

GABON SHALLOW WATER

BLOCK F10

INVESTMENT OPPORTUNITY

ADECO Alliance Development Company Limited (ADECO), advised by Simco Energy Management Limited (SIMCO), is seeking technical and financial partners for exploration and development of Block F10, a shallow water offshore block in Gabon, south of the Gamba oil field and surrounding the northern half of the Olowi Marin gas and oil field.

This block covers approximately 1,400 km² in water depths up to 100m and targets Gamba and Dentale sandstones, both of which are proven to be productive in the region.

As project founder, since 2018, Adeco has acquired substantial amounts of legacy seismic and well information from exploration conducted by previous license holders. Adeco has initiated negotiations with the authorities for a Production Sharing Agreement (PSC) over F10 and has already reached an initial understanding on the fiscal terms which would apply once the PSC is signed.

Adeco has set a budget for \$500,000 to acquire additional technical information and conclude their technical studies, reaching a point where a technically a robust project can be presented to industry oil and gas company partners to farm into the project. Additionally, the budget will cover continuing the discussions with the authorities about improving the presently indicated fiscal terms, with the aim to reach a formal memorandum of understanding (MoU).

At this point the project will be offered to industry oil and gas company partners inviting them to join in signing the F10 PSC taking a significant interest and become operator, with the project founders being carried for future work program commitments.

Adeco is now seeking a financing partner, to join as project founder, and to provide the budgeted \$500,000. This financing partner will also have the right of first refusal to be the first farminee, provided they have the appropriate technical expertise and financial capacity.

Location & Geology

Block F10 combines areas formerly known as Iris Marin and Ibekelia permits, covering a strategic area near existing discoveries such as Gamba (Shell, 1968, 230 mmbo), Olowi Marin, (Shell 1975 and Pioneer 2002; ~50 mmbo.). Two other discoveries have been made which lie within the F10 permit area: Maruba Marine -1 & 2, (Elf 1976 & 1981) and BIGORNO MARIN, (4 wells drilled by Shell and Gaborep between 1968-1991).

The primary targets are the pre-salt Gamba and Dentale sands, capped by Ezanga Salt. Seismic suggests that there is excellent structural and stratigraphic trapping potential for these reservoirs.

The Lower Gamba reservoir is well developed, of high quality, and effectively sealed, as indicated by regional well correlations in F10.

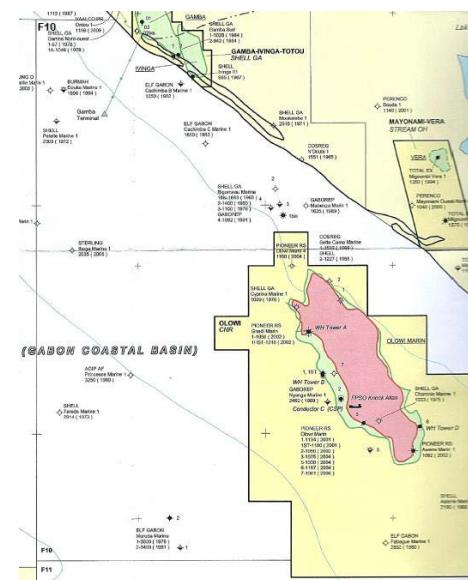


Figure 1: Location of F10 Block

Exploration & Well History

F10 has seen 16 wells drilled between 1968 and 2008; only two were drilled with modern 3D seismic support.

Notable wells with oil discoveries and significant shows include BIM-1 (Shell 1968, oil & gas discovery), MURM-2 (Elf Gabon 1981, oil discovery in Melania), PLM-1 (Shell 1972, oil shows in Dentale), and TDM-1 (Shell 1973, oil shows in Dentale).

Most historical wells were drilled on seismic which was not processed using current migration and depth conversion methods and so failed to properly define subsalt closures. Modern seismic processing should allow remapping that reveals significant undrilled potential that was not previously seen.

	Year	Operator	TD (m)	TD (Fm)	results
BIM-1	1968	Shell Gabon	1683	tbc	oil and gas discovery
BIM-2	1969	Shell Gabon	1400	Neocomian	no shows
BIM-3	1976	Shell Gabon	1100	tbc	oil shows
BIM-4	1991	Gaborep	1092	tbc	oil shows
CCBM-1	1983	Elf Gabon	1250	Cocobeach inferior	no shows
CCCM-1	1983	Elf Gabon	1850	Melania	no shows
DKM-1	1984	Burmah	1696	Melania	Fluorescence
MAZM-1	1969	GaboRep	1625	Gamba	no shows
MURM-1	1976	Elf Gabon	3000	Dentale	oil shows
MURM-2	1981	Elf Gabon	3400	Melania	oil discovery
ND-1	1965	Cosreg	1551	Dentale	no shows
NGTSM-1	1989	Elf Gabon	2330	Dentale	no shows
PLM-1	1972	Shell	2300	Dentale	oil shows
PRCM-1	1990	AGIP	3250	Dentale	no shows
TDM-1	1973	Shell	2914	Dentale	oil shows
Iboga Marin-1	2005	Sterling Energy	2035	Gamba	no shows
Iris Charlie Marine-1	2008	Sterling Energy	1618	tbc	no shows

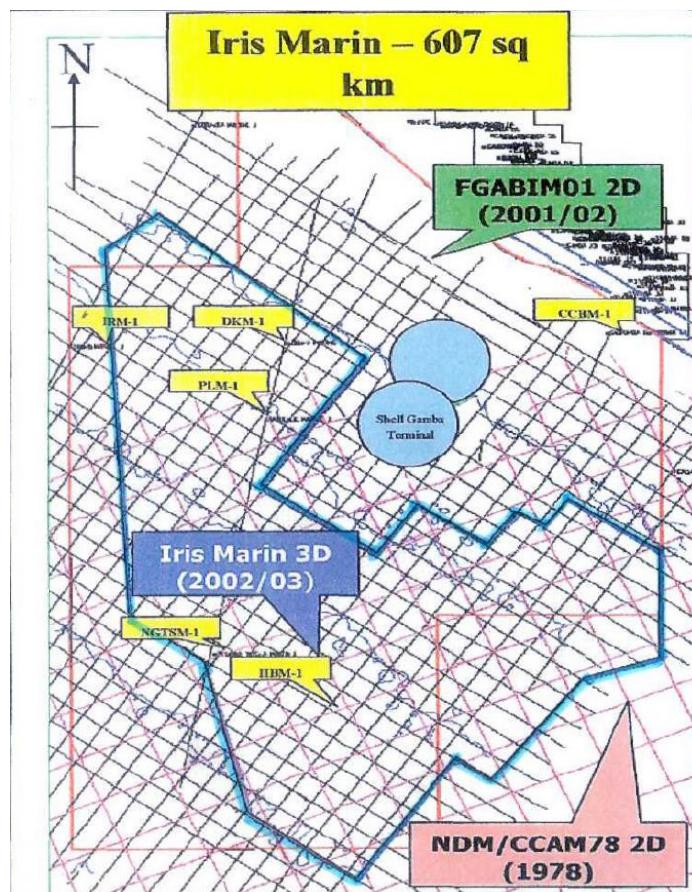
Table 1: Exploration wells in and around Block F10 (Wells in red are within the current Block)

Seismic & Geophysical Data

Data coverage includes:

- Iris Marin 3D (2002/03, ~332 km²), FGABIM01 2D (1334 km, Fusion Oil, 2001/02), NDM/CCAM78 2D (Elf Gabon, 1978)
- The 2017 Spectrum 3D survey (11,400 km²) covers over half of F10, with high-quality pre-stack depth migration (PSDM) delivering clear imaging of subsalt targets.
- The PGS Gabon MegaMerge integrates non-exclusive legacy 3D datasets but typically lacks depth migration – further reprocessing can unlock value in this inshore, coastal, and shallow zone.

- There are inshore gaps in 3D coverage (especially along the coast near the Gamba Field) which could require new acquisition.
- Technical Insights
- Modern PSDM seismic data reveals well-defined Gamba sand and Dentale structures; improved seismic enables accurate mapping of closures missed by legacy data.
- Six leads were previously delineated by Sterling Energy including Lima, Alpha North, Bravo North, Echo, Lima South. Such previous operators' leads apped and unreprocessed seismics need to be re-mapped and reserves estimates made.
- The Oscar Prospect demonstrates strong but depth-conversion sensitive relief; several mapped leads offer analogous potential to regional producing fields (e.g., Dussafu, BW Energy).



IM Seismic Database

Iris Marin 3D (332 sq km) – Fusion Oil

FGABIM01 2D (1334km) – Fusion Oil

NDM/CCAM78 2D – Elf Gabon

IM Well Database

- **IRM-1** (1981, Burmah)
- **DKM-1** (1984, Burmah)
- **CCBM-1** (1982, Elf Gabon)
- **NGTSM-1** (1989, Elf Gabon)
- **PLM-1** (1972, Shell)
- **IIBM-1** (2005, Sterling)

Fiscal & Commercial Terms (2018 Agreed Draft)

- Exploration period: 6 years (2 phases, 4+2 years), 500 km² new 3D seismic and one well in 4 years, minimum spend: \$30mm (seismic \$10mm + well \$20mm)
- Cost recovery: 60% (suggested improvement to 70%), state carried for 20%, the local NOC, GOC, may demand a 15% participation on commercial terms.
- Signature bonus was discussed by Adeco at the time but it has now been eliminated by the newly appointed Minister of Petroleum in 2025. Production bonuses would remain and are negotiable, they may amount to up to \$12mm at higher production thresholds.
- Surface fee: 5,000 FCFA/ha, annual "rent" during production.
- PSC profit split, negotiable: could be for oil <10mm bbl, contractor 43% after royalties and cost recovery; scales down with higher cumulative production.

