



Fourth quarter 2018

22 February 2018

Q4 2018 highlights

- 25% increase in production from Q4-17
- 24% increase in revenues from Q4-17
- EBITDA improved to 5,653 MUSD following revaluation of CoreTerra acquisition
- Net present value (PV10) of proved net oil and gas reserves as per 31 December 2018 increased by 75% to 265 million USD
- Proved oil and gas reserves 22,8 mmbo (21,0 mmbo)

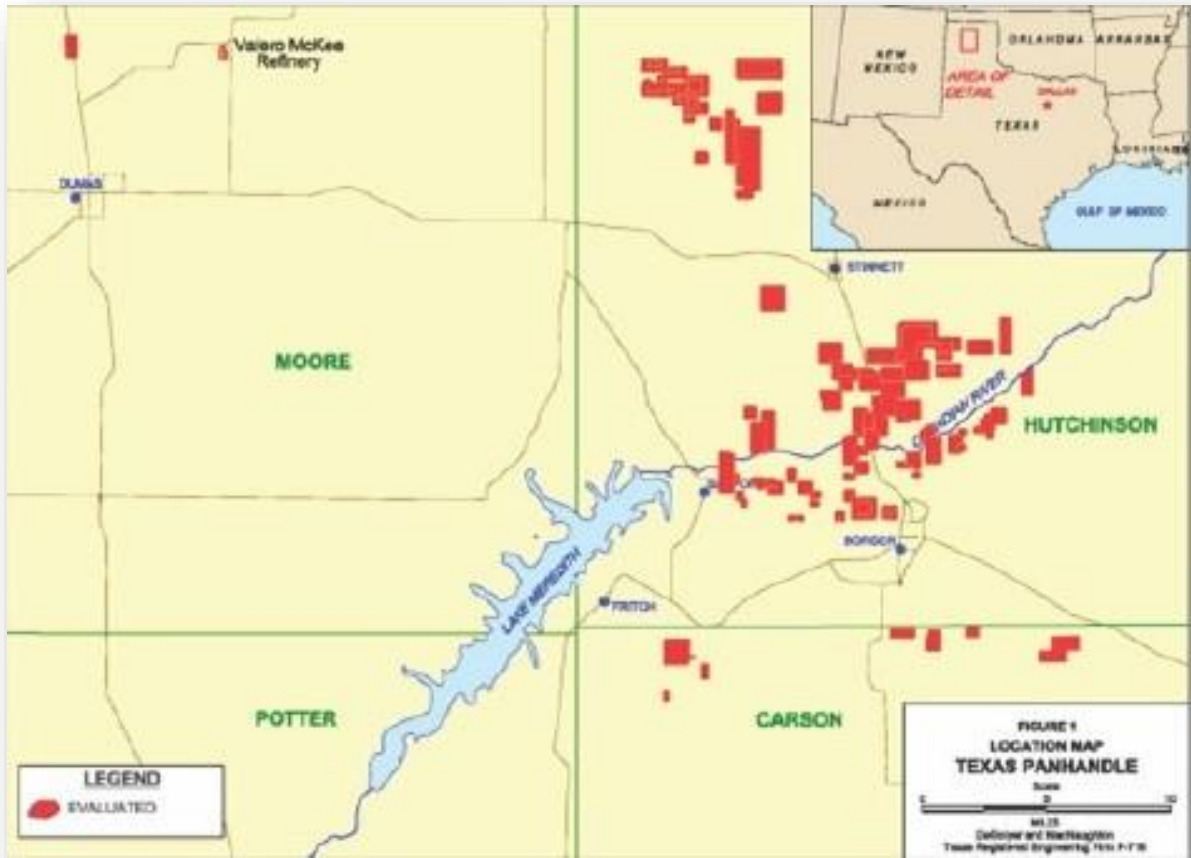
“Matra Petroleum enters 2019 with a broader reserve and production base, increased production and reserve values, expanded development potential and recovering oil markets supporting our efforts“, *Maxim Barskiy, CEO*

	Q4-18	Q3-18	Q4-17
Total production, gross (boe)*	74,132	75,708	59,286
Total production, gross (boepd)*	806	823	644
Revenue, TUSD	2,843	3,239	2,295
EBITDA, TUSD	5,653	492	433
Operating result, TUSD	5,112	395	-392

Operations in Texas Panhandle, USA



- Significant hydrocarbon basin in a region with well developed infrastructure
- Private ownership of mineral rights & favorable taxation
- Matra owns and operates 170 leases (18,470 hectares)
- Acquisition of 4.0 mmbo proved reserves in Q2-18



Reserves & growth opportunities



Category	Net reserves			Share,%	PV (10%) (TUSD)
	Oil, MBO	Gas, MMCF	MBOE		
Proved developed producing	1 834	8 951	3 326	15%	49,972
Proved developed non-producing	2 675	18 030	5 680	25%	67,309
Proved undeveloped	8 889	29 176	13 752	60%	147,444
Total proved	13 398	56 157	22 758		264,725
Share, %	59%	41%			

- Net present value (PV10) of proved net oil and gas reserves as per 31 December 2018 increased by 75% to 265 million USD
- Proved developed producing reserves increased by 40%
- Net reserves of 2.1 million boe added
- Reserve replacement cost of USD 6.19 per boe

Long term production target from existing asset base of up to 6,000 boepd (Gross)

The estimate of reserves has been conducted as of 31 December 2018 by independent petroleum consultants DeGolyer and MacNaughton

Development / Production Overview



Production, gross, Q4 2018: 806 boepd

Drilling and work program 2018

Matra invested 13 MUSD in 2018

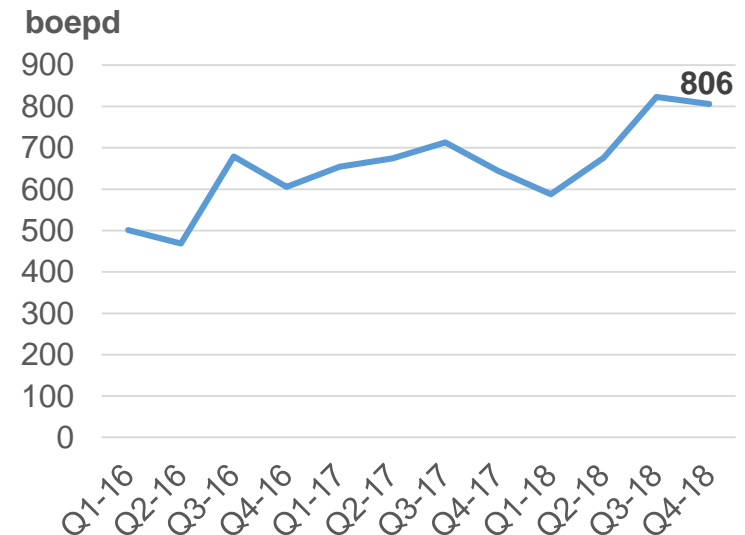
Targets:

- Drill 24 wells
- Double daily production by year end 2018

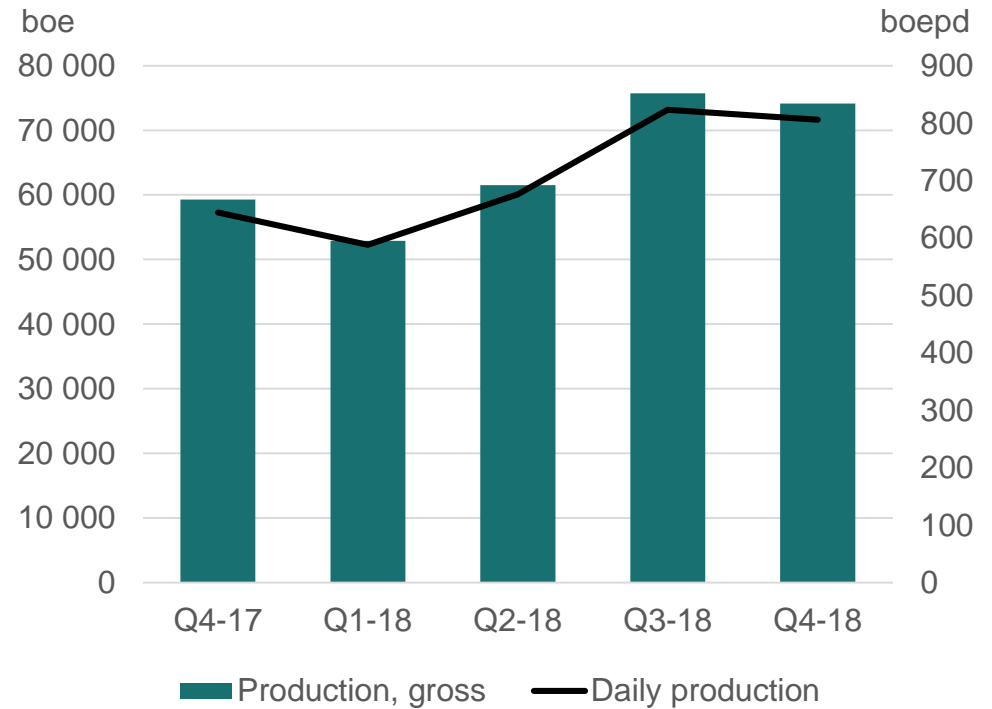
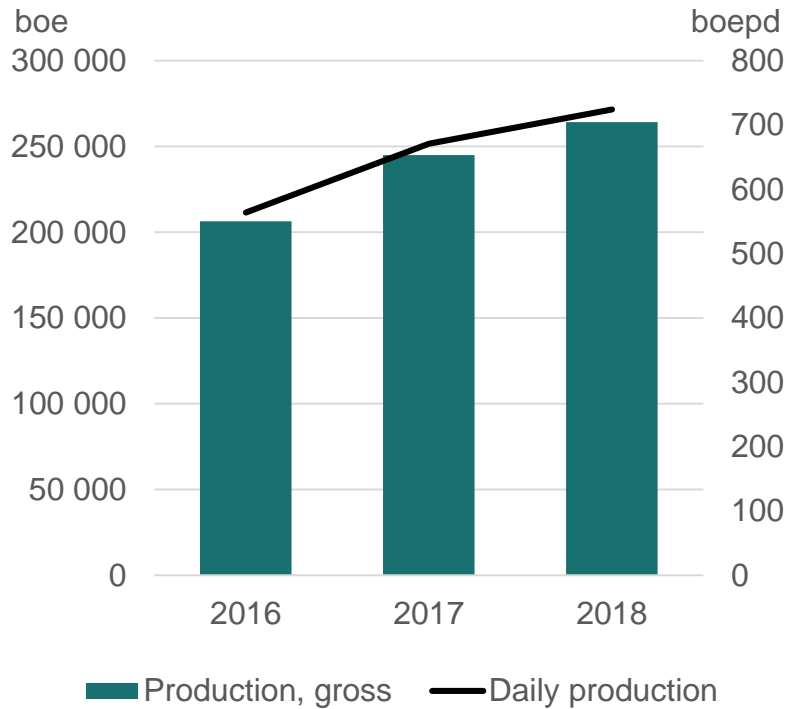
Result:

- **17** wells have been drilled and completed
- Drilling of the last 7 wells postponed until 2019 in response to weather conditions and the rapid drop in oil prices in Q4-18
- Capacity to produce in line with target, although average production volumes remain sensitive to third party gas processing capacity and weather conditions affecting infrastructure during winter months

Production, gross, 2016 - 2018



Production



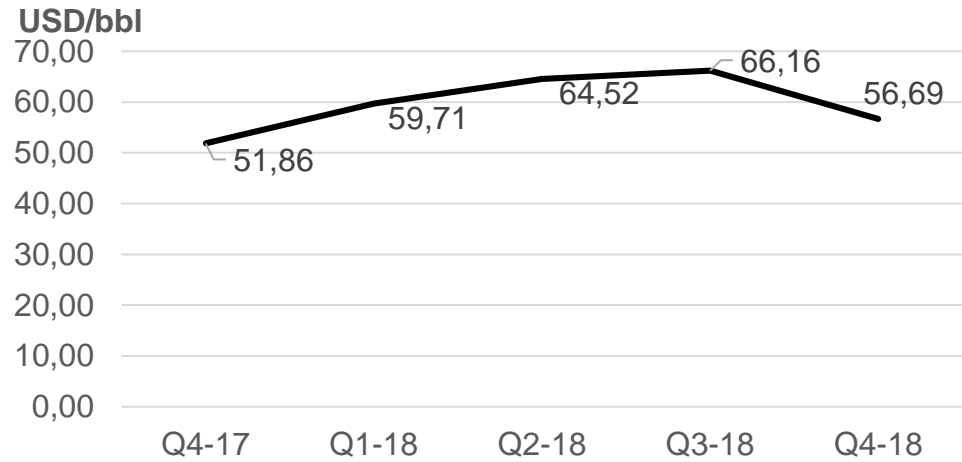
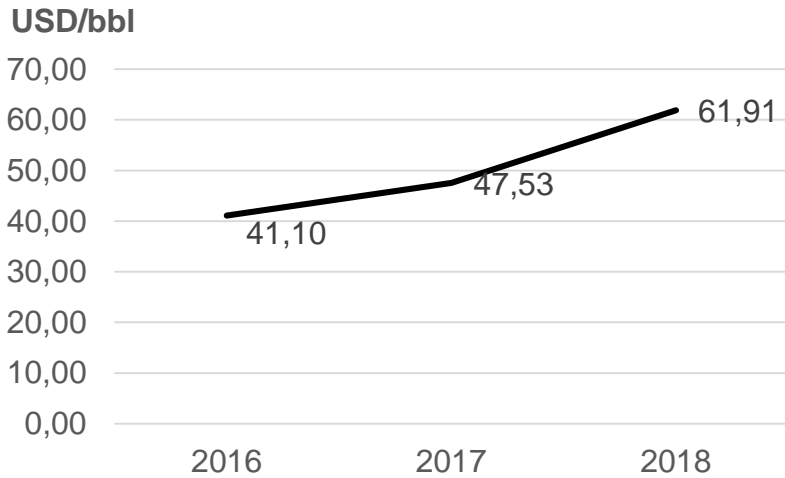
• **Production up 25% from Q4-17 and 10%* from 2017**

* Total production, consolidated production increased 8% from 2017

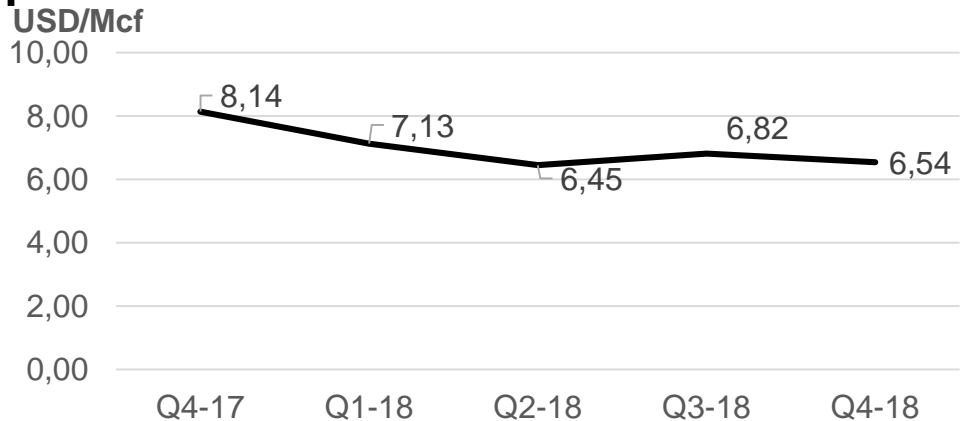
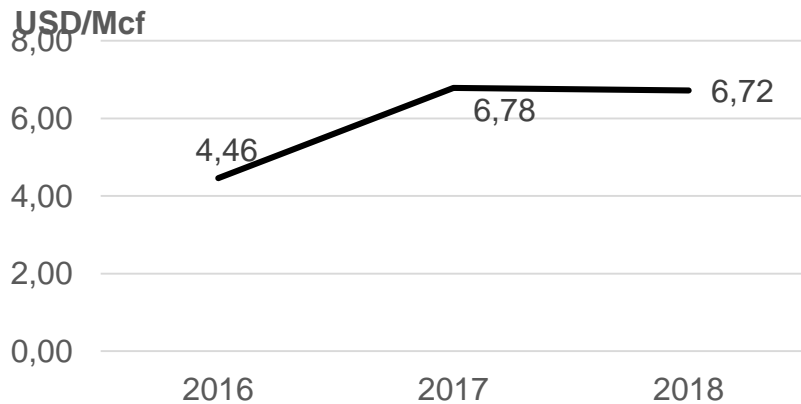
Average sales prices



Oil prices

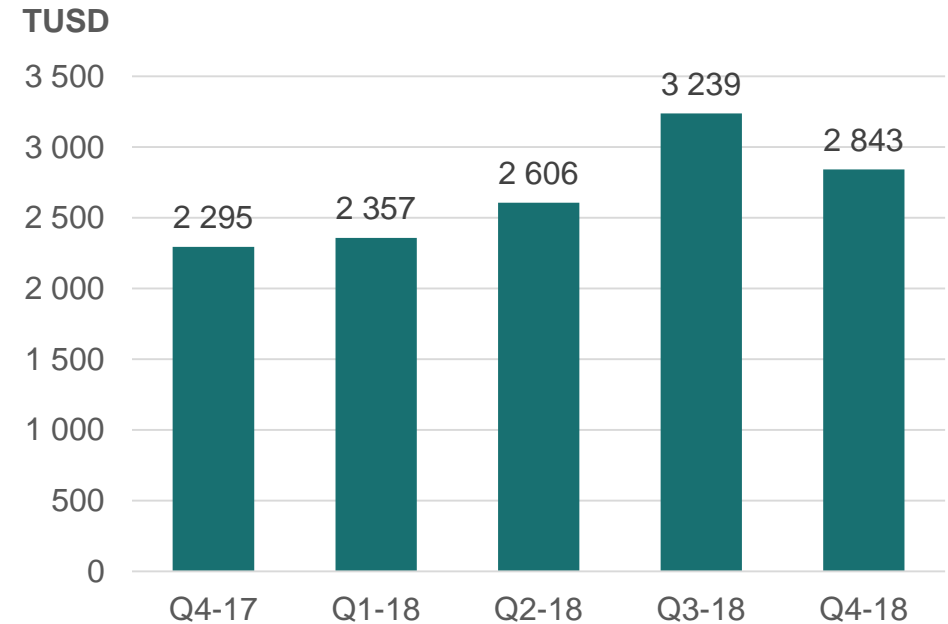
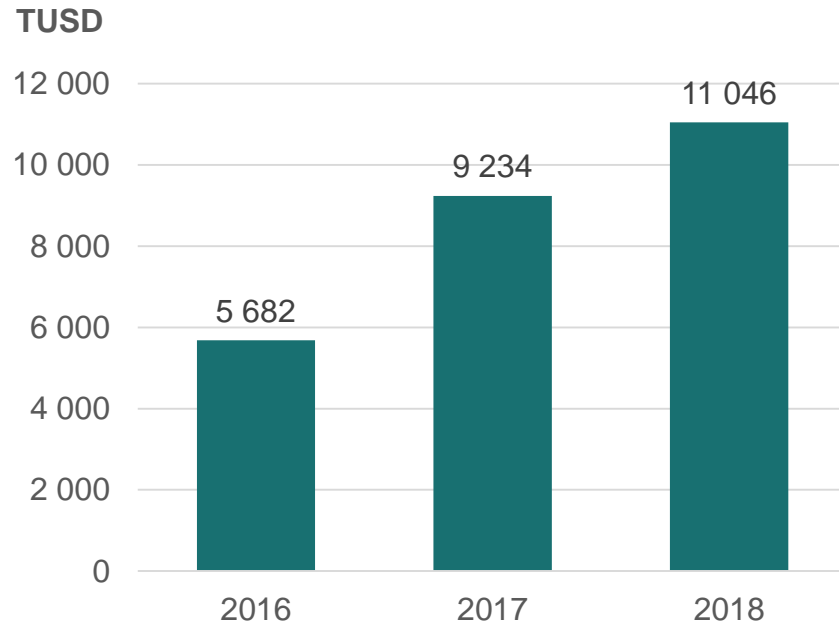


Gas prices



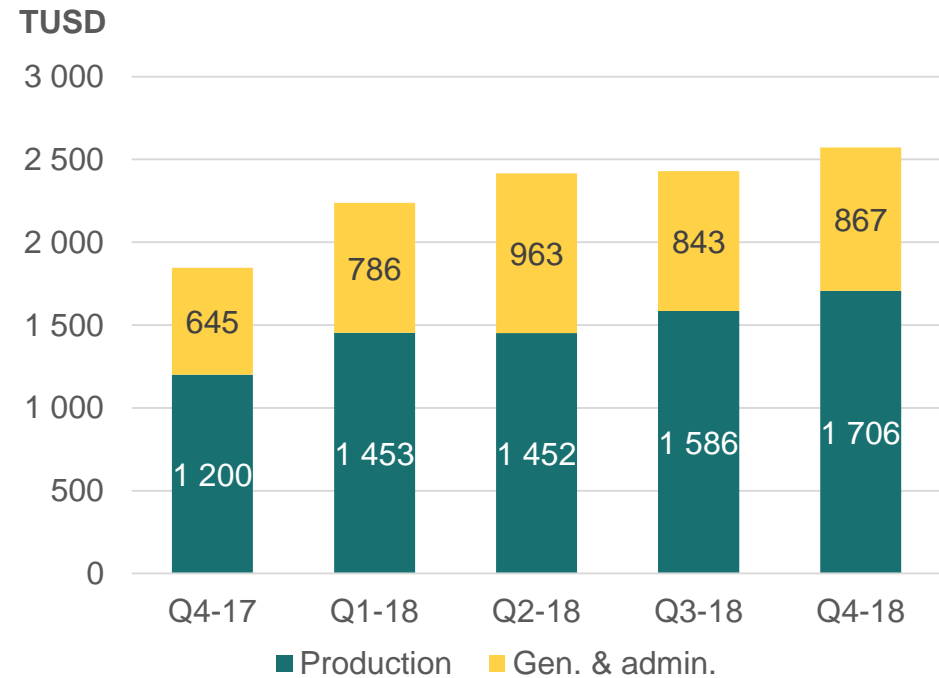
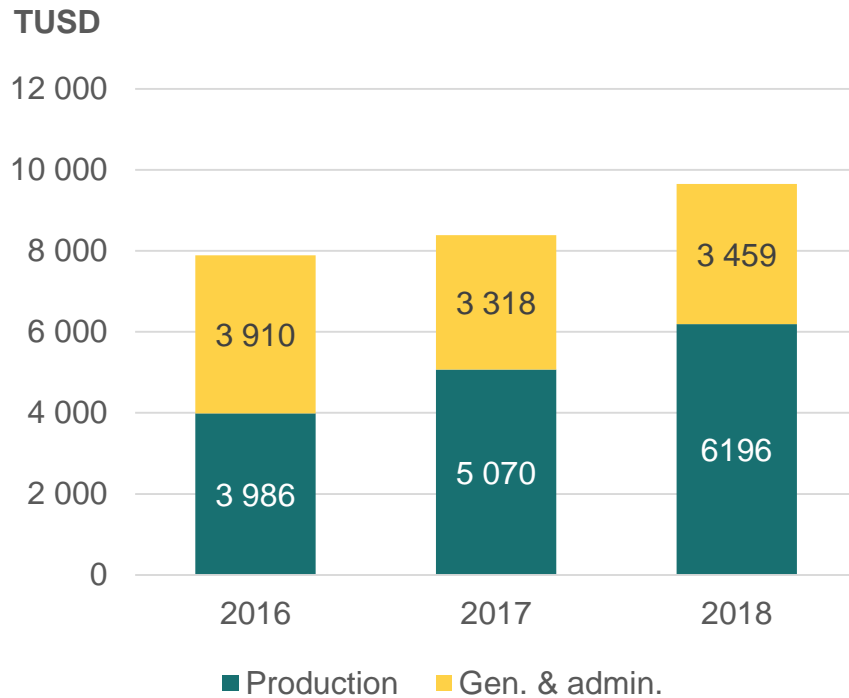
- Sequentially higher oil prices in 2018 until drop in Q4-18
- Oil markets have recovered somewhat in early 2019

Revenues



- Q4-18 Revenues were 24% higher than in Q4-17 due to higher oil prices and production
- Q4-18 Revenues lower than Q3-18 due to drop in oil prices cold weather

Expenses



- Production costs increased following expansion of operations through acquisition
- Low temperatures in Q4-18 resulted in higher costs

Balance sheet



Balance sheet

TUSD	31 Dec, 2018	30 Sep, 2018	31 Dec 2017
Oil and Gas Properties	99,029	92,582	80,957
Cash and cash equivalents	1,155	2,003	604
Shareholders' Equity	20,360	17,243	21,650
Borrowings, non-current	59	43,447	52,625
Borrowings, current	71,706	24,844	953

Summary



As we summarize 2018, Matra Petroleum continued to progress and develop its operations:

- 17 new production wells were successfully drilled
- CoreTerra acquisition completed, revalued and integrated into operations
- Oil and gas net reserves increased by 9%
- Reserves valued at 265 MUSD, an increase of 75%
- Oil and gas production increased by 10%

“Matra Petroleum enters 2019 with a broader reserve and production base, increased production and reserve values, expanded development potential and recovering oil markets supporting our efforts.”,

Maxim Barskiy, CEO