



PetroNeft Resources plc

Exploration, Development & Production in Russia

Bank of America Merrill Lynch

11th Annual Oil & Gas 1-1 Investor Forum Presentation

16 – 18 April 2012



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

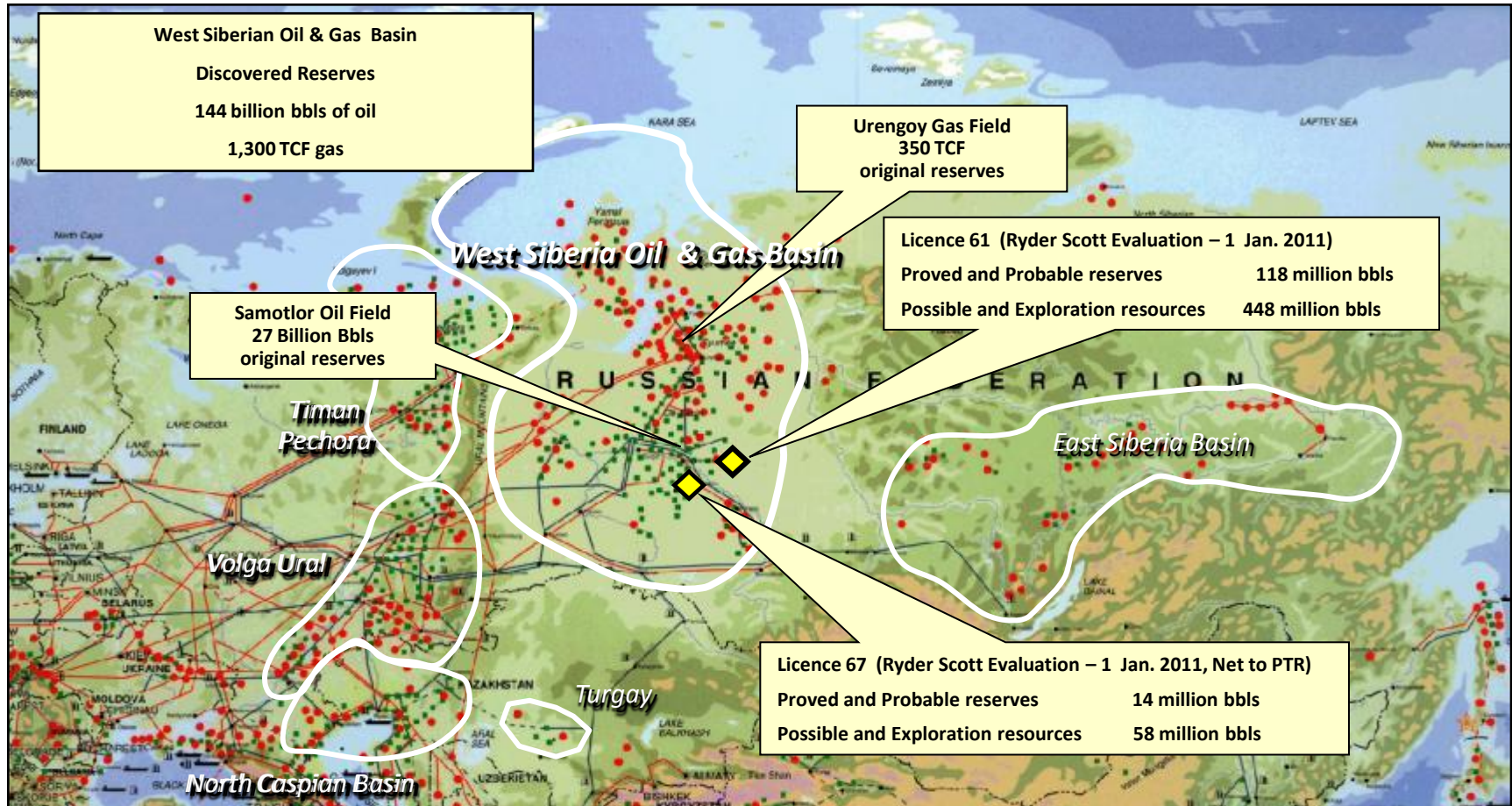
- **Production commenced on schedule in 2010, current production ≈ 2,300 bopd**
- Central Processing Facility at Lineynoye with ±14,800 bpd capacity
- Development to continue in 2012 with Arbuzovskoye field to be brought into production

Exploration

- **Strong Reserve Base with material P3/P4 to 2P upgrades possible from planned exploration programme**
- 2P reserves of 131.7 mmbo and 3P/P4 reserves of > 600 mmbo (Unrisked) [Jan 1, 2011]
- New Oil Discoveries at Sibkrayevskaya, North Varyakhskaya and Cheremshanskaya (Licence 67)
- Reserve upgrade achieved at end of 2010 and 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



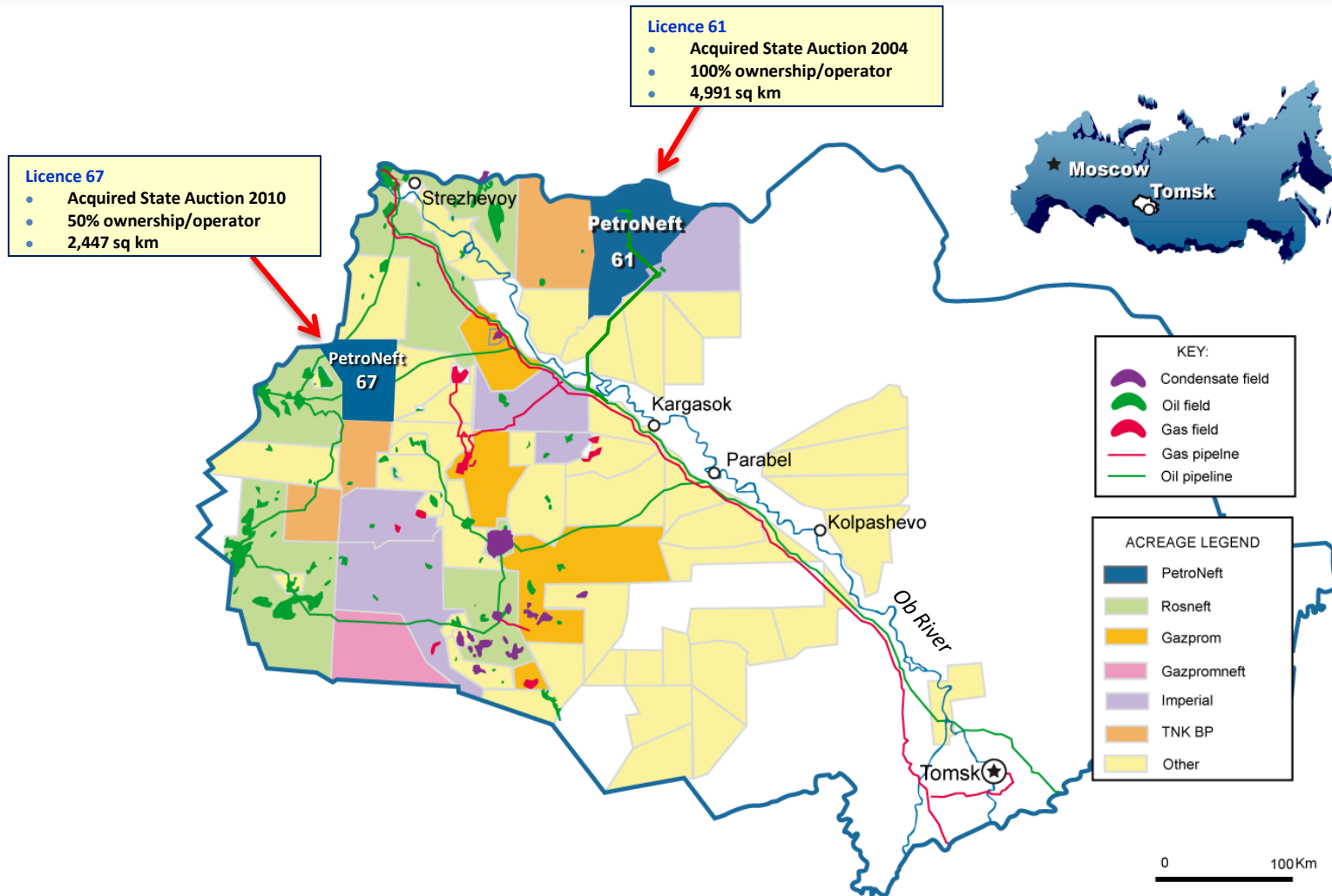
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Kilometers

— 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 2011



Licence 61 Development Plan

➤ 2010 programme:

- Construction of 60 km pipeline, oil processing/storage facilities completed
- 9 oil production wells drilled in 2010, commenced pipeline production in August

➤ 2011 programme:

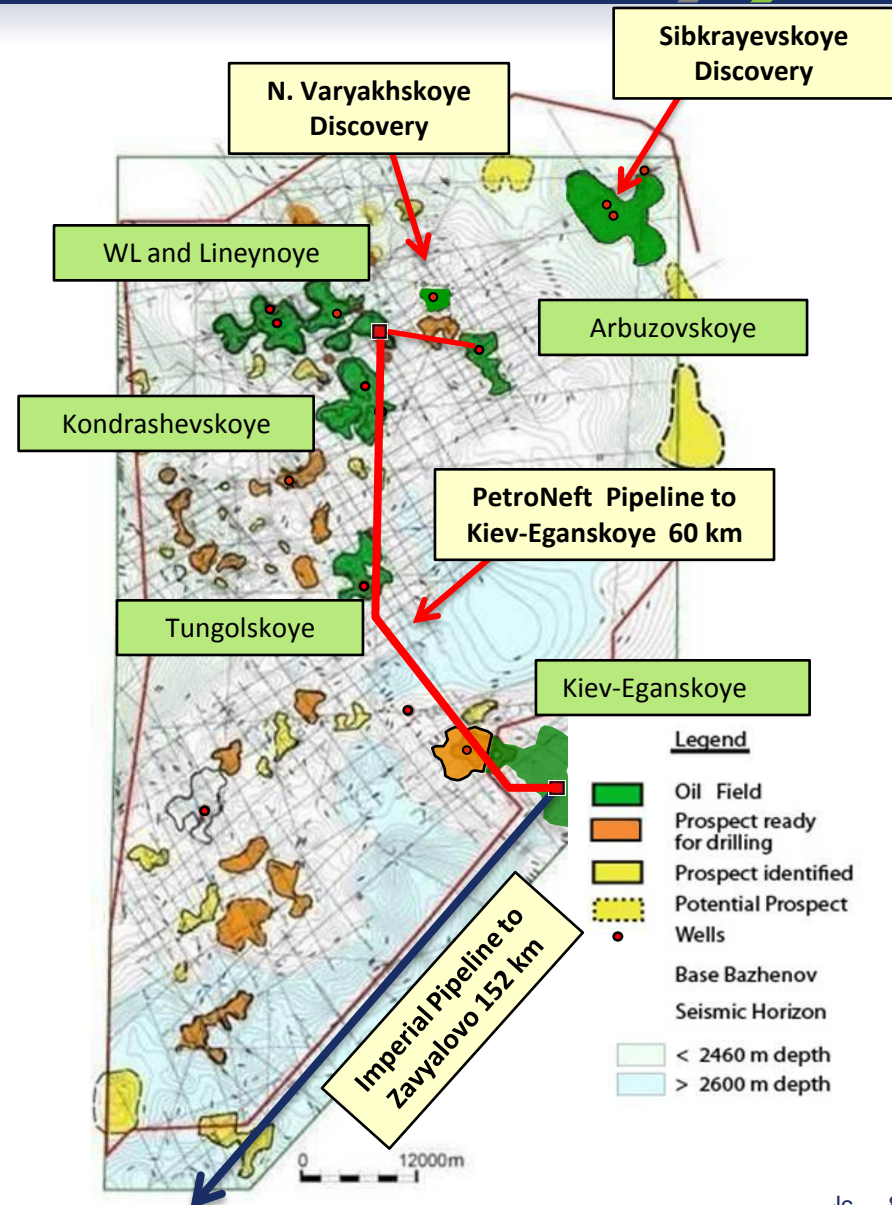
- Hydraulic Fracturing programme on 9 wells on Pad 1, 10 wells on Pad 2
- 12 new production wells drilled on Pad 2
- Process facilities expanded to $\pm 14,800$ bpd

➤ 2012 programme:

- Construction of 10 km pipeline to Arbuzovskoye and drilling of 8-10 new production wells
- Possible Sibkrayevskoye delineation well

Future Plans

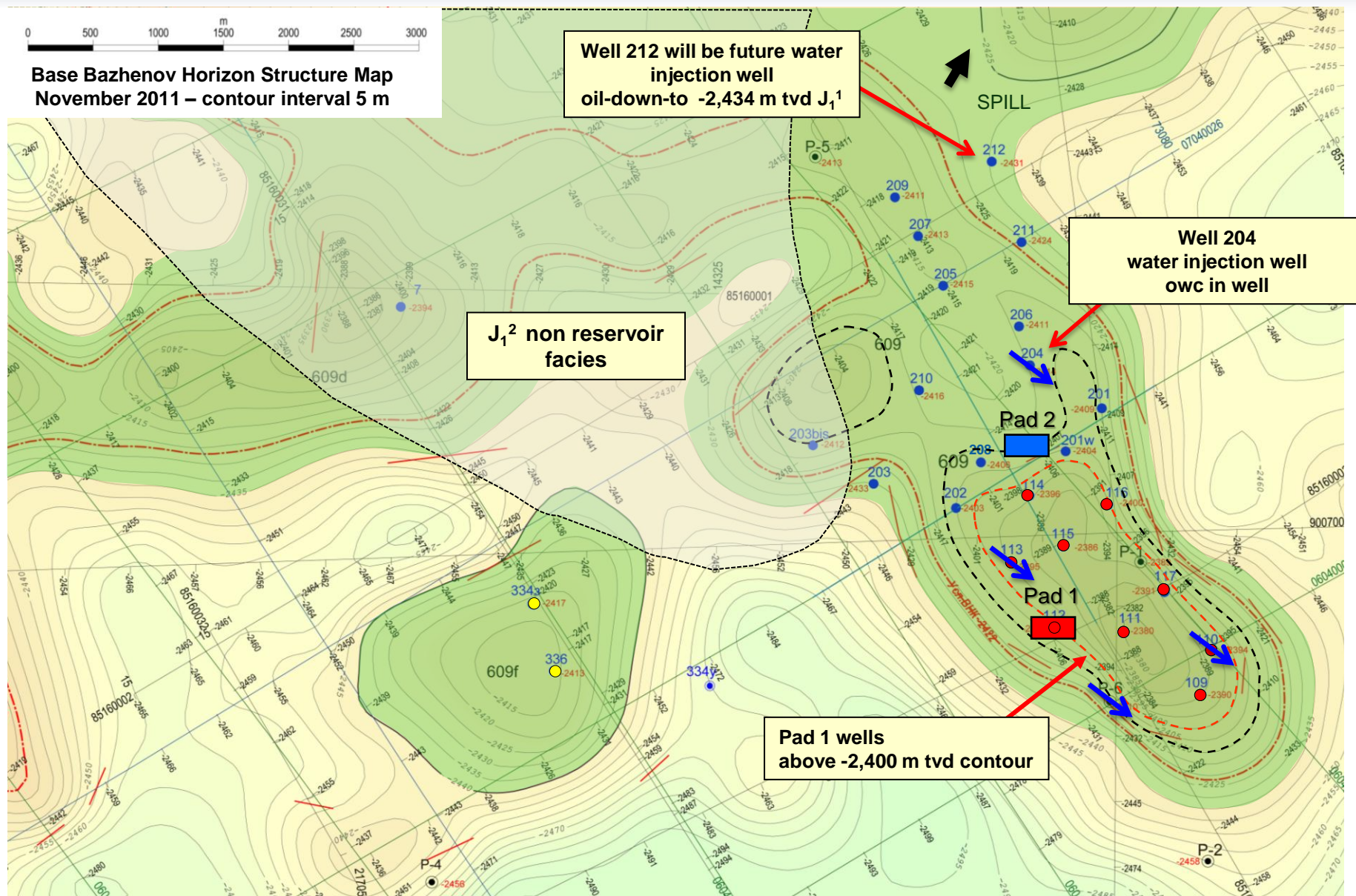
- Incremental addition based on NPV analysis of Sibkrayevskoye, Kondrashevskoye, Tungolskoye, N. Varyakhskoye and other discoveries





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m

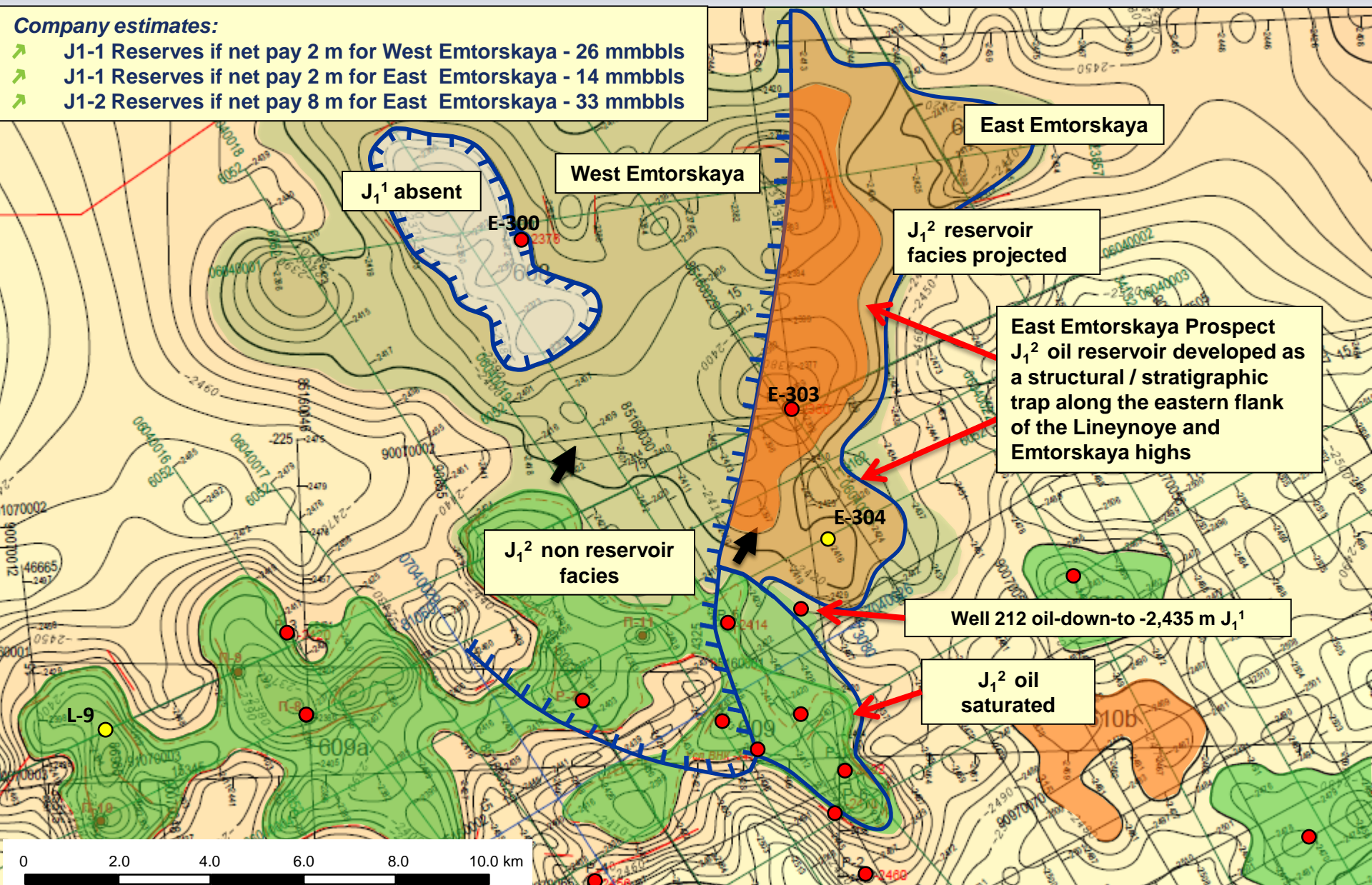
Base Bazhenov Horizon Structure Map
November 2011 – contour interval 5 m



Emtorskaya High Prospects – End 2011



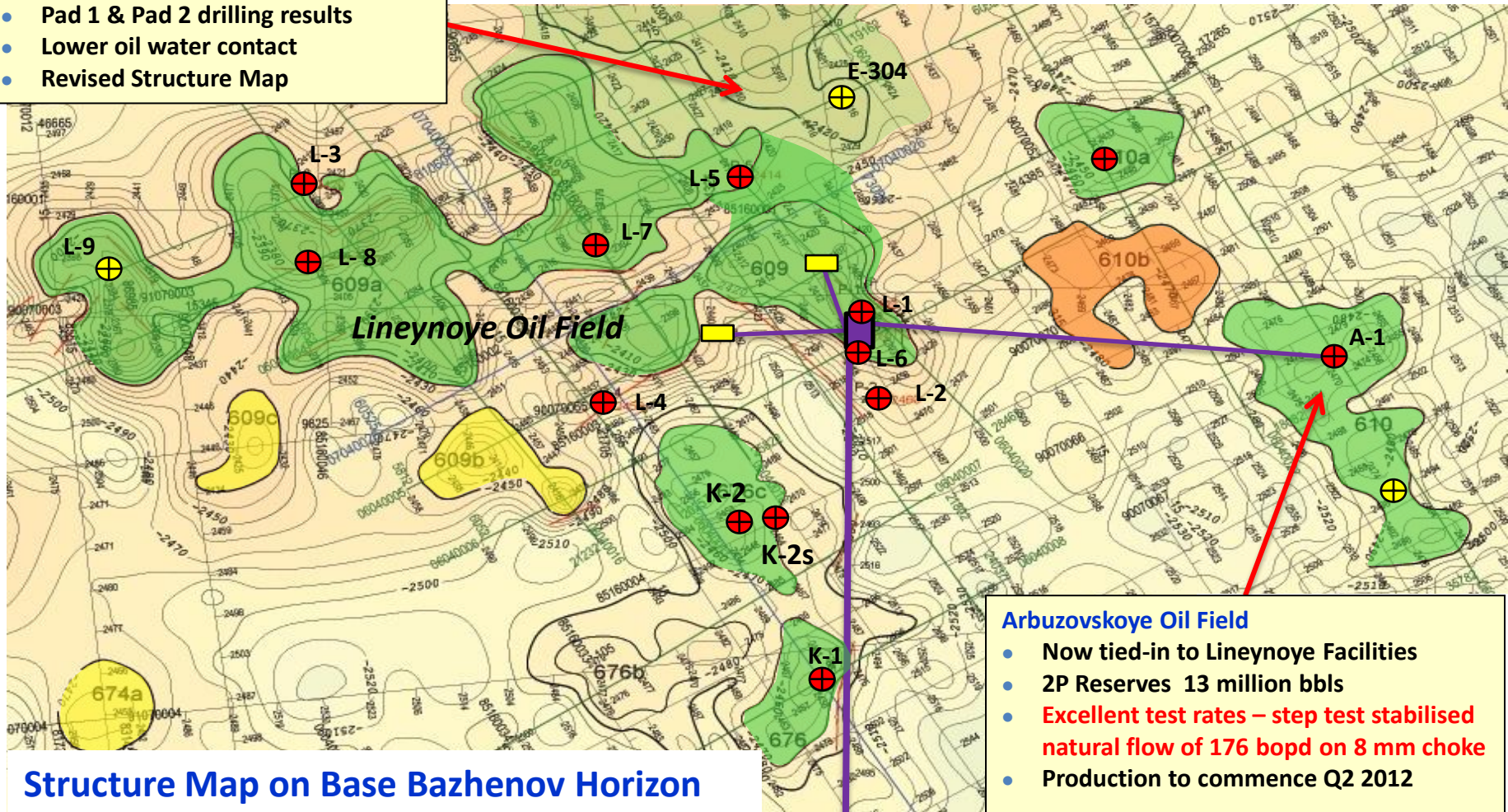
- Company estimates:**
- J1-1 Reserves if net pay 2 m for West Emtorskaya - 26 mmbbls
 - J1-1 Reserves if net pay 2 m for East Emtorskaya - 14 mmbbls
 - J1-2 Reserves if net pay 8 m for East Emtorskaya - 33 mmbbls



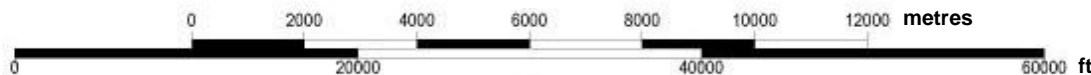


Likely Field Extension to the North

- Pad 1 & Pad 2 drilling results
- Lower oil water contact
- Revised Structure Map



Structure Map on Base Bazhenov Horizon



CI = 10 meters

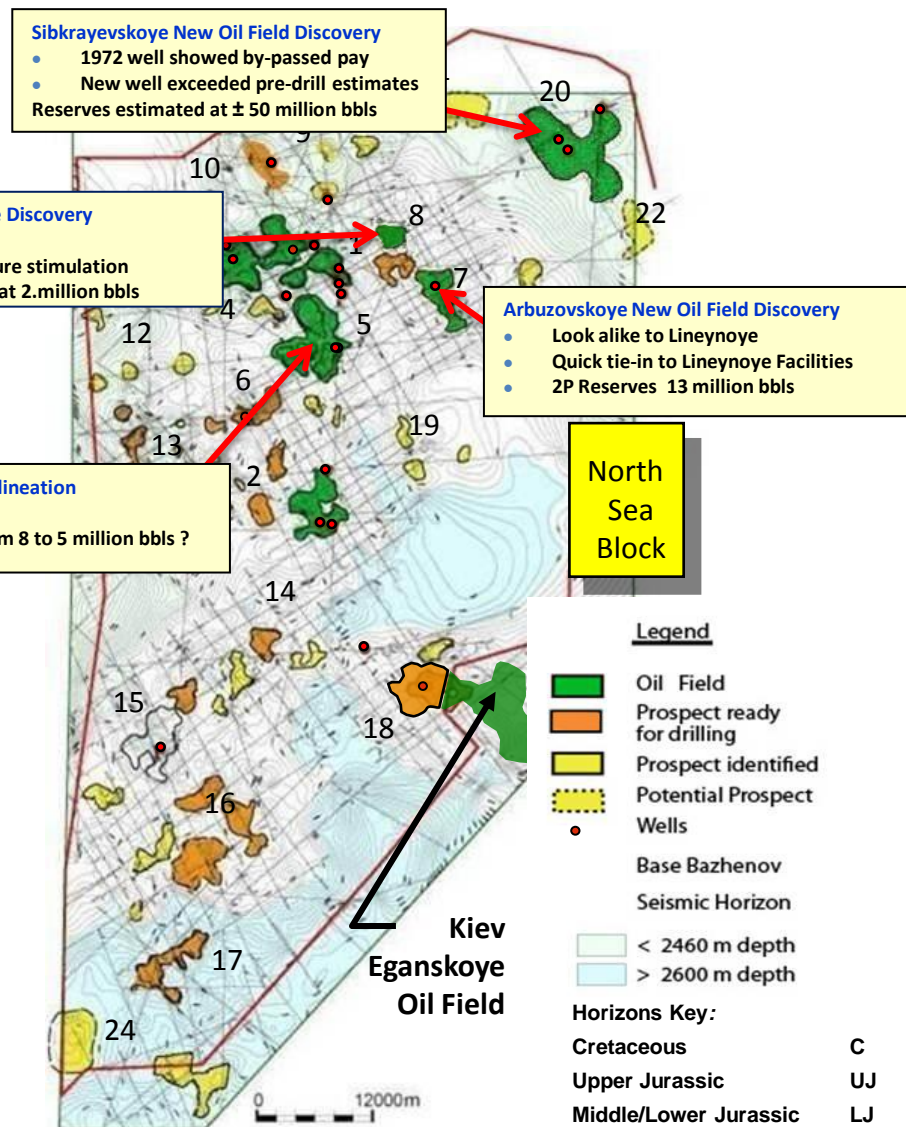


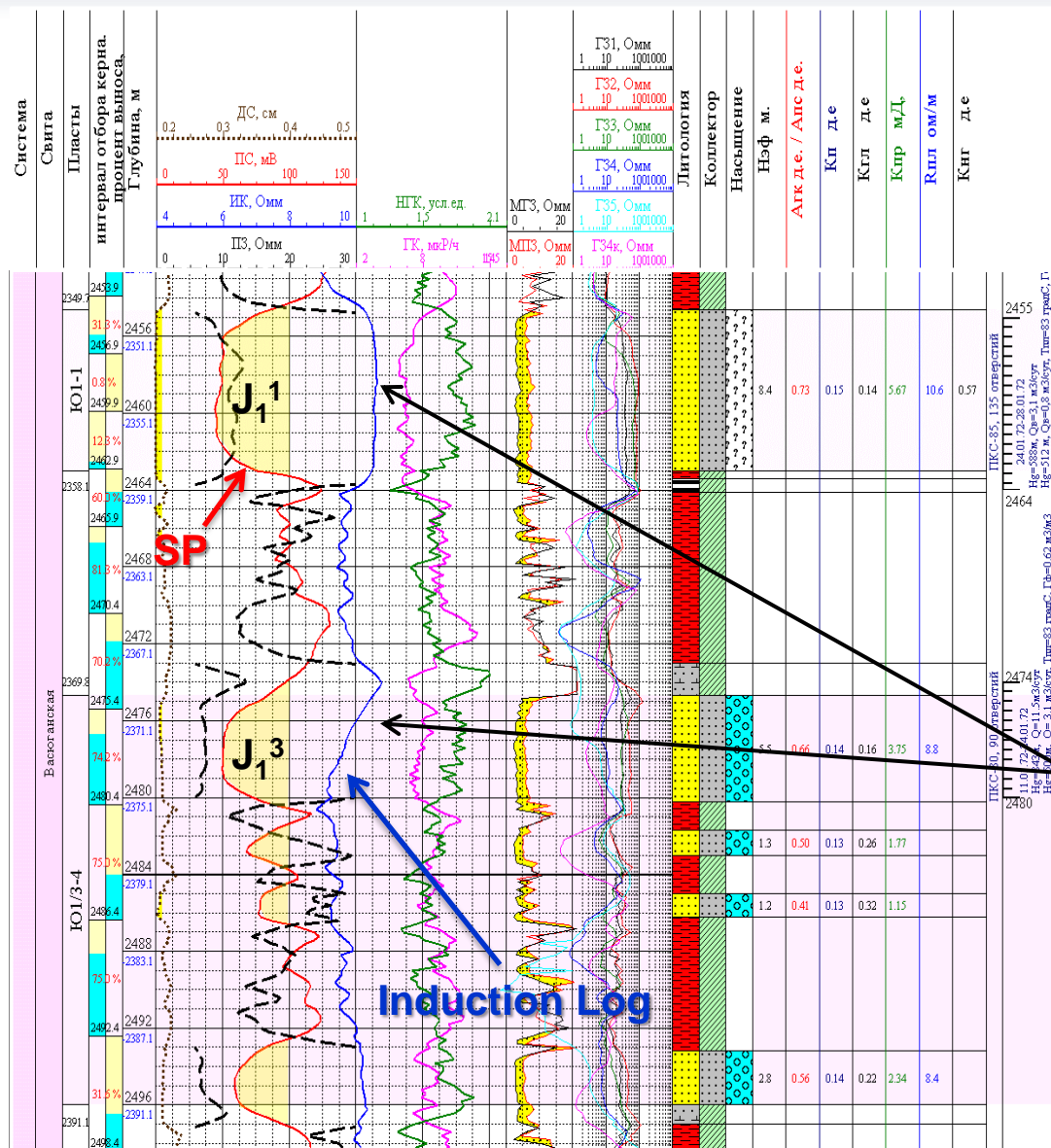
Licence 61 Exploration Programme 2011



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	
	5	Kondrashevskoye Oil Field	
	7	Arbuzovskoye Oil Field	
	20	Sibkrayevskoye Oil Field	UJ
	8	North Varyakhskoye Oil Field	UJ
Prospects	2	Tungolskoye West Lobe and North (2)	UJ
	4	Lineynoye Lower	UJ
	6	West Korchegskaya	
	8	Upper Varyakhskaya	
	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
Potential Prospects (Leads)	21	Emtorskaya North	UJ
	22	Sibkrayevskaya East	UJ
	23	Sobachya	UJ
	24	West Balkinskaya	UJ





Reinterpretation of the 1972 Sibkrayevskaya No. 370 well data in 2008 with the use of new technologies and comparison with adjacent fields identified potential missed pay in the Upper Jurassic J1 interval.

- **J₁¹ is identified in 2,454.6-2,463.0 m.**
- **The formation thickness is 8.4 m.**
- **SP and resistivity curves are of block shape which is typical of oil bearing zones in Tomsk Region**
- **No hydrocarbons reported in core; however, core recovery was only 1.08 m of 8.4 m formation thickness.**
- **The log interpretation of the formation is oil pay. Interval flow tested for only 22 hours which is too short to be definitive. Core data not definitive**
- **Comparison of Induction log response in J₁¹ sandstone with J₁³ sandstone strongly supports presence of hydrocarbons in J₁¹ sandstone**
- **New Well No. 372 (parallel to 370) drilled by PetroNeft in Jul/Aug 2011 proved that the original well missed the oil pay in the Upper Jurassic J₁¹**

Structure Map on Base Bazhenov Horizon

Sibkrayevskaya No. 373 Proposed Delineation Objectives

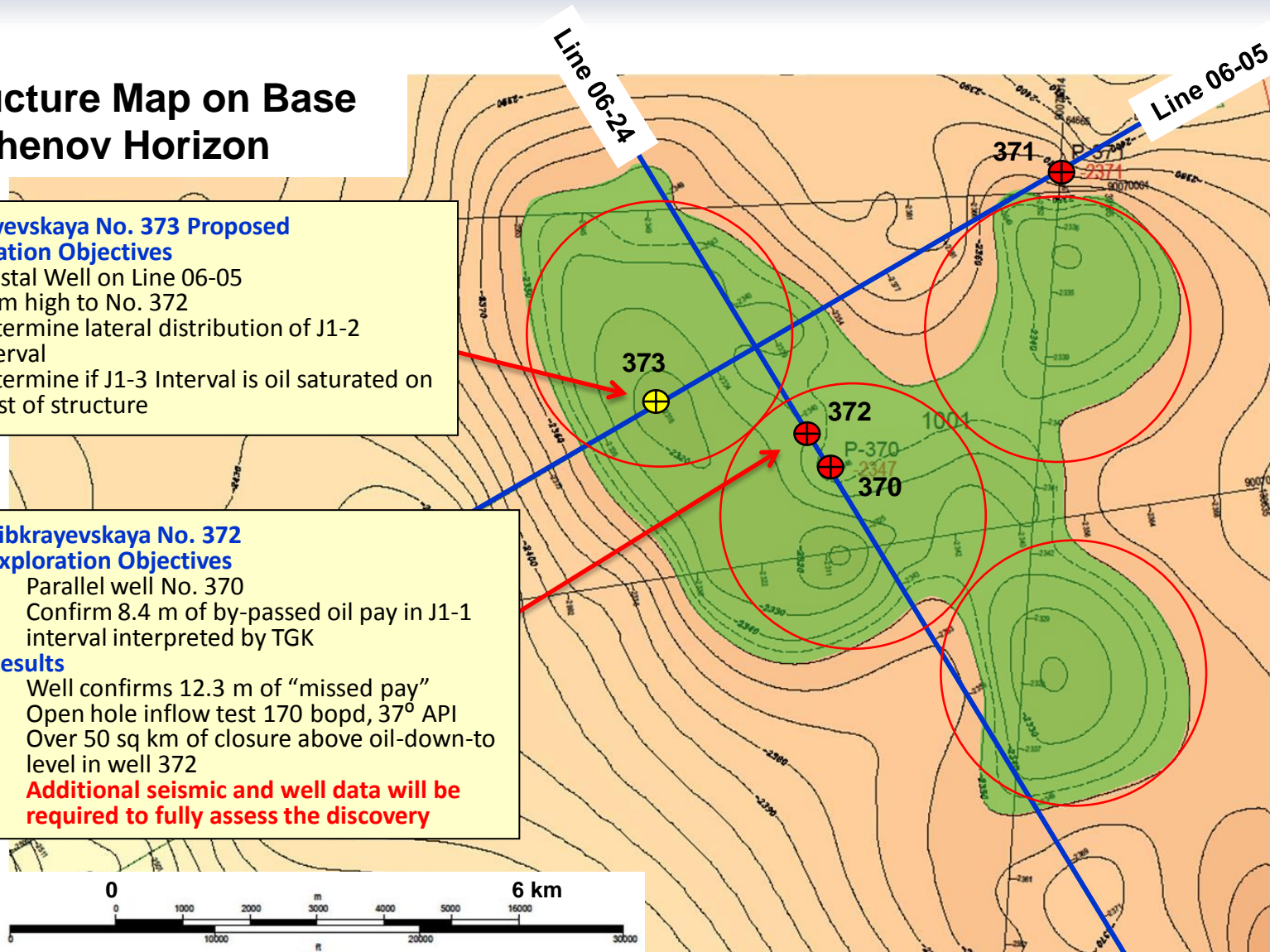
- Crestal Well on Line 06-05
- 25 m high to No. 372
- Determine lateral distribution of J1-2 Interval
- Determine if J1-3 Interval is oil saturated on crest of structure

Sibkrayevskaya No. 372 Exploration Objectives

- Parallel well No. 370
- Confirm 8.4 m of by-passed oil pay in J1-1 interval interpreted by TGK

Results

- Well confirms 12.3 m of “missed pay”
- Open hole inflow test 170 bopd, 37° API
- Over 50 sq km of closure above oil-down-to level in well 372
- **Additional seismic and well data will be required to fully assess the discovery**

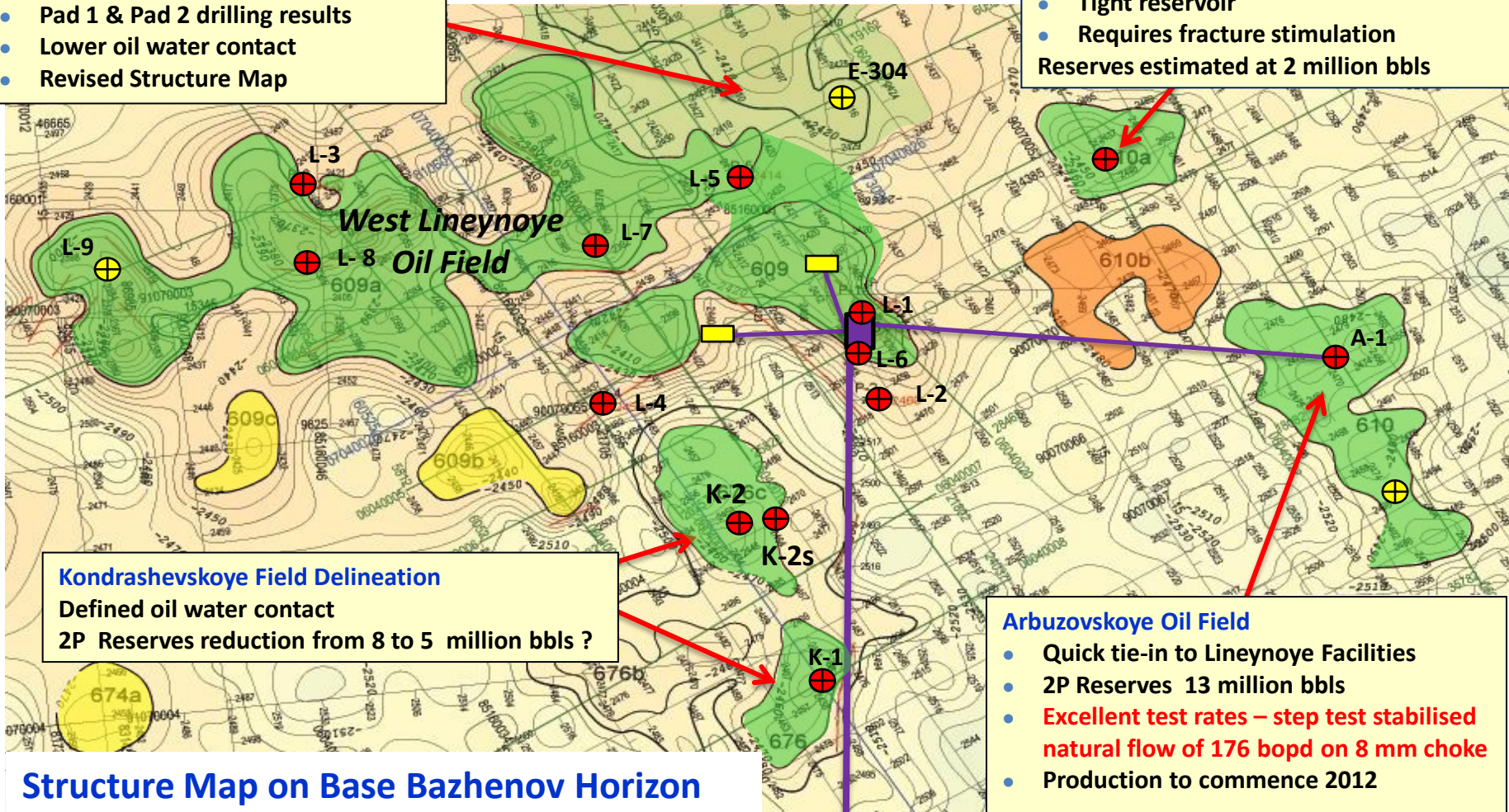


Likely Field Extension to the North

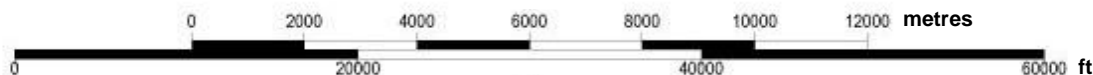
- Pad 1 & Pad 2 drilling results
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- Revised Structure Map

North Varyakhskoye Discovery

- Tight reservoir
 - Requires fracture stimulation
- Reserves estimated at 2 million bbls

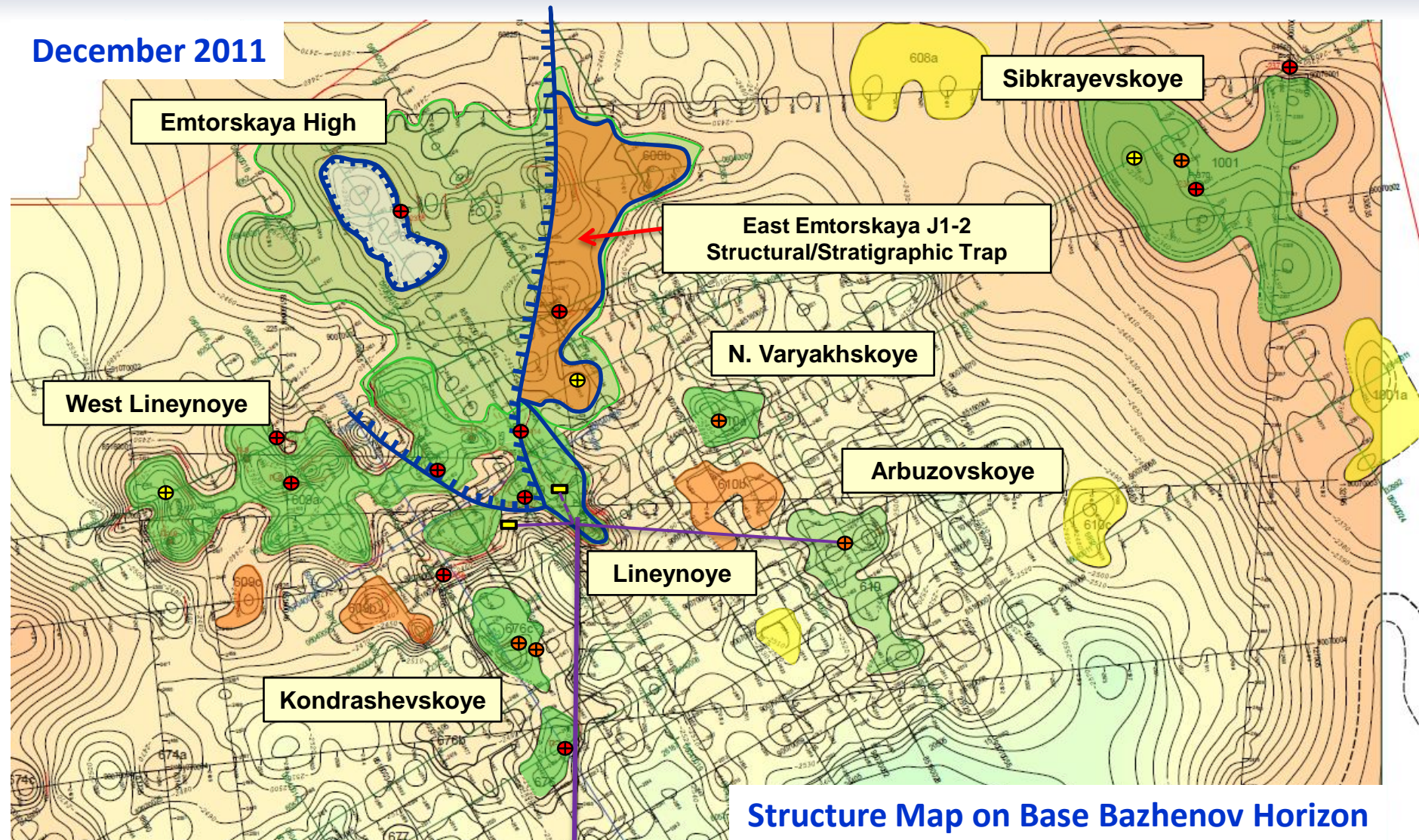


Structure Map on Base Bazhenov Horizon



CI = 10 meters

December 2011



Structure Map on Base Bazhenov Horizon



Licence 67 Exploration Programme 2011





Ledovy Block Structures and Traps

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

##	Structure Name	Main Objectives
Drilled Structures		
1	Cheremshanskoye Oil Field	UJ, 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 Cheremshanskaya	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

Ledovoye Oil Field

Log re-evaluation confirms oil in L-2 and L-5 wells:

- LC = 4.5 – 10.9 metres
- UJ J1 = 4.9 – 11.8 metres
- Just UJ 2P Reserves booked at net 14 million bbls

2011/2012 well L-2a drilled parallel to L-2

- LC = 4.5 + metres
- UJ J1 = 5 metres
- More work required

Cheremshanskaya New Oil Field Discovery

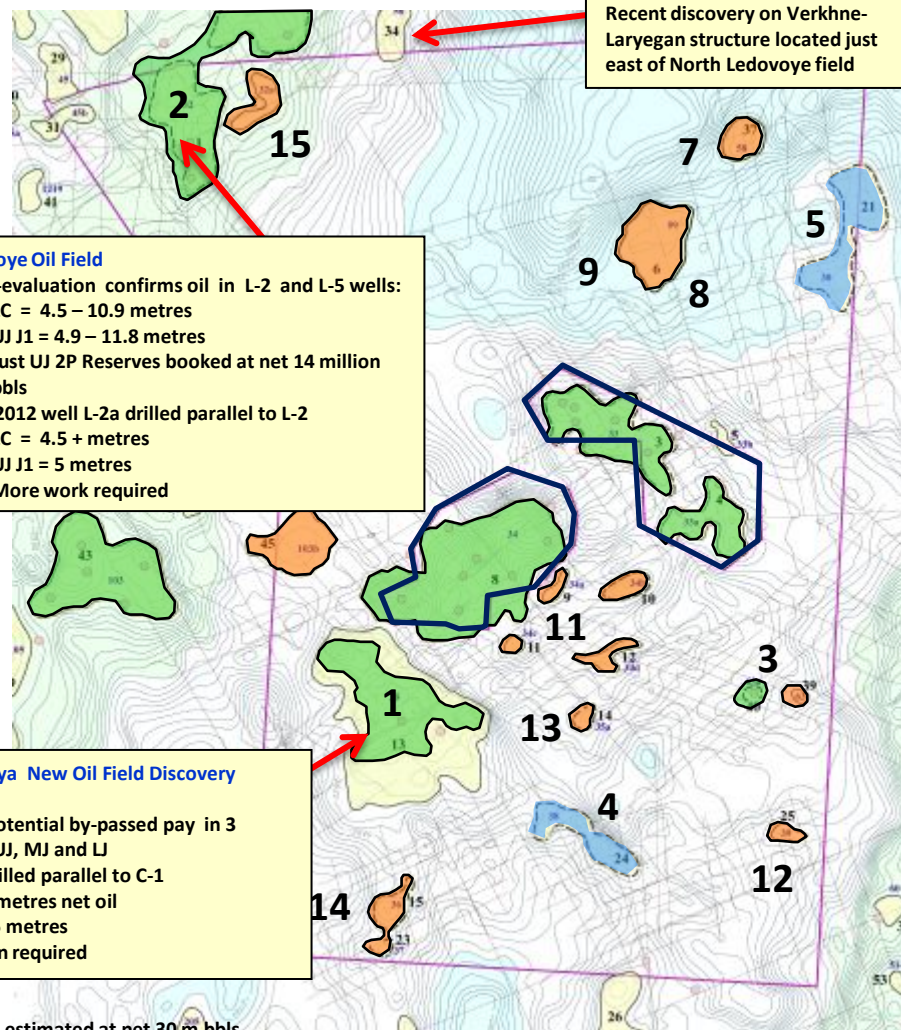
1962 well C-1

- showed potential by-passed pay in 3 intervals; UJ, MJ and UJ

2011 well C-3 drilled parallel to C-1

- UJ J1 = 10 metres net oil
- LJ J14 = 8.6 metres
- Delineation required

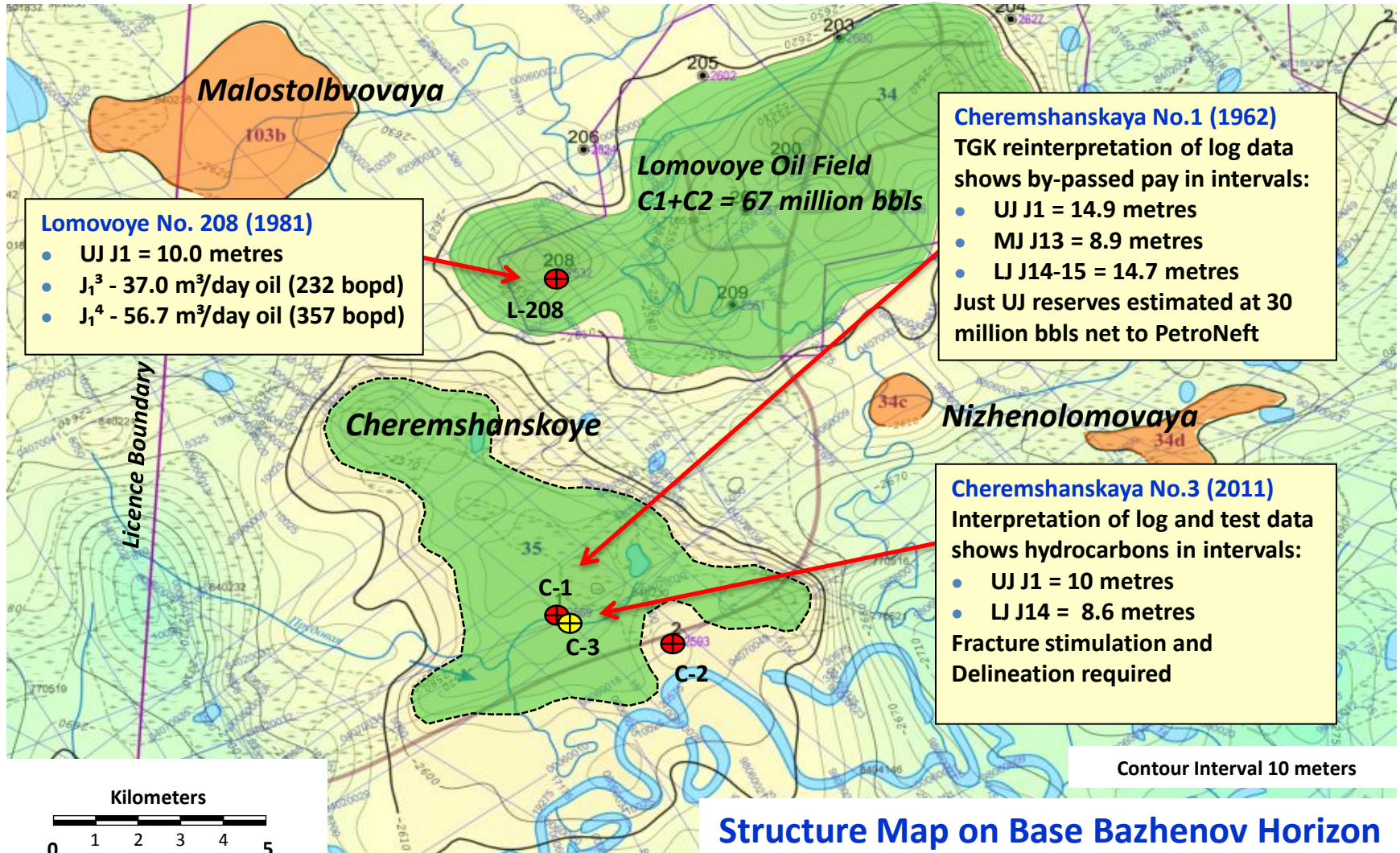
Just UJ Reserves estimated at net 30 m bbls



MOL Group Licence 55

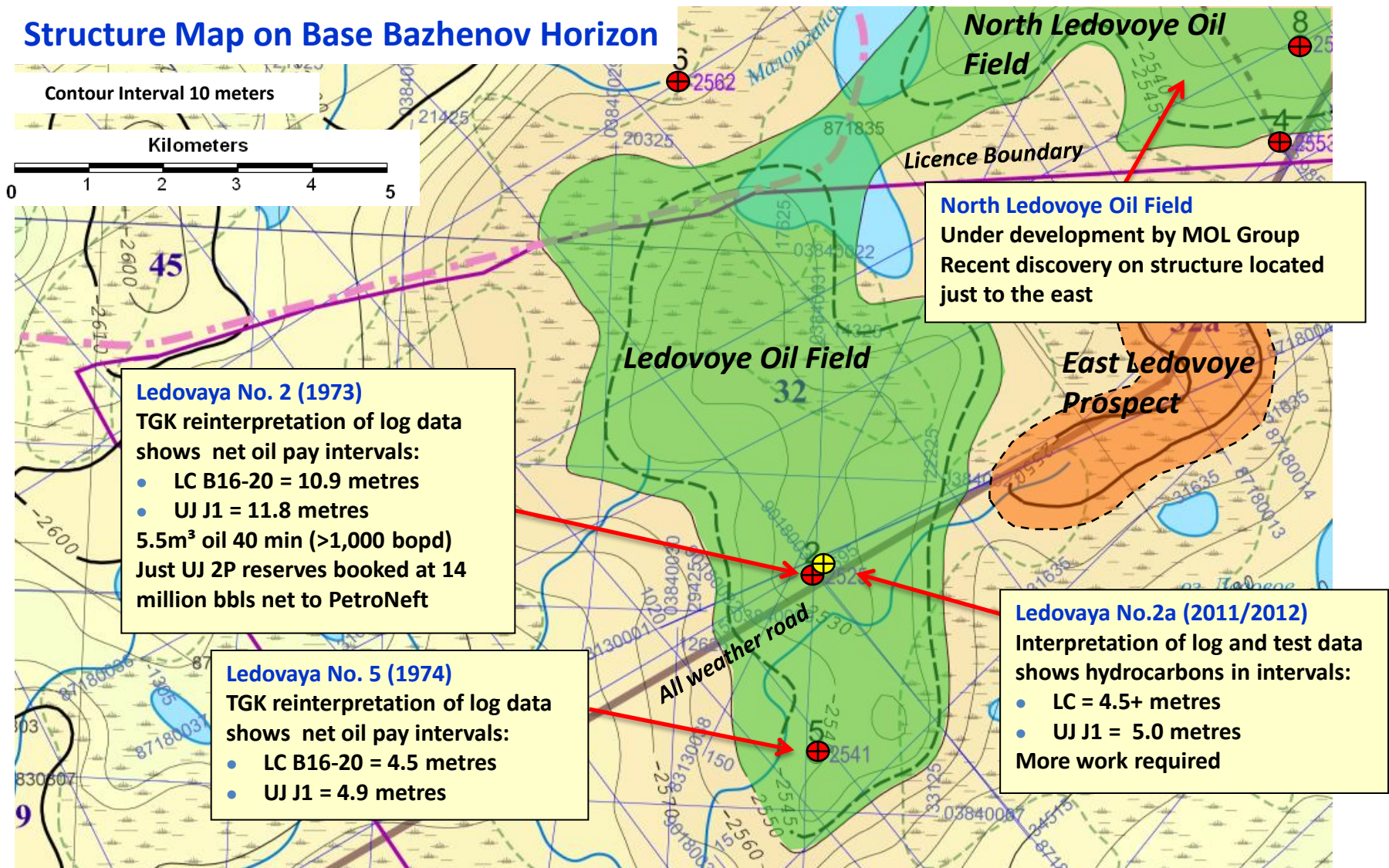
Recent discovery on Verkhne-Laryegan structure located just east of North Ledovoye field





Structure Map on Base Bazhenov Horizon

Structure Map on Base Bazhenov Horizon





Investment Highlights





Developments Ongoing

- Steady production growth forecast
- Projects delivered on time and on budget
- Production Drilling Programme continuing in 2012 and beyond

Superb Asset Base

- Total Licence 61; 2P Reserves of 118 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)
- Significant Reserve additions from 2011 exploration programme

Significant Exploration Upside

- 2011 Exploration/Delineation Programme: 3 new discoveries
- Further reserve additions possible in 2012 from following up on 2011 successes
- Licence 67 has added significant additional upside potential

Ongoing Corporate Development

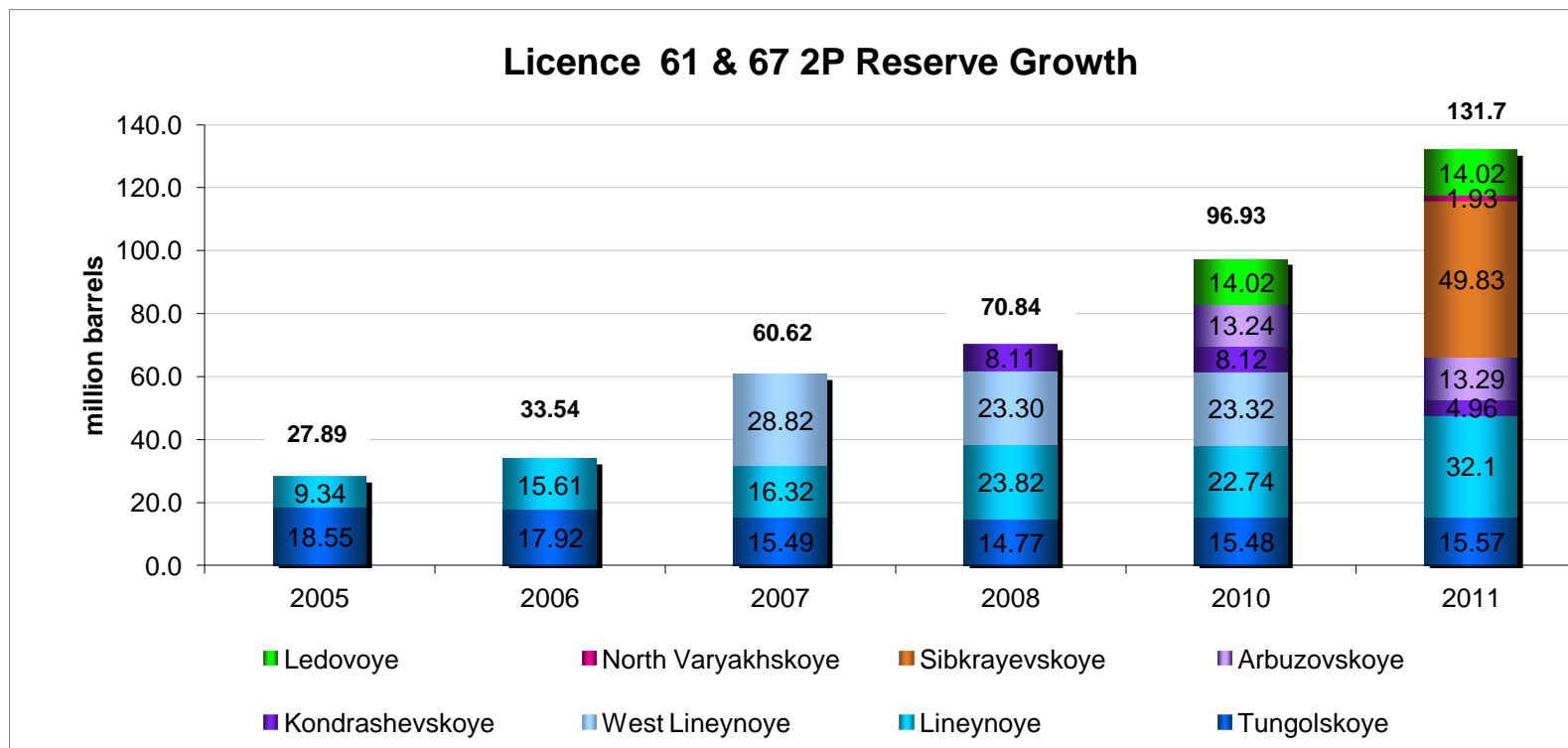
- Seeking to develop a diverse portfolio of exploration and production assets
- Significant opportunities for participation in expected licence auctions and corporate / asset acquisitions
- Evaluating a number of exciting corporate acquisitions

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



Track record of Reserve Growth:



➤ Source: Ryder Scott – Petroleum Consultants report as at 1 January 2012

➤ Lineynoye and West Lineynoye confirmed as one field in 2011



Summary

- Now a producing company with all necessary infrastructure in place
- Only producing from less than 20% of our current reserve base
- Focus on near term production and cash flow
- We will have surprises during development – both positive and negative
- Very significant reserve additions from this years exploration programme – particularly Sibkrayevskoye, more to come



Appendices





Share Capital *

- Ordinary Shares in issue: 416,356,432
- Share options outstanding: 16,544,000
- Warrants outstanding: 6,700,000
- Fully diluted share capital: 439,600,432
- Market Capitalisation: £37 million

*As at 29 February 2012

Major Shareholders*

Directors	7.25%
Ali Sobraliev	5.54%
Macquarie Bank†	7.30%
Pictet & Cie	3.41%
Arawak Energy Limited	3.23%
Davycrest Nominees Ltd	9.48%

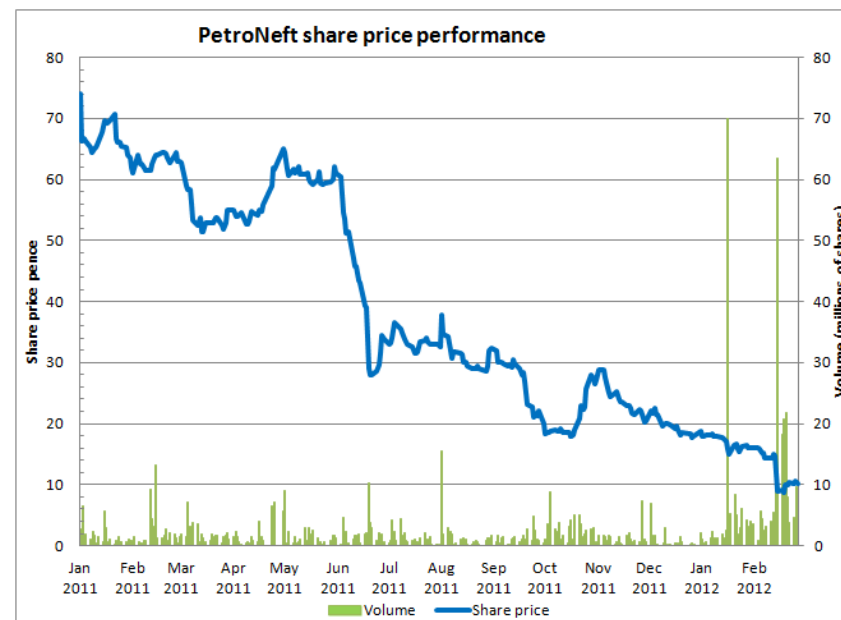
*As at 29 February 2012 or latest shareholder declarations

† Also Holds 6.7m warrants

Sources: Irish Stock Exchange, AR 2010

Trading details

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





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



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ESM Market – Irish Stock Exchange (P8ET)