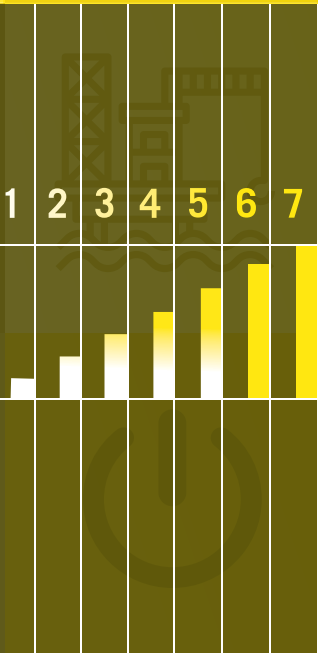


PROSPECTUS

INVEST WISELY: BE PART OF SUCCESS

STAATSOLIE **BOND** 2020-2025/2027
USD 150 MILLION



ARRANGER
DSB DE SURINAAMSCHE BANK

STAATSOLIE
CONFIDENCE IN OUR OWN ABILITIES

STAATSOLIE MAATSCHAPPIJ SURINAME N.V.

Trade Register number (Suriname) 15741

USD 150,000,000

LISTED Class A and Class B Unsecured Bonds

Class A1 - fixed interest rate 7.00% per annum, maturing 23 September 2025

Class A2 - fixed interest rate 7.50% per annum, maturing 23 March 2027

Class B1 - fixed interest rate 7.00% per annum, maturing 23 September 2025

Class B2 - fixed interest rate 7.50% per annum, maturing 23 March 2027

Subscription Period:

From 5 February 2020 at 11:00 AM local time in Curaçao and 12:00 PM local time in Suriname up to and including 5 March 2020 at 17:00 PM local time in Curaçao and 18:00 PM local time in Suriname

Arranger:

De Surinaamsche Bank N.V. (Trade Register no. (Suriname) 1044)

Listing Advisor & Curaçao Legal Counsel:

VanEps Kunneman VanDoorne (Trade Register no. (Curaçao) 87475)

DCSX Global Custodian:

Vidanova Bank Custody Foundation (Trade Register no. (Curaçao) 109827)

Bond & Paying Agent:

De Surinaamsche Bank N.V. (Trade Register no. (Suriname) 1044)

Date of this Prospectus:

29 January 2020





STAATSOLIE

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IMPORTANT NOTICE

Dear Investor,

This Prospectus and the accompanying appendices and documents (together the “**Prospectus**”) have been prepared by Staatsolie Maatschappij Suriname N.V. (the “**Company**” or “**Staatsolie**” or the “**Issuer**”) in connection with the issuance of USD unsecured bonds for a principal amount of USD 150,000,000 (the “**Bonds**” and the issuance thereof the “**Bond Issue**”) to be listed on the exchange operated by the Dutch Caribbean Securities Exchange N.V. (“**DCSX**” and such exchange the “**DCSX Exchange**”). Staatsolie applied for the Bonds to be listed on the DCSX Exchange. Staatsolie has mandated VanEps Kunneman VanDoorne (“**EKVD**”) to act as listing advisor in connection with the listing of the Bonds on the DCSX Exchange.

The Prospectus is prepared by Staatsolie in connection with the proposed Bond Issue for the sole purpose of providing information to assist the recipients’ understanding of Staatsolie’s business and the Bonds. Accordingly, this Prospectus may not be reproduced or used (in whole or in part) for any other purpose, nor furnished to any person other than those to whom copies have been so submitted.

Staatsolie accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of Staatsolie (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and no facts or circumstances have been omitted which would render the information contained in this Prospectus as a whole untrue or misleading.

A potential investor should not consider any information in this Prospectus to be legal, business or tax advice. Each potential investor should consult its own attorney, business, investment and/or tax advisor for legal, business, investment and/or tax advice regarding an investment in the Bonds.

Each potential investor must determine (and be deemed to have determined) its own interest in investing in the Bonds based upon such independent investigations, as it deems necessary for the purpose. Recipients shall not be entitled to use any of the information otherwise than for the purpose set out above. Each potential investor receiving this Prospectus acknowledges when subscribing for the Bonds or trading in the Bonds that: (i) such investor has been given an opportunity to review the Prospectus and the Bond Agreement including the applicable terms and conditions and has received, all additional information considered to be necessary by such investor to verify the accuracy of, or to supplement, the information contained herein; (ii) such investor has not relied on Staatsolie or any person affiliated with Staatsolie in connection with any investigation of the accuracy of such information or its investment decision; and (iii) no person has been authorized to give any information or to make any representation concerning Staatsolie, its subsidiaries and affiliates or the Bonds (other than as contained herein and information given by duly authorized officers and employees of Staatsolie in connection with investors’ examination of Staatsolie and the terms of the offering of the Bonds) and, if given or made, any such other information or representation should not be relied upon as having been authorized by Staatsolie.

All forecasts and projections in this Prospectus are illustrative exercises using the assumptions described. The actual outcome may be materially affected by changes in economic or political conditions and other circumstances that cannot be foreseen. The reliance that can be placed upon forecasts and projections is a matter of commercial judgment. No representation or warranty is made by Staatsolie that the forecasts and projections contained in the Prospectus will be achieved. In this Prospectus, certain agreements may be referred to and described in summary form. The summaries do not purport to be complete or, necessarily, accurate descriptions of the full agreements.

Staatsolie is not making an offer to sell the Bonds in any jurisdiction except where an offer or sale is permitted. The distribution or possession of the Prospectus and the offering, sale and delivery of the Bonds in or from certain jurisdictions may be restricted by law, as set out in the Offer & Selling Restrictions below in chapter 2 (*Subscription procedures and selling restrictions*). Also, prospective investors' attention is drawn to the section entitled "**Risk Factors**" as set out in chapter 9 (*Risk factors*).

Staatsolie's Authorized Brokers, EKVD and the Bond & Paying Agent expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention.

Neither the Central Bank of Curaçao and Sint Maarten ("**CBCS**") nor the Central Bank of Suriname ("**CBvS**") have examined or approved the contents of this document. For this Bond Issue an exemption from the CBCS applies and, consequently, the Issuer, this document, any offering made or to be made in respect of the Bonds and any investment in the Bonds are not subject to any supervision by CBCS. Furthermore, that exemption is not intended as a basis for any valuation of the Bonds and may not be considered as a recommendation to recipients of this Prospectus to invest in the Bonds.

DCSX has only reviewed this document pursuant to the standard listing requirements for bonds on the DCSX Exchange. The approval of this Prospectus by the DCSX does not constitute an approval of its content or an approval to invest in the Bonds nor an indication of the risks related to the Issuer and/or the Bonds. The approval of the DCSX means that the Prospectus contains the information required according to the rules and regulations of the DCSX and is presented in accordance with the format requirement of the DCSX.



1

EXECUTIVE SUMMARY

1.1 BACKGROUND

Staatsolie is a limited liability company incorporated in 1980 and domiciled in Suriname. Staatsolie is vertically integrated across the energy value chain and its core activities are crude oil exploration and production, refining, retail fuel distribution and power generation.

In addition to its core business activities, Staatsolie has a 25% limited partnership interest in Suriname Gold Project C.V. (the “**Merian Partnership**”) in relation to the Merian gold mine (the “**Merian Project**”). Newmont Suriname, LLC (“**Newmont**”) is the managing partner of the C.V. with a 75% interest in the Merian Partnership. Commercial operations started in late 2016 and first full year production was reached in 2017.

Staatsolie also has taken the decision to enter into a 30% partnership agreement with IAMGOLD’s Rosebel Gold Mines N.V. (“**RGM**”) regarding the Pikin Saramacca gold mining operation (the “**Saramacca Project**”) for which commercial operations will commence in April 2020. Negotiations to reach an agreement on the terms and conditions of the partnership are expected to be finalized before April 2020.



Furthermore, Staatsolie's subsidiary Staatsolie Power Company Suriname ("**SPCS**") has recently become the owner of the Afobaka hydro dam ("**Afobaka Dam**") previously owned by the Alcoa Corporation ("**ALCOA**") and its subsidiary Suralco. The ownership of the Afobaka Dam was transferred to SPCS in January 2020 at no cost.

The integrated and low-cost nature of Staatsolie's oil business combined with investments in gold and power generation creates a diversified revenue base that mitigates cash flow volatility across the commodity price cycle, and results in a financial resilience that is rather unique in the industry. Although wholly owned by the Republic of Suriname, Staatsolie is managed independently by a group of highly experienced oil professionals from the private sector with involvement by the Government of Suriname ("**Government**") only in accordance with the articles of association of the Company.

1.2 FINANCIALS

Staatsolie has been profitable for the past 39 years except for the years 1991, 1998, and 2016, when oil prices were historically low. The sharp decline in oil prices in 2016 combined with the time needed to bring on-stream substantial investments in the refinery expansion and the Merian Project during the year, negatively impacted revenues and profits. As evidenced by the Company's audited financials¹, revenues and EBITDA have experienced a 12% and 35% CAGR², respectively, for the period 2016-2019³. For 2019⁴, Staatsolie recorded consolidated revenues of USD 499 million, an EBITDA⁵ of USD 377 million, an EBITDA margin of 76%, a profit before tax of USD 184 million, a net profit of USD 123 million, a consolidated year-end balance sheet total of approximately USD 2.2 billion with equity of USD 1.3 billion, a DSCR⁶ of 4.6x, a consolidated Debt/EBITDA leverage ratio of 1.9x and a Debt/Capital ratio of 35% . The acquisition of the Saramacca Project and the Afobaka Dam will expectedly, on average and per year, result in an additional EBITDA of USD 33 million and USD 23 million respectively, further improving the earning capacity of Staatsolie. The new Sabajo mine, part of the Merian Partnership, will also enhance the Company's EBITDA, for an amount still to be confirmed.

The majority of sales are in United States Dollars ("**USD**"). Offshore USD receivables from gold and oil sales are collected in the Company's offshore accounts. Approximately 80% of Staatsolie's sales are in USD; 75% are paid into offshore USD accounts and 5% are paid into local USD accounts. Approximately 20% of all sales are in Suriname Dollars ("**SRD**"). All SRD inflow is used to fulfill SRD obligations and as such effectively no SRD currency exposure exists. All payments of interest and principal of Staatsolie to the Bondholders under the Bond Issue described hereunder are made from one of the Company's offshore accounts.

1. Audited consolidated IFRS financial statements for the years 2016, 2017 and 2018 are available on the website: www.staatsolie.com. 2019 financials are based on Q3-reviewed financials (available on www.staatsolie.com) and unaudited Q4 financials.
2. Compounded Annual Growth Rate.
3. Year 2016 has been used as the first year, since Staatsolie transitioned from US-GAAP to IFRS reporting starting 2016.
4. 2019 financials are based on Q3-reviewed financials and unaudited Q4 financials.
5. EBITDA is calculated by adding back interest, taxes, depreciation and amortization to net income.
6. DSCR is defined as EBITDA divided by Total Debt Service.

1.3 EXCLUSIVE CONCESSION RIGHTS

Staatsolie holds the exclusive concession rights for exploration and production of all onshore and offshore hydrocarbon reserves in Suriname, giving it an effective monopoly in most oil activities, although its monopoly does not extend to retail distribution.

In addition to its commercial activities, Staatsolie acts on behalf of the Government as the regulator of the Surinamese petroleum sector. In this capacity, Staatsolie is assessing Suriname's offshore hydrocarbon potential and is promoting, contracting and supervising oil-related activities carried out under production-sharing agreements ("PSA") concluded between Staatsolie and international oil companies ("IOC's"). Offshore exploration is carried out by major IOC's and nimble independents, including Apache Suriname, Kosmos Energy, Equinor, ExxonMobil, Hess, Cairn Energy, Tullow Oil, Petronas, Chevron, Pluspetrol, and Ratio Oil Exploration.

In September 2019, Apache Suriname started drilling the Maka Central #1 well in offshore Block 58, close to the recent oil discovery by ExxonMobil in Guyana; which is the largest offshore oil discovery in the world since 2015, at approximately 6 billion barrels of recoverable oil reserves. At an initial production level of 120,000 barrels⁷ of oil per day and an estimated oil price of USD 50 per barrel the estimated initial revenue is more than USD 2 billion per year.

Guyana and Suriname share the Guyana-Suriname Basin⁸, and Staatsolie believes that the large discoveries in the offshore area of Guyana are an indication of the high potential for Suriname's deep offshore as well. During 2020-2021, 6 other wells will be drilled in the Suriname offshore area.

The expectation of a material oil find was confirmed on January 7, 2020, when Apache Corporation and Total S.A. announced a significant oil discovery at the Maka Central #1 well drilled in offshore Suriname on Block 58. Based on the increase of Apache's share price, it seems that the market is expecting this first oil find to be significant⁹.

The recent offshore oil discovery has not been incorporated in the forecasted results in this Prospectus.

7. As announced in Oilnow.gy December 2019.

8. With an estimated resource potential of 13.6 billion barrels according to the United States Geological Survey 2012.

9. We refer to the Apache Corporation website www.apachecorp.com for further information.

1.4 INVESTMENT PROGRAM

Staatsolie has decided to carry out an investment program of approximately USD 1 billion for the years 2020-2027 (the “Investment Program 2020-2027”), in order to sustain its current production and profitability level, and to facilitate its further expansion into gold mining and electricity generation. This investment program does not include future investments relating to the recent offshore oil discovery.

TABLE 1 INVESTMENT PROGRAM 2020 – 2027 AND FINANCING

(X USD 1 MILLION)	2020	2021	2022	2023	2024	2025	2026	2027	TOTAL
UPSTREAM	116	99	85	85	85	85	85	85	725
DOWNSTREAM & OTHER	30	29	33	43	13	38	38	38	262
NEW PROJECTS	52	2	2	2	2	2	2	2	66
TOTAL INVESTMENT	198	130	120	130	100	125	125	125	1,053
FINANCING									
INTERNAL CASHFLOW	148 ¹⁰	130	120	130	100	125	125	125	1,003
EXTERNAL DEBT (NEW)	50								50
TOTAL	198	130	120	130	100	125	125	125	1,053

The Investment Program 2020-2027 is intended to achieve the following key objectives:

- maintain a reserve replacement ratio of at least 1 on a 5-year rolling average basis, by implementing new/secondary techniques to improve the recovery of oil onshore;
- sustain crude production at 6 million barrels oil per year via new production wells and smart field projects that reduce costs and increase efficiency;
- gradually increase the production of ultra-low sulfur diesel and gasoline from 2.8 million to 3.4 million barrels on an annual basis;
- add the Afobaka Dam to the power generating assets of SPCS thereby increasing Staatsolie’s power generating capacity from 30% to 75% of Suriname’s total energy consumption;
- maintain the 25% participation in the Merian Partnership, fund associated capital expansions in the new Sabajo mine and further expand Staatsolie’s interest in gold mining by acquiring a 30% participation in the Saramacca Project.

10. Assuming renewal of the Staatsolie 2015 Bond of USD 99.1 million maturing in May 2020.

1.5 BOND ISSUE AND PURPOSE

Based on this Prospectus, Staatsolie seeks to raise USD 150 million. The proceeds of the Bond Issue will be used to refinance the USD 99.1 million, 7.75% fixed interest 2015-2020 bonds of Staatsolie maturing in May 2020 (“**Staatsolie Bonds 2015**”). The remainder (also referred to as ‘external debt (new)’ in Table 1) will be used to fund the Investment Program 2020-2027 including the Saramacca Project. In the event of oversubscription, proceeds will subsequently be allocated to accelerate execution of the Investment Program 2020-2027 and partially prepay the Term Loan.

The proceeds from this Bond Issue will supplement internal cash flow and will enable Staatsolie to make the scheduled investments to realize the key objectives of the Investment Program 2020-2027.

TERM SHEET BOND ISSUE

Amount	USD 150,000,000
Denominations	<ul style="list-style-type: none"> Class A: Denomination: USD 100 Class B: Denomination: USD 30,000
Maturity and interest	<ul style="list-style-type: none"> Tranche 1 (Class A1 and B1): 5½ years, fixed interest rate 7.00% per annum, maturing 23 September 2025 Tranche 2 (Class A2 and B2): 7 years, fixed interest rate 7.50% per annum, maturing 23 March 2027
Interest payment	Semi-annually on 23 March and 23 September, commencing on 23 September 2020
Debt Service Reserve Account	The financing will benefit from an offshore debt service reserve account (“ DSRA ”) that will be funded monthly to secure each semi-annual interest payment
Public Exchange	Dutch Caribbean Securities Exchange
Subscription period	5 February 2020 up to and including 5 March 2020
Governing Law	Laws of Curaçao

In the coming years, Staatsolie expects to have the opportunity to make additional and very profitable investments in oil production, requiring further funding through debt and possibly equity. As the local Surinamese market is not large enough to facilitate such funding, the Company needs to develop a new and larger financing capacity in the region and worldwide. For this reason, Staatsolie decided to do a first international listing on the DCSX Exchange in Curaçao. The step towards the DCSX Exchange will allow Staatsolie to offer its existing Bondholders base an improved investment instrument that is listed, and therefore more easily tradeable and more liquid. At the same time, it will allow investors residing outside of Suriname the first chance to participate in the Company’s funding program, which will broaden Staatsolie’s investors base. The DCSX Exchange listing will serve as a stepping-stone towards the international capital markets.

1.6 KEY CONSIDERATIONS FOR INVESTORS

Staatsolie is offering publicly tradeable Bonds which are attractive for reasons that include, but are not limited to:

- **Credit history and repayment capacity**
 - As of 31 December 2019, the total debt comprises of the existing Staatsolie Bonds 2015 with an outstanding principal amount of USD 99.1 million and an outstanding term loan (the “Term Loan”) of USD 600 million. Staatsolie has met all payment obligations and loan covenants under the Term Loan agreement as well as all payment obligations to its Bondholders since the first bond issue in 2010;
 - Consolidated Debt/EBITDA leverage ratio of 1.9x for 2019, reducing to 0.4x by 2027;
 - A forecasted DSCR increasing from 2.6 to 24 from 2020 to 2027;
 - The Bond Issue will benefit from monthly reservations of the interest payments deposited to an offshore DSRA to secure each semi-annual interest payment.

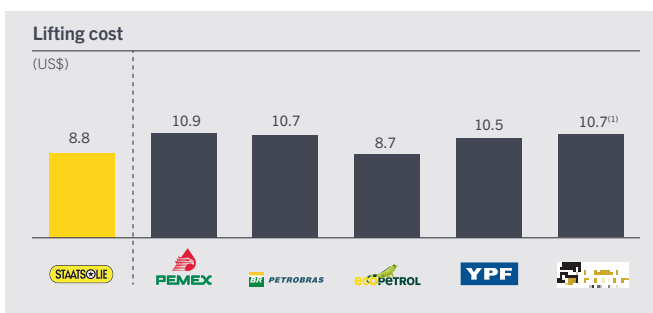
- **Domestic and international position**
 - Well-managed company with independent management and excellent track record;
 - Many partnerships with reputable global players; IOC’s such as ExxonMobil, Chevron, Total and Hess and banks such as Credit Suisse, ING Bank and First Caribbean International Bank/CIBC;
 - Only oil producing and refining company and largest supplier of fuel oil and refined products in Suriname;
 - Power generation increased from 30% to 75% of Suriname’s total energy consumption.

- **Reserve life and operating metrics**
 - Nearly 75 million barrels (USD 4.5 billion at current prices) of oil reserves as of 31 December 2018, representing a reserve life of 12.5 years and nearly 5 million ounces (USD 1.8 billion at current prices for Staatsolie’s current stake of 25%) of gold reserves representing a mine life of up to 13 years;
 - Lifting cost of crude oil of USD 8.80 per barrel for 2018 and all-in sustaining cost for gold of on average USD 820 per ounce, both considered to be in the lowest cost quartile for the region.

- **Position in Suriname**
 - One of the leading companies in Suriname supported by a well-defined public image;
 - Contributed USD 150 million in dividends, taxes and gold royalties in 2018 towards the Government’s budget and USD 355 million to the net balance of payments;
 - Staatsolie declared 50% of the consolidated net income (as defined in the Term Loan agreement) for dividends, with due observance of the conditions of the Term Loan agreement. The remainder of the net income was used to strengthen Staatsolie’s equity capital. Net dividends paid to the Republic of Suriname is a result of a settlement mechanism whereby all receivables from the Republic of Suriname and all payables to the Republic of Suriname are netted;
 - With the new refinery in full operation since 2015, Suriname has largely ceased to import refined products and is now a net exporter of oil.

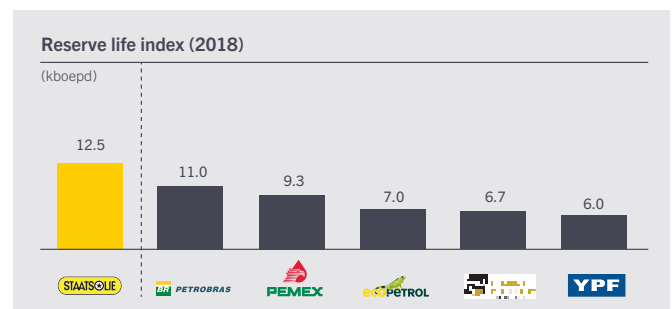
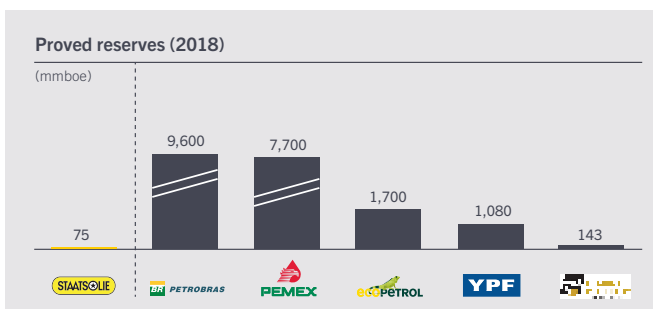
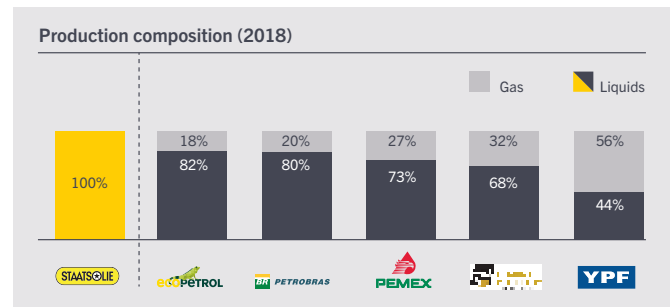
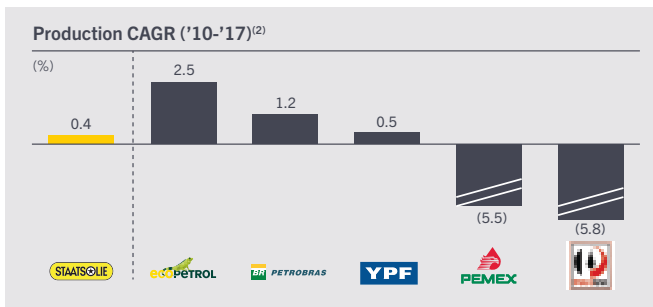
- Peer review: according to Credit Suisse's 2018 peer comparison overview Staatsolie has, when adjusted for scale, excellent reserve quality, is the lowest cost producer in the region and is financially sound.

CREDIT SUISSE 2018 PEER COMPARISON OVERVIEW



Matrix

	STAATSLIE	ecopETROL	YPF	PETROBRAS	PETROTRIN	PEMEX
Upstream	✓	✓	✓	✓	✓	✓
Midstream	✓	✓	✓	✓		✓
Refining	✓	✓	✓	✓		✓
Downstream	✓		✓	✓	✓	✓
EBITDA margin (%)	52%	43%	35%	35%	44%	34%



Source: Staatsolie, PEMEX, Petrobras, Ecopetrol, YPF, Petrotrin annual 2018 reports.

Note: Petrotrin information based on February 2017 production.

- Based on four-month actual numbers, includes all productions costs and other income. Does not include royalties as per peers lifting cost calculations.
- No Heritage information available for Production CAGR.



SUBSCRIPTION PROCEDURES AND SELLING RESTRICTIONS

This chapter describes the subscription procedures and selling restrictions applicable to the Bonds.

Applications to purchase Bonds cannot be made to the Issuer directly. Bonds will be issued to interested investors in accordance with the arrangements in place between the Issuer and the Authorized Brokers, including arrangements as to the application process, allocations, and payment and delivery arrangements.

Interested investors should approach the relevant Authorized Brokers to discuss any application or purchase arrangements that may be available. After expiry of the Subscription Period, no additional Bonds will be issued. The Bonds will be traded on the DCSX Exchange through the engagement of the Authorized Brokers.

The following shall apply:

Offering and Listing	The public Bonds offering of Staatsolie will be executed via the DCSX Exchange and will be bound by the rules and regulations of the DCSX. DCSX is subject to supervision by the CBCS.
Subscription Period	The subscription period commences on 5 February 2020 at 11:00 AM local time in Curaçao and 12:00 PM local time in Suriname and terminates on 5 March 2020 at 17:00 PM local time in Curaçao and 18:00 PM local time in Suriname (the “ Subscription Period ”). Staatsolie reserves its right to request the DCSX to extend this Subscription Period in order to facilitate investors.
Authorized Brokers	The authorized brokers (the “ Authorized Brokers ”) are: <ul style="list-style-type: none">• De Surinaamsche Bank N.V.; and• Vidanova Bank N.V.

<p>Current Bondholders</p>	<p>Current holders of Staatsolie Bonds 2015 (the “Current Bondholders”) that are interested in Bonds are eligible to trade in their Staatsolie Bonds 2015 at De Surinaamsche Bank N.V. for the aggregate value of Staatsolie Bonds 2015 held in accordance with the trade-in procedures set out below (<i>Trade-in Staatsolie Bonds 2015</i>), subject to payment of the Lump Sum Remaining Interest as defined hereafter.</p> <p>“Lump Sum Remaining Interest” means compensation for the early redemption pursuant to trade-in of the Staatsolie Bonds 2015 to be paid on the issue date of the Bonds, being 23 March 2020 (the “Issue Date”) to the relevant Current Bondholders, which is equal to the difference between the interest rate for the Staatsolie Bonds 2015 and the interest rate on the Bonds subscribed for, applied to the period from the Issue Date up till May 14, 2020, <i>plus</i> the interest on the Staatsolie Bonds 2015 due until the issue Date. In addition, hereto, Current Bondholders are entitled to subscribe for more new Bonds in consideration of cash payment in accordance with this Prospectus.</p> <p>The Current Bondholders that will not participate in the Bond Issue will be redeemed at maturity date 14 May 2020 for the principal and interest in accordance with their current terms and conditions.</p>
<p>Trade-in Staatsolie Bonds 2015</p>	<p>Current Bondholders that choose to subscribe for new Bonds in consideration of Staatsolie Bonds 2015 (not in cash) shall indicate in the subscription documentation that he/she/it submits his/her/its Staatsolie Bonds 2015 in consideration of (i) the issue of new Bonds and (ii) the Lump Sum Remaining Interest payment.</p> <p>When the Current Bondholders are confirmed to be eligible to trade in their Staatsolie Bonds 2015, De Surinaamsche Bank N.V. shall accordingly register the submitted Staatsolie Bonds 2015 as submitted for redemption in the relevant registers of the Staatsolie Bonds 2015.</p> <p>In addition, Current Bondholders are entitled to subscribe for more new Bonds in consideration of cash payment in accordance with this Prospectus.</p>

<p>Subscription</p>	<p>To subscribe for Class A Bonds, an investor has to reside in Suriname and must have an account as required by the DCSX Exchange (a “Securities Account”) with De Surinaamsche Bank N.V. (or have an account at a local bank where the subscription takes place, which in turn has a Securities Account with De Surinaamsche Bank N.V.).</p> <p>To subscribe for Class B Bonds, an investor residing in Suriname or Curaçao must have a Securities Account with either De Surinaamsche Bank N.V. or Vidanova Bank N.V. (or have an account at a local bank where the subscription takes place, which in turn has a Securities Account with De Surinaamsche Bank N.V. or Vidanova Bank N.V.).</p> <p>Both Class A and Class B Bonds shall be available in two tranches: Tranche 1: 5½ years, fixed interest rate 7.00% per annum and Tranche 2: 7 years 7.50%, fixed interest rate per annum.</p> <p>Investors who want to subscribe for Class B Bonds using their bank account in Suriname, can only do so through the engagement of De Surinaamsche Bank N.V. as Authorized Broker.</p> <p>Subscriptions for the Bonds may only be made during the Subscription Period.</p> <p>If an investor decides to subscribe to one or more Bonds under the conditions of this Prospectus, he/she/it should contact the relevant Authorized Broker (whether or not via their local bank), request for such a Securities Account and submit the completed and duly signed subscription documentation as provided to him/her/it by the Authorized Broker. All investors are subject to the client acceptance and compliance policies of the respective Authorized Broker (whether or not via their local bank).</p> <p>Subscription automatically implies the obligation to pay for the Bonds allotted to the investor (the “Subscription Price”) in accordance with the Payment Procedure set out below. Depending on the relevant facts and circumstances of the investor, a subscription fee, value added tax, a foreign exchange license fee and/or other transaction related fees and taxes may apply.</p>
<p>Allotment</p>	<p>Staatsolie has the right to proceed with the Bond Issue also if the total principal amount of the Bonds (USD 150,000,000) (the “Principal Amount”) is not fully subscribed for.</p> <p>Staatsolie has the right to issue Bonds for an amount in excess of USD 150,000,000 if the Bond Issue is oversubscribed.</p> <p>Within 3 business days after the closing of the Subscription Period (as defined above), the Authorized Brokers will receive a notification about the number of Bonds allotted to them. The Authorized Brokers will have the responsibility to inform their clients of their corresponding allotment and collect related funds for the investment. The Authorized Brokers should also inform their clients in case of no allotment.</p>

<p>Allotment Methodology</p>	<p>Current Bondholders have the preferential right up to the amount of USD 99,142,100:</p> <ul style="list-style-type: none"> the Current Bondholders that have subscribed for Bonds will receive first allotment up to the value of the Current Bonds subscribed for by them under the Staatsolie Bonds 2015; any remaining amount up to USD 99,142,100 will be allotted under the Current Bondholders that have subscribed for Bonds up to the amount of USD 99,142,100. <p>In the event that the subscriptions exceed USD 99,142,100 allotment will be under Current Bondholders and new subscribers in accordance with their subscription.</p>
<p>Payment Procedure</p>	<p>The payment period commences on 9 March 2020 at 07:00 AM local time in Curaçao and 08:00 AM local time in Suriname and terminates on 20 March 2020 at 11:00 AM local time in Curaçao and 12:00 PM local time in Suriname (the “Payment Period”).</p> <p>During the Payment Period, the investors need to have paid the Subscription Price as follows:</p> <ul style="list-style-type: none"> new investors should ensure there are sufficient investable funds in cash in the Securities Account with their Authorized Broker(s) (whether or not via their local bank); Current Bondholders who have subscribed for Bonds in consideration of their Staatsolie Bonds 2015 (trade-in) should ensure that their Staatsolie Bonds 2015 are registered by De Surinaamsche Bank N.V. (whether or not via their local bank) as submitted for redemption in accordance with the trade-in procedure set out above. The amount due (plus subscription fee, value added tax, a foreign exchange license fee and/or other transaction related fees and taxes, if any), needs to be paid in full, whether in cash or in Staatsolie Bonds 2015. No interest will be paid to investors, for the period between the Payment Date and Issue Date (other than as part of the Lump Sum Remaining Interest).
<p>Issuance</p>	<p>On the Issue Date the central securities depository and custodian of the DCSX Exchange (the “DCSX Global Custodian”) will proceed with the electronic registration of the Bonds and will issue a registration confirmation to the Authorized Brokers. The investor receives a registration notification from his/her/its Authorized Broker. There will be no physical Bonds.</p>
<p>Management & Payments</p>	<p>For this Bond Issue, De Surinaamsche Bank N.V. has been appointed as bond agent and paying agent (the “Bond & Paying Agent”).</p> <p>The Bond & Paying Agent will monitor compliance of Staatsolie with all its obligations and will act as fiduciary of the Bondholders. The exact responsibilities of the Bond & Paying Agent are delineated in the Bond Agreement. The Bond & Paying Agent will ensure that interest and principal payments are made in a timely fashion.</p>

Amendment & Cancellation	Staatsolie has the right to cancel the Bond Issue without prior notification or further explanation until the Issue Date. Bonds that may have been allotted will be regarded as not allotted and the Subscription Price, if paid, will be returned to the investors and registrations of Staatsolie Bonds 2015 as submitted for redemption shall be undone. Staatsolie will not compensate any investor for possible costs in connection with the decision to subscribe or with the subscription itself.
Sale and Purchase	As from the Issue Date, Bonds can be purchased and sold via the DCSX Exchange by engaging an Authorized Broker, subject to any limitations connected to the class of Bonds being sold and the Offer & Selling Restrictions applicable to the Bonds set out below.
Offer & Selling Restrictions	<p>The Bonds will only be offered, marketed and issued in Suriname and Curaçao. The offer for subscription, sale and purchase of Bonds is strictly limited to the jurisdictions of Suriname and Curaçao, and to investors residing in Suriname or Curaçao.</p> <p>Class A Bonds are only available for subscription and purchase by investors residing in Suriname. Class B Bonds are available for investors residing in Suriname or Curaçao.</p> <p>The distribution of this Prospectus or the offering of the Bonds to other investors may in certain jurisdictions other than Suriname and Curaçao, such as but not limited to the Netherlands and the United States, be restricted by law. Accordingly, this Prospectus may not be distributed or published in any other jurisdiction, unless in compliance with any applicable laws and regulations of such other jurisdictions. Staatsolie requires persons in possession of this Prospectus and considering to subscribe for or purchase Bonds to inform themselves about, and to observe, any such restrictions.</p> <p>Neither the Issuer nor any of the Authorized Brokers represents that the Bonds may at any time lawfully be offered or sold in compliance with any applicable registration or other requirements in any other jurisdiction, such as but not limited to the Netherlands and the United States, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such offer or sale.</p>

Terms & Conditions of the Bonds

The Bonds are governed by the terms and conditions of the Bond Agreement which is available for interested investors and Bondholders as from the beginning of the Subscription Period and thereafter and of which a copy is upon request available at the Bond & Paying Agent or the relevant Authorized Brokers.

Up to three business days before the end of the Subscription Period, the Issuer and the Bond & Paying Agent shall be entitled to agree upon amendment of the Bond Agreement if this is, in their reasonable opinion, required and in the interest of the Bondholders. The Issuer and the Bond & Paying Agent shall immediately notify the Authorized Brokers hereof and provide them with the amended version of the Bond Agreement. The Authorized Brokers will have the responsibility to inform their clients of the amendment the same day and provide them with the amended version of the Bond Agreement. As from such notification and up to the last day of the Subscription Period, clients will be entitled to cancel their subscription if the amendment is, in their reasonable opinion, unacceptable, by notifying the relevant Authorized Broker hereof in writing.

A summary of the terms and conditions is included in chapter 5 (*Terms and Conditions Bonds*).

By completing and signing the relevant subscription documentation, subscribing for Bonds (not cancelled due to amendment of the Bond Agreement as set out above) or purchasing Bonds after subscription via the DCSX Exchange through the (direct or indirect) engagement of an Authorized Broker and the settlement of the issue or purchase via the DCSX Exchange, every investor:

- accepts that De Surinaamsche Bank N.V. in its capacity of Bond & Paying Agent, on behalf of the Bondholders, entered into the Bond Agreement (the “**Bond Agreement**”) with the Issuer, setting out the rights and obligations of the Bond & Paying Agent (on behalf of the Bondholders) and the Issuer; and
- confirms that he/she/it has read the Prospectus and the Bond Agreement and that the Prospectus and the Bond Agreement are fully understood and acceptable to him/her/it; and
- accepts to be unconditionally bound by the terms of the Bond Agreement, without any further action required to be taken or formalities to be complied with or conditions to be fulfilled.

3 FREQUENTLY ASKED QUESTIONS

QUESTION	ANSWER
What is the principal amount to be raised through the Bond Issue?	USD 150,000,000. In the event the Principal Amount is oversubscribed, the Issuer may issue additional Bonds, with due consideration of its debt position/capacity.
When is the Subscription Period?	An offer of the Bonds may be made by the Authorized Brokers during the period commencing on 5 February 2020 at 11:00 AM local time in Curaçao and 12:00 PM local time in Suriname and terminating on 5 March 2020 at 17:00 PM local time in Curaçao and 18:00 PM local time in Suriname.
How much interest will I receive?	Depending on the tranche subscribed for: The 5½ years Bonds: 7.00% per annum; The 7 years Bonds: 7.50% per annum.
When will the interest be paid?	The interest will be paid semi-annually by Staatsolie to the investors via the Bond & Paying Agent on 23 September and 23 March of each year, for the first time on 23 September 2020.
Is there a minimum or maximum number of Bonds that I can apply for?	Minimum of 1 Bond. Investors can subscribe for as many Bonds as they choose. Please be advised that subscription for one or more Bonds implies the obligation to pay the Subscription Price for all those Bonds subsequently allotted (subscription fee, value added tax, a foreign exchange license fee and/or other transaction related fees and taxes may apply). For further consequences of oversubscription, please refer chapter 2 (<i>Subscription procedures and selling restrictions</i>).
When will the Bonds be repaid?	The principal amount of the Bonds will be repaid on the maturity date of the tranche subscribed for.
Can I sell my Bonds to another investor?	Yes, but not directly to another investor. Bonds can be sold or traded via the DCSX Exchange after the Issue Date, subject to the terms and conditions and any limitations connected to the class of Bonds being sold or traded (such as but not limited to Class A Bonds only being available for subscription and purchase by Investors residing in Suriname). For further information we refer to the Offer & Selling Restrictions above in chapter 2 (<i>Subscription procedures and selling restrictions</i>).

QUESTION

ANSWER

What is the amount of expenses and taxes that will be charged to me?	A subscription fee, value added tax, a foreign exchange license fee and/or other transaction related fees and taxes may apply (please ask your Authorized Broker).
Where can I find possible updates to the information in the Prospectus?	Once listed, the Issuer has ongoing publication obligations. Staatsolie publishes news relating to Staatsolie periodically and news related to the Bonds, if and when relevant, on its website www.staatsolie.com . In addition, any information that can reasonably be expected to have a significant impact on yield, pricing and trading volume of the Bonds and the financial situation of the Issuer will be reported to the DCSX by the Issuer. DCSX will inform the Authorized Brokers and publish the news on its website www.dcsx.cw .
Can I also subscribe in EUR?	If you have funds available for investments in EUR, these funds will have to be converted by the bank at the applicable EUR/USD exchange rate. For further information please contact your Authorized Broker. The Bonds interest payments and principal repayment are denominated in USD.
What happens if Staatsolie discontinues operations and/or cannot repay the principal amount of Bonds?	There is no principal protection. Although the current operations do not provide any reason to doubt proper repayment of the principal amount of the Bonds and interest, in theory it is possible that the principal amount of the Bonds or interest cannot be paid back by Staatsolie and the investor loses his/her/its money. That is called 'debtor risk'. One of the important objectives of the Prospectus is to help the investor to assess the debtor risk.
Is it essential for the repayment of the Bonds that the new projects that Staatsolie is investing in are successful?	No. The current operations and projects provide sufficient cash flow and income to service the debt arising from the issuance of the Bonds. When the new projects are successful, this should result in additional income for Staatsolie.
How can I trade-in the Staatsolie Bonds 2015 that I currently have for new Bonds?	Current Bondholders that want to subscribe for new Bonds in consideration of their Staatsolie Bonds 2015 (trade-in) should contact De Surinaamsche Bank N.V. or their local bank, apply for subscription and submit their Staatsolie Bonds 2015 to De Surinaamsche Bank N.V. or their local bank. After allotment and at issue of the new Bonds, the Staatsolie Bonds 2015 as submitted shall be considered redeemed and cancelled, subject to payment of the Lump Sum Remaining Interest.
How will funds be utilized in case of oversubscription?	In case more than the amount of USD 150,000,000 will be raised (i.e. in the event the Bond Issue is oversubscribed), such additional funds may be used to accelerate execution of the Investment Program 2020 – 2027 and for partial prepayment of the Term Loan.



CORPORATE DIRECTORY

Issuer**Staatsolie Maatschappij Suriname N.V.**

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Contact person: Angela L. Profijt
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**Directors and Supervisory Board
of the Issuer****Board of Executive Directors:**

- Rudolf T. Elias – CEO, Managing Director
- Bhoepsingh W. Dwarkasing, Upstream Director
- Agnes K. Moensi-Sokowikromo – CFO, Finance Director
- Annand K. Jagesar, Downstream Deputy Director
- Eddy P. Fränkel, Power & Renewables Deputy Director
- Brian W. Glover, Offshore Deputy Director

Supervisory Board:

- Etienne L. Boerenveen – Chairman of the Supervisory Board
- Gonda E. Asadang – Supervisory Board member
- Ewald Poetisi – Supervisory Board member
- Mark C.P. Rommy – Supervisory Board member
- Irène Tholen – Secretary to the Supervisory Board

For further information, we refer to the biographies included in Appendix III.

**Listing Advisor & Curaçao Legal
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Vidanova Bank N.V.

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Contact person: Maria-Liza Zunder-Curiel

Auditor**Ernst & Young Suriname**

Cornelis Jongbawstraat 17
Paramaribo, Suriname
Telephone: (+597) 7499460
Contact person: Andrew Tom

5 TERMS AND CONDITIONS OF THE BOND

The terms and conditions applicable to the Bonds are set out in the Bond Agreement. The main terms and conditions thereof may be summarized as follows:

1. Issuer:	Staatsolie Maatschappij Suriname N.V.
2. Currency:	USD
3. Principal Amount:	USD 150,000,000
4. Minimum purchase:	1 Bond
5. Public Exchange:	DCSX Exchange
6. Issue price for new Bondholders	100% of the principal amount of each Bond
7. Class A Denomination:	USD 100
8. Class B Denomination:	USD 30,000
9. Subscription Period:	5 February 2020 up to and including 5 March 2020
10. Payment Period:	9 March 2020 up to and including 20 March 2020. The payment period ends on 20 March 2020 at 11:00 AM local time in Curaçao and at 12:00 PM local time in Suriname.
11. Subscription/Payment currency:	USD
12. Issue Date:	23 March 2020
13. Tenor Tranche 1 (Class A1 and B1):	Fixed, 5½ years
14. Tenor Tranche 2 (Class A2 and B2):	Fixed, 7 years
15. Repayment date Tranche 1:	23 September 2025
16. Repayment date Tranche 2:	23 March 2027
17. Interest rate Tranche 1:	7.00% per annum on a (30/360) basis
18. Interest rate Tranche 2:	7.50% per annum on a (30/360) basis
19. Interest maturity date:	Semi-annually on 23 September and 23 March of each year.
20. Subscription fee:	A subscription fee, value added tax, a foreign exchange license fee and/or other transaction related fees and taxes may apply, to be confirmed by the Authorized Broker.
21. Publicly traded:	On DCSX Exchange only

22. Status of Class A Bonds:	The Class A Bonds will only be offered and issued to investors residing in Suriname (including the Current Bondholders) and may only be offered to and purchased by investors residing in Suriname via the DCSX Exchange through the (direct or indirect) engagement of De Surinaamsche Bank N.V. as the Authorized Broker, all with due observance of the Offer & Selling Restrictions.
23. Status of Class B Bonds:	The Class B Bonds will be issued to interested investors (including the Current Bondholders) and may be offered to and purchased by such investors via the DCSX Exchange through the (direct or indirect) engagement of an Authorized Broker, all with due observance of the Offer & Selling Restrictions.
24. Arranger, Bond & Paying Agent:	De Surinaamsche Bank N.V.
25. Purpose of the Bonds:	Refinancing of Staatsolie Bonds 2015 and funding of the Investment Program 2020-2027 (including the Saramacca Project). In the event of oversubscription, proceeds will subsequently be allocated to accelerate execution of the Investment Program 2020-2027 and partial repayment of the Term Loan.
26. Fund availability:	On the Issue Date and subject to issue of the Bonds being effected, the Subscription Price paid by the investors in cash shall be released to Staatsolie. For the Bonds that are issued to Current Bondholders in consideration of Staatsolie Bonds 2015 submitted to De Surinaamsche Bank N.V., no cash will be released to Staatsolie. Instead, at issue, the relevant Staatsolie Bonds 2015 paid and submitted by the Current Bondholders shall be considered redeemed and cancelled while Staatsolie shall be discharged and released of the principal repayment in connection with such Staatsolie Bonds 2015, subject to payment of the Lump Sum Remaining Interest (as defined above) to the relevant Current Bondholders.
27. Debt Service Reserve Account:	Staatsolie will hold and the Bond & Paying Agent will monitor the DSRA in which 1/6 th of the semi-annual interest will be accumulated on a monthly basis for the next interest payment date.
28. Applicable law:	Curaçao law



6 STAATSOLIE BUSINESS

6.1 OVERVIEW

Staatsolie is a vertically integrated oil company, wholly owned by the Republic of Suriname. The Company's primary business is exploring and producing crude oil, refining, retail fuel distribution and power generation. The refined products include different grades of fuel oil, premium diesel, premium gasoline and bitumen. Most refined products are sold in Suriname, whilst the surplus of approximately 40% is exported to countries in the Caribbean.

Oil was first discovered in 1965 by the Suriname Geological Survey while drilling for water. Only in 1980, with the incorporation of Staatsolie, did oil exploration lead to field development of the Tambaredjo onshore field approximately 55 km west from the city of Paramaribo. Oil is currently being produced from three onshore oilfields averaging 16,577 barrels of oil per day. Oil reserves are nearly 75 million barrels as of 31 December 2018, representing a reserve life of 12.5 years.

Oil production from the onshore fields is providing feedstock for Staatsolie's refinery. In December 2014 Staatsolie completed a refinery expansion project and increased the processing capacity from 7,200 to 15,000 barrels of oil per day. The refinery became operational in 2015 with throughput increasing throughout 2016-2017, reaching average utilization of installed capacity of 75% in 2017. In 2019 the main units (hydrocracker and vacuum unit) were able to produce at 102% and 110% respectively. The refinery is currently producing approximately 10,000 barrels per day of high-end products diesel and gasoline and approximately 5,000 barrels of fuel oil per day. Bitumen is being produced in small amounts upon demand.

Through its subsidiary, GOw2 Energy Suriname N.V. ("**GOw2**"), Staatsolie operates in the local retail market, selling the refined diesel and gasoline products. With a sales volume of approximately 1.2 million barrels of oil per year, GOw2 has a 30% share in the local retail fuel market. The Company, previously owned by Chevron Texaco, launched operations in 1962 under the name of Suritex. It was acquired by Staatsolie in 2011 and rebranded in 2013 to the new company name GOw2.

Staatsolie is also engaged in bunkering through its subsidiary Ventrin Petroleum Ltd. ("**Ventrin**"), a Trinidad based company, which is supplying fuel and gas to ocean-going vessels. In late 2019 the decision was taken to incorporate the business activities in the Marketing Division (Downstream Directorate) of Staatsolie as part of the Company's 'one face to the market' strategy.

Staatsolie is also a significant player in the power generation sector. Its subsidiary SPCS was incorporated in 2006. SPCS owns and operates a thermal power plant with a generation capacity of 96 MW. The thermal power plant produces 30% of Suriname's electricity consumption.

In addition to its core operating activities, Staatsolie has become involved in the gold mining business. The Company owns a 25% interest in the Merian Partnership with Newmont since 2014. Commercial production started late 2016 and first full year production was realized in 2017. In 2019 gold production was 534,000 ounces. Merian gold reserves are (on a 100% basis) nearly 5 million ounces as of 31 December 2018. The life of mine based on BP19 is estimated at 13 years.

New business activities in 2020

Staatsolie has decided to add the following business activities to its portfolio in 2020:

- Acquiring a 30% participating interest in the Saramacca Project of RGM. Gold reserves are approximately 1 million ounces representing a reserve life of 8 years. Commercial production commences in April 2020.
- Taking over the Afobaka Dam with an installed capacity of 189 MW. The Afobaka Dam was previously owned by Suralco, a subsidiary of ALCOA. With Alcoa's decision to terminate their business activities in Suriname, the Government of Suriname and Alcoa agreed, as part of the exit-arrangement, that the Afobaka Dam would be transferred in ownership to the Republic of Suriname at no cost. The Government, in turn, transferred the ownership of the Afobaka Dam to SPCS, also at no cost. As per January 1st, 2020 the Afobaka Dam is managed by SPCS, which is thereby increasing its power generation from 30% to 75% of the local energy consumption.

2019 revenue streams and EBITDA per business activity were as follows:

Current Business activities (x USD 1 million)	Revenue	EBITDA
Oil production	437	245
Retail	121	10
Thermal power	79	18
Bunkering	18	0
Gold (Merian Project), 25% of which	187	98

In accordance with IFRS, the gold revenues (USD 187 million in 2019) are not included in the Revenue line item of the income statement. Gold revenues are netted under 'share of profit' in goldmines in the income statement. After elimination of intercompany sales 2019 total consolidated revenues and consolidated EBITDA amounted to USD 499 million and USD 377 million respectively. With the new business activities in 2020 the Company expects to add on average per year, the following revenues and EBITDA:

New business activities (x USD 1 million)	Revenue	EBITDA
Afobaka Dam	37	23
Gold (Saramacca Project)	55	33

Organizational structure

Staatsolie's activities are organized in two main business units: *Upstream and Downstream*. Upstream comprises the onshore and offshore oil exploration and production activities. Downstream encompasses the Company's refining operations, marketing, GOw2's retail fuel distribution and the Power & Renewables Directorate. The Power & Renewables Directorate consists of the thermal and hydro power generation operated by SPCS.

As of 31 December 2019, 1,145 people were employed by Staatsolie and approximately the same number of people are working as contractors in support of Staatsolie's operations. The Company values diversity and has a gender distribution of 23% female and 77% male employees, while 38% of the leadership positions is filled in by females. Including the subsidiaries, the number of employees was 1,268.

Institutional role and exploration partnerships

As the National Oil Company, Staatsolie has a dual role in Suriname's petroleum sector, namely:

- A commercial role: as a vertically integrated energy company.
- An institutional role: as regulator for Staatsolie's petroleum activities it assesses Suriname's hydrocarbon potential, drafts Staatsolie's petroleum policies, promotes hydrocarbon investment and, negotiates and monitors the PSA's with IOC's entered into by Staatsolie.



Staatsolie holds the exclusive mining rights for hydrocarbons in Suriname. Through a PSA, Staatsolie awards an exclusive part of a concession to a contractor (an IOC) to develop petroleum activities for its own account and risk in a certain part of the concession area. The term of the PSA is divided into an exploration, evaluation, development (during which period the facilities are built), production and a decommissioning period.

In accordance with the PSA, an Operations Committee is formed chaired by Staatsolie. During the exploration period, this committee has an advisory role concerning the petroleum operations. During the development and production period this committee approves vital stages of the petroleum operations as listed in the PSA. Decisions of the committee are unanimous with one vote for Staatsolie and one vote for the contractor parties.

In each PSA, Staatsolie has the right as a contract party in the development and production operations of each commercial field. Staatsolie's participation percentage per PSA is between 10% and 20%.

Even though the costs to develop petroleum activities in a concession area are fully borne by the IOC, the rule is that a maximum of 85% of the gross production revenue, after the royalty has been deducted, may be used for the reimbursement of costs incurred.

On 7 January 2020, Apache Corporation and Total S.A. announced a significant oil discovery at the Maka Central #1 well drilled offshore Suriname on Block 58. The well was drilled using the drillship Noble Sam Croft with Apache as operator holding a 50% working interest and Total holding the other 50% working interest.

Staatsolie's ambition is to fund its participation in the future offshore development through an Initial Public Offering. In preparation thereof, Staatsolie has evaluated the existing organizational structure and its dual role. Based on this evaluation Staatsolie has concluded that a separate company needs to be established for the institutional role to ensure segregation of duties.

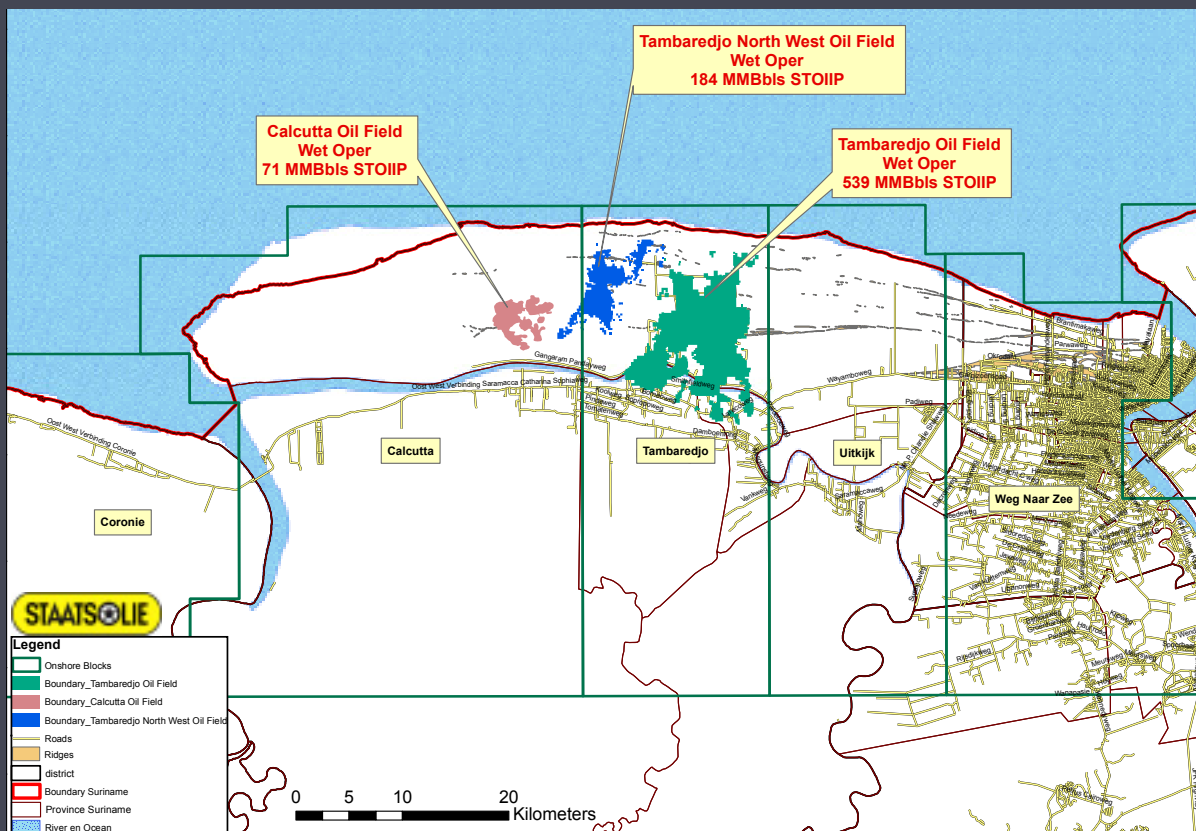
Looking at the current status of the institutional role embedded within Staatsolie and to safeguard the in-house specialism, technical capacity and knowledge of the Guiana-Suriname Basin, Staatsolie has decided to ring-fence the institutional role in a to be established 100% subsidiary of Staatsolie with visible influence of the main policy makers, whereby the Minister of Natural Resources and the Minister of Finance will have a seat in the Supervisory Board together with the CEO of Staatsolie and an independent member.



6.2 UPSTREAM: EXPLORATION AND PRODUCTION

Staatsolie's oil reserves are located across three onshore fields in the region of the district of Saramacca: Tambaredjo, Calcutta and Tambaredjo North West.

ONSHORE OIL FIELDS



Source: Staatsolie

As of 31 December 2018, proved reserves¹¹ are at 74.4 million barrels. The reserves increase to 79.1 million barrels when the probable and possible reserves are included. The reserves are audited by an independent audit company every two years. The next reserves audit as of 31 December 2019 will be conducted in the first quarter of 2020 by Netherland Sewell & Associates. Exploration and appraisal to improve Staatsolie's reserve base is ongoing.

The average production from the onshore oil fields is 16,577 barrels of oil per day and 6 million barrels of oil on an annual basis. The produced oil is transported from the oil field through a 55 km pipeline to the refinery site at Tout Lui Faut (20 km north from Paramaribo) and provides feedstock to the refinery. The crude oil produced is highly biodegraded with an API gravity of 15-16 degrees and benefits from low sulfur (0.7%) and low vanadium content, which makes it highly attractive to the Caribbean markets.

11. Proved reserves denotes the amount of hydrocarbon resources that can be recovered from a deposit with a reasonable level of certainty.

Staatsolie's exploration and production operations are conducted mainly in the wetlands of Suriname, a condition that challenges Staatsolie to apply innovative and unique techniques to ensure preservation of the environment. All Staatsolie's operations are conducted in close collaboration with the community and the governmental environmental authorities, such as the National Institute for Environment and Development in Suriname.

Since 2004, Staatsolie has developed exploration and production techniques in the wetlands that do not require dewatering of the swamps. To enable this unique way of operating, all heavy equipment was adjusted to the swampy conditions. This new way of developing oil fields contributes to the preservation of the vulnerable wetlands that are inhabited by many endangered species and protect the coastal zone.



Offshore (nearshore, shallow offshore and deep offshore)

In 2017 Staatsolie initiated plans to execute a Nearshore Drilling Project (“NSDP”) along the coast of Suriname in water depths between 0 and 30 meters. In November 2019, the NSDP with a budget of USD 120 million was completed. During the period April to November 2019, 6 wells were drilled. Although no commercial oil discovery was declared, the data in this area revealed oil accumulations/shows in 4 of the 6 wells drilled. The additional data from the 6 wells, supports further exploration and drilling for commercial oil discoveries in both the nearshore and the shallow offshore area.



The shallow offshore area is adjacent to the Liza field discoveries of ExxonMobil in the Guyana-Suriname Basin. Because of its high prospectivity the shallow offshore remains an area of high interest for IOC's. In the period 2018 to 2019 the shallow offshore area, which covers an acreage of approximately 30,000 km² in water depths of 30 to 60 meters, was evaluated and mapped out. In October 2019 the findings were audited by an UK based auditing company ENVOI Limited. In total, 19 prospects were confirmed, and 10 new leads/prospects, are currently being matured. Subsequently, exploration is planned to be executed in partnerships using the data gathered from the 2019 NSDP. In this area, Staatsolie will work with selected partners who will carry the exploration costs in full.

In the deep offshore, Staatsolie continues the search for hydrocarbons through IOC's. Staatsolie has partnerships with the IOC's through PSA's. Currently 12 PSA's have been signed covering approximately 82.5% of the offshore area, with block numbers for each PSA. Exploration is being executed by the IOC's at their own expense and risk and in case of commercial oil discoveries, Staatsolie has the option to participate, on average between 10% to 20% as defined in each PSA.

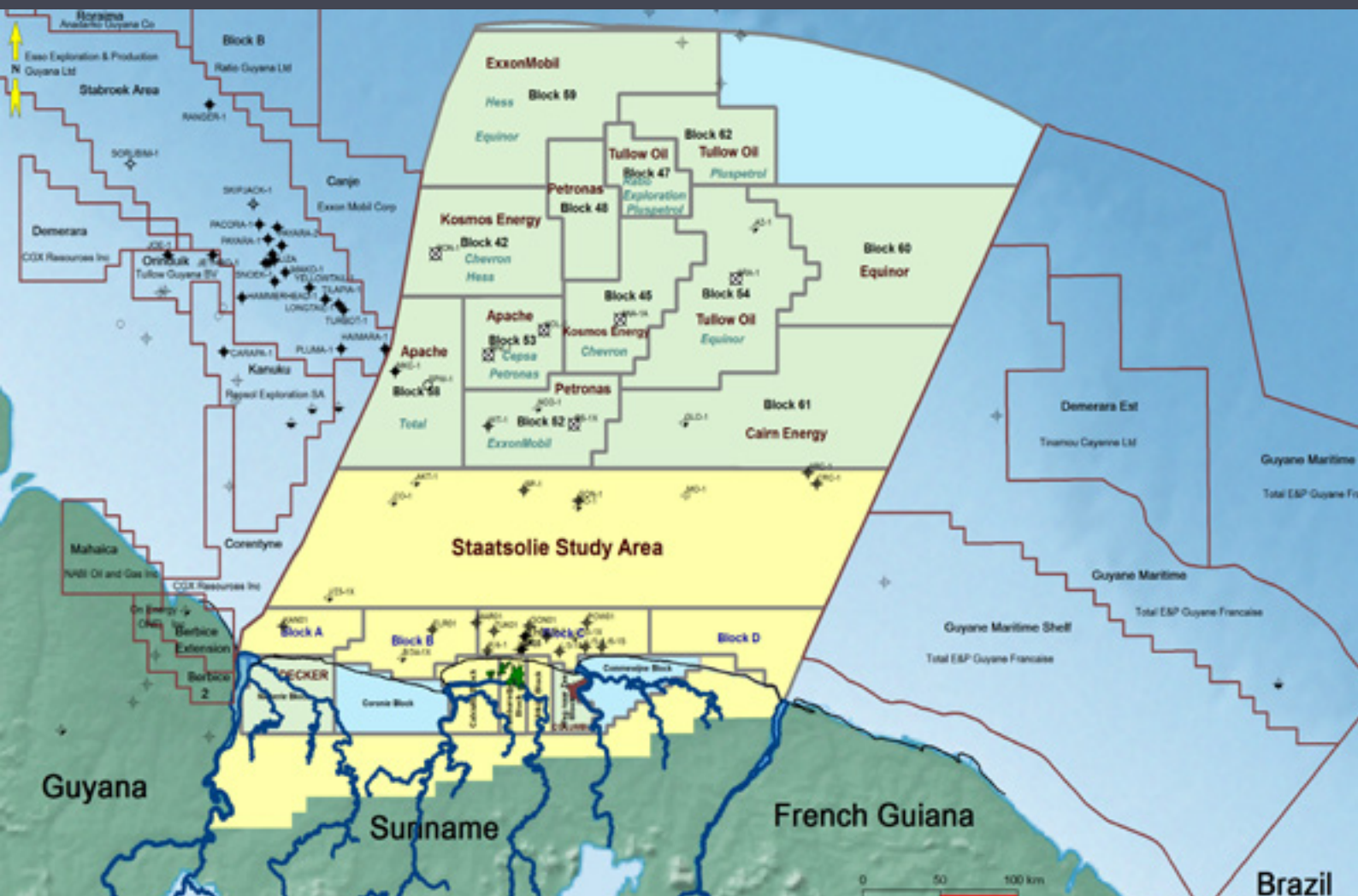
Partners include major IOC's and nimble independents, including Apache Suriname, Kosmos Energy, Equinor, ExxonMobil, Hess, Cairn Energy, Tullow Oil, Petronas, Chevron, Pluspetrol, and Ratio Oil Exploration.

The geographical location of Suriname - as part of the Guyana-Suriname Basin - is of great strategic importance for Staatsolie. Suriname is the first oil producing country in the Guyana-Suriname Basin and is the fourth largest oil producing country in the Caribbean region, after Trinidad and Tobago, Cuba and Guyana. With an estimated resource potential of 13.6 billion barrels (P50)¹², the United States Geological Survey ("USGS") 2012 ranked the Guyana-Suriname Basin second in the world for prospectivity among the world's unexplored basins and 12th among all the world's explored and unexplored basins. ExxonMobil is now firmly established in Guyana with numerous ongoing exploration and development operations offshore. ExxonMobil Guyana has made 14 discoveries since May 2015 and will begin producing up to 120,000 barrels of oil per day from the Liza Phase 1 development in 2020.

12. Probable reserves are attributed a confidence level of recovery. Reserves reported as P50 have a 50% certainty of being produced.

In September 2019, Apache Suriname started drilling the Maka Central #1 well in offshore Block 58. The well is designed to test multiple targets and is located roughly seven miles from the Suriname/Guyana maritime border and thus close to the recent oil discovery by ExxonMobil. As mentioned, on 7 January 2020, Apache Corporation and Total S.A. announced a significant oil discovery at the Maka Central #1 well drilled offshore Suriname in Block 58. By June 2020, Apache Suriname will have drilled at least 3 wells in the same block. Furthermore, Tullow Oil Plc. has planned to drill 1 well in Block 47 and Petronas 1 well in Block 52.

GUYANA - SURINAME BASIN



Investment Program 2020-2027 (USD 725 million) – Upstream

(x USD 1 million)	2020	2021	2022	2023	2024	2025	2026	2027	Total
Exploration	15								15
Production	101	99	85	85	85	85	85	85	710

Exploration nearshore (USD 15 million)

For 2020 an amount of USD 15 million remains for the completion of the nearshore drilling program.

Production sustainment (USD 640 million)

To sustain the production levels at 6 million barrels of oil per year, an average of one hundred additional wells need to be drilled yearly. As per November 2019 a total of 2,110 producing wells were on stream. The capex for production sustainment amounts to approximately USD 80 million per year.

Production development (USD 44 million)

The capex for production development amounts to USD 44 million and includes:

- Implementing smart fields for an amount of USD 25 million, where the operation of the individual wells can be monitored remotely. This is one of the new, promising technologies being implemented in the production business unit. It will improve production (reduction of production losses and production optimization) and reduce the cost per barrel produced.
- Building a new power plant for an amount of USD 19 million to secure the power generation for the expansion of the oil fields.

Reserves development (USD 26 million)

Staatsolie aims to realize a Reserve Replacement Ratio of at least 1, based on a 5-year rolling average, through:

- Implementation of Improved and Enhanced Oil Recovery technologies that will improve the recovery rate and reserves from the existing fields. The aim is to increase the existing onshore reserves with 60 to 80 million barrels through: i) polymer pilot 2008-2015 (additional Recovery of 12%; operational after Q3-2020), ii) horizontal wells (first pilot was a success with 3 wells and an average production of 100 barrels per day; second pilot ongoing), and iii) cyclic steam pilot planned in 2020-2021 (models indicate promising improvement in production).
- Appraisal drilling, being executed in current fields using new seismic data.

6.3 DOWNSTREAM: REFINING AND MARKETING

Refining

Staatsolie's crude oil refining history began in August 1997, when the production of refined products started. Staatsolie does not have an explicit refining monopoly, but it is the only petroleum refining entity in the country. The refinery is located at Tout Lui Faut, South of Paramaribo. A 55 km pipeline, built in 1992, transports the crude from the oil fields in the district of Saramacca to the refinery. The refinery sources 100% of its oil supply from the Upstream crude oil operations.

In 2015 the old refinery was replaced by a new one increasing the capacity from 7,200 to 15,000 barrels of oil per day. The refinery expansion project was part of a USD 1 billion downstream investment program which started in 2010 and was completed in December 2014. The refinery became operational in 2015 with throughput increasing throughout 2016 and 2017. The refinery produces the following products:

- ultra-low sulphur gasoline (95 RON): 2,000 barrels per day and approximately 40% of the gasoline consumed in Suriname;
- ultra-low sulphur diesel: 8,000 barrels per day of which approximately 71% is consumed locally and 29% is exported to the Caribbean;
- fuel oil: 5,000 barrels per day processed into various grades of low-sulfur and low-vanadium fuel oils. These oils are used in engines, boilers and for other industrial applications. Major industries in Suriname, Guyana, Antigua and Barbados use fuel oils produced by Staatsolie for their power generation;
- bitumen: produced on demand in small amounts and used for paving of roads, airports, bridges and parking lots.

With the refinery in full operation since 2018, Suriname has almost ceased to import refined products and is now a net exporter of oil products. Staatsolie produces 6 million barrels of crude oil per year with local demand at approximately 4.9 million barrels of oil, creating the following national energy balance.

ENERGY BALANCE 2019 (X MILLION)

Product	Average local demand barrels of oil per year	Staatsolie production barrels of oil per year
Diesel	1.9	2.1
Gasoline	1.5	0.6
Fuel Oil and Crude	1.5	3.3
Total	4.9	6.0

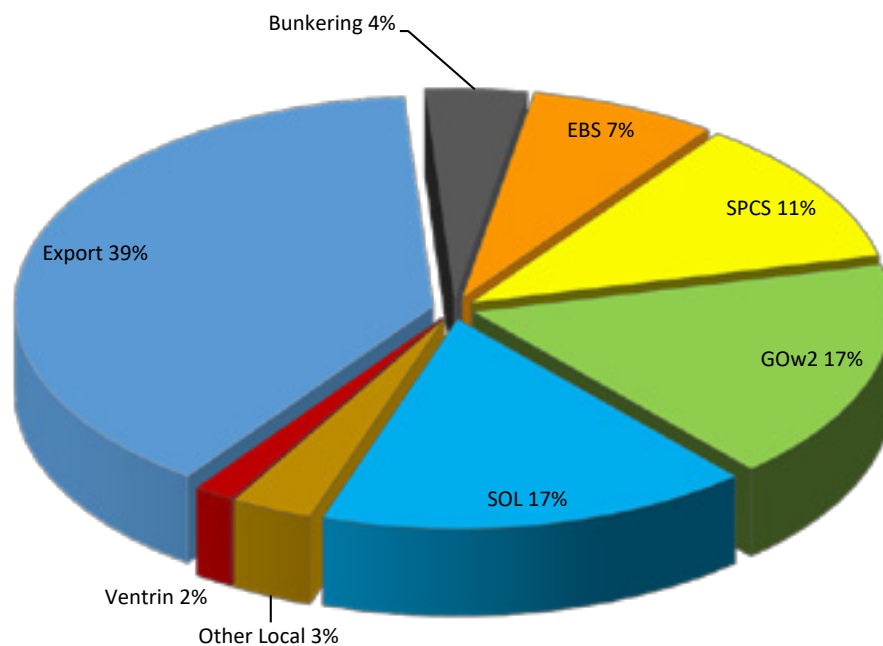
Staatsolie's refinery supplies the total local demand of diesel and fuel oil and excess volumes are being exported. To service the demand for gasoline of the local market, gasoline is imported.



Marketing

In 2019, Staatsolie sold 5.51 million barrels of refined products, comprising of 3.10 million barrels (56% by volume) of fuel oil, 1.85 million barrels (33% by volume) of diesel, 0.54 million barrels (10% by volume) of gasoline and 0.02 million barrels of bitumen (1% by volume). In 2019 fuel oil was delivered to the local power generation companies SPCS and NV Energiebedrijven Suriname (“EBS”) and the remainder of 1.98 million barrels was exported, mostly to Guyana, Trinidad and St. Eustatius. Gasoline and diesel were sold to the local retail companies GOw2 and SOL, and the excess diesel of 0.51 million barrels was exported to Trinidad and Antigua. Bitumen was sold locally and used for paving of roads. 40% of Staatsolie sales value is export. Approximately 80% of Staatsolie sales are USD; 75% are paid into offshore USD accounts and 5% are paid into local USD accounts. Approximately 20% of all sales are in SRD. All SRD inflow is used to fulfill SRD obligations and as such effectively no SRD currency exposure exists.

The 2019 revenue split of the Company is as follows:



Starting January 2020, the International Maritime Organization requires that all sea-worthy vessels use bunker fuels with a sulfur content of 0.5% or less (“IMO 2020”). Before IMO 2020, Staatsolie used the Platts reported USGS#6, 3% sulfur price reference. Due to the relatively low sulfur (0.7%) composition of the Staatsolie crude oil, Staatsolie is able to deliver the required quality and plans to capitalize on this opportunity. The transition has already started, and Staatsolie has been able to sell its fuel oil products at a much higher reference price (NY H 1%) than before.

GOW2

Staatsolie entered the domestic retail market in 2011 by acquiring the retail operations of Chevron/Texaco in Suriname. These operations were rebranded under the GOW2 brand in 2013. GOW2 operates 21 service stations in the cities of Paramaribo, Nickerie, Wanica and Coronie, where it sells fuel and engine lubricants for motor vehicles. It also operates four bulk stations and an aviation supply business. 10 service stations are owned and operated by Staatsolie and 11 are owned and operated by franchisees pursuant to franchise agreements. In addition to its domestic retail sales, GOW2 also sells petroleum products to domestic industrial customers.



Thermal Power Generation (SPCS)

Through its wholly owned power generation subsidiary, SPCS, which began commercial operations in 2006, Staatsolie owns and operates a 96 MW power generation plant located adjacent to Staatsolie's refinery. SPCS supplies electrical energy to both the refinery and the Government of Suriname, the latter through the grid of EBS. Approximately 12 MW of SPCS's 96 MW capacity is dedicated to Staatsolie's refinery. SPCS accounts for approximately one-third of the overall installed electricity capacity in Suriname, with the other two-thirds being accounted for by the hydroelectric facility and by EBS. With the acquisition of the Afobaka Dam, SPCS will now account for 75% of the country's installed capacity. SPCS has a long-term power purchase agreement with the Government of Suriname for the purchase of electricity from its facility. The Government pays SPCS a market price for electricity.

In 2019, the SPCS power plant delivered 90,000 MWh of electrical energy and 37,165 tons of process steam to the refinery.



Ventrin

Ventrin is a company incorporated and domiciled in Trinidad. Staatsolie obtained its initial 30% stake in 2004 and increased its stake to 98.4% in 2008 and to 100% in 2012. Through Ventrin, Staatsolie is engaged in bunkering activities, supplying fuel and gas to ocean-going vessels. In late 2019 the decision was taken to incorporate Ventrin's business activities in the Downstream Directorate of Staatsolie as part of Staatsolie's 'one face to the market' strategy.

Investment Program 2020-2027 (USD 242 million) - Downstream

(x USD 1 million)	2020	2021	2022	2023	2024	2025	2026	2027	Total
Refining and Marketing	26	25	30	20	10	30	35	35	211
Subsidiaries & Corporate	4	4	3	3	3	8	3	3	31

Production sustainment (USD 121 million)

To sustain production, the refinery is required to execute a turnaround and inspection every 4 years (a major maintenance activity requiring a temporary shutdown of 30 to 45 days) and a base maintenance capex of USD 5 million annually. In February 2020, the refinery will undergo its first turnaround and inspection since it was taken into production in 2015, with the goal to keep the refinery operating at or above its nameplate capacity. Projects to improve the refinery operations are carried out continuously in order to increase the output of ultra-low sulphur diesel and gasoline. With these projects, Staatsolie has been able to operate the refinery above its nameplate capacity. Currently, Staatsolie is working on improving the sustainability of these production levels.

Production development (USD 90 million)

The refinery is designed to produce 10,000 barrels of high-end products per day. Because of the limited storage capacity, the Company had to rent vessels to store high-end products, negatively impacting costs. Building additional storage tanks (USD 20 million) will provide additional storage capacity and flexibility and reduce costs. Cost optimization (USD 70 million) can be realized by executing improvement projects resulting in higher availability and reliability of key equipment.

Subsidiaries (USD 31 million)

Other projects entail capital investments for the subsidiaries GOW2 and SPCS and include:

- rebranding to increase market share and revenues;
- SPCS maintenance programs;
- corporate projects related to ICT and HR.



6.4 GOLD MINING: MERIAN GOLD MINE

On June 7, 2013 the National Assembly approved a mineral agreement with Newmont (previously Suriname Gold Company, LLC, and now Newmont Suriname, LLC) for the development and operation of a gold mine approximately 90 km South of Moengo: the Merian Project (the “**Mineral Agreement**”). The Mineral Agreement subsequently signed by the Suriname Government and Newmont on November 22, 2013, therefore has force of law. The Mineral Agreement has a term of 25 years and sets the governance structure for mining rights obtained and to be obtained by Newmont located within an the Area of Interest indicated below. Under the Mineral Agreement, the Republic of Suriname had an option to appoint a company to participate in the Merian Project for a 25% interest upon the granting of the Merian Right of Exploitation. The Republic of Suriname then appointed the company “N.V. Twee” for such participation, which has entered into a joint venture agreement with Newmont on 22 November 2013. N.V. Twee subsequently assigned and transferred all of its interest under this joint venture agreement to Staatsolie on 14 November 2014. The Republic of Suriname, under the Mineral Agreement, is entitled to a 6% royalty fee and taxes on the revenues of the Merian Project, while Staatsolie receives a 25% profit share from the project. In addition to the existing Merian Project, the Mineral Agreement grants Newmont a right of first refusal over a significantly larger area of 500.000 hectares for future exploration and exploitation (“**Area of Interest**”), for which Staatsolie has a 25% participation option. The Merian Project had no net debt at inception (financed by original equity injections from Newmont and Staatsolie). As of December 31, 2018, the total reserves for Merian were nearly 5 million ounces.

Commercial gold production commenced in October 2016 and the first full year of production was 2017. As of 31 December 2019 gold production was 534.000 ounces. Participation in the project boosts the long-term USD earning capacity of Staatsolie, with earned income to be allocated to debt service and upstream investment.





Newmont's parent company, Newmont Corporation (“**NC**”), is the world’s leading gold company and a producer of copper, silver, zinc and lead. NC is active in four continents in which it operates 12 gold mine sites. It is the only gold producer listed in the S&P 500 Index and is widely recognized for its principled environmental, social and governance practices. Since 2007, the company was selected to be part of the Dow Jones Sustainability World Index. In 2019, the company was ranked as the top gold mining company for the fifth consecutive year. The company is listed on the New York Stock Exchange and in 2018, Newmont emerged as the world’s leading gold business as measured by Reserves and market capitalization. In 2018, NC’s revenues amounted to USD 7.2 billion and total assets of USD 20.7 billion.

The Investment Program 2020-2027 (USD 242 million) - Downstream includes investment for the Merian gold mine.

(x USD 1 million)	2020	2021	2022	2023	2024	2025	2026	Total
Merian gold mine	-	-	-	20	-	-	-	20

In the coming years there is potential for a new mine (Sabajo) with an associated investment of USD 20 million.

6.5 NEW PROJECTS

Saramacca Project

The Saramacca Project is the first gold mining project in the 70%-30% joint venture which, initially, was to be concluded between RGM and the Republic of Suriname. The Government of Suriname has decided to transfer the 30% participation right to Staatsolie. Staatsolie agreed to participate in the Saramacca Project joint venture instead of the Republic of Suriname and will negotiate a joint venture agreement that becomes effective by April 2020. The RGM mining concession covers 170 km², with the Suriname River to the east, the Saramacca River to the west and the Brokopondo reserve to the south. The Saramacca gold mine is located 25 kilometers southwest of the Rosebel milling facility and 125 kilometers south of Paramaribo, Suriname.

The Saramacca Project will generate high grade ore relative to the other RGM pits and is currently in pre-production, with commercial production starting in April 2020. Based on encouraging results, IAMGOLD will continue a surface delineation drilling program to better evaluate the potential for underground mining at Saramacca. RGM will use the results of the drilling programs to support a concept study to demonstrate the economic viability of a potential underground development.

The Saramacca Project has 1.1 million ounces in reserves (on a 100% basis) and 8 years of production. Based on an independent feasibility study done by G-Mining Services Inc., Staatsolie concluded that the investment in the Saramacca Project is a commercially sound investment, since this project increases the USD earning capacity over time, with a generation of USD 104 million over the life of the mine. Historically, investments in gold also provide an effective cushion against geo-political circumstances which can negatively influence the oil price.

RGM's parent company, IAMGOLD Corporation, is a mid-tier mining company with four operating gold mines on three continents. A solid base of strategic assets in North and South America and West Africa is complemented by development and exploration projects and continued assessment of accretive acquisition opportunities. IAMGOLD has a strong financial position with extensive management and operational expertise. The company is listed on the Toronto and New York stock exchanges and as of 25 November 2019, it has a market capitalization value of USD 1.6 billion. In 2018, revenues amounted to USD 1.1 billion.



Afobaka Dam

The Republic of Suriname transferred its ownership of the 189 MW Afobaka hydropower facility to Staatsolie's subsidiary SPCS as of 1 January 2020 at no cost and debt free.

In 1958, the Republic of Suriname and ALCOA entered into a 75-year agreement for the development of an integrated aluminum production facility in Suriname. Part of this facility was the Afobaka hydropower station. Upon early termination of ALCOA's production activities in Suriname in 2015, an agreement was reached between the Government and ALCOA that ownership of the Afobaka plant would be transferred to the Republic of Suriname by the end of 2019. The Government subsequently identified Staatsolie as the company with the required resources and management systems that would enable secured and sustainable continuation of the operations of the Afobaka Dam.

The Afobaka Dam has an average power generation of 105 MW per year. With this acquisition, Staatsolie will increase its installed power capacity from 30% to 75% of the country's consumption. As part of the transfer agreement between ALCOA and the Republic of Suriname, the facility was brought in A1 condition prior to the transfer. The current Power Purchase Agreement between SPCS and the Republic of Suriname will be amended to include the power deliveries and sales of the hydro dam.



6.6 GROUP STRUCTURE

As per the above description, Staatsolie is organized along its main business lines, Upstream (onshore and offshore) and Downstream which includes Power & Renewables, and the Finance Directorate.

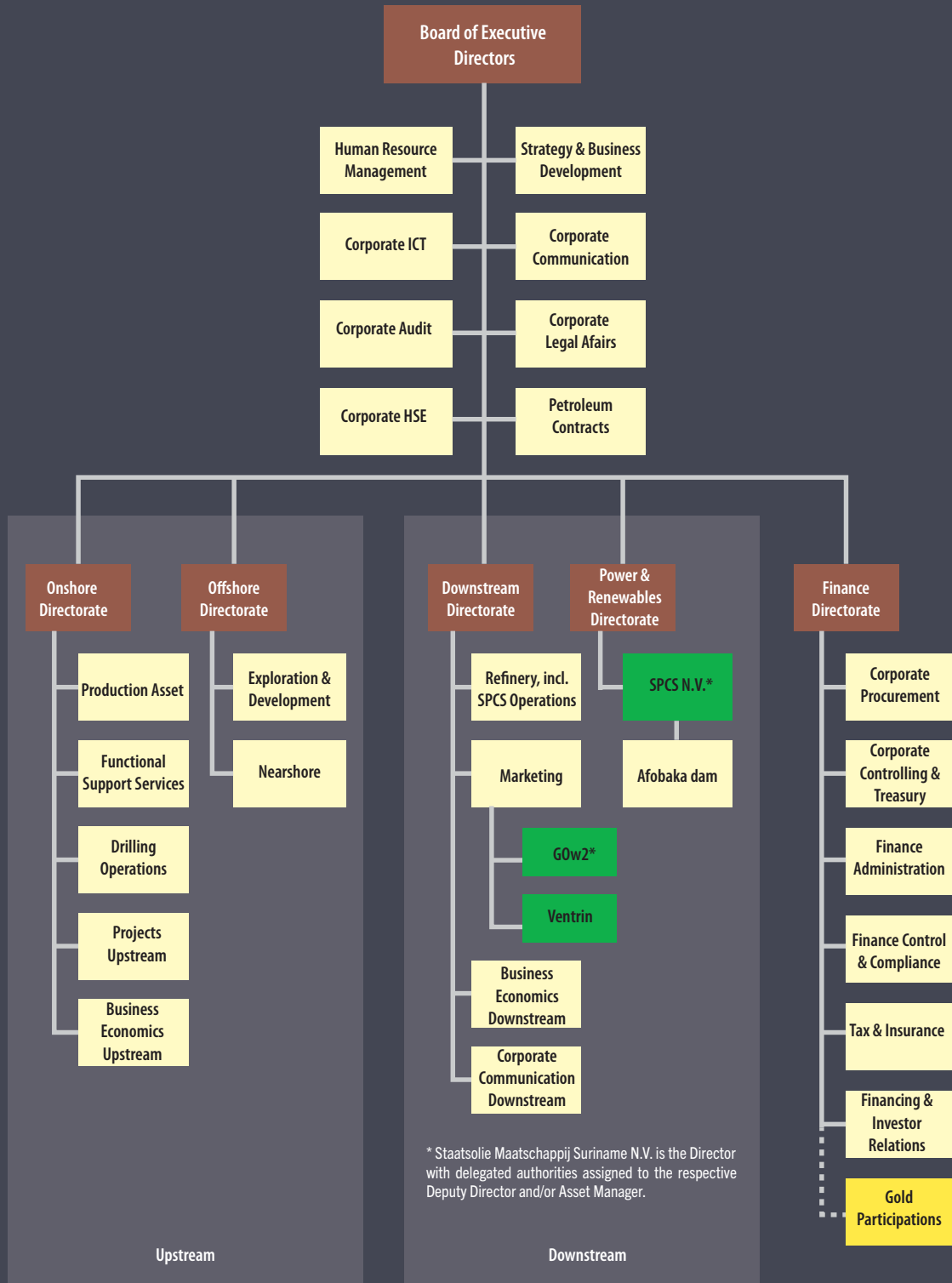
The following companies are subsidiaries of Staatsolie:

- Staatsolie Power Company Suriname;
- GOw2 Energy Suriname N.V.;
- Ventrin Petroleum Limited;
- Paradise Oil Company, currently dormant.

Staatsolie holds a 25% participation in the partnership agreement with Newmont for the Merian Project and is in the process to negotiate a 30% partnership with RGM for the Saramacca Project, to be effected by April 2020.

6.7 GOVERNANCE

Organizational Chart



The Board of Executive Directors consists of:

- Rudolf T. Elias, CEO, Managing Director (in Dutch ‘Algemeen Directeur’)
- Bhoepsing W. Dwarkasing, Upstream Director
- Agnes K. Moensi-Sokowikromo, CFO, Finance Director
- Annand K. Jagesar, Downstream Deputy Director
- Eddy P. Fränkel, Power & Renewables Deputy Director
- Brian W. Glover, Offshore Deputy Director

The Supervisory Board consists of:

- Etienne L. Boerenveen, Chairman
- Gonda E. Asadang, Board Member
- Ewald Poetisi, Board Member
- Mark C. Rommy, Board Member
- I. Tholen, Secretary to the Supervisory Board

Members of the Executive Board are appointed by the General Meeting of Shareholders upon nomination of the Board of Supervisory Directors and may be dismissed by the General Meeting of Shareholders.

Authorization

The Managing Director (CEO) is authorized to legally represent and bind Staatsolie.

According to the Articles of Association the following approvals are required for the Board of Executive Directors:

1. The Board of Executive Directors shall require the prior approval of the General Meeting of Shareholders for:
 - establishing or co-establishing a company or a joint venture;
 - participating in a company for the first time;
 - alienating shares in a company; and
 - establishing a company outside of Suriname.
2. The Board of Executive Directors shall require the prior approval of the Supervisory Board for:
 - acquiring, alienating and encumbering immovable properties, ships and aircrafts;
 - concluding contracts of which the financial interest exceeds an amount equal to the equivalent of USD 100,000;
 - encumbering shares in a company;
 - concluding contracts of surety and granting guarantees;
 - entering into settlements out of court, as well as conducting legal actions as the claimant;
 - conducting arbitration proceedings;
 - determining general terms and conditions of employment for the personnel as well as special bonus arrangements;
 - participating in, or conducting the management of other enterprises, and termination thereof;
 - establishing of, or discontinuing of subdivisions, branch offices and branches; and
 - appointing proxy holders.



With regard to petroleum agreements¹³ with third parties, to explore, develop and produce hydrocarbons, Staatsolie is required to obtain the prior approval of the Minister of Natural Resources to enter into these agreements.

Prior decision making

For the purpose of this Prospectus, the Executive Board of Directors has received the required prior written approval from the Supervisory Board for the issuance of the Bonds, the renewal of the Staatsolie Bonds 2015 and the subsequent funding of Staatsolie's 30% participation in the joint venture with RGM, and all members of the Executive Board of Directors have unanimously agreed with these transactions.

Articles of association

The articles of association of Staatsolie have lastly been amended on 2 September 1997. For a copy of the continuous text of the current articles we refer to www.staatsolie.com.

13. The **Petroleum Act 1990** specifies that Staatsolie can sign petroleum agreements with third parties to explore, develop and produce hydrocarbons.

7 FINANCIAL INFORMATION

Historical data for the three years ended 31 December 2016, 2017 and 2018 have been derived from Staatsolie's audited consolidated financial statements for those respective periods. These financial statements are prepared in accordance with IFRS. The consolidated financial statements have been audited by Ernst & Young ("EY"). EY has been the auditor of the Company since 2016 and has issued unqualified audit opinions for 2016, 2017 and 2018 on the Company's consolidated financial statements. In addition the Q3-2019 interim condensed consolidated financial statements for the 9 months ended 30 September 2019, and related notes including a summary of significant accounting policies are available via www.staatsolie.com.

7.1 MANAGEMENT FORECASTS AND PROJECTIONS

Management projections for 2020-2027 were prepared using the audited financials for 2016-2018¹⁴ as a basis. 2019 results are based on the actual numbers through November 2019 and forecasts for December. These projections have been reviewed and reported on by EY. The main assumptions used for these forecasts and projections are included in the table and text below. These forecasts and projections do not include future investments related to offshore oil discoveries.

Assumptions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Pira Price (USGS#6,3% S); NY H 1% S as from 2020; USD/bbl	32.0	47.0	61.0	53.9	63.1	64.6	58.4	54.4	54.8	55.5	55.5	55.5
Gold Price forecast (USD/toz)	1,175	1,265	1,264	1,430	1,400	1,400	1,400	1,400	1,350	1,350	1,350	1,350
Crude Production (x 1 million bbls)	6.0	6.0	6.0	6.1	6.1	6.1	6.0	6.0	6.0	6.0	6.0	6.0
High End Production (x 1 million bbls)	1.8	2.6	2.6	2.6	2.5	3.1	3.1	3.4	3.4	3.4	3.4	3.4
Fuel Oil & Crude Prod (x 1 million bbls)	3.8	3.2	3.2	3.2	3.2	2.6	2.5	2.3	2.3	2.3	2.3	2.3
Gold Production (x 1,000 toz)	20	128	134	131	148	140	126	152	154	123	122	118
Operating expenses (x USD 1 million)	152	151	173	162	169	170	170	170	170	170	169	169
Total Capital expenses (x USD 1 million)	38	83	119	223	198	130	120	130	100	125	125	125

14. These years are based on the business without the Afobaka Dam and the Saramacca project.

- Staatsolie uses the Petroleum Industry Research Associates (“**PIRA**”) – Standard & Poors Global reference oil prices for forecast purposes. Staatsolie believes PIRA to be a good source to use since its forecasted prices have proven to be conservative in the past when comparing actuals to projected prices which had been based on PIRA’s forecasted prices. The assumptions used for the oil price in 2020 and thereafter are based on the 1% sulfur reference instead of the previously used 3% sulfur reference. This is in line with the IMO 2020 regulation being effective as of 1 January 2020. For 2019, the difference between the price for 1% sulfur and 3% sulfur is approximately USD 10 per barrel. Starting in November 2019 Staatsolie was able to successfully convert spot and contract sales to a 1% sulfur price reference.
- Gold prices used for these projections are based on the World Bank Commodities Forecast (update as of October 2019), but rounded off downwards.
- Onshore crude production will be sustained at 6 million barrels per annum (for the upcoming 25 - 30 years) in order to feed the refinery.
- The production of the refined high-end products gasoline and diesel will increase in the upcoming years after the first turnaround and inspection of the refinery in 2020 and debottlenecking of the refinery in later years. Because of the increased production of high-end refined products, the remaining Fuel Oil production will decrease.
- The quantities for gold are derived from Newmont’s and RGM’s projections and are based on current reserves. Additional resources have not yet been taken into consideration. The Company believes additional reserves will be added going forward.
- Operating expenses¹⁵ are kept stable based on the following assumptions (compensating for inflation and exchange rate differences):
 - optimizing processes at corporate level will decrease the workforce assuming a natural decline by retirements;
 - implementation of the smart field project in the Upstream will result in cost optimizations that is lower maintenance, fuel consumption and transport;
 - less use of consumables (mainly Liquid Petroleum Gas) and lower electricity cost in the refinery.
- Exploration expenses and expensed projects are forecasted at nil, as these costs will only be incurred if capitalized exploration expenses are impaired. No exploration is planned for the upcoming years other than those in partnerships.
- Tax rate remains at 36%;
- The detailed Investment Program for 2020 - 2027 is covered in chapter 6 (*Staatsolie Business*);
- With due observance of the conditions of the Term Loan agreement, Staatsolie expects to declare 50% of the consolidated net income (as defined in the Term Loan agreement) for dividend;
- Principal payments of the outstanding Term Loan will be made according to the amortization schedule;
- The Bonds will be refinanced in 2027.

15. Operating expenses include expenses (other than depreciation) related to upstream production, refining, selling and distribution, general and administration and other expenses related to the subsidiaries.

Below are the projections related to the Income Statement including some relevant credit metrics:

1. The current business without the investment in the Saramacca Project and the Afobaka Dam;
2. Including the investment in Saramacca Project and the Afobaka Dam.

Current Business												
(x USD 1 Million)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Revenues												
Gross Revenues	358	434	506	499	525	510	477	462	468	474	469	469
Cost of sales	(251)	(247)	(252)	(272)	(286)	(252)	(256)	(262)	(263)	(263)	(264)	(268)
Gross profit	106	186	253	227	240	258	221	200	205	211	205	201
Other Income/expense	13	(24)	(9)	-	-	-	-	-	-	-	-	-
Expensed Projects	(2)	(3)	(1)	(1)	-	-	-	-	-	-	-	-
Exploration expenses including dry holes	(7)	(3)	(18)	(4)	-	-	-	-	-	-	-	-
Selling and distribution expenses	(25)	(20)	(19)	(14)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
General and administrative expenses	(31)	(27)	(30)	(34)	(34)	(33)	(33)	(33)	(33)	(33)	(33)	(33)
Other operating expenses	(12)	(12)	(7)	(7)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Operating Profit	43	97	169	165	183	202	165	144	149	155	149	146
Finance income	5	1	1	0	-	-	-	-	-	-	-	-
Finance costs	(65)	(68)	(88)	(57)	(55)	(47)	(39)	(31)	(22)	(12)	(10)	(10)
Share of profit in Goldmines	8	64	66	75	37	48	5	23	13	(10)	11	7
Profit before income tax / EBT	(9)	94	149	184	166	203	132	136	140	134	150	143
Income tax expense	2	(33)	(48)	(61)	(62)	(73)	(47)	(48)	(50)	(49)	(55)	(52)
Profit after tax	(8)	61	100	123	104	130	85	88	90	85	96	91
Credit metrics:												
Revenues	358	434	506	499	525	510	477	462	468	474	469	469
EBITDA	154	285	353	377	356	387	305	299	299	285	301	297
Profit after tax	(8)	61	100	123	104	130	85	88	90	85	96	91
Interest expenses	65	68	88	57	55	47	39	31	22	12	10	10
Loan repayment	38	59	272	25	100	100	100	100	125	75	-	-
Total Debt	760	705	724	699	588	488	388	288	163	88	88	88
Balance Sheet total	2,190	2,207	2,181	2,243	2,447	2,426	2,384	2,340	2,273	2,255	2,291	2,326
Equity	1,100	1,170	1,214	1,276	1,328	1,393	1,435	1,479	1,524	1,567	1,614	1,660
Cash End of Year	17	47	43	32	37	39	56	48	46	72	156	239
DSCR	1.9x	2.5x	1x	4.6 X	2.3 X	2.6 X	2.2 X	2.3 X	2 X	3.3 X	30.6 X	30.2 X
Total Debt to EBITDA	4.9x	2.5x	2x	1.9 X	1.7 X	1.3 X	1.3 X	1 X	0.5 X	0.3 X	0.3 X	0.3 X
EBITDA Margin	0.4x	0.7x	0.7x	0.8 X	0.7 X	0.8 X	0.6 X	0.6 X	0.6 X	0.6 X	0.6 X	0.6 X
Total Debt to Capital	0.4x	0.3x	0.3x	0.4 X	0.3 X	0.3 X	0.2 X	0.2 X	0.1 X	0.1 X	0.1 X	0.1 X

Including Afobaka Dam & Saramacca Project

(x USD 1 Million)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Revenues												
Gross Revenues	358	434	506	499	562	547	513	498	505	511	505	506
Cost of sales	(251)	(247)	(252)	(272)	(309)	(277)	(281)	(287)	(288)	(288)	(289)	(293)
Gross profit	106	186	253	227	253	270	233	211	217	222	216	213
Other Income/expense	13	(24)	(9)	-	9	9	9	9	9	9	9	9
Expensed Projects	(2)	(3)	(1)	(1)	-	-	-	-	-	-	-	-
Exploration expenses including dry holes	(7)	(3)	(18)	(4)	-	-	-	-	-	-	-	-
Selling and distribution expenses	(25)	(20)	(19)	(14)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
General and administrative expenses	(31)	(27)	(30)	(34)	(34)	(33)	(33)	(33)	(33)	(33)	(33)	(33)
Other operating expenses	(12)	(12)	(7)	(7)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Operating Profit	43	97	169	165	206	223	186	164	170	176	170	166
Finance income	5	1	1	0	-	-	-	-	-	-	-	-
Finance costs	(65)	(68)	(88)	(57)	(58)	(52)	(44)	(36)	(27)	(16)	(15)	(15)
Share of profit in Goldmines	8	64	66	75	57	52	24	83	58	17	34	29
Profit before income tax / EBT	(9)	94	149	184	205	223	167	212	201	176	189	181
Income tax expense	2	(33)	(48)	(61)	(78)	(81)	(61)	(77)	(74)	(65)	(70)	(67)
Profit after tax	(8)	61	100	123	127	142	106	135	128	111	119	114
Credit metrics:												
Revenues	358	434	506	499	562	547	513	498	505	511	505	506
EBITDA	154	285	353	377	403	420	352	387	373	340	352	348
Profit after tax	(8)	61	100	123	127	142	106	135	128	111	119	114
Interest expenses	65	68	88	57	58	52	44	36	27	16	15	15
Loan repayment	38	59	272	25	100	100	100	100	125	75	-	-
Total Debt	760	705	724	699	650	550	450	350	225	150	150	150
Balance Sheet total	2,190	2,207	2,181	2,243	2,500	2,465	2,410	2,372	2,303	2,275	2,325	2,373
Equity	1,100	1,170	1,214	1,276	1,340	1,410	1,463	1,531	1,595	1,650	1,709	1,766
Cash End of Year	17	47	43	32	28	34	54	72	89	127	248	370
DSCR	1.9x	2.5x	1x	4.6 X	2.6 X	2.8 X	2.4 X	2.9 X	2.5 X	3.7 X	24 X	23.7 X
Total Debt to EBITDA	4.9x	2.5x	2x	1.9 X	1.6 X	1.3 X	1.3 X	0.9 X	0.6 X	0.4 X	0.4 X	0.4 X
EBITDA Margin	0.4x	0.7x	0.7x	0.8 X	0.7 X	0.8 X	0.7 X	0.8 X	0.7 X	0.7 X	0.7 X	0.7 X
Total Debt to Capital	0.4x	0.4x	0.4x	0.4 X	0.3 X	0.3 X	0.2 X	0.2 X	0.1 X	0.1 X	0.1 X	0.1 X

When comparing the projections with and without the Saramacca Project and Afobaka Dam, it is clear that the new projects may significantly increase EBITDA (on average approximately USD 56 million per year) and profit after tax (on average USD 21 million per year), evidencing further strengthening of the diversification and resilience base.

EBITDA margins remain between 0.8x and 0.7x. Both the DSCR and the consolidated Debt/EBITDA leverage ratio improve as the Term Loan gets amortized and in 2027 reach levels of 24.2x and 0.4x respectively.

Please find below a summary of certain price scenarios used to evaluate the projections whereby all other assumptions remain unchanged:

- Oil prices moving 10% up and moving down 10%, 15% and 20% respectively.
- Gold price moving downwards to USD 900, USD 1,000 and USD 1,100 /toz and upwards to USD 1,300 and USD 1,400 /toz.

Scenario (x USD 1 million)	Avg EBITDA 2020 -2027	DSCR range 2020 -2027
Base case:		
• Oil price avg 58 USD\bbl ¹⁶ and gold price 1,363 USD\toz ¹⁷	372	2.4 – 24.0
• Oil price + 10%; avg 64 USD\bbl	409	2.7 – 26.5
• Oil price - 10%; avg 52 USD\bbl	335	2.2 – 21.5
• Oil price - 15%; avg 49 USD\bbl	316	2.1 – 20.3
• Oil price - 20%; avg 46 USD\bbl	398	2.0 – 19.1
• Gold price at 900 USD\toz	319	2.0 – 20.4
• Gold price at 1,000 USD\toz	330	2.1 – 21.2
• Gold price at 1,100 USD\toz	341	2.2 – 22.0
• Gold price at 1,300 USD\toz	364	2.4 – 23.6
• Gold price at 1,400 USD\toz	375	2.4 – 24.4

The earning capacity of the business is more sensitive to a change in oil price compared to a change in the gold price. A 10% decrease in oil prices has almost the same impact on average EBITDA and DSCR range as a decrease of gold prices with 27%. The DSCR is expected to reach the minimum of 2 at oil prices of USD 46 per barrel and at gold prices of USD 900 /toz.

The low-cost nature of both the oil and gold operations serve as an effective mitigation against a decrease in prices. Based on YTD Q3-2019 financials, all-in production cost for oil (including sustaining capex) is approximately USD 28 per barrel and the all-in sustaining cash cost for gold it is approximately USD 711 per troy ounce. Furthermore, the integrated and diversified base of the business helps to mitigate cash flow volatility across the price cycles.

16. Barrel

17. Troy ounce

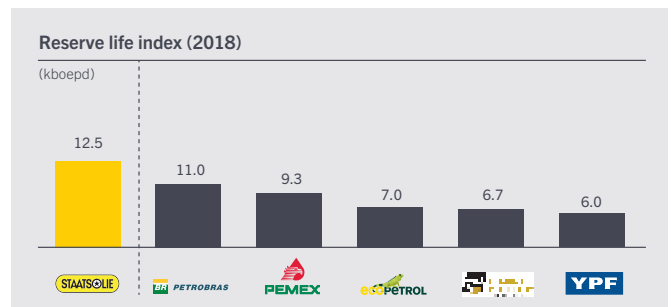
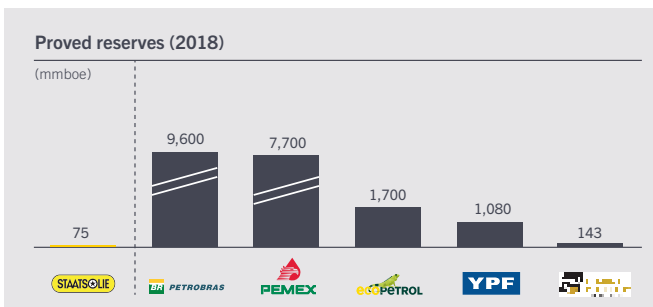
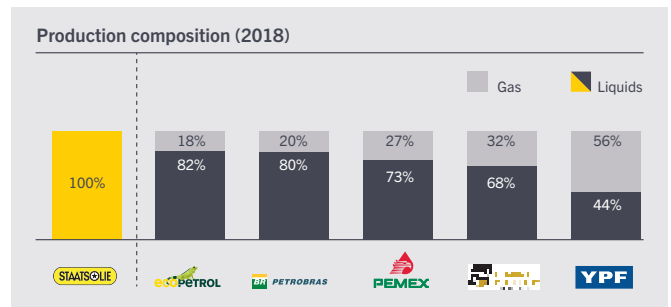
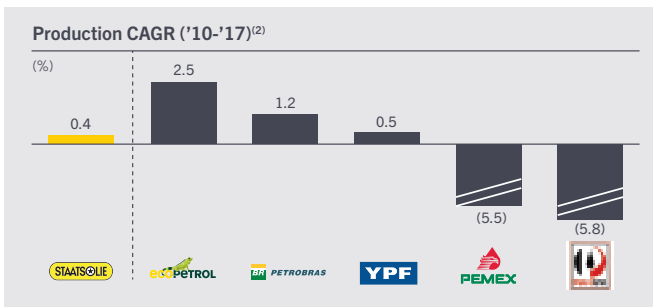
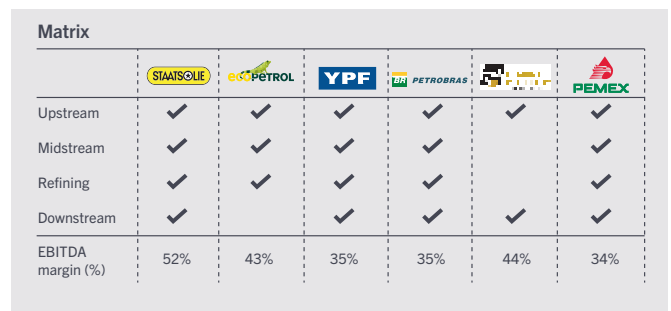
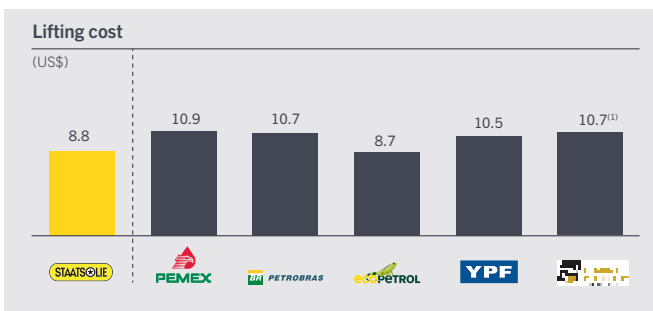
Below are the projections related to the Balance Sheet:

Balance sheet												
(x USD 1 Million)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
ASSETS												
Non - current assets												
PP&E	1,598	1,603	1,582	1,682	1,874	1,845	1,808	1,784	1,724	1,686	1,648	1,606
Investment in Goldmines	285	277	283	275	322	296	274	250	221	190	159	127
Other non - current assets	57	64	45	49	64	64	64	64	64	64	64	64
Total non - current assets	1,940	1,944	1,910	2,006	2,260	2,205	2,146	2,098	2,009	1,940	1,871	1,797
Current assets												
Cash and short-term deposits	17	47	43	32	28	34	54	72	89	127	248	370
Other current assets	233	216	228	205	212	226	211	202	204	208	206	206
Total current assets	250	263	271	237	240	260	265	274	293	335	454	576
Total Assets	2,190	2,207	2,181	2,243	2,500	2,465	2,411	2,372	2,302	2,275	2,325	2,373
LIABILITIES												
Equity												
Total equity	1,100	1,170	1,215	1,276	1,340	1,410	1,463	1,531	1,595	1,650	1,709	1,766
Total equity	1,100	1,170	1,215	1,276	1,340	1,410	1,463	1,531	1,595	1,650	1,709	1,766
Non - current liabilities												
Term Loans	661	606	625	600	500	400	300	200	75			
Bond	99	99	99	99	150	150	150	150	150	150	150	150
Total debt	760	705	724	699	650	550	450	350	225	150	150	150
Deferred capital grant - Afobaka Dam					181	172	163	154	145	136	127	118
Other non-current liabilities	140	143	93	93	105	105	105	105	105	105	105	105
Total other non-current liabilities	140	143	93	93	286	277	268	259	250	241	232	223
Current liabilities												
Current portion of deferred capital grant					9	9	9	9	9	9	9	9
Trade Payables and Accrued Liabilities	190	189	149	175	215	219	221	223	223	225	225	225
Total current liabilities	190	189	149	175	224	228	230	232	232	234	234	234
Total equity and liabilities	2,190	2,207	2,181	2,243	2,500	2,465	2,411	2,372	2,302	2,275	2,325	2,373

7.2 PEER COMPARISON

Credit Suisse is Staatsolie's largest financier since 2010 and as part of their yearly review Credit Suisse provides Staatsolie with the outcome of their peer review. The peer comparison 2018 clearly evidences that according to Credit Suisse, Staatsolie, when adjusted for scale, has excellent reserve quality, is a low-cost producer and is financially sound.

CREDIT SUISSE 2018 PEER COMPARISON OVERVIEW



Source: Staatsolie, PEMEX, Petrobras, Ecopetrol, YPF, Petrotrin annual 2018 reports.

Note: Petrotrin information based on February 2017 production.

1. Based on four-month actual numbers, includes all productions costs and other income. Does not include royalties as per peers lifting cost calculations.
2. No Heritage information available for Production CAGR.

7.3 DEBT POSITION/CAPACITY

Total outstanding debt amounts to almost USD 700 million as of 31 December 2019, as follows:

	Senior secured term loan	Staatsolie Bonds 2015
Lenders	Syndicate of Credit Suisse, ING, FCIB and other banks	Local Bondholders
Term	7 years	5 years
Maturity	25 May 2025	14 May 2020
Amortization	23 quarterly USD 25 million installments which started in November 2019 with USD 25 million	Bullet at maturity
Collateral	See overview of securities hereunder	Unsecured
Outstanding amount	USD 600 million	USD 99.1 million

Term loan

As mentioned, the Term Loan agreement is a syndicated loan with Credit Suisse AG, Cayman Island Branch (lead arranger with the largest participation), ING Bank N.V., First Caribbean International Bank (Curaçao) N.V., First Caribbean International Bank (Cayman) Limited (all four banks holding together approximately 77% of the loan) and other regional and local banks. Staatsolie originally entered into this Term Loan agreement in September 2010.

The main terms and conditions of the Term Loan agreement are:

1. Security:
 - All offshore receivables (all payment arising from products sold to customers not organized and incorporated in Suriname. Products means gold bullion other than from the Saramacca Project, crude oil, fuel oil, gas oil, natural gas, and any other refined oil product);
 - Limited Partnership Agreement (“LPA”) receivables (all amounts payable including proceeds of sale of any gold or gold bullion to Staatsolie under the partnership agreement with Newmont Suriname, LLC;
 - Shared Offshore Account (this is the collection account and insurance proceeds account);
 - Gold Account (this is the metals or bullion storage account established in the name of Staatsolie for purposes of holding gold bullion or gold credits purchased with proceeds of LPA receivables).
2. Staatsolie may issue unsecured bonds marketed in Suriname, Aruba, St. Maarten, Curaçao, Bonaire, The Netherlands or the Caribbean Single Market and Economy (“Local Bond”) with a maturity date after the maturity date of the Term Loan.
3. Staatsolie may also issue a 144A/RegS Bond¹⁸, USD/Euro bond or a private placement in the international market (“International Bond”) for the sole purpose of prepaying the Term Loan (take out facility) with 100% of the net cash proceeds from this international bond, so long as the consolidated Debt/EBITDA leverage ratio (after issuance of such bonds and use of proceeds thereof) does not exceed 3.5x. This International Bond would share in the collateral with the Term Loan.

18. An offering of notes within the United States relying on an exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act and outside the United States, such offering of notes being made in reliance on Regulation S under the Securities Act.

4. Voluntary prepayment of the Term Loan is permitted and will be applied to the remaining principal repayment installments on a pro rata basis.
5. Amortization: the principal of the Term Loan is payable in 23 quarterly installments starting in November 2019 as follows:
 - Period November 2019 to May 2024 amortization amounting to 4% of the original principal amount;
 - Period August 2024 to May 2025 amortization amounting to 6% of the original principal amount.
6. Other key covenants:
 - Delivery of Financial Statements and typical reporting requirements including but not limited to a Compliance Certificate and a Liquidity Report;
 - Additional debt may be incurred as long as pro forma consolidated leverage ratio remains below 3.5x;
 - Dividend payments to be made in accordance with the conditions as set forth in the Term Loan agreement;
 - Transactions with related parties or affiliates should be at arms-length basis;
 - Maintenance of certain insurances;
 - Every two years delivery of an audit report of the petroleum reserves;
 - Maintain a minimum Consolidated Interest Coverage ratio of 3.50:1.00;
 - Maintain a minimum of Petroleum PV10¹⁹ ratio of 1.00:1.00.
7. Governing law: Law of the State of New York.

Staatsolie Bonds 2015

Staatsolie issued USD 99,142,100 unsecured Bonds in Suriname on 14 May 2015. Interest is paid semi-annually on 14 May and 14 November of each year. The maturity date of the Local Bond is 14 May 2020. The Staatsolie Bonds 2015 are governed by the Law of Suriname.

19. Petroleum PV10 is the net present value of the future net revenues with respect to the Hydrocarbon 1P Reserves (in accordance with petroleum industry standards classified as “proved reserves”) as evidenced in the recent petroleum reserves report.

TAX 8

Enclosed in appendix II is a summary paragraph which solely addresses the principal Curaçao and Suriname tax considerations, and ownership or disposal of interest-bearing Bonds in Staatsolie. It does not claim to describe every aspect of taxation that may be relevant to a Bondholder. Any prospective investor in the Bonds should consult his/her/its tax adviser for more information about the tax consequences for him/her/it of acquiring Bonds.

The enclosed summary is based on the tax law of Curaçao (unpublished case law not included) and Suriname as it stands at the date of this Prospectus. The tax law upon which this summary is based, is subject to change, perhaps with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.



RISK FACTORS

Prior to investing in this Bond Issue of Staatsolie, prospective investors should carefully consider all the information set forth in this Prospectus and, in particular, should evaluate the risk factors outlined below which, individually or in aggregate, could have a material adverse effect on the operations of Staatsolie.

The information presented in this Prospectus regarding the Company's operations and investment programs, and the risks related thereto are for your consideration before investing in Staatsolie's Bonds. Risks may reduce or increase over time and additional risks can surface.

General	<p>Bond investments have an increased degree of risk and are suitable for prospective investors who have no immediate need for liquidity of the amount of capital invested and who can afford the risk of loss of all or part of such amount of capital invested. Staatsolie is a stable company and is diligent to achieve its objectives. None of Staatsolie, the Lead Arranger or any other person involved in the current Bonds Issue and listing are making any guarantees or representations in respect of the Bonds or that the new projects will achieve their objectives and there is no assurance that the investments in the new projects will be successful.</p>
Financial condition	<p>Adverse changes in the financial condition of Staatsolie could have an adverse effect on Staatsolie's income and on its ability to make distributions and/or payments to its debt investors (including Bondholders). Staatsolie may experience, from time to time, a downturn in its business which may weaken its financial condition, resulting in lower payments than required, potentially increasing the risk of Staatsolie to default on its required payments when due.</p> <p>The Company's strong earning capacity and balance sheet, low leverage, low cost basis and diversified business activities provide a buffer against adverse changes.</p>
Commodity price volatility	<p>Staatsolie's financial results are driven by prices for crude oil, refined products and other products. These prices are dependent upon factors beyond the control of Staatsolie, including regional and global supply and demand. The average lifting costs are in the lowest cost quartile and Staatsolie is a vertically and horizontally integrated company; these factors serve as risk mitigants. The product range provides flexibility to adequately respond to changes that may negatively impact the Company's performance.</p> <p>Staatsolie has diversified its cash generating business activities within and outside the oil value chain (gold, electricity, retail). These activities come with their own price volatility risks, but generally provide valuable diversification and price risk mitigation.</p>

Availability of crude oil	Staatsolie's performance depends on its ability to source crude oil for its refining operations. The reserve life index of ongoing production is 12.5 years at current production levels. Staatsolie is executing an exploration and production plan to sustain a production level of 6 million barrels per year. The Company plans to invest in developing onshore via improved oil recovery and enhanced oil recovery initiatives and offshore reserves via partnerships with IOC's to share risks, costs and experience.
Environmental liabilities	<p>The risk exists that oil production, transportation, and power generation activities can have a serious adverse impact on the environment if adequate environmental protection measures are not properly implemented and maintained. Staatsolie has a robust environmental awareness and compliance program, in line with the Company's core business principles, including the ISO 9001:2008 quality management system. Staatsolie has always remained compliant with existing and impending health, safety and environmental legislative requirements. For all new and expansion activities, Staatsolie conducts environmental impact assessments to ensure that potential environmental and socio-economic impacts are identified, and mitigation measures are in place to prevent or reduce adverse impacts to acceptable levels.</p> <p>Similar risks exist with respect to gold production. To limit these risks, the highest standards are applied by the Company's partners, to ensure effective health, safety and environmental protection processes using certified systems and international standards.</p>
Exposure to catastrophes	Industry operating risks include the risk of hurricanes, fire, explosions and oil spills, gas leaks, discharges of toxic gases and other accidents. The occurrence of these events could cause unscheduled shutdowns of production. Suriname is below the hurricane belt and as such Staatsolie historically has a small exposure to hurricane impact. Staatsolie adheres to the highest safety standards and maintains a comprehensive portfolio of industry-standard insurance to cover risk accidents in all its major operations.
Controlling shareholder	The Republic of Suriname is the sole shareholder of the Issuer and as such conflicting interests may arise. Staatsolie is of strategic importance to Suriname. Staatsolie's significant contribution - taxes and dividend - to the Government of Suriname are dependent on Staatsolie's profitability. Subject to the terms and conditions of the Term Loan agreement, Staatsolie declared 50% of its consolidated net income for dividend in the past and may do so in the future. Dividends actually paid to the Republic of Suriname are a result of an agreed settlement mechanism whereby receivables of the Republic of Suriname, e.g. to receive dividends, and payables of the Republic of Suriname are netted.

Succession planning	Staatsolie always seeks to have the right people in the right roles. Staatsolie's management views this as particularly important as Staatsolie has been preparing for a commercial offshore oil discovery by one of its PSA partners and is implementing a strategy of remaining a lowest cost quartile oil producer. It is in the process of executing several policies and programs, such as capabilities assessments and 360-degree feedback, job rotation, secondments to IOC's and succession planning, together with coaching and mentoring. In addition, Staatsolie is in the process of conducting a value-driven 'culture change' program in order to imbed integrity, excellence, accountability and performance management in its daily operations.
Liquidity	The Company needs to be able to pay interest and repay its debts, and the risks described herein could affect its liquidity position. At all times, the Company plans, manages, monitors, reports and analyses its liquidity position using all tools available. If necessary, the Company may reschedule capital investments or make use of its additional debt capacity to support its liquidity position. Bondholders are further covered by the existence of the DSRA set out above in chapter 5. (<i>Terms and Conditions of the Bonds</i>).
Covenants compliance	Staatsolie must comply with several affirmative and negative covenants based on the listing requirements and other existing credit agreements. Staatsolie is in compliance with these covenants.
Foreign Currency	The exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities of its retail subsidiary as revenues and expenses are denominated in foreign currency. Approximately 80% of Staatsolie sales are USD; 75% are paid into offshore USD accounts and 5% are paid into local USD accounts. Approximately 20% of all sales are in SRD. Local payments and local receivables are offset in SRD as a natural hedge for SRD transactions.
Political and socio-economical	Staatsolie is a limited liability company, wholly owned by the Republic of Suriname; therefore the political and socio-economic situation of Suriname might be of influence on the functioning of Staatsolie as a whole and consequently as the issuer and debtor of the Bonds being offered.
Other	A number of typical business risks exist that could have negative effects on the operations and financial position of the Company, and could negatively impact both profitability and cash flow. In this Prospectus forecasts and projections about the future performance are included. The actual results may significantly differ from these forecasts and projections due to different reasons, including: <ul style="list-style-type: none"> • uncertainty associated with estimating reserves for gold and oil; • discrepancy in exploration and drilling activities; • treatment of exploration expenses is subject to annual impairment review; • lower actual production than projected; • buyers not meeting payment terms; • developments in the local and international finance market, as well as the economic and political situations; • disruptions in business due to reasons including insolvency of buyers, suppliers, banks, insurance companies, etc.; • the investment program not being implemented as planned; • Force Majeure ('Acts of God' and 'Acts of man').



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COUNTRY OVERVIEW



Highlights

- Suriname is South America's least populated independent country, with an area of 163,820 km² and an estimated population of approximately 550,000 people;
- Suriname is the fourth largest oil producer in the Caribbean region, after Trinidad and Tobago, Cuba and Guyana;
- The Surinamese economy is largely based on mining, oil exploration and refining and related manufacturing activities;
- Real GDP growth is estimated at approximately 2.00% to 2.50% for the next few years according to the IMF.

Governmental relationships

- Subject to the terms and conditions of the Term Loan agreement, Staatsolie declared 50% of its consolidated net income for dividend in the past and may do so in the future. Net dividend actually paid to the Government of Suriname is a result of an agreed-upon settlement mechanism agreed where all receivables from the Government of Suriname and all payables to the Government of Suriname are netted;
- The Company is an important contributor to the Surinamese economy, having paid an average of USD 193 million per year in contributions (taxes and dividends) to the Government of Suriname in the past 9 years;
- Staatsolie is a limited liability company, wholly owned by the Republic of Suriname, and managed by a group of highly experienced professionals from the private sector with vast knowledge of the oil and gas industry;
- The petroleum activities in Suriname are mainly governed by the Mining Decree of 1986 and the Petroleum Law 1990. The Petroleum Law 1990, together with the State Resolutions of 4 August 1993 contains rules, regulations and investments facilities to perform petroleum operations in Suriname. By virtue of the Mining Decree concession rights for petroleum activities are granted exclusively to State Enterprises, in this case Staatsolie. As such Staatsolie is the only oil exploration, production and refining company in the country, and the largest supplier of refined products;
- With the refinery in full operation, Suriname has ceased to export crude oil and has largely ceased to import refined products, which positively impacts the external current account. With the refinery producing 6 million barrels of oil per year and an average demand in Suriname of approximately 5 million barrels per year, the country is now a net exporter of oil products;
- Staatsolie holds the exclusive concession rights for exploration and production to all onshore and offshore hydrocarbon reserves in Suriname, giving it an effective monopoly in these activities;
- The Company is also the regulator of the oil sector in Suriname. As such, it also provides institutional services to the Government on energy policy, promotion, contracting and supervision of oil-related activities carried out by the private sector. The regulators role is currently being ringfenced.

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OTHER RELEVANT INFORMATION

For other relevant information please visit the website www.staatsolie.com/en/investor-relations. Staatsolie publishes news relating to Staatsolie periodically on its website. In addition, any information that can reasonably be expected to have a significant impact on yield, pricing, trading volume and the financial situation of the Issuer will be reported to DCSX by the Issuer. DCSX will inform the brokers and publish the news on its website www.dcsx.cw.



APPENDICES

1. EY Report on the management forecasts and projections
2. Taxation
3. Biographies of Directors, Deputy Directors and Supervisory Boards



APPENDIX I - EY REPORT ON THE MANAGEMENT FORECASTS AND PROJECTIONS

Independent Practitioner's Report

The Directors
Staatsolie Maatschappij Suriname N.V.
Dr. Ir. H.S. Adhinstraat 21
Flora
Paramaribo
Suriname

Report on the examination of prospective financial information

Dear Sirs,

We have examined the accompanying prospective financial information of Staatsolie Maatschappij Suriname N.V (Staatsolie), which comprises the forecasted and projected consolidated statement of financial position as of December 31, 2019 to December 31, 2027, and the related forecasted and projected consolidated statement of Income which includes the forecasted financial performance for the month ending December 31, 2019 and forecasted and projected financial performance for the subsequent years then ended in accordance with the International Standard for Assurance Engagements (ISAE) 3400 "The Examination of Prospective Financial Information", in all material respects.

Management's responsibility

Management of Staatsolie Maatschappij Suriname N.V. is responsible for preparing and presenting the prospective financial information which comprise both forecasts and projections based on the issue of the USD 150,000,000 unsecured bond as described in the summary of significant assumptions in accordance with the guidelines as set out in Note 1. The forecast is prepared on the basis of assumptions as to future events which management expects to take place and the actions management expects to take as of the date the information is prepared. The projection includes a combination of best estimates and hypothetical assumptions about future events and management actions which relate to the completion of the investment in IAMGOLD's Rosebel Gold Mines – Saramaca Gold mine. The prospective financial information was prepared to be incorporated into a prospectus for the issue of an unsecured bond amounting to USD 150,000,000.

Consequently, readers are cautioned that these forecasts and projections may not be appropriate for purposes other than described above.

Ernst & Young's Responsibility

Our responsibility is to express an opinion on the forecasts and projections based on our examination. Our examination was conducted in accordance with the International Standard for Assurance Engagements (ISAE) 3400 "The Examination of Prospective Financial Information", in all material respects. An examination involves performing procedures to obtain evidence about the forecasts and projections. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the forecasts and projections, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Due to the nature and extent of our procedures, these can only result in a moderate level of assurance. The level of assurance is lower than could be reasonably derived from an audit.

Conclusion

Based on our examination of the accompanying prospective financial information of Staatsolie Maatschappij Suriname N.V (Staatsolie), which comprises the forecasted and projected consolidated statement of financial position as of December 31, 2019 to December 31, 2027, and the related forecasted financial performance for the month ending December 31, 2019 and forecasted and projected financial performance for the subsequent years then ended, nothing has come to our attention which causes us to believe that the assumptions set out in Note 1 do not provide a reasonable basis for these forecasts and projections. Further, in our opinion the forecasts and projections are properly prepared and presented on the basis of the assumptions.

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material.

Even if the events anticipated under the best estimates and hypothetical assumptions described above occur, actual results are still likely to be different from the projection since other anticipated events frequently do not occur as expected and the variation may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Restriction on Use

The forecasts and projections, as well as our report, are solely intended to be incorporated in the Prospectus regarding the issue of a bond for an amount of USD 150,000,000. Therefore, our report is not suitable for other purposes.

Sincerely,
For Ernst & Young Suriname



Andrew Tom
Partner,
Paramaribo, Suriname
28 January 2020

Forecasted and projected Consolidated Statement of Income

(x USD 1 Million)	2019	2020	2021	2022	2023	2024	2025	2026	2027
Revenues									
Gross Revenues	499	562	547	513	498	505	511	505	506
Cost of sales	(272)	(309)	(277)	(281)	(287)	(288)	(288)	(289)	(293)
Gross profit	227	253	270	233	211	217	222	216	213
Other Income/expense	-	9	9	9	9	9	9	9	9
Expensed Projects	(1)	-	-	-	-	-	-	-	-
Exploration expenses including dry holes	(4)	-	-	-	-	-	-	-	-
Selling and distribution expenses	(14)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
General and administrative expenses	(34)	(34)	(33)	(33)	(33)	(33)	(33)	(33)	(33)
Other operating expenses	(7)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Operating Profit	165	206	223	186	164	170	176	170	166
Finance income	0	-	-	-	-	-	-	-	-
Finance costs	(57)	(58)	(52)	(44)	(36)	(27)	(16)	(15)	(15)
Share of profit in Goldmines	75	57	52	24	83	58	17	34	29
Profit before income tax / EBT	184	205	223	167	212	201	176	189	181
Income tax expense	(61)	(78)	(81)	(61)	(77)	(74)	(65)	(70)	(67)
Profit after tax	123	127	142	106	135	128	111	119	114

Forecasted and projected Consolidated Statement of Financial Position

(x USD 1 Million)	2019	2020	2021	2022	2023	2024	2025	2026	2027
ASSETS									
Non - current assets									
PP&E	1,682	1,874	1,845	1,808	1,784	1,724	1,686	1,648	1,606
Investment in Goldmines	275	322	296	274	250	221	190	159	127
Other non - current assets	49	64	64	64	64	64	64	64	64
Total non - current assets	2,006	2,260	2,205	2,146	2,098	2,009	1,940	1,871	1,797
Current assets									
Cash and short-term deposits	32	28	34	54	72	89	127	248	370
Other current assets	205	212	226	211	202	204	208	206	206
Total current assets	237	240	260	265	274	293	335	454	576
Total Assets	2,243	2,500	2,465	2,411	2,372	2,302	2,275	2,325	2,373
LIABILITIES									
Equity									
Total equity	1,276	1,340	1,410	1,463	1,531	1,595	1,650	1,709	1,766
Total equity	1,276	1,340	1,410	1,463	1,531	1,595	1,650	1,709	1,766
Non - current liabilities									
Term Loans	600	500	400	300	200	75			
Bond	99	150	150	150	150	150	150	150	150
Total debt	699	650	550	450	350	225	150	150	150
Deferred capital grant - Afobaka Dam		181	172	163	154	145	136	127	118
Other non-current liabilities	93	105	105	105	105	105	105	105	105
Total other non-current liabilities	93	286	277	268	259	250	241	232	223
Current liabilities									
Current portion of deferred capital grant		9	9	9	9	9	9	9	9
Trade Payables and Accrued Liabilities	175	215	219	221	223	223	225	225	225
Total current liabilities	175	224	228	230	232	232	234	234	234
Total equity and liabilities	2,243	2,500	2,465	2,411	2,372	2,302	2,275	2,325	2,373

NOTE 1

KEY ASSUMPTIONS

Key assumptions are those assumptions, that, in our professional judgment, were of most significance in our review of the Prospective Financial Information. These matters were addressed in the context of our review of the Prospective Financial Information as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue was derived using the following assumptions of prices and quantities

	FY20F	FY21F	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F
PIRA Prices¹ – USD per barrel								
Diesel price	85.99	89.78	83.24	79.08	79.64	80.61	80.61	80.61
Fuel oil price	63.12	64.58	58.36	54.37	54.80	55.54	55.54	55.54
Gasoline price	78.25	83.08	76.47	72.74	73.98	76.34	76.34	76.34
Barrels sold (000's)								
Gasoline - third parties	28	161	156	210	213	210	156	156
Diesel - third parties	1,341	1,802	1,784	1,972	1,980	1,972	1,784	1,784
Fuel oil & crude - third parties	2,442	1,744	1,747	1,482	1,487	1,482	1,747	1,784
Subtotal	3,810	3,707	3,687	3,665	3,680	3,665	3,687	3,724
Diesel sold through GoW2	516	516	516	516	516	516	516	516
Gasoline sold through GoW2	536	536	536	536	536	536	536	536
Diesel sold through Ventrin	95	95	95	95	95	95	95	95
Fuel sold through Ventrin	144	144	144	144	144	144	144	144
	5,101	4,998	4,978	4,956	4,971	4,956	4,978	5,014
Electricity assumptions								
Sales - MWh	457,803	448,800	448,800	448,800	448,800	448,800	448,800	448,800
HydroDam assumptions								
Sales price – USD per MWh	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
Sales MWh	919,800	919,800	919,800	919,800	919,800	919,800	919,800	919,800

2. Cost of sales in the main represents:

- Fixed costs projected at USD 125 million per year.
- Variable production and refining costs projected between USD 24 million to USD 28.2 million per year.
- Depreciation and accretion expenses were estimated in line with the Group's existing depreciation policy and assumes in the main that capital expenditure would be as set out in the table below:

(USD'000)	FY20F	FY21F	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F
Projected capital expenditure	198,000	130,000	120,000	130,000	100,000	125,000	125,000	125,000

- Depreciation expense included in cost of sales also includes USD 9.1 million per year for the Afobaka Hydrodam assets which has been capitalized at USD 200 million based on the estimated fair value.

1. As per June 2019 PIRA Report.

3. Expensed projects and exploration expenses, including dry holes, are forecasted at nil, as these costs will only be expensed if impaired. As of the date of this review and the current information available management has assumed no future impairment. No exploration is planned for the upcoming years other than those in partnerships.
4. All other expenditure items including selling and distribution costs, general and administrative expenses and other operating expenses are assumed to remain flat.
5. Finance costs relates in the main to:
 - a. the interest charge of 7.75% on the existing bond until May 2020 and 7.50% from 23 March 2020 until 23 March 2027 on the new bond.
 - b. the Group's existing USD 600 million credit facility will be repaid in May 2025 at interest based on LIBOR plus a fixed margin.
6. Share of profit - Management's estimate of its share of the Gold mining operations (Newmont and IAMGOLD) is based in the main on the following assumptions:
 - a. Sales and Pricing

	FY20F	FY21F	FY22F	FY23F	FY24F	FY25F	FY26F	FY27F
Gold sold (K oz)	148	140	126	152	154	123	122	118
Price per oz	1,400	1,400	1,400	1,400	1,350	1,350	1,350	1,350
Cost of sales per oz	700	654	820	557	649	811	676	697

- b. Stripping cost - Management assumes there will be no material stripping costs.
7. Taxation- Corporation tax of 36% was applied to the profit before tax generated over the forecasted period.
8. The fair value of the Afobaka Hydrodam assets has been recognized in accordance with International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance' as a non-monetary capital grant.
9. The recent offshore oil discoveries have not been incorporated in the forecasted results.

APPENDIX II - TAXATION

GENERAL CONSIDERATIONS

The following is a general description of certain Curaçao respectively Suriname tax considerations relating to the issuance of bonds by Staatsolie Maatschappij N.V. (hereafter: 'Staatsolie') at the Dutch Caribbean Securities Exchange (hereafter: 'DCSX Exchange') in Curaçao. This summary does not purport to be a complete analysis of all tax considerations relating to the bonds, whether in Curaçao respectively Suriname or elsewhere. Prospective purchasers of bonds should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of bonds and receiving payments of interest, principal and/or other amounts under the bonds and the consequences of such actions under the tax laws of those countries.

The following summary of certain Curaçao respectively Suriname taxation matters is based on the laws and practice in force in each of these countries as of the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose a bond, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

For the purpose of this summary, 'entity' means a corporation as well as any other person that is taxable as a corporation for Curaçao respectively Suriname tax purposes. An individual who holds bonds will not be taxable in the same way as a corporation e.g. with respect to the tax rate.

I. Tax Transparent entities

Where this summary refers to a holder of a bond, an individual holding a bond or an entity holding a bond, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such bond or otherwise being regarded as owning a bond for Curaçao respectively Suriname tax purposes. It is noted that for purposes of certain Curaçao respectively Suriname tax consequences, assets legally owned by a third party such as a partnership or a similar entity, may be treated as assets owned by the originator, participants or different involved parties in proportion to their interest in such arrangement.

II. Tax residency

Resident entities are those incorporated under the laws of the former Netherlands Antilles or the current laws of Curaçao respectively Suriname even if their management is located outside of Curaçao. Additionally, entities incorporated under foreign law but effectively managed in Curaçao respectively Suriname are also considered to be resident in Curaçao respectively Suriname.

Residency of an individual is determined based on a set of facts and circumstances including but not limited to an individual's domicile, physical presence and on the location of an individual's vital personal and economic interests.

A holder of a bond will not be resident and will not be deemed to be resident in Curaçao respectively Suriname for tax purposes in each respective country and, subject to the exceptions set out above, will not otherwise become subject to taxation, by reason only of acquiring, holding or disposing of a bond or the execution, performance, delivery and/or enforcement of a bond.

Investors should consult their professional advisors on the tax consequences of their acquiring, holding and disposing of a bond.

CURAÇAO TAX CONSIDERATIONS

I. Withholding tax

All payments made under a bond may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by Curaçao or any political subdivision or taxing authority of, or in, Curaçao.

II. Taxes on income and capital gains

For the purpose of this paragraph, it is assumed that a holder of a bond, being an individual does not have nor will have a (deemed) substantial interest (in Dutch: 'aanmerkelijk belang') in the issuer of the bond and that no connected person (in Dutch: 'verbonden persoon') to the holder of a bond has or will have a substantial interest in the issuer of the bonds.

In general an individual has a substantial interest in the issuer of the bonds if (a) such individual, either alone or together with his/her partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his/her partner directly or indirectly have or are deemed to have, (I) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 percent of the issued capital of the issuer of the bonds, or (II) the ownership of, or certain rights over, profit participating certificates (in Dutch: 'winstbewijzen') that relate to 5 percent or more of either the annual profit or the liquidation proceeds of the issuer.

(A) Corporate investors

Resident entities

An entity which is established or is deemed to be established in Curaçao for Curaçao profit tax purposes and which is not tax exempt, will generally be subject to Curaçao profit tax in respect of income or capital gains derived from a bond.

Non-resident entities

Non-resident entities are subject to Curaçao profit tax with regard to specific Curaçao income items. As such income or capital gains derived by a non-resident entity from a bond should be subject to profit tax if: (a) the bond is secured by a mortgage on (limited rights with regard to) immovable property located in Curaçao; or (b) the non-resident entity has permanent establishment in Curaçao to which the bond can be allocated.

The profit tax rate of 22% (in 2020) equally applies to resident and non-resident entities.

(B) Private investors

Resident individuals

An individual who is resident or is deemed to be resident in Curaçao for Curaçao income tax purposes is subject to Curaçao income tax with regard to the amount of interest which exceeds the nominal value of the bond. Capital gains derived from the bond may only be subject to personal income tax if the bondholder holds or is considered to hold a substantial interest. However, in the 'Curaçao tax considerations' paragraph, we have indicated that we assume that no bondholder will acquire a substantial interest in the issuer.

Non-resident individuals

Non-resident individuals are subject to Curaçao income tax with regard to specific Curaçao income items. As such, interest derived by a non-resident individual from a bond should be subject to income tax if the bond is secured by a mortgage on (limited rights with regard to) immovable property located in Curaçao. Assuming that no bondholder will acquire a substantial interest in the issuer, there should be no other grounds for non-resident individuals to be subject to Curaçao income tax.

The same income tax rate of 19.5% (in 2020) equally applies to resident and non-resident individuals. The income on the bond may also be subject to Curaçao social security premiums, depending on the residency and the situation of the individual involved.

III. Turnover tax

There is no Curaçao turnover tax payable by a holder of a bond in respect of payments in consideration for the acquisition of a bond, payments of principal or interest under a bond, or payments in consideration for a disposal of a bond.

With regard to a subscription fee that bondholders will need to pay for a provided service, Curaçao turnover tax should be due in the events that: (i) a local Curaçao broker or party will be providing for the service and charging the subscription fee in which case the Curaçao broker or party should charge the turnover tax to the bondholder and should take care of filing and payment with the Curaçao Tax Authorities; and (ii) a foreign broker or party will be providing for the service and charging the subscription fee in which case the foreign broker or party is relieved from obligations for the Curaçao turnover tax provided that the bondholder is a Curaçao established entrepreneur.

IV. Gift and inheritance taxes

Curaçao gift or inheritance taxes (ranging between 0% - 25%) will not be levied on the occasion of the transfer of a bond by way of a gift by, or on the death of, a holder of a bond, unless:

- the holder of a bond is or is deemed to be resident in Curaçao for the purpose of the relevant provisions; or
- the transfer is concerned as inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in Curaçao for the purpose of the relevant provision.

V. Other taxes and duties

A bondholder will not incur or become liable for any Curaçao registration tax, transfer tax, stamp duty or any other similar documentary tax or duty by reason only of the acquisition, ownership or disposal of bonds.

SURINAME TAX CONSIDERATIONS

I. Withholding tax

As the interest payable on the bond will be a fixed percentage and not a profit participating remuneration, all payments made under the bonds may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by Suriname or any political subdivision or taxing authority of, or in, Suriname.

II. Taxes on income and capital gains

(A) Corporate investors

Resident entities

An entity which is established or is deemed to be established in Suriname for Suriname income tax purposes and which is not tax exempt, will generally be subject to Suriname income tax in respect of income or capital gains derived from a bond at the income tax rate being 36% (in 2020).

Non-resident entities

Non-resident entities are subject to Suriname income tax with regard to specific Suriname income items. As such, income or capital gains derived by a non-resident entity from a bond should be subject to income tax if: (a) the bond is secured by a mortgage on immovable property located in Suriname; or (b) the non-resident entity has permanent establishment in Suriname to which the bond can be allocated. The same profit tax rate of 36% (in 2020) as applicable to a resident entity applies to a non-resident entity.

(B) Private investors

Resident individuals

An individual who is resident or is deemed to be resident in Suriname for Suriname income tax purposes is subject to Suriname income tax with regard to the amount of interest received on a bond. Any capital gain on the bond should not be subject to Suriname income tax and therefore any capital loss on the bond should not be deductible.

Non-resident individuals

Non-resident individuals are subject to Suriname income tax with regard to specific Suriname income items. As such, interest derived by a non-resident individual from a bond should be subject to income tax if the bond is secured by a mortgage on immovable property located in Suriname. Any capital gain on the bond should not be subject to Suriname income tax and therefore any capital loss on the bond should not be deductible.

Depending on the amount of taxable income the same progressive income tax rates up to 38% (in 2020) equally apply to resident and non-resident individuals. Please see below table for the income brackets and the rates.

Taxable amount (all amounts are in SRD)		
Exceeding	Not exceeding	Tax rate
0	2,646	0%
2,646	14,002.80	8%
14,002.80	21,919.80	18%
21,919.80	32,839.80	28%
32,839.80	-	38%

III. Suriname wealth tax

Suriname resident individuals are in principle subject to wealth tax on the net value of their assets. Non-resident individuals are amongst others subject to wealth tax with regard to debt obligations if the principal amount of the obligation is secured by mortgaged immovable property located in Suriname. The wealth tax rate is 0.3% on the net value in excess of SRD 100,000 or SRD 120,000 for married resident individuals. From the levy of wealth tax is exempt non-collectible interest.

IV. Suriname turnover tax

There is no Suriname turnover tax payable by a holder of a bond in respect of payments in consideration for the acquisition of a bond, payments of principal or interest under a bond, or payments in consideration for a disposal of a bond.

With regard to the subscription fee that bondholders will need to pay, Suriname turnover should in principle only be due in case of a taxable service. In this regard, the financial service of providing custody of a bond should be subject to Suriname turnover tax.

V. Gift and inheritance taxes

There are no separate gift and inheritance taxes in Suriname. In case a bond is subject of a gift or inheritance, Suriname stamp duties may be due.

VI. Other Suriname taxes and duties

Besides the situation that a bond is subject of a gift or inheritance, a bondholder will not incur or become liable for any Suriname registration tax, transfer tax, stamp duty or any other similar documentary tax or duty by reason only of the acquisition, ownership or disposal of bonds.

APPENDIX III - BIOGRAPHIES OF DIRECTORS, DEPUTY DIRECTORS AND SUPERVISORY BOARD MEMBERS

DIRECTORS



Mr. Rudolf Elias (age 59), Managing Director of Staatsolie holds a degree in Civil and Construction Engineering from the Technological University Eindhoven-Netherlands. Mr. Elias has served as a member of Staatsolie's Board of Executive Directors since 2009. Prior to becoming Managing Director of Staatsolie in 2015, Mr. Elias served as Director of Refining and Marketing and Director of the Refinery Expansion Program from 2010 to 2015 and from 2009 to 2010 he served as Director of Business Development.

Prior to joining Staatsolie in 2009, Mr. Elias was the Vice President Development of BHP Billiton Suriname from 2004 to 2009. From 1984 to 2004, Mr. Elias worked at Ballast Nedam International. During mentioned period he held several positions: from 2000 to 2004 as General Manager for Caribbean, Suriname and Guyana, from 1997 to 2000 as Country Manager Suriname and during the period 1984 to 1997 he has held several positions involving international projects.

Mr. Elias is a Member of the Supervisory Board of Surmac N.V., a subsidiary company of C. Kersten & Co. N.V.



Mr. Bhoepsingh W. Dwarkasing (age 60), Upstream Director of Staatsolie holds a post-Bachelor of Science degree in Petroleum Engineering from the University of Suriname, a Bachelor of Science degree in Chemical Engineering from the Technical University of Hengelo, The Netherlands, and a Master of Petroleum Business Engineering degree from Delft University of Technology, The Netherlands. Prior to becoming Upstream Director in 2015, Mr. Dwarkasing has held several other positions at Staatsolie since 1985, including Deputy Director of Exploration and Petroleum Contracts from 2007 to 2015, Deputy Director of Refining and Marketing from 2006 to 2007 and Manager of Engineering and Drilling from 1995 to 2006.



Mrs. Agnes Moensi-Sokowikromo (age 51), Finance Director of Staatsolie holds a Master's degree in Business Economics from the Anton de Kom University of Suriname and an International Executive Master of Finance and Control (Register Controller) degree from Maastricht University and the University of Amsterdam. Prior to becoming the Finance Director of Staatsolie in 2015, Mrs. Moensi-Sokowikromo has held several other positions at Staatsolie including Deputy Finance Director from 2009 to 2015, Controlling Manager from 2003 to 2009, Senior Administrator for Controlling, Internal Auditor and Assistant Internal Auditor from 1994 to 2003. Prior to joining Staatsolie in 1993, Mrs. Moensi-Sokowikromo was assistant accountant at Ernst & Young Suriname and audit supervisor at Tjong A Hung Accountants in Suriname.

DEPUTY DIRECTORS



Mr. Annand Jagesar (age 54), Downstream Deputy Director of Staatsolie holds a bachelor's degree in business economics and a Master's degree in Business Administration, specialization Corporate Strategy and Economic Policy. Prior to becoming the Deputy Director of the Downstream operations in 2015, Mr. Jagesar has held several other positions at Staatsolie including Deputy Director Business Development from 2011 to 2015, Manager Corporate Planning from 2008 to 2011, Manager Finance Administration from 2001 to 2008, Coordinator Management Information from 1998 to 2001 and Manager FA-Projects from 1996 to 1998.

Mr. Jagesar is the Vice President of the Supervisory Board of Assuria N.V., Chairman of the Association for the Securities Trade in Suriname and Chairman of the Supervisory Board of the Academic Hospital Paramaribo.

DEPUTY DIRECTORS



Mr. Eddy Fränkel (age 51), Power & Renewables Deputy Director of Staatsolie holds a Master's degree in Mechanical Engineering from the Delft University of Technology and an MBA from the Maastricht School of Management, both from The Netherlands. Prior to becoming the Deputy Director of Power & Renewables in 2019, Mr. Fränkel has held several other positions at Staatsolie, since joining Staatsolie as Mechanical Engineer in 1996. From 2018 to 2019 as Operations Manager at the Refinery and from 2016 to 2018 as Director of Staatsolie Power Company Suriname NV. During the period 2010 to 2015 Mr. Fränkel was Project Manager for the development of major renewable initiatives, namely the Tapajai Hydropower project and the Wageningen Ethanol project, after having completed the Phase-1 and Phase-2 projects for the construction of the SPCS 96MW thermal power plant and leading this plant as operations manager for three years. Prior to joining Staatsolie in 1996 Mr. Fränkel was development Engineer at Stork Ketels B.V. in Hengelo, The Netherlands.

Mr. Fränkel is a Member of the Supervisory Board of Gow2 Energy Suriname N.V.



Dr. Brian Glover (age 56), Offshore Deputy Director, holds a bachelor's degree in Geology and Mineralogy and a PhD. in Sedimentology and Basin Evolution. Prior to becoming the Deputy Director Offshore in January 2020, Mr. Glover has held various positions in the Petroleum Industry, both in terms of exploration and production, with a strong understanding and insight into European, African and Middle Eastern and America's and Oil & Gas ranging from frontier to mature provinces. These include Senior Vice President, Commercial for the Seacrest Azimuth Group in Dubai from 2016 to 2019, Senior Vice President, Exploration and Business development for Mol Group in Hungary from 2014 to 2016, Group Corporate Planning Manager for Tullow Plc, London, UK from 2011 to 2014 as well as various high-ranking positions for Tullow Shell across West and East Africa and the UK. Dr. Glover is an extensive writer and has published over 30 internationally recognized papers and books on sedimentology, reservoir modelling, basin analysis as well as broader geoscience topics.

SUPERVISORY BOARD



Mr. Etienne Boerenveen (age 62) has been the Chairman of the Supervisory Board of Staatsolie since 2012. Mr. Boerenveen conducted his professional training in The Netherlands at the Royal Military Academy. After his completion of his studies, Mr. Boerenveen returned to Suriname in August 1981. He enlisted in the Suriname National Army serving in several key positions where he ultimately reached the rank of colonel. He last served as Chief of Defense Staff. Mr. Boerenveen is currently an advisor to the President of Suriname and has several key advisory roles in the Surinamese Government, amongst others:

- Member of the Advisory Board for the Commission for of the Gold Industry;
- Chairman of the Housing Authority Suriname;
- Deputy Chairman of the Negotiation Commission for the Mineral Agreement with Newmont;
- Member of the Presidential Guidance Commission Near Term Priorities of Main Policy Areas.
-
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Ms. Gonda Asadang (age 47) has been a Member of the Supervisory Board since 2011. Ms. Asadang holds a Master's degree in Economics from the University of Suriname. She currently serves as a policy advisor at the Ministry of Public Works, Transport and Communication of Suriname. From 2006 to 2016 Ms. Asadang was employed at the Ministry of Transport, Communication and Tourism of Suriname, serving as policy officer from 2006 to 2010 and as Head of Public Transport from 2010 to 2016. From 2001 to 2006 she worked at the General Economic Policy department of the Ministry of Trade and Industry of Suriname.

SUPERVISORY BOARD



Mr. Ewald Poetisi (age 62) has been a Member of the Supervisory Board since 2011. Mr. Poetisi holds a Master's degree in Geology from the Florida International University and a licentiate degree in Geology from the Anton de Kom University of Suriname. He currently serves as researcher and lecturer in the Department of Geosciences at the Anton de Kom University of Suriname. From 2003 to 2014 Mr. Poetisi was the Head of the department of Geology and Mining. Mr. Poetisi has held various teaching, management and research positions at Anton de Kom University of Suriname from 1987 to 1993 and from 1996 to the present. From 1982-1988 he served as exploration geologist at the Suriname Geological and Mining Service. From 2009 to 2017 Mr. Poetisi was the President of the Society of Mine Engineers and Geologists of Suriname.



Mr. Mark Rommy (age 50) has been a Member of the Supervisory Board since 2016. Mr. Rommy holds a Bachelor of Science degree in Management, Economics and Law from Hoge School Holland, The Netherlands. He currently serves as Project Manager at Academic Hospital Paramaribo, a position he has held since October 2017. From 2015 to 2017 Mr. Rommy was Manager of Commercial Affairs at Grasshopper Aluminum Company N.V. and from 2013 to 2014 Acting Permanent Secretary at the Ministry of Public Works of Suriname. From 2010 to 2016 he served as manager at the Presidential Task Force's National Housing Program in Suriname and from 1998 to 2003 he worked in Curaçao, Netherlands Antilles as Assistant Manager at Kooyman N.V. from 1998 to 1999, as Policy Maker at the Department of Economic Affairs from 1999 to 2000 and as tax consultant at KPMG from 2000 to 2003. From 1991 to 1998, Mr. Rommy worked in The Netherlands in positions at the Postal Service and Foreign Police, Amsterdam.



Mrs. Irène Tholen (age 57) has been secretary to the Supervisory Board since 2016. Mrs. Tholen holds a Bachelor of Science degree in Chemical Engineering from the Universidade Federal de Sao Carlos in Sao Paulo, Brazil, and a Master's degree in Law from the Anton de Kom University of Suriname. Mrs. Tholen is a freelance EHS & Legal Consultant, providing advice and support on a diverse range of projects. From 1990 to 2013, Mrs. Tholen has served in different positions at Suralco, including the position of Environmental and Community Relations Manager (2009 to 2013) and Technical Manager (2003 to 2006).

As a representative for Suralco, Mrs. Tholen has served on different advisory boards of the Government, including the Industrial Relations Board, and a range of advisory committees related to Environmental Policy.

PARAMARIBO, 29 JANUARY 2020

STAATSOLIE

CONFIDENCE IN OUR OWN ABILITIES

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Broker and Custodian:



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Listing advisor:

