

consortium building: case study

West Africa LNG

situation

License Holder had a very large gas accumulation and was concerned about commercialisation as nearby countries have lack of market and oil and gas infrastructure.

value driver

io designed an offshore barge mounted LNG solution and engaged contractors and OEMs to determine a consortium solution based on a project leveraged finance model.

result

io identified a solution for the client that allowed sales of LNG offshore avoiding onshore risks and a consortium willing to undertake the project completion risk for an innovative LNG solution.



io approach — leverage project finance based consortium

io delivered a solution which included:

- / designing a full capability consortium including construction, installation and O&M with Wells, SPS + URF + midstream facilities
- / identifying, screening and engaging consortium contractors and OEMs under preliminary MOU
- / minimising up-front capex required by license holder, avoiding “farming down”
- / identifying an accelerated schedule with a phased two barge approach, utilising initial revenues to complete capex requirements



outcome

- / a defined concept and consortium solution to deliver worldwide competitive LNG at sub \$4.50 / MMBTU

consortium building capability

io provide a consortium design, implementation and management service

We can enable projects through project finance, shared risk and consortium delivery. We provide a consortium design, implementation and management service.

Why not get in touch to find out more about how the io way can add value to your business by delivering greater certainty and higher decision quality.

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leveraged project finance model for field development

- / development & consortium commercial business case determination
- / debt structuring and consortium tariff modelling
- / access to GE debt providers and GE capital
- / soundings with London financial community

consortium building

- / selection of tier 1 contractors to provide full field development capabilities including contractor
- / service contract and share holder agreement models for consortia
- / consortium repayment "tariff" commercial determination
- / consortium commercial entity & share holder set up

consortium management

- / consortium management and facilitation
- / consortium governance model and terms of referencen
- / owners engineer service to consortium
- / consortium O&M capability set up