

BP to buy 25% interest in Egypt's Nour North Sinai concession

9 December 2018

BP today announced that it has agreed to acquire from Eni a 25% participating interest in the Nour North Sinai concession area offshore Egypt.

The concession is located in the East Nile Delta basin, approximately 50 kilometres offshore in the Eastern Mediterranean, in water depths ranging from 50 to 400 metres and covering a total area of 739 square kilometres. Eni, the operator, is currently carrying out drilling of the first exploration well in the concession.

Eni has also agreed the sale of a stake in the concession to Mubadala Petroleum. When the transactions are complete, Eni will remain the operator with a 40% stake in the concession, BP will hold a 25% interest, Mubadala Petroleum 20% and Tharwa Petroleum Company, 15%.

BP's purchase, which is subject to receiving approvals from the relevant Egyptian Government authorities, is expected to be completed by the end of this month.

BP has a long and successful track record in Egypt stretching back over 55 years. BP's business in Egypt is primarily in exploration and production of oil and gas. With its partners, BP currently produces almost 10% of Egypt's oil production and close to 60% of Egypt's gas production. BP has invested approximately \$30bn in Egypt to date, making it one of the largest foreign investors in the country. BP is working to meet Egypt's domestic gas market growth by actively exploring in the Nile Delta and investing to add production from existing discoveries.

Notes to editors

- To date, BP Egypt, in collaboration with the Gulf of Suez Petroleum Company (GUPCO), BP's joint venture company with the Egyptian General Petroleum Company (EGPC), has produced almost 40% of Egypt's entire oil production, and currently produces almost 10% of Egypt's annual oil and condensate.
- BP also currently produces close to 60% of Egypt's total natural gas consumption through its joint ventures the Pharaonic Petroleum Company (PhPC) and Petrobel with EGPC/EGAS and partners.
- BP operates the West Nile Delta project. The first phase of the five-field development project, Taurus Libra, began production in March 2017 and the second phase, Giza Fayoum, is expected to start production shortly. Total gas production from West Nile Delta is expected to

potentially reach up to 1.3 billion cubic feet a day (bcf/d) in 2020 - which will supply the country's national gas grid.

- BP has made a series of discoveries in Egypt in recent years including Taurt North, Seth South, Salmon, Rahamat, Satis, Hodoa, Notus, Salamat and Atoll.
- In early 2017, BP acquired from Eni a 10% stake in the Shorouk Concession which contains the giant Zohr gas field. Zohr began production in December 2017.
- BP also has 33% interest in a natural gas liquids (NGL) plant, the United Gas Derivatives Company (UGDC), and, in the downstream sector, a stake in the Natural Gas Vehicles Company (NGVC).
- In May 2018, Castrol, part of the BP group, announced the formation of a new joint venture company in Egypt with its existing distribution partner, TAQA Arabia. Castrol Egypt Lubricants S.A.E. will locally manufacture and market Castrol's world class, high performance automotive and industrial lubricants, whilst TAQA for Marketing Oil Products will continue as the sole distributor for Castrol lubricants in Egypt.
- In July 2018, BP's solar power joint venture, Lightsource BP, announced the formation of a joint venture with leading construction company Hassan Allam. The venture will fund, develop and operate solar projects locally, offering Egyptian commercial and residential customers world-class solutions in solar energy and energy storage.

Further information

BP press office, Houston: +1 281 366 4463, uspress@bp.com