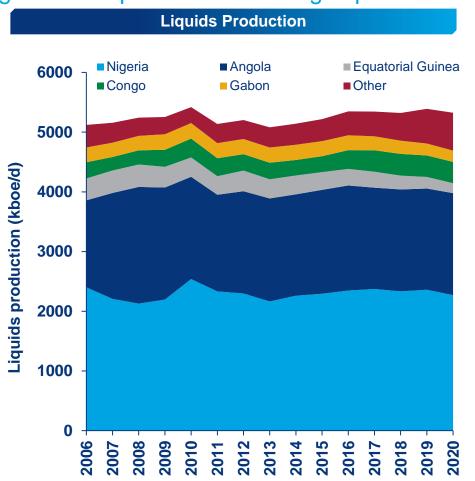
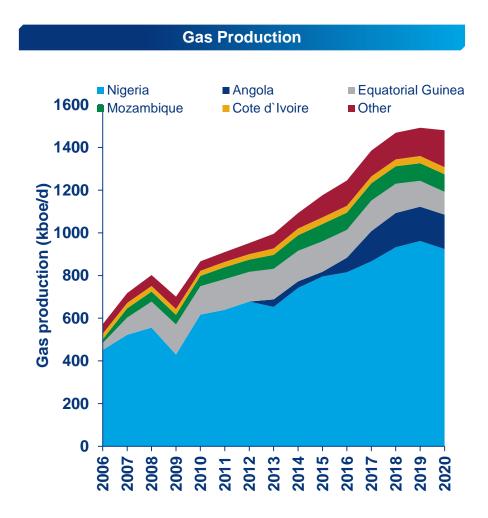


# Liquids & gas production increased by 2% and 7% respectively, as new fields came onstream in 2015

### Nigeria underpinned increased gas production







# Capex fell by 17% while opex increased despite the lower oil price

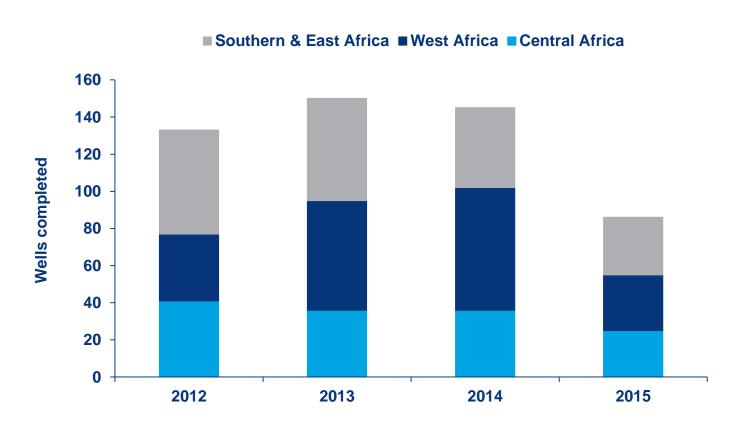




## Exploration suffered big cuts: number of E&A wells down 42% from 2014

A 10 year low in E&A wells drilled



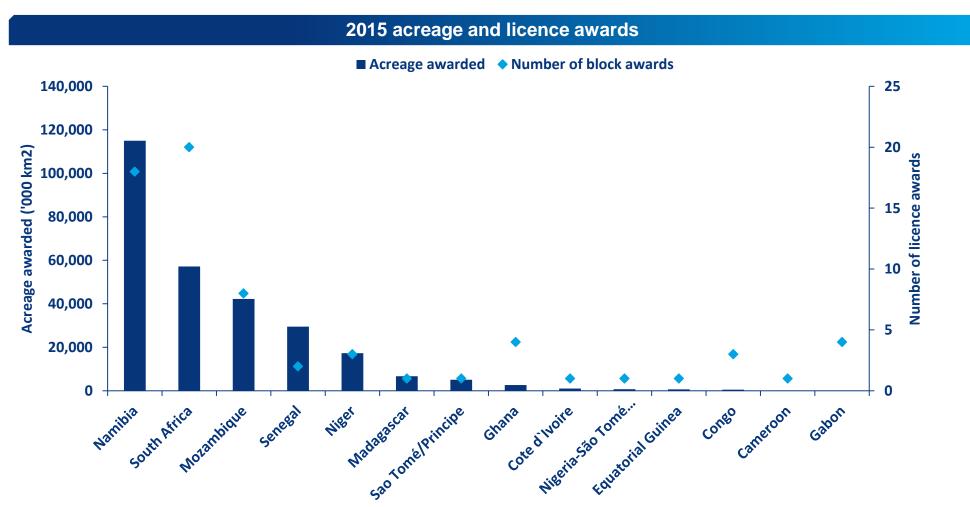


<sup>\*</sup> The 2015 well count could rise with further disclosures.



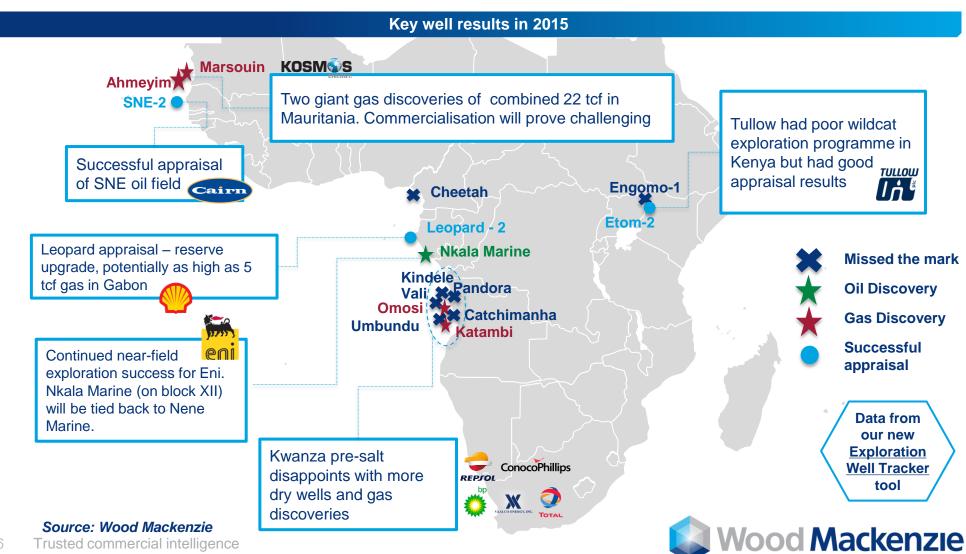
## Licensing activity slowed with fewer blocks awarded

Total acreage awarded fell by a third but frontier areas still attracted explorers





## Two large gas discoveries in Mauritania stand out in a year of disappointing exploration results



# M&A: Further divestments in Nigeria but total value of deals fell 67% to US\$3.5 billion

Sonangol's US\$1.7 billion acquisition of Cobalt in Angola was the year's biggest deal

### Top 5 M&A asset deals from the region

Buyer: West African E&P Seller: Shell, Total and Eni Consideration: US\$300m Assets: OML 71 and 72

- Majors continue divestment from

Niger Delta

Buyer: First E&P Seller: Chevron

Consideration: US\$68m Assets: OML 83 and 85-

Development of 163mmboe will test inexperienced exploration company

Buyer: Belemaoil & Seplat

Seller: Chevron

Consideration: US\$259m & US\$265m Assets: Chevron sell's stakes in in OML

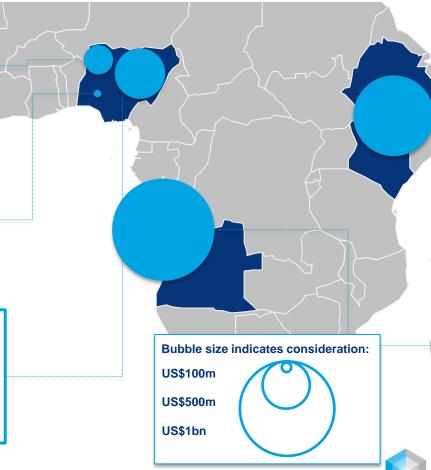
53 OML 55 and

- Chevron divest from OML 53 and 55

Niger Delta

**Source: Wood Mackenzie**Trusted commercial intelligence

www.woodmac.com



**Buyer**: Maersk Oil **Seller**: Africa Oil Corp. **Consideration**: up to

US\$845m

Assets: 25% interest in Kenyan blocks (10BB, 10BA & 13T) and 50% interest in the Ethiopian South Omo and Rift Valley Blocks

 Maersk capture scalable discovered resource opportunities

Buyer: Sonangol Seller: Cobalt Intl

Consideration: US\$1.7bn

Assets: 40% interest in blocks 21 & 20

- Cobalt monetises exploration success



# Several countries announced revised fiscal terms and petroleum legislations

Many new fiscal regimes designed prior to oil price crash remain unchanged

#### **Nigeria**

- New President vows to renew PIB, restructure NNPC
- Government to target generous 1993 deepwater PSC terms

#### Gabon

- Petroleum Code passed in 2014 for 2015 bid round
- Round opened in Oct 2015, announcement due in April 2016

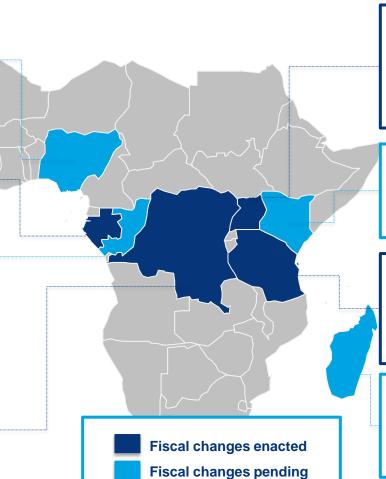
#### Congo

- Petroleum Bill passed by parliament in March 2015 - awaiting presidential approval
- 15% equity to be reserved for Congolese companies

#### **Democratic Republic of Congo**

- New Petroleum Code signed into law in September 2015
- Introduction of super profit oil tax and individual fiscal zones

Source: Wood Mackenzie



#### **Uganda**

- New model PSC for 2015 bid round
- Introduction of R-factor production sharing
- Oil & gas companies now exempt from VAT (18%)

#### Kenya

- New model PSC released in 2015 awaiting presidential approval
- Introduced R-factor producing sharing

#### **Tanzania**

- New Petroleum Act signed
  - New PSC with maximum government liquid profit share reduced from 90% to 70%

#### Madagascar

- New Petroleum Bill under review expected for 2016 bid round
- Anticipated creation of national oil company



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Europe +44 131 243 4400 Americas +1 713 470 1600 Asia Pacific +65 6518 0800

Email contactus@woodmac.com Website www.woodmac.com



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