



MIDDLE EAST OIL REFINERY

Q3 2018 NEWSLETTER



Dear Sirs,

We would like to welcome you all to MIDOR's Q3 newsletter. Our commitment to achieving the best economic operational activities and maximizing the added value, has led to study possible alternatives to maximize the production of petroleum products. These factors suggest a way forward in mastering challenges such as security and sustainability.

Fast Facts

MIDOR is one of the most advanced & high conversion refinery in Africa and Middle East based on technological complexity; reaching a standard of **12.1, according to latest Solomon study for Y.2016.**

The refinery was designed at an operational capacity of **100,000** BPSD.

After introducing the project of the Preflash tower **in the current CDU/VDU** into operation, the refining capacity was increased to reach 115,000 BPSD successfully.

MIDOR refinery is distinguished by its deep conversion (zero fuel oil production) of all heavy products such as low value gasoil into high quality light and middle distillate products equivalent to more than **87%** of total production.

MIDOR continues to implement its refinery modernization program, which is intended to revamp the refinery capacity by 60% above the 100,000 bbls/d designed capacity and the 15% increase of the of the 1st phase of expansions while maximizing production of middle distillates to fulfill the increase in domestic consumption and meet Euro 5 requirements.

Below is a summary of our refinery business activities during Q3 Y.2018:

During Q3 MIDOR refinery processed a total crude of 9,689,468 bbl.

(1,339,897 MT).

Local crude oil	Imported crude oil
4,396,818 bbls. (45.38%)	5,292,650 bbls. (54.62%)
Our Products:	
Jet Fuel 273,131	LPG 45,511
Gasoline 295,483	Sulphur 19,999
Coke 123,238	
Diesel 586,770	

Metric Ton

MIDOR Refinery Technical Activities:

Technical

Feature

- MIDOR received high sulphur Gasoil cargoes (149 KMton) from Glencore under a treatment contract by applying an optimum treatment fee and converted to low sulphur Gasoil that was delivered back to Glencore by scheduled cargoes through 6-month contract, which ending Dec.2018.
- Refinery feed rate was continued at increased capacity up to 115% without any operational problems.
- MIDOR continues processing for others with EGPC during Q3 Y.2018.
- MIDOR continues to receive Arabian crudes from ARAMCO by swapping crude vs products through 6-month contract.
- MIDOR refinery bought a cargo of Condensate on Sep.2018 (19 KMton) and converted it to a high value Refining products during Sep-18 benefiting from the price difference.
- MIDOR refinery meets all its obligations and commitments towards the local and international markets.
- MIDOR bought a high Sulfur Gasoil cargo during Aug.2018 and converted it to a low Sulfur one which was exported during Sep.2018.
- No process units shut downs took place during Q3 Y.2018.
- MIDOR assigned a Gasoil desulfurization contract with Glencore for second half of Y.2018 and the renewal of ARAMCO crude Vs. products swapping for 6 months.
- MIDOR announced its participation in Y.2018 SOLOMON study for fuel refineries CPA evaluation.

Expansion project activities:

- Project financing planned to be finalized during Oct.2018.
- The Mandate letter & term sheet between MIDOR, SACE and the lenders has been renewed till end of Y2018.
- Two final meetings were held between all involved parties to finalize MOF guarantee and Loan agreements during Sep.2018.
- All the technical and environmental due diligence reports have been completed.
- Site preparation for the area of the new process units was completed successfully.
- All civil activities related to MIDOR scope of work was tendered to specialized companies to receive the offers by Oct.2018.
- Financial Model for the project was finalized and agreed between all parties.
- EPC contract and the Loan agreement are planned to be signed by Oct.2018.

Tenders:

- MIDOR has exported about 478,329 Metric tons of different products.
- MIDOR has imported Gasoil with approximately quantity 30,000 Metric tons for treatment and then exported on behalf of some clients.

Our

Business

MIDOR bought several crude cargoes as follows:

- About 1 million barrels of Arabian Medium crude oil.
- About 500,000 barrels of Arabian light crude oil.
- About 500,000 barrels of Arabian Extra light crude oil.
- About 500,000 barrels of Western dessert crude oil.

Exported Cargoes:

Jet Fuel	207,752
Refined products	300,513

Metric Ton

Local Sales:

LPG	46,319
Gasoline	246,592
Jet Fuel	63,211
Diesel	349,221
Coke	118,413
Sulfur	24,657

Metric Ton