

Namibia: Africa's new oil frontier

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Namibia is one of the world's most significant oil frontiers, with estimated offshore reserves of 20 billion barrels and a remarkable success rate, similar to the scale of discoveries that have transformed [Guyana's oil resources](#) in the last decade.

And, while Guyana's reserves are spread across 30 discoveries, Namibia's are – so far – concentrated in just three major finds.

The Big Three

- Galp Energia's Mopane field accounts for an [estimated](#) 10 billion barrels
- TotalEnergies' Venus-1X discovery, [accounting](#) for approx **5.1 billion barrels**. TotalEnergies [recently revealed](#) its Venus project will likely generate subsea contracts worth more than US\$2.5 billion, and remains [on track](#) for a final investment decision (FID) in 2026, with new data confirming better density and permeability compared to surrounding blocks
- Shell's Graff-1X and Jonker-1X, [holding](#) **5 billion** combined

The scale of these finds has the potential to position Namibia as one of the world's top 10 oil producers by 2035.

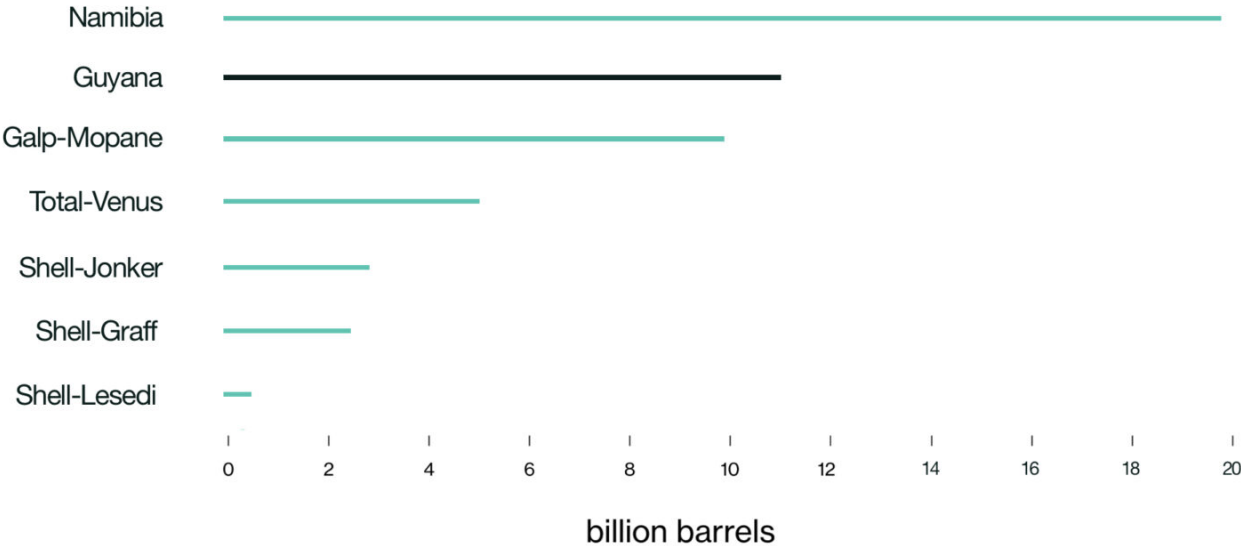
To put into perspective, in the chart below, Guyana's estimated reserves are from [30 oil discoveries](#) – all exceeded by just three major discoveries in Namibia.

Oil Supermajors lead, but Juniors have room to run

While major oil companies like Total, Chevron and Exxon dominate the landscape, nimble junior companies, like **Supernova Metals**, are carving out meaningful positions, offering investors upside in a basin attracting the biggest names in oil.

Size of oil discoveries in Namibia vs Guyana

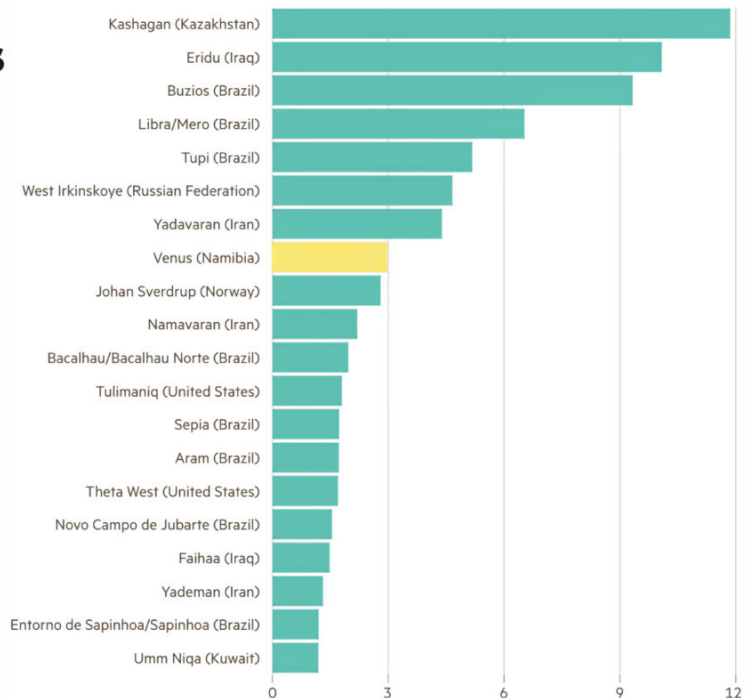
● estimated recoverable resources of oil-equivalent barrels



Source: EIA, Namcor citing, WoodMac, Galp, Bloomberg

TotalEnergies' Venus oil discovery in Namibia is the world's eighth-largest this century

Top 20 liquid discoveries since 2000 (bn barrels)



Source: Wood Mackenzie, Financial Times

“Oil and gas production in Namibia is no longer a myth that we have been preaching for the past 30 years since we started exploration” – Maggy Shino, Namibia Petroleum Commissioner, who has [confirmed](#) Namibia plans at least two Final Investment Decisions in the next two years

However, there are also significant challenges to developing the region.

Namibia's oil exploration

Offshore exploration in Namibia started in the 1970s when Chevron [discovered](#) the Kudu gas field in shallow water. This discovery was never developed (until recently by [BW Energy](#) setting up a gas-to-electricity project). and, for several decades, there was limited interest from major international oil companies in exploring the country's oil and gas potential.

Everything changed with the announcement of major discoveries in

2022 by Shell with its [Graff discovery](#), and TotalEnergies with the [Venus-1 discovery](#), which is Africa's largest ever Sub-Saharan oil find and TotalEnergies largest discovery in approximately 20 years.

Over the past two and half years, exploration activity in the region accelerated dramatically.

One of the next most significant finds was in April 2024 at Portugal's Galp Energia's Mopane field, with an [estimated](#) 10 billion barrels of oil equivalent. Galp are now [drilling](#) their sixth well, after five back-to-back successful discoveries.

For Namibia, these discoveries could potentially [triple the size of the country's economy](#) and it is keen to fast-track developments as fast as possible.

Global oil market

Despite recent falls in the price of oil and ongoing narrative of the energy transition away from fossil fuels, global oil demand is only expected to increase, just as supply threatens to tighten due to [underinvestment](#) across the industry.

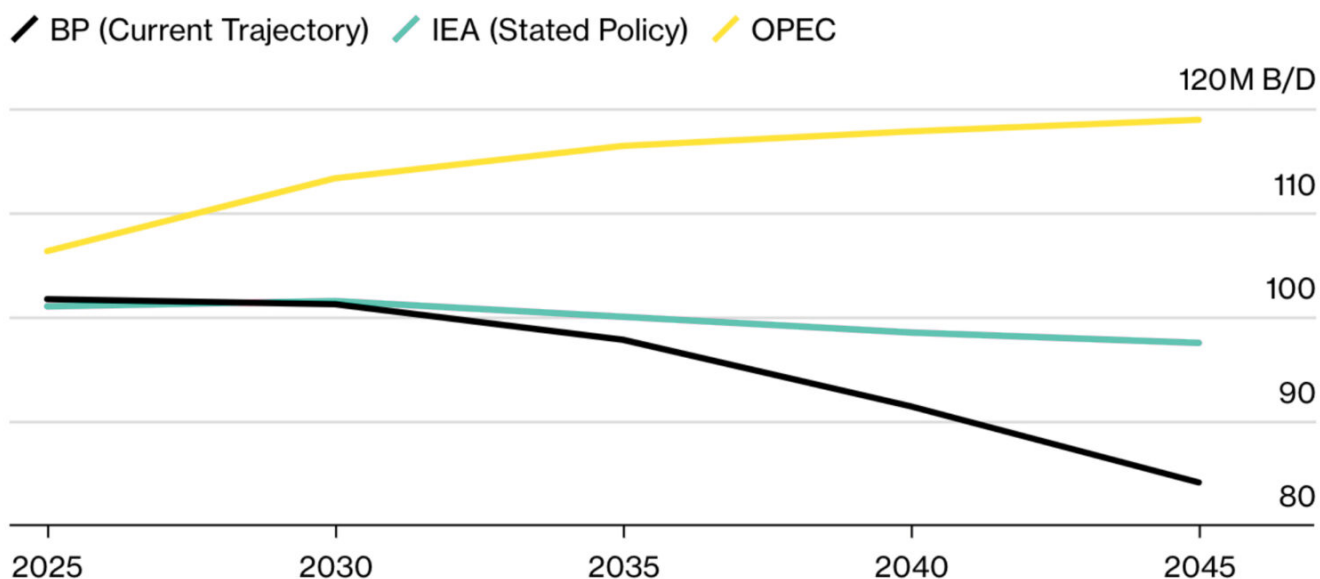
Even the head of the International Energy Agency (IEA), which [called](#) for no new oil and gas projects to reach net-zero by 2050, now [warns](#) that upstream investment is essential for global energy security.

"There is a need for oil and gas upstream investments, full stop" – Fatih Birol, Executive Director, CERWeek 2025, Houston

The IEA's March 2025 Monthly Oil Market Report [forecasts](#) more than 1 million barrels per day (b/d) demand growth in 2025, accelerating from 830,000 b/d growth in 2024.

Forecasts on oil demand growth vary significantly, but we err on the side of OPEC which recently [boosted](#) their long-term demand outlook. For example, if you look at coal demand which continues to grow, it's unlikely oil will do otherwise, even as other sources of energy supply come online. In short, the world still runs on oil.

Oil demand forecasts



Source: Source: BP, IEA, OPEC, Bloomberg

Technical challenges in deepwater development

As with all deepwater projects, developing Namibia's new oil discoveries presents challenges.

Drilling at depths beyond 2,000 metres, with reservoir depths of 6000 metres, often hundreds of kilometres offshore, involves significant technical and logistical complexity – and high costs.

Some fields also contain high levels of associated natural gas. While valuable, this gas requires infrastructure, such as gas re-injection, gas-to-power facilities or floating liquefied natural gas (LNG) export terminals) – all of which extend development timelines and capital requirements. Our understanding is that there are ongoing discussion with Namibia’s government on plans to monetize gas production as gas-to-electricity and floating LNG infrastructure and markets is developed.

Not all exploration has been successful, and in January 2025, Chevron [announced](#) a dry hole and Shell [wrote down](#) US\$400 million on its PEL39 discovery due to technical and geological difficulties, including high natural gas content (as reported by Reuters).

Despite this, exploration success rates in the basin remain among the highest globally. Shell, in its [statement](#) on the PEL39 write down, noted “the extensive data collected shows that there remain opportunities” and that exploration [continues](#) ongoing analysis data from the nine wells drilled so far at PEL 39 “to explore potential commercial pathways to development, while actively looking for further exploration opportunities in Namibia.”

Technical challenges are, of course, to be expected and, so far, neither Galp Energia nor Total Energies have reported similar problems with their discoveries as they continue to advance development.

Opportunities and strategic positioning in a high-potential basin

Investment and exploration continue across the basin, with

drilling activity in Namibia is set to ramp up in 2025, including:

- Galp (GALP.LS) has [proven](#) more oil at its Mopane well, drilling sixth well after five successful strikes
- TotalEnergies (LON: TTE) [drilling](#) Marula-1X near Venus
- Rhino Resources [announced](#) a hydrocarbon discovery at Sagittarius 1-X well at the PEL85 license, and have commenced drilling a second well
- BW Energy [plans](#) to drill at the Kharas prospect within the Kudu license
- QatarEnergy partnered across multiple blocks in Namibia's Orange Basin with TotalEnergies, Shell and Chevron, and [working](#) to expand its interests
- Chevron (NYSE: CVX) [acquired](#) another block, PEL 82 in the Walvis Basin, in 2024
- ExxonMobil (NYSE: XOM) expanding footprint with one [licence](#) in Walvis Basin and reportedly looking to expand into the Orange Basin
- Shell may [drill](#) in an ultra-deepwater block near the maritime boundary with Namibia
- Supernova (CSE: SUPR | FSE: A1S) [announced](#) the acquisition of an 8.75% indirect interest in Block 2712A offshore Orange Basin, Namibia in January 2025
- Sintana Energy (TSXV: SEI) has minority indirect interests in several blocks with operators including Galp, Chevron, and Pan Continental

Why Namibia

Obviously, oil is the primary investment driver, however Namibia offers a variety of other opportunities to investors, including:

- Namibia [ranks](#) low (59/180) on the Corruption Index, and is a geopolitically stable jurisdiction with assets offshore
- regional experience with deepwater FPSO development (nearby in Angola and Nigeria)
- TotalEnergies [aims](#) for production costs at its Venus discovery to be under US\$20 per barrel
- demand for natural gas from the basin to power electricity across Namibia and South Africa is [expected](#) to increase significantly, with floating LNG is also being considered

The primary activity and acquisitions among the oil majors remain concentrated in the Orange Basin. For investors seeking for exposure, the number of juniors competing for premium acreage is limited among a concentrated range of oil blocks, in what is one of the world's most active exploration hotspots – raising the possibility of a bidding war by super majors like ExxonMobil, Shell, TotalEnergies and Chevron.

Among the few juniors positioned for meaningful upside:

[Sintana Energy Inc.](#) (TSXV: SEI | OTCQB: SEUSF) (MCAP ~\$250M) is a public oil and natural gas exploration company with strategic exposure in Namibia's Orange Basin through minority indirect interests, including:

- 4.9% stake in PEL 83 operated by Galp
- 4.9% interest in PEL 90 operated by Chevron
- 7.35% interest PEL 87 operated by Pan Continental
- 5% carried interest in PEL 82 in the Walvis Basin, operated by Chevron
- 49% interest in Giraffe Energy, which owns a 33% stake in PEL 79

Sintana has a diversified portfolio with exposure to world class

discoveries with significant exploration upside.

[Supernova Metals Corp.](#) (CSE: SUPR | FSE: A1S) offers compelling exposure to Namibia's offshore Orange Basin at a compelling valuation (15.77MMCAP) holding:

- 8.75% indirect working interest in Block 2712A by way of its 12.5% ownership interest in Westoil Ltd, which in turn owns a 70% direct interest in license. Supernova's partner in 2712A is Petrovena Energy.
- Block 2712A is a substantial 5,484 km² area situated in the heart of the Orange Basin and adjacent to licenses held by Pan Continental and Chevron in PEL 90

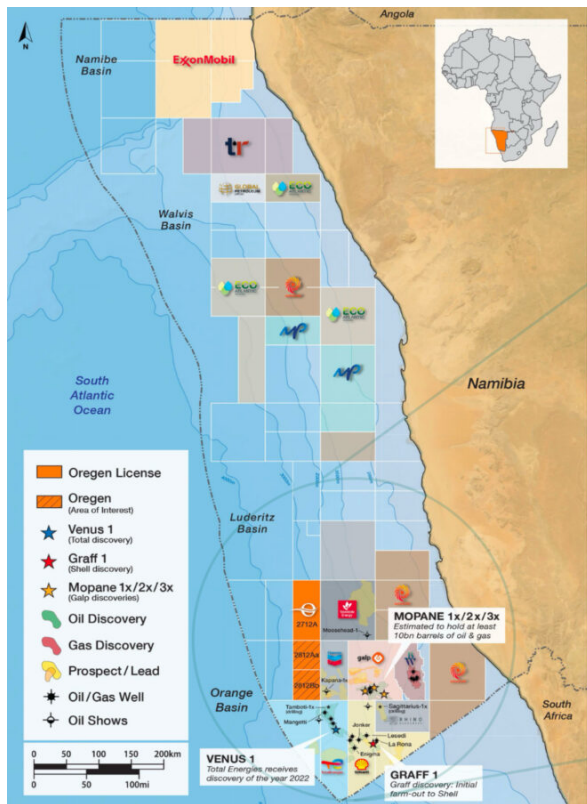
Supernova is looking to increase their ownership in Block 2712A to a majority position and operatorship as well as advance other opportunities across the Orange Basin and the evolving Walvis Basin. By acquiring large initial working interests in offshore blocks it allows for potentially large cash payments when farm-outs are completed.

Supernova is actively advancing its understanding of Block 2712A through an initial work program that includes the purchase and interpretation of existing 2D seismic data, with plans to acquire new infill 2D and 3D seismic data. The exploration and discovery timeline is accelerated with the company hoping to conduct a data room and open farm-in offers in mid 2026.

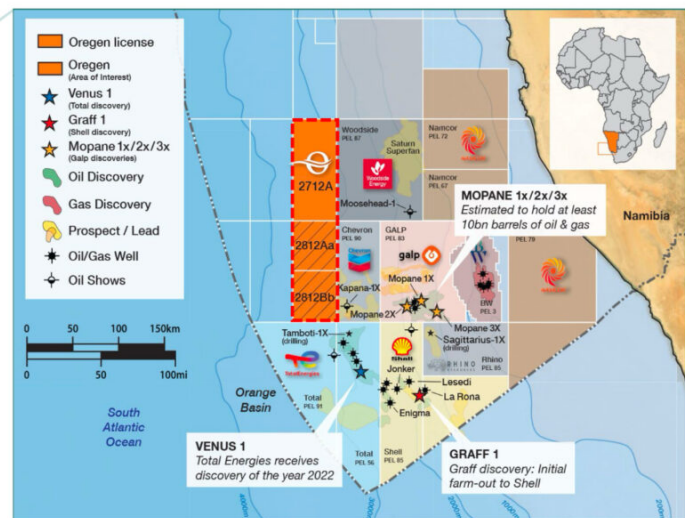
The company's business model is to acquire large working interests in deepwater blocks in the Orange Basin and Walvis Basin, acquire seismic data, then reach an farm-out agreement with a super major that could include large cash consideration and carried interest in future wells.

Supernova offers a low cost entry into a public listed company

with significant exposure and upside potential to the prolific Orange Basin offshore Namibia.



Namibia's northern Orange Basin activity and history



Source: Supernova Metals

The company recently welcomed seasoned industry veterans such as Adrian Goodisman and Tim O’Hanlon, Mr Goodisman is a petroleum engineer with over 35 years of investment banking experience in the oil and gas sector, including the Managing Director of Scotia Bank based in Houston. Mr O’Hanlon boasts extensive experience in African oil and gas exploration and production, including a long tenure and co-Founder of Tullow Oil.

Together, Supernova’s technical team, asset quality and business model, present an early-stage oil opportunity.

Conclusion

Overall, Namibia has 230,000 sq km of licenced acreage – Norway, in comparison, has less than 100,00 sq km. And, the region remains massively under-explored, with only tens of deepwater wells compared to thousands in offshore regions such as the

North Sea and Gulf of Mexico.

“We can expect further exploration success and resource upgrades. So far, Namibia is in on trend with results achieved from other frontier deepwater hotspots like Guyana, Suriname and Senegal” – Ian Thom, [Research Director for Sub-Saharan Africa Upstream, Wood Mackenzie](#)

Recent offshore oil findings and reserves are projected to elevate Namibia into the ranks of the world’s leading oil producers by 2035, with additional commercial potential yet to be explored.

The next 12-24 months will be critical for Namibia’s oil aspirations, with TotalEnergies’ final investment decision in 2026 likely to set the tone for the broader development of the basin. Meanwhile, drilling and exploration across the Orange Basin continue at pace.

Namibia’s offshore oil discoveries represent one of Africa’s most significant energy opportunities of the decade. Those companies and investors who can identify the right opportunities early and successfully navigate the technical complexities, stand to gain from what could become one of the continent’s most important new oil provinces, echoing the transformative discoveries experienced by Guyana over the past decade.