LNG Unlimited

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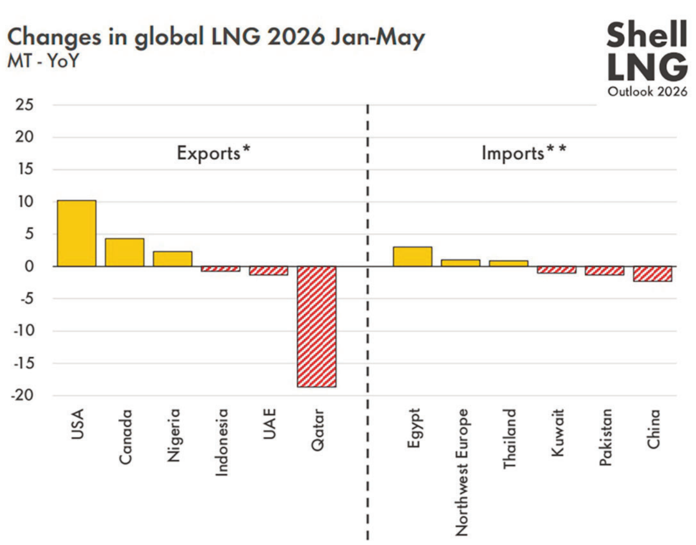
Shell warns of 36 mtpa Middle East LNG shortfall

Shell estimates the war involving Iran has removed 36 mtpa shortfall of LNG supply from the Middle East, President for Integrated Gas Cedric Cremers said at the Gastech trade show in Bangkok, while Oman sought to downplay shipping disruptions through the Strait of Hormuz as "temporary."



Around 20 mtpa of the lost supply had been offset by new production, predominantly from North America — implying there is still a 16 mtpa gap in the global LNG markets.

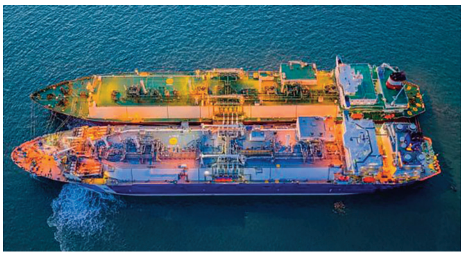
Qatar supplies the bulk of Middle Eastern LNG, but the country's shipments — along with deliveries from the United Arab Emirates and Oman — are struggling to pass through the Strait of Hormuz. The Iran conflict and associated security risks made commodity-vessel transits fall to near zero.

Oman calls for Hormuz bypass routes

Salim Al-Aufi, Oman's minister of Energy and Minerals sought to play down the prospect of a prolonged disruption: "This is probably a short-term situation," Al-Aufi said, stressing that the waterway would eventually reopen and that the priority was to restore stability. At the same time, Al-Aufi called for exporters to develop alternative routes for LNG and other commodi-

Power crunch forces Bangladesh to pay dearly for third FSRU

Bangladesh has approved in principle a proposal by China National Energy Engineering & Construction Co (CNEE) to build and operate the country's third floating LNG import terminal, despite the Chinese company's regasification fee being substantially higher than those of existing terminals.



Summit FSRU completes 250th transfer off Bangladesh

Under the approved proposal, CNEE will charge $342,000 a day for 15 years, equivalent to about $1.87 billion in nominal payments over the contract period.

The fee is around 35% to 37% higher than the effective daily charges for Bangladesh's two existing FSRUs, operated by Excelerate Energy and Summit LNG.

The decision comes as Bangladesh faces acute gas and power shortages and seeks to bring additional LNG import capacity online quickly. A government adviser said the administration was prepared to accept some additional expenditure to secure an FSRU quickly, arguing that the economic cost of gas and electricity shortages could outweigh the higher terminal charges.

Quest to lock in term US LNG deliveries

Bangladesh has been turning to the United States for a long-term LNG supply deal. A total of 117 cargoes were secured from US-based trader Gunvor between 2026 and 2038 under a state-to-state agreement to improve supply security in the face of persistent shipping disruptions to Middle East LNG deliveries.

The Cabinet Committee on Government Purchase approved the deal alongside eight additional cargoes from other international suppliers through direct procurement. Under the contract, Bangladesh will buy five cargoes this year, six in 2027 and six in 2028.

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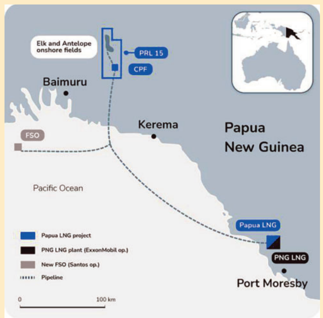
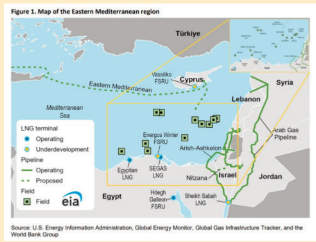
UNLIMITED AGENDA

TENDER



MARKETS



TECHNOLOGY

PROJECTS

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ties rather than relying almost entirely on Hormuz.

"Let's identify alternative export options," he told delegates at Gastech. "Be it north or through Oman or through Yemen. Diversify your options to get the resources out of the region."

Al-Aufi's remarks resonate with ANOC Gas' plans to develop a new LNG export terminal outside Hormuz — seeking to set up a stable outset for exporting up to a fifth of country's LNG supply. Oman already operates one liquefactions terminal at the emirate's eastern border where shipments do not hinge on safe passage through Hormuz.

The prolonged war in the region has exposed Gulf country's exposure to the critical waterway, forcing them to shoulder a sharp drop in revenue from oil, liquids and LNG exports. This prompted many state-run companies to come up with workarounds like ship-to-ship transfers to uphold at least a small share of their export volumes.

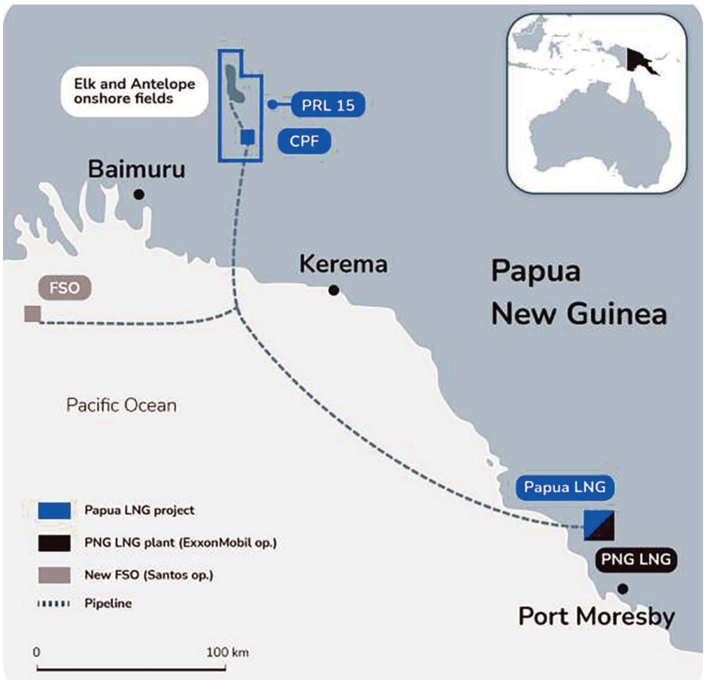
Hormuz transits might improve by H2-2027

The contrasting assessments from Shell's Cremers and the Qatari energy minister Al-Aufi underline the uncertainty facing the LNG market. For buyers, the timing of any recovery in Gulf exports will be crucial. A prolonged interruption would leave importers competing for replacement cargoes from the United States, Africa and other suppliers, while adding further pressure to prices, shipping rates and delivery schedules.

Jason Feer, Poten & Partners' head of business intelligence does not expect any improvement in the Middle East conflict until the end of the year, and possible none in early next year. "Volumes coming out of the region might eventually improve by the second quarter of 2027," Feer said in a webinar just days prior to Gastech, but cautioned there is currently "very little visibility as to when the war involving Iran will come to an end." ■

Papua LNG completes EPC tender to safe cost prior to FID

Completion of an EPC re-tender on the Papua LNG development is bringing the project closer to FID. Rebidding of EPC packages with an enlarged panel of Asian contractors and design optimisation helped developers safe close to $4 billion in project cost since 2024,



bringing the project CAPEX down to around $14 billion.

To maximise synergies, the operatorship on PNG LNG was transferred to ExxonMobil, which also gives the US oil major a higher stake in the project: TotalEnergies agreed to divest a 9.1% interest, while maintaining its agreed LNG offtake share. The final Gas Agreement between Total and the Papua New Guinea Government takes into account this updated budget and ownership split.

New LNG marketing JV

TotalEnergies and the PNG government also set up an LNG marketing JV, represented by Kumul Petroleum Holdings, to jointly commercialise 2.4 mtpa from Papua LNG out of a total production of 5.6 mtpa. The French major will act as buyer and the Kumul-led LNG marketing JV as seller, providing TotalEnergies with access to 1.5 mtpa of LNG for its own global portfolio.

"These agreements mark decisive step towards the final investment decision (FID) of Papua LNG," said Patrick Pouyanné, TotalEnergies chairman and CEO. "The transfer of operatorship enhances the project's value creation and competitiveness by leveraging the synergies with PNG LNG during construction and operations phases," he claimed, stressing the PNG LNG project will give the company access to significant LNG volumes, strategically located for supply to fast-growing Asian markets.

Upon the completion of TotalEnergies reduction programme, the company will hold a 20% interest in Papua LNG, alongside ExxonMobil (34.1%, operator), Santos (21%), ENEOS Xplora (2.4%), and Kumul Petroleum Holdings, plus MRDC (22.5%). ■

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Three of the 2028 cargoes, together with all cargoes in 2026 and 2027, will be priced at the Japan Korea Marker (JKM) index plus 8.75 cents per MMBtu, after Petrobangla negotiated a 90% reduction in the premium from an initial $0.875/MMBtu. The remaining three cargoes in 2028 and 10 cargoes per year from 2029 to 2038 will be priced at 121% of the US Henry Hub benchmark plus $5.20 per MMBtu.

The dual-benchmark structure allows Dhaka to manage near-term price risk on JKM-linked volumes while anchoring long-term fuel costs to Henry Hub for the 2029-2038 period.

At current levels, the JKM-linked cargoes would imply delivered prices above $21/MMBtu, while the Henry Hub-linked formula translates to roughly $8.60/MMBtu based on a $2.81/MMBtu Henry Hub reference, highlighting the cost advantage of the back-end pricing. ■

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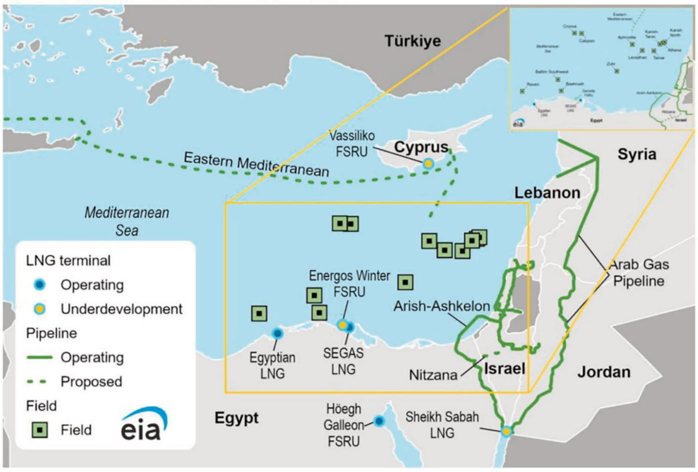
East Med LNG race intensifies between Egypt and Turkey

Egypt and Turkey are poised to dominate the next phase of Eastern Mediterranean gas development as competition shifts from control of reserves to infrastructure. Egypt's Idku and Damietta plants are the region's only large-scale LNG export facilities, with 12 mtpa capacity combined, while replicating them would cost competitors $6-10 billion and take nearly a decade, analysts estimate.

Figure 1. Map of the Eastern Mediterranean region



Source: U.S. Energy Information Administration, Global Energy Monitor, Global Gas Infrastructure Tracker, and the World Bank Group

Egyptian Natural Gas Holding Company (EGAS) has chartered six floating LNG import with 2.7 bcf/day import capacity combined – initially meant to help cover domestic gas shortages as local production declines. LNG imports rose sharply in 2025 to around 13 bcm as Israeli pipeline gas flows from the Leviathan and Tamar fields were disrupted by regional conflict.

Egypt's first-mover liquefaction advantage

Idku and Damietta give Egypt a clear first mover advantage, though analysts see them more as a "balancing mechanism rather than a profit centre," reflecting tension between Egypt's export ambitions and its domestic supply deficit.

Recently, Egypt used LNG imports not only to meet domestic demand but also to preserve the option of re-exporting gas through Idku and Damietta when feedgas is available – not least because contracted deliveries from Cyprus' Aphrodite and Cronos fields not expected to begin before 2031.

Turkey builds import and storage hub

Turkey, meanwhile, lacks liquefaction capacity but has developed an import-and-reroute model based on five LNG regasification terminals: two onshore terminals and three floating storage and regasification units (FSRUs) and massive underground storage. The country also has large underground storage facilities at Silivri and Tuz Gölü, with 6.3 bcm combined capacity combined and plans to double storage capacity by the early 2030s. That supports Turkey's ambition to become a regional gas-trading hub, although physical export capacity, pricing transparency and access to third-party infrastructure will determine how far that ambition can develop.

State pipeline operator BOTAŞ operates the Marmara Ereğlisi onshore terminal with 37 mmcm/d regasification capacity, as well as the Dörtyol and Saros FSRUs. BOTAŞ also operates or controls access to other LNG infrastructure, including the Egegaz terminal at Aliağa.

Over the past 18 months, BOTAŞ has signed five long-term LNG deals with ExxonMobil, Shell, TotalEnergies, Mercuria, and Woodside to diversify away from Russian and Iranian supplies.

Tolling economics

Liquefaction typically captures higher margins per unit than regasification because it converts pipeline gas into a globally tradeable commodity. This gives Egypt's existing export plants a potentially more lucrative position per unit of gas. Turkey's import, storage and rerouting model offers a different advantage: supply diversification, seasonal flexibility and the ability to respond to price signals.

Tolling economics are held confidential but a published Egypt-to-Europe model estimates $4.50/MMBtu feedgas, $2.82/MMBtu liquefaction and $0.43/MMBtu transport, before regasification/grid costs.

With European utilities and industries set to rely on LNG imports for decades, Egypt's and Turkey's ability to benefit will depend on available feedgas, flexible infrastructure utilisation and on whether shipping disruptions in the Middle East are bound to persist and keep altering global trade flows. ■

Singapore fast-tracks second FSRU

Singapore LNG Corporation (SLNG) is pressing ahead with a second LNG import terminal. Over 95% of Singapore's electricity generation is fuelled by imported LNG, hence Singapore's trade & industry ministry supports SLNG's drive to get a second FSRU into operations by the early 2030s.

To that end, SLNG already agreed a charter for an FSRU with Japan's Mitsui O.S.K. Lines (MOL). The floating units will have a storage capacity of 200,000 cubic metres and a regasification capacity of 5 mtpa. The vessel is currently under construction at Hanwha Ocean's Geoje shipyard in South Korea, slated for delivery in 2027, both MOL and SLNG said.

Upon completion, the FSRU will be shipped from South Korea to Singapore for installation at Yurong Port, where it is scheduled to start up by around 2030.

Import dependence

SLNG said it has begun onshore infrastructure work for an offshore floating storage and regasification unit (FSRU) at Jurong Port, highlighting Singapore's dependence on energy imports.

Once operational, SLNG's second FSRU will lift Singapore's total LNG throughput capacity from about 10 mtpa to roughly 15 mtpa – helping to diversify supplies and alleviate the city state's exposure to external supply shocks like the Middle East crisis.

Demand destruction

The actual volume of LNG imports will, however, hinge on prices. As a city-state, Singapore needs to import most of its energy sources – but there is a limit as to what buyers are willing to pay.

India's GAIL chairman has warned delegates at the Gastech trade show in Bangkok on Monday, saying LNG prices above $20/MMBtu begin destroying demand. ■

Saipem showcases two FLNG solutions at Gastech

Saipem is showcasing its FLNGenius and ZR-FLNG solutions at Gastech 2026, targeting offshore gas resources from large conventional fields to remote and associated-gas reservoirs.

FLNGenius is designed to produce 3-4 million tonnes of LNG a year, while ZR-FLNG can produce 0.5-1.5 million tonnes annually using Saipem's Liqueflex 2.0 technology, which requires no imported liquid refrigerant.

Liqueflex 2.0 — an evolution of Saipem's liquefaction technology – features a zero imported liquid refrigerant. The technology incorporates cryogenic liquefaction patents and know-how acquired from Gasconsult.

"This transaction enables us to leverage one of the industry's broadest proprietary liquefaction technology platforms," Saipem stated. The platform supports nitrogen-, natural-gas- and dual-refrigerant configurations, as well as high-purity methane production for aerospace applications.

Leveraging its experience on delivering FLNG plants, Saipem now offers a portfolio of standardised modular designs for floating liquefaction aimed at reducing project complexity, accelerating execution and improving safety, efficiency and cost predictability. ■

Technip Energies launches 1.5 mtpa modular LNG solution

Technip Energies has launched SnapLNG 1.5, a standardized and fully modular 1.5 mtpa liquefaction train, developed with Honeywell Technologies and Siemens Energy. The electrified solution could cut project timelines by up to two years, the companies said.

More than 200 mtpa of additional LNG capacity could be required by 2035, according to Technip Energies. The United States is expected to account for about half of global LNG demand growth over that timeframe.

The novel SnapLNG 1.5 solution is designed for small- and medium-capacity LNG projects and can be replicated for larger developments. The concept combines off-site prefabrication with Siemens Energy's electric-driven turbomachinery and compression equipment. Honeywell is supplying gas pre-treatment, liquefaction and automation technologies.

Technip Energies will commercialize the solution, which is based on a repeatable design intended to improve cost control, reliability and project execution. The company said standardization could help developers bring new LNG capacity online faster and reduce operational emissions through electrification.

"Through this collaboration, SnapLNG 1.5 will benefit from Honeywell Technologies'," said. By bringing together their complementary expertise, the three companies want to deliver large-scale deployable solutions to meet the world's growing energy needs."

"SnapLNG 1.5 is aimed at developers who want to accelerate their projects, improve profitability and reduce execution risk, said Loic Chapuis, Technip President of Project Delivery.

"By bringing together the complementary expertise of Honeywell Technologies, Technip Energies and Siemens Energy, we enable our customers (...) to deliver large-scale deployable solutions to meet the world's growing energy needs," said Christina Andersen, President of Honeywell Technologies' Gas and LNG.

Honeywell will contribute LNG pre-treatment technologies based on decades of operational experience, while Siemens Energy will bring its proven electrified turbomachinery and compression technologies to a standardized and modular LNG solution with a view to reducing, project complexity. ■

Render of Snap LNG by T.EN

NEWS BRIEFS

Wood bags $200m construction contract

Wood has secured a five-year, $200 million construction services contract from ExxonMobil to support brownfield works across the PNG LNG project in Papua New Guinea. The scope of the contract will involve over 200 Wood personal in Papua New Guinea and covers work across the Hides Gas Conditioning Plant, the LNG plant at Caution Bay as well as 700 km of related gas pipeline infrastructure.

Baker Hughes wins Venture Global orders

Baker Hughes has secured orders from Venture Global for gas-compression systems for the Cloud Connector Pipeline and a modular liquefaction solution for the Plaquemines LNG expansion. The compressors and related infrastructure will help expand Venture Global's gas-transport and LNG infrastructure in Louisiana.

Argent looks to Albania

US LNG developer Argent LNG has signed a non-binding memorandum of understanding (MoU) with Albania's government to evaluate development of an onshore LNG storage and regasification terminal with capacity of up to 5 mtpa.

The terminal could connect with the Trans Adriatic Pipeline, proposed Ionian Adriatic Pipeline and Fier/Vlore gas corridor.

Argent LNG said financing could involve the US Trade and Development Agency, US International Development Finance Corp and US Export-Import Bank. ■

Nigeria's NLNG targets Train 7 start-up by end-2027

Nigerian LNG producer NLNG plants to commission and start up its $10 billion Train 7 project before the end of 2027, lifting the project's capacity to 30 mtpa. NLNG plans to lift *force majeure* once the current 20 mtpa six train liquefaction project once it reaches a 90% utilisation rate, Managing Director Adeleye Falade told the Gastech conference in Bangkok.

Development and construction of the project has been beset with delays, most recently due to the Covid pandemic and supply-chain disruptions due to the Ukraine war. Domestic issues in Nigeria also slow down progress, with NLNG still being under a *force majeure* that was imposed following a flooding back in 2022, Falade told delegates at Gastech. *Force majeure* will be lifted once the project reaches a 90% utilisation rate, Falade said, specifying the plant is currently running at 83% utilisation.

"We still have a delta of about 15% that we need to close," he said. "Operationally, we can that, but our biggest constraint is gas supply."

NLNG production complex on Bonny Island

Feedgas issues also make NLNG struggle to meet its existing contractual obligations to its buyers, some of which need to be honoured despite the project's force majeure status.

Falade said NLNG is encountering a flurry of new buying interest. Asian utilities are seeking source additional volumes – notably spot cargoes – from Nigeria as their long-term shipments from Qatar through the Strait of Hormuz are impacted by the Iran war.

"People are looking for more diversified, reliable supply," he said, stressing NLNG is hence focussed to make sure it can fulfil its export obligations to existing customers while maximising production.

NLNG is majority owned (49%) by the Nigerian National Petroleum Company (NNPC), while foreign partner include Shell (25.6%) , TotalEnergies (15%) and Eni (10.4%). ■

Saipem, Jan De Nul move Rovuma LNG offshore work towards FID

Saipem, in consortium with Belgium's Jan De Nul, has signed a €11 million (US$12.8m) letter of intent with ExxonMobil for preliminary engineering, procurement and technical services for the offshore scope of Mozambique's Rovuma LNG Phase 1, advancing the project towards a final investment decision (FID) before year-end.

The offshore scope of the deal relates to facilities that would gather gas from 18 subsea wells and transport it to the onshore Rovuma LNG plant through subsea pipelines.

The Rovuma LNG Phase 1 development is designed for a production capacity of 18.6 million tonnes per annum (mtpa) of LNG – roughly 25.8 bcm/year – through two liquefaction trains comprising 12 fully modularised 1.5 mtpa electric-drive trains at the Afungi site in Cabo Delgado. First LNG is targeted for 2031.

The LoI awarded to Sapipem covers limited preliminary engineering, procurement and other technical services for the upstream facilities that will deliver gas from 18 subsea wells in Area 4 to the onshore LNG export plant.

The Saipem-Jan De Nul LoI is distinct from a separate LOI awarded in mid-August to McDermott for limited engineering and procurement services on the Rovuma LNG Phase 1 midstream onshore liquefaction development. McDermott will be working as part of the SMDC joint venture, comprising Saipem, McDermott, South Korea's Daewoo E&C, and China's CPECC.

Escalating costs in wake of insurgence

The long-delayed Rovuma LNG Phase 1 has seen capital cost rising to $30 billion in total capex, up from earlier $20-25 billion estimates due to inflation, security issues and supply-chain rerouting. The project had been suspended under force majeure for several years due to the 2011 insurgence in Cabo Delgado.

In early July, ExxonMobil launched a tender for marine warranty survey services for Phase 1 of the project. The tender is another small but clear sign of activity around a project widely described as a 15.2 mtpa LNG development in northern Mozambique – potentially one of Africa's largest LNG export terminals.

Planned for Area 4 offshore Mozambique, Rovuma LNG will largely rely on shared infrastructure and marine coordination as it advances through development. This helps keep the costs down but also make developers more dependent on external infrastructure partners, a factor closely monitored by increasingly risk-averse buyers. ■

Vietnam: 1.5 GW LNG power project to start up in 2031

TotalEnergies and Vietnam's T&T Energy Group have agreed to establish a consortium to finance, build and operate the 1.5 GW Long Son LNG-fired power project in Ho Chi Minh City with a view to get the 1.5 GW plant into commercial operations by 2031.

The project has a preliminary total investment of nearly 40 trillion Dong ($1.5 billion), according to T&T. TotalEnergies is expected lead project financing and serve as the main LNG supplier, while T&T Energy will handle domestic regulatory approvals, government relations and administrative procedures.

The parties have not publicly announced a date for financial close, construction or ground--breaking. However, the project has already received investment-policy approval from Ho Chi Minh City, and is included in Vietnam's revised Power Development Plan VIII.

PECC3, the projects main engineering contractor has finalised a site survey and project-status assessment for the Long Son LNG power plant this August.

Long Son has a lengthy development history. Earlier versions of the project were envisaged tp start operation in 2025 or early 2026, but those plans were delayed as Vietnam's LNG-to-power programme struggled with investment, and rising fuel-prices. ■