

BASRA OIL & GAS INTERNATIONAL FREE ZONE



Iraq's new oil and gas Free Zone at Khor Al Zubair developed by BIOGH in partnership with the Free Zone Authority (FZA), an Independent Authority under the Ministry of Finance



BASRA INTERNATIONAL OIL & GAS HUB LIMITED
IN PARTNERSHIP WITH THE FREE ZONE AUTHORITY



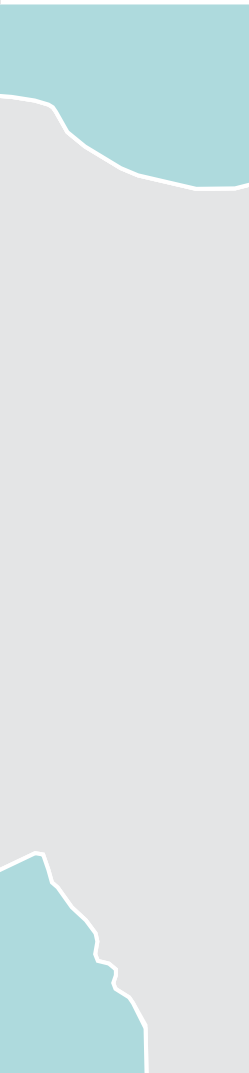
Basra International Oil & Gas Hub Limited (BIOGH)

BIOGH was established in 2009 specifically to develop an oil and gas hub in the Free Zone at Khor Al Zubair in Iraq.

In September 2012 a joint venture was established between BIOGH and the Free Zone Authority (FZA), an independent authority under the Ministry of Finance. It will develop a highly secure dedicated oil and gas Free Zone extending to 11 square kilometres (11 million square metres) of mixed use industrial, logistics, oil & gas storage, commercial and residential accommodation.

The Public Private Partnership between BIOGH, as the developer, and the FZA, is on the basis of a 50 year agreement and development permit in favour of BIOGH.





The Basra Oil and Gas Free Zone is 30km south of Basra International Airport, adjacent to port Khor Al Zubair and strategically located for the major oil and gas production areas of Southern Iraq.

It is being undertaken in joint venture with the Free Zone Authority — an independent authority under the Ministry of Finance.

The zone will extend to 11 square kilometres (11 million square metres) and will comprise mixed-use industrial, logistics, oil and gas storage, commercial and residential accommodation, a variety of ancillary uses and will have its own dedicated customs facility with state-of-the-art security.

This is the only Oil and Gas Free Zone in Iraq

It's key unique selling points and substantial benefits are summarised as follows:

- **It is a joint venture with the Free Zone Authority, an independent authority under the Ministry of Finance,** providing all the benefits of governmental support including the provision of dedicated Customs and Immigration
- **Significant Free Zone benefits**
- **A secure and internationally managed logistics facility**
- **Substantial benefits to the local population and businesses.**
The oil and gas Free Zone is predicted to employ or train some 10,000 Iraqi nationals in the first 12 years of operation
- Long Term Agreements available of up to 50 years.



A SIGNIFICANT OPPORTUNITY

Location

- Located within 125kms of over 70% of Iraq’s proven oil and gas reserves
- Excellent air, rail and road access
 - Adjacent to the port of Khor Al Zubair, Iraq’s designated strategic oil and gas port
 - 35kms from Basra city centre
 - 30kms from Basra International Airport
 - 15kms from Umm Qasr port
 - 30kms from Kuwaiti border crossing

Banking and finance

- No capital gains or corporation tax
- No VAT regime
- No foreign exchange restrictions and off-shore banking is permitted
- Free repatriation of capital and profit
- Significant cost savings through centrally provided services

Customs

- Dedicated customs facilities and administration
- All imports into the Free Zone are exempt from customs duties with on-site expedited Iraq customs clearance facilities
- In bond transfer of goods from any Iraqi customs centre to the Free Zone
- On-site expedited South Oil Company goods approval process

Certificates

- Certificates of origin and quality inspection certificates not required for goods
- Certificates of Origin and testing for quality inspection certificates available on site for goods exiting

Corporate

- Foreign owned and/or domiciled companies permitted to operate
- No requirement to establish a company in Iraq or have a local partner

Arbitration/Mediation

- International arbitration under the DIFC/UNCITRAL Arbitration Service in Dubai

Tenant/Operations approval

- Fast track operator approval process of approximately 30 days
- Fast track planning permission and building regulations of approximately 30 days for any operator construction requirements

Employment

- Freedom to employ foreign nationals
- Dedicated immigration office
- Expedited procedures for Iraqi visas, work permits and employee processing
- Foreign employees are exempt from tax; Iraqi employee salaries are taxed at only 50% of the prevailing tax rate

Equipment and motor vehicles

- Duty Free importation of mobile equipment and motor vehicles for use inside and outside of Free Zone permitted with special license plates

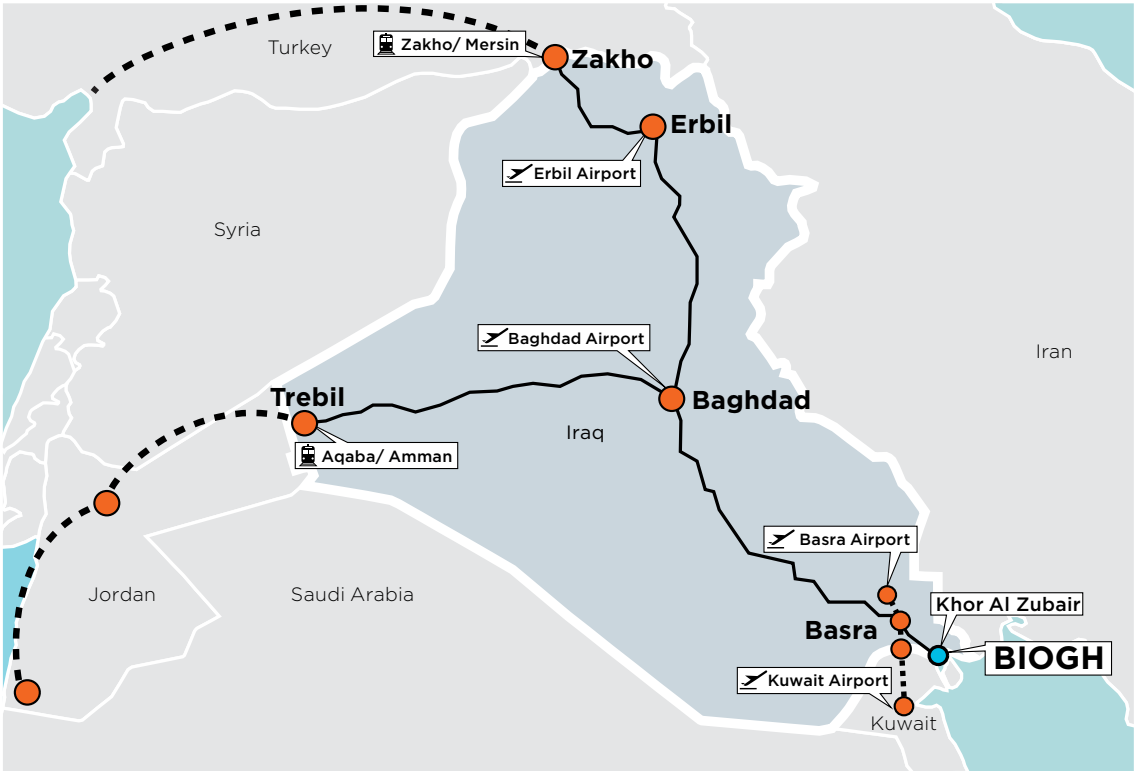
Amenities

- On-site residential accommodation with catering facilities and health and leisure amenities
- On-site internationally staffed medical and dental clinic (Medivac)
- 24/7, 365 day operations permitted
- Industry leading security force with advanced technical support and screening
- Full range of utilities and maintenance
- On-site banking and insurance facilities
- On-site transport and construction companies.

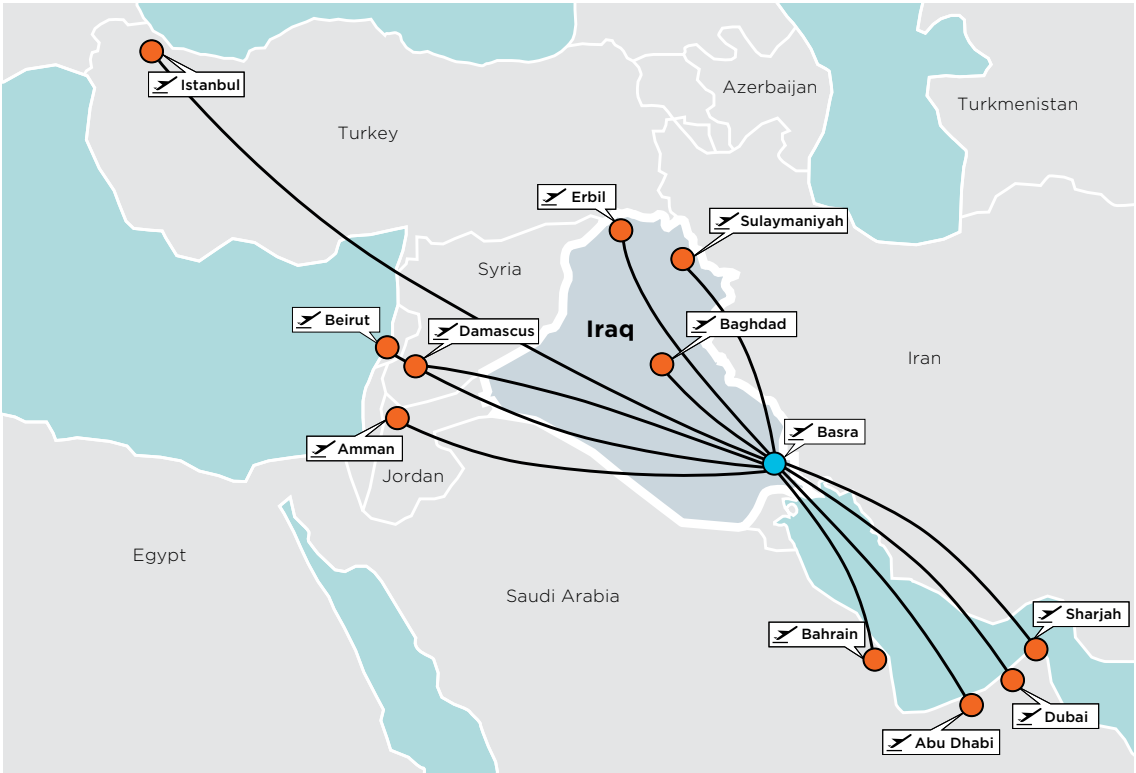




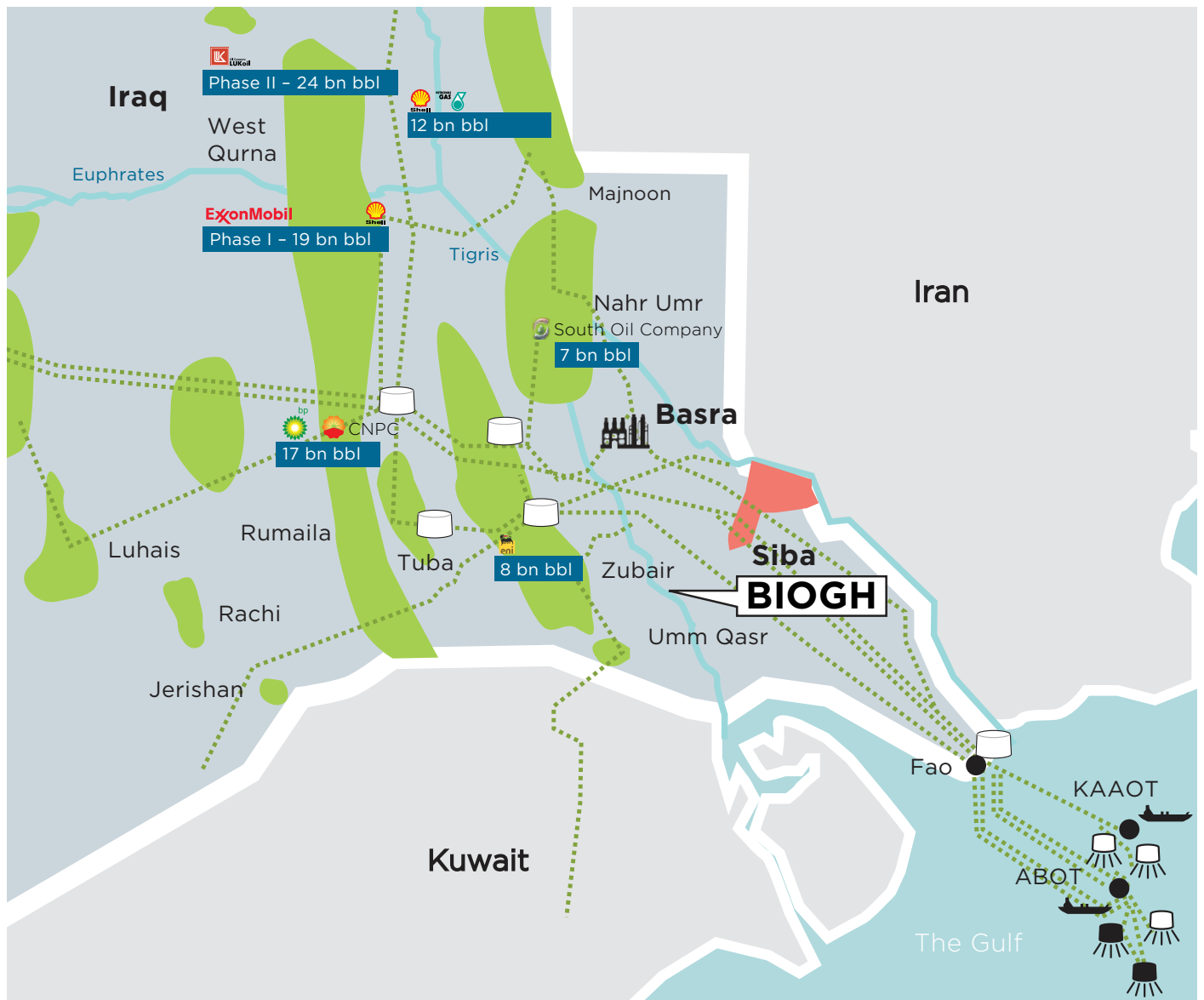
PRINCIPAL
ROAD ROUTES












FLIGHTS
FROM BASRA
INTERNATIONAL
AIRPORT



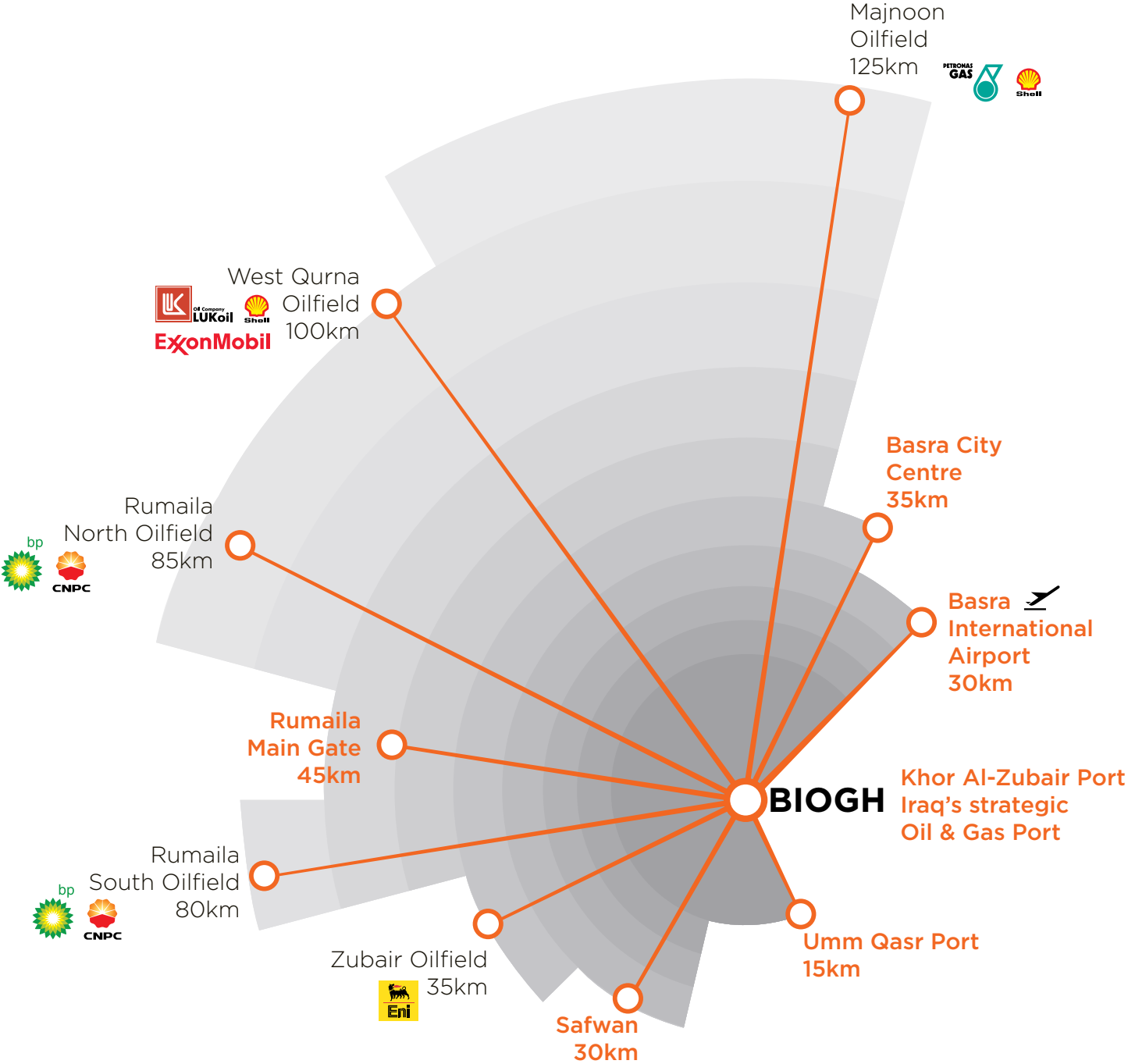
STRATEGICALLY POSITIONED



KEY

-  Oil field
-  Gas/condensate field
-  Oil pipeline
-  Pumping and storage
-  Oil terminal
-  Single point mooring (SPM)
-  Planned SPM
-  Large refinery
-  Billion barrels (bn bbl)
Remaining recoverable resources

Source: Data provided to the IEA by the US Geological Survey and the Iraqi Ministry of Oil



Distance from Major Locations

- Basra City Centre..... 35 KM
- Basra Airport.....30 KM
- Rumaila Main Gate.....45 KM
- Safwan.....30 KM
- Umm Qasr Port..... 15 KM

To Major Oil Fields

- Rumaila South..... 80 KM
- Rumaila North..... 85 KM
- Zubair.....35 KM
- West Qurna.....110 KM
- Majnoon.....125 KM
- Halfaya..... 250 KM

STRATEGIC PROPOSITION

The Free Zones’ facilities are in close proximity to the four super giant oilfields:

- Rumaila – 85km away. Operated by BP
- West Qurna – 110km away. Phase I operated by Exxon Mobil/Shell and Phase II by Lukoil
- Zubair – 35km away. Operated by ENI
- Majnoon – 125km away. Operated by Shell.

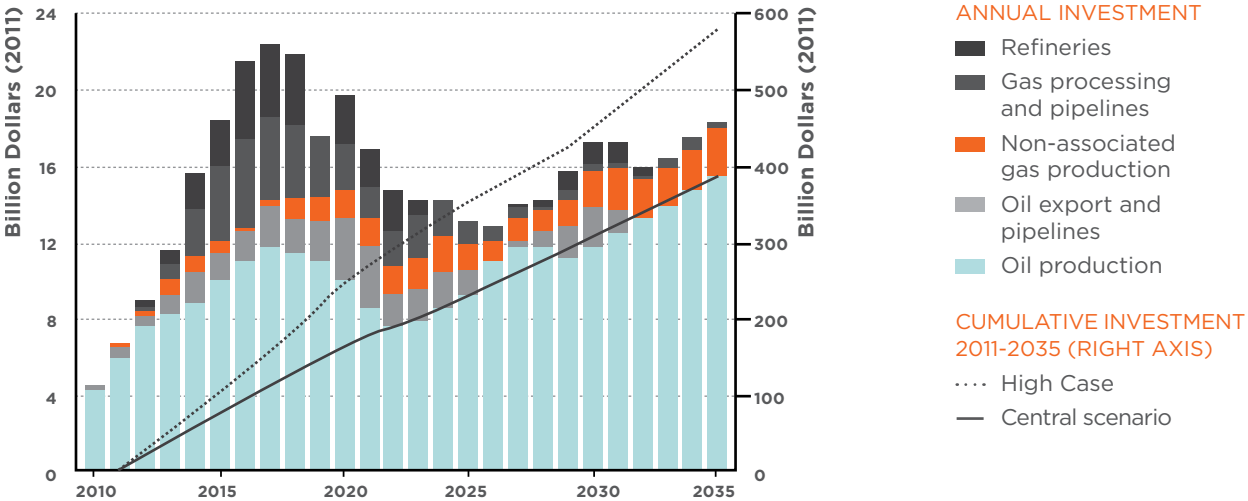
These four oilfields currently contribute two thirds of Iraq’s oil production (it is currently producing 3 million barrels per day) and is forecast to increase production as follows:

	2011	2015	2020	2025	2030	2035
The Big 4	1.8	2.8	4.2	4.7	5.1	5.6
The rest	0.9	1.4	1.9	2.2	2.4	2.7
TOTAL	2.7	4.2	6.1	6.9	7.5	8.3

Million barrels per day

Source: IEA Oct 2012

To achieve this level of production, it is estimated that between USD\$400bn and USD\$600bn of investment within the oil & gas sector will be required. A significant part of this spend will be needed between 2015 and 2020 (which equates to an annual spend of more than USD\$30bn in that period):



The sheer scale of logistical support and supply chain management would mean a very high demand for space in a secure environment that will allow efficient movement of goods and services. As a result, BIOGH’s project will be highly sought after, as at present there is no alternative supply of this scale becoming available to the market in the next few years.

THE MASTERPLAN

LOCATION OVERVIEW
BIOGH's International Oil and Gas
Free Zone is adjacent to the port
of Khor Al Zubair.

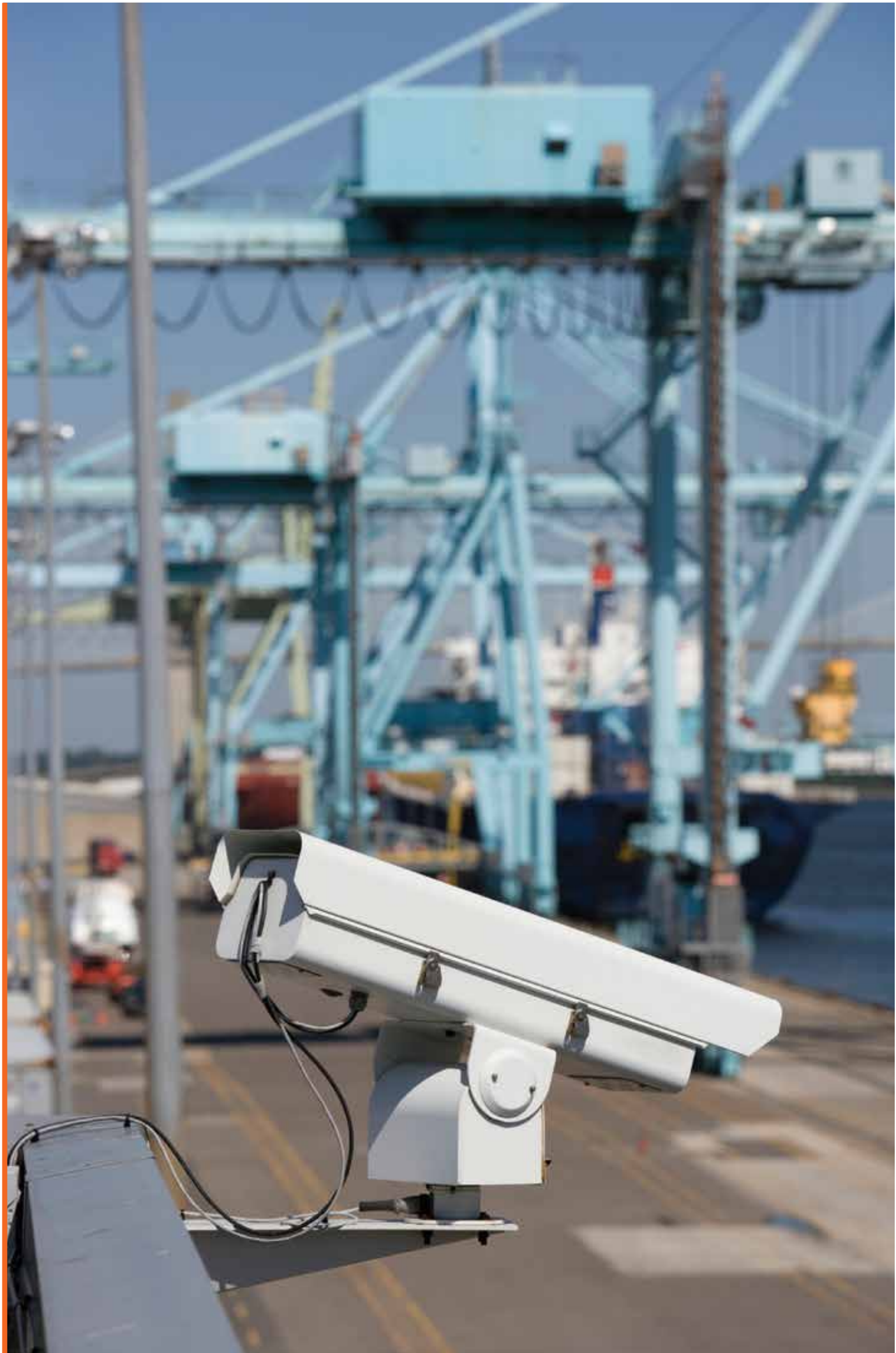


KEY

<div></div> Free Zone Site Area Revised 11,030,000m ² / 100%	<div></div> Demand Driven Reserve 1,241,000m ² / 11%	<div></div> Customs 220,000m ² / 2%
<div></div> Logistics / Warehousing / Stockyards 4,888,000m ² / 44%	<div></div> Infrastructure 1,115,000m ² / 10%	<div></div> Utility 48,000m ² / 1%
<div></div> Medium / Light Industry 2,938,000m ² / 27%	<div></div> Residential 460,000m ² / 4%	<div></div> Oil, Gas and Chemical storage units

Initial Masterplan subject to detailed design, development and tenant specific requirements.





COMPREHENSIVE SECURITY

The security at the Free Zone is critical to ensure both personal security and safety, and to fulfil the requirements of the Free Zone Authorities to ensure customs and border control are well regulated.

There are three elements to securing the Free Zone site for both protective and customs reasons:

1. Fixed physical security measures, such as blast walls and fencing
2. Technological installations, such as CCTV, lighting, intrusion sensors, telecoms, site management and control rooms
3. The presence of trained personnel.

Personnel accessing or leaving the site will be scanned as if entering an airport.

Security will include the following facilities utilising the latest technology available:

- Ditches and berms
- Perimeter fencing
- Perimeter direction
- CCTV surveillance
- Radar detection
- T Walls and barriers
- Video analytics
- Command and control
- Blockers and barriers
- Entry and exit strategy
- Vehicle screening
- Under vehicle screening
- Mobile screening







WORLD CLASS TEAM

BIOGH was established in 2009, specifically for the development of a specialised oil and gas complex located in a Special Free Zone at Khor Al Zubair.

EPG International is the sponsor of BIOGH.

EXECUTIVE COMMITTEE

Hayden Chittell is a President of BIOGH, Chairman of BIOGH Holdings and founder and owner of Camco Private Equity Group. Hayden has also built a substantial property development company, EPG International, with a reputation for innovative and profitable developments, working both within the United Kingdom and overseas. Hayden subsequently established London and Regent Construction to work on large scale mixed-use development projects on an international basis.

Myron Mahendra is Group Chief Financial Officer of BIOGH and EPG International. He brings with him 20 years of Real Estate experience in the UK, Europe and North Africa. He has raised debt and equity financing, structured complex joint venture arrangements for development, and \$1.6 billion in property investment transactions.

PARTNERS

Free Zone Authority
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BIOGH
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EPG International
A privately owned, international real estate firm that has provided the highest level of quality, service and value to its clients and investors for more than a decade.

PROFESSIONAL TEAM

Haskoll

A design-led architectural practice with highly-experienced creative teams of architects and interior designers working from offices in London and China, Haskoll provides a comprehensive architectural design and consultancy service to a range of international clients on masterplanning and architectural projects.

London & Regent Construction (L&R)

A London-based firm with presence in Europe and the Middle East, L&R provides a range of construction-related services for projects of varying scope, budget, schedule and complexity. Their experience covers sectors including arts and culture, commercial, convention centres, education, hospitality, residential and retail.

Global Design Strategies (GDS)

Headquartered in New York with offices in London and strategic partners in the Middle East, GDS is an architecture, infrastructure planning and development advisory practice whose worldwide projects and expertise span public and private masterplan developments, urban renewal, renewable energy and industrial facilities.

PricewaterhouseCoopers (PwC)

PwC is a global professional services network with over 180,000 employees based in 776 offices across 158 countries, including a significant presence in Iraq.

Berwin Leighton Paisner (BLP)

A leading international law firm with over 850 lawyers, including more than 200 partners based across nine offices in eight countries around the world. BLP offers services in corporate finance, litigation and dispute resolution, real estate and tax.

DLA Piper

DLA Piper is a leading law firm with 4,200 lawyers located in 31 countries and 77 offices throughout the Americas, Asia, Europe and the Middle East, positioning it to help companies anywhere in the world.





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PROFESSIONAL TEAM

Haskoll

A highly experienced design-led architectural practice with dynamic and creative teams of architects and interior designers. With over 30 years of experience, they provide a comprehensive architectural design and consultancy service to a wide range of clients. They have offices in London and China and have worked around the globe on a wide range of masterplanning and architectural projects.

London & Regent Construction

A privately-held firm headquartered in London with projects across Europe, the United Kingdom and the Middle East. They provide a wide range of construction and construction-related services for projects of varying scope, budget, schedule and complexity. Their experience includes projects from various sectors, including arts and culture, commercial, convention centers, education, hospitality, residential and retail.



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An international architecture, infrastructure planning and development advisory practice headquartered in New York, with offices in London and strategic partners throughout the Middle East. Their extensive experience, which spans more than 20 countries, includes a wide range of projects that focus on large scale infrastructure, urban renewal, public and private masterplan developments, renewable energy and industrial facilities.

PricewaterhouseCoopers

A global professional services network of firms with 776 offices in 158 countries and employing over 180,000 people, including a large presence in Iraq.

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