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Orca Energy exits Songo Songo for USD 10

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Orca Energy Group has signed a definitive agreement to sell its entire Tanzanian gas business, including the Songo Songo gas field, to a Tanzanian-led consortium comprising Taifa Gas Tanzania and Amber Energy Investment for a nominal consideration of USD 10. The deal transfers 100% of Orca's operating assets in Tanzania and remains subject to regulatory and shareholder approvals.

The near-zero valuation reflects the distressed nature of the exit. Orca cited significant contingent liabilities and highly uncertain prospects for license renewal as the primary drivers behind the decision to divest at a nominal price rather than pursue continued operations or a conventional sale process. The transaction effectively ends Orca Energy's presence in Tanzania after years of operating the Songo Songo field, which has been a key domestic gas supply asset for the country.

The acquiring consortium is led by Taifa Gas Tanzania, described as one of Tanzania's leading LPG companies, giving the deal a strong local-ownership character. Amber Energy Investment joins as co-buyer. The transfer of a producing gas field to a domestically anchored group aligns with Tanzania's broader push to increase national participation in its upstream and midstream energy sectors, though the contingent liabilities flagged by Orca will now pass to the new owners alongside operational responsibilities.

The Songo Songo gas field has historically supplied gas to industrial users and power generators in Tanzania, making its continued operability a matter of national energy security. How Taifa Gas and Amber Energy intend to manage the field's aging

infrastructure, resolve outstanding liabilities, and navigate the license renewal process with the Tanzanian government will be critical questions in the months ahead. The regulatory approval process will be a key indicator of whether authorities are prepared to back the new ownership structure and provide the licensing certainty that Orca found elusive.

For the broader Tanzanian energy sector, the transaction signals that international independents are reassessing exposure to assets where regulatory risk and legacy liabilities outweigh remaining commercial upside. It also opens the question of whether the new owners will require technical partners or service providers to rehabilitate or maintain production infrastructure at Songo Songo as they establish operational footing.

Why this matters to partners and clients of Saga

This is a signed definitive agreement, not yet a closed or ratified transaction, so the immediate priority for Norwegian service companies is monitoring regulatory approval progress and establishing early contact with Taifa Gas Tanzania and Amber Energy Investment as they prepare to take operational control. If the new owners need to rehabilitate aging field infrastructure or upgrade gas processing and compression equipment at Songo Songo, there will be openings for well services and upstream maintenance providers once the deal closes and the new owners assess their technical requirements. Norwegian firms with East Africa presence should track the license renewal outcome closely, as a confirmed renewal would be the trigger for meaningful commercial engagement.

PARTNER ANGLES

- **Drilling/Well Services:** Taifa Gas and Amber Energy will need experienced well services partners to assess and maintain the Songo Songo well stock once they assume operatorship — early relationship-building ahead of deal close is advisable.
- **Subsea/FPSO:** Monitor whether any offshore infrastructure associated with Songo Songo requires inspection, maintenance or upgrade work under new ownership, as deferred investment under Orca's exit scenario may create service demand.

- **LNG:** Taifa Gas Tanzania's LPG background suggests potential interest in expanding gas monetisation at Songo Songo, which could eventually include gas processing or small-scale LNG — a segment where Norwegian technology providers can position early.
- **Pipeline:** The Songo Songo field relies on onshore pipeline infrastructure for domestic gas delivery; new owners inheriting aging assets may require pipeline integrity assessment and maintenance services.
- **Service:** Contingent liabilities flagged by Orca may include decommissioning or environmental obligations, creating potential demand for specialist technical consultancy and project management services from the incoming ownership group.

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