From Promise to Reality:
Peeping Through The Window (of Opportunity)
Evolution and Strategic Approach

Cyprus


- Discovered - Noa & Mari-B fields
- First production from Mari-B and sales to IEC
- Discovered Tamar
- Discovered Leviathan
- Discovered Dolphin & Tanin
- Karish Discovery
- Grant Rights in Blok 12

Israel

- Tamar First Gas, Exploration, Development, Karish Discovery

Regional Energy Hub

1+1=3
Delek & Avner East Med Assets
Tamar - World’s Largest Deep Water Gas Discovery in 2009

- Working Interest: 31.3%
- Operator: Noble Energy
- Natural Gas (2P) Reserves: 10 Tcf
- Condensate (2P) Reserves: 13 MMBBL
- First Gas: End of March 2013
- Development Budget: Approx. 3.5 Billion USD (100%)

Ownership:
- Noble, 36.0%
- Avner, 15.6%
- Delek Drilling, 15.6%
- Isramco, 28.7%
- Dor Gas, 4.0%
Leviathan

- One of the world largest deep water discovery in the decade
- Leviathan Discovery - 2010
- 2C Reserves: 19 TCF
- “Leviathan 4” appraisal well completed

Aphrodite

- The first well ever drilled off-shore Cyprus
- 5,500 ft. water depth
- Gross mean resources 7TCF*

Additional Exploration

- Delek holds an addition 13 licenses (Close to Tamar and Leviathan)
- Deep oil potential*
- Latest Discoveries (2012):
  - Dolphin Discovery (2C of 81BCF)
  - Tanin Discovery (2C best estimate of 1.1TCF)

*Noble
Window of Opportunity

Israel

Cyprus

LNG

Regional Hub
Dynamic Window of Opportunity

• Game changing events in the Eastern Med provide a unique opportunity for the region
• Tamar, Leviathan & Aphrodite will secure the domestic energy needs
• Allowing the creation of a regional energy hub, that will enable to export LNG to the world
• Asian and European demand growth

• Competition:
  • Other large gas discoveries - attract major companies with the expertise, know-how and capital required for creating the high CAPEX LNG infrastructure needed for export. These projects will compete on the markets and capital!
  • US shale gas & Export could cause a significant change in the LNG world!
• Capturing this unique window of opportunity requires bold decision making by policy makers

• We, the private sector and governments alike, must work together in order to create the necessary framework to facilitate the huge investments that will be required to make this vision a reality

• We have good cards, we now must together and quickly to make the promise a reality and create the

Regional Energy Hub
• Israel & Cyprus natural gas fields are well situated between high priced LNG markets in Asia and Europe
• Israel & Cyprus natural gas composition is excellent—limited processing required
• Benign weather conditions are favorable
LNG Export Opportunity

* Source: Woodmac, November 2012