

3C News

3C METAL INCREASES SHAREHOLDING IN BELMET MARINE AND BELMET MARINE ENGINEERING NAMIBIA



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A WORD FROM 3C METAL'S PRESIDENT



In challenging and changing market conditions, 3C Metal has successfully shown its ability to adapt and innovate, while keeping our long-term targets on track. This has been particularly true for our entities in the southern region of Africa. With fewer activities in the oil and gas industry in this region throughout the past few years, our teams have made a concerted effort to expand our workload by exploring new markets. It has been a constant push in order to attract new clients and win new work. As of this year, we

are really starting to notice how these efforts have paid off.

Our diversification activities have far exceeded objectives, with the delivery of some major projects in renewable energy, mining and marine work. These results have been significantly aided by our collaboration with Belmet. Earlier this year, the decision was made to increase our shareholding in Belmet Marine and Belmet Marine Engineering Namibia from 51% to 75%. This increase further aligns 3C Metal Group's African entities, which also includes 3C Metal South Africa.

Since the inception of the shareholding agreement in 2016, our alignment has given us a stronger foothold in the African market. Belmet's heavy industry capabilities complement 3C Metal's core services and together we are able to offer our clients turnkey solutions that no other company is able to offer.

For the rest of 3C Metal Group, our ongoing major projects are progressing

well and keeping the workshops in all our regions busy. Some of our project highlights featured in this newsletter include MPD integration projects, IWOCS packages and rig maintenance and upgrade projects.

Our teams have been working cohesively across all entities in order to reach the deliverables of these fast-track projects. I believe, with the opportunities we have in hand and our ability to collaborate across entities, 3C Metal is in a strong position going forward. To reinforce this position, we will continue to invest in the learning and development of our teams to improve their technical competencies and knowledge.

Please enjoy reading some of the highlights for the quarter and remember feedback from both clients and employees is always welcome.

Philippe Boy
President

A WORD FROM BELMET'S MANAGING DIRECTOR



2019 has been an exciting year for Belmet. Having endured the brunt of the challenges that have faced the manufacturing industry, we are now experiencing a turnaround. By remaining focused on our long-term strategy, investing in equipment and facilities, maintaining client relationships and strengthening our strategic partnerships, we have been able to improve our prospects and secure some significant projects.

One of our recent developments has been the strengthening of our partnership with 3C Metal. Earlier this year, 3C Metal increased its shareholding of Belmet Marine and Belmet Marine Engineering Namibia. This has been a positive step and a natural progression following the success we've had so far. Belmet and 3C Metal are definitely stronger together and with our combined capacity and resources we have been able to achieve greater efficiency and quicker turnaround times for our projects. The increased shareholding agreement comes at a time when we are experiencing a lot of enquiries in South Africa and Mozambique, and with offshore activity in Angola increasing.

With many opportunities developing in the southern region of Africa, we are continuing to explore new ways to support our clients. A branch of Belmet Marine has been registered in

Mozambique in response to growing opportunities in the country. We are currently undertaking our first major project for the piping component of an oil storage facility in Beira, due for completion in 2020. In Namibia, we recently completed the expansion of our Walvis Bay facility. The expansion has increased the capacity of our workshop by 70% and will enable us to offer more in-house services to our clients in West Africa.

As we look ahead to 2020, we are actively pursuing work within a number of industry sectors. I'm optimistic about the future and we look forward to working with 3C Metal to offer improved services to our clients as we push to provide a full turnkey solution.

Pieter Kroon
Belmet Managing Director

3C METAL USA UNDERTAKES MPD SYSTEM INTEGRATION ONBOARD WEST VELA

Following the experience of Seadrill's West Capella, 3C Metal USA was commissioned to complete a similar managed pressure drilling (MPD) system on Seadrill's West Vela drillship in the Gulf of Mexico.

The ongoing installation consists of using four DNV 2.7-3 MPD modules previously installed on Seadrill's West Capricorn and making modifications to suit the discrepancies on the West Vela. The engineering team was able to mark and adjust the minor touch-ups for the new installation and improve the efficiency for fabrication and installation.

As per the previous integration project, the MPD system followed a similar scope of work as the West Capella - a deck extension overboard, installation of a spreader frame skid and with some minor modifications to the pipe routing. All pipe fabrication was completed on time (as per ABS requirements) in Houston. All structural fabrication of the overboard extension and module access were fabricated in South Africa and Houston respectively.

Installation began in early July in the Gulf of Mexico and is currently expected to be completed by early October. The installation personnel team onboard includes a mixture of 3C Metal personnel as well as U.S. based personnel (fitters, welders and scaffolders). They were tasked with completing the MPD integration onboard the rig concurrently during ongoing drilling operations in the Gulf of Mexico. The challenges faced during this installation included working with rig operation constraints and the restrictions on personnel allowed onboard at given times.



BELMET MARINE ENGINEERING NAMIBIA'S WORKSHOP EXPANSION



Earlier this year, Belmet completed the expansion of its workshop facility in Walvis Bay, Namibia. The expansion is in response to renewed confidence in the Namibian market and anticipated activity in the region.

The expansion has increased the capacity of the workshop by 70%. Part of the expansion includes the addition of an in-house painting facility which will provide Belmet with the opportunity to undertake quality corrosion services in-house.

Representing a significant investment, the venture aligns with Belmet's vision to create a full turnkey operation for clients. As the team in Walvis Bay grows steadily, Belmet remains committed to creating employment and training opportunities for local Namibians.

VANTAGE DRILLING'S TUNGSTEN EXPLORER MPD SYSTEM INTEGRATION

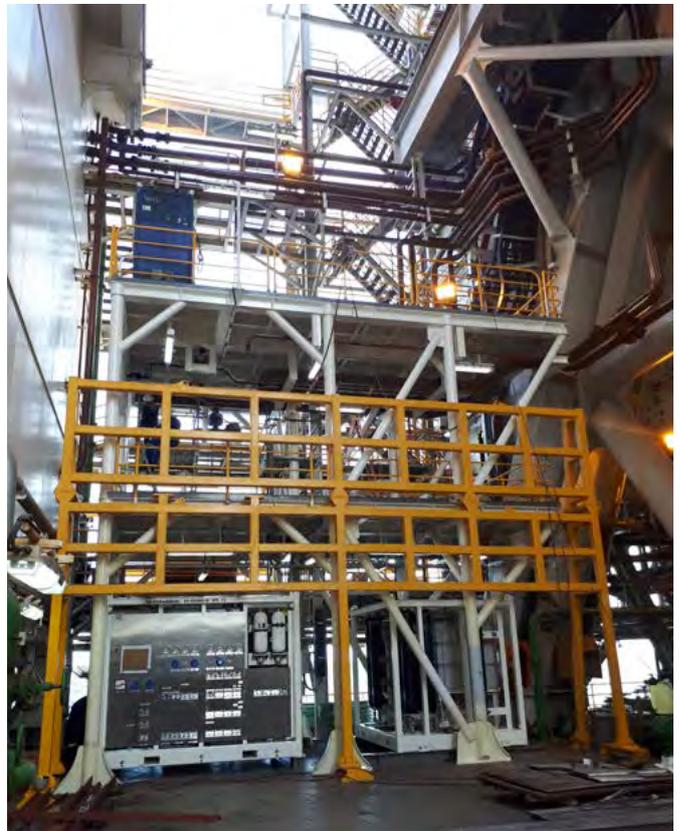
3C Metal has completed the integration of a M-I SWACO managed pressure drilling (MPD) system onboard Vantage Drilling's Tungsten Explorer drillship.

3C Metal initially carried out a 3D laser scanning survey of the vessel to aid the engineering design of all the piping runs, hydraulic tubing and structures required to integrate the MPD equipment onboard the rig. Most of the manifolds and equipment were hosted by a permanent three-level mezzanine structure fully integrated into the rig layout.

Supply and fabrication for high pressure (HP) and low pressure (LP) piping and structures were split between 3C Metal's South African and Dubai workshops in order to meet the schedule. Suppliers were sourced from different global locations in an effort to offer more efficient solutions. The electrical scope for the MPD system was also prepared and arranged by 3C Metal, providing a complete turnkey solution for the project.

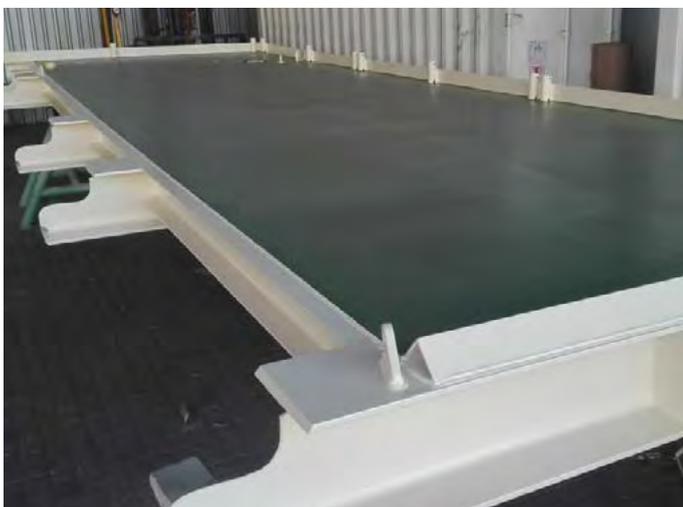
The 3C Metal specialized installation team performed the integration onboard the rig at quayside in the Canary Islands, Spain, followed by a third and final phase in Egypt, where the final hook-up and commissioning of the MPD system took place.

This is yet another MPD integration project undertaken by 3C Metal and serves as testimony of 3C Metal's reliability for challenging projects and expertise in delivering MPD installations from various OEMs.



SAIPEM 12000 IWOCs PACKAGE

3C Metal Middle East was commissioned by Saipem to complete the integration of an Installation and Workover Control System (IWOCs) onboard the Saipem 12000 drillship. The complete project - including engineering, pre-fabrication and installation - was completed in August 2019.



A complete laser scanning survey was conducted in order to aid the engineering design for the structures and piping arrangement. The results from the survey enabled the team to design an IWOCs system that would seamlessly integrate with the existing rig structures. 3C Metal Middle East utilized its global procurement reach (via the various entities) to source the MPD system piping elements and deliver them to the 3C Metal workshop in Cape Town for pre-fabrication. Belmet Marine (also located in Cape Town) handled the supply and fabrication of the structures, which equated to 37 tons of steel.

Starting in late June, the integration took place onboard the Saipem 12000 at quayside in Port Elizabeth, South Africa and was successfully completed in 52 days in line with the client's expectations by our specialized installation crew.

3C METAL CARRIES OUT MPD INTEGRATION FOR PACIFIC DRILLING KHAM SIN DRILLSHIP

From June to September 2019, 3C Metal completed a major project for a modular MPD system integration onboard the Pacific Drilling Kham Sin drillship. The turnkey project was delivered using Safekick MPD modules combined with AF Global equipment.

Through the combined efforts of several of 3C Metal Group's entities, the team were better able to meet the client's deadlines and fast-track the deliverables. The engineering and piping prefabrication were executed by 3C Metal Middle East in Dubai. The main structures were fabricated in Belmet Marine's workshop in Cape Town. The riser joint platform was handled by 3C Metal USA and the tools and equipment required for the installation were provided by 3C Metal France.

In order to install the MPD modules, a new overboard platform along with all the necessary reinforcements was installed. The scope also included all of the MPD related piping, including two challenging 100m long piping runs around the moonpool for the flow spools. The AF Global equipment, a lubrication unit, a HPU and a reeler were installed in the moonpool using purpose-built installation aids.

The installation was carried out in three phases. The first phase started at quayside in Las Palmas, Spain's Canary Islands, and continued offshore during transit to the Gulf of Mexico. During the first phase, most of the structural items, piping and electrical components were installed. The second phase was carried out offshore in the Gulf of Mexico and consisted of the installation of the Safekick MPD modules, the module access and the remaining piping spools connecting to the MPD manifolds. Finally, the third phase consisted of the riser joint platform installation and the relocation of the existing rig pup joints on the riser bay, portside.

This installation was completed within 100 days with zero incidents, no major downtime and no gap between the various phases.



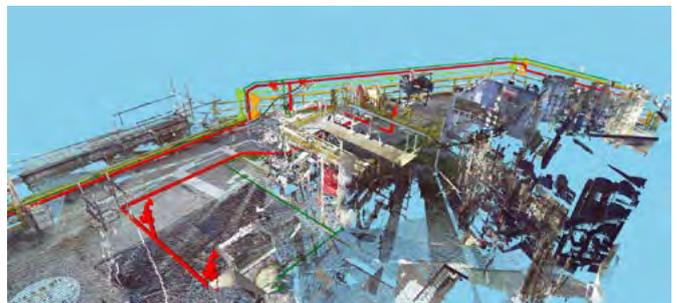
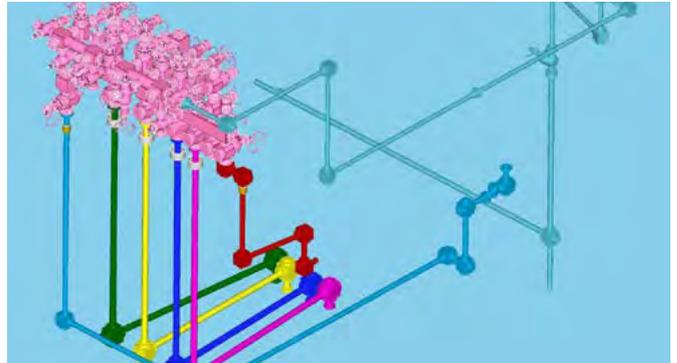
UPGRADE WORK FOR NOBLE JOE KNIGHT JACKUP RIG

The Noble Joe Knight jackup rig was recently upgraded to meet the Saudi Aramco specification before its move to Saudi Arabia. As part of the work, 3C Metal Asia assisted with the design and HP material supply for the HP line upgrades.

The upgrade was completed in Singapore and 3C Metal Asia assisted with the modifications for the HP piping replacement. In order to meet the latest Saudi Aramco Well Control Manual requirements, the choke and kill manifold was changed as well as all of the connecting lines and flare lines.

These major modifications triggered a few challenges as the new manifold is much larger than the one the rig was designed with. Thanks to 3C Metal's laser scanning capabilities and extensive HP piping engineering experience, the new manifold location was optimized as well as the routing of the new connecting lines. 3C Metal completed a 3D model of the new manifold location and checks were done to make sure the new line routing was clash-free.

3C Metal also supported the rig with the supply of all the HP piping material required (pipes, API 6A flanges and blocks, API-20E bolts). The large stock availability within 3C Metal Group, as well as the strong supplier network, allowed the team to provide the required BOM within a short lead-time and with the 3C Metal recognized quality standards.



NEW CHOKE AND KILL MANIFOLD FOR NOBLE CLYDE BOUDREAUX

3C Metal Asia recently undertook a project to replace the choke and kill manifold of the Noble Clyde Boudreaux semisubmersible.



3C Metal assisted on this project first at the manifold fabrication stage by conducting a laser survey to cross-check and come up with an accurate drawing of the existing manifold.

An identical manifold was manufactured for the replacement. 3C Metal then deployed a team onboard to help the rig crew in replacing this equipment within a short window in between well drilling.

A detailed plan was put in place and dedicated tools were deployed in order to guarantee an efficient switch. The switch only took a few days and the manifold was tested and put back in service before the next well drilling began.

TURNKEY PROJECT DELIVERED IN THE NORTH SEA FOR THE SEADRILL WEST MIRA

3C Metal's entity in France was commissioned to deliver the engineering and manufacturing of new structures and equipment for the Seadrill West Mira while it was in Norway.

The work required structures and specific equipment to hold banana sheaves for umbilical routing within the derrick and the moon pool.

The project required three months of engineering, three surveys conducted in two countries, two 3D laser scans and 150 tons of structures supplied during a four-month period.

3C Metal Group's global footprint enables its teams to smoothly deliver projects in any location, including the North Sea, as demonstrated by the success of this project.



3C METAL COMPLETES WORK FOR ESPIET EPC PROJECT IN FRANCE



In partnership with CANA OUEST, 3C Metal delivered a brand new gas interconnection site and 4km pipeline deviation for Teréga.

The work was carried out over a six-month period and was completed in August. The work is part of the ESPIET EPC located in the vineyards near Bordeaux.



3C METAL AND 3C SUPPLY TO EXHIBIT AT HASSI MESSAOUD EXPO IN ALGERIA

3C Metal and 3C Supply will exhibit at the 2019 Hassi Messaoud Expo to be held in Ouargla, Algeria from 22 to 24 October. Attendees are invited to visit the team at booth C34.

The Hassi Messaoud Expo is an international exhibition dedicated to technologies, products and service providers for the oil and gas industry in Algeria. Hassi Messaoud Expo 2019 will bring together 180 national and international exhibitors from 15 countries and more than 8000 trade visitors from the hydrocarbons sector are expected.



HAND SAFETY CAMPAIGN

In August, 3C Metal Middle East launched a campaign to raise awareness about the importance of hand safety.

Hand injuries were identified as one of the most common risks of injury in 3C Metal's line of work - particularly for those working onsite and in the workshops. The campaign aimed to get the team thinking about hand safety and the steps to be taken to reduce the risk of injury. Campaign efforts included signage, handouts, presentations to staff and a competition for the workshop staff.

3C Metal Middle East will continue to explore new ways to raise awareness about workplace hazards and the importance of keeping safety as the number one priority.



3C METAL AND BELMET TAKE PART IN CASUAL DAY TO SUPPORT PEOPLE WITH DISABILITIES

3C Metal's Cape Town entities, 3C Metal South Africa and Belmet Marine, recently took part in Casual Day – South Africa's leading fundraising and awareness campaign organized by the National Council of and for Persons with Disabilities (NCPD).

On Friday 6 September, 3C Metal South Africa and Belmet Marine staff were encouraged to go to work dressed differently (either dressed up or dressed down) and to wear the official Casual Day sticker to show their support for people with disabilities.

This year, a portion of the proceeds raised went to non-government organization, Chris Steytler Industries. Based around the corner from 3C Metal South Africa and Belmet Marine, Chris Steytler Industries are a protective factory that employs, trains and provides occupational therapy to 170 adults living with disabilities.

A total of R4,500 (USD300) was raised on the day - R1,500 was raised by staff, and both 3C Metal South Africa and Belmet Marine matched the amount. Casual Day organizers, Mishka Bassier from 3C Metal South Africa and Rozanne Louw from Belmet Marine (RIGHT IMAGE: pictured left and right) met with Marelise Esterhuizen (centre) from Chris Steytler Industries to handover the proceeds and accept a certificate of appreciation.



Chris Steytler Industries, Cape Town

3C METAL SOCIAL EVENTS

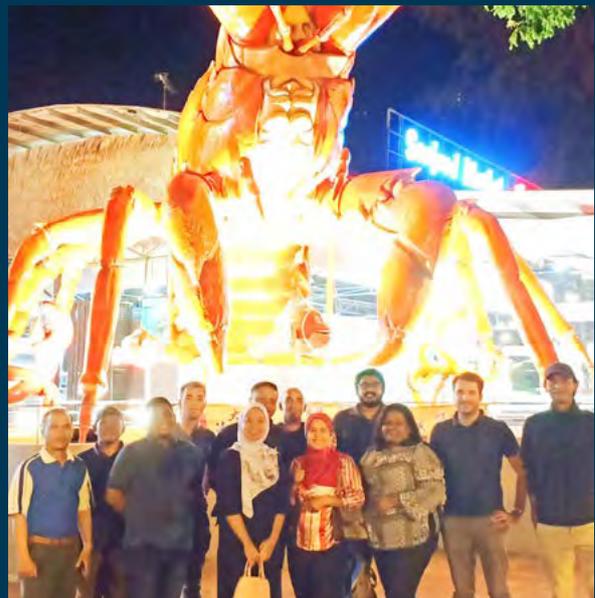
LOIC GENEAU'S FAREWELL

As of early September, Loic Geneau - Operations Manager of 3C Metal South Africa - has officially transferred to the Sauvelade office in France. The team in Cape Town organized a send-off for him to thank him for his time with 3C Metal South Africa.



3C METAL ASIA TEAM DINNER

In August, the 3C Metal Asia team enjoyed a seafood dinner for office and permanent workshop employees.





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