

■ Energy & Natural Resources

A Brickstone Africa Capability Statement



BRICKSTONE
AFRICA



Our Vision

At Brickstone, our vision is to shape the infrastructure environment around us and exceed our clients expectations by viewing energy and infrastructure projects in ways that create opportunities in the face of challenges.

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Who we are



Brickstone is a Research based Transaction Advisory, Development Management and Asset Management firm providing bespoke integrated professional services focused on Large Scale Asset backed Infrastructure projects in Africa. Our objective to our sponsors is to ensure profitability of these commercial assets and protect its long term asset value for both developers and institutional investors in Nigeria and Africa at large.



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Brickstone Partners Limited
Best Project Finance Advisory Firm
2017
West Africa

- Brickstone's experience and track record in deal structuring and execution in the local capital market, as well as our strategic alliance and partnership with leading investment banks globally puts us in a unique position to function as independent adviser to important project.
- We would leverage on our extensive hands-on, real world business experience and knowledge to provide strategic insight to our clients.
- We understand the industry drivers for your firm, and will provide strategy consulting advice regarding your business model and positioning in order to optimize your results.

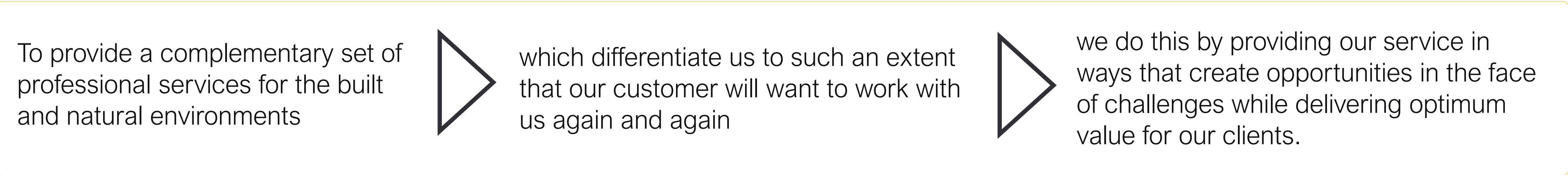
Our Approach



We are a multidisciplinary service organisation within the energy, infrastructure and real estate sectors; delivering services from project financial advisory, business case development through to transaction management, development management and asset delivery.



Our Guiding Principle



Our Sector Focus



Transport Infrastructure

We provide PPP strategies for airports, railways, roads and Highways, ports and marine infrastructure



Power & Renewables

We have significant capabilities in strategic planning and financial advisory for gas based/renewable power and well as transmission grid infrastructure



Energy & Natural Resources

We have significant capabilities in strategic planning and financial advisory in oil and gas (upstream, mid-stream, downstream) as well as solid minerals & extractive industries.



Industrial Agriculture

We specialize in agro-equipment, silos, large milling plants. To provide resources for increasing farmers' incomes and protecting the environment through the development of yield enabling infrastructure such as storage, processing, irrigation and power



Real Estate & Hospitality

We focus on grade A offices, retail malls and industrial space and hotels, resorts & tourism and leisure as well as student housing



Heavy Manufacturing

These include machine tool industry, heavy electrical industry, industrial machinery and auto-industry

Some of our Clients



Guaranty Trust Bank

Why Energy & Natural Resources

In today's volatile energy markets it is a fact that sources of risk and uncertainty will continue to impact market perceptions and investment decisions. This uncertainty both threatens the competitiveness of energy assets and new asset development and is also a potential source of value. Renewable and low carbon mandates are playing an increasingly significant role in power markets.

The energy market in Nigeria had enjoyed concerted government efforts and visible presence in the form of policies/programmes/interventions simply stated here as government efforts along the value-chain of the industry from upstream down to retail. Some of these efforts were structural changes, regulatory reforms, capacity expansion and institutional restructuring, all aimed at increasing energy supply.



Why Energy & Natural Resources



The industry reforms brought into existence the Nigeria National Petroleum Corporation (NNPC) in 1975, the Petroleum Products Pricing Regulatory Authority (PPPRA) in the early 2000s, the Nigerian Local Content Development Initiative and Greenfield Refinery Projects, no other significant reform measures have been noticed. These initiatives as good as they were, have not been able to address fundamental issues in the industry. Consequently, the industry continued to witness environmental challenges, including poor fiscal structure. This led to the significant divestments by major oil producers in the sub-sector, culminating in the introduction of the Petroleum Industry Bill (PIB) in 2008. The proposed PIB is an Executive Bill that seeks for an Act to provide for the establishment of a legal, fiscal and regulatory framework to address the environmental and other related matters in the oil sub-sector.

If the Bill had been passed into law, expert opinion holds that, it would have brought about positive developments, which include: arresting the increasing divestments; attracting new investments; incorporating the fundamental principles of the Nigerian Extractive Industry Transparency Initiative (NEITI) Act; addressing environmental and community issues; opening up the industry for privatisation; establishing sustainable fiscal regime for the Nigerian fiscal system; and leading to full optimisation of the benefits of the oil industry. The Gas sub-sector is recognised as a key asset capable of transforming the Nigerian economy through vital sub-sectors, such as electricity, petro-chemicals, cement, iron and residential. The sub-sector, therefore, had attracted special attention from Government in Nigeria. Among the efforts is the Gas Master Plan, aimed at providing a framework that would ensure the realisation of maximum value from the country's gas resources. It is intended to leverage on the multiplier effect of gas in the domestic economy and optimise the nation's share of the high value export market. Specifically, the Plan was targeted at addressing impediments to the development of the domestic gas sector, engender the monetisation of gas, reduce gas flaring and guarantee long-term gas security for Nigeria.

Our Approach

We help support Energy & Natural Resource transformations at the national and local levels by working alongside leaders in public, private, and social-sector organizations, creating alliances and partnerships with organizations to accelerate transformational impact. We navigate opportunities and the uncertainties driven by changing global consumer demand, shifting trends, and digital disruptions.



Our Focus



Oil Value Chain

We provide financial, commercial and strategic advisory services for the different stages of exploration, production, storage, shipping, refining and marketing.



Gas Value Chain

We provide financial, commercial and strategic advice for Natural Gas value chain from gathering, processing, transmission and storage of natural gas.



Mining Value Chain

Our full-service mining and resources team advises clients both in terms of operations and outbound investment for Mining, Mineral Exploration, Processing.



1. Research & Intelligence

We use state-of-the-art analysis and modelling tools to assess market demand and to perform detailed evaluations of economic and financial feasibility of proposed investments.

Our offerings includes:

1. Economic & Market Research

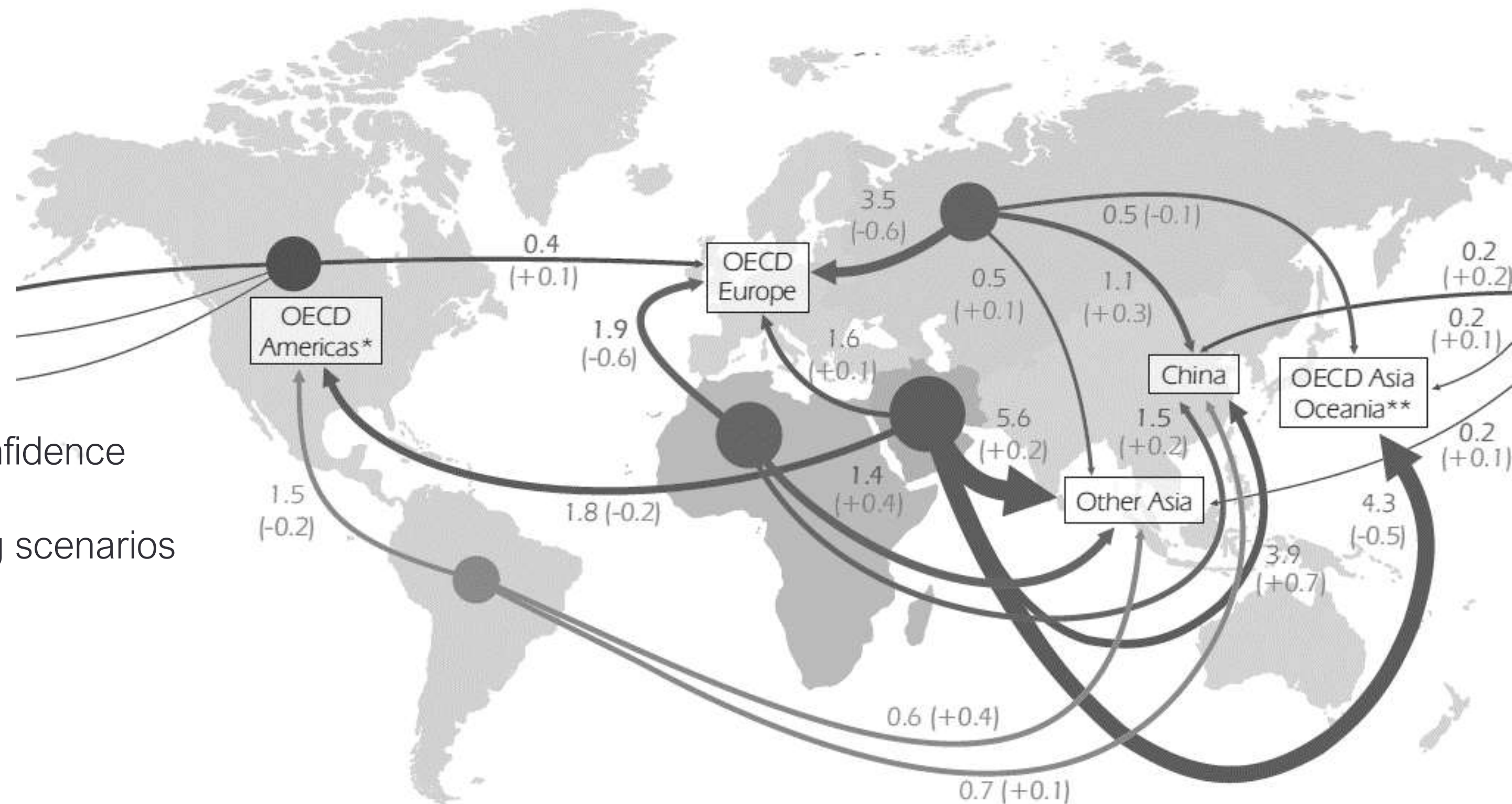
- Options appraisal and due diligence
- Market analysis and market structures reviews
- Industry Reports
- Large-scale best use studies

2. Estimation & Cost Feasibility

- Reliable and accurate cost advice to proceed with confidence
- viability and probable costs of construction
- Capital requirements projections & operational costing scenarios

3. Business Intelligence

- Reporting and Dashboard Development
- Training and Support
- Business and Project Analytics



How we help

2. Transaction Advisory

Our transaction advisory services are embedded in our project finance and industry expertise, our commitment to excellence, our creativity, and our ability to deliver results. We assist clients to optimise their capital structure and ensure sufficient liquidity to allow business units to operate freely.

We do this by devising innovative structured financing solutions that enable clients to capture new investment and business opportunities or support growing operational needs, we act to create a financial profile consistent with corporate aims and objectives.

Our offerings includes:

1. Project Finance Advisory

- Project Finance Structuring (Financial Modelling, Debt strategy & Debt Placement, Credit Structure, Viability & risk analysis, Project Bankability, Commercial terms)
- Documentation (Information memoranda, Financial terms sheet, Closing Documentation)

2. Corporate Finance Advisory

- Sell-side & Buy-Side advisory services
- Debt Advisory,
- Restructuring,
- Equity Capital Markets,
- M&A and Valuation Services.

3. Capital Placements

- Optimal capital assessment
- Placement agent for private debt/equity offerings

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How we help

3. Development Management

We advise, lead and manage all aspects of development actualization program. These include design optimization, through planning, risk management, cost programming commercial issues and development implementation of large scale farm developments.

Our offerings includes:

1. Planning

- Identifying project and client requirements
- Establishing clear and achievable objectives

2. Contract and Cost Programming

- Advice on alternative construction methods and materials
- Contractor selection and tender analysis
- Negotiations with Contractor
- Contract Documentation
- Cost monitoring and control
- Report on project costs – monthly cost reports

3. Development Co-ordination

- Site audits to validate investment strategy
- Selecting and coordinating the full Professional Team

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4. Alternative Asset Management

We provide origination and structuring of investments to suit our client's investment goals. We possess good experience in OPEX and Project Financing as well as providing operational efficiency to increase project profitability. We are also able to provide investor representation services to help buy-side or sell-side investors in the sector

Our offerings includes:

1. Strategic Asset Management

- Optimising the return on your assets – We manage all the factors that can influence your assets' profitability:
- Coordinating service providers – We ensure we attract the best users of asset on long leases, and we ensure their comfort and the long-term future of your asset
- Overseeing regulatory aspects – We harness the necessary skills to verify that your asset complies with relevant regulations.
- Reporting on performance – you receive accurate, regular reports enabling you to track your asset or portfolio's performance and key management indicators.

2. Asset Structured Finance

- Asset-based Loan restructuring advice and solutions
- Leasing & Debt Financing
- Structured Asset Finance
- Asset and Lease Management
- Asset Trading



Energy & Natural Resources: Case Study



Client Profile

A European Offshore fabrication company specializing in FPSO/FPU topsides, sub-sea fabrication, decks, platform modules and jack-up rigs refurbishment

Background

- The advent of New Exploration Company has lead to a huge spurt in offshore subsea activities
- E&P activity in Nigeria opening new opportunities for offshore fabricators.
- The client was keen to evaluate the business opportunity in Nigeria followed by a detailed business and location feasibility analysis


Key focus areas for the assignment included market potential for the following

Platform refurbishments like structural fabrication of utility and process modules, platform decks and small jackets

- Jack up rig refurbishments such as repowering of drilling modules, Jacket repairs and drilling derricks
- Subsea structures like flare bottoms, sub-sea fabrication jobs like installation of Christmas trees, manifolds line-pipes and spools
- Potential for FPSO-FPU topside fabrication in Nigeria

Project Market Entry Vantage
Nigeria SPV

Energy & Natural Resources



2016

AVF Minerals
Mining Economic Advisory for Market Entry into Quartz Mining



2015

Vantage Nigeria SPV
Financial Modelling & Structuring for Offshore Support Vessel



2013

Seawolf Jack Up
Financial Modelling & Debt Structuring



2014

Eterna Plc
LPG Investment Case to acquire an LPG Plant in Calabar Port



2015

SPOG Petrochemicals
Business Plan Development to roll out 40 Retail Stations



2014

Eterna Plc
Investment Case Development



2013

Daddo LPG
Business Plan Development for 8,000 MT LPG Storage in Calabar



2012

Private Energy Developer
Pre-Feasibility Advisory to check bankability of Project

■ Contact Information



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To deliver results above and beyond
the expectations of our clients

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