

PRESS CLIPPING SHEET

PUBLICATION:	Daily News
DATE:	26-July-2015
COUNTRY:	Egypt
CIRCULATION:	60,000
TITLE :	5 oil, gas agreement signed between Egypt, Italy
PAGE:	05
ARTICLE TYPE:	General Industry News
REPORTER:	Sara Aggour

5 oil, gas agreements signed between Egypt, Italy

EXPANSION IN ASORC AND MIDOR PROJECTS TOTALS \$3.5BN

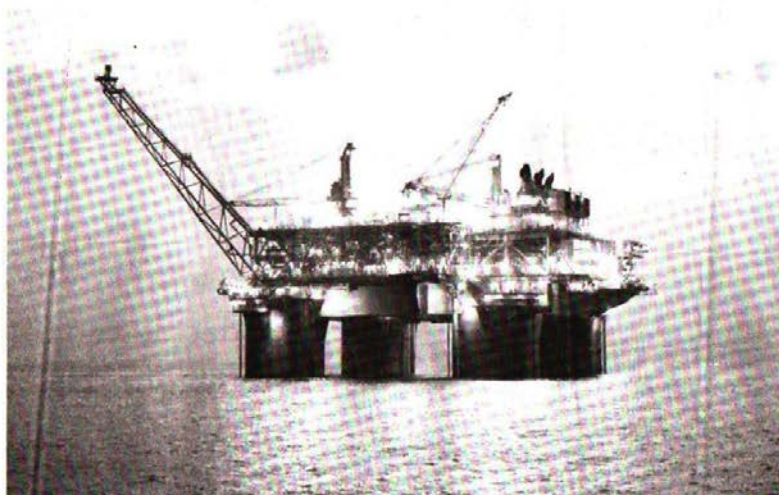
By Sara Aggour

Five new joint agreements were signed between Egypt and Italy to begin new projects in oil and gas exploration and the development of oil refineries.

The Italian side will supply 85%, around \$2.8bn, of the projects' investments, Minister of Petroleum Sherif Ismail announced early Saturday.

The projects include some expansions in the Middle East Oil Refinery (MIDOR) laboratory and the hydro-cracking refinery laboratory in the Assiut Oil Refining Company (ASORC) with a total investment value of \$3.5bn.

Investments in the Assiut project totals \$2.1bn, which has an annual production capacity of 1m tonnes of diesel, 76,000 tonnes of butane, 442,000 tonnes of gasoline and around 628 tonnes of sulphur, coal and hydrogen. The MIDOR project seeks to increase the refining capacity from 100,000 barrels per



An agreement was signed between EGPC and Eni in May, which will help increase Egypt's oil reserves

day to 160,000 barrels per day. The investments in the MIDOR project

amounts to \$1.4bn.

In May, the Italian company signed

a new agreement with the Egyptian General Petroleum Corporation

(EGPC) to modify previous oil agreements between both parties. In the new agreements, the company is expected to pump \$2bn in the Egyptian oil sector.

Around \$1.5bn will be spent in the field in Sinai as well as Abu Madi, to implement exploratory, development and operational activities over four years. Some \$360m will be spent on additional activities, which include drilling five wells in north Port Said.

The agreement adds that \$80m will be invested in the Baltim field, for reconstructing a well and drilling another, while \$40m will be spent in the Asharfi field in the Gulf of Suez.

A ministerial statement highlighted that the agreements with Eni will contribute to the discovery of new oil reserves and will increase the oil production rates. The statement added that it will provide the EGPC with \$515m worth of refundable grants, that will result in the reduction of the money owed to foreign partners.