TANAP
Project Progress Update

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CEO

SGC Advisory Council, 4th Ministerial Meeting, 15.02.2018, Baku
TANAP Project Scope

Pipeline Route

End Point: Greece - Turkey border (İpsala-Edirne)

Start Point: Georgia - Turkey border (Türkgözü)

Pipeline (1,850 km)

Stations (for 31 bcm)

Gas Transmission Capacity

- 2018: 6 bcm/y
- 2019: 16 bcm/y
- 2023: 24 bcm/y
- 2026: 31 bcm/y

Pipeline (1.850 km)

Stations (for 31 bcm)

- Ardahan - Eskişehir (1,340 km)
- Eskişehir - Edirne (476 km)
- Dardanelles Strait (twin pipeline system 2x17.6 km)

Off-Take Points:
- Eskişehir, Thrace Region
- Compressor Stations: 4
- Metering Stations: 7
- Pig Stations: 12
- Block Valves Stations: 49

600 Villages
67 Districts
20 Provinces
Man-hours worked: 77,262,490
Kilometers driven: 170,002,964
No of truck freights: 66,632
No of pipes welded: 131,620 (1,31 Mton)

Volume of soil excavations: 11,420,610 m³
No of crossings: 6,834
Highest Point on P/L: 2,760 m
KP 621 (Red Mountain)
Deepest Point on P/L: -65 m (Dardanelle)

Highest Steep Slope: 30%
KP 14 (Ilgar Mountain)

Linefill started after the first pipe joint welded for 1,340 km 56" dia. P/L: 887 days

2x36" (35.2 km) offshore pipe laying incl. above water tie-ins: 51 days
Longest time achieved without lost time incidents: 11,592,074 man-hours

Total length of 56” P/L section lowered-in in one month: 120 km

Longest 56” P/L section lowered-in in one day: 10 km

Weld repair rate for 2,838 offshore pipe joints: 0.46%

No of 36” offshore pipe joints welded in one day: 136 joints (1,670 m/day)

No of 56” pipe joints welded in one day by one welding team: 145 joints (2,000 m/day) (CRC World Record)

No of FOC installation repairs for 70 km offshore FOC installed: None

Longest river crossing with HDD in Europe: 1,100 m (Sakarya River)
Project Highlights
(End of January 2018)

No of correspondences made: 125,500

No of acquired parcels: 20,722 private
7,496 public

No of new species discovered: 9 fauna + 1 flora

No of permits obtained: 350

No of opinion letters from State Authorities: 1,200

% of amicable agreements: 46%

No of documents produced: 155,000

No of landowners: 103,099

No of archaeological sites discovered: 154

Total value of contracts signed: > USD 5 billion
Important Milestones Achieved

- **Phase 0 – Gas to Eskişehir** (1,340 km long 56” diameter P/L + MS1 + MS2 + 39 BVSs + 6 PSs) is mechanically completed as of **25.12.2017**
- Linefill and commissioning of P/L started on **23.01.2018**
- Commercial operation date is **01.07.2018**
# Overall Project Progress Overview

(As of 01.02.2018)

<table>
<thead>
<tr>
<th>Category</th>
<th>Earned</th>
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<tbody>
<tr>
<td>PIPELINE OVERALL</td>
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<tr>
<td>Gas to Eskisehir</td>
<td>99.9%</td>
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<tr>
<td>Gas to Europe</td>
<td>80.7%</td>
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<tr>
<td>OVERALL</td>
<td>96.1%</td>
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<tr>
<td>STATIONS OVERALL</td>
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<tr>
<td>Gas to Eskisehir</td>
<td>80.7%</td>
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<tr>
<td>Gas to Europe</td>
<td>64.5%</td>
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<td>OVERALL</td>
<td>72.8%</td>
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<td>TSC OVERALL</td>
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<tr>
<td>Gas to Eskisehir</td>
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<td>Gas to Europe</td>
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<tr>
<td>OVERALL</td>
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<td>TANAP PROJECT OVERALL</td>
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<tr>
<td>Gas to Eskisehir</td>
<td>97.6%</td>
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<td>Gas to Europe</td>
<td>76.8%</td>
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<tr>
<td>OVERALL</td>
<td>91.9%</td>
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</tbody>
</table>

MCC Main Building (Phase 0)

MCC Control Room

BVS 26 General View (Phase 0)
Project Progress Overview – Pipeline
(Phase 0 & 1)
Receival of the first pig at PS1, Posof (KP 1) on 23.01.2018 from the South Caucasus Pipeline followed by the First Gas
Project Progress Overview – Linefill
(Phase 0 - Gas to Eskişehir)

Receival of the first linefill pig at PS 3, Erzurum (KP 345) on 07.02.2018

Launching of linefill pigs from PS 3, Erzurum (KP 345) towards PS 4, Sivas (KP 675) on 08.02.2018
Dardanelle Strait Crossing General View (Gas to Europe)
• Current CAPEX estimate is $7,99 billion after 32% cost saving from initial CAPEX estimate of $11,77 billion.

• TANAP shareholders already secured $2,65 billion under the loan agreements with IFIs including IBRD, MIGA, AIIB and EBRD.

• Negotiations still continue for potential EIB loans. Total financing from IFIs including EIB might go up to $3,75 billion.

• EU grants received under the PCI programme have reached €10,2 million.