Guatemalan Oil Production and Exploration
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Competent Person Statement

The information included in this presentation that relates to resources was prepared by Mr Allen L. Kelley, who is an executive with Ralph E. Davis Associates, Inc. based in Houston, Texas. Mr Kelley has over 30 years of oil and gas experience and is a Certified Petroleum Geologist (Certificate Number 6092). Mr Kelley is a member of the American Association of Petroleum Geologists, Houston Geological Society, and the Society of Petroleum Engineers. In addition Mr Kelley has been a contributing member of the Potential Gas Committee for over 20 years holding positions of Eastern Region Vice President, Chairman of the Gulf Coast and Atlantic Committees and currently is on the Editorial Committee and Chairman of the Alaska Committee. Estimates as to recoverable hydrocarbon volumes contained in this presentation are based upon certain assumptions. Accordingly, actual results will differ, and may differ significantly and materially, from those presented.
Corporate Summary

**Capital Structure**

<table>
<thead>
<tr>
<th>Exchange - ASX</th>
<th>Code - CTR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary shares</td>
<td>902m</td>
</tr>
<tr>
<td>Options exercisable at 4c</td>
<td>221m</td>
</tr>
<tr>
<td>Implied Market Cap at 2c</td>
<td>$18m</td>
</tr>
<tr>
<td>30 day Av Daily Volume (Shares)</td>
<td>7.9m per day</td>
</tr>
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</table>

**Directors**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brett Mitchell</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Michael Curnow</td>
<td>Director</td>
</tr>
<tr>
<td>Sophie Raven</td>
<td>Director/Co Sec</td>
</tr>
</tbody>
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**LAR Management**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Realini</td>
<td>Managing Director</td>
</tr>
<tr>
<td>Luis Arturo Wug</td>
<td>Operations Director</td>
</tr>
</tbody>
</table>

**Final Ownership Structure**

CTR

Latin American Resources

Range Resources

LAR Management

Block 1-2005
Atzam Oil Project
Tortugas Salt Dome

60%

20%

20%

100%
• Citation hold direct 60% equity interest in Latin American Resources Ltd (Bahamas)
• First up Atzam success - Atzam #4 initial test at equivalent rate of +600 bopd on 32/64ths choke
• LAR estimate flow rate in excess of 1,000 bopd on open choke
• Currently producing ~ 140 barrels per day, no water – rate constrained by storage capacity
• Reserves of 2.3mmbbl in #4 well alone, with Contingent Resource for the field of 20mmbbl
• Drilling imminent - Atzam #5 well spud scheduled for September 2013
• Two well workover planned to commence early 2014
• 2P Reserves of 0.6mmbbl from these wells, flowed at 1,500bopd on initial test
• Significant exploration upside - Atzam analogue structures and salt domes identified on block
• Stable political regime and attractive fiscal terms with ~$50 per barrel operating margin on current WTI pricing
LAR Investment Structure

• LAR holds a direct 100% interest in the Atzam and the Tortugas Projects

• Citation (with Range Resources) have invested +$12m to date, will earn a 70% equity interest in LAR upon funding exceeding $13m.

• Earned 70% equity interest in LAR—60% CTR and 10% RRS, RRS 10% debt offset agreement

• Following earn in completion, loan carry other 30% LAR equity interest for next $12m project expenditure ($13m to $25m)- CTR fund 85% and RRS 15%

• $3.6m loan carried amount (30% of $12m) repaid as priority from share production revenue

• Post $25m total project expenditure, all LAR shareholders fund working interests heads up

• Over $25m of available tax losses
Immediate production, defined drilling opportunities and significant upside exploration potential

Atzam Oil and Tortugas Salt Dome Projects

- Operational infrastructure and assets in place
- Over 77,000 exploration acres in 1-2005 block within the highly prospective South Peten Basin, Guatemala

- New production June 2013 (Atzam 4)
- Offtake agreement and upgrade of surface equipment underway – complete August 2013
- Current Proved plus probable reserves of +3 MMBO, with a further ~20 MMBO of potential
- 2013 exit production of approximately 800 BOPD\(^1\), with the potential to increase production to 1,300 - 1,500 BOPD\(^2\) by year end 2014
- Approximately $30M of sunk capital invested

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\(^1\) Management estimate based on 2 Atzam production wells
\(^2\) Management estimate based on 2 Atzam production wells and 2 Tortugas re-entry wells
Guatemala Overview

• Land management is well legislated in Guatemala
  – By constitution, the State of Guatemala is owner of all natural resources that are in the subsurface, while the individual land owners in Guatemala control the surface and access rights to the land

• Guatemala has a favourable business climate for oil companies
  – Base royalty of 20%, increases with oil quality
  – 31% corporate tax rate
  – 100% of capital expenditures are recoverable

• Guatemala is politically stable
  – Democratically elected Government in 1983

Country Facts

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>13.8 MM</td>
</tr>
<tr>
<td>Literacy Rate</td>
<td>69.1%</td>
</tr>
<tr>
<td>Labour Force</td>
<td>4.26 MM</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>3.2%</td>
</tr>
<tr>
<td>GDP</td>
<td>$70.3 bn</td>
</tr>
<tr>
<td>GDP per Capita</td>
<td>$5,200</td>
</tr>
<tr>
<td>GDP Growth</td>
<td>2.2%</td>
</tr>
<tr>
<td>Inflation</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

(1) Source: CIA World Factbook
100% of domestic production comes from the North Peten and South Peten Basins

Block 1-2005 (CTR 60%)
Area - 77,717 Gross Acres
Term - Until 2030
2013 Exit Production Target - 800BOPD, 2 Atzam wells

Atzam and Tortugas Fields
Information on production test:
- 32-38°API, High Quality Oil
- Shallow 2,500-4000ft wells
- <20km from Rubelsanto Field (existing infrastructure)
- Rubelsanto Field analog produces at 800BOPD with +30MMBO cumulative production to date
Guatemala Oil Infrastructure and Activity

**Guatemala Oil Facts** *(2)*

- **Proved oil reserves:** 83 MMBO
- **Production:** 13,530 BOPD
- **Consumption:** 79,000 BOPD
- **Export:** 21,850 BOPD
- **Import:** 72,440 BOPD

*(2) Source: CIA Factbook*
**Guatemala Royalties and Netbacks**

- High netbacks driven by sound cost structure, a business friendly royalty environment and premium oil sales

<table>
<thead>
<tr>
<th>WTI</th>
<th>$80.00</th>
<th>$100.00</th>
<th>$120.00</th>
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<tr>
<td>+ Estimated WTI Premium (32° API)(^{(1)})</td>
<td>$20.00</td>
<td>$15.00</td>
<td>$15.00</td>
</tr>
<tr>
<td>- Royalty (25%)(^{(2)})</td>
<td>$25.00</td>
<td>$28.75</td>
<td>$33.75</td>
</tr>
<tr>
<td>- Oil Sales Brokerage</td>
<td>$2.55</td>
<td>$2.55</td>
<td>$2.55</td>
</tr>
<tr>
<td>- Estimated Operating Costs (^{(3)})</td>
<td>$7.00</td>
<td>$7.00</td>
<td>$7.00</td>
</tr>
<tr>
<td>- Trucking (^{(4)})</td>
<td>$9.00</td>
<td>$9.00</td>
<td>$9.00</td>
</tr>
<tr>
<td>= Operating Netback Pre Tax</td>
<td>$56.45</td>
<td>$67.70</td>
<td>$82.70</td>
</tr>
</tbody>
</table>

Note: Guatemala’s corporate income tax rate is currently 31%

- Historically, LAR has sold its oil domestically to an end user at $20/bbl premium to WTI (based upon WTI/ Bunker C price ratio)

- LAR has over $25m of available tax losses

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\(^{(1)}\) Price premium for API – oil sold to industrial user as equivalent to Bunker C, premium varies according to market conditions in the range of +10% to +25% (Load sold in mid Dec for $96.72 per bbl when WTI was $69.56)

\(^{(2)}\) Government Royalty on oil (based on API): Royalty = 20% for 30° API oil; royalty increases / decreases by 1% for each increase / decrease in API degree

\(^{(3)}\) Excludes overhead

\(^{(4)}\) Trucked to a Guatemala City industrial user with a capacity of approx 3,000 BOPD, Perenco pipeline nearby - approx $7 per bbl transportation - but no WTI premium
1-2005 Oil Fields and Exploration Potential

**ATZAM OIL FIELD**
- Tortugas Oil Field
- Rubelsanto Oil Field (discovered 1976)
  - 800 BOPD current production
  - 28 MMBO produced
  - 77 MMBO est reserves

**Mexico**
- Under-explored area with surface anticlines and analogous structures to Chinaja, Chinaja West and Caribe Oil Fields
- 2D Seismic Grid
- 10km

**RUBELSANTO OIL FIELD**
- High volume potential (1000 BOPD) in shallow wells (2500-4000ft)
- 32-38°API High Quality Oil
- Possibility of two additional unexplored salt domes on the property
- Exploration upside within southern sector of block by analogy to offsetting Oil Fields and Regional Geological Trends
1-2005 – Tortugas and Atzam Fields

TORTUGAS OIL FIELD
(Salt diaper flank structural trap)

ATZAM OIL FIELD
(Salt cored anticline)
1-2005 – Tortugas and Atzam Fields

SURFACE GEOLOGY MAP

Seismic Line 91-69

ATZAM STRUCTURAL HIGH – 10km² AREA BY SUBSURFACE AND SURFACE GEOLOGICAL CONTROL

5km

TORTUGAS OIL FIELD

ATZAM OIL FIELD
Seismic Line 91-69 – Atzam Field

Atzam Salt-cored thrust anticline

LOCATION
Current geologic interpretation supports up to 10 additional new well locations.
Atzam-4 Log Results

Atzam-4 Probable Reserves volumetric estimate based on 160 acre drainage area -

<table>
<thead>
<tr>
<th></th>
<th>RF 20%</th>
<th>RF 25%</th>
<th>RF 30%</th>
</tr>
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<tbody>
<tr>
<td>C-13 A</td>
<td>335,939</td>
<td>421,174</td>
<td>505,409</td>
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<tr>
<td>C-13 B</td>
<td>161,758</td>
<td>202,198</td>
<td>242,637</td>
</tr>
<tr>
<td>C-14 A</td>
<td>63,990</td>
<td>79,988</td>
<td>95,985</td>
</tr>
<tr>
<td>C-14 B</td>
<td>222,972</td>
<td>278,715</td>
<td>334,458</td>
</tr>
<tr>
<td>C-16</td>
<td>125,340</td>
<td>157,925</td>
<td>189,509</td>
</tr>
<tr>
<td>C-17</td>
<td>362,515</td>
<td>453,143</td>
<td>543,772</td>
</tr>
<tr>
<td>C-18 A</td>
<td>161,121</td>
<td>201,401</td>
<td>241,681</td>
</tr>
<tr>
<td>C-18 B</td>
<td>106,205</td>
<td>132,757</td>
<td>159,308</td>
</tr>
<tr>
<td></td>
<td>1,541,840</td>
<td>1,927,301</td>
<td>2,312,759</td>
</tr>
</tbody>
</table>

Lower C16

Lower C16

Top C17

Upper C17 2846-48 (2 feet) and 2849-2853 (4 feet) immediate gas to surface continually increasing blow, 30 min shut in pressure 155 psi open well, oil to surface flowing through 9 5/8 casing. Strong gas flare (est. 5 meters) with average oil flow of 610 BOPD / 0 Wtr on ½ inch choke. SITP 570 psi.
Tortugas Oil Field Development

Original 17 wells on Tortugas salt dome drilled by Monsanto looking for sulphur – 1 well (T9B) had an oil blowout at approx 2,200 feet and most others had oil shows in multiples zones

- 6 Potential new well locations
- Multiple Targets with good Geological control
- High Quality Oil (34°API) and High potential initial flow-rates

Shut-in producers 63-4 and 63-5 (initial rates over 1,500BOPD – shut-in 1985) to be re-completed.

- 2 well re-entry
- Circa $750k
- Targeting 250bbl

2km
Significant Project Capital Invested

- Approximately $18M has been invested in project infrastructure
- Temporary treatment and oil storage facility built
  - 7,000 BO capacity will increase following completion of Atzam #4 offtake contract
  - Increased capacity separator in place to process high production rates
- Open airstrip at Tortugas camp - Full working camp with 24 hr kitchen and 100 man capacity
- 500 hp Harold Lee trailer mounted drilling rig, with upgrades worth ~$3.0 MM
- Wilson 38 Service Rig refurbished worth ~ $0.5 MM

LAR owned Drilling Rig  LAR owned Work Over Rig  Tortugas Camp & Airstrip
# Proposed Work Program in 2013/14

<table>
<thead>
<tr>
<th>Activity</th>
<th>2013</th>
<th>Q1 2014</th>
<th>Q2 2014</th>
<th>Q3 2014</th>
<th>Q4 2014</th>
<th>Targeted Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drill and complete 2 development wells- Atzam #4 (Producing) and Atzam #5, with upgrade to Atzam tank facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Atzam #4 400 bopd Atzam #5 400 bopd</td>
</tr>
<tr>
<td>Re-enter and re-complete 2 wells</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>250 bopd per well</td>
</tr>
<tr>
<td>Upgrade Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquire, Process and Interpret 3D seismic on Tortugas and Atzam</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Up to 12 additional locations on Atzam Up to 6 Additional locations on Tortugas Additional prospects within block</td>
</tr>
<tr>
<td>Exploratory well #1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Expl #1 400 bopd</td>
</tr>
<tr>
<td>Additional gravity survey</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2013 exit rate target 800 bopd 2014 exit rate target 1,500 bopd</td>
</tr>
</tbody>
</table>
CONTACT DETAILS

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