Disclaimer
This presentation may contain forward looking statements that are subject to risk factors associated with the gas and energy industry. It is believed that the expectations reflected in the statements contained within are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

Competent Person Statement
The estimates of Reserves and Contingent Resources have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc. Mr Hattner is a full time employee of NSAI, has over 30 years of industry experience and 20 years’ experience in reserve estimation, is a licensed geologist, and has consented to the use of the information presented herein. The estimates in the report by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum and Resource Management System (PRMS) approved by the Society of Petroleum Engineers (SPE), utilising a deterministic methodology.

Reserves and Resources Position (Net to Blue Energy)

<table>
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<tr>
<th>Permit</th>
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<th>Assessment Date</th>
<th>Announcement Date</th>
<th>1P (PJ)</th>
<th>1C (PJ)</th>
<th>2P (PJ)</th>
<th>2C (PJ)</th>
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<td>811</td>
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<td>146</td>
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<td>811</td>
<td>200</td>
<td>3,454</td>
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Strategic Investment Rationale

- Large acreage position in producing and emerging basins
- Uncontracted Gas Reserves
- East Coast gas shortage – rising gas prices
  - 6 LNG trains - supply shortage
  - Dom gas shortage Qld/NSW
- North Coast gas shortage
  - NT Short Dom Gas
  - Bayu-Undan reserves downgrade
- Wiso Basin acreage – now includes expanded McArthur Basin plays
- Georgina and Cooper Basin play exposure – ongoing and new drilling
Strategic Investment Rationale
## Corporate Snapshot

<table>
<thead>
<tr>
<th>ASX</th>
<th>BUL</th>
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<tr>
<td>2P Reserves (NSAI)</td>
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<td>3P Reserves (NSAI)</td>
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<tr>
<td>Contingent Resource</td>
<td>3,454PJ 3C (3.5 tcf)</td>
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<tr>
<td>Cash (31st Dec 2013)</td>
<td>$14 million</td>
</tr>
<tr>
<td>Acreage (net)</td>
<td>~89,880km² (22.2 million acres)</td>
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<tr>
<td>Employees</td>
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</table>

- Operator of all acreage held
- Uncontracted gas reserves
- Adjacent to LNG proponents
- Diversity of basins and plays
- Natural gas and oil portfolio
## Scorecard

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<tr>
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<th>2014</th>
<th>✔️</th>
<th>✔️</th>
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<td>$64 million</td>
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<td>Cash Position</td>
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<td>$14 million</td>
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<tr>
<td>Enterprise Value</td>
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<td>$50 million</td>
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<td>Wells Drilled (Cumulative)</td>
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<td>✔️</td>
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<tr>
<td>Metres Drilled (Cumulative)</td>
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<td>30,800</td>
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<td>LTI</td>
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<td>One</td>
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<td>Net Acreage (acres)</td>
<td>13.3 million</td>
<td>22.2 million</td>
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<tr>
<td>2P Reserves (PJ) NSAI</td>
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<td>✔️</td>
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<tr>
<td>3P Reserves (PJ) NSAI</td>
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<td>200</td>
<td>-</td>
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<td>3C Resource (PJ) NSAI</td>
<td>2,788</td>
<td>3,454</td>
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</tbody>
</table>
Global LNG Demand

Markets: 2013 YOY

Total = +1.1 mtpa

Source: BG Group interpretation of IHS Waterborne data (Feb 2014), delivered volumes
East Coast Gas Supply

- Domestic gas contracts rolling off 2015-2017
- Steep demand rise by end 2014
- QCLNG now in commissioning phase
- Dom gas competes with LNG on price and supply
- Uncontracted reserves now of greater value
- Gas end users entering upstream activity and risk

After SKM/MMA 2011; AEMO 2012
Natural Gas Portfolio

Proven and potentially productive basins

- Acreage in producing basins:
  - Cooper: 5,191km²
  - Bowen/Surat: 1,917km²

- Acreage in frontier basins:
  - Georgina: 21,300km²
  - Carpentaria: 8,161km²
  - Maryborough: 2,900km²
  - Galilee: 2,079km²
  - Wiso: 48,332km²
  - Total Acreage: 89,880km²
    (22.209 million Ac)
East Coast Gas
ATP814P- Bowen Basin

- Blocks surrounded by Arrow’s Project area
- 814P Un-contracted Gas Resources and Reserves (NSAI)
  - 2P: 55PJ (55bcf)
  - 3P: 200PJ (200bcf)
  - 3C: 2,805PJ (2.8tcf)
- Adjacent activity drives Blue’s gas resource growth with minimal BUL expenditure
East Coast Gas
ATP814P - Bowen

- Large Contingent Resource base
- Adjacent to proposed gas gathering and export facilities of LNG feed gas project
- Shell/Petrochina need to get Gas to Gladstone to monetize asset

Gas processing facilities modified from Arrow’s Draft EIS
11 March 2013 – blue areas are Blue Energy’s ATP814P
East Coast Gas
Surat-Bowen

• Adjacent to major LNG feed gas supply locations - Fairview and Spring Gully

• 101PJ 3C Contingent Resource (NSAI)

• Export infrastructure to Gladstone passes through block

• LNG operators have exploration acreage adjacent
Emerging Gas Province
Maryborough Basin

- 100% Blue Energy
- Petroleum system identified
- Large gas potential
  - Clastic reservoirs
  - Shale
  - Coal seam Gas
- Strategic location
  - Supply for SE Qld
  - 150km from LNG demand in Gladstone
Oil Portfolio

- **Producing basin**
  - Cooper:   5,357km²
  - Surat:    854km²
  - **Total** 6,211km²
    (1.53 million acres)

- **Frontier basin**
  - Georgina: 21,300km²
  - Carpentaria: 8,161km²
  - Wiso:      48,332km²
  - **Total** 84,004km²
    (20.7 million acres)
Oil Portfolio - Cooper Basin

• Giant proven natural gas basin; Proven liquids basin

• Northern flank plays mirror western flank in SA

• Active Operators
  • STO; SXY; DLS; BPT

• Multiple Plays/targets
  • Permian Gas and Shale play
  • Jurassic Oil and shale
New Frontiers

- Old Australian Basins
  - Georgina
  - Wiso
  - McArthur
  - Officer
  - Amadeus

- Rodinia supercontinent affinities

- Production analogies with Oman and eastern Siberia

Source: Modified after USGS Bulletins 2201 C&F; 2146J & 2167.
Oil Portfolio - Southern Georgina Basin

- Proven Petroleum Systems
- Both structural and low perm plays
- Independent Expert reports
- Activity
  - Statoil/Petrofrontier 5 well program in NT sector
  - Central/Total 974 km 2D shot; 4 well drilling program starting May 2014

Oil stained core from Owen 3 (Courtesy Petrofrontier)

5 well Statoil drilling program starting mid 2014

4 well Central drilling program starting May 2014
Oil Portfolio - Wiso Basin

- Un-explored Basin
- Cambrian and Proterozoic sequence – marine source
- McArthur Basin section confirmed to extend into northern parts of Wiso
- Oil and gas potential
- Blue is Operator
- Shale and structural plays
- 4 year Farm in work program
  - G&G studies
  - Aero mag and gravity
  - 2D seismic
McArthur Basin Extended

- New seismic data in adjacent permits extends McArthur Basin limits into Blue Acreage
- McArthur Super-basin now covers 25% of NT and has huge potential petroleum
- Oil shows in old strat core
- Blue Energy Magnetic and Gravity modelling identifies depocentres
Vision & Strategy

**Strategy**
- Blue Work Program
- Asset Growth
- Adjacent Acreage Activity

**Monetization**
- Farmandown &/Or Sell gas assets

**Market**
- LNG export
- Operate oil portfolio
- Domestic Gas Market

Acquire → Add Value → Monetize
Why Blue?

- Near Term Value Drivers
  - Activity in frontier basins
  - Gas shortage on East coast and North coast – domestic and LNG
  - Uncontracted Gas Reserves on East Coast
- Focussed Strategy - Gas and Oil
- Strategic acreage position in hydrocarbon producing basins
- Exposure to frontier liquids basins
- Operatorship allows control
- Continuous cost efficiency drive