



**TransGlobe Energy**  
CORPORATION

***January 2012***

# Disclaimer

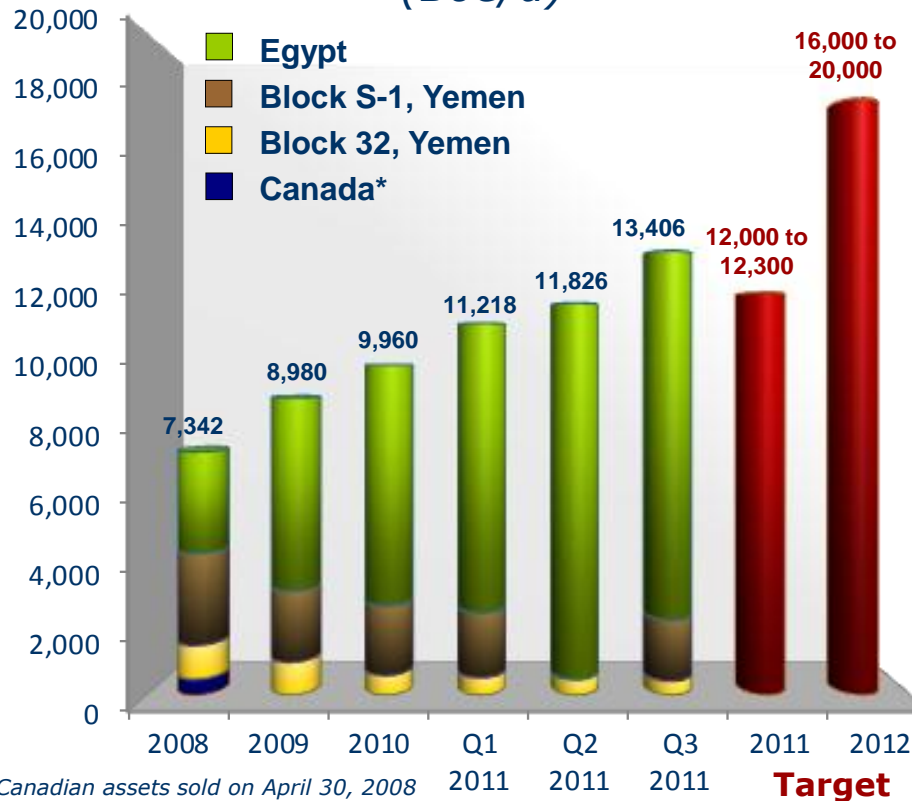
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# Growth-Oriented International Story

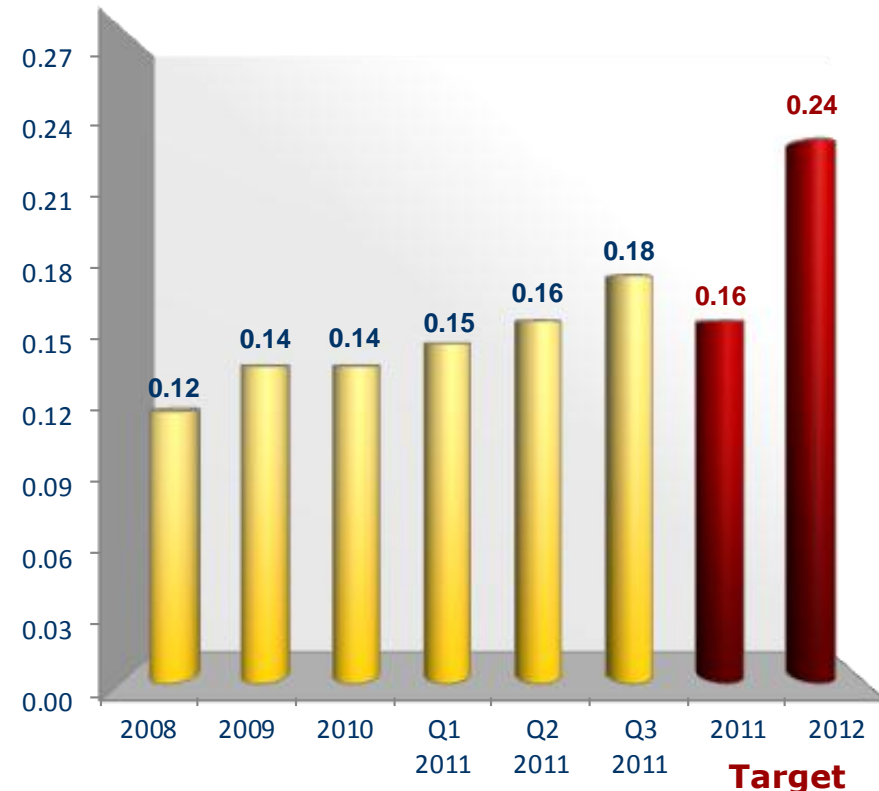
- **Strong balance sheet**
- **Focused on Egypt and Yemen**
- **Combined 9 international blocks with 5.5 million acres**  
*(including pending South Alamein)*
- **Low-risk production growth plus high-impact exploration**
- **Prospect size: 5-50 million barrels**
  - **2012 plan:**
    - **38 wells** (36 Egypt)
    - **Exploration/Development/EOR projects**
    - **2012 Budget \$70-90 MM**
    - **Funded out of Funds Flow and Working Capital**

# TransGlobe – Production Growth

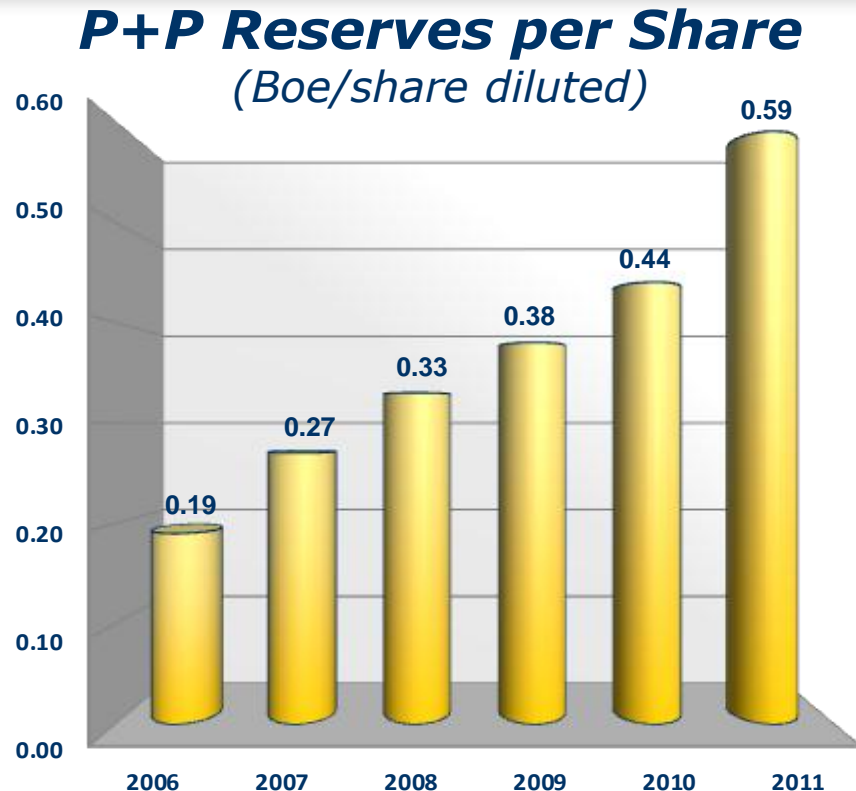
## Average Daily Production (Boe/d)



## Production per Share (Boe/d/thousand shares, diluted)



# TransGlobe – Reserves Growth



(NI-51-101 Working Interest Reserves at December 31)

**2011 YOY increase: 45%**

*Excluding South Alamein*

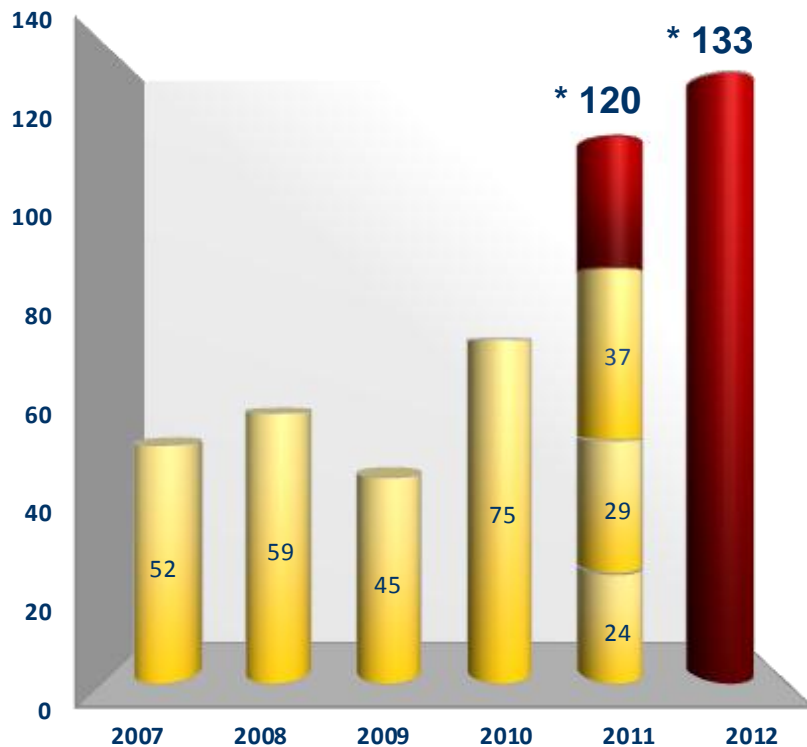
# TransGlobe – Finding & Development Costs

2P	2010	2009	2008	Three-year Weighted Average
Netback*	\$20.51/Bbl	\$13.75/Bbl	\$22.05/Bbl	\$18.63/Bbl
F&D	\$11.06/Bbl	\$5.17/Bbl	\$6.67/Bbl	\$8.07/Bbl
Recycle Ratio	1.85	2.66	3.31	2.31
FD&A	\$11.06/Bbl	\$5.17/Bbl	\$6.15/Bbl	\$7.90/Bbl
Recycle Ratio	1.85	2.66	3.59	2.36

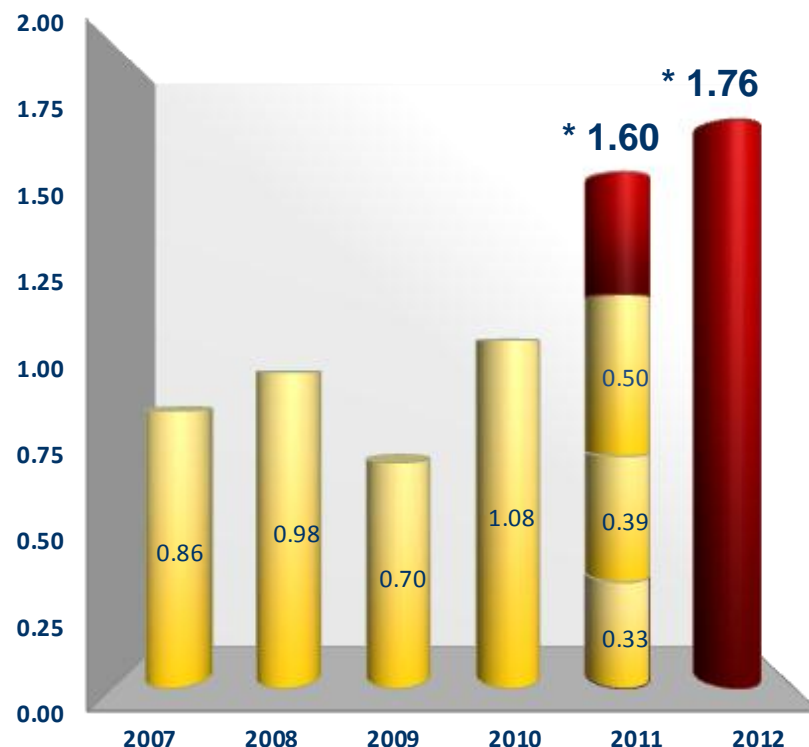
\* Netback, for purposes of calculating recycle ratio is defined as net sales less operating, G&A (excluding non-cash items), foreign exchange (gain) loss, interest and current income tax expense per Bbl of production.

# TransGlobe – Well Funded

**Funds Flow from Operations**  
(\$MM)



**Funds Flow from Operations per Share**  
(\$/share, diluted)



**\* Target for 2011/12**

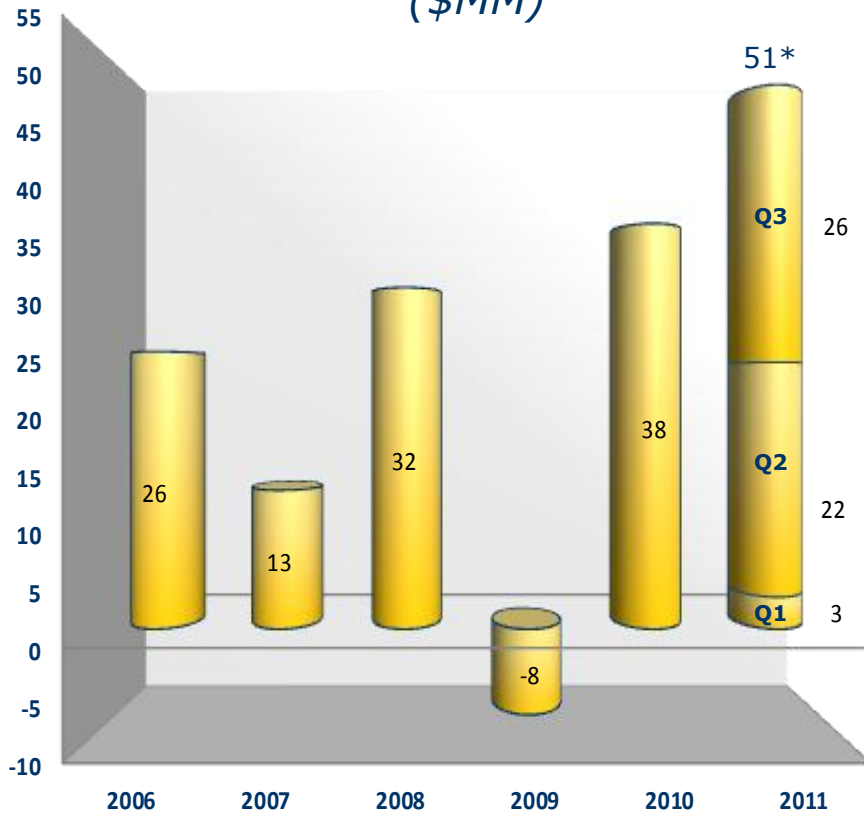
2012 target based on \$90/Bbl Dated Brent

NASDAQ: TGA

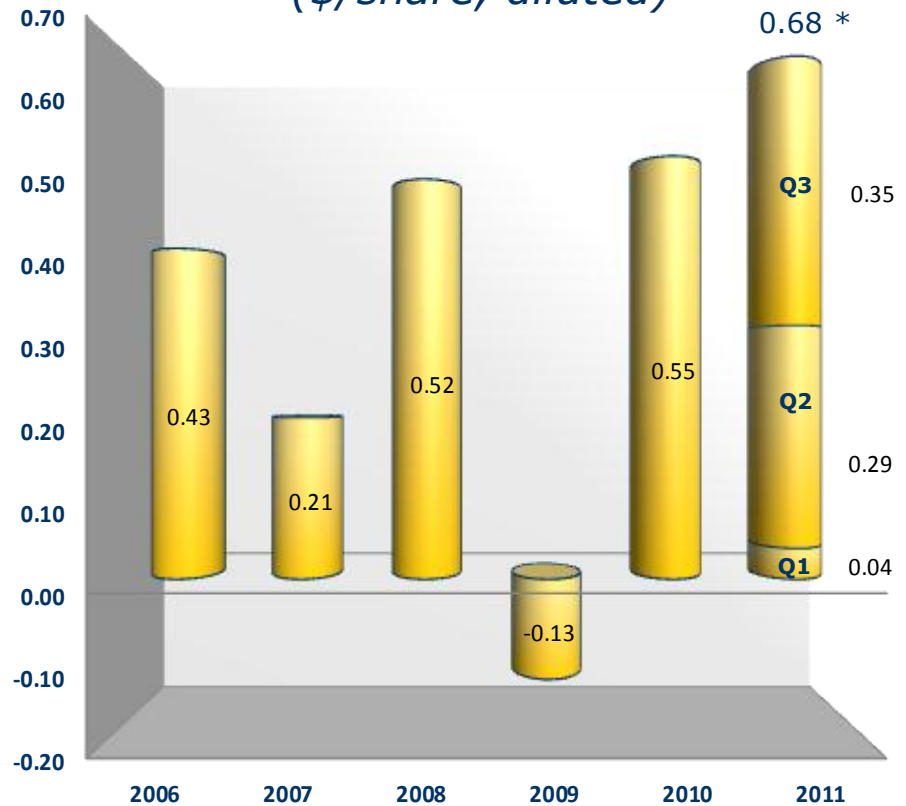
TSX: TGL

# TransGlobe – Profits

## Net Income (\$MM)

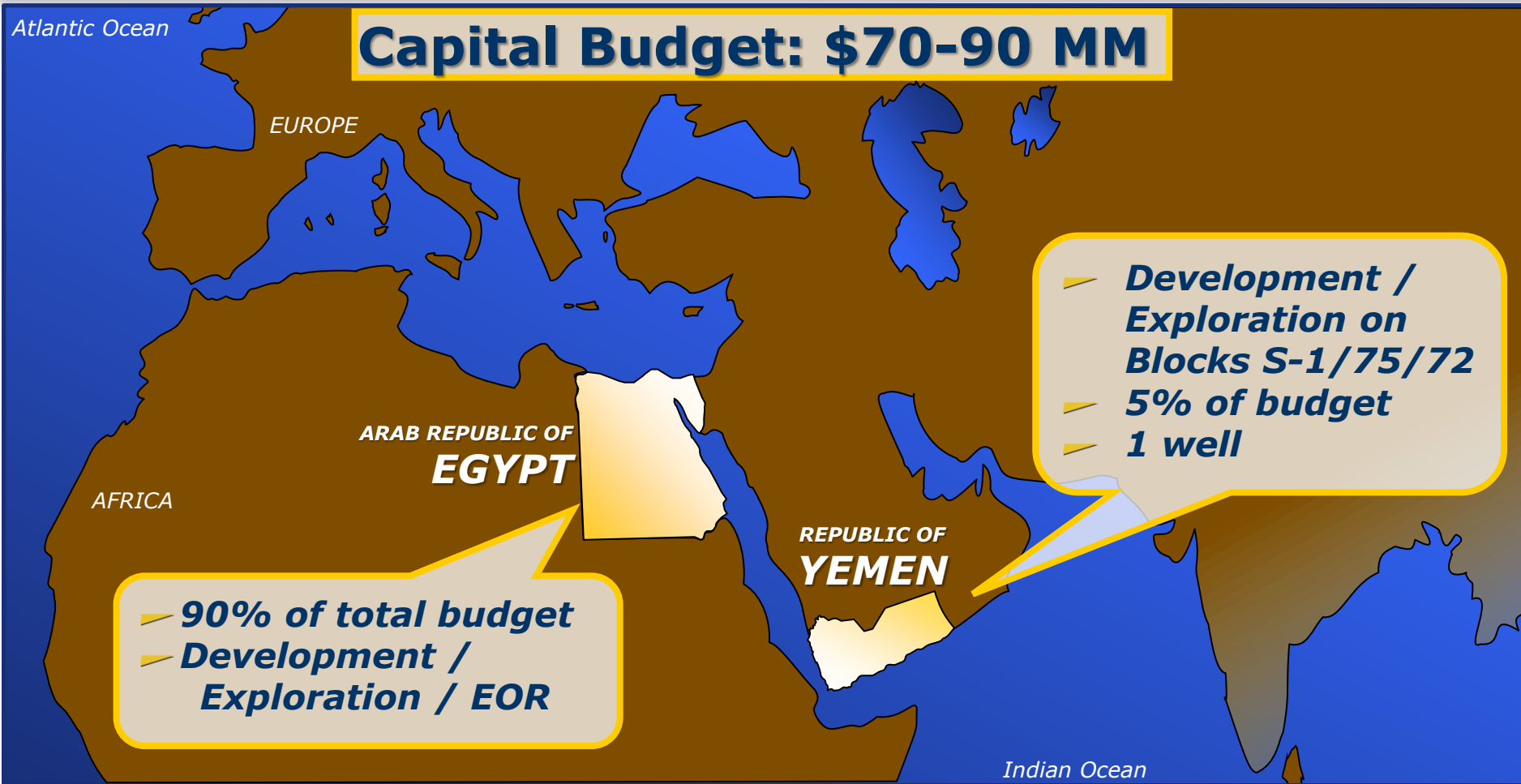


## Net Income per Share (\$/share, diluted)

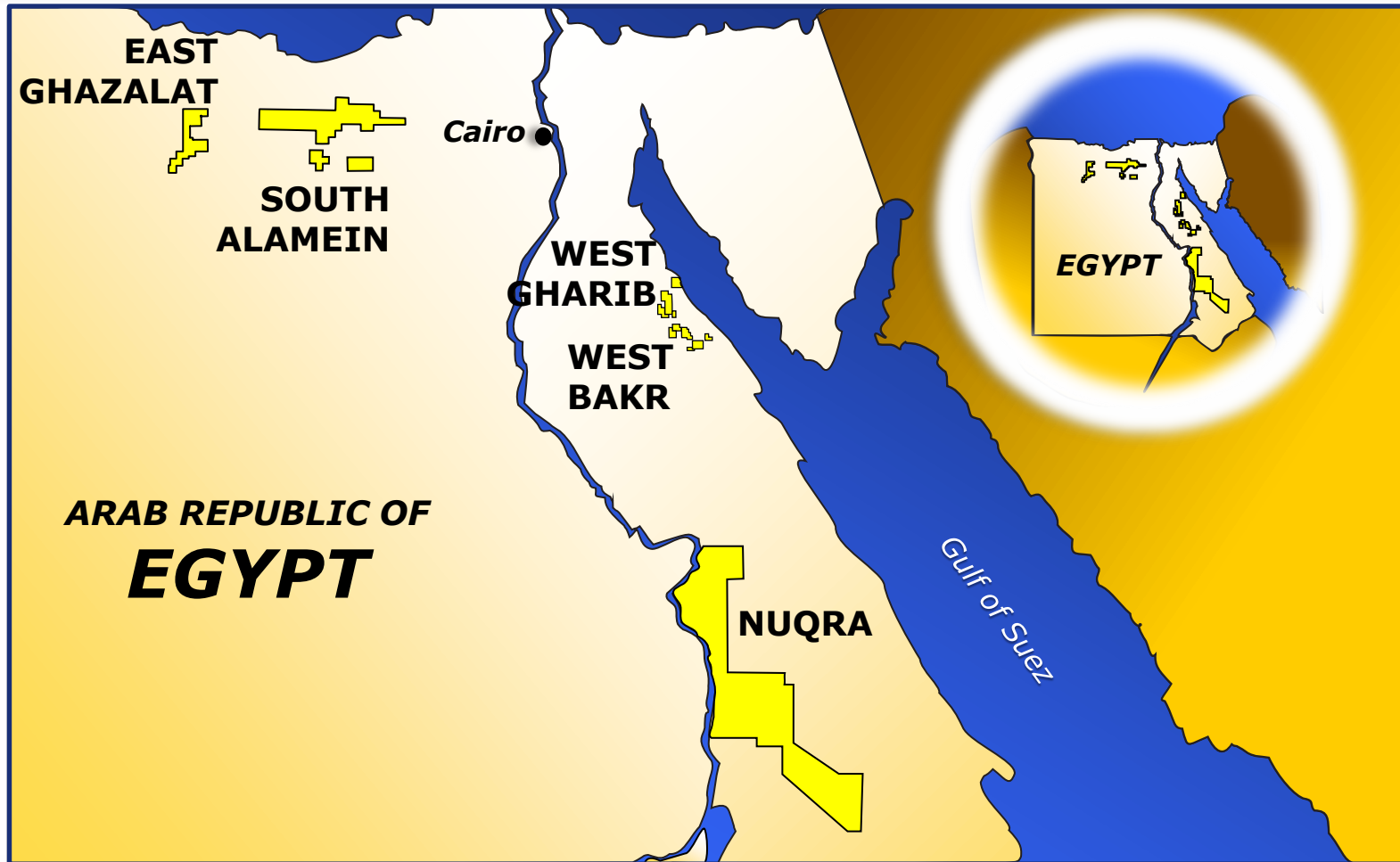


\* 2011 – adopted IFRS

# Mid-East Focus - 2012 Plan



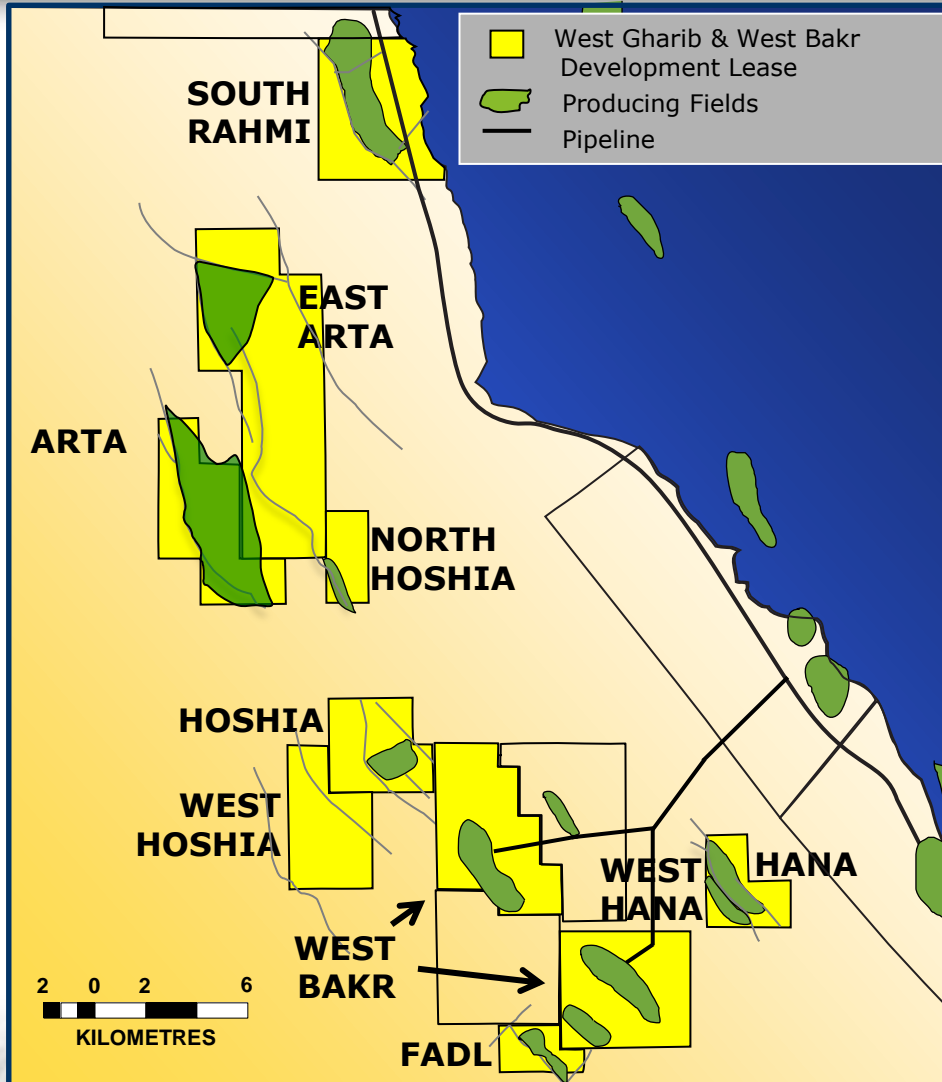
# Arab Republic of Egypt



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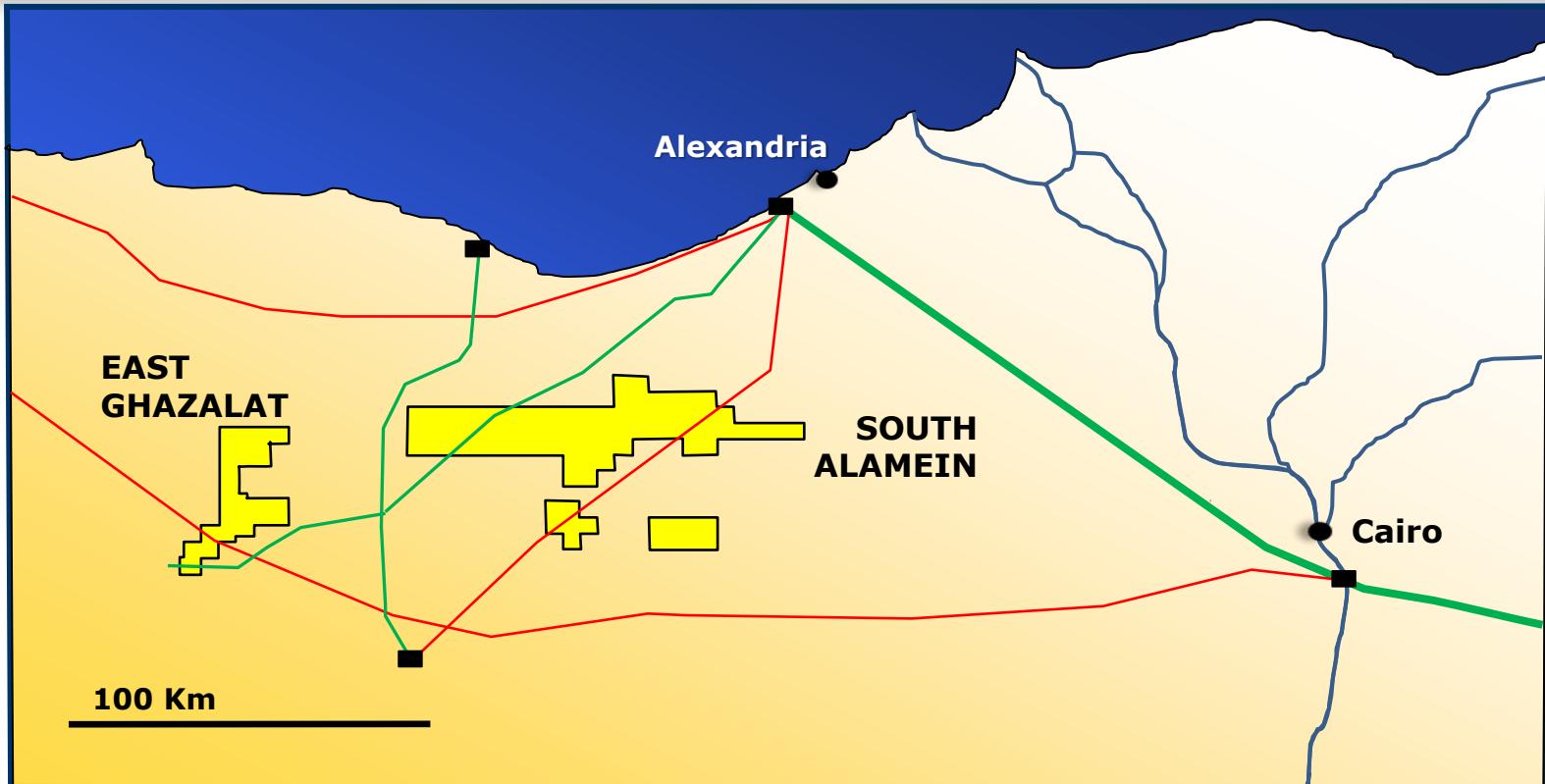
- **2004 entry into Egypt via farm-in**
- **100% Working Interest in West Gharib**
- **100% Working Interest in West Bakr**
- **71.43% Working Interest in Nuqra**
- **50% Working Interest in East Ghazalat**
- **Fiscal regime: Production Sharing Contracts**
  - **0% royalty**
  - **Cost recovery and production-sharing oil**
- **Low operating costs of \$6.89/Bbl in Q3 2011 & low drilling costs**
- **50% Working Interest in South Alamein (*subject to closing conditions and Egyptian Government approval*)**

# Egypt: West Gharib & West Bakr



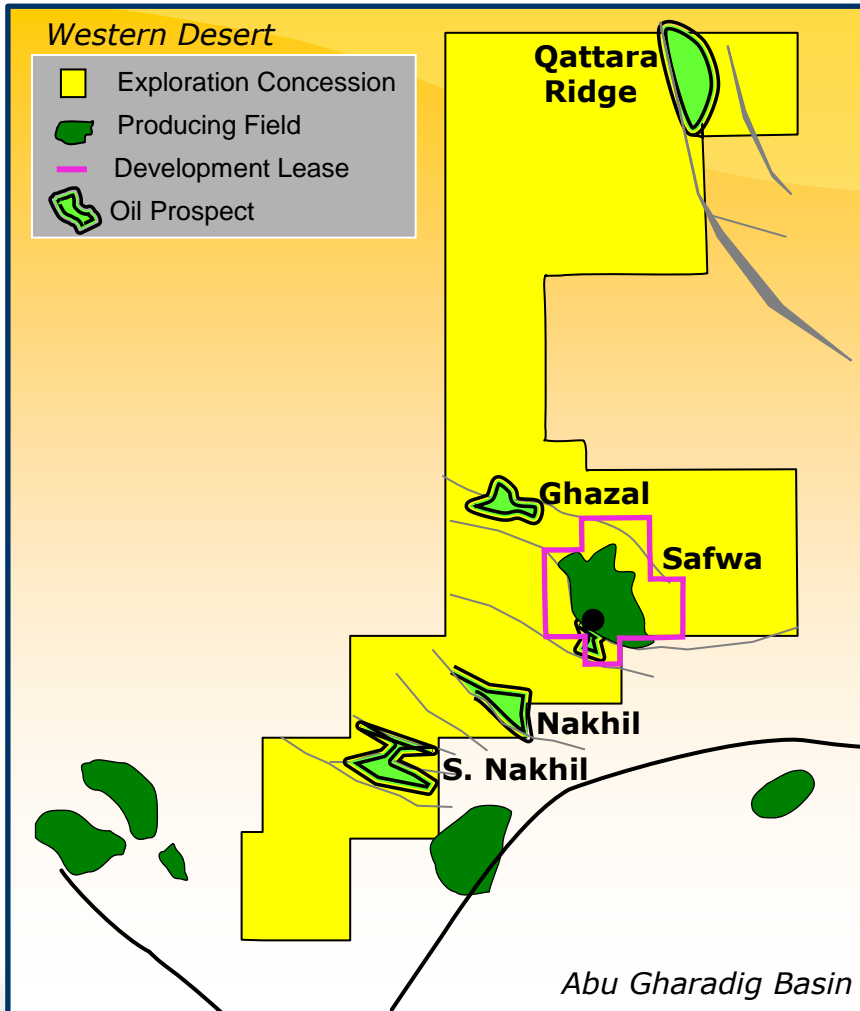
- **10 Development leases**
- **100% Working Interest**
- **10 Producing fields**
- **Current production ~16,000+ Bopd (Brent price minus 12% Blended price)**
- **16-31° API oil**
- **2 Rigs drilling**
- **Development & Exploration potential**
- **30 Wells planned for 2012 (25 D/5 E)**
- **West Gharib + West Bakr is now the largest project in the Company**

# Egypt - Western Desert



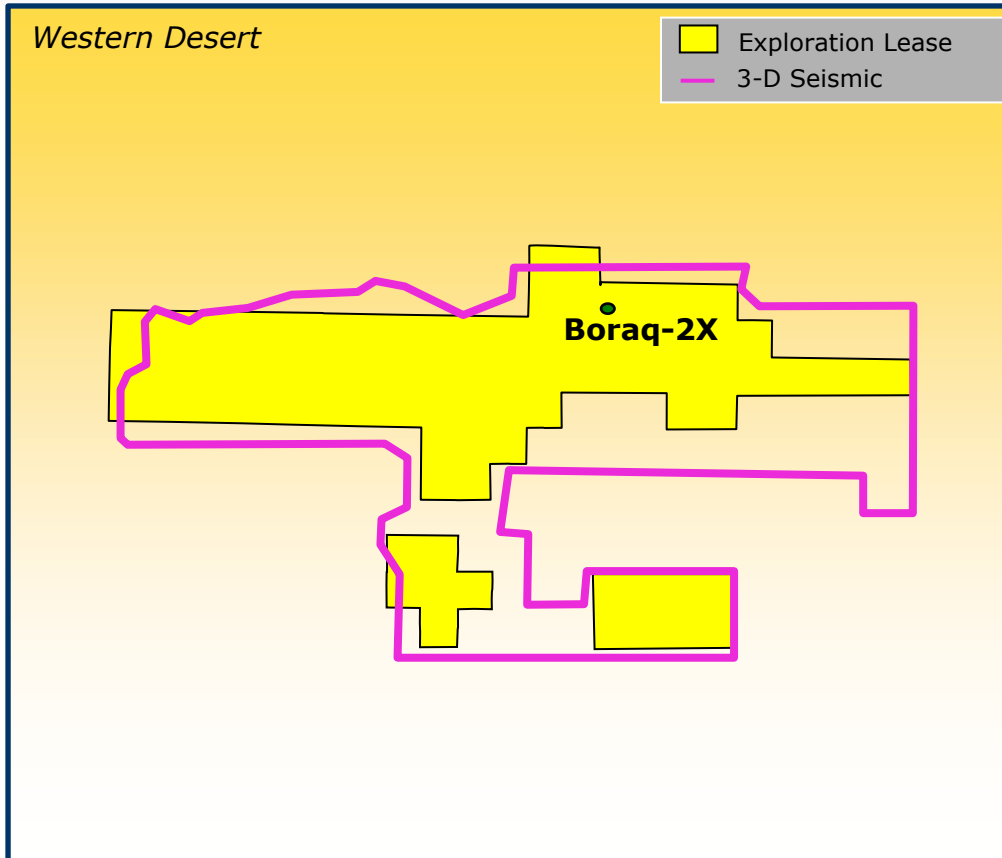
- **Two new development projects in 2011:**
  - **Safwa & Boraq discoveries**
- **Production ramp-up in 2012**
- **Additional exploration late 2012**

# Egypt: East Ghazalat



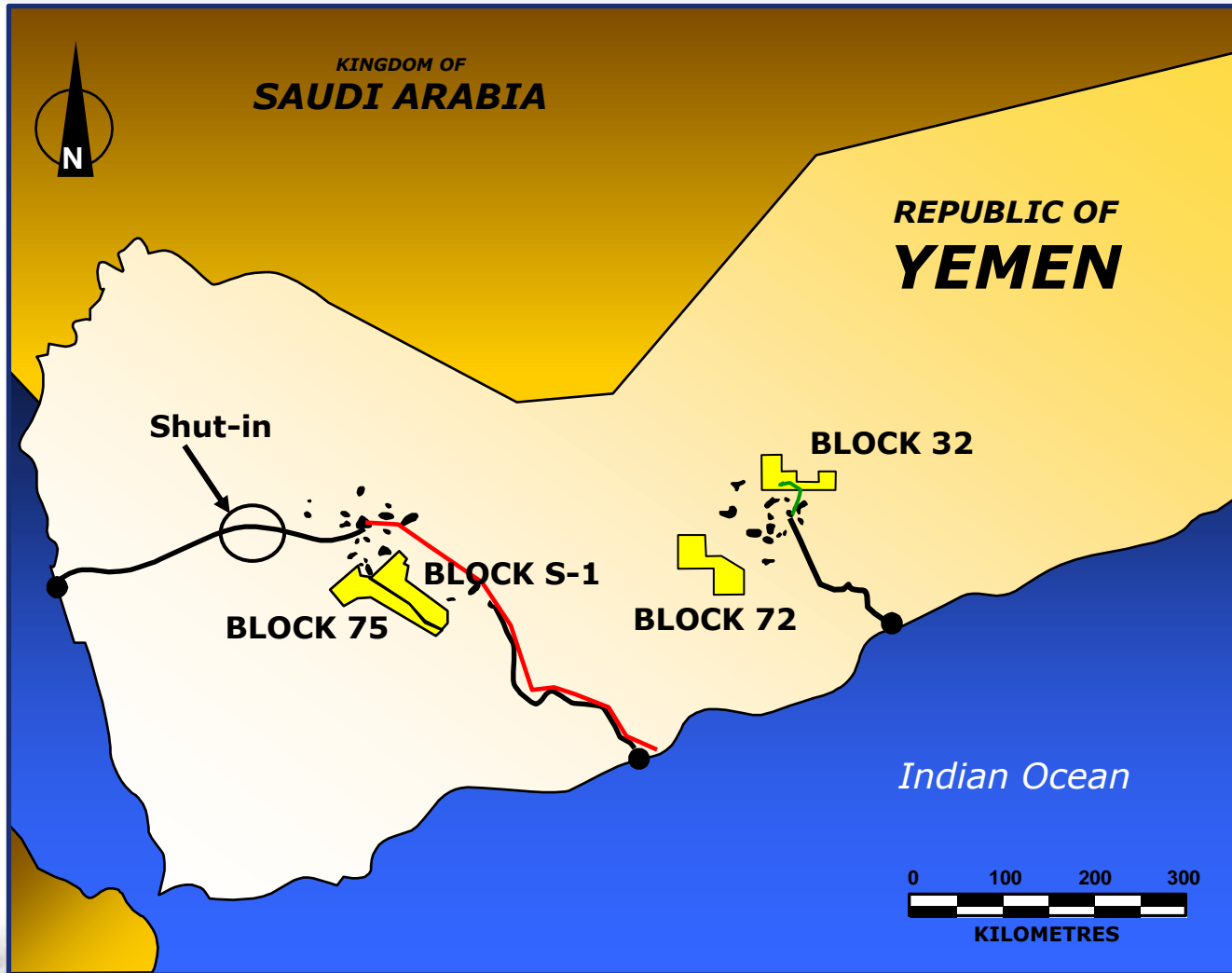
- **Operated by Vegas Oil and Gas SA**
- **50% Working Interest**
- **645 km<sup>2</sup>, 159,300 acres**
- **Safwa Development Plan approved**
- **18 undeveloped locations (160 acre spacing)**
- **PIIP 63.2 MMBbl (3P)**
- **First oil in 2012**
- **38 API, will sell close to Brent price**

# Egypt: South Alamein



- **Subject to closing conditions and Egyptian Government approval**
- **50% Working Interest as Operator**
- **2,258 km<sup>2</sup> (558,120 acres)**
- **Boraq-2X (oil discovery well) tested at 1,700 Bopd**
- **Tested 38-40° API oil from 2 Cretaceous zones**
- **Focus on appraising and developing Boraq-2X discovery**
  - **Drill at least 2 appraisal wells**
  - **Ready Boraq-2X for production**

# Republic of Yemen



- **Four Blocks**  
13.8% - 25% W.I.
- **Production Sharing Agreements**
- **1.14 million acres**
- **Two Producing Blocks (32 & S-1)**
  - Q3 2,268 Bopd
  - Block S-1 producing July 16 to Oct 8
  - \$12.93/Bbl Op costs in Q3 2011 (Block S-1 shut-in 15 days)
- **Two Exploration Blocks (72 & 75)**

# Why You Should Invest in TransGlobe

- **Proven track record with extensive Middle East experience**
- **Great upside potential from extensive and diverse portfolio of drilling opportunities**
- **Focused on significant prize in field size and per-well productivity and reserves**
- **Significant production and reserve base, with multiple identified exploration and development locations**
- **Financially prudent; capital program funded out of funds flow from operations and working capital**

# Market Activity

## ➤ **TSX: TGL**

Trading price high/low (52 weeks)	Cdn\$15.92/Cdn\$7.04
December 30, 2011 closing price	Cdn\$8.07
Average daily trading volume (3 months)	366,800

## **NASDAQ: TGA**

Trading price high/low (52 weeks)	\$15.99/\$6.75
December 31, 2011 closing price	\$7.90
Average daily trading volume (3 months)	123,413

## ➤ **Shares outstanding**

Basic	73 MM
Fully Diluted	75 MM
Held by management/other insiders	~ 10%

➤ **Market capitalization** (December 30, 2011) Cdn\$589 MM

# Contact Information



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# ***Supplemental Information***

NASDAQ: TGA

TSX: TGL



# Directors and Executives

## **Robert A. Halpin**

Director, Chairman

## **Geoffrey C. Chase**

Director

## **Fred J. Dymont**

Director

## **Gary S. Guidry**

Director

## **Robert G. Jennings**

Director

## **Erwin L. Noyes**

Director

## **Ross G. Clarkson**

Director, President and  
Chief Executive Officer

## **Lloyd W. Herrick**

Director, Vice President and  
Chief Operating Officer

## **David C. Ferguson**

Vice President, Finance and  
Chief Financial Officer

## **Albert E. Gress**

Vice President, Business  
Development

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[www.trans-globe.com](http://www.trans-globe.com)*

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