



# Egypt Western Desert Information Pack

June 2021

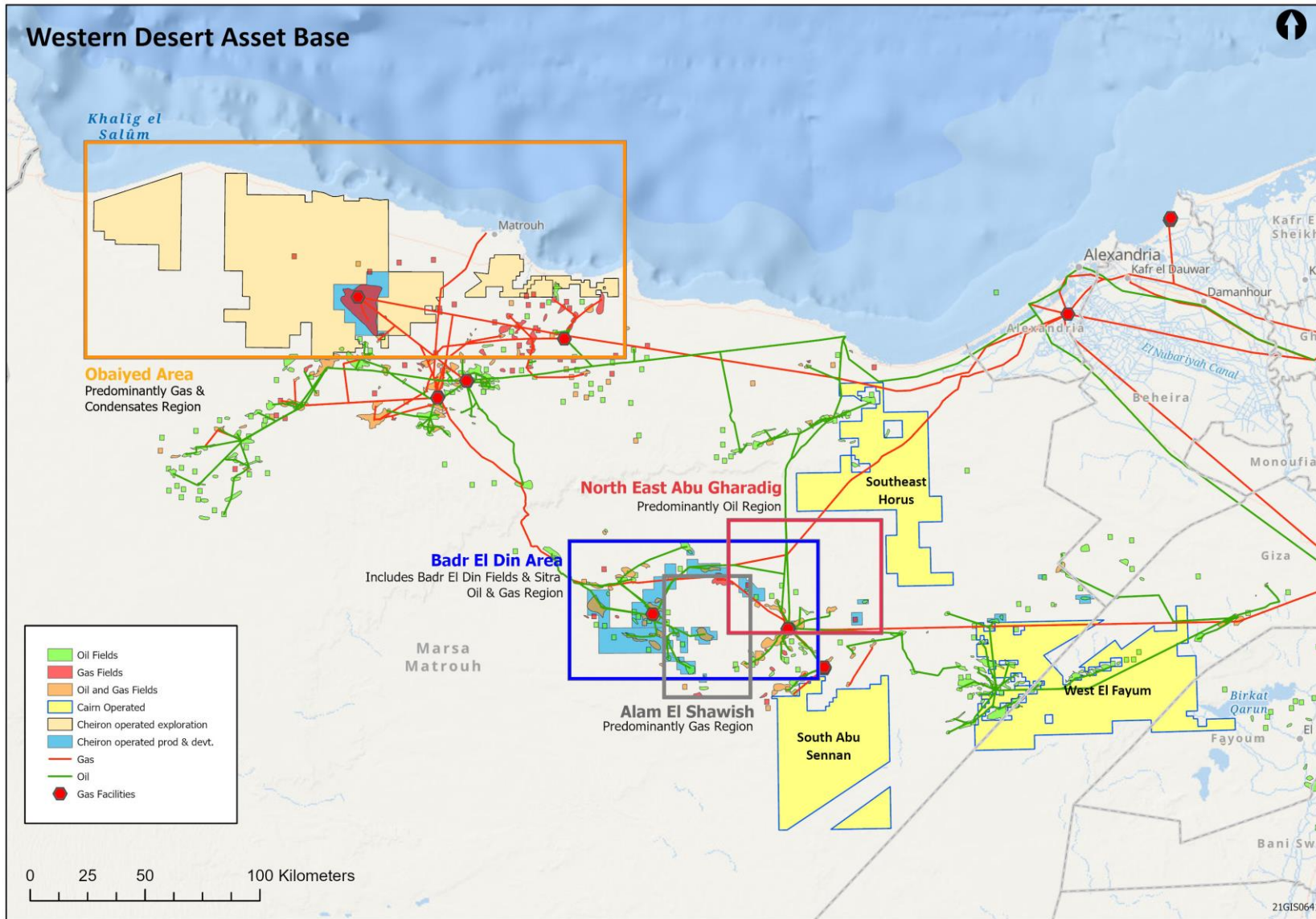


# Introduction

- Cairn is pre-releasing the CPR from the circular in order to help analysts assess the proposed acquisition
- The reserves, resources, production projections and cost profiles within the CPR and presentation are consistent with the information published when the proposed acquisition was announced on 9 March 2021, supplemented with annual 2C production profiles and associated costs based on Cairn preliminary estimates
- As previously guided, actual production in March 2021 is expected to be in the range of 33,000 – 38,000 boepd as a result of reduced drilling activity during 2020 and 2021 compared to historical levels; more detailed guidance on the expected near term ramp up in production will be provided following completion of the proposed acquisition
- All numbers are Cairn Working Interest unless otherwise stated
- The report's scope considers a five year investment programme across the assets from 2020-2024 only; thereafter it projects decline curves, although the history of the assets is one of continued infill drilling, development and exploration activity that has sustained production levels over an extended period
- The presentation also includes Cairn's current view of the exploration prospectivity, prior to acquiring and/or re-processing new seismic on several concessions



# Western Desert Asset Map



## Key Producing Areas

### Existing production areas

#### Obaiyed

(includes Obaiyed and NUMB)

Cheiron 50%

Cairn 50%

#### BED

(includes BED fields and Sitra)

Cheiron 50%

Cairn 50%

#### NEAG

(includes NEAG Tiba and NEAG Extension)

Cheiron  
26%

Cairn  
26%

Apache  
32%

Sinopec  
16%

#### AESW

Cheiron  
20%

Cairn  
20%

Zenhua  
35%

Neptune  
25%

### Near term developments

#### NM

(located in Obaiyed area)

Cheiron 50%

Cairn 50%

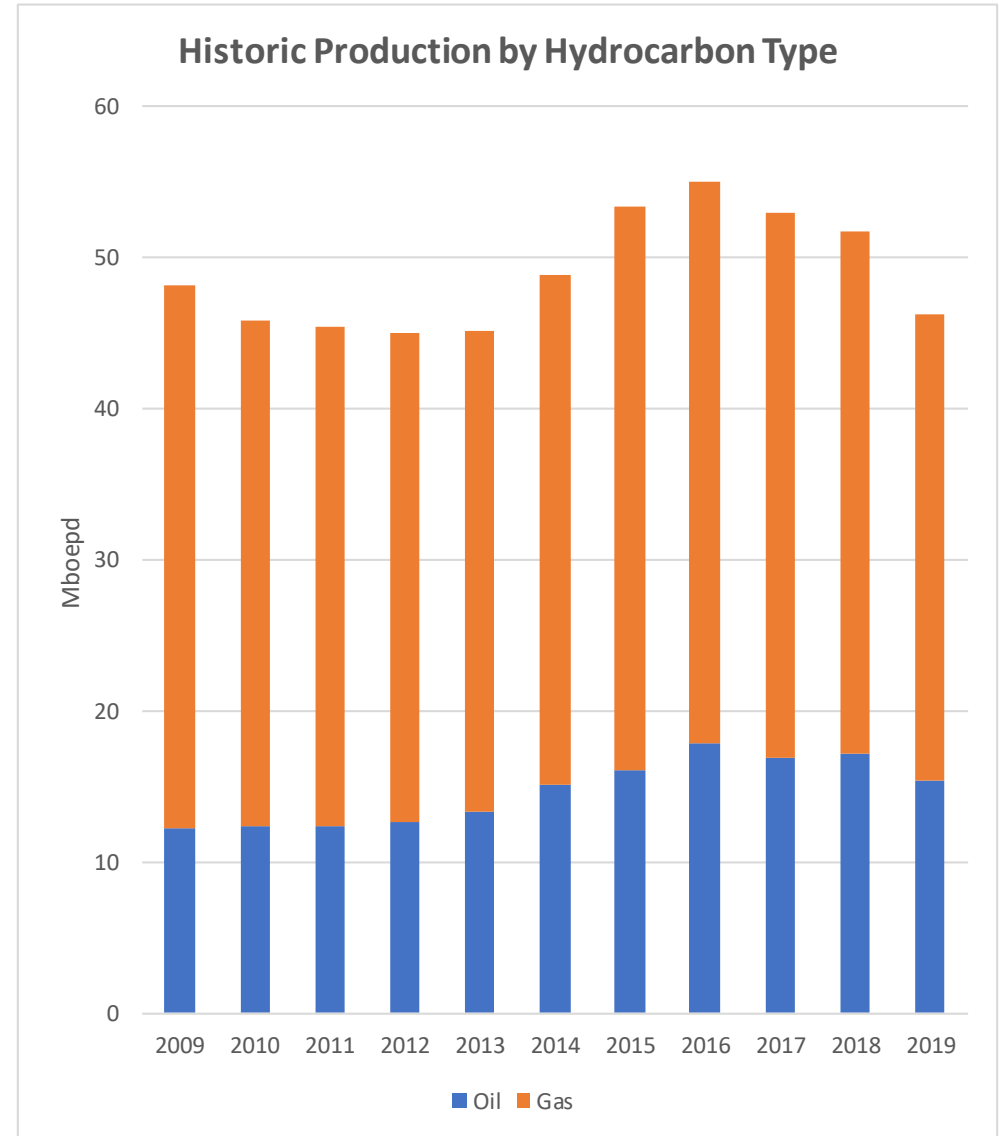
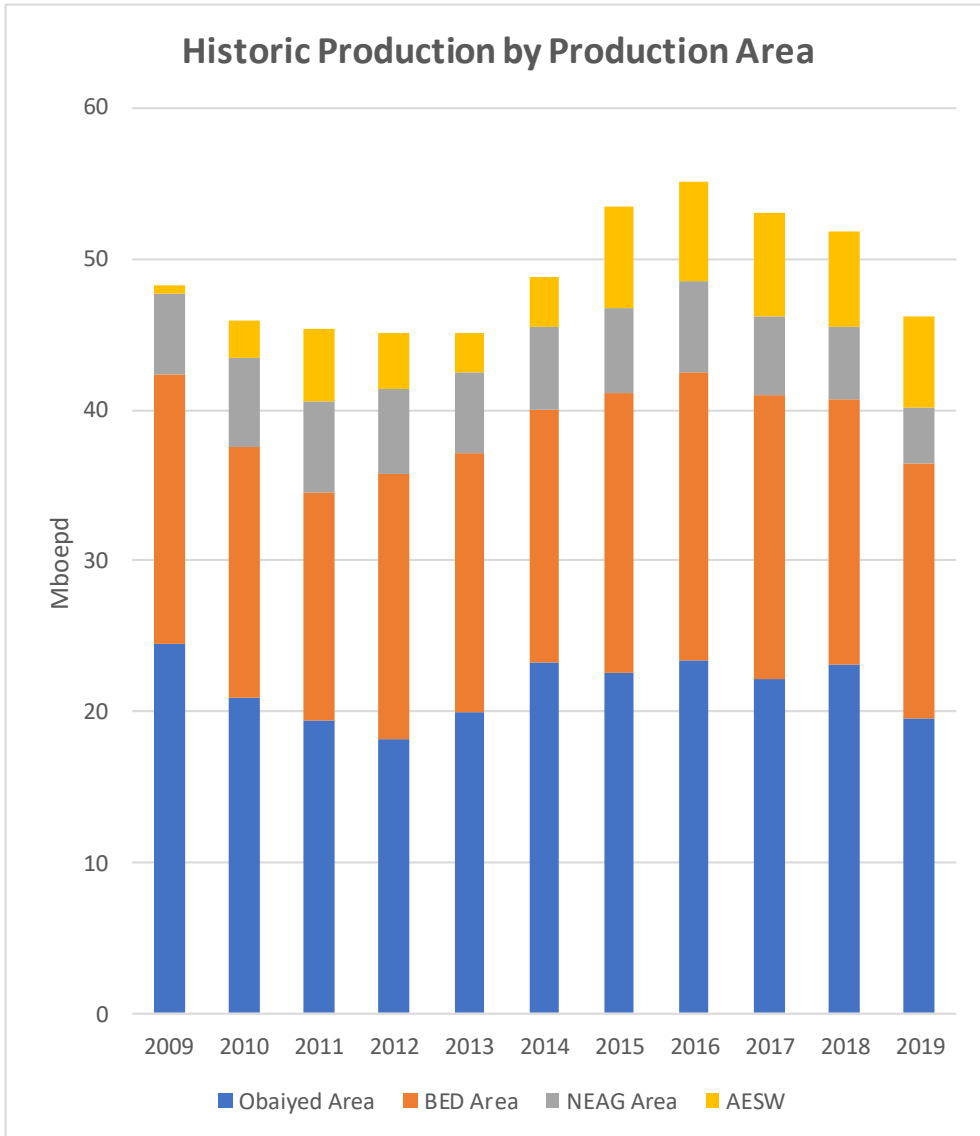
#### NAES

(located in BED area)

Cheiron 50%

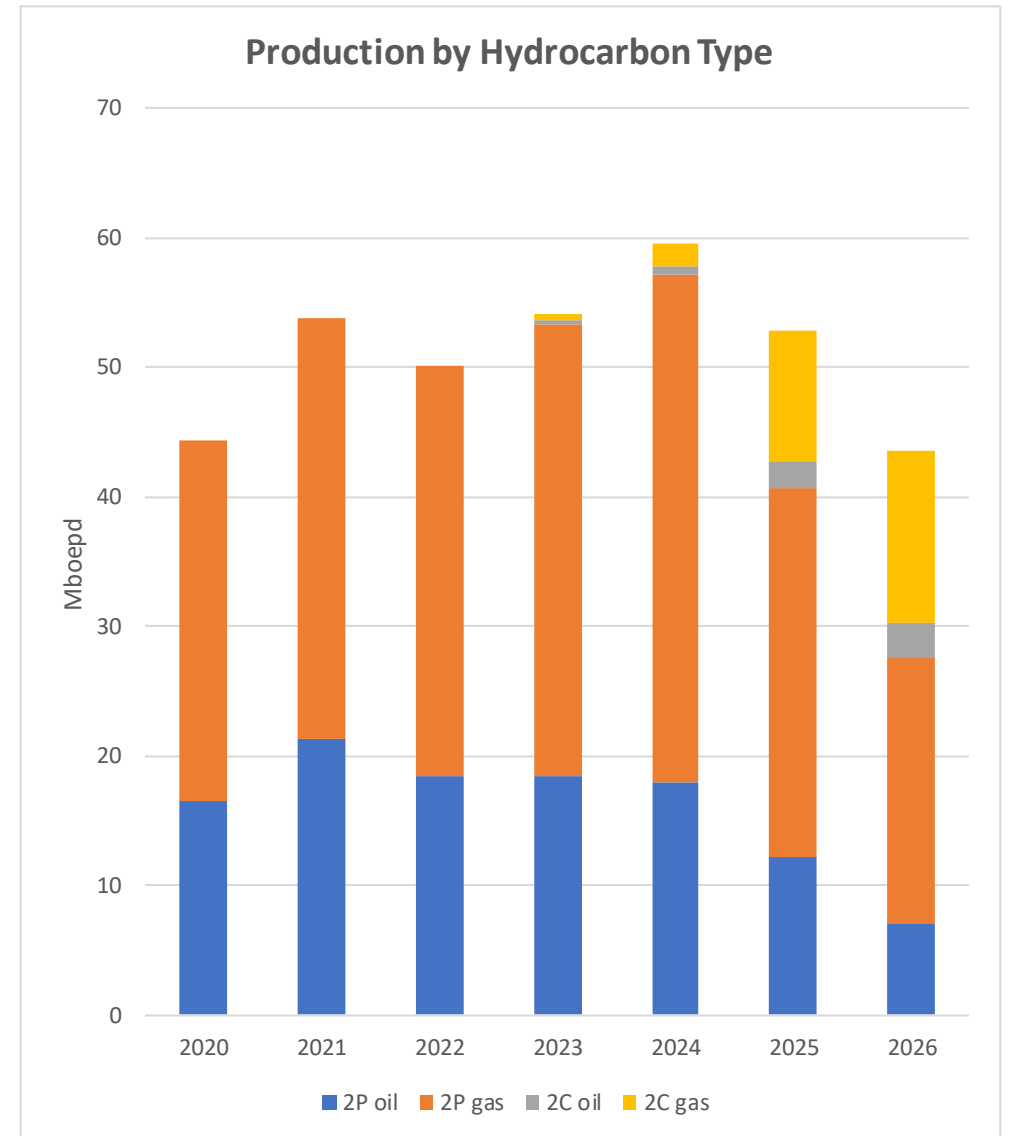
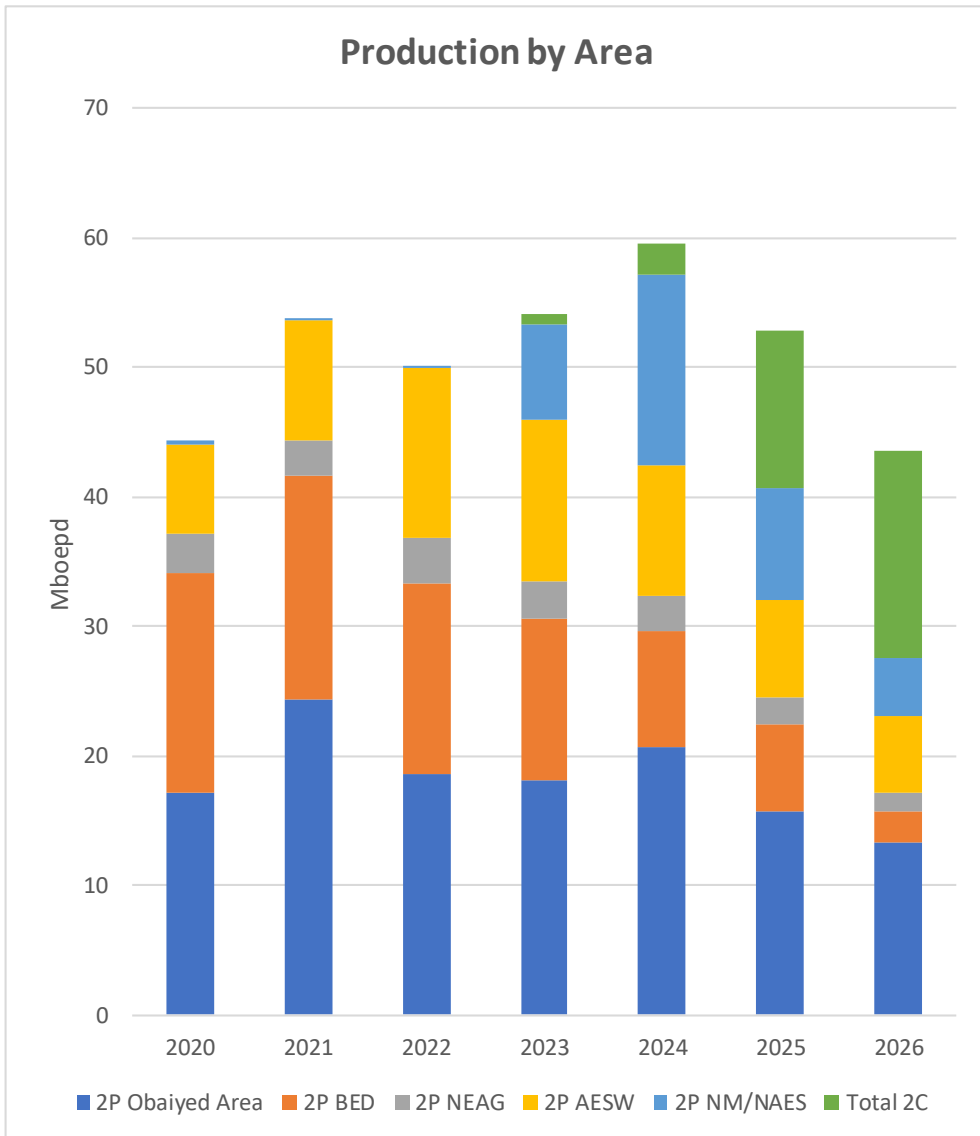
Cairn 50%

# Historic Production

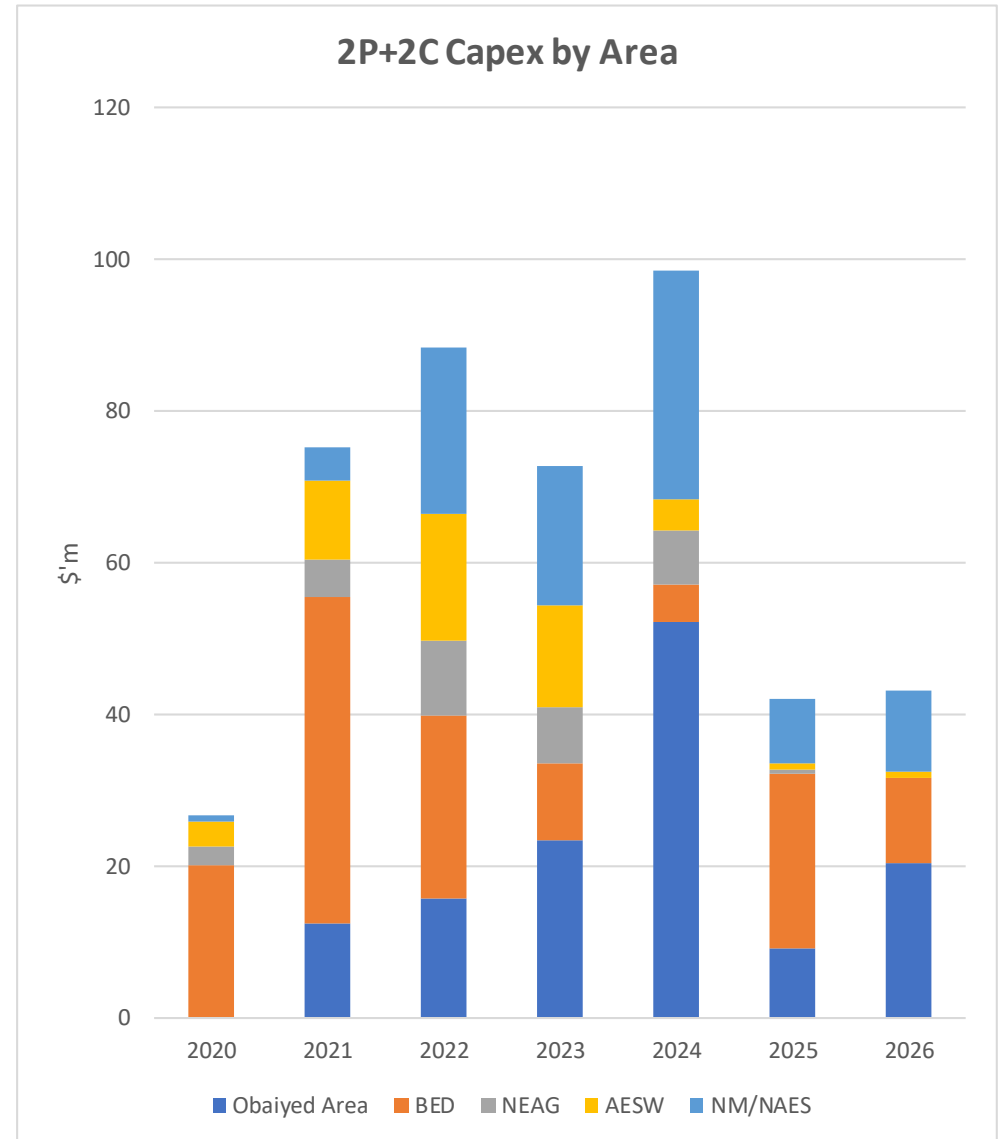
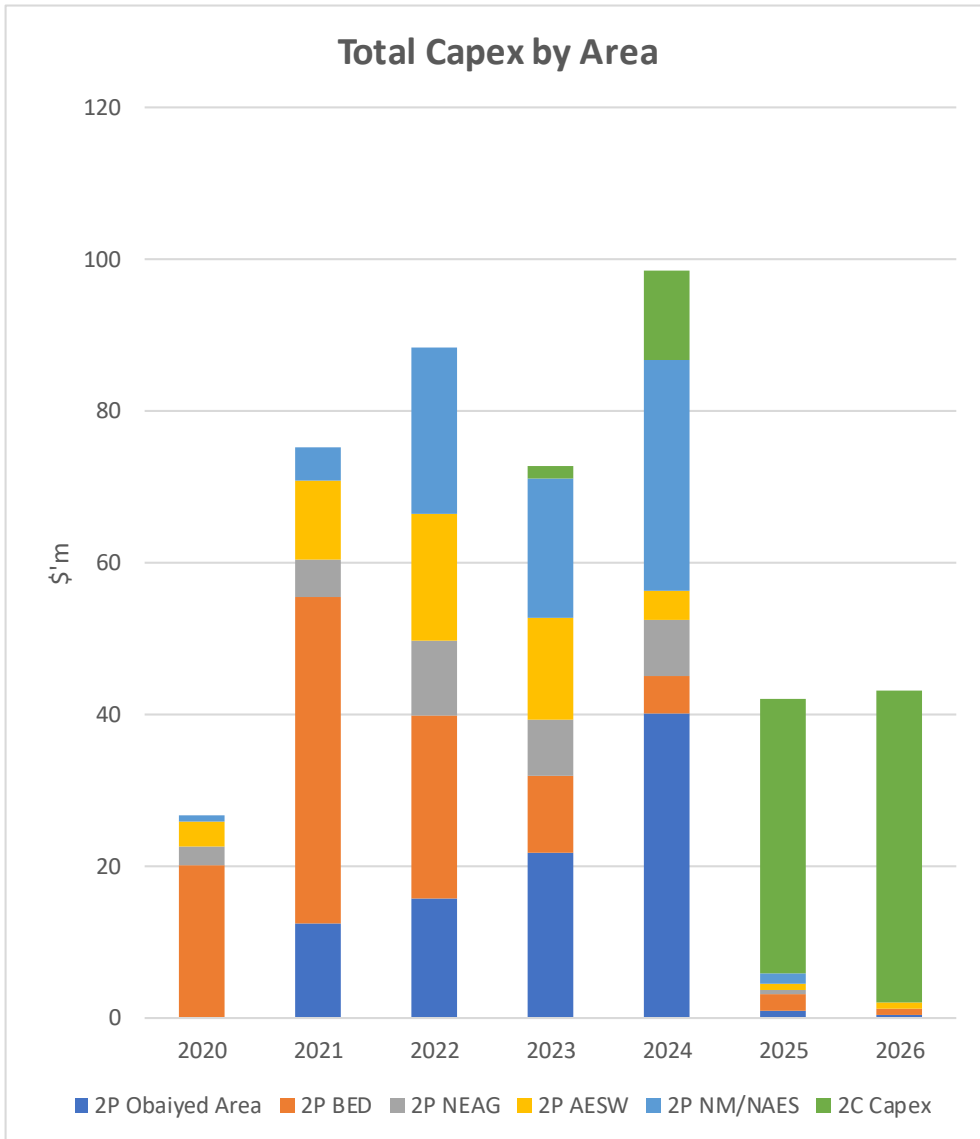


# CNE Egypt Western Desert

## Production Profiles



# Capex Profiles



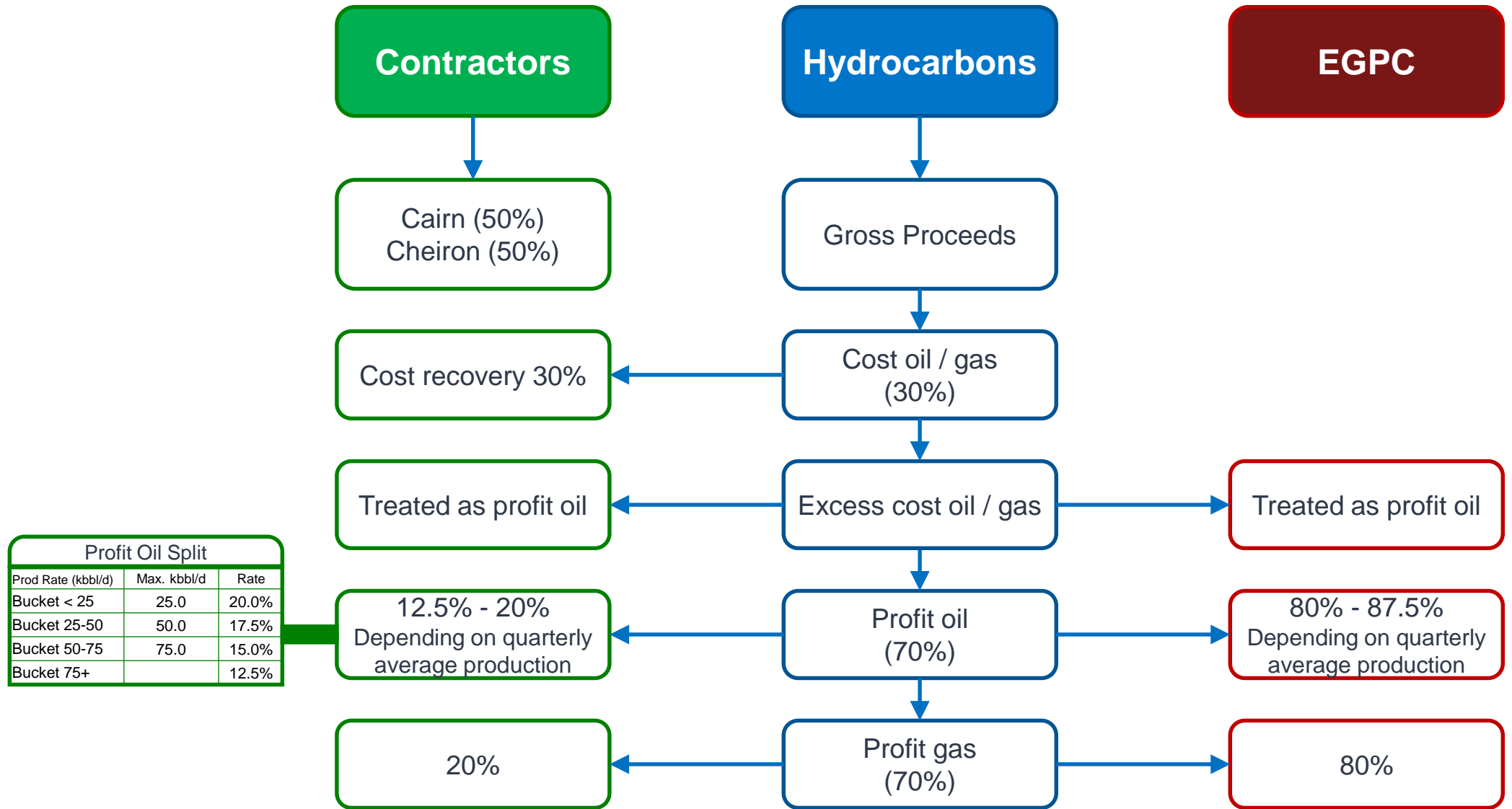




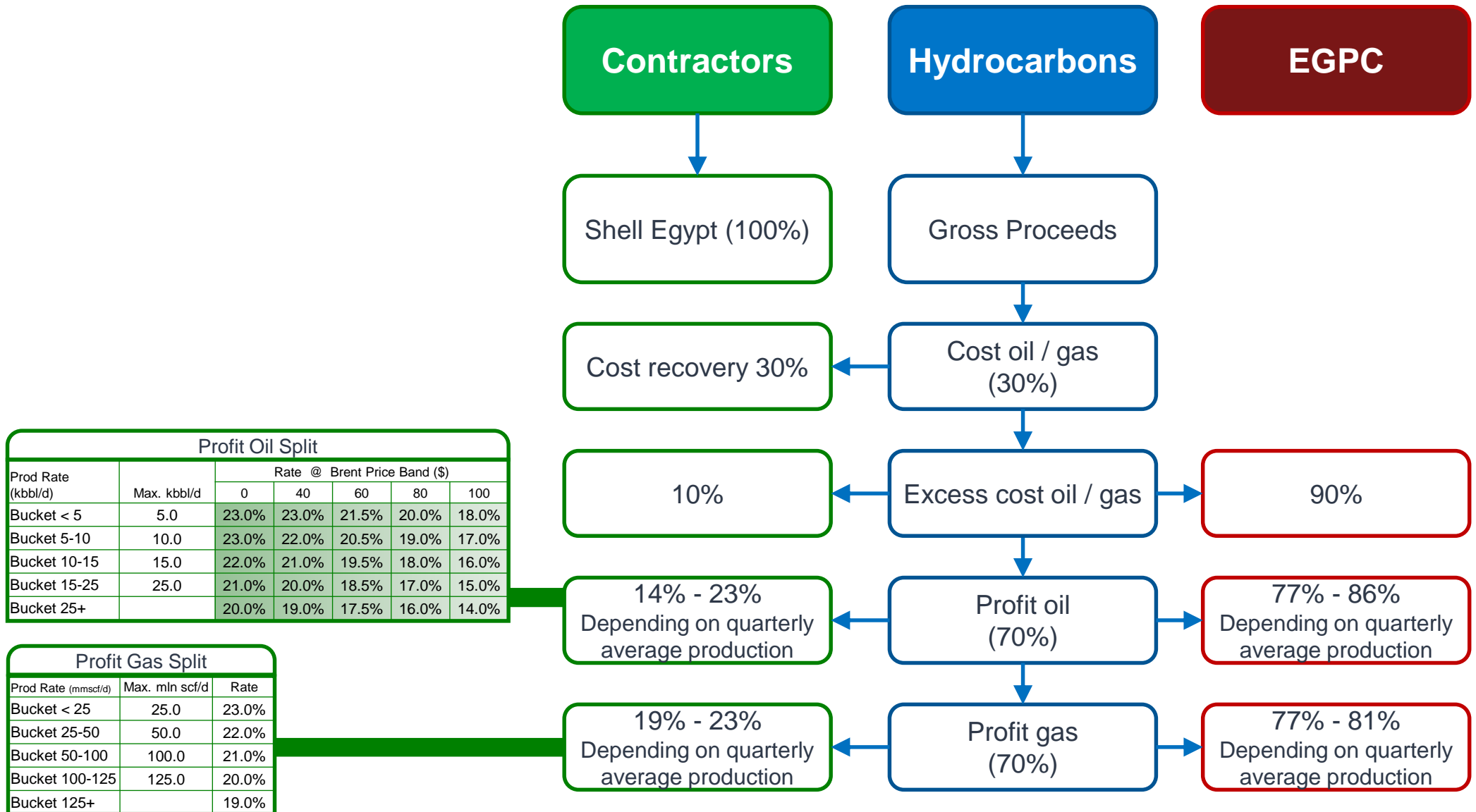
# PSC Terms



# Cost Recovery and Profit Oil / Gas Mechanism Overview



# Cost Recovery and Profit Oil / Gas Mechanism Overview

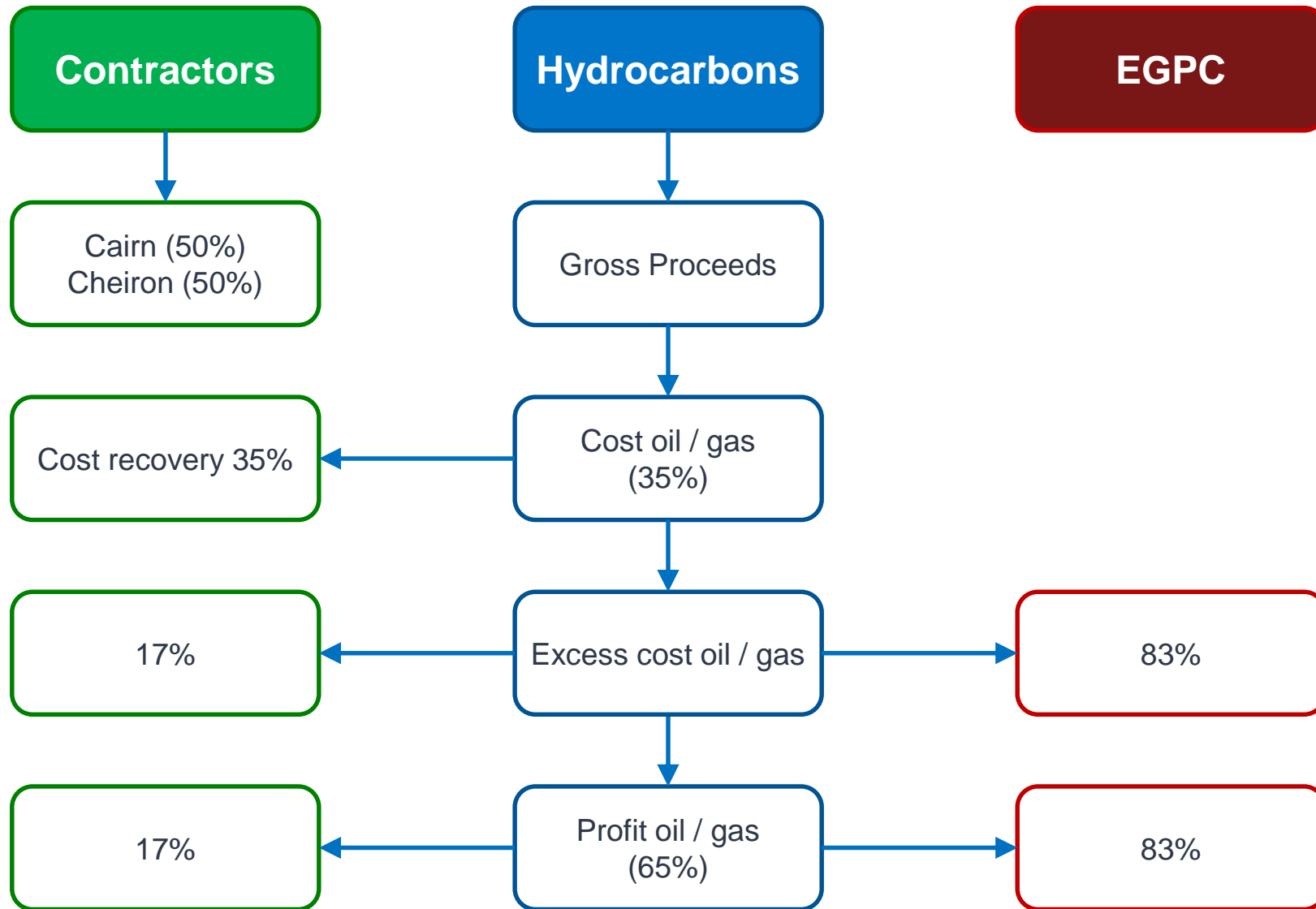


Profit Oil Split						
Prod Rate (kbbbl/d)	Max. kbbbl/d	Rate @ Brent Price Band (\$)				
		0	40	60	80	100
Bucket < 5	5.0	23.0%	23.0%	21.5%	20.0%	18.0%
Bucket 5-10	10.0	23.0%	22.0%	20.5%	19.0%	17.0%
Bucket 10-15	15.0	22.0%	21.0%	19.5%	18.0%	16.0%
Bucket 15-25	25.0	21.0%	20.0%	18.5%	17.0%	15.0%
Bucket 25+		20.0%	19.0%	17.5%	16.0%	14.0%

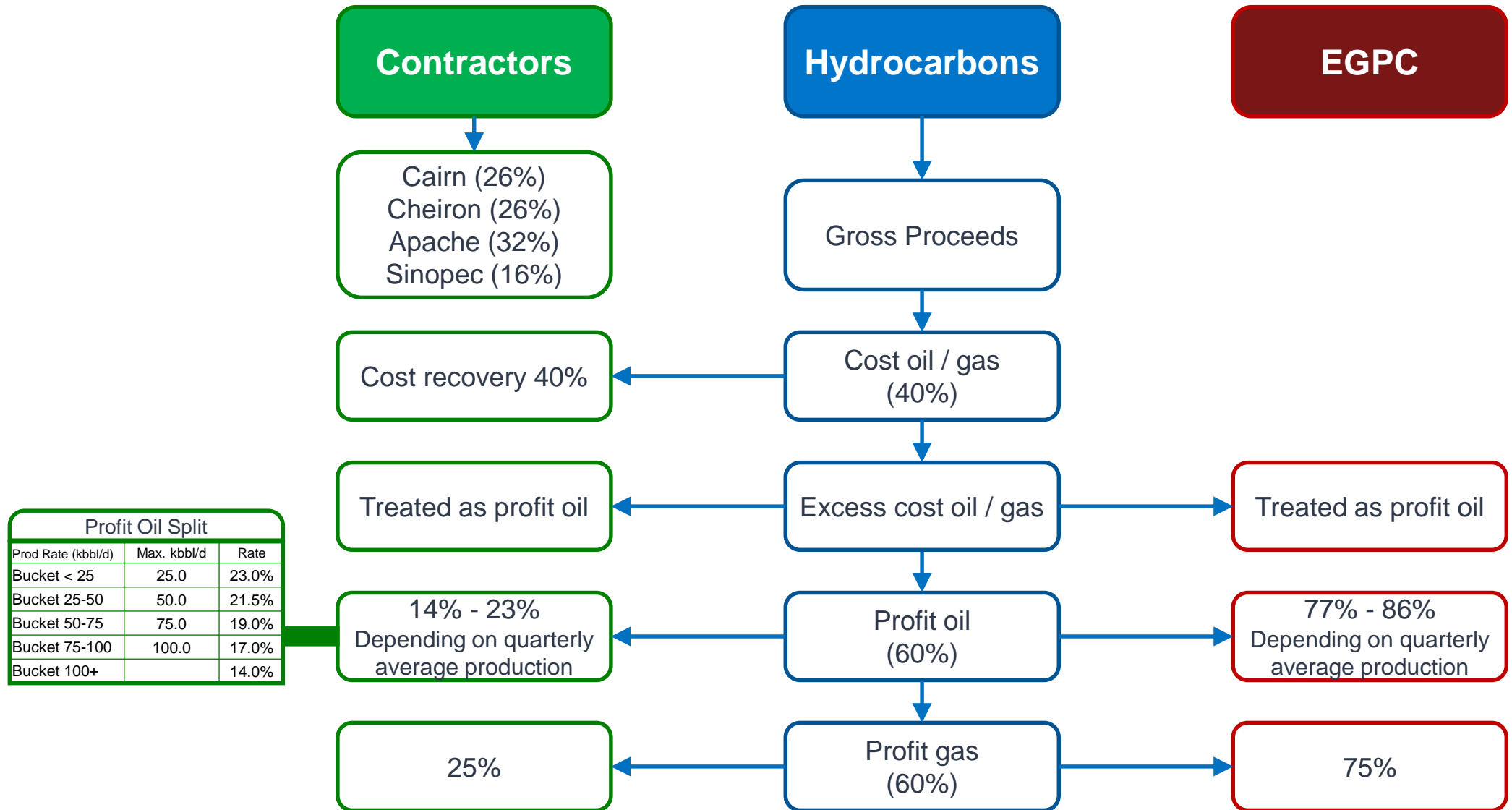
Profit Gas Split		
Prod Rate (mmscf/d)	Max. mln scf/d	Rate
Bucket < 25	25.0	23.0%
Bucket 25-50	50.0	22.0%
Bucket 50-100	100.0	21.0%
Bucket 100-125	125.0	20.0%
Bucket 125+		19.0%



# Cost Recovery and Profit Oil / Gas Mechanism Overview



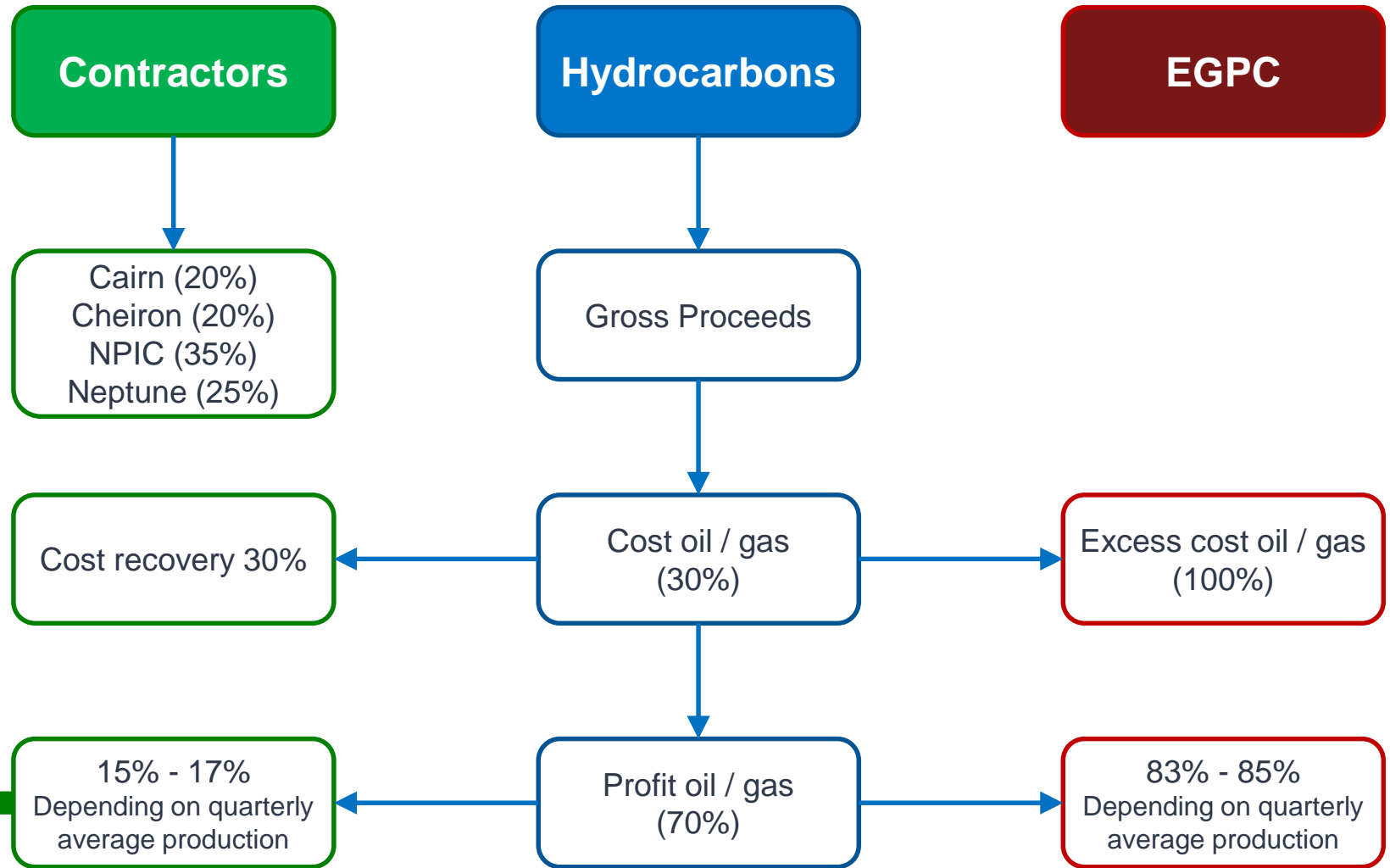
# Cost Recovery and Profit Oil / Gas Mechanism Overview



Prod Rate (kbb/d)	Max. kbb/d	Rate
Bucket < 25	25.0	23.0%
Bucket 25-50	50.0	21.5%
Bucket 50-75	75.0	19.0%
Bucket 75-100	100.0	17.0%
Bucket 100+		14.0%



# Cost Recovery and Profit Oil / Gas Mechanism Overview

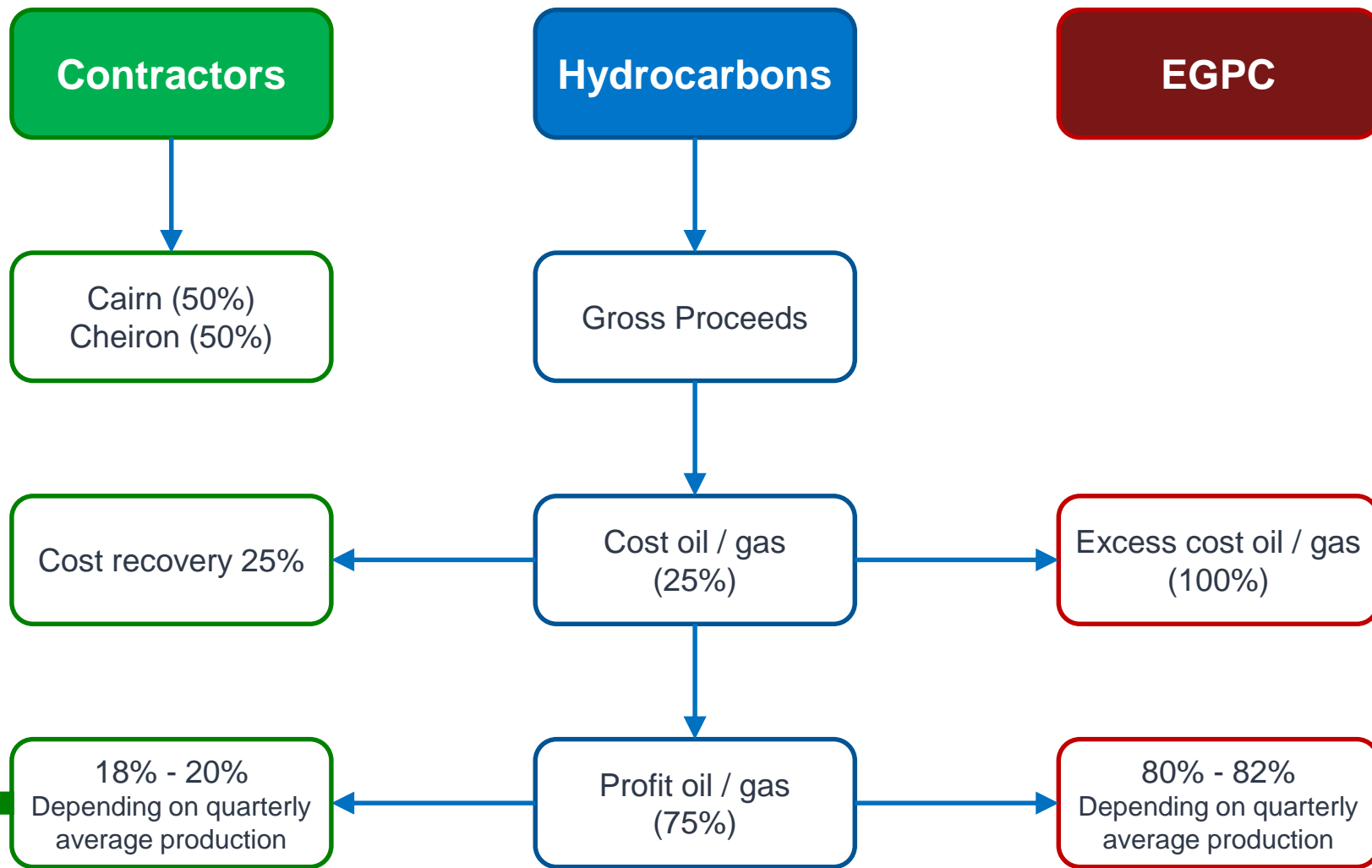


Profit Oil Split		
Prod Rate (kbb/d)	Max. kbb/d	Rate
Bucket < 3	3.0	17.0%
Bucket 3-5	5.0	16.5%
Bucket 5-10	10.0	16.0%
Bucket 10-25	25.0	15.5%
Bucket 25+		15.0%

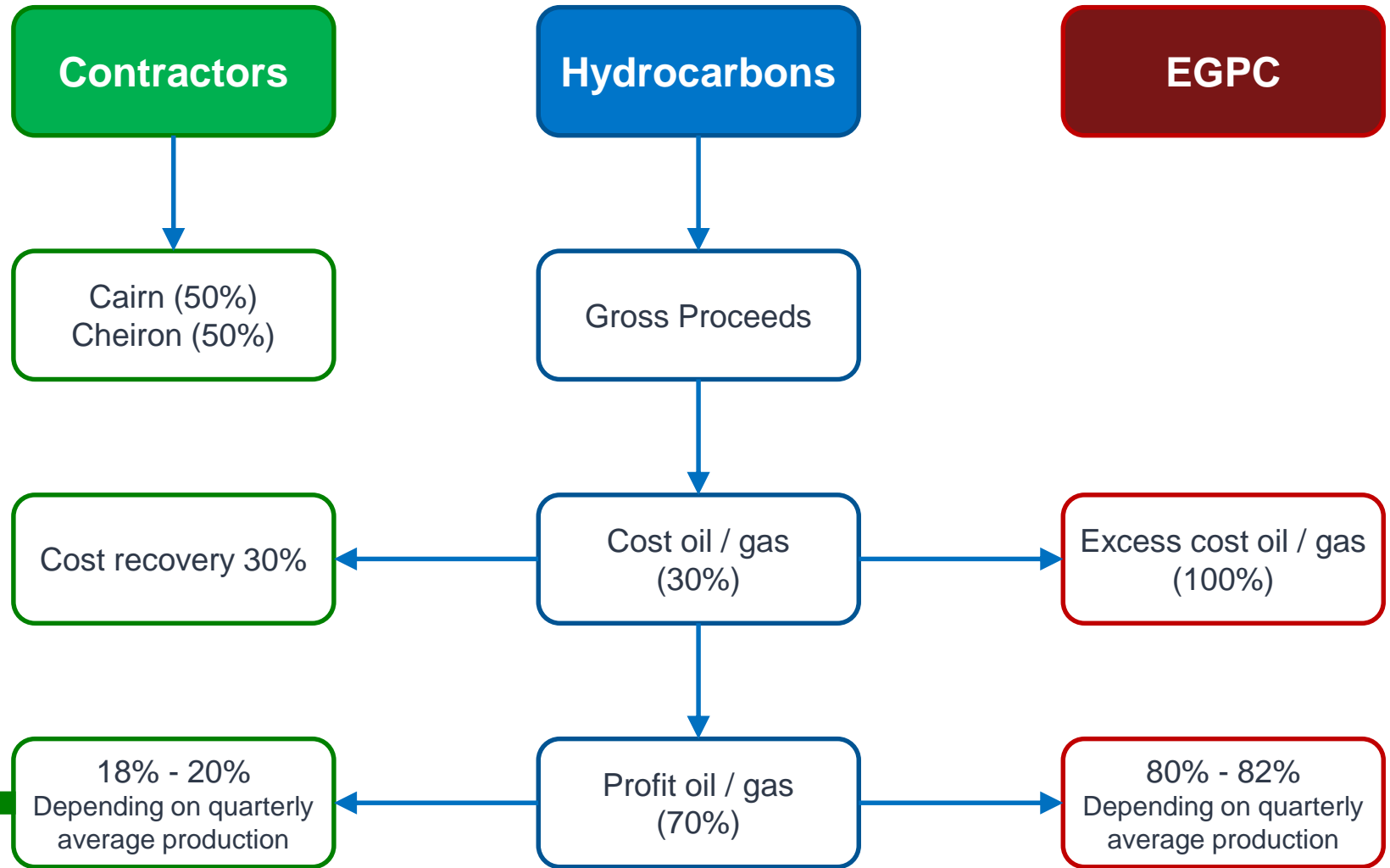
Profit Gas Split		
Prod Rate (mln scf/d)	Max. mln scf/d	Rate
Bucket < 15	15.0	17.0%
Bucket 15-25	25.0	16.5%
Bucket 25-50	50.0	16.0%
Bucket 50-125	125.0	15.5%
Bucket 125+		15.0%

# Cost Recovery and Profit Oil / Gas Mechanism Overview



Profit Oil Split		
Prod Rate (kbb/d)	Max. kbb/d	Rate
Bucket < 5	5.0	20.0%
Bucket 5-10	10.0	19.5%
Bucket 10-15	15.0	19.0%
Bucket 15-25	25.0	18.5%
Bucket 25+		18.0%
Profit Gas Split		
Prod Rate (mcf/d)	Max. mcf/d	Rate
Bucket < 25	25.0	20.0%
Bucket 25-50	50.0	19.5%
Bucket 50-100	100.0	19.0%
Bucket 100-125	125.0	18.5%
Bucket 125+		18.0%

# Cost Recovery and Profit Oil / Gas Mechanism Overview



Profit Oil Split		
Prod Rate (kbb/d)	Max. kbb/d	Rate
Bucket < 5	5.0	20.0%
Bucket 5-10	10.0	19.5%
Bucket 10-15	15.0	19.0%
Bucket 15-25	25.0	18.5%
Bucket 25+		18.0%
Profit Gas Split		
Prod Rate (mcf/d)	Max. mcf/d	Rate
Bucket < 25	25.0	20.0%
Bucket 25-50	50.0	19.5%
Bucket 50-100	100.0	19.0%
Bucket 100-125	125.0	18.5%
Bucket 125+		18.0%





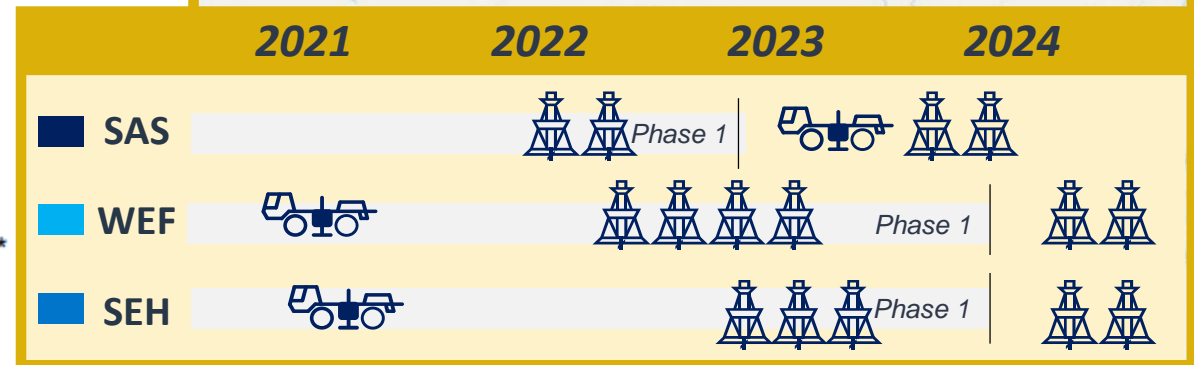
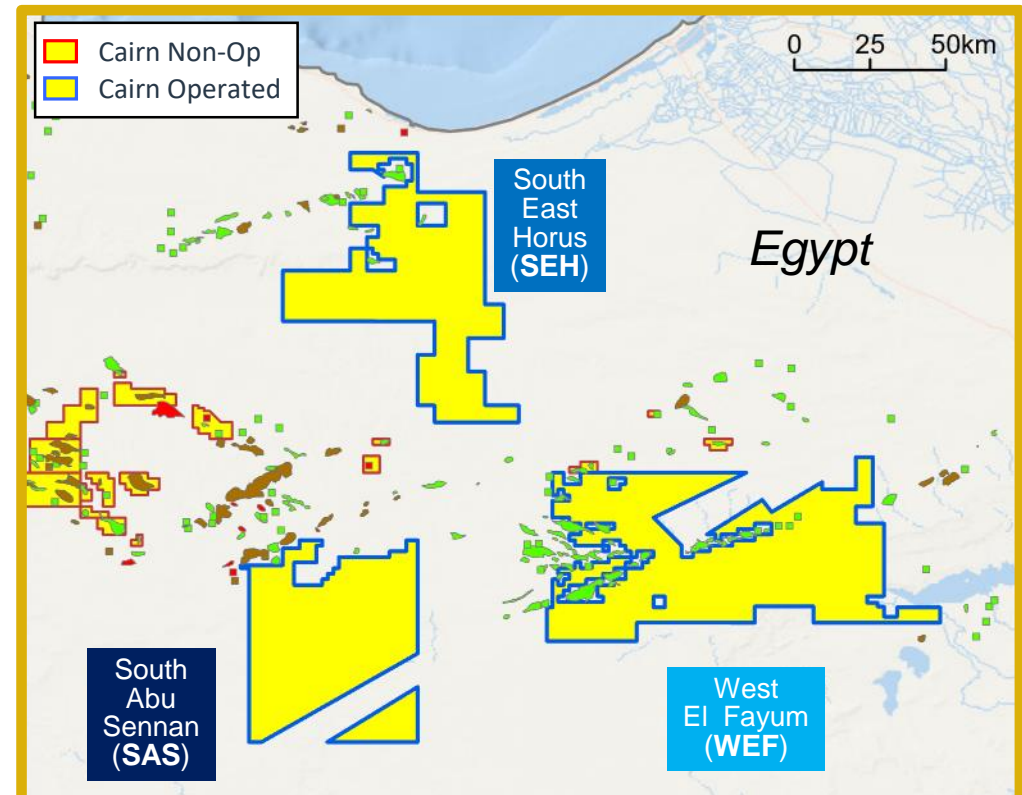
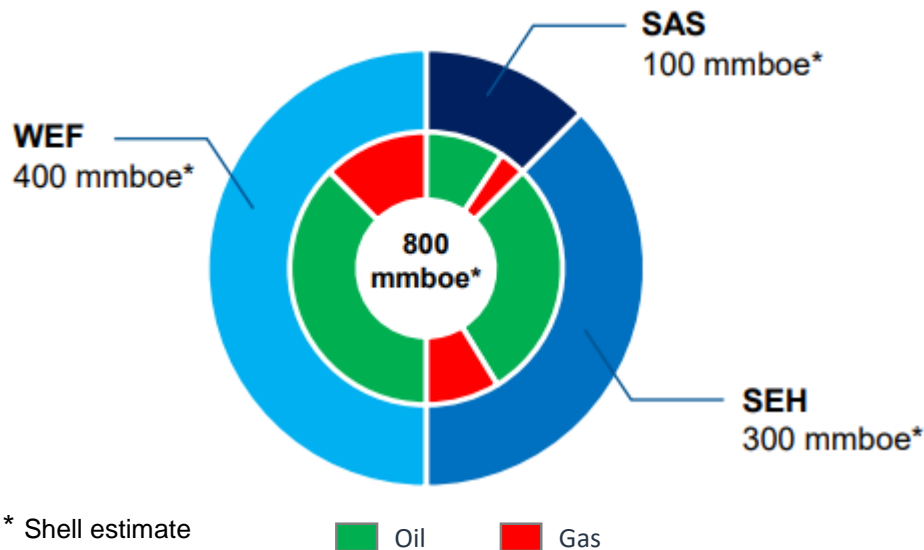
# Exploration



## Exploration

# Cairn Operated Exploration

- Gross unrisked resources: 800 mmboe\*
- Three exploration concessions covering ~9,000 sq km
- Significant cluster development potential also near to existing infrastructure
- Two 3D seismic surveys and 9 exploration wells over next 3 years

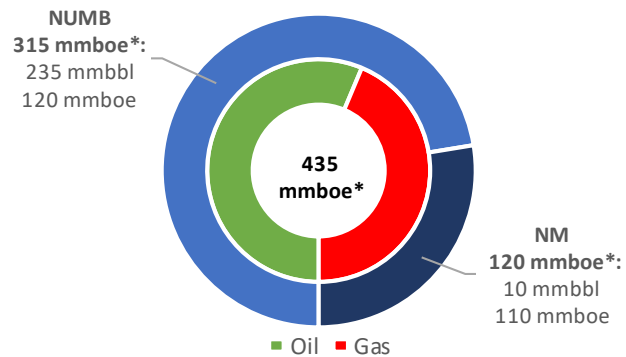


## Exploration

# Non-Operated Exploration

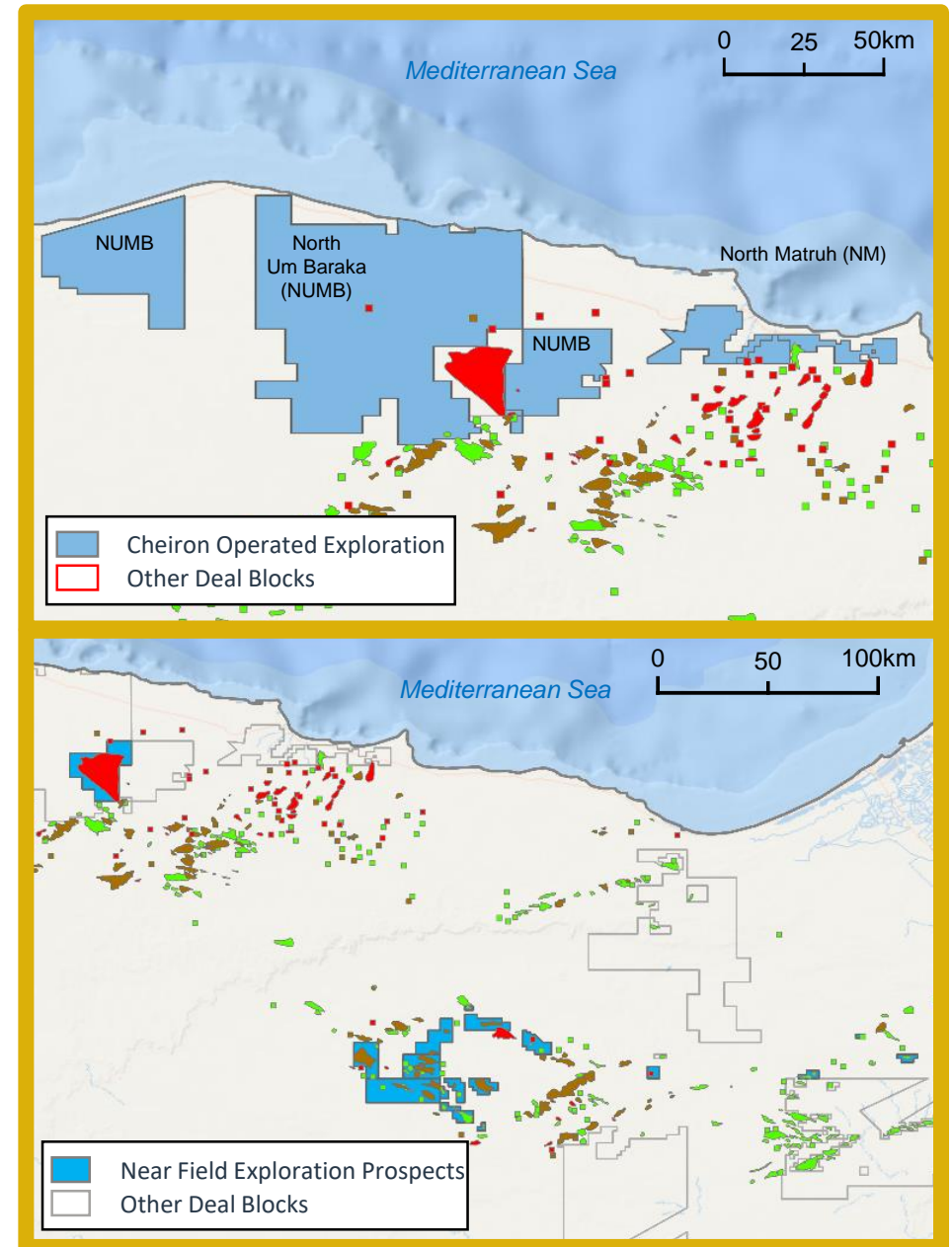
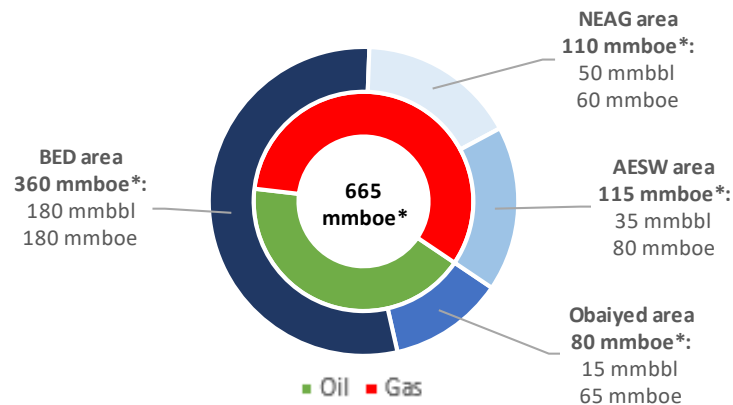
### NUMB (North Um Baraka) and NM (North Matruh)

- Gross unrisks resources: 435 mmboe\*
- 25 identified exploration opportunities

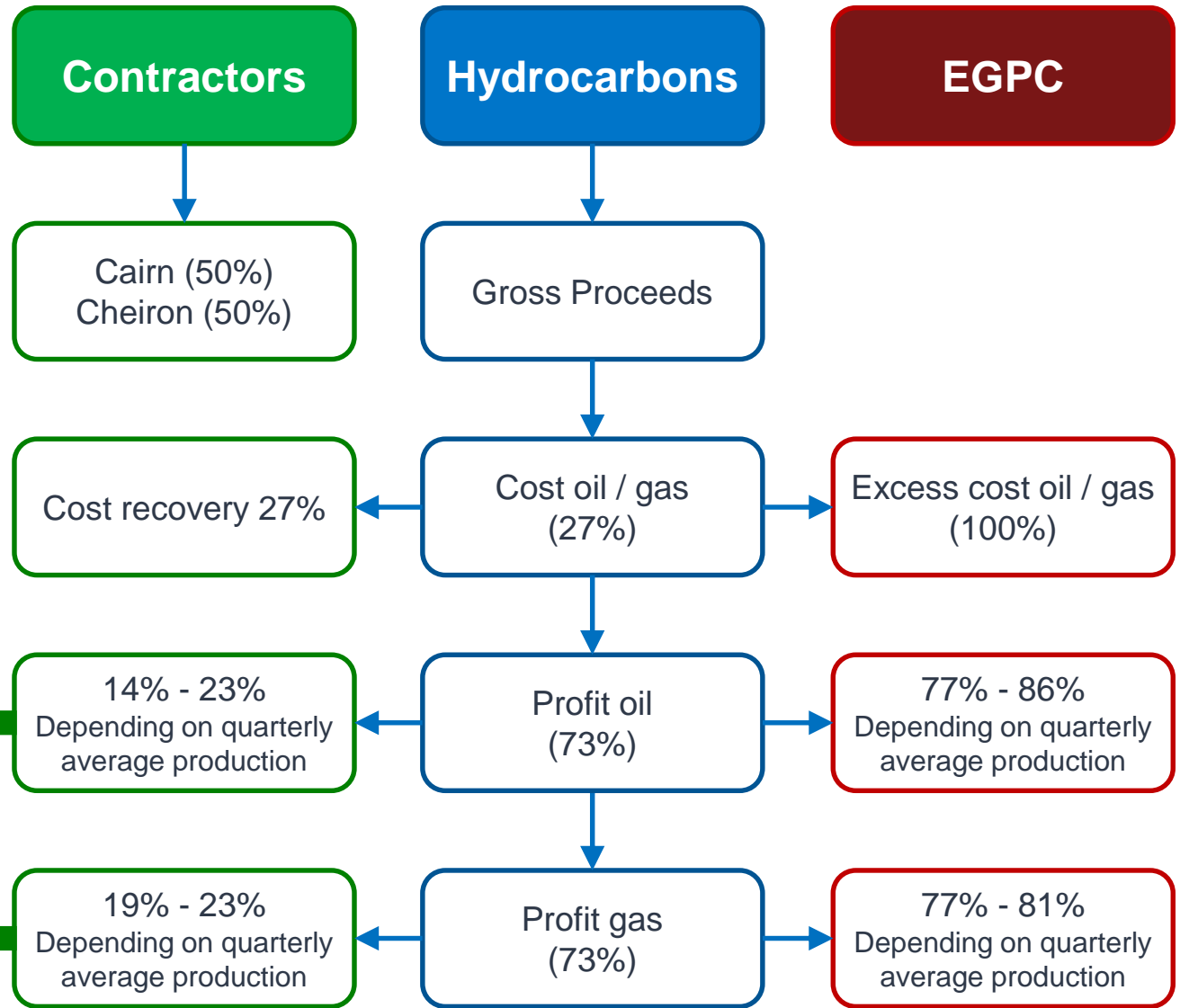


### Near Field Exploration

- Gross unrisks resources: 665 mmboe\*
- 209 identified opportunities



# Cost Recovery and Profit Oil / Gas Mechanism Overview

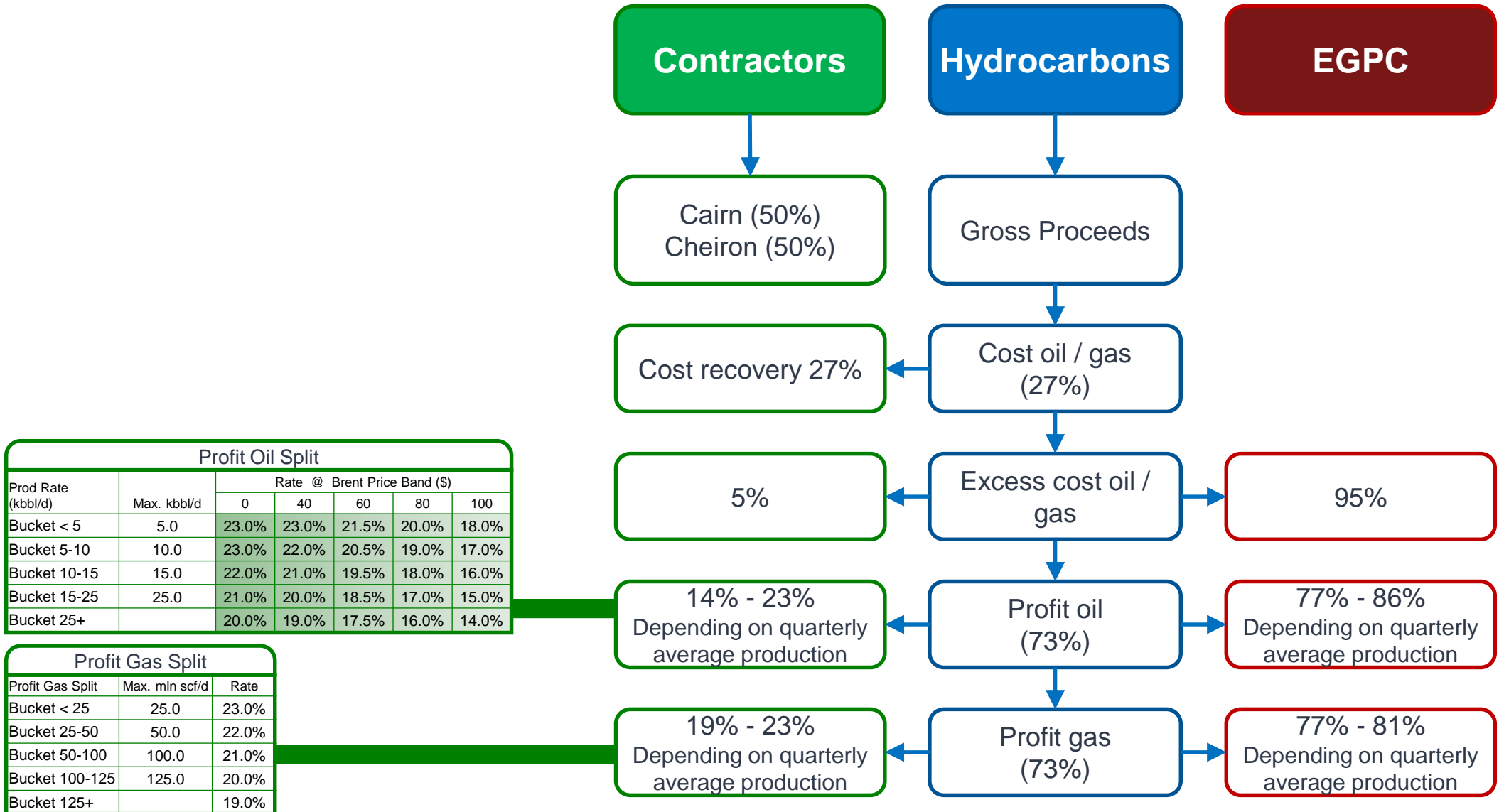


Profit Oil Split						
Prod Rate (kbb/d)	Max. kbb/d	Rate @ Brent Price Band (\$)				
		0	40	60	80	100
Bucket < 5	5.0	23.0%	23.0%	21.5%	20.0%	18.0%
Bucket 5-10	10.0	23.0%	22.0%	20.5%	19.0%	17.0%
Bucket 10-15	15.0	22.0%	21.0%	19.5%	18.0%	16.0%
Bucket 15-25	25.0	21.0%	20.0%	18.5%	17.0%	15.0%
Bucket 25+		20.0%	19.0%	17.5%	16.0%	14.0%

Profit Gas Split		
Profit Gas Split	Max. mln scf/d	Rate
Bucket < 25	25.0	23.0%
Bucket 25-50	50.0	22.0%
Bucket 50-100	100.0	21.0%
Bucket 100-125	125.0	20.0%
Bucket 125+		19.0%



# Cost Recovery and Profit Oil / Gas Mechanism Overview



Profit Oil Split						
Prod Rate (kbb/d)	Max. kbb/d	Rate @ Brent Price Band (\$)				
		0	40	60	80	100
Bucket < 5	5.0	23.0%	23.0%	21.5%	20.0%	18.0%
Bucket 5-10	10.0	23.0%	22.0%	20.5%	19.0%	17.0%
Bucket 10-15	15.0	22.0%	21.0%	19.5%	18.0%	16.0%
Bucket 15-25	25.0	21.0%	20.0%	18.5%	17.0%	15.0%
Bucket 25+		20.0%	19.0%	17.5%	16.0%	14.0%

Profit Gas Split		
Profit Gas Split	Max. mln scf/d	Rate
Bucket < 25	25.0	23.0%
Bucket 25-50	50.0	22.0%
Bucket 50-100	100.0	21.0%
Bucket 100-125	125.0	20.0%
Bucket 125+		19.0%

