

Maurel & Prom confirms it is working on the acquisition of Shell's stake in the Urdaneta West field in Venezuela

- **Urdaneta West field is a producing asset with large reserves and significant upside potential**
- **A Share Sale and Purchase Agreement has been signed with Shell**
- **Closing remains subject to certain conditions, including governmental approvals and finalisation of the on-going negotiations with PDVSA to reach an agreement on the implementation and funding of the redevelopment plan of the field**

Etablissements Maurel & Prom (Euronext Paris: MAU, ISIN FR0000051070) notes recent press articles and confirms it is working on the acquisition of Shell Exploration and Production Investments B.V.'s ("Shell") 40% interest as "Shareholder B" in Petroregional del Lago Mixed Company (the "Mixed Company"), which operates the Urdaneta West field in Lake Maracaibo, Venezuela (the "Field").

Maurel & Prom Venezuela, subsidiary of Maurel & Prom, has signed a Share Sale and Purchase Agreement (the "SSPA") with Shell. Under the SSPA terms, the consideration for the acquisition of Shell's shares in the Mixed Company is c.€70 million, funded from Maurel & Prom's existing cash resources.

Petróleos de Venezuela S.A. ("PDVSA"), wholly owned subsidiaries Corporación Venezolana del Petróleo ("CVP") and PDVSA Social ("PDVSAS") collectively referred to as "Shareholder A", jointly own the remaining 60% stake of the Mixed Company.

The Field is currently producing around 16,000 barrels of oil per day on a 100% basis (6,400 barrels of oil per day net to Shareholder B's 40% interest). The asset offers significant optionality through the development of additional reserves, and the possible extension of the licence duration beyond 2026 (the current licence limit).

The closing of this acquisition remains subject to a number of conditions, amongst others the obtaining of the required governmental approvals, and the finalisation of the negotiations with PDVSA and its subsidiaries (CVP and PDVSAS) on the implementation and the funding of a redevelopment plan to increase the production of the Field, which should be partly funded by operating cash flow, and partly with Maurel & Prom Venezuela's funds up to an amount of c.€350 million over the period 2018-2023 (the "Project Funding"). Maurel & Prom Venezuela's commitment to provide the Project Funding is subject to the fulfilment of several conditions, including the progressive reimbursement to Maurel & Prom Venezuela of the portions of Project Funding attributable to Shareholder A.

Maurel & Prom takes all the necessary steps and actively works on meeting all condition precedents in order to close the acquisition. A further announcement will be made in due course.

This press release contains inside information as per the definition of article 7 of Regulation n°596/2014.

For more information, visit www.maureletprom.fr

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