

**Stock Data**

Share Price: 3.65p  
Market Cap.: £27.8m  
Shares in issue: 718.5m

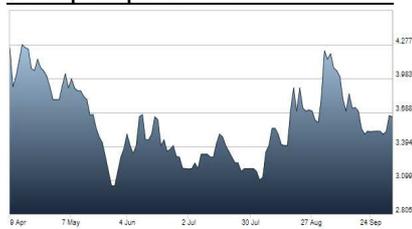
**Company Profile**

Sector: Oil & Gas  
Ticker: CORO  
Exchanges: AIM

**Activities**

Coro possesses an ambitious South East Asian growth strategy and recently made its first acquisition in Indonesia to complement its existing gas assets in Italy. The company is focused on a large number of potential oil and gas opportunities in South East Asia with which to continue to expand its current portfolio.

**Share price performance**



Source: LSE

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# Coro Energy plc

In line with Coro's strategy to become a mid-tier South East Asian focused E&P company, the company has gained entry into Indonesia with the acquisition of a 42.5% interest in the Bulu Production Sharing Contract (PSC) offshore East Java for a total consideration of US\$10.96m. This licence contains the Lengo gas field which has gross certified 2C resources of 359 BCF. With an approved field development plan in place and an MOU (Memorandum of Understanding) signed with a potential buyer for the gas, we believe that Coro has established a strong foundation on which to accelerate its South East Asian growth strategy.

On 3 September 2018, Coro entered into an agreement with AWE (Satria) NZ Ltd ("AWE") and HyOil (Bulu) Pte. Ltd (Bulu) under which Coro will pay AWE a cash consideration of US\$6.96m plus working capital adjustments. Coro has also agreed to pay HyOil US\$4.0m in Coro shares over three tranches following the closing of the transaction. Upon completion, Coro will hold 42.5% of the Bulu PSC with the balance held by experienced South East Asian operator, Kris Energy (42.5%) and the remaining 15% held by local Indonesian partners.

The Bulu PSC is located 65km offshore northern Java in shallow water depths of c.60 metres. Bulu contains the Lengo gas field which was discovered in 2008 and tested at production rates in excess of 21.2 mmcfpd of gas after appraisal drilling.

Lengo possesses independently certified gross 2C contingent gas resources of 359 BCF with upside of 420 BCF in the 3C category. A development plan for Lengo was approved by the Indonesia authorities in late 2014 and consists of a US\$200m-US\$250m programme to drill an initial four wells from an unmanned platform with produced gas transported to shore for processing and onward delivery to customers. The development plan envisages gross output of up to 70 mmcfpd of gas at plateau production.

Lengo gas production is 'sweet' (no H<sub>2</sub>S impurities) with a CO<sub>2</sub> content of approximately 12%. Coro understands that potential buyers are often prepared to take delivery with or without the CO<sub>2</sub> content reduced and there are reportedly a range of potential customers in the region. As such, the Lengo partners signed an MOU with a gas trading company in January 2018 with a view to delivering gas production from Lengo.

Gas prices in the East Java region have been robust in recent years and pricing is reported in the range of US\$5.50 – US\$8.00 per MMBtu. As implied above, final pricing is dependent on who the ultimate buyer is and whether the CO<sub>2</sub> content of the gas has been reduced by additional processing.

Fiscal terms in Indonesia have improved in recent years and the contractor share of profit for gas production is typically higher than that for oil. Additional to this, PSC terms allow for 100% cost recovery of most capex and opex and Coro notes that there is an historical cost recovery pool of c.US\$100m for the Bulu PSC. Recovery of a proportion of this cost pool through production has the potential to enhance significantly the economics of a field development on Lengo.

A number of highly significant milestones including funding for the company's share of development costs and the establishment of a final gas sales contract for the Lengo field have yet to be finalised. However, at this stage, we estimate that the shares could already be worth at least 6.5p on a fully diluted basis prior to the prospect of further exciting deals being completed in South East Asia.

## Introduction to Coro Energy

Coro is an AIM-quoted E&P company focused on long term growth opportunities in South East Asia. The company currently possesses a portfolio of production, development and exploration assets in Italy where it has been an operator for over 20 years.

In line with the group's longer term growth strategy, Coro recently acquired a 42.5% equity interest in the Bulu PSC located in the East Java Sea in Indonesia in September 2018 marking the company's entry into South East Asia. Bulu contains the large Lengo gas field which is estimated to contain at least 359 BCF of gas.

### Recent history

Coro was formerly known as Saffron Energy, an Italian focused E&P company which listed on AIM in February 2017. However, following the suspension of Saffron in early 2018, a change of name and the acquisition of Sound Energy Holding Italy Limited, Coro was admitted to trading on AIM on 11 April 2018 simultaneously raising £14m in new equity with which to fund the new company's South East Asian strategy.

Coro also came to the market with a strengthened board of directors (See Appendix) including new CEO, James Menzies. In particular, Mr Menzies is a specialist South East Asian explorer with in depth experience of the region. In particular, he founded Salamander Energy, where he served as CEO for ten years before selling to Ophir Energy in a transaction that valued the business at US\$850m in 2015.

### Valuation summary

Outlined in the table below is our sum of the parts valuation for Coro Energy based on a range of NPVs, the details of which are outlined within separate sections this report. Our core per-share valuation assumptions are based on Coro's fully diluted equity which consists of 1,017.8 million shares. This number is comprised of:

- 718.5 million shares in issue
- A further 42.4 million shares which constitute the payment of US\$2.0m to HyOil upon the closing of the transaction to acquire 42.5% of the Bulu PSC
- Dilution of 256.8 million warrants priced within the range 4.375p per share relating to Directors and employees and 6.57p per share for warrants issued upon admission to AIM in April 2018.

Our indicative valuations for Italy and Indonesia have been generated in a combination of Euros and US dollars and converted into a Sterling equivalent at the current exchange rates of approximately US\$1.30: £1.00 and €1.12: £1.00 respectively.

**Valuation summary for Coro Energy**

Item	Status	Valuation	Valuation	Valuation	Undiluted	Diluted
		EUR	USD	GBP	p	p
Sillaro field (Italy)	Production	1.9	-	1.7	0.2	0.2
Bezzecca field (Italy)	Production	2.5	-	2.2	0.3	0.2
Rapagnano field (Italy)	Production	0.9	-	0.8	0.1	0.1
Sant'Alberto field	Development	2.7	-	2.4	0.3	0.2
Contingent resources (Italy)	Appraisal/Dev	5.4	-	4.9	0.6	0.5
Lengo field (Indonesia)	Development	-	50.1	38.4	5.1	3.8
Cash payment to AWE (Indonesia)	Corporate	-	-8.0	-6.1	-0.8	-0.6
Gas sales agreement (Indonesia)	Corporate	-	-1.0	-0.8	-0.1	-0.1
Commercial production (Indonesia)	Corporate	-	-1.0	-0.8	-0.1	-0.1
Overheads	Corporate	-5.0	-	-4.5	-0.6	-0.4
Cash (debt)	Corporate	14.1	-	12.6	1.9	1.4
Options	Corporate	-	-	14.9	0.0	1.5
<b>Total</b>		<b>22.5</b>	<b>40.1</b>	<b>65.7</b>	<b>6.7</b>	<b>6.5</b>

Source: Company, TP estimates

**Corporate adjustments**

Within our valuation, we have included the cash balance of €14.1m as at the end of June 2018. Given that this is unlikely to be at this level at the end of September 2018, we have applied the impact of a full year's company overhead to more than adjust for expenditure since the end of the interim period.

Also within our summary is the payment of US\$6.96m payable to AWE in regards to the cash consideration relating to the acquisition of the Bulu PSC in Indonesia. This is augmented by other working capital adjustments estimated to be c.US\$1.04m which bring the total consideration up to US\$8.0m.

We have included two additional payments due to HyOil in regard to the completion of the acquisition of Bulu. Although these will be payable in equity, it is impossible to gauge exact numbers of shares at this stage. As such, we have included both payments as a cash variable until such time as these payments are completed and these items will be removed from the calculation.

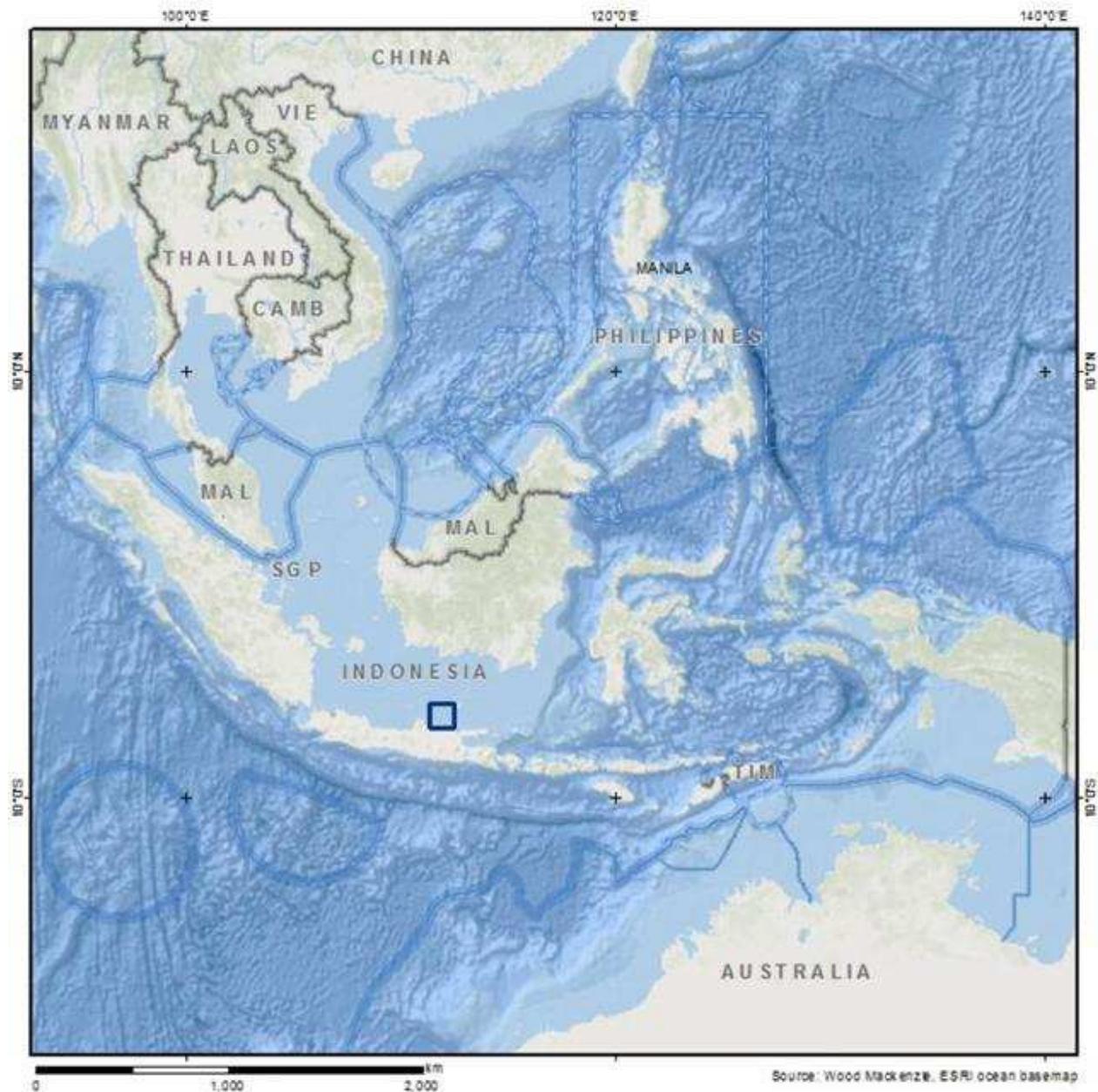
**Lengo is largely unfunded**

Of particular note in our valuation is that the company's share of development costs for its core asset, the Lengo field in Indonesia, is largely unfunded. As such, we note that our valuation as outlined will be subject to significant dilution whether from the issue of additional equity or more likely, the acquisition of debt instruments to fund key capital expenditures over the next three years.

## Coro's first Indonesian acquisition

Coro Energy has gained entry to Indonesia with the acquisition of a 42.5% interest in the shallow water Bulu Production Sharing Contract (PSC) located offshore East Java, a licence that contains the Lengo gas field. Lengo has been attributed gross 2C contingent recoverable resources of 359 BCF of gas and 3C upside amounting to 420 BCF.

### Location of the Bulu PSC in Indonesia



Source: Company

### **Cash consideration**

Coro has signed a binding conditional agreement for a total consideration of at least US\$10.96m of which US\$6.96m is payable in cash with the balance payable in new Coro shares to a value up to US\$4.0m. The company notes that the deal implies a low acquisition price equivalent to US\$0.10 per MMBtu\* of contingent gas resources net to the company.

In terms of planning, Bulu appears to be a comparatively advanced project and a field development plan for Lengo has been approved by the Indonesian authorities. Coupled with this, gas marketing efforts which are targeting the Tuban industrial complex in East Java are also underway and an MOU (Memorandum of Understanding) was signed with a potential buyer of the gas in early 2018.

### **Economics enhanced by large cost recovery pool**

Fiscal terms for hydrocarbon production in Indonesia are regarded as comparatively tough under typical PSC terms. However, the profit share for gas production accruing to the contractor (i.e. Coro) is usually considerably better than that for oil production. Although we await confirmation of the precise terms for the Bulu PSC, in broad terms Indonesia has historically instigated a more favourable 62.5%/32.5% contractor/government split for profit gas compared to a 15%/85% contractor/government split for profit oil.

In addition, Indonesia generally operates a system whereby the contractor can recover its capital and operating expenditure from field revenue (after the payment of First Tranche Petroleum – effectively a government royalty of 10% on production). With this mechanism, a large cost pool of historical (and unrecovered) expenditure on an asset can be recovered from field revenue before any profit taxes become payable.

Coro notes that the existing cost pool for the Bulu PSC is approximately US\$100m, the recovery of which has would enhance the economics of a full field development considerably given that the early years of cash flow can be enhanced significantly by accelerated cost recovery and negligible profits tax, which is currently charged at a rate of 44%.

## **Details of the transaction**

Coro is entering a deal that was originally agreed between:

- AWE (Satria) NZ Ltd (“AWE”), a subsidiary of AWE Limited which currently holds the Bulu PSC and
- HyOil (Bulu) Pte. Ltd (HyOil), a subsidiary of HyOil Pte. Ltd, a private Singaporean company.

The new version of the transaction is now being expedited through a tripartite agreement between Coro, HyOil and AWE. With this new agreement, the original Sales & Purchase Agreement (SPA) between AWE and HyOil has been terminated and a new SPA between Coro and AWE has been instigated.

\*Note that 1,000 MMBtu (a measure of the energy content of gas) converts to 975.6 mcf (a volumetric measure) at a conversion rate of 97.56%

### Acquisition consideration

Under the new deal, Coro has agreed to pay HyOil up to a total of US\$4.0m in Coro shares in the following tranches:

1. US\$2.0m on the closing of the transaction which will be satisfied by the issue of 42,434,465 new Coro shares at a price of 3.6255p per share.
2. US\$1.0m in new Coro shares upon the signing of a Gas Sales Agreement
3. US\$1.0m in new Coro shares following the start of commercial production from the field

Under the terms of the new SPA, Coro also has agreed to pay AWE a cash consideration of US\$6.96m plus back costs and other working capital adjustments estimated to be c.US\$1.04m. AWE will be liable for all transfer taxes that may be incurred upon the completion of this part of the transaction up to an amount totalling US\$0.64m.

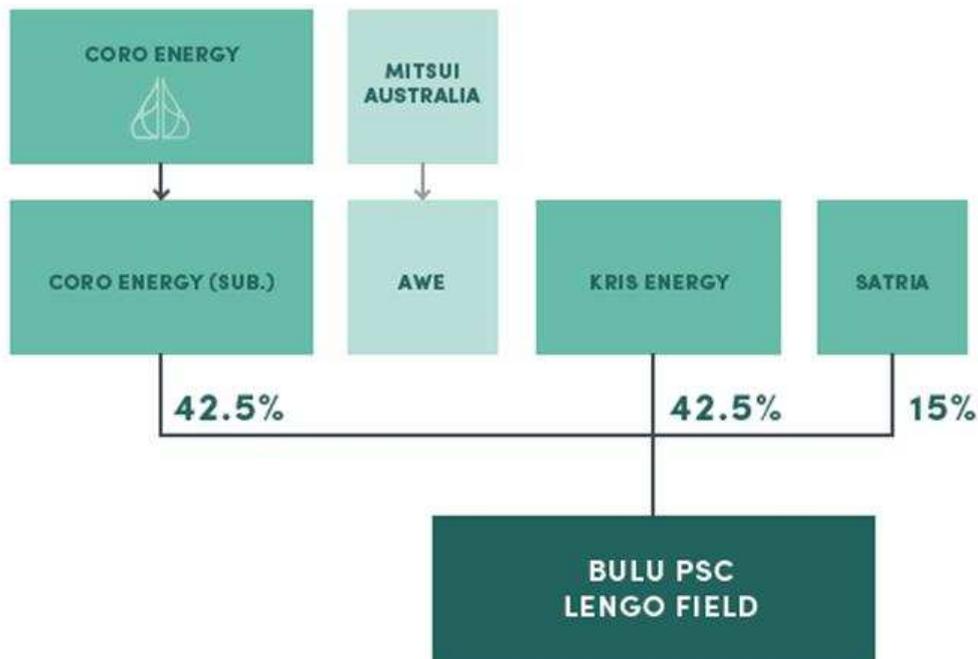
### New partners in the Bulu PSC

As a result of the completion of this deal and all appropriate government regulatory approvals, Coro will become a 42.5% equity holder in the Bulu PSC and the remaining holders will be:

- Kris Energy (operator) – 42.5%
- Satria Energindo (local partner) – 10%
- Satria Wijaya Kusuma (local partner) – 5%

The Bulu PSC has a term of 30 years and is not due to expire until October 2033.

### Bulu PSC equity partners after new SPA

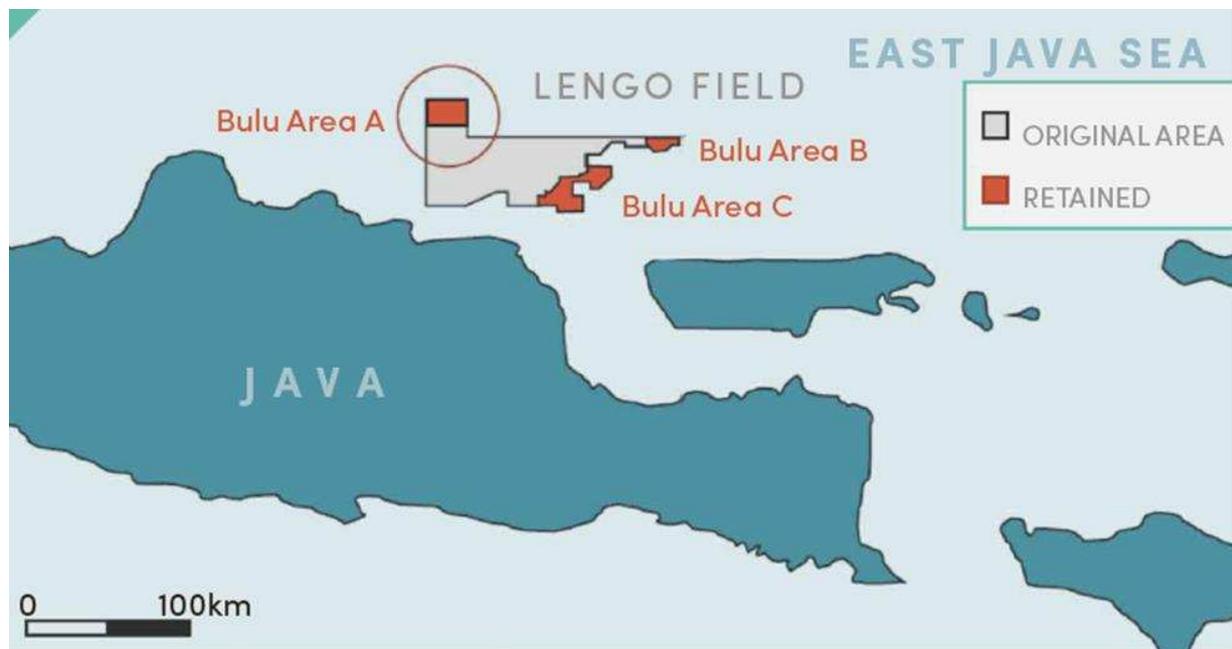


Source: Coro Energy

## The Lengo gas field – Bulu PSC

The Bulu PSC is located approximately 65km off the northeast coast of Java in Indonesia. The licence is located in shallow water depths of approximately 60 metres. The Lengo field was discovered in 2008 with the drilling of the Lengo-1 well which tested gas at rate of 12.9 mmcfd. The field was subsequently appraised by the successful Lengo-2 well which flow tested gas at a rate in excess of 21.2 mmcfd. The Lengo-2 well also confirmed a consistent gas to water contact at 780 metres and good reservoir properties across the whole structure. A development plan for Lengo was submitted to the Indonesia authorities in November 2014.

### Location of the Bulu PSC offshore Java



Source: Coro Energy

### Resources attributed to Lengo

The Lengo field reservoir is a Miocene-aged carbonate accumulation located at a comparatively shallow depth of approximately 700 metres. The reservoir is characterised by good porosity and permeability and the established gas-water contact across the entire field is coincident with a well-developed Direct Hydrocarbon Indicator on seismic data giving a high degree of confidence in the size and extent of the gas accumulation.

Following the successful appraisal well on the Lengo field, independent consultant, Netherland, Sewell & Associates certified that gross 2C as resources were 359 BCF with a comparatively narrow 1C to 3C range of 308 BCF to 420 BCF. The gas in place estimates imply a recovery factor of nearly 68% which is consistent with good quality reservoirs as outlined previously.

**Gas resources attributable to Lengo (BCF)**

Gas (BCF)	1C	2C	3C
Gas in place	470	531	599
Recoverable resources	308	359	420

Source: Netherland, Sewell & Associates (2015)

## The proposed development plan

The approved Lengo Plan of Development (POD) includes an initial four wells from a small unmanned platform. Produced gas would be transported approximately 65 km by 20 inch diameter pipeline to an onshore facility and a further 5 km of pipeline connection to a processing plant before delivery to customers. The POD envisages plateau gas production of up to 80 mmcfpd when all the production facilities are fully operational.

Coro estimates that such a project could incur development costs in the US\$200m – US\$250m range on a gross basis implying a net capex exposure to the company of at least US\$85m and possibly as much as US\$106.25m.

### Gas market dynamics

As is characteristic of the East Java hydrocarbon basin, the Lengo gas is approximately 67% methane and contains impurities including a CO<sub>2</sub> content of approximately 12% and a nitrogen content of 20%. However, East Java gas is typically ‘sweet’ with no H<sub>2</sub>S (hydrogen sulphide) content which requires additional processing to remove. The CO<sub>2</sub> content in particular is considered by Coro to be low in the context of the wider region and is understood to not impact the marketability of the gas.

Coro understands that potential buyers of Lengo gas are prepared to take delivery with or without the CO<sub>2</sub> content reduced. Potential customers for the gas include power generation, petrochemical manufacturers and also other fuel operators which require additional gas supply to make up shortfalls against their own delivery obligations (e.g. Take or Pay obligation shortfalls).

Gas prices in the East Java region have been reasonably strong in recent years although final prices received for produced gas are dependent on who the ultimate buyer is and whether the CO<sub>2</sub> content is reduced before delivery or not (removal of CO<sub>2</sub> implies a processing cost for the gas). As such, the pricing range of gas in the East Java region is quite wide at US\$5.50 – US\$8.00 per MMBtu (equivalent to US\$5.36 – US\$7.80 per mcf).

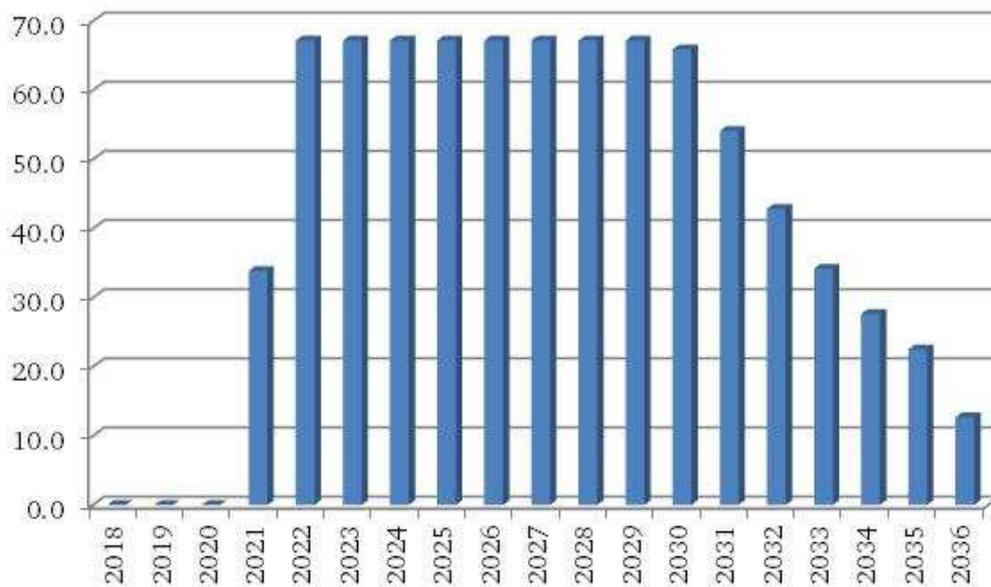
As outlined previously, the original Lengo field partners signed an MOU with an established gas trading company in January 2018 with a plan to supply customers on the Central-East Java pipeline route.

## Indicative valuation of Lengo

We have applied a range of variables to the Lengo field in order to ascribe an indicative initial valuation to Coro's 42.5% interest. As per the information already supplied by the company, we have assumed a development plan as described in the previous section of this report.

Although we anticipate that plateau gas output will be 80 mmcfpd, we have taken into account the CO<sub>2</sub> content of the gas and fuel losses associated with production and we are factoring in peak net gas sales of approximately 67 mmcfpd at peak production. Our production profile assumptions are outlined in the chart below.

**Lengo field - gross gas production (mmcfpd)**



Source: TP estimates

### Key operational variables

We have assumed a conservative gas price of US\$5.75 per mcf flat over the life of the field. This is very much at the lower range of gas prices in this region of East Java.

On costs, we have assumed total capex of almost US\$220m with the bulk of this incurred in 2020 prior to the completion of field production facilities and initial production in mid-2021. As outlined previously, this expenditure is predominantly related to the drilling of at least four development wells, platform facilities and pipeline infrastructure for the delivery of gas to customers.

Once plateau production has been attained, we have applied ongoing operating costs of slightly more than US\$20m per annum over the life of field.

### Fiscal terms applied

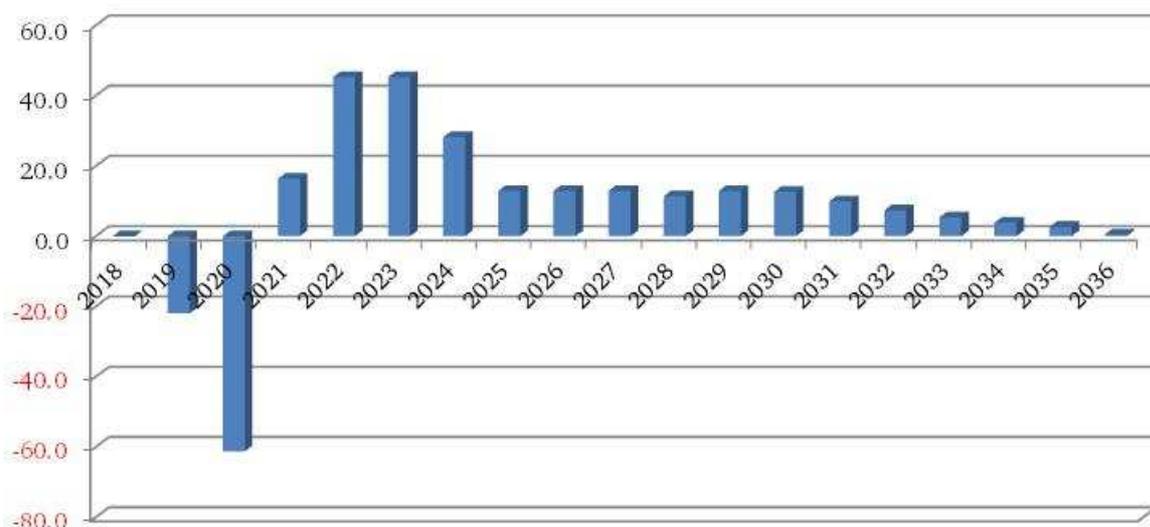
The Indonesian government applies a range of fiscal instruments to domestic oil and gas production and we have ascribed the following variables to Lengo field production in line with our understanding of the fiscal regime:

- First Tranche Petroleum (FTP) charge of 10% to gross field revenue
- Cost recovery starting balance of US\$100m (historical costs as outlined by Coro)
- 100% cost recovery of future costs
- Contractor/government share of profit gas – 62.5%/37.5%
- Domestic market obligation of 25% of contractor share of profit gas
- Corporation tax (CT) of 30% on taxable income
- Branch profits tax (BPT) of 20% on contractor income after corporation tax
- Effective rate of 44% (effect of CT and BPT combined on taxable profits)

### Indicative valuation

As a function of the variables outlined above, we have calculated an NPV (10%) of US\$50.1m attributable to Coro's 42.5% interest in the Lengo field. As implied by the fiscal dynamics of the PSC, contractor cash outflow is significant during the early years when field development capex is incurred. However, this trend is reversed sharply upon the commencement of initial production as the period of maximum cost recovery coincides with deferment of tax payable on profit gas until initial capex and historical costs are recovered. Post this period, there is steady cash flow attributable to the contractor over the life of the field as outlined below.

#### Coro – Net cash flow illustration



Source: TP estimates

## Coro's Italian asset portfolio

Coro Energy possesses an existing portfolio of legacy production and exploration assets in Italy. With reserves of 7.2 BCF and contingent resources upside of a further 23.3 BCF, the Italian business is very modest in the context of Coro's recent Indonesian acquisition. However, the company possesses three producing assets which provide modest cash flow to the company.

### Coro's Italian asset portfolio

Asset	2P Reserves (MMscm)	2C Resources (MMscm)	Total MMscm	Total BCF
Sillaro	61.5	31.3	92.8	3.3
Bezzecca	65.7	71.1	136.8	4.8
Sant' Alberto	58.9	0.0	58.9	2.1
Rapagnano	18.0	0.0	18.0	0.6
Casa Tiberi	1.0	30.7	31.7	1.1
Sant Andrea	0.0	54.7	54.7	1.9
Laura	0.0	401.6	401.6	14.2
Marciano	0.0	70.8	70.8	2.5
<b>Total</b>	<b>205.1</b>	<b>660.2</b>	<b>865.3</b>	<b>30.6</b>

Source: Coro Energy

### Production and development

Of the producing assets, the Bezzecca gas field (Coro: 90%) is located in northern Italy, approximately 35km east of Milan in the Cascina Castello Licence. This field commenced production in July 2017 and over the first six months of 2018, was producing approximately 550 mcfpd of gas, equivalent to c.16,000 scm/day (cubic metres). The field is currently suspended as the associated gas treatment plant is undergoing maintenance.

Coro also produces gas from the Sillaro gas field (Coro: 100%) located in the Emilia Romagna region some 30km east of the city of Bologna. Production from Sillaro commenced in May 2010 from two wells and over the first six months of 2018, was modest at around 300 mcfpd (c.9,000 scm/day). Sillaro recovery rates have exceeded expectations and the company has outlined plans to execute a sidetrack workover on one of the existing wells in order to increase and prolong production from this field. However, the field is currently suspended while the gas treatment plant is undergoing maintenance.

The onshore Rapagnano field is comparatively small and produces approximately 250-300 mcfpd of gas (c.8,000 scm/day) in the Marche region of central Italy.

The Sant'Alberto field (Coro: 100%), also located in Emilia Romagna, was awarded a production concession in October 2017 and Coro has outlined plans for initial production to be delivered via a low pressure connection approximately 260 metres from the well head.

### Exploration and appraisal assets

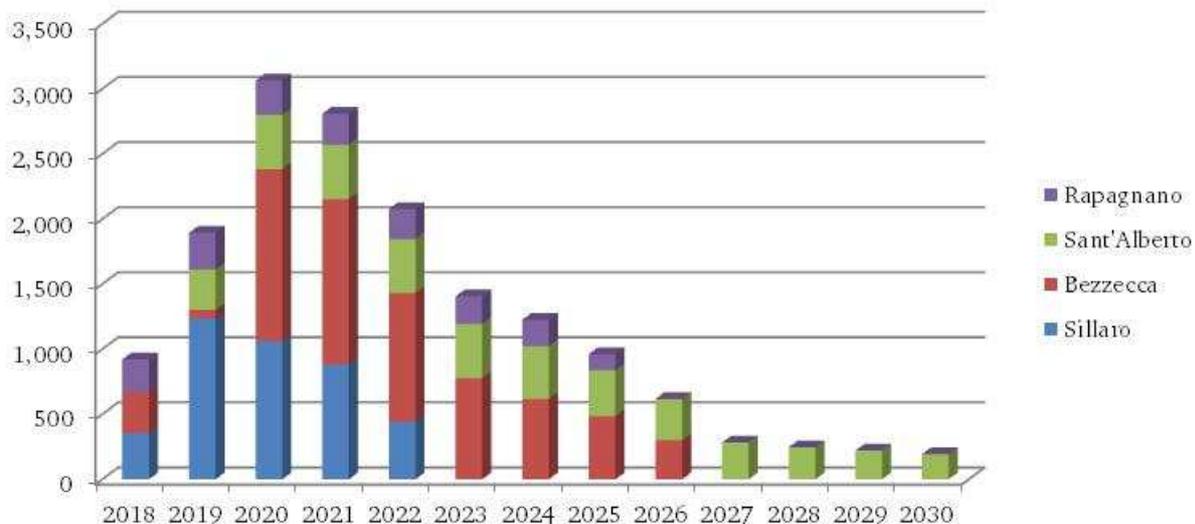
As outlined in the table above, Coro possesses exploration/appraisal upside across several assets, the largest of which is Laura located in the offshore region of the Adriatic Sea in southern Italy. Laura is located some 4 km from the coast in water depths of 197 metres and was discovered by ENI/Agip with the Laura-1 well in 1980. At this stage, we believe that Laura is non-core to Coro as the Italian government ministry has suspended the licence and therefore development plans are currently in hiatus.

## Valuation of the Italian portfolio

### Production and development assets

We have applied an NPV (10%) of €8.0m to Coro's interests in the Sillaro, Bezzecca, Sant'Alberto and Rapagnano fields. At this stage, we have elected to exclude Casa Tiberi reserves given that they are virtually exhausted, although we have applied a valuation to contingent resources on this asset. Within our assumptions, we have applied the aggregated production profile as outlined below.

#### Combined net Italian production - mcfpd



Source: TP estimates

### Key production variables

In order to boost production from Sillaro and Bezzecca as implied by our production profile, we have factored in expenditure on additional drilling on each field. In particular, we have included an additional sidetrack well on Sillaro in 2018 and an additional production well on Bezzecca expected to be drilled in 2020. We expect these to cost €2.5m - €3.0m net to the company.

Additionally we have factored in minor capex of less than €0.8m on Sant'Alberto in regard to the completion of gas processing facilities prior to the commencement of production in 2019.

To our gas production, we have applied an average gas price of €0.24 per million cubic metres, equivalent to approximately US\$6.80 per mcf of gas. Operating costs are largely fixed and vary between €160,000 per annum to €360,000 per annum depending on the field specific facilities.

After the application of state and regional taxation amounting to nearly 29% on profits, we arrive at an aggregate NPV (10%) of €8.0m for Coro's Italian development and production assets. Our NPV split between the fields is outlined in the table below.

### Reserves valuation

Licence	Status	Interest	Reserves (BCF)	NPV (€m)
Sillaro	Production	100%	2.2	1.9
Bezzeca	Production	90%	2.3	2.5
Sant Alberto	Development	100%	2.1	2.7
Rapagnano	Production	100%	0.6	0.9
<b>Total</b>			<b>7.2</b>	<b>8.0</b>

Source: Company

## Contingent resource upside

With Coro's strategy to grow the business in South East Asia, we have ascribed a token valuation to Coro's contingent resources base in Italy given that we believe that the focus of nearly all free cash flow generated within the business is likely to be absorbed by activities outside Italy. Nevertheless, the company possesses appreciable resource upside across its Italian acreage and we have applied a range of conservative variables to these resources in order to establish an indicative valuation.

We have applied a blended unit NPV of €1.11 per mcf to Coro's aggregate gas resources base and applied the range of technical risk factors as outlined in the CGG Services (UK) Limited CPR. This provides us with a risked NPV for the company's resource base of €20.3m. However, this is pared back by the application of commercial/non-technical risk factors relating more specifically to funding requirements and permitting risks. In particular, as we outlined previously, the Laura licence has been suspended indefinitely and as such, we have discounted the value of this asset to zero which reduces our aggregate findings significantly at this stage.

### Contingent resources valuation

Licence	Interest	Resources (BCF)	Unit NPV (€)	Unrisked NPV (€m)	Risk factor	Risk NPV (€m)	Commercial risk factor	Fully risked (€m)
Sillaro	100%	1.1	1.11	1.2	60%	0.5	50%	0.2
Bezzeca	90%	2.5	1.11	2.8	60%	1.1	50%	0.6
Casa Tiberi	100%	1.1	1.11	1.2	90%	0.1	50%	0.1
Sant Andrea	100%	1.9	1.11	2.1	90%	0.2	50%	0.1
Laura	100%	14.2	1.11	15.7	40%	9.4	100%	0.0
Marciano	100%	2.5	1.11	2.8	65%	1.0	50%	0.5
*Costa del Sole	100%	14.4	1.11	15.9	50%	8.0	50%	4.0
<b>Total</b>		<b>37.7</b>		<b>41.7</b>		<b>20.3</b>		<b>5.4</b>

Source: Company

\*Note that the Costa del Sole licence represents Coro's sole oil asset within its wider portfolio of gas interests. In our treatment of the indicative valuation of this asset, we have converted the 2C contingent oil resources of 2.4 mmbbls to 14.4 BCF using a standard conversion of 6,000 cubic feet of gas to one barrel of oil to enable direct comparison with the rest of Coro's portfolio.

*Note to reader: Unless otherwise stated, factual information in the note has been sourced from the company and opinions are those of the author.*

## Appendix - Board of Directors

### **James Parsons – Non-Executive Chairman**

James is CEO at Sound Energy and Non-Executive Chairman at Echo Energy. He has over 20 years' experience in the fields of strategy, management, finance and corporate development in the energy industry. He started his career with the Royal Dutch Shell group in 1994 and spent 12 years with Shell working in Brazil the Dominican Republic, Scandinavia, the Netherlands and London. James is a qualified accountant and has a BA Honours in Business Economics.

### **James Menzies - CEO**

James was the co-founder and CEO of South East Asia focused Salamander Energy from 2005 to 2015 when it was acquired by Ophir Energy for \$850m. He is a qualified geologist with over 30 years' industry experience, having held senior technical and commercial roles at Lasmo in the UK, Vietnam and Indonesia. James subsequently worked for boutique M&A house Lambert Energy in London before founding Salamander. James is a Non-Executive Director of Trinity Exploration.

### **Sara Edmonson – Deputy CEO**

Sara joined as CEO of Coro (formally Saffron Energy) on 1 November 2017 and prior to that was a NED of Saffron following its IPO Admission in February 2017. Sara was previously CEO of Po Valley Energy having joined the company in July 2010 as CFO. She is fluent in Italian, having previously worked both in Italy and internationally for EY Transaction Advisory Services. During her tenure at EY, Sara advised numerous blue chip corporate clients on transactions in Russia, Romania, Turkey and the US including the US\$5bn acquisition of DRS Technologies by Finmeccanica in 2008. She holds a BA from St John's University in New York City.

### **Fiona MacAulay – Non-executive Director**

Fiona has over 30 years of experience in the oil and gas industry and is currently the CEO of Echo Energy PLC. Former COO and Technical Director of Rockhopper Exploration plc, Fiona, a Chartered Geologist, started her career with Mobil North Sea Limited in 1985 and has subsequently held senior roles in a number of leading oil and gas firms, including Amerada Hess and BG. She is European President of the American Association of Petroleum Geologists.

### **Marco Fumagalli - Non-executive Director**

Marco is Managing Partner at Continental Investment Partners SA, a Swiss-based fund and cornerstone shareholder in Sound Energy and Echo Energy. He is a well-known Italian businessman who was previously a Group Partner at 3i. He is a qualified accountant and holds a degree in Business Administration from Bocconi University in Milan. He is a NED at Sound Energy and Echo Energy.

### **Ilham Akbar Habibe – Independent Non-executive Director**

Ilham is a qualified engineer and holds a PhD in aeronautical engineering from the Technical University of Munich and an MBA from the University of Chicago. He has been the CEO and President of a number of aerospace and other companies which he founded and has served as a scientist and lecturer at the Technical University of Munich. He has held senior positions at a number of Indonesian companies in the private sector, including CEO and President Director of PT. Ilthabi Rekatama and Commissioner of PT Citra Tubindo tbk. Ilham served as a NED at Sound Oil (now Sound Energy plc) and has been an Independent Commissioner of PT Intermedia Capital Tbk. He also has served as a NED of Hichens, Harrison (Asia) Ltd and serves as a Member of the Board of Commissioners at PT Malacca Trust Wuwungan Insurance and as a Director of PT Ilthabi Bara Utama.

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