Challenger Energy Group PLC

ShareSoc Webinar

Eytan Uliel – Chief Executive Officer & Randy Hiscock – Uruguay MD

London, Thursday 18 May 2023

cegplc.com

DISCLAIMER

This presentation ("Presentation") has been prepared by Challenger Energy Group PLC ("Challenger" or the "Company") solely for the purposes of providing information on the Company and its projects and prospects. This Presentation should not be considered as the giving of investment advice by the Company or any persons, including to any of its shareholders, officers or advisers. If you are in any doubt about the contents of this Presentation or the action you should take, you should consult an independent adviser authorised to render such advice.

This Presentation has not been independently verified and is subject to material updating, revision and further amendments without notice. The Presentation does not purport to contain all information that an investor in or creditor to the Company or its projects may wish to receive for the purposes of assessment or valuation and is not intended to form the basis of any investment or financial decision.

While the information contained herein has been prepared in good faith, neither the Company nor its shareholders, directors, officers, agents, employees, or advisors give, has given or has authority to give, any representations or warranties (express or implied) as to the achievement or reasonableness of future projections, management targets, estimates, prospects or returns contained in this Presentation, or in relation to the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any investor (all such information being referred to as "Information").

So far as permitted by law, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability in respect of, the accuracy, reliability or completeness of the Information or for any loss, howsoever arising from the use of this Presentation. In furnishing this Presentation, the Company does not undertake any obligation to provide any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

This Presentation contains certain statements which may constitute forward-looking statements. All statements in this Presentation, other than statements of historical facts, that address future activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes that the expectations reflected in these statements are based on reasonable assumptions, such statements are only predictions and are subject to inherent risks and uncertainties and changes in the underlying assumptions which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements.

The Company will not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Presentation, except as required by law or by any appropriate regulatory authority. Nothing in this Presentation or in documents referred to in it should be considered as a profit forecast. Past performance of the Company or its shares cannot be relied on as a guide to future performance.

This Presentation does not constitute, or form part of or contain any offer or invitation to sell or issue, or any offer to subscribe for, underwrite or otherwise acquire, or dispose of, any securities in the Company in any jurisdiction and is directed at, and is only for distribution in the United Kingdom to persons reasonably believed to fall within Article 19 (Investment professionals) or Article 49 (High net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (SI 2005/1529) or to whom this Presentation may otherwise lawfully be distributed.

Neither this Presentation nor any part of or copy of it may be taken or transmitted, directly or indirectly, into the United States of America or Canada or distributed or re-distributed directly or indirectly, in the United States of America, its territories or possessions, or Canada, or to any resident thereof except in compliance with applicable securities laws. Any failure to comply with these restrictions may constitute a violation of applicable U.S. or Canadian securities laws. This Presentation and the information contained herein do not constitute an offer of securities for sale in the United States. By accepting this Presentation, the recipient represents and warrants that it is a person to whom this Presentation may be delivered or distributed without a violation of the laws of any relevant jurisdiction. This Presentation is not to be disclosed to any other person or used for any other purpose and any other person who receives this Presentation should not rely or act upon it.

The delivery or distribution of this Presentation in or to persons in certain jurisdictions may be restricted by law and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

By attending a meeting where this Presentation is made or distributed, or by reading the Presentation slides, you agree to be bound by these provisions.

CHALLENGER ENERGY BUSINESS OVERVIEW

- **Caribbean and Americas focused junior E&P company (Uruguay, Trinidad, The Bahamas, Suriname)**
- **Uruguay exploration asset: near-term value upside**
- **Trinidad business: production, low-risk, low-capital**
- **Other assets: minimal holding costs, no fixed commitments, upside potential / capacity to realise value**
- **No financial debt, low overheads**

Uruguay exploration	Trinidad production
AREA OFF-1: ***offshore low-cost work, multi-billion barrel potential recoverable; recent conjugate margin success driving interest; strategic partnering process***	**Onshore producing fields:** *production and cash flow focus*

Legacy assets

Low holding costs, achieve value through farm-outs / partnerships / sales

Suriname: *WNZ early-stage pilot project* / Trinidad: *onshore SWP acreage*

The Bahamas: *offshore exploration licences*

URUGUAY AREA OFF-1: AT A GLANCE

LARGE OFFSHORE LICENCE WITH RUNNING ROOM

14,557 km²; CEG has 100% working interest

- ~ 100 kms offshore in Punta del Este basin; underexplored area; only 3 historic wells in the basin that covers >80,000 km², 2 wells drilled mid-70's on AREA OFF-1, oil shows in both
- Moderate water depth, prospects in 85-800m on shelf and continental margin (considerably shallower than ultra-deepwater Namibian discoveries)

EXPLORATION PLAY DIVERSITY

Multiple, independent plays have now been identified, corroborated and calibrated from CEG's 2023 work

- Material Cretaceous turbidite stratigraphic plays, with source and reservoir similar to Namibian ultra-deepwater super-discoveries
- Early Cretaceous play, analogous to proven discoveries in Namibia and South Africa, but in shallower waters; moderate reservoir depths at 3,800 to 5,000 meters

SCALE & MATERIALITY

1 to 2 billion barrels of oil recoverable

- Identified from three prospects thus far, subject to final volumetric assessment
- de-risked by regional analogues and "mega" conjugate margin discoveries
- Uruguay has become a global exploration hotspot

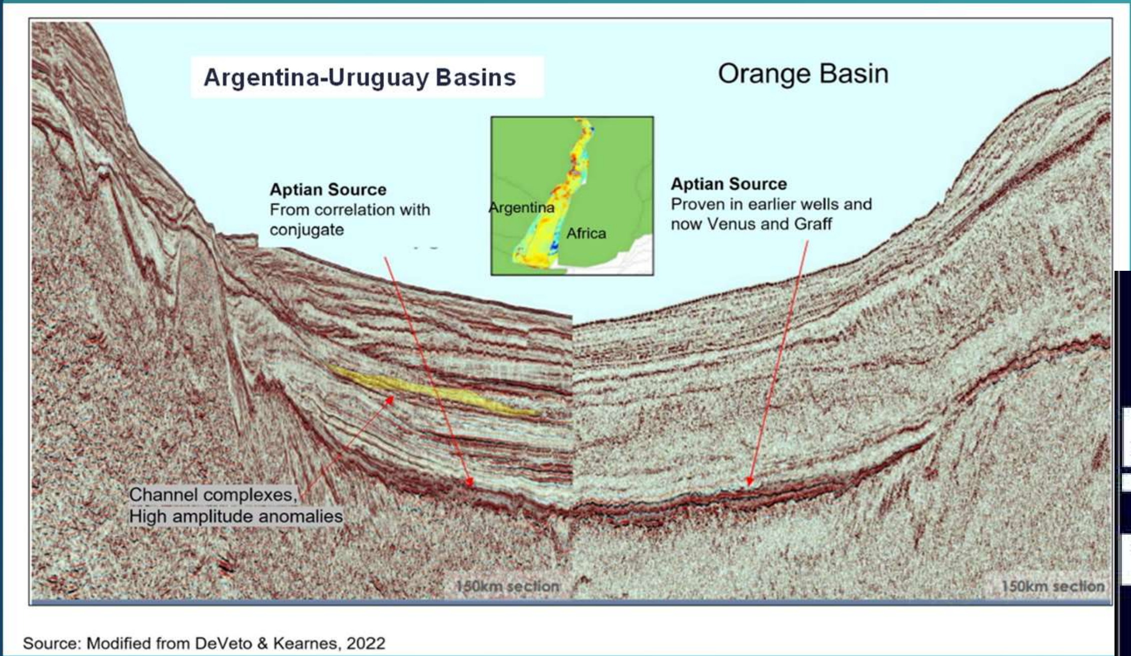
ATTRACTIVE LICENCE AND FISCAL TERMS

Uruguay is top ranked country in South America

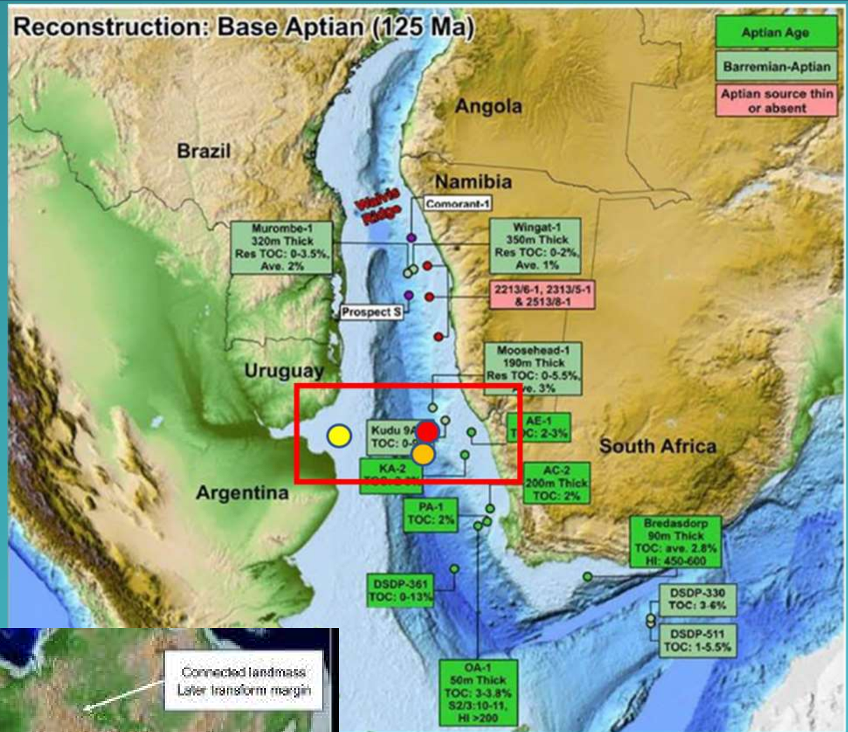
- for political risk, social stability, control of corruption and rule of law
- **Globally competitive, upper quartile fiscal regime; no bonus / royalties**
- Initial 4-year exploration period has low-cost work commitments, initial term commenced 25/8/2022; 30-year tenure (with potential 10-year extension)

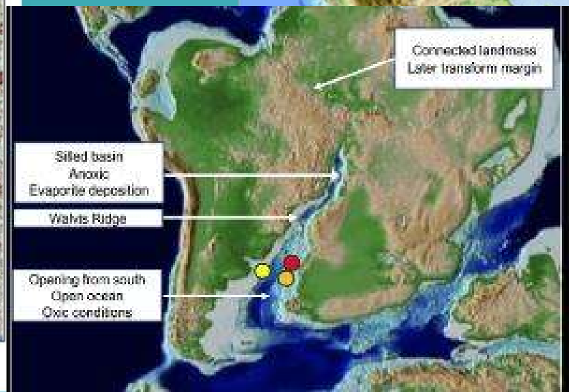
SIGNIFICANCE OF NAMIBIAN SUPER-DISCOVERIES

- The Venus (TotalEnergies) and Graff / Jonker (Shell) super-discoveries in Namibia are charged by an Early Cretaceous Aptian source interval
- Significantly, the source interval that charges Venus and Jonker can be seismically correlated to South Atlantic conjugate basins, including AREA OFF-1's Punta del Este basin
- This establishes the potential for a new, prolific petroleum system



Source: Modified from DeVeto & Kearnes, 2022





Venus & Graff / Jonker

Area OFF-1

COMMERCIAL IMPACT OF NAMIBIAN SUPER-DISCOVERIES

The Venus and Graff / Jonker discoveries have resulted in a wave of accelerated offshore seismic and drilling activity, and high-value M&A activity in Namibia and South Africa – a similar trajectory appears likely for the Uruguay / South Atlantic Conjugate margin basins

OFFSHORE DISCOVERIES

- **February 2022 – VENUS WELL** – TotalEnergies
  3-5+ Bbbl light oil discovery, Aptian basin floor fan in ultra-deep waters
- **February 2022 – GRAFF WELL** – Shell
  PEL 39, offshore Namibia- a reported 0.5 Bbbl light oil discovery, but a different play type than Venus
- **April 2022 – LA RONA WELL** – Shell
  PEL 39, Orange Basin, offshore Namibia; Graff - near-field appraisal well, discovery with hydrocarbons confirmed, details unreleased
- **March 2023 – JONKER WELL** – Shell
  PEL 39, Orange Basin, offshore Namibia - oil discovery and speculated extension of the Venus fan complex – reportedly larger than either of Graff or La Rona

OFFSHORE ACTIVITY

- **TotalEnergies** – commenced initial campaign for drilling up to four appraisal wells to define scale and scope of Venus, and fast-track development
- **Shell** – up to ten wells planned in 2023 / 2024 – mix of exploration and appraisal
- **GALP** – well planned for 2023 for PEL83
- **Maurel & Prom** – five well campaign reported for offshore Namibia 2023/2024
- **Woodside** - PEL87 seismic underway, reportedly half complete

TRANSACTIONS

- **October 2022 - Chevron Farm-in** to PEL 90 (offshore Namibia); carry through seismic campaign and initial exploration well drilling; transaction value circa $80-100m
- **March 2023 - Woodside Farm-in** to PEL 87 (offshore Namibia) for a 56% working interest, full 3D seismic carry and optional well carry; initial seismic carry estimated at $US35m, with optional well carry
- **May 2023 – Impact raises $90m** to enable ongoing pro-rata funding participation in Venus

TotalEnergies is prioritizing almost 50% of its global exploration budget to Namibia this year [2023] to appraise Venus, a multibillion-barrel discovery on block 2913b within the Orange Basin. **As announced by TotalEnergies CEO Patrick Pouyanné during the company's 2022 Results & 2023 Objectives presentation**

CONSIDERABLE REGIONAL ACTIVITY UNDERWAY

Technical work in the broader regional area is now also being accelerated as a result of conjugate margin discoveries

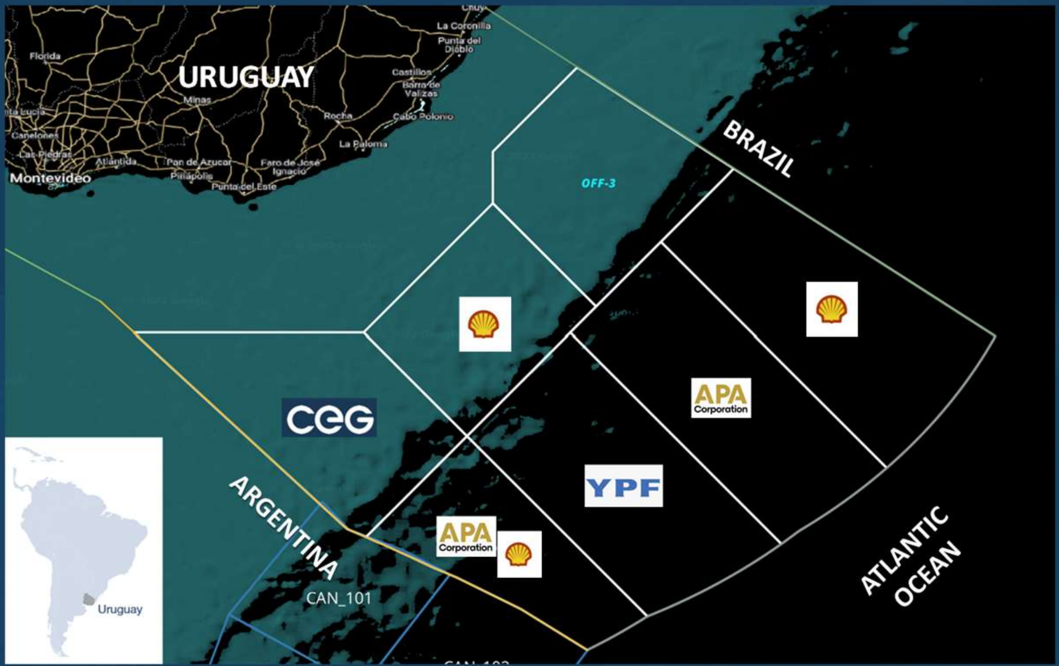
- Argentina's 1st deepwater well, Argerich-1 is scheduled to spud Q2 2023
- Equinor, in conjunction with partner Argentinian national oil company YPF, is acquiring 3D seismic on Blocks CAN-100, CAN-108 & CAN-114
- Other operators, Shell & Total with partners BP and Qatar Energy, will be acquiring seismic in 2023 / 24

URUGUAY HAS BECOME A NEW GLOBAL HOTSPOT

CEG

The technical impact of Venus & Graff / Jonker has already resulted in Uruguay becoming a new global exploration hotspot

- CEG was the first company to enter Uruguay in 2020, pre-dating conjugate margin discoveries offshore Namibia – at the start of 2022, CEG was the only licence holder in Uruguay, having bid a modest initial work program and no drilling obligation
- In 2022, Shell, APA (formerly Apache) and YPF were awarded five blocks with substantial work programs
- AREA OFF-3, a shallow water to shelf margin licence, is now the sole remaining offshore acreage open for licencing in Uruguay



AREA / HOLDER	WI %	AWARD DATE	WORK PROGRAM COMMITTMENT	ESTIMATED WP VALUE
AREA OFF-1 CEG	100	May 2020	2D seismic licencing & reprocessing G&G Studies	~ US$1m
AREA OFF-2 SHELL (APA also bid)	100	May 2022	Gravity & Magnetic 3D reprocessing G&G Studies	US$10m
AREA OFF-6 APA	100	May 2022	Drilling one well in Period 1 Data licencing; G&G Studies	US$125m
AREA OFF-7 SHELL	100	May 2022	Gravity & Magnetic 3D reprocessing; G&G Studies	US$10m
AREA OFF-4 APA & SHELL* (YPF also bid)	60/40	Nov 2022	Acquisition of 2500 km^2 3D seismic Data licencing + G&G	US$40m
AREA OFF-5 YPF	100	Nov 2022	Gravity & Magnetic 3D reprocessing; G&G Studies	US$10m

* APA is operator

KEY TECHNICAL FINDINGS SUMMARY (APRIL 2023)

CEG's 2023 work program: 2,100 kms of high-graded legacy seismic data, from 19 lines across AREA OFF-1, has been reprocessed in time and depth; select reprocessed lines subjected to AVO attribute analysis; and supporting technical studies undertaken

Key Results:

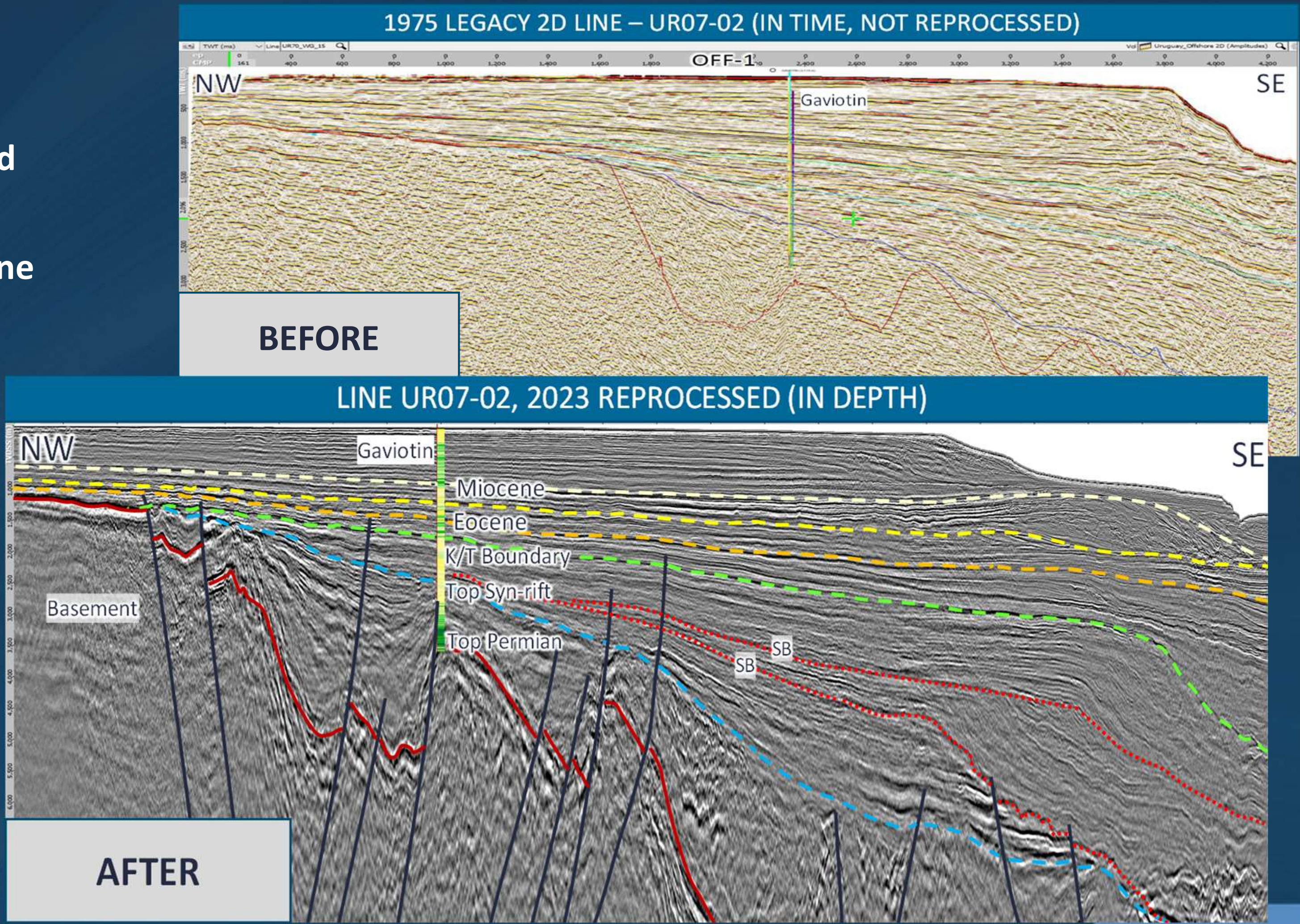
1. **2D seismic reprocessing has materially uplifted imaging quality, in turn facilitating higher accuracy mapping of existing prospects and allowing for new leads to be identified**
2. **AVO attribute analysis of initial six lines has identified a significant AVO anomaly at the southwest-boundary of AREA OFF-1, and identified several others (AVO analysis of additional seven lines now in process)**
3. **Geochemistry study comprised of seabed box core sampling calibrates the seismic prospects and geospatially aligns with seeps/slicks anomalies, increasing geological confidence and reducing risk**
4. **Satellite seep and slick study corroborates the seismically defined primary leads at same locations**
5. **Integration of the above geotechnical workflows has allowed 3 primary prospects to be identified, mapped and calibrated**

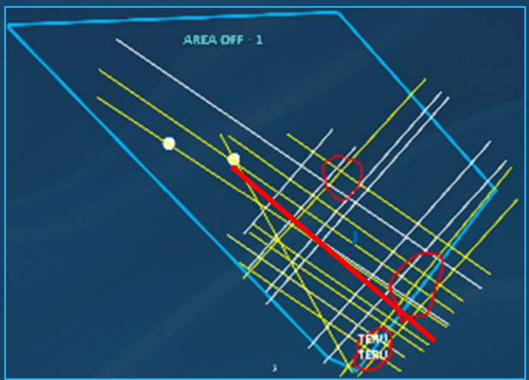
AREA OFF-1: 2023 2D SEISMIC REPROCESSING UPLIFT

<u>Key Outcomes</u>

The reprocessed seismic provides significantly improved data resolution and imaging with enhanced fault definition

Able to better identify seismic facies, refine the prospect geometries, and facilitates AVO attribute analysis





Source: Down under Geophysics

AREA OFF-1: AVO ATTRIBUTE ANALYSIS

In general terms, Class II / Class III Amplitude Variation with Offset (AVO) anomalies are considered to represent porous sands with a potential presence of hydrocarbons

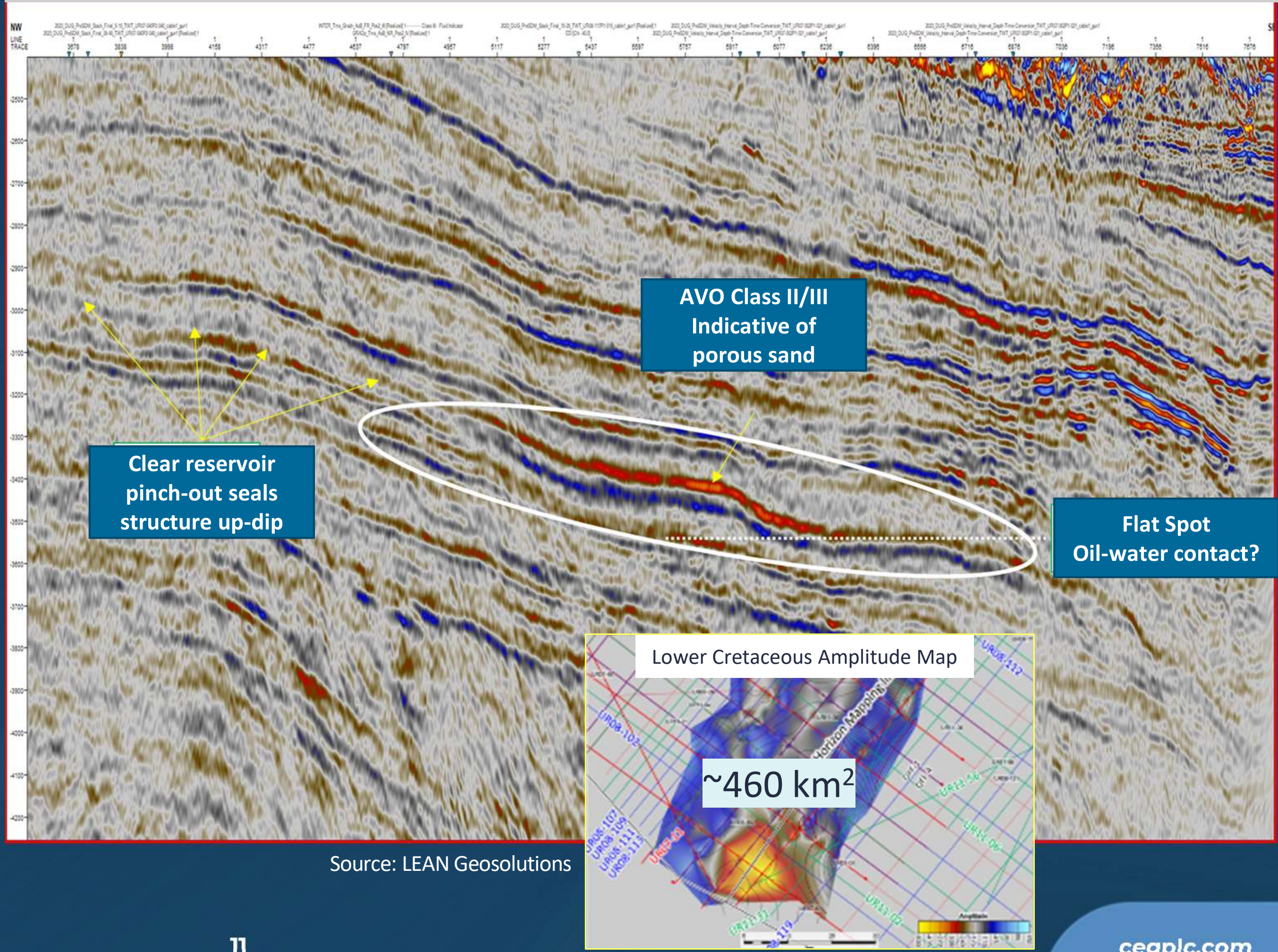
Key Findings

Results thus far indicate stacked sands in the Cretaceous, with good evidence of potential hydrocarbon charge

Various Class II/III AVO anomalies have been identified, indicative of porous sand presence and possible hydrocarbons

- Six reprocessed seismic lines were selected for AVO attribute analysis; based on results, a further seven have now been selected for similar analysis, with work commenced

Line UR07-002P1-021 – UFar 35-45 – Zero phase (Teru Teru prospect)



Source: LEAN Geosolutions

AREA OFF-1: EXPLORATION PROSPECTS

Integration of the 2D reprocessing and AVO attribute analysis has allowed 3 primary prospects thus far to be identified and mapped

- **TERU TERU – ~ 460 km², in ~ 800m water depth, top reservoir at ~ 4,300m, seismically defined & AVO supported, Class II**
- **>700 mmbl estimated EUR**

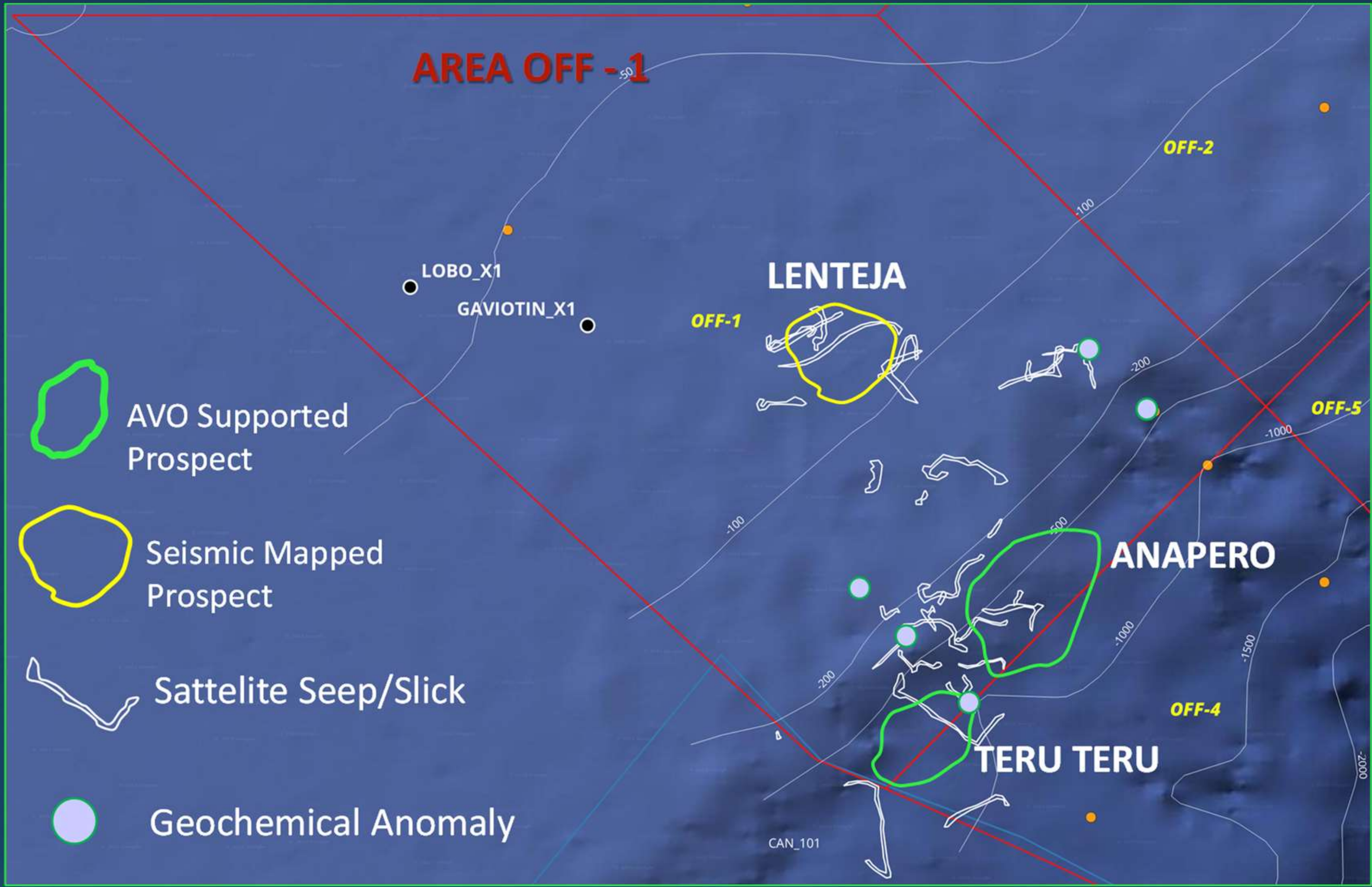
- **ANAPERO – ~ 500km², ~ 750m water depth, top reservoir at ~ 3,800m, seismically defined and AVO supported, Class III**
- **>500 mmbl estimated EUR**

- **LENTEJA – ~425 km², ~ 85m water depth, top reservoir at ~ 5,000m, seismically defined, possible AVO anomaly in downdip segment**
- **c. 500 mmbl estimated EUR**

AREA OFF-1: INTEGRATED EXPLORATION PROSPECTIVITY MAP

Play robustness has been corroborated by the additional technical derisking workstreams

- Geochemistry study calibrates the seismic prospects and geospatially aligns with seeps/slicks anomalies, increasing geological confidence and reducing risk
- Satellite seep and slick study corroborates the seismically defined primary leads at same locations



AREA OFF-1: PROSPECT & VOLUMES SUMMARY (APRIL 2023)

PROSPECT	DEPOSITIONAL ENVIRONMENT	STRATIGRAPHIC AGE	AREAL EXTENT	WATER DEPTH	RESERVOI R DEPTH	ANALOGS	ESTIMATED EUR (mmbl)*
TERU TERU	Onlap slope turbidite to shelf margin delta AVO supported – Class II	Mid to Upper Cretaceous ? Cenomanian - Campanian	~460 km^2	~800m	~4,300m	Campos Basin (Brazil) Labrador (Canada)	**>700**
ANAPERO	Onlap turbidite, wave edge delta shelf margin downlap AVO supported – Class III	Upper Cretaceous ? Campanian	~500 km^2	~750m	~3.800m	Nanushuk (Alaska)	**>500**
LENTEJA	Lacustrine alluvial syn-rift sealed by regional uncomformity	Lower Cretaceous Hauterivian - Barremian	~425 km^2	~85m	~5,000m	Kudu (Namibia) AJ-1 and Inhubesi (South Africa)	**c. 500**

* Estimated EUR is based on existing ANCAP data, public information and initial work done. Formal volumetrics assessment work is ongoing and will be advised once complete.

AREA OFF-1: 2023 COMMERCIAL STRATEGY

The region is seeing a significant increase in licencing and operational activity, and Uruguay is an emerging industry "hot spot"

- All but 1 block offshore Uruguay has now been licenced; with the exception of CEG, all to majors
- Collective work program of other Uruguay licence holders estimated to be c.$250m over the next four years

CEG is the only junior with a prime licence holding in the region

- Multiple initial expressions of interest have been received for potential partnerships in relation to AREA OFF-1

A clear commercial strategy for 2023

- Complete CEG's low-cost work program to enhance technical value of the AREA OFF-1 licence, and to act as a catalyst to a farm-out transaction; objective is to secure entry cash contribution as well as fast-track participation in a multi-client 3D seismic acquisition, during the first licence exploration period

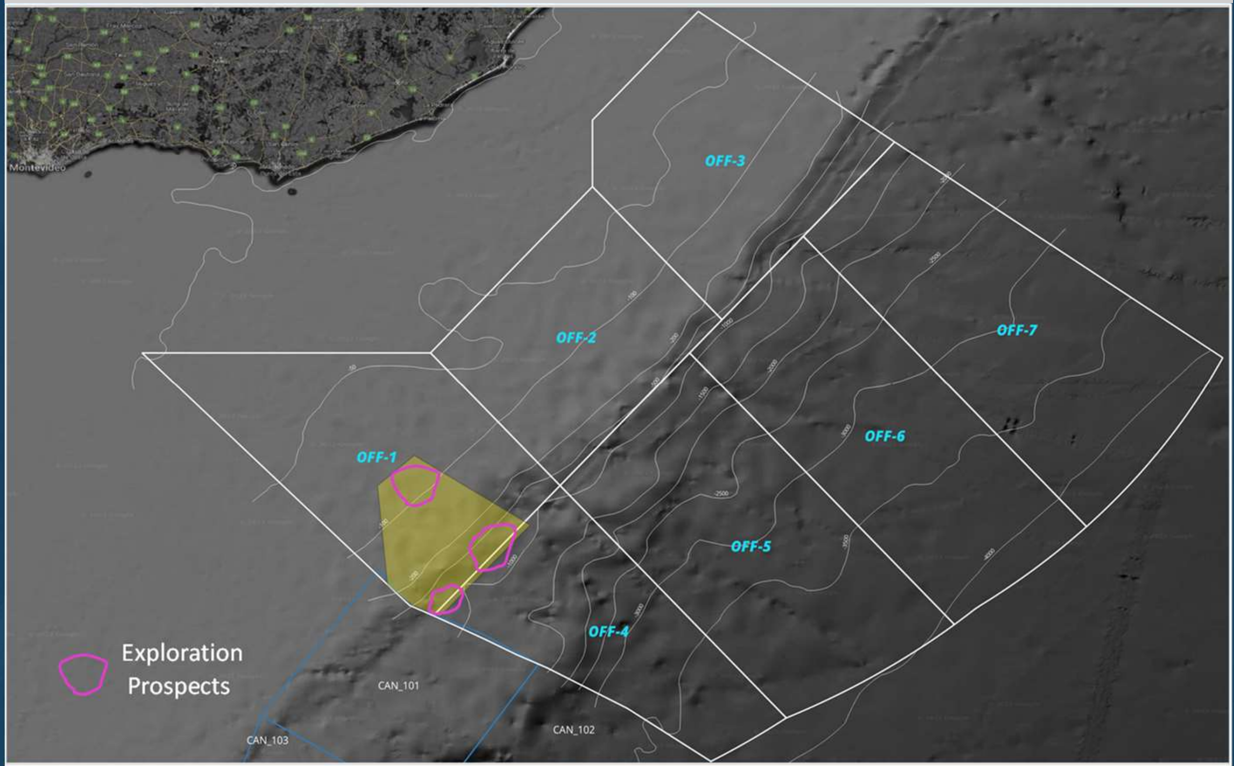
AREA OFF-1: NEXT STEPS – 3D SEISMIC

Commercial objective is to fast-track acquisition of 3D seismic into Year 2 of the first exploration period

3D seismic acquisition would cover the southwest sector of AREA OFF-1

Given the recent licencing of multiple blocks in Uruguay, various seismic vendors are now proposing a multi-client 3D seismic program, target to commence in early 2024

AREA OFF-1 3D SEISMIC PROPOSED ACQUISITION AREA



Highlighted area is indicative 3D seismic acquisition area on AREA OFF-1

TRINIDAD: OVERVIEW

1P = 0.7 MMbbl 2P = 1.2 MMbbl 2C = 7.5 MMbbl	4 producing fields	c. 250 wells 75+ producing	~325+ bopd stable production	3 owned rigs c. 60 staff

Trinidad – five onshore fields – production and cash flow focus

exemplary HSE&S performance, cost control, legacy clean-up, reinvestment in fields, improved workover rates, stabilised production, improving financial performance

Note: reserves and resources as per 2020 ERCE CPR
South Erin field has been sold effective Feb 2023
Cory Moruga field has been sold, pending MEEI consent

TRINIDAD: ASSETS SUMMARY

	Goudron	Inniss-Trinity	Bonasse (SWP)	Icacos (SWP)	Cedros (SWP)
Licence type	**EPSC with Heritage**	**IPSC with Heritage**	MEEI Petroleum Licence	MEEI Petroleum Licence	MEEI Petroleum Licence
Tenure	**June 2030**	**June 2023; Renewal till Sept 2031 being formalised**	May 2039	20 years (pending formal signing)	December 2039
Interest	**100%**	**100%**	100%	100%	100%
# wells in production	**~50**	**15**	7	4	-
Growth potential	**Incremental production potential by way of EOR, recompletions, infill drilling**	**Incremental production potential by way of recompletions, EOR, infill drilling**	Further appraisal and potential field development	Potential exploration targets	Potential exploration targets

Heritage: Heritage Petroleum Company Limited, Trinidad & Tobago state-owned oil & gas company
MEEI: Trinidad & Tobago Ministry of Energy and Energy Industries

TRINIDAD: 2023 DIRECTION

CORE ASSETS

Geographic focus

- East Trinidad – difficult operating conditions, CEG has competitive edge

Licences

- Goudron, Inniss-Trinity
- Stable production – around 85% of current levels; no major immediate work commitments

Operations

- 2 workover rigs, 1 swabbing rig
- c. 50 people, mainly field staff

2023 Strategy

- Maximise efficiencies
- Cash profitable operations
- Regional business development

NON-CORE ASSETS

Licences

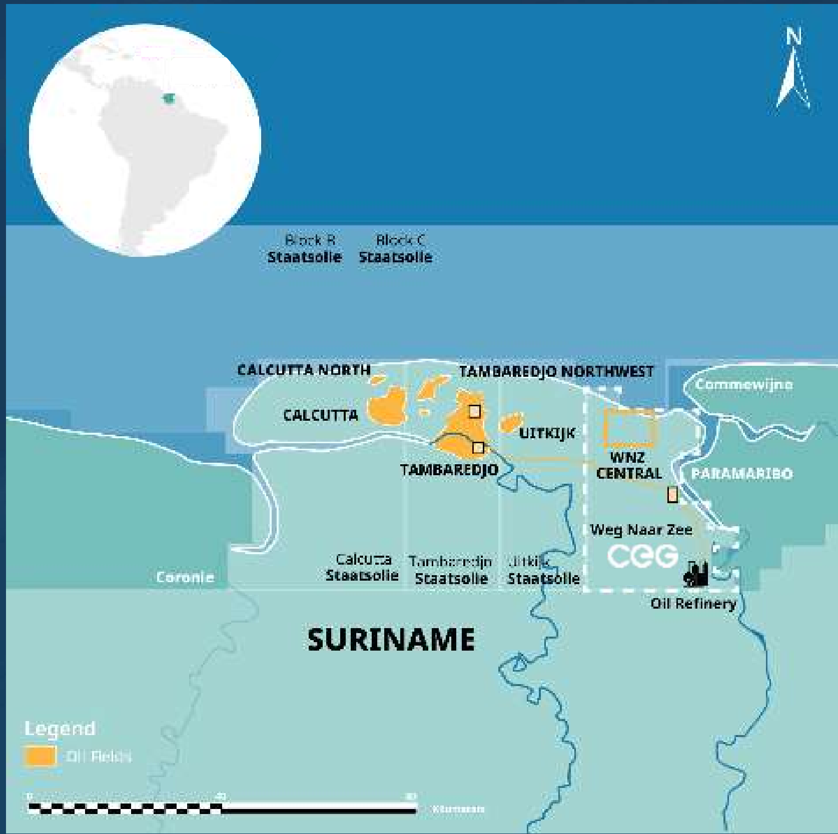
- South Erin, Icacos, Cory Moruga, SWP exploration, Suriname
- Around 15% of current production
- Significant work commitments

2023 Strategy

- Monetise / sell / defease work commitments
- Retain optionality in event of future success (farm-outs or back-in rights)
- Cory Moruga transaction announced pre-Christmas, pending MEEI approval
- South Erin field sold with back-in rights retained, effective February 2023

SURINAME: THE WNZ PROJECT

Location	• Suriname-Guyana basin; onshore Suriname • 35km east of producing Calcutta, Tambaredjo and Tambaredjo NW oilfields
Licence type / term	• Production Sharing Contract with Staatsolie; 100% working interest(1) • 30-year term to October 2039 (exploration phase up to April 2024) • Cost recovery plus R-factor based profit sharing regime; corporate tax on profits
Field history	• Discovered in 1968 • WNZ Central – appraisal area since 2009; other areas represent exploration potential • 74 wells drilled – 20 dry wells and rest showing oil / minor oil
Oil quality	• Heavy oil (~11.8° – 14.4° API)
Resource	• 2C 1.1 mmbbl
Seismic	• 112km 2D seismic • 2 vintages: 2008 (56.5km) and 2013 (57.7km) • 2008 2D seismic covers WNZ central
Petroleum system	• Source: Cenomanian-Turonian organic shale • Migration: proven by oil shows • Trap: Stratigraphic (pinch-outs) and structural (faults) • Reservoir: in Paleocene sandstones
Near-term milestones	• Finalise licence extension and EWT preparatory work(2023) • Potential partnering (H2 2023) • Extended well test to demonstrate commerciality (H1 2024) • Field development planning subject to extended well test outcome



(1) Staatsolie has the right to participate with up to 50% working interest in the development phase by paying pro-rata share of exploration costs

CHALLENGER ENERGY: WHAT TO LOOK OUT FOR IN 2023

CEG

URUGUAY

- Updates on CEG work program (Q2 and Q3 2023)
- Farm-out strategy progress and conclusion (through 2023)
- Adjacent work programs (through 2023)

TRINIDAD

- Portfolio rationalization / further asset sales (H1 2023)
- Improving financial performance (through 2023)

BUSINESS DEVELOPMENT

- Suriname farm-out (H2 2023) and/or pilot (Q1 2024)
- Bahamas progress (through 2023)
- Portfolio additions / M&A options (through 2023)

URUGUAY AREA OFF-1: KEY TAKEAWAYS

1. A prospect inventory of 1 to 2 billion barrels has been defined from CEG's 2023 2D seismic reprocessing work
2. Three sizeable prospects have thus far been identified, from a range of play types, consistent with those de-risked by recent successful conjugate margin drilling in Namibia
3. Prospects are seismically-derived, and supported / further de-risked by AVO analysis
4. Play robustness is corroborated by geochemical sampling and satellite seep analysis
5. Conjugate margin success, competitive recent licensing rounds in Uruguay, and technical uplift from CEG's 2023 work will drive farm-out process, soon to be initiated

QUESTIONS?