



UNOC PROJECTS AND INVESTMENT OPPORTUNITIES

SAIPEC 2023

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Presentation Outline

1. Oil and Gas Governance structure in Uganda
2. UNOC Mandate and Overview
3. Projects updates and Opportunities
4. Incentives for investment

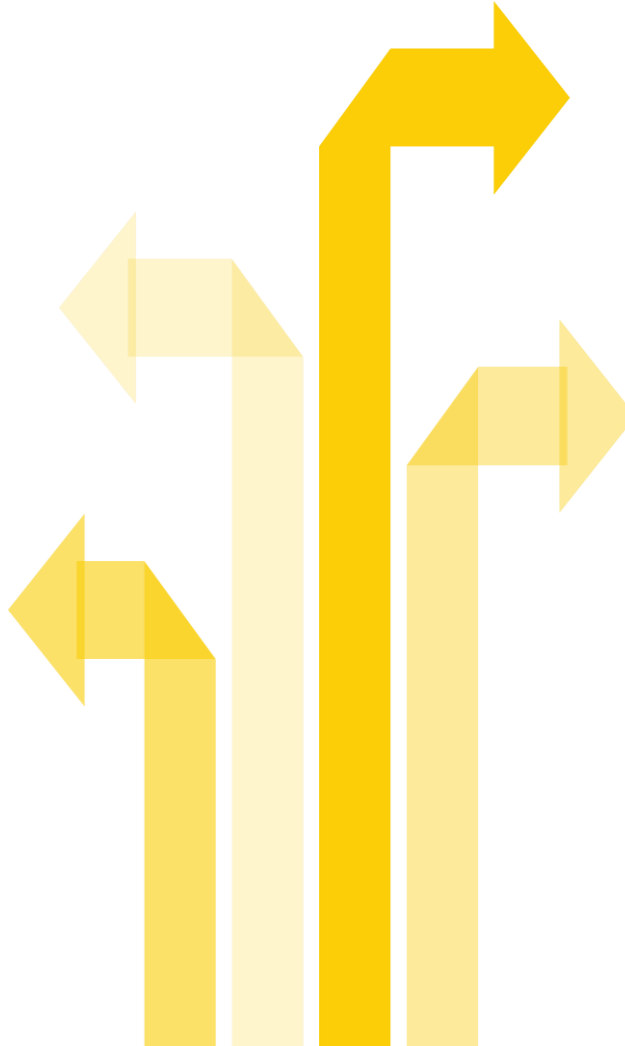
Sector Governance Structure

Role description	Responsible Institution
Commercial	Uganda National Oil Company (UNOC)
Policy, Investor Promotion & Licensing	Directorate of Petroleum-MEMD
Regulation	Petroleum Authority of Uganda (PAU)
Fiscal Regime	Ministry of Finance, Planning and Economic Development



UNOC Mandate

- The Uganda National Oil Company (UNOC) was established by Section 42 of the Petroleum (Exploration, Development and Production) Act, 2013 and incorporated in June 2015 under the Companies Act (2012) as a private limited company
- UNOC's main mandate according to the Petroleum Act:
 1. Handle the state's commercial interests in the petroleum sub-sector
 2. Develop in depth expertise in the oil and gas sector



- Wholly owned by the Government of Uganda – two shareholders:
 1. Minister of Energy and Mineral Development **51%**
 2. Minister of Finance, Planning and Economic Development **49%**
- Subsidiaries – currently wholly owned by UNOC:
 1. **The Uganda Refinery Holding Company Ltd** – Responsible for refining and petrochemical related businesses
 2. **The National Pipeline Company (Uganda) Ltd** – Responsible for pipelines, storage and downstream trading ventures

Scope: Petroleum Value Chain Key Projects

UPSTREAM

Licensing
Exploration
Appraisal

Development
Production

1. Manage State Participation
2. Launching New Ventures
3. Crude Oil trading

MIDSTREAM

Transportation
Refining
Gas processing

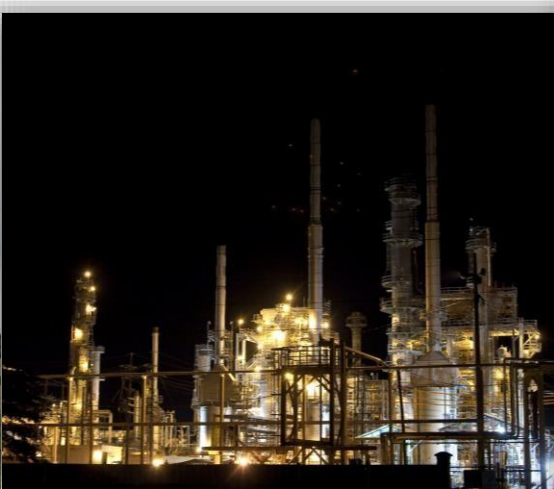
4. Refinery
5. Kabaale Industrial Park
6. Crude Pipeline

DOWNSTREAM

Distribution
Marketing
Sales

7. Jinja Storage Terminal
8. Kampala Storage Terminal
9. Downstream Bulk trading

Joint Ventures for Service Delivery



Key Projects Updates

East African Crude Oil Pipeline - EACOP

Project overview

- The EACOP is a 1,445 km long and 24 inches diameter heated pipeline
- Shareholders:
 - UNOC (15%)
 - TOTAL (62%)
 - CNOOC (8%)
 - TPDC (15%).

CAPEX: ~US\$3.9Billion

OPEX: ~US\$100Million/year

OPPORTUNITIES:

- i. **Employment:** Creation of > 5,000 jobs during construction, which will directly benefit the host communities
- ii. **EPC Services & works:** Fabrication, accommodation, construction, transportation and other related works
- iii. **EPC Supplies:** Including food and construction materials, pipes, valves, cables, transfers and heat exchangers etc
- iv. **Others:** Trigger further exploration by providing infrastructure incentive for discovered oil to access the market

Project progress to date:

- Inter-Government Agreement for the Crude Export Pipeline was signed in May 2017
- FEED and ESIA for Uganda and Tanzania completed and approved.
- The EACOP RAP implementation is ongoing.
- EACOP route was approved
- Signing of the key agreements (HGAs, SHA and TTA)
- SHA completion done
- Enabling legislation for EACOP approved.
- Tier One contracts awarded.
- RAP implementation of the EACOP.
- Internal and regulatory approvals done
- Financial Close expected in 2023.



Signing of the key EACOP agreements (HGA, SHA and TTA)-11TH April 2021.

The Refinery Project & Kabaale Industrial Park

The Uganda Refinery Project

Capacity:	60,000 barrels per day
Design configuration	Residue Fluid Catalytic Cracker (RFCC)
Project Developers:	<ul style="list-style-type: none"> – UNOC – Albertine Graben Refinery Consortium (AGEC) comprising of Yaatra Africa, Saipem International, Baker Hughes and Lion Works Capital-Lead Investor
Project Structuring	Finance, Develop, Construct, and Operate
Refinery products	LPG, premium and regular gasoline, jet fuel, diesel, and low-sulphur fuel oil.
Estimated cost	Approx. US\$ 4 billion ; Debt to Equity ratio: 70:30; East African States & Public Institutions could co-invest in the project. UNOC's equity \$480 Million

Project progress to date:

- Land for refinery development secured
- Refinery Project Framework Agreement (PFA) was signed in April 2018.
- FEED is 100% completed; Refinery ESIA on going.
- Land acquisition process for Mbegu water abstraction commenced and its implementation are nearly complete.
- RAP study and valuation for the 211 km multi products pipeline were approved.
- PAPs compensation is ongoing.
- Negotiations of the Crude Supply Agreement, SHA and Implementation agreement ongoing.
- FID – mid 2023, commissioning 2026

Kabaale Industrial Park (KIP)

- 29.57 sq. km of land to be developed into an oil and gas industrial park, in Kabaale, Hoima District.
- UNOC to lead the development, operationalization and management of the industrial park with a strategic JV partner

KIP to accommodate:

- Uganda's 2nd International Airport
- The Refinery
- Crude oil export Hub
- Crude oil feeder pipelines and refined product pipeline.
- Fertilizers, Petrochemicals & Industrial Gases
- Cold Chain / Agro-Processing
- Warehousing / Logistics

Status:

- KIP Masterplan approved.
- Acquisition of JV partner for KIP on-going
- Enabling infrastructure: For provision of utilities and roads to the Park ongoing
- Design of phase 1 infrastructure, such as roads, Fencing of the KIP, and, for conducting the strategic ESIA ongoing.



Opportunities:

- Direct and Indirect employment
- Supply of goods and services
- Subcontracting during project execution
- Logistics services
- Subcontracting during project execution
- Waste Management
- Civil and structural works
- HSE Services
- Training and development
- Operations and maintenance

Storage Terminals & Bulk Trading

A. Kampala Storage Terminal (KST)

- A petroleum products storage terminal
- To be developed at Namwabula in Mpigi District to hold petroleum products as buffer for supply in the country
- 320 Million litre storage capacity
- UNOC to hold 51% shareholding.

Projected CAPEX > US\$300Million

Project progress to date

- 300 Acres of land acquired by GOU/MEMD, for development of Kampala Storage Terminal
- Business case update completed.
- Process to secure strategic partner ongoing.

Benefits of the project

- Central national storage for petroleum products
- Revenue generation: Trading and taxes
- Employment creation
- Enhancement of security of supply of petroleum products,
- Receiving terminal for refined products from the Uganda refinery
- Distribution hub of the refined products

B. Jinja Storage Terminal (JST)

- Established in the 1970's as a strategic reserve.
- 30 Million liter storage capacity
- Terminal transferred to UNOC for its management in 2017
- UNOC holding 100% interest

**Projected CAPEX
> US\$6Million**



Project progress to date:

- License for barge transportation from Kisumu to Jinja already issued to OPL;
- Rail siding was rehabilitated, and the terminal commenced receipt of petroleum products by URC Pier via rail
- Being utilized for Bulk trading business venture.
- Expanding infrastructure requirements to accommodate jetty and pipeline – water transport between Jinja and Kisumu.

Bulk Trading

- Commenced Bulk trading in March 2020
- Objectives
 - (i) Enhance security of supply of petroleum products,
 - (ii) Generate revenue for UNOC,
 - (iii) Support the KST and JST projects, and
 - (iv) Build capacity in trading operations
- UNOC has 100% equity

Projected CAPEX : US\$12Million

Project progress to date:

- Revenue generation and business expansion
- Explore mechanisms to grow business

Opportunities:

- Suppliers of petroleum products
- Buyers of products
- Insurance, Clearing and forwarding
- Transportation



Doing business in Uganda

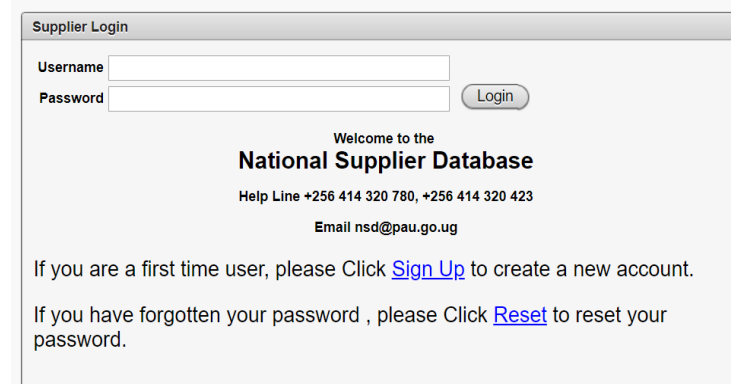
Advantages & Incentives

- Country is land-linked & very secure with GDP growth averaged at 6%
- Free movement of capital to and from the country & full repatriation of profits after tax
- Good Legal & Regulatory framework for the Oil & Gas sector in place (Upstream, midstream & downstream)
- The incentive regime is structurally included in the country's tax laws which makes it non-discriminatory and accessible to both domestic and foreign investments
- 100% foreign ownership of private investments allowed and joint venture partnerships with domestic investors encouraged.

Doing business in oil & gas

- Registration on the National supplier Database (NSD) managed by the Petroleum Authority of Uganda
- https://nsd.pau.go.ug:8080/ords/f?p=9_002:LOGIN:4905161774102::::

National Supplier Database for the Oil and Gas Sector in Uganda



Supplier Login

Username

Password

Welcome to the
National Supplier Database

Help Line +256 414 320 780, +256 414 320 423

Email nsd@pau.go.ug

If you are a first time user, please Click [Sign Up](#) to create a new account.

If you have forgotten your password , please Click [Reset](#) to reset your password.



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