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La Française de l'Energie announces the registration of its *document de base* in the context of its contemplated Initial Public Offering on the regulated market of Euronext in Paris

Forbach, France, 15/03/2016 – La Française de l'Energie, a key participant in the gas sector in France, announces the registration of its *document de base* with the Autorité des Marchés Financiers (AMF) on 14 March 2016, under number I. 16-009.

The registration of the *document de base* constitutes the first step towards the Initial Public Offering of La Française de l'Energie's shares on the regulated market of Euronext in Paris, subject to market conditions and regulatory prerequisites, in particular the AMF's visa on the prospectus to be prepared in respect of the proposed transaction.

Exploitation of coal bed methane, an ambitious and innovative plan for our territories

La Française de l'Energie, designated as a high-tech start-up by Bpifrance since June 2013, has become a key participant in the gas sector in France. La Française de l'Energie, based in Lorraine, has identified a previously untapped potential: production of gas contained in the coal of the former French coalfields. The company has certified its first reserves of coal bed methane in the Lorraine basin and is preparing the construction of its first production platform in the region.

In addition, thanks to the acquisition now underway of the Gazonor company, income will initially be generated via mine gas production on three sites of Nord-Pas-de-Calais, which will lead to a sharp reduction in the carbon footprint of the mining basin by retrieving the methane present in the mining galleries. La Française de l'Energie intends to reinvigorate this activity through the development of capabilities of conversion of gas to electricity. This optimization of the existing production should enable to cover the operating costs of the Group.

Since its creation, the La Française de l'Energie Group (including Gazonor and Concorde) has assembled a broad portfolio of operating and production licenses in France. These licenses, closely located to the network of European gas pipelines, confer an economic advantage for the exploitation of coal bed methane, while having a carbon footprint ten times lower than the mix of gases currently imported by France.

Following the certification of its gas resources by the BEICIP-Franlab (IFP New Energies), the Group holds the equivalent of almost six times the annual consumption in France. The Group intends to develop and produce this high volume of gas over the next 20 years and will focus initially on Lorraine, with the launch of its first production platform in the next 18 months.

Julien Moulin, Chairman of La Française de l'Energie, says: *"With this project, based on the exploitation of the Lorraine coal bed methane, La Française de l'Energie is adopting a responsible approach to the development of energy resources through the development of short circuits. Our approach is a part of the collective effort towards an energy transition currently underway in Europe. It is to replace the imported gas by local gas with a much lower carbon footprint than the gas that we currently use in France. This domestic gas represents a tremendous opportunity to build a cleaner, more competitive energy activity, both respectful of the environment and likely to create jobs that cannot be outsourced, thus responding to the strategic needs of our country."*

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A significant potential market

France, as the fourth-largest gas market in Europe, presently imports almost 100% of the gas it needs. La Française de l'Énergie intends to develop this potential for top-quality, 100% French energy, thus helping to reduce France's dependence at a time where geopolitical risks are higher than ever. The purpose of the plan by La Française de l'Énergie is to produce a competitive, high-quality domestic gas to diversify domestic sources of gas supply in the regions concerned, and eventually to replace imported natural gas (primarily from Norway, Russia, the Netherlands, Algeria and Qatar).

The size of these resources and the characteristics of its gas make La Française de l'Énergie a real pioneer in the energy transition as needs continue to increase in Europe. According to the Energy 2050 road map of the European Commission, the consumption of gas in Europe should increase by 4.5% between 2014 and 2020, and this trend should continue until at least 2035.

A "new generation" competitive gas with a low environmental footprint

Coal bed methane is an excellent quality, high calorific value gas, composed of 96% methane, while imported gas contains only up to 93%⁽²⁾. Due to its performance, proximity to infrastructure and competitive cost structure, La Française de l'Énergie believes that developing it should be profitable in all market configurations.

The overall carbon balance of coal bed methane production and distribution by la Française de l'Énergie is also favourable at about 3.4 g of CO₂ / kWh, or an environmental footprint on average ten times lower than that of imported gas ⁽¹⁾, which stands at approximately 32 g CO₂ / kWh. Coal bed methane is less polluting and is intended to be produced and consumed locally, which further reduces its environmental footprint and helps to contribute to the energy transition currently underway in France and in Europe.

An energy with a positive socio-economic impact

Large-scale, competitively priced extraction of local, accessible gas will help to revitalise former French coalfields where the company operates, and strengthen the attractiveness of the regions in the eyes of gas consumer industries such as the chemistry, metallurgy, automobile or even food industries.

The objective of La Française de l'Énergie is to sign supply contracts with various local partners or regional authorities in order to generate stable sources of income during the period of operation. The impact of gas marketing should also give rise to the creation of jobs in the region to support its production.

Strategic Assets

Thanks to an experienced technical team, solid industrial bases, public support and a strong ownership, La Française de l'Énergie has all the assets necessary to produce competitive, high quality, low carbon footprint energy.

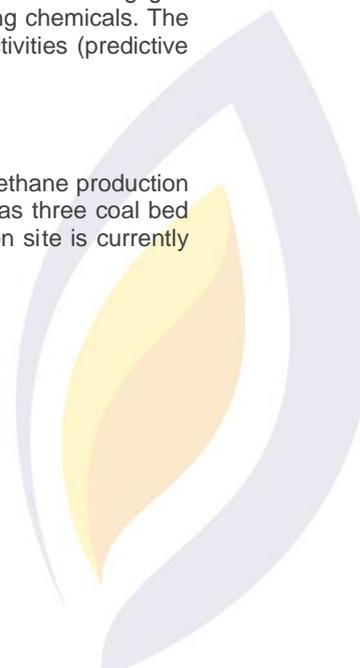
▪ A first-rank technological expertise

To capture coal bed methane, La Française de l'Énergie uses a proven process, consisting of recovering gas through the network of natural cracks in coal using a simple pressure differential, without injecting chemicals. The operation involves the development and use of cutting-edge technologies, both in geological activities (predictive modelling) and in drilling activities (lateral drains), without using any invasive techniques.

▪ Sound industrial and commercial bases

With the acquisition of Gazonor, Française de l'Énergie will have income thanks to its coal bed methane production in the Nord-Pas-de-Calais (4.5 million euros generated in 2014-2015). Presently the company has three coal bed methane collection sites in the region: Avion, Divion and Désirée. The gas produced at the Avion site is currently injected into the national network and sold to TOTAL under a three-year contract.

¹ IFEU Study (Institut für Energie- und Umweltforschung) February 2016



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- **Renewed support of the public authorities and stakeholders**

La Française de l'Energie is engaged in a process of transparency, has well-established relationships and maintains a permanent dialogue with the regulatory bodies, national and local elected representatives, as well as the local populations and associations. The company works with businesses in the vicinity of its operating sites, subcontracting work related to its projects, for example sanitation or civil engineering, and has forged partnerships with the universities and research organisations of the region (Ecole des Mines de Nancy, CNRS, etc.).

- **A sound long-term investor base**

La Française de l'Energie is involved with both French and European institutional investors specialising in the sector, but especially private investors familiar with exploration and production issues. Some of them participated in the development of companies such as Maurel & Prom or Addax Petroleum. These investors, convinced by the prospects of the company, have been actively supporting its development projects for several years.

A Europe-oriented development strategy

La Française de l'Energie is now ready to enter a new stage of its development by strengthening its technical and financial means with a view to putting the Lorraine gas resources into production. The aim of La Française de l'Energie is to have more than 15 production wells in activity in Lorraine by the end of 2018, which would allow it to generate production of more than 700 million m³ over 12 years by the end of 2018. At the same time, La Française de l'Energie also intends to enlarge its reserves.

In addition, La Française de l'Energie plans to increase its production of coal bed methane in the Nord-Pas-de-Calais and to improve its operating margin on its activities in the region, in particular by taking advantage of the fact that coal bed methane is considered as "recovered" energy, thus making it eligible for buyback rate guaranteed by the French State, currently under discussion. The company is also studying the possibility of installing electricity production units near its collection sites.

La Française de l'Energie is mainly based in France at this stage, but in the long term it wishes to develop on a European scale, in close proximity to its local settlements, in particular in Germany and Belgium, and has the ambition to become a gas industry leader in France and in Europe.

Availability of the *document de base* – La Française de l'Energie's *document de base*, registered with the AMF on 14 March 2016 under the number I. 16-009, is available free of charge and upon request to Française de l'Energie (1 Avenue Saint-Remy, Esp. Pierrard, 57 600 Forbach), as well as on the company's (www.francaisedelenergie.fr) and AMF (www.amf-france.org) websites.

The *document de base* contains a detailed description of La Française de l'Energie, its activity, strategy, financial situation, results and risk factors related to its activity.

Risk Factors - Investors are invited to carefully examine the risk factors described in Chapter 4 "Risk Factors" of the *document de base*. If all or some of these risks materialise, this could have an adverse effect on the activity, reputation, operating results, financial situation or future prospects of the group. Furthermore, other risks, which were not identified or were not considered relevant by the group at the time of the document's registration, could have the same adverse effect.



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About La Française de l’Energie

La Française de l’Energie is a young, innovative company (Bpifrance label) based in Forbach in the Lorraine region of France. Based in the region since 2009, La Française de l’Energie is a dynamic SME which employs almost 20 people, and is already a leader in the evaluation of gas resources in France. La Française de l’Energie specialises in CBM (Coal Bed Methane), and its experienced technical team has demonstrated the presence of significant gas resources in the coals of former French producing basins. With the production of this new generation energy, which is both clean and strategic, La Française de l’Energie is developing an ambitious project based on recognised expertise.

For more information, go to www.francaisedelenergie.com

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The offer will be open to the public only in France and only after the delivery by the AMF of a visa on a prospectus composed of the document de base and a "note d'opération" (including a summary of the prospectus) that will be subsequently submitted to the AMF.

With respect to the member States of the European Economic Area other than France (the "Member States") having implemented the Prospectus Directive into law, no action has been or will be taken in order to permit a public offer of the securities which would require the publication of a prospectus in one of such Member States.

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Any shares sold in the United States will be sold only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act of 1933, as amended) pursuant to Rule 144A.

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