



2016 Results

23 March 2017

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Operational Highlights

Vietnam

- Production 9,883 BOEPD
- TGT development programme recommenced in late 2016, the first new drilling on TGT since early 2015
- TGT partners have agreed a further two infill wells plus appraisal of H5 south in 2017
- FFDP signed and formal Prime Ministerial approval 1Q 2017
- Negotiations for Blocks 125 & 126 near conclusion

Africa

- MXI 12 month extension to licence granted and reviewing options to extend
- Application for a 20-year Production Licence (“PEX”) for Lidongo area was approved in September 2016 with the PEX commencing October 2016
- Lidongo discovery area commercialisation discussions progressing

Strategic and Financial Highlights

- \$17.5m cash return to shareholders
- \$10.0m cash inflow on Mongolian receivable
- \$100.3m – Cash, cash equivalents and liquid investments
- Low cash operating costs of \$11.70/bbl

2016 Financial Summary – Income Statement

US\$ millions, unless otherwise stated

US\$ millions, unless otherwise stated		2016	2015	Commentary	
Sales revenue	154.6	214.8		<ul style="list-style-type: none">2016 production of 9,883 BOEPD (2015: 11,976 BOEPD)2016 realised oil price of \$45.01/bbl (2015: \$54.10/bbl)	
Cost of sales	(135.0)	(166.4)	US\$ millions, unless otherwise stated		
			2016	2015	
			Operating costs	44.4	47.4
			Inventory movements	(2.6)	3.0
			Royalty	12.0	16.2
			Export duty	1.4	0.8
			DD&A	79.8	99.0
			Total	135.0	166.4
			Operating costs (\$/bbl)	11.70	10.06
DD&A costs (\$/bbl)	22.04	22.64			
Gross profit	19.6	48.4			
Administrative expenses	(13.5)	(10.0)			
Exploration write back/(expense)	1.1	(36.4)	<ul style="list-style-type: none">FY 2015 includes exploration costs to fulfil MPS obligation well		
Operating profit	7.2	2.0			
Loss after tax	(18.3)	(33.8)			

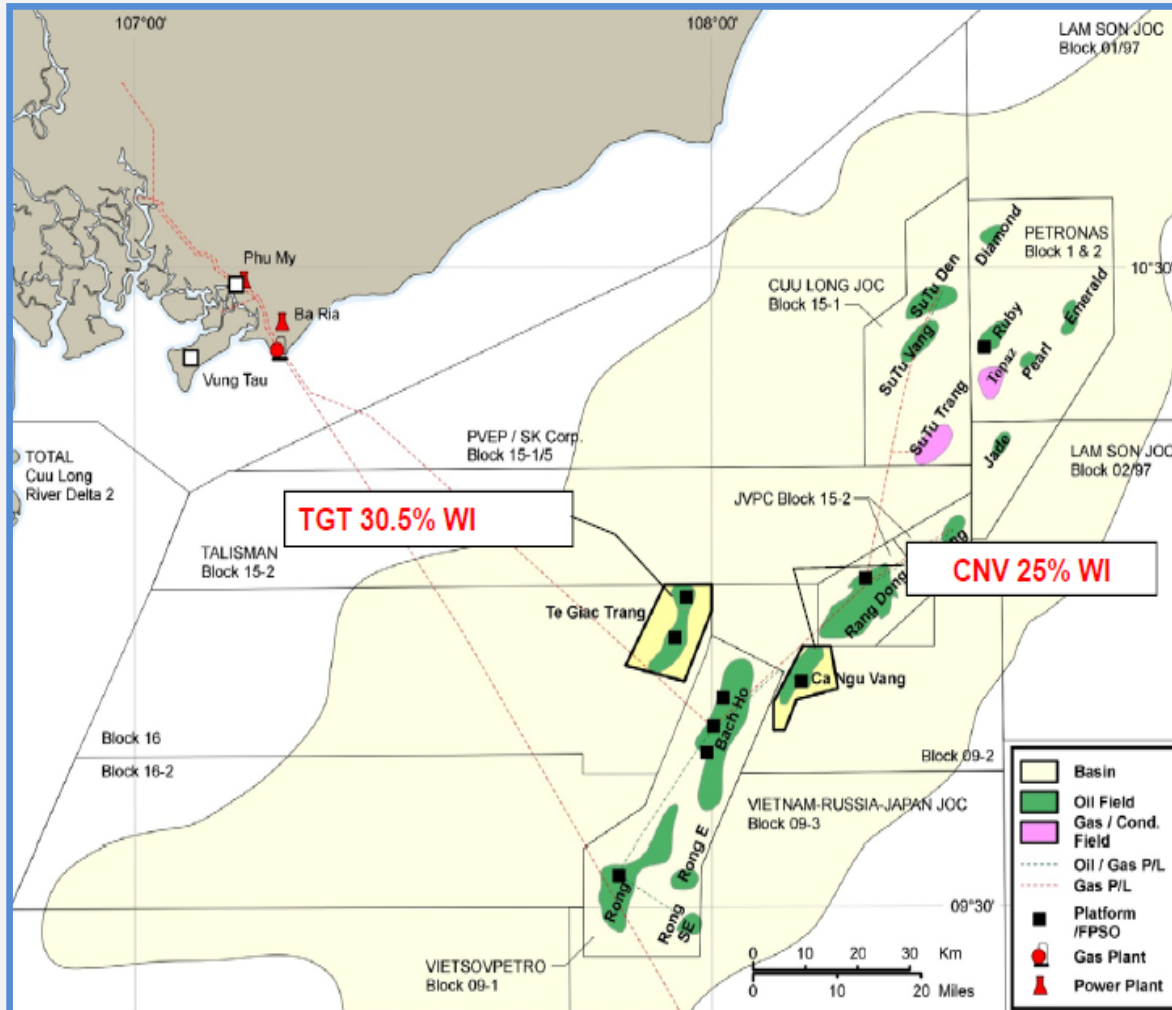
2016 Financial Summary – Cash Flow

US\$ millions, unless otherwise stated

	2016	2015	Commentary																
Operating cash flow before working capital, interest and tax	87.2	138.3																	
Cash taxes	(39.9)	(62.4)																	
Net cash from operating activities	46.0	80.3																	
Capital expenditure	(35.8)	(87.5)	<table border="1"> <caption>Capital Expenditure Breakdown by Region</caption> <thead> <tr> <th>Year</th> <th>Vietnam (\$m)</th> <th>Africa (\$m)</th> <th>Total (\$m)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>70.0</td> <td>17.5</td> <td>87.5</td> </tr> <tr> <td>2016</td> <td>15.0</td> <td>20.8</td> <td>35.8</td> </tr> <tr> <td>2017</td> <td>32.0</td> <td>14.9</td> <td>46.9</td> </tr> </tbody> </table>	Year	Vietnam (\$m)	Africa (\$m)	Total (\$m)	2015	70.0	17.5	87.5	2016	15.0	20.8	35.8	2017	32.0	14.9	46.9
Year	Vietnam (\$m)	Africa (\$m)	Total (\$m)																
2015	70.0	17.5	87.5																
2016	15.0	20.8	35.8																
2017	32.0	14.9	46.9																
Payment to abandonment fund	(4.3)	(4.9)																	
Free cash flow ⁽¹⁾	5.9	(12.1)																	
Cash, cash equivalents and liquid investments	100.3	103.6																	
Distributions to Shareholders	17.5	51.1																	
Distributions (pence per share)	4	10																	

(1) Free cash flow is calculated as net cash from operating activities and after payments for capital expenditure and abandonment

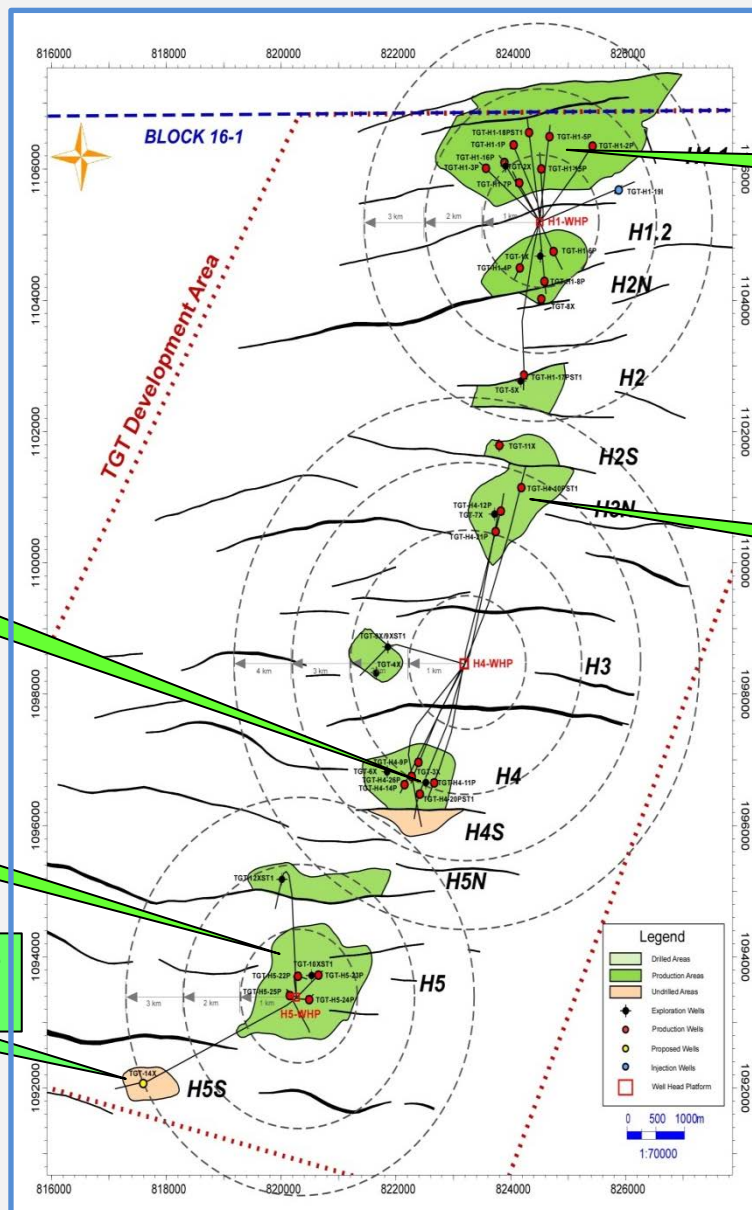
Asset Map: Vietnam



Overview

- Originally signed Petroleum Contract with PetroVietnam in 1999
- Recently renewed a strong relationship with its partners and continue to review the development options around TGT
- TGT & CNV developments comprised construction of FPSO and four wellhead platforms over two fields

TGT Well Drilling Programme 2016-2017



In parallel with the updated FFDP process partners recommenced infill drilling programme in late 2016 taking advantage of the low cost drilling environment

TGT-H4-28P

TGT-H5-29P

TGT-14X (complete drilling)

TGT-30P

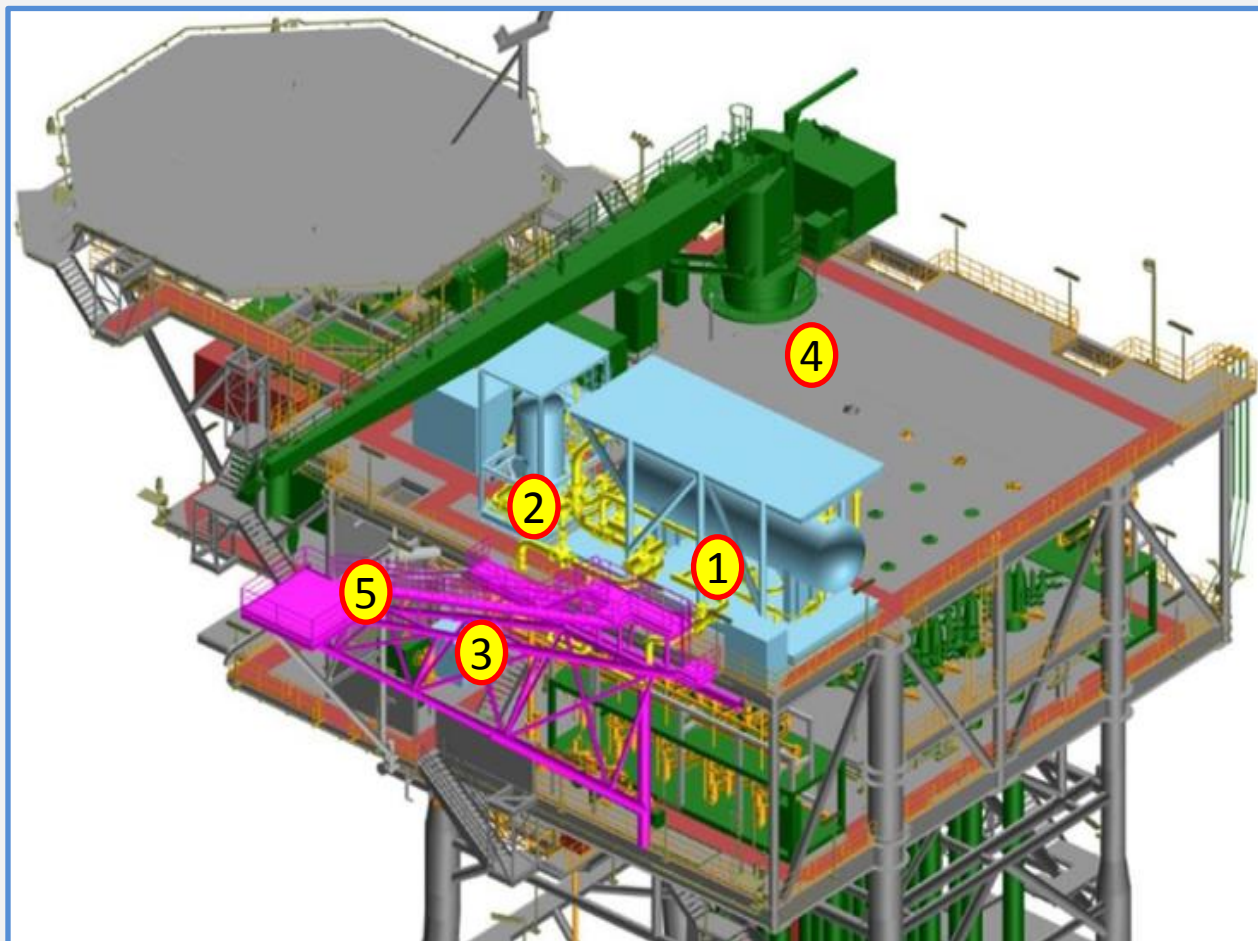
TGT-H4-27P

Approved wells

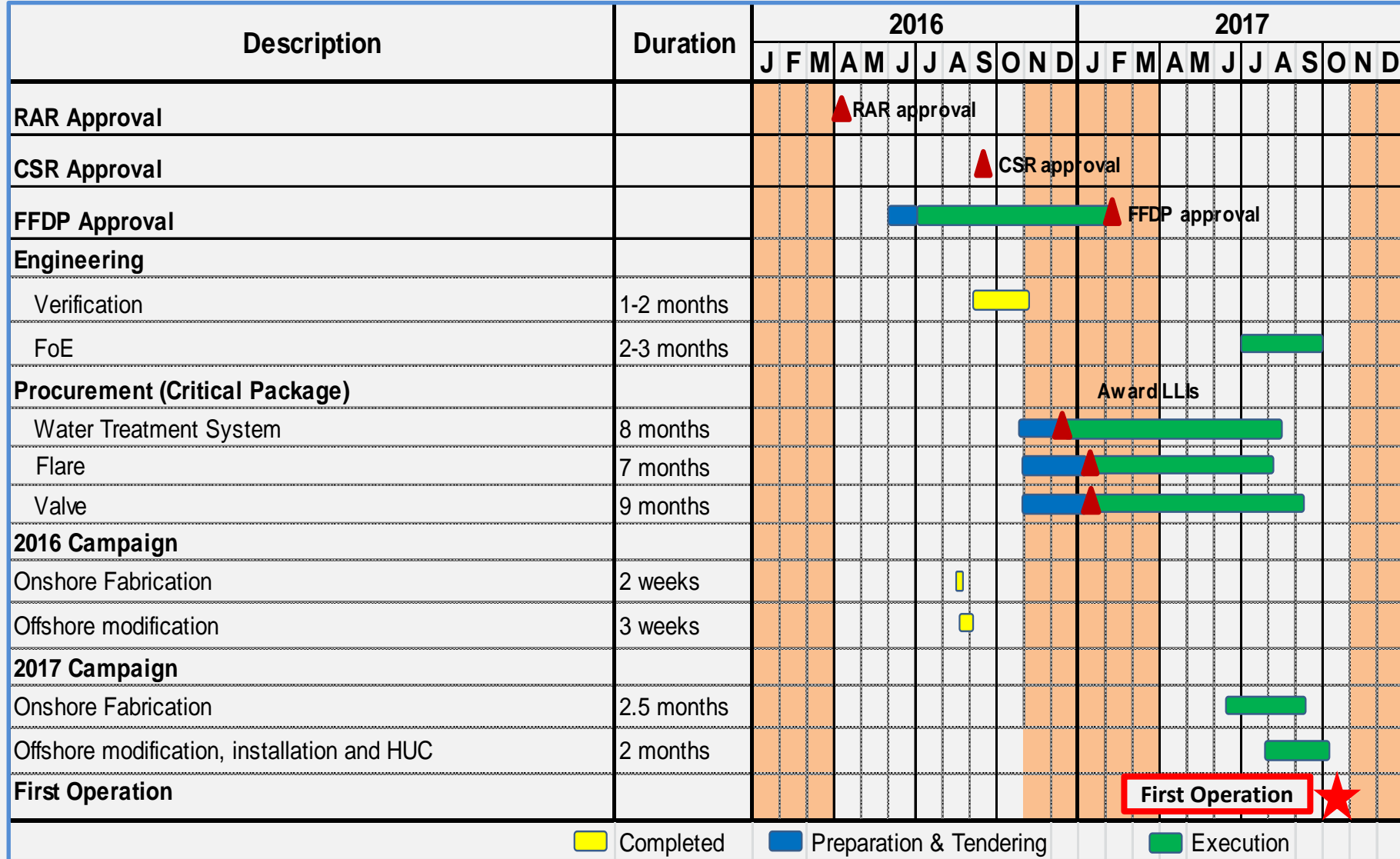
Local Water Handling On H1-WHP

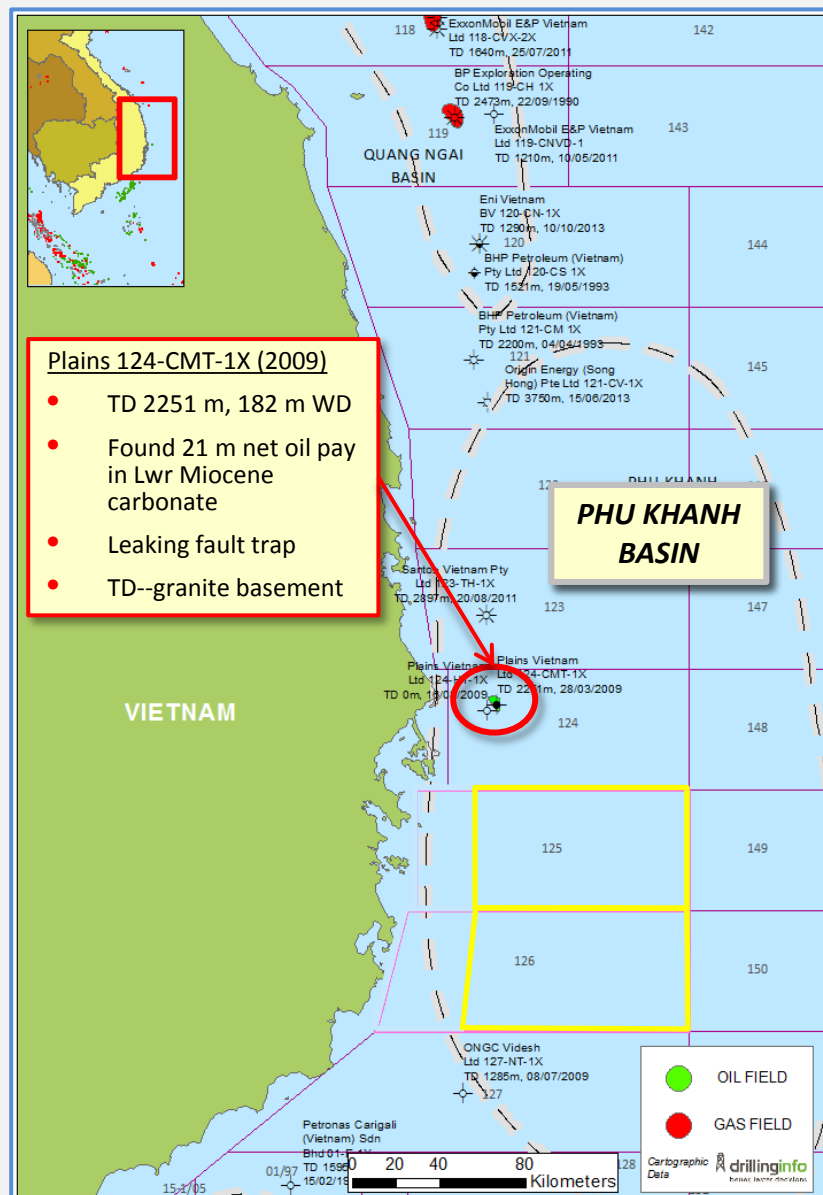
Additional Equipment	
1	Three Phase Separator
2	Compact Flotation Unit
3	Degassing System
4	Chemical Injection System
5	Flare and Ignition System

Description	Design Capacity
Oil (bopd)	30,000
Water (bwpd)	65,000
Gas (mmscfd)	50
Total Field Handling Capacity (blpd)	180,000 (from 120,000)

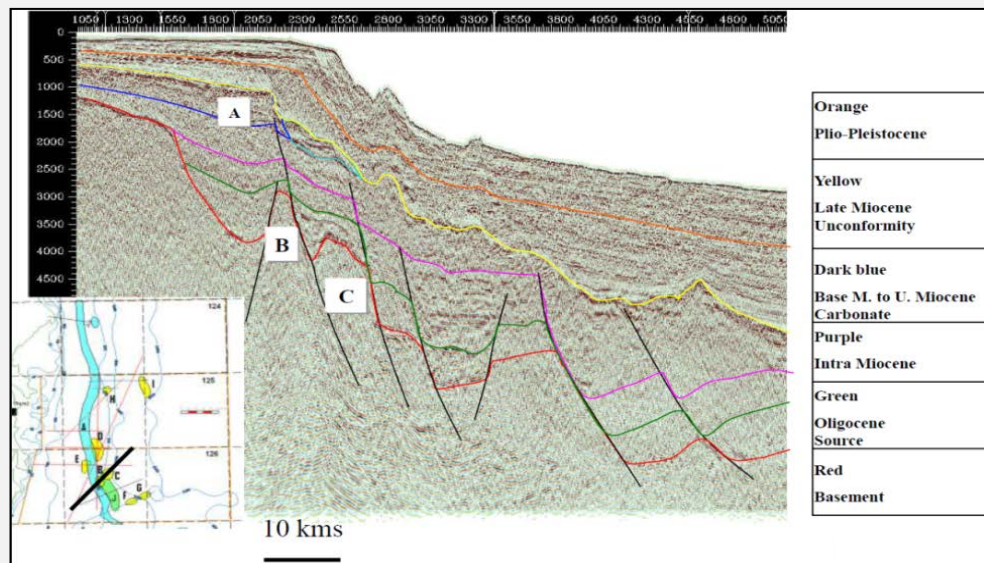


Local Water Handling Project Schedule

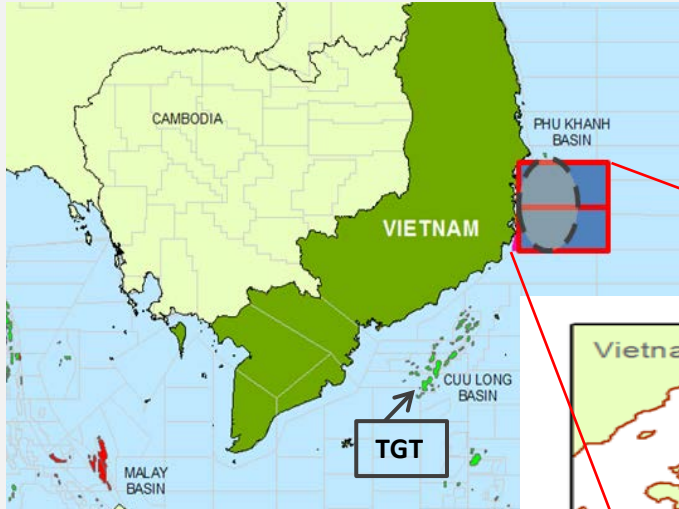




- Geological observations indicate:
 - demonstrated source, generation and migration of oil in this basin; risk of gas
 - Tertiary & Basement reservoirs
- Oil discovery in Block 124:
 - confirms oil system in the basin
- Multiple structural and stratigraphic leads observed on the available seismic data
- Processing of 2D seismic data and new 3D program required



Vietnam: Exploration Potential

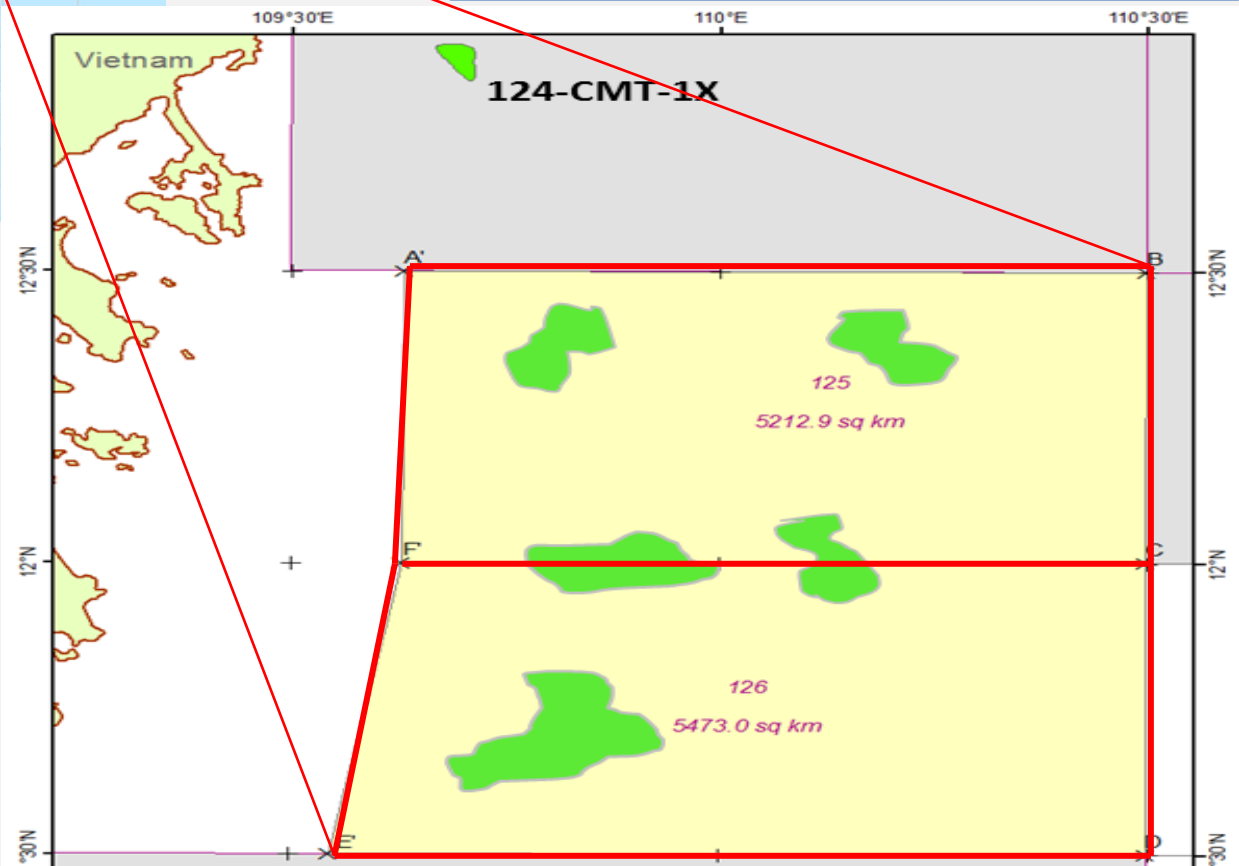


Potential Work Programme

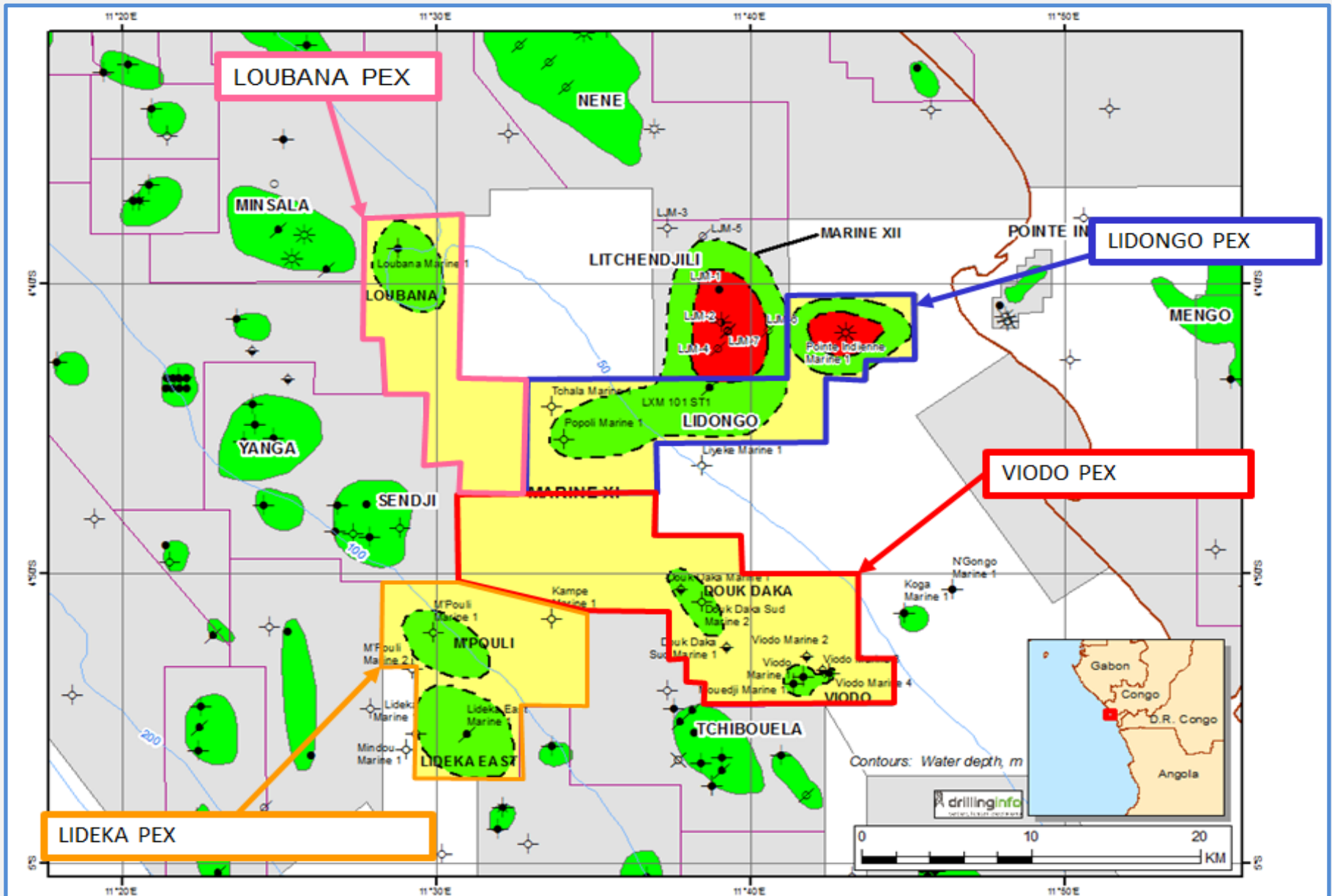
- Seismic acquisition, processing and interpretation 2017-2020
- Exploration well 2021-2022

Block Properties

- Medium to deep water
- Multiple structural and stratigraphic plays
- Good potential for source, expulsion and migration of oil
- Numerous reservoir and seal intervals likely



Africa: Marine XI Block Proposed PEXs



Operational

Vietnam

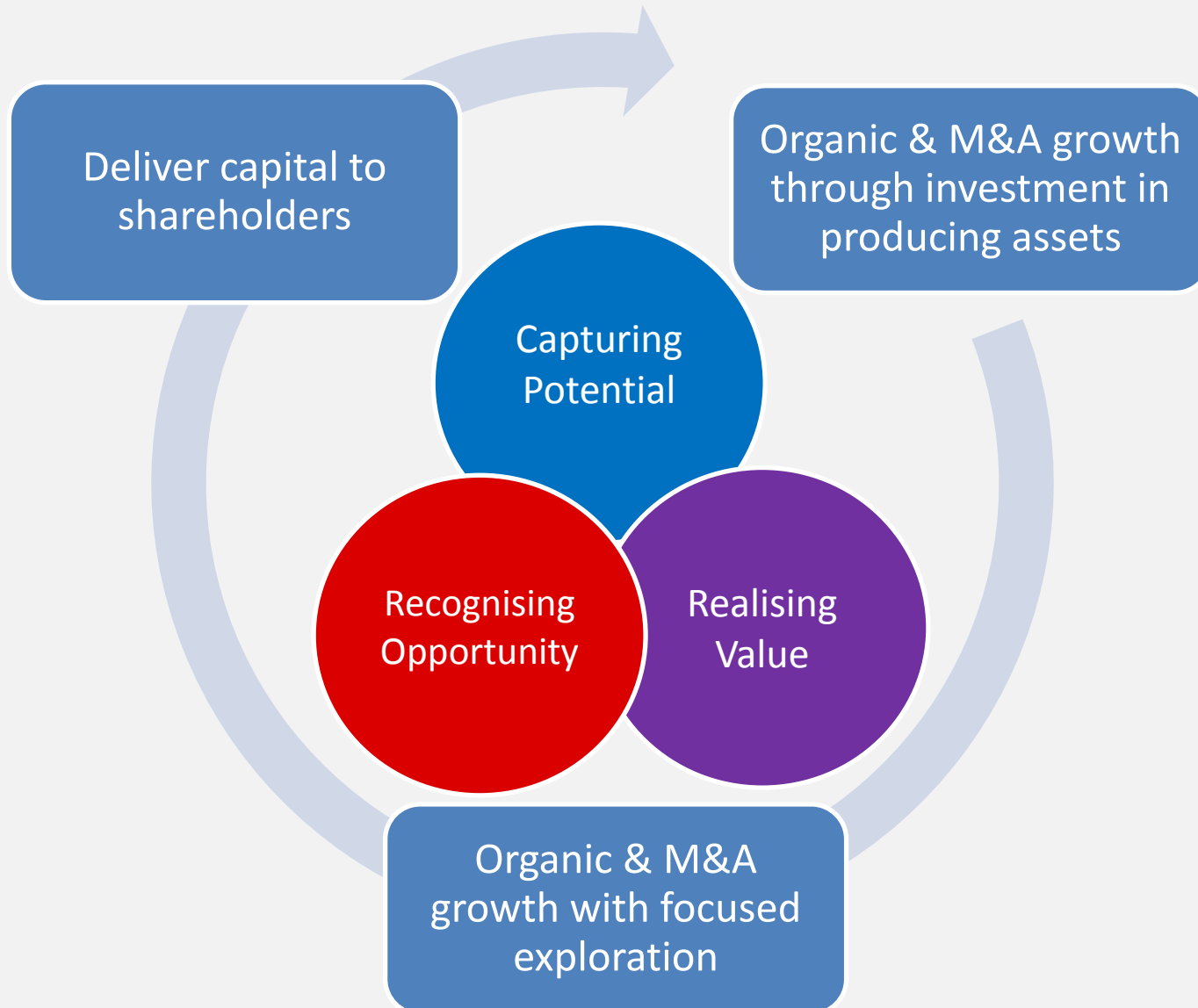
- Arrest production decline in TGT field
- Production guidance – 8-9,000 BOEPD
- Continued upgrade, optimisation and development of TGT field
- Blocks 125 & 126 PSC negotiations concluded with formal signing expected 1H 2017

Africa

- Production Licence (PEX) applications made for remaining discovery areas on Marine XI in Congo
- Commercialise Lidongo area

Strategic and Financial

- Recommended dividend – 5p/share
- Cash received \$42.7m –Mongolia asset
- Expected 2017 capex budget of c.\$50m (\$35.0m for Vietnam and \$15.0m for Africa)
- Newly formed Business Development group – Dr Mike Watts & Jann Brown
- Heighten pursuit of growth and rationalisation of portfolio



Capturing Potential

Asset Transaction

1997	• Acquisition - UK, Yemen and Tunisia at IPO
1998	• Acquisition – Territorial Resources. Increased equity in Thailand and Mongolia
1999	• Acquisition - Torobex
1999	• Disposal - UK Onshore (\$18m)
2001	• Disposal - Russia (\$50m)
2002	• Vietnam farm-out (\$50m)
2003	• Acquisition – HESS TGT
2004	• Disposal - Tunisia (\$25m)
2005	• Disposal - Mongolia (\$93m)
2006	• Acquisition – OPECO TGT
2008	• Disposal - Yemen (\$465m)
2010	• Disposal - Thailand (\$105m)
2012	• Acquisition – Minority interest SOCO Vietnam Limited TGT+CNV

Operations

1997	• First oil flow from Mongolia drilling
1998	• Development drilling and infrastructure project in environmentally sensitive area in Russia
1999	• Bualuang Discovery in Thailand
2002	• Block 9-2 CNV discovered by SOCO
2003-2004	• First Basement drilling in Yemen
2005	• TGT field discovered by SOCO
2008	• CNV on-stream
2010	• First onshore drilling campaign carried out in the DRC in over 40 years.
2011	• First TGT production achieved on schedule
2012	• Second TGT platform on-stream
2015	• First oil from H5 development delivered under budget and ahead of schedule • 2.4mm man hours without a lost time incident
2016	• First operated deep water well drilled located in the Lower Congo Basin

Capital Markets

1997	• IPO - \$65m
2013	• Cash return to shareholders - \$213m
2014	• Cash return to shareholders - \$119m
2015	• Dividend to shareholders - \$51m
2016	• Dividend to shareholders – \$17.5m

Realising Value

Asset Sales	Oct 1999	Aug 2001	Feb 2002	Nov 2004	Apr 2005	Feb 2008	Jul 2010
	UK Onshore – \$18m	Russia – \$50m	Vietnam farm-out	Tunisia – \$25m	Mongolia – \$93m	Yemen – \$465m	Thailand – \$105m



Capital Markets	May 1997	May 2006	Jan 2010	2006-2012	May 2013	Oct 2013	2014	2015	2016
	IPO – \$65m	Issue of convertible bonds – \$250m	Equity placing – \$166m	Share buybacks – \$54m	Convertible bonds full redemption	Cash Return – \$213m	Cash Return – \$119m	Dividends – \$51m	Dividends – \$17.5m

(1) Includes share buybacks of \$54m and cash returns of \$213m in 2013, \$119m in 2014, \$51m in 2015 and \$17.5m in 2016

(2) As at 31 December 2016

(3) Total return over the period including dividends as at 31 Dec 2016 (Source: Bloomberg)

Uphold the highest standards of governance, safety and responsibility

Focus on areas that continue to provide value and returns through:

- diversification of income stream
- ensuring ability to deliver sustainable dividends
- using reasonable leverage to the balance sheet
- full-cycle capital discipline
- maintain financial flexibility and liquidity

Capturing
Potential

Maintain track-record of generating shareholder value through

- opportunistic divestments and acquisitions
- sustainable cash returns to shareholders
- maximising value from exploration portfolio

Recognising
Opportunity

Realising
Value

Appendix

SOCO Reserves and Contingent Resources

Group 2P + 2C mmboe

	TGT	CNV	Vietnam ⁽³⁾	Congo ⁽⁴⁾	Group
Oil and Gas 2P Reserves⁽¹⁾⁽²⁾					
As at 1 January 2016	30.6	6.7	37.3	0.0	37.3
Production	(3.0)	(0.6)	(3.6)	0.0	(3.6)
Revision	(0.8)	0.4	(0.4)	0.0	(0.4)
2P Reserves as at 31 December 2016	26.8	6.5	33.3	0.0	33.3
Oil & Gas 2C Contingent Resources					
As at 1 January 2016	14.0	2.3 ⁽⁵⁾	16.3	8.1	24.4
Revision	(4.0)	0.6	(3.4)	0.0	(3.4)
2C Contingent Resources as at 31 December 2016	10.0	2.9	12.9	8.1	21.0
Total 2P + 2C as at 31 December 2016	36.8	9.4	46.2	8.1	54.3

Independent audit by Gaffney, Cline & Associates has confirmed above management's estimates of Reserves and Contingent Resources for the Company's Vietnam assets as of 31 December 2016

(1) Reserves and Contingent Resources are categorised in line with 2007 SPE/WPC/AAPG/SPEE Petroleum Resource Management System (SPE PRMS).

(2) Assumes oil equivalent conversion factor of 6,000 scf/boe.

(3) Reserves and Contingent Resources have been independently audited by Gaffney, Cline & Associates.

(4) Congo volumes are associated with the Viodo discovery.

(5) 31 December 2015 CNV restated for 2C following an error on GCA Reserves and Resources Statement from 9.0 mmboe to 2.3 mmboe.



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