



Impact Oil and Gas Limited

Statoil joins Impact and ExxonMobil in Transkei-Algoa, South Africa

Following Statoil South Africa B.V. (“Statoil”) announcement on 07 September 2017, Impact Oil and Gas (“Impact”), the African-focused exploration company, welcomes Statoil as a partner in this acreage. Statoil has completed a transaction with ExxonMobil Exploration and Production South Africa Limited (“ExxonMobil”), acquiring a 35% interest in Exploration Right 12/3/252 Transkei-Algoa (“Transkei-Algoa”).

Exploration Right 12/3/252 Transkei-Algoa is located offshore eastern South Africa and covers approximately 45,838km² in water depths up to 3,000 metres. The licence was initially awarded to Impact as a Technical Cooperation Permit in 2012, following an application for an Exploration Right, which was granted in 2014. Under the terms of the farm-out agreement between ExxonMobil and Impact in 2012, ExxonMobil subsequently applied for a 75% working interest and operatorship of the licence. The holders have collectively gathered extensive new data, significantly progressing the technical understanding of the exploration potential of the ER.

The participating interests in the Exploration Right 12/3/252 Transkei-Algoa are now as follows: Statoil has a 35% interest, Operator ExxonMobil retains 40% interest, while Impact Africa Ltd (Impact’s subsidiary) holds 25%.

Robert Wilde, CEO of Impact Oil & Gas said:

“It is great to see Statoil strengthen its position in South Africa and we are delighted to welcome them as a partner on the licence. We are excited by the potential within the Transkei-Algoa licence and look forward to working alongside two companies of such high calibre.”

A full copy of Statoil’s release can be found below.

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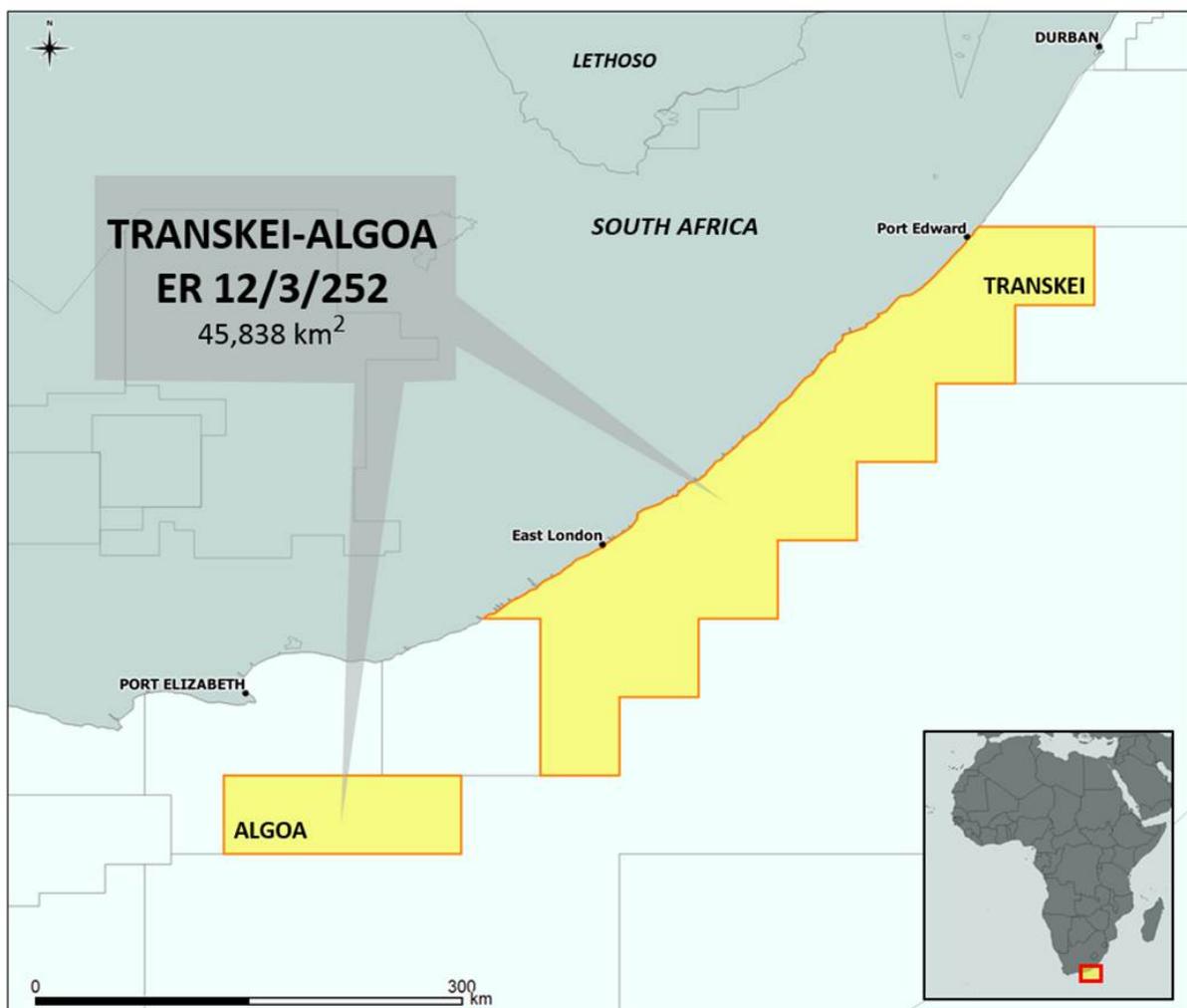
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About Impact Oil & Gas

Impact Oil and Gas was founded in 2009 by experienced geoscientists who targeted a number of areas offshore South Africa which had very large hydrocarbon potential. Following licence awards and a successful 2D seismic acquisition campaign, a series of play concepts were identified and the company entered into a partnership with ExxonMobil in 2012 and with Statoil in 2015. The three companies are currently working on a substantial exploration programme offshore South Africa.

With a clear strategic focus as an Africa only exploration company, management is committed to building an attractive group of exploration assets and securing large independent and major oil companies as partners. The company's objective is to build a world class portfolio, in a number of different geological and political locations on the African continental margins. Management believes that by doing so, and by having oil industry partners validate its exploration concepts and ideas, it can deliver substantial shareholder value in the medium to longer term. The company's current portfolio covers over 90,271 km² gross, across South Africa, Namibia, Gabon and AGC (Senegal/Guinea-Bissau).

Map of Exploration Right 12/3/252 Transkei-Algoa



Statoil's press release:

Statoil adds exploration licenses in South Africa

Statoil has acquired participating interests in two additional offshore frontier blocks, including one operatorship.

Statoil has completed a transaction with ExxonMobil Exploration and Production South Africa Limited (ExxonMobil), acquiring a 35% interest in Exploration Right 12/3/252 Transkei-Algoa. Operator ExxonMobil retains 40% interest, while Impact Africa holds 25%. The license covers approximately 45,000 square kilometres in water depths up to 3,000 metres.

Statoil has also completed a transaction with OK Energy Ltd, acquiring 90% interest and operatorship in the Exploration Right 12/3/257 East Algoa. The remaining 10% interest is held by OK Energy. The licence covers approximately 9,300 square kilometres.

"These transactions strengthen Statoil's position in South Africa and our long-term exploration portfolio. This is in line with our global exploration strategy of early access in basins with high potential" says Nick Maden, senior vice president for exploration in the southern hemisphere.

Statoil entered its first license in South Africa in 2015, acquiring a 35% interest in the ExxonMobil-operated Tugela South Exploration Right.