



# Cairn Energy PLC

May 2017

# Disclaimer

*These materials contain forward-looking statements regarding Cairn, our corporate plans, future financial condition, future results of operations, future business plans and strategies. All such forward-looking statements are based on our management's assumptions and beliefs in the light of information available to them at this time.*

*These forward-looking statements are, by their nature, subject to significant risks and uncertainties and actual results, performance and achievements may be materially different from those expressed in such statements. Factors that may cause actual results, performance or achievements to differ from expectations include, but are not limited to, regulatory changes, future levels of industry product supply, demand and pricing, weather and weather related impacts, wars and acts of terrorism, development and use of technology, acts of competitors and other changes to business conditions.*

*Cairn undertakes no obligation to revise any such forward-looking statements to reflect any changes in Cairn's expectations with regard thereto or any change in circumstances or events after the date hereof.*

# Value Creation Through Exploration Success and Commercialising Resources

## Near term production and future development options

- UK North Sea
  - Kraken and Catcher
- Norway
  - Skarfjell

## Significant growth opportunities

- Senegal
- Atlantic Margin
- Norway / Barents Sea

## Funding flexibility

- Funded for strategic delivery and further growth:
  - Cash resources
  - Undrawn facilities
  - North Sea Production / Cash flows

# Creating Growth Through Exploration

**Significant acreage positions with technical and commercial value**

Emerging and Frontier Basins along the North Atlantic Margin

- Senegal
- Morocco
- Ireland

Mature and Emerging Basins in UK and Norway

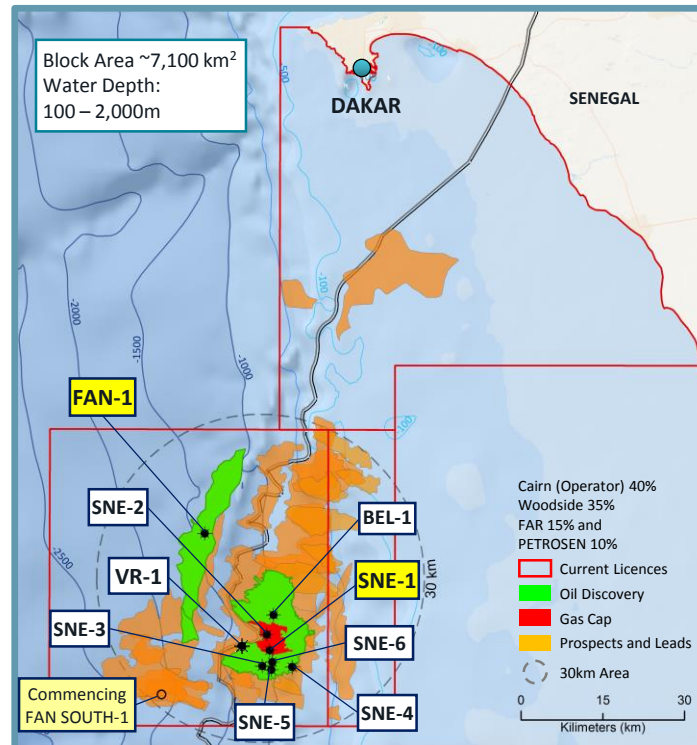
- Barents Sea
- Norwegian North Sea



## Exploration

# Atlantic Margin - Senegal

- Nine wells in three years; two basin opening discoveries and seven successful appraisal wells; commencing tenth well
- Third phase of drilling commenced January 2017
  - Programme includes appraisal and exploration wells
  - Activity will improve definition of field in terms of scale, connectivity and productivity
- Exploration drilling targets further prospectivity
- Further block wide exploration potential ~500 mmbbls gross mean risked resource<sup>2</sup>
- Current SNE Contingent resource to be evaluated post current wells
  - SNE 2C STOIP > 2.7 billion bbls<sup>1</sup>
  - Current 2C recoverable resource 473 mmbbls<sup>1</sup>

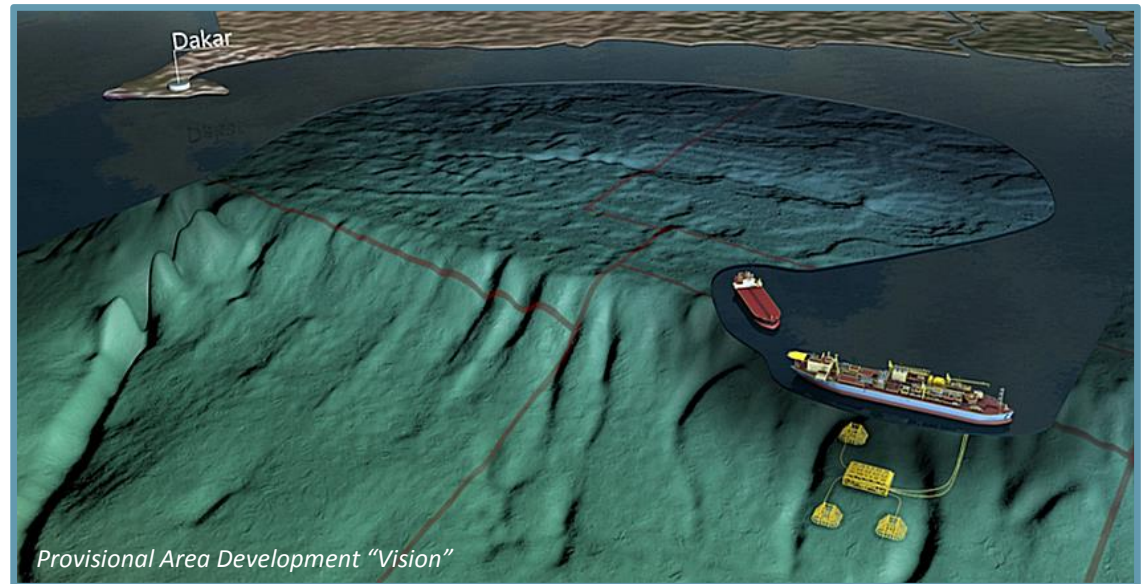


<sup>1</sup> Cairn internal estimate

<sup>2</sup> Resource estimates audited by ERC-Equipoise

# Planning for Development

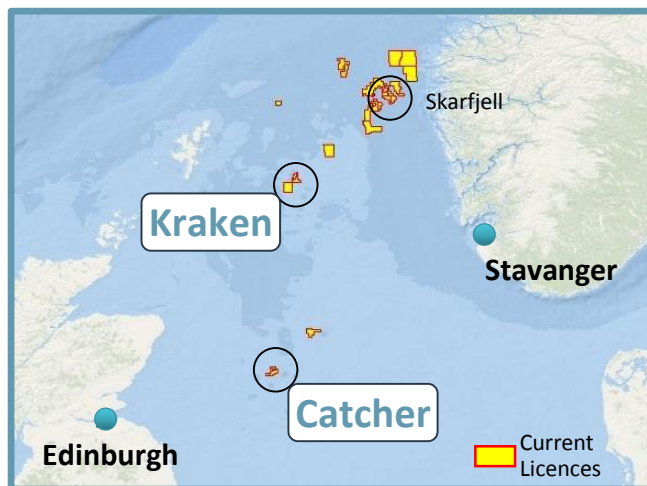
- Current exploration and appraisal programme will determine overall development plan
- Woodside Petroleum entered Joint Venture in 2016 bringing additional FPSO, development and Operating experience
- Metocean and Geotechnical surveys in progress
- Preliminary development work indicates:
  - Phased development
  - FPSO



# Future Production Base

## Kraken

- Target first oil Q2 2017<sup>1</sup>  
(Operator EnQuest)
- Plateau production 50,000 bopd  
(Net to Cairn ~15,000 bopd)
- ~\$700mm<sup>1</sup> of gross project capex savings compared to sanction estimate (~22% lower)



## Catcher

- Target first oil Q4 2017<sup>1</sup>  
(Operator Premier)
- Plateau production 50,000 bopd  
(Net to Cairn 10,000 bopd)
- ~\$650mm<sup>1</sup> of gross project capex savings compared to sanction estimate (~29% lower)



Armada Kraken FPSO

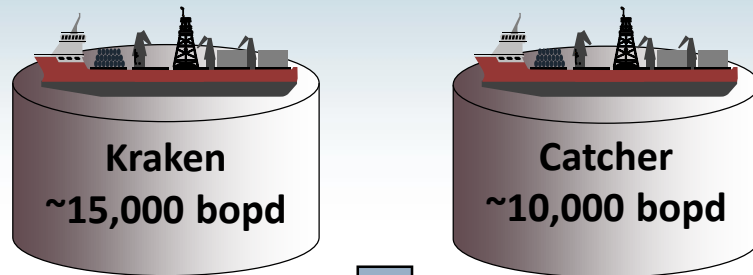


BW Catcher FPSO

<sup>1</sup> Operator estimate

# Production Base to Fund Future Exploration

## Current Production Base

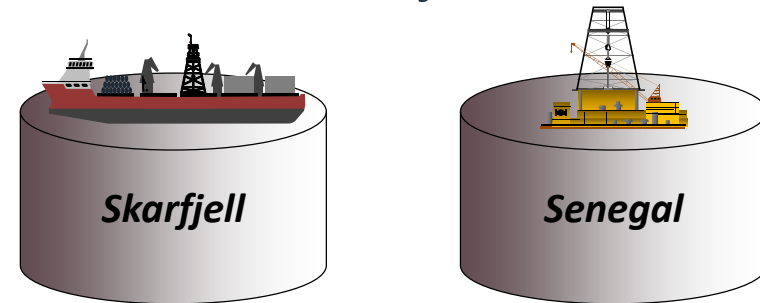


*Kraken / Catcher  
provide options to*

Directly fund  
future  
exploration

Reinvest in  
sustainable  
cashflow

## Future Projects



Flexibility to  
develop and / or  
commercialise  
and / or  
produce

## Future Exploration



Senegal



Morocco



Ireland



UK



Norway

including Barents Sea



New Ventures

# Sustainable Value Creation

Near term production  
and future  
development options

Significant  
growth  
opportunities

Funding flexibility

