

KUFPEC Announces Two Significant Acquisitions Propelling It Beyond 100,000 Barrels of Production

Completes the Acquisition of Interests in a Number of Fields in Norway Signs Agreements to Acquire Interests in Thailand

KUWAIT, 31 January 2017. Kuwait Foreign Petroleum Exploration Company k.s.c. ("KUFPEC") announced today that its subsidiary KUFPEC Thailand Holdings Pte Limited has signed definitive agreements to acquire the shares of Shell Integrated Gas Thailand Pte. Limited, which holds upstream interests located offshore in the Gulf of Thailand, from BG Asia Pacific Holdings Pte. Limited, a wholly-owned subsidiary of Royal Dutch Shell, for a consideration of \$900 Million with effective date of 1 January 2016. Under the agreement, the parties have agreed an appropriate allocation of decommissioning liabilities. The acquired interests include a 22.2222% non-operated interest in the concessions related to the Bongkot gas and condensate field and Greater Bongkot Area.

The acquisition provides KUFPEC with 68 MMboe in proved and probable (2P) reserves and approximately 39,000 boe/d of production from 2016, which will contribute significantly toward its 2020 strategic targets. The acquired concessions are operated by PTT Exploration and Production Public Company, the leading operator in the Thailand. Total also holds a non-operated interest in the concessions.

Completion of the acquisition is subject to procedural matters and is expected in February 2017.

KUFPEC also announced that its wholly-owned subsidiary KUFPEC Norway AS completed on 21 December 2016 the acquisition of upstream interests located offshore Norway in the Greater Sleipner Area from Total E&P Norge AS, a wholly-owned subsidiary of TOTAL S.A. for a consideration of \$300 Million with effective date of 1 January 2016.

The acquired interests located offshore Norway in the Greater Sleipner Area consist of the following assets:

- a 15% interest in the Gina Krog development (first oil expected in Q2 2017);
- a 9.4% interest in the Sleipner Vest producing field;
- a 10% interest in the Sleipner Øst producing field;
- a 6.2% interest in the Utgard development; and
- a 21.8% interest in the Eirin discovery.

The acquisition expands KUFPEC's presence in Norway and builds on KUFPEC Norway's recent pre-qualification as an operator. The transaction adds approximately 46 MMboe in net reserves with over 9,000 boe/d of production from the acquired assets in 2016, expected to exceed 13,000 boe/d once Gina Krog is onstream later this year. All the acquired assets are operated by Statoil, the leading operator in Norway.

Commenting on the transactions, KUFPEC Chief Executive Officer Shaikh Nawaf Saud Nasir Al-Sabah stated: "These acquisitions are the latest steps in a series of acquisitions by KUFPEC of assets that provide significant reserves, material production, and strong cash flows to our portfolio. The addition of the Thailand asset, along with the completion of the Norway acquisition last month, will provide the company with total production exceeding 100,000 barrels of oil equivalent per day for the first time in KUFPEC's history. These transactions put us well on our way toward achieving our strategy through acquisitions of profitable, quality assets that provide significant upside to contribute to the company's future goals. We look forward to working closely with the world class partners to realize the full potential of the assets."

KUFPEC was established by its parent company Kuwait Petroleum Corporation in 1981 to engage in exploration, development and production of crude oil and natural gas outside the State

of Kuwait. It is currently active in 14 countries with 65 assets in the international upstream sector. KUFPEC is headquartered in Kuwait City, Kuwait and has additional offices in Australia, Canada, China, Egypt, Indonesia, Malaysia, The Netherlands, Norway and Pakistan.

Scotiabank acted as exclusive financial advisor to KUFPEC in the Greater Sleipner Area transaction.

Rothschild acted as exclusive financial advisor to KUFPEC in the Bongkot concessions transaction.

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