

## RIGHT OF REPLY 2

### PRESS STATEMENT FROM GENERAL HYDROCARBONS LIMITED

# How First Bank's Recklessness Almost Killed 93 Souls on Rig.

It is not our intention to respond to every misinformation or inaccurate information put out by First Bank on the matter with GHL.

We will respond to 3 points for clarity.

#### 1. **Diversion:**

First Bank keeps talking about diversion of funds by GHL without providing any evidence. Here are the facts. As we said before and will repeat now, all GHL contracts and invoices were vetted and paid by FBN through their Credit and Risk teams directly to ALL service providers. FBN's repeated failures to pay on time within the contractual framework of 5 days which became up to 70 days or not at all, in a clear breach of its Tripartite Agreement obligations as captured below:

**“The Bank shall, where GHL has satisfied all conditions precedent to disbursement under the Facility Agreement, disburse all of or part of the Facility Amount to GHL not later than 5 (five) Business Days after GHL makes a utilisation request in accordance with the terms of the Facility Agreement”**

This failure to pay GHL pending request as per above terms led to an international incident on October 7, 2023, when the drilling rig, Blackford Dolphin, ran out of fuel, food, water and other critical supplies with 93 souls on board, and the Rig was on the verge of declaring MAYDAY.

The Managing Director and Executive Director of FBN were abroad and the current Managing Director, Olusegun Alebiousu, who was then the Chief Risk Officer (CRO), was acting for the Managing Director and GHL brought this matter to his urgent attention. He then worked the phone, calling Suppliers and Service Providers one after the other and promised payment within a 3 days. Based on FBN's assurances, the Service Providers made emergency supplies, but the payment never came.

To ensure safety of life and continuing security at 75KM Offshore Nigeria, GHL had to enter an Irrevocable Third-Party Payment Order with one of the Offtakers to pay the suppliers directly, which stabilised the operation. FBN was later given evidence of the payments made.

That is what FBN calls Diversion.

We will meet FBN in court with Daily Reports and log details to debunk this continuing misinformation of diversion.

GHL acted to save 93 souls, most of them foreign nationals, who had begun contacting their embassies and home governments, and to save Nigeria from an international incident offshore Nigeria.

We are ready, willing and able to present the body of evidence to any court, including the continuing non-payment to Century FPSO and other service providers by FBN despite repeated demands in line with signed agreements.

Indeed, we had to cough out our own cash as reflected in our audited financial statements to keep the project afloat or go to court to seek protective reliefs.

2. On abusing the Court process and failure to comply with a valid court order, FBN claimed they went to court on a different matter with regards to the Facility Agreement. But Justice Ambrose L. Allagoa, had given his judgement after hearing both sides on the Facility Agreement, amongst other issues on December 12, 2024. "That an order is granted, restraining the Respondent (FBN) either by itself, or acting through its servants, agents, assigns, privies, affiliates howsoever described, including any persons claiming under its authority from making any calls or demands, or taking any steps whatsoever to enforce any security, receivables, instrument, finance documents or assets of the Applicant (GHL) which have been charged as security for the facility agreements in respect of the Applicant's operation of OML 120, including but not limited to the side letter, and the amended and restated agreements between the Applicant and the Respondent pending the hearing and determination of the arbitration proceedings between the Applicant and the Respondent brought pursuant to Clause 12(c) of the Agreement between the Applicant and the Respondent dated 29th May 2021."

FBN then went to Justice D Dipeolu of the same Federal High Court on December 30, 2024, with same lawyers, without disclosing this relevant judgment to the Learned Justice, to obtain a Mareva injunction Exparte freezing order against GHL and individual directors who never signed personal guarantees and thus not personally liable. Is this how a 130-year old blue chip financial institution committed to good governance and rule of law, should behave? Why the hurry to score cheap points to use on social media?

If FBN was so sure of its facts why not put GHL on notice? Why an Exparte?

We leave this to the Justices of the Federal High Court to decide on this matter and we will not make any further comment to avoid being subjudice.

3. Contrary to FBN's claims, it sought to appoint an Independent Asset Manager to promote corporate governance. What it sought to do was to appoint a company that it can fire at any time to "take over GHL's business, offices and operations within 90 days" of further disbursement. GHL refused and counter-offered a Joint Operating Committee with FBN and they refused, resulting in current impasse which they weaponised and made a public spectacle with their publication of their Exparte Mareva Freezing Orders. GHL had to stand its ground against such bullying.

This 2nd Right of Reply has become necessary, again, in view of FBN's continued misstatement but they have failed to debunk or deny the foundational material facts and seeking to eating their cake and having it. Luckily, FBN has not denied the Subrogation MOU and the benefits it got upfront from GHL's intervention. They should meet their obligations and all will be well.

Thank you.

MANAGEMENT