



Eni in Australia

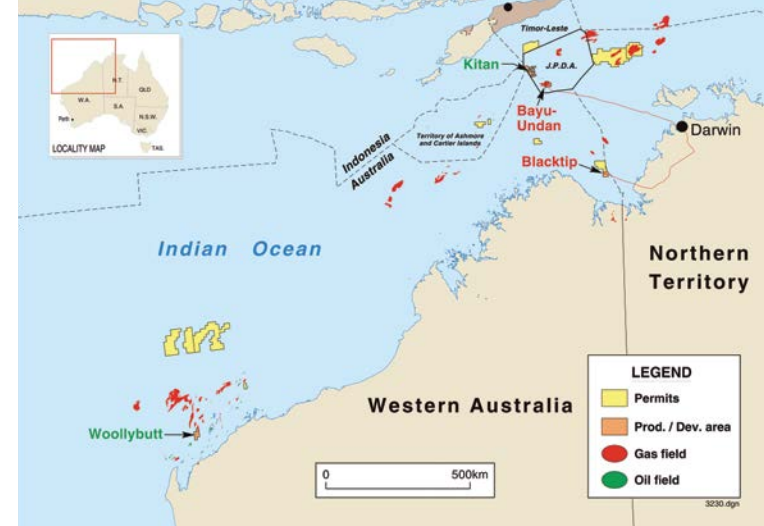
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Eni's Milestones



2000

- Acquisition of British Borneo. The Australian assets of the company included two offshore fields: 6.71% in the Bayu-Undan gas condensate discovery and 30% in the Woollybutt oil discovery
- Bayu-Undan Liquids Recycling Project approved

2001

- Blacktip gas discovery made
- Increased participating interest in Woollybutt, from 30 to 65%

2002

- Woollybutt Development Project approved
- Increased participating interest in Bayu-Undan, from 6.71 to 12.04%

2003

- Bayu-Undan gas export pipeline and Darwin LNG Plant Projects approved
- Increased participating interest in Blacktip, from 30 to 46.15%
- Start-up of production from Woollybutt oil field

2004

- Start-up of Bayu-Undan liquids production (Condensate and LPGs)
- Woollybutt satellite (Scalybutt-1) oil discovery
- Woollybutt-4 successful appraisal of Woollybutt-3 oil discovery

2005

- Increased participating interest in Blacktip from 46.5 to 100%
- Start-up of production from Scalybutt

- Hurricane-1 gas discovery in permit WA-208-P
- Vesta-1 oil and gas discovery in permit AC/P-21

2006

- Blacktip Development Project approved
- Blacktip Gas Sale Agreement finalised with Power and Water Corporation
- Woollybutt South Development Project approved
- Delivery of first LNG cargo from Darwin LNG facility

2007

- Acquired 40% interest in and became operator of JPDA 06-105 PSC area
- Hurricane-2 oil discovery
- Vesta-2 gas discovery

2008

- Woollybutt South production commenced
- Kitan oil field discovered and appraised, Declaration of Commercial Discovery

2009

- Blacktip project commissioning and production commencement
- Kitan Development Project approved

2011

- Kitan Project production started, within three and a half years from Declaration of Commercial Discovery
- Acquired a 32.5% interest in NT/P-48, containing the multi-TCF Evans Shoal gas discovery



2012

- Woollybutt field enters decommissioning phase after producing more than 35 MMbbl over field life

2013

- Eni operates drilling of an incident free Evans Shoal North-1 appraisal well confirming a gas resource of over 8 trillion cubic feet in place
- Awarded exploration licence JPDA 11-106

2014

- Kitan 6 and Kitan South drilled
- Drilled and safely completed a horizontal production well in the Kitan oil field

2015

- Eni Australia wins global Eni safety award – process safety
- Evans Shoal gas field retention licence secured
- Kitan oil field produces 26 MMbbls in 4 years
- Record 58 DLNG cargos delivered

2016

- Penguin gas field retention licence secured
- Eni Australia wins global Eni safety award for a second consecutive year – public safety
- Demobilisation of Kitan oil field FPSO completed incident free

Our Activities

As part of its growth strategy for the South-East Asian region, Eni began operations in Australia in 2000.

Today, Eni has offices in Perth, Darwin and Dili, in Timor-Leste.

In Australia, Eni owns and operates the Blacktip gas field, supplying gas to Australia's Northern Territory for power generation and industrial uses. In the Joint Petroleum Development Area (JPDA) between Timor-Leste and Australia, Eni holds a 40% interest in the Kitan Oil Project, and a 10.99% interest in both the Bayu-Undan Gas Condensate Project and the Darwin LNG company, which liquefies the gas piped from the Bayu-Undan fields.

Exploration and production activities in Australia are regulated by concession agreements, whereas in the cooperation zone between Timor-Leste and Australia (Joint Petroleum Development Area - JPDA) they are regulated by production sharing agreements.

Exploration

Eni has an exploration and productive activities in Australia, the JPDA and Timor-Leste, with a total of 15 permits, 12 of which are operated. The total developed and undeveloped acreage in Australia and the JPDA is approximately 23,000 square kilometres, with interests ranging from 10.99 to 100%. The total exploration acreage in Timor-Leste waters is approximately 1,500 square kilometres held at an interest of 80%.

All of Eni Australia's production has been generated via in-house exploration opportunities (Woollybutt, Bayu-Undan, Blacktip and Kitan). Other discoveries pending commercialisation include Evans Shoal, Penguin, Hurricane, Rubicon - Prometheus and Blackwood gas fields; and the Vesta oil field.

Production

The Blacktip Gas Field and Yelcherr Gas Plant

Eni has a 100% interest in permits WA-33-L and WA-69-R in the Bonaparte offshore basin off the North-Western coast of Australia where the Blacktip gas field and the Penguin gas discovery are located. The Blacktip gas field is located in a water depth of approximately 50 metres. The facilities are comprised of an unmanned production platform, an offshore pipeline of approximately 110 kilometres connected to the Yelcherr Onshore Gas Plant ("YGP"), located near the community of Wadeye in the Northern Territory, with a capacity of 44 petajoules per annum (PJ/a).

In 2006, Eni signed a Gas Sale Agreement with the Northern Territory Power and Water Corporation to meet a demand of 23 PJ/a per annum, starting in 2009 and increasing to 37 PJ/a, for a total quantity of nearly 750 petajoules over a period of 25 years, with room for growth as the gas market develops.

From 2009 the Blacktip facilities have operated at a high level of reliability producing and supplying gas to meet the Northern Territory Power and Water Corporation demands.

The Kitan Oil Project

The Kitan oil field (40% Eni), commenced production in 2011, less than three and a half years from declaration of commercial discovery. The field production peaked at approximately 43,500 barrels/day through three sub-sea wells, managed through intelligent completions, tied back to an FPSO facility.

Following the production of more than 26 MMbbls in just over 4 years, the Kitan field is an industry benchmark for a rapid time to market from discovery to 1st oil in less than 4 years for a deep water greenfields project.



The surrounding exploration JPDA PSC 11-106 contains a number of prospects to be evaluated.

The Bayu-Undan Integrated Project

The Bayu-Undan gas and condensate field in which Eni holds a 10.99% interest, is located in shallow waters (80 metres) in the Timor Sea within the Joint Petroleum Development Area (JPDA). The field is 250 kilometres South-West of Suai in Timor-Leste and about 500 kilometres North-West of Darwin, Australia. Discovered in 1995, the field has been developed in two phases:

- the offshore construction for phase I, the gas recycling project, started in May 2002 and was completed in 2004. The first production commenced in 2004 and comprised the production raw gas to the surface where condensates (light oil), propane and

butane were removed for storage and export and then the re-injection of the dry gas back into the Bayu-Undan gas field;

- phase II of the development involved the installation of a natural gas pipeline of about 500 km in length from the Bayu-Undan gas field to Darwin, and the construction of an LNG facility located at Wickham Point, Darwin. Construction of the LNG facility and the associated natural gas pipeline from the Bayu-Undan field was completed in 2005 and the first LNG cargo was delivered in February 2006. Darwin LNG has a plant capacity of 3.7 million tons per year and sells to customers in Japan.



Sustainability

Eni invests in establishing successful and positive relationships with its host communities through constructive contributions and the ability to assist with their sustainable development.

Blacktip

The Blacktip operations include the Yelcherr Gas Plant situated on the traditional lands of the Yak Maninh and Yak Diminin people in the Thamarrurr Region. The Yelcherr Gas Plant was named in collaboration with the Traditional Owners and represents the name of the beach where the Blacktip gas comes ashore.

Building strong relationships within the community and more broadly throughout the Thamarrurr Region is a key to positive community relations and successful community investments.

Additionally, Eni takes the responsibility of building trust very seriously, delivering on our commitment to ensure a culturally aware workforce. We are able to share our respect for the Traditional Owners, the land on which we operate and, more broadly, Indigenous Australia.

Health and social impact assessments undertaken with consultation and input from relevant local stakeholders have provided Eni with a unique insight into the potential social impacts of our activities. Health and Social Baseline Studies were conducted to allow Eni to better understand the socio-political, cultural, health and economic situation of the community in which we operate. This has enabled Eni to develop its Community Investment Strategy to align with the findings of the study.

Eni has a dedicated resource who liaises with the community and local stakeholders. Committing this resource has proven instrumental in mitigating the potential for any negative impacts to the local

community, as well as enabling Eni to deliver valuable social investment that achieve results.

Eni has, and will continue, to work in partnership and collaboration with a range of government and non-government organisations, including the Australian and Northern Territory Governments, the Northern Land Council and Indigenous Organisations such as Thamarrurr Development Corporation to invest sustainably into the community.

Some of the projects we have supported include:

Socio-Economic Development

- Support for the Thamarrurr Rangers to provide valid and sustainable economic opportunities through indigenous enterprises.

Training

- Provision of high tech equipment for the laboratory at the Charles Darwin University, North Australian Centre for Oil and Gas to be used for teaching and research purposes.

Health

- Enabling access for women in the community to preventative health programs including breast screening.

Culture

- Support to improve the health and cohesiveness of the Wadeye Community through the consolidation of a sustainable AFL football program;
- support for the annual Wadeye Cultural Festival, an event held over several days that brings together the local community and visitors to showcase and promote the Thamarrurr Region's artistic and cultural beliefs;

- support to the Kanamkek-Uile Ngala Museum and Language Centre in Wadeye to preserve and allow a system of access for historical and cultural audio and visual material;
- support to Brown's Mart Theatre in Darwin for the purchase and installation of new staging and lighting facilities, part of a larger overall upgrade.

Kitan JPDA 06-105

Associated with Kitan and the JPDA 06-105 exploration program, Eni and its Joint Venture Partners actively supported the use of Timor-Leste local goods, services and labour.

These include:

- encouraging the employment of Timor-Leste nationals and permanent residents in the Kitan Project;
- developing a measurable training program to enhance Timorese skills for potential employment in the Kitan Project or the oil and gas industry;
- using processes which enable contractors and subcontractors to create a real opportunity toward local supply of goods and services and employment through the development and implementation of Eni approved Local Content plans and other contractual conditions.

Eni recruited 10 Timor-Leste national graduates in a five year graduate program allowing them to gain professional training and on-the-job experience within three professional areas: production, reservoir and exploration. Each graduate had an individual training plan and mentor, with the aim of completing the program with competitive skills and experience necessary to gain employment in the industry.

Eni has also committed to support of the establishment of the Timor-Leste National Library and it is working together with the relevant Timor-Leste authorities towards its realisation.

Eni also supports social responsibility activities associated to the Bayu-Undan Integrated Project, carried out on behalf of the joint ventures by the operator, ConocoPhillips.



Eni at a Glance

Eni is an integrated energy company, engaged in oil and natural gas exploration, field development and production, as well as in the supply, trading and shipping of natural gas, LNG, electricity and fuels.

Through refineries, Eni processes crude oil and other oil-based feedstock to produce fuels and lubricants that are supplied to wholesalers or through retail networks or distributors.

Eni's strategies, resource allocation processes and conduct of day-to-day operations underpin the delivery of sustainable value to all of our stakeholders, respecting the countries where the company operates and the people who work for and with Eni.

Integrity in business management, support to the Countries' development, operational excellence in conducting operations, innovation in developing competitive solutions, sharing Eni's people know-how and skills, integration of financial and non-financial issues in the company's plans and processes drive Eni in creating sustainable value. These elements lead to wise investment choices, prevention of risks and the achievement of strategic objectives in the short, medium and long term.

In 2015, Eni confirmed its presence in the Dow Jones Sustainability indices and in the FTSE4Good Sustainability index in the June half-yearly review.

Main Figures for 2015

- Adjusted operating profit: € 334 mln
- Cash flow from operations: € 12.2 bln
- Dividends paid per share: € 0.8
- Leverage: 0.31
- Estimated net proved hydrocarbon reserves: 6.89 bln boe
- Hydrocarbon production: 1,760 kboe/d
- Worldwide gas sales: 90.88 bcm
- Retail oil products sales in Europe: 8.89 mmt tonnes
- Electricity sales: 34.88 TWh
- Service stations in Europe: 5,846



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