

Oando PLC
(Incorporated in Nigeria and registered as an external
company in South Africa)
Registration number: RC 6474
(External company registration number 2005/038824/10)
Share Code on the JSE Limited: OAO
Share Code on the Nigerian Stock Exchange: UNTP
ISIN: NGOANDO00002
("Oando" or the "Company")



August 22, 2024

Oando PLC Completes \$783 Million Acquisition of Eni's Subsidiary, Nigerian Agip Oil Company (NAOC).

Lagos, Nigeria - Oando PLC ("Oando" or the "Company"), Nigeria's leading energy solutions provider listed on both the Nigerian Exchange Limited and Johannesburg Stock Exchange is pleased to announce the successful completion of the acquisition of 100% of the shareholding interest in the Nigerian Agip Oil Company (NAOC) from the Italian energy company, Eni, for a total consideration of US\$783 million comprised of consideration for the asset and reimbursement (the "Transaction").

This acquisition is a significant milestone in Oando's long-term strategy to expand its upstream operations and strengthen its position in the Nigerian oil and gas sector.

Transaction Highlights

- The Transaction increases Oando's current participating interests in OMLs 60, 61, 62, and 63 from 20% to 40%.
- It increases Oando's ownership stake in all NEPL/NAOC/OOL Joint Venture assets and infrastructure which include forty discovered oil and gas fields, of which twenty-four are currently producing, approximately forty identified prospects and leads, twelve production stations, approximately 1,490 km of pipelines, three gas processing plants, the Brass River Oil Terminal, the Kwale-Okpai phases 1 & 2 power plants (with a total nameplate capacity of 960MW), and associated infrastructure.
- Based on 2022 reserves estimates, Oando's total reserves stand at 505.6MMboe and the transaction will deliver a 98% increase of 493.6MMboe, bringing the total reserves to 1.0Bnboe.
- The Transaction is immediately cash generative and will contribute significantly to the cashflows of the Company.

Commenting, Wale Tinubu CON, Group Chief Executive, Oando PLC, said:

"Today's announcement is the culmination of ten years of toil, resilience, and an unwavering belief in the realisation of our ambition since the 2014 entry into the Joint Venture via the acquisition of Conoco-Philips Nigerian Portfolio. It is a win for Oando, and every indigenous energy player, as we take our destiny in our hands, and play a pivotal role in this next phase of the nation's upstream evolution. With our assumption of the role of operator, our immediate focus is on optimizing the assets' immense potential, advancing production and contributing to our strategic objectives. This we will do while prioritizing responsible practices and sustainable development in ensuring a balanced approach to our host communities, and environmental stewardship as we complement the nation's plan to boost production output. Looking to the future, we will continue to pursue strategic diversification opportunities within the broader energy sector that provide enhanced growth and value creation for our stakeholders, particularly in clean energy, agri-feedstock sector, as well as energy infrastructure and mining."

Forward Looking Statements:

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements relating to intended acquisitions.

Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that such statements and information will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include but are not limited to: risks related to international operations, the actual results of current exploration and drilling activities, changes in project parameters as plans continue to be refined and the future price of crude oil. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Cautionary Statements

Production information is commonly reported in units of barrel of oil equivalent (“boe” or “BOE”) or in units of natural gas equivalent (“Mcf”). However, BOEs or Mcfes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 barrel, or an Mcfe conversion ratio of 1 barrel:6 Mcf, is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

There is no certainty that it will be commercially viable to produce any portion of the contingent resources.

There is no certainty that any portion of the prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Defined Terms

“Reserves” are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by development and production status.

Ends

For: Oando PLC

**Ayotola Jagun (Ms.)
Chief Compliance Officer and Company Secretary**

JSE Sponsor to Oando



Questco Corporate Advisory Proprietary Limited