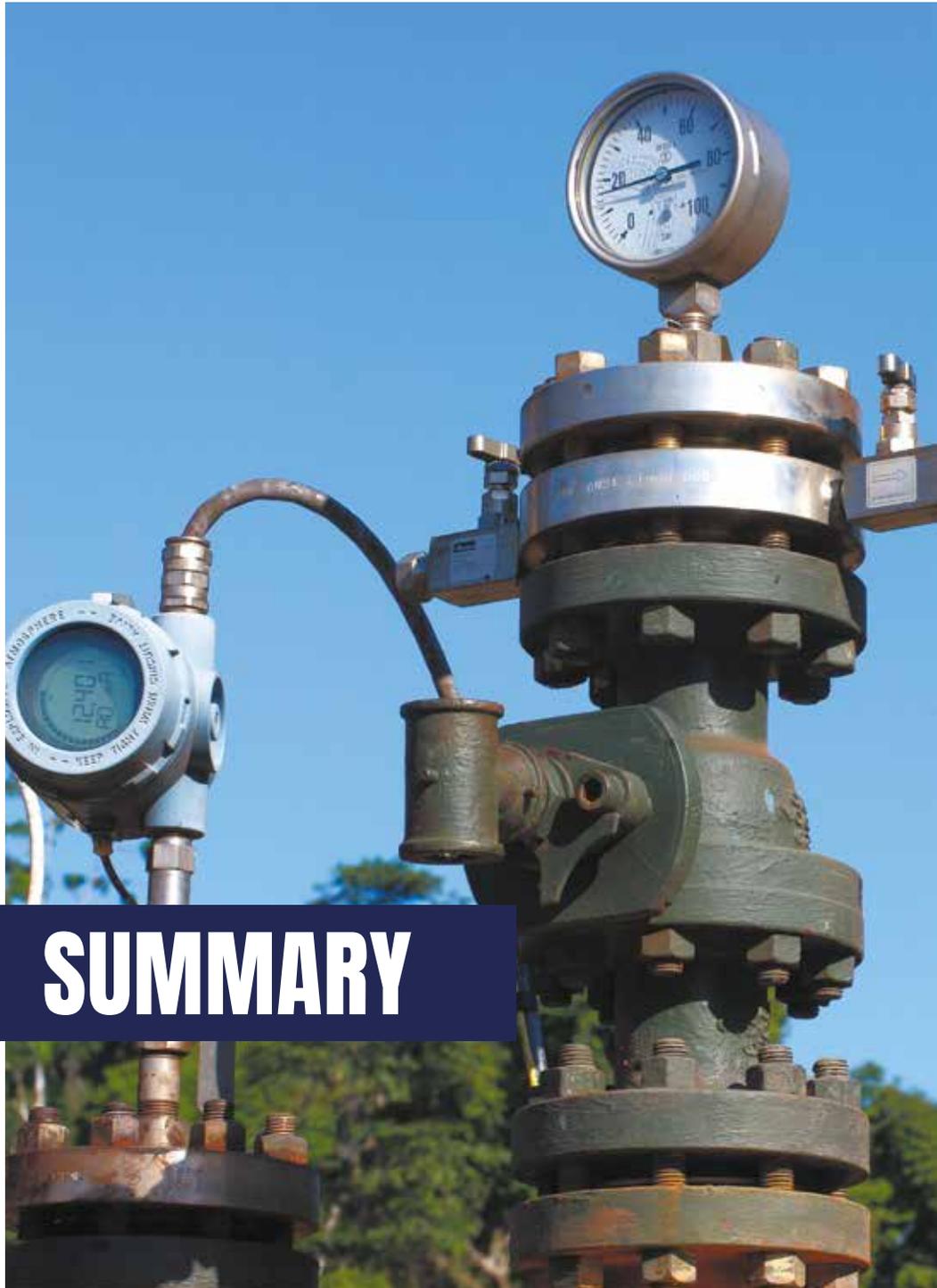




MAUREL & PROM ANNUAL REPORT 2017



SUMMARY

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PROFILE

Maurel & Prom is an oil and gas exploration and production company. It is listed on Euronext Paris and has its registered office in Paris.

Maurel & Prom is well known for its onshore E&P expertise in Africa and Latin America, and has a portfolio of high-potential assets covering all exploration, development and production activities. The Group currently operates production assets in Gabon and Tanzania, and also holds a significant stake in SEPLAT, one of Nigeria's leading operators.

Since February 2017, Maurel & Prom has been backed by Pertamina Group and aims to become its international development platform.



JOINT INTERVIEW



AUSSIE B. GAUTAMA
Chairman



MICHEL HOCHARD
Chief Executive Officer

The year 2017 was a very eventful one for the Maurel & Prom Group. How would you sum it up?

A.B.G: The Pertamina Group's successful acquisition of a stake in Maurel & Prom obviously had a big impact on 2017. This is a strategic alliance built on the great complementarity of the two groups. On the one hand, Maurel & Prom has given Pertamina a dynamic international platform from which to access oil resources outside its domestic market and thus meet Indonesia's increasing energy needs, while on the other, the Maurel & Prom Group has the support of a major national oil company to accelerate and facilitate its growth. The synergies between the two groups have already started to bear fruit over the past year, both financially and operationally.

M.H: The year was punctuated by the Group's consolidation at every level. Thanks to the work of our teams and the support of our main shareholder, we successfully refinanced our debt on much more favourable terms. This was a key step, offering Maurel & Prom greater financial flexibility with which to resume our growth plans, most notably by developing assets already in production and restarting exploratory drilling.

“

Thanks to the work of our teams and the support of our main shareholder, we successfully refinanced our debt.

– MICHEL HOCHARD

“

M&P AND PERTAMINA: A STRATEGIC ALLIANCE

– AUSSIE B. GAUTAMA



How would you qualify the current market environment?

A.B.G: The oil sector has been badly shaken these past three years by the drop in oil prices. In 2017, we returned to a more benign economic environment, with oil prices averaging US\$53/bbl versus US\$43/bbl in 2016. While we welcome this recovery, we are nevertheless keeping a close watch on price volatility, which is expected to persist in the coming years.

MH : The recovery in crude prices had a positive impact on Maurel & Prom's financial statements in 2017, reflected in the sharp increase in cash flow generated during the year. This, combined with our refinancing and strict cost control, reduced our net debt by almost a third compared to 2016.

What are the next steps for Maurel & Prom's development?

A.B.G : One of the key factors in our development will be our ability to pursue the highest standards in terms of health, safety and the environment in conducting our activities. We are thrilled with the ongoing improvement in key indicators relating to workplace safety in 2017 and will be continuing our efforts in operational excellence in order to minimise the risks associated with our activities.

MH : In 2018, we will focus on supporting oil production in Gabon through the resumption of development and exploration drilling programmes. We will also continue to optimise our operations in Tanzania, where we are delighted to see a steady increase in local demand for natural gas, leading to a sustained increase in our production. Lastly, we remain on the lookout for new growth opportunities in Africa as well as Latin America, regions in which the Group's historical roots offer a key advantage in terms of operating experience and risk management.

GOVERNANCE & ORGANIZATION

MANAGEMENT



AUSSIE B. GAUTAMA

Chairman of the Board of Directors

Aussie B. Gautama, an adviser to Pertamina's CEO on Exploration and Production activities since 2015, has more than 35 years' experience in the hydrocarbon sector, 30 of which were at TOTAL Group working, including from France, on various projects in Indonesia, Norway, Libya and Nigeria. A graduate of the Bandung Institute of Technology (Indonesia) in geology, Aussie B. Gautama has also received a solid international education at schools such as ENSPM and INSEAD. Since 10 April 2017 he has served as Chairman of Maurel & Prom's Board of Directors.



MICHEL HOCHARD

Chief Executive Officer

Graduate of the Commercial Institute of Nancy (ICN) and qualified public accountant. Internal auditor then head of the Elf Aquitaine Finance Division for Africa and the Middle East, Finance Director of SNEAP (Société Nationale Elf Aquitaine Production) and then Elf Aquitaine Production. He was Deputy Director of Human Resources at Elf E&P and Director of Operations for PriceWaterhouseCoopers BPO. From September 2007 to May 2014, he was Chief Financial Officer of Maurel & Prom. He currently serves as Chief Executive Officer of the Group and director of the SEPLAT's board.



PHILIPPE CORLAY

Chief Operating Officer

A graduate of Hautes Etudes Industrielles in Lille and the School of Petroleum and Engines, Philippe Corlay began his career in the Deposit Department of Beicip-Franlab before joining the French Petroleum Institute, where he became head of the Assisted Recovery Project Hydrocarbons. It is then the Coparex Technical Director from 1998 to 2003, when he joined Maurel & Prom where he takes responsibility for Production Manager in 2008 and the Director of Operations in 2013. He is currently Chief Operating Officer.





BOARD OF DIRECTORS

The Board of Directors' decides the direction of the company's activity and oversees its execution. Subject to the powers explicitly agreed by the shareholders' meetings and within the limit of their object, the Board handles any questions regarding the administration of the company and discuss the appropriate actions to be taken. The Board of Directors acts on the controls and checks that it deems opportune.



AUSSIE B. GAUTAMA
Chairman of the Board of Directors



NATHALIE DELAPALME
Independent director



CAROLE DELORME D'ARMAILLÉ
Independent director



ROMAN GOZALO
Independent director



MARIA R. NELLIA
Director



PIEP
Director, represented by Huddie DEWANTO, member



DENIE S. TAMPUBOLON
Director



SPECIALIZED COMMITTEES

AUDIT COMMITTEE

The Audit Committee's main role is to assist the Board so that the latter gets the information and resources to ensure the quality of the internal audit and the reliability of the financial information given to the shareholders and the financial market.

ROMAN GOZALO

Chairman, independent director

NATHALIE DELAPALME

Independent director

PIEP

Director, represented by Huddie DEWANTO, member

RISK OBSERVATORY

The Risk Observatory monitors in coordination with the Audit Committee the effectiveness of the Company's internal control and risk management systems.

CAROLE DELORME D'ARMAILLÉ

Chairman, independent director

ROMAN GOZALO

Independent director

NATHALIE DELAPALME

Independent director

MARIA R. NELLIA

Director

APPOINTMENT AND REMUNERATION COMMITTEE

The Appointment and Remuneration Committee's main duty is to make proposals concerning the remuneration of the members of the Management Board (fixed remunerations and variable remunerations methods, when applicable).

NATHALIE DELAPALME

Chairman, independent director

ROMAN GOZALO

Independent director

DENIE S. TAMPUBOLON

Director



BUSINESS MODEL & STRATEGY

EXPLORE

DEVELOP

OPERATE



M&P OVERVIEW

2017 KEY FIGURES

EHS-S

0 (zero)

Number of Fatalities (FAT)

0,26

Lost Time Injury Frequency (LTIF)

0,78

Total Recordable Injury Rate (TRIR)

scope of calculation on employees and contractors

FINANCES

€164m

cash flow generated by operations

€355m

sales

€216m

cash position at 31/12/2017

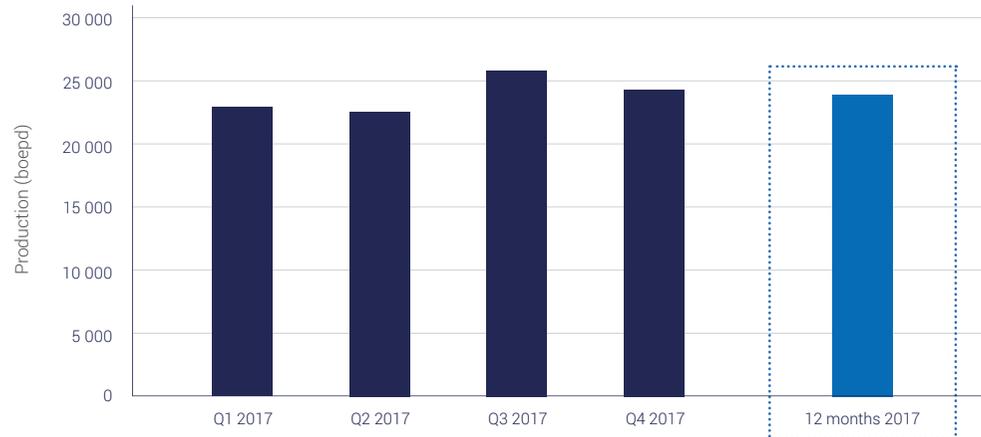
€58m

EBIT

€168m

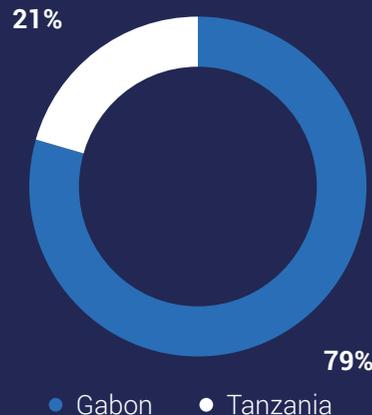
EBITDA

M&P production share (boepd)

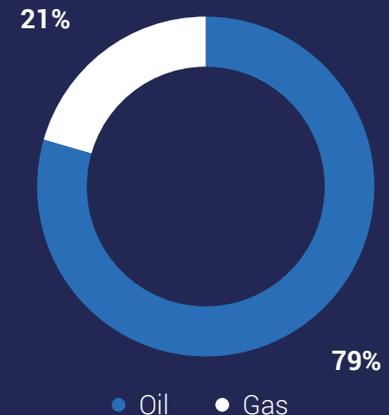


2P reserves: 216 MMboe* at 31 December 2017

WI 2P reserves by country



WI 2P reserves by types



*WI gross 2P reserves

2017 HIGHLIGHTS



Entry of a new shareholder :
PIEP, a subsidiary of Pertamina



Return to profitability
for the M&P Group

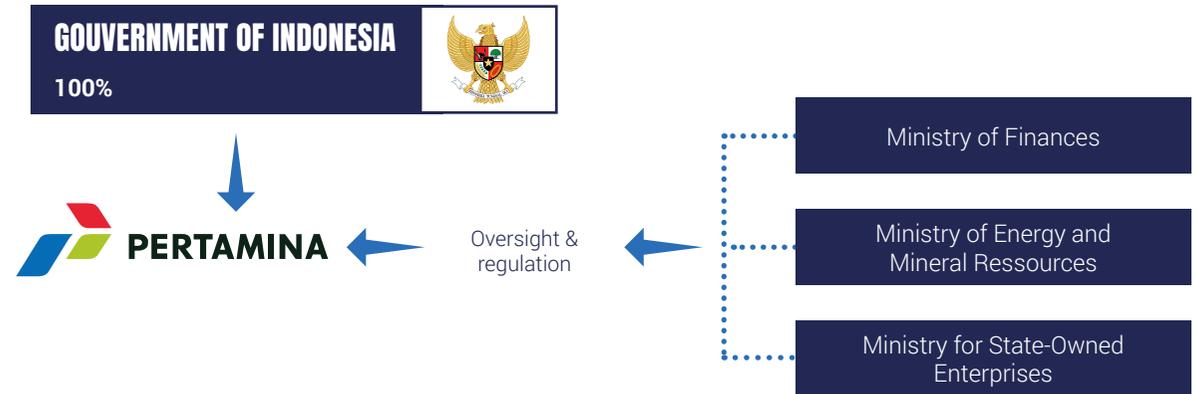


Refinancing of debt on
favourable terms



Workplace safety: ongoing
improvement in key indicators

PERTAMINA OVERVIEW



Pertamina is an integrated oil and gas group that has been operating since 1957 and is wholly owned by the Indonesian government

+ **Business sectors: exploration, production, refining and distribution of hydrocarbons (gas and oil), as well as the development of other alternative sustainable energy sources (primarily biofuels and geothermal energy)**

Pertamina distributes fuel to more than 250 million people across the Indonesian archipelago. To achieve this, Pertamina has almost 27,500 employees and owns the infrastructure and assets (terminals, tankers, fuel tanker trucks and pipelines) necessary to supply energy to one of the world's most complex networks.

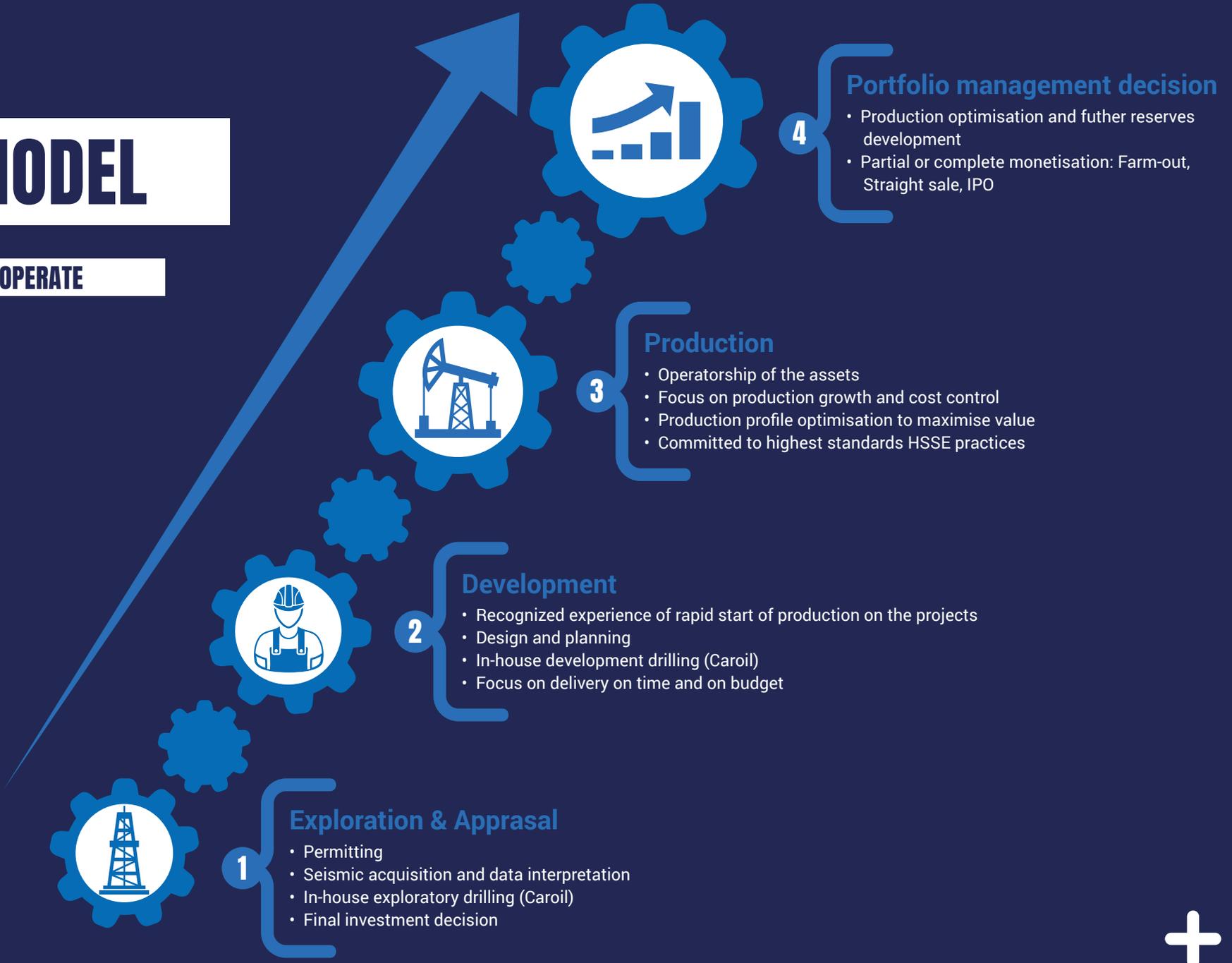
+ **In the upstream oil sector (exploration, production, drilling and geothermal energy), international investments are handled by Pertamina's integrated subsidiary "PIEP".**

PIEP operates in Algeria, Iraq and Malaysia. In 2016, its hydrocarbon production (excluding its stake in Maurel & Prom) averaged 126 Mboepd.

Through PIEP, the Pertamina Group has held a 72.65% stake in Maurel & Prom since February 2017, giving it a new international development platform for its upstream oil activities.

M&P MODEL

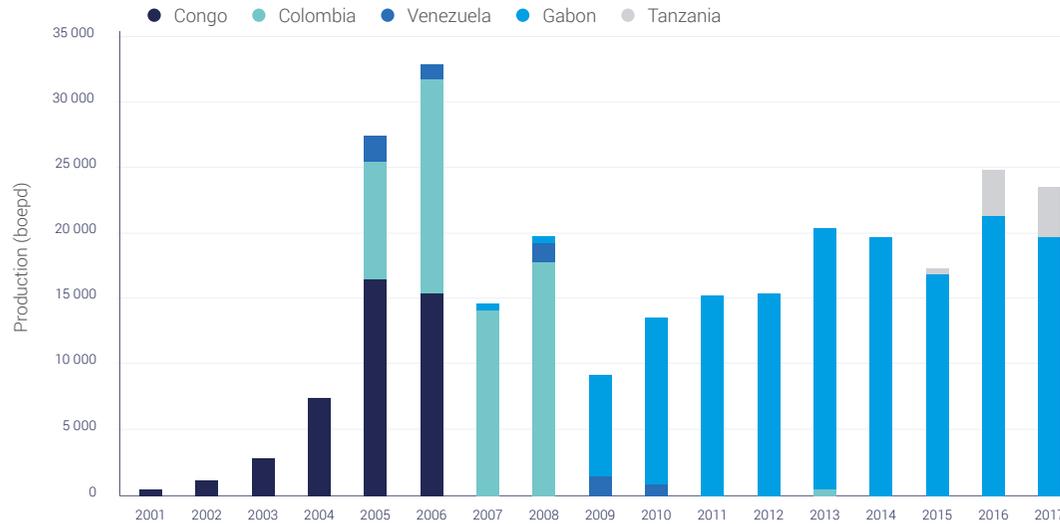
EXPLORE, DEVELOP, OPERATE



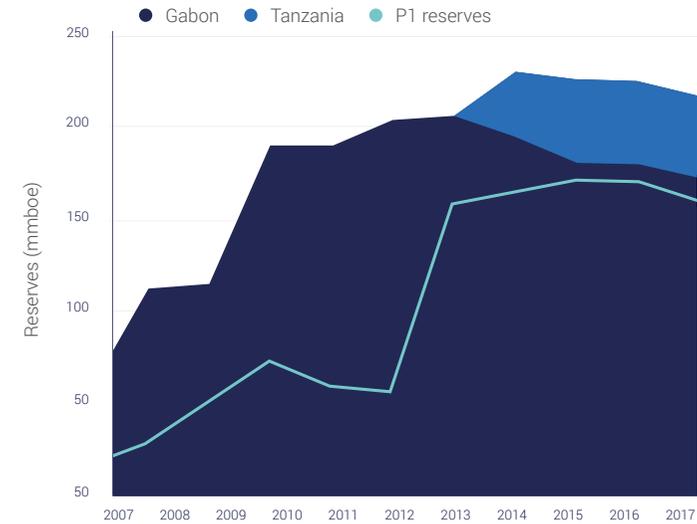




+ M&P has discovered, brought to production and grown a large number of high quality assets.

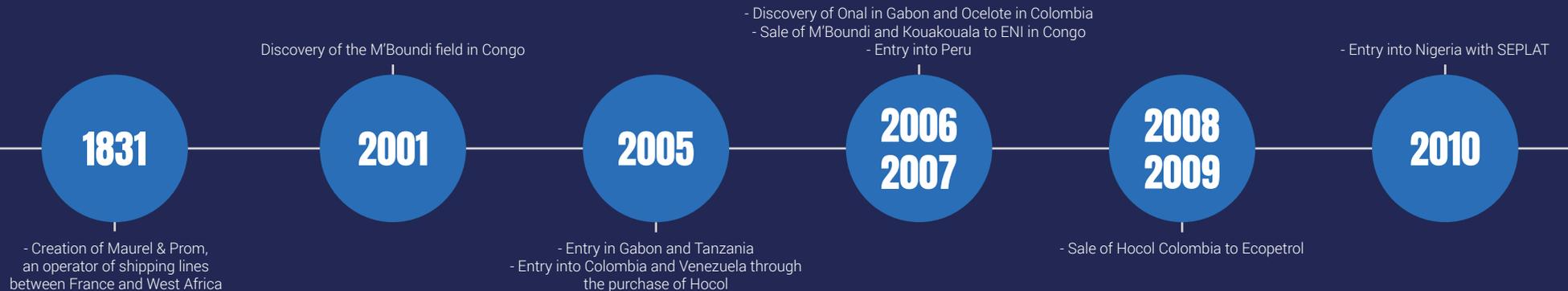


Working interest production over time
Excluding Nigeria



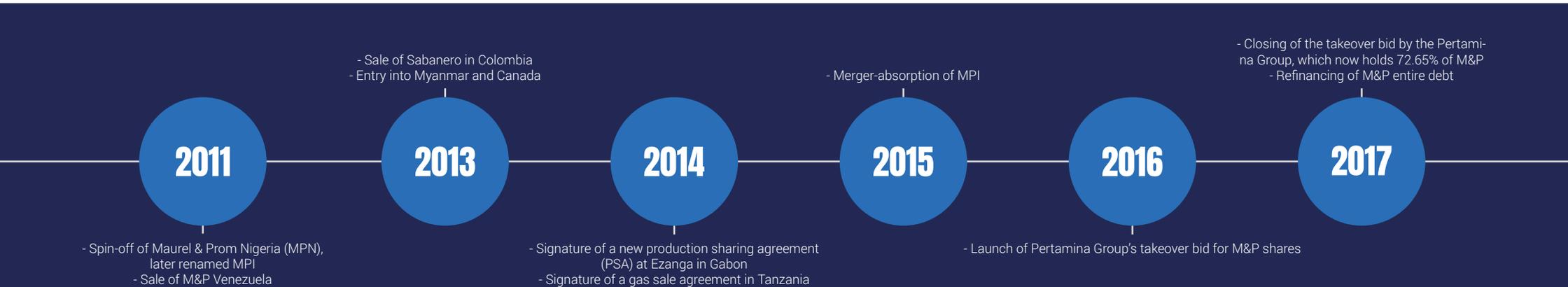
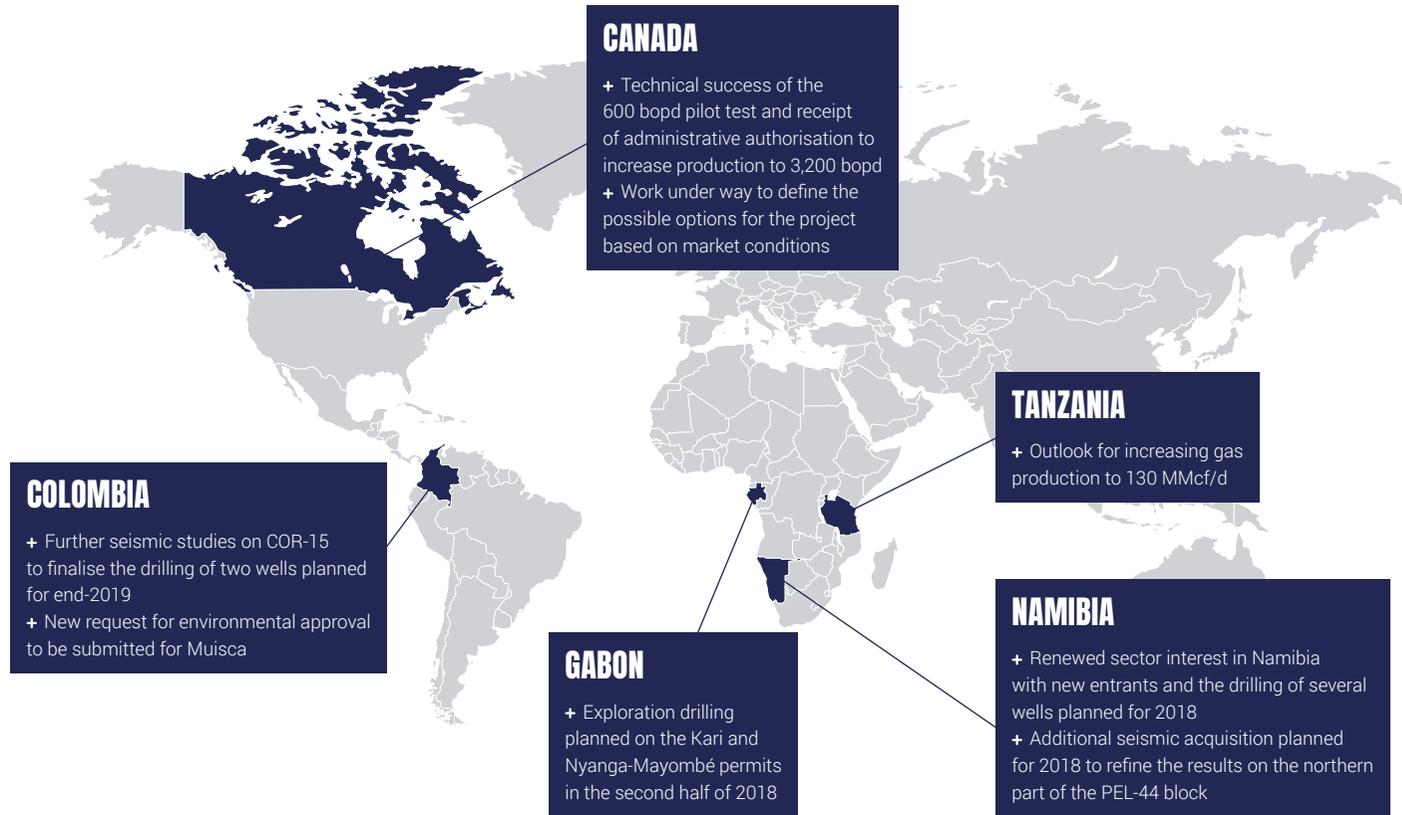
Evolution of working interest reserves for current assets base

2017: A NEW CHAPTER OF M&P'S HISTORY





EXPLORATION - APPRAISAL - DEVELOPMENT



SUSTAINABLE DEVELOPEMENT

The M&P Group's mission, as an oil and gas operator, is to promote the potential natural resources entrusted to it by the host countries, with respect for people and the environment.

The daily business of an operator thus consists in achieving industrial and financial objectives, ensuring the health, safety and security of people and property, protecting the environment, contributing to the development of the areas that host its activities, and being a model of governance in keeping with the agreements entered into with its host countries.

Since 2001 and the first discovery of M'Boundi in Congo, and despite being a junior oil company, the Maurel & Prom Group has developed a specific know-how in managing the social and environmental aspects of the operations it takes on.

The commitment and the pursuit of continuous improvement of its HSE performance is one of the keys drivers of its future development.



CORPORATE SOCIAL RESPONSIBILITY

Number of consecutive working days without a lost-time accident (employees and contractors)



% of nationals in subsidiaries*



*Gabon and Tanzania

+ The Group conducts and manages its exploration and production activities at the local level.

Maurel & Prom’s recruitment policy is guided by the insourcing of skilled trades, the transfer and sharing of skills through in-house training, and the local filling of management positions at all levels of responsibility. Maurel & Prom bases the recruitment of its employees on explicit and non-discriminatory criteria and ensures equal opportunities for all employees at all stages of their career.

+ Maurel & Prom seeks to continuously improve the health and safety conditions of the people working at its facilities by monitoring Health, Safety, Security and Environment (HSSE) performance indicators at the highest echelons of the Group.

In recent years, the Maurel & Prom Group has restructured and strengthened the HSSE function, updated its operating management system (OMS) according to IOGP recommendations, and organised experience sharing between subsidiaries. HSSE performance is managed by Group-level HSSE executive committee.

+ In addition to the business opportunities offered locally by upstream oil and gas activities, the Group implements sustainable development programmes for local communities living near its facilities.

Each year, the subsidiary in Tanzania participates in local development by funding and managing projects in order to improve access to education, health, water and energy. The stake is significant for local development. In Gabon, the combined financial resources allocated to the Local Community Development Fund since 2010 represent US\$5.6 million since 2010.

MAUREL & PROM
Gabon



ENVIRONMENTAL RESPONSIBILITY

- + **The environmental footprint of the Group's activities is measured, monitored and audited frequently in accordance with local regulations and industry practices.**

Facilities located nearby or in protected natural parks require adapting the operations to the features of the natural environment. In Tanzania, the Mnazi Bay-Ruvuma estuary became a protected nature park in 2000, well after the first gas discoveries. The Maurel & Prom Group's facilities in Tanzania, located in the Marine Park, must be careful not to cause damage by light pollution during egg-laying of turtles and birth of whales periods.

- + **The Group invests in environmental protection for the sake of operational effectiveness.**

In Gabon, in order to control water quality, Maurel & Prom has built a water treatment plant in 2012 to process waste water from drilling, and in 2017 the subsidiary set up a waste disposal facility at the Onal site. To improve the energy efficiency of its activities, the subsidiary uses the natural gas associated with its oil production to power its platforms.

- + **The Group is a voluntary participant in national and international initiatives that help limit the direct or indirect environmental impacts of its activity.**

Gabon is a wetland-rich country whose resources must be conserved and used rationally. Maurel & Prom Gabon supports the setting up of a management committee for Ramsar site in Lower-Ogooué (Ezanga and Kari permits) to preserve this precious ecosystem for people and nature.

2014

Signature of a memorandum of understanding on environmental protection in the Gamba Complex of Protected Areas (Kari permit)

2017

Creation of a Ramsar site management committee in Lower-Ogooué (Ezanga and Kari permits), of which Maurel & Prom Gabon is vice-chair



2012

Participation of the Group in the EITI (Gabon, Tanzania and Congo) & Launch of CSR reporting and audit of CSR disclosures by an independent third-party body

2014

CSR reporting placed under the responsibility of the board of directors
Signature of a gas sale agreement for power generation in Tanzania

2015

Mapping of the M&P Group's environmental, social and governance (ESG) risks
Reward Bronze Agefi
«Functioning of the corporate bodies»
Launch of studies for a flared gas-reduction project in Gabon

2016

Creation of a risk observatory

2017

Establishment of the Group's Ethics Charter and Code of Conduct

GOVERNANCE

+

Depending on the opportunities offered in the countries in which the Group operates, Maurel & Prom participates in sustainable development and anti-corruption initiatives such as the Extractive Industry Transparency Initiative (EITI).

+

The Group is making progress in its ability to meet new CSR transparency obligations.

Since 2013, the Maurel & Prom Group has responded to the Carbon Disclosure Project (CDP)'s climate change questionnaire, and in 2017 scored B on a scale from A (best performance) to F.

+

In 2017, the Group reaffirmed the values and Principles of Conduct that should guide the behavior of managers, executives, employees and anyone representing the Group.

+

The new Code of Conduct put in place by Maurel & Prom includes Anti-Corruption Guidelines for effective prevention, as well as a strict prohibition of any act (or attempt) of corruption. In addition, a rigorous disciplinary sanction regime has been incorporated.

This implementation satisfies the requirements of the Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernization of economic life, known as "Sapin Law II", and the requirements of the Foreign Corrupt Practices Act (USA) and the United Kingdom Bribery Act (United Kingdom).

The Code of conduct also affirms the Group's commitment to uphold the Universal Declaration of Human Rights and the ILO Fundamental Conventions, the OECD Guidelines for Multinational Enterprises.



ACTIVITIES



CANADA

1

Alberta (12 permits) – 31 sq km

Appraisal – M&P 25%, Andora 50% (operator), Deep Well O&G (25%)

Gaspésie (13 permits) – 1,892 sq km

Exploration – M&P 50%, Pétrolia 50% (operator)

COLOMBIA

2

Muisca – 2,320 sq km

Exploration – M&P Colombia (50 % M&P): 100%

COR-15 – 1,194 sq km

Exploration – M&P Colombia (50% M&P): 100%

FRANCE (HEADQUARTERS)

3

Mios – 60 sq km

M&P 50%, Indorama 50%

NIGERIA

4

OML 4, 38 and 41 – 2,650 sq km

Production – SEPLAT (20.46% M&P): 45%

OML 283

Production – SEPLAT (20.46% M&P): 40%

OML 53 – 1,585 sq km

Production – SEPLAT (20,46% M&P) : 40%

OML 55 – 840 sq km

Production – SEPLAT (20,46% M&P) 22,5%

GABON

5

Ezanga – 5,608 sq km

Production – M&P 80% (operator), Tullow 7.5%, the Gabonese Republic 12.5%

Exploration – M&P 100% (operator)

Kari – 2,659 sq km

Exploration – M&P 100%

Nyanga-Mayombé – 2,831 sq km

Exploration – M&P 100%

NAMIBIA

6

License 0044 – 5,122 sq km

Exploration – M&P 42.5 % (operator), AziNam 42.5%, National Petroleum Corporation of Namibia 8%, Livingstone Mining Resource Development 4%, Frontier Mineral Resources 3%

License 0045 – 17,133 sq km

Exploration – M&P 42.5 % (operator), AziNam 42.5%, National Petroleum Corporation of Namibia 8%, Livingstone Mining Resource Development 4%, Frontier Mineral Resources 3%

TANZANIA

7

Bigwa-Rufiji/Mafia – 12,025 sq km

Exploration – M&P 60%

Mnazi Bay – 756 sq km

Exploration – M&P 60% (operator), Wentworth 40%

Development / Production – M&P 48.06 %, Wentworth 31.94%, TPDC 20%





CHRISTOPHE BLANC
General Manager M&P Gabon

What is Maurel & Prom's position in Gabon?

Maurel & Prom has operated in Gabon since 2005 and today we are the country's fourth largest oil operator with average operated production of 24,963 bopd in 2017.

Maurel & Prom Gabon have more than 300 employees dedicated to our hydrocarbon exploration, development/appraisal and production activities. With long-term commitments to the Gabonese authorities at the National level, we also contribute to local economic life, making ecosystem protection and support for our local communities a key focus of our practices and culture.

What is your outlook for 2018?

We will be resuming a major investment programme that will allow us to continue to develop and exploit our various Ezanga permit fields. We expect to drill 11 development wells and 3 sidetracks to support production. In addition, we will continue our exploration program which should lead us to the completion of two exploration drilling on the Kari and Nyanga-Mayombe licenses, at the end of the year 2018.

What commitments have you made in terms of societal responsibility?

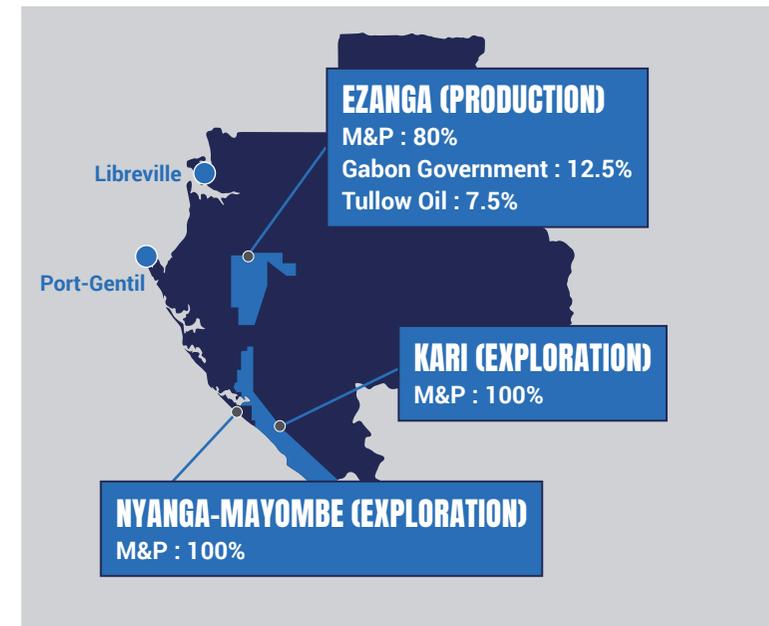
As one of Gabon's leading oil and gas operators, M&P Gabon has been committed to incorporating social, environmental and societal concerns into the day-to-day running of its operations for more than a decade. Our initiatives are part of an approach in favor of the employment of Nationals (90% of our employees are recruited locally) and stimulate regional development. M&P Gabon also conducts sustainable development programmes with local communities living near our facilities. For example, we have two major projects lined up for 2018, one to bring power to the village of Alonah and the other to commission 10 village boreholes to supply water to communities around Lake Ezanga.



M&P IN GABON



M&P permits and licenses in Gabon

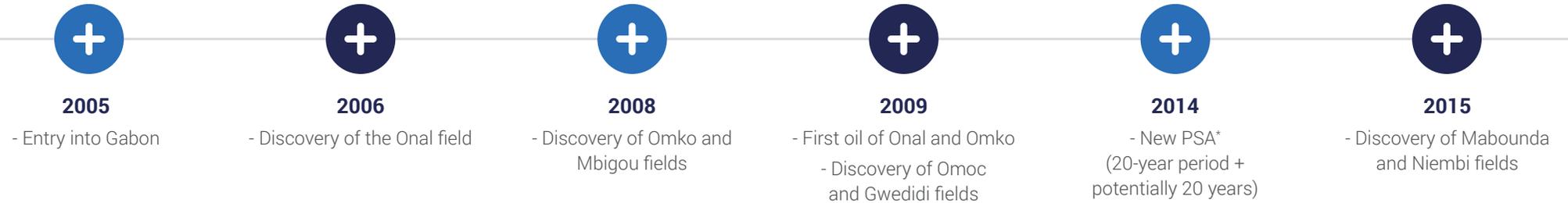


KEY ELEMENTS

347
Employees

171 MMbbl
Gross P1+P2 reserves
M&P share

24,963 bopd
Production operated by
M&P Gabon (100%) in 2017



*Production Sharing Contract



◀ **Production operated by M&P (100%) in Gabon**





CHRISTOPHE MAÎTRE
General Manager M&P Tanzania

Maurel & Prom entered Tanzania with the Mnazi Bay permit in 2009, and operates 45% of the country's current natural gas production. To what do you owe this success?

Maurel & Prom has a long history with Tanzania. It is a major on-shore operator with a strong reputation among Tanzanian authorities and local players and was one of the forerunners in operating an area of the country estimated to have significant gas potential. Today, we produce 65% of the gas used to generate power in the country, which is about 35% of Tanzania's total electricity generation. But we wouldn't have been able to develop such a major gas project and achieve the results we did (average operated production of 49.1 MMcf/d in 2017) without a successful local human resources policy, which has meant recruiting, training and supporting our employees in operational excellence.

Can you talk about the gas sale agreement signed in 2014?

This agreement runs until 2031 and involves supplying 80 MMcf/d of gas to the national company TPDC with the option of eventually increasing production to up to 130 Mmcf/d. As the gas produced is destined for the local market, production is correlated with industrial gas consumption in Dar es Salaam via TPDC's demand for gas. We remain confident that de-

mand for gas will continue to grow, especially as the country builds new power plants and new industrial players start arriving over the coming years.

What are your CSR strategic objectives?

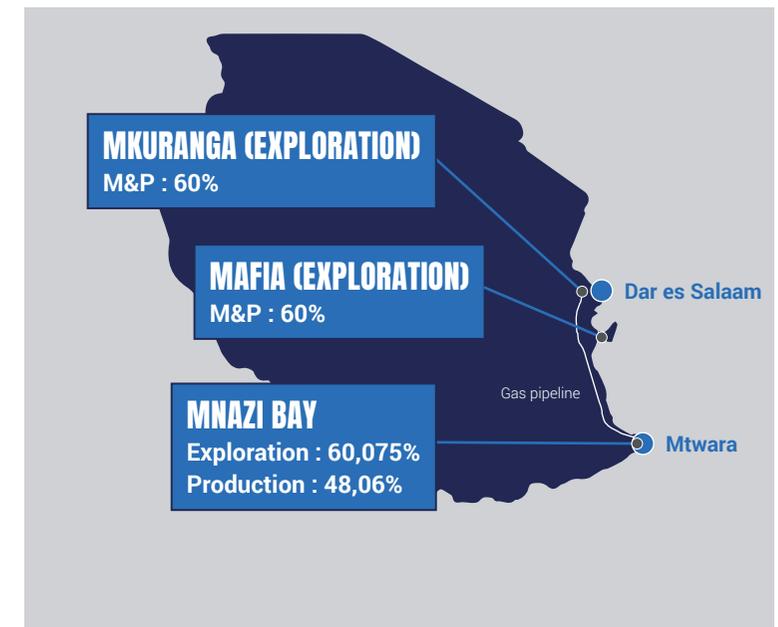
Sustainable development is at the heart of our approach to operational excellence. First of all, we operate in a protected marine park, which means our environmental commitment must be even greater. This special situation is central to the training we provide to all our employees. In addition to our contractual commitments, we also conduct additional sustainable development initiatives in education and healthcare. In fact, M&P Tanzania has now run more programmes to improve conditions in the country than any other oil and gas operator.



M&P IN TANZANIE



Permits and licenses in Tanzania



KEY ELEMENTS

89

Employees at 31 December 2017

265,4 Bcf

Gross P1+P2 reserves M&P share

49,1 MMcf/d

Production operated by M&P Tanzania (100%) in 2017



2005

- Entry into Tanzania



2009

- M&P becomes operator in Mnazi Bay's permit



2014

Signature of a Gas Sales Agreement with the national company TPDC



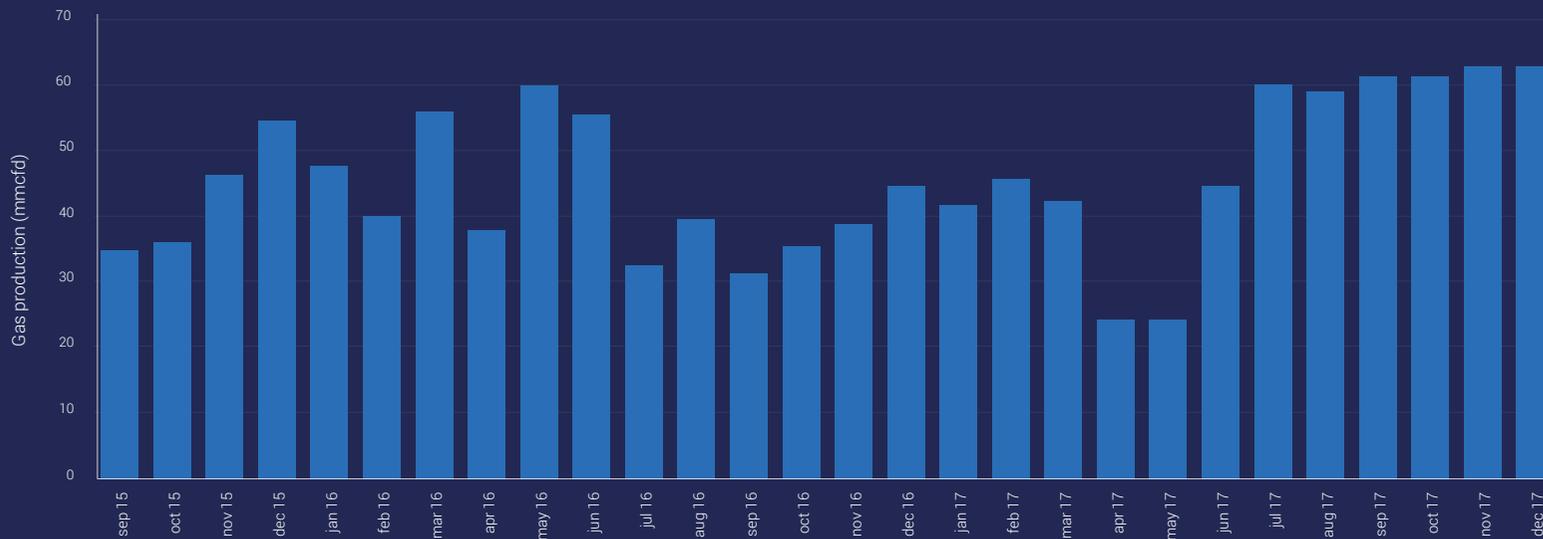
2015

- First gas delivery to Dar Es Salaam



2016 / 2017

- Continued growth in gas demand



◀ Production operated by M&P Tanzania (100%)



MARKET DATA & FINANCIAL HIGHLIGHTS

Stock information



Listing

Euronext Paris



ISIN code

FR0000051070



Share capital

195,340,313 shares outstanding includes
4 312 391 treasury shares



Indices

CAC Small, CAC Mid & Small, CAC All Tradable
PEA-PME and SRD eligible

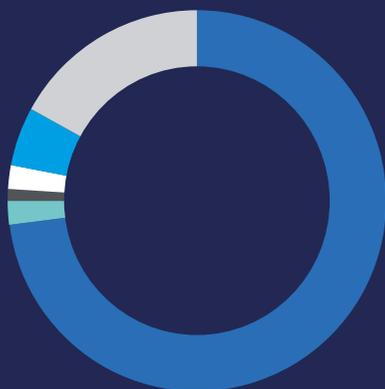
● Share price (EUR)



◀ Share price
M&P 2017



Shareholding at 31 December 2017



- **72,65%**
PIEP
- **17,72%**
Public
- **4,66%**
Other institutional
investors
- **2,21%**
Treasury shares
- **1,96%**
Divers
- **0,80%**
Employees

Key financial aggregates

<i>In €M</i>	2017	2016
Sales	355	317
EBITDA	168	141
<i>as % of sales</i>	<i>47%</i>	<i>44%</i>
EBIT	58	17
Financial income	-74	-30
Income from equity associates	50	-28
Consolidated net income	7	-50
Cash flow generated by operations	+164	+86
Investments	33	44
Cash at period-end	216	263

MAUREL  PROM

51, rue d'Anjou – 75008 Paris – France