



MODEC's Bacalhau FPSO Project for offshore Brazil proceeds to EPCI Phase with FID by Equinor

Tokyo, June 3, 2021 – MODEC, Inc. (“MODEC”) is pleased to announce that on June 1, 2021, Equinor Brasil Energia Ltda, a subsidiary of Equinor ASA (“Equinor”), took its Final Investment Decision (FID) for a Floating Production Storage and Offloading (FPSO) vessel for the Bacalhau field offshore Brazil.

Following a Sales and Purchase Agreement (SPA) for the FPSO which was signed between Equinor and MODEC in January 2020, with respect to the Front End Engineering Design (FEED) and pre-investment of the FPSO, MODEC has now officially been awarded the contract for Engineering, Procurement, Construction and Installation (EPCI) for the FPSO. MODEC will also provide Equinor with operations and maintenance service of the FPSO for the first year from its first oil production, after which Equinor plans to operate the FPSO until end of the license period in 2053.

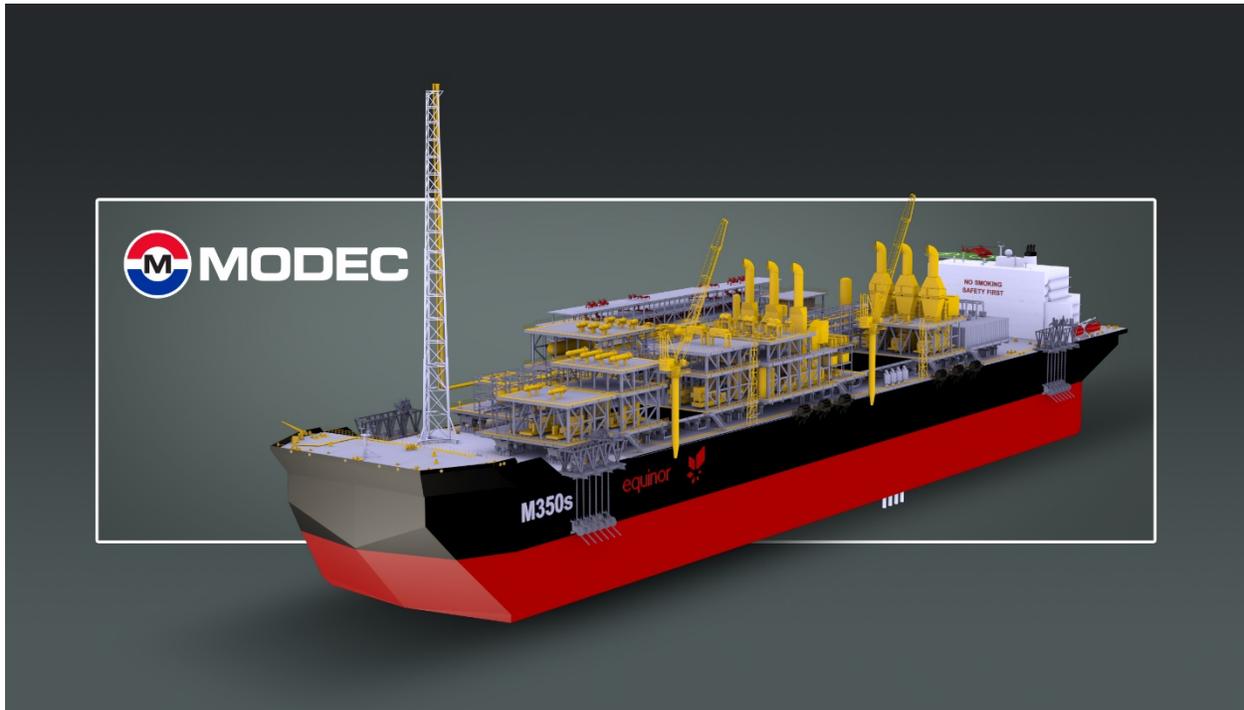
The FPSO will be deployed at the Bacalhau field in the BM-S-8 and Carcará North blocks located in the giant “pre-salt” region of the Santos Basin some 185 kilometers off the coast of the municipality of Ilhabela/SP, in the state of São Paulo. Equinor’s field partners are ExxonMobil (40%), Petrogal Brasil (20%) and Pre-sal Petroleo SA (PPSA).

The FPSO vessel will be permanently moored at a water depth of approximately 2,050 meters by a spread mooring system to be supplied by MODEC group company, SOFEC, Inc.

The FPSO will be one of the largest FPSO ever delivered to Brazil. It will have a large topside designed to produce up to 220,000 barrels of crude oil per day, produce and inject up to 530 million standard cubic feet of associated gas per day and inject up to 200,000 barrels of seawater per day. Its minimum storage capacity of crude oil will be 2,000,000 barrels. As a remarkable point, the project will use a Combined Cycle Power Generation System as a solution to help reduce CO2 emission of the facility on the operational phase.

The FPSO will be the first application of MODEC's “M350 Hull”, a next generation new built hull for FPSOs, full double hull design, which has been developed to accommodate larger topside and larger storage capacity than conventional VLCC tankers, with a longer design service life.

The FPSO will be 17th FPSO/FSO vessel delivered by MODEC in Brazil, 9th FPSO in the pre-salt region, as well as MODEC’s first with Equinor.



Bacalhau FPSO

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The information contained in this news release is true and accurate at the time of publication; however, it may be subject to change without prior notice.