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Egypt has 16th largest gas reserves: Edison chief executive

By Mohamed Adel

Egypt has the 16th largest gas reserves and is the 15th largest producer of gas, according to a study prepared by Edison International titled "Challenges and opportunities for Egypt's gas sector."

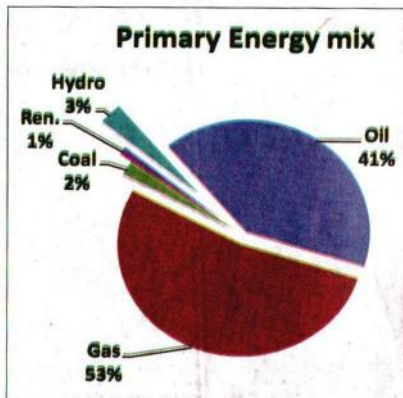
Relaying the study's findings, Edison Vice President Nicola Monti stated that Egypt is the second largest producer of gas in Africa and the first non-OPEC country in Africa to produce gas.

"Egypt will continue to be a major player in the oil sector", he added, stressing that there are new geological layers that contain untapped reserves in the Gulf of Suez, the Western Desert, the Nile Delta, and the east of the Mediterranean.

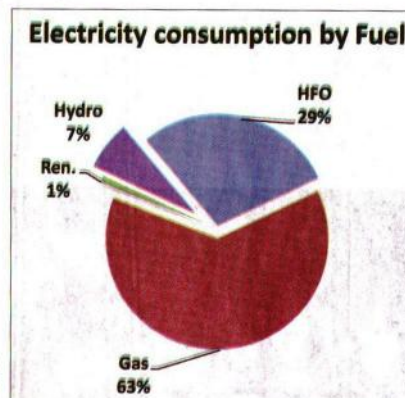
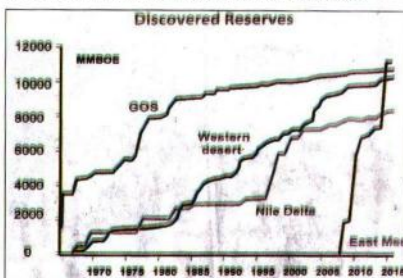
The study demonstrated that there has been the equivalent of 12bn barrels of oil discovered in Egypt's gas reserves in the eastern region of the Mediterranean Seas through 2015, followed by the Gulf of Suez where roughly 11bn was extracted, 9bn barrels in the Nile Delta oil fields, and the equivalent of 10bn barrels in the concession areas in the western desert.

There are also several areas that have not yet been explored, according to Monti, including the western region of the Mediterranean, where there is expected to be fields that could yield the equivalent of 1tr barrels per day. The Nile Delta's reserves are estimated to be able to yield 232tn cubic feet of gas.

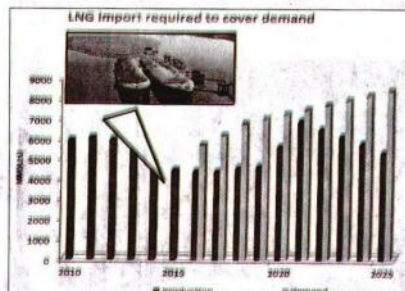
The Western desert region has approximately 100tn cubic feet of gas that has yet to be extracted, while the Gulf of Suez has roughly 112tn cubic feet. Upper Egypt is expected



Egypt has the potential to become a regional centre in the Mediterranean due to its strategic location, infrastructure, and qualified ports for the export and import of oil and gas, says Edison Vice President Monti



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to be able to produce approximately 1tr barrels daily.

"Egypt has the potential to become a regional center in the Mediterranean due to its strategic location, infrastructure and qualified ports for the export and import of oil and gas", Monti said.

After reviewing the research and exploration processes in the eastern areas of the Mediterranean—specifically focused on the concession areas such as North Port Fouad, north-east of Habi gas field, and north of Theqa—Monti explained that the company is currently conducting three-dimensional seismic research on an area of more than 5,000 square kilometers.

Within the framework of the Egyptian government's plan to liberalise the energy market, Edison will collaborate with private companies to allocate additional gas reserves to a electricity power plant that will be developed in Abu Qir field.

Monti said that under the government will invest in the project under the terms of the agreement.

He clarified that the growing demand on gas is due to population growth and low prices—which do not reflect the actual cost of fuel production—as well as low energy efficiency. According to these features, Monti predicted the demand on gas would exceed domestic production by 2018.

"Egypt remains a major player in the liquid natural gas (LNG) market to cover domestic demand. Despite that, Egypt still has large undeveloped reserves, tremendous exploratory potential, a key strategic location, and an infrastructure that will allow it to become a regional center", he concluded.



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