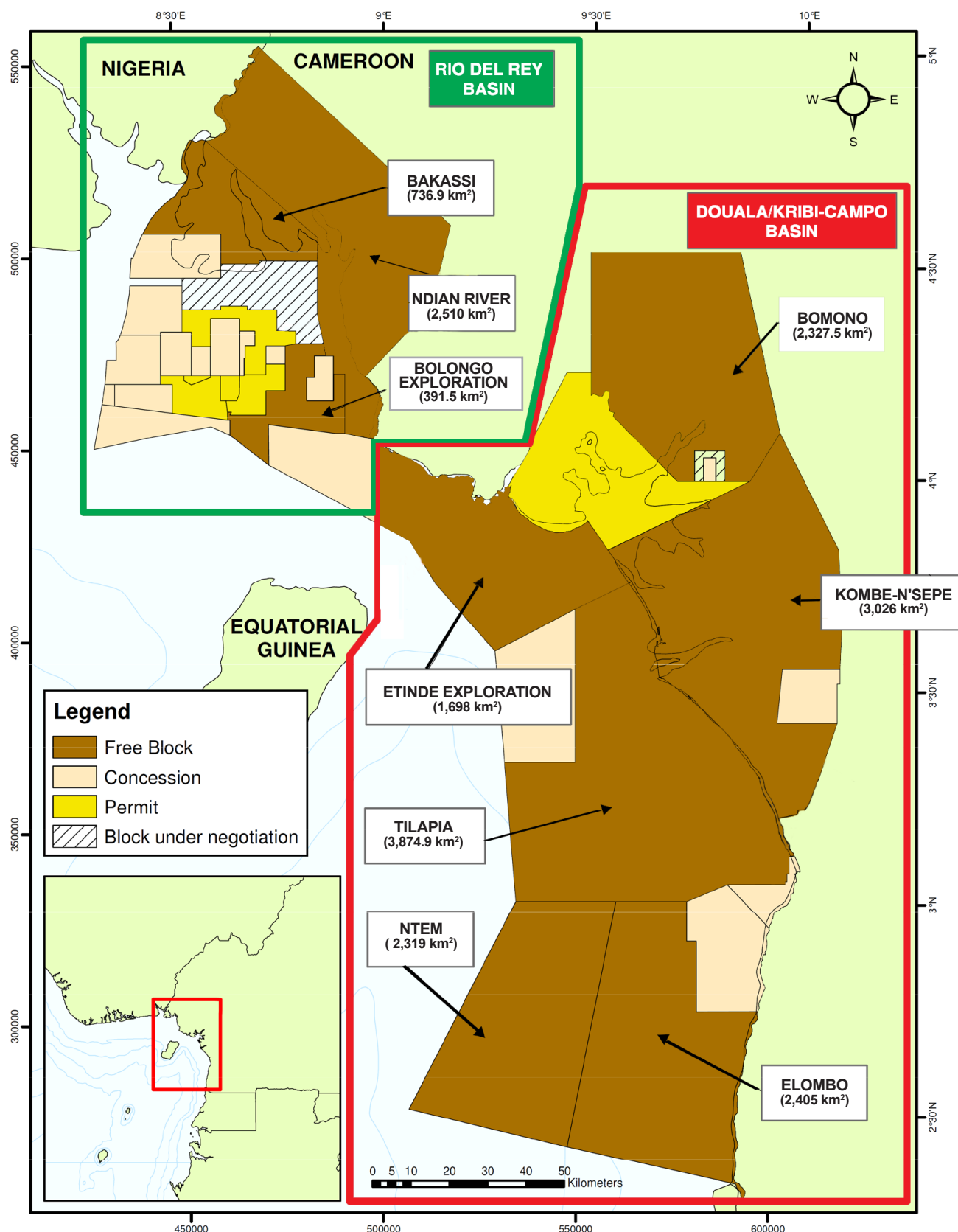




Cameroon 2019 Exploration Opportunities in two Producing Basins



Invest in Cameroon's Hydrocarbons Sector

Within its mandate to promote and valorise hydrocarbon resources in the mining property of the Republic of Cameroon, the National Hydrocarbons Corporation (SNH) has put on promotion nine blocks in the hydrocarbons rich Rio del Rey Basin (RDR) and in the highly prospective Douala/Kribi-Campo (DKC) Basin. These blocks are Ndian River, Bolongo Exploration and Bakassi (in RDR), Etinde Exploration, Ntem, Elombo, Tilapia, Bomono and Kombe-N'sepe (in DKC).

About SNH

SNH is a public industrial and commercial company with financial autonomy, created in 1980. It has the mission to promote and valorize the national mining domain and manage State interests in the hydrocarbons sector. To accomplish these missions, SNH is notably empowered to:

- conduct studies related to hydrocarbons;
- collect and store related information;
- conduct negotiations of oil and gas

contracts, in collaboration with the ministries in charge of Mines, Finance, Energy, Economy, Trade and Environment;

- monitor the implementation of oil and gas contracts between the State and companies operating in the hydrocarbons sector;
- promote infrastructure creation for the production, transportation, processing and storage of hydrocarbons within the national territory;

• collect and transport natural gas from producing companies to industries, power producers, other eligible customers, distribution companies and processing plants;

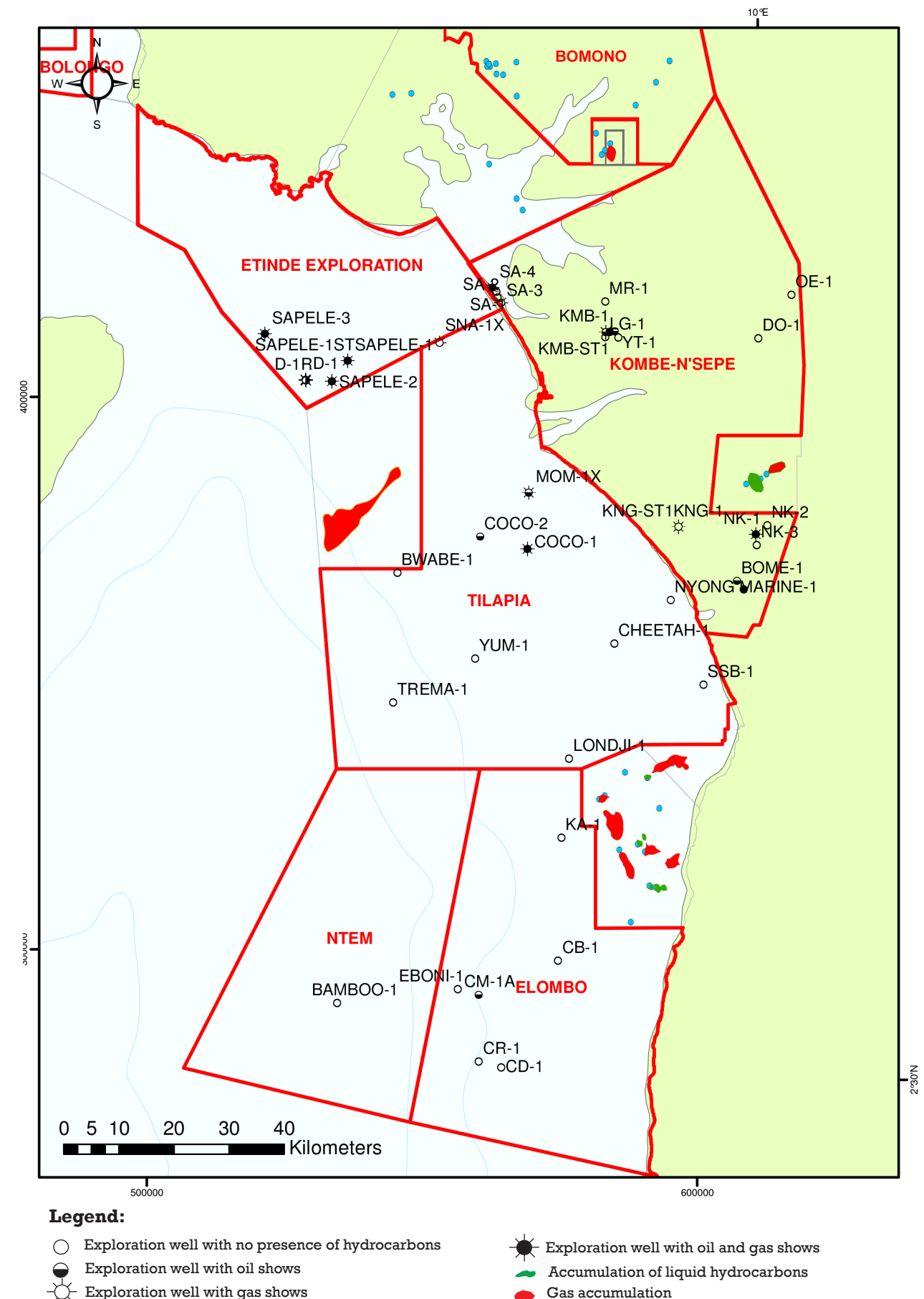
• sign, if need be, contracts with companies based and active in Cameroon in the field of production, transportation, distribution, processing or storage of hydrocarbons.



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Blocks on offer in the DKC Basin		– Bolongo Exploration block	14
– Etinde Exploration block	5	– Bakassi Block	15
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Wells and Fields Map - Douala/Kribi-Campo Basin



Petroleum Geology - Douala/Kribi-Campo Basin

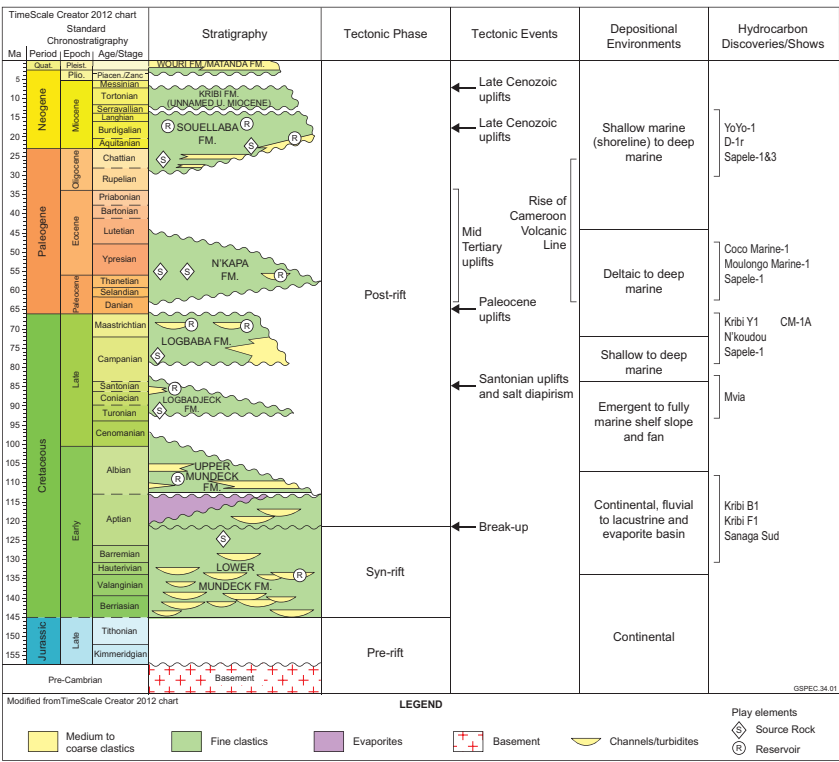
The Douala/Kribi-Campo Basin, covering a total area of 19000 km², is the northernmost basin of the South Atlantic rift. It lies between the prolific petroleum producing Niger Delta to the North and the Rio Muni Basin to the South.

Source rocks have been identified from several stratigraphic levels including the:

- Aptian/Albian
- Upper Cretaceous
- Oligocene/Miocene (Souellaba)
- Potential Paleocene/Eocene (N'kapa)

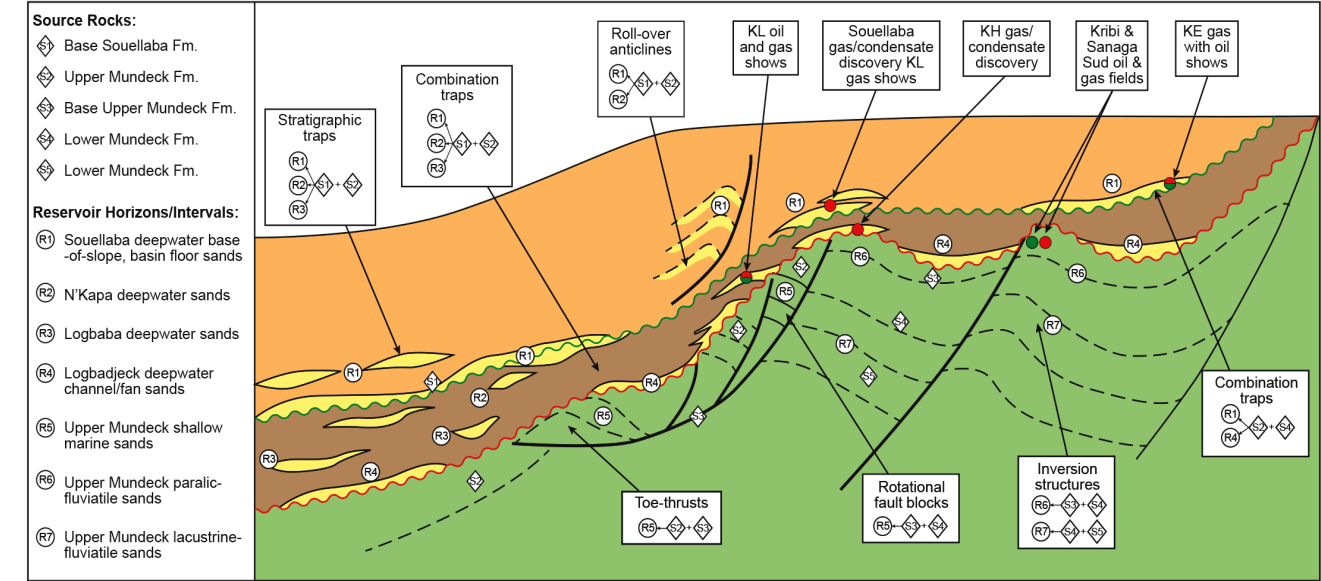
All the oil properties indicate that oils originate from terrigenous-dominated source rocks deposited in a marine environment. Abundant oil seeps exist at the basin margins.

Hydrocarbon bearing reservoirs have been encountered at nearly every stratigraphic level from the Miocene (Souellaba) down to the Albian/Aptian (Upper and Lower Mundeck) and across a variety of depositional systems from continental to deepwater fans.



Modified from SNH Sources, Robertson Basins and Plays and Robertson, 2015
Stratigraphic summary of the Douala/Kribi-Campo Basin

Shales from across the different stratigraphic levels provide the seals.
Structural, stratigraphic and combined traps have been proven across the Douala/Kribi-Campo Basin.



Schematic structural and stratigraphic play summary

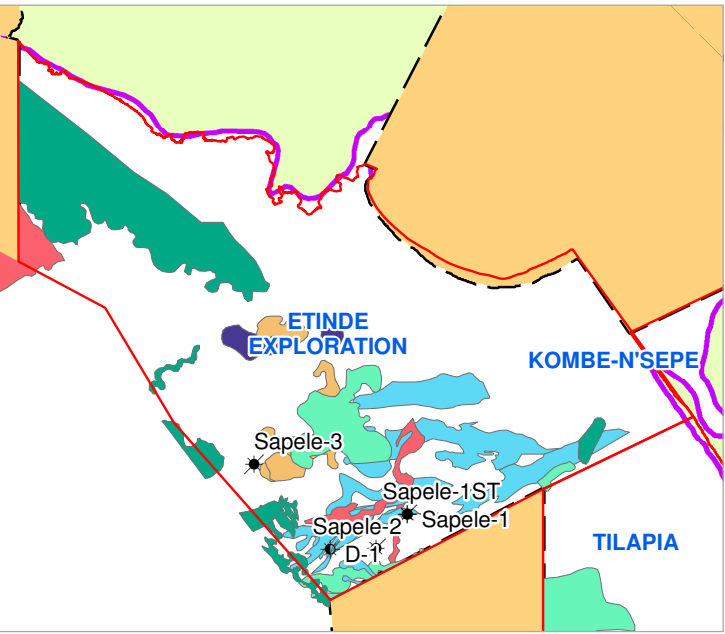
Etinde Exploration Block

Petroleum Plays

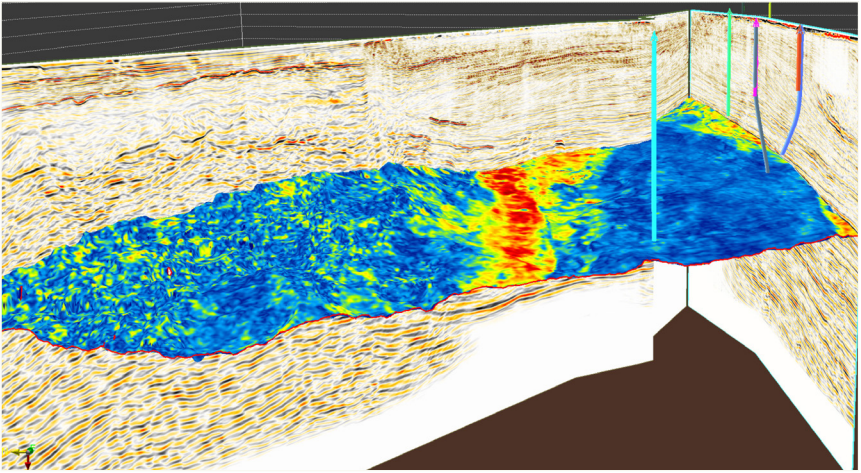
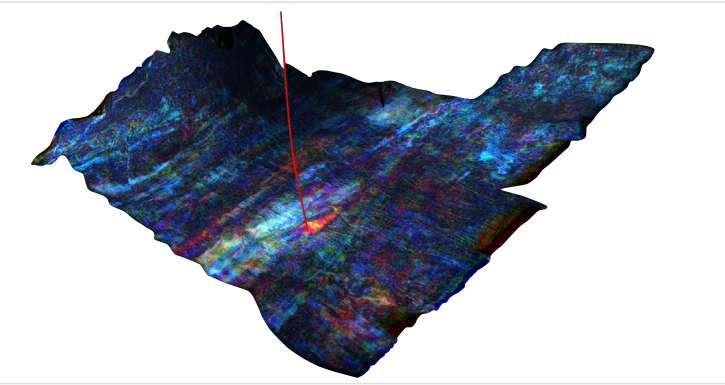
- Tertiary and Upper Cretaceous channels and levee sands
- Miocene sands associated with gravitational collapse faults

Discoveries, Prospects and Leads

- 04 wells drilled
- Proven oil, gas and condensate
- Multiple undrilled operators' mapped prospects



Previous operators' mapped prospects and leads



Angle stack blend highlighting well penetrating edge of anomaly (CGG)

Envelope overlaid on stratal slice of a Tertiary channel taken from TerraCube^{REGRID} (CGG)

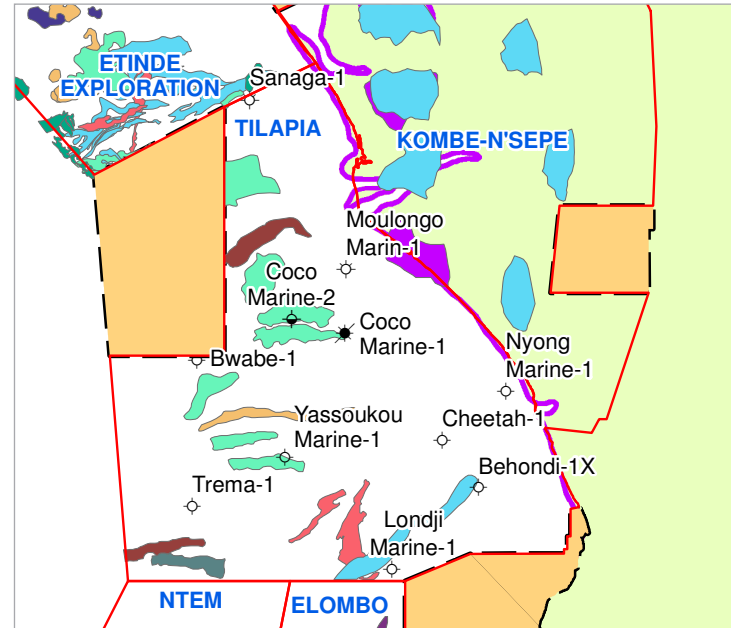
Tilapia Block

Petroleum Plays

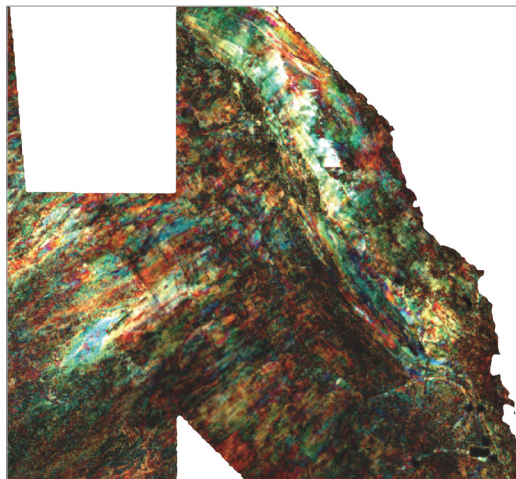
- Combination of structural and stratigraphic traps
- Tertiary confined channel turbidite complex/incised valley fill
- Tertiary shallow water/shoreline facies
- Upper Cretaceous turbidite and channel sands

Discoveries, Prospects and Leads

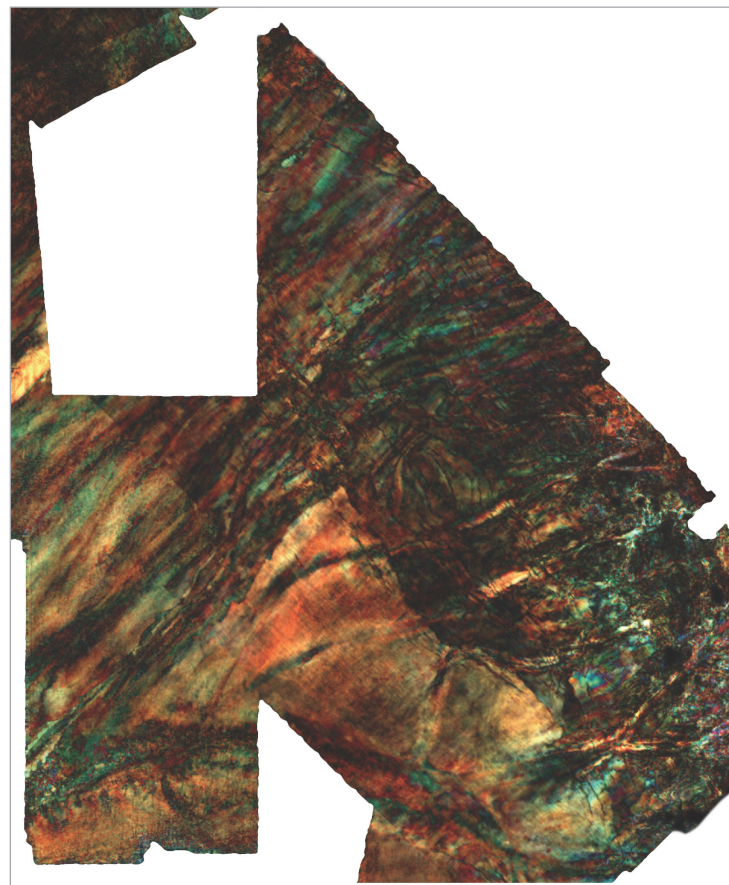
- 11 wells drilled
- Yoyo gas/condensate discovery nearby
- Oil discovery (Coco Marine-1)
- Multiple undrilled operators' mapped prospects



Previous operators' mapped prospects and leads



Frequency decomposition on stratal slices showing potential shoreline reservoir facies (left) and Tertiary channels (right) taken from TerraCube^{REGRID} (CGG)



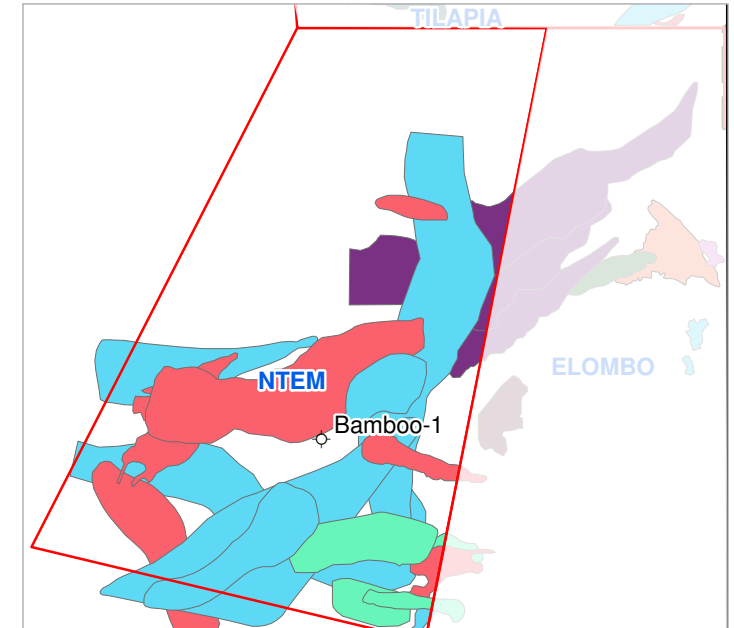
Ntem Block

Petroleum Plays

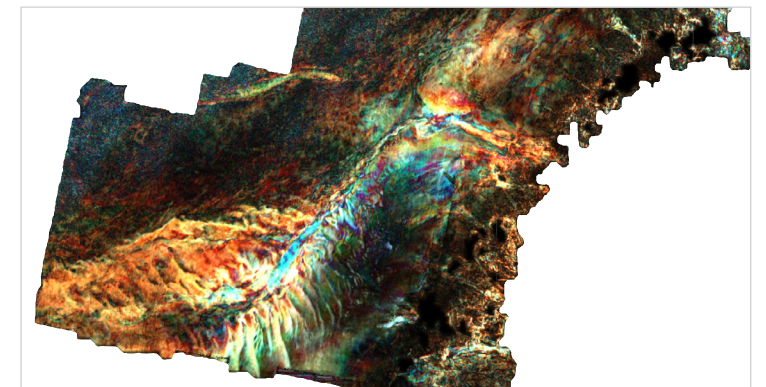
- Upper Cretaceous turbidite fans and slope channels
- Tertiary turbidite fans and channels
- Albian basal sands

Discoveries, Prospects and Leads

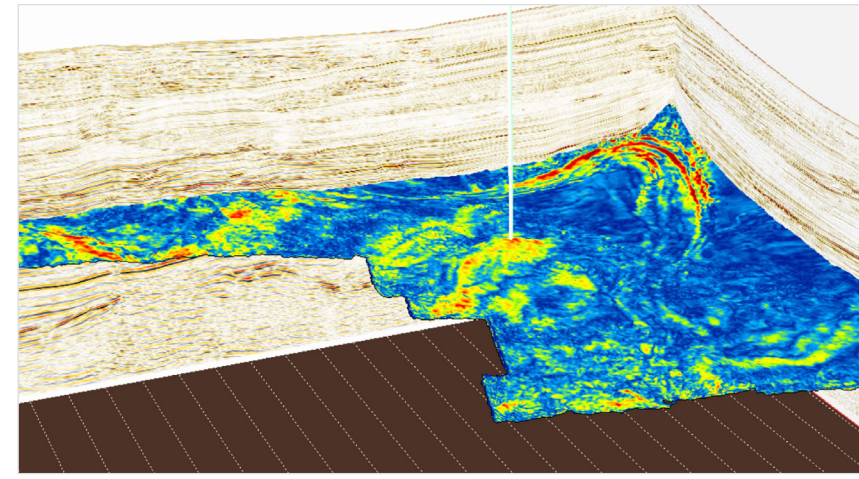
- 01 well drilled (Bamboo-1) with oil shows
- Several prospects and multiple leads identified so far



Previous operators' mapped prospects and leads



Frequency decomposition on a stratal slice of Cretaceous channel and fan taken from TerraCube^{REGRID} (CGG)



Envelope overlaid on stratal slice of a Cretaceous channel taken from TerraCube^{REGRID} (CGG)

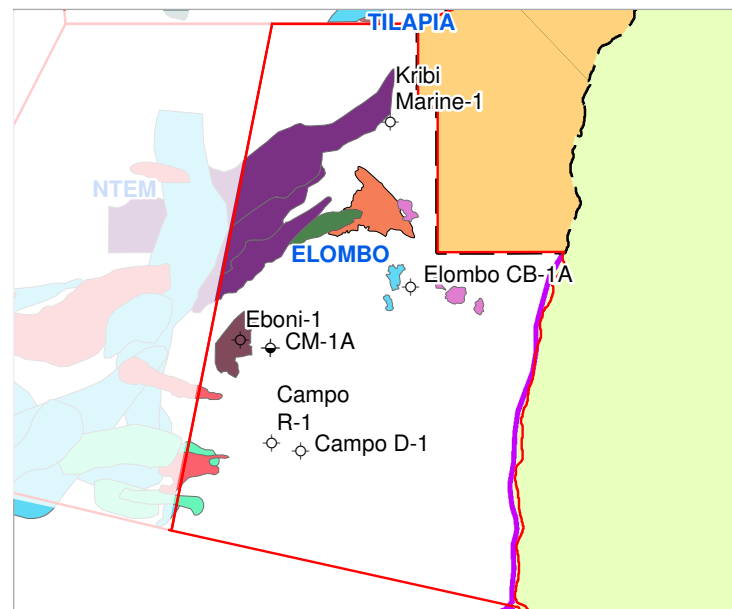
Elombo Block

Petroleum Plays

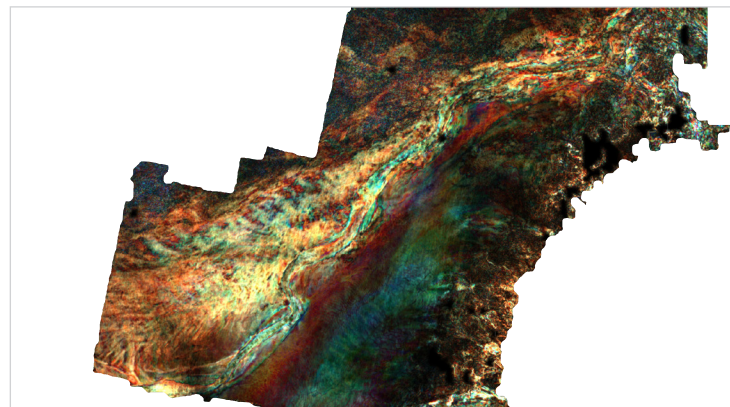
- Upper Cretaceous and Tertiary turbidite fans and channel sands
- Gravitational fault related traps
- Salt related anticlines and flank pinch-outs
- Miocene channels and canyons fills

Discoveries, Prospects and Leads

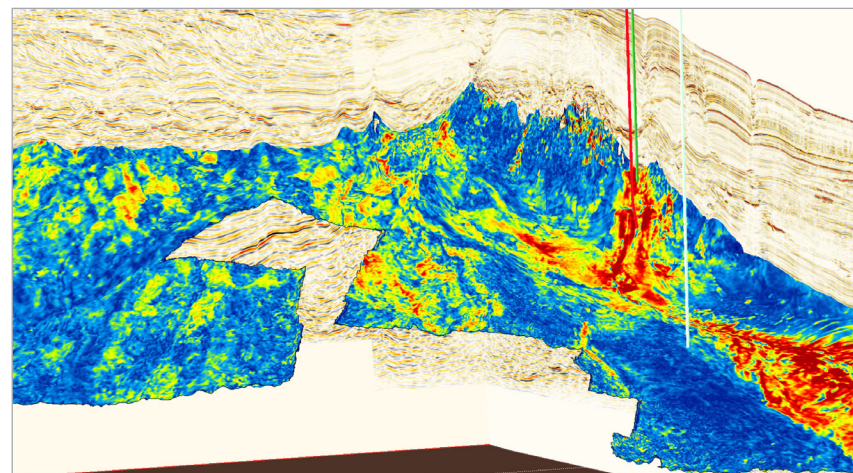
- 06 wells drilled
- CM-1A encountered oil shows
- Multiple prospects and leads identified



Previous operators' mapped prospects and leads



Frequency decomposition on a stratal slice of Cretaceous channel and fan taken from TerraCube^{REGRID} (CGG)



Envelope overlaid on stratal slice of a Cretaceous channel taken from TerraCube^{REGRID} (CGG)

Kombe-N'sepe Block

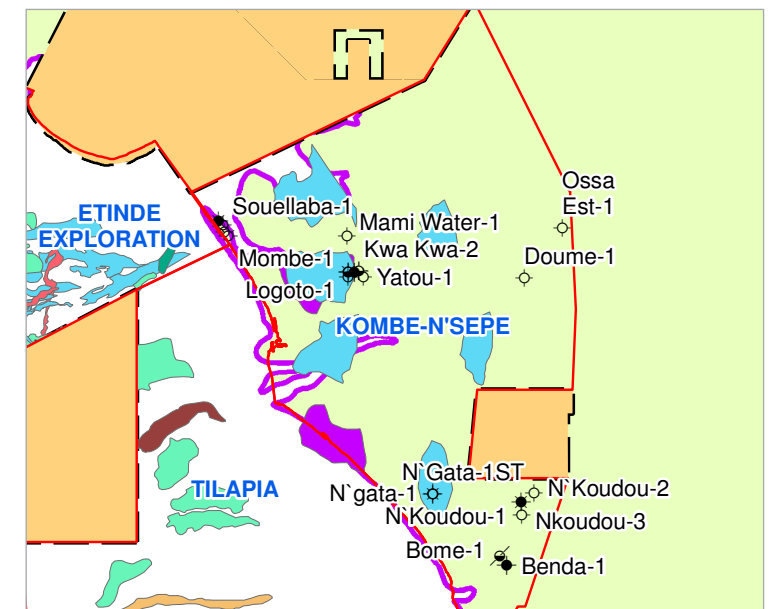
Petroleum Plays

Three distinct trends:

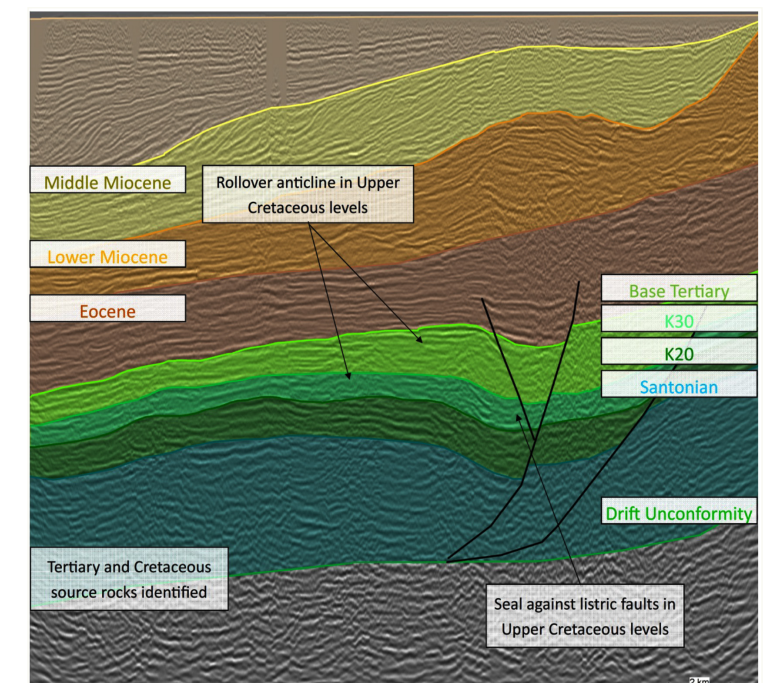
- Tertiary (Miocene/Oligocene) targets in Souellaba Formation
- Mid Cretaceous targets in base of slope sands in the Logbaba and Logbadjeck Formations
- Mid to Lower Cretaceous targets in slope to shelf sands in the Mundeck Formation

Discoveries, Prospects and Leads

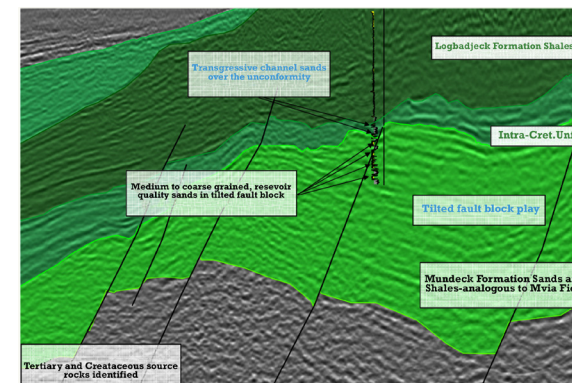
- 18 wells drilled
- Nearby Mvia oil producing field
- Hydrocarbon seeps indicating Tertiary and Cretaceous source rocks
- Minor hydrocarbon discoveries
- Prospects and leads identified
- Live oil recorded from seeps



Previous operators' mapped prospects and leads



Example of Upper Cretaceous plays from CGG enhanced dataset



Example of Mid Cretaceous plays from CGG enhanced dataset

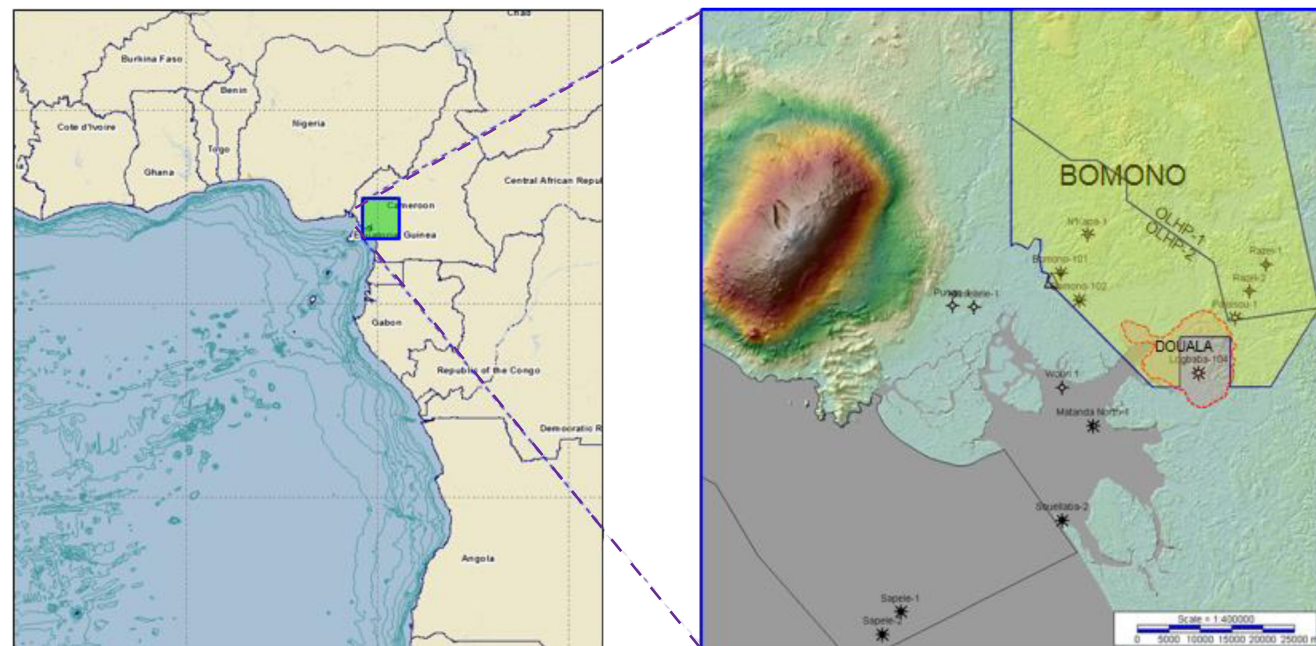
Bomono Block

Petroleum Plays

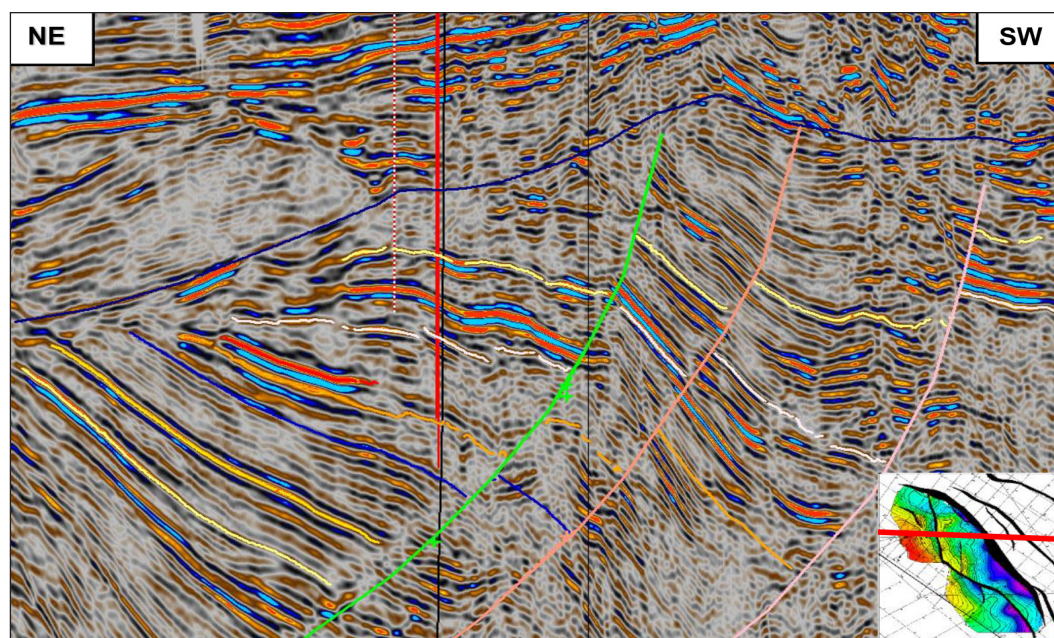
- Structural and stratigraphic trap
- Logbaba formation : tilted, rotated fault blocks

Discoveries, Prospects and Leads

- 11 wells drilled
- Gas discovery

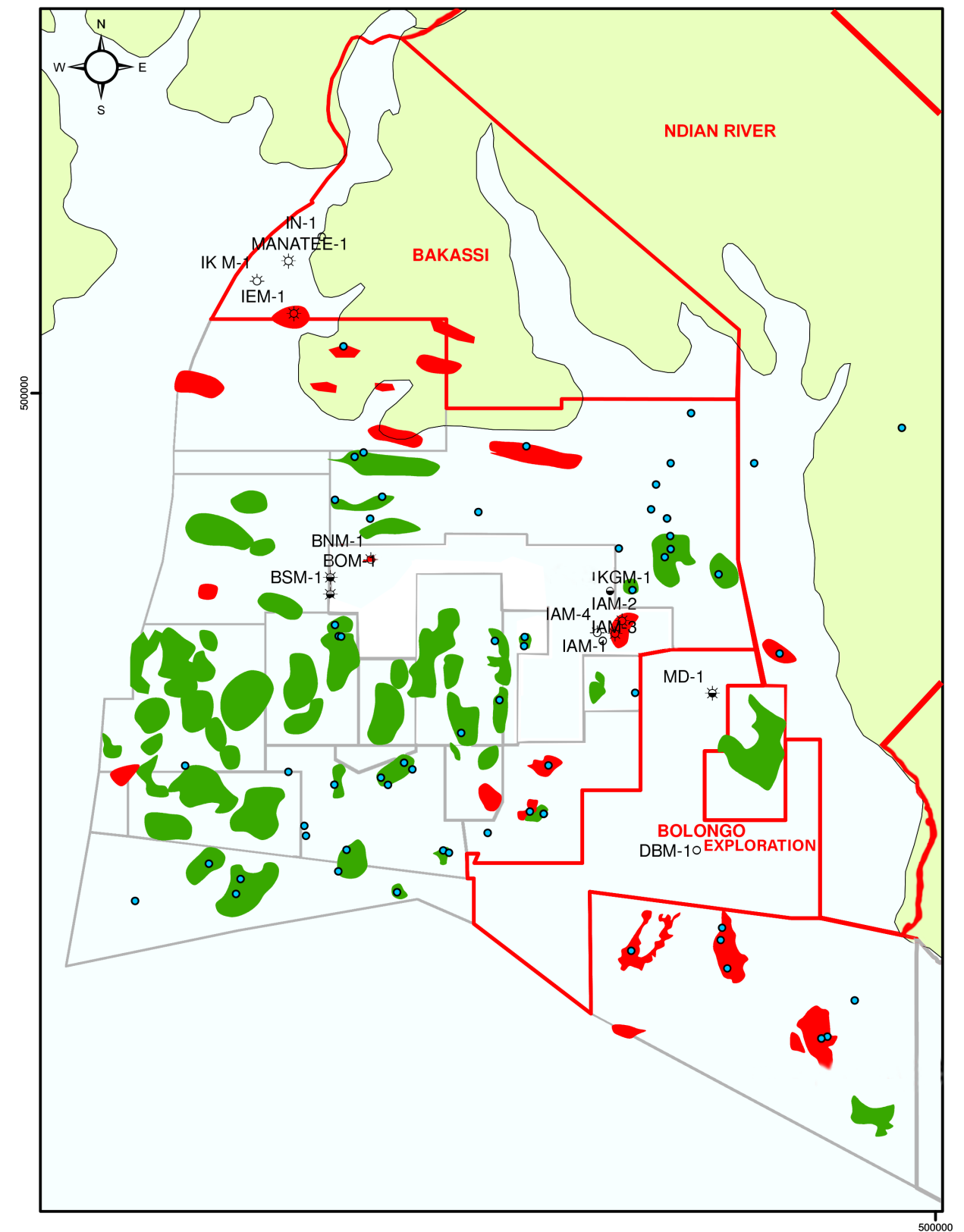


Bomono block localization



2D seismic interpreted line

Wells and Fields Map - Rio del Rey Basin



Petroleum Geology - Rio del Rey Basin

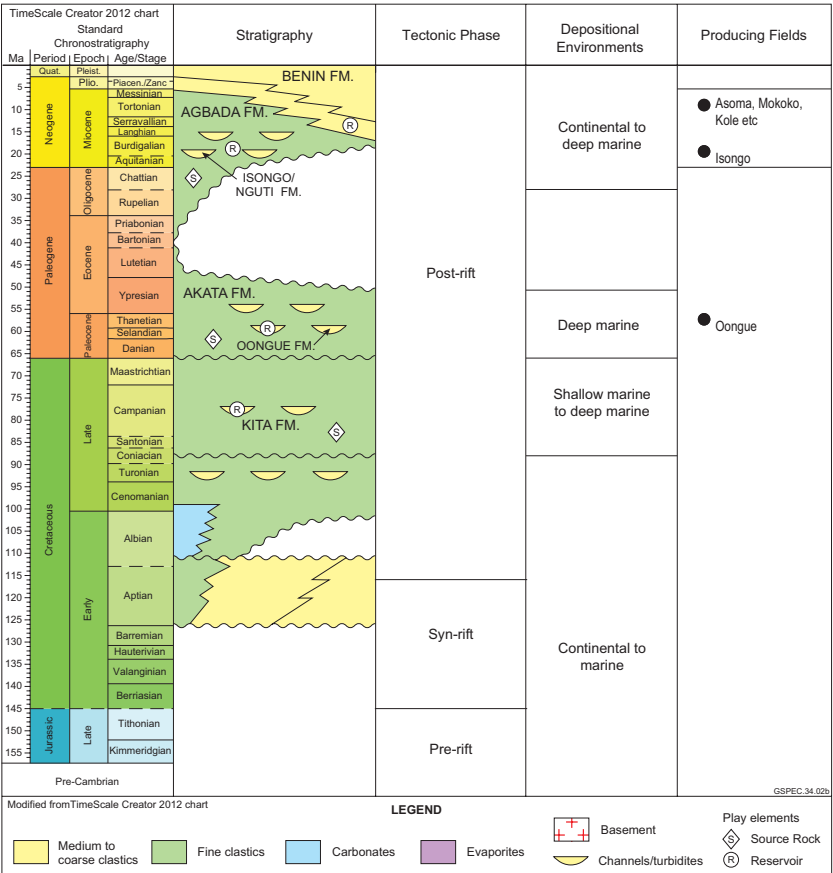
The Rio Del Rey (RDR) Basin is a divergent margin basin formed as a result of the Aptian to Albian opening of the South Atlantic Ocean.

The basin sedimentary fill corresponds to the easternmost edge of the prolific Tertiary Niger Delta complex. It is separated geographically from the Douala/Kribi-Campo Basin by the Tertiary Cameroon Volcanic Line.

The basin has four structural provinces, defined on the basis of deformation types:

- The Growth Fault Province in the North: differential loading of deltaic and continental sediments on underlying prodelta marine shale generated E - W trending syn-sedimentary faults.
- The Shale Ridge Province in the Southwest: the overburden of deltaic and continental sediments triggered squeeze flow of underlying mobile shales of the Akata Formation forming diapirs (shale domes, mud volcanoes, shale ridges).
- The Delta Toe-Thrust Belt in the South central area: zone of compressional/transpressional thrust structures.
- The Eastern Province in the Southeast: slightly deformed foreland area juxtaposing the Cameroon Volcanic Line.

The general stratigraphy (see stratigraphic summary chart) is equivalent to that of the Niger Delta and is made up of three main diachronous formations in the basin, as described in the table below. Only one well penetrates the Cretaceous section, made up of sand and shales with source rock potential.



Stratigraphic summary of the Rio del Rey Basin

Petroleum Systems

Source Rock: Agbada, Akata shales and Cretaceous mudstone

Reservoir: Agbada sands and Nguti/Isongo turbidites and intra- Akata sands (Oongue turbidites)

Seal Rock: Agbada and Akata shales

Traps: associated to growth faults and shale diapirs, faulting, toe thrust structures

Migration: along faults and permeable beds.

Main Formation	Lithology (Age range)	Depositional Environments
Benin	Continental massive sands and rare shale interbeds (Upper Miocene to Recent)	Alluvial and coastal plain
Agbada	Siliciclastic deltaic sequence. Interbeds of sands, silts and shales (Upper Miocene to Recent). Turbidite sandstones (Diongo, Nguti, Isongo).	Delta front, prodelta, fluvio-deltaic
Akata	Undercompacted marine shales, turbidite sandstones (Oongue), channel fill or offshore bar deposits (Etisah, Qua Iboe, Rubble beds) (Paleocene to Recent)	Prodelta, deepwater

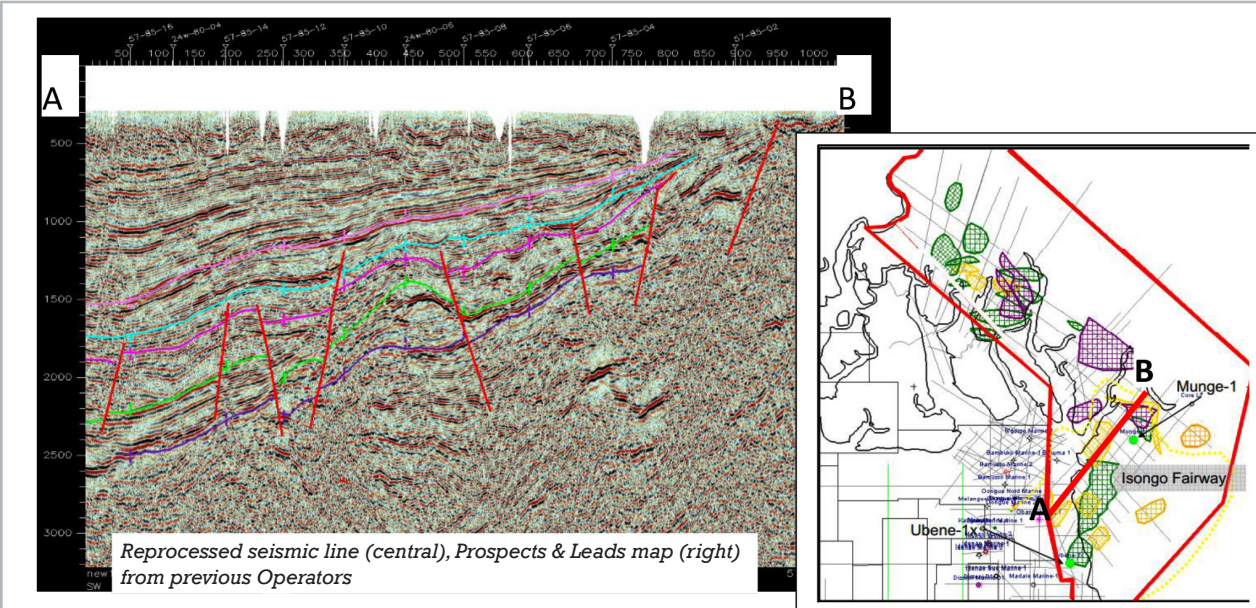
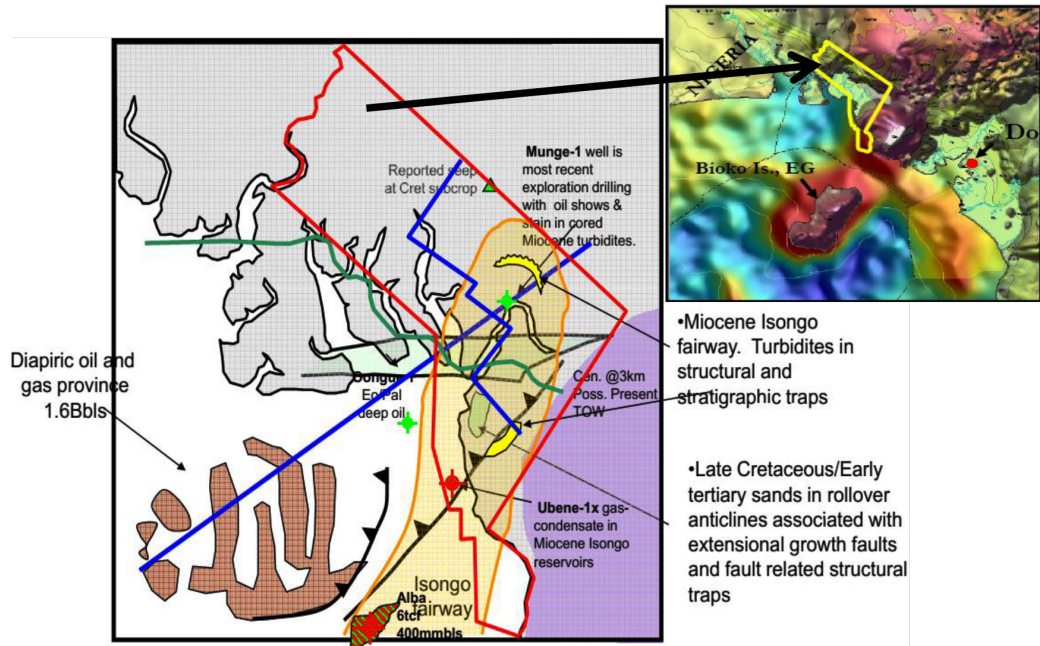
Ndian River Block

Petroleum Plays

- Diongo/Isongo fairway
- Cretaceous
- Late cretaceous/Early Tertiary sands in rollover anticlines associated with extensional growth faults and fault related structural traps.

Discoveries, Prospects and Leads

- 04 wells drilled;
- Tested significant gas and condensate from Pliocene and Miocene Isongo sand;
- 03 mains leads (Isongo, Liwenyi and Bamusso).



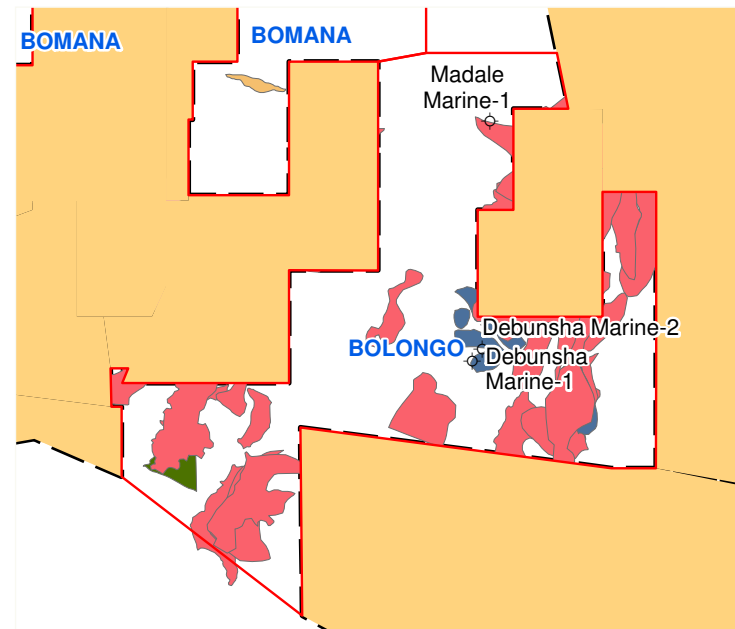
Bolongo Exploration Block

Petroleum Plays

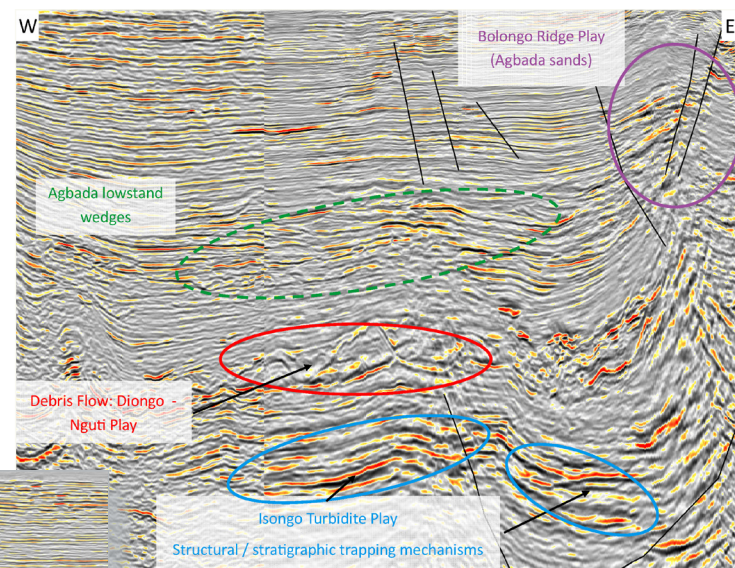
- Isongo turbidite play
 - Structural and stratigraphic traps
- Nguti turbidite / debris flow
- Agbada sands in:
 - Plays associated with crestal collapse
 - Post-erosional fill
- Bolongo Ridge

Discoveries, Prospects and Leads

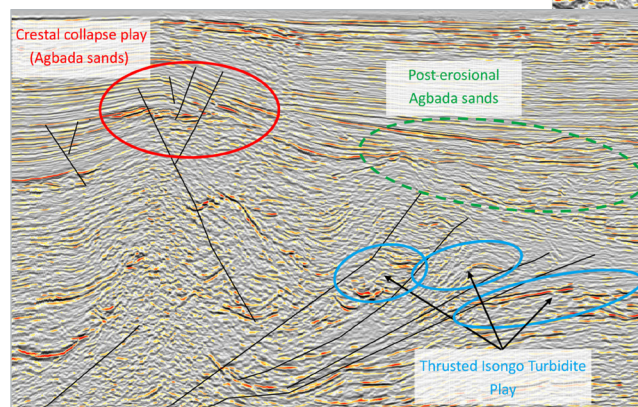
- 03 wells with oil and gas shows
- Plays proven in neighbouring blocks
- Prospects and leads mapped at several stratigraphic levels



Previous operators' mapped prospects and leads



E-W example seismic and plays taken from the CGG enhanced dataset



Southern thrust example plays taken from the CGG enhanced dataset

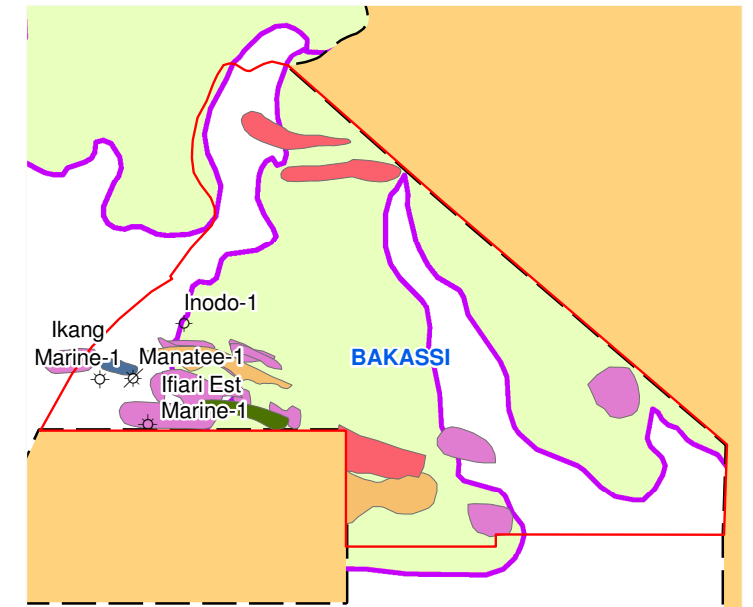
Bakassi Block

Petroleum Plays

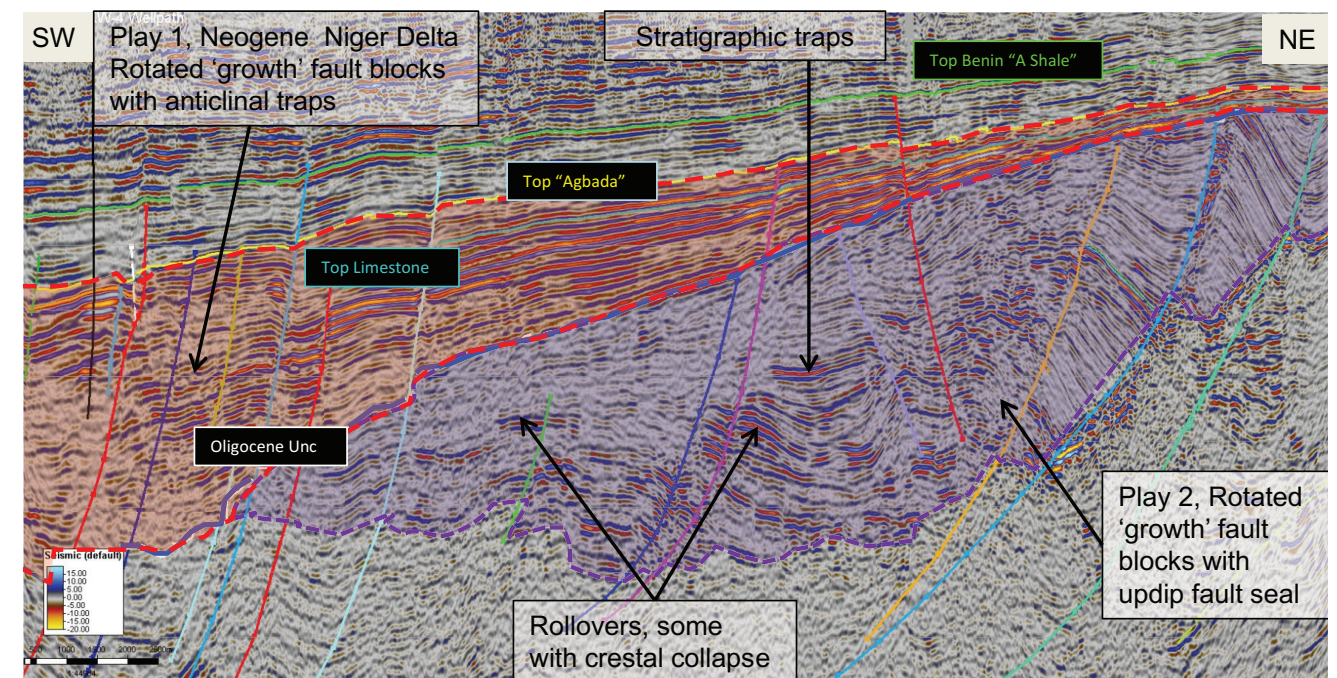
- Deltaic growth faults (Agbada)
- Paleocene platform turbidite plays
 - Separate East and West systems
- Cretaceous horst block play

Discoveries, Prospects and Leads

- 05 wells with 1 gas discovery (IEM-1)
- Prospects and leads identified
- Live oil recovered from seeps

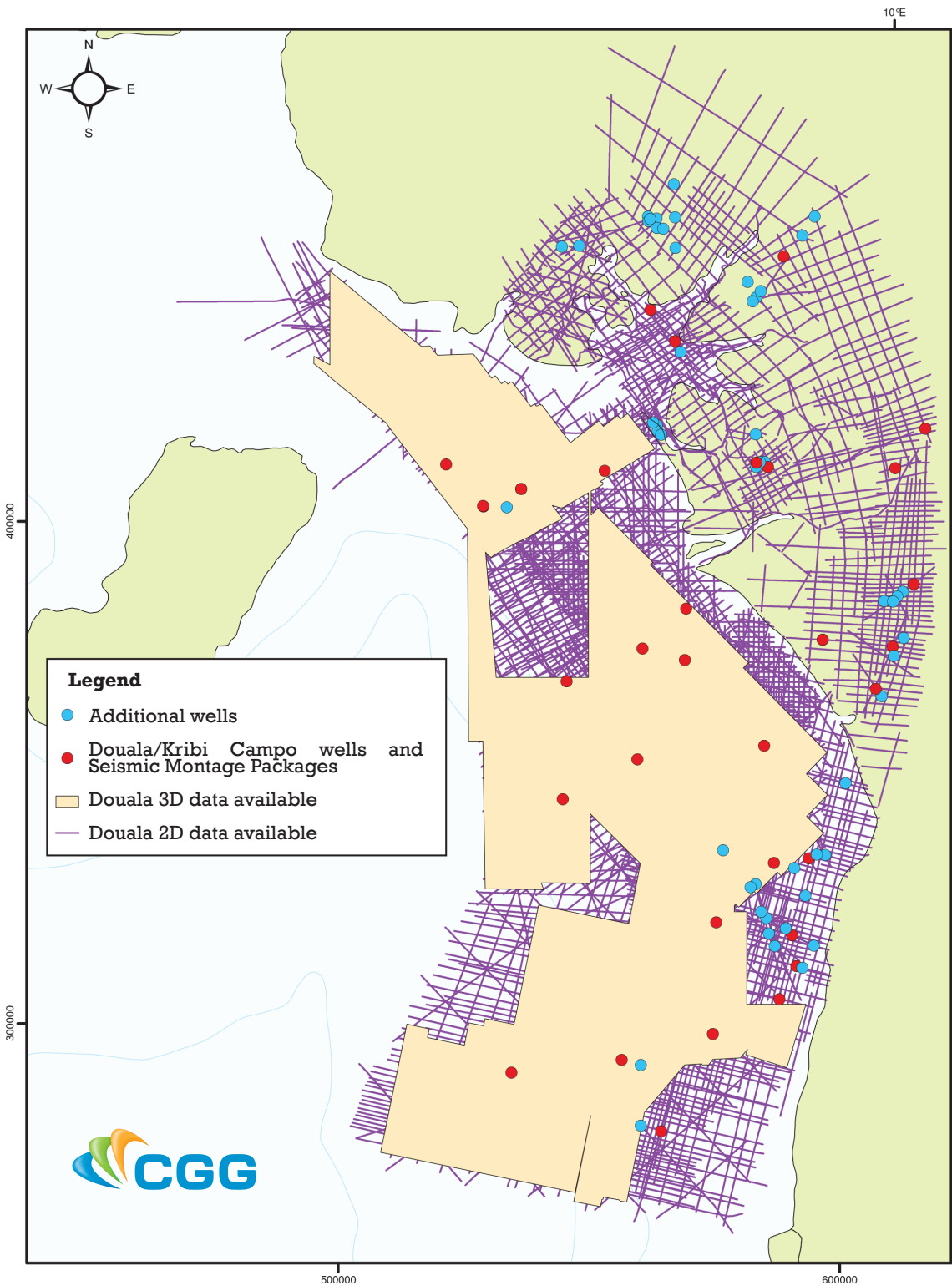


Past operators' mapped prospects and leads



Example plays over the Bakassi Block

Douala/Kribi Campo Basin - Wells and Seismic Data Packages



Data Package available from CGG

~7637 km² 3DTerraCube^{REGRID}
~12863 km TerraCube^{2D} (outside the 3D area)*
32 Wells and Seismic Montages Packages**

*2D seismic data inside 3D areas will be delivered but not charged for

**including digital LAS, Formation Description Logs (reconnaissance petrophysics), digitally re-mastered Mud Logs and digitally re-mastered Composite Logs (where available)

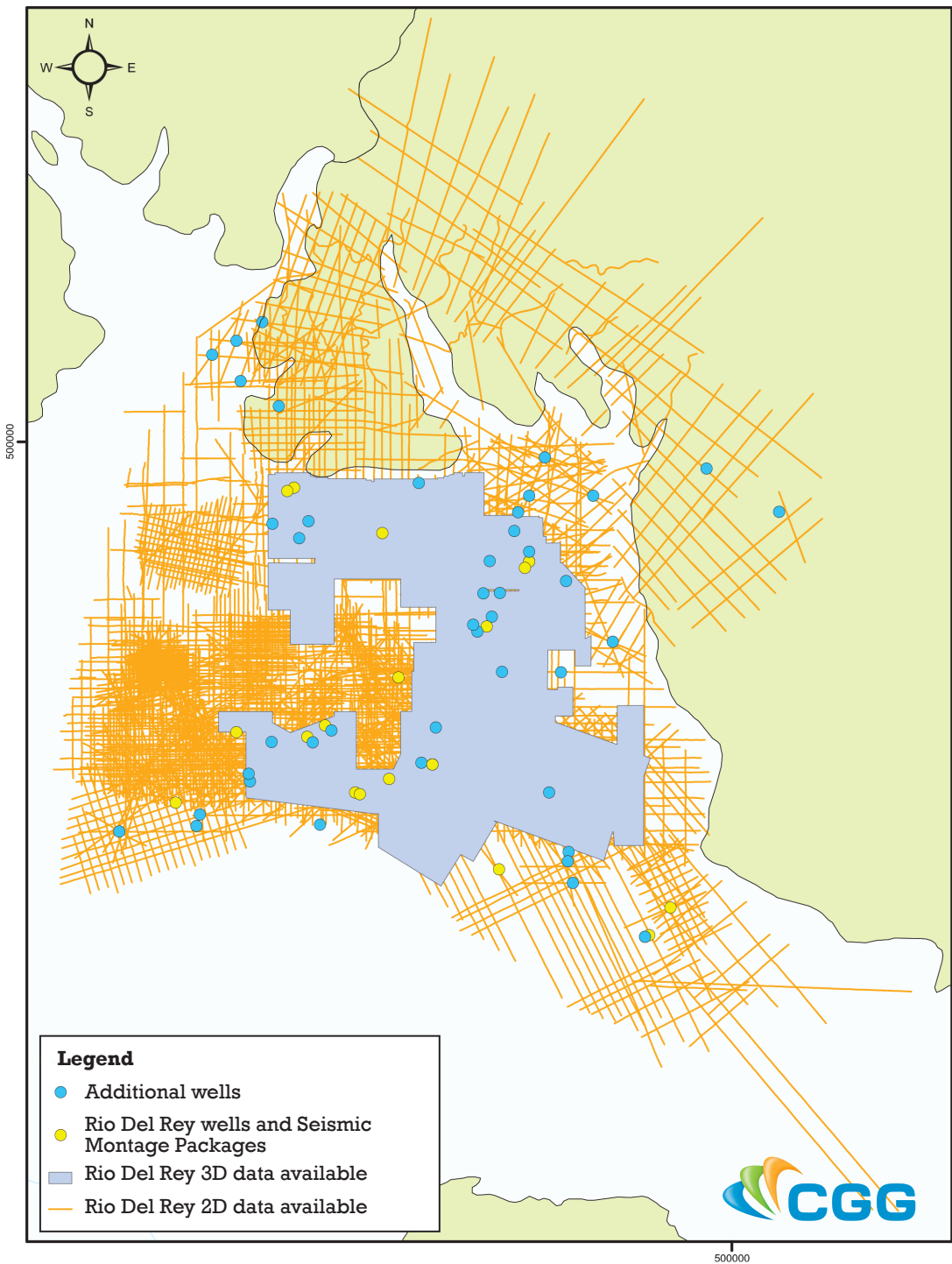
Douala/Kribi Campo Basin - Wells and Seismic Data Packages

Wells and Seismic Montages		
Douala/Kribi Campo		
Bamboo-1	Eboni-1	Ossa Est-1
Batanga F-2	Kribi B-1	Pibissou-1
Bome-1	Kribi Marine-1	Sanaga South A-1
Bwabe-1	Kribi N-1	Sanaga-1X
Campo B-1	Kribi R-1	Sapele-1, Sapele-1ST*
Campo-R1	Mombe-1, 1ST*	Sapele-3
Cheetah-1	Moulongo-1X	Trema-1
Coco Marine-1	Mvia-3	Wouri-1X
Coco Marine-2	Ngata-1, 1ST*	Yassoukou Marine-1
D-1, D-1r*	Nkoudou-1	Yatou-1X
Doume-1	Nord Matanda-1X	

*Combined Wells and Seismic Montages Packages

3D Surveys	3D Survey Angle Stacks available at cost of reproduction			
Survey	Year	Survey	Acquisition Information	Angle Stacks
Elombo West	2001	Ebodje 3D	Y	0-12/12/24/24-36
Etinde HP5&6 Phase 4	2003	Ntem 3D	Y	0-15/12-30/30-45/45-55
Tilapia - Yoyo	2003	Nyong II 3D	Y	N
Elombo East	2010	Tilapia 3D	Y	5-18/35-45
Etinde HP5&6 Phase 3	2010	Etinde Exploration 3D (MLHP 5 & 6)	Y	HP5: 0-15/15-30/30-45
Etinde HP5&6 Phase 2				HP6: 0-12/12-24/24-36
Etinde HP5&6 Phase 1	2010	Elombo 3D WEST	Y	0-12/12-24/24-36
Nyong	2010	Elombo 3D EAST	Y	0-12/12-24/24-36/36-48
Ntem				
Ebodje				
Ebome				

Rio Del Rey Basin - Wells and Seismic Data Packages



Data Package available from CGG

~1235 km² 3DTerraCube^{REGRID}
~7670 km TerraCube^{2D} (outside the 3D area)*
14 Wells and Seismic Montages Packages**

*2D seismic data inside 3D areas will be delivered but not charged for
**including digital LAS, Formation Description Logs (reconnaissance petrophysics), digitally re-mastered Mud Logs and digitally re-mastered Composite Logs (where available)

Rio Del Rey Basin - Wells and Seismic Data Packages

Wells and Seismic Montages			
Rio del Rey			
Atayo Marine-1	Isongo Marine-C1	Njonji Marine-1,	South Kole Marine 1, South Kole Marine 2 Victoria Est 1
Bakassi West Marine-1	Isongo Marine-E1	Njonji Marine-1B,	
Erong Marine-1	Koto Marine-1,	Njonji Marine-1BT1	Oongue Marine 1, Oongue Marine 2, Oongue Marine 3*
Erong Nord Marine-1	Koto Marine-2*		
Etinde Marine-1	Narendi-1,		
Idenao Marine-1	Narendi-2*		

*Combined Wells and Seismic Montages Packages

3D Surveys	
Survey Name by SNH	
Bolongo Exploration	
"Bomana (part of RdR Merge)"	
Debunsha	
Etisah	
"Lokele III (part of RdR Merge)"	
Nanar	
"H48 Nord Kita (part of RdR Merge)"	
"H48 Sud Lipendja (part of RdR Merge)"	

3D Survey Angle Stacks available at cost of reproduction		
Year	Survey	Angle Stacks
2010	Bolongo Exploration	Near (2-14) / Mid (15-27) / Far (28-40) / Ultra Far (40-55)
2006	Bomana	See RdR Merge
1999	Debunsha	
1998	Etisah	Near (5-17) / Mid (17-31) / Far (34-45) / Ultra Far (40-55)
1990	Lokele III	See RdR Merge
2009	Nanar	
1991	H48 Nord Kita	See RdR Merge
1991	H48 Sud Lipendja	See RdR Merge
	RDR Merge	Near 5-23 / Far 23-41

Legal and regulatory framework for Exploration and Production activities in Cameroon

The legal and regulatory framework for hydrocarbons exploration and production activities in the Republic of Cameroon is mainly governed by:

- the **Petroleum Code** promulgated into Law N° 99/013 of December 22, 1999, and its enabling text, Decree n°2000/465 of June 30, 2000;
- the **Gas Code** promulgated into Law N° 2012/006 of April 19, 2012 and its enabling text, Decree N°2014/3438/PM of October 27, 2014.

In addition, there is Law N°2011/025 of December 14, 2011 on the **Development of Associated Gas**.

The Petroleum Code

A Petroleum Contract in Cameroon is signed under the provisions of the Petroleum Code. The Petroleum Code and its enabling text, address all legal and regulatory matters relating to the conduct of Petroleum Operations in Cameroon, and notably :

- provide clear identification of the nature of the Petroleum Contract (Concession Contract or Production Sharing Contract);
- identify negotiable or biddable issues;
- provide clear separation between the State as the Regulatory Body and the State Body that is a party to a Petroleum Contract; and
- address issues related to Environmental Protection, Decommissioning and Sites Restoration.

The Gas Code

The present Gas Code promulgated into Law N° 2012/006 of April 19, 2012 and its enabling text Decree N°2014/3438/PM of October 27, 2014, institutes incentives for investments in projects such as LNG, Methanol and Fertilizer production. It provides for:

- stability of the fiscal and legal regime; and
- obligations for the State to secure investments for gas projects.

One of its main innovations is the institution of the **Gas Agreement** to be signed between the State and the Gas Company. The Gas Agreement specifies legal, fiscal, social and environmental conditions to be applied to major gas monetization projects, and provides for incentives to improve the economics of such major gas projects.

The Law on the development of Associated Gas

This Law was promulgated on 14th December 2011, governs the development of associated gas and its purpose is to:

- foster the recovery of flared or released gas for commercialization;

- create attractive contractual and tax conditions for oil contract holders to develop associated gas;
- contribute to the reduction of greenhouse gas emission and environmental protection.

The flaring permit may be granted as a special measure by the Minister in charge of the upstream oil sector at the request of the Operator, subject to security-related provisions and where the technical or economic factors warrant, for a period not exceeding 60 days renewable.

Local Content

In any upstream and downstream development projects, Companies should make proposals on Local Content. Local Content includes all activities relating to local capacity building, use of local human and material resources, technology transfer, use of local industrial and service companies and the creation of measurable added value for the local economy.

Procedure to License blocks (one on one procedure)

During 2019 and until further notice, any of the nine (09) free blocks shall be licensed through a one-on-one process whose main steps are outlined as follows:

- Formal expression of interest in one or several free blocks shall be notified in writing to the Executive General Manager of SNH by a Petroleum Company or Consortium of Companies. The address for such notification is provided here-in;
- Access of any of the available two (02) data packages which underpin the prospectivity of the blocks is strongly encouraged to enable technical evaluation(s) of the block(s) of interest in view of formulating a proposal(s). SNH's Petroleum Information Center and/or CGG (GeoSpec) shall be contacted for all data issues;
- Any proposal submitted to the State in accordance with the Terms of Reference (TORs) hereunder in pursuance and confirmation of the interest expressed, shall be evaluated by the State;
- If the proposal satisfactorily meets the criteria of the TORs, the Company or Consortium shall be invited to negotiate and eventually sign a Production Sharing Contract (PSC) following the procedures and the Petroleum Legislation in force;
- When such negotiations are successfully concluded, a PSC is signed between the State and the Contractor (Petroleum Company or Consortium) for the conduct of Petroleum Operations during the term of the contract. Such signature constitutes grant of an Exploration Authorisation(s).

Terms of Reference for Proposals

I. Introduction

Within its mandate to promote and valorise hydrocarbon resources in the mining property of the Republic of Cameroon, the **National Hydrocarbons Corporation (SNH)** announces to the Oil and Gas industry, that proposals can be submitted for any of nine blocks namely, Ndian River, Bolongo and Bakassi in the hydrocarbons rich Rio del Rey (**RDR**) Basin, and Etinde Exploration, Ntem, Elombo, Tilapia, Bomono and Kombe/N'sepe in the highly prospective Douala/Kribi-Campo (**DKC**) Basin.

Proposals shall be received through out 2019.

International Oil & Gas Companies are hereby invited to submit proposals for one or more blocks, in accordance with these Terms of Reference.

II. Purpose

The purpose of this consultation is, for the State and the Petroleum Companies, to negotiate and conclude **Production Sharing Contracts (PSCs)** over one or several available blocks, in accordance with the provisions of the Petroleum Code (Law n° 99/013 of December 22, 1999) and its implementing text (Decree n°2000/465 of June 30, 2000), which are both accessible from the SNH website **www.snh.cm.**, as well as these Terms of Reference.

III. Data packages and presentation of the blocks

Enhanced workstation ready 2D and 3D seismic and well data packages for the RDR and DKC basins are accessible from CGG Services (UK) Limited, Llandudno, North Wales, LL30 1SA, United Kingdom (Robertson GeoSpec International Ltd). Please contact **geospec.sales@cgg.com**.

The blocks concerned are presented below:

Blocks	Basins	Surface Area (km²)	Location*
Ndian River	RDR	2510	TZ/Onshore
Bolongo	RDR	391.5	Offshore (WD<70 m)
Etinde Exploration	DKC	1,698.0	Offshore/SW
Tilapia	DKC	3,874.9	Offshore/SW
Elombo	DKC	2,405.0	Offshore/SW
Ntem	DKC	2,319.0	Offshore; WD >500m
Kombe-Nsepe	DKC	3,026.0	TZ/Onshore
Bakassi	RDR	736.9	TZ/Onshore
Bomono	DKC	2,327.5	TZ/Onshore

WD: Water Depth; SW : Shallow Water; TZ : Transition Zone

*Bomono , Bolongo , Etinde Exploration, Tilapia and Elombo blocks are close to Oil & Gas producing fields and installations.

IV. Content of the Proposals

Any proposal submitted shall contain the following Sections:

- Technical evaluation(s) of the block(s) of interest;
- Work programme and corresponding budget for the first period of the Exploration Phase which is extended up to five (5) years, and indications on the funding of the work programme;
- Work programmes and corresponding budgets for the two subsequent periods of the Exploration Phase of up to two (2) years each, and indications on the funding of the work programmes;
- Pertinent documentation on the Company(ies) involved in submitting the proposal, and in particular, on the Petroleum Company which shall act as Operator in the PSC, including its organization, technical and financial capabilities. The required documentation shall include:
 - Audited, certified balance-sheets for the past three (3) calendar years;
 - Names and experiences of the members of the exploration and production staff, as well as geoscience capabilities of the Company(ies);
 - Names and activities of each Company's shareholders;
 - Company's portfolio of assets in the petroleum industry, especially in the upstream;
 - Evidence of Company's capabilities and experience in environmental protection, notably in areas similar to those of the blocks of interest in Cameroon;
 - Companies practices in Local Content development and past experiences in Africa;
 - Track record on exploration drilling activities and discoveries during the last five (5) years.

During the Exploration Phase, the Holder of a Petroleum Contract shall commit to fulfil a Work Programme whose minimal requirements are set out in the contractual terms below; **it is being understood that fulfilment of the exploration work programmes takes precedence over exploration expenditures amounts.**

V. Contractual Terms

The following **Terms** shall be considered in the proposal:

- **Work Programme** (*biddable*): **Minimum Requirements per block for the initial period of exploration are:**
 - the reprocessing of existing seismic data and/or acquisition and processing of new seismic data; and
 - the drilling of one (01) exploration well.
- **Signature bonus:** No payment required from bidder(s).
- **Production bonus** (fixed):

Production bonuses shall be paid to the State according to the following threshold values:

Type of production	Cumulative production threshold	Production bonus (Million US dollars)
Oil	25 Million Barrels	3.0
	50 Million Barrels	5.0
	100 Million Barrels	10.0
Natural gas	200 BCF	3.0
	500 BCF	5.0
	1000 BCF	10.0

- **Company tax** (fixed): 40 %
- **State participation:** above 10 % (Biddable)
- **Minimum training budget amounts :**
 - ◇ USD 50.000 per year during the Exploration Phase, and
 - ◇ USD 100.000 per year during the Development/ Exploitation Phase (both budgets are funded by the bidding company(ies) alone)
- **Cost stop for gas:** 85% (*fixed*)
- **Cost stop for oil:** 70% (*fixed*)
- **Profit Oil/Profit Gas splits**, are biddable for both liquids and gas, as provided in the table below:

Table applicable for the sharing of Profit Oil:

Values of “R” Factor	Contractor’s share	State’s share
R ≤ 1.00	85%	15%
1.00 < R ≤ 1.50	Biddable and Negotiable	
1.50 < R ≤ 2.00	Biddable and Negotiable	
2.00 < R ≤ 2.50	Biddable and Negotiable	
R > 2.50	Biddable and Negotiable	

Table applicable for the sharing of Profit Gas:

Values of “R” Factor	Contractor’s share	State’s share
R ≤ 1.00	90%	10%
1.00 < R ≤ 1.50	Biddable and Negotiable	
1.50 < R ≤ 2.00	Biddable and Negotiable	
2.00 < R ≤ 2.50	Biddable and Negotiable	
R > 2.50	Biddable and Negotiable	

For a given calendar year, “**R**” factor refers to the ratio of “**Net Cumulative Revenue**” over “**Cumulative Investments**”, calculated at the close of the preceding year.

*“**Net Cumulative Revenue**” means the sum, from the Effective Date up until the end of the preceding Calendar Year, of the Contractor’s gross revenues, less the sum of the Exploitation Costs and the amount of the company tax pertaining to Petroleum Operations paid to the State by the entities comprising the Contractor (excluding the State) in the Republic of Cameroon for all fiscal years prior to the current Fiscal Year.*

*“**Cumulative Investments**” means the sum, from the Effective Date up until the end of the preceding Calendar Year, of the total Exploration and Development Costs. Neither the recovery nor the amortization of such Costs shall be taken into consideration for the calculation of the costs referred to in this definition.*

VI. Prequalification of proposal(s)

The prequalification conditions are set in accordance with Sections 2 and 7 of the Petroleum Code, and are as follows:

- The proposal should be submitted by a Petroleum Company, or by a group of Commercial Companies amongst which, at least one is a Petroleum Company with relevant financial and technical capabilities demonstrated by the documentation required under Section IV (bullet 4) above, of these Terms of Reference;
- In case the bid is submitted by a Consortium of companies with only one of them being a Petroleum Company, the said Petroleum Company should own the majority of interest shares in the Consortium, and should act as Operator. Otherwise, the Petroleum Companies in the Consortium shall determine which amongst them shall act as Operator;
- Full compliance with the Terms outlined in Section V of the present Terms of Reference.

Fulfilment of the conditions on the technical and financial capabilities of the bidder, is a prerequisite for consideration by the SNH of the bids received.

VII. Evaluation of the competing proposal (s)

The following scoring scheme will be applied in the evaluation of the proposal, especially in case competing proposals are simultaneously received for the same block.

N°	Criteria/Sub-Criteria (amended 15.03.2018)		Points
1	Technical evaluation of the block		50
	Presentation of the regional geology of the basin in which the block is located	05 points	
	Technical evaluation of the block (s)	25 points	
	Proposed Exploration strategy for the block	10 points	
	Data vintage and quality used for the technical evaluation	10 points	
2	Work programmes and corresponding budgets		50
	Work Programme for the first period (initial period)	25 points	
	Work Programme for the second and third periods	10 points	
	Coherency of proposed Work Programme with the results of the technical evaluation	05 points	
	Consistency of the exploration budgets submitted in support of the proposed Work Programme	2.5 points	
	Technical capability	3.5 points	
	Financial capability	04 points	
3	Profit Oil Splits - State Share Proposed		10
	(Fixed for the interval $R \leq 1.00$; The 4 other R-factor intervals biddable and based on STATE share proposed; a) Bidder with maximum proposal gets the full (2.5); b) Second gets 1.5 points; c) Third gets 1.0 point; d) All others proposals 0.0 points)		
	$1.00 < R \leq 1.50$	2.5 points	
	$1.50 < R \leq 2.00$	2.5 points	
	$2.00 < R \leq 2.50$	2.5 points	
	$R > 2.50$	2.5 points	
	4	Profit Gas Splits - State Share Proposed	
(Fixed for the interval $R \leq 1.00$; The 4 other R-factor intervals biddable and based on STATE share proposed; a) Bidder with maximum proposal gets the full (2.5); b) Second gets 1.5 points; c) Third gets 1.0 point; d) All others proposals 0.0 points)			
$1.00 < R \leq 1.50$		2.5 points	
$1.50 < R \leq 2.00$		2.5 points	
$2.00 < R \leq 2.50$		2.5 points	
$R > 2.50$		2.5 points	
5		State Participation	
	State free-carried in Exploration Phase and enters in the Exploitation Phase via SNH. a) Bidder with maximum proposal gets the full points (5.0); b) Second gets 3.5 points; c) Third gets 2.5 points; d) All others proposals 0.0 point		
	STATE Participation Proposed	05 points	
TOTAL			125

VIII. Submission of proposals - Contacts

The proposals should be submitted in three (3) original copies in separate sealed packages addressed to the SNH Headquarters in Yaoundé, at the following address:

National Hydrocarbons Corporation (SNH)

P.O. Box: 955 Yaoundé - Cameroon

Tel : (+237) 222 20 19 10 / 222 20 98 64

Fax: (+237) 222 20 98 69 / 222 20 46 51

ATTN.: Mr. Adolphe MOUDIKI, Executive General Manager

The sealed packages shall be clearly labelled as: "Proposal for.....Block in Cameroon".

Any enquiries or requests for clarifications on these Terms of Reference should be addressed in writing to SNH at the above address, or by contacting its Adviser N°2, **M. Jean-Jacques KOUM** (jean-jacques.koum@snh.cm) or the Exploration Manager, **M. Serge Edouard ANGOUA BIOUELE** (serge.angoua@snh.cm).

Any enquiries, requests for clarifications or comments on the enhanced exploration data packages should be addressed to CGG, c/o Robertson GeoSpec International Limited, Llandudno, North Wales, LL30 1SA, UK. Please contact via geospec.sales@cgg.com (Attn: Mr. **Phil BAXTER**).

Supplemental information availability

Visit our Website <http://www.snh.cm> for documents related to:

- The Cameroon Model Production Sharing Contract;
- Cameroon Petroleum Code and its enabling act;
- Cameroon Gas Code and its enabling act;
- Cameroon Law on the Development of Associated Gas



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