

Karak Oil International gets Official Approval to Commence Work October 04, 2011

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ATP Technology Pilot Plant



Al Lajjun Region, Jordan

An agreement for a British company to exploit Jordan's vast oil shale resources has received official approval. It will create over 3,000 jobs and bring major economic benefits to the Kingdom.

Karak Oil International is a subsidiary of Jordan Energy and Mining Limited, a UK registered company that specialises in the mining and processing of oil shale, and has already invested \$30million in the project. JEML has been involved in the identification, evaluation and development of oil shale deposits within Jordan since 2005.

The project, in its first phase, is creating approximately 700 jobs and 2,500 indirect jobs for the local community. The deal will bring many benefits to the Kingdom of Jordan, reducing its reliance on foreign oil imports and increasing national wealth by an estimated \$60m per year through tax and royalties.

Under the terms of the Agreement, KIO will use advanced Canadian/German technology to extract and process oil shale in a 35 sq km area of Al Lajjun, Karak. The project is expected to produce 15,000 barrels of oil per day from 2016, which amounts to 15% of oil needed in the Kingdom.

The KIO oil shale project will operate according to accepted international standards of best practice including the Equator Principles, the UN Global Compact and the International Labour Organization Declaration of Fundamental Principles and Rights at Work. KIO will operate to rigorous environmental standards that limit emissions and ensure optimal use of water.

HE. Dr. Khaled Toukan, Minister of (MEMR): 'this major new oil shale venture will make a significant contribution to the Governments declared Energy Strategy to increase energy from indigenous oil shale resources from zero to 14% of the country's energy requirements by 2020; and thereby reducing our reliance on imported oil and gas products from our neighbours'.

Jordan Energy & Mining managing director Christopher Morgan commented, "We are delighted to have been awarded this Royal Decree, which gives us the opportunity to help Jordan achieve its target of

meeting 14% of domestic energy requirements from its own natural resources by 2020. We look forward to producing new oil and, at the same time, providing fresh employment opportunities and wealth creation.”

Munther Akroush, Jordan office director for Karak International Oil, remarked, “KIO will employ leading edge technology and specialist expertise to unlock the potential of Jordan’s oil shale reserves – the fourth largest in the world. This deal will increase Jordan’s energy self-sufficiency and, ultimately, has the potential to transform the Kingdom from being an importer to an exporter of oil and energy.”

A reception to mark this milestone in the project’s progress will be hosted by the British Ambassador to Jordan, Peter Millett on 4 October 2011. The Ambassador said: “This development represents a significant investment by the United Kingdom in Jordan and will bring significant economic advantages and employment to the area.”

For more information please visit www.jeml.co.uk, www.kio.jo or call +44 (0) 1892 509950 or +962 (6) 5561905 or email cmorgan@jeml.co.uk