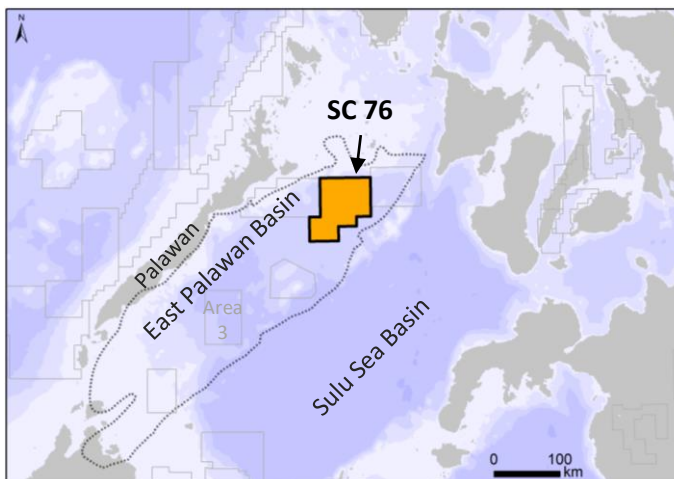


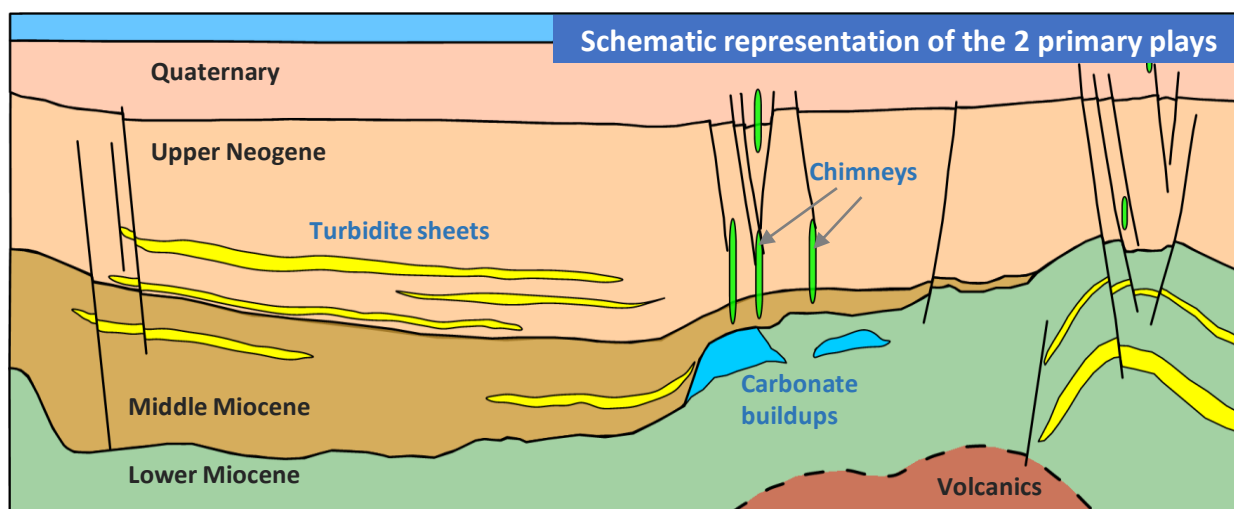
An Exciting Basin Opening Opportunity

Chasing the untested Miocene DW Turbidites & Carbonate buildups plays of the East-Palawan Basin

Service Contract 76



Ratio Petroleum holds 100% WI in SC 76 located in the Northern East-Palawan Basin, offshore the Philippines. Oil and gas shows and a non-commercial oil discovery have been found in near-offset wells. Ratio's Technical team have identified two primary prospective plays: (1) Extensive Miocene fan complexes and DW turbidite play that holds potential for stratigraphic and structural traps; (2) Oligo-Miocene carbonate buildups play. More than 20 leads have been mapped throughout the block, some of which are substantially large, covering areas of up to 750 sq km. Ratio is seeking a partner to participate in unlocking the Basin potential, at the early stages of exploration.



Currently in Phase 1 of Exploration Period

Effective date of contract: 17th October 2018

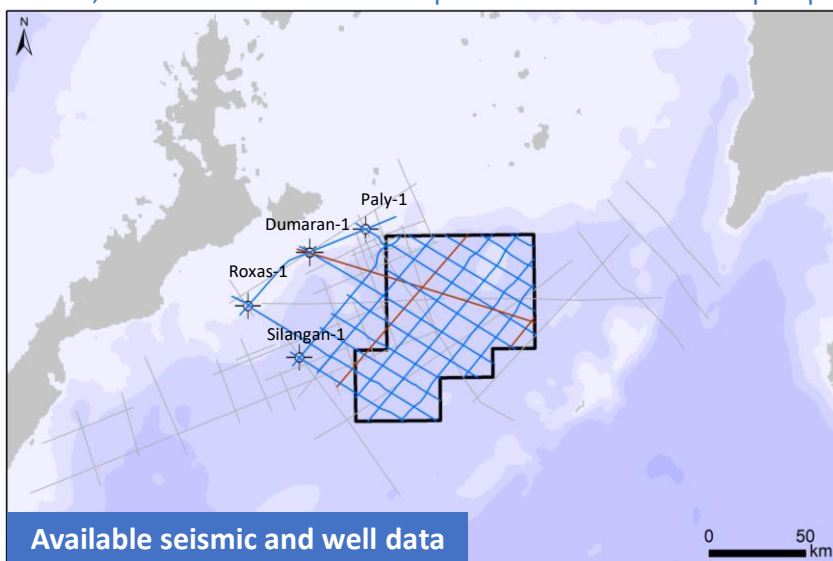
Exploration Period is 7 years divided into 3 Phases and can be extended up to additional 3 years.

Minimum Work Commitment for each phase:

- **Phase 1** (2 years): Purchase available 2D seismic data
- **Phase 2** (2 years): Acquire new 3D seismic data
- **Phase 3** (3 years): Drill an exploration well

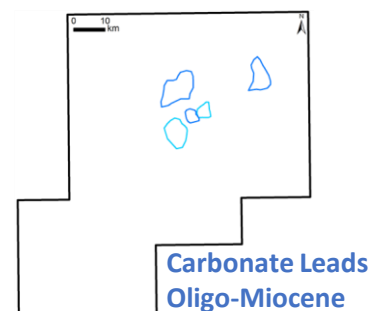
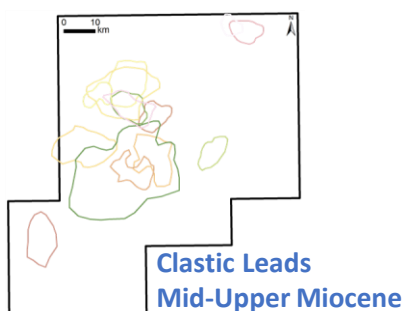
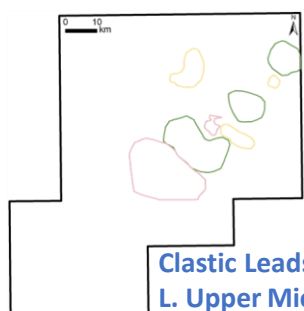
Farm-in Opportunity - Philippines

The 6570 sq km SC 76 is located in the northern side of the East-Palawan Basin in water depths ranging between 800 and 1700 m. The sedimentary fill in the Basin reaches up to more than 10 km in local depocenters, providing considerable conditions for a petroleum kitchen. Data from wells within and in proximity to the Basin, present several organic-rich intervals, both terrestrial and marine origins. The interpretation of the available seismic datasets shows that the Northern East-Palawan Basin comprises a well-developed slope-to-basin channel system, which resulted in extensive accumulations of turbidite deposits, interbedded with pelagic fine clastics. Isolated carbonate buildups (Malampaya analogue) are interpreted within SC 76 and located primarily above and on the margins of volcanic highs, providing a potential of large structures and excellent reservoirs. Ratio's integrated work program have resulted in the identification of numerous leads that emphasize the prospectivity of the Basin. Several leads show prominent AVO anomalies, supporting the concept of the basin being a gas prone. This is an opportunity to take part in the next exciting phase of planning and acquiring 3D seismic, which will unravel the full potential of SC 76 and its prospects.



Data available on Data room

- 4630 km 2D seismic dataset including more than 1800 km of modern, long-offset PSDM processed data
- Key logs and reports of the wells in the Basin
- Regional evaluations
- Preliminary petroleum system modelling
- Leads evaluations



GT - 60% of net proceeds (Corporate Income Tax in the rate of 30% is paid out of government take)

Cost recovery

- 70% maximum of gross proceeds or actual expenses per calendar year;
- Unrecovered costs for the current calendar year can be carried over to succeeding calendar year;
- Capital expenditures are depreciated over 5 years.

Filipino Participation Incentive Allowance* – deduction of 7.5% of gross proceeds if 15% of the Participation Interest is held by Filipino Companies.

*Ratio Petroleum signed an MOU with PNOC which includes the entrance of PNOC to Service Contract 76 (15%).

Fiscal terms

Contact details

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Upon signing a Confidentiality Agreement, management presentation will be available remotely. Technical & commercial data will be available to review in our Dataroom in Tel-Aviv