

## Activity and sales 2018: US\$440m (+10%)

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- **Group sales up 10% to US\$440m for 2018**
    - The average sale price of oil was US\$68.8/bbl in 2018, up 30% compared with 2017
  - **M&P total working interest production of 22,934 boepd for 2018, down 4% compared with 2017**
    - Oil production in Gabon was 20,342 bopd for operated interest (16,273 bopd for M&P working interest), down 19% on the previous year due to reduced evacuation capacity from May to end-November. Since December 2018, production has been evacuated without incident and has started rising again to reach 25,013 bopd for operated interest.
    - Gas production in Tanzania was 83.2 MMcf/d for operated interest (40 MMcf/d for M&P working interest), up 69% compared with the previous year.
  - **Group reserves at 31 December 2018 – M&P working interest:**
    - Gross P1+P2 reserves: 190 MMboe
    - These reserves do not include those of two new projects: Venezuela and Angola.
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## 2018 Sales

|  | Q1<br>2018  | Q2<br>2018  | Q3<br>2018  | Q4<br>2018  | 12<br>months<br>2018 | 12<br>months<br>2017 | Chg.<br>18/17 |
|--|-------------|-------------|-------------|-------------|----------------------|----------------------|---------------|
| <b>Total production sold over the period,<br/>M&amp;P working interest</b> |             |             |             |             |                      |                      |               |
| <i>million barrels of oil</i>  | 1.7         | 1.4         | 1.2         | 1.4         | 5.7                  | 6.8                  | -16%          |
| <i>MMBTU</i>   | 3.4         | 3.7         | 3.9         | 3.9         | 14.9                 | 8.8                  | 69%           |
| <b>Average sale price</b>  |             |             |             |             |                      |                      |               |
| <i>OIL, in US\$/bbl</i>  | 66.3        | 73.0        | 74.3        | 62.7        | 68.8                 | 53.0                 | 30%           |
| <i>GAS, in US\$/MMBTU</i>  | 3.18        | 3.17        | 3.17        | 3.17        | 3.17                 | 3.15                 | 1%            |
| <b>EUR/USD exchange rate</b>   | <b>1.23</b> | <b>1.19</b> | <b>1.16</b> | <b>1.14</b> | <b>1.18</b>          | <b>1.13</b>          | 4%            |
| <b>SALES (in US\$m)</b>  |             |             |             |             |                      |                      |               |
| <b>Oil production</b>  | <b>124</b>  | <b>107</b>  | <b>102</b>  | <b>95</b>   | <b>428</b>           | <b>384</b>           | 11%           |
| <i>Gabon</i>   | 115         | 98          | 92          | 84          | 389                  | 361                  |               |
| <i>Tanzania</i>  | 9           | 9           | 10          | 11          | 39                   | 23                   |               |
| <b>Drilling operations</b>   | <b>4</b>    | <b>2</b>    | <b>3</b>    | <b>3</b>    | <b>12</b>            | <b>16</b>            | -25%          |
| <b>Consolidated sales (in million US\$ )</b>                               | <b>128</b>  | <b>109</b>  | <b>105</b>  | <b>98</b>   | <b>440</b>           | <b>400</b>           | 10%           |
| <b>Consolidated sales (in million €)</b>                                   | <b>104</b>  | <b>92</b>   | <b>90</b>   | <b>87</b>   | <b>373</b>           | <b>354</b>           | 5%            |

The Group's consolidated sales for 2018 amounted to US\$440 million (€373 million), up by 10% on 2017.

The sharp rise in oil prices in 2018 more than compensated for the drop in oil production in Gabon which was caused by technical constraints with the evacuation process. This led to an overall increase in sales.

The average sale price of oil in fiscal year 2018 rose by 30% to US\$68.8/bbl versus US\$53/bbl in 2017.

The higher demand for gas in Tanzania meant that gas production increased significantly in 2018. Total average production for the year stood at 83.2 MMcf/d, up 69% on 2017. In the second half of 2018, average production was 87.0 MMcf/d.

## 2018 Activity

### Breakdown of hydrocarbon production in 2018

|  |                     | Q1<br>2018    | Q2<br>2018    | Q3<br>2018    | Q4<br>2018    | 12<br>months<br>2018 | 12<br>months<br>2017 | Chg.18/17  |
|--|---------------------|---------------|---------------|---------------|---------------|----------------------|----------------------|------------|
| <b>Production operated by Maurel &amp; Prom (100%)</b> |                     |               |               |               |               |                      |                      |            |
| Oil  | <i>bopd</i>         | 23,975        | 19,173        | 17,409        | 20,876        | 20,342               | 24,963               | -19%       |
| Gas  | <i>MMcf/d</i>       | 77.0          | 81.6          | 86.7          | 87.2          | 83.2                 | 49.1                 | 69%        |
| <b>TOTAL</b>   | <b><i>boepd</i></b> | <b>36,804</b> | <b>32,778</b> | <b>31,853</b> | <b>35,411</b> | <b>34,201</b>        | <b>33,145</b>        | <b>3%</b>  |
| <b>Maurel &amp; Prom share of production</b>           |                     |               |               |               |               |                      |                      |            |
| Oil  | <i>bopd</i>         | 19,180        | 15,338        | 13,928        | 16,701        | 16,273               | 19,970               | -19%       |
| Gas  | <i>MMcf/d</i>       | 37.0          | 39.2          | 41.7          | 41.9          | 40.0                 | 23.6                 | 69%        |
| <b>TOTAL</b>   | <b><i>boepd</i></b> | <b>25,346</b> | <b>21,877</b> | <b>20,869</b> | <b>23,686</b> | <b>22,934</b>        | <b>23,903</b>        | <b>-4%</b> |

- **Gabon**

In Gabon, operated oil production in 2018 stood at 20,342 bopd (16,273 bopd for M&P working interest), down 19% on 2017. This was due to the restriction on the volumes evacuated by the pipeline connecting the Ezanga facilities to the Cap Lopez export terminal. These issues began in mid-May 2018 and continued intermittently until the end of November.

➤ **Monthly operated production in Gabon in 2018 (Mbb/d)**

Production figures in January 2019 reflect the results of the evacuation measures already taken, and take production from new wells into account.

Exports returned to normal at the beginning of December 2018. Measures to improve evacuation capacity in 2019 were discussed with the pipeline operator.

Drilling activities on the Ezanga permit, which had been halted for almost three years, resumed in 2018 to support the production profile and counteract the fields' natural depletion. Drilling began in the first half of 2018 and accelerated in August when a second unit went into operation. In total, 9 wells were drilled in 2018. The programme will continue in 2019 with the drilling of high potential wells.

Drilling of Kari and Nyanga Mayombé exploration wells were delayed to 2019 due to a change in the mobilization strategy of the rig to the well sites.

- **Tanzania**

In Tanzania, total operated production averaged 83.2 MMcf/d in 2018, or 40 MMcf/d for M&P working interest (48.06%), up 69% on 2017. Operated production in the fourth quarter of 2018 exceeded 87 MMcf/d.

- **France**

On the Mios permit, preparations were made to drill the CDN-2 exploration well after 2018 saw the receipt of administrative approvals. Drilling is expected to begin in February 2019.

### **Group reserves at 31 December 2018 – M&P working interest**

*The Group's reserves correspond to the volumes of recoverable hydrocarbons currently in production plus those revealed by discovery and delineation wells that can be operated commercially. These reserves were certified by DeGolyer and MacNaughton in Gabon and RPS Energy in Tanzania as at 31 December 2018.*

| Gross reserves<br>M&P working interest | Oil<br>(MMbbl) |              | Gas (Bcf) <sup>(1)</sup> | MMboe        |
|--|----------------|--------------|--------------------------|--------------|
|  | Gabon          | Tanzania     |                          |              |
| 01/01/2018                             | 171.3          | 265.4        |                          | 215.5        |
| production                             | -5.9           | -14.6        |                          |              |
| revision                               | -14.2          | -19.2        |                          |              |
| <b>31/12/2018</b>                      | <b>151.1</b>   | <b>231.6</b> |                          | <b>189.7</b> |
| <i>o/w gross P1 reserves</i>           | <i>117.1</i>   | <i>139.3</i> |                          | <i>140.3</i> |
| <i>or</i>                              | <i>77.5%</i>   | <i>60.2%</i> |                          | <i>74%</i>   |

As at 31 December 2018, gross P1+P2 (2P) reserves amounted to 190 MMboe, the equivalent of 172 MMboe in M&P share, net of royalties.

In Gabon, 2P reserves net of royalties and restated for 2018 production amounted to 133 MMbbl as at 31 December 2018, with P1 reserves accounting for 77% of that total. This revision of 2P reserves was due to an apparent faster decline on the Onal field in 2018 which is expected to be offset by new drilling in 2019.

As at 31 December 2018, the Group also had gas reserves of 232 Bcf.

The significant increase in production in 2018 made it easier to assess the reservoir's behaviour and led to a more accurate reserve estimate.

## New projects

In Angola, the period for possible pre-emptions regarding the acquisition of the 20% stake held by AJOCO in the two offshore blocks ended in December 2018. Finalisation of this acquisition is now subject to receiving administrative approvals from the Angolan Ministry of Petroleum and national concessionaire, Sonangol EP.

In Venezuela, acquisition of Shell's 40% stake in Petroregional del Lago Mixed Company was finalised on 20 December 2018. Due regard is being taken to the initialization of activities within the current events related to Venezuela.

| French                                |       | English |  |  |
|---------------------------------------|-------|---------|--|--|
| pieds cubes                           | pc    | cf      | cubic feet                                     |  |
| pieds cubes par jour                  | pc/j  | cfpd    | cubic feet per day                             |  |
| milliers de pieds cubes               | kpc   | Mcf     | 1,000 cubic feet                               |  |
| millions de pieds cubes               | Mpc   | MMcf    | 1,000 Mcf = million cubic feet                 |  |
| milliards de pieds cubes              | Gpc   | Bcf     | billion cubic feet                             |  |
| baril                                 | b     | bbl     | barrel   |  |
| barils d'huile par jour               | b/j   | bopd    | barrels of oil per day                         |  |
| milliers de barils                    | kb    | Mbbl    | 1,000 barrels                                  |  |
| millions de barils                    | Mb    | MMbbl   | 1,000 Mbbl = million barrels                   |  |
| barils équivalent pétrole             | bep   | boe     | barrels of oil equivalent                      |  |
| barils équivalent pétrole par jour    | bep/j | boepd   | barrels of oil equivalent per day              |  |
| milliers de barils équivalent pétrole | kbep  | Mboe    | 1,000 barrels of oil equivalent                |  |
| millions de barils équivalent pétrole | Mbep  | MMboe   | 1,000 Mbbl = million barrels of oil equivalent |  |

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