Impact Oil & Gas Limited

Completion of Impact farm-out of Transkei & Algoa; offshore South Africa

London: 31 August 2021, Impact Oil & Gas Limited ("Impact" or the "Company"), a privately-owned, Africa-focused, exploration company, is pleased to announce the completion of the previously announced farm-out transaction between its wholly-owned subsidiary, Impact Africa Limited, and BG International Limited, a wholly owned subsidiary of Royal Dutch Shell plc ("Shell") of a 50% working interest and operatorship in the Transkei & Algoa exploration right, offshore South Africa (Exploration Right reference 12/3/252).

Following completion of the transaction, the participating interests in the Transkei & Algoa blocks are as follows: Shell (Operator), 50% and Impact Africa Limited, 50%. Impact is also pleased to announce that the South African Government has granted the Second Renewal Period of the licence. This is a two-year exploration period that commenced in August 2021. Impact and Shell intend to proceed with the acquisition of approximately 6,000 km² of 3D seismic during 2022.

Siraj Ahmed, CEO of Impact Oil & Gas, commented: “We are very pleased to have concluded this transaction with Shell; a world-class operator with deep water expertise. We look forward to working with Shell to build on the considerable work done to date and further explore this exciting exploration province.

“This transaction, and the proposed 3D seismic acquisition programme, enables Impact to deliver on its objective of accelerating the exploration of the transform margin of the South African Natal Trough, which Impact believes has significant potential.”
Transkei & Algoa, offshore South Africa
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 Africa Limited as a Technical Cooperation Permit in 2012, followed by an application for an Exploration Right, which was granted in 2014.

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About Impact Oil & Gas
Impact is a privately owned upstream exploration company, focused on large scale, deep water plays offshore Southern and West Africa. Impact’s objective is to build a world class portfolio of drillable prospects, in diverse geological and geographic locations to minimise risk, and partner with high-calibre industry players to validate its exploration concepts and ideas and take forward the drilling operations. The company acquired its first asset offshore South Africa in 2011 and subsequently expanded its asset base across the offshore margins of Southern and West Africa. It is partnered with CNOOC in the AGC (between Senegal and Guinea Bissau); Total and Qatar Petroleum in the Orange Basin, through three licences across Namibia and South Africa; and Royal Dutch Shell plc, through its subsidiary, BG International Limited, in South Africa, in the Transkei & Algoa block. The Company’s current portfolio covers a combined area of over 200,000 km² (gross) (includes the indirect interests in the Africa Energy Corp portfolio, held through Impact’s shareholding in Africa Energy Corp.).

Forward-Looking Statements
This press release may contain certain statements that are, or may be deemed to be, “forward-looking statements”. Forward-looking statements can be identified by the use of forward-looking terminology, including, for example, the words "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" and similar expressions and statements relating to matters that are not historical facts, and may include statements regarding the Company's current intentions, beliefs or expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to future events and circumstances and are based on certain assumptions and factors, which are based on information currently available to the Company, and which may prove to be incorrect. Undue reliance should not be placed on forward looking statements. The Company is not under any obligation to update or revise any forward-looking statements contained in this announcement.