

**FOR IMMEDIATE RELEASE**  
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**NEWS RELEASE**

**ESPERANZA ENERGY TO UTILIZE TORP'S ENVIRONMENTALLY FRIENDLY TECHNOLOGY FOR POTENTIAL SOUTHERN CALIFORNIA OFFSHORE LNG RECEIVING TERMINAL**

**LONG BEACH, Calif. – Esperanza Energy LLC, a newly formed subsidiary of Tidelands Oil & Gas Corporation (OTCBB: TIDE),** announced today that the company will use TORP Technology's HiLoad in its potential offshore, deepwater Southern California liquefied natural gas (LNG) receiving terminal. TORP's patented HiLoad LNG Regas technology has been developed to enable a safe and cost-efficient unloading and regasification offshore terminal operation.

TORP's HiLoad LNG Regas unit is a floating L-shaped LNG transfer and regasification unit that docks directly onto a LNG carrier, eliminating any relative motion between the carrier and the terminal, which enhances LNG transfer reliability and safety. The HiLoad facility attaches to an LNG tanker, directly vaporizes the LNG as it is offloaded and injects natural gas into pipelines that supply the gas markets. TORP's approach eliminates the need for extensive above-ground storage tanks or large marine structures required for berthing and processing. *To view a computer simulation of TORP's technology, go to [www.torplng.com](http://www.torplng.com) and click on "View Video."*

Once the TORP LNG Regasification Terminal efficiently processes the gas from the LNG tanker, the natural gas is distributed through an undersea pipeline that connects with onshore metering stations and transmission pipelines and, ultimately, is ready for use in energy markets.

"We are impressed with TORP's HiLoad LNG regasification technology and have determined its tremendous potential for our business strategies and plans off the coast of Long Beach," stated Michael Ward, Esperanza Energy President. "As we continue with our due diligence to locate a project site off the coast of Long Beach that exceeds California's environmental, public health and safety requirements, we believe that utilizing TORP's HiLoad technology will help Esperanza Energy meet its objectives."

"We are actively consulting with California stakeholders regarding the optimal design and operational configuration of TORP technology that will facilitate this accomplishment," added Ward.

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“TORP’s HiLoad regasification technology is the result of a dedicated development program over more than four years,” added Lars Odeskaug, President of TORP Technology. We are pleased with Esperanza Energy’s commitment to utilize our technology off the Long Beach coast and consider it a breakthrough in the commercialization of this environmentally friendly technology.”

#### **About TORP**

TORP Technology AS is a Norwegian company with its U.S. subsidiary, TORP Technology Inc., headquartered in Houston, Texas. TORP has its origins in Remora Holding (a Hitec Industries company). TORP with its affiliates has been involved in offshore engineering and construction since 1985. For more information about the company, please visit [www.torplng.com](http://www.torplng.com).

#### **About Esperanza Energy LLC**

Esperanza Energy LLC is a wholly owned subsidiary of Tidelands Oil & Gas Corporation and was formed in March 2006 to develop a liquefied natural gas (LNG) receiving terminal and ancillary facilities in the offshore waters of Southern California. Esperanza Energy’s initiative is to help satisfy California’s growing energy needs while remaining committed to best practices from a public safety, community benefit and environmental perspective.

#### **About Tidelands Oil & Gas Corporation**

Tidelands Oil & Gas Corporation, San Antonio, Texas, focuses its business on international pipeline crossings, gas processing plants and gas storage facilities. Through its ten directly and indirectly owned subsidiaries, Tidelands offers a full suite of services and has the capability to satisfy a wide variety of customer needs, both domestically and internationally. For more information about the Company, please visit [www.tidelandsoilandgas.com](http://www.tidelandsoilandgas.com).

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