

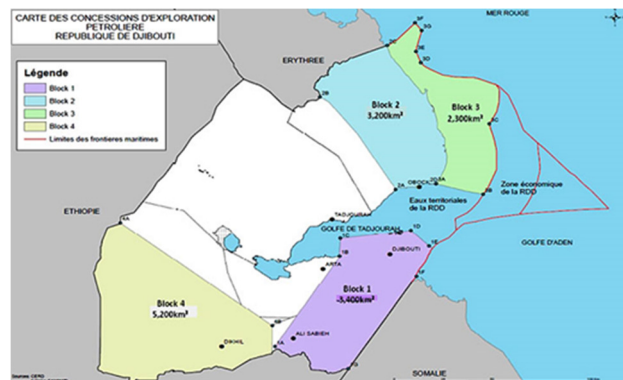
Exploration Opportunity in the Republic of Djibouti

The Opportunity

Oyster Oil & Gas Limited (“Oyster”) is pleased to present a farm-in opportunity to its onshore Blocks 1, 2, and 4 and offshore Block 3 covering a total area of 14,000km² (3.46 million acres) in the Republic of Djibouti. The Blocks are operated 100% by Oyster.

From a petroleum system perspective, the blocks are located at the intersection of two of the most successful hydrocarbon rift plays in Africa. Blocks 2 and 3 are located in the southern extension of the Red Sea basin; a major basin with over 50 years history of oil and gas production. Blocks 1 and 4 are located in the East Africa Rift system; a system that has captured much attention in the industry recently, with the world class proven oil plays in Uganda and Kenya, as well as the extensive uptake of exploration licenses in Ethiopia and Somalia / Somaliland.

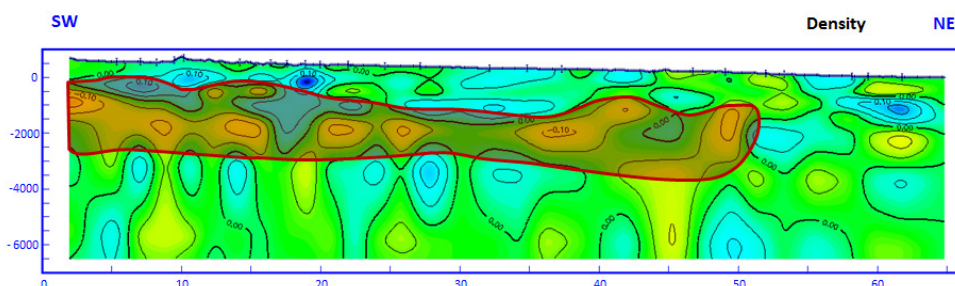
Djibouti is strategically positioned in the horn of Africa with good communication links via a world class port facility. Djibouti is politically stable, with a government that has excellent pro-western relationships, good internal/external security and open free market economy. This opportunity provides an attractive access to this as yet under-explored regional play.



Opportunity Highlights

Oyster has significantly reduced exploration risk; proven petroleum system present

- Work has focussed on the regional Mesozoic sedimentary basin, subsequently affected by Tertiary rifting
- Source: Daghani (Kimmeridgian) oil source rock exposed at outcrop; hydrocarbons found in fluid inclusions
- Reservoir: Two primary reservoirs - Upper Jurassic and Lower Jurassic Adigrat Sandstone, with thick Lower Cretaceous sands offering a secondary objective
- A Seismic programme is planned for 2016



Example Profile across Block1 showing possible extent of Mesozoic Sediments

Technical Overview

- Mesozoic sediments outcrop in south of country; two geological fieldwork campaigns have been conducted to investigate source, reservoir & seal potential
- Kimmeridgian- Early Tithonian source rocks (77 m gross) show TOC's > 2% at outcrop, but this may be low due to extensive weathering. Maturity data variable; analysis in 2012 indicated late oil window mature. Hydrocarbons identified in fluid inclusions in calcite matrix
- Mesozoic basin buried beneath volcanic cover away from outcrop
- Gravity & magnetic modelling studies conducted to determine current day extent of sedimentary basin
- MT & ground gravity profiles recorded over Blocks 1, 2 and 4 in Q4 2014 to further delimit extent of sediments
- Airborne survey (gravity and magnetics) completed over Block 1 in January 2016.
- Forward work programme includes seismic acquisition

Transaction Process

Upon the execution of a Confidentiality Agreement ("CA"), interested parties will be invited to attend a "Technical Presentation" by Oyster personnel encompassing a technical discussion. Access to an Online Data Room will then be made available.

About Oyster Oil and Gas Ltd

Oyster Oil and Gas Ltd is a Canadian international oil and gas company, listed on the Toronto Stock Exchange (OY: TSX.V) with its headquarters located in Vancouver, Canada. Oyster has a portfolio of oil and gas assets in Africa. Oyster is the Operator on four blocks onshore and offshore in The Republic of Djibouti, and also has a working interest ownership in an onshore block in The Republic of Madagascar. Oyster has a strong and very experienced management and technical team with a long and successful track record in various countries in Africa. Further information about Oyster can be obtained from our website at www.oysteroil.com.

Contact

Should you be interested in pursuing the opportunity and wish to receive the Confidentiality Agreement (CA), please contact:

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Please be advised that the information in this document is being shared with you on a strictly confidential basis and the enclosed information may not be distributed or reproduced without the express consent of Oyster or used for any purpose other than deciding whether you wish to participate in farming in to the opportunity.

Production Sharing Contract Terms

- PSC Effective Date: 1st March 2012
- Exploration Periods: Period 1 (2 Years) Period 2 (3 Years) and Period 3 (3 Years).
- Work Commitment
 - Period 1: To review, reprocess, and reinterpret government provided data. (Complete). Very little government data available therefore Oyster has undertaken numerous studies to identify focal areas for the second exploration period work obligations.
 - Period 2: Acquire a minimum of 100km 2D seismic and drill 1 well to a depth to be determined (if warranted)
 - Period 3: Acquire a minimum of 100km 2D seismic and drill 1 well to a depth to be determined (if warranted)
- Fiscal Terms: Oyster has negotiated favourable fiscal terms, with no minimum financial obligation within the work commitment