



STRIDES ENERGY & MARITIME LIMITED

**Dredging *Pipelaying * Offshore Vessel*

18th July, 2020

The Contract Manager
Integrated Pipeline Maintenance and Repair Services (IPRS)
The Shell Petroleum Development Company of Nigeria
Port Harcourt, Rivers State.

Attention: **Tarere Oji**

Dear Sir,

**RE: CURRENT OIL PRICE IMPACT AND SUPPLY CHAIN CHALLENGE –
CONTRACT NO: CW241273**

Please refer to the discount negotiation on the subject IPRS contract, and your mail of 13/07/2020 requesting for a discount of 5%. After a detailed re-evaluation of the commercial rates of this contract, the scope of works requirement and other prevailing realities of safety, qualitative and timely project delivery, we regret to notify you of our inability to grant more than 1% discount as already conveyed in our earlier letter.

Accept the assurances of our highest consideration always.

Yours faithfully,

For: **Strides Energy & Maritime Limited**

M.A. Abazie

CEO



15th July, 2020.

The General Manager/Deputy Managing Director,
The Shell Petroleum Development Company of Nigeria Limited,
P O Box 263 Port Harcourt,
Nigeria.
Attention: Simon Rudy

Dear Sir,

RE: COVID-19 - CURRENT OIL PRICE IMPACT AND SUPPLY CHAIN CHALLENGE (CONTRACT CW260274 - MELCORT NIGERIA LIMITED)

Reference is made to the mail received on the 13th of July, 2020 on the above subject matter.

While we sympathize with the JV partners on the Low oil price effect, we are unable to give further discounts on this contract as we are already operating at 30% of the current market price which is not entirely favorable. Despite this downside to the contract, we have continued to show our commitment in support of SPDC's operations. This has been made possible by pushing the boundaries in our collaboration with our supply chain and aggressively eliminating all forms of waste in our processes and operations.

Consequently, we are unable to give the 5% discount as Mandated by the JV Management at this time. Please accept our position on this in good Faith

We hope for a quick recovery from the effect of the COVID 19 Pandemic and a swift return to business as usual.

Yours Faithfully,

For: Melcort Limited



Monday Emuobosa Onatere
MD/CEO



ANASAMI
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Rumuokwuru, Port Harcourt,
P.O.Box 1053, Woji

June 2, 2020

The Contracts Manager

The Shell Petroleum Development Company of Nigeria Limited

Port Harcourt,

Nigeria.

Attn: Tarere Oji

Dear Madam,

**RE: CONTRACT NO. CONTRACT NO. CW260390: INTEGRATED PIPELINE MAINTENANCE &
REPAIRS SERVICES (IPRS)**

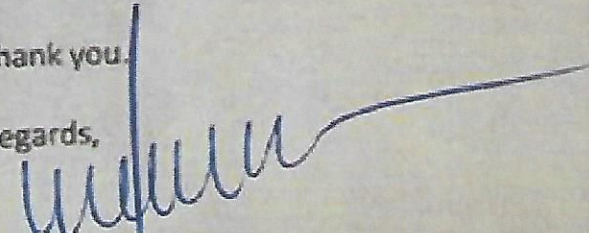
COVID-19- Current Oil Price Impact and Supply Chain challenges

We refer to the tripartite teleconference meeting between NAPIMS, SPDC and Anasami Construction Nig. Ltd dated May 29, 2020 for re-negotiation of the rates for the provision of Integrated Pipeline Maintenance & Repairs Services (IPRS) contract number CW260390, due to the current Oil Price Impact and Supply Chain Challenge caused by the Covid-19 pandemic.

It is pertinent to note that we are already working below 50 percent of the formal IPRS contract rates, and it has been very tight to deliver this job using this offered lowest bidder rate from SPDC. We have just been demonstrating our commitment and capacity, but for our concern on the global challenges, which has impacted the economy of the world and Nigeria government, we have accepted to step down with 5 percent discount from our tough contract rates. We believing that if situation improves, you will re-visit the rates to enable us respond to all scope of jobs.

Thank you.

Regards,


HRH Appolus Chu
President/CEO

**The Shell Petroleum Development
Company of Nigeria Limited**

Shell Industrial Area, Rumubiakani
P O Box 263 Port Harcourt
Rivers State, Nigeria

22nd July 2020

Attention: Oji, Tarere

Dear Madam,

RE: COVID-19 - Current Oil Price Impact and Supply Chain Challenge (Contract CW260402)

Thanks again for the opportunity to negotiate this contract. Indeed the 5% discount is fair considering the significant impact the COVID-19 pandemic has on our economy. However such discount will lead to our inability to safely and effectively execute most scopes within the contract.

Please note that even at the moment, the cost of execution has significantly increased due to the cost of forex as quite a number of our spares and consumables are imported.

We hereby appeal to our partners to reconsider this stand as the contract rates were already low from inception and we have been working extremely hard to ensure that we stay afloat and perform adequately.

As always, we are grateful for this partnership and look forward to achieving even greater things.

Yours faithfully,

For: Houston Engineering and Marine Services

Mark Obi
MD/CEO HEMSL