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EGYPES
EGYPT ENERGY SHOW
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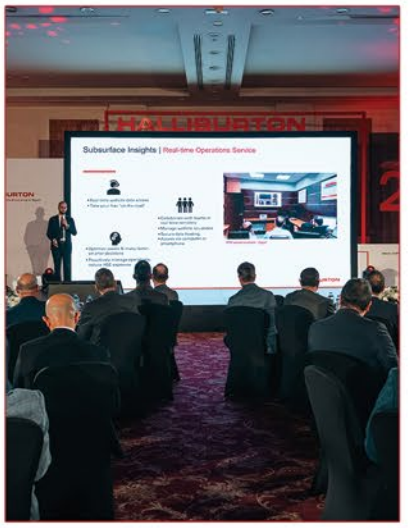
HALLIBURTON

Celebrates 25 Years of Hydraulic Fracturing Excellence in Egypt



Editor's **Letter**

Natural gas: a costly summer of power

Dear reader,

This summer, natural gas has become Egypt's most talked-about topic. The government's urgent efforts to secure enough supply to keep air conditioners running and lights on have dominated headlines and talk shows across the country. In our August issue, Egypt Oil & Gas takes a deep dive into the many dimensions of this energy challenge—and explores the paths toward sustainable and cost-effective solutions.

Our Overview examines how the government has moved on multiple fronts to make natural gas available, with a special focus on Floating Storage and Regasification Units (FSRUs). The Economics section asks a critical question: which energy source—natural gas, diesel, or renewables—is most suitable for Egypt's future? In Insight, we explore the practicality of storing natural gas during periods of low consumption for use during peak demand.

The Politics piece sheds light on how the gas export potential of Eastern Mediterranean countries is being undermined by rising geopolitical risks. Meanwhile, our Technology section introduces an innovative method for generating biodiesel from used cooking oil. We also bring you full coverage of the Egypt Mining Forum, which showcased the sector's untapped potential and emerging opportunities.

We hope you enjoy this issue and find it both informative and engaging.

Sherine Samir
Editor in Chief

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Proudly the Official Publication

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Tower No.12 - Bavaria Compound, Ring Road in front of sama Tower - Egypt

(+20) 2 27498191 (+20) 2 27498192 (+20) 2 27498190

info@egyptoil-gas.com www.egyptoil-gas.com

/EgyptOilandGas /EgyptOilandGas /Egypt-Oil-&-Gas /EgyptOilandGas /EgyptOilandGas

Mohamed Fouad
Publisher

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TOP 5

Cypriot Cronos Natural Gas Field to be Connected to Egypt by 2027

Karim Badawi, the Minister of Petroleum and Mineral Resources, met with George Papanastasiou, Cypriot Minister of Energy, Commerce, and Industry, in Nicosia. Senior representatives from Eni and TotalEnergies also attended the meeting. The discussion focused on the progress of Cyprus's Cronos natural gas field, which is scheduled to be linked to Egypt's energy infrastructure by 2027.

Badawi stressed Egypt's readiness to complete the project and establish a new regional energy corridor. He emphasized that this would enhance regional cooperation and benefit both countries. He also stressed Egypt's commitment to removing any obstacles the project may encounter.

Latest Oil, Gas Bid Round Attracts Market Interest, Results this month

Significant market demand was seen for the recently-closed bidding round for strategic exploration blocks spanning the Mediterranean Sea, Gulf of Suez, and Western Desert. Global and private-sector companies submitted multiple proposals for concessions such as Rahmat, under the Egyptian Natural Gas Holding Company (EGAS); North July, under the Egyptian General Petroleum Corporation (EGPC); and three blocks from Ganoub El Wadi Petroleum Holding Company (Ganope): North El Baraka, East Gebel El Zeit, and Southeast Ras El Ash.

The new bidding round was overseen and made available by the Egypt Upstream Gateway (EUG), offering new investment opportunities within the framework of the Ministry's strategic first pillar to increase domestic output to meet growing demand.

The bidding round aligns with Egypt's trend to enhance hydrocarbon output and draw vital foreign investments. The evaluation and award results for the latest bidding round are expected in August.

Agiba Petroleum Makes New Discovery with 2,500 boe/d Initial Production Rate

Agiba Petroleum Company, a joint venture between the Egyptian General Petroleum Corporation (EGPC) and Italy's Eni, announced a new discovery in the Arcadia West field in the Western Desert, which was swiftly brought into production.

Drilling operations at the Arcadia-28 well yielded the discovery of a high-quality reservoir, commencing production at an initial rate of 2,500 barrels of oil equivalent per day (boe/d). This success further substantiates the significant hydrocarbon potential of the area, following closely on the heels of the Iris field discovery just months prior, which continues to produce 7,500 boe/d.

This discovery at Arcadia West not only enhances the potential for replicating this highly effective model, but also underscores Agiba's innovation in exploration and reservoir characterization. It also confirms the potential of this geological model, which is anticipated to yield numerous promising analogs across the company's concession areas in the Western Desert.

Fifth Floating Regasification Unit Joins Egypt's Gas Grid via Aqaba Port

The Jordanian port of Aqaba has received the Energos Force regasification unit and started its commercial trails. The FSRU set to receive imported liquefied natural gas (LNG) shipments, regasify them, and inject part of the natural gas into the Arab Gas Pipeline to Jordan. The unit has a regasification capacity of 750 million cubic feet per day (mmcf/d).

Egypt aims to have four floating, storage, and regasification units (FSRU) connected to the national grid with a total regasification capacity of 2,700 mmcf/d during the peak demand of 2025.

Currently, there are three regasification units operating at SUMED and Sonker ports in Ain Sokhna: Energos Eskimo, Energos Power, and Hoegh Galleon. They have an overall regasification capacity of 2,250 mmcf/d. The units operate adaptively, responding to seasonal shifts and short-term changes in domestic demand.

Moreover, another unit, Energos Winter, is expected to dock at Damietta port and will operate for five years upon the lease agreement signed between the unit and EGAS. It holds 450 mmcf/d of regasification capacity.

Aton Resources Reports High-Grade Gold, Silver Intersections at Abu Marawat

Canadian miner Aton Resources has reported drilling results showing gold grades of 33.86 grams per ton (g/t) and silver grades of 419 g/t at the Abu Marawat deposit—part of its retained exploration areas within the Abu Marawat concession in Egypt's Eastern Desert. The drilling results also confirmed grades of 44.59 g/t of gold and 103 g/t of silver from another intersection.

These findings indicate rich concentrations and promising mineral extensions within the deeper geological formations, stated the Ministry of Petroleum and Mineral Resources.

The company has completed 113 drill holes that totaled 9,642 meters on undrilled surface zones with concentrated minerals. It began operations in June 2024 via a diamond drilling program at horizontal and shallow angles to optimize penetration through mineralized rock formations.

A BLAST FROM THE PAST

Were it not for the Abu Madi gas field, Egypt's vast energy potential across the Nile Delta and Mediterranean regions might have remained largely overlooked.

Discovered in 1967 by a joint venture between Italy's Eni and the Egyptian General Petroleum Corporation (EGPC), Abu Madi marked the country's first commercial gas find in the Delta. The discovery revealed high hydrocarbon saturation within Messinian-aged sandstone layers. The gas is extracted from the Abu Madi Formation, a geological layer primarily composed of sandstone and shale.

The field's positive results triggered a series of more than 170 discoveries by 2019, including Baltim North and South, Southwest Disouq, and Nooros, all tapping into the Abu Madi Formations. The discovery momentum extended beyond onshore boundaries, unlocking offshore Mediterranean prospects like Zohr and Bashrush gas fields.

The development of Abu Madi started since 1970, with the number of its producing wells increasing to 21 and by end-1992. The field has a capacity of 400 million cubic feet per day (mmcf/d). It holds 2.8 trillion cubic feet (tcf) of estimated gas reserves.

By the early 1990s, Abu Madi's infrastructure has expanded to include processing facilities and treatment plants that served several nearby gas fields. It also expanded in pipelines infrastructure that served the nearby community and the national grid.

The Nile Delta has eight natural gas pipelines, four of which spread across the region while four exist within it; two pipelines connect Abu Madi field with Talkha distribution station that either directly provide the consumers in Talkha with natural gas or further extend to feed electric stations with natural gas in Cairo through the TalkhaTanta-Cairo pipeline.

UNDER THE Limelight

Targeted Daily Output of Natural Gas from Sparrow West-1*

40 MMCF/D

Burullus Adds Second Gas Well Under Phase 11 of WDDM

Burullus Gas Company has brought the Sparrow West-1 development well online under Phase 11 of the West Delta Deep Marine (WDDM) project, which is operated by Rashid Petroleum Company (Rashpetco) in partnership with Shell and PETRONAS. This addition supports the Ministry of Petroleum and Mineral Resources' strategy to boost domestic natural gas production and meet growing local demand.

Sparrow West-1 is the second well added under this phase, following the launch of Siena DE well. The full development plan aims to add up to 130 million cubic feet per day (mmcf/d) of natural gas to the company's production capacity. Collectively, both wells have added 80 mmcf/d in less than three weeks.

Development of the third well is being accelerated, with plans to bring it into production by September to support peak summer demand, reduce import dependence, and enhance supply security through the national gas grid.

* Second Well to Be Integrated into the Production in WDDM's Phase 11

ACHIEVEMENTS

NORPETCO Drills 13 New Wells, Adds 1.5Mn Barrels in Reserves in FY 2024/2025

North Bahariya Petroleum Company (NORPETCO) has commenced crude oil production from the Ferdous-23 well, drilled 13 new other wells exceeding its annual target, and added 1.5 million barrels of proven reserves.

Alongside its upstream performance, NORPETCO also expanded its renewable energy footprint, increasing its solar capacity to 124 kilowatt (KW) and launching a tender for an additional 800 KW station.

On the infrastructure development front, the Egyptian company replaced old pipelines with modern Glass Reinforced Epoxy (GRE) lines and upgraded field facilities to improve working conditions. It also began the engineering and design phase for a pipeline linking NORPETCO with Khalda Petroleum Company to enhance operational safety and reduce transportation costs. Studies for a separate shipping pipeline project were also accelerated to reduce reliance on trucking and its associated risks.

Agiba Petroleum Boosts Production by 4,100 boe/d with "Arcadia-28" Well

Agiba Petroleum Company, a joint venture between the Egyptian General Petroleum Corporation (EGPC) and IEOC, part of Italian Eni, was able to add an estimated 4,100 barrels of oil equivalent per day (boe/d) to its production capacity. The production boost is a direct result of it bringing the "Arcadia-28" well online on July 19, 2025.

The well, targeting the underground rock layer formation "Masajid Carbonate", was commissioned after a precise acid stimulation operation—a well treatment technique similar to that used in the "Iris" well, Agiba's recent oil and gas discovery in Egypt's Western Desert.

Khalda's New Drilling System Saved 60 days, $3mn in Operational Costs in 2024

Khalda Petroleum Company, partnering with international energy firm Apache, has optimized oil and gas well drilling operations in the Western Desert, resulting in a cost reduction of $3 million and the connection of 110 wells.

Khalda revealed these performance improvements during a workshop organized by the Egyptian General Petroleum Corporation (EGPC), noting that it reduced the average drill pipe connection time from 24 minutes to 18 minutes, with some wells recording 12.5 minutes. This was translated into a cumulative time saving of 60 days during 2024.

In the first half of 2025, the company built on this momentum by drilling 54 wells with an additional 15%-time efficiency gain compared to 2024. This yielded a further 180-day reduction in overall drilling time and over $15 million in cost savings.

Khalda affirmed continuing this path in 2026, to reduce connection time to just 12 minutes.

Egypt Leases Energos Winter FSRU for Five Years, Arrives in Damietta Port this month

Egypt has leased the Energos Winter floating, storage, and regasification unit (FSRU) for five years, and the unit is expected to arrive at the Damietta port by August this year.

The Ministry of Petroleum and Mineral Resources has developed a comprehensive plan to upgrade and secure gas supply to meet the needs of the electricity, industrial, and economic sectors.

Egypt has connected three regasification units to SUMED and Sonker berths in Ain Sokhna port. The three units hold regasification capacity of 2,250 million standard cubic feet per day (mmscf/d), said Moataz Atef, (MoMPR)

ETHYDCO Becomes First Egyptian Petrochemical Company to Complete Carbon Footprint Assessment

The Egyptian Ethylene and Derivatives Company (ETHYDCO) completed a comprehensive carbon footprint study for all its operations. The study was carried out by the company's General Department of Environmental Protection, in cooperation with the Petroleum Safety and Environmental Services Company (PetroSafe) and Integral.

The study was conducted in accordance with the Greenhouse Gas (GHG) Protocol standards and the international standard ISO 14064-1. It comprises all daily operations at the facility, including fixed and mobile combustion units, gas leaks, electricity consumption, transportation of materials and products, employee travel, and supply chain-related activities. The calculations were verified using a combination of reliable national and international emission factors.

MINING

Egypt to Launch its First Aerial Mineral Survey in Decades

The Mineral Resources and Mining Industries Authority will commence aerial survey for mineral exploration for the first time in decades as part of the sector development strategy, said Minister of Petroleum and Mineral Resources Karim Badawi during the closing session of the Egypt Mining Forum in Cairo.

This is one of the first decisions made by the authority following the parliament's approval to amend law no.198 of 2014 to transform the authority from a service to an independent economic entity to empower investors and unlock Egypt's full mining potential.

Parliament Approves Contract for Centamin Mining in Sukari

The Egyptian Parliament gave its final approval of a draft law, permitting the Minister of Petroleum and Mineral Resources to contract with the Egyptian Mineral Resources and Mining Industries Authority and Centamin. The purpose of this contract is to exploit gold ore and other minerals in the Sukari area.

The agreement, which is in line with the constitution's provision for natural resource exploitation licenses of up to 30 years, aims to boost economic prosperity, create new job opportunities, and support the state's focus on developing the mining sector.

Under this agreement, Centamin will have the right to exploit the Sukari area for 30 years, and fully self-finance the project without burdening the state. The company is also committed to conducting regular environmental impact assessments, adhering to environmental, health, and public safety standards, as well as purchasing goods, services, and products available in the local market to support national industry and maximize the project's domestic economic benefits.

Egypt Signs Agreements with AngloGold, Barrick to Accelerate Mineral Development

During the opening ceremony of Egypt Mining Forum, Egypt signed two agreements with leading international gold mining companies to develop the mining sector in line with Egypt Vision 2030.

Chairman of the Mineral Resources and Mining Industries Authority (MRMIA), Yasser Ramadan, signed an exploration license agreement for gold and associated minerals with Mohamed Kamal, Chairman of Centamin PLC Central Mining, a subsidiary of AngloGold Ashanti.

Moreover, Chairman Yasser Ramadan and Head of Central Administration for Legal Affairs at the Ministry, Mohamed El Bagoury, have signed a framework agreement with Henry Onslow, Exploration Manager at Barrick Mining Corporation.

AGREEMENTS

EGPC Signs MoU for Digital Transformation of National Pipeline Infrastructure

The Egyptian General Petroleum Corporation (EGPC) signed a strategic Memorandum of Understanding (MoU) with its partner, the Siemens, DNV, and EnExpert Energy Consortium. It aims to enhance safety levels and improve the efficiency, security, and sustainability of the petroleum pipeline network for crude oil and petroleum product transportation and storage.

It reinforces Egypt's position in transporting and storing petroleum materials and enables the Petroleum Pipelines Company (PPC) to move towards growth and expand its local and regional presence.

The cooperation includes the implementation of an integrated project comprising three main phases. The three phases aim to modernize and develop the pipeline network belonging to PPC, which is considered one of the largest pipeline networks in the region with a length exceeding 7,000 kilometers extending across the country.

The consortium will develop safety systems, as well as enhance operational process safety and asset efficiency through a set of solutions. They include advanced industrial automation applications, digital twin models, real-time monitoring and analysis tools, alongside Risk-Based Inspection (RBI), and monitoring and preventing illegal encroachments and theft of petroleum products.

Egypt, China's Asia-Potash Ink Major Phosphate Cooperation Deal

The Mineral Resources and Mining Industries Authority signed a Memorandum of Understanding (MoU) with China's Asia-Potash International Investment (Guangzhou) Co., Ltd. The MoU is designed to strengthen joint cooperation in exploring and assessing phosphate ore reserves.

The objective is to maximize the added value of this crucial resource. The signing took place in the presence of Karim Badawi, the Minister of Petroleum and Mineral Resources.

The MoU further aims to foster cooperation in scientific research for the exploration and confirmation of phosphate ore reserves, enrichment and processing operations, and studying the establishment of a modern plant for the production of phosphate fertilizers—all per Egypt's laws and regulations.

Badawi signs Energy MoUs with the UAE

During his visit to the UAE, Karim Badawi, the Minister of Petroleum and Mineral Resources, met with his counterpart and the Chair of the International Affairs Office at the Presidential Court to discuss deepening regional cooperation between Egypt and the UAE. These two meetings were among others held with key industry leaders that concluded with signing two Memorandum of Understandings (MoUs) in the maritime and energy sectors.

The first MoU was signed between the MoPMR and Chinese United Energy Group (UEG). Its objective is to set a cooperation framework to explore investment opportunities in the oil and gas sector within Egypt and across international markets, as well as expand in renewable energy and energy trading projects.

The ministry also signed a second MoU with Abu Dhabi Ports Group and TCM Project Manager LLC for further joint regional cooperation between Egypt and UAE.

In another separate meeting, Minister Badawi discussed with Suhail Mohamed El Mazrouei, UAE Minister of Energy and Infrastructure, the possibility for cooperation in the energy sector. They both agreed to form a joint working group to exchange sound practices and success stories.

China Advances Major Petrochemical Project in the SCZONE

An unbinding framework agreement was signed in the Chinese capital, Beijing, between the Red Sea National Petrochemicals Company and the China National Chemical Engineering Company (CNCEC), for the implementation of the Red Sea Petrochemical Project in the Suez Canal Economic Zone (SCZONE).

It underscores the strategic importance of the project—one of Egypt's most prominent future projects in the chemical industries sector, according to a press release by add (MoMPR).

Ibrahim Mekki, Chairman of the Egyptian Petrochemicals Holding Company (ECHEM), said that CNCEC expressed its readiness for a potential contribution to the project's capital, in addition to the possibility of supporting financing that could cover up to 85% of the value of the Engineering, Procurement, and Construction (EPC) contract.

INVESTMENTS

PMS to Develop Phase Four of Kamose Gas Field Offshore North Sinai

Petroleum Marine Services (PMS) has been awarded the execution contract for the development of Phase Four of the Kamose offshore gas field in North Sinai.

The scope of work includes the installation of three new offshore production platforms: Hoor, KDE-1, and Snefru. PMS will also deploy three 8-inch-wide offshore pipelines to link the new platforms to the existing production network, ensuring full connectivity to the company's main offshore pipelines and integration with the floating production unit (MOPU).

This aims to accelerate the commissioning process and increase output from the Kamose natural gas field. This phase builds on PMS's work during Phase Three of the Kamose field development, where the company installed five offshore platforms and laid five offshore pipelines in areas 3A and 3B.

Wadico to Launch Egypt's First Oil Shale Exploration and Production Project

New Valley Company for Mineral Resources and Oil Clay (Wadico) signed a strategic cooperation agreement with the global BCM Group. This agreement is set to launch the first project of its kind in Egypt for the exploration and production of oil shale.

Wadico affirmed that the agreement represents a qualitative leap towards exchanging technical and geological expertise with one of the largest companies operating in the sector. It also opens the door to utilizing oil shale as an alternative energy source, whether through its use in power generation or as a sustainable energy source in cement factories. This significantly enhances Egypt's capacity to diversify its energy sources.

This step is expected to open new markets and develop modern technologies for utilizing oil shale. This will support the state's strategy to maximize the benefit from mineral resources and achieve real added value for the national economy.

Wadico further signed a tripartite Memorandum of Understanding (MoU) with ASEC for Mining (ASCOM) and ASCOM Carbonate and Chemicals Manufacturing (ACCM). The MoU outlines cooperation in the extraction, manufacturing, and marketing of sandy kaolin raw material.

The MoU aims to maximize the added value of Egyptian kaolin by carrying out separation and grinding operations down to 2 microns within ACCM's factories in Minya Governorate. This will serve various industrial uses and enhance its competitiveness in both local and global markets.

Wadico will provide the licenses and concession areas at the Ras Ghareb site, while ASCOM will undertake the geological and mining operations. ACCM will be responsible for processing and marketing the raw material through its international network spanning over 45 countries.

COMPANY OF The Month

ENAP

Enap Sipetrol, a subsidiary of ENAP established in 1990, was founded to advance hydrocarbon exploration and production activities beyond Chile's borders to identify and pursue new business opportunities internationally. Currently, Enap Sipetrol conducts operations in Argentina, Ecuador, Uruguay, and Egypt.

Enap Sipetrol's Activities in Egypt

ENAP Sipetrol started working in Egypt in 1998. It has operations in several key regions, including the Western Desert, and Eastern Desert. Its portfolio comprises both onshore and offshore assets, demonstrating the company's diversified operational capacity.

ENAP Sipetrol Egypt currently operates the East Ras Qattara block through the Petroshahd Joint Venture (JV), and was awarded the West Amer exploration block in the Gulf of Suez in 2022.

In 2024, ENAP Sipetrol committed $70 million to its operations in the East Ras Qattara concession to support the drilling of four development wells and three exploratory wells in the Shahd, Northeast Shahd, and Zahraa areas.

The company completed a seismic survey in the West Amer concession at a cost of $11.5 million, with the objective of advancing the start of drilling operations to September 2025 instead of January 2026.

Additionally, ENAP Sipetrol aims to increase its production to 11,000 barrels per day (bbl/d) by the end of 2025.

ENAP SIPETROL ACHIEVEMENTS IN EGYPT*

Total Investments	$581 million	
Total Production	10,000 bbl/d	
Concession	Ras al-Qattara	West Amer
Location	Western Desert	Eastern Desert
ENAP's Share	50.5% (Operator)	100%

*Until May 2024

Dana Gas Begonia-2 Well to Deliver 5 mmcf/d of Natural Gas, 11 More Wells in Pipeline

Dana Gas reported 9 billion cubic feet (bcf) of gas proven reserves from initial drilling results of Begonia-2 appraisal well located in the New Manzala concession area in the Nile Delta region. Production from the well is expected to reach 5 million cubic feet per day (mmcf/d) of natural gas.

Dana Gas also began recompletion operations at balsam-3 well onshore the Nile Delta. The well's reserves are estimated at 4 bcf, with anticipated daily output of 3 mcf.

This marks the UAE company's start of $100 million investment program in Egypt aimed at boosting domestic gas production, increasing reserves, and meeting rising energy demand.

Through this program, Dana Gas aims to add up to 80 bcf of recoverable reserves over two years in Egypt. Drilling is being conducted using the EDC-54 rig, with the next well scheduled to spud in August.

Shell invests in Egypt's Mina West Gas Field

BG International Limited, an affiliate of Shell plc (Shell), has made a final investment decision to develop the Mina West gas discovery in Egypt's Mediterranean Sea. Accordingly, Shell (holding 60% stake) will operate the field alongside partner, KUFPEC Egypt Limited (KUFPEC) (holding 40%), working in close collaboration with the Egyptian Natural Gas Holding Company (EGAS).

Discovered in October 2023, the Mina West gas field will be developed as a subsea tie-back to the existing West Delta Deep Marine (WDDM) infrastructure, ensuring a reliable energy supply for Egypt's domestic gas market.

This targeted investment contributes towards growing Shell's combined Integrated Gas and Upstream (IG&U) total production by 1% per year to 2030. The investment in Mina West is expected to generate an internal rate of return (IRR) in excess of the hurdle rate for Shell's Integrated Gas business.

Aramco Negotiates Increasing LNG Purchases from USA

Oil giant Saudi Aramco is currently negotiating with US-based Commonwealth LNG to purchase liquefied natural gas (LNG) from the planned export terminal in Cameron, Louisiana, according to four sources.

Two of the sources revealed that the discussions involve a potential supply deal of 2 million metric tons per year (mtpa) of LNG. The move comes as Aramco looks to expand its footprint in the growing global LNG market. Completing the transaction will allow Commonwealth LNG to move closer to its goal of selling 8 million tons per year from its planned 9.5 mtpa capacity.

Additionally, two sources stated that Aramco is also exploring additional U.S. LNG export opportunities, including Delfin LNG's proposed 13.2 mtpa floating facility in the Gulf of Mexico, as well as Energy Transfer's planned Lake Charles project, which aims to produce 16.5 mtpa of LNG.

ADNOC to Reassign its ownership in OMV to XRG.

ADNOC plans to allocate its ownership stake of 24.9% in OMV AG (OMV) to XRG P.J.S.C. (XRG), its fully owned international investment arm. This planned transfer is pending regulatory approvals.It is expected to support ADNOC's strategy to centralize its global investment activities under XRG.

ADNOC is also moving forward with plans to establish Borouge Group International, aiming to become one of the world's top four producers of polyolefins. ADNOC's proposed 46.94% shareholding in the new entity is expected to be held by XRG upon completion of the transaction, subject to regulatory approvals.

Eni's Production Up 1.3% in Q2 2025, Expecting Growth in 2025

Eni's production went down by 2.6% in Q2 2025 compared to Q2 2024; however, it increased by 1.3% sequentially, confirming the positive outlook for the year.

According to the company's results, it achieved net profit of $1.13 billion with a group tax rate of 46.6%. The performance is supported by several internal improvement initiatives, including cost savings, increased volumes, and a more favorable product or service mix.

Eni also predicted increase in the cash flow from operations (CFFO) before working capital adjustments to approximately €11.5 billion at the updated scenario.

bp Projects Higher Upstream production in Q2 2025

bp, the British oil giant , posted higher expectations for upstream production during Q2 2025 compared to Q1 2025. The company projects higher oil production and operations primarily in bpx Energy, while slightly higher in gas and low carbon energy.

Meanwhile, bp noted that revenues from the gas and low-carbon energy segment are expected to be impacted by $0.1 to $0.3 billion, including effects from changes in non-Henry Hub natural gas benchmark prices.

Furthermore, the company stated that the performance of the gas marketing and trading segment is anticipated to be in line with typical levels.

In the oil production and operations segment, earnings are projected to be negatively affected by approximately $0.6 to $0.8 billion compared to the previous quarter. This is mainly due to changes in the production mix and delayed pricing impacts related to bp's output in the Gulf of Mexico and the UAE.

Baker Hughes, Petronas agree to Support Asia's Energy Expansion, Transition

Baker Hughes and Petronas have signed a Memorandum of Understanding (MoU) to form a strategic partnership aimed at exploring business opportunities that could contribute to advancing Asia's energy growth and transition efforts.

According to the MoU, the two companies will work together in enhancing local supply chain capabilities and assessing the potential implementation of various technology solutions.

Supporting these initiatives, Baker Hughes revealed plans to broaden its current service operations in Malaysia by establishing a comprehensive aeroderivative gas turbine module repair facility.

TotalEnergies, Emerson Cooperate on Large-Scale Solutions for Operation Optimization

TotalEnergies has entered into a strategic partnership with Aspen Technology, a business of Emerson, aimed at deploying advanced digital solutions across its industrial sites.

These solutions will help in leveraging the efficiency of real-time data collection leading to improved operational efficiency, reduced energy consumption, and enhanced environmental performance.

Within the frame of the partnership, TotalEnergies will apply Emerson's AspenTech Inmation™ across its industrial sites worldwide. This data will continuously gather and consolidate millions of real-time data points from TotalEnergies' sites, enabling secure and centralized access to information throughout the organization.

Saipem, Subsea 7 Sign Merger Agreement

Saipem, an Italian multinational oilfield services company, along with with Subsea 7, a Luxembourgish subsea engineering and construction company, signed a binding merger agreement based on the terms and conditions that have been previously communicated at the Memorandum of Understanding (MoU) that was signed in February 2025.

As a result of the merger, a global leader in energy services will be established under the name "Saipem 7". This new company will have revenue of approximately €21 billion and will generate more than €800 million of free cash flow.

After completing the deal, each company's shareholders will own 50% of the share capital of Saipem 7. The new company will continue to be registered in Italy with its main office located in Milan, and its shares will be traded on both the Milan and Oslo stock exchanges.

The transaction will be pending the customary conditions needed for such deal and it is expected to be done in Q2 2026.

SLB Introduces New Innovation Enabling More Operation Efficiency

SLB, the global energy technology company, launched the new technology "OnWave" which is an autonomous logging platform which enables operation efficiency through providing more efficient and reliable evaluation measurements of a well's formation at any condition.

The company said in a statement that this technology 'is the first of its kind' and it works without a wireline unit, and wireline cable, which are normally needed to lower tools into wells for data collection, maintenance, and intervention during oil and gas operations.

Interestingly, the new platform takes less half the time to deploy than the conventional wireline platforms. This new technology can also replace missions done manually by engineers at the surface, including borehole measurement acquisition and data quality checks.

SLB elaborated that the platform was successfully deployed in several site inducing in the U.S and the Middle East, noting that it reduced the landing time by 70% in South Texas thus far.

Halliburton Kicks Off Geosteering Solution to Enhance Drilling Operations

Halliburton, a leading global provider of oilfield services and technologies, launched the LOGIX™ automated geosteering system, a component of its broader LOGIX™ automation and remote operations portfolio. A geosteering system is a technology that uses during drilling to steer the wellbore in real time, ensuring it stays within the most productive part of the reservoir.

The service continuously updates geological models in real time, allowing for dynamic optimization of well trajectories. Using advanced algorithms and machine learning, it delivers consistent and objective geological interpretations, enabling operators to make faster, data-driven decisions with greater accuracy.

Harbour Energy Increases Free Cash Flow in H1 2025

Harbour Energy announced strong unaudited half-year results for the period ending June 30, 2025, driven by a successful operational execution and the benefits of its recent Wintershall Dea asset portfolio acquisition. The company has upgraded its full-year free cash flow outlook to approximately $1 billion, up from the previous $0.9 billion.

The company increased revenue and other income to $5.3 billion, compared to $1.9 billion in H1 2024, and Earnings before interest, taxes, depreciation, and amortization (EBITDAX) to $3.9 billion, compared to $1.2 billion in H1 2024.

Furthermore, Harbour Energy reported a significant increase in free cash flow to $1.36 billion and a reduction in net debt to $3.8 billion. The company's diversified production increased to 488,000 barrels of oil equivalent per day (boe/d).

Habour energy saw a reduction in unit operating costs. Moreover, the company reported new wells coming on-stream in Norway, Argentina, and the UK.

HALLIBURTON CELEBRATES 25 YEARS OF HYDRAULIC FRACTURING EXCELLENCE IN EGYPT

HALLIBURTON

Halliburton, a global leader in energy services, has recently celebrated 25 years of providing hydraulic fracturing services to Egypt's oil and gas sector. The event was convened by industry leaders, technical experts, and key stakeholders for a day of reflection, innovation, and recognition.

Hydraulic fracturing, commonly known as "fracking or Frac," is a well stimulation technique used to enhance the extraction of oil and gas from underground rock formations. The process involves injecting high-pressure fluid, typically a mixture of water, sand, and chemicals, into the reservoir rock. This creates small fractures, allowing hydrocarbons to flow more freely into the wellbore, thereby increasing production rates and improving resource recovery.

"In fields with low permeability—where fluid flow through rock is limited—hydraulic fracturing (frac) is essential to unlocking and extracting resources. In oil reservoirs, fracking can dramatically boost recovery. For natural gas, where permeability can be nearly zero, frac techniques, especially when combined with horizontal drilling, can transform unproductive wells into significant producers" Abd El Nasser Khafagy, vice executive managing director for production and fields development in the Egyptian Natural Gas Holding Company (EGAS), explained to Egypt Oil & Gas during the event.

The technique is also ideally suited for mature provinces, according to Alan Linn, Cheiron CEO. "After (easily accessible) oil has already been extracted, what remains is much more difficult to access. So, oil and gas companies need to use technology and new techniques to access that oil economically. Hydraulic fracturing is one of the key tools that allow oil and gas companies to do that," he told Egypt Oil & Gas

Over the past 25 years, Halliburton has been at the forefront of introducing and advancing hydraulic fracturing technologies in Egypt. These innovations have enabled

Celebrating 25 years of Haliburton's provision of hydraulic fracturing operations in Egypt is a milestone that reflects a commitment to advancing energy production through innovation and strategic partnership with the Egyptian government.

H.E. KARIM BADAWI

Minister of Petroleum and Mineral Resources

> As a company, we are dedicated and committed to continued investment in Egypt. We were able to become better thanks to our partners and the environment that has been created by the Ministry.

RAMI YASSINE

Halliburton's Senior Vice President, MENA

operators to tap into previously inaccessible reserves, contributing significantly to the nation's energy security and economic growth.

Panelists Discuss Technology and the Future

During the event, a lively panel of industry experts discussed current challenges, opportunities, and the evolving landscape of hydraulic fracturing in Egypt. The panel was moderated by Mohamed Amer, PE, Regional Manager at Halliburton.

Panelists shed light on the experience of their companies with the Fracking technique.

"In Badr El Din Petroleum (BAPETCO), we have completed 200 fracks over the last four years, with investments of $60 million. Each of those fracks gives us an average incremental uplift of about 300 barrels a day per well (bbl/d)," Linn noted. He said that around "80% of BAPETCO's production is the result of fracking."

Talking about the future ahead, Tamer Edrees, Deputy CEO for Production at the Egyptian General Petroleum Corporation (EGPC) noted, "The oil and gas sector and Halliburton have another 25 years to work together. That is not easy, but it is still an opportunity."

He also highlighted the future technology of using intelligent algorithms to help overcome challenges. Meanwhile, Shawn Stasiuk, Halliburton's vice president of production enhancement underscored how these technologies can help mitigate risks in the fracking business.

Halliburton's Approach to Maximizing Recovery Rates

Mohamed Abdel Halim, PE Technical Manager at Haliburton, delivered a presentation on the types of fracturing provided by the company. During the presentation, Abdel Halim explained the diverse fracturing solutions provided by Halliburton, such as foam and offshore fracturing. Foam fracturing enhances efficiency in depleted and water sensitive formations using foamed fluids, according to Abdel Halim, while offshore fracturing addresses well stimulation in offshore environments. "Haliburton provides engineering solutions to maximize operations efficiency and optimize recovery," he said.

Minister of Petroleum and Mineral Resources Karim Badawi gave a speech during the event, noting that celebrating 25 years of Haliburton's provision of hydraulic fracturing operations in Egypt is a milestone that reflects a commitment to advancing energy production through innovation and strategic partnership with the Egyptian government.

Rami Yassine, Halliburton's Senior Vice President, MENA, highlighted the company's ongoing partnership with Egypt, stressing the need for continued innovation, investment, and technical leadership to achieve the country's production goals and advance the sector. "As a company, we are dedicated and committed to continued investment in Egypt. We are able to continuously improve thanks to the collaboration of our customers and the environment created by the Ministry."

The event spotlighted the importance of technology and Artificial Intelligence in developing hydraulic fracturing services to enhance recovery.

Shawn Stasiuk, Vice President, Production Enhancement at Halliburton, introduced Zeus IQ™, Halliburton's intelligent fracturing platform. This technology is designed to automate and optimize operations in real time, enabling smarter fracture execution and alignment with the Ministry's digital transformation strategy for hydraulic fracturing. Stasiuk explained that people have been telling machines what to do for 70 years, until November 2024. That is when machines started to communicate back. "They told us how to place stages and how a frack should be executed. For the first time, the frack spread and the subsurface were communicating in real time."

In this regard, Badawi emphasized the Ministry of Petroleum and Mineral Resources' (MoPMR) full support for integrating advanced technologies like AI and digitalization to boost operational performance and drive sustainable growth in the sector.

Recognition Awards

During the event, Halliburton represented by Rami Yassine, Halliburton's Senior Vice President, MENA, Ahmed Helmy, Halliburton's North Africa Vice President and Amr Azzam, Halliburton's Egypt Country Manager presented awards to the oil and gas sector's senior executives not in their capacities but as representatives of the entities that partnered with Halliburton over the years.

The list of award recipients included:

- **Minister Karim Badawi, as a representative of the Ministry of Petroleum and Mineral Resources**
- **Greg McDaniel, Apache Vice President and Egypt Country Manager**
- **Saeed Abdel Moneim, Khalda Petroleum Chairman**
- **Ashraf Abdel Gawad, Chairman of BAPETCO**
- **Khaled El-Sheshtawy, the North Baharia Petroleum Company (Norpetco) Chairman**
- **Alan Linn, Cheiron CEO**
- **Khaled Mowafi, Petrobel Chairman on Behalf of Petrobel and Eni**
- **Tharwat El Gendy Agiba Petroleum Chairman**
- **Tamer Edrees, Deputy CEO for Production at the Egyptian General Petroleum Corporation (EGPC)**
- **Abd El Nasser Khafagy, Vice Executive Managing Director for Production and Fields Development in the Egyptian Natural Gas Holding Company (EGAS)**

The celebration showcased the company's long-term focus on innovation, collaboration, and sustainable progress in Egypt's energy sector, as well as the crucial role of hydraulic fracturing to access complex reserves, boost production, and improve Egypt's energy security.

EGYPT SHOWCASES MINING REFORMS AT EMF 2025

The 4th edition of the Egypt Mining Forum (EMF), held on July 15–16, 2025, in Cairo, offered Egypt a platform to showcase the steps it has taken to bolster its mining sector in recent years, while unveiling ambitious plans for the future.

Under the theme "Accelerating Commercial Exploration and Mineral Discoveries," the forum—hosted by the Ministry of Petroleum and Mineral Resources (MoPMR) and supported by the Mineral Resources and Mining Industries Authority—brought together over 5,000 delegates, including high-level government officials, industry leaders, international investors, and major mining companies.

Speakers at the forum's panel discussions explored the current state of Egypt's mining industry, its recent momentum, and the challenges and opportunities ahead.

From Pause to Progress

Egypt is actively positioning itself as a regional mining hub, aligning its efforts with global shifts in the industry.

For decades, mining in Egypt received little attention—both nationally and internationally.

"Mining was everything but fashionable. It was a dying industry. No one seemed to care, and the media had absolutely no interest," said Mario Guedes, Vice President at ARGAS. "But from 2003–2004, a major shift began to take shape."

Guedes pointed to the "electrification of society" as a turning point—replacing fossil fuel technologies with electric alternatives like EVs, renewable energy systems, and battery storage. These require minerals such as lithium, copper, and nickel.

"In 2003, the average price of an ounce of gold was around $350. Now it's over $3,000. Copper was $180 per ton—now it's nearly $10,000," Guedes added. "Such changes completely altered the interest in mining."

With this global surge, Egypt began tapping into its vast mineral resources, aiming to contribute 6% to the country's GDP.

Investment Barriers

For mining investors, decision-making is complex and fraught with risk.

"We don't just look at geology—we assess the entire jurisdiction," said Khathutshelo Mapasa, Head of Africa at Appian Capital. "Do we understand the legal environment? Are timelines aligned with our capital lifecycle?"

One recurring theme across panels was Egypt's regulatory complexity.

"The regulatory complexity of Egypt is on a scale much larger than we've ever encountered," said Al Fabbro, CEO of Red Sea Resource. He cited lack of coordination among EMRA, the Environment Ministry, and the military as bottlenecks that delay approvals and frustrate junior explorers.

"For junior companies, time is capital. Delays hurt us," Fabbro added. "We need to identify a resource quickly or walk away."

Competitors like Côte d'Ivoire offer faster, more transparent permitting.

"You simply go online, apply for a piece of land, and get an answer. In Egypt, juniors tell me it can take years," said Dave Harper, CEO of Geodrill.

Wael Jaber of Wood Mackenzie emphasized that data, policy, and economic viability are key to investor confidence.

"You want money to go toward drilling—not land grants or bureaucracy," he said. "Egypt mostly checks those boxes, but more needs to be done."

Reform in Motion: New Law and Geoportal

The Egyptian government has responded with reforms.

A recent amendment to Mineral Resources Law No. 198 (2014) transforms EMRA into an independent economic entity—the Mineral Resources and Mining Industries Authority—giving it more flexibility to form partnerships, update geological databases, and streamline approvals.

"This is not just a policy tweak—it's a transformation," said Mohamed Ismail, Member of the Constitutional & Legislative Affairs Committee.

The legislation supports investment in satellite imaging, digital mapping, and modern licensing tools to reduce investor risk.

One of the most anticipated moves is the launch of a new geoportal by year's end.

"An investor needs clarity, stability, and a huge amount of data," said EMRA Chairman Yasser Ramadan. "Our target is to survey all Egyptian territory and provide interpreted satellite images using the most advanced techniques."

Egypt is also rolling out a new strategy to improve the investor experience.

"Our incentives are divided into two sections," said Hossam Heiba, President of the General Authority for Investment and Free Zones. "One relates to CAPEX, where projects can recover 50% of investment costs through tax credits. Additional tax rebates may also apply."

Ease of doing business is central to the reform agenda.

"We facilitate company incorporation through 14 investor centers," Heiba explained. "We've launched a unified platform for licenses and approvals, streamlining the process for investors."

Beyond Gold: A Sea of Minerals

Beyond the traditional focus on gold, the forum significantly highlighted the immense potential of other mineral resources and the strategic importance of value-added manufacturing within the mining sector. Discussions underscored a broader vision for Egypt's mineral wealth, emphasizing diversification and downstream integration.

Tim Lucks, Managing Director of SRK Consulting, pointed to a specific area of opportunity, stating:

"Egypt and other countries of the Middle East have great phosphate resources. I think Egypt's role is important in terms of this mineral going forward. There is a decline in the number of producers selling phosphate rock, and a lot of people are looking to integrate and move towards more downstream. So the role Egypt can play by increasing its footprint in that market could be really significant."

In this context, Mostafa El Gabaly, CEO of Polyserve Fertilizers and Chemicals, highlighted Egypt's competitive edge in phosphate manufacturing:

"Egypt's advantage lies primarily in having the raw material—phosphate is one of our key minerals. We have been producing fertilizers since 1929, so we have the technical know-how. There is a strong local market, and we export everything we produce. Access to raw material is our main strength."

Hanan Magdy, Deputy Governor of the New Valley Governorate, emphasized that the phosphate plateau in Abu Tartur, located in the New Valley and stretching about 300 kilometers, contains high-quality phosphate—of which only 10% has been utilized so far.

According to Mohamed Abdel Azim, Chairman of Misr Phosphate, this means that phosphate mineral wealth is no longer just a raw commodity for export but rather a national asset to be refined, localized, and optimized.

"We are moving toward integrated industrial complexes, like our phosphoric acid production at Abu Tartur and the new complex in Ain Sokhna, which will create higher value locally."

> **Our** incentives are divided into two sections.One relates to CAPEX, where projects can recover 50% of investment costs through tax credits. Additional tax rebates may also apply."

HOSSAM HEIBA

President of the General Authority for Investment and Free Zones (GAFI)

Touching upon the broader scope of available minerals, Yassir Mustafa Hamza, Director General of Exploration Companies at the Sudanese Mineral Resources Company, said:

"There are more than 400 small-scale mining minerals between gold and industrial minerals, in addition to copper, iron, and chromite in the Nile River province."

Egypt is currently focusing heavily on localizing its mining industries following the decision to transform EMRA into an economic body.

On this note, Karim Badawi, Minister of Petroleum and Mineral Resources, stated:

"A key objective is to develop a national strategy for localizing mining industries in coordination with the relevant authorities. This will be achieved through the implementation of projects that utilize local mineral raw materials, thereby maximizing their added value."

A Golden Opportunity

Moving to the reginal level, on the second day of the forum, Nere Emiko, Executive Vice Chairman of Nigeran Kian Smith Company, a minerals and commodities trading group, highlighted Africa's large gold potential. To Emiko, it is crucial for the continent to start to move beyond extraction and pave the road for regional cooperation that builds a fully integrated ecosystem, from mining to refining, to financial systems and retail.

"80% of African countries are gold-producers, most of this gold is exported to the Middle East and Europe," said Emiko. She added that Africa can do more with its gold, given the strong demand from central banks and financial institutions for the metal as a hedge against inflation. She recalled that in 2018-2019, the World Gold Council advised African nations to create an African Gold Council. "Right now, this is something that it's underway. It will be unveiled early next year in a large event for Africa," Emiko said.

Emiko shared the Nigerian experience where even small-scale gold transactions are regulated through banks, proving that digitized, decentralized gold trading can work without major advertising. Emiko shed light on Egypt's ability to be a leader in this initiative thanks to its rich history with gold mining,its massive role in North Africa, and its proximity to the Middle East.

> **Egypt** and other countries of the Middle East have great phosphate resources. I think Egypt's role is important in terms of this mineral going forward. There is a decline in the number of producers selling phosphate rock, and a lot of people are looking to integrate and move towards more downstream. So the role Egypt can play by increasing its footprint in that market could be really significant."
>
> **TIM LUCKS**
> Managing Director of SRK Consulting

Prioritizing Sustainable and Green Mining Practices

A central theme resonating throughout the 4th Egypt Mining Forum was the undeniable imperative of sustainability and green mining practices. Leaders from across the industry and government underscored the critical role of environmental, social, and governance (ESG) principles in shaping the future of mineral extraction.

Badawi affirmed that the success of Egypt's mining sector hinges on preparing four essential pillars: geological expertise, robust infrastructure, a stimulating financial framework, and energy availability. He emphasized the importance of enhancing cooperation in these areas to achieve a long-term sustainable growth.

Gillian Doran, Chief Financial Officer (CFO) and & Executive Director at AngloGold Ashanti, a leading gold mining giant and a major partner and exhibitor at the forum, eloquently articulated this commitment, stating, "As a CFO, I have the responsibility of ensuring that our investments yield real and sustainable value, not only for shareholders, but also for host countries and communities. This requires maintaining discipline in capital allocation, fostering cooperation with governments, and promoting sustainability principles in all aspects of our operations."

The importance of ESG extended beyond financial returns to encompass community development, as highlighted by Dave Harper, President, CEO and& Director of Geodrill.: "ESG is such a key piece of where the industry, and a company, a service company like [Geodrill], fits into the value chain. It is not just in providing that service. It is in actually developing the communities within which we work."

Egypt's proactive stance on green mining was clearly brought under the spotlight by Minister Badawi, who affirmed "[The ministry has] undertaken a number of green mining initiatives, aligning with the global trend towards decarbonization. As a natural extension to the Ministry's efforts in the field of energy transition, [the ministry] has fundamental measures in place to formulate green mining initiatives to reduce emissions in cooperation with the Ministry of Environment." Minister Badawi also called on companies in the sector to keep the environment in mind in all their projects, "I would like to urge all parties working in the mining sector, including national companies and foreign partners, to continue their efforts to commit to reducing emissions and their carbon footprint in pursuit of sustainable and environmentally friendly mining."

Further solidifying Egypt's commitment, Yasmine Fouad, the Minister of Environment, Arab Republic of Egypt, stated, "Egypt is committed to fostering strategic collaboration between the environment and mining sectors, streamlining policy frameworks to accelerate investment in exploration and value-added extraction, and demonstrating MoPMR's unwavering dedication to sustainable, circular-economy growth across all mineral resources."

Concrete examples of these initiatives were also presented. Alaa El Batal, First Undersecretary and Supervisor of Health, Safety and Environment (HSE); Energy Efficiency and Climate at the Ministry of Petroleum and Mineral Resources, showcased a tangible success.: "Part of the Sukari gold mine's success lies in its using a 36-megawatt solar power plant, which reduces diesel consumption by 22 million liters annually and contributes to reducing carbon dioxide emissions by approximately 60,000 tons annually."

Recognizing the crucial role of a skilled workforce in this sustainable transformation, Minister Badawi elaborated on several initiatives by the ministry to bolster human capital.: "[The ministry was] very keen to provide capacity building programs based on performance. In light of this, the MoPMR, in cooperation with its strategic partners such as the America Chamber of Commerce (AmCham) and the Canadian Chamber, conducted a number of capacity building programs.

This is in addition, to the MoPMR participation in capacity building programs in China, Japan and Tanzania.

He also announced a pioneering educational initiative, "In addition, [the ministry is] close to inaugurating a mining school in Marsa Alam, Egypt, in cooperation with AngloGold Ashanti and El Sweedy Institution. This will be the first Egyptian school in mining services. The school aims to enhance expertise and prepare qualified human resources capable of working in various mining activities. "The pioneering facility aims to build local expertise and develop a skilled workforce equipped to support a wide range of mining operations. "Said Badawi.

From Exploration to Innovation: Highlights from EMF 2025 Technical Sessions

EMF's technical conference included eight sessions that provided a deep dive on the latest project advances, sustainable best practices and innovative cutting-edge technologies and solutions being deployed across the mining, minerals and metals industry.

EMF's technical conference featured eight in-depth sessions exploring the latest advancements in projects, sustainability practices, and innovative technologies across the mining, minerals, and metals industries.

Key topics included mineral exploration, deposit characterization, and structural evolution; cutting-edge extraction methods for resource recovery; and future-facing strategies for responsible and sustainable mining. Sessions also tackled critical minerals development, the integration of AI and automation in smart mining operations, digital transformation, and innovations in oil shale processing and mine optimization.

Key Agreements and Strategic Partnerships

The EMF opening ceremony offered a great chance for , Egypt shed light on its its commitment to attracting international investment by signing two pivotal agreements with leading international gold mining companies.

Yasser Ramadan, the Chairman of EMRA signed an exploration license agreement for gold and associated minerals with Mohamed Kamal, Chairman of Centamin PLC Central Mining, a subsidiary of AngloGold Ashanti. Furthermore, Ramadan, alongside Mohamed El Bagoury, Head of the Central Administration for Legal Affairs at the Ministry, signed a framework agreement for mine exploitation with Henry Onslow, Exploration Manager at Barrick Mining Corporation.

Though the deals' details are yet to be disclosed, it positions Egypt on the right track for exploiting its deposits given both companies' presence in the sector.

> **80%** of African countries are gold-producers, most of this gold is exported to the Middle East and Europe. Africa can do more with its gold, given the strong demand from central banks and financial institutions for the metal as a hedge against inflation.

NERE EMIKO

Executive Vice Chairman of Nigeran Kian Smith Company, a minerals and commodities trading group

Since 2009, Centamin PLC, now a subsidiary of AngloGold Ashanti, operated Egypt's Sukari Gold Mine; its first modern gold mining operation. Since then, Sukari has produced over 5 million ounces, positioning Egypt as a notable player in global gold output.

With operations spanning Africa, the Middle East, and the Americas . Barick Gold entered Egypt's mining sector in 2021 by securing exploration licenses across 19 blocks in the Eastern Desert, targeting the rich Arabian-Nubian Shield.

On the second day of EMF, MRMIA and Aton Resources ,a mineral exploration company, signed a preliminary deal to amend the Abu Marawat Concession agreement. This amendment was formalized by Mohamed El Bagoury, Head of the Central Administration for Legal Affairs at the Ministry of Petroleum and Mineral Resources, Yasser Ramadan, Chairman of EMRA, and Tonno Vahk, CEO of Aton.

The 4th Egypt Mining Forum concluded as a pivotal moment for Egypt's mining sector, clearly demonstrating its ambitious trajectory to become a regional mining powerhouse. While the enthusiasm for Egypt's vast mineral potential is palpable, particularly in the wake of surging global demand for critical minerals and the energy transition, the forum also candidly addressed the persistent challenges. Yet, the clear roadmap for reform, combined with a genuine commitment to sustainability and a strategic vision for diversification and value addition, positions Egypt on the cusp of a true mining renaissance.

GAS SUPPLY CHALLENGES: EGYPT'S PATH TO ENERGY STABILITY

BY SARAH SAMIR

Egypt, once a net exporter of natural gas, is now grappling with a significant energy challenge caused by natural gas shortage. This situation has put immense pressure on the nation's electricity grid, particularly during the peak summer months when demand for air conditioning soars. To address this critical issue and ensure a stable power supply for its citizens and industrial sector, the Egyptian government is pursuing a multi-faceted strategy.

Grappling with Limited Availability

Despite government policies promoting greater gas utilization, supported by international backing for gas as a "transition fuel," Egypt's natural gas production has been declining over the past two years. In May 2023 Egypt produced 3.799 (mmt tons) of natural gas, a year later it produced 3.2316 mmt In May 2025 the output came at 2.6654 mmt according to the Central Agency for Public Mobilization and Statistics' (CAPMAS) Monthly Statistical Bulletin.

Additionally, The Zohr field, Egypt's primary source of gas, has experienced a significant decline in production since 2022, a consequence of water infiltration, as mentioned by Alternative Policy Solutions Website, a non-partisan, public policy research project at the American University in Cairo, in March 2025.

In order to accelerate production and encourage exploration companies, the (MoPMR) has been keen to settle arrears to international oil companies (IOCs). In this regard, Prime Minister Mostafa Madbouly announced in July 2025 that the Egyptian government had repaid over $1 billion of its debts to IOCs operating in the country. The country plans to settle an additional $1.4 billion before the end of 2025, according to Madbouly.

The situation is further complicated by a reduction in gas imports from Israel. In mid-May, Israel began routine maintenance on a key export pipeline, causing a temporary decrease in supply to Egypt. Natural gas supply was further impacted by the war between Iran and Israel which led to a temporary halt of major Israeli natural gas fields' operations.

The volume of Israeli gas supplied to Egypt has been 1 billion cubic feet per day (bcf/d), according to Asharq Al-Awsat. The Israeli natural gas supply to Egypt experienced an interruption in June 2025 due to Israeli military actions against Iran, which prompted Israel to shut down two of its three offshore gas fields as a precautionary measure. This led to a six-day halt in gas exports from Israel to Egypt starting on June 13. The supply to Egypt resumed on June 19 but initially only at reduced levels, mainly from the Tamar gas field, as larger fields like Leviathan remained offline. By late June, following a ceasefire between Israel and Iran, Israeli gas flows to Egypt gradually returned to normal levels, reaching the previously typical export volume of around 1 bcf/d.

Multi-tracked Approach to Secure Supply

In 2024, Egypt started diversifying its natural gas and LNG import suppliers to ensure covering local demands. The country imported around $4.9 billion worth of natural gas and LNG from different countries, namely, Israel, the United States, Nigeria, Spain, Guinea, and France, according to the World Bank's World Integrated Trade Solution (WITS).

As part of the state's proactive plan to increase production and secure the nation's energy needs, floating storage regasification units (FSRUs) have been brought in. These units represent a strategic addition to diversify the inputs into the national natural gas grid. In parallel, work has been underway to prepare several new docks and connect them to the national gas grid. This will help enhance the state's ability to safely and sustainably secure all the natural gas needs for the electricity sector as well as various industrial and economic sectors.

In late July 2025, Egypt's natural gas Regasification capacity during the consumption peak for 2025 reached 2.250 billion cubic feet per day (bcf/d). The country has three FSRUs, namely Höegh Galleon; Energos Eskimo; and Energos Power, pumping natural gas to the national grid to meet local market demands, according to the Egyptian Cabinet. Moreover, in July, Egypt leased the Energos Winter FSRU for five years, with expectation for the FSRU to arrive at Damietta port in August 2025.

The country started in 2024 preparing terminals like SUMED and Sonker in Ain Sokhna and the United Gas Derivatives Company (UGDC) terminal in Damietta to be ready to receive the FSRUs this Summer.

Egypt has further secured an additional source of natural gas through a cooperative effort with Jordan. The Energos Force FSRU has been deployed to Jordan's Port of Aqaba in July, where it will connect to the Arab Gas Pipeline (AGP). This connection allows for the transport of natural gas to countries linked by the pipeline, including Egypt, Jordan, Syria, and Lebanon, providing a new supply channel for the region.

Moreover, in February 2025, Egypt, Cyprus, and Chevron signed a memorandum of understanding (MoU) to finalize important commercial details for the Aphrodite gas project. The plan for this project involves a Floating Production Unit located in Cyprus's Exclusive Economic Zone (EEZ) and a pipeline to transport the natural gas to Egypt. Frank Cassulo, Vice President, Chevron International Exploration & Production, commented on the MoU stating that "Chevron and our Joint Venture partnership remains committed to developing and advancing the Aphrodite project, which is a significant resource for Cyprus and an important part of Chevron's Eastern Mediterranean portfolio as well as providing natural gas supplies to Egypt to help meet the country's growing energy demand."

Recent gas exploration and discoveries in Egypt signal an active effort to boost domestic production amid growing energy demand. In 2025, Egypt signed new gas exploration deals with major international companies Eni and bP to explore areas in the Mediterranean Sea, including drilling exploratory wells in the Temsah concession and the Raven gas field. bP accelerated production from two new wells in the Raven field, expected to add up to 200 million cubic feet of gas per day (mmcf/d), ahead of schedule. Moreover, Egypt's Ministry of Petroleum awarded seven new exploration blocks to various companies, planning to drill at least 17 new exploratory wells to enhance production capacity. The Ministry also launched a 2024 international bid round to attract investment in 12 new gas and oil blocks in the Mediterranean and Nile Delta regions.

On the other hand, Egypt is working on its renewable energy resources. In June 2025, Minister of Electricity and Renewable Energy Mahmoud Essmat announced that Egypt is accelerating its renewable energy efforts. As part of a comprehensive strategy to diversify the nation's energy mix and enhance grid stability, the government plans to add approximately 2,000 megawatts (MW) of new capacity from renewable sources, representing investments of around $2.3 billion.

Egypt's transition from a natural gas exporter to an importer highlights the significant challenges the nation faces in meeting its domestic energy needs. The government's proactive strategy, which includes diversifying import sources, investing in new FSRU infrastructure, and securing long-term partnerships, is essential for stabilizing the country's energy supply. While declining production from key domestic fields and regional geopolitical factors have complicated the situation, these strategic initiatives demonstrate a clear commitment to ensuring a reliable and sustainable supply of natural gas for Egypt's future.

Securing Gas Supply via FSRUs

Egypt's Natural Gas Regasification Capacity During the Consumption Peak for 2025 **2.250** (bcf/d)

The Country has **3 FSRUs** Pumping Natural Gas to The National Grid to Meet Local Market Demands

Energos Eskimo & Energos Power
in SUMED and Sonker Terminals in Ain Sokhna and they are both operational

Höegh Galleon
in SUMED Terminal in Ain Sokna, operational since 2024

Proactive Work to Prepare Infrastructure to Import Gas

In 2024, Egypt started preparing the SUMED and Sonker terminals in Ain Sokhna and United Gas Derivatives Company (UGDC) terminal in Damietta to be ready to receive the FSRUs this Summer.

Source: MoMPR

The Digital Frontier of Energy

Egypt's Oil & Gas Bid Round Evolution

By Mariam Ahmed & Mahmoud Yasser

Oil and gas bid rounds have undergone a major transformation, reflecting Egypt's broader push toward modernization in the energy sector. Since the launch of an online portal in 2021, international oil companies (IOCs) have been able to access more seismic data and conduct more than 1,100 3D and 2D seismic surveys, evaluate blocks, and submit bids more efficiently.

This streamlined system improves the licensing process, boosts investor confidence, and strengthens Egypt's position as a regional hub for upstream activities.

This digital pivot has paid off, awarding nearly 51 oil and gas blocks across Egypt's producing areas, drawing the interest of global giants like Eni, bp, Chevron, Shell, and ExxonMobil, and securing $1.2 billion at minimum, as reported by the Egypt Upstream Gateway (EUG) in July.

This report explores the evolution of the bidding system in Egypt and provides a comprehensive overview of both the old bidding system and the new digital bid rounds mechanism. It also sheds light on major digital bid rounds and their fruitful results.

Transitioning to A New Digital Bidding Model

Traditional Bid Round Procedures

Egypt's upstream licensing process operated before 2021 through a traditional, paper-based system. The bid round would commence with an international announcement, published on the entity's official website, detailing the available blocks and participation terms. Interested companies were required to purchase bid documentation and submit two separate sealed envelopes, one containing technical documentation and the other presenting the commercial and financial offer, according to Mondaq.

The technical submission included a bank guarantee, proof of past exploration experience, legal incorporation documents, shareholder details, and recent financial reports. Upon receipt, a committee formed by the announcing entity would open the technical envelope to assess compliance with predefined benchmarks. Only technically acceptable offers proceeded to the financial review stage. The most competitive bid, based on both technical strength and financial terms, was selected for the award.

Once a company was declared successful, it was obligated to submit notarized and legalized documents in both English and Arabic. These included corporate records and the power of attorney authorizing a company representative to sign the Concession Agreement.

The contract then followed a formal approval path, moving through the Board of the announcing entity, the MoPMR (Ministry of Petroleum and Mineral Resources), the Egyptian State Council's Legal Department, the Egyptian Cabinet, and—if in session—the Egyptian Parliament. Once ratified by law, the Concession Agreement was signed, triggering a new set of implementation procedures.

In the implementation phase, contractors were granted several exemptions, including customs duties on imported equipment and full tax relief on petroleum activities. Expatriate staff were allowed residency per local regulations, though foreign labor was capped at 10% of total employment.

Contractors were also required to establish a local affiliate company to manage operations in Egypt. The exploration phase—lasting up to six years—was divided into two periods and governed by a joint committee between EGAS and the contractor. A training bonus, block relinquishment conditions, and assignment restrictions were also embedded into the contract terms.

Upon a commercial discovery, the contractor had to notify EGAS, obtain ministerial approval, and transition the area into a development lease. A joint venture (JV) company was then established to oversee operations, subject to domestic legal compliance.

The development phase spanned up to 30 years and involved revenue-sharing mechanisms between EGAS and the contractor, along with additional financial commitments such as lease extension bonuses.

Old System Limitations

Despite offering legal clarity and structured oversight, the legacy system presented multiple challenges that hindered its efficiency and global competitiveness. Here are the most significant drawbacks:

- Heavy reliance on physical documentation and manual processes
- The approval process was time-consuming and multi-layered, involving a series of governmental entities and legal institutions
- Access to technical data was a major limitation. Companies were obliged to visit onsite data rooms operated by the MoPMR or its subsidiaries to review seismic and geological information
- Contractors faced tight operational deadlines. Exploration activities were expected to begin within six months of signing, leaving limited time for mobilization

New Digital Bidding Model

In February 2021, EUG was launched. It is a fully integrated digital platform for exploration and production (E&P) data. As Egypt's first end-to-end digital E&P data center, EUG consolidates seismic surveys, well logs, geological studies, and production figures into a unified, cloud-based system. This digital transformation eliminated data silos and streamlined access for investors and national companies alike.

EUG is built on 3 strategic pillars: promoting bid rounds globally, attracting upstream investments, and enabling real-time data access. It supports transparent, efficient decision-making through licensed access to standardized datasets, version control, and audit trails, according to the EUG Newsletter.

Bid Rounds & Exploration Opportunities

Launched Bid Rounds	Awarded Blocks
9	51
Current Opportunities	**Current Members**
48	47

Data Infrastructure

Data Rooms
95

PB Data Storage
9

Exploration Overview

Wells **>16,000**

2D Seismic Surveys **>650**

3D Seismic Surveys **>450**

Minimum Investments

~ $1.2 billion

Major Bid Rounds

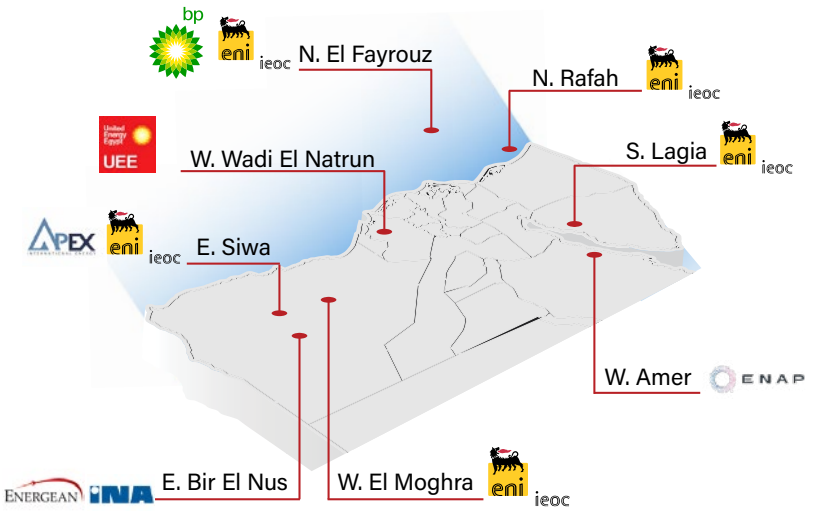
Launching Overview

Announcement Date | Closing Date | Offered Blocks | Location

Announcement Date	Closing Date	Offered Blocks	Location	
November 2021	January 2022	1	Mediterranean Sea	EGAS
December 2022	April 2023	12	Mediterranean Sea & Nile Delta	EGAS
August 2024	July 2025	12	Mediterranean Sea & Nile Delta	EGAS
March 2023	June 2023	8	Eastern Desert & Gulf of Suez	EGPC
September 2023	April 2024	23	Western Desert, Eastern Desert, Gulf of Suez & Red Sea	Ganope
February 2021	September 2021	24	Mediterranean Sea, Western Desert, & Gulf of Suez	EGPC

Remarkable Results

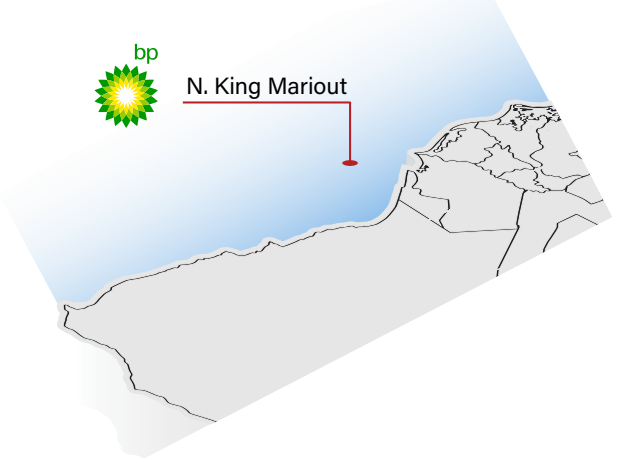
2021 EGPC/EGAS Bid Round



Minimum Investments
$250 million

Minimum Wells
33

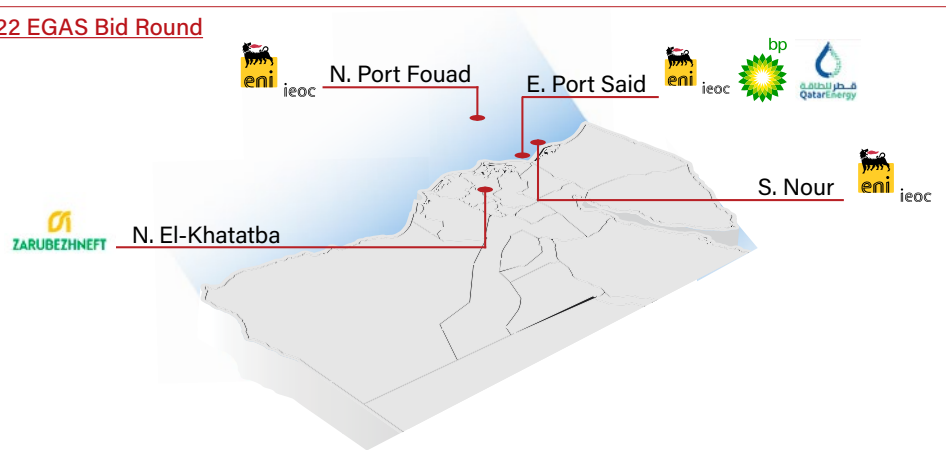
2021 EGAS Bid Round in North King Mariout



Minimum Investments
$99 million

Minimum Wells
3

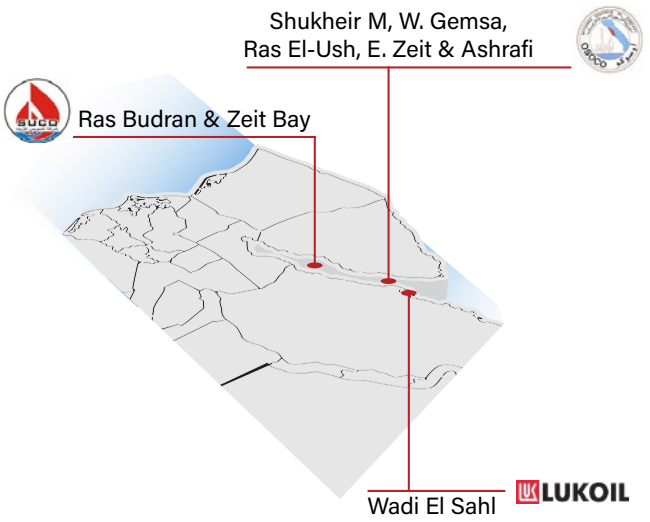
2022 EGAS Bid Round



Minimum Investments
$281 million

Minimum Wells
12

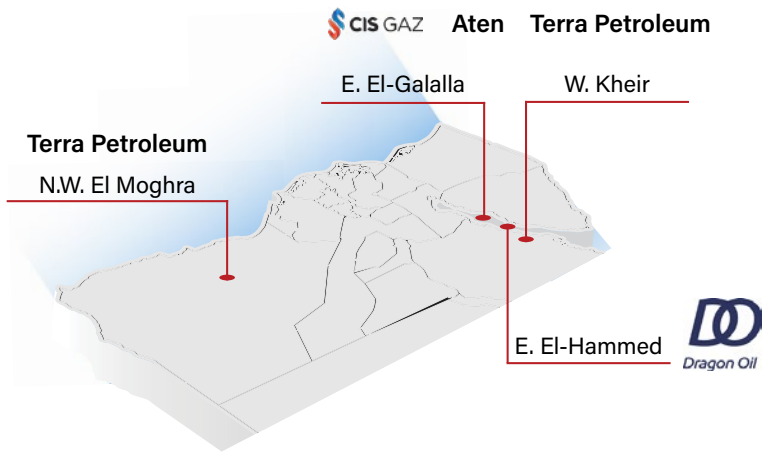
2023 EGPC Brownfields Bid Round



Minimum Investments
$76 million

Minimum Wells
15

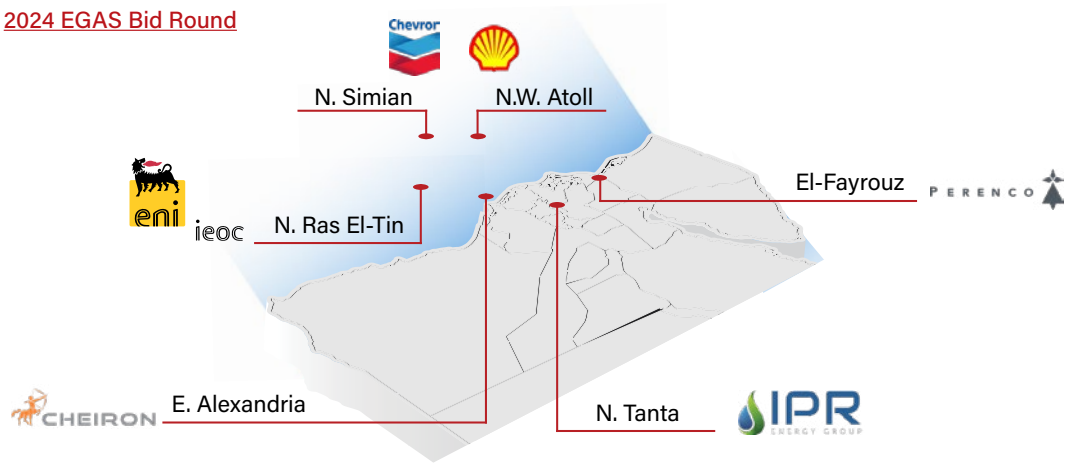
2023 EGPC/GANOPE Bid Round



Minimum Investments
$71 million

Minimum Wells
14

2024 EGAS Bid Round



Minimum Investments
$245 million

Minimum Wells
13 Exploratory

Other Investment Opportunities

Announcement Date	Closing Date	Offered Blocks
March 2025	July 2025	13 — 7 Undeveloped Discoveries, 6 Exploration Areas

Blocks Details

Mediterranean Sea

- Cluster 1: Rahamat, Aten, Merit
- Cluster 2: Satis/Salmon, Salamat, Notus

Western Desert

- Exploration Blocks: N.E. Bir Elnus, S. El Fayoum, Waadi Sannur

Gulf of Suez

- Exploration Blocks: E. Gebel El Zeit, E. Geisum, E. Shadwan

Launching OBLP for New Blocks

Launched in August 2024, the Open Blocks Licensing Program (OBLP) is a strategic initiative by the EUG designed to boost investment in Egypt's upstream oil and gas industry. According to the EUG, the program provides a transparent, digital platform for licensing new exploration blocks, brownfields, and other vital assets, streamlining access to essential industry data, and encouraging competitive bidding.

OBLP is instrumental in drawing fresh investments and positioning Egypt as a key destination for international energy companies. It also contributes to expanding the EUG's membership, enhancing industry collaboration, and strengthening strategic partnerships. By stimulating activity in the upstream sector, the program fosters stakeholder engagement, encourages innovation, and drives overall industry growth.

OBLP Recently Announced Results

CHEIRON	Apache	PHAROS ENERGY	IPR ENERGY GROUP	
Awarded Block	Awarded Block	Awarded Block	Awarded Block	Awarded Block
N. Sitra | E. Sidi Barrani	W. Kanayis K	S. Abu Senan	S. Wadi El-Rayan	W. Gharib-G & HNW

Minimum Wells **17** Exploratory

Sector's Efforts to Open up New E&P Opportunities

Investment Incentives & Prominent Concession Agreements

The MoPMR has launched new measures and incentives to attract more investment in oil and gas exploration and production, aiming to boost output and strengthen confidence among international partners. The package includes linking incentives to higher production rates, ensuring regular monthly payments to foreign partners, and launching new global bid rounds for gas exploration in the Mediterranean.

It also supports Egypt's regional natural gas hub strategy through cooperation with Cyprus and international companies to develop Cypriot natural gas fields and export their output via Egypt to global markets.

During the past two years, the MoPMR significantly accelerated the pace of petroleum agreement signings to attract fresh upstream investments and boost oil and gas development. The signed agreements span key regions, including the Mediterranean Sea, the Gulf of Suez, the Western Desert, and the Eastern Desert. As a result, the total number of active agreements reached 112 by July 2025, reflecting the sector's growing appeal to international investors.

In July 2024, the MoPMR signed two major development agreements. Shell and Petronas committed $222 million for Phase 10 of the West Delta Deep Marine (WDDM) project, including 3 wells. Meanwhile, Cheiron and KUFPEC agreed to invest $120 million to drill nine wells in Geisum and Tawila West in the Gulf of Suez, aiming to raise production up to 26,000 barrels per day, according to MoPMR.

In February 2025, the Cabinet approved five petroleum concession agreements with international partners through EGPC, EGAS, and the South Valley Egyptian Petroleum Holding Company (Ganope). The agreements cover a minimum investment of $225.3 million and include the drilling of at least 40 wells in blocks such as Merneith Offshore, South East Meleiha, West Razzak, Wadi El Sahel, and North Sinai Offshore, according to the Egyptian Cabinet.

During the EGYPT ENERGY SHOW (EGYPES) 2025, EGPC signed two separate agreements. The first, with IPR Energy Group, involves developing the Yidma-Alamein block with a $10 million investment, including four development wells and a $3 million signature. The second, with HBS, covers South Dabaa, with a $3.5 million investment for four development wells and one exploratory well, along with a $2 million bonus, according to MoPMR.

In May 2025, EGPC approved the consolidation of eight Capricorn concessions operated in partnership with Cheiron into a single integrated agreement valid for 20 years. The agreement includes improved commercial terms, with a profit share range of 27%–29%, a 40% cost recovery ceiling over four years, and an additional 20% excess cost recovery, according to Capricorn website.

In May 2025, the Cabinet approved another five concession agreements worth $221.23 million, along with $31.5 million in non-refundable signature bonuses. These deals aim to drill a minimum of 24 wells in Northwest El-Maghara, East El-Hamd, East Gemsa Offshore, and North Damietta Offshore, according to the Egyptian Cabinet.

Egypt's transition to a fully digitized oil and gas bidding system represents a major leap toward modernizing its upstream sector and strengthening its global investment appeal. Through the launch of EUG and strategic initiatives like the OBLP, the MoPMR has established a transparent, efficient, and investor-friendly model that aligns with international standards. These digital initiatives, coupled with improved concession terms and consistent arrears settlement, not only unlock new exploration potential but also reinforce Egypt's position as a dynamic regional hub for energy.

To further stimulate investment in exploration and field development, the MoPMR has outlined a comprehensive set of plans to overcome key challenges, such as regional competition and slow execution rates. In parallel, the MoPMR is intensifying upstream activities through a robust drilling program and active partnerships. Egypt aims to drill 586 wells by 2030, backed by total investments of $7.2 billion, as announced by the Ministry in July 2024. These efforts reflect a strategic push to unlock the country's hydrocarbon potential and ensure the sustainability of production growth.

With these forward-looking strategies, Egypt is reinforcing its commitment to expanding exploration activities and increasing production, while placing digitalization, tailored incentives, and global engagement at the core of its long-term energy vision. Ultimately, these efforts not only enhance investor confidence and streamline market entry, but also contribute to Egypt's broader economic growth and energy security.

SMART GAS STORAGE: EGYPT'S NEXT STEP TOWARDS ENERGY SECURITY?

BY RANA AL KADY

Egypt's oil and gas sector has entered an era of renewed promise, marked by expanding LNG infrastructure, new exploration opportunities, and an increasingly strategic role in regional energy flows. As the country strengthens its position as a natural gas hub for the East Mediterranean, one critical development could help Egypt meet seasonal demand fluctuations, improve supply security, and unlock new trading opportunities: smart underground gas storage.

By utilizing geological formations such as salt caverns and depleted gas wells, Egypt could create the subsurface storage capacity needed to balance supply and demand year-round. This approach would not only support domestic energy stability but also enhance Egypt's ability to buy and sell gas regionally, reinforcing its hub ambitions. While underground storage is new to Egypt, successful models in Europe and North America demonstrate how transformative it can be for gas markets, offering both operational flexibility and long-term resilience.

Meeting Seasonal Demand and Ensuring Security

Egypt's natural gas demand follows a distinct seasonal pattern, peaking during the hot summer months when electricity consumption soars. While LNG imports and floating storage and regasification units (FSRUs) have helped bridge supply gaps, this short-term approach exposes the country to price volatility in international spot markets. Smart gas storage, however, offers a sustainable alternative by allowing surplus gas to be injected into underground facilities during periods of low demand and to be withdrawn when consumption spikes.

"Storage is the missing link in Egypt's gas value chain," said an EGAS official who asked for anonymity. "By investing in underground facilities, we can better match supply to demand, protect against market volatility, and support our growing role as a regional trading hub."

Leveraging Salt Caverns and Depleted Gas Fields

Egypt's geological profile offers two promising storage pathways: repurposing depleted gas wells and developing salt cavern facilities. Depleted reservoirs, particularly in the Nile Delta and Mediterranean regions, present cost-effective options, taking advantage of existing infrastructure and proven subsurface integrity. Salt caverns, though more capital-intensive, offer exceptional injection and withdrawal speeds, making them ideal for responding quickly to short-term demand fluctuations. Furthermore, energy technology providers see significant potential in this approach.

Learning from Global Leaders

Across Europe and North America, underground storage has proven essential for balancing supply and enhancing market competitiveness. Austria's Haidach facility, converted from a depleted reservoir, provides seasonal flexibility that underpins the country's gas supply strategy. In the United Kingdom, salt caverns at Aldbrough deliver rapid injection and withdrawal rates, ensuring grid stability during winter peaks. Meanwhile, in the United States, a network of salt caverns and depleted fields allows producers and traders to store gas when prices are low and sell during high-demand periods, a model that directly benefits market liquidity.

Turkey's Lake Tuz project offers a regional parallel: with capacity covering roughly 10–20% of annual consumption, its salt cavern storage has become integral to the country's energy security. Egypt could follow a similar path, aligning storage development with its existing gas infrastructure and LNG export facilities at Idku and Damietta.

Policy, Investment, and Expertise

Developing underground gas storage in Egypt will require clear policies and targeted investments. EGAS is expected to lead the charge by commissioning geological surveys to identify optimal sites, establishing a regulatory framework for permitting and tariff structures, and creating incentives for private-sector participation.

International collaboration will also be key. Technology providers such as Geostock, which has successfully delivered salt cavern and reservoir conversion projects worldwide, emphasize the importance of early feasibility studies and robust monitoring systems. "Egypt can leverage global best practices to fast-track development," explained a senior storage consultant. "By combining local operational knowledge with international expertise, the country can de-risk projects and ensure safe, efficient operations."

Unlocking Regional Trading Potential

Beyond domestic benefits, smart gas storage would position Egypt as a pivotal player in regional gas trade. By storing imported gas from Israel or Cyprus and re-exporting it through its LNG terminals when demand and pricing conditions align, Egypt could strengthen its hub status while capturing additional revenue streams.

"The ability to store gas will give Egypt commercial flexibility," said an independent energy analyst. "It will allow the country to optimize LNG exports, manage seasonal demand internally, and provide balancing services to regional partners to reinforce Egypt's strategic importance in the East Mediterranean energy landscape."

A Foundation for the Future

Looking ahead, underground storage could also play a role in Egypt's energy transition. Facilities developed for natural gas today could eventually be adapted for low-carbon gases such as hydrogen, aligning with long-term sustainability goals while future-proofing investments.

With its growing LNG infrastructure, favorable geology, and established role in regional gas flows, Egypt is uniquely placed to take advantage of smart storage. By investing in salt caverns and depleted gas field conversions, guided by proven international models and supported by strong policy frameworks, Egypt can strengthen its energy security and position itself as a true regional hub.

While Egypt is currently facing a production-demand bottleneck; producing approximately 1.94 TSCF of sales gas in FY 2023/2024 against local consumption of around 2.2 TSCF, the outlook remains optimistic. As new discoveries and field developments ramp up, a future surplus is likely. Smart underground storage will become critical to capitalize on this upcoming shift. Once production consistently exceeds demand, stored gas can serve as both a domestic buffer and a commercial asset. Strategic storage will enable Egypt to stabilize prices, optimize LNG export timing, and avoid flaring, transforming today's challenges into tomorrow's opportunities for resilience and regional energy leadership.

As industry partners move forward, smart gas storage represents not just an operational solution, but a strategic milestone, one that will help Egypt solidify its place as a dynamic and forward-looking leader in the global gas market.

FROM GROUND TO SKY:

CUTTING-EDGE EMISSION SURVEILLANCE FOR OIL & GAS

SMA for Oil & Maritime Services (Free Zone Company) and its affiliated companies is a leading provider of specialized services to the Oil, Gas, Energy, and Maritime sectors in Egypt.

For Oil & Maritime Services

SMA and its affiliated companies performs advanced emission monitoring and gas leak detection at oil and gas facilities across the country. The company's solutions incorporate both ground-based survey teams and drone services. It has the necessary permits and certificates to perform drone inspections at oil and gas facilities and industrial facilities in Egypt.

SMA operates in accordance with top-tier environmental and industry standards, in compliance with OGMP 2.0 Level 4 and Level 5 for methane emission monitoring.

Core Specializations:

1- Methane and Gas Emission Monitoring in accordance with OGMP 2.0 Level 4 and Level 5.

- Ground-based survey teams:

The company's expert engineering teams leverage advanced thermal survey methods such as Optical Gas Imaging (OGI) and high-flow sampling to accurately detect and quantify gas leaks across various volumes.

Utilizing these technologies, SMA confidently achieves OGMP 2.0 Level 4 compliance for methane monitoring.

- **Drone-Based emission quantification:**

Enhancing its ground capabilities, SMA and its affiliated companies employs state-of-the-art drones equipped with specialized OGI and sniffer sensors to conduct comprehensive emission monitoring and precise methane quantification. This advanced drone technology and sensors for quantification enables the company to meet OGMP 2.0 Level 5 standards, ensuring the highest level of accuracy in emissions data.

2- H2S Safety Services

SMA for Oil & Maritime Services applies health, safety, and environmental (HSE) measures that provides robust protection against hazardous gases commonly encountered in oil and gas operations, including H2S, SO2, CO, CO2, and CH4. Given the significant H2S concentrations during drilling, testing, work-over, production and activation, expertise in detecting and quantifying toxic gases is critical for ensuring safety and compliance.

With decades of experience as a global leader in H2S contingency services, SMA offers tailor-made solutions for complex, large-scale projects in challenging environments.

3- Drone Services:

Thermal, visual inspections an methane quantification.

SMA's fleet of advanced industrial drones is equipped with high-quality digital / infra red cameras and diffirent sensors, enabling inspections in hard-to-reach areas to capture detailed data for safety and maintenance analysis.

Key services include:

- **Methane Emission Monitoring aligned with OGMP 2.0 Level 5 standards.**
- **Gas Leak Detection through Optical gas imaging (OGI)**
- **Inspections of Storage Tanks, Pipeline Intersections, Chimneys.**
- **Flare stack visual and thermal inspection.**
- **Solar Panel Thermal Inspections.**

Operational Footprint:

SMA and it's affiliated companies have successfully delivered inspection and monitoring services across various strategic sites within key oil and gas regions throughout Egypt. These operations span both onshore and offshore locations, reflecting the company's extensive regional presence.

TURNING KITCHEN WASTE INTO FUEL

SUSTAINABLE BREAKTHROUGH IN BIODIESEL PRODUCTION

BY DOAA ASHRAF

In a world still heavily reliant on diesel, across transportation, agriculture, shipping, and power generation, the need for cleaner, more sustainable alternatives is urgent. Fossil fuels not only accelerate climate change, but they also lock developing economies into expensive, finite energy systems.

This has prompted interest in biodiesel, a carbon-neutral alternative made from biological sources like plant oils or used cooking oil (UCO). It burns cleaner, is biodegradable, and can be produced locally, offering both climate sustainability and economic resilience.

In their study titled "Borate Pathway to FAMEs at Near-Ambient Conditions from Used Oil", Kevin C. Lofgren, Scott R. J. Oliver and other professors from University of California, Santa Cruz introduced a new method to turn used cooking oil into fatty acid methyl esters (FAMEs), the chemical basis of biodiesel.

In general, Biodiesel production is dependent on using natural sources, including vegetable oils (like soybean, canola, and palm oil), animal fats, yellow grease, and used cooking oils. The natural source gets mixed with alcohol (methanol) and a catalyst. However, some catalysts used today produce byproducts that take more time to get rid of.

Also, some of the current methods for producing biodiesel
results in soap as a byproduct, which makes purifying the fuel difficult and results in less actual product. Other approaches rely on palm oil, which require clearing trees in rainforests to make room for monoculture palm tree plantations. These methods are also energy intensive, requiring extremely high temperatures and pressures.

The objective of the study is to develop a mild, low-energy, and scalable method using a unique chemical which avoided the complexities of traditional methods of producing biodiesel.

"Making energy takes a lot of energy," said co-author Scott Oliver, professor of chemistry and biochemistry in a press release of the university. "Our method uses waste oil and mild heating, compared to the common ways of producing diesel in petroleum refineries that are both energy consuming and pollution causing."

Instead of using harsh chemicals like sodium hydroxide (NaOH), the researchers used a boron-based compound called sodium tetramethoxyborate (or $NaB(OMe)_4$). This chemical helps kickstart the reaction that turns oil into fuel, just like regular biodiesel methods, but it does so easily and environmentally friendly.

The professors obtained used cooking oil from a major fast food restaurant and mixed them with methanol, and this boron-based chemical in a basic container (like a glass flask). The components reacted together at a temperature around 40°C and in one hour the used oil was transferred to biodiesel.

The professors obtained used cooking oil from a major fast food restaurant and mixed them with methanol, and a boron-based chemical in a basic container (like a glass flask). The components reacted together at a temperature around 40°C and in one hour the used oil was transferred to biodiesel.

The main advantage of this process is that it did not require extensive purification as no soap was formed from the chemicals' reaction together. Instead, the byproducts, mainly a boron–glycerol mix, settled neatly at the bottom, leaving a clean layer of biodiesel ready to use.

To separate them apart, the researchers washed the biodiesel with water in order to extract remaining boron-containing residues. While, the solid boron-rich byproduct was collected to be reused in the process by adding it to methanol, making the whole process recyclable.

"This new method is special because it is simple and affordable. It has the bonus of being able to regenerate the starting material," Lofgren said. "It's already low-cost enough to make it competitive. But if you can buy the most expensive ingredient once and then regenerate it, it would be more cost efficient in the long run."

This discovery has the potential to make the alternative fuel source much more appealing to the massive industrial sectors that are the backbone of the nation's economy.

"Everybody needs energy—every farm, food production plant, and transportation vehicle depend on it," Oliver said. "This could really impact people. This process can be done at just above room temperature and it is reusable. You do not need to have a refinery; you can potentially use this method on a farm."

While the method developed at UC Santa Cruz is considered like lab-scale innovation, it speaks directly to real-world challenges already being tackled in Egypt. Companies like Tagaddod and Biodiesel Misr are leading the path in biodiesel production via collecting used oil from homes, restaurants, and factories.

However, new advancements could expand the adoption of biodiesel and help reduce reliance on fossil fuels in a carbon neutral and viable way.

FUELING EGYPT'S FUTURE: GAS, DIESEL, OR RENEWABLES?

BY FATMA AHMED

Egypt is facing growing pressure to secure reliable and affordable energy as domestic consumption continues to rise. For years, natural gas has served as the backbone of the country's energy system, especially after major offshore discoveries like the Zohr field briefly put Egypt on the map as a regional gas exporter. But as local gas production declines, the government has turned to importing liquefied natural gas (LNG), diesel, and fuel oil (mazut) to plug the gap — a costly move that's straining public finances. In this report EOG sheds light on the optimum source of energy Egypt should be using.

Natural Gas

In Egypt, natural gas is used in several sectors both for generating electricity and as a source of thermal energy in some industries such as cement, iron and steel, fertilizers, and petrochemicals.

During the last ten years, the use of natural gas has increased in Egypt due to its abundance and for being the cleanest source of energy. In 2018, Egypt recorded the peak of natural gas production at 7.1 billion cubic feet per day (bcf/d), thanks to Zohr field development. This enabled the country to achieve self-sufficiency and export the surplus abroad.

However, production has started to decline in the past few years, due to several factors including the growing demand and natural depletion of the reservoirs and less investments at the end of the fiscal year (FY) 2023/24, the production reached 5.69 bcf/d, based on EGAS data. On the other hand, Egypt's gas consumption stood at 6.028 bcf/d.

In April 2025, natural gas production dropped to 3.485 bcf/d, according to the Joint Organizations Data Initiative (JODI).

This pushed Egypt to import gas to fill this gap. Recently, the country's imports have surged sharply. According to the Oxford Institute for Energy Studies, Egypt's imported liquified natural gas (LNG) of 1.75 bcm in Q2 2025 versus 0.1 bcm in the same period in 2024. The average cost of LNG imports is $13.5 per million British thermal units (mmBtu).

Diesel and Mazut

Mazut and Diesel are also used to operate power stations, as well as in the transportation sector and fertilizers industry. Egypt's diesel production increased to 10.9 million tons in 2022, compared to 9.7 million ton in 2021, according to data released by the Central Agency for Public Mobilization and Statistics (CAPMAS).

Yet , the decline in gas output increased demand on diesel so that the consumption reached 14.1 million tons in 2022. This led to the government raising its prices for the first time in years in July 2022, this was followed by several lifts to its subsidies leading to an increase in its price by 63 % in 2024,followed by 14.8 % in April 2025.

In mid July, Bloomberg reported that the increase in demand on diesel by Egypt as an alternative to gas during the last period affected the EU's ability to secure its needs. Egypt's imports rose 65% yo-y to 370k bbl/d in the first half of July. According to Vortexa, a global research company focused on energy, the inflows have surpassed all previous monthly records dating back to 2016, underlining the country's mounting energy pressures amid declining domestic gas output and limited LNG infrastructure.

For Mazut, the data is very scarce. Mazut accounted for 13.35% of power generating in August 2022, up 169.11% from August 2021, data from Egyptian Electric Utility and Consumer Protection Regulatory Agency showed. "Mazut is needed to operate the old dual-fuel stations that run on diesel and mazut," Hossam Arafat, Head of the General Division of Petroleum Materials at the Federation of the Egyptian Chambers of Commerce , told Egypt Oil and Gas (EOG). Recently, Madbouly announced that Egypt would need $1.18 billion to export mazut and natural gas to meet the electricity demand.

Renewable Sources

Egypt has great potential in the renewable energy resources. especially solar and wind power. "Egypt seeks to be a leader in the production of solar and wind energy, and the new green hydrogen energy, as part of its energy transition strategy," Wafaa Ali, Energy Economic Expert said to EOG.

Egypt has abundant solar irradiance, making it an ideal location for both photovoltaic (PV) and concentrated solar power (CSP) projects. Projects like the Benban Solar Park are significant contributors to the national grid. According to the expert, the high average wind speeds along the Gulf of Suez make it a prime location for wind farms, with the region being one of the best in the world for wind energy production.

Renewable resources of energy contribute 12% to 20% of the current energy mix, according to Arafat. As part of its ambitious energy strategy, Egypt aims to generate 42% of its electricity from renewable sources by 2030.

Former Minister of Electricity, New and Renewable Energy, Mohamed Shaker told Middle East News Agency (MENA) that the price of a kilowatt hour from the sun is 2 cents, and 2.4 cents for wind energy, noting that it is the cheapest in the world. Still these resources are not reliable due to the need for more investments.

Ali highlighted that the state seeks to increase renewable energy capacity from 8 gigawatts to be 10 gigawatts and generates EGP100 billion from the private sector for establishing new projects.

The Optimum Choice

Economic and petroleum experts agree that natural gas remains the best choice for power generation, while stressing the importance of using all resources as part of the energy mix. Arafat explained that electricity generation sources are interchangeable depending on availability noting that he prefers for the time being importing natural gas over other resources. "Importing energy resources should depend on the added-value that will be gotten from and natural gas is the optimum source from which we get added-value," he said.

He stressed that the country cannot rely on one source alone, as some are suitable in certain locations, but not others. "Renewable sources are not available in all locations of Egypt, so, it should be used as part of the energy mix," he elaborated.

Wafaa Ali said the current situation shows that natural gas remains the most prominent option for operating powerfuel stations, adding that renewable energy's economic impact is greater long term due to lower operating costs, while gas is preferred in the short term.

Experts offered a positive outlook for Egypt's gas production. Hossam Arafat said, "Egypt can compensate the decline in natural gas production in case of intensifying the developments of the fields after paying the arrears and providing flexibility and incentives to the investors."

Ali hailed Egypt's resorting to launching new exploration areas with promising reserves and signing agreements with major international companies. "Egypt has an exploration portfolio consisting of 61 exploration opportunities," the economic expert highlighted.

In 2025, Egypt made notable progress in oil and gas production, supported by new discoveries, higher production, and government efforts to attract foreign investment, provide incentives, and pay foreign partners' arrears on schedule, aiming to restore normal production rates in line with the national plan.

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GAS AT A CROSSROADS

POLITICS AND TRANSITION SHAPE THE EAST MED'S FUTURE

BY SHERINE SAMIR

The European Union's efforts to decouple from Russian gas in response to the war in Ukraine initially positioned the Eastern Mediterranean as a key alternative supplier. Before the war, Russia supplied over 40% of the EU's natural gas, primarily through pipelines via Ukraine and Nord Stream. After the war began in 2022, Russian pipeline imports plummeted—falling to around 11% by 2024—due to sanctions and escalating geopolitical tensions.

Eastern Mediterranean's Promise and Pitfalls

The idea of turning to the Eastern Mediterranean gained traction, especially after significant discoveries in the Tamar and Leviathan fields (Israel), the Zohr field (Egypt), and the Aphrodite and Cronos fields (Cyprus). However, the region—spanning Israel, Lebanon, Egypt, Cyprus, Turkey, and Palestine—continues to be shaped by overlapping maritime claims, unresolved conflicts, and shifting energy alliances. These factors have dashed many of the initial hopes, according to Ferid Belhaj, author of The Ebbs and Flows of Eastern Mediterranean Gas Politics in 2025.

Rising Geopolitical Risks

Escalating geopolitical risks since October 7 have added a new layer of complexity to the region's energy landscape. These conflicts not only threaten existing energy agreements but also cast uncertainty over future exploration and export plans. The maritime agreement signed between Lebanon and Israel in 2022—allowing Lebanon to begin gas exploration in the Qana field while Israel retained control over Karish—is currently frozen.

The TotalEnergies-led consortium, which includes QatarEnergy and Eni, began exploratory drilling in Lebanese waters in 2023. However, findings have been limited, and the subsequent hostilities have discouraged further investment. The region's energy future remains uncertain, caught between promising reserves and persistent political instability.

Egypt's LNG Ambitions Face Setbacks

Egypt, considered a central hub for liquefied natural gas (LNG) exports in the Eastern Mediterranean, operates two major LNG plants—Damietta and Idku. However, economic and technical challenges have stalled both production and exports. A decline in gas output, largely due to water infiltration in the Zohr field, and delays in payments to foreign explorers—caused by a dollar crunch—have turned Egypt into a net importer.

Cyprus: Rich Reserves, Limited Options

Cyprus has discovered significant offshore natural gas reserves, but exporting them to Europe remains a major challenge. The most pressing issue is geopolitical tension with Turkey, which disputes Cyprus's maritime boundaries and has conducted drilling in contested waters. This conflict blocks the most direct and cost-effective export route through Turkey.

Additionally, Cyprus lacks critical infrastructure—such as pipelines and LNG terminals—needed to transport gas to European markets. The ambitious EastMed pipeline project, which aimed to connect Cyprus and Israel to Europe via Greece, was shelved due to high costs and technical hurdles.

Egypt-Cyprus-Israel Agreements: A Turning Point?

Recent developments may signal a shift. Last month, Egypt announced it would begin receiving Cypriot gas starting in 2027. Cyprus plans to transfer its offshore gas via a 90-kilometer underwater pipeline from the Aphrodite field to Egypt's Zohr production facilities. The pipeline is designed to carry up to 1 billion cubic feet of gas per day. Once in Egypt, the gas will be processed and liquefied at the Damietta LNG plant, then exported to European markets.

In parallel, Israel agreed to double its gas exports to Egypt in a $35 billion deal through 2040. A portion of these inflows will also be allocated for export, further strengthening Egypt's role as a regional energy hub.

Persistent Uncertainties

Despite these promising developments, risks remain high. The escalation of violence in the Middle East is likely to have long-term impacts on investment by international oil companies (IOCs) in regional gas infrastructure.

Moreover, the Eastern Mediterranean's energy prospects are increasingly shaped by global energy transition trends. According to Belhaj, natural gas—once seen as a transitional fuel between coal and renewables—now faces an uncertain future amid growing momentum for decarbonization.

The European Union, which initially viewed the region's gas reserves as a strategic alternative to Russian energy, is now rapidly pivoting toward renewables and green hydrogen. This shift could reduce long-term demand for Eastern Mediterranean gas.

As climate policies tighten and market preferences evolve, energy companies may hesitate to commit large investments to gas projects that risk becoming obsolete. Additionally, competition from Gulf producers like Qatar and the UAE, who are expanding their LNG capabilities, poses a serious challenge. These producers benefit from superior infrastructure and financial leverage, which Eastern Mediterranean countries currently lack.

The energy story of the region is still being written , there are lots of challenges but the potential is still high.

EGYPT'S ENERGY RESILIENCE:

KEEPING STABILITY IN A REGION ON EDGE

As the Middle East faces a new wave of tensions, energy security becomes, once again, a major global concern. The recent military escalations between Israel and Iran, especially the airstrikes targeting key oil and gas infrastructure in both countries, have shaken energy markets. Fields and processing facilities on both sides have suffered damage, adding pressure to global oil and gas flows that are already strained by many political risk and supply blocks.

Watching its interests in this complex and uncertain landscape, Egypt is quietly moving to protect its energy future. While many countries in the region are either locked in conflict or struggling with internal instability, Egypt offers a more stable environment, politically and economically. But stability alone is not enough. The Egyptian government, represented by Ministry of Petroleum and Mineral Resources is under pressure to secure enough energy for citizens and the industrial sector, while also reinforcing the country's position as a regional hub for energy.

A Dual Challenge: A Domestic Gap and Regional Disruptions

Natural gas production in Egypt has been declining over the past few years, leading to a gap between supply and domestic demand and, subsequently, a systematic power outage last year. According to public data from the Ministry of Petroleum, the current rates of production no longer meet peak summer needs. In response to that, the government has taken several immediate steps to manage the situation and make sure no more outages take place this summer season.

Adding to this challenge, the escalating conflict between Israel and Iran has resulted in halting contracted natural gas imports from "The East" to Egypt, as confirmed by an official statement from the Egyptian Ministry of Petroleum and Mineral Resources. This unexpected disruption has created an immediate need for a quick and effective response to secure alternative energy sources and maintain grid stability. So all the efforts are now majorly focused on rationalizing gas consumption across industries and households. The government has issued guidelines to reduce energy use, especially during high demand hours. Power generation plants are being shifted to use alternative fuels where possible, and gas is being redirected to sectors that are more sensitive to supply interruptions.

Egypt is also working on securing new sources of imported gas. Contracts have been signed for additional shipments of liquefied natural gas (LNG) from regional and global partners. To manage this extra volume, the state is deploying more floating regasification ships.

Strategic Stability: Egypt's Edge in a Volatile Energy Landscape

Beyond addressing immediate energy needs, Egypt's long term strategy is firmly focused on attracting significant foreign direct investment into oil and gas exploration and development sectors. Its established legal and regulatory framework, coupled with strategic access to key markets via the Suez Canal and Mediterranean terminals, makes it a compelling choice for companies seeking a lower risk operating environment. This proactive approach is amplified by regional competitive dynamics, unlike North African neighbors such as Algeria and Libya, who are also motivated to increase gas exports to Europe, Egypt's stability distinctly positions it as the preferred partner for enduring energy collaborations.

This presents a unique opportunity for Egypt, contingent on a well planned and precisely executed investment attraction strategy by the Ministry of Petroleum. The success of this strategy depends on the strategic deployment of the sector's most talented, proactive, and experienced Upstream human capital into the key leadership roles.

A prime example of this strategy's necessity lies in the current opportune moment for Egypt's petroleum sector to expand into neighboring countries. By collaborating with and assisting partners in their operations there, Egypt could secure vital additional oil supplies or strongly needed U.S. dollar revenues to address domestic energy needs and lighten the burden of financial arrears for partner International Oil Companies (IOCs). The Egyptian General Petroleum Corporation's (EGPC) past successful ventures serve as powerful evidence to its capability in this regard. For instance, EGPC's successful participation in Iraq's Block 9 concession and the Siba gas field, where it acquired a participating interest alongside partners like Kuwait Energy, clearly demonstrates this capability. These past collaborations highlight Egypt's potential to leverage its expertise and stability.

In other words, as the regional crisis deepens, Egypt's strategic energy approach stands out. The Petroleum sector, while not immune to surrounding turbulence, has consistently demonstrated the ability to respond swiftly and plan proactively. Its leadership clearly understands energy's essential role in both domestic stability and international standing. Egypt now possesses a crucial window of opportunity to further fortify its energy resilience and cement its role in regional cooperation.

Mahmoud Rashed

Assistant General Manager

Exploration Studies, EGPC

LOW-RISK, HIGH-REWARD, FAST-TRACK EXPLORATION

Egypt is strengthening its bid to attract upstream investments through a strategic collaboration between the Egyptian National Petroleum for Exploration and Development Company (ENPEDCO) and the Egypt Upstream Gateway (EUG). For the first time, ENPEDCO is partnering with EUG to deliver a fully digital, globally accessible licensing round. The EUG platform—launched under the Ministry of Petroleum and Mineral Resources—offers investors a one-stop solution for data access, technical evaluation, and bid submission, eliminating geographical barriers and streamlining participation. This strategic collaboration reflects Egypt's visionary approach to modernizing its oil and gas sector, enhancing transparency, and unlocking untapped value in low-risk, infrastructure-ready acreage.

The two entities invited interested investors to bid for seven onshore blocks 5 in the Western Desert and 2 in the Eastern Desert near Gulf of Suez ,all positioned in proven hydrocarbon basins with established infrastructure and ongoing production activity. The bid deadline is August 31, 2025.

All the blocks are located in proven producing regions with active wells and high success rates with immediate access to processing facilities, and export terminals. Furthermore, bidders have a full digital data access and bid submission Via the EUG portal.

Through this collaboration, the country is reinforcing its position as a regional hub for oil and gas investment.

This is not just another licensing round; it represents a strategic invitation to invest in proven, productive basins where infrastructure is already in place and hydrocarbons are flowing. And through EUG which provides unprecedented access to reliable data and a transparent, competitive process that aligns with international best practices.

Renowned as Egypt's oil production powerhouse, the Western Desert hosts five of the seven offered blocks. These blocks benefit from Proximity to producing wells and mature oil fields operated by leading international players,extensive seismic coverage and well-established geological understanding, reducing exploration risk.

Moreover , they have conventional and unconventional reservoirs, offering upside potential for advanced recovery techniques.

The Western Desert continues to be a cornerstone of Egypt's oil production strategy, and opening new blocks in close proximity to producing fields allows investors to expect shorter timelines from discovery to development.

As for the two Eastern Desert Blocks,they offer an equally compelling case. Located near Egypt's historic oil-producing Gulf of Suez region, they are close to existing production facilities, pipelines, and export terminals, enabling fast-track commercialization.

They are also attractive to operators seeking near-field exploration opportunities with minimal infrastructure risk

These attributes significantly reduce time-to-first-oil, making them appealing to both independent operators and established international oil companies (IOCs).

The use of EUG's physical and virtual data rooms, companies can access; detailed 2D and 3D seismic datasets, Well logs and production histories from surrounding fields and Geological and geophysical reports.

Industry observers note that this is a best-in-class model for how national oil companies can run licensing rounds—digitally, transparently, and with investor confidence at the forefront.

This licensing round aligns with Egypt's broader energy strategy, which aims to maximize domestic hydrocarbon production to meet growing local demand and enhance export capacity,accelerate exploration-to-production timelines by offering acreage with nearby infrastructure and attract diversified investments from IOCs and smaller independents alike in addition to leverage digital transformation to increase transparency and competitiveness globally.

Industry experts believe this approach positions Egypt as a regional leader in modernizing upstream licensing processes, offering investors low-risk, high-reward opportunities backed by strong state support and proven resources.

With production-ready infrastructure, strong geological prospects, and a streamlined digital process, the ENPEDCO–EUG licensing round is expected to attract significant local and international interest, setting a new benchmark for how Egypt markets its onshore energy opportunities.

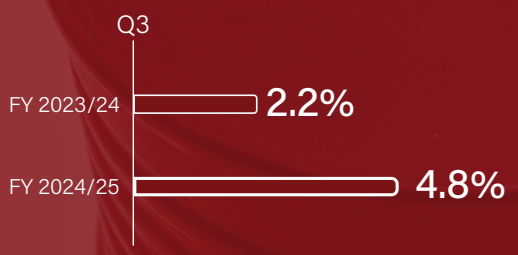
Geo. Mohamed Gamal Salah, M.Sc.

Petrophysicist

EGYPT OIL&GAS RESEARCH & ANALYSIS

QUARTERLY INDICATORS

Real GDP Growth



Top Contributors to Real GDP Growth in Q3 2024/25 (Percentage Points)*

Non-oil Manufacturing	1.9
Financial Intermediation (Banks)	0.7
Tourism	0.6
Agriculture	0.5
Wholesale & Retail Trade	0.5

Egypt's economic recovery gained strong momentum in the third quarter (Q3) of fiscal year (FY) 2024/25, with real gross domestic product (GDP) growth accelerating to 4.8% year-on-year (YoY)—the highest quarterly rate in three years, according to the Ministry of Planning, Economic Development, and International Cooperation. External trade was a major growth driver, as the net exports component added approximately 2.7 percentage points (PP)* to overall GDP growth. This reflected a strong 54.4% YoY surge in exports, which significantly outpaced the 18.7% increase in imports. Additionally, the industrial production index (excluding petroleum products) expanded by 16.03%, pointing to a broad-based recovery in Egypt's real economy.

In terms of sectoral performance, several key sectors posted strong annual growth in Q3 FY 2024/25. The tourism sector expanded by 23%, supported by rising tourist arrivals and overnight stays. Non-oil manufacturing grew by 16%, benefitting from stronger industrial output and improved export performance. Financial intermediation activities grew by 17.3%, followed by telecommunications at 14.7%. These solid performances reflect the continued recovery of high-productivity sectors and the momentum behind Egypt's reform-led growth strategy.

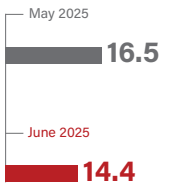
*PP indicates how much a component has contributed to overall GDP growth, not its own growth rate.

MONTHLY INDICATORS

Annual Inflation Headline CPI (%)

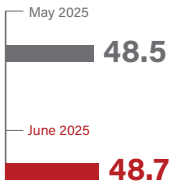
Egypt's annual headline inflation rate eased sharply to 14.9% in June 2025, down from 16.5% in May, marking a significant decline compared to market expectations. The rate came in lower than forecasts by Goldman Sachs (15.5%) and Reuters (16.2%), reflecting the strongest deceleration in months and the first monthly deflation reading since the beginning of the year. This decline was primarily driven by a monthly drop in food prices, which fell 1.1%, led by a 3.8% decrease in meat and poultry and a 1% drop in vegetables.

Monthly inflation registered a 0.1% decrease, reversing three consecutive months of increases. Meanwhile, moderate price hikes were observed in housing and utilities (1.2%), healthcare (0.5%), and transport (0.4%). Cultural and entertainment services rose by 0.4%, while restaurants and hotels climbed by 0.6%. On an annual basis, healthcare costs continued to rise markedly, with inflation reaching 37.6%. Housing and utilities also recorded a notable annual increase of 20.1%, reflecting higher fuel and electricity prices.



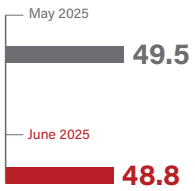
Net International Reserves ($ billion)

Egypt's net international reserves (NIR) rose by 0.4% month-on-month (MoM) to $48.7 billion in June 2025, up from $48.5 billion in May. Foreign currency reserves increased by 0.8% MoM to $35.076 billion, compared to $34.809 billion in the previous month. Gold reserves, however, declined slightly by 0.7% to $13.586 billion from $13.679 billion in May. Special Drawing Rights (SDRs) remained unchanged at $0.041 billion. On an annual basis, NIR grew by 5% from $46.385 billion in June 2024, reinforcing continued improvement in Egypt's external buffers.



Non-Oil Private Sector PMI (Point)

Egypt's PMI fell to 48.8 in June 2025, down from 49.5 in May, indicating a modest but accelerated contraction in the non-oil private sector. Output and new orders declined faster amid weak local demand and stagnating markets, leading to the sharpest drop in purchasing activity in nearly a year. Employment levels also declined for the fifth consecutive month, though the pace of job shedding softened. Inventory levels stalled as input buying fell, particularly in manufacturing. While inflationary pressures eased, with input costs and selling prices rising at slower rates, business sentiment deteriorated sharply. Confidence towards future output fell to its lowest level on record, reflecting pessimism about order books and concerns over geopolitical risks. Despite easing cost burdens, firms signaled limited appetite for expansion amid ongoing uncertainty in demand conditions.



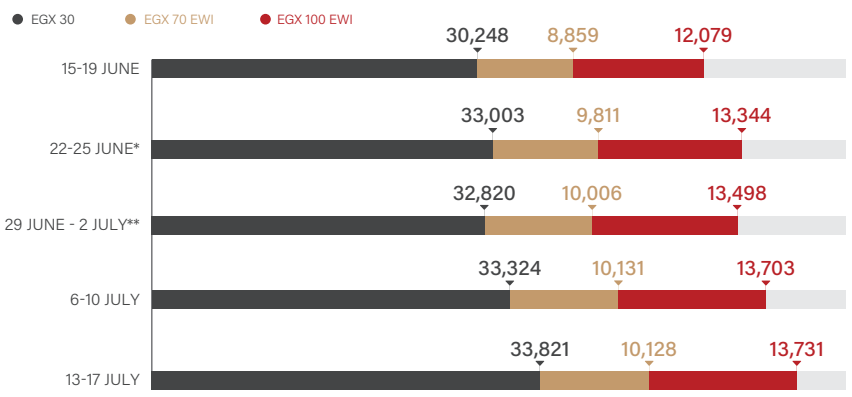
EGX HIGHLIGHTS

Performance of Listed Petroleum Companies (June 2025)

	TAQA Petroleum	EDC Egyptian Drilling Company	AMOC	Egypt Gas	Sidpec
Close Price	12.11 EGP	4.69 USD	7.43 EGP	40.46 EGP	19.91 EGP
YTD Price Change	⇧ 2.89%	0%	⇧ 0.81%	⇧ 0.65%	⇧ 3.43%
P/E*	20.73	3.89	5.43	20.06	7.11

*Price-Earnings Raito (P/E): the ratio of a company's share price to the company's earnings per share.

Capital Market Indicators



* June 26 was a public holiday. ** July 3 was a public holiday.

New Oil Discovery in the Western Desert Enhances Local Production

Agiba Petroleum Company announced that a new discovery in the Western Desert has been added to the production map, as part of Egypt's strategy to increase local crude oil and natural gas output. The Arcadia West field was successfully brought online immediately after drilling confirmed a high-quality reservoir in the Masajid formation.

Well

Arcadia-28

Current Production

4100 boe/d

Second Well Tied into Production under WDDM Phase 11

Burullus Gas Company has added the development well Sparrow West-1 to the production map as part of Phase 11 of the West Delta Deep Marine (WDDM) project. Operated by Rashid Petroleum Company (Rashpetco) in partnership with Shell and Petroliam Nasional Berhad (PETRONAS). Sparrow West-1 is the second well tied into production in this phase, following the successful launch of Siena DE, marking continued progress in the phased development plan.

Sparrow West-1 Well Initial Production

40 mmcf/d

WDDM Phase 11 Achievements

Total Wells Added

2

Combined Production

80 mmcf/d

WDDM Phase 11 Development Plan

Underdevelopment Well

1 To Be the 3rd

Expected Production Start Date

September 2025

Phase's Targeted Production

130 mmcf/d

Khalda Makes Strides in Western Desert Drilling Activities

Khalda Petroleum Company, in partnership with Apache, has achieved notable improvements in drilling operations. The company reduced pipe connection time from 24 minutes to an average of 18 minutes, with record times reaching 12.5 minutes. These enhancements resulted in a total time saving of 60 days in 2024 and 180 days in the first half (H1) of 2025.

Drilling Activities

No. of Wells Tied in 2024

110

No. of Wells Drilled in H1 2025

54

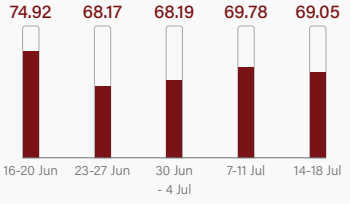
Cost Savings ($ million)

2024	3
H1 2025	>15

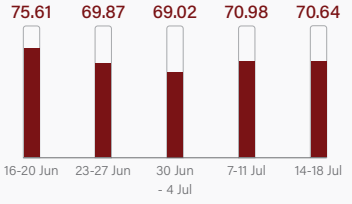
PRICING HIGHLIGHTS

Average International Prices

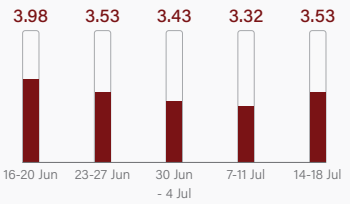
BRENT OIL ($/BBL)



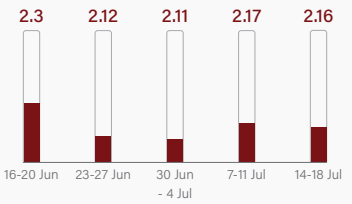
OPEC BASKET ($/BBL)



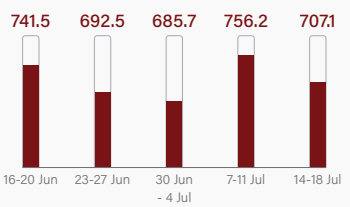
NATURAL GAS ($/MMBTU)



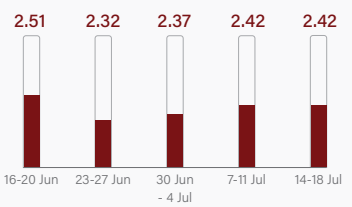
RBOB GASOLINE (NYMEX) ($/GAL)



GAS OIL (NYMEX) ($/MT)



HEATING OIL (NYMEX) ($/GAL)



SINOPEC

Cleaner Energy Better Life