Summary

- Retamco is the controlling parent company of Retama Argentina.
- Retama is analyzing/pursuing oil and gas opportunities in Argentina’s Neuquén Basin with its current focus on dry gas.
- Vaca Muerta’s shale play has emerged as the most promising shale play in the world due to the amount of recoverable oil and gas and very favorable pricing for both.

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Vaca Muerta’s Potential

Rare convergence of all of the majors around an area determined to have world-class shale potential

BP

Bloomberg reports on 9/14/16: BP CEO Dudley Favors Argentine Shale Over Permian. “BP Plc would rather invest in Argentina’s shale oil fields than in Texas’s Permian Basin, the U.S. drilling hot spot, Chief Executive Officer Bob Dudley said. “The U.K. oil producer is seeking to buy more assets in Argentina’s Vaca Muerta shale fields, which have “enormous potential,” Dudley said in a Bloomberg Television interview Tuesday in Buenos Aires. The government there has improved the investment appeal of the country by helping foreign companies cut through red tape, he said.” “I’m really encouraged by what I see,” Dudley said. “There’s a lot of future here.”

ExxonMobil

June 2, 2016: Exxon CEO Says Argentine Shale Project May Top $10 Billion. “Exxon Mobil Corp. may invest more than $10 billion as it transplants the U.S. shale-drilling model to Argentina’s Vaca Muerta region in the next few decades, Chairman and Chief Executive Officer Rex Tillerson said Thursday. If the pilot project is successful, the company will start full development during a period of 20 to 30 years that could involve additional investment “that would be well in excess of $10 billion,” he said.”

YPF/Dow

- YPF/Dow’s El Orejano Well EO-37(h) yielded 439,895 m³ per effective day in April (15.5 MMcf/d) with a 2,000 meter horizontal leg and an estimated 26 frac stages; best well in the play.
- YPF Website re Vaca Muerta: “It is a geological formation of 30,000 km² (12,000 km² in concession to YPF) located mainly in the province of Neuquén and containing oil and gas found at a depth of more than 2,500 meters, far beneath the groundwater that in this region is located at a depth of between 300 and 400 meters. The relevance of Vaca Muerta is so significant between 300 and 400 meters. The relevance of Vaca Muerta is so significant

Total

- Total’s Aquada Pichana is a smaller pilot project than YPF/Dow’s El Orejano yet it has better results per well.
- Consistently high rates with lower than expected decline rates.
- Outstanding results on pilot project for dry shale gas.
- Total’s Aquada Pichana Well AP GE-313(h) yielded 402,364 m³ per effective day in May 2016 (14.2 MMcf/d) with 1,500 meters of horizontal leg and 15 frac stages.
- Aquada Pichana Consortium – The best technical results at Vaca Muerta play

Geologic Overview

Structural Elements of Neuquén Basin

Industry activity concentrated in and near Embayment

According to the U.S. Energy Information Administration (EIA):

- Argentina has world-class shale gas and shale oil potential, possibly the most prospective outside of North America – primarily within the Neuquén Basin.
- Argentina has an estimated 802 Tcf of risked, shale gas in-place out of 3,244 Tcf of risked, technically recoverable shale gas resources. Risked shale oil resources are estimated at 480 billion barrels, of which about 27 billion barrels of shale oil may be technically recoverable.
- Vaca Muerta formation: 308 Tcf of risked technically recoverable gas (wet, dry, and associated gas); an additional 272 Tcf of risked technically recoverable gas is from the Los Molles formation, indicating 580 Tcf in these two basins alone, as compared to 949 Tcf of technically recoverable gas in the entire Lower 48 United States. Limiting the comparison to shale gas alone, according to EIA estimates, the Vaca Muerta (VM), standing alone, contains technically recoverable wet shale gas (dry gas plus wet gas) equal to almost half that of all the remaining technically recoverable wet shale gas in all the shale plays in the continental United States combined (308 Tcf VM compared to 622.5 Tcf in all US shale plays combined). If you include the Los Molles shale found beneath the Vaca Muerta, the total gas is almost equal to that of all the shale plays in the US combined (580 Tcf vs 622.5 Tcf).
- Additional shale resource potential exists in three other untested sedimentary basins.

Neuquén Stratigraphy & Unconventional Targets

Aguada Pichana Consortium – The best technical results at Vaca Muerta play

Key Properties of Vaca Muerta Compare to Best U.S. Shale Plays

<table>
<thead>
<tr>
<th>Barnett</th>
<th>Marcellus</th>
<th>Haynesville</th>
<th>Eagle Ford</th>
<th>Vaca Muerta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (mry)</td>
<td>320</td>
<td>410</td>
<td>160</td>
<td>95</td>
</tr>
<tr>
<td>Area (km²)</td>
<td>10,000</td>
<td>230,000</td>
<td>25,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Depth (km)</td>
<td>2.0 - 2.6</td>
<td>1.2 - 2.6</td>
<td>3.2 - 4.2</td>
<td>2.0 - 4.2</td>
</tr>
<tr>
<td>Pressure Gradient (psf/km)</td>
<td>0.44</td>
<td>0.15 - 0.44</td>
<td>0.50 - 0.75</td>
<td>0.65 - 1.5</td>
</tr>
<tr>
<td>Porosity (%)</td>
<td>4 - 5</td>
<td>10 - 11</td>
<td>8 - 9</td>
<td>4 - 10</td>
</tr>
<tr>
<td>Gross Thickness (m)</td>
<td>60 - 90</td>
<td>30 - 130</td>
<td>80 - 60</td>
<td>40 - 190</td>
</tr>
<tr>
<td>Net Thickness (m)</td>
<td>15 - 60</td>
<td>15 - 60</td>
<td>80</td>
<td>20 - 85</td>
</tr>
<tr>
<td>Rangier Type</td>
<td>II</td>
<td>I - III</td>
<td>I - III</td>
<td>I - III</td>
</tr>
<tr>
<td>Thermal Maturity (Rm)</td>
<td>0.5 - 1.5</td>
<td>0.5 - 2.0</td>
<td>0.9 - 2.6</td>
<td>0.8 - 2.0</td>
</tr>
<tr>
<td>Total Organic Content (TOC)</td>
<td>3 - 6</td>
<td>3 - 12</td>
<td>4 - 10</td>
<td>2 - 6</td>
</tr>
</tbody>
</table>

A rare convergence of all of the majors around an area determined to have world-class shale potential.