

Development of the B8 field

As planned, on September 30th 2015 we started initial production from the B8 field using the LOTOS Petrobaltic drilling rig. Thus, LOTOS Petrobaltic has doubled its production of hydrocarbons in the Baltic Sea, and the incremental output generated by the field has a positive effect on its financial standing.

In mid-November 2015, daily production rate from the B8 field exceeded that of the B3 field, and on December 4th aggregate daily production from our two fields operated in the Baltic Sea exceeded 1,000 cubic metres.

Importance of the B8 field to Grupa LOTOS:

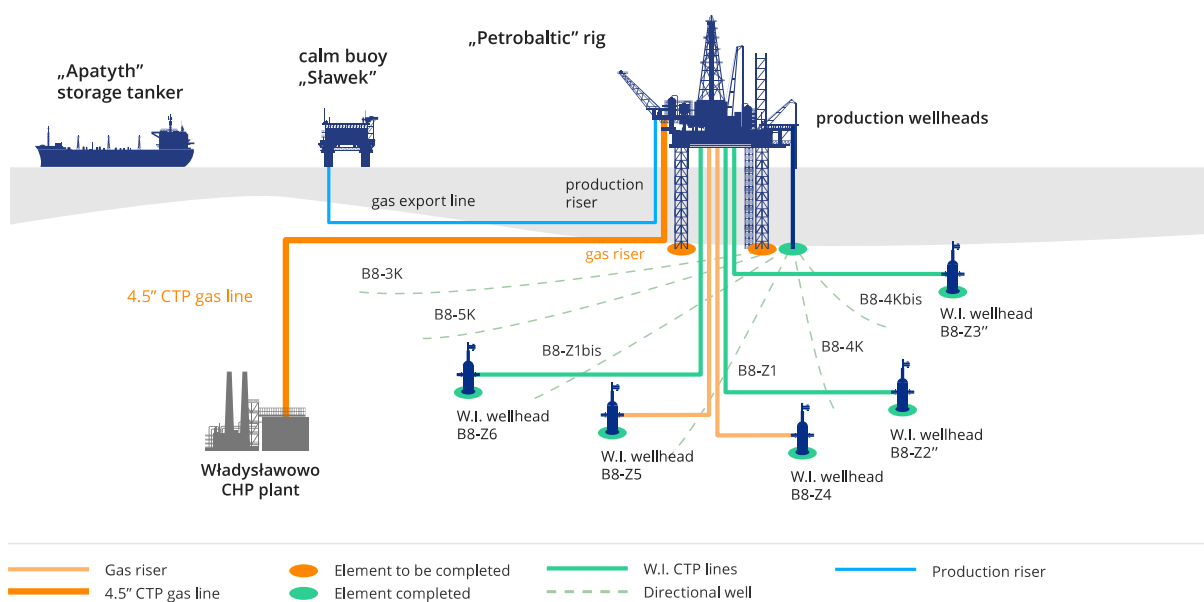
B8 is the third largest oil production facility in Poland and the oil field holding the largest recoverable oil reserves in the Polish part of the Baltic Sea. The field is situated in Poland's Exclusive Economic Zone of the Baltic Sea.

3.5 million tonnes = 28 million barrels

estimate of the 2P production reserves of the B8 oil field

Once the Petrobaltic rig is converted into a production centre and placed in the B8 field, and after the pipeline to Władysławowo is completed, in the second half of 2017 we expect to launch full-scale production from the field at a daily rate of some 5 thousand barrels of crude oil (250 thousand tonnes annually).

B8 Field development



In 2015, having carried out detailed technical analyses, LOTOS Petrobaltic resolved to optimize the Petrobaltic rig conversion project by reducing the weight of the hull. This will improve the economics of the B8 field development project in the difficult macroeconomic environment, with low oil prices.

In 2015, the LOTOS Petrobaltic Group spent PLN 304.3m on the development of the B8 field.