# Cabora Bassa Project Update



# **DATE: 17 MARCH 2020**

# **HIGHLIGHTS**

- Technical Committee formed by the Zimbabwe Government to undertake negotiations for a Production Sharing Agreement with Invictus held initial meeting last week
- Technical Committee chaired by Permanent Secretary for Finance and Economic Development with Secretaries for Mines and Mining Development and Energy and Power Development
- Invictus has been invited to present to the Committee before the end of March
- Amendments to the Petroleum Act expected to be approved shortly
- Meetings held with the Chiefs representing Muzarabani and Mbire Rural Districts
- Cultural Ceremony to be conducted to welcome Invictus

Invictus Energy Limited ("Invictus" or "the Company"), is pleased to provide an update on the activities of its 80% owned and operated Cabora Bassa Project in Zimbabwe.

During the past few weeks, the Company has made presentations and held meetings with numerous Zimbabwe Government Ministries and stakeholders including the Minister of Mines and Mining Development, Minister of Energy and Power Development, the Mining Affairs Board and Chiefs representing the Muzarabani and Mbire Rural Districts in the Cabora Bassa project area. The Company and the Government of Zimbabwe have made significant progress with the legal and fiscal framework consisting of amendments to the Petroleum Act and the execution of a Production Sharing Agreement (PSA) between Geo Associates (Private) Limited, the Company's 80% owned subsidiary together with One-Gas Resources (Private) Limited, and the Republic of Zimbabwe.

## **About Invictus Energy**

Invictus Energy Ltd is an independent oil and gas exploration company focused on high impact energy resources in sub-Saharan Africa. Our asset portfolio consists of a highly prospective 250,000 acres within the Cabora Bassa Basin in Zimbabwe. Special Grant 4571 contains the world class multi-TCF Mzarabani and Msasa conventional gas-condensate prospects.

#### **Board & Management**

**Dr Stuart Lake**NON-EXECUTIVE CHAIRMAN

Scott Macmillan
MANAGING DIRECTOR

Brent Barber
COUNTRY MANAGER

Barnaby Egerton-Warburton NON-EXECUTIVE DIRECTOR

Eric de Mori NON-EXECUTIVE DIRECTOR

Gabriel Chiappini NON-EXECUTIVE DIRECTOR & COMPANY SECRETARY

## **Production Sharing Agreement and Petroleum Act**

The Company has been informed by the Ministry for Mines and Mining Development that a Technical Committee has been setup by the Government of Zimbabwe to undertake negotiations for a Production Sharing Agreement and held its first meeting last week. The Technical Committee is chaired by the Secretary for Finance and Economic Development with the Permanent Secretaries for Mines and Mining Development and Energy and Power Development as members together with officials from the Reserve Bank of Zimbabwe (RBZ), Zimbabwe Investment and Development Agency (ZIDA), Office of the President and Cabinet (OPC), Office of the Attorney General and Local Government and Public Works. The Company has been invited to make a presentation to the Technical Committee prior to the end of March. The Company and its attorneys have been working closely with the legal representatives from the Ministry of Mines and Mining Development and Ministry of Energy and Power Development on the PSA over the last several months.

A press conference was held following the meeting with the Minister of Mines and Mining Development on 11 March to discuss the project developments. The execution of the PSA is expected to be concluded in the near term and will provide a stable and transparent legal and fiscal framework for the exploration and production of oil and gas in Zimbabwe.

# Meeting with Chiefs from Muzarabani and Mbire Rural Districts

The Company was hosted by the District Administrator for Mashonaland Central Province in Centenary and received by the Chiefs representing the Muzarabani and Mbire Districts where the Cabora Bassa Project is located. The Company provided the Chiefs with an overview and update of the project and the upcoming on the ground activity that will commence following the approval of the Environmental Impact Assessment which is expected to be approved shortly. The Chiefs have expressed their support for the project and will be hosting a Cultural Ceremony to welcome the Company to the community and bless the project for the upcoming exploration programme.



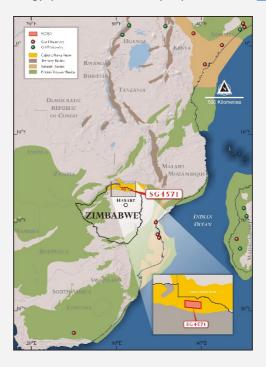
Figure 1 - Meeting at District Administrator's Office in Centenary with Chief's representing Muzarabani and Mbire Rural Districts together with representatives from Invictus and One-Gas Resources

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This announcement has been authorised by the Board of Directors



For further information on Invictus Energy, please visit the Company's website at www.invictusenergy.com



#### **About the Cabora Bassa Project**

The Cabora Bassa Project encompasses the Mzarabani Prospect, a multi-TCF and liquids rich conventional gascondensate target, which is potentially the largest, undrilled seismically defined structure onshore Africa. The prospect is defined by a robust dataset acquired by Mobil in the early 1990s that includes seismic, gravity, aeromagnetic and geochemical data.

**#Cautionary Statement**: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons. Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.

The Company is not aware of any new information and that all material assumptions and technical parameters underpinning prospective resource estimate continue to apply and have not materially changed

- \*Giant fields are conventional oil or gas fields with a recoverable reserve of 500 MMboe or more as defined by the American Association of Petroleum Geologists (AAPG)
- \*Elephant fields are conventional oil or gas fields with a recoverable reserve of 1 Billion boe (1,000 MMboe) or more as defined by the American Association of Petroleum Geologists (AAPG)

**SG 4571** - Special Grant Permit 4571 was granted in August 2017, the first exploration work programme has been completed. Invictus has an 80% equity stake in SG4571 via its subsidiary Geo Associates (Private) Limited

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