

Company Update

Merger with Gas2Grid Limited

AGM Presentation, November 2009



Building a High Reward Conventional Oil & Gas Exploration Company

Building a High Reward Conventional Oil & Gas Explorer



- The combination of Orion Petroleum Limited ('OIP') and Gas2Grid Limited ('GGX') brings together a balanced exploration portfolio of high risk high reward assets and relatively low risk already drilled conventional oil and gas projects.
- Diversified exploration asset portfolio across Australia, Philippines and France with funding.
- Combined management team provides the requisite experience to accelerate appraisal and development work on both the OIP and GGX assets.
- Management has extensive Coal Seam Gas exploration and joint venture credibility through previous experience roles with Eastern Star Gas (ASX: ESG) and consulting roles.
- OIP Board and Management committed to undertaking an active conventional exploration work program which is supplemented by joint venture Coal Seam Gas exploration program with Eastern Star Gas.
- Both OIP and GGX Boards support merger implementation along with OIP's major shareholders (Ingalls & Snyder and Eastern Star Gas) and Top 3 GGX shareholders.
- The new OIP is well positioned to deliver continued growth and shareholder value over the long term.

Key Merger Drivers & Outcomes



- Expanded exploration and appraisal portfolio
- Funding secured
- Improved risk profile
- More activity and news flow
- Greater asset maturity mix
- Increased market presence
- Refocused management

Proposed Merger



Terms	<ul style="list-style-type: none">• Gas2Grid ('GGX') scheme of arrangement.• Orion Petroleum ('OIP') to offer 1 OIP share for every 2.25 GGX shares.• Unanimous recommendation from GGX Directors and supported by major shareholders of OIP.
Value	<ul style="list-style-type: none">• Based on 90 day VWAP OIP price of 13.8 cents the offer values GGX shares at 6.1 cents each.
Options	<ul style="list-style-type: none">• Similar offer terms for 38.6m listed GGX options.
Procedure	<ul style="list-style-type: none">• Two court approvals and the approval of GGX and OIP shareholders are required for the merger to be implemented.
Timing	<ul style="list-style-type: none">• Aiming for completion by late January 2010. If delayed, likely to extend to late February due to Christmas recess for the Courts. Key milestones include:<ul style="list-style-type: none">- Lodge Scheme Booklet with ASIC - 30 November 2009- Scheduled Court date - mid December 2009- GGX Shareholder Meeting - late January 2010- Combined companies commence trading as OIP - 15 February 2010
Funding	<ul style="list-style-type: none">• Combined cash balance of \$13.5 million to fund a high-value 18month work program.

Post-Merger Capital Structure



Current Orion Petroleum Shareholdings

Shares on Issue	155,000,000
Options – 30c expiring 30 Sept 2010	115,000,000
Directors & Employee Options	5,050,000

Shares to be Issued to Gas2Grid Shareholders

1 OIP share for every 2.25 GGX shares	81,359,703*
OIP options issued to replace GGX options	17,148,632

Merged Group

Shares on Issue	236,359,703
Listed Options	132,148,632

Market Capitalisation (at OIP price 13.8 cents)	\$32.6 m
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Cash	\$13.5 m
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Major Shareholders

Eastern Star Gas	15.1%
Ingalls & Snyder	9.6%
Albers Group	7.6%
Directors & Management	9.4%

* Based on projected GGX shares post November 2009 AGM

Proposed Post-Merger Directors & Management



- Revised board and management provides expertise, focus and skills to extract immediate value from the existing exploration portfolio.
- Renewed commitment to increased exploration and appraisal activity.

Russell Langusch
Managing Director

Independent energy consultant whose career has spanned technical and financial sectors. Starting as a petroleum engineer with Schlumberger and Esso he has worked around the world in a multitude of roles. Spent more than 14 years in analytical and corporate finance roles with a number of international investment banks. From 2004-08 was Managing Director of a dual ASX-AIM listed company based in London holding North Sea and international assets.

Dennis Morton
Non-Executive
Chairman

Founding Managing Director of Eastern Star Gas (ASX: ESG) from which he retired in late 2007. Dennis has 33 years in the upstream oil and gas industry with specialist expertise and success in conventional oil & gas and CSG in Australia and South East Asia.

David Munns
Non-Executive Director

Mechanical engineer with wide experience in drilling and engineering operations in South East Asia particularly in the Philippines. He is Chairman of Desco Philippines – a drilling and engineering firm operating in conventional petroleum and geothermal drilling plus manages several other oilfield service companies.

Ashley Edgar
Non-Executive Director

22 years experience in conventional and coal seam gas exploration and development. Prior to joining ESG as General Manager – Exploration and New Ventures, Ashley occupied senior positions with Santos and more recently Origin Energy where he was a member of the team in the establishment and development of its CSG business.

David Casey
Alternate Director

Over 17 years experience in the management and evaluation of all aspects of CSG exploration and appraisal through to drilling, testing and production operations. David was previously a Director of Molopo Australia Ltd and is presently the Managing Director of ESG.

Merged Asset Portfolio



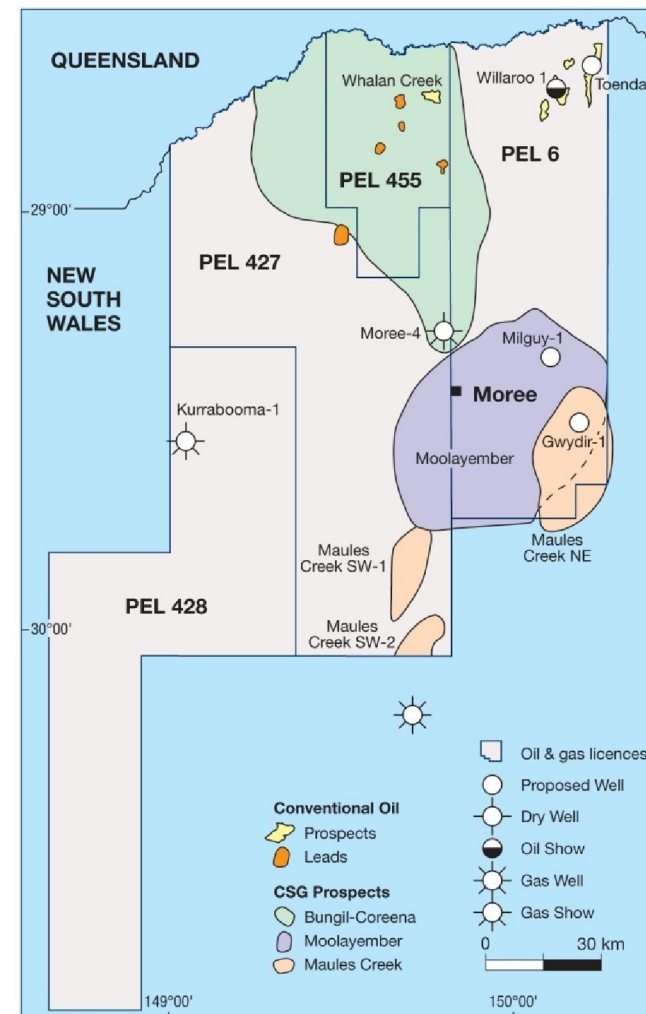
- Exploration asset portfolio provides the group with a mix of relatively low risk, already drilled oil and gas prospects along with high risk high reward conventional targets.
- Coal Seam Gas assets prospective for further upside with management having extensive experience in the establishment of a successful CSG work program.
- **Combined cash funds of \$13.8 million** at 30 Sep 09 sufficient to fund an active exploration work program over the next 12 months.

AUSTRALIA	PHILIPPINES	FRANCE
Surat-Bowen & Gunnedah Basins (NSW) <ul style="list-style-type: none">• PELs 6, 427, 428, 455• Highly prospective for both conventional oil and gas and coal seam gas• PEL 6 conventional work program to recommence in Q1 2010• CSG farm-out to Eastern Star Gas Darling Basin (NSW) <ul style="list-style-type: none">• PELs 422, 424, 471• Highly prospective for conventional gas• Active farm-out program underway Canning Basin (WA) <ul style="list-style-type: none">• EP 453 (100%)• Conventional oil & gas targets identified• 2-well farm-out program aimed at the 2010 dry season (April – Nov)• ~100mmbo potential	Cebu Island <ul style="list-style-type: none">• SC44 (100%)• Previous wells drilled with significant conventional oil and gas recoveries• Workover program scheduled for Q4 2009• Success will significantly upgrade a number of targets for drilling in 2010	Aquitaine Basin <ul style="list-style-type: none">• St. Griede Licence (50%)• Prolific hydrocarbon province• Significant conventional gas targets to be confirmed through seismic and aero-gravity work to identify a 2-well farm-out program in 2010

Surat-Bowen & Gunnedah Basins, NSW



- Four Surat-Bowen licences split into separate JVs
 - Conventional petroleum
 - Coal Seam Gas (CSG)
- Drilled Willaroo-1 oil discovery in May 2008
- Permian oil analogous to Queensland fields to north
- Two important CSG coreholes underway in PEL 6
 - Gwydir-1: Permian Maules Creek + Triassic Moolayember
 - Milguy-1 - Triassic Moolayember objective
- Post-ESG CSG farmin OIP interests will be:
 - Conventional: 60% - 97.5%
 - CSG: 20% - 25%
- PEL 455: Desktop review underway to determine CSG farm-out potential

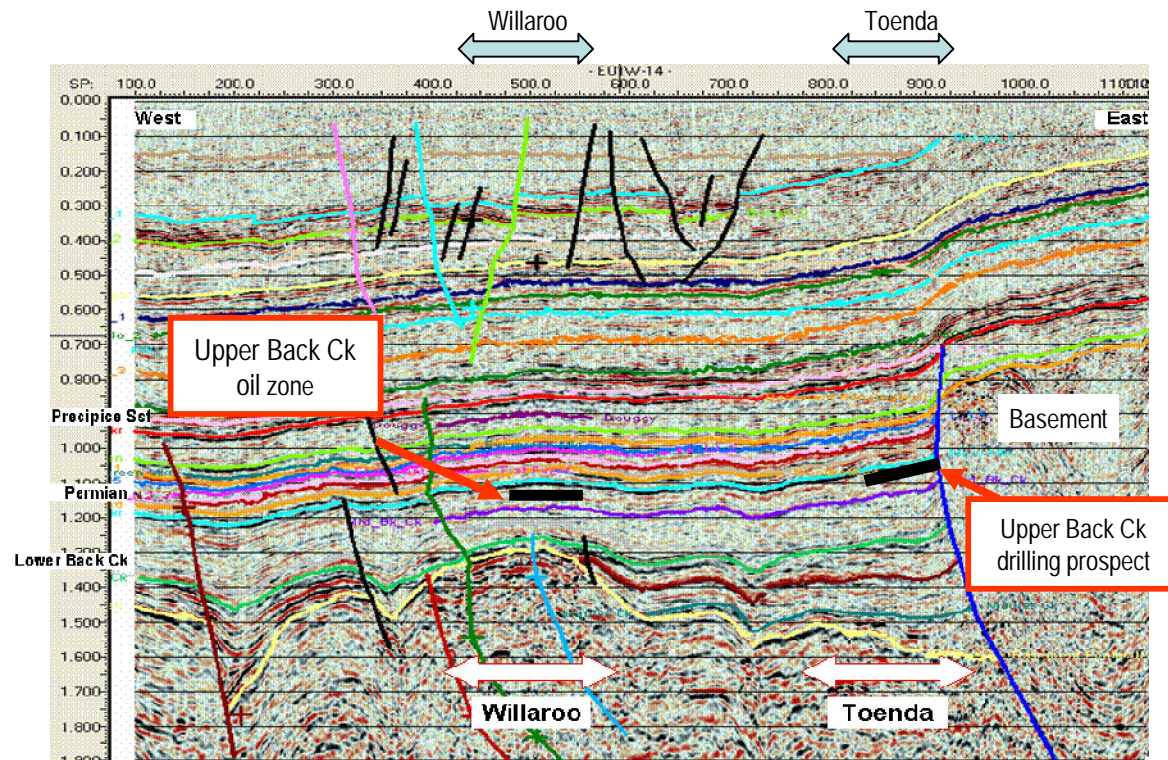


PEL 6 Prospectivity



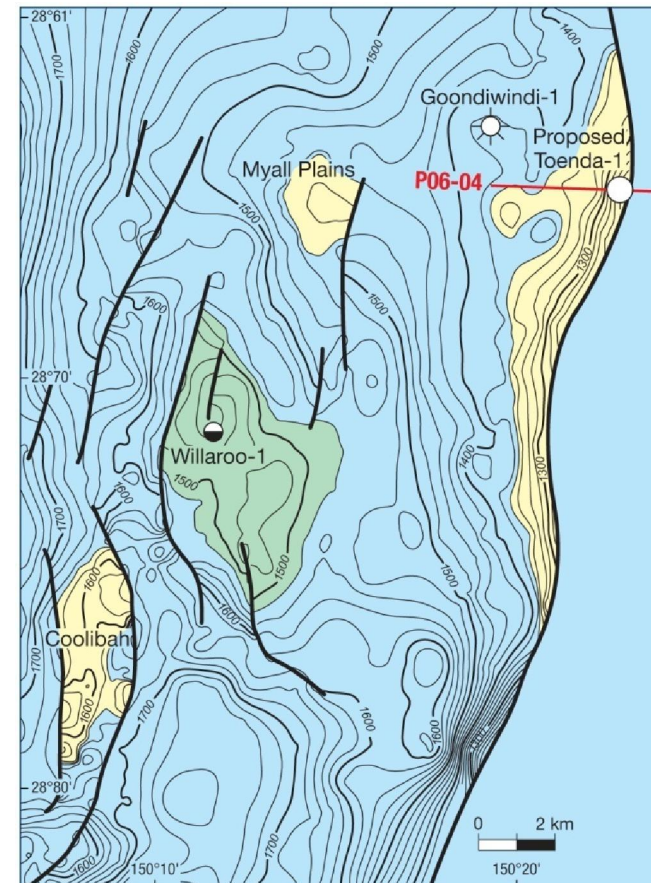
Overview

- Toenda-1 prospect up-dip of Willaroo-1 (recovered oil)
- Reservoir-quality sands in Goondiwindi-1
- Board commitment to target drilling in Q1 2010
- Commence active farm-out campaign in parallel



Prospect Potential

- P50 potential: 27.4 MMBOIP
- P90: 5 MMBOIP & P10: 150 MMBOIP



Darling Basin, NSW



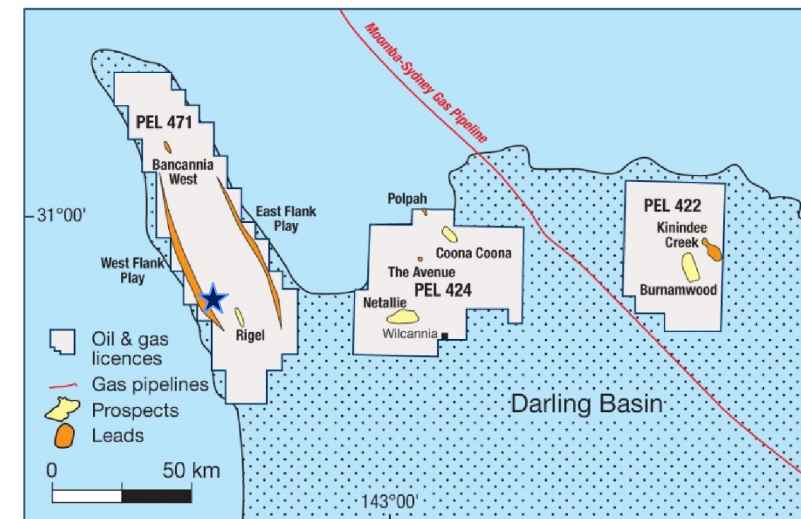
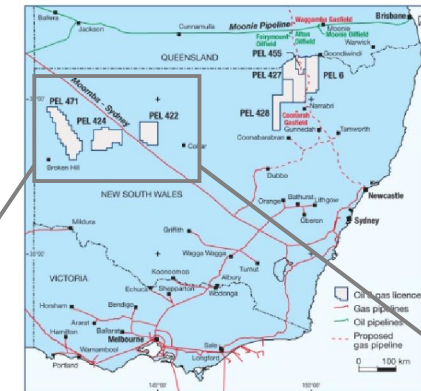
Overview

- Frontier exploration area with little historical activity
- Moomba-Sydney pipeline transects the basin
 - Commercial gas discovery could be fast-tracked
- Four prospects identified and ready for drilling, subject to farm-out
 - Rigel-1 in PEL 471 most advanced option

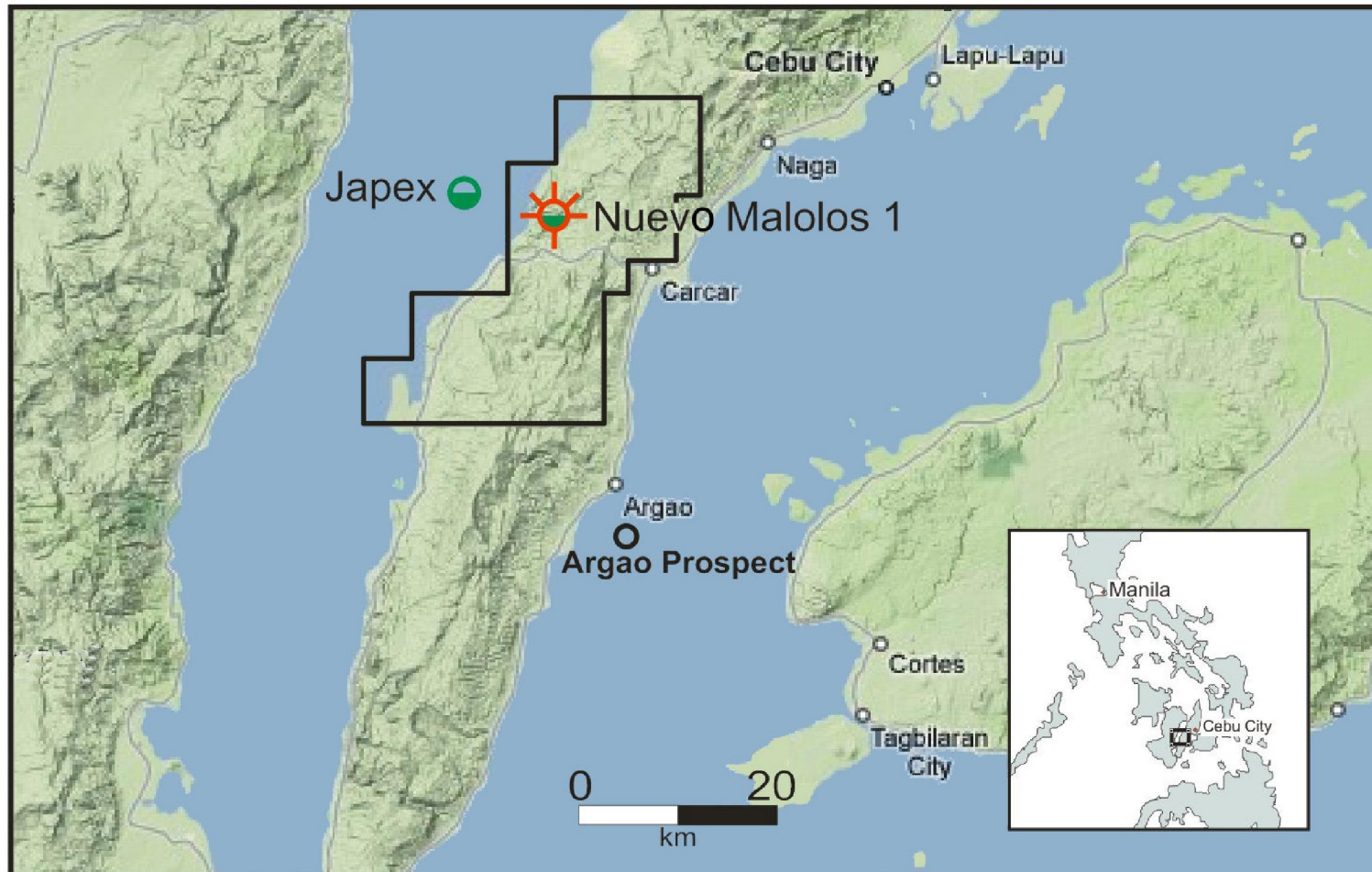
SNAKE CAVE - WINDUCK (Mid Devonian)

Name of Prospect	TD (m)	Area (km ²)	Oil* (MMBO)		Gas* (BCF)
PEL 422 – Burnamwood	2,800	101	250	or	700
PEL 424 – Netallie	3,200	144	600	or	2,000
PEL 424 – Coona Coona	2,500	38	100	or	485
PEL 471– Rigel	1,500	17	60	or	235
Total			1,010	or	3,420

* Prospective most-likely in-place resource estimates



Philippines – SC44, Cebu Island



Cebu Island – Large Oil and Gas Potential



Overview

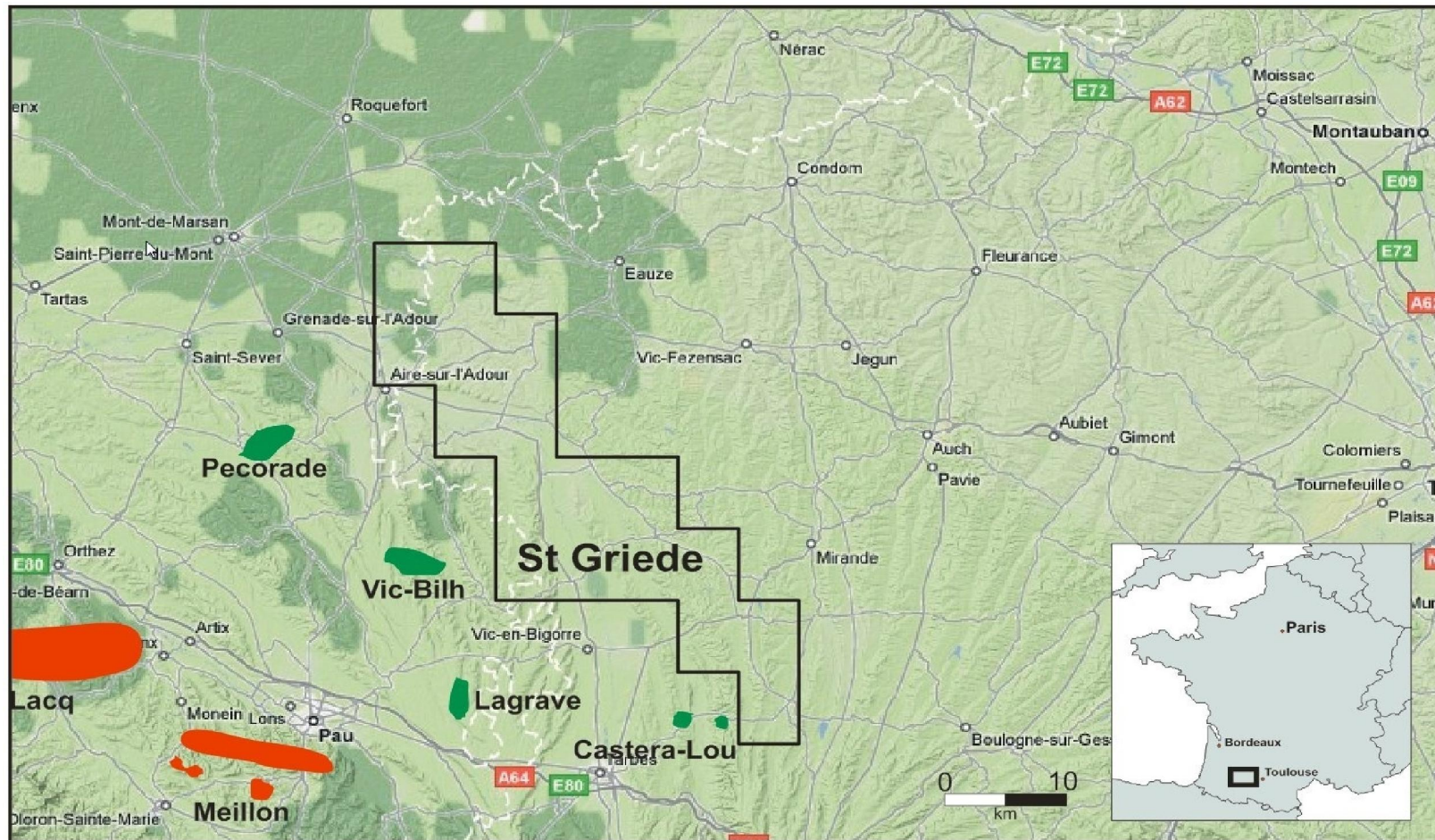
- Historical drilling to date:
 - 2 wells drilled in block with significant oil and gas recoveries – Malolos-1 (1960) and Nuevo Malolos-1 (2006)
 - Both wells flowed or recovered oil and gas from good quality sands
 - Production problems due to drilling formation damage and unconsolidated sand movement
- Challenge is engineering rather than geological one
 - Workover program planned aiming to establish commercial flows of gas and oil
 - Major exploration risk removed by proving working hydrocarbon system
- Local markets for both oil and gas (power generation)
- Huge follow-up potential in region if key to successful production can be unlocked

Work Program

4Q09-1Q10	Workovers (Malolos-1/N Malolos-1)
2Q10	100 km seismic program
2H10	2-3 exploration wells



France – Aquitaine Basin



- Oil fields
- Gas fields

Aquitaine Basin – A Major Petroleum Province



Overview

- Licence holders Gas2Grid (50%, Operator) and Gippsland Offshore Petroleum (50%)
- Aquitaine Basin is a prolific hydrocarbon province with over 13 TCF of gas and 450 MMB of liquids produced to date
- Markets and infrastructure are well developed for a commercial discovery
- Little activity in past decade as French majors went international
- High gas prices in Europe (~\$12/GJ) - roughly 3-4 times East Coast Australia
- Work program includes:
 - Y1 (2008-09): G&G, seismic reprocessing
 - Y2 (2009-10): Aero-gravity survey
 - Y3 (2010-11): 400 km seismic survey
 - Y4-5 (2011-13): 1 well
 - Total commitment : €4.35m (gross)

Neighbouring Oil & Gas Field Reserves

Pecorade	21 mmbbls & 38 bcf gas
Vic Bilh	32 mmbbls & 40 bcf gas
Lagrove	24 mmbbls

EP 453: Canning Basin, WA

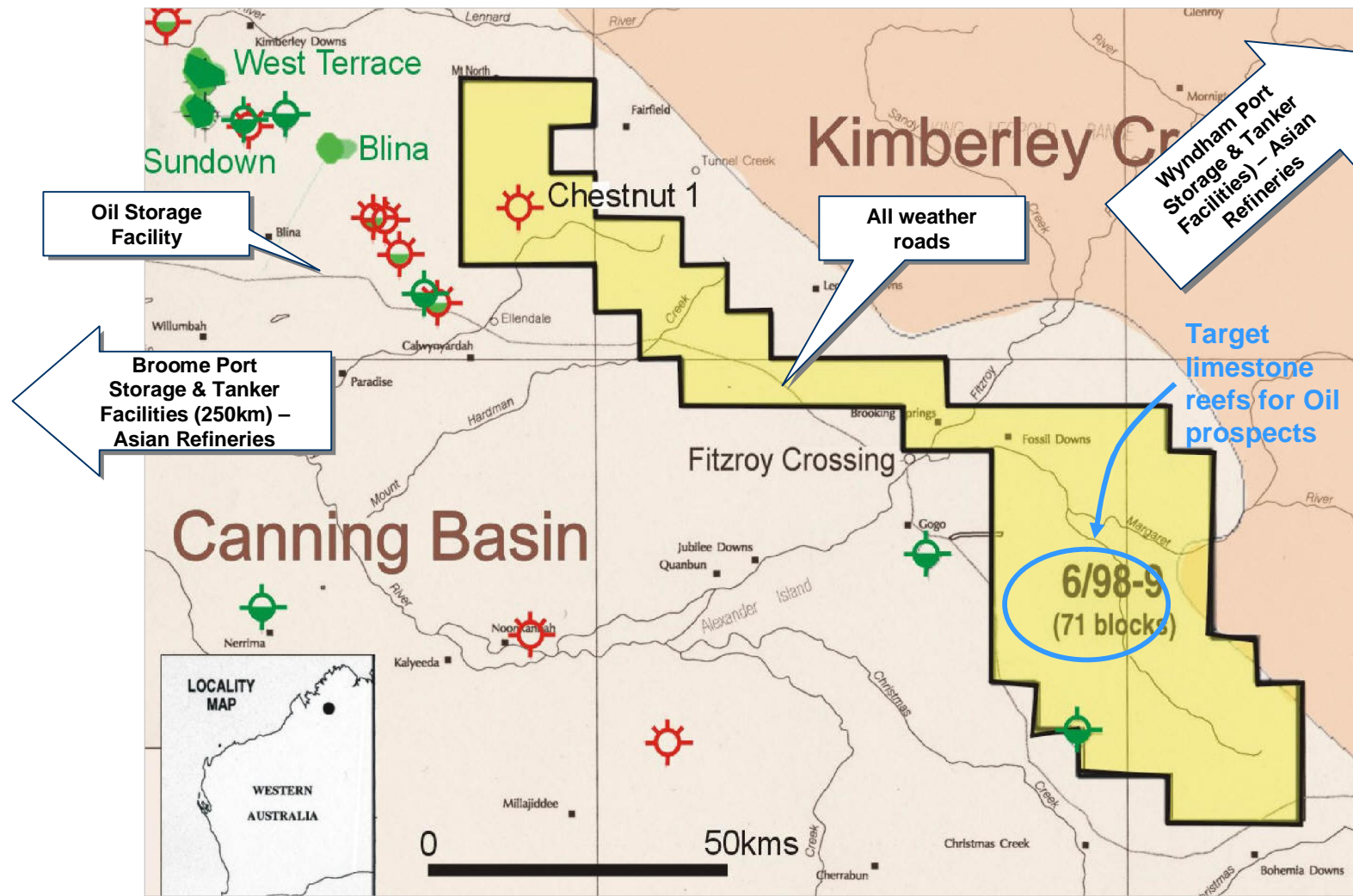


Overview

- 5,799 sq km license issued in 2007 (100% to GGX)
- Native title agreement executed
- All existing seismic field data acquired for reprocessing and interpretation
- Objective to have a minimum of two limestone reef drill-ready prospects plus numerous leads
- Strategic farm-out partners to fund the cost of a drilling program for 50%
- 2-well program targeting the 2010 dry season (March – December) with **~100mmbo potential**
- Company making potential with the Canning Basin identified as Australia's last frontier with only fragmented historical exploration



Strategic Location to Producing Wells and Infrastructure



Australia

Post-Merger Exploration Programme



- Merged group will have **sufficient funding** for an active exploration work program over the next 12-18 months.

	2009	2010				2011			
Work Programme	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phillipines:									
Workover programme	■	■							
Seismic programme to establish new reservoir targets		■							
Exploration/appraisal wells			■	■			■	■	
Bowen-Surat Basin									
PEL 6: Toenda-1 exploration well ¹		■							
PEL 455: Whalan Creek exploration well ¹				■					
PEL 6: Potential Willeroo-1 followup ¹							■		
Aquitaine Basin:									
Seismic reprocessing	■	■							
Aero-gravity survey	■								
400km seismic survey to identify reservoir targets			■	■					
Exploration well							■		
Canning Basin:									
Farm-out & undertake 2-well drilling programme				■	■				
Coal Seam Gas									
PEL 6: 2 coreholes (Gwydir-1; Milguy-1)	■	■							
PEL 455: Desktop assessment for farm-out		■							
PEL 455: CSG coreholes				■				■	

Notes:

1. Subject to final Board approval.

Exploration Scorecard



	Orion (OIP)	Gas2Grid (GGX)
Hydrocarbon-Producing Basins	No	Yes
Risk Profile	High risk exploration	Low-moderate risk appraisal
Follow-up Potential in 2010	Large	Large
Drilling Activity	Yes	Yes
Markets for Oil and Gas	Yes	Yes

Go-Forward Strategy for Orion Petroleum



Focus on Conventional Exploration	<ul style="list-style-type: none"> • Clear focus on conventional oil and gas exploration. • A number of low risk initiatives identified to deliver immediate value and increase shareholder returns.
Regional Focus	<ul style="list-style-type: none"> • Appraisal and development across a diverse geographic asset portfolio in known petroleum producing regions. • Australia, Philippines and France.
Growth Focus	<ul style="list-style-type: none"> • Utilise existing financial capability, management and technical skills to develop and deliver the combined project pipeline. • Continue to deliver growth through exploration and complementary acquisitions.
Focused Management Team	<ul style="list-style-type: none"> • Experienced management team committed to an active exploration work program.
Funded Work Programme	<ul style="list-style-type: none"> • Existing cash balance of \$13.5 million to fund an active work program over 12-18 months and commencing Q1 2010.

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Investors should undertake their own analysis and obtain independent advice before investing in Orion or Gas2Grid shares.

All references to dollars or \$ in this presentation are to Australian currency, unless otherwise stated.