

MGD project in the Romanian Black Sea

23 October 2019, Bucharest

BSOG-MC-PRE1-015-D01

BlackSea
oil & gas

Black Sea Oil & Gas SRL (BSOG): Romanian based independent oil & gas company

BSOG head office and all staff
(technical, commercial and financial)
are located in Bucharest, Romania

BSOG's flagship is the Midia Gas Development Project

BSOG also undertaking offshore exploration

FID for MGD Project taken in February 2019

Two shareholders: Carlyle International Energy Partners (CIEP)

&

The European Bank for Reconstruction and Development (EBRD)

1 fund of 128 funds of Carlyle Group,
a private equity firm with \$158Bn assets
under management

EBRD became minority shareholder in November 2017

2 WELLS

Exploration in 2018

2021

Project on stream

BUCHAREST

Staff located in Romania

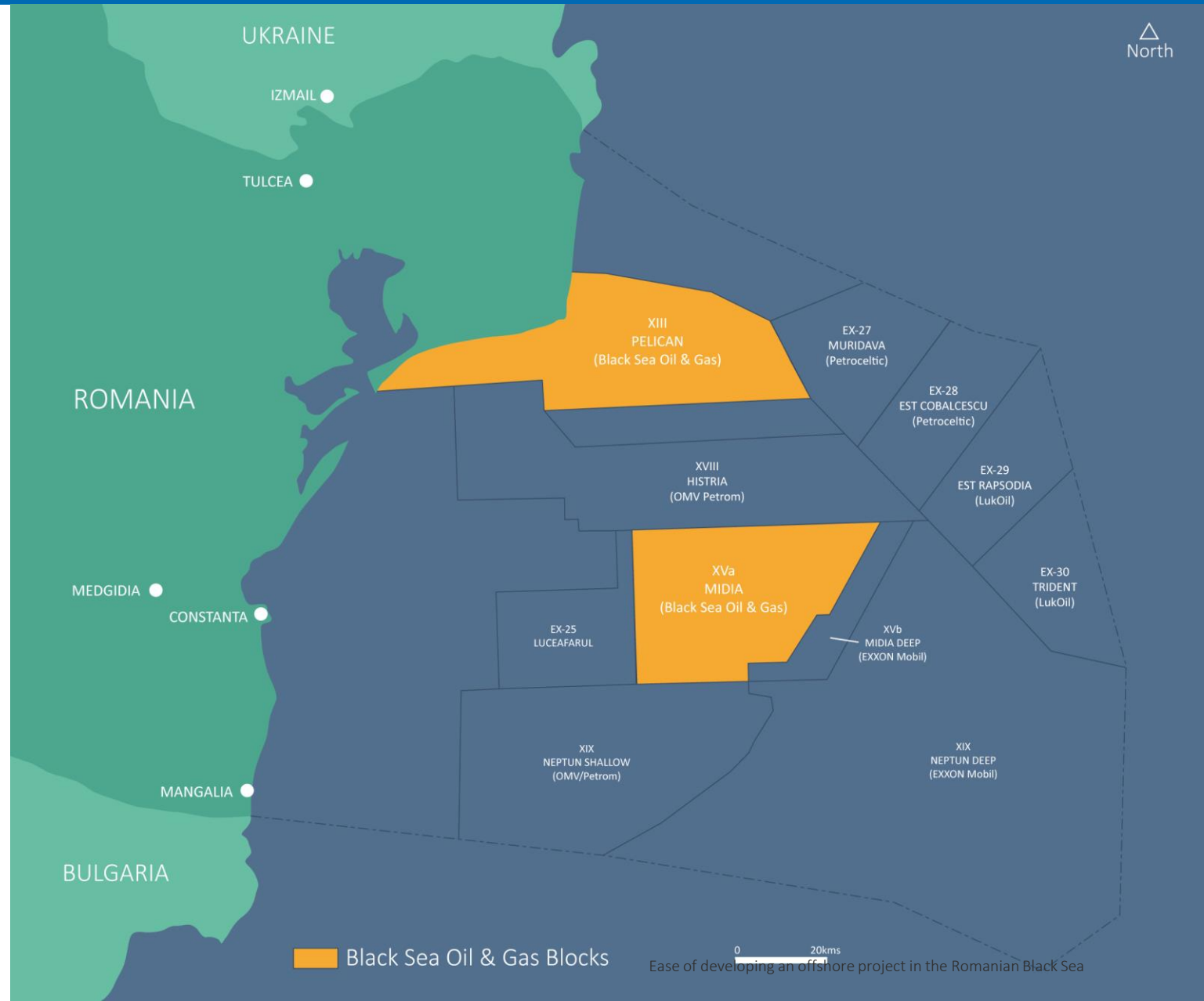
\$158Bn

Main shareholder assets under
management

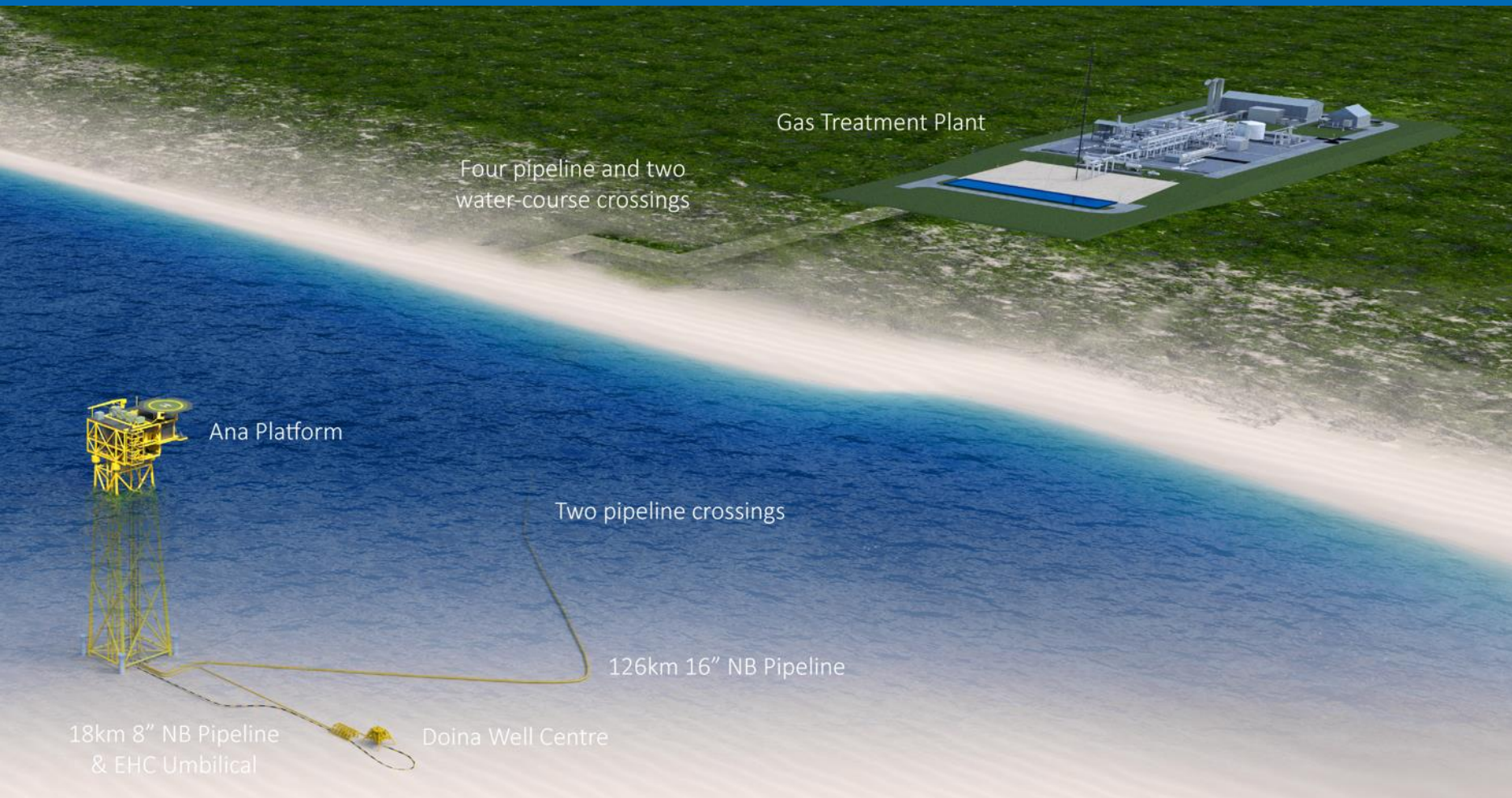


Midia and Pelican Blocks

Black Sea Oil & Gas SRL	70%
Petro Ventures Resources SRL	20%
Gas Plus International BV	10%



Midia Gas Development Project

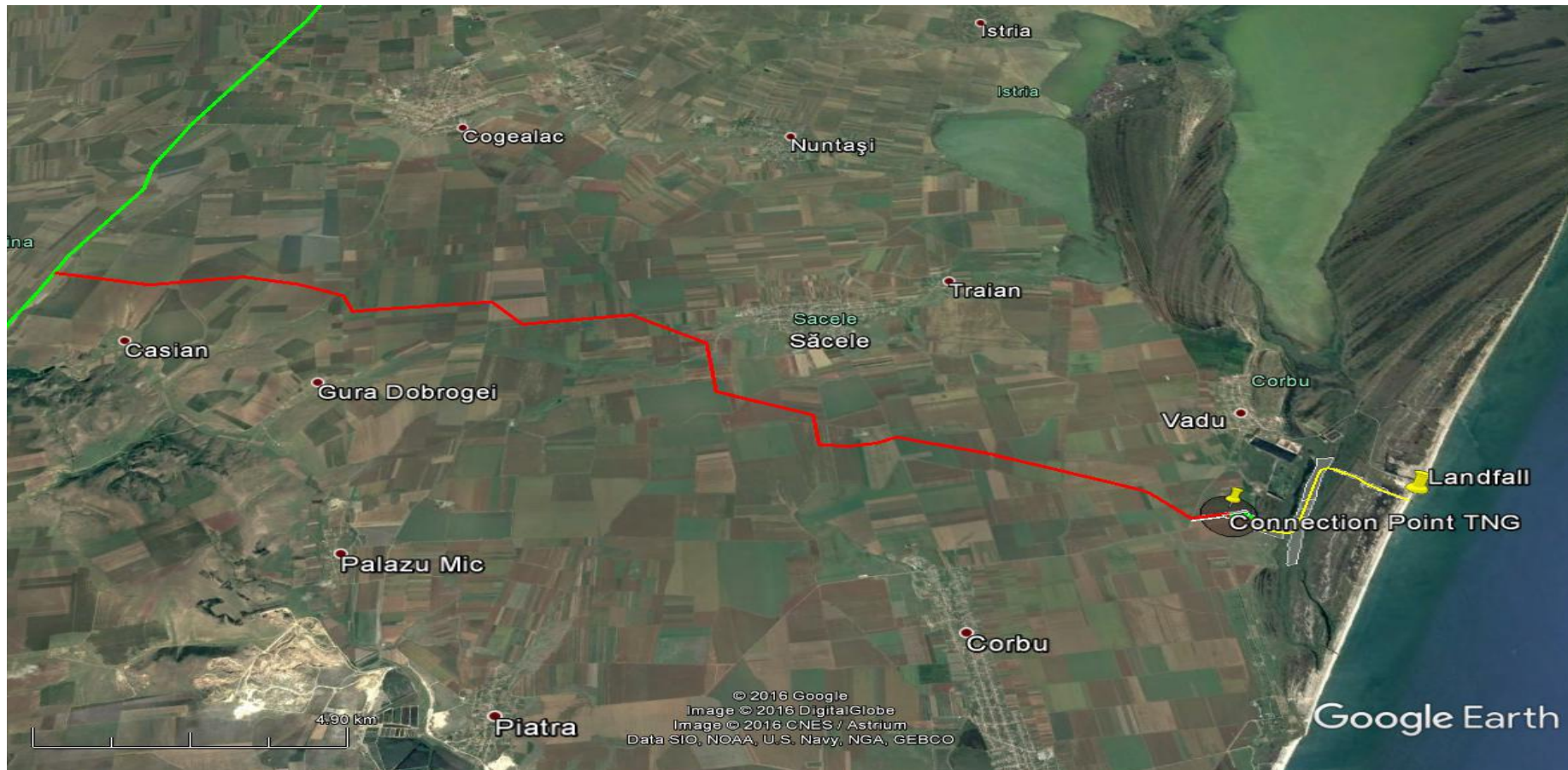


- FID February 2019
- 10 Bcm Resources
- 1 Platform with 4 wells
- 1 Subsea well
- 126km transport pipeline
- Onshore gas plant

- Administered Open Season
- Obtained land rights and permits

- Build 25km pipeline
- Tie-in to T1

- Connect T1 to NTS



Midia Gas Development Project – Pictures of Progress



○ MCS Build (99% completed)



TEG & MEG REBOILERS & STACK



○ TPCU 1 & 2 and EPU 1 & 2 Builds (99% completed)



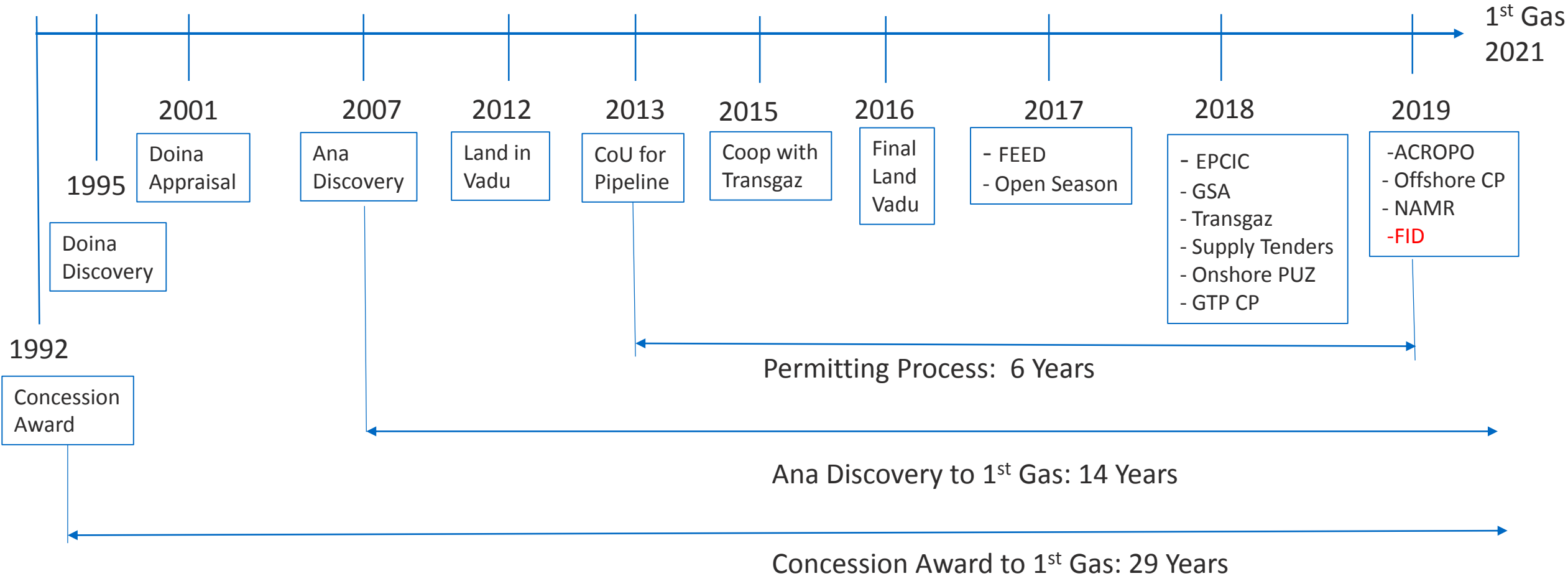
○ HPU Build (5% completed)



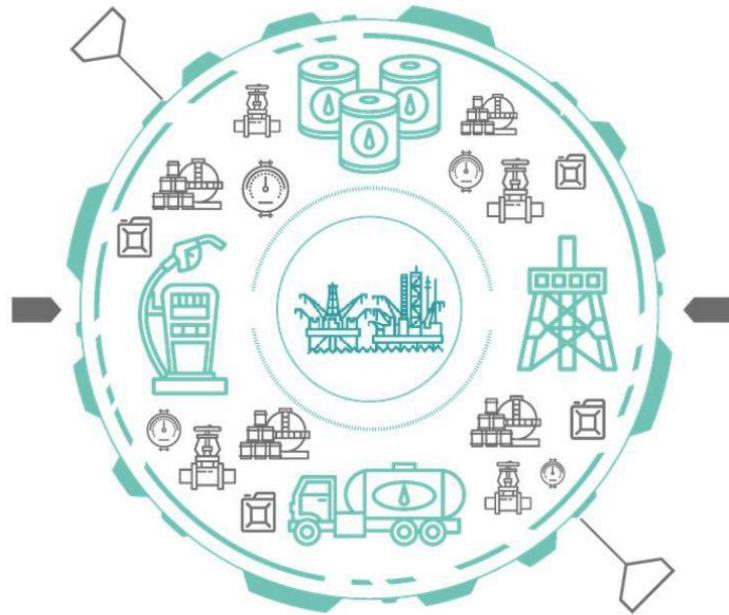
Onshore, no picture of works yet but a celebration of commencement of works



Corbu, Constanta county, 30 August 2019: Transgaz S.A. CEO, Mr. Ion Sterian, and Black Sea Oil & Gas S.R.L. CEO, Mr. Mark Beacom, signed in Corbu the order to start the works of the two projects to take over the MGD Project production into the NTS.



Deloitte.



The contribution of Black Sea oil & gas projects to the development of the Romanian economy

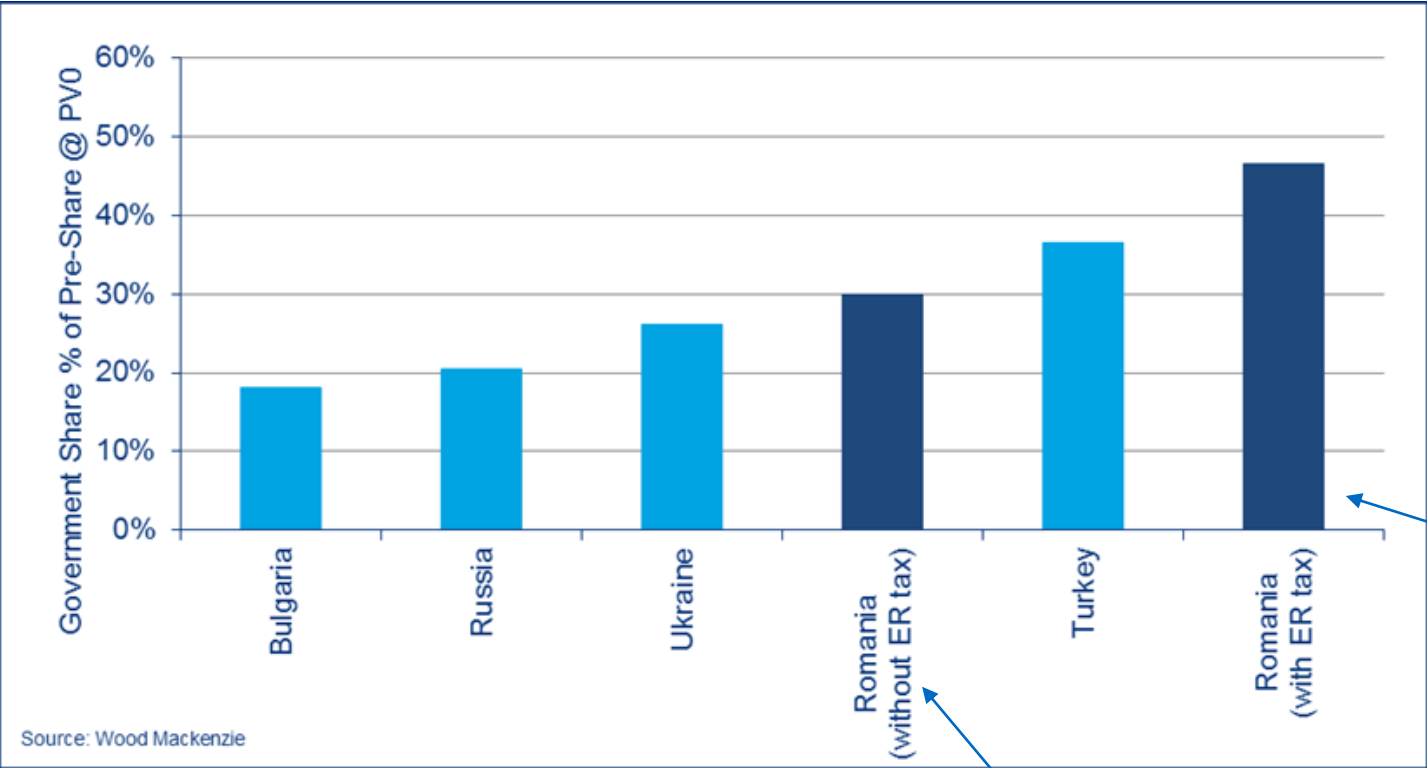
May 2018

Deloitte study for offshore* found the following contributions to the Romanian economy to 2040:

	Offshore Industry	New Consumption Industries
GDP Output	\$71.3 Billion	\$98.9 Billion
Jobs	30,605	41,945
State Revenues	\$26 Billion	\$18.3 Billion

- In addition Romania moves from being dependant on Russian gas to being self sufficient and a net exporter


*[Report published in May 2018 by Deloitte Romania](#)



Summary of Modelled Fiscal Terms:
Romania including Offshore law (Nov 18)

Summary of Modelled Fiscal Terms:
Romania before Offshore law

Foreign Direct Investment by Country

Rank	Country	Stock of FDI at home (millions of USD)	Date of information
1	 Netherlands	4,888,000	31 December 2017 est.
2	 United States	4,084,000	31 December 2017 est.
3	 United Kingdom	2,027,000	31 December 2017 est.
—	 Hong Kong	1,901,000	31 December 2017 est.
4	 China	1,514,000	31 December 2017 est.
5	 Ireland	1,477,000	31 December 2017 est.
6	 Germany	1,455,000	31 December 2017 est.
7	 Singapore	1,285,000	31 December 2017 est.
8	 Switzerland	1,230,000	31 December 2017 est.
9	 Belgium	1,093,000	31 December 2017 est.
10	 Canada	1,045,000	31 December 2017 est.



45	 Peru	97,290	31 December 2017 est.
46	 Taiwan	85,580	31 December 2017 est.
47	 Argentina	84,140	31 December 2017 est.
48	 Romania	81,530	31 December 2017 est.
49	 Azerbaijan	80,630	31 December 2017 est.
50	 Philippines	78,790	30 September 2017 est.
51	 New Zealand	78,250	31 December 2017 est.
52	 Ukraine	71,150	31 December 2017 est.
53	 Lebanon	61,020	2016 est.
54	 Morocco	57,810	31 December 2017 est.
55	 Slovakia	57,230	31 December 2017 est.

Conclusion: The richest countries in the world are the biggest beneficiaries of FDI

*Source: CIA World Factbook



Black Sea Oil & Gas SRL

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