

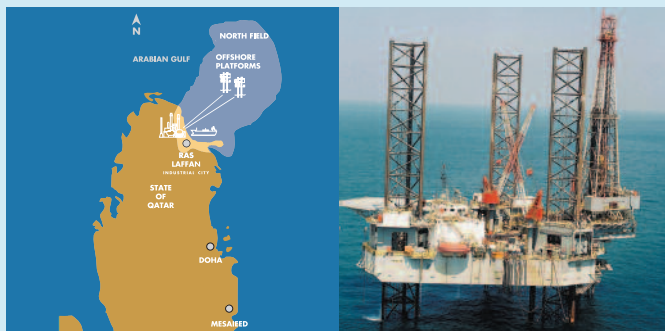
Pearl GTL Project

In July 2006, Qatar Petroleum and Royal Dutch Shell plc (Shell) announced the launch of the world-scale integrated Pearl Gas to Liquids (GTL) project, the largest energy project ever to be executed within the borders of Qatar.

The Pearl GTL project includes the development of offshore natural gas resources in Qatar's North Field, transporting and processing the gas to extract natural gas liquids and ethane, and the conversion of the remaining gas into high quality liquid hydrocarbon products through the construction of the world's largest integrated GTL complex in Ras Laffan Industrial City.

Some 1.6 billion cubic feet per day of wellhead gas will be produced from the North Field and processed to produce approximately 120,000 barrels per day of condensate, liquefied petroleum gas and ethane.

The remaining dry gas will be used as feedstock for a new onshore integrated GTL complex which will manufacture an additional 140,000 barrels per day of liquid hydrocarbon products. The Pearl GTL complex will consist of two 70,000 barrels per day GTL trains and associated facilities. The plant will produce a range of high quality liquid products



and fuels, comprising naphtha, GTL Fuel, normal paraffin, kerosene and lubricant base oils. GTL Fuel is the largest component of the product slate and can be used in existing light and heavy-duty diesel engines. With lower emissions at point of use, it can play a major role in reducing local air pollution in cities and provide a strategic diversification of liquid transport fuel for importing countries. Production from the first Pearl GTL train is anticipated to begin around the end of the decade, with the start up of the second train following within a year.



Schematic layout of the Pearl GTL plant, Qatar

Progress has already been made offshore, with seismic data acquisition from the vast North Field, and two appraisal wells drilled to confirm gas compositions. The front end engineering and design (FEED) phase, which required almost a million man hours, is also complete. The GTL plant is as large and complex as a refinery covering the equivalent of 500 soccer fields.

The project demonstrates Shell's commitment to help Qatar realise its ambition to become the "GTL capital of the world", and for Shell to remain a leader in the emerging GTL industry.



Benefits to Qatar

The establishment of a world-scale GTL project in Ras Laffan City will provide an attractive route for Qatar to utilise its vast gas reserves and create an entirely new and sustainable long term industry.

The project will create a large number of job opportunities based on a commitment by Shell to develop local expertise. In addition, Shell has signed the commercial agreements for its Qatar Science and Technology Park anchor tenancy and announced plans for a substantial expenditure of up to \$100m for its research and technology programme. The Qatar Science and Technology Park, established by the Qatar Foundation, aims to create a regional hub in the Middle East for education, innovation and learning.

