

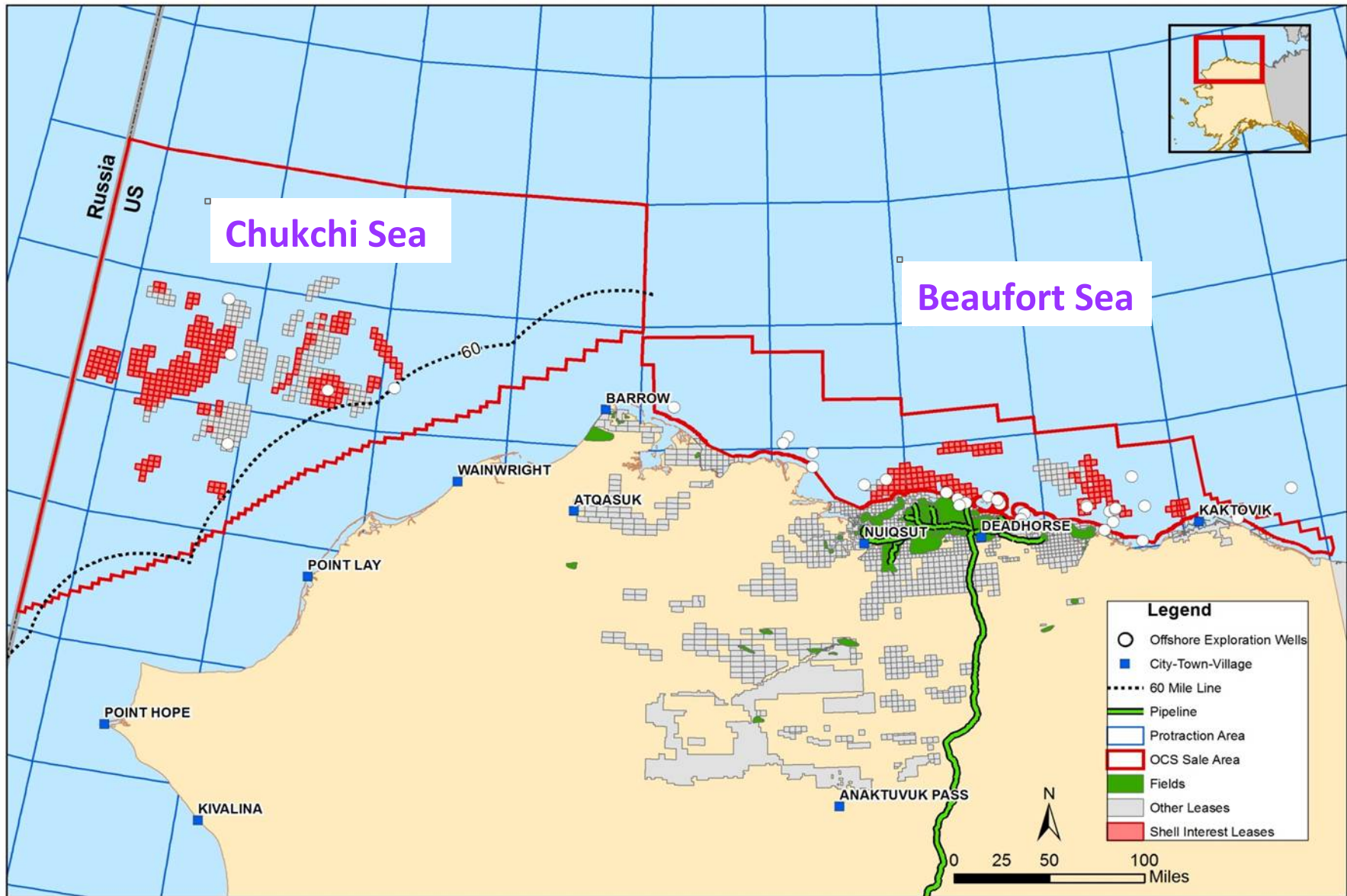


Alaska Venture Briefing



Cam Toohey
Shell Alaska

Chukchi and Beaufort Seas Lease Sites



2012 Activities

- Top-holes drilled
- Successful ice and weather forecasting
- Challenging ice
- Kaktovik whale hunt
- Where are they now?



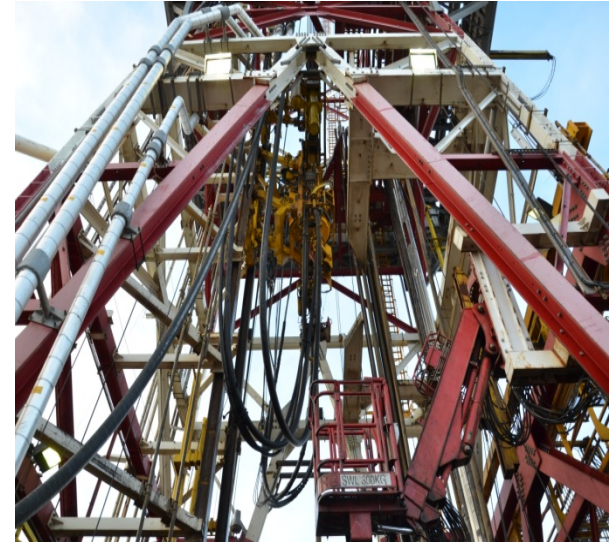
Arctic Containment System

- Fourth line of defense
- Will provide coverage for Chukchi and Beaufort
- First of its kind – exceeds regulations
- Delay in completion and classification ended aspiration for hydrocarbon drilling in 2012
- Will be fully operational in 2013

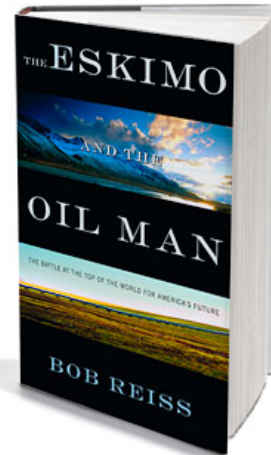


2012 Logistics

- Trained over 2000 personnel
- Helicopters, fixed wings and vessels
- Over 12,000 rotations
- Man Camps in communities
- Miami Heat jet
- Over one million gallons of fuel transferred



Arctic Interest



dealsaver™ \$15 FOR A \$20 VALUE AT A RESTAURANT

61° NORTH Summer day trips, visit beautiful beaches, and more

SALUTE Military Appreciation Week begins Monday, June 4

The New York Times

Tapping the Arctic

Shell's oil exploration stands to open new frontier

As a state, it will often stand in the way of drilling. It is not clear how the state of Alaska will respond to the federal plan to open up the Arctic to oil drilling. The state has a long history of opposing drilling in the Arctic, and it is not clear how it will respond to the federal plan to open up the Arctic to oil drilling.



GOVERNMENT WASTE? ROMNEY INTERVIEW

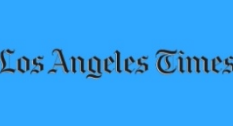
DRILLING FOR OIL

3

ARCTIC DRILLING GETS UNDERWAY

LIVE CNN

#OUTFRONT Join the conversation on Twitter: #OutFront



Regulatory & Legal

- Fundamentally, drilling program will be the same in 2013
- Existing Exploration Plans for the Beaufort and Chukchi Sea
- EPA air permits
- Expect continued litigation at every turn



Economic Impact

IMMEDIATE IMPACTS

- 1800+ employed in 2012
- Alaska spend - \$300 M+
- Rig upgrades, WA (\$100+million, 400 jobs)
- Aiviq, LA (\$150+million, 900 jobs)
- Capping & Containment systems (\$200+ million)



LONG TERM IMPACTS OF OCS DEVELOPMENT*

- Annual average 54,000 jobs over 50 years
- \$145 billion in payroll
- 700,000 barrels/day through TAPS

*Based on ISER/Northern Economics study



Working Together In The Arctic

- Coast Guard role and support: search & rescue, vessels
- North Slope Borough and local communities
- State of Alaska, Dept. of the Interior, NOAA, EPA
- Involved ports: Anchorage, Dutch Harbor, Valdez, Nome, Wainwright, Barrow and NW/Seattle



2013: Drilling to Hydrocarbons

- Continue to drill in Chukchi and Beaufort

- Science

- NSB Agreement
- NOAA MOU

- Onshore/offshore data collection

- Crossing NPRA



Alaska Venture



Activism Targeting Shell Alaska

- Maintain safety for all
- No one gets hurt and no major delays
- Direct action led by Greenpeace
- Court Injunction
- Expectation is they will continue





 [Twitter.com/Shell_Alaska](https://twitter.com/Shell_Alaska)

 [Facebook.com/Shell](https://facebook.com/Shell)

Website: www.shell.us/alaska