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Growth and Investment Opportunities

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Cyprus

Energy is the New Boom Industry

Cyprus' energy sector has been transformed by the discovery of significant hydrocarbon reserves in the country's Exclusive Economic Zone (EEZ), while new impetus from the government and investors will make Cyprus a key energy player in the region.

The sector could now go on to be a game changer for the island's economy and will be one of the biggest opportunities for international investment in the coming years.

According to Minister of Energy, Commerce, Industry and Tourism, Yiorgos Lakkotrypis, "There is great momentum in the sector right now and our significant deposits of natural gas will redefine our economy."

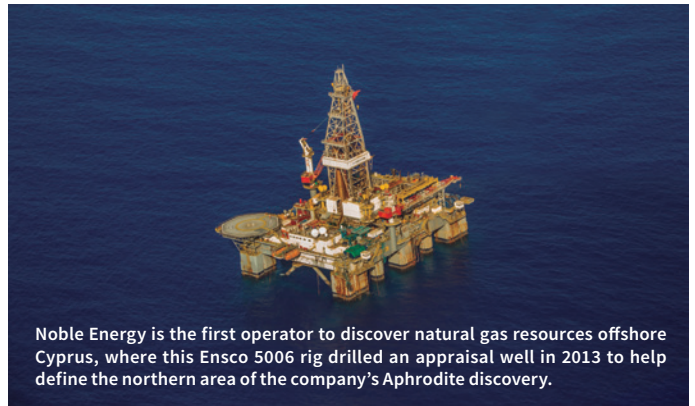
The Minister goes on to explain, "We are already seeing significant interest in investing from international oil and gas companies and our response has been to announce the third licensing round of four exploration blocks within our EEZ. This will be launched in the near future."

“ *There is certainly great excitement at the moment with the recent decision of BG Group to acquire a 35% stake in Cyprus' offshore Block 12, following an agreement with concession holder and operator Noble Energy – who made the initial natural gas discovery in 2011.”*

Yiorgos Lakkotrypis
Minister of Energy, Commerce, Industry and Tourism

Noble Energy (NYSE:NBL) was the first operator to discover natural gas resources offshore both Cyprus and Israel. Since the company began exploration in the Eastern Mediterranean it has drilled 11 successful exploration and appraisal wells and discovered more than 40 Tcf of natural gas resources in the Levant Basin, four Tcf of which are within the Cypriot EEZ and known as the Aphrodite Field.

"Our significant world-class discoveries in the Eastern Mediterranean provide an exceptional opportunity to deliver energy security and economic development for



Noble Energy is the first operator to discover natural gas resources offshore Cyprus, where this Ensco 5006 rig drilled an appraisal well in 2013 to help define the northern area of the company's Aphrodite discovery.

Cyprus, Israel and eventually, through exports, for the wider region," explains Gene Kornegay, Country Manager and Vice President of Noble Energy.

Noble Energy has successfully and efficiently moved from discovery to execution of large scale projects in the region and has an opportunity to match its low-cost, abundant supply with a large regional demand. Despite the current global hydrocarbon price point, this will undoubtedly have the potential to transform the island's economy.

"We are now focused on working with the government and our partners to finalise the Aphrodite Field Development Plan," adds Kornegay.

In late 2015 Noble Energy announced a game changing partnership with British multinational BG International. The farm-out agreement for a 35% interest in Block 12, which includes the Aphrodite discovery, will bring substantial technical, financial and marketing capacity to the project.

Now is the time to start lining up the customer base and ensure both Noble Energy and the Cypriot economy can reap the rewards. "Our next step will be the marketing effort to identify potential customers so that we can support the development economics of the project," concludes Noble Energy CEO, David Stover.

Neocleous Continues to Lead Legal Services Market in Cyprus

Forward-looking law firm Andreas Neocleous & Co LLC is the largest law firm in Cyprus and a market leader in the South-Eastern Mediterranean region. With a focus on serving high-net-worth individuals, market leading multinationals and prominent international organisations, Neocleous has achieved consistent year on year growth ever since it was established in 1965.

Recognised as a top tier firm, Neocleous is well known for winning awards and dominating the Cyprus legal rankings. The latest Chambers Global ratings, which cover more than 190 countries, were published in March 2016 and for the fifth successive year Neocleous was ranked in the top category in both practice areas covered by the ratings; corporate and commercial and dispute resolution.

It is a sustained record of success that demonstrates the firm's determination to deliver results in complex mergers and acquisitions and in litigation and arbitration cases. "It is very gratifying to be recognised by such a respected organisation as Chambers Guides, and I should like to thank my colleagues for their efforts in achieving this success and our clients for entrusting us with their business. There is no room for complacency in today's fast-changing business world: we are committed to renewing our clients' trust in us every day by constantly striving to improve and providing them with the best possible service," explains Andreas Neocleous, Founder and Chairman of the board.

Vice-Chairman Elias Neocleous concurs about not being complacent, "our goal and ambition is to provide world-class legal services and our constant focus is on two areas of huge importance in the changing and rapidly evolving global legal environment: human capital and technology. This allows us to make use of new tools, reduce costs and overheads and give the quality advice that clients are looking for."

However, the Vice Chairman prefers to see his firm's relationship with others as one of co-operation rather than outright competition. "Of course we compete with other law firms but we also have a common interest in ensuring that our

products and services match the quality benchmark set by the best law firms in the world, and that is the challenge", he adds.

Elias Neocleous is a strong advocate of Cyprus' strategic location and its business friendly legal regime, but he is also clear that the country constantly needs to aim higher. "In this era of increased regulation and transparency we do not want to be associated with "brass plate" operations but rather Cyprus should move up in the market and attract companies with economic and business substance. If, as a nation, we focus on integrity and professionalism, we will have a very good future as an intermediary jurisdiction," he explains.

“ *Our goal and ambition is to provide world-class legal services and ... give the quality advice that clients are looking for.”*

Elias Neocleous
Vice-Chairman, Andreas Neocleous & Co LLC

As the island ramps up its efforts in attracting increased investment in property development, shipping and even energy, Neocleous is strengthening its resources to deal with the anticipated upturn in business.

"It is very easy for the international legal community and investors to understand our laws and to structure investments in or through Cyprus and they can count on our expertise," he concludes.

As the Cyprus economy now moves into a period of consolidation and change, the country's legal industry and its product offering are also set for a transformation and will aim to attract businesses with more substance and quality.

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10:13 Arrivé

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