

Press Release

31st July 2015

Arup joins the Marginal Field Delivery Consortium

ABT Oil and Gas (“ABTOG”) is delighted to announce it has signed a collaboration agreement with global engineering and design consultancy Arup. Arup thus becomes the latest member of the Marginal Field Delivery Consortium (“the Consortium”) that ABTOG has established to assist in the delivery of its Marginal Field Initiative, joining AGR, Apollo, Braemar ACM, Frames, Kongsberg Maritime and RMRI.

The addition of Arup to the Consortium is a very positive step for the Initiative as Arup has considerable project management experience that will enhance the Consortium’s ability to deliver its range of solutions to budget and on schedule. Arup also brings an additional proven-in-use structure (the ACE platform) that can house ABTOG’s normally unattended topsides.

Four of Arup’s range of ACE self-installing and re-deployable platforms have been deployed to date (in Australia’s Bass Strait, the Taranaki Basin off New Zealand, the West Natuna Sea in Indonesia and the West Philippine Sea), with a fifth currently being developed for a field in the UK North Sea. These award-winning self-installing and re-locatable platforms combine the advantages of traditional fixed platforms with the versatility offered by a mobile unit and are particularly economical where reuse allows several reserves to be exploited, in areas of high decommissioning costs, or where access to specialist installation vessels is limited and costly. As such they have many of the characteristics ABTOG believes are required for the development of certain small or marginal fields. The ACE has particular advantages for application to a number of the projects on which ABTOG is currently in discussion and, together with Arup’s extensive experience and expertise, will allow ABTOG and the Consortium to accelerate progress towards a major project.

Alan Minty, CEO of ABTOG, commented:

“We are delighted that an organisation that is as well established and well respected as Arup so clearly sees the value in what ABTOG’s Consortium is doing. Their ACE structures represent a very credible and attractive option for a number of the projects on which ABTOG is currently in discussions, and Arup’s approach to project management is exactly what is required to ensure successful delivery of marginal field projects. Arup is the final essential member of the Consortium and their addition significantly enhances our coherent vision of how marginal field projects can be transformed and delivered on time and within budget.”

Rob Duffin, Oil and Gas Leader at Arup, said:

“Arup is very pleased to be involved in ABTOG’s Marginal Field Delivery Consortium and believes that the lean and focussed approach being adopted is exactly that that is required to maximise recovery of resources in the North Sea and beyond at a time of lower oil prices. Our self-installing ACE platform is a proven and safe, environmentally sensitive, efficient and cost effective solution that fits well with the objectives of the Consortium and we look forward to working with all members to deliver real value and increased opportunities for our clients.”

ENDS

Notes to Editors

ABT Oil and Gas is an independent oil and gas company specialising in maximising recovery from the vast, undeveloped hydrocarbon resources that are contained within marginal fields. Utilising appropriate buoyant technology, ABTOG is able to transform the value of assets that are considered of little or no value because costs associated with conventional production methods. ABTOG provides project identification, suitability assessment, buoyant technology and investment solutions for oil field development. ABTOG is a joint venture between ABTechnology and Enegi Oil. www.abtoilandgas.com

Arup is an independent firm of designers, planners, engineers, consultants and technical specialists offering a broad range of professional services and aiming, through their work, to make a positive difference in the world. Their oil and gas division helps the industry create efficient infrastructure and storage for exploration, production and transport, while their oil and gas engineers and project managers deliver major projects that ensure the structural and geotechnical integrity of on- and offshore facilities, all the way to decommissioning. www.arup.com

Marginal Field Initiative and Consortium

The objective of the Marginal Field Initiative, established by ABTOG, is to develop marginal hydrocarbon fields around the world and unlock these vast resources which could otherwise remain undeveloped, as conventional solutions render them uneconomic to produce. Using proven technologies to radically reduce CAPEX and OPEX, ABTOG are able to transform the economics of these undervalued assets and profitably deliver marginal field projects, providing considerable returns to the operators and investors alike. ABTOG has been progressing its Initiative for a number of years, over which time the company has refined the business model and significantly progressed the project delivery mechanism.

Dialogue with the market, and asset owners in particular, continually reinforces the need for delivery capability to be demonstrable. ABTOG's offering requires expertise across a broad spectrum of disciplines and, as such, the company is building a consortium of established industry partners who provide the capability to deliver marginal field projects. The Consortium will deliver services dedicated to the economic development of marginal oil and gas projects, from early production solutions, small or stranded hydrocarbon accumulations, through to life extension for mature fields. The Consortium is dedicated to doing so in accordance with ABTOG's guiding principles; a key driver being to ensure projects are delivered on schedule and within budget. By doing so, the Consortium can not only unlock marginal field opportunities but deliver the greatest returns.

ABTOG has established relationships with companies that are forward thinking, recognise the opportunity offered by the Marginal Field Initiative and are willing to support their belief through the application of their own resources. All are strong industry partners, recognised global leaders in their fields with extensive resources which they intend to apply to advance the Marginal Field Initiative.

Through these partnerships the Marginal Field Initiative benefits through the advancement of key areas such as:

- the demonstration of a normally unattended installation which is critical for opex reductions;
- access to capital;
- expanding global reach to access projects;
- enhancing credibility; and
- direct investment into advancing the initiative.

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