

## Impact Oil & Gas Limited

### Private Placing to raise up to US\$40 million

London: 09 October 2023, Impact Oil & Gas Limited (“**Impact**” or the “**Company**”), a privately-owned, Africa-focused, exploration company, is pleased to announce that it has entered into a subscription agreement (the “**Subscription Agreement**”) with certain existing shareholders, that will provide Impact with USD 40 million (the “**Placing**”).

The capital raised will be used to fund Impact’s participating share (held through its wholly owned subsidiary, Impact Oil and Gas Namibia (Pty) Ltd) of costs for the multi-well drilling, and seismic acquisition programme in Namibia, to further appraise the Venus discovery and explore additional prospectivity across Blocks 2913B and 2912, both located in the Orange Basin, offshore Namibia.

#### Highlights

- The Circular, attached to the Open Offer, dated 24 March 2023, envisaged the potential requirement for further capital by the Company, in the fourth quarter of the current year.
- Whilst the Nara-1X well was not successful, and therefore the joint venture did not proceed with an appraisal of the Nara prospect, the Joint Venture has proceeded with the drilling of the Mangetti prospect in the north of Block 2913B, using the Tungsten Explorer.
- The proceeds of this Placing, together with existing cash reserves, is intended to be used by Impact to fund its continuing activities for the remainder 2023, which include the ongoing appraisal of the Venus discovery, drilling of the Mangetti-1X well and further 3D seismic acquisition.
- The success of the current exploration and appraisal programme will determine the forward programme for 2024. This Placing is not intended to fund the 2024 work programme and budget. Additional funds are anticipated to be raised to cover the additional expenditure.

#### Siraj Ahmed, CEO of Impact Oil & Gas, commented:

*“The successful Venus-1X flow test is a major milestone in the appraisal of the Venus field and an important step towards supporting a commercial development of this world-class light oil discovery. Today’s news ensures that the Company is adequately financed through to the end of the year, continuing to fund the exciting programme ahead of us, which we hope will unlock further value for shareholders.*”

*Given the confidential nature of the appraisal results, on this occasion, we have reluctantly limited this capital raise to a small number of shareholders (although they represent more than 95% of the shareholding in the Company). We are grateful to our participating shareholders and our non-participating shareholders for their commitment to the Company and ongoing support at this exciting time.”*

#### Background

Following the Venus-1X discovery in Block 2913B, offshore Namibia, announced by Impact in February 2022, the Operator announced an extensive exploration and appraisal campaign. In April 2023, Impact raised US\$95 million by way of an open offer to existing shareholders to cover the Company’s share of costs for this programme. Further appraisal expenditure was envisaged on Blocks 2913B and 2912, contingent on the results of exploration and appraisal drilling.

Following the successful drill stem test (“**DST**”) on Venus-1X, and notwithstanding an unsuccessful outcome on the Nara-1X well in adjacent Block 2912, the Joint Venture is proceeding with further

exploration and appraisal work. As a result, Impact is raising a further US\$40 million by way of a private placing to certain existing shareholders for the purpose of adding to the funds raised in April 2023.

### **About Block 2913B, offshore Namibia**

The Venus-1X well was drilled in 2022, on Petroleum Exploration Licence 56, Block 2913B, approximately 290 kilometres off the coast of Namibia, in the Orange Basin. The Venus-1X well discovered a world class light oil and associated gas field. The well was drilled to a total depth of 6,296 metres, by the “Maersk Voyager” drillship, and encountered a sandstone reservoir with high quality, light oil of middle Cretaceous age light oil-bearing sandstone reservoir of middle Cretaceous age.

Block 2913B is located offshore southern Namibia and covers approximately 8,215km<sup>2</sup> in water depths up to 3,000m. Impact entered the licence as Operator in 2014, acquiring 2D, then 3D seismic data which defined the Venus prospect. In 2017, Impact and NAMCOR were joined by TotalEnergies, bringing with it significant deep-water drilling expertise to the Joint Venture, and in 2019 QatarEnergy joined the Joint Venture.

Impact (through its wholly owned subsidiary, Impact Oil and Gas Namibia (Pty) Ltd) holds a 20% participating interest in the Block. TotalEnergies hold a 40% participating interest and is Operator, QatarEnergy holds a 30% interest and state owned NAMCOR holds a 10% participating interest, which is carried by the remaining joint venture partners in proportion to their equity shares.

### **About Block 2912, offshore Namibia**

Impact (through its wholly owned subsidiary, Impact Oil and Gas Namibia (Pty) Ltd) holds an 18.89% working interest in the adjacent Block 2912 (PEL 91), where it is also partnered with TotalEnergies (Operator, with 37.78%), QatarEnergy (28.33%) and NAMCOR (15%).

Petroleum Exploration Licence 91, Block 2912, is located offshore southern Namibia, adjacent to, but outboard of, PEL 56 and covers approximately 7,884km<sup>2</sup> in water depths between 3,000 and 3,900m. Impact joined TotalEnergies and NAMCOR on the licence in 2019, as did QatarEnergy.

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### **About Impact Oil & Gas Ltd**

Impact is a UK-based, privately owned, independent exploration company with a focus on finding large scale, deep water plays offshore Western and Southern Africa. These plays must be of sufficient materiality to attract partnership by industry majors with the expertise to subsequently drill.

Since acquiring its first asset offshore South Africa over a decade ago, the Company has expanded its asset base across the offshore margins of Southern and West Africa. It is now partnered with Shell in South Africa, CNOOC in AGC (a joint development zone between Senegal and Guinea Bissau) and TotalEnergies and QatarEnergy in Namibia and South Africa. The Company’s current portfolio covers a combined area of over 180,000 km<sup>2</sup> (gross) (including an indirect interest in Block 11B/12B, South Africa).

As a pure exploration company, Impact has matured a number of significant prospects across a portfolio that has, for the most part, been grown organically. Whilst Impact indirectly participated in the Brulpadda-1X and Luiperd-1X gas condensate discoveries on Block 11B/12B in South Africa in 2019



and 2020, respectively, the Venus discovery was made from Impact's home-grown portfolio. This deep-water Cretaceous play extends from southernmost Namibia, around South Africa as far as the Durban Basin and is the focus of Impact's exploration strategy. Impact holds a material acreage position across the entire play fairway; the results of the Venus and Graff wells have enhanced our confidence in the prospectivity seen across our southern African portfolio.