

PETRONEFT RESOURCES Plc

**ESTIMATED
FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN
LEASEHOLD INTERESTS IN
LICENSE AREA 61 (TUNGOLSKY)**

**AS OF
January 1, 2010**



RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

Petroleum Consultants Report

**Ryder Scott Company
Petroleum Consultants
621 17th Street, Suite 1550
Denver, Colorado 80293**

January 1, 2010

Table of Contents

	Page No.
Executive Summary	2
Introduction	8
Estimates of Reserves.....	9
Future Production Rates	9
Hydrocarbon Prices	10
Costs	10
License 61 Description	12
Geographic Location, Natural Environment and Infrastructure	13
Tectonic Structure	14
License 61 Major Asset Inventory	16
Stratigraphy	18
Oil and Gas Bearing Potential	21
Lineynoye and West Lineynoye Oil Fields	24
Tungolskoye Oil Field	26
Kondrashevskoye Oil Field	28
Possible Reserves	29
Exploration Resources	32
Conclusions	32
Professional Qualifications	33

Appendices

Appendix 1	Summary Table of Assets
Appendix 2	Summary of Proved, Probable and Incremental Possible Reserves
Appendix 3	Summary of Prospective Resources in Prospect Possible Category
Appendix 4	Summary of Prospective Resources in Exploration Resources Category
Appendix 5	Tables 1 through 7 – Summary of Phase 1 - Base Case - Estimated Future Reserves and Income
Appendix 6	Tables 1 through 11 – Summary of Phase 2 – Base Case – Estimated Future Reserves and Income



RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

621 17TH STREET, SUITE 1550
4258

DENVER, COLORADO 80293

TEL (303) 623-9147

FAX (303) 623-

The Directors
PetroNeft Resources plc
One Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland

1 January 2010

Gentlemen:

Executive Summary

At your request, we have prepared an estimate and net present valuation of the proved and probable reserves, future production, revenue and net income attributable to the 100% ownership of PetroNeft Resources Plc's ("PetroNeft") wholly owned Russian Limited Liability subsidiary company Stimul-T, the sole license holder of License Area 61 (Tungolsky) located in the Tomsk Oblast in Russia. The effective date of the economic evaluation is January 1, 2010. Since the last full reserves report dated 31 December 2008, PetroNeft has optimized the development plan and cut costs to reflect the current economic situation in the Tomsk Region.

PetroNeft has also signed a Crude Oil Transportation and Custody Transfer agreement with Imperial Energy to tie-in to their Kiev-Eganskoye oil field and utilize Imperial's infrastructure under a simplified custody transfer scheme to transport oil to Transneft. The Kiev-Eganskoye field is located 60 km to the southeast of the Lineynoye oil field. This report includes the new drilling and study results, as well as the capital and operating costs associated with the Kiev-Eganskoye tie-in. Turn-key contracts were in place for the pipeline construction and drilling of the initial 9 development wells in 2010 at the end of 2009. First pipeline oil is targeted for 3rd quarter of 2010.

This report only includes the expenditures for the evaluation and development of the proved and probable reserves in the Lineynoye, West Lineynoye, Tungolskoye and newly discovered Kondrashevskoye oil fields. In addition, we have prepared an estimate of the potential range of possible reserves for seismically defined structures in the License Area at the Upper Jurassic, Cretaceous and Lower to Middle Jurassic intervals. Finally, we have also prepared an estimate of the recoverable resource potential of 4 other structures in the License Area at the Upper Jurassic level. The income data were estimated using constant prices and costs.

PetroNeft intends to develop License 61 in phases from the north. Phase 1 will consist of the development of the West Lineynoye and Lineynoye oil fields along with a 60 km pipeline to Kiev-Eganskoye and a simplified custody transfer point. Phase 2 is Phase 1 plus the incremental addition of the Kondrashevskoye and Tungolskoye oil fields.

In addition to the base case for each phase, two additional price sensitivity cases were evaluated. The price assumptions associated with those cases will be summarized later in the report. A summary of the results of this study is shown below beginning with Phase 2 broken down into increments:

Grand Summary
Phase 1 and Phase 2 - Case 2 (Base)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Phase 1 - Oil/Condensate (10 ³ Bbls)	8,407	38,796	47,203
Incremental fields - Oil/Condensate (10 ³ Bbls)	<u>1,992</u>	<u>21,645</u>	<u>23,637</u>
Total - Phase 2 - Oil/Condensate (10 ³ Bbls)	10,400	60,441	70,840
<u>Future Net Income (FNI) (10³ \$)</u>			
Phase 1 - (10 ³ \$)	\$105,270	\$ 511,681	\$ 616,951
Incremental fields - (10 ³ \$)	<u>\$ 26,830</u>	<u>\$ 302,664</u>	<u>\$ 329,492</u>
Total - Phase 2 - (10 ³ \$)	\$132,100	\$ 814,345	\$ 946,443
<u>Discounted FNI @ 10%</u>			
Phase 1 - (10 ³ \$)	\$65,532	\$235,518	\$301,050
Incremental fields - (10 ³ \$)	<u>\$13,637</u>	<u>\$121,111</u>	<u>\$134,748</u>
Total - Phase 2 - (10 ³ \$)	\$79,169	\$356,629	\$435,798

The following are the individual case summaries for Phase 1 followed by Phase 2.

Phase 1 - Case 2 (Base)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	8,407	38,796	47,203
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	\$331,225	\$1,571,457	\$1,902,682
Deductions	<u>\$225,955</u>	<u>\$1,059,776</u>	<u>\$1,285,731</u>
Future Net Income (FNI)	\$105,270	\$ 511,681	\$ 616,951
Discounted FNI @ 10%	\$ 65,532	\$ 235,518	\$ 301,050

* After deduction of MET

In addition to the Base Case, two price sensitivity cases were evaluated. Case 1 represents a lower price scenario and Case 3 represents a higher price scenario. The results are summarized below.

Phase 1 - Case 1 (Low)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	<u>Total Proved</u>	<u>Total Probable</u>	<u>Proved & Probable</u>
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	8,407	38,796	47,203
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	\$282,634	\$1,338,629	\$1,621,263
Deductions	<u>\$198,211</u>	<u>\$ 943,896</u>	<u>\$1,142,107</u>
Future Net Income (FNI)	\$ 84,423	\$ 394,733	\$ 479,156
Discounted FNI @ 10%	\$ 51,619	\$ 180,715	\$ 232,334

Phase 1 - Case 3 (High)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	<u>Total Proved</u>	<u>Total Probable</u>	<u>Proved & Probable</u>
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	8,407	38,796	47,203
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	\$391,818	\$1,861,926	\$2,253,744
Deductions	<u>\$258,989</u>	<u>\$1,216,002</u>	<u>\$1,474,990</u>
Future Net Income (FNI)	\$132,829	\$ 645,924	\$ 778,754
Discounted FNI @ 10%	\$ 83,814	\$ 300,863	\$ 384,677

* After deduction of MET

Phase 2 of the project is Phase 1 plus the incremental development of the Kondrashevskoye and Tungolskoye oil fields beginning in 2012. A summary of the results of this study is shown below.

Phase 2 – Case 2 (Base)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	10,400	60,441	70,840
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	\$409,364	\$2,445,450	\$2,854,813
Deductions	<u>\$277,264</u>	<u>\$1,631,105</u>	<u>\$1,908,370</u>
Future Net Income (FNI)	\$132,100	\$ 814,345	\$ 946,443
Discounted FNI @ 10%	\$ 79,169	\$ 356,629	\$ 435,798

In addition to the Base Case, two price sensitivity cases were evaluated. Case 1 represents a lower price scenario and Case 3 represents a higher price scenario. The results are summarized below.

Phase 2 - Case 1 (Low)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	10,400	60,441	70,840
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	\$349,329	\$2,083,255	\$2,432,585
Deductions	<u>\$244,272</u>	<u>\$1,435,381</u>	<u>\$1,679,653</u>
Future Net Income (FNI)	\$105,057	\$ 647,874	\$ 752,932
Discounted FNI @ 10%	\$ 61,887	\$ 278,884	\$ 340,771

* After deduction of MET

Phase 2 - Case 3 (High)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2010

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	10,400	60,441	70,840
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	\$484,225	\$2,897,249	\$3,381,474
Deductions	<u>\$318,436</u>	<u>\$1,874,926</u>	<u>\$2,193,362</u>
Future Net Income (FNI)	\$165,789	\$1,022,323	\$1,188,112
Discounted FNI @ 10%	\$100,687	\$ 453,908	\$ 554,595

Because of both economic and political forces, there is significant uncertainty regarding the forecasting of future hydrocarbon prices. The recoverable reserves and the income attributable thereto have a direct relationship to the hydrocarbon prices actually received; therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented in this report.

Liquid hydrocarbons are expressed in standard 42 gallon barrels. The various producing status categories are attached.

The future gross revenue * is after deduction of Mineral Extraction Tax (MET). The deductions are comprised of operating costs, export tariff, property tax, profit tax, drilling and completion costs, facility and construction costs, transportation costs and certain abandonment costs.

The evaluation was based on 100 percent ownership of the subject properties (working interest = 100 percent). The net revenue factor is used to compensate for gravity adjustments, processing and line losses.

The discounted future net income shown above was calculated using a discount rate of 10 percent per annum compounded monthly. Future net income was discounted at four other discount rates which were also compounded monthly. These results are shown on each estimated projection of future production and income presented in a later section of this report and in summary form as follows.

Phase 1 - Case 2 (Base) – Discounted Future Net Income (10³ \$)			
As of January 1, 2010			
Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	\$71,538	\$272,145	\$343,683
10	\$65,532	\$235,518	\$301,050
12	\$60,221	\$204,768	\$264,990
15	\$53,348	\$167,330	\$220,677

* After deduction of MET

Phase 1 - Case 1 (Low) - Discounted Future Net Income (10³ \$)
As of January 1, 2010

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	\$56,560	\$209,392	\$265,952
10	\$51,619	\$180,715	\$232,334
12	\$47,256	\$156,576	\$203,832
15	\$41,806	\$127,119	\$168,739

Phase 1 - Case 3 (High) - Discounted Future Net Income (10³ \$)
As of January 1, 2010

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	\$91,245	\$346,504	\$437,749
10	\$83,814	\$300,863	\$384,677
12	\$77,235	\$262,549	\$339,784
15	\$68,706	\$215,882	\$284,588

Phase 2 - Case 2 (Base) - Discounted Future Net Income (10³ \$)
As of January 1, 2010

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	\$87,045	\$415,953	\$502,998
10	\$79,169	\$356,629	\$435,798
12	\$72,252	\$307,262	\$379,514
15	\$63,373	\$247,785	\$311,157

Phase 2 - Case 1 (Low) - Discounted Future Net Income (10³ \$)
As of January 1, 2010

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	\$68,289	\$326,741	\$395,030
10	\$61,887	\$278,884	\$340,771
12	\$56,274	\$239,087	\$295,361
15	\$49,082	\$191,206	\$240,288

Phase 2 - Case 3 (High) - Discounted Future Net Income (10³ \$)
As of January 1, 2010

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	\$110,403	\$527,554	\$637,956
10	\$100,687	\$453,908	\$554,595
12	\$ 92,145	\$392,584	\$484,729
15	\$ 81,163	\$318,612	\$399,775

The results shown above are presented for your information and should not be construed as our estimate of fair market value.

Introduction

The reserves and resources reported herein conform to the standards of the Petroleum Resources Management System (PRMS), which was prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE). The document (SPE-PRMS) was reviewed and jointly sponsored by the World Petroleum Council, the American Association of Petroleum Geologists and the Society of Petroleum Evaluation Engineers and was approved by the SPE Board of Directors in March 2007.

The proved reserves included herein conform to the definition approved by the Society of Petroleum Engineers (SPE) under the Petroleum Resources Management System (PRMS). The probable reserves included herein conform to definitions of probable reserves approved by SPE-PRMS using the deterministic methodology and the possible reserves included herein conform to definitions of possible reserves approved by SPE-PRMS using probabilistic methodology. In addition, development cost and price parameters consistent with best practices as described in Chapter 19 of the Listing Rules of the UK Listing Authority and of the Irish Stock Exchange which were in force up until July 1, 2005 and the London Stock Exchange AIM Guidance Note for Mining, Oil and Gas Companies dated March 2006. The definitions of proved, probable, and possible reserves are included under the tab “Petroleum Reserves Definitions” in this report.

The reserves included in this report conform to the following terms for License 61.

The Company’s License 61 (Tungolsky) was issued by the Federal Agency for Subsoil Use to the Company’s subsidiary Stimul-T for the geological survey, exploration and production of hydrocarbons at the Tungolsky area. The License was registered by the Subsoil Agency on 4 May 2005 under the registration number No. 4060/TOM 13135 NR. Pursuant to the Subsoil Law the effective date of the license is its registration date. The License validity term, as stipulated in the License itself, is until 15 April 2030 which is slightly less than 25 years. Pursuant to the Licensing Agreement Stimul-T has a number of obligations with respect to the exploration and production of hydrocarbons. Some of the most significant obligations of the Tungolsky area include:

- Carrying out of 1,000 km of 2D seismic studies within three years from the date the License is registered;
- Drilling not less than six exploration wells within six years from the date the License is registered; and
- Commencement of production on the Tungolsky area no later than two years from the date of approval of the reserves.

PetroNeft has already met its seismic obligation by acquiring a total of 1,055 km of new high resolution 2D seismic during the winter seasons 2005/2006 and 2006/2007. Also, PetroNeft has now drilled the six required wells and has met all the exploration drilling requirements for the term of the License.

The Regulations on Procedure for Licensing Subsoil Use and the Subsoil Law provide that the designated term of a license may be renewed at the initiative of the license holder and at the discretion of the licensing authorities, provided that the license holder observes the provisions of the license and the deposit still contains extractable reserves.

Each license holder undergoes periodic reviews by the Tomsk Oblast governmental entities responsible for ensuring compliance by subsurface license holders with the terms of their licenses and

applicable legislation. The Company has confirmed that it is in compliance with all terms regarding License 61.

A licensee can be fined for failing to comply with the subsoil production license and the subsoil production license can be revoked, suspended, or limited in certain circumstances.

Estimates of Reserves

The reserves included herein were estimated by a deterministic analysis. The analysis was also checked by a probabilistic analysis of the volumetric parameters. Proved reserves were assigned to undrilled locations that were direct offsets of wells tested at economic rates. In addition, the proved reserves were limited to primary recovery for those locations. The incremental reserves attributable to water injection were classified as probable. All reserves for locations that were not direct offsets of tested wells were classified as probable. The primary reserves were estimated by a solution gas recovery efficiency of 15.8%. The incremental secondary reserves assigned to the proved reserves were based on a total primary and secondary recovery of from 25% to 30%. Total reserves to the locations classified as probable were based on a recovery efficiency of from 25% to 30% for proved plus probable reserves (15.8% primary and 9.2% to 14.2% secondary).

The general reservoir properties for the discovered fields which includes the recent drilling results as well as the reprocessing and reinterpretation of the well log data by Tomskneftegazengineering is summarized in the following table:

Property	General Reservoir Properties		
	Lineynoye and West Lineynoye	Tungolskoye	Kondrashevskoye
Reservoir	Upper Jurassic J1	Upper Jurassic J1	Upper Jurassic J1
Depth top Reservoir – m	a.e. -2,393 m and -2,395 m	a.e. -2,503.3 m	a.e. -2,469 m
Porosity	14.0 to 17.4 %	14.4 to 17.7 %	13 to 20%
Permeability – mD	< 2.0 to 38.5 mD	< 2.0 to 43.4 mD	< 2.0 to 46.28 mD
Net Pay thickness – m	1.5 to 15.4 m	12.9 to 15.2 m	3.25 m
Hydrocarbon Saturation	63 to 80 %	49 to 63 %	67%
Formation Pressure – psia	3,777 psia	3,850 psia	3,816 psia
Formation temperature - °C	93 °C	98 °C	88 °C
API gravity of crude oil	38° to 44° API	40° API	44° API
Viscosity of crude - cP	0.6 cP	0.6 cP	0.6 cP

The reserves included in this report are estimates only and should not be construed as being exact quantities. They may or may not be actually recovered, and if recovered, the revenues therefrom and the actual costs related thereto could be more or less than the estimated amounts. Moreover, estimates of reserves may increase or decrease as a result of future operations.

Future Production Rates

Test data and other related information were used to estimate the anticipated initial production rates for all undrilled locations. An estimated rate of decline was then applied to depletion of the reserves.

Locations, which are not currently producing, may start producing earlier or later than anticipated in our estimates of their future production rates.

Hydrocarbon Prices

The following table presents oil prices in United States dollars per barrel (US \$/bbl) and the split between domestic and export crude oil sales for the various economic cases:

	Export Market (percent)	Domestic Market (percent)	Export Oil Price (US \$/bbl)	Domestic Oil Price (US \$/bbl w/o VAT)
Phase 1				
Case 1 (Low)	33	67	63.00	34.65
Case 2 (Base)	33	67	75.00	41.25
Case 3 (High)	33	67	90.00	49.50
Phase 2				
Case 1 (Low)	33	67	63.00	34.65
Case 2 (Base)	33	67	75.00	41.25
Case 3 (High)	33	67	90.00	49.50

The Base Case (Case 2) in this report utilized an export price of \$75/bbl and a domestic price of \$41.25/bbl which is after VAT. First oil sales are estimated to begin in July 2010.

Costs

PetroNeft provided a field development plan which included a development drilling schedule and a construction schedule for required infrastructure. The development plan provided for the use of fracture stimulation, electrical submersible pumps and water flooding of the fields to adequately develop the reserves. The plan included the CAPEX requirements for drilling and completion and infrastructure costs. Finally, a cost for abandonment of wells was provided and these costs were scheduled on a well by well cost basis to occur 6 months after the well is depleted. PetroNeft also provided a lifting cost plus fixed costs which included all anticipated G & A costs associated with operation of the project and the Company. All expenses and costs were held constant through the life of the properties. No deduction was made for indirect costs such as loan repayments and interest expenses.

PetroNeft provided the following data:

Transportation (Export)	\$6.02/Bbl
Transportation (Domestic)	\$2.25/Bbl
Export Tariff (Export Volumes)	$\$4.00 + (\text{Export Price} - \$25.00) * 65\%$
Natural Resources Production Tax (NRPT)	See Description Below
Profit Tax	20%
Property Tax	2.2% of Undepreciated Capex
VAT	18.0%

The current Natural Resources Production Tax ("NRPT") system has been in place since January 2002. NRPT is also commonly referred to as the Mineral Extraction Tax (MET).

The NRPT, with respect to crude oil (dewatered, desalted and stabilised oil), is based on the amount of oil produced. The tax rate applicable from 1 January 2005 until 31 December 2006 is 419 Rubles per ton of crude oil, subject to an adjustment using a special coefficient which reflects the dynamics of the world prices for Urals blend and the Ruble/US\$ exchange rate. This coefficient is applicable on a quarterly basis and represents a ratio in which (i) the numerator is the product of the Ruble/US\$ dollar average quarterly exchange rate and the difference between quarterly average world oil price

per barrel for Urals blend and US\$ 9 and (ii) the denominator equals 261. Currently, the NRPT does not differentiate between oil fields and is the same for all producers.

Starting from 1 January 2007, with respect to the production of crude oil, the NRPT rate has been determined on a monthly basis and adjusted (in addition to the coefficient reflecting the world prices dynamics and the Ruble/US\$ exchange rate) by the regressive coefficient which reflects the actual level of deposit depletion and varying from 1 (if the level of the deposit depletion is below 0.8) down to 0.3 (if the level of the deposit depletion is above 1).

A "0" Ruble NRPT rate will apply to the production of super-high viscosity oil and to the first 25 mil. tons of oil produced in Yakut Republic, Irkutsk Region, and Krasnoyarsk Territory (as far as the term of development of the deposit does not exceed (i) 10 years under exploration and production license, (ii) 15 years under geological survey and production license, and (iii) 10 years under license issued before 1 January 2007 for use of oil fields, where the deposit depletion level does not exceed 0.05).

Starting from 1 January 2009 the government has approved an increase in the cut-off rate from US \$ 9 per barrel to US\$ 15 per barrel in the above equation.

Ryder Scott finds this cost data consistent with data Ryder Scott has used in other Russian Evaluations. Based on the field development plan, approximately 30% of the Original Oil in Place is recovered.

License 61 Description

A discussion of the detailed description of the geology of License 61 is presented. Much of this material was taken from the auction data package prepared in 2004 by the Russian Federal and Territorial Agencies for the Use of Mineral Resources, Rosnedra and Tomsknedra. The material has been updated where necessary based on the seismic and drilling results of PetroNeft.

GEOGRAPHIC LOCATION, NATURAL ENVIRONMENT AND INFRASTRUCTURE

License 61 is located in the north-west of the Tomsk Region in Alexandrov administrative district (Figure 1). The eastern boundary of the Lease coincides with the administrative border between Alexandrov and Kargasok districts.

License 61 in Tomsk

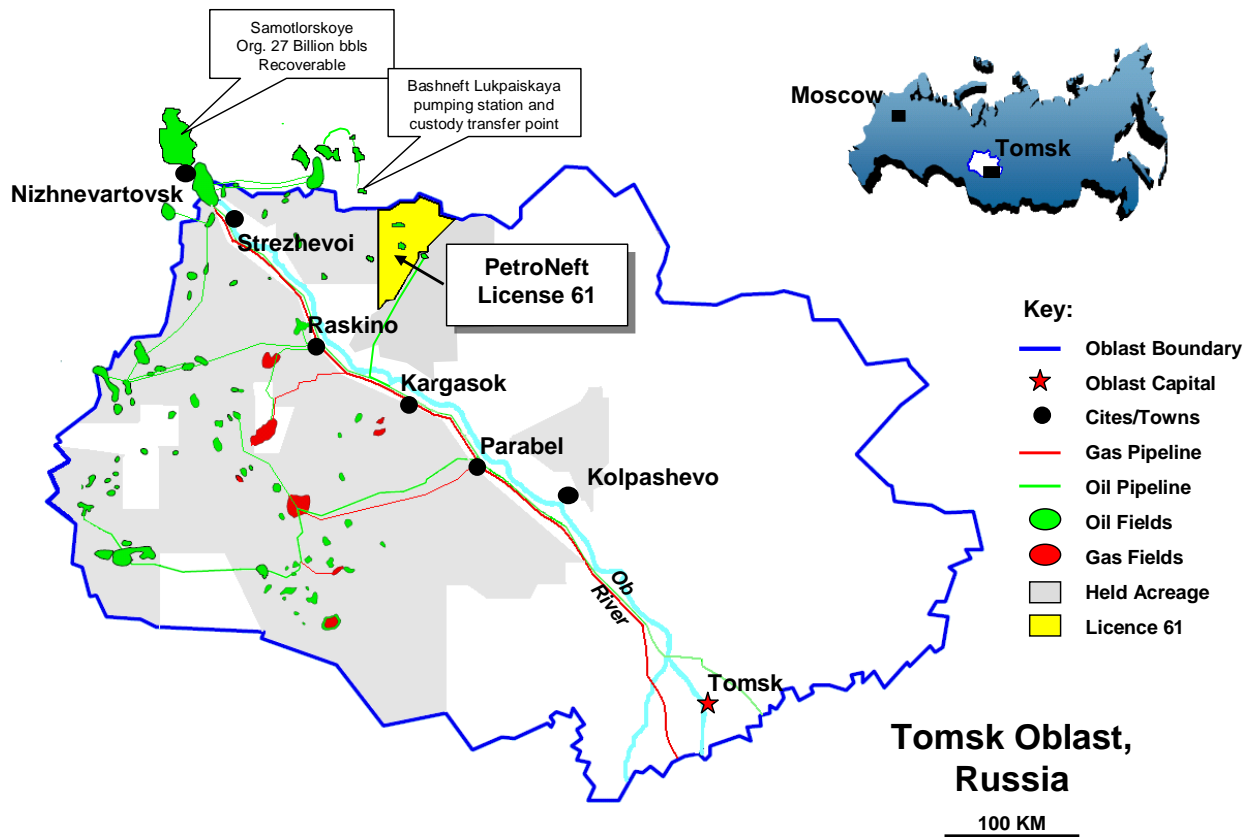


Figure 1 Map showing Tomsk Oblast and location of License Area 61.

The south-eastern part of the West-Siberian Lowland where License No. 61 is located in a flat, waterlogged plain covered by mixed forest. The absolute elevations vary from 125 - 130 m in the north to 70 - 80 m in the south of the area. The lowest elevations of 50 - 60 m are encountered in the Kievskiy Yegan River in the southern part of the area (Figure 2).

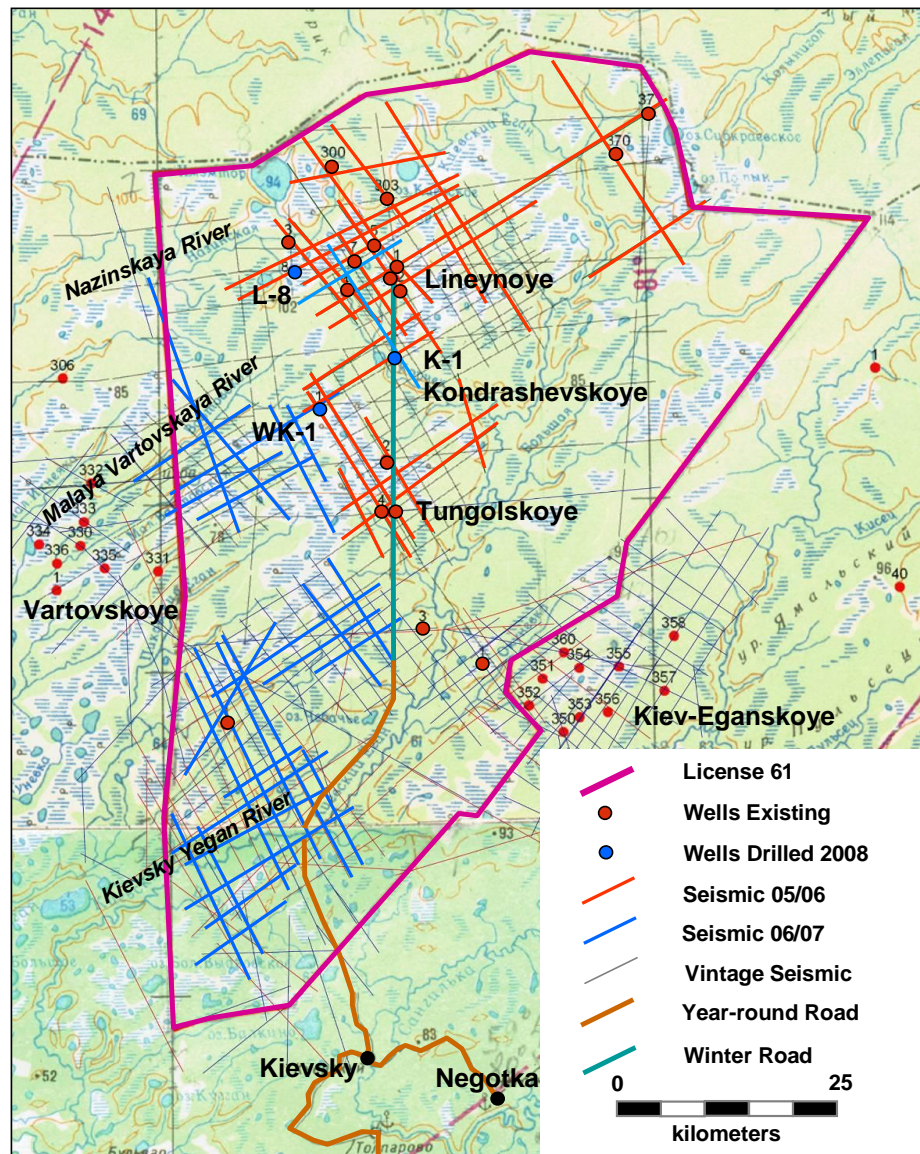


Figure 2 Map showing Natural Environment and Infrastructure of License 61.

The drainage system comprises the Kievskiy Yegan River flowing in the vicinity of the entire south-eastern Lease boundary and upper reaches of the Malaya Vartovskaya, Pikoviy Yegan, and Nazinskaya Rivers. All rivers flow in the south-western direction. There are numerous lakes in the area with the largest ones being Lakes Imemtor, Kievskoye and Sibkrayevskoye in the north and Lakes Bolshoye Vydrovskoye and Yeltsovskoye in the south.

The climate is strongly continental characterized by long cold (as low as -50°C) winters and short warm summers. Blizzards and heavy snowfalls persist from October till April. The average soil freezing depth is 1.2 m. The maximum frost penetration depth in swamps is 0.5 m. The snow cover reaches 1.5 m. The heating season lasts from mid-September till May.

There are no inhabited localities within the limits of the License Area. The distances from the mid-point of the Lease to the regional center Tomsk and to Strezhevoy (along the straight line) are 550 km and 170 km, respectively. The nearest inhabited locality (Alexandrovskoye industrial community) is located at a distance of 150 km away from the Lease. There is an airfield with an earthen runway in Alexandrovskoye as well as a television transmitter and a communications facility.

There is an all year-round road in the southern part of the License Area that connects to the village of Kievsky which is located 15 km to the south of the Lease. There is also a river port at Negotka which is located approximately 30 km south of the License Area (Figure 2). Winter roads are passable only when the swamps are sufficiently frozen and a stable snow cover is in place. The distance to the nearest main oil pipeline (Strezhevoy - Tomsk) is 60 km. The distance to the nearest hard-surfaced road is 90 km. A high voltage power transmission line runs in parallel to the oil pipeline. Seismic acquisition and exploration drilling activities take place in the winter months.

TECTONIC STRUCTURE

Tectonically, License No. 61 is located in the south-eastern part of the West Siberian Platform. The basement for this platform is the Paleozoic rock sequence overlain by the Mesozoic-Cenozoic sedimentary cover. Lower Mesozoic (Triassic) units are identified in the trough areas between the basement and the Middle Mesozoic/Cenozoic cover.

License No. 61 is part of the Central West Siberian folded system of the Hercynian age containing a series of inverted anticlinorium zones and zones of intermountain troughs of the north-western trend. The Lease is situated within the limits of large-sized structures of the above-referenced system such as Narymsko-Kolpashevskaya basin (in its central part), Ust-Tym basin (southern portion of the area) and Pyl-Karaminskiy anticlinorium (north-eastern corner of the area), see Figure 3. The southern corner of the Lease is located in the north-eastern extremity of Ust-Tym trough rift extending in the same north-eastern direction. Anticlinorium zones are separated from the intermountain troughs by interstructural formational faults which originated at the early stages of the geosynclinal cycle and inheritably developing ever since including the young platform stage. The largest of them are associated with the Ust-Tym trough rift.

License No. 61, at the level of the Mesozoic-Cenozoic cover, is situated in the north of the Ust-Tym basin with its eastern corner extending to the south-western slope of Pyl-Karaminskiy mega ridge (Figure 3). Second order structures identified in the Ust-Tym basin within the Lease limits include Emtorskoye arch in the north and the eastern slope of the Okunyovskoye arch in the west.

The eastern part of the Lease is confined to the northern pericline of the Malochimulyakskiy swell belonging to the Pyl-Karaminskiy mega ridge.

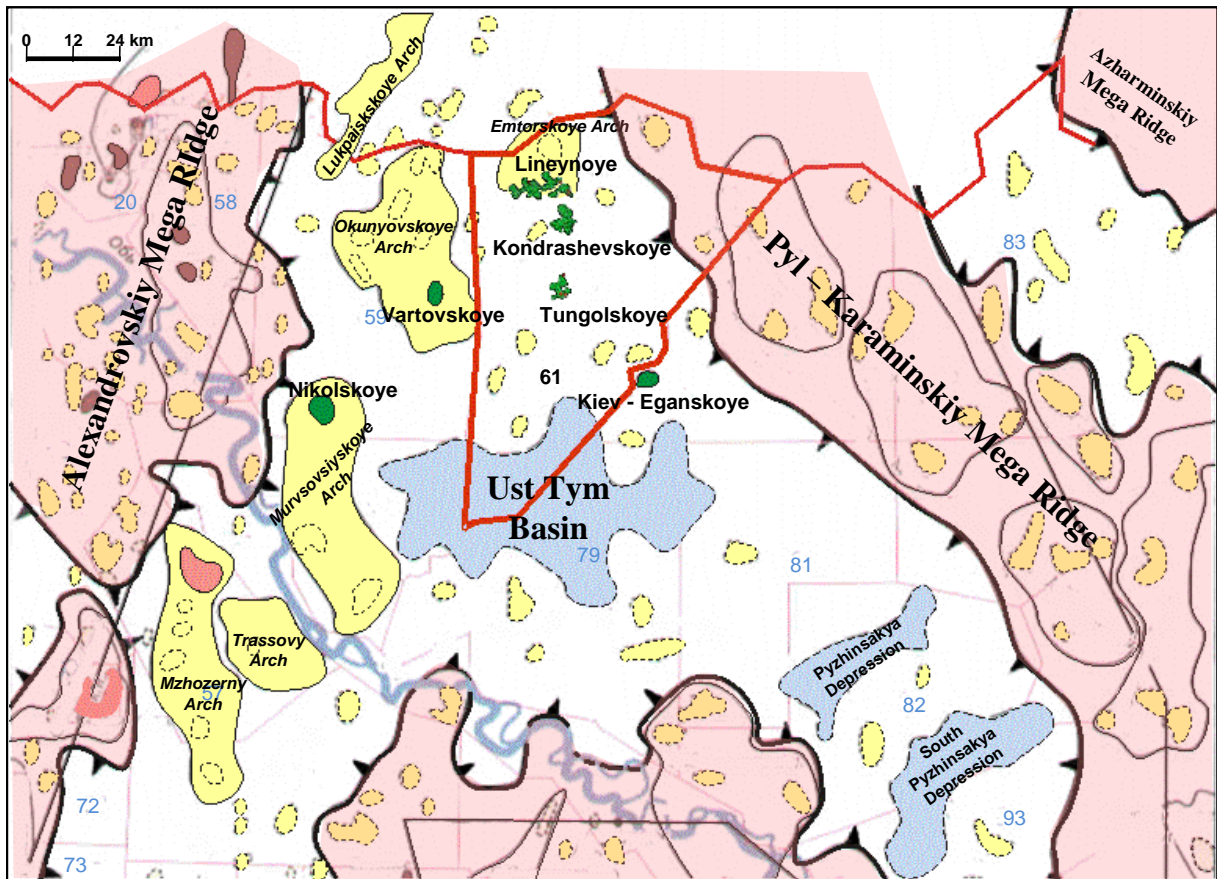


Figure 3 Map showing License 61 in context of regional tectonic features.

Over thirty Upper Jurassic structures have been identified in the Lease. Deep wells have been drilled on nine structures, (note: number shown in front of the name of structure is a number assigned by PetroNeft in Figure 4):

- | | |
|----|---|
| 1 | Lineynoye (Wells 1, 2, 4 and 6) |
| 3 | West Lineynoye (Wells 3, 5, 7 and 8) |
| 17 | Sibkrayevskaya (Wells 370, 371) |
| 18 | Traverskaya (Wells 1,) |
| 15 | Tuganskaya (Well 1) |
| 2 | Tungolskoye (Wells 1, 2, 3 and 4) |
| 10 | Emtorskaya (Wells 300, 303) |
| 5 | Kondrashevskoye (Korchegskaya) (Well 1) |
| 6 | West Korchegskaya (Well 1) |

A total of 20 wells were drilled including one 3,400 m deep stratigraphic well (Tungolskoye No. 3). The Lease is generally poorly covered by deep drilling, see Figure 4.

Basement deposits of pre Jurassic age were encountered in 15 wells out of 20, while the rest of the wells penetrated deposits of the Tyumenskaya series. The minimum occurrence depth of the basement is 2,701 m in the Lineynoye No. 1 well. The maximum occurrence depth of basement is 3,184 m in the Tungolskoye No. 3 well. The maximum thickness of pre-Jurassic basement drilled is 298 m in the Tungolskoye No. 1 well.

LICENSE 61 MAJOR ASSET INVENTORY

License 61 Upper Jurassic Potential

Oil Fields / Prospects / Potential Prospects

Oil Fields	1.	Lineynoye Oil Field
	2.	Tungolskoye Oil Field
	3.	West Lineynoye Oil Field
	5.	Kondrashevskoye Oil Field
Prospects 25	2.	Tungolskoye West Lobe and North
	4.	Lineynoye Lower
	6.	West Korchevskaya (Lower Jr)
	7.	Arbuzovskaya (Varyakhskaya)
	8.	Arbuzovskaya (Varyakhskaya) North & Upper
	9.	Emtorskaya East (1 of 2)
	10.	Emtorskaya Crown
	11.	Sigayevskaya
	12.	Sigayevskaya East
	13.	Kulikovskaya Group (2 of 6)
	14.	Kusinskiy Group (2 of 3)
	15.	Tuganskaya Group (2 of 4)
	16.	Kirillovskaya (4 of 4)
	17.	North Balkinskaya
	18.	Traverskaya (1 of 2)
	19.	Tungolskoye East
	20.	Sibkrayevskaya Crown & North
Potential Prospects (Leads)	21.	Emtorskaya North
	22.	Sibkrayevskaya East
	23.	Sobachya
	24.	West Balkinskaya

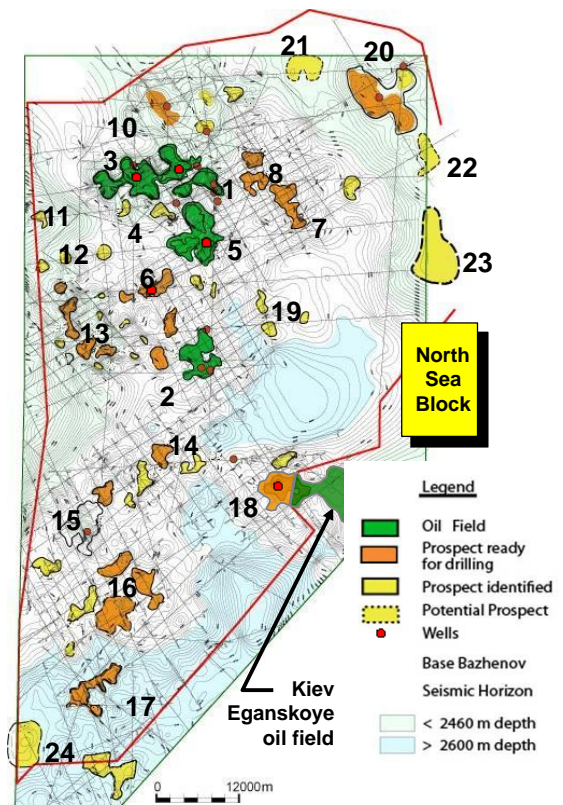


Figure 4 Map showing Upper Jurassic Oil Fields, Prospects and Potential Prospects in License 61

Four oil fields have been discovered in the deposits of the Upper Jurassic sedimentary cover (Vasyugan series, J₁ horizon):

- 1 Lineynoye Oil Field
- 2 Tungolskoye Oil Field
- 3 West Lineynoye Oil Field
- 4 Kondrashevskoye (Korchegskaya) Oil Field

The "Identified Prospects" group includes 25 major structures or groups of structures that are well defined 4-way dip structural closures at the Upper Jurassic Reservoir interval (Base Bazhenov seismic horizon) Potential Resources in these prospects are attributable to the Possible category:

- 2 Tungolskoye West Lobe and North
- 4 Lineynoye Lower
- 6 West Korchegskaya (Lower Jurassic)
- 7 Arbuzovskaya (Varyakhskaya)
- 8 Arbuzovskaya (Varyakhskaya) North & Upper
- 9 Emtorskaya East (1 of 2)
- 10 Emtorskaya Crown
- 11 Sigayevskaya
- 12 Sigayevskaya East
- 13 Kulikovskaya Group (2 of 6)
- 14 Kusinskiy Group (2 of 3)
- 15 Tuganskaya Group (2 of 4)
- 16 Kirillovskaya (3 of 4)
- 17 North Balkinskaya
- 18 Traverskaya (1 of 2)
- 19 Tungolskoye East
- 20 Sibkrayevskaya Crown & North

The remaining four structures belong to the "Potential Prospect" category. These structures require additional seismic data to confirm structural closure. Potential Resources in these features are attributable to the Exploration category:

- 21 Emtorskaya North
- 22 Sibkrayevskaya East
- 23 Sobachya
- 24 Balkinskaya West

STRATIGRAPHY

The discussion of the detailed stratigraphy of the License 61 is based primarily on materials presented in the November 2004 Auction Technical Information Package.

The pre-Jurassic section is best covered in the Tuganskaya No.1 well (298 m) and in the Tungolskoye No. 3 stratigraphic well (216 m). A maximum of one hundred meters were drilled in pre-Jurassic deposits in all other wells. A weathering crust as thick as several dozen meters was encountered in the upper part of the pre-Jurassic basement in almost all of the wells.

The sedimentary cover is composed of cyclically alternating continental and marine layers. The Upper Jurassic -Berriasian and the Upper Cretaceous argillaceous layers corresponding to transgression peaks divide the sedimentary filling of the Mesozoic part of the basin into Jurassic and Cretaceous megabasins. Stable down warping in Mesozoic period largely pre-determined the areal distribution of marine, littoral-marine and continental layers as well as their lithology and geochemistry. Logging and deep drilling data identified the deposits of Jurassic, Cretaceous, Paleogene, Neogene and Quaternary systems in the Mesozoic-Cenozoic sedimentary cover.

The Jurassic system is represented by the deposits of Tyumenskaya, Vasyuganskaya, Georgiyevskaya and Bazhenovskaya series. Jurassic deposits overlay the folded basement characterized by a non-depositional hiatus and angular nonconformity (Figure 5).


















GENERALIZED LITHO-STRATIGRAPHY OF THE JURASSIC-CRETACEOUS SECTION IN THE SREDNEOBSKAYA AND VASYUGAN AREAS																	
AGE		GROUP	MAIN FORMATIONS		SREDNE-OBSKAYA (MIDDLE OB) SURGUT/SALYM VARTOVSK		VASYUGAN ALEXANDROV/ PUDINO		LITHOLOGY		THICKNESS in meters	RESERVOIR   	SOURCE ROCKS	DEPOSITIONAL ENVIRONMENT			
MESOZOIC	CRETACEOUS	Upper	MAASTRICHTIAN	GANKINO		Gankino		Gankino		GANKINO : Shales and siltstones	30 - 200			Alternation of marine and continental deposits			
			CAMPANIAN	SLAVGORODE		Slavgorode		BEREZOVO : Clay and shales		100 - 260							
			SANTONIAN	IPATOVO		Ipatovo		SLAVGOROD : Clay and siltstone									
			CONIACIAN	KUZNETSOV		Kuznetsov		IPATOVO : Siltstone and sandstone		20 - 120							
			TURONIAN														
			CENOMANIAN	UVAT				KUZNETSOV : Clay and siltstone									
		Lower	ALBIAN	KHANTY-MANSIYSK	Upper	Pokur	Pokur	UVAT : Siltstone, clay, sand and sandstone		100 - 900	 	Main gas reservoirs	Marine, shallow marine shelf and continental deposits				
			APTIAN	VIKULOVO	Lower			POKUR : Sandstone with intercalations of shales and lignite		50 - 120							
			BARREMIAN	ALYMKE	Upper	Alymke		ALYMKE : Siltstone, silty sandstone lenses		60 - 300							
			HAUTERIVIAN	CHEKASHINO	Lower	Sangapay	Cherk	Vanden	Vartovsk	Kiyali				CHERKASHINO : Clay, siltstone and sandstone	80 - 400	 	Shallow marine, marine and turbidite deposits
			VALANGINIAN	UST-BALYK	Ust-Balyk	Ust-Balyk											
	JURASSIC	Upper	VOLGIAN (PORTLANDIAN)	BAZHENOVO	Bazhenovo		Bazhenovo		BAZHENOVO : Bituminous shale and limestone		5 - 150	  	Main source rocks	Marine pelagic and shallow marine deposits			
				GEORGIEVKA	Georgievka		Georgievka		GEORGIEVKA : Bituminous shale and siltstone		80 - 100						
				VASYUGAN	Upper	Vasyugan	Vasyugan	Naunak	VASYUGAN : Bituminous shale, siltst and sltst								
				KIMMERIDGIAN						NAUNAK : Siltstone, shales and sandstone							
			Middle	CALLOVIAN	MALYSHEVKA	Tyumen		Tyumen		TYUMEN : Alternating sandstone, siltstone and shale which are slightly carbonaceous		300 to max. 1,500	 		Lacustrine, shallow marine, deltaic and lagoonal deposits		
				BATHONIAN	LEONTEVSKOVO					MALYSHEVKA : Sandstone and siltstone							
				BAJOCIAN	VYMSKOVO					LEONTEVSKOVO : Siltstone, shale and sandstone							
				AALENIAN	LAYDA					VYMSKOVO : Sandstone, limestone and siltstone							
	Lower	TOARCIAN	DZHANGODA	Upper	Gorelaya	Kotukhta	GORELAYA : Sandstone, siltstone and shale		30 - 100	 		Shallow marine and lacustrine deposits					
		PLIENSCHACHIAN	LEVINSKOVO	Middle													
		SINEMURIAN		Lower													
		HETTANGIAN	ZYMYNYAYA														

Figure 5 Stratigraphic Chart showing generalized Litho-Stratigraphy of Mesozoic Section in Vasyugan area.

Tyumenskaya series (Lower to Middle Jurassic) rock was generally formed under continental conditions and, to a lesser degree, in littoral-marine and, possibly, in vast desalinated water basins. This rock consists of interbedded sandstone, siltstone and claystone (fluvial and lacustrine-boggy deposits with substantial facies and lithologic variability in the horizontal direction and vertically). This layer is characterized by the abundance of coalified vegetable debris and coal streaks. Groups of sandy J₁₆-J₂ formations were identified. The Tyumenskaya series within the Lease limits is 126-407 m thick.

Marine and littoral-marine deposits of the Vasyuganskaya series (Callovian and Oxfordian stages of the Upper Jurassic) lie conformably on top of Tyumenskaya series rock. The Vasyuganskaya series comprises the lower sub-series (sub-Carboniferous) mainly composed of claystone, and the upper sub-series (supra-Carboniferous) containing a series of sandy formations, which jointly form a regionally oil-bearing J₁ horizon. Four or five arenaceous formations are typically identified within the cross-section of the J₁ horizon. The appearance of dark gray rock of the Georgiyevskaya series marks the upper boundary of the Vasyuganskaya series, which is from 66 to 124 m thick.

The Vasyuganskaya series is conformably overlain by the deposits of the Georgiyevskaya series (Kimmeridgian stage of the Upper Jurassic) consisting of marine dark gray and black claystone with interlayers and lenses of dark gray siltstone and limestone. The occurrence of these deposits within the Lease limits has a local nature like in other parts of the Tomsk Region. Its thickness varies from 0 to 13 m.

The Jurassic section is crowned by conformably lying marine deposits of the Bazhenovskaya series (Volgian stage of the Upper Jurassic) represented by brownish black bituminous claystone with interlayers of calcareous claystone. The Bazhenovskaya series is a unique source layer, on the one hand, and a geological and geophysical marker, on the other hand. The deposits of the Bazhenovskaya series are from 12 to 21 m thick.

Deposits of the *Cretaceous system* are characterized by substantial facies variability. Multiple activations of tectonic movements and associated transgressive and regressive cycles caused the coastal lines of ancient seas to shift. Cretaceous deposits are divided into several series (from bottom to top) including Kulomzinskaya, Tarskaya, Kiyalinskaya, Alymskaya, Pokurskaya, Kuznetsovskaya, Ipatovskaya, Slavgorodskaya, and Gankinskaya series.

Marine deposits of the Kulomzinskaya series (Berriasian and Valanginian stages of the Lower Cretaceous) conformably overlay the deposits of the Bazhenovskaya series and are comprised of gray claystone with sandstone, siltstone, marl, limestone, and siderite (at the bottom of the series) interlayers. The first sandy horizon lying in the immediate vicinity of the Bazhenovskaya series and containing sandy B₁₆₋₂₀ formations was given a name of the Achimov unit. This series is 238 to 287 m thick.

Shallow-marine and littoral-marine deposits of the Tarskaya series (Valanginian stage of the Lower Cretaceous) are represented by interbedded sandstone and siltstone with claystone interlayers. The lower boundary of this series runs along the base of the lower permeable sandstone formation located very close to the Tarskaya series. Top of this series is determined by the appearance in the cross-section of variegated rock of the Kiyalinskaya series. The Tarskaya series is 40 to 135 m thick. Sediments of the Tarskaya series conformably and sometimes regressively cover the deposits of the Kulomzinskaya series and are conformably overlain by the deposits of the Kiyalinskaya series.

Shallow-marine, littoral-marine or lagoonal sediments of the Kiyalinskaya series (Hauterivian-Barremian stages of the Lower Cretaceous) are represented by variegated clay, sand, siltstone,

gravelstone which occasionally contain marl and limestone interlayers. The Kiyalinskaya series is from 356 to 520 m thick. Sandy formations of Groups A and B were identified.

Marine and littoral-marine sediments of the Alymskaya series (Lower Aptian stage of the Lower Cretaceous) consist of interbedded sands and clays, whose overall thickness varies from 18 to 55 m. A thick sandy A₁ formation is identified in the lower part of the series. The upper part is predominantly composed of gray-colored clay.

The Alymskaya series is conformably overlain by continental and littoral-marine deposits of the Pokurskaya series (Aptian and Albian stages of the Lower Cretaceous; Cenomanian stage of the Upper Cretaceous). This series consists of a thick layer of continental and, partly, littoral-marine deposits consisting of gray sand and sandstone with interlayers of gray aleuritic and arenaceous clay, and aleurite. This series comprises argillaceous limestone, marl and argillaceous siderite interlayers as well as coal lenses and streaks. Rock contains plenty of vegetable debris. The Pokurskaya series is conditionally divided into Upper and Lower Cretaceous deposits. The Pokurskaya series is 733 to 868 m thick.

The Pokurskaya series is transgressively overlain (and sometimes with a washout) by the Upper Cretaceous marine deposits represented by Kuznetsovskaya, Ipatovskaya, Slavgorodskaya, and Gankinskaya series (from bottom to top).

The marine deposits of the Kuznetsovskaya series (Turonian stage - Lower Coniacian sub-stage of the Upper Cretaceous) consist of interbedded aleuritic and arenaceous greenish-gray clay with siltstone and argillaceous sand interlayers at the top of the series. This series is 12 to 56 m thick.

The Ipatovskaya series (Coniacian and Santonian stages of the Upper Cretaceous) overlaying the series mentioned above consists of interbedded gray-colored sandstone, siltstone and clay (at the top of the section). This series is approximately 152 to 220 m thick.

The deposits of the Ipatovskaya series are conformably overlain by the sediments of the Slavgorodskaya series (Campanian stage of the Upper Cretaceous) overlain by the Gankinskaya series without washout traces. The deposits of the Slavgorodskaya series have a typically marine genesis. They are represented by gray-colored clay with siltstone, sandstone and sand interlayers. Ipatovskaya and Slavgorodskaya series in the central and southern parts of the West Siberian Lowland are a stratigraphic analogue of the Berezovskaya series. Their combined thickness is 256-319 m.

The Mesozoic cross-section is crowned by the Gankinskaya series (Campanian and Maastrichtian stages of the Upper Cretaceous; Danian stage of the Paleocene). Marine facies are typical of this series. Gray-colored clay prevails containing streaks of marl and calcareous siltstone. This series is 127 to 178 m thick.

Cenozoic deposits contained in Lease No. 61 are stratigraphically sequenced (from bottom to top) from the *Paleogene*, *Neogene* to the *Quaternary system*. The Cenozoic era is characterized by two different sedimentation settings. Marine transgressions during the Paleocene and early Oligocene periods gave rise to formation of a thick stratum of marine sediments, which later on during the Oligocene - Neogene and Quaternary periods were covered by continental deposits. A description of the Cenozoic part of the cross-section for each constituent series is not given herein; yet, it should be mentioned that the overall thickness of these deposits is 455 to 532 m.

OIL AND GAS BEARING POTENTIAL

License 61 is part of the Vasyugan oil and gas province and is almost entirely included in the Ust-Tym oil-and-gas bearing region. A small north-eastern portion of the License belongs to "eastern parts" of the Tomsk Region where no division into oil-and-gas bearing regions exists nowadays due to poor geological knowledge. Two oil fields (Tungolskoye and Lineynoye) were discovered within the Lease limits in the deposits of the Mesozoic-Cenozoic cover, where the J_1^1 formation of the Vasyuganskaya (Naunakskaya) series was found to be commercially productive. These discoveries were made in the early 1970's.

There are currently five oil-and-gas bearing sequences (OGS) identified within the Tomsk Region. They include Intra-Paleozoic sequence, oil-and-gas bearing sequence of the contact zone between the Paleozoic and Mesozoic (CZOGS), Lower to Middle Jurassic, Upper Jurassic and Cretaceous (Neocomian) sequences. The extent of exploration of the territory is different for each stratigraphic level. A substantial scope of work (both geophysical studies and drilling) was carried out for the main pay horizon J_1 (Upper Jurassic OGS). The current stage of exploration of the surface of the Paleozoic and Mesozoic deposits that overlie it, in plunged parts in particular, may be regarded as belonging to a phase of regional work.

The Intra-Paleozoic oil-and-gas bearing sequence within License 61 was tested together with deposits of the CZOGS and lower intervals of the Lower-Middle Jurassic oil-and-gas bearing sequence in the Lineynoye Field (Wells Nos. 3 and 4), Sibkrayevskaya area (Well No. 370), Traverskaya area (Well No. 1), Tuganskaya area (Well No. 1), Tungolskoye field (Well No. 2), and in Emtorskaya area (Well No. 300). Two wells (Well Sibkrayevskaya No. 370 and Well Emtorskaya No. 300) produced water at a rate of 2.77-3.3 m³/day. No inflow was obtained from the other wells.

The upper part of the Paleozoic sequence within the Tomsk Region is mainly studied within the limits of the Nyurolskiy sedimentary basin, largely in its north-eastern part. The main targets are erosion-tectonic protrusions (ETP). Plenty of geological features of these protrusions were determined, yet no unambiguous conclusions were made at this point in time due to the extraordinary complex geology. These protrusions are still commonly thought to have a folded-block or block origin. Earlier studies demonstrated that distribution trends of lithologic rock on the surface of the Paleozoic and oil and gas accumulations associated therewith were indicative of the folded-block structure of the protrusions.

A total of 75 oil and gas accumulations were discovered in the basement rock in the Western Siberian Basin either by chance or on purpose. These pools were found in carbonates, sandstone, gravelstone, siliceous-argillaceous layers, quartz-sericitic shale and granite.

Paleozoic rock, separately and in combination with Mesozoic deposits, may serve as oil and gas traps in the contact zone together with various formations of the Tyumenskaya series lying on top of the basement and having no communication therewith. Sandstones of the lower Jurassic horizons are extended areally and together with the Paleozoic reservoirs generate a complex contact zone reservoir when coming in contact with them in some places (G.I. Tischenko, 1988).

The oil-and-gas bearing horizon of the zone of contact between the Paleozoic and Mesozoic deposits was penetrated by nine wells of License 61. The sequence is represented by weathered quartz and felsite porphyry, metamorphosed terrigenous varieties, and weathered effusives. Contact zone rock has a porous-fissured type of reservoirs widely ranging in porosity and permeability. Oil shows in this sequence were observed in Tungolskoye stratigraphic well No. 3: sandstone from the 3,153 to 3,184 m interval had an odor of oil in on a freshly exposed surface.

The deposits of the Lower to Middle Jurassic oil-and-gas bearing sequence (Tyumenskaya series) contain lithologic accumulations sealed by claystone of Tyumenskaya series and Lower Vasyuganskaya sub-series. The oil-bearing potential of this sequence and of the underlying interval of the section within License 61 limits is not yet known. Oil shows while drilling were observed in Well No. 3 in the Lineynoye area (increased gas content in the J₃ formation) and in Well No. 370 in the Sibkrayevskaya area (yellow luminescence and increased gas content (as much as 4%) in the J₄ formation). These targets, as well as the J₂ and J₃ formations in Well No. 5 (Lineynoye area) and the J₂ formation in Well No. 300 (Emtorskaya area), were tested. All of them were found to be water-bearing. Oil has been tested in the Tyumenskaya sequence in the Vartovskoye No. 330 well (648 bopd) located in adjacent block 59 to the west and in the Tolparovskoye No. 1 well (15 bopd) in adjacent block 79-1 to the south.

The main target which adds hydrocarbon reserves on a stable, validated and confirmable basis in the Tyumen and Tomsk regions has been and remains the Upper Jurassic oil-and-gas bearing sequence where commercial oil and gas content was established in the Vasyuganskaya (Naunakskaya) series consisting of interbedded sandstone, claystone and coal. The deposits of this series feature facies variability of the cross-section. Oil pools belong to the sheet, roof and, less often, to a lithologically screened (single-pay) type. They are sealed by Bazhenovskaya series claystone. The oil-and-gas bearing potential of the Vasyuganskaya series is associated with the J₁ horizon represented by facies of marine and littoral marine genesis. These facies are fairly laterally and vertically persistent, yet feature some variations. Reservoirs are quartz-feldspar sandstones. Their porosity varies from 14% to 21% (averaging 15-17%). Permeability is 0-0.2 μm^2 . The catagenesis of the organic matter corresponds to MK1-MK3 stages. The deposits of the Upper Jurassic sequence were tested in all 20 wells of Lease No. 61. The J₁¹ formation of the Vasyuganskaya series was found to be commercially oil productive in the Tungolskoye field in Wells No. 1 and 4 and in the Lineynoye field and West Lineynoye fields in Wells No. 1,5,6,7 and 8 and in the Kondrashevskoye Field Well No. 1. Oil shows were encountered in Well Tungolskoye No. 2 (sandstone with oil sweats) and in Well No. 300 in Emtorskaya area (luminescence).

The oil and gas presence in the Cretaceous - Neocomian deposits within License 61 limits is not yet known. These deposits were tested in 3 areas, namely Lineynoye area (Wells Nos. 1, 2, and 3), Sibkrayevskaya area (Well No. 371), and in Emtorskaya area (Well No. 300). Formations of the Pokurskaya, Kiyalinskaya (Vartovskaya), Tarskaya, and Kulomzinskaya series were tested. All of them were found to be water-bearing. As may be seen from the most recent data, the Cretaceous OGS and CZOGS in the Tomsk Region were not studied as it would be required. Yet, it has been already confirmed that in both OGS's the determinative role is played by disjunctive tectonics. The presence of hydrocarbon accumulations in CZOGS with the lack thereof in the upper part of the cross-section is associated with fractures disappearing at the bottom of the sedimentary cover, whereas pay Cretaceous deposits are confined to the recent long-lived fractures dissecting the entire Mesozoic cross-section and even reaching the present day surface. Oil has been tested in a 7 m thick Lower Cretaceous sandstone (1,500 bopd) in the Kiev-Eganskoye No. 361 well in adjacent block 80 to the east of License 61.

The Russian State Reserves structure of License 61 as of December 2008 is shown in the following table:

Russian Registered Reserves License 61 (metric units)			
Field	Recoverable Reserves of Oil thousand tons		Total Reserves thousand tons
	C1	C2	C1+C2
Lineynoye (1)	1,724	5,977	7,701
Tungolskoye	1,010	1,055	2,065
Kondrashevskoye	219	2,234	2,453
Total (thousand tons)	2,953	9,266	12,219

Russian Registered Reserves License 61 (English units)			
Field	Recoverable Reserves of Oil thousand bbls (2)		Total Reserves thousand bbls
	C1	C2	C1+C2
Lineynoye (1)	13,413	46,501	59,914
Tungolskoye	7,858	8,208	16,066
Kondrashevskoye	1,704	17,381	19,084
Total (thousand bbls)	22,974	72,089	95,064

(1) Russian Experts consider Lineynoye and West Lineynoye to be one field

(2) Conversion based on average API gravity of 43°

Table 1 Russian State Reserve Committee approved Reserves for License 61

LINEYNOYE and WEST LINEYNOYE OIL FIELDS

Structure Map on Base Bazhenov Horizon

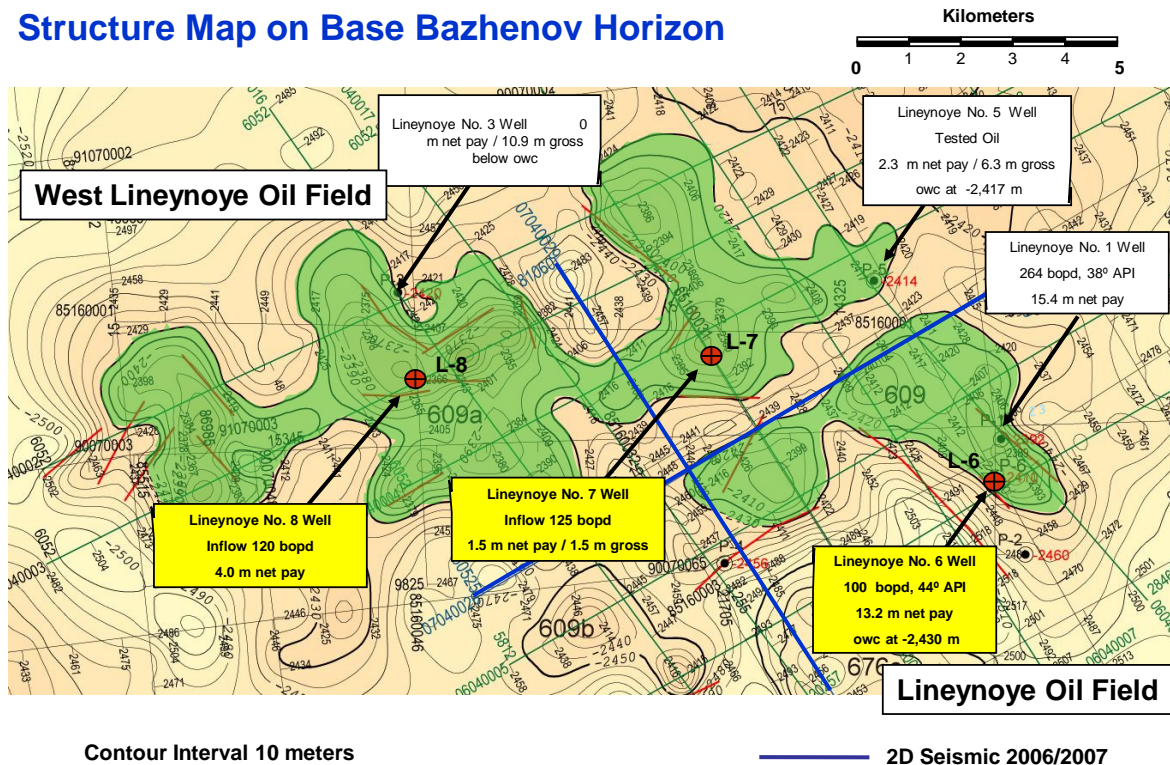


Figure 6 Base Bashenov Struture Map showing Lineynoye and West Lineynoye oil fields.

Lineynoye oil field is located in the north-western part of the License 61. The Lineynoye field is located in the southern part of the Emtorsky dome-shaped uplift – a second-order structure within Ust-Tymskaya Depression between Aleksandrovsky mega-bar on the West and Pyl-Karaminsky mega-bar on the East. The Lineynoye structure was identified and recommended for drilling as a result of single fold seismic data acquired in 1968.

The Lineynoye Well No. 1 discovered oil within the structure in 1972. The well was drilled in the Eastern part of the structure and tested oil from the Upper Jurassic (J_1) reservoir with a flow rate of 42 cub. m/day on an 8 mm choke. The specific gravity of oil is 0.835 g/cm³ or an API gravity of 38 degrees. Gas factor is 33 m³/m³. Reservoir pressure is 257 atm. Testing interval: -2,496 to -2,518 m (actual elevation -2,389.4-2,411.4 m).

The J_1 Layer was penetrated at a depth of -2,498 m (a.e. -2,393 m), and is represented by sandstones, siltstones and mudstones. Number of sand interbeds, which correspond to its effective pays, depends on well location within the structure and general area distribution of fragmentary material. The total thickness of the J_1 interval in Well 1 was 20 m. The net pay thickness was 15.4 m. The net pay included three sandstone interbeds with thicknesses of 2.4 m, 11.2 m and 1.8 m.

In the process of testing of Well No. 1 (the J_1 layer was perforated down to the bottom) no Oil Water Contact (OWC) was found. The oil deposit at the Lineynoye Structure is of a single-pay reservoir and roof pool type. In the same year, the results obtained has made it possible to prove incremental oil reserves within the area, between the absolute elevation of -2,411 m on the East (for lower perforations) and the double production well grid on the West. C1 oil reserves totaled 6,250/2,500 thousand tons (in place/recoverable) and were approved by the State Committee for Reserves in 1972. The study of the discovered field continued in 1973-1975, four more wells – in different geological and structural environments - were drilled. In 1973 wells number 2, 3 and 4 were drilled and in 1974 well number 5 was drilled.

In 1985 - 1986, detailed seismic investigations were made by seismic crews 16 and 18 to update the structural picture including the Lineynoye Structure. Morphologically, the Lineynoye Structure changed significantly. Instead of a unified undulated fold, it turned into a number of separate domes, formed on the dissected slopes of Emtorskoye Uplift, which are united into a Lineynoye Uplift. According to this picture, Well 1 was drilled at the crestal position of the eastern dome of the submeridional direction, which accounts for localization of the oil deposit there. In all other wells in this area, the layer J_1 is reliably correlated with Well 1, and is present as a reservoir; however, it is water-saturated in all of them, except Well 5, where a small volume of oil was produced.

In 2005/2006 the Company contracted with Tomsk Geophysical Company to reprocess and interpret all of the vintage seismic data in the License Area. The Company also contracted Stavropolneftegeofizika to acquire an additional 515 km of high resolution CDP data in the northern portion of the License Area. As a result of this work a new detailed structural interpretation was prepared. It now appears that the Lineynoye Structure is divided into two major closures, each of which contains several domes (Figure 6). The eastern closure represents the Lineynoye Oil Field as defined by the Lineynoye No. 1 well and the western closure defines the West Lineynoye Prospect which is updip from the Lineynoye No. 5 well which tested oil. Two additional seismic lines were acquired over the field during the 2006/2007 survey in order to further detail the structure.

PetroNeft drilled the Lineynoye No. 6 well in 2007 to confirm the results of the Lineynoye No. 1 discovery well. Oil was confirmed and tested in the J_1^1 (2 m net pay) and J_1^2 (11.2 m net pay) sandstone intervals. The test data indicates that the oil water contact (owc) is at or below -2,530.5 m subsea, which is at least 10 m lower than the previous conditional owc for the field. The well flowed at a stabilized oil flow rate of 100 bopd on a 3 mm choke.

PetroNeft drilled and tested the Lineynoye No. 7 well in 2007 which confirmed a new field discovery at West Lineynoye. Oil was tested in the J_1^1 sandstone interval (1.5 m net pay) at an inflow rate of 125 bopd (raising head methodology). In 2008 PetroNeft drilled the Lineynoye No. 8 delineation well which tested at an inflow rate of 120 bopd and further defined the West Lineynoye field. The density of the oil varies from .803 gm/cm³ to .828.5 gm/cm³.

Electrical submersible pumps were run in both the Lineynoye No. 6 and No. 7 wells and they were placed on long term pilot/test production in early 2008, while winter roads were in place to truck the oil to market. Lineynoye No. 6 tested at a stabilized rate of 245 bopd throughout the period. Lineynoye No. 7 had multiple generator problems and produced at an unoptimized rate of 85 bopd for a few days at the end of the period. PetroNeft re-entered and retested the Lineynoye No. 1 well in 2008. The well tested at a stabilized rate of 273 bopd on a 8 mm choke without pumping or stimulation.

TUNGOLSKOYE OIL FIELD

Structure Map on Base Bazhenov Horizon

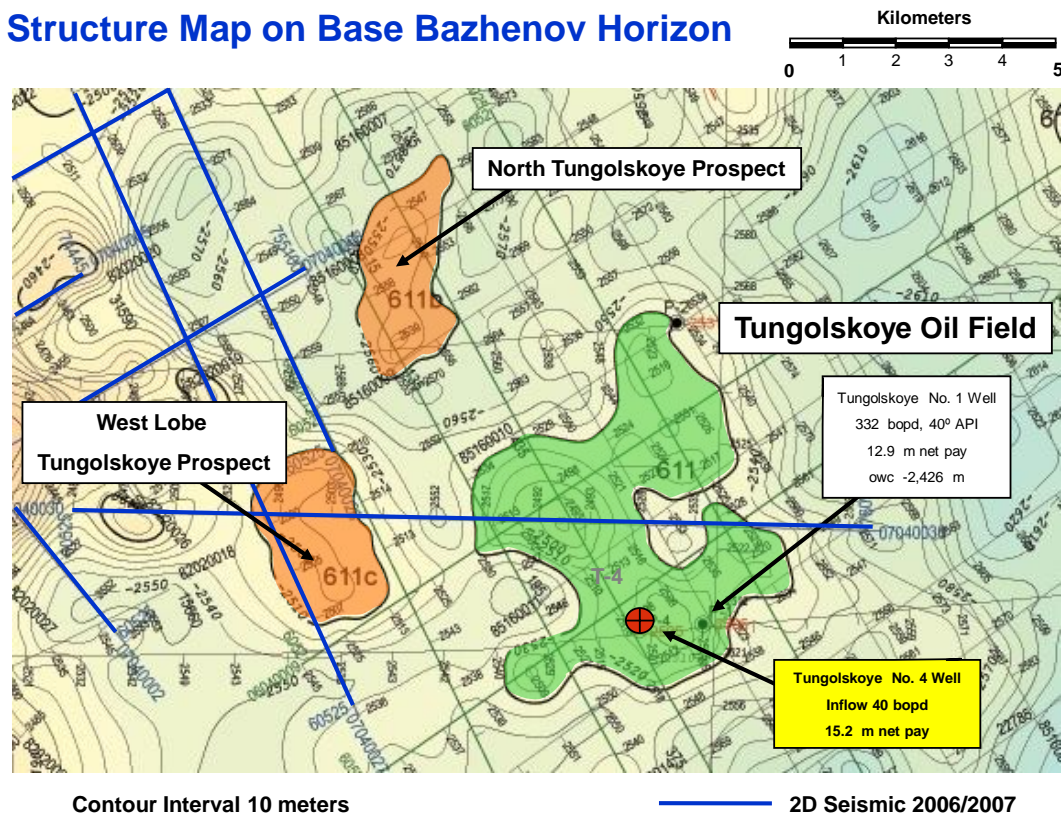


Figure 7 Base Bazhenov Structure Map showing Tungolskoye Field and surrounding area

The Tungolskoye field is located in the center of License 61. Tectonically, the Tungol local high is located within the northern part of the Ust-Tym basin, which is a large-sized First order structure. This structure was initially delineated by seismic data in 1967-68. Additional seismic data was obtained in 1970-71. Along the IIa reflector (Base Bazhenov Horizon), this structure appeared as a pear-shaped anticline of north-western extension. This high occupies an area of 67 km² along the -2,520 m contour; it measures 8x12 km and has 70 m of vertical closure.

Deep prospect drilling in this area commenced in 1973. Well No. 1 was drilled in the crest of the high to a depth of -2,760 m. This well was cored while drilling from the deposits of the Kiyalinskaya, Kulomzinskaya, Bazhenovskaya, Naunakskaya, and Tyumenskaya series. Oil-saturated, medium-grained sandstone was recovered from the deposits of the Naunakskaya series. Drilling stopped in the deposits of the Tyumenskaya series consisting of unevenly interbedding claystone, siltstone and coal without oil shows.

The J₁ horizon of the Vasyuganskaya series was encountered within the -2,604 to -2,683 m interval. This horizon consists of a series of sandy formations (J₁¹, J₁², and J₁³⁻⁴) and shale breaks. The J₁¹ formation was penetrated at a depth of -2,605.2 to -2,609.4 m (-2,505.3 to -2,509.5 m TVD SS). It

lithologically consists of yellowish-gray, medium-grained, medium-solid and non-consolidated sandstone with an oil odor. Logging and field data are indicative of a homogeneous and oil-saturated nature of this formation. The α_{sp} value within the -2,606 to -2,609.6 m interval is equal to 0.67; resistivity as determined by the combined 40/8 charts is 5.9 Ohms; porosity is 16.8%; oil and gas saturation is 57%. The J_1^2 formation lies in the -2,612.6 to -2,636 m interval (-2,512.7 to -2,536.1 m TVD SS). It lithologically consists of gray, medium-grained, dense and solid sandstone saturated with oil within the -2,612.2 to -2,620.65 m interval. According to logging and field data, this formation is heterogeneous and consists of interbedded permeable and dense interlayers. The negative SP anomaly reaches 75 mV. The top of this formation down to a depth of -2,620.4 m contains water and oil. The α_{sp} value within the -2,612.6 to -2,615.6 m interval is 0.63; resistivity as determined by laterologging (LL) is 6.5 Ohms; porosity is 16.4%; oil and gas saturation is 53%. This formation within the 2,627.4-2,636 m interval was interpreted as water-bearing.

Production tests of these formations were run while drilling and in a cased hole. When testing the J_1^1 formation by a KII-146 formation tester, a water-free oil inflow was obtained from the -2,604 to -2,610 m interval (-2,504.1 to 2,510.1 m TVD SS) after 42 minutes at differential pressure drawdown of 12.0 MPa at a rate of 3.67 m³. This was the first well which discovered oil in this field. Two intervals were tested in the cased hole. The first interval (lower part of the J_1^2 formation) was tested within the -2,627 to -2,636 m interval (-2,527.1 to -2,536.1 m TVD SS). According to logging and field data, the SP curve anomaly in this part of the J_1^2 formation reaches 75 mV; resistivity is 2.2 Ohms. Sandstone with coaly streaks, but with no oil shows was found in core samples retrieved from this interval. This interval tested formation water flowing at a rate of 12.7 m³/day at an average dynamic level of 369 m. When the second target was tested within the -2,604 to -2,620 m interval (-2,504.1 to -2,520.1 m TVD SS), the oil saturated J_1^1 formation was perforated (9.8 m net pay in perforated interval and 3.1 m net pay not perforated in interval -2,620 to -2,727 m) together with the water-bearing portion of the J_1^2 formation. As a result, this interval tested oil and formation water flowing at a rate of 10.5 m³/day and 2.2 m³/day, respectively, through a 3 mm choke. The initial flow rate was 52.8 m³/day (332 bopd) through a 12 mm choke. Reservoir pressure is 262 atm. Oil belongs to the methane-naphthenic type. The density of the oil is 0.825 g/cm³ or an API gravity of 40 degrees. The wax content in oil is 5.8%; the sulfur content is 0.36%.

The Tungolskoye structure along the main Ila reflector (base of the Bazhenovskaya series) has preserved its morphological features (a pear-like shape and north-western extension), yet its size along the 2,540 m contour was largely reduced down to 7.6 x 6.8 km. It covered an area of 45 km² and its amplitude was - 50 m. Given a high degree of structural imaging reliability ensured by detailed operations, fairly high porosities and permeabilities as well as the productive capacity of the J_1^1 formation, quantification of commercial C_1 oil reserves was undertaken for the first time in 1987. These reserves were estimated within the oil pool limits which were thought to be running along the bottom of the net oil section of the J_1^1 formation in Well No. 1 at -2,509.4 m (TVD SS) in the south and along the second row of development wells in the north. The remaining part of the area within the structural contour at -2,520 m (TVD SS) was thought to contain C_2 reserves. The oil pool belongs to the sheet and roof types. Parameters assumed in calculations. Oil reserves booked by the State Balance Agency are 1,239/520 kT (C_1) and 1,466/293 kT (C_2) (OIP/recoverable); TsKZ Protocol dated April 28, 1987. This field was suspended. As a result of acquisition tests run by Seismic Crew No. 10, 1993-1996 the Tungolskoye structure acquired a nearly isometric outline and was delineated by the -2,560 m structural contour; the crestal part was shifted towards the center of the structure in plan view.

PetroNeft reprocessed the vintage 2D seismic data and acquired additional high resolution CDP data over the structure in 2005/2006 and again in 2006/2007. The resulting structural map at the base of the Bazhenovskaya series is shown in Figure 7. The Tungolskoye No. 4 well was drilled on the

structure in 2007. Based on the log and core data the well penetrated 15 m of continuous oil saturated sandstone in the J_1 interval which appears to consist of a thin J_1^1 sandstone interval setting directly above a thicker J_1^2 sandstone interval. PetroNeft had mechanical problems testing this interval and sidetracked the well in August 2007. The sidetrack well also experienced mechanical problems. Further testing of this well will be delayed indefinitely until appropriate equipment is in the field associated with the Phase 1 development to efficiently complete the testing. The well initially tested at an inflow rate of 40 bopd before mechanical problems were incurred. The oil has a density of 0.8154 g/cm³, 0.21% sulfur and 2.3% paraffin.

KONDRASHEVSKOYE OIL FIELD

Structure Map on Base Bazhenov Horizon

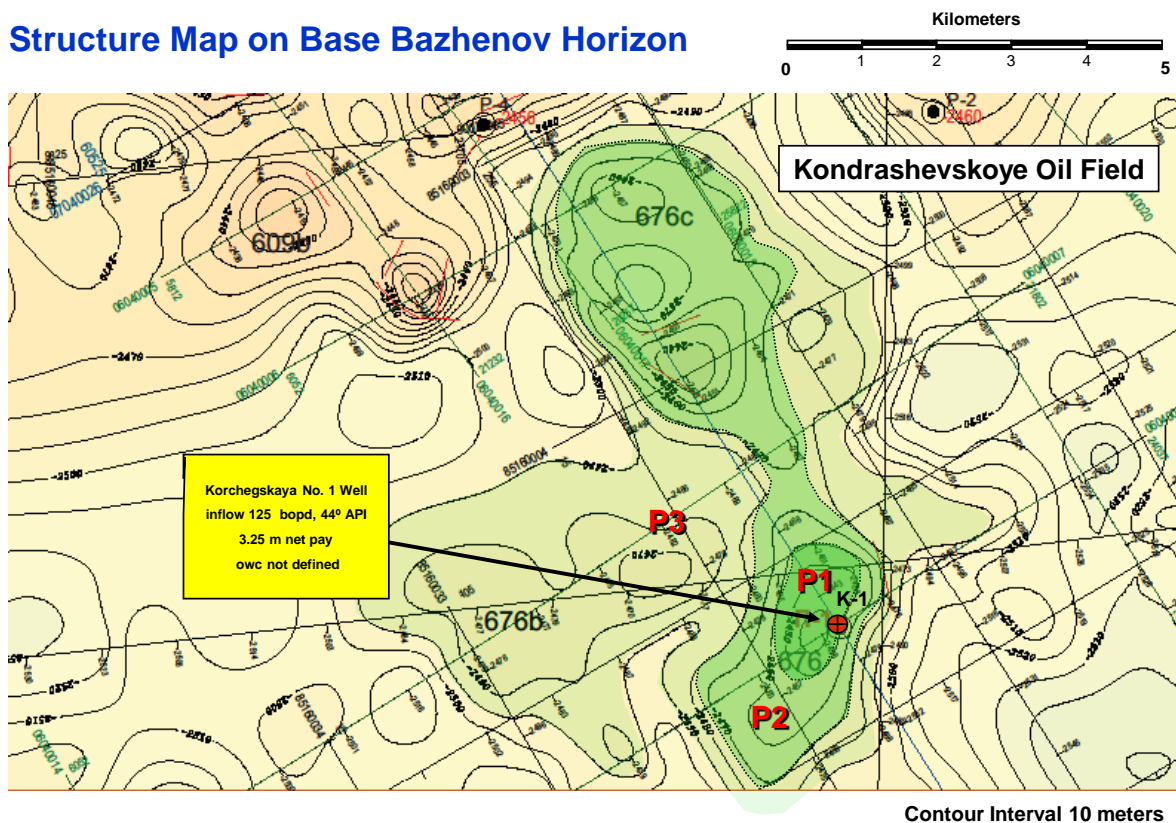


Figure 8 Base Bazhenov Structure Map showing Kondrashevskoye field

The Kondrashevskoye field (formerly Korchegskaya prospect) is located in the north central part of License 61 between the Lineynoye and Tungolskoye oil fields. This structure was delineated and prepared for drilling by seismic data in 1990-91. Additional seismic data was obtained by PetroNeft in 2005/2006 and 2006/2007. The Korchegskaya No. 1 discovery well was drilled in 2008. The well tested an inflow of 125 bopd from Upper Jurassic J_1 sandstones (2,469.35 to 2,473.35 m TVD SS). Core and petrophysical analysis indicates 3.25 m of net pay in this interval. The entire J_1 sandstone was oil saturated in the well and further drilling will be required to define the oil water contact for the field. The oil has a density of 0.790 g/cm³.

Possible Reserves

Upper Jurassic Prospects

A total of 24 Upper Jurassic Prospects were analyzed for potential (Figure 4). The potential of these prospects was classified as possible reserves because multiple seismic lines confirmed 4-way dip closure of the structures at the Base Bazhenov seismic horizon. The potential of these prospects was determined by probabilistic analysis. The probability distribution functions for net pay and area were based on the geologic and geophysical interpretations. The probability distribution functions of the other volumetric parameters were based on data from the four tested oil fields. The range of potential possible reserves is summarized in the following table:

<i>Index</i>	<i>Upper Jurassic Prospects</i>	<i>Possible Reserves (10³ Bbls)</i>		
		<i>90%</i>	<i>50%</i>	<i>10%</i>
2	Tungolskoye West Lobe	3,042	6,025	10,439
2	Tungolskoye North	2,625	4,963	8,842
4	Lineynoye Lower	2,277	4,608	8,257
7	Arbuzovskaya (Varyakhskaya)	8,117	15,802	26,669
8	Arbuzovskaya (Varyakhskaya) North	3,043	6,026	10,028
8	Arbuzovskaya (Varyakhskaya) Upper	4,447	9,062	15,608
9	East Emtorskaya	1,992	3,915	6,962
10	Emtorskaya Crown (1 of 3)	8,489	15,484	26,944
11	Sigayevskaya	1,184	2,213	4,145
12	Sigayevskaya East	1,907	3,556	6,728
13	Kulikovskaya	2,691	5,139	9,471
13	Kulikovskaya North	3,886	7,749	13,422
14	Kusinskiy	2,913	5,227	8,772
14	Kusinsky North	3,015	5,499	8,975
15	Tuganskaya East	2,503	4,792	8,320
15	Tuganskaya South	2,606	4,863	8,689
16	Kirillovskaya	3,825	7,114	12,343
16	Kirillovskaya South	8,538	15,846	28,297
16	Kirillovskaya East	4,959	9,578	16,451
16	Kirillovskaya West	3,328	6,343	11,154
17	Balkinskaya North	4,309	8,205	14,908
18	Traverskaya	3,970	8,204	15,608
19	Tungolskoye East	1,587	3,002	5,016
20	Sibkrayevskaya	20,545	44,071	82,931

PetroNeft believes that the Traverskaya Prospect may be a western extension of the Kiev-Eganskoye oil field located in License 80 to the east of License 61. Approximately 24 km² of structural closure exists on this prospect in License 61 above the commonly accepted oil water contact (owc) of -2,530 m subsea (ss) for the Kiev-Eganskoye oil field.

The Traverskaya No. 1 well, located in License 61, drilled in 1987 penetrated approximately 6 m of J₁² sandstone at -2,477 m ss. The J₁¹ sandstone was interpreted to be absent in the well, but may be present on the flanks of the structure. Approximately 0.4 m of sandstone was recovered from this interval which contained oil odor and point like bleeding of oil. The interval was tested in the open hole, but did not flow and was characterized as impermeable. Production casing was not run in the well.

The Kiev-Eganskoye oil field is currently being developed on the premise that similar wells have been successfully stimulated (artificial permeability enhancement such as horizontal sections or fracturing) in the Tomsk region and flow at commercial rates.

Cretaceous Prospects

A total of 10 Cretaceous Prospects were analyzed for potential (Figure 9). The potential of these prospects was classified as possible reserves because multiple seismic lines confirmed 4-way dip closure of the structures at the Lower Cretaceous II-BI seismic horizon. The potential of these prospects was determined by probabilistic analysis. The probability distribution functions for area were based on the geophysical interpretation. The probability distribution functions of the other volumetric parameters including net pay were based on data from a report prepared by Tomsk Geophysical Company LLC (TGK) in 2008 regarding the “Re-interpretation of Geological and Geophysical data for Exploration Wells in License 61”. This study was undertaken following the successful testing of by-passed Lower Cretaceous pay (1,500 bopd) in the Kiev-Eganskoye No. 361 well located in adjacent block 80 to the east. TGK is the same contractor that identified the by-passed pay at Kiev-Eganskoye and they interpret potential by-passed Lower Cretaceous pay in both the Traverskaya No. 1 and Tuganskaya No. 1 wells in License 61. The range of potential possible reserves is summarized in the following table:

<i>Index Cretaceous Prospects</i>	<i>Possible Reserves (10³ Bbls)</i>		
	<i>90%</i>	<i>50%</i>	<i>10%</i>
14 Kusinskiy	4,028	7,383	12,219
14 Kusinsky North	3,878	7,879	14,406
15 Tuganskaya	18,227	36,145	67,542
15 Tuganskaya East	18,014	33,303	56,496
15 Tuganskaya South	3,725	7,479	12,729
16 Kirillovskaya	4,512	8,297	14,236
16 Kirillovskaya South	3,740	6,753	1,682
16 Kirillovskaya East	15,110	28,309	46,704
16 Kirillovskaya West	4,958	9,152	15,928
18 Traverskaya	5,665	11,467	23,774

Cretaceous Prospects in Southern Part of License 61

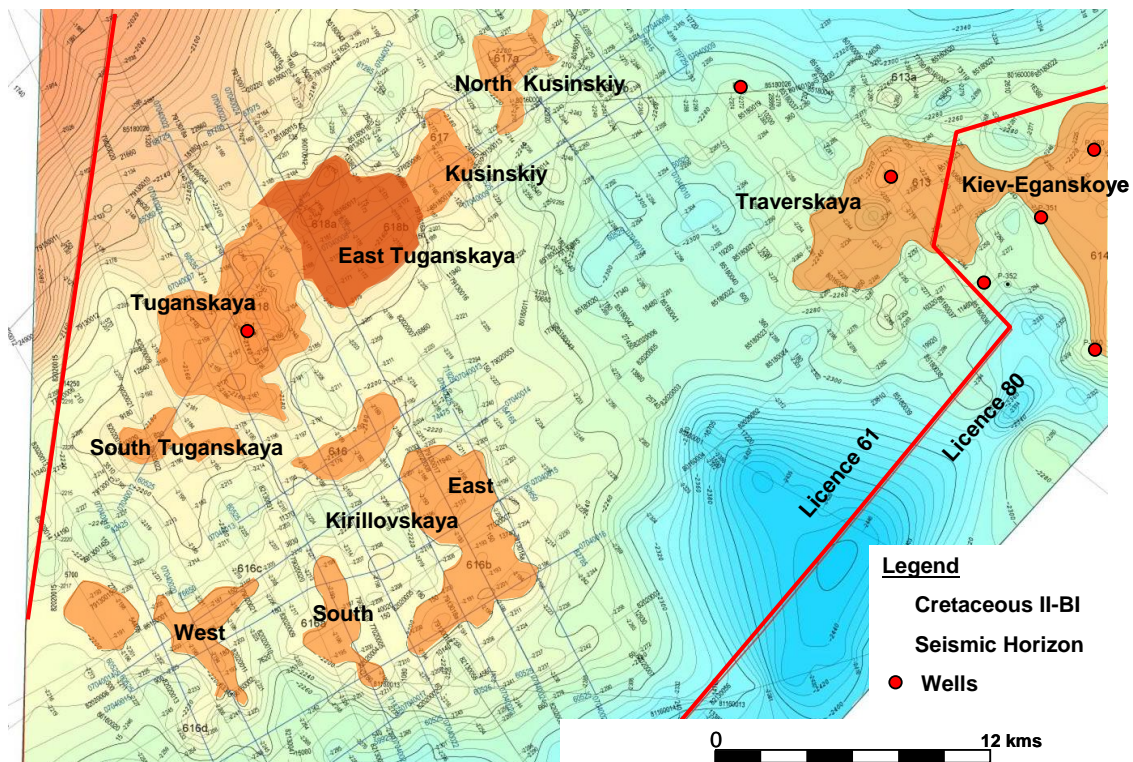


Figure 9 Lower Cretaceous Structure Map showing Prospects

Lower to Middle Jurassic Prospects

A total of 11 Lower to Middle Jurassic Prospects were analyzed for potential. The potential of these prospects was classified as possible reserves because multiple seismic lines confirmed 4-way dip closure of the structures at the Middle Jurassic seismic horizon. The potential of these prospects was determined by probabilistic analysis. The probability distribution functions for area were based on the geophysical interpretation. The probability distribution functions of the other volumetric parameters including net pay were based on data from a report prepared by Tomsk Geophysical Company LLC (TGK) in 2008 regarding the “Re-interpretation of Geological and Geophysical data for Exploration Wells”. TGK interpret potential by-passed Lower to Middle Jurassic pay in the Traverskaya No. 1, Tuganskaya No. 1 and West Korchegskaya No. 1 wells in License 61. Lower to Middle Jurassic sandstones have successfully tested oil in the Vartovskoye No. 330 well (648 bopd) and the Tolparovskaya No. 1 well (15 bopd) in adjacent blocks to the west and south of License 61. The range of potential possible reserves is summarized in the following table:

<i>Index</i>	<i>Lower to Middle Jurassic Prospects</i>	<i>Possible Reserves (10³ Bbls)</i>		
		<i>90%</i>	<i>50%</i>	<i>10%</i>
6	Korchevskaya West	3,462	7,176	12,727
14	Kusinskiy	1,558	2,763	4,933
14	Kusinsky North	1,500	2,644	4,427
15	Tuganskaya	5,167	10,604	19,590
15	Tuganskaya East	2,887	5,342	9,982
16	Kirillovskaya	960	1,634	2,744
16	Kirillovskaya South	1,487	2,024	4,469
16	Kirillovskaya East	9,941	16,628	26,549
16	Kirillovskaya West	3,882	6,674	10,931
17	Balkinskaya North	1,534	3,133	8,092
18	Traverskaya	2,397	4,433	7,996

The Lower to Middle Jurassic reservoirs typically have poor reservoir properties and will likely require stimulation (artificial permeability enhancement such as horizontal sections or fracturing) to flow at commercial rates.

Exploration Resources

A total of four Upper Jurassic Potential Prospects were also analyzed. The potential of these prospects was classified as an exploration resource because the available seismic lines confirmed a structure but more seismic data is required to confirm unequivocal closure. The potential of these prospects was determined by probabilistic analysis. The probability distribution functions for net pay and area were based on the geologic interpretation. The probability distribution functions of the other volumetric parameters were based on data from the two tested fields. The range of potential recoverable resources is summarized in the following table:

<i>Index</i>	<i>Potential Prospects</i>	<i>Exploration Resources (10³ Bbls)</i>		
		<i>90%</i>	<i>50%</i>	<i>10%</i>
21	Emtorskaya North	6,658	12,964	23,501
22	Sibkrayevskaya East	5,859	11,287	20,757
23	Sobachya	16,148	31,624	54,758
24	West Balkinskaya	10,240	18,603	32,387

Conclusions

Appendices 1 through 6 present the summary data based on this study in the required disclosure format based on the March 2006 AIM Guidance Note for Mining, Oil and Gas Companies issued by the London Stock Exchange.

Appendix 5 -Tables 1 through 7 summarize our Phase 1 Base Case (Case 2) with an estimated projection of future production, gross revenue, net income and deductions (including expenses, capital investment and taxes) by reserve category and a net present valuation as at January 1, 2010. Appendix 6 – Tables 1 through 11 summarize the same data for Phase 2.

The estimates of reserves presented herein are based upon a detailed study of the properties in which PetroNeft owns an interest; however, we have not made any field examination of the properties. No consideration was given in this report to potential environmental liabilities that may exist nor were

any costs included for potential liability to restore and clean up damages, if any, caused by past operating practices. PetroNeft has informed us that they have furnished us all of the accounts, records, geological and engineering data, and reports and other data required for this investigation. The ownership interests, prices, and other factual data furnished by PetroNeft were accepted without independent verification.

Both Ryder Scott Company, L.P., its directors and employees are wholly independent from the Company and the subject properties. Except for the provision of professional services neither Ryder Scott Company, L.P. or any employee has any shareholding, commercial arrangement or any other interest with PetroNeft Resources PLC or the subject properties and neither the employment to make this study nor the compensation is contingent on our estimates of reserves and future income for the subject properties.

Professional Qualifications

Ryder Scott Company, L.P. was formed in 1937. The company is one of the largest, oldest and most respected reservoir-evaluation consulting firms in the petroleum industry. The company performs more than 1,000 consulting studies a year for oil and gas producers—both major and independent—investors, banks, governmental agencies and accounting and law firms. The company has offices in Houston, Denver and Calgary and has 115 employees and almost 70 professional engineers and geoscientists.

This evaluation was prepared by Mr. Larry T. Nelms. He has 40 years of experience in the oil and gas industry and been an employee of Ryder Scott for 28 years and is currently a Managing Senior Vice President. He is a registered Professional Engineer in the states of Colorado, Montana, North Dakota, Oklahoma and Wyoming.

This report was prepared for the exclusive use of PetroNeft Resource Plc. The data, work papers, and maps used in the preparation of this report are available for examination by authorized parties in our offices. Please contact us if we can be of further service.

Very truly yours,

RYDER SCOTT COMPANY, L.P.



Larry T. Nelms P. E.
Managing Senior Vice President



LTN/sw

Ryder Scott Appendix 1 (January 1, 2010)
SUMMARY TABLE OF ASSETS

Oil & Gas

Asset (1)	Operator	Interest (%)	Status (2)	License expriy date	License area	Comments
1. Russian - Tomsk Region - License 61 (Tungolsky)	LLC, Stimul - T	100%	Exploration and Development	15-Apr-2030	4991.8 km ²	Delineation/Exploration drilling programme in progress

(1) Asset - Country, license and block

(2) Status - Exploration, Development or Production Only

Ryder Scott Appendix 2 (January 1, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Proved, Probable and Incremental Possible Reserves (10³ bbls)

Oil & Gas Reserves - Proved (P1), Probable (P2) and Possible (P3)

	Gross			Net Attributable			Operator
Oil & Liquids reserves per asset From production to planned for development	Proved	Proved & Probable	Proved, Probable & Possible	Proved	Proved & Probable	Proved, Probable & Possible	
License 61 - Tomsk Oblast Russia							
Lineynoye Field (10 ³ bbls)	5,791	24,289	30,361	5,694	23,883	29,824	LLC, Stimul-T
West Lineynoye Field (10 ³ bbls)	2,759	23,716	29,720	2,713	23,320	29,194	LLC, Stimul-T
Kondrashevskoye Field (10 ³ bbls)	622	8,269	26,581	611	8,122	26,111	LLC, Stimul-T
Tungolskoye Field (10 ³ bbls)	1,406	15,794	20,009	1,381	15,514	19,655	LLC, Stimul-T
Total for Oil & Liquids (10³ bbls)	10,578	72,068	106,671	10,400	70,840	104,784	
Gas reserves per asset From production to planned for development							
License 61 - Tomsk Oblast Russia							
Lineynoye Field (10 ³ scf)	n/a	n/a	n/a	n/a	n/a	n/a	LLC, Stimul-T
West Lineynoye Field (10 ³ scf)	n/a	n/a	n/a	n/a	n/a	n/a	LLC, Stimul-T
Kondrashevskoye Field (10 ³ scf)	n/a	n/a	n/a	n/a	n/a	n/a	LLC, Stimul-T
Tungolskoye Field (10 ³ scf)	n/a	n/a	n/a	n/a	n/a	n/a	LLC, Stimul-T
Total for Gas (10³ scf)	n/a	n/a	n/a	n/a	n/a	n/a	

Source: Ryder Scott Company - Petroleum Consultants

Notes:

"Operator" is name of the company that operates the asset

"Gross" are 100% of the **reserves** and/or **resources** attributable to the licence whilst "Net attributable" are those attributable to PetroNeft Resources Plc

Differential from Gross to Net Attributable reflects gravity adjustment and line loss for Proved and Probable reserves

Operator LLC, Stimul-T holds 100% interest in License 61

Operator LLC, Stimul-T is wholly owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet

Ryder Scott Appendix 3a (January 1, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Upper Jurassic - Possible Reserves (10³ bbls)

Oil & Gas Prospective Resources in Prospect Category - Upper Jurassic - Possible Reserves (P3)

(10 ³ bbls)	Gross equals Net Attributable for P3			"Risk Factor"	Operator
Oil & Liquids Prospective Resources Prospects	Low Estimate	Best Estimate	High Estimate	Probability of Success	
License 61 - Tomsk Oblast Russia					
Tungolskoye West Lobe (611c)	3,042	6,025	10,439	0.55	LLC, Stimul-T
Tungolskoye North (611b)	2,625	4,963	8,842	0.55	LLC, Stimul-T
Lineynoye Lower (609b)	2,277	4,608	8,257	0.58	LLC, Stimul-T
Arbuzovskaya (Varyakhskaya) (610)	8,117	15,802	26,669	0.65	LLC, Stimul-T
Arbuzovskaya (Varyakhskaya) North (610a)	3,043	6,026	10,028	0.50	LLC, Stimul-T
Arbuzovskaya (Varyakhskaya) Upper (610b)	4,447	9,062	15,608	0.58	LLC, Stimul-T
Emtorskaya East (608b)	1,992	3,915	6,962	0.52	LLC, Stimul-T
Emtorskaya Crown (608)	8,489	15,484	26,944	0.65	LLC, Stimul-T
Sigayevskaya (674)	1,184	2,213	4,145	0.37	LLC, Stimul-T
Sigayevskaya East (674a)	1,907	3,556	6,728	0.37	LLC, Stimul-T
Kulikovskaya (607)	2,691	5,139	9,471	0.42	LLC, Stimul-T
Kulikovskaya North (607b)	3,886	7,749	13,422	0.42	LLC, Stimul-T
Kusinsky (617)	2,913	5,227	8,772	0.41	LLC, Stimul-T
Kusinsky North (617a)	3,015	5,499	8,975	0.41	LLC, Stimul-T
Tuganskaya East (618a)	2,503	4,792	8,320	0.37	LLC, Stimul-T
Tuganskaya South (618b)	2,606	4,863	8,689	0.37	LLC, Stimul-T
Kirillovskaya (616)	3,825	7,114	12,343	0.40	LLC, Stimul-T
Kirillovskaya South (616a)	8,538	15,846	28,297	0.40	LLC, Stimul-T
Kirillovskaya East (616b)	4,959	9,578	16,451	0.38	LLC, Stimul-T
Kirillovskaya West (616c)	3,328	6,343	11,154	0.38	LLC, Stimul-T
Balkinskaya North (632a)	4,309	8,205	14,908	0.37	LLC, Stimul-T
Traverskaya (613)	3,970	8,204	15,608	0.80	LLC, Stimul-T
Tungolskoye East (611a)	1,587	3,002	5,016	0.38	LLC, Stimul-T
Sibkrayevskaya (1001 + 1001a)	20,545	44,071	82,931	0.81	LLC, Stimul-T
Total for Oil & Liquids (10³ bbls)	105,798	207,286	368,979		

Source: Ryder Scott Company - Petroleum Consultants

Notes:

"Risk Factor" for Prospective Resources means the estimated chance, or probability, that the volumes will be commercially extracted

"Risk Factor" estimated by PetroNeft based on individual geologic chance factors: trap, source, reservoir and migration

"Operator" is name of the company that operates the asset

"Gross" are 100% of the **reserves** and/or **resources** attributable to the licence whilst "Net attributable" are those attributable to PetroNeft Resources Plc

Operator LLC, Stimul-T holds 100% interest in License 61

Operator LLC, Stimul-T is wholly owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet

Ryder Scott Appendix 3b (January 1, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Lower Cretaceous - Possible Reserves (10³ bbls)

Oil & Gas Prospective Resources in Prospect Category - Lower Cretaceous - Possible Reserves (P3)

(10 ³ bbls)	Gross equals Net Attributable for P3			"Risk Factor"	Operator
Oil & Liquids Prospective Resources Prospects	Low Estimate	Best Estimate	High Estimate	Probability of Success	
License 61 - Tomsk Oblast Russia					
Kusinsky (617)	4,028	7,383	12,219	0.58	LLC, Stimul-T
Kusinsky North (617a)	3,878	7,879	14,406	0.58	LLC, Stimul-T
Tuganskaya (618)	18,227	36,145	67,542	0.81	LLC, Stimul-T
Tuganskaya East (618a)	18,014	33,303	56,496	0.65	LLC, Stimul-T
Tuganskaya South (618b)	3,725	7,479	12,729	0.45	LLC, Stimul-T
Kirillovskaya (616)	4,512	8,297	14,236	0.39	LLC, Stimul-T
Kirillovskaya South (616a)	3,740	6,753	1,682	0.39	LLC, Stimul-T
Kirillovskaya East (616b)	15,110	28,309	46,704	0.39	LLC, Stimul-T
Kirillovskaya West (616c)	4,958	9,152	15,928	0.39	LLC, Stimul-T
Traverskaya (613)	5,665	11,467	23,774	0.81	LLC, Stimul-T
Total for Oil & Liquids (10³ bbls)	81,857	156,167	265,716		

Source: Ryder Scott Company - Petroleum Consultants

Notes:

"Risk Factor" for Prospective Resources means the estimated chance, or probability, that the volumes will be commercially extracted

"Risk Factor" estimated by PetroNeft based on individual geologic chance factors: trap, source, reservoir and migration

"Operator" is name of the company that operates the asset

"Gross" are 100% of the **reserves** and/or **resources** attributable to the licence whilst "Net attributable" are those attributable to PetroNeft Resources Plc

Operator LLC, Stimul-T holds 100% interest in License 61

Operator LLC, Stimul-T is wholly owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet

Ryder Scott Appendix 3c (January 1, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Lower/Middle Jurassic - Possible Reserves (10³ bbls)

Oil & Gas Prospective Resources in Prospect Category - Lower/Middle Jurassic - Possible Reserves (P3)

(10 ³ bbls)	Gross equals Net Attributable for P3			"Risk Factor"	Operator
Oil & Liquids Prospective Resources Prospects	Low Estimate	Best Estimate	High Estimate	Probability of Success	
License 61 - Tomsk Oblast Russia					
Korchegskaya West (677)	3,462	7,176	12,727	0.54	LLC, Stimul-T
Kusinsky (617)	1,558	2,763	4,933	0.36	LLC, Stimul-T
Kusinsky North (617a)	1,500	2,644	4,427	0.36	LLC, Stimul-T
Tuganskaya (618)	5,167	10,604	19,590	0.54	LLC, Stimul-T
Tuganskaya East (618a)	2,887	5,342	9,982	0.45	LLC, Stimul-T
Kirillovskaya (616)	960	1,634	2,744	0.36	LLC, Stimul-T
Kirillovskaya South (616a)	1,487	2,024	4,469	0.36	LLC, Stimul-T
Kirillovskaya East (616b)	9,941	16,628	26,549	0.36	LLC, Stimul-T
Kirillovskaya West (616c)	3,882	6,674	10,931	0.36	LLC, Stimul-T
Balkinskaya North (632a)	1,534	3,133	8,092	0.36	LLC, Stimul-T
Traverskaya (613)	2,397	4,433	7,996	0.54	LLC, Stimul-T
Total for Oil & Liquids (10³ bbls)	34,775	63,055	112,440		

Source: Ryder Scott Company - Petroleum Consultants

Notes:

"Risk Factor" for Prospective Resources means the estimated chance, or probability, that the volumes will be commercially extracted

"Risk Factor" estimated by PetroNeft based on individual geologic chance factors: trap, source, reservoir and migration

"Operator" is name of the company that operates the asset

"Gross" are 100% of the **reserves** and/or **resources** attributable to the licence whilst "Net attributable" are those attributable to PetroNeft Resources Plc

Operator LLC, Stimul-T holds 100% interest in License 61

Operator LLC, Stimul-T is wholly owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet

Ryder Scott Appendix 4 (January 1, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Exploration Resources (10³ bbls)

Oil & Gas Prospective Resources in Potential Prospect Category - Exploration Resources (P4)

(10 ³ bbls)	Gross equals Net Attributable for P4			"Risk Factor" Probability of Success	Operator
Oil & Liquids Prospective Resources Potential Prospects / Leads	Low Estimate	Best Estimate	High Estimate		
License 61 - Tomsk Oblast Russia					
Emtorskaya North	6,658	12,964	23,501	0.18	LLC, Stimul-T
Sibkrayevskaya East	5,859	11,287	20,757	0.18	LLC, Stimul-T
Sobachya	16,148	31,624	54,758	0.18	LLC, Stimul-T
Balkinskaya West	10,240	18,603	32,287	0.28	LLC, Stimul-T
Total for Oil & Liquids (10³ bbls)		74,478			

Source: Ryder Scott Company - Petroleum Consultants

Notes:

"Exploration Resources" are those resources assigned to potential prospects that require additional seismic data to confirm structural closure

"Risk Factor" for Prospective Resources means the estimated chance, or probability, that the volumes will be commercially extracted

"Risk Factor" estimated by Petroneft based on individual geologic chance factors: trap, source, reservoir and migration

"Operator" is name of the company that operates the asset

"Gross" are 100% of the **reserves** and/or **resources** attributable to the licence whilst "Net attributable" are those attributable to PetroNeft Resources Plc

Operator LLC, Stimul-T holds 100% interest in License 61

Operator LLC, Stimul-T is wholly owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL
PROVED

INITIAL FINAL REMARKS	REVENUE INTERESTS				PRODUCT PRICES			DISCOUNTED	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000	
								COMPOUNDED	MONTHLY
							8.00%	71,538	
							10.00%	65,532	
							12.00%	60,221	
							15.00%	53,348	
							20.00%	44,177	

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	10	875,935	0	0	861,310	0	0.000	52.39	0.00
2011	16	1,504,309	0	0	1,479,180	0	0.000	52.39	0.00
2012	16	1,135,629	0	0	1,116,666	0	0.000	52.39	0.00
2013	19	856,363	0	0	842,062	0	0.000	52.39	0.00
2014	19	731,008	0	0	718,803	0	0.000	52.39	0.00
2015	26	661,127	0	0	650,093	0	0.000	52.39	0.00
2016	29	816,572	0	0	802,929	0	0.000	52.39	0.00
2017	29	652,641	0	0	641,745	0	0.000	52.39	0.00
2018	23	454,519	0	0	446,922	0	0.000	52.39	0.00
2019	23	362,148	0	0	356,094	0	0.000	52.39	0.00
2020	20	217,764	0	0	214,133	0	0.000	52.39	0.00
2021	12	145,897	0	0	143,464	0	0.000	52.39	0.00
2022	9	126,539	0	0	124,421	0	0.000	52.39	0.00
2023	9	9,756	0	0	9,590	0	0.000	52.39	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		8,550,207	0	0	8,407,412	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		8,550,207	0	0	8,407,412	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		8,550,207	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	45,124	0	0	0	45,124	11,318	0	33,806
2011	77,494	0	0	0	77,494	19,436	0	58,058
2012	58,502	0	0	0	58,502	14,673	0	43,829
2013	44,116	0	0	0	44,116	11,065	0	33,051
2014	37,658	0	0	0	37,658	9,445	0	28,213
2015	34,058	0	0	0	34,058	8,542	0	25,516
2016	42,066	0	0	0	42,066	10,551	0	31,515
2017	33,621	0	0	0	33,621	8,432	0	25,189
2018	23,414	0	0	0	23,414	5,873	0	17,541
2019	18,656	0	0	0	18,656	4,679	0	13,977
2020	11,219	0	0	0	11,219	2,584	0	8,635
2021	7,516	0	0	0	7,516	1,479	0	6,037
2022	6,518	0	0	0	6,518	1,092	0	5,426
2023	503	0	0	0	503	71	0	432
2024	0	0	0	0	0	0	0	0
Sub-Total	440,465	0	0	0	440,465	109,240	0	331,225
Remainder	0	0	0	0	0	0	0	0
Total Future	440,465	0	0	0	440,465	109,240	0	331,225

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00%	% %
						Annual	Cumulative		
2010	3,617	13,146	10,639	3,006	30,408	3,398	3,398	2,689	
2011	3,680	25,651	6,873	5,162	41,366	16,692	20,090	14,369	
2012	2,508	19,714	1,013	3,897	27,132	16,697	36,787	13,068	
2013	1,990	14,523	3,236	2,939	22,688	10,363	47,150	7,295	
2014	1,711	12,851	410	2,509	17,481	10,732	57,882	6,876	
2015	1,583	10,317	7,250	2,269	21,419	4,097	61,979	2,366	
2016	2,254	13,678	2,290	2,802	21,024	10,491	72,470	5,479	
2017	1,704	10,437	273	2,240	14,654	10,535	83,005	5,011	
2018	1,407	7,152	0	1,559	10,118	7,423	90,428	3,193	
2019	1,342	5,598	0	1,243	8,183	5,794	96,222	2,258	
2020	857	3,343	0	747	4,947	3,688	99,910	1,303	
2021	606	2,248	0	501	3,355	2,682	102,592	856	
2022	581	1,939	0	434	2,954	2,472	105,064	713	
2023	48	144	0	34	226	206	105,270	56	
2024	0	0	0	0	0	0	105,270	0	
Sub-Total	23,888	140,741	31,984	29,342	225,955	105,270		65,532	
Remainder	0	0	0	0	0	0	105,270	0	
Total Future	23,888	140,741	31,984	29,342	225,955	105,270		65,532	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	272,145
FINAL								10.00%	235,518
REMARKS								12.00%	204,768
								15.00%	167,330
								20.00%	121,742

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	1	154,170	0	0	151,593	0	0.000	52.39	0.00
2011	8	1,670,885	0	0	1,642,980	0	0.000	52.39	0.00
2012	26	3,364,959	0	0	3,308,762	0	0.000	52.39	0.00
2013	38	3,954,007	0	0	3,887,977	0	0.000	52.39	0.00
2014	54	4,015,709	0	0	3,948,635	0	0.000	52.39	0.00
2015	61	4,030,749	0	0	3,963,430	0	0.000	52.39	0.00
2016	74	3,622,641	0	0	3,562,155	0	0.000	52.39	0.00
2017	82	3,546,835	0	0	3,487,600	0	0.000	52.39	0.00
2018	84	2,759,189	0	0	2,713,118	0	0.000	52.39	0.00
2019	87	2,204,308	0	0	2,167,509	0	0.000	52.39	0.00
2020	95	1,926,507	0	0	1,894,325	0	0.000	52.39	0.00
2021	98	1,696,020	0	0	1,667,705	0	0.000	52.39	0.00
2022	98	1,484,558	0	0	1,459,760	0	0.000	52.39	0.00
2023	107	1,369,655	0	0	1,346,785	0	0.000	52.39	0.00
2024	97	1,124,280	0	0	1,105,501	0	0.000	52.39	0.00
Sub-Total		36,924,472	0	0	36,307,835	0	0.000	52.39	0.00
Remainder		2,530,267	0	0	2,488,007	0	0.000	52.39	0.00
Total Future		39,454,739	0	0	38,795,842	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		39,454,739	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	7,942	0	0	0	7,942	1,992	0	5,950
2011	86,076	0	0	0	86,076	21,589	0	64,487
2012	173,346	0	0	0	173,346	43,477	0	129,869
2013	203,691	0	0	0	203,691	51,088	0	152,603
2014	206,869	0	0	0	206,869	51,885	0	154,984
2015	207,645	0	0	0	207,645	52,080	0	155,565
2016	186,621	0	0	0	186,621	46,806	0	139,815
2017	182,715	0	0	0	182,715	45,827	0	136,888
2018	142,140	0	0	0	142,140	35,651	0	106,489
2019	113,555	0	0	0	113,555	28,480	0	85,075
2020	99,244	0	0	0	99,244	22,865	0	76,379
2021	87,371	0	0	0	87,371	17,194	0	70,177
2022	76,477	0	0	0	76,477	12,802	0	63,675
2023	70,558	0	0	0	70,558	10,020	0	60,538
2024	57,918	0	0	0	57,918	7,042	0	50,876
Sub-Total	1,902,168	0	0	0	1,902,168	448,798	0	1,453,370
Remainder	130,346	0	0	0	130,346	12,259	0	118,087
Total Future	2,032,514	0	0	0	2,032,514	461,057	0	1,571,457

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	1,509	3,100	15,944	529	21,082	-15,132	-15,132	-14,500	
2011	2,500	25,831	22,603	5,734	56,668	7,819	-7,313	6,839	
2012	4,853	53,404	26,560	11,548	96,365	33,504	26,191	26,052	
2013	6,347	63,403	25,064	13,569	108,383	44,220	70,411	31,391	
2014	6,510	63,970	26,391	13,780	110,651	44,333	114,744	28,390	
2015	7,658	65,281	16,507	13,833	103,279	52,286	167,030	30,330	
2016	7,937	57,421	23,444	12,432	101,234	38,581	205,611	20,364	
2017	7,673	56,617	3,695	12,171	80,156	56,732	262,343	26,923	
2018	8,000	43,351	774	9,469	61,594	44,895	307,238	19,325	
2019	8,248	33,989	500	7,565	50,302	34,773	342,011	13,538	
2020	8,628	29,467	0	6,611	44,706	31,673	373,684	11,155	
2021	8,803	25,893	0	5,820	40,516	29,661	403,345	9,455	
2022	8,770	22,491	0	5,095	36,356	27,319	430,664	7,883	
2023	8,997	20,407	420	4,700	34,524	26,014	456,678	6,802	
2024	8,408	16,147	780	3,858	29,193	21,683	478,361	5,139	
Sub-Total	104,841	580,772	162,682	126,714	975,009	478,361		229,086	
Remainder	37,811	33,052	5,220	8,684	84,767	33,320	511,681	6,432	
Total Future	142,652	613,824	167,902	135,398	1,059,776	511,681		235,518	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
ALL PROPERTIES
TOTAL PV & PB

TOTAL
PV & PB

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000	
								COMPOUNDED	MONTHLY
							8.00%	—	343,683
							10.00%	—	301,050
							12.00%	—	264,990
							15.00%	—	220,677
							20.00%	—	165,919

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	11	1,030,105	0	0	1,012,903	0	0.000	52.39	0.00
2011	24	3,175,194	0	0	3,122,160	0	0.000	52.39	0.00
2012	42	4,500,588	0	0	4,425,428	0	0.000	52.39	0.00
2013	57	4,810,370	0	0	4,730,039	0	0.000	52.39	0.00
2014	73	4,746,717	0	0	4,667,438	0	0.000	52.39	0.00
2015	87	4,691,876	0	0	4,613,523	0	0.000	52.39	0.00
2016	103	4,439,213	0	0	4,365,084	0	0.000	52.39	0.00
2017	111	4,199,476	0	0	4,129,345	0	0.000	52.39	0.00
2018	107	3,213,708	0	0	3,160,040	0	0.000	52.39	0.00
2019	110	2,566,456	0	0	2,523,603	0	0.000	52.39	0.00
2020	115	2,144,271	0	0	2,108,458	0	0.000	52.39	0.00
2021	110	1,841,917	0	0	1,811,169	0	0.000	52.39	0.00
2022	107	1,611,097	0	0	1,584,181	0	0.000	52.39	0.00
2023	116	1,379,411	0	0	1,356,375	0	0.000	52.39	0.00
2024	97	1,124,280	0	0	1,105,501	0	0.000	52.39	0.00
Sub-Total		45,474,679	0	0	44,715,247	0	0.000	52.39	0.00
Remainder		2,530,267	0	0	2,488,007	0	0.000	52.39	0.00
Total Future		48,004,946	0	0	47,203,254	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		48,004,946	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	53,066	0	0	0	53,066	13,310	0	39,756
2011	163,570	0	0	0	163,570	41,025	0	122,545
2012	231,849	0	0	0	231,849	58,150	0	173,699
2013	247,806	0	0	0	247,806	62,153	0	185,653
2014	244,527	0	0	0	244,527	61,330	0	183,197
2015	241,703	0	0	0	241,703	60,622	0	181,081
2016	228,687	0	0	0	228,687	57,357	0	171,330
2017	216,336	0	0	0	216,336	54,259	0	162,077
2018	165,555	0	0	0	165,555	41,523	0	124,032
2019	132,211	0	0	0	132,211	33,160	0	99,051
2020	110,462	0	0	0	110,462	25,449	0	85,013
2021	94,886	0	0	0	94,886	18,673	0	76,213
2022	82,996	0	0	0	82,996	13,894	0	69,102
2023	71,061	0	0	0	71,061	10,091	0	60,970
2024	57,917	0	0	0	57,917	7,042	0	50,875
Sub-Total	2,342,632	0	0	0	2,342,632	558,038	0	1,784,594
Remainder	130,347	0	0	0	130,347	12,259	0	118,088
Total Future	2,472,979	0	0	0	2,472,979	570,297	0	1,902,682

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export/Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	5,126	16,245	26,583	3,535	51,489	-11,733	-11,733	-11,811	
2011	6,180	51,483	29,476	10,896	98,035	24,510	12,777	21,208	
2012	7,362	73,118	27,573	15,445	123,498	50,201	62,978	39,120	
2013	8,336	77,926	28,300	16,508	131,070	54,583	117,561	38,686	
2014	8,221	76,822	26,801	16,289	128,133	55,064	172,625	35,266	
2015	9,241	75,597	23,757	16,102	124,697	56,384	229,009	32,696	
2016	10,191	71,099	25,734	15,234	122,258	49,072	278,081	25,844	
2017	9,377	67,054	3,968	14,411	94,810	67,267	345,348	31,933	
2018	9,407	50,503	774	11,029	71,713	52,319	397,667	22,518	
2019	9,590	39,586	500	8,807	58,483	40,568	438,235	15,796	
2020	9,485	32,811	0	7,359	49,655	35,358	473,593	12,457	
2021	9,409	28,141	0	6,320	43,870	32,343	505,936	10,312	
2022	9,351	24,430	0	5,529	39,310	29,792	535,728	8,596	
2023	9,045	20,551	420	4,734	34,750	26,220	561,948	6,858	
2024	8,408	16,148	780	3,858	29,194	21,681	583,629	5,139	
Sub-Total	128,729	721,514	194,666	156,056	1,200,965	583,629		294,618	
Remainder	37,812	33,051	5,220	8,683	84,766	33,322	616,951	6,432	
Total Future	166,541	754,565	199,886	164,739	1,285,731	616,951		301,050	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000	
								COMPOUNDED	MONTHLY
							8.00%	58,138	
							10.00%	53,998	
							12.00%	50,307	
							15.00%	45,474	
							20.00%	38,895	

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	10	875,935	0	0	861,310	0	0.000	52.39	0.00
2011	10	1,354,511	0	0	1,331,886	0	0.000	52.39	0.00
2012	10	813,843	0	0	800,254	0	0.000	52.39	0.00
2013	10	570,330	0	0	560,806	0	0.000	52.39	0.00
2014	10	434,781	0	0	427,518	0	0.000	52.39	0.00
2015	10	348,994	0	0	343,174	0	0.000	52.39	0.00
2016	10	290,125	0	0	285,273	0	0.000	52.39	0.00
2017	10	247,367	0	0	243,241	0	0.000	52.39	0.00
2018	10	215,000	0	0	211,406	0	0.000	52.39	0.00
2019	10	189,701	0	0	186,530	0	0.000	52.39	0.00
2020	10	169,415	0	0	166,589	0	0.000	52.39	0.00
2021	10	144,435	0	0	142,026	0	0.000	52.39	0.00
2022	9	126,539	0	0	124,421	0	0.000	52.39	0.00
2023	9	9,756	0	0	9,590	0	0.000	52.39	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		5,790,732	0	0	5,694,024	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		5,790,732	0	0	5,694,024	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		5,790,732	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	45,124	0	0	0	45,124	11,318	0	33,806
2011	69,778	0	0	0	69,778	17,501	0	52,277
2012	41,925	0	0	0	41,925	10,515	0	31,410
2013	29,380	0	0	0	29,380	7,369	0	22,011
2014	22,398	0	0	0	22,398	5,617	0	16,781
2015	17,979	0	0	0	17,979	4,510	0	13,469
2016	14,946	0	0	0	14,946	3,748	0	11,198
2017	12,743	0	0	0	12,743	3,196	0	9,547
2018	11,075	0	0	0	11,075	2,778	0	8,297
2019	9,773	0	0	0	9,773	2,451	0	7,322
2020	8,727	0	0	0	8,727	2,011	0	6,716
2021	7,441	0	0	0	7,441	1,464	0	5,977
2022	6,518	0	0	0	6,518	1,092	0	5,426
2023	503	0	0	0	503	71	0	432
2024	0	0	0	0	0	0	0	0
Sub-Total	298,310	0	0	0	298,310	73,641	0	224,669
Remainder	0	0	0	0	0	0	0	0
Total Future	298,310	0	0	0	298,310	73,641	0	224,669

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	% %
						Annual	Cumulative		
2010	3,036	12,641	10,115	3,006	28,798	5,008	5,008	4,234	
2011	3,312	23,359	1,551	4,648	32,870	19,407	24,415	16,795	
2012	1,769	14,262	149	2,793	18,973	12,437	36,852	9,746	
2013	1,274	9,845	99	1,957	13,175	8,836	45,688	6,262	
2014	969	7,706	0	1,492	10,167	6,614	52,302	4,238	
2015	842	6,009	0	1,198	8,049	5,420	57,722	3,144	
2016	834	5,030	0	996	6,860	4,338	62,060	2,277	
2017	625	3,981	0	849	5,455	4,092	66,152	1,943	
2018	626	3,392	0	737	4,755	3,542	69,694	1,522	
2019	633	2,945	0	651	4,229	3,093	72,787	1,203	
2020	637	2,610	0	582	3,829	2,887	75,674	1,017	
2021	598	2,225	0	495	3,318	2,659	78,333	848	
2022	581	1,939	0	435	2,955	2,471	80,804	713	
2023	48	145	0	33	226	206	81,010	56	
2024	0	0	0	0	0	0	81,010	0	
Sub-Total	15,784	96,089	11,914	19,872	143,659	81,010		53,998	
Remainder	0	0	0	0	0	0	81,010	0	
Total Future	15,784	96,089	11,914	19,872	143,659	81,010		53,998	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000 COMPOUNDED	MONTHLY
								8.00%	151,786
								10.00%	134,874
								12.00%	120,526
								15.00%	102,760
								20.00%	80,386

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	1	154,170	0	0	151,593	0	0.000	52.39	0.00
2011	7	1,638,110	0	0	1,610,754	0	0.000	52.39	0.00
2012	16	2,710,612	0	0	2,665,346	0	0.000	52.39	0.00
2013	17	2,718,918	0	0	2,673,517	0	0.000	52.39	0.00
2014	17	1,859,485	0	0	1,828,424	0	0.000	52.39	0.00
2015	17	1,375,203	0	0	1,352,233	0	0.000	52.39	0.00
2016	17	1,086,498	0	0	1,068,360	0	0.000	52.39	0.00
2017	17	894,631	0	0	879,687	0	0.000	52.39	0.00
2018	17	758,026	0	0	745,375	0	0.000	52.39	0.00
2019	17	655,972	0	0	645,014	0	0.000	52.39	0.00
2020	17	576,937	0	0	567,298	0	0.000	52.39	0.00
2021	18	521,538	0	0	512,836	0	0.000	52.39	0.00
2022	18	471,350	0	0	463,479	0	0.000	52.39	0.00
2023	27	528,320	0	0	519,493	0	0.000	52.39	0.00
2024	27	484,396	0	0	476,310	0	0.000	52.39	0.00
Sub-Total		16,434,166	0	0	16,159,719	0	0.000	52.39	0.00
Remainder		2,063,955	0	0	2,029,484	0	0.000	52.39	0.00
Total Future		18,498,121	0	0	18,189,203	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		18,498,121	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	7,942	0	0	0	7,942	1,992	0	5,950
2011	84,387	0	0	0	84,387	21,165	0	63,222
2012	139,638	0	0	0	139,638	35,023	0	104,615
2013	140,065	0	0	0	140,065	35,130	0	104,935
2014	95,792	0	0	0	95,792	24,025	0	71,767
2015	70,843	0	0	0	70,843	17,769	0	53,074
2016	55,971	0	0	0	55,971	14,038	0	41,933
2017	46,087	0	0	0	46,087	11,559	0	34,528
2018	39,050	0	0	0	39,050	9,794	0	29,256
2019	33,793	0	0	0	33,793	8,476	0	25,317
2020	29,721	0	0	0	29,721	6,847	0	22,874
2021	26,867	0	0	0	26,867	5,287	0	21,580
2022	24,281	0	0	0	24,281	4,065	0	20,216
2023	27,217	0	0	0	27,217	3,865	0	23,352
2024	24,954	0	0	0	24,954	3,034	0	21,920
Sub-Total	846,608	0	0	0	846,608	202,069	0	644,539
Remainder	106,324	0	0	0	106,324	9,741	0	96,583
Total Future	952,932	0	0	0	952,932	211,810	0	741,122

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		@ 10.00	%
						Annual	Cumulative		
2010	928	2,595	10,378	529	14,430	-8,480	-8,480	-8,178	
2011	2,480	25,442	14,244	5,622	47,788	15,434	6,954	13,266	
2012	4,157	44,497	12,970	9,302	70,926	33,689	40,643	26,214	
2013	4,901	46,569	3,006	9,330	63,806	41,129	81,772	29,142	
2014	3,482	32,353	1,636	6,381	43,852	27,915	109,687	17,920	
2015	2,758	23,155	1,584	4,720	32,217	20,857	130,544	12,108	
2016	2,855	18,778	451	3,728	25,812	16,121	146,665	8,468	
2017	1,832	14,385	450	3,070	19,737	14,791	161,456	7,027	
2018	1,930	11,927	399	2,602	16,858	12,398	173,854	5,330	
2019	2,102	10,155	258	2,251	14,766	10,551	184,405	4,106	
2020	2,129	8,894	0	1,980	13,003	9,871	194,276	3,476	
2021	2,199	8,036	0	1,790	12,025	9,555	203,831	3,044	
2022	2,248	7,213	0	1,617	11,078	9,138	212,969	2,636	
2023	2,986	7,959	0	1,813	12,758	10,594	223,563	2,765	
2024	3,247	7,046	0	1,662	11,955	9,965	233,528	2,357	
Sub-Total	40,234	269,004	45,376	56,397	411,011	233,528		129,681	
Remainder	33,393	26,822	1,620	7,083	68,918	27,665	261,193	5,193	
Total Future	73,627	295,826	46,996	63,480	479,929	261,193		134,874	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000 COMPOUNDED	MONTHLY
								8.00%	13,400
								10.00%	11,534
								12.00%	9,915
								15.00%	7,874
								20.00%	5,282

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011	6	149,798	0	0	147,294	0	0.000	52.39	0.00
2012	6	321,786	0	0	316,412	0	0.000	52.39	0.00
2013	9	286,033	0	0	281,256	0	0.000	52.39	0.00
2014	9	296,227	0	0	291,285	0	0.000	52.39	0.00
2015	16	312,133	0	0	306,919	0	0.000	52.39	0.00
2016	19	526,447	0	0	517,656	0	0.000	52.39	0.00
2017	19	405,274	0	0	398,504	0	0.000	52.39	0.00
2018	13	239,519	0	0	235,516	0	0.000	52.39	0.00
2019	13	172,447	0	0	169,564	0	0.000	52.39	0.00
2020	10	48,349	0	0	47,544	0	0.000	52.39	0.00
2021	2	1,462	0	0	1,438	0	0.000	52.39	0.00
2022		0	0	0	0	0	0.000	0.00	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		2,759,475	0	0	2,713,388	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		2,759,475	0	0	2,713,388	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		2,759,475	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	0	0	0	0	0	0	0	0
2011	7,717	0	0	0	7,717	1,935	0	5,782
2012	16,577	0	0	0	16,577	4,158	0	12,419
2013	14,735	0	0	0	14,735	3,696	0	11,039
2014	15,260	0	0	0	15,260	3,827	0	11,433
2015	16,079	0	0	0	16,079	4,033	0	12,046
2016	27,120	0	0	0	27,120	6,802	0	20,318
2017	20,878	0	0	0	20,878	5,237	0	15,641
2018	12,339	0	0	0	12,339	3,094	0	9,245
2019	8,884	0	0	0	8,884	2,228	0	6,656
2020	2,490	0	0	0	2,490	574	0	1,916
2021	76	0	0	0	76	15	0	61
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
Sub-Total	142,155	0	0	0	142,155	35,599	0	106,556
Remainder	0	0	0	0	0	0	0	0
Total Future	142,155	0	0	0	142,155	35,599	0	106,556

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	581	505	525	0	1,611	-1,611	-1,611	-1,545	
2011	368	2,292	5,321	514	8,495	-2,713	-4,324	-2,425	
2012	739	5,452	864	1,104	8,159	4,260	-64	3,321	
2013	716	4,678	3,137	982	9,513	1,526	1,462	1,033	
2014	741	5,145	410	1,016	7,312	4,121	5,583	2,638	
2015	741	4,308	7,250	1,072	13,371	-1,325	4,258	-778	
2016	1,421	8,648	2,290	1,806	14,165	6,153	10,411	3,203	
2017	1,079	6,456	273	1,391	9,199	6,442	16,853	3,067	
2018	781	3,760	0	822	5,363	3,882	20,735	1,671	
2019	709	2,652	0	592	3,953	2,703	23,438	1,055	
2020	220	734	0	166	1,120	796	24,234	285	
2021	8	22	0	5	35	26	24,260	9	
2022	0	0	0	0	0	0	24,260	0	
2023	0	0	0	0	0	0	24,260	0	
2024	0	0	0	0	0	0	24,260	0	
Sub-Total	8,104	44,652	20,070	9,470	82,296	24,260		11,534	
Remainder	0	0	0	0	0	0	24,260	0	
Total Future	8,104	44,652	20,070	9,470	82,296	24,260		11,534	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	120,360
FINAL								10.00%	100,644
REMARKS								12.00%	84,242
								15.00%	64,570
								20.00%	41,356

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011	1	32,775	0	0	32,226	0	0.000	52.39	0.00
2012	10	654,347	0	0	643,416	0	0.000	52.39	0.00
2013	21	1,235,089	0	0	1,214,460	0	0.000	52.39	0.00
2014	37	2,156,224	0	0	2,120,211	0	0.000	52.39	0.00
2015	44	2,655,546	0	0	2,611,197	0	0.000	52.39	0.00
2016	57	2,536,143	0	0	2,493,795	0	0.000	52.39	0.00
2017	65	2,652,204	0	0	2,607,913	0	0.000	52.39	0.00
2018	67	2,001,163	0	0	1,967,743	0	0.000	52.39	0.00
2019	70	1,548,336	0	0	1,522,495	0	0.000	52.39	0.00
2020	78	1,349,570	0	0	1,327,027	0	0.000	52.39	0.00
2021	80	1,174,482	0	0	1,154,869	0	0.000	52.39	0.00
2022	80	1,013,208	0	0	996,281	0	0.000	52.39	0.00
2023	80	841,335	0	0	827,292	0	0.000	52.39	0.00
2024	70	639,884	0	0	629,191	0	0.000	52.39	0.00
Sub-Total		20,490,306	0	0	20,148,116	0	0.000	52.39	0.00
Remainder		466,312	0	0	458,523	0	0.000	52.39	0.00
Total Future		20,956,618	0	0	20,606,639	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		20,956,618	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	0	0	0	0	0	0	0	0
2011	1,688	0	0	0	1,688	423	0	1,265
2012	33,709	0	0	0	33,709	8,455	0	25,254
2013	63,626	0	0	0	63,626	15,958	0	47,668
2014	111,078	0	0	0	111,078	27,860	0	83,218
2015	136,800	0	0	0	136,800	34,311	0	102,489
2016	130,650	0	0	0	130,650	32,768	0	97,882
2017	136,629	0	0	0	136,629	34,268	0	102,361
2018	103,090	0	0	0	103,090	25,856	0	77,234
2019	79,763	0	0	0	79,763	20,006	0	59,757
2020	69,523	0	0	0	69,523	16,017	0	53,506
2021	60,503	0	0	0	60,503	11,907	0	48,596
2022	52,195	0	0	0	52,195	8,737	0	43,458
2023	43,342	0	0	0	43,342	6,155	0	37,187
2024	32,964	0	0	0	32,964	4,008	0	28,956
Sub-Total	1,055,560	0	0	0	1,055,560	246,729	0	808,831
Remainder	24,022	0	0	0	24,022	2,518	0	21,504
Total Future	1,079,582	0	0	0	1,079,582	249,247	0	830,335

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	581	505	5,566	0	6,652	-6,652	-6,652	-6,322	
2011	20	388	8,359	112	8,879	-7,614	-14,266	-6,427	
2012	696	8,909	13,591	2,246	25,442	-188	-14,454	-162	
2013	1,445	16,834	22,057	4,238	44,574	3,094	-11,360	2,249	
2014	3,030	31,616	24,756	7,400	66,802	16,416	5,056	10,470	
2015	4,899	42,126	14,922	9,113	71,060	31,429	36,485	18,221	
2016	5,081	38,642	22,994	8,703	75,420	22,462	58,947	11,897	
2017	5,843	42,234	3,244	9,102	60,423	41,938	100,885	19,896	
2018	6,068	31,423	375	6,867	44,733	32,501	133,386	13,995	
2019	6,146	23,834	242	5,314	35,536	24,221	157,607	9,432	
2020	6,500	20,574	0	4,631	31,705	21,801	179,408	7,679	
2021	6,604	17,856	0	4,031	28,491	20,105	199,513	6,411	
2022	6,522	15,278	0	3,477	25,277	18,181	217,694	5,247	
2023	6,010	12,448	420	2,887	21,765	15,422	233,116	4,037	
2024	5,162	9,102	780	2,196	17,240	11,716	244,832	2,782	
Sub-Total	64,607	311,769	117,306	70,317	563,999	244,832		99,405	
Remainder	4,419	6,229	3,600	1,600	15,848	5,656	250,488	1,239	
Total Future	69,026	317,998	120,906	71,917	579,847	250,488		100,644	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL
PROVED

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000 COMPOUNDED	MONTHLY
								8.00%	87,045
								10.00%	79,169
								12.00%	72,252
								15.00%	63,373
								20.00%	51,677

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	10	875,935	0	0	861,310	0	0.000	52.39	0.00
2011	16	1,504,309	0	0	1,479,180	0	0.000	52.39	0.00
2012	19	1,369,198	0	0	1,346,102	0	0.000	52.39	0.00
2013	22	1,190,717	0	0	1,170,498	0	0.000	52.39	0.00
2014	22	932,736	0	0	916,960	0	0.000	52.39	0.00
2015	26	796,007	0	0	782,474	0	0.000	52.39	0.00
2016	33	858,780	0	0	844,127	0	0.000	52.39	0.00
2017	36	936,638	0	0	920,788	0	0.000	52.39	0.00
2018	30	710,147	0	0	698,127	0	0.000	52.39	0.00
2019	30	539,196	0	0	530,064	0	0.000	52.39	0.00
2020	27	422,389	0	0	415,228	0	0.000	52.39	0.00
2021	27	243,990	0	0	239,870	0	0.000	52.39	0.00
2022	14	161,879	0	0	159,138	0	0.000	52.39	0.00
2023	11	36,472	0	0	35,832	0	0.000	52.39	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		10,578,393	0	0	10,399,698	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		10,578,393	0	0	10,399,698	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		10,578,393	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	45,124	0	0	0	45,124	11,318	0	33,806
2011	77,494	0	0	0	77,494	19,436	0	58,058
2012	70,523	0	0	0	70,523	17,688	0	52,835
2013	61,322	0	0	0	61,322	15,380	0	45,942
2014	48,039	0	0	0	48,039	12,049	0	35,990
2015	40,994	0	0	0	40,994	10,282	0	30,712
2016	44,224	0	0	0	44,224	11,092	0	33,132
2017	48,240	0	0	0	48,240	12,099	0	36,141
2018	36,575	0	0	0	36,575	9,173	0	27,402
2019	27,770	0	0	0	27,770	6,965	0	20,805
2020	21,754	0	0	0	21,754	5,456	0	16,298
2021	12,567	0	0	0	12,567	2,711	0	9,856
2022	8,337	0	0	0	8,337	1,534	0	6,803
2023	1,878	0	0	0	1,878	294	0	1,584
2024	0	0	0	0	0	0	0	0
Sub-Total	544,841	0	0	0	544,841	135,477	0	409,364
Remainder	0	0	0	0	0	0	0	0
Total Future	544,841	0	0	0	544,841	135,477	0	409,364

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	3,612	13,142	10,658	3,006	30,418	3,388	3,388		2,680
2011	3,679	25,648	7,037	5,162	41,526	16,532	19,920		14,231
2012	2,839	24,043	3,771	4,698	35,351	17,484	37,404		13,562
2013	2,262	20,539	3,786	4,085	30,672	15,270	52,674		10,773
2014	1,738	15,961	525	3,200	21,424	14,566	67,240		9,335
2015	1,718	13,248	3,246	2,731	20,943	9,769	77,009		5,617
2016	1,919	13,625	7,932	2,946	26,422	6,710	83,719		3,504
2017	2,071	15,579	2,154	3,214	23,018	13,123	96,842		6,217
2018	1,770	11,407	273	2,436	15,886	11,516	108,358		4,954
2019	1,679	8,451	0	1,850	11,980	8,825	117,183		3,439
2020	1,543	6,508	0	1,449	9,500	6,798	123,981		2,395
2021	949	3,769	0	838	5,556	4,300	128,281		1,377
2022	666	2,507	0	555	3,728	3,075	131,356		888
2023	157	558	0	125	840	744	132,100		197
2024	0	0	0	0	0	0	132,100		0
Sub-Total	26,602	174,985	39,382	36,295	277,264	132,100			79,169
Remainder	0	0	0	0	0	0	132,100		0
Total Future	26,602	174,985	39,382	36,295	277,264	132,100			79,169



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000	
								COMPOUNDED	MONTHLY
							8.00%	—	415,953
							10.00%	—	356,629
							12.00%	—	307,262
							15.00%	—	247,785
							20.00%	—	176,503

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	1	154,170	0	0	151,593	0	0.000	52.39	0.00
2011	8	1,670,885	0	0	1,642,980	0	0.000	52.39	0.00
2012	31	3,610,045	0	0	3,549,508	0	0.000	52.39	0.00
2013	52	5,637,580	0	0	5,541,753	0	0.000	52.39	0.00
2014	75	6,641,772	0	0	6,528,216	0	0.000	52.39	0.00
2015	91	6,177,767	0	0	6,072,441	0	0.000	52.39	0.00
2016	106	6,183,534	0	0	6,077,269	0	0.000	52.39	0.00
2017	123	5,374,660	0	0	5,282,379	0	0.000	52.39	0.00
2018	129	4,929,327	0	0	4,845,205	0	0.000	52.39	0.00
2019	132	3,855,850	0	0	3,790,068	0	0.000	52.39	0.00
2020	132	3,146,409	0	0	3,092,697	0	0.000	52.39	0.00
2021	145	2,769,602	0	0	2,722,339	0	0.000	52.39	0.00
2022	148	2,445,082	0	0	2,403,346	0	0.000	52.39	0.00
2023	157	2,208,085	0	0	2,170,413	0	0.000	52.39	0.00
2024	149	1,916,949	0	0	1,884,237	0	0.000	52.39	0.00
Sub-Total		56,721,717	0	0	55,754,444	0	0.000	52.39	0.00
Remainder		4,767,706	0	0	4,686,066	0	0.000	52.39	0.00
Total Future		61,489,423	0	0	60,440,510	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		61,489,423	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	7,942	0	0	0	7,942	1,992	0	5,950
2011	86,076	0	0	0	86,076	21,589	0	64,487
2012	185,959	0	0	0	185,959	46,640	0	139,319
2013	290,332	0	0	0	290,332	72,819	0	217,513
2014	342,014	0	0	0	342,014	85,781	0	256,233
2015	318,135	0	0	0	318,135	79,792	0	238,343
2016	318,388	0	0	0	318,388	79,855	0	238,533
2017	276,744	0	0	0	276,744	69,410	0	207,334
2018	253,840	0	0	0	253,840	63,666	0	190,174
2019	198,561	0	0	0	198,561	49,802	0	148,759
2020	162,026	0	0	0	162,026	40,638	0	121,388
2021	142,623	0	0	0	142,623	30,762	0	111,861
2022	125,912	0	0	0	125,912	23,168	0	102,744
2023	113,709	0	0	0	113,709	17,820	0	95,889
2024	98,714	0	0	0	98,714	13,152	0	85,562
Sub-Total	2,920,975	0	0	0	2,920,975	696,886	0	2,224,089
Remainder	245,504	0	0	0	245,504	24,143	0	221,361
Total Future	3,166,479	0	0	0	3,166,479	721,029	0	2,445,450

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000		
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted Annual	Undiscounted Cumulative	Discounted @ 10.00 %
2010	1,514	3,098	15,925	529	21,066	-15,116	-15,116	-14,485
2011	2,500	25,827	24,439	5,734	58,500	5,987	-9,129	5,267
2012	4,793	56,981	44,349	12,388	118,511	20,808	11,679	16,187
2013	7,188	90,553	40,945	19,341	158,027	59,486	71,165	42,113
2014	8,236	107,255	35,984	22,783	174,258	81,975	153,140	52,331
2015	9,508	99,740	33,606	21,193	164,047	74,296	227,436	43,210
2016	11,050	99,996	25,760	21,210	158,016	80,517	307,953	42,068
2017	10,203	85,778	25,616	18,435	140,032	67,302	375,255	32,106
2018	11,395	78,333	6,095	16,910	112,733	77,441	452,696	33,291
2019	11,588	60,423	600	13,227	85,838	62,921	515,617	24,506
2020	11,885	48,322	500	10,794	71,501	49,887	565,504	17,581
2021	12,341	42,629	0	9,501	64,471	47,390	612,894	15,106
2022	12,522	37,527	0	8,387	58,436	44,308	657,202	12,785
2023	12,692	33,554	420	7,575	54,241	41,648	698,850	10,885
2024	12,354	28,560	540	6,576	48,030	37,532	736,382	8,879
Sub-Total	139,769	898,576	254,779	194,583	1,487,707	736,382		341,830
Remainder	53,616	64,848	8,580	16,354	143,398	77,963	814,345	14,799
Total Future	193,385	963,424	263,359	210,937	1,631,105	814,345		356,629



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
ALL PROPERTIES
TOTAL PV & PB

TOTAL
PV & PB

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED		
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000	
								COMPOUNDED	MONTHLY
							8.00%	—	502,998
							10.00%	—	435,798
							12.00%	—	379,514
							15.00%	—	311,157
							20.00%	—	228,180

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	11	1,030,105	0	0	1,012,903	0	0.000	52.39	0.00
2011	24	3,175,194	0	0	3,122,160	0	0.000	52.39	0.00
2012	50	4,979,243	0	0	4,895,610	0	0.000	52.39	0.00
2013	74	6,828,297	0	0	6,712,251	0	0.000	52.39	0.00
2014	97	7,574,508	0	0	7,445,176	0	0.000	52.39	0.00
2015	117	6,973,774	0	0	6,854,915	0	0.000	52.39	0.00
2016	139	7,042,314	0	0	6,921,396	0	0.000	52.39	0.00
2017	159	6,311,298	0	0	6,203,167	0	0.000	52.39	0.00
2018	159	5,639,474	0	0	5,543,332	0	0.000	52.39	0.00
2019	162	4,395,046	0	0	4,320,132	0	0.000	52.39	0.00
2020	159	3,568,798	0	0	3,507,925	0	0.000	52.39	0.00
2021	172	3,013,592	0	0	2,962,209	0	0.000	52.39	0.00
2022	162	2,606,961	0	0	2,562,484	0	0.000	52.39	0.00
2023	168	2,244,557	0	0	2,206,245	0	0.000	52.39	0.00
2024	149	1,916,949	0	0	1,884,237	0	0.000	52.39	0.00
Sub-Total		67,300,110	0	0	66,154,142	0	0.000	52.39	0.00
Remainder		4,767,706	0	0	4,686,066	0	0.000	52.39	0.00
Total Future		72,067,816	0	0	70,840,208	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		72,067,816	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	53,066	0	0	0	53,066	13,310	0	39,756
2011	163,570	0	0	0	163,570	41,025	0	122,545
2012	256,481	0	0	0	256,481	64,328	0	192,153
2013	351,655	0	0	0	351,655	88,199	0	263,456
2014	390,053	0	0	0	390,053	97,830	0	292,223
2015	359,129	0	0	0	359,129	90,073	0	269,056
2016	362,612	0	0	0	362,612	90,947	0	271,665
2017	324,984	0	0	0	324,984	81,510	0	243,474
2018	290,415	0	0	0	290,415	72,839	0	217,576
2019	226,331	0	0	0	226,331	56,767	0	169,564
2020	183,781	0	0	0	183,781	46,094	0	137,687
2021	155,189	0	0	0	155,189	33,473	0	121,716
2022	134,249	0	0	0	134,249	24,702	0	109,547
2023	115,586	0	0	0	115,586	18,114	0	97,472
2024	98,715	0	0	0	98,715	13,152	0	85,563
Sub-Total	3,465,816	0	0	0	3,465,816	832,363	0	2,633,453
Remainder	245,503	0	0	0	245,503	24,143	0	221,360
Total Future	3,711,319	0	0	0	3,711,319	856,506	0	2,854,813

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export/Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	5,126	16,239	26,583	3,535	51,483	-11,727	-11,727	-11,806	
2011	6,180	51,476	31,476	10,896	100,028	22,517	10,790	19,499	
2012	7,631	81,025	48,120	17,086	153,862	38,291	49,081	29,750	
2013	9,450	111,091	44,731	23,426	188,698	74,758	123,839	52,884	
2014	9,974	123,217	36,509	25,983	195,683	96,540	220,379	61,666	
2015	11,227	112,987	36,852	23,924	184,990	84,066	304,445	48,828	
2016	12,968	113,621	33,692	24,156	184,437	87,228	391,673	45,573	
2017	12,274	101,357	27,770	21,649	163,050	80,424	472,097	38,323	
2018	13,165	89,740	6,368	19,346	128,619	88,957	561,054	38,244	
2019	13,267	68,874	600	15,077	97,818	71,746	632,800	27,946	
2020	13,428	54,830	500	12,243	81,001	56,686	689,486	19,975	
2021	13,290	46,398	0	10,338	70,026	51,690	741,176	16,483	
2022	13,188	40,034	0	8,943	62,165	47,382	788,558	13,673	
2023	12,849	34,113	420	7,700	55,082	42,390	830,948	11,081	
2024	12,354	28,559	540	6,576	48,029	37,534	868,482	8,879	
Sub-Total	166,371	1,073,561	294,161	230,878	1,764,971	868,482		420,998	
Remainder	53,616	64,849	8,580	16,354	143,399	77,961	946,443	14,800	
Total Future	219,987	1,138,410	302,741	247,232	1,908,370	946,443		435,798	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	58,858
FINAL								10.00%	54,701
REMARKS								12.00%	50,992
								15.00%	46,132
								20.00%	39,509

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	10	875,935	0	0	861,310	0	0.000	52.39	0.00
2011	10	1,354,511	0	0	1,331,886	0	0.000	52.39	0.00
2012	10	813,843	0	0	800,254	0	0.000	52.39	0.00
2013	10	570,330	0	0	560,806	0	0.000	52.39	0.00
2014	10	434,781	0	0	427,518	0	0.000	52.39	0.00
2015	10	348,994	0	0	343,174	0	0.000	52.39	0.00
2016	10	290,125	0	0	285,273	0	0.000	52.39	0.00
2017	10	247,367	0	0	243,241	0	0.000	52.39	0.00
2018	10	215,000	0	0	211,406	0	0.000	52.39	0.00
2019	10	189,701	0	0	186,530	0	0.000	52.39	0.00
2020	10	169,415	0	0	166,589	0	0.000	52.39	0.00
2021	10	144,435	0	0	142,026	0	0.000	52.39	0.00
2022	9	126,539	0	0	124,421	0	0.000	52.39	0.00
2023	9	9,756	0	0	9,590	0	0.000	52.39	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		5,790,732	0	0	5,694,024	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		5,790,732	0	0	5,694,024	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		5,790,732	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT	
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	\$000	\$000
2010	45,124	0	0	0	45,124	11,318	0	33,806	
2011	69,778	0	0	0	69,778	17,501	0	52,277	
2012	41,925	0	0	0	41,925	10,515	0	31,410	
2013	29,380	0	0	0	29,380	7,369	0	22,011	
2014	22,398	0	0	0	22,398	5,617	0	16,781	
2015	17,979	0	0	0	17,979	4,510	0	13,469	
2016	14,946	0	0	0	14,946	3,748	0	11,198	
2017	12,743	0	0	0	12,743	3,196	0	9,547	
2018	11,075	0	0	0	11,075	2,778	0	8,297	
2019	9,773	0	0	0	9,773	2,451	0	7,322	
2020	8,727	0	0	0	8,727	2,189	0	6,538	
2021	7,441	0	0	0	7,441	1,605	0	5,836	
2022	6,518	0	0	0	6,518	1,200	0	5,318	
2023	503	0	0	0	503	78	0	425	
2024	0	0	0	0	0	0	0	0	
Sub-Total	298,310	0	0	0	298,310	74,075	0	224,235	
Remainder	0	0	0	0	0	0	0	0	
Total Future	298,310	0	0	0	298,310	74,075	0	224,235	

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	2,740	12,386	10,125	3,006	28,257	5,549	5,549	4,755	
2011	3,312	23,356	1,552	4,648	32,868	19,409	24,958	16,797	
2012	1,705	14,548	150	2,793	19,196	12,214	37,172	9,571	
2013	1,115	10,028	100	1,957	13,200	8,811	45,983	6,245	
2014	803	7,482	0	1,492	9,777	7,004	52,987	4,487	
2015	727	5,804	0	1,198	7,729	5,740	58,727	3,329	
2016	688	4,902	0	996	6,586	4,612	63,339	2,419	
2017	603	4,215	0	849	5,667	3,880	67,219	1,843	
2018	579	3,464	0	737	4,780	3,517	70,736	1,512	
2019	579	2,978	0	651	4,208	3,114	73,850	1,211	
2020	583	2,618	0	582	3,783	2,755	76,605	970	
2021	545	2,237	0	495	3,277	2,559	79,164	816	
2022	528	1,959	0	435	2,922	2,396	81,560	692	
2023	44	148	0	33	225	200	81,760	54	
2024	0	0	0	0	0	0	81,760	0	
Sub-Total	14,551	96,125	11,927	19,872	142,475	81,760		54,701	
Remainder	0	0	0	0	0	0	81,760	0	
Total Future	14,551	96,125	11,927	19,872	142,475	81,760		54,701	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	155,101
FINAL								10.00%	137,617
REMARKS								12.00%	122,844
								15.00%	104,625
								20.00%	81,781

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010	1	154,170	0	0	151,593	0	0.000	52.39	0.00
2011	7	1,638,110	0	0	1,610,754	0	0.000	52.39	0.00
2012	16	2,710,612	0	0	2,665,346	0	0.000	52.39	0.00
2013	17	2,718,918	0	0	2,673,517	0	0.000	52.39	0.00
2014	17	1,859,485	0	0	1,828,424	0	0.000	52.39	0.00
2015	17	1,375,203	0	0	1,352,233	0	0.000	52.39	0.00
2016	17	1,086,498	0	0	1,068,360	0	0.000	52.39	0.00
2017	17	894,631	0	0	879,687	0	0.000	52.39	0.00
2018	17	758,026	0	0	745,375	0	0.000	52.39	0.00
2019	17	655,972	0	0	645,014	0	0.000	52.39	0.00
2020	17	576,937	0	0	567,298	0	0.000	52.39	0.00
2021	18	521,538	0	0	512,836	0	0.000	52.39	0.00
2022	18	471,350	0	0	463,479	0	0.000	52.39	0.00
2023	27	528,320	0	0	519,493	0	0.000	52.39	0.00
2024	27	484,396	0	0	476,310	0	0.000	52.39	0.00
Sub-Total		16,434,166	0	0	16,159,719	0	0.000	52.39	0.00
Remainder		2,063,955	0	0	2,029,484	0	0.000	52.39	0.00
Total Future		18,498,121	0	0	18,189,203	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		18,498,121	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	7,942	0	0	0	7,942	1,992	0	5,950
2011	84,387	0	0	0	84,387	21,165	0	63,222
2012	139,638	0	0	0	139,638	35,023	0	104,615
2013	140,065	0	0	0	140,065	35,130	0	104,935
2014	95,792	0	0	0	95,792	24,025	0	71,767
2015	70,843	0	0	0	70,843	17,769	0	53,074
2016	55,971	0	0	0	55,971	14,038	0	41,933
2017	46,087	0	0	0	46,087	11,559	0	34,528
2018	39,050	0	0	0	39,050	9,794	0	29,256
2019	33,793	0	0	0	33,793	8,476	0	25,317
2020	29,721	0	0	0	29,721	7,454	0	22,267
2021	26,867	0	0	0	26,867	5,795	0	21,072
2022	24,281	0	0	0	24,281	4,468	0	19,813
2023	27,217	0	0	0	27,217	4,265	0	22,952
2024	24,954	0	0	0	24,954	3,325	0	21,629
Sub-Total	846,608	0	0	0	846,608	204,278	0	642,330
Remainder	106,324	0	0	0	106,324	10,003	0	96,321
Total Future	952,932	0	0	0	952,932	214,281	0	738,651

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	642	2,342	10,359	529	13,872	-7,922	-7,922	-7,641	
2011	2,481	25,438	14,245	5,622	47,786	15,436	7,514	13,268	
2012	3,964	45,054	13,234	9,302	71,554	33,061	40,575	25,722	
2013	4,086	47,437	3,012	9,330	63,865	41,070	81,645	29,099	
2014	2,516	31,734	1,646	6,381	42,277	29,490	111,135	18,924	
2015	2,145	22,585	1,593	4,720	31,043	22,031	133,166	12,789	
2016	2,031	18,363	453	3,728	24,575	17,358	150,524	9,112	
2017	1,818	15,177	453	3,070	20,518	14,010	164,534	6,658	
2018	1,653	12,177	402	2,602	16,834	12,422	176,956	5,341	
2019	1,747	10,299	259	2,251	14,556	10,761	187,717	4,187	
2020	1,881	8,929	0	1,980	12,790	9,477	197,194	3,337	
2021	1,938	8,089	0	1,790	11,817	9,255	206,449	2,949	
2022	1,976	7,300	0	1,617	10,893	8,920	215,369	2,573	
2023	2,643	8,103	0	1,813	12,559	10,393	225,762	2,712	
2024	2,748	7,283	0	1,662	11,693	9,936	235,698	2,349	
Sub-Total	34,269	270,310	45,656	56,397	406,632	235,698		131,379	
Remainder	25,563	27,594	1,620	7,083	61,860	34,461	270,159	6,238	
Total Future	59,832	297,904	47,276	63,480	468,492	270,159		137,617	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
TUNGOLSKOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$'000
								COMPOUNDED MONTHLY
								8.00% - 11,786
								10.00% - 10,483
								12.00% - 9,343
								15.00% - 7,888
								20.00% - 5,993

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011		0	0	0	0	0	0.000	0.00	0.00
2012	3	233,569	0	0	229,436	0	0.000	52.39	0.00
2013	3	334,354	0	0	328,436	0	0.000	52.39	0.00
2014	3	201,728	0	0	198,157	0	0.000	52.39	0.00
2015	3	142,273	0	0	139,755	0	0.000	52.39	0.00
2016	3	108,846	0	0	106,919	0	0.000	52.39	0.00
2017	3	87,575	0	0	86,024	0	0.000	52.39	0.00
2018	3	72,915	0	0	71,623	0	0.000	52.39	0.00
2019	3	62,242	0	0	61,143	0	0.000	52.39	0.00
2020	3	54,148	0	0	53,188	0	0.000	52.39	0.00
2021	3	47,810	0	0	46,964	0	0.000	52.39	0.00
2022	3	33,878	0	0	33,279	0	0.000	52.39	0.00
2023	2	26,716	0	0	26,242	0	0.000	52.39	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		1,406,054	0	0	1,381,166	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		1,406,054	0	0	1,381,166	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		1,406,054	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$'000					MRT		FGR AFTER MRT \$'000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$'000	Gas/P.P. - \$'000	
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	12,020	0	0	0	12,020	3,015	0	9,005
2013	17,207	0	0	0	17,207	4,315	0	12,892
2014	10,381	0	0	0	10,381	2,604	0	7,777
2015	7,322	0	0	0	7,322	1,837	0	5,485
2016	5,602	0	0	0	5,602	1,405	0	4,197
2017	4,506	0	0	0	4,506	1,130	0	3,376
2018	3,753	0	0	0	3,753	941	0	2,812
2019	3,203	0	0	0	3,203	803	0	2,400
2020	2,787	0	0	0	2,787	699	0	2,088
2021	2,460	0	0	0	2,460	531	0	1,929
2022	1,743	0	0	0	1,743	321	0	1,422
2023	1,375	0	0	0	1,375	215	0	1,160
2024	0	0	0	0	0	0	0	0
Sub-Total	72,359	0	0	0	72,359	17,816	0	54,543
Remainder	0	0	0	0	0	0	0	0
Total Future	72,359	0	0	0	72,359	17,816	0	54,543

Period	DEDUCTIONS - \$'000					FUTURE NET INCOME AFTER PROFIT TAXES-\$'000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted	
						Annual	Cumulative	@ 10.00	%
2010	291	252	0	0	543	-543	-543	-523	
2011	0	0	162	0	162	-162	-705	-139	
2012	418	3,948	2,757	801	7,924	1,081	376	726	
2013	509	5,804	490	1,146	7,949	4,943	5,319	3,502	
2014	300	3,484	0	692	4,476	3,301	8,620	2,120	
2015	247	2,372	0	487	3,106	2,379	10,999	1,380	
2016	225	1,845	0	373	2,443	1,754	12,753	922	
2017	189	1,495	0	301	1,985	1,391	14,144	661	
2018	178	1,176	0	250	1,604	1,208	15,352	519	
2019	178	978	0	213	1,369	1,031	16,383	401	
2020	177	837	0	186	1,200	888	17,271	313	
2021	177	741	0	164	1,082	847	18,118	270	
2022	131	525	0	116	772	650	18,768	188	
2023	113	411	0	91	615	545	19,313	143	
2024	0	0	0	0	0	0	19,313	0	
Sub-Total	3,133	23,868	3,409	4,820	35,230	19,313		10,483	
Remainder	0	0	0	0	0	0	19,313	0	
Total Future	3,133	23,868	3,409	4,820	35,230	19,313		10,483	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
TUNGOLSKOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

INITIAL FINAL REMARKS	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000
								COMPOUNDED
								MONTHLY
								8.00% -
								104,310
								10.00% -
								89,495
								12.00% -
								77,123
								15.00% -
								62,137
								20.00% -
								44,017

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011		0	0	0	0	0	0.000	0.00	0.00
2012	5	245,086	0	0	240,746	0	0.000	52.39	0.00
2013	14	1,683,573	0	0	1,653,776	0	0.000	52.39	0.00
2014	21	2,626,063	0	0	2,579,581	0	0.000	52.39	0.00
2015	21	1,967,556	0	0	1,932,729	0	0.000	52.39	0.00
2016	21	1,364,697	0	0	1,340,540	0	0.000	52.39	0.00
2017	21	1,038,296	0	0	1,019,922	0	0.000	52.39	0.00
2018	21	833,623	0	0	818,863	0	0.000	52.39	0.00
2019	21	693,566	0	0	681,295	0	0.000	52.39	0.00
2020	21	591,944	0	0	581,467	0	0.000	52.39	0.00
2021	21	514,998	0	0	505,881	0	0.000	52.39	0.00
2022	22	463,660	0	0	455,456	0	0.000	52.39	0.00
2023	22	417,926	0	0	410,525	0	0.000	52.39	0.00
2024	24	399,632	0	0	392,560	0	0.000	52.39	0.00
Sub-Total		12,840,620	0	0	12,613,341	0	0.000	52.39	0.00
Remainder		1,547,376	0	0	1,519,983	0	0.000	52.39	0.00
Total Future		14,387,996	0	0	14,133,324	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		14,387,996	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	12,613	0	0	0	12,613	3,163	0	9,450
2013	86,641	0	0	0	86,641	21,731	0	64,910
2014	135,144	0	0	0	135,144	33,896	0	101,248
2015	101,256	0	0	0	101,256	25,396	0	75,860
2016	70,231	0	0	0	70,231	17,614	0	52,617
2017	53,433	0	0	0	53,433	13,402	0	40,031
2018	42,901	0	0	0	42,901	10,760	0	32,141
2019	35,693	0	0	0	35,693	8,952	0	26,741
2020	30,463	0	0	0	30,463	7,641	0	22,822
2021	26,503	0	0	0	26,503	5,716	0	20,787
2022	23,861	0	0	0	23,861	4,391	0	19,470
2023	21,508	0	0	0	21,508	3,370	0	18,138
2024	20,566	0	0	0	20,566	2,740	0	17,826
Sub-Total	660,813	0	0	0	660,813	158,772	0	502,041
Remainder	79,632	0	0	0	79,632	7,605	0	72,027
Total Future	740,445	0	0	0	740,445	166,377	0	574,068

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	291	252	0	0	543	-543	-543	-523	
2011	0	0	1,838	0	1,838	-1,838	-2,381	-1,577	
2012	141	2,965	17,139	840	21,085	-11,635	-14,016	-9,038	
2013	1,782	26,176	14,941	5,772	48,671	16,239	2,223	11,409	
2014	3,118	43,890	7,708	9,003	63,719	37,529	39,752	23,866	
2015	2,941	32,793	391	6,745	42,870	32,990	72,742	19,171	
2016	2,521	22,861	1,310	4,678	31,370	21,247	93,989	11,168	
2017	2,102	17,340	1,239	3,560	24,241	15,790	109,779	7,512	
2018	1,878	13,146	1,310	2,858	19,192	12,949	122,728	5,572	
2019	1,985	10,889	70	2,377	15,321	11,420	134,148	4,444	
2020	2,058	9,072	349	2,030	13,509	9,313	143,461	3,281	
2021	2,062	7,956	0	1,765	11,783	9,004	152,465	2,871	
2022	2,115	7,150	0	1,590	10,855	8,615	161,080	2,485	
2023	2,144	6,393	0	1,433	9,970	8,168	169,248	2,132	
2024	2,337	5,995	0	1,370	9,702	8,124	177,372	1,921	
Sub-Total	27,475	206,878	46,295	44,021	324,669	177,372		84,694	
Remainder	18,501	20,797	1,440	5,304	46,042	25,985	203,357	4,801	
Total Future	45,976	227,675	47,735	49,325	370,711	203,357		89,495	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
KONDRASHEVSKOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	-
FINAL								10.00%	-
REMARKS								12.00%	-
								15.00%	-
								20.00%	-

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011		0	0	0	0	0	0.000	0.00	0.00
2012		0	0	0	0	0	0.000	0.00	0.00
2013		0	0	0	0	0	0.000	0.00	0.00
2014		0	0	0	0	0	0.000	0.00	0.00
2015	4	104,280	0	0	102,436	0	0.000	52.39	0.00
2016	4	196,636	0	0	193,152	0	0.000	52.39	0.00
2017	4	118,636	0	0	116,536	0	0.000	52.39	0.00
2018	4	83,668	0	0	82,188	0	0.000	52.39	0.00
2019	4	64,012	0	0	62,880	0	0.000	52.39	0.00
2020	4	51,504	0	0	50,592	0	0.000	52.39	0.00
2021	4	3,396	0	0	3,336	0	0.000	52.39	0.00
2022		0	0	0	0	0	0.000	0.00	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		622,132	0	0	611,120	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		622,132	0	0	611,120	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		622,132	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT	
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	MRT \$000	
2010	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0
2015	5,367	0	0	0	5,367	1,346	0	0	4,021
2016	10,119	0	0	0	10,119	2,538	0	0	7,581
2017	6,105	0	0	0	6,105	1,531	0	0	4,574
2018	4,306	0	0	0	4,306	1,080	0	0	3,226
2019	3,294	0	0	0	3,294	827	0	0	2,467
2020	2,651	0	0	0	2,651	664	0	0	1,987
2021	175	0	0	0	175	38	0	0	137
2022	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0
Sub-Total	32,017	0	0	0	32,017	8,024	0	0	23,993
Remainder	0	0	0	0	0	0	0	0	0
Total Future	32,017	0	0	0	32,017	8,024	0	0	23,993

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	291	252	0	0	543	-543	-543	-523	
2011	0	0	0	0	0	0	-543	0	
2012	0	0	0	0	0	0	-543	0	
2013	0	0	58	0	58	-58	-601	-41	
2014	0	0	116	0	116	-116	-717	-74	
2015	181	1,769	3,245	358	5,553	-1,532	-2,249	-940	
2016	332	3,233	546	674	4,785	2,796	547	1,463	
2017	252	2,022	0	406	2,680	1,894	2,441	902	
2018	230	1,344	0	287	1,861	1,365	3,806	587	
2019	224	999	0	220	1,443	1,024	4,830	400	
2020	220	788	0	176	1,184	803	5,633	282	
2021	16	51	0	12	79	58	5,691	20	
2022	0	0	0	0	0	0	5,691	0	
2023	0	0	0	0	0	0	5,691	0	
2024	0	0	0	0	0	0	5,691	0	
Sub-Total	1,746	10,458	3,965	2,133	18,302	5,691		2,076	
Remainder	0	0	0	0	0	0	5,691	0	
Total Future	1,746	10,458	3,965	2,133	18,302	5,691		2,076	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
KONDRASHEVSKOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	36,110
FINAL								10.00%	28,973
REMARKS								12.00%	23,231
								15.00%	16,635
								20.00%	9,404

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011		0	0	0	0	0	0.000	0.00	0.00
2012		0	0	0	0	0	0.000	0.00	0.00
2013		0	0	0	0	0	0.000	0.00	0.00
2014		0	0	0	0	0	0.000	0.00	0.00
2015	9	190,650	0	0	187,281	0	0.000	52.39	0.00
2016	24	1,637,573	0	0	1,608,584	0	0.000	52.39	0.00
2017	24	1,485,638	0	0	1,459,336	0	0.000	52.39	0.00
2018	24	975,358	0	0	958,106	0	0.000	52.39	0.00
2019	24	718,602	0	0	705,889	0	0.000	52.39	0.00
2020	24	564,777	0	0	554,767	0	0.000	52.39	0.00
2021	28	502,261	0	0	493,371	0	0.000	52.39	0.00
2022	28	427,081	0	0	419,517	0	0.000	52.39	0.00
2023	28	368,529	0	0	362,004	0	0.000	52.39	0.00
2024	28	323,329	0	0	317,616	0	0.000	52.39	0.00
Sub-Total		7,193,798	0	0	7,066,471	0	0.000	52.39	0.00
Remainder		452,890	0	0	444,873	0	0.000	52.39	0.00
Total Future		7,646,688	0	0	7,511,344	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		7,646,688	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0
2015	9,811	0	0	0	9,811	2,461	0	7,350
2016	84,274	0	0	0	84,274	21,137	0	63,137
2017	76,455	0	0	0	76,455	19,175	0	57,280
2018	50,195	0	0	0	50,195	12,590	0	37,605
2019	36,981	0	0	0	36,981	9,275	0	27,706
2020	29,065	0	0	0	29,065	7,290	0	21,775
2021	25,848	0	0	0	25,848	5,575	0	20,273
2022	21,978	0	0	0	21,978	4,044	0	17,934
2023	18,966	0	0	0	18,966	2,972	0	15,994
2024	16,640	0	0	0	16,640	2,217	0	14,423
Sub-Total	370,213	0	0	0	370,213	86,736	0	283,477
Remainder	23,306	0	0	0	23,306	2,546	0	20,760
Total Future	393,519	0	0	0	393,519	89,282	0	304,237

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
2010	291	252	0	0	543	-543	-543	-523	
2011	0	0	0	0	0	0	-543	0	
2012	0	0	151	0	151	-151	-694	-118	
2013	0	0	942	0	942	-942	-1,636	-662	
2014	0	0	1,884	0	1,884	-1,884	-3,520	-1,198	
2015	185	2,257	21,887	654	24,983	-17,633	-21,153	-10,074	
2016	2,331	24,524	17,624	5,614	50,093	13,044	-8,109	6,553	
2017	2,754	24,905	1,706	5,093	34,458	22,822	14,713	10,876	
2018	2,181	15,457	1,191	3,343	22,172	15,433	30,146	6,651	
2019	2,152	11,266	30	2,464	15,912	11,794	41,940	4,595	
2020	2,142	8,654	151	1,936	12,883	8,892	50,832	3,135	
2021	2,314	7,713	0	1,722	11,749	8,524	59,356	2,718	
2022	2,279	6,538	0	1,464	10,281	7,653	67,009	2,209	
2023	2,241	5,590	0	1,264	9,095	6,899	73,908	1,802	
2024	2,242	4,807	0	1,108	8,157	6,266	80,174	1,482	
Sub-Total	21,112	111,963	45,566	24,662	203,303	80,174		27,446	
Remainder	3,863	6,502	1,680	1,553	13,598	7,162	87,336	1,527	
Total Future	24,975	118,465	47,246	26,215	216,901	87,336		28,973	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	13,831
FINAL								10.00%	11,909
REMARKS								12.00%	10,257
								15.00%	8,195
								20.00%	5,611

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011	6	149,798	0	0	147,294	0	0.000	52.39	0.00
2012	6	321,786	0	0	316,412	0	0.000	52.39	0.00
2013	9	286,033	0	0	281,256	0	0.000	52.39	0.00
2014	9	296,227	0	0	291,285	0	0.000	52.39	0.00
2015	9	200,460	0	0	197,109	0	0.000	52.39	0.00
2016	16	263,173	0	0	258,783	0	0.000	52.39	0.00
2017	19	483,060	0	0	474,987	0	0.000	52.39	0.00
2018	13	338,564	0	0	332,910	0	0.000	52.39	0.00
2019	13	223,241	0	0	219,511	0	0.000	52.39	0.00
2020	10	147,322	0	0	144,859	0	0.000	52.39	0.00
2021	10	48,349	0	0	47,544	0	0.000	52.39	0.00
2022	2	1,462	0	0	1,438	0	0.000	52.39	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
2024		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		2,759,475	0	0	2,713,388	0	0.000	52.39	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		2,759,475	0	0	2,713,388	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		2,759,475	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	0	0	0	0	0	0	0	0
2011	7,717	0	0	0	7,717	1,935	0	5,782
2012	16,577	0	0	0	16,577	4,158	0	12,419
2013	14,735	0	0	0	14,735	3,696	0	11,039
2014	15,260	0	0	0	15,260	3,827	0	11,433
2015	10,327	0	0	0	10,327	2,590	0	7,737
2016	13,557	0	0	0	13,557	3,401	0	10,156
2017	24,885	0	0	0	24,885	6,241	0	18,644
2018	17,441	0	0	0	17,441	4,375	0	13,066
2019	11,500	0	0	0	11,500	2,884	0	8,616
2020	7,590	0	0	0	7,590	1,903	0	5,687
2021	2,490	0	0	0	2,490	538	0	1,952
2022	76	0	0	0	76	13	0	63
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
Sub-Total	142,155	0	0	0	142,155	35,561	0	106,594
Remainder	0	0	0	0	0	0	0	0
Total Future	142,155	0	0	0	142,155	35,561	0	106,594

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted @ 10.00 %	
						Annual	Cumulative		
2010	291	252	533	0	1,076	-1,076	-1,076	-1,029	
2011	367	2,292	5,323	514	8,496	-2,714	-3,790	-2,426	
2012	715	5,548	865	1,104	8,232	4,187	397	3,265	
2013	638	4,706	3,137	982	9,463	1,576	1,973	1,066	
2014	636	4,995	410	1,016	7,057	4,376	6,349	2,802	
2015	563	3,303	0	688	4,554	3,183	9,532	1,848	
2016	674	3,645	7,386	904	12,609	-2,453	7,079	-1,300	
2017	1,027	7,847	2,154	1,657	12,685	5,959	13,038	2,812	
2018	782	5,422	273	1,162	7,639	5,427	18,465	2,335	
2019	698	3,497	0	766	4,961	3,655	22,120	1,428	
2020	564	2,265	0	506	3,335	2,352	24,472	829	
2021	210	740	0	166	1,116	836	25,308	271	
2022	7	22	0	5	34	29	25,337	8	
2023	0	0	0	0	0	0	25,337	0	
2024	0	0	0	0	0	0	25,337	0	
Sub-Total	7,172	44,534	20,081	9,470	81,257	25,337		11,909	
Remainder	0	0	0	0	0	0	25,337	0	
Total Future	7,172	44,534	20,081	9,470	81,257	25,337		11,909	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2010

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	EXPENSE INTEREST	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
		Oil/ Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000 COMPOUNDED	MONTHLY
INITIAL								8.00%	120,433
FINAL								10.00%	100,544
REMARKS								12.00%	84,065
								15.00%	64,387
								20.00%	41,301

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
2010		0	0	0	0	0	0.000	0.00	0.00
2011	1	32,775	0	0	32,226	0	0.000	52.39	0.00
2012	10	654,347	0	0	643,416	0	0.000	52.39	0.00
2013	21	1,235,089	0	0	1,214,460	0	0.000	52.39	0.00
2014	37	2,156,224	0	0	2,120,211	0	0.000	52.39	0.00
2015	44	2,644,358	0	0	2,600,198	0	0.000	52.39	0.00
2016	44	2,094,766	0	0	2,059,785	0	0.000	52.39	0.00
2017	61	1,956,095	0	0	1,923,434	0	0.000	52.39	0.00
2018	67	2,362,320	0	0	2,322,861	0	0.000	52.39	0.00
2019	70	1,787,710	0	0	1,757,870	0	0.000	52.39	0.00
2020	70	1,412,751	0	0	1,389,165	0	0.000	52.39	0.00
2021	78	1,230,805	0	0	1,210,251	0	0.000	52.39	0.00
2022	80	1,082,991	0	0	1,064,894	0	0.000	52.39	0.00
2023	80	893,310	0	0	878,391	0	0.000	52.39	0.00
2024	70	709,592	0	0	697,751	0	0.000	52.39	0.00
Sub-Total		20,253,133	0	0	19,914,913	0	0.000	52.39	0.00
Remainder		703,485	0	0	691,726	0	0.000	52.39	0.00
Total Future		20,956,618	0	0	20,606,639	0	0.000	52.39	0.00
Cumulative		0	0	0					
Ultimate		20,956,618	0	0					

Period	COMPANY FUTURE GROSS REVENUE (FGR) - \$000					MRT		FGR AFTER MRT \$000
	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - \$000	Gas/P.P. - \$000	
2010	0	0	0	0	0	0	0	0
2011	1,688	0	0	0	1,688	423	0	1,265
2012	33,709	0	0	0	33,709	8,455	0	25,254
2013	63,626	0	0	0	63,626	15,958	0	47,668
2014	111,078	0	0	0	111,078	27,860	0	83,218
2015	136,224	0	0	0	136,224	34,166	0	102,058
2016	107,912	0	0	0	107,912	27,066	0	80,846
2017	100,769	0	0	0	100,769	25,274	0	75,495
2018	121,694	0	0	0	121,694	30,522	0	91,172
2019	92,095	0	0	0	92,095	23,098	0	68,997
2020	72,778	0	0	0	72,778	18,254	0	54,524
2021	63,405	0	0	0	63,405	13,676	0	49,729
2022	55,790	0	0	0	55,790	10,265	0	45,525
2023	46,019	0	0	0	46,019	7,212	0	38,807
2024	36,555	0	0	0	36,555	4,870	0	31,685
Sub-Total	1,043,342	0	0	0	1,043,342	247,099	0	796,243
Remainder	36,240	0	0	0	36,240	3,990	0	32,250
Total Future	1,079,582	0	0	0	1,079,582	251,089	0	828,493

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000		
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted Annual	Undiscounted Cumulative	Discounted @ 10.00 %
2010	291	252	5,566	0	6,109	-6,109	-6,109	-5,797
2011	19	388	8,356	112	8,875	-7,610	-13,719	-6,425
2012	687	8,964	13,825	2,246	25,722	-468	-14,187	-379
2013	1,321	16,940	22,050	4,238	44,549	3,119	-11,068	2,266
2014	2,600	31,630	24,746	7,400	66,376	16,842	5,774	10,739
2015	4,238	42,106	9,734	9,075	65,153	36,905	42,679	21,325
2016	4,166	34,247	6,374	7,188	51,975	28,871	71,550	15,235
2017	3,530	28,357	22,217	6,713	60,817	14,678	86,228	7,061
2018	5,683	37,551	3,194	8,107	54,535	36,637	122,865	15,727
2019	5,704	27,970	241	6,135	40,050	28,947	151,812	11,279
2020	5,804	21,667	0	4,848	32,319	22,205	174,017	7,828
2021	6,027	18,870	0	4,224	29,121	20,608	194,625	6,569
2022	6,152	16,541	0	3,716	26,409	19,116	213,741	5,517
2023	5,664	13,467	420	3,066	22,617	16,190	229,931	4,238
2024	5,026	10,476	540	2,435	18,477	13,208	243,139	3,128
Sub-Total	56,912	309,426	117,263	69,503	553,104	243,139		98,311
Remainder	5,690	9,955	3,840	2,414	21,899	10,351	253,490	2,233
Total Future	62,602	319,381	121,103	71,917	575,003	253,490		100,544