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Victoria Oil & Gas PLC
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(AIM: VOG)

Victoria Oil & Gas Plc
("VOG" or "the Company")
Gensets Installed and Connected, Cameroon

Highlights

- Commissioning of gas fired electricity generation sets ("Gensets") to replace grid power on 4 customer sites located in Douala, Cameroon
 - Gas supply commenced to 3 electricity Gensets at 3 separate customer sites
 - 3 further units installed and connected at the Guinness Brewery and expected to come online soon following plant tie-in period
- 2 of these customers are existing thermal customers now taking additional gas through their Gensets
 - 3.9 MW of power capacity available with expected gas consumption from all 6 Gensets to be 0.75mmscf/d
- 1 further customer owned Genset connection currently scheduled for connection later this year
- Production update to be made following observation of a period of consumption by all plants

Victoria Oil & Gas Plc, the emerging African energy utility company, today announces that its operating subsidiary, Gaz du Cameroun S.A. ("GDC"), has connected 3 gas fired Gensets at 3 customer sites located in Douala, Cameroon: Camlait (dairy), Icrafton (plastic moldings) and SCTB (flour mill). The remaining 3 Gensets located at the Guinness Brewery are all installed and connected to the GDC gas supply network. The Gensets at the Guinness Brewery are expected to be brought online soon following a production tie-in period. The Company is also currently scheduled to connect a customer-owned Genset which has arrived in Douala at its site later this year.

The combined capacity of the 6 Gensets is 9 MW. Under expected power usage, average gas consumption for these customers is anticipated to be approximately 0.75mmscf/d, with the installations replacing all grid power supply at customer sites. The benefits of GDC Gensets to customers are consistent supply of power with a stable load, hence no outages and consequent downtime costs and material wastage. It also provides a cost saving to that of the grid price.

Until now, the majority of GDC gas supply has been to 'thermal' customers for use in boilers, replacing heavy fuel oil ("HFO"). GDC is seeking to build new lines of business focused on the utilization of gas as a feedstock source for electricity generation. The connection of these first 6 Gensets during May is the first stage in this power expansion.

In addition to growing the on site power business, GDC is also in talks with the Cameroon State power joint venture company: ACTIS Sonel. Currently ACTIS Sonel utilises HFO as a supplement to Cameroon's predominant power source which is hydroelectricity.

A production update will be announced once all Gensets are brought online and an adequate period of consumption has been monitored.

Kevin Foo, Chairman said; "We congratulate GDC Management and its engineers on connecting the first customers with gas for use in electricity generation. The team is doing exceptional work on the ground installing new power equipment into major industrial complexes. We shall update the market as soon as the Guinness Gensets are online."

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