PremierOil

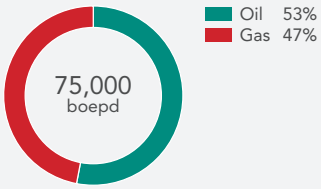
2017 Data Book

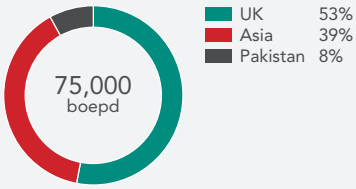
Where we operate

- Long established British E&P company, founded in 1934
- UK listed
- 5 Business Units: UK, Pakistan, Indonesia, Vietnam & Falkland Islands

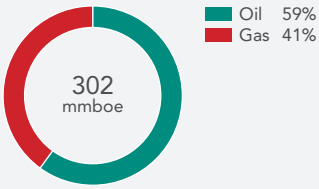
2017 full year summary

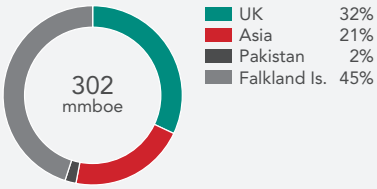
Group working interest production



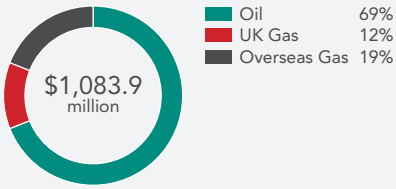


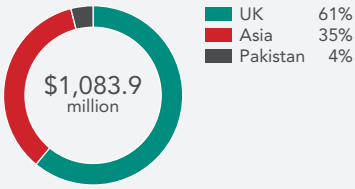
Group 2P reserves





Group revenue





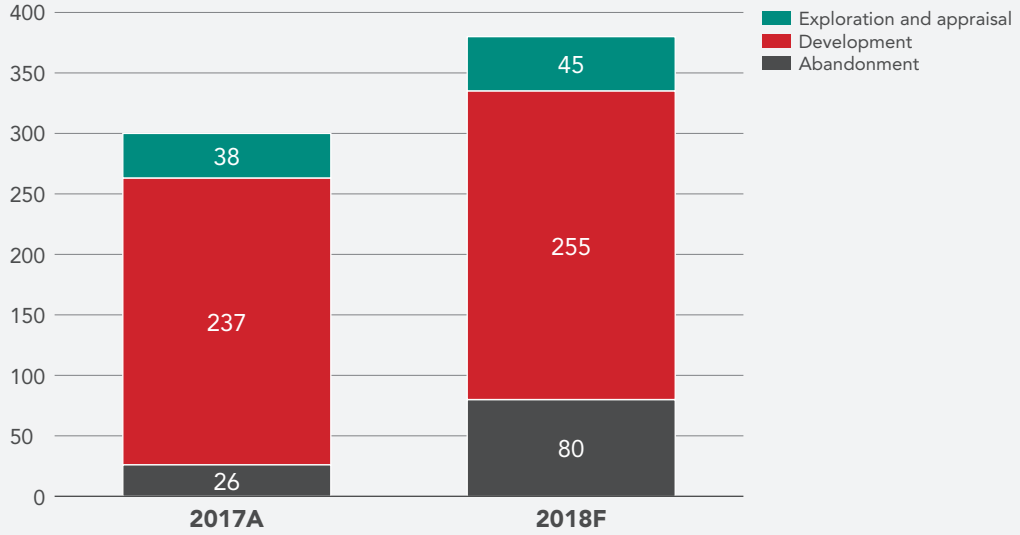
Financial results summary

	2017	2016
Working interest production (kboepd)	75.0	71.4
Entitlement production (kboepd)	69.2	66.1
Realised oil price - post hedging ($/bbl)	52.1	52.2
Sales Revenue (US$m)	1,083.9	983.4
Operating costs (US$/boe)	16.4	15.8
Amortisation of oil and gas properties (US$/boe)	15.2	12.7
Impairment of Property, Plant & Equipment (US$m)	(252.2)	(556.2)
Operating profit/(loss) (US$m)	33.8	(145.9)
(Loss)/profit before tax (before impairment) (US$m)	(114.1)	165.6
(Loss)/profit before tax (US$m)	(366.3)	(390.6)
(Loss)/profit after tax (before impairment) (US$m)	(82.9)	505.3
(Loss)/profit after tax (US$m)	(253.8)	122.6
Basic (loss)/profit per share (cents)	(49.4)	24.0
EBITDAX[1]	589.7	494.1
Operating cash flow (pre interest, post tax) (US$m)	496.0	431.4
Capital expenditure (US$m)	274.3	662.6
Net debt (US$m)	(2,724.2)	(2,765.0)
Cash and undawn facilities ($m)	541.2	592.9

[1] Prior year has been restated for results from Pakistan Business Unit, which has been reclassified as an asset held for sale in the period.

Capital expenditure (CAPEX)

Capex spend $m



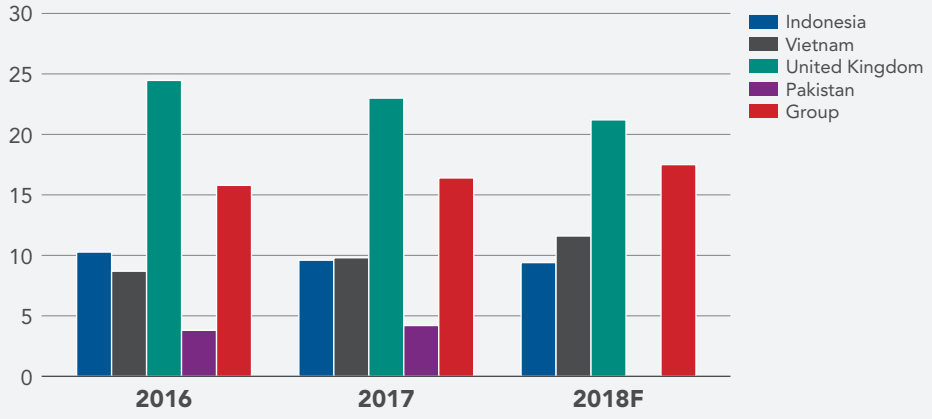
2017 development spend by asset

Project	Description	$m
Catcher	Development drilling, subsea and comissioning	126
Solan	Water treatment and water injection projects	30
Chim Sáo	Infill drilling	17
NSBA	BIGP, WL-5x recompletion	11
Tolmount	FEED	10
Elgin/Franklin	Infill drilling	9
Sea Lion	Development planning and studies	8
Pakistan	Drilling and well workovers	7
Other	Various UK producing assets	19
Total		**237**

Costs and depreciation

Country	Asset	Operating Costs $m	Operating Costs ($/boe)
Indonesia	Natuna Sea Block A	37.3	7.9
Total Indonesia		**49.5**	**9.6**
Vietnam	Chim Sáo	53.3	9.8
Total Vietnam		**53.3**	**9.8**
Total Pakistan		**9.6**	**4.2**
UK	Huntington	133.8	28.1
	Solan	51.2	23.9
	Babbage	11.6	10.4
	Elgin/Franklin	20.1	10.2
Total UK		**330.8**	**23.0**
Group Total		**448.0**	**16.4**

OPEX $/boe



Depreciation (2017)	$m	$/boe
UK	284.3	19.8
Vietnam	64.5	11.9
Indonesia	57.2	11.1
Pakistan	7.2	3.2
Mauritania	3.0	30.7
Group	**416.2**	**15.2**

Key metrics for largest producing fields

Figures quoted are net to Premier

Chim Sáo (Premier 53.125%; operator)

2017 production	14.9 kboepd
2017 opex	$53.3m
COP	2028

Natuna Sea Block A (Premier 28.67%; operator)

2017 production	12.9 kboepd
2017 opex	$37.3m
COP	Gas Sales Agreements extend out until 2028/29

Huntington (Premier 100%; operator)

2017 production	13.0 kboepd
2017 opex	$133.8m
COP	2019+

Solan (Premier 100%; operator)

2017 production	5.9 kboepd
2017 opex	$51.2m
COP	2025+ (evaluating third party opportunities)

Elgin/Franklin (Premier 5.2%)

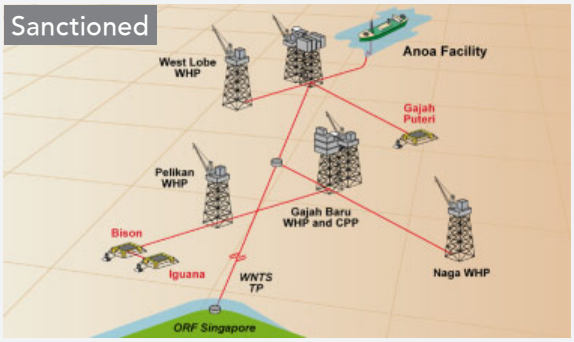
2017 production	5.4 kboepd
2017 opex	$20.1m
COP	2037 (operator estimate)

Key metrics for development projects

Figures quoted are gross

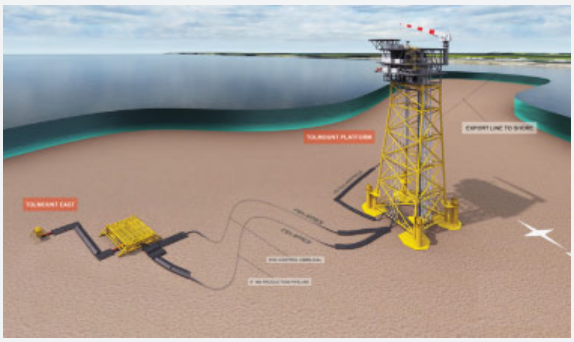
Catcher (Premier 50%; operator)

Reserves	96 mmboe (estimate at sanction)
Plateau production	> 60 kbopd
Opex	$250-$300m per year (LOF)
Capex	$1.6 bn ($1.3 bn to first oil)
First oil	23 December 2017



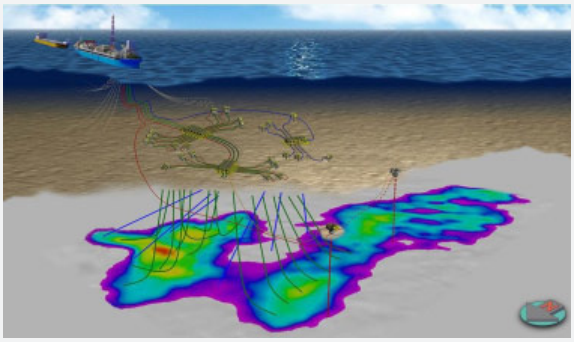
BIGP (Premier 28.67%; operator)

Reserves	93 Bcf
Peak production	Incremental increase as backfills existing gas contracts
Opex	Negligible as uses existing infrastructure
Capex	$340m
First gas	2019



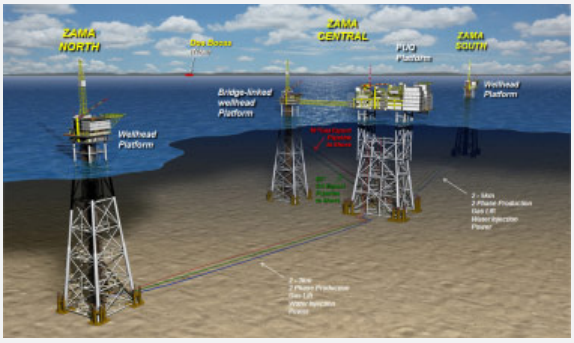
Tolmount [1] (Premier 50%; operator)

Resources	1 Tcf (Greater Tolmount Area)
Peak production	Designed for daily peak production of 300 mmcfd
Opex	TBC
Capex	~$550m [2]
First gas	2020 (Tolmount Main)



Sea Lion [1] (Premier 60%; operator)

Reserves	220 mmbbls
Plateau production	80 kbopd
Opex	$15/bbl (field opex) $10/bbl (lease rate)
Capex	$1.5 bn to first oil [3]
First oil	3/4 years post sanction



Zama [1] (Premier 25%)

Resource	400-800 mmboe [4]
Peak production	100-150 kboepd
Opex	TBC
Capex	+/- $1.8 bn
First production	2022/23

[1] Unsanctioned project metrics to be confirmed at sanction
[2] Premier's share of Tolmount capex post infrastucture deal ~$100m
[3] Upstream partnership share of $400m
[4] Includes those volumes that extend into neighbouring block

Facilities

As at 31 Dec 2017	Facilities available $m	Drawn $m	Cash and undrawn $m
Principal Bank facility	2,050	1,880	170
Term loans - £100m [1]	135	135	0
Term loans - $150m	150	150	0
US Private Placements	411	411	0
Schuldschein loan notes	130	130	0
Convertible bonds - liability	181	181	0
Retail bonds [1]	203	203	0
Gross accounting debt	**3,260**	**3,090**	**170**
Cash		365	365
Net accounting debt		**2,724**	**-**
Principal Bank facility - LCs	450	376	74
Bilateral facilities - LCs	22	22	0
Convertible bonds - equity	57	57	0
JV Cash		68	(68)
Net covenant debt	**3,751**	**3,247**	**541**

[1] Based on FX $1.35/£

Realised prices and hedging

Realised prices

	2017 (post hedge)	2016 (post hedge)	2017 (pre hedge)	2016 (pre-hedge)
Group realised oil price ($/bbl)	52.1	52.2	52.9	44.1
UK realised gas price (pence/therm)	47.2	47.6	45.2	41.5
Indonesia realised gas price ($/mscf)	8.4	8.6	8.4	7.8
Pakistan realised gas price ($/mscf)	3.0	2.8	3.0	2.8

2018 hedging

Oil hedges	Price ($/bbl)	% of oil entitlement production
Fixed price oil hedges	58.4	40%
Oil option sales	56.3	13%

Gas hedges	Price (p/therm)	% of UK gas production
Fixed price UK gas hedges	47.3	29%

Production

Country (Fiscal Regime)	Asset	Interest	2017 Working interest production (kboepd)	2017 Entitlement production (kboepd)
Indonesia (PSC)	Natuna Sea Block A	28.67%	12.9	9.3
	Kakap	18.75%	1.2	1.0
Total Indonesia			**14.1**	**10.3**
Vietnam (PSC)	Chim Sáo	53.13%	14.9	13.0
Total Vietnam			**14.9**	**13.0**
UK	Balmoral Area	Various	2.2	2.2
	Huntington	100%	13.0	13.0
	Solan	100%	5.9	5.9
	Wytch Farm	30.10%	4.4	4.4
	Kyle	40%	1.8	1.8
	Babbage	47%	3.1	3.1
	Elgin/Franklin, Glenelg	5.2%, 18.57%	5.9	5.9
	Ravenspurn North & Johnston	28.75%, 50.11%	1.9	1.9
	Others	-	1.3	1.3
Total UK			**39.5**	**39.5**
Pakistan	Qadirpur	4.75%	2.3	2.3
	Bhit/Badhra		1.9	1.9
	Zamzama		1.3	1.3
	Others		0.7	0.7
Total Pakistan			**6.2**	**6.2**
Mauritania (PSC)	Chinguetti	8.12%	0.3	0.2
Total Mauritania			**0.3**	**0.2**
Group Total			**75.0**	**69.2**

2P Reserves

2P Reserves by Business Unit

Business Unit	Falklands		Indonesia		Pakistan/ Mauritania		United Kingdom		Vietnam	
	Oil mmbbl	Gas bcf	Oil mmbbl	Gas bcf	Oil mmbbl	Gas bcf	Oil mmbbl	Gas bcf	Oil mmbbl	Gas bcf
2P Reserves										
At 1 January 17	126.5	43.8	1.7	243.5	0.1	74.3	103.1	136.0	23.8	35.6
Revisions	-	-	0.1	(18.1)	-	(8.7)	(13.0)	33.7	(0.3)	(3.7)
Discoveries and extensions	-	-	-	-	-	-	-	-	-	-
Acquisitions and divestments	-	-	-	-	-	-	(11.2)	(1.3)	-	-
Production	-	-	(0.3)	(26.0)	-	(14.4)	(9.9)	(24.0)	(4.3)	(5.4)
At 31 December 17	**126.5**	**43.8**	**1.5**	**199.4**	**0.1**	**51.2**	**69.0**	**144.4**	**19.2**	**26.5**

	Total Oil	Total Gas	Total
	mmbbl	bcf	mmboe
2P Reserves			
At 1 January 17	255.2	533.2	353.3
Revisions	(13.2)	3.3	(12.4)
Discoveries and extensions	-	-	-
Acquisitions and divestments	(11.3)	(1.4)	(11.7)
Production	(14.5)	(69.7)	(27.4)
At 31 December 17	**216.2**	**465.4**	**301.8**