



Pilot LNG, LLC (Pilot) is a minority equity stakeholder in EPIK LNG Holdings, Ltd. (EPIK). EPIK is current the 100% owner of Newcastle GasDock, an LNG import project in the Port of Newcastle, New South Wales.

Newcastle GasDock - Bringing New Energy to New South Wales

EPIK is an LNG project development company focused on originating and developing FSRU project opportunities across the globe, including its flagship Newcastle GasDock LNG project at the Port of Newcastle, New South Wales, Australia.

The Newcastle GasDock terminal, critical to NSW's future security and reliability of gas supply, is being developed to deliver the most competitive infrastructure solution for natural gas imports into NSW by wholly-owned EPIK subsidiary Newcastle GasDock Company. Subject to further engineering design, regulatory planning and environmental assessments, Newcastle GasDock will incorporate a 170,000m³ class FSRU, a dockside jetty, and a pipeline lateral connecting the FSRU terminal to an interconnection point on Jemena's Sydney to Newcastle pipeline, providing direct access into the Sydney Short Term Trading Market (STTM).

EPIK has chosen the Port of Newcastle as a strategic location to tap into Australia's southeast gas market. Located at the end of an existing gas pipeline, a FSRU LNG import facility at the Port of Newcastle is optimally suited to provide natural gas not only to industrial, commercial and residential users in the Newcastle region, but to the broader NSW market along the coast given its geographical advantage over other domestic gas production areas in Australia. The Port of Newcastle is one of Australia's largest ports and ranks first as the world's largest coal export facility. For further details on the Port of Newcastle, please visit www.portofnewcastle.com.au.

In August 2019, the Government of NSW declared the Newcastle GasDock project as Critical State Significant Infrastructure (CSSI), in part due to the project's strong potential to address the long-term energy security of the State. Compared to alternatives, we believe that LNG imports through our proposed facility at the Port of Newcastle provides a lower-cost solution for the secure and competitive supply of natural gas on a long-term basis.

At the time of declaration, the Newcastle GasDock terminal was only the fifth private development in State history ever to have been awarded this critical status. In total, only 14 projects have been declared CSSI, nine of which have been public, government sponsored infrastructure.

In April 2019, EPIK announced it had executed an agreement with Watpac, a leading Australian EPC firm and wholly-owned subsidiary of BESIX, for the exclusive provision of design, engineering and construction services for the onshore infrastructure components of the project. In addition, EPIK has a strategic partnership with Hyundai LNG Shipping and is supported by leading advisors and consultants, including environmental and planning support from Arup, and legal and regulatory counsel from K&L Gates, among others.

Newcastle Advantage:

- Located at a deep-channel port with minimal existing traffic.
- Situated in an industrial hub, the Port of Newcastle is proximate to both NSW's single largest natural gas user (Orica) and its single largest power user (Tomago Aluminium).
- The site sits near the end of the existing pipeline network where prices are typically highest, making it an optimal entry point for new supply to be injected, placing downward pressure on prices locally, while still providing competitive access to the broader NSW market through the Sydney Short Term Trading Market (STTM) via the existing Jemena pipeline less than 2km from the project location.
- The Port of Newcastle is highly supportive of the project and sees it as an important development as part of a broader economic diversification strategy for the region.

The Newcastle GasDock project is distinguished from competing LNG import projects in Australia by providing LNG storage and regasification services to Australian and international players looking to bring competitively sourced LNG into Australia's southeast gas market through its proposed terminal.

For our latest news on the Newcastle GasDock terminal, please refer to EPIK's website <https://www.epiklng.com/> and the News page.