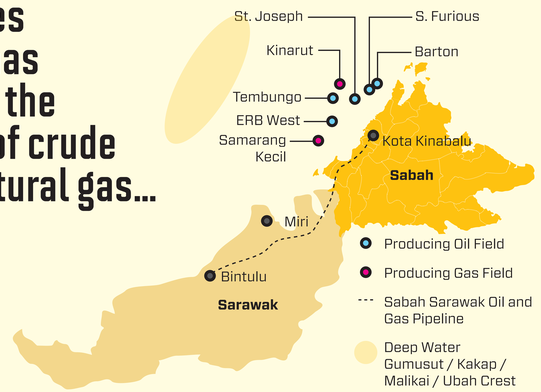
OIL, GAS & ENERGY SECTOR

OVERVIEW

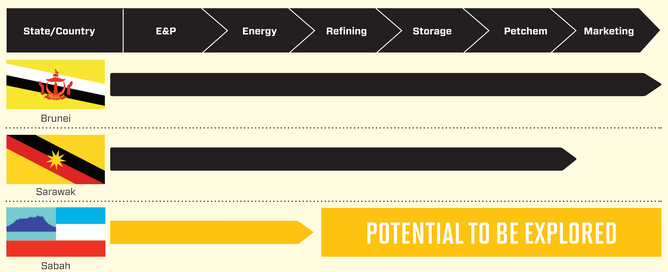
New deepwater discoveries in Sabah has increased the reserves of crude oil and natural gas...

Petronas (2000 - 2011)



Sabah has yet to fulfill its potential in the Oil, Gas & Energy (OGE) value chain...

SOURCE: Institute of Development and Research (IDS)



CASE FOR CHANGE

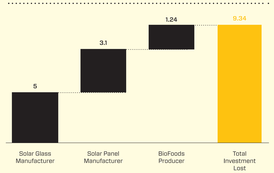
There are 4 factors that affect the slow growth of OGE in Sabah

FACTOR 1

INSUFFICIENT GAS ALLOCATION AND DISTRIBUTION / RETICULATION FACILITIES

Unavailability of gas in Sabah has resulted in a huge loss of potential investment

Lost of Potential Investment at KKIP Due to Unavailability of Natural Gas



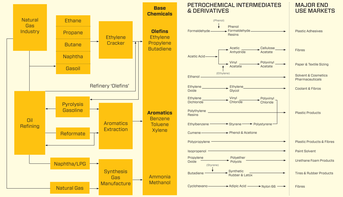
Source: KKIP

FACTOR 2

HUGE UNTAPPED POTENTIAL DOWNSTREAM AND PETRO-CHEMICAL INDUSTRIES

There is huge untapped potential petro-chemical industries for Sabah to venture into...

Natural Gas Value Chain from Original Form to End Products

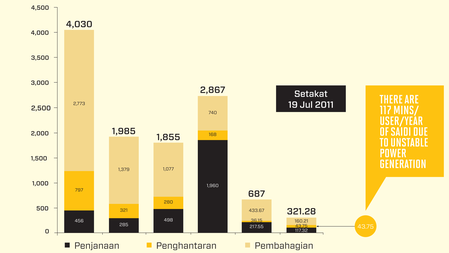


FACTOR 3

POOR CONDITION OF PHYSICAL AND SUPPORTING INFRASTRUCTURES

There has been tremendous reduction of SAIDI since 2006. Nevertheless, there is still potential reduction with stable energy supply

SAIDI SESB Tahun 2006 - 2011



Tahun	2006	2007	2008	2009	2010	2011
Penjanaan	456	285	498	1,960	217.55	117.32
Penghantaran	797	321	280	168	36.15	43.75
Pembahagian	2,773	1,379	1,077	740	433.67	160.21

Include Peninsular SAIDI 72min / user / year

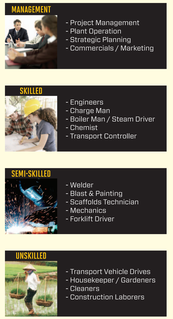
Source: SAIDI, SESB

FACTOR 4

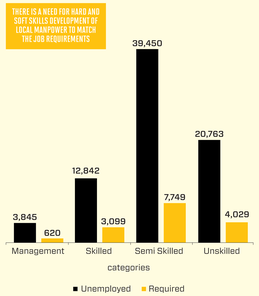
SHORTAGE OF HARD & SOFT SKILLED LOCAL MANPOWER AND CAPABLE CONTRACTORS

There is a huge number of unemployed manpower. However, there is a need for a skills development program to match the vacancies in OGE industries

Manpower Requirement



Unemployed vs Requirement Manpower in Sabah



Total: 76,900 Unemployed | 15,197 Required

Source: Yearbook of Statistics Sabah 2010

DISTRIBUTION OF EPPs

7 EPPs have been identified for the OGE Sector in Sabah

UPSTREAM/MIDSTREAM

1 Lahad Datu Regas Terminal

GNI	JOBS	INVESTMENT
RM923 million	3,578	RM1.2 billion

2 Sabah O&G Terminal & Sabah - Sarawak Pipeline

GNI	JOBS	INVESTMENT
RM6.3 billion	3,200	RM5.4 billion

3 Gas Separation Plant

GNI	JOBS	INVESTMENT
RM51 million	1,297	RM275 million

7 Pipeline to KKIP

GNI	JOBS	INVESTMENT
RM2.0 billion	3,085	RM340 million

DOWNSTREAM

4 Kimanis Power Plant (300MW)

GNI	JOBS	INVESTMENT
RM82 million	2,515	RM1.0 billion

5 Lahad Datu Power Plant (300MW)

GNI	JOBS	INVESTMENT
RM82 million	3,127	RM1.0 billion

6 Sipitang Oil & Gas Industrial Park (SOGIP)

GNI	JOBS	INVESTMENT
RM3.39 billion	6,320	RM8.94 billion

GNI	JOBS	INVESTMENT
RM12.86 billion	23,122	RM19.16 billion