

Nigerian National Petroleum Corporation

NNPC Towers, Herbert Macaulay Way, Central Business District,

P.M.B. 190, Garki Abuja – Nigeria.

Invitation for Crude Oil Term Contract Application- Extension of Deadline for Submission of Applications

Further to our invitation for applications dated 21 and 22 March 2012, the guideline for Crude Oil Contract has been reviewed to comply with the Nigerian Content Act. All interested applicants are given two weeks effective 30/4/12-11/5/12 to submit their applications for lifting of Nigerian Crude Oil during the 2012/2013 contract year as follows:

A. Who May Apply

- i. A bona fide end user who owns a refinery and retail outlets -Details of the applicant's facilities, markets and volume of crude oil processed over the last three years must accompany the application.

- ii. An established and globally recognized large volume trader-applicant must provide evidence of its global network, its activities and volumes of crude oil handled in the last three years.

- iii. Indigenous Nigerian company engaged in Nigerian Oil and Gas business – Applicant must attach the evidence of registration.

B. Financial Requirement

- i. Applicant must have a minimum annual turnover of US\$ 500 million and net worth of not less than US\$100 million – Applicant must attach three (3) years audited accounts.

- ii. Successful applicants will be required to make payment of US\$2.50 million deposit for the first cargo. This deposit will be part payment for the first cargo to be lifted.

iii. Payment for all cargoes shall be on the basis of confirmed irrevocable Letter of Credit from approved local and International banks.

C. Compliance with the Nigerian Content Act

Compliance with Nigerian Content Act shall be a major consideration in the selection of applicants to lift Nigerian Crude Oil. Towards that end, the following requirements must be met by interested applicants;

1. Interested applicants must provide commitment from prospective shippers to lift Nigerian crude oil, that a minimum of five (5) slots per cargo shall be set aside for ocean-going attachment of Nigerian cadets for the purpose of obtaining international certification.

2. Interested applicants must submit a Memorandum of Agreement with shipper(s) demonstrating a credible strategy to grow Nigerian equity in the tanker(s) nominated to lift allocated Nigerian crude to 25% by 2014 and 90% by 2017. It should be noted that evidence of Nigerian equity in the nominated tanker(s) prior to conclusion of the process shall give trader competitive advantage.

3. Interested applicants must submit a detailed Nigerian Content execution strategy to the satisfaction of the NCDMB, clearly setting out Nigerian Content commitments for subcontracting in the areas of;

1. Insurance and legal services
2. Banking and Financial services
3. Training and capacity building
4. Cargo inspection and survey

D. Other Conditions

In addition to the above, successful applicants must show commitment to the development of the Nigerian economy by investing in any number of investment opportunities that abound either in the oil industry or other sectors or, as an alternative, in the short run, meaningful and sizeable investment in community development projects(s) in the oil producing areas as may be acceptable. Investment areas include:

- i. Upstream investment – to increase our oil reserves and production capacity;
- ii. Downstream projects in refining, processing, distribution and storage of petroleum products;
- iii. Gas utilization projects;
- iv. Independent Power Plant Projects;
- v. Agriculture;
- vi. Railway construction;
- vii. Solid Mineral Development;
- viii. Healthcare sector development and Real Estate Development;
- ix. And any other areas of the economy acceptable to the SELLER;

E. Modalities

i. Short listing of applicants for consideration for crude oil term contract allocation will be contingent upon successful Independent due diligence reports.

ii. Nigerian National Petroleum Corporation shall maintain regional balance in the distribution of Nigerian crude oil term contract holdings to the following regions;

- Africa
- North and South America
- Western Europe/Mediterranean/ Eastern Europe
- Asia

F. Submitted Applications

All applications received following our 21 and 22 of March 2012 advertisements remain valid. However companies are at liberty to present new applications in line with this new advertisement if they desire to do so.

Method of Application

Interested companies should submit their applications accompanied with their Company Registration documents, three (3) years audited accounts and company business profile outlining business activities, facilities, volume of crude oil traded over the past three (3) years, Nigerian content requirements above and any other relevant data in a sealed envelope to the following address, on or before 11th May 2012 by 4.00pm:

The Group Managing Director

Nigerian National Petroleum Corporation,

NNPC Towers

Herbert Macaulay Way

Central Area, Abuja.

Signed: Management