

27th April 2017

Calm Oceans Pte. Ltd. signs Memorandum of Understanding for Supply of Leased Production Facilities

Marginal Field Development Company (MFDevCo) is pleased to announce that it has entered into a Memorandum of Understanding with Calm Oceans Pte. Ltd. ('COPL') as a precursor to a Lease Agreement under which it is anticipated that COPL will be MFDevCo's first choice supplier of production facilities, to be provided on a bareboat charter basis.

COPL, which is based in Singapore, has designed and patented the Mono-Column Platform (MCP) and has a patent pending on the Relocatable Pivoting Storage and Offloading system (RPSO), self-installing and relocatable facilities with the characteristics identified as key for the cost-effective development of marginal fields. The agreement gives COPL the 'right of first refusal' to provide the MCP, RPSO and (either directly or through a third party) topsides facilities on a lease basis for a minimum of four of the projects that MFDevCo are currently targeting. The specification for the topsides facilities will be provided by MFDevCo who will, with their Consortium partners, design the facilities to meet their 'normally unattended' criteria.

The schedule for the design and fabrication of the MCP and RPSO will allow MFDevCo to accelerate the time to development of projects and, critically, the lease arrangement is the final major element in MFDevCo's financing strategy, spreading the cost of a facility through the life of the project and significantly reducing the upfront capital required to commence project development.

Alison Pegram, Managing Director of MFDevCo, commented, ***"We are delighted to have executed an MoU with Calm Oceans for the provision of production facilities. That they are to be provided under a lease arrangement significantly enhances our offering and in conjunction with the arrangements secured with COSL Pan Pacific shows that we now have a coherent and attractive financing strategy for projects. We are now able to demonstrate to operators the ability to supply and finance the two high cost elements of project development, drilling and the production facility."***

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Note to Editors:

Marginal Field Delivery Company (formerly ABT Oil and Gas Ltd) (www.mfdevco.com)

Marginal Field Delivery Company ('MFDevCo') focuses on maximising recovery from the vast, undeveloped hydrocarbon resources contained within marginal fields worldwide, utilising appropriate re-deployable solutions to transform these undervalued assets. MFDevCo manages the entire lifecycle of marginal field projects from opportunity screening, suitability assessment and financing through engineering to production and decommissioning.

Calm Oceans Pte. Ltd.

Calm Oceans Pte. Ltd. ('COPL') is a Singapore-based oil and gas company that designs, engineers, builds, owns and leases facilities to the offshore oil and gas industry. It is owned by Mr. Brian Chang, an established entrepreneur with more than 40 years' oil and gas experience, who has developed more than 600 offshore projects. COPL own patents, or has patents pending, on two designs that are particularly applicable to MFDevCo projects, the Mono-Column Platform (MCP) and Relocatable Pivoting Storage and Offloading system (RPSO).

The MCP is a self-installing offshore platform comprising a Deck connected to a Mat (foundation) through a 4-chord square truss structure (Mono-Column). The MCP has a large deck area, can support a high deck load and is suitable for operation in water depths up to 500 feet. The first MCP, CO-101, has been partially constructed and is currently held in a shipyard in China.

The RPSO is a self-installing gravity-based storage and offloading system with a contiguous and uniform double-hull construction designed to withstand site conditions and sized to cater to field-specific storage needs. The system can be operated unattended and the design has ABS Approval-In-Principle (AIP).