



EnDevCo, Inc.

The Energy & Development Company

Annual Shareholders Meeting

September 12, 2003

Agenda

- Convene Meeting
- Confirm Quorum
- Call for Proxies
- Company Status
- Election Results
- Adjourn Meeting

Inspector of Election

- Mr. Peter Descovich
 - ADP Shareholder Services
- Call for Proxies
- Voting Closes at 9:15 am





EnDevCo, Inc.

The Energy & Development Company

Mission Statement

“Strive to maximize shareholder value through integration of oil and gas assets with power generation, while maintaining the highest ethical standards”

Business Focus

- Oil and Gas Development
 - Purchase of Production
 - Develop Behind Pipe Reserves
 - Exploration Upside
- Power Development
- Free Trade Zone Development
- Energy Technology Development

Year in Review

- Change of Management
 - Downsize Overhead
 - Move Office
 - Reconstruct Financial and Business Records
- Legal & Financial Issues
 - Yemen Block 20 Arbitration
 - Creditor Settlement Agreements
 - Balance Sheet Restatement
- Project Assessment

Project Updates

- Block 20 - *Yemen*
- Teawaya Energy Center - *California*
- Chimichagua - *Colombia*
- Free Trade Zone - *Congo*

Yemen Block 20

- Settlement offer to “make the parties whole” rejected by Occidental
- Established new legal arguments
- Hired new legal counsel
- Secured investor to underwrite legal costs
- Judgment in favor of Occidental announced June 2003
- \$4.3 million impairment loss reported on Financial Statements
- Settlement discussions ongoing with Occidental

Teawaya Energy Center

- Calpine informed Company in September 2002 they would not develop the Teawaya Energy Center located on the Torres Martinez Indian Reservation in Southern California
- Company has limited reversionary rights
- Project shelved until California power markets improve

Chimichagua Concession

- “Stranded Gas” field in Colombia
- Previous attempts to commercialize were unsuccessful
- \$3,000,000 impairment loss reported on Financial Statements

Free Trade Zone - Congo

- Develop Industrial Free Trade Zone
- Develop Natural Gas Industry
- Generate Surplus Low Cost Electricity
- Utilize Surplus Electricity To Attract Industry
- Increase Congo's Gross National Product (GNP)
- Improve Quality of Life in Republic of Congo

Pointe Noire

Free Trade Zone

- Gas Processing
- Condensate Production
- LPG Production
- Electricity Generation
- Aluminum Smelting

FTZ Railroad

- Right of Way
- Raw Material Import
- Product Export



Vision

■ Natural Gas Development

- Gas Gathering Offshore
- Condensate Production
- LPG Production
- Gas Storage
- Gas Conservation

■ Electricity Generation

- Monetization of Natural Gas
- Surplus Low Cost Electricity
- Rural Electrification

Vision

■ Free Trade Zone

- Industrial Facilities
- Manufacturing Facilities
- Light Industry & Services

■ Increased GNP

- New Products and Services

■ Improved Quality of Life

- Job Creation
- Bottled Gas for Cooking
- Medical Facilities and Schools
- Clean Water

Problems

- **Non-Commercial Gas Reservoirs**
 - Litchendjili, Banga and Louvessi Gas Fields have remained undeveloped for 25 years due to their small size
- **Undeveloped Gas Market**
 - Minor gas product demand
 - Minor electricity demand
- **Absence of Gas Infrastructure**
 - Gas pipeline shortage
 - No gas storage

Solution

■ Litchendjili, Banga and Louvessi Gas Fields

- These fields can be commercial if all possible revenue opportunities are developed concurrently

■ Revenue Opportunities

- Condensate production for export market
- LPG production for domestic and export market
- Large scale low cost electricity development
- Gas infrastructure for gathering and processing
- Gas storage for system balance and conservation

Implementation

- Develop Litchendjili, Banga and Louvessi Gas Fields
- Process Condensate for Export Market
- Process LPG for Domestic and Export Market
- Generate 630 MW Power with Dry Gas
- Develop Free Trade Zone by Promoting Low Cost Electricity Consumption
- Re-inject Surplus Dry Gas in the Litchendjili Gas Field for Future Utilization
 - Gas Storage Option - Pointe Indienne Oil Field

Pointe Indienne Field



Initial Study Results

- **Associated Gas:** 60 - 90 Billion SCM (2.4 TCF)
 - 70% Utilized:
 - Reservoir pressure maintenance
 - Electrical generation on production platform
 - 30% Will Be Flared
- **Non-Associated Gas:** 30 - 45 Billion SCM (1.2 TCF)
 - 10 Fields Currently Undeveloped
 - 3 Fields Represent 50% of Reserves
 - Litchendjili, Banga and Louvessi Gas Fields
 - Geographically desirable – location and water depth
 - Excellent Gas Quality - condensate rich
 - Commercial - development feasible

Initial Study Results

- **Associated (Non-Flared) Gas:**
 - Currently not available for commercialization
- **Associated (Flared) Gas:**
 - Insufficient for large scale electricity generation
 - Will not support development capital requirements
 - Can be utilized after gas storage infrastructure is in place
- **Non-Associated Gas:**
 - 100% undeveloped
 - Will support development capital requirements
 - Development must include gas storage infrastructure

Summary

- **Gas Infrastructure Development**
 - Gathering, Transmission and Distribution
 - Condensate Production
 - LPG Production
 - Storage – System Balance and Conservation
- **Electricity Generation**
 - Large Scale Surplus
 - Low Cost to industrial users
 - Fueled by Natural Gas
- **Power Consumption**
 - Aluminum Smelter
 - Magnesium Processing
 - Other FTZ Industries

Gas Development

Reserves

- **Litchendjili, Banga and Louvessi Gas Fields**
 - Discovered in 1978 by Elf and AGIP
 - 14.87+ Billion SCM Gas (400 Bcf)
 - 52.56+ Million Bbls Condensate
 - Proximity to Pointe Noire (20 kilometers)
 - Shallow Water Depth (30 meters)
 - Gas Storage Potential

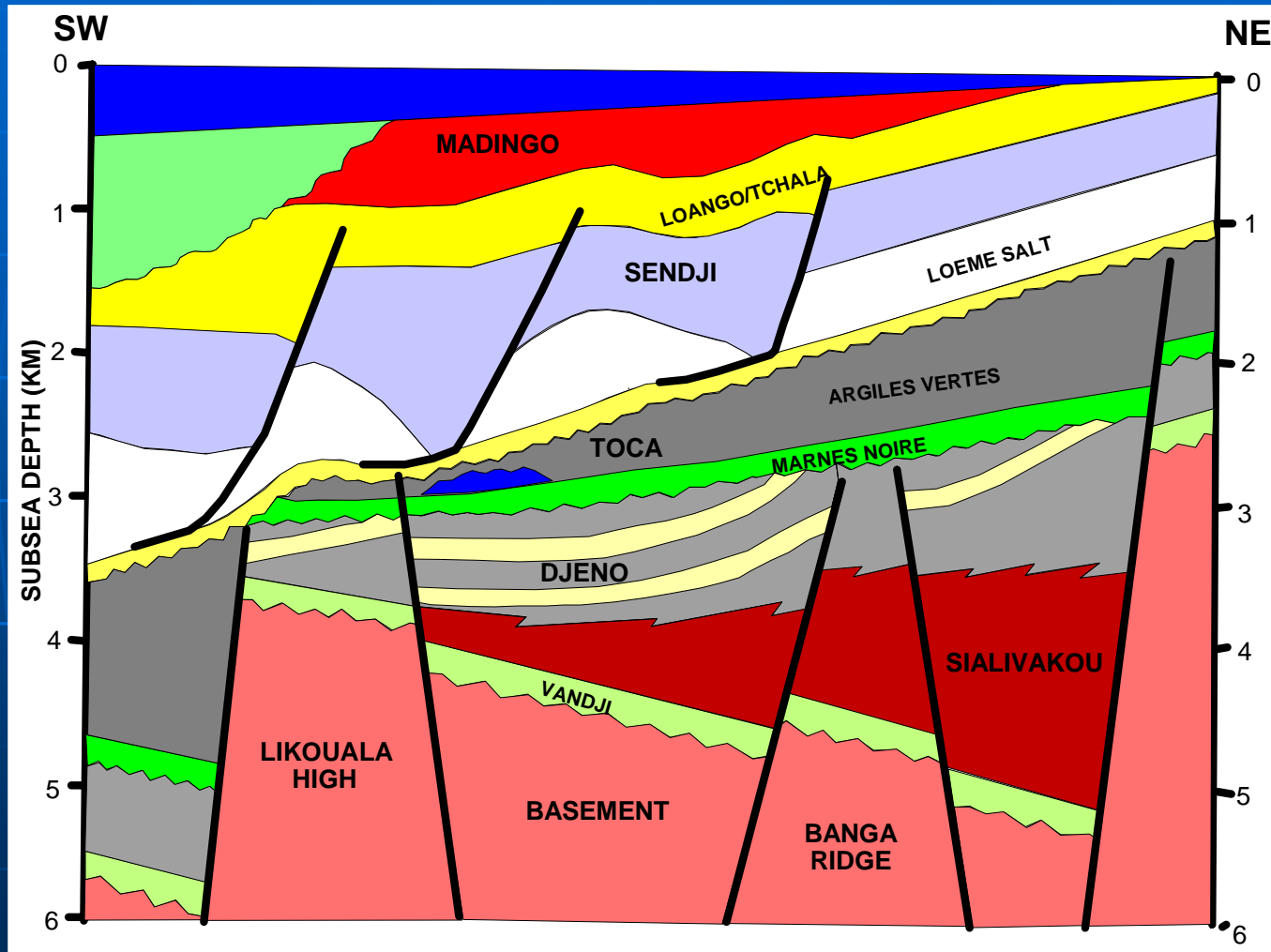
Gas Infrastructure

- **Litchendjili, Banga and Louvessi Gas Fields**
 - Gas, Condensate and LPG Production
 - Gas Storage
- **Gas Production Facilities**
 - Condensate Separation
 - Gas Compression
 - Onshore Condensate Storage
 - Single Point Mooring Export Terminal
- **LPG Production Facilities**
 - Cryogenic Process
 - LPG Bottling Plant
 - Onshore Storage

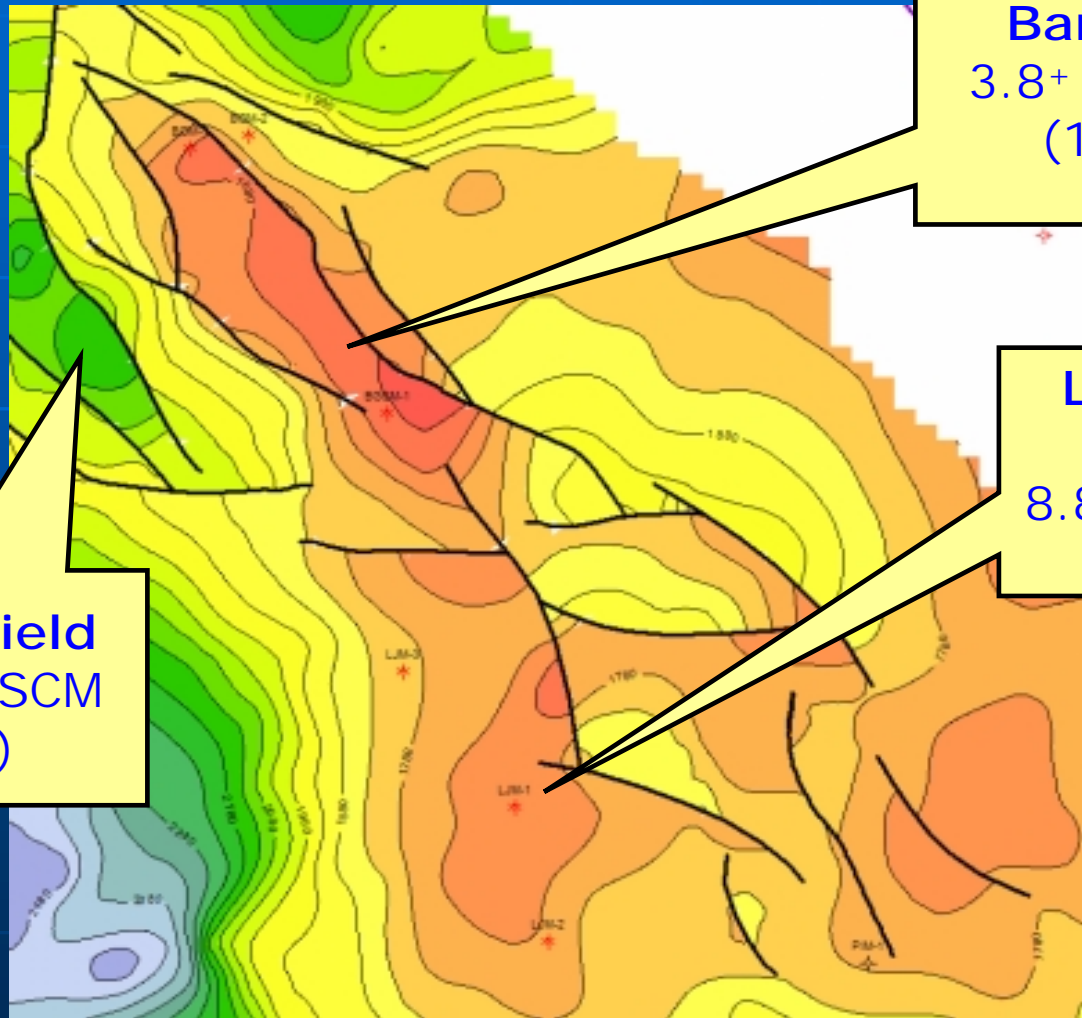
Litchendjili, Banga and Louvessi Gas Fields

Geological Structure

Petroleum System



Structure Map



Banga Field
3.8+ Billion SCM
(103 BCF)

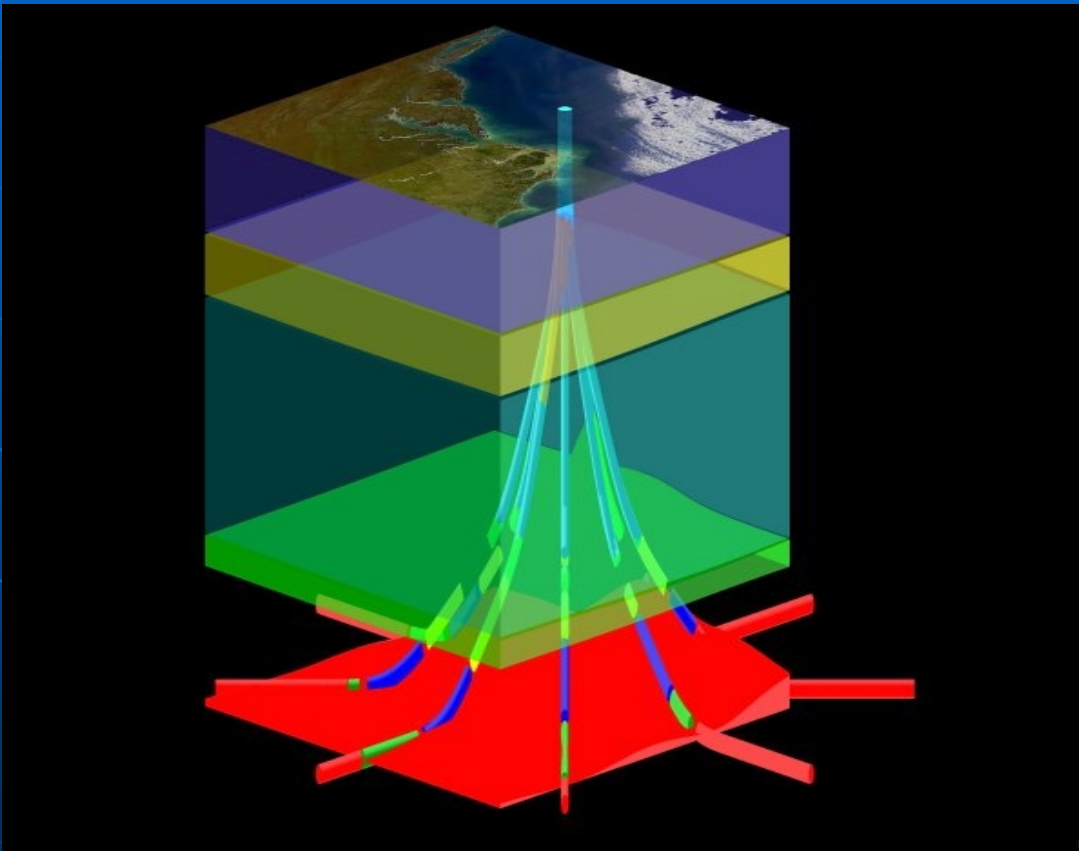
Litchendjili Field
8.8+ Billion SCM
(238 BCF)

Louvessi Field
2.3+ Billion SCM
(62 BCF)

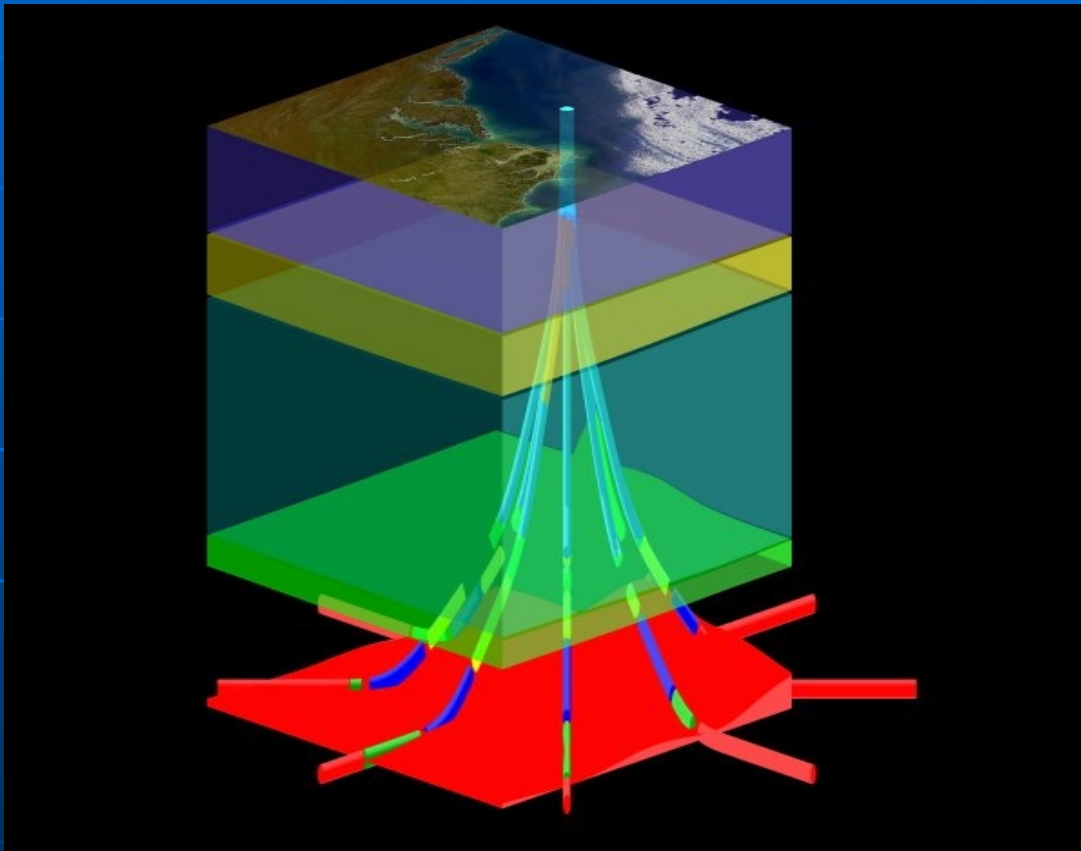
Offshore Development

Djeno Sandstone

- Low Porosity
- Low Permeability
- Horizontal Drilling Potential



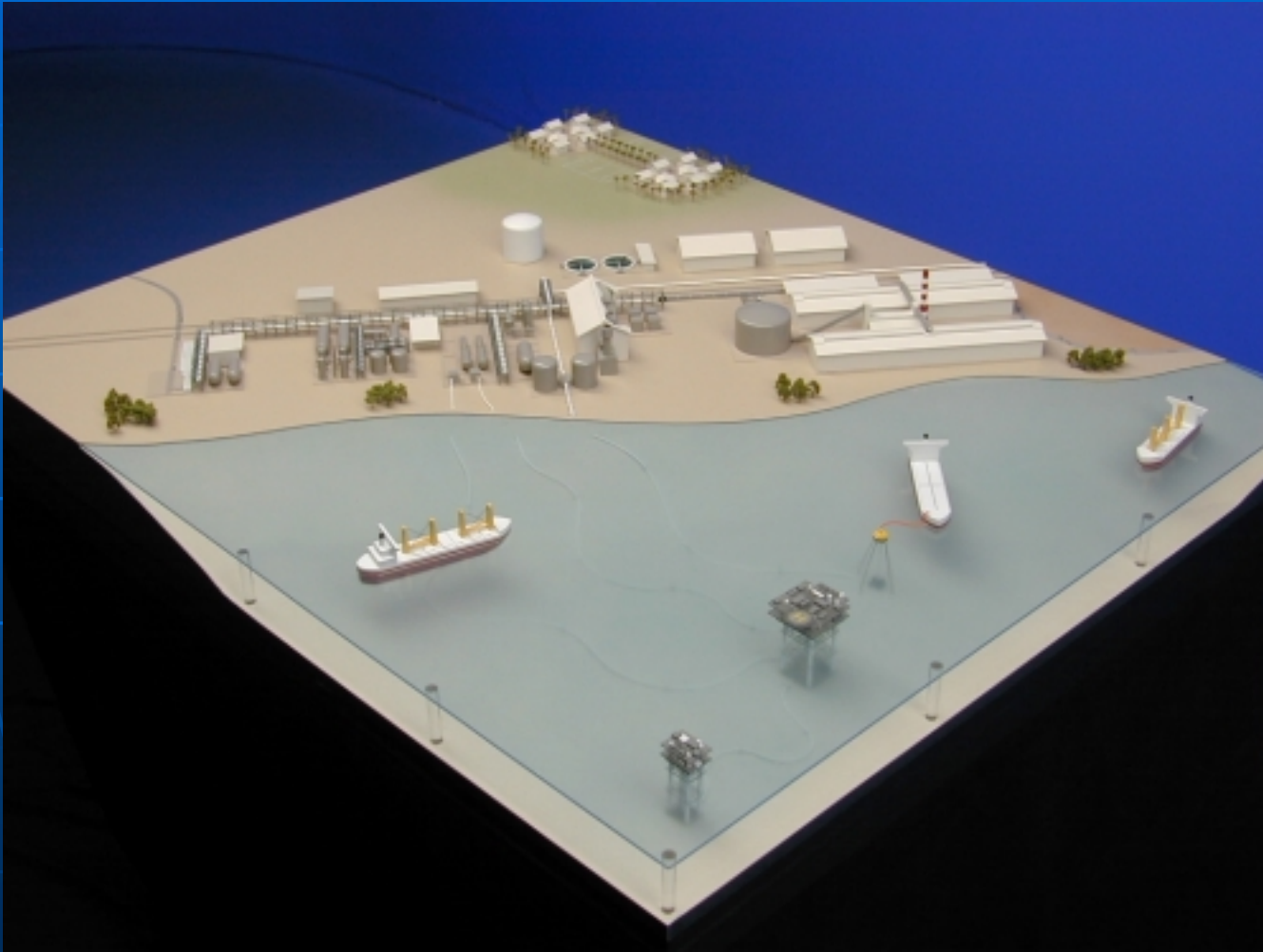
Horizontal Drilling



Advantages

- Additional Oil & Gas Column Interface
- Increased Oil & Gas Production
- Fewer Wells
- Improved Economics

Free Trade Zone



Offshore Drilling



Litchendjili Field
4 Production wells
2 Injection wells
1 Platform

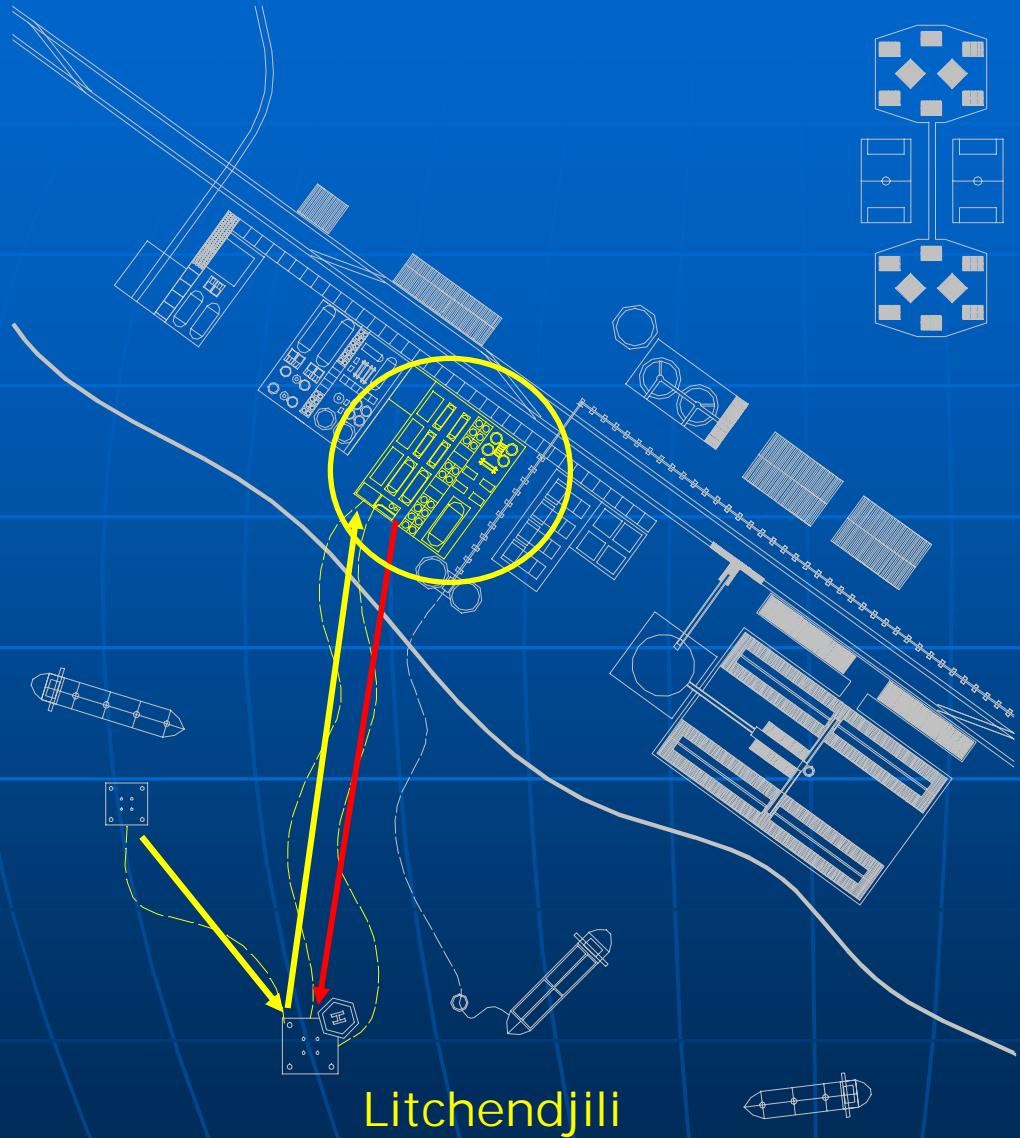
Banga Field
3 Production wells
1 Platform

Total Cost
\$85.0 Million

Banga

Litchendjili

Onshore CPU



Production Pipelines

Separation & Compression

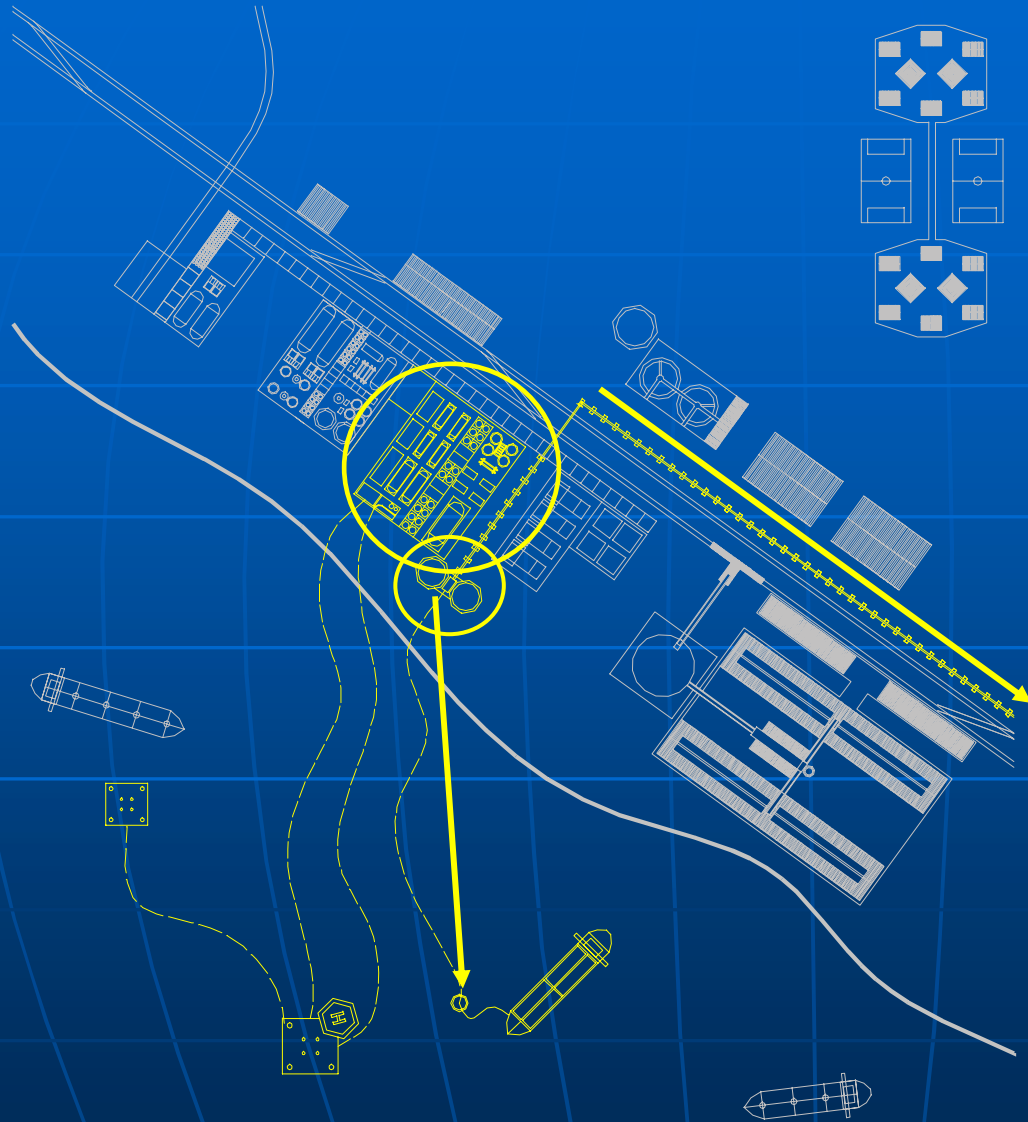
Gas Injection Pipeline

Gas Storage - Litchendjili

Total Cost
\$45.0 Million

Litchendjili

Condensate Production



2,640 BPD Condensate

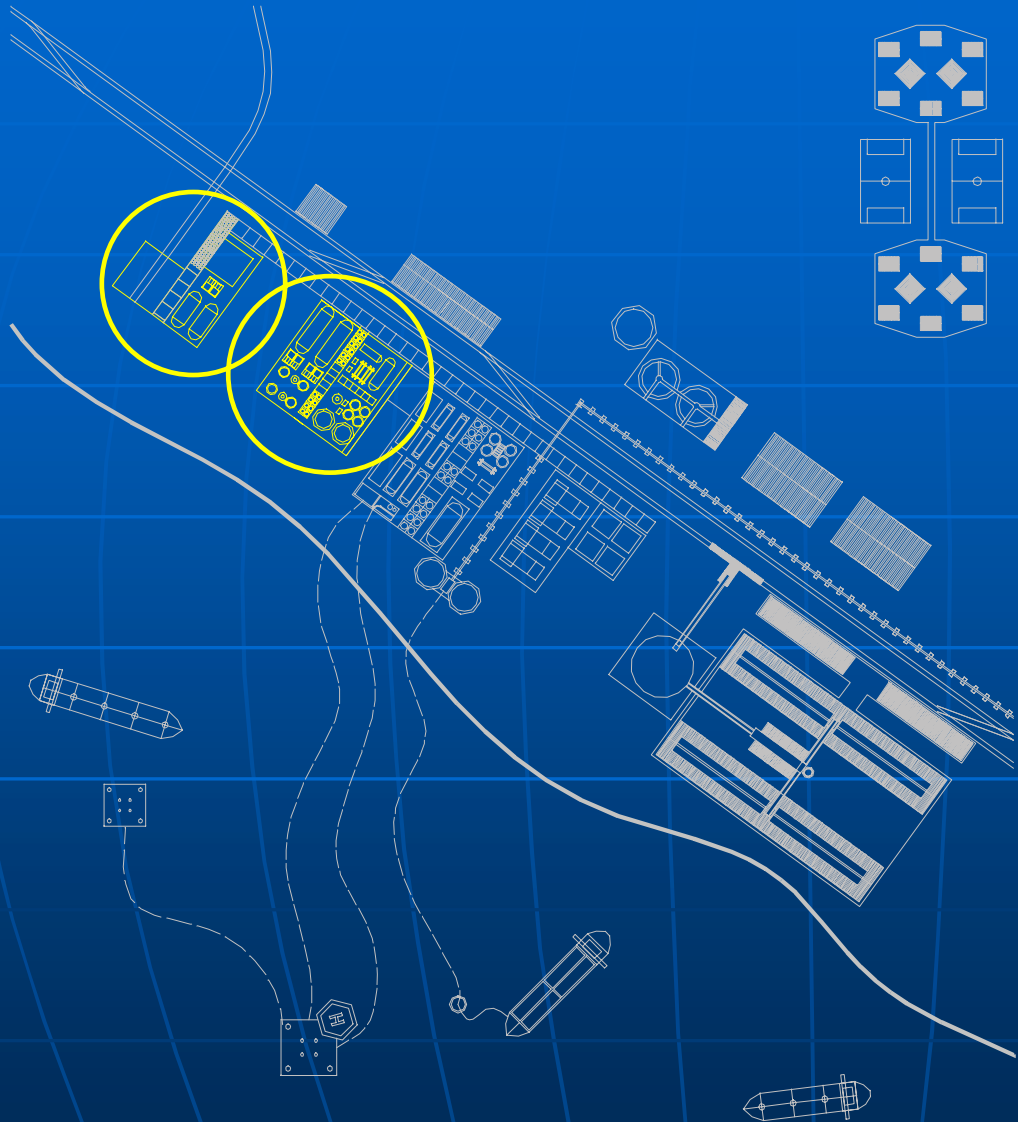
Onshore Storage

Single Point Mooring System

Pipeline to CORAF Refinery

Total Cost
\$ 24.0 Million

LPG Production



Cryogenic Plant

1,440 BPD LPG

LPG Bottling & Storage

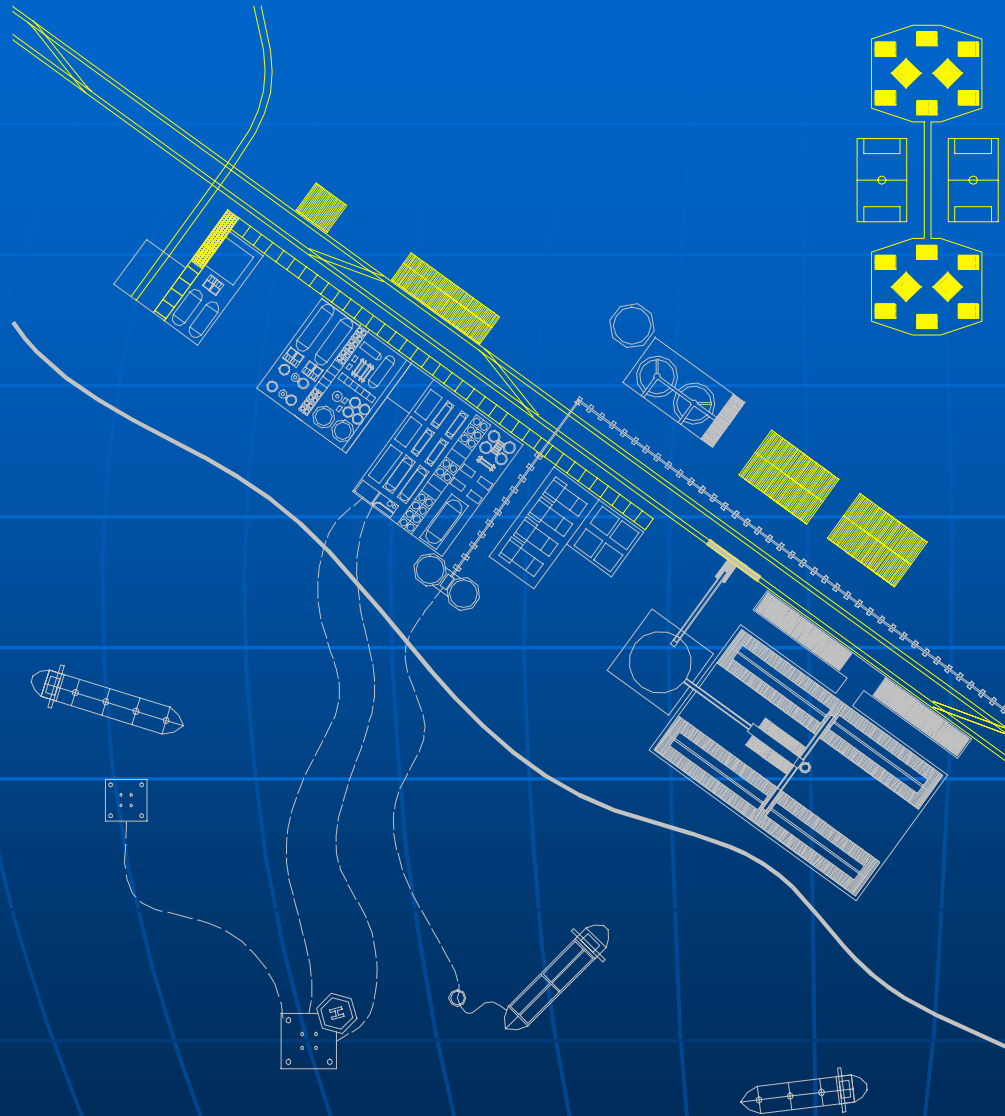
Total Cost

\$16.0 Million

CORAF Refinery



FTZ Facilities



Housing & Community Center

Utilities Plant

Rail Spur & Loading Docks

Medical Facilities

Training Center

Total Cost
\$20.0 Million

Gas Infrastructure Cost

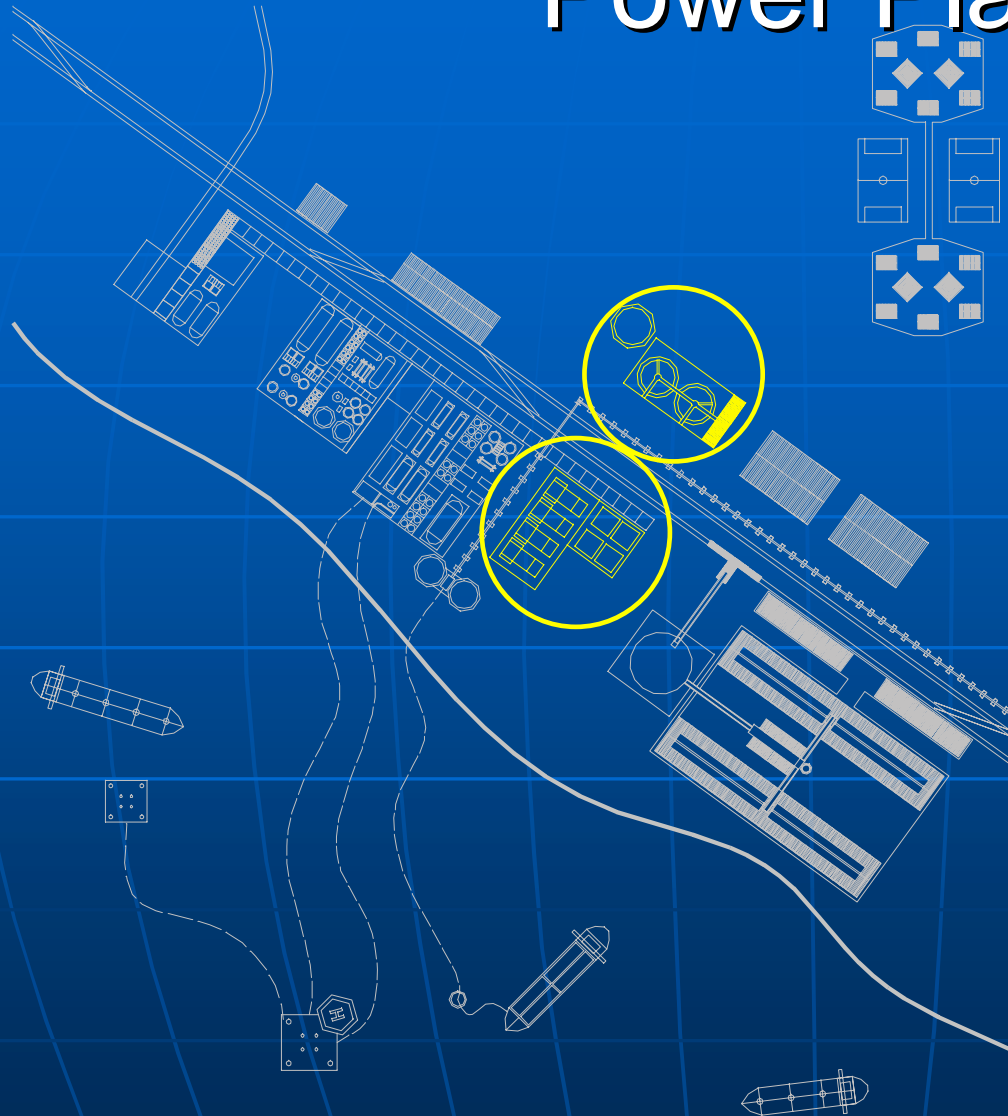
■ Offshore Drilling & Platforms	\$ 85.0
■ Onshore CPU & Pipelines	\$ 45.0
■ Cryogenic Plant & LPG	\$ 16.0
■ Gas Storage & SPM System	\$ 8.0
■ Free Trade Zone Facilities	<u>\$ 20.0</u>
■ TOTAL (US\$ Million)	\$ 174.0

Electricity Generation

Power Plant



Power Plant



Power Plant

630 Megawatt Capacity
5 GE 9E Turbines
Natural Gas Fuel

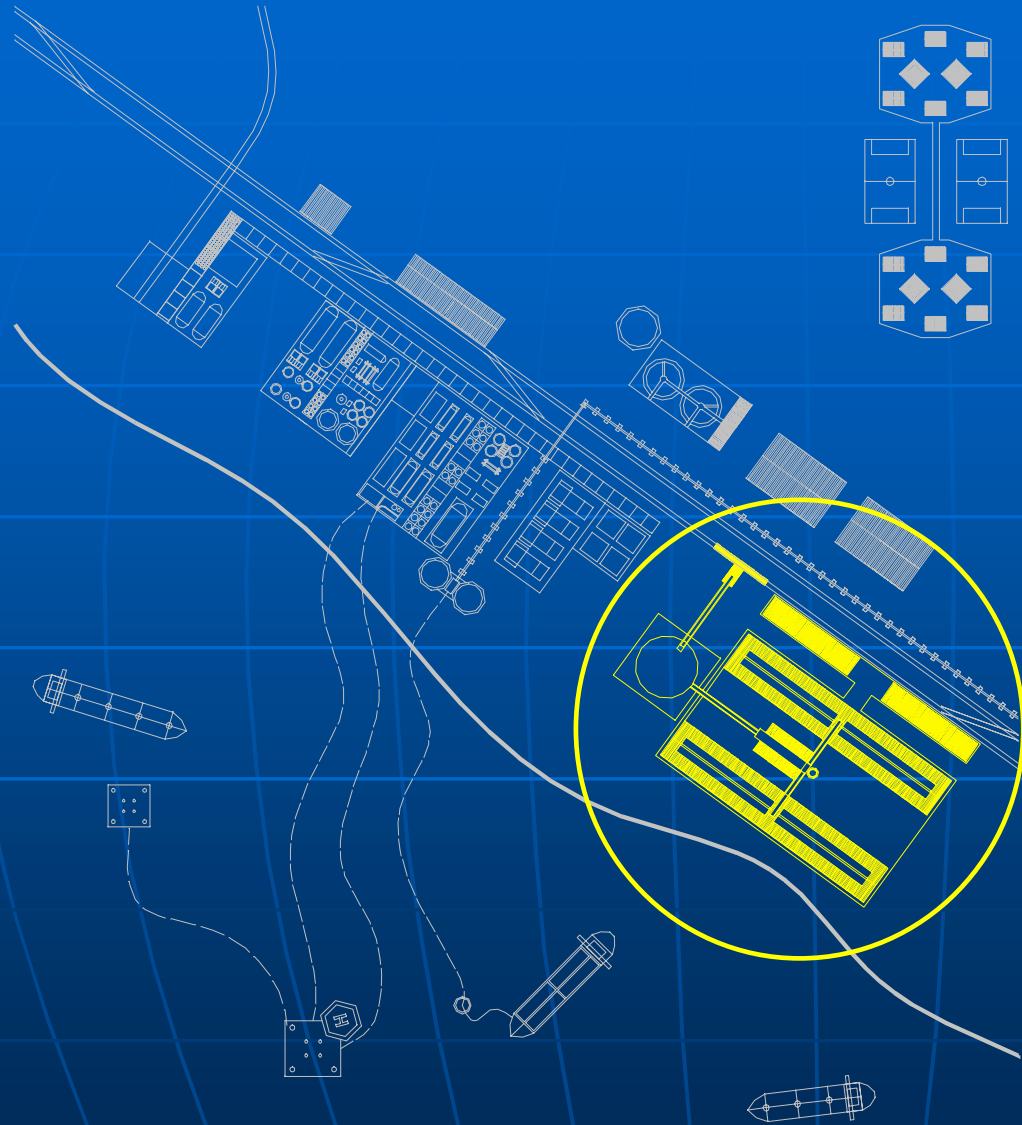
Water Treatment Facilities

Total Cost

\$185.0 Million

Aluminum Smelter

Aluminum Smelter



Aluminum Smelter

Ingot Production
1,000 TPD

Energy Consumption
12,500 MwHPD

Aluminum Product Cycle

■ Alumina (Refined Bauxite Ore)

- Vessel Transport from the Republic of Guinea to the Pointe Noire Port Facilities
- Rail Transport from the Pointe Noire Port Facilities to the Aluminum Smelter located in the Free Trade Zone

■ Aluminum Ingot (Smelter Output)

- Rail Transport from the Aluminum Smelter to the Point Noire Port Facilities
- Vessel Transport from the Pointe Noire Port Facilities to the World Market

Alumina Carrier



Aluminum Smelter



Aluminum Smelter



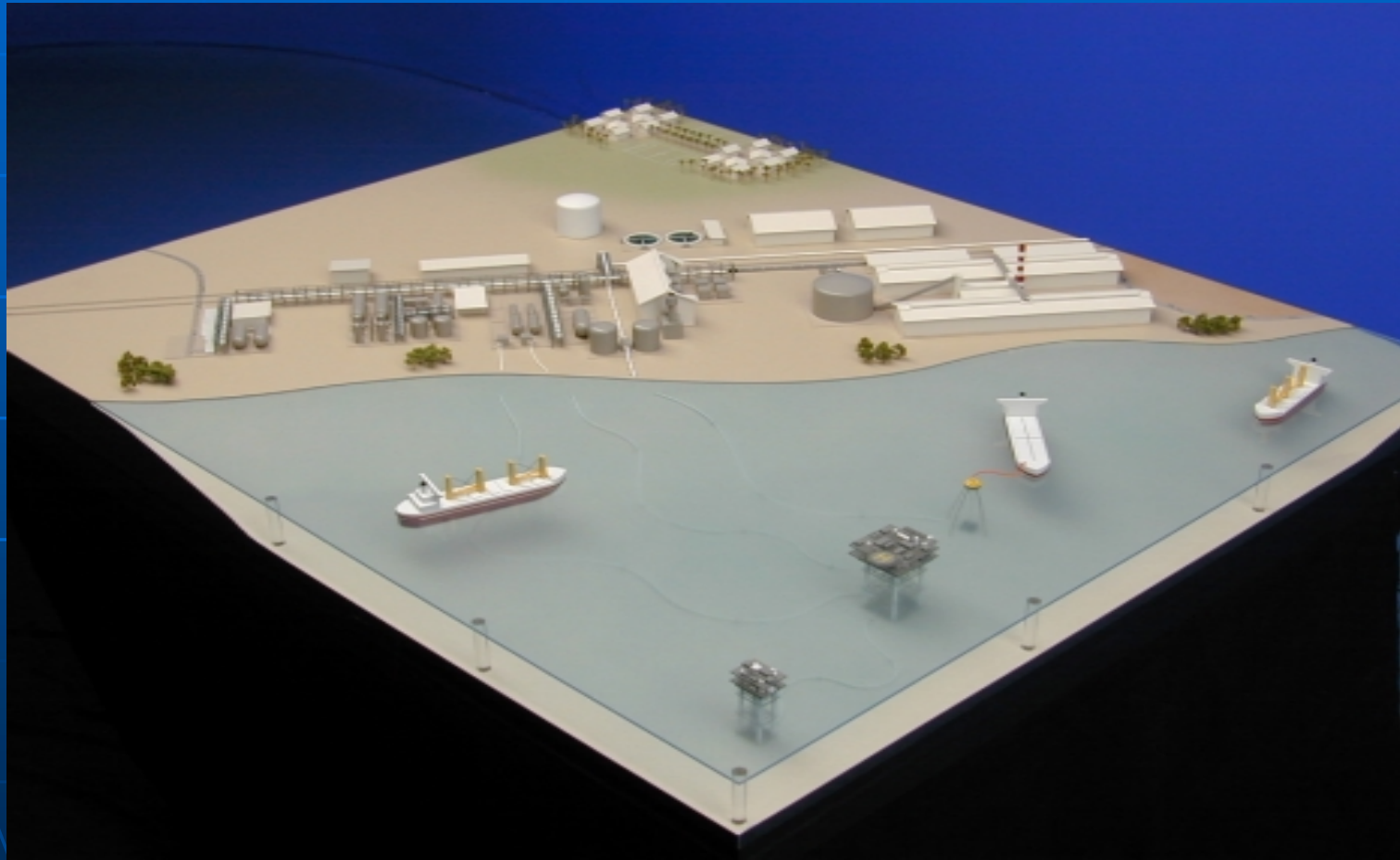
The Plan

- Evaluate Natural Gas Resources
 - Associated and Non-Associated Gas
- Develop Free Trade Zone Master Plan
 - Utilization of Natural Gas
 - Development of Surplus Low Cost Electricity
 - Attraction of Power Sensitive Industries
- Commence Free Trade Zone First Stage
 - End Planning Phase
 - Reach Government Decision
 - Start Project

Investment and Financing

- World Bank and IMF Financing Structures
- Government Participation
 - Infrastructure Investment and Support
 - Grants, Loans and Subsidies
 - Tax Incentives
- Africa Development Bank
- Africa Merchant Bank
- Institutional Debt
- Private Equity

Free Trade Zone



Coming Attractions

- Farmout option on 4 Blocks in Gulf of Mexico
 - Known recoverable gas reserves
 - Exploration upside
- Farmout option on 2 Concessions in Colombia
 - Existing production infrastructure
 - Exceeds 100 million barrel potential
- Joint Venture with oilfield technology company
 - Patented technology
 - Significantly increases gas production from old wells

Coming Attractions

- \$500 million lawsuit on behalf of Shareholders
 - Stock Brokers
 - Auditors
 - Transfer Agents
 - Former Company Management



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