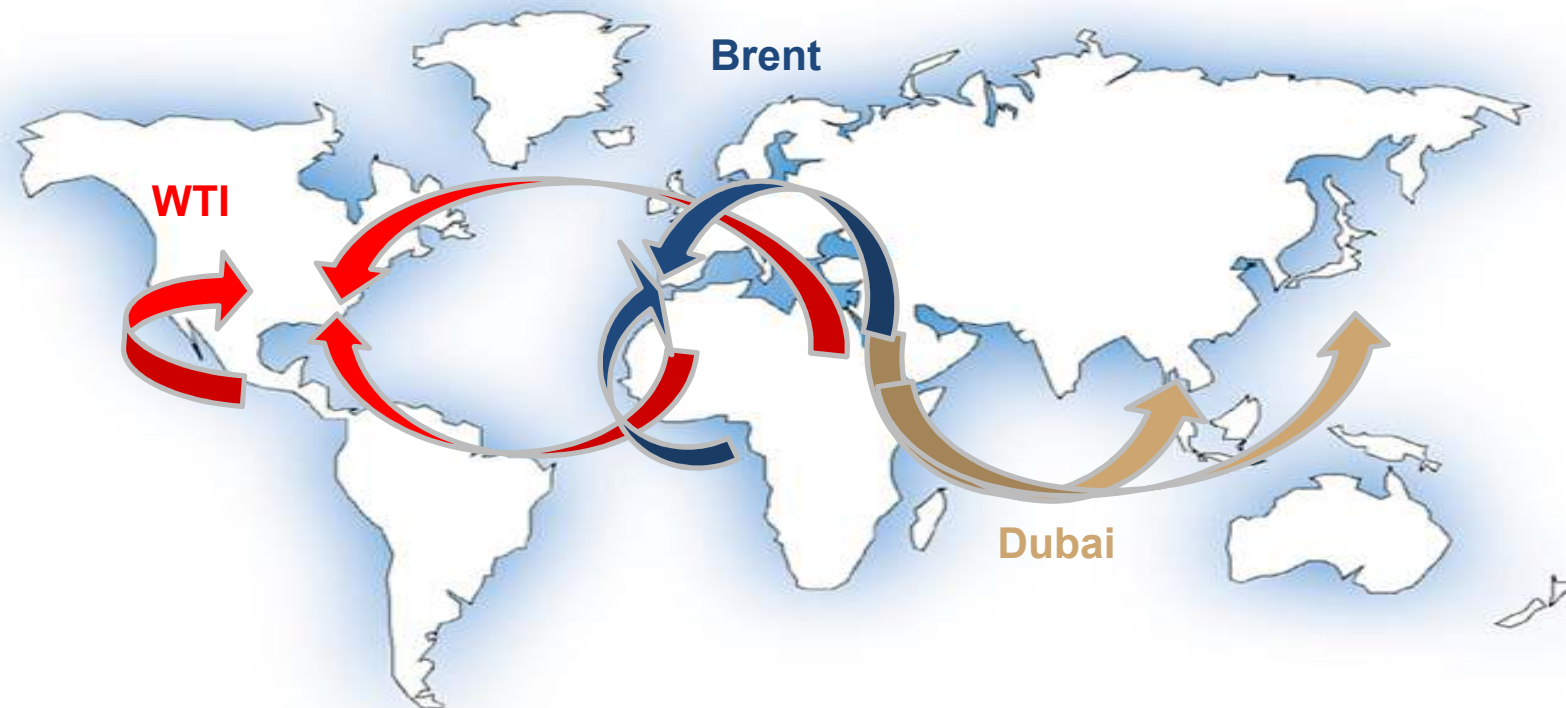


DME Oman – Transparent pricing and effective risk management in a new era

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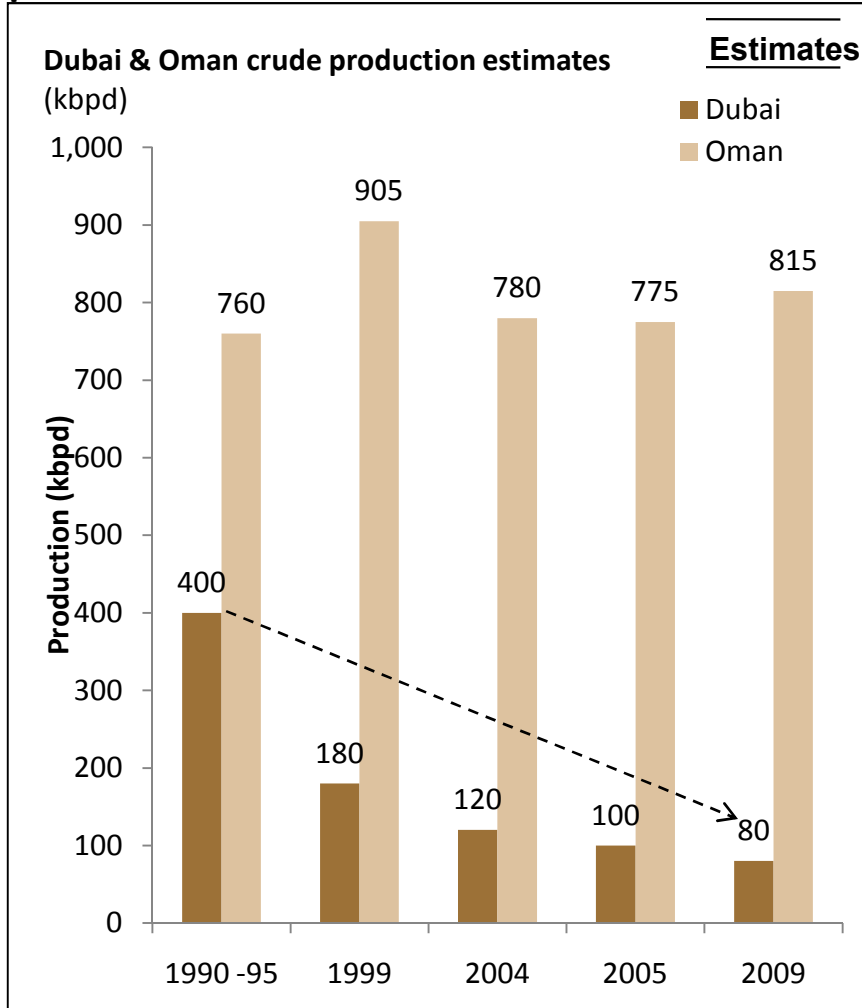
Historically, Western markets utilized futures benchmarks such as Brent and WTI, whereas Eastern markets primarily utilized assessments of Dubai crude



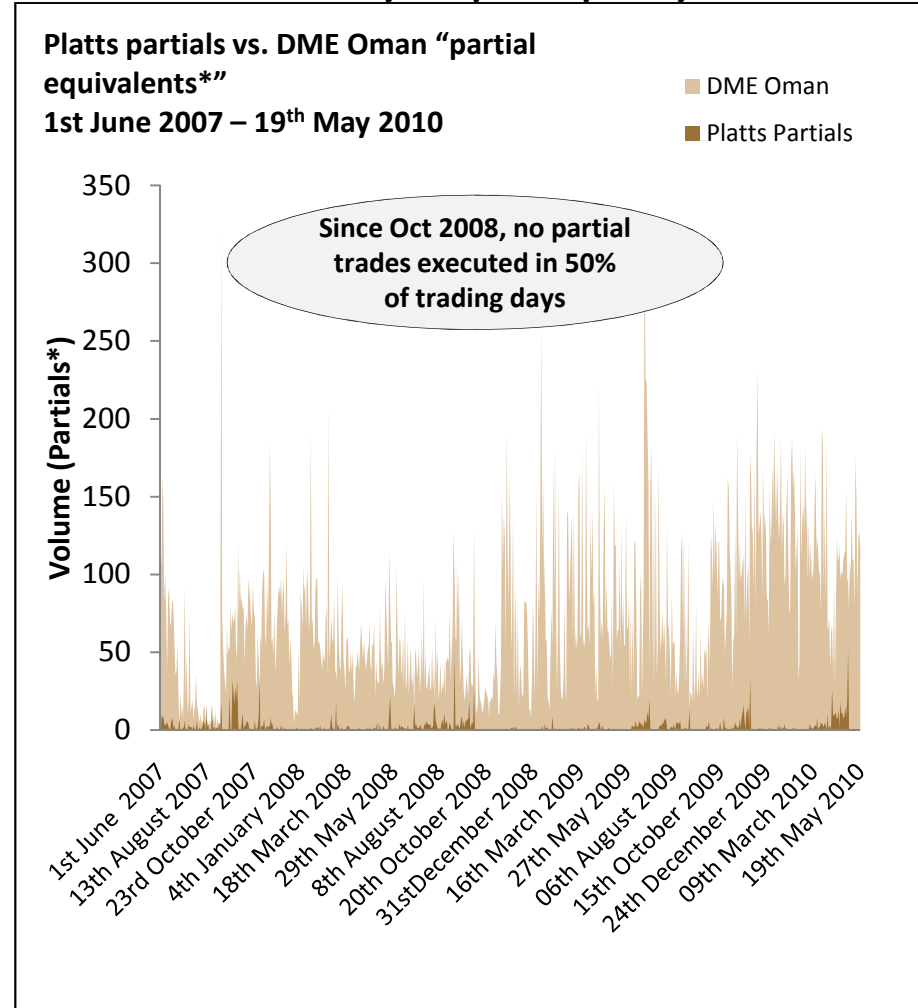
- Whereas Western benchmarks are principally traded on regulated exchanges, East of Suez benchmarks historically traded in OTC markets, with pricing assessments reported by journalistic agencies.
- The majority of AG producers have utilized assessments of Dubai and Oman into their Asian OSP formulas. However, partials market activity has typically been concentrated in Dubai.

Dubai's decline in production and persistent lack of liquidity in the partials market have highlighted the need for a robust benchmark in the East of Suez

Price transparency impacted by Dubai's crude production decline ...

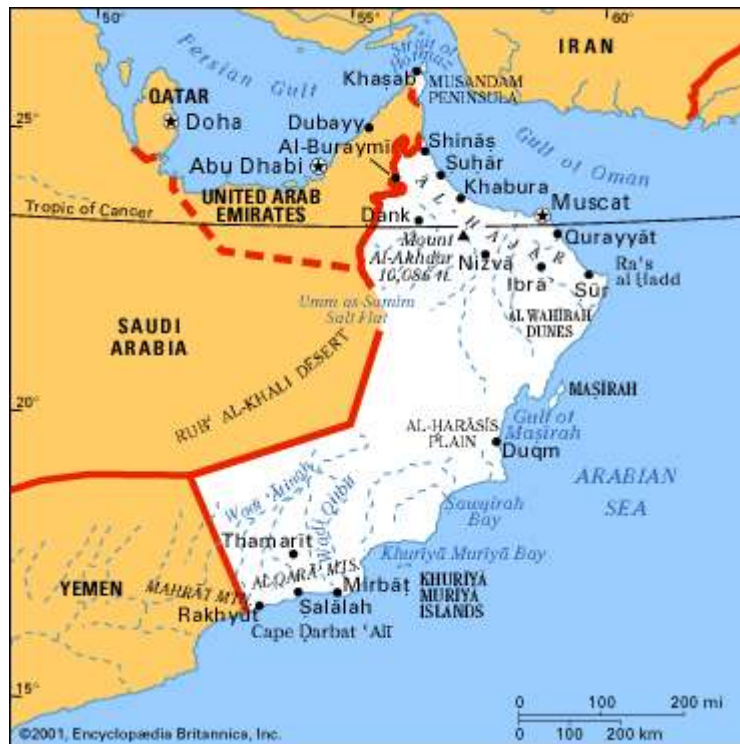


... the fragility of the Dubai assessment has been further weakened by drop in liquidity



*DME "Partials" Equivalent: DME daily volume in barrels/25,000 (i.e. one sour partial is equivalent to 25,000 barrels)

Oman crude possesses the characteristics needed for a credible crude oil benchmark



1. Robust long-term production levels: 850,000 bpd
2. Not subject to OPEC production quotas
3. Liquid secondary market (no destination restrictions)
4. Multiple equity producers and broad term contract distribution

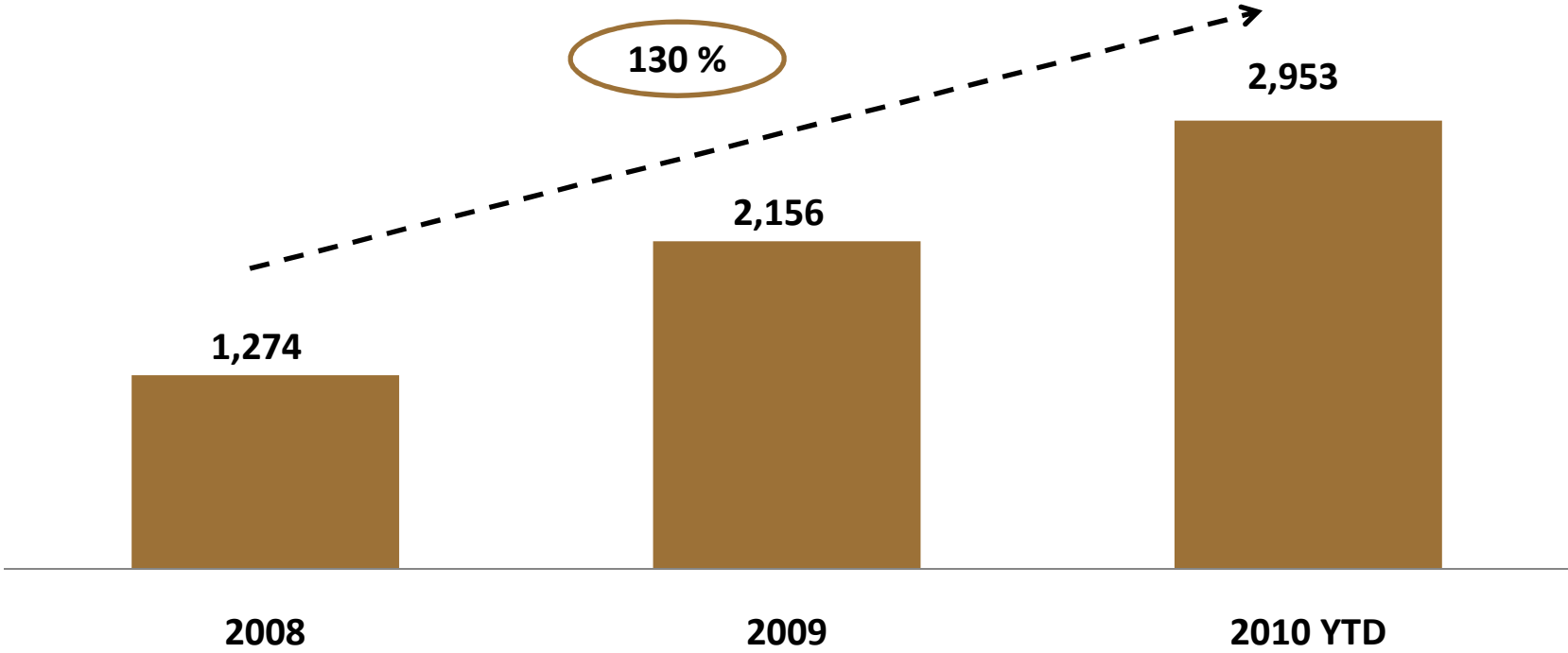
The introduction of DME Oman has cemented the role of Oman as the most effective crude grade for East of Suez pricing

Rationale	Description
Liquid market	<ul style="list-style-type: none">• DME Oman offers vastly improved liquidity over the current Dubai partials assessment mechanism<ul style="list-style-type: none">– More than 580 DME price points for each Platts partials traded in 2010
Link to physical	<ul style="list-style-type: none">• DME Oman is now the world’s largest physically-delivered crude oil futures contract, ensuring strong supply/demand and price linkage<ul style="list-style-type: none">– More than 14 million barrels delivered through the DME in May
Robust regulation	<ul style="list-style-type: none">• Robust regulatory oversight ensures a level playing field and efficient market place

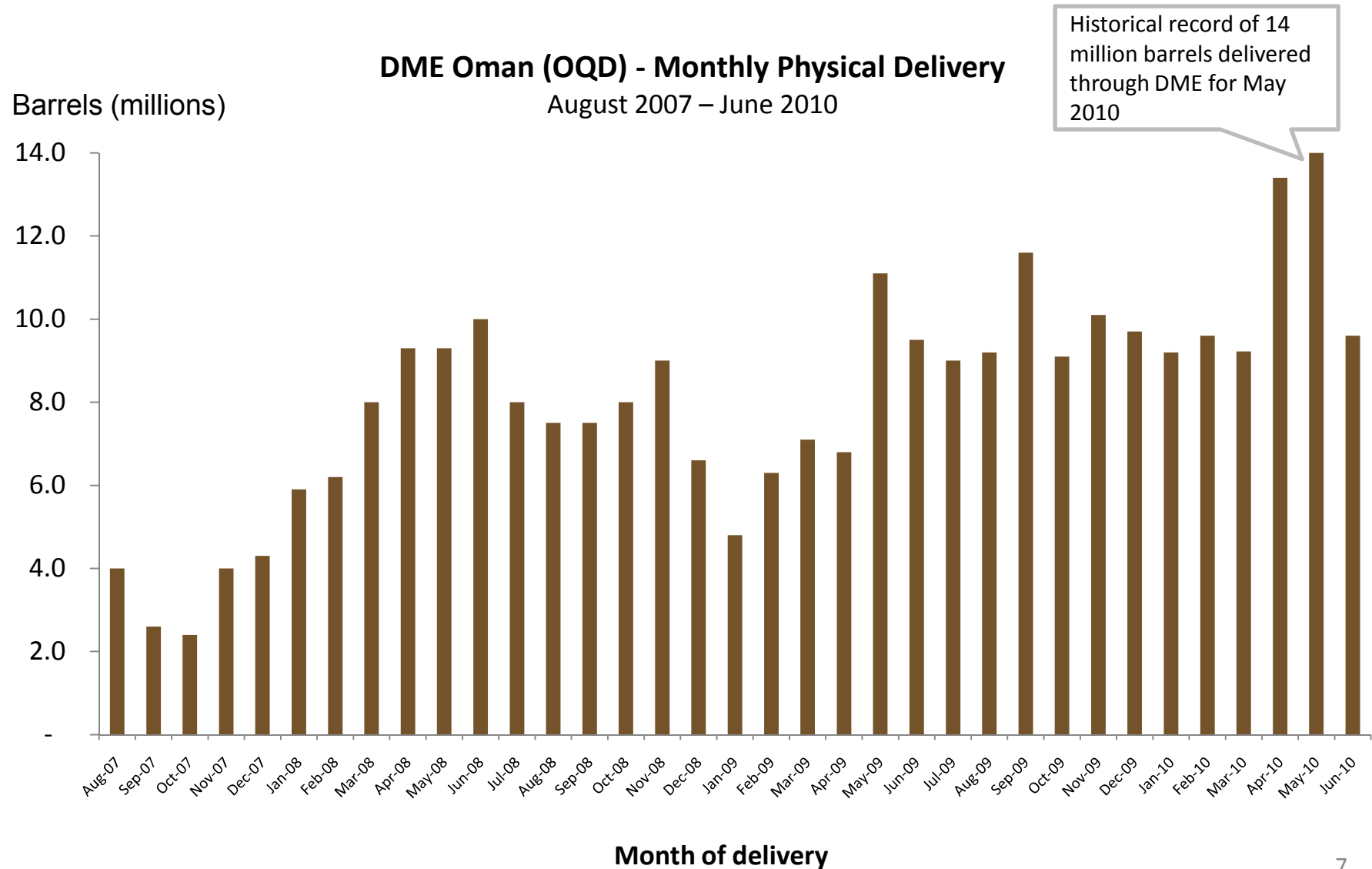
DME Oman liquidity has experienced robust growth since launch

DME Oman – Average Daily Volume (ADV)

Lots

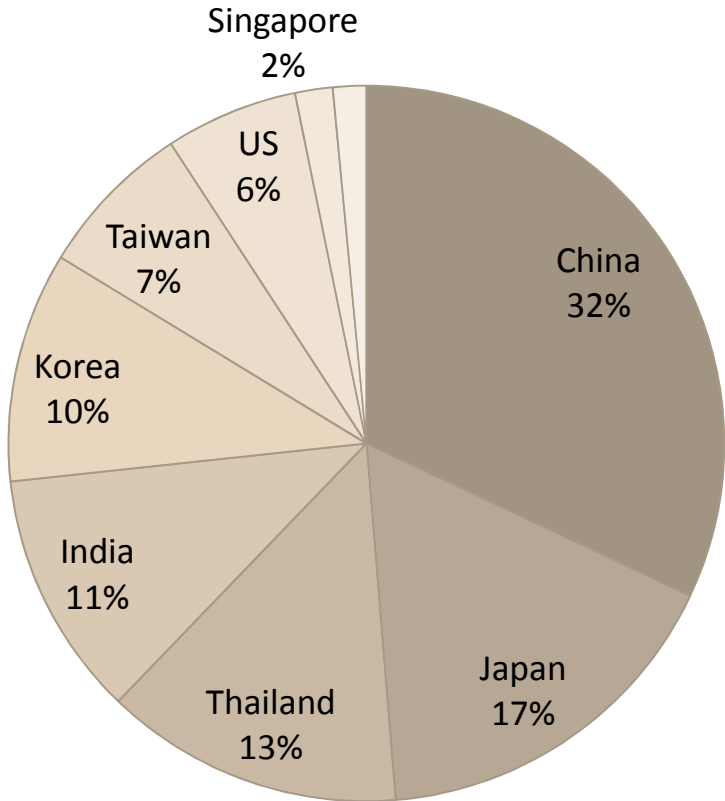


DME Oman's link to physical reflects underlying supply/demand fundamentals in East of Suez



Oman crude is widely traded around the East of Suez, ensuring strong regional supply/demand and price linkage

Destinations for Oman Crude (2009)

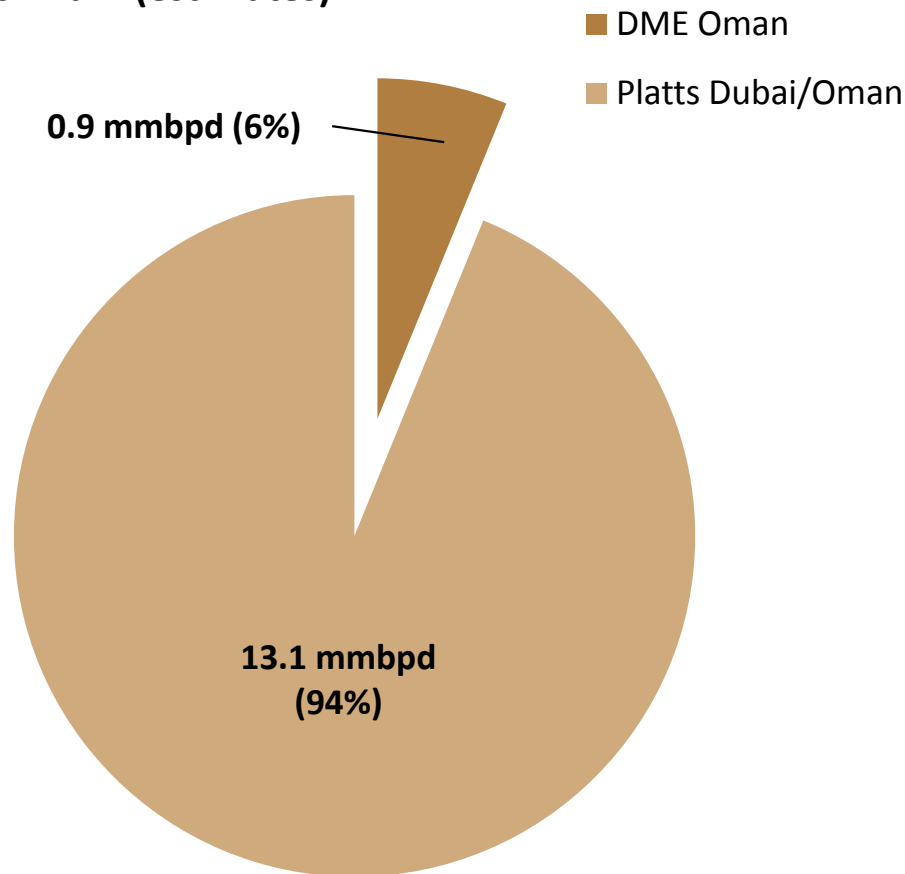


Source: MOG

DME Oman is the benchmark for 6% of Eastern-bound AG crudes, providing room for significant growth

ESTIMATES

AG crude exports to Asia split by pricing benchmark (estimates)



- DME Oman is currently the sole and explicit pricing benchmark for Dubai and Oman crudes, the historic crude markers in the East of Suez
- Platts Dubai and Oman assessments are still used in pricing formulas by the majority of producers, despite persistent low liquidity and frequent disconnection from underlying physical markets

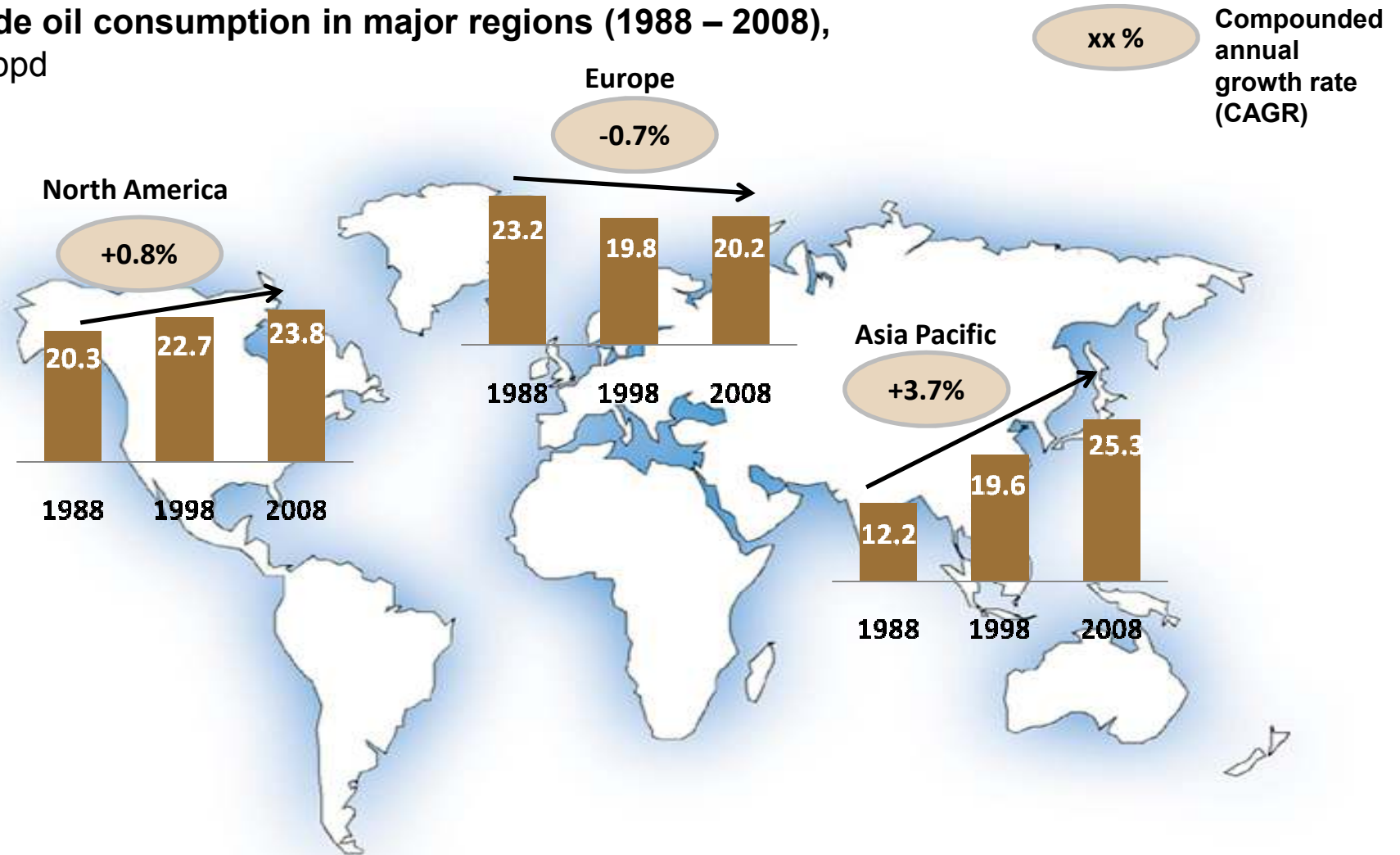
Compared to Dubai crude, Oman crude exhibits characteristics that make it a far more robust marker

Criteria	Dubai crude	Oman crude
1 Robust production levels	X	✓
2 Stable production levels	X	✓
3 Relevant crude quality	✓	✓
4 Physical spot markets	X	✓
5 Multiple equity producers	X	✓

- Declines in Dubai production and persistent lack of liquidity in Platts window have weakened its viability as a marker
- Oman crude enjoys a robust production profile, an active physical spot market and a diversified equity producer base, cementing its credibility as a robust regional marker

Asia Pacific has already become the largest crude consumer in the world, reinforcing the need for a credible benchmark

Crude oil consumption in major regions (1988 – 2008), mmbpd



The DME is committed to providing a full-range of risk management tools for industry stakeholders



Current Contracts

Futures

- Oman Futures – Physically settled
- Oman Futures – Financially settled

Contracts slated for launch in 2010*

Cleared swaps

- Oman Cleared Swap
- Brent-Oman Cleared Swap

Options

- Oman Average Price Option
- Oman European-style Option

* Subject to regulatory approvals

Source: DME

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