

**Latest developments in Hydrocarbons in the
SE Mediterranean -
Investment Opportunities & Challenges in Greece**
Mathios Rigas, Chairman & CEO

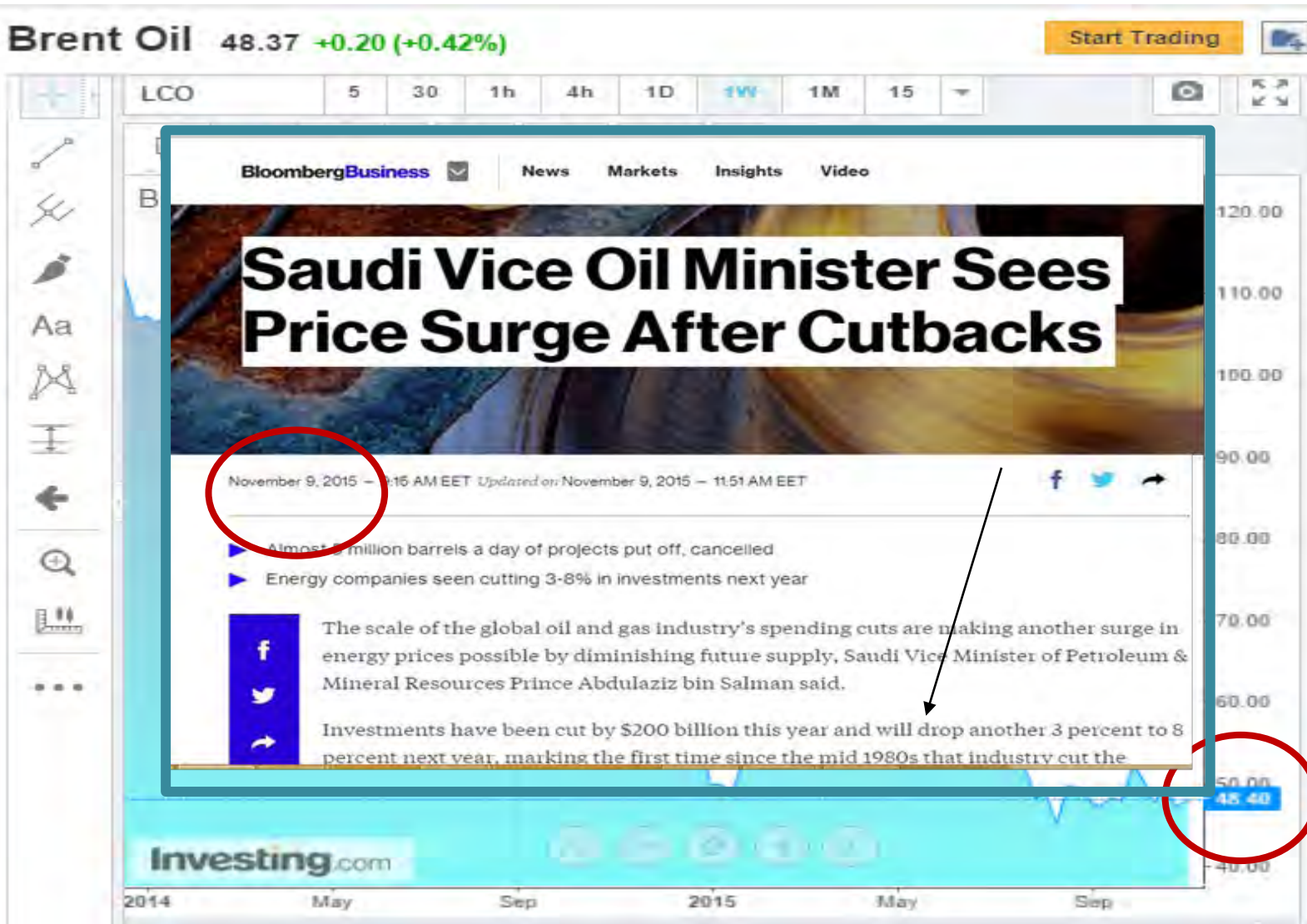


Agenda

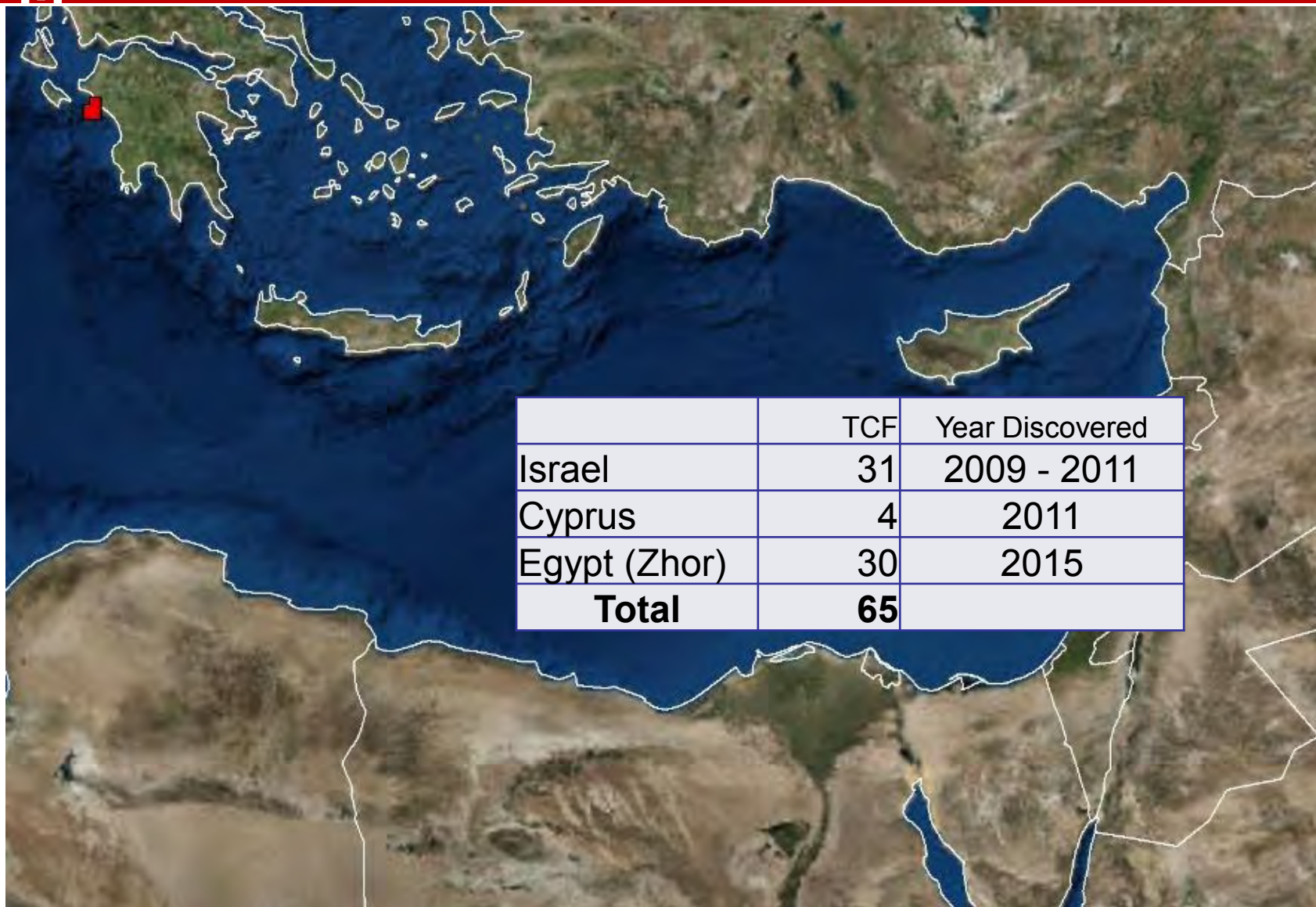
1. Latest Developments affecting the E&P sector in the Mediterranean basin
2. Exploration & Production of hydrocarbons in Greece
3. Investment Challenges in Greece

The Oil price - US\$200 billion investments

November 9, 2015

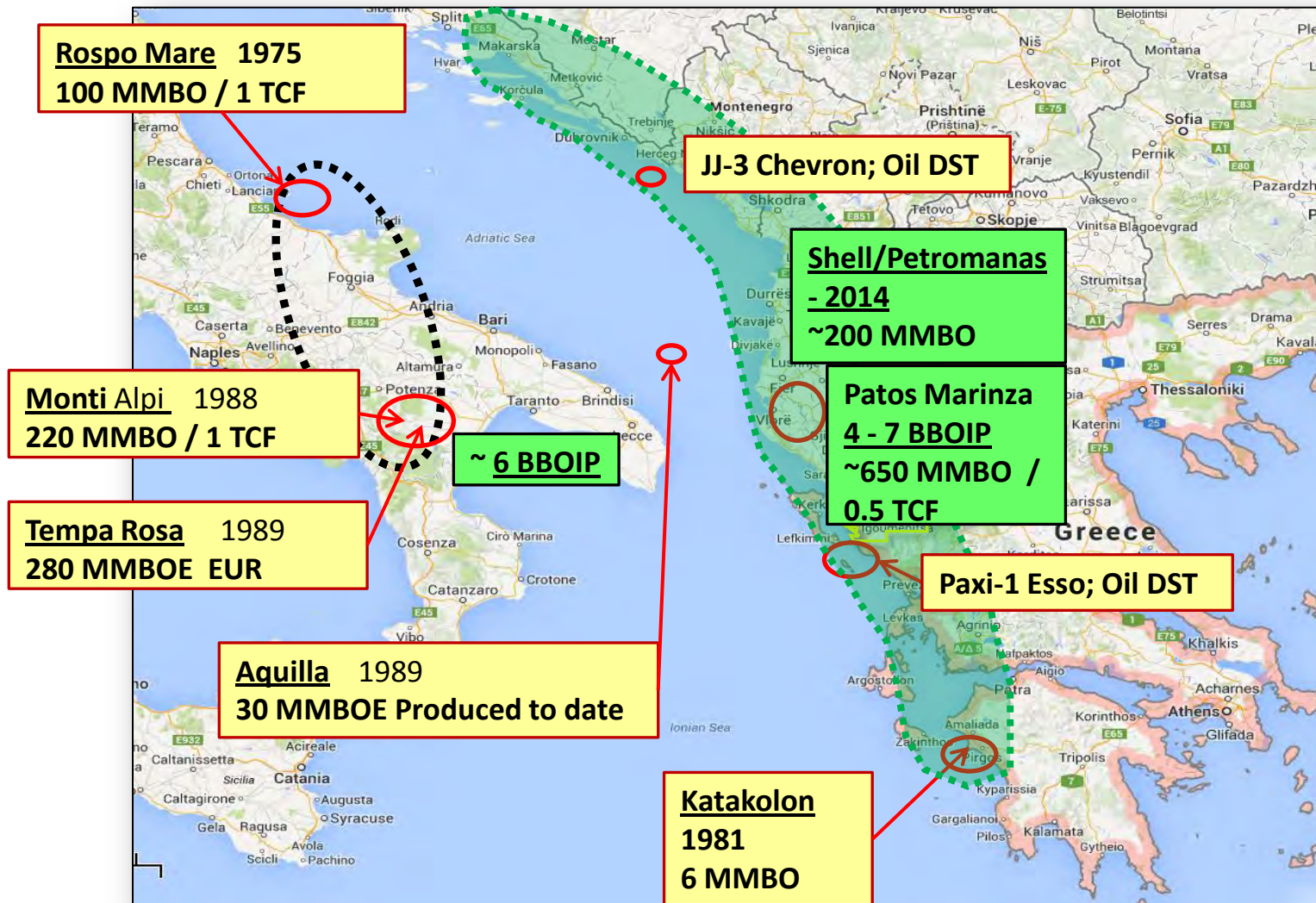


Major gas discoveries in the SE



Will Greece be next?

The Mesozoic productive basin in Albania known as the Ionian Zone continues south into Western Greece, where it is under explored



Active Lease agreements - Onshore ongoing tenders in Greece

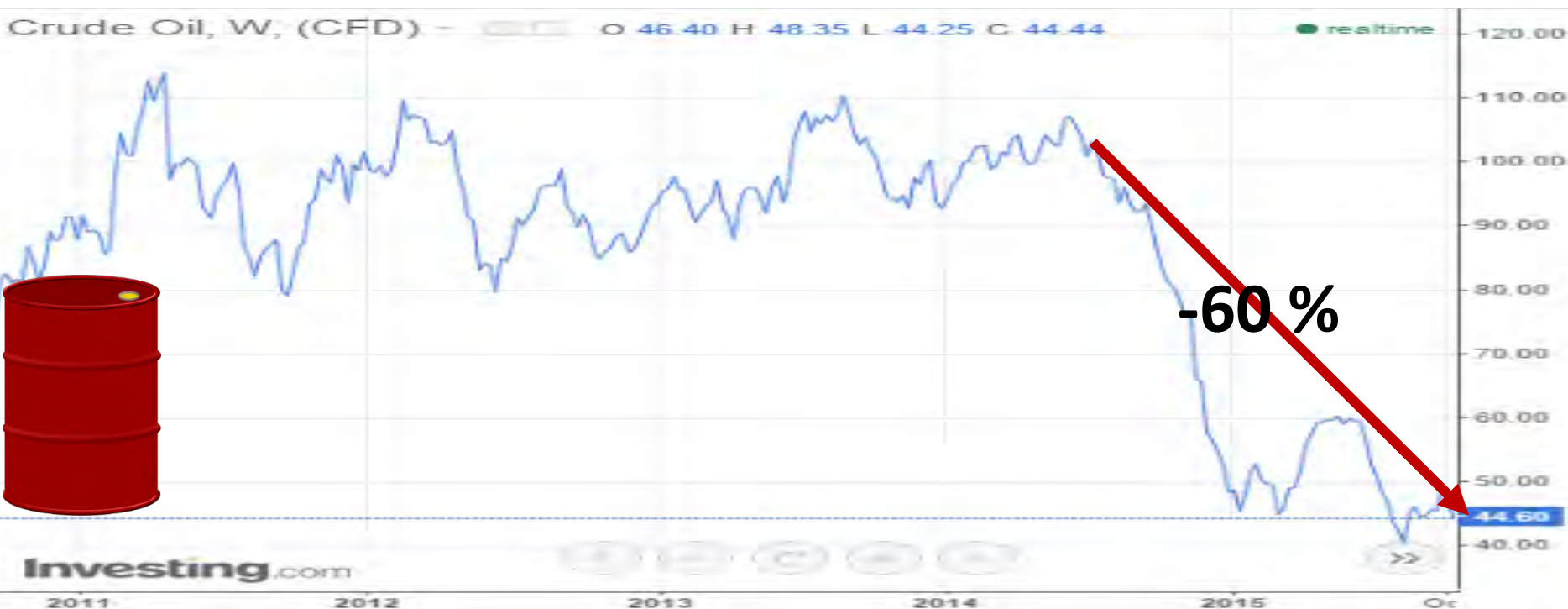


Greece, Offshore Exploration



The effect of the Oil price on Greek E&P

| 2011 July | 2012 January | 2013 July | 2014 March | 2014 May | 2014 August | 2014 September | 2015 November |
|--|-------------------|---------------------------------|--------------------|--|---|--|---|
| Law 4001/11 New Legal Framework for H/C | Open Door 2012 | Award Ioannina/ Patraikos | Award Katakolon | Signing of the lease agreements for the 3 areas | Announcement of the tender for "Western Greece" 3 onshore areas 2nd Int'l Licensing Round for 20 deepwater offshore blocks | Ratification of the lease agreements from the Greek Parliament | 2-month deadline extension for the final evaluation of the bids for Onshore W. Greece (31.12.2015). Closing of offshore Bid round but no opening of bids |





Investments in the Greek E&P sector

Energiean investments in the upstream sector

2007-2015



- Acquisition & restructuring of Kavala Oil
- 4 jack-ups mobilized in Greece
- 6 wells drilled and completed
- Technical work – Secondary recovery
- Appraisal of the Epsilon Field through ERD
- Acquisition of PSV & Drilling Rig
- 2 new Exploration blocks in W. Greece
- 2 bids for new blocks in W. Greece
- 3D seismic survey in Prinos
- International Expansion

Total investment US\$300 million

Financial Strength

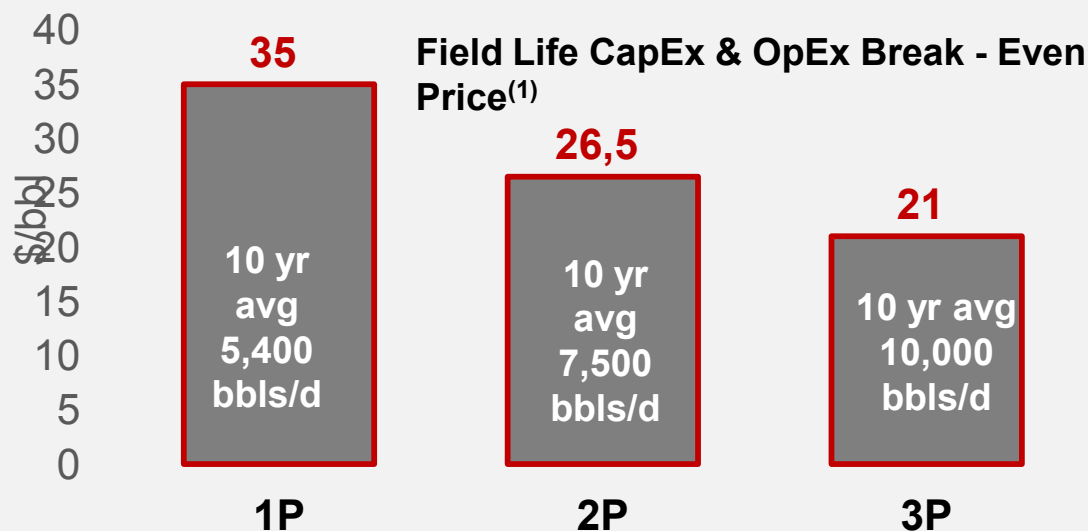
Low Risk Cash Inflow supported by
6year offtake agreement with BP



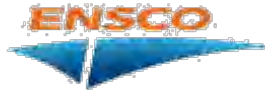
Access to funding



Prinos Breakeven



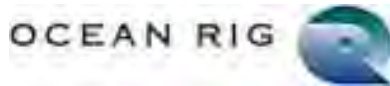
Creating Industry Infrastructure in Greece



Schlumberger



HALLIBURTON



Archer



ode



spd



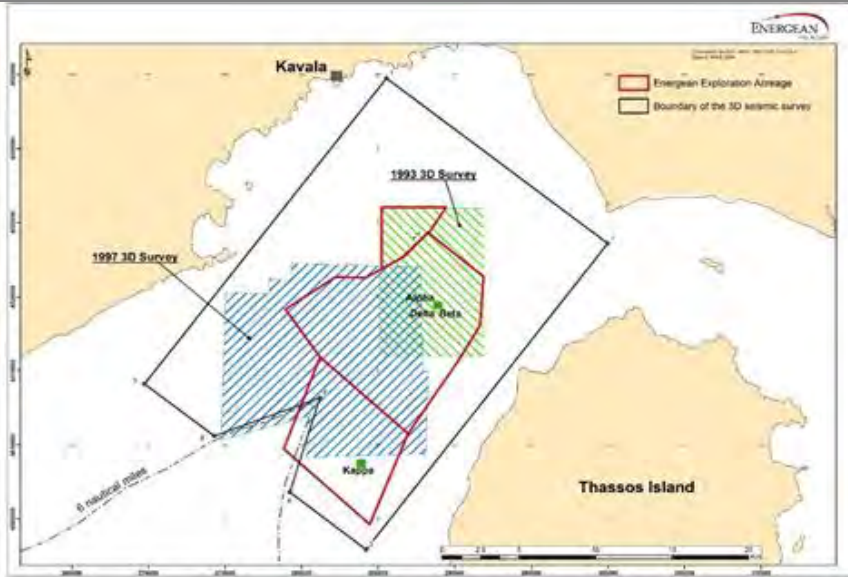
ERC equipoise





Prinos new 3D Seismic campaign to prove further exploration potential

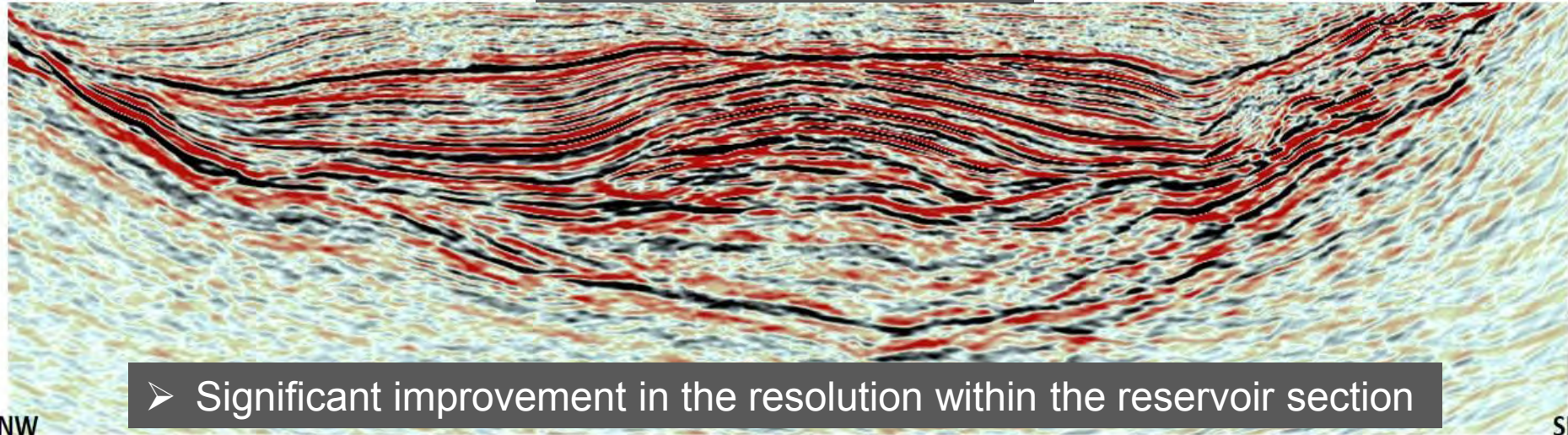
First 3D campaign using latest technology in 18 years in Greece | 390 Km² coverage



Dolphin
geophysical



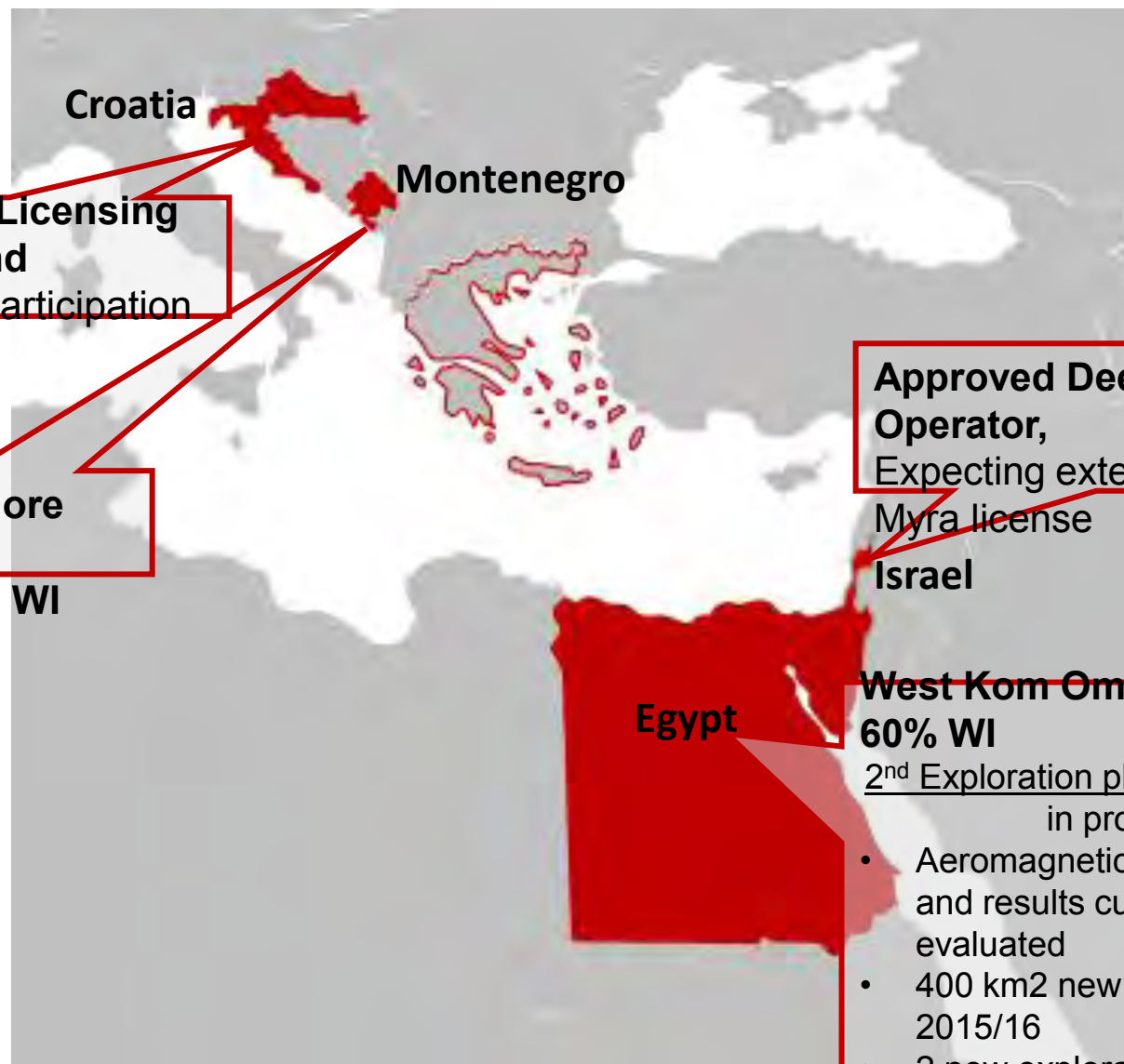
Prinos new seismic line



NW

SE

International expansion



2nd Offshore Licensing Round
Evaluation of participation

Bid for 3 offshore blocks

Operator, 60% WI

Approved Deep Water Operator,
Expecting extension of Sara & Myra license

Israel

West Kom Ombo, Operator
60% WI

2nd Exploration phase (20,948 km²)
in progress:

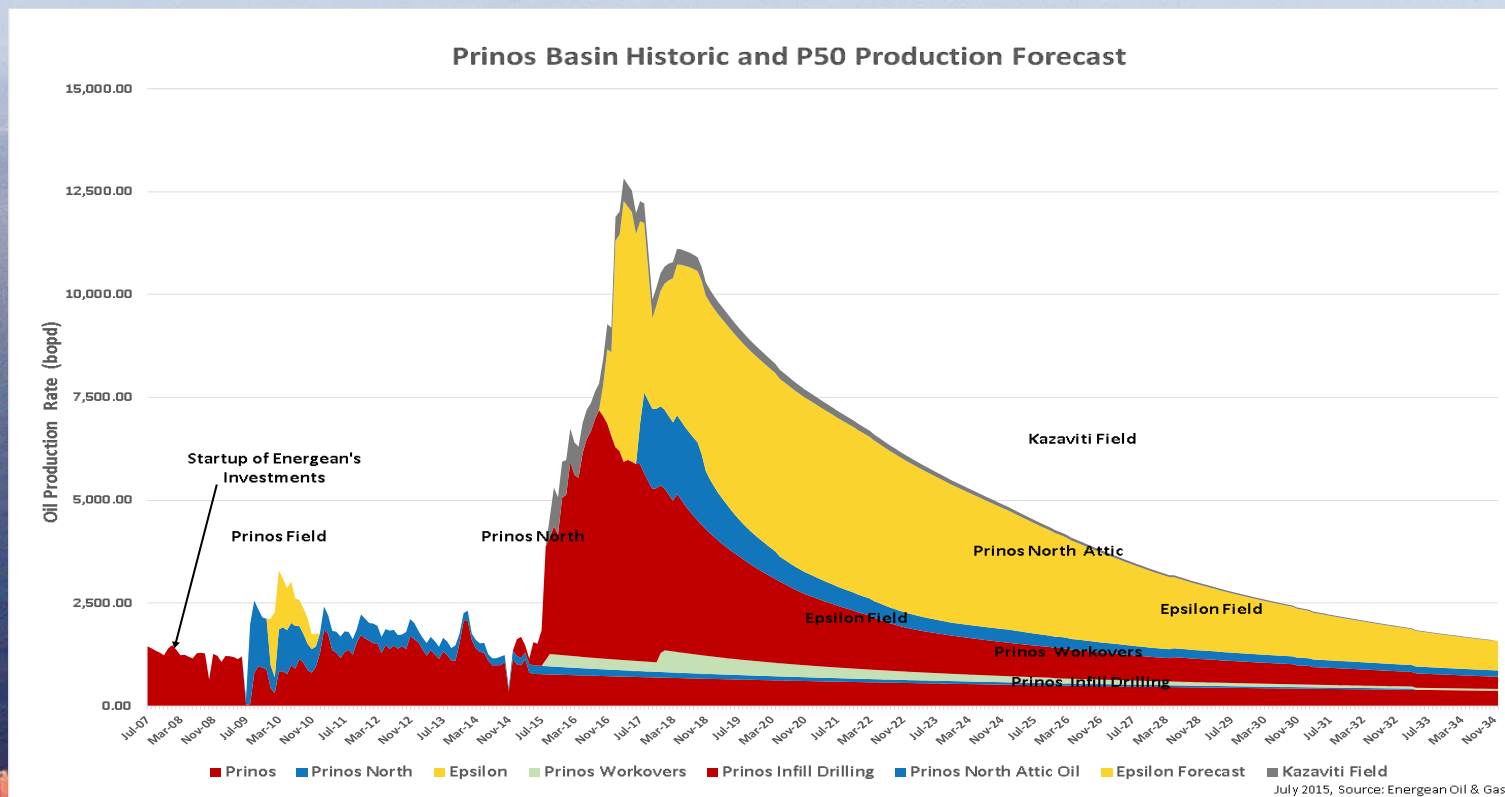
- Aeromagnetic survey acquired and results currently being evaluated
- 400 km² new 2D seismic 2015/16
- 2 new exploration wells in 2016



New Investments in E&P in Greece

Investment Plan in Prinos

2014-2017



Total investment: \$200 million

Ioannina Exploration



**1st exploration period
2014-2017 (3 years)**

- ✓ Environmental Baseline Study
- ✓ Seismic reprocessing,
- ✓ Geological surveys
- ✓ Full tensor gravity gradiometer and aeromagnetic surveys
- 200km new 2D seismic 2016

**2nd expl. period:
2018/19 (2 years)**

**Drill
1st Well**

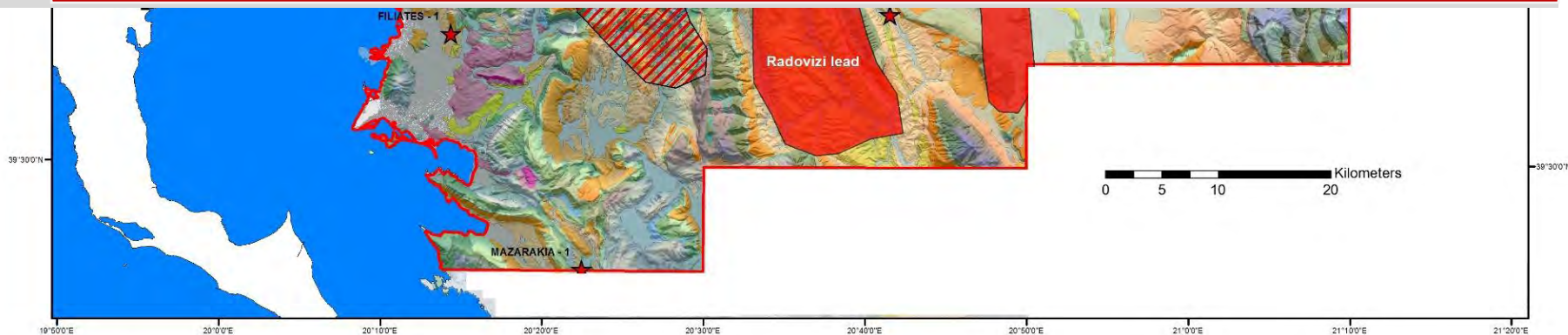


**3rd expl. period:
2020/ 21 (2 years)**

**Drill
2nd Well**



Total Investment: €32,4 million

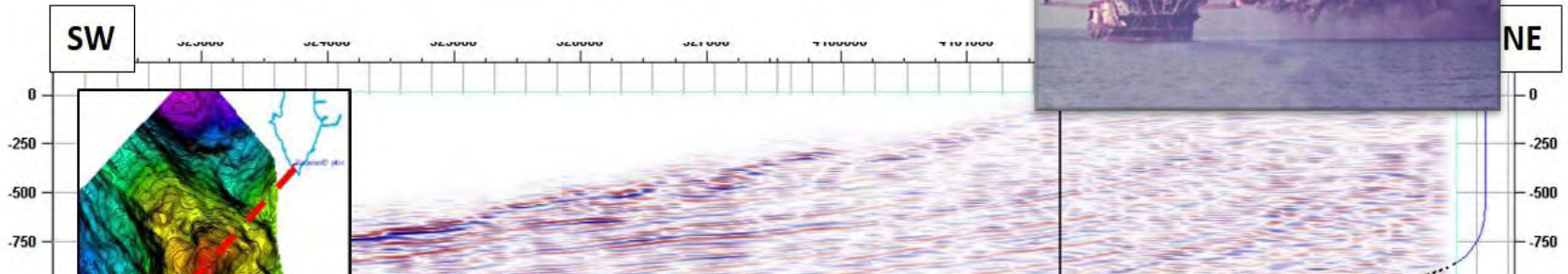


Ioannina Exploration – Energean 100%



Katakolo Development

Proven oil field discovered in 1980's



1st exploration period (2years)



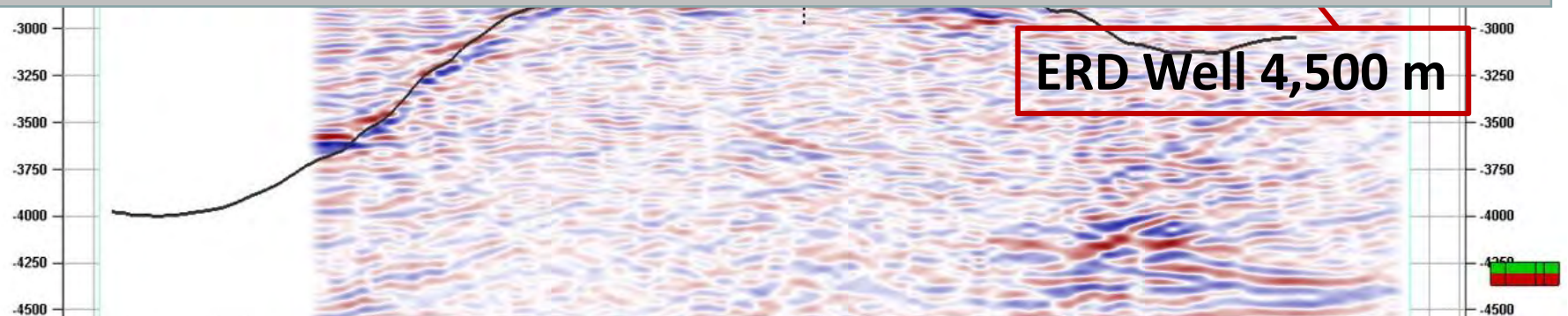
- * Reprocessing of 3D data
- * Field development studies
- * Well planning
- * EIA study and approvals

2nd expl. period: (3eays)

2017
Drill 1st Well



Total Investment :€17,8 million



Energean: Operating in a region of high tourist industry value

Ioannina, W. Greece



Croatia



Kavala, SE Greece,



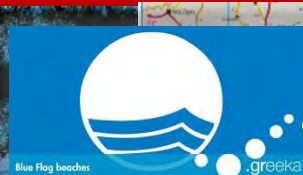
Katakolo, W. Greece



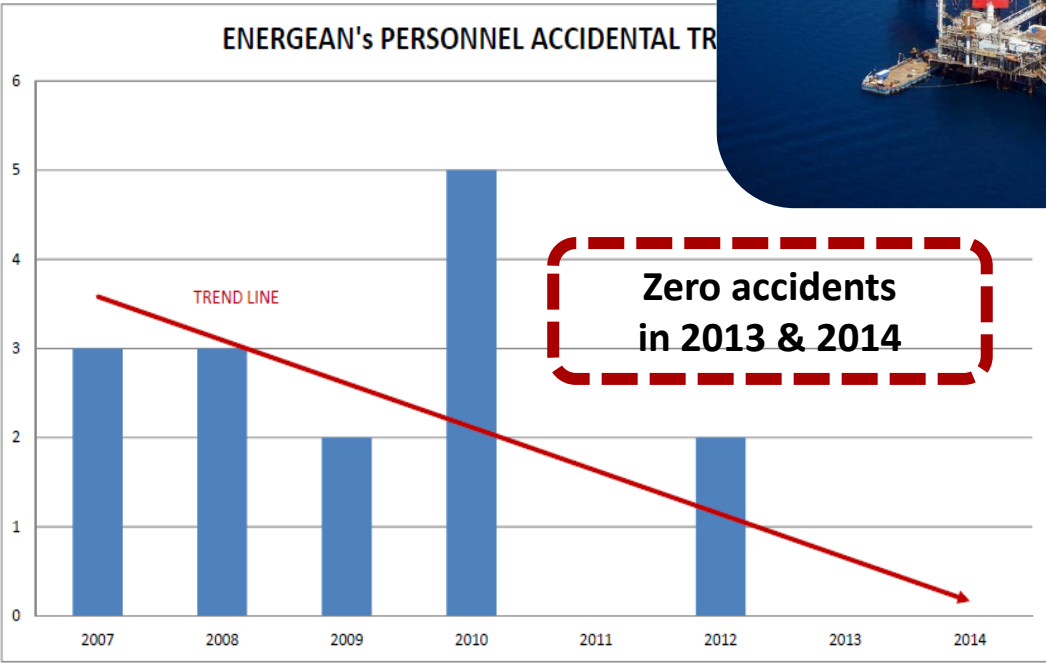
Montenegro



The Prinios Experience – E&P can co-exist with Tourism



15 blue flags every year



Investors Challenges

Is Greece a stable place to invest in?

8 years at Prinos - 8 Prime



2007
Costas Karamanlis



January 2009
George Papandreou



Jan-May 2012
Loukas Papadimos



May 2012
Pan. Pikrammenos



June 2012:
Antonis Samaras



February 2015:
Alexis Tsipras



August 2015:
Vassiliki Thanou



September 2015:
Alexis Tsipras

Is the Greek E&P sector a stable place to invest?

8 years at Prinos - 11 Ministers of Energy



2007
Christos Folias



January 2009
Costis Chatzidakis



October 2009
Tina Birbili



2011
G. Papakonstantinou



May 2012:
Evaggelos Livieratos



May 2012
Gregorios Tsaltas



October 2012
Yannis Maniatis



February- September 2015
February 2015: Panayiotis Lafazanis
July 2015: Panayiotis Skourletis
August 2015: Ioannis Gkolias



September 2015
Panos Skourletis

Investment Challenges in the E&P Sector in Greece

- **Low Oil Price environment**
- **Political instability and change of policy**
- **EDEY has not been staffed and capitalized**
- **Lack of understanding and knowledge by public sector**
- **Delays in approvals of licenses and permits**
- **Lack of infrastructure and service company support**
- **Public opinion expectations**
- **Environmental challenges and local community concerns**
- **The ex state owned oil company that is today private tries to impose obstacles in the opening of the market**

CONCLUSIONS

- 1. Greek Government must provide investors with confidence that Oil & Gas exploration is a priority by accelerating funding and staffing of EDEY**
- 2. The ongoing tenders in Western Greece must be completed**
- 3. Ministry of Energy must provide solution to investors in “business time”**
- 4. Coordinated effort to market the exploration potential of Greece between Government and private sector**
- 5. The example of Energean in Prinos to be used as a proof that Oil & Gas can co-exist with tourism and the environment**
- 6. Careful selection of Operators with proven track record in oil & gas exploration and production, according to the terms of the tenders**

Greece remains a frontier area that has not managed to attract the interest of oil majors, however Energean is committed to produce, develop and explore the country's resources for the benefit of the Country, our Shareholders and our 400 dedicated employees



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