

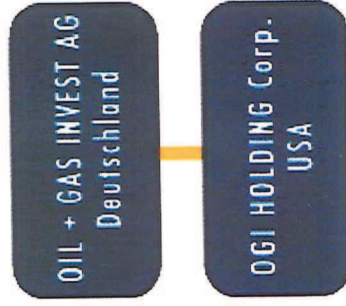
# Oil Projects in U.S.A.

Executive Summary version 2.0

January 20<sup>th</sup> 2015



## Executive Summary



### The Company

- The Oil & Gas Investment AG is an independent oil and gas exploration company based in Frankfurt am Main (Germany), with 146 shareholders and a current Share Capital of 1.650.000 shares in the nominal value of 1,00 € and an approved and registered conditional capital increase in the amount of further 550.000 bonds / shares.
- Board of Directors:
  - ✓ Director (CEO): Mr. Juergen Wagentrotz;
  - ✓ Chairman of the Board: Mr. Guenter Doering;
  - ✓ Further members of the Board: Mr. Stephan E. Becker and Mr. Christoph Kummer.
- It has a subsidiary in the USA, OGI Holding Corporation, located in Delaware, with a Share Capital of US\$ 5,0 Mio..
- Currently, OGI operates in the states of Alabama, Kentucky, Tennessee and Mississippi in selected areas, whose reserves are estimated at about 120 million barrels of oil.
- Global Oil & Gas Ltd., Alabama (USA) and Volume Acquisitions LLC, Arizona (USA) are in partnership with OGI to coordinate the geological services on site in the U.S. and all the financial and contractual necessities between OGI / OGI Holding and Global Oil & Gas and/or Volume Acquisitions.
- White Falcon Petroleum Technologies AG, Zurich (Switzerland) and Land and Natural Resource Development Inc., Alabama (USA) are service providing companies that execute the necessary exploration services to detect the oil reservoirs in the different project areas and coordinate the drillings in the project areas on a single contractual basis.

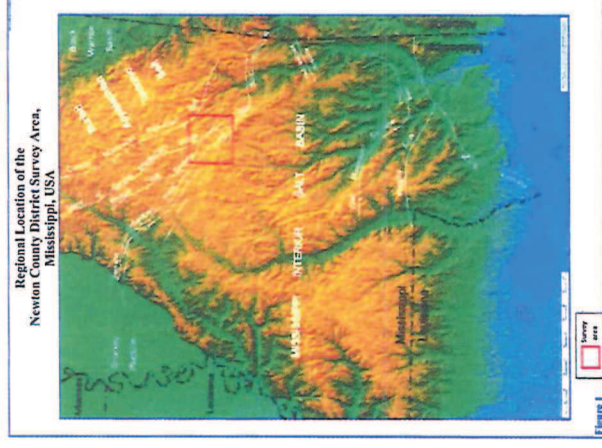
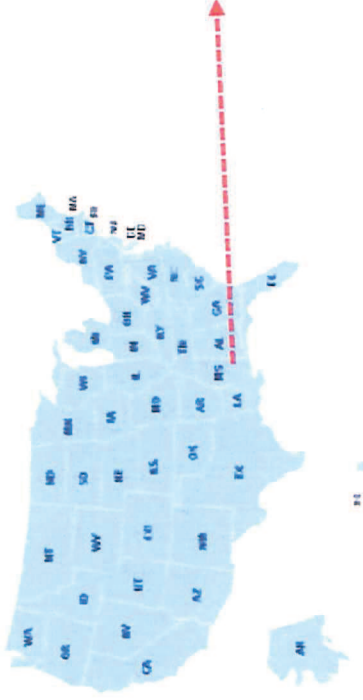


## Executive Summary

### The Project

- The Project aims to develop three different sites of oil extraction:
  - "Turkey Creek / Cinderella" project located in Newton County, Mississippi, USA;
  - "Jerningan Mill / Snow White" project located in Escambia County, Alabama;
  - "North Sardine" project located in Escambia County, Alabama, USA

### United States

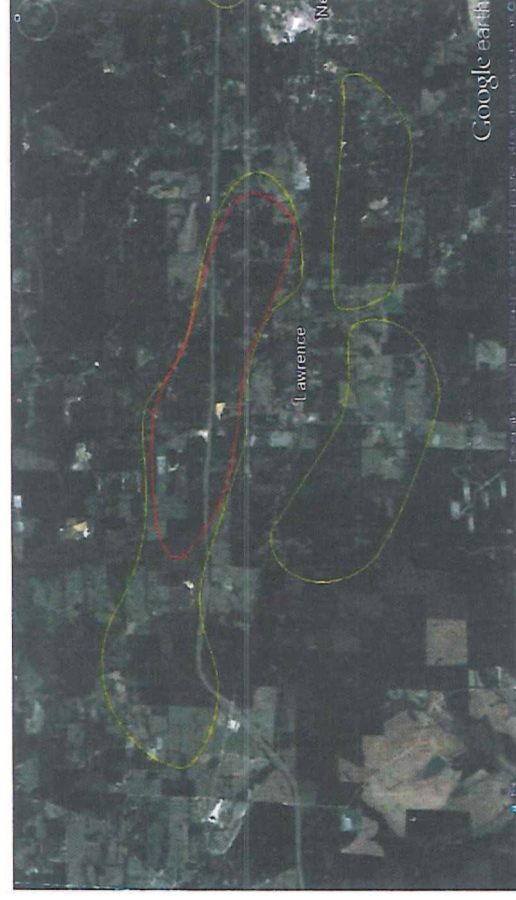




## Executive Summary

### Turkey Creek Project

- Prospect location is in Newton County, Mississippi, USA, with approximately 8,000 acres leased area.
- "Turkey Creek" prospect is wildcat exploration project with two exploratory wells drilled by OGI, first one in 2012 and second in 2014. In the prospect area a well was drilled in 1964 (Flora Johnson #1 well). It encountered live oil in Smackover (live oil) and Pink Stone (residual oil), indicating that petroleum maturation and migration have occurred. The well also defines the presence of a significant thickness of petroleum source rock in the Smackover interval. This well along with another well (the #1 Turnage-Williams) and other surrounding wells, is interpreted to lie below an anticipated oil/water contact for the Turkey Creek prospect.
- There is also potential for a lease extension as surrounding area is unleased, but results of remote sensing shows several more similar anomalies. In the further development phase the drilling of 12 to 15 wells are expected.
- Prospects location delineated by processing of satellite images is show at figure below:

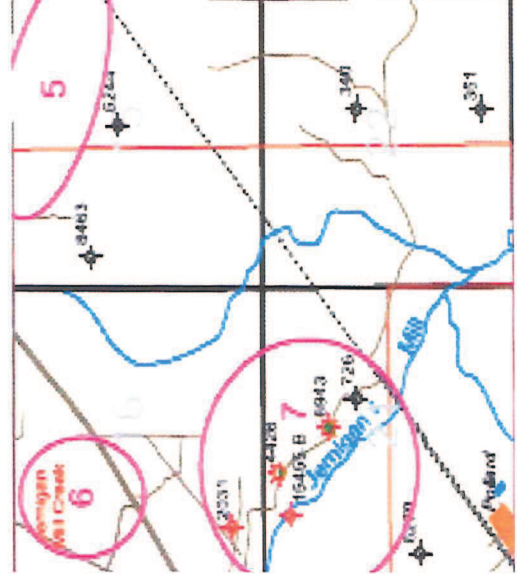




## Executive Summary

### Jerningan Mill Project

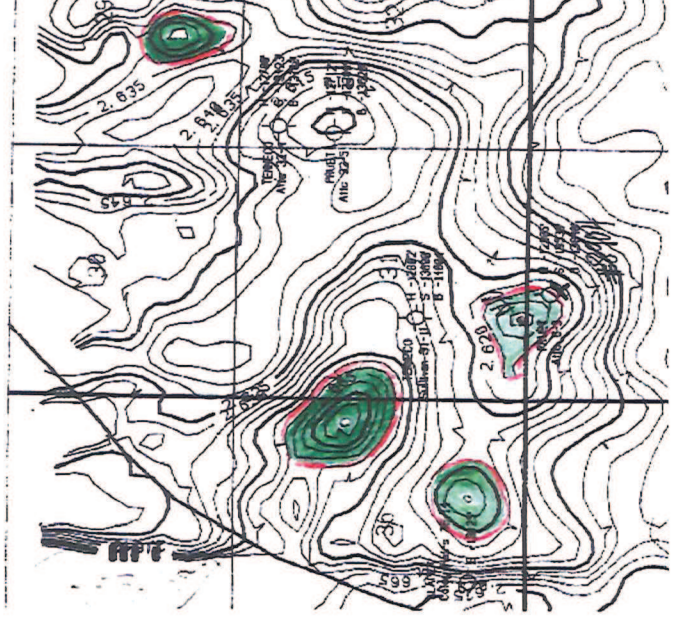
- OGI has leased 2.200 acres at Jerningan Mill field / prospect.
- Field has one conserved well (8943) which produced at daily average rate of 200 bbl per day, and can be re-entered and completed for production again.
- It is estimated that two more producing wells can be drilled on the same lease, with production rate similar as well 8943, which will yield around 600 bbl per day from the lease. Another 4 to 5 wells are expected to be drilled in the prospect area.
- There is also potential for a lease extension to 10.000 acres, as surrounding area is unleased, but results of remote sensing shows three more anomalies similar as Jerningan Mill field. There are 3D seismic performed over Jerningan Mill field by another company which might be acquired by OGI.
- Prospect and leased area is situated in Escambia County, Township 1N9E, sections 15, 16, 21, 22:



## Executive Summary

### North Sardine Project

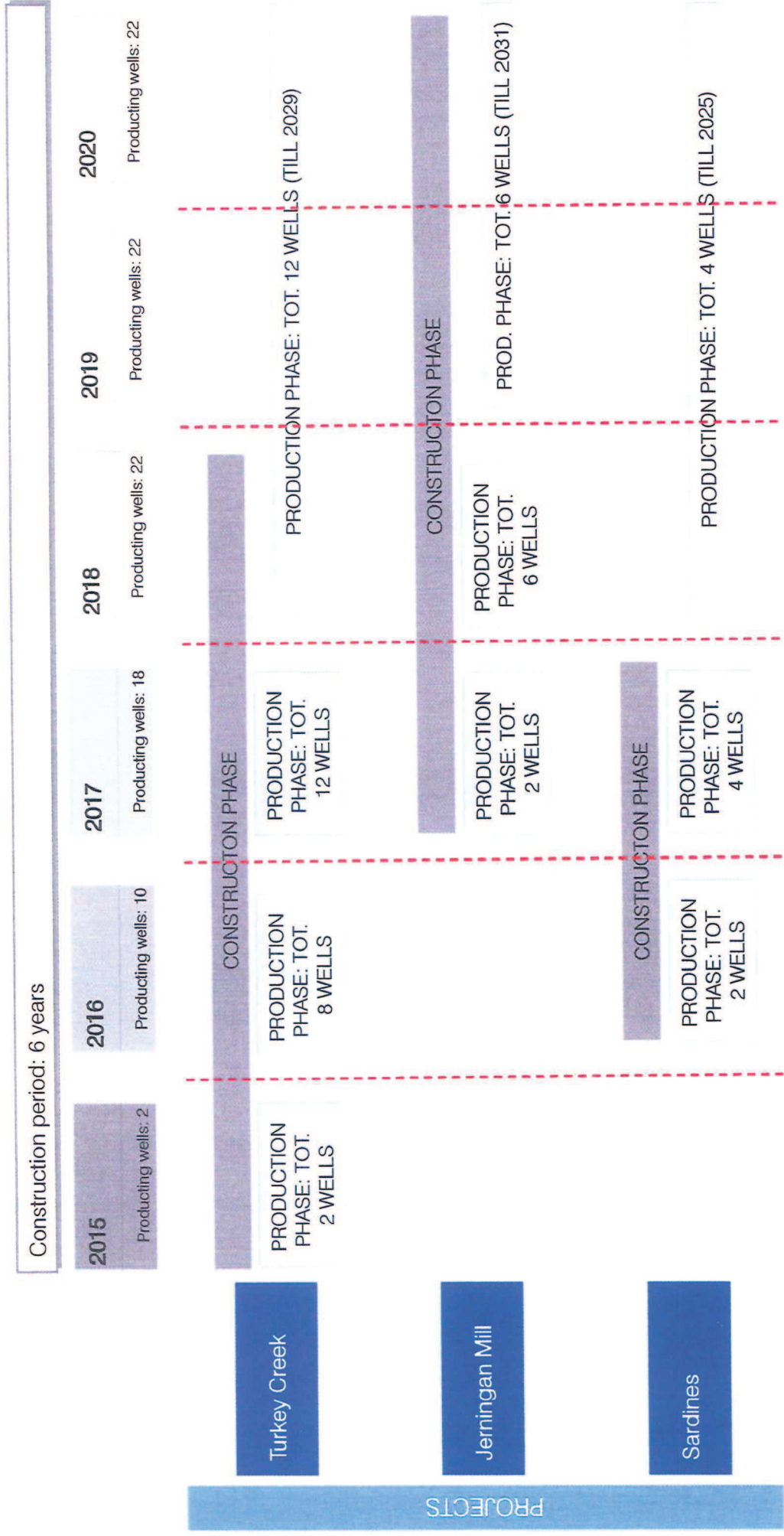
- OGI has 320 acres total leased, 80 acres per prospect.
- The prospects are situated in the northern part of Escambia County, Alabama.
- It is estimated that each structural closure contains approximately 300,000 BOE of recoverable oil reserves. It is expected to drill 4 wells.
- The North Sardine prospect consists of four structural closures ("bumps") detected at 3D seismic:





## Executive Summary

### The Project: Timetable



## Executive Summary

### The Project: Steps and Financials (net of V.A.T. and not considering distribution of dividends)

	Construction period: 6 years					
	2015	2016	2017	2018	2019	2020
	Producing wells: 2	Producing wells: 10	Producing wells: 18	Producing wells: 22	Producing wells: 22	Producing wells: 22
<b>Starting point</b>						
<b>Starting Point</b>						
<b>Total Investment</b>	■ 25.27 Mio US\$	■ 23.58 Mio US\$	■ 49.97 Mio US\$	■ 62.77 Mio US\$	■ 25.6 Mio US\$	■ 0.8 Mio US\$
<b>Cumulated Inv.</b>	■ 25.27 Mio US\$	■ 48.85 Mio US\$	■ 98.82 Mio US\$	■ 161,59 Mio US\$	■ 187,2 Mio US\$	■ 188,8 Mio US\$
<b>Equity</b>	■ 100%	■ 51% (Net Profit included)	■ 48% (Net Profit included)	■ 71% (Net Profit included)	■ 100% (Net Profit incl.)	■ 100% (Net Profit incl.)
<b>Period Cumulated</b>	■ 25.27 Mio US\$	■ 25.27 Mio US\$	■ 25.27 Mio US\$	■ 25.27 Mio US\$	■ 25.27 Mio US\$	■ 25.27 Mio US\$
<b>Revolving Line Period Cumulated</b>	■ 0%	■ 49%	■ 52%	■ 29%	■ 0%	■ 0%
		■ 25.0 Mio US\$	■ 30.0 Mio US\$	■ -6.5 Mio US\$	■ 0 Mio US\$	■ 0 Mio US\$
		■ 25.0 Mio US\$	■ 55,0 Mio US\$	■ 48,5 Mio US\$	■ 0 Mio US\$	■ 0 Mio US\$
<b>Cash Flow Period Cumulated</b>		■ 0.0 Mio US\$	■ 20.0 Mio US\$	■ 69.64 Mio US\$	■ 120.57 Mio US\$	■ 130.63 Mio US\$
		■ 0.0 Mio US\$	■ 20.0 Mio US\$	■ 89.64 Mio US\$	■ 210.21 Mio US\$	■ 340.84 Mio US\$
<b>Total Sources Period Cumulated</b>		■ 25.27 Mio US\$	■ 50.0 Mio US\$	■ 63.14 Mio US\$	■ 72.07 Mio US\$	■ 130.63 Mio US\$
		■ 25.27 Mio US\$	■ 50.27 Mio US\$	■ 163,41 Mio US\$	■ 235,48 Mio US\$	■ 366,11 Mio US\$
			■ 100.27 Mio US\$	■ 163,41 Mio US\$	■ 235,48 Mio US\$	■ 484,33 Mio US\$



## Executive Summary

### Key Performance Indicators (1 of 2)

- This version of the plan (2.0) is based on the following assumption about oil price (per barrel):
  - 2015: 45 US\$;
  - 2016: 70 US\$;
  - 2017: 85 US\$;
  - From 2018: 100 US\$

### Summary

Plan Data Amounts in US\$	Start	2015	2016	2017	2018
Turnover	-	8.606.250	73.631.250	191.932.125	279.174.000
EBITDA	-	3.567.188	45.649.911	124.220.513	183.778.811
EBIT	-	3.164.819	40.747.942	108.383.447	161.654.670
Profit/Loss	-	815.373	24.043.559	70.072.413	110.442.269
Equity	25.272.000	26.087.373	50.130.932	120.203.346	187.316.880
Net Financial Position (Short Term)	-	(1.454.383)	(1.484.973)	(1.858.082)	(5.000.000)
Free Cash Flow	-	(21.545.617)	(23.569.409)	15.153.109	98.850.652
Dividends paid	-	-	-	-	43.328.735
Levered Cash Flow	-	1.454.383	30.591	373.109	3.141.918

### Key Performance Ratios

Plan Data Amounts in US\$	Start	2015	2016	2017	2018
<b>% on Turnover</b>					
Transportation Costs/Turnover	0,0%	13,3%	8,9%	7,6%	6,8%
Operating Partner Costs/Turnover	0,0%	2,8%	2,0%	1,8%	1,8%
G&A/Turnover	0,0%	17,4%	2,1%	0,8%	0,6%
Depreciation of Tangible Assets/Turnover	0,0%	4,7%	6,7%	8,3%	7,9%
Total Operating Costs/Turnover	0,0%	63,2%	44,7%	43,5%	42,1%
<b>EBIT/Turnover</b>					
	0,0%	36,8%	55,3%	56,5%	57,9%
<b>Growth Rate (YoY)</b>					
Turnover	0,00%	100,00%	755,56%	160,67%	45,45%
Operating Costs	0,00%	100,00%	504,31%	154,08%	40,66%
EBITDA	0,00%	100,00%	1179,72%	172,12%	47,95%
EBIT	0,00%	100,00%	1187,53%	165,99%	49,15%

## Executive Summary

### Key Performance Indicators (2 of 2)

#### Summary

Plan Data	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<i>Amounts in US\$</i>													
Turnover	267,923,400	239,042,100	213,466,722	190,783,115	170,635,256	152,716,093	136,759,973	118,155,501	106,339,951	95,705,956	86,135,360	14,519,138	13,067,224
EBITDA	174,800,631	154,720,343	136,941,055	121,172,722	107,166,054	94,706,094	83,606,908	72,047,744	63,808,060	56,388,807	49,706,464	5,380,056	4,340,076
EBIT	152,404,828	134,907,030	119,472,590	105,741,917	93,510,981	82,602,649	72,862,705	63,450,017	56,070,106	49,424,649	43,438,721	3,089,654	2,278,714
Profit/Loss	106,683,380	94,434,921	83,630,813	74,019,342	65,457,686	57,821,854	51,003,893	44,415,012	39,249,074	34,597,254	30,407,105	2,162,758	1,595,099
Equity	164,174,119	141,189,627	120,204,547	101,654,747	90,729,686	83,093,854	76,275,893	69,687,012	64,521,074	59,869,254	55,679,105	27,434,758	26,867,099
Net Financial Position (Short Term)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(10,500,343)	(17,431,841)	(23,552,050)	(28,119,010)	(32,315,665)	(36,090,178)	(39,483,728)	(23,377,014)	(25,070,356)
Free Cash Flow	129,826,141	117,419,413	104,615,893	92,569,143	81,883,090	72,389,184	63,942,063	55,570,854	48,611,667	43,023,587	37,990,804	14,300,391	3,856,100
Dividends paid	129,826,141	117,419,413	104,615,893	92,569,143	76,382,747	65,457,686	57,821,854	51,003,893	44,415,012	39,249,074	34,597,254	30,407,105	2,162,758
Levered Cash Flow	-	-	-	-	5,500,343	6,931,498	6,120,209	4,566,960	4,196,655	3,774,513	3,393,550	(16,106,714)	1,693,342

#### Key Performance Ratios

Plan Data	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<i>Amounts in US\$</i>													
<b>% on Turnover</b>													
Transportation Costs/Turnover	7.0%	7.1%	7.3%	7.4%	7.5%	7.7%	7.8%	7.9%	8.1%	8.2%	8.4%	10.7%	11.0%
Operating Partner Costs/Turnover	2.1%	2.4%	2.8%	3.2%	3.6%	4.1%	4.7%	4.5%	5.1%	5.8%	6.6%	13.3%	15.1%
G&A/Turnover	0.6%	0.7%	0.8%	0.9%	1.0%	1.2%	1.3%	1.6%	1.8%	2.0%	2.3%	13.9%	15.7%
Depreciation of Tangible Assets/Turnover	8.4%	8.3%	8.2%	8.1%	8.0%	7.9%	7.9%	7.3%	7.3%	7.3%	7.3%	15.8%	15.8%
Total Operating Costs/Turnover	43.1%	43.6%	44.0%	44.6%	45.2%	45.9%	46.7%	46.3%	47.3%	48.4%	49.6%	78.7%	82.6%
EBIT/Turnover	56.9%	56.4%	56.0%	55.4%	54.8%	54.1%	53.3%	53.7%	52.7%	51.6%	50.4%	21.3%	17.4%
<b>Growth Rate (YoY)</b>													
Turnover	-4.03%	-10.78%	-10.70%	-10.63%	-10.56%	-10.50%	-10.45%	-13.60%	-10.00%	-10.00%	-10.00%	-83.14%	-10.00%
Operating Costs	-1.70%	-9.85%	-9.74%	-9.52%	-9.31%	-9.09%	-8.87%	-14.39%	-8.11%	-7.93%	-7.75%	-73.23%	-5.61%
EBITDA	-4.89%	-11.49%	-11.49%	-11.51%	-11.56%	-11.63%	-11.72%	-13.83%	-11.44%	-11.63%	-11.85%	-89.18%	-19.33%
EBIT	-5.72%	-11.48%	-11.44%	-11.49%	-11.57%	-11.67%	-11.79%	-12.92%	-11.63%	-11.85%	-12.11%	-92.89%	-26.25%





## General observations

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### Purpose of the Assignment

- This financial plan has been compiled by the partners of Towerness Consulting Ltd. (hereinafter called also "Towerness Consulting") with the strategic support of GMVV & Co. GmbH (hereinafter called also "GMVV").
- The objective of this document is to describe the exploration/drilling and operating phases of three projects (hereinafter considered as a whole and called the "Project") related to oil extraction in Newton Country, Mississippi (USA) and Escambia Country, Alabama (USA).
- The aim of this financial plan is to describe the economic and financial aspects of the Project to potential Investors.
- The financial plan has been developed considering the three projects as a whole and inside a special purpose vehicle (SPV); thus, no effect of existing accounts of Oil + Gas Invest AG has been taken in consideration.

### Limitations

- The document is based on historical and forecast data and information provided to us by Oil + Gas Invest AG (hereinafter called as "OGI" or the "Company") and on public information regarding the business sector involved. Although the above information is deemed to be accurate, the content has not been independently verified by Towerness Consulting or GMVV and no opinion or other form of judgment is therefore expressed on its accuracy, correctness or completeness.
- None of the information contained in this document is, or may be, considered as a promise or representation of events that will occur in the future. Towerness Consulting and GMVV may not be considered liable for decisions or actions that may be taken as a result of the information contained in the document.
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