

Producer-Consumer Cooperation in Developing LNG Markets in Asia

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PETRONAS



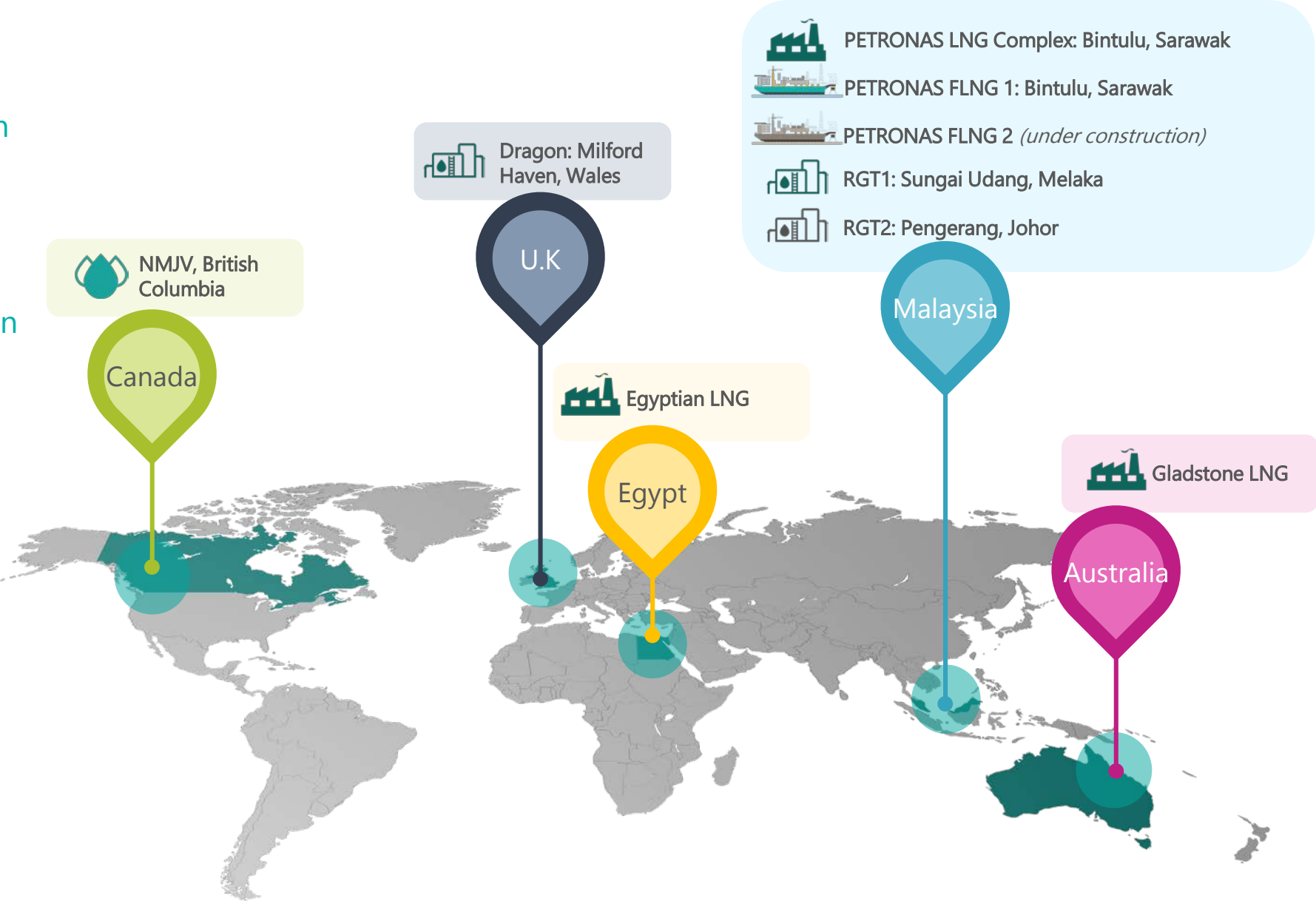
PETRONAS: A Leading, Integrated Global LNG Player

3rd Largest LNG producer in the world

34 MTPA of LNG production capacity

1st Floating LNG owner-operator in the world

130 Tcf of global gas resources, and growing





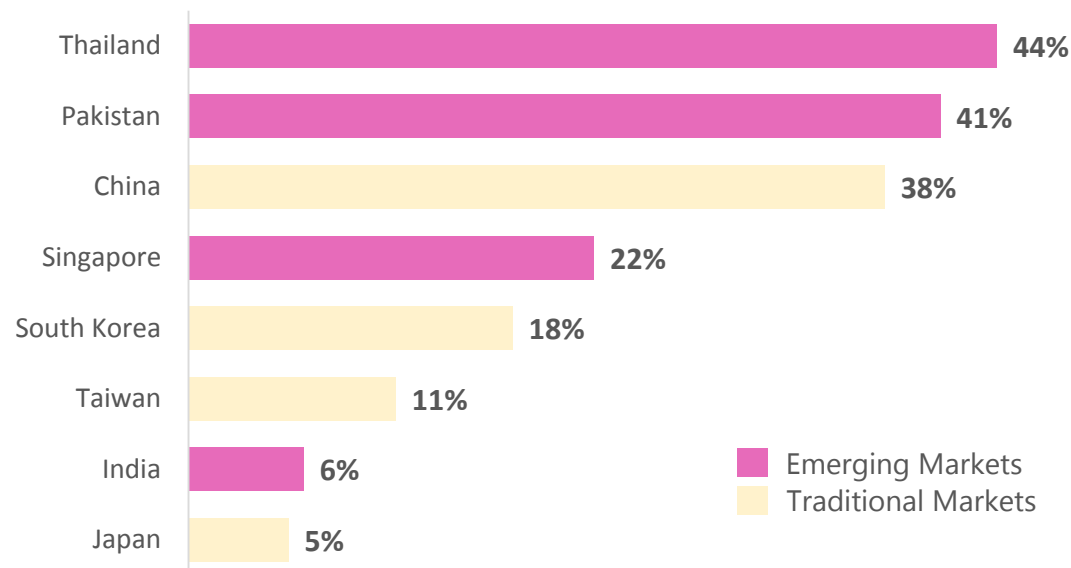
Stronger LNG demand in 1H2017 may bring balance to market earlier than expected

Recent signposts indicate a shift from the conventional outlook of a prolonged supply overhang



Strong demand from emerging markets

LNG Demand Growth
1H2017 vs. 1H2016 in Asia (%)



Unexpected project delays and unscheduled outages



Woodside's Karratha gas plant hit by production outage

Australian LNG player Woodside said its Karratha gas plant had suffered an unexpected production outage on Saturday.

Work to restart production at the gas plant, which hosts the North West Shelf liquefied natural gas (LNG) export project, is underway, Reuters reported on Wednesday citing a Woodside spokeswoman.

The spokeswoman declined to say whether there had been an impact on LNG exports.

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Mainland Europe and LNG to fill gap left by Rough outage



UPDATE 1-Chevron shuts first Gorgon LNG export plant unit for around a month

Qatar LNG outage rattles UK gas market

UK gas prices jumped over 10% this week after the world's largest liquefied natural gas (LNG) producer, Qatargas, said it would shut its facilities for rolling maintenance over the coming months.

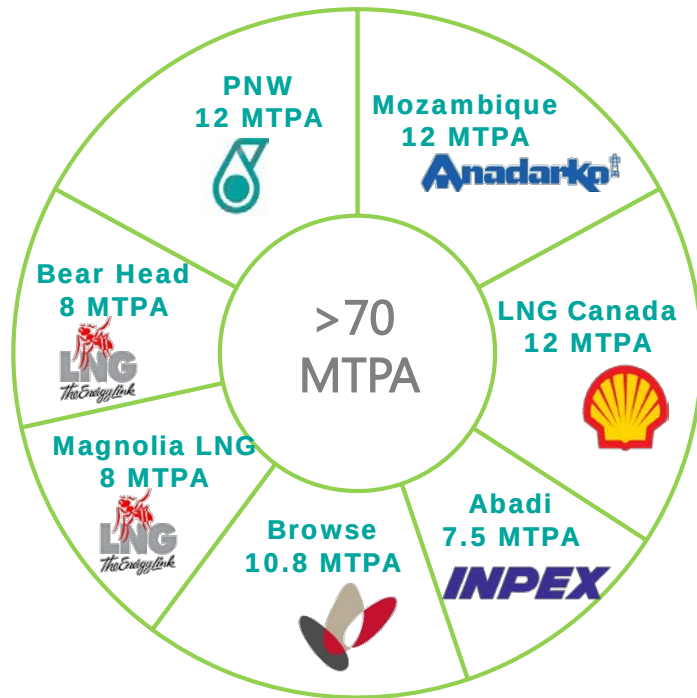
Kwok W Wan, LONDON Last year, according to Cedigaz, the UK imported about 20% of the 93.8 billion cubic metres of gas it consumed in the form of LNG, making the country particularly vulnerable to global LNG supply issues. "Qatargas can confirm that the planned maintenance of its Trains 5, 6 and 7, as well as Qatargas 3 and 4 inlet receiving facilities will take place this autumn," the company said. "Qatargas operates a rolling programme of planned maintenance at its facilities. These necessary, planned and safe shutdowns are co-ordinated with all parties of our operations, shipping and customers to ensure the smooth flow of LNG supply." The outage is expected to last for several months.

Security of demand is essential to incentivise future developments

>70 MTPA of announced LNG projects have been cancelled/deferred since 2016...

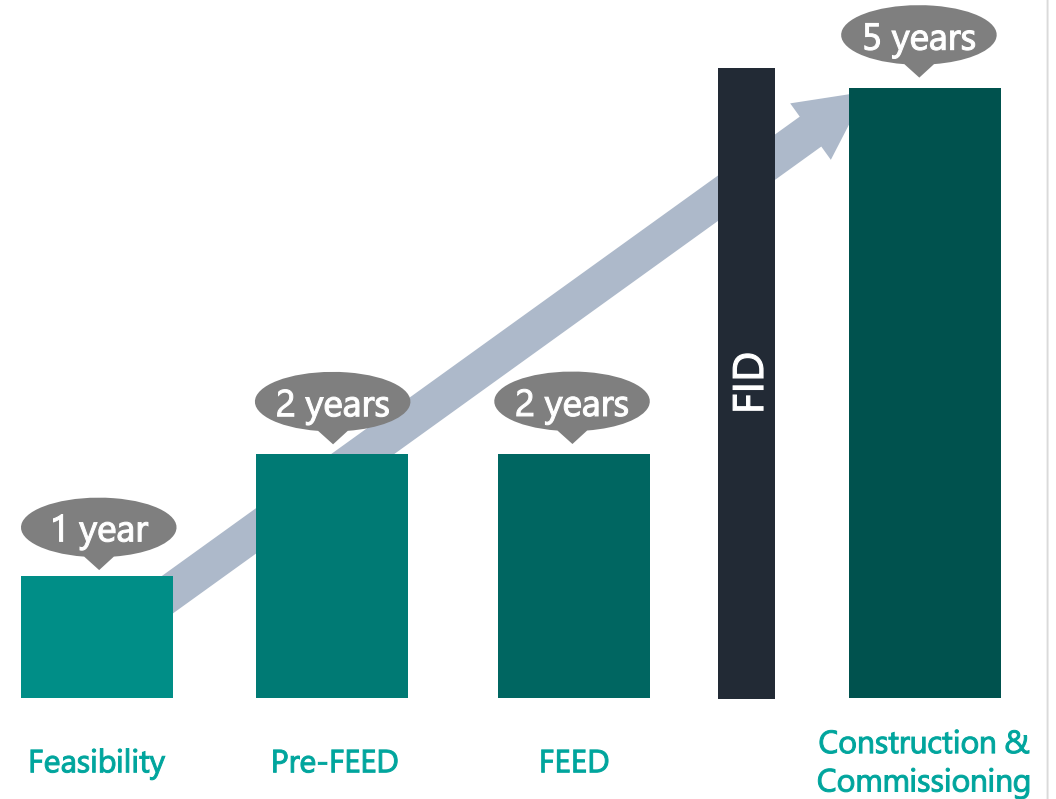


Cancellation/deferment of major projects



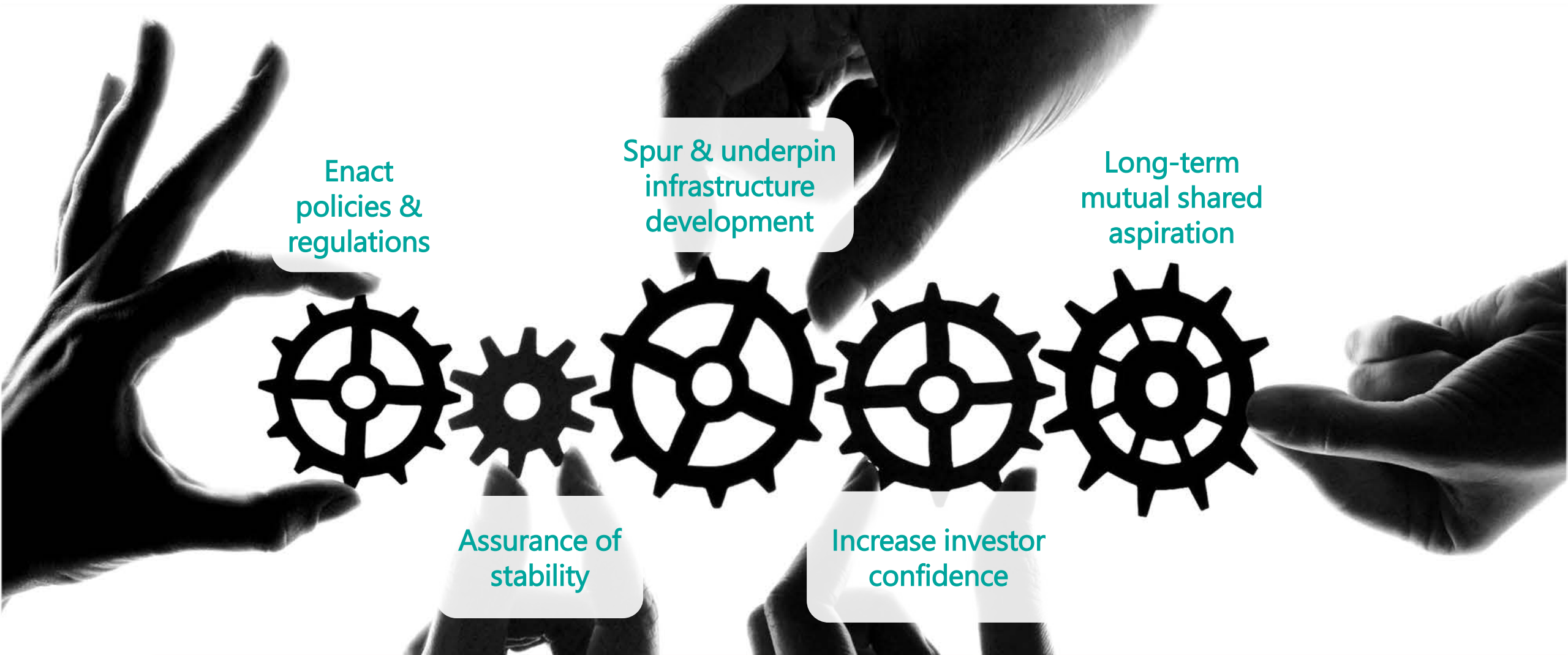
New supply may not come on-stream in time to meet demand

...with potential short supply felt into the next decade due to the long development period of major projects



**based on development milestones for greenfield projects*

Government policy & action crucial in developing LNG market in Asia



Early collaboration for Shared Success





THANK YOU

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