

Sirius Petroleum Plc
(“Sirius” or “Company”)

Sirius-Somoi Consortium

SPA Signed to Acquire Interests in Angolan Offshore Blocks 18, 27 and 31

London and Luanda, 4 May 2022: Sirius, the Africa focused oil & gas production and development company and its local JV partner, Somoil S.A., the largest privately owned Angolan oil company, are pleased to announce that the joint Sirius-Somoi consortium, (‘the Sirius-Somoi Consortium’ or ‘the Consortium’), has signed a legally binding Sale and Purchase Agreement (“SPA”) with Sonangol Pesquisa e Produção S.A. (“Sonangol”), Angola’s state-owned oil company, to acquire participating interests of 8.28% and 10% respectively in the producing Angolan offshore Blocks 18 and 31 and a 25% participating interest in the exploration Block 27, for a total consideration of US\$335.5m (“the Proposed Acquisition”).

Proposed Acquisition Summary

- Acquiring non-operating interests in prolific deepwater production assets with strong cash flow characteristics.
- Current gross production from Blocks 18+31 is averaging c.160,000 bopd.
- Net production entitlement to the Consortium expected to average 15,500 bopd.
- Significant cash flow entitlement given low operating costs and unrecovered costs
- Major medium and long-term development upside.
- Sirius-Somoi will be making targeted investments in Sonangol social projects in Angola as part of its committed strategy of working with partners to improve lives through sustainability initiatives in the community.

Block 31 - Producing

- Acquiring a 10.0% interest for a total consideration of US\$170m.
- Unrecovered development cost balance of c.\$14bn boosts contractor group entitlements, enhancing overall EBITDA/bbl and long-term returns.
- The Block is operated by BP Angola and is located offshore some 400 kilometres north west of Luanda.
- The block consists of four oil fields; Plutão, Saturno, Vénus and Marte (“PSVM”), which were discovered between 2002 and 2004 in water depths of up to 2,000 metres in the North East part of Block 31. PSVM is the second BP-operated development in Angola and production started up in December 2012. Licence partners are currently BP (26.67%), Equinor (13.3%), Sinopec International (15%), Sonangol (45%).
- Current gross production from the block is averaging c.80,000 bopd.
- Gross 2P/2C reserves of 275mmbbls relate to existing production and sanctioned developments, according to the operator.
- Further gross 2C resources of 516 mmbbls from existing discoveries, according to Gaffney Cline & Associates.
- Future payments, on new developments within the block, are contingent on sustained high oil prices (>=\$75/bbl) and first oil from long-term developments.

Block 18 – Producing

- Acquiring an 8.28% interest for a total consideration of US\$165m.
- The block is operated by BP Angola and is located offshore, 160 kilometers northwest of Luanda. Eight discoveries have been made in this block, of which the fields Galio, Cromio, Cobalto, Paladio, and Plutonio make up the first producing complex known as Greater Plutonio.

- Production started in 2007 and remains at material levels. Late last year the Platina project started production adding significant volumes and reserves to total block production. Licence partners are currently BP (26.67%), Equinor (13.3%), Sinopec International (15%), Sonangol (45%).
- Current gross production from the block is averaging c.80,000 bopd.
- Gross 2P/2C reserves of 220mmbbls relate to existing production and sanctioned developments, according to the operator.
- Future payments, on new developments within the block, are contingent on sustained high oil prices (\geq \$75/bbl) and first oil from long-term developments.

Block 27 - Exploration

- The Consortium is acquiring a 25.0% non-operated interest in this deepwater exploration and appraisal block for a total consideration of US\$0.5m.
- The block is located offshore in the Kwanza basin, an area known for its gas potential.

The Proposed Acquisition is conditional upon satisfactory due diligence (“DD”) being conducted and following signing of the SPA the Consortium will enter a period of DD of the data for blocks 18, 31 and 27 supplied to the Consortium by Sonangol. The economic effective date of the Transaction is April 2022. Completion is expected to take place in 2022, subject to customary conditions and approvals.

The Consortium expects that the Proposed Acquisition will be financed through the provision of new debt facilities.

Commenting, Bobo Kuti, CEO of Sirius, said: “The acquisition of these interests in such world class producing assets, operated by a supermajor, is in line with our strategy to build a high-quality portfolio of African producing and development assets. We are excited by the long-term growth upside that these assets present and the scale that they bring to the Sirius platform. We have developed a very strong working partnership with Somoil in Angola and look forward to working together as we progress to the completion of this acquisition and to building a significant presence together in Angola.”

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Ends.