

**(FOR IMMEDIATE RELEASE)**

**October 17, 2011**

**Capital Markets Authority**

**Nairobi Stock Exchange           AND**

**PRESS RELEASE**

**KenolKobil Acquires Terminal in Lubumbashi (DRC)**

KenolKobil Limited has signed an agreement with World Oil Congo SPRL to acquire its 4,000 M<sup>3</sup> Terminal in Lubumbashi, in the Southern Katanga Province of Democratic Republic of Congo (DRC) and by this action, KenolKobil is set to commence its downstream operations in the country. The Terminal is developed on about 2 Acre land complete with a two-storey office block, a fully functional loading system comprising of a pump-house and modern gantry.

The acquisition and the entry into the DRC market demonstrates KenolKobil's determination to live its vision of becoming a major player in the African downstream market.

DRC and Lubumbashi in particular, is an exciting market rich in large scale mining activities that require huge quantities of petroleum products (both Refined and Lubricants). In the recent past Lubumbashi witnessed an increasing demand for petroleum products and KenolKobil will play its part to be a leading provider of petroleum products.

The Lubumbashi market is of strategic importance to KenolKobil Group as it plays a complementary role to its other subsidiaries in Zambia, Mozambique and Tanzania.



From Zambia, the company will use its Lublend Blending Plant to supply lubricants while the fuel products will be supplied from our newly acquired 33,000 M<sup>3</sup> Terminal in Tanzania and our new 21,000 M<sup>3</sup> storage capacity interests in Mozambique.

DRC becomes the ninth KenolKobil subsidiary, joining Uganda, Tanzania, Zambia, Rwanda, Ethiopia, Burundi, Zimbabwe, and Mozambique. The subsidiary will open up the vast DRC market to the Group.

KenolKobil has, for many years, been one of the largest exporters to Eastern DRC. The acquisition of the Terminal in Lubumbashi plays an important role in covering the Katanga Province, Southern Congo Region and will provide a stepping stone for the Company to eventually venture into the bigger Retail and mining markets of DRC.

The acquisition marks a very successful year for KenolKobil in expanding its business in Africa and especially in enhancing its storage capacity.

Early in the year, KenolKobil Group acquired a depot in Bujumbura-Burundi, now under renovation to enhance its storage capacity. Subsequently, a Terminal in Jinja Uganda and three service stations in the city of Kampala were acquired, followed by storage facilities in Dar-es-Salaam and Beira.

In addition, the KenolKobil Group is embarking on the development of a 6,000 M<sup>3</sup> Terminal in Lusaka, Zambia. Put together, this is an increase of about 70,000 M<sup>3</sup> of storage space since the beginning of the year. This makes KenolKobil the leading investor in storage in the region.

KenolKobil will continue to focus on increasing its presence in new markets in Africa to achieve its objective of becoming a Leading Oil Marketing Company in Africa.



**Jacob I. Segman**  
**Chairman & Group Managing Director**