

Petroleum Consultants Report

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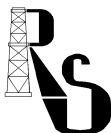
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Table of Contents

| | Page No. |
|---|-----------------|
| Executive Summary | 2 |
| Introduction | 8 |
| Estimates of Reserves..... | 9 |
| Future Production Rates | 9 |
| Hydrocarbon Prices | 10 |
| Costs | 10 |
| License 61 Description | 12 |
| Geographic Location, Natural Environment and Infrastructure | 12 |
| Tectonic Structure | 14 |
| License 61 Major Asset Inventory | 16 |
| Stratigraphy | 17 |
| Oil and Gas Bearing Potential | 21 |
| Lineynoye and West Lineynoye Oil Fields | 24 |
| Tungolskoye Oil Field | 26 |
| Possible Reserves | 28 |
| Exploration Resources | 29 |
| Conclusions | 29 |
| Professional Qualifications | 30 |

Appendices

| | |
|------------|--|
| Appendix 1 | Summary Table of Assets |
| Appendix 2 | Summary of Proved, Probable and Incremental Possible Reserves |
| Appendix 3 | Summary of Prospective Resources in Prospect Category |
| Appendix 4 | Summary of Prospective Resources in Exploration Resources Category |
| Appendix 5 | Tables 1 through 7 – Summary of Phase 1 - Base Case - Estimated Future Reserves and Income |
| Appendix 6 | Tables 1 through 9 – Summary of Phase 2 – Base Case – Estimated Future Reserves and Income |



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31 December, 2007

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, 2008; 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 quarter 2008. PetroNeft has spent certain funds for the acquisition of additional seismic data, the drilling of two delineation wells and one successful exploration well, well testing and feasibility studies since the last reserves report dated 1 September 2006. PetroNeft has also signed an infrastructure sharing Protocol of Intent with OJSC Bashneft to tie-in to their Lukpaiskaya pumping station under a simplified custody transfer scheme. The Lukpaiskaya pumping station is located only about 60 km to the northwest of the Lineynoye Oil Field. This report includes the new drilling and seismic 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 and Tungolskoye oil fields. In addition, we have prepared an estimate of the potential range of possible reserves for 28 seismically defined structures in the License Area. Finally, we have also prepared an estimate of the recoverable resource potential of 4 other structures in the License Area. The income data were estimated using constant prices and costs.

An important outcome of the Bashneft agreement is that License 61 can now be developed 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 Tungolskoye Oil Field. The Tungolskoye reserves have been updated to reflect the petrophysical analysis of the Tungolskoye No. 4 well. However, no proved reserves have been assigned to the Tungolskoye No. 4 well pending successful flow testing of the Tungolskoye No. 4 side-track well. At the time of this report PetroNeft had elected to suspend the testing of the well in order to disassemble and move the drilling rig to the West Korchegskaya Prospect. The testing of the well will be completed with a truck mounted work-over rig that will be mobilized when winter roads are in place.

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, 2008

| | Total Proved | Total Probable | Proved & Probable |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Phase 1 - Oil/Condensate (10 ³ Bbls) | 5,181 | 39,956 | 45,137 |
| Phase 2 – Tungolskoye - Oil/Condensate (10 ³ Bbls) | <u>1,496</u> | <u>13,989</u> | <u>15,485</u> |
| Total - Phase 2 - Oil/Condensate (10 ³ Bbls) | 6,677 | 53,945 | 60,622 |
| <u>Future Net Income (FNI) (10³ \$)</u> | | | |
| Phase 1 - (10 ³ \$) | \$39,698 | \$324,865 | \$364,563 |
| Phase 2 – Tungolskoye - (10 ³ \$) | \$17,376 | \$171,502 | \$188,877 |
| Total - Phase 2 - (10 ³ \$) | \$57,074 | \$496,367 | \$553,440 |
| <u>Discounted FNI @ 10%</u> | | | |
| Phase 1 - (10 ³ \$) | \$15,646 | \$111,597 | \$127,243 |
| Phase 2 – Tungolskoye - (10 ³ \$) | <u>\$ 5,766</u> | <u>\$ 53,752</u> | <u>\$ 59,518</u> |
| Total - Phase 2 - (10 ³ \$) | \$21,412 | \$ 165,349 | \$186,761 |

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, 2008

| | Total Proved | Total Probable | Proved & Probable |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Oil/Condensate (10 ³ Bbls) | 5,181 | 39,956 | 45,137 |
| <u>Income Data (10³ \$)</u> | | | |
| Future Gross Revenue | \$178,414 | \$1,381,808 | \$1,560,222 |
| Deductions | <u>\$138,716</u> | <u>\$1,056,943</u> | <u>\$1,195,659</u> |
| Future Net Income (FNI) | \$ 39,698 | \$ 324,865 | \$ 364,563 |
| Discounted FNI @ 10% | \$ 15,646 | \$ 111,597 | \$ 127,243 |

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, 2008

| | <u>Total Proved</u> | <u>Total Probable</u> | <u>Proved & Probable</u> |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Oil/Condensate (10 ³ Bbls) | 5,176 | 39,991 | 45,087 |
| <u>Income Data (10³ \$)</u> | | | |
| Future Gross Revenue | \$145,316 | \$1,125,152 | \$1,270,469 |
| Deductions | <u>\$117,464</u> | <u>\$ 898,065</u> | <u>\$1,015,530</u> |
| Future Net Income (FNI) | \$ 27,852 | \$ 227,087 | \$ 254,939 |
| Discounted FNI @ 10% | \$ 10,095 | \$ 68,820 | \$ 78,914 |

Phase 1 - Case 3 (High)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2008

| | <u>Total Proved</u> | <u>Total Probable</u> | <u>Proved & Probable</u> |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Oil/Condensate (10 ³ Bbls) | 5,181 | 39,987 | 45,168 |
| <u>Income Data (10³ \$)</u> | | | |
| Future Gross Revenue | \$214,560 | \$1,663,532 | \$1,878,091 |
| Deductions | <u>\$160,892</u> | <u>\$1,224,791</u> | <u>\$1,385,684</u> |
| Future Net Income (FNI) | \$ 53,665 | \$ 438,741 | \$ 492,407 |
| Discounted FNI @ 10% | \$ 22,306 | \$ 162,696 | \$ 185,002 |

Phase 2 of the project is Phase 1 plus the incremental development of the Tungolskoye Oil Field 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, 2008

| | Total Proved | Total Probable | Proved & Probable |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Oil/Condensate (10 ³ Bbls) | 6,677 | 53,945 | 60,622 |
| <u>Income Data (10³ \$)</u> | | | |
| Future Gross Revenue | \$231,314 | \$1,876,147 | \$2,107,460 |
| Deductions | <u>\$174,240</u> | <u>\$1,379,780</u> | <u>\$1,554,020</u> |
| Future Net Income (FNI) | \$ 57,074 | \$ 496,367 | \$ 553,440 |
| Discounted FNI @ 10% | \$ 21,412 | \$ 165,349 | \$ 186,761 |

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, 2008

| | Total Proved | Total Probable | Proved & Probable |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Oil/Condensate (10 ³ Bbls) | 6,672 | 53,891 | 60,563 |
| <u>Income Data (10³ \$)</u> | | | |
| Future Gross Revenue | \$187,441 | \$1,518,846 | \$1,706,286 |
| Deductions | <u>\$151,185</u> | <u>\$1,189,985</u> | <u>\$1,341,169</u> |
| Future Net Income (FNI) | \$ 36,256 | \$ 328,861 | \$ 365,117 |
| Discounted FNI @ 10% | \$ 11,835 | \$ 96,391 | \$ 108,226 |

Phase 2 - Case 3 (High)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 61
PetroNeft
 As of January 1, 2008

| | Total Proved | Total Probable | Proved & Probable |
|---|-------------------------|---------------------------|----------------------------------|
| <u>Net Remaining Reserves</u> | | | |
| Oil/Condensate (10 ³ Bbls) | 6,677 | 53,973 | 60,650 |
| <u>Income Data (10³ \$)</u> | | | |
| Future Gross Revenue | \$276,724 | \$2,244,481 | \$2,521,205 |
| Deductions | <u>\$201,775</u> | <u>\$1,604,082</u> | <u>\$1,805,857</u> |
| Future Net Income (FNI) | \$ 74,949 | \$ 640,399 | \$ 715,348 |
| Discounted FNI @ 10% | \$ 30,169 | \$229,050 | \$ 259,219 |

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 processing, conversion and line losses.

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

| Phase 1 - Case 2 (Base) – Discounted Future Net Income (10³ \$) | | | |
|---|-------------------------|---------------------------|------------------------------|
| As of January 1, 2008 | | | |
| Discount Rate Percent | Total Proved | Total Probable | Proved + Probable |
| 8 | \$18,737 | \$138,610 | \$157,347 |
| 10 | \$15,646 | \$111,597 | \$127,243 |
| 12 | \$13,075 | \$ 89,340 | \$ 102,415 |
| 15 | \$ 9,976 | \$ 62,871 | \$ 72,848 |

Phase 1 - Case 1 (Low) - Discounted Future Net Income (10³ \$)
As of January 1, 2008

| Discount Rate Percent | Total Proved | Total Probable | Proved + Probable |
|--------------------------|-----------------|-------------------|----------------------|
| 8 | \$12,416 | \$89,188 | \$101,604 |
| 10 | \$10,095 | \$68,820 | \$ 78,914 |
| 12 | \$ 8,159 | \$52,012 | \$ 60,171 |
| 15 | \$ 5,825 | \$32,042 | \$ 37,867 |

Phase 1 - Case 3 (High) - Discounted Future Net Income (10³ \$)
As of January 1, 2008

| Discount Rate Percent | Total Proved | Total Probable | Proved + Probable |
|--------------------------|-----------------|-------------------|----------------------|
| 8 | \$26,316 | \$197,438 | \$223,754 |
| 10 | \$22,306 | \$162,697 | \$185,002 |
| 12 | \$18,967 | \$134,054 | \$153,021 |
| 15 | \$14,932 | \$ 99,903 | \$114,835 |

Phase 2 - Case 2 (Base) - Discounted Future Net Income (10³ \$)
As of January 1, 2008

| Discount Rate Percent | Total Proved | Total Probable | Proved + Probable |
|--------------------------|-----------------|-------------------|----------------------|
| 8 | \$25,829 | \$205,518 | \$231,347 |
| 10 | \$21,412 | \$165,349 | \$186,761 |
| 12 | \$17,788 | \$132,735 | \$150,523 |
| 15 | \$13,485 | \$ 94,583 | \$108,068 |

Phase 2 - Case 1 (Low) - Discounted Future Net Income (10³ \$)
As of January 1, 2008

| Discount Rate Percent | Total Proved | Total Probable | Proved + Probable |
|--------------------------|-----------------|-------------------|----------------------|
| 8 | \$ 14,891 | \$124,963 | \$139,854 |
| 10 | \$ 11,835 | \$96,391 | \$108,226 |
| 12 | \$ 9,332 | \$73,196 | \$82,528 |
| 15 | \$ 6,376 | \$46,152 | \$52,527 |

Phase 2 - Case 3 (High) - Discounted Future Net Income (10³ \$)
As of January 1, 2008

| Discount Rate Percent | Total Proved | Total Probable | Proved + Probable |
|--------------------------|-----------------|-------------------|----------------------|
| 8 | \$35,735 | \$279,069 | \$314,803 |
| 10 | \$30,169 | \$229,050 | \$259,219 |
| 12 | \$25,584 | \$188,299 | \$213,883 |
| 15 | \$20,107 | \$140,366 | \$160,472 |

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 last two winter seasons. Also, PetroNeft has now drilled three of the six required wells and will have met all the exploration drilling requirements when the three wells planned for the 2007/2008 drilling program are completed.

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 is currently 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 25 %. Total reserves to the locations classified as probable were based on a recovery efficiency of 25% (15.8% primary & 9.2% secondary).

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

| Property | General Reservoir Properties | |
|----------------------------|------------------------------|------------------|
| | Lineynoye and West Lineynoye | Tungolskoye |
| Depth top Reservoir – m | a.e. -2,393 m and -2,395 m | a.e. -2,503.3 m |
| Porosity | 14.0 to 17.4 % | 14.4 to 17.7 % |
| Permeability – mD | < 2.0 to 38.5 mD | < 2.0 to 43.4 mD |
| Net Pay thickness – m | 1.5 to 15.4 m | 12.9 to 15.2 m |
| Hydrocarbon Saturation | 63 to 80 % | 49 to 63 % |
| Formation pressure – psia | 3,777 psia | 3,850 psia |
| Formation temperature - °C | 93 °C | 98 °C |
| API gravity of crude oil | 38 to 44 degree API | 40 degree API |

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/ VAT) |
|----------------|--|--|---|--|
| Phase 1 | | | | |
| Case 1 (Low) | 33 | 67 | 53.00 | 34.50 |
| Case 2 (Base) | 33 | 67 | 65.00 | 43.00 |
| Case 3 (High) | 33 | 67 | 80.00 | 52.00 |
| Phase 2 | | | | |
| Case 1 (Low) | 33 | 67 | 53.00 | 34.50 |
| Case 2 (Base) | 33 | 67 | 65.00 | 43.00 |
| Case 3 (High) | 33 | 67 | 80.00 | 52.00 |

The Base Case (Case 2) in this report utilized an export price of \$65/bbl and a domestic price of \$43/bbl which includes VAT. For purposes of economic analysis, Ryder Scott does not consider the paying or receiving a refund of VAT. Therefore the domestic prices used in our analysis were the prices shown above reduced by the 18% VAT.

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 also 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) | \$3.66/Bbl |
| Transportation (Domestic) | \$0.70/Bbl |
| Export Tariff (Export Volumes) | $\$4.00 + (\text{Export Price} - \$25.00) * 65\%$ |
| Natural Resources Production Tax (NRPT) | See Description Below |
| Profit Tax | 24% |
| 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.

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).

Ryder Scott finds this cost data consistent with data Ryder Scott has used in other Russian Evaluations. Based on the field development plan, approximately 25% 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 by the Russian Federal and Territorial Agencies for the Use of Mineral Resources, Rosnedra and Tomsknedra. The material has been updated where necessary based on the seismic and drilling results of PetroNeft.

GEOGRAPHIC LOCATION, NATURAL ENVIRONMENT AND INFRASTRUCTURE

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

License 61 in Tomsk

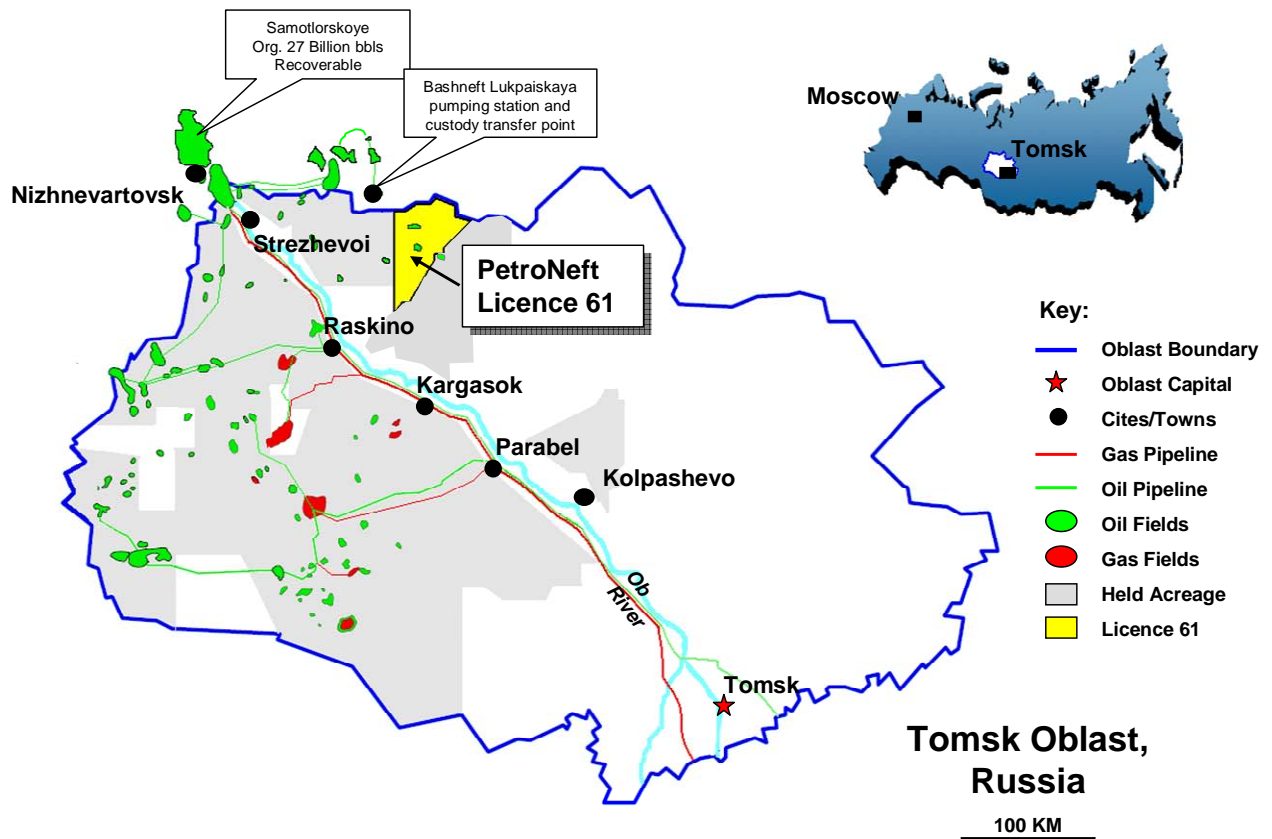


Figure 1. Map showing Tomsk Oblast and location of License Area 61.

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

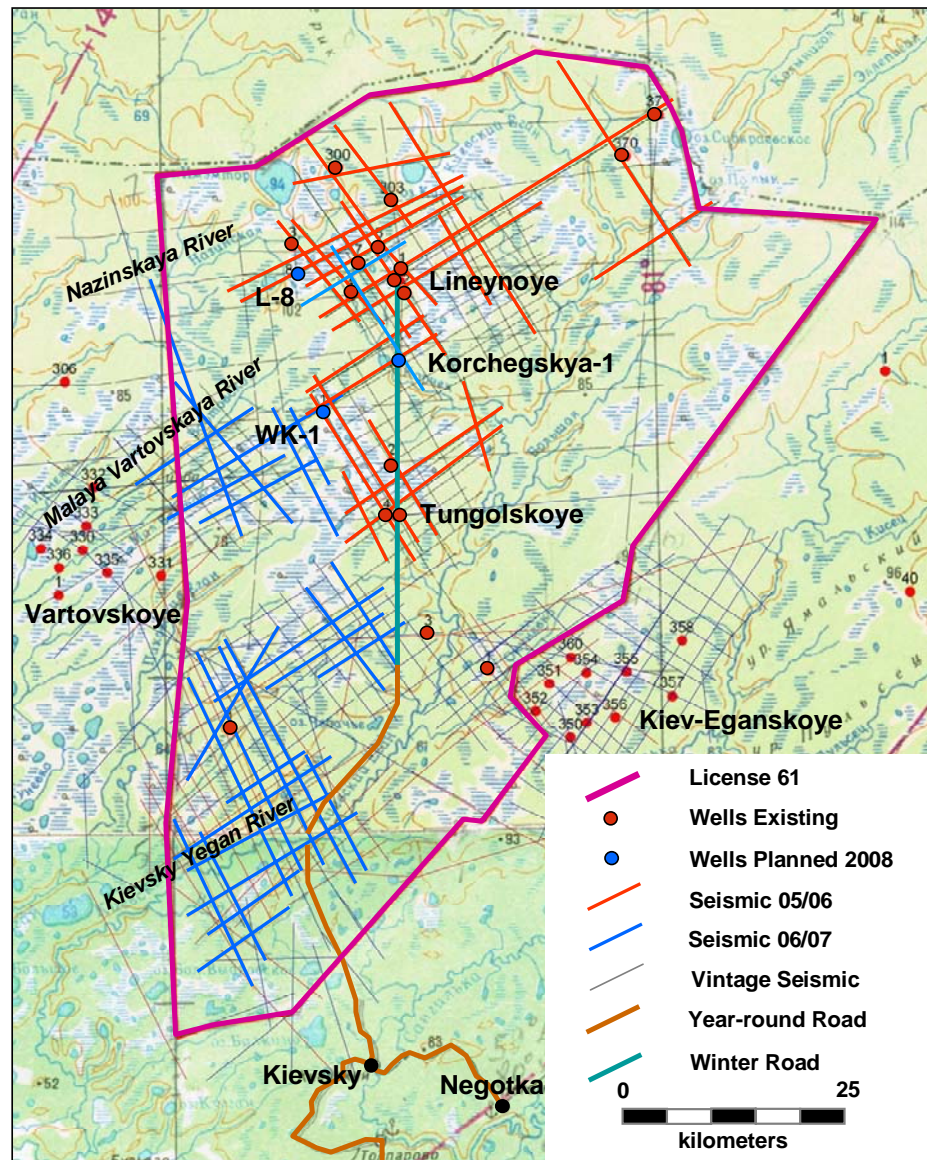


Figure 2 Map showing Natural Environment and Infrastructure of License 61.

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

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

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

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

TECTONIC STRUCTURE

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

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

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

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

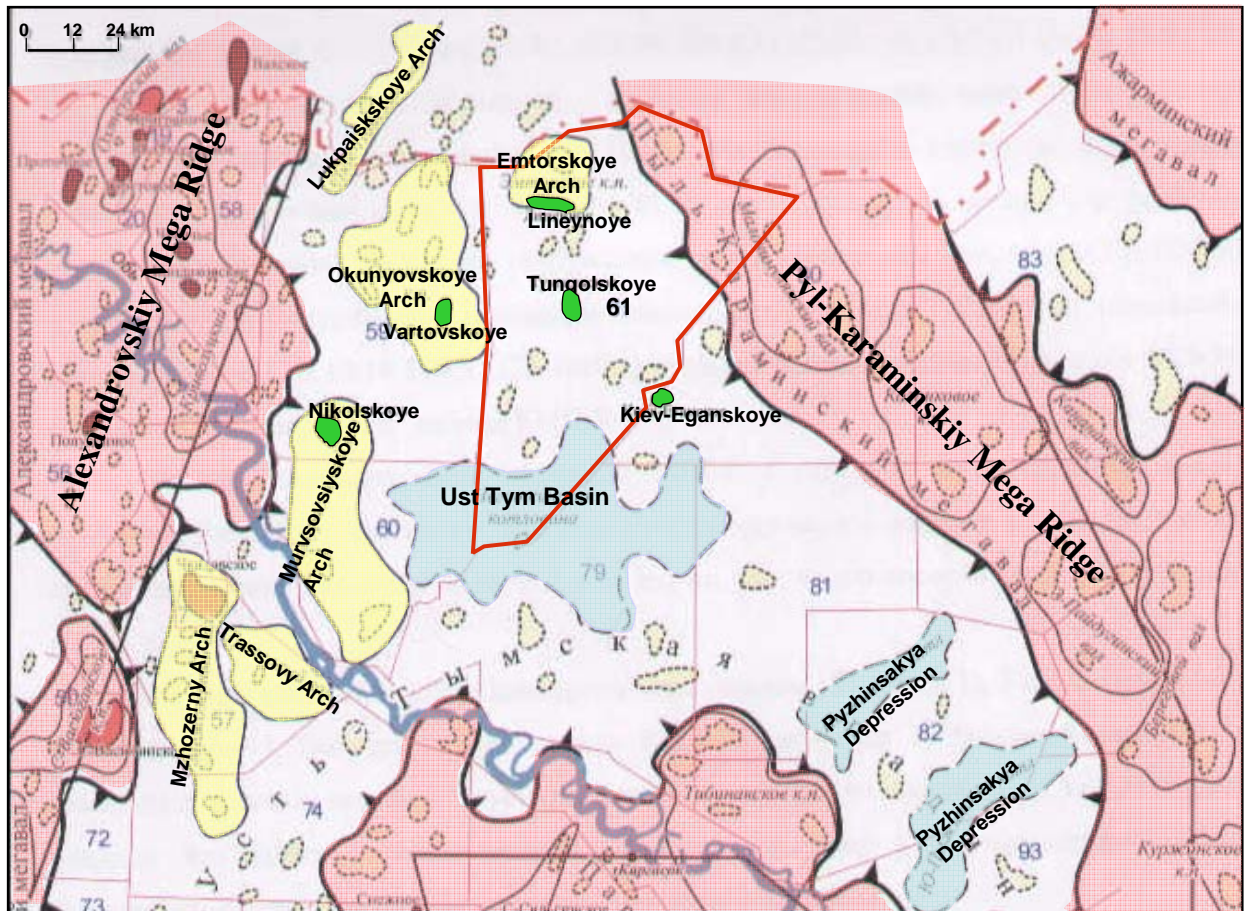


Figure 3 Map showing License 61 in context of regional tectonic features.

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

- | | |
|----|------------------------------------|
| 1 | Lineynoye (Wells 1, 2, 3, 4 and 6) |
| 3 | West Lineynoye (Wells 5 and 7) |
| 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) |

A total of 14 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 nine wells out of 14, 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

Oil Fields / Prospects / Potential Prospects

| | | |
|------------------------------------|-----|---------------------------------|
| Oil Fields | 1. | Lineynoye Oil Field |
| | 2. | Tungolskoye Oil Field |
| | 3. | West Lineynoye Oil Field |
| Prospects | 2. | Tungolskoye West Lobe and North |
| | 4. | Lineynoye Lower |
| | 5. | Korchegskaya |
| | 6. | Korchegskaya West |
| | 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 |
| Potential Prospects (Leads) | 21. | Emtorskaya North |
| | 22. | Sibkrayevskaya East |
| | 23. | Sobachya |
| | 24. | West Balkinskaya |

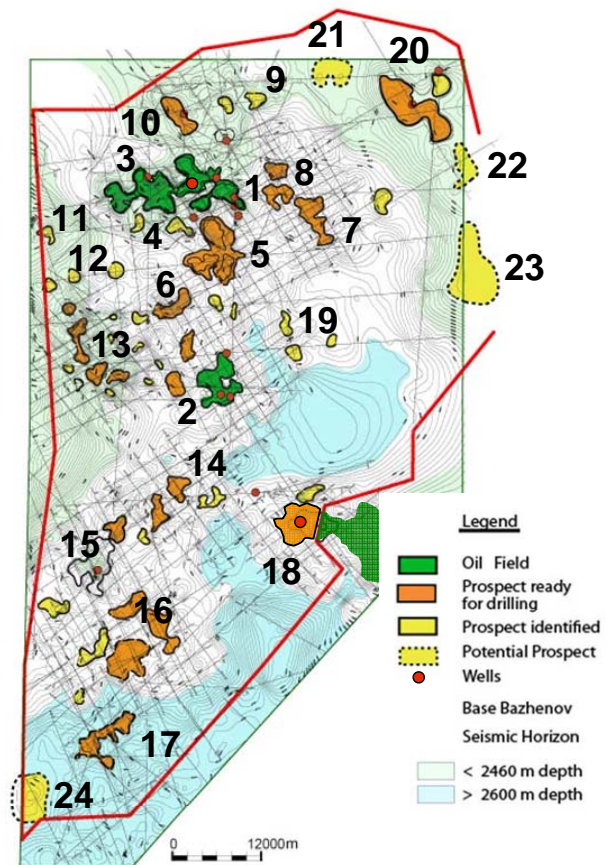


Figure 4. Map showing Upper Jurassic Oil Fields, Prospects and Potential Prospects in License 61

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

- 1 Lineynoye Oil Field
- 2 Tungolskoye Oil Field
- 3 West Lineynoye Oil Field

The "Identified Prospects" group includes 26 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 | Korchevskaya |
| 6 | West Korchevskaya |
| 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   | SOURCE ROCKS   | DEPOSITIONAL ENVIRONMENT | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| MESOZOIC | CRETACEOUS | Upper | MAASTRICHTIAN | GANK'INO | | Gan'kino | GANK'INO : Shales and siltstones | | 30 - 200 |  | | Alternation of marine and continental deposits | | | | | | | |
| | | | CAMPANIAN | SLAVGORODE | | Berezovo | Slavgorode | BEREZOVO : Clay and shales | 100 - 260 | | | | | | | | | | |
| | | | SANTONIAN | IPATOVO | | Ipatovo | IPATOVO : Siltstone and sandstone | | | | | | | | | | | | |
| | | | CONIACIAN | | | | | | 20 - 120 | | | | | | | | | | |
| | | | TURONIAN | KUZNETSOV | | Kuznetsov | KUZNETSOV : Clay and siltstone | | | | | | | | | | | | |
| | | Lower | CENOMANIAN | UVAT | | | | UVAT : Siltstone, clay, sand and sandstone POKUR : Sandstone with intercalations of shales and lignite | 100 - 900 |   |   | Main gas reservoirs | Marine, shallow marine shelf and continental deposits | | | | | | |
| | | | ALBIAN | KHANTY-MANSIYSK | Upper Lower | Pokur | Pokur | KHANTY-MANSIYSK & VIKULOVO : Fine grained sandstone, siltstone, shale with lignite intercalations | 50 - 120 | | | | | | | | | | |
| | | | APTIAN | VIKULOVO | | | | | 60 - 300 | | | | | | | | | | |
| | | | BARREMIAN | ALYMKE | Upper Lower | Alymke | | ALYMKE : Siltstone, silty sandstone lenses | | | | | | | | | | | |
| | | | HAUTERIVIAN | CHERKASHINO | | Sangopay | Cherk | Vartovsk | Kiyali | | | | | | 80 - 400 |   |   | Shallow marine, marine and turbidite deposits | |
| | UST-BALYK | | | | Ust-Balyk | | | | | | | | | | | | | | |
| | VALANGINIAN | | | AGANSKAYA | | | | | | | | | | | | | | | |
| | IAHSK | | | | | | | | | | | | | | | | | | |
| | KULOMZIN | | | | | | | | | | | | | | | | | | 100 - 400 |
| | BERRIASIAN | | KULOMZIN | | | | | | | | | | | | | | | | |
| | JURASSIC | Upper | VOLGIAN (PORTLANDIAN) | BAZHENOVO | | Bazhenovo | BAZHENOVO : Bituminous shale and limestone | 5 - 150 |   |   | Main source rocks | Marine pelagic and shallow marine deposits | | | | | | | |
| | | | KIMMERIDGIAN | GEORGIEVKA | | Georgievka | GEORGIEVKA : Bituminous shale and siltstone | 80 - 100 | | | | | | | | | | | |
| | | | OXFORDIAN | VASYUGAN | Upper Lower | Vasyugan | Vasyugan Naursk | | | | | | | | | | | | |
| | | | CALLOVIAN | | | | | | | | | | 300 to max. 1,500 | | | | | | |
| | | | BATHONIAN | MALYSHEVKA | | | | TYUMEN : Alternating sandstone, siltstone and shale which are slightly carbonaceous | | | | | | | | | | | |
| | | Lower | BAJOCIAN | LEONTEVSKOVO | | Tyumen | Tyumen | MALYSHEVKA : Sandstone and siltstone LEONTEVSKOVO : Siltstone, shale and sandstone VYMSKOVO : Sandstone, limestone and siltstone | 30 - 100 |   |   | Shallow marine and lacustrine deposits | | | | | | | |
| | | | AALENIAN | VYMSKOVO | | | | | | | | | | | | | | | |
| | | | TOARCIAN | LAYDA | | | | | | | | | | | | | | | |
| | | | PLIENSCHACHIAN | DZHANGODA | Upper Middle Lower | Gorelaya | Kotukhta | GORELAYA : Sandstone, siltstone and shale KOTUKHTA : Sandstone and shale | | | | | | | | | | | |
| | | | SINEMURIAN | LEVINSKOVO | | | | | | | | | | | | | | | |
| | HETTANGIAN | ZYMNAYA | | | | | | | | | | | | | | | | | |

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

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

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

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

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

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

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

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

Shallow-marine, littoral-marine or lagoonal sediments of the Kiyalinskaya series (Hauterivian-Barremian stages of the Lower Cretaceous) are represented by variegated clay, sand, siltstone, gravelstone which occasionally contain marl and limestone interlayers. The Kiyalinskaya series is from 356 to 520 m thick. Sandy formations of Groups A and B were identified.

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

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

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

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

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

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

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

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

OIL AND GAS BEARING POTENTIAL

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

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

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

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

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

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

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

The deposits of the Lower - Middle Jurassic oil-and-gas bearing sequence (Tyumenskaya series) contain lithologic accumulations sealed by claystone of Tyumenskaya series and Lower Vasyuganskaya sub-series. The oil-bearing potential of this sequence and of the underlying interval of the section within License 61 limits is not yet known.

Oil shows while drilling were observed in Well No. 3 in the Lineynoye area (increased gas content in the J₃ formation) and in Well No. 370 in the Sibkrayevskaya area (yellow luminescence and increased gas content (as much as 4%) in the J₄ formation). These targets, as well as the J₂ and J₃ formations in Well No. 5 (Lineynoye area) and the J₂ formation in Well No. 300 (Emtorskaya area), were tested. All of them were found to be water-bearing.

The main target which adds hydrocarbon reserves on a stable, validated and confirmable basis in the Tyumen and Tomsk regions has been and remains the Upper Jurassic oil-and-gas bearing sequence where commercial oil and gas content was established in the Vasyuganskaya (Naunakskaya) series consisting of interbedded sandstone, claystone and coal. The deposits of this series feature facies variability of the cross-section. Oil pools belong to the sheet, roof and, less often, to a lithologically screened (single-pay) type. They are sealed by Bazhenovskaya series claystone. The oil-and-gas bearing potential of the Vasyuganskaya series is associated with the J₁ horizon represented by facies of marine and littoral marine genesis. These facies are fairly laterally and vertically persistent, yet feature some variations.

Reservoirs are quartz-feldspar sandstones. Their porosity varies from 14% to 21% (averaging 17-18%). Permeability is 0-0.2 μm². The catagenesis of the organic matter corresponds to MK1-MK3 stages. The deposits of the Upper Jurassic sequence were tested in all 14 wells of Lease No. 61.

The J₁¹ formation of the Vasyuganskaya series was found to be commercially oil productive in the Tungolskoye Field in Well No. 1 and in Wells No. 1 and 5 in the Lineynoye Field.

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.

License 61 resources (resource base) as estimated by A.E. Kontorovich as of January 1, 2004 belong to C₃ and D₁ (resources) and C₁+C₂ (reserves) categories. Russian State Reserve structure is provided in Table 1.

Stocks of Resources Area 61 ** (metric units)

| Type | Produced Resources million tons | Discovered Resources | | Undiscovered Resources | | Total |
|-------------------------------|---------------------------------------|-------------------------|------|---------------------------|-------|-------|
| | | A+B+C1 | C2 | C3 | D1 | |
| Oil (million tons) | 0 | 3.02 | 0.29 | 4.84 | 20.84 | 28.99 |
| Gas (million m ³) | 0 | 0 | 0 | 0 | 739 | 739 |
| Total (million tons) | 0 | 3.02 | 0.29 | 4.84 | 21.58 | 29.73 |
| | | 3.31 | | | | |

*** License 61, Official Reserves approved by the Russian State Committee of Reserves*

Stocks of Resources Area 61 (English units)

| Type | Produced Resources million tons | Discovered Resources | | Undiscovered Resources | | Total |
|-----------------------|---------------------------------------|-------------------------|------|---------------------------|--------|--------|
| | | A+B+C1 | C2 | C3 | D1 | |
| Oil (million bbls) | 0 | 22.11 | 2.14 | 35.41 | 152.51 | 212.18 |
| Gas (billion cu. ft.) | 0 | 0 | 0 | 0 | 26.09 | 26.09 |
| Total (million boe) | 0 | 22.11 | 2.14 | 35.41 | 157.97 | 217.63 |
| | | | | | | |

Table 1. Russian State Reserve Committee approved Reserves for License 61

The Russian State Reserves for License 61 are currently being update and this information should be available in March 2008.

LINEYNOYE and WEST LINEYNOYE OIL FIELDS

Structure Map on Base Bazhenov Horizon

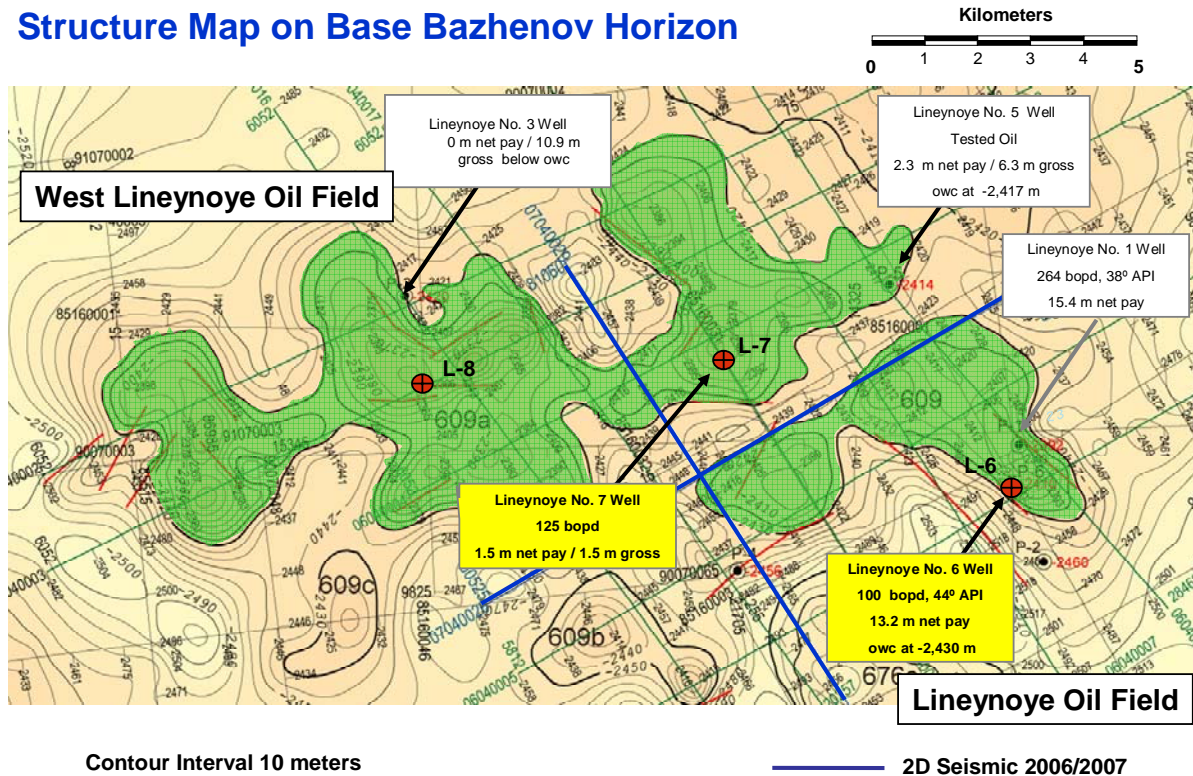


Figure 6 Base Bashenov Struture Map showing Lineynoye and West Lineynoye oil fields.

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

The Lineynoye Well No. 1 discovered oil within the structure in 1972. The well was drilled in the Eastern part of the structure and tested oil from the Upper Jurassic (J1) reservoir with a flow rate of 42 cub. m/day on an 8 mm choke. The specific gravity of oil is 0.835 g/cm³ or an API gravity of 38 degrees. Gas factor is 33 m³/m³. Reservoir pressure is 257 atm. Testing interval: -2,496 to -2,518 m (actual elevation -2,389.4-2,411.4 m).

The J1 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 J1 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 1 (the J1 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 J1 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 this past year 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.

This past year PetroNeft also drilled and tested the Lineynoye No. 7 well 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). The J_1^2 interval consisted of very fine grained sandstone at siltstone at the location and while hydrocarbon shows were encountered throughout the interval while drilling no reservoir quality rock was present.

Electrical submersible pumps have been run in both the Lineynoye No. 6 and No. 7 wells and they will be placed on long term pilot/test production this winter while winter roads are in place to truck the oil to market.

TUNGOLSKOYE OIL FIELD

Structure Map on Base Bazhenov Horizon

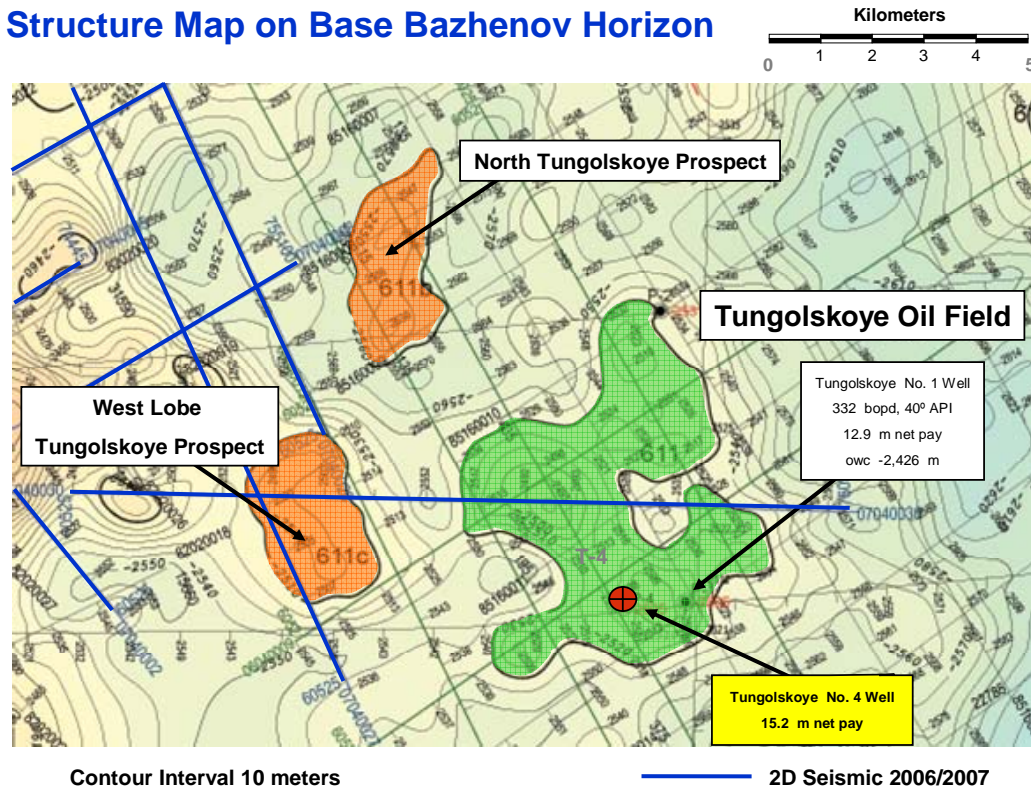


Figure 7 Base Bazhenov Structure Map showing Tungolskoye Field and surrounding area

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

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

The J₁ horizon of the Vasyuganskaya series was encountered within the -2,604 to -2,683 m interval. This horizon consists of a series of sandy formations (J₁¹, J₁², and J₁³⁻⁴) and shale breaks. The J₁¹

formation was penetrated at a depth of -2,605.2 to -2,609.4 m (-2,505.3 to -2,509.5 m TVD SS). It lithologically consists of yellowish-gray, medium-grained, medium-solid and non-consolidated sandstone with an oil odor. Logging and field data are indicative of a homogeneous and oil-saturated nature of this formation. The α_{sp} value within the -2,606 to -2,609.6 m interval is equal to 0.67; resistivity as determined by the combined 40/8 charts is 5.9 Ohms; porosity is 16.8%; oil and gas saturation is 57%. The J_1^2 formation lies in the -2,612.6 to -2,636 m interval (-2,512.7 to -2,536.1 m TVD SS). It lithologically consists of gray, medium-grained, dense and solid sandstone saturated with oil within the -2,612.2 to -2,620.65 m interval. According to logging and field data, this formation is heterogeneous and consists of interbedded permeable and dense interlayers. The negative SP anomaly reaches 75 mV. The top of this formation down to a depth of -2,620.4 m contains water and oil. The α_{sp} value within the -2,612.6 to -2,615.6 m interval is 0.63; resistivity as determined by laterologging (LL) is 6.5 Ohms; porosity is 16.4%; oil and gas saturation is 53%. This formation within the 2,627.4-2,636 m interval was interpreted as water-bearing.

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

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

PetroNeft reprocessed the vintage 2D seismic data and acquired additional high resolution CDP data over the structure in 2005/2006 and again in 2006/2007. The resulting structural map at the base of

the Bazhenovskaya series is shown in Figure 7. The Tungolskoye No. 4 well was drilled on the structure this past year. Based on the log and core data the well penetrated 15 m of continuous oil saturated sandstone in the J₁¹ interval which appears to consist of a thin J₁¹ sandstone interval setting directly above a thicker J₁² sandstone interval. PetroNeft has had mechanical problems testing this interval and sidetracked the well in August. At the time of this report PetroNeft was disassembling the Tungolskoye exploration drilling rig in order to move it to the West Korchevskaya Prospect location. The testing of the Tungolskoye No. 4 sidetrack will continue in March using a truck mounted work-over rig which will be brought in when winter roads are in place.

Possible Reserves

A total of 28 Upper 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 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 interpretation. The probability distribution functions of the other volumetric parameters were based on data from the three tested fields. The range of potential possible reserves is summarized in the following table:

| <i>Index</i> | <i>Prospects</i> | <i>Possible Reserves (10³ Bbls)</i> | | |
|--------------|---------------------------|--|------------|------------|
| | | <i>90%</i> | <i>50%</i> | <i>10%</i> |
| 2 | Tungolskoye West Lobe | 3,724 | 6,708 | 11,170 |
| 2 | North Tungolskoye | 3,019 | 5,518 | 9,486 |
| 4 | Lineynoye Lower | 2,793 | 4,856 | 7,776 |
| 5 | Korchevskaya | 15,594 | 35,988 | 61,915 |
| 6 | Korchevskaya West | 5,727 | 10,457 | 16,879 |
| 7 | Varyakhskaya | 9,169 | 16,304 | 27,390 |
| 8 | Varyakhskaya North | 3,061 | 5,484 | 9,206 |
| 8 | Varyakhskaya Upper | 4,989 | 8,871 | 15,075 |
| 9 | East Emtorskaya | 2,290 | 4,034 | 6,813 |
| 10 | Emtorskaya Crown (1 of 3) | 6,770 | 12,438 | 20,762 |
| 11 | Sigayevskaya | 1,421 | 2,509 | 4,340 |
| 12 | Sigayevskaya East | 2,169 | 3,944 | 6,642 |
| 13 | Kulikovskaya | 3,092 | 5,626 | 9,472 |
| 13 | Kulikovskaya North | 4,507 | 8,105 | 13,453 |
| 14 | Kusinskiy | 3,091 | 5,296 | 8,558 |
| 14 | Kusinsky North | 3,599 | 5,954 | 9,660 |
| 15 | Tuganskaya North | 3,201 | 5,625 | 9,351 |
| 15 | Tuganskaya South | 3,462 | 5,894 | 9,612 |
| 16 | Kirillovskaya | 4,532 | 8,001 | 13,508 |
| 16 | Kirillovskaya South | 10,530 | 18,037 | 29,914 |
| 16 | Kirillovskaya East | 6,029 | 10,841 | 18,106 |
| 17 | Balkinskaya North | 6,225 | 8,834 | 12,450 |
| 18 | Traverskaya | 11,153 | 19,490 | 32,277 |
| 19 | Tungolskoye East | 4,664 | 6,658 | 9,244 |
| 20 | Sibkrayevskaya | 15,221 | 29,546 | 53,861 |
| 20 | Sibkrayevskaya North | 2,940 | 5,087 | 8,306 |

It is worth noting that one of the new prospects, Traverskaya, may be a western extension of the Kiev-Eganskoye Oil Field located in License 80 to the east of License 61. Approximately 24 km² of

structural closure exists on this prospect in License 61 above the commonly accepted oil water contact (owc) of -2,530 m subsea (ss) for the Kiev-Eganskoye Oil Field.

The Traverskaya No. 1 well, located in License 61, drilled in 1987 penetrated approximately 6 m of 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) and flow at commercial rates.

Exploration Resources

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

| <i>Index Potential Prospects</i> | <i>Exploration Resources (10³ Bbls)</i> | | |
|----------------------------------|--|------------|------------|
| | <i>90%</i> | <i>50%</i> | <i>10%</i> |
| 21 Emtorskaya North | 7,667 | 13,776 | 22,427 |
| 22 Sibkrayevskaya East | 10,047 | 17,207 | 28,904 |
| 23 Sobachya | 20,195 | 36,012 | 60,915 |
| 24 West Balkinskaya | 7,827 | 12,959 | 21,057 |

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 7 -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 March 1, 2008, by reserve category and a net present valuation as at January 1, 2008. Appendix 8 – Tables 1 through 7 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 38 years of experience in the oil and gas industry and been an employee of Ryder Scott for 26 years and is currently a Managing Senior Vice President. He is a registered Professional Engineer in the states of Colorado, Montana, North Dakota, Oklahoma and Wyoming.

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

Very truly yours,

RYDER SCOTT COMPANY, L.P.



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



LTN/sw

Appendix 1
SUMMARY TABLE OF ASSETS

Oil & Gas

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

(1) Asset - Country, licence and block

(2) Status - Exploration, Development or Production Only

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

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

| | Gross | | | Net Attributable | | | Operator |
|---|---------------|------------------------------|--|-------------------------|------------------------------|--|-----------------|
| Oil & Liquids reserves per asset From production to planned for development | Proved | Proved & Probable | Proved, Probable & Possible | Proved | Proved & Probable | Proved, Probable & Possible | |
| License 61 - Tomsk Oblast Russia | | | | | | | |
| Lineynoye Field (10 ³ bbls) | 4,363 | 16,615 | 23,168 | 4,286 | 16,321 | 22,758 | LLC, Stimul-T |
| West Lineynoye Field (10 ³ bbls) | 911 | 29,335 | 45,223 | 895 | 28,816 | 44,423 | LLC, Stimul-T |
| Tungolskoye Field (10 ³ bbls) | 1,524 | 15,765 | 23,202 | 1,496 | 15,485 | 22,790 | LLC, Stimul-T |
| Total for Oil & Liquids (10³ bbls) | 6,798 | 61,715 | 91,593 | 6,677 | 60,622 | 89,970 | |
| 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) | | | | | | | LLC, Stimul-T |
| Total for Gas (10³ scf) | n/a | n/a | n/a | n/a | n/a | n/a | |

Source: Ryder Scott Company - Petroleum Consultants

Notes:

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

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

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

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

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

bbls - Barrels

scf - Standard Cubic Feet

Appendix 3
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Possible Reserves (10³ bbls)

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

| (10 ³ bbls) | Gross equals Net Attributable for P3 | | | "Risk Factor" Probability of Success | Operator |
|--|--------------------------------------|------------------|------------------|--|---------------|
| Oil & Liquids Prospective Resources Prospects | Low Estimate | Best Estimate | High Estimate | | |
| License 61 - Tomsk Oblast Russia | | | | | |
| Tungolskoye West Lobe (611c) | 3,724 | 6,708 | 11,170 | 0.58 | LLC, Stimul-T |
| North Tungolskoye (611b) | 3,019 | 5,518 | 9,486 | 0.58 | LLC, Stimul-T |
| Lineynoye Lower (609b) | 2,793 | 4,856 | 7,776 | 0.52 | LLC, Stimul-T |
| Korchevskaya (676) | 15,594 | 35,988 | 61,915 | 0.81 | LLC, Stimul-T |
| Korchevskaya West (677) | 5,727 | 10,457 | 16,879 | 0.81 | LLC, Stimul-T |
| Varyakhskaya (610) | 9,169 | 16,304 | 27,390 | 0.65 | LLC, Stimul-T |
| Varyakhskaya North (610a) | 3,061 | 5,484 | 9,206 | 0.50 | LLC, Stimul-T |
| Varyakhskaya Upper (610b) | 4,989 | 8,871 | 15,075 | 0.58 | LLC, Stimul-T |
| East Emtorskaya (608b) | 2,290 | 4,034 | 6,813 | 0.52 | LLC, Stimul-T |
| Emtorskaya Crown (608) | 6,770 | 12,438 | 20,762 | 0.72 | LLC, Stimul-T |
| Sigayevskaya (674) | 1,421 | 2,509 | 4,340 | 0.46 | LLC, Stimul-T |
| Sigayevskaya East (674a) | 2,169 | 3,944 | 6,642 | 0.46 | LLC, Stimul-T |
| Kulikovskaya (607) | 3,092 | 5,626 | 9,472 | 0.52 | LLC, Stimul-T |
| Kulikovskaya North (607b) | 4,507 | 8,105 | 13,453 | 0.52 | LLC, Stimul-T |
| Kusinsky (617) | 3,091 | 5,296 | 8,558 | 0.35 | LLC, Stimul-T |
| Kusinsky North (617a) | 3,599 | 5,954 | 9,660 | 0.38 | LLC, Stimul-T |
| Tuganskaya North (618a) | 3,201 | 5,626 | 9,351 | 0.25 | LLC, Stimul-T |
| Tuganskaya South (618b) | 3,462 | 5,894 | 9,612 | 0.40 | LLC, Stimul-T |
| Kirillovskaya (616) | 4,532 | 8,001 | 13,508 | 0.40 | LLC, Stimul-T |
| Kirillovskaya South (616a) | 10,530 | 18,037 | 29,914 | 0.40 | LLC, Stimul-T |
| Kirillovskaya East (616b) | 6,029 | 10,841 | 18,106 | 0.38 | LLC, Stimul-T |
| Balkinskaya North (632a) | 6,225 | 8,834 | 12,450 | 0.37 | LLC, Stimul-T |
| Traverskaya (613) | 11,153 | 19,490 | 32,277 | 0.80 | LLC, Stimul-T |
| Tungolskoye East (611a) | 4,664 | 6,658 | 9,244 | 0.38 | LLC, Stimul-T |
| Sibkrayevskaya (1001) | 15,221 | 29,546 | 53,861 | 0.34 | LLC, Stimul-T |
| Sibkrayevskaya North (1001a) | 2,940 | 5,087 | 8,306 | 0.34 | LLC, Stimul-T |
| Total for Oil & Liquids (10³ bbls) | | 260,106 | | | |

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

Appendix 4
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Exploration Resources (10³ bbls)

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

| (10 ³ bbls) | Gross equals Net Attributable for P4 | | | "Risk Factor" Probability of Success | Operator |
|--|--------------------------------------|------------------|------------------|--|---------------|
| Oil & Liquids Prospective Resources Potential Prospects / Leads | Low Estimate | Best Estimate | High Estimate | | |
| License 61 - Tomsk Oblast Russia | | | | | |
| Emtorskaya North | 7,667 | 13,776 | 22,427 | 0.18 | LLC, Stimul-T |
| Sibkrayevskaya East | 10,047 | 17,207 | 28,904 | 0.18 | LLC, Stimul-T |
| Sobachya | 20,195 | 36,012 | 60,915 | 0.18 | LLC, Stimul-T |
| Balkinskaya West | 7,827 | 12,959 | 21,057 | 0.28 | LLC, Stimul-T |
| Total for Oil & Liquids (10³ bbls) | | 79,954 | | | |

Source: Ryder Scott Company - Petroleum Consultants

Notes:

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

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

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

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

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

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

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

bbls - Barrels

scf - Standard Cubic Feet



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL
PROVED

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|-----|----------------------|-----------------------|---------------|---------------------------|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 | |
| | | | | | | | | COMPOUNDED | MONTHLY |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | 8.00% | — | 18,737 |
| | | | | | | | 10.00% | — | 15,646 |
| | | | | | | | 12.00% | — | 13,075 |
| | | | | | | | 15.00% | — | 9,976 |
| | | | | | | | 20.00% | — | 6,252 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 7 | 397,121 | 0 | 0 | 390,092 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 7 | 783,512 | 0 | 0 | 769,643 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 7 | 525,215 | 0 | 0 | 515,918 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 12 | 493,590 | 0 | 0 | 484,855 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 12 | 490,218 | 0 | 0 | 481,539 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 12 | 374,783 | 0 | 0 | 368,150 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 12 | 303,443 | 0 | 0 | 298,073 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 12 | 254,451 | 0 | 0 | 249,947 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 12 | 218,593 | 0 | 0 | 214,725 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 12 | 191,193 | 0 | 0 | 187,809 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 12 | 169,571 | 0 | 0 | 166,569 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 12 | 152,084 | 0 | 0 | 149,392 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 12 | 137,454 | 0 | 0 | 135,019 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 12 | 124,626 | 0 | 0 | 122,424 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 4,615,854 | 0 | 0 | 4,534,155 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 658,137 | 0 | 0 | 646,488 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 5,273,991 | 0 | 0 | 5,180,643 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 5,273,991 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|---------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 17,894 | 0 | 0 | 0 | 17,894 | 4,783 | 0 | 13,111 |
| 2010 | 35,303 | 0 | 0 | 0 | 35,303 | 9,435 | 0 | 25,868 |
| 2011 | 23,665 | 0 | 0 | 0 | 23,665 | 6,326 | 0 | 17,339 |
| 2012 | 22,241 | 0 | 0 | 0 | 22,241 | 5,944 | 0 | 16,297 |
| 2013 | 22,088 | 0 | 0 | 0 | 22,088 | 5,904 | 0 | 16,184 |
| 2014 | 16,887 | 0 | 0 | 0 | 16,887 | 4,513 | 0 | 12,374 |
| 2015 | 13,672 | 0 | 0 | 0 | 13,672 | 3,654 | 0 | 10,018 |
| 2016 | 11,465 | 0 | 0 | 0 | 11,465 | 3,065 | 0 | 8,400 |
| 2017 | 9,850 | 0 | 0 | 0 | 9,850 | 2,632 | 0 | 7,218 |
| 2018 | 8,615 | 0 | 0 | 0 | 8,615 | 2,303 | 0 | 6,312 |
| 2019 | 7,640 | 0 | 0 | 0 | 7,640 | 2,042 | 0 | 5,598 |
| 2020 | 6,853 | 0 | 0 | 0 | 6,853 | 1,826 | 0 | 5,027 |
| 2021 | 6,193 | 0 | 0 | 0 | 6,193 | 1,413 | 0 | 4,780 |
| 2022 | 5,616 | 0 | 0 | 0 | 5,616 | 1,207 | 0 | 4,409 |
| Sub-Total | 207,982 | 0 | 0 | 0 | 207,982 | 55,047 | 0 | 152,935 |
| Remainder | 29,654 | 0 | 0 | 0 | 29,654 | 4,175 | 0 | 25,479 |
| Total Future | 237,636 | 0 | 0 | 0 | 237,636 | 59,222 | 0 | 178,414 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|----------------------------|-------------------------|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted Annual | Undiscounted Cumulative | Discounted @ 10.00 % |
| 2008 | 250 | 271 | 2,865 | 0 | 3,386 | -3,386 | -3,386 | -3,198 |
| 2009 | 1,838 | 5,578 | 8,818 | 655 | 16,889 | -3,778 | -7,164 | -3,464 |
| 2010 | 1,538 | 15,902 | 1,536 | 1,293 | 20,269 | 5,599 | -1,565 | 4,424 |
| 2011 | 1,040 | 9,218 | 1,117 | 867 | 12,242 | 5,097 | 3,532 | 3,624 |
| 2012 | 1,508 | 7,429 | 6,704 | 815 | 16,456 | -159 | 3,373 | -156 |
| 2013 | 1,243 | 7,750 | 288 | 809 | 10,090 | 6,094 | 9,467 | 3,543 |
| 2014 | 1,165 | 5,230 | 287 | 618 | 7,300 | 5,074 | 14,541 | 2,665 |
| 2015 | 1,170 | 4,182 | 50 | 501 | 5,903 | 4,115 | 18,656 | 1,956 |
| 2016 | 1,175 | 3,440 | 50 | 420 | 5,085 | 3,315 | 21,971 | 1,426 |
| 2017 | 1,178 | 2,892 | 50 | 361 | 4,481 | 2,737 | 24,708 | 1,065 |
| 2018 | 1,182 | 2,484 | 0 | 315 | 3,981 | 2,331 | 27,039 | 821 |
| 2019 | 1,184 | 2,150 | 0 | 280 | 3,614 | 1,984 | 29,023 | 633 |
| 2020 | 1,187 | 1,878 | 0 | 251 | 3,316 | 1,711 | 30,734 | 494 |
| 2021 | 1,188 | 1,688 | 0 | 227 | 3,103 | 1,677 | 32,411 | 438 |
| 2022 | 1,189 | 1,517 | 0 | 205 | 2,911 | 1,498 | 33,909 | 353 |
| Sub-Total | 18,035 | 71,609 | 21,765 | 7,617 | 119,026 | 33,909 | | 14,624 |
| Remainder | 8,323 | 8,481 | 1,800 | 1,086 | 19,690 | 5,789 | 39,698 | 1,022 |
| Total Future | 26,358 | 80,090 | 23,565 | 8,703 | 138,716 | 39,698 | | 15,646 |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---------------------------|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 | |
| | | | | | | | | COMPOUNDED | |
| | | | | | | | | MONTHLY | |
| | | | | | | | | | |
| | | | | | | | | 8.00% | 138,610 |
| | | | | | | | | 10.00% | 111,597 |
| | | | | | | | | 12.00% | 89,340 |
| | | | | | | | | 15.00% | 62,871 |
| | | | | | | | | 20.00% | 31,888 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 8 | 501,147 | 0 | 0 | 492,278 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 30 | 2,301,350 | 0 | 0 | 2,260,613 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 55 | 4,144,176 | 0 | 0 | 4,070,826 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 73 | 4,949,705 | 0 | 0 | 4,862,098 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 90 | 4,528,091 | 0 | 0 | 4,447,940 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 95 | 3,920,838 | 0 | 0 | 3,851,432 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 95 | 3,010,091 | 0 | 0 | 2,956,819 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 95 | 2,430,491 | 0 | 0 | 2,387,470 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 95 | 2,032,511 | 0 | 0 | 1,996,541 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 95 | 1,738,513 | 0 | 0 | 1,707,734 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 95 | 1,516,608 | 0 | 0 | 1,489,770 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 95 | 1,342,554 | 0 | 0 | 1,318,800 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 95 | 1,201,869 | 0 | 0 | 1,180,588 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 95 | 1,084,636 | 0 | 0 | 1,065,443 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 34,702,580 | 0 | 0 | 34,088,352 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 5,973,483 | 0 | 0 | 5,867,757 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 40,676,063 | 0 | 0 | 39,956,109 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 40,676,063 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|-----------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 22,581 | 0 | 0 | 0 | 22,581 | 6,035 | 0 | 16,546 |
| 2010 | 103,694 | 0 | 0 | 0 | 103,694 | 27,715 | 0 | 75,979 |
| 2011 | 186,729 | 0 | 0 | 0 | 186,729 | 49,909 | 0 | 136,820 |
| 2012 | 223,024 | 0 | 0 | 0 | 223,024 | 59,609 | 0 | 163,415 |
| 2013 | 204,027 | 0 | 0 | 0 | 204,027 | 54,532 | 0 | 149,495 |
| 2014 | 176,666 | 0 | 0 | 0 | 176,666 | 47,218 | 0 | 129,448 |
| 2015 | 135,629 | 0 | 0 | 0 | 135,629 | 36,251 | 0 | 99,378 |
| 2016 | 109,513 | 0 | 0 | 0 | 109,513 | 29,270 | 0 | 80,243 |
| 2017 | 91,581 | 0 | 0 | 0 | 91,581 | 24,478 | 0 | 67,103 |
| 2018 | 78,334 | 0 | 0 | 0 | 78,334 | 20,937 | 0 | 57,397 |
| 2019 | 68,336 | 0 | 0 | 0 | 68,336 | 18,264 | 0 | 50,072 |
| 2020 | 60,493 | 0 | 0 | 0 | 60,493 | 16,116 | 0 | 44,377 |
| 2021 | 54,154 | 0 | 0 | 0 | 54,154 | 12,361 | 0 | 41,793 |
| 2022 | 48,872 | 0 | 0 | 0 | 48,872 | 10,505 | 0 | 38,367 |
| Sub-Total | 1,563,633 | 0 | 0 | 0 | 1,563,633 | 413,200 | 0 | 1,150,433 |
| Remainder | 269,153 | 0 | 0 | 0 | 269,153 | 37,778 | 0 | 231,375 |
| Total Future | 1,832,786 | 0 | 0 | 0 | 1,832,786 | 450,978 | 0 | 1,381,808 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|-----------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 250 | 271 | 24,845 | 0 | 25,366 | -25,366 | -25,366 | -24,058 | |
| 2009 | 2,462 | 6,036 | 43,642 | 827 | 52,967 | -36,421 | -61,787 | -31,365 | |
| 2010 | 4,999 | 28,506 | 47,564 | 3,798 | 84,867 | -8,888 | -70,675 | -6,912 | |
| 2011 | 8,055 | 58,148 | 42,743 | 6,839 | 115,785 | 21,035 | -49,640 | 14,937 | |
| 2012 | 9,557 | 70,627 | 30,956 | 8,168 | 119,308 | 44,107 | -5,533 | 28,411 | |
| 2013 | 10,962 | 63,635 | 26,152 | 7,473 | 108,222 | 41,273 | 35,740 | 24,106 | |
| 2014 | 10,935 | 55,330 | 2,353 | 6,470 | 75,088 | 54,360 | 90,100 | 28,574 | |
| 2015 | 10,411 | 41,768 | 410 | 4,968 | 57,557 | 41,821 | 131,921 | 19,886 | |
| 2016 | 10,405 | 33,044 | 410 | 4,011 | 47,870 | 32,373 | 164,294 | 13,928 | |
| 2017 | 10,401 | 27,027 | 410 | 3,354 | 41,192 | 25,911 | 190,205 | 10,088 | |
| 2018 | 10,324 | 22,673 | 0 | 2,869 | 35,866 | 21,531 | 211,736 | 7,587 | |
| 2019 | 10,305 | 19,275 | 0 | 2,503 | 32,083 | 17,989 | 229,725 | 5,736 | |
| 2020 | 10,304 | 16,603 | 0 | 2,215 | 29,122 | 15,255 | 244,980 | 4,403 | |
| 2021 | 10,302 | 14,780 | 0 | 1,983 | 27,065 | 14,728 | 259,708 | 3,848 | |
| 2022 | 10,301 | 13,212 | 0 | 1,790 | 25,303 | 13,064 | 272,772 | 3,089 | |
| Sub-Total | 129,973 | 470,935 | 219,485 | 57,268 | 877,661 | 272,772 | | 102,258 | |
| Remainder | 80,734 | 74,440 | 14,250 | 9,858 | 179,282 | 52,093 | 324,865 | 9,339 | |
| Total Future | 210,707 | 545,375 | 233,735 | 67,126 | 1,056,943 | 324,865 | | 111,597 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
ALL PROPERTIES
TOTAL PV & PB

TOTAL
PV & PB

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---------------------------|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 | |
| | | | | | | | | COMPOUNDED | MONTHLY |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | 8.00% | — | 157,347 |
| | | | | | | | 10.00% | — | 127,243 |
| | | | | | | | 12.00% | — | 102,415 |
| | | | | | | | 15.00% | — | 72,848 |
| | | | | | | | 20.00% | — | 38,141 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 15 | 898,268 | 0 | 0 | 882,370 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 37 | 3,084,862 | 0 | 0 | 3,030,256 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 62 | 4,669,391 | 0 | 0 | 4,586,744 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 85 | 5,443,295 | 0 | 0 | 5,346,953 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 102 | 5,018,309 | 0 | 0 | 4,929,479 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 107 | 4,295,621 | 0 | 0 | 4,219,582 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 107 | 3,313,534 | 0 | 0 | 3,254,892 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 107 | 2,684,942 | 0 | 0 | 2,637,417 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 107 | 2,251,104 | 0 | 0 | 2,211,266 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 107 | 1,929,706 | 0 | 0 | 1,895,543 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 107 | 1,686,179 | 0 | 0 | 1,656,339 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 107 | 1,494,638 | 0 | 0 | 1,468,192 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 107 | 1,339,323 | 0 | 0 | 1,315,607 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 107 | 1,209,262 | 0 | 0 | 1,187,867 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 39,318,434 | 0 | 0 | 38,622,507 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 6,631,620 | 0 | 0 | 6,514,245 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 45,950,054 | 0 | 0 | 45,136,752 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 45,950,054 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|-----------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 40,474 | 0 | 0 | 0 | 40,474 | 10,818 | 0 | 29,656 |
| 2010 | 138,998 | 0 | 0 | 0 | 138,998 | 37,151 | 0 | 101,847 |
| 2011 | 210,394 | 0 | 0 | 0 | 210,394 | 56,233 | 0 | 154,161 |
| 2012 | 245,265 | 0 | 0 | 0 | 245,265 | 65,554 | 0 | 179,711 |
| 2013 | 226,115 | 0 | 0 | 0 | 226,115 | 60,435 | 0 | 165,680 |
| 2014 | 193,552 | 0 | 0 | 0 | 193,552 | 51,732 | 0 | 141,820 |
| 2015 | 149,302 | 0 | 0 | 0 | 149,302 | 39,905 | 0 | 109,397 |
| 2016 | 120,978 | 0 | 0 | 0 | 120,978 | 32,335 | 0 | 88,643 |
| 2017 | 101,431 | 0 | 0 | 0 | 101,431 | 27,110 | 0 | 74,321 |
| 2018 | 86,949 | 0 | 0 | 0 | 86,949 | 23,240 | 0 | 63,709 |
| 2019 | 75,976 | 0 | 0 | 0 | 75,976 | 20,306 | 0 | 55,670 |
| 2020 | 67,346 | 0 | 0 | 0 | 67,346 | 17,942 | 0 | 49,404 |
| 2021 | 60,347 | 0 | 0 | 0 | 60,347 | 13,774 | 0 | 46,573 |
| 2022 | 54,487 | 0 | 0 | 0 | 54,487 | 11,712 | 0 | 42,775 |
| Sub-Total | 1,771,614 | 0 | 0 | 0 | 1,771,614 | 468,247 | 0 | 1,303,367 |
| Remainder | 298,808 | 0 | 0 | 0 | 298,808 | 41,953 | 0 | 256,855 |
| Total Future | 2,070,422 | 0 | 0 | 0 | 2,070,422 | 510,200 | 0 | 1,560,222 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|-----------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 500 | 543 | 27,710 | 0 | 28,753 | -28,753 | -28,753 | -27,256 | |
| 2009 | 4,300 | 11,612 | 52,460 | 1,482 | 69,854 | -40,198 | -68,951 | -34,829 | |
| 2010 | 6,538 | 44,409 | 49,100 | 5,091 | 105,138 | -3,291 | -72,242 | -2,488 | |
| 2011 | 9,095 | 67,365 | 43,860 | 7,706 | 128,026 | 26,135 | -46,107 | 18,561 | |
| 2012 | 11,065 | 78,057 | 37,660 | 8,983 | 135,765 | 43,946 | -2,161 | 28,255 | |
| 2013 | 12,205 | 71,385 | 26,440 | 8,281 | 118,311 | 47,369 | 45,208 | 27,648 | |
| 2014 | 12,100 | 60,560 | 2,640 | 7,089 | 82,389 | 59,431 | 104,639 | 31,240 | |
| 2015 | 11,580 | 45,950 | 460 | 5,468 | 63,458 | 45,939 | 150,578 | 21,842 | |
| 2016 | 11,580 | 36,484 | 460 | 4,431 | 52,955 | 35,688 | 186,266 | 15,354 | |
| 2017 | 11,580 | 29,919 | 460 | 3,715 | 45,674 | 28,647 | 214,913 | 11,153 | |
| 2018 | 11,505 | 25,157 | 0 | 3,185 | 39,847 | 23,862 | 238,775 | 8,408 | |
| 2019 | 11,490 | 21,425 | 0 | 2,782 | 35,697 | 19,973 | 258,748 | 6,369 | |
| 2020 | 11,490 | 18,481 | 0 | 2,467 | 32,438 | 16,966 | 275,714 | 4,897 | |
| 2021 | 11,490 | 16,468 | 0 | 2,210 | 30,168 | 16,405 | 292,119 | 4,285 | |
| 2022 | 11,490 | 14,729 | 0 | 1,996 | 28,215 | 14,560 | 306,679 | 3,443 | |
| Sub-Total | 148,008 | 542,544 | 241,250 | 64,886 | 996,688 | 306,679 | | 116,882 | |
| Remainder | 89,057 | 82,920 | 16,050 | 10,944 | 198,971 | 57,884 | 364,563 | 10,361 | |
| Total Future | 237,065 | 625,464 | 257,300 | 75,830 | 1,195,659 | 364,563 | | 127,243 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

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

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 7 | 397,121 | 0 | 0 | 390,092 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 7 | 783,512 | 0 | 0 | 769,643 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 7 | 525,215 | 0 | 0 | 515,918 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 7 | 389,348 | 0 | 0 | 382,458 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 7 | 306,384 | 0 | 0 | 300,961 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 7 | 250,857 | 0 | 0 | 246,416 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 7 | 211,295 | 0 | 0 | 207,556 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 7 | 181,799 | 0 | 0 | 178,581 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 7 | 159,032 | 0 | 0 | 156,218 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 7 | 140,975 | 0 | 0 | 138,480 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 7 | 126,333 | 0 | 0 | 124,096 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 7 | 114,238 | 0 | 0 | 112,217 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 7 | 103,890 | 0 | 0 | 102,049 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 7 | 94,537 | 0 | 0 | 92,866 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 3,784,536 | 0 | 0 | 3,717,551 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 578,600 | 0 | 0 | 568,357 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 4,363,136 | 0 | 0 | 4,285,908 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 4,363,136 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|---------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 17,894 | 0 | 0 | 0 | 17,894 | 4,783 | 0 | 13,111 |
| 2010 | 35,303 | 0 | 0 | 0 | 35,303 | 9,435 | 0 | 25,868 |
| 2011 | 23,665 | 0 | 0 | 0 | 23,665 | 6,326 | 0 | 17,339 |
| 2012 | 17,544 | 0 | 0 | 0 | 17,544 | 4,688 | 0 | 12,856 |
| 2013 | 13,805 | 0 | 0 | 0 | 13,805 | 3,690 | 0 | 10,115 |
| 2014 | 11,303 | 0 | 0 | 0 | 11,303 | 3,021 | 0 | 8,282 |
| 2015 | 9,520 | 0 | 0 | 0 | 9,520 | 2,545 | 0 | 6,975 |
| 2016 | 8,192 | 0 | 0 | 0 | 8,192 | 2,189 | 0 | 6,003 |
| 2017 | 7,166 | 0 | 0 | 0 | 7,166 | 1,916 | 0 | 5,250 |
| 2018 | 6,352 | 0 | 0 | 0 | 6,352 | 1,697 | 0 | 4,655 |
| 2019 | 5,692 | 0 | 0 | 0 | 5,692 | 1,522 | 0 | 4,170 |
| 2020 | 5,147 | 0 | 0 | 0 | 5,147 | 1,371 | 0 | 3,776 |
| 2021 | 4,681 | 0 | 0 | 0 | 4,681 | 1,068 | 0 | 3,613 |
| 2022 | 4,260 | 0 | 0 | 0 | 4,260 | 916 | 0 | 3,344 |
| Sub-Total | 170,524 | 0 | 0 | 0 | 170,524 | 45,167 | 0 | 125,357 |
| Remainder | 26,071 | 0 | 0 | 0 | 26,071 | 3,556 | 0 | 22,515 |
| Total Future | 196,595 | 0 | 0 | 0 | 196,595 | 48,723 | 0 | 147,872 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 125 | 136 | 2,736 | 0 | 2,997 | -2,997 | -2,997 | -2,834 | |
| 2009 | 1,651 | 5,218 | 8,673 | 655 | 16,197 | -3,086 | -6,083 | -2,863 | |
| 2010 | 1,538 | 15,902 | 1,466 | 1,293 | 20,199 | 5,669 | -414 | 4,477 | |
| 2011 | 1,040 | 9,217 | 1,067 | 867 | 12,191 | 5,148 | 4,734 | 3,659 | |
| 2012 | 737 | 5,898 | 835 | 643 | 8,113 | 4,743 | 9,477 | 3,045 | |
| 2013 | 720 | 4,815 | 274 | 505 | 6,314 | 3,801 | 13,278 | 2,207 | |
| 2014 | 674 | 3,499 | 275 | 414 | 4,862 | 3,420 | 16,698 | 1,795 | |
| 2015 | 683 | 2,938 | 48 | 349 | 4,018 | 2,957 | 19,655 | 1,406 | |
| 2016 | 690 | 2,486 | 48 | 300 | 3,524 | 2,479 | 22,134 | 1,065 | |
| 2017 | 696 | 2,134 | 48 | 262 | 3,140 | 2,110 | 24,244 | 821 | |
| 2018 | 702 | 1,865 | 0 | 233 | 2,800 | 1,855 | 26,099 | 653 | |
| 2019 | 707 | 1,634 | 0 | 209 | 2,550 | 1,620 | 27,719 | 517 | |
| 2020 | 712 | 1,441 | 0 | 188 | 2,341 | 1,435 | 29,154 | 414 | |
| 2021 | 715 | 1,305 | 0 | 171 | 2,191 | 1,422 | 30,576 | 371 | |
| 2022 | 718 | 1,179 | 0 | 156 | 2,053 | 1,291 | 31,867 | 306 | |
| Sub-Total | 12,108 | 59,667 | 15,470 | 6,245 | 93,490 | 31,867 | | 15,039 | |
| Remainder | 6,866 | 7,601 | 1,050 | 955 | 16,472 | 6,043 | 37,910 | 1,039 | |
| Total Future | 18,974 | 67,268 | 16,520 | 7,200 | 109,962 | 37,910 | | 16,078 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 COMPOUNDED MONTHLY |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | 8.00% - 46,221 |
| | | | | | | | | 10.00% - 37,745 |
| | | | | | | | | 12.00% - 30,736 |
| | | | | | | | | 15.00% - 22,349 |
| | | | | | | | | 20.00% - 12,408 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 1 | 144,043 | 0 | 0 | 141,495 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 9 | 855,724 | 0 | 0 | 840,575 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 17 | 1,529,548 | 0 | 0 | 1,502,477 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 20 | 1,786,481 | 0 | 0 | 1,754,860 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 20 | 1,271,396 | 0 | 0 | 1,248,894 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 20 | 968,423 | 0 | 0 | 951,278 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 20 | 777,187 | 0 | 0 | 763,432 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 20 | 645,844 | 0 | 0 | 634,412 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 20 | 550,322 | 0 | 0 | 540,584 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 20 | 474,596 | 0 | 0 | 466,192 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 20 | 417,642 | 0 | 0 | 410,251 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 20 | 372,521 | 0 | 0 | 365,934 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 20 | 335,504 | 0 | 0 | 329,561 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 20 | 304,162 | 0 | 0 | 298,780 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 10,433,393 | 0 | 0 | 10,248,725 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 1,818,550 | 0 | 0 | 1,786,360 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 12,251,943 | 0 | 0 | 12,035,085 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 12,251,943 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|---------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 6,490 | 0 | 0 | 0 | 6,490 | 1,735 | 0 | 4,755 |
| 2010 | 38,558 | 0 | 0 | 0 | 38,558 | 10,305 | 0 | 28,253 |
| 2011 | 68,918 | 0 | 0 | 0 | 68,918 | 18,421 | 0 | 50,497 |
| 2012 | 80,496 | 0 | 0 | 0 | 80,496 | 21,514 | 0 | 58,982 |
| 2013 | 57,286 | 0 | 0 | 0 | 57,286 | 15,312 | 0 | 41,974 |
| 2014 | 43,636 | 0 | 0 | 0 | 43,636 | 11,662 | 0 | 31,974 |
| 2015 | 35,018 | 0 | 0 | 0 | 35,018 | 9,360 | 0 | 25,658 |
| 2016 | 29,101 | 0 | 0 | 0 | 29,101 | 7,778 | 0 | 21,323 |
| 2017 | 24,796 | 0 | 0 | 0 | 24,796 | 6,627 | 0 | 18,169 |
| 2018 | 21,384 | 0 | 0 | 0 | 21,384 | 5,716 | 0 | 15,668 |
| 2019 | 18,819 | 0 | 0 | 0 | 18,819 | 5,030 | 0 | 13,789 |
| 2020 | 16,785 | 0 | 0 | 0 | 16,785 | 4,471 | 0 | 12,314 |
| 2021 | 15,117 | 0 | 0 | 0 | 15,117 | 3,451 | 0 | 11,666 |
| 2022 | 13,705 | 0 | 0 | 0 | 13,705 | 2,946 | 0 | 10,759 |
| Sub-Total | 470,109 | 0 | 0 | 0 | 470,109 | 124,328 | 0 | 345,781 |
| Remainder | 81,940 | 0 | 0 | 0 | 81,940 | 11,237 | 0 | 70,703 |
| Total Future | 552,049 | 0 | 0 | 0 | 552,049 | 135,565 | 0 | 416,484 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 125 | 136 | 7,542 | 0 | 7,803 | -7,803 | -7,803 | -7,388 | |
| 2009 | 1,143 | 1,876 | 14,551 | 238 | 17,808 | -13,053 | -20,856 | -11,192 | |
| 2010 | 2,039 | 10,954 | 15,242 | 1,412 | 29,647 | -1,394 | -22,250 | -1,108 | |
| 2011 | 2,965 | 21,636 | 15,541 | 2,524 | 42,666 | 7,831 | -14,419 | 5,599 | |
| 2012 | 3,249 | 29,176 | 2,302 | 2,948 | 37,675 | 21,307 | 6,888 | 13,688 | |
| 2013 | 2,842 | 20,275 | 757 | 2,098 | 25,972 | 16,002 | 22,890 | 9,301 | |
| 2014 | 2,637 | 13,623 | 757 | 1,598 | 18,615 | 13,359 | 36,249 | 7,019 | |
| 2015 | 2,649 | 10,789 | 132 | 1,283 | 14,853 | 10,805 | 47,054 | 5,136 | |
| 2016 | 2,660 | 8,798 | 132 | 1,066 | 12,656 | 8,667 | 55,721 | 3,728 | |
| 2017 | 2,669 | 7,343 | 131 | 908 | 11,051 | 7,118 | 62,839 | 2,770 | |
| 2018 | 2,601 | 6,232 | 0 | 783 | 9,616 | 6,052 | 68,891 | 2,132 | |
| 2019 | 2,592 | 5,353 | 0 | 689 | 8,634 | 5,155 | 74,046 | 1,644 | |
| 2020 | 2,598 | 4,652 | 0 | 615 | 7,865 | 4,449 | 78,495 | 1,284 | |
| 2021 | 2,602 | 4,169 | 0 | 554 | 7,325 | 4,341 | 82,836 | 1,134 | |
| 2022 | 2,607 | 3,748 | 0 | 502 | 6,857 | 3,902 | 86,738 | 922 | |
| Sub-Total | 35,978 | 148,760 | 57,087 | 17,218 | 259,043 | 86,738 | | 34,669 | |
| Remainder | 23,407 | 23,523 | 3,000 | 3,001 | 52,931 | 17,772 | 104,510 | 3,076 | |
| Total Future | 59,385 | 172,283 | 60,087 | 20,219 | 311,974 | 104,510 | | 37,745 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 COMPOUNDED MONTHLY |
| | | | | | | | | 8.00% - -157 |
| | | | | | | | | 10.00% - -433 |
| | | | | | | | | 12.00% - -650 |
| | | | | | | | | 15.00% - -888 |
| | | | | | | | | 20.00% - -1,115 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 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 | 104,242 | 0 | 0 | 102,397 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 5 | 183,834 | 0 | 0 | 180,578 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 5 | 123,926 | 0 | 0 | 121,734 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 5 | 92,148 | 0 | 0 | 90,517 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 5 | 72,652 | 0 | 0 | 71,366 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 5 | 59,561 | 0 | 0 | 58,507 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 5 | 50,218 | 0 | 0 | 49,329 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 5 | 43,238 | 0 | 0 | 42,473 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 5 | 37,846 | 0 | 0 | 37,175 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 5 | 33,564 | 0 | 0 | 32,970 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 5 | 30,089 | 0 | 0 | 29,558 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 831,318 | 0 | 0 | 816,604 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 79,537 | 0 | 0 | 78,131 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 910,855 | 0 | 0 | 894,735 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 910,855 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|--------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | 4,697 | 0 | 0 | 0 | 4,697 | 1,255 | 0 | 3,442 |
| 2013 | 8,283 | 0 | 0 | 0 | 8,283 | 2,214 | 0 | 6,069 |
| 2014 | 5,584 | 0 | 0 | 0 | 5,584 | 1,493 | 0 | 4,091 |
| 2015 | 4,152 | 0 | 0 | 0 | 4,152 | 1,109 | 0 | 3,043 |
| 2016 | 3,274 | 0 | 0 | 0 | 3,274 | 875 | 0 | 2,399 |
| 2017 | 2,683 | 0 | 0 | 0 | 2,683 | 718 | 0 | 1,965 |
| 2018 | 2,263 | 0 | 0 | 0 | 2,263 | 604 | 0 | 1,659 |
| 2019 | 1,948 | 0 | 0 | 0 | 1,948 | 521 | 0 | 1,427 |
| 2020 | 1,705 | 0 | 0 | 0 | 1,705 | 454 | 0 | 1,251 |
| 2021 | 1,513 | 0 | 0 | 0 | 1,513 | 346 | 0 | 1,167 |
| 2022 | 1,356 | 0 | 0 | 0 | 1,356 | 291 | 0 | 1,065 |
| Sub-Total | 37,458 | 0 | 0 | 0 | 37,458 | 9,880 | 0 | 27,578 |
| Remainder | 3,583 | 0 | 0 | 0 | 3,583 | 619 | 0 | 2,964 |
| Total Future | 41,041 | 0 | 0 | 0 | 41,041 | 10,499 | 0 | 30,542 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|--------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 125 | 136 | 129 | 0 | 390 | -390 | -390 | -364 | |
| 2009 | 188 | 359 | 145 | 0 | 692 | -692 | -1,082 | -600 | |
| 2010 | 0 | 0 | 69 | 0 | 69 | -69 | -1,151 | -54 | |
| 2011 | 0 | 0 | 51 | 0 | 51 | -51 | -1,202 | -35 | |
| 2012 | 770 | 1,532 | 5,869 | 172 | 8,343 | -4,901 | -6,103 | -3,201 | |
| 2013 | 524 | 2,936 | 13 | 303 | 3,776 | 2,293 | -3,810 | 1,336 | |
| 2014 | 490 | 1,730 | 13 | 205 | 2,438 | 1,653 | -2,157 | 870 | |
| 2015 | 487 | 1,244 | 2 | 152 | 1,885 | 1,158 | -999 | 550 | |
| 2016 | 485 | 953 | 3 | 120 | 1,561 | 838 | -161 | 361 | |
| 2017 | 482 | 758 | 2 | 98 | 1,340 | 625 | 464 | 244 | |
| 2018 | 480 | 620 | 0 | 83 | 1,183 | 476 | 940 | 167 | |
| 2019 | 477 | 516 | 0 | 71 | 1,064 | 363 | 1,303 | 116 | |
| 2020 | 475 | 437 | 0 | 63 | 975 | 276 | 1,579 | 80 | |
| 2021 | 473 | 383 | 0 | 55 | 911 | 256 | 1,835 | 67 | |
| 2022 | 471 | 338 | 0 | 50 | 859 | 206 | 2,041 | 49 | |
| Sub-Total | 5,927 | 11,942 | 6,296 | 1,372 | 25,537 | 2,041 | | -414 | |
| Remainder | 1,457 | 879 | 750 | 131 | 3,217 | -253 | 1,788 | -19 | |
| Total Future | 7,384 | 12,821 | 7,046 | 1,503 | 28,754 | 1,788 | | -433 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 COMPOUNDED MONTHLY |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | 8.00% - 92,389 |
| | | | | | | | | 10.00% - 73,852 |
| | | | | | | | | 12.00% - 58,605 |
| | | | | | | | | 15.00% - 40,523 |
| | | | | | | | | 20.00% - 19,480 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 7 | 357,104 | 0 | 0 | 350,783 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 21 | 1,445,626 | 0 | 0 | 1,420,038 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 38 | 2,614,628 | 0 | 0 | 2,568,349 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 53 | 3,163,224 | 0 | 0 | 3,107,238 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 70 | 3,256,695 | 0 | 0 | 3,199,046 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 75 | 2,952,415 | 0 | 0 | 2,900,154 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 75 | 2,232,904 | 0 | 0 | 2,193,387 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 75 | 1,784,647 | 0 | 0 | 1,753,058 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 75 | 1,482,189 | 0 | 0 | 1,455,957 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 75 | 1,263,917 | 0 | 0 | 1,241,542 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 75 | 1,098,966 | 0 | 0 | 1,079,519 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 75 | 970,033 | 0 | 0 | 952,866 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 75 | 866,365 | 0 | 0 | 851,027 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 75 | 780,474 | 0 | 0 | 766,663 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 24,269,187 | 0 | 0 | 23,839,627 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 4,154,933 | 0 | 0 | 4,081,397 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 28,424,120 | 0 | 0 | 27,921,024 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 28,424,120 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|-----------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 16,090 | 0 | 0 | 0 | 16,090 | 4,301 | 0 | 11,789 |
| 2010 | 65,138 | 0 | 0 | 0 | 65,138 | 17,409 | 0 | 47,729 |
| 2011 | 117,810 | 0 | 0 | 0 | 117,810 | 31,488 | 0 | 86,322 |
| 2012 | 142,529 | 0 | 0 | 0 | 142,529 | 38,095 | 0 | 104,434 |
| 2013 | 146,740 | 0 | 0 | 0 | 146,740 | 39,220 | 0 | 107,520 |
| 2014 | 133,030 | 0 | 0 | 0 | 133,030 | 35,556 | 0 | 97,474 |
| 2015 | 100,611 | 0 | 0 | 0 | 100,611 | 26,891 | 0 | 73,720 |
| 2016 | 80,412 | 0 | 0 | 0 | 80,412 | 21,493 | 0 | 58,919 |
| 2017 | 66,785 | 0 | 0 | 0 | 66,785 | 17,850 | 0 | 48,935 |
| 2018 | 56,950 | 0 | 0 | 0 | 56,950 | 15,221 | 0 | 41,729 |
| 2019 | 49,517 | 0 | 0 | 0 | 49,517 | 13,235 | 0 | 36,282 |
| 2020 | 43,708 | 0 | 0 | 0 | 43,708 | 11,644 | 0 | 32,064 |
| 2021 | 39,037 | 0 | 0 | 0 | 39,037 | 8,910 | 0 | 30,127 |
| 2022 | 35,167 | 0 | 0 | 0 | 35,167 | 7,559 | 0 | 27,608 |
| Sub-Total | 1,093,524 | 0 | 0 | 0 | 1,093,524 | 288,872 | 0 | 804,652 |
| Remainder | 187,213 | 0 | 0 | 0 | 187,213 | 26,541 | 0 | 160,672 |
| Total Future | 1,280,737 | 0 | 0 | 0 | 1,280,737 | 315,413 | 0 | 965,324 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 125 | 136 | 17,303 | 0 | 17,564 | -17,564 | -17,564 | -16,669 | |
| 2009 | 1,319 | 4,158 | 29,091 | 589 | 35,157 | -23,368 | -40,932 | -20,174 | |
| 2010 | 2,960 | 17,554 | 32,323 | 2,386 | 55,223 | -7,494 | -48,426 | -5,803 | |
| 2011 | 5,090 | 36,510 | 27,201 | 4,315 | 73,116 | 13,206 | -35,220 | 9,337 | |
| 2012 | 6,308 | 41,452 | 28,654 | 5,220 | 81,634 | 22,800 | -12,420 | 14,723 | |
| 2013 | 8,121 | 43,360 | 25,395 | 5,374 | 82,250 | 25,270 | 12,850 | 14,804 | |
| 2014 | 8,298 | 41,707 | 1,596 | 4,873 | 56,474 | 41,000 | 53,850 | 21,556 | |
| 2015 | 7,761 | 30,978 | 278 | 3,685 | 42,702 | 31,018 | 84,868 | 14,750 | |
| 2016 | 7,745 | 24,247 | 278 | 2,945 | 35,215 | 23,704 | 108,572 | 10,200 | |
| 2017 | 7,732 | 19,684 | 278 | 2,446 | 30,140 | 18,795 | 127,367 | 7,318 | |
| 2018 | 7,723 | 16,441 | 0 | 2,085 | 26,249 | 15,480 | 142,847 | 5,455 | |
| 2019 | 7,714 | 13,922 | 0 | 1,814 | 23,450 | 12,832 | 155,679 | 4,092 | |
| 2020 | 7,705 | 11,951 | 0 | 1,601 | 21,257 | 10,807 | 166,486 | 3,120 | |
| 2021 | 7,699 | 10,611 | 0 | 1,430 | 19,740 | 10,387 | 176,873 | 2,713 | |
| 2022 | 7,694 | 9,463 | 0 | 1,288 | 18,445 | 9,163 | 186,036 | 2,167 | |
| Sub-Total | 93,994 | 322,174 | 162,397 | 40,051 | 618,616 | 186,036 | | 67,589 | |
| Remainder | 57,328 | 50,918 | 11,250 | 6,856 | 126,352 | 34,320 | 220,356 | 6,263 | |
| Total Future | 151,322 | 373,092 | 173,647 | 46,907 | 744,968 | 220,356 | | 73,852 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL
PROVED

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---------------------------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 |
| | | | | | | | | COMPOUNDED MONTHLY |
| | | | | | | | | 8.00% - 25,829 |
| | | | | | | | | 10.00% - 21,412 |
| | | | | | | | | 12.00% - 17,788 |
| | | | | | | | | 15.00% - 13,485 |
| | | | | | | | | 20.00% - 8,427 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 7 | 397,121 | 0 | 0 | 390,092 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 7 | 783,512 | 0 | 0 | 769,643 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 7 | 525,215 | 0 | 0 | 515,918 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 10 | 561,001 | 0 | 0 | 551,073 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 15 | 662,595 | 0 | 0 | 650,867 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 15 | 606,238 | 0 | 0 | 595,504 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 15 | 463,473 | 0 | 0 | 455,273 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 15 | 375,413 | 0 | 0 | 368,768 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 15 | 315,068 | 0 | 0 | 309,491 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 15 | 270,961 | 0 | 0 | 266,165 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 15 | 237,271 | 0 | 0 | 233,071 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 15 | 210,678 | 0 | 0 | 206,951 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 15 | 188,960 | 0 | 0 | 185,611 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 15 | 170,466 | 0 | 0 | 167,452 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 5,767,972 | 0 | 0 | 5,665,879 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 1,029,789 | 0 | 0 | 1,011,565 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 6,797,761 | 0 | 0 | 6,677,444 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 6,797,761 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|---------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 17,894 | 0 | 0 | 0 | 17,894 | 4,783 | 0 | 13,111 |
| 2010 | 35,303 | 0 | 0 | 0 | 35,303 | 9,435 | 0 | 25,868 |
| 2011 | 23,665 | 0 | 0 | 0 | 23,665 | 6,326 | 0 | 17,339 |
| 2012 | 25,278 | 0 | 0 | 0 | 25,278 | 6,756 | 0 | 18,522 |
| 2013 | 29,855 | 0 | 0 | 0 | 29,855 | 7,979 | 0 | 21,876 |
| 2014 | 27,316 | 0 | 0 | 0 | 27,316 | 7,301 | 0 | 20,015 |
| 2015 | 20,883 | 0 | 0 | 0 | 20,883 | 5,582 | 0 | 15,301 |
| 2016 | 16,916 | 0 | 0 | 0 | 16,916 | 4,521 | 0 | 12,395 |
| 2017 | 14,196 | 0 | 0 | 0 | 14,196 | 3,794 | 0 | 10,402 |
| 2018 | 12,209 | 0 | 0 | 0 | 12,209 | 3,263 | 0 | 8,946 |
| 2019 | 10,691 | 0 | 0 | 0 | 10,691 | 2,858 | 0 | 7,833 |
| 2020 | 9,493 | 0 | 0 | 0 | 9,493 | 2,529 | 0 | 6,964 |
| 2021 | 8,514 | 0 | 0 | 0 | 8,514 | 1,943 | 0 | 6,571 |
| 2022 | 7,681 | 0 | 0 | 0 | 7,681 | 1,651 | 0 | 6,030 |
| Sub-Total | 259,894 | 0 | 0 | 0 | 259,894 | 68,721 | 0 | 191,173 |
| Remainder | 46,400 | 0 | 0 | 0 | 46,400 | 6,259 | 0 | 40,141 |
| Total Future | 306,294 | 0 | 0 | 0 | 306,294 | 74,980 | 0 | 231,314 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 500 | 271 | 2,907 | 0 | 3,678 | -3,678 | -3,678 | -3,482 | |
| 2009 | 1,838 | 5,578 | 8,865 | 655 | 16,936 | -3,825 | -7,503 | -3,502 | |
| 2010 | 1,538 | 15,902 | 1,557 | 1,293 | 20,290 | 5,578 | -1,925 | 4,405 | |
| 2011 | 1,040 | 9,219 | 1,777 | 867 | 12,903 | 4,436 | 2,511 | 3,160 | |
| 2012 | 1,173 | 8,369 | 4,040 | 926 | 14,508 | 4,014 | 6,525 | 2,495 | |
| 2013 | 1,778 | 10,431 | 6,505 | 1,093 | 19,807 | 2,069 | 8,594 | 1,156 | |
| 2014 | 1,420 | 9,019 | 292 | 1,001 | 11,732 | 8,283 | 16,877 | 4,356 | |
| 2015 | 1,389 | 6,524 | 50 | 765 | 8,728 | 6,573 | 23,450 | 3,125 | |
| 2016 | 1,394 | 5,193 | 51 | 619 | 7,257 | 5,138 | 28,588 | 2,210 | |
| 2017 | 1,397 | 4,274 | 51 | 520 | 6,242 | 4,160 | 32,748 | 1,619 | |
| 2018 | 1,400 | 3,614 | 0 | 447 | 5,461 | 3,485 | 36,233 | 1,228 | |
| 2019 | 1,403 | 3,094 | 0 | 392 | 4,889 | 2,944 | 39,177 | 939 | |
| 2020 | 1,404 | 2,682 | 0 | 348 | 4,434 | 2,530 | 41,707 | 730 | |
| 2021 | 1,405 | 2,341 | 0 | 311 | 4,057 | 2,514 | 44,221 | 657 | |
| 2022 | 1,406 | 2,103 | 0 | 282 | 3,791 | 2,239 | 46,460 | 529 | |
| Sub-Total | 20,485 | 88,614 | 26,095 | 9,519 | 144,713 | 46,460 | | 19,625 | |
| Remainder | 12,408 | 13,170 | 2,250 | 1,699 | 29,527 | 10,614 | 57,074 | 1,787 | |
| Total Future | 32,893 | 101,784 | 28,345 | 11,218 | 174,240 | 57,074 | | 21,412 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|-----|----------------------|-----------------------|---------------|---------------------------|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 | |
| | | | | | | | | COMPOUNDED | MONTHLY |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | 8.00% | — | 205,518 |
| | | | | | | | 10.00% | — | 165,349 |
| | | | | | | | 12.00% | — | 132,735 |
| | | | | | | | 15.00% | — | 94,583 |
| | | | | | | | 20.00% | — | 50,943 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 8 | 501,147 | 0 | 0 | 492,278 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 30 | 2,301,350 | 0 | 0 | 2,260,613 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 55 | 4,144,176 | 0 | 0 | 4,070,826 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 76 | 5,272,418 | 0 | 0 | 5,179,099 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 95 | 5,664,754 | 0 | 0 | 5,564,485 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 114 | 5,972,088 | 0 | 0 | 5,866,376 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 116 | 4,832,481 | 0 | 0 | 4,746,947 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 116 | 3,748,752 | 0 | 0 | 3,682,402 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 116 | 3,055,186 | 0 | 0 | 3,001,116 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 116 | 2,568,948 | 0 | 0 | 2,523,470 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 116 | 2,212,391 | 0 | 0 | 2,173,235 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 116 | 1,939,051 | 0 | 0 | 1,904,739 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 116 | 1,722,318 | 0 | 0 | 1,691,826 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 116 | 1,545,098 | 0 | 0 | 1,517,756 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 45,480,158 | 0 | 0 | 44,675,168 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 9,436,908 | 0 | 0 | 9,269,875 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 54,917,066 | 0 | 0 | 53,945,043 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 54,917,066 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|-----------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 22,581 | 0 | 0 | 0 | 22,581 | 6,035 | 0 | 16,546 |
| 2010 | 103,694 | 0 | 0 | 0 | 103,694 | 27,715 | 0 | 75,979 |
| 2011 | 186,729 | 0 | 0 | 0 | 186,729 | 49,909 | 0 | 136,820 |
| 2012 | 237,565 | 0 | 0 | 0 | 237,565 | 63,496 | 0 | 174,069 |
| 2013 | 255,243 | 0 | 0 | 0 | 255,243 | 68,220 | 0 | 187,023 |
| 2014 | 269,091 | 0 | 0 | 0 | 269,091 | 71,922 | 0 | 197,169 |
| 2015 | 217,742 | 0 | 0 | 0 | 217,742 | 58,197 | 0 | 159,545 |
| 2016 | 168,912 | 0 | 0 | 0 | 168,912 | 45,147 | 0 | 123,765 |
| 2017 | 137,661 | 0 | 0 | 0 | 137,661 | 36,793 | 0 | 100,868 |
| 2018 | 115,752 | 0 | 0 | 0 | 115,752 | 30,938 | 0 | 84,814 |
| 2019 | 99,686 | 0 | 0 | 0 | 99,686 | 26,644 | 0 | 73,042 |
| 2020 | 87,370 | 0 | 0 | 0 | 87,370 | 23,276 | 0 | 64,094 |
| 2021 | 77,605 | 0 | 0 | 0 | 77,605 | 17,713 | 0 | 59,892 |
| 2022 | 69,619 | 0 | 0 | 0 | 69,619 | 14,965 | 0 | 54,654 |
| Sub-Total | 2,049,250 | 0 | 0 | 0 | 2,049,250 | 540,970 | 0 | 1,508,280 |
| Remainder | 425,209 | 0 | 0 | 0 | 425,209 | 57,342 | 0 | 367,867 |
| Total Future | 2,474,459 | 0 | 0 | 0 | 2,474,459 | 598,312 | 0 | 1,876,147 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|-----------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 500 | 271 | 24,803 | 0 | 25,574 | -25,574 | -25,574 | -24,262 | |
| 2009 | 2,462 | 6,036 | 43,595 | 827 | 52,920 | -36,374 | -61,948 | -31,326 | |
| 2010 | 5,000 | 28,506 | 47,543 | 3,798 | 84,847 | -8,868 | -70,816 | -6,894 | |
| 2011 | 8,055 | 58,152 | 49,413 | 6,839 | 122,459 | 14,361 | -56,455 | 10,245 | |
| 2012 | 10,046 | 75,670 | 39,890 | 8,701 | 134,307 | 39,762 | -16,693 | 25,518 | |
| 2013 | 11,490 | 80,380 | 38,535 | 9,348 | 139,753 | 47,270 | 30,577 | 27,655 | |
| 2014 | 13,645 | 84,968 | 19,149 | 9,856 | 127,618 | 69,551 | 100,128 | 36,449 | |
| 2015 | 12,564 | 68,453 | 409 | 7,974 | 89,400 | 70,145 | 170,273 | 33,367 | |
| 2016 | 12,346 | 52,208 | 409 | 6,187 | 71,150 | 52,615 | 222,888 | 22,642 | |
| 2017 | 12,342 | 41,730 | 409 | 5,042 | 59,523 | 41,345 | 264,233 | 16,099 | |
| 2018 | 12,265 | 34,458 | 0 | 4,239 | 50,962 | 33,852 | 298,085 | 11,928 | |
| 2019 | 12,248 | 29,010 | 0 | 3,651 | 44,909 | 28,133 | 326,218 | 8,972 | |
| 2020 | 12,246 | 24,799 | 0 | 3,200 | 40,245 | 23,849 | 350,067 | 6,884 | |
| 2021 | 12,244 | 21,431 | 0 | 2,842 | 36,517 | 23,375 | 373,442 | 6,105 | |
| 2022 | 12,244 | 19,129 | 0 | 2,550 | 33,923 | 20,731 | 394,173 | 4,902 | |
| Sub-Total | 149,697 | 625,201 | 264,155 | 75,054 | 1,114,107 | 394,173 | | 148,284 | |
| Remainder | 113,688 | 119,011 | 17,400 | 15,574 | 265,673 | 102,194 | 496,367 | 17,065 | |
| Total Future | 263,385 | 744,212 | 281,555 | 90,628 | 1,379,780 | 496,367 | | 165,349 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
ALL PROPERTIES
TOTAL PV & PB

TOTAL
PV & PB

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---------------------------|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 | |
| | | | | | | | | COMPOUNDED | MONTHLY |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | 8.00% | — | 231,347 |
| | | | | | | | 10.00% | — | 186,761 |
| | | | | | | | 12.00% | — | 150,523 |
| | | | | | | | 15.00% | — | 108,068 |
| | | | | | | | 20.00% | — | 59,370 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 15 | 898,268 | 0 | 0 | 882,370 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 37 | 3,084,862 | 0 | 0 | 3,030,256 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 62 | 4,669,391 | 0 | 0 | 4,586,744 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 86 | 5,833,419 | 0 | 0 | 5,730,172 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 110 | 6,327,349 | 0 | 0 | 6,215,352 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 129 | 6,578,326 | 0 | 0 | 6,461,880 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 131 | 5,295,954 | 0 | 0 | 5,202,220 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 131 | 4,124,165 | 0 | 0 | 4,051,170 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 131 | 3,370,254 | 0 | 0 | 3,310,607 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 131 | 2,839,909 | 0 | 0 | 2,789,635 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 131 | 2,449,662 | 0 | 0 | 2,406,306 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 131 | 2,149,729 | 0 | 0 | 2,111,690 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 131 | 1,911,278 | 0 | 0 | 1,877,437 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 131 | 1,715,564 | 0 | 0 | 1,685,208 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 51,248,130 | 0 | 0 | 50,341,047 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 10,466,697 | 0 | 0 | 10,281,440 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 61,714,827 | 0 | 0 | 60,622,487 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 61,714,827 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|-----------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 40,474 | 0 | 0 | 0 | 40,474 | 10,818 | 0 | 29,656 |
| 2010 | 138,998 | 0 | 0 | 0 | 138,998 | 37,151 | 0 | 101,847 |
| 2011 | 210,394 | 0 | 0 | 0 | 210,394 | 56,233 | 0 | 154,161 |
| 2012 | 262,843 | 0 | 0 | 0 | 262,843 | 70,252 | 0 | 192,591 |
| 2013 | 285,098 | 0 | 0 | 0 | 285,098 | 76,200 | 0 | 208,898 |
| 2014 | 296,407 | 0 | 0 | 0 | 296,407 | 79,223 | 0 | 217,184 |
| 2015 | 238,626 | 0 | 0 | 0 | 238,626 | 63,779 | 0 | 174,847 |
| 2016 | 185,827 | 0 | 0 | 0 | 185,827 | 49,668 | 0 | 136,159 |
| 2017 | 151,857 | 0 | 0 | 0 | 151,857 | 40,588 | 0 | 111,269 |
| 2018 | 127,961 | 0 | 0 | 0 | 127,961 | 34,201 | 0 | 93,760 |
| 2019 | 110,377 | 0 | 0 | 0 | 110,377 | 29,501 | 0 | 80,876 |
| 2020 | 96,863 | 0 | 0 | 0 | 96,863 | 25,805 | 0 | 71,058 |
| 2021 | 86,118 | 0 | 0 | 0 | 86,118 | 19,657 | 0 | 66,461 |
| 2022 | 77,301 | 0 | 0 | 0 | 77,301 | 16,616 | 0 | 60,685 |
| Sub-Total | 2,309,144 | 0 | 0 | 0 | 2,309,144 | 609,692 | 0 | 1,699,452 |
| Remainder | 471,609 | 0 | 0 | 0 | 471,609 | 63,601 | 0 | 408,008 |
| Total Future | 2,780,753 | 0 | 0 | 0 | 2,780,753 | 673,293 | 0 | 2,107,460 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | |
|--------------|--------------------|-----------------------------------|----------------------|----------------|-----------|--|----------------------------|-------------------------|
| | Operating Costs | Export/Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted Annual | Undiscounted Cumulative | Discounted @ 10.00 % |
| 2008 | 1,000 | 543 | 27,710 | 0 | 29,253 | -29,253 | -29,253 | -27,744 |
| 2009 | 4,300 | 11,612 | 52,460 | 1,482 | 69,854 | -40,198 | -69,451 | -34,828 |
| 2010 | 6,538 | 44,409 | 49,100 | 5,091 | 105,138 | -3,291 | -72,742 | -2,489 |
| 2011 | 9,095 | 67,370 | 51,190 | 7,706 | 135,361 | 18,800 | -53,942 | 13,406 |
| 2012 | 11,220 | 84,041 | 43,930 | 9,627 | 148,818 | 43,773 | -10,169 | 28,012 |
| 2013 | 13,267 | 90,810 | 45,040 | 10,441 | 159,558 | 49,340 | 39,171 | 28,811 |
| 2014 | 15,065 | 93,987 | 19,440 | 10,856 | 139,348 | 77,836 | 117,007 | 40,805 |
| 2015 | 13,953 | 74,977 | 460 | 8,740 | 98,130 | 76,717 | 193,724 | 36,491 |
| 2016 | 13,740 | 57,400 | 460 | 6,806 | 78,406 | 57,753 | 251,477 | 24,853 |
| 2017 | 13,740 | 46,005 | 460 | 5,562 | 65,767 | 45,502 | 296,979 | 17,719 |
| 2018 | 13,665 | 38,072 | 0 | 4,686 | 56,423 | 37,337 | 334,316 | 13,155 |
| 2019 | 13,650 | 32,104 | 0 | 4,043 | 49,797 | 31,079 | 365,395 | 9,911 |
| 2020 | 13,650 | 27,480 | 0 | 3,548 | 44,678 | 26,380 | 391,775 | 7,615 |
| 2021 | 13,650 | 23,773 | 0 | 3,154 | 40,577 | 25,884 | 417,659 | 6,761 |
| 2022 | 13,650 | 21,232 | 0 | 2,831 | 37,713 | 22,972 | 440,631 | 5,431 |
| Sub-Total | 170,183 | 713,815 | 290,250 | 84,573 | 1,258,821 | 440,631 | | 167,909 |
| Remainder | 126,095 | 132,181 | 19,650 | 17,273 | 295,199 | 112,809 | 553,440 | 18,852 |
| Total Future | 296,278 | 845,996 | 309,900 | 101,846 | 1,554,020 | 553,440 | | 186,761 |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---------------------------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 |
| | | | | | | | | COMPOUNDED MONTHLY |
| | | | | | | | | 8.00% - 19,201 |
| | | | | | | | | 10.00% - 16,313 |
| | | | | | | | | 12.00% - 13,910 |
| | | | | | | | | 15.00% - 11,004 |
| | | | | | | | | 20.00% - 7,470 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 7 | 397,121 | 0 | 0 | 390,092 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 7 | 783,512 | 0 | 0 | 769,643 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 7 | 525,215 | 0 | 0 | 515,918 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 7 | 389,348 | 0 | 0 | 382,458 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 7 | 306,384 | 0 | 0 | 300,961 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 7 | 250,857 | 0 | 0 | 246,416 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 7 | 211,295 | 0 | 0 | 207,556 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 7 | 181,799 | 0 | 0 | 178,581 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 7 | 159,032 | 0 | 0 | 156,218 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 7 | 140,975 | 0 | 0 | 138,480 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 7 | 126,333 | 0 | 0 | 124,096 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 7 | 114,238 | 0 | 0 | 112,217 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 7 | 103,890 | 0 | 0 | 102,049 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 7 | 94,537 | 0 | 0 | 92,866 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 3,784,536 | 0 | 0 | 3,717,551 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 631,603 | 0 | 0 | 620,424 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 4,416,139 | 0 | 0 | 4,337,975 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 4,416,139 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|---------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 17,894 | 0 | 0 | 0 | 17,894 | 4,783 | 0 | 13,111 |
| 2010 | 35,303 | 0 | 0 | 0 | 35,303 | 9,435 | 0 | 25,868 |
| 2011 | 23,665 | 0 | 0 | 0 | 23,665 | 6,326 | 0 | 17,339 |
| 2012 | 17,544 | 0 | 0 | 0 | 17,544 | 4,688 | 0 | 12,856 |
| 2013 | 13,805 | 0 | 0 | 0 | 13,805 | 3,690 | 0 | 10,115 |
| 2014 | 11,303 | 0 | 0 | 0 | 11,303 | 3,021 | 0 | 8,282 |
| 2015 | 9,520 | 0 | 0 | 0 | 9,520 | 2,545 | 0 | 6,975 |
| 2016 | 8,192 | 0 | 0 | 0 | 8,192 | 2,189 | 0 | 6,003 |
| 2017 | 7,166 | 0 | 0 | 0 | 7,166 | 1,916 | 0 | 5,250 |
| 2018 | 6,352 | 0 | 0 | 0 | 6,352 | 1,697 | 0 | 4,655 |
| 2019 | 5,692 | 0 | 0 | 0 | 5,692 | 1,522 | 0 | 4,170 |
| 2020 | 5,147 | 0 | 0 | 0 | 5,147 | 1,371 | 0 | 3,776 |
| 2021 | 4,681 | 0 | 0 | 0 | 4,681 | 1,068 | 0 | 3,613 |
| 2022 | 4,260 | 0 | 0 | 0 | 4,260 | 916 | 0 | 3,344 |
| Sub-Total | 170,524 | 0 | 0 | 0 | 170,524 | 45,167 | 0 | 125,357 |
| Remainder | 28,459 | 0 | 0 | 0 | 28,459 | 3,748 | 0 | 24,711 |
| Total Future | 198,983 | 0 | 0 | 0 | 198,983 | 48,915 | 0 | 150,068 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 167 | 90 | 2,749 | 0 | 3,006 | -3,006 | -3,006 | -2,847 | |
| 2009 | 1,587 | 5,098 | 8,687 | 655 | 16,027 | -2,916 | -5,922 | -2,716 | |
| 2010 | 1,538 | 15,902 | 1,473 | 1,293 | 20,206 | 5,662 | -260 | 4,471 | |
| 2011 | 1,040 | 9,219 | 1,072 | 867 | 12,198 | 5,141 | 4,881 | 3,656 | |
| 2012 | 724 | 5,879 | 839 | 643 | 8,085 | 4,771 | 9,652 | 3,063 | |
| 2013 | 689 | 4,867 | 276 | 505 | 6,337 | 3,778 | 13,430 | 2,193 | |
| 2014 | 651 | 3,665 | 275 | 414 | 5,005 | 3,277 | 16,707 | 1,720 | |
| 2015 | 644 | 2,968 | 48 | 349 | 4,009 | 2,966 | 19,673 | 1,410 | |
| 2016 | 651 | 2,515 | 48 | 300 | 3,514 | 2,489 | 22,162 | 1,070 | |
| 2017 | 655 | 2,164 | 48 | 262 | 3,129 | 2,121 | 24,283 | 825 | |
| 2018 | 661 | 1,894 | 0 | 233 | 2,788 | 1,867 | 26,150 | 657 | |
| 2019 | 664 | 1,663 | 0 | 209 | 2,536 | 1,634 | 27,784 | 522 | |
| 2020 | 667 | 1,471 | 0 | 188 | 2,326 | 1,450 | 29,234 | 418 | |
| 2021 | 670 | 1,304 | 0 | 171 | 2,145 | 1,468 | 30,702 | 383 | |
| 2022 | 672 | 1,182 | 0 | 156 | 2,010 | 1,334 | 32,036 | 315 | |
| Sub-Total | 11,680 | 59,881 | 15,515 | 6,245 | 93,321 | 32,036 | | 15,140 | |
| Remainder | 7,393 | 8,153 | 1,050 | 1,043 | 17,639 | 7,072 | 39,108 | 1,173 | |
| Total Future | 19,073 | 68,034 | 16,565 | 7,288 | 110,960 | 39,108 | | 16,313 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|---|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 COMPOUNDED | MONTHLY |
| | | | | | | | | 8.00% - | 46,698 |
| | | | | | | | | 10.00% - | 38,042 |
| | | | | | | | | 12.00% - | 30,917 |
| | | | | | | | | 15.00% - | 22,432 |
| | | | | | | | | 20.00% - | 12,430 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 1 | 144,043 | 0 | 0 | 141,495 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 9 | 855,724 | 0 | 0 | 840,575 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 17 | 1,529,548 | 0 | 0 | 1,502,477 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 20 | 1,786,481 | 0 | 0 | 1,754,860 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 20 | 1,271,396 | 0 | 0 | 1,248,894 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 20 | 968,423 | 0 | 0 | 951,278 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 20 | 777,187 | 0 | 0 | 763,432 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 20 | 645,844 | 0 | 0 | 634,412 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 20 | 550,322 | 0 | 0 | 540,584 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 20 | 474,596 | 0 | 0 | 466,192 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 20 | 417,642 | 0 | 0 | 410,251 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 20 | 372,521 | 0 | 0 | 365,934 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 20 | 335,504 | 0 | 0 | 329,561 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 20 | 304,162 | 0 | 0 | 298,780 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 10,433,393 | 0 | 0 | 10,248,725 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 1,957,687 | 0 | 0 | 1,923,031 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 12,391,080 | 0 | 0 | 12,171,756 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 12,391,080 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|---------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 6,490 | 0 | 0 | 0 | 6,490 | 1,735 | 0 | 4,755 |
| 2010 | 38,558 | 0 | 0 | 0 | 38,558 | 10,305 | 0 | 28,253 |
| 2011 | 68,918 | 0 | 0 | 0 | 68,918 | 18,421 | 0 | 50,497 |
| 2012 | 80,496 | 0 | 0 | 0 | 80,496 | 21,514 | 0 | 58,982 |
| 2013 | 57,286 | 0 | 0 | 0 | 57,286 | 15,312 | 0 | 41,974 |
| 2014 | 43,636 | 0 | 0 | 0 | 43,636 | 11,662 | 0 | 31,974 |
| 2015 | 35,018 | 0 | 0 | 0 | 35,018 | 9,360 | 0 | 25,658 |
| 2016 | 29,101 | 0 | 0 | 0 | 29,101 | 7,778 | 0 | 21,323 |
| 2017 | 24,796 | 0 | 0 | 0 | 24,796 | 6,627 | 0 | 18,169 |
| 2018 | 21,384 | 0 | 0 | 0 | 21,384 | 5,716 | 0 | 15,668 |
| 2019 | 18,819 | 0 | 0 | 0 | 18,819 | 5,030 | 0 | 13,789 |
| 2020 | 16,785 | 0 | 0 | 0 | 16,785 | 4,471 | 0 | 12,314 |
| 2021 | 15,117 | 0 | 0 | 0 | 15,117 | 3,451 | 0 | 11,666 |
| 2022 | 13,705 | 0 | 0 | 0 | 13,705 | 2,946 | 0 | 10,759 |
| Sub-Total | 470,109 | 0 | 0 | 0 | 470,109 | 124,328 | 0 | 345,781 |
| Remainder | 88,210 | 0 | 0 | 0 | 88,210 | 11,740 | 0 | 76,470 |
| Total Future | 558,319 | 0 | 0 | 0 | 558,319 | 136,068 | 0 | 422,251 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 167 | 90 | 7,542 | 0 | 7,799 | -7,799 | -7,799 | -7,388 | |
| 2009 | 1,080 | 1,757 | 14,550 | 238 | 17,625 | -12,870 | -20,669 | -11,033 | |
| 2010 | 2,039 | 10,954 | 15,242 | 1,412 | 29,647 | -1,394 | -22,063 | -1,109 | |
| 2011 | 2,965 | 21,638 | 15,541 | 2,524 | 42,668 | 7,829 | -14,234 | 5,599 | |
| 2012 | 3,189 | 29,295 | 2,302 | 2,948 | 37,734 | 21,248 | 7,014 | 13,649 | |
| 2013 | 2,717 | 20,509 | 757 | 2,098 | 26,081 | 15,893 | 22,907 | 9,238 | |
| 2014 | 2,548 | 14,261 | 756 | 1,598 | 19,163 | 12,811 | 35,718 | 6,731 | |
| 2015 | 2,509 | 10,895 | 132 | 1,283 | 14,819 | 10,839 | 46,557 | 5,152 | |
| 2016 | 2,523 | 8,900 | 132 | 1,066 | 12,621 | 8,702 | 55,259 | 3,743 | |
| 2017 | 2,533 | 7,441 | 132 | 908 | 11,014 | 7,155 | 62,414 | 2,785 | |
| 2018 | 2,465 | 6,327 | 0 | 783 | 9,575 | 6,093 | 68,507 | 2,146 | |
| 2019 | 2,456 | 5,449 | 0 | 689 | 8,594 | 5,195 | 73,702 | 1,656 | |
| 2020 | 2,461 | 4,745 | 0 | 615 | 7,821 | 4,493 | 78,195 | 1,297 | |
| 2021 | 2,465 | 4,163 | 0 | 554 | 7,182 | 4,484 | 82,679 | 1,171 | |
| 2022 | 2,468 | 3,757 | 0 | 502 | 6,727 | 4,032 | 86,711 | 954 | |
| Sub-Total | 34,585 | 150,181 | 57,086 | 17,218 | 259,070 | 86,711 | | 34,591 | |
| Remainder | 24,924 | 24,717 | 3,000 | 3,231 | 55,872 | 20,598 | 107,309 | 3,451 | |
| Total Future | 59,509 | 174,898 | 60,086 | 20,449 | 314,942 | 107,309 | | 38,042 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
TUNGOLSKOYE FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

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

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 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 | 171,653 | 0 | 0 | 168,615 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 3 | 251,969 | 0 | 0 | 247,509 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 3 | 171,547 | 0 | 0 | 168,510 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 3 | 128,252 | 0 | 0 | 125,983 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 3 | 101,466 | 0 | 0 | 99,670 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 3 | 83,384 | 0 | 0 | 81,907 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 3 | 70,425 | 0 | 0 | 69,178 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 3 | 60,720 | 0 | 0 | 59,646 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 3 | 53,202 | 0 | 0 | 52,261 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 3 | 47,224 | 0 | 0 | 46,387 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 3 | 42,365 | 0 | 0 | 41,616 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 1,182,207 | 0 | 0 | 1,161,282 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 288,560 | 0 | 0 | 283,452 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 1,470,767 | 0 | 0 | 1,444,734 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 1,470,767 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT | |
|--------------|--|------------------------|-------------|-------|--------|-------------------|------------------|------------------|---|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2012 | 7,734 | 0 | 0 | 0 | 7,734 | 2,067 | 0 | 5,667 | |
| 2013 | 11,354 | 0 | 0 | 0 | 11,354 | 3,035 | 0 | 8,319 | |
| 2014 | 7,729 | 0 | 0 | 0 | 7,729 | 2,066 | 0 | 5,663 | |
| 2015 | 5,779 | 0 | 0 | 0 | 5,779 | 1,544 | 0 | 4,235 | |
| 2016 | 4,572 | 0 | 0 | 0 | 4,572 | 1,222 | 0 | 3,350 | |
| 2017 | 3,757 | 0 | 0 | 0 | 3,757 | 1,004 | 0 | 2,753 | |
| 2018 | 3,173 | 0 | 0 | 0 | 3,173 | 848 | 0 | 2,325 | |
| 2019 | 2,736 | 0 | 0 | 0 | 2,736 | 732 | 0 | 2,004 | |
| 2020 | 2,397 | 0 | 0 | 0 | 2,397 | 638 | 0 | 1,759 | |
| 2021 | 2,128 | 0 | 0 | 0 | 2,128 | 486 | 0 | 1,642 | |
| 2022 | 1,909 | 0 | 0 | 0 | 1,909 | 410 | 0 | 1,499 | |
| Sub-Total | 53,268 | 0 | 0 | 0 | 53,268 | 14,052 | 0 | 39,216 | |
| Remainder | 13,002 | 0 | 0 | 0 | 13,002 | 1,696 | 0 | 11,306 | |
| Total Future | 66,270 | 0 | 0 | 0 | 66,270 | 15,748 | 0 | 50,522 | |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|--------|--|----------------------------|------------------------|---|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted Annual | Undiscounted Cumulative | Discounted @ 10.00% | % |
| 2008 | 167 | 90 | 0 | 0 | 257 | -257 | -257 | -243 | |
| 2009 | 125 | 240 | 0 | 0 | 365 | -365 | -622 | -317 | |
| 2010 | 0 | 0 | 0 | 0 | 0 | 0 | -622 | 0 | |
| 2011 | 0 | 0 | 643 | 0 | 643 | -643 | -1,265 | -452 | |
| 2012 | 450 | 2,491 | 3,153 | 283 | 6,377 | -710 | -1,975 | -537 | |
| 2013 | 316 | 3,956 | 383 | 416 | 5,071 | 3,248 | 1,273 | 1,891 | |
| 2014 | 271 | 2,615 | 0 | 283 | 3,169 | 2,494 | 3,767 | 1,311 | |
| 2015 | 263 | 1,835 | 0 | 212 | 2,310 | 1,925 | 5,692 | 916 | |
| 2016 | 263 | 1,431 | 0 | 167 | 1,861 | 1,489 | 7,181 | 640 | |
| 2017 | 264 | 1,157 | 0 | 138 | 1,559 | 1,194 | 8,375 | 465 | |
| 2018 | 265 | 959 | 0 | 116 | 1,340 | 985 | 9,360 | 347 | |
| 2019 | 265 | 809 | 0 | 100 | 1,174 | 830 | 10,190 | 265 | |
| 2020 | 265 | 694 | 0 | 88 | 1,047 | 712 | 10,902 | 205 | |
| 2021 | 266 | 598 | 0 | 78 | 942 | 700 | 11,602 | 183 | |
| 2022 | 266 | 535 | 0 | 70 | 871 | 628 | 12,230 | 148 | |
| Sub-Total | 3,446 | 17,410 | 4,179 | 1,951 | 26,986 | 12,230 | | 4,822 | |
| Remainder | 3,102 | 3,789 | 450 | 476 | 7,817 | 3,489 | 15,719 | 569 | |
| Total Future | 6,548 | 21,199 | 4,629 | 2,427 | 34,803 | 15,719 | | 5,391 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
TUNGOLSKOYE FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| | EXPENSE INTEREST | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|---------|------------------|-------------------|----------------|-----|-------------------|--------------------|------------|--------------------------------------|---------|
| | | Oil/Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 COMPOUNDED | MONTHLY |
| INITIAL | | | | | | | | 8.00% | 65,918 |
| FINAL | | | | | | | | 10.00% | 53,288 |
| REMARKS | | | | | | | | 12.00% | 43,249 |
| | | | | | | | | 15.00% | 31,802 |
| | | | | | | | | 20.00% | 19,217 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|-----------------|------------------------------|------------------------|----------|-------------------|------------------------|----------------|-------------------|------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 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 | 336,900 | 0 | 0 | 330,937 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 14 | 1,444,321 | 0 | 0 | 1,418,757 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 21 | 2,227,352 | 0 | 0 | 2,187,926 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 21 | 1,664,597 | 0 | 0 | 1,635,135 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 21 | 1,231,310 | 0 | 0 | 1,209,516 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 21 | 969,401 | 0 | 0 | 952,244 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 21 | 794,644 | 0 | 0 | 780,578 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 21 | 670,201 | 0 | 0 | 658,338 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 21 | 577,369 | 0 | 0 | 567,148 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 21 | 505,647 | 0 | 0 | 496,699 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 21 | 448,699 | 0 | 0 | 440,755 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 10,870,441 | 0 | 0 | 10,678,033 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 3,011,141 | 0 | 0 | 2,957,851 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 13,881,582 | 0 | 0 | 13,635,884 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 13,881,582 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|---------------------|----------|-------|---------|-------------------|------------------|---------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | 15,180 | 0 | 0 | 0 | 15,180 | 4,057 | 0 | 11,123 |
| 2013 | 65,078 | 0 | 0 | 0 | 65,078 | 17,394 | 0 | 47,684 |
| 2014 | 100,361 | 0 | 0 | 0 | 100,361 | 26,824 | 0 | 73,537 |
| 2015 | 75,003 | 0 | 0 | 0 | 75,003 | 20,047 | 0 | 54,956 |
| 2016 | 55,481 | 0 | 0 | 0 | 55,481 | 14,829 | 0 | 40,652 |
| 2017 | 43,679 | 0 | 0 | 0 | 43,679 | 11,674 | 0 | 32,005 |
| 2018 | 35,805 | 0 | 0 | 0 | 35,805 | 9,570 | 0 | 26,235 |
| 2019 | 30,198 | 0 | 0 | 0 | 30,198 | 8,071 | 0 | 22,127 |
| 2020 | 26,015 | 0 | 0 | 0 | 26,015 | 6,931 | 0 | 19,084 |
| 2021 | 22,784 | 0 | 0 | 0 | 22,784 | 5,200 | 0 | 17,584 |
| 2022 | 20,217 | 0 | 0 | 0 | 20,217 | 4,346 | 0 | 15,871 |
| Sub-Total | 489,801 | 0 | 0 | 0 | 489,801 | 128,943 | 0 | 360,858 |
| Remainder | 135,677 | 0 | 0 | 0 | 135,677 | 17,702 | 0 | 117,975 |
| Total Future | 625,478 | 0 | 0 | 0 | 625,478 | 146,645 | 0 | 478,833 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|---------------------------------|-------------------|----------------|---------|--|------------|----------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 167 | 90 | 0 | 0 | 257 | -257 | -257 | -243 | |
| 2009 | 125 | 240 | 0 | 0 | 365 | -365 | -622 | -317 | |
| 2010 | 0 | 0 | 0 | 0 | 0 | 0 | -622 | 0 | |
| 2011 | 0 | 0 | 6,687 | 0 | 6,687 | -6,687 | -7,309 | -4,699 | |
| 2012 | 753 | 3,434 | 15,947 | 556 | 20,690 | -9,567 | -16,876 | -6,109 | |
| 2013 | 2,169 | 19,198 | 16,587 | 2,383 | 40,337 | 7,347 | -9,529 | 4,249 | |
| 2014 | 3,081 | 32,760 | 5,600 | 3,676 | 45,117 | 28,420 | 18,891 | 14,797 | |
| 2015 | 2,435 | 24,010 | 0 | 2,747 | 29,192 | 25,764 | 44,655 | 12,262 | |
| 2016 | 2,416 | 17,522 | 0 | 2,032 | 21,970 | 18,682 | 63,337 | 8,041 | |
| 2017 | 2,405 | 13,580 | 0 | 1,600 | 17,585 | 14,420 | 77,757 | 5,615 | |
| 2018 | 2,401 | 10,937 | 0 | 1,311 | 14,649 | 11,586 | 89,343 | 4,083 | |
| 2019 | 2,397 | 9,040 | 0 | 1,106 | 12,543 | 9,584 | 98,927 | 3,057 | |
| 2020 | 2,397 | 7,610 | 0 | 953 | 10,960 | 8,124 | 107,051 | 2,345 | |
| 2021 | 2,392 | 6,475 | 0 | 835 | 9,702 | 7,882 | 114,933 | 2,058 | |
| 2022 | 2,393 | 5,731 | 0 | 740 | 8,864 | 7,007 | 121,940 | 1,657 | |
| Sub-Total | 25,531 | 150,627 | 44,821 | 17,939 | 238,918 | 121,940 | | 46,796 | |
| Remainder | 27,994 | 40,426 | 3,150 | 4,969 | 76,539 | 41,436 | 163,376 | 6,492 | |
| Total Future | 53,525 | 191,053 | 47,971 | 22,908 | 315,457 | 163,376 | | 53,288 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROVED RESERVES

TOTAL
PROVED

| | EXPENSE INTEREST | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | |
|---------|---------------------|--------------------|-------------------|-----|----------------------|-----------------------|---------------|---|---------|
| | | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$000 COMPOUNDED | MONTHLY |
| INITIAL | | | | | | | | 8.00% | - |
| FINAL | | | | | | | | 10.00% | -291 |
| REMARKS | | | | | | | | 12.00% | -517 |
| | | | | | | | | 15.00% | -757 |
| | | | | | | | | 20.00% | -970 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 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 | 5 | 104,242 | 0 | 0 | 102,397 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 5 | 183,834 | 0 | 0 | 180,578 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 5 | 123,926 | 0 | 0 | 121,734 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 5 | 92,148 | 0 | 0 | 90,517 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 5 | 72,652 | 0 | 0 | 71,366 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 5 | 59,561 | 0 | 0 | 58,507 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 5 | 50,218 | 0 | 0 | 49,329 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 5 | 43,238 | 0 | 0 | 42,473 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 5 | 37,846 | 0 | 0 | 37,175 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 5 | 33,564 | 0 | 0 | 32,970 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 801,229 | 0 | 0 | 787,046 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 109,626 | 0 | 0 | 107,689 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 910,855 | 0 | 0 | 894,735 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 910,855 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|--------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | 4,697 | 0 | 0 | 0 | 4,697 | 1,255 | 0 | 3,442 |
| 2014 | 8,283 | 0 | 0 | 0 | 8,283 | 2,214 | 0 | 6,069 |
| 2015 | 5,584 | 0 | 0 | 0 | 5,584 | 1,493 | 0 | 4,091 |
| 2016 | 4,152 | 0 | 0 | 0 | 4,152 | 1,109 | 0 | 3,043 |
| 2017 | 3,274 | 0 | 0 | 0 | 3,274 | 875 | 0 | 2,399 |
| 2018 | 2,683 | 0 | 0 | 0 | 2,683 | 718 | 0 | 1,965 |
| 2019 | 2,263 | 0 | 0 | 0 | 2,263 | 604 | 0 | 1,659 |
| 2020 | 1,948 | 0 | 0 | 0 | 1,948 | 520 | 0 | 1,428 |
| 2021 | 1,705 | 0 | 0 | 0 | 1,705 | 389 | 0 | 1,316 |
| 2022 | 1,513 | 0 | 0 | 0 | 1,513 | 325 | 0 | 1,188 |
| Sub-Total | 36,102 | 0 | 0 | 0 | 36,102 | 9,502 | 0 | 26,600 |
| Remainder | 4,939 | 0 | 0 | 0 | 4,939 | 816 | 0 | 4,123 |
| Total Future | 41,041 | 0 | 0 | 0 | 41,041 | 10,318 | 0 | 30,723 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|--------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 167 | 90 | 158 | 0 | 415 | -415 | -415 | -392 | |
| 2009 | 125 | 240 | 178 | 0 | 543 | -543 | -958 | -470 | |
| 2010 | 0 | 0 | 84 | 0 | 84 | -84 | -1,042 | -65 | |
| 2011 | 0 | 0 | 62 | 0 | 62 | -62 | -1,104 | -44 | |
| 2012 | 0 | 0 | 48 | 0 | 48 | -48 | -1,152 | -30 | |
| 2013 | 773 | 1,608 | 5,846 | 172 | 8,399 | -4,957 | -6,109 | -2,929 | |
| 2014 | 497 | 2,739 | 16 | 303 | 3,555 | 2,514 | -3,595 | 1,324 | |
| 2015 | 482 | 1,721 | 2 | 205 | 2,410 | 1,681 | -1,914 | 801 | |
| 2016 | 480 | 1,246 | 3 | 152 | 1,881 | 1,162 | -752 | 500 | |
| 2017 | 478 | 955 | 3 | 120 | 1,556 | 843 | 91 | 328 | |
| 2018 | 475 | 761 | 0 | 98 | 1,334 | 631 | 722 | 223 | |
| 2019 | 473 | 621 | 0 | 83 | 1,177 | 482 | 1,204 | 154 | |
| 2020 | 471 | 517 | 0 | 71 | 1,059 | 369 | 1,573 | 107 | |
| 2021 | 470 | 440 | 0 | 63 | 973 | 343 | 1,916 | 90 | |
| 2022 | 468 | 385 | 0 | 55 | 908 | 280 | 2,196 | 65 | |
| Sub-Total | 5,359 | 11,323 | 6,400 | 1,322 | 24,404 | 2,196 | | -338 | |
| Remainder | 1,913 | 1,229 | 750 | 181 | 4,073 | 50 | 2,246 | 47 | |
| Total Future | 7,272 | 12,552 | 7,150 | 1,503 | 28,477 | 2,246 | | -291 | |



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS
UNESCALATED CASE - BASE CASE - PHASE 2
AS OF JANUARY 1, 2008

GRAND SUMMARY
LINEYNOYE W FIELD
TOTAL PROBABLE RESERVES

TOTAL
PROBABLE

| INITIAL FINAL REMARKS | REVENUE INTERESTS | | | PRODUCT PRICES | | | DISCOUNTED | | |
|-----------------------------|---------------------|--------------------|-------------------|----------------|----------------------|-----------------------|---------------|----------------------------|---------|
| | EXPENSE INTEREST | Oil/ Condensate | Plant Products | Gas | Oil/Cond. \$/bbl. | Plt. Prod. \$/bbl. | Gas \$/MCF | FUTURE NET INCOME - \$'000 | |
| | | | | | | | | COMPOUNDED | MONTHLY |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | 8.00% | — | 92,902 |
| | | | | | | | 10.00% | — | 74,019 |
| | | | | | | | 12.00% | — | 58,569 |
| | | | | | | | 15.00% | — | 40,350 |
| | | | | | | | 20.00% | — | 19,296 |

| Period | Number of Wells | ESTIMATED 8/8 THS PRODUCTION | | | COMPANY NET SALES | | | AVERAGE PRICES | |
|--------------|--------------------|------------------------------|---------------------------|-------------|----------------------|---------------------------|-------------------|----------------------|---------------|
| | | Oil/Cond. Barrels | Plant Products Barrels | Gas MMCF | Oil/Cond. Barrels | Plant Products Barrels | Sales Gas MMCF | Oil/Cond. \$/bbl. | Gas \$/MCF |
| 2008 | | 0 | 0 | 0 | 0 | 0 | 0.000 | 0.00 | 0.00 |
| 2009 | 7 | 357,104 | 0 | 0 | 350,783 | 0 | 0.000 | 45.87 | 0.00 |
| 2010 | 21 | 1,445,626 | 0 | 0 | 1,420,038 | 0 | 0.000 | 45.87 | 0.00 |
| 2011 | 38 | 2,614,628 | 0 | 0 | 2,568,349 | 0 | 0.000 | 45.87 | 0.00 |
| 2012 | 51 | 3,149,037 | 0 | 0 | 3,093,302 | 0 | 0.000 | 45.87 | 0.00 |
| 2013 | 61 | 2,949,037 | 0 | 0 | 2,896,834 | 0 | 0.000 | 45.87 | 0.00 |
| 2014 | 73 | 2,776,313 | 0 | 0 | 2,727,172 | 0 | 0.000 | 45.87 | 0.00 |
| 2015 | 75 | 2,390,697 | 0 | 0 | 2,348,380 | 0 | 0.000 | 45.87 | 0.00 |
| 2016 | 75 | 1,871,598 | 0 | 0 | 1,838,474 | 0 | 0.000 | 45.87 | 0.00 |
| 2017 | 75 | 1,535,463 | 0 | 0 | 1,508,288 | 0 | 0.000 | 45.87 | 0.00 |
| 2018 | 75 | 1,299,708 | 0 | 0 | 1,276,700 | 0 | 0.000 | 45.87 | 0.00 |
| 2019 | 75 | 1,124,548 | 0 | 0 | 1,104,646 | 0 | 0.000 | 45.87 | 0.00 |
| 2020 | 75 | 989,161 | 0 | 0 | 971,657 | 0 | 0.000 | 45.87 | 0.00 |
| 2021 | 75 | 881,167 | 0 | 0 | 865,566 | 0 | 0.000 | 45.87 | 0.00 |
| 2022 | 75 | 792,237 | 0 | 0 | 778,221 | 0 | 0.000 | 45.87 | 0.00 |
| Sub-Total | | 24,176,324 | 0 | 0 | 23,748,410 | 0 | 0.000 | 45.87 | 0.00 |
| Remainder | | 4,468,080 | 0 | 0 | 4,388,993 | 0 | 0.000 | 45.87 | 0.00 |
| Total Future | | 28,644,404 | 0 | 0 | 28,137,403 | 0 | 0.000 | 45.87 | 0.00 |
| Cumulative | | 0 | 0 | 0 | | | | | |
| Ultimate | | 28,644,404 | 0 | 0 | | | | | |

| Period | COMPANY FUTURE GROSS REVENUE (FGR) - \$000 | | | | | MRT | | FGR AFTER MRT \$000 |
|--------------|--|------------------------|-------------|-------|-----------|-------------------|------------------|---------------------------|
| | From Oil/Cond. | From Plant Products | From Gas | Other | Total | Oil/Cond. - \$000 | Gas/P.P. - \$000 | |
| 2008 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2009 | 16,090 | 0 | 0 | 0 | 16,090 | 4,301 | 0 | 11,789 |
| 2010 | 65,138 | 0 | 0 | 0 | 65,138 | 17,409 | 0 | 47,729 |
| 2011 | 117,810 | 0 | 0 | 0 | 117,810 | 31,488 | 0 | 86,322 |
| 2012 | 141,890 | 0 | 0 | 0 | 141,890 | 37,924 | 0 | 103,966 |
| 2013 | 132,877 | 0 | 0 | 0 | 132,877 | 35,515 | 0 | 97,362 |
| 2014 | 125,096 | 0 | 0 | 0 | 125,096 | 33,435 | 0 | 91,661 |
| 2015 | 107,720 | 0 | 0 | 0 | 107,720 | 28,792 | 0 | 78,928 |
| 2016 | 84,331 | 0 | 0 | 0 | 84,331 | 22,539 | 0 | 61,792 |
| 2017 | 69,185 | 0 | 0 | 0 | 69,185 | 18,492 | 0 | 50,693 |
| 2018 | 58,562 | 0 | 0 | 0 | 58,562 | 15,652 | 0 | 42,910 |
| 2019 | 50,670 | 0 | 0 | 0 | 50,670 | 13,543 | 0 | 37,127 |
| 2020 | 44,570 | 0 | 0 | 0 | 44,570 | 11,874 | 0 | 32,696 |
| 2021 | 39,704 | 0 | 0 | 0 | 39,704 | 9,062 | 0 | 30,642 |
| 2022 | 35,696 | 0 | 0 | 0 | 35,696 | 7,674 | 0 | 28,022 |
| Sub-Total | 1,089,339 | 0 | 0 | 0 | 1,089,339 | 287,700 | 0 | 801,639 |
| Remainder | 201,324 | 0 | 0 | 0 | 201,324 | 27,899 | 0 | 173,425 |
| Total Future | 1,290,663 | 0 | 0 | 0 | 1,290,663 | 315,599 | 0 | 975,064 |

| Period | DEDUCTIONS - \$000 | | | | | FUTURE NET INCOME AFTER PROFIT TAXES-\$000 | | | |
|--------------|--------------------|------------------------------------|----------------------|----------------|---------|--|------------|-------------------------|--|
| | Operating Costs | Export, Profit & Property Taxes | Development Costs | Transportation | Total | Undiscounted | | Discounted @ 10.00 % | |
| | | | | | | Annual | Cumulative | | |
| 2008 | 167 | 90 | 17,262 | 0 | 17,519 | -17,519 | -17,519 | -16,631 | |
| 2009 | 1,257 | 4,039 | 29,044 | 589 | 34,929 | -23,140 | -40,659 | -19,976 | |
| 2010 | 2,960 | 17,553 | 32,301 | 2,386 | 55,200 | -7,471 | -48,130 | -5,786 | |
| 2011 | 5,090 | 36,514 | 27,185 | 4,315 | 73,104 | 13,218 | -34,912 | 9,347 | |
| 2012 | 6,105 | 42,941 | 21,641 | 5,197 | 75,884 | 28,082 | -6,830 | 17,977 | |
| 2013 | 6,604 | 40,673 | 21,192 | 4,866 | 73,335 | 24,027 | 17,197 | 14,168 | |
| 2014 | 8,015 | 37,947 | 12,792 | 4,582 | 63,336 | 28,325 | 45,522 | 14,921 | |
| 2015 | 7,619 | 33,548 | 277 | 3,945 | 45,389 | 33,539 | 79,061 | 15,953 | |
| 2016 | 7,408 | 25,785 | 277 | 3,089 | 36,559 | 25,233 | 104,294 | 10,859 | |
| 2017 | 7,404 | 20,709 | 278 | 2,534 | 30,925 | 19,768 | 124,062 | 7,698 | |
| 2018 | 7,399 | 17,194 | 0 | 2,145 | 26,738 | 16,172 | 140,234 | 5,699 | |
| 2019 | 7,395 | 14,522 | 0 | 1,855 | 23,772 | 13,355 | 153,589 | 4,259 | |
| 2020 | 7,388 | 12,443 | 0 | 1,633 | 21,464 | 11,232 | 164,821 | 3,242 | |
| 2021 | 7,388 | 10,794 | 0 | 1,454 | 19,636 | 11,006 | 175,827 | 2,876 | |
| 2022 | 7,383 | 9,641 | 0 | 1,307 | 18,331 | 9,691 | 185,518 | 2,292 | |
| Sub-Total | 89,582 | 324,393 | 162,249 | 39,897 | 616,121 | 185,518 | | 66,898 | |
| Remainder | 60,768 | 53,868 | 11,250 | 7,374 | 133,260 | 40,165 | 225,683 | 7,121 | |
| Total Future | 150,350 | 378,261 | 173,499 | 47,271 | 749,381 | 225,683 | | 74,019 | |