



PRESS RELEASE

PEMEX and Cydsa Sign a Contract for LP Gas Storage in an Underground Salt Cavern

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Monterrey, Mexico - Cydsa, a Mexican company involved in the businesses of: salt; chlorine-caustic soda and specialty chemicals; cogeneration of electricity; refrigerants and blowing gases; and textiles, based in Monterrey, Nuevo Leon, announced the signing of a contract with Pemex Gas and Basic Petrochemicals for LP Gas underground storage.

The project involves the development of a salt cavern with an operational capacity of 1.8 million barrels, as well as building the surface infrastructure required for the handling and transport of approximately 120,000 barrels per day of LPG.

The technology of this project has widely been used for over 5 decades in developed countries. It is the most reliable and least expensive method to store large volumes of LPG and other hydrocarbons.

The estimated investment of the project is US \$120 to \$140million and LP Gas storage is expected to start in 2016.

This is the first project in Mexico and Latin America for storing LPG in a salt cavern, which will be located in southeastern Veracruz and close to the port terminal Pajaritos and the Cactus-Guadalajara LP Gas Pipeline.

In the world more than 1,500 salt caverns are currently in operation, which are used for storage of not only LPG, but also for storing other products such as crude oil, natural gas, gasoline, diesel, fuel oil, ethane, and hydrogen among others.

Examples of underground storage in salt caverns in operation can be found in Germany, France, Canada and the United States.

Cydsa technology partners in this project are: Geostock, a world-leading French company that has designed and/or operated more than 800 successful underground

hydrocarbon storage projects in 32 countries; and SalTec International, a company dedicated to the development of energy infrastructure projects which has collaborated with Cydsa from conceptualization of this project.

Cydsa's vision is the sustainable development of an underground salt cavern industrial park, for storing liquid hydrocarbons such as LPG and gasoline; and natural gas and other gaseous products to contribute profitably to the clean, efficient and safe operation of industrial and energy sectors in Mexico.