



CORPORACION  
**AMERICA**

# Compañía General de Combustibles (CGC)



CORPORACION  
**AMERICA**

**CGC**



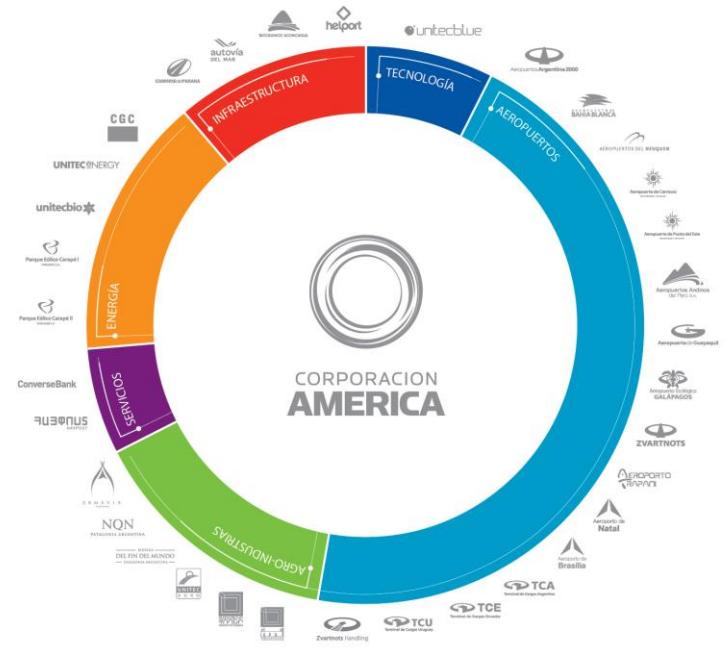
- Corporación América is a multinational holding led by Argentine businessman Eduardo Eurnekian.
- It is composed of leading companies that operate in the fields of services, airports management, agriculture, real estate, construction, energy, infrastructure, and nanotechnology. It successfully manages different projects in America, Asia, and Europe.
- With more than 9,000 employees, the fundamental values of Corporación América are the importance it gives to its human resources, its care for the environment, its quest for enhanced efficiency and quality, technological innovation, training, respect for cultural traditions, and corporate social responsibility.

## Energy Business Unit

Corporación América diversifies its investments in different energy segments: Hydrocarbon exploration and production, Biodiesel Production, wind energy generation, hydroelectric power generation and Gas transportation.

### Overview:

- Within its experience, Corporación América Group has developed interests in the energy sector providing:
- Strong Presence in Oil & Gas in Southern Cone. Proven track record, for exploration and production. Portfolio of over 10 MM acres balanced between producing assets and exploration potential.
- Strategic Gas Transportation: interests in pipelines representing 40% of Argentine consumption.
- 240.000 tons per year of Biodiesel.
- Ongoing projects in renewables (hydro, wind).



Corporación America objective is to become a significant player in Oil & Gas  
Vision and Drivers

---

### Vision

- To create/consolidate an Upstream operating company.
- Initially set up the operating company in Argentina (through organic growth as well as acquisitions) taking advantage of opportunities generated by macro-economic environment.
- Develop the company to manage significant volume of production and operations in conventional reservoirs.
- Further expansion in Latin America and abroad.
- Implement proved technologies for further development of EOR and unconventional projects.

### Main Drivers of the Strategic Planning Guidelines

- a. Select Basin/areas in Argentina with significant conventional potential (Austral, Neuquén).
- b. Take strategic position in productive and exploration properties (Austral).
- c. Control Operating Interests and Optimization
- d. Ability to control optimal timing of investment decisions

### Phase 1 – Initial Positions: Acquiring Strategic Assets in Exploration and Production



Selection of Basins (Austral), possible targets - 2008

Unitec, acquiring exploration position – 2009 - 2011

Acquiring producing assets (CGC) – 2013 - 2014

Acquiring producing assets and operations (PBR) – 2014-2015

Unitec acquiring operation on all its exploration blocks. Optimizing portfolio: Farm outs, swaps, long cycle projects 2015-2016

### Phase 2 Operations: Taking over operations Resources Development



Taking over PBR Austral operations

Merging Unitec with CGC, one operating entity

Initially concentrating on short cycle production and exploration projects

Rightsizing facilities and field operations, massive 3D seismic campaign

Exploration, Secondary recovery, well head compression and other projects

### Phase 3 Expansion: Domestic and Foreign Expansion



Look for opportunities in Argentina, Colombia, Peru, Ecuador and Mexico.

Monitoring Venezuela for foreign investment conditions improvement

Other countries outside Latin America with significant potential

### Phase 4 Development of EOR Projects and/or Unconventional, new technologies



Develop EOR / unconventional pilots/projects in own blocks with experienced partners  
Proved technology or low cost new technology, keeping low economic risk

### Phase 1. Past and Present. Transition to Phase 2

Phase 1 – Transition Position to Operation



Phase 2 Operation and Resources Development



Phase 3 Domestic and Foreign Expansion



Phase 4 EOR / Unconventional

#### Phase 1 Taking Position in Resources

1. Through 2009 the Group assessed O&G Basins, in search of the signals of under-development and upside potential.
  - a) Definition of the Target Basin, based on productive track record ("proven"), good to high conventional potential with low density of exploration.
  - b) Available opportunities with limited competitors. Infrastructure in place. Cost reduction and higher price potential. **Austral Basin met all requirements.**
2. Taking positions in undeveloped resources, with exploratory upside, through **Unitec Energy**
3. Strategic position in Productive Assets, underdeveloped, through **Acquisition of CGC**
4. Acquiring significant productive assets and operational position, through **Acquisition of Petrobras interests in SC**

#### Phase 2. Efficient production of proven resources, and accelerating the development-production cycle

1. Optimization through the **consolidation of Austral Basin by acquiring PESA's interests in Santa Cruz**
  - a) CGC is focused in streamlining activities and promoting increasing activity and efficiency. Growing expertise and Development of Manpower (and hiring internationally)
  - b) **Acquiring Petrobras' interests** and fully taking over operations will unleash the basin's potential
2. Efficiency and Synergies. Unified operation with Unitec Energy, operating all blocks owned in Austral Basin.

### Phase 2 and Beyond

Phase 1 – Transition Position to Operation



Phase 2 Operation and Resources Development



Phase 3 Domestic and Foreign Expansion



Phase 4 EOR / Unconventional



#### Phase 2 continuation. Exploration of Assessed Resources

##### 1. Rationalizing exploration portfolio:

- a) CGC to initially focus in Short Cycle Exploration: ready to drill prospects, close to production facilities, quick monetization
- b) Company intends to farm-out Long Cycle exploration

##### 2. Initial focus will remain in Low risk development activities:

- a) Low risk appraisals, In-fill drilling, secondary recovery expansion, well head compression, IOR
- b) Optimize/right size operations, optimize OPEX and CAPEX
- c) Improve production operations, reduce downtime.

#### Phase 3. Foreign Expansion

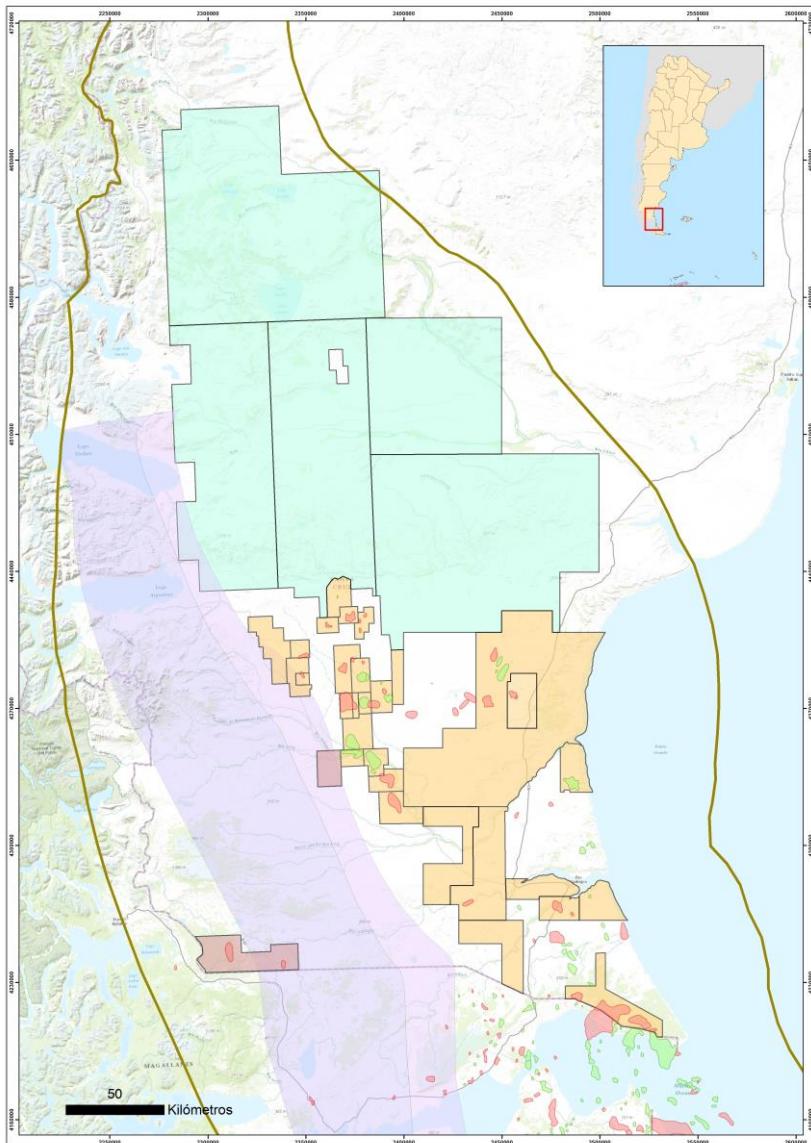
1. Selection of prospects biased on Geology, resources.
2. On difficult areas/countries. Monitoring to early act when Business Environment improves.
3. Seizing opportunistic positions and partnerships

#### Phase 4. EOR/Unconventional, new technologies

1. If and when sustainable economic, following a wise portfolio approach
2. Experienced partners
3. Proven technology, or low risk new technology.

# CGC Austral Basin Overview

## Facts and Figures (top ten in Argentina)



### Upstream CGC

Massive position in Austral Basin on-shore in Santa Cruz Province

- Exploitation 13,900 km<sup>2</sup>
- Exploration\* 37,460 km<sup>2</sup>

\*subject to 60% reversion

### Seismic Coverage:

- Almost no 3D seismic in the platform and deep plays.
- Limited 3D seismic coverage at the slope.

Cumulative production in all CGC blocks:  
Approx. 185 MMBbl oil and 3.6 Tcf gas

Audited (unrisked) Resources :  
Total sum approx. 182 MMBbl oil and 1.8 Tcf gas

Production approx. 1,200 m<sup>3</sup>/d oil and 2.5 MMscf/d gas

## Upstream Growth Plan

Low risk conventional development potential

Conventional & Unconventional Exploration potential



### Dominant position in on-shore Austral Basin:

---

- Total acreage: 13,900 km<sup>2</sup> (3.4 MM Ac.) in exploitation blocks; 37,460 km<sup>2</sup> (9.3 MM Ac.) in exploration blocks \*
- Blocks cover all geological environments (platform, slope, and deep area) of the basin, with numerous play concepts
- Classic Springhill reservoir still has significant potential.
- New plays in our blocks include tertiary reservoirs such as Magallanes, Piedra Clavada and the basin's "basement", Tobífera, where companies such as Chevron, Geo Park, Roch, and Enap have made significant discoveries. La Paz 13 well in our block La Paz discovered high quality light oil in Tobífera formation, proving the existence of that play in our blocks
- Underexplored basin: only productive basin in Argentina with lacking of a proper 3D seismic coverage. Most major discoveries in the basin were made using 3D seismic, so areas with low 2D density pose a huge exploratory opportunity. Additional high potential exploration plays: Unconventional shale, CBM, dikes and sills.
- Uniquely positioned for Unconventional play in the basin, with acreage over the oil, wet gas, and dry gas windows

\* Approximately 40% of this area (3.7 MM Ac.) will remain after scheduled reversion.

## Upstream Growth Plan

Focusing on consolidate exploration and development in Austral Basin.



### What will change now?

---

#### Austral Basin is core for CGC

##### Objectives:

- Increase production
- Efficient Investments
- Reduce [per barrel] Opex

##### Capex

- New Drilling Equipment, improved well design, savings in drilling time and other drilling costs
- Optimizing development/production facilities

##### Opex

- Production operations optimization
- Subject to optimization and able to absorb significant operations growth. Available facilities at the basin and for transportation to markets with spare capacity allowing quick monetization of discoveries.

##### Price

- Gas price upside.
  - Stimulus plans
  - Argentina need for gas.