

# CHARLTONS

SOLICITORS



Natural Resources

August 2015

## LME CLEAR LAUNCHES NEW RENMINBI INITIATIVE

LME Clear, the clearing house of the London Metal Exchange (**LME**) market, has announced that it will now accept offshore Renminbi (**RMB**) as eligible cash collateral. The announcement follows regulatory approval for the initiative from the Bank of England. According to SWIFT, the RMB is one of the top five global payment currencies. The initiative highlights LME's commitment to attract and connect market participants from Mainland China and is an example of strengthening of ties between Hong Kong and London. It also represents an important development in the practice of providing tailored clearing services for the global metals industry. Chinese-owned BOCI Global Commodities (UK) Limited will be the first LME Clear member to submit RMB collateral. (Source: <http://www.lme.com/news-and-events/press-releases/press-releases/2015/07/lme-clear-launches-new-renminbi-initiative/>, 28 July, 2015)

## SAKA ENERGI INDONESIA DISCOVERS GAS OFFSHORE EAST KALIMANTAN

PT Saka Energi Indonesia Ltd has announced that it has discovered gas reserves in its South Sesulu block off the coast of East Kalimantan, 60 kilometres from Balikpapan, Indonesia. The reserves are estimated to contain more than 500 billion cubic feet of gas, and are expected to have a flow rate of 18 million standard cubic feet per day. The discovery could increase Indonesia's proven gas reserves by 1.2 trillion cubic feet. (Source: <http://www.naturalgasasia.com/saka-energi-indonesia-finds-gas-in-offshore-east-kalimantan-16004>, 6 July 2015)

## SINGAPORE PORT AUTHORITY CALLS FOR LNG BUNKERING PROPOSALS BY SEPTEMBER 30

On 28 July 2015 the Maritime and Port Authority of Singapore invited expressions of interest (**Tender**) in relation to the supply of liquefied natural gas (**LNG**) in Singapore. The LNG is to be utilised as shipping fuel. Tender applicants have until 30 September 2015 to submit a detailed end-to-end LNG bunker supply proposal that includes details on bunker supply and delivery models, fuel sources and marketing plans. Shortlisted bidders will be notified before the 31 December 2015 and are expected to begin supplying the LNG bunker as part of a pilot programme scheduled to start in early 2017. In 2014 Singapore supplied more than 42 million tonnes of shipping fuel. (Source: <http://energyasia.com/blog/singapore-port-authority-calls-for-lng-bunkering-proposals-by-september-30/>, 30 July 2015)

## NAUTICAWT IPO EXPECTED TO RAISE SGD\$2.8M

Singapore-based NauticAWT Ltd (**NauticAWT**), a provider of engineering services and contracting solutions to the oil and gas industry, has commenced its initial public offering (**IPO**) on the Catalist Board of the Singapore Exchange. NauticAWT is hoping to raise net proceeds of SGD\$2.8 million (US\$2.06 million). NauticAWT will offer 28 million shares at SGD\$0.20 per share. 1 million shares will be sold via public offer, while the remaining 27 million shares will form part of a private placement. This IPO was preceded by a merger in March 2015 between AWT International Ltd (**AWT**) and the Nautic Group to form NauticAWT Energy Solutions Ltd. The AWT-Nautic Group merger was thought to be a part of NauticAWT's long-term strategy to prepare the company for a potential

shift towards renewable energy sources and alternative fuels. NauticAWT is undertaking the IPO to strengthen its position in face of the approaching growth of the energy and oil and gas sectors following the development of the emerging markets of the Indo-Pacific and Asia Pacific regions. (Source: <http://www.dealstreetasia.com/stories/nauticawt-ipo-expected-to-raise-s2-8m-9117/>, 15 July 2015)

## BASF AND GAZPROM SIGN MEMORANDUM OF UNDERSTANDING TO EXPAND NORD STREAM PIPELINE

BASF SE (**BASF**) and OAO Gazprom (**Gazprom**) have signed a Memorandum of Understanding in relation to the participation of BASF's subsidiary Wintershall Holding GmbH (**Wintershall**) in the expansion of the Nord Stream pipeline. This expansion will consist of two pipelines with the potential capacity to carry up to 55 billion additional cubic meters of Russian natural gas directly to Germany. BASF and Gazprom have been cooperating on the construction of pipelines for more than 20 years. Wintershall was part of the consortium which developed the first two lines of the Nord Stream pipeline, which have been operational since October 2012. E.ON SE, the OMV Group and Royal Dutch Shell Plc have also declared an interest in participating in the construction of the project. (Source: [http://www.youroilandgasnews.com/basf+and+gazprom+sign+memorandum+of+understanding+to+expand+nord+stream+pipeline\\_119420.html](http://www.youroilandgasnews.com/basf+and+gazprom+sign+memorandum+of+understanding+to+expand+nord+stream+pipeline_119420.html), 31 July 2015)

## EURASIA MINING RESTARTS EXPLORATION WORK AT MONCHETUNDRA

Eurasia Mining PLC (**Eurasia**) has announced that it will restart exploration at its Monchetundra platinum license area in Russia after holding discussions with possible partners. The exploration will focus on the West Nittis region of the license area, where near-surface high-grade platinum and palladium have been discovered. The programme confirmed a 'hanging wall' of copper-platinum type ore, similar to other deposits in that region of Russia. Eurasia is planning to submit a feasibility study to Russia's licensing agency Rosnedra either later in 2015 or in early 2016 as part of the application process for a Discovery Certificate. (Source: <http://www.proactiveinvestors.co.uk/companies/news/109445/eurasia-mining-restarts-exploration-at-monchetundra-109445.html>, 29 July 2015)

## KYRGYZSTAN LAUNCHES TALDY-BULAK GOLD VENTURE WITH CHINA

Altynken LLC, a joint-venture between Kyrgyz state gold company Kyrgyzaltyn JSC (**Kyrgyzaltyn**) (40%) and Superb Pacific Ltd Co., a wholly owned subsidiary of China's Zijin Mining Group Co. Ltd (60%), has announced that it will develop the Taldy-Bulak Levoberezhny gold deposit located in the Tien Shan Mountains 120 kilometres east of the Kyrgyzstan's capital Bishkek. The Taldy-Bulak's underground mine has estimated gold reserves of between 65 – 85 tonnes. According to Kyrgyzaltyn's Board Chairman Mr Almaz Alimbekov, the Taldy-Bulak project will be profitable as long as the price of gold does not fall below US\$1,080/oz. (Source: <http://www.miningweekly.com/article/kyrgyzstan-launches-taldy-bulak-gold-venture-with-china-2015-07-29>, 29 July 2015)

## AUSTRALIAN COURT OVERTURNS APPROVAL FOR CARMICHAEL COAL MINE

The Australian Network of Environmental Defenders Offices (**EDO**) has successfully appealed against the Queensland's Government's decision to approve the development of Carmichael mine by India's Adani Group (**Adani**). The AUS\$16.5 billion mining project has the potential to be one of world's largest coal mines, with an expected annual production capacity of up to 60m tonnes. Adani has also been granted approval to build a new coal port terminal on the Queensland coast to support exports from the mine. The EDO's appeal cited threats to local fauna, and the fact that mine operations would require 12 billion litres of water per annum which would drain groundwater supplies in the Galilee Basin. The Department of Environment has stated that it will reconsider its original approval in light of the Federal Court ruling but that the court's decision would not require revisiting the entire approval process. (Source: <http://www.bbc.com/news/world-australia-33783020>, 5 August 2015)

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