THE NATIONAL GAS COMPANY
OF TRINIDAD AND TOBAGO LIMITED

NGC responds to "Amber light for NGC in Africa" ...*Business Guardian* got it wrong

The National Gas Company of Trinidad and Tobago Limited (NGC) strongly refutes claims made against the company and its partners and subsidiaries in an article published in the ***Business Guardian*** *on Thursday 14th February 2013.*

We consider the inaccuracy of the article damaging to not only the company, but also the nation's energy sector and as such seek to make immediate and comprehensive clarifications.

The review of the company's major projects was an undertaking decided by the Board of Directors before the exit of the former President, Mr. Andrew McIntosh, and the entry of the new President Mr. Indar Maharaj.

The undertaking was part of an overall transformation strategy to improve internal operations and business processes, and to also position the company for an increased stake in the global natural gas and natural gas processing sectors. This is in part evidenced by the unfolding strategy of NGC's entry into the marketing of Liquefied Natural Gas (LNG).

It has also been publicly articulated that NGC considers that the African continent provides extremely encouraging opportunities, a number of which NGC is currently considering. While sensitive details of these ongoing discussions cannot yet be revealed, some prospects are in an advanced stage of consideration and assessment.

It is therefore entirely inaccurate to claim that NGC, its Board of Directors, or President is seeking to slow or halt the possibility of business expansion into the African continent. In fact, NGC has been seeking and continues to seek to expand into the African continent.

The major factors which must guide all our business decisions, however, are: the performance of wide-ranging due diligence and risk assessments; the assurance that NGC has the financial and resource capacity for all ventures, and, the protection of the company and Trinidad and Tobago from higher than acceptable business risk.

NGC has also evolved its business model where it is now seeking to not only develop infrastructure, but also to maintain equity stakes in newly developed projects. This additional element therefore requires much greater due diligence and assessment of all opportunities.

It must also be categorically stated that the structure of the relationship between NGC and Phoenix Park Gas Processors Limited (PPGPL) is such that, under no circumstances, is NGC able to instruct PPGPL on any part of its business operations.

PPGPL is jointly owned by NGC, ConocoPhillips and Pan West Engineers and Constructors Inc. A Board of Directors comprising representatives of all joint owners develops and proposes strategies and policies for business growth and development and these strategies and policies are executed by an Executive Management Team.

Therefore, any changes, alterations and re-thinking of the operations of PPGPL are conducted via the Board of Directors and Executive Management Team.

NGC, as a company with a long history of responsible, transparent operations, high profitability and disciplined corporate governance processes, considers it absolutely essential to ensure that risks are appropriately assessed before undertaking new investments. The success of NGC over the years is a result of this rigid and prudent business approach which continues today as an established best practice aiming to maximize returns and manage business risks.

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