



## Corporate Presentation

May 2014

### TomCo Energy plc (AIM: TOM.L)

- 126 million bbl oil in surface minable JORC Measured Resource
- 9,800 bopd production facility planned



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**Sir Nicholas Bonsor Bt DL**  
Non-Executive Chairman

Member of British Parliament from 1979 to 1997: Chairman of Defence Select Committee 1992-1995 & Minister of State at the Foreign Office 1995-1997

Currently Non-Executive Chairman, Egerton International Ltd & Metallon plc & Non-Executive Deputy Chairman of London Mining plc



**Paul Rankine**  
CEO

Formerly CEO of Cassidy Gold Corp & Zambezi Nickel & director of Stellar Diamonds

Previously fund manager at JP Morgan Investment Management Inc, Citigroup Asset Management & Altima Partners LLP

BSc(Eng) Mining, MSc(Eng) Mineral Economics from University of Witwatersrand, MBA from the University of Cape Town

Fellow of Southern African Institute of Mining & Metallurgy & member of the Society of Mining, Metallurgy & Exploration Inc.



**Miikka Haromo**  
Finance Director

Previously worked as a partner at Middle Europe Investment & as a corporate finance director at Collins Stewart & Williams de Broe (a member of ING Group)

Set up & managed BBL Baltic States fund under the BBL/ING fund umbrella

Masters in Finance & Applied Mathematics from Helsinki University of Technology, CFA charterholder & member of the CFA Society of the UK



# Investment highlights

## Attractive relative EV valuation of \$44m\* (\$0.35/boe) versus:

- Junior North American unconventional oils peer group comparison \$1.61/boe
- Red Leaf Resources (RLR) – Total JV implied valuation \$640m (\$5.38/boe)
- Internal project NPV<sub>10%</sub> of \$452m (\$3.59/boe)

## High grade resource at Holliday Block

- 126 million bbl of oil in surface mineable JORC Measured Resource
- 21.0 gallons of oil per ton of shale
- 32° to 34° API sweet oil
- 9,800 bopd
- Expected life of mine 19 years

## Hatch engineered innovative technology that's more environmentally friendly than alternatives. Validated by Total's investment in RLR

- First commercial-scale oil shale production permitted in North America on 20-Dec-13
- Total expected Capex of \$263m for 9,800 bopd facility
- Expected Opex of \$37/bbl
- Cash flow breakeven of \$50/bbl

## Potential further de-risking over next 18-months

- First oil from RLR's Early Production System (EPS) using EcoShale™ planned for 2015
- Technological advancement/optimisation benefits for TomCo derived from Total's investment in EcoShale™ technology & from learning from RLR's implementation experience

## TomCo burn rate of ~\$2.2m to expected RLR/Total JV Final Investment Decision (FID)

- Aim to achieve full permitting of the TomCo Holliday project
- Available-for-sale financial assets of \$5m

\* 7-May-14





# Oil production from shale

## Company

- AIM quoted (TOM.L)
- Market Cap: £26m\*
- Strategic & strong working relationship with RLR

## Utah Footprint

- 2,919 acre (1,200 acre on Holliday Block) leases in Uintah County, Utah
- 126 million bbl of oil in surface mineable JORC Measured Resource
- 100% held Utah State leases expiring December 2024

## Production

- Process technology partner – [www.RedLeafinc.com](http://www.RedLeafinc.com)
- Surface mined shale placed in EcoShale™ production capsule
- Low energy & water usage & low emissions compared to other alternatives
- 9,800 bopd production facility planned using 3 capsules concurrently
- RLR owns an analogous neighbouring property & has signed a development JV with Total
- TomCo has an exclusive licence with RLR in respect of current leases, which allows access to all technical reports & know-how
- TomCo intends to follow RLR directly into production & expects to benefit through reduced time & cost by leveraging off RLR's scale-up experience



**TOTAL**

\*7-May-14



# Oil shale process comparison

## Retorts

- Surface mining
- Surface retort facilities



### Pros

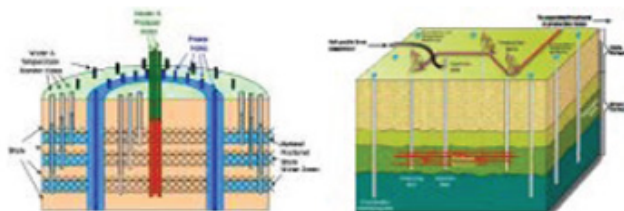
- Rapid pyrolysis

### Cons

- Low quality oil
- Emissions
- Water usage
- Low production capacity
- Project lead time

## In-situ

- Oil shale in place
- Sub-surface retorting



### Pros

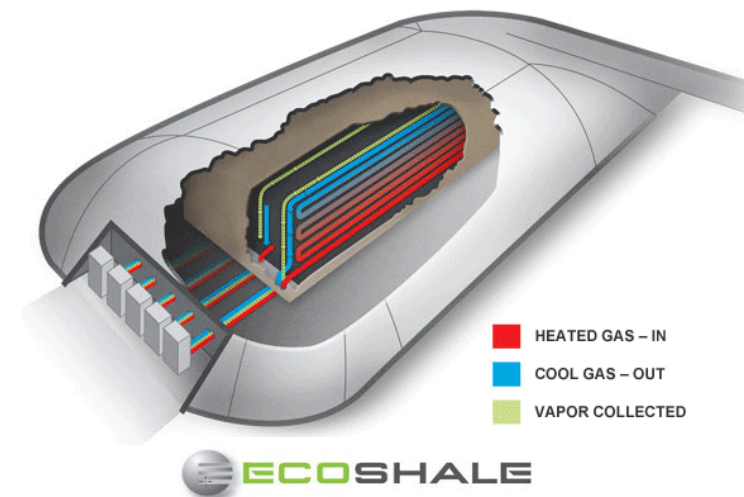
- Potential for high production capacity

### Cons

- Potential aquifer contamination
- Water usage
- None successfully tested
- Project lead time
- Pre-commercial production

## In-capsule

- Surface mining
- Sub-surface retort process



### Pros

- High quality oil
- Energy efficient
- Low water requirement
- Protects aquifers
- Rapid reclamation
- Lower emissions

### Cons

- Pre-commercial production



# Green River Oil Shale Formation, USA

Green River Formation estimated ~1.5 trillion barrels oil in place  
Richest oil shale layer found in the *Mahogany Zone*

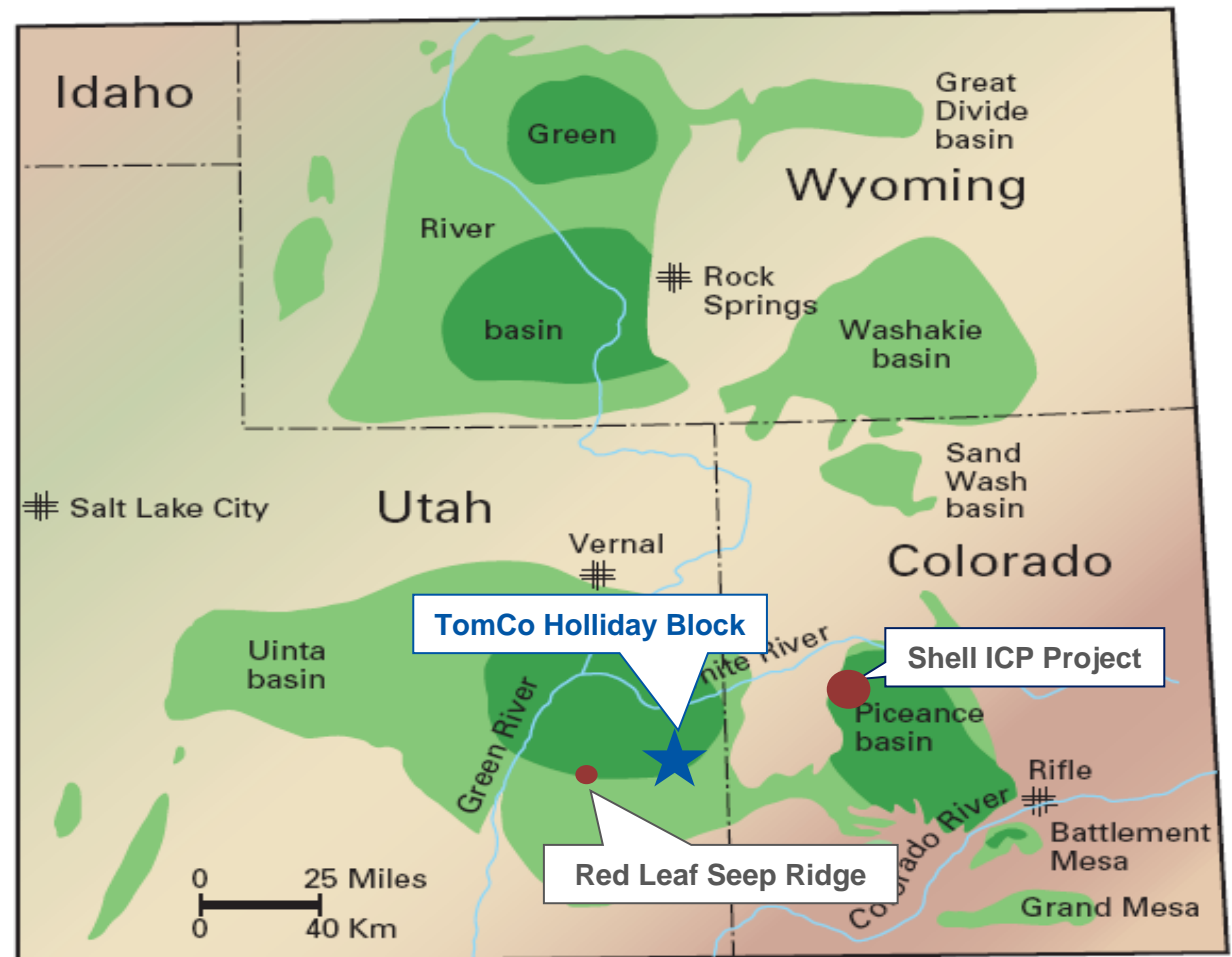
## TomCo

- JORC Measured Resource of 126m bbl within Mahogany Zone on TomCo's 1,200 acre Holliday Block
- 21.0 gallons of contained oil per ton of shale
- Low Life-Of-Mine stripping ratio of 0.8

## RLR (technology licensor)

- Seep Ridge (15 miles from TomCo)
- EcoShale™ developed for the region
- Pilot plant completed (some condensate trapped in insulation)
- First production from EPS planned for 2015
- 90 to 119m bbl resource\*
- 19.9 gallons of oil per ton of shale\*

\* Source: Red Leaf Resources





# RLR / Total JV

**Total will pay 80% of the first \$400m spent to commercially develop RLR's existing surface mineable Utah assets for a 50% participating interest**

- The JV will invest \$200m in an Early Production System (EPS) to prove the commercial scalability of RLR's EcoShale™ process before the FID on the remaining \$200m

**Total also invested a further \$25m in RLR common stock as part of RLR's \$100m raise**

**TomCo invested \$5m in RLR common stock as part of RLR's \$100m raise**

- Strategic investment completed in March 2012
- RLR financing to be used for its 20% cost share in the JV & for other corporate purposes

**Total's investment commitment of \$320m for its 50% participation in RLR's Utah assets gives third party validation for the potential of EcoShale™ technology**

**Total currently has the exclusive right amongst majors to roll out RLR's EcoShale™ technology**







# Planned commercial capsule characteristics

## Expected EcoShale™ capsule characteristics

- Capsule dimension 900ft L x 500ft W x 153ft H
- Capsule heated to 725°F (385°C) by circulating air at 900°F (482°C)
- 210-day heating cycle
- First oil at Day-100
- Peak oil at Day-150
- Low grade shale to be used as insulation
- Total production per capsule 686,000 bbl
- 9,800 bopd average production rate
- Annual production 3.58 million bbl (~5.2 capsules)
- EPS capsule is expected to be 75% of commercial capsule





# Holliday Block – key metrics

<b>Taxes &amp; royalties</b>	
Federal tax	35%
State tax Utah State tax refund (75% for 20 years)	5%
RLR royalty	6%
Production royalty (SITLA): increasing after 5 years by up to 1% pa; 12.5% max; first 200,000 barrels per annum royalty free	5%

<b>Expected CAPEX &amp; OPEX</b>	
<b>Start-up CAPEX</b> (infrastructure & 3 capsules)	\$263m
<b>Ongoing OPEX:</b>	
Mining, stacking & construction	\$12.4/bbl
Transportation	\$9.0/bbl
Oil collection	\$5.2/bbl
Input fuels	\$5.8/bbl
Other	\$5.0/bbl
Total OPEX	\$37.4/bbl
<b>Internal project NPV<sub>10%</sub></b>	\$452m

Source: TomCo Energy, based on information from Red Leaf Resources

# Expected TomCo\* & RLR operational outlook



	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
JORC upgrade to Probable Reserve from Measured Resource								
Permitting applications lodged for large mining & groundwater discharge								
DOGM* tentative approval Notice of Intention to Commence Large Mining Operations								
DWQ** tentative approval Groundwater Discharge Permit								
RLR/Total JV EPS construction, site mining & commissioning								
RLR/Total JV EPS heating cycle & commercial production								

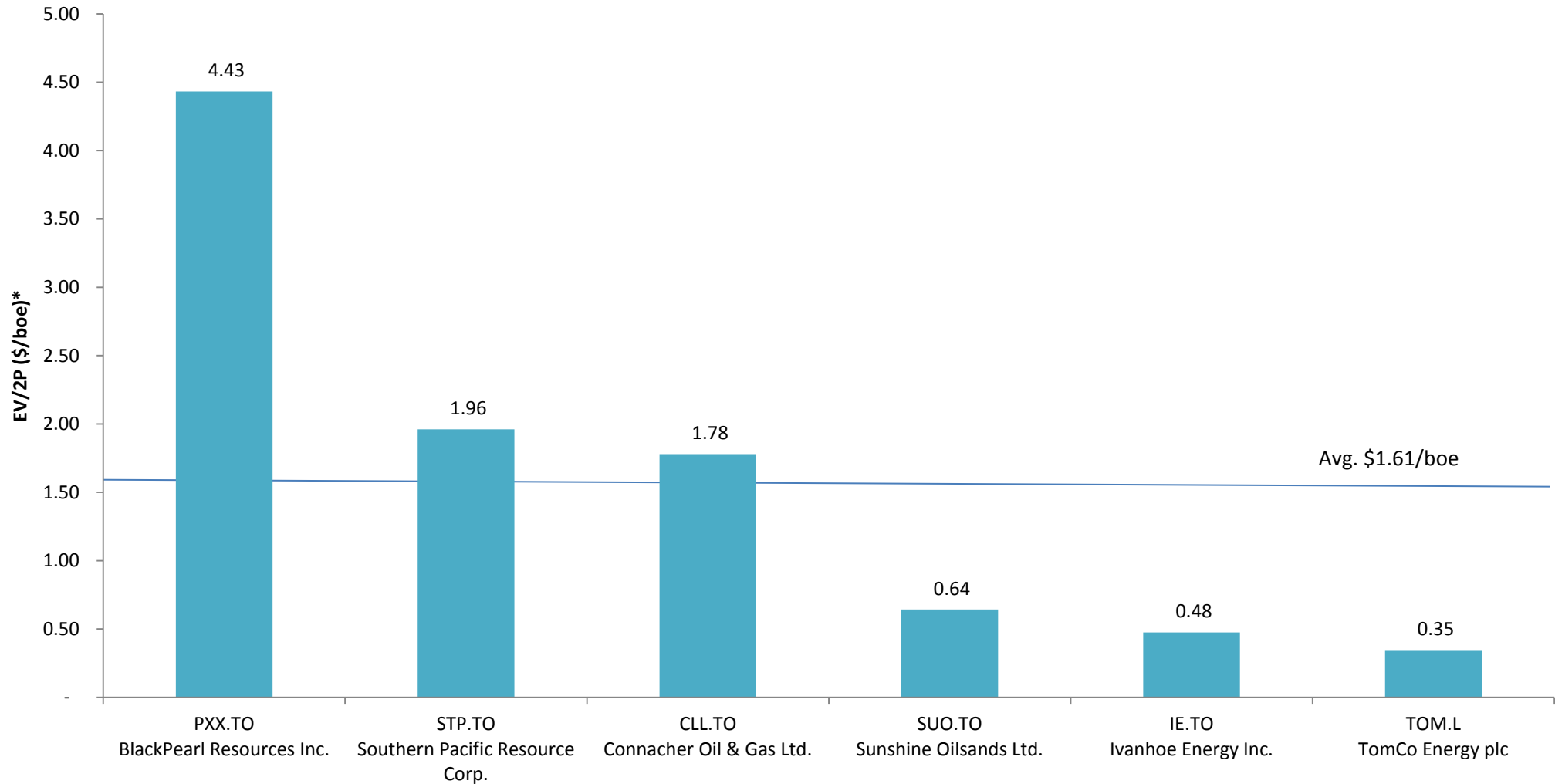
TomCo's strategy is to follow RLR into production, TomCo's timetable is therefore dependent on the progress of RLR  
 \* Division of Oil, Gas & Mining \*\* Division of Water Quality

Source: TomCo Energy & [Questaerre Energy](#)

# Relative valuation



## Junior North American unconventional oil multiples



Source: Bloomberg, Company accounts, 7-May-14

\* TomCo's \$/boe based on JORC Measured Resource, not 2P



# Corporate information

- **Equity weighted share price** 1.39p (7-May-14)
- **Market capitalisation** £26m (\$44m)
- **3-month average daily liquidity** £17k (7-May-14)
- **Shares**
  - Issued & outstanding 1,869,455,744
  - Fully diluted 1,876,876,070

	Holding	
Kenglo One	492,920,548	26.4%
Dominic Redfern & Sarah Cooke	183,916,665	9.8%
Mark Donegan	132,250,000	7.1%
Altima Global Special Situations Fund	107,252,083	5.7%
Windsor Capital Partners	90,675,831	4.9%
Others	862,440,617	46.1%
Total	1,869,455,744	100.0%

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