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MEDIA RELEASE

Keppel on track to deliver South East Asia's first LNG powered tug

Singapore, 25 April 2018 – Keppel Offshore & Marine, through its wholly owned subsidiary, Keppel Singmarine, is on track to deliver South East Asia's first dual-fuel LNG tug to Keppel Smit Towage on time and with a perfect safety record.

The vessel was named KST Liberty at a ceremony held at Keppel Singmarine today, with Mr Loh Ngai Seng, Permanent Secretary at Singapore's Ministry of Transport as the Guest of Honour.

The 65-tonne bollard pull LNG dual-fuel Azimuth Stern Drive (ASD) tug was built to Keppel's proprietary design which won the Outstanding Maritime R&D and Technology Award at the 2015 Singapore International Maritime Awards.

Mr Loh Ngai Seng said at the ceremony, "Today's christening of KST Liberty marks an important milestone in Singapore's journey to make LNG bunkering available at our port as early as 2020. I congratulate Keppel O&M and Keppel Smit Towage for taking the lead, under MPA's LNG Bunkering Pilot Programme, to build and operate Singapore's first LNG-fuelled vessel. Such partnerships bring us closer to our goal of cleaner and more sustainable marine fuels."

Mr Abu Bakar, Managing Director (Gas & Specialised vessels) of Keppel O&M, said, "We are pleased to support Keppel Smit Towage and the industry's push towards adopting LNG as marine fuel with this upcoming delivery of South East Asia' and Singapore's first LNG-powered tug. Our award-wining dual-fuel tug design offers more economical operations with efficient fuel consumption; a simplified bunkering process; optimised deck space that increases the safety and comfort of the crew; and ease of operations. One of seven dual-fuel vessels we are building, Keppel O&M has developed various solutions that are able to meet different needs along the LNG value chain."

Smart designs were incorporated to enhance the tug's safety and comfort. The LNG fuel is carried in containerised, type-C ISO-certified tanks on the main deck, and re-fuelling can be done by truck to ship operations or replacing the empty tanks with replenished ones. It is equipped with an innovative and patented LNG vaporiser which is compact and cost-effective.

Mr Romi Kaushal, Managing Director of Keppel Smit Towage added, "This is a state-of-the-art tug, with environmentally-friendly features that exceed the requirements of the International Maritime Organisation's (IMO) global cap of 0.5% on the sulphur content of marine fuel that

comes into force on 1st January, 2020. It will have substantially reduced CO2 emissions relative to traditional tugs and be a much welcomed green initiative. KST Liberty will also increase our capabilities as the fitted LNG tanks will allow for extended harbour operations without the need for refueling, enhancing operational efficiency. It is also more compact, compared to tugs of the same bollard pull, providing enhanced maneuverability. We have built a strong partnership with Keppel over the years who have demonstrated their ability to design and deliver quality vessels that meet our needs."

Shell will be supplying the LNG fuel to KST Liberty while FueLNG, a joint venture between Keppel O&M and Shell Eastern Petroleum (Pte) Ltd., will be providing the LNG bunkering services. The LNG bunkering will be conducted at Jurong Port which is able to support LNG bunkering operations.

Keppel O&M is able to offer solutions in both the demand and supply of LNG as fuel. On the supply side, FueLNG, a licensed LNG bunker supplier in Singapore providing safe truck and vessel bunkering solutions, is able to offer LNG bunkering while on the demand side, Keppel O&M has developed a suite of vessels that can run on LNG.

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About Keppel Singmarine
Keppel Singmarine is the specialised shipbuilding arm of Keppel Offshore & Marine, with a track record of designing and building some 400 ships of various specifications and functions, spanning from Anchor Handling Tug/Supply vessels, Multi-Purpose Offshore Support vessels and tugboats to highly advanced solutions such as icebreakers and ice-class support vessels. To learn more, please visit website www.keppelom.com

About Keppel Smit Towage
Keppel Smit Towage Pte Ltd was established in 1991 under a joint venture between Keppel Shipyard Investments Pte Ltd [which is a part of *Keppel Offshore & Marine* under the umbrella of *Keppel Corp*] and Smit Singapore Pte Ltd [Which is a part of Royal Boskalis Westminster N.V. ("Boskalis")]. The company is one of the largest and leading Harbour tug service providers in Singapore and Asia Pacific region. To learn more, please visit www.keppelsmit.com.sg

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