



SAIPEC

Sub Saharan Africa International
Petroleum Exhibition and Conference

14 – 16 FEBRUARY 2023

Eko Convention Centre
Lagos, Nigeria

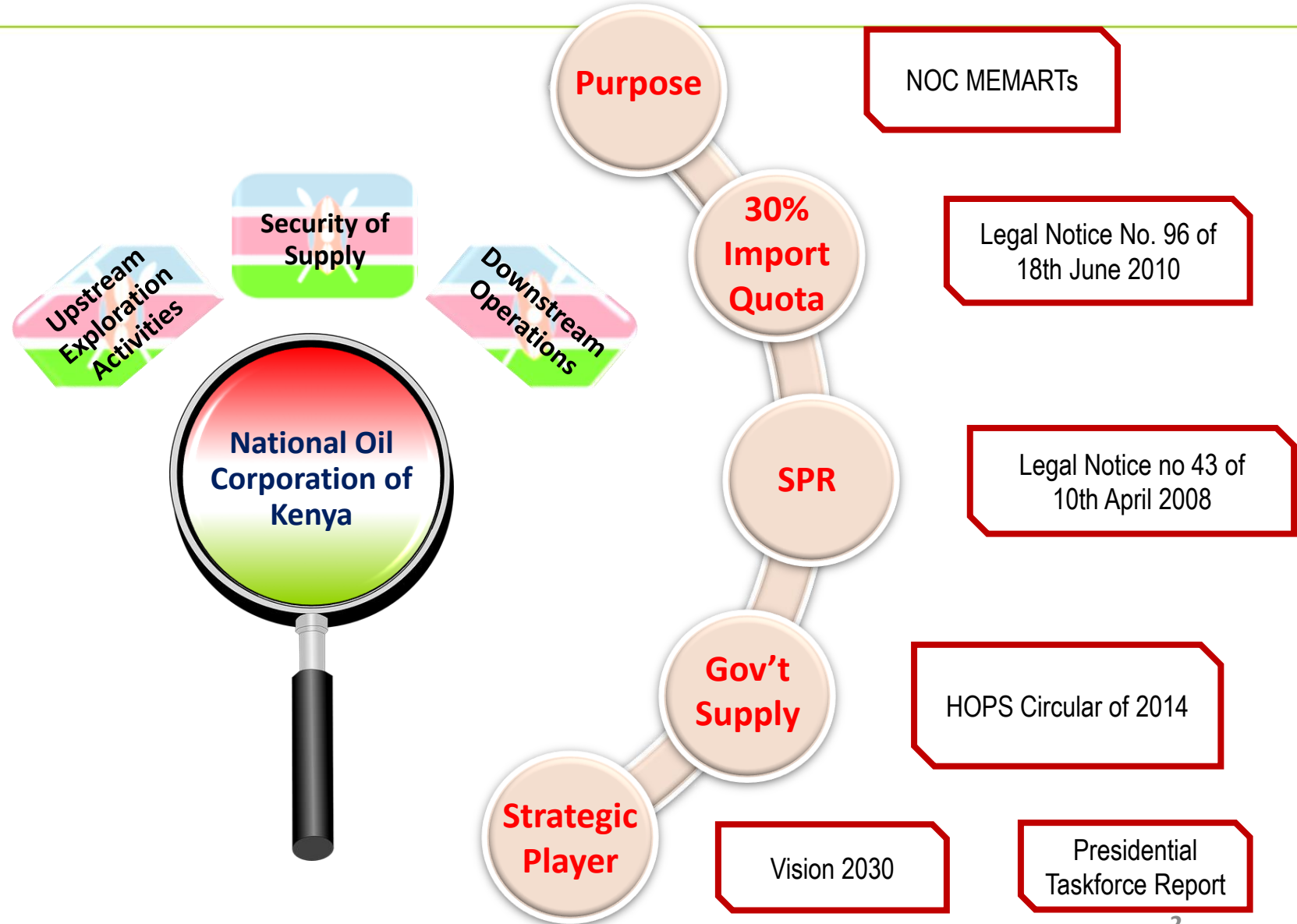


PRESENTED BY:

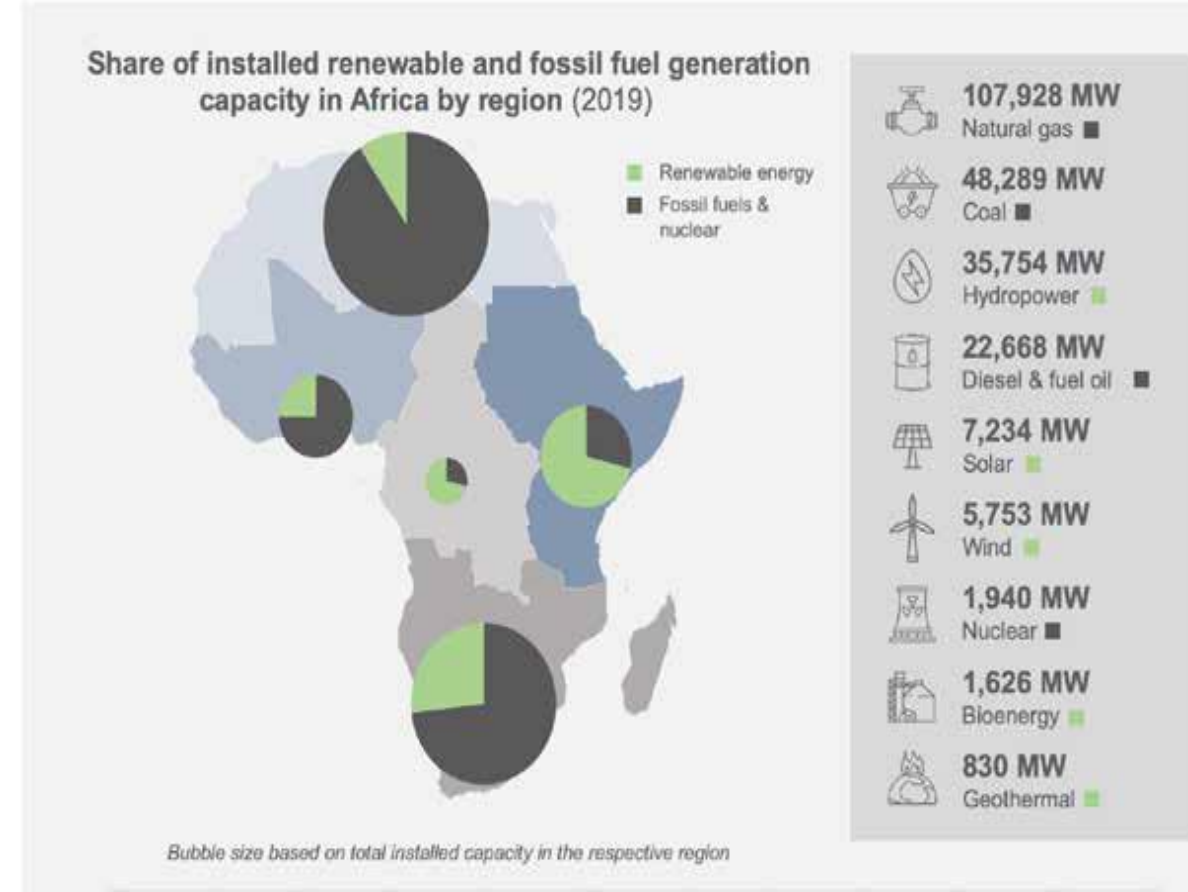
ENG. ELIZABETH ROGO
INDEPENDENT NON-EXECUTIVE
DIRECTOR
NATIONAL OIL CORPORATION OF KENYA

ABOUT NOC KENYA

❑ The National Oil Corporation of Kenya is a fully integrated State owned Corporation involved in all aspects of the petroleum value chain; Upstream O&G exploration, Midstream petroleum infrastructure development and Downstream marketing of petroleum products.



1. Energy demand growth twice as global average.
2. Increased deployment of Solar PV due to falling technology costs.
3. Increased LPG demand.
4. Growth in Oil demand by 3.1 Million/bd from now to 2040; Higher than the projected growth in China and second only to India.
5. LNG potentially turning point for Africa. Discoveries in Mozambique, Tanzania, Egypt, Senegal, Mauritania and South Africa collectively account for over 40% of global gas discoveries between 2011 and 2018.



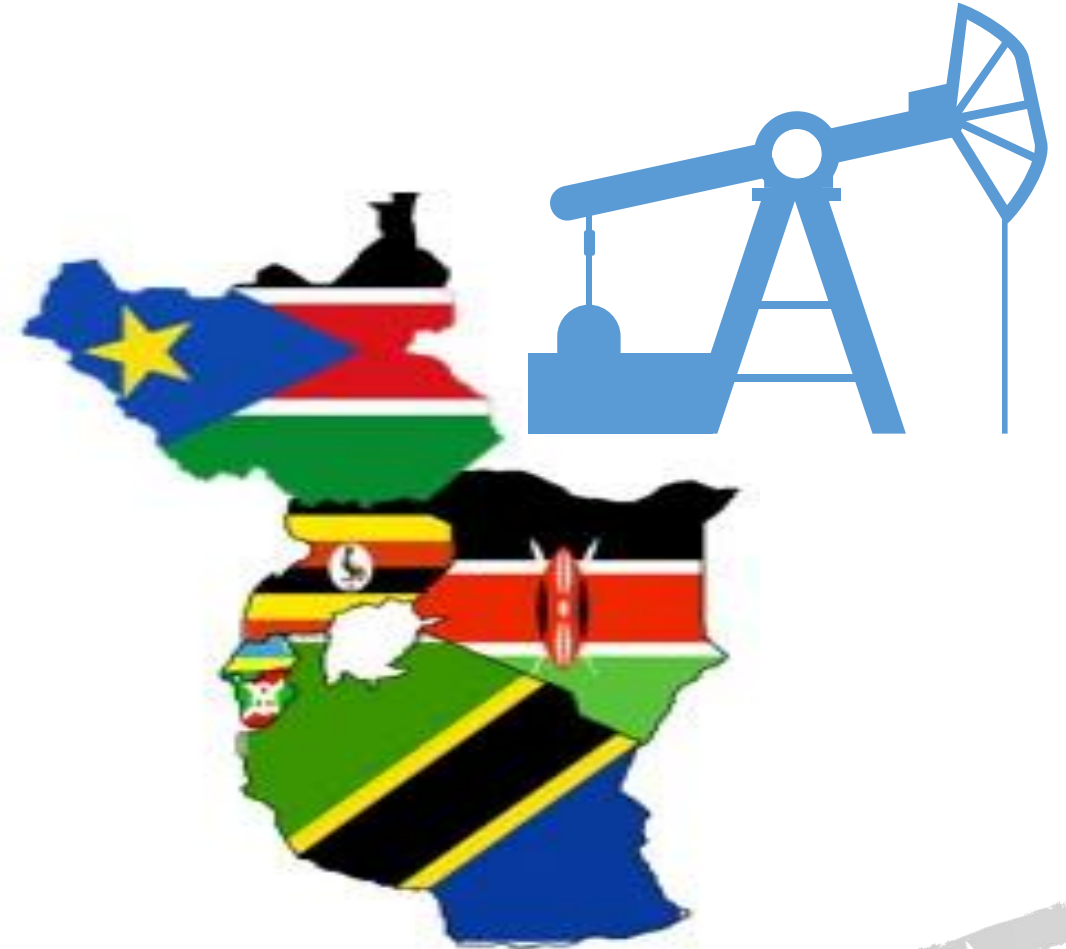
Despite the global slowdown in fossil fuel developments and investment, Africa has been accelerating Oil & Gas exploration, leveraging energy sector growth as a catalyst for wider economic development.

- Five Major Oil Discoveries in Africa in 2021
 - Namibia – 120 billions of barrels
 - Côte d’Ivoire – 2 billion barrels
 - Ghana – 700 million barrels
 - Angola – 250 million barrels
 - Gabon – millions of barrels



The eyes of Oil & Gas investors are becoming increasingly fixed on East Africa.

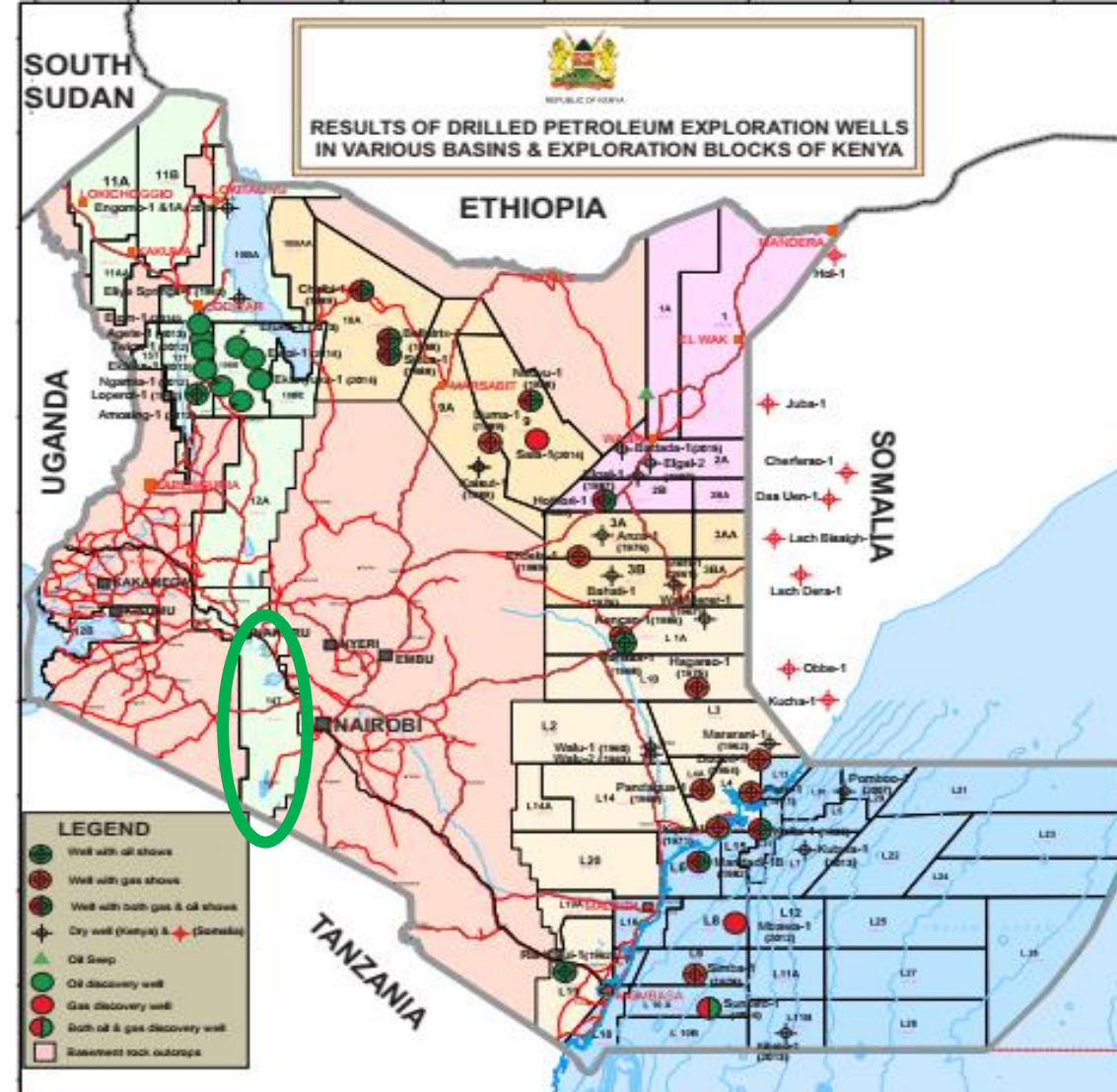
- East Africa's oil & gas market forecasted to register 3.13 %+ CAGR (2020–2025)
- Tullow Oil and its JV Partners presented a revised Field Development Plan ("FDP") to the Government of Kenya ("GoK") October 2021. The FDP is currently under review by GoK.
- Tanzania is accelerating efforts to join the prestigious Liquefied Natural Gas (LNG) exporters club. TZ looking to unlock \$30bn+ in FDI ahead of the energy transition (estimated gas reserves 57 TCF)
- Uganda's proven Oil reserves estimated at 6.5 Billion barrels of which 1.4 Billion are recoverable.
- UNOC to start exploration in the Kasurubuni contract area.



❑ Exploration blocks in Kenya broken down into 4 sedimentary basins;

- ❑ Anza Basin
- ❑ Tertiary Rift Basin
- ❑ Lamu Basin
- ❑ Mandera Basin

- ❑ There are 63 petroleum blocks in Kenya.
- ❑ 26 blocks licensed.
- ❑ 94 Exploration and Appraisal wells drilled (31 discoveries)
- ❑ Next licensing round in 2023/24.
- ❑ NOC undertaking exploration on Block 14T (72KM²) Tertiary Rift Basin.



Exploration Activities

- Operating a Block – Block 14T
- In partnership with JOGMEC..



Holder of Government Back-in Rights

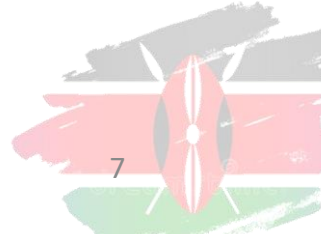
Upstream Support Services

- Geochemical and Petro-physical Lab
- Seismic Processing Centre

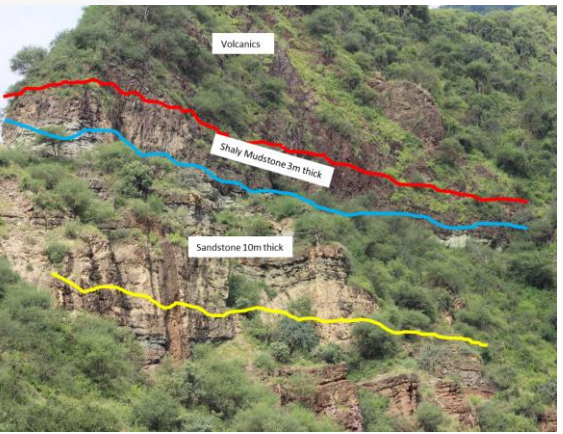
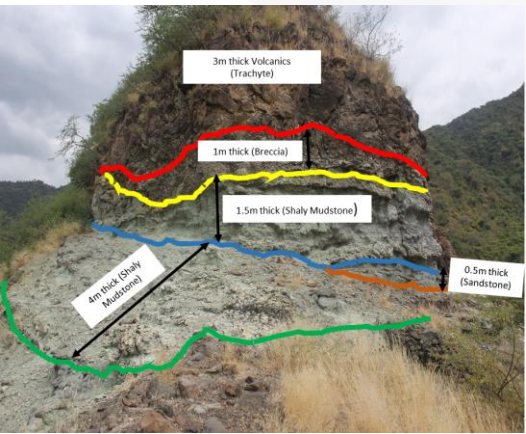
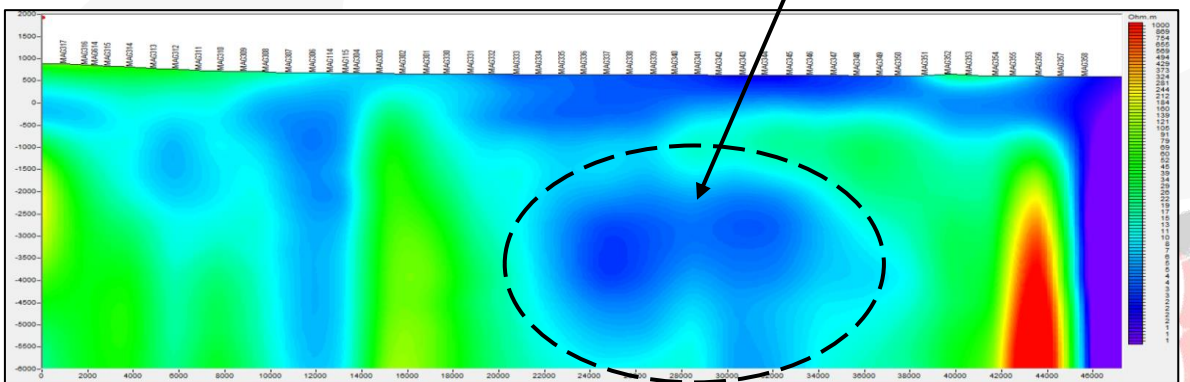
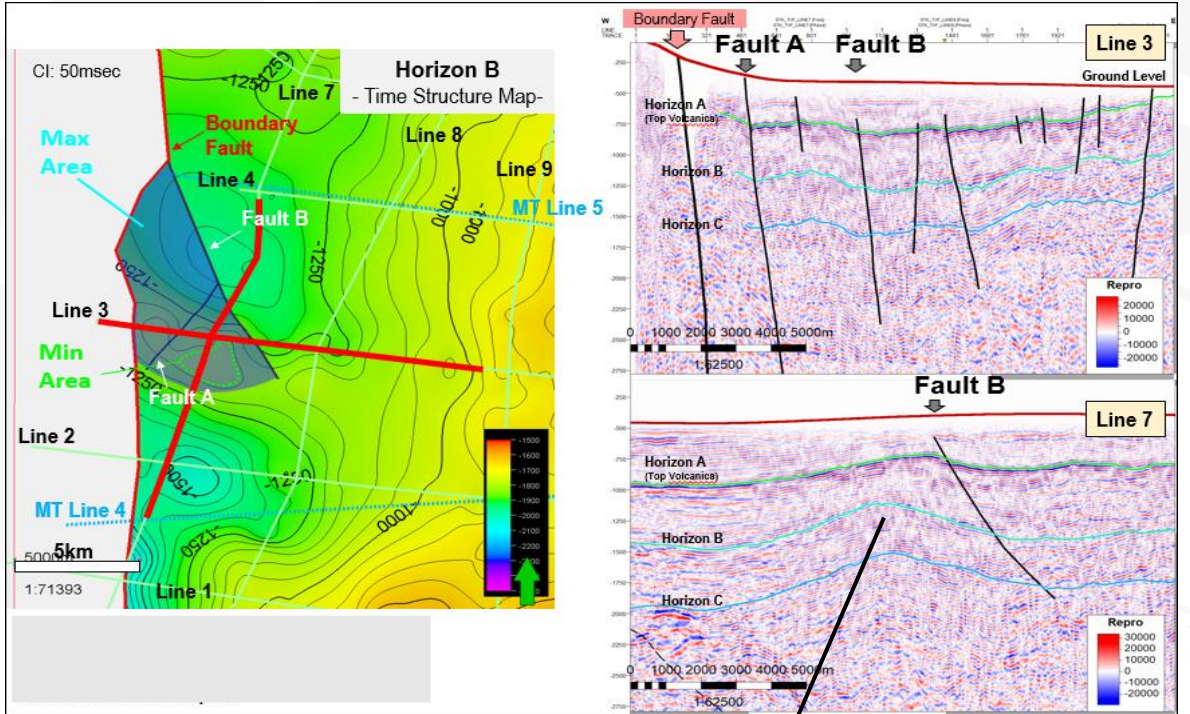


Data Centre

Management of National hydro-carbon resource.



- ❑ 2 structural prospects identified on Seismic, FTG, and recent MT Surveys
- ❑ Main prospect covers a maximum area of about 72 sq km.
- ❑ Growing evidence of a petroleum system based on Geological surface mapping and Geophysical Measurements
- ❑ 300KM+ of 2D seismic covering 9 lines
- ❑ 1 drillable prospect (intersection line 3 and 7)

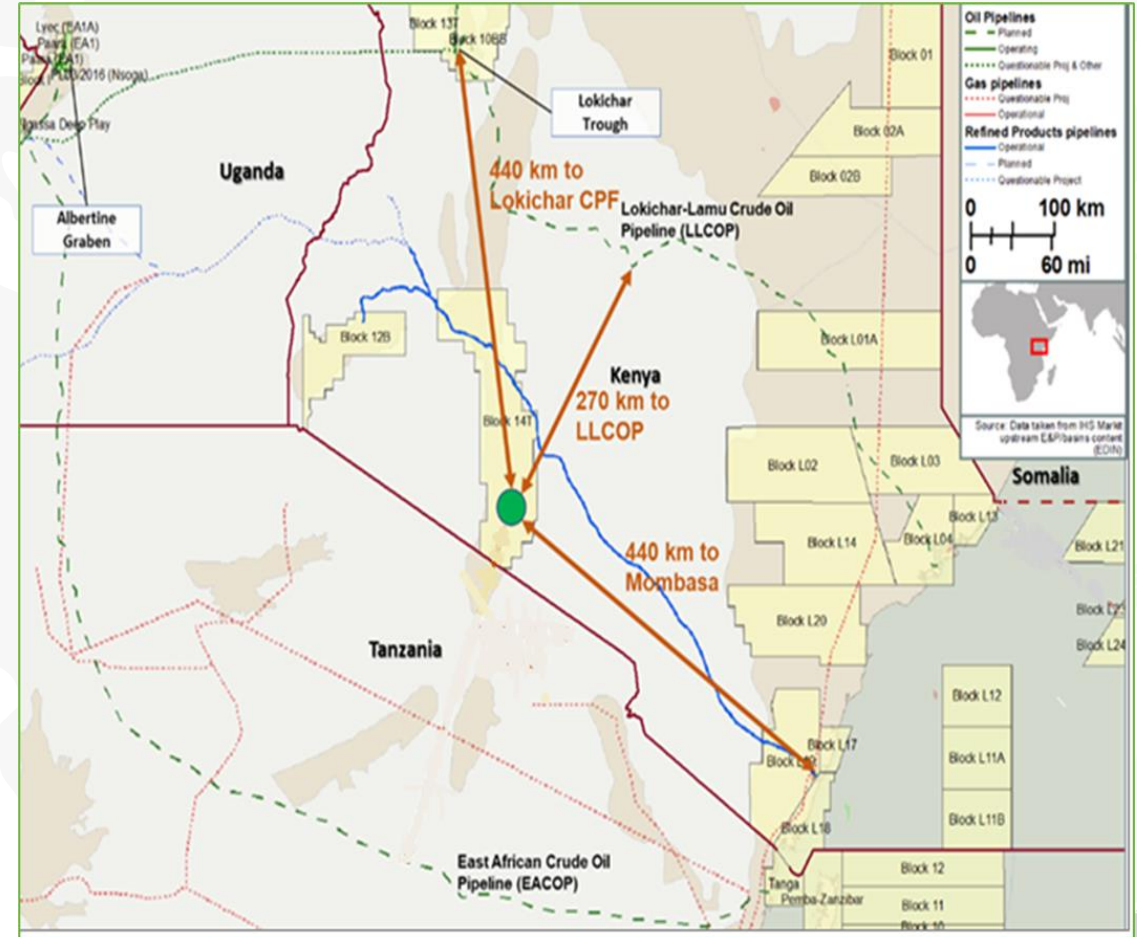


OVERVIEW

- ❑ Opportunity to leverage on an extensive Geological, Geochemical and Geophysical exploration data set and two shallow stratigraphic wells.
- ❑ Partnership with JOGMEC
- ❑ > USD 22M invested.

COMMERCIAL CONSIDERATIONS

- ❑ Proximity to export infrastructure
 - South Lokichar CPF and Pipeline
 - 440km to Mombasa port via Rail
- ❑ Projected moderate development cost (< USD 21 per barrel based on Lokichar analogue)
- ❑ Favourable Fiscal Terms through partnership with NOC.



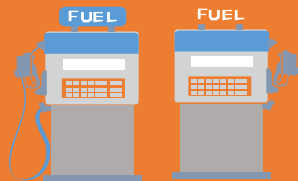
PRODUCTS

PMS
AGO
JET
FUEL OIL
BITUMEN
LPG
LUBRICANTS



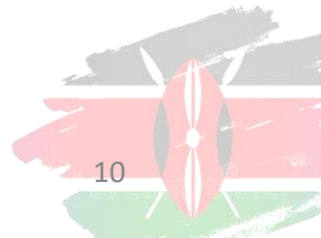
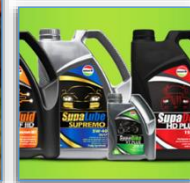
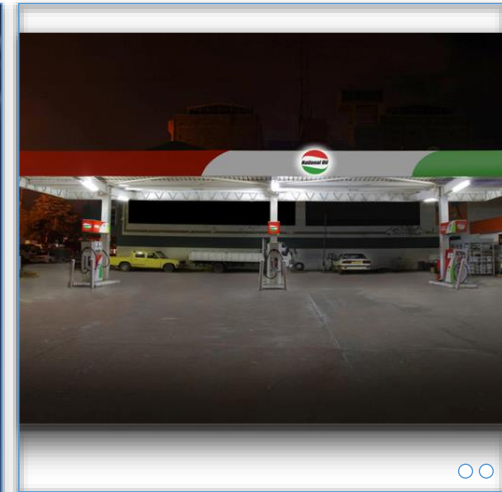
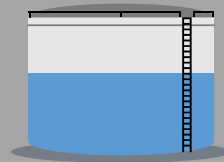
RETAIL

73 Retail
Stations



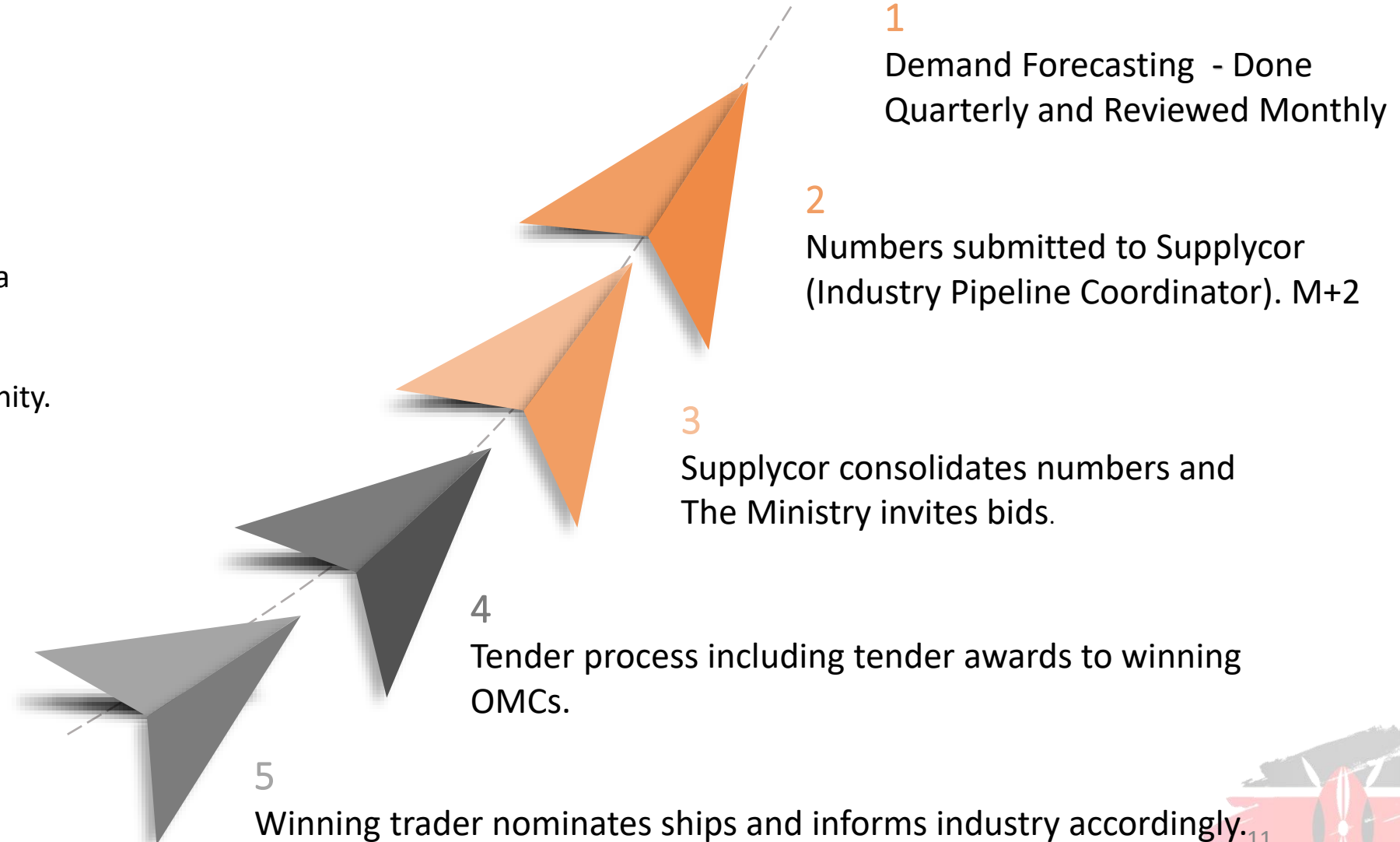
FACILITIES

Depot
LPG Plant



OVERVIEW

- ❑ Open Tender System (OTS)
- ❑ Annual Imports 6Mln MT
- ❑ NOC mandated to import 30% Quota (Approx. 1.2 Mln MT).
- ❑ This presents a partnership opportunity.



DOWNSTREAM - RETAIL

MARKET OVERVIEW

1. Accounts
44% of all
petroleum sales



3. Growth of
non-fuel
retail
business

2. Key driver
of overall
demand in
Kenya



4. Lower per capita footprint of
retail stations – 4,270 Stations
serving 53M people

PARTNERSHIP OPPORTUNITIES



Non-fuel retail business growth



Activation of Government supply through retail



Market share growth from 4% to 12% by 2035



Network expansion from 74 to 250 stations by 2035

MARKET OVERVIEW

1. Gov't targets 11,000 KM by 2024



3. . 14,000 KM Tamarcked

2. New upcoming road construction projects



4. Annual demand of 100,000MT and growing

Partnership with NOC to bridge the demand gap



LPG – BRIDGE ENERGY

MARKET OVERVIEW

1. Demand stands at 373KT p.a



3. Growth of 25% YOY

2. Per capita consumption to grow from 2Kg to 7Kg in 2024



4. Per capita consumption below Senegal at 12KG p.a. Ivory Coast 8KG p.a. Ghana 6KG p.a.

PARTNERSHIP OPPORTUNITIES



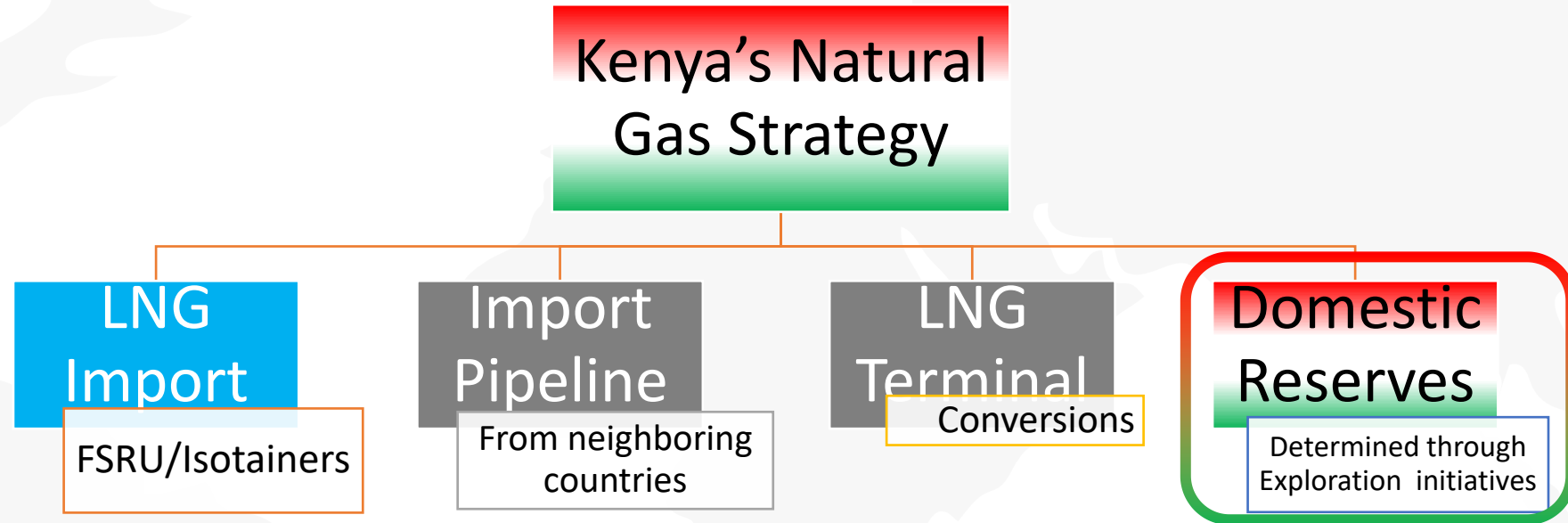
Development of Inland storage, distribution and filling infrastructure



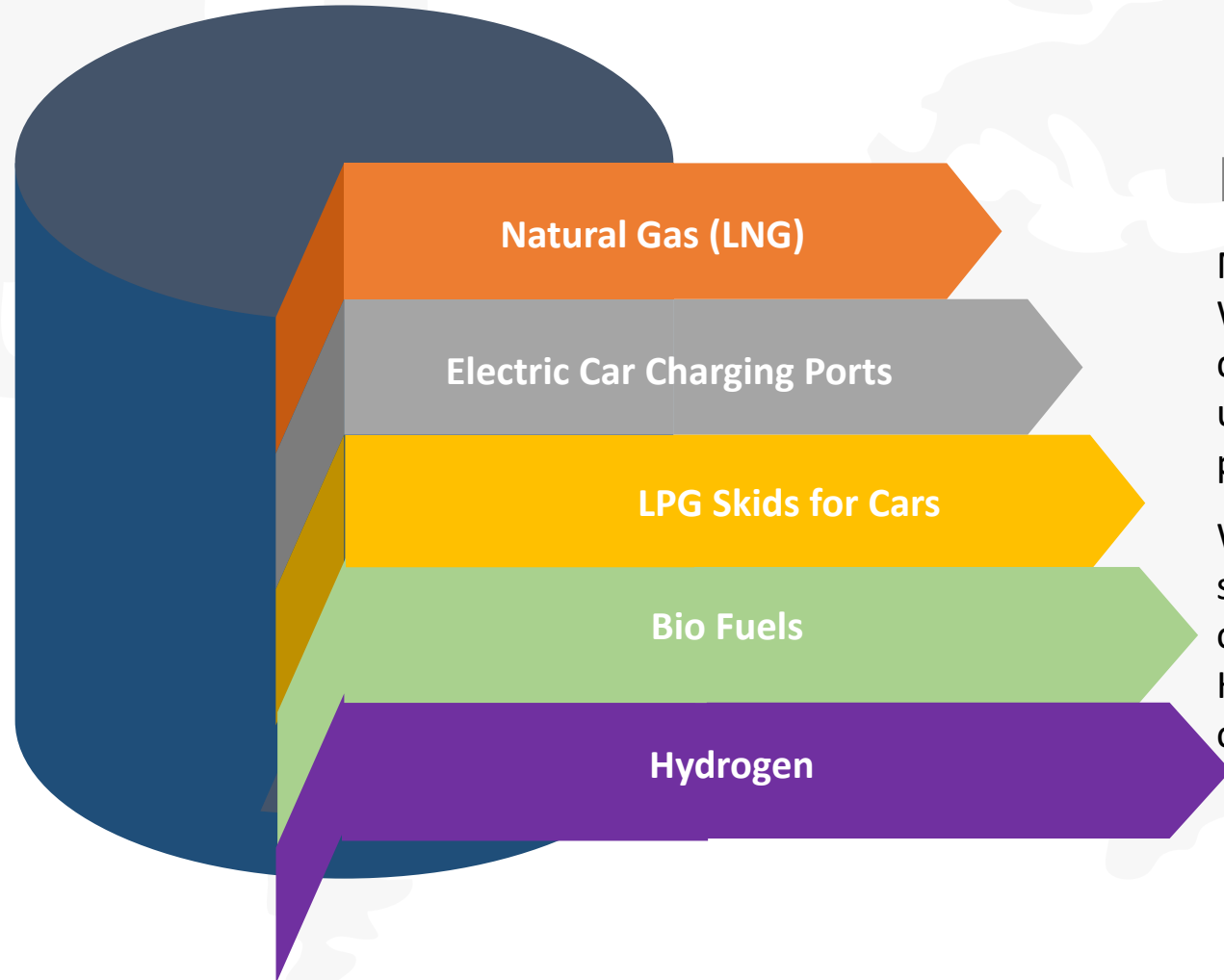
Market development through reticulation, public transport and industrial use.



5 Million cylinders subsidized by the Government to increase LPG uptake from 2kg per capita to 15kg per capita



- ❑ Domestic reserves has the greatest potential to reduce cost of energy
 - ❑ Exploration for Natural Gas is a strategic initiative
- ❑ NOC pursuing opportunity for Gas to Wire (G2W) projects.



FUTURE POSITIONING

Multiple trends are set to transform the oil industry. Within 20 years, demand is likely to peak and then decline, leading to industry convergence which will undermine the competitive position of current players.

With Push for clean energy NOC is realigning its strategy towards non-fossil alternatives which opens opportunities including; Bio Fuels, LNG market, Hydrogen, developments and imports, cars running on LPG as fuel alternatives and electric cars.



EAST AFRICA ENERGY, OIL & GAS SUMMIT



The National Oil Corporation of Kenya (NOC Kenya) will host the 7th edition of the East Africa Energy, Oil & Gas Summit & Exhibition (EAOGS), the leading event for the region, which will take place from 15th - 17th March 2023 at the Radisson Blu hotel in Nairobi, Kenya.

And we welcome you all to Nairobi next month





THANK YOU