

**BHP Group Plc**

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Share code: BHP

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**NEWS RELEASE**

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**BHP to acquire an additional 28 per cent working interest in Shenzi from Hess**

BHP today announced that it has signed a Membership Interest Purchase and Sale Agreement with Hess Corporation (Hess) to acquire an additional 28 per cent working interest in Shenzi, a six-lease development in the deepwater Gulf of Mexico. Shenzi is structured as a joint ownership: BHP (Operator, 44 per cent interest); Hess (28 per cent interest) and Repsol S.A. (28 per cent interest).

BHP and Hess have agreed to a purchase price of US\$505 million, subject to customary pre and post-closing adjustments.

The acquisition would bring BHP's working interest to 72 per cent and immediately add approximately 11,000 barrels of oil equivalent per day of production (90 per cent oil).

This transaction is consistent with our strategy of targeting counter-cyclical acquisitions in high-quality producing or near producing assets. While our strict Capital Allocation Framework tests ensure all investments are resilient to low points in the commodity cycle, we also recognise the potential for price upside over the medium term given the global slowdown in development activity, and we are well positioned to participate in that upside. We continue to believe that the fundamentals for oil and advantaged gas will be attractive for the next decade and likely beyond.

BHP President Petroleum Operations, Geraldine Slattery said: "This transaction aligns with our plans to enhance our petroleum portfolio by targeted acquisitions in high quality producing deepwater assets and the continued de-risking of our growth options. We are purchasing the stake in Shenzi at an attractive price, it's a tier one asset with optionality, and key to BHP's Gulf of Mexico heartland. As the operator, we have more opportunity to grow Shenzi high-margin barrels and value with an increased working interest."

The effective date of the transaction is 1 July 2020 with an expected close by December 2020, subject to the satisfaction or waiver of customary and transaction-specific conditions.

Further information on BHP can be found at: **bhp.com**

Sponsor: UBS South Africa (Pty) Limited

Authorised for lodgement by:  
Caroline Cox  
Group General Counsel & Company Secretary

## **Media Relations**

Email: [media.relations@bhp.com](mailto:media.relations@bhp.com)

### **Australia and Asia**

Gabrielle Notley  
Tel: +61 3 9609 3830 Mobile: +61 411 071 715

### **Europe, Middle East and Africa**

Neil Burrows  
Tel: +44 20 7802 7484 Mobile: +44 7786 661 683

### **Americas**

Judy Dane  
Tel: +1 713 961 8283 Mobile: +1 713 299 5342

## **Investor Relations**

Email: [investor.relations@bhp.com](mailto:investor.relations@bhp.com)

### **Australia and Asia**

Tara Dines  
Tel: +61 3 9609 2222 Mobile: + 61 499 249 005

### **Europe, Middle East and Africa**

Elisa Morniroli  
Tel: +44 20 7802 7611 Mobile: +44 7825 926 646

### **Americas**

Brian Massey  
Tel: +1 713 296 7919 Mobile: +1 832 870 7677

BHP Group Limited ABN 49 004 028 077  
LEI WZE1WSENV6JSZFK0JC28  
Registered in Australia  
Registered Office: Level 18, 171 Collins Street  
Melbourne Victoria 3000 Australia  
Tel +61 1300 55 4757 Fax +61 3 9609 3015

BHP Group plc Registration number 3196209  
LEI 549300C116EOWV835768  
Registered in England and Wales  
Registered Office: Nova South, 160 Victoria Street  
London SW1E 5LB United Kingdom  
Tel +44 20 7802 4000 Fax +44 20 7802 4111

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headquartered in Australia  
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