**Duqm Refinery & Petrochemical Complex scope study**

Trans Sadara Trading and Contracting Company leading a group of investors intends to build a refinery and petrochemical complex in Duqm, Special Economic Zone Authority, in Oman; the refinery capacity will be 250,000 – 300,000 BPD. The refinery and petrochemical complex will be mainly for export products, with target of maximum production of Para-xylene and other petrochemical products based on the market demand. A feasibility study and marketing analysis study is undergoing currently to finalize the refinery configurations and products.

The project will be implemented in two phases, phase I the refinery project which includes the main refinery units, Crude Distillation, vacuum Distillation, HydroCracker, Naphtha Hydrotreater, Distillate Hydrotreater and Utilities plant, the main products from this phase as follow:

* LPG
* Naphtha
* Jet A1
* Diesel
* Fuel Oil

Project Phase II the petrochemicals complex, and the refinery full conversion units, this phase includes the Reformer unit, Isomerization unit, the Aromatics complex, Delayed Coker Unit and the Sulfur recovery unit, the main products from this phase as follow:

* LPG
* Gasoline
* Jet A1
* Diesel
* Refinery Coke
* Benzene
* ParaXylene

The Crude Oil Supply for the refinery will be from the Arabian Gulf as the large reserves oil producers in this region, the target is Light Crude from Iraq and Light crude from Iran, also any other available crudes in the region, we have in place agreement with Local Oil trader company to facilitate the crude supply for he refinery.

**Financial calculations:**

High level financial calculations for the for the project Phase I and Phase II to indicate the Net Present value (NPV) and the Internal Rate of return (IRR), based on the Crude and products price first week of July 2014.

The estimate project investments around 5 billon US dollars, and based on the our initial calculation of the project Phase I the refinery profit is 9 USD Dollars per Barrel and for Phase the refinery margin will reach up to 18 USD per Barrel.

Phase I Calculations:

Crude Feed Cost / Day (250 bbl) 27,250,000 USD

Total Income / Day 30,429,975 USD

Operating cost / Day (3%) 912,899 USD

Profit / Day 2,267,075 USD

Profit / Year 827,482,648 USD

Phase II Calculations:

Crude Feed Cost / Day (250 bbl) 27,250,000 USD

Total Income / Day 32,896,487 USD

Operating cost / Day (3%) 986,895 USD

Profit / Day 4,659,592 USD

Profit / Year 1,700,751,222 USD

Net Present Value and IRR

The net present value calculation done for period of 7 years at interest rate of 5%

Interest 5%

Capital Investment 5,000,000,000 USD

NPV 2,463,054,706 USD

IRR 15.463 %