

# Somerton Energy Limited

*Excellence in Oil & Gas Conference*

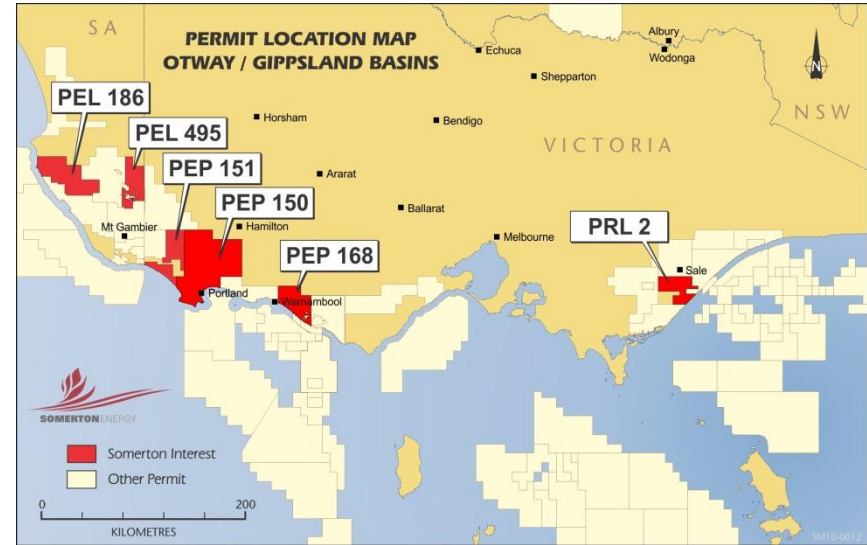
1 March 2011

# Somerton Energy (SNE)

- Onshore Otway & Gippsland Basin Focus
  - » Unconventional oil & gas plays
  - » 6 tenements
  - » 2011 program addressing oil & gas targets
- 141 million issued shares
  - » \$10 million cash
  - » Market capitalisation ~\$21 million
- Top 5 shareholders hold 79%
  - » Major Shareholder – Beach Energy Limited 57%

# Portfolio

- **Portfolio of high impact onshore projects in Otway/Gippsland**
  - » Western Otway oil
  - » Eastern Otway gas (PEP 168)
  - » Gippsland tight gas (PRL 2)
- **Otway Basin**
  - » 5 tenements
  - » 7,104 sq km (gross) / 3,225 sq km (net)
  - » Amongst largest Otway positions
- **Gippsland Basin**
  - » Wombat Tight Gas project



Tenement	SNE Equity	SNE Net Potential
PEL 186	100%	10's of MMboe oil/gas
PEL 495	15%	5 MMbbl oil
PEP 151	75%	3 MMbbl oil
PEP 168	50%	1 MMboe gas
Wombat	up to 16.7%	20 MMboe gas

# Why Otway Unconventional?



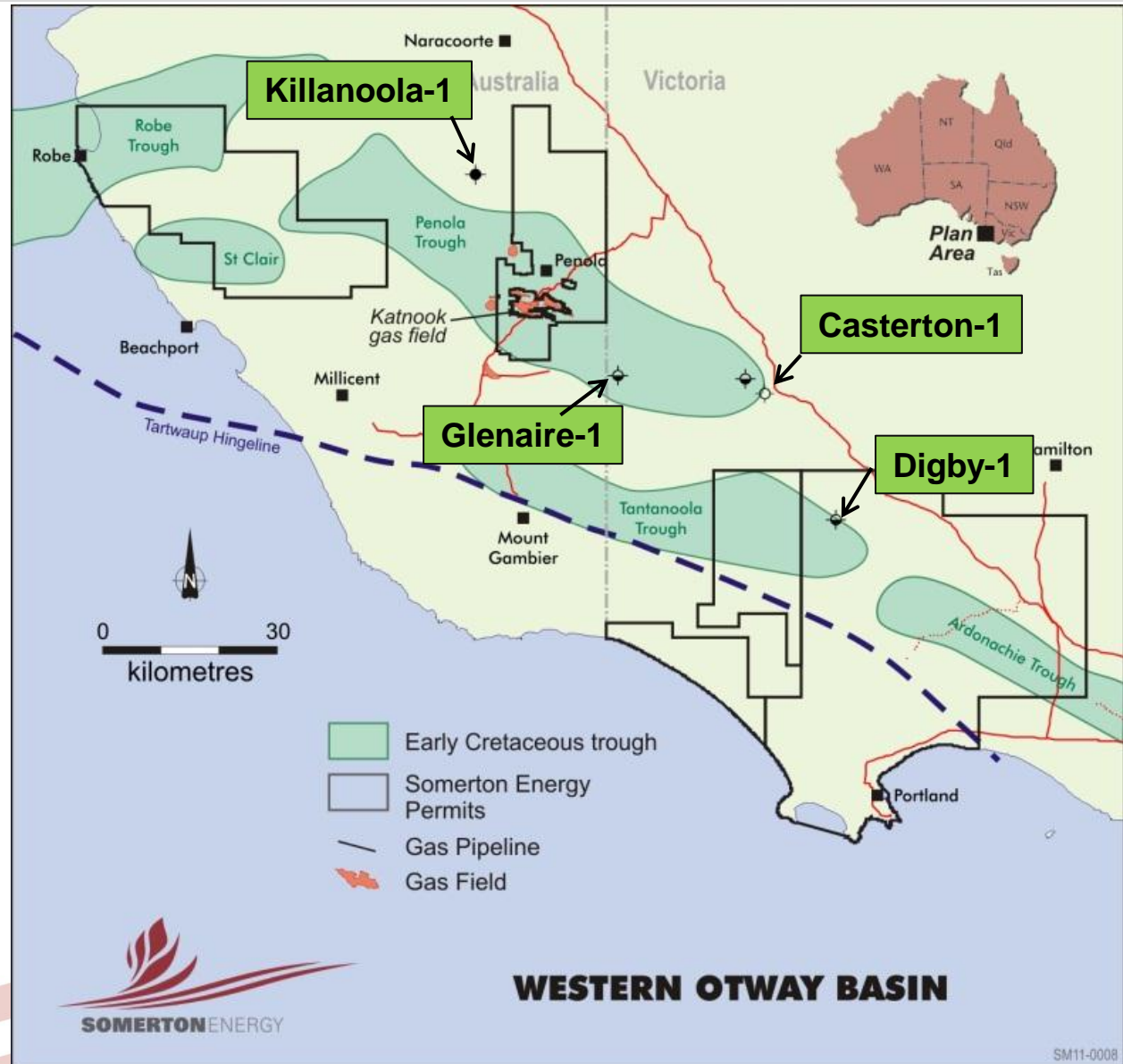
# Western Otway Basin

- **Source Rock**

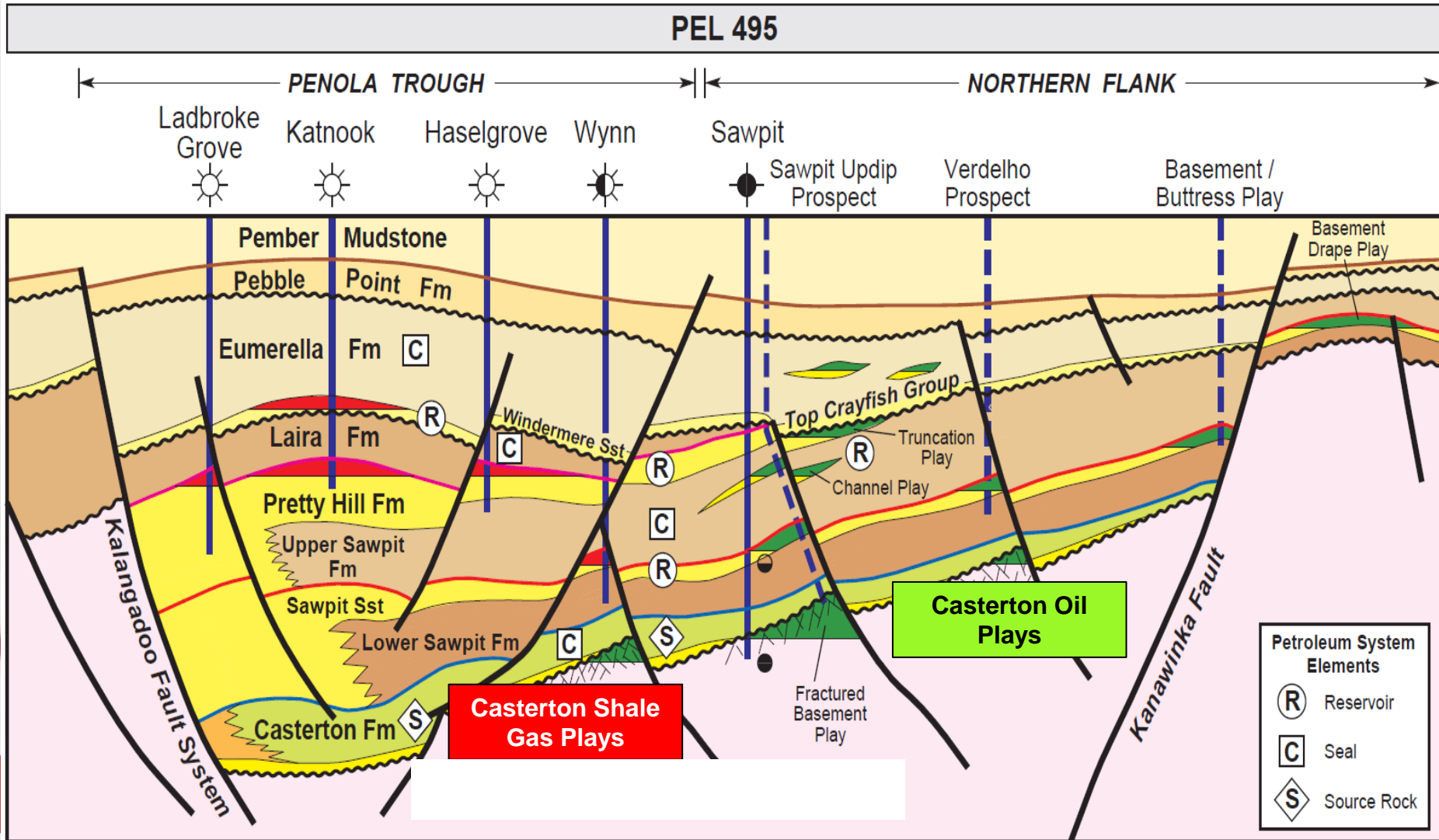
- » Casterton Formation
- » Jurassic age lacustrine shale
- » Widespread
- » Thick
- » Rich, liquids prone
- » Mature-overmature in troughs

- **Prospective Areas**

- » Penola Trough (~3,500 sq km)
- » Robe Trough
- » St Clair Trough
- » Tantanoola Trough



# Penola Trough Play Summary

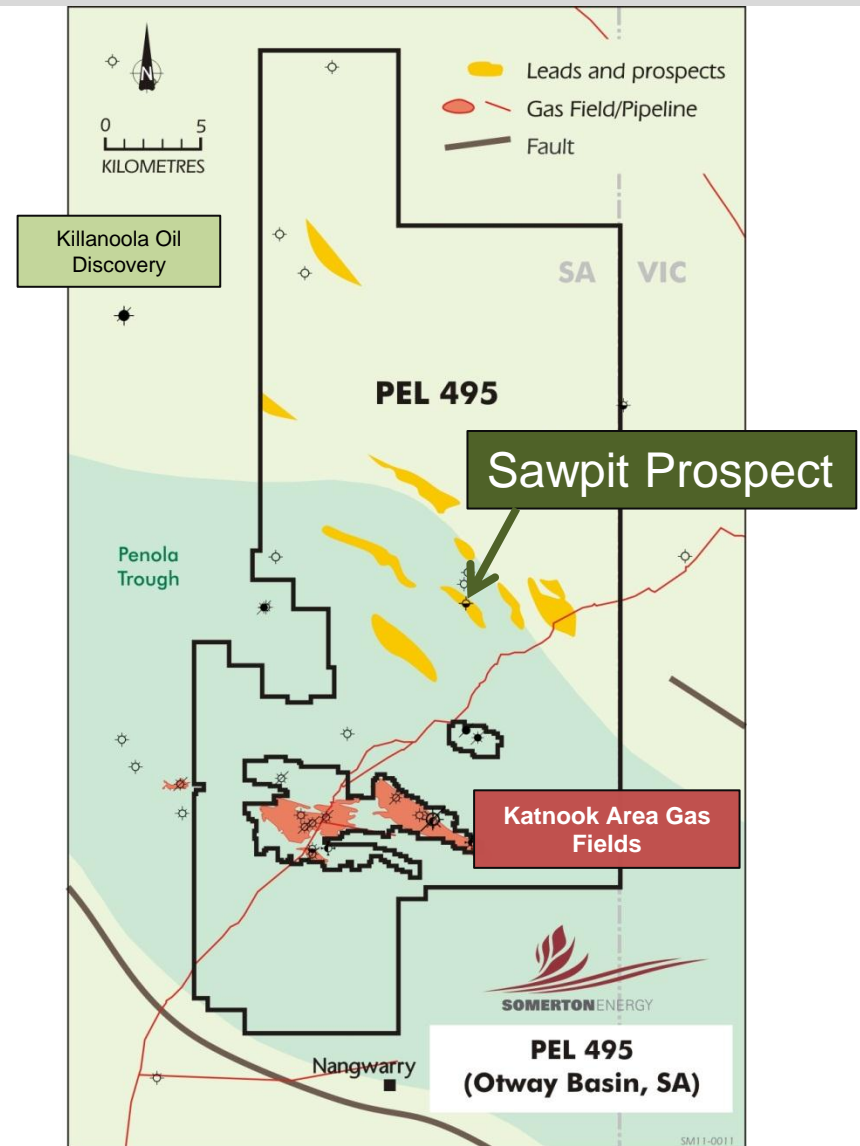


# Strategic Alliance with Beach Energy

- **Key factor in Somerton growth strategy**
- **Area of mutual interest – Otway/Gippsland**
  - » Preferred partner in other areas
  - » Access to deal flow
  - » Reduces reliance on farmouts to exploit portfolio
  - » Yielded 3 projects so far
- **Technical & Admin support**
  - » High quality at low cost

# PEL 495

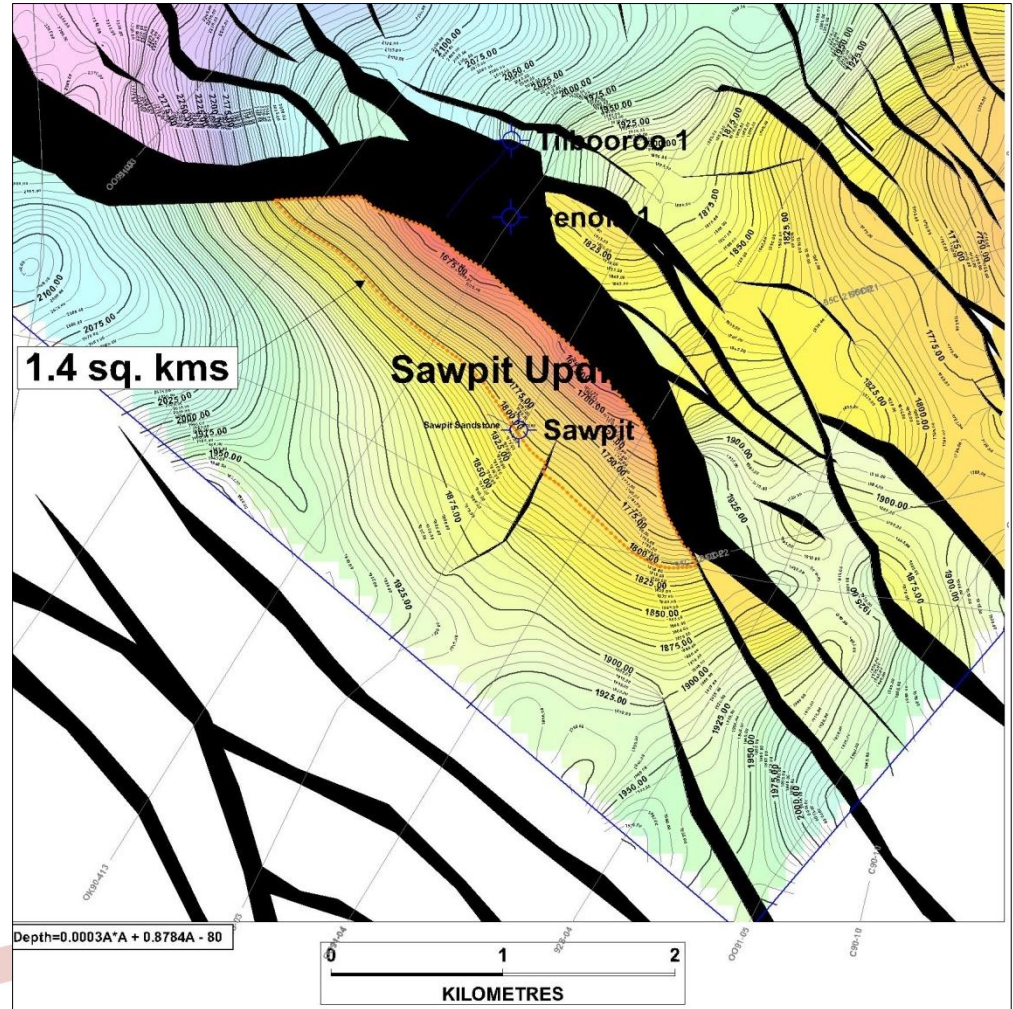
- Somerton earning 15%
- In Casterton oil fairway
- Wide variety of play-types
- Sawpit-2 drilling Q4 2011
  - » Potential >4 mmb recoverable oil
  - » Substantial follow-up potential



# Sawpit Prospect

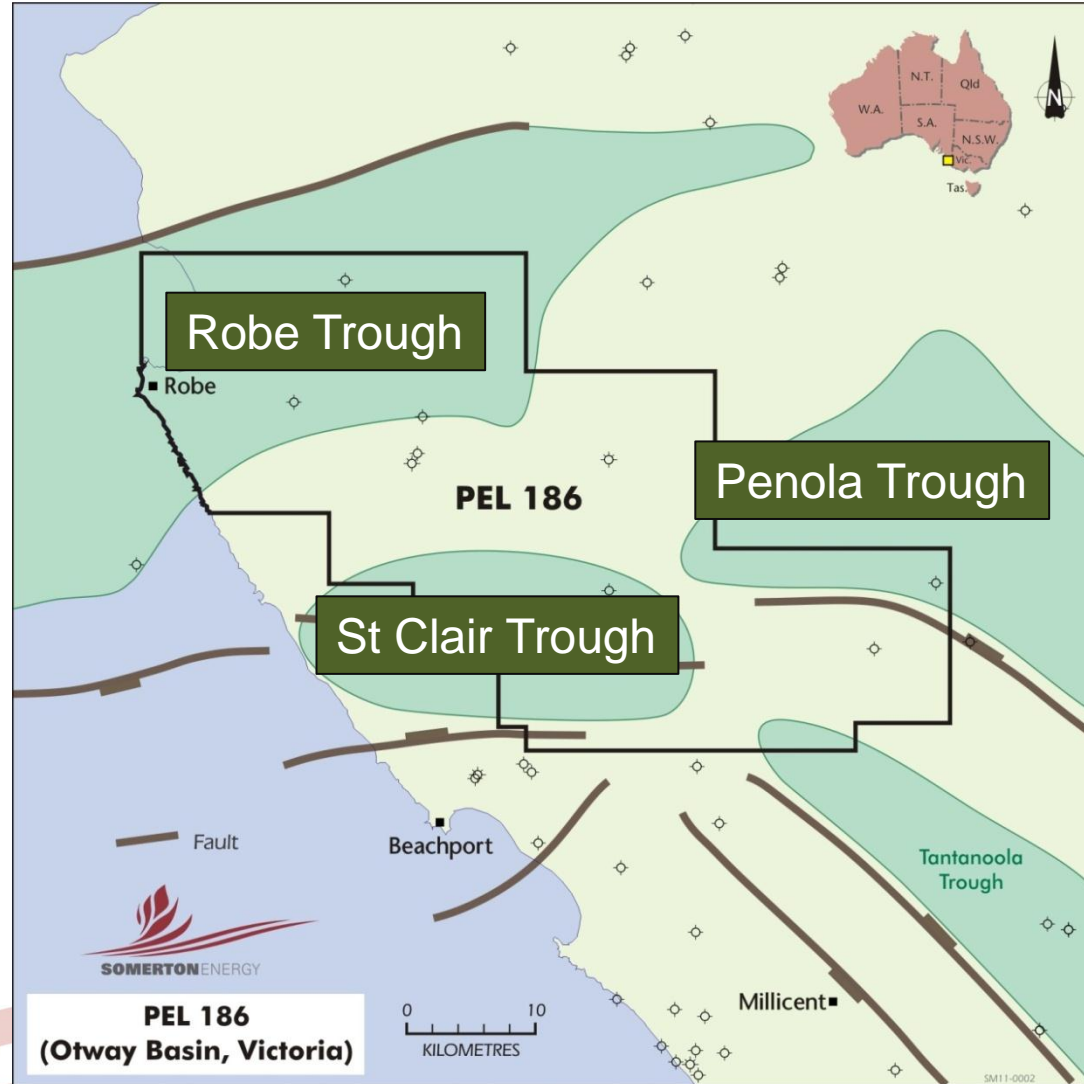
## Top Sawpit Sandstone Depth Structure Map

- Somerton earning 15%
- Updip test of Sawpit-1
  - » Oil recovery from pre-Casterton section
- 4 mmb potential in primary target
  - » 3 mmb potential in secondary targets
  - » Follow up potential in 7 leads
- Drill late 2011



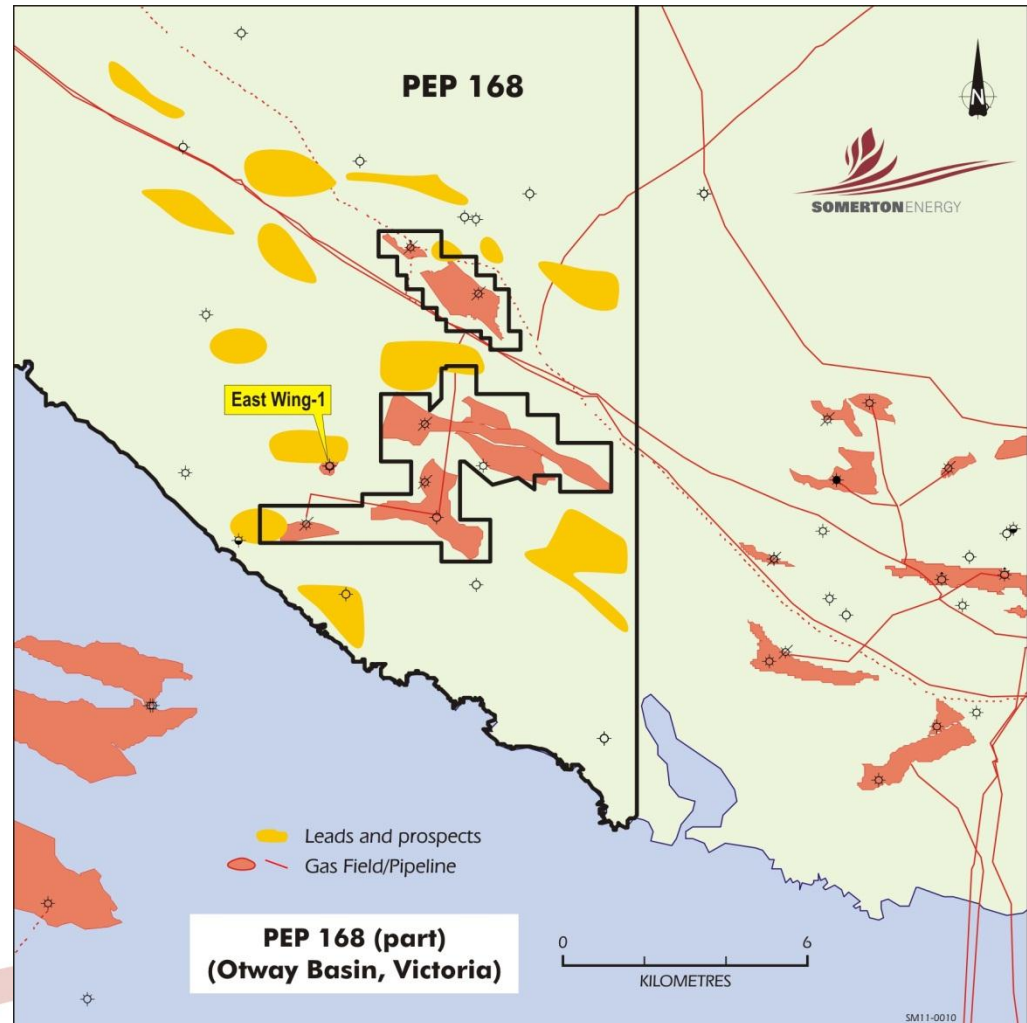
# PEL 186

- Somerton 100%
  - » to reduce to 33% thru Beach alliance
  
- Shale Gas/Oil Potential
  - » St Clair Trough
  - » Robe Trough
  
- Casterton section undrilled
  
- Drilling late 2011



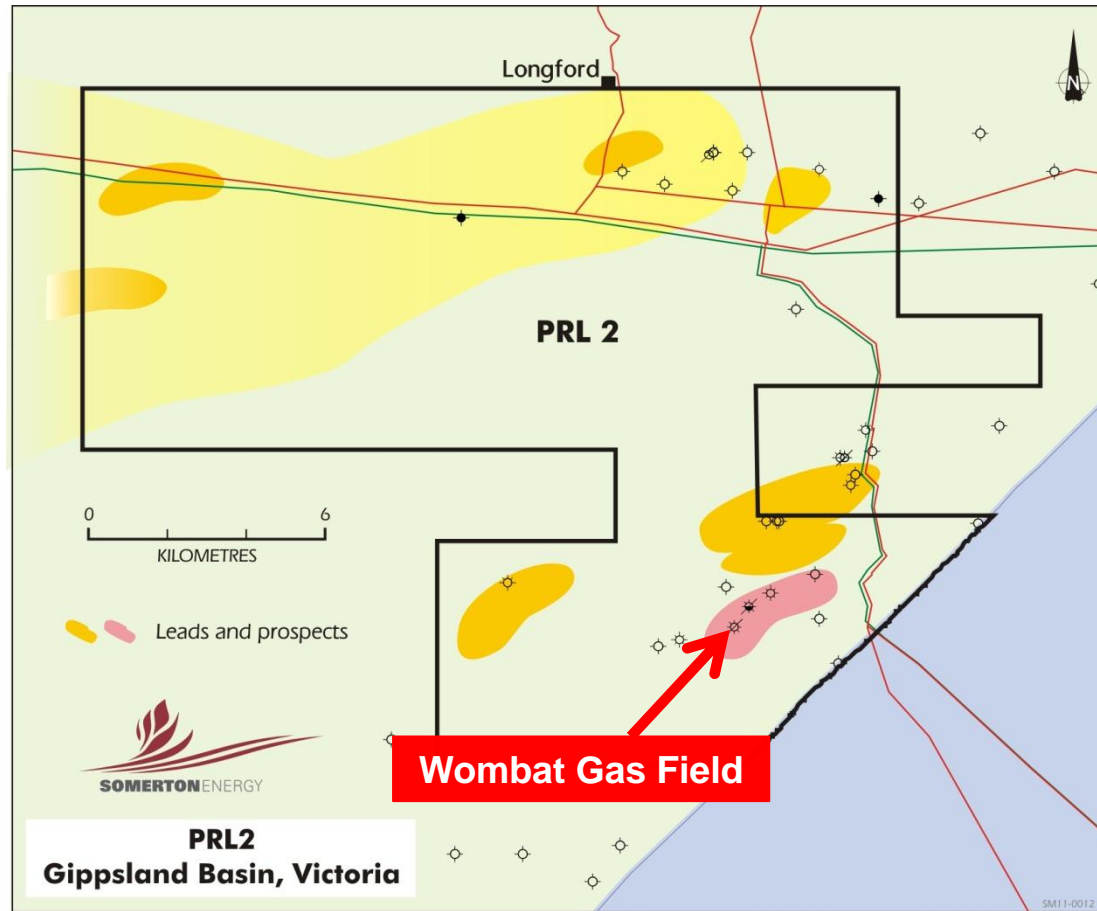
# PEP 168 – Port Campbell

- Somerton 50%
- Port Campbell Embayment
  - » Waare Gas Play
  - » Eumeralla potential
- East Wing Discovery & follow-up
  - » Potential 10 BCF
- Seismic April 2011
- Drilling 2011/12



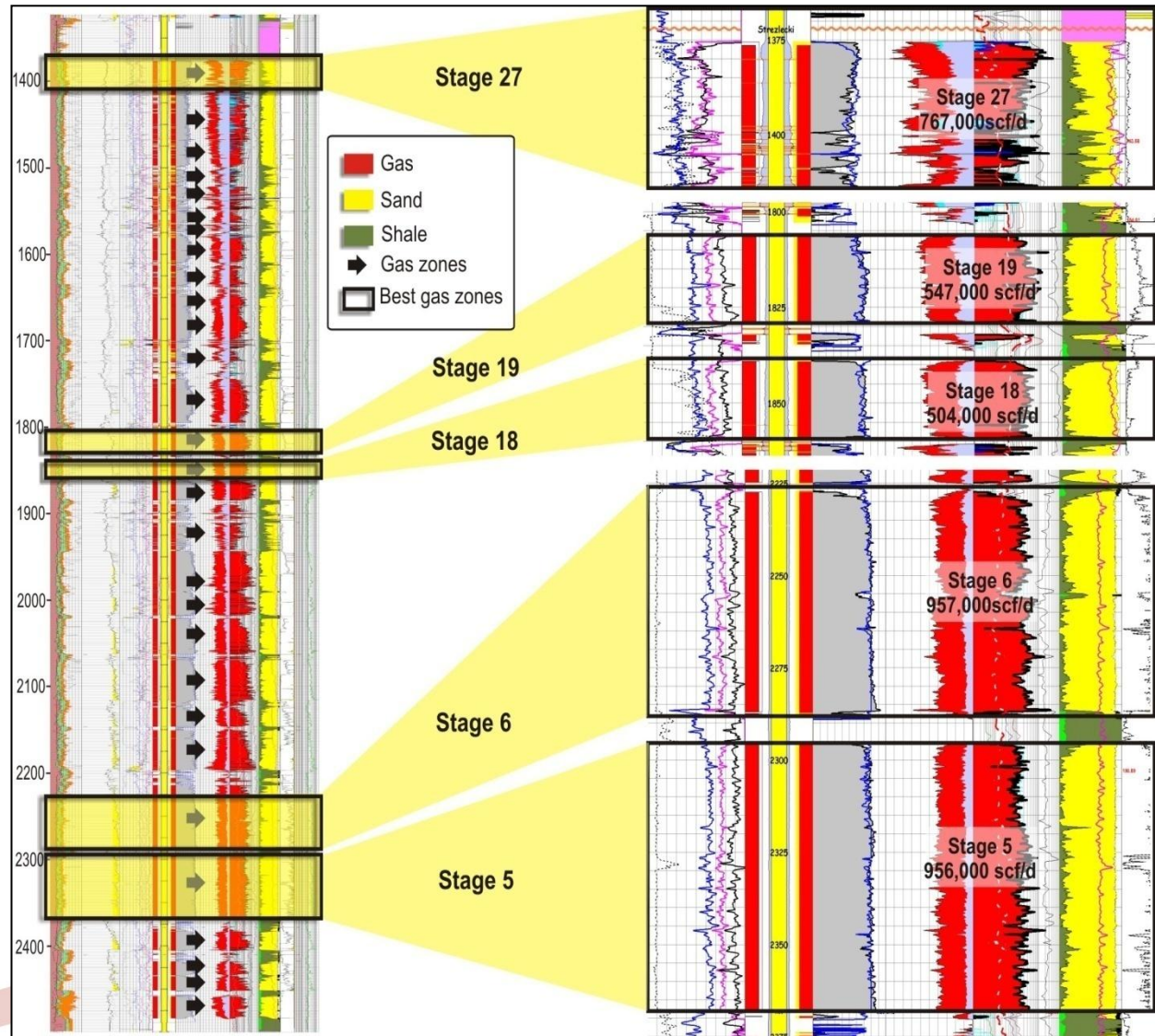
# PRL 2 (Wombat)

- Wombat tight gas discovery
  - » 329 BCF “2C” Resource
  - » Follow-up Potential
- Somerton earning up to 16.67%
  - » Initial program to earn up to 5%



# Wombat-4

- 27 zones of interest
- Targeting initial production of >3 mmcfd (after frac of 5 zones)
- Program to commence 2nd quarter 2011



# Forward Program

Project	2011				2012	
	Q1	Q2	Q3	Q4	Q1	Q2
Wombat		Frac & test Wombat-4				
PEP 151		2D Seismic			Exploration Drilling	
PEP 168		2D Seismic			Exploration Drilling	
PEL 95				Drill Sawpit-2		
PEL 186				Exploration Drilling		

# Why Somerton?

1. Unique Otway Position
2. New high impact play concept
3. Active 18 month program
4. Alliance with Beach to fast-track portfolio development and exploitation
5. Highest quality technical support

# Compliance statements

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- This report contains information on Somerton's petroleum resources which has been compiled by Mr Hector Gordon who is a full time employee of Somerton, is qualified in accordance with ASX listing rule 5.11 and has consented to the inclusion of this information in the form and context in which it appears.