



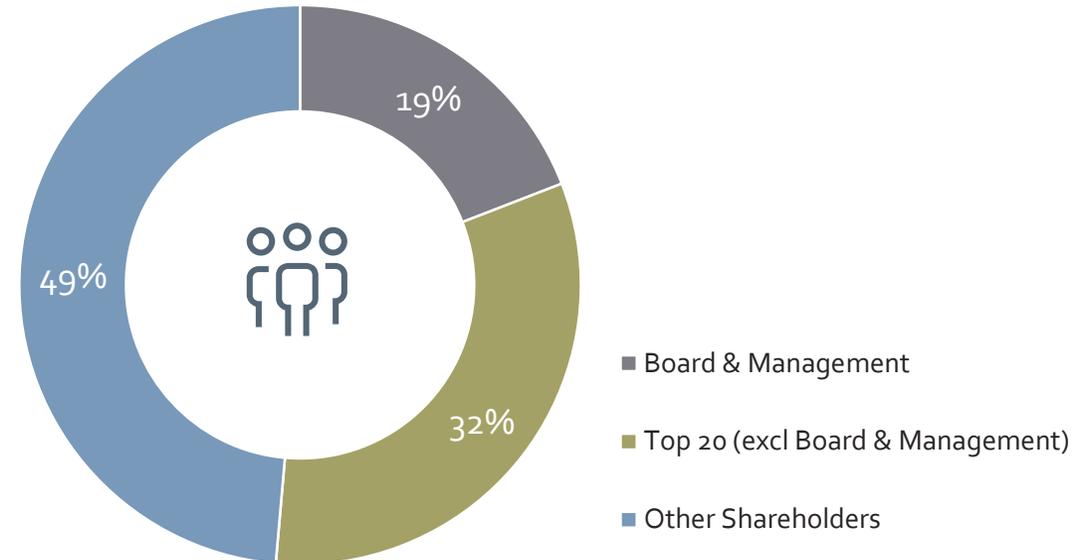
# AGM 2018

“Powering the Future”

# Corporate overview

	31-Dec-17
EBITDA <sup>1</sup>	AU\$ 1.24M
Share Price	AU\$ 0.009
Market Capitalization (pre rights issue)	AU\$ 3.60M
Bank Debt <sup>2</sup> (ANB Bank)	AU\$ 8.17M
EV <sup>3</sup>	AU\$11.07M
1P Reserves (MBOE) <sup>4</sup>	1,667
PV <sub>10</sub> Estimate of PDP Reserves value <sup>5</sup>	AU\$ 25.15M
No of shares on issue (pre rights issue)	400.1M
No of listed options on issue <sup>6</sup>	197.9M

Shareholder distribution



1. Earnings before interest, tax, depreciation and amortization – Financial year ending 31 December 2017 (US\$0.946 million converted at average USD:AUD rate in 2017 – US\$0.7629 : AU\$1.00)
2. Loan denominated in USD, converted to AUD at spot rate, interest at Prime Rate + 0.5% (currently 5.25%)
3. Enterprise value
4. Based on independent certified reservoir engineer reports as at the years ended 31-Dec 2017, 2016 and 2015
5. Reserve valuations based on forward production estimates using forward strip prices for oil and gas at the reporting dates with a discount on future net cash flow of 10% (USD valuations converted to AUD at spot rates)
6. Options exercisable at A\$0.02 before 29 November 2019. A further 5M unlisted options exercisable at A\$0.1485 before 27 July 2018 are also on issue

# Investment Drivers

## Near Term Development Potential

- Drive value accretion through development of high impact prospects
- Portfolio of development opportunities within current asset base
- Seeking to acquire new prospects with development potential
- Proven operators
- Management has experience of planning and implementing drilling programs in multiple US Basins

## Strategy underwritten by cash flow

- Strong cash flow from existing assets to cover overhead operating costs
- Now looking to move into development phase of growth
- Diversify exposure to the broader “Energy” market by developing a minerals exploration division (focusing on Battery Minerals – Cobalt, Vanadium)

## Profitable Producer

- The Group has recorded more 7 years of positive EBITDA including 2017
- The Group has recorded a positive Operating Cash Flow for more than five years including 2017
- All oil and gas fields operated by Eon have been and continue to be cash flow positive

## Long Life Fields

- Reserves have been replenished through acquisitions and in-field development
- Reserve life of all fields operated by Eon are more than 15 years (certified by independent reservoir engineer)

# Company Highlights 2017

<b>Borie Oilfield Acquisition</b>	<ul style="list-style-type: none"><li>• Oilfield acquired in the DJ Basin, Wyoming with existing production and upside development potential</li><li>• Purchased for US\$0.9M which was below PV10 valuation (US\$2.414M - per independent certified reservoir engineer estimate based on oil price of US\$48/Bbl)</li><li>• Acquisition funded through successful rights issue</li></ul>
<b>Florence Field Sold</b>	<ul style="list-style-type: none"><li>• Sale of Florence Field for US\$2M closed in April 2017</li></ul>
<b>Debt paid down</b>	<ul style="list-style-type: none"><li>• Total debt was reduced by US\$1.4M from US\$7.77M at Dec-16 to US\$6.37M at Dec-17</li><li>• Loan facilities were renewed with premium of 0.5% over Prime Rate remaining in place</li></ul>
<b>Silvertip Recompletion Program</b>	<ul style="list-style-type: none"><li>• Successful gas recompletion well carried out at Silvertip in November 2017</li><li>• A further well recompletion was undertaken in Feb 2018 which has been one of the most successful to date</li></ul>
<b>Profit recoded in 2017</b>	<ul style="list-style-type: none"><li>• The Group recorded a positive net profit after tax of US\$583k</li><li>• The Group recorded its 7<sup>th</sup> successive positive EBITDA result in 2017</li><li>• Oil price increased by 17% with WTI average price of \$50.79/Bbl in 2017</li></ul>

# Borie Acquisition Overview

Transaction	Acquisition of the Borie Oilfield, DJ Basin, Wyoming (94% working interest in 21 Operated wells with a total of 2,850 net acres)		
Purchase Price	A\$1.1250m (US\$0.900m)		
Funding for purchase	Equity raised through rights issue		
Reserves	1P net reserves: 554 mbbls (PDP – 279 mbbls, PUD <sup>1</sup> – 274 mbbls) (As at 31-Dec-2017)		
Production	Currently producing 62 BOPD gross (Apr-18) Potential production increase from secondary recovery (under way)		
Value Contribution <sup>2</sup>	PDP PV <sub>10</sub> : A\$2.85m (US\$2.22m) (As at 31-Dec-17)		
Close Date	Acquisition closed Dec-17		
Acquisition Matrices (Borie Field)	EV / PDP Reserve: US\$3.17 / Bbl EV / Net Bbl oil production: US\$15,000 / Bbl EV / Net Lease Acre: US\$316 / Acre		
Value accretion		<u>Existing Fields</u>	<u>Borie Field</u>
	EV (at the time of Borie acquisition)	A\$11.7m (US\$9.37m)	A\$1.1m (US\$0.9m – purchase price)
	PDP/PDNP Net Reserve <sup>2</sup>	1.55 MMBOE	0.28 MMBO
	PDP/PDNP Reserve Value <sup>2</sup>	A\$7.58 /1P BOE (US\$6.06 /1P BOE)	A\$3.97 /PDP BO (US\$3.17 /PDP BO)

1. Assuming 3 new wells (PUDs – Proved Undeveloped locations)

2. Borie Field- Proved developed producing (PDP) Reserves Only ie: Excluding Proven Undeveloped (PUD) Reserves

# Borie Field, DJ Basin, Wyoming

## Production

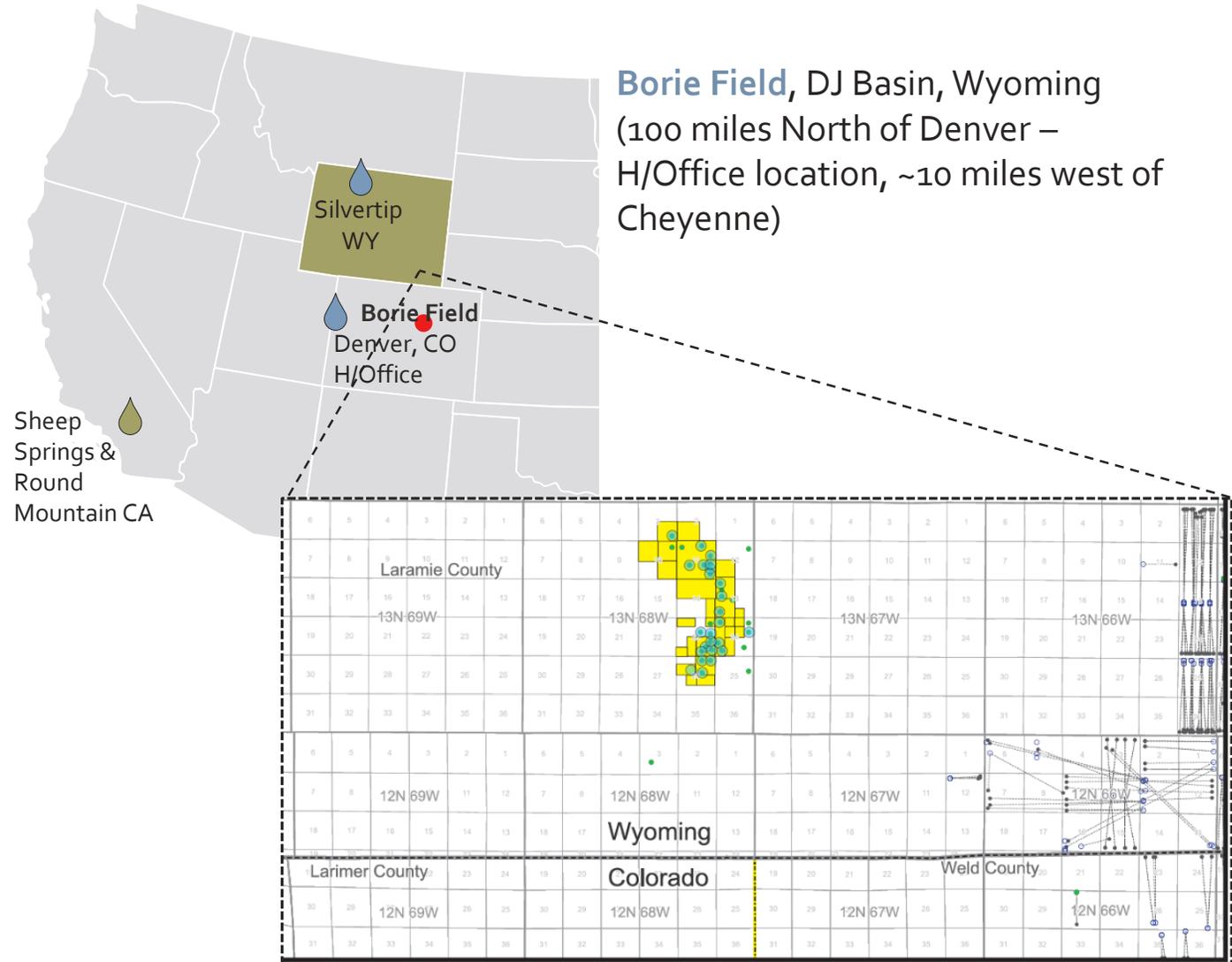
- 62 barrels of oil per day (Apr-18)
- 11 operated producing wells plus 3 water EOR injection wells
- Avg 81% NRI

## Acreage

- 2,850 net acres in DJ Basin, Wyoming
- 100% held by production (**No** drilling commitments)

## Potential

- Conventional infill vertical wells (subject to permitting) – low risk with 3D seismic, drilled into current producing formation
- Enhanced oil recovery (EOR) potential
- Unconventional Niobrara potential

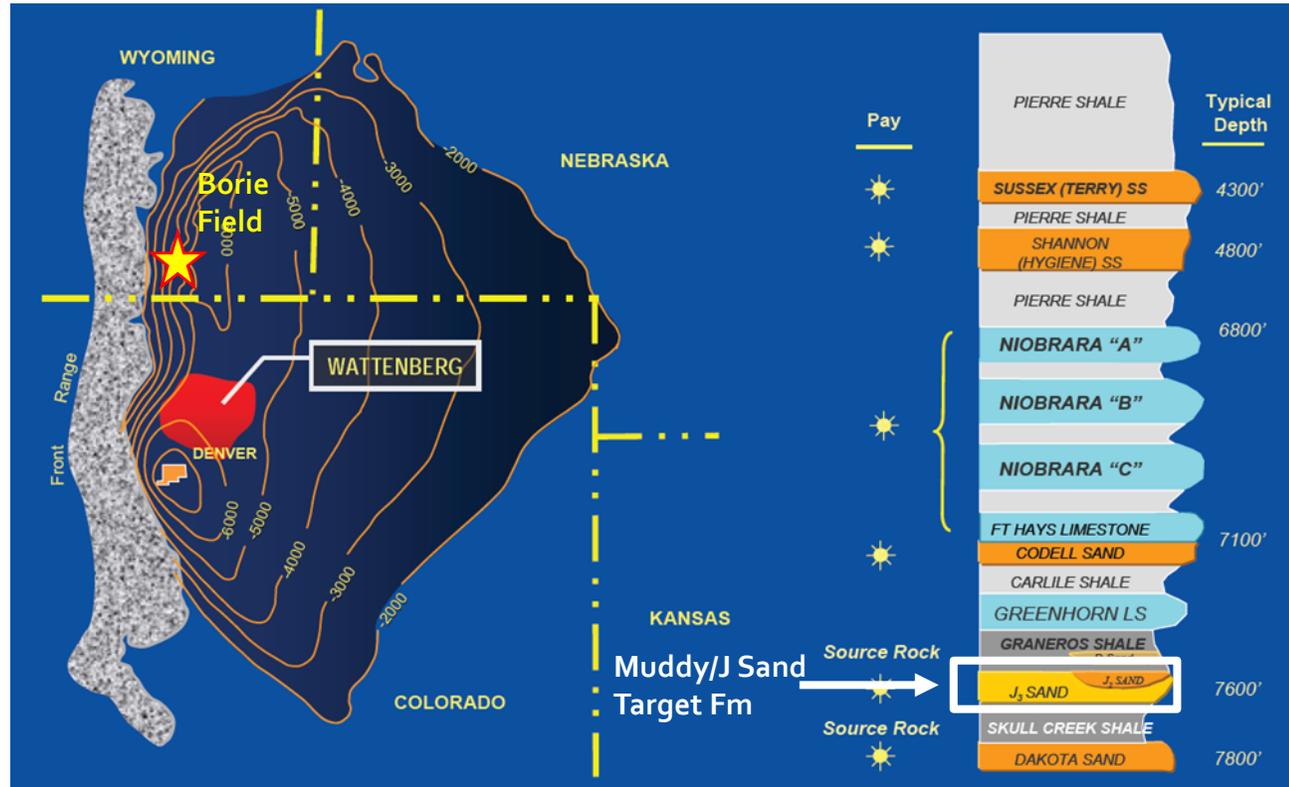


# Borie Field - Key Benefits

- Conventional oil production in the DJ Basin
- Low decline profile for existing production
- Located in Wyoming – Eon already has operating permits for WY
- Existing production profitable at \$50/Bbl oil price (at time of purchase)
- Additional Proven Undeveloped (PUD) well locations
- Secondary recover (waterflood) to increase ultimate recovery
- Enhanced oil recovery (EOR) (polymer gels and/or surfactants) to increase recovery

# Borie Field History

- Discovered in 1950
- Produces from the J<sub>2</sub> & J<sub>3</sub> Sand Formations
- 5.5 MMBO produced to date
- Wells have been drilled at various times between 1950 and early 2000's



## DJ Basin

- Prolific basin that has been producing oil and gas since 1901
- Mainly produced from the J<sub>2</sub> & J<sub>3</sub> Sand (Muddy) formations but more recently oil has been economically produced from the Niobrara and Codell Formation (unconventional)

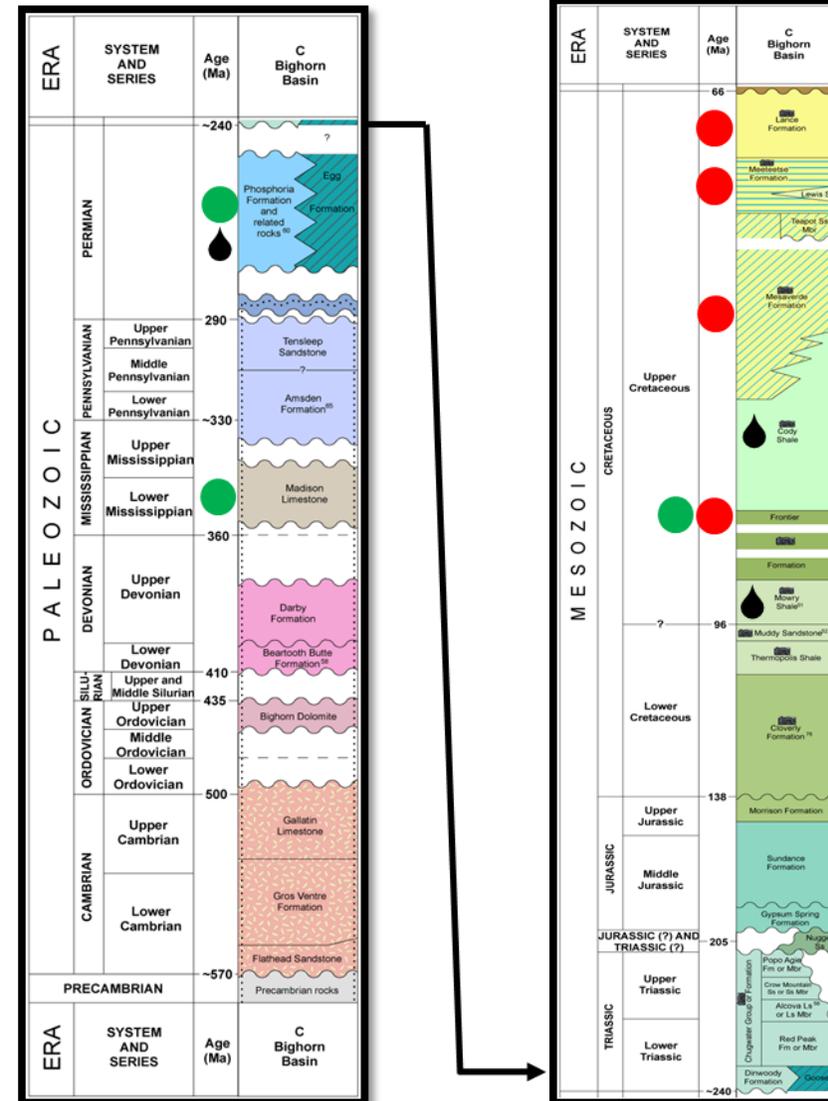
# Silvertip Field, Bighorn Basin, Wyoming

## FIELD OVERVIEW-

- 100% WI, OPERATOR
- 30,600 BOE gross production (Q1-18) and net sales of 21,644 BOE (Q1-18)
  - Liquids (Oil & NGL's) - 45%, Natural Gas - 55%
- 0.867 MMBOE Net 1P reserves Dec-17
- 4,400 acres (HBP)
- Multi-stacked formation – Behind Pipe development potential
- Possible deep oil well development
- 3D Seismic

## GAS WELL RECOMPLETION SUMMARY -

- 13 gas well recompletions since 2016
- Total cost – US\$394k
- Gross Revenue to Apr-18 – US\$1.13M
- Net Revenue to Apr-18 – US\$0.81M
- ROI – 198%



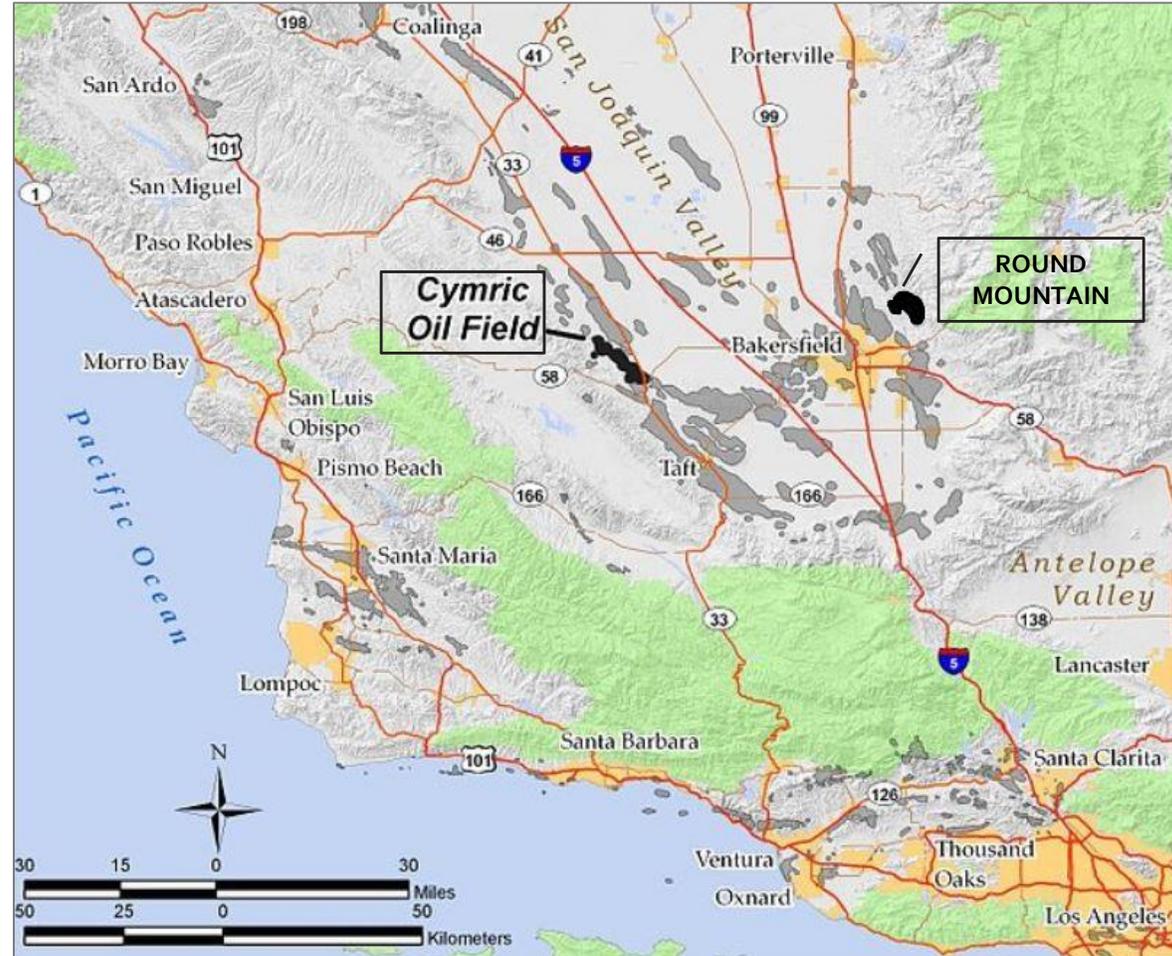
Multi stacked oil ● and gas ● formations

# Sheep Springs and Round Mountain, California

San Joaquin Basin, CALIFORNIA

(100% WI, OPERATOR)

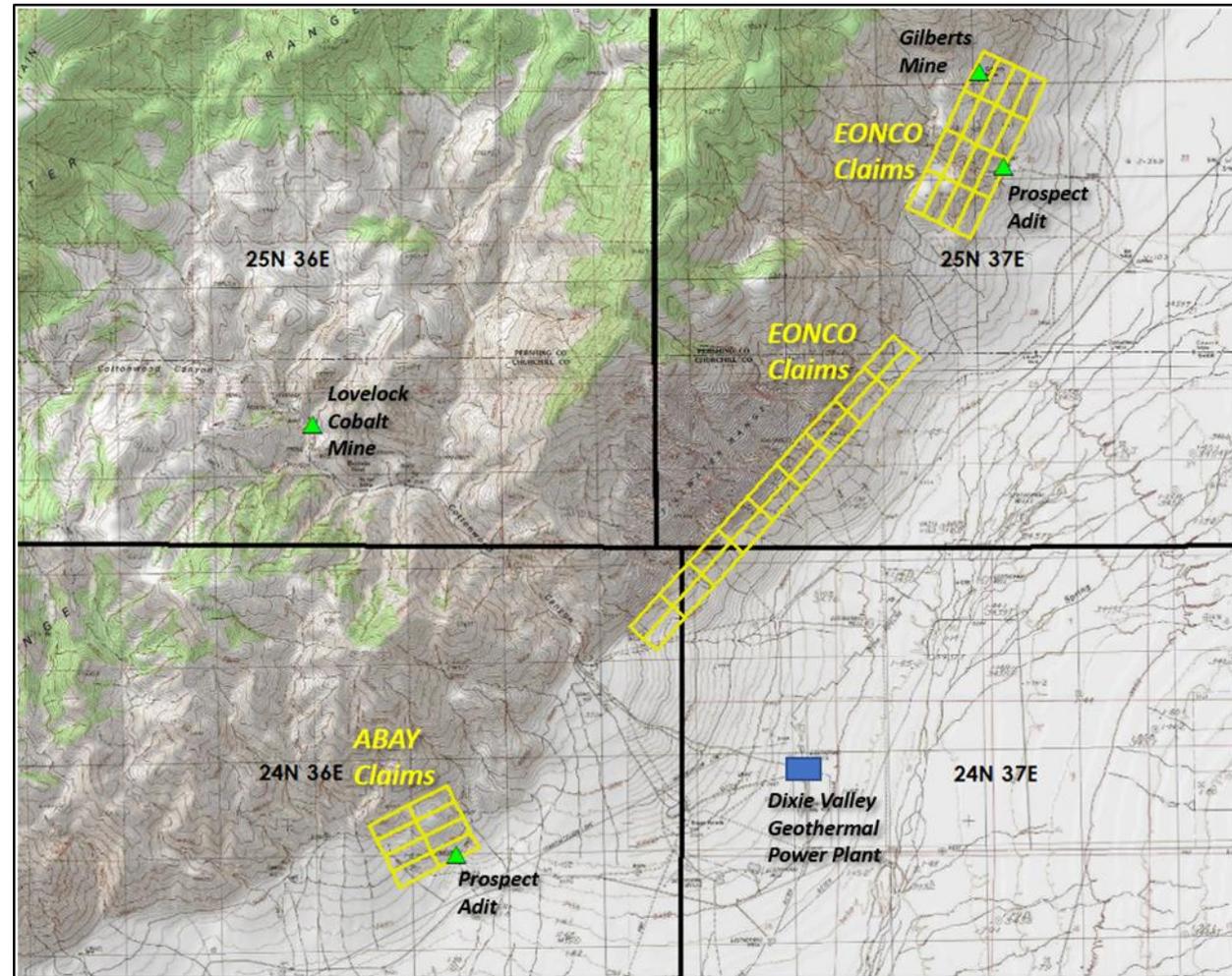
- 85 Gross BOEPD production (Q1-18)
  - Sheep Springs – 61 BOEPD (Oil - 90%, Natural Gas - 10%)
  - Round Mountain – 18 BOPD
- 0.33 MMBOE 1P net reserves
- Lease all HBP
  - Sheep Springs – 160 acres
  - Round Mountain – 320 acres
- Low decline production
- Low operating cost



# Battery Mineral Exploration

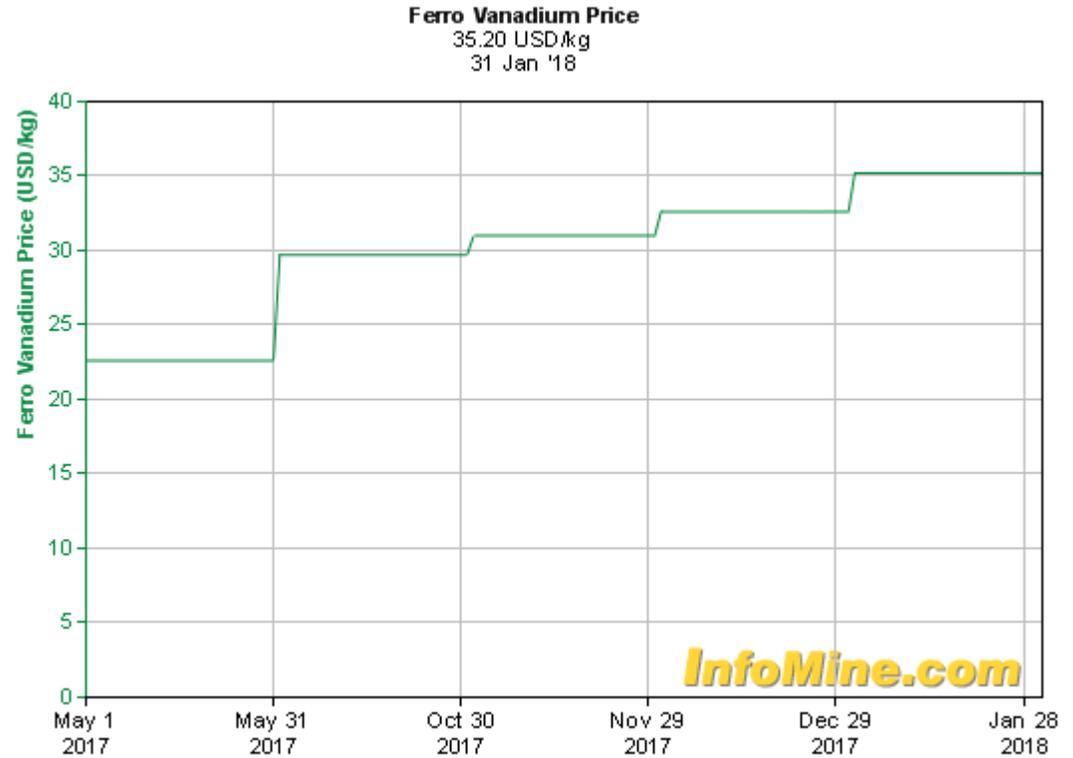
## Lode Claims staked in Pershing/Churchill County, Nevada

- 42 lode claims covering an area of 840 acres including the historic Gilberts silver, gold and lead mine
- 3 miles west of the Lovelock cobalt mine which was discovered and mined in the late 1800's
- Cobalt potential being explored (Nevada claims)
- Land acquisition phase in areas that are prospective for battery minerals eg: Cobalt and Vanadium



# Battery Mineral Exploration (Cont.)

Eon's focus is on Cobalt and Vanadium prospect acquisition



# Battery Mineral Exploration (Cont.)

The rapid technology development in the generation, storage and usage of energy, the growth in electric vehicles and the prominence of energy storage in the demand chain are key market drivers for demand of battery minerals

## Energy Storage

- Battery storage is becoming a key resource in managing grid stability and promoting deeper penetration of renewable energy
- Lithium-ion emerging as the dominant rechargeable battery technology but there are other technologies such as zinc-bromide flow batteries that may provide solutions for grid-scale deployment
- Bloomberg New Energy Finance has projected that the energy storage market could double 12 times by 2030
- There is significant potential upside to demand from industrial energy storage systems (“ESS”), as well as small scale energy storage

## Electric Vehicles

- Global EV penetration forecast to reach c.15%+ by 2025, supported by consumer demand and supportive policy
  - Further demand upside from electrification of large commercial and industrial vehicles (buses, trucks, etc.)
- 2017 was characterised by significant committed
- investment from global OEMs into their EV strategies

Prominent economist Saul Eslake is quoted:

“If there’s likely to be any new boom in commodity prices it will probably come more from metals or commodities that are crucial to emerging technologies like electric vehicles”

(2018 Resources Rising Star Conference)

# Financial performance summary 2015 - 17

	Dec-17 (12 months) US\$'000	Dec-16 (12 months) US\$'000	Dec-15 (12 months) US\$'000
<b>Cash Flow :</b>			
Receipts from Sales	\$5,194	\$4,851	\$4,336
Payments to Suppliers	(\$4,514)	(\$3,912)	(\$3,187)
Interest (Net)	(\$319)	(\$337)	(\$209)
Production Tax Paid	(\$334)	(\$419)	(\$241)
<b>Net cash flow from Operations</b>	<b>\$27</b>	<b>\$183</b>	<b>\$698</b>
<b>NPAT</b>	<b>\$545</b>	<b>(\$576)</b>	<b>(\$2,726)</b>
Cash Balance (Free cash)	\$545	\$658	\$445
Cash (held as security for Bonds)	\$688	\$322	\$322
<b>Total Cash</b>	<b>\$1,233</b>	<b>\$980</b>	<b>\$767</b>

# Management & Board

## John Whisler

Managing Director  
B.Sc. Eng/Psy



More than 25 years experience in the U.S. oil and gas industry with a broad range of skills including drilling and completions engineering, exploration and field development, strategic business planning, and extensive A&D knowledge. Extensive hands on field experience prior to becoming VP of Operations at Petrogulf (2001-2008) and CEO of Delek Energy (2008-2011).

## Simon Adams

CFO  
B. Bus, M. Acc



More than 25 years experience in ASX Listed companies including 6 years with Eon NRG Ltd. Broad range of experience in finance, tax and compliance as well as skills in business analytics, business development and M&A. Exposure to energy (oil and gas and hybrid technology), minerals, agribusiness and property industries.

## Mark Stowell

Non-Exec Chairman  
B.Bus C.A.



A chartered accountant and corporate finance background and has been involved in public company management for over 20 years including significant experience in the natural resources and energy sectors. Founder and director of Incremental Petroleum, second largest oil production company in Turkey through to takeover by US based oil company.

## Gerry McGann

Non-Exec Technical Director  
B.Sc. (Hons)



Over 40 years experience in the upstream oil and gas industry as a petroleum geologist. With Occidental Petroleum, he increased production in Oman from 32K to 52K BOPD in 3 years. He was a founder and Managing Director of Incremental Petroleum, where he oversaw the doubling of production in the second largest oil production company in Turkey.

## Matt McCann

Non-Exec Director  
J.D.

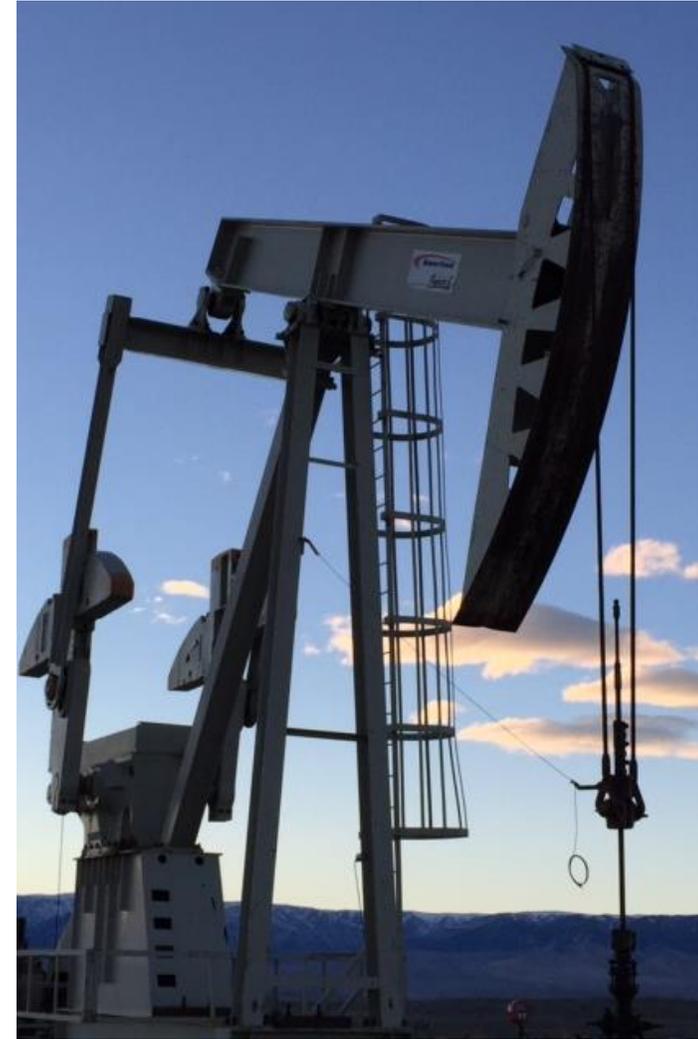


More than 20 years of experience in the legal and energy sectors. He was Senior VP at Sandridge Energy (2005-2007) and CEO of Transatlantic Petroleum (2009-2011). He led Transatlantic from a junior explorer to a significant international producer in 2 years.

# Strong track record - CEO/BoD's

**CEO, John Whisler, Management and other Board members have extensive Oil and Gas experience:**

- Successfully built E&P companies from ground floor
- Track record of value accretion on divestment of exploratory and mature fields
  - 2.30ROI for mature oil field; sold for \$42 million (John Whisler)
  - 2.81 ROI for 140 well exploratory field; sold for \$220 million (John Whisler)
  - Exceptional ROI for corporation sold for \$170 million after 3 years (John Whisler)
  - High ROI on exploratory field; sold for \$90 million (John Whisler)
  - 1.0 ROI on international oil field (Turkey) with consistent 8% dividend yield; sold for \$80 million (Incremental Petroleum Ltd – Gerry McGann and Mark Stowell)
- Vast U.S. industry network & intimate knowledge of the U.S. oil and gas industry
- Skilled negotiations with proven success
- Reputation for extensive due diligence



# Disclaimer

This presentation has been prepared by Eon NRG Ltd ("Eon").

This presentation does not constitute investment advice. Neither this presentation nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in Eon Ltd – ABN 66 138 145 114 (the "Company") - in any jurisdiction. This presentation does not take into account any person's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations in this presentation are not intended to represent recommendations of particular investments to particular persons. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

The information set out in this presentation does not purport to be all inclusive or to contain all the information which its recipients may require in order to make an informed assessment of the Company. You should conduct your own investigations and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation.

To the fullest extent permitted by law, the Company does not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts or other representations contained in this presentation. No responsibility for any errors or omissions from this presentation arising out of the negligence or otherwise is accepted.

This presentation may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Eon's views and assumptions with respect to future events as of the date of this presentation and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth to various degrees, many which are beyond our ability to control or predict. Some of the risk and other factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological, technical and drilling results; predicted production and reserves estimates; operational delays or unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; availability of capital at favourable terms.

Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Eon, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this presentations sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

All references to dollars, cents or \$ in this presentation are to American currency (US\$), unless otherwise stated.