

## PRESS RELEASE

# GOVERNMENT OF THE REPUBLIC OF SOUTH SUDAN COMMENCES INVESTIGATIONS AND PUTS SHIP OWNERS AND POTENTIAL PURCHASERS OF STOLEN CRUDE ON NOTICE

Addis Ababa, January 23, 2012: As all are now aware, over the past week the Republic of Sudan (Sudan) has engaged in a unilateral course of conduct to load onto vessels and divert to domestic refineries enormous volumes of crude oil belonging to the Republic of South Sudan (RSS). This is a serious matter that the RSS Government considers as undermining not just its economic development, but its sovereignty over its natural resources, its rights under international law and national security.

In consultation with the Ministry of Justice, the Ministry of Petroleum and Mining has issued several letters to the oil operating companies –Greater Nile Petroleum Operating Company Limited (GNPOC) and Petrodar Operating Company (PDOC) – instructing them to refrain from taking any voluntary steps, or from voluntarily acquiescing, in loading (or from facilitating in any way the loading) onto any vessel or otherwise from diverting or dealing with any RSS crude oil, except as expressly authorized by RSS in writing. These communications have further called upon the operating companies to act as a reasonable and prudent operator and conduct their own investigations and fully inform the RSS Government of all relevant information surrounding the circumstances of the GoS-instructions to load, transfer and divert RSS oil without its consent as well as any threats of force used by the GoS and/or its national security officers to accomplish these ends.

Given the seriousness of the above developments, the Government of the Republic of South Sudan has directed the Ministry of Justice to take the necessary legal steps to protect the rights and interests of the State over its oil resources. In implementation of this directive, the Ministry of Justice is undertaking the following steps:



## The Republic of South Sudan

- 1. A formal investigation has been initiated by the Ministry. Information is currently being collected independently by RSS and from the relevant companies regarding the circumstances around the concerned acts. The Ministry shall subpoena individuals within its territory who may possess relevant information, and it reserves its right to do so as appropriate.
- 2. Formal letters have been sent to all of the presumed owners of the vessels receiving the GoS-ordered loading of RSS crude oil. To date the vessels identified by the Government of Sudan include: MT Sea Sky, MT El Nouf, and MT Ratna Sharada. The presumed owners now are on notice that they are being treated as trafficking in stolen goods, that they hold RSS' crude oil on trust and that the RSS reserves all of its rights against them.
- 3. Formal letters have also been sent to each of companies who are considered or qualified as approved purchasers of crude oil from the Government of Sudan, notifying them of the stolen goods and warning them that if they purchase or otherwise facilitate the purchase or handling of this RSS crude, they too may be liable to suit by the RSS. To be clear, we are not alleging at this time that any of these companies have purchased crude oil belonging to the RSS. These are precautionary notices.
- 4. A public notice of the GoS confiscation and loadings of the three named vessels was also published in the international newspaper daily, Lloyds List, widely read within the industry –including by shippers and their owners (attached or see <a href="http://www.lloydslist.com/ll/static/classified/">http://www.lloydslist.com/ll/static/classified/</a>). All are now on constructive notice that these Cargoes are marked by RSS as stolen good and those that would deal in these cargoes are vulnerable to suit.

The Ministry of Justice is also pursuing a number of other measures, and over time, as deemed appropriate and prudent, we may inform the public and international oil market of the same

#### NOTICE BY THE REPUBLIC OF SOUTH SUDAN

### Subject:

M/T Sea Sky, Loading 605,784 Dar Blend Crude Oil From Marsa Bashayer 2 Marine Terminal: January 13-14, 2012

M/T Al Nouf, Loading 750,000 +/- 5% Dar Blend Crude Oil From Marsa Bashayer 2 Marine Terminal: January 16-17, 2012

M/T Ratna Shradha Loading 600,000 +/- 5% Nile Blend Crude Oil From Marsa Bashayer 1 Marine Terminal: January 19-20, 2012

We are informed that on January 13-14, 2012, M/T Sea Sky received from Petrodar Operating Company ("PDOC") 605,784 barrels of Dar Blend crude oil belonging to the Republic of South Sudan ("RSS").

We are also informed that on January 16-17, 2012, M/T Al Nouf received from PDOC approx. 750,000 barrels of Dar Blend crude oil belonging to RSS.

We are further informed that on January 19-20, 2012, the M/T Ratna Shradha received (or plans to receive imminently) from Greater Nile Petroleum Operating Company Limited ("GNPOC") approx. 600,000 Nile Blend crude oil belonging to RSS (collectively with the cargoes loaded onto the M/T Sea Sky and the M/T Al Nouf, the "Cargoes").

These Cargoes are the sole absolute property of RSS, which has been unlawfully misappropriated by the Republic of Sudan. RSS has not consented to the loading of these Cagoes onto M/T Sea Sky, M/T Al Nouf or the M/T Ratna Shradha or any onward sale.

RSS has publicly denounced the taking of its oil by the Republic of Sudan and issued written instructions prohibiting these loadings and ordering an investigation of the circumstances.

 $RSS\ expressly\ reserves\ its\ position\ against\ all\ parties\ involved\ in\ the\ shipment\ and\ on\ sale\ of\ these\ Cargoes.$ 

Any purported purchase or on sale of these Cargoes by any party will not pass valid title to such purchaser and said party may be liable to litigation by RSS.