



## nigerian agip exploration limited

Incorporated in Nigeria - RC 299647

**Head Office:** No. 40/42 Aguiyi Ironsi Street,  
Maitama, Federal Capital Territory, Abuja, Nigeria.

Mail: P.M.B. 514, Abuja, Nigeria.  
Telephone: +234 (0)9 4611900, (0)909 637 8344,  
(0)705 017 8344

**District:** Mile 4, Ikwerre Road, Port Harcourt, Nigeria.

Mail: P.O. Box 923, Port Harcourt, Nigeria.  
Telephone: +234 (0)909 637 2000, (0)803 907 2000,  
(0)705 017 2000

**Lagos:** No. 1 Elsie Femi Pearse Street,

Victoria Island, Lagos, Nigeria.  
Mail: P. O. Box 1268, Lagos, Nigeria.  
Telephone: +234 (0)705 017 2000

Our reference: N91/SPR/ABJ/L0007558/2018

Abuja, January 31<sup>st</sup>, 2018

Bluewater Offshore Production Systems Nigeria Ltd  
293, Akin Olugbade Street  
APT2R  
Victoria Island, Lagos  
Nigeria

Attention: Pieter De Leeuw

**Subject: Tender n. CIZ/SPR/ABJ/L006604/2016 - Engineering, Procurement, Construction & Installation (EPCI), Chartering, Operation & Maintenance for an FPSO Tanker Facility Complete With Mooring System.**

**Project: Zabazaba Offshore Development**

Dear Sirs,

reference is made to:

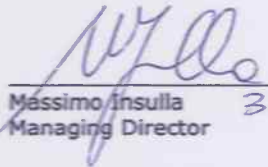
- NAE's letter ref. N86/SPR/ABJ/L007480/2017 dated 19<sup>th</sup> December, 2017<sup>i</sup>
- BES' e-mail dated 21<sup>st</sup> December, 2017<sup>ii</sup>
- NAE's e-mail dated 21<sup>st</sup> December, 2017<sup>iii</sup>
- BES' e-mail sent on 29<sup>th</sup> January, 2018 and attached Letter of Commitment of CMIH.<sup>iv</sup>

NAE hereby reinstate that BES' offer is rejected and disqualified due to the following reasons:

1. BES has not confirmed the validity of commercial (priced) offer submitted June 19th 2017 without any cost impact (artt. 16 and 17 of the Technical ITT and artt. 2 and 5 of the Commercial ITT),
2. BES has not provided a Comfort Letter from the financier within the deadline set by COMPANY, as requested in the letter ref. N86/SPR/ABJ/L007480/2017,
3. The proposal received is unsolicited and the commitment from CMHI is only "in principle" and "subject to Board approval" and in any case is based on contractual conditions that have not been accepted by NAE.

Yours Faithfully

For and on behalf of:  
Nigerian Agip Exploration Limited

  
\_\_\_\_\_  
Massimo Insulla  
Managing Director

31/1/18

<sup>i</sup> NAE's letter ref. N86/SPR/ABJ/L007480/2017 dated 19th December, 2017

<sup>ii</sup> BES' e-mail dated 21st December, 2017

<sup>iii</sup> NAE's e-mail dated 21st December, 2017

<sup>iv</sup> BES' e-mail sent on 29th January, 2018 and attached Letter of Commitment of CMIH



## De Ruvo Lucia Rosaria

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**From:** Pieter de Leeuw <Pieter.deLeeuw@bluewater.com>  
**Sent:** Thursday, December 21, 2017 6:38 PM  
**To:** Iannone Fabio  
**Cc:** Casati Daniele; De Ruvo Lucia Rosaria; Guttoriello Davide Claudio  
**Subject:** Re: Zabazaba Development Project: FPSO - Tender n. CIZ-SPR-ABJ-L006604-2016

Dear Fabio,

With reference to your email of Tuesday we have to inform you that unfortunately our renewed discussion with CMIH this week did not lead to an agreement for cooperation on the Zabazaba project.

Therefore, very regrettably, we are unable to respond to your letter N86-SPR-ABJ-L007480-2017.

Please note that we continue to explore a possible alternative and would be obliged if you don't disqualify us formally until after the holiday period.

Best regards,

Pieter de Leeuw  
Business Development

On 19 Dec 2017, at 13:33, Iannone Fabio <[Fabio.Iannone@eni.com](mailto:Fabio.Iannone@eni.com)> wrote:

Dear Pieter,  
Please find attached our Letter N86-SPR-ABJ-L007480-2017

Best Regards,

Fabio Iannone  
Strategic Procurement Division  
Nigerian Agip Oil Company Limited  
No. 40/42 Aguiyi Ironsi Street, Maitama,  
Federal Capital Territory (FCT),  
Abuja  
Phone: +234 (0) 9 4611900-6 Ext. 78291  
Mobile: +234 (0) 903 8858144  
e-mail: [fabio.iannone@eni.com](mailto:fabio.iannone@eni.com)

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**From:** Pieter de Leeuw [<mailto:Pieter.deLeeuw@bluewater.com>]  
**Sent:** 11 December 2017 12:05  
**To:** Iannone Fabio <[Fabio.Iannone@eni.com](mailto:Fabio.Iannone@eni.com)>  
**Cc:** Casati Daniele <[Daniele.Casati@eni.com](mailto:Daniele.Casati@eni.com)>; De Ruvo Lucia Rosaria <[Lucia.Deruvo@eni.com](mailto:Lucia.Deruvo@eni.com)>;  
Guttoriello Davide Claudio <[Davide.Claudio.Guttoriello@eni.com](mailto:Davide.Claudio.Guttoriello@eni.com)>  
**Subject:** RE: Zabazaba Development Project: FPSO - Tender n. CIZ-SPR-ABJ-L006604-2016 - Meeting 05-12-2017

Dear Fabio, all,

With regret we have to inform you that our last, intensive, attempts over the weekend to reach agreement with China Merchant have not resulted in a positive outcome. China Merchants maintained their demand, not related to the project, as a firm condition for their participation as JV partner and arranger of the financing. We could not find an agreement and as a result China Merchant has declined to further participate as our envisaged partner for the ZZ FPSO project.

We have been looking for possible alternatives in the meantime, but any potential solution that could be worth exploring will take a long time to develop, without certainty of outcome.

We are very disappointed with these latest developments and realize this will have a negative impact on your plans for the project, but we don't see a sound and credible way of sustaining our bid for the project

We are available to answer any further questions you may have.

Best regards,

Pieter de Leeuw  
Business Development

[pieter.deleeuw@bluewater.com](mailto:pieter.deleeuw@bluewater.com)

D +31 23 711 6988

M:+31 (0)6 46 390 272

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**From:** Iannone Fabio [<mailto:Fabio.Iannone@eni.com>]  
**Sent:** 07 December 2017 18:40  
**To:** Pieter de Leeuw <[Pieter.deLeeuw@bluewater.com](mailto:Pieter.deLeeuw@bluewater.com)>  
**Cc:** Casati Daniele <[Daniele.Casati@eni.com](mailto:Daniele.Casati@eni.com)>; De Ruvo Lucia Rosaria <[Lucia.Deruvo@eni.com](mailto:Lucia.Deruvo@eni.com)>; Guttoriello Davide Claudio <[Davide.Claudio.Guttoriello@eni.com](mailto:Davide.Claudio.Guttoriello@eni.com)>  
**Subject:** Zabazaba Development Project: FPSO - Tender n. CIZ-SPR-ABJ-L006604-2016 - Meeting 05-12-2017

Dear Pieter,

With reference to the meeting held with NAE's representatives and Bluewater Management, we are still awaiting for your feedback/final position with regard both to Tenderer's project financing and also to all the other topic discussed during the meeting.

To this extent we kindly ask to provide your response on or before **8:00 AM tomorrow morning the 8<sup>th</sup> of December 2017.**

Considering the urgency related to the requested above, Company points out that no further extensions will be allowed.

Best regards,

Fabio Iannone  
Strategic Procurement Division  
Nigerian Agip Oil Company Limited  
No. 40/42 Aguiyi Ironsi Street, Maitama,  
Federal Capital Territory (FCT),  
Abuja  
Phone: +234 (0) 9 4611900-6 Ext. 78291  
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## De Ruvo Lucia Rosaria

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**From:** Iannone Fabio  
**Sent:** Thursday, December 21, 2017 7:18 PM  
**To:** Pieter de Leeuw  
**Cc:** Casati Daniele; De Ruvo Lucia Rosaria; Guttoriello Davide Claudio  
**Subject:** Zabazaba Development Project: FPSO - Tender n. CIZ-SPR-ABJ-L006604-2016

Dear Pieter,

our letter N86-SPR-ABJ-L007480-2017 is very clear in this sense as per quoted below:

### QUOTE

Tenderer is requested to provide the requested information/declarations duly signed via e-mail to [davide.claudio.guttoriello@eni.com](mailto:davide.claudio.guttoriello@eni.com); [fabio.iannone@eni.com](mailto:fabio.iannone@eni.com); [lucia.deruvo@eni.com](mailto:lucia.deruvo@eni.com) and [daniele.casati@eni.com](mailto:daniele.casati@eni.com) **not later than 20<sup>th</sup> December 2017 2PM WAT.**

**Should TENDERER not reply by the set deadline or should TENDERER not reply in full compliance with COMPANY'S instructions, Tender shall be rejected and TENDERER shall be disqualified.**

### UNQUOTE

As a consequence of the above and as also stated in COMPANY's ITT Package, TENDERER did not reply in full compliance with COMPANY's instructions and within the requested deadline as set out in the Letter N86-SPR-ABJ-L007480-2017.

Therefore Tender is rejected and TENDERER is disqualified.

Best Regards,

Fabio Iannone  
Strategic Procurement Division  
Nigerian Agip Oil Company Limited  
No. 40/42 Aguiyi Ironsi Street, Maitama,  
Federal Capital Territory (FCT),  
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<Letter N86-SPR-ABJ-L007480-2017.pdf>

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STRICTLY CONFIDENTIAL

24 January 2018

LETTER OF COMMITMENT

**SUBJECT: Zabazaba FPSO project**

China Merchants Industry Holding (CMIH) confirms herewith its commitment to cooperate with Bluewater Offshore Production Systems Ltd (Bluewater) for the execution and delivery, financing and ownership of the FPSO as part of the charter and operations of the Zabazaba FPSO for Nigerian Agip Exploration Limited (NAEL) in Nigeria.

CMIH will become 90% shareholder in joint venture company (AssetCo) to be set up in the Netherlands, either incorporated or unincorporated, for the ownership and charter of the FPSO, with a Bluewater affiliate participating as 10% shareholder.

In addition, CMIH will become 10% shareholder in joint venture company (ServicesCo) to be incorporated in Nigeria for the Operations of the FPSO, with a Bluewater affiliate participating as 90% shareholder.

CMIH confirms that Bluewater will act as the leader towards NAEL for the Charter and O&M.

In order to secure the necessary funding for the project, NAEL is requested to make available an advance payment of USD 450 mln (excluding taxes), payable in a schedule to be agreed between the parties, plus 30%, as a minimum, of any cost impacts, once agreed between NAEL and Bluewater, of subjects that are currently under negotiation.

The above is in addition to the aggregate amount of lump sum payments of approximately USD 156 mln already agreed between NAEL and Bluewater.

Based on the above payment structure, CMIH confirms the availability in principle of the necessary equity funding and bank loan financing for AssetCo.

CMIH also advises that AssetCo will provide counter guarantee in favour of NAEL for the advance payment, based on terms to be agreed along the lines already discussed between NAEL and Bluewater.

At the time of the execution of the Contract, CMIH, as majority partner of AssetCo, shall provide the company guarantee in favour of NAEL for the obligations under the Contract.





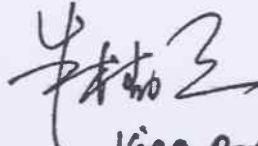
招商局工業集團有限公司  
CHINA MERCHANTS INDUSTRY HOLDINGS CO., LTD.

This commitment of CMIH is subject to formal CMIH board approval including acceptance of the final terms and conditions of the Chartering, Operations and Maintenance contract.

On behalf of:

CHINA MERCHANTS INDUSTRY HOLDINGS

Name:

 David Zhu

Function:

Vice president of CMIH.

Date:

24/01/2018