PETRUSADVISERS

Ophir Energy Plc
Bill Schrader (Chairman of the Board)
Cc: Directors of the Board
123 Victoria Street
SW1E London

London, 19 February 2019

Dear Bill,

On 14 January 2019, we sent you a letter expressing our view that Medco's offer of 55p / share significantly undervalues Ophir. Since then, the market has traded millions of Ophir shares above 55p. At this point, Medco is paying less than the fair value of Ophir's South East Asian production assets[1] meaning they are gifted substantial synergies and the upside potential from Ophir's licenses in Tanzania, Mexico and Equatorial Guinea ("**EG**").

Since you joined the Ophir Board, the share price has fallen 87% representing $2.1 billion of value destruction[2]. We increasingly see a pattern suggesting a potential conflict of interest: The Board seems to prefer to sell Ophir at sub-optimal terms rather than fight for shareholder value:

- Your Operations and Trading Update on 15 January 2019 was exceptionally conservative. In key parts, management seemed to have revised essential factors, such as Ophir's production outlook without logical explanation;
- You added Dr Adel Chaouch to the Board without mentioning his background as a specialist in EG or the fact he was proposed by Petrus Advisers and enjoys broad shareholder support;
- The situation in EG was mismanaged. You failed to meet with the key decision makers following the departure of Dr Nick Cooper in April 2018, who had held these relationships;
- You seem to have prematurely agreed a termination of the Fortuna license;
- We see no significant progress in marketing assets including Ophir's Mexican licenses and the 20% ownership in Blocks 1 and 4 in Tanzania;
- You seem to not have professionally solicited and considered offers for Ophir from other buyers; and
- You repeatedly blocked shareholders' demands for Ophir to return capital to shareholders which in the current situation has to be the basis for any Plan B when the current Medco offer will fail.

In light of the above, we demand Dr. Adel Chaouch and Dr. Carl Trowell – whom we both trust – be put in charge of the following key tasks immediately:

- Managing the sale of the Mexican license portfolio for cash;
- Soliciting offers for the Tanzanian licenses;
- Soliciting offers for all or parts of the South East Asian operations and in particular Thailand;
- Reopening discussions with the EG government about appropriate compensation for their unprecedented and unfair seizure of the Fortuna license – despite Ophir having invested c. $700 million and having discovered and proven up valuable hydrocarbons for the country. We demand you present a legal strategy that includes suing EG and anyone who wants to bid for the Fortuna license;
- Actively engaging with interested parties for all or parts of Ophir;
- Presenting an alternative to the Medco offer including a minimum of $100 million of tax-efficient distributions to shareholders immediately; we believe proceeds for the Mexican license and / or Tanzania should be added to the $100 million distribution number.

Under your watch, an enormous amount of value has been lost for investors. This is your final reminder to preserve and build value. We reserve all our legal rights in this situation.

Sincerely,

Klaus Umek, Managing Partner

Till Hufnagel, Partner

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[1] *As per our letter dated 14 January 2019, we believe the South East Asian production assets are worth at least 60p per share equivalent.*
[2] *Per 19 February 2019. The value destruction is $2.9 billion when considering the equity issue completed two months after you joined the Ophir Board.*