


REPUBLIC OF SENEGAL <i>One People – One Goal – One Faith</i>	<p style="text-align: center;">MINUTES HEARING OF MR. MAMADOU FAYE</p>	CASE: Petro Tim Sénégal, Petro Tim Limited, Timis Corporation et Kosmos Energy Sénégal.		
NATIONAL ANTI-FRAUD AND ANTI-CORRUPTION OFFICE  INQUIRIES AND INVESTIGATION DEPARTMENT N ____/OFNAC/DEI		Piece		Folio
OBJECT-ANALYSIS and REFERENCES:	REDACTED			

REDACTED

STATEMENT:

“After completing my baccalaureat, I took electrical training at the Institute of Technology (Institut Universitaire et Technologie – IUT) in Dakar from 1976-1977. After obtaining a grant, I studied at the Algerian Institute of Oil between 1977 and 1982, from which I obtained a degree in engineering geophysics. I started working at PETROSEN in July 1983 as a junior engineer. I was assigned to other companies, such as UNOCAL, between 1991 and 1993. From 1996 to 2006 I was Promotion manager. Then I was sent to FORTESA between 2006 and 2010. I came back to PETROSEN in 2010 to work as Exploration and Production manager between 2010 and 2012, when I was named PETROSEN's CEO. A position that I currently hold.

Answer: How did you find out about the awarding the hydrocarbon prospecting, sharing and production licenses for the blocks of Deep Saint-Louis Offshore and Deep Cayar Offshore, and what role did you play in these negotiations?

Question: During a meeting with then-CEO Mr. Ibrahima MBODJI regarding a temporary assignment that I had to take for travel reasons, I was told about the signing of contracts for Deep Saint-Louis offshore and Deep Cayar Offshore with Petro Tim Limited. I was very surprised, since until March 2012, we had still been negotiating with the company Tullow Oil, and at no time were negotiations with a company name Petro Tim envisaged. It was the first time I had heard about this company.

As exploration and production manager, I am an ex-officio member of the commission of negotiation. In this instance, the case was not referred to the commission of negotiation. We have been faced with a fait accompli.

Question: Is such a procedure part of due process?

Answer: Compared to the practice defined in our procedural manual, no; but it is not contrary to the petroleum code, which did not expressly provide for a dedicated procedure. The Minister of Energy is not required to convene the commission of negotiation for the awarding of a license. He can rely on his discretionary power.

Question: Which measures did you take after starting as PETROSEN's Chief Executive regarding the award of oil prospecting licenses?

Answer: As soon as I took up my post, I tried to put our procedures in order. I also focused on promotion, pushing for companies to have a better understanding of the full potential on offer. In that case, I took our procedures for awarding blocks and licenses from those defined in the decree implementing the petroleum code. Now, when a company is interested in a block, we invite it to a presentation (data room) of the block's oil potential, and we explain how to apply for a license. In addition, we plan to call for tenders in high potential zones.

Question : As PETROSEN's CEO, can you confirm whether all the companies holding a license perform their contractual obligations properly? If so, can you provide us with a summary table of the commitments made?

Answer: There are a lot of companies which today are not up to date in their work or financial commitments. I will send you a summary table of all the companies as of June 30, 2016. Under current legislation, it is extremely difficult to force companies defaulting during ongoing exploration to pay penalties.

Question: Does PETROSEN hold bank accounts in currencies (euro and dollar) abroad?

Answer: Yes, since 1990 there has always been an account open under PETROSEN's name at the Societe General in Paris, to pay for goods and services from foreign companies. However, this account has been closed since 2013, for unknown reasons.

Question: Can you provide us with all documents authorizing the opening of this account and related to its movements, as well as anything else related to this account?

Answer: I will send you these documents related to the management of the account later on.

Question: What about the 400 million dollars of Kosmos Energy Senegal's money mentioned in the press and by some denouncers, for 60% of the shares held by Timis Corporation for the Deep Saint-Louis Offshore and Deep Cayar Offshore blocks?

Answer: In the prospecting and production sharing contract, Timis Corporation undertook to do 4,000 km² of 3D seismic imaging and two (2) exploration drillings. It negotiated this project with Kosmos, which agreed to carry it out. Kosmos' final commitment included 7,000 km² of 3D imaging for an investment of 40 million dollars and the firm commitment to two (2) drillings, for a total of two-hundred and fifty million (250,000,000) dollars. There was an option for a third drilling that Kosmos could conduct on its own for one-hundred and ten million (110,000,000) dollars. All these investments amounted to a total of four-hundred million (400,000,000) dollars. It is not about the cash paid to Timis Corporation but rather operations performed by Kosmos which are linked to Petro Tim's initial obligations in the contracts. These investments are not subject to tax because they are not part of what we call the upstream, which always precedes the production phase, in accordance with the petroleum code.

Question: Do you have anything else to day?

Answer: I would like to say that we must keep the two existing codes – the petroleum code (law 98-05 of January 8, 1998) as well as law 98-31 of April 1998 – related to the hydrocarbon code (refining, importation, distribution, transport) and also the environment code, customs code, and tax code, while still improving them. Regulating oil operations is also planned to make the petroleum code more effective and better adapted to the current context.

«That is all I have to declare ».

The same day, at 04.25pm, following the reading of the above statement, which I confirm and sign, having nothing to change, add or amend.

The person interviewed

The investigators