



First U.S. offshore LNG articulated tug and barge ready for operations – expanding critical marine LNG supply chain into North America

Q-LNG vessel enables Shell to serve more customers transitioning to lower emission marine fuel

Houston, TX – 13 January, 2021 – Q-LNG Transport (“Q-LNG”) and Shell Trading (US) Company (“Shell”) today announced that the first offshore liquified natural gas (“LNG”) bunkering articulated tug and barge (“ATB”) in the United States, the *Q-LNG 4000* is now ready for operations.

Designed to provide ship-to-ship transfers of LNG to vessels utilizing LNG and ship-to-shore transfers to small scale marine distribution infrastructure, the ATB is an integral part of the LNG infrastructure along the southeast U.S. coast. This critical milestone in the development of marine LNG infrastructure is an important step in the safe, reliable transportation and delivery of LNG in North America.

“Shell has an ambition to be a net-zero emissions energy business by 2050 or sooner, in step with society, and we are working hard to deliver the kind of solutions our customers need now to help them decarbonize,” said Karrie Trauth, General Manager for Shipping and Maritime, Americas. “LNG is an important part of the solution today, and I’m proud that this vessel will effectively double the number of LNG bunker vessels in the U.S. and making it possible for us to continue to help others accelerate their own transition.”

The barge complements Shell’s existing global network of 6 LNG bunker vessels to meet the growing global demand for cleaner maritime fuels.

Shane Guidry, CEO of Q-LNG commented, “I’m pleased to have taken delivery and to begin our long term service contract with Shell Trading. All of my companies, including Q-LNG, are focused on, and will continue to do our part to design, build and operate vessels that will assist with the quest to decarbonize. We look forward to delivering extremely safe and reliable service, as we have done for Shell all of my career. I absolutely want to thank all of those with Shell who were very helpful throughout the build process and to especially thank everyone on my team, whom all remained focused and committed, with boots on the ground 24/7 to get this vessel across the finish line.”

Compared to heavy fuel oil, LNG reduces greenhouse gas emissions by up to 21% for 2-stroke engines and up to 15% for 4-stroke medium speed engines as well as significantly reducing pollution from nitrogen oxides and particulate matter compared to conventional marine fuels. This fuel type also meets IMO 2020 sulphur regulations.

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About Q-LNG Transport:

Q-LNG Transport is the third LNG service company founded by the CEO of Harvey Gulf International Marine. The first of those produced five Duel Fuel LNG Platform Supply Vessels, which was followed by the creation of the first U.S. marine LNG fueling terminal and, now, Quality Liquefied Natural Gas Transport has produced the first U.S. flagged ATB capable of bunker LNG, all with the mindset of designing, building and operating equipment that will assist with de-carbonization.



About Shell Trading (US) Company:

Shell Trading (US) Company operates in the U.S. as part of Shell Trading and Supply, one of the largest energy trading operations in the world with its largest trading hubs located in London, Houston, Singapore, Dubai and Rotterdam. This global organization combines our network of trading companies, industry leading shipping and maritime capabilities and integrated network of supply and distribution activities, to act as the central nervous system for Royal Dutch Shell, adding value across Shell's Upstream, Downstream and Integrated Gas businesses.

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Notes to editors:

- Vessel
 - Q-LNG 4000 was initiated as part of Shell's strategic plan to develop a global LNG bunkering network complementing other developments in Asia, Northern Europe and the Western Mediterranean.
 - Construction of the vessel took place at the VT Halter Marine, Inc shipyards in Pascagoula, MS.
 - With a carrying capacity of up to 4,000 cubic meters of LNG, the barge has dimensions of 324' x 64' x 32.6' and the tug has dimensions of 128' x 42' x 21'.
- Shell's business
 - Becoming a net-zero emissions energy business is a huge task. Shell's business plans today will not get us there. So, our plans must change over time, as society and our customers also change.
 - Shell is aiming to double its LNG bunkering network by the mid-2020s, to around 15 major ports on the key international trading routes.
 - Shell is aiming to become a net-zero emissions energy business by 2050 or sooner.
 - Shell has significantly invested in LNG for its long-term charter fleet. Shell expects to take delivery of 16 dual-fuel LNG carriers, 10 LNG dual-fuel Aframax crude oil tankers, and four new LNG dual-fuel oil products tankers from 2021.
- LNG
 - When compared with heavy fuel oil, from extraction to combustion LNG has been found to reduce greenhouse gas emissions by up to 21% for 2-stroke slow speed engines and up to 15% for 4-stroke medium speed engines.¹
 - LNG produces 92% less sulphur oxides (SOx), 90% less particulates (PM), and significantly reduces nitrogen oxides (NOx) when compared to heavy fuel oil (HFO).
 - There are five times the number of LNG powered vessels on the water today than in 2017

¹ Thinkstep, *Life Cycle GHG Emission Study on the Use of LNG as Marine Fuel, 2019*