



## **Impact Oil and Gas Limited**

### **Statoil joins Impact and ExxonMobil to explore the Tugela South Block, South Africa**

London, 29 October 2015, Impact Oil and Gas ("Impact"), the African-focused pure exploration company, is pleased to announce that Statoil South Africa B.V. ("Statoil") has completed a farm-in transaction with ExxonMobil Exploration and Production South Africa Limited ("ExxonMobil"), acquiring a 35% interest in the ER 12/3/154 ("Tugela South") Exploration Right.

The Tugela South Exploration Right covers an area of approximately 9,054km<sup>2</sup> and is located offshore eastern South Africa in water depths up to 1800m. The Exploration Right will enter into its second period later this year during which the government agreed work programme comprises the acquisition of 1000km<sup>2</sup> of 3D seismic and other geology and geophysics studies.

Impact acquired Tugela South in 2011 and subsequently shot two 2D seismic campaigns in 2011 and 2012, identifying a number of prospective leads and prospects in the acreage. In late 2012, ExxonMobil obtained a 75% interest in, and subsequently became Operator of, the Tugela South Exploration Right. The deal negotiated between ExxonMobil and Statoil does not alter the commercial arrangements between ExxonMobil and Impact that were agreed in 2012.

The participating interests in the Tugela South Exploration Right are now as follows: ExxonMobil, Operator (40%); Statoil (35%) and Impact (25%). Impact's interest is held through its wholly-owned subsidiary, Impact Africa Limited.

#### ***Mike Doherty, Executive Chairman of Impact Oil & Gas said:***

"We are delighted to welcome a partner of Statoil's calibre to Tugela South and are excited to be working alongside them and ExxonMobil to further explore this promising exploration permit.

"Today's news is an important milestone for Impact with the creation of a strong joint venture with well-financed and experienced partners and is a further endorsement of the significant potential that exists in our offshore acreage in South Africa. We look forward to working with Statoil and ExxonMobil, in partnership with the Government, to deliver sustainable value to all stakeholders in a safe and environmentally responsible manner."

A full copy of Statoil's press release is copied below.

#### **Enquires:**

**Impact Oil and Gas** +44 1483 750 588  
Mike Doherty (Executive Chairman)  
Robert Wilde (Finance Director)  
Phil Birch (Exploration Director)

**Camarco** +44 20 3757 4980  
Billy Clegg / Georgia Mann

## **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. Together the two companies are currently working on a substantial exploration programme offshore South Africa.

With a clear strategic focus as an Africa only, pure 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 100,000km<sup>2</sup> gross, across South Africa, Namibia, Gabon and AGC (Senegal/Guinea-Bissau).

## **Statoil's press release:**

### **Statoil to explore offshore South Africa**

**Statoil has completed a farm-in transaction with ExxonMobil Exploration and Production South Africa Limited (ExxonMobil), acquiring a 35 percent interest in the ER 12/3/154 (Tugela South) Exploration Right.**

The remaining interests are held by the operator ExxonMobil (40%) and co-venturer Impact Africa Limited (Impact Africa) (25%).

"This opportunity is in line with Statoil's exploration strategy of early access at scale. It represents access into a frontier basin where we believe we see indications of an active petroleum system and which has impact potential. ", says Nick Maden, senior vice president for Statoil's exploration activities in the Western Hemisphere.

"The position strengthens and develops a wide set of the optionality in Statoil's long-term international portfolio. We look forward to working with ExxonMobil, Impact Africa and the South African government to explore for oil and gas in this new area for Statoil", says Maden. The Tugela South Exploration Right covers an area of approximately 9,054 square kilometres. It is located offshore eastern South Africa in water depths up to 1800 meters.

The farm-in represents a country entry for Statoil into South Africa. Statoil enters in an early exploration phase with a step-wise exploration programme. Work commitments between 2015 and 2017 include the acquisition of 1000 km<sup>2</sup> of 3D seismic and geology and geophysics (G&G) studies. There are no commitment wells during this exploration period.

The information obtained from the initial studies and seismic survey will form the decision basis for the co-venturers' next steps in the Exploration Right.



**Impact's acreage along the South African eastern coastline**

