



The Petroleum Oil and Gas Corporation
Of South Africa (SOC) Ltd
Reg. No. 1970/008130/30

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02 February 2022

All interested Parties

Dear Sir/Madam

TENDER: ENQUIRY NUMBER 5000005455

**TENDER FOR THE APPOINTMENT OF FINANCIAL INSTITUTION(S) TO ACT AS
MANDATED LEAD ARRANGER (MLA) FOR PETROSA GHANA FUNDING STRATEGY**

CLOSING DATE: 28 February 2022 AT 11:00

1. INTRODUCTION

PetroSA Ghana Limited ("PetroSA Ghana"), a wholly-owned subsidiary of the Petroleum Oil and Gas Corporation of South Africa (SOC) Limited ("PetroSA"), is a key commercial entity within the PetroSA Group in terms of its financial contribution to the Group.

PetroSA Ghana holds minority interests in the producing Greater Jubilee Unit Area (2.7254%), the Deepwater Tano Block (3.8275%) (including the TEN Oil fields development) and the West Cape Three Points Block (1.803%) with further development, appraisal and exploration upside within these blocks. PetroSA Ghana's existing share of oil production is approximate 3800bbl/d. At present PetroSA Ghana co-lifts its oil production with Occidental Petroleum and GNPC, increasing the frequency of liftings to every six (6) weeks. Under PetroSA's Commodity Price Risk

DIRECTORS

Mr Nkululeko Poya (Chairperson),
Mr Llewellyn Delpont, Mr Leon Haywood, Ms Nolubabalo Sondlo, Mr Mthozami Xiphu,
Group Chief Executive Officer: Mr Pragasen Naidoo
Group Company Secretary: Ms Marlene Khumalo

Management Policy, PetroSA hedges the downside in respect to its oil liftings. The Bottom price to be hedged is USD60/bbl.

On 9 November 2021, PetroSA Ghana exercised pre-emption notice to acquire shares in Anadarko WCTP and Jubilee Oil Holdings, which based upon its proportionate holdings in the DWT Joint Operating Agreement (JOA) may increase its participation in the Greater Jubilee Unit Area (4.07%) and TEN Oil fields (6.77%). The pre-emption process will close out on 11 May 2022.

2. PRE-EXPORT FINANCE

The tender is for the appointment of a Mandated Lead Arranger to syndicate Pre-export finance (PXF) of pre-selling PetroSA Ghana's oil liftings. PetroSA Ghana furthermore, will require flexibility in terms of the traditional covenants of the PXF Agreement, concerning:

- Hedging of the Oil liftings by the funders incorporated into the facility;
- Ability to declare dividend from PetroSA Ghana to its shareholder PetroSA.

It is required of respondents to provide an indicative term-sheet for the PXF in their response to the tender, that upon phase II selection and entering into a Non-Disclosure Agreement, PetroSA Ghana will release documentation (such as Oil lifting schedule) and information (such as economic modelling including work programme and budgets agreed with JV partners for current and subsequent year) critical to the Commercial Lender's Credit Department so that a Letter of Commitment may be issued by 31 March 2022.

The successful respondent will need to:

- Formulate the underwriting strategy
- Assistance with the preparation of a detailed information memorandum
- Preparation of indicative term sheets
- Identifying appropriate target financial institutions
- Coordinate appointment of Lender independent advisors

- Assembling the funding consortium
- Advising during negotiations with potential funders
- Project management of the funding timetable
- Assisting Lenders in obtaining necessary approvals
- Management and finalisation of all funding documentation (PXF Agreement)
- Input into legal documents relating to the transaction

3. INFORMATION REQUIRED IN RESPECT OF MANDATED LEAD ARRANGER

To perform due diligence of respondents, the tender response must be accompanied by the following information/documentation:

3.1. Background

3.1.1. Legal company name and trading name

3.1.2. Addresses: physical and mailing

3.1.3. Main telephone number, fax and email address

3.1.4. Registration details with SARS (for all relevant types of taxes) (where the MLA respondent is a South African entity), alternatively Tax Identification Number where the MLA respondent is a foreign entity.

3.1.5. Summary of nature of products or services offered

3.2. BEE level

In respect of South African companies, confirmation of compliance with the Employment Equity Act, 1998: Copies of the company's BEE policies, latest BEE scorecard and any BEE verification certificates issued for any direct or indirect shareholders of the company.

4. PRE-QUALIFICATION CRITERIA

The following pre-qualification criteria need to be satisfied for the respondent to progress to the evaluation stage.

4.1. TEAM EXPERIENCE

Respondents must provide CVs of the proposed transaction team. CVs to demonstrate relevant experience in Oil and Gas funding and Transaction Advisors for the proposed transactions. (Experience will be evaluated and scored by calculating the average of the combined total number of years experience of the key resources proposed to make up the transaction team).

5. TENDER EVALUATION PROCESS

The procurement process will be a two-stage selection process. The Tender responses received at Stage 1 will be evaluated against pre-approved evaluation criteria and Respondent Mandated Lender Arrangers will be shortlisted and recommended for the financial stage of the selection process.

5.1. Administrative Responsiveness – Step 1

The test for administrative responsiveness will include the following:

- Whether the Bid has been lodged on time
- Whether all Returnable Documents and/or schedules [where applicable] were completed and returned by the closing date and time
- Verify the validity of all returnable documents
- Verify if the Bid document has been duly signed by the authorised Respondent
- The indicative term sheet for PXF provided by the respondent.

The test for administrative responsiveness must be passed for a Respondent's Proposal to progress to Step 2 for further pre-qualification.

5.2. Substantive Responsiveness to the Tender – Step 2

Those respondents shortlisted for direct negotiation will be required to sign Non-Disclosure Agreements (NDAs), to share business cases, Reserves Audit Report, economic modelling/valuations and other sensitive/confidential information that they may finalize their proposals into a Letter of Commitment, after which proposals will be

evaluated and the best option/s will be recommended for final contract negotiations and award.

6. SUBMISSION

Respondents are required to submit responses to our secure electronic tender box; tenders@petrosa.co.za by 11:00 on Monday, **28 February 2022**

7. ENQUIRIES

Any enquiries regarding the Request for Proposal should be addressed to:

Hennie Fortuin

Procurement Consultant

Tel.: +27 (021) 929 3211

Email: MartinHennie.Fortuin@petrosa.co.za

PetroSA reserves the right to withdraw the Tender at its discretion. *Note furthermore, that consideration of PXF is as an alternative to the RBL in **TENDER: ENQUIRY NUMBER 5000005455**. PetroSA management will choose between the two, as to which funding proposal to pursue.*

Yours faithfully

COMFORT BUNTING
Group Supply Chain Manager

Annexure A – Evaluation Criteria

ELIMINATION PHASE - FUNDERS WILL BE ELIMINATED FROM FURTHER EVALUATION FOR FAILURE TO COMPLY WITH ANY OF THE FOLLOWING

Tenderer has provided indicative term sheet for PXF? Y/N

Tenderers must provide CVs of the proposed transaction team. CVs to demonstrate relevant Oil & Gas lending experience or having participated in a syndicated PXF. Has tenderer provided the CV's of the proposed transaction team? Y/N

OBLIGATORY STATUTES AND STANDARDS

TENDERERS MAY BE ELIMINATED FROM FURTHER EVALUATION FOR FAILURE TO COMPLY WITH ANY OF THE FOLLOWING

Are there any connected persons within the Respondent Funder in relation to persons at PetroSA, CEF or DMRE? Yes/No

Is the Respondent Funder registered on National Treasury CSD (supplier database)? Yes/No