Press release

ONGC Videsh led Indian Consortium comprising of ONGC Videsh, Indian Oil Corporation Limited and Bharat Petro Resources Limited to acquire 10% Stake in Lower Zakum Concession, Offshore Abu Dhabi

Press Release – 10 February 2018

New Delhi, 10 February 2018: ONGC Videsh led Indian Consortium has been awarded 10% Stake in Lower Zakum Concession, Offshore Abu Dhabi. The Concession award by the Supreme Petroleum Council (**SPC**), on behalf of the Abu Dhabi government, to the Abu Dhabi National Oil Company (**ADNOC**) and the Indian Consortium, is the first time that Indian oil and gas companies have been given a stake in the development of Abu Dhabi's hydrocarbon resources. The Indian Consortium comprising of Indian Petroleum Sector Public Enterprises is led by ONGC's international arm ONGC Videsh and includes Indian Oil Corporation Limited and the international arm of Bharat Petroleum Corporation Limited (Bharat Petro Resources Limited). The Indian Consortium would contribute a sign-up bonus of USD 600 million to enter the concession for a 10% stake.

The Concession, which has a term of 40 years with an effective date of 9th March 2018, was signed by Shri Shashi Shanker, Chairman, ONGC Group of companies and His Excellency Dr Sultan Ahmed Al Jaber, ADNOC Group Chief Executive Officer, and member of Abu Dhabi's Supreme Petroleum Council in the presence of Honourable Prime Minister of India Shri Narendra Modi and His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the United Arab Emirates Armed Forces. ADNOC is finalizing the potential partners for the remaining 30% of the available 40% stake in the Lower Zakum Concession earmarked for international oil and gas companies.

The current production of this field is about 400,000 bopd and Indian Consortium annual share shall be about 2 MMT. The field profile is to set to achieve plateau target of 450,000 bopd by 2025.

Commenting on the Concession award, Shri Shashi Shanker said: "*We are delighted to partner with ADNOC in this important offshore concession. We are hopeful that this historic agreement will lead to further opportunities for Indian oil and gas companies to participate in the UAE's energy sector. The agreement reflects the vision of the Honourable Prime Minister of India towards strengthening hydrocarbon linkages with the UAE on a win-win basis*."

H.E. Dr Al Jaber said: "*Our strategic partnership with ONGC, and the other members of the Consortium, marks a new chapter in the strategic economic relationship between the UAE and India. This mutually beneficial partnership will create opportunities for ADNOC to increase its market share, in the fast-growing Indian market. By delivering high quality crude to India's expanding refining industry, it will help India meet its growing energy demand.*

"This agreement supports ADNOC's strategy to maximise economic value and recovery from its offshore oil and gas resources. This is an attractive and strategic agreement for both parties that will deliver competitive returns and long term growth opportunities."

The present transaction marks entry of ONGC Videsh in highly prospective UAE region and is consistent with its stated strategic objective of adding high quality producing assets to its existing E&P portfolio.

About ONGC Videsh

ONGC Videsh is a wholly owned subsidiary and International arm of Oil and Natural Gas Corporation Limited (ONGC), the National Oil Company of India, and is India's largest international oil and gas E&P Company. At present, ONGC Videsh has 39 projects in 18 countries including Azerbaijan, Bangladesh, Brazil, Colombia, Kazakhstan, Mozambique, Myanmar, Russia, South Sudan, Sudan, Namibia, Venezuela, Vietnam and New Zealand. ONGC Videsh is currently producing about 277,000 barrels of oil and oil equivalent gas per day and has total oil and gas reserves (2P) of about 704 MMTOE as on 1st April, 2017. For more information visit: http://www.ongcvidesh.com

About ONGC

ONGC's market capitalization as on 9th February 2018 was INR 2404 billion (US$ 37.35 billion). During the financial year ended 31st March, 2017, ONGC Group had produced 61.60 MMT of oil and oil equivalent gas (MMTOE) (approx. 1.23 MMboe per day); the Consolidated Gross Turnover was INR 1,421 billion (US$ 21 billion) during FY'17 and total consolidated oil and gas reserves were 1,818 MMTOE as on 31st March 2017. For more information visit: http://www.ongcindia.com