

For Immediate Release

October 11th, 2020

Delfin Announces Completion of FEED for the Delfin Newbuild FLNG Vessel

HOUSTON, TX – Today Delfin Midstream (“Delfin”) is pleased to announce the completion of FEED for the Newbuild FLNG Vessel of 3.5 MTPA nameplate capacity for the Delfin LNG Project in cooperation with Samsung Heavy Industries and Black & Veatch.

The tripartite cooperation has been successful in developing a robust, low cost and efficient FLNG Vessel design for the project. The FEED results together with the overall project development activities enable the company to execute the project for a total capital cost of around 550 \$/tpa⁽¹⁾.

Each FLNG Vessel can be developed independently, with its own commercial and financial structure, which allows Delfin to be at the lower end of the global LNG cost curve combined with the absolute lowest FID threshold of 2.0 to 2.5 MTPA firm offtake.

The Delfin Newbuild FLNG Vessel design uses the latest gas turbine technology, optimizations of the Black & Veatch’s patented PRICO® liquefaction technology, direct air cooling and waste-heat recovery to achieve maximum fuel efficiency and minimal (GHG) emissions.

Each vessel will be equipped with two offloading facilities to service both large, ocean-going carriers as well as the regional demand for LNG bunkering and small-scale carriers. With ultimately four FLNG vessels in operation, the project will have 4 berths for 13 MTPA, which provides an unmatched operational flexibility to service the bunkering and small-scale market.

In parallel to the FEED the parties have developed a Term Sheet for a Lump-Sum, Turnkey Engineering, Procurement, Construction, Integration and Commissioning contract (“LSTK EPCIC”) as basis for the development of a fully termed agreement.

Commenting on the Company’s progress Delfin CEO Dudley Poston said: “The successful completion of our FEED confirms our ability to offer industry leading pricing of 115% of Henry Hub plus \$2.00 for 20 year transactions. The flexibility of a low cost, floating asset also allows Delfin to offer shorter term 10 year deals for 115% of Henry Hub plus \$2.40 or flexible tolling structures. Delfin continues to advance commercial discussions with multiple buyers and end-users and the completion of our FEED is a major milestone towards the FID of the first Delfin FLNG Vessel.”

Wouter Pastoor, COO of Delfin, added: “Recent hurricane activities in the Gulf of Mexico have highlighted the importance of sound design and operational measures to minimize potential downtime of LNG export facilities. The Delfin project is uniquely different since the FLNG Vessels are self-propelled and use a disconnectable, mooring solution to allow the FLNG Vessel to sail away if a severe hurricane passes over the site. The same technology and operational procedures have been used for decades on oil FPSOs in tropical storm locations. The recent experiences with hurricane Laura demonstrated the superior operations of offshore disconnectable oil FPSOs in the Gulf of Mexico.”

⁽¹⁾ Includes all costs up to start of commercial operations (incl. FLNG Vessel, disconnectable mooring system, pipeline connections, owner’s costs, transit, installation, commissioning, contingencies), excl. finance costs, on a nameplate capacity basis

About Delfin Midstream Inc.

Delfin Midstream Inc. ("Delfin") is a leading LNG export development company using low-cost Floating LNG technology. Delfin is the parent company of the Delfin LNG LLC ("Delfin LNG") and Avocet LNG LLC. Delfin LNG is a brownfield Deepwater Port requiring minimal additional infrastructure investment to support up to four FLNG Vessels producing up to 13 million tonnes of LNG per annum. Delfin purchased the UTOS pipeline, the largest natural gas pipeline in the Gulf of Mexico, in 2014 and submitted its Deepwater Port license application in 2015. Delfin LNG received a positive Record of Decision from MARAD and approval from the Department of Energy for long-term exports of LNG to countries that do not have a Free Trade Agreement with the United States for up to 13 MTPA. Further information is available at www.delfinmidstream.com.

About Samsung Heavy Industries

Samsung Heavy Industries or SHI was established in 1974 and is today one of the largest shipbuilders in the world. A core subsidiary of the Samsung Group, South Korea's largest conglomerate, SHI's main focus is the building of high added-value and special purpose vessels, including FLNG, LNG carriers, oil drilling ships, FPSO/FSO's, ultra Large container ships. SHI has secured for three newbuild FLNG projects out of four that have been placed to date globally, boasting the highest FLNG market share in the world.

About Black & Veatch

Black & Veatch is an employee-owned engineering, procurement, consulting and construction company with a more than 100-year track record of innovation in sustainable infrastructure. Since 1915, we have helped our clients improve the lives of people in over 100 countries by addressing the resilience and reliability of our world's most important infrastructure assets. Our revenues in 2019 were US\$3.7 billion. Follow us on www.bv.com and on social media.

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