



Execution of PKN ORLEN 2013-2017 Strategy in upstream segment Signing Arrangement Agreement with TriOil Resources Ltd.

Warsaw, September 16th, 2013



ORLEN

Disclaimer

This presentation (“Presentation”) has been prepared by PKN ORLEN S.A. (“PKN ORLEN” or “Company”). Neither the Presentation nor any copy hereof may be copied, distributed or delivered directly or indirectly to any person for any purpose without PKN ORLEN’s knowledge and consent. Copying, mailing, distribution or delivery of this Presentation to any person in some jurisdictions may be subject to certain legal restrictions, and persons who may or have received this Presentation should familiarize themselves with any such restrictions and abide by them. Failure to observe such restrictions may be deemed an infringement of applicable laws.

This Presentation contains neither a complete nor a comprehensive financial or commercial analysis of PKN ORLEN and of the ORLEN Group, nor does it present its position or prospects in a complete or comprehensive manner. PKN ORLEN has prepared the Presentation with due care, however certain inconsistencies or omissions might have appeared in it. Therefore it is recommended that any person who intends to undertake any investment decision regarding any security issued by PKN ORLEN or its subsidiaries shall only rely on information released as an official communication by PKN ORLEN in accordance with the legal and regulatory provisions that are binding for PKN ORLEN.

The Presentation, as well as the attached slides and descriptions thereof may and do contain forward-looking statements. However, such statements must not be understood as PKN ORLEN’s assurances or projections concerning future expected results of PKN ORLEN or companies of the ORLEN Group. The Presentation is not and shall not be understood as a forecast of future results of PKN ORLEN as well as of the ORLEN Group.

It should be also noted that forward-looking statements, including statements relating to expectations regarding the future financial results give no guarantee or assurance that such results will be achieved. The Management Board’s expectations are based on present knowledge, awareness and/or views of PKN ORLEN’s Management Board’s members and are dependent on a number of factors, which may cause that the actual results that will be achieved by PKN ORLEN may differ materially from those discussed in the document. Many such factors are beyond the present knowledge, awareness and/or control of the Company, or cannot be predicted by it.

No warranties or representations can be made as to the comprehensiveness or reliability of the information contained in this Presentation. Neither PKN ORLEN nor its directors, managers, advisers or representatives of such persons shall bear any liability that might arise in connection with any use of this Presentation. Furthermore, no information contained herein constitutes an obligation or representation of PKN ORLEN, its managers or directors, its Shareholders, subsidiary undertakings, advisers or representatives of such persons.

This Presentation was prepared for information purposes only and is neither a purchase or sale offer, nor a solicitation of an offer to purchase or sell any securities or financial instruments or an invitation to participate in any commercial venture. This Presentation is neither an offer nor an invitation to purchase or subscribe for any securities in any jurisdiction and no statements contained herein may serve as a basis for any agreement, commitment or investment decision, or may be relied upon in connection with any agreement, commitment or investment decision.



Executive summary: Transaction

ORLEN Upstream signed an arrangement agreement that initiates an acquisition of 100% shares of TriOil Resources Ltd., a Canadian company listed on Toronto Stock Exchange.



Offered price per share	2.85 CAD
Shares to be acquired	100%
Transaction value (CAD)	183.7 Million*
Transaction value (PLN)	562.9 Million**

* Consideration for 100% number of shares of TriOil including shares after exercising all in money options

** CAD/ PLN exchange rate as per Polish National Bank official rate at September 13, 2013



ORLEN

Executive summary: Transaction overview



Process

- Target company selected based on a number of analyses performed
- Due diligence and valuation process supported by renowned advisors
- ORLEN's offer positively evaluated and recommended by TriOil's Board of Directors
- Transaction by Plan of Arrangement under Canadian law
- Under the Arrangement Agreement, PKN ORLEN can match any unsolicited superior proposals made by third parties to TriOil by a shareholder meeting date

Financing

- Cash offer
- Acquisition financed from PKN ORLEN own funds
- Transaction financed from the acceleration capex pool as per approved in the 2013-2017 Strategy (2.7 bln PLN) and within PKN ORLEN 2013 budget

Timeline

- Required minimum of 2/3 of shareholder votes at the meeting of TriOil shareholders
- Meeting of TriOil shareholders scheduled in November 2013
- Closing expected by the end of November 2013



Executive summary: Strategic rationale



Attractive assets

- Steadily growing, Toronto-listed company with an experienced management team in place
 - Portfolio of producing assets in a mature and technologically advanced market
 - Light oil and natural gas resources in well explored areas
-

Important milestone in the execution of upstream strategy

- Entering the international E&P market
 - Access to producing oil & gas assets
 - Transaction with low-risk profile
-

PKN ORLEN value growth

- Know-how transfer, synergies with ORLEN's organic E&P projects
- Great platform for further growth in North America
- Cash flow stabilization, risk diversification

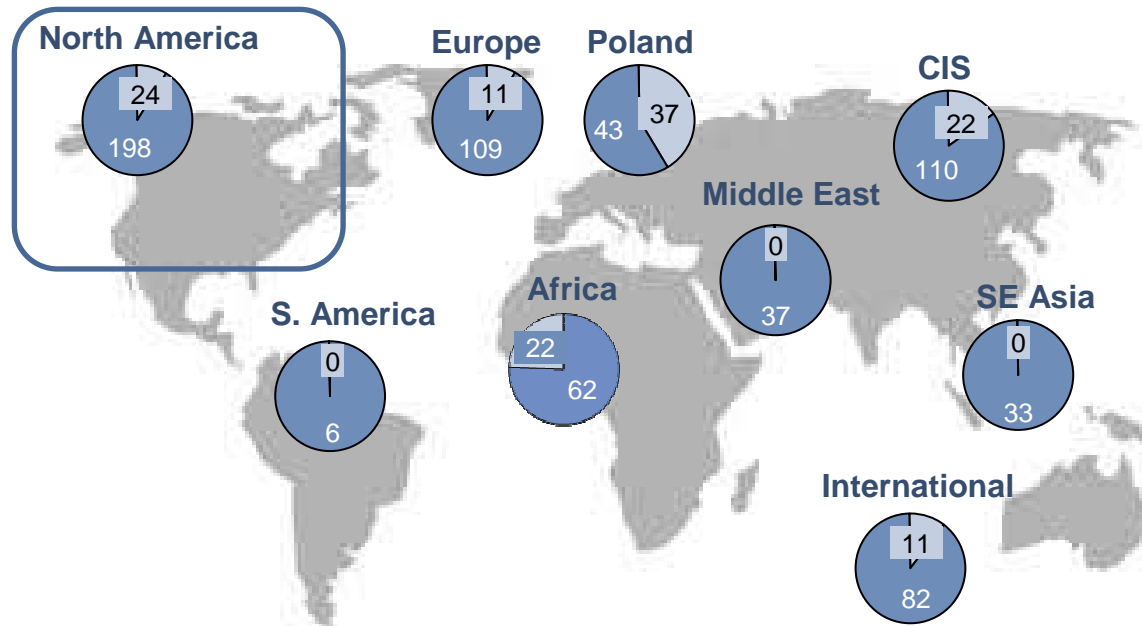




Overview of the process and the transaction

Competence improvement within PKN ORLEN enables to accelerate development of the upstream segment and mitigates a risk for the acquisition of TriOil

PKN ORLEN – M&A market screening process 2009-2013



- The M&A team has performed an intensive market screening over the recent years in order to **identify optimal acquisition targets**
- The main criteria and goals included; low investment risk, diversification of asset portfolio risk, oil-weighted, **producing assets**.
- **North America** has become a natural area of interest for the first upstream acquisition

■ No. of projects and opportunities which have been subject to review
■ No. of projects and opportunities which have been subject to detailed analysis

Canada is one of the most attractive markets for E&P investments...

Canada is one of the most politically stable countries in the world



- **Public finance** – moderate deficit and public debt, low and stable inflation
- **Oil reserves** – 4th largest proved reserves holder in the world (approx. 173 bln bbl), out of which 97% in Alberta
- **Oil production** – ranked 6th in the world (3.6 MM bbl/d in 2013, out of which 3.1 MM bbl/d in Alberta)
- **Fiscal system** – predictable and flexible with attractive tax rates
- **Advanced technologies** – well developed market with best-in-class E&P technologies in place
- **One of the key pillars of the economy** – over 1,500 E&P companies in Canada provide direct employment to over 195,000 people.
- **Strong labour market in Alberta** – approx. 1 000 graduates from local technical universities enter the market each year; a few thousand professionals annually from outside Alberta provide pool of resources



TriOil's core area of activity

...an acquisition on a stable Canadian market provides secure conditions and is a perfect fit for the low risk profile highlighted in PKN ORLEN's strategy

Potential E&P specific risk areas

Risk mitigating factors for the transaction

Technical

- Producing assets; **well known geological formations**; numerous years of **E&P operations** in other geological formations in the area
- **Proved commercial viability**
- Track record of **successful application of horizontal drilling and multistage fracing**

Geopolitical

- **Stable and flexible tax regime**
- Canada's **financial standing is stable**
- Canada and Alberta are well known for creating supportive rules and regulations for the oil & gas industry

Market and economics

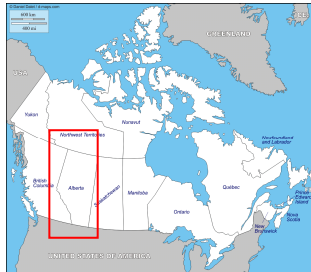
- **Decreasing oil and gas price differentials in the local market** in relation to the reference markets in the USA
- **Market expected to grow as a result of developing infrastructure capacity** (incl. new pipeline to the USA, LNG terminals, Eastbound pipelines)

Operational

- **Mature Oil-Field Services (OFS) market**
- **Stable operating costs** with a potential to decrease going forward
- 2nd largest market in the world in terms of availability of **highly qualified employees** with experience in unconventional hydrocarbons E&P.
- **North American stable standards for HSSE** (Health, Safety, Security, Environment)



Key assets are concentrated in the petroleum systems of Pouce Coupe, Kaybob, Lochend in Alberta

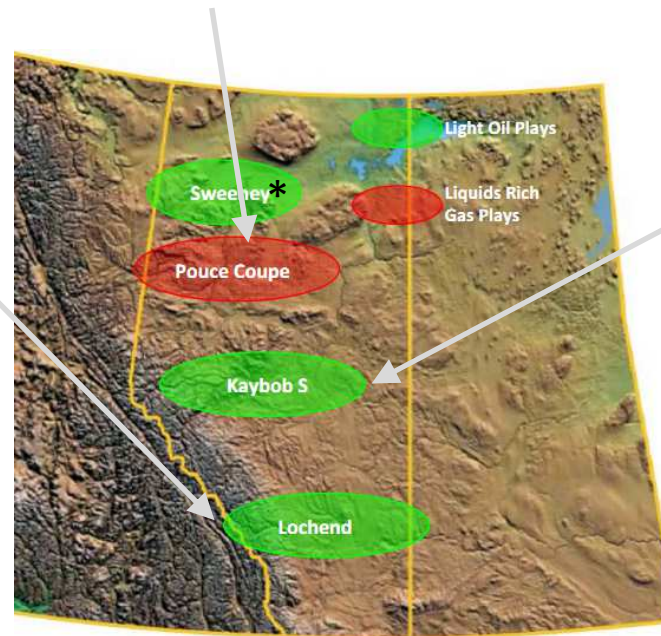


Pouce Coupe Montney

- License area: 112.0 km2 gross
- Resources - good quality gas with a low content of H2S
- The high degree of geological exploration
- Infrastructure for gas processing and transportation
- Sandstone at a depth of 1,700 to 2,150 m
- 2P reserves of 6.7 MM boe (7% liquid hydrocarbons)

Lochend Cardium

- License area: 251.3 km2 gross
- Resources - good quality, light oil (37-42 ° API)
- Developed infrastructure for processing and transportation
- Storage and pre-treatment of oil - TriOil shares in the infrastructure
- Sandstone at a depth of 2,200 to 2,500 m
- 2P reserves of 4.5 MM boe (81% of the liquid hydrocarbons)



* Sweeney area along with some assets in the provinces of British Columbia and Saskatchewan is a part of minor area of TriOil activity; total acreage held by TriOil amounts to 1 118.58 km2 gross

Kaybob Dunvegan

- License area: 138.2 km2 gross
- Resources - good quality, light oil (34-37 ° API)
- Very favorable distribution of residual sandstone at depths of 1,600 to 2,100 m
- Developed infrastructure for processing and transportation
- 2P reserves of 7.5 MM boe (71% of the liquid hydrocarbons)



Source: TriOil Information Memorandum, TriOil Corporate Presentation

ORLEN

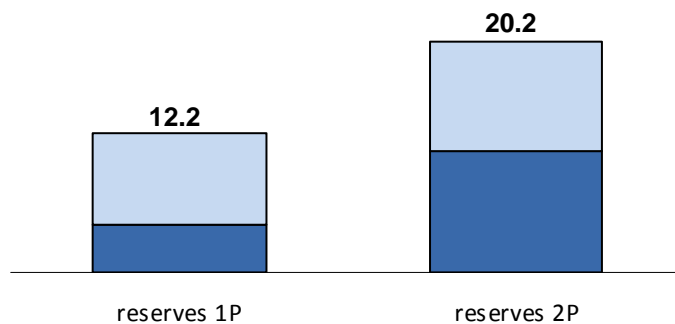
TriOil is a perspective and dynamically growing company, which operates in a stable and attractive Canadian market

Operations

- **179 gross producing wells as of June 2013***
- **Daily production of 4.1 k boe** (Q2 2013); 98% increase as compared to Q2'12 and 19% increase in relation to Q1'13
- **Double revenues** (1H'13 over 1H'12) up to CAD 42 mln

1P & 2P reserves (MM bbl)

Gas Liquids

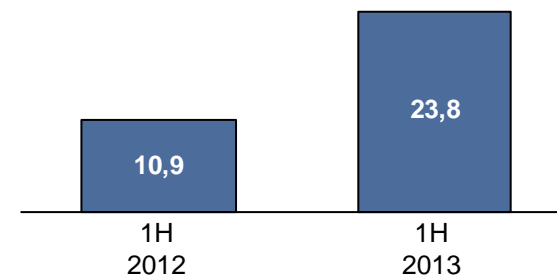


Financing

- **Stable financing** – bank indebtedness of CAD 49.7 mln (Q2'13), which accounts for 55% of the available credit facilities
- **Operational efficiency improvement** – opex/boe decrease from 14.0 CAD/boe to 11.2 CAD/boe (1H'12/1H'13)
- **Strong operating netback** – 41.53 CAD/boe in Q2'13, up 7% from 38.65 CAD/boe in Q1'13

Operating cash flows

CAD mln



* Including wells acquired and wells drilled by other operators

Source: TriOil Information Memorandum, TriOil 2Q 2013 Financial Report



ORLEN

Experienced team of experts and access to the local market of E&P pool of resources

TriOil: key executives

- **Extensive experience** - gained on the second most important market of production of unconventional hydrocarbon resources in the world
- **Team** - the Board and key management team have worked together for many years
- **Knowledge transfer** - to other projects, including shale gas exploration in Poland

President, CEO
Experience: 30 years

Business strategy and execution, M&A transactions, corporate finance, hydrocarbons risk management, oil and gas sales

Vice President, Exploration
Experience: 23 years

Unconventional tight oil and gas recognition, business strategy and execution, seismic interpretation

Vice President, Engineering
Experience: 20 years

Reserves and A&D evaluation, operational supervision and organization

Vice President, Business Development & Land
Experience: 15 years

Deal structures, business strategy and execution, negotiations, industry network, contracts

Vice President, Finance
Experience: 12 years

Corporate finance and debt management, budgeting/forecasting/acquisition modeling, financial information preparation and analysis

Exploration Manager
Experience: 18 years

Prospect generation, unconventional tight oil and gas resource recognition, well log interpretation





Thank you



ORLEN



www.orken.pl

For more information on PKN ORLEN, please contact the Investor Relations Department:

telephone: + 48 24 256 81 80

fax: + 48 24 367 77 11

e-mail: ir@orken.pl

