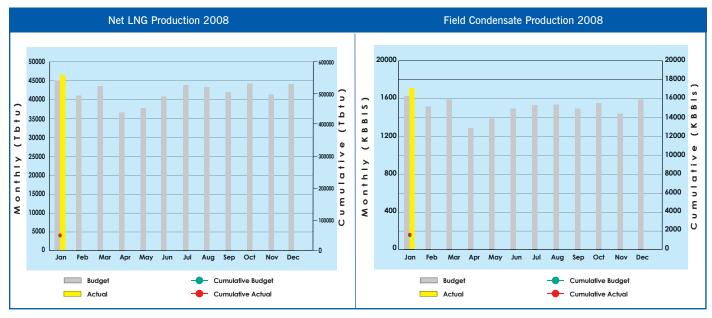
THE PIONEER

The magazine of Qatargas Operating Company Limited



Qatargas delivers 1000th long term cargo to Japan

Scorecard 2008



Qatargas SEQ Monthly Safety Statistics

Event Description	Qatargas		Contractors
Date of last LTA	1-Jul-02		26-Apr-03
Days worked since last Lost Time Accident	2,040		1,741
Personnel hours worked since last Lost Time Injury	12,625,736		8,418,993
Hours worked since last Lost Time Injury (04-26-03)		19,268,500	

Event Description	Qata	Qatargas		QG 2007 Business		Contractors	
	Current Month	Year to Date	Plan Targets		Current Month	Year to Date	
Number of Lost Time Accidents (LTA)	0	0	0	0	0	0	
Number of Medical Treatment Cases (MTC)	0	0	0	0	0	0	
Number of Occupational Illnesses (OI)	0	0	0	0	0	0	
Number of First Aid Cases (FAC)	0	0	0	0	1	1	
Number of Off the Job Injuries (OJI)	0	0	0	N/A	N/A		
Number of Major Fires	0	0	0	N/A			
Number of Minor Fires	1	1	0	N/A			
Number of Vehicle Incidents	1	1	0	0	0	0	
Number of Env. Releases	0	0	0	N/A			
Number of Env. Spills	0	0	0	0 N/A			
Number of Moderate to High Risk Potential Incidents	4	4	100 N/A > 275		N,	N/A	
Number of Incident Notification	19	19			1		
Number of STOP cards	77	77	> 4000				
Days Lost due to LTA	0	0			0	0	
Hours Worked this Month	310	310,816				73,424	
Hours Worked this Year	310,	310,816				73,424	
Hours Worked combined (QG/Contractor)				384,240			
	Year to	Year to Date		Industry Benchmark		Year to Date	
LTA Frequency Rate	0.0	0.00		0.20		0.00	
LTA Severity Rate	0.0	0.00		2.40		0.00	
Total Recordable Incident Rate	0.0	0.00		N/A		0.00	

Our aim is to create an "Incident and Injury Free" site at Qatargas. However, for statistical purposes, targets for motor vehicle incidents and medical treatments are based on Year 2002 actual figures.

Except for Near Miss Reports, we encourage reporting of all near misses so that the hazardous conditions can be eradicated as soon as possible, through corrective actions

Total near miss cases also include those derived from different categories of incidents/accidents reported such as medical treatment, first aid, minor/major fire, vehicle incidents, spill/release etc.

These derived near misses were also included in the "Total Near-Miss reports" due to their potential to escalate into more serious incidents.

Please note the attached graphs giving an annualized overview of KPI statistics.

Note: Man-hours based on projected headcount of September and November.

You can contribute to 'The Pioneer'. Please send articles, comments or feedback to:

Rachele Sheard, Chief Editor rsheard@qatargas.com.qa and Nizar Ahmed, Editor nahmed@qatargas.com.qa

Published by: The Public Relations Department, Qatargas Operating Company Limited., P. O. Box 22666, Doha, Qatar Tel: (974) 4736 000, Fax: (974) 4736 666, Website: www.qatargas.com

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CEO Address



Gearing up for another eventful year

2007 was an important year for Qatargas. We celebrated 'A Decade of Achievement' with a string of events to reflect on our accomplishments during the ten years since our first cargo was delivered to Japan.

The past year also witnessed unprecedented activity on all fronts – onshore, offshore and shipping. The onshore construction activities for Qatargas 2, Qatargas 3, Qatargas 4 and Laffan Refinery are progressing steadily. These along with the common LNG tank farm, Sulfur facilities and other expansion activities at the port have dramatically changed the landscape of Ras Laffan Industrial City.

The successful completion of phase 1 of the PMP project and construction of the offshore facilities for our expansion projects were some of the highlights of our offshore activities.

In 2007 we also took delivery of four of our new generation Q-flex ships, setting unparalleled standards in LNG transportation in terms of cargo capacity, energy efficiency and environmental impact. In the coming few years, these and the larger Q-Max vessels will transport Qatargas LNG to our customers all over the world.

We welcomed the New Year with yet another achievement. In January, we celebrated the loading of our 1000th LNG cargo under our long term sales and purchase agreements with our Japanese buyers. For Qatargas, this 1000th cargo is more than just a statistic. It is an important milestone in our strong and enduring relationship with our Japanese buyers. As I have often said in the past, our customers in Japan are our foundation buyers and our success story began with them.

Over the years, Qatargas has earned a reputation for safety and reliability. Last year, we achieved four million man-hours without a Lost Time Incident onshore and five million man-hours offshore on our current operations. This is indeed a remarkable achievement and we need to build on this – in our existing operations, expansion projects and future endeavors.

I would like to thank all of you for your valuable contributions in 2007 and urge you to keep up the good work in 2008 and the years to come.

Faisal M. Al Suwaidi

Chairman and Chief Executive Officer

Qatargas delivers 1000th long term cargo to Japan

On 12th January, Qatargas celebrated the loading of its 1000th liquefied natural gas (LNG) cargo under its long term sales and purchase agreements with its Japanese buyers.

Mr. Faisal M. Al Suwaidi, Chief Executive Officer of Qatargas Operating Company said; "Today we celebrate a great milestone in our relationship with our foundation customers in Japan with the loading of this 1000th cargo.

"It is fitting that this cargo should be loaded and delivered to Chubu Electric who were our first customers in Japan and who helped lay the foundation for the development of the first Qatari LNG project."

"This milestone demonstrates our commitment to reliable and timely deliveries to our customers."

The LNG cargo was delivered by the vessel Al Wajbah into Chubu Electric's Kawagoe terminal near the Japanese city of Nagoya on 28th January.

On the same day, a ceremony was hosted by Qatargas' Japan Liaison Office (JLO) on board the Al Wajbah to celebrate this important achievement.





"This milestone demonstrates our commitment to reliable and timely deliveries to our customers"

- Faisal Al-Suwaidi, Qatargas Chairman & CEO





The ceremony was attended by senior officials from Chubu Electric, Mitsui O.S.K. Lines, who operate Al Wajbah and the captain of Al Wajbah.

On 31st January, JLO hosted an official

reception to mark the occasion and honor the Japanese buyers. Mr. Katsuji Noda, Managing Director, Chubu Electric Power Company was the chief guest. Senior officials representing Qatargas' eight Japanese buyers and Qatargas 1 shareholders - ExxonMobil, Total, Mitsui and Marubeni - also attended the reception.

Chubu President makes courtesy call to HE Al-Attiyah





Mr. Toshihiro Mita, the President and Director of Chubu Electric Power Co. Inc., visited Doha from 9 − 12 February as part of the annual exchange of visits between Qatargas and Chubu, who are Qatargas' biggest customer in Japan.

During the course of his visit, Mr. Mita made a courtesy call to HE Abdulla

Bin Hamad Al-Attiyah, Deputy Premier and Minister of Energy and Industry. Mr. Faisal Al-Suwaidi, Chairman and Chief Executive Officer of Qatargas and other senior officials from Qatargas and Chubu were also present.

Qatargas recently celebrated the delivery of the 1000th LNG cargo

to Japan under its long term sales and purchase agreements with eight Japanese power and utility companies. The cargo was delivered to Chubu Electric. Qatargas' first LNG cargo was delivered to Chubu Electric in January 1997.

"Safe ship construction" plaque awarded to Tembek





During a brief ceremony held recently on board the LNG vessel 'Tembek' in Korea, a plaque of appreciation was presented by Qatargas in recognition of the vessel being constructed without any lost time incidents (LTI). Vishal Chaudhary, Marine Advisor presented the plaque to the Captain of the ship on behalf of Qatargas.

Qatargas introduced the "safe ship

construction plaque" to be awarded to all the new Q-Flex and Q-Max ships delivered without LTI. The Q-Flex LNG carriers Al Ruwais, Al Safliya and Al Gharrafa have also been constructed without LTIs and will receive similar awards.

Commenting on the award, Andy Richardson, Shipping Project Manager said; "To expend approximately 1.3 million man-hours building each vessel and completing it LTI free is a terrific achievement, a testimony to the team work and cooperation in the yards of all parties providing living proof that "Incident and Injury Free" is possible. We hope that this plaque will remind the ship's staff of this achievement and will help inspire them to run a safe ship going forward."

Q-Flex vessel Duhail delivered

On 15th January, the Q-Flex LNG carrier DUHAIL was delivered to Qatargas. This is the sixth Q-Flex vessel to be delivered to Qatargas since the delivery of the first two, Al Ruwais and Al Safliya in September last year.

DUHAIL which has a cargo capacity of 210,100 m³, was constructed by Daewoo

Shipbuilding and Marine Engineering Ltd. (DSME) in Korea. Qatargas has chartered the vessel from a consortium of Nakilat, Commerz Real A.G., and ProNav.

Five million man-hours without LTI at SHI

The Qatargas LNG vessel construction programme at Samsung Heavy Industries (SHI) in Korea has achieved five million man-hours without a Lost Time Incident (LTI).

The construction of the new generation Q-Flex and Q-Max LNG carriers started at SHI in April 2005. As part of the project, a total of seven Q-Flex and eleven Q-Max vessels are to be constructed at the SHI ship building yard in Geoje Island. The first of these, 'Tembek', a Q-flex vessel was delivered to Qatargas in November 2007. Between now and the second quarter of 2010, the remaining vessels will also be delivered.

Commenting on this achievement, Mr. Andy Richardson, Shipping Project Manager said; "There were many challenges for us when we started this



project, the most important one being in the field of safety. However, our collective determination to achieve our Incident and Injury Free goals has been instrumental in reaching this important milestone." Qatargas' safety culture and pursuit of an Incident and Injury free work environment is the top priority in all of its projects and work locations.

First loading for Tasweeq

A ceremony was held on board the LPG vessel, Ocean Orchid on 2nd January 2008 to celebrate the loading of Tasweeq's first cargo. Tasweeq (otherwise known as QIPMC) was established to market Qatar's "regulated" products - condensate, refinery products, LPG and Sulphur. All such products leaving Ras Laffan from 1st January onwards are transferred to Tasweeq who then market the product on behalf of the producers.

This new regime has meant changes to the way Ras Laffan Terminal Operations (RLTO) schedules product liftings and the requirements for cargo documentation. At the ceremony a group of VIPs led by Tasweeq CEO Mr Ali Al-Hammadi and Exxonmobil Country Chairman Mr Alex Dodds congratulated RLTO on safely loading the ship and on its efforts in working to prepare for a smooth transition to the new regime. Exxonmobil was the buyer of the first cargo from Tasweeq.



Mr Al-Hammadi is seen presenting a trophy to Mr. Trevor Davis, Manager of RLTO as a token of appreciation.

Panama minister visits Qatargas

H.E. Alejandro Ferrer, Minister of Commerce and Industry, Republic of Panama visited Qatargas on 27th January. He was given a presentation followed by a tour of the facilities.



Qatargas engages with Al Khor students

Qatargas participated in a career orientation program for students of Grades 11 and 12 of Al Khor International School in Al Khor Community.

Approximately 70 students and their teachers participated in the event held at Al Waha Club in Al Khor community on 25th February.

Officials from Qatargas briefed the students about the Company and the LNG business in general and the nature of job and qualifications required in different areas.

The students had the opportunity to interact directly with personnel from different departments and get first hand information and advice regarding career options. Commenting on the event, Mrs. Aida Al-Shahri, Qatargas Human Resources Manager



said; "Qatargas is pleased to be part of such events. We believe that these sessions will help students to enrich their knowledge and make important decisions regarding their future careers."

This is an annual session Qatargas arranges for the senior school students at Al-Khor school to help them know the current and future qualifications highly in demand in the country and internationally.

Qatargas launches web based safety alert service

On 3rd February, Qatargas launched a web-based safety alert service on the www.qatargas.com website. The safety alert web service allows Safety and other interested professionals to sign up to receive safety alerts that Qatargas and other companies generate on incidents that occur.

The website will also have a listing of safety alerts which summarizes the key lessons learnt from the alert and what preventive measures can be taken.

A safety alert is a well used system to enable people and organizations to learn from the lessons of incidents in other locations. It is very common for companies in the oil and gas industry to share these types of alerts in order to encourage continuous learning and best practice amongst the industry. Typically the alerts are email based and are not stored for long term reference or use by most organizations.

Mr. Faisal M. Al Suwaidi said; "We are committed to ensuring that safety



Officials from Safety, Environment and Quallity & IT departments celebrate launching of the service

remains a top priority at Qatargas. We want to continue to learn and develop in our approach to safety and assist others to do the same. Safety is something that you can never be complacent about because we want everyone to go home safely every day."

Qatargas currently has over four years without a Lost Time Injury (LTI) at its existing operational onshore facilities in Ras Laffan City and over five years without an LTI on its offshore facilities located in Qatar's North Field.

"We are committed to ensuring that safety remains a top priority at Qatargas. We want to continue to learn and develop in our approach to safety and assist others to do the same"

- Faisal Al-Suwaidi, Qatargas Chairman & CEO

Work on topsides for Qatargas 3&4 wellheads nearing completion

The Qatargas 3 and Qatargas 4 offshore team's work on the topsides is moving into top gear to ensure these essential structures are ready for action when they move into position over wellheads 7, 8 and 9.

The work is being carried out at the J Ray McDermott yard in Jebel Ali, Dubai, where each topside is being fabricated in deck sections. The cellar and lower decks of wellhead platform (WHP) 7 and WHP 9 topsides have already been positioned and these will soon be followed by the WHP 8 topside.

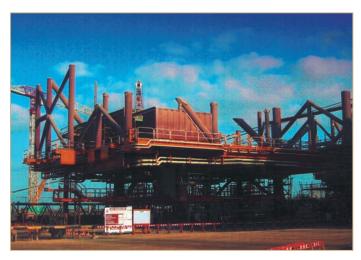
To provide better resistance to the corrosion caused by Qatar's offshore weather conditions, each deck is coated with thermal spray aluminium. The decks are then "stacked" (lifted into position) in their permanent build location on the construction skidways in McDermott's yard.

Equipment installation has also started, and the knockout drums and liquid return pumps have been set. Fabrication of the topsides pipework – much of it using alloy 625 (a highly corrosive-resistant material) – is in progress and the first GRE (glass-reinforce epoxy) piping spools and cable trays have been installed.

The three topsides, each weighing around 2,000 metric tonnes, are due to be loaded out in the summer of 2008. They



A knockout drum is lifted into position



Work on the topsides at J Ray McDermott's Jebel Ali yard.



Work on the topsides at J Ray McDermott's Jebel Ali yard.

UPDATES

will be loaded out from the yard to the cargo barges by skidding each topidside along the construction skidways as bargemounted winches pull each topisde into its final position on the barge. Offshore installation will be done by lifting using McDermott's derrick barge 'DB 101' and once the topsides are set in position on the jackets, the helidecks and flare booms

will be put into place as separate lifts.

Away from Dubai, at vendors' works around the world, factory acceptance testing of all remaining topside equipment is also taking place, in preparation for it to be shipped to the Gulf.

Offshore Facilities Head of Construction, Peter Flanagan, said, "The team has done superb work to get us to where we are, and ahead of us we now have an extremely important period for the Project. The offshore installation of the topsides and work on the pipelines are crucial tasks and we need to integrate our work smoothly with other areas if we're going to deliver safe and successful results."

Second wellhead topsides installed





Qatargas recently achieved another major project milestone with the installation of the second of three new wellhead platform topsides in the North Field, 80 kilometres offshore of Qatar.

The QW4 platform topsides was installed safely and without incident on February 9th in a multi-hour operation which involved the use of a special heavy lift crane that is capable of lifting up to 2500 tonnes.

The topside, which weighed approximately 2200 tonnes, was carefully positioned above the legs of the

previously installed jacket structure and successfully lowered over the ten pre-drilled wells onto the jacket.

Mr Faisal M. Al Suwaidi, Chairman and Chief Executive Officer of Qatargas said; "Qatargas 2 is a project made up of many large projects within a project. This milestone takes the project one step closer to completion. I would like to thank all the parties involved – our staff, contractors from NPCC and Technip – for their dedication to seeing this job completed safely."

Following installation of the topsides the

offshore Mechanical Completion work campaign begins, which leads to handover of the facilities to Qatargas 2 operations for final start-sp. The offshore facilities will supply the gas for the two 7.8 million tonne per annum liquefied natural gas processing trains currently under construction onshore in Ras Laffan City.

The two platform topsides installed to date were built at NPCC's fabrication yard in Abu Dhabi, which has achieved outstanding safety performance throughout all phases of the project.

9th 6MMT Technical Meeting with the Japanese Buyers hosted in Japan

The 9th 6MMT Technical Meeting between Qatargas and all eight Japanese Long Term LNG Buyers was successfully held in Hiroshima, Japan on 11th and 12th December hosted by Chugoku Electric Power Co., Inc.

The Japanese buyers headed by Mr. T. Niwa, Manager of Generation Management Section, Operation Department, Thermal Power Administration Center (TPAC), Chubu Electric Power Co., Inc., as well as the Buyers' Agent QALSA and Qatargas Shipowners were represented at the

meeting that is designed to enhance cooperation between the Buyers and Qatargas and also, to ensure the smooth reliable operations for the deliveries to the Japanese buyers.

During the two-day session, over twenty presentations were made by the participants from the Seller's and the Buyers' side keenly focused on Ship and Shore related matters and the exchange of technical information between the Seller and the Buyers.

The main speaker from Qatargas was Ms. Joanna Hardinge, Sales

Administration Manager. Other participants from Qatargas included Chief Operating Officer – Engineering & Ventures, Expansion Startup Manager, Chief SEQ Officer, Technical Manager Qatargas 2 and Shipping Department representatives.

The Qatargas delegates visited Chugoku Electric's Yanai Thermal Power Station on 13th December for a plant tour.

The next 6MMT Technical Meeting will be held in February 2009 in Tokyo.



Qatargas participates in the Qatar Physics Society's workshop at Weill Cornell Medical College, Qatar



On the 29th of November 2007, Qatargas 2 was invited by Dr. Roger Hinrichs, Physics Professor and Physics Workshop Coordinator at WCMC-Q, and Dr. Ilham Al-Qaradawi, Physics Professor and Physics Workshop Co-Coordinator at Qatar University, to give a presentation at the workshop of the Qatar Physics Society held at WCMC-Q.

The presentation was co-authored by Keith Felton, Technical Advisor (Qatargas 2) and Nasser Al-Issa, Utility, Inlet, and Off-site Area General Commissioning Lead (Qatargas 2), who was the presenter. The presentation, titled Applications of Science in Engineering, contained valuable information that was of interest to the audience, who were high school physics teachers from independent and government schools in the Doha area. Nasser Al-Issa presented an overview of the field of Civil Engineering, discussed how the basic laws of science can be applied in engineering, and provided examples of how science is being applied in the Qatargas 2 Trains 4 and 5. In one example, Nasser noted how the study of heat transfer and concrete properties were used to develop an Air Cooling System and Wet Curing Procedure for the construction of the Gas Turbine / Compressor Foundations for Trains 4 and 5.

He then continued the discussion with various topics regarding the significant role of engineers as well as the relationship between engineering and applied sciences, especially physics and chemistry. Topics such as choosing an engineering career, civil engineering applications in industry (Qatargas 2 Project) and the steps teachers can take to give their students a competitive advantage were discussed.

Overall, the experience exposed teachers to the actual benefits and applications of science in projects and in the oil and gas industry as well as an insight into how they can help develop the next generation of Qatari scientists and engineers. Participating as a responsible member of the community is a key element of Qatargas' mission and presentations such as these provide an ideal forum for such interaction.

Qatargas to be featured in Emerson advertisement campaign





Emerson has chosen to showcase Qatargas in their international advertisement campaign of 2008. The campaign will be launched in March and it will consist of one TV commercial to be aired on major TV stations in addition to printed advertisements in magazines and newspapers.

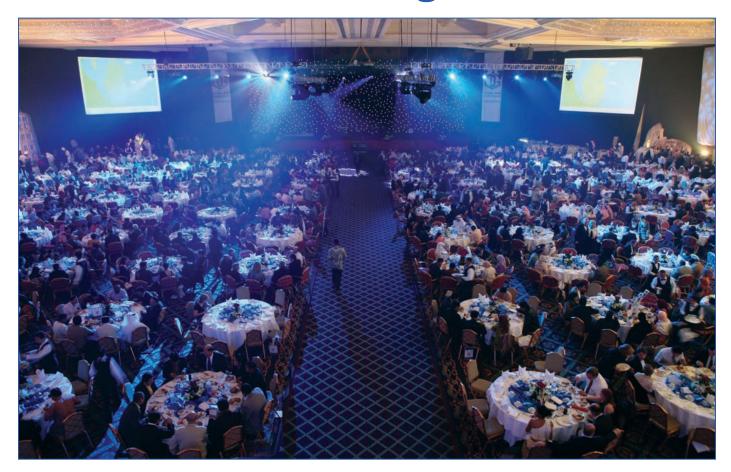
Emerson Process Management is a leading global supplier of products, services, and solutions that measure, analyze, control, automate, and improve process-related operations. In March 2007, Qatargas announced a long-term alliance with Emerson Process Management for the supply of digital automation solutions for the company's new and existing oil, gas and Liquefied Natural Gas (LNG) facilities. Emerson also named Qatargas as a preferred customer.

The TV commercial, titled "Consider It Solved," depicts Emerson reaching and expanding their customers and relations

in the Middle East, especially in Qatar. It presents Qatargas as being their preferred customers. The advert starts with two employees from Emerson waiting in the desert. As we see the beautiful dunes, the camera pans toward a Qatargas branded helicopter flying over Doha with two employees from Qatargas on board. The helicopter lands and the four employees greet each other. The commercial cleverly ends with an Emerson employee saying, "We've been waiting." This line shows that both companies are poised to go global and expand their horizons. They are both moving towards achieving their vision by teaming up with each other.

The commercial was shot mostly in the Inland Sea by renowned photographer Albert Watson. There are five different creative teams behind this master piece: DDB Chicago Inc., Cyclops Productions Inc, Cutter's Inc, Filmworks Dubai, and Filmworks DTM Qatar. Although, the commercial is initiated and produced by Emerson, Qatargas approved the storyboard, the cast that represented Qatargas, and the Qatari wardrobe. The commercial will be aired from March 1st on the following major TV stations: Al Jazeera, Al Arabiya, CNBC Arabiya.

Qatargas celebrates its diversity at annual gala



The Qatargas Gala Dinner 2008 was held over two nights on 4th and 8th February at the Sheraton Hotel in Doha. The theme of this year's event was 'Celebrating our Diversity'.

The Gala dinner event is held annually for all employees and spouses and is hosted by the Chief Executive Officer and his team to celebrate and recognize the contribution of all employees to the success of the Company.

Chief Executive Officer of Qatargas, Mr. Faisal M. Al Suwaidi said; "A big part of our success as company comes from the diverse group of people who have joined Qatargas and are helping the company to realize its vision to provide reliable and safe energy to the world."

Employees were treated to a variety of entertainment including a performance by a magician, a specially constructed laser light show, an artist show and a concert of songs by renowned concert violinist Mr. Jihad Akil. The entertainment of the evening concluded with a fabulous raffle draw.

The evening included a sumptuous feast reflecting the 50 plus nationalities that make Qatargas the success it is today. As well there was a special ceremony acknowledging Qatargas' employees of the year and those who had shown excellence in the application and maintenance of the Company's safety policy.

SPECIAL EVENT

Photos from 2008



SPECIAL EVENT

Annual Gala Dinner



CEO's Certificate of Excellence Award

