PETRONEFT RESOURCES Plc

ESTIMATED

FUTURE RESERVES AND INCOME

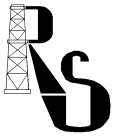
ATTRIBUTABLE TO CERTAIN

LEASEHOLD INTERESTS IN

LICENSE AREA 61 (TUNGOLSKY)

AS OF

JANUARY 1, 2009



RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

Petroleum Consultants Report

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

December 31, 2008

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RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS
621 17TH STREET, SUITE 1550 DENVER, COLORADO 80293 TEL (303) 623-9147 FAX (303) 623-4258

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

31 December, 2008

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, 2009; however, it is assumed that the anticipated decision date to sanction the project and to commence development on this License will be in the second half 2009. PetroNeft has spent certain funds for the drilling of two exploration wells, one delineation well, well testing, geological & geophysical studies, feasibility & development studies and 62 km of 273 mm diameter pipe for the export pipeline since the last full reserves report dated 31 December 2007.

PetroNeft has also signed an infrastructure sharing agreement with OJSC Bashneft to tie-in to their Lukpaiskaya pumping station under a simplified custody transfer scheme. The Lukpaiskaya pumping station is located 60 km to the northwest 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 Lukpaiskaya tie-in. 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, because of the Bashneft agreement, 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 Bashneft and a simplified custody transfer point at the Lukpaiskaya pumping station. 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, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Phase 1 - Oil/Condensate (10^3 Bbls)	8,399	38,719	47,118
Incremental fields - Oil/Condensate (10^3 Bbls)	1,803	21,078	22,881
Total - Phase 2 - Oil/Condensate (10^3 Bbls)	10,202	59,797	69,999
Future Net Income (FNI) (10^3 $)			
Phase 1 - (10^3 $)	$ 87,306	$ 397,049	$ 484,355
Incremental fields - (10^3 $)	$ 21,961	$ 258,195	$ 280,158
Total - Phase 2 - (10^3 $)	$109,267	$ 655,244	$ 764,513
Discounted FNI @ 10%			
Phase 1 - (10^3 $)	$54,465	$128,994	$183,459
Incremental fields - (10^3 $)	$ 6,984	$ 91,574	$ 98,558
Total - Phase 2 - (10^3 $)	$61,449	$220,568	$282,017

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, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Oil/Condensate (10^3 Bbls)	8,399	38,719	47,118
Income Data (10^3 $)			
Future Gross Revenue	$293,247	$1,391,892	$1,685,139
Deductions	$205,941	$ 994,843	$1,200,784
Future Net Income (FNI)	$ 87,306	$ 397,049	$ 484,355
Discounted FNI @ 10%	$ 54,465	$ 128,994	$ 183,459

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, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Oil/Condensate (10^3 Bbls)	8,399	38,719	47,118
Income Data (10^3 $)			
Future Gross Revenue	$241,584	$1,144,090	$1,385,674
Deductions	$117,649	$ 868,651	$1,046,301
Future Net Income (FNI)	$ 63,935	$ 275,439	$ 399,373
Discounted FNI @ 10%	$ 39,599	$ 79,019	$ 118,618

Phase 1 - Case 3 (High)
Constant Prices and Costs
Estimated Net Reserve and Income Data
License Area 61
PetroNeft
As of January 1, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Oil/Condensate (10^3 Bbls)	8,399	38,719	47,118
Income Data (10^3 $)			
Future Gross Revenue	$350,036	$1,665,819	$2,015,856
Deductions	$234,605	$1,144,895	$1,379,500
Future Net Income (FNI)	$115,431	$ 520,924	$ 636,356
Discounted FNI @ 10%	$ 73,441	$ 178,038	$ 251,479

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, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Oil/Condensate (10^3 Bbls)	10,202	59,797	69,999
Income Data (10^3 $)			
Future Gross Revenue	$357,443	$2,146,180	$2,503,624
Deductions	$248,176	$1,490,936	$1,739,111
Future Net Income (FNI)	$109,267	$ 655,244	$ 764,513
Discounted FNI @ 10%	$ 61,449	$ 220,568	$ 282,017

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, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Oil/Condensate (10^3 Bbls)	10,202	59,797	69,999
Income Data (10^3 $)			
Future Gross Revenue	$294,399	$1,764,538	$2,058,937
Deductions	$216,774	$1,345,456	$1,562,230
Future Net Income (FNI)	$ 77,625	$ 419,082	$ 496,707
Discounted FNI @ 10%	$ 44,285	$ 124,565	$ 168,850

Phase 2 - Case 3 (High)
Constant Prices and Costs
Estimated Net Reserve and Income Data
License Area 61
PetroNeft
As of January 1, 2009

	Total Proved	Total Probable	Proved & Probable
Net Remaining Reserves			
Oil/Condensate (10^3 Bbls)	10,202	59,797	69,999
Income Data (10^3 $)			
Future Gross Revenue	$427,004	$2,569,286	$2,996,290
Deductions	$298,888	$1,761,003	$2,059,890
Future Net Income (FNI)	$128,116	$ 808,283	$ 936,400
Discounted FNI @ 10%	$ 72,287	$ 277,935	$ 350,222

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. 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 (10^3 $)
As of January 1, 2009

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	$59,549	$160,271	$219,820
10	$54,465	$128,994	$183,459
12	$49,923	$103,996	$153,918
15	$43,971	$ 75,295	$119,266

Phase 1 - Case 1 (Low) - Discounted Future Net Income (10^3 $)
As of January 1, 2009

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	$43,370	$101,726	$145,096
10	$39,599	$ 79,019	$118,618
12	$36,227	$ 60,991	$ 97,218
15	$31,806	$ 40,504	$ 72,309

Phase 1 - Case 3 (High) - Discounted Future Net Income (10^3 $)
As of January 1, 2009

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	$79,972	$217,866	$297,838
10	$73,441	$178,038	$251,479
12	$67,593	$146,186	$213,778
15	$59,908	$109,527	$169,435

Phase 2 - Case 2 (Base) - Discounted Future Net Income (10^3 $)
As of January 1, 2009

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	$68,357	$271,665	$340,022
10	$61,449	$220,568	$282,017
12	$55,430	$179,628	$235,059
15	$47,764	$132,502	$180,266

Phase 2 - Case 1 (Low) - Discounted Future Net Income (10^3 $)
As of January 1, 2009

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	$49,136	$158,781	$207,917
10	$44,285	$124,565	$168,850
12	$40,044	$ 97,380	$137,424
15	$34,616	$ 66,481	$101,097

Phase 2 - Case 3 (High) - Discounted Future Net Income (10^3 $)
As of January 1, 2009

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	$80,335	$340,068	$420,403
10	$72,287	$277,935	$350,222
12	$65,279	$228,151	$293,431
15	$56,358	$170,794	$227,153

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

Introduction

The proved reserves included herein conform to the definition approved by the Society of Petroleum Engineers (SPE) and the World Petroleum Congress (WPC). The probable reserves included herein conform to definitions of probable reserves approved by the SPE/WPC using the deterministic methodology and the possible reserves included herein conform to definitions of possible reserves approved by the SPE/WPC 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:

	General Reservoir Properties		
Property	**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 - ºC	93 ºC	98 ºC	88 ºC
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	53.00	29.24
Case 2 (Base)	33	67	65.00	36.44
Case 3 (High)	33	67	80.00	44.07
Phase 2				
Case 1 (Low)	33	67	53.00	29.24
Case 2 (Base)	33	67	65.00	36.44
Case 3 (High)	33	67	80.00	44.07

The Base Case (Case 2) in this report utilized an export price of $65/bbl and a domestic price of $36.44/bbl which is after VAT. First oil sales are 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)	$4.02/Bbl
Transportation (Domestic)	$0.85/Bbl
Export Tariff (Export Volumes)	$4.00 + (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 at 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.

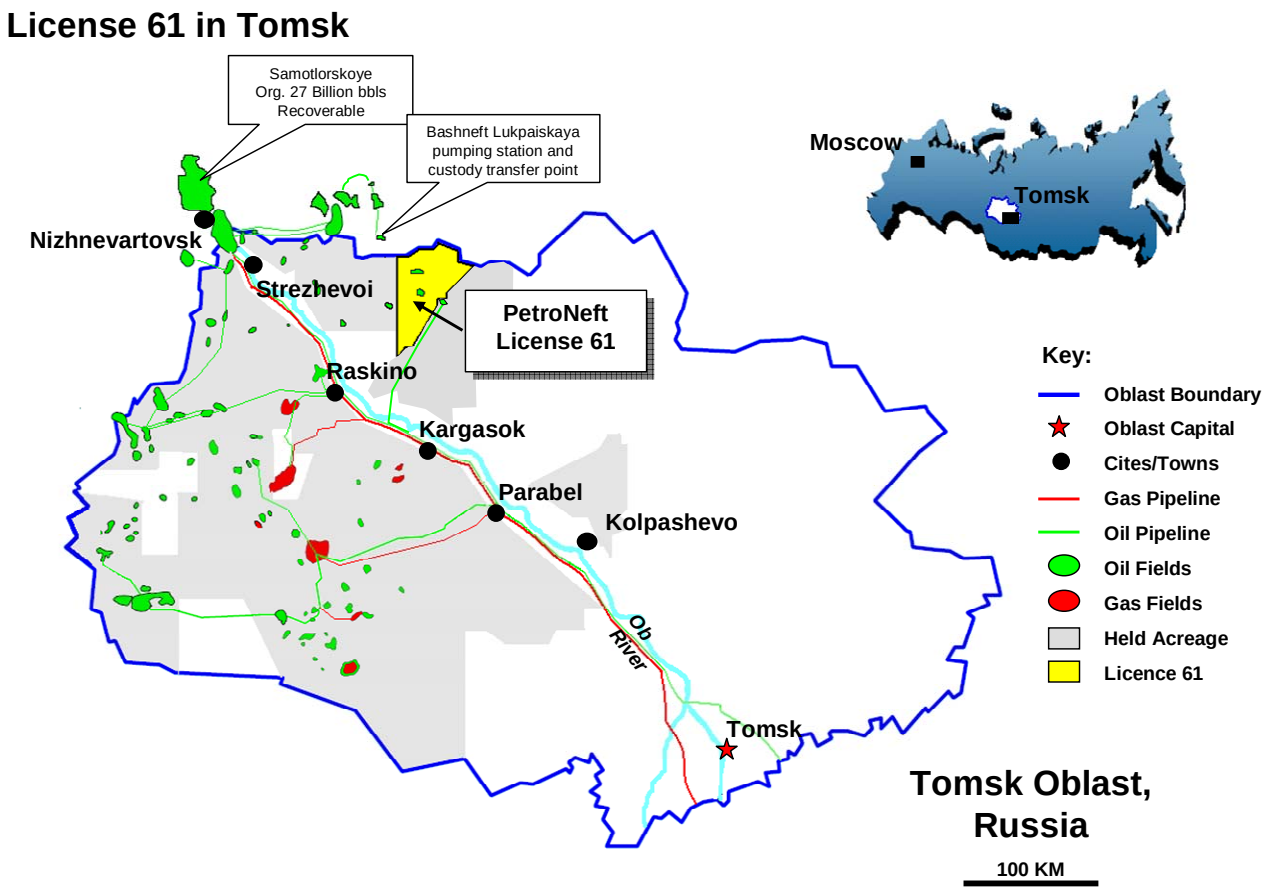

Figure 1 Map showing Tomsk Oblast and location of License Area 61.

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).

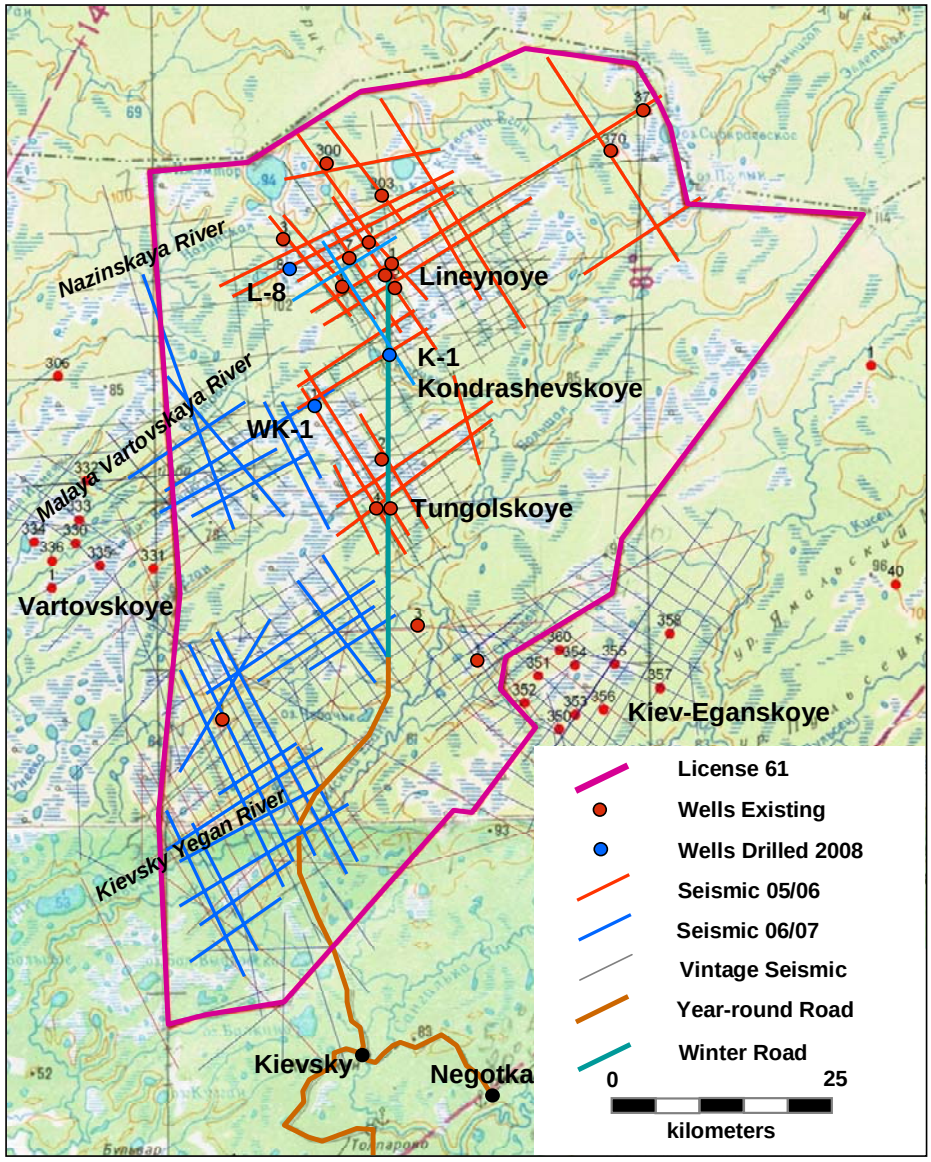

Figure 2 Map showing Natural Environment and Infrastructure of License 61.

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^{o}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/Cenezoic 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-Kolpashevakaya 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.

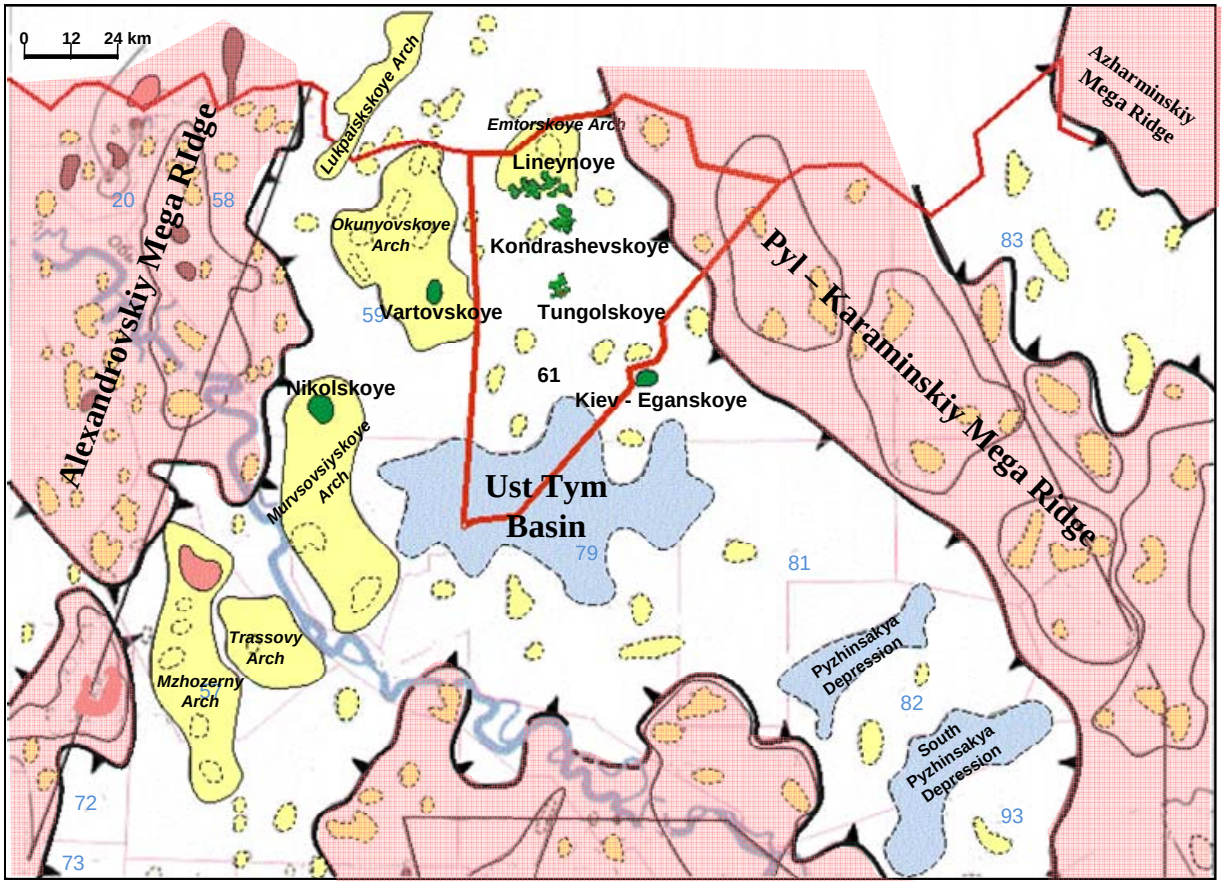

Figure 3 Map showing License 61 in context of regional tectonic features.

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

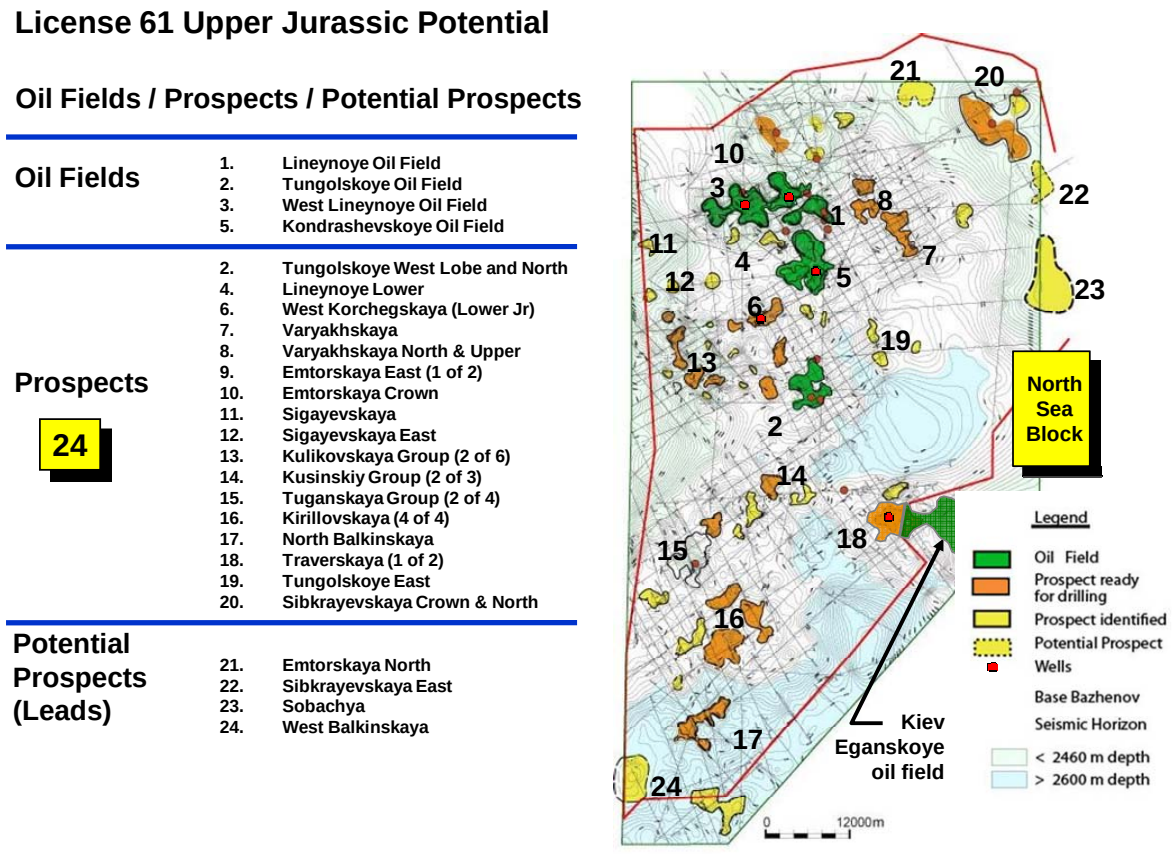

Figure 4 Map showing Upper Jurassic Oil Fields, Prospects and Potential Prospects in License 61

Four oil fields have been discovered in the deposits of the Upper Jurassic sedimentary cover (Vasyugan series, J_1 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
5	Korchegskaya
6	West Korchegskaya
7	Varyakhskaya
8	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 ☼ Gas ● Oil	SOURCE ROCKS	DEPOSITIONAL ENVIRONMENT
MESOZOIC	CRETACEOUS	Upper	MAASTRICHTIAN		GAN'KINO		Gan'kino	Gan'kino	GAN'KINO : Shales and siltstones	30 - 200			Alternation of marine and continental deposits
			CAMPANIAN	DERBYSHI	SLAVGORODE		Berezovo	Berezovo / Slavgorode	BEREZOVO : Clay and shales SLAVGOROD : Clay and siltstone	100 - 260	☼		
			SANTONIAN		IPATOVO			Ipatovo	IPATOVO : Siltstone and sandstone				
			CONIACIAN										
			TURONIAN		KUZNETSOV		Kuznetsov	Kuznetsov	KUZNETSOV : Clay and siltstone	20 - 120			
			CENOMANIAN	POKURSK	UVAT		Pokur	Pokur	UVAT : Siltstone, clay, sand and sandstone POKUR : Sandstone with intercalations of shales and lignite KHANTY-MANSIYSK & VIKULOVO : Fine grained sandstone,siltstone,shale with lignite intercalations	100 - 900	☼ ●		Marine, shallow marine shelf and continental deposits
		Lower	ALBIAN		KHANTY-MANSIYSK	Upper / Lower				50 - 120	Main gas reservoirs		
			APTIAN		VIKULOVO								
				ZARECHENSKAYA	ALYMKE	Upper / Lower	Alymke		ALYMKE : Siltstone, silty sandstone lenses	60 - 300			
			BARREMIAN		CHERKASHINO		Sangopay / Cherk / Vanden	Vartovsk / Kiyali	CHERKASHINO : Clay, siltstone and sandstone VANDEN : Sandstone and siltstone VARTOVSK : Sand and sandstone KIYALI : Sandstone, silty sandstone and siltstone	80 - 400	☼ ●		Shallow marine, marine and turbidite deposits
			HAUTERIVIAN		UST'-BALYK		Ust'-Balyk / Vanden		UST'-BALYK : Siltstone and sandstone MEGION : Sandy and silty deposits interbedded with shales				
			VALANGINIAN		AGANSKAYA		Sortymskaya / Akh / Vanden	Tarsk	TARSK : Sand and argillaceous sandstone	100 - 400	☼ ●	⚑	Marine and shallow marine deposits
					IAHSK		Achimovo / Megion / Vanden						
					KULOMZIN		Kulom-zin	Kulomzin	KULOMZIN : Shales, siltstone and sandstone ACHIMOVO : Shales, sandstone				
			BERRIASIAN										
	JURASSIC	Upper	VOLGIAN (PORTLANDIAN)	DANILOV	BAZHENOVO		Bazhenovo	Bazhenovo	BAZHENOVO : Bituminous shale and limestone GEORGIEVKA : Bituminous shale and siltstone VASYUGAN : Bituminous shale, sdst and sltst NAUNAK : Siltstone, shales and sandstone	5 - 150	☼ ●	⚑	Marine pelagic and shallow marine deposits
			KIMMERIDGIAN		GEORGIEVKA		Georgievka	Georgievka		80 -100	☼ ●	Main source rocks	
			OXFORDIAN		VASYUGAN	Upper / Lower	Vasyugan	Vasyugan / Naunak			☼ ●		
		Middle	CALLOVIAN										
			BATHONIAN	ZAVODOUKOVSKAYA	MALYSHEVKA		Tyumen	Tyumen	TYUMEN : Alternating sandstone, siltstone and shale which are slightly carbonaceous MALYSHEVKA : Sandstone and siltstone LEONT'EVSKOVO : Siltstone, shale and sandstone VYMSKOVO : Siltstone, limestone and siltstone	300 to max. 1,500	☼ ●	⚑	Lacustrine, shallow marine, deltaic and lagoonal deposits
			BAJOCIAN		LEONT'EVSKOVO								
			AALENIAN		VYMSKOVO								
					LAYDA								
		Lower	TOARCIAN		DZHANGODA	Upper / Middle / Lower	Gorelaya / Kotukhta		GORELAYA : Sandstone, siltstone and shale KOTUKHTA : Sandstone and shale	30 -100	☼ ●	⚑	Shallow marine and lacustrine deposits
			PLIENSBACHIAN		LEVINSKOVO								
			SINEMURIAN		ZYMNYAYA								
			HETTANGIAN										

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 J_{16}-J_2 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 J_1 horizon. Four or five arenaceous formations are typically identified within the cross-section of the J_1 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 B_{16-20} 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 A_1 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 Berezovsksaya 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 to178 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 m^3/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 J_3 formation) and in Well No. 370 in the Sibkrayevskaya area (yellow luminescence and increased gas content (as much as 4%) in the J_4 formation). These targets, as well as the J_2 and J_3 formations in Well No. 5 (Lineynoye area) and the J_2 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 J_1 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 J_1^1 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

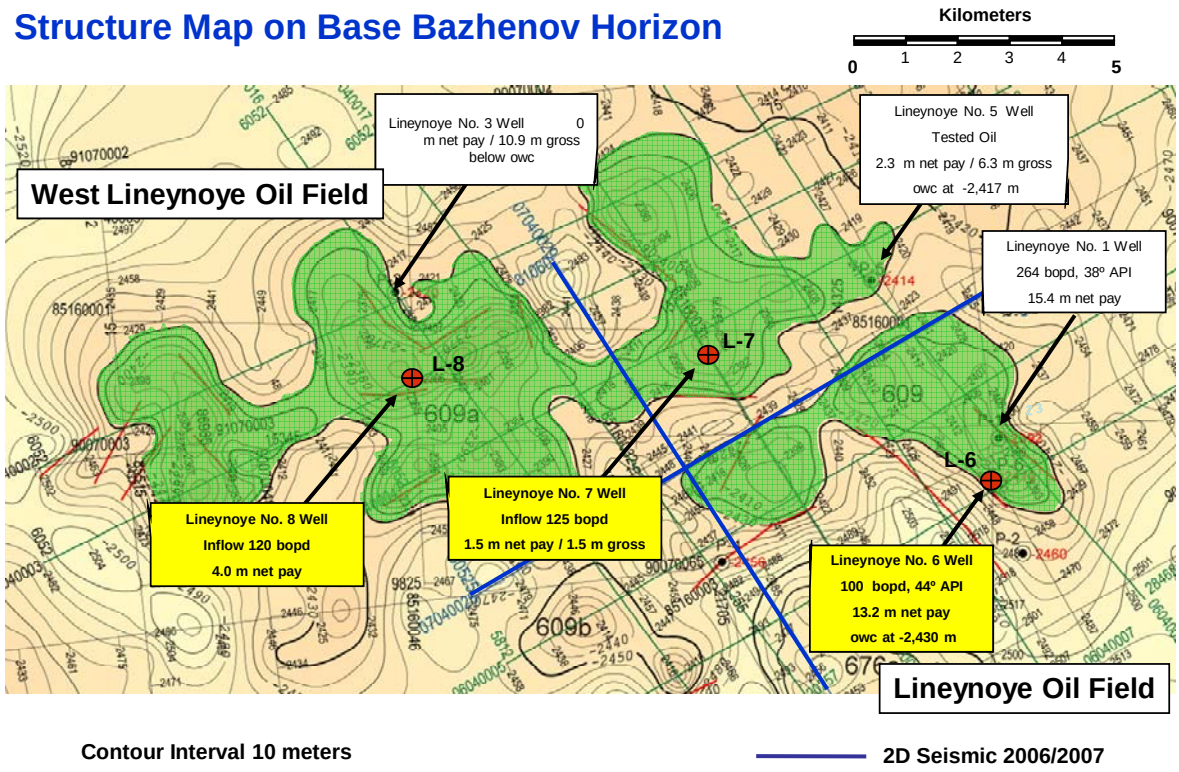

Figure 6 Base Bashenov Struture Map showing Lineynoye and West Lineynoye oil fields.

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/cm^3 or an API gravity of 38 degrees. Gas factor is 33 m^3/m^3. 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

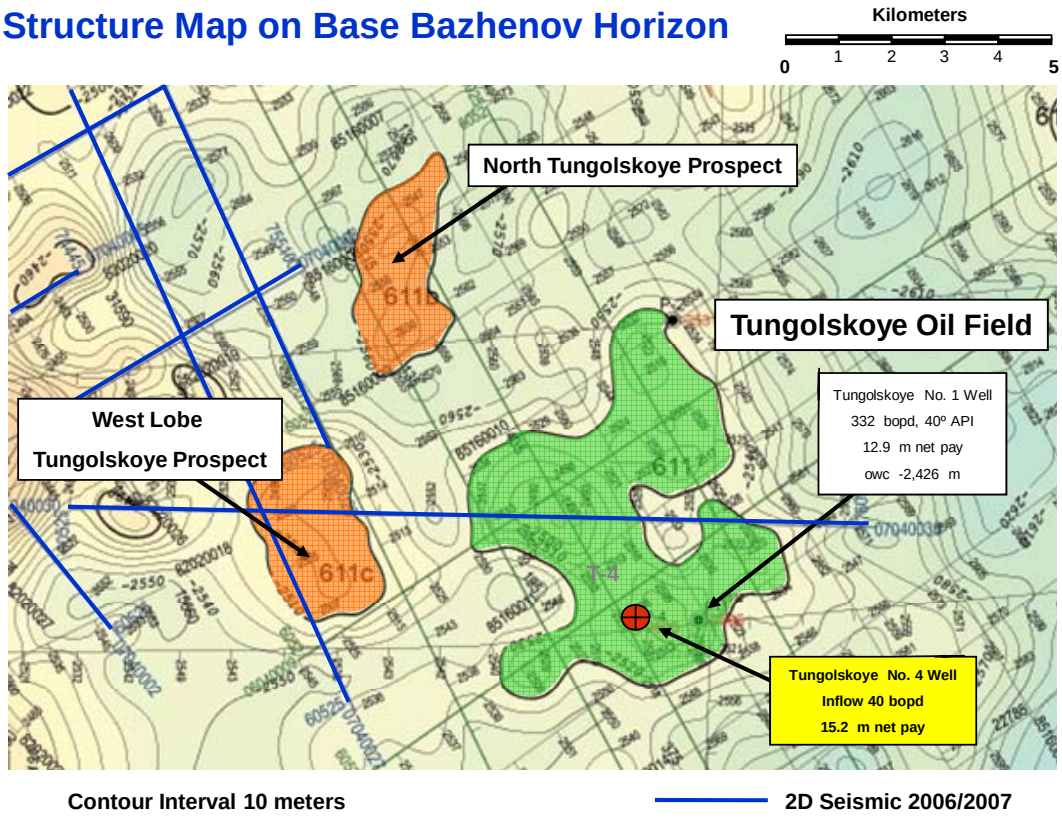

Figure 7 Base Bazhenov Structure Map showing Tungolskoye Field and surrounding area

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 as area of 67 km^2 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 J_1 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 (J_1^1, J_1^2, and J_1^{3-4}) and shale breaks. The J_1^1 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 αsp 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 αsp 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 (-2,504.1to 2,510.1 m TVD SS) after 42 minutes at differential pressure drawdown of 12.0 MPa at a rate of 3.67 m^3. 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 m^3/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 m^3/day and 2.2 m^3/day, respectively, through a 3 mm choke. The initial flow rate was 52.8 m^3/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/cm^3 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 IIa 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 km^2 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 mechnical problems were incurred. The oil has a density of 0.8154 g/cm³, 0.21% sulfur and 2.3% paraffin.

KONDRASHEVSKOYE OIL FIELD

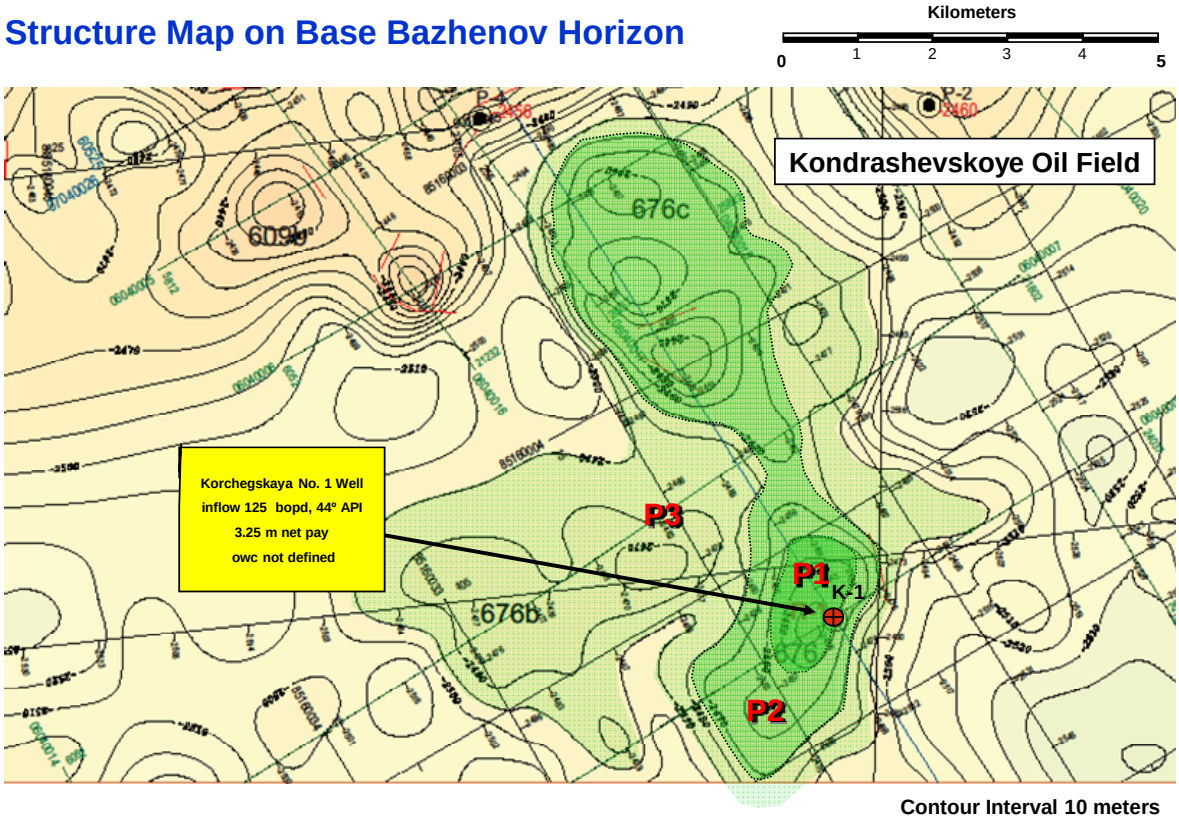

Figure 8 Base Bazhenov Structure Map showing Kondrashevskoye field

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 25 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:

Index	*Upper Jurassic Prospects*	*Possible Reserves (10^3 Bbls)*		
		90%	*50%*	*10%*
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	Varyakhskaya	8,117	15,802	26,669
8	Varyakhskaya North	3,043	6,026	10,028
8	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 km^2 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 J_1^2 sandstone at -2,477 m ss. The J_1^1 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 9 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 tesing 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:

Index	*Cretaceous Prospects*	*Possible Reserves (10^3 Bbls)*		
		90%	*50%*	*10%*
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

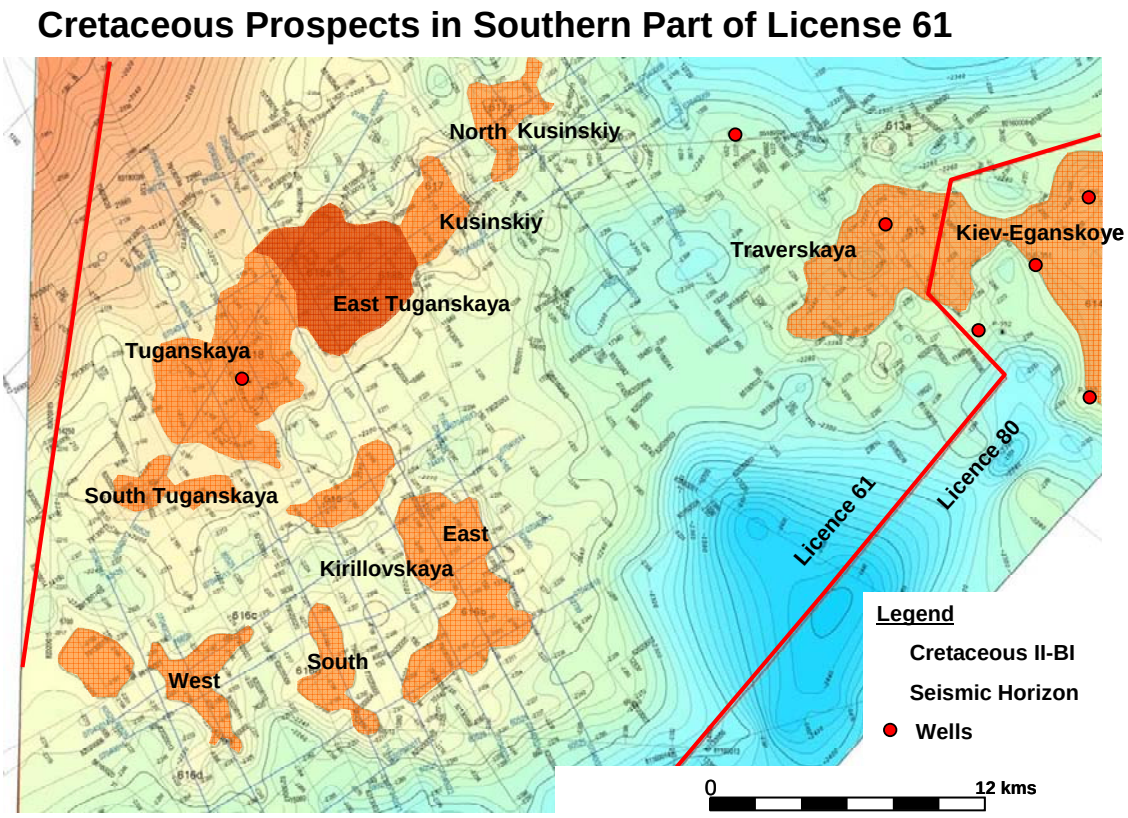

Figure 9 Lower Cretaceous Structure Map showing Prospects

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 Middles 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:

Index	*Lower to Middle Jurassic Prospects*	*Possible Reserves (10^3 Bbls)*		
		90%	*50%*	*10%*
6	Korchegskaya 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:

Index	*Potential Prospects*	*Exploration Resources (10^3 Bbls)*		
		90%	*50%*	*10%*
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), assuming that development commences in the second half of 2009, by reserve category and a net present valuation as at January 1, 2009. 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 39 years of experience in the oil and gas industry and been an employee of Ryder Scott for 27 years and in 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 (December 31, 2008)
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 km²	Delineation/Exploration drilling programme in progress

(1) Asset - Country, license and block
(2) Status - Exploration, Development or Production Only

Ryder Scott Appendix 2 (December 31, 2008)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Proved, Probable and Incremental Possible Reserves (10^3 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	24,251	29,166	5,688	23,822	28,650	LLC, Stimul-T
West Lineynoye Field (10^3 bbls)	2,759	23,716	29,720	2,711	23,296	29,194	LLC, Stimul-T
Kondrashevskoye Field (10^3 bbls)	393	8,253	26,566	386	8,107	26,096	LLC, Stimul-T
Tungolskoye Field (10^3 bbls)	1,443	15,039	19,251	1,417	14,773	18,910	LLC, Stimul-T
Total for Oil & Liquids (10^3 bbls)	**10,385**	**71,260**	**104,703**	**10,202**	**69,999**	**102,850**	
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 (10^3 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 (December 31, 2007)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Upper Jurassic - Possible Reserves (10^3 bbls)

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

(10^3 bbls)	Gross equals Net Attributable for P3			"Risk Factor"	
Oil & Liquids Prospective Resources	**Low**	**Best**	**High**	**Probability of**	**Operator**
Prospects	**Estimate**	**Estimate**	**Estimate**	**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
Varyakhskaya (610)	8,117	15,802	26,669	0.65	LLC, Stimul-T
Varyakhskaya North (610a)	3,043	6,026	10,028	0.50	LLC, Stimul-T
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 (10^3 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 (December 31, 2008)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Lower Cretaceous - Possible Reserves (10^3 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	**Low**	**Best**	**High**	**Probability of**	
Prospects	**Estimate**	**Estimate**	**Estimate**	**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 (10^3 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 (December 31, 2008)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Lower/Middle Jurassic - Possible Reserves (10^3 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"	
Oil & Liquids Prospective Resources	**Low**	**Best**	**High**	**Probability of**	**Operator**
Prospects	**Estimate**	**Estimate**	**Estimate**	**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 (10^3 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 (December 31, 2008)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Exploration Resources (10^3 bbls)

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

(10^3 bbls)	Gross equals Net Attributable for P4			"Risk Factor"	Operator
Oil & Liquids Prospective Resources	**Low**	**Best**	**High**	**Probability of**	
Potential Prospects / Leads	**Estimate**	**Estimate**	**Estimate**	**Success**	
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 (10^3 bbls)		74,478			

Source: Ryder Scott Company - Petroleum Consultants

Notes:

"Exploraion Resources" are those resources assigned to potential prospects that require additional seismic data to confirm structural closure
"Risk Factor" for Prospective Resources means the extimated 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 COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2009

TABLE 1

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products / Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED	MONTHLY
INITIAL							8.00% -	59,549
FINAL							10.00% -	54,465
REMARKS							12.00% -	49,923
							15.00% -	43,971
							20.00% -	35,886

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010	8	977,688	0	0	960,381	0	0.000	45.86	0.00
2011	10	1,910,347	0	0	1,876,539	0	0.000	45.86	0.00
2012	16	1,221,931	0	0	1,200,302	0	0.000	45.86	0.00
2013	19	1,076,933	0	0	1,057,872	0	0.000	45.86	0.00
2014	19	724,843	0	0	712,007	0	0.000	45.86	0.00
2015	19	461,991	0	0	453,813	0	0.000	45.86	0.00
2016	26	517,425	0	0	508,276	0	0.000	45.86	0.00
2017	29	653,253	0	0	641,682	0	0.000	45.86	0.00
2018	29	424,467	0	0	416,955	0	0.000	45.86	0.00
2019	23	252,507	0	0	248,040	0	0.000	45.86	0.00
2020	20	169,721	0	0	166,718	0	0.000	45.86	0.00
2021	20	118,703	0	0	116,603	0	0.000	45.86	0.00
2022	12	40,427	0	0	39,713	0	0.000	45.86	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		8,550,236	0	0	8,398,901	0	0.000	45.86	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		8,550,236	0	0	8,398,901	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		8,550,236	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	44,043	0	0	0	44,043	10,516	0	33,527
2011	86,058	0	0	0	86,058	20,548	0	65,510
2012	55,046	0	0	0	55,046	13,144	0	41,902
2013	48,514	0	0	0	48,514	11,583	0	36,931
2014	32,653	0	0	0	32,653	7,797	0	24,856
2015	20,812	0	0	0	20,812	4,969	0	15,843
2016	23,309	0	0	0	23,309	5,566	0	17,743
2017	29,428	0	0	0	29,428	7,026	0	22,402
2018	19,121	0	0	0	19,121	4,566	0	14,555
2019	11,375	0	0	0	11,375	2,716	0	8,659
2020	7,646	0	0	0	7,646	1,825	0	5,821
2021	5,347	0	0	0	5,347	1,277	0	4,070
2022	1,821	0	0	0	1,821	393	0	1,428
2023	0	0	0	0	0	0	0	0
Sub-Total	385,173	0	0	0	385,173	91,926	0	293,247
Remainder	0	0	0	0	0	0	0	0
Total Future	385,173	0	0	0	385,173	91,926	0	293,247

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	1,500	44	721	0	2,265	-2,265	-2,265	-2,153
2010	2,921	12,225	17,177	1,825	34,148	-621	-2,886	-900
2011	4,024	21,284	2,188	3,565	31,061	34,449	31,563	27,078
2012	2,204	17,420	8,548	2,281	30,453	11,449	43,012	8,036
2013	2,100	16,197	5,163	2,010	25,470	11,461	54,473	7,303
2014	1,908	11,887	64	1,352	15,211	9,645	64,118	5,618
2015	1,583	6,719	64	863	9,229	6,614	70,732	3,481
2016	1,671	6,717	11,577	965	20,930	-3,187	67,545	-1,533
2017	2,241	10,766	1,596	1,220	15,823	6,579	74,124	2,827
2018	1,946	5,692	0	792	8,430	6,125	80,249	2,395
2019	1,509	3,292	0	471	5,272	3,387	83,636	1,198
2020	1,334	2,134	0	317	3,785	2,036	85,672	651
2021	1,202	1,417	0	221	2,840	1,230	86,902	356
2022	479	469	0	76	1,024	404	87,306	108
2023	0	0	0	0	0	0	87,306	0
Sub-Total	26,622	116,263	47,098	15,958	205,941	87,306		54,465
Remainder	0	0	0	0	0	0	87,306	0
Total Future	26,622	116,263	47,098	15,958	205,941	87,306		54,465

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2009

TABLE 2

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 160,271
FINAL								10.00% - 128,994
REMARKS								12.00% - 103,996
								15.00% - 75,295
								20.00% - 43,347

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010		63,437	0	0	62,315	0	0.000	45.86	0.00
2011	13	1,667,190	0	0	1,637,679	0	0.000	45.86	0.00
2012	24	3,269,010	0	0	3,211,150	0	0.000	45.86	0.00
2013	38	3,265,338	0	0	3,207,531	0	0.000	45.86	0.00
2014	54	3,622,963	0	0	3,558,842	0	0.000	45.86	0.00
2015	61	3,587,278	0	0	3,523,781	0	0.000	45.86	0.00
2016	61	2,811,999	0	0	2,762,232	0	0.000	45.86	0.00
2017	73	2,651,707	0	0	2,604,771	0	0.000	45.86	0.00
2018	84	2,799,772	0	0	2,750,220	0	0.000	45.86	0.00
2019	87	2,255,397	0	0	2,215,480	0	0.000	45.86	0.00
2020	87	1,921,394	0	0	1,887,383	0	0.000	45.86	0.00
2021	92	1,681,003	0	0	1,651,260	0	0.000	45.86	0.00
2022	107	1,535,737	0	0	1,508,545	0	0.000	45.86	0.00
2023	107	1,394,657	0	0	1,369,975	0	0.000	45.86	0.00
Sub-Total		32,526,882	0	0	31,951,164	0	0.000	45.86	0.00
Remainder		6,890,002	0	0	6,768,028	0	0.000	45.86	0.00
Total Future		39,416,884	0	0	38,719,192	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		39,416,884	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	$000
2009	0	0	0	0	0	0	0	0
2010	2,858	0	0	0	2,858	682	0	2,176
2011	75,104	0	0	0	75,104	17,933	0	57,171
2012	147,263	0	0	0	147,263	35,162	0	112,101
2013	147,098	0	0	0	147,098	35,123	0	111,975
2014	163,208	0	0	0	163,208	38,969	0	124,239
2015	161,600	0	0	0	161,600	38,585	0	123,015
2016	126,676	0	0	0	126,676	30,247	0	96,429
2017	119,455	0	0	0	119,455	28,522	0	90,933
2018	126,125	0	0	0	126,125	30,115	0	96,010
2019	101,602	0	0	0	101,602	24,259	0	77,343
2020	86,556	0	0	0	86,556	20,667	0	65,889
2021	75,726	0	0	0	75,726	18,081	0	57,645
2022	69,183	0	0	0	69,183	14,935	0	54,248
2023	62,826	0	0	0	62,826	12,042	0	50,784
Sub-Total	1,465,280	0	0	0	1,465,280	345,322	0	1,119,958
Remainder	310,383	0	0	0	310,383	38,449	0	271,934
Total Future	1,775,663	0	0	0	1,775,663	383,771	0	1,391,892

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	1,500	44	3,495	0	5,039	-5,039	-5,039	-4,781
2010	794	1,542	27,687	118	30,141	-27,965	-33,004	-23,949
2011	1,696	19,252	45,836	3,112	69,896	-12,725	-45,729	-10,146
2012	4,961	45,877	32,676	6,101	89,615	22,486	-23,243	16,259
2013	4,969	44,972	33,045	6,094	89,080	22,895	-348	14,872
2014	6,448	49,027	34,360	6,762	96,597	27,642	27,294	16,077
2015	7,736	49,532	10,952	6,695	74,915	48,100	75,394	25,225
2016	6,952	39,280	9,063	5,249	60,544	35,885	111,279	17,165
2017	7,388	34,639	32,820	4,949	79,796	11,137	122,416	4,940
2018	8,707	38,023	368	5,225	52,323	43,687	166,103	17,025
2019	9,099	29,899	0	4,210	43,208	34,135	200,238	12,028
2020	9,065	24,816	0	3,586	37,467	28,422	228,660	9,063
2021	9,053	21,069	0	3,137	33,259	24,386	253,046	7,037
2022	9,663	18,737	0	2,866	31,266	22,982	276,028	6,001
2023	10,052	16,503	0	2,603	29,158	21,626	297,654	5,113
Sub-Total	98,083	433,212	230,302	60,707	822,304	297,654		111,929
Remainder	77,681	75,579	6,420	12,859	172,539	99,395	397,049	17,065
Total Future	175,764	508,791	236,722	73,566	994,843	397,049		128,994

RYDER SCOTT COMPANY
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PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2009

TABLE 3

GRAND SUMMARY
ALL PROPERTIES
TOTAL PV & PB

TOTAL
PV & PB

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 219,820
FINAL								10.00% - 183,459
REMARKS								12.00% - 153,918
								15.00% - 119,266
								20.00% - 79,233

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010	8	1,041,125	0	0	1,022,696	0	0.000	45.86	0.00
2011	23	3,577,537	0	0	3,514,218	0	0.000	45.86	0.00
2012	40	4,490,941	0	0	4,411,452	0	0.000	45.86	0.00
2013	57	4,342,271	0	0	4,265,403	0	0.000	45.86	0.00
2014	73	4,347,806	0	0	4,270,849	0	0.000	45.86	0.00
2015	80	4,049,269	0	0	3,977,594	0	0.000	45.86	0.00
2016	87	3,329,424	0	0	3,270,508	0	0.000	45.86	0.00
2017	102	3,304,960	0	0	3,246,453	0	0.000	45.86	0.00
2018	113	3,224,239	0	0	3,167,175	0	0.000	45.86	0.00
2019	110	2,507,904	0	0	2,463,520	0	0.000	45.86	0.00
2020	107	2,091,115	0	0	2,054,101	0	0.000	45.86	0.00
2021	112	1,799,706	0	0	1,767,863	0	0.000	45.86	0.00
2022	119	1,576,164	0	0	1,548,258	0	0.000	45.86	0.00
2023	107	1,394,657	0	0	1,369,975	0	0.000	45.86	0.00
Sub-Total		41,077,118	0	0	40,350,065	0	0.000	45.86	0.00
Remainder		6,890,002	0	0	6,768,028	0	0.000	45.86	0.00
Total Future		47,967,120	0	0	47,118,093	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		47,967,120	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	46,901	0	0	0	46,901	11,199	0	35,702
2011	161,162	0	0	0	161,162	38,480	0	122,682
2012	202,309	0	0	0	202,309	48,306	0	154,003
2013	195,612	0	0	0	195,612	46,706	0	148,906
2014	195,860	0	0	0	195,860	46,766	0	149,094
2015	182,413	0	0	0	182,413	43,554	0	138,859
2016	149,985	0	0	0	149,985	35,812	0	114,173
2017	148,883	0	0	0	148,883	35,549	0	113,334
2018	145,246	0	0	0	145,246	34,680	0	110,566
2019	112,978	0	0	0	112,978	26,976	0	86,002
2020	94,201	0	0	0	94,201	22,492	0	71,709
2021	81,074	0	0	0	81,074	19,359	0	61,715
2022	71,003	0	0	0	71,003	15,327	0	55,676
2023	62,827	0	0	0	62,827	12,042	0	50,785
Sub-Total	1,850,454	0	0	0	1,850,454	437,248	0	1,413,206
Remainder	310,382	0	0	0	310,382	38,449	0	271,933
Total Future	2,160,836	0	0	0	2,160,836	475,697	0	1,685,139

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	3,000	88	4,216	0	7,304	-7,304	-7,304	-6,934
2010	3,716	13,767	44,864	1,943	64,290	-28,588	-35,892	-24,849
2011	5,718	40,536	48,024	6,677	100,955	21,727	-14,165	16,933
2012	7,166	63,298	41,224	8,382	120,070	33,933	19,768	24,293
2013	7,069	61,168	38,208	8,104	114,549	34,357	54,125	22,176
2014	8,356	60,915	34,424	8,115	111,810	37,284	91,409	21,695
2015	9,319	56,250	11,016	7,557	84,142	54,717	146,126	28,706
2016	8,622	45,997	20,640	6,214	81,473	32,700	178,826	15,632
2017	9,630	45,405	34,416	6,168	95,619	17,715	196,541	7,767
2018	10,652	43,716	368	6,018	60,754	49,812	246,353	19,420
2019	10,609	33,190	0	4,681	48,480	37,522	283,875	13,226
2020	10,400	26,949	0	3,903	41,252	30,457	314,332	9,713
2021	10,254	22,487	0	3,358	36,099	25,616	339,948	7,394
2022	10,142	19,206	0	2,942	32,290	23,386	363,334	6,109
2023	10,052	16,503	0	2,603	29,158	21,627	384,961	5,113
Sub-Total	124,705	549,475	277,400	76,665	1,028,245	384,961		166,394
Remainder	77,681	75,579	6,420	12,859	172,539	99,394	484,355	17,065
Total Future	202,386	625,054	283,820	89,524	1,200,784	484,355		183,459

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 1
AS OF JANUARY 1, 2009

TABLE 4

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 54,832
FINAL								10.00% - 50,877
REMARKS								12.00% - 47,272
								15.00% - 42,434
								20.00% - 35,633

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010	8	977,688	0	0	960,381	0	0.000	45.86	0.00
2011	10	1,910,347	0	0	1,876,539	0	0.000	45.86	0.00
2012	10	967,051	0	0	949,932	0	0.000	45.86	0.00
2013	10	575,124	0	0	564,942	0	0.000	45.86	0.00
2014	10	377,400	0	0	370,719	0	0.000	45.86	0.00
2015	10	264,724	0	0	260,038	0	0.000	45.86	0.00
2016	10	194,877	0	0	191,430	0	0.000	45.86	0.00
2017	10	148,816	0	0	146,180	0	0.000	45.86	0.00
2018	10	116,951	0	0	114,885	0	0.000	45.86	0.00
2019	10	93,745	0	0	92,083	0	0.000	45.86	0.00
2020	10	75,467	0	0	74,130	0	0.000	45.86	0.00
2021	10	58,547	0	0	57,514	0	0.000	45.86	0.00
2022	9	30,015	0	0	29,486	0	0.000	45.86	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		5,790,752	0	0	5,688,259	0	0.000	45.86	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		5,790,752	0	0	5,688,259	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		5,790,752	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	44,043	0	0	0	44,043	10,516	0	33,527
2011	86,058	0	0	0	86,058	20,548	0	65,510
2012	43,564	0	0	0	43,564	10,402	0	33,162
2013	25,908	0	0	0	25,908	6,186	0	19,722
2014	17,001	0	0	0	17,001	4,060	0	12,941
2015	11,926	0	0	0	11,926	2,847	0	9,079
2016	8,779	0	0	0	8,779	2,096	0	6,683
2017	6,704	0	0	0	6,704	1,601	0	5,103
2018	5,268	0	0	0	5,268	1,258	0	4,010
2019	4,223	0	0	0	4,223	1,008	0	3,215
2020	3,400	0	0	0	3,400	812	0	2,588
2021	2,637	0	0	0	2,637	630	0	2,007
2022	1,352	0	0	0	1,352	291	0	1,061
2023	0	0	0	0	0	0	0	0
Sub-Total	260,863	0	0	0	260,863	62,255	0	198,608
Remainder	0	0	0	0	0	0	0	0
Total Future	260,863	0	0	0	260,863	62,255	0	198,608

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	750	22	614	0	1,386	-1,386	-1,386	-1,316
2010	2,546	11,770	16,560	1,825	32,701	826	-560	351
2011	4,024	21,284	1,862	3,565	30,735	34,775	34,215	27,332
2012	1,760	14,040	366	1,805	17,971	15,191	49,406	10,797
2013	1,170	8,898	319	1,073	11,460	8,262	57,668	5,312
2014	1,000	6,191	54	705	7,950	4,991	62,659	2,903
2015	855	3,857	55	494	5,261	3,818	66,477	2,007
2016	748	2,819	110	364	4,041	2,642	69,119	1,257
2017	726	2,489	0	277	3,492	1,611	70,730	695
2018	683	1,545	0	219	2,447	1,563	72,293	609
2019	670	1,204	0	175	2,049	1,166	73,459	412
2020	658	937	0	140	1,735	853	74,312	271
2021	615	700	0	110	1,425	582	74,894	170
2022	365	347	0	56	768	293	75,187	77
2023	0	0	0	0	0	0	75,187	0
Sub-Total	16,570	76,103	19,940	10,808	123,421	75,187		50,877
Remainder	0	0	0	0	0	0	75,187	0
Total Future	16,570	76,103	19,940	10,808	123,421	75,187		50,877

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
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TABLE 5

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 106,718
FINAL								10.00% - 90,189
REMARKS								12.00% - 76,611
								15.00% - 60,436
								20.00% - 41,248

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010		63,437	0	0	62,315	0	0.000	45.86	0.00
2011	13	1,667,190	0	0	1,637,679	0	0.000	45.86	0.00
2012	17	3,002,123	0	0	2,948,987	0	0.000	45.86	0.00
2013	17	2,016,024	0	0	1,980,332	0	0.000	45.86	0.00
2014	17	1,551,686	0	0	1,524,228	0	0.000	45.86	0.00
2015	17	1,271,263	0	0	1,248,759	0	0.000	45.86	0.00
2016	17	1,080,084	0	0	1,060,968	0	0.000	45.86	0.00
2017	17	940,122	0	0	923,481	0	0.000	45.86	0.00
2018	17	832,681	0	0	817,943	0	0.000	45.86	0.00
2019	17	747,395	0	0	734,168	0	0.000	45.86	0.00
2020	17	676,359	0	0	664,383	0	0.000	45.86	0.00
2021	18	615,032	0	0	604,152	0	0.000	45.86	0.00
2022	27	573,521	0	0	563,363	0	0.000	45.86	0.00
2023	27	540,761	0	0	531,200	0	0.000	45.86	0.00
Sub-Total		15,577,678	0	0	15,301,958	0	0.000	45.86	0.00
Remainder		2,882,597	0	0	2,831,564	0	0.000	45.86	0.00
Total Future		18,460,275	0	0	18,133,522	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		18,460,275	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	2,858	0	0	0	2,858	682	0	2,176
2011	75,104	0	0	0	75,104	17,933	0	57,171
2012	135,240	0	0	0	135,240	32,291	0	102,949
2013	90,818	0	0	0	90,818	21,685	0	69,133
2014	69,901	0	0	0	69,901	16,690	0	53,211
2015	57,268	0	0	0	57,268	13,674	0	43,594
2016	48,656	0	0	0	48,656	11,618	0	37,038
2017	42,351	0	0	0	42,351	10,112	0	32,239
2018	37,511	0	0	0	37,511	8,956	0	28,555
2019	33,669	0	0	0	33,669	8,040	0	25,629
2020	30,469	0	0	0	30,469	7,275	0	23,194
2021	27,706	0	0	0	27,706	6,615	0	21,091
2022	25,836	0	0	0	25,836	5,577	0	20,259
2023	24,361	0	0	0	24,361	4,670	0	19,691
Sub-Total	701,748	0	0	0	701,748	165,818	0	535,930
Remainder	129,856	0	0	0	129,856	15,678	0	114,178
Total Future	831,604	0	0	0	831,604	181,496	0	650,108

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	750	22	1,956	0	2,728	-2,728	-2,728	-2,588
2010	419	1,087	18,347	118	19,971	-17,795	-20,523	-15,215
2011	1,696	19,252	40,645	3,112	64,705	-7,534	-28,057	-6,115
2012	4,678	43,282	2,479	5,603	56,042	46,907	18,850	33,319
2013	3,233	31,017	2,116	3,763	40,129	29,004	47,854	18,614
2014	3,128	25,090	1,363	2,896	32,477	20,734	68,588	12,036
2015	2,692	18,291	1,363	2,372	24,718	18,876	87,464	9,909
2016	2,497	15,950	555	2,016	21,018	16,020	103,484	7,613
2017	3,069	15,770	205	1,755	20,799	11,440	114,924	4,923
2018	2,208	11,376	206	1,554	15,344	13,211	128,135	5,139
2019	2,389	10,022	0	1,395	13,806	11,823	139,958	4,162
2020	2,439	8,860	0	1,262	12,561	10,633	150,591	3,388
2021	2,503	7,829	0	1,148	11,480	9,611	160,202	2,773
2022	2,752	7,110	0	1,070	10,932	9,327	169,529	2,434
2023	3,122	6,483	0	1,010	10,615	9,076	178,605	2,146
Sub-Total	37,575	221,441	69,235	29,074	357,325	178,605		82,538
Remainder	28,796	32,531	1,620	5,380	68,327	45,851	224,456	7,651
Total Future	66,371	253,972	70,855	34,454	425,652	224,456		90,189

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
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TABLE 6

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 4,718
FINAL								10.00% - 3,588
REMARKS								12.00% - 2,651
								15.00% - 1,536
								20.00% - 254

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	6	254,880	0	0	250,370	0	0.000	45.86	0.00
2013	9	501,809	0	0	492,930	0	0.000	45.86	0.00
2014	9	347,443	0	0	341,288	0	0.000	45.86	0.00
2015	9	197,267	0	0	193,775	0	0.000	45.86	0.00
2016	16	322,548	0	0	316,846	0	0.000	45.86	0.00
2017	19	504,437	0	0	495,502	0	0.000	45.86	0.00
2018	19	307,516	0	0	302,070	0	0.000	45.86	0.00
2019	13	158,762	0	0	155,957	0	0.000	45.86	0.00
2020	10	94,254	0	0	92,588	0	0.000	45.86	0.00
2021	10	60,156	0	0	59,089	0	0.000	45.86	0.00
2022	3	10,412	0	0	10,227	0	0.000	45.86	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		2,759,484	0	0	2,710,642	0	0.000	45.86	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		2,759,484	0	0	2,710,642	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		2,759,484	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	$000
2009	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	11,482	0	0	0	11,482	2,742	0	8,740
2013	22,606	0	0	0	22,606	5,397	0	17,209
2014	15,651	0	0	0	15,651	3,737	0	11,914
2015	8,887	0	0	0	8,887	2,122	0	6,765
2016	14,530	0	0	0	14,530	3,470	0	11,060
2017	22,724	0	0	0	22,724	5,425	0	17,299
2018	13,853	0	0	0	13,853	3,308	0	10,545
2019	7,152	0	0	0	7,152	1,708	0	5,444
2020	4,246	0	0	0	4,246	1,014	0	3,232
2021	2,710	0	0	0	2,710	647	0	2,063
2022	469	0	0	0	469	101	0	368
2023	0	0	0	0	0	0	0	0
Sub-Total	124,310	0	0	0	124,310	29,671	0	94,639
Remainder	0	0	0	0	0	0	0	0
Total Future	124,310	0	0	0	124,310	29,671	0	94,639

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	750	22	108	0	880	-880	-880	-837
2010	375	455	616	0	1,446	-1,446	-2,326	-1,251
2011	0	0	326	0	326	-326	-2,652	-254
2012	444	3,381	8,182	476	12,483	-3,743	-6,395	-2,761
2013	930	7,299	4,844	936	14,009	3,200	-3,195	1,991
2014	908	5,695	9	649	7,261	4,653	1,458	2,715
2015	728	2,862	10	368	3,968	2,797	4,255	1,474
2016	923	3,898	11,467	602	16,890	-5,830	-1,575	-2,790
2017	1,515	8,277	1,596	941	12,329	4,970	3,395	2,132
2018	1,263	4,148	0	574	5,985	4,560	7,955	1,785
2019	839	2,088	0	297	3,224	2,220	10,175	787
2020	676	1,195	0	176	2,047	1,185	11,360	379
2021	588	718	0	112	1,418	645	12,005	188
2022	113	122	0	19	254	114	12,119	30
2023	0	0	0	0	0	0	12,119	0
Sub-Total	10,052	40,160	27,158	5,150	82,520	12,119		3,588
Remainder	0	0	0	0	0	0	12,119	0
Total Future	10,052	40,160	27,158	5,150	82,520	12,119		3,588

RYDER SCOTT COMPANY
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TABLE 7

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROBABLE RESERVES

TOTAL PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products / Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED	MONTHLY
INITIAL							8.00% -	53,553
FINAL							10.00% -	38,804
REMARKS							12.00% -	27,385
							15.00% -	14,859
							20.00% -	2,099

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	7	266,887	0	0	262,163	0	0.000	45.86	0.00
2013	21	1,249,314	0	0	1,227,199	0	0.000	45.86	0.00
2014	37	2,071,277	0	0	2,034,614	0	0.000	45.86	0.00
2015	44	2,316,015	0	0	2,275,022	0	0.000	45.86	0.00
2016	44	1,731,915	0	0	1,701,264	0	0.000	45.86	0.00
2017	56	1,711,585	0	0	1,681,290	0	0.000	45.86	0.00
2018	67	1,967,091	0	0	1,932,277	0	0.000	45.86	0.00
2019	70	1,508,002	0	0	1,481,312	0	0.000	45.86	0.00
2020	70	1,245,035	0	0	1,223,000	0	0.000	45.86	0.00
2021	74	1,065,971	0	0	1,047,108	0	0.000	45.86	0.00
2022	80	962,216	0	0	945,182	0	0.000	45.86	0.00
2023	80	853,896	0	0	838,775	0	0.000	45.86	0.00
Sub-Total		16,949,204	0	0	16,649,206	0	0.000	45.86	0.00
Remainder		4,007,405	0	0	3,936,464	0	0.000	45.86	0.00
Total Future		20,956,609	0	0	20,585,670	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		20,956,609	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	12,023	0	0	0	12,023	2,871	0	9,152
2013	56,279	0	0	0	56,279	13,438	0	42,841
2014	93,307	0	0	0	93,307	22,279	0	71,028
2015	104,333	0	0	0	104,333	24,911	0	79,422
2016	78,020	0	0	0	78,020	18,629	0	59,391
2017	77,104	0	0	0	77,104	18,410	0	58,694
2018	88,614	0	0	0	88,614	21,158	0	67,456
2019	67,933	0	0	0	67,933	16,221	0	51,712
2020	56,087	0	0	0	56,087	13,392	0	42,695
2021	48,020	0	0	0	48,020	11,465	0	36,555
2022	43,346	0	0	0	43,346	9,358	0	33,988
2023	38,467	0	0	0	38,467	7,373	0	31,094
Sub-Total	763,533	0	0	0	763,533	179,505	0	584,028
Remainder	180,526	0	0	0	180,526	22,770	0	157,756
Total Future	944,059	0	0	0	944,059	202,275	0	741,784

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	750	22	1,539	0	2,311	-2,311	-2,311	-2,193
2010	375	455	9,340	0	10,170	-10,170	-12,481	-8,734
2011	0	0	5,191	0	5,191	-5,191	-17,672	-4,030
2012	283	2,595	30,197	498	33,573	-24,421	-42,093	-17,061
2013	1,736	13,955	30,929	2,332	48,952	-6,111	-48,204	-3,742
2014	3,320	23,937	32,997	3,866	64,120	6,908	-41,296	4,041
2015	5,043	31,241	9,589	4,322	50,195	29,227	-12,069	15,316
2016	4,456	23,330	8,509	3,232	39,527	19,864	7,795	9,552
2017	4,318	18,869	32,614	3,195	58,996	-302	7,493	17
2018	6,500	26,647	162	3,671	36,980	30,476	37,969	11,886
2019	6,710	19,877	0	2,815	29,402	22,310	60,279	7,866
2020	6,626	15,956	0	2,323	24,905	17,790	78,069	5,674
2021	6,550	13,240	0	1,990	21,780	14,775	92,844	4,265
2022	6,911	11,627	0	1,796	20,334	13,654	106,498	3,567
2023	6,930	10,019	0	1,594	18,543	12,551	119,049	2,968
Sub-Total	60,508	211,770	161,067	31,634	464,979	119,049		29,392
Remainder	48,885	43,049	4,800	7,479	104,213	53,543	172,592	9,412
Total Future	109,393	254,819	165,867	39,113	569,192	172,592		38,804

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2009

TABLE 1

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 68,357
FINAL								10.00% - 61,449
REMARKS								12.00% - 55,430
								15.00% - 47,764
								20.00% - 37,757

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010	8	977,688	0	0	960,381	0	0.000	45.86	0.00
2011	10	1,910,347	0	0	1,876,539	0	0.000	45.86	0.00
2012	19	1,402,732	0	0	1,377,903	0	0.000	45.86	0.00
2013	22	1,325,591	0	0	1,302,129	0	0.000	45.86	0.00
2014	22	894,759	0	0	878,915	0	0.000	45.86	0.00
2015	26	661,535	0	0	649,824	0	0.000	45.86	0.00
2016	33	707,192	0	0	694,686	0	0.000	45.86	0.00
2017	36	793,513	0	0	779,462	0	0.000	45.86	0.00
2018	36	536,733	0	0	527,231	0	0.000	45.86	0.00
2019	30	346,254	0	0	340,126	0	0.000	45.86	0.00
2020	27	250,164	0	0	245,738	0	0.000	45.86	0.00
2021	27	189,085	0	0	185,740	0	0.000	45.86	0.00
2022	19	102,910	0	0	101,088	0	0.000	45.86	0.00
2023	7	56,118	0	0	55,126	0	0.000	45.86	0.00
Sub-Total		10,154,621	0	0	9,974,888	0	0.000	45.86	0.00
Remainder		230,874	0	0	226,789	0	0.000	45.86	0.00
Total Future		10,385,495	0	0	10,201,677	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		10,385,495	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	44,043	0	0	0	44,043	10,516	0	33,527
2011	86,058	0	0	0	86,058	20,548	0	65,510
2012	63,191	0	0	0	63,191	15,088	0	48,103
2013	59,715	0	0	0	59,715	14,259	0	45,456
2014	40,308	0	0	0	40,308	9,624	0	30,684
2015	29,800	0	0	0	29,800	7,115	0	22,685
2016	31,859	0	0	0	31,859	7,607	0	24,252
2017	35,746	0	0	0	35,746	8,535	0	27,211
2018	24,179	0	0	0	24,179	5,773	0	18,406
2019	15,598	0	0	0	15,598	3,725	0	11,873
2020	11,269	0	0	0	11,269	2,691	0	8,578
2021	8,518	0	0	0	8,518	2,033	0	6,485
2022	4,636	0	0	0	4,636	1,056	0	3,580
2023	2,528	0	0	0	2,528	511	0	2,017
Sub-Total	457,448	0	0	0	457,448	109,081	0	348,367
Remainder	10,401	0	0	0	10,401	1,325	0	9,076
Total Future	467,849	0	0	0	467,849	110,406	0	357,443

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	1,500	44	701	0	2,245	-2,245	-2,245	-2,134
2010	2,921	11,397	17,061	1,825	33,204	323	-1,922	-88
2011	3,950	28,157	2,449	3,565	38,121	27,389	25,467	21,572
2012	2,670	19,100	13,009	2,618	37,397	10,706	36,173	7,400
2013	2,321	19,095	5,160	2,474	29,050	16,406	52,579	10,478
2014	2,026	12,549	73	1,670	16,318	14,366	66,945	8,354
2015	1,956	8,880	4,989	1,235	17,060	5,625	72,570	2,917
2016	2,152	8,878	11,573	1,320	23,923	329	72,899	139
2017	2,638	10,491	1,596	1,481	16,206	11,005	83,904	4,729
2018	2,418	6,532	0	1,001	9,951	8,455	92,359	3,301
2019	1,986	4,086	0	647	6,719	5,154	97,513	1,820
2020	1,814	2,841	0	467	5,122	3,456	100,969	1,104
2021	1,686	2,009	0	352	4,047	2,438	103,407	705
2022	967	1,097	0	193	2,257	1,323	104,730	348
2023	491	606	0	104	1,201	816	105,546	193
Sub-Total	31,496	135,762	56,611	18,952	242,821	105,546		60,838
Remainder	2,323	2,421	180	431	5,355	3,721	109,267	611
Total Future	33,819	138,183	56,791	19,383	248,176	109,267		61,449

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2009

TABLE 2

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products / Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED	MONTHLY
INITIAL							8.00% -	271,665
FINAL							10.00% -	220,568
REMARKS							12.00% -	179,628
							15.00% -	132,502
							20.00% -	79,882

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010		63,437	0	0	62,315	0	0.000	45.86	0.00
2011	13	1,667,190	0	0	1,637,679	0	0.000	45.86	0.00
2012	29	3,672,051	0	0	3,607,058	0	0.000	45.86	0.00
2013	52	4,798,866	0	0	4,713,914	0	0.000	45.86	0.00
2014	75	5,842,412	0	0	5,739,007	0	0.000	45.86	0.00
2015	91	5,599,459	0	0	5,500,349	0	0.000	45.86	0.00
2016	106	5,659,539	0	0	5,559,371	0	0.000	45.86	0.00
2017	118	4,746,661	0	0	4,662,642	0	0.000	45.86	0.00
2018	129	4,375,441	0	0	4,298,004	0	0.000	45.86	0.00
2019	132	3,523,307	0	0	3,460,948	0	0.000	45.86	0.00
2020	132	2,982,382	0	0	2,929,587	0	0.000	45.86	0.00
2021	137	2,592,396	0	0	2,546,529	0	0.000	45.86	0.00
2022	152	2,333,653	0	0	2,292,330	0	0.000	45.86	0.00
2023	152	2,103,438	0	0	2,066,212	0	0.000	45.86	0.00
Sub-Total		49,960,232	0	0	49,075,945	0	0.000	45.86	0.00
Remainder		10,914,174	0	0	10,720,965	0	0.000	45.86	0.00
Total Future		60,874,406	0	0	59,796,910	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		60,874,406	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	$000
2009	0	0	0	0	0	0	0	0
2010	2,858	0	0	0	2,858	682	0	2,176
2011	75,104	0	0	0	75,104	17,933	0	57,171
2012	165,419	0	0	0	165,419	39,497	0	125,922
2013	216,181	0	0	0	216,181	51,618	0	164,563
2014	263,190	0	0	0	263,190	62,842	0	200,348
2015	252,246	0	0	0	252,246	60,228	0	192,018
2016	254,953	0	0	0	254,953	60,876	0	194,077
2017	213,829	0	0	0	213,829	51,056	0	162,773
2018	197,106	0	0	0	197,106	47,063	0	150,043
2019	158,719	0	0	0	158,719	37,897	0	120,822
2020	134,352	0	0	0	134,352	32,079	0	102,273
2021	116,783	0	0	0	116,783	27,885	0	88,898
2022	105,127	0	0	0	105,127	23,932	0	81,195
2023	94,756	0	0	0	94,756	19,174	0	75,582
Sub-Total	2,250,623	0	0	0	2,250,623	532,762	0	1,717,861
Remainder	491,664	0	0	0	491,664	63,345	0	428,319
Total Future	2,742,287	0	0	0	2,742,287	596,107	0	2,146,180

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	1,500	44	3,515	0	5,059	-5,059	-5,059	-4,800
2010	794	1,245	27,803	118	29,960	-27,784	-32,843	-23,793
2011	1,770	18,696	49,151	3,112	72,729	-15,558	-48,401	-12,342
2012	5,667	47,333	54,511	6,853	114,364	11,558	-36,843	8,600
2013	7,014	61,078	53,800	8,957	130,849	33,714	-3,129	21,823
2014	9,399	75,316	45,215	10,904	140,834	59,514	56,385	34,395
2015	10,711	72,304	44,515	10,451	137,981	54,037	110,422	28,541
2016	12,093	73,244	29,979	10,562	125,878	68,199	178,621	32,249
2017	12,786	60,117	34,580	8,859	116,342	46,431	225,052	20,143
2018	14,197	55,028	2,128	8,167	79,520	70,523	295,575	27,480
2019	14,716	43,198	0	6,575	64,489	56,333	351,908	19,849
2020	15,100	35,471	0	5,567	56,138	46,135	398,043	14,711
2021	15,041	29,831	0	4,838	49,710	39,188	437,231	11,308
2022	15,617	26,134	0	4,356	46,107	35,088	472,319	9,163
2023	15,980	23,286	0	3,925	43,191	32,391	504,710	7,658
Sub-Total	152,385	622,325	345,197	93,244	1,213,151	504,710		194,985
Remainder	133,048	115,007	9,360	20,370	277,785	150,534	655,244	25,583
Total Future	285,433	737,332	354,557	113,614	1,490,936	655,244		220,568

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2009

TABLE 3

GRAND SUMMARY
ALL PROPERTIES
TOTAL PV & PB

TOTAL
PV & PB

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 340,022
FINAL								10.00% - 282,017
REMARKS								12.00% - 235,059
								15.00% - 180,266
								20.00% - 117,639

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010	8	1,041,125	0	0	1,022,696	0	0.000	45.86	0.00
2011	23	3,577,537	0	0	3,514,218	0	0.000	45.86	0.00
2012	48	5,074,783	0	0	4,984,961	0	0.000	45.86	0.00
2013	74	6,124,457	0	0	6,016,043	0	0.000	45.86	0.00
2014	97	6,737,171	0	0	6,617,922	0	0.000	45.86	0.00
2015	117	6,260,994	0	0	6,150,173	0	0.000	45.86	0.00
2016	139	6,366,731	0	0	6,254,057	0	0.000	45.86	0.00
2017	154	5,540,174	0	0	5,442,104	0	0.000	45.86	0.00
2018	165	4,912,174	0	0	4,825,235	0	0.000	45.86	0.00
2019	162	3,869,561	0	0	3,801,074	0	0.000	45.86	0.00
2020	159	3,232,546	0	0	3,175,325	0	0.000	45.86	0.00
2021	164	2,781,481	0	0	2,732,269	0	0.000	45.86	0.00
2022	171	2,436,563	0	0	2,393,418	0	0.000	45.86	0.00
2023	159	2,159,556	0	0	2,121,338	0	0.000	45.86	0.00
Sub-Total		60,114,853	0	0	59,050,833	0	0.000	45.86	0.00
Remainder		11,145,048	0	0	10,947,754	0	0.000	45.86	0.00
Total Future		71,259,901	0	0	69,998,587	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		71,259,901	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	46,901	0	0	0	46,901	11,199	0	35,702
2011	161,162	0	0	0	161,162	38,480	0	122,682
2012	228,610	0	0	0	228,610	54,585	0	174,025
2013	275,896	0	0	0	275,896	65,876	0	210,020
2014	303,498	0	0	0	303,498	72,466	0	231,032
2015	282,047	0	0	0	282,047	67,345	0	214,702
2016	286,811	0	0	0	286,811	68,482	0	218,329
2017	249,575	0	0	0	249,575	59,591	0	189,984
2018	221,285	0	0	0	221,285	52,836	0	168,449
2019	174,317	0	0	0	174,317	41,622	0	132,695
2020	145,621	0	0	0	145,621	34,770	0	110,851
2021	125,301	0	0	0	125,301	29,918	0	95,383
2022	109,763	0	0	0	109,763	24,987	0	84,776
2023	97,284	0	0	0	97,284	19,686	0	77,598
Sub-Total	2,708,071	0	0	0	2,708,071	641,843	0	2,066,228
Remainder	502,065	0	0	0	502,065	64,669	0	437,396
Total Future	3,210,136	0	0	0	3,210,136	706,512	0	2,503,624

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	3,000	88	4,216	0	7,304	-7,304	-7,304	-6,934
2010	3,716	12,642	44,864	1,943	63,165	-27,463	-34,767	-23,880
2011	5,718	46,853	51,600	6,677	110,848	11,834	-22,933	9,230
2012	8,338	66,433	67,520	9,472	151,763	22,262	-671	15,999
2013	9,335	80,172	58,960	11,430	159,897	50,123	49,452	32,301
2014	11,425	87,866	45,288	12,574	157,153	73,879	123,331	42,750
2015	12,667	81,185	49,504	11,685	155,041	59,661	182,992	31,458
2016	14,245	82,121	41,552	11,883	149,801	68,528	251,520	32,387
2017	15,424	70,609	36,176	10,340	132,549	57,435	308,955	24,871
2018	16,615	61,559	2,128	9,168	89,470	78,979	387,934	30,781
2019	16,701	47,284	0	7,222	71,207	61,488	449,422	21,670
2020	16,915	38,312	0	6,033	61,260	49,591	499,013	15,815
2021	16,727	31,840	0	5,192	53,759	41,624	540,637	12,013
2022	16,584	27,231	0	4,547	48,362	36,414	577,051	9,511
2023	16,472	23,892	0	4,031	44,395	33,203	610,254	7,851
Sub-Total	183,882	758,087	401,808	112,197	1,455,974	610,254		255,823
Remainder	135,370	117,427	9,540	20,800	283,137	154,259	764,513	26,194
Total Future	319,252	875,514	411,348	132,997	1,739,111	764,513		282,017

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
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TABLE 4

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 53,617
FINAL								10.00% - 49,603
REMARKS								12.00% - 45,960
								15.00% - 41,099
								20.00% - 34,324

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010	8	977,688	0	0	960,381	0	0.000	45.86	0.00
2011	10	1,910,347	0	0	1,876,539	0	0.000	45.86	0.00
2012	10	967,051	0	0	949,932	0	0.000	45.86	0.00
2013	10	575,124	0	0	564,942	0	0.000	45.86	0.00
2014	10	377,400	0	0	370,719	0	0.000	45.86	0.00
2015	10	264,724	0	0	260,038	0	0.000	45.86	0.00
2016	10	194,877	0	0	191,430	0	0.000	45.86	0.00
2017	10	148,816	0	0	146,180	0	0.000	45.86	0.00
2018	10	116,951	0	0	114,885	0	0.000	45.86	0.00
2019	10	93,745	0	0	92,083	0	0.000	45.86	0.00
2020	10	75,467	0	0	74,130	0	0.000	45.86	0.00
2021	10	58,547	0	0	57,514	0	0.000	45.86	0.00
2022	9	30,015	0	0	29,486	0	0.000	45.86	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		5,790,752	0	0	5,688,259	0	0.000	45.86	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		5,790,752	0	0	5,688,259	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		5,790,752	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	44,043	0	0	0	44,043	10,516	0	33,527
2011	86,058	0	0	0	86,058	20,548	0	65,510
2012	43,564	0	0	0	43,564	10,402	0	33,162
2013	25,908	0	0	0	25,908	6,186	0	19,722
2014	17,001	0	0	0	17,001	4,060	0	12,941
2015	11,926	0	0	0	11,926	2,847	0	9,079
2016	8,779	0	0	0	8,779	2,096	0	6,683
2017	6,704	0	0	0	6,704	1,601	0	5,103
2018	5,268	0	0	0	5,268	1,258	0	4,010
2019	4,223	0	0	0	4,223	1,008	0	3,215
2020	3,400	0	0	0	3,400	812	0	2,588
2021	2,637	0	0	0	2,637	630	0	2,007
2022	1,352	0	0	0	1,352	307	0	1,045
2023	0	0	0	0	0	0	0	0
Sub-Total	260,863	0	0	0	260,863	62,271	0	198,592
Remainder	0	0	0	0	0	0	0	0
Total Future	260,863	0	0	0	260,863	62,271	0	198,592

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	571	0	957	-957	-957	-908
2010	2,359	10,926	16,316	1,825	31,426	2,101	1,144	1,454
2011	3,949	28,157	1,732	3,565	37,403	28,107	29,251	22,128
2012	1,746	13,081	340	1,805	16,972	16,190	45,441	11,503
2013	1,120	8,364	297	1,073	10,854	8,868	54,309	5,699
2014	913	5,278	51	705	6,947	5,994	60,303	3,483
2015	812	3,525	51	494	4,882	4,197	64,500	2,205
2016	724	2,567	102	364	3,757	2,926	67,426	1,392
2017	700	1,934	0	277	2,911	2,192	69,618	944
2018	675	1,399	0	219	2,293	1,717	71,335	669
2019	663	1,087	0	175	1,925	1,290	72,625	455
2020	651	841	0	140	1,632	956	73,581	305
2021	609	630	0	110	1,349	658	74,239	191
2022	363	314	0	56	733	312	74,551	83
2023	0	0	0	0	0	0	74,551	0
Sub-Total	15,659	78,114	19,460	10,808	124,041	74,551		49,603
Remainder	0	0	0	0	0	0	74,551	0
Total Future	15,659	78,114	19,460	10,808	124,041	74,551		49,603

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
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TABLE 5

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 116,986
FINAL								10.00% - 99,385
REMARKS								12.00% - 84,863
								15.00% - 67,481
								20.00% - 46,723

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
2010		63,437	0	0	62,315	0	0.000	45.86	0.00
2011	13	1,667,190	0	0	1,637,679	0	0.000	45.86	0.00
2012	17	3,002,123	0	0	2,948,987	0	0.000	45.86	0.00
2013	17	2,016,024	0	0	1,980,332	0	0.000	45.86	0.00
2014	17	1,551,686	0	0	1,524,228	0	0.000	45.86	0.00
2015	17	1,271,263	0	0	1,248,759	0	0.000	45.86	0.00
2016	17	1,080,084	0	0	1,060,968	0	0.000	45.86	0.00
2017	17	940,122	0	0	923,481	0	0.000	45.86	0.00
2018	17	832,681	0	0	817,943	0	0.000	45.86	0.00
2019	17	747,395	0	0	734,168	0	0.000	45.86	0.00
2020	17	676,359	0	0	664,383	0	0.000	45.86	0.00
2021	18	615,032	0	0	604,152	0	0.000	45.86	0.00
2022	27	573,521	0	0	563,363	0	0.000	45.86	0.00
2023	27	540,761	0	0	531,200	0	0.000	45.86	0.00
Sub-Total		15,577,678	0	0	15,301,958	0	0.000	45.86	0.00
Remainder		2,882,597	0	0	2,831,564	0	0.000	45.86	0.00
Total Future		18,460,275	0	0	18,133,522	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		18,460,275	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	2,858	0	0	0	2,858	682	0	2,176
2011	75,104	0	0	0	75,104	17,933	0	57,171
2012	135,240	0	0	0	135,240	32,291	0	102,949
2013	90,818	0	0	0	90,818	21,685	0	69,133
2014	69,901	0	0	0	69,901	16,690	0	53,211
2015	57,268	0	0	0	57,268	13,674	0	43,594
2016	48,656	0	0	0	48,656	11,618	0	37,038
2017	42,351	0	0	0	42,351	10,112	0	32,239
2018	37,511	0	0	0	37,511	8,956	0	28,555
2019	33,669	0	0	0	33,669	8,040	0	25,629
2020	30,469	0	0	0	30,469	7,275	0	23,194
2021	27,706	0	0	0	27,706	6,615	0	21,091
2022	25,836	0	0	0	25,836	5,882	0	19,954
2023	24,361	0	0	0	24,361	4,929	0	19,432
Sub-Total	701,748	0	0	0	701,748	166,382	0	535,366
Remainder	129,856	0	0	0	129,856	16,514	0	113,342
Total Future	831,604	0	0	0	831,604	182,896	0	648,708

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	1,975	0	2,361	-2,361	-2,361	-2,238
2010	232	774	18,456	118	19,580	-17,404	-19,765	-14,874
2011	1,769	18,696	40,703	3,112	64,280	-7,109	-26,874	-5,784
2012	4,599	40,818	2,495	5,603	53,515	49,434	22,560	35,103
2013	3,044	29,716	2,130	3,763	38,653	30,480	53,040	19,557
2014	2,598	22,084	1,369	2,896	28,947	24,264	77,304	14,076
2015	2,459	17,365	1,369	2,372	23,565	20,029	97,333	10,513
2016	2,271	14,760	558	2,016	19,605	17,433	114,766	8,279
2017	2,512	12,910	207	1,755	17,384	14,855	129,621	6,387
2018	2,276	10,531	206	1,554	14,567	13,988	143,609	5,440
2019	2,464	9,256	0	1,395	13,115	12,514	156,123	4,406
2020	2,640	8,148	0	1,262	12,050	11,144	167,267	3,550
2021	2,721	7,178	0	1,148	11,047	10,044	177,311	2,897
2022	2,991	6,508	0	1,070	10,569	9,385	186,696	2,450
2023	3,372	6,050	0	1,010	10,432	9,000	195,696	2,127
Sub-Total	36,323	204,805	69,468	29,074	339,670	195,696		91,889
Remainder	30,643	30,746	1,620	5,380	68,389	44,953	240,649	7,496
Total Future	66,966	235,551	71,088	34,454	408,059	240,649		99,385

RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

PETRONEFT RESOURCES PLC
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TABLE 6

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products / Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED	MONTHLY
INITIAL							8.00% -	7,619
FINAL							10.00% -	6,163
REMARKS							12.00% -	4,947
							15.00% -	3,486
							20.00% -	1,774

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	6	254,880	0	0	250,370	0	0.000	45.86	0.00
2013	9	501,809	0	0	492,930	0	0.000	45.86	0.00
2014	9	347,443	0	0	341,288	0	0.000	45.86	0.00
2015	9	197,267	0	0	193,775	0	0.000	45.86	0.00
2016	16	322,548	0	0	316,846	0	0.000	45.86	0.00
2017	19	504,437	0	0	495,502	0	0.000	45.86	0.00
2018	19	307,516	0	0	302,070	0	0.000	45.86	0.00
2019	13	158,762	0	0	155,957	0	0.000	45.86	0.00
2020	10	94,254	0	0	92,588	0	0.000	45.86	0.00
2021	10	60,156	0	0	59,089	0	0.000	45.86	0.00
2022	3	10,412	0	0	10,227	0	0.000	45.86	0.00
2023		0	0	0	0	0	0.000	0.00	0.00
Sub-Total		2,759,484	0	0	2,710,642	0	0.000	45.86	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		2,759,484	0	0	2,710,642	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		2,759,484	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	$000
2009	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	11,482	0	0	0	11,482	2,742	0	8,740
2013	22,606	0	0	0	22,606	5,397	0	17,209
2014	15,651	0	0	0	15,651	3,737	0	11,914
2015	8,887	0	0	0	8,887	2,122	0	6,765
2016	14,530	0	0	0	14,530	3,470	0	11,060
2017	22,724	0	0	0	22,724	5,425	0	17,299
2018	13,853	0	0	0	13,853	3,308	0	10,545
2019	7,152	0	0	0	7,152	1,708	0	5,444
2020	4,246	0	0	0	4,246	1,014	0	3,232
2021	2,710	0	0	0	2,710	647	0	2,063
2022	469	0	0	0	469	106	0	363
2023	0	0	0	0	0	0	0	0
Sub-Total	124,310	0	0	0	124,310	29,676	0	94,634
Remainder	0	0	0	0	0	0	0	0
Total Future	124,310	0	0	0	124,310	29,676	0	94,634

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	130	0	516	-516	-516	-491
2010	188	157	745	0	1,090	-1,090	-1,606	-940
2011	0	0	395	0	395	-395	-2,001	-306
2012	421	3,394	8,195	476	12,486	-3,746	-5,747	-2,765
2013	868	7,087	4,856	936	13,747	3,462	-2,285	2,159
2014	829	4,860	12	649	6,350	5,564	3,279	3,242
2015	697	2,604	11	368	3,680	3,085	6,364	1,624
2016	890	3,748	11,471	602	16,711	-5,651	713	-2,706
2017	1,419	6,686	1,596	941	10,642	6,657	7,370	2,856
2018	1,241	3,759	0	574	5,574	4,971	12,341	1,945
2019	824	1,883	0	297	3,004	2,440	14,781	864
2020	666	1,071	0	176	1,913	1,319	16,100	422
2021	583	594	0	112	1,289	774	16,874	225
2022	113	101	0	19	233	130	17,004	34
2023	0	0	0	0	0	0	17,004	0
Sub-Total	9,114	35,955	27,411	5,150	77,630	17,004		6,163
Remainder	0	0	0	0	0	0	17,004	0
Total Future	9,114	35,955	27,411	5,150	77,630	17,004		6,163

RYDER SCOTT COMPANY
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TABLE 7

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROBABLE RESERVES

TOTAL PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 58,778
FINAL								10.00% - 43,393
REMARKS								12.00% - 31,422
								15.00% - 18,206
								20.00% - 4,589

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	7	266,887	0	0	262,163	0	0.000	45.86	0.00
2013	21	1,249,314	0	0	1,227,199	0	0.000	45.86	0.00
2014	37	2,071,277	0	0	2,034,614	0	0.000	45.86	0.00
2015	44	2,316,015	0	0	2,275,022	0	0.000	45.86	0.00
2016	44	1,731,915	0	0	1,701,264	0	0.000	45.86	0.00
2017	56	1,711,585	0	0	1,681,290	0	0.000	45.86	0.00
2018	67	1,967,091	0	0	1,932,277	0	0.000	45.86	0.00
2019	70	1,508,002	0	0	1,481,312	0	0.000	45.86	0.00
2020	70	1,245,035	0	0	1,223,000	0	0.000	45.86	0.00
2021	74	1,065,971	0	0	1,047,108	0	0.000	45.86	0.00
2022	80	962,216	0	0	945,182	0	0.000	45.86	0.00
2023	80	853,896	0	0	838,775	0	0.000	45.86	0.00
Sub-Total		16,949,204	0	0	16,649,206	0	0.000	45.86	0.00
Remainder		4,007,405	0	0	3,936,464	0	0.000	45.86	0.00
Total Future		20,956,609	0	0	20,585,670	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		20,956,609	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	12,023	0	0	0	12,023	2,871	0	9,152
2013	56,279	0	0	0	56,279	13,438	0	42,841
2014	93,307	0	0	0	93,307	22,279	0	71,028
2015	104,333	0	0	0	104,333	24,911	0	79,422
2016	78,020	0	0	0	78,020	18,629	0	59,391
2017	77,104	0	0	0	77,104	18,410	0	58,694
2018	88,614	0	0	0	88,614	21,158	0	67,456
2019	67,933	0	0	0	67,933	16,221	0	51,712
2020	56,087	0	0	0	56,087	13,392	0	42,695
2021	48,020	0	0	0	48,020	11,465	0	36,555
2022	43,346	0	0	0	43,346	9,868	0	33,478
2023	38,467	0	0	0	38,467	7,784	0	30,683
Sub-Total	763,533	0	0	0	763,533	180,426	0	583,107
Remainder	180,526	0	0	0	180,526	24,036	0	156,490
Total Future	944,059	0	0	0	944,059	204,462	0	739,597

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	1,540	0	1,926	-1,926	-1,926	-1,827
2010	188	157	9,347	0	9,692	-9,692	-11,618	-8,317
2011	0	0	5,194	0	5,194	-5,194	-16,812	-4,032
2012	283	2,595	30,193	498	33,569	-24,417	-41,229	-17,059
2013	1,687	14,039	30,926	2,332	48,984	-6,143	-47,372	-3,761
2014	3,208	23,834	32,992	3,866	63,900	7,128	-40,244	4,166
2015	4,840	28,965	9,585	4,322	47,712	31,710	-8,534	16,617
2016	4,352	21,867	8,508	3,232	37,959	21,432	12,898	10,294
2017	4,224	18,169	32,614	3,195	58,202	492	13,390	358
2018	6,671	24,599	162	3,671	35,103	32,353	45,743	12,616
2019	6,858	18,345	0	2,815	28,018	23,694	69,437	8,352
2020	6,971	14,678	0	2,323	23,972	18,723	88,160	5,971
2021	6,894	12,158	0	1,990	21,042	15,513	103,673	4,477
2022	7,262	10,676	0	1,796	19,734	13,744	117,417	3,591
2023	7,274	9,374	0	1,594	18,242	12,441	129,858	2,941
Sub-Total	61,087	199,467	161,061	31,634	453,249	129,858		34,387
Remainder	50,879	41,765	4,800	7,479	104,923	51,567	181,425	9,006
Total Future	111,966	241,232	165,861	39,113	558,172	181,425		43,393

RYDER SCOTT COMPANY
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PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
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TABLE 8

GRAND SUMMARY
TUNGOLSKOYE FIELD
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products / Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED	MONTHLY
INITIAL							8.00% -	8,091
FINAL							10.00% -	6,709
REMARKS							12.00% -	5,578
							15.00% -	4,239
							20.00% -	2,677

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	180,801	0	0	177,601	0	0.000	45.86	0.00
2013	3	248,658	0	0	244,257	0	0.000	45.86	0.00
2014	3	169,916	0	0	166,908	0	0.000	45.86	0.00
2015	3	127,296	0	0	125,043	0	0.000	45.86	0.00
2016	3	100,843	0	0	99,058	0	0.000	45.86	0.00
2017	3	82,948	0	0	81,480	0	0.000	45.86	0.00
2018	3	70,106	0	0	68,864	0	0.000	45.86	0.00
2019	3	60,475	0	0	59,406	0	0.000	45.86	0.00
2020	3	53,011	0	0	52,072	0	0.000	45.86	0.00
2021	3	47,070	0	0	46,237	0	0.000	45.86	0.00
2022	3	42,239	0	0	41,491	0	0.000	45.86	0.00
2023	3	38,238	0	0	37,562	0	0.000	45.86	0.00
Sub-Total		1,221,601	0	0	1,199,979	0	0.000	45.86	0.00
Remainder		221,106	0	0	217,193	0	0.000	45.86	0.00
Total Future		1,442,707	0	0	1,417,172	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		1,442,707	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	8,145	0	0	0	8,145	1,945	0	6,200
2013	11,201	0	0	0	11,201	2,674	0	8,527
2014	7,655	0	0	0	7,655	1,828	0	5,827
2015	5,734	0	0	0	5,734	1,369	0	4,365
2016	4,543	0	0	0	4,543	1,085	0	3,458
2017	3,737	0	0	0	3,737	892	0	2,845
2018	3,158	0	0	0	3,158	754	0	2,404
2019	2,724	0	0	0	2,724	651	0	2,073
2020	2,388	0	0	0	2,388	570	0	1,818
2021	2,121	0	0	0	2,121	506	0	1,615
2022	1,902	0	0	0	1,902	433	0	1,469
2023	1,723	0	0	0	1,723	349	0	1,374
Sub-Total	55,031	0	0	0	55,031	13,056	0	41,975
Remainder	9,960	0	0	0	9,960	1,245	0	8,715
Total Future	64,991	0	0	0	64,991	14,301	0	50,690

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	0	0	386	-386	-386	-367
2010	188	157	0	0	345	-345	-731	-301
2011	0	0	323	0	323	-323	-1,054	-251
2012	503	2,625	4,473	337	7,938	-1,738	-2,792	-1,337
2013	333	3,644	0	465	4,442	4,085	1,293	2,625
2014	283	2,411	0	317	3,011	2,816	4,109	1,634
2015	266	1,724	0	237	2,227	2,138	6,247	1,123
2016	241	1,360	0	188	1,789	1,669	7,916	793
2017	240	1,115	0	155	1,510	1,335	9,251	574
2018	236	869	0	131	1,236	1,168	10,419	454
2019	238	731	0	113	1,082	991	11,410	350
2020	237	622	0	99	958	860	12,270	274
2021	238	535	0	88	861	754	13,024	217
2022	239	470	0	79	788	681	13,705	178
2023	238	420	0	71	729	645	14,350	153
Sub-Total	3,855	16,694	4,796	2,280	27,625	14,350		6,119
Remainder	2,172	2,325	180	413	5,090	3,625	17,975	590
Total Future	6,027	19,019	4,976	2,693	32,715	17,975		6,709

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TABLE 9

GRAND SUMMARY
TUNGOLSKOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 74,980
FINAL								10.00% - 62,332
REMARKS								12.00% - 52,034
								15.00% - 39,940
								20.00% - 26,008

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	403,041	0	0	395,908	0	0.000	45.86	0.00
2013	14	1,533,528	0	0	1,506,383	0	0.000	45.86	0.00
2014	21	2,219,449	0	0	2,180,165	0	0.000	45.86	0.00
2015	21	1,622,294	0	0	1,593,580	0	0.000	45.86	0.00
2016	21	1,207,066	0	0	1,185,702	0	0.000	45.86	0.00
2017	21	953,770	0	0	936,890	0	0.000	45.86	0.00
2018	21	783,787	0	0	769,915	0	0.000	45.86	0.00
2019	21	662,251	0	0	650,527	0	0.000	45.86	0.00
2020	21	571,312	0	0	561,194	0	0.000	45.86	0.00
2021	21	500,891	0	0	492,027	0	0.000	45.86	0.00
2022	21	444,873	0	0	437,001	0	0.000	45.86	0.00
2023	21	399,328	0	0	392,261	0	0.000	45.86	0.00
Sub-Total		11,301,590	0	0	11,101,553	0	0.000	45.86	0.00
Remainder		2,295,063	0	0	2,254,437	0	0.000	45.86	0.00
Total Future		13,596,653	0	0	13,355,990	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		13,596,653	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	$000
2009	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0
2012	18,156	0	0	0	18,156	4,335	0	13,821
2013	69,083	0	0	0	69,083	16,495	0	52,588
2014	99,982	0	0	0	99,982	23,873	0	76,109
2015	73,082	0	0	0	73,082	17,450	0	55,632
2016	54,376	0	0	0	54,376	12,983	0	41,393
2017	42,966	0	0	0	42,966	10,259	0	32,707
2018	35,308	0	0	0	35,308	8,431	0	26,877
2019	29,833	0	0	0	29,833	7,123	0	22,710
2020	25,737	0	0	0	25,737	6,145	0	19,592
2021	22,564	0	0	0	22,564	5,388	0	17,176
2022	20,041	0	0	0	20,041	4,562	0	15,479
2023	17,989	0	0	0	17,989	3,640	0	14,349
Sub-Total	509,117	0	0	0	509,117	120,684	0	388,433
Remainder	103,389	0	0	0	103,389	12,927	0	90,462
Total Future	612,506	0	0	0	612,506	133,611	0	478,895

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	0	0	386	-386	-386	-367
2010	188	157	0	0	345	-345	-731	-301
2011	0	0	3,253	0	3,253	-3,253	-3,984	-2,526
2012	785	3,919	21,823	752	27,279	-13,458	-17,442	-9,445
2013	2,283	17,324	19,152	2,862	41,621	10,967	-6,475	7,040
2014	3,593	29,397	8,512	4,143	45,645	30,464	23,989	17,502
2015	3,037	22,184	0	3,027	28,248	27,384	51,373	14,392
2016	2,689	16,454	1,760	2,253	23,156	18,237	69,610	8,675
2017	2,846	12,972	1,760	1,780	19,358	13,349	82,959	5,749
2018	2,639	9,808	1,760	1,463	15,670	11,207	94,166	4,367
2019	2,835	8,089	0	1,236	12,160	10,550	104,716	3,716
2020	2,947	6,774	0	1,067	10,788	8,804	113,520	2,807
2021	2,956	5,749	0	934	9,639	7,537	121,057	2,175
2022	2,954	4,980	0	831	8,765	6,714	127,771	1,754
2023	2,959	4,424	0	745	8,128	6,221	133,992	1,470
Sub-Total	33,086	142,242	58,020	21,093	254,441	133,992		57,008
Remainder	28,550	24,293	1,260	4,283	58,386	32,076	166,068	5,324
Total Future	61,636	166,535	59,280	25,376	312,827	166,068		62,332

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TABLE 10

GRAND SUMMARY
KONDRASHEVSKOYE FIELD
TOTAL PROVED RESERVES

TOTAL PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products / Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED	MONTHLY
INITIAL							8.00% -	-971
FINAL							10.00% -	-1,025
REMARKS							12.00% -	-1,054
							15.00% -	-1,061
							20.00% -	-1,018

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	72,248	0	0	70,968	0	0.000	45.86	0.00
2016	4	88,924	0	0	87,352	0	0.000	45.86	0.00
2017	4	57,312	0	0	56,300	0	0.000	45.86	0.00
2018	4	42,160	0	0	41,412	0	0.000	45.86	0.00
2019	4	33,272	0	0	32,680	0	0.000	45.86	0.00
2020	4	27,432	0	0	26,948	0	0.000	45.86	0.00
2021	4	23,312	0	0	22,900	0	0.000	45.86	0.00
2022	4	20,244	0	0	19,884	0	0.000	45.86	0.00
2023	4	17,880	0	0	17,564	0	0.000	45.86	0.00
Sub-Total		382,784	0	0	376,008	0	0.000	45.86	0.00
Remainder		9,768	0	0	9,596	0	0.000	45.86	0.00
Total Future		392,552	0	0	385,604	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		392,552	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
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	3,255	0	0	0	3,255	777	0	2,478
2016	4,006	0	0	0	4,006	957	0	3,049
2017	2,581	0	0	0	2,581	616	0	1,965
2018	1,900	0	0	0	1,900	454	0	1,446
2019	1,498	0	0	0	1,498	357	0	1,141
2020	1,236	0	0	0	1,236	295	0	941
2021	1,050	0	0	0	1,050	251	0	799
2022	912	0	0	0	912	208	0	704
2023	806	0	0	0	806	163	0	643
Sub-Total	17,244	0	0	0	17,244	4,078	0	13,166
Remainder	440	0	0	0	440	79	0	361
Total Future	17,684	0	0	0	17,684	4,157	0	13,527

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	0	0	386	-386	-386	-367
2010	188	157	0	0	345	-345	-731	-301
2011	0	0	0	0	0	0	-731	0
2012	0	0	0	0	0	0	-731	0
2013	0	0	7	0	7	-7	-738	-5
2014	0	0	11	0	11	-11	-749	-6
2015	181	1,028	4,926	135	6,270	-3,792	-4,541	-2,035
2016	297	1,201	0	166	1,664	1,385	-3,156	660
2017	278	758	0	107	1,143	822	-2,334	355
2018	267	505	0	78	850	596	-1,738	232
2019	262	385	0	63	710	431	-1,307	152
2020	258	305	0	51	614	327	-980	104
2021	256	251	0	43	550	249	-731	72
2022	254	212	0	38	504	200	-531	52
2023	253	186	0	33	472	171	-360	40
Sub-Total	2,869	4,999	4,944	714	13,526	-360		-1,047
Remainder	150	95	0	19	264	97	-263	22
Total Future	3,019	5,094	4,944	733	13,790	-263		-1,025

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TABLE 11

GRAND SUMMARY
KONDRASHEVSKOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL PROBABLE

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED FUTURE NET INCOME - $000	
	EXPENSE INTEREST	Oil/ Condensate	Plant Products	Gas	Oil/Cond. $/bbl.	Plt. Prod. $/bbl.	Gas $/MCF	COMPOUNDED MONTHLY
INITIAL								8.00% - 20,921
FINAL								10.00% - 15,457
REMARKS								12.00% - 11,309
								15.00% - 6,876
								20.00% - 2,563

		ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
Period	Number of Wells	Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. $/bbl.	Gas $/MCF
2009		0	0	0	0	0	0.000	0.00	0.00
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	389,887	0	0	382,988	0	0.000	45.86	0.00
2016	24	1,640,474	0	0	1,611,437	0	0.000	45.86	0.00
2017	24	1,141,184	0	0	1,120,981	0	0.000	45.86	0.00
2018	24	791,882	0	0	777,869	0	0.000	45.86	0.00
2019	24	605,659	0	0	594,941	0	0.000	45.86	0.00
2020	24	489,676	0	0	481,010	0	0.000	45.86	0.00
2021	24	410,502	0	0	403,242	0	0.000	45.86	0.00
2022	24	353,043	0	0	346,784	0	0.000	45.86	0.00
2023	24	309,453	0	0	303,976	0	0.000	45.86	0.00
Sub-Total		6,131,760	0	0	6,023,228	0	0.000	45.86	0.00
Remainder		1,729,109	0	0	1,698,500	0	0.000	45.86	0.00
Total Future		7,860,869	0	0	7,721,728	0	0.000	45.86	0.00
Cumulative		0	0	0					
Ultimate		7,860,869	0	0					

	COMPANY FUTURE GROSS REVENUE (FGR) - $000					MRT		FGR AFTER MRT $000
Period	From Oil/Cond.	From Plant Products	From Gas	Other	Total	Oil/Cond. - $000	Gas/P.P. - $000	
2009	0	0	0	0	0	0	0	0
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	17,564	0	0	0	17,564	4,194	0	13,370
2016	73,900	0	0	0	73,900	17,645	0	56,255
2017	51,408	0	0	0	51,408	12,275	0	39,133
2018	35,674	0	0	0	35,674	8,517	0	27,157
2019	27,284	0	0	0	27,284	6,515	0	20,769
2020	22,059	0	0	0	22,059	5,267	0	16,792
2021	18,492	0	0	0	18,492	4,415	0	14,077
2022	15,904	0	0	0	15,904	3,621	0	12,283
2023	13,940	0	0	0	13,940	2,821	0	11,119
Sub-Total	276,225	0	0	0	276,225	65,270	0	210,955
Remainder	77,894	0	0	0	77,894	9,868	0	68,026
Total Future	354,119	0	0	0	354,119	75,138	0	278,981

	DEDUCTIONS - $000					FUTURE NET INCOME AFTER PROFIT TAXES-$000		
						Undiscounted		Discounted
Period	Operating Costs	Export,Profit & Property Taxes	Development Costs	Transportation	Total	Annual	Cumulative	@ 10.00 %
2009	375	11	0	0	386	-386	-386	-367
2010	188	157	0	0	345	-345	-731	-301
2011	0	0	0	0	0	0	-731	0
2012	0	0	0	0	0	0	-731	0
2013	0	0	1,593	0	1,593	-1,593	-2,324	-1,013
2014	0	0	2,341	0	2,341	-2,341	-4,665	-1,349
2015	374	3,792	33,562	728	38,456	-25,086	-29,751	-12,980
2016	2,781	20,162	19,152	3,061	45,156	11,099	-18,652	5,001
2017	3,205	16,065	0	2,130	21,400	17,733	-919	7,648
2018	2,611	10,091	0	1,478	14,180	12,977	12,058	5,057
2019	2,558	7,508	0	1,131	11,197	9,572	21,630	3,375
2020	2,542	5,871	0	914	9,327	7,465	29,095	2,382
2021	2,470	4,746	0	766	7,982	6,095	35,190	1,759
2022	2,411	3,971	0	659	7,041	5,242	40,432	1,370
2023	2,374	3,436	0	577	6,387	4,732	45,164	1,119
Sub-Total	21,889	75,810	56,648	11,444	165,791	45,164		11,701
Remainder	22,976	18,203	1,680	3,227	46,086	21,940	67,104	3,756
Total Future	44,865	94,013	58,328	14,671	211,877	67,104		15,457