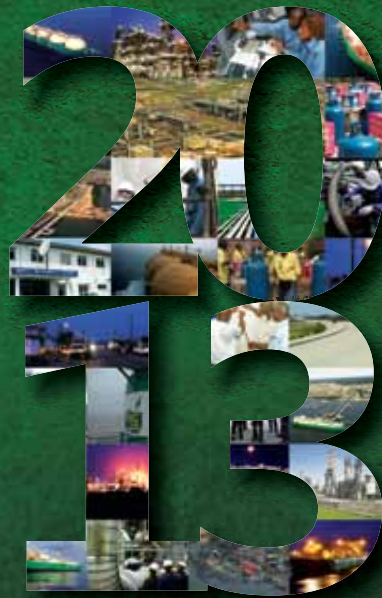




FACTS &
FIGURES
on NLNG



“Facts and Figures on NLNG is an annual compendium of facts about Nigeria LNG Limited. This publication is produced by the Corporate Communications and Public Affairs Department of Nigeria LNG Limited. All correspondence to **Yemi Adeyemi**, Nigeria LNG Limited, KM 16, Intels Aba Road Estate, Port Harcourt-Aba Expressway, Port Harcourt, Rivers State, Nigeria. **Phones:** +234 803 907 4000, +234 802 473 4000, +234 (0) 84 28 4000; **E.mail:** yemi.adeyemi@nlng.com. **Website:** www.nigeriaLNG.com



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OUR MISSION:

To market, produce and deliver liquefied natural gas liquids to buyers safely, reliably and profitably, growing our company and its people to their full potential, and being a trusted partner with all our stakeholders in the sustainable development of Nigeria's gas industry and of NLNG's host communities.

The Company



Nigeria LNG Limited (NLNG) is jointly owned by Nigerian National Petroleum Corporation (49%), Shell (25.6%), Total LNG Nigeria Ltd (15%) and Eni (10.4%).

It was incorporated as a limited liability company on May 17, 1989 to harness Nigeria's vast natural gas resources and produce Liquefied Natural Gas (LNG) and Natural Gas Liquids (NGLs) for export. The company has wholly-owned subsidiaries: Bonny Gas Transport (BGT) Limited and NLNG Ship Manning Limited (NSML).

Bonny Gas Transport Limited

Bonny Gas Transport Limited was established in 1989, following the incorporation of Nigeria LNG Limited, to provide shipping capacity for NLNG project.

The company was set up with an ordinary equity holding from Nigeria LNG Limited and preferential equity holding from the sponsors, NLNG's shareholders.

NLNG Ship Manning Limited

NLNG Ship Manning Limited (NSML) is another wholly-owned subsidiary of NLNG.

The company was set up in 2008 to realise NLNG's vision of resourcing, development and management of shipboard personnel for BGT vessels.

Our Vision

...a global LNG company helping to build a better Nigeria.

Nigeria LNG Limited will be a global LNG company renowned for its operational excellence, cost leadership, high HSE standards, honesty and integrity.

We help to build a better Nigeria by processing, shipping and marketing efficiently and profitably the country's gas resources and by putting out the flares, thus diversifying the economy and minimising the environmental impact of our activities and products. We will set the standards in community relations and technology transfer, and actively promote the sustainable development of Nigerian businesses.

We will provide to our shareholders a good return on their investment. We will provide an exciting and fulfilling place to work and the opportunity for staff to develop their potential.

Finally, we will execute and operate our business in Nigeria with an international outlook and mindset.

Our People

Nigeria LNG Limited's workforce comprise direct hire staff, supported by secondees from shareholder companies, working together to achieve the company's corporate objectives, through a set of Shared Values.

Direct staff are recruited after a rigorous interview following the advertisement of vacancies on the company's website and in national newspapers. Employment and appointments are made on merit, based on academic qualification, relevant work experience and competence.

The shareholders appoint representatives to the Board of Nigeria LNG Limited. To execute the decisions of the Board is a Senior Management Team (SMT). Supporting the SMT are the Extended Management Team (EMT) and over 1,000 quality staff.

SHARED VALUES:

Integrity

Teamwork

Excellence

Caring

SHAREHOLDERS:



Nigerian National Petroleum Corporation (NNPC)

Nigerian National Petroleum Corporation was established in 1977 under the laws of the Federal Republic of Nigeria. It is the corporate entity through which the Nigerian government participates in the oil and gas industry. NNPC and its subsidiaries dominate all sectors of the industry—exploration, production, refining, pipelines, marketing, crude/product exports, and petrochemicals. NNPC owns 49% of the shares in Nigeria LNG Limited.



Shell Gas BV (SGBV)

Shell Gas B.V (SGBV) is a company incorporated under the laws of the Netherlands. For more than 40 years, Shell Gas has been investing in and delivering some of the world's largest and most complex gas projects. Besides its interest in Nigeria LNG Limited, Shell Gas holds the largest equity share of LNG capacity among international oil companies, with a leading position in LNG shipping, marketing and trading of natural gas and power in Europe, North America and Asia Pacific.

It is a member of the Royal Dutch Shell Group of Companies which operates throughout the world in all sub-sectors of the petroleum industry. SGBV owns 25.6% of the shares in Nigeria LNG Limited.



Total LNG Nigeria Limited

Total is a major integrated oil and gas company active in all sectors of the petroleum industry. It explores in more than 130 countries. The company is Nigeria's fourth-largest oil and gas producer through its involvement in more than 50 permits, including nine as operator. Total owns 15% of the shares in Nigeria LNG Limited.



Eni International (N.A.) N.V.S.a.r.l

Eni is one of the world's major integrated oil and gas companies engaged in all sectors of the petroleum business. It is involved in exploration, development and production of oil and natural gas in 70 countries. Eni owns 10.4% of the shares in Nigeria LNG Limited.

NLNG BOARD OF DIRECTORS

Osobonye LongJohn	Chairman
Babs Omotowa	Managing Director/Chief Executive Officer
Basheer Abubakar Koko	Deputy Managing Director
Andrew Yakubu	
Ambassador Abdulkadir A. Musa	
Cordelia C. Agboti	
Ronnie Aker	
Bagudu Hirse	
Guy Maurice	
Markus Droll	
Ruud de Jongh	
Carlo Bottaro	
Edith Unuigbe	General Counsel/Company Secretary

BGT BOARD OF DIRECTORS

Osobonye LongJohn	President
Babs Omotowa	Vice President
Basheer Abubakar Koko	
Andrew Yakubu	
Ambassador Abdulkadir A. Musa	
Ronnie Aker	
Ruud de Jongh	
Aleruchi Cookey-Gam	
Umaru Dahiru	
Luc Gillet	
Antonio Fiore	
Donald H. Malcolm	
Richard Eccleston	
James Macdonald	
Malcolm Mitchell	Company Secretary

NSML BOARD OF DIRECTORS

Dr David Ige	Chairman
Basheer Abubakar Koko	Vice Chairman
Grant Akata	Managing Director
Yahya Lawal	
Dr. Maikanti Baru	
Richard Eccleston	
Laurent Routisseau	
Antonio Fiore	
Temilola Okesanjo	
Edith Unuigbe	Company Secretary





NLNG *Management Profile*



MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

Babs Jolayemi Omotowa holds a degree in Industrial Chemistry and a Master of Business Administration (Operations Research) from the University of Ilorin. He also holds a Master of Business Administration (Supply Chain Management) from University of Leicester, United Kingdom.

After a brief stint as a chemistry and mathematics teacher at Bishop Smith College, Ilorin, he joined Shell Petroleum Development Company (SPDC) in 1993 as a management trainee and rose rapidly to Head, Operations Support, Warri, before he went on international assignments with Shell in the United Kingdom, Holland, and Norway, serving variously as Production Asset Manager, Shipping Manager and Business Improvement Manager. In Europe, he was renowned for his re-engineering and successful turnaround performances.

He returned to Nigeria in 2006 as General Manager Supply Chain for SNEPCo and SPDC and was subsequently appointed a Director of SPDC in 2008.

Babs has distinguished himself with, among other things, his work on contracting of goods and services to support production operations and major projects and services across both JV and PSC operations. He also led the contractual processes on the EPC for the Gbaran Ubie gas project.

In 2010, he was appointed a Director of the West African Gas Pipeline Company (WAPCo). Until his

recent appointment as Chief Executive Officer of Nigeria LNG Limited in February 2012, Babs was Vice President, Health, Safety and Environment, Infrastructure and Logistics for Shell companies in Sub-Sahara Africa. It is to his credit that SPDC recorded 600 days without a single fatality, a major feat in a company that previously reported deaths of between 10 and 20 persons a year.



DEPUTY MANAGING DIRECTOR

Basheer Abubakar Koko holds a Post Graduate Diploma in Petroleum Economics from Oxford in the United Kingdom and a Bachelor in Business Administration from Ohio University, United States of America (U.S.A.). These are complemented by numerous international courses and development attachments in Harvard University, USA; The Watson College; University of Pennsylvania; IMD, Lussane Switzerland and energy companies in the United Kingdom, Italy, America and Canada. He is also a member of the Energy Institute, London.

With considerable experience in the global oil and gas industry, Basheer has a grasp of cutting edge management practices as well as a clear understanding of the delicate workings of government policies. Beginning his career



in 1982 at Kaduna Refinery, he has held several key positions including: Manager, Marketing and Sales at Eleme Petrochemicals, Port Harcourt (1997-1998); Manager, Marketing and Shipping, LNG Division (1999-2003); Office of the Group Managing Director, Nigerian National Petroleum Corporation (January 1999—November 2003); and Executive Director (Services) of Kaduna Refining and Petrochemical Company Limited (November 2003—September 2007).

Earlier, he was Special Assistant to the Honourable Minister of Petroleum Resources/ OPEC President (May—November 1988) and the Technical Assistant to the Honourable Minister of State for Petroleum Resources (February—August 1998).

Between 2001 and 2003, Basheer participated in MOU/SPA negotiations with potential buyers of volumes from NLNG Plus (Trains 4 & 5) as the Head of NNPC Representatives and later in 2003 as the Commercial Representative of NNPC to NLNG Shipping Advisory Committee for Trains 4, 5 & 6.

Basheer was President of Calson Bermuda Limited, a NNPC/Vitol Group Joint Venture and Managing Director, Hyson (Nig) Limited, another of NNPC/ Vitol Joint Venture before he came to NLNG in 2009.



GENERAL MANAGER, PRODUCTION

Chima Isilebo is the General Manager, Production at the plant complex in Bonny, Rivers State.

Chima is a seasoned professional with more than 30 years Oil & Gas Industry experience in both Upstream and Midstream businesses, covering diverse disciplines including Engineering/ Project Management, HSSE, Business Planning/ Economics, Venture Governance, LNG Commercial and Operations/Asset Management. A 1980 graduate of the University of Nigeria, Nsukka with a First Class (Hons) degree in Mechanical Engineering, Chima joined Shell Nigeria in August 1981, and has had a series of challenging assignments in various locations both within Nigeria and around the world including, Europe (UK and the Netherlands), the Middle East (Oman) and South East Asia (Brunei and Singapore).

He served as the Operations Adviser – St Fergus, Shell UK EP and Operations Support/HSEQ Manager for Brunei LNG, before being appointed as the Start-Up Manager (in 2004) and the first Nigerian Operations Manager for Nigeria LNG in 2006.

Between 2008 and 2010, he was back in Shell Upstream International as Vice President (Gas & Power) / GM LNG Governance with responsibility for South-East Asia (based in Singapore) where he served as a Director on the boards of a number of Shell Joint Venture companies in Brunei and Malaysia, including Brunei Shell Petroleum, Brunei LNG, Brunei Shell

tankers, Brunei Gas Carriers and Shell MDS in Malaysia.

He returned to NLNG again in 2011 as the first Nigerian General Manager, Production (PD).



GENERAL MANAGER, COMMERCIAL

Patrick Olinma holds a bachelor and a master of law degrees from the Universities of Benin and Lagos, as well as a Master of Business Administration (MBA) from the Grand Ecole ESCP, Paris, France.

He began his career as a legal counsel in Abudu, Akinyemi & Ogunde in 1990 and was managing counsel when he left the law firm to join French oil giant Total Nigeria in 1996 where, amongst other roles, he had oversight function of technical services contract and advised operations teams on host communities, conflict resolution, as well as relations with state and local government agencies. He was also lead counsel in the negotiation of various production sharing contracts and joint venture oil and gas agreements, notable among them, the \$1.2 billion unitisation & unit operating agreement for the Amenam/Kpono fields off-shore, Nigeria, and the \$1.06 billion gas sellers' "direct agreement" with lenders to the Nigeria LNG Limited Trains 4 & 5 Project. He was also Secretary, Total Nigeria Pension Fund with responsibility for legal aspects of pension fund management and regulatory reporting and

compliance matters.

Patrick, who has a strong track record in closing complex deals, in 2005 led the 2.5 million tonnes per year LNG Sales & Purchase Agreement negotiations with Suez LNG for the Yemen LNG Project and was responsible for the 3.25 million tonnes per year LNG Sales & Purchase Agreements with BG Gas Marketing Limited and Occidental Energy Marketing Inc. for NLNG's Train 7 Plus project. His last posting before his appointment in Nigeria LNG Limited was as Deputy General Manager (NLNG Commercial) in Total Nigeria.



GENERAL MANAGER, FINANCE

Victor Eromosele is a chartered accountant with a masters degree in Business Administration from University of Benin. Starting out as a Budget Accountant for Warri Refinery in 1980, Victor's career with NNPC has spanned more than 30 years, 19 of which have been in management positions.

In 2000, he was appointed NNPC Representative/ Deputy Leader of the Nigeria LNG Financing Team that successfully secured \$1.06 billion for the NLNGPlus Project (Trains 4 & 5 in 2002). Between 2003 and 2004, he was Co-Leader of the London-based NNPC-MPN Financing Team





on NGL-II Project which raised \$1.275 blion. On returning to Nigeria in mid-2004, he worked as Manager, Joint Venture Finance at NNPC-NAPIMS.

While at NAPIMS, he was chairman of the industry-wide Uniform Accounting Policy Committee (UAPC) established to improve financial reporting practice of major upstream entities and thus allow for comparison and equitable cost sharing.

A prolific leisure-time writer, Victor has two books to his credit, including the widely-acclaimed *Nigerian Petroleum Business – A Handbook* and numerous published articles and commentaries. He is a member of the Energy Institute, London. Victor joined Nigeria LNG Limited in February 2007 from NNPC where he was General Manager, Finance and Accounts, NNPC-NAPIMS, responsible for coordinating all the financing and accounting activities essential to operating NNPC's joint operating agreements with international companies and for tracking costs under the product-sharing contracts (PSCs).

While at NLNG, he has pioneered leadership in cost management, changing the spending culture.



AG. GENERAL MANAGER, EXTERNAL RELATIONS

Kudo Eresia-Eke, a seasoned and accomplished communicator and administrator with rich experience in the media, academia, government and the oil and gas industry, holds a Ph.D in Political Science from the University of Port Harcourt, and a Bachelors Degree in Mass Communication from the University of Lagos. He started his communication career straight from secondary school, joining the Nigerian Television Authority as a presenter and newscaster. He later served Daily Times, the Guardian Newspaper, the Rivers State Television, Radio Nigeria, Radio Rivers, Sunray Group of Newspapers, and for years was also a columnist for the Vanguard Newspaper.

Kudo has a wealth of experience in Public Service, too. He served variously as Rivers State Commissioner for Information and Culture and State Director of the National Orientation Agency. He has also enjoyed teaching stints in various universities in Nigeria and South Africa and was the founding staff of the Centre for Advanced Social Science, Port Harcourt.

Since joining the oil and gas industry 14 years ago as pioneer Community Relations and Development Manager for Nigeria LNG Limited, Kudo has served in other managerial positions including Public Affairs Manager, and Government Relations Manager. He is a prolific writer with numerous publications spanning poetry, short stories, inspirational and academic essays; and a member of several professional organizations

including the International Association of Business Communicators.



GENERAL MANAGER, HUMAN RESOURCES

Lawal Yahya Mohammed holds a B.Sc. degree in Political Science from Bayero University, Kano. He is a member of International Public Relations Association (IPRA) and an Associate member of Nigerian Institute of Personnel Management (NIPM). In December 2011, he was conferred with an Honorary Doctorate Degree by the Commonwealth University Belize.

Dr. Lawal began his career as a School Teacher with the Zaria Local Education Authority in 1973. He joined Shell Petroleum Development Company (SPDC), Port Harcourt, in 1980 as Planning and Remuneration Assistant under the NYSC scheme and thereafter worked as Personnel Officer. In 1984, he left Shell to become the Head of Personnel Department in Ballarpur Glass Nigeria Limited, Kaduna. In July 1986, he joined the services of Kaduna Refinery, a subsidiary of Nigerian National Petroleum Corporation, as Senior Personnel Officer. At various periods, he worked at defunct Refineries Sector Headquarters and the NNPC Headquarters, Lagos as Officer-in-Charge of Staff Welfare, Industrial Relations, Staff Appraisal and Discipline until 1996 when he became the Head of NNPC/NLNG Seconded Administration Unit. In 1998, he assumed the position of Deputy Manager, Public Affairs

Department (PAD), then moved on to Community Relations (NAPIMS) in 2002. He later became Manager, Admin & Protocol (GPAD) before assuming the position of Manager, Human Resources Department, Services Division, PPMC Headquarters in February 2007. In February 2011, he was appointed General Manager, Human Resources, and in May 2011 was seconded to Nigeria LNG Limited as General Manager, Human Resources.

His career spans different human relations disciplines – staff appraisal and discipline, seconded administration, public affairs, community relations, administration and protocol, staff welfare, industrial relations and planning and recruitment.

Dr. Lawal has about 30 years experience in various aspects of Human Resources Management, Administration and Public Relations in the oil & gas industry. He has attended numerous senior management courses locally and internationally.



GENERAL MANAGER, NLNG SHIPPING

Temilola Fatai Okesanjo started his career in the maritime industry in 1981 as a Deck Cadet in the now defunct Nigerian National Shipping Lines (NNSL). He later graduated from Australian Maritime College as a Master Mariner in 1990. Soon after graduation, he worked briefly as a Master Mariner on Oil Tankers & Terminals



before proceeding to World Maritime University in Malmo, Sweden, to pursue a Master of Science degree in Shipping Management which he obtained in 1994.

Temilola also sat for the (London) Institute of Chartered Shipbrokers (ICS) examination, qualifying as a Chartered Shipbroker (MICS) in 1995. He has at various times worked as a Marine Superintendent/SBM Pilot for Texaco Overseas Petroleum Company; Shell Petroleum Development Company (SPDC); Mobil Producing Unlimited; and Petroleum Development Company of Oman before joining NLNG in 1999 as Head of Shipping Operations.

Temilola became the first Nigerian employee to rise to the position of a General Manager in 2005. Temilola has inspired landmark achievements in the Shipping Division, remarkably the setting up of the subsidiary, NLNG Ship Manning Limited (NSML), and NLNG Ship Management Services (NLNGSS), a ship management arm of the NLNG Shipping Division.



GENERAL COUNSEL/COMPANY SECRETARY

Edith Unuigbo holds a Bachelors degree in Law from Obafemi Awolowo University, Ile-Ife and a Master of Laws degree from Harvard Law School, Harvard University in Cambridge, Massachusetts, USA. Edith qualified in the Mini MBA in Oil and Gas in Houston USA in 2008; obtained the International Executive Programme Certificate from Insead Business School, Fontainbleu, France in 2009; attended and obtained a Certificate in the Women's Leadership Forum (Innovative Strategies) from Harvard University, Cambridge, Massachusetts in 2011; and the Advanced Management Programme Certificate from Wharton Business School, Pennsylvania, USA in 2012.

She is the General Manager/General Counsel/ Company Secretary of Nigeria LNG Limited and Company Secretary of NLNG Ship Manning Limited.

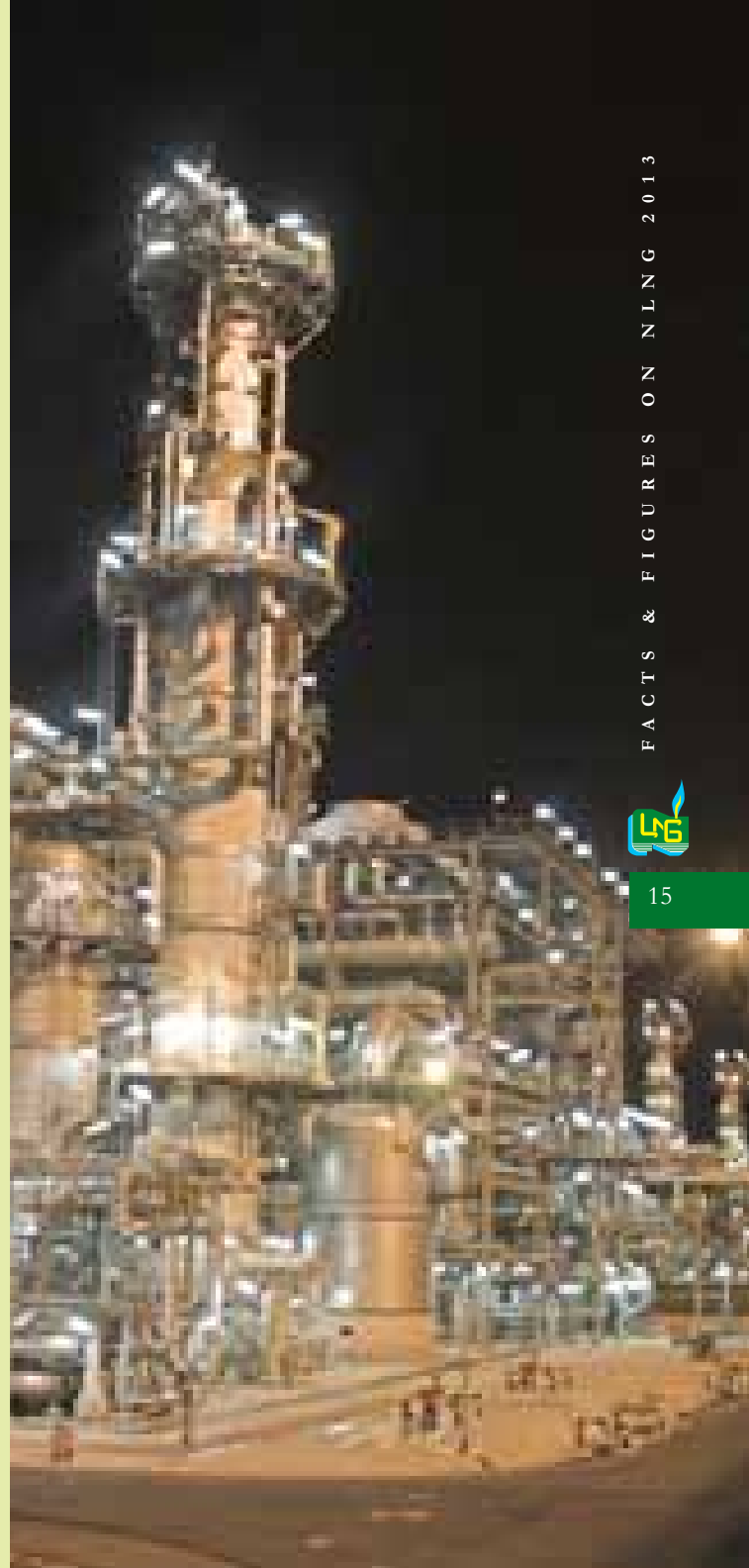
Edith began her career in 1982 with the Office of the Vice President of Nigeria in the defunct second republic during her compulsory national youth service as a Senior State Counsel, on secondment from Sherman & Sterling, Washington DC, advisers to the Nigerian LNG Project. Her banking career began in UBA as a Legal Counsel, Corporate Finance. In 1984, she joined Kapital Merchant Bank Limited as legal officer and sub-manager. She moved up to become the company's Legal Adviser/Company Secretary in 1988 before leaving for Commercial Trust Bank Limited in 1990. At Commercial Trust Bank



Limited, she was an AGM and Group Head of the Investment Group, Financial Services and Export Unit.

Between 1992 and 1997, she served as the Chairperson, Constitution Review Committee of the Money Market Association of Nigeria.

Edith joined Nigeria LNG Limited in 1997 as Head Legal (Commercial) and rose to the position of Company Secretary and Legal Adviser in 1998. In her various roles, she drafted & negotiated the Engineering, Procurement & Construction (EPC) contracts for all NLNG expansion projects and Gas Sales Agreements (GSAs) with the joint venture partners of NNPC. In 2006, she became the General Counsel/Company Secretary of Nigeria LNG Limited where she manages NLNG's legal services and provides secretariat services to the Boards of Directors of NLNG, BGT and NSML.





The Plant

In November 1995, a Final Investment Decision (FID) was signed by the shareholders to build a liquefied natural gas plant in Finima, Bonny Island in Rivers State. This was followed in December 1995 by the award of a turnkey Engineering, Procurement, and Construction (EPC) contract to a consortium of engineering firms comprising Technip, Snamprogetti, M.V. Kellogg and Japan Gas Corporation (JSK) for the Plant (consisting of two trains - Trains 1 and 2, called the Base Project), the Gas Transmission System and the Residential Area.

Construction at the plant site commenced in February 1996 and on August 12, 1999 Train 2 was ready for start-up. Production of LNG commenced on September 15. Train 1 subsequently came on stream on February 27, 2000.

The second phase of development, called The Expansion Project, commenced with a Final Investment Decision in February 1999 to develop Train 3 and the plant's condensate stabilisation system. Train 3 was completed and came into operation in November 2002.

The next phase of development called the NLNGPlus project, comprising Trains 4 and 5, commenced in March 2002. Train 4 came on stream in November 2005 and Train 5 was started up in February 2006.

NLNGSix project, consisting of Train 6 and additional condensate processing and LPG storage facilities commenced in 2004. Train 6 was completed and became operational in December 2007.

With six trains currently operational, the entire complex is capable of producing 22 Metric Tonnes Per Annum (MTPA) of LNG and 5 Metric Tonnes Per Annum (MTPA) of NGLs (LPG and Condensates) from 3.5 Billion (Standard) Cubic Feet Per Day (bcf/d) natural gas intake. Plans for building Train 7 that will lift the total production capacity to 30 mtpa of LNG are currently progressing with some preliminary early site preparation work initiated. Further work will await a Final Investment Decision by the shareholders.

The plant has rapidly and successfully made the transition from a construction project to a stable production operation, with relentless focus on

operational excellence, de-bottlenecking and regular Turn-Around Maintenance (TAM) of the assets whilst imbibing proven techniques and processes to maximize production, and manage human interferences and impacts. All these activities are underpinned by a Health, Safety, Security & Environment (HSSE) culture that continually seeks improvements in our approach, safety and sustainable utilisation of our assets.

The plant is regularly benchmarked with other LNG plants around the world and continues to rank amongst the top performers.

NLNG has within a short span of time, grown in status to become a very reliable supplier of LNG in the Atlantic Basin, serving the European, North American and Far East markets.

The Plant is built on 2.27sq. km of largely reclaimed land in Finima, Bonny Island. The main elements of the facilities already in operation are:

- Six LNG processing units (trains) with a total nameplate processing capacity of 22 MTPA
- Diversified Gas Supply (Associated Gas & Non-Associated Gas) and six main dedicated gas transmission pipelines which includes four on-shore pipelines passing through over 110 communities
- Four LNG storage tanks, each with a capacity of 84,200 cubic metres
- A common fractionation plant to process LPG
- A common condensate stabilisation process unit
- Three Condensate storage tanks with a capacity of 36,000 cubic metres each
- Four LPG refrigerated tanks, each with a capacity of 65,000 cubic metres (2 each for propane & butane)
- Ten gas turbine electricity generators with combined capacity of more than 320 MW
- Two LNG export jetties; one of which also exports LPG, with a combined capacity of 400 loadings per year
- 24 LNG ships dedicated to NLNG service
- A Materials off-loading jetty
- A Passenger Jetty Terminal
- A Residential Area (RA) covering an area of more than 2 sq. km.





NLNG: Major Milestones

May 17, 1989	- Incorporation of Nigeria LNG Limited
November, 1995	- Final Investment Decision (FID) by shareholders for Trains 1 and 2
February, 1996	- Commencement of plant construction
September, 1998	- Completion of Gas Transmission System
February, 1999	- Final Investment Decision (FID) by shareholders for Train 3
August 12, 1999	- Plant Ready For Start-Up with Train 2
September 15, 1999	- Commencement of production
October 9, 1999	- Export of first LNG cargo
February 27, 2000	- Start-Up of Train 1
March 31, 2000	- Completion of Initial Supply Period
April 4, 2000	- Export of first Condensate cargo
May 25, 2000	- Export of first LNG spot cargo
August 5, 2000	- Export of 50th Cargo
September 21, 2000	- Plant Commissioning Ceremony
February 4, 2001	- Export of 100th cargo
September 30, 2001	- End of Build Up Period
October 1, 2001	- Commencement of Contract Year
March 20, 2002	- Final Investment Decision (FID) by shareholders for Trains 4 and 5
March 22, 2002	- EPC Contract Award to TSKJ for Trains 4 and 5
November 7, 2002	- Train 3 ready for Start-Up
November 28, 2002	- Commencement of LNG production from Train 3
December 17, 2002	- First LNG shipment from Train 3, three months ahead of schedule
January 21, 2003	- Signing of the \$1.6 billion loan for NLNGPlus
February, 2003	- Start-Up of LPG Facility
June 25, 2003	- First Shipment of LPG from NLNG Plant, Bonny
July, 2004	- Final Investment Decision (FID) by shareholders for Train 6 (NLNGSix)
November, 2005	- Start-Up of Train 4
February, 2006	- Start-Up of Train 5
December, 2006	- 1000th LNG Cargo
June, 2007	- Feedgas reception facilities for the 6-Train complex became fully operational
October, 2007	- First Butane cargo destined for domestic market loaded
December, 2007	- Hand over of Train 6 to NLNG's Production Division. Record rundown of LNG to storage tanks within nine days of hand-over
May, 2008	- Nigerianisation of the Managing Director position
October, 2009	- 10 years of LNG, NGLs production
October, 2010	- Export of 2000th cargo
July, 2012	- New LNG daily production record of 67,770 tons/day
December, 2012	- Highest number of cargoes produced in a year (333)



Gas Supply





Nigeria is blessed with abundant reserves of associated and non-associated gas estimated in excess of 180 Trillion (Standard) cubic feet (Tcf).

The country is ranked 7th in terms of proven natural gas reserves in the world, the natural gas reserves/production being estimated to last for over 100 years.

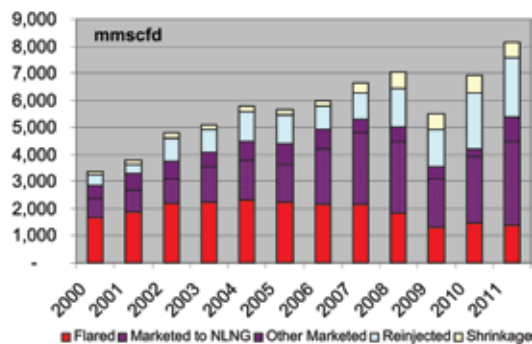
Geologists believe that there is a lot more gas to be found (potentially up to 600 Tcf), if companies deliberately explore for gas, as opposed to finding it while in search of oil.

The government aims to eliminate all flaring of gas associated with the production of oil, and NLNG continues to play a significant part in this. In the period 1999–2012, NLNG has converted about 104 Billion cubic metres (Bcm) or 3.3 Tcf of Associated Gas (AG) to export LNG/NGL products (equivalent to over 1000 LNG cargoes) which otherwise would have been flared.

With further improvements in the collection of associated gas, NLNG with its 6-Train LNG/NGL complex will be reducing flaring even further. Other demands on the use of Nigeria's gas are domestic power generation, domestic utilities and industry, as well as export gas projects such as the West African Gas Pipeline Company (WAGPco) and potentially other future LNG projects.

The NLNG Six-train Complex is the biggest gas consumer/exporter in Nigeria with its current daily consumption of 3.5Bcf/d, equal to the total consumption of an industrialised countries like the Netherlands.

PRODUCTION & CONSUMPTION IN NIGERIA



GAS SUPPLY





GAS SUPPLY AGREEMENTS

Nigeria LNG Limited has long term Gas Supply Agreements with three Joint Ventures (JVs) for the supply of natural gas (feedgas) to the plant. These JVs are Shell Petroleum Development Company of Nigeria Limited (SPDC), Elf Petroleum (Nigeria) Limited now Total Exploration Production Nigeria (TEPNG) and Nigerian Agip Oil Company Limited (NAOC).

Details of the agreement are as follows: (% vol. of gas supply by each JV):

Project Name	Train	Joint Venture Company		
		NNPC/SPDC*/NAOC/EPNL	NNPC/EPNL*	NNPC/NAOC*/POCNL
Base Project	1 & 2	53.2	23.4	23.4
NLNG Expansion	3	69.5	0	30.5
NLNGPlus	4 & 5	53.2	23.4	23.4
NLNGSix	6	53.2	23.4	23.4
Consolidated	1 - 6	55.8	19.7	24.5

Legend:

- * - Operator
- NNPC** - Nigerian National Petroleum Corporation
- SPDC** - Shell Petroleum Development Company of Nigeria Limited (Shell Affiliate)
- NAOC** - Nigerian Agip Oil Company Limited (Eni affiliate)
- EPNL** - Elf Petroleum (Nigeria) Limited now Total Exploration Production Nigeria
- POCNL** - Phillips Oil Company (Nigeria) Limited

GAS SUPPLY

Feedgas is produced by the JVs from various concession areas in the Niger Delta, from on-and off-shore fields. The agreements ensure efficient gas supply to the plant throughout the life of the projects.

SPDC Joint Venture is currently supplying feedgas from a number of fields including Gbaran/Ubie (with a capacity of 1.0 Bcf/d, which started-up in June 2010), Soku, Bonny (on-shore), Bonga, and EA (off-shore) supply facilities, each receiving gas from a wide range of oil and gas fields.

Additionally, under a special supply arrangement with the SPDC-JV, an indigenous marginal field concessionaire /operator - Niger Delta Petroleum Resources (NDPR) commenced natural gas supply to NLNG in November 2012 from its Ogbelle - Obumeze oil and gas process facilities. At 35mmcf/d, it currently supplies 1% of NLNG daily feedstock with potential to grow to 100mmcf/d.

The NAOC-JV supplies gas to NLNG from its Obiafu-Obrikom (OB-OB) Integrated Gas Supply centre which receives gas from a wide range of fields including Idu, Akri, Kwale, Irri, Oshie, Tebidaba and Ebocha oil and gas fields.

The TEPNG Joint Venture derives gas supplied to the plant from the on-shore Obite, Ibewa and Obagi fields. Additionally, natural gas rich in liquid is supplied to NLNG from the off-shore Amenam and Akpo platforms. Currently, TEPNG is running a project to increase its supply capacity from the Obite Gas Plant. A separate 42-inch diameter gas transmission pipeline is also in project execution phase to bring the additional gas from Obite Plant to NLNG.

At present, with six trains in full operation, the total gas requirement of the company's Bonny Island natural gas liquefaction plant is about 3500 MMscf/d (3.5 Bcf/d).

Gas is transmitted to the NLNG complex through six independent Gas Transmission Systems (GTS). GTS - 1, 2, 4 and BNAG piping systems are on-shore, while GTS - 3 and - 5 are off-shore lines.



NLNG TRAIN 1
Shutdown





**NLNG Jetty
Revamp**



Commercial





MARKETING & SALES ADMINISTRATION

Since October 1999 when the first LNG cargo was loaded for delivery to France, NLNG has maintained its reputation as a reliable and secure supplier of Liquefied Natural Gas and Natural Gas Liquids (Condensates and LPG) worldwide. With a 6-Train complex of 22 mtpa LNG nameplate production capacity and 5 mtpa NGLs production capacity, NLNG now has the capacity to load and safely deliver over 340 cargoes of its products annually.

LNG Contracts

NLNG currently manages sixteen (16) long term LNG Sales Purchase Agreements (SPAs) executed with 11 buyers on a Delivered Ex-Ship (DES) basis. These buyers include Enel, Repsol Gas Natural LNG (Stream), Botas, GDF Suez, GALP GN, BG LNG, Endesa, ENI, Iberdrola, Shell Western LNG BV and Total Gas and Power Ltd.

The Long Term LNG buyers take delivery of their volumes in receiving facilities spread across the Atlantic Basin in countries such as Spain, France, Portugal and Italy in Europe, Turkey, Mexico and the United States of America.

In recent times, NLNG cargoes have been delivering to the Far East, Middle East, South America, and the United Kingdom through its existing customers, and via its spot Master FOB agreements with several companies. Volumes have gone as far as Japan, South Korea, Taiwan, China, India, Kuwait, Brazil and Wales. This has positioned the company as a global player in the gas industry.

NLNG has also executed over 31 Spot Master Agreements for Free on Board (FOB) with various companies located across major markets, enabling the sales of excess production volumes to the spot LNG market.

Natural Gas Liquids

Known as Natural Gas Liquids, high quality Liquefied Petroleum Gas (LPG) and Condensate are by-products of natural gas liquefaction. NLNG currently produces in excess of 1.5 and 1.0 million tons of Condensate and LPGs per

annum. Both LPG (fully refrigerated Propane and Butane) and Condensate are sold on Free on Board (FOB) basis via internally international competitive tenders.

Domestic LPG Supply

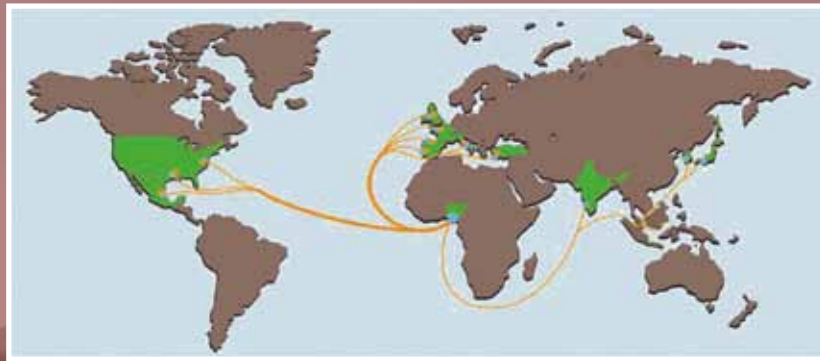
NLNG commenced the supply of LPG to the Nigerian domestic market in 2007. That first NLNG LPG cargo into the domestic market was discharged at the Apapa jetty on December 26. NLNG has signed Sales and Purchase Agreements (SPAs) with off-takers (all Nigerian companies) in which the company is committed to deliver 150,000 tonnes of LPG into the Nigerian market annually. The number of off-takers involved in the LPG Domestic Supply scheme stands at ten (10) in 2012.

This is in line with the company's commitment to contribute significantly to the stimulation and development of the domestic LPG market in Nigeria. The scheme, which has been an outstanding success, has also led to a significant reduction in the end-user price of LPG in the domestic market.

In The Future

NLNG intends to consolidate its position as one of the largest producers and exporters of LNG in the world, maintaining its position as a major and strategic supplier. Currently, NLNG delivers some 8% of the world's LNG supply.

NLNG's 8.4mtpa Train 7 project, which will raise the liquefaction capacity to 30.4 mtpa, is now awaiting Final Investment Decision (FID). SPAs have already been executed with 5 buyers.



OFF-TAKERS

RECEIVING FACILITY

Trains 1 & 2:

ENEL	Montoir Terminal
GAS NATURAL	Bilbao, Huelva, Cartagena, Barcelona, Sagunto
GALP GAS NATURAL (TRANSGAS)	Huelva, Sines, Cartagena
GAZ DE FRANCE	Montoir Terminal
BOTAS	Marmara Ereğlisi

Train 3:

GAS NATURAL	Huelva, Cartagena, Barcelona
GALP GAS NATURAL (TRANSGAS)	Sines, Huelva, Cartagena

Trains 4 & 5:

BG LNG	Lake Charles (Louisiana, USA)
ENDESA	Barcelona, Huelva & Cartagena (Spain) Mugardos, Sagunto
ENI	Sines (Portugal), Huelva (Spain)
IBERDROLA	Huelva (Spain)
SHELL	Lake Charles (Louisiana, USA), Altamira (Mexico), Cove Point (Maryland, USA), Barcelona, Bilbao, Cartagena, Huelva & Sagunto (Spain)
TOTAL	Lake Charles (Louisiana, USA), Zeebrugge (Belgium), Barcelona, Bilbao, Cartagena & Huelva (Spain), Sabine Pass (Louisiana USA)
GALP GAS NATURAL (TRANSGAS)	Huelva, Cartagena (Spain) & Sines (Portugal)

Train 6:

SHELL	Altamira (Mexico), Cove Point (Maryland, USA), Barcelona, Bilbao, Cartagena, Huelva & Sagunto (Spain) & Lake Charles (Louisiana, USA)
TOTAL	Lake Charles (Louisiana, USA), Zeebrugge (Belgium), Barcelona, Bilbao, Sagunto, Cartagena, Huelva (Spain) & Altamira (Mexico)

Shipping

FACTS & FIGURES ON NLNG 2013





NLNG has a total of 23 ships on long-term charter for its six-train operation. All 23 ships are utilised on an integrated scheduling basis for ex-ship deliveries to NLNG buyers in Europe, Gulf of Mexico (GOM), including ports in Mexico and US, Middle East and Asia.

The ships are owned as follows:

Bonny Gas Transport (BGT)	13
BW Gas	8
Nippon Yusen Kaisha (NYK)	2

Operational And Technical Management Of The Fleet Vessels

BGT vessels are managed and operated by three (3) Fleet Managers:

- Six (6) by NLNG Shipmanagement Services Department (NLNG SS)
- Four (4) by Anglo-Eastern Ship Management (AESML)
- Three (3) by Shell International Trading & Shipping Company Ltd (STASCo)

The other Long Term Time Chartered vessels are owned and managed by their owners - BW Gas (8 vessels), NYK (2 vessels) and SBOL (1 vessel).

In addition to the above, NLNG chartered three (3) vessels on Medium/Short Term Time Charter basis at different times in 2012 and for a range of charter periods, to augment existing fleet capacity. In addition to our traditional deliveries to Europe and the US, NLNG also supplies LNG to Asia with deliveries to Japan, South Korea, India, China, Taiwan, Thailand and Kuwait.

NLNG Shipmanagement Services (NLNG SS)

Ship Management Knowledge Transfer with STASCo

Shell International Trading and Shipping Company Limited (STASCo) manages one of the world's largest fleets of Liquefied Natural Gas (LNG) carriers and oil tankers. STASCo provides group businesses and operations with vital resources and



plays a vital role in the safe and secure delivery of energy around the world. The company is known for its high level expertise and decades of experience regarding maritime safety & environment, vessel quality assurance, oil spill preparedness, port and berth assessments, and emergency management. The shipping group also carries out audits as a governance assurance process for all group businesses with exposure to shipping and maritime activities.

The company is based in London and has experienced hands in all maritime disciplines all over the globe, who advise on a wide range of ship and port projects. The Shipping Division of STASCo provides consultancy advice in over 40 countries and has been in partnership with NLNG as a Fleet Manager since inception.

NLNG reached an agreement on Ship Management Knowledge Transfer (SMKTA) with STASCo in 2008 with the contract formally signed on June 23, 2009. The project has achieved early milestones which included the birth of a ship management department, NLNG Shipmanagement Services, and the commencement of the phased take-over of the management of BGT vessels under STASCo management with four (4) vessels taken over in 2011 and two (2) in 2012. The transfer of the management of the remaining vessels is in accordance with the agreed SMKTA milestones.



The project will slowly evolve through to 2014 when NLNG SS will have 10 vessels under its management. Most of NLNG Secondees that completed their training under the training agreement with STASCo have been moved to NLNG SS team while some have been moved into NLNG Shipping division for specific roles and responsibilities. Currently, there are three (3) NLNG Secondees on training for proficiency in various aspects of ship management and will move to NLNG SS on completion of their training.

Ship Management Knowledge Transfer with Anglo-Eastern Group

The Anglo-Eastern Group (AESML) has well over 15,000 crewmen and over 1,000 seasoned shore-based workers all over the world. It offers the complete spectrum of ship and crew management and technical services, which include technical support, superintendence, procurement, accounting, insurance and agency services.

Anglo-Eastern has won several laurels for its technical expertise in ship management. It has managed growth year on year, culminating in the establishment of several technical centres worldwide to attend to the needs of its clients. The group is admired for its standards and long-standing employee records. The group manages LNG, heavy lift, container ships, bulk carriers and offshore vessels from its UK Office.

Anglo-Eastern UK Limited - AEUK (the LNG arm of AESML) is based in Glasgow, and has been in partnership with NLNG as a Fleet Manager since 2000.

In pursuit of NLNG plan for NLNG SS ability to manage all BGT vessels, NLNG signed “Secondee Training Agreement” and “Memorandum of Understanding for a Scheme of Ship Management Knowledge Transfer” with AESML on 15th June

2009 and 13th January 2011 respectively. As part of the training agreement, the first batch of NLNG Secondees commenced their training with AESML in January 2010.

Currently, NLNG has three (3) Secondees with AESML and two have attained the position of Operations and Technical Superintendents.

In 2012, BGT Board approved the transfer of all BGT vessels under AEUK management to NLNG management. The phased transfer of the management of the four vessels under AEUK will be effected in 2013.

NLNG Operational Shipping Performance 2010 - 2012

	2010	2011	2012
Availability	95.13%	98.37%	98.45%
Utilisation	81.0%	79.34%	78.19%
Total number of cargoes loaded	264	252	214

Shipping Safety Record

Continuous improvement of the HSE and operational performance of each ship in the fleet is important to BGT and NLNG, and is subject to continual review.

Each ship in the fleet is continuously monitored and benchmarked against LNG industry standards. This is done through:



- Application and adherence to NLNG HSE Policy and Procedures
- Biannual Fleet Managers' HSSE workshop to discuss and exchange best practice and HSSE improvement
- Quarterly marine contractors, HSSE managers' workshop to build commitment towards improving safety onboard marine crafts that support vessels operations
- Shipboard Audit Programme and Safety Management Systems
- Continuous implementation and improvement of HSE initiatives
- Independent LNG Shipping Performance Benchmarking Programme
- Introduction of Behavioural Based Safety (BBS) programmes
- Analysis and sharing of incident report recommendations across the Fleet in a process called Learning from Incidents (LFI)
- Continuous engagement with Fleet Managers for improved performance
- Ship Management onboard review audit
- Quarterly HSSE newsletter to demonstrate commitment and share learning.

The application and enforcement of the above initiatives have resulted in downward trend in Fleet TRCF from 2010 to 2012 as shown below.

	2010	2011	2012
TRCF	0.80	0.78	0.3

2012	MAN HOURS	TRCF	LTIF
BGT VESSELS	4,100,795	0.24	0.24
NLNG VESSELS	8,209,576	0.37	0.12

TRCF – Total number of recordable cases expressed as a frequency in relation to fleet-wide exposure hours.

LTIF – Total number of Lost Time Injuries expressed as a frequency in relation to fleet-wide exposure hours.

Domestic Liquefied Petroleum Gas (LPG) Operations

NLNG is continuing in its quest to maintain unbroken supply of LPG (cooking gas) to the Nigerian market.

The LPG is delivered Ex Ship (DES) model with NLNG chartered LPG tankers. Under the DES model, the tanker loads from NLNG Terminal Bonny and delivers directly to the buyers terminal at the various ports in Nigeria.

In order to assure safe operations at the various local LPG terminals, NLNG conducted Due Diligence Inspections of the respective discharge terminals and also provided trainings to the operators (NNPC, TOTAL, PPMC, etc.) of the terminals.

In 2012, the LPG tankers loaded 118,913.43 metric tonnes (mt) and discharged 117,656.16mt of cooking gas to the Nigerian domestic LPG market.

Shipping & Marine Quality Assurance

NLNG has established a Shipping Assurance and Compliance Department (SDA) that will ensure that each segment of the entire NLNG shipping and marine business operations comply with best industry practice and international standards.

All vessels and terminals used for NLNG business are positively vetted using a combination of inspections, assessments and due diligence reviews prior to being used. These activities are conducted in line with industry best practice, with the SDA department also conducting a number of Oil Company International Marine Forum (OCIMF) accredited SIRE inspections.

To this end, NLNG has been admitted to the the Oil Companies International Marine Forum (OCIMF), an organisation with the mission to be the foremost authority on safe and environmentally responsible operation of tankers and terminals and to promote continuous improvement in standards of design and operation. NLNG is represented in the OCIMF General Purposes Committee (GPC), the Ports & Terminals Committee (PTC), Gulf of Guinea Piracy Focal Group (PGoG) and recently elected into the SIRE Focus Group (SFG).



SHIPPING: MAJOR MILESTONES

1989	December 11	Incorporation of Bonny Gas Company (formerly Enelligence Limited; renamed BGT Limited on September 1, 1991)
1990	January 10 May June 7	BGT acquired its first two vessels, LNG Bonny and LNG Finima BGT commenced time charter with Malaysia LNG BGT exercised its options to purchase LNG Lagos and LNG Port Harcourt
1999	August September 14 October 19 December 31	Contract with Hyundai Heavy Industries (HHI) for the construction of two new builds, Hulls 1295 and 1296 (LNG Rivers and LNG Sokoto) BGT and NLNG signed Time Charter Party for four vessels LNG Lagos delivered first cargo to Enel of Italy at Montoir LNG Terminal, France Finance closed for vessels 8 & 9 (Hulls 1295 & 1296)
2000	February November	Commenced construction of the first of three new ships (LNG Rivers, LNG Bayelsa & LNG Sokoto) Contract with Hyundai Heavy Industries for the construction of third new build, Hull 1429
2001	February 4 August September October 10 December	LNG Bonny loaded the 100th LNG Cargo to Montoir Ownership of two vessels (LNG Edo and LNG Abuja) transferred to BGT Finance closed for Vessel 10 (Hull 1429) LNG Abuja delivered NLNG's first spot cargo to Europe Contract with Hyundai Heavy Industries for construction of four new builds Hulls nos. 1469, 1472, 1470, 1471 & 1472.
2002	June 11 September 30	Delivery of LNG Rivers Delivery of LNG Sokoto
2003	February 26 Feb/Mar March 21 April 26 September 22 October 13 November 5 November 5 Nov/Dec	Delivery of LNG Bayelsa Condition Assessment Programme (CAP) survey LCFS conducted on LNG Bonny and LNG Finima Finance closed for vessels (Hulls 1469-72) Yusuf A.H joined LNG Bayelsa as the first NLNG trained Captain LNG Lagos delivered NLNG's 400th cargo to Enel Montoir LNG Lagos delivered 1st LNG cargo to Gas Natural at Bilbao terminal in Spain Keel laying of Hull 1469 LNG Port Harcourt delivered 1st cargo to Transgas at Sines Terminal, Portugal Life Extension Studies and CAP surveys conducted on LNG Port Harcourt
2004	November 16 November 21 December 10	Delivery of LNG Akwa Ibom LNG Bayelsa delivered 1st Nigerian LNG cargo to Barcelona LNG Abuja loaded first 500th cargo carried by BGT ships for NLNG.

2005	March 30	First batch of Nigerian ratings joined LNG Sokoto
	June 1	Delivery of LNG Adamawa
	September	Successful BGT Nigerianisation: Capt Temilola Okesanjo appointed GM BGT, first Nigerian to hold the position
	September 30	Delivery of LNG Cross River
2006	June 29	Delivery of LNG River Niger
	October 13	Finance closed, refinancing of BGT's third party loans
	November	Delivery of LNG Lokoja
2007	June	Delivery of LNG Ogun
	June	Delivery of LNG Gemmata
	September	Delivery of LNG Ondo
	September	Delivery of LNG Borno
	December	First Ship-to-Ship transfer of LPG destined for domestic market from BW Saga to Blue Gas
2008	June	Delivery of LNG Imo
2009	January	Creation of NLNG Shipping Division
	March	NLNG conducted her first SIRE inspection of a chartered vessel
	June 15	Signing of Training Agreement with AESML
	June 23	Signing of Ship Management agreement with STASCo
2010	June	NLNG shipping database, ASSETT, used as independent tool with NLNG Quality Assurance Policy for vetting marine crafts and terminals for NLNG business
	June	LNG Bayelsa successfully delivered first NLNG cargo at Egegaz LNG terminal, Izmir, Turkey
	June	LNG Finima successfully delivered first NLNG cargo at Dragon Terminal, Milford Haven, Wales, UK
	July	LNG Finima successfully delivered first NLNG cargo at Guanabara Bay, Brazil.
	July 16	Release of NLNG SS Safety Management System (Integrated Management System – IMS)
	Sept	Set up of NLNG SS cell within STASCo
	October	NLNG 2000th cargo delivered by LNG Sokoto
	October	Charter of Navigator Taurus for the DLPG DES model
	October	Redelivery of BW Boss to the owners
2011	January 13	NLNG executed a Training MOU (Memorandum of Understanding for a scheme of Ship Management Knowledge Transfer) with AESML
	Jan 27-29	LNG Rivers successfully delivered first NLNG cargo at Isle of Grain LNG Terminal, England
	May 18-19	LNG Kano successfully delivered first NLNG cargo at Oita LNG Terminal, Japan



June 9-11	LNG Lokoja successfully delivered first NLNG cargo at Fos Cavaou LNG terminal, France
July 8-9	LNG Enugu successfully delivered first NLNG cargo at Fujian LNG Terminal, China
July 12-13	LNG Cross River successfully delivered first NLNG cargo at Tobata LNG Terminal, Japan
July 18	Interim DOC issued to NLNG
July 28	Transfer of 1st BGT LNG Vessel (LNG Rivers) to NLNG management.
August 1	NLNG SS take over the management of LNG Cross River
August 8	NLNG SS take over the management of LNG River Niger
August 15	NLNG SS take over the management of LNG Bayelsa
Sept 5-6	LNG Sokoto successfully delivered first NLNG cargo at Gate LNG Terminal, Rotterdam
Oct 30-31	LNG Ogun successfully delivered first NLNG cargo at Map TA Phut LNG Terminal, Thailand
Dec 8	NLNG issued with Document of Compliance (DoC)

2012

January 3	LNG Bayelsa audited for ISM/ISPS and issued full term Safety Management Certificate
January 5	LNG Rivers audited for ISM/ISPS and issued full term Safety Management Certificate
January 17	NLNG SS completed registration of Nigeria LNG Ltd with OCIMF on TMSA
February 6	LNG River Niger audited for ISM/ISPS and issued full term Safety Management Certificate
April 4	LNG Cross River achieved 4 years TRC Free
June 13	LNG Lagos successfully delivered first NLNG cargo at Penuelas terminal, Puerto Rico
June 14	NLNG SS take over the management of LNG Finima
Sept 17	Stage 1 Assessment of ISO 9001 and ISO 14001 compliance checks carried by Lloyds Register. Certification for NLNG SS and the Fleet
Sept 27	Election of NLNG into the Oil Companies International Marine Forum (OCIMF) SIRE Focus Group (SFG)
Oct 3	NLNG SS take over the management of LNG Sokoto
Nov 1	LNG RIVERS achieved Ten Year TRC free
Nov 7	Bahamas Authority issued NLNG SS with Interim Bahamas DOC allowing NLNG/SS to manage Bahaman vessels
Nov 7	Bermudan Authority endorsed NLNG SS Document of Compliance (DOC) for one year after a successful completion of annual DOC audit



A Staff visit to the ship, LNG River Niger.



NLNG SHIP MANNING LIMITED (NSML)

In response to rapid changes and challenges in the maritime business and the dearth of ship board personnel worldwide, NLNG Ship Manning Limited (NSML) was set up to deliver on NLNG's strategic plan to have a shipping management service, supported by a dedicated manning company to develop and supply qualified and competent shipboard personnel on board its ships. A subsidiary of NLNG, NSML is saddled with the rapid development of Nigerian shipboard personnel in line with international standards and practices.

The establishment of NSML is also in furtherance of NLNG's Nigerianisation policy which is in sync with the federal government's local content drive.

NSML has continued to pursue the Nigerianisation Plan currently on the BGT vessels. Since its commencement, Nigerianisation has yielded six Captains and four Chief Engineers, all of which have now been deployed to the newly created NLNG Ship Management Services (NLNGSS).

From 2001 to 2011, a total of 193 cadets have completed their cadetship training program in UK maritime colleges. As part of their training, all cadets go on board BGT vessels for practical experience; this is aimed at instilling early in them the discipline required for successful career at sea and at meeting the competency certification requirements of the STCW 95 regulations.

In 2012, 26 cadets will complete their cadetship training in three years and be ready to serve on BGT vessels as officers.

NSML currently has 170 Nigerian officers in its employment and has extended its portfolio to cover the management and training of cadets, a function previously handled by fleet managers, SSML and AESM. Currently, BGT utilises the services of 327 Ratings employed by GMS. This number is expected to grow to 400 in 2013. NSML has commenced direct employment and management of Ratings as approved by the NSML Board of Directors. The Company presently has

15 Ratings in its employ and this number is expected to increase.

NLNG continues to support the Nigerian Maritime Academy, Oron, to train manpower for the industry. Warsash Maritime Academy, Southampton was engaged to review the Academy's STCW 95 courses. Warsash Maritime Academy is also required to facilitate the accreditation process of Maritime Academy of Nigeria, Oron for issuance of MCA approved certificates. The cost for these projects which includes purchase, installation and test-running some equipment for the Academy was fully borne by Nigeria LNG limited. The company has spent over US \$100,000 on equipment, besides sponsorship of four lecturers and a Life Craft Technician to the United Kingdom for training. In 2010, NLNG made a donation to facilitate training of officers in Proficiency in Survival Craft and Rescue Boat (PSCRB) worth N40 million to the Academy.

The table below shows the details of Cadets Recruitment/Training from 1998 to date

CADETS RECRUITMENT/TRAINING TABLE		
Year of Recruitment/ Graduation	Total number of Recruited Cadets	Total number of Graduated Cadets
1998	11	0
1999	13	0
2000	19	0
2001	25	11
2002	9	12
2003	23	19
2004	0	24
2005	29	8
2006	28	21
2007	27	0
2008	34	29
2009	22	23
2010	16	22
2011	10	24
2012	0	26



Financing



PLANT

Base Project

The Base Project (Trains 1 & 2), which cost US\$3.6 billion, was financed by NLNG's shareholders.

Expansion Project

NLNG's third train (Expansion Project), including additional tankage, cost US\$1.8 billion. The financing was carried out in a similar manner as the Base Project. Besides the new equity injection by the shareholders, revenue and surpluses from the Base Project were re-invested in the Expansion Project. Much of the cost of the new LNG tankers was borne by third party financiers. When this loan was secured in 2002, the amount represented the single largest lending to an industrial complex in sub-Saharan Africa at the time.

NLNGPlus Project

The NLNGPlus project (Trains 4 & 5) cost was US\$2.2 billion (excluding ship acquisition). This was funded with a combination of internally generated revenue and third party loans amounting to US\$1.06 billion.

The third party loans comprise of four Export Credit Agency (ECA) guaranteed international commercial bank loans totalling US\$620 million, an uncovered international bank loan of US\$180 million, an uncovered Nigerian commercial bank loan of US\$160 million and an African Development Bank facility of US\$100 million. The ECAs, namely US EXIM, ECGD, SACE and Gerling NCM, provided guarantees to a group of 19 international banks led by BNP Paribas, Citigroup, Credit Lyonnais, MCC and West LB. The ECA backed facilities as well as the African Development Bank Facility had eight year tenure. The facilities have been fully repaid as at 15 December 2010, with a \$72 million 'place holder' financing remaining.

The incredible strength of character displayed by NLNG in abiding by the loan covenants, terms

and conditions throughout the tenure has significantly increased the appetite of international lenders for financing opportunities involving the company.

Train 6

Final Investment Decision (FID) for NLNG Six was taken in July 2004 for the sum of US\$1,748 million. Train 6 was principally financed from internally generated funds. Start-Up was December 14, 2007 and production commenced on 23rd December 2007. The train is up and running.

SHIPPING

Base Trains

In 1990, the company raised a third party loan of US\$132 million through Citibank to buy four ships for the Base Projects. The ships, built for another company but not put to use, were refurbished and put into interim business until the plant began operations.

Train 3

Following the Third Train Expansion, three vessels were acquired by BGT. Their construction was partly funded with third party financing, viz:

- LNG Rivers & LNG Sokoto were financed with US\$160 million syndicated loan which was signed on December 20, 1999. Credit-Suisse First Boston was the lead arranger for this facility for which repayment started in 2002 following the delivery of the second vessel.
- The third external debt in connection with BGT fleet was the loan inherited from the acquisition of two ex-Lachmar ships (LNG Edo and LNG Abuja) from NLNG on August 1, 2001 when the outstanding debt stood at US\$ 210 million.
- In September 2001, another syndicated bank loan for US\$ 100 million was arranged to assist with the construction of LNG Bayelsa. Again, Credit-Suisse First Boston played the lead role.



The vessel was delivered in February 2003 and the debt is being serviced.

Trains 4 & 5

Eight additional ships needed for NLNGPlus project have been delivered. Hyundai Industries and Daewoo Shipyard built the ships. Of the eight vessels, BGT owns four while others are chartered from Bergesen d.y of Norway.

BGT raised US\$ 460 million in March 2003, to partly fund the construction of the vessels.

This facility was arranged by ABN AMRO Bank, Credit Lyonnais, Fortis, ING Bank, HVB, Verein und Westbank and West LB. The balance of \$282 million came from internally generated revenue and shareholders' funds.

BGT refinanced all the foregoing third party facilities in 2006 with a US \$680 million facility through Standard Chartered Bank. This is secured against the 13 vessels in BGT's fleet.

Train 6

Following the signing of NLNG Train 6 Final Investment Decision (FID), six LNG vessels were

built and delivered at a combined cost of US\$957 million on long term charter to NLNG.

The vessels were built at Daewoo Shipyard and Samsung Shipyard in South Korea. Four of the vessels were chartered from BW GAS Asa of Norway and two from NYK LNG (Atlantic) Ltd of Japan.

Expanded Business

Production for the six train plant approaches name-plate capacity and LNG is now delivered in more distant destinations in response to changing business opportunities. As a result, additional shipping capacity has become necessary.

Six new vessels are to be built between 2013 and 2016. Financing is being arranged in two programmes: a \$308 million six-year additional programme debt (APD) and a \$1,100 million 12-year new vessel debt (NVD). The APD is additional indebtedness under 2006 vessel financing arrangement while the NVD is a fresh facility with several international commercial banks as lenders: the Korean Finance Corporation and Korean Export-Import Bank (KEXIM), supported by the Korean Trade Insurance Corporation (K-SURE). The deals are expected to be signed at the end of the first quarter, 2013.

Nigerian Content





NLNG AND NIGERIAN CONTENT

Nigeria LNG Limited considers Nigerian Content, a deliberate use and development of Nigerian human and material resources and services, an important feature of all its activities — contracts, procurements, projects, production and shipping. In line with this position, all LNG trains and major contracts are required to have approved Nigerian Content Plans as condition precedent before Final Investment Decision (FID) or award.

All approved Nigerian Content Plans are aimed at attaining maximum achievable Nigerian Content deliverables in all activities, with the ultimate goal of achieving the targets set in the Nigerian Oil and Gas Industry Content Development Act (NOGICD) 2010.

NLNG's commitment to the Nigerian Content Act is expressed through its policy geared towards:

- (i) Development of sustainable value adding relationships with local companies that actively support and demonstrate domestication
- (ii) Enhancement of local/indigenous production capabilities through deliberate targeted interventions
- (iii) Encouragement of knowledge and technology transfer achievable within its projects, contracts and procurements.

Through contracts/procurements and projects tied to the six trains currently in operation and continuous sponsorship of various community projects, ample opportunities have been provided for Nigerian companies and contractors to provide services and supplies to the company whilst enhancing their capabilities to compete on an international scale.

The company's performance on Nigerian Content is monitored by a committee of NLNG Board of Directors as well as a steering committee made up of senior management team of NLNG.

In a proactive bid to discover more Nigerian



Fitter-mechanists being trained for the marine Industry

sources, Nigerian Content surveys are conducted at scheduled intervals throughout Nigeria to identify indigenous companies which are capable of providing the goods and services required by NLNG. Surveys conducted so far have resulted in the discovery and utilisation of Nigerian manufacturers. These include Shoreline Power, Nigerian Ropes, etc.

NLNG continues to encourage achievement of the spirit and letter of the NOGICD Act 2010. By embedding the requirements of the NOGICD Act 2010 in all its contracting and procurement processes, the company has taken a step towards increasing its Nigerian Content achievements. Whilst continuously partnering with its current contractors, the company proactively seeks new ones to grow.

Nigerian Content Stakeholders Workshop

To further enhance our in-country sourcing of local companies, NLNG carried out a series of Nigerian Content Stakeholders Workshops which have served as a forum for continual exposure of Nigerian companies



Through the Bonny Vocational Centre (BVC), the company embarked on the training of local contractors in various cost estimation and project management courses, geared towards enhancing the capacity of local companies.

Hundreds have been certified to London City and Guilds standard. Annual vendor training sessions are also carried out in Bonny and Port-Harcourt.

The Bonny Vocational Centre has trained over a thousand in electrical installation, fabrication, welding and pipe work, mechanical fitting, metal machining, painting and decorating, plumbing, timber and trowel vocation, catering and hospitality, business and administration.

to the needs of the oil and gas sectors and an avenue for discovering Nigerian manufacturers and services providers. Major oil and gas companies, government agencies and a total of 143 companies drawn from manufacturing, fabrication, plant maintenance services, engineering services providers and consultants attended these workshops which were conducted in 2009 and 2010.

These workshops led to the discovery of Nigerian companies such as Klysat Cables and Westcom Nigeria Limited. NLNG continues to conduct site and facilities assessments and evaluation of other promising companies.

Training and Skills Acquisition

NLNG trained over 11,284 Nigerians during construction of its plants and it continues to do so with local craftsmen employed during plant shutdowns. This has significantly increased the use of local technicians and artisans to more than 90%, with a corresponding reduction of expatriates. There is also deliberate effort towards increasing local participation in the area of shipping.

SHIPPING

The Shipping arm of NLNG has, through an aggressive Nigerianisation regime, trained an appreciable number of Nigerians to man its NLNG carriers. Through consistent grooming of Nigerians with required skills and potentials both internally and overseas, key and strategic positions in the Shipping Skills Pool are now occupied by Nigerians. NLNG's deliberate manpower development strategy in this area has created various job opportunities.

Worthy of note is the creation of NLNG Ship Manning Limited (NSML), a subsidiary, to respond to the rapid changes and challenges in the maritime business and the dearth of ship board personnel worldwide. It was set up to deliver on NLNG's strategic plan to have a shipping management service to develop and supply qualified and competent shipboard personnel on board its ships. From amongst its workforce of shipboard officers, Nigerianisation has yielded six Captains and four Chief Engineers, all of which have now been deployed to the newly created NLNG Ship Management Services (NLNGSS).



Another milestone achievement of NLNG's manpower strategy is the Ship Management Knowledge Transfer Agreement, otherwise known as SMKTA (and often pronounced 'smakta') was signed between Nigeria LNG Limited and both STASCO and AESM, ship managers, in June 2009 in a bid to have Nigeria LNG Limited begin to manage its shipping assets as part of the Board mandated 'Nigerianisation' process. The SMKTA provided a framework and timeline for skill transfer. Owing to this process, 2011 saw the launch of operations of Nigeria LNG Shipmanagement Services (NLNG SS) and the handover of management of four of the LNG vessels: LNG Cross Rivers, LNG Rivers, LNG River Niger and LNG Bayelsa.

Shell International Trading and Shipping Company Limited (STASCO) manages one of the world's largest fleets of Liquefied Natural Gas (LNG) carriers and oil tankers. The agreement with STASCO in June 23, 2009 achieved early milestones including the birth of NLNG SS. Five (5) NLNG Secondees that completed their training under the training agreement with STASCO have been moved to NLNG SS team. Currently, five (5) NLNG Secondees on training for proficiency in various aspects of ship management will move to NLNG SS on completion of their training.

The Anglo-Eastern Group (AESML) offers the complete spectrum of ship and crew management and technical services, which include

technical support, superintendence, procurement, accounting, insurance and agency services. NLNG signed "Secondee Training Agreement" and "Memorandum of Understanding for a Scheme of Ship Management Knowledge Transfer" with AESML on 15th June 2009 and 13th January 2011 respectively. As part of the training agreement, the first batch of NLNG Secondees commenced their training with AESML in January 2010. Currently, NLNG has three (3) Secondees with AESML and two have attained the position of Operations and Technical Superintendents.

SERVICES AND PROCUREMENTS

NLNG encourages full participation of Nigerian companies in its contracting and procurement processes. This has yielded positive results in many areas of our business.

Examples of major awards made to Nigerian service providers include marine services such as provision of tug boats, towage and mooring services, and emergency response services. While doing this, NLNG strives to maintain international standards on Quality, Cost, Schedule and Health, Safety and Environment (HSE). This is done in the larger context of NLNG's policy on Corporate Social Responsibility.

The following details some of the indigenous companies which worked with and benefited from NLNG Nigerian Content Policy.

Holborn Nigeria Limited

Nigeria LNG Limited, after carrying out a nation wide assessment of pipe manufacturing companies, designed a business relationship with Holborn Nigeria Limited for the manufacturing of the 18inch diameter HDPE pipes which had hitherto never been manufactured in the country. The company, with adequate intervention and support from NLNG, commenced manufacturing of these pipes in Kano. The pipes are used for major water projects and the first order of supplies were made to NLNG. The long term effects of this ground breaking production by Holborn are multifarious. In the area of knowledge transfer, many Nigerians in the company have now acquired first hand knowledge on fabrication of this size of pipes. Various government projects which use these pipes can purchase locally instead of importing, thereby reducing costs.

Waste Pipes and Drainages (WPD)

In handling a major aspect of its maintenance activities - hydro jetting of heat exchangers - NLNG at inception engaged the services of a foreign Company, BJ Services. However, at expiration of the contract in 2006, NLNG identified an indigenous company, Waste Pipes and Drainages, which it recognised as possessing potentials for carrying out this maintenance service under a guided knowledge transfer plan. NLNG put in place a capacity development process by engaging WPD in minor works under supervision of technically competent NLNG personnel. The company, riding on the back of guaranteed patronage by NLNG, acquired complex equipment to replace leased ones and currently stands as a viable alternative to BJ services. The local capacity development achieved in this specialist area is further being explored.





Niger Delta Petroleum Resources

Nigeria LNG Limited recently engaged Niger Delta Petroleum Resources – an indigenous marginal oil & gas field operator – to supply up to 35mmscf (about 1% of NLNG’s daily plant demand) of natural gas for its plant. The NDPR opportunity was explored in conjunction with Shell Petroleum Development Company (SPDC) which gave initial technical support required for the project. NLNG, however, successfully took over technical management support of the project over a five-year period, culminating in the successful commissioning of the gas supply project. This achievement meets aspirations of growing indigenous contractors’ participation in oil exploration activities as well as reducing flaring activities in the country.

AluminiumNow

As part of its capacity development drive, NLNG awarded the contract for the construction of speed boats to AluminiumNow, a Nigerian company, which will assemble and construct the boats using facilities in-country. This strategy includes training of Nigerians in specialist areas such as ship welding.

Dorman Long Nigeria Limited

NLNG began a relationship with Dorman Long during its Train 3 (Expansion Project) after its Nigerian Content survey had identified some capability for fabrication in Dorman Long Ltd. NLNG consequently brokered a merger between Dorman Long and Robey Oil & Gas Ltd., another company identified with some capability for engineering services. Robey Dorman Long Ltd. (RDL) subsequently delivered on an NLNG order for about 1067 tonnes of steel structures and 160 tonnes of low-pressure carbon steel vessels for Train 3 (Expansion Project).

The merger was short-lived, but Dorman Long became better positioned and was awarded a contract in Train 6 Project for the fabrication of vessels in excess of 200 tonnes. NLNG, by this order, supported the construction and installation of a large heat treatment furnace at the Dorman

Long facility, a major technological leap that will aid the continued development and expansion of fabrication activities in Nigeria.

Dorman Long and Nigerdock were also awarded contracts for the construction of total tonnage of 1038 (Dorman Long-500 tonnes; Nigerdock-538 tonnes) galvanized structural steel works. This was achieved after NLNG’s involvement in the enhancement of their galvanization capability.

Nexans Kabelmetal

NLNG’s relationship with Nexans Kabelmetal also dates back to Train 3. Nexans Kabelmetal was encouraged to increase its capacity for the production of cables through an order to supply to the Project (Train 3). This necessitated the acquisition of new equipment. Nexans Kabelmetal is currently expanding into manufacturing of instrumentation cables, medium – and high- voltage cables.

Nigerian Foundries

NLNG worked with Nigerian Foundries to improve their processes for the manufacture of trench gratings, for supply to the NLNG projects. It is interesting to note that these gratings made from cast iron products arose from an adapted specification made by NLNG specifically to meet an in-country capability. Over 1,260 gratings and castings were delivered to Train 6. As in the case of Dorman Long and Nexans Kabelmetal, NLNG’s order for gratings from Nigerian Foundries, aside from improving its processes, have also aided in the expansion of its facility and product base.

Nigerian Foundries has now built another facility for manufacturing loading arms counterweights, one of the materials needed at the loading facility on site – for supply to NLNG. It has also diversified into production of cathodic protection nodes.

Enchep Limited

Enchep Ltd., is another company identified by the Nigeria content survey with capability for (some ranges of) gasket manufacturing, but unfortunately, Enchep used asbestos as feedstock.

NLNG invited Flexitallic of the United Kingdom which had undergone the same process of having to change over from asbestos to spiral wound metal as feedstock, to help Enchep make this change over. NLNG funded this change. NLNG further contracted the service of an internationally reputed foreign consultant, Admas Occupational and Environmental Health Consultants of Bradford, UK, who certified that Enchep's production line was free of asbestos

dust on completion of the asbestos clearing works by Flexitallic engineers.

A partnership between Enchep and Flexitallic, encouraged by NLNG, ensued. This partnership has seen Flexitallic introduce metal materials to Enchep as well as provided practical training to Enchep's engineers. This is in addition to helping Enchep set up quality assurance and control processes.

Enchep is now ISO-9001 certified. The company supplied over 35,000 pieces of different sizes and ranges of gaskets to NLNG for the Plus Project (Trains 4 and 5) and over 84,000 pieces for Train 6.





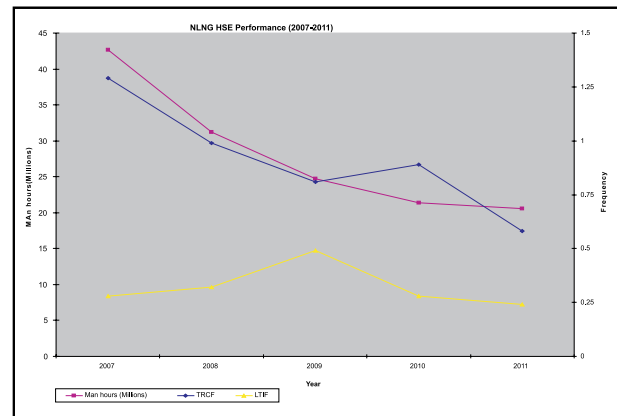
The Environment

In NLNG, Health, Safety and Environment (HSE) matters are managed to the same standards expected in other critical business activities. The company has a sound HSE policy anchored on the need to take proper care of its assets, the health and safety of its employees and of other persons, and to give proper regard to the sustainable management of the environment.

In line with this, NLNG plans its work to:

- Prevent injuries and ill-health to workers and surrounding communities;
- Prevent damage to assets and minimise any negative impact on the environment;
- Avoid or eliminate future liabilities;
- Meet requirements for demonstrable due diligence.

At the inception of the NLNG Project, there was a major focus on carrying out preliminary environmental studies. Between 1987 and 2002, intensive environmental studies were carried out and Environmental Impact Assessment (EIA) reports prepared.



The EIA reports for the Base Project (Trains 1 & 2) and the Gas Transmission System 1 (GTS/1) were reviewed and certified by the then Nigerian environmental regulatory body, the Federal Environmental Protection Agency (FEPA). In early 1997, the final EIA report was approved, making NLNG the first major project in Nigeria to complete full EIA process before commencement of business.

An important element of the EIA process is to identify and mitigate potential adverse impacts. For the Base Project, a number of potential adverse impacts were identified and mitigation measures were immediately taken. Additionally, similar EIA studies have been conducted for



Senior Management Executives plant a tree on Bonny Island during a tree planting campaign.



subsequent projects (Expansion, NLNG Plus, Train 6, Train 7 Plus and Bonny River Terminal Airstrip). The reports for these studies have been approved by the current Nigerian environmental regulatory body, the Federal Ministry of Environment.

To ensure adherence to EIA requirements, an Environmental Social and Health Management Plan was set up with the major objectives of ensuring compliance with legislation and NLNG HSE policy. The plan is regularly updated and its implementation evaluated by regulators during impact mitigation monitoring activities.

Discharges to water

To ensure compliance with regulatory requirements, NLNG has adopted the principle of abatement through minimisation at source of aqueous discharges that have the potential of causing adverse impact on the environment. However, where this is not feasible, application of end-of-pipe technology is adopted to minimise eventual environmental effects of discharge. Periodically, an assessment of the receiving environment is carried out to confirm that our activities are not interacting adversely with the environment.

Sewage Treatment and Disposal

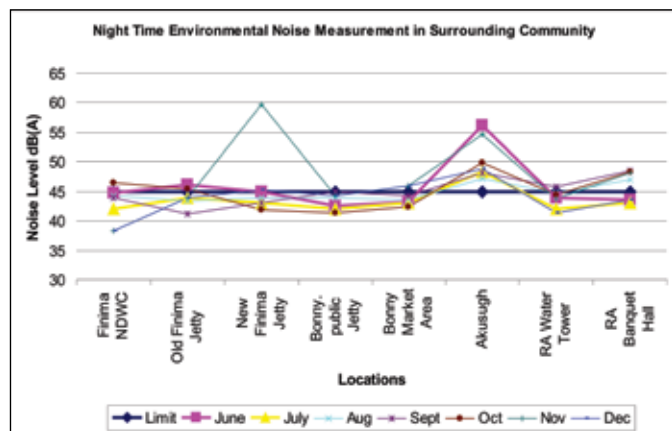
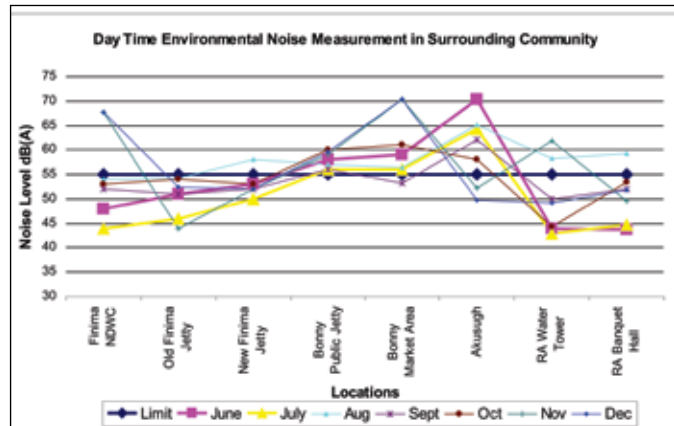
NLNG has a denitrification/nitrification biotreater. Waste water and sewage from the plant, as well as all domestic sewage from the Residential Area, are treated in this facility so that only treated clean water flows into the river. The biotreater is designed to meet the stringent effluent water quality specifications as agreed in the EIA Health Safety and Environment Premises.

Solid Waste Management

Nigeria LNG's waste management strategy complies with the concepts of "waste management hierarchy" and "duty of care" for both onsite and offsite waste treatment and disposal activities. The principle adopted for

ENVIRONMENTAL PERFORMANCE

Typical Results for Noise measurements carried out within the surrounding community



Typical Waste Management Options for some Solid Wastes in NLNG facilities

Specification	Requirements
Chemical containers/Drums	Avoid recycling for domestic use. Punctured and crushed for recycling
Scrap metals	Recycle via approved and registered contractors
Batteries	Collect and store in separate containers; Dispose via recycling.
Clinical waste	Incinerated in high temperature incinerator

solid waste is the 'Cradle to Cradle' principle, which is essentially the proper and controlled handling, treatment and disposal of solid waste, being underpinned by the 4R philosophy of Reduce, Reuse, Recycle and Recover. Duty of care audits are regularly carried out with Federal and State government regulators. The company's overall waste management performance objectives are to minimize waste generation and continuously increase the percentage of wastes recycled and/or reused when compared to the fraction disposed or stored on-site.

Non-Hazardous Wastes

The incineration of combustible wastes is carried out on site as the fragile nature of Bonny Island does not allow for the creation of a landfill site. Consequently, all other non-hazardous solid wastes are temporarily stored on the plant site before being transported to Federal

Ministry of Environment and environmental sanitation authorities duly accredited disposal and treatment facilities off the Island.

Hazardous Wastes

NLNG is very concerned about the environment and believes that proper management of hazardous waste is important in fulfilling the corporate commitment to protect the environment and promote sustainable development.

To this end, all hazardous wastes are managed using the best practical environmental options after approvals from the Federal and State Ministries of Environment.

Other waste management initiatives currently pursued by NLNG particularly for hazardous wastes include the use of buy-back and recovery schemes.

Emissions to Air

For emissions to air, the principle adopted is minimisation through abatement at source. Dispersion modelling was employed in initial environmental investigations to predict possible levels of regulated parameters. Stack emissions and ambient air monitoring are routinely carried out within the plant fence and surrounding communities to ensure that ground level concentrations at the workplace and in the nearby settlements do not exceed the tolerance limits for ambient air pollutants according to regulatory limits. NLNG is also in the forefront of addressing the Climate Change challenges in the way we manage our wastes, effluents and emissions.

Noise Measurements

Noise level measurements within plant fence and nearby communities are carried out regularly to confirm that the plant meets regulatory requirements and the Project Noise Design Specifications. This indicates that noise from the NLNG plant does not impact the surrounding community adversely.





BIODIVERSITY AND NATURE CONSERVATION

Finima Nature Park

In fulfilment of its policy on protection of the environment, Nigeria LNG has established a Nature Park in Bonny Island to preserve the natural environment of its host communities. The site of the Nature Park is the natural habitat of the salt water hippopotamus, now rare in Nigeria, and other interesting flora and fauna endemic to Bonny Island.

The park is in recognition of the importance of the flora and fauna, the sacrifices of the Bonny people, and their aspiration and commitment to sustaining a permanent record of their natural heritage and culture. It is also part of NLNG's contribution to the national and global conservation objective in line with Rio Agenda 21, the Ramsar Convention and Biodiversity Convention.

The park, named "Finima Nature Park" with an area of approximately 700 hectares is for conservation, recreation, and research on the fauna, flora and cultural heritage of

Bonny Kingdom. At present, the nature reserve is managed by an NGO, the Nigerian Conservation Foundation (NCF). However, in the future, it will be managed by a Board of Trustees drawn from the host community, thereby encouraging community buy-in and the sustainability of the park initiative.

The reserve area covers the rain forests and mangrove swamps, as well as an ecologically important area of sandy soil with fresh water ponds and tall timber between the swamps and the beach. This diversity is a good representation of the Niger Delta ecology, which will afford a unique opportunity for research and educational activities. Already, the reserve is home to some wildlife species of high conservation value and also a variety of mammals, different bird species (mostly waterfowl) and reptiles, including crocodiles.

In pursuing its environmental objectives, the company considers public consultation and enlightenment fundamental to fostering good relationships with its neighbours. It has initiated a forest enlightenment campaign in accordance with EIA mitigation measures.

The company is partnering with the Bonny Environmental Consultants' Committee (BECC) on the campaign and, to this end, a number of billboards urging the preservation of forests have been erected at strategic locations on the Island.



VSLA

Community Relations & Development



Nigeria LNG's approach to corporate social responsibility is anchored on stakeholding, partnership and sustainability. In pursuing its CSR objectives, the company through the Community Relations and Development department, provides support to its host communities for the enhancement of their living standards and economic potentials via two broad areas: business/human development and infrastructure development.

To build and maintain positive relationships with the communities, engagement specialists are assigned to specific settlements as liaison officers, covering Bonny, Finima, Rumuji, Ubeta and the pipeline communities. Others work as development officers specialising in key areas such as health, education, economic empowerment and youth development. The company operates an open door policy. Officers meet regularly with representatives of the host communities, formally and informally, to maintain constant interaction and good relationships and enhance mutual advancement.

Joint Industry Companies (JIC)

In 1998, the Joint Industry Companies (JIC), made up of NLNG, Shell Petroleum and Development Company Limited (SPDC) and Exxon Mobil signed an MOU with Bonny Kingdom. The MOU will improve electricity, water supply, provide two major roads of 2.7km and an accelerated development of Bonny Island through the design and implementation of a Bonny Master Plan. This development led to the establishment of a company called the Bonny Utility Company (BUC) to undertake these tasks.

Bonny Utility Company (BUC)

The Bonny Utility Company manages the provision of utilities – power and water – on Bonny Island. BUC activities are funded by the Joint Industry Companies (JIC), comprising NLNG, SPDC and Mobil with a contribution ratio of 50:30:20. BUC has consistently provided power to

residents of Bonny Island with an average availability consistently averaging over 95%. A total of 10,416 homes are powered through the BUC grid, via the prepayment system. In 2012, a four hundred thousand (400,000) litre capacity overhead water storage tank was commissioned. The new storage tank was funded by JIC to replace the existing overhead storage tank at the BUC Bonny Water Treatment Plant which was heavily corroded.

Right of Way Maintenance Contract

NLNG recognises the African attachment to land and the obvious fact that no legislation, no matter how well intended, captures all the expectations of the people. It is in this regard that it adopted a systematic approach in its pipeline communities which seeks to promote “ownership” and meet the communities’ expectations.

NLNG, after paying compensation for Right of Way, trees and crops, went the extra mile to ensure that feelings of dispossession and deprivation were assuaged. This was done through the award of Gas Transmission System (GTS) Right of Way (ROW) surveillance contracts.

Holders of GTS ROW Maintenance Contracts, which rotate among the land owning families, employ family members to execute jobs which cover:

- Pipeline Right of Way surveillance and inspection
- Asset maintenance: painting of signposts and markers, grass cutting, etc.

To encourage the contractors, an award ceremony was held in 2012 to recognise outstanding ROW contractors.

COMMUNITY DEVELOPMENT INFRASTRUCTURE PROJECTS

With activities ranging from electricity generation, road construction and repairs to water supply as well as building and furnishing



A health centre in Amadi-Ama built and equipped by NLNG.

of schools, Nigeria LNG Limited has made the concept of good neighbourliness come alive in its host communities. It has constructed ultramodern health centres, provided hospital equipment, and in some cases, also installed electricity transformers. It has built several kilometres of roads, several schools and primary health centres in several communities in Rivers State and promoted social interaction among communities. These are in addition to health awareness campaigns, engagement sessions, sponsorship of immunization campaigns, renovation of schools and town halls, sinking of water boreholes, and provision of school desks and writing materials in host and pipeline communities.

The following projects were completed in 2012:

- Peterside Community Health Centre
- Abalamabie Town Hall
- Finima Women Association Bakery
- Okposi Community Health Centre Staff Quarters
- Ubio Community Health Centre Staff Quarters
- Ebogoro Community Health Centre Staff Quarters
- Installation of 3 no. (500Kva) transformers and building of generator houses in Bakana
- Science laboratory at Community Secondary School, Ogbo
- Science laboratory at Community Secondary School, Ubeta.

HEALTH

Community Health Workers Training Programme

The programme is targeted at Community Health Extension Workers (CHEWs) in health facilities in the communities. It aims at enhancing the essential basic life saving competencies of these CHEWs and empowering them with knowledge and capacity for safe motherhood practices, management of normal deliveries and timely detection and referral of women with obstetric complications.

A total of 100 CHEWs across the various health centres in our host communities participated in this exercise in 2012.

Mass Deworming Exercise

Growing concerns over the surge of intestinal worm infection drove a partnership between NLNG, Glaxo SmithKline and the Rivers State Ministry of Health to look at abating the rate of infection and its associated health and educational problems among the children within the communities. The Mass Deworming Exercise is targeted at school-age children (6-15 years). However, in 2012 this activity was targeted at both children and adults affected by the flood. A total of 70,031 persons (children and adults) were dewormed in 2012.



Roll Back Malaria Campaign

In support of the programme launched by both the Federal and Rivers State governments to roll back malaria through improved sanitation habits and use of insecticide treated bed nets, NLNG launched the campaign in all its host local government areas in Rivers State.

In 2012 alone, a total of 3,500 Insecticide Treated Nets (ITN) were distributed in NLNG host communities.

HIV/AIDS

As a responsible corporate citizen, NLNG has put in place several programmes to check the spread of the HIV-AIDS virus in Bonny. A significant pointer to this effort is the launch of the Ibanise HIV/AIDS Initiative which is an outfit established by the JIC in 2006 to respond to the growing prevalence of HIV/AIDS in Bonny kingdom.

In 2012, the initiative accomplished the following:

- HIV Counselling & Testing: Had 11 Mobile HIV Counseling & Testing outreaches in 28 locations in Bonny. 11,260 persons were counseled & tested for HIV with 486 testing positive.
- Prevention/Stigma Reduction/ Sensitisation: 17,194 persons were reached with prevention messages during special events and adhoc activities, against a target of 11,000 persons.
- Malaria Awareness & Prevention Programmes: Carried out Malaria sensitisation, Malaria Parasite Testing and treatment. 7,830 persons were tested for malaria parasite with 396 testing positive.
- Tuberculosis Awareness Campaigns: Sensitisation on TB prevention/referral. 3,788 persons reached with prevention message.
- Care and Support for people infected and affected with HIV: Held 42 Support Group Meetings for Persons Living with HIV/AIDS (PLWHA) in 4 centres. 185 PLHIVs attended against a target of 150.
- Treatment of HIV/AIDS and Related Health Conditions: Facilitated treatment of 103

persons living with HIV/AIDS for HIV/AIDS related health conditions.

- Sensitization/Training of Naval personnel in Bonny: 97 Naval personnel were reached.
- Peer Education: 278 youths were reached in “In-School Youths” training programme on St. Valentine’s Day 2012.
- Prevention/Stigma Reduction/Sensitization: Women received messages about HIV/AIDS infection, prevention and care at various activities including International Women’s Day, Finima Women’s Programme; and Church programmes at St Stephen’s Anglican Church Bonny respectively. A total of 843 women were reached.
- Community outreach programmes: Collaborated with Bonny Nurses Forum to provide Malaria and HIV Counselling and Testing Services during their free medical outreach for the elderly in Bonny.

EDUCATION

Scholarship

Another area of intervention is in human capital development. NLNG awards scholarships yearly to different categories of students. NLNG has a four-tiered scholarship programme as outlined below.

NLNG Post Primary Scholarship

The scheme aims at supporting very high performing but underprivileged basic 6 pupils in host communities’ public schools in assessing top-of-the-range education in top-rate secondary schools in Nigeria. The scheme kicked off in 2012 with 28 beneficiaries in two partner schools, Brookstone College, Igwuruta and Charles Dale International School, Eneka, Port Harcourt. Other partner schools are MacDonald Memorial International Institute, Igwuruta, Port Harcourt, Downen College Lekki, Lagos and Loyola Jesuit College, Abuja. Prospective pupils will have to pass through a merit based selection process independently



conducted by the Aptitude Test Department (ATD) of WAEC to qualify for the scholarship.

NLNG Undergraduate Scholarship

A total of 2,600 undergraduates from various universities in Nigeria have benefited and over N500 million has been spent on the scheme. The introduction of online application and use of social media (facebook) for information dissemination in 2012 made the selection process more efficient and cost effective, increased awareness and minimized rumours. The value of the scholarship has been reviewed upward from N100, 000 to N300, 000 per awardee for an academic year and it runs throughout the duration of their study.

NLNG Overseas Post Graduate Scholarship

This scheme was launched in October 2012 and is being managed by the British Council in partnership with NLNG. The scholarship

is valued between N6 million and N9 million, depending on the course.

NLNG Cadet Scholarship

The scholarship targets young school leavers from NLNG Host Communities who are interested in careers in the maritime industry. The scholarship covers tuition for the National Diploma programme at Maritime Academy of Nigeria, Oron. NLNG has sponsored 45 persons from our host communities to date.

Integrated Top-Up Scheme

The Integrated Top-Up Scheme (I.T.S), formerly known as the Bonny Education Endowment Fund (B.E.E.F), involves the payment of a quarterly top-up allowance to teachers and non-academic staff of Government Post-Primary Schools on Bonny Island and the health workers in Bonny General Hospital. Over the years, more than N150 million has been spent on the scheme. In 2012, N35.2 million was paid and a total of 269 people benefitted.



Graduation Ceremony of NSML Fitter-Machining trainees in 2012

Bonny Vocational Centre

The Bonny Vocational Centre is an NLNG/Bonny Kingdom partnership project designed to promote vocational and entrepreneurial skills acquisition, development of technical competencies and self-reliance in youths in Bonny community in particular and Rivers State in general. It is an educational establishment that is geared towards meeting the needs and aspirations of the community through a three-tier curriculum.

The Bonny Vocational Centre (BVC) has trained, graduated and awarded Advanced Diploma Certificates of the City and Guilds of London Institute to 157 graduates over the past three years in various technical and vocational fields of study.

The centre is looking up to possible approval or accreditation of its courses by the National

Board for Technical Education (NBTE). It also plans a partnership with Rivers State Polytechnic, Bori, to give opportunities to the centre's graduates who want to further their studies for the award of Higher National Diploma (HND).

ECONOMIC EMPOWERMENT

Micro-Finance Scheme

The N500 million NLNG Micro Credit Scheme was created in 2000 as a sustainable development initiative aimed at reducing poverty and creating new employment opportunities in the host communities by making micro loans available to and building capacity of entrepreneurs. The scheme provides economic

empowerment through credit financing to drive entrepreneurship and enterprise development.

In 2012, N114, 850, 000 was disbursed to 77 cooperative groups from NLNG host communities. These loans are expected to support the development of small and medium enterprises in NLNG Host Communities.

Village Savings and Loan Associations

The Village Savings and Loan Associations (VSL) is one of the finance-related community development interventions implemented across NLNG Host Communities. The VSL mobilises savings among participating members, ensuring that such savings are being utilised optimally to meet business needs. It was introduced in 2008, by facilitating the formation of Accumulated Savings & Credit Associations (ASCAs) i.e. groups of 10 to 18 individuals who save together as a unit, building their capacity on group cohesion, savings mobilisation, credit utilisation and exposing them to other modules of VSL framework. This is followed by an annual cycle of continuous monitoring, mentoring and re-strategising to enhance the development cycle and ensure that the set objectives are being achieved.

In 2012, 650 ASCAs saved over N150 million with a loan utilisation rate of 76%.

Youth Empowerment Scheme (YES)

The Youth Empowerment Scheme was launched in 2004 as a sustainable development initiative aimed at youths (18-35 years) within NLNG's host communities. YES is designed to make the participating youths economically and socially responsible and self-reliant through guided technical and managerial development training.

Since its inception, over 700 youths from various host communities have participated in the scheme and have been supported in vocational modules namely catering & events management,

hairdressing and cosmetology, fashion and design, photography and video production, woodwork and furniture making, and welding and fabrication.

In 2012, 113 beneficiaries participated in the programme and graduated from the scheme in a ceremony held at The Adolescent Project (TAP) Centre, Iriebe, Port Harcourt.

Nigeria LNG Agro Development Action (N-AGENDA)

The Nigeria LNG Agro-Enterprise Development was designed to enhance the revenue earning potential of rural entrepreneurs through the provision of value added agricultural and non-agricultural services – capacity building in farm management techniques, exposure to improved varieties and crops, field trips and linkage to farming institutes, etc.

One of such field trips is the visit to the world-renowned Songhai Farms in the Republic of Benin. In 2012, 16 outstanding farmers were taken on this trip. Also in the year, 600 farmers were engaged for capacity building whilst 18 cooperative groups were formed.

The Nigeria Prize for Science and The Nigeria Prize for Literature





The Nigeria Prize for Science and The Nigeria Prize for Literature are sponsored by Nigeria LNG Limited. The prizes are aimed at bringing Nigerian scientists and authors to public attention and celebrating excellence in scientific breakthroughs and literary craftsmanship in the nation.

NLNG believes that the science prize will provide leaders with answers to crucial issues in development; improve the standards of living and re-energise the scientific community to seek solutions to national problems. With the Nigeria Prize for Literature, it is expected that the quest for a prestigious prize will improve the quality of writing, editing, proof-reading, and publishing in the country with far-reaching positive effect on print and broadcast journalism.

The prizes are administered, on behalf of Nigeria LNG Limited, by the Nigerian Academy of Science and the Advisory Board on Literature Prize made up of members of Nigerian Academy Of Letters (NAL) and the Association of Nigerian Authors (ANA).

The prize money started with \$20,000 in 2004 and was increased in 2006 to \$30,000. In 2008, it was again upped to \$50,000 to drive science and authorship. In 2011, as part of sweeping, significant changes in the administration of the prizes, the cash reward was increased to \$100,000 for each of the prizes. The prizes are awarded in October, commemorating the first export of LNG cargo by the company on October 9, 1999.

In 2004, Professor Akpoveta Susu and his then doctoral student (now doctor) Kingsley Abbulimen, both of the University of Lagos, won the maiden edition of the science prize. They won based on their work *Real-Time Computer Assisted Leak Detection/Location Reporting and Inventory Loss Monitoring System* which was described by judges as an outstanding contribution to research in real-time leak detection in a network of pipelines, or other flow systems, carrying liquids. That year, there

was no winner for the literature prize on Prose Fiction. However, three authors, Bina Nengi-Ilagha, Omo Uwaifo and Prof Akachi Adimora-Ezeigbo received honourable mention for their efforts.

In 2005, there was no winner for the science prize whilst joint winners emerged for the literature prize which focused on Poetry. Ezenwa Ohaeto and Gabriel Okara were awarded the prize for their books *Chants of a Minstrel* and *The Dreamer: His Vision* respectively.

Professor Micheal Adikwu in 2006 showed in his winning work, *Wound Healing Devices (Formulations) Containing Snail Mucin*, that snail mucins can play a key role in the pharmaceutical industry as a drug delivery agent. Dr Ahmed Yerima claimed the prize in literature (drama) for his book *Hard Ground*.

Again, in 2007 there was no winner for the science prize and joint winners emerged for the children's literature. Professor Akachi Adimora-Ezeigbo and Mabel Segun won with their books, *My Cousin Sammy* and *Readers' Theatre: Twelve Plays for Young People*.

Dr Ebenezer Meshida was winner of the 2008 science prize with his work "Solution to Road Pavement Destabilisation by the Invention of 'Lateralite': A Stabilisation Flux for Fine Grained Lateritic Soils" which will make Nigerian roads durable through the elimination of potholes, gullies and erosion. The literature prize in 2008 returned to Prose Fiction. Kaine Agary won that prize with her first book, *Yellow Yellow*.

The 6th year of the prize award saw Professor Andrew Nok winning the science prize in 2009 for his ground-breaking discovery of the gene responsible for the creation of Sialidase (SD), an enzyme which causes sleeping sickness (Trypanosomiasis). No winner emerged for the literature prize.

Professor Akahemen O. Akii Ibadode was crowned winner of the science prize in 2010 for his work on the development of a new method



**PUBLIC
PRESENTATION OF
2012 LITERATURE PRIZE
WINNER:**

Chika Unigwe





in Die Design. That year, the prize continued its circle with drama as the genre in focus. The literature prize got its first post-humous winner, Dr Esiaba Irobi, who won the prize with his play *Cemetery Road*. Dr. Irobi was also the first foreign based Nigerian author to win. He died May 3, 2010 after sending in his work for the competition.

In 2011, Adeleke Adeyemi emerged winner of the literature prize. Writing with a pen name, Mai Nasara, Mr. Adeyemi won with his book "*The Missing Clock*" in the children's literature category, the genre in the spotlight that year. The judges described the book as one that celebrates "ingenuity, hard work and sparkles in its prose."

There was no winner for science that year.

In 2012, prose fiction was back in the spotlight for the literature prize. Chika Unigwe beat 213 authors to the prize with her book *On Black Sisters' Street*. She became the second foreign based author to win prize.

No winner emerged for science in 2012.







