



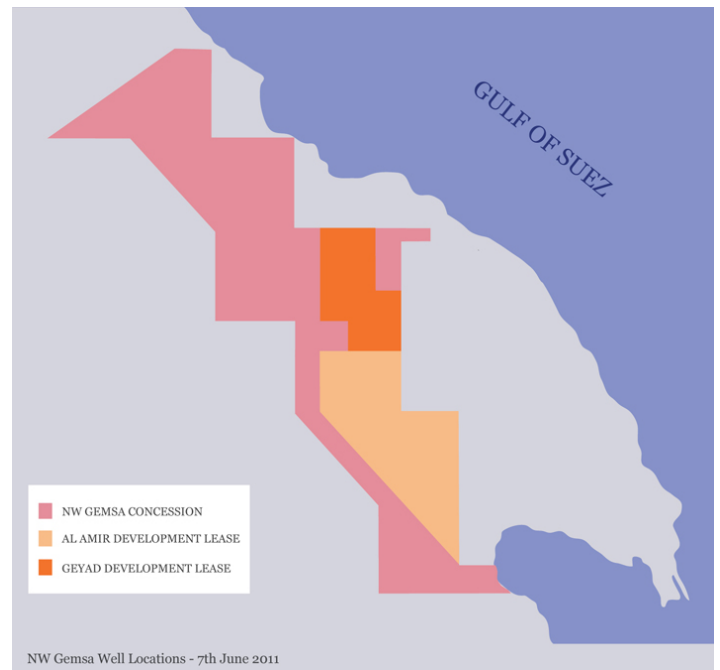
Operations: Egypt

Egypt is largely sufficient in oil and gas production with well-proven hydrocarbon areas and good exploration success rates. Significant areas still remain to be explored.

The NW Gemsa Concession, containing the Al Amir and Geyad Development Leases, covers an area of over 264 square kilometres, and lies approximately 300 kilometres south of Cairo. It is contained within a large basin that has an area of approximately 19,000 square kilometres and is considered as the most prolific oil province rift basin in Africa and the Middle East.

N W Gemsa Wells

Name	Date Drilled	Zone Tested	Well Status
AASE-1X	Mar-July 2008	None	Sidetracked to AASE-1X-ST1
AASE-1X ST	Aug-Sep 2008	Kareem Shagar	Completed as Producer
Al Amir-1X ST2	Oct-Nov 2008	South Gharib	Suspended
AASE-2X	Dec 2008-Jan 2009	Kareem Rahmi	Completed as Producer
Shehab-1X	Jan-Feb 2009	None	P+A
Geyad-1X	Feb-Apr 2009	None	Sidetracked to Geyad-1X -ST1
Geyad-1X-ST1	Apr-May 2009	Kareem Rahmi	Completed as Producer
AASE-3X	May-Jun 2009	None	Sidetracked to AASE-3X-ST1
AASE-3X ST1	Jun-Jul 2009	None	Sidetracked to AASE-3X-ST2
AASE-3X ST2	Jul-09	Kareem Shagar	Completed as Producer
AASE-4X	Jul-Oct 2009	Kareem Rahmi	Completed as Producer
Geyad-2X	Oct 2009-Jan 2010	None	Sidetracked to Geyad-2X-ST1
Geyad-2X-ST1	Jan-10	Kareem Shagar	Completed as Producer
AASE-5X	Jan-Mar 2010	Kareem Shagar	Completed as Producer
AASE-6X	Mar-Jul 2010	Kareem Shagar Lower Rudeis	Completed as Producer Plugged back
Al Ola-1X	Jul-Nov 2010	Kareem	Completed as Producer
AASE-7X	Nov 2010-Jan 2011	None	Sidetracked to AASE-7X-ST1
AASE-7X-ST1	Jan-Apr 2011	None	Completed as Water Injector
Geyad-3X	Apr-May 2011	Kareem Shagar	Completed as Producer
AASE-8X	May- July 2011	Kareem Shagar and Rahmi	Completed as an Injector
Geyad-5X	July-August 2011	Kareem Shagar and Rahmi	Completed as an Injector
Al Ola-2X	September-October 2011	Kareem Shagar and Rahmi	Completed as a Producer/Shut In
Geyad-4X	October-December 2011	Kareem Shagar and Rahmi	Completed as a Producer
AASE-10X	December 2011 – February 2011	Kareem Shagar and Rhami	Awaiting test results (current at 8/2/2012)



The Gulf of Suez runs in a northwest to southeast direction and forms an elongated graben measuring 320 kms in length. It is bounded by two major sets of marginal faults. Reservoirs range from Pre-Cambrian to Quaternary Age.

The NW Gemsa concession agreement includes the right of conversion to a production licence of 20 years, plus extensions, in the event of commercial discoveries. The NW Gemsa Concession partners include: Vegas Oil and Gas (50% interest and operator); Circle Oil Plc (40% interest); and Sea Dragon Energy (10% interest).

To date the partnership has discovered and put into production two fields; Geyad and Al-Amir SE, which are now being fully appraised and developed for long term production.

Summary Information

NW GEMSA

- URR Most Likely 39.8 Mmboe*
- Increased 65% from 24.1 Mmboe in 2010*
- URR Upside 54.7 Mmboe*
- Increase from 41 Mmboe in 2010*
- 40% (WI)

* Source: Independent 3rd party estimate to SPE Standards

AL AMIR (SE, KAREEN, S GHARIB) AND GEYAD KAREEN

- 16 wells drilled with 15 successes (including water injectors) (Jan 2008 – January 2012)
- 1 exploration well (Al Ola-1X) completed 2011 to extend development lease to south and south-east
- Proved southern extension of Al Amir SE
- Now drilling more producers and injector wells.
- Al-Amir SE and Geyad Kareem sands presently producing approx. 7,000 bopd
- Production levels being carefully managed to allow planned water injection wells to be drilled and the waterflood to become fully operational in 2012 to further increase long term production.