

# KUWAIT ENERGY PLC

## Corporate Profile

*September 2017*



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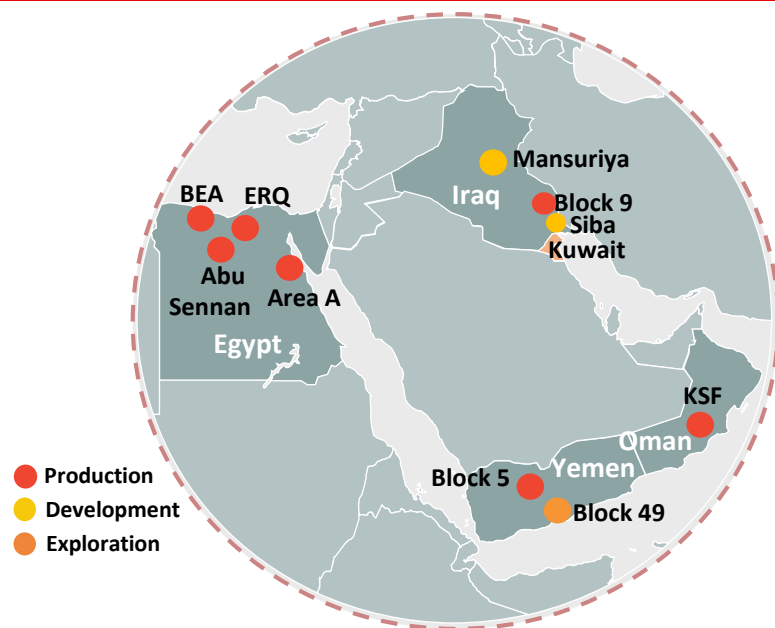
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Estimates of reserves and resources are inherently speculative and involve numerous uncertainties. The reserves, contingent resources and prospective resources estimates contained in this document are all audited by Gaffney Cline Associates ("GCA") for the purpose of providing estimates as of 31 December 2016.

# Company Overview

*Focused on proven oil regions in MENA*

## Diversified Asset Portfolio<sup>(1)</sup>



- Since establishment in 2005, Kuwait Energy has built a diversified, majority operated asset portfolio<sup>(2)</sup>
- Established track record; recognised by governments and peers as a trusted and capable partner
- Shareholder focused and prudent financial policy

## Company Highlights

**10**

*Assets across four countries, seven operated<sup>(2)</sup>*

**810<sup>(3)</sup>**  
mmboe

*2P WI reserves, 85% liquids*

**1,040<sup>(3)</sup>**  
mmboe

*2C WI resources, 86% liquids*

**27.4**  
kboepd

*1H 2017 average production<sup>(1)</sup>*

Source: Company filings, GCA report.

Note: Reserves and resources figures based on GCA report as at 31 December 2016, excludes Oman reserves due to service contract restrictions. Totals may not equal the sum of individual entries due to rounding.

(1) Block 5 and Block 49 currently not producing; Mansuriya currently under administrative hold. (2) Operated by either Kuwait Energy or subsidiaries of Kuwait Energy; this applies to the definition of operatorship throughout this presentation. (3) Throughout the presentation, gas reserves/resources recorded in standard cubic feet are converted to barrels of oil equivalent using a conversion factor of 5 for Abu Sennan and 6 for all other assets.

# Company Highlights

- 1 Majority operated asset portfolio and established track record of reserves and production growth
- 2 Significant growth opportunity in Block 9 and Siba developments, supported by cash flow from diversified producing assets in the portfolio
- 3 Strategic focus on producing and development assets and one of the largest 2P reserve base amongst peers
- 4 Indigenous company in the MENA region, recognised by governments and peers as a trusted and capable partner
- 5 Shareholder focused, prudent financial policy
- 6 Experienced management team and strong commitment to corporate governance, integrity and social responsibilities

# Portfolio Overview

	WI 2P <sup>(1)</sup>	WI 2P+2C <sup>(1)</sup>	YTD – June 2017 Avg. WI Production	2P Hydrocarbon Split <sup>(1)</sup>
<b>Total Portfolio:</b>	<b>810</b>	<b>1,850</b>	<b>27,405</b>	<b>85% Liquids</b>
<b>Iraq</b> Block 9 and Siba – Development Opportunity	725 mmboe	1,711 mmboe	8,822 Bbl/d	
<b>Egypt</b> Steady Production	27 mmboe	45 mmboe	16,173 Boe/d	
<b>Iraq<sup>(2)</sup></b> Mansuriya	52 mmboe	71 mmboe	- Boe/d	
<b>Yemen<sup>(3)</sup></b> Block 5, Block 49	6 mmboe	22 mmboe	- Boe/d	
<b>Oman<sup>(4)</sup></b> KSF	- mmboe	- mmboe	2,410 Boe/d	

Source: Company filing, Operational Activity Report. Totals may differ from sums of line items presented as a result of rounding.

(1) Figures based on Operational Activity Report for YTD June 2017. (2) Mansuriya field is currently under administrative hold.

(3) Yemen production has been suspended due to security situation since April 2015. (4) Oman reserves not included due to service contract restrictions.

# Strategy for Sustainable Growth

*Striving to deliver diversified, cost effective and low risk growth*

## Focus on the MENA region

- Proven, prolific hydrocarbon basins, low cost operations
- Regional relationships and track record

## Leverage local knowledge and expertise

- Regional champion; access to new opportunities
- Enhance operational effectiveness and reduce risk

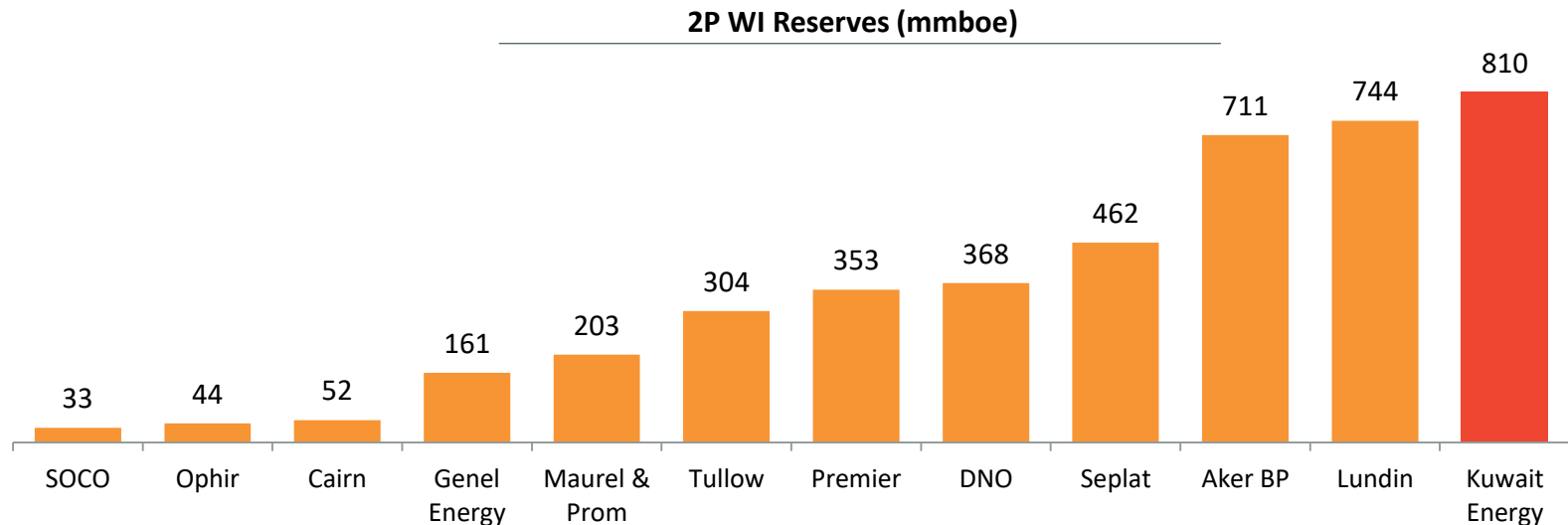
## Emphasis on production & development over exploration

- Majority operated assets
- Flexibility and cost management

## Prudent financial strategy

- Established risk management function
- Shareholder focused financial policy

## Largest 2P Reserves Amongst Peers



# MENA Focused Low Cost Operator

## *Low Cost Operator*

- Average finding cost of \$0.3/boe between 2013 and 2015<sup>(1)</sup> and opex of \$6.9/boe over the last 2 years
- Breakeven oil price of \$24/bbl on key Iraqi project

## *Significant growth opportunity in Block 9 and Siba developments*

- With gross 1.1 bnboe 2P / 1.6 bnboe 2C, Block 9 offers a significant growth opportunity
- Siba gas production planned to go onstream in 2018

## *Strong track record of delivery*

- MENA reserves growth from 18 to 810 mmboe between 2008 to 2016 and production from 6 to 27.8 kboe/d as at Q2 2017
- Stable management team with long history of operating and investing in the MENA region

### Iraq: Production & Development



**Assets:** Block 9\*, Siba\*, Mansuriya<sup>(2)</sup>

**2017 Q2 WI Avg Prod'n:** 9.6 kboe/d

**2016 WI 2P:** 777 mmboe, **2C:** 1,006 mmboe

### Egypt: Core Production



**Assets:** Abu Sennan\*, BEA\*, Area A\*, ERQ

**2017 Q2 WI Avg Prod'n:** 16.0 kboe/d

**2016 WI 2P:** 27 mmboe, **2C:** 18 mmboe

### Other Assets: Oman<sup>(3)(4)</sup>, Yemen



**Assets:** KSF (Oman), Block 5\*<sup>(5)</sup> & Block 49\*<sup>(5)</sup> (Yemen)

**2017 Q1 WI Avg Prod'n:** 2.3 kboe/d

**2016 WI 2P:** 6 mmboe, **2C:** 16 mmboe

Source: Company filings, GCA report.

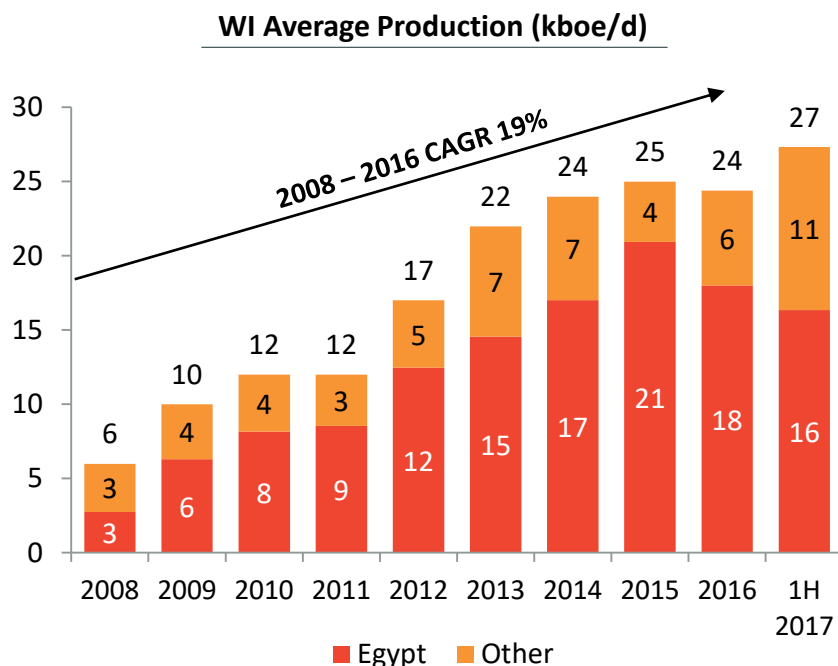
Note: Reserves and resources figures based on Operational Activity Report YTD June 2017, excludes Oman reserves due to service contract restrictions.

\* Denotes Kuwait Energy's operatorship. (1) Based on 2P reserves exploration adds and exploration capex. (2) Currently under administrative hold. (3) Oman reserves not included due to service contract restrictions.

(4) Kuwait Energy's interest is indirect via Medco LLC; Kuwait Energy operates under a service agreement. (5) Block 5 and Block 49 are currently not producing.

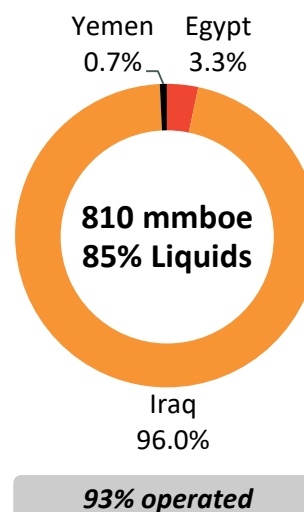
# Existing Production Supports Iraq Development

## Historical Production Growth Driven by Egypt

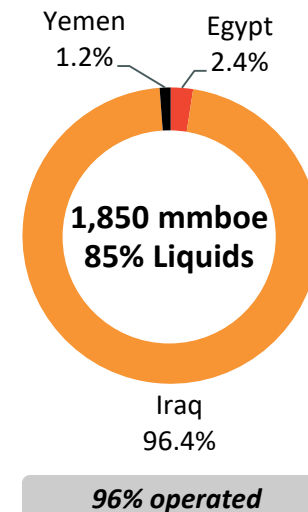


## Iraqi Reserves & Resources to Drive Future Growth

### WI 2P Reserves (mmboe)



### WI 2P + 2C Resources (mmboe)



- Egypt has been the key driver of growth since 2008 with 25 discoveries resulting in 50% exploration drilling success rate
- Kuwait Energy expects Iraqi assets to contribute to production growth from 2017

Source: Company filings, Operational Activity Report YTD June 2017. Totals may differ from sums of line items presented as a result of rounding.

Note: Reserves and resources figures based on GCA report as at 31 December 2016, prior to Siba and Abu Sennan farm-out and excludes Oman reserves due to service contract restrictions. 2016 production figures based on reconciled numbers; all other production figures based on Kuwait Energy Quarterly Production Reports.

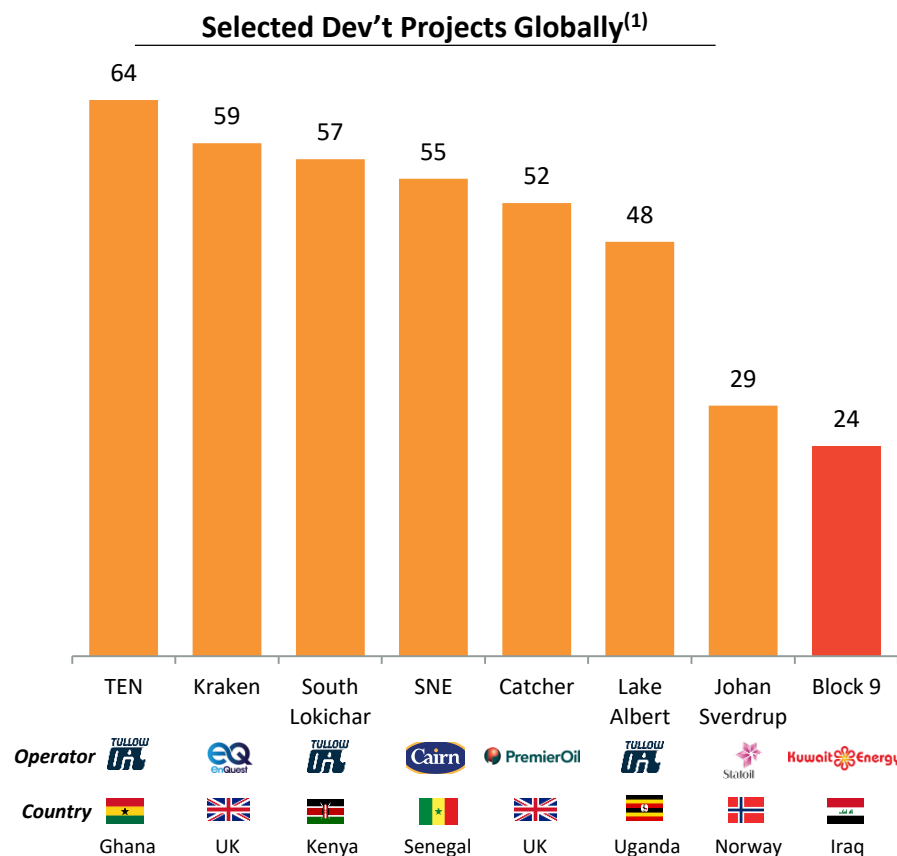


# Solid, Well Funded Balance Sheet

## Financial Highlights

- 1 Consistent operating cash flow generation even during low oil price environment
- 2 Low operating cost and breakeven oil price
- 3 Prudent financial policy, active portfolio management, majority debt maturity in 2019
- 4 Strong liquidity position with additional \$40m available under the Vitol facility
- 5 Management expects convertible conversion and Siba start-up to de-leverage balance sheet, encouraging optionality for the future

## Breakeven Brent Price (\$/bbl)



Source: Company filing.

(1) Peers' breakeven costs based on Wood Mackenzie to achieve a 10% IRR; Block 9 costs to achieve 10% IRR based on Kuwait Energy company model; assumed 10% WACC.



# Operations Overview Iraq



# Southern Iraq: Prolific, Uninterrupted Oil Producing Region

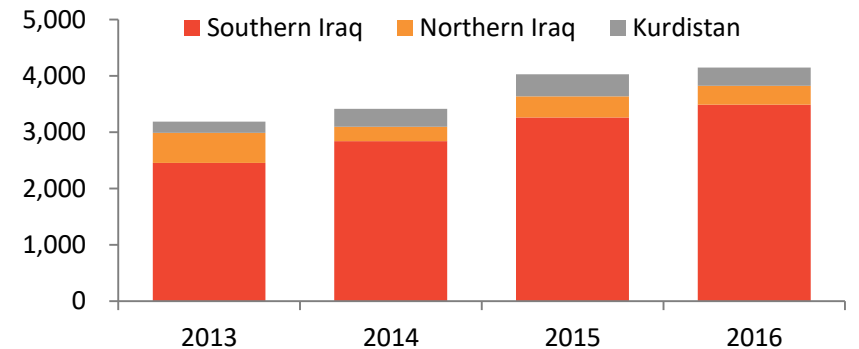
## Key Iraqi Oil Fields<sup>(1)</sup>



■ Gas Fields

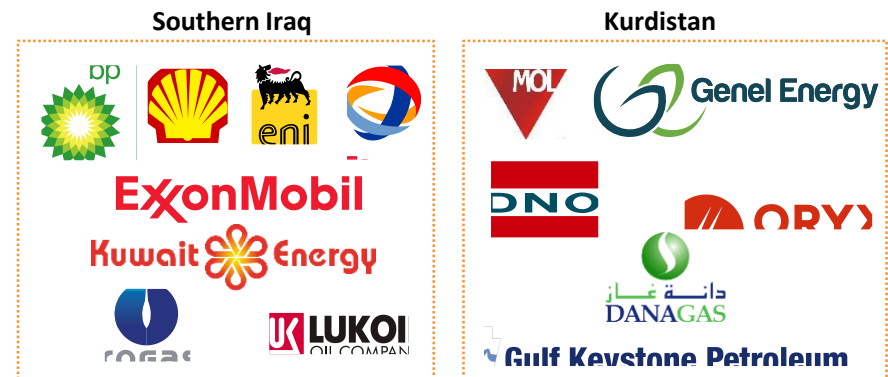
■ Oil fields

## Iraq Oil Production History (kbbl/d)<sup>(2)</sup>



*Southern Iraq accounts for c.75% of the country's 2016 production*

## International O&G Companies Producing in Iraq



(1) Approximate positions and field sizes shown. (2) Source: Wood Mackenzie.

# Iraq Assets

## Overview

- Portfolio of three oil & gas blocks<sup>(1)</sup> awarded in the 2011 and 2012 licensing rounds
- Block 9 and Siba located in the Basra Province in Southern Iraq, close to the Kuwaiti border
- First cargo of Kuwait Energy's Block 9 crude entitlement lifted in October 2016 with \$13.6m payment received by 2016 YE
- Second cargo of c.350 kbbl net to Kuwait Energy was lifted at the beginning of April 2017, total gross proceeds realised c.\$16.6m, of which Kuwait Energy's share was \$3.8m

## Asset Images

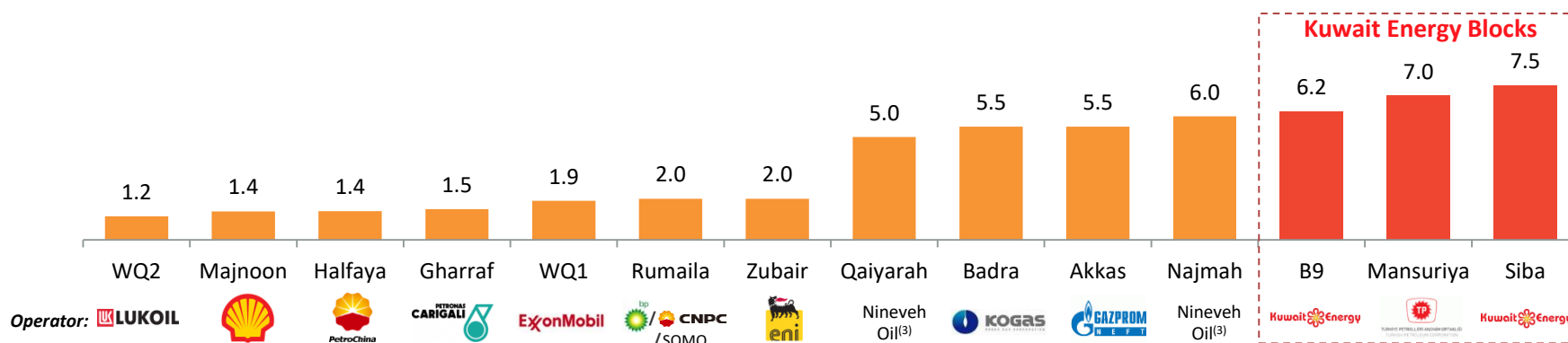


Block 9



Siba

## Service Fee Benchmark of Selected Iraqi Oil & Gas Fields (\$/boe)<sup>(2)</sup>



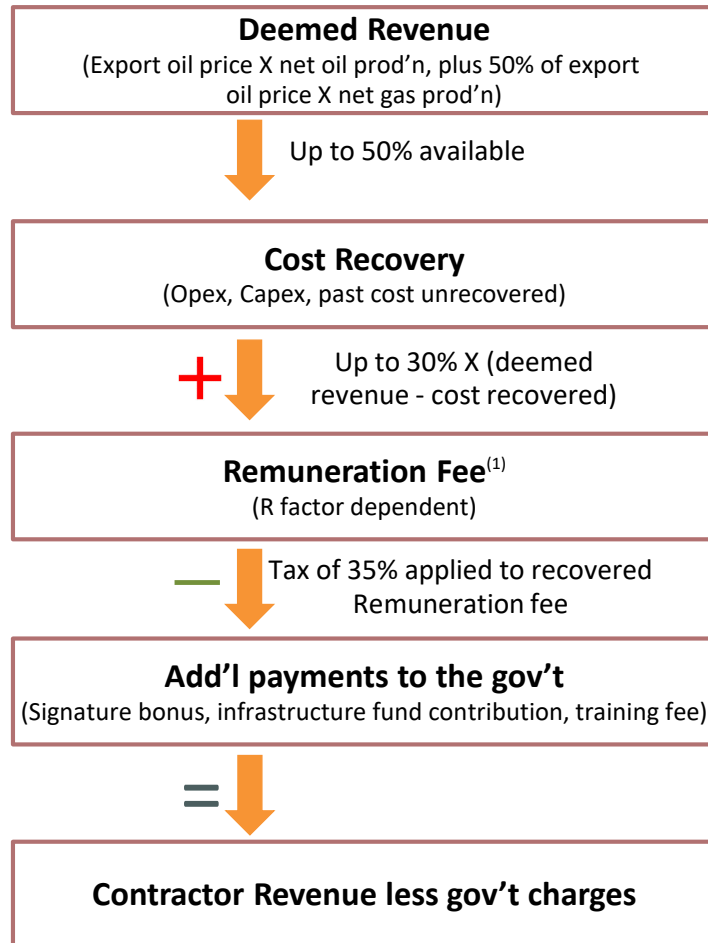
(1) Includes Mansuriya which is currently under administrative hold.

(2) Source: Petroleum Contracts and Licensing Directorate of the Iraqi Ministry of Oil.

(3) Nineveh Oil is the State Oil Company of the Nineveh province in Iraq.

# Iraq Licence Overview: Lower Oil Price Risk

## Block 9 Illustrative Service Contract Structure



- Contracts with 100% take or pay
- 50% of deemed revenue is allocated for cost recovery
- Service fee on dollar per boe basis, independent of oil price
- Service fee is based on R-factor, the \$/boe fee gradually decreases once revenue is greater than expenditures
- Southern Oil Company offtake of crude/gas produced
- “Paid-in-kind” in crude cargoes unless South Oil company elects for it to be paid in cash
- Increases payment and financing flexibility

(1) Remuneration fee of \$1.25-6.24/boe, based on R factor.

# Kuwait Energy's Alliance with EGPC

## Strategic Alliance with EGPC in Block 9 and Siba

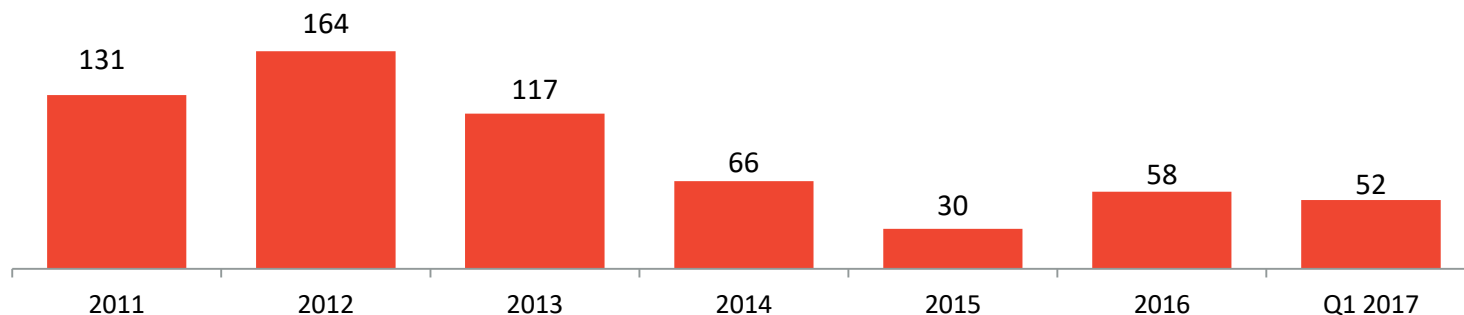
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- Kuwait Energy is in partnership with EGPC in both Block 9 and Siba
  - Farm-out of 10% working interest in Block 9 to EGPC completed in October 2015
  - Farm-out of 15% revenue working interest and 20% cost working interest to EGPC in Siba completed on 18 May 2017
- Management believes the alliance has key benefits to Kuwait Energy
  - Significantly enhances Kuwait Energy's relationship with EGPC
  - Improves the outlook for the Egyptian operations

## EGPC Receivables Successfully Managed

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### Receivables at Period End (\$m)

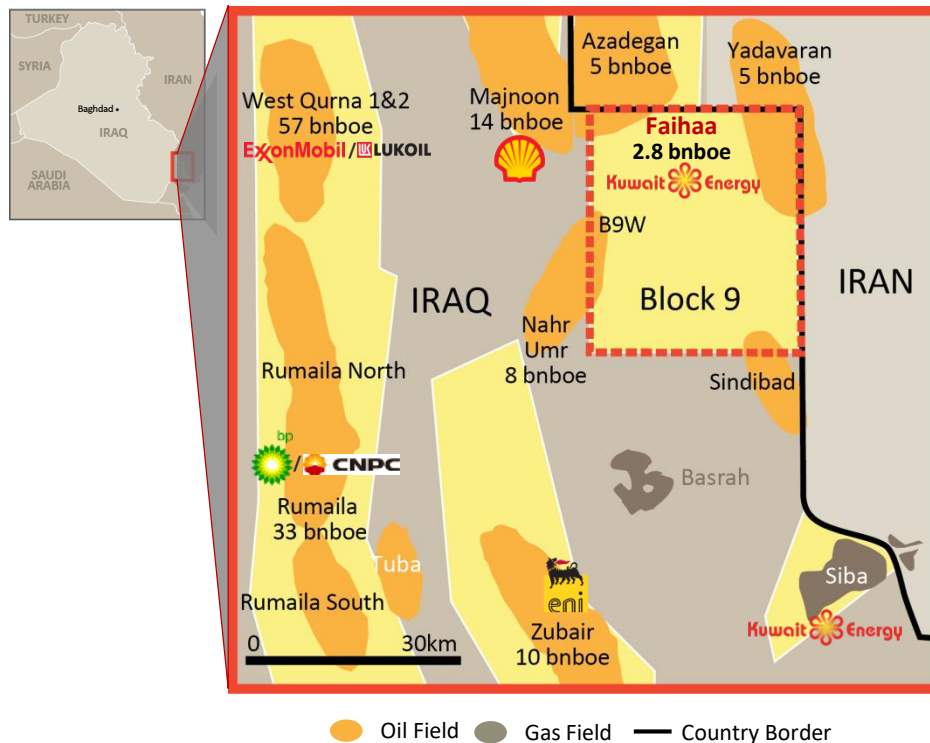


Source: Company filings.

(1) 2008-2015 production figures based on Kuwait Energy daily production reports; 2016 and Q1 2017 figures based on latest company quarterly activity report.

# Block 9 – Key Development Opportunity

## Surrounded by Giant Oil Fields<sup>(1)</sup>



- Giant oil field in one of the most prolific oil regions in the world
  - Southern Iraq producing 3.5 mmbbl/d<sup>(2)</sup>
  - Well understood geology and proven basin
- Stable oil regime in Southern Iraq with IOCs having record of uninterrupted production
- 2P WI of 688 mmboe and 2C 976 mmboe
- Three wells drilled and currently producing 14.6 kbbbl/d gross (8.8 kbbbl/d WI) during 1H 2017<sup>(3)</sup>
- Field shared with Iran (Yadavaran)<sup>(4)</sup> – production on the Iranian side of 76.9 kboe/d<sup>(5)</sup> in 2016
- Block 9 represents one of the largest independent-operated oil field developments globally<sup>(6)</sup>
- Directors believe there will be no production restrictions from OPEC cuts

Source: Company filing, Wood Mackenzie.

Note: Companies in the map represent international operators (not including Iraq's state and national oil & gas companies); volumes represent recoverable resources as at 1 January 2017 according to Wood Mackenzie, except for Faihaa field which represents the gross 2P and 2C resources based on GCA report as at 31 December 2016.

(1) Giant oil field defined as fields with > 500 mmboe of recoverable resources or with daily production exceeding 100 kboe/d. (2) Production for all fields represent 2016 average production based on Wood Mackenzie.

(3) Represents average production rate during 1H 2017. (4) Yadavaran field not part of Kuwait Energy's asset portfolio; Faihaa field crosses over into Yadavaran. (5) Source: Wood Mackenzie.

(6) Source: Wood Mackenzie; excluding fields operated by oil and gas majors and national oil and gas companies.

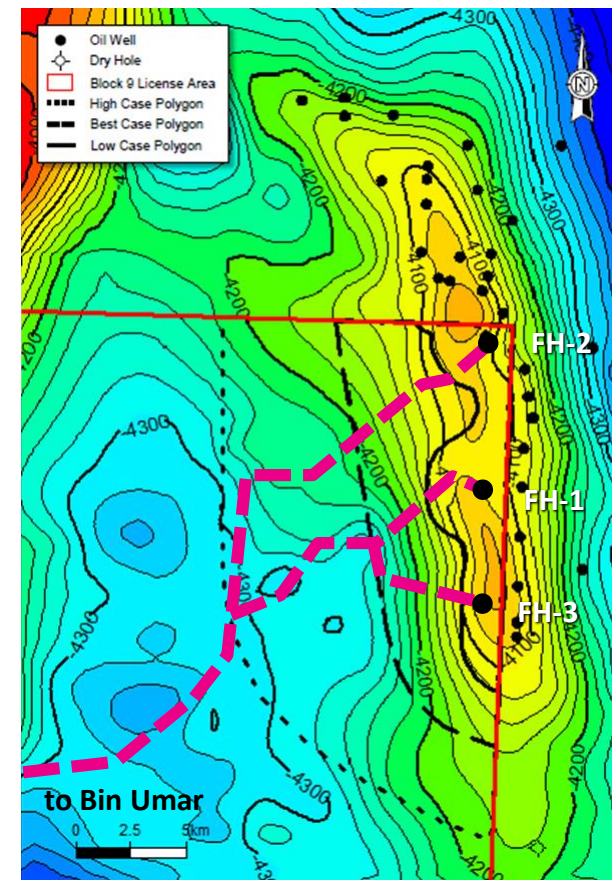


# Block 9: Development Commencing on a Key Asset

## Potentially Low Risk Development Play

- Large reserves and resource base already identified; over 2.5 bnboe 2P+2C discovered
- Production has commenced, providing early cash flow and reservoir understanding
- Onshore assets, near existing evacuation facilities
  - Knowledge of wells and structural features from nearby IOC/NOC operated fields
  - Same producing zones – Yamama and Mishrif
- Secondary recovery techniques such as water and gas injection may be available, subject to approval and sufficient capex
  - Multiple precedents on similar fields in the region demonstrated recovery factors between 30-40%
- Kuwait Energy Full Field Development Plan targeting the full 2P+2C resource base

## Faihaa Field



----- Proposed pipelines



# Block 9: Reservoirs and Well Results

## Reservoirs Overview

### Late Cretaceous – Hartha & Sadi

- Good oil shown in the mud log
- Nearby field shows tested oil

***No reserve or resources booked***

### Late Cretaceous – Mishrif

- More than 300 meters reservoir
- Tested 3,380 bbl/d (20 API)

***Reserves and contingent resources***

### Early Cretaceous – Zubair

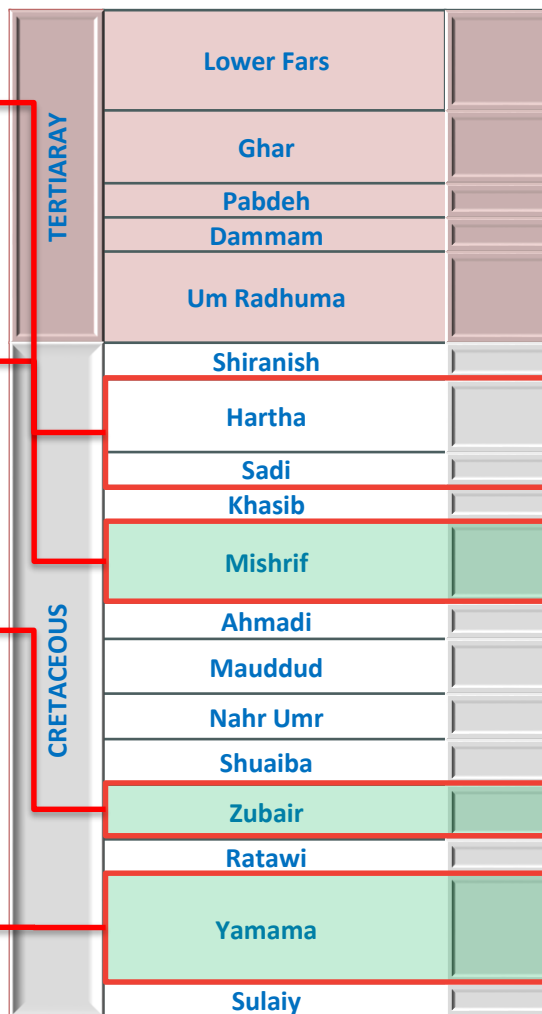
- Offset wells tested oil at rates of over 1,000 bbl/d
- Mud log interpretation show oil zone

***Contingent resources***

### Early Cretaceous – Yamama (layer A and B)

- More than 400 meters reservoir
- Tested 5,000-7,000 bbl/d (35-37 API)

***Reserves and contingent resources***

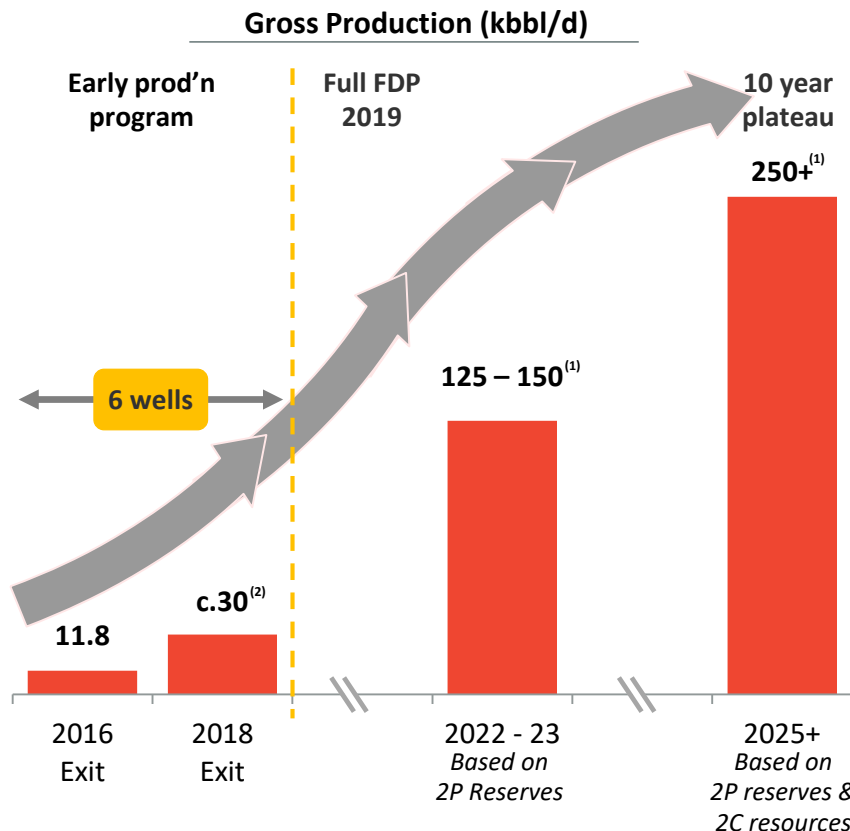


## Faihaa-2 Well Results

- Faihaa-2 logged the entire Yamama reservoir and tested all four of the Yamama layers
  - 425 meters gross thickness
  - **293 meters net pay**
- API ranges between 35-44 degrees from the four layers
- GOR ranges between 1,000-2,500 from the four layers
- Mishrif reservoir
  - 238 meters gross thickness
  - **201 meters net pay**

# Block 9 – Development Plan Concept

## Production Potential<sup>(1)(2)</sup>



**Targeting gross production rate of 250,000 bbl/d by 2025<sup>(1)</sup>**

## Field Development Plan

### Early Production Program<sup>(3)</sup>

- 3 wells on production currently; including the recently completed Faihaa-3 well with daily production of 5.0 kbbbl/d
- Two additional wells planned in 2017 and one in 2018. Faihaa-4 is due to commence production in September 2017.
- Gross production of c.30 kbbbl/d targeted by 2018 YE<sup>(2)</sup>

### Full Field Development

- Kuwait Energy is planning to submit a full field development plan (FDP) in 2019<sup>(4)</sup> based on 2P+2C resources
- Production increases thereafter, with 125+ kbbbl/d targeted by 2022 and 250+ kbbbl/d by 2025<sup>(1)</sup>
- Optionality to monetise part of stake post FDP<sup>(5)</sup>

Source: GCA report.

(1) Production profile based on management's best estimates in the early phase of the field development; key assumptions include: a) recovery factor of 20% and 35% for the Mishrif and Yamama reservoirs, respectively; b) implementation of water and gas injection projects in both the Yamama and Mishrif reservoirs; c) conversion of 2C resources.

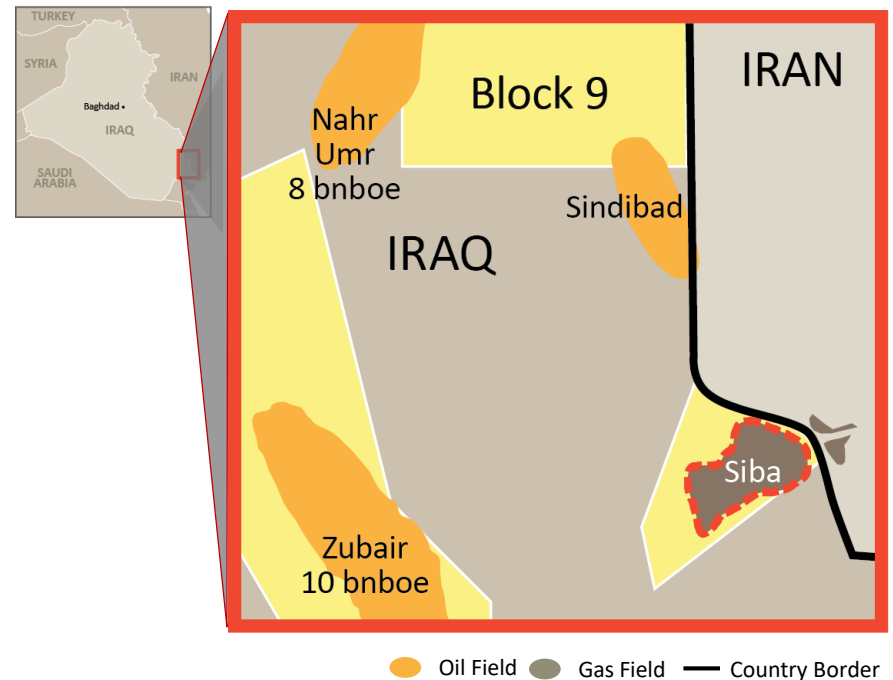
(2) Company estimate based on the assumption of 5 kbbbl/d per well and a six-well development program by 2018 year end. (3) Currently scheduled to expire at the end of 2018. (4) If approved, a 20 year development licence would be granted. (5) Subject to pre-emption rights and approvals.

# Siba – Material Gas Asset at Advanced Stage of Development

## Highlights

- Gas and condensate field with a 20-year service contract<sup>(1)</sup> and a 5-year option to extend<sup>(2)</sup>
- Gas and condensate offtake with Southern Oil Company through a “take-or-pay” contract for 100 mmscf/d
- Current gas shortage for power generation in Southern Iraq expected to provide a ready market
- Remuneration fee independent of gas and condensate price, paid on per boe of production<sup>(3)(4)</sup>
- Farm-out of 15% revenue WI / 20% cost WI to EGPC completed on 18 May 2017

## Location Map



Source: Company filing, GCA report.

(1) Contract expiry in 2032. (2) Subject to agreement by the South Oil Company. (3) Gas production in standard cubic feet are converted to barrels of oil equivalent using a conversion factor of 6.

(4) Remuneration fee of \$2.25-7.5/boe, based on R-factor.



## Operations Overview Egypt & other assets

# Egypt Assets Overview

## Highlights

- Four producing assets, three of which are operated by Kuwait Energy, with focus on infill drilling
- Track record of production growth and cash flow generation
- Plan for water injection to maintain pressure and achieve higher recovery in three fields
- Exploration potential across all Kuwait Energy fields
- Significant benefits from the strategic partnership with EGPC

## Location Map



## Asset Details

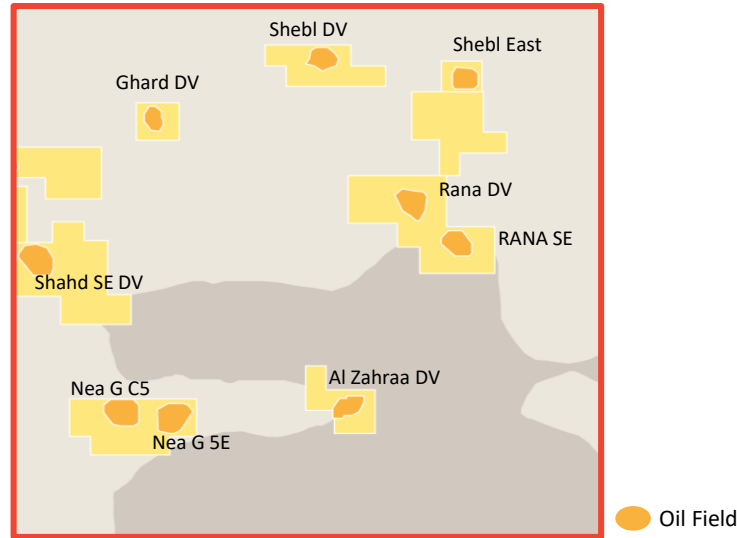
Field	Working Interest <sup>(1)</sup>	2P WI Reserves (mmboe) <sup>(2)</sup>	2C WI Resources (mmboe) <sup>(2)</sup>	WI Production (boepd) <sup>(3)</sup>	
				2016	1H 2017
ERQ	49.5%	7	2	9,843	8,643
Area A*	70.0%	12	2	5,055	4,720
Burg El Arab*	100.0%	6	14	1,363	1,143
Abu Sennan*	25.0%	3	-	1,772	1,667
<b>Total</b>		<b>27</b>	<b>18</b>	<b>18,033</b>	<b>16,173</b>

Source: Company filing, GCA report. Totals may not exactly equal the sum of the individual entries due to rounding. \*Denotes Group operatorship.

(1) Revenue working Interest. (2) Figures based on GCA reported number as at 31 December 2016. (3) 2016 production figures based on GCA report; 1H 2017 production figures based on company Operational Activity Report (OAR) – YTD June 2017.

# East Ras Qattara (ERQ) & Area A

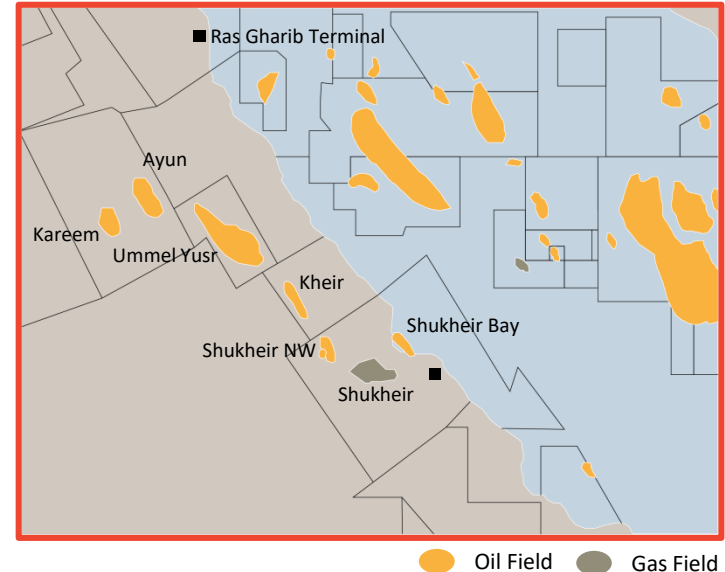
## East Ras Qattara (ERQ) Highlights



- Located in the Western Desert around 120 km west of Cairo
- Kuwait Energy holds 49.5% non-operating interest
- Total of 9 discoveries made and has been producing since 2008
- Produced crude is processed at a General Petroleum Company (GPC) processing centre (88 km away) and limited facilities have been installed on the fields to date

Source: Company filing.

## Area A Highlights



- Located in the Eastern Desert operated by Kuwait Energy operated (70% WI)
- Potential to obtain gas rights as gas reserves are present on the asset
- The Area A crude is treated at on-site facilities and subsequently exported via GPC's Ras Shukheir oil terminal
- Ongoing water flooding program and gas resource potential in the area currently untapped

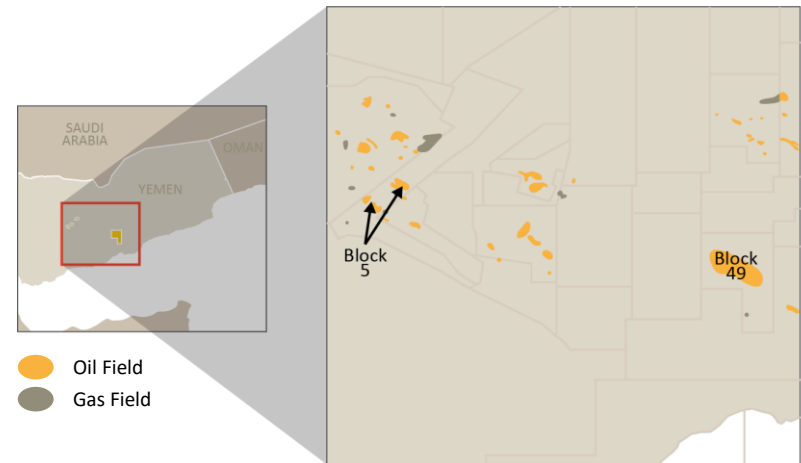
# Other Assets

## Oman Assets



- 25-year service contract for Karim Small Fields (KSF), a cluster of 13 oilfields and 7 discoveries
- 15% indirect interest in KSF via a 20% interest in Medco LLC, a subsidiary of Medco International
- Current operational focus on increasing production levels by well optimization, EOR and exploration
- Plan to drill 65 development, six appraisal wells over the next five years
- Management believes that there is potential to expand Oman asset base in the future

## Yemen Assets



- Management believes that there is significant development or exploration potential in all of Kuwait Energy's blocks in Yemen
- Yemen operations on hold since April 2015 due to political instability
  - Shut-in production of 3.9 kboe/d in Q1 2015<sup>(1)</sup>
  - Management hopes to resume production in the near future; political situation being monitored
- Untapped contingent resources within the blocks provide potential upside when the security situation improves

Source: Company filing.

(1) Based on monthly production report for March 2015.





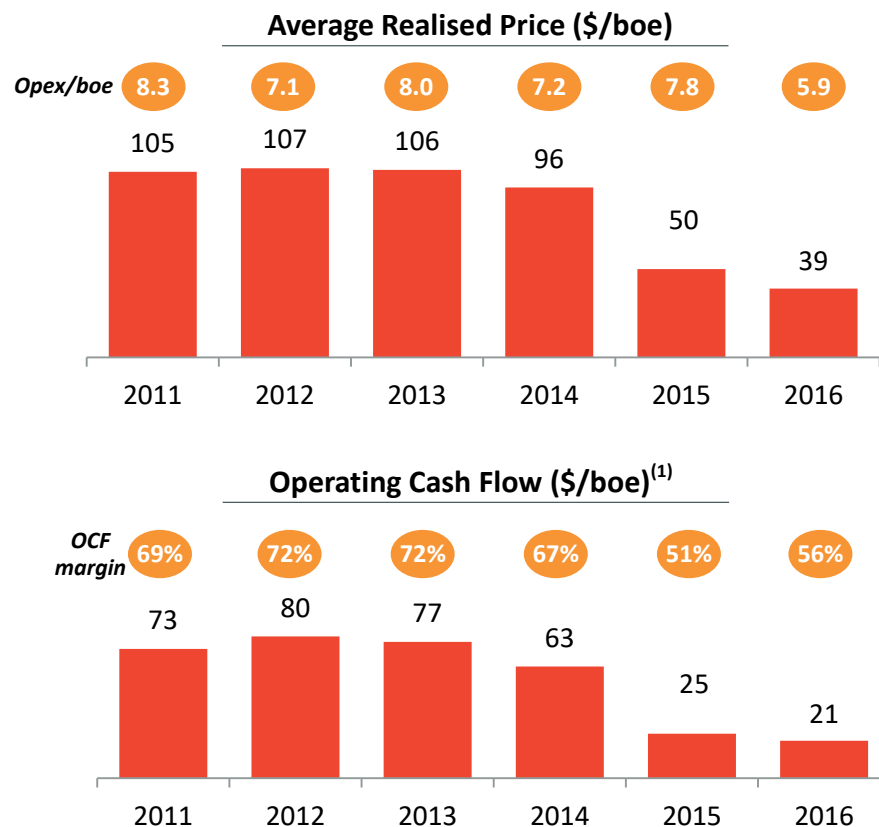
# Corporate and Financials



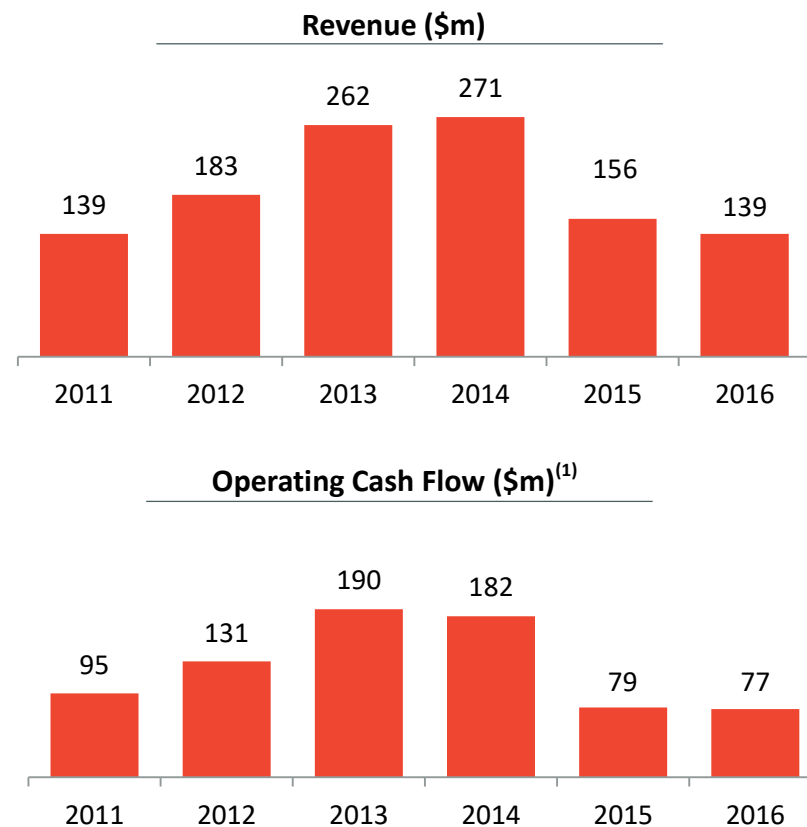


# Operations with Cash Generative Assets

## High Margin Production



## Consistent Cash Flow Generation



*Iraqi remuneration revenue is not sensitive to oil price volatility<sup>(2)</sup>*

Source: Company filing.

(1) Represents operating cash flow before change in working capital.

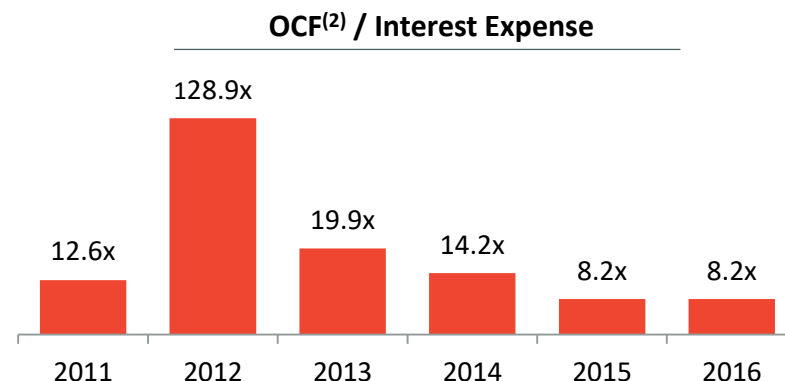
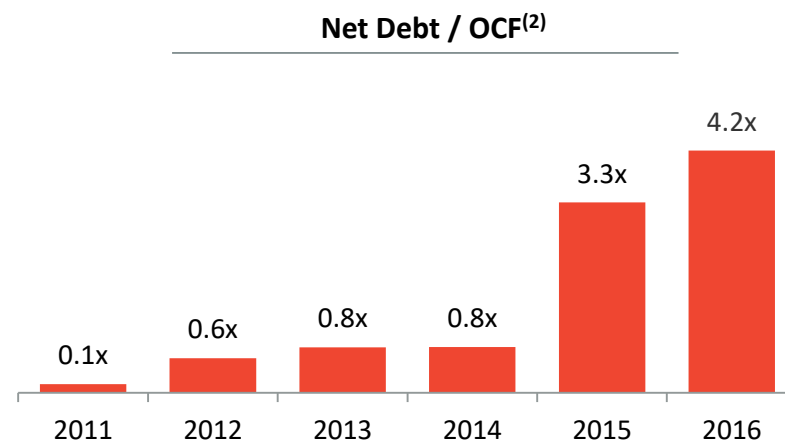
(2) Mansuriya on administrative hold; remuneration fee in respect of Siba and Mansuriya deferred until cost pool is below 50% of revenue in a given period; 'remuneration' revenue is as defined/interpreted in the underlying concession agreements.

# Low Cost Operator with Prudent Capital Structure

## Key Elements of Financial Policy

- Funding policy aimed at ensuring that sufficient facilities are available to support business plan
  - 3-year plan and 12-month budgeting process
- Active portfolio management to optimise cash flows
  - Sale of 10% interest in Block 9 in 2015
  - Sale of 15% revenue WI / 20% cost WI in Siba in 2017
  - Sale of 25% interest in Abu Sennan in 2016<sup>(1)</sup>
- Investment opportunities evaluated based on NPV, investment efficiency and payback period
  - Targeting primarily operated assets, allowing control of pace and quantum of spending
- No commodity price hedging or borrowings at floating interest rates
  - Revenue is typically priced in USD, the company's functional and presentational currency
  - Large portion of funded debt carries a fixed interest rate

## Key Leverage Metrics

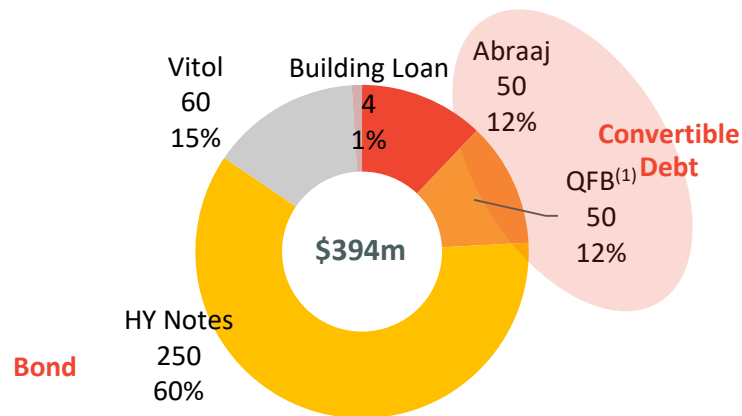


Source: Company filing.

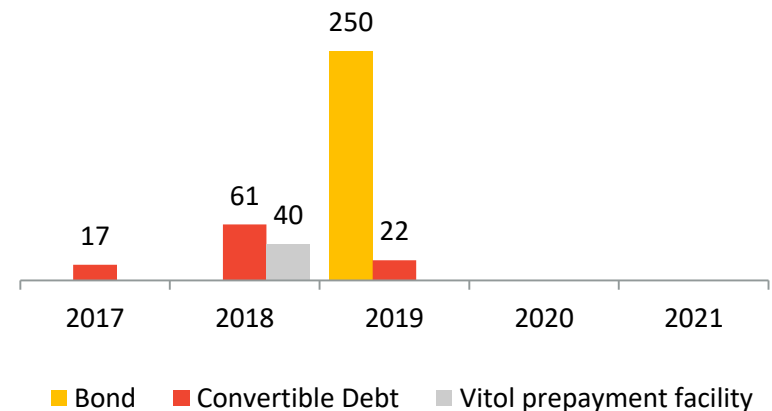
(1) Farm-out completion subject to pre-emption rights and government approvals. (2) Represents operating cash flow before change in working capital.

# Capital Structure and Debt Profile

## Debt Outstanding as at March 2017



## Debt Maturities for Existing Facilities (\$m)



## Credit Facilities Update

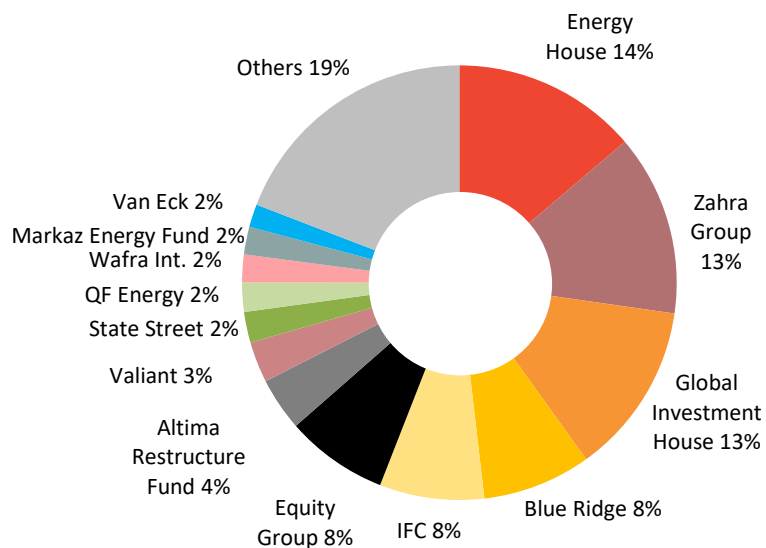
- Agreement signed with Vitol in December 2016 for a pre-payment facility of up to \$100m
  - \$40m was drawn down in December 2016
  - Further \$20m drawn down in May 2017
- \$250m bond issued in August 2014 at 9.5% coupon rate, maturing in 2019
- \$50m Abraaj and \$50m QBF convertible loans

Source: Company filing, loan agreements.

(1) Agreement reached with QBF to convert debt into equity

# Diverse Shareholder Base

Shareholder Structure 31 January 2017<sup>(1)</sup>



## Energy House

- An indirect subsidiary of Kuwait Finance House (a large Islamic Bank)

## Zahra Group

- A Kuwait based private shareholding company with business primarily in the oil & gas and petrochemical sectors

## Global Investment House

- An asset management and investment banking company operating in 7 countries in MENA

## Blue Ridge

- A New York-based hedge fund
- Has been a Kuwait Energy shareholder since 2008

## IFC

- A member of the World Bank Group
- Involved with Kuwait Energy since 2009

## Equity Group

- A Chicago-based private investment firm focusing on real estate, energy, logistics, transportation, media and health care

Source: Company filing.

(1) Represents shareholdings excluding treasury shares.



# Summary



# Company Highlights

- 1 Diversified, majority operated asset portfolio and established track record of reserves and production growth
- 2 Significant growth opportunity in Block 9 and Siba developments, supported by cash flow from producing assets in the portfolio
- 3 Strategic focus on producing and development assets and one of the largest 2P reserve base amongst peers
- 4 Indigenous company in the MENA region, recognised by governments and peers as a trusted and capable partner
- 5 Shareholder focused, prudent financial policy
- 6 Experienced management team and strong commitment to corporate governance, integrity and social responsibilities



# Appendix



# Management Team



Name	Dr. Mansour Aboukhamseen	Sara Akbar	Roger Phillips
Position	Executive Chairman	CEO	CFO
Career Highlights	<ul style="list-style-type: none"> <li>● Co-founder of Kuwait Energy</li> <li>● 12 years at Kuwait Energy</li> <li>● Over 25 years of Oil &amp; Gas experience</li> <li>● Previously worked at Kuwait Oil Company</li> <li>● Ph.D in Modern History from U.C. Berkeley, California, USA</li> </ul>	<ul style="list-style-type: none"> <li>● Co-founder of Kuwait Energy</li> <li>● Over 30 years of Oil &amp; Gas experience</li> <li>● Previously worked at Kuwait Foreign Petroleum Exploration Company (KUFPEC) and Kuwait Oil Company</li> <li>● B.Sc in Chemical Engineering from Kuwait University</li> </ul>	<ul style="list-style-type: none"> <li>● 10 years at Kuwait Energy</li> <li>● Over 30 years of Oil &amp; Gas experience</li> <li>● Previously worked at Hess, Regal Petroleum, ExxonMobil and PwC</li> <li>● B.Sc in Civil Engineering from Leeds University, UK</li> <li>● ACA Institute of Chartered Accountants in England and Wales</li> </ul>



# Asset Snapshot

## Detailed Ownership by Asset

	Asset	KE Operator	Revenue WI <sup>(1)(2)</sup>	Cost WI <sup>(1)</sup>	Partners	Licence Expiry
Iraq	Block 9 <sup>(3)</sup>	✓	60.00%	60.00%	Dragon Oil 30%, EGPC 10%	– <sup>(5)</sup>
	Siba	✓	30.00%	40.00%	TPAO 30%, Missan Oil Company 25%, EGPC 15% <i>(revenue WI)</i>	2032
	Mansuriya	✗	22.50%	30.00%	TPAO* 37.5%, OEC 25%, KOGAS 15%	2031
Egypt	Abu Sennan	✓	25.00%	53.00%	Dover 28%, Rockhopper 22%, Global Connect 25% <i>(revenue WI)</i>	2032 - 2036
	Burg El Arab (BEA)	✓	100.00%	100.00%	-	2021
	Area A	✓	70.00%	70.00%	Petrogas 30%	2019 - 2023
	East Ras Qattara (ERQ)	✗	49.50%	49.50%	ENAP Sipetrol* 50.5%	2027 – 2031
Yemen	Block 5	✓	15.00%	15.00%	YICOM 20%, KUFPEC 20%; Newco 15% <sup>(4)</sup> , Total 15%, ExxonMobil 15%	2018 <sup>(6)</sup>
	Block 49	✓	64.00%	75.29%	Consolidated Contractors Company 21%, TYC 15%	– <sup>(5)</sup>
Oman	Karim Small Fields (KSF)	✗	15.00%	15.00%	Medco Energy* 51%, Oman Oil Company 25%, Vision Oil 5%, Petrovest 4%	2040

(1) Source: GCA report as at 31 December 2016. \* Denotes operatorship.

(2) Revenue WI is the percentage interest of Kuwait Energy in the revenues derived from sale of production from an asset, before taking into account any taxes, fees, royalties or other payments.

(3) Kuwait Energy is currently engaged in a dispute under which the claimant asserts that it has a right to an increased non-controlling share. Kuwait Energy believes that the claimant's position will not be vindicated, and Kuwait Energy is firmly committed to vigorously rebutting the claim. (4) Newco was formed by two Russian companies: Mashinexport and Zarubezhgeologiya. (5) In Block 9 and Block 49, 20 year licences are expected to be granted for each approved development area; each with a possible 5 year extension period. (6) A number of Force Majeure events have occurred hence licence for Block 5 will not expire before

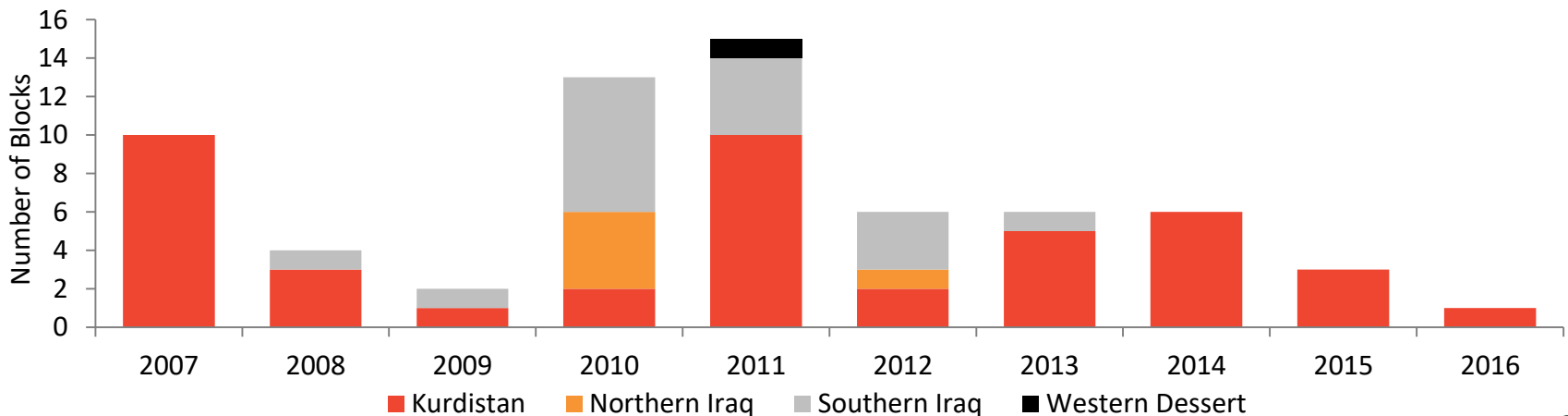
March 2018; a 5 year extension of the licence is likely.

# Overview of Historical Iraqi Licence Rounds

## Iraq Licensing Rounds Overview

- There have been four licencing rounds over the past seven years in Iraq, primarily focusing on discovered resources opportunities
  - In 2009, 35 international oil companies were pre-qualified to participate in Iraq's first petroleum licensing round
    - Invited to bid on six oil fields and two undeveloped gas fields; contract signed with Zubair, West Qurna 1, Rumaila and the Misan Group fields
  - 2<sup>nd</sup> bid round (2009): seven contracts awarded
  - 3<sup>rd</sup> bid round (2010): three gas fields tendered and awarded including Siba and Mansuriya
  - 4<sup>th</sup> licensing round (2012), an exploration licensing round in which four blocks were awarded including Block 9

## Blocks Awarded by Region



# Strong Commitment to Corporate Governance, Integrity and Social Responsibilities

## Experienced Board with Majority Independent Directors

Member	Experience	Independent
<b>Dr Mansour Aboukhamseen</b> <i>Executive Chairman</i> <i>Member: Nomination Comm.</i>	<ul style="list-style-type: none"> <li>Co-founder of Kuwait Energy</li> <li>Previously worked at KOC</li> </ul>	
<b>Sara Akbar</b> <i>CEO</i>	<ul style="list-style-type: none"> <li>Co-founder of Kuwait Energy</li> <li>Previously worked at KUFPEC and KOC</li> </ul>	
<b>Roger Phillips</b> <i>CFO</i>	<ul style="list-style-type: none"> <li>Previously worked at Hess, Regal Petroleum, ExxonMobil and PwC</li> </ul>	
<b>Sir Steve Robson</b> <i>Member: Audit &amp; Risk Comm.</i> <i>Member: Nomination Comm.</i>	<ul style="list-style-type: none"> <li>Former non-exec director at the Financial Reporting Council, RBS and JP Morgan Cazenove</li> <li>Former member of KPMG Chairman's Advisory Board</li> <li>Served the UK's HM Treasury for 30 years in various roles</li> </ul>	✓
<b>Dr Yousef Al Awadi, KBE</b> <i>Chairman: Audit &amp; Risk Comm.</i> <i>Member: Remuneration Comm.</i>	<ul style="list-style-type: none"> <li>CEO of YAA Consultancy</li> <li>Former President and CEO of Kuwait Investment Office in London</li> </ul>	✓
<b>Rachel English</b> <i>Chairman: Remuneration Comm.</i> <i>Member: Audit &amp; Risk Comm.</i>	<ul style="list-style-type: none"> <li>Over 30 years of experience in international blue-chip energy companies</li> <li>Non-exec director of Acacia Mining and Adam Smith Int.</li> </ul>	✓
<b>Mohamed Yusof Rafie</b> <i>Chairman: Nomination Comm.</i> <i>Member: Remuneration Comm.</i>	<ul style="list-style-type: none"> <li>Chairman of Gabas Albilad Holding Company and member of the Saudi National Committee for World Petroleum Congress (WPC)</li> <li>Former Sr. VP at Saudi Aramco (38 years)</li> </ul>	✓
<b>Mohammad Ahmad Husain</b> <i>Member: Audit &amp; Risk Comm.</i>	<ul style="list-style-type: none"> <li>34 years of experience in the Kuwait oil &amp; gas industry</li> <li>President and CEO at EQUATE Petrochemical Company and Director at GPCA</li> </ul>	✓
<b>Abdel F. (Abby) Badwi</b> <i>Member: Remuneration Comm.</i> <i>Member: Nomination Comm.</i>	<ul style="list-style-type: none"> <li>Current Executive Chairman of Growmax Resources Corp.</li> <li>Past CEO &amp; Vice Chairman of Bankers Petroleum (TSX listed)</li> <li>Former President, CEO and Director of Rally Energy</li> </ul>	✓

## Commitment to CSR and HSS&E

### Corporate Social Responsibility (CSR)

- Active local community engagement, as an indigenous operator
- Contribution to the sustainable development of people and economies in the MENA region

### Health, Safety, Sustainability and Environment (HSS&E)

- International HSS&E standards
- HSS&E program overseen by the CEO
- HSS&E measures are part of the annual corporate performance review
- A primary criteria for the subcontractor selection process