Ratio Petroleum Energy

Investors Presentation

March 2018

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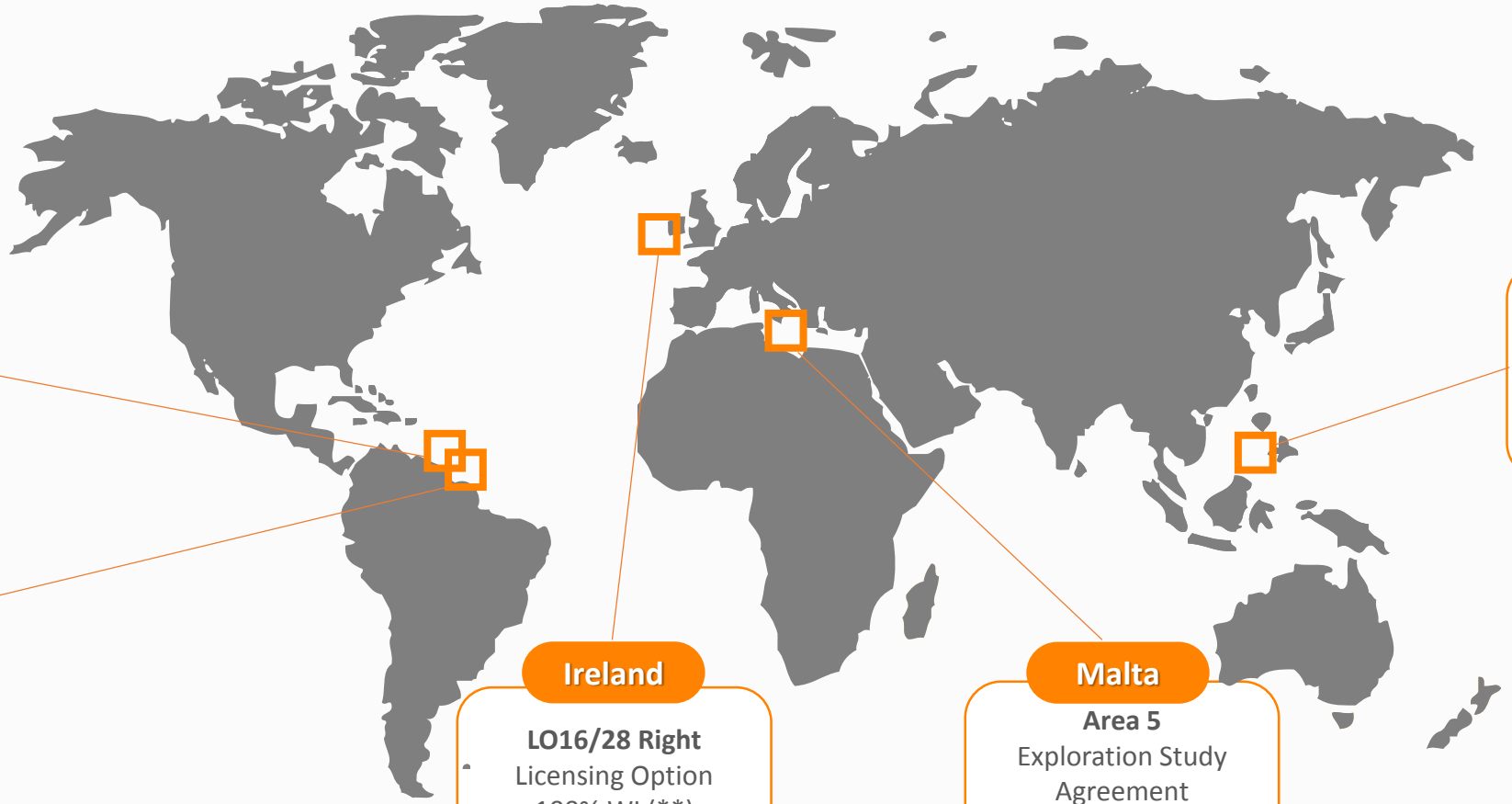
Diverse Global Portfolio of Assets

Ratio Petroleum



Guyana

Kaieteur Block
Petroleum Agreement
25% WI (**)
Operator: ExxonMobil

Suriname

Block 47
Production Sharing Agreement
20% WI (**)
Operator: Tullow

Ireland

LO16/28 Right
Licensing Option
100% WI (**)
Operator: RPL (***)

Malta

Area 5
Exploration Study Agreement
100% WI (**)
Operator: RPL (***)

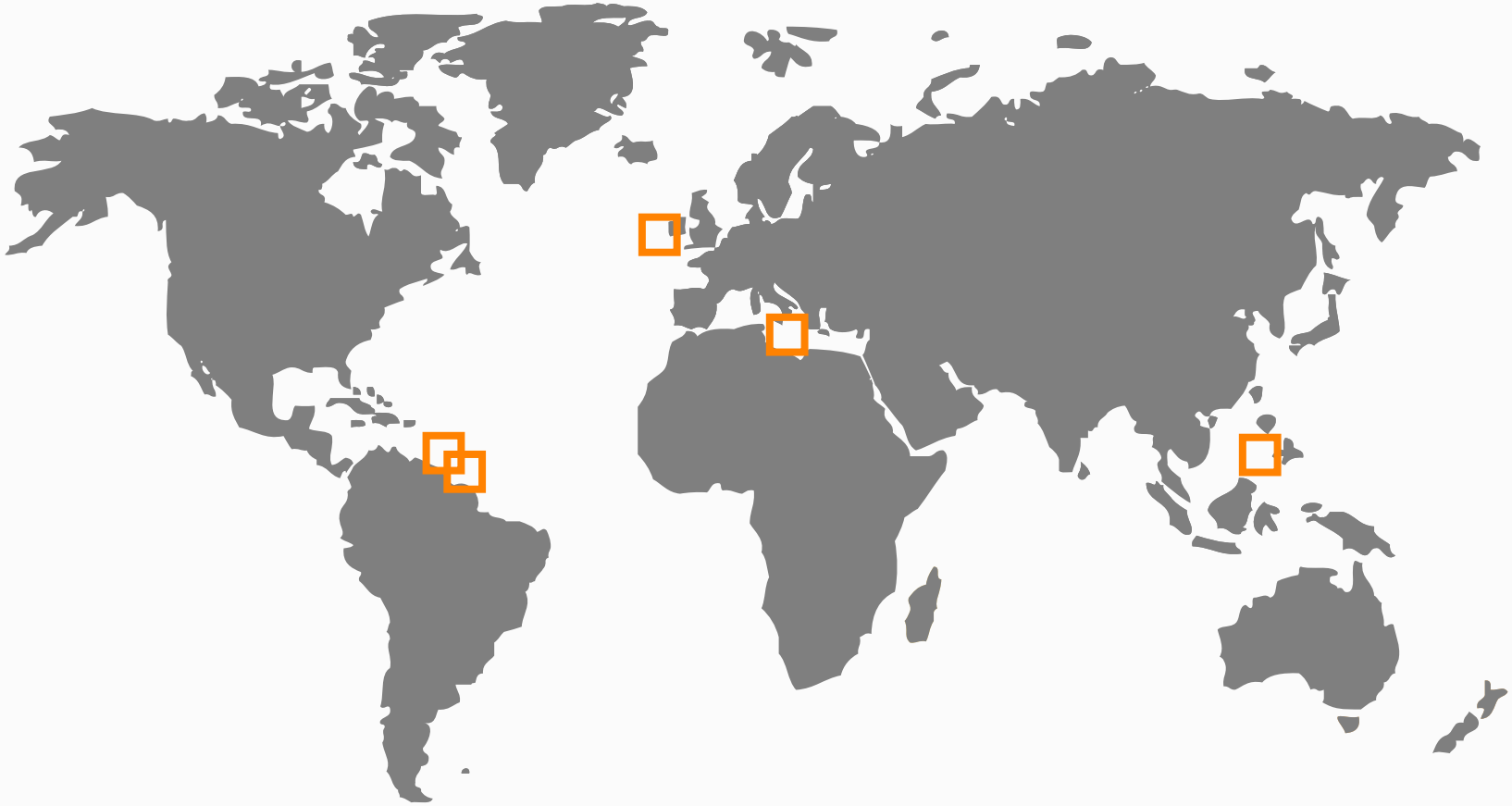
Philippines

Area 4 (*)
Production Sharing Agreement
100% WI (**)
Operator: RPL (***)

(*) Received official notice of winning the tender (**) WI = Working interest (***) RPL = Ratio Petroleum

30,000 Sq Km of Exploration Areas

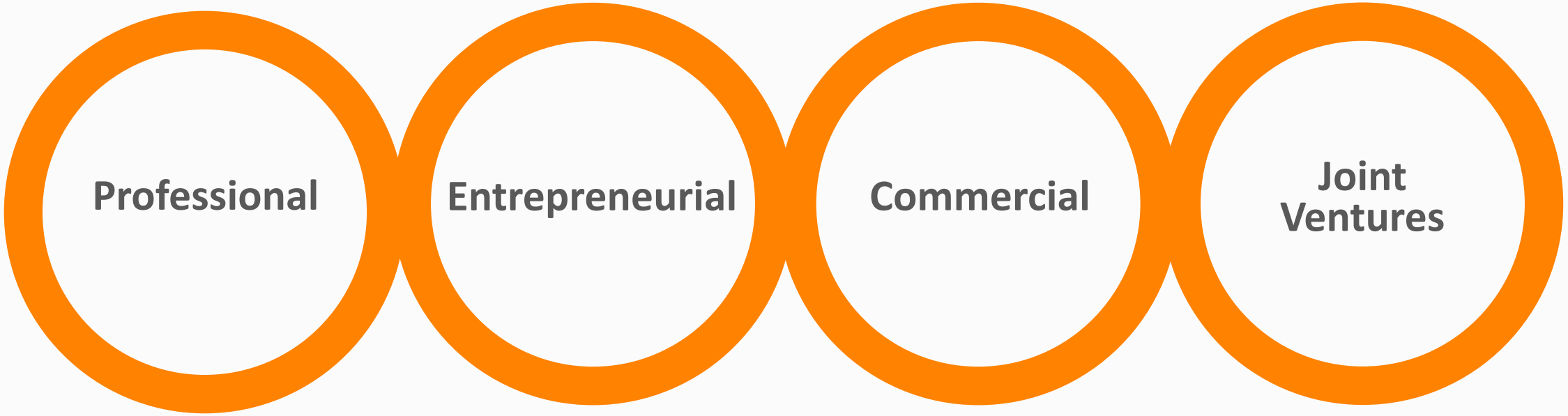
- Ratio Petroleum's rights span over 4 different basins worldwide
- Important diversity for the asset portfolio
- The total area of the petroleum rights sums to 30,000 sq km
- Equivalent to the area of 76 offshore exploration licenses offshore Israel (*)
- The size of the area held is highly significant in terms of potential prospects, particularly after a discovery in the basin



(*) The area of an offshore exploration license in Israel is 400 sq km

Principles Of Activity

Ratio Petroleum



- Professional team with thinking outside of the box led by Eitan Aizenberg – the prospect generator of the 21 TCF Leviathan discovery
- Locating and identifying basins with prospective potential
- Acknowledged as qualified offshore operator

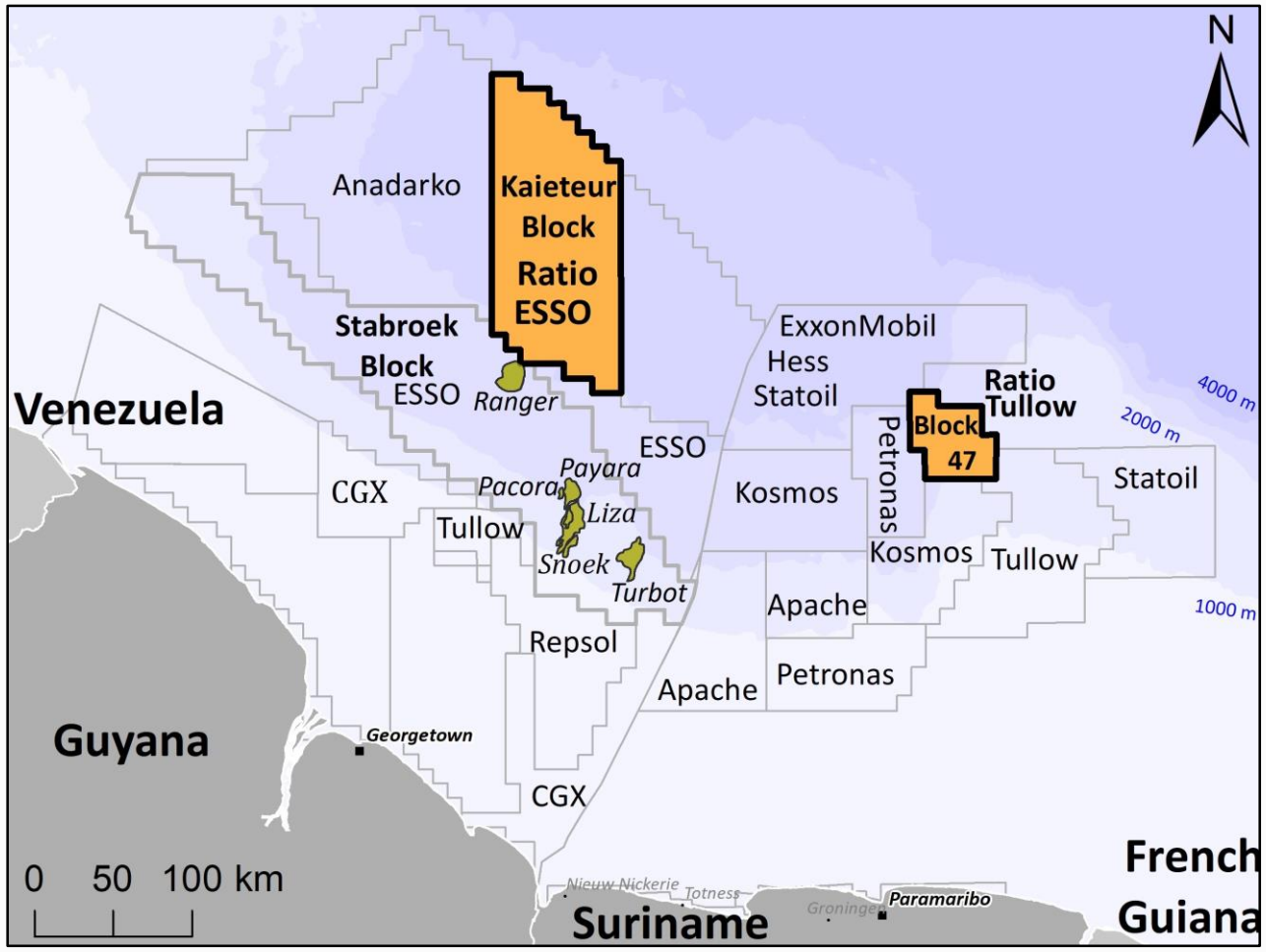
- The Landau and Rotlevy families, controlling shareholders of the General Partner and co-founders of Ratio
- A partnership of three decades with a track-record of achievement
- Responsible management and execution of long-term investments

- Negotiations with government and business entities
- Bidding and winning international tenders
- Economic and commercial analysis and identifying attractive investment opportunities

- Ability to partner with leading international entities in the industry
- Professional research collaborations with academic and government bodies
- Corporate responsibility plans in the regions of operation

Guyana-Suriname Basin

- The technical team of Ratio Petroleum identified the geological potential of the basin as early as 2011
- The Guyana-Suriname Basin ranks second in the world in prospective resources and is estimated to contain about 12.5 billion barrels of oil (*); more than 3.2 billion barrels have been discovered to date
- ExxonMobil's giant discoveries in the Stabroek Block offshore Guyana have transformed the basin into one of the "hottest" and most sought-after exploration basins in the world
- Accelerated exploration activities by leading international energy companies
- The latest deals reflect a value of tens of millions of $ for the exploration areas in the basin
- Ratio Petroleum has a presence in two blocks with first-rate international energy companies
  - 25% of the Kaieteur Block, adjacent to the Stabroek Block
  - 20% of Block 47 in Suriname

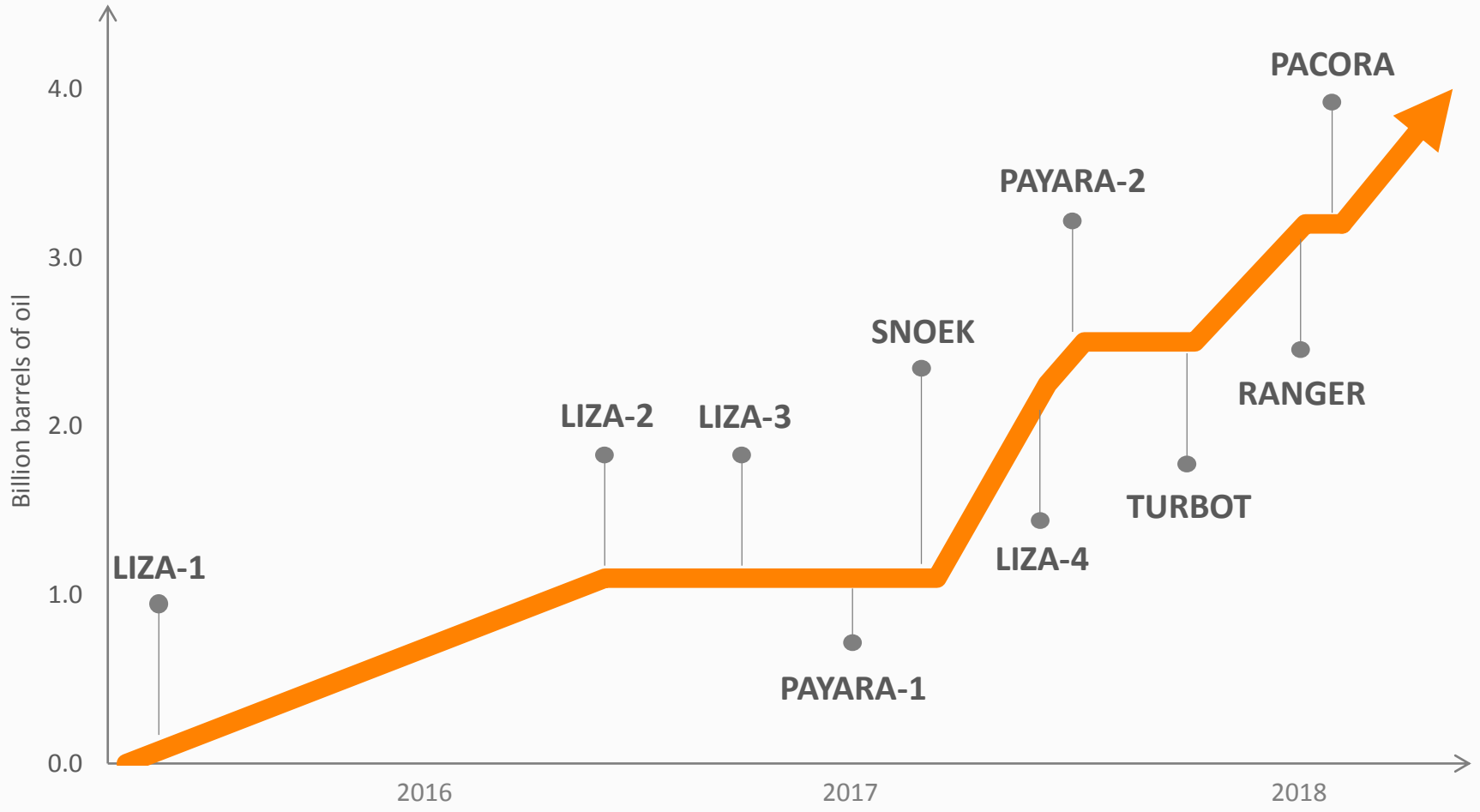


(*) The 2012 USGS report relates to the potential undiscovered resources (P50)

Guyana – From 0 to 3.2 Billion Barrels and Counting…

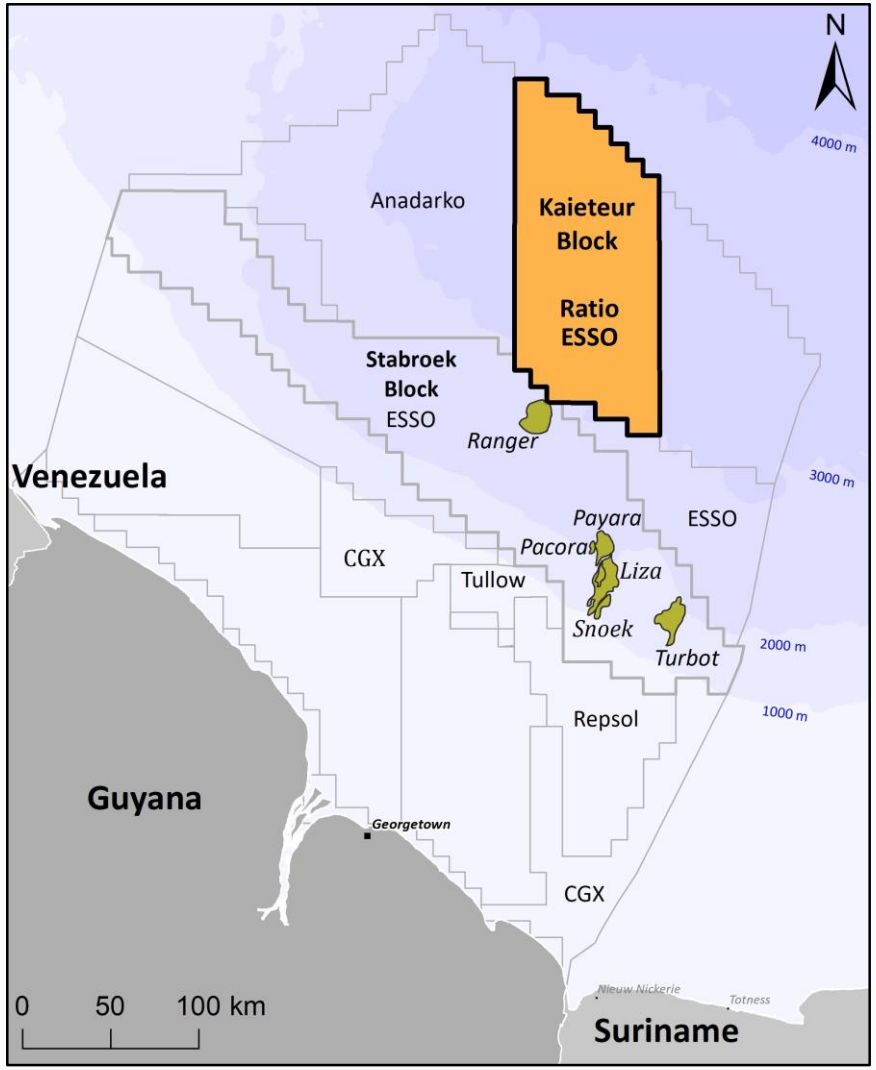
Ratio Petroleum

- **Discoveries totaling over 3.2 billion barrels of oil in 2.5 years**
  - 7 world class discoveries
  - 3 different geological plays
- **Accelerated exploration activities combined with the development of the Liza reservoir**
- **First oil production expected in 2020**
- **Ranger discovery proves a new play near the Kaieteur Block**



Guyana – Kaieteur Block

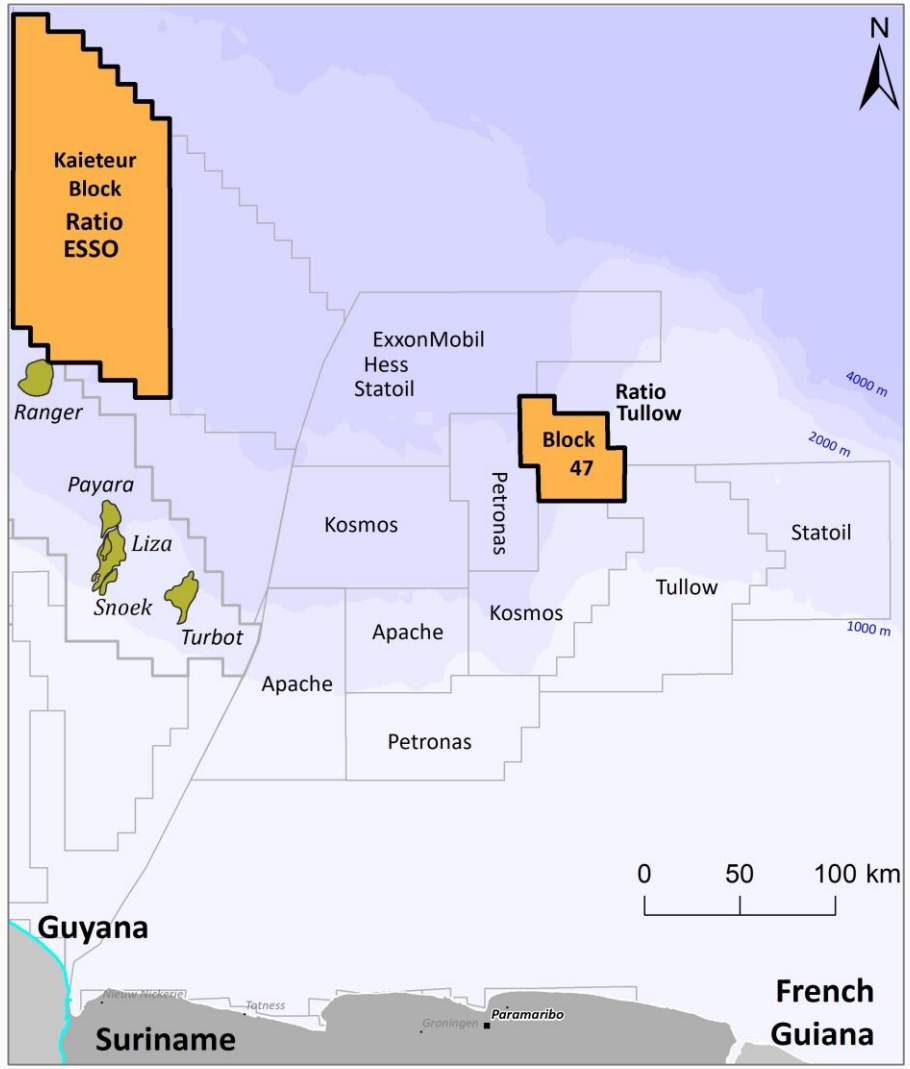
- **In June 2016 an agreement was signed to transfer 50% (out of 100%) of the rights in the block to ExxonMobil and its appointment as operator; the deal was completed in February 2017**
  - Reimbursement of past costs
  - Ratio Petroleum has an option to be carried with a dilution mechanism
- **In July 2017 ExxonMobil entered into an agreement with Hess (its partner in the Stabroek Block) to transfer 15% (out of 100%) of its rights in the block (*)**
  - Partners: ExxonMobil – operator (35%), Hess (15%), and a local partner (25%)
  - Total area: 13,535 sq km
  - Water depth: 2,800-3,800 m
- **The total costs of the work currently being carried out in the block until the decision whether to drill are estimated at $30 million (100%)**
  - Most of the sum has already been invested; Ratio Petroleum does not bear these payments
  - A 3D seismic survey was carried out in 2017 on an area of 5,750 sq km
  - ExxonMobil is due to conclude processing the survey in 2018 and continue with the interpretation



(*) The transfer of rights to Hess has not yet been completed and is still subject to receiving all necessary regulatory approvals in Guyana

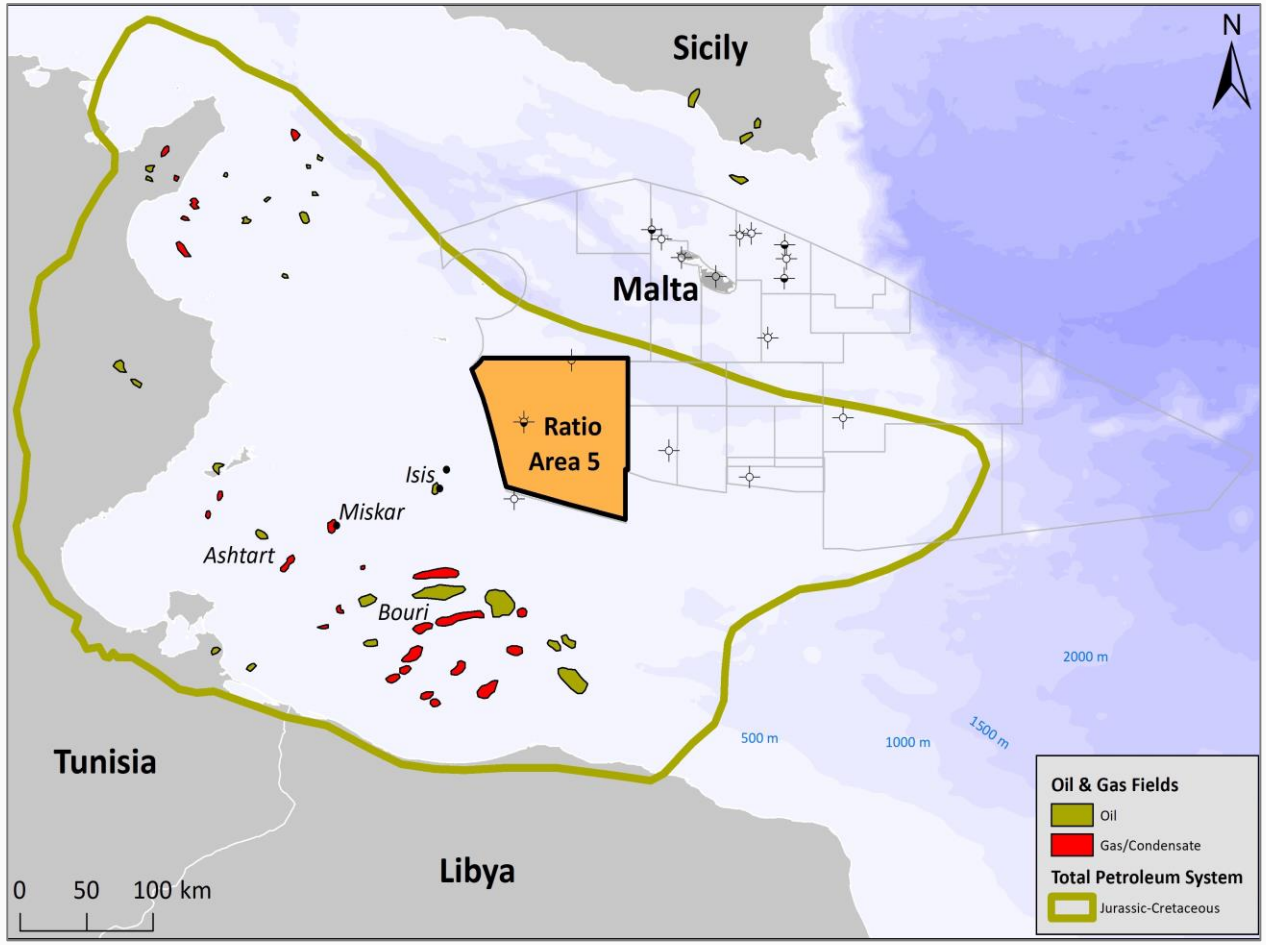
Suriname – Block 47

- **Suriname borders Guyana to the east and its offshore is part of the Guyana-Suriname basin**
- **In August 2017 Ratio Petroleum signed an agreement to farm-in 20% of Tullow's rights**
  - Entry into Block 47 corresponds with the strategy to expand operations in the basin
  - Tullow holds 80% of the rights and serves as operator
  - Prior to Ratio Petroleum's entry into the block, Tullow completed most of the work plan, including a 3D seismic survey
  - Total area: 2,350 sq km
  - Water depth: 1,300-3,000 m
- **Up until the end of 2017, Ratio Petroleum invested $80,000 in the oil asset**
- **During 2018 Tullow is due to continue characterizing potential prospects for drilling**



Malta – Area 5

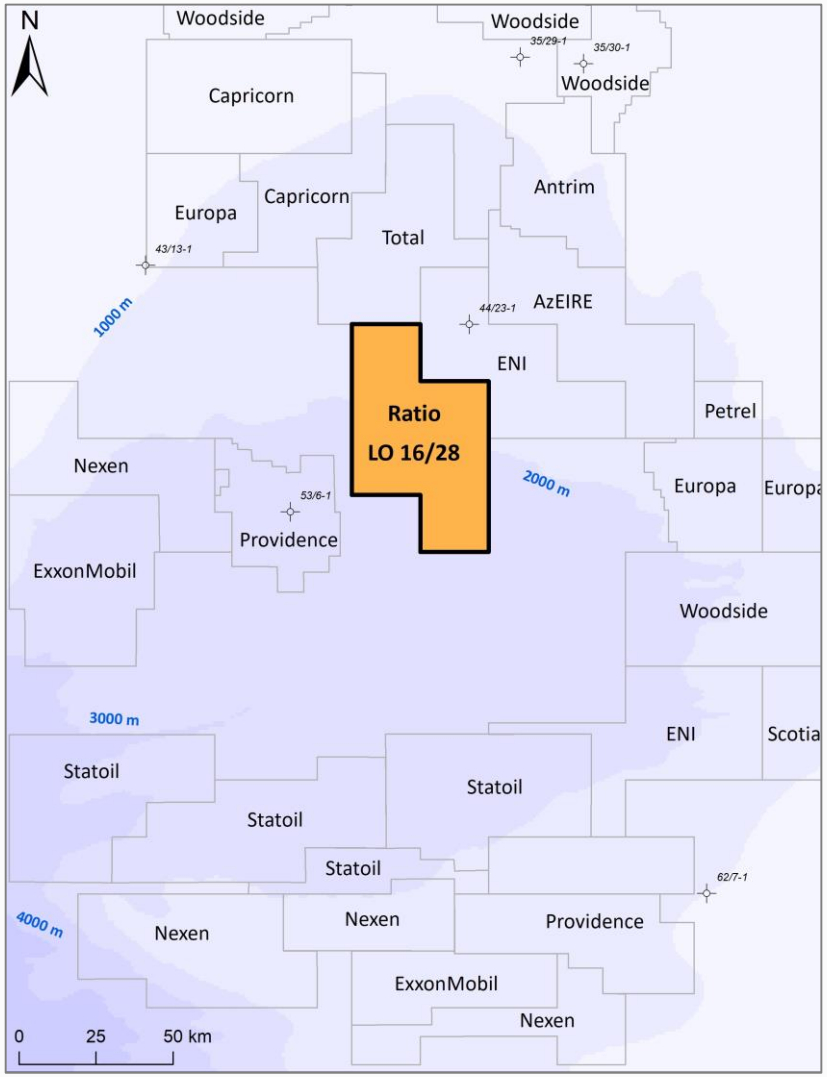
- **Area 5 is located in the Pelagian Basin**
  - The basin spans the waters of Libya, Tunisia and Malta
  - Oil and gas discoveries exist south and west of the block (some of them are significant)
  - Potential undiscovered resources in the basin: 4.4 TCF of gas and 965 million barrels of oil (*)
- **In February 2015 an Exploration Study Agreement was signed with the Government of Malta**
  - Ratio Petroleum holds 100% of the rights and serves as operator
  - Total area: 8,800 sq km
  - Water depth: 70-700 m
- **Up until the end of 2017, Ratio Petroleum invested $3.4 million in the oil asset, including conducting a 3D seismic survey in an area of 740 sq km**
- **During 2018, Ratio Petroleum aims to conclude most of the survey's interpretation work**



(*) The 2011 USGS report refers to potential undiscovered resources (P50)

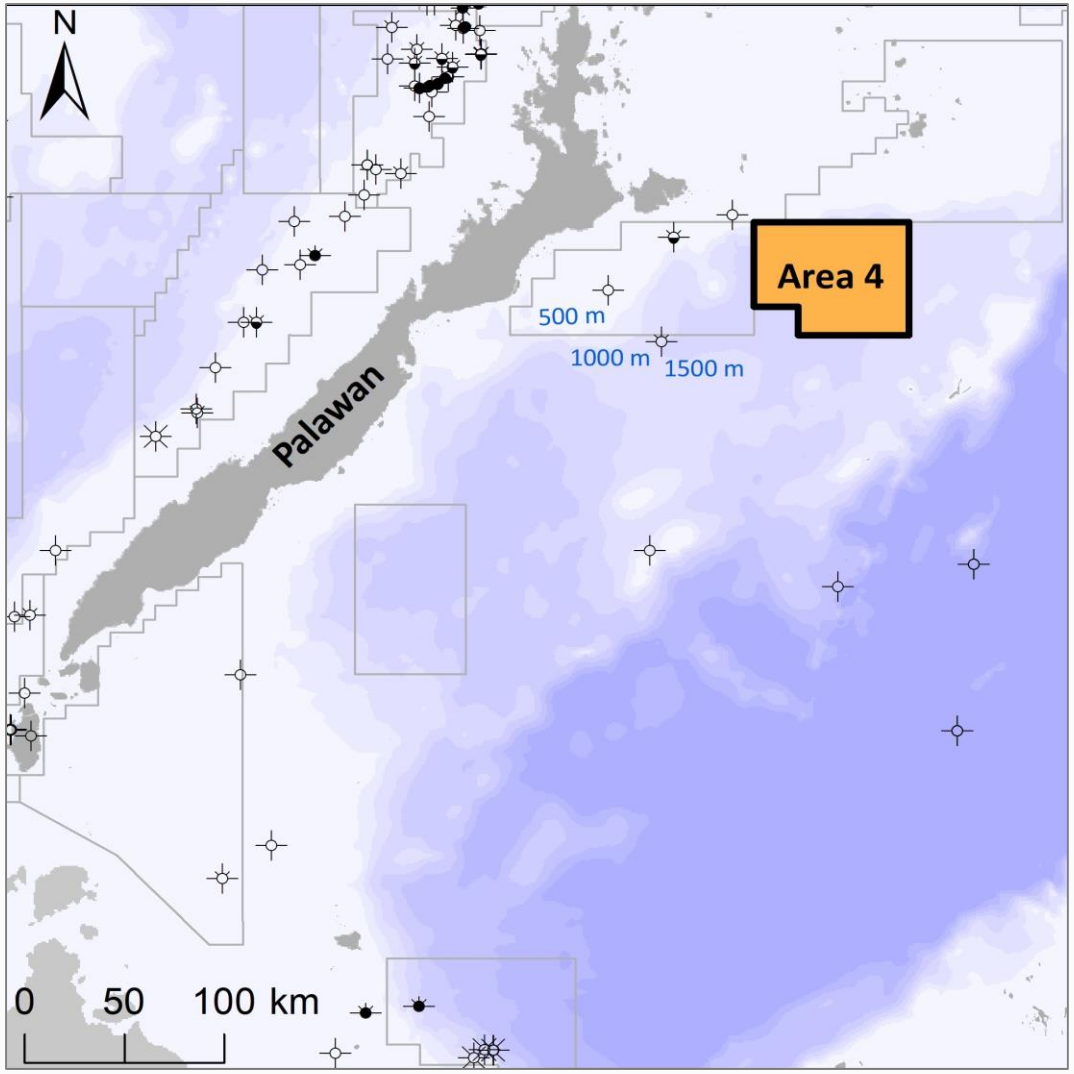
Ireland – LO16/28 Right

- **LO16/28 is located in the South Porcupine Basin**
  - The basin is located about 100 km southwest of Ireland, on the northeastern margin of the Atlantic Ocean
  - Leading international oil companies are operating in the basin: ENI, Woodside, Nexen, ExxonMobil, Statoil and Total
  - 4 wells have hitherto been drilled in the basin and declared dry but in 2 of the wells there are indications of an active petroleum system
- **Ratio Petroleum won a licensing option in June 2016 as part of a tender in which more than 40 applications were submitted**
  - Ratio Petroleum holds 100% of the rights and serves as operator
  - Total area: 1,560 sq km
  - Water depth: 1,800-2,300 m
- **Up until the end of 2017, Ratio Petroleum invested $344,000 in the oil asset**
- **Ratio Petroleum is due to complete the preliminary geological analysis in 2018 and reach a decision whether to exercise the exploration license option**



The Philippines – Area 4

- **Area 4 is located in the north of the East Palawan Basin**
  - The basin is located in the Sulu Sea in southwestern Philippines, east of the Palawan Island
  - Unexploited basin
  - A preliminary geological analysis by the technical team indicates the possible potential for a number of significant geological plays in the license area
  - Among the leading international companies operating in the Philippines are Shell, Chevron and Total
- **The Philippines Department of Energy informed the partnership about winning the tender; the agreement with the State is pending the President's signature**
  - Ratio Petroleum will hold 100% of the rights and serve as the block's operator
  - Total area: 4,160 sq km
  - Water depth: 900-1,700 m
- **Upon receiving the asset, Ratio Petroleum is due to proceed according to the work plan**



2017 – Principal Activities

September – Completion of the 3D seismic survey in Guyana and start processing and interpretation of the data

July – Hess joins Kaieteur Block
ExxonMobil signs an agreement to transfer 15% (out of 100%) to Hess, a major international energy company

February – Completion of the Farm-in agreement with ExxonMobil in the Kaieteur Block in Guyana
Transfer of 50% (out of 100%) of the rights in the block to ExxonMobil, the largest energy company in the world, and its appointment as operator

August – Signing of agreements to acquire (1) 20% of Tullow's rights in **Block 47 in Suriname,** and (2) 5%-15% of licenses P.1989 and P.1763 in the North Sea – **participation in the drilling in P.1989 license – the well was found to be dry (***)

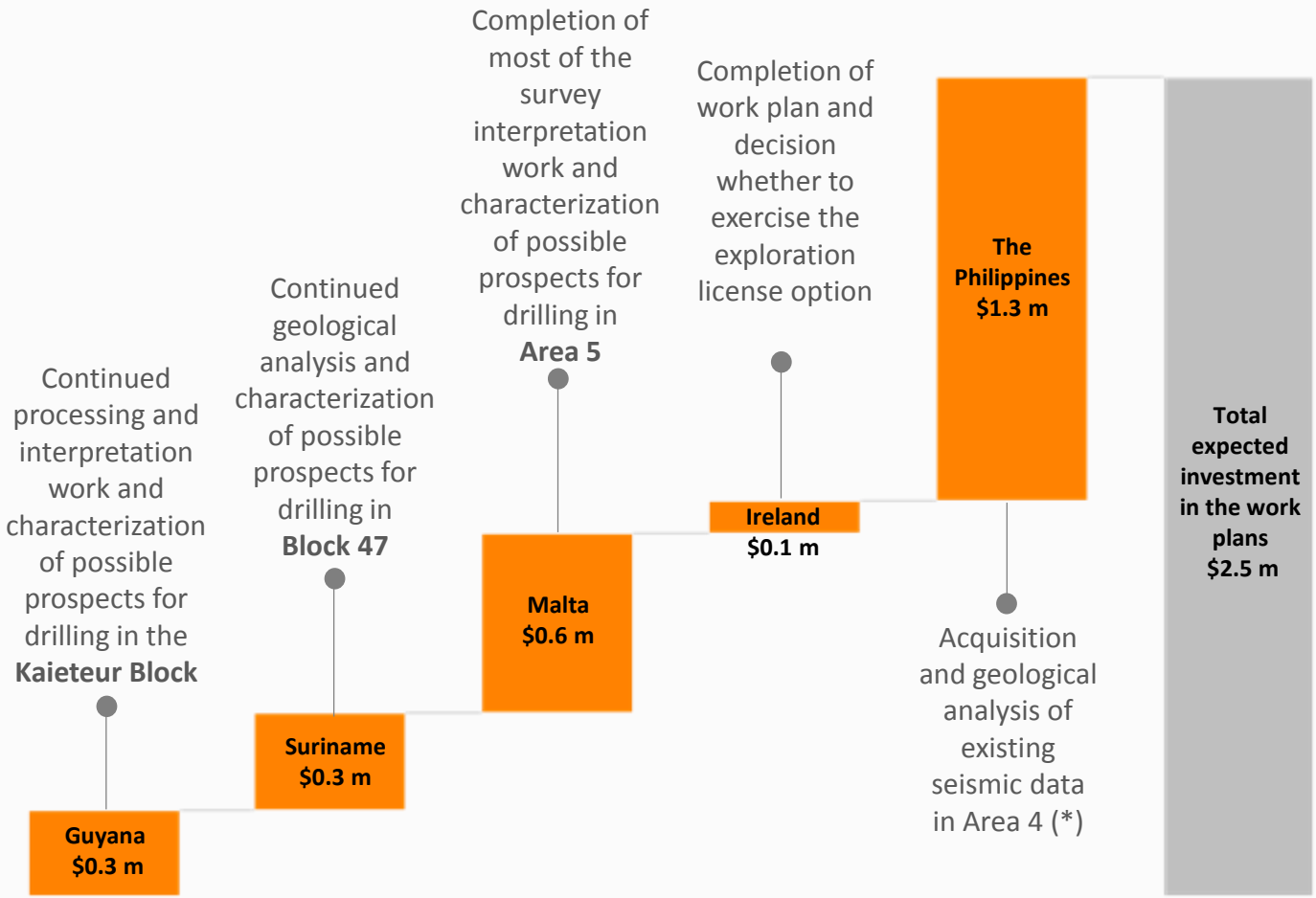
May – Start of a 3D survey in the Kaieteur Block on an area of 5,750 sq km**; ExxonMobil carries all of Ratio Petroleum's costs**

January – Raising of ~$30 million in an IPO and listed for trade on the Tel Aviv Stock Exchange**; completion of a 3D seismic survey in Malta** and start processing and interpretation of the data

(*) Ratio Petroleum's net costs in the North Sea license, including the drilling, totaled $1.8 million

Expected Progress in 2018

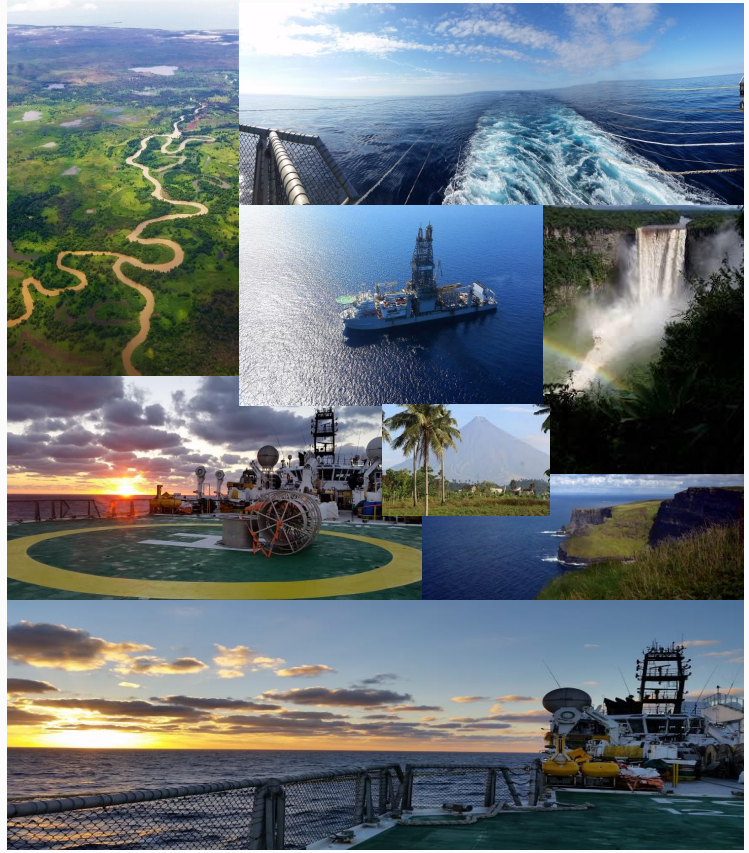
- The partnership is due to invest $2.5 million during 2018 in advancing the work plans in its existing assets
- ExxonMobil will continue to cover the partnership's share in the Kaieteur Block until first drilling
- 3 of the assets are in the final stretch of characterizing possible prospects for drilling: Guyana, Suriname and Malta
- Cash and cash equivalents of $23 million (**) enable to take advantage of opportunities for continued business development and entry into new petroleum assets
- Monitoring the geological and commercial developments in the basins Ratio Petroleum operates in, particularly the Guyana-Suriname Basin



(*) Following the signing of a final agreement (**) As of December 31, 2017

And in Summary…

- Exposure to a diverse international offshore exploration asset portfolio: Guyana, Suriname, Malta, Ireland and the Philippines
- Significant presence in the Guyana-Suriname Basin, one of the “hottest” exploration basins in the world
- Partnership with leading energy companies: ExxonMobil, Hess, Tullow
- A professional team with proven capabilities in identifying attractive assets
- Cash reserves for continued business development and locating opportunities in a cautious and cost-effective manner
- Projected costs of investment in the petroleum assets during 2018 total only $2.5 million



Ratio Petroleum

Thank You