



**Oil & Gas
Advisors**

Giving You the Energy to Succeed

Liberty Ships... Mark 2

January 22

Oil & Gas Market Commentary & Price Projections



Summary

Liberty Ships... Mark 2

It says something about energy planning, when demand patterns are within their seasonal norms, and prices surge.

If ever anybody within any doubt about the use of energy resources as a political tool, the last six months should serve as a wake-up call, as there has been relentless leverage applied via the variation of supplies.

In this respect, the LNG carriers have become the modern-day Liberty ships, bringing much-needed supplies to Europe, albeit not solely from the United States.

Whilst this highlights the gross dereliction of duty by European governmental energy strategists, that it has happened now when we have the ability to be able to rectify it in relatively short order is something that everybody needs to be cognisant of.

The more politicians argue about climate change being the root cause, the weaker they make themselves sound. Additionally, it also serves to highlight the extent their dissociation yes from the reality of the various energy sources, renewables' intermittency, the need for the transition period to be a transition and not a step change, and the role that hydrocarbons play in the energy mix.

The failure to make these points in to account when deciding energy policy has been the real failure, which has been exacerbated by climate change zealots, similarly refuse to accept any other narrative, other than their own.

Commodity	1 Month		
	Price	Δ (Price)	Δ (%)
Oil			
Brent (\$/bbl)	80.00	9.14	12.90%
WTI (\$/bbl)	77.85	11.67	17.63%
OPEC (\$/bbl)	78.93	0.76	0.97%
WCS (\$/bbl)	69.50	11.67	20.18%
Gas			
Henry Hub (\$/mm btu)	3.71	(0.57)	(13.32%)
NBP (p/therm)	234.00	(4.31)	(1.81%)
JKM (\$/mm btu)	28.37	9.42	49.71%
Dutch-TTF (€/MWh)	91.25	(2.27)	(2.43%)
PSV (€/MWh)	92.67	(1.46)	(1.55%)
De Gas Pool (€/MWh)	47.81	-	-
Currency			
GBP (\$/£)	1.357	0.034	2.54%
EUR (€/€)	1.134	0.008	0.72%
JPY (¥/\$)	115.8	2.245	1.98%
NOK (Nkr/\$)	8.797	(0.315)	(3.45%)
RUB (P/\$)	75.70	1.321	1.78%

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PROBABILISTIC PROJECTIONS

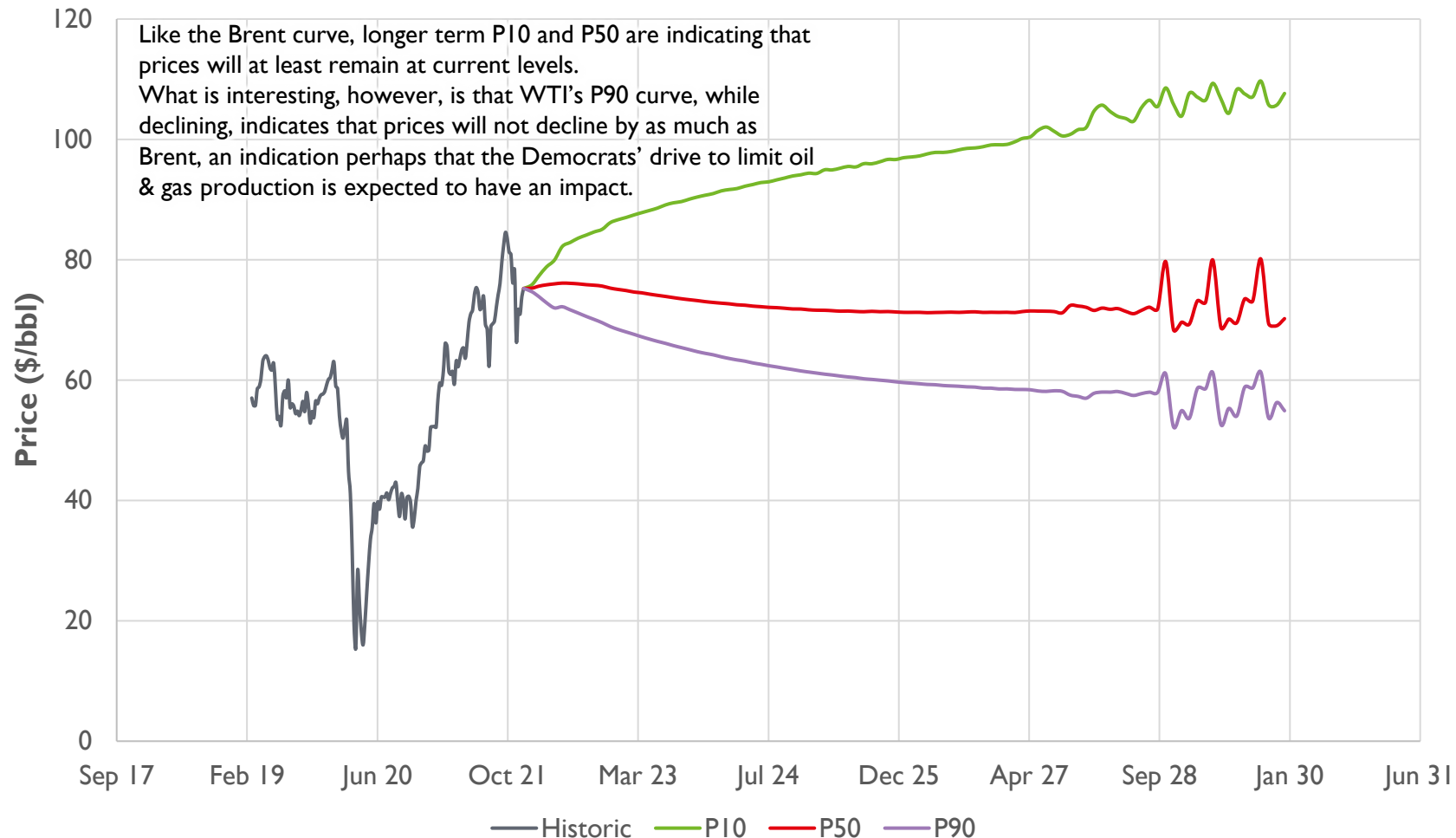
Methodology

- OGA's probabilistic assessment has estimated the potential range of the price assessed the future oil price
- OGA uses Crystal Ball for predictive modelling, forecasting, simulation, and optimisation, using Monte Carlo methodology and back tested using Hypercube sampling
- The assessment has evaluated the full range of possible values for each forward over 200,000 iterations
- OGA has assessed each forward month individually based on 10 years of weekly historic data
- From the results, we report
 - **P10:** 10% probability (P10) that the quantities will equal or exceed the associated estimate
 - **P50:** 50% probability (P50) that the quantities will equal or exceed the associated estimate
 - **P90:** 90% probability (P90) that the quantities will equal or exceed the associated estimate

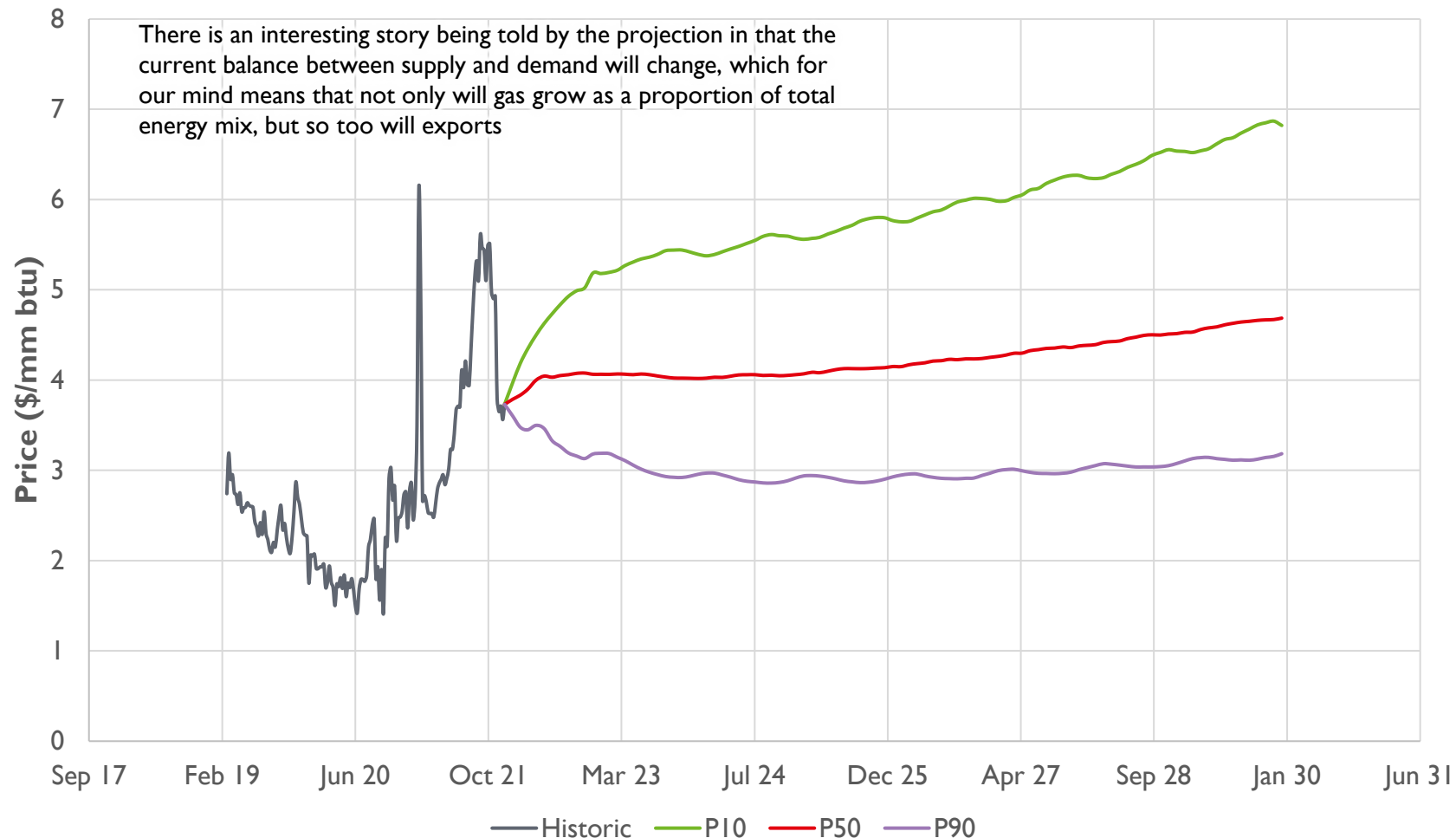
Brent Price Projection



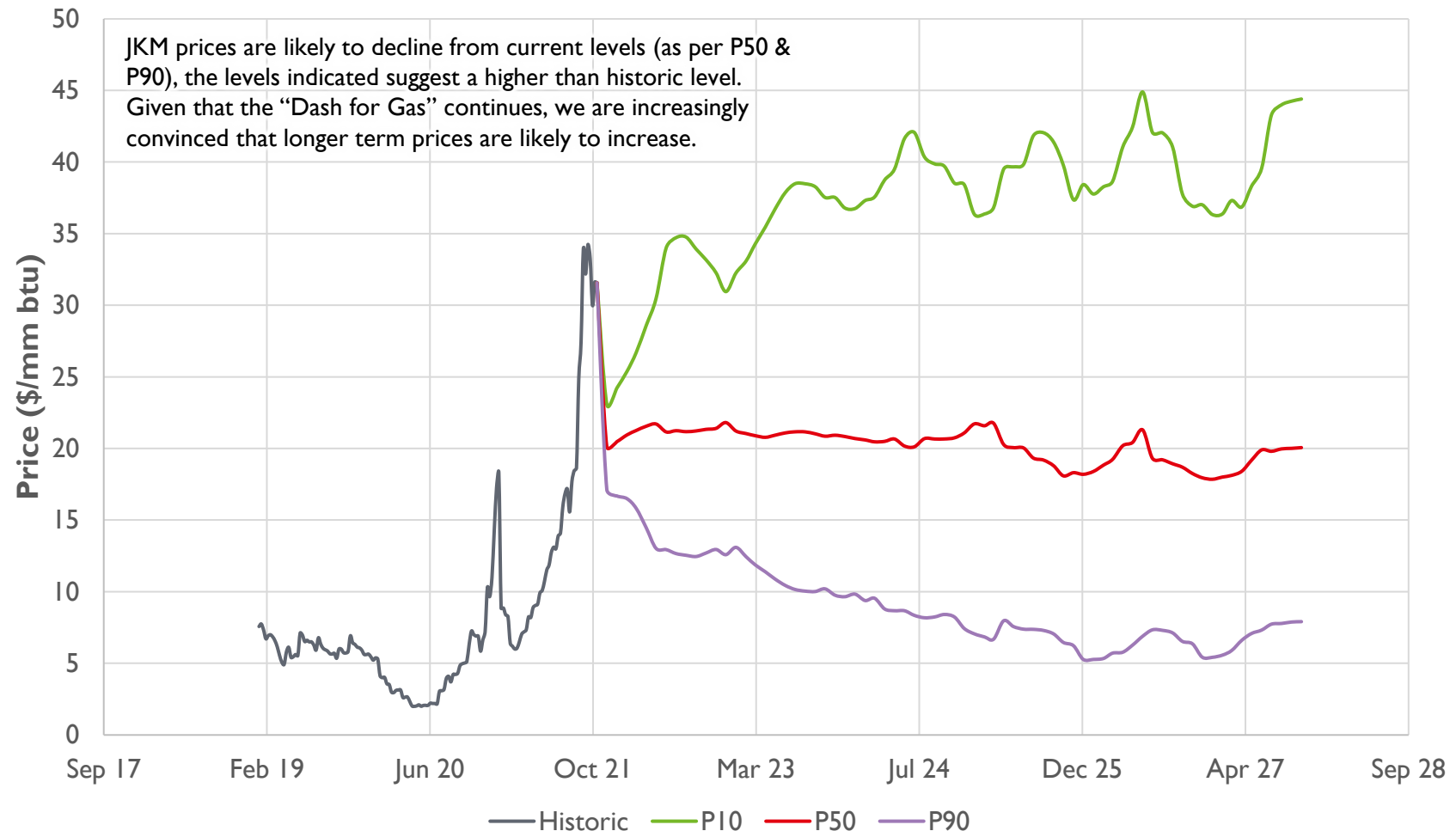
WTI Price Projection



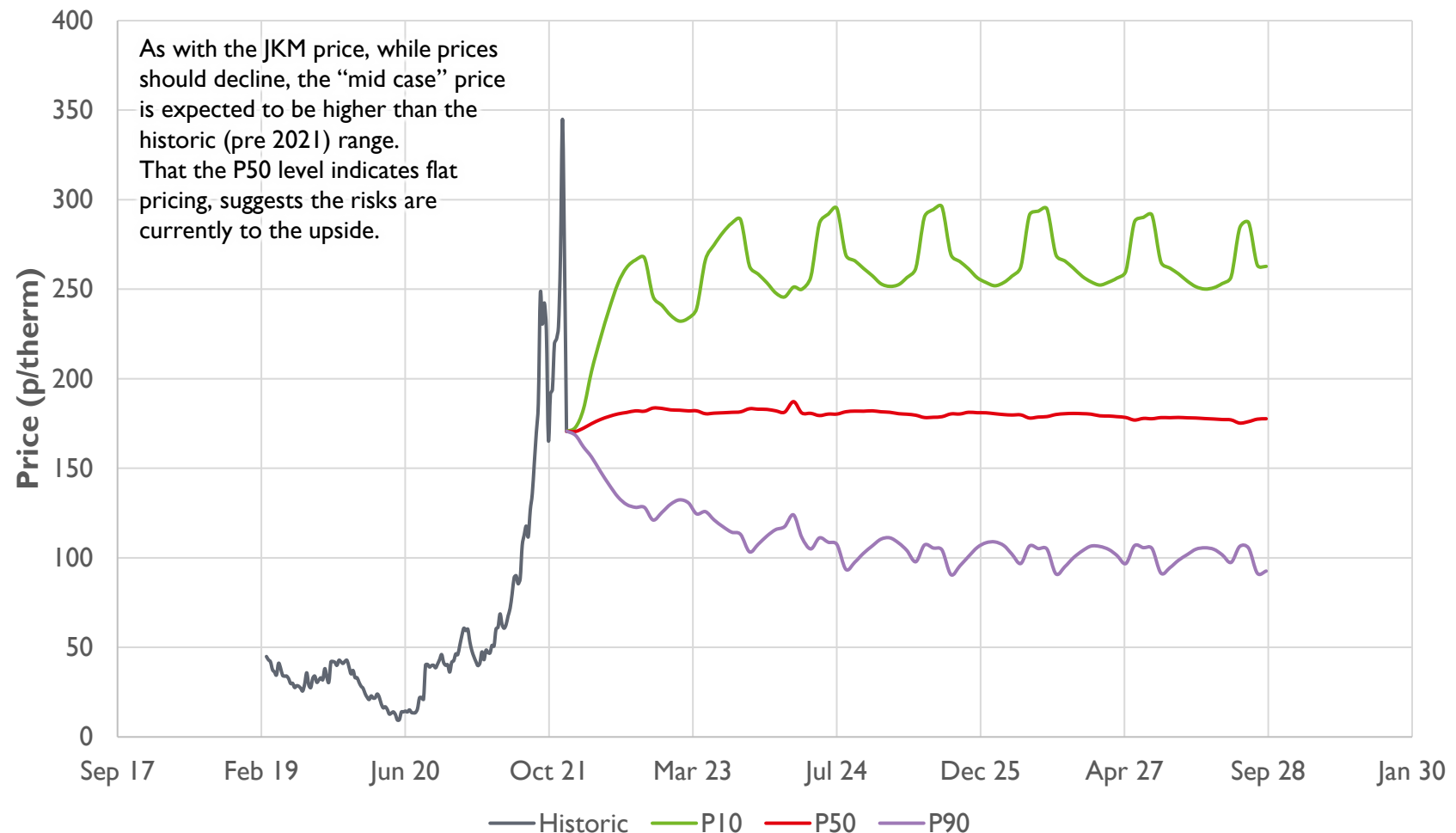
Henry Hub Price Projection



JKM Price Projection



NBP Price Projection



The background of the slide is a photograph of a large, complex offshore oil platform. The platform is a multi-level structure with numerous yellow-painted steel beams, walkways, and ladders. It is situated in the middle of a dark blue sea under a clear, light blue sky. A large crane is visible on one of the upper levels. The platform's legs, which support it on the seabed, are visible in the foreground, extending from the bottom of the frame upwards.

Title

**Historic
Forward**

BRENT

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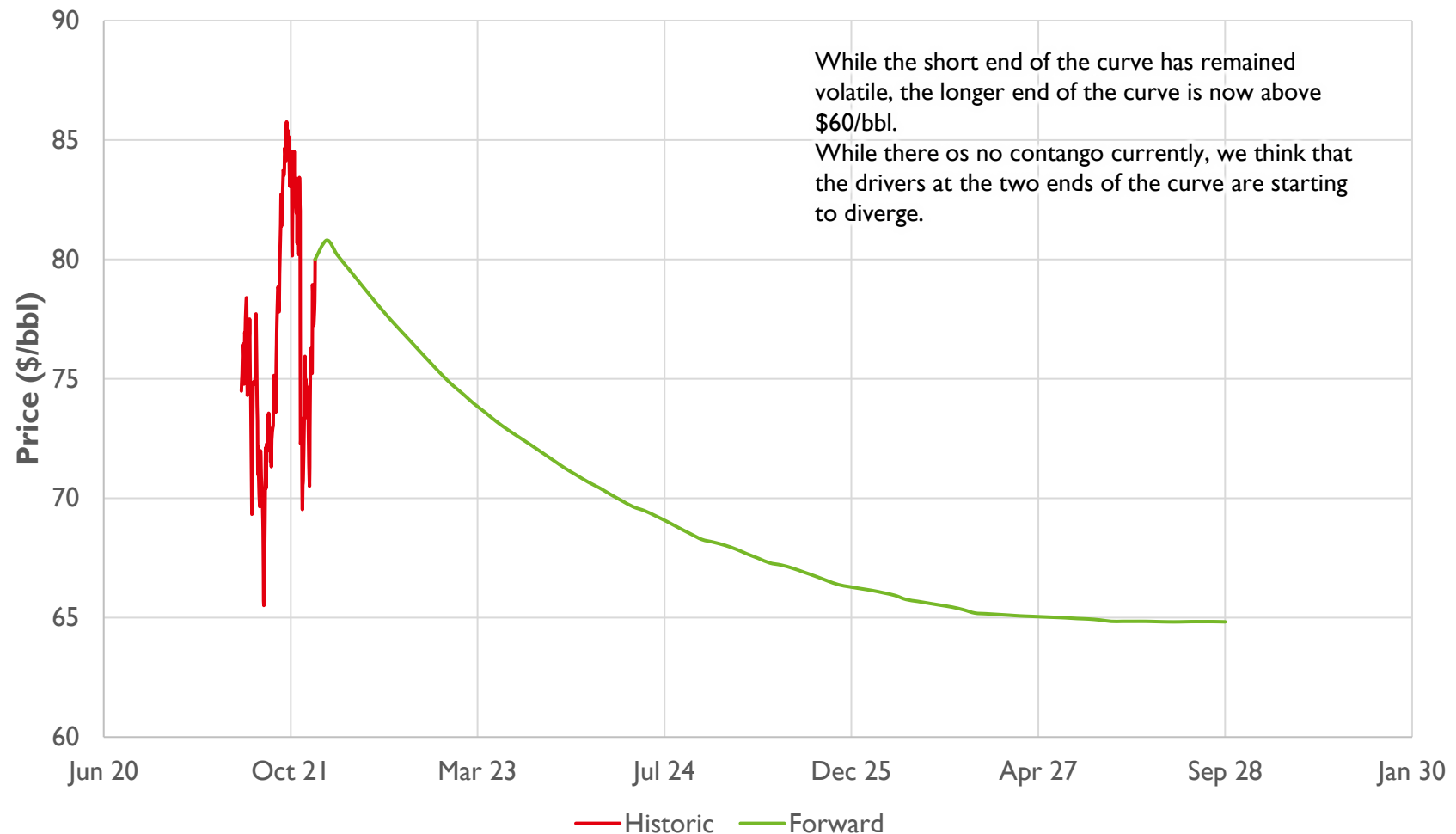
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Historic Brent Price



Brent Forward



The background of the slide is a photograph of an oil drilling rig in a snowy, open field. The rig is a tall, complex structure with a derrick and various platforms. In the foreground, there are several large, dark, cylindrical storage tanks. The ground is covered in snow, and the sky is a pale, hazy blue.

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Historic

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Forward

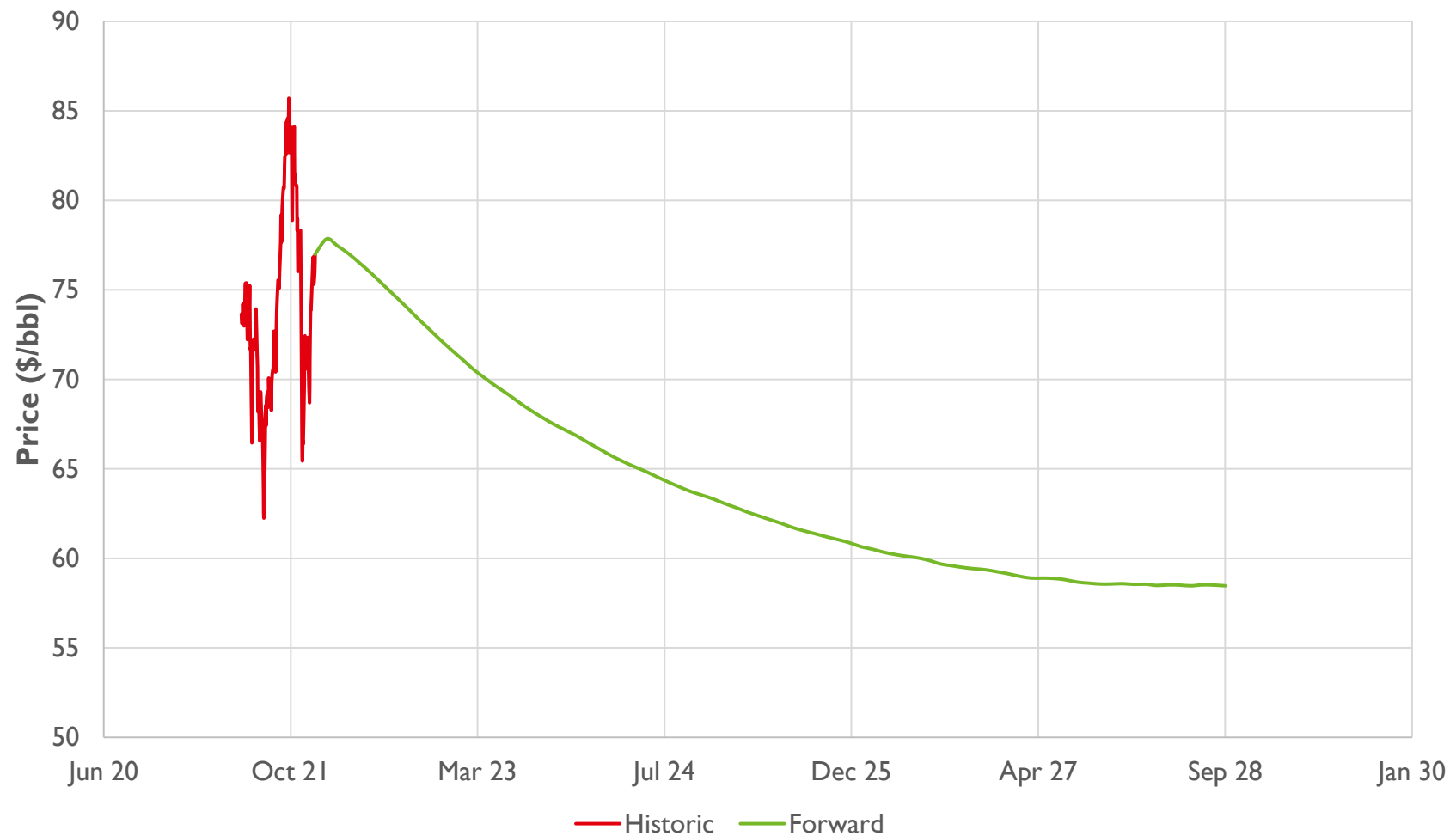
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WTI

WTI Historic Price



WTI Forward





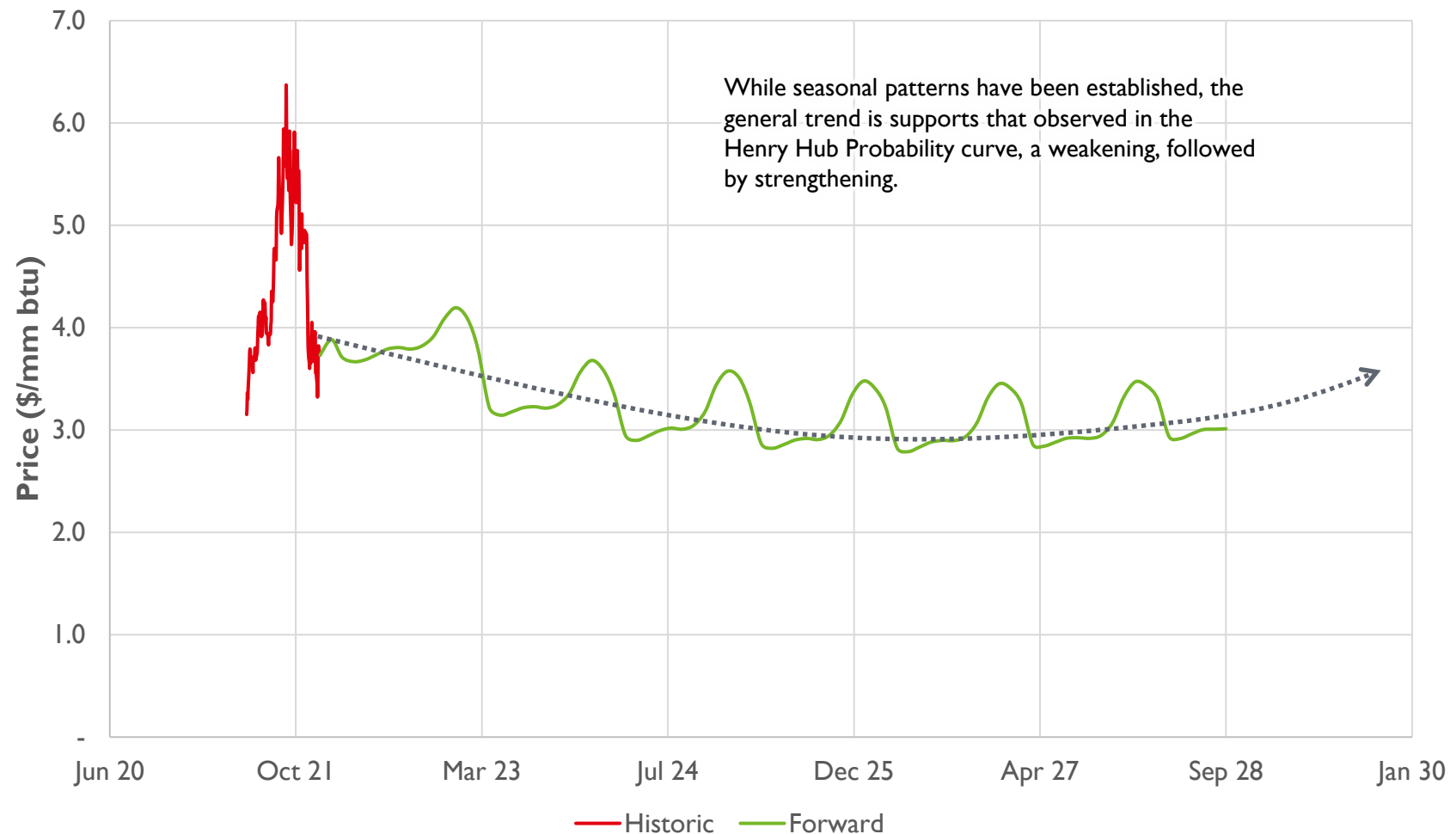
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HENRY HUB

Henry Hub Historic Price



Henry Hub Forward



The background of the slide is a photograph of a large offshore oil rig, likely a jack-up platform, situated in the middle of a blue sea under a clear sky. The rig has a complex steel structure with multiple levels, a tall derrick, and various cranes and equipment. The water is a deep blue, and the sky is a pale, clear blue.

Title

**Historic
Forward**

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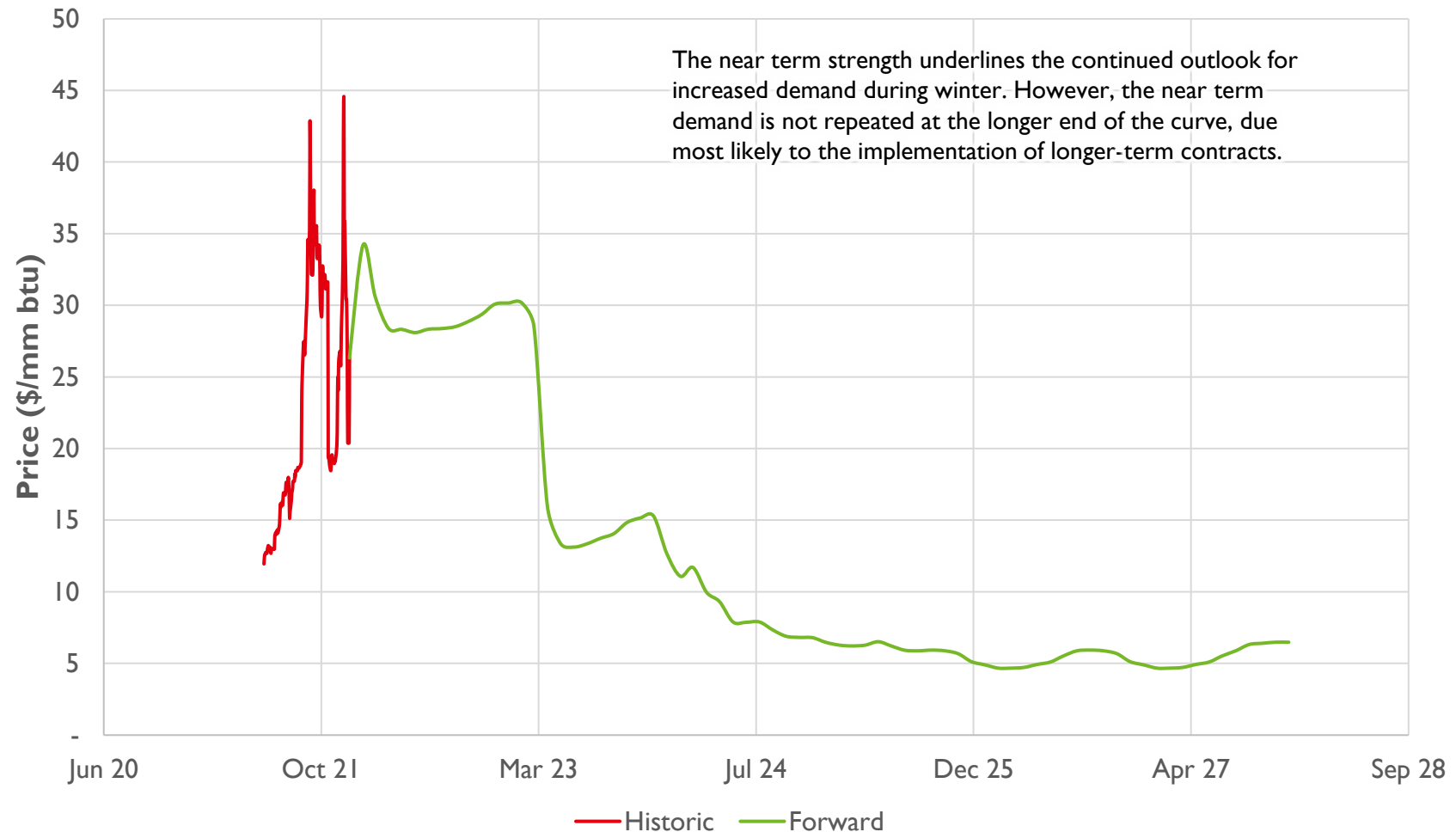
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JKM

JKM Historic Price



JKM Forward





Title
Historic
Forward

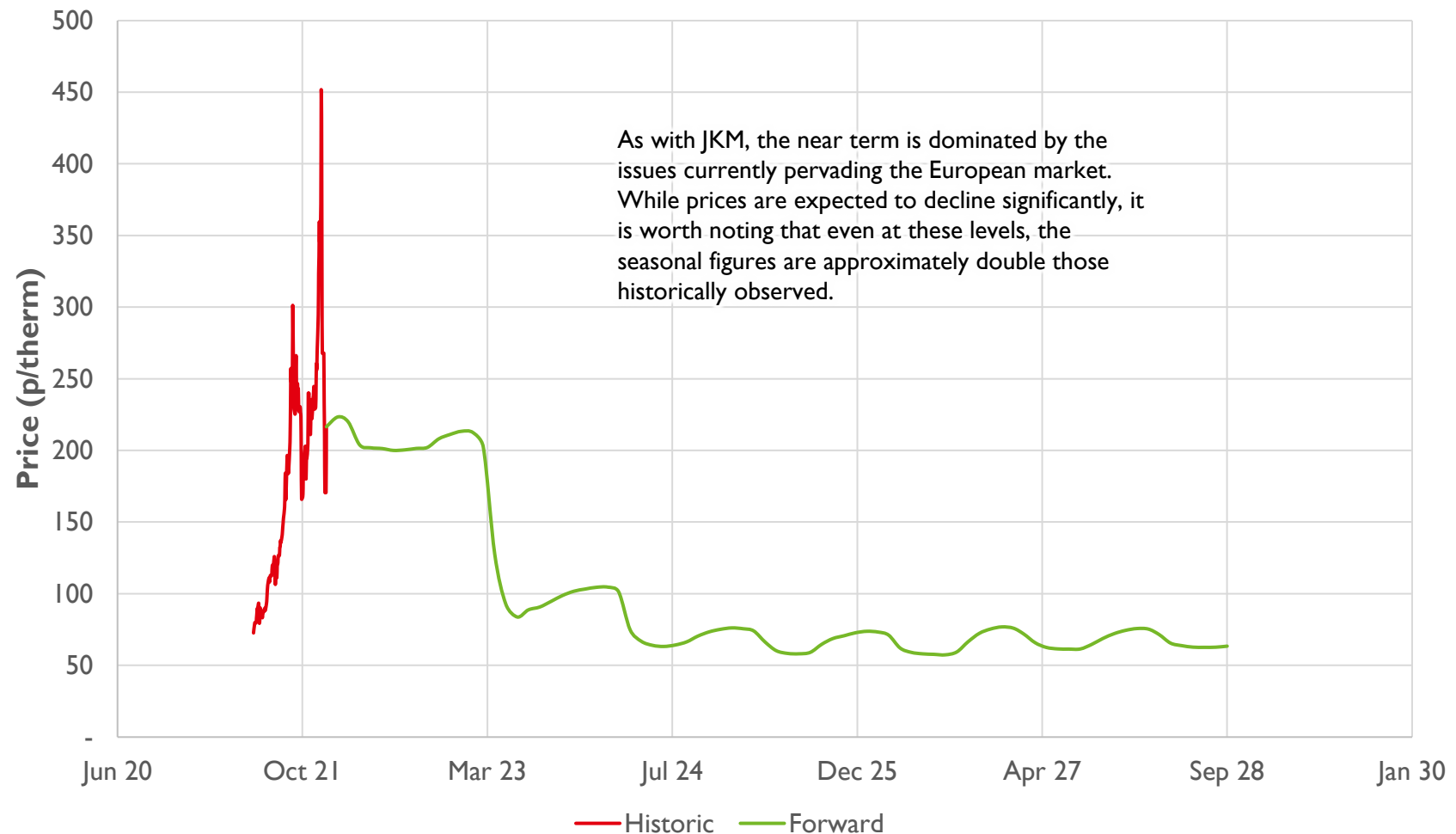
NBP

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NBP Historic Price



NBP Forward



OGA was established to provide its Clients with bespoke oil & gas finance management support.

OGA has a strong track record in advising companies and helping them to achieve their corporate and funding objectives.

ABOUT US

The sceptre of financial crises and an increasingly volatile oil price environment has radically altered the way in which corporates and investors approach the oil & gas cycle, whether exploration, appraisal or development, often demanding greater technical and financial integration.



Our Team & History

- **OGA's** staff have many years experience in the energy sector:
 - Operational and corporate development roles; and
 - The financial services sector, with experience in IPOs, secondary offerings, debt and convertible issuance.
- **OGA** has previously worked with:
 - Industry participants such as BP, Chevron and Hibiscus Petroleum
 - Financial institutions such as Bank of America Merrill Lynch, HSBC and ING Barings
 - Sovereign Wealth Funds such as Dubai World.
- **OGA** has formed part of management teams with specific responsibilities, or provided functionality for complete departments, often responsible for the economic, financial and legal management of the business; undertaking such roles as:
 - Cash flow analysis
 - Deal valuation
 - Risk analysis
 - Contract negotiation
 - Funding
- **OGA's** work has included projects and transactions with a value in excess of \$60billion in a variety of locations including Europe, Africa, North and South America, Asia and the CIS and Russia.



OGA's goal is to provide innovative and effective solutions, all directed at meeting our Clients' needs, which we work diligently to understand.

Then, working with Client teams, we assist in the delivery of the Client's aims and objectives.

WHAT WE DO

Cycle times are becoming shorter, transparency demands increasing and the competition for resources higher, which has made it more important for management teams to make the right decisions first time.

This is only possible with an in-depth knowledge of the business, primarily risks to valuation, and the wider industry direction can management teams make those choices in the time scales required.

Understanding our Clients' objectives is an essential step in identifying solutions that best fit our Clients' needs.

Only by working with our Clients can we ensure that we deliver first time, on time.



Services we Offer

- The services we offer can be broken down in to 4 main categories:
 - Capital Markets Advisor, including funding
 - Strategic Advisory
 - Corporate Advisory
 - Transaction Services
 - Finance Support
- **OGA's** experience enables us to effectively bridge the delicate gap between Technical, Operations, Corporate and

Finance, enabling us to quickly identify issues, and their resolution, or opportunities, and how best monetise them.

- Whether it is providing strategic advice, or supporting management teams in the execution of a project, **OGA** supports its Clients' needs in the execution of their aims and objectives.

Contacts

- For further information, and how **OGA** can support your development, please contact us using any of the below:



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**Oil & Gas
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