

MAYER • BROWN

An Exporter's Perspective

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8TH ANNUAL

**Global Energy
Conference**

THE WORLD TURNED
UPSIDE DOWN

May 2013

Who is Pangea LNG?

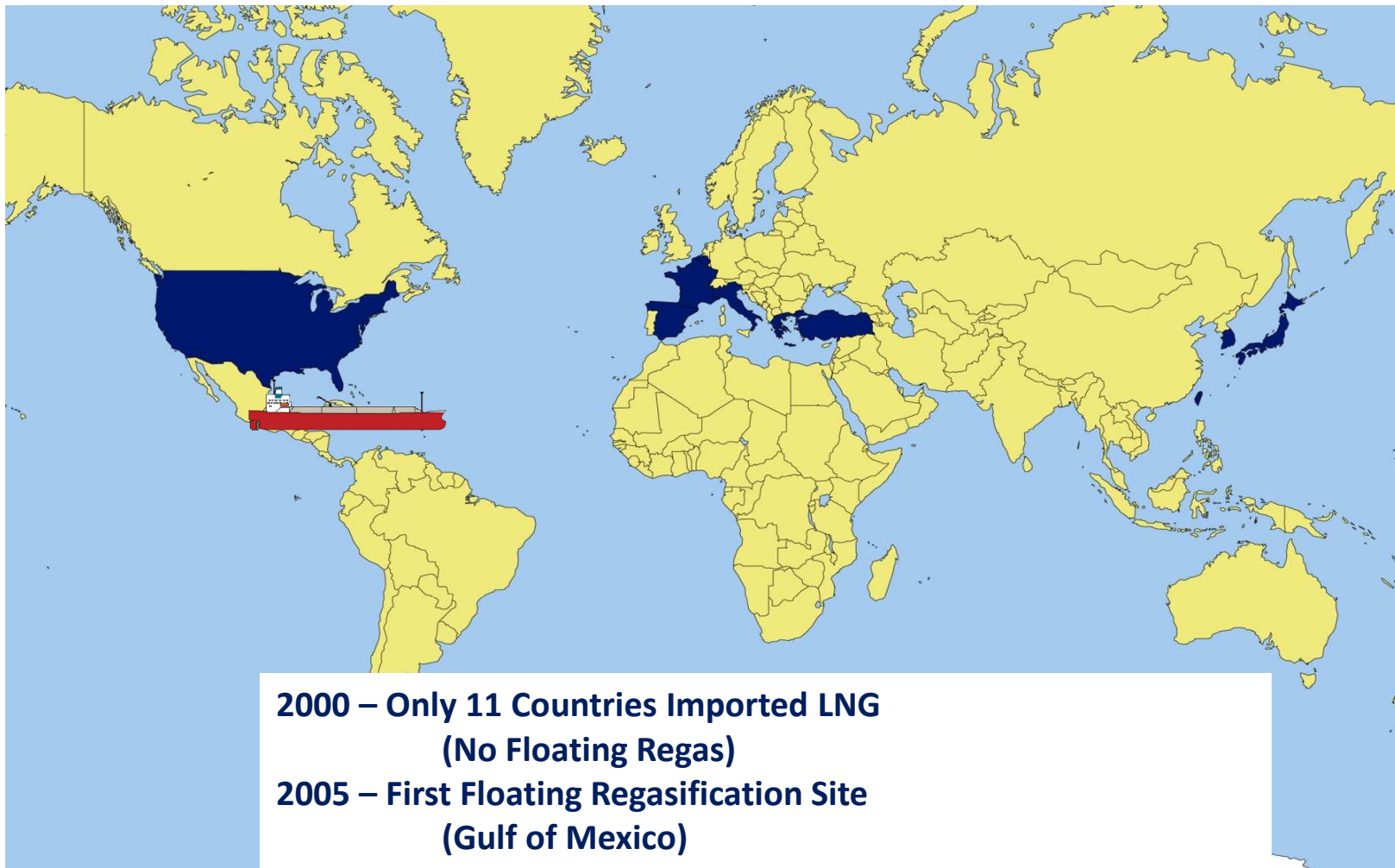
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- ❖ A developer of on-shore, off-shore and hybrid LNG liquefaction projects
 - Pangea brings together a team that was responsible for generating the innovations that are at the foundation of the floating LNG (FLNG) sector
- ❖ Shareholders
 - DSME, South Korea (Daewoo Shipbuilding and Marine Engineering)
 - D&H Solutions AS – Norwegian company developing stranded natural gas reserves worldwide
 - NextDecade International – An energy project development and management company; includes a team with decades of experience in LNG
- ❖ Active projects
 - Eastern Mediterranean – Tamar Field, Off-shore FLNG
 - North America – South Texas, San Patricio County
 - East Africa – Off-shore Floating LNG



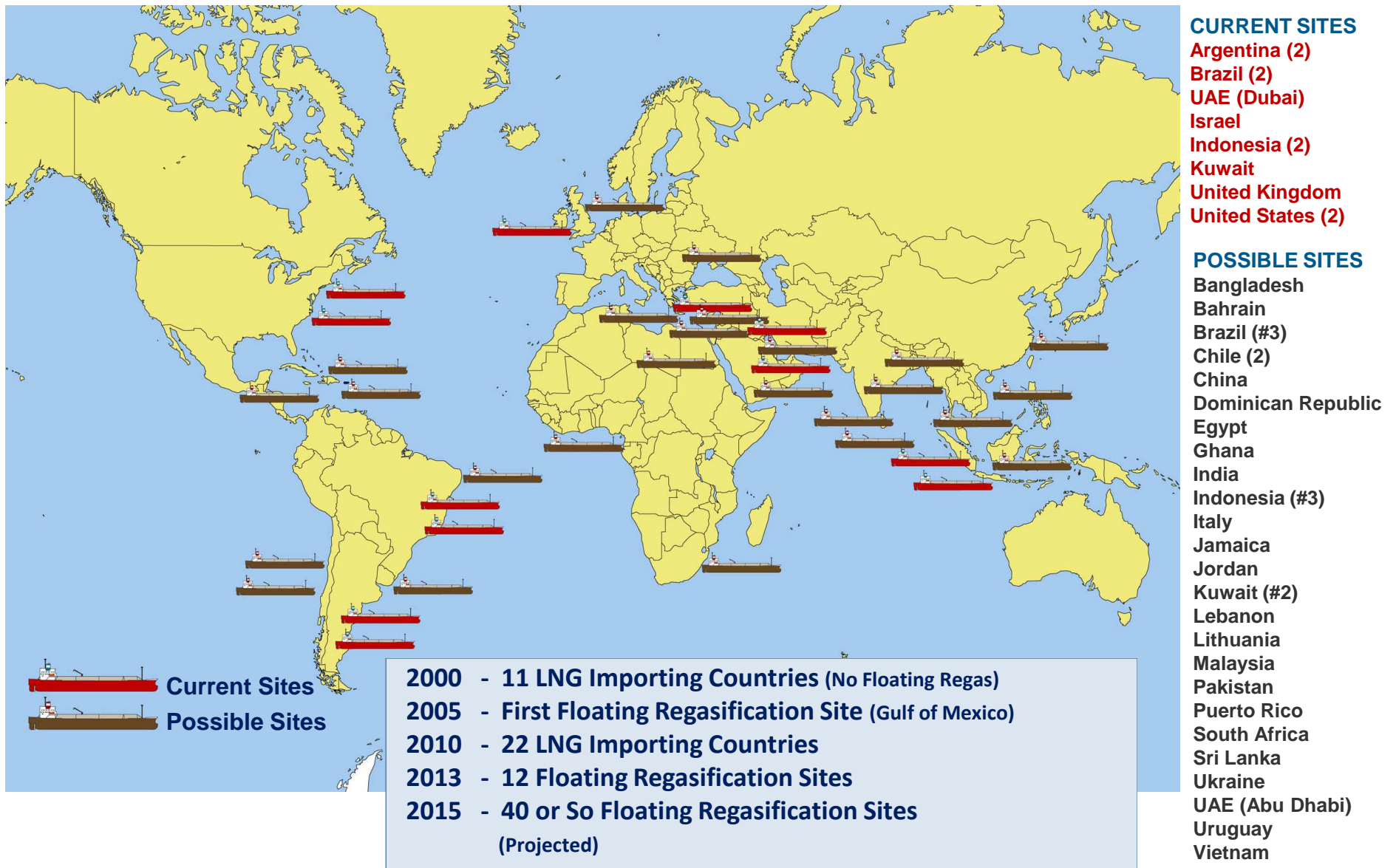
A Precedent...The Past Decade

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Belgium
France
Greece
Italy
Japan
Puerto Rico
South Korea
Spain
Taiwan
Turkey
United States

History of Floating Regasification



Floating Regasification Solutions

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Offshore



Near Shore

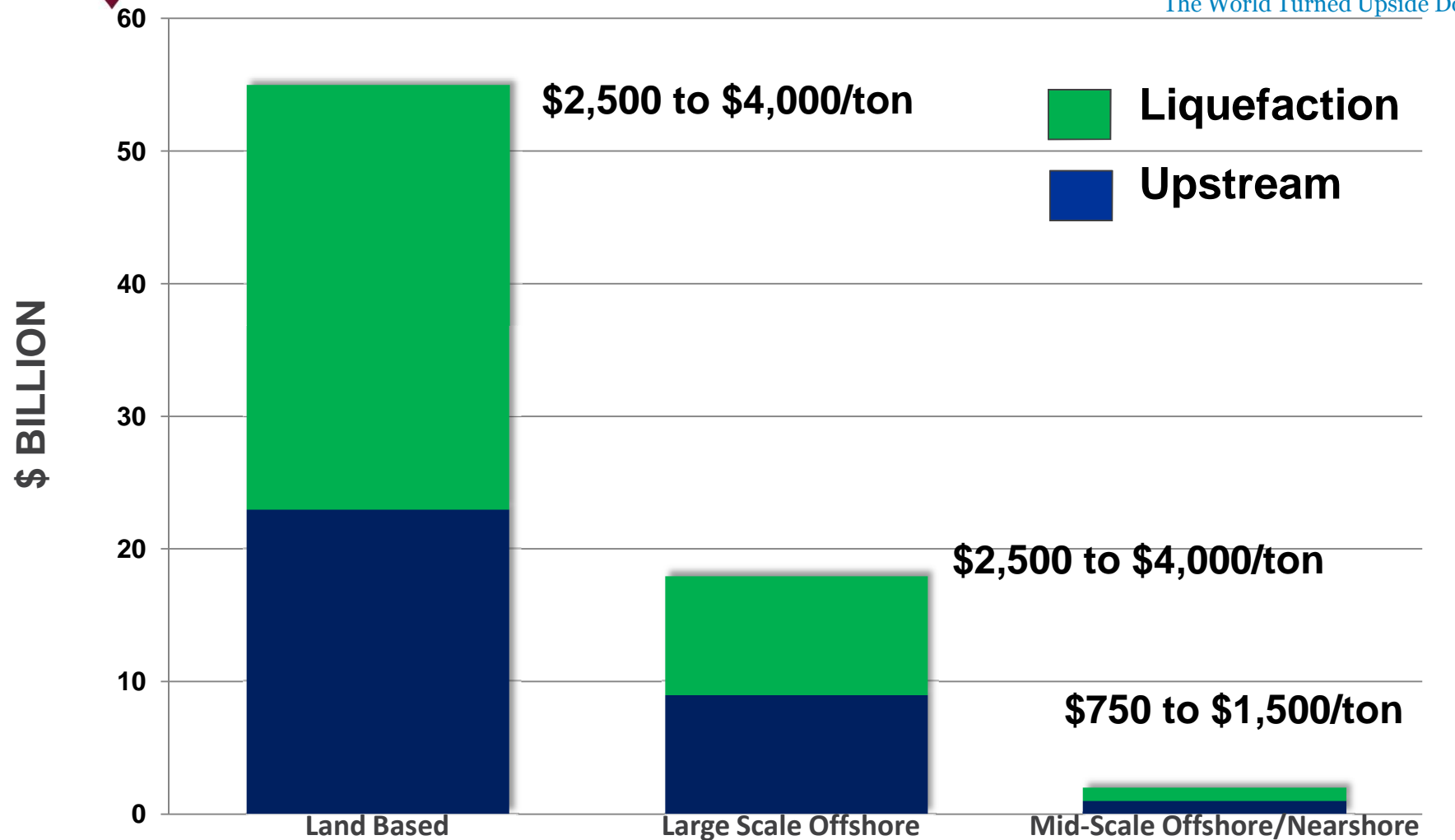
Relevance of New Markets and Floating Regasification Technology

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- ❖ New market alternatives are liquid fuels, priced at oil, fuel oil and diesel indices; Delivered LNG is price competitive
- ❖ Floating regasification has demonstrated how quickly innovative technologies can be adopted and accepted by the LNG industry
- ❖ Floating regasification has demonstrated reduced costs for floating solutions ~ \$400 million vs. \$1.2 billion for land-based equivalent
- ❖ Optionality

Future LNG FIDs: Time for a New Model?

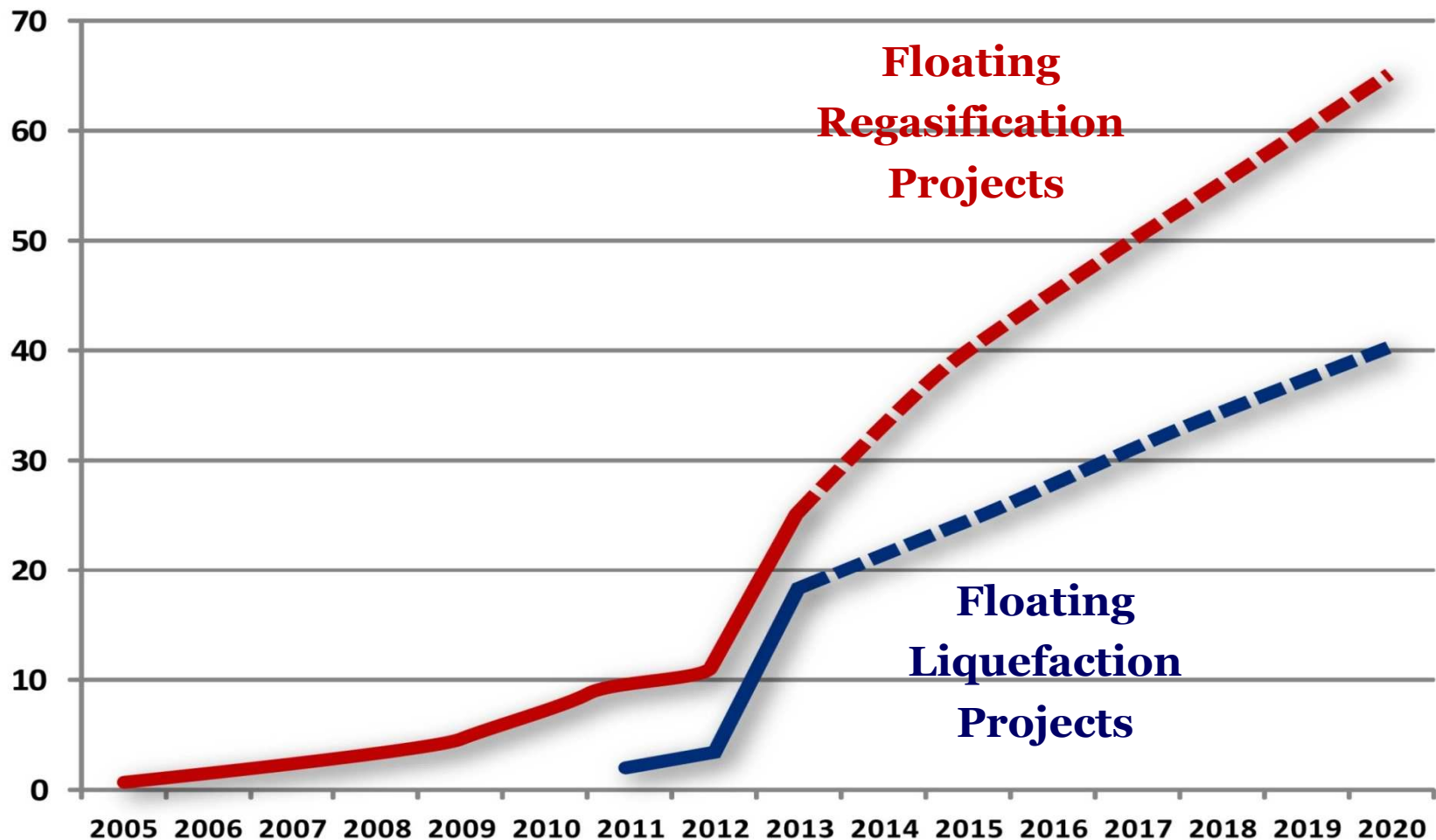
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Vessel-Mounted Liquefaction Will Follow Regasification Growth Trend

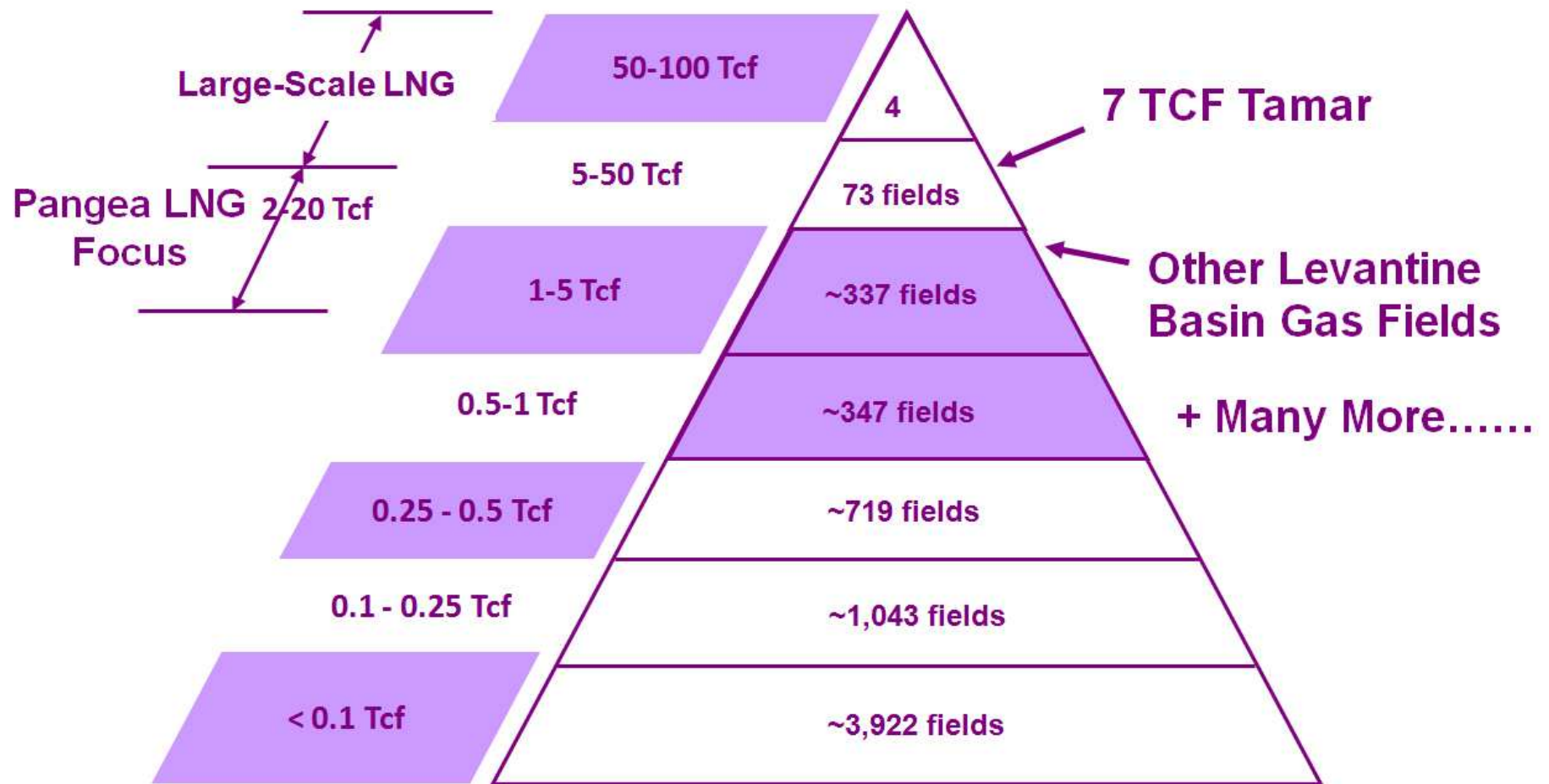
Existing and Planned Floating LNG Projects

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Potential for Offshore Floating Liquefaction

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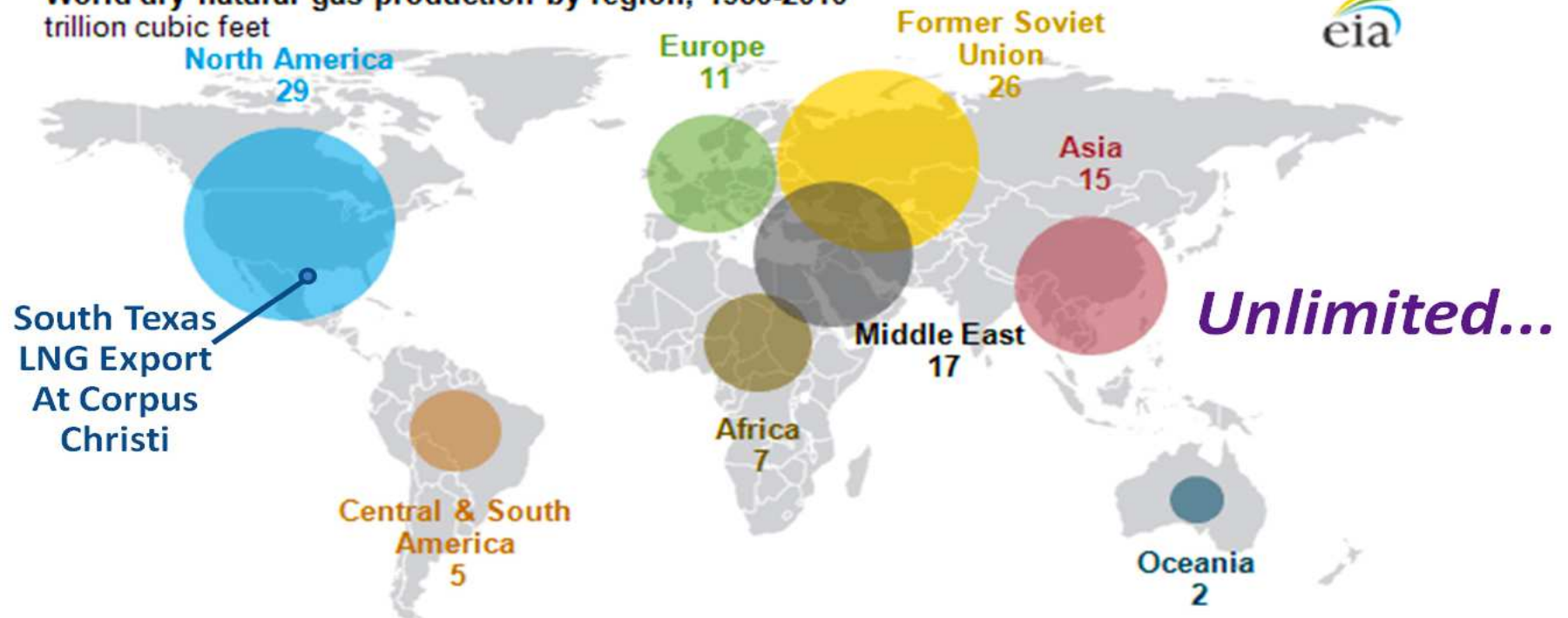


Potential for Near Shore FLNG

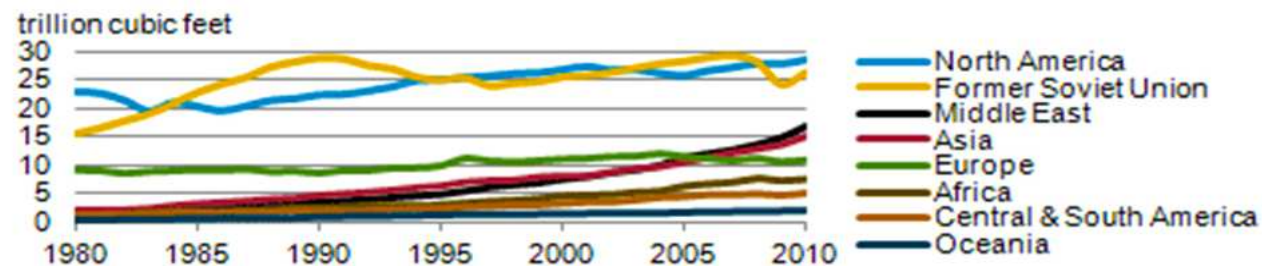
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World dry natural gas production by region, 1980-2010
trillion cubic feet

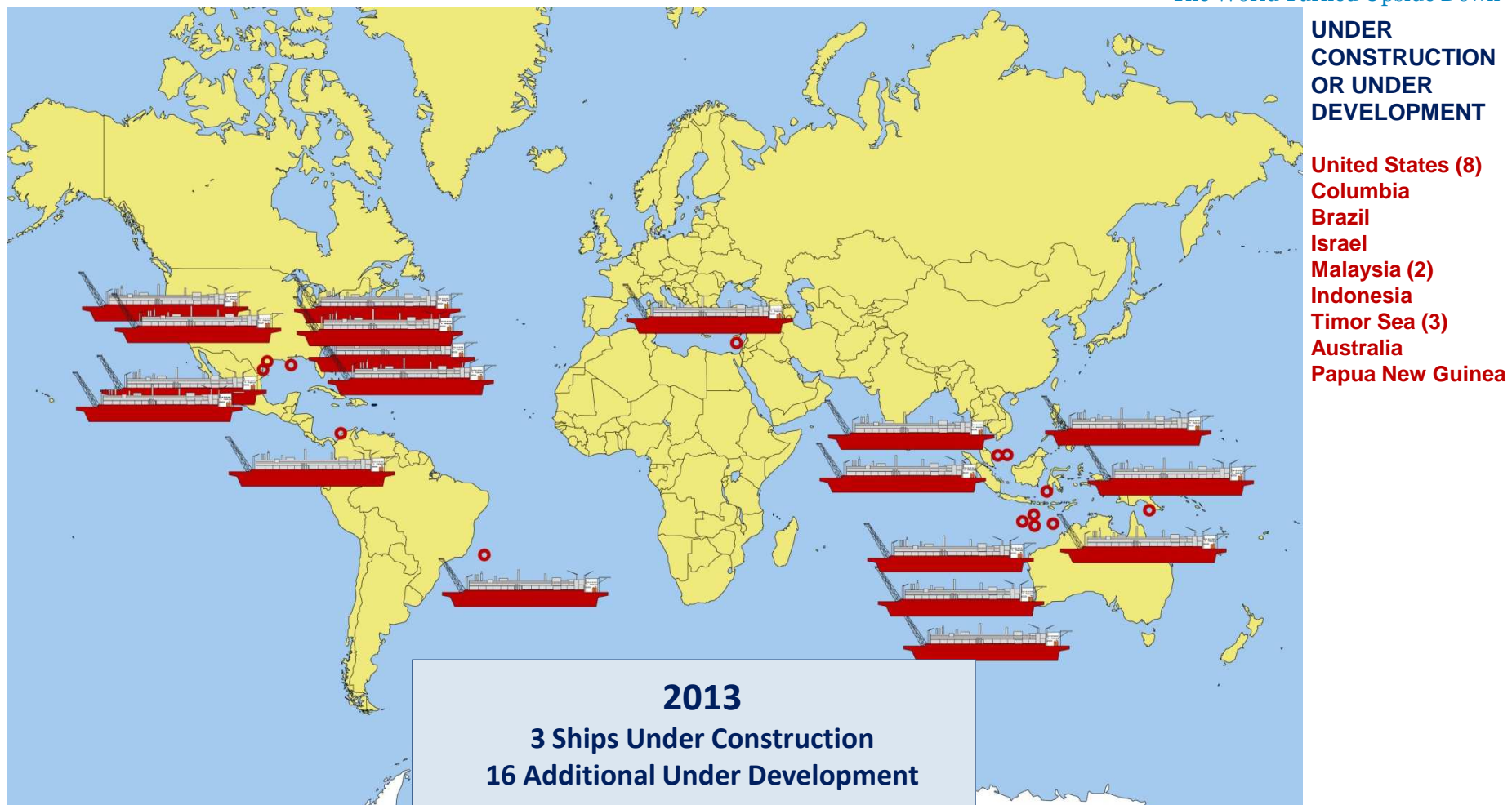


2010



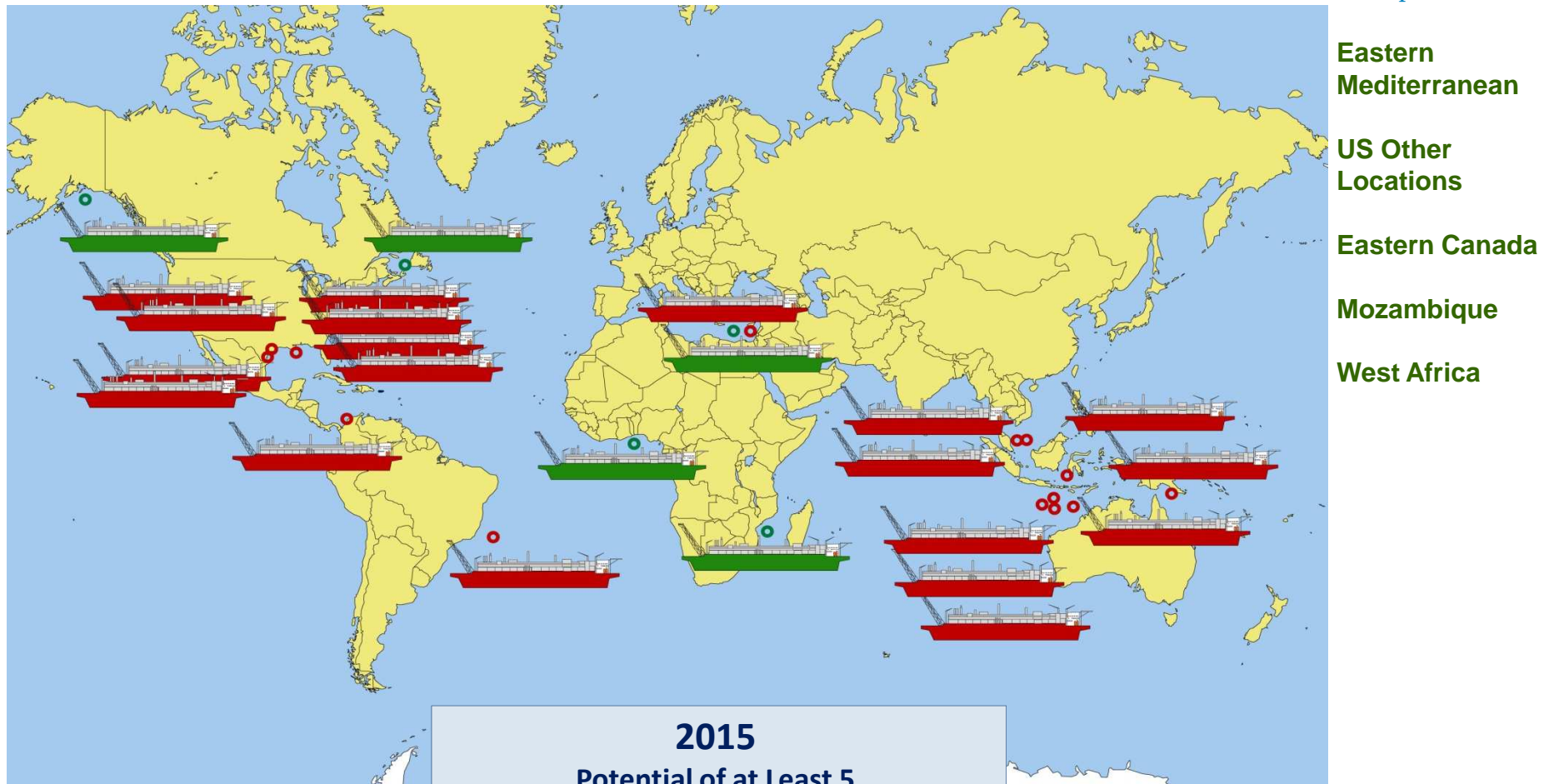
Floating Liquefaction Projects – Announced

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Floating Liquefaction Projects – Future Positions

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**Eastern
Mediterranean**

**US Other
Locations**

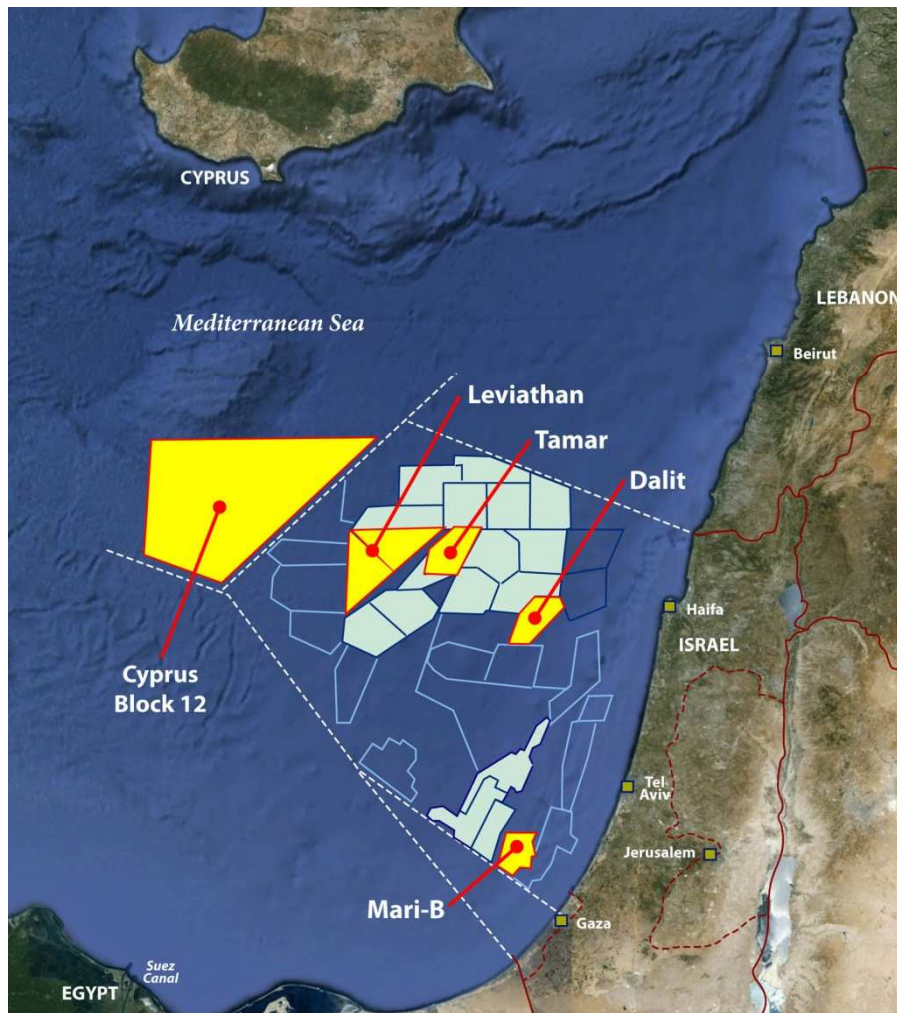
Eastern Canada

Mozambique

West Africa

Pangea LNG Opportunities for Early Supply – Levant Basin

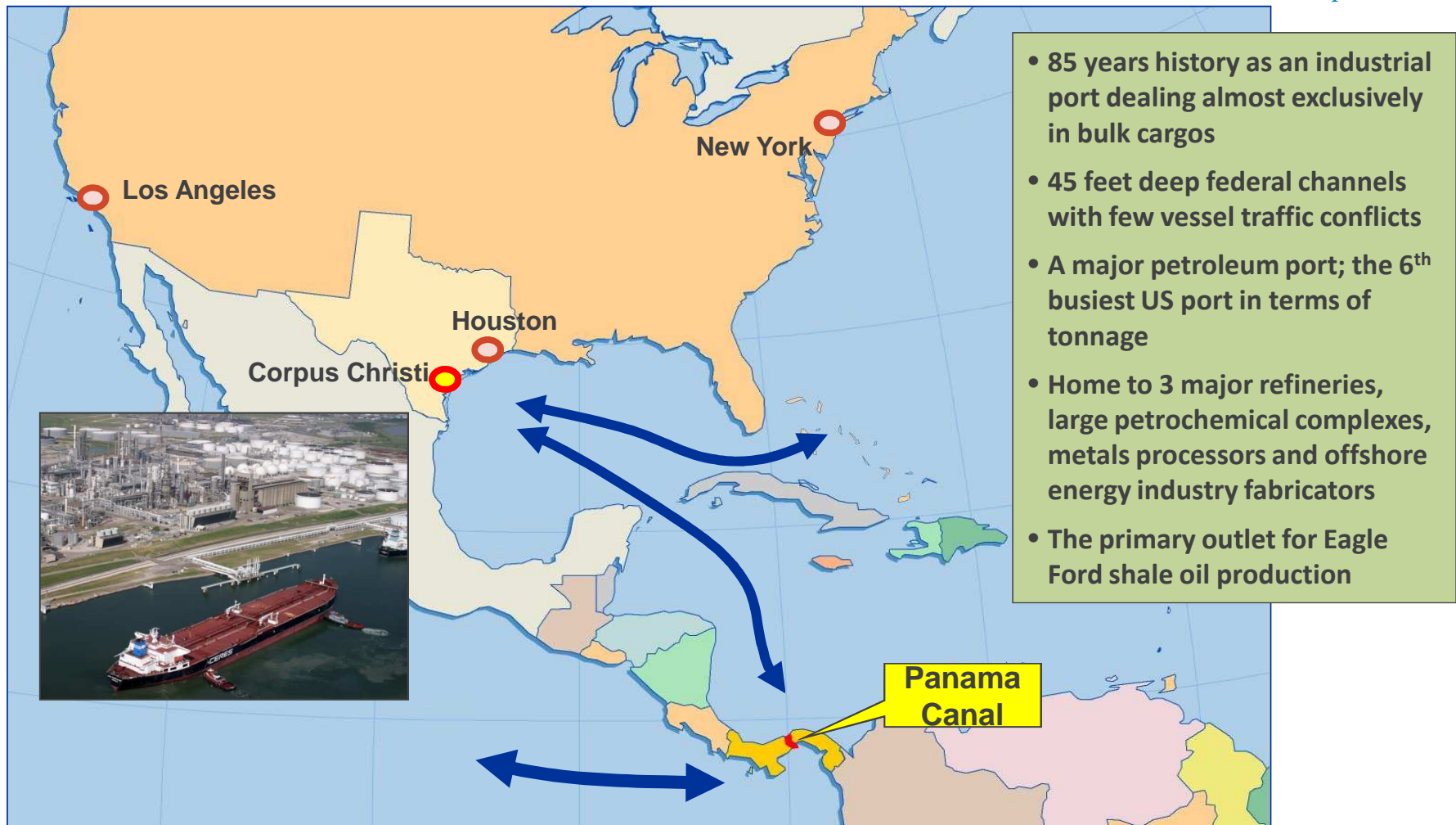
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- ❖ Regional reserves likely to exceed 35 Tcf
- ❖ Pipeline difficulties and limited domestic market challenge additional natural gas deliveries to shore
- ❖ Multiple FLNG vessels provide cost effective solution for Eastern Med
- ❖ BWO – Owner's Engineer, preferred Operator and Owner

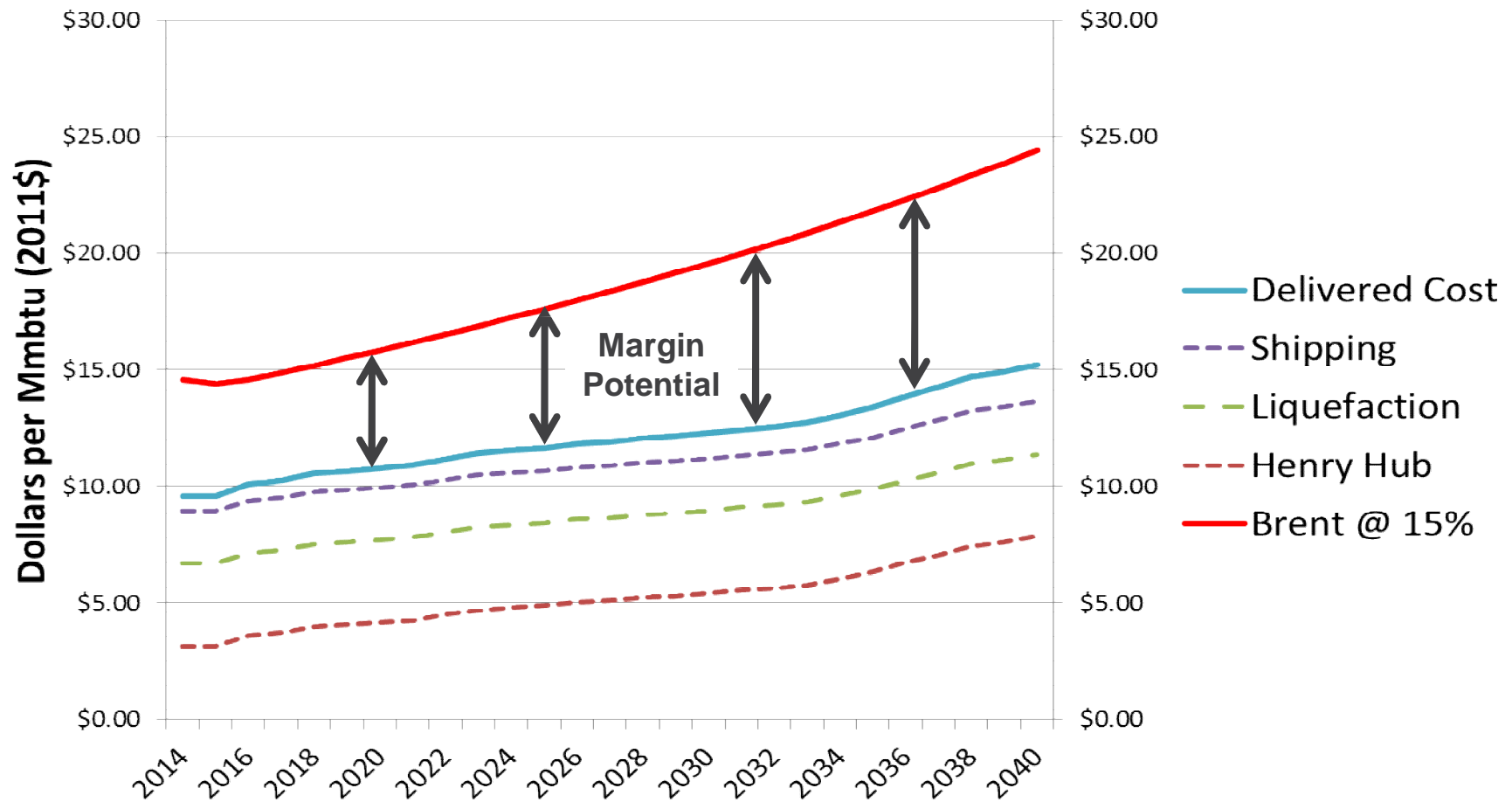
United States Port of Corpus Christi

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Pangea LNG Opportunities for Early Supply – Exports from the United States

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Source: EIA AEO 2013 Reference Case

Thank You

