

Press Release

15 June 2018

KUFPEC: Commencement of LNG Production from Wheatstone Train 2 in Australia

Kuwait, 15 June 2018. KUFPEC is pleased to announce the commencement of LNG production from the second train at KUFPEC's Wheatstone LNG Project located at Onslow in the North West of Australia. Production from Train 1 commenced in October 2017, and with the commencement of production from Train 2, KUFPEC will now be able to realize additional production and sales of LNG to customers. KUFPEC is the second-largest equity owner of the Wheatstone LNG Project with a share of 13.4%. The Project is expected to produce LNG in excess of 8.9 million tons per annum (MMTPA) for over 20 years of operations.

H.E. the Minister of Oil and Minister of Electricity and Water, Chairman of the Board of Kuwait Petroleum Corporation, Mr. Bakhit Al-Rashidi said:

“This great achievement affirms the essential role of KUFPEC in securing an international presence for Kuwait's hydrocarbon industry and providing energy solutions and diversification for the State of Kuwait, while contributing substantially to achieving KUFPEC's strategic targets and assisting in achieving the Kuwait Oil Sector's strategy.

KUFPEC Chief Executive Officer Shaikh Nawaf Saud Al-Sabah stated:

“KUFPEC is proud of what we have accomplished with the Wheatstone LNG Project. Completion and commencement of production from Train 2 marks a significant milestone with full LNG supply from Wheatstone, a project which started with KUFPEC's exploration success in 2007. Participation in the Wheatstone LNG Project allows KUFPEC to deliver on its strategic directives for KPC to establish and maintain significant reserves and production, to provide for technology transfer to Kuwait, and to build the capability of the Kuwaiti workforce through participation in international best-practice developments and operations. KUFPEC has also established the basis for supplying future LNG requirements to Kuwait if required.”

KUFPEC VP Operations Mr Ayad Al-Kandari noted:

“Performance in the delivery of the Wheatstone LNG Project has been outstanding, with many lessons learned from other LNG Projects in Australia and globally being incorporated into the cost and schedule management for the Project. HSE statistics have been world-leading with major and catastrophic motor vehicle crashes limited to 1 with over 100 million kilometres driven and

only 11 days away from work cases throughout the life of the Project. Importantly, the construction of the Wheatstone LNG Project has also seen the Joint Venture deliver many social responsibility programs including the Onslow Primary School Partnership with funding provided for teachers support, the Onslow Chamber of Commerce Partnership to support local community businesses capacity and capability; and social infrastructure including community facilities.”

The final part of the Project will be the completion of a domestic gas plant to supply 220 mmscf/d of processed gas to the local Western Australian market. KUFPEC is working closely with its joint venture partners to finalise this part of the Project and to deliver gas to customers within Western Australia.

KUFPEC is a wholly owned subsidiary of Kuwait Petroleum Corporation (KPC), and it is an international petroleum company engaged in exploration, development, and production of crude oil and natural gas outside the State of Kuwait.

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