



# Management presentation

April 2014



## Group overview

# History of Maurel & Prom



- Purchase of exploration agreements in Gabon
- Acquisition of the HOCOL GROUP in Colombia and Venezuela
- Acquisition of a 25% stake in PANTHER EUREKA in Italy

- Sale of HOCOL GROUP to ECOPETROL
- Production start-up at ONAL and OMKO in Gabon
- Discovery of a new reservoir South-East of ONAL in Gabon
- Investment in the assets of ARTUMAS in Tanzania and Mozambique



Discovery of the M'BOUNDI oil field in Congo

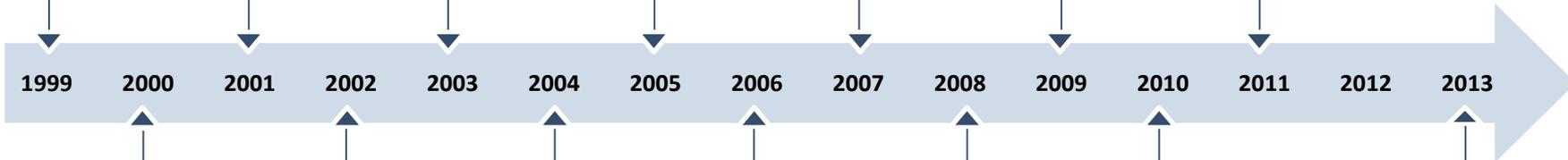
- Strategic refocusing around hydrocarbon exploration and production activities
- First acquisitions of oil permits

- Sale of Russian oil interests
- Creation of the drilling subsidiary CAROIL
- Production started at the M'BOUNDI oil field



- Sale of major stakes in the M'BOUNDI, KOUILOU and KOUAKOUALA oil fields to ENI
- Discovery of new fields in Colombia and Tanzania
- Production start-up at the BANIO field in Gabon
- Geographical diversification of the drilling subsidiary CAROIL

- Spin-off of MPN
- Sale of MAUREL & PROM's Venezuelan activities
- Sale of a major stake in MAUREL & PROM's Colombian activities
- Strategic alliance formed with PACIFIC RUBIALES ENERGY in Colombia and Peru
- Sale of CAROIL



- Introduction of MAUREL & PROM on NYSE EURONEXT
- Acquisition of a 30% working interest in the KOUILOU field in Congo from HERITAGE

Production started at the KOUAKOUALA field in Congo



- Signature of an exploration agreement in Tanzania
- Sale of a 11% stake in the M'BOUNDI oil field to ENERGY AFRICA



- Acquisition of six new exploration permits in Colombia
- Discovery of the ONAL field in Gabon
- MAUREL & PROM enters Syria

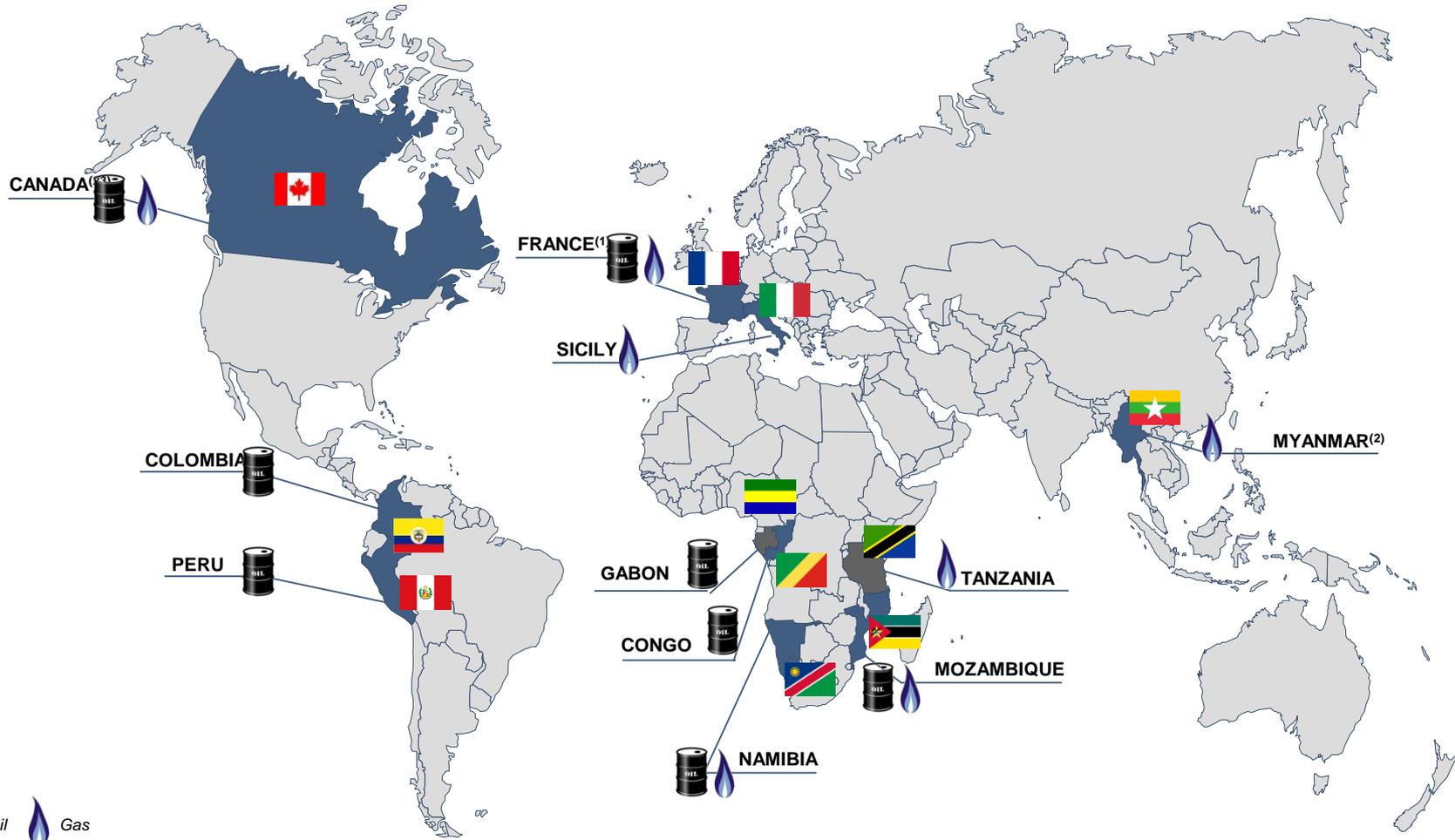
- Acquisition of new exploration permits in Colombia and Tanzania for respectively the CLARINERO and the MANDAWA exploration license
- Discovery of the OMKO field in Gabon and the OCELOTE field in Colombia

- Creation of MAUREL&PROM NIGERIA (now named MPI)
- Acquisition of a 45% stake in SEPLAT via the subsidiary MPN



- Signature of a joint-venture (JV) agreement with MPI
- Acquisition, via its JV of an equity stakes in Deep Well Oil & Gas (20%) and in blocks in Alberta (Canada), Gaspésie and Anticosti (Canada)
- Signature of an agreement to explore, via its JV oil in Myanmar
- Sale of the SABANERO field to PACIFIC RUBIALES ENERGY
- Buy-back of African assets of CAROIL from TUSCANY, previously a subsidiary of MAUREL & PROM (11 drilling rigs)

# Geographical footprint



(1): headquarters

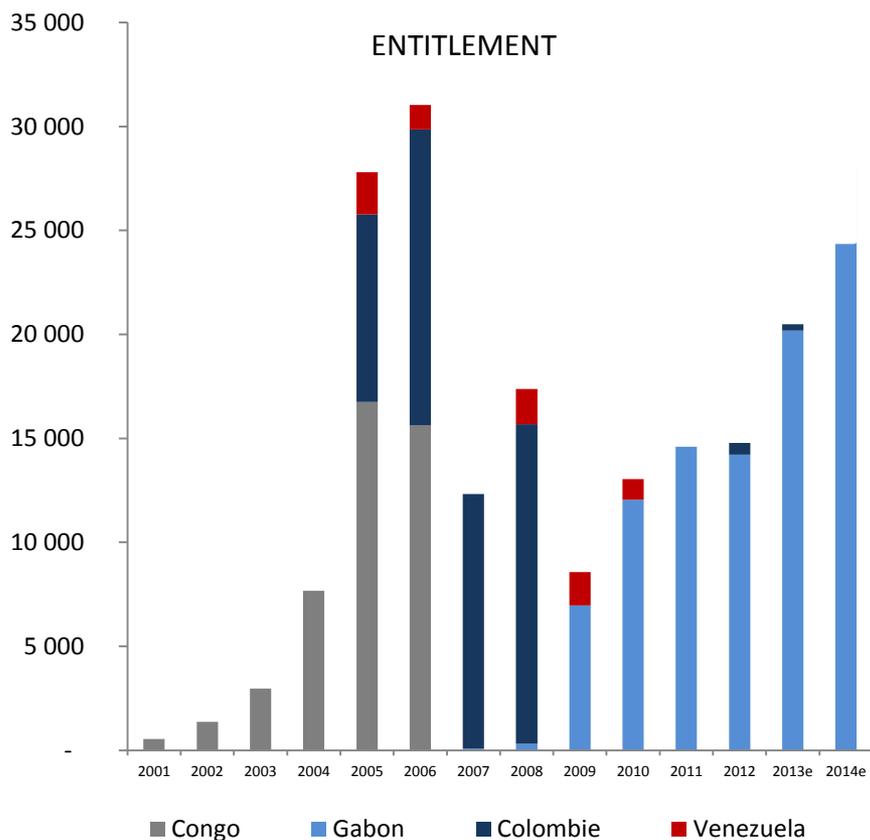
(2): via Saint-Aubin Energie (Maurel & Prom 1/3)

# Licenses

	GABON	TANZANIA	NAMIBIA	MOZAMBIQUE	COLOMBIA	PERU	SICILY	OTHERS
<b>Group entity</b>	M&P	M&P	M&P	M&P	M&P	M&P	M&P	M&P, Saint-Aubin Energie (M&P 1/3)
<b>Type of hydrocarbons</b>	Oil	Gas	Oil & Gas	Oil & Gas	Oil	Oil	Gas	Oil & Gas
<b>Reserves (2P) Entitled production Sales 2012/13</b>	184mmbobd <sup>(1)</sup> 21,430bopd 452mEUR / 580mEUR	294bscf 1,738mmscfd 1mEUR / 1mEUR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Market positions</b>	4th oil producer Strong track record Well known by the authorities	Very interesting onshore position close to recent offshore big discoveries	Strategic alliance with PGS	Very interesting onshore position close to recent offshore big discoveries	Strategic alliance with Pacific Rubiales	Strategic alliance with Pacific Rubiales	Preferential right	n.a.
<b>Customers</b>	Total/Socap/Sogara	Local power plant	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Number of licenses</b>	6 production 3 exploration	1 production 2 exploration	2 exploration	1 exploration	3 exploration	1 exploration	1 exploration	7 exploration
<b>Partners</b>	State	Wentworth, TPDC	Petroleum Geo-Service	Anadarko	Pacific Rubiales, Hocol, Ecopetrol	Pacific Rubiales	-	Eni, Afren, Petrovietnam, Petrolia, Deepwell, Québec Resources etc.
<b>Operationship by M&amp;P</b>	Yes	Yes	Yes	No (Anadarko)	Yes	No (PRE)	Yes	n.a.
<b>Capex 2013 (M&amp;P share)</b>	Expl.: 18mUSD Dev.: 244mUSD	Expl.: 13mUSD Dev.: 13mUSD	Expl.: 1mUSD	Expl.: 8mUSD	<i>Carried by PRE</i>	<i>Carried by PRE</i>	n.a.	Expl.: 36mUSD
<b>Tax terms</b>	Production sharing contract	Production sharing contract	Royalties income tax	Production sharing contract	Royalties income tax	Royalties income tax	Royalties income tax	n.a.

(1): M&P share net of royalties

## DAILY PRODUCTION (in bopd)



## RESERVES & RESOURCES

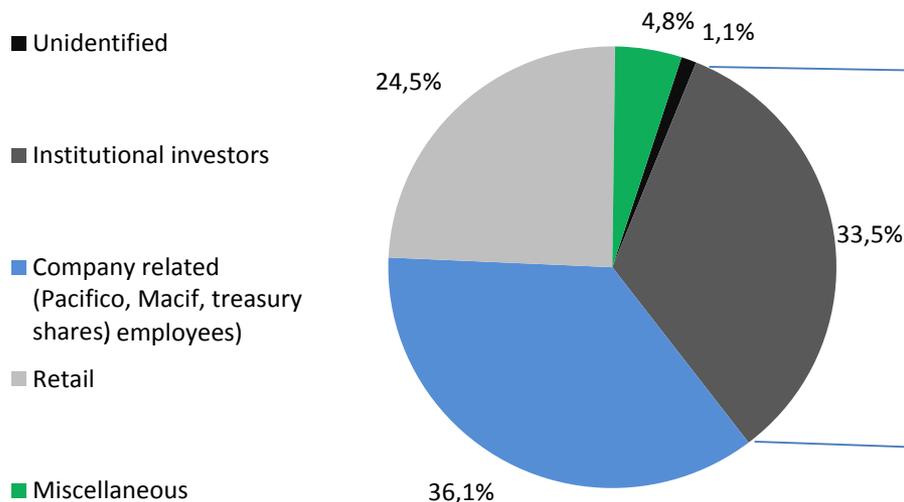
AEE	WI 1/1/2014	P1	P2	2P = P1+P2	P3	3P =
		In mmo	In mmo		In mmo	P1+P2+P3
Onal	80%	80,6	20,7	101,3	23,9	125,2
Omko	80%	3,4	4,5	8,0	4,4	12,4
Ombg	80%	1,3	0,3	1,6	0,6	2,2
Omgw	80%	11,3	2,9	14,3	5,5	19,8
Omoc-Nord	80%	40,1	3,0	43,1	6,7	49,8
Omoc	80%	4,9	10,5	15,4	6,2	21,7
Banio	100%	0,0	0,4	0,4	0,0	0,4
		141,7	42,3	184	47,4	231

*In working interest net of royalties*

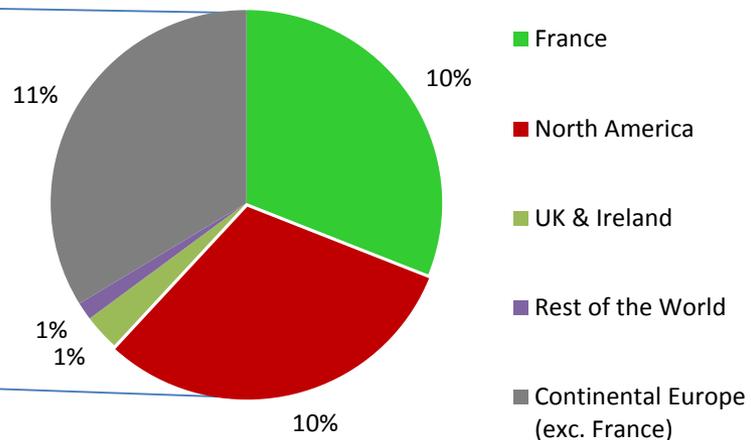
Once a gas sales contract is signed by all parties, the gas resources at the Mnazi Bay permit will be reclassified as reserves, as they will be commercially exploitable.

**Based on a report drawn up by RPS-APA and dated 30 September 2007, these resources amount to 294 Bscf, or 52.5 Mboe (C1+C2). C3 resources total 433 Bscf, or 77 Mboe.**

## SHAREHOLDER COMPOSITION



## INSTITUTIONAL SHAREHOLDING



Number of shares: 121,530,169  
 Treasury shares: 5,589,040

# Potential dilution

## CONVERTIBLE BONDS

SECURITIES		
	2009	2010
Type of security	Convertible	Convertible
Name of issue	OCEANE 2014	OCEANE 2015
Maturity	31/07/14	31/07/15
# of securities outstanding	19 061 234	5 410 512
Nominal	€ 15,6	€ 12,7
Amount	297 562 496	70 000 012
Coupon	7,125%	7,125%
Conversion ratio (# of shares per # of securities)	1,02	1,00
<b>Number of additional shares for conversion</b>	<b>19 442 459</b>	<b>5 410 512</b>
Effect of separation of Nigeria business	1,19	1,19
Exchange ratio after Nigeria separation	1,22	1,19
<b>Number of additional shares for conversion</b>	<b>23 254 705</b>	<b>6 438 509</b>
In the money at	12.79€	10.67€

## WARRANTS

SECURITIES	
	2010
Type of security	Warrants
Name of issue	BSA 2010
Maturity	30/06/2014
# of securities outstanding	112 610 601
Nominal	€ 14,2
Amount	159 907 053
Coupon	
Conversion ratio (# of shares per # of securities)	0,10
<b>Number of additional shares for conversion</b>	<b>11 261 060</b>
Effect of separation of Nigeria business	0,12
Exchange ratio after Nigeria separation	0,12
<b>Number of additional shares for conversion</b>	<b>13 400 662</b>
In the money at	11.93€

### Calculation of fully diluted number of shares

Shares outstanding	121 524 952
- Treasury stock	-5 589 040
+ Free Shares	256 689
+ Warrants	13 400 662
+ Convertible (OCEANEs)	29 693 215
<b>Total NoSh fully diluted</b>	<b>159 286 477</b>

### Cash Effects from warrants

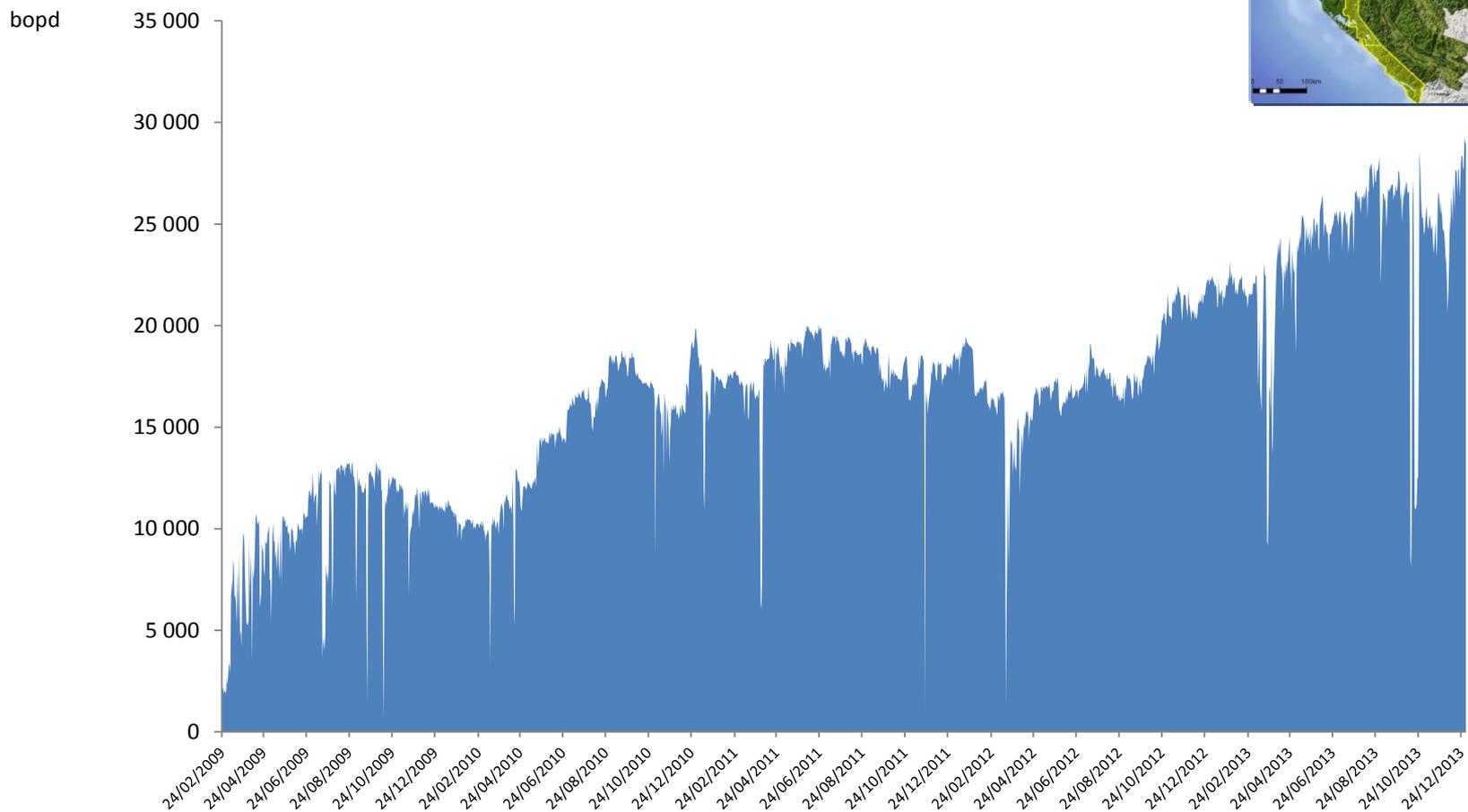
€160m



Productive assets  
New PSA in Gabon

# New production sharing contract in Gabon

## Production from Omoueyi/Ezanga licenses



# New production sharing contract in Gabon

## New Ezanga PSA

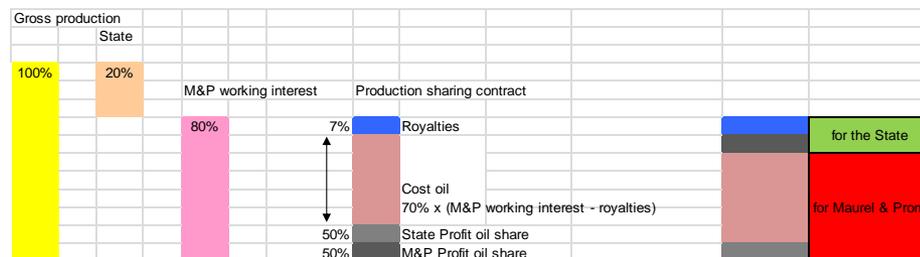


	Omoueyi	Ezanga
<b>Exploration phase</b>	sept-14	2019
<b>Remaining duration</b>	Onal : 3+5+5 Omko : 6+5+5 Ombg and Omgw : 7+5+5 Omoc-N : 9+5+5	(10+5+5)x2*
<b>Partner working interest</b>	State: 15%	State: 20%
<b>Royalty</b>	4%, sliding up to 10%	7% for 5 years, then 12%
<b>PID / PIH</b>	1% of the sales (75% cost recoverable)	2% of the sales (75% cost recoverable)
<b>Cost stop</b>	75%	70%

\*: an additional period of 20 years is also possible

- Increase in visibility: new duration of 20 years
- Increase in efficiency: reservoir management improved
- Increase in P1 reserves: from 53,8 to 141,7mmbo, +163%

### PSA terms / no further tax



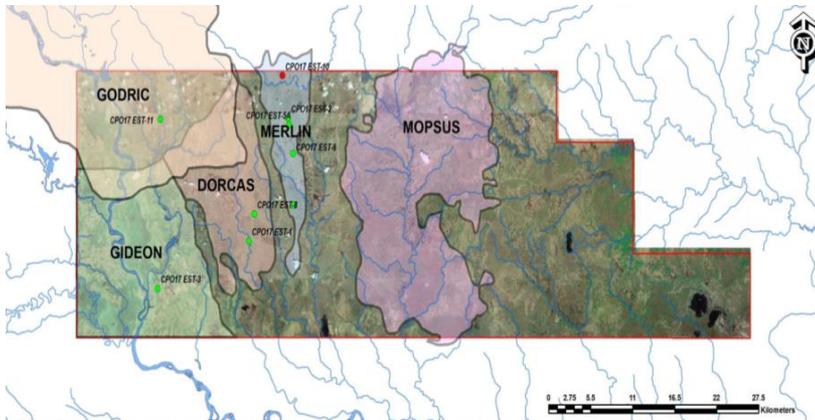
## Plateau production to reach 35,000 bopd

- ❑ **Production target of 35,000 bopd at end-2014**
  - Production was reduced in the Q1 2014 to 25,000 bopd for maintenance reasons
  - Up to 35,000 bopd in the H2 2014
  
- ❑ **Production plateau: 35,000 bopd**
  - At least 10 years
  - Pipeline capacity: 35,000 bopd maximum
  - An ideal balance between maximising recovery rates, the economic operating conditions at the fields and routing capacities
  
- ❑ **Capex (100% Gabon)**
  - 2014 : US\$ 310 million
  - 2015 : US\$ 120 million
  - 2016-2037 : US\$ 100 million
  - 2037-2053 : US\$ 80 million descending year by year
  
- ❑ **Significant free cash flow from 2015 in Gabon**
  - Free cash flow about US\$350 million by year in Gabon



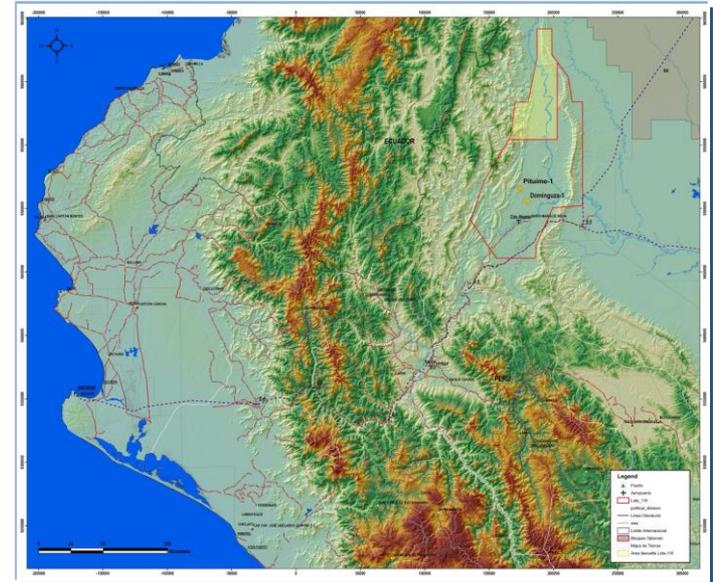
# Exploration asset overview

## COLOMBIA



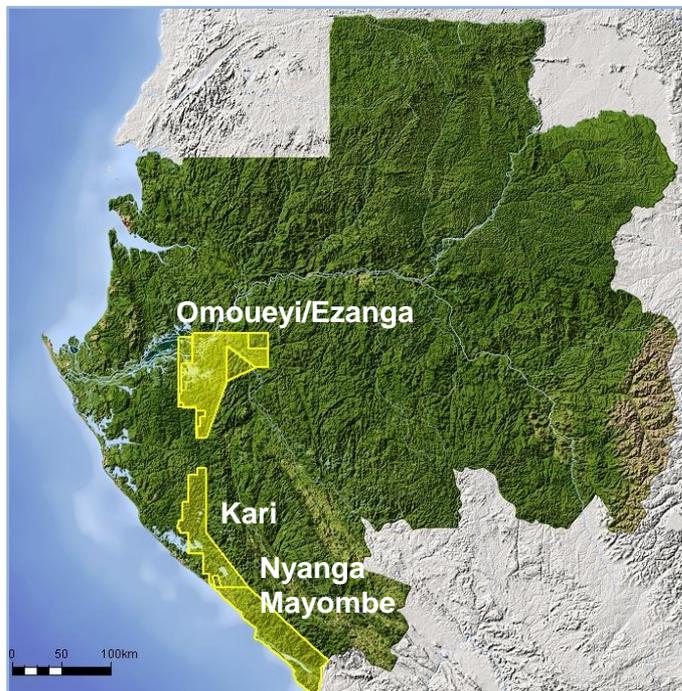
- One appraisal well on Dorcas
- Three stratigraphic wells on Godric
- Balsa-1 side well in Muisca

## PERU



- Drilling of the Fortuna-1 well (in progress)

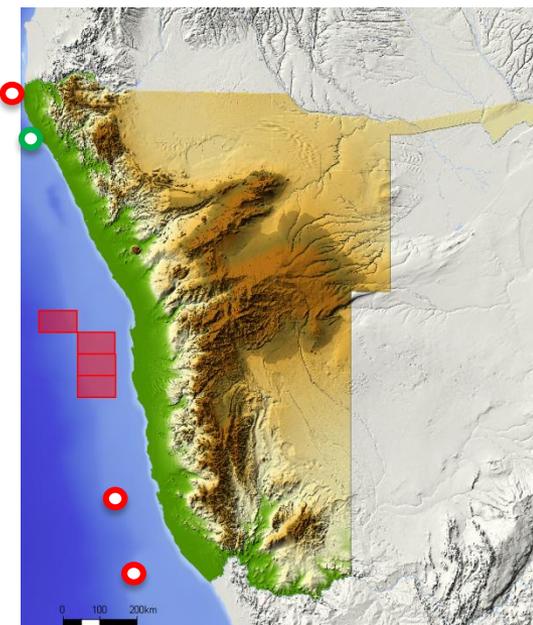
## GABON



- New CEPP Ezanga: new exploration phase of five years
- Launch drilling program on Omoueyi and Kari (september 2014)

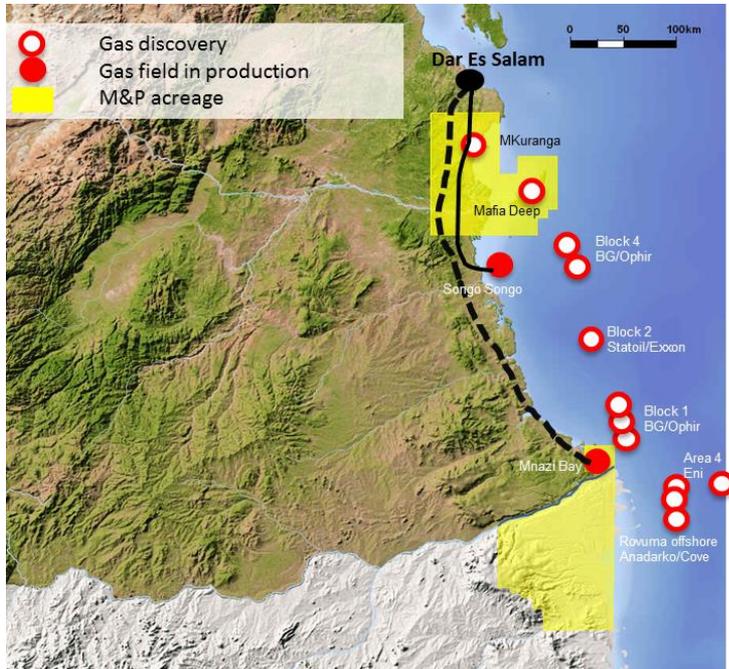
## NAMIBIA

- Gaz
- Oil



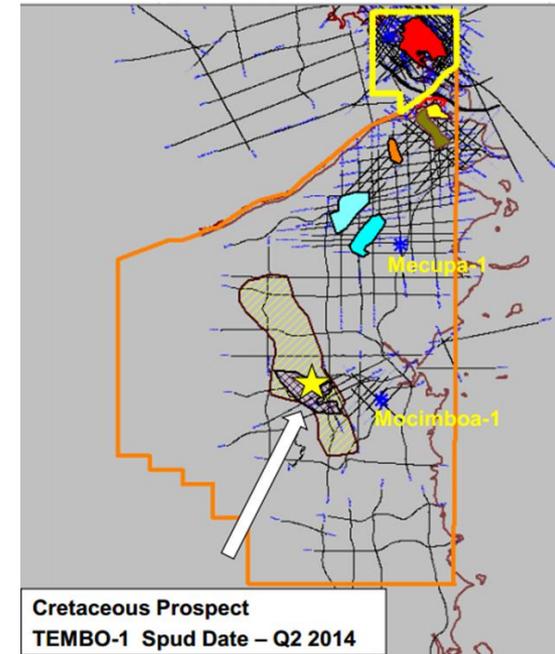
- 2D seismic finalization
- Seismic 3D acquisition (Q4 2014)

## TANZANIA



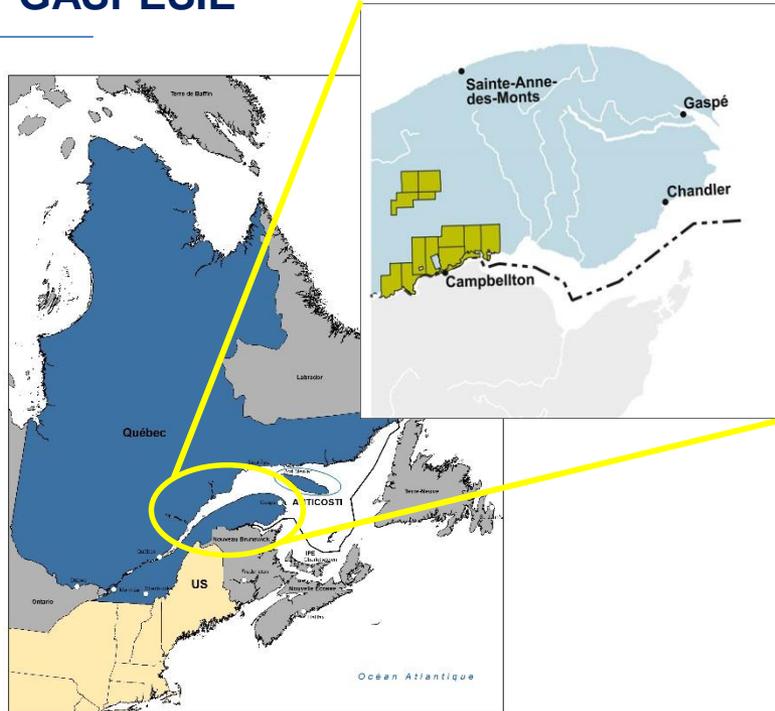
- Mnazi Bay : 2D seismic acquisition (finalization in H1 2014)
- Gas sale agreement to be finalized
- BRM : seismic processing

## MOZAMBIQUE



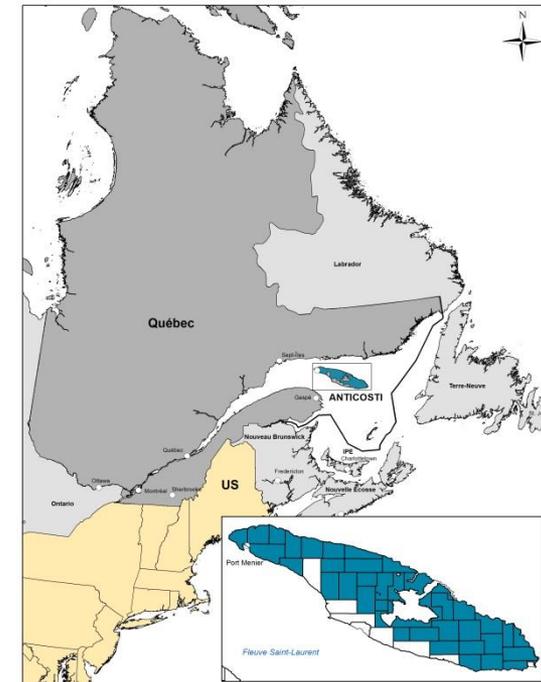
- Two exploration wells on Rovuma permit onshore (June 2014), operating by Anadarko

## GASPESIE



- Recognition of different tanks
- Stratigraphic wells

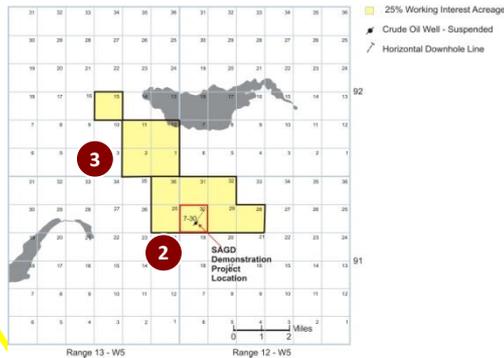
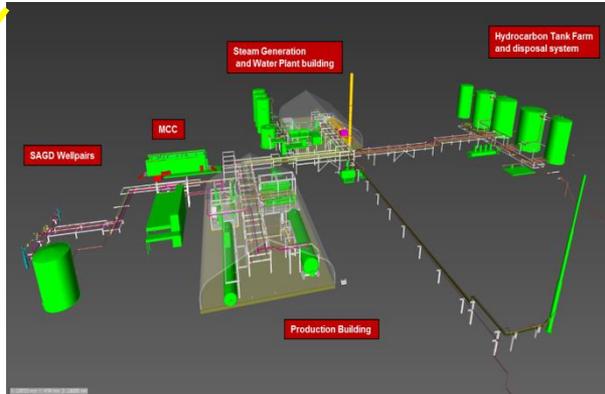
## ANTICOSTI



- 15 to 18 stratigraphic wells and 3 exploration wells with completion (Summer 2014)
- Partnership with Ressources Québec (35%)

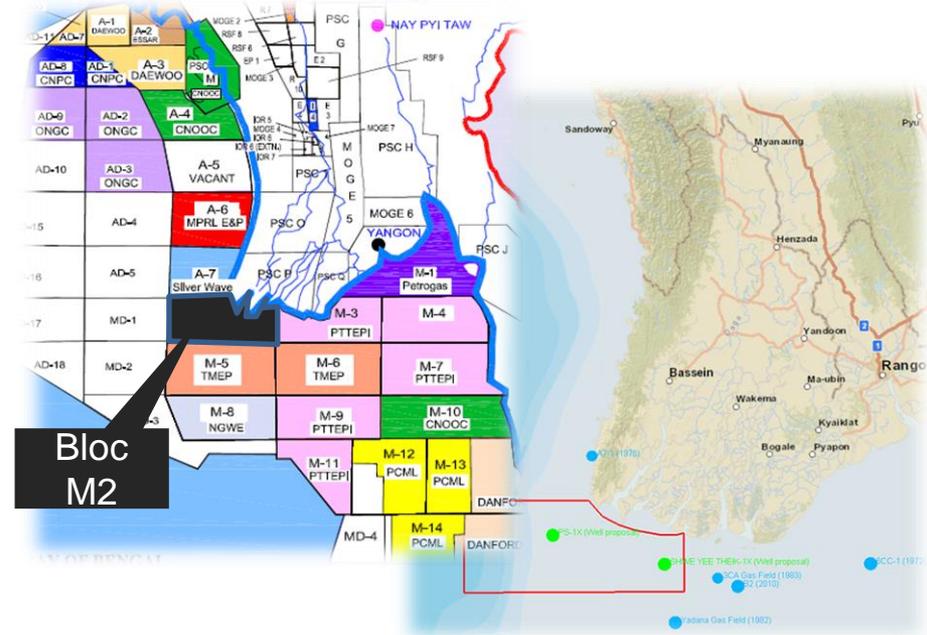
# Canada and Myanmar

## ALBERTA



- SAGD pilot project
- Steam operations
- First production expected in Summer 2014

## MYANMAR



- Exploration well in H2 2014, operator Petrovietnam



Stock

# Stock price

## Share price €

Spot	11.59
1-month average	11.84
3-month average	12.03
6-month average	12.12
1-year average	12.71

## Market Cap. €m

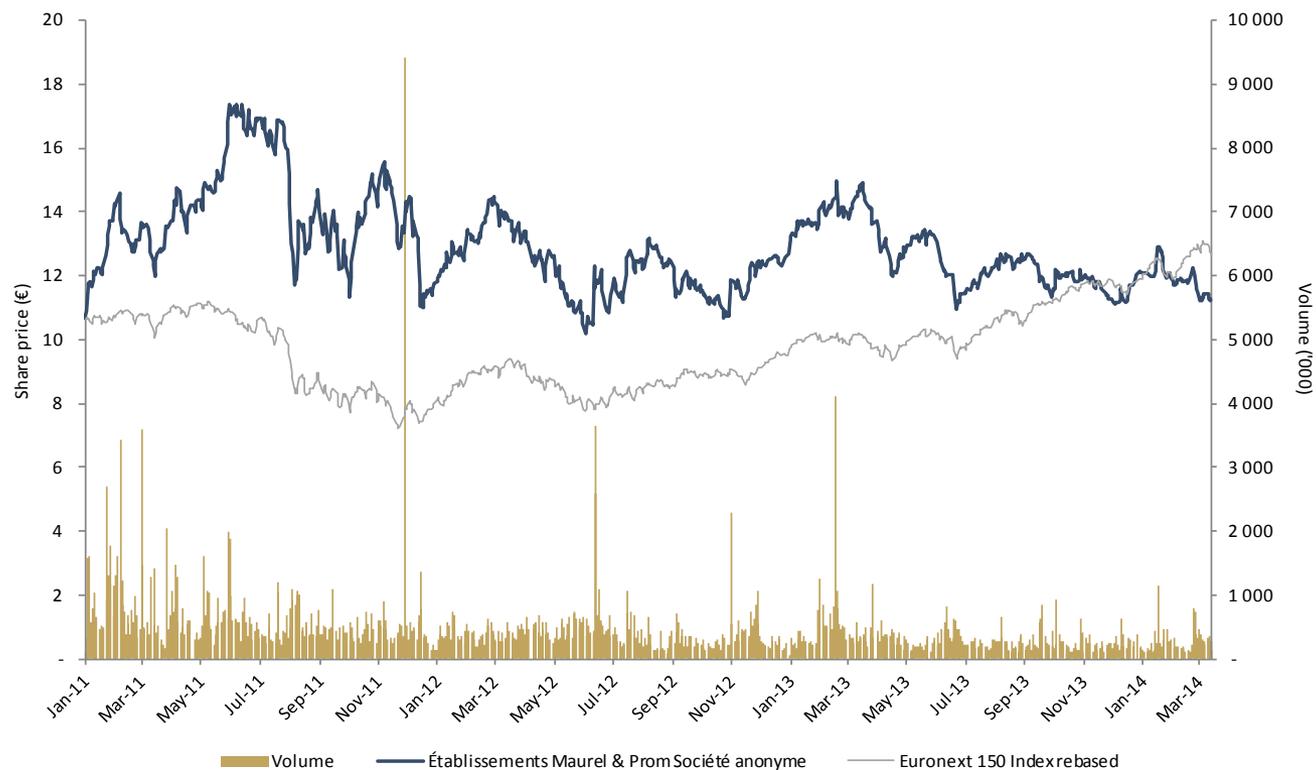
Spot	1,340.5
1-month average	1,371.1
3-month average	1,392.8
6-month average	1,402.7
1-year average	1,469.5

## Volume '000

Spot	16.5
1-month average	227.5
3-month average	260.3
6-month average	273.9
1-year average	333.6

## Performance

1-month	(3.5%)
3-month	(5.4%)
6-month	(13.9%)
1-year	(5.5%)
Since 1-Jan-10	+8.6%



Selected brokers	Reco.	Target price
Exane	Buy	16
Société Générale	Hold	11,6
CM CIC	Buy	14,9
TUDOR	Buy	22,0
Goldman Sachs	Neutral	13,2
Natixis	Buy	16,8
MIN		11,6
MAX		22,0
MED		15,5
<b>MOY</b>		<b>15,8</b>

- Well experienced management team (former managers at ELF)
- Strong track-record with successful developments of oil fields in Colombia, Congo, Gabon and Nigeria notably
- Highly reactive thanks to a very light structure with lower operating and central structure costs than most peers (and much lower than majors)
- Significant level of investments made in 2012 and investments planned for 2013-2014 should steadily increase production
- Balanced portfolio across regions
- Very strong relationships with local authorities in GABON
- Strategic location of East African licenses

# S

- Low geographic diversification in production: 100% of MAUREL & PROM sales in 2013 originated from Gabonese production. Having said that, reserves and further production are becoming more and more diversified
- Small size of the company, limiting major development, notably offshore
- Impact of external factors such as oil prices, exchange rates and hedge prices on business performance

# W

- An attractive operator for certain producing countries, seeking an alternative to the majors
- Lasting high oil price
- High potential of new exploration wells in Namibia, Mozambique, Tanzania, Colombia and Peru
- New East African gas resources coming onto the market
- Investments in Gabon nearly completed, allowing for strong and stable free cash flows generation from 2014 onwards, freeing up budget for new projects
- Strategic partnership with Quebec Resources

# O

- Increased competition from national companies and China
- Necessity to reinforce the team with younger managers
- General risks linked to the industry: political risks, industrial and environmental risks, operational risks and financial risks

# T



## FY 13 Key events

# Asset management

## Sale of Sabanero 1

- M&P owns 50,001% of MP Colombia
- Sale 50% of Sabanero field
- Buyer: Meta Petroleum Corporation (wholly owned by Pacific Rubiales Energy)
- The total amount of the transaction was US\$104 million

## Caroil Africa 2

- 9 rigs bought from Caroil/Tuscany
- Sale of the Tuscany shares
- Maurel & Prom acquired two drilling platforms belonging to Tuscany for a total of US\$23 million

## Saint-Aubin Energie 3

- Investment joint venture between M&P 1/3 and MPI 2/3
- Signing of a partnership with Petrovietnam in Myanmar
- Stake of 20% in Deep Well O&G
- Farm-in in 12 blocks of the Peace River Oil Sands of Alberta area (25% working interest)
- Signing of a partnership agreement with Petrolia for the development of 13 exploration licenses in Gaspésie

## Strategic partnership in Quebec 4

- Partnership with Ressources Québec (35%), Pétrolia and Corridor Resources
- Drilling phase comprised of 15 to 18 stratigraphic wells on Anticosti Island
- Maurel & Prom owns 21,7% of the license
- This project should integrate the scope of activity of Saint-Aubin Energie

2013

2014

## New US\$200 million line of credit set up

### ❑ credit facility with a bank consortium for up to \$200 million signed in January 2014

- To cover the redemption of OCEANE 2014 bonds

### ❑ Net debt as of 31/12/2013

- OCEANE 2014: €298 million , maturity on 31 july 2014
- OCEANE 2015: €70 million, maturity on 31 july 2015
- Senior Secured Facility: US\$350 million (first term in june)
- Crédit Suisse facility: US\$50 million, refundable 23 december 2018

### ❑ Cash at 31/12/2013: €198 million

### ❑ Update on share subscription warrants

- Maturity: 30 June 2014
- Conversion rate: 10 BSA for 1.19 Maurel & Prom share
- Strike price: 14.20€

# Omoueyi sales

## Sales of the producing fields in Gabon

		Real 2013	Real 2012	var. %
Operated production	<i>bopd</i>	23,763	17,575	
Sold production	<i>Kbbbls</i>	6,974	5,428	28%
Sale price	<i>\$</i>	107	111	-3%
<b>Sales in U\$S</b>	<b><i>\$m</i></b>	<b>745</b>	<b>601</b>	<b>24%</b>
Exchange rate	<i>€/ \$</i>	1.33	1.29	-3%
<b>Sales</b>	<b><i>€m</i></b>	<b>561</b>	<b>467</b>	<b>+20%</b>
<i>Impact of the new accounting method</i>		8	-20	
<b>Omoueyi sales</b>		<b>569</b>	<b>448</b>	
<b>Real 2013 vs Real 2012</b>		<b>121</b>		
<i>Price</i>	<i>€m</i>	-20		
<i>Volume</i>	<i>€m</i>	129		
<i>Exchange rate</i>	<i>€m</i>	-16		
<i>New accounting method</i>	<i>€m</i>	28		

## Result per barrel

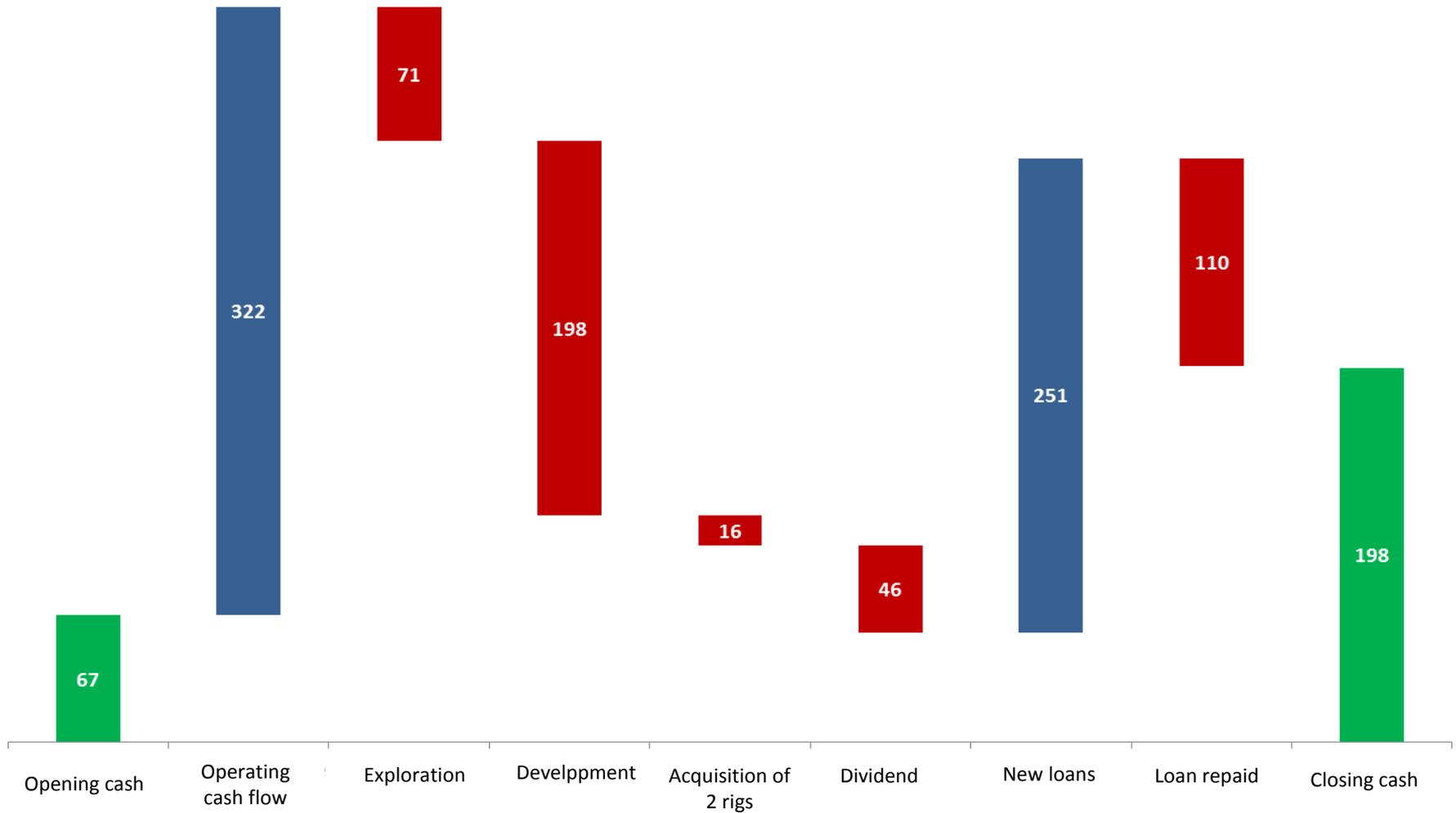
	Real 2013		
Sold production	Kbbls	6,974	
	<b>\$ per barrel</b>	<b>en M\$</b>	<b>en M€</b>
Sales	106,8	745	561
Opex	-8,2	-60	-45
Transport	-4,7	-35	-26
Inventory	1,9	14	11
Royalties and tax	-6,8	-50	-38
Depletion	-11,6	-86	-65
G&A	-3,2	-24	-18
Omoueyi EBIT	74	504	380

# 2013 Results

In €m	2013	2012	Var
Sales	580	452	+28%
Operating income	312	186	+68%
Financial income	-67	-42	+60%
Tax	-135	-97	+39%
Equity associates	-45	-5	
Net income	63	41	+54%
Operating cash flow	348	322	+8%
Cash at end of period	198	67	+196%

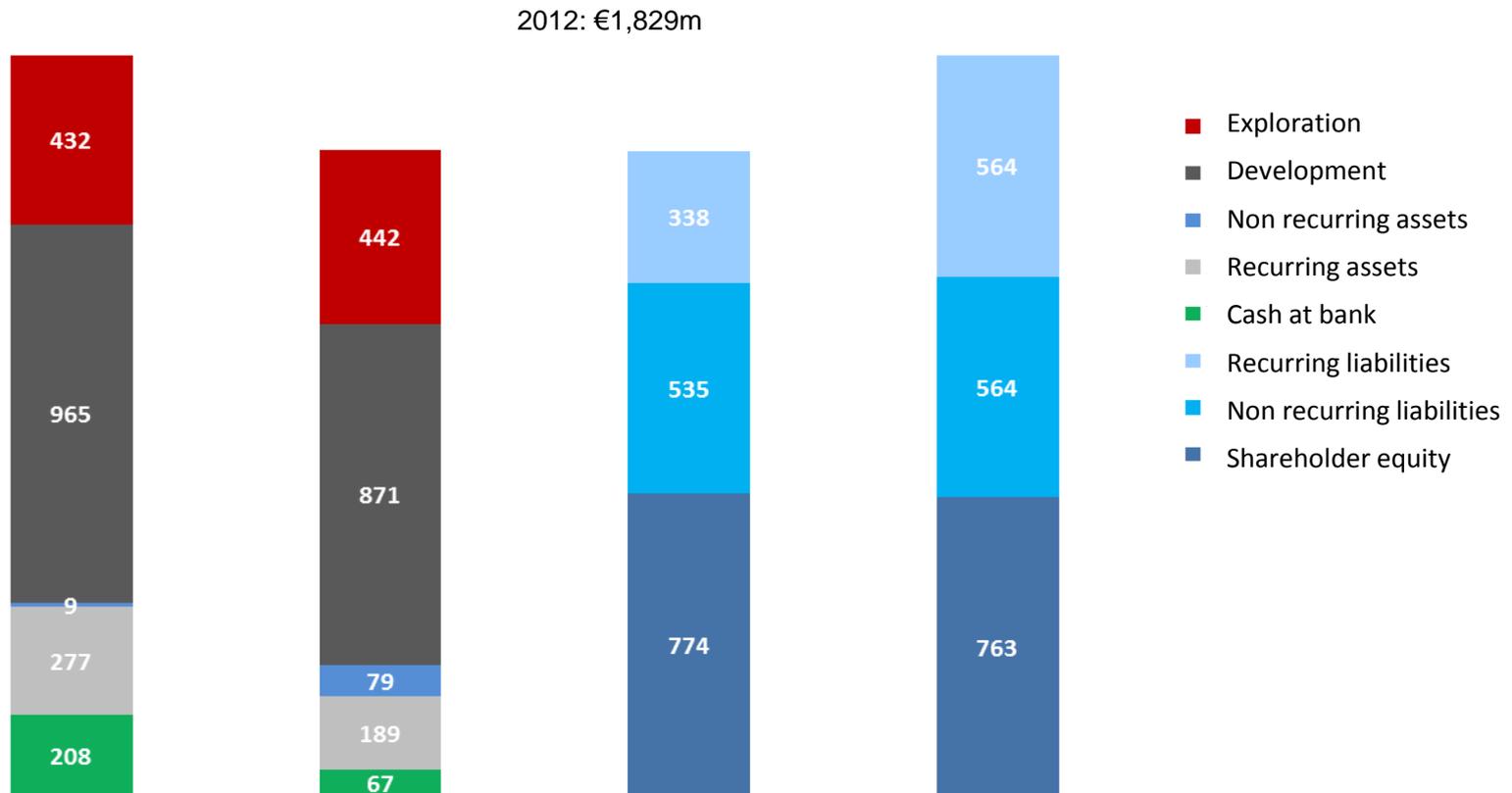
- **Significant increase in production (+30%):**
  - Sales: +28%, €580m
  - EBIT: +68%, €312m
  - Cash flows: +8%, €348m
- **Increase in P1 reserves decreasing the amortization expenses**
- **Financing charges: €48m**
- **Endebtmnt restructuring**
  - New credit line drawn : \$350m
  - Reimbursement of the RBL (\$130m) and of the BGFI line (€15m)
  - New Crédit Suisse facility: \$50m
- **Non recurrent**
  - SSJN9 and Etekamba license relinquishment
  - Failure of two wells in Congp
  - Sale of Sabanero in Colombia
  - Transfer of Tuscany shares
  - Caroil Africa

# 2013 cashflow



# 2013 balance sheet

Total 2013: €1,891m



[www.maureletprom.fr](http://www.maureletprom.fr)