

FOR IMMEDIATE RELEASE

WOODFIELDS ENERGY NOT WITHHOLDING PAYMENTS TO TEMA OIL REFINERY (TOR) LTD

Woodfields Energy Resources Limited is an indigenous pioneer Ghanaian petroleum sector player, with over three decades of experience in pursuing a nationally profitable business in Ghana.

Management has taken notice of publications in sections of the media that seek to tarnish the good reputation of the company by suggesting that Woodfields is indebted to Tema Oil Refinery (TOR) to the tune of USD 5m (Five Million United States Dollars) and has refused to make payment thus weakening the financial position of the State institution.

Woodfields and its affiliates have been engaged with TOR over the last three decades within which period it has initiated mutually beneficial ventures, enabling the refinery to increase and improve its facilities. The recent activity being pursued is a processing arrangement that grants Woodfields the right to process a total of eleven million barrels (11m) of light crude oil. This processing arrangement commenced in August 2019 and is still in operation as of March 3, 2021.

It must be mentioned that this is the first time in the recent history of the refinery that it has managed to operate a light crude oil (LCO) processing agreement in a sustained manner over such a long period. This has been achieved by Woodfields who took the sole risk to secure funding and work closely with TOR, both commercially and technically for the successful outcome.

We state emphatically that Woodfields has honoured all its payment obligations for processing fees to TOR and is not indebted to TOR for any processing fee charges.

Woodfields has however observed through our stock accounting records certain shortfalls in our product volumes held in tanks at TOR to the tune of about **USD5.7M** (Five Million and Seven Hundred Thousand United States Dollars).

Per standard practice for processing agreements, we have engaged TOR in a material balance (product reconciliation) to ascertain the shortfall.

We notified TOR in December 2020 of our desire to suspend any payments until after the material balance reconciliation which is presently underway.

However, to demonstrate good faith and in recognition of the reconciliation exercise taking longer than anticipated, we have made payments in excess of One Million United States Dollars (USD1M) to TOR since the commencement of the exercise in January 2021.

We therefore call on the public and well-meaning members of society as well as industry players to completely disregard any publication that seeks to paint a wrong picture as to the nature and style of our company and operations in Ghana.

Woodfields is a credible business with a strong belief in ethics and fairness.

HEAD - LEGAL

