

NEWS RELEASE

June 13, 2017

Onshore gas production Africa: 'We've walked the road many still fear to tread' Renergen COO

South Africa's sole onshore natural gas project Tetra4 owner Renergen has just secured \$17m of government funding. Chief Operating Officer Nick Mitchell will reveal more about this landmark project at the Oil & Gas Africa Conference in Cape Town next month

Thirteen gas wells make up the Tetra4 project and when it began commercial operation in 2016, it became South Africa's first onshore supplier – and it is set for huge expansion.

In May this year owner Renergen landed a multi-million dollar loan from the government, which is set to boost onshore production through a new 107km underground pipeline.

Located near Virginia in Free State, 400 kms south-west of Pretoria, Tetra4 provides compressed natural gas to the transport and mining sector and it boasts the world's highest concentration of commercially extractable helium.

"As the first and currently only onshore production license holder in South Africa, we have walked the road many still fear to tread," says Nick Mitchell, Renergen's Chief Operating Officer and Chairman of the Onshore Petroleum Association of South Africa.

"We have had to overcome many challenges, and change perceptions in order to gain stakeholder confidence in order to move forward."

Tetra4 has changed the way onshore production operates and demonstrates government support for natural gas, which is viewed as 'clean and renewable'. Renergen's new eight-year, R218m (\$17m) loan from the Industrial Development Corporation (IDC) will help fund a 107km pipeline and associated installations for the project.

Pipeline construction is forecast to begin before the end of this year and, subject to regulatory approvals, operations will start by June 2018.

Mitchell is scheduled to talk about the Tetra4 project on the first day of this year's Oil & Gas Africa Conference in Cape Town, on July 11-12.

"It will be a case study on operations, providing a view on legislation, operating environment, investment funding and what needs to be considered for the sector to grow," he says.

The South African IDC's decision to grant the loan is part of its strategy of supporting gas as a cleaner energy source, Hilton Lazarus, IDC head of base and specialty chemicals.

Onshore production remains in its infancy in the sub-Sahara and Mitchell believes conference delegates to Oil & Gas Africa 2017 “will get a realistic view of what challenges can be expected and most importantly what it takes to succeed in this new and challenging industry”.

Mitchell, 38, has a background in IT then moved into sales management, project management and stakeholder engagement at Bidvest.

“Then I moved into energy and infrastructure space where I was focused on project development across sub-Saharan Africa,” he says. “In October 2013, I was part of a consortium that bought out Molopo South Africa from Molopo Energy.

“We subsequently reversed the asset into listed a company Renergen and rebranded the asset to Tetra4, which is the holder of the first and only onshore petroleum production right issued by the Department Mineral Resources and managed through the Petroleum Agency of South Africa.”

Alongside his role as COO of Renergen Limited and its subsidiaries, Mitchell he chairman of the Onshore Petroleum Association of South Africa (ONPASA).

He said: “ONPASA represents the upstream onshore petroleum industry. It provides a platform for industry to engage with Government regarding legislation and regulations. It represents a diverse constituency which have rights to biogenic gas, Coalbed methane gas as well as shale gas.”

His presentation at Oil & Gas Africa 2017 will be a case study on Tetra4 operations, providing a view on legislation, operating environment, investment and funding and what needs to be considered for the sector to grow.

The two-day conference programme runs alongside the Oil & Gas 2017 Africa expo focused on the midstream and downstream suppliers in southern Africa.

Conference speakers include:

- Pooling of Resources: How to create a regional hub, speaker Nazir Akoob, Managing Director, Petromarine
- Gas a driver for industrialisation, speaker Kishan Pillay, Department of Trade & Industry Director Upstream & Midstream Oil & Gas
- Agile is the new productivity (or, How to future-proof your talent pool), speaker Giullia Buttery, CEO UK & MEA, Organisation and Operational Excellence for the Energy Industry
- Refining Petrochemical Integration Prospects, speaker Abbass Ezzat, Chairman, Egyptian Petrochemicals Co

Oil & Gas Africa 2017 was acquired last year by global exhibition and conference organiser dmg events MEA adding to its worldwide energy portfolio that includes ADIPEC, which attracts 80,000 visitors to the UAE in the world’s largest oil expo outside of North America.

Oil & Gas Africa 2017 runs from July 11-13 at the Cape Town International Conference Centre with a three-day conference and exhibition.

Oil & Gas Africa 2017, July 11-13 at the Cape Town International Conference Centre. More details www.africaogp.com

Press information

Oil & Gas Africa 2017 runs from 11-13 July at the Cape Town International Conference Centre. It is the sole engineering supply chain expo serving the midstream and downstream sectors, incorporating oil & gas, maritime, offshore and logistics.

Cape Industries Showcase – which included Oil & Gas Africa 2017 - was acquired in March 2016 by **dmg ems Africa events**, part of dmg events Middle East, Asia & Africa, a wholly owned subsidiary of Daily Mail & General Trust (DMGT).

dmg events Middle East, Asia & Africa was founded in 1989 and has operated in the Middle East since 1995 and owns some of the region's biggest shows including The Hotel Show and The Big 5. Headquartered in Dubai, UAE and with satellite offices in India, South Africa and the UK, dmgeventsme organises more than 45 events across the Middle East, Africa, Asia, North America and Europe. The events attract more than 250,000 customers every year and provide opportunities for trade professionals to do business, network and learn. For more information visit www.dmgeventsme.com

DMGT manages a balanced multinational portfolio of entrepreneurial companies, with total revenues of almost \$3bn, that provide a diverse range of businesses and consumers with compelling information, analysis, insight, news and entertainment. The company employs more than 10,000 people and is listed on the London Stock Exchange. DMGT aims to provide the highest quality information, insight and services to attractive growth markets in innovative ways, building on a track record of earnings and dividend growth. For more information visit www.dmgmt.com

For further information, please contact:

Gary Wright,

Head of PR & Comms, dmgeventsme Africa

E: garywright@dmgeventsme.com

T: +27 (0) 11 783 7250

W: www.dmgeventsme.com

A: P O Box 650302 BENMORE 2010, South Africa

dmg::ems africa