



Investor Lunch – 2 July 2019



## Overview

- **Strategic re-positioning – rebalancing the portfolio**
- **Tapi Aike – the prize**
- **Bolivia – option over substantial upside**
- **M&A – maximising profitable growth potential**
- **Where we are going – How we will get there**
- **Forward programme**
- **Value catalysts over the next 12 months**

1

---

Echo Energy  
**2019**





## Strategically re-balancing the portfolio

- Strategy is clearly focused on high margin activity to create material value for shareholders
- Recent exit from C, D & L demonstrates commitment to optimise capital and reduce shareholder dilution

### Exit from CDL licences

- Post drill program, production was mature, declining and forecast to be quickly sub-economic
  - Declining production in capital intensive assets drains resources
- Echo technical view that very little commercial upside remained in block
- Avoiding contractual commitments was a big win – funding these would have created balance sheet pressure

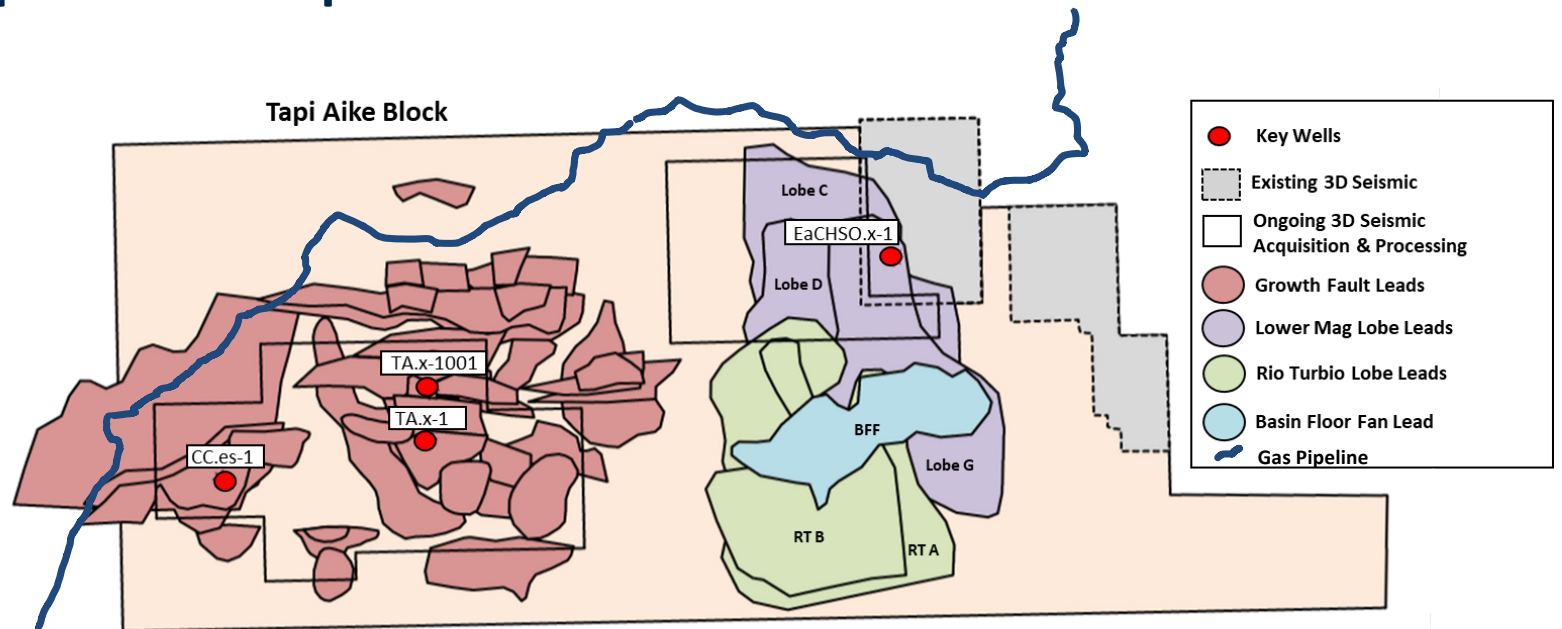
### Tapi Aike – current position

- Reduced interest from 50% to 19%
- No longer carrying CGC for 15% of total drilling and seismic costs
- Echo sold down at a significantly higher valuation than at purchase and with release of \$2.06m in cash

### What this means for Echo

- A substantially reduced funding requirement – substantially de-risked funding
- Ability to accelerate plans to drill without the need to delay for funding

## Tapi Aike – the prize

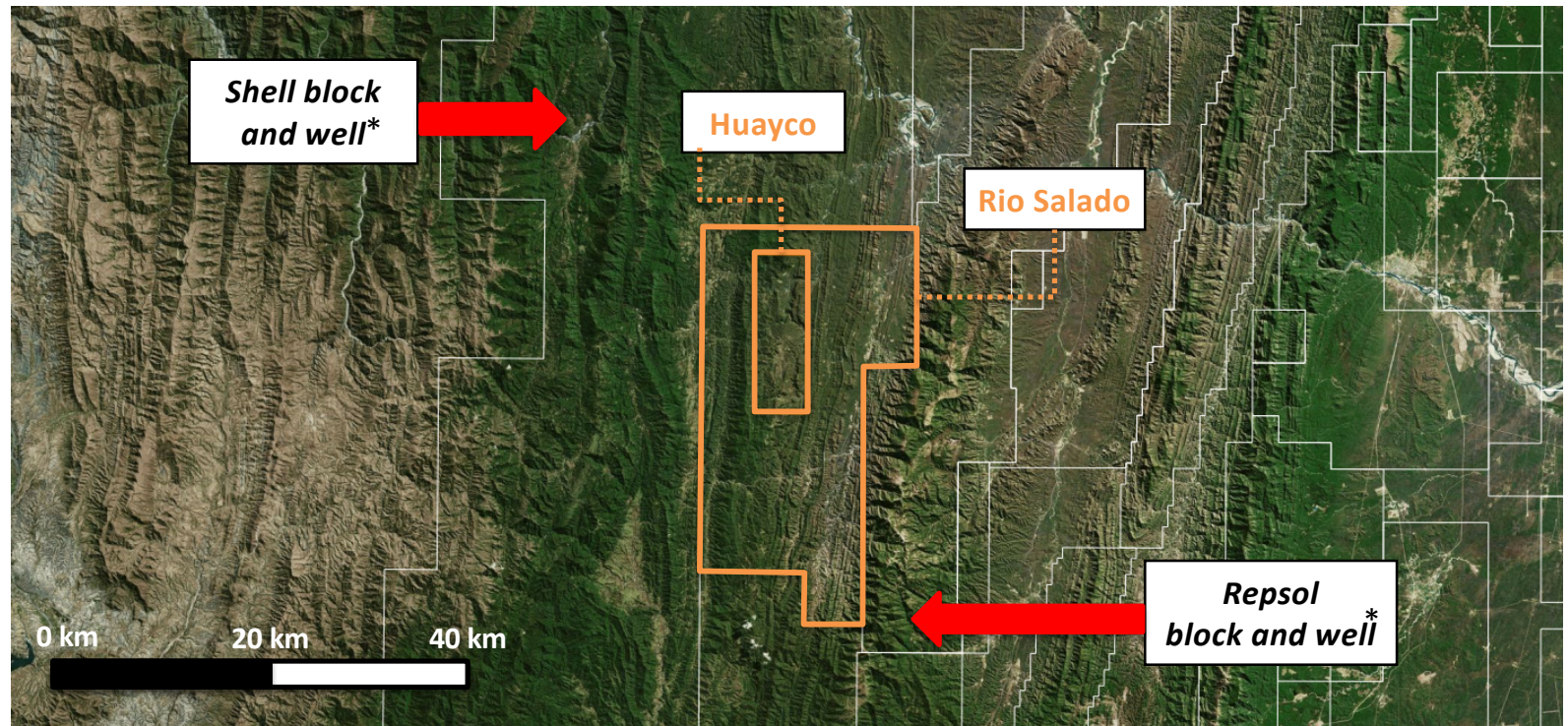


- P50 case – 7.7 Tcf gross gas in place (independent analysis by Gaffney Cline Associates)
- Multiple independent plays across 41 identified leads
- Historical wells drilled on block interpreted gas from multiple locations
  - 1 well with over 110m of gas interpreted from logs
  - several wells suggestive of high-pressure gas to surface
- Gas infrastructure nearby/crosses license improving commercial options
- In a success case the economic returns potentially very substantial





## Bolivia – option over substantial upside



\* Arrows do not delineate actual locations of wells

- Contractual options over high impact exploration acreage
- Low cost study work plan avoids significant cost outlay
- Neighbouring wells provide some “testing by proxy”
- Gross gas in place of 3.7 Tcf P50 case (ERCE report)
- Key issue remains ability to monetise within commercial & contractual framework and 2019 election year



## M&A – maximising profitable growth potential

- Geographic focus on Latin America
  - Positive development in macro conditions and existing infrastructure
  - Proven reserves & underexplored producing basins
  - Strong demand outlook for energy
- Echo uniquely targeting niche “sweet spot” with limited competition
  - Onshore, conventional plays with low cost upsides
  - Perfect scale – meaningful for Echo, too small for majors, too complex for financial players
- Motivated sellers. Increasing focus on offshore, unconventional & large scale leaves strong rationale to exit “non-strategic” assets providing opportunity for Echo
- Sellers see technical value Echo expertise can bring
- Exciting balance of mature production basins with under-explored upside
- Utilise Echo expertise in creating value through innovative and accretive transaction structures & funding solutions





## Where we are going

### Maximise shareholder value through existing assets

- Tapi Aike
  - Completion of seismic processing & interpretation and refine drill prospects
  - Four well exploration campaign starting in Q4 2019
- Bolivia
  - Complete existing study work
  - Explore commercial options to realise value

### Value accretion through M&A

- Accretive transactions where Echo have unique value enhancement potential
- Third leg to existing business

### Funding & cost control

## How we will get there

- Strong focus on technical work e.g. high grade Tapi Aike prospectivity
- Delivery of high reward exploration programmes – Tapi Aike and Bolivia have exciting exploration potential

- 
- Make Echo partner of choice for regional players with appropriate scale assets
  - Utilise extensive network & expertise

- 
- Continuing cost control and appropriate funding options
  - Rebalancing of portfolio to ease funding of wells – now complete

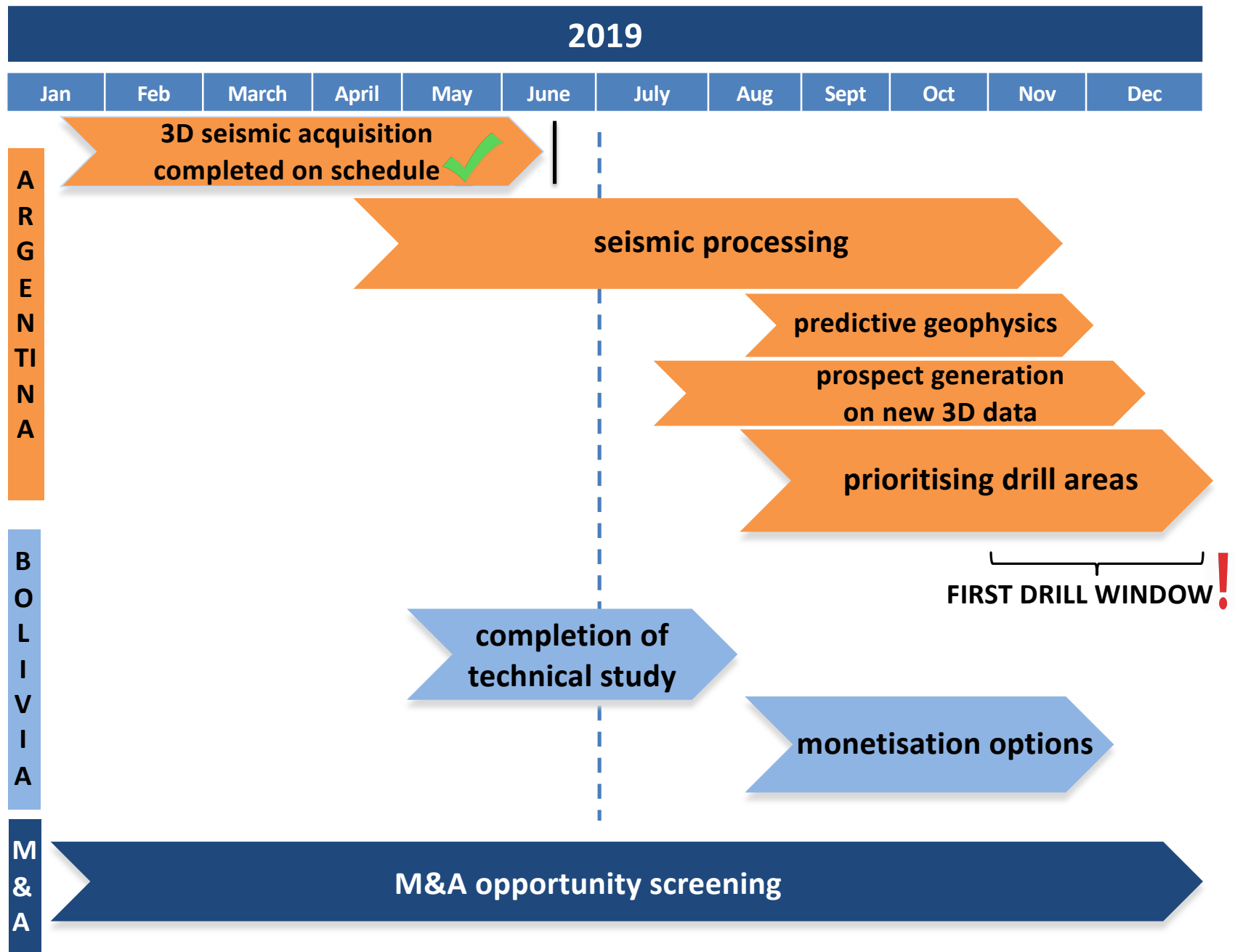
6

Echo Energy  
2019

Strategically position Echo to retain flexibility to monetise investments at optimum time in cycle



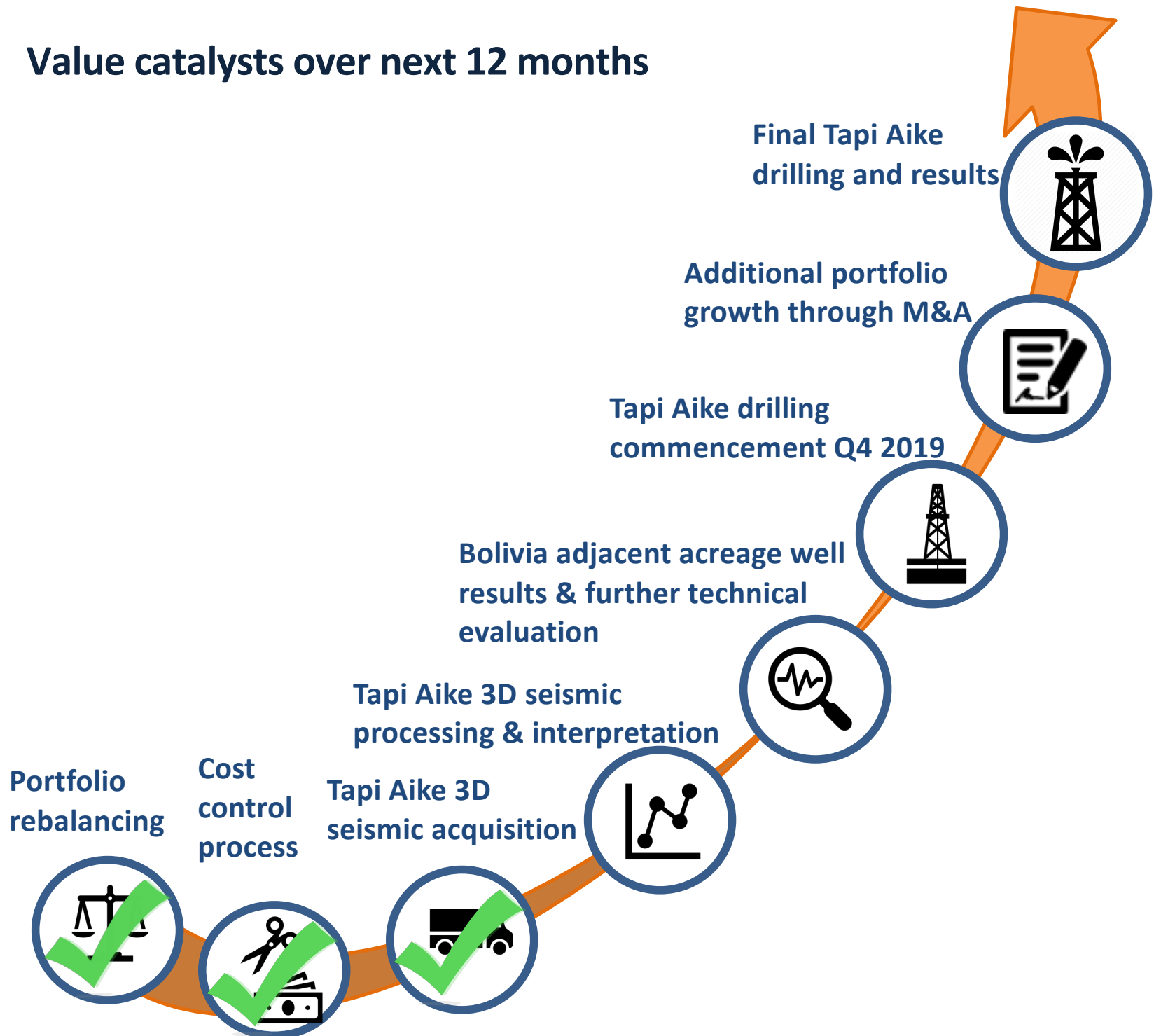
# Forward programme







## Value catalysts over next 12 months





## Disclaimer

The information contained in this document (“Presentation”) has been prepared by Echo Energy plc (the “Company”). While the information contained herein has been prepared in good faith, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as “Information”) and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

This Presentation may contain forward-looking statements that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, prospects, growth, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as of the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation.

This Presentation should not be considered as the giving of investment advice by the Company or any of its shareholders, directors, officers, agents, employees or advisers. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary.

Neither this Presentation nor any copy of it may be (a) taken or transmitted into Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or the United States of America (each a “Restricted Territory”), their territories or possessions; (b) distributed to any U.S. person (as defined in Regulation S under the United States Securities Act of 1933 (as amended)) or (c) distributed to any individual outside a Restricted Territory who is a resident thereof in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe any securities or in the context where its distribution may be construed as such offer, solicitation or invitation, in any such case except in compliance with any applicable exemption. The distribution of this document in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.