

PetroNeft Resources plc

**Exploration, Development &
Production in Russia and the FSU**

Bank of America Merrill Lynch

10th Annual Oil & Gas 1-1 Investor Forum Presentation

04 – 06 April 2011





Forward Looking Statements



This presentation contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil & gas exploration and production business.

Whilst PetroNeft believes the expectations reflected herein to be reasonable in light of the information available to them at this time, the actual outcome may be materially different owing to factors beyond the Company's control or within the Company's control where, for example, the Company decides on a change of plan or strategy.

PetroNeft undertakes no obligation to revise any such forward-looking statements to reflect any changes in the Company's expectations or any change in circumstances, events or the Company's plans and strategy. Accordingly no reliance may be placed on the figures contained in such forward looking statements.



Company Overview & Strategy





Company Overview & Strategy



Overview

- **Established in 2005 to build a diversified E&P business in Russia**
- Motivated management team with proven experience of exploration, production and corporate development in Russia and abroad
- Company's Licence Areas (Licences 61 & 67) cover 7,438 km² in Tomsk Oblast, Western Siberia
- US\$30 million debt facility with Macquarie Bank

Production

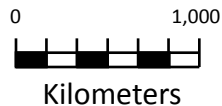
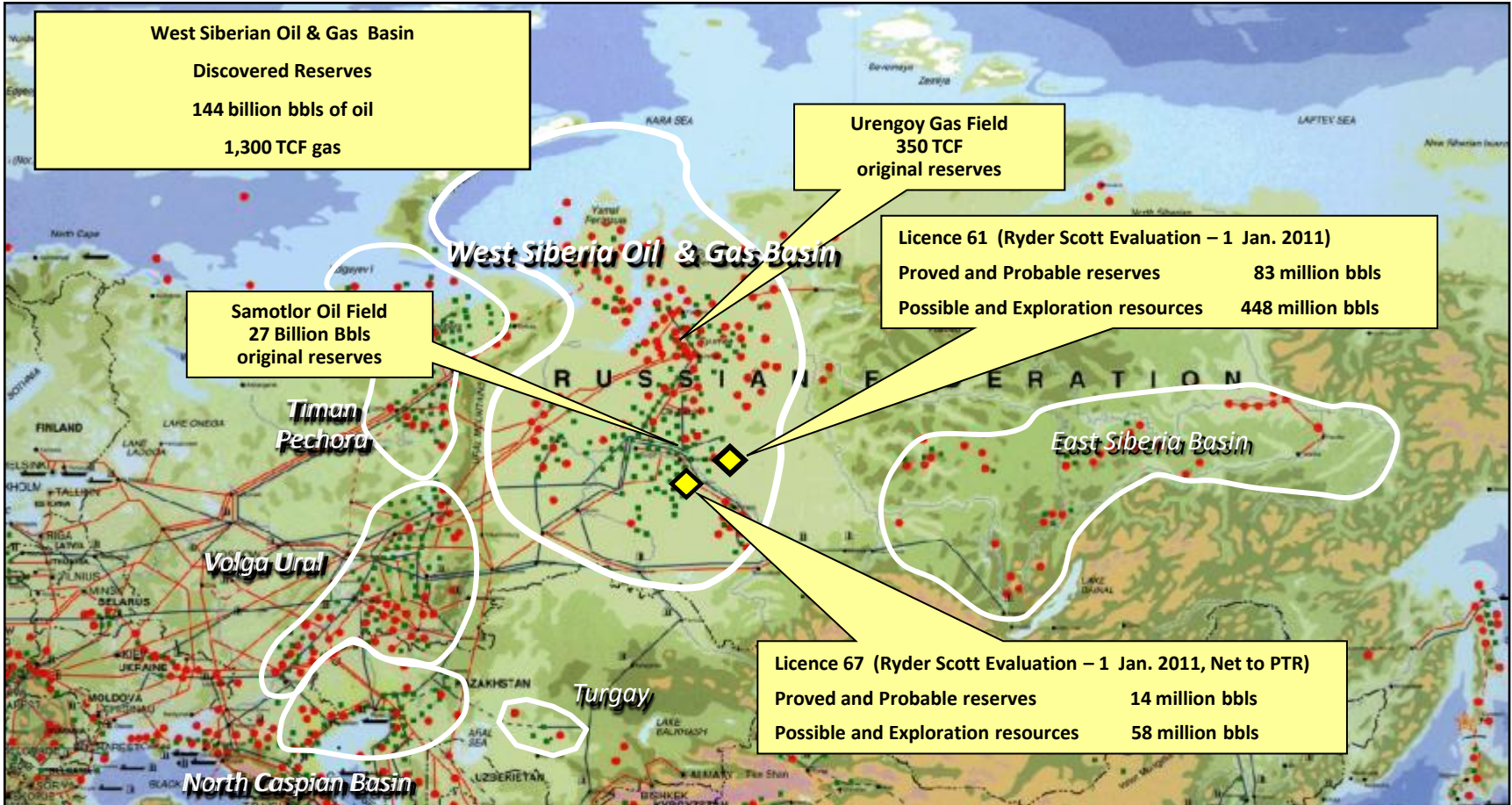
- **Production commenced on schedule in 2010, current production > 3,000 bopd**
- 2010 Development plan including pipeline construction executed on time and on budget
- Development to continue in 2011 with year end range of 6,000 to 7,000 bopd
- Target rate of 7,000 to 8,000 bopd expected end Q1 2012 following fracture stimulation, and 10,000 to 12,000 bopd end Q1 2013

Exploration

- **Strong Reserve Base with material P3/P4 to 2P upgrades possible from planned exploration programme**
- 2P reserves of 96.9 mmbo and 3P/P4 reserves of > 600 mmbo (Unrisked) [Jan 1, 2011]
- 5 Exploration wells in 2011 from Licence 61 and 67
- New Oil Discovery at Arbuzovskoye and Reserve booking at Ledovoye (Licence 67)
- Reserve upgrade achieved at end of 2010 and more likely in 2011

Corporate Development

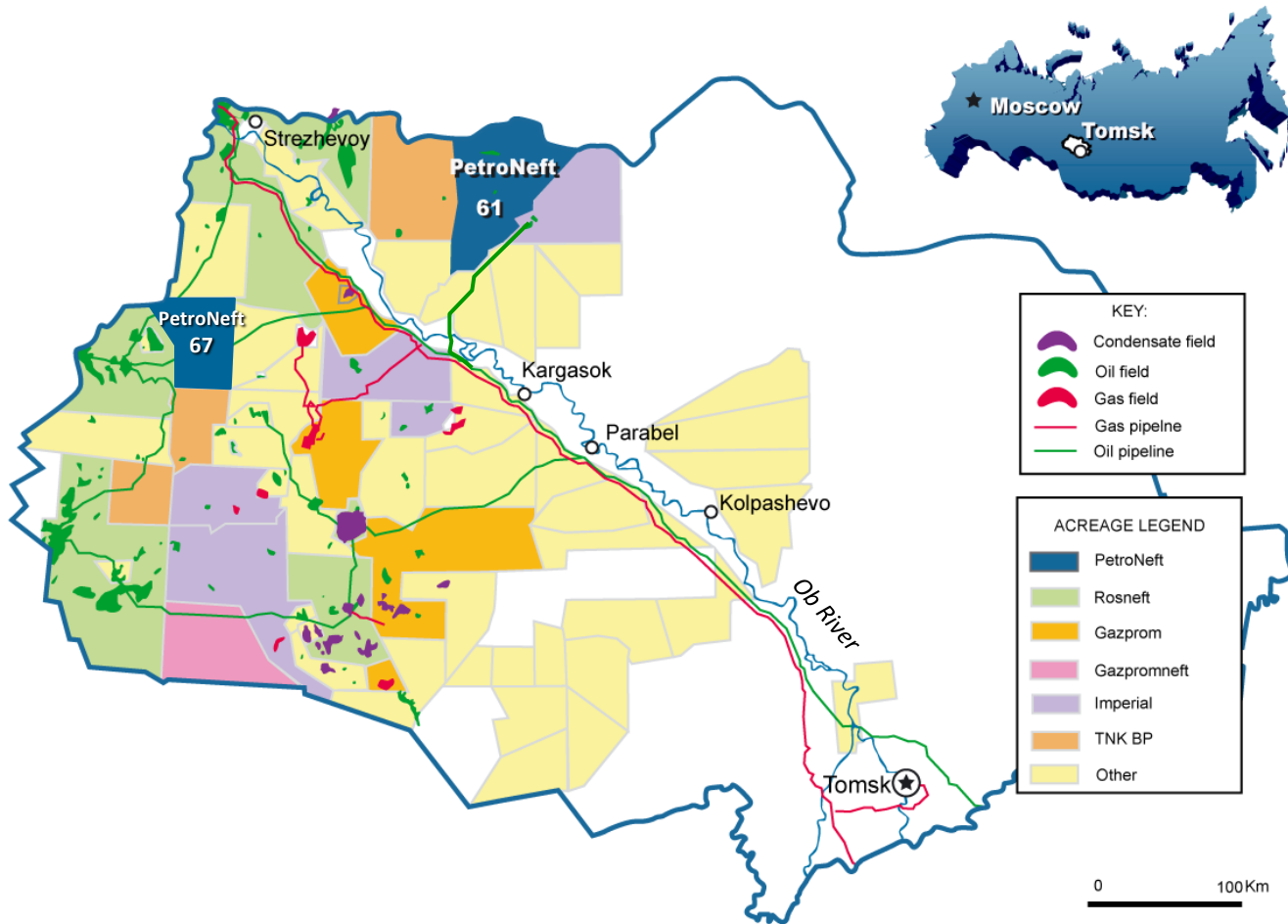
- **Seeking to develop a diverse portfolio of exploration and production assets**
- Focusing on smaller producing oil fields with significant reserves upside
- Significant opportunities for participation in expected licence auctions and corporate / asset acquisitions
- Evaluating a number of opportunities
- Finance with Debt, Equity and/or share swap



- Gas Pipeline
- Oil Pipeline
- Gas Fields
- Oil Fields

PN Licences

Source – USGS



Tomsk Oblast Very Active Region

Rosneft, ONGC/Imperial Energy, TNK-BP, Gazprom, Gazpromneft, local companies



Licence 61 Field Development Programme





First Phase - Lineynoye and West Lineynoye

➤ 2010 programme:

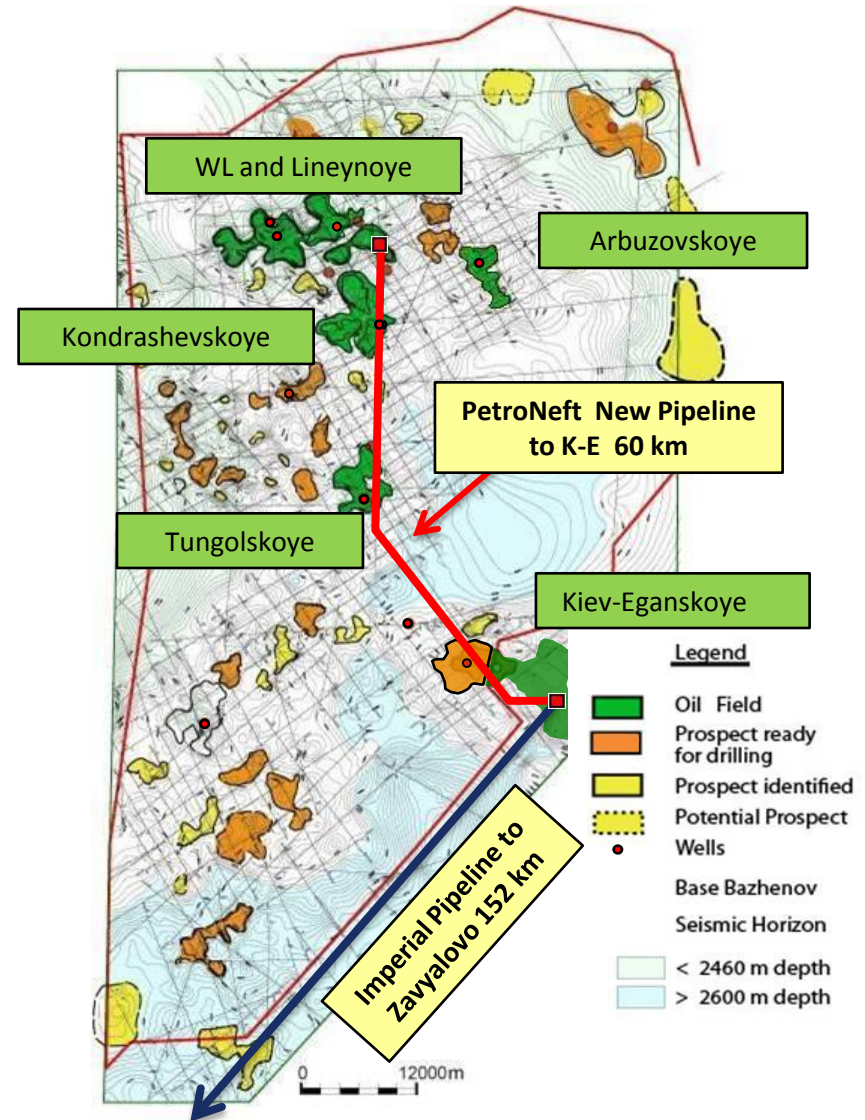
- Construction of 60 km pipeline, oil processing/storage facilities completed
- 9 oil production wells and 1 water source well drilled in 2010
- First pipeline oil production commenced in Aug 2010

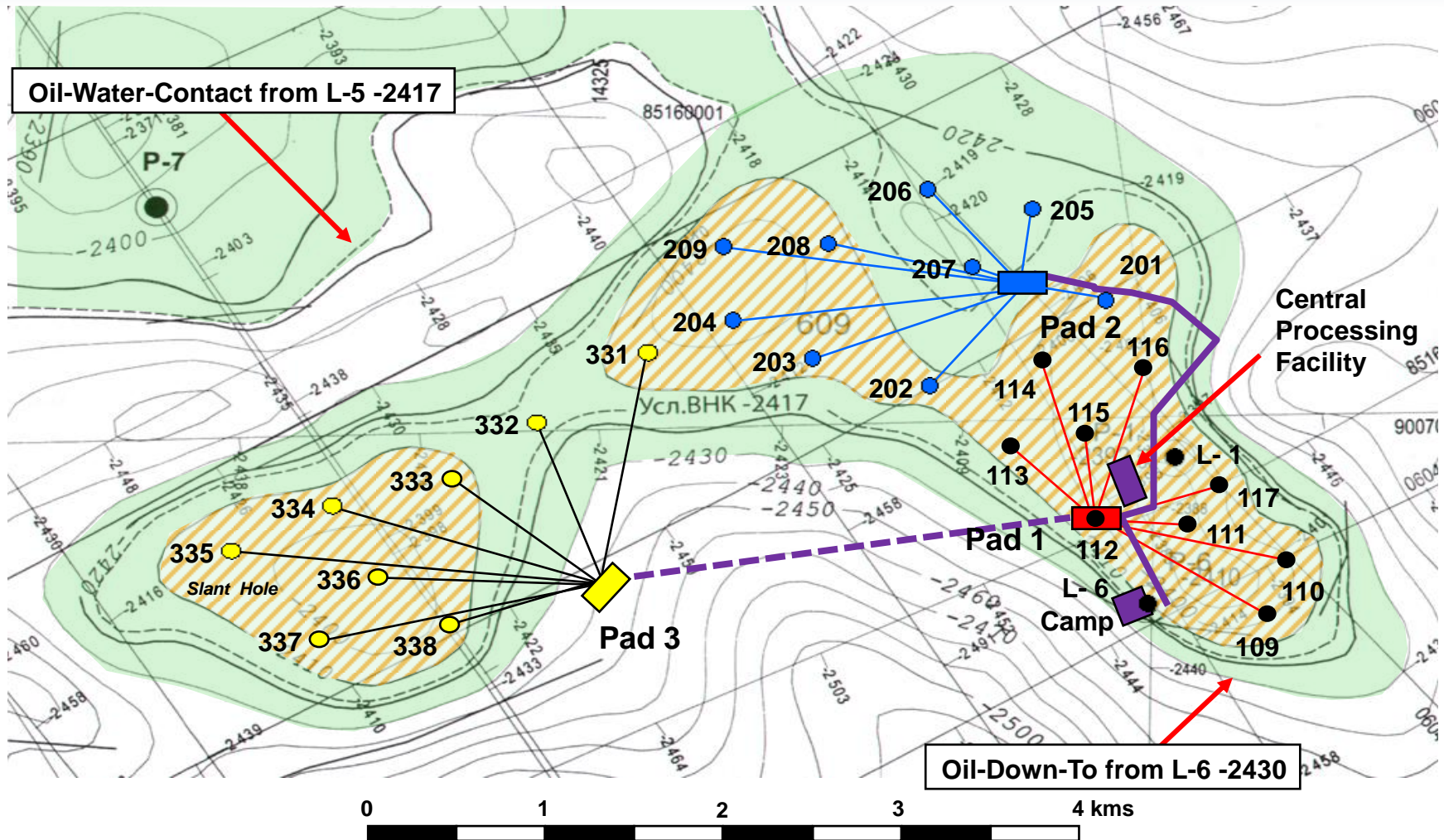
➤ 2011 programme:

- Hydraulic Fracturing programme on 9 wells @ Pad 1 completed by end Q1 2011
- 17 new production wells planned for 2011 followed by at least another 17 in 2012
- Expand process facilities to 14,800 bpd
- L61 Development now funded through debt and cashflows

Additional Phases – commencing 2012

- Incremental addition of Arbuzovskoye, Kondrashevskoye, Tungolskoye and other discoveries

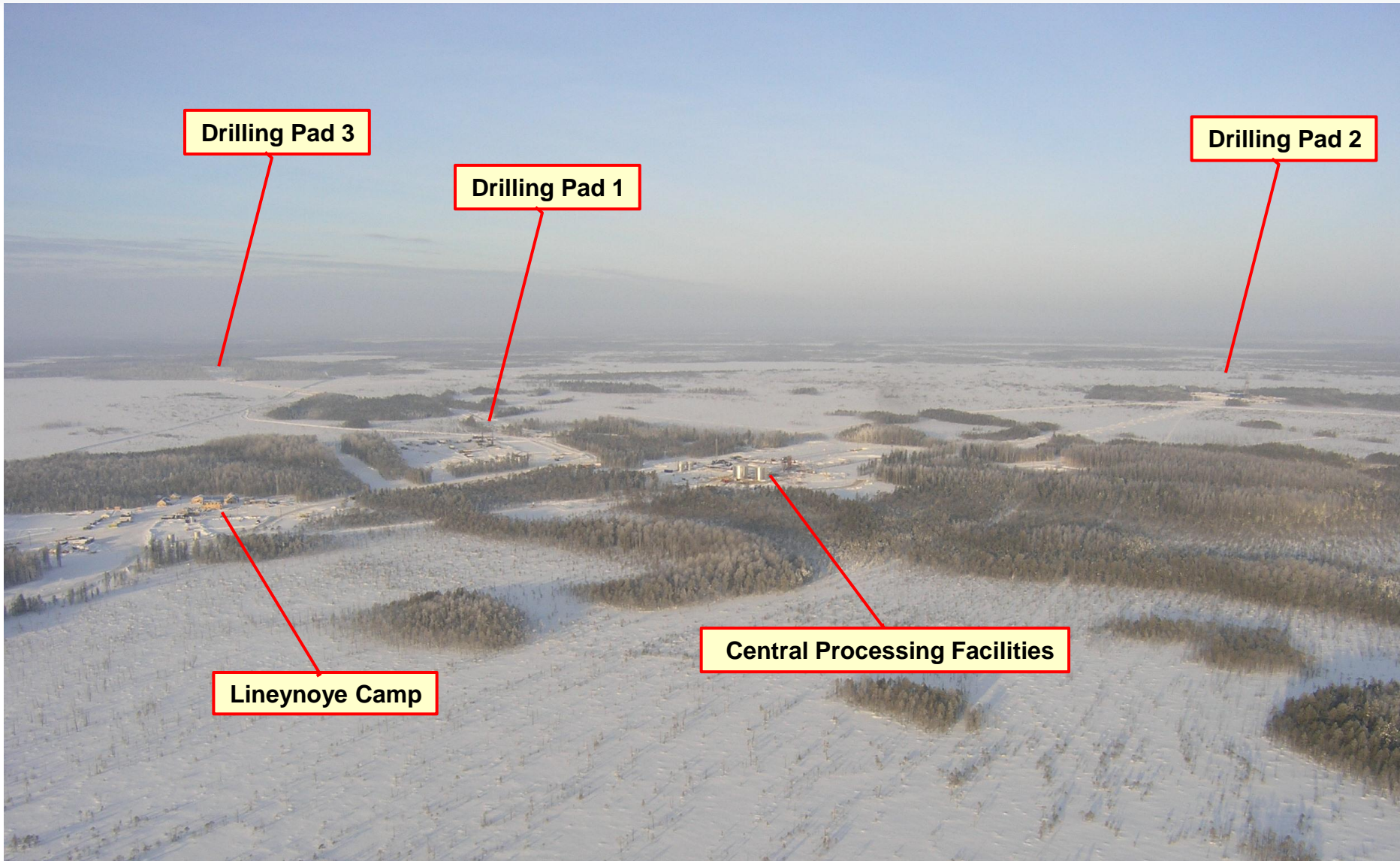


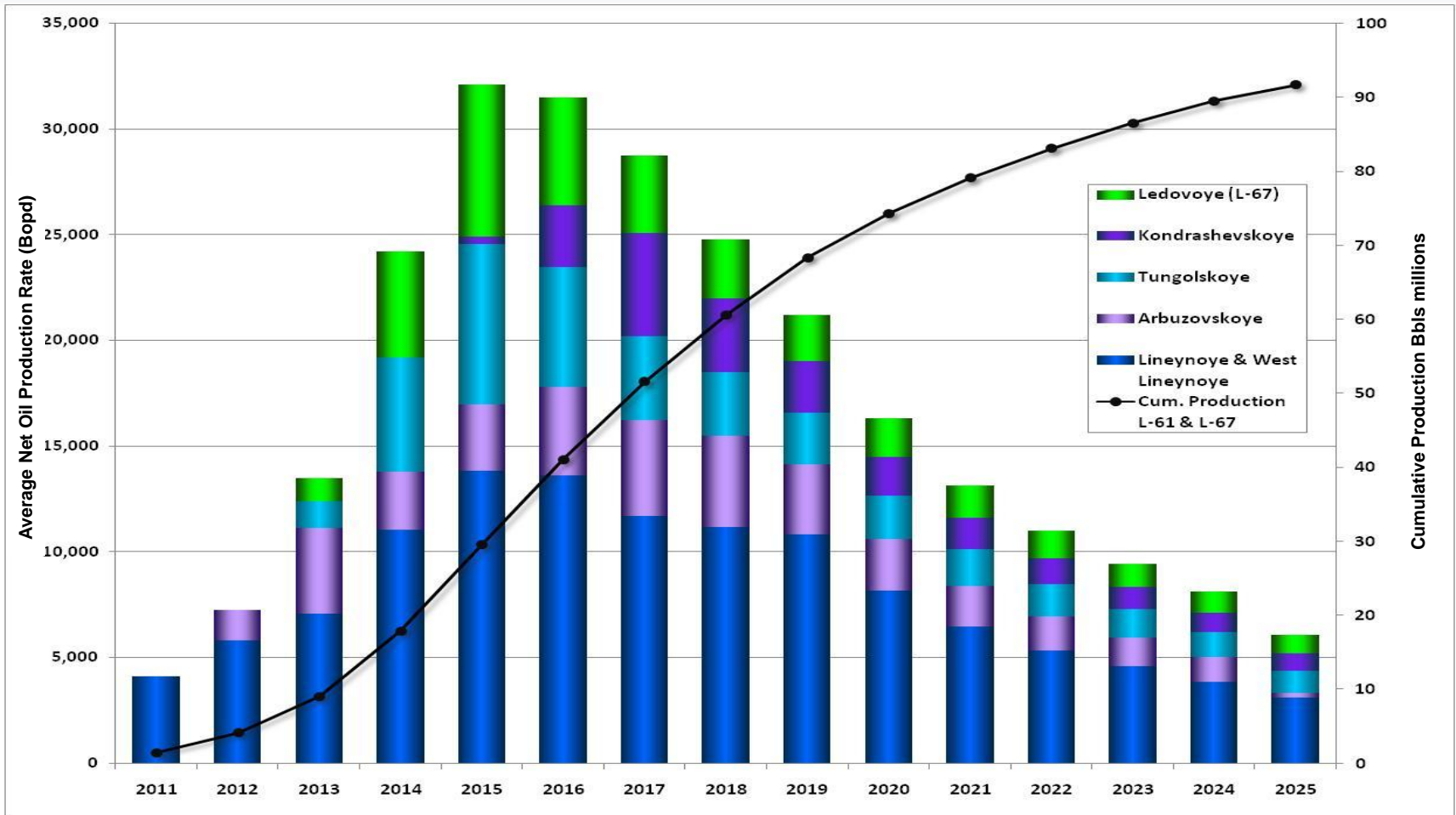


Structure Map at Top Reservoir showing area where Main Oil Sandstone is underlain by Shale



Lineynoye Field - February 2011





- The forecast is based on the Company's 2P reserves of 96.9 million bbls – six existing oil fields only
- 2P reserves remaining after 2025 are 5.2 million bbls
- Phase one project is development of Lineynoye & West Lineynoye fields

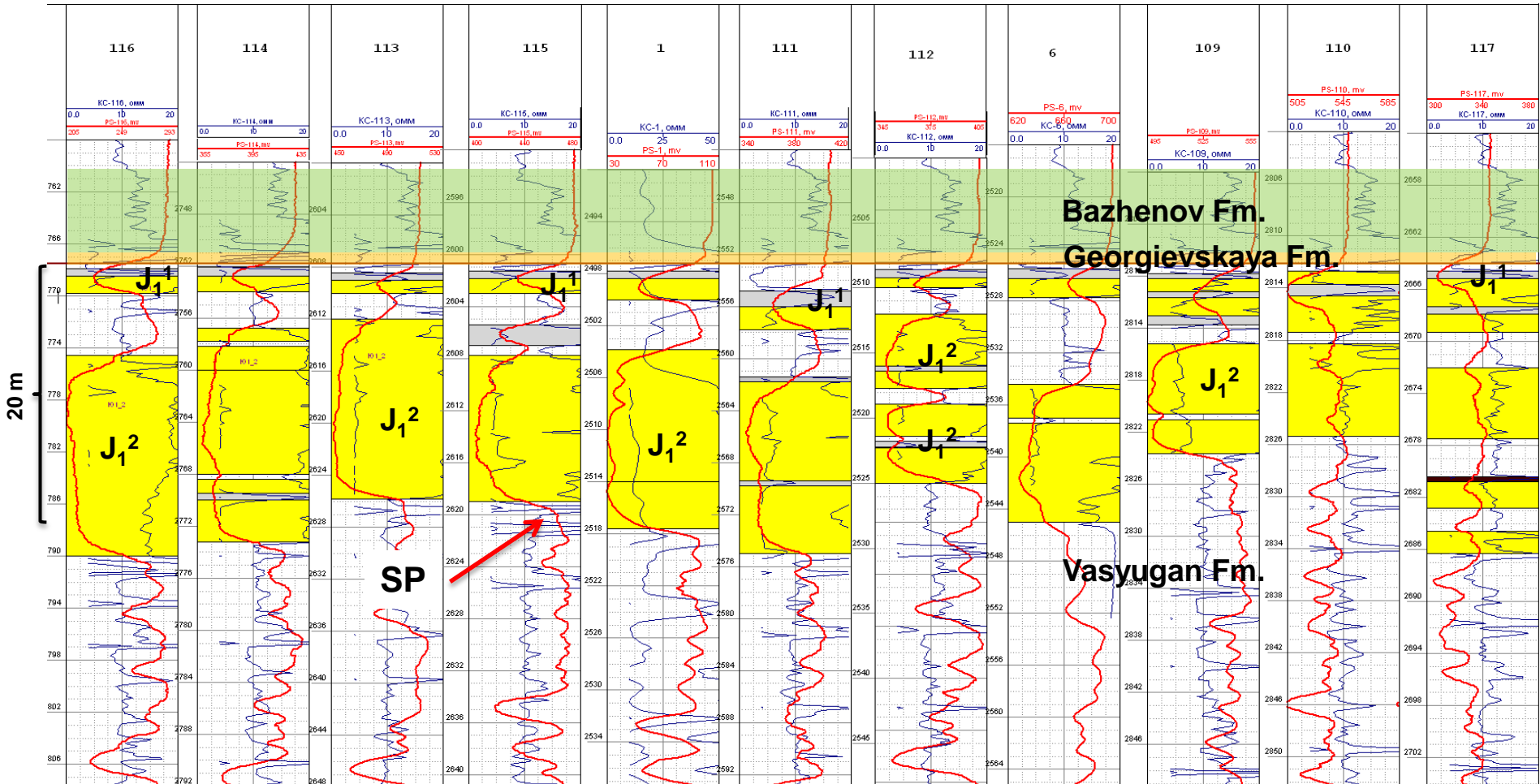


Pad 1 – Vasyugan J1 Formation Correlation



Northwest

Southeast



Pad 1 – drilling results very good and in line with expectations – thickest net pay of 17.9 m in northern most well No. 116; good indication for Pad 2 drilling programme in 2011 – all J1 reservoirs completely saturated with oil.



Reserves and Resources



Oil Fields	Proved	Proved and Probable	2P NPV @ 10%	Proved, Probable and Possible
	1P mmbo	2P mmbo	Base Case (1)	3P mmbo
Licence 61				
Lineynoye field	5.15	22.74	\$ 131 million	28.47
West Lineynoye field	2.71	23.32	\$ 82 million	29.22
Kondrashevskoye field	0.61	8.12	\$ 25 million	26.13
Tungolskoye field	1.38	15.48	\$ 80 million	19.63
Arbuzovakoye field	1.95	13.24	\$ 59 million	16.56
Licence 67				
Ledovoye field	1.54	14.02	\$ 77 million	17.42
Total	13.35	96.93	\$ 454 million	137.43
Prospects		Possibles (P3) and Exploration Resources (P4)		
Licence 61				
Upper Jurassic - 23 prospects				191.48
Cretaceous - 10 prospects				156.17
Lower to Middle Jurassic - 11 prospects				63.06
Licence 67				
Upper Jurassic - 8 prospects				55.20
Lower to Middle Jurassic - 3 prospects				37.35
Total	13.35	96.93	\$ 454 million	640.69

- (1) Base Case - oil price - domestic crude \$38/bbl, export crude \$80/bbl, 33% export
- Constant dollar economics – no escalation
- NPVs do not include upside from existing prospects and pending MET tax reduction legislation for small oil fields
- All prospects have 4-way dip closure; however, in case of P3 reserves there must be a prior well on structure with potential by-passed pay

Source: Ryder Scott Company – Petroleum Consultants reports as of January 1, 2011



Exploration programme 2011



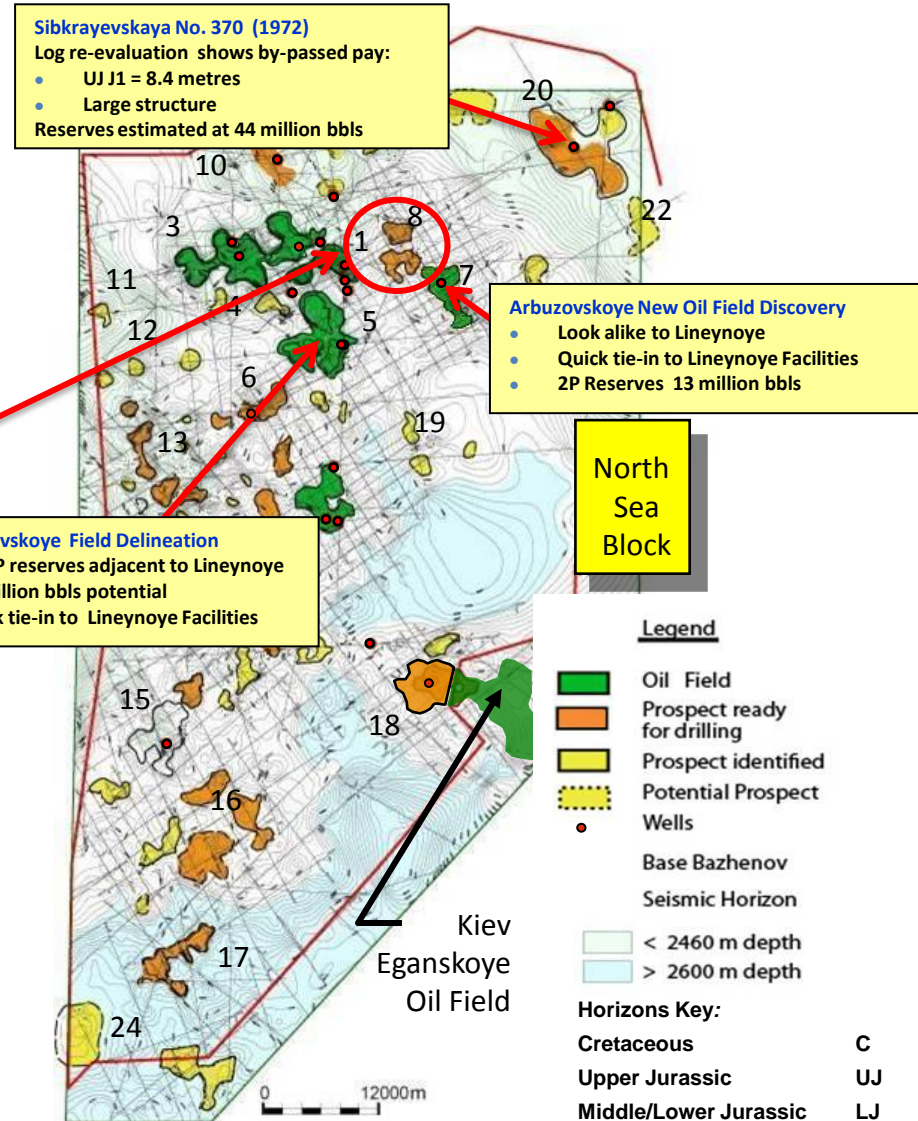


Licence 61 (Tungolsky)



Oil Fields / Prospects / Potential Prospects

	Map ref.	Field/Prospect	Horizon(s)
Oil Fields	1	Lineynoye Oil Field	UJ
	2	Tungolskoye Oil Field	UJ
	3	West Lineynoye Oil Field	UJ
	5	Kondrashevskoye Oil Field	UJ
	7	Arbuzovskoye (Varyakhskaya)	UJ
Prospects	2	Tungolskoye West Lobe and North (2)	UJ
	4	Lineynoye Lower	UJ
	6	West Korchegskaya	LJ
	8	Varyakhskaya North & Upper (2)	UJ
	9	Emtorskaya	UJ
	10	Emtorskaya Crown	UJ
	11	Sigayevskaya	UJ
	12	Sigayevskaya East	UJ
	13	Kulikovskaya Group (2)	UJ
	14	Kusinskiy Group (2)	C, UJ, LJ
	15	Tuganskaya Group (3)	C, UJ, LJ
	16	Kirillovskaya (4)	C, UJ, LJ
	17	North Balkinskaya	UJ, LJ
	18	Traverskaya	C, UJ, LJ
	19	Tungolskoye East	UJ
20	Sibkrayevskaya	UJ	
Potential Prospects (Leads)	21	Emtorskaya North	UJ
	22	Sibkrayevskaya East	UJ
	23	Sobachya	UJ
	24	West Balkinskaya	UJ



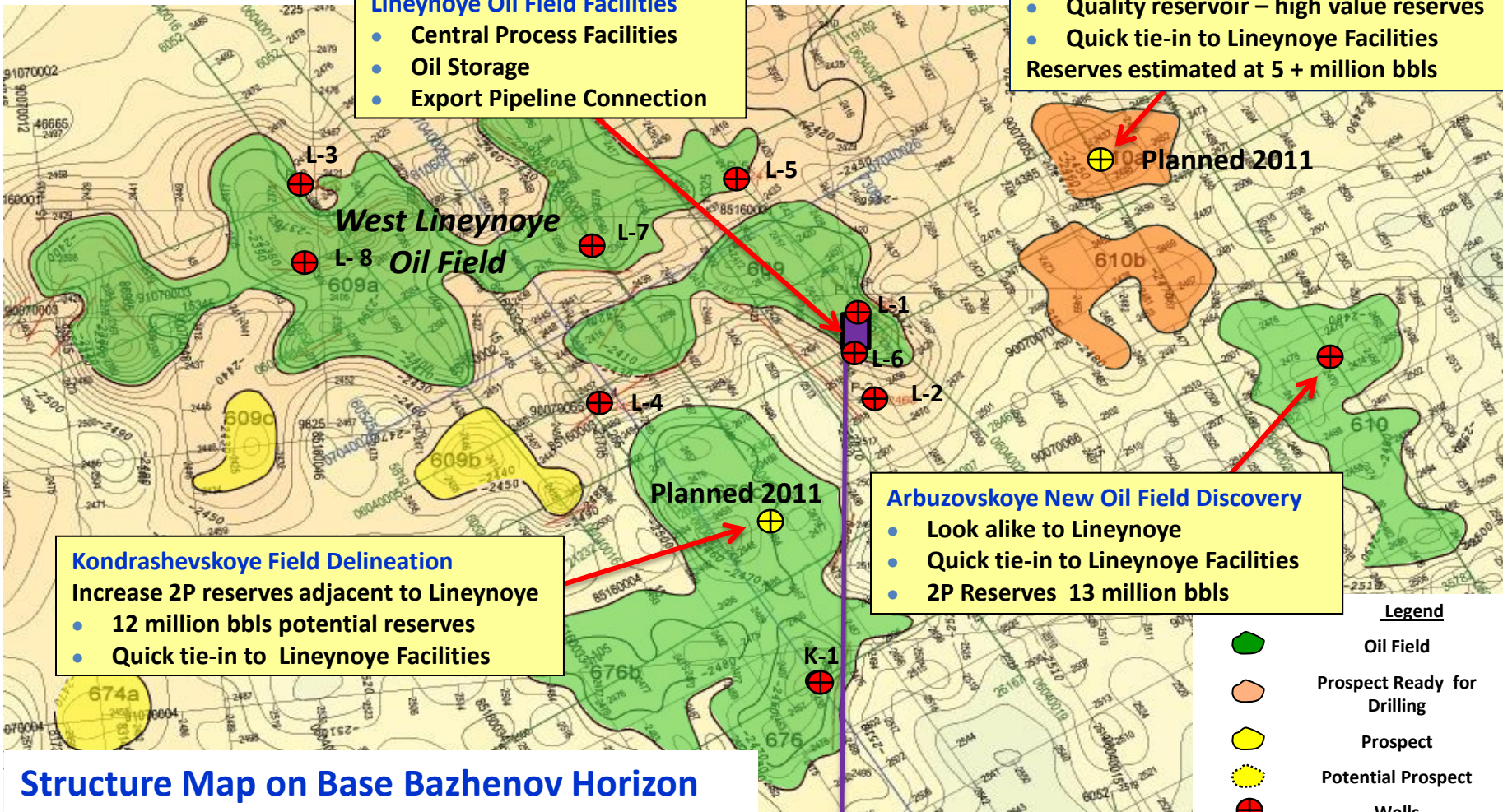
Lineynoye Oil Field Facilities

- Central Process Facilities
- Oil Storage
- Export Pipeline Connection

North Varyakhskaya Exploration Well

- Quality reservoir – high value reserves
- Quick tie-in to Lineynoye Facilities

Reserves estimated at 5 + million bbls



Kondrashevskoye Field Delineation

Increase 2P reserves adjacent to Lineynoye

- 12 million bbls potential reserves
- Quick tie-in to Lineynoye Facilities

Arbuzovskoye New Oil Field Discovery

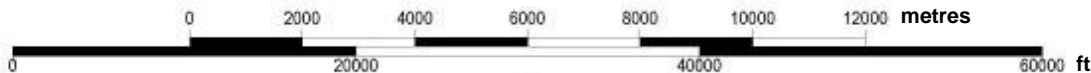
- Look alike to Lineynoye
- Quick tie-in to Lineynoye Facilities
- 2P Reserves 13 million bbls

Legend

	Oil Field
	Prospect Ready for Drilling
	Prospect
	Potential Prospect
	Wells

CI = 10 meters

Structure Map on Base Bazhenov Horizon





Ledovy Block Structures and Traps

- Oil Fields and Oil Tests
- Prospects
- Drilled Structures - Dry and under review

#	Structure Name	Main Objectives
Drilled Structures		
1	Cheremshanskaya	UJ, MJ, LJ
2	Ledovoye Oil Field	UJ, C
3	Sklonovaya	UJ
4	North Pionerskaya	UJ
5	Bolotninskaya	UJ
Identified Prospects and Leads		
6	Levo-Ilyakskaya	UJ
7	Syglynigaiskaya	UJ
8	Grushevaya	UJ
9	Grushevaya Stratigraphic Trap	LJ
10	Malostolbovaya	UJ, C
11	Nizhenolomovaya Terrasa Gp.	UJ
12	Baikalskaya	UJ
13	Malocheremshanskaya	UJ
14	East Chermshanskaya	UJ, C
15	East Ledovoye	UJ, C

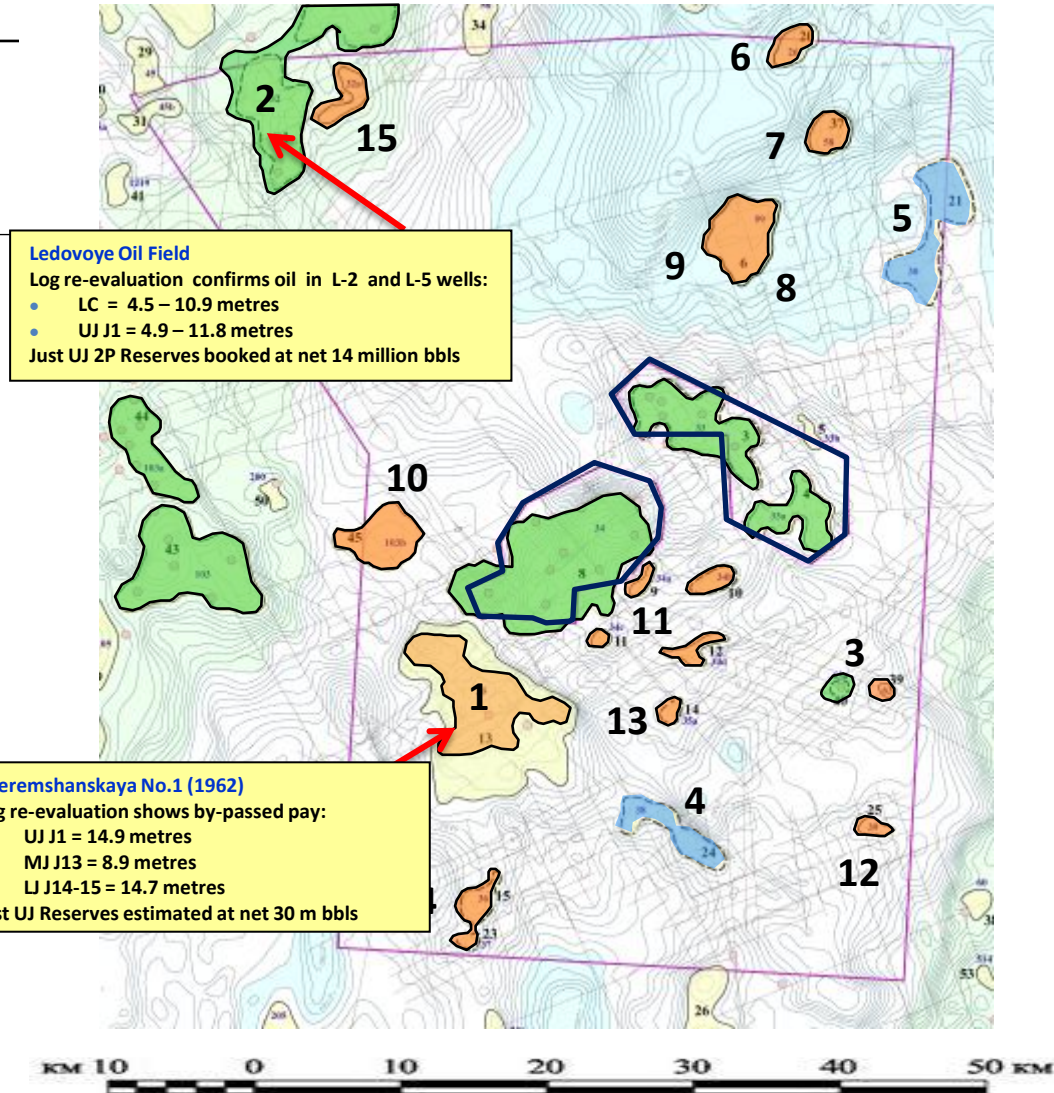
Base Bazhenov Seismic Horizon

- < 2,600 depth m
- > 2,750 m depth

C=Cretaceous, UJ = Upper Jurassic, MJ = Middle Jurassic, LJ = lower Jurassic

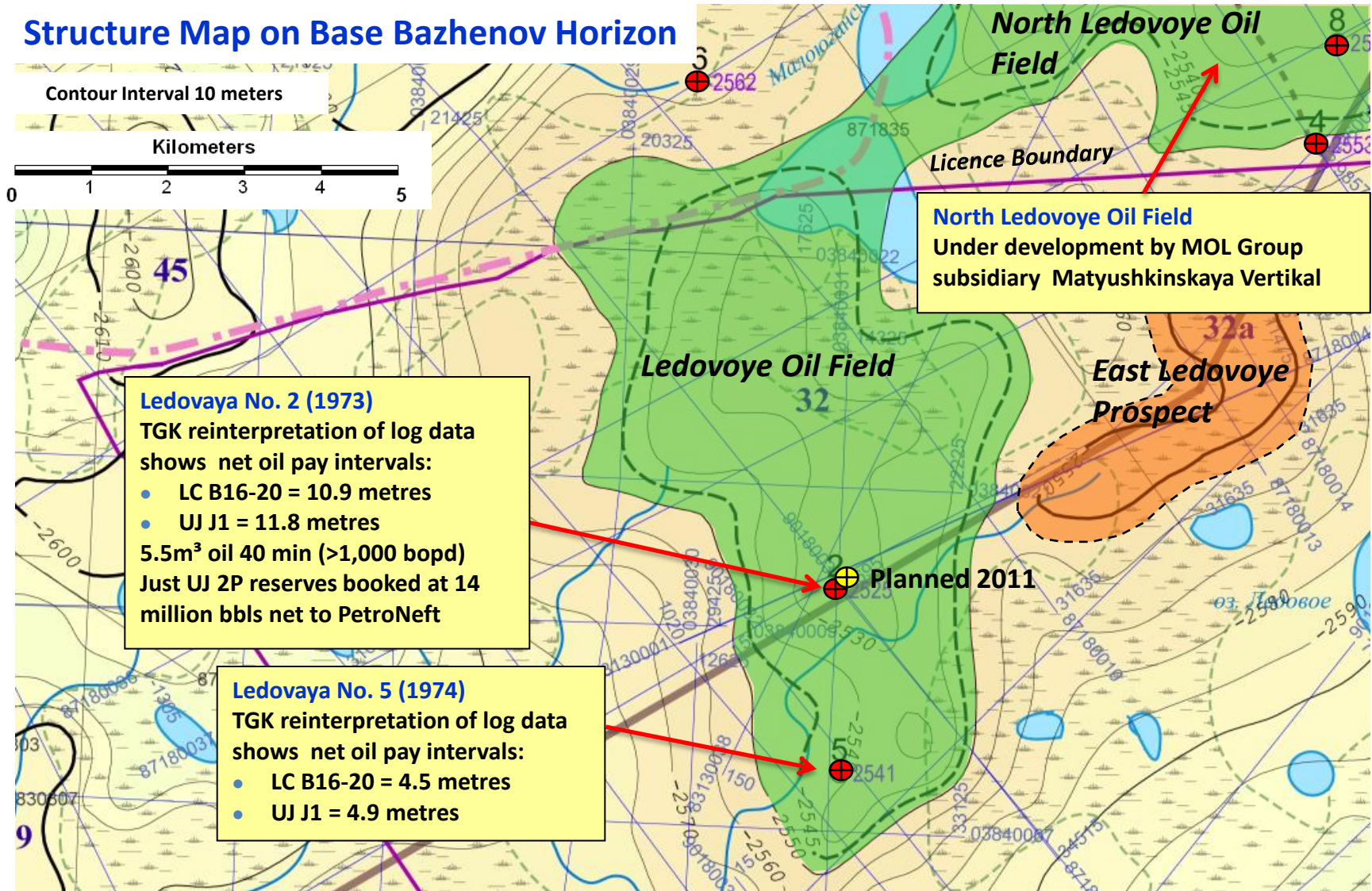


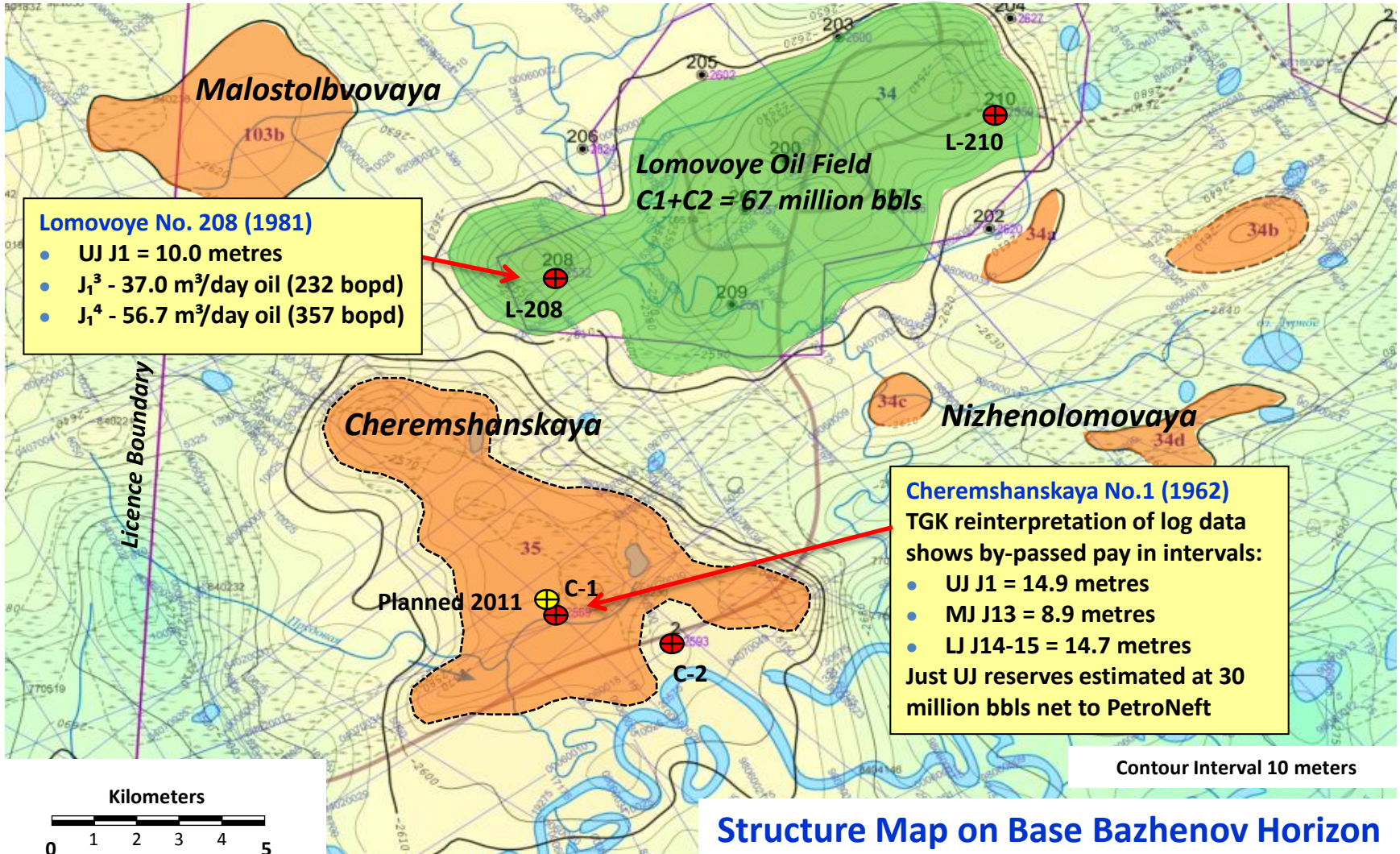
Excluded areas





Structure Map on Base Bazhenov Horizon



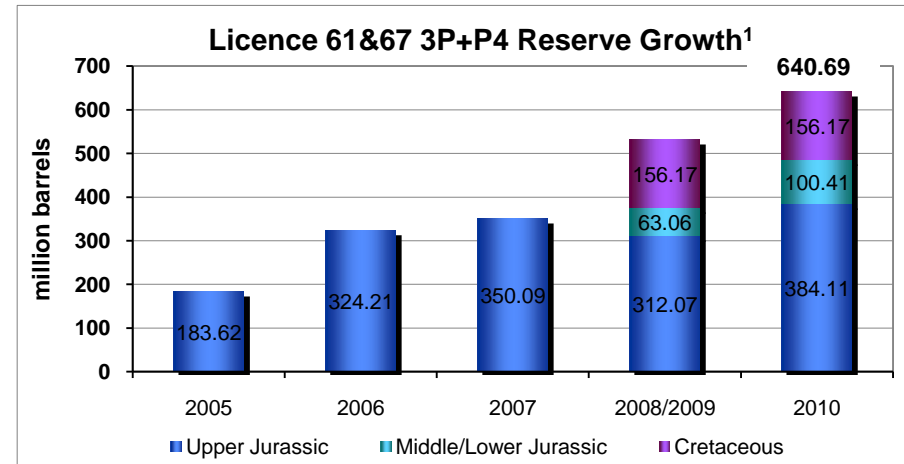
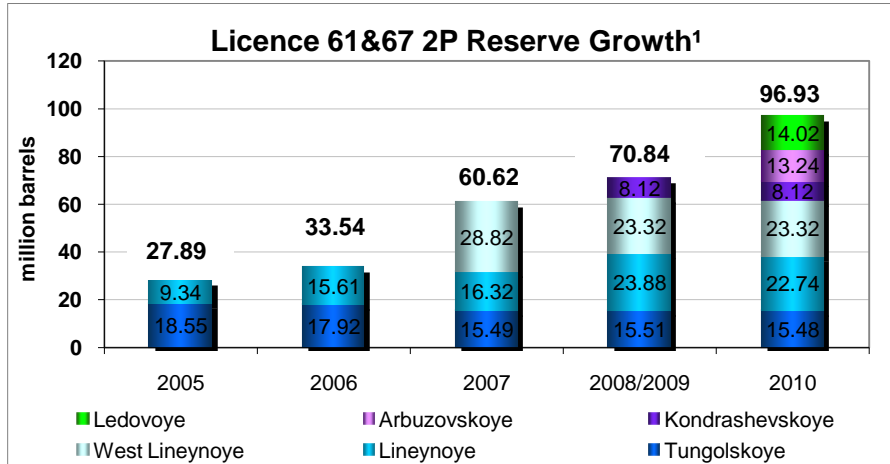




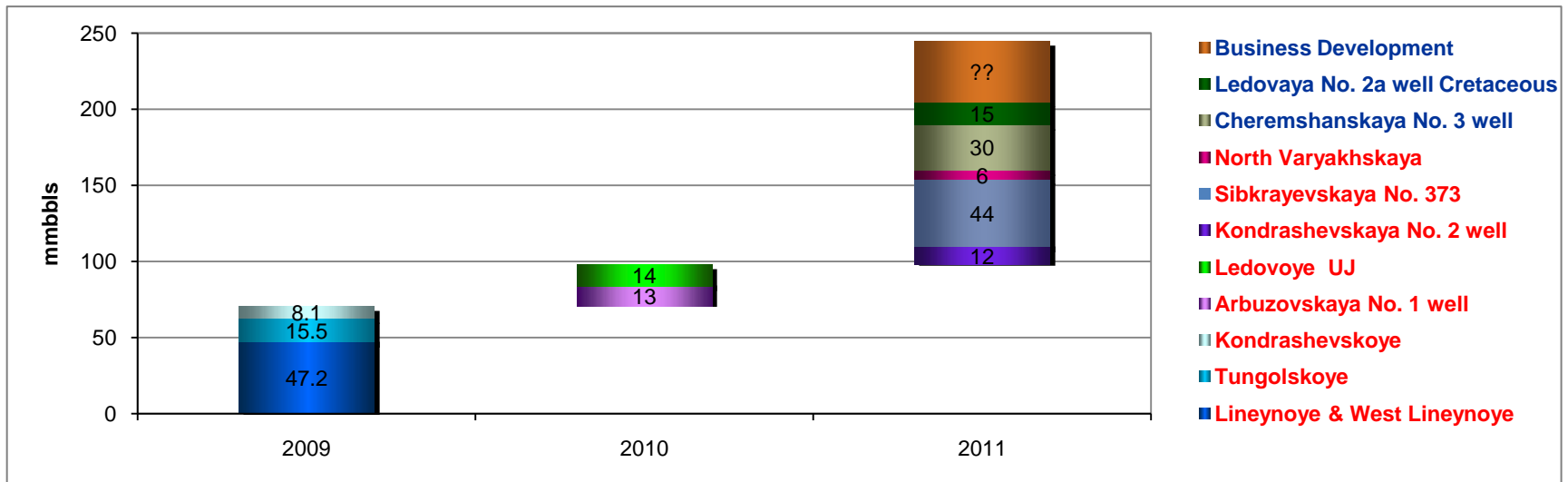
Building our Reserve base



Track record of Reserve Growth:



Targeting 2P Reserve Growth from Low Risk Exploration and Acquisition²:



¹ Source: Ryder Scott – Petroleum Consultants report as at 1 January 2011

² Source: **Ryder Scott (Jan 2011)** & **Company Estimates**



News Flow – 2010/2011 Investment Highlights





Regular significant news flow:

Date	Event
January 2011	Y/end 2010 production update and progress on winter schedule including commencement of Hydraulic Fracturing programme
March 2011	Updated reserves from Ryder Scott – Arbuzovskoye and Ledovoye
April 2011	Update on completion of Hydraulic Fracturing programme, resulting production increase and Development Drilling Results
April 2011	2010 Annual Report, Spud Kondrashevskoye No. 2 Delineation well
May 2011	Results Kondrashevskoye No. 2 Delineation well, Spud Sibkrayevskaya Exploration well, Update on 2011 Production Drilling , New production wells starting to come online
June 2011	Results Sibkrayevskaya Exploration well, Spud North Varyakhskaya No.1, Update on 2011 Production Drilling, 2011 AGM
July 2011	Results North Varyakhskaya No.1
August 2011	Spud Cheremshanskaya No. 3 well
September 2011	Results Cheremshanskaya No. 3 well, Spud Ledovoye No.2a well
November 2011	Results Ledovoye No.2a well



Investment Highlights



Fully Funded Development

- On production with steady production growth forecast
- Projects delivered on time and on budget
- Production Drilling Programme continuing in 2011 and beyond (17 new wells in 2011)

Superb Asset Base

- Total Licence 61; 2P Reserves of 82 mmbo, 3P/P4 oil reserves/resources of 531 mmbo (unrisked) provides platform for strong reserve growth
- Licence 67; 2P Reserves of 14 mmbo (net), 3P/P4 reserves/resources 110 mmbo (unrisk)
- Reserve upgrades likely from 2011 exploration programme

Significant Exploration Upside

- Low Risk 5 well 2011 Exploration Programme
- Top 5 Licence 61 prospects targeting over 200 mmbo
- Licence 67 has added significant additional upside potential

Ongoing Corporate Development

- Seeking to develop a diverse portfolio of exploration and production assets
- Significant opportunities for participation in expected licence auctions and corporate / asset acquisitions
- Evaluating a number of exciting corporate acquisitions

Management

- Proven track record
- Motivated Management team with proven experience of exploration, production and corporate development in the Russian oil industry and abroad
- Experienced local management with strong relationships



Appendices





Corporate Information



Share Capital *

- Ordinary Shares in issue: 416,098,432
- Share options outstanding: 16,764,000
- Warrants outstanding: 6,200,000
- Fully diluted share capital: 439,062,432
- Market Capitalisation: £220 million

*As at 30 March 2 011

Major Shareholders*

Directors	7.25%
JP Morgan Asset Mgmt	8.03%
Ali Sobraliev	5.54%
Bluegold Capital Management LLP	7.12%
Macquarie Bank†	6.17%
Pictet & Cie	3.41%
Wasatch Advisers	3.38%
Arawak Energy Limited	3.23%
Davycrest Nominees Ltd	9.48%

*As at 30 March 2011 or latest shareholder declarations

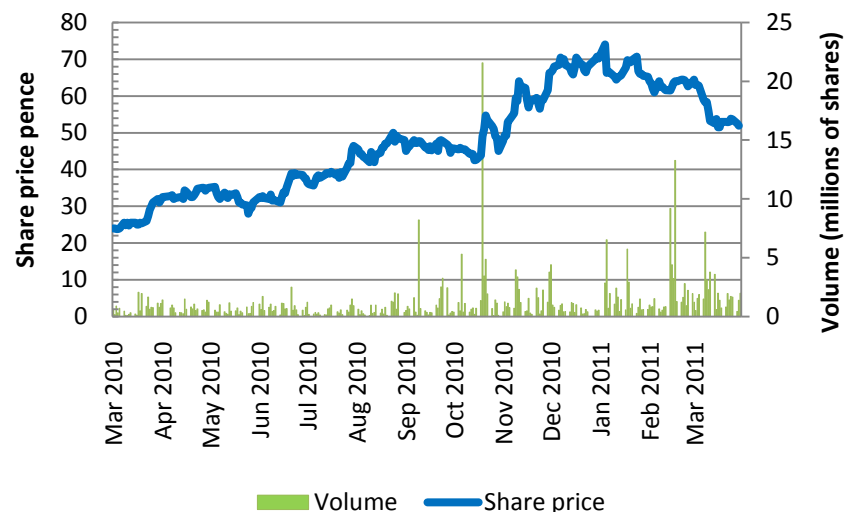
† Also Holds 6.2m warrants

Sources: Irish Stock Exchange, AR 2009

Trading details

- Exchanges:
 - AIM Market (London Stock Exchange)
 - ESM Market (Irish Stock Exchange)
- Free float: 87.20%
- Tickers: PTR (AIM) & P8ET (ESM)

PetroNeft share price performance





Board of Directors



G. David Golder

- Non-Executive Chairman
- 34 years' industry experience with Marathon Oil Company, Sakhalin Energy and others

Dennis C. Francis

- Chief Executive Officer and co-founder
- Headed Marathon's Business Development Activities in Russia from 1989 to 2003

Paul Dowling

- Chief Financial Officer
- Former partner accounting firm LHM Casey McGrath, 17 years experience in Financial arena

David E. Sanders

- Executive Director, Secretary and General Counsel and co-founder
- 15 years' experience doing business in Russia, Sakhalin II Project, Priobskoye, KMOC

Thomas G. Hickey

- Non-Executive Director
- Commercial Director Petroceltic International, formerly CFO of Tullow Oil plc

Vakha A. Sobraliev

- Non-Executive Director
- 30 years' experience in West Siberian Petroleum Industry – GD Tomskburneftegaz, LLC

Gerry Fagan

- Non-Executive Director
- Former Group Financial Controller of Smurfit Kappa Group plc



Experienced Management Team



Karl Johnson (Houston)

- Vice President of Business Development and Operations
- 30 years' experience in oil and gas business internationally including Russia
- Formerly with Marathon Oil

Alexey Balyasnikov (Moscow)

- General Director
- 35 years' experience in Russian oil and gas business
- Former Head of Representation for Marathon Oil in Moscow

Alexander Frenovsky (Tomsk)

- Executive Director
- 37 years' experience in Russian oil and gas industry
- Former General Director and Chief Engineer – JSC Tomskneftegazgeologia
- Directly participated in the development of 15 oil fields in the Tomsk Oblast

Nikolay Karapuzov (Tomsk)

- Chief Geophysicist/Geologist of Stimul-T
- 38 years' experience in Russian oil and gas industry
- Former Chief Geophysicist/Geologist – JSC Tomskneftegazgeologia
- Directly participated in discovery of 17 oil fields in the Tomsk Oblast



Contacts



PetroNeft Resources plc

Dennis Francis, CEO
10333 Harwin Drive, Suite 518
Houston, TX 77479, USA
dcfrancis@petroneft.com
+1 713 988 2500

Paul Dowling, CFO
20 Holles Street
Dublin 2
Ireland
pdowling@petroneft.com
+353 1 6470280
+353 86 2958845

DAVY

Nominated Advisor and Co-Broker

John Frain john.frain@davy.ie
+353 1 614 8761

Brian Garrahy brian.garrahy@davy.ie
+353 1 614 9074

Canaccord Genuity

Co-Broker

Charles Berkeley
cberkeley@canaccordgenuity.com
+44 (0) 207 050 6770

Henry Fitzgerald-O'Connor
hfitzgerald-oconnor@canaccordgenuity.com
+44 (0) 207 050 6541

Website – www.petroneft.com

AIM Market – London Stock Exchange (PTR)

ESM Market – Irish Stock Exchange (P8ET)