

South Deepwater Tano Petroleum Agreement ratified, drilling to commence imminently

Accra/Oslo, 6 May 2019 – The Parliament of the Republic of Ghana has ratified the revised petroleum agreement for the South Deepwater Tano (SDWT) block. With this ratification, AGM Petroleum Ghana Limited (AGM) can now begin exploring for oil in the ultra-deepwater block, over 3.5 kilometres below sea level.

There has been a lot of public interest in the recent weeks relating to the oil and gas industry in Ghana and in particular AGM, the operator in the SDWT block. Questions have also been raised about benefits to the people of Ghana.

Ghana will be the main beneficiary of the profits from any oil produced in the SDWT block. The reality is that the Government of Ghana has negotiated terms that now makes the development of the block sufficiently attractive for international investors and operators in the industry.

In comparison to recently approved Petroleum Agreement in the same region, the terms in the SDWT block are more favourable to Ghana. AGM has committed to a significantly larger work programme - drilling 4 wells and a sizeable seismic activity.

AGM is looking forward to working with its partners, suppliers and, not least, the Ghana National Petroleum Corporation (GNPC), the Petroleum Commission, the Ministry of Energy and other important stakeholders to conduct operations in a safe and transparent manner.

The Petroleum Agreement ratified by Parliament on 3 May 2019, gives a fiscal take to Ghana, which is substantially above the international deepwater average of approximately 55%. AGM is pleased that the Parliament approved the agreement, and subject to successful exploration, the company is looking forward to developing the resources on behalf of and together with the Ghanaian people. If the exploration is not successful, the operator bears all the financial risk and burden.

“We are grateful for the opportunity given to us to explore for oil and gas in the SDWT block together with our partners. We hope and believe this will be the beginning of a long and prosperous journey together with the Ghanaian people that will create wealth and opportunity for generations to come,” says Atle Andresen, CEO of AGM.

David Adomakoh, Director of Quad Energy added: “We look forward to a fruitful long-term relationship with AGM and are committed to working together to unlock the potential of the SDWT block. This will give us a unique opportunity to maximise the participation of our local oil and gas services companies.”

For more information, please contact press@agmpetroleum.com



ABOUT AGM PETROLEUM GHANA LTD.

AGM Petroleum Ghana Ltd. (AGM) is a private oil and gas exploration company founded in Ghana in 2012. The company has offices in Oslo, Norway and Accra. The company is wholly-owned by Petrica Holding AS, which is controlled by Mr Kjell Inge Røkke, an entrepreneur and industrialist who has been a driving force in the development of the Aker group of companies since the 1990s.

AGM is the operator in the South Deepwater Tano block with a 80% participating interest. The other partners are the Ghana National Petroleum Corporation (GNPC), with a 15% carried interest, and Quad Energy, with a 5% paying interest.

ABOUT QUAD ENERGY

Quad Energy, incorporated in Ghana, is the indigenous local partner of AGM.