

EXILE

RESOURCES

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**AGM February 2011**

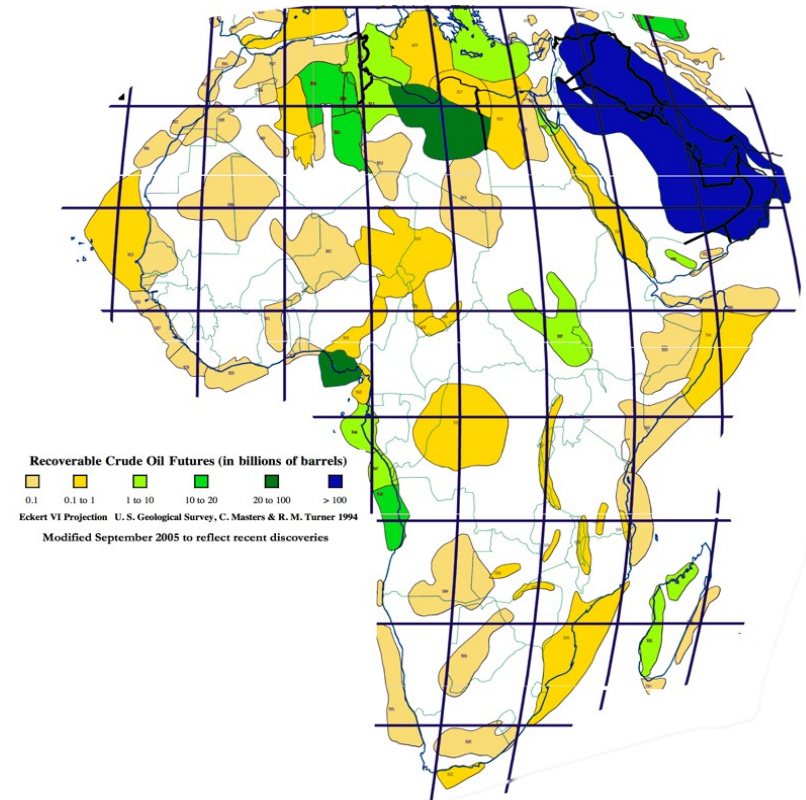
February 2011

# Forward Looking Statements

- Some of the statements contained herein, including, without limitation, financial and business prospects and financial outlooks, may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may", "will," "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risks and uncertainties. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and Exile Resources Inc. assumes no obligation to update or revise them to reflect new events or circumstances.
- Forward-looking statements and other information contained herein concerning the oil and gas industry and management's general expectations concerning the oil and gas industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data presented herein, the oil and gas industry involves risks and uncertainties and industry data is subject to change based on various factors.

- **Review of 2010 Nigeria**
  - Akepo progress/Exploration Prospect A
  - Local Vehicle
  - Licensing Round
- **Turkey**
  - Well test
  - Next Steps
- **Business Growth & Future Potential**
  - Zambia

- Access opportunities early in the exploration and development value chain
  - Development first
  - Exploration second
- Africa and Middle East are the chosen areas of focus
  - Many under-explored basins with attractive fiscal terms available and there are mature areas which are becoming non-core for existing players
  - Wide range of deal sizes accessible
  - Political risks well out-weighted by the scale of the rewards possible

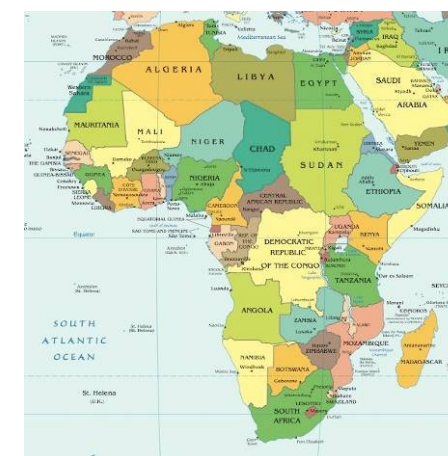
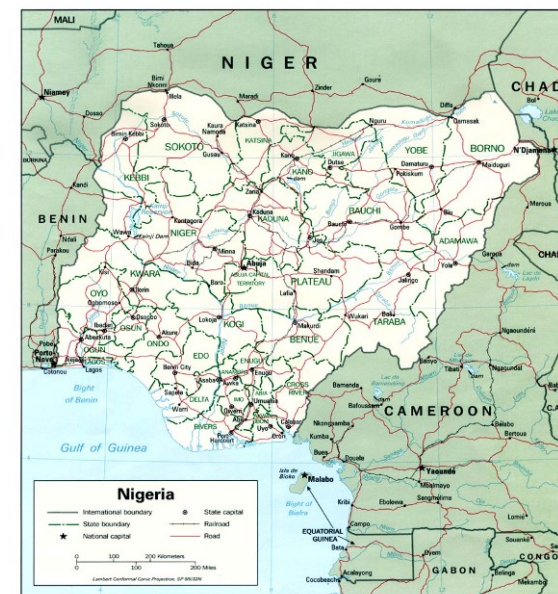


# Nigeria – Overview

- **Acknowledged risks; excellent returns**

	Reserves	Production
Oil	36 bn bbls	2.45 mmb/d
Gas	140 tcf	1.5 bcf/d

- **Material oil province with infrastructure**
- **Many western companies operating in country, including Niger Delta**
- **Attractive projects with near-term development potential and reserves upside**
- **Major African nation**
  - **Twice the size of California, 129 million people**

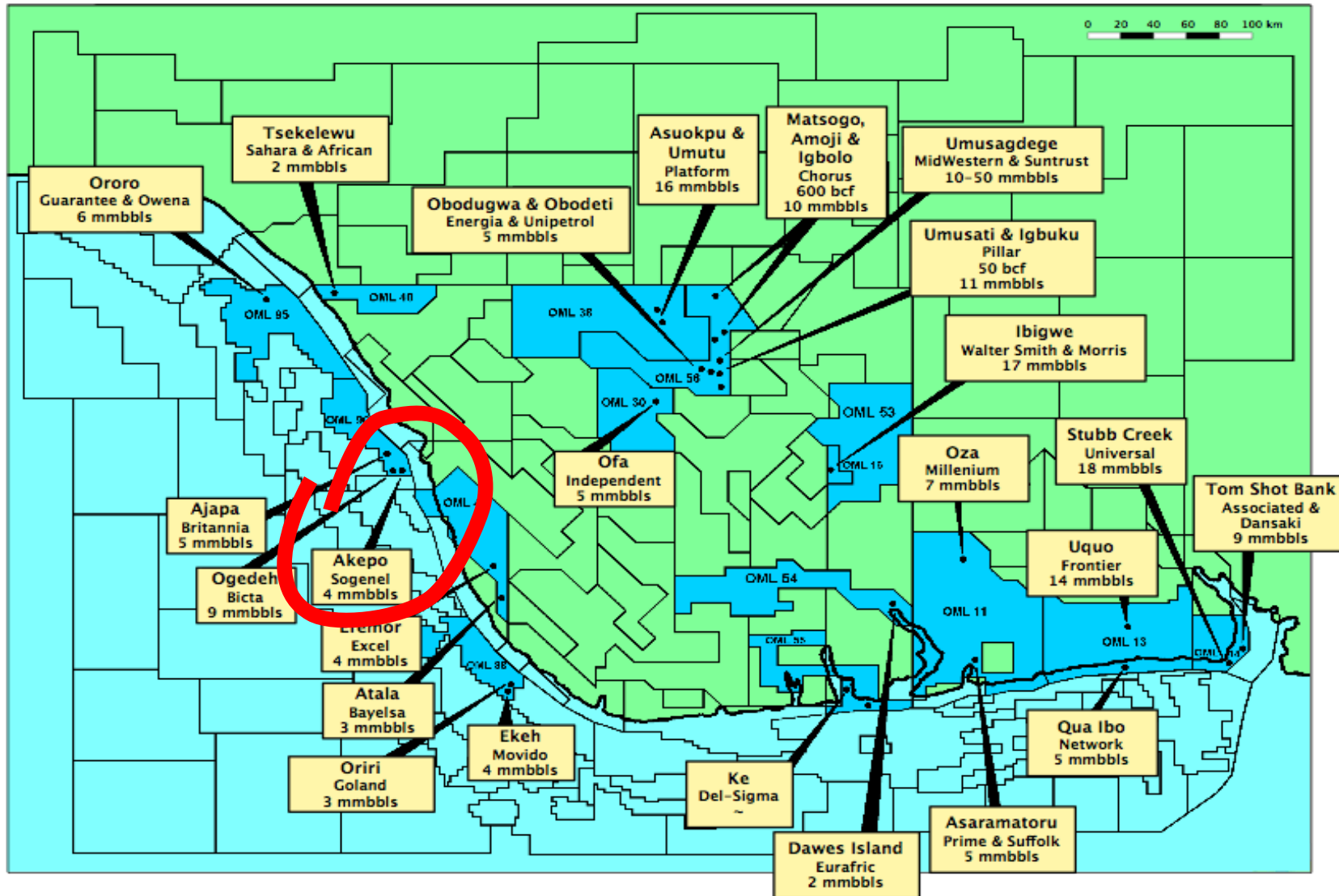


**Security issues mitigated by indigenous partners and project locations**

Niger Delta  
24 Licensed  
Marginal Field  
Discoveries

Exile has 10%  
Equity in Akepo  
Field (17.5%  
Economic  
Interest),  
carried through  
to First Oil by  
Oando

Over 200 further  
discoveries are  
undeveloped,  
over 1 billion  
barrel potential

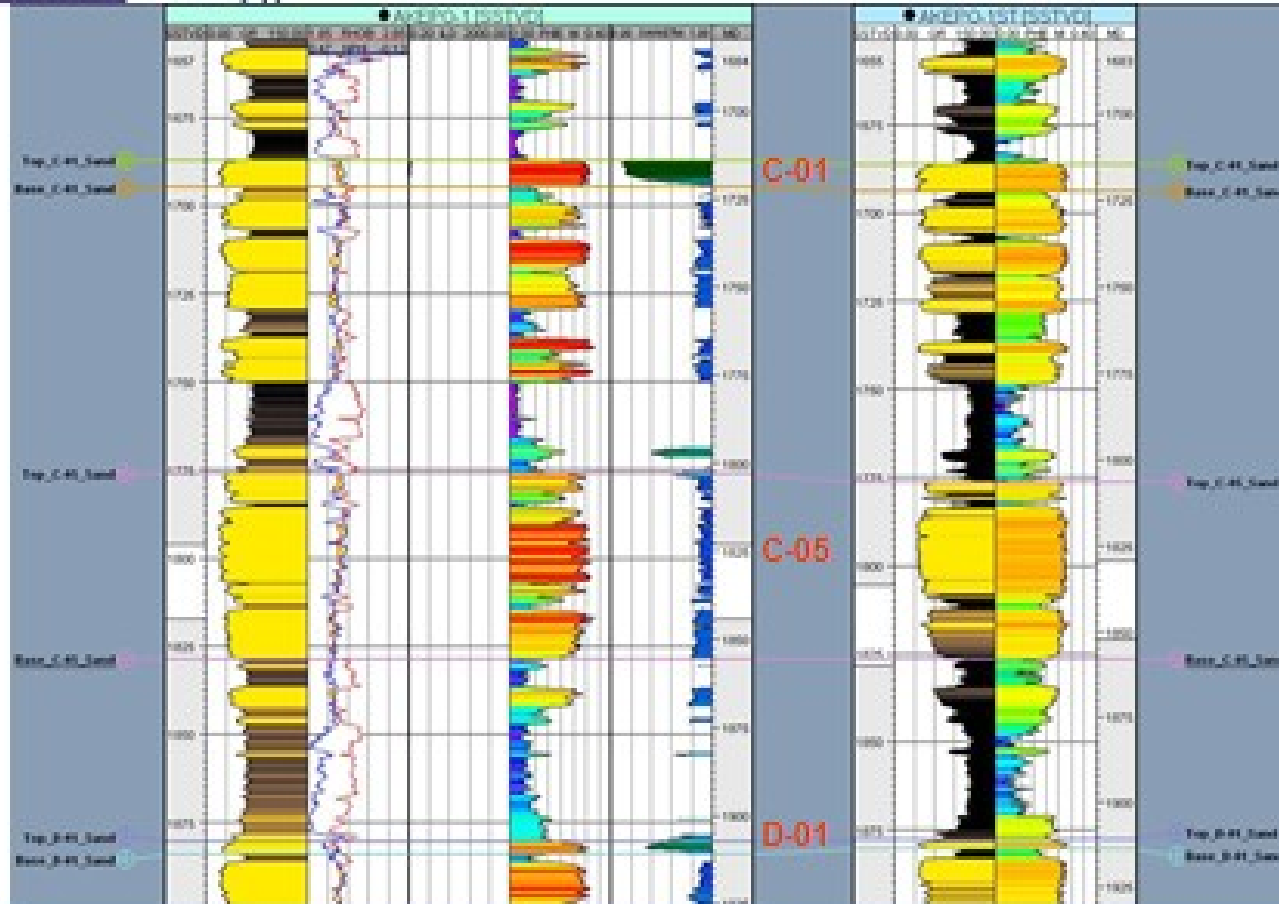


All reserve estimates as supplied by the DPR on launching the 2004 bid round

- Exile has local office and team established in Lagos, Nigeria
- Akepo Field
  - Partnership is Sogenal (Operator) 60%, Oando 30%, Exile 10% equity
  - Exile is carried through to First Oil by Oando, and has past costs re-imbursed
  - Exile has 17.5% economic interest in the licence as part of the commercial agreements with Sogenal and Oando
  - Re-entered, tested and completed 3 oil zones in Akepo-1st well in early 2010
  - The well was completed as a two string multiple completion with gravel packs to control sand production, to produce on two strings from two of the three zones, with the third zone selective on one of the strings. Following the completion, the Akepo-1st was successfully flow tested from the D6 sand at 1789 barrels oil per day with good flowing wellhead pressures.

- Engineering reviews of the test data suggest that the well can produce at stable rates of between 2,500 and 3,000 barrels oil per day
- This would imply 200 to 240 barrels oil per day net to Exile (pre-tax and production costs) during the cost recovery phase (8% share, rising to 17.5% thereafter)
- **Akepo Field Development (carried through to First Oil by Oando)**
  - Pipeline delivered, facilities design ongoing, production expected end Q2 2011
  - Prospect A under consideration for drilling and early tie-in if successful
- **Local Vehicle**
  - Exile has arrangements with a Local Vehicle to access Licences on ground floor terms, agreements in place to allow Exile to back-in
  - Exile has reviewed nearly 200 other fallow discoveries in Nigeria with over one billion barrel potential reserves in preparation for next licensing round, expected this year, dependent on passage of Petroleum Industry Bill (PIB) and next Presidential Election
  - Reviewing other opportunities from distressed sellers

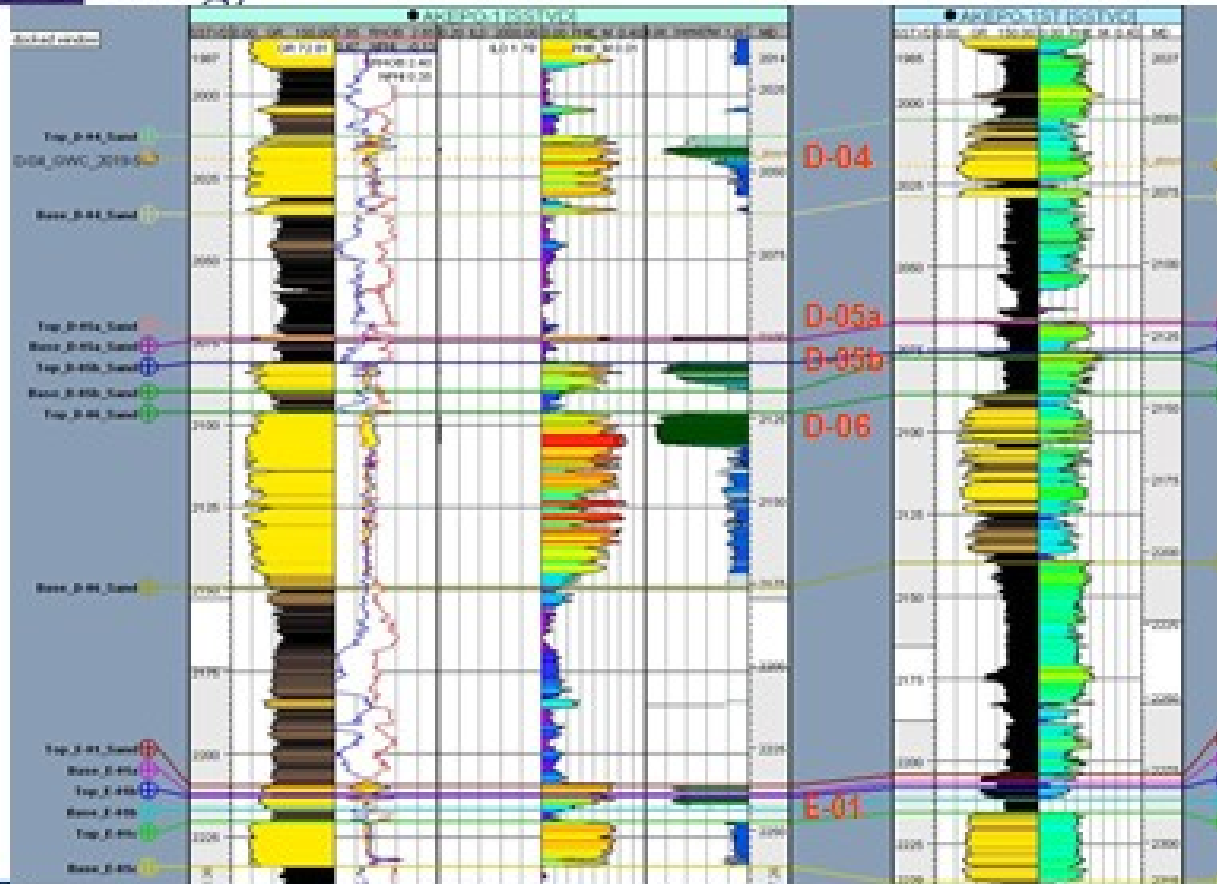
**RPS Energy Correlation section Part 1**



The C1 sand tested at 570 barrels oil per day of 20 API oil through 20/64 inch choke with low GOR

The D1 sand tested at 1170 barrels oil per day of 23 degree API oil through a 20/64 inch choke with low GOR

## RPS Energy Correlation section Part 2



D5 sands were not tested but are interpreted to be oil bearing from logs and represent an additional target for completion

# Review of 2010 - Akepo Valuations

## Key Fiscal Terms and cost assumptions (Exile figures)

Description	Value
Mean Oil Price	\$60/barrel
PPT Rate	55%
Education Tax	2%
NDDC Levy	3%
Capital Allowance Rate	20%
Investment Tax Allowance Rate	10%
Oil Tariff (inc. flare penalty)	\$8/barrel
Total Capex Cost	\$50MM
Total Abandonment Cost	\$5MM
Total Opex Cost	\$19MM (exc. Tariff \$17MM)
Mean Reserves per premise	3.61 Million barrels
Default Commercial term	80% Cost Recovery
Mean Oil Price	\$60.00/barrel
Breakeven (B/E) Price @ Mean Rs	\$33.25/barrel
Breakeven (B/E) Reserves @ \$60	1.852 barrels

# Review of 2010 - Akepo Valuations

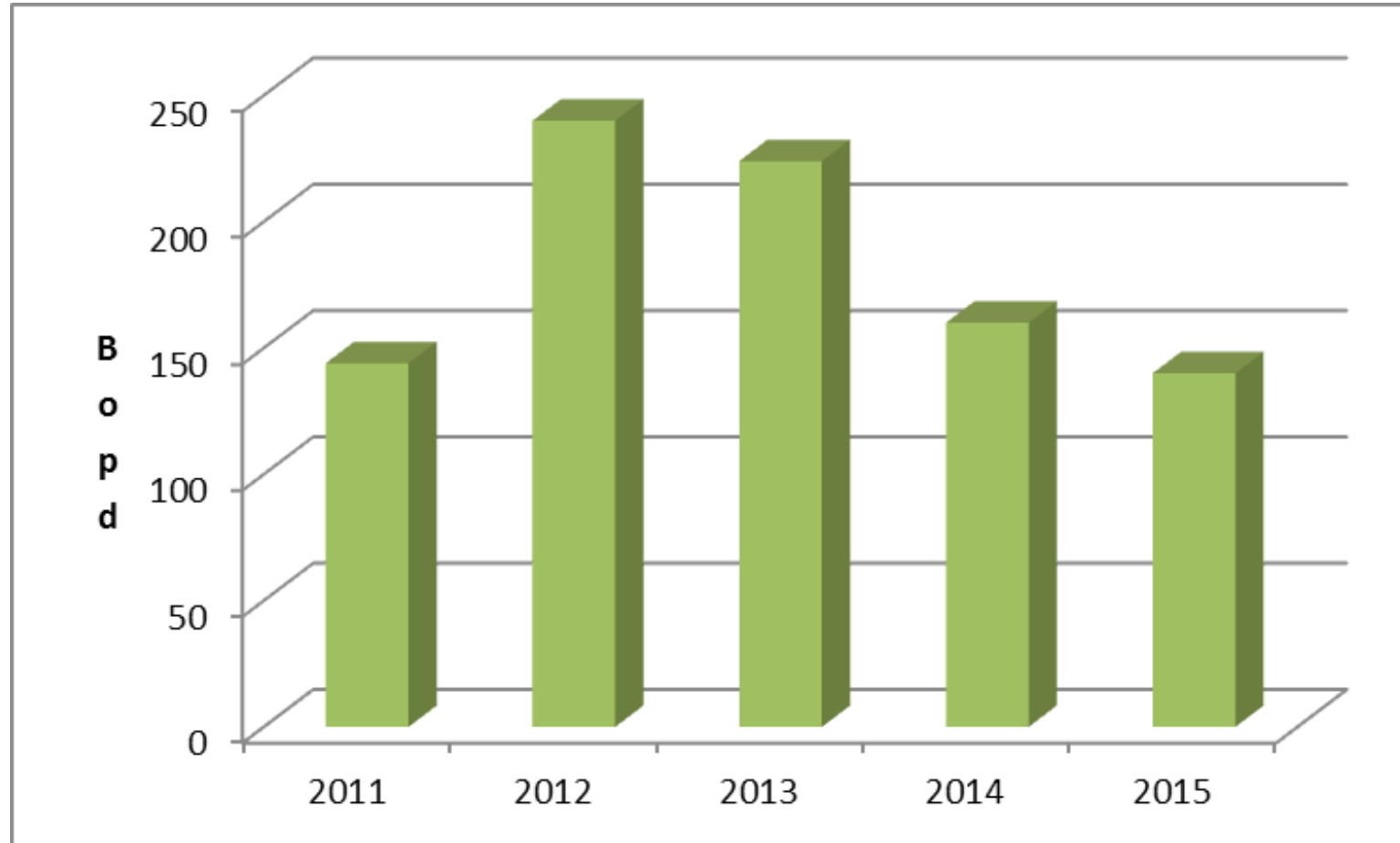
Exile Share NPV estimates (Akepo only) at various Oil Prices and Reserves

Capex		Oil Price (\$)					
Reserves (bbl)	\$46MM	\$	B/E	-	Mean	+	+
	Bbl	NPV \$'MM	33.25	40	60	70	90
	B/E	1.851	1.51	2.07	2.61	2.99	3.69
	-	3.21	2.49	2.74	3.48	3.83	4.78
	Mean	3.61	2.49	3.01	4.41	5.08	9.37
	+	4.22	2.83	3.32	4.79	6.30	10.58
	+	5.10	2.85	3.37	4.88	7.27	11.05

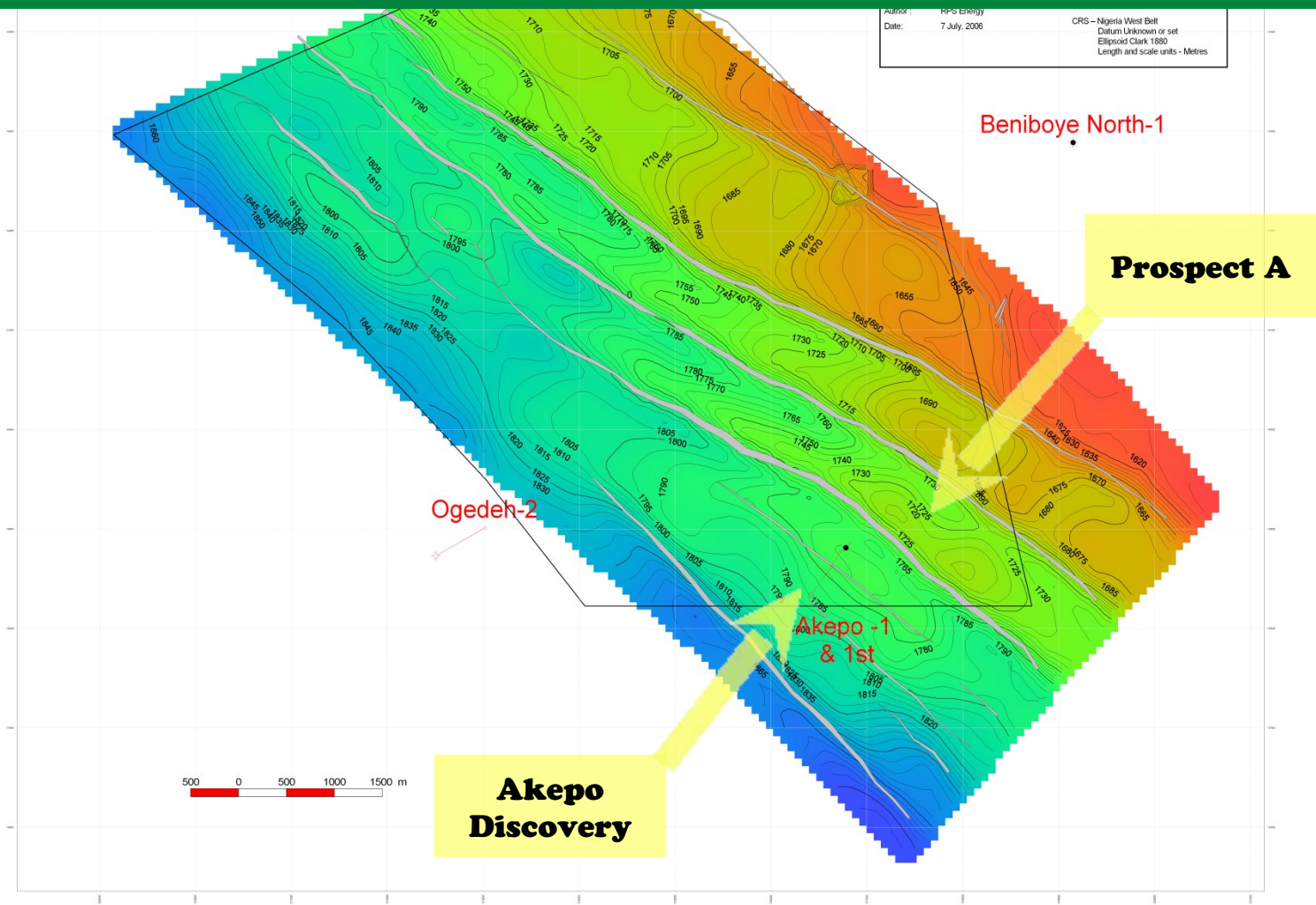
# Akepo Production Profile net to Exile

(Current view, not including Prospect A potential)

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# Top C-05 Sand Depth Structure Map shows Akepo structure, exploration potential in Prospect A, and location of nearby Beniboye field operated by Eni

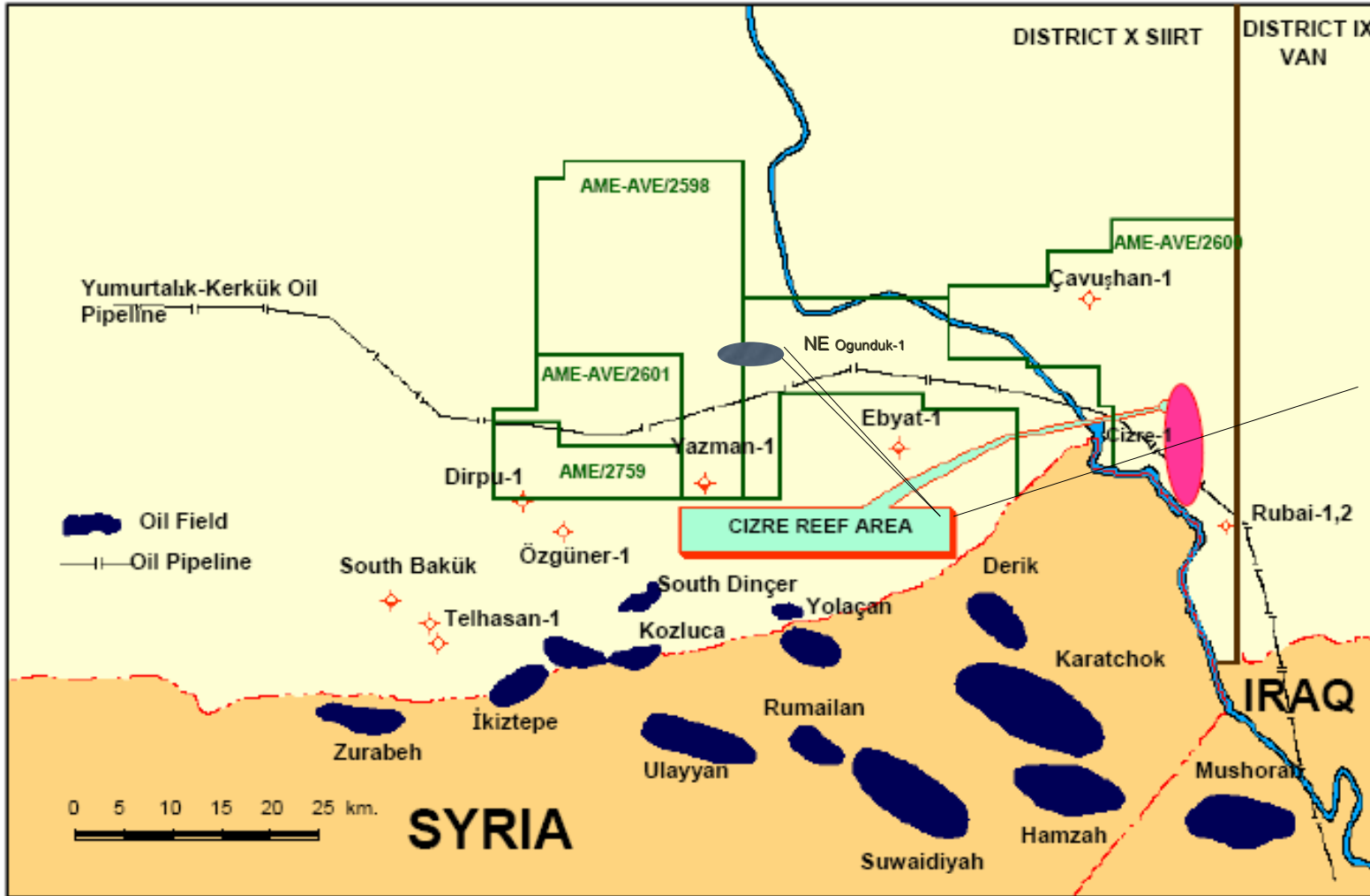


- Prospect A is interpreted to have similar sand distribution to Akepo
- Estimated to contain around 17 million barrels oil in place if oil distribution like Akepo
  - Exploration success rates in the Niger Delta between 1 in 2 and 1 in 3
  - Prospect A if successful would be an easy tie-in to Akepo
  - Commercial terms not finalised, deliberately left open
  - Most likely case is that Exile has 17.5% economic interest and carried as for Akepo
  - Could potentially negotiate for additional equity in return for well contribution

- Turkey – Farm in to five Rubai Licences in Eastern Turkey
- Staged Deal Structure with Aladdin Middle East with Options to continue or drop
  - Good address, near to major Fields (Billion Barrel plus) across the border in Iraq and Syria
  - Fiscal terms very attractive (20% tax, 15% Royalty)
  - Guaranteed market at benchmarked prices, 80kms to a refinery, production can be trucked
  - Exile earned 5% equity in 5 licences (1,200 sq km) by paying for re-entry and testing of N E Ogunduk -1 oil discovery (cost \$600,000)
  - 2D seismic of variable quality, but potentially large size structure
  - Can earn further 7% equity for fixed \$1.2 million contribution to next well on discovery structure
  - Can earn further 23% equity for fixed \$3.6 million payment for further well on another prospect
  - Valeura (formerly Pan-Western) farmed in after Exile's deal

# Review of 2010 – Eastern Turkey

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Good Address:

Multi-billion barrel fields across borders in Iraq and Syria

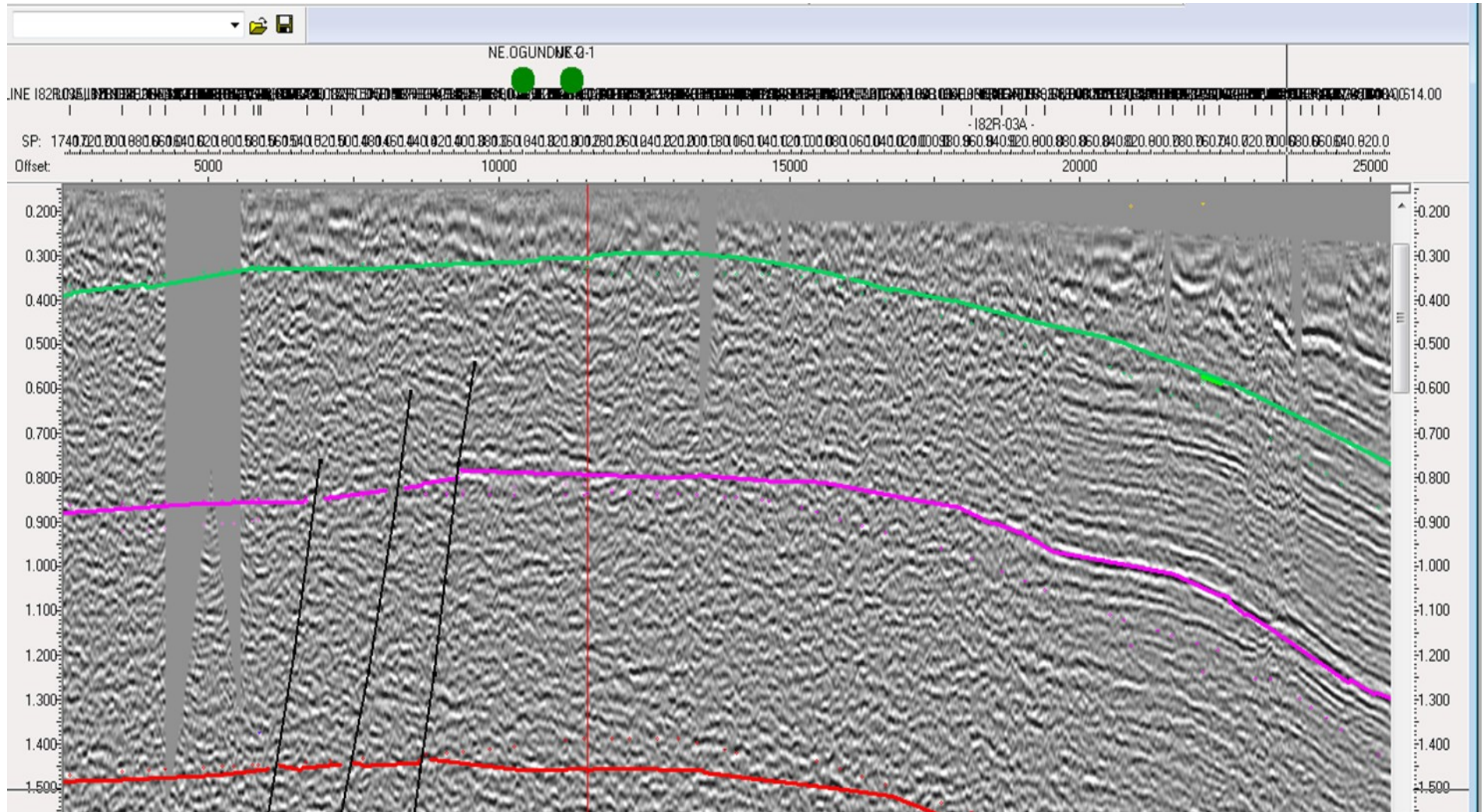
NE Ogunduk-1 structure could contain millions of barrels oil

Batman refinery 80 kms away offering guaranteed market

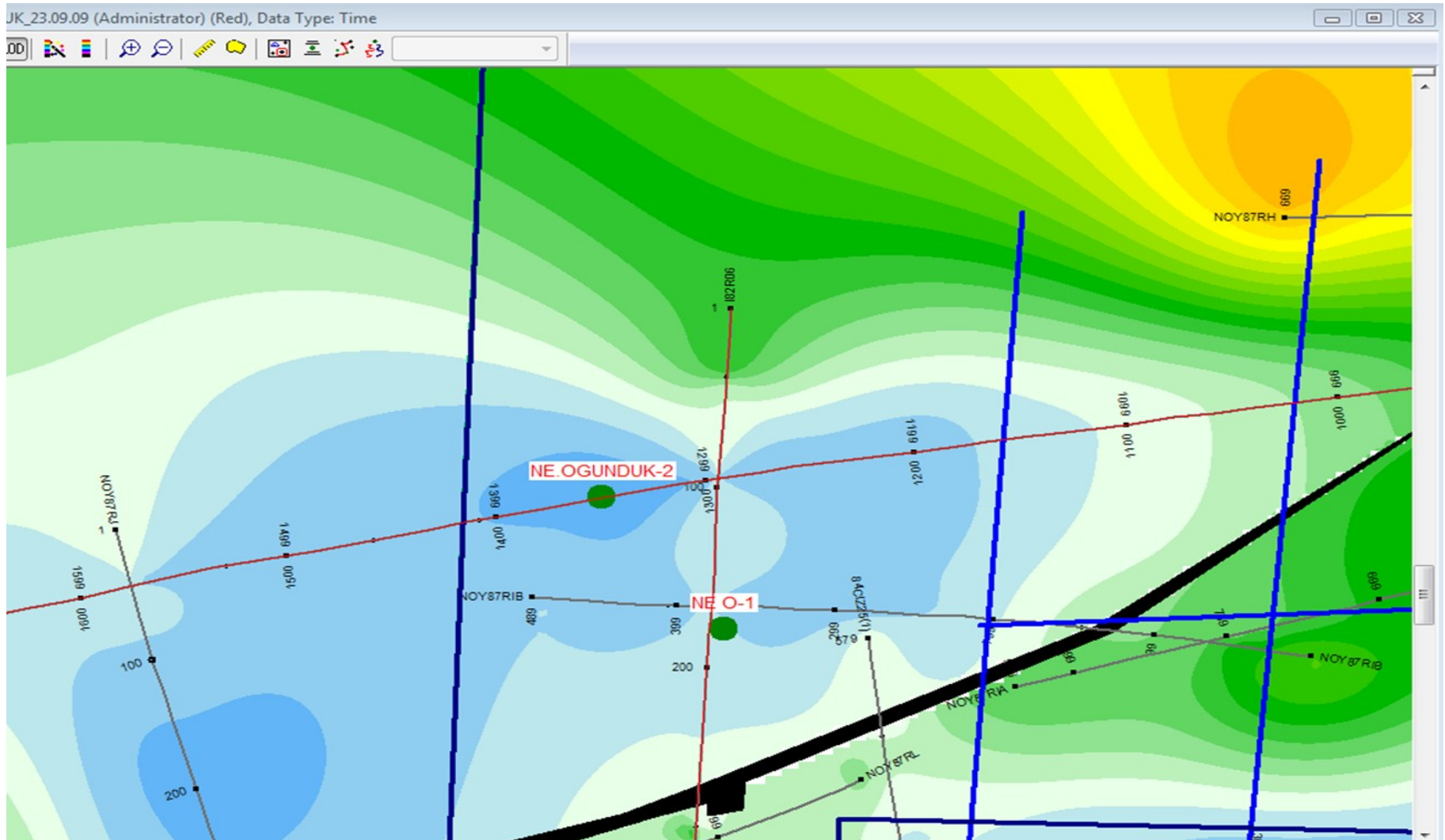
Other prospects in 1200 sq km area

- Well has tested circa 300 barrels a day fluids with 5% oil cut from each of two zones in Cretaceous limestone near to limit of structure, interpreted to be near Oil Water Contact, some 600 feet down from interpreted crest of structure
- This well could produce around 30 barrels per day of 19 degree API crude, although water handling could be a problem. Any production can be trucked for sale to Batman refinery c. 80 kms
- Formation dips from logs support interpretation of crest of structure to west of current well location
- Exile interpretation shows N E Ogunduk-1 well on edge of structure
- New seismic could improve interpretation (recent Perenco experience shows quality can be improved, and they think oil has migrated from their block into Rubai)
- Propose to drill next well (N E Ogunduk-2) to west at interpreted crest of structure, some 600 feet higher structurally. Seismic will delay the well until March, and Exile has restructured the farmin agreement to earn extra equity pro-rata for contribution towards cost of seismic
- Commitment to third well on a different structure next spring at cost of \$3.6 million (less any additional contribution towards seismic) to take equity to 35%

# Review of 2010 – EW seismic line near well

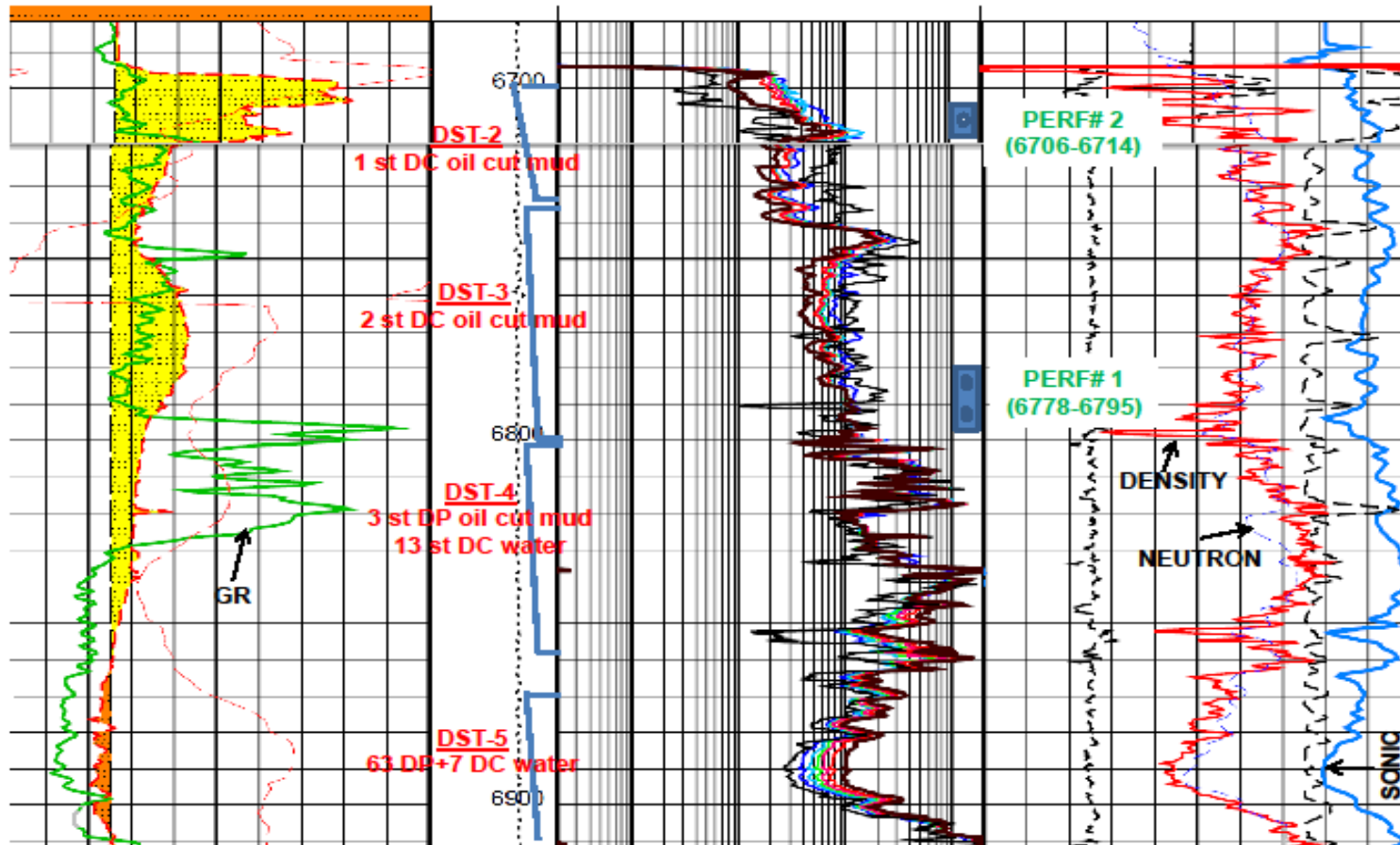


# Review of 2010 – Interpretation of existing seismic data shows NE Ogunduk-1 well at edge of structure with crests to the north and west



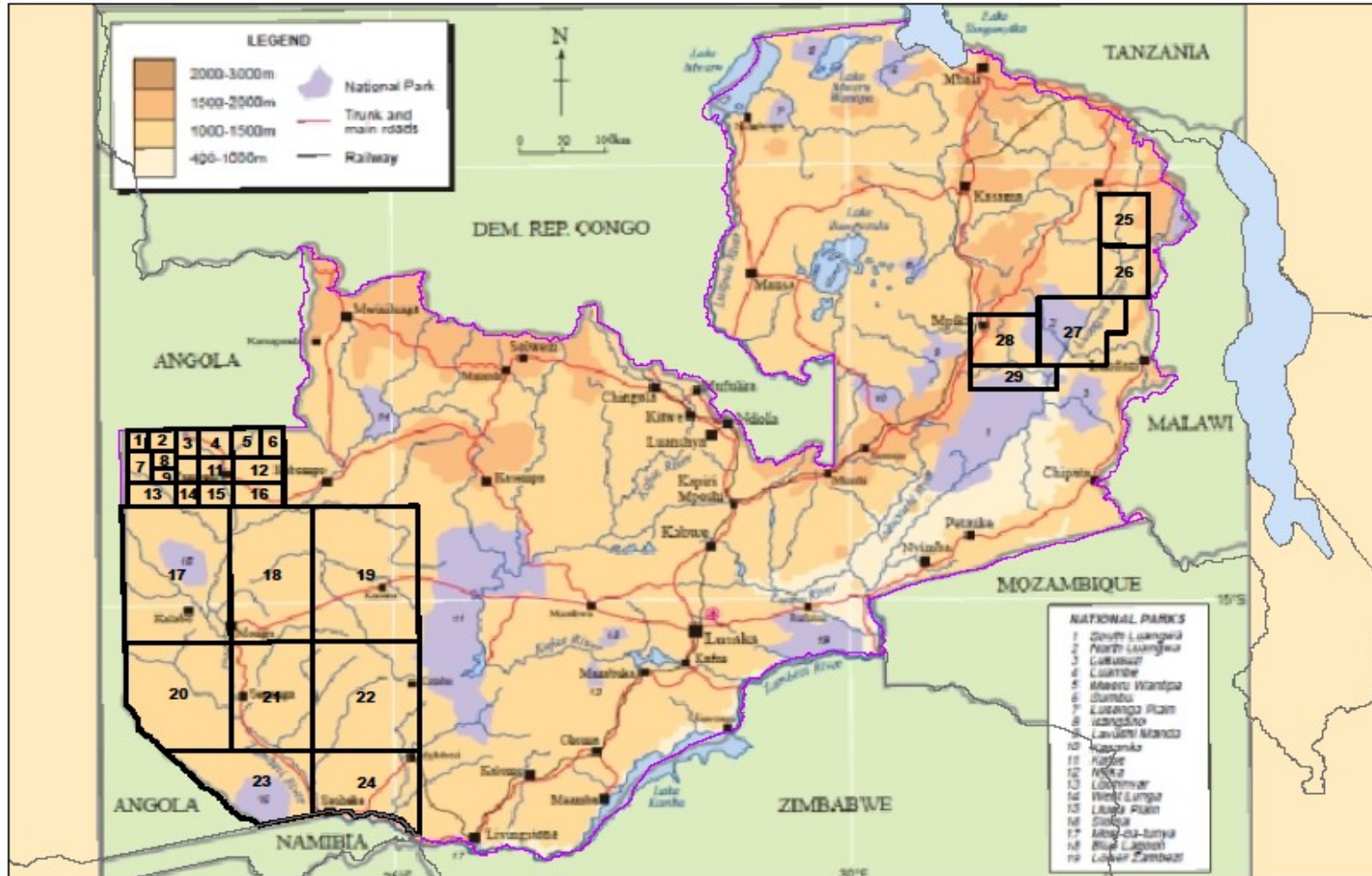
# Review of 2010 – NE Ogunduk-1 electric logs, Cretaceous limestone reservoir

## NE OGUNDUK-1 DST'S & PROPOSED PERFORATION INTERVALS



- **Zambia**
- **Block 26 has existing seismic data, and contains large untested structures**
- **Exile has been approached by two major players, indicating interest in Exile Block 26**
- **Final license allocation has just been received, we will now be taking discussions further**
- **Work programme total cost \$250,000 over 4 years**

# Review of 2010 - Zambia



Awarded Block  
26 in northeast  
Zambia

Just received  
Final Licence  
documentation

Two major  
players have  
expressed  
interest in the  
Block

- Focus is on existing core areas of Nigeria, Turkey and Zambia
- Exile will review opportunities in adjacent areas, that can be handled easily logistically from existing office locations, but these will have lower priority

- **Finance**

- **Akepo - carried by Oando through to First Oil, 8% share during cost recovery, 17.5% afterwards providing income stream**

**Other Sources of Funds -**

- **Recent Private Placements raising \$2.4 million, and then further \$1.8 million**
- **Final installment of past costs from Oando (c. \$1 million) due at First Oil on Akepo**

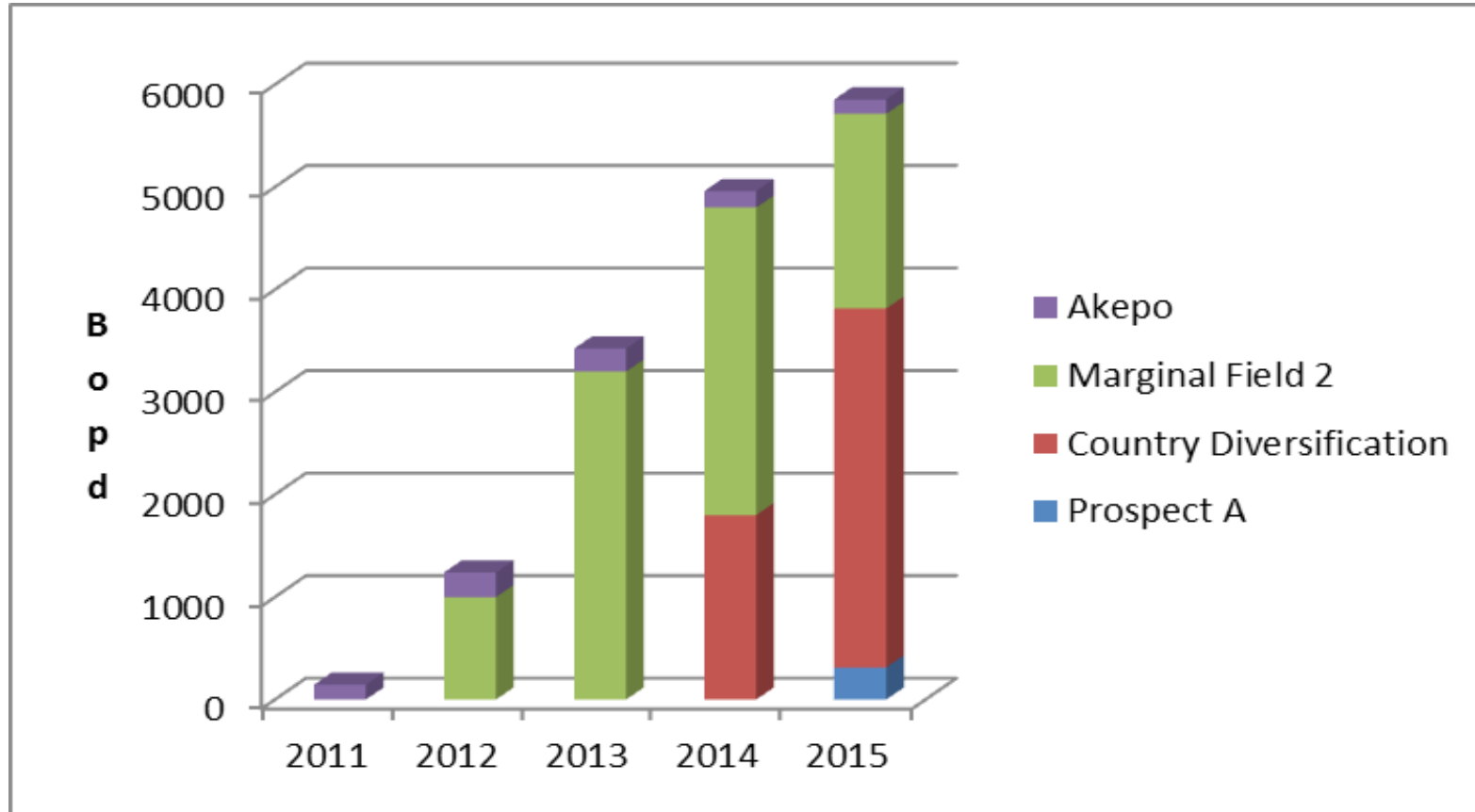
**Uses of Funds -**

- **Licensing Round in Nigeria – expected signature bonus costs around \$250,000 per licence. Could be held in H1 2011.**
- **Turkey – seismic c.\$0.6 million, next phase of drilling \$1.2 million**
- **Other Licence entry**

- Symbol ERI listed on TSX Venture Exchange
- Share Structure:
- Shares: 93,004,191 shares issued, of which  
14,244,993 directors, officers & mgt (15%)
- Options: 5,375,000 share options at between 13¢ and 50¢
- Warrants: 20,100,000
- Shares fully diluted: 118,479,191

# Potential Production Profile

(subject to successful acquisition of additional properties, rig availability, and assuming application of risk factors and other adjustments)



- Capital requirement US\$20m to \$50m
- Nigerian licensing round success would require additional funds

# Exile Resources

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## Officers, Directors, Management

### **Tony Henshaw – CEO, Director**

\*MSc Geophysicist with 30 years experience with Texaco, Exxon, BP & Centrica, and with MBA from London Business School. Fellow of the Geological Society of London

\*Discovered over 500 mboe

\*Asset management and field development experience

\*Business development and commercial strengths

\*Served in Director level positions for over 14 years

### **Ian Gray – Non-Executive Director**

\*Geologist with over 35 years in the oil industry, holding very senior international management positions in Conoco (now ConocoPhillips) and Amerada Hess

\*Previously sat on the board of Premier Oil, Plc as a non-executive Director; Chairman of Mitra Energy Limited

### **Graham Warren B-Comm, CMA – CFO**

\*Senior financial executive with substantial public company experience\*

Director Active Control Technology (TSXV-ACT)

Previously served as Chair of the audit committee of Hanfeng Evergreen Inc (TSX-HF)

### **Christopher J.F. Harrop, Non-Executive Director**

\*Formerly a Senior Vice President and a director of Canaccord Capital Corporation a Canadian broker dealer

\*Served as a director for a number of companies including Clublink Corporation and International Uranium Corporation

\*He holds an H.B.A. degree from the University of Western Ontario

### **Stan Bharti – Non Executive Chairman**

\*CEO of Forbes and Manhattan

\*25 years involvement in creation, acquisition, restructuring and financing of resource companies

### **Ahmed Said, Non-Executive Director**

\*CEO of Forbes Energy Group, including Vast Exploration, Longford Energy and Sagres Energy