



25th world gas conference
"Gas: Sustaining Future Global Growth"

Strategic Panel 5: The Future of LNG

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Patron



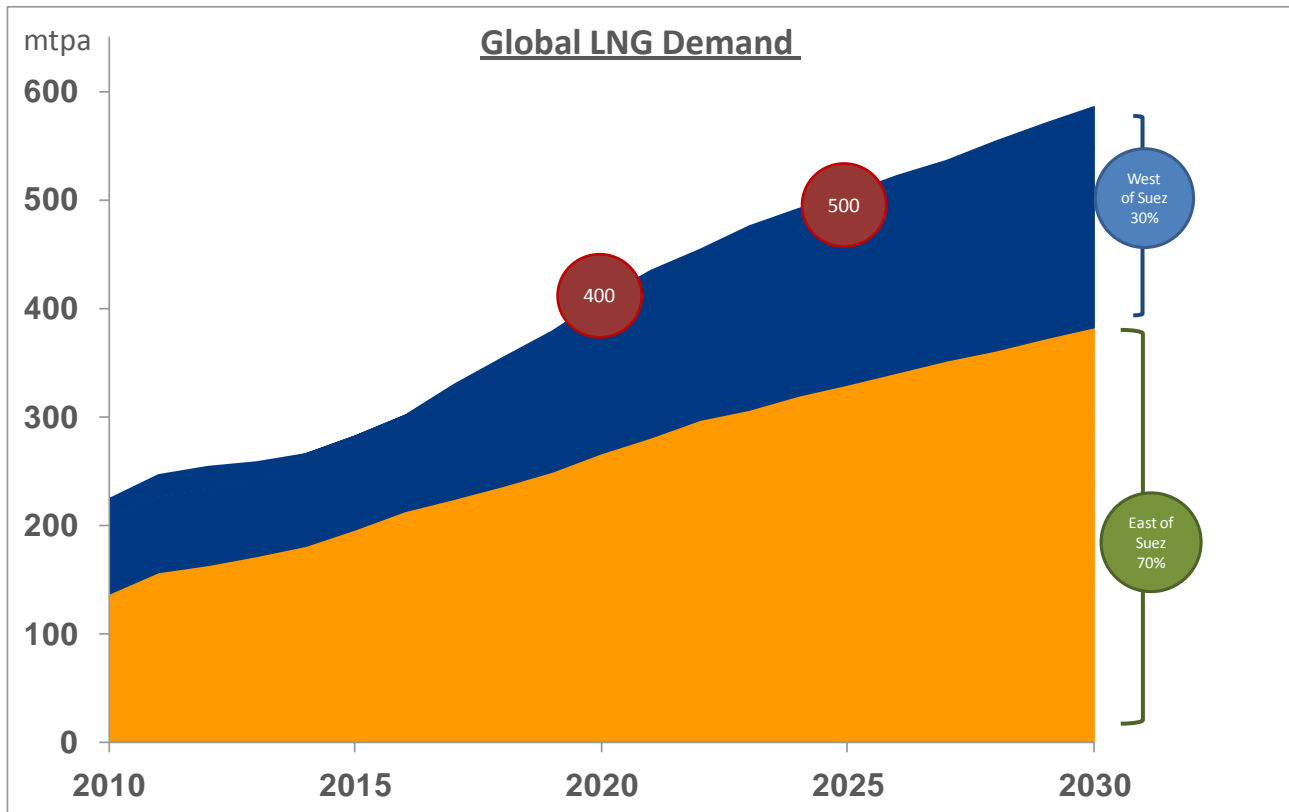
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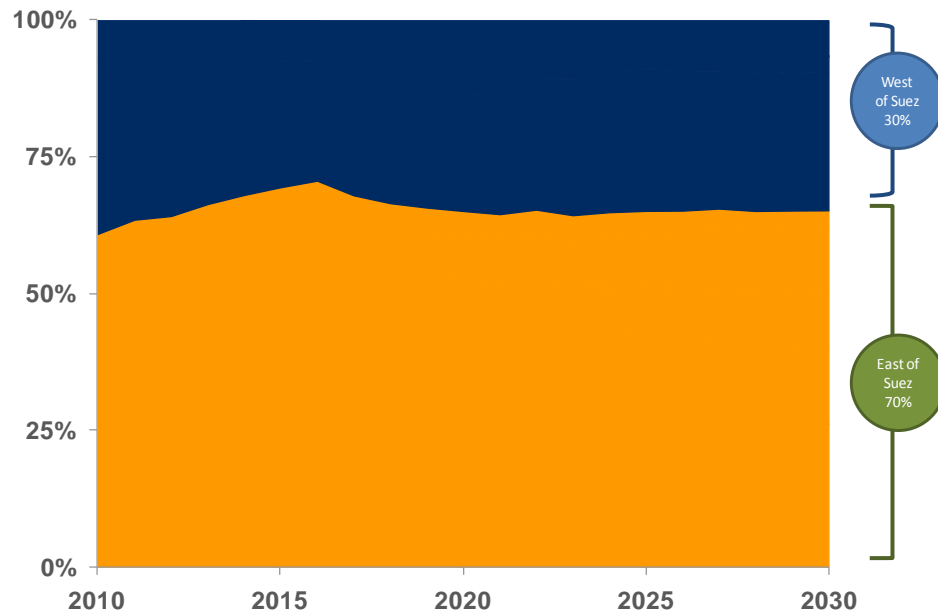


Shell expects the LNG market to approximately double in size over the next 15 years

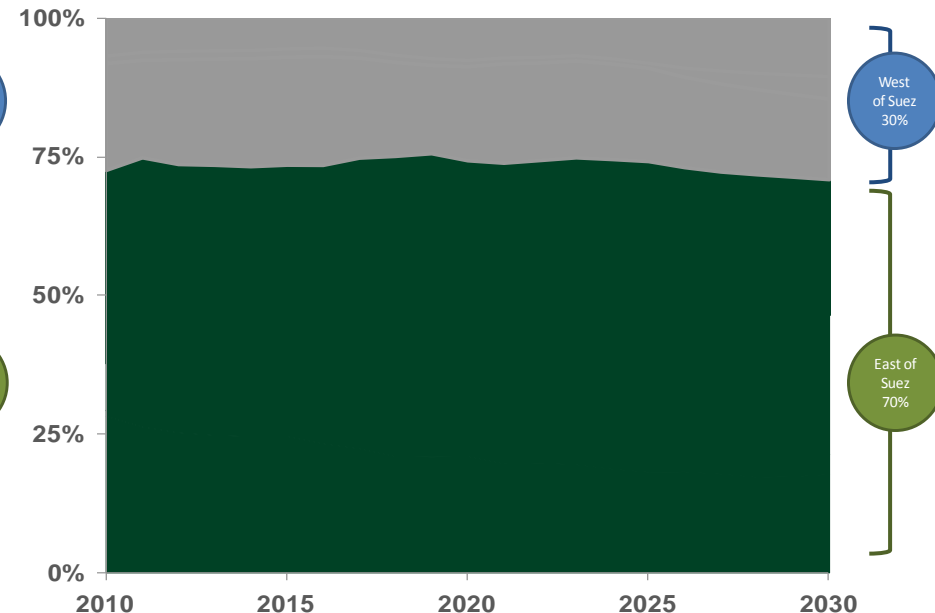


And, we expect that supply and demand would roughly be in balance within each market basin

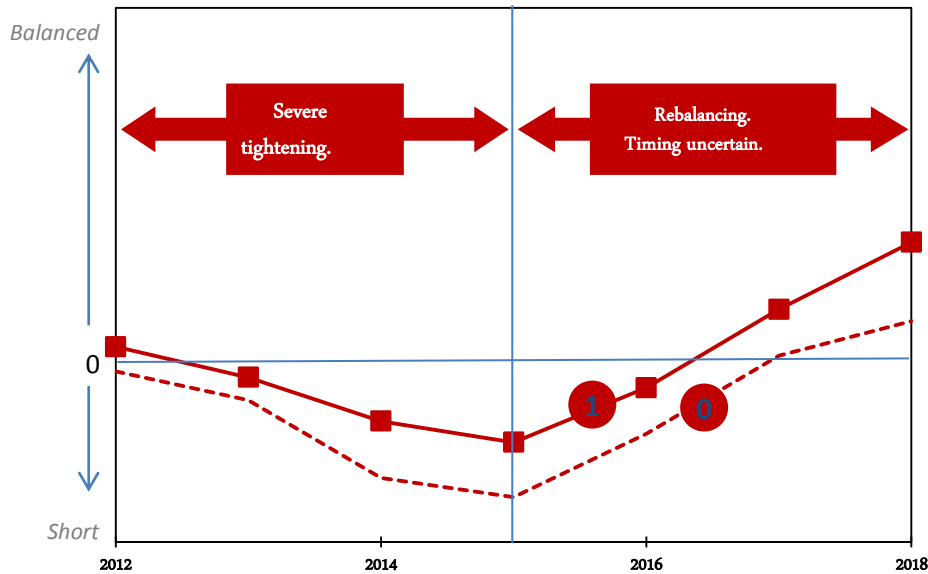
LNG Demand : Market Share per Region



LNG Supply: Market Share per Region



But, before we get to a balanced market, we face an extended tight market period....



Legend	
0	Scenario 1 with a further one year delay across all projects
1	Scenario where projects are delayed but not significantly

Balance equals Supply less Base demand.
Excludes spot demand and incremental demand from flexible markets

What are some of the key uncertainties facing the LNG industry today... and what concerns me most?

Uncertainties:

- Can the industry increase supply at the pace of underlying demand growth?
- (Lack of) Clarity on non-FTA exports from the USA
- Gas market liberalization and energy market policies

De la Rey's three prime concerns

- Maintaining the LNG industry's excellent HSSE track record
- Cost pressures across the LNG supply chain
- Price volatility

What are some of the big opportunities for the LNG industry today... and what will drive growth?



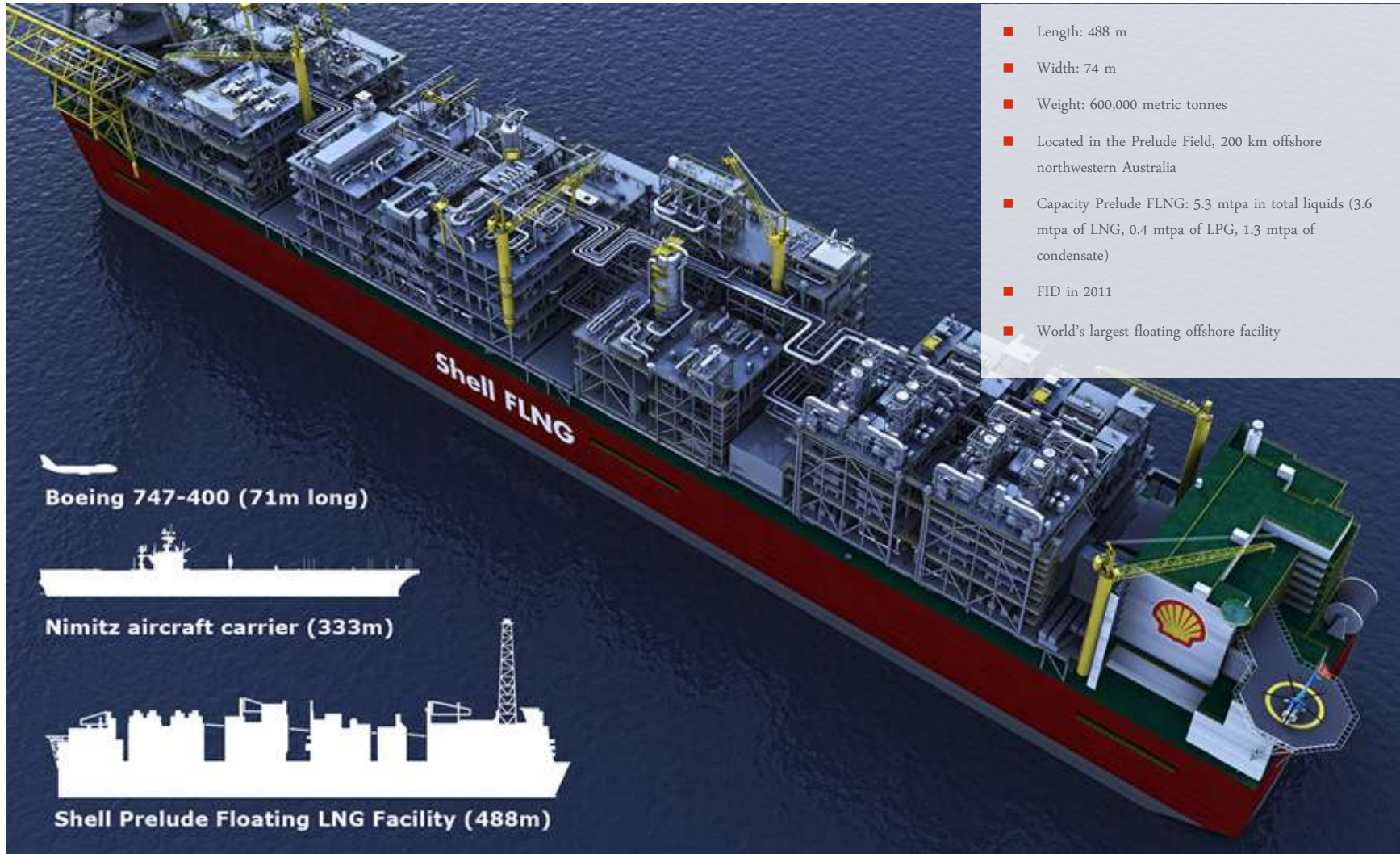
What will drive growth?

- 2-3 billion new middle class urban area residents
- The “gas + renewables” partnership at the core of a transformed power system
- New markets and new demand segments, incl LNG as transportation fuel

Opportunities

- Deepen producer-consumer partnerships
- Technology breakthroughs opening up more supply and demand...
- ... and containing cost pressure

Continued innovation is key to a long-term market that is well supplied with affordable LNG



- Length: 488 m
- Width: 74 m
- Weight: 600,000 metric tonnes
- Located in the Prelude Field, 200 km offshore northwestern Australia
- Capacity Prelude FLNG: 5.3 mtpa in total liquids (3.6 mtpa of LNG, 0.4 mtpa of LPG, 1.3 mtpa of condensate)
- FID in 2011
- World's largest floating offshore facility

Boeing 747-400 (71m long)

Nimitz aircraft carrier (333m)

Shell Prelude Floating LNG Facility (488m)