



# Oil and Gas Corporation of Newfoundland and Labrador

Strategic Plan 2026-28

March 2026

## Message from the Board of Directors

Honourable Lloyd Parrott  
Minister of Energy and Mines  
Government of Newfoundland and Labrador  
P.O. Box 8700  
St. John's, NL  
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Dear Minister Parrott:

On behalf of the Board of Directors, I am pleased to provide the Strategic Plan for the Oil and Gas Corporation of Newfoundland and Labrador (OilCo or the Corporation) for the 2026-28 planning period. This plan, prepared in accordance with the requirements of the **Transparency and Accountability Act**, under which OilCo is classified as a Category 1 entity, sets out how OilCo will advance the Government of Newfoundland and Labrador's (Government) strategic directions for the offshore throughout the planning period.

Offshore oil and gas development has long been a cornerstone of Newfoundland and Labrador's prosperity, contributing substantially to Government revenues, employment, and the economic well-being of communities throughout the province. The industry has driven technological innovation, supported local supply chains, and created skills development opportunities that benefit our workforce across many sectors.

Our offshore has significant growth potential. With world-class geology and undeveloped reserves, the province is well-positioned to attract responsible investment and drive long-term value. To realize this potential, OilCo will lead with strategic vision and decisive action to attract investment to our offshore for the benefit of all Newfoundlanders and Labradorians.

As the Board of Directors of OilCo, we are accountable for preparing this Strategic Plan and achieving the specific goals and objectives for the three-year planning period.



Dr. Charles Randell  
Chair, Board of Directors  
Oil and Gas Corporation of Newfoundland and Labrador

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## OVERVIEW

Established in 2019 by the **Oil and Gas Corporation Act**, the Oil and Gas Corporation of Newfoundland and Labrador (OilCo or the Corporation) is wholly owned by the Government of Newfoundland and Labrador (Government) and leads oil and gas activities in Newfoundland and Labrador's offshore area. OilCo is a Category 1 public body under the **Transparency and Accountability Act**.

OilCo is responsible for advancing Newfoundland and Labrador's offshore oil and gas potential through exploration, development, and strategic investment.

The Corporation leads the exploration of the province's frontier slope and deepwater basins. By leveraging strategic investments in data analysis and acquisition, OilCo highlights the potential of undiscovered oil and gas resources.

In addition to its exploration pursuits, on behalf of Government, OilCo manages Nalcor Energy-Oil and Gas's (Nalcor-Oil and Gas) equity ownership in three producing offshore oil projects: (1) Hibernia Southern Extension; (2) Hebron; and (3) White Rose Extension project. OilCo is also authorized to participate in future projects by acquiring equity at the development and production stages.

OilCo is also responsible for managing its subsidiary, Bull Arm Fabrication Inc. (BAF), a key industrial asset supporting large-scale marine and energy projects.

The Corporation advances exploration and development through targeted geoscience, disciplined stewardship of equity interests, and strategic use of the Bull Arm Fabrication Site.

### Mandate

OilCo is responsible for maximizing growth opportunities in the province's offshore oil and gas industry. OilCo's mandate is to invest in, engage in, and carry out the following activities in the province and elsewhere, in accordance with the priorities of Government, including:

- a) exploring for, developing, producing, refining, marketing, and transporting hydrocarbons and products from hydrocarbons, and
- b) research and development.

OilCo has operational autonomy; however, the Corporation receives financial and other shared services support from core Government, intended to create savings and a more efficient public sector. The Corporation also relies on Government for human resources services.

## **Vision**

A prosperous future full of economic opportunity for generations of Newfoundlanders and Labradorians.

## **Lines of Business**

OilCo's operations focus on three key strategic areas that drive value for Newfoundland and Labrador: Exploration; Development and Production; and Facilities Management - Bull Arm Fabrication. Learn more about OilCo and its business operations at [www.oilconl.com](http://www.oilconl.com).

### **Exploration**

OilCo's strategy is to drive investment decisions through leading geoscience that lowers investment risk and enhances the likelihood of commercial exploration success. By focusing on targeted data acquisition and interpretation, the Corporation positions the province as a competitive jurisdiction for global exploration capital. This strategy results in mutual success and greater shareholder value for Government and the province.

### **Development and Production**

OilCo manages Government equity interests in three producing oil and gas assets under a Management Services Agreement (MSA) with Nalcor-Oil and Gas. These include an 8.7 per cent working interest in the Hibernia Southern Extension, a 4.9 per cent working interest in Hebron, and a 5.0 per cent working interest in the White Rose Extension project. OilCo provides oversight and strategic advice to ensure these assets deliver long-term benefits aligned with Government priorities. OilCo may acquire equity in future projects on behalf of Government at the development and production stage of a project.

## **Facilities Management – Bull Arm Fabrication**

OilCo operates the Bull Arm Fabrication Site (BAF Site or Site), a deep-water industrial facility supporting offshore development, marine fabrication, and emerging opportunities in the energy and defence sectors. As defined by the current lease boundaries, the Site is Atlantic Canada's largest fabrication site. It spans over 25 km<sup>2</sup> with 20,600 m<sup>2</sup> enclosed fabrication facilities and marine infrastructure, a 140,000 m<sup>2</sup> marine facility with numerous buildings, quays, and laydown areas, and a deep-water site that has collectively been an important industrial asset for economic activity.

## **Primary Clients**

OilCo works with a variety of clients, including:

- Federal, provincial, and municipal public bodies (departments, corporations, and agencies)
- Joint venture partners in producing projects
- Exploration and development companies
- Regulators and industry associations
- Academic, business, and community organizations
- Industrial contractors and service providers

## **Staff and Location**

OilCo and BAF had 19 staff at the end of 2025, with all staff based at OilCo's head office in St. John's. The gender composition of OilCo's employee group at the end of 2025 was 53 per cent female and 47 per cent male.

The OilCo team has extensive experience in engineering, geoscience, investment attraction, and business aspects of the oil and gas industry. In 2025, the team consisted of Geologists, Geophysicists, Engineers, Technologists, Accountants, IT Specialists, Communications, and Corporate Service professionals.

## Financial Information

OilCo's revenue is primarily from Government contributions and a management fee charged to Nalcor-Oil and Gas for managing Government's offshore equity interests that are held by Nalcor-Oil and Gas. Dividends from the equity interests are retained by Nalcor-Oil and Gas.

In 2025, OilCo had revenues from continuing operations of \$13.1 million (M). The majority of OilCo's revenues were generated from Government contributions (\$6.4M), a management fee charged to Nalcor-Oil and Gas (\$4.2M), and lease revenue from Bull Arm Fabrication Inc. (\$2.2M).

Approximately 42 per cent of OilCo's expenditures from continuing operations relate to operating costs, which are comprised primarily of salaries and wages (\$2.4M), utilities (\$0.8M), professional services (\$1.5M), and software maintenance (\$1.7M).

## STRATEGIC ISSUES, GOALS, AND INDICATORS

Over the next three years, OilCo's strategic priorities will focus on the following three themes:

### **Issue 1: Advancing Offshore Exploration Readiness and Investment Competitiveness**

OilCo will strengthen the province's offshore readiness by deepening geoscience knowledge and providing clear, reliable information that helps attract and support exploration and investment in offshore Newfoundland and Labrador.

### **Issue 2: Maximizing Value of Offshore Equity Interests through Prudent Stewardship**

OilCo will advance Newfoundland and Labrador's offshore resources by carefully stewarding Government's equity interests and turning opportunity into long-term value through strong oversight, smart investment decisions, and a commitment to responsible growth.

### **Issue 3: Positioning the Bull Arm Fabrication Site as a Competitive and Strategic Industrial Asset**

OilCo will create new opportunities at the Bull Arm Fabrication Site by positioning and promoting the Site as a competitive, strategic industrial asset.

The issues reflect OilCo Board priorities and support Government's strategic directions for the offshore.



### **Issue 1: Advancing Offshore Exploration Readiness and Investment Competitiveness**

Offshore Newfoundland and Labrador remains one of the world's most prospective frontier petroleum regions; however, global competition for exploration capital has intensified due to shifting investor expectations, heightened capital discipline, and changes in global energy policies. Although recent land sales have attracted limited bids, this reflects global investment dynamics rather than any decline in the province's underlying resource potential. These conditions underscore the importance of ensuring that Newfoundland and Labrador continues to be competitive as exploration cycles and new investment windows emerge.

To remain well positioned, OilCo must continue to advance evidence-based, investment-grade geoscience that equips companies with the information needed to make informed decisions. Access to modern datasets and high-quality interpretation is increasingly critical in an environment where operators prioritize opportunities that demonstrate both geological potential and clarity throughout the exploration-to-development lifecycle. As the Crown entity responsible for advancing offshore oil and gas interests, OilCo plays a critical role in strengthening exploration readiness by maturing geoscience data, deepening basin understanding, and maintaining engagement with global exploration companies. With exploration activity currently subdued, sustained geoscience advancement preserves future optionality, informs licensing decisions, and ensures that Newfoundland and Labrador remains visible in a highly competitive international landscape.

Addressing this issue over the 2026-2028 period will require focused data acquisition, interpretation, and targeted outreach designed to showcase the Province’s offshore prospectivity and support Government’s long-term resource development and economic priorities.

<b>Issue 1: Advancing Offshore Exploration Readiness and Investment Competitiveness</b>	
<b>Goal</b> By December 31, 2028, OilCo will have strengthened Newfoundland and Labrador’s offshore exploration readiness by advancing geoscience knowledge and investment-facing interpretative information to support informed licensing decisions and sustained interest.	
<b>Indicators</b>	<ul style="list-style-type: none"> <li>• Updated geoscience assessments completed for advancing prioritized offshore basins and play fairways.</li> <li>• Made geoscience datasets and interpretive products available to support offshore licensing and promotion activities.</li> <li>• Targeted engagement with national and international exploration companies.</li> </ul>
<b>Objective</b> By December 31, 2026, OilCo will have advanced the interpretation and organization of offshore geoscience data to improve understanding of resource potential in priority frontier areas.	
<b>Indicators</b>	<ul style="list-style-type: none"> <li>• Completed interpretive geoscience studies focused on priority frontier areas.</li> <li>• Maintained and updated the internal inventory of leads and prospects supported by modern datasets.</li> <li>• Prepared geoscience materials for licensing, policy, and investor discussions.</li> </ul>
<b>2027 Objective</b> By December 31, 2027, OilCo will have enhanced the investment readiness of offshore Newfoundland and Labrador by advancing prospectivity assessments and supporting exploration initiatives.	

**2028 Objective**

By December 31, 2028, OilCo will have supported sustained offshore exploration interest by providing timely geoscience insight and investment-focused analysis to inform licensing, policy, and strategic decision-making.



## **Issue 2: Maximizing Value of Offshore Equity Interests through Prudent Stewardship**

Newfoundland and Labrador’s offshore oil and gas sector continues to contribute meaningful long-term value to the province through its producing assets and portfolio of future development opportunities. While several fields are maturing, disciplined investment, operational excellence, and effective strategic planning create ongoing opportunities to extend field life, unlock incremental resources, and sustain benefits for the province. These opportunities require thoughtful oversight and analysis to optimize both near-term performance and longer-term strategic potential.

As the steward of Government’s equity interests, OilCo provides essential oversight of ongoing development and production activities, ensuring decisions are aligned with Government priorities and based on sound technical and commercial analysis. Producing assets represent a solid foundation, but evolving market factors – including commodity price volatility, cost pressures, and increasing expectations around governance and environmental performance – create a need for rigorous evaluation and well-informed investment decisions. Newfoundland and Labrador’s established regulatory framework and experienced offshore operators continue to support confidence in the long-term viability of projects.

Maximizing the value of Government’s equity interests requires continuous monitoring of technical and financial performance, early identification of risks, and close engagement with joint venture partners to advance work programs and optimize development opportunities. Through continued analysis, targeted participation in project governance, and strong advice to

Government, OilCo helps ensure the province’s offshore portfolio remains resilient and competitive.

Over the 2026–2028 planning period, OilCo will support the advancement of sanctioned developments, assess future equity opportunities, and contribute to decisions that strengthen Newfoundland and Labrador’s role in the global offshore sector, consistent with the Government’s broader energy and economic objectives.

<b>Issue 2: Maximizing Value of Offshore Equity Interests through Prudent Stewardship</b>	
<b>Goal</b> By December 31, 2028, OilCo will have worked to maximize the value of Government’s equity interests in offshore assets through rigorous project oversight and strategic investment management.	
<b>Indicators</b>	<ul style="list-style-type: none"> <li>• Actively participated in joint venture governance, technical, and advisory committees for equity held projects.</li> <li>• Provided timely analysis and advice to Government on performance, risks, and opportunities.</li> <li>• Ensured that equity considerations are reflected in approved work plans and key decision points.</li> </ul>
<b>Objective</b> By December 31, 2026, OilCo will have supported effective oversight of existing offshore equity interests by strengthening project monitoring, analysis, and engagement with joint venture partners, and will have commenced evaluation of potential equity opportunities in offshore Newfoundland and Labrador.	
<b>Indicators</b>	<ul style="list-style-type: none"> <li>• Participated in joint venture decision-making processes in accordance with agreements and governance frameworks.</li> <li>• Provided Government with equity performance assessments covering production, costs, capital activities, and value optimization opportunities.</li> <li>• Provided timely input and advice to Government on development and operations matters.</li> </ul>
<b>2027 Objective</b> By December 31, 2027, OilCo will have continued evaluating potential equity opportunities and supporting strategic decisions related to offshore development and investment.	

**2028 Objective**

By December 31, 2028, OilCo will have supported the advancement and optimization of offshore development activities through sustained engagement with partners and informed oversight of Government's equity interests.



### **Issue 3: Positioning the Bull Arm Fabrication Site as a Competitive and Strategic Industrial Asset**

The BAF Site is a significant provincial industrial asset capable of supporting offshore oil and gas development, marine and industrial fabrication, defence-related activities, and other large-scale infrastructure and construction projects. Its deep-water access, extensive laydown capacity, and fabrication infrastructure position the Site to compete for a wide range of marine and industrial opportunities. Aligning infrastructure priorities with market opportunities and strengthening visibility with potential proponents will be important to ensure the Site remains competitive and able to meet evolving industrial demands.

OilCo plays a key role in supporting BAF's strategic positioning by promoting the Site to relevant industries, maintaining engagement with potential proponents, and providing timely advice to Government on opportunities aligned with their priorities.

Over 2026-2028 planning period, OilCo will focus on enhancing the Site's investment readiness through targeted updates to Site information, assessment of infrastructure requirements, and active outreach to domestic and international stakeholders. These efforts will help ensure that the BAF Site remains a significant industrial facility that contributes to Newfoundland and Labrador's long-term economic resilience and growth.

### Issue 3: Positioning the Bull Arm Fabrication Site as a Competitive and Strategic Industrial Asset

#### Goal

By December 31, 2028, OilCo will have enhanced the BAF Site’s readiness and strategic positioning to support investment attraction and industrial activity.

#### Indicators

- Engaged with potential proponents, industry partners, and government stakeholders regarding Site opportunities.
- Made current Site profiles, technical information, and promotional materials available to support investment and project discussions.
- Promoted the Site to stakeholders for relevant national and provincial industrial, infrastructure, or economic development initiatives.

#### Objective

By December 31, 2026, OilCo will have advanced the investment readiness of the BAF Site by updating Site information, identifying infrastructure upgrade requirements, and supporting early-stage engagement with potential users.

#### Indicators

- Updated and/or completed investment-facing profiles and technical summaries of the Site.
- Assessed and prioritized required Site infrastructure repairs and maintenance aligned with priority initiatives.
- Engaged industry, government, and other stakeholders to explore potential uses and opportunities.

#### 2027 Objective

By December 31, 2027, OilCo will have supported the promotion of the BAF Site for suitable industrial, fabrication, and defence opportunities aligned with national and provincial priorities, and will have commenced key infrastructure upgrades to maintain site readiness and competitiveness for large-scale fabrication projects.

#### 2028 Objective

By December 31, 2028, OilCo will have supported Government decision-making through strategic analysis and advice on opportunities to advance the utilization and long-term value of the BAF Site, and on the successful management of current and future lease(s).