



TAYLOR-DEJONGH

News'nViews

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TAYLOR-DEJONGH ANNOUNCES THE ADDITION OF JOHN SACHS AS DIRECTOR

John Sachs brings more than 14 years of experience in making direct equity investments, lending and investment banking in the energy and infrastructure sectors. He has led large, multi-disciplined teams in successfully originating, managing and closing transactions totaling over US\$4 billion in value in the United States, Asia and the Middle East-North Africa (MENA) region.

Mr. Sachs' experience includes raising over US\$400 million in private equity and sub-debt for infrastructure in MENA and Asia, acting as lead financial advisor on the successful purchase of controlling interest in the largest independent power producer (IPP) in Tunisia, the largest foreign-owned IPP operating in China and north Asia, and in the successful sale of controlling interest in a portfolio of power assets in the Philippines.



Prior to joining TDJ, Mr. Sachs served as a Director at PricewaterhouseCoopers Corporate Finance LLC in New York and Washington, D.C. Terry Newendorp, Chairman and CEO, adds "I am very pleased that John is on board as a Director based in the Washington office. His experience in the energy and infrastructure sectors, and with private equity and mergers and acquisitions reinforces TDJ's resources for the growth of our business in those disciplines." ■

TDJ ADVISES SUBSEA CABLE OPERATOR ON FINANCING STRATEGY

Taylor-DeJongh is advising 5-P Holdings LLC on business and financing strategies related to proposed telecommunications infrastructure connecting the Mediterranean, Middle East, Africa and South Asia.

The state of the art broadband subsea fiber optic cable network will provide high speed wholesale bandwidth to regional and in-country service providers. On October 24, 5-P Holdings LLC won the bid to be part of the implementation plan of the US\$2 billion submarine fibre cable project that will encircle Africa—with a 25% minority controlling stake. 5-P Holdings LLC signed a Memorandum of Understanding with the New Initiative for African Development (NEPAD) to collaborate in "financing, design and speedy implementation of a cable surrounding Africa."

5-P Holdings, LLC is a Delaware, US registered company formed in 2006 to develop, finance, construct and operate a submarine fiber optic network. The overall capital requirements for the 5-P subsea cable network project are estimated at US\$1.5 billion and construction is expected to start in the first quarter of 2008. ■

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YEARS OF EXCELLENCE

GLOBAL FINANCIAL
STRUCTURING

➔ TDJ FOCUSES ON SAUDI WATER AND POWER

TDJ's **Rami Elayan** recently discussed financing options available for water projects scheduled to enter the Saudi market in the near term at the **Saudi Water and Power Forum**. The forum, held in Jeddah from November 3-7, provided a platform for over 500 participants from both government and industry to meet, discuss and present important topics relating to the development of the Kingdom's water and power sectors.



In July 2002, the Saudi Supreme Economic Council passed a resolution setting up a framework for private sector involvement in developing mega-scale integrated Independent Water and Power Projects (IWPPs). Today, it is estimated that over US\$200 billion will be required over the next 15 years to support water and power projects in the Kingdom.

Over the past 4 years, Saudi Arabia has awarded development contracts for 4 IWPPs—with a combined production capacity of about 5,000 MW of power and over 600

million gallons of water daily—with 2 more development contract awards (adding another 2,800 MW of power and over 300 million gallons of water) expected in 2008. Another IWPP is being considered by Saudi Water and Electric Company (WEC). That plant will be located in Yanbu and is expected to add 1,000 MW of power and 132 million gallons of water per day. Saudi Electric Company (SEC) recently launched an aggressive independent power project (IPP) program. SEC's IPP program will start with 2 greenfield IPPs, expected to produce 3200 MW of power.

With all these projects progressing according to schedule, Saudi Arabia's IWPP program has attracted a lot of attention from local and international developers, financiers and EPC contractors. The Saudis have attracted numerous foreign bidders and are expediting the administration of the bidding and contract negotiation process. The first government sponsored IWPP, Shouibah, is expected to come online the first quarter of 2009. ■

PNG LNG PROJECT MOVING FORWARD

Taylor-DeJongh is advising the sponsors of the Liquid Nuigini Gas, Ltd. (LNGL) LNG project in Papua New Guinea. The project shareholding group consists of Merrill Lynch Commodities, Inc., a wholly-owned subsidiary of Merrill Lynch & Co., Inc., InterOil, and Pacific LNG. LNGL is currently in negotiations for the project's front end engineering and design (FEED) and engineering procurement and contracting (EPC) work. Taylor-DeJongh has provided significant support to this process. LNGL's contracting strategy is to award a FEED contract that includes an option for the company on an attached, pre-negotiated EPC contract. This approach is designed to shave an estimated 12 months from the project development schedule and help meet the project's goal of beginning operations in 2012.

The project design consists of a two train liquefaction plant with processing capacity of 9-10 million tons per annum of LNG, condensate, and gas liquid processing, handling and storage facilities, and a natural gas pipeline from InterOil's Elk field. The project's investment in Papua New Guinea is presently estimated to be US\$5-\$6 billion. ■



Artist's rendering of the proposed Liquid Nuigini Gas plant.

TAYLOR-DEJONGH SPEAKS AT UN ENERGY SECURITY FORUM

For the third year in a row, Taylor-DeJongh was invited to present at a special session on global energy security held by the United Nations Economic Commission for Europe (UNECE). CEO Terry Newendorp spoke on "Investing and Financing in the Hydrocarbon Sector to Enhance Global Energy Security" at the 16th Session of the Committee on Sustainable Energy, held at the Palais de Nations in Geneva, Switzerland.

The Session allowed members of the private and public sector to exchange information, views and experience with ECE member countries. Presenters included senior-level representatives of the Organization for Security and Co-operation in Europe (OSCE), IEA, AON Risk Consulting, Eni SpA, KazMunayGaz, Deloitte and Gazprombank.



Palais de Nations, Geneva

With nearly US\$22 trillion in energy investment required by 2030, the world faces a significant challenge to ensuring continued access to sufficient supplies of energy at affordable prices. Government, private sector and national oil company (NOC) players must cooperate to ensure that investment climates and project structures are strengthened, increasing access to innovative forms of finance. ■

TDJ'S NEW OFFICE IN THE MIDDLE EAST

TDJ is pleased to announce the launch of its new Middle East office, which opened in Manama, Bahrain in September. The office is led by Taylor-DeJongh Director Tim Holder. The firm continues to build its book of business throughout the Middle East and Africa. TDJ has been active in the region for the past 20 years, and is currently advising on projects in countries including Jordan, Egypt, Saudi Arabia, UAE and Oman; and for several clients in the region who are investing in Europe, Africa and the United States. TDJ has worked in over 11 countries and on over 80 different projects across the region—with a value of over US\$69 billion.



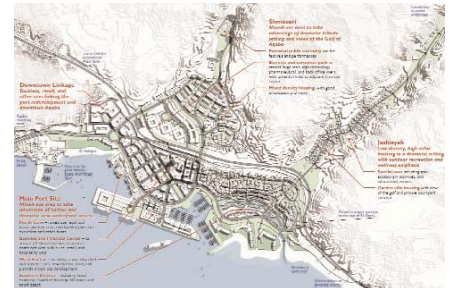
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TDJ CONTINUES TO PLAY KEY ROLE IN RELOCATION AND FINANCING OF JORDAN'S NEW PORT

TDJ, working alongside BearingPoint, is serving as financial advisor to the Aqaba Development Corporation (ADC) on the relocation and financing of the New Port Project. The project consists of the construction and operation of a new deep-water port that will replace the existing Main Port of Aqaba. The New Port will be in the southern area of the Aqaba Special Economic Zone (ASEZ) on the Red Sea. At a cost of approximately US\$500 million, the New Port will be constructed and operated on a renewable 30 year Build-Operate-Transfer basis with land and port rights under a long-term lease. This project is consistent with the country's ambitious



approach to development and is expected to contribute significantly to economic growth in Aqaba and the ASEZ. ■



OPPORTUNITIES FOR PRIVATE-SECTOR INVESTMENT IN AFRICAN TRANSPORTATION

The African Development Bank (AfDB), together with the Infrastructure Consortium for Africa (ICA), has engaged Taylor-DeJongh and Medicapital Bank to support it in preparing a conference on "Financing Transport for Growth in Africa." The conference, to be held from the 3rd to 4th of December in Tunis, is an invitation-only event bringing together senior-level investors, developers and government officials, with the goal of stimulating private investment in key transportation projects.

Working closely with the AfDB, TDJ and Medicapital Bank have identified major infrastructure projects across the continent that will bring in significant private involvement in the form of public-private partnerships, concessions, performance-based maintenance projects, and other structures. If implemented, these projects would not only demonstrate the commercial viability of transportation infrastructure projects in Africa, but would contribute substantially to the economic development of host countries. ■



TDJ SHARES ITS EXPERTISE

TDJ Director **John Sachs** discussed "Financing Global Infrastructure" at the **US-Romania Energy Forum** in Washington DC on November 19, 2007.

TDJ CEO **Terry Newendorp** will participate at the **National Oil Companies Summit** to be held in London on December 4-5 to talk about "Relationships, Joint ventures, Projects and Opportunities."

Director **Afonso Reis e Sousa** will speak on "Financing Oil & Gas Projects in Sub-Sahara Africa" at the **Sub-Saharan Africa Project and Trade Finance Forum** in London on December 10-11.

Afonso Reis e Sousa has recently participated in conferences in Europe and the Middle East region:

- At *Investing in Infrastructure Assets Europe* in London, Afonso opened the post-conference briefing, which focused on giving a more in-depth view of the current climate for investments in emerging markets.
- At the *World Islamic Infrastructure Finance* conference in Doha, he spoke on the opportunities and challenges in the LNG sector, and discussed assessing the future growth prospects for Islamic infrastructure finance. ■

To read a copy of TDJ's most recent articles,

"India Traces a New Path to Energy Security" (*Emerging Markets Report*, October 2007), and
"Flexibility Keys Financing of Pacific Basin Projects" (*LNG Observer*, October 2007)
please visit our web site.

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