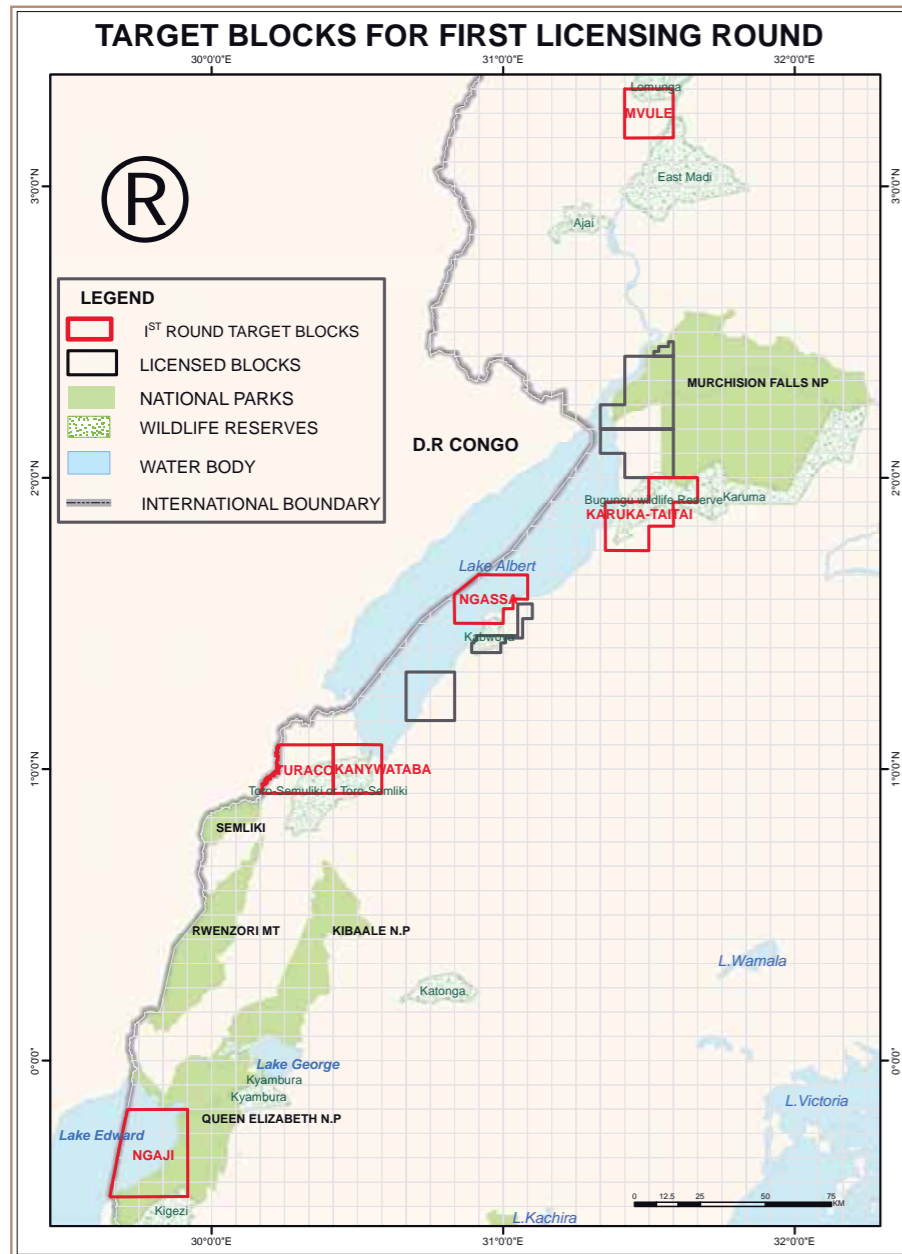


(LICENSING BLOCKS MAP)



For Further Information, Contact:

**THE MANAGER, FIRST LICENSING ROUND,
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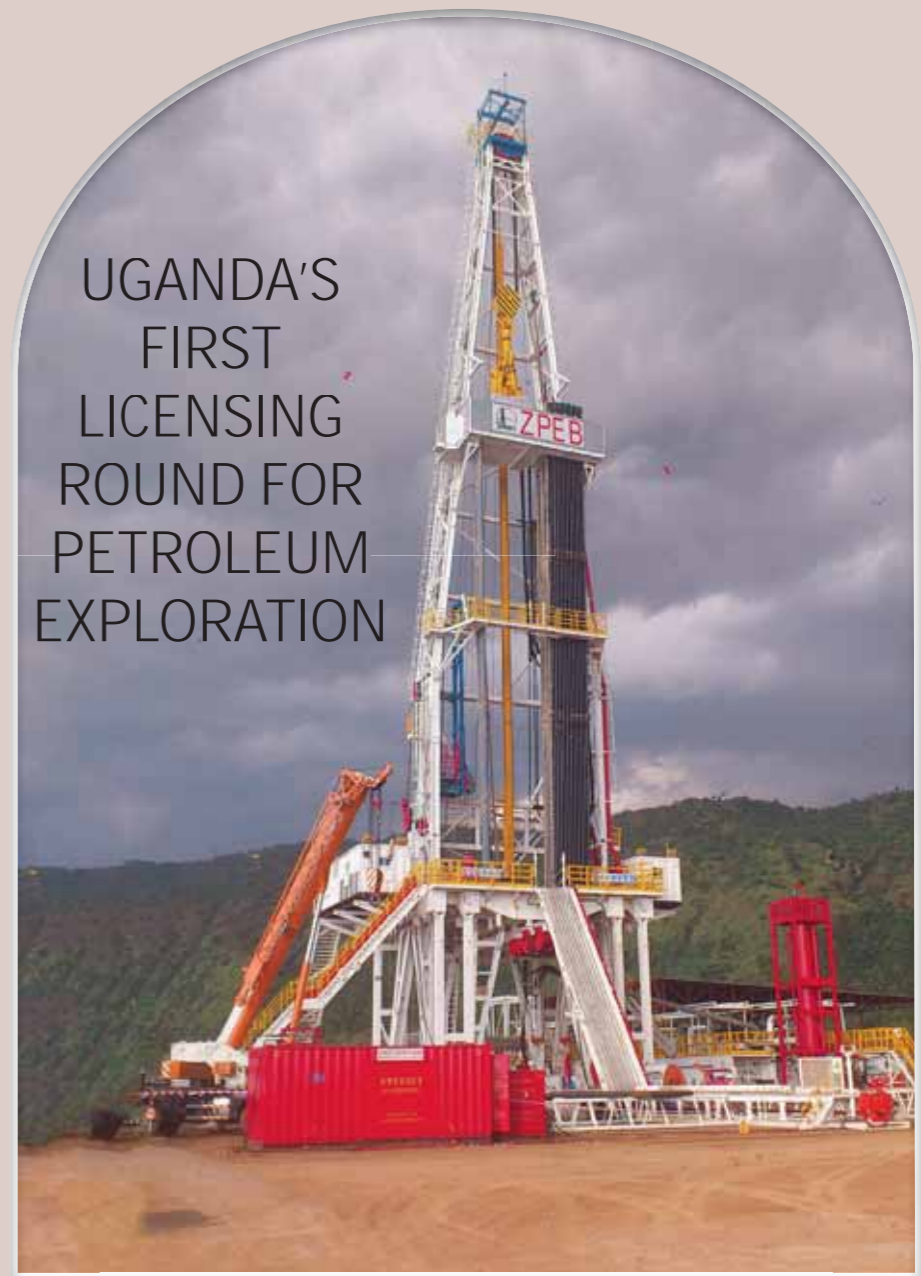
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MINISTRY OF ENERGY AND MINERAL DEVELOPMENT



UGANDA'S
FIRST
LICENSING
ROUND FOR
PETROLEUM
EXPLORATION

1. INTRODUCTION

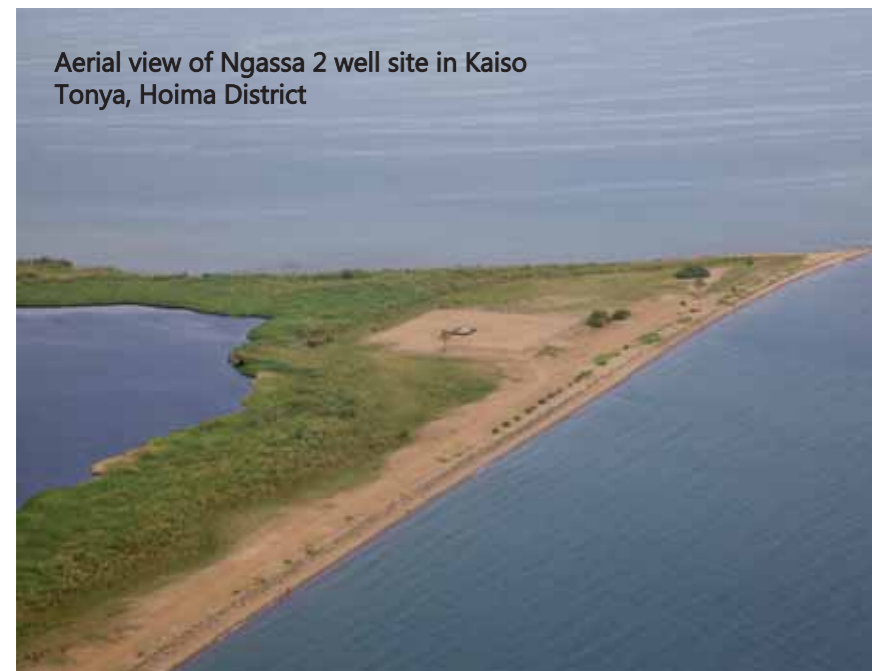
Government of Uganda has opened up six blocks in the Albertine Graben for licensing in the country's first competitive bidding round.

An estimated 6.5 billion barrels of oil in place and 500 billion cubic feet (Bcf) of gas has been confirmed from exploration work in less than 40% of the Albertine Graben.

Less than 10% of the Albertine Graben is currently licensed to three international oil and gas companies (Tullow, Total E&P and CNOOC Uganda Ltd).

The six blocks are highly prospective areas that were previously licensed and have good data coverage. Stratigraphic Licensing will be applicable to some of the blocks.

This licensing round as guided by the Petroleum (Exploration, Development and Production) Act 2013 and the National Oil and Gas Policy for Uganda (2008)



Aerial view of Ngassa 2 well site in Kaiso Tonya, Hoima District

2. THE SIX BLOCKS

Turaco Block located in Ntoroko District (Semliki Area): 2D and 3D seismic surveys were undertaken in the Semliki basin and three exploration wells were drilled on the Turaco prospect in approximately the same geographical position between 1998 and 2004. All the three wells encountered oil, but the Turaco-3 well was specifically used to test the oil zones. Different sets of reports are available and the block covers 425 km².

Kanywantaba Block located in Ntoroko District (Semliki Area): The Kanywantaba prospect was drilled in 2012, but with no indication of oil shows. However, the prospect has good potential for hydrocarbons in other parts which were not drilled. 2D and 3D seismic data and reports from one well are available. The block covers an area of 344 km².

Taitai and Karuka Block located in Buliisa District: Three wells Taitai-1, Karuka-1 and Karuka-2 were drilled on Taitai and Karuka prospects in 2007. All the three wells did encounter hydrocarbons. 2D seismic data and different reports are available. The block is in close neighbourhood to Buliisa and Kaiso-Tonya oil fields. The block is approximately 565km².

Ngassa Block located in Hoima District: The Ngassa prospect is covered with significant amount of good quality 2D and 3D seismic data that was acquired between 2003 and 2008. Two slant exploration wells; Ngassa-1 and Ngassa-2 were drilled at the periphery of the prospect in 2007 and 2009 respectively. Both gas and oil shows were encountered by the two wells. The Ngassa structure is approximately 410km².

Ngaji Block located in Kanungu and Rukungiri Districts: Ngaji-1 well was drilled during 2009 and did not encounter any hydrocarbons. Basing on the 2D seismic and Aerogravity data that was acquired, there are other drillable locations in this area. This area also has different reports and is approximately 895km².

Mvule Block located in Moyo and Yumbe districts: About 200 km of high quality 2D seismic data and Free Tensor Gradiometry was acquired in the Block. One exploration well, Mvule-1 was drilled to a total depth of 589.5m within the Block in 2012. The well did not encounter any hydrocarbons. Different reports are available and the area is approximately 344km².

3. LICENSING PROCESS

The Ministry issued a Request for Qualification (RFQ) inviting interested firms and/or consortia to submit Statements of Qualifications within a period of not less than 3 months for government to determine their eligibility to participate in this first licensing round.

The qualifying firms will then be issued a detailed request for bids which will be evaluated by the Government. The Companies submitting the best evaluated bids for each of the blocks will proceed to negotiations with Government prior to signing production sharing agreements. The licensing round is expected to be concluded with the award of Petroleum Exploration Licenses to successful firms by the end of 2015.



Extended Well testing operations in Bulissa Subcounty, Buliisa District