

The Directors,
Sirius Petroleum plc,
16 Great Queen Street,
London,
WC2B 5DG

6th September 2016

Dear Sirs

Competent Person's Report on the Ororo Field, OML95, Offshore Nigeria.

In response to the letter of engagement received from Sirius Petroleum plc (Sirius) on 13th January 2016, Rockflow Resources Ltd ("Rockflow") has conducted an independent assessment of the potential Resources of Sirius's Ororo Field, OML 95 offshore Nigeria and prepared this Competent Person's Report (CPR). The Effective Date of this assessment is 6th September 2016.

Sirius (SRSP) is listed on the AIM market of the London Stock Exchange.

The work was undertaken by a team of Rockflow professional petroleum engineers and geoscientists based on data supplied by Sirius. Rockflow has relied on the completeness and accuracy of the data supplied by Sirius. The data comprised details of licence interests, seismic and well data, technical interpretations, reports and presentations. Rockflow has exercised due diligence and independent analysis where appropriate on all technical information supplied by Sirius. Rockflow confirms that it is not aware of any omission which may materially affect the conclusions of this CPR. Rockflow has not independently checked title interests with Government or licence authorities. No site visits were undertaken.

The Resources reported in this document are in accordance with the definitions of the Petroleum Resources Management System (PRMS) approved in March 2007 by the Society of Petroleum Engineers (SPE), the World Petroleum Congress (WPC), the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE).

Contingent Resources are those quantities of petroleum estimated, as of a given date (the Effective Date), to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status. The Low, Best and High estimates are designated as 1C, 2C and 3C respectively.

Volumes of oil are quoted in this report at stock tank conditions. Volumes of natural gas quoted herein are volumes of sales gas. Standard conditions are 60 degrees Fahrenheit and 14.73 psia.

TABLE A

ASSET SUMMARY TABLE

Asset	Operator	Sirius Interest	Status	Licence Expiry	Licence Area	Comment
Ororo Field	Guarantee Petroleum Company	40%	Development	1 st May 2019	30km ²	Sirius acts as sole service provider to the Operator

Following this evaluation as of 6th September 2016, Rockflow can report that the Ororo Field is assessed as containing Contingent Oil and Gas Resources as show below:

TABLE B

SUMMARY OF GROSS AND NET OIL CONTINGENT RESOURCES AS AT 6th SEPTEMBER 2016

Contingent Oil & Condensate Resources	Gross (MMstb)			Net Attributable Sirius (MMstb)			CoD
	Low (1C)	Mid (2C)	High (3C)	Low (1C)	Mid (2C)	High (3C)	
Ororo Field	3.839	7.184	19.479	2.551	4.283	9.977	0.5

TABLE C

SUMMARY OF GROSS AND NET GAS CONTINGENT RESOURCES AS AT 6th SEPTEMBER 2016

Contingent Gas Resources	Gross (Bcf)			Net Attributable Sirius (Bcf)			CoD
	Low (1C)	Mid (2C)	High (3C)	Low (1C)	Mid (2C)	High (3C)	
Ororo Field	43.10	92.14	101.66	22.47	41.82	45.23	0.5

Notes:

1. *The CoD (Chance of Development) indicates the probability that the full field development will be undertaken.*
2. *Sirius will fund all of the testing and development costs for Ororo, and recover costs from production with preference over other partners. As a result of this financing agreement, Sirius' net entitlement to production will be more than 40% of life of field gross production, and the percentage will be variable depending upon costs, oil prices and production volumes.*

An economic valuation of the asset was undertaken and the mid case price scenario results are given below:

TABLE D

CONTINGENT RESOURCE VALUATION AT THE MID CASE (\$50/bbl AND \$3.50/Mscf) REFERENCE PRICES

NPV ₁₀ US\$ MM	Gross NPV ₁₀ US\$ MM			Net Attributable Sirius NPV ₁₀ US\$ MM		
Asset	Low	Mid	High	Low	Mid	High
Ororo Field	48.3	139.0	349.8	8.5	49.2	135.8

Qualifications

Rockflow Resources Limited is an independent consultancy specialising in petroleum reservoir evaluation and economic analysis. Except for the provision of professional services on a fee basis, Rockflow Resources does not have a commercial arrangement with any other person or company involved in the interests that are the subject of this report. Rockflow staff have no interest in any assets or share capital of Sirius or in the promotion of Sirius.

In estimating Petroleum Resources, Rockflow has used standard petroleum engineering techniques. These estimates are made in accordance with the definitions and guidelines of the Petroleum Resources Management System (PRMS) approved in March 2007 by the Society of Petroleum Engineers (SPE), the World Petroleum Congress (WPC), the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE).

In accordance with the guidelines of the AIM Market of the London Stock Exchange, the technical information contained in this announcement has been reviewed and approved by Tom Gunningham, a chartered petroleum engineer and Reserves auditor for Rockflow Resources, who has over 28 years industry experience and meets the criteria of a qualified person under the AIM guidance note for mining and oil and gas companies. Rockflow Resources has conducted valuations for many energy companies and financial institutions.

Basis of Opinion

The evaluation presented in this report reflects Rockflow's informed judgement based on accepted standards of professional investigation and Rockflow's understanding of petroleum legislation, taxation and the regulations that apply to the properties but is subject to generally recognised uncertainties associated with the interpretation of geological, geophysical and subsurface reservoir data.

Rockflow cannot attest to the property title, rights and obligations, licences, consents, permissions and financial interests for any part of the evaluated properties.

It should be understood that any evaluation of hydrocarbon volumes and associated NPVs, particularly one involving exploration and future petroleum developments, may be subject to significant variations over short periods of time as new information becomes available. Rockflow does not warrant that the opinions expressed here will be any form of guarantee of the outcome.

Yours faithfully,



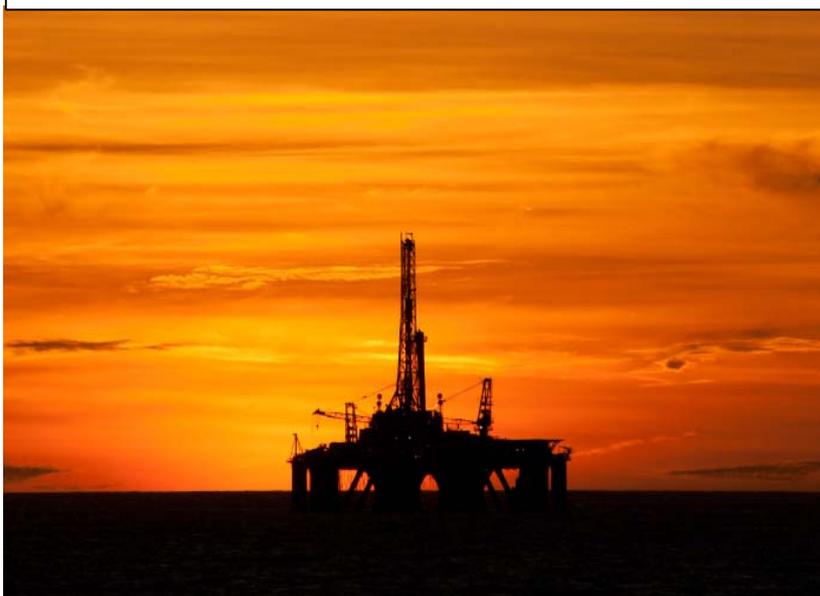
Tom Gunningham MA(Oxon) CEng MEI

Chief Reservoir Engineer,

Rockflow Resources Ltd

**Competent Person's Report
on the Ororo Field, OML95,
Offshore Nigeria**

**For
Sirius Petroleum Plc**



rockflow
RESOURCES

CONSULTANTS TO THE
PETROLEUM INDUSTRY

This report was prepared in accordance with standard geological and engineering methods generally accepted by the oil and gas industry. Estimates of hydrocarbon reserves and resources should be regarded only as estimates that may change as further production history and additional information become available. Not only are reserves and resource estimates based on the information currently available, these are also subject to uncertainties inherent in the application of judgemental factors in interpreting such information. Rockflow Resources Ltd. shall have no liability arising out of or related to the use of the report.

Status	Update Final
Date	6/9/2016
Issued by	Terry Pimble
Reviewed by	Roddy Irwin Partner & Principal Petrophysicist Rockflow Resources
Approved by	Tom Gunningham Technical Director Rockflow Resources

Executive Summary

Sirius Petroleum holds a 40% working interest in the Ororo Field Licence in Nigeria, which is located 6km offshore of the western Niger Delta in 25 feet of water. Hydrocarbons were discovered in seven sandstone reservoirs (D1 to D5, F and G) in Ororo-1 drilled by Chevron in 1986. Four of the reservoirs were tested, two produced oil (D3 and G) and two produced gas condensate (D4 and D5). Wireline log analysis indicates the upper part of D1 and D2 contain gas with a possible oil leg below. Although the logs clearly show the presence of gas in the upper D1 and D2, definition of oil legs is less clear due to changes in log character caused by increased clay content. The F sand is considered to be charged with oil. No hydrocarbon-water contacts could be defined as the hydrocarbon columns in each reservoir extend to the base of the sand within Ororo-1. Although 3D seismic data are available for the field, its quality is rather poor, so the structure of the trap is only moderately imaged. This, together with the fact that only one well has been drilled in the field and hydrocarbon contacts could not be defined, leads to significant uncertainty with regards in-place oil and gas volumes. Therefore these have been calculated probabilistically.

Sirius is currently planning to drill Ororo-2, where wireline pressure tests and samples will be taken to confirm the presence of an oil leg in D1 and D2. A commingled drill stem test of the D1 to D3 reservoirs will then be run to obtain flow rates for these reservoirs. The well will subsequently be deepened and an Extended Well Test (EWT) is planned for the G reservoir. An Eclipse model, constructed by Schlumberger, was used to simulate the recoverable volumes of oil and associated gas from the D1, D2, D3, F and G reservoirs. As inconsistencies appear to be present in the Eclipse structural model, it was primarily used to test the effect of different oil column thicknesses below gas caps on oil recovery.

A development of the field envisages dual lateral wells with 1 to 2 horizontal 500m bores in the D1, D2 and D3 reservoirs, dependent on confirmation of oil legs in D1 and D2, and oil column heights. Currently the F sand is not considered for development due to limited oil volumes. The G sand will be produced solely by Ororo-2. It is also planned to drill one well to obtain commingled gas production from the D4 and D5 reservoirs. Contingent oil resources have been calculated using the Eclipse model with profiles scaled to match the probabilistic forecast of STOIP and GIIP. Gas resources for the D4 and D5 sands have been produced using the material balance equation. The resultant contingent oil and gas resources with both gross and net volumes to Sirius are tabulated below:

Contingent Oil & Condensate Resources	Gross (MMstb)			Net Attributable Sirius (MMstb)			CoD
	Low (1C)	Mid (2C)	High (3C)	Low (1C)	Mid (2C)	High (3C)	
Ororo Field	3.839	7.184	19.479	2.551	4.283	9.977	0.5

Table 0-1 Ororo Contingent Oil Resources

Contingent Gas Resources	Gross (Bcf)			Net Attributable Sirius (Bcf)			CoD
	Low (1C)	Mid (2C)	High (3C)	Low (1C)	Mid (2C)	High (3C)	
Ororo Field	43.10	92.14	101.66	22.47	41.82	45.23	0.5

Table 0-2 Contingent Associated Gas Resources

Notes:

1. *The CoD (Chance of Development) indicates the probability that the full field development will be undertaken.*
2. *Sirius will fund all of the testing and development costs for Ororo, and recover costs from production with preference over other partners. As a result of this financing agreement, Sirius' net entitlement to production will be more than 40% of life of field gross production, and the percentage will be variable depending upon costs, oil prices and production volumes*

The above tables contain a risk factor to give the probability that the full field development will be undertaken. This is in part due to the lack of samples to confirm the presence of oil in the lower part of the D1 and D2 reservoirs.

Sirius has stated that they intend to install a Conductor Supported Platform prior to drilling Ororo-2. Oil from the EWT will be piped from the platform to a barge, where it will be treated and exported via a shuttle tanker. Gas will be exported via a 5km 8" pipeline to Parabe. For Full Field Development, it is envisaged that further platforms will be installed and the barge be upgraded to take the greater volumes produced. Export of hydrocarbons will be using the same routes as the EWT.

Recent costs have been obtained from contractors by Sirius for the above development scheme and these have been used in the economic analysis. Total CAPEX for the EWT has been estimated as US\$31.73 million and a full field development between US\$99.23 million and US\$126.15 million depending on the size of resource to be developed. OPEX has been estimated around US\$10 million per annum.

The Ororo field has been awarded under the standard Nigerian Marginal Field Fiscal Terms. In addition, a Royalty is due to the Chevron and Nigerian National Petroleum Corporation under the marginal field farm-out agreement. Incorporating these royalties, an economic analysis was undertaken for low, mid and high case hydrocarbon volumes with a spread of prices [Table 0-3].

	Oil Price \$/bbl	Gas price \$/Mcf	Low Case Hydrocarbon Volumes	Mid Case Hydrocarbon Volumes	High Case Hydrocarbon Volumes
Gross Project NPV ₁₀ US\$ MM	25	1.75	-48.1	-15.2	109.0
Sirius Net NPV ₁₀	25	1.75	-59.8	-41.1	32.9
Gross Project NPV ₁₀ US\$ MM	50	3.50	48.3	139.0	349.8
Sirius Net NPV ₁₀	50	3.50	8.5	49.2	135.8
Gross Project NPV ₁₀ US\$ MM	75	5.25	141.9	275.8	581.7
Sirius Net NPV ₁₀	75	5.25	53.3	106.6	229.6
Gross Project NPV ₁₀ US\$ MM	100	7.00	234.7	409.8	813.4
Sirius Net NPV ₁₀	100	7.00	91.2	161.3	322.8

Table 0-3 Summary of economic valuations

The above analysis shows the proposed development plan would be economically robust at a realistic range of reference oil and gas prices.