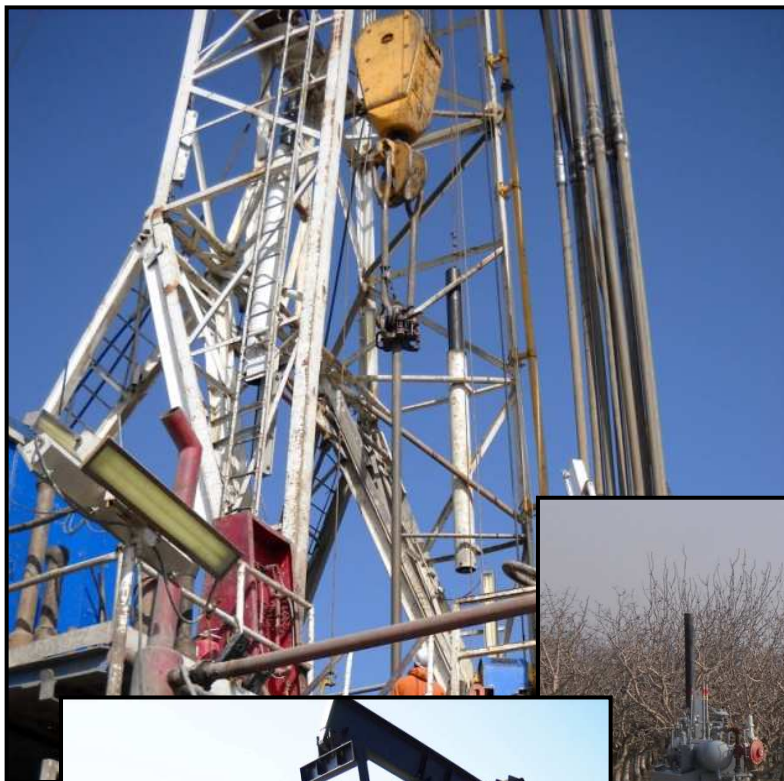


# Solimar Energy Limited

ASX: **SGY**

TSXV: **SXS**

November 2011  
Investor Presentation



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## Forward - Looking Information



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In particular, this presentation and any documents incorporated by reference into this presentation contain forward-looking statements, pertaining to the following: the size and quantity of oil and natural gas reserves and resources; the performance characteristics of the Company's oil and natural gas properties; estimated present value of future net revenue associated with reserves; the use of proceeds; drilling plans and the timing and location thereof; plans for exploration and development; plans for seismic acquisition and surveys; timing of development of undeveloped reserves; production capacity and levels, and the timing of achieving such capacity and levels; relationship with local and regional stakeholders; the level of expenditures for compliance with environmental regulations; projections of market prices and costs; supply and demand for oil and natural gas and commodity prices; expectations regarding the ability to raise capital; capital expenditure programs; growth strategies and opportunities; treatment under governmental regulatory regimes and tax laws; the Company's tax horizon; and expected levels of royalty rates, operating costs, general administrative costs, costs of services and other costs and expenses.

Statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future. The Company believes that the expectations reflected in those "reserves" related forward-looking statements are reasonable but cannot assure investors that these expectations will prove to be correct and such forward-looking statements included in this presentation should not be unduly relied upon.

With respect to forward-looking statements contained in this presentation, and in certain documents incorporated by reference into this presentation, the Company has made assumptions regarding, among other things: the recoverability of reserves and resources; the legislative and regulatory environment; geological and engineering estimates in respect of reserves and resources; the geography of the areas in which exploration and development activities have been conducted; unpredictable changes to the market prices for oil and gas; and the ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this presentation: uncertainties associated with estimating oil and natural gas reserves and resources; variability between production and reported reserve and resource evaluations; general economic conditions in Australia, Canada, the U.S. and globally; industry conditions, including fluctuations in the prices of oil and natural gas; the early stage of the Company's development; the need for, and ability to obtain, funding; limited operating and earnings history; reliance on key personnel; governmental regulation of the oil and gas industry, including environmental regulation; geological, technical, drilling and processing problems and other difficulties in producing reserves; failure to obtain industry partner and other third party consents and approvals, when required; the need to obtain required approvals from regulatory authorities; stock market volatility; unforeseen title defects; liabilities inherent in oil and natural gas operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands, skilled personnel and supplies; geological, technical, drilling, processing and transportation problems; changes in tax laws and incentive programs relating to the oil and gas industry; unpredictable weather conditions; changes in the royalties applicable to the Company; risks associated with foreign operations and the use of foreign subsidiaries and fluctuations in foreign currency and exchange rates.

Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this presentation and the documents incorporated by reference herein are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

- Board and Management peopled with oil finders and successful company builders
- Drilling and about to test a large conventional and unconventional target at Paloma
- Approximately 21,000 net (working interest) acres in oil prone San Joaquin Basin
- High resource volume potential portfolio of conventional and unconventional mainly oil targets
  - Portfolio contains low-risk development opportunities and high impact exploration drilling targets
  - Pursuing over 500 million boe of unrisks resources in place <sup>(1)</sup>
- Independent resource assessment 31 October 2011 for core Kreyenhagen Project
- Embarking on appraisal and redevelopment of 100% owned Kreyenhagen heavy oil field
- Strategic position in emerging, high volume Kreyenhagen oil shale play with scoping level resource estimates
- Changing shareholder demographic – ownership by Nth American institutional and sophisticated investors grown rapidly in 2011
- Dual listed on ASX (**SGY**) and TSXV (**SXS**)

Note: (1) See slides 10, 19 and 21 for source data and risk / resource categories

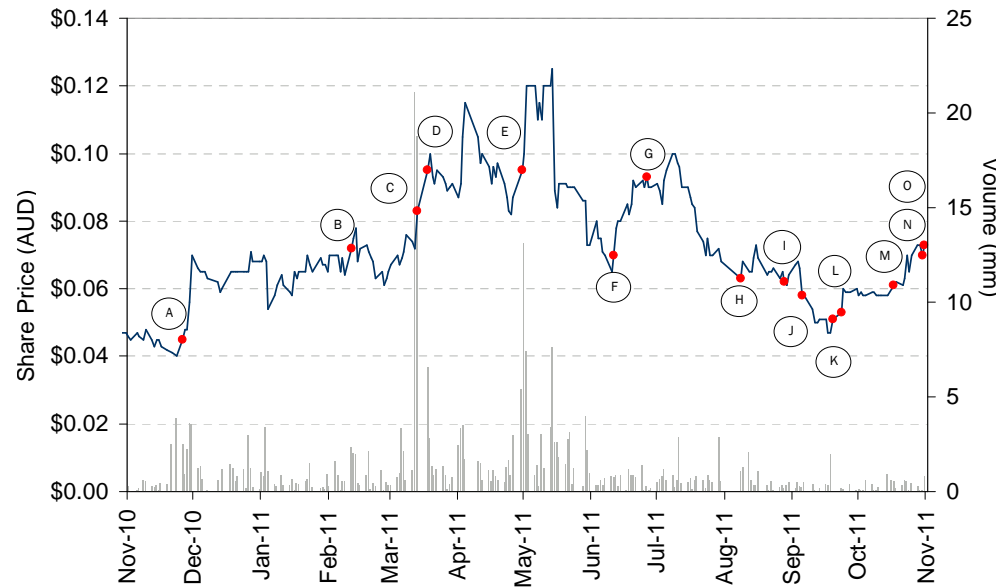
<b>Code:</b>	<b>TSX: SXS</b>	<b>ASX:SGY</b>
Ordinary Shares		445.8 million*
Options / Warrants		97.05 million*
Market Capitalization ( <i>undiluted</i> )	C\$40.1 million	A\$32.5 million
Cash (as at 30 Sept 2011)	C\$3.3 million***	A\$3.24 million***
EV	C\$36.8 million	A\$30.2 million
Share price (18 Nov 2011)	C\$0.090	A\$0.075
12 month High	C\$0.100	A\$0.125
12 month Low	C\$0.090	A\$0.040

\* Includes shares to be issued under the Placement.

\*\* Includes warrants to be issued under the Placement and the proposed options to be issued to the new Directors.

\*\*\* Includes funds received from the Placement (net of underwriting fees).

## Solimar Recent News & Events



	<u>Date</u>	<u>Event</u>
A	10-Dec-10	Secures 10,000 acre land position comprising Kreyenhagen Oil Project
B	28-Feb-11	Solimar secures A\$8.8 million of US institutional funding
C	30-Mar-11	Zodiac Exploration announces up to 1,000 feet of net oil pay on California shale acreage. Solimar owns 1.13% of project
D	4-Apr-11	Announces increased acreage in Kreyenhagen Oil Project to over 15,000 acres. Solimar is the operator of the entire project area
E	17-May-11	Solimar announces the pursuit of a TSXV listing to engage a broader shareholder base
F	28-Jun-11	Announces plan to drill Paloma Deep-1 appraisal well
G	14-Jul-11	Increases working interest in Paloma Deep-1 appraisal well to 25%
H	25-Aug-11	Announces Canadian dollar bought deal private placement financing
I	12-Sep-11	Drilling commences at Paloma Deep-1 Appraisal Well
J	22-Sep-11	Solimar appoints Dr. Charle Gamba to Board of Directors
K	6-Oct-11	Solimar closes C\$2.5 million underwritten private placement
L	10-Oct-11	Solimar appoints Mr. Jason Bednar to Board of Directors
M	2-Nov-11	Announces potential oil zone in upper target of Paloma Deep-1 appraisal well
N	17-Nov-11	Mr. Will Satterfield, formerly manager for Oxy in California, appointed as Chief Operating Officer
O	18-Nov-11	Independent resource assessment by Sproule confirms large oil resource in Solimar's Kreyenhagen Project

## Key People - California track records



### Board

<b>Chairman</b>	<b>Frank Petruzzelli</b>	Founding director of successful California focused start up, Orchard Petroleum.
<b>CEO</b>	<b>John Begg</b>	Built California focused Salinas Energy into 1,000 bopd producing company and has driven growth of the Solimar asset portfolio.
<b>Non Exec</b>	<b>Charle Gamba</b>	Founding CEO of TSX listed net 14,000 bopd producer Canacol Energy. Ex OXY executive.
<b>Non Exec</b>	<b>Jason Bednar</b>	Founding CFO of TSXV listed Pan Orient Energy. Director of 4 other TSX & TSXV companies.
<b>Non Exec</b>	<b>Mark Elliott</b>	Extensive experience in owning and managing private companies in Australia and the United States.

### Management

<b>COO</b>	<b>Will Satterfield</b>	Ex Hardy Oil and Gas Country Manager for India. Ex OXY Chief of Geo-science for central and southern California.
<b>GM (Ops)</b>	<b>Donn Pedersen</b>	Ex Shell and Mobil California. Founding CEO of California based engineering consulting and Houston operations companies.
<b>CFO/ Comp. Sec.</b>	<b>Chris Bowyer</b>	Chartered accountant with extensive experience in accounting, financial and company secretarial work



- Approximately 21,000 net (working interest) acres covering or adjacent to existing oil and gas discoveries
- Short term conventional oil reservoir targets
- Evolving fractured oil shale portfolio
- Diversified portfolio approach
- Surrounding acreage being revalued by competitor activity:
  - Oxy
  - Chevron
  - Zodiac

## Temblor Zone sandstone

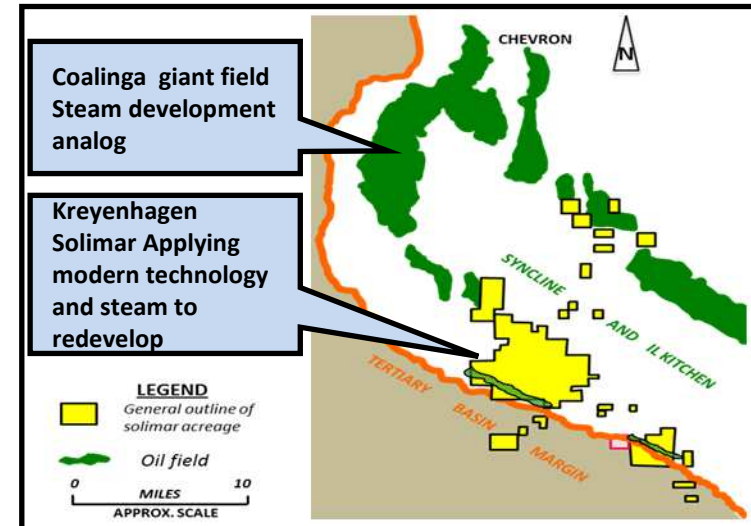
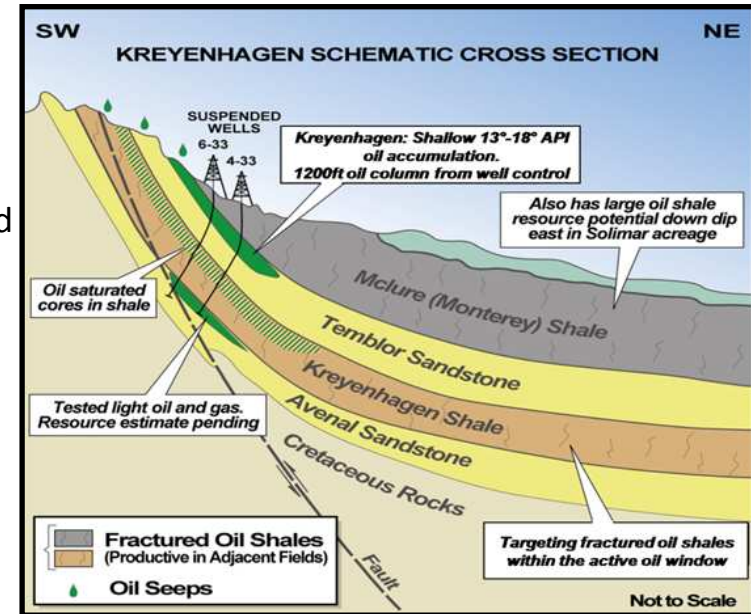
- Re-development of 11-18° API existing shallow oil field
- Analogous to giant (900 MMbbl) Coalinga field 12 miles NW
- 2 stage production and cyclic steam testing program being permitted
- Up to 1,200 foot oil column in shallow reservoir (< 1,500 feet)
- Potential for primary and thermal enhanced oil recovery
- 4 suspended wells (drilled 2007) available for re-entry and testing

## Avenal Zone sandstone

- 30° API plus in discovered shallow reservoir (<2,500 feet)
- Possible light oil and gas development

## Kreyenhagen Shale

- Known to contain oil, large upside
- Still at proof of concept stage
- Competitor activity driving values



# Kreyenhagen Project - Independent resources assessment



Key elements of 12 month work program to unlock value

Re-enter 2007 wells and test using modern PCP pumps. Pilot cyclic steam production test program.

Re-enter 2007 wells and production test zone that flowed 4 bopd, 200 mcd on test in 2008. Drill shallow core well, twin to old well Pine Ridge Oil co -1 flowed 10 bopd 38° API oil. Production test program.

Regional study. Shallow core hole drilling along trend. Possible test well later in 2012

## Resources (1) for main field area only

		Low	Best	High
<b>Temblor Main field area</b>				
Discovered Resources (PIIP) *	(MMbbl)	19	23.8	29
Undiscovered Resources (PIIP)	(MMbbl)	11.8	24.1	50.1
Subtotal (2)		<b>30.8</b>	<b>47.9</b>	<b>79.1</b>
Estimated for a 2.5 acre unit, steam pilot area				
Contingent (recoverable) Resource	(Mbbbl per well)	19.4	32.4	45.9
Recovery Factor Applied	(%)	<b>10</b>	<b>35</b>	<b>60</b>

<b>Avenal</b>				
Discovered resources (PIIP)	(MMbbl)	0.88	3.7	13.5
Prospective (recoverable ) Resources	(Mbbbl)	29.7	148.4	648.7
Unconventional Reservoirs Kreyenhagen Shale (Light Oil)				

<b>Kreyenhagen Shale</b>				
Undiscovered Resources (PIIP) (3)	(MMbbl per Section)	<b>21.7</b>	<b>35.9</b>	<b>59.4</b>

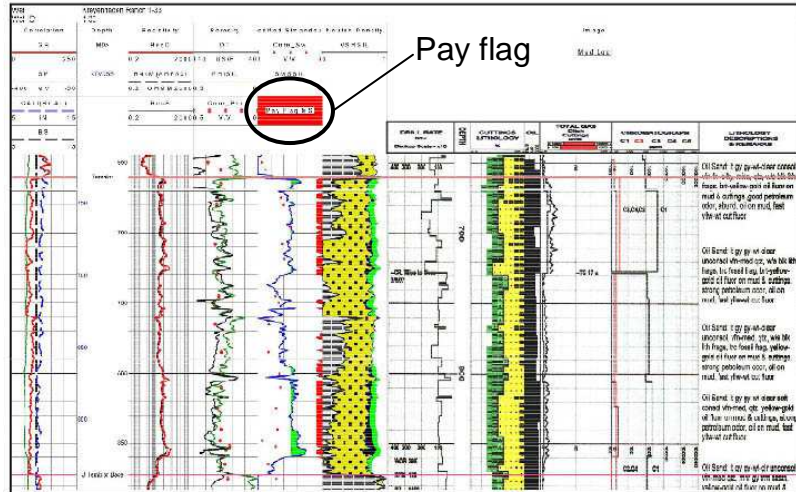
(3) Estimated for a nominal 640 acre section close to key well control. The formation however is thick and pervasive across most of the project area.

\* PIIP means Petroleum Initially In Place

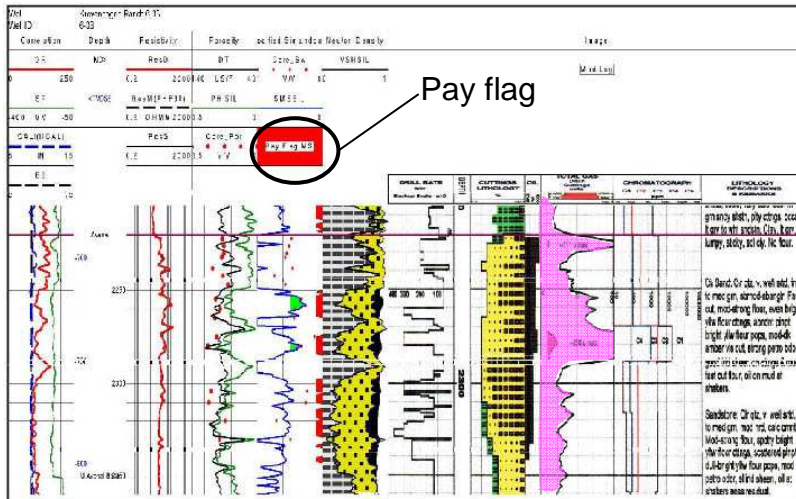
- (1) Resources estimated by Sproule in the 51-01 report dated 31 October 2011.
- (2) These volumes are an arithmetic sum of multiple estimates of Discovered and Undiscovered Resources which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of resources and appreciate the different probabilities of occurrence associated with class as explained in slide 21 of this presentation.

These estimates limited to main field area – there is substantial upside in the total Solimar Kreyenhagen project acreage.

## Temblor Heavy oil zone Well 1-33



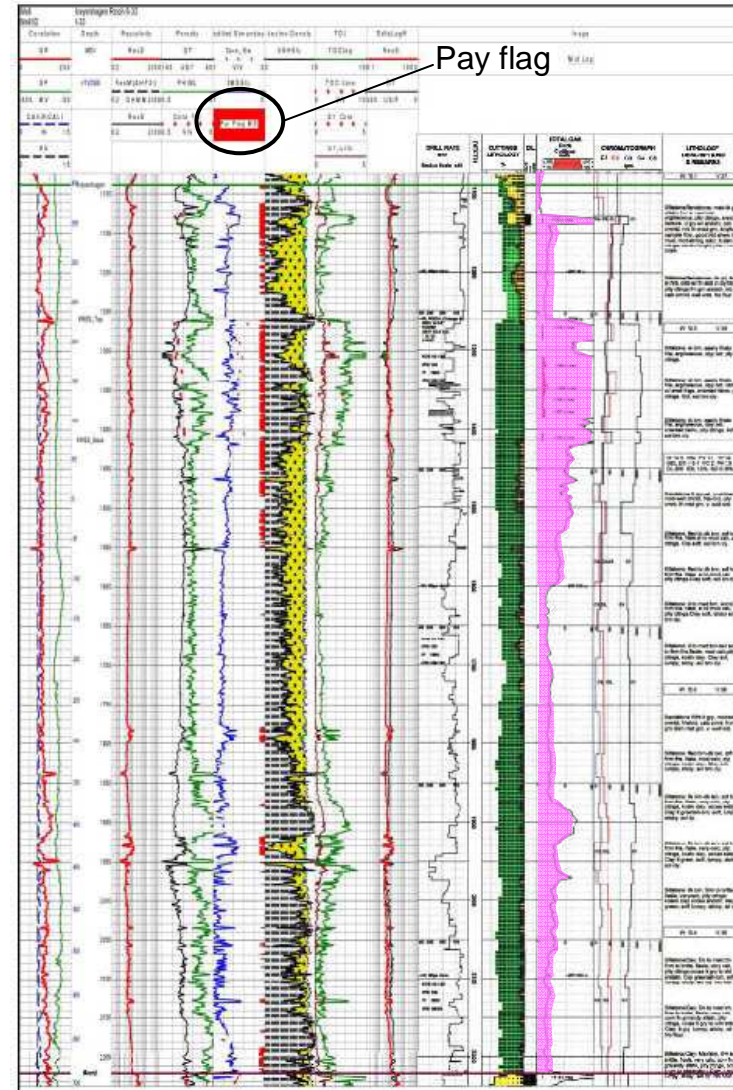
## Avenal oil zone Well 6-33



E-log (petrophysics)

Mud Log

## Kreyenhagen Shale Well 6-33



E-log (petrophysics)

Mud Log

# Kreyenhagen – Temblor Heavy Oil Development



## Three phases

1. Primary (cold) production test in 2 suspended wells using modern PCP pumps.
2. Secondary (cyclic steam) production test in 2 suspended wells using portable steam generator. Permit is being processed.
3. Secondary (steam flood) development if phase 2 is successful giant Coalinga field analog.

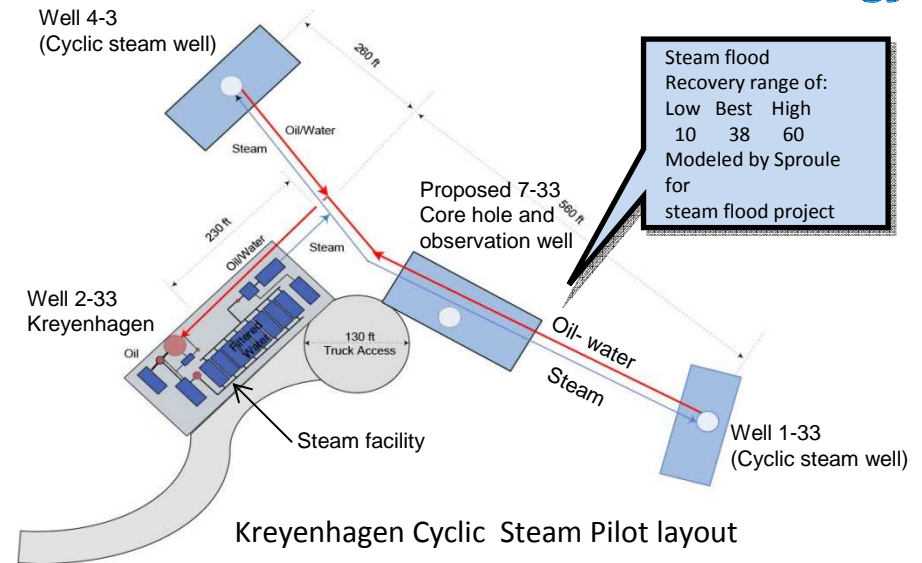
### Contingent Resources per well recoveries

	Low	Best	High
BBL	19,400	32,400	45,900

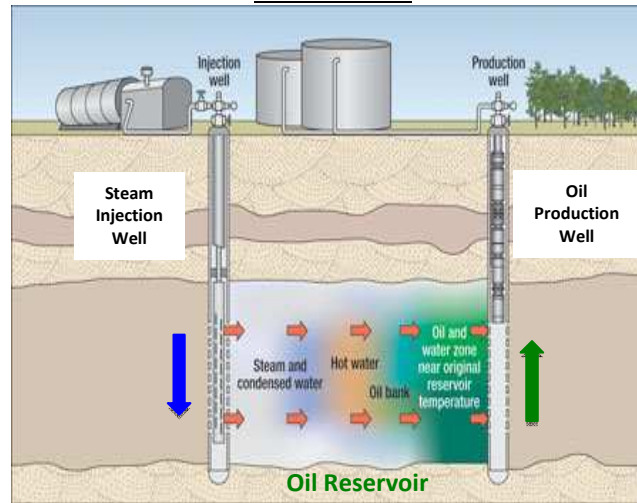
Steam pilot



20 mmbtu Steam Generator to be commissioned



Steam flood

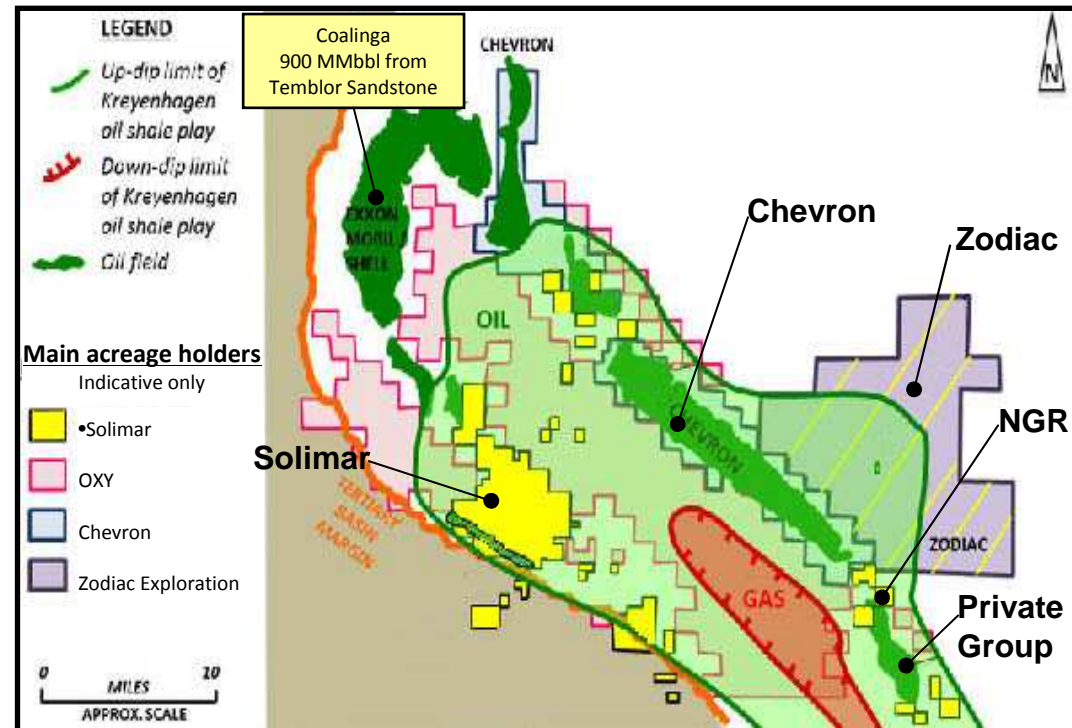


Development goal



Coalinga Field Development

- Solimar strategically positioned near major competitor activity
  - Chevron re-developing Kettleman North Dome
  - Private group re-developing Kettleman Middle Dome
  - Oxy leasing
  - Zodiac testing horizontal well after vertical discovery well
  - New Gulf Resources drilling activity
  
- Solimar acreage shallow to mid-range depths so potentially lower cost to prove up and develop
  
- High quality shales in Solimar Kreyenhagen project acreage
  - Oil saturations in sidewall cores in several shallow wells
  - Flow of light oil in old well attributed to the shale
  - Shales thickness of 800 to over 1,000 feet across the project area



Huge oil resource potential is being targeted in the Kreyenhagen shale fairway

### Solimar Kreyenhagen project Unrisked PIIP per section

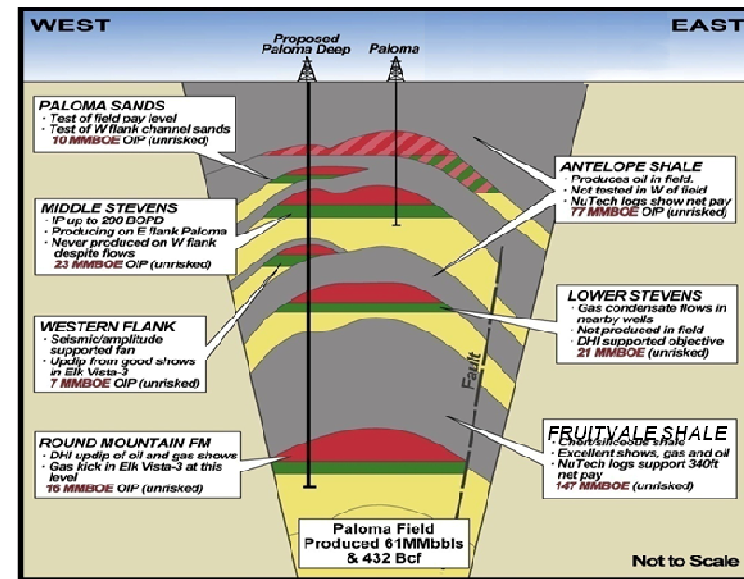
	low	Best	High
MMbbl	21.7	35	59.4

Estimated for a nominal 640 acre section near well control. Sproule did not extrapolate over the acreage due to limitations in the data set.

# Paloma – Multiple Targets in Large Anticline (Paloma oil field)

- Paloma Deep well drilling ahead at 12,000 feet after side track.
- Multiple potential pay zones identified from shows and E-logs to be tested.
- Well target modified to TD of 13,300 feet.
- Conventional and unconventional targets mainly between 10,000 feet and TD.
- Drilling within anticlinal closure of 133 mmboe Paloma oil and gas field.
- Reservoir potential to be reassessed post drilling.
- Pre drill, unrisks gross in place resources of 300 mmboe (1)

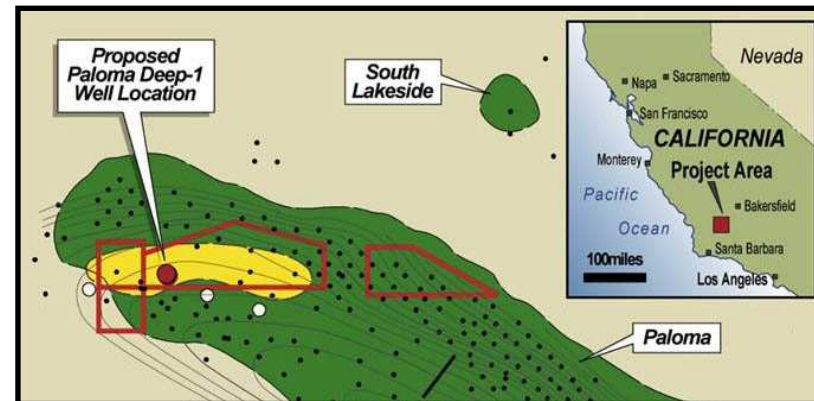
Note: (1) Source – Operator Neon Energy



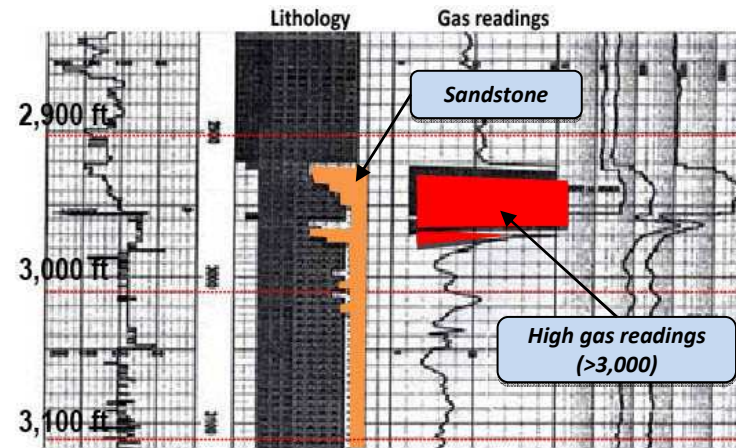
Source: Neon Energy, Operator

Source: Neon Energy, Operator

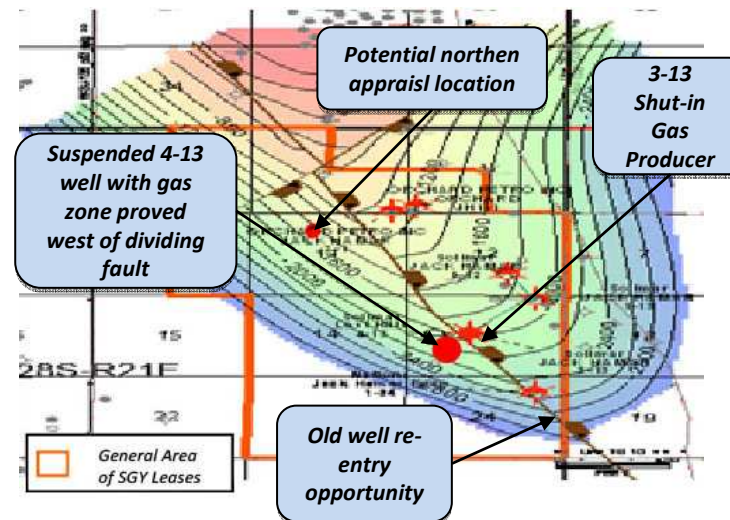
## Paloma Prospect - Multiple targets



- Solimar 100% and Operator
- 3,200 acres under single lease
- Dry gas accumulation in shallow (<3,000 ft) thin sands of the San Joaquin Formation
- Solimar owned gas production facilities, pipelines and sales arrangements in place
- Numerous analogue produced fields in Southern San Joaquin associated with large anticlines
- SELH located on SE plunge of giant Lost Hills anticline
- Appraisal/development well in 2012
- Targeting unrisks recoverable gas resources of 40 bcf



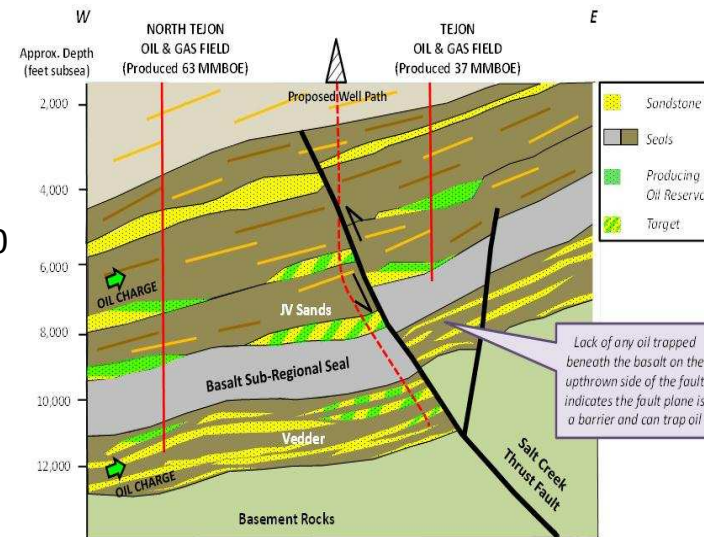
Typical Mudlog of Gas Zone in a SELH Well



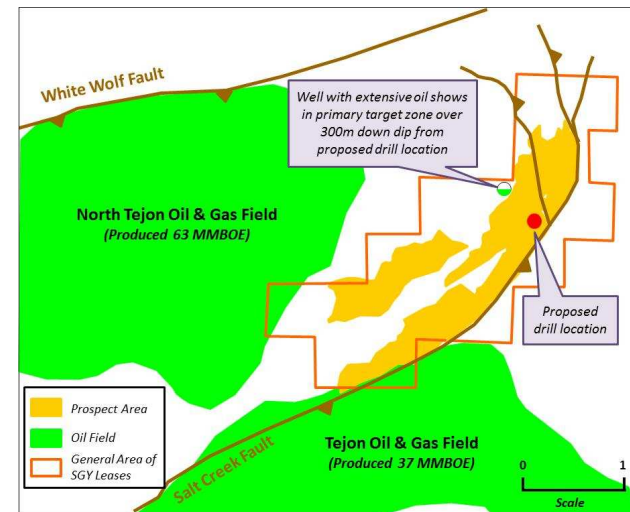
SELH Gas Accumulation/Lease Position

- Solimar 40% interest in +2,400 acre leasehold, currently increasing position
- Located between two fields with cumulative production of 110 mmboc
- Footwall structure defined by 3-D seismic
- Stacked sandstone targets that IP at 500 bopd in offset wells
- Similar geological play to OXY “Gunslinger” discovery (175-250 mmboc recoverable) (1)
- Planning well 2Q 2012, location already permitted
- Targeting unrisks high case 50 MMBOE (20 MMBOE net) recoverable resource

(1) Source – OXY



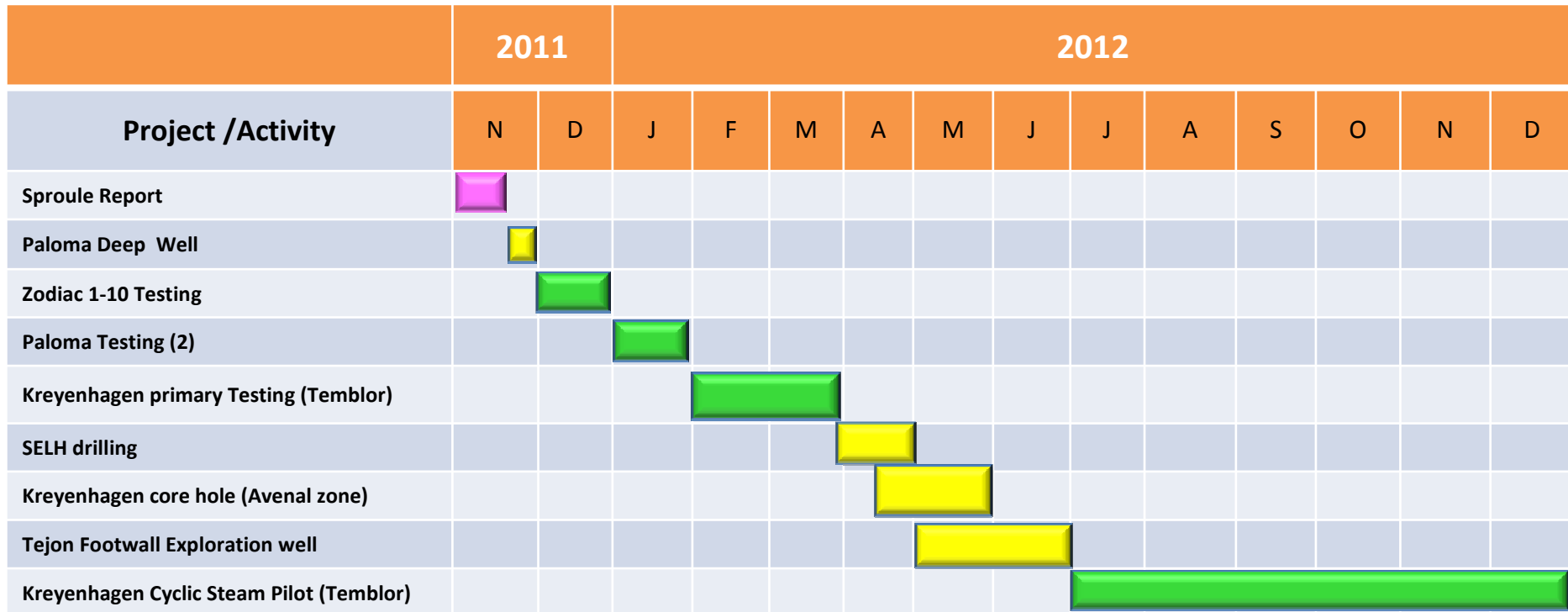
Schematic Cross-Section



Tejon Footwall Prospect – Schematic Map

- Solimar has a range of other projects that have not been covered in detail in this presentation:
  - **Maricopa** : Solimar Operator (50%). A small, 23 bopd operated project producing oil from a reservoir in the Giant Midway Sunset oil field (Sproule reserves report available).
  - **Bayswater / Zodiac** : Solimar (1.13%). Minority partner in a large area operated by Zodiac Exploration. The Company was carried thru the drilling of the 2011 vertical discovery well drilled by Zodiac that produced from the Kreyenhagen Shale and has been a paying partner in the follow up horizontal well 1-10. A multi fracc test of this well is imminent.
  - **Jacalitos**: Solimar Operator (75%). Consists of one section occupying the structural plunge of the Jacalitos oil field, adjacent to the northwest of the Kreyenhagen Project.
  - **KMD** ( back in right for 10% WI). A 3218 acre area surrounding Kettleman Middle Dome oil and gas field. The field is being successfully re developed by a private group focussed on the Kreyenhagen Shale. Solimar's acreage is the subject of farm in by New Gulf Resources (NGR) targeting reservoirs from Monterey Shale thru the Temblor Sandstone and Kreyenhagen Shale.
  - **Guijarral Hills** : Solimar Operator (60%). A 2,455 acre area in which Solimar drilled the 10,550 feet 76-33 exploration well earlier in 2011. Most of the cost of the well was paid for by a local partner according to a Farmout agreement. Solimar recently decided to retain a larger , post farmout equity in the project. After an unsuccessful 3 test program of the main sandstone reservoir targets the 76 -33 well was suspended pending possible future re entry and additional testing with targets including the Kreyenhagen Shale. The project is located along structural trend from the Kettleman North Dome field which is the subject of redevelopment by Chevron in the Kreyenhagen Shale.

## Indicative 2011-12 Work Program (*Advanced Projects Only*)



(1) Indicative only: Schedule subject to permitting, equipment availability, and financial capacity.

(2) JV yet to complete drilling and determine testing timing.

 Completed    
  Drilling    
  Testing

# Solimar Risked Valuation<sup>(1)</sup> – Activity and Upside



Property	Commodity Type	Resource Type	Resource Quantity (MMbbls) <sup>1</sup>	Recovery Factor	Risked Quantity <sup>2</sup>	\$/Resource bbl <sup>3</sup>	Total Value (\$MM)
Kreyenhagen (Temblor)	Conventional Heavy Oil	Recoverable Resource	47.9	35%	16.8	\$5.00	\$83.8
Kreyenhagen (Shale)	Unconventional Shale Oil	PIIP	359.0 <sup>5</sup>	n/a	359.0	\$0.03 <sup>4</sup>	\$10.5
Kreyenhagen (Avenal)	Conventional Light Oil	PIIP	3.7	n/a	3.7	\$0.57	\$2.1
Paloma	Conventional Oil/Gas	PIIP	75.0	n/a	75.0	\$0.57	\$42.8
South East Lost Hills	Conventional Oil/Gas	PIIP	9.4	n/a	9.4	\$0.57	\$5.3
Tejon	Conventional Oil/Gas	PIIP	36.0	n/a	36.0	\$0.57	\$20.5
							<b>\$165.1</b>

**Notes:**

1. All figures for indicative purposes.
2. Kreyenhagen Temblor estimates based on Sproule Report, ( ref Slide 10) others are Solimar management estimates
3. Petroleum In Place (PIIP) resource numbers are unrisks and not subjected to a recovery factor
4. Per barrel PIIP value derived from Zodiac assuming current net cash of \$20 MM. Conventional light oil PIIP values derived from domestic E & P Light Comparables. Heavy oil value based on junior heavy E&P contingent plus 2P reserves
5. Based on Sproule undiscovered PIIP estimate for a 640 acre section near well control, extrapolated across 10 Sections.

- Strong board and management team experienced in exploration and development of oil and gas assets on a global scale
- Near-term drilling and testing catalyst expected from Paloma Deep well
- Portfolio contains low-risk development opportunities and high impact exploration drilling targets
- Pursuing over 500 million boe of unrisks resources in place
- Embarking on appraisal and redevelopment of 100% owned Kreyenhagen heavy oil field
- Independent resource assessment 31 October 2011 for core Kreyenhagen Project
- Strategic position in emerging, high volume Kreyenhagen oil shale play with scoping level resource estimates
- Ownership gravitating toward investors well-versed and familiar with California E&P expertise
- Dual listed on ASX (SGY) and TSXV (SXS)

# Appendix – Resource Definitions



Unless otherwise indicated, all estimates of resources in this presentation have been prepared or evaluated in accordance with the COGE Handbook and are derived from the resource report of Sproule dated effective as of October 31, 2011.

Total Petroleum Initially-In-Place (PIIP) is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resources").

Discovered Petroleum Initially-In-Place (equivalent to discovered resources) is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially in place includes production, reserves, and contingent resources; the remainder is unrecoverable.

Production is the cumulative quantity of petroleum that has been recovered at a given date.

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are further classified according to the level of certainty associated with the estimates and may be subclassified based on development and production status.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status.

Unrecoverable is that portion of Discovered or Undiscovered PIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

Undiscovered Petroleum Initially-In-Place (equivalent to undiscovered resources) is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "prospective resources," the remainder as "unrecoverable."

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be subclassified based on project maturity.

## Resource Categories

Due to the high uncertainty in estimating resources, evaluations of these assets require some type of probabilistic methodology. Expected value concepts and decision tree analyses are routine; however, in high-risk, high-reward projects, Monte Carlo simulation can be used. In any event, three success cases plus a failure case should be included in the evaluation of the resources (see Section 9 of the Canadian Oil and Gas Evaluation Handbook for details on these methods).

When evaluating resources, in particular, contingent and prospective resources, the following mutually exclusive categories are recommended:

Low Estimate: This is considered to be a conservative estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term reflects a P90 confidence level;

Best Estimate: This is considered to be the best estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term is a measure of central tendency of the uncertainty distribution (most likely/mode, P50/median, or arithmetic average/mean); and

High Estimate: This is considered to be an optimistic estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term reflects a P10 confidence level.

Company Gross Contingent Resources are the Company's working interest share of the contingent resources, before deduction of any royalties.

Company Net Contingent Resources are the gross contingent resources of the properties in which the Company has an interest, less all Crown, freehold, and overriding royalties and interests owned by others.

Fair Market Value is defined as the price at which a purchaser seeking an economic and commercial return on investment would be willing to buy, and a vendor would be willing to sell, where neither is under compulsion to buy or sell and both are competent and have reasonable knowledge of the facts.

## Assessment procedures and risks

In the assessment of this unproved property, Sproule considered all available pertinent factors, including where applicable, geological structures, prospective zones, historical drilling and production results, terrain and accessibility, access to infrastructure and markets, and risks related to exploration development and production. The analysis was conducted without consideration of economics, royalties or other encumbrances.

The Contingent Resources have not been risked for chance of development and the contingencies that prevent these resources from being classified as reserves are regulatory approval, development of the pilot project itself and proof of economic viability. Discovered Resources have not been risked for chance of development and, as such, there is no certainty that any of these resources will be developed or that it will be commercially viable to develop any portion of these resources in the future. Undiscovered resources have not been risked for chance of discovery or chance of development and, as such, there is no certainty that any portion of these resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mscf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Boe may be misleading, particularly if used in isolation. Management uses certain industry benchmarks such as operating netback to analyse financial and operating performance.

The following statutory rights of action for damages or rescission will only apply to a purchaser of securities of Solimar in the event that this corporate presentation is deemed to be an offering memorandum pursuant to applicable securities legislation in certain provinces of Canada. These remedies, or notice with respect thereto, must be exercised, or delivered, as the case may be, by the purchaser within the time limits prescribed by the applicable provisions of the provincial securities legislation. Purchasers should refer to the applicable securities legislation for the complete text of these rights or consult with a legal adviser. Where used in this section, “Misrepresentation” means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

### **Ontario**

Securities legislation in Ontario provides that purchasers of securities are entitled to rights of action for rescission or damages where an offering memorandum and any amendment to it contains a Misrepresentation. In accordance with Section 130.1 of the *Securities Act* (Ontario) (the “**Ontario Act**”), in the event that an offering memorandum or any amendment thereto contains a Misrepresentation, a purchaser who purchases securities offered by such offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action against the issuer for damages, or, while still the owner of the such securities purchased by that purchaser, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the issuer, provided that: (a) the issuer will not be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation; (b) in the case of an action for damages, the issuer will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and (c) in no case will the amount recoverable in any action exceed the price at which the securities were sold to the purchaser.

A purchaser resident in Ontario should refer to the provisions of the Ontario Act and its regulations for particulars of the rights and defences discussed above and consult with a lawyer. The rights discussed above are in addition to and without derogation from any other right or remedy which a purchaser might have at law.

No action shall be commenced to enforce these statutory rights more than: (a) in an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action; or (b) in an action for damages, the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action.

For more information on Solimar Energy Limited visit our website:

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