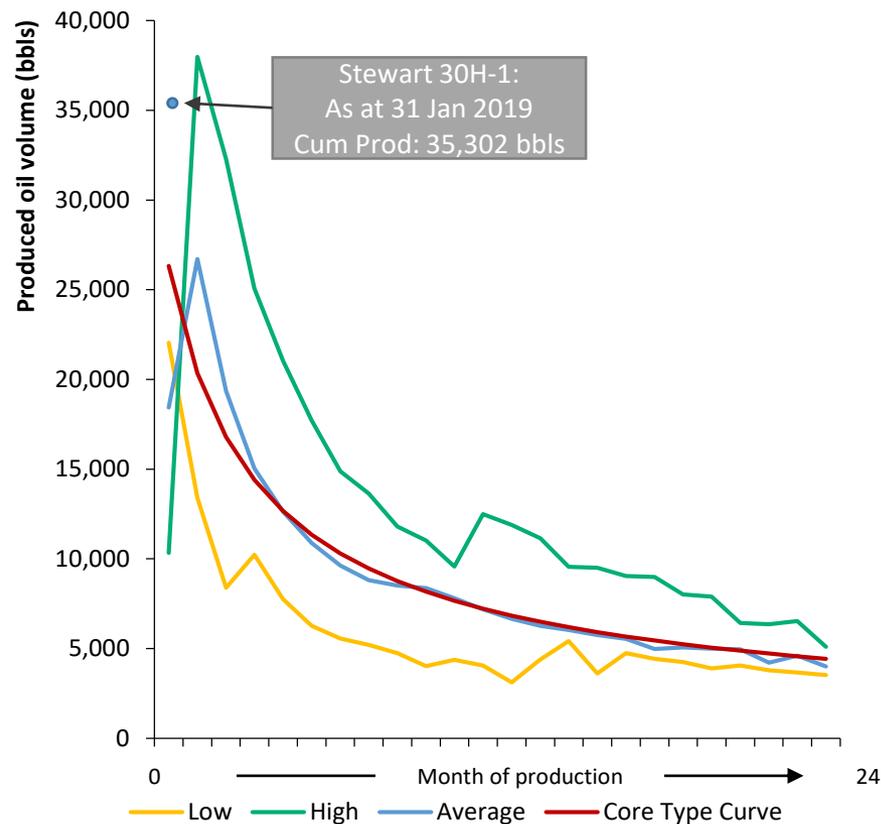
ATS type curve is history matched to production from the most recent 15 Mississippi ATS wells

Total oil production per well initial, 24 months (mmbbls)

(see appendix for full data set and analysis)



Production profiles



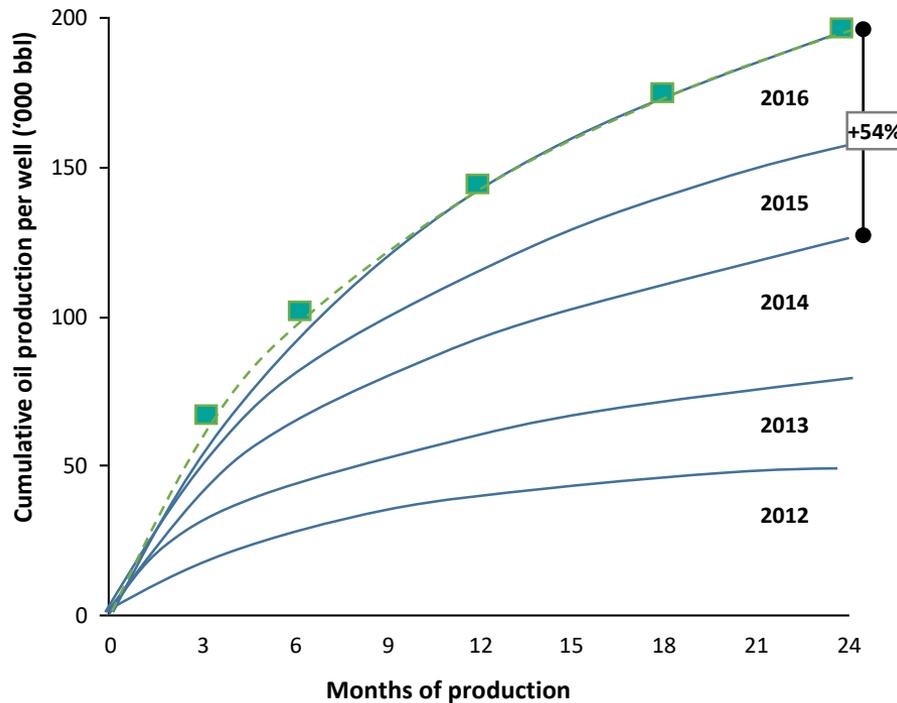
Note: Data sourced from Mississippi Oil & Gas Board. Only adjustment made was to Pintard 28H1 which was shut in for 8 months, so only producing months for this well were included. There is no guarantee future well performance will be consistent with the average of the results of the wells
^{A)} Wells using optimised drilling and completion methodologies

TMS Oil Productivity Compared to Permian

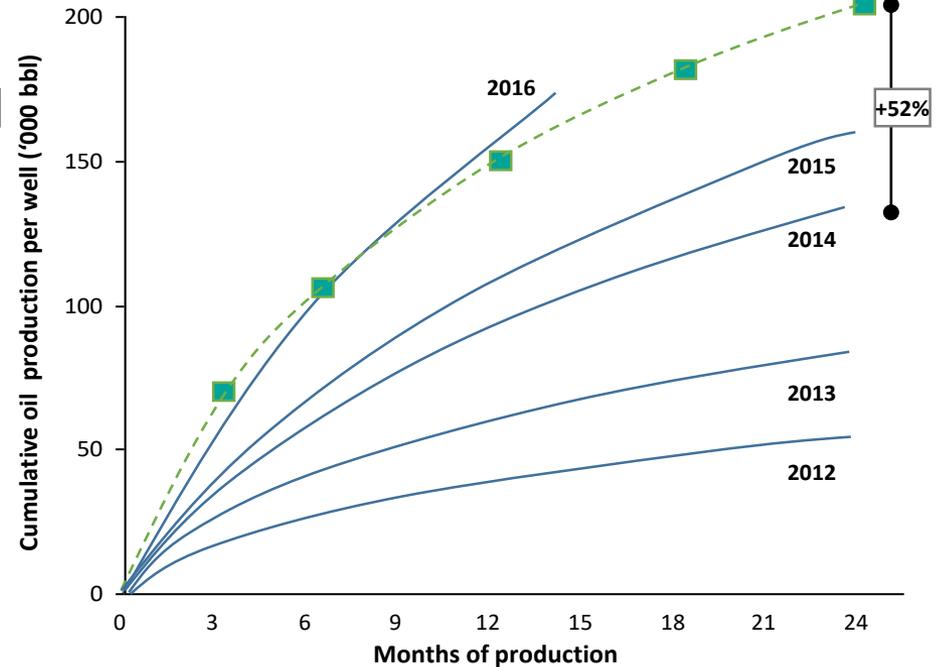


The average production from Australis' TMS wells drilled in 2014 are significantly higher than Permian wells drilled in the same year. Industry improvements since 2014 have yet to be applied to the TMS

Midland Basin



Delaware Basin



■ - - - *ATS history matched TMS Core Type Curve (see appendix)⁴*
— *Morgan Stanley analysis of basin average productivity for each year*

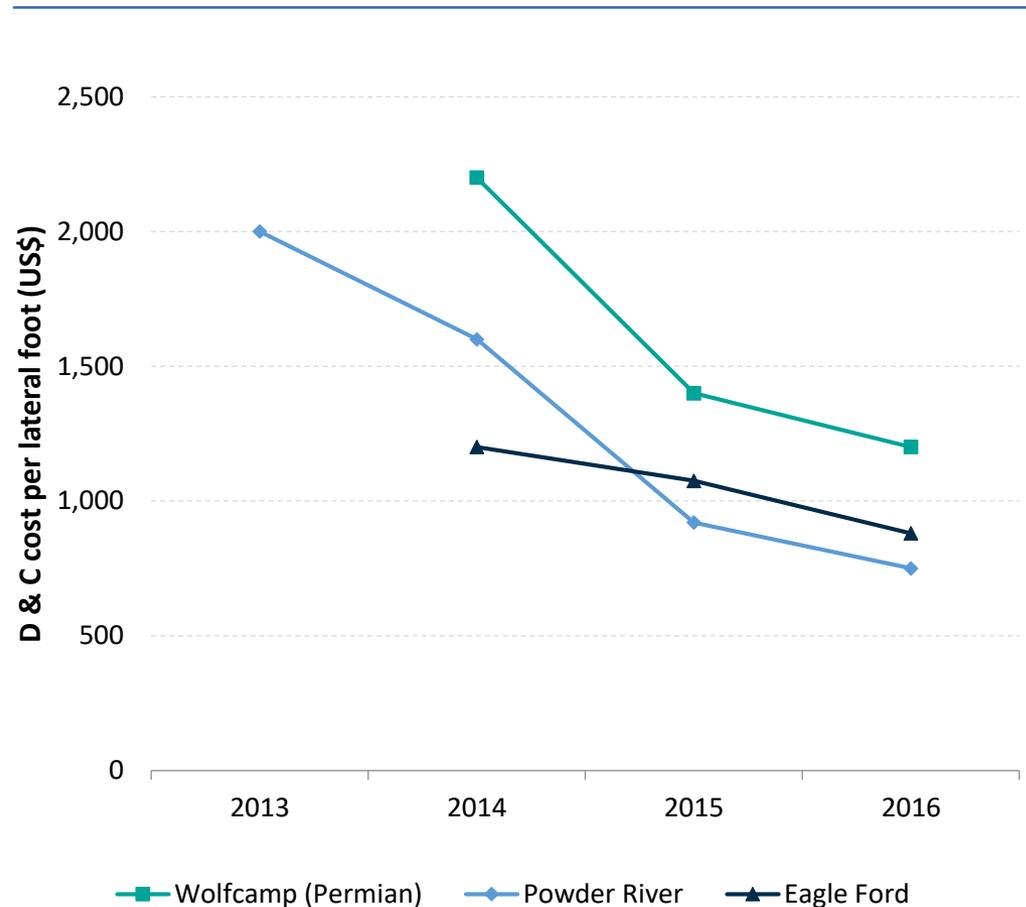
Source: Pioneer Natural Resources, Morgan Stanley, Australis Oil & Gas

Well Cost Overview

The major US shale plays have seen significant cost declines, and initial costs from Australis' current well program indicate this will be replicated in the TMS

- TMS Drilling costs incurred prior to 2015 were already following the same trend as other US shale plays and this is anticipated to continue as the TMS is developed
- The first well in Australis' TMS drilling program, Stewart 30H-1, is already one of the lowest cost well drilled in the TMS Core, at \$10.3 million D, C & T and \$1,503 per lateral foot¹¹
- Australis is also investing in "one off" costs associated with each new pad's surface road and power access, multi-well drilling pad preparation and additional infrastructure costs
- As seen in other plays, Australis anticipates well costs will decline as it adopts key learnings, optimises the drilling and completion process, and benefits from multi-well efficiencies within each drilling unit

Comparable Plays Well Cost Trends¹⁰

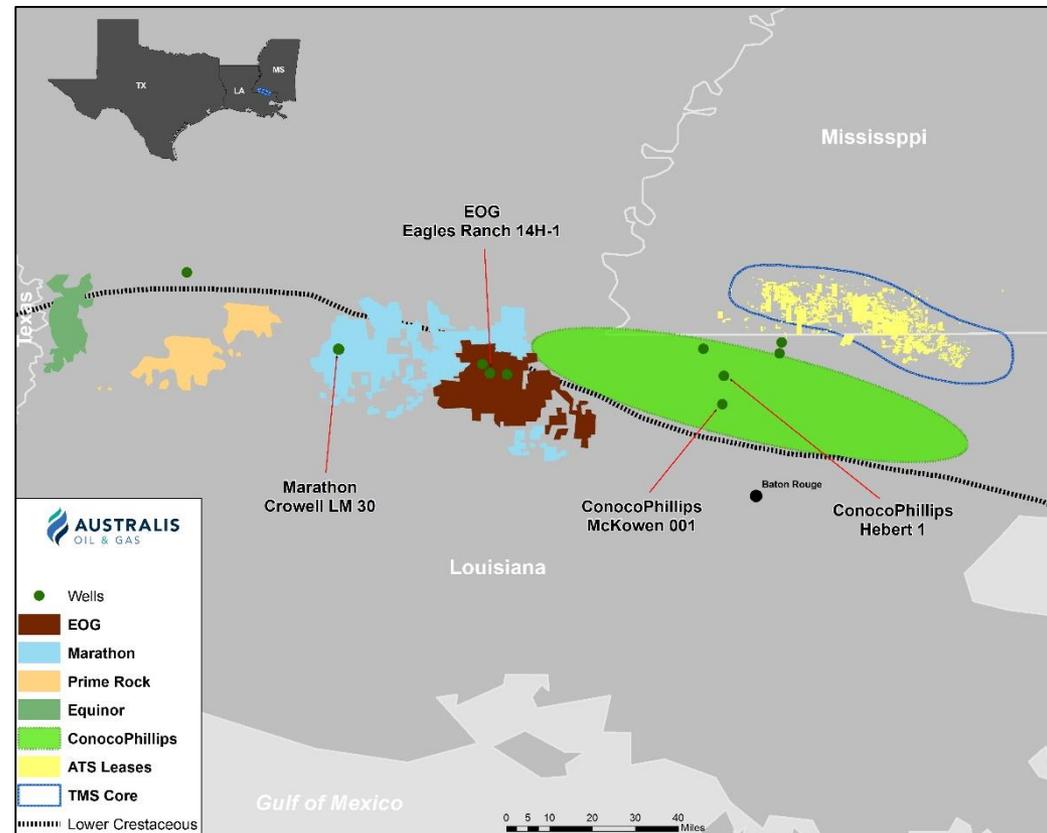


Austin Chalk Trend

Following recent EOG well results, there is significant activity in the South West targeting Austin Chalk

- EOG drilled the Eagles Ranch 14H-1 well during Q3 2017
 - Public data indicates liquids rich production
 - Well performance on par with Australis TMS type curve, Austin Chalk ~ 4,000 ft deeper at well location
- A number of companies announced active leasing or acquisition programs including Conoco Phillips, Marathon, EOG, Devon and Equinor (Statoil)
- ConocoPhillips has permitted 23 units in the East & West Feliciana Parishes, immediately south-east of Australis' acreage and announced a 4 well program
 - ConocoPhillips drilled first well ~ 15 miles from TMS core, awaiting completion
- Australis holds Austin Chalk rights on significant majority of leases:
 - Austin Chalk mud log shows seen in all 4 recently drilled Australis wells
- No allocation of reserves or resources to Austin Chalk within Australis independent reserve or resource estimates

Austin Chalk Trend



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Portugal

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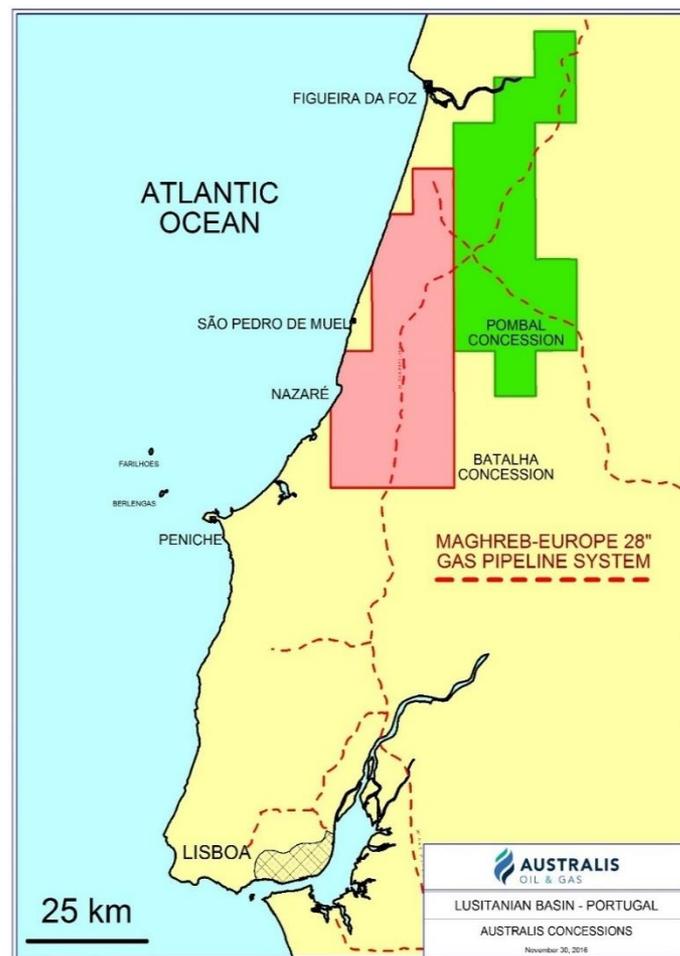
Portugal Concessions Overview

Australis owns two concessions onshore Portugal with significant development potential

Asset Highlights

| | |
|-----------------------------------|--|
| Significant Gas Resource | <ul style="list-style-type: none"> ▪ Large in-place discovered and tested gas accumulation with 2C resources of 458 Bcf² ▪ Limited exploration activity but regular oil and gas shows and tests demonstrate an active hydrocarbon system |
| Multiple Plays | <ul style="list-style-type: none"> ▪ Appraisal of a basin centered gas play in the post-salt early Jurassic Lias formation, with significant in place hydrocarbons ▪ Conventional gas prospectivity in the deeper pre-salt Silves formation, with potential for material hydrocarbon volumes |
| Established Infrastructure | <ul style="list-style-type: none"> ▪ Gas pipeline infrastructure with excess capacity crosses both concessions ▪ Modern road system with easy access to exploration and development areas |
| Favourable Gas Markets | <ul style="list-style-type: none"> ▪ All oil and gas currently imported, domestic market undersupplied ▪ No export restrictions ▪ Attractive commodity pricing above US\$7/GJ |
| Superior Fiscal Regime | <ul style="list-style-type: none"> ▪ Royalties 0-9%, 21% corporate tax ▪ No government participation |

Asset Location



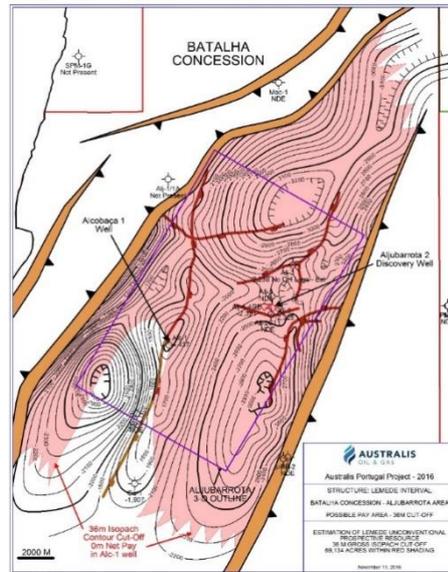
Portugal Prospectivity & Volumetrics

Appraisal of a gas discovery with multiple nearby prospects and leads with a significant resource base

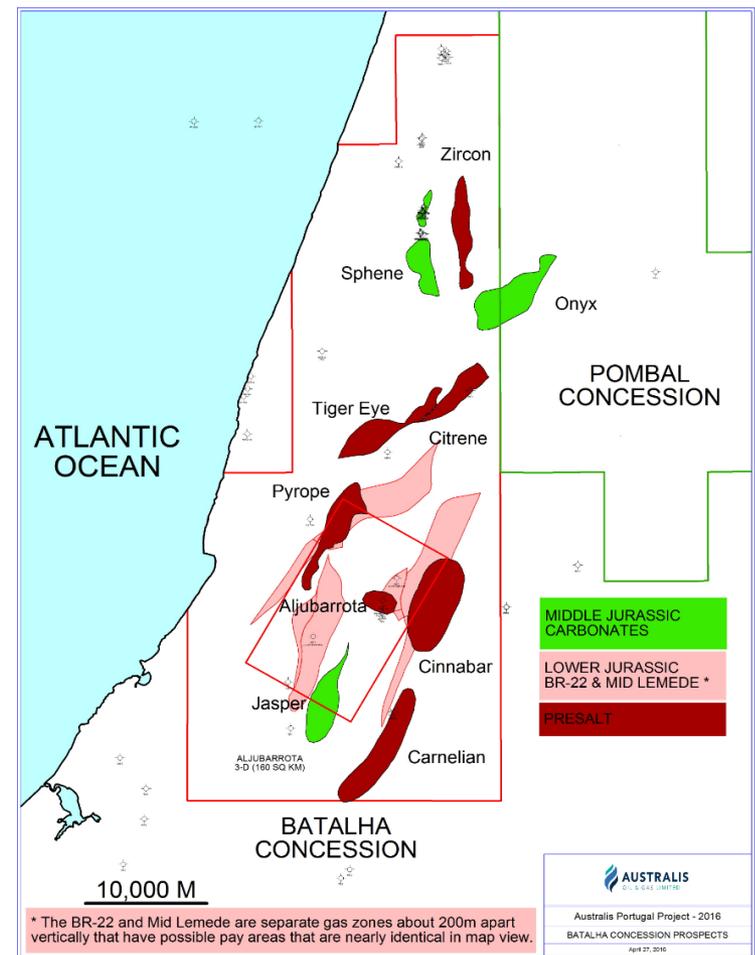
Proposed Work Program

- Drill and test the gas discovery with a vertical well
- Drill and core a deep Lamede well in a Lower Jurassic depocenter in the Pombal concession

Batalha Gas Discovery



Batalha Concession Prospects



Volumetrics 2, 9

| | Net Contingent Resources | | | Net Risked Prospective Resources (A) | | |
|------------------------|--------------------------|-------|-------|--------------------------------------|-------|---------|
| | 1C | 2C | 3C | Low | Best | High |
| Oil (MMbbl) | - | - | - | 19.2 | 126.4 | 448.4 |
| Gas (Bcf) | 217.4 | 458.5 | 817.7 | 104.3 | 466.0 | 1,632.4 |
| Oil Equivalent (MMboe) | 36.2 | 76.4 | 136.3 | 36.6 | 204.1 | 720.4 |

(A): It should be noted that the estimated quantities of petroleum that may be potentially recovered by the future application of a development project may relate to undiscovered accumulations. These estimates should have the associated risk of discovery and development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Portugal Concessions Status



Australis is working with Portuguese Authorities to achieve the necessary regulatory approvals to commence exploration and appraisal activity

| | |
|--|---|
| Work Program to Date | <ul style="list-style-type: none">▪ Australis has completed a number of detailed subsurface engineering studies to review historical data and establish the technical basis for a Batalha appraisal well.▪ The Jurassic prospect concept underlies the proposed Pombal exploration well for concession year 4▪ Appraisal and Exploration targets have been verified and assessed by independent engineers |
| Environmental Impact Assessment (EIA) | <ul style="list-style-type: none">▪ In late 2017, Australis engaged with the Portuguese Environmental Authorities to initiate the recently legislated regulations▪ The process is essentially split into three phases:<ul style="list-style-type: none">- An assessment of the project for the applicability of an EIA- The identification of the necessary scope of work- Once the EIA has been completed by the proponents, it is then assessed by the Authorities▪ Australis has received the applicability assessment feedback from the Portuguese Environmental Authorities (APA) and is currently seeking clarification before finalising the workscope |
| Planned Operations | <ul style="list-style-type: none">▪ Australis plans to meet its Year 4 commitments by drilling two wells▪ The appraisal well in the Batalha Concession is proposed to be drilled vertically through the target horizons. Following assessment, the well will be sidetracked and drilled horizontally for approximately 600m and then tested for commercial flow rates▪ The exploration well in the Pombal Concession will be drilled vertically and is targeting a similar Jurassic horizon to Batalha, but at a deeper depth where downhole conditions may be more conducive. In a success case, a similar program to Batalha will be followed |

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Portugal



Appendix

Directors & Management

Demonstrated track record in oil & gas



John Stewart

Non-Executive Chairman

- >25 years in the upstream oil and gas industry
- Founder and former Chairman and CEO of Aurora Oil & Gas
- Founder & Director of Dana Petroleum and EuroSov Petroleum PLC (CEO) (1999 merger with Sibir Energy PLC - MD)
- EY 2014 Australian Entrepreneur of the Year – Listed Company Category
- Qualified Chartered Accountant



Ian Lusted

Managing Director & CEO

- >25 years in the upstream oil & gas industry
- Former Technical Director of Aurora Oil & Gas
- Founder of Leading Edge Advantage, an advanced drilling project management consultancy
- Founder and Technical Director Cape Energy, a private equity backed oil and gas company
- Drilling engineer / supervisor at Shell International



Darren Wasylucha

Chief Corporate Officer

- Former Executive VP Corporate Affairs for Aurora 2011 to 2014
- Corporate finance lawyer with over 20 years' experience advising public and private companies



Alan Watson

Non-Executive Director

- 30 years previous experience in international investment banking
- Former Non Exec Director of Aurora Oil & Gas
- Chairman of Pinnacle Investment Management Group Limited (ASX:PNI)



Graham Dowland

CFO & Finance Director

- >25 years experience in the oil and gas industry
- Founding and former Finance Director of Aurora Oil & Gas
- Former Executive Director of Hardman Resources NL
- Former Finance Director of EuroSov Petroleum PLC and Sibir Energy PLC
- Qualified Chartered Accountant



Mal Bult

VP Corporate & Business Development

- Former VP commercial at Aurora 2008 – 2012
- Over 20 years' experience in Oil and Gas industry



Steve Scudamore

Non-Executive Director

- Over 3 decades experience in Corporate Finance with KPMG Australia, London and PNG
- Senior roles with KPMG include Chairman (WA) and National head of valuations
- Non-Executive Director at Pilbara Minerals
- Former Non Exec Director of Aquila Resources and Altona Mining



Michael Verm

Chief Operating Officer

- >35 years experience in the oil & gas industry
- Petroleum Engineer
- Former COO of Aurora Oil & Gas
- Former President and Managing Director of Kerr-McGee China Petroleum



Julie Foster

VP Finance & Company Secretary

- Former Group Controller and Company secretary of Aurora 2009 to 2014
- Chartered accountant UK and Wales with over 20 years' experience

TMS Core Type Curve

Summary of monthly oil production data for the most recent 15 Encana drilled, ATS operated modern offset Mississippi wells

| Well Name | Lewis 7-18H 1 | Pintard 28H 2 | Lyons 35H 2 | Pintard 28H 1 | Longleaf 29H 1H | Longleaf 29H 2H | Mathis 29-32H | Mathis 29-17H | Lawson 25-13H* | Ash 13H 1* | Ash 13H 2 | Sabine 12H 1* | Sabine 12H 2 | McIntosh 15H* | Reese 16H* | Average | Cumulative | Stewart 30H-1 |
|---------------------------|------------------------|----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------|------------|---------------|
| State | Mississippi | | | | | | | | | | | | | | | | | |
| Months of Production | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | | | 1 |
| Stimulated Lateral Length | 8,263 | 8,215 | 5,485 | 5,492 | 6,955 | 7,138 | 6,170 | 9,081 | 9,754 | 7,066 | 7,194 | 6,815 | 7,425 | 7,585 | 6,167 | | | 6,850 |
| | Produced Volume (bbls) | | | | | | | | | | | | | | | | | |
| Total | 184,591 | 247,164 | 211,751 | 144,860 | 189,035 | 316,406 | 151,472 | 257,162 | 318,166 | 205,817 | 179,767 | 217,452 | 237,477 | 231,009 | 153,633 | | | |
| Month 1 | 2,325 | 25,027 | 34,743 | 22,049 | 21,594 | 32,088 | 3,406 | 22,677 | 10,325 | 10,766 | 7,922 | 29,701 | 27,525 | 10,787 | 5,640 | 18,438 | 18,438 | 35,302 |
| Month 2 | 28,807 | 32,397 | 24,536 | 13,386 | 20,754 | 33,798 | 26,701 | 34,715 | 37,986 | 27,317 | 21,417 | 23,313 | 25,174 | 31,074 | 19,422 | 26,720 | 45,158 | |
| Month 3 | 17,804 | 22,678 | 17,400 | 8,385 | 14,660 | 26,187 | 16,437 | 23,901 | 32,280 | 22,186 | 17,098 | 16,528 | 18,136 | 22,652 | 13,944 | 19,352 | 64,510 | |
| Month 4 | 15,003 | 18,816 | 14,431 | 10,221 | 11,749 | 19,532 | 11,692 | 18,134 | 25,061 | 6,934 | 13,663 | 14,908 | 16,570 | 17,881 | 10,978 | 15,038 | 79,548 | |
| Month 5 | 11,196 | 15,596 | 12,121 | 7,748 | 10,170 | 16,443 | 6,534 | 15,486 | 21,038 | 11,547 | 12,156 | 12,292 | 13,347 | 14,610 | 9,168 | 12,630 | 92,178 | |
| Month 6 | 9,143 | 11,908 | 9,434 | 6,256 | 6,311 | 14,309 | 8,110 | 13,950 | 17,704 | 13,408 | 9,048 | 10,714 | 11,967 | 11,942 | 8,935 | 10,876 | 103,054 | |
| Month 7 | 9,013 | 11,916 | 8,843 | 5,554 | 9,628 | 10,441 | 8,175 | 11,281 | 14,876 | 7,155 | 8,944 | 8,580 | 10,385 | 10,227 | 9,330 | 9,623 | 112,677 | |
| Month 8 | 7,606 | 11,513 | 8,487 | 5,202 | 8,787 | 12,431 | 9,290 | 10,143 | 13,648 | 10,268 | 8,753 | 358 | 9,301 | 9,154 | 7,345 | 8,819 | 121,496 | |
| Month 9 | 7,695 | 10,743 | 7,708 | 4,747 | 7,298 | 14,007 | 3,883 | 12,177 | 11,802 | 7,396 | 8,318 | 9,168 | 5,253 | 9,653 | 7,695 | 8,503 | 129,999 | |
| Month 10 | 6,625 | 8,787 | 6,176 | 4,011 | 7,154 | 11,524 | 5,974 | 9,737 | 11,020 | 9,896 | 7,378 | 8,264 | 12,739 | 10,240 | 6,007 | 8,369 | 138,368 | |
| Month 11 | 5,565 | 7,373 | 7,160 | 4,378 | 6,848 | 11,602 | 6,430 | 9,224 | 9,564 | 9,714 | 6,561 | 8,867 | 9,315 | 8,776 | 5,706 | 7,806 | 146,174 | |
| Month 12 | 2,583 | 8,195 | 7,476 | 4,053 | 4,885 | 9,016 | 4,085 | 8,512 | 12,481 | 10,001 | 6,328 | 8,673 | 7,838 | 8,343 | 5,325 | 7,182 | 153,356 | |
| Month 13 | 7,388 | 6,924 | 6,393 | 3,117 | 6,073 | 10,379 | 3,755 | 7,418 | 11,882 | 7,938 | 6,063 | 7,241 | 5,442 | 5,469 | 4,321 | 6,654 | 160,009 | |
| Month 14 | 4,559 | 6,502 | 6,035 | 4,383 | 5,842 | 8,261 | 5,494 | 5,933 | 11,140 | 2,885 | 5,322 | 7,066 | 8,492 | 7,166 | 4,867 | 6,263 | 166,272 | |
| Month 15 | 5,405 | 6,240 | 5,423 | 5,420 | 5,471 | 8,258 | 5,089 | 5,643 | 9,560 | 5,575 | 5,500 | 6,452 | 6,276 | 5,588 | 4,630 | 6,035 | 172,308 | |
| Month 16 | 5,089 | 5,998 | 5,379 | 3,618 | 5,303 | 6,731 | 3,808 | 5,657 | 9,495 | 6,655 | 4,737 | 6,268 | 7,172 | 5,957 | 4,458 | 5,755 | 178,063 | |
| Month 17 | 4,911 | 5,347 | 5,256 | 4,749 | 5,389 | 7,449 | 3,430 | 5,089 | 9,035 | 6,326 | 4,337 | 5,762 | 6,303 | 5,604 | 4,006 | 5,533 | 183,596 | |
| Month 18 | 4,029 | 5,192 | 4,172 | 4,423 | 4,495 | 8,209 | 1,656 | 5,307 | 8,994 | 4,805 | 2,546 | 5,555 | 6,054 | 5,502 | 3,649 | 4,973 | 188,568 | |
| Month 19 | 4,075 | 4,806 | 4,433 | 4,249 | 4,984 | 7,778 | 287 | 6,633 | 8,019 | 6,256 | 5,213 | 5,075 | 5,044 | 5,394 | 3,597 | 5,056 | 193,624 | |
| Month 20 | 3,992 | 2,911 | 4,007 | 3,887 | 5,241 | 6,403 | 6,383 | 5,949 | 7,898 | 3,807 | 4,072 | 5,193 | 5,708 | 6,423 | 3,038 | 4,992 | 198,617 | |
| Month 21 | 3,306 | 5,565 | 3,848 | 4,054 | 4,658 | 11,950 | 3,266 | 5,647 | 6,423 | 3,383 | 3,790 | 4,842 | 5,293 | 5,233 | 3,072 | 4,955 | 203,572 | |
| Month 22 | 0 | 4,363 | 3,209 | 3,786 | 4,000 | 12,602 | 15 | 3,808 | 6,358 | 4,158 | 3,748 | 4,586 | 4,775 | 4,619 | 3,110 | 4,209 | 207,781 | |
| Month 23 | 4,447 | 4,394 | 2,658 | 3,664 | 4,314 | 9,553 | 4,484 | 5,456 | 6,536 | 3,760 | 3,386 | 4,288 | 4,879 | 4,462 | 2,703 | 4,599 | 212,380 | |
| Month 24 | 4,025 | 3,973 | 2,423 | 3,520 | 3,454 | 7,455 | 3,088 | 4,685 | 5,104 | 3,681 | 3,467 | 3,758 | 4,489 | 4,253 | 2,687 | 4,004 | 216,384 | |

Data sourced from Mississippi Oil & Gas Board as of January 2018. Only adjustment made to Pintard 28H1 which was shut in for 8 months so listing Producing months for this well
There is no guarantee future well performance will be consistent with the average of the results of the wells.

* Wells using optimised drilling and completion methodologies

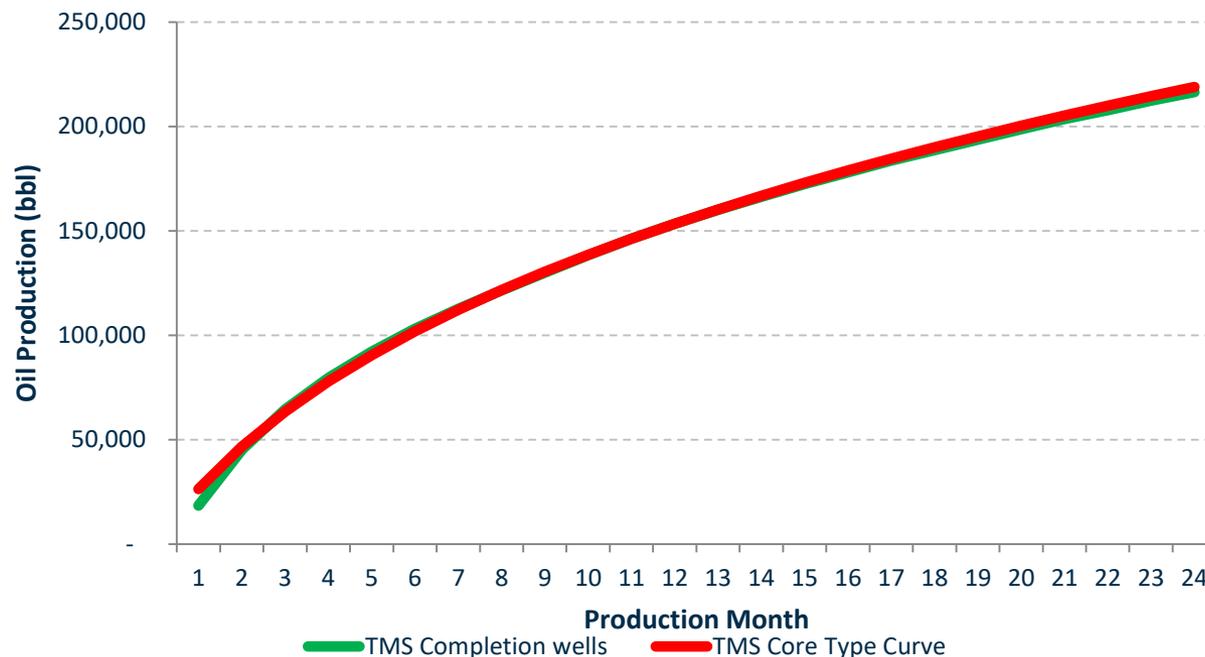
Single Well TMS Core Type Curve

ATS type curve is history matched to production from the most recent 15 Mississippi wells (drilled by ECA, operated by ATS)

TMS Core TC – Assumptions

- Oil EUR – 610 Mbbls
- Gas EUR – 159 MMscf
- NGL EUR – 20 Mbbls
- EUR (30 yr) – 656 Mboe (97% liquids)

TMS Core Type Curve v TMS Production

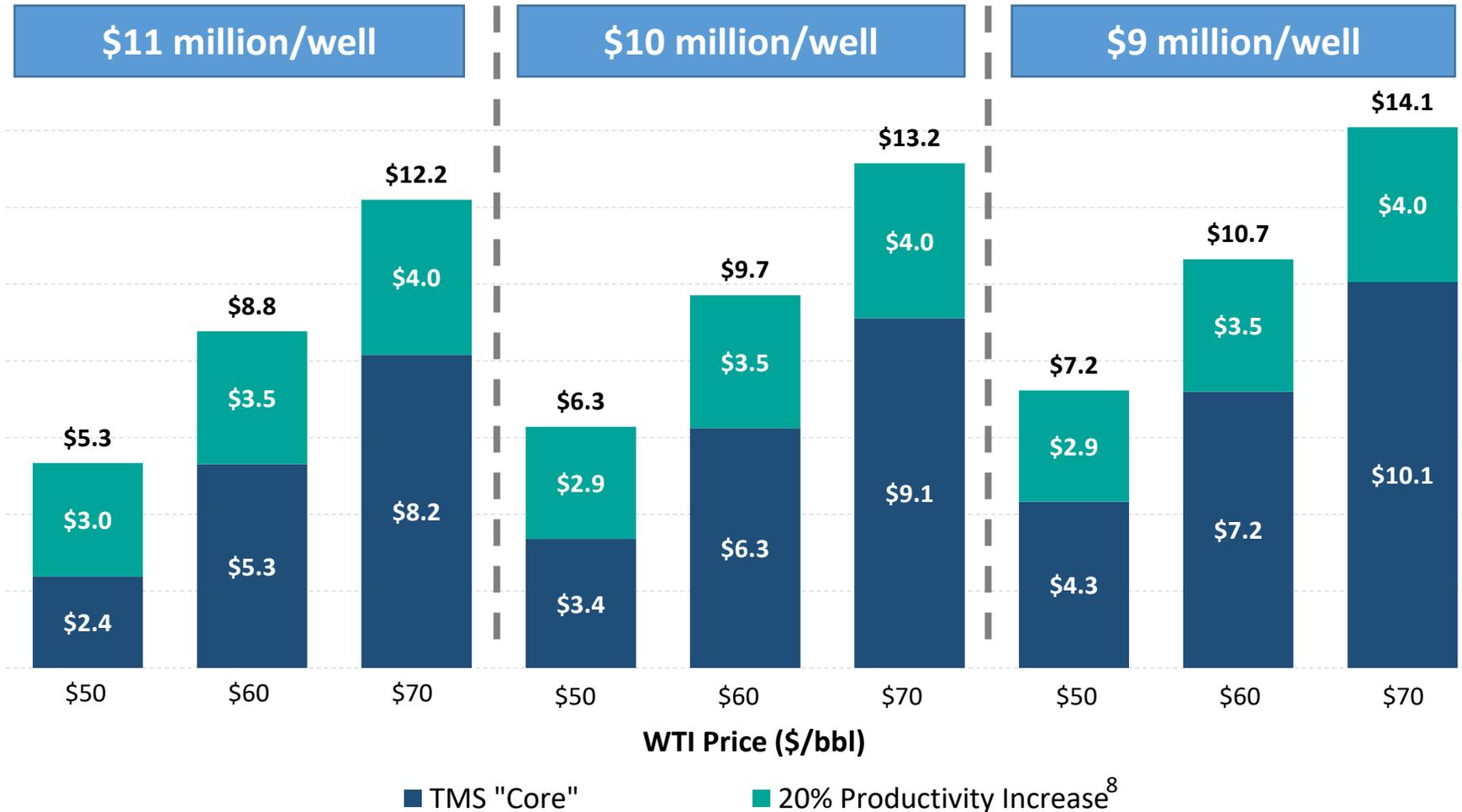


| Type Curve | Well EUR | Basis |
|--|----------|---|
| TMS Core | 656 Mboe | History match average of the most recent 15 wells spudded by Encana in 2014 (~7,200 ft stimulated lateral) ⁴ |
| TMS Productivity Upside ^{7,8} | 787 Mboe | 20% uplift of the TMS Core Type Curve reflecting less than the industry average improvement in well performance (normalised) since 2014 |

TMS Value Potential

410 future net well locations with strong economics

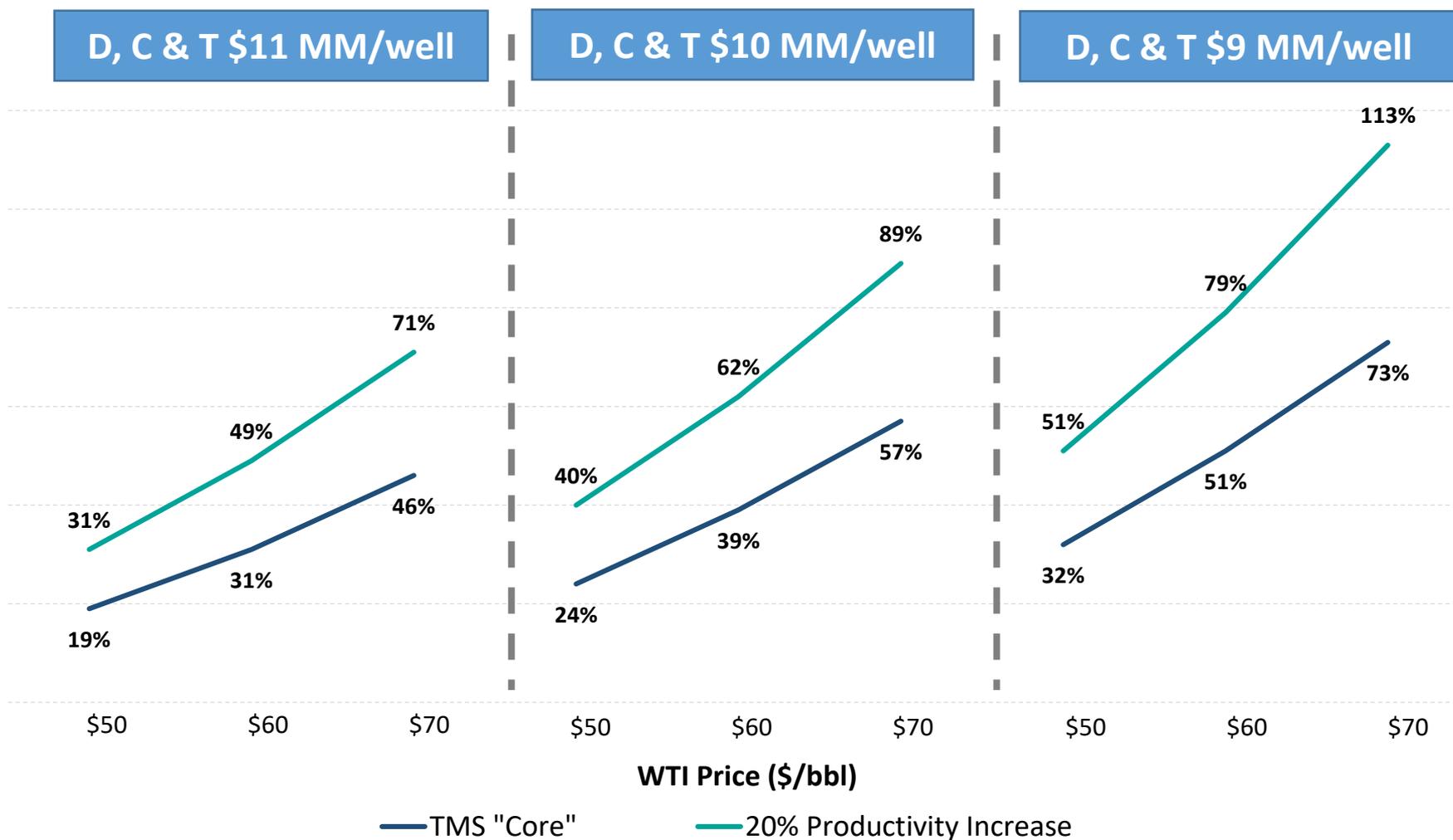
Single Well Economics and Sensitivities – Pre-tax NPV10 (US\$ in millions)



Single Well Economics – IRR Sensitivities

410 future wells with attractive return profile

Single Well Economics and Sensitivities – Pre-tax IRR



TMS Base Case Economics – Key Assumptions

The production and opex assumptions are based on history and the capex costs are current third party service providers' estimates

Base Case Assumptions*

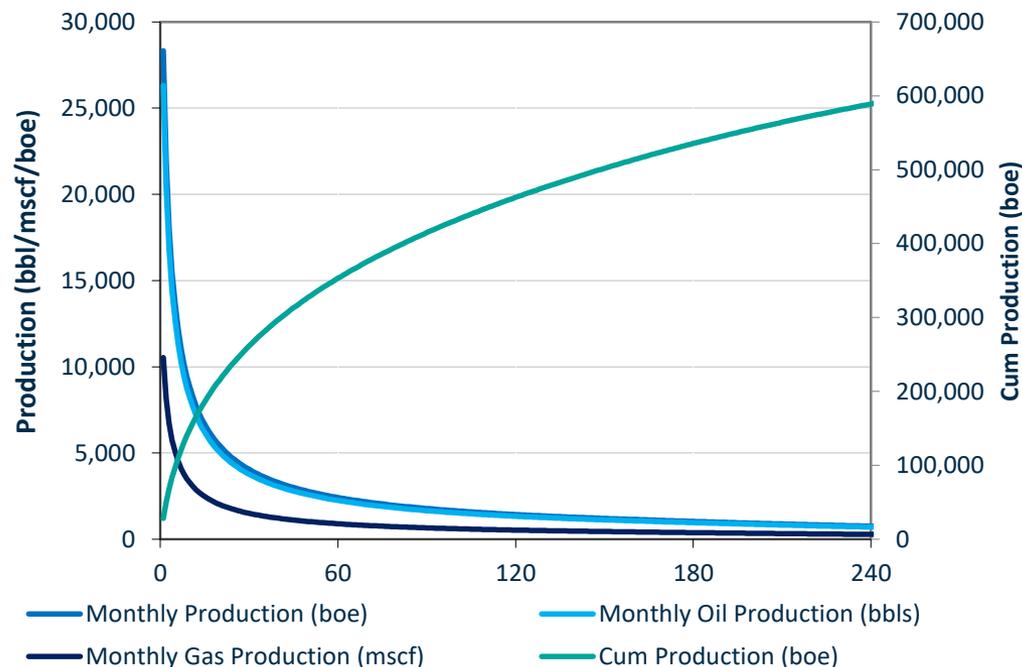
| EUR (30 Years) | | |
|------------------------------------|---------------|----------------|
| Gas | 0.16 | Bcf |
| Oil/Condensate | 610 | Mbbl |
| NGLs | 20 | Mbbl |
| EUR/well | 656 | Mboe |
| Well Cost US\$ | | |
| Drilling | \$4.0 | million |
| Completion | \$5.0 | million |
| Tie in | \$1.0 | million |
| Total Well Cost | \$10.0 | million |
| Operating Expenditure US\$ | | |
| Fixed Opex | \$13,700 | /well/month |
| Variable Opex ^A | \$2.8 | per boe |
| Other Assumptions | | |
| NRI | 80% | |
| Realised Differential ^B | \$3.00 | \$ per bbl |
| Abandonment cost | 1.0% | of well cost |
| Escalation | 2.0% | |

A. Includes water disposal

B. Australis sells its oil at LLS benchmark, which trades at a premium to WTI. Realised differential represents LLS premium less lifting deduct. The \$3 differential is a conservative estimate considering the current realised differential is >\$6/bbl

* Economics based on 20 year cash flows from first production

Production Forecast



| Oil Price - WTI US\$/bbl | Cashflow US\$ million | Pre-tax NPV10 US\$ million | IRR % | Payback Months |
|-----------------------------|--------------------------|-------------------------------|----------|-------------------|
| \$50 | \$9.4 | \$3.4 | 24% | 34 |
| \$60 | \$14.0 | \$6.3 | 39% | 22 |
| \$70 | \$18.6 | \$9.1 | 57% | 16 |

Reserves and Resource Update

Australis continues to grow reserves and resources

- As an ASX participant Australis reports to the SPE PRMS which requires any undeveloped reserves, that are to be assessed for reserves classification, are to be developed within a maximum 5 year timeframe.
- For the purposes of the YE18 reserve assessment, the TMS development assumed 1 rig until Oct 2019, 2 rigs from Oct 2019, 3 rigs from July 2020 and 4 x rigs from July 2021, focusing on HBP acreage and 9 undeveloped units, which is equivalent to ~38% of the Australis net acreage within the TMS core area and a total of 184 gross wells.
- Remaining acreage that has not been assessed for reserves was allocated contingent resource.
- The assumptions used for the reserves remains 250 acre spacing and the recovery factor for the resources is 9%

TMS Reserves & Resource Estimates¹

| 2018 Ryder Scott Reserves Estimate | Net Oil (MMbbls) |
|--|------------------|
| Proved Developed Producing | 3.9 |
| Proved Undeveloped | 27.9 |
| Total Proved (1P) | 31.9 |
| Probable | 17.9 |
| Total Proved + Probable (2P) | 49.7 |
| Possible | 39.5 |
| Total Proved + Probable + Possible (3P) | 89.2 |
| Low contingent resource (1C) | 6.9 |
| Most likely contingent resource (2C) | 107.8 |
| High contingent resource (3C) | 195.4 |

Note: The above figures have been rounded for presentation purposes, arithmetic sums may not tally as a result

Field Cashflow financing overhead and land capex program in 2018

Key Financial Metrics - 2018

| | |
|--|----------------|
| Sales Volumes (WI – before royalties) | 506,000 bbls |
| Realised Price | US\$68.80 |
| Sales Revenue | US\$35 million |
| Field Netback | US\$16 million |
| Cash as at 31 December 2018 | US\$38 million |
| Proforma Cash at 31 December 2018 (post placement and net of costs of issue) | US\$59 million |
| Debt | US\$10 million |

Hedge Position – WTI Collars

| Hedge Period | Volumes bbls | WTI Put US\$/bbl | WTI Call US\$/bbl |
|--------------|-----------------|---------------------|----------------------|
| H1 2019 | 120,000 | 55 | 68 |
| H2 2019 | 110,000 | 55 | 88 |
| H1 2020 | 65,000 | 55 | 82 |
| H2 2020 | 30,000 | 55 | 77 |
| H1 2021 | 7,000 | 55 | 73 |

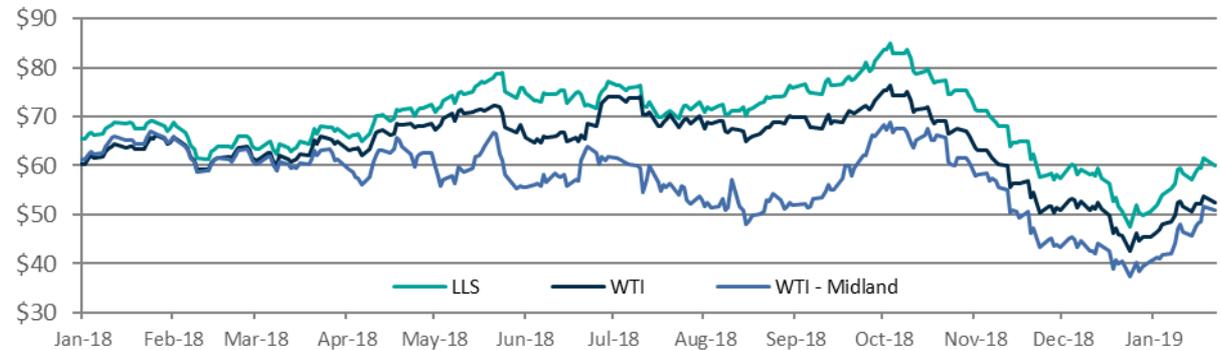
TMS Crude Oil Price



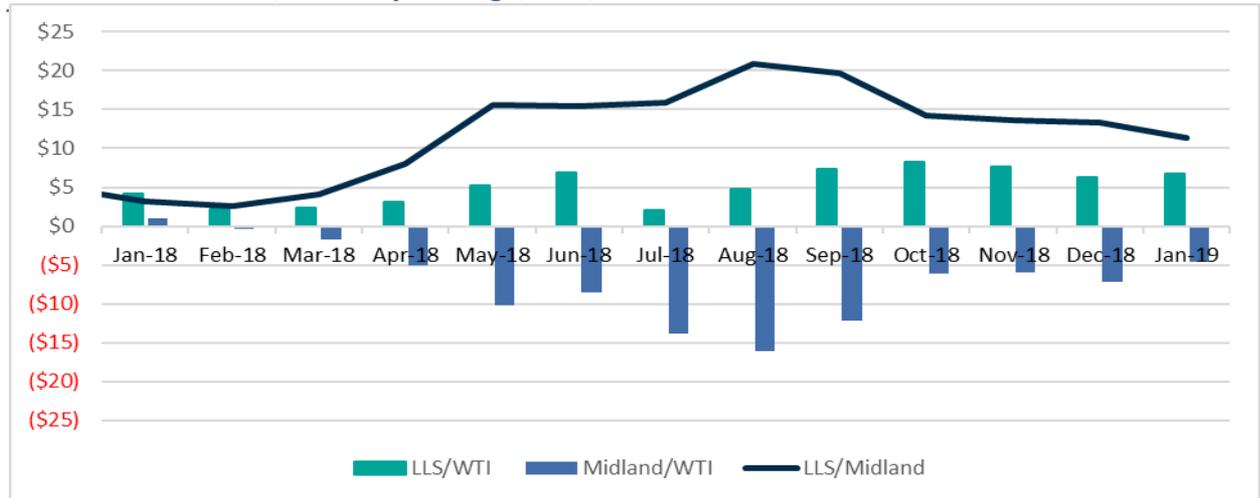
The premium pricing of LLS to other onshore US crude benchmarks is becoming increasingly more attractive

- Because of the proximity of Australis’ wells to the St. James Oil Terminal in Louisiana and the high quality of the crude produced, LLS has historically traded at a premium to WTI
- This pricing benchmark becomes even more attractive when compared to the US’ most active onshore shale play – the Permian Basin (Midland).

Crude Oil Spot Price, Daily Settlement, US\$/bbl



Differentials to WTI, Monthly Average, US\$/bbl



Source: Bloomberg, data through 22 January, 2019

Option Terms Summary

| Grant dates | Exercise Price (A\$) | Vesting | Expiry | Number | Cash payable on exercise (A\$) |
|--|--------------------------|--------------------------|-------------|-------------------|--------------------------------|
| Directors, Executives & Management | | | | | |
| 13 Nov 2015 | \$0.25 | Vested | 31 Dec 2020 | 19,500,000 | \$4,875,000 |
| 13 Nov 2015 | \$0.30 (Series A) | Vested | 31 Dec 2020 | 27,600,000 | \$8,280,000 |
| 28 Apr 2016 | \$0.30 (Series B) | Vested | 31 Dec 2020 | 1,000,000 | \$300,000 |
| 13 Nov 2015 | \$0.35 (Series A) | 13 Nov 2017 ^A | 31 Dec 2022 | 27,600,000 | \$9,660,000 |
| 13 Nov 2015 | \$0.35 (Series B) | 13 Nov 2018 ^A | 31 Dec 2022 | 1,600,000 | \$560,000 |
| 28 Apr 2016 | \$0.35 (Series C) | 13 Nov 2017 ^A | 31 Dec 2022 | 1,000,000 | \$350,000 |
| 28 Apr 2016 | \$0.35 (Series D) | 13 Nov 2018 ^A | 31 Dec 2022 | 1,000,000 | \$350,000 |
| 16 May 2016 | \$0.275 (Series A) | N/A ^D | 30 Jun 2019 | 6,255,000 | \$1,720,125 |
| 24 May 2016 | \$0.275 (Series B, C, D) | See note ^B | 24 May 2021 | 420,000 | \$115,500 |
| 10 April 2017 | \$0.3125 (Series A,B,C) | See note ^C | 30 Nov 2021 | 420,000 | \$131,250 |
| 18 Dec 2017 | \$0.285 | Vested | 31 Dec 2022 | 500,000 | \$142,500 |
| 18 Dec 2017 | \$0.345 | 18 Dec 2018 ^A | 31 Dec 2022 | 500,000 | \$172,500 |
| 18 Dec 2017 | \$0.400 | 18 Dec 2019 ^A | 31 Dec 2022 | 500,000 | \$200,000 |
| | | | | 87,895,000 | \$26,856,875 |
| Macquarie Bank (Debt Facility) | | | | | |
| 4 Jun 2018 | \$0.49 | Vested | 4 Jun 2021 | 20,000,000 | \$9,800,000 |
| 4 Jun 2018 | \$0.51 | See note F | 4 Jun 2021 | 10,000,000 | \$5,100,000 |
| Investors - granted to subscribers on a 1 for every 2 new shares subscribed (A\$10.05MM placement – May 2016) | | | | | |
| 16 May 2016 | \$0.275 (Series A) | N/A ^D | 30 Jun 2019 | 12,619,230 | \$5,662,523 |
| Performance Rights granted to all employees under the 2017 LTIP Program | | | | | |
| 15 Jun 2017 | N/A | See note E | 31 Jan 2022 | 2,631,993 | Nil |
| 24 May 2018 | N/A | See note E | 31 Jan 2023 | 10,058,163 | Nil |

A. Vesting of the Options is conditional upon continued holding of office or employment of the relevant Director or employee until the relevant vesting date

B. Non Executive Director Options vest 33.3% on each anniversary from the date of appointment, 24 May 2016, subject to the Non Executive Director remaining a director of the Company

C. Non Executive Director Options vest 33.3% on each anniversary from the date of appointment, 30 November 2016, subject to the Non Executive Director remaining a director of the Company

D. No vesting condition applies to Options granted as part of Australis's private capital raising completed in May 2016 (pre IPO) to sophisticated investors at a price of A\$0.22 per new share to raise A\$10.05 million

E. Vesting of performance rights are based on various targets including continued service and company's total shareholder return compared to previous year and relative to peers

F. Vests following the drawdown of the second Tranche of funding under the Macquarie Facility

1. All estimates and risk factors taken from Ryder Scott, report prepared as at 31 December 2018 and generated for the Australis concessions to SPE standards. See ASX announcement released on 6 February 2019 titled “Reserves and Resources Update Year End 2018”. The analysis was based on a land holding of 110,000 net acres. Australis is not aware of any new information or data that materially affects the information included in the referenced announcement and all the material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Ryder Scott generated their independent reserve and contingent resource estimates using a deterministic method which is based on a qualitative assessment of relative uncertainty using consistent interpretation guidelines. The independent engineers using a deterministic incremental (risk based) approach estimate the quantities at each level of uncertainty discretely and separately.
2. All estimates and risk factors taken from Netherland, Sewell & Associates, report prepared as at 31 December 2016 and generated for the Australis concessions to SPE standards. See announcement titled “2016 Year End Resource Update” dated 25 January 2017. Australis is not aware of any new information or data that materially affects the information included in the referenced announcement and all the material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. The contingent resource estimates are located in the Batalha Concession. NSAI generated their independent contingent resource estimates using a combination of deterministic and probabilistic methods
3. Includes 2P Reserves of 49.72 MMbbl and 2C Resources of 107.81 MMbbl
4. Base Case Type Curve averaging last 15 wells. The 15 Mississippi ATS wells are detailed in the appendix slide titled “Single Well TMS Core Type Curve” and “TMS Base Case Economics – Key Assumptions”
5. Data sourced from the Mississippi Oil & Gas Board. Other TMS wells drilled by Goodrich, Halcon, Comstock and Sanchez
6. Australis TMS Core single well cost estimate is based on cost estimates received as at December 2017 from service providers for the drilling and completion of a 7,500ft horizontal well.
7. TMS Core Type Curve – “TMS Productivity Upside” means a 20% increase in the TMS Core Type Curve to provide a sensitivity reflecting some of the potential upside in productivity improvements through advances in Drilling & Completion that have been made by operators in unconventional resource plays since 2014
8. Australis conducted analysis of public disclosures from 17 E&P Companies operating in 10 Unconventional Resource Plays in the USA. Analysis showed that E&P Companies reported well productivity improvements (normalised to lateral length) had increased between 0% and 50% from 2014 to 2017 with an average of 22%. E&P Companies include: EOG Resources, ConocoPhillips, Marathon Oil Corp, Chesapeake, OXY, RSP Permian, Cimarex, Continental Resources, Pioneer Natural Resources, Anschutz Exploration Corp, EP Energy, Hess, Baytex, Sanchez Energy Corp, Range Resources, EQT Resources, Antero Resources. Unconventional Resource Plays include: Delaware Basin, Midland Basin, Eagle Ford, Bakken, Haynesville Shale, SCOOP/STACK, Marcellus, Utica, Powder River Basin & DJ Basin
9. Oil equivalent volumes are expressed in thousands of barrels of oil equivalent (Mboe), determined using the ratio of 6 Mscf of gas to 1 bbl of oil
10. Data sourced from IHS and public sources including EOG Resources, Anshutz, Centennial Resources
11. Stewart D, C & T well cost includes all drilling, completion, facilities and artificial lift (although not yet installed) costs. Shared costs associated with roads, power installation and certain infrastructure that is to be shared by future wells in the unit or pad are not included. For the Stewart/Bergold pad these costs totalled US\$0.8m.

Glossary

| Unit | Measure | Unit | Measure |
|----------|--------------------|------|--|
| B | Prefix - Billions | bbl | Barrel of oil |
| MM or mm | Prefix - Millions | boe | Barrel of oil equivalent (1bbl = 6 mscf) |
| M or m | Prefix - Thousands | scf | Standard cubic foot of gas |
| /d | Suffix - per day | Bcf | Billion standard cubic foot of gas |

| Abbreviation | Description |
|-----------------------------|--|
| TMS Core | The Australis designated productive core area of the TMS delineated by production history |
| WI | Working Interest |
| C | Contingent Resources – 1C/2C/3C – low/most likely/high |
| NRI | Net Revenue Interest (after royalty) |
| Net | Working Interest after deduction of Royalty Interests |
| NPV (10) | Net Present Value (discount rate), before income tax |
| HBP | Held by Production (lease obligations met) |
| EUR | Estimated Ultimate Recovery per well |
| WTI | West Texas Intermediate Oil Benchmark Price |
| LLS | Louisiana Light Sweet Oil Benchmark Price |
| 2D / 3D | 2 dimensional and 3 dimensional seismic surveys |
| PDP | Proved Developed Producing |
| PUD | Proved Undeveloped Producing |
| Probable | 2P reserve |
| D, C & T | Drilling, Completion, Tie In and Artificial Lift |
| Royalty Interest or Royalty | Interest in a leasehold area providing the holder with the right to receive a share of production associated with the leasehold area |
| Field Netback | Oil and gas sales net of royalties, production and state taxes and operating expenses |
| Net Acres | Working Interest before deduction of Royalty Interests |
| IP30 | The average oil production rate over the first 30 days of production |

Risk Factors



Investing in the placement involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out below before making an investment decision. The list of risk factors is not exhaustive and there may be other risks relevant to Australis which are not stated herein. For a more comprehensive list of risk factors, please refer to the Annual Report for the year ended 31 December 2017. A prospective investor should carefully consider all the risks related to Australis, and should consult his or her own expert advisors as to the suitability of an investment in Australis. An investment in Australis entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Against this background, an investor should make a careful assessment of Australis and its prospects before deciding to invest.

Offer Risk. The proposed placement is not underwritten, and there is no guarantee applicants will settle. If settlement does not occur with respect to the placement, there is no assurance that Australis will be able to access and secure additional funding on reasonable terms or at all.

Australis is exposed to commodity risk. Australis develops onshore oil and gas assets. The prices of oil and gas are outside the control of Australis and fluctuate; the prices impact the availability and costs of opportunities for Australis, and any future revenue and profitability from the sale of oil and gas. Australis' strategy is predicated on the belief that the fundamental drivers are in place for a potential increase in oil prices in due course. There is no guarantee the oil price will increase.

Australis is exposed to financing risk. The assets and companies in which Australis invests in are capital intensive and require equity and debt financing in order to develop the projects in which they are involved. If Australis, or the assets or companies in which Australis invests in, are unable to obtain financing on beneficial terms it could have a material adverse effect on Australis's financial condition. As such Australis is exposed to interest risk on interest bearing current and non current liabilities following a placement of debt. Australis is likely to continue to incur indebtedness under the Macquarie Facility which may adversely affect its cashflows and ability to operate its business and remain in compliance with and repay such indebtedness.

Australis is exposed to production risk. Within the TMS assets there are a number of producing wells that were drilled and operated by third parties, and many of these are now operated by Australis. There can be no guarantee that these wells will continue to, or any new wells drilled, will produce at the expected rates and / or for the predicted duration.

Australis is exposed to operational risk. Australis' future financial condition and results of operations will depend on the success of its exploration, development and production activities. Oil, condensate, and natural gas exploration and production activities are subject to numerous risks, including the risk that drilling will result in dry holes or not result in commercially feasible oil or natural gas production. Selecting a drilling location is influenced by the interpretation of geological, geophysical, and seismic data, which is a subjective science and has varying degrees of success. New wells drilled may not be productive, or may not recover all or any portion of the Company's investment in such wells. The cost of drilling, completing, equipping and operating wells is typically uncertain before drilling commences.

Australis is exposed to leasing / title risk. Australis has acquired and will continue to acquire Working Interests in leaseholds from mineral rights owners in Louisiana and Mississippi, USA. Certain TMS Leases are, at Australis' election, capable of renewal or extension. There is no guarantee that existing leases will be renewed, extended or reacquired prior to expiry or that leases on new areas will be acquired. The process of confirming defensible title on leases for oil and gas exploration and production has been performed by experts acting for Australis. If at any time title cannot be determined, it may have a financial impact on the value of that lease.

Australis is exposed to environmental risk. Investments in oil & gas assets involves an inherent exposure to environmental risk which may reduce profitability of certain projects. Significant liability could be imposed on Australis for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of properties purchased or used by Australis, acts of sabotage by third parties or non-compliance with environmental laws or regulations by Australis.

Australis is exposed to legal and regulatory risk. Changes in laws and regulations relating to ownership and the development of land could have an adverse effect on Australis's business. New laws may be introduced which may be retrospective and affect environmental planning, land use and development regulations. Furthermore, changes in tax legislation and/or increases in tax rates could have a material adverse effect on Australis's financial condition.

International Offer Restrictions



This document does not constitute an offer of new ordinary shares ("New Shares") of Australis in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

Australis as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon Australis or its directors or officers. All or a substantial portion of the assets of Australis and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against Australis or such persons in Canada or to enforce a judgment obtained in Canadian courts against Australis or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Australis if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Australis. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Australis, provided that (a) Australis will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, Australis is not liable for all or any portion of the damages that Australis proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations: Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada: Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Australis.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

International Offer Restrictions



Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.