Call for Expressions of Interest
for a Liquefied Natural Gas Import Project in Côte d’Ivoire

This document has been prepared by PETROCI HOLDING (“PETROCI”) pursuant to the decision of its Board of Directors that authorized the installation and exploitation of a Floating Storage Regasification Unit (FSRU), dated May 30th, 2012. To the maximum extent permitted by law, PETROCI, together with its affiliates and their respective officers, directors, employees and agents, disclaims any liability (including without limitation, any liability arising from fault or negligence) for any loss arising from any use of this document or its contents by a third party or otherwise arising in connection with this document.

March 5, 2013
PETROCI HOLDING
Abidjan, Côte d’Ivoire
A) OBJECTIVE

Société Nationale d’Opérations Pétrolières, PETROCI Holding ("PETROCI"), the state owned company responsible for the supply of oil and natural gas in Côte d’Ivoire, is seeking qualified applicants to supply Liquefied Natural Gas ("LNG") to an LNG Floatting Storage Regasification Unit ("FSRU") in Côte d’Ivoire ("Project"). The Project will consist of:

1. The procurement and operation of an FSRU vessel starting in 2015 for a period of 20 years or more;
2. The supply of LNG to FSRU;
3. Financing of LNG.

Expressions of Interest ("EOI") are he asked from firms, joint ventures or consortia to provide item 2 and 3 above as required for the Project.

The bidder should join in a LNG Trading non-incorporated Joint Venture which members will be:

- PETROCI International SA a trading company, an affiliate of PETROCI Holding registered in Geneva Switzerland with 40% of the share.
- The 60% remaining to be dedicated to the bidder.

The bidder in any case should demonstrate that he holds a good experience in both Commodity financing (price risk coverage) and in commodity physical trading (LNG volume Risk coverage).

The non-incorporated joint venture will be structured as follows:
PETROCI intends to develop a list of qualified bidders based on the responses to this Call for EOI. Only the listed bidders will receive the subsequent Invitation to Bid. It is anticipated that the Invitation to Bid will be issued during the second quarter 2013.

B) SERVICES AND INFRASTRUCTURES

PETROCI has mandated SAIPEM SpA ("Terminal Owner") to construct, own, operate and maintain the FSRU under a Lease and Operate Contract.

Terminal Owner will be responsible for:

- Engineering, Procurement and Construction of an FSRU and Berth for the receiving, unloading, storage and regasification of LNG (including all related marine facilities and port services such as tugs). The FSRU will be designed and constructed to internationally recognized and proven codes, standards and guidelines.
- Owning, operating and maintaining the FSRU. The FSRU will be operated and maintained to internationally recognized and proven codes, standards and guidelines.
- Receiving, unloading, storing and re-gasifying the LNG on a tolling basis for delivery to PETROCI at the high pressure outlet flange of the FSRU.

C) OBJECTIVE OF THIS CALL FOR EXPRESSION

The objective of this call for expression of interest is to identify companies which could provide the GoCI through the state-owned national hydrocarbon company PETROCI Holding, the following energy supply and/or financing:

1. With respect to Physical supply (the “Supply”)
   - Delivery of Liquefied Natural Gas (“LNG”);
   - Supply requirement are estimated to amount at a minimum of 37 BCF/Year over a time horizon of 10 years renewable.

2. With respect to financing (the “Financing”)
   - Structure and provide an import financing facility backed by the LNG supply & sale contract.

D) NATURAL GAS DEMAND FOR COTE D’IVOIRE

The existing market of natural gas in Côte d’Ivoire is made up of 4 categories of buyers presented below:

- **LION GPL** is a natural gas processing unit with a capacity of 80 MMSCFD, owned by the consortium of owners of the block CI-11. The mission of this company is the extraction of Liquefied Petroleum Gas (LPG - butane and propane) effluent from the blocks CI-11, CI-26, and CI-40. At the end of this process, about 8 to 10% of raw natural gas is converted to LPG representing about 6 MMSCFD.
Since 2001, PETROCI owns a distribution network of natural gas dedicated to industries installed in the Abidjan area.

Société Ivoirienne de Raffinage (SIR) ensures the crude oil refining in Côte d’Ivoire.

The electricity sector of Côte d’Ivoire also uses natural gas for the electricity production of thermal power plants.

**Figure 1: National demand of natural gas per sector**

<table>
<thead>
<tr>
<th>Year</th>
<th>LION GPL</th>
<th>PETROCI</th>
<th>SIR</th>
<th>SECTEUR ELEC.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6,00</td>
<td>5,00</td>
<td>30,00</td>
<td>163,20</td>
</tr>
<tr>
<td>2008</td>
<td>6,00</td>
<td>5,00</td>
<td>30,00</td>
<td>163,20</td>
</tr>
<tr>
<td>2009</td>
<td>6,00</td>
<td>5,00</td>
<td>30,00</td>
<td>163,20</td>
</tr>
<tr>
<td>2010</td>
<td>6,00</td>
<td>5,00</td>
<td>30,00</td>
<td>208,20</td>
</tr>
<tr>
<td>2011</td>
<td>6,00</td>
<td>5,00</td>
<td>30,00</td>
<td>208,20</td>
</tr>
<tr>
<td>2012*</td>
<td>6,00</td>
<td>10</td>
<td>30,00</td>
<td>215,20</td>
</tr>
</tbody>
</table>

Source: PETROCI

**Figure 2: Unmet demand of Natural Gas**

<table>
<thead>
<tr>
<th>Year</th>
<th>LION GPL</th>
<th>PETROCI</th>
<th>SIR</th>
<th>SECTEUR ELEC.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>0,99</td>
<td>2,19</td>
<td>17,54</td>
<td>37,70</td>
</tr>
<tr>
<td>2008</td>
<td>0,41</td>
<td>1,79</td>
<td>9,85</td>
<td>40,45</td>
</tr>
<tr>
<td>2009</td>
<td>0,46</td>
<td>1,82</td>
<td>6,54</td>
<td>44,90</td>
</tr>
<tr>
<td>2010</td>
<td>2,20</td>
<td>1,89</td>
<td>12,66</td>
<td>71,19</td>
</tr>
<tr>
<td>2011</td>
<td>2,54</td>
<td>2,24</td>
<td>18,32</td>
<td>68,13</td>
</tr>
<tr>
<td>2012*</td>
<td>2,29</td>
<td>7,65</td>
<td>19,44</td>
<td>69,92</td>
</tr>
</tbody>
</table>

Source: PETROCI

**E) LONG TERM SUPPLY DEMAND ANALYSIS 2012-2034**

**Figure 3: Long-term demand of natural gas 2012-2034**

Source: PETROCI
By 2034, the cumulated demand of natural gas in Côte d'Ivoire is estimated at 9.8 TCF. The remaining proven reserves of 1.6 TCF account for 16% of this demand which implies a deficit of around 8.2 TCF or 84% of the demand between 2012 and 2034.

This forecasted demand will come from six (6) sectors of activity presented below:

- Mining of iron and nickel in Western Côte d’Ivoire with 5 TCF, representing 51% of the future domestic market.
- The electricity sector with 3.6 TCF or 37% of demand would be the second largest consumer of natural gas.
- The industrial (manufacturers) and transportation sector with needs estimated at 0.9 TCF representing 9% of demand.
- LPG production with 0.2 TCF representing 2% of demand. This activity will reduce imports of butane and therefore improve the country’s trade balance and contribute to a more effective fight against deforestation, as charcoal is currently an important source of energy for the population.
- Last, the needs of the upstream oil production for secondary recovery of crude oil.

F) SAIPEM FEASIBILITY STUDY REPORT

Pursuant to its Agreement with PETROCI, SAIPEM Spa undertook a feasibility study (“Feasibility study Report”) to assess the Project. The Feasibility study Report provides a review of the LNG market, potential LNG terminal business structures, the gas market in Côte d’Ivoire and the technical and cost aspects of an LNG Import Terminal in Côte d’Ivoire.

The Feasibility study report including conceptual design and cost has been prepared by experienced industry consultant on both the LNG terminal and the required marine
facilities. Following a detailed site and technology investigations, PETROCI has decided the following:

1. Technology of choice is offshore FSRU because of its advantageous timing and capital cost to market as compared to conventional onshore technology.

2. Site of choice is Grand Bassam, at 12 km from shore and the water depth is in the range of 50 m.

Applicable sections of Feasibility study Report will be made available to those parties that are short-listed by PETROCI for further discussions.

a) Location

After investigating several potential sites along the coast of Côte d’Ivoire, PETROCI has determined that offshore Grand Bassam is the preferred option for siting an LNG FSRU (“FSRU Site”).

The FSRU will be located 12km offshore and the mooring system will be arranged with, mooring lines and anchors, flexible riser and umbilical, PLET and sea line up to delivery point.

The map below shows the location of the FSRU

Source: Feasibility Study Report PETROCI-SAIPEM

b) Mooring system and anchor design

The metocean conditions typical of Guinea Gulf have been considered for this project.

The FSRU mooring has been selected considering that year-round the weather conditions are appropriate for this type of operation (i.e.: existing operating FPSO on blocks CI-26 and CI-40).
c) FSRU functional requirements

- Period of service

The FSRU equipment and systems will be designed for a minimum of 20 years.

During this time, the FSRU will be permanently moored and hence there is no allowance for dry-dockings for maintenance purposes.

- Installation site and mooring

The FSRU will be moored permanently to seabed at the installation site. It is assumed that pread mooring will be applied, but the final choice of mooring system will be made after the FEED study.

- LNG loading

The LNG will be supplied by traditional ocean going LNG carriers.

The LNG carriers delivering LNG to the FSRU will be moored alongside the FSRU (side-by-side), and the FSRU will be equipped so as to enable the LNG carrier to moor alongside the FSRU and discharge the LNG from the LNG carrier manifolds. The design will account for LNG carriers with a storage capacity in the range of 125,000-136,000 m$^3$, and maximum loading rate shall be 10,000 m$^3$/h.

The FSRU LNG storage capacity will be 125,000 m$^3$

LNG vaporization at regasification capacity of up to 3.5 MMt/y of LNG equivalent.

d) Project Schedule

- Front End Engineering & Design (“FEED”): Q1-Q2 2013
- The LNG suppliers will be selected by Q3 2013
- Commissioning of the FSRU: Q1 2015

e) LNG composition

Table 1: LNG composition

<table>
<thead>
<tr>
<th>Mole %</th>
<th>Liquid Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>CH$_4$</td>
<td></td>
</tr>
<tr>
<td>C$_2$H$_6$</td>
<td></td>
</tr>
<tr>
<td>C$_3$H$_8$</td>
<td></td>
</tr>
<tr>
<td>i-C$<em>4$H$</em>{10}$</td>
<td></td>
</tr>
<tr>
<td>n-C$<em>4$H$</em>{10}$</td>
<td></td>
</tr>
<tr>
<td>i-C$<em>5$H$</em>{10}$</td>
<td></td>
</tr>
<tr>
<td>n-C$<em>5$H$</em>{10}$</td>
<td></td>
</tr>
<tr>
<td>n-C$<em>6$H$</em>{12}$</td>
<td></td>
</tr>
<tr>
<td>N2</td>
<td></td>
</tr>
</tbody>
</table>
PETROCI invites the potential LNG suppliers to provide the composition of the LNG they intend to supply.

G) LNG PRICE FORMULA

The pricing systems in the future LNG contracts will follow the current world trend and be a market indexed pricing system as used in the US and in the UK

**SHIPPING TERM:** Delivered ex-ship (DES) basis, where the buyer takes ownership of the LNG at the receiving port (FRSU). The seller is responsible for LNG delivery, and the contracted sales price includes insurance and transportation costs:

The caped pricing formula will consist of the following three components:

- **Floor Price:** \( FP (\$/MMBTU) = 2 + \text{Premium 1} \)
- **Ceiling Price:** \( CP (\$/MMBTU) = 5 + \text{Premium 3} \)

The DES price of the LNG will be as follows:

\[
\text{LNG-DES-PRICE (\$/MMBTU)} = FP \leq HH + \text{Premium 2} \leq CP
\]

Where,

- **HH**: the Henry Hub gas price as published in Platt’s

- **Premium 1, 2 and 3**: are the LNG price component the bidder is invited to submit.

However, we remain flexible to look at any other LNG price formula provided it is connected to the US market (Henry Hub) whether it is a capped formula, S curve type, etc...

H) PROFILE OF LNG SUPPLY

PETROCI expects that an interested firm, joint venture or consortium will be able to exhibit:

- **LNG Experience** - The firm, joint venture or consortium must demonstrate established and credible prior experiences in the LNG industry and in the applicable parts of the LNG supply chain.

- **Financial Strength** - The firm, joint venture or consortium must have the financial strength and ability to execute and deliver on the Project and provide the proposed services.

H) SUBMISSION OF EXPRESSION OF INTEREST

Interested firms, joint ventures and consortia are requested to submit (in French or English) their EOI which includes all of the following information and documents, together with any other details, catalogues and brochures, in a sealed envelope no later than 17:00 hours (Abidjan time) by **May 30th, 2013**: 

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1. A Letter of Interest (see format attached).

2. Executive Summary.
It should include a brief description of the interested firm, joint venture or consortium and (where appropriate) of each member in the joint venture or consortium containing details such as:

- Ownership structure
- Write up on business history and growth
- Business area
- Financial details

3. General and Legal information on the interested firm, joint venture or consortium and (where appropriate) on each member of the joint venture or consortium, which information should include the following:

- Name of the entity, registered office address and evidence of registration as provided for in legislation of country of registration, telephone number, facsimile number, email address and website (if the entity is a subsidiary company, the above mentioned details of the parent company should also be furnished)
- Name, address, contact number and email address of the authorized contact person for the firm, joint venture or consortium.
- A consortium need not be constituted by any formal agreement or through any vehicle/company for the purposes of filing EOIs at this stage.

4. Details of experience executing work in the LNG industry similar to the applicable services described in “Description of Services” in Section B above (and proposed to be provided by the firm, joint venture or consortium), including a brief description of the work and location. By way of example, project brochures and marketing material would provide appropriate details.

5. Most recent published annual report and audited financial statements for the last three years.

6. In case of a joint venture or consortium, the roles and responsibilities of the joint venture partners or consortium members shall be stated.

If a joint venture or consortium wishes to submit an EOI, the joint venture or consortium must provide the information above with respect to each member of the joint venture or consortium and identify the proposed division of responsibility and equity interest among the parties to the joint venture or consortium. Each entity will be allowed to participate in only one EOI, whether individually or as part of a joint venture or consortium. Each firm, joint venture and consortium will be responsible for any costs and expenses incurred by it in the preparation and submission of, and in connection with its EOI.

7. PETROCI invites the potential LNG suppliers to provide the composition of the LNG they intend to supply.

Communications and the submission of the EOI should be addressed to:
I) OPENING AND EVALUATION OF EOI

PETROCI will open the EOI on the same time and date specified in the Letter of Invitation. The opening of documents shall not be a public opening.

Based on the documents submitted and the criteria mentioned herein, PETROCI and/or its Consultant will carry out an evaluation of the EOIs. PETROCI reserves the right for it or its Consultant to directly request clarifications from any firm, joint venture and consortium that has submitted an EOI at any time during the evaluation process. The interested firm, joint venture and consortium (including the partners and members thereof) should respond to any request for such information within a reasonable period.

PETROCI reserves the right, at its sole discretion, to accept or reject, in whole or in part, any firm, joint venture or consortium submitting an EOI, or any document submitted along with an EOI. PETROCI will be under no obligation whatsoever to provide reasons for such acceptance or rejection. PETROCI reserves the right to amend, modify, revise or supplement all or any part of this invitation for EOIs and to terminate or cancel this invitation for EOIs at any time, without any obligation whatsoever to notify any and/or all applicants, in a manner or without any liability to any person. The sole purpose of this Call for Expressions of Interest is to provide background information on the proposed Project and it should not be used for any other purpose. PETROCI makes no representations or warranties as to any information set forth in this invitation. No person shall be entitled to rely on any information provided by PETROCI in connection with this invitation for EOIs and each person shall be obligated to conduct its own investigation with respect to the Project at its sole cost and expenses and without having any right to claim for any reimbursable in kind or in nature.
Format of Letter of Interest for Submission of EOIs

(On Firm/Joint Venture/Consortium letterhead)

DATE,

Attn.: Commision d’Attribution des Marchés
PETROCI
Immeuble les Hévéas - 14 Bd. Carde - Plateau,
BP V 194 Abidjan Côte d'Ivoire
Telephone: +225 45 00 00 00
Telecopy: +225 20 21 68 24

Ref.:

Subject: Expression of Interest for FSRU LNG Import Project

Dear Sir:

With reference to your letter, reference No:____ dated ___ and Call for Expression of Interest (EOI) Document, we hereby submit our EOI for the tolling LNG Import Project:

We are submitting this EOI on our own.

Or

We are submitting the EOI as Lead Partner of a Consortium consisting of the following:

Company / Firm Name
1. xxxx
2. xxxx

The following items are attached herewith:

• Executive Summary
• General Information
• Details of Experience (if a joint venture or consortium, with respect to each member of the joint venture or consortium)
• Annual Reports / Audited Financial Statements for the last three years (if a joint venture or consortium, with respect to each member of the joint venture or consortium)
• PETROCI invites the potential LNG suppliers to provide the composition of the LNG they intend to supply

The LNG Supplier hereby certifies the following:

• That it has submitted only one response to the EOI, whether individually or as part of a joint venture or consortium.
• That it will be responsible for any costs and expenses it incurred in the preparation and submission of, and in connection with its EOI.
• That it understands and accepts that PETROCI reserves the right to reject any or all of the responses submitted without giving any reasons.
We acknowledge and understand that in the event that the PETROCI discovers anything contrary to our above declarations, PETROCI has the right to disqualify us at any stage of the process. Kindly let us know if any further information/clarification is required. We look forward to inclusion in the next phase of the process.

Thank you.
Sincerely,
Signature
Name
Designation
Firm/Joint Venture/Consortium Name

Attachments: as above.