



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

151 Frans Conradie Drive, Parow 7500

Private Bag X5, Parow 7499
Republic of South Africa

Tel: +27 (0)21 929 3000
Fax: +27 (0)21 929 3144

20 January 2022

All interested Parties

Dear Sir/Madam

TENDER: ENQUIRY NUMBER 5000005470

REQUEST FOR PROPOSALS FOR BRIDGE FINANCE FOR PETROSA GHANA PRE-EMPTION

CLOSING DATE: 28 JANUARY 2022

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%) at a cost of USD46 million plus working capital adjustments from 1 April 2022 *(indicative maximum USD70mil)*.

Whilst PetroSA Ghana has sufficient cash in the bank to self-fund the pre-emption, a dividend distribution to support the shareholder is likely to erode the current surplus liquidity. PetroSA Ghana is required to secure the funding of the pre-emption within 180 days from 12 November 2021.

PetroSA Ghana, as a schedule 2 state-owned company is governed by the Public Finance Management Act (PFMA). Foreign Borrowings would accordingly require the requisite consent in terms of section 66 of the PFMA from the Executive Authority (in this case the Minister of Mineral Resources), with due notice to the National Treasury. Provision for these approvals needs to be accounted for in the allotted 180days.

2. INFORMATION REQUIRED IN RESPECT OF THE RESPONDENT

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

2.1. Background

2.1.1. Legal company name and trading name

2.1.2. Addresses: physical and mailing

2.1.3. Main telephone number, fax and email address

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

2.1.5. Summary of nature of products or services offered

2.2. 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.

3. PRE-QUALIFICATION CRITERIA

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

3.1 INDICATIVE TERM SHEET FOR THE BRIDGE LOAN

The respondent must provide an indicative term sheet for the bridge loan that includes, amount of the bridge loan, interest terms and duration of the bridge loan, together with the conditions for the bridge loan.

4. 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 will be shortlisted and recommended for the final stage of the selection process.

4.1. Administrative Responsiveness – Step 1

The test for administrative responsiveness will include the following:

- Whether the Proposal 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 proposal document has been duly signed by the authorised

Respondent

- Indicative term sheet 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.

4.2. 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 so 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.

5. SUBMISSION

Respondents are required to submit responses to our secure electronic tender box; tenders@petrosa.co.za by **14:00 on Friday, 28 January 2022**

6. ENQUIRIES

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

Hennie Fortuin

Procurement Consultant

Tel.: +27 (0)21 929 3211

Email: martinhennie.fortuin@petrosa.co.za

PetroSA may issue Tender Bulletins from time to time to clarify certain aspects or to provide additional information on this RFP. It is the Funders responsibility to check PetroSA procurement website (www.procurement.petrosa.com under "Open Tenders" to establish whether any bulletins were issued on this RFP, prior to proposal submission.

PetroSA reserves the right to withdraw the Tender at its discretion.

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 must provide a company Profile document. Has Respondent Funder Profile been provided? Y/N
Tenderer must provide indicative term sheet for Bridge Loan. Has Tenderer provided indicative term sheet? (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