

Presentación del IX Seminario Estratégico SPE

April 2024

Gaffney
Cline

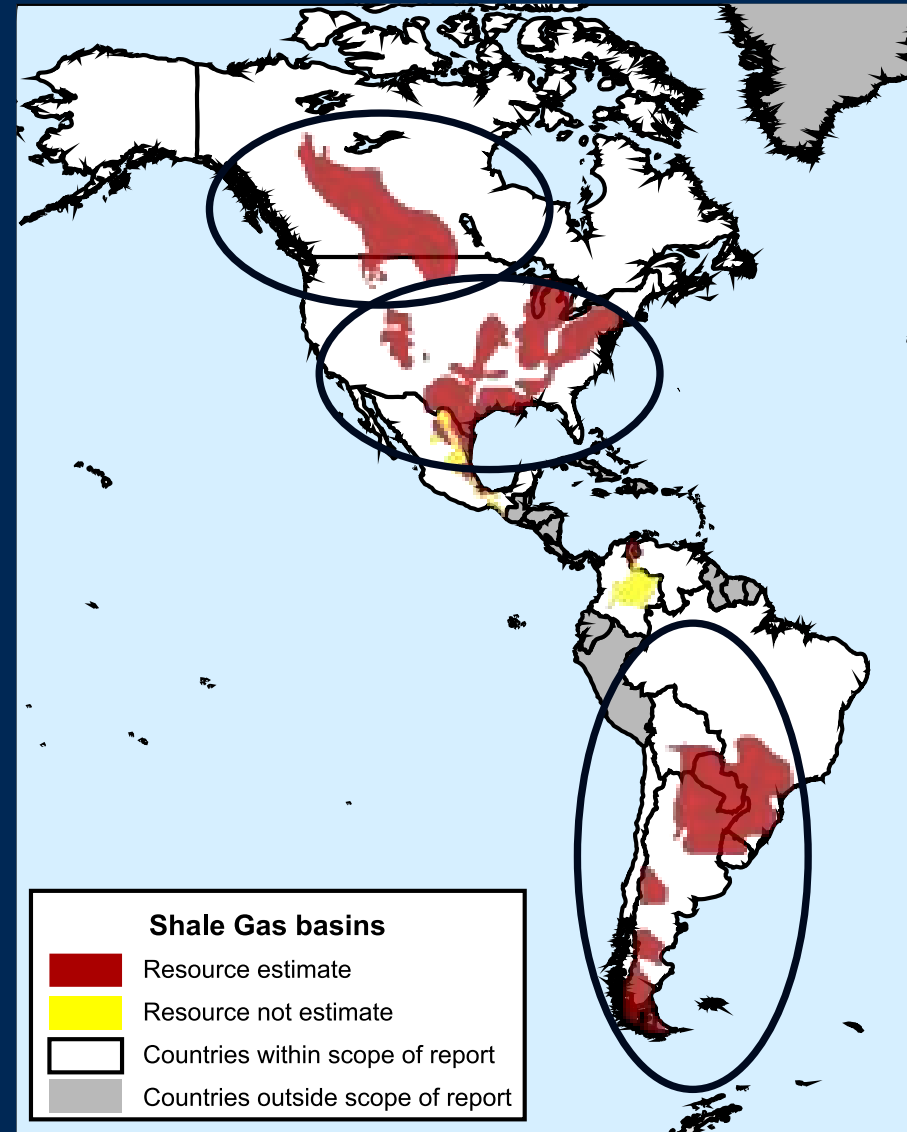


Nicholas Fulford
Global Head
Gas & LNG

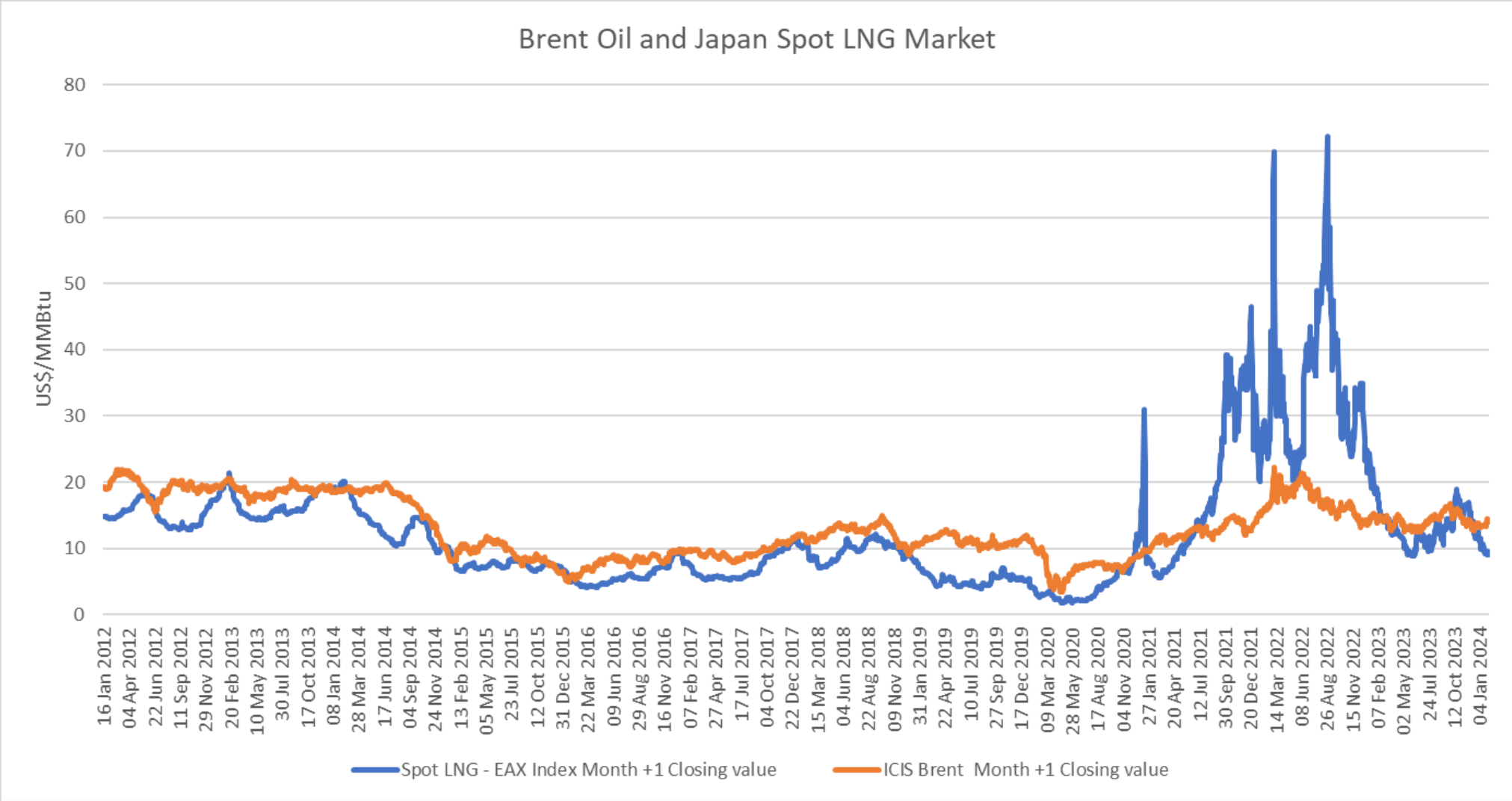


Unconventional Gas

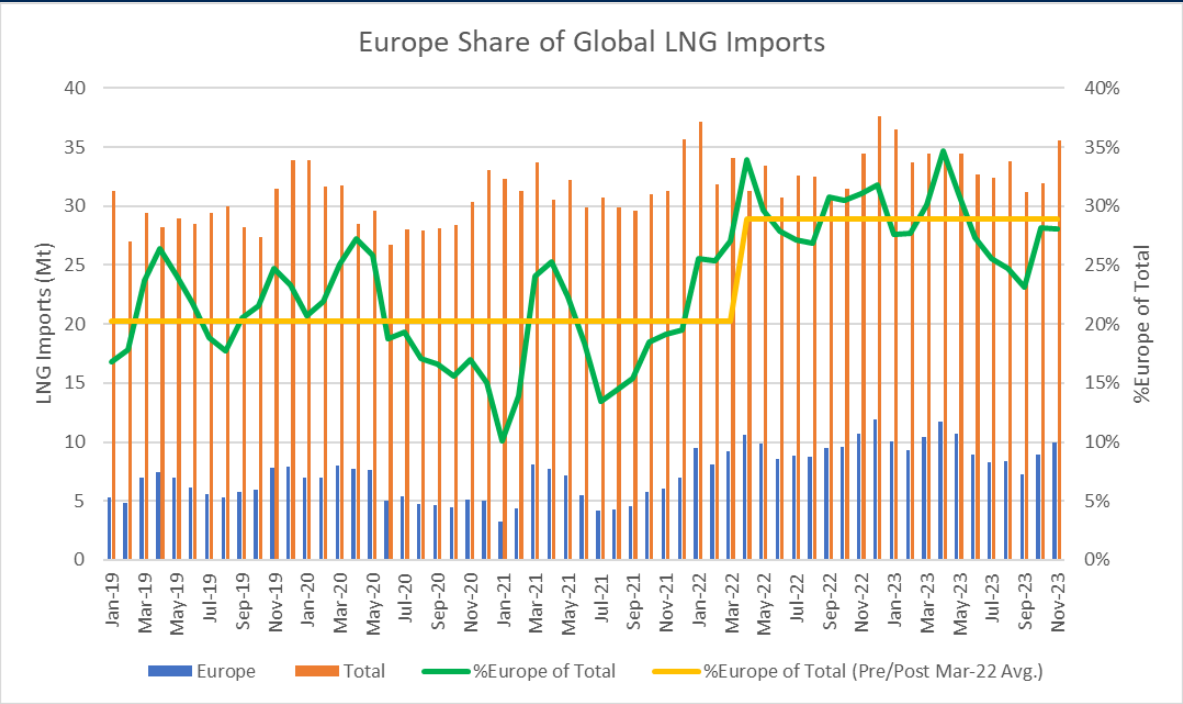
- Three countries now dominate the map
- United States and Canada are 10 years into development
- Argentina is just starting on its massive scale development journey
- Potential to become global focus for low carbon gas exports



LNG has endured a chaotic few years...



Realignment of LNG Markets due to the Russia-Ukraine War



Rush to FSRUs (Floating Storage and Regasification Units)

- Fast to install (if available)
- Immediate impact on gas supply situation
- Six FSRUs for Germany
- Fast tracked with contracted supply
- Heavy nationalization of German gas industry
- 25 FSRUs anticipated in EU member states in coming years.



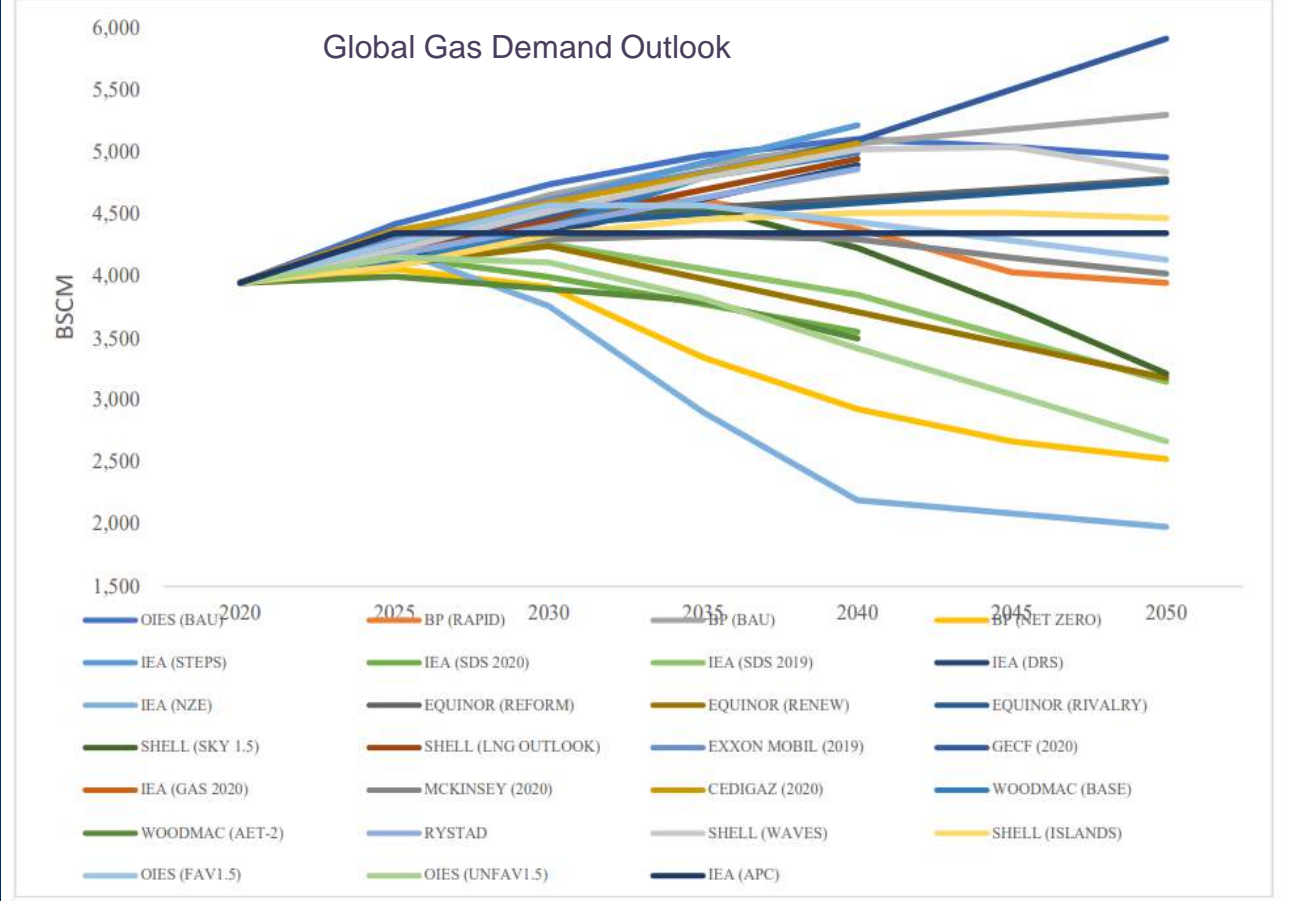
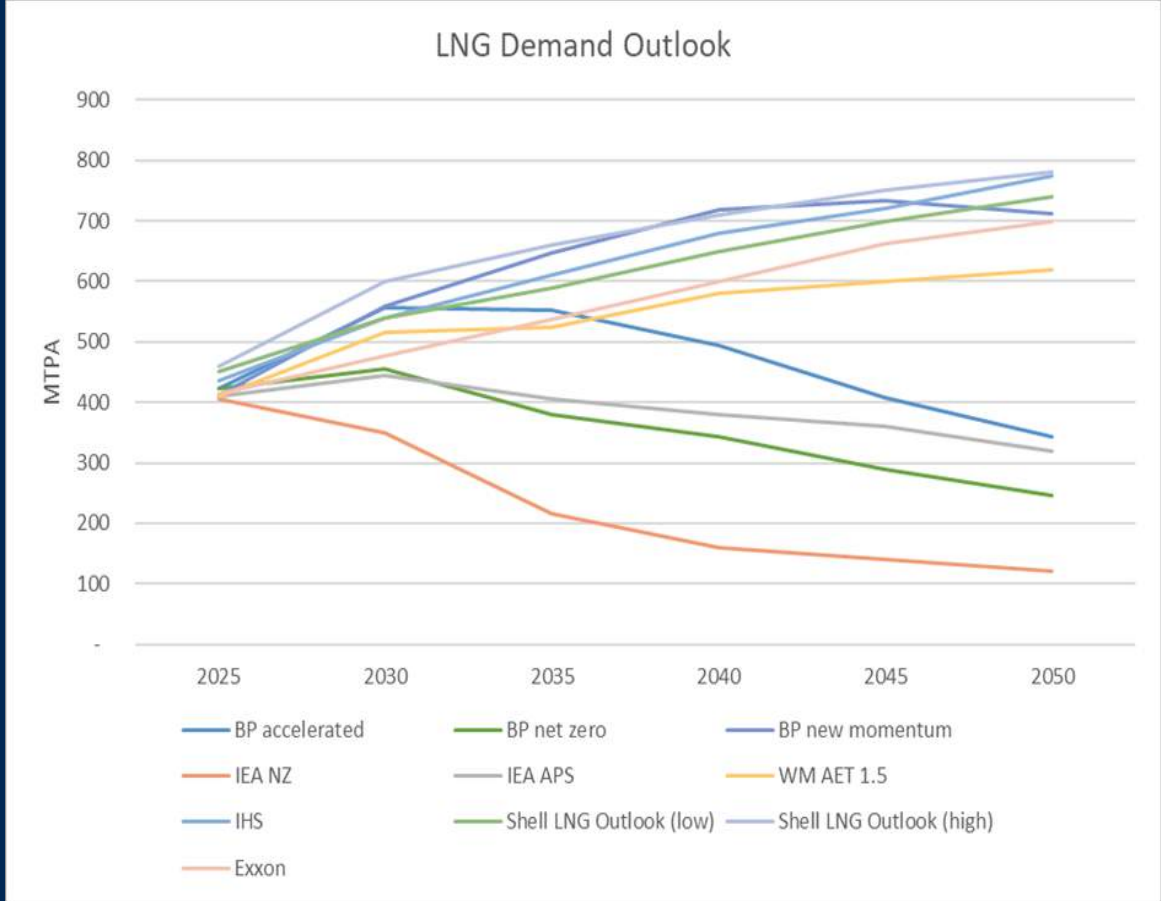
Consumer Energy Prices are a major issue

- Debate in Europe over price subsidies for energy
- Energy windfall tax has been implemented in many European countries
- Winter of 2023/24 may reignite political and social tensions on energy

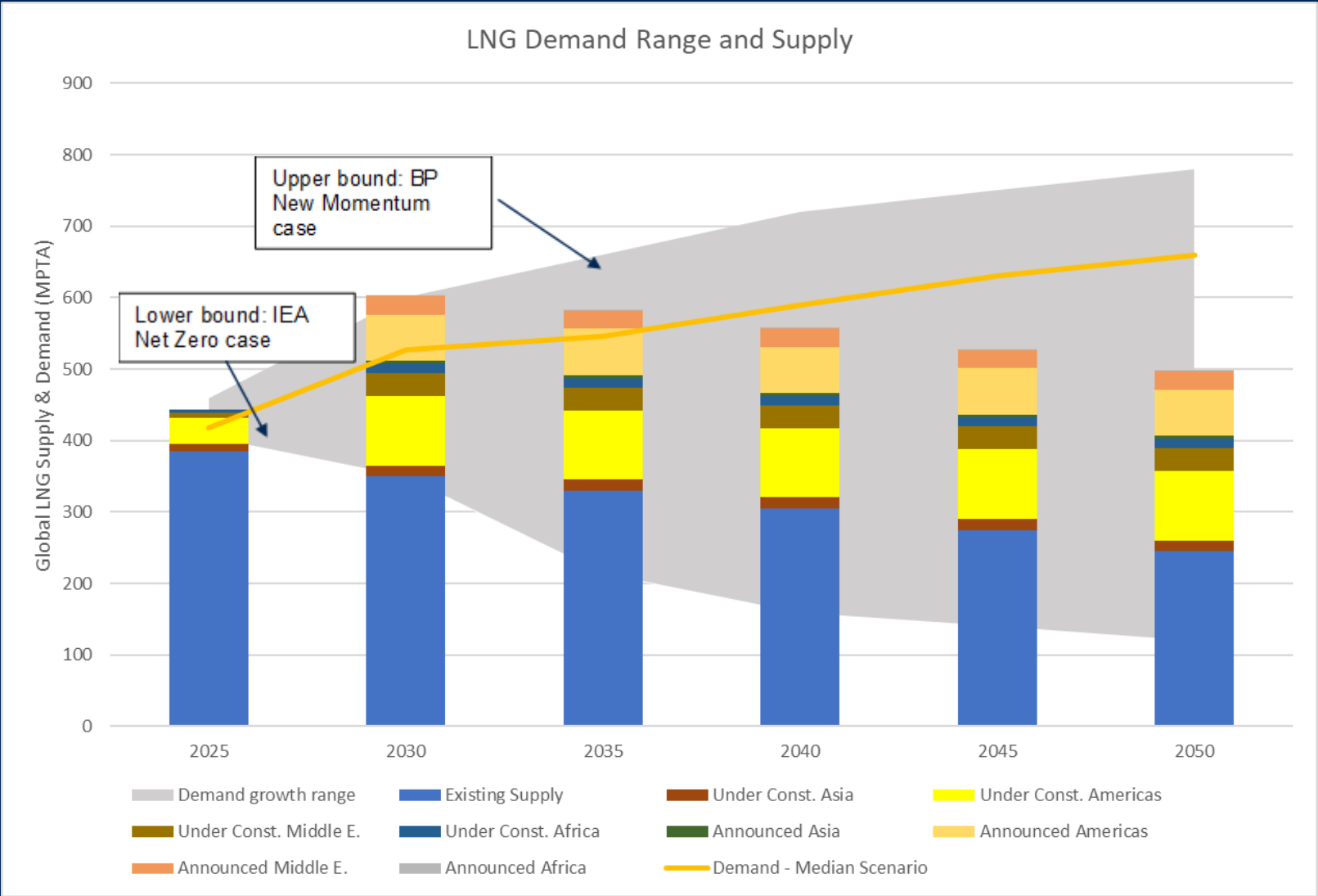


Demand Growth Projections

Influenced by uncertain climate policy evolution



Current LNG projects facing uncertain demand picture....

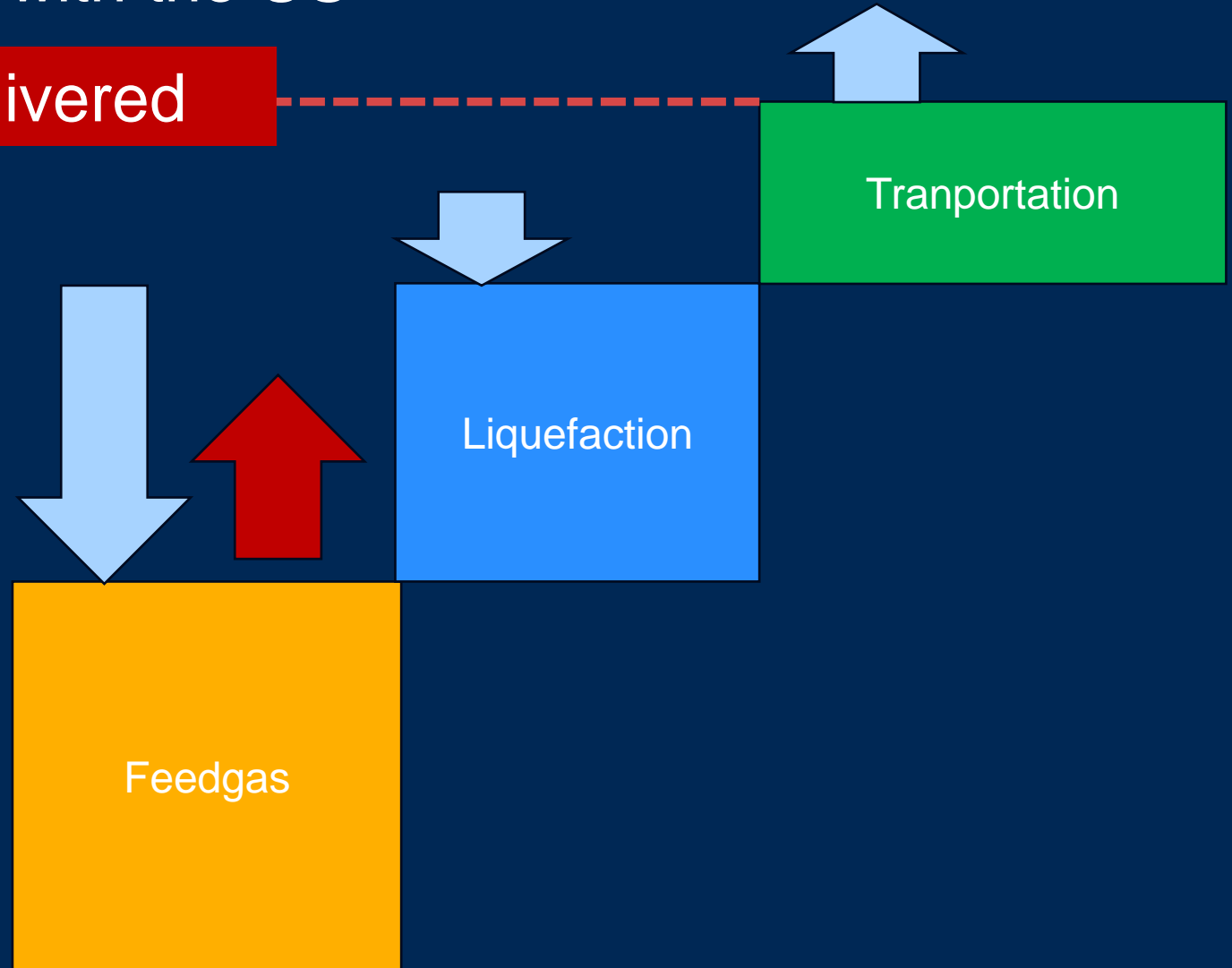


Argentina's opportunity in LNG

Increasing competitiveness with the US

Cost of Gas Delivered

- Upward pressure on Henry Hub
- Downward trend in Vaca Muerta breakevens
- Downward trend in country risk/cost of debt
- Transportation options depending on the market



Major Lenders are cautious about natural gas investment

One of the world's biggest banks will no longer finance new oil and gas fields



The HSBC bank will continue to finance existing oil and gas fields.

Singapore's UOB to stop financing oil and gas projects

Bank sets 2050 net-zero targets for polluting sectors

4 November 2022 6:07 GMT UPDATED 9 November 2022 13:01 GMT

By [Amanda Battersby](#) in [Singapore](#)

Singapore's United Overseas Bank (UOB) will provide no new project financing for upstream oil and gas projects approved for development after 2022, following in the footsteps of an increasing number of European lenders.

ING takes next steps on energy financing after COP28

20 December 2023 07:40 CET 3 min read

We've announced that we'll phase out the financing of upstream oil and gas to zero by 2040, and aim to triple our renewable energy financing by 2025.

BNP Paribas turning off tap for new fossil fuels funding should sound alarm bells

Move is on trend with other banks and a powerful group of institutional investors that hold \$11 trillion worth of assets

Singapore bank pulls plug on upstream oil and gas project financing

OCBC spells out decarbonisation targets for six most greenhouse gas emissions intensive sectors

Voters Want Oil and Gas Industry to Pay for Clean Energy Transition

Big Oil CEOs say consumers are unwilling to pay for the transition away from fossil fuels. Voters are not having it.

By Mike Ludwig, TRUTHOUT
March 21, 2024

Pierce Norton, CEO of pipeline operator ONEOK, said that demand for energy is only going to grow — a sentiment echoed throughout the conference. He also highlighted that demand is increasing even more rapidly because of the computing power needed for artificial intelligence and painted a picture of “energy addition” rather than “energy transition.”

LIQUEFIED NATURAL GAS (LNG)

CERAWeek: LNG to Play Critical Role in Shell's Future, CEO Says

Sawan said LNG will continue to play a critical role adding that LNG currently makes up around 13% of gas sales but was expected to grow to around 20% in the coming 15 to 20 years.

By Pietro D Pitts, Hart Energy Tue, 03/19/2024 - 10:46 AM

NEWSLETTERS · CEO DAILY

BP CEO Bernard Looney defends keeping clean energy and fossil fuels under one roof

BY ALAN MURRAY

February 10, 2023 at 7:40 PM GMT-8



CEO Looney told investors that the expected profit margin for renewable projects was roughly 6% to 8%, compared with up to 20% from oil and gas investments.

The fact is that BP's rush to embrace “socially conscious” investing held back its stock price significantly. That's why there was an 8% surge in BP's share price after Looney's announcement.

“We need to reduce the emissions from traditional energy, which we're doing by reducing our carbon intensity of oil and gas that we produce today. At the same time, we're investing in new technologies to grow new sources of supply as demand for all forms of energy continues to grow.”

mike wirth

Chairman and CEO



- The price of carbon is rising
 - US tax credit of \$85 per ton or more
 - Europe ETS Eur 75-85 in early 2024
- Equivalent to between 5 and 7 dollars per MMBtu of natural gas.
- Potential for CCUS and Ammonia/Hydrogen

Conclusions

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- Vast opportunity for Argentina to monetise low cost natural gas resources

- Export and development strategies will be heavily influenced by carbon policies

