Ophir Energy plc (“Ophir” or “the Company”) announces that it has completed the acquisition of four deepwater Production Sharing Contracts (“PSCs”) in Indonesia from Niko Resources (“Niko”). This follows the announcement of the agreement to acquire interests in a series of Niko’s deepwater PSCs on 27 October 2014.

The PSCs that have been acquired today are West Papua IV, Aru, Kofiau and Halmahera-Kofiau, all of which will be operated by Ophir. The PSCs are located in two core areas in Eastern Indonesia – West Papua and the Western Birds Head, both of which are highly prospective basins with exposure to a mix of proven and frontier oil and gas plays.

Ophir is also in the process of completing the acquisition from Niko of two additional PSCs – North Makassar Strait and North Ganal; a further update on these will be provided in due course. Ophir has separately decided that it will no longer be proceeding with the acquisition of the Obi PSC.

Nick Cooper, CEO, Ophir Energy, commented:

“The acquisition of these highly prospective deepwater PSCs continues the build-out of our operations in South East Asia. Our new Jakarta office, formerly Salamander’s, will headquarter the operating teams and will be complemented by Ophir’s exploration team. The combination and rationalisation of the former Salamander and Niko operations in Indonesia will provide additional cost synergies to those that we reported as part of the Salamander acquisition.

The addition of these blocks significantly expands Ophir’s exploration portfolio. This new acreage demonstrates the key characteristics of our exploration strategy: (i) low entry costs without drilling commitments, (ii) attractive economics at $50/bbl. These elements support a careful countercyclical investment in exploration at this stage of the commodity cycle. Ophir will now commission 2D and 3D seismic acquisition programme on these blocks as we look to build our prospect inventory for high grading and then drilling in 2016-2017.”

ENDS

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