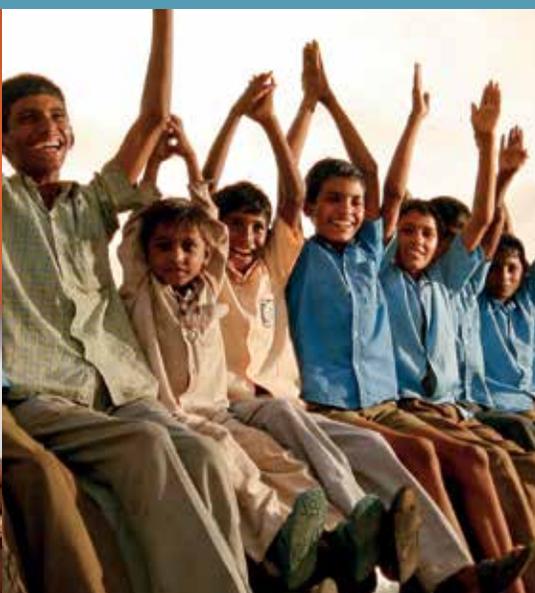
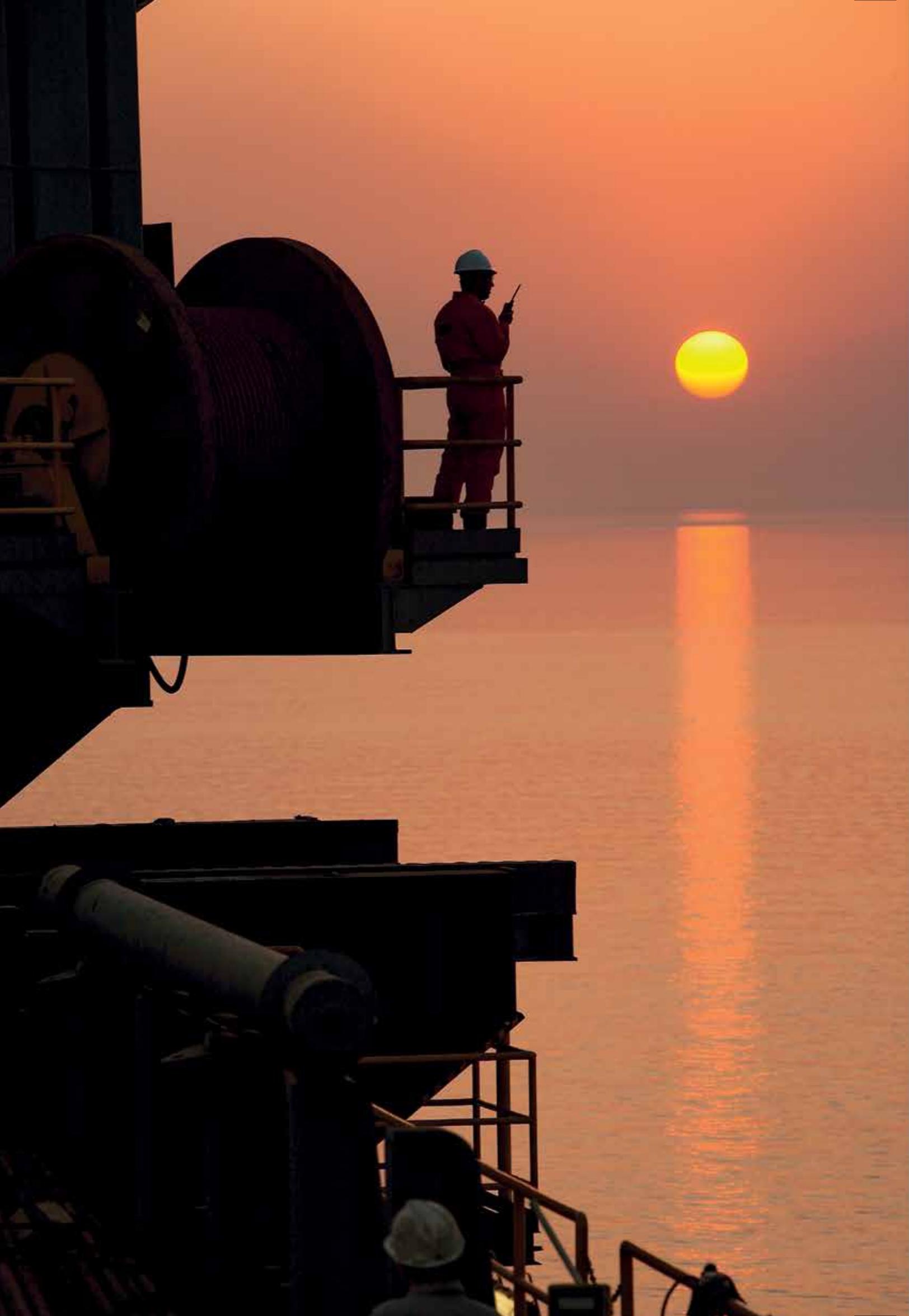


Lasting and positive social and economic benefits for India





Cairn Energy in a snapshot

Company

- Cairn Energy is one of Europe's leading independent oil and gas exploration and development companies and has been listed on the London Stock Exchange for more than 30 years
- Cairn Energy has explored, discovered, developed and produced oil and gas in a variety of locations throughout the world as an operator and partner in all stages of the oil and gas lifecycle
- Cairn Energy is a focused and dynamic operator, bringing pace to safe and efficient operations whilst delivering lasting social and economic benefits to the countries in which we invest
- Cairn Energy has demonstrated the ability to manage unique operating challenges onshore and offshore, in shallow and deep water locations, in remote and frontier locations
- Cairn Energy has a strong track record of adding value for Government and Joint Venture partnerships having formed and contributed to multiple partnerships past and present



Credentials

- During a twenty year investment programme, Cairn Energy delivered a series of flagship projects across South Asia
- When others saw few prospects in India, Cairn Energy created transformational growth and significant value through the discovery, development and production of substantial resources
- Cairn Energy played an active role in developing India's reserves, building the domestic industry and enhancing energy security
 - Cairn Energy created a world class oil province in Rajasthan – the largest onshore discovery in India for more than 25 years with the potential to provide more than 30% of India's daily crude oil production
 - Mangala, Bhagyam and Aishwariya fields were three of the largest finds in Rajasthan with recoverable reserves and resources of more than one billion barrels
 - Cairn Energy drilled the first deep-water wells in India, opening the now prolific Krishna Godavari basin which also included the discovery and development of the country's first offshore gas field in the Bay of Bengal

Commitment:
Cairn Energy has
delivered a series of
flagship projects
during a twenty
year investment
programme



Cairn Energy in South Asia

Historically, Cairn Energy focused on South Asia where the company was a committed long-term investor. Cairn Energy had the vision for the potential opportunity in India. A country-wide strategy was enacted with the persistence to deliver a series of flagship projects during a twenty year commitment and investment programme.

Cairn Energy long-believed in the hydrocarbon potential of the Indian subcontinent which was underexplored with the majors only drilling twelve exploration wells prior to 1990. When others saw few prospects in India, Cairn Energy identified and was successful in delivering key assets with growth potential, these included the Ravva fields off the east coast of India, the Cambay fields off Gujarat and the world-class Rajasthan fields. Cairn Energy created transformational growth and significant value in India through the successful discovery, development and production of substantial oil and gas resources.

Cairn Energy has played an active role in developing India's oil and gas reserves, helping to build the country's domestic oil industry and working to enhance its energy security. In keeping with its model of creating, adding and realising value. Cairn India was listed on the Bombay Stock Exchange in early January 2007 which allowed investors based in India to participate in the successful listing. The company helped deliver the final stages of the development of the oil resources in Rajasthan.



Establishing a world class oil province in Rajasthan

The Rajasthan fields were the largest onshore discovery in India for more than 25 years with the potential to provide more than 30% of India's daily crude oil production and generating more than US\$20 billion in revenues for authorities in India to date. In a nation faced with rapid economic growth and increasing energy demands, this step-change in domestic production was of significant value to the country and remains crucial to India's development.

The Rajasthan fields lie in the heart of the Thar desert in the Barmer district in North West India. Cairn Energy acquired an interest in the Rajasthan Block in 1997. Mangala, Bhagyam and Aishwariya (the MBA fields) were the three largest finds in Rajasthan with recoverable reserves and resources of more than one billion barrels.

The Mangala field, discovered in January 2004, was considered to be the largest onshore hydrocarbon discovery in India for 20 years. It was followed by the second and third largest discoveries in the Aishwariya and Bhagyam fields. From the discovery of the Mangala oil field in early 2004, to production of first oil in 2009, Cairn Energy successfully took this project from discovery to production in just over five years. To date, almost 40 additional discoveries have been made across the Rajasthan blocks.

From **discovery to development** Cairn Energy has demonstrated the ability to manage **unique operating challenges** in a remote location with limited infrastructure and resources

To carry Rajasthan's crude to market, Cairn Energy built the world's longest heated pipeline. Starting at the Mangala Processing Terminal in Barmer, the US\$1 billion pipeline runs almost 600km to Salaya with the remaining ~100km built to Bhogat on the Arabian Sea. At its full length, the pipeline has access to more than 75% of India's refining capacity. The Cairn Energy team engaged with local farmers to clear the sand dunes in the desert region to accommodate the pipeline.

The Cairn Energy engineering development team also designed and constructed the Mangala Processing Terminal (MPT) which was built and completed within 28 months. Spread over an area of 1.6km², the equivalent of 200 football pitches, in the heart of the Rajasthan desert, the MPT processes the crude from the MBA fields. It has a maximum capacity of 300,000 barrels of oil per day, more than 30% of India's current crude production.

At the peak of construction, ~16,000 workers were involved in construction: 11,000 on the MPT and 5,000 on the pipeline.

The speed and safety with which Cairn Energy completed the Rajasthan development demonstrates the company's ability to successfully manage unique operating challenges such as working in an environment with extreme temperatures and operating in a remote location with limited infrastructure.

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The Rajasthan development was one of the largest oil and gas projects in India in the heart of the Thar desert.

The fields have had a significant economic impact on the local economy. As well as directly creating thousands of skilled jobs, they have stimulated growth in other sectors such as agriculture, textiles and tourism, meaning that the Barmer district of Rajasthan (home to Mangala, Bhagyam and Aishwarya fields) now boasts an average income 40% higher than the national average and is the second largest contributor to Rajasthan's GDP.



Establishing a world class gas province in Krishna Godavari basin

Lying off the coast of Andhra Pradesh in water depths of up to 80 metres in the Bay of Bengal in East India is the Ravva block. Cairn Energy acquired interests in and became operator of this offshore oil and gas field in 1996.

Cairn Energy drilled the first deepwater wells in India, opening the now prolific KG basin with five discoveries. This also included the discovery and development of the country's first offshore gas field in the Bay of Bengal.

In 1999, the Ravva field's reserves doubled and production increased to 50,000 bopd. To date, more than 250 million barrels of oil have been produced from Ravva, which is more than double that originally anticipated.



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Discovery to delivery in two years in West India

The Lakshmi and Gauri offshore fields and the CB-X onshore field made up Cairn Energy's operating assets in the Cambay Basin off the Gujarat coast in West India.

In 2000, Cairn Energy made the first discovery in the CB-OS/2 block in the Cambay Basin, with the second discovery following shortly after in 2001. From discovery to delivery took a little more than two years. The natural gas and crude from these fields is processed at a 100 acre onshore facility in Suvali.





Cairn Energy PLC

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