

# GERAB

## BULLETIN

Weekly News



### EXECUTIVE SUMMARY

#### The Commodity summary

- Coal prices are in downtrend and trading lower by 7% WTD and by 47% than a year ago prices
- Steel HRC (FOB China) prices in uptrend and trading higher by 15% 3MTD.
- Steel HRC( North America ) prices are in uptrend and is trading higher by 70% 3MTD
- Natural Gas prices are in downtrend and is trading lower by 47% YTD
- Crude Oil Brent prices are trading lower by 27% YTD and Crude Oil WTI prices are trading lower by 29% YTD.

#### The Currency summary

- US Dollar to Euro is stronger by more than 5% YTD
- The US Dollar to CNY is stronger by more than 10% YTD

#### The Rig count summary

- The Rig counts in Latin America have gone up by 6% MTD and the rig counts in Africa have gone up by 21% 6MTD.

#### Project summary

- ADNOC Drilling Awards \$252m Contract for Hybrid Power Land Rigs
- Kuwait builds \$320mIn industrial city
- Qatargas closing in on awards for \$10 billion-plus liquefaction package contract
- QatarEnergy breaks ground on \$8.5 billion petrochemicals facility
- Front runners emerge for 11 offshore contracts from Aramco worth up to \$3 billion
- Aramco signs \$6 billion deal to help South Korean companies win contracts in Saudi Arabia
- Tanzania to award contracts for \$30 billion LNG project
- Saipem scents \$55 billion, 18-month contract bonanza as offshore 'supercycle' kicks in
- Valaris wins \$500 million rig contract with Petrobras offshore Brazil

### COMMODITY UPDATES

| COMMODITY       | UOM     | LATEST PRICE | WTD % | MTD %  | 3MTD % | 6MTD % | YTD %  |
|-----------------|---------|--------------|-------|--------|--------|--------|--------|
| Chromium        | USD/MT  | 10,397.04    | 0.51  | -1.44  | 2.70   | 7.34   | -8.63  |
| Coal            | USD/MT  | 198.42       | -6.66 | -18.52 | -55.12 | -59.00 | -47.61 |
| Cobalt          | USD/MT  | 33,642.54    | 1.33  | -3.87  | -23.88 | -39.44 | -59.30 |
| Copper          | USD/MT  | 8,817.50     | -2.30 | -1.86  | 4.67   | 14.97  | -13.68 |
| Crude Oil       | USD/BBL | 79.86        | -1.02 | -0.35  | 1.99   | -8.95  | -27.71 |
| Crude Oil Brent | USD/BBL | 82.81        | -1.29 | -0.70  | 2.57   | -8.99  | -26.50 |
| Crude Oil WTI   | USD/BBL | 76.92        | -0.72 | 0.03   | 1.38   | -8.92  | -28.97 |
| Iron Ore        | USD/MT  | 125.50       | -0.19 | 0.60   | 14.23  | 27.26  | -16.83 |

|                        |         |           |        |        |        |        |        |
|------------------------|---------|-----------|--------|--------|--------|--------|--------|
| Molybdenum             | USD/MT  | 73,161.90 | -10.15 | -10.06 | 37.81  | 99.38  | 73.03  |
| Natural Gas            | USD/MCF | 2.73      | -4.78  | -98.00 | -55.77 | -66.75 | -46.89 |
| Nickel                 | USD/MT  | 23,800.00 | -4.38  | -12.43 | -18.38 | 1.89   | -35.91 |
| Steel HRC (FOB China)  | USD/MT  | 663.00    | 3.79   | 3.92   | 15.40  | 15.44  | -23.05 |
| Steel HRC (N. America) | USD/MT  | 1,212.54  | 27.25  | 35.15  | 69.65  | 37.17  | -3.85  |
| Steel Rebar            | USD/MT  | 675.21    | 0.49   | 2.35   | 10.97  | 10.13  | -21.63 |
| Steel Scrap            | USD/MT  | 457.00    | -2.04  | 3.95   | 19.21  | 26.72  | -29.08 |

Source: Investing.com / Trading Economics / London Metal Exchange / MarketIndex.com.au / OilPrice.com

#### CURRENCY EXCHANGE RATE

| Code   | Description  | Country   | Units | Latest Exchange Rates | WTD%  | MTD%  | 3MTD% | 6MTD% | YTD%   |
|--------|--------------|-----------|-------|-----------------------|-------|-------|-------|-------|--------|
| EURUSD | 1 EUR to USD | Euro Area | USD   | 1.0545                | -0.48 | -1.78 | 0.12  | 4.98  | -4.74  |
| USDCNY | 1 USD to CNY | China     | CNY   | 6.9773                | -0.83 | -2.68 | -0.08 | -0.59 | -10.34 |

Source- Trading Economics

#### CRUDE OIL STOCK

| Region                                      | Unit             | Latest Count | WTD % | MTD % | 3MTD % | 6MTD % | YTD % |
|---|------------------|--------------|-------|-------|--------|--------|-------|
| US Stocks of Crude Oil & Petroleum Products | Thousand Barrels | 16,31,927.00 | 0.11  | 0.11  | 3.44   | -0.33  | -4.40 |

Source: US Energy Information Authority

#### SELECTIVE COMMODITY TRADERS AND PIPE MANUFACTURERS STOCK PRICES

##### STOCK PRICES

| Name                      | Latest Value | Units | WTD%  | MTD%  | 3MTD%  | 6MTD% | YTD%  |
|---------------------------|--------------|-------|-------|-------|--------|-------|-------|
| ArcelorMittal SA          | 31.36        | USD   | -1.23 | 7.47  | 16.15  | 34.13 | 4.50  |
| Glencore PLC              | 486.85       | GBP   | -4.73 | -7.55 | -10.26 | -0.32 | 3.56  |
| NYSE American Steel Index | 2,036.38     | Index | -1.68 | 4.51  | 15.53  | 27.63 | 11.23 |
| Rio Tinto PLC             | 5,960.00     | GBP   | -0.96 | -1.96 | 2.14   | 22.63 | 3.27  |
| Tenaris SA                | 33.79        | USD   | -2.03 | 1.59  | 7.07   | 18.64 | 21.94 |
| Tubacex SA                | 2.44         | EUR   | -0.81 | 0.41  | 20.79  | 12.44 | 47.88 |
| Woodside Energy Group     | 35.25        | AUD   | -6.23 | -3.35 | 3.13   | 8.39  | 6.17  |

Source- Trading Economics / Wall Street Journal / CNBC

#### INTERNATIONAL RIG COUNTS

##### ACTIVE RIG COUNTS BY REGION

| Region               | Latest Count | WTD % | MTD % | 3MTD % | 6MTD % | YTD % |
|----------------------|--------------|-------|-------|--------|--------|-------|
| United Arab Emirates | 53           | *     | 1.92  | 3.92   | 6.00   | 55.88 |
| GCC                  | 217          | *     | 1.88  | -2.69  | 6.90   | 16.04 |

|               |       |   |       |       |       |       |
|---------------|-------|---|-------|-------|-------|-------|
| Middle East   | 322   | * | 2.22  | -1.53 | 5.23  | 12.20 |
| Africa        | 86    | * | 1.18  | 3.61  | 21.13 | 14.67 |
| Asia-Pacific  | 188   | * | -1.05 | -     | 3.30  | 5.03  |
| Europe        | 103   | * | -5.50 | 8.42  | 6.19  | 9.57  |
| Latin America | 181   | * | 6.47  | -2.16 | 5.85  | 19.08 |
| North America | 992   |   | -0.30 | 15.21 | 1.64  | 22.77 |
| Total         | 1,872 | * | 0.43  | 7.65  | 3.83  | 17.37 |

Source- Baker Hughes

(\*) No weekly data available for those particular regions

## NEWS OF THE WEEK

### GULF COOPERATION COUNCIL ( GCC)

UAE

- Eni, ADNOC sign MOU to explore new opportunities in decarbonization**  
 Claudio Descalzi, Eni Chief Executive Officer, and his Excellency Dr. Sultan Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology and ADNOC Managing Director and Group CEO, signed a Memorandum of Understanding (MoU) which outlines a framework of cooperation for future joint projects on energy transition, sustainability and decarbonization. The MoU was signed in the presence of the President of the Council of Ministers, Giorgia Meloni, and His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the United Arab Emirates. Through this agreement, Eni and ADNOC will explore potential opportunities in the areas of renewable energy, blue and green hydrogen, carbon dioxide capture and storage (CCS), in the reduction of greenhouse gas and methane gas emissions, energy efficiency, routine gas flaring reduction and the Global Methane Pledge, to support global energy security and a sustainable energy transition. **5<sup>th</sup> March 2023**
- ADNOC Drilling Awards \$252m Contract for Hybrid Power Land Rigs**  
 ADNOC Drilling Company PJSC announced that it has signed an agreement to purchase ten newbuild hybrid power land drilling rigs for a total of \$252 million. The use of hybrid power solutions is an essential element of ADNOC Drilling's rigorous decarbonization strategy as the Company contributes to ADNOC's commitment to reduce greenhouse gas intensity by 25% by 2030, as well as the UAE Net Zero by 2050 strategic initiative. The rigs use a high capacity battery and engine automation in parallel with the rigs' traditional diesel generators. The hybrid power technology system stores energy in its batteries to use when there is a need for continuous power or to provide instant extra power when there is an increase in demand, reducing a rig's greenhouse gas emissions intensity by 10%-15%. The rigs will progressively enter the fleet from the fourth quarter of this year, with partial revenue and EBITDA contribution from 2024 and full year annual contribution from all rigs in 2025. They are the first new land rigs acquired as part of updated guidance which will see peak-owned rig count of 142 by the end of 2024, which compares to IPO guidance of 127 rigs by the end of 2030. **4<sup>th</sup> March 2023**
- UAE's ADDED partners with ADNOC and ADQ to designate TA'ZIZ as an investment zone**  
 Abu Dhabi Department of Economic Development has partnered with ADNOC Group and ADQ to designate TA'ZIZ as an investment zone for chemical projects, downstream manufacturing and related services. The investment zone in Al Ruwais Industrial City, Al Dhafra Region, supports the Abu Dhabi Industrial Strategy to raise GDP of manufacturing industries in the emirate to AED172 billion by 2031, and will serve as a hub for sustainable chemical, petrochemical and energy industries, enhancing the local value chains of targeted industries. The designation of the investment zone provides long-term investment certainty for companies investing in TA'ZIZ, and enables new partnerships to be formed in Abu Dhabi's thriving industrial sector. TA'ZIZ Industrial Ecosystem features specialized zones for chemical industries, light industries and industrial services. **4<sup>th</sup> March 2023**
- Eni, ADNOC sign agreement for low-carbon projects**

Eni's CEO Claudio Descalzi and Dr Sultan Ahmed Al Jaber, group CEO of ADNOC, signed on March 4 an agreement for joint projects on energy transition, sustainability and decarbonisation. Through this agreement, Eni and ADNOC intend to explore potential opportunities in the areas of renewable energy, blue and green hydrogen, carbon capture and storage (CCS), and emissions reduction. In addition, both companies will evaluate areas of cooperation for sustainable development and promoting the spread of a culture of sustainability within the energy industry and its stakeholders. Eni has been present in Abu Dhabi since 2018. With significant capital projects portfolio in the UAE, Eni claims to be one of the main international companies in the country. **5<sup>th</sup> March 2023**

KUWAIT

- Kuwait builds \$320m industrial city**  
 OPEC producer Kuwait is building an industrial city for chemicals and other products at a cost of around 97 million Kuwaiti dinars (\$320 million), press reports said on Friday. "Al-Shadadiya", located nearly 25 km Southwest of the capital Kuwait City, was launched in mid-2022 and is scheduled to be completed in December, they said. Trade and Industry Minister Mazin Al-Nahid visited the project on Thursday and said nearly 32 percent of it has been executed. "This project will be completed on schedule on Dec 26...it will comprise three main industries covering chemicals, foodstuffs and a variety of light products," he said. The Arabic language daily Alanba said the zone would include more than 1,000 factories and it has been awarded to the United Gulf Construction Co. **3<sup>rd</sup> March 2023**
- Kuwait's HOT Engineering awarded Saudi-Kuwait Neutral Zone contract**  
 HOT Engineering And Construction Co. (HOTECC), Kuwait announced the signing of a new contract with Joint Operations (JO), a prominent Oil and Gas company operating in the divided zone between the State of Kuwait and the Kingdom of Saudi Arabia. Under this agreement, HOTECC will supply JO with a range of heavy equipment for a period of five (5) years. The new contract further strengthens the long-standing partnership between both companies, and underscores HOTECC's commitment to delivering reliable services to its clients. HOTECC's fleet of heavy equipment, including cranes, excavators, bulldozers, and loaders, will help JO optimize its operations and improve its efficiency. This new contract highlights HOTECC's position as a leading provider of heavy equipment and industrial solutions in the country, and is a testament to the company's commitment to delivering innovative and cost-effective solutions to its clients, statement mentioned. **7<sup>th</sup> March 2023**

QATAR

- Qatargas closing in on awards for \$10 billion-plus liquefaction package contract**  
 Two contenders in the frame for piece of North Field South expansion project. Qatargas is set to finalise its preferred bidder within weeks for a lucrative multibillion-dollar deal to provide the liquefaction facilities required for the second phase of the North Field expansion project. The operator is presently weighing commercial bids submitted by two leading contracting groups and could select the winner as early as this month, multiple people familiar with the development told Upstream. Commercial negotiations have begun and we expect a decision very soon," one person said. Price bids were recently submitted to the Qatari state giant for the North Field South (NFS) development after being delayed on a few occasions, another one said. **7<sup>th</sup> March 2023**
- QEWG and GE sign 9 year gas turbines services contract to further enhance energy security in Qatar**  
 Services to be provided by GE are expected to enhance gas turbine reliability and availability, reduce operational risks, and help supply more secure electricity. Qatar Electricity & Water Company (QEWG) has signed a contract for GE Gas Power (NYSE: GE) to provide upgrades and maintenance services for a period of nine years for three 9F gas turbines. The units are installed at the Ras Abu Fontas B2 (RAF B2) Cogeneration Plant, located about 10 kilometers south of the capital, Doha. The agreement was signed by Mohammed N. Al-Hajri, Managing Director and General Manager of QEWG and Joseph Anis, President & CEO of GE Gas Power Europe, Middle East, and Africa. "GE's partnership with QEWG started with the construction of the RAF B2 Cogeneration Plant, as one of the EPC contractors, and continued through the

provision of long-term maintenance services, since the plant began commercial operations in 2008. **7<sup>th</sup> March 2023**

- **QatarEnergy breaks ground on \$8.5 billion petrochemicals facility**

QatarEnergy and Chevron Phillips Chemical Co (CPChem) celebrated the ground breaking of the Golden Triangle Polymers Plant in Texas, marking the beginning of construction of the \$8.5 billion world-scale petrochemical facility. He added that the \$8.5 billion investment to build this world-scale facility is QatarEnergy's second largest investment in the US after the more than \$11 billion investment in the Golden Pass LNG production and export facility, which is currently under construction about 35 miles from here in Sabine Pass, Texas. Located about 180 kilometers east of Houston, the plant will include an ethylene cracker unit with a capacity of 2.08 million tons per annum, making it the largest in the world, and two high-density polyethylene units with a combined capacity of 2 million tons per annum, also making them the largest derivatives units of their kind in the world. The plant is expected to startup in 2026 and will be owned by Golden Triangle Polymers Company LLC, a joint venture in which QatarEnergy holds a 49% equity interest with 51% held by CPChem. **8<sup>th</sup> March 2023**

- **Ras Laffan Petrochemical Complex in RLIC, Qatar**

**Total investment :\$6bn**

**Owner :Ras Laffan Petrochemicals (QatarEnergy- 70%; Chevron Phillips**

Ras Laffan Petrochemical Complex is an under construction integrated polymer olefins and polyethylene complex in Ras Laffan Industrial City in Qatar. The petrochemical complex is being developed by a joint venture (JV) between QatarEnergy and Chevron Phillips Chemical Company (CPChem). QatarEnergy owns a 70% equity share in the JV, while the remaining 30% share will be with CPChem. CPChem and QatarEnergy are also constructing a similar integrated polymers facility in Orange, Texas, the US. The Final Investment Decision (FID) for Ras Laffan Petrochemical Complex was taken in January 2023. PROJECT GALLERY The development of the petrochemical project will entail an investment of \$6bn. The construction of the facility will involve the use of energy saving technology and ethane as feedstock to reduce greenhouse gas emissions in the atmosphere. The petrochemical complex is expected to commence commercial operations in late 2026. Project details The Ras Laffan Petrochemical Complex will cover an area of 435 acres.

- **Saudi Arabia receives additional bids for its nuclear power project**

Saudi Arabia is stepping up its plans to construct a nuclear power plant and has already received several bids from interested developers. The nuclear power project is expected to boost the Kingdom's energy security and also widen its energy mix to support sustainability goals. In December, Russia' State Atomic Energy Corporation Rosatom submitted bid documents for the construction of the nuclear power project. Saudi Arabia is also expecting offers from South Korea, France and China, according to reports. The kingdom's first planned large -scale nuclear power project will be a two-reactor project designed to have a capacity of 2.8GW. Last year, UK-based EY has was appointed as the transaction adviser (TA) for the nuclear power project after submitting the lowest bid during a competitive process in 2021. The ambitious nuclear energy programme is expected to generate up to 10GW of electricity to complement other clean energy initiatives in Saudi Arabia that include power generation from solar and wind. In January, Saudi Arabia's energy minister Prince Abdulaziz bin Salman said that the Kingdom was planning to use domestically-sourced uranium to build up its nuclear power industry.**2<sup>nd</sup> March 2023**

- **Saudi Arabia's Shareek program announces the first wave of supported projects worth SAR 192.4 billion**

In the presence of His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, Crown Prince, Prime Minister, and Chairman of the Large Companies Investment Committee, a ceremony was held today to announce the first wave of projects supported by the Shareek program, the Kingdom's dedicated program for large companies, designed to help unlock the full potential of Saudi Arabia's private sector, and contribute to achieving the national targets defined by Vision 2030. The program was launched by HRH the Crown Prince on 30 March 2021, who closely oversees its implementation as the Chairman of the Large

SAUDI ARABIA

Companies Investment Committee. To date, 28 companies are enrolled in the Shareek program. A number of senior government ministers and private sector leaders attended the ceremony and witnessed the signing of framework agreements for 12 projects that have been approved within the Shareek incentives criteria, across eight companies, in a number of strategic sectors. These projects will contribute to the Kingdom's economic growth, diversify industries, promote innovation, and further enable public-private partnerships. **2<sup>nd</sup> March 2023**

- **Front runners emerge for 11 offshore contracts from Aramco worth up to \$3 billion**

The contracts are a part of Aramco's lucrative long term agreement with international contracting giants. Front runners have emerged for 11 engineering, procurement, construction and installation contracts for Saudi Aramco's offshore projects, together worth up to \$3 billion. The EPCI contracts were tendered last year for the continued development of multiple offshore fields in Saudi Arabia and **Upstream recently reported** that Aramco is nearing decision phase. The so-called contract release and purchase orders (CRPOs) are awarded under the framework of Aramco's long term agreement (LTA) programme to which 10 leading international contracting giants are qualified. **3<sup>rd</sup> March 2023**

- **KBR awarded Ammonia Technology for Large-Scale, Low-Carbon Ammonia Project**

KBR announced in a statement that its ammonia technology has been selected for a large-scale one million tons per annum low-carbon ammonia facility in the Middle East GCC region. Under the terms of the contract, KBR will provide the technology license, basic engineering design, proprietary equipment and catalyst for the low-carbon ammonia plant. The project reinforces the region's focus to emerge as a leader in low-carbon fuels by capitalizing on ammonia as a vector for clean hydrogen. KBR is the world leader in ammonia technology with approximately 50% market share of licensed capacity. Since 1943, KBR has licensed, engineered, or constructed over 250 grassroot ammonia plants worldwide. **2<sup>nd</sup> March 2023**

- **Gas Arabian Services Co. signed \$13.5m Contract With Advanced Petrochemical**

GAS Arabian Services Co., Saudi Arabia announces that it has awarded a contract from Advanced Petrochemical Company (Advanced). The value of the contract is SAR 50.9 million. The Engineering, Procurement & Construction (EPC) contract is to construct pipeline to supply a by-product gaseous stream, containing high value chemicals, from ADVANCED to Jubail United Petrochemical Company (UNITED), an affiliated company of SABIC. As a result of promoting the culture of innovations, this project was conceptualized resulting in synergistic opportunity by creating an industrial integration project between ADVANCED's Propane Dehydrogenation plant (PDH) and UNITED's ethylene plant. This innovative Project will create value addition to both companies by reducing the carbon foot print through adopting circular economy concept, upgrading the by-products containing high value chemicals from the stream with a positive environmental and financial impact for both Parties, Advanced Petrochemical Company stated. **6<sup>th</sup> March 2023**

- **SWPC received Bids for 150km Rayis – Rabigh IWTP Project**

Saudi Water Partnership Company (SWPC) announced that it has received the Bidders Proposals for the development of Rayis – Rabigh Independent Water Transmission Pipeline (IWTP) project. Following consortiums has submitted the proposals: Nesma Company and Abdul Aziz Al Ajlan Sons Co. for Commercial & Real Estate Investment – Ajlan & Bros and Mutlaq Al-Ghowairi Contracting Company and Buhur for Investment Company. Cobra Instalaciones y Servicios, S.A. and Alkhorayef Water and Power Technologies and Orascom Construction. Vision International Investment Company and TAQA and Gulf Investment Corporation G.S.C. The project involves the construction of water transmission pipeline of capacity up to 500,000 cubic meters per day, and lengths of 150 km. As per the earlier notification, SWPC will conduct a competitive process to select a developer or developer consortium to develop the Project on a Build, Own, Operate and Transfer (BOOT) basis. The project company developing the Project will provide the entire transmission capacity to SWPC under a Water Transmission Agreement (WTA). **7<sup>th</sup> March 2023**

- **Aramco signs \$6 billion deal to help South Korean companies win contracts in Saudi Arabia**

Saudi Aramco has signed a \$6 billion framework deal with the Export-Import Bank of Korea that could help South Korean companies win contracts in the Kingdom. According to the agreement, Eximbank can lend up to \$6 billion to Saudi Aramco which can be used to pay South Korean companies involved in projects with the energy giant. "The deal could give a big boost to South Korean companies in winning contracts in the Middle East," *Arab News* reported an Eximbank spokesperson as saying. The bank also stated that \$1 billion out of the \$6 billion is set for hydrogen and renewable energy deals. **9<sup>th</sup> March 2023**

**ASIA EXCLUDING GULF COOPERATION COUNCIL (GCC)**

BANGLADESH

- US giant ExxonMobil could unlock Bangladesh's hydrocarbon riches**  
 Company understood to be interested in geological features analogous to Guyana's offshore plays. US supermajor ExxonMobil could prove to be the saviour of Bangladesh's struggling upstream industry, especially if it can unlock the multi-trillion cubic feet of gas reserves that are believed to lie in its offshore waters in the Bay of Bengal. ExxonMobil has the technical expertise and deep pockets that the South Asian nation needs to boost its exploration and production sector following several disappointing licensing rounds and the exit of some other international players in recent years. Confirming the move, an ExxonMobil spokesperson told Upstream: "ExxonMobil has held initial discussions with Petrobangla regarding Bangladesh's plans for an exploration round." The US giant is understood to be particularly interested in the gas potential of the nation's deep-water open blocks and also perhaps its onshore acreage. Local media said ExxonMobil had made its proposal to state-owned oil and gas company Petrobangla as the nation again gears up for another bid round, this time offering improved production sharing contract terms, that will include higher prices paid for exploited gas. **3<sup>rd</sup> March 2023**

CHINA

- Metso Outotec wins order for iron ore pelletising plants**  
 Engineering major Metso Outotec has signed a contract with Beijing Shougang International Engineering Technology Co Ltd (BSIET) for the delivery of two compact-sized iron ore pelletising plants for Chengde Zhaofeng Iron and Steel Group Co in Hebei province, China. This is the sixth pelletising plant contract Metso Outotec has won in China since 2020 and the first order for plants of this size in the Chinese market, the company wrote in a statement. The order value of \$35.1 million (EUR 33 million) is booked into Metals' 2023 first-quarter orders received, the statement noted. According to the engineering major, the contract's scope of delivery includes the engineering and design of the indurating and process gas fan systems, supply of proprietary equipment, instrumentation, control systems, as well as supervisory services and technical training. Both plants feature Metso Outotec's traveling grate pellet indurating furnace with a grate area of 342 sq metres. The three-meter-wide plants each have a capacity of 2.6 million tonnes per annum (MTPA). Pellet production at the Zhaofeng plant is estimated to start around the third quarter of 2024. **3<sup>rd</sup> March 2023**

INDIA

- TotalEnergies signs deep-water deal with ONGC for prolific east coast basins**  
 French giant is third international oil and gas player to team up with state-controlled player for east coast assets. India's state-controlled Oil & Natural Gas Corporation (ONGC) has signed an agreement with French giant TotalEnergies to work together on deep-water exploration off India's east coast. ONGC said in a social media post on Monday it has signed a memorandum of understanding with TotalEnergies "to establish a holistic framework between the two for exchange of each other's technical strengths in deep-water offshore, especially Mahanadi and Andaman". ONGC director of exploration Sushma Rawat noted the two companies "will jointly evaluate exploration and development opportunities to create synergies with local economies". **7<sup>th</sup> March 2023**

|               |  |
|---------------|--|
| IRAQ          | <ul style="list-style-type: none"> <li>• <b><u>Iraq give's Russia's Lukoil the nod to develop Eridu oilfield</u></b><br/>Greenfield development on Block 10 can help Iraq keep up with Opec+ production quota. Iraq has approved a development plan for the Eridu oilfield submitted by Russia's Lukoil in November 2021, opening the door for the Russian privately held oil producer to proceed to the development phase. Lukoil said in a statement that Iraqi state-owned company Thi-Qar Oil approved a declaration of commerciality of reserves and the outline development proposal for the Eridu oilfield. The deposit is located within Block 10, which was assigned to Lukoil and an affiliate of Japan's Inpex under a service contract for exploration and production signed after the country's fourth licensing round in 2012. Block 10 occupies about 5800 square kilometres in the southern part of Iraq, 120 kilometres west of the city of Basra and 150 kilometres from the West Qurna 2 field, where Lukoil holds a 75% stake in the operating consortium. The development plan for Eridu targets a plateau production of 250,000 barrels per day of oil, Lukoil said. The operator has drilled nine wells since the initial discovery at the asset was reported in 2017, with in-place oil estimated to be as high as 12.9 billion barrels, according to Lukoil. <b>8<sup>th</sup> March 2023</b></li> </ul>  |
| INDONESIA     | <ul style="list-style-type: none"> <li>• <b><u>Eni to the fore as Indonesia awards hydrocarbon exploration acreage</u></b><br/>Indonesia has formally awarded three exploration blocks that were offered last year via the direct tender mechanism, securing firm investments totalling \$14.2 million during the initial three-year term and signature bonuses totalling \$2 million. Italian energy giant Eni has boosted its upstream portfolio in the republic with the Peri Mahakam block, located onshore and offshore East Kalimantan. Eni and Indonesian co-venturer Pertamina Hulu Energi (PHE) will carry out three geological and geophysical studies, acquire and process 150 square kilometres of 3D seismic and drill one exploration well – all for a minimum commitment spend of \$7.2 million. The 7414.43-square kilometre Peri Mahakam block has potential resources of 1.3 billion barrels of oil equivalent of gas and oil, according to Indonesia's Ministry of Energy &amp; Mineral Resources (ESDM). Indonesia's Saka Eksplorasi Timur has won the Sangkar block, which lies onshore and offshore Central Java and East Java provinces. Saka has committed to undertake two G&amp;G studies and the acquisition and processing of 150 square kilometres of 3D seismic over the 8122.58-square kilometre working area that has a potential resource of 130 million barrels of oil and 300 billion cubic feet of natural gas. The local player will spend \$3 million on its exploration workscope in addition to its \$50,000 signature bonus. Meanwhile, as Upstream reported last week, a consortium of South Korea's Posco International and PHE has been awarded the Bunga block offshore East Jav. The duo has committed to spend at least \$4 million to perform a G&amp;G study and for the acquisition and reprocessing of 350 square kilometres of 3D seismic. <b>3<sup>rd</sup> March 2023</b></li> </ul> |
| <b>AFRICA</b> |  |
| EGYPT         | <ul style="list-style-type: none"> <li>• <b><u>EGPC Launches International Bid Round for Brownfields in Gulf of Suez, Eastern Desert</u></b><br/>Minister of Petroleum and Mineral Resources Tarek El-Molla announced that the Egyptian General Petroleum Corporation (EGPC) has launched the first international bid round of its kind for the development of brownfields through the Egypt Upstream Gateway (EUG). The bid round includes eight producing fields in the Gulf of Suez and the Eastern Desert. Two of the fields are under the supervision of the Suez Oil Company (SUCO) and five are being supervised by the Offshore Shukheir Oil Company (OSOCO). There is also one brownfield within the Eastern Desert's Wadi El Sahl Development Area. The minister elaborated that this bid round was done for the first time after studies confirmed that there are quantities of crude oil within these brownfields. He highlighted the interest of the petroleum sector in attracting research, production and service companies to conduct their activities in these fields by deploying the latest technologies. <b>2<sup>nd</sup> March 2023</b></li> </ul>  |
| MOZAMBIQUE    | <ul style="list-style-type: none"> <li>• <b><u>Saipem to restart Mozambique LNG project</u></b><br/>Saipem has agreed to restart Mozambique's first onshore LNG plant for TotalEnergies, the Italian oilfield services company's CEO announced on Tuesday. The development located in Afungi in the Cabo Delgado</li> </ul>  |



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|         | <p>province was put on hold in April 2021 due to security reasons. The project is expected to gradually restart beginning in July 2023. Works involve building two liquefaction trains with a combined capacity of 13 million tonnes per year of LNG. The USD 3.72-billion EPC contract was signed in 2019. Saipem is the lead partner in the project alongside Japanese and US engineering companies Chiyoda Corporation and McDermott. In November 2022, Eni launched production from its offshore Mozambique LNG project, marking the country’s first foray into producing LNG. <b>1<sup>st</sup> March 2023</b></p>   |
| MOROCCO | <ul style="list-style-type: none"> <li> <p><b><u>Genel Energy to explore Lagzira block, offshore Morocco</u></b><br/> Genel Energy PLC will explore Lagzira block (formerly Sidi Moussa) offshore Sidi Ifni in Morocco after signing a petroleum agreement and association contract with the Office National des Hydrocarbures et des Mines. Genel Energy PLC will explore Lagzira block (formerly Sidi Moussa) offshore Sidi Ifni in Morocco after signing a petroleum agreement and association contract with the Office National des Hydrocarbures et des Mines (ONHYM). In total, 18 prospects and leads have been identified with over 2.5 billion boe mean recoverable prospective resource potential and individual prospects estimated at 100-700 million bbl each. Genel Energy is seeking a partner to take a material equity position and jointly pursue exploration in the block by drilling and testing one of the high-graded prospects. <b>1<sup>st</sup> March 2023</b></p> </li> <li> <p><b><u>Chariot completes FEED for gas development offshore Morocco</u></b><br/> Chariot Ltd. completed front-end engineering and design (FEED) on key components of the Anchois gas development project within the Lixus license area, offshore Morocco. The FEED was initiated in June 2022. In conjunction with subsurface development studies, FEED confirms individual components of the initial development. These components include three initial subsea producer wells, one of which is Anchois-2 drilled by Chariot in 2022 with multi zone completions enabling gas recovery across multiple stacked sands (OGJ Online, Mar. 21, 2022). Other components in the FEED include subsea infrastructure (SURF and SPS) to deliver hydrocarbons from wells to onshore through a subsea flowline with control via an umbilical, future expansion capabilities to tie-back additional wells, onshore central processing and delivery of treated gas and condensate with an initial capacity of 105 MMscfd, and an onshore gas pipeline to deliver gas via the Maghreb Europe gas pipeline (GME). A tie-in agreement to GME has been signed. <b>8<sup>th</sup> March 2023</b></p> </li> </ul> |
| NAMIBIA | <ul style="list-style-type: none"> <li> <p><b><u>Shell makes ‘big’ oil discovery offshore Namibia</u></b><br/> Shell looks to have a third significant oil discovery on its hands in Namibia’s red-hot Orange basin play and could make announcement within hours or days, according to informed sources. Early last year, the supermajor hit oil with its Graff-1 probe in Block 2913A, just ahead of TotalEnergies striking hydrocarbons at its huge Venus prospect in adjacent block 2913B and before Shell went on to have success with its follow-up La Rona-1 well, close to Graff. In late January, Upstream reported that early signs from Shell’s Jonker-1 exploration probe also in Block 2913B were promising, with Northern Ocean’s semi-submersible rig Deepsea Bollsta understood to have hit hydrocarbons in a secondary target en route to the main reservoir objective. <b>3<sup>rd</sup> March 2023</b></p> </li> <li> <p><b><u>QatarEnergy strikes oil again in Namibia</u></b><br/> <u>QatarEnergy</u> announced today a light oil discovery in the Jonker-1X deep-water exploration well, which marks the company’s third recent discovery offshore Namibia. The well was drilled to a total depth of 6,168 meters in a water depth of 2,210 meters. The acquired data is being evaluated while further appraisal is planned to determine the size and recoverable potential of the discovery, QatarEnergy said in a press release. The Qatari energy giant announced two similar discoveries in February 2022 in the Graff-1 well and in the Venus-1X prospect, both located in the Orange Basin offshore Namibia. The exploration license is held by a consortium comprised of QatarEnergy (45%), Shell (45%), and the National Petroleum Corporation of Namibia “NAMCOR” (10%). <b>6<sup>th</sup> March 2023</b></p> </li> </ul>  |
| NIGERIA |   |

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|                  | <ul style="list-style-type: none"> <li> <b><u>Nigeria Discovers New Oil Fields Containing Huge Deposits of Oil and Gas</u></b><br/>           The Nigerian Upstream Regulatory Commission (NUPRC) reports that the Nigerian government has discovered new oil fields with a daily capacity of 1.52 billion standard cubic feet of gas and 681,000 barrels of crude oil, which is projected to increase production. Gbenga Komolafe, the Chief Executive Officer of NUPRC, stated that new oil wells and well re-entry were projected to result in a rise in the volume of crude. He said that the NUPRC had also awarded all of the 2020 Marginal Field Bid Round’s licences and given 50 of them to businesses and new owners. He thinks that the awarded fields’ current oil wells will boost oil and gas output. The commission, he continued, is pushing prompt permits for quick re-entry and early production in anticipation of a projected rise in output from the oil fields that have already been granted, which amounts to around 58,000 barrels of crude oil and 87 million cubic feet of gas per day. <b>28<sup>th</sup> February 2023</b> </li> </ul>  |
| TANZANIA         | <ul style="list-style-type: none"> <li> <b><u>Tanzania to award contracts for \$30 billion LNG project</u></b><br/>           Shell, Equinor and the government of Tanzania have finalised negotiations for the construction of a \$30 billion LNG terminal and contract preparation is underway, Tanzania’s energy ministry said. “Minister January Makamba said negotiations on the construction of the LNG project were complete, and now experts are at work drafting contracts,” the energy ministry said on its Twitter account late Monday. The huge project aims to pipe some 40 trillion cubic feet of gas held in deepwater blocks 1, 2 and 4 to a 10 million tonnes per annum LNG plant at Lindi. The development of Tanzania’s vast offshore gas resources has been held up for years due to regulatory delays. Last June, Shell and Equinor signed a framework agreement with Tanzania, which was aimed at bringing closer the start of the project’s construction. The government aims to reach a final investment decision in 2025 for the facility. Shell operates Tanzania’s Block 1 and Block 4, which hold 16 trillion cubic feet in estimated recoverable gas. Norwegian oil and gas producer Equinor also operates Block 2, in which ExxonMobil holds a stake and which is estimated to hold more than 20 trillion cubic feet of gas. <b>7<sup>th</sup> March 2023</b> </li> </ul> |
| <b>AUSTRALIA</b> |   |
| AUSTRALIA        | <ul style="list-style-type: none"> <li> <b><u>Supermajor launches integrated FEED for new Asian liquefied natural gas project</u></b><br/>           French supermajor TotalEnergies has kicked off the fully integrated front-end engineering and design phase for the Papua LNG liquefied natural gas project in Papua New Guinea. Papua LNG, which is expected to have up to 6 million tonnes per annum of liquefaction capacity, is now targeting first production by the end of 2027 or in early 2028. Project co-venturer Santos on Tuesday confirmed that, following pre-FEED studies, the Papua LNG partners have selected a concept using four electric LNG trains (e-trains) with a combined capacity of 4 million tpa to be developed within the existing PNG LNG project site in Caution Bay. <b>7<sup>th</sup> March 2023</b> </li> </ul>  |
| <b>EUROPE</b>    |   |
| DENMARK          | <ul style="list-style-type: none"> <li> <b><u>New offshore projects planned in Denmark to support Tyra restart</u></b><br/>           Long-awaited first gas from development planned for late 2023 with three new satellite projects in the works. TotalEnergies and its partners in the huge Tyra gas and condensate redevelopment project offshore Denmark are plotting the next set of investments as they look forward to restarting the field this December. Tyra is the largest field in Denmark and began production in 1984. It has provided about 90% of the gas produced in Denmark. The joint venture decided in 2016 to invest about \$3 billion on the redevelopment of Tyra due to compaction of the chalk reservoir, where the seabed has subsided by six metres during the years of production. <b>3<sup>rd</sup> March 2023</b> </li> </ul>   |
| ITALY            | <ul style="list-style-type: none"> <li> <b><u>Saipem scents \$55 billion, 18-month contract bonanza as offshore 'supercycle' kicks in</u></b><br/>           Milan-based Saipem has identified some \$55 billion worth of contracting opportunities in the energy business through to September 2024, driven by a massive revival in the offshore oil and gas sector after         </li> </ul>  |

years of doom and gloom. Reflecting the rapidity of the offshore market resurgence, this headline figure is about \$10 billion more than Saipem was forecasting just one quarter ago and has led the Italian player to lease a new pipelay vessel and could see it lease more drilling units. **3<sup>rd</sup> March 2023**

NORWAY

- Barents Sea oil discovery confirmed: Vaar Energi counts the barrels while Aker BP drills a dry well**  
 Norwegian oil and gas company Vaar Energi has confirmed the discovery of more oil near the Goliat field in the Barents sea, while compatriot Aker BP has drilled a dry well near the Edvard Grieg field in the North Sea, according to the Norwegian Petroleum Directorate (NPD). Vaar revealed last month it had made an oil discovery near the Goliat field with the Countach well, which the NPD referred to as wildcat well 7122/8-1 S. Vaar Energi confirmed today that, following extensive data acquisition and sampling, the preliminary resource estimate of the new find was on the scale of between 3 million and 13 million barrels of oil equivalent recoverable. The company added there is potential in undrilled segments at Countach that could be up to 23 million barrels of oil equivalent. The well was drilled about 13 kilometres northeast of the Goliat field in the southern part of the Barents Sea, 90 kilometres north-west of Hammerfest. **2<sup>nd</sup> March 2023**
- Vår Energi reveals plans to double oil production, increase exploration by 2025**  
 During Vår Energi's 2022 financial report, the Norwegian exploration and production operator revealed plans to increase production by more than 50% by 2023. The company also expects to ramp up exploration plans based on successful exploration campaigns in 2022. The production increase will be supported by "operational excellence, a high-value project portfolio, world-class exploration capabilities and value accretive M&A," according to the company. In 2022, Vår Energi achieved an oil production rate of 220 Kboed. The company is on track to achieve a production rate of over 350 Kboed by the end of 2025 based on 17 sanctioned projects with the majority well into execution with committed investments, including the key projects Balder X, Johan Castberg and Bredablikk. Vår Energi had a 57% exploration success rate in 2022, adding roughly 65 MMboe of resources, including the Vår Energi-operated Lupa discovery, the largest on the NCS for the year. **17<sup>th</sup> February 2023**

**NORTH & SOUTH AMERICA**

ARGENTINA

- Fénix Gas Field offshore Tierra del Fuego in Argentina**  
 Fénix field, the world's southernmost gas project, is being developed offshore Tierra del Fuego in Argentina. TotalEnergies operates the project with a 37.5% stake through its affiliate Total Austral, while Wintershall Dea (37.5%) and Pan American Sur (25%) are the other partners. The Final Investment Decision (FID) for the project was taken by TotalEnergies in September 2022. The development will entail an investment of around \$706m. Fénix Gas Field is expected to commence commercial operations in early 2025. It will produce around 10 million cubic metres per day of natural gas (70,000 barrels of oil equivalent per day). It will be supported by a four-legged jacket with associated appurtenances such as piles, anodes, disposal tubes, pre-installed risers, J-tubes, and facilities for future subsea wells. The 1,537-tonne jacket will support the four-legged deck. The total topside structure will weigh 1,385 tonnes. **1<sup>st</sup> March 2023**

BRAZIL

- Valaris wins \$500 million rig contract with Petrobras offshore Brazil | Upstream Online**  
 US drilling giant Valaris has secured a fresh contract with Brazilian state-controlled company Petrobras that will see the reactivation of a cold-stacked drillship, in further indications the offshore rig market is experiencing a new upcycle. Petrobras agreed to charter the drillship DS-8 for a three-year period for a price tag of about \$500 million, including a mobilisation fee of \$30 million, which equates to a dayrate of roughly \$430,000. "We are particularly pleased to have secured the award for preservation stacked drillship DS-8, for a contract that is expected to generate a meaningful return over the firm contract term," said Valaris chief executive Anton Dibowitz. **6<sup>th</sup> March 2023**
- OneSubsea seals Brazilian contracts**

OneSubsea has secured contracts to supply equipment for three Brazilian offshore fields. The Houston-headquartered unit of SLB, formerly Schlumberger, sealed a deal with Petrobras for 16 Christmas trees, destined for the Búzios 10 project in the Santos Basin pre-salt, with first delivery scheduled for the first quarter of 2025. The company will also be responsible for the associated installation, commissioning and maintenance services. The scope of services includes the drill pipe riser system, installation tools and specialised offshore service fronts that will be responsible for installing the equipment in the field. In addition to Petrobras agreement, OneSubsea will be responsible for supplying multiphase pumps for the Atlanta field, operated by Enauta in the Santos Basin pre-salt exclusion zone, and to Prio, formerly PetroRio, for the Wahoo field in the Campos Basin. The contracts with an undisclosed value are expected to be delivered within two years. **6<sup>th</sup> March 2023**

- **DOF Subsea secures contracts offshore Brazil**

DOF Subsea is pleased to announce that Petrobras has exercised an option for the diving support vessel Skandi Achiever, including ROV and diving services. The new commitment will now run until February 2024 and has commenced in direct continuation with the current commitment. In addition, to the newly announced contract on the RSV vessel Geoholm, DOF has just signed another contract to perform survey services for the same period. The contracts have a combined value in excess of USD 35 million for the firm period. DOF Subsea CEO, Mons S. Aase, stated: "I am very happy with the contract awards securing utilisation of our personnel in Brazil and one of our key assets in the Group, Skandi Achiever. The contract award also confirms our strong position and track record in Brazil and strengthens our long relationship with Petrobras. **6<sup>th</sup> March 2023**

CANADA

- **Dow awards FEED contract to Fluor for Canadian ethylene and derivatives complex**

The proposed net-zero emissions ethylene cracker and derivatives complex of Dow is aimed at decarbonising nearly 20% of the company's global ethylene capacity while ramping up its supply of polyethylene by nearly 15%. American chemicals manufacturer Dow has awarded a reimbursable contract to Fluor pertaining to its ethylene cracker and derivatives complex in Alberta, Canada. Under the contract, Fluor will be responsible for providing front-end engineering and design (FEED) and engineering, procurement and construction management (EPCM) services to the petrochemical complex in Fort Saskatchewan. The project is expected to increase Dow's ethylene and polyethylene capacity from its existing Fort Saskatchewan site by more than three times, while retrofitting the existing assets to net-zero carbon emissions. Fluor energy solutions business group president Jim Breuer said: "We commend Dow for its leadership and commitment to decarbonise its global footprint, and we are pleased to work together with the company on this important project. **21<sup>st</sup> February 2023**

USA

- **Talos expands carbon storage capacity in Southeast Texas to over 1 billion tonnes**

The original total storage capacity for the Bayou Bend CCS project was estimated between 225,000 and 275,000 tonnes. Talos Energy announced its Bayou Bend CCS project with Chevron in southeast Texas has expanded its storage capacity to 1 billion tonnes of total carbon dioxide sequestration. The US independent had previously leased offshore areas with 225,000 to 275,000 tonnes of total CO<sub>2</sub> storage in the region near Beaumont, but a new onshore lease agreement announced Wednesday puts the total capacity in the area to more than 1 billion tonnes. "With Talos Low Carbon Solutions, we continue to add strategic US Gulf Coast leasehold for CO<sub>2</sub> storage to build the largest carbon sequestration portfolio in the United States, while advancing our efforts to build additional strategic partnerships and to attract captured CO<sub>2</sub> volumes," chief executive Tim Duncan said. Talos Energy confirmed its interest in US CCS potential in its fourth quarter earnings results, noting it is anticipating between \$70 million and \$90 million in CCS investments, with potential for growth. Talos Energy also provided updates on its Coastal Bend CCS project in Corpus Christi, where its project was selected for a \$9 million grant from the US. **3<sup>rd</sup> March 2023**

- **Contractor selected for Donald C Tillman Water Purification Facility in Los Angeles**

The development of the \$500 million Donald C Tillman Advanced Water Purification Facility in Los Angeles is moving forward. Recently Los Angeles Sanitation & Environment, and the Los Angeles Department of Water and Power made a new appointment. Jacobs People & Places Americas Solutions was appointed for the progressive design-build of the facility. According to Jacobs, the scope of work includes taking charge of the design. Additionally, it involves obtaining permits, and building, operating, and commissioning the facility. This is one of the largest potable reuse projects in the nation. The project is a component of the City of Los Angeles' long-term water management goal to entirely reuse its water sources. **5<sup>th</sup> March 2023**

- **Lithium Americas awards contract for Sulfuric acid plant to MECS**

The new 3,000 MTPD sulfuric acid plant will feature MECS HRS technology to harness waste heat for steam generation which will be converted to carbon free energy. MECS, a subsidiary of Elesent Clean Technologies, was contracted for the provision of an MECS sulfuric acid plant by The new 3,000 MTPD sulfuric acid plant will feature MECS HRS technology to harness waste heat for steam generatio The new plant will be located at Lithium Americas' Thacker Pass operation which is the largest lithium carbonate proce permitted for construction. The MECS sulfuric acid technology provides sulfuric acid for the processing of battery raw materials while ensuring the "We are thrilled to be working with Lithium Americas and EXP on this project. It is very exciting to be part of such a mon the potential to make a global impact on the battery metal supply chain. **7<sup>th</sup> March 2023**

- **Guyana Planning Second Oil Auction in 2024 to Bolster Expansion**

Guyana is planning another auction of prospective oil-field leases next year as the world's fastest-growing economy seeks to maintain the pace of development, Vice President Bharrat Jagdeo said. The country's first auction is expected to take place by the end of May after being delayed by a few weeks as the government finalizes contract terms and legislation that ensure it secures a larger share of proceeds, Jagdeo said in an interview in Houston on Monday. The country has ample drilling locations to justify a second sale next year, he said. Guyana's economy is undergoing a radical transformation after Exxon Mobil Corp.'s 2015 discovery of massive tranches of offshore oil. From producing no crude at all, the Exxon projects will likely push national output to more than a million barrels a day by 2027, more than OPEC members Algeria and Angola, according to the government. But with much of the developed world looking to pivot away from fossil fuels, Guyana wants to extract and sell its crude resources as swiftly as possible. "We have a ton of decisions to make now so that we don't slow down the pace of development" Jagdeo said on the sidelines of the CERAWEEK by S&P Global conference. Since oil began flowing, Guyana received \$350 million in 2020 and 2021, and \$1 billion in 2022. The government receives a portion of the revenues for its spending budget while the rest is allocated to a sovereign wealth fund. Guyana has awarded contracts for 12 hospitals and seven hotels, and is building a natural gas pipeline that will reduce electricity prices by 50% when complete in December 2024, Jagdeo said. **7<sup>th</sup> March 2023**

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