

11 November 2020

ONGC Videsh to acquire 13.6667% Participating Interest in Exploitation Area and 15% Participating Interest in Exploration Area under RSSD Production Sharing Contract , Offshore Senegal

New Delhi : ONGC Videsh through its wholly owned subsidiary has signed definitive binding agreements with FAR Senegal RSSD SA (**Seller**), a wholly owned subsidiary of FAR Limited (**FAR**) on –10th November 2020 for acquiring 13.6667% participating interest in Exploitation Area (**Sangomar Field**) and 15% participating interest in Remaining Contract Area (**Exploration Area**) of Rufisque, Sangomar Offshore and Sangomar Deep Offshore (**RSSD**) Block, Offshore Senegal. Woodside Energy (Senegal) BV (**Woodside**), Capricorn Senegal Limited (**Cairns**) and Le Société des Pétroles du Sénégal (**PetroSen** – the national oil company of Senegal) are other partners in the RSSD Block.

The acquisition by ONGC Videsh is subject to satisfaction of customary conditions precedents including approvals of Senegal regulatory authorities, FAR shareholders' approval, non-exercise / waiver of pre-emption by joint venture partners and termination of certain third party agreement. The Sangomar Field, currently under development, is located in the deep waters of Mauritania, Senegal, Gambia, Guinea-Bissau and Guinea-Conakry Basin (**MSGBC Basin**), Offshore Senegal, covering an area of 772 sq. kms. and is planned to go on production in 2023 under Phase-1 development.

The acquisition involves (i) an upfront consideration of USD 45 million with customary adjustments including the opening working capital as of 1st January 2020 and the cash calls paid or to be paid from January 2020 onwards until completion (excluding any default interest paid / payable by FAR for any delay in cash call payments). This shall be payable upon completion; and (ii) Contingent payments payable annually (capped at USD 55 million) depending upon the Brent Oil price from First Oil until the earlier of 3 years from First Oil or

Issued By:

Oil and Natural Gas Corporation Ltd

Corporate Communication, New Delhi | Phone: +91-11-26754013 | Email: ongcdelhiccc@ongc.co.in



31st December 2027. Total investment involved including the development cost until the first oil is expected to be around USD 600 Million.

Woodside is the operator of the Block and has recently exercised its pre-emption rights to acquire the participating interest held by Cairns in the RSSD Block. Post completion of acquisition of Cairns stake by Woodside, Woodside shall hold 68.3333% participating interest in Sangomar Field and 75% participating interest in Exploration Area while Petrosen shall hold 18% participating interest in Sangomar Field and 10% participating Interest in Exploration Area of the RSSD Block.

The completion of the present transaction would mark ONGC Videsh entry in Senegalese offshore in a significant project under development and is consistent with its strategic objective of adding high impact exploration and near-term production assets to its existing E&P portfolio.

About ONGC Videsh

ONGC Videsh is a wholly owned subsidiary 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 participation in 37 projects in 17 countries across the globe. ONGC Videsh is currently producing about 250 thousand barrels of oil and oil equivalent gas per day and has total oil and gas reserves (2P) of about 587 million tons of oil equivalent (MMTOE) as on 1st April, 2020. For more information visit: <https://www.ongcvidesh.com>

About ONGC

ONGC is the largest crude oil and natural gas producer in India, contributing around 76 per cent to Indian domestic production. During the financial year ended 31st March, 2020 (FY'20), ONGC Group had produced about 63 MMTOE (approx. 1.26 MMboe per day); the Consolidated Gross Turnover was INR 4,250 billion (about USD 60 billion) during FY'20 and total consolidated oil and gas reserves (2P) were 1,359 MMTOE as on 1st April 2020. For more information visit: <https://www.ongcindia.com>

Issued By:

Oil and Natural Gas Corporation Ltd

Corporate Communication, New Delhi | Phone: +91-11-26754013 | Email: ongcdelhicc@ongc.co.in

