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PRESS RELEASE

BID ROUND 2014

Sonangol E.P., as the national concessionaire of the mining rights for exploration, development and production of liquid and gaseous hydrocarbons in Angola, would like to invite the prequalified companies listed below to submit their proposal for the following blocks:

- Onshore Baixo Congo3 blocks (CON 1, CON 5 and CON 6)
- Onshore Kwanza7 blocks (KON3, KON 5, KON 6, KON 7, KON 8, KON 9 and KON 17)

Companies Prequalified as Non Operators

• ABC-Angola Business Corporation	• Global Geociencias	• Plutonium Energy, S.A.
• AGS	• Grupo Chamavo	• Poliedro
• Ambioil	• Grupo Gema	• PPSS
• Angola Oil Company, SA	• Isoil	• Prodiam
• ANS	• Kalunga -Freedom Oil	• Prodoil
• Antonio J.Silva	• Kotoil	• Projecto Lingueno Samanhonga
• Canonici Energy	• Lulombo	• Sands Oil and Gas
• Casicel	• Lumbo Investimentos	• SDGB
• CME Africa	• Maersk	• Servicab
• Comptec	• Miriade Exportação de Petróleo	• SOCOCO
• Cuando Oil & Gas	• Mitsubishi	• Soklinker
• Dikanga	• NAGS	• SPF
• Enix Oil	• Obrangol	• STILIAM
• Explomining	• Oceanprest Services	• Tusker Energy
• GDK	• Petrobras	• Underwater SA
• Geotec	• Pleos Energy	• Upite

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Companies Prequalified as Operators

• Acrep	• Lagoon Exploração	• Socar
• AIS Integrated	• Luluoil	• Society for the Development of Angola
• Alper Oil	• Mubadala Petroleum	• Soconinfa
• Chevron	• Multiply Oil	• Somoil
• Dragon Oil	• Nzadioil	• Sonangol Sinopec International
• EC e MDS	• OK Energy Limited	• Sosoil
• Ecopetrol SA	• OMV Exploration & Production	• Sterling Energy PLC
• ENI	• Onoil	• Sunshine
• Enterprises King Oil & Gas, SA	• Pacific Rubiales Energy	• Tethis Petroleum
• GALP Energy	• Partex	• Tullow Angola B.V
• Glencore	• PCK	• Umbono
• Integra Oil	• Pluspetrol	
• Interserviços	• Simples Oil	

Media**PRESS RELEASE****Rules of the Public Tender**

The proposals submitted for each of the blocks mentioned above, must meet the following requirements:

1. Proposals should be drawn in Portuguese language or, if in another language, accompanied by an official translation in Portuguese;
2. Bids must indicate the interest of the company to be operator or non-operator as well as the maximum and minimum stake it seeks to obtain in the block (s) that it competes;
3. The type of contract to be signed between the National Concessionaire and its affiliates will be the Production Sharing Contract. An updated version of that model can be obtained from Sonangol's webpage (www.sonangol.co.ao). Be noted that, when submitting their proposals companies are committing themselves to accepting the terms described therein;
4. The areas of concessions are the ones in the maps available in Sonangol's webpage referred to in the preceding paragraph;
5. Companies should submit their proposals individually or in consortium;
6. All proposals to be submitted must be accompanied by a financial guarantee from a Commercial Angolan Bank or Foreign Bank. The amount of this guarantee shall be made in accordance to the desired interest in the block to which the company competes, having as reference the value of the work program proposed. A model of a Financial Guarantee is available in Sonangol's webpage referred to in paragraph 3;
7. Proposals must be submitted by **17:30 of September 18th, 2015** in a closed and sealed envelope. All proposals received after this date will be deemed invalid;

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8. Proposals shall be sent to the following address:
Direcção de Negociações da Sonangol, EP
Att. Suzel Alves
Rua Rainha Ginga nº 29-31, 12º Andar
Edifício Sonangol
Caixa Postal 1316
Luanda, República de Angola
E-mail: new.concessions@sonangol.co.ao
Telephone: 226-642-776, 226-642-777 Fax: 244 226-642-926
9. All proposals will be opened in a public ceremony to be held on **September 21st, 2015** in a place and time to be announced.
10. Additionally, Sonangol would like to inform that clarification on the terms of reference presented herein must be obtained through the following email address:
Email: new.concessions@sonangol.co.ao
11. All proposals shall take into consideration the following Terms of Reference :

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TERMS OF REFERENCE
BLOCK CON 1
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	30	70
31-69	45	55
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law n° 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree n° 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
Upon reaching the Cumulative Production of 30 MMBLS – USD 25 Million
Upon reaching the Cumulative Production of 40 MMBLS – USD 15 Million
- d) Minimum Work Program:
Initial Exploration Phase:
- 750 Km² of 3D Seismic Long Offset
- 3 Wells
Optimal Exploration Phase:
- 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK CON 5
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.

3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production [% Accumulated]	SNL (%)	C.G. (%)
←30	30	70
31-69	45	55
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
Upon reaching the Cumulative Production of 35 MMBLS – USD 30 Million
Upon reaching the Cumulative Production of 50 MMBLS – USD 25 Million
- d) Minimum Work Program:
Initial Exploration Phase:
- 750 Km² of 3D Seismic Long Offset
- 3 Wells

Optimal Exploration Phase:
- 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK CON 6
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	20	80
31-69	35	65
70-100	55	45

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
 - Upon reaching the Cumulative Production of 20 MMBBLS – USD 20 Million
 - Upon reaching the Cumulative Production of 30 MMBBLS – USD 10 Million
- d) Minimum Work Program:
 - Initial Exploration Phase:
 - 750 Km² of 3D Seismic Long Offset
 - 3 Wells
 - Optimal Exploration Phase:
 - 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 3
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production [% Accumulated]	SNL (%)	C.G. (%)
←30	20	80
31-69	40	60
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
 - Upon reaching the Cumulative Production of 30 MMBLS – USD 25 Million
 - Upon reaching the Cumulative Production of 40 MMBLS – USD 15 Million
- d) Minimum Work Program:
 - Initial Exploration Phase:
 - 750 Km² of 3D Seismic Long Offset
 - 3 Wells
 - Optimal Exploration Phase:
 - 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 5
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.

3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	25	75
31-69	45	55
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
Upon reaching the Cumulative Production of 35 MMBLS – USD 30 Million
Upon reaching the Cumulative Production of 50 MMBLS – USD 25 Million
- d) Minimum Work Program:
Initial Exploration Phase:
- 750 Km² of 3D Seismic Long Offset
- 3 Wells
Optimal Exploration Phase:
- 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 6
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	20	80
31-69	35	65
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
Upon reaching the Cumulative Production of 35 MMBBLS – USD 30 Million
Upon reaching the Cumulative Production of 50 MMBBLS – USD 25 Million
- d) Minimum Work Program:
Initial Exploration Phase:
- 750 Km² of 3D Seismic Long Offset
- 3 Wells
Optimal Exploration Phase:
- 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 7
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production [% Accumulated]	SNL (%)	C.G. (%)
←30	20	80
31-69	35	65
70-100	65	35

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
 - Upon reaching the Cumulative Production of 15 MMBLS – USD 15 Million
 - Upon reaching the Cumulative Production of 25 MMBLS – USD 10 Million
- d) Minimum Work Program:
 - Initial Exploration Phase:
 - 750 Km² of 3D Seismic Long Offset
 - 3 Wells
 - Optimal Exploration Phase:
 - 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 8
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	30	70
31-69	45	55
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity).

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
 - Upon reaching the Cumulative Production of 35 MMBLS – USD 30 Million
 - Upon reaching the Cumulative Production of 50 MMBLS – USD 25 Million
- d) Minimum Work Program:
 - Initial Exploration Phase:
 - 750 Km² of 3D Seismic Long Offset
 - 3 Wells
 - Optimal Exploration Phase:
 - 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 9
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	30	70
31-69	45	55
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity).

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
 - Upon reaching the Cumulative Production of 15 MMBLS – USD 15 Million
 - Upon reaching the Cumulative Production of 30 MMBLS – USD 10 Million
- d) Minimum Work Program:
 - Initial Exploration Phase:
 - 750 Km² of 3D Seismic Long Offset
 - 3 Wells
 - Optimal Exploration Phase:
 - 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

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TERMS OF REFERENCE
BLOCK KON 17
1. Elements subject to tender and respective weight:

- | | |
|---|------|
| a) Signature Bonus ¹ | 10 % |
| b) Work Program | 80 % |
| c) Contribution for Regional Development ¹ | 10 % |

¹ Not amortizable nor recoverable, and payable on the Effective Date by all members of the Contractor Group with the exception of Sonangol Pesquisa e Produção and Angolan companies as defined under the Presidential Legislative Decree nº 3/12 of March 16th.

2. Angolan private companies covered under the Executive Decree No. 3/12 of March 16th, shall pay the amount of USD 1 million, as an entry quota.
3. Fixed Elements:

- | | |
|--------------------|------|
| a) Cost Oil Limit: | 65% |
| b) Uplift: | 1,10 |
| c) Profit Share: | |

Percentage of Estimated Production (% Accumulated)	SNL (%)	C.G. (%)
←30	30	70
31-69	45	55
70-100	60	40

- | | |
|------------------------------|----------|
| d) Initial Exploration Phase | 4 years |
| Optimal Exploration Phase | 2 years |
| Production Period | 25 years |

4. Other elements:

- a) 30% Block participation will be awarded to Sonangol Pesquisa e Produção, which will assume all of its obligations (Exploration, Development and Production expenditures) inherent to the oil activity.

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- b) 20% Block participation will be awarded to the competing Angolan companies. The concept of Angolan company is the one constant on the Law nº 14/03, of July 18th (Law for the Promotion of the Angolan Private Business) and Executive Decree nº 3/12, of March 16th.
- c) Additional payment by all members of the Contractor Group for the Promotion and Regional Development:
 - Upon reaching the Cumulative Production of 15 MMBLS – USD 15 Million
 - Upon reaching the Cumulative Production of 25 MMBLS – USD 10 Million
- d) Minimum Work Program:
 - Initial Exploration Phase:
 - 750 Km² of 3D Seismic Long Offset
 - 3 Wells
 - Optimal Exploration Phase:
 - 2 Wells.
- e) The Angolan private companies covered by the Executive Decree 3/12, of March 16th, may only transfer their participating interest to other companies covered by the aforementioned Decree. In case of transfer to entities not covered, the latter assumes the obligation to pay all encumbrances (bonuses and contributions) that the transferor would liquidate if it were not covered by that Decree.
- f) Submission of proposals individually or in consortium.

Gabinete de Comunicação e Imagem da Sonangol E.P., em Luanda, aos 20 de Julho de 2015.