



September 1st, 2022

IKAV acquires Aera Energy from Shell and ExxonMobil

IKAV, the international asset management group, has agreed to acquire 100% membership interest in Aera Energy LLC (“Aera”), through two separate transactions with the joint venture subsidiaries of ExxonMobil and Shell respectively. The transactions are subject to regulatory approval.

Aera is one of California’s largest oil and gas producers, accounting for nearly 25% of the state’s production. Formed in June 1997 and headquartered in Bakersfield, California, in 2021 Aera produced approximately 95,000 barrels of crude oil equivalent per day. With operations centered in the San Joaquin Valley, most of Aera’s oil production originates from Kern County.

Aera will remain as the operator, and IKAV’s investment in Aera underlines that conventional energy will continue to play an essential role in California’s energy supply during the state’s transition to renewable sources. IKAV is committed to driving forward Aera’s strategy to produce safe, responsible and affordable energy for all of California as well as to help achieve the statewide carbon neutrality goals. As such, IKAV’s strategy supports reducing emissions in conventional energy production , as well as the energy needed to power those operations, (Scope1 and 2) toward being carbon neutral within the next decades. IKAV plans to achieve this goal by committing significant investments to build a diversified renewable energy portfolio on site, including wind, solar (some supplemented with batteries), concentrated solar power (CSP) as well as carbon capture and storage. Initially, the renewable assets will exclusively serve the energy demands of the oil production facility but over time it will be able to feed power directly into the California grid.

Constantin von Wasserschleben, chairman of IKAV, comments: “In addition to our long-term goal and commitment to renewable energy, we recognize the continued need for oil and gas and for these assets to be operated safely and responsibly to facilitate a smooth and sustainable transformation of our energy supply. We advocate a co-existence between renewable and conventional energy for decades to come. Aera fits our philosophy, and we are excited to be working with its exceptional team, who share our culture and long-term ambitions. Together, we have the expertise required to find innovative solutions to meet California’s energy demand as well as its future climate goals.”

IKAV has an established track record in owning and operating US-based energy assets. In 2019, IKAV acquired BP’s San Juan gas assets, which are in Colorado and New Mexico and comprise over 650,000 acres, producing around 600 mmcf/d. Led by Bobby Saadati, the US team has offices in Durango, Colorado and Houston, Texas.

IKAV's origins are in renewable energy and it applies a long-term buy & hold strategy to develop, construct, monitor and manage solar, wind, energy efficiency, (CSP) concentrated solar power and geothermal projects.

Citigroup, Wells Fargo Securities and Truist Securities acted as lead financial advisor. Haynes & Boone, LLP acted as legal advisor to IKAV.

Further information:

press@ikav.com

Patrick Evans / Will Easton, Citigate Dewe Rogerson

Patrick.evans@citigatedewerogerson.com / will.easton@citigatedewerogerson.com

About IKAV

IKAV is an international asset management group headquartered in Germany, with local offices in Luxembourg, Italy, Spain, Portugal, USA and France. The group was established in 2010. It provides institutional investors with investment solutions spanning a broad range of infrastructure energy assets, including solar, concentrated solar power, wind, energy efficiency, geothermal, thermal power plants & upstream. IKAV is a buy & hold investor with a vertically integrated business model to optimize its investment portfolio and to make its assets in line with the global net zero strategy over the upcoming decades. For more information, please visit ikav.com.

About Aera Energy LLC

Aera Energy is a California company and a long-time leader in the energy industry accounting for nearly 25 percent of the state's oil production. Formed in 1997, it is headquartered in Bakersfield and known for excellent safety and environmental performance, innovative business practices, application of cutting-edge technology, a dynamic company culture and being a valued community partner. With operations centered in the San Joaquin Valley, much of Aera's oil production comes from Kern County. Aera also has active oil field operations in Ventura, Monterey and Fresno counties.