



THE NATIONAL GAS COMPANY OF TRINIDAD AND TOBAGO LIMITED

Media Release

NGC hosts Tanzanian Government Negotiating Team

June 29th 2017

The National Gas Company of Trinidad and Tobago Limited (NGC) hosted a visiting delegation from the Government Negotiating Team (GNT) of the United Republic of Tanzania on June 28th 2017 at its Point Lisas Head Office. The Government of Tanzania, through its Ministry of Energy and Minerals, opened discussions with International Oil Companies (IOCs) for the negotiation of a Host Government Agreement (HGA) with a view to developing an LNG project. Discussions began in September 2016 and the Government of Tanzania constituted the GNT to meet with negotiating teams for the IOCs. To date, the IOCs and GNT have agreed to develop a term sheet separately in order to start negotiations which will develop the HGA.

NGC's President Mark Loquan, along with NGC's Vice President, Gas Transmission and Distribution, Ronald Adams, delivered a presentation which spoke to both the NGC Group and NGC's interest in LNG. Also representing NGC Group were Verlier Quan Vie, Senior Manager, Commercial, NGC and Alvin Dookie, Vice President, Business Development, PPGPL. Mr. Loquan noted that these study tours are important to NGC as they cemented NGC's new strategy - transforming its business, growing along the value chain, moving into other jurisdictions and becoming a global player through strategic partnerships. NGC also expressed its interest in promoting not only NGC, but Trinidad's service sector and academic institutions if value could be created in Tanzania's critical stages of development.

The GNT's visit centred around learning more about Trinidad and Tobago's oil and gas industry. The purpose of the study tour is to help the team acquire knowledge and experience which will help to modify and develop a better term sheet. Leading the GNT was Prof. James Mdoe, Acting Permanent Secretary- Ministry of Energy and Minerals, who thanked NGC for sharing its experience and extended an invitation to visit Tanzania.

The GNT expressed great interest in the gas model used in Trinidad, issues with respect to development of the gas model, infrastructural development for gas distribution and other elements such as LNG production, royalties and fiscal terms which in Trinidad are set by the Ministry of Energy and Energy Industries.

The appeal of Tanzania's 53.2 trillioncubic feet of recoverable natural gas resources has brought intense competition among the global energy players. Tanzania's economy has borne the brunt of slow-moving global economic growth and low commodity prices. The government is pushing for the development of the country's unexploited offshore gas reserves.

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Mark Loquan, President NGC, shakes hands with Prof. James Mdoe, Acting Permanent Secretary- Ministry of Energy and Minerals. The two are flanked by members of the GNT delegation and NGC Group staff.