

ADDENDUM ONE**QUESTION 1.4**

MARINE TRANSPORT WEEKLY

EQUITY RESEARCH

**Tanker Market Rates**

Figure 24: VLCC Spot Rates 2003-Current

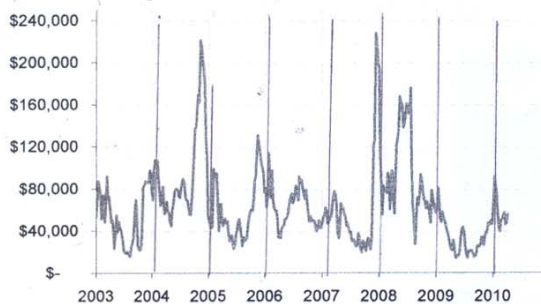


Figure 25: Suezmax Spot Rates 2003-Current

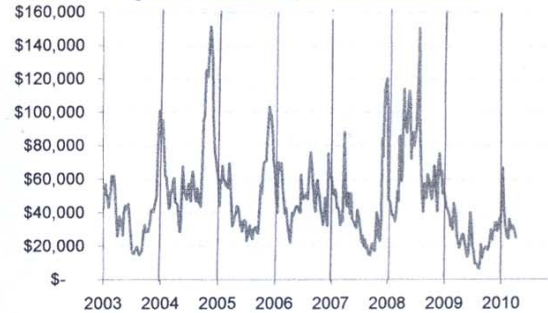


Figure 26: Aframax Spot Rates 2003-Current

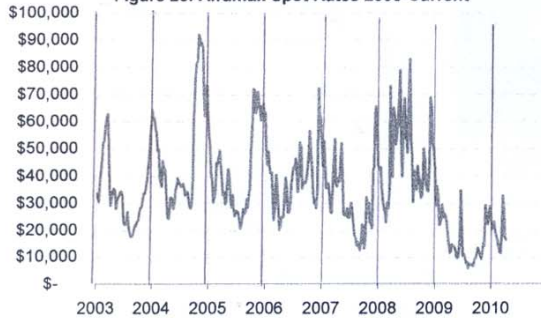


Figure 27: Panamax Spot Rates 2003-Current

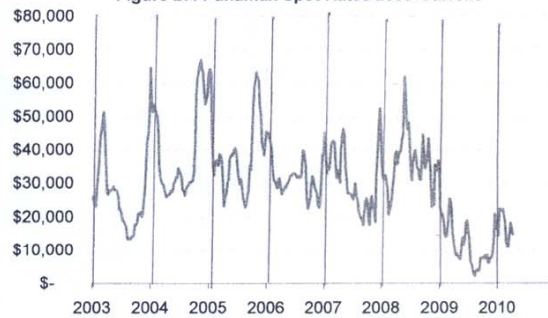


Figure 28: LR Product Spot Rates 2003-Current

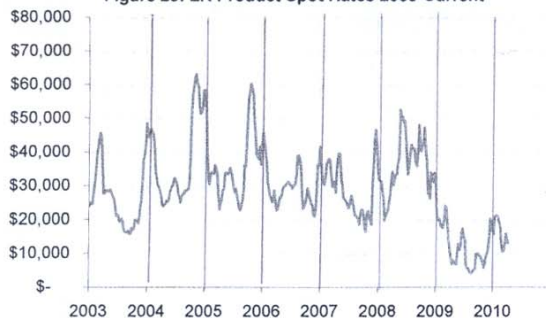
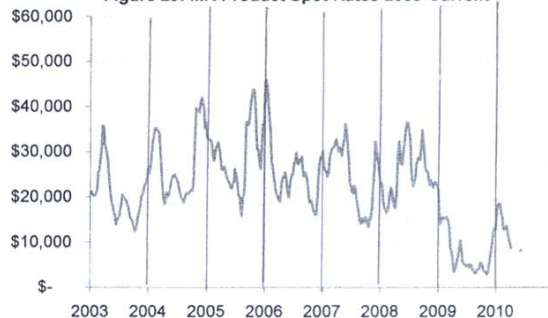


Figure 29: MR Product Spot Rates 2003-Current



ADDENDUM TWO**QUESTION 1.5**

Despite a relatively quiet week in the Arabian Gulf, VLCC rates have held steady. There has been a slight breather between the end of the April load program and the start of May fixtures, however despite light activity, rates have held firm, reflective of the overall positive demand trends we have seen. AG/East rates are steady in the \$60 000/day range, while Suezmax rates in West Africa climbed over the \$25 000/day level. Aframax markets are mixed, with more strength in the Mediterranean and rates above \$22 000/day from a low of \$8 000/day the week prior.

The IEA released its monthly Oil Market Report last week, raising 2010 demand forecasts by a modest 30 kb/d. The IEA noted that February oil demand in OECD North America showed y/y growth for the first time since April of 2008, adding another positive data point to the tanker market. With crack spreads moving higher, OPEC sailings increasing gradually and tanker spot volumes on the rise, all signs point to an improving oil demand environment, and the IEA could potentially provide further upward demand revisions as the year progresses.

Frontline has purchased three VLCCs, 2 2009-built and 1 2010-built, for \$320 million, according to broker reports. The company has not confirmed the acquisitions; the price would mark an increase from the most recent assessment of \$102 million for a resale VLCC. Sentiment is growing more positive, and we believe other public tanker companies will follow with acquisitions similar in scale, supporting asset prices and garnering positive attention from investors.

[Extract from *Marine Transport Weekly*]

ADDENDUM THREE

QUESTION 4.2

