

PETRONEFT RESOURCES Plc

**ESTIMATED
FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN
LEASEHOLD INTERESTS IN

LICENSE AREA 67 (LEDOVY)**

**AS OF
January 1, 2011**



RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

Petroleum Consultants Report

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January 1, 2011

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Gentlemen:

Executive Summary

At your request, we have prepared an estimate of the proved and probable reserves, future production, revenue and net income attributable to the 50% ownership of PetroNeft Resources in License Area 67 (Ledovy) located in the Tomsk Oblast in Russia. The effective date of the economic evaluation is January 1, 2011

This report only includes the expenditures for the evaluation and development of the proved and probable reserves in the Ledovy oil field. The income data were estimated using constant prices and costs. In addition, we have prepared an estimate of the potential range of possible reserves and exploration resources for some of the seismically defined structures in the License Area at the Upper, Middle and Lower Jurassic intervals.

PetroNeft intends to develop License 67 beginning with the Ledovy oil field in the north. Subsequent developments will then be tied-in based on the success of the exploration efforts over the next few years.

In addition to the base case, 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:

Case 2 (Base)

Constant Prices and Costs			
Estimated Net Reserve and Income Data			
License Area 67			
PetroNeft			
As of January 1, 2011			
	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	1,538	12,486	14,024
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	58,082	484,357	542,439
Deductions	<u>42,155</u>	<u>323,767</u>	<u>365,922</u>
Future Net Income (FNI)	15,927	160,590	176,517
Discounted FNI @ 10%	8,590	68,052	76,642

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.

Case 1 (Low)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 67
PetroNeft
 As of January 1, 2011

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	1,538	12,486	14,024
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	51,450	428,537	479,987
Deductions	<u>38,230</u>	<u>293,997</u>	<u>332,227</u>
Future Net Income (FNI)	13,221	134,540	147,760
Discounted FNI @ 10%	6,942	56,837	63,780

Case 3 (High)
Constant Prices and Costs
 Estimated Net Reserve and Income Data
 License Area 67
PetroNeft
 As of January 1, 2011

	Total Proved	Total Probable	Proved & Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate (10 ³ Bbls)	1,538	12,486	14,024
<u>Income Data (10³ \$)</u>			
Future Gross Revenue *	64,713	540,147	604,860
Deductions	<u>46,132</u>	<u>359,177</u>	<u>405,309</u>
Future Net Income (FNI)	18,581	180,969	199,551
Discounted FNI @ 10%	10,230	78,217	88,447

* After deduction of MET

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

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

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

The evaluation was based on 50 percent ownership of the subject properties (working interest = 50 percent). The net revenue factor is used to compensate for gravity adjustments, processing and line losses.

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

Case 2 (Base) - Discounted Future Net Income (10³ \$)
As of January 1, 2011

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	9,695	79,958	89,653
10	8,560	68,052	76,642
12	7,616	58,148	65,763
15	6,363	46,206	52,569

Case 1 (Low) - Discounted Future Net Income (10³ \$)
As of January 1, 2011

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	7,886	66,930	74,816
10	6,942	56,837	63,780
12	6,112	48,422	54,534
15	5,045	38,257	43,303

Case 3 (High) - Discounted Future Net Income (10³ \$)
As of January 1, 2011

Discount Rate Percent	Total Proved	Total Probable	Proved + Probable
8	11,492	91,521	103,013
10	10,230	78,217	88,447
12	9,116	67,120	76,236
15	7,679	53,697	61,376

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

Introduction

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

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

The reserves included in this report conform to the following terms for License 67.

The Company’s License 67 (Ledovy) was issued by the Federal Agency for Subsoil Use to the Company’s subsidiary LLC, Lineynoye for the geological survey, exploration and production of hydrocarbons at the Ledovy area. The License was registered by the Subsoil Agency on 27 January 2010 under the registration number No. 1568/TOM 01468HP. 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 January 2035 which is slightly less than 25 years. Pursuant to the Licensing Agreement LLC, Lineynoye has a number of obligations with respect to the exploration and production of hydrocarbons. Some of the most significant obligations of the Ledovy area include:

- Develop, agree and approve an Exploration and Appraisal Program for License Block within one year of the date the Area is registered;
- Reprocess and reinterpret seismic materials of previous years within one year of the date of state registration of the License Area;
- Start 2D seismic acquisition during the second year and acquire at least 750 linear km of seismic lines within three years from the date License is registered;
- Start drilling the first exploration well within three years from the date License is registered.

PetroNeft has contracted with TomskGeophysicalCompany (TGK) to consolidate, reprocess and re-evaluate 4,432 km of CDP 2D seismic data acquired in and adjacent to the License Area between 1969 and 2001. TGK also digitized and reinterpreted 21 vintage wells located in and adjacent to the License Area and tie these wells into their integrated interpretation of the License Area. This comprehensive evaluation started in February 2010 and was completed in December 2010. The

results of the TKG study are the basis for much this report. PetroNeft plans to commence the acquisition of the 750 km of seismic data and drill two exploration wells in 2011. The two wells will be drilled on the Ledovy oil field and Cheremshanskaya Structure targeting potential by-passed pay indentified in the TKG study. The wells will be drilled two full years in advance of the work commitment schedule for the License.

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

Each license holder undergoes periodic reviews by the Tomsk Oblast governmental entities responsible for ensuring compliance by subsurface license holders with the terms of their licenses and applicable legislation. The Company has confirmed that it is in compliance with all terms regarding License 67.

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. 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% of the initial oil in place. The incremental secondary reserves assigned to the proved reserves were based on a total primary and secondary recovery of about 30%. Total reserves to the locations classified as probable were based on a recovery efficiency of 30% for proved plus probable reserves (15.8% primary and 14.2% secondary).

The general Upper Jurassic reservoir properties for the Ledovy oil field and untested Cheremshanskaya structure which are based on the reinterpretation of the well log data by TomskGeophysicalCompany are summarized in the following table:

Property	General Reservoir Properties	
	Ledovoye	Cheremshanskaya
Reservoir	Upper Jurassic J1	Upper Jurassic J1
Depth top Reservoir – m	a.e. -2,523 m and -2,542 m	a.e. -2,572 m
Porosity	14.0 to 20.0 %	14.0 to 21.0 %
Permeability – mD	3.2 to 41.7 mD	3.5 to 65.6 mD
Net Pay thickness – m	4.9 to 11.8 m	14.9 m
Hydrocarbon Saturation	44 to 70 %	77 %

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

Future Production Rates

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

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

Hydrocarbon Prices

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

	Export Market (percent)	Domestic Market (percent)	Export Oil Price (US \$/bbl)	Domestic Oil Price (US \$/bbl w/o VAT)
Case 1 (Low)	33	67	70.00	33.25
Case 2 (Base)	33	67	80.00	38.00
Case 3 (High)	33	67	90.00	42.75

The Base Case (Case 2) in this report utilized an export price of \$80/bbl and a domestic price of \$38.00/bbl which is after VAT. First oil sales are estimated to begin in July 2013.

Costs

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

PetroNeft provided the following data:

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

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

The NRPT, with respect to crude oil (dewatered, desalted and stabilised oil), is based on the amount of oil produced. The tax rate applicable from 1 January 2005 until 31 December 2006 is 419 Rubles per ton of crude oil, subject to an adjustment using a special coefficient which reflects the dynamics of the world prices for Urals blend and the Ruble/US\$ exchange rate. This coefficient is applicable on a quarterly basis and represents a ratio in which (i) the numerator is the product of the Ruble/US\$ dollar average quarterly exchange rate and the difference between quarterly average world oil price per barrel for Urals blend and US\$ 9 and (ii) the denominator equals 261. Currently, the NRPT does not differentiate between oil fields and is the same for all producers.

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

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

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

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

License 67 Description

A discussion of the detailed description of the geology of License 67 is presented. Much of this material was taken from the auction Information Package prepared in 2009 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 well reinterpretation by TomskGeophysicalCompany.

GEOGRAPHIC LOCATION, NATURAL ENVIRONMENT AND INFRASTRUCTURE

Ledovy license block (# 67) is located in the territory of Kargasok region in the Tomsk oblast. Tectonically, the block is confined to the southern part of Koltogorsky mega-sag. According to oil gas and geological zoning, most of the territory belongs to Nurol-Koltogorsky oil and gas region of the Kaimysivskaya oil and gas bearing area. The area of the Ledovy block is 2,446.8 km² (without license areas of Grushevoy and Lomovoy license blocks). The surface lands of the block are under administration of Kargasok region forestry.

License 67 in Tomsk

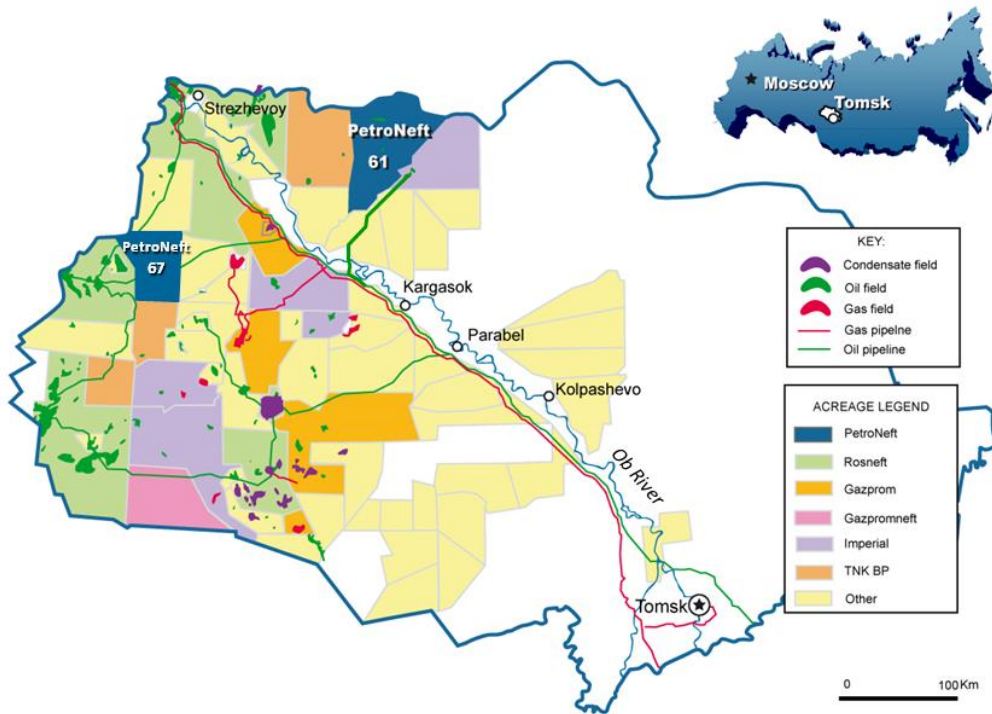


Figure 1 Map showing Tomsk Oblast and location of License Area 67.

The territory of License Block is located on the left bank of the Middle Vasugan River. Orohydrographical conditions of the area are non-homogeneous. Drainage divides alternate with meandering river valleys and brooks with abrupt steep banks. Elevations vary between 90-95 m in the divides and 70-75 in the flood plains.

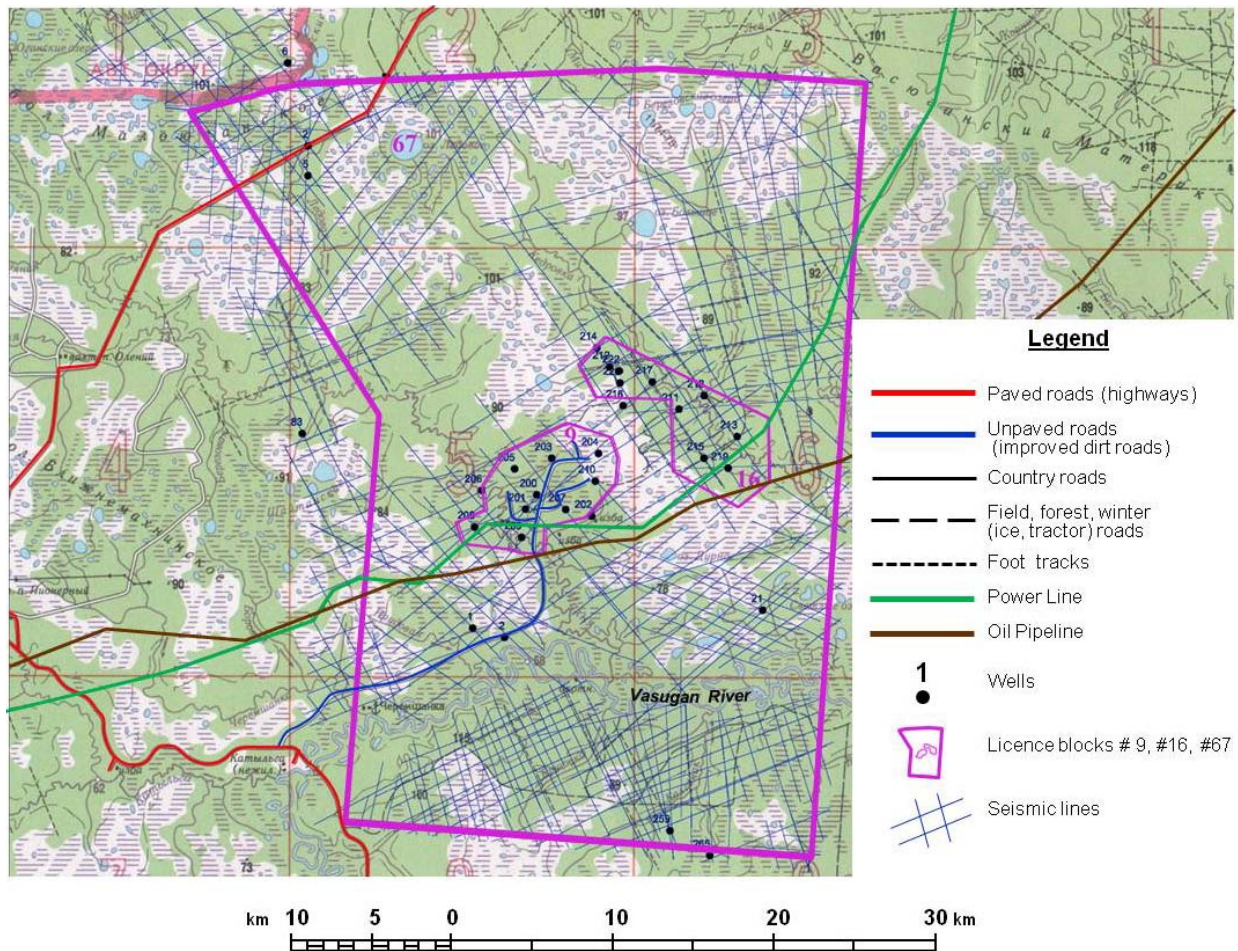


Figure 2 Map showing Natural Environment and Infrastructure of License 67

The climate of the region is continental-cyclonic with long cold winters (to 40-50°C below zero) and short warm summers. The natural environment is typical for the taiga zone of the West-Siberian plain (Figure 2). Marshes with lakes confined, in the main, to drainage divides are widespread. The marshes are absolutely impenetrable in summer and often, due to poor freezing, may become difficult to transgress even in the winter season.

The freezing capacity of the soil is 1.1 m on average and is never more than 0.5 m in the marshes. The duration of the period of stable snow cover and freezing capacity of the marshes determine the duration of winter road operations. The roads are used for mobilization of most of the materials for the drilling rigs that are active in the region. Due to the climatic conditions the heating season lasts from the end of September to May.

The block is located 570 km north-west from the city of Tomsk (in a straight line to the center of the block). Sredny Vasugan village is located 65 km south-east from the block and the Pionerny crew camp and Katylga village are located 60 km to the south-west.

The oil Pipeline Vasugan-Raskino goes immediately through the center of the block and the main electric line parallels the pipeline.

The TomskNefte Pionerny crew camp has an airport with concrete runway suitable for large capacity turbo propelled aircrafts. The Vasugan River, which flows through the block is navigable for small tonnage watercraft. Katylga village has a river wharf on the Vasugan River and is connected to the Pionerny crew camp with a concrete road. Freight can also be transported by winter roads when they are in operation. There is also a concrete road between the Lomovoe field (License Block #9), which is located within License Block #67 and the Katylga village.

The nearest scientific and industrial center, railway, river and land transportation knot is the city of Tomsk which is the administrative capital of the oblast.

TECTONIC STRUCTURE

The tectonic location the License Block is in the southeastern part of the Western Siberian Plate (WSP). The Pre-Jurassic basement of the Western Siberian Plate is made up of heterogeneous fold-block structures, some of which were formed during the final phase of Baikal, Salair, Caledonian and Hercynian cycles of tectogenesis. Structural and formational zones of the WSP were formed in several geotectonic stages during Riphean, Paleozoic and Triassic times.

Within the WSP there are several large heterochronous blocks. The License Block is located within the Central West Siberian block. The Central West Siberian fold system represents a series of subparallel anticlinorals zones divided by intermountain troughs and internal basins. This fold system of Hercynides was formed in Devonian time and developed according to an inversion pattern. The Devonian – Carboniferous complex, an initial synclinal zone, is represented by terrigenous and carbonate-terrigenous sediments. During the closing stage of Hercynian tectogenesis granitization of terrigenous rocks resulted in their inversion and formation of anticlinorals zones.

At the beginning of Triassic period, in the process of rifting, graben-rifts were formed. These depressions were filled with Triassic effusive-sediments.

According to the tectonic map, the License Block is located between the Nizhnevartovsky and Vasyugansky anticlinoriums, within the borders of which there were developed various rock units – late Precambrian siliceous schists, high level felsic intrusive rocks and greenstone-transformed effusives of main composition. In southern part of the block there is Koltogorsko-Urengoiskiy graben-rift (Figure 3).

During the continental gap, the folded structures of the basement complex were eroded and base-leveled. At this stage weathered pre-Jurassic crust was formed. By the time of WSP downwarping there existed an erosion-tectonic surface relief of pre-Jurassic basement. Formation of platform cover took place in Mesozoic- Cenozoic time during a period of mild tectonic conditions. Due to the fading residual impulse of tectonic movements, the duration of which was about 200 mln. years, the platform structures developed hereditary to the basement structures throughout the Mesozoic time. Conformity of basement topography with platform structures can be observed up to Upper Cretaceous and Paleogene deposits. Beginning with Upper Cretaceous, in the upper part of the platform cover there was formed a structural geometry (plan) connected with neo-tectonic movements.

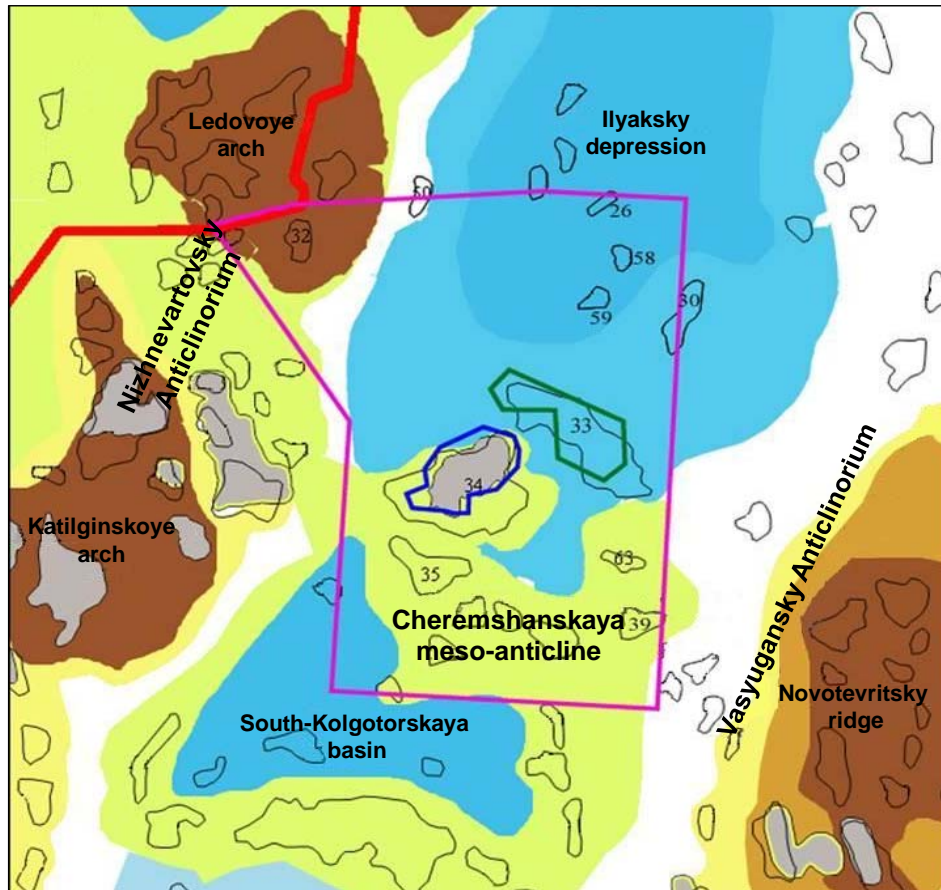


Figure 3 Map showing License 67 in context of regional tectonic features.

The presence of two main systems of tectonic faults of north-west and north-east –trending in the regional plan is typical for the whole territory of the WSP. The first ones are faults of folded basement; the second ones are connected with genesis of rifts. Many of these faults penetrate the Mesozoic platform cover deposits and have a significant impact on the generation and location of oil and gas deposits.

LICENSE 67 MAJOR ASSET INVENTORY AND BRIEF HISTORY

Seismic network density as of 01.01.2008 is 1.04 km/km².

There are two oil fields immediately in the territory of the License Block – Grushevoye and Lomovoye. Grushevoye and Lomovoye belong to allocated subsoil fund (TomskNeft and RussNeft) and, thus, are excluded from the area of the block.

As of 1 January 2008, prospecting drilling in the block was performed in five structures (Ledovaya, Sklonovaya, North-Pionerskaya, Cheremshanskaya and Bolotninskaya) (Table 1).

(Table 1)

Condition of wells in Ledovy License Block # 67

Area	Well#, type	Well depth, m	Penetrated horizon	Drilling time		Test time		Well condition
		Actual		Commence	End	Commence	End	
Grushevaya	216, exploration	2,850	J _{1m}	15.02.1988	31.03.1988	-	31.03.1988	Abandoned
Ledovaya	2, prospecting	2,901	J _{1m}	15.07.1973	14.10.1973	24.12.1973	25.04.1974	Abandoned
Ledovaya	5, exploration	3,093	PZ	20.06.1974	17.08.1974	-	17.08.1974	Abandoned
Lomovaya	202, exploration	2,805	J _{1m}	07.03.1972	28.04.1972	29.03.1973	31.03.1973	Abandoned
Lomovaya	206, prospecting	2,857	J _{1m}	15.07.1982	12.09.1982	26.09.1982	19.11.1982	Abandoned
Pionerskaya	259, prospecting	2,858	J _{1m}	13.09.1970	29.12.1970	29.12.1970	19.01.1971	Abandoned
Sklonovaya	21, prospecting	3,401	PZ	14.12.2000	28.07.2001	28.07.2001	02.10.2001	
North-Pionerskaya	1, prospecting	3,271	PZ	20.11.2000	10.03.2001	-	10.03.2001	Abandoned
Cheremshanskaya	1, prospecting	3,062	PZ	05.08.1961	10.06.1962	30.06.1962	20.08.1962	Abandoned
Cheremshanskaya	2, prospecting	3,090	PZ	02.12.1970	21.03.1971	11.07.1971	25.08.1971	Abandoned
Bolotninskaya	5, prospecting	3,400	PZ	2003	27.08.2003	2003	2003	Abandoned
TOTAL		3,0188						

Drilling in Ledovy area started in 1972. Ten wells were subsequently drilled in this 52 km² structure with only two of them located in the present block – Wells 2 and 5. The first two wells confirmed the oil and gas bearing potential of formation J₁ of the Vasuganskaya Series. Oil inflow was from 3 m³/day (Well 1) to 5.53 m³ in 40 minutes (well 2 - prorates to 198 m³/day). In the rest of the wells either formation water was obtained or the reservoir was missing. CDP seismic survey was performed by Tomsk Geophysical Trust in 1987-1988 to specify Ledovoye dome-like elevation and adjacent territories.

These seismic results showed that Ledovoye structure was completely different and more complex than it seemed before on the basis of the older seismic reflection materials. Exploration works continued in the Ledovaya area and two additional wells were drilled, but they did not significantly change the interpretation of the structure and the reservoir geology. Deep-hole drilling was then ceased on this structure.

Deep-hole drilling that gave negative results (due to inadequate testing) was started in 1962 and ceased in 1970 on Cheremshanskaya structure of the License Block.

Within the period from 1998 to 2008 the License Block was owned by OJSC “Tomskneft” VNK and geological and exploration works were carried out at the expense of license holder. In 2001 well #21 was drilled and completed with testing on the Sklonovaya Structure; oil influx of 1.2 m³/day was obtained from the J1-1 and J1-2 interval. The North-Pionerskaya Structure was also drilled in 2001 and was abandoned after no pay zones were found in the section. In 2003 well #5 was completed on the Bolotninskaya structure. Drilling of these three exploration wells in the License Block showed a low accuracy of structural imaging.

As a result Tomskneft acquired 230.4 kms of additional CDP-2D seismic data in 2006-2007. Eventually there were specified structural plans on all the main reflecting horizons; the oil reservoir contour in J1-2 was specified on Ledovaya structure; a considerable Paleotectonic trap in J1-3/4 was prepared for drilling on Cheremshanskaya Structure, and on the eastern flank of the structure they mapped significant structural and lithological traps in J1-1, J1-2. Within the North-Pionerskaya structure in J1-3/4 there were identified two small structural traps. In the area of Syglynigaiskaya structure in J1-3/4, J12, J11 there was identified a paleotectonic oil trap. No prospects for Lower Cretaceous deposits were identified.

OJSC “Tomskneft” VNK subsequently relinquished the License Area in 2008.

PetroNeft acquired the License in January of 2010. The Company then entered into a contract with TomskGeophysicalCompany (TGK) to consolidate all of the old seismic and well data acquired on the License from the government archives. The TGK workscope was for the comprehensive reprocessing and reinterpretation of 4,430 km of CDP 2D seismic data and 21 wells drilled in and adjacent to the License Area. The results of this study are the basis for the this reserve report.

Ledovy Block Structures and Traps

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

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

Base Bazhenov Seismic Horizon

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

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



Excluded areas

Note – Arawak has 50% interest in License 67, PetroNeft is operator

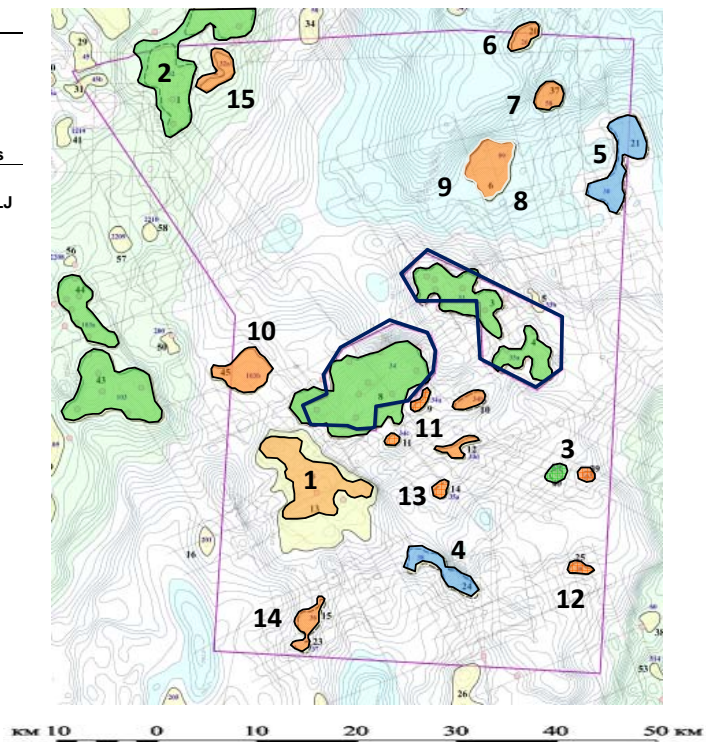


Figure 4 Map showing Upper Jurassic Oil Fields, Prospects and Potential Prospects in License 67

STRATIGRAPHY

The discussion of the detailed stratigraphy of License 67 is based primarily on materials taken from the auction Information Package prepared in 2009 by the Russian Federal and Territorial Agencies for the Use of Mineral Resources, Rosnedra and Tomsknedra.

Pre-Jurassic formations consisting of folded basement and overlain by Mesozoic–Cenozoic sedimentary rocks make up the geologic section of the License Block.

Pre-Jurassic Formations

According to deep-hole drilling data pre-Jurassic basement has a complex block structure and is represented by folded thickness of diverse material composition.

Platform Formations Complex

Mesozoic–Cenozoic deposits are represented by formations of Jurassic, Cretaceous, Paleogene and Quaternary systems.

Jurassic System

The deposits of Jurassic System are represented by Lower, Middle and Upper Jurassic aged rocks. Sediments of the Lower and Middle Jurassic part of the section were formed under continental conditions of extensive lacustrine-alluvial lowlands. Sediments of the Jurassic System overlay folded formations of pre-Jurassic basement with a stratigraphic break and angular unconformity. The completeness of the Jurassic stratigraphic sequence diminishes as the section pinches out on the flanks of the basin. On the whole, the Jurassic thicknesses in this region reaches more than 500 m in the basinal areas.

Lower Jurassic deposits defined by the Urmaskaya and Togurskaya formations occur immediately on pre-Jurassic formations in the deepest sections within the limits of negative structures of the first order, pinching out on flanks of positive structures.

The Tyumenskaya Formation is represented by continental sediments, occasionally with coastal-marine interlayers in the upper part. Lithologically the Tyumenskaya Formation is composed of heterogeneous, rhythmic grayish - dark colored sand-silt-shaly sedimentary rocks with coal and carbonaceous argillite laminations. Horizontal bedding, cross-bedding and undulating bedding, roiling structure and the presence of plant detritus indicate continental sedimentation. Poor lithological continuity and variable sandstone thicknesses, typical for continental sediments, results in correlation difficulties. The Tyumenskaya Formation is made up of three subsuites:

Lower subsuite corresponds to Upper Toarcian – Aalenian complex and is represented by alternation of sand beds (J15 – J11) and carbonaceous-argillaceous pack (rock unit). There is a coal bed (U10) in the subsuite, the top which is a seismo-stratigraphic marker. According to the correlations, the subsuite is fully tapped in the instances of its bedding on the Togurskaya Formation. The subsuite, bounded from above and below by regional markers – coal bed U10 and argillites of Tugurskaya pack, is quite clearly identified by well logging data in the cross-sections of the drilled wells. It has a very diverse structure, represented by variations in thicknesses and the presence of various sand layers. The layers have poor reservoir properties.

Middle subsuite corresponds to Bajocian time and includes sandstone beds J10-J7 with carbonaceous – argillaceous packs dividing them. The subsuite is bounded from below and above by coal beds U10 and U6 respectively. Cross-sections of the drilled wells show predominance of carbonaceous – argillaceous rocks over sandstones.

Upper subsuite corresponds to Bajocian – Bathonian complex and comprises sand beds J2 – J6 alternating with carbonaceous – argillaceous packs. Formation thickness is 364-386 m.

Vasyuganskaya Formation. Callovian – Oxfordian complex is represented by the deposits of Vasyuganskaya Formation, sedimentation of which took place in shallow marine and coastal-marine conditions. Lithologically the Vasyuganskaya Formation is divided into two subsuites: lower, a predominantly shaly one and upper, a predominately sandy one. Lower-Vasyuganskaya subsuite is represented by argillites with few interlayers of sandstones and siltstone. Aleurolite-siltstone bed J20 is sometimes seen in the subsuite base, which, according to many researchers, is a basal level (horizon) of Low Callovian transgression. The Formation thickness is about 40 m.

Upper-Vasyuganskaya subsuite is comprised of sandstones and siltstones interbedded with argillites, coal and carbonaceous argillites lamina. Sand deposits of the subsuite represent the regional oil and gas bearing horizon J1. The cross-section of Upper-Vasyuganskaya subsuite shows two thicknesses, coal-overlying and coal-underlying, divided by a coal bed U1 or inter-coal mass – sand-

carbonaceous-argillaceous pack (unit) of continental origin. Coal-overlying thickness contains sand beds J1-2, J1-1, J1-0. Sandstones are predominantly grey, light-grey, fine- and medium-grained with argillaceous and calciferous cement. J1-0 sandstones are characteristic of glauconite presence, that causes the greenish tone and witnesses the marine genesis of the sediments.

Bazhenov Formation. Deposition of argillites of the Bazhenov Formation took place during a time of tectonic quiescent in a deep sea basin. Deposits are represented by bituminous argillites characterized by increased radioactivity, what is detected by maximum values on GR curves, as well as on apparent resistivity curves. The Bazhenov Formation is a regional geological and geophysical marker, regional seal and oil-generating formation. Formation thickness is 11-18 m.

Cretaceous system

There are two periods in the Cretaceous system – Lower and Upper. In Lower Cretaceous there are the Kulomzinskaya, Tarskaya, Vartovskaya (Kiyalinskaya) and Alymskaya Formations. The first three formations, which correspond to Berriasian – Valangian – Hauterivian – Barremian time, are united in the Neocomian Superstage. In the Upper Cretaceous there are the Pokurskaya, Kuznetsovskaya, Berezovskaya and Gan'kinskaya Formations.

Kulomzinskaya Formation is represented by marine sediments of predominantly shaly composition with subordinate interlayers of siltstone and sandstone. In the upper part of the formation there are sandstone beds B13-B16 (B13-B16), in the lower part there are sandstones of the Achimov Formation. The Formation thickness is 280-310m.

Tarskaya Formation is comprised of shallow marine and coastal-marine predominantly aleurolite-siltstone sediments of light-grey color with greenish tone. B8 – B12 beds are marked out. Sandstone beds of Tarskaya Formation are characterized by good reservoir properties. Formation thickness is 96-110 m.

Vartovskaya Formation was formed in coastal-marine and lagoonal conditions and is represented by frequent interlayering of sandstones, siltstones and argillites. Formation thickness is 430-460 m.

Alymskaya formation is subdivided into 2 packs (units) – lower, sandy (A1) and upper – shaly (Koshaiskaya pack). Thickness is 46-68 m. Above are continental sediments of Pokurskaya formation and marine sediments of Kuznetsovskaya, Ipatovskaya, Slavgorodskaya formations.

Paleogene system deposits are represented by marine argillaceous sediments (Talitskaya, Lyulinvorskaya, Cheganskaya formations) and lacustrine-alluvial facies of Nekrasovskaya formation. Overlying are Quarternary deposits.

OIL AND GAS BEARING POTENTIAL

The oil and gas bearing potential of the License territory is primarily tied to Upper Jurassic deposits of the J1 interval. Two developed oil fields – Lomovoye and Grushevoye – productivity of which is tied to sandstone formations of J1 are located immediately within the borders of the License Block. Oil inflows were also obtained on test of wells located in Ledovoye local elevation and Sklonovaya SLT. Multi-formation South-Cheremshanskoye oil field with pay intervals in sandstones of Cretaceous formations (A1, A4, A7, B4-7, B9,) is located to the south the block. Free inflows of oil at the rate of more than 150 m³/day were obtained there. More than 20 oil deposits in different intervals were discovered in the field.

The present day Russian registered resource base of the License Block is represented with reserves of category C3 and D1+D2. Initial recoverable C3 reserves of oil make 7.318 million ton (Grushevaya non-anticline trap – 3.7 million ton, Baikalsakaya area – 1.918 million ton, Sklonovaya SLT -1.7 million ton) as of 1 January 2008. Hydrocarbon resources of D1+D2 are estimated at 4.7 million tons as per quantitative estimate by A.E. Kontorovich as of 1 January 2002.

LEDOVOYE OIL FIELD

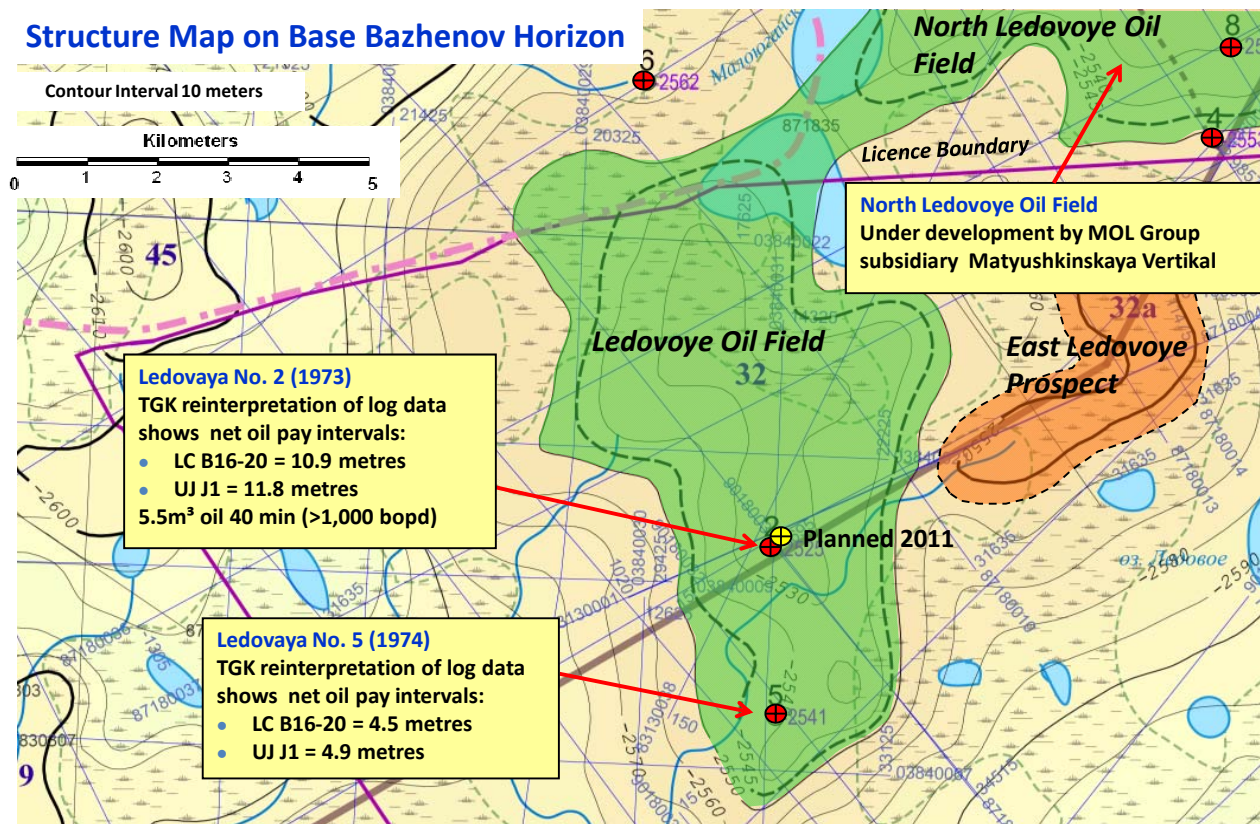


Figure 6 Base Bashenov Struture Map showing Ledovoye and North Ledovoye oil fields.

Ledovoye area

Tectonically, the area is confined to the zone of the sag between the Nizhnevartovky and Kaimysjvsky domes. The Ledovoye area includes two structures – North Ledovoye and Ledovoye located in close proximity to each other and separated with a shallow structural saddle.

Against reflecting horizon IIa (Base Bazhenov Formation) both structures are contoured at -2,550 m; amplitude of North Ledovoye closure is 50 m, Ledovoye – 25 m, with structure size of 13.5x8 km and 7x4 km respectively. The structure is not depicted in any upper horizons in the Cretaceous.

The first prospecting Well #1 was drilled at the crest of the North Ledovoye structure in 1972. Inflow of oil with water was obtained from the top of the J_1 interval.

For the purpose of isolation operations a special packer was manufactured and an attempt was made to determine formation intake with its use. The formation would not intake injected fluid at 250 atm. Top part of the horizon was separated from its middle part with a central bridge in the interval of 2,652-2,637 m. No positive results were achieved with an attempt to stimulate the poorly cemented formation in the interval of 2,635-2,615 m. After re-perforation in 2,635-2,615 m and unloading to dynamic level of 2,000 m some short-time pulsing free flow of oil was noted. 3.7 m³ of oil and 9.9 m³ of saline water were retrieved with down annulus flush.

Thus, no positive results were achieved with isolation of bottom water.

On test of B_{10} in the interval of 2,294-2,300 m an inflow of formation water at the rate of 92 m³/day was obtained at the dynamic level of 46 m. The formation was water-bearing and flowed at a high rate.

Well #2 was drilled at crestal part of Ledovoye structure in 1973. Core was recovered on drilling of Alymskaya, Tarskaya, Kulomzinskaya, Vasuganskaya and Tyumanskaya Series. Core of Vasuganskaya Series recovered from intervals 2,630.7-2,637.6 m had oil odor. Two targets were tested with a drill stem tester. First – Achimovskaya pack deposits – tested in the interval of 2,487-2,590 m. No inflow was obtained under 131 atm underbalance. Second target - top of Vasuganskaya Series was tested in the interval of 2,625.8-2,637 m. 5.5 m³ of pure oil was obtained in 40 minutes under 129 atm underbalance.

Top of Vasuganskaya Series was penetrated at the absolute mark of -2,523 m which is 9 m lower than in Well #1 that flowed oil. Seismic logging was performed in the well to specify tectonic structure of the field.

Formation B_4 of Tyumen Series was tested in the production string. As per logging data – the formation is homogeneous and permeable with specific resistance of up to 2.9 Ohm. SP amplitude reaches 75 mV. The well tested formation water, the formation is considered as water-bearing.

Well #3 was drilled on the northern flank of North Ledovoye elevation. Top of J_1 was penetrated much lower than in the crestal well. No shows of oil and gas bearing were noted in the course of drilling. Formations A_{12} (2,131-2,174 m), B_{10} (2,385-2,543 m), J_1^b (2,697-2,635 m) were drill stem tested. All targets were water-bearing. J_1 was tested in the interval of 2,697-2,685 m after run of production string. Insignificant overflow of formation water with no oil shows was obtained. The well proved to be below pay contour. Formation B_{16} was water bearing as well and tested water in 2,525-2,536 m.

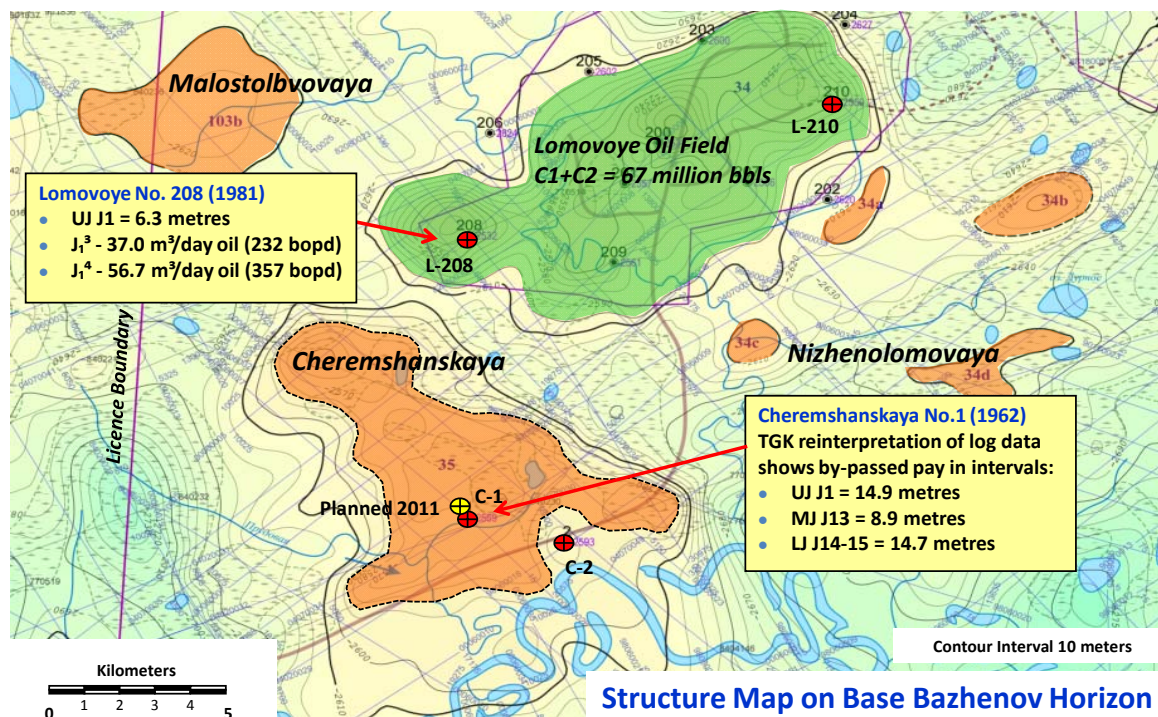
Well #4 was drilled in the southern plunge of the fold of the North Ledovoye structure. Top of J_1 was penetrated by the well at 2,653 m (absolute mark -2,553 m) which is 36 m hypsometrically lower than in Well #1 that flowed oil. Core was recovered on drilling of Vasuganskaya, Tyumenskaya Series and Palaeozoic deposits. No signs of oil were found in the recovered samples. Two targets were tested with drill stem tester; formation A_4 of Kiyalinskaya Series in the interval of 1,829-1,852 m (4.2 m³ of formation water obtained in 5 min under 65 atm depression) and top part of J_1 jointly with the bottom of Bazhenovskaya Series in the interval of 2,636-2,676 m (4.6 m³ of mud filtrate and formation water obtained in 35 minutes under 133 atm depression). All other porous-permeable beds – as per logging and core data – are interpreted as water-bearing.

Wells # 5, 6, 7, 8 and 10 were subsequently drilled from 1972 to 1990 to further delineate the two fields, but the wells did not change the overall geologic interpretation of the two fields and no reserves were booked at the time because of the small size of the fields.

No further activity took place at the North Ledovoye field until the block was put up for auction in 2004 and awarded to Matyushkinskaya Vertikal. Matyushkinskaya Vertikal is now a subsidiary of the Hungarian MOL Group which is currently developing the oil field.

The Ledovoye field was included in License Block 67 which was explored by OJSC “Tomskneft” VNK from 1998 to 2008. They did no exploration work in the Ledovoye area and returned the License to the state after drilling 3 wells elsewhere in the block. The area was put up for auction in 2009 and awarded to LLC Lineynoye a subsidiary of PetroNeft Resources plc. PetroNeft subsequently contracted TGK to consolidate, reprocess and re-evaluate all of the old seismic and well data in the area. The results of this study are the basis for the reserve calculation and field development plan at Ledovoye oil field.

CHEREMSHANSKAYA STRUCTURE



Cheremshanskaya Structure

In administrative sense, the Cheremshanskoye structure is located in Kargasovsky region of Tomsk oblast. Tectonically it is confined to southern part of South-Cheremshanskoye dome-like elevation in immediate vicinity of Lomovoye and South-Cheremshanskoye structures within the borders of which oil fields were discovered. Hypsometrical level of these two structures is approximately the same. Both of these factors put the Cheremshanskaya area into the range of best oil and gas bearing prospects. Against reflecting horizon IIa the elevation is contoured with seismic isohypse -2,610 m, the size of the structure within the contour is 22x14 km with the amplitude of 60 m. The structure flattens out significantly against horizon III, confined to the bottom of Pokurskaya Series, however, structural plans coincide in the main and no crestal displacement is observed. The structure is not mapped against higher horizons due to lack of seismic materials.

Prospecting drilling in the structure started in 1962 when Well #1 was drilled in the crestal part of the structure. Insignificant inflows of oil were obtained on test of the contact zone between Jurassic and Palaeozoic deposits and a range of sandstone formations in the section of Tyumen Series. Well test in J_I (the main pay horizon) was not conducted due to an accident, although oil shows and odor in the core were noted on drilling.

Taking into account the high perspectivity of the structure, its drilling resumed in 1970. Drilling of Well #2 in pre-crestal part of the structure to the east from the Well # 1 was completed and the well was tested in 1971. The well was drilled to 3,090 m with its bottomhole in Palaeozoic deposits. Signs of oil bearing reservoirs in the course of drilling were noted in the bottom of Bazhenovskaya Series and top of J_I, where 1.8 m of bituminous argillite, 1 m of siltstone with light odor of oil and 1.4 m of compact sandstone with light odor of oil were recovered from the interval of 2,664-2,671 m. Top of J_I was penetrated at the depth of 2,666 (a.m. -2,593 m) which is 24 m lower than in Well #1. Lithologically the horizon is made up of fine to medium-grained sandstone, compact, glauconite, highly argillaceous in the top part. Prevailing grain size of the sandstone is 0.2-0.1 mm with poor roundness. Cement content is significant. The cement is, mainly, carbonaceous or hydro-micaceous. Reservoir properties of upper Jurassic sandstones are not very good – porosity 8-13%, permeability – from a few to a few tens of mD. According to logging data the horizon is interpreted as water-bearing. Because of this no production tests were taken.

The most interesting sandstone formations in the Cretaceous section are PK-I, PK-XV, A-I, A-II, A-III, B-X. All of them were drill stem tested and proved to be water-bearing.

Top of Palaeozoic basement was penetrated at 3,053 m and was represented with brecciated rock of weathered crust. Overflow of formation water at a rate of 33 m³/day was obtained on test of this part of formation in the open hole. Formation J_{II} was tested in the deposits of Tyumen Series. It proved to be water-bearing.

Further prospecting ceased at the time due to negative results obtained in the area.

The 2010 comprehensive reinterpretation of the well and seismic data by TomskGeophysicalCompany (TGK) indicates that the results of the prior testing of Cheremshanskaya Well # 1 were completely unsatisfactory. The re-evaluation of the log and test data indicates three zones of potential oil saturation in the well that were simply not tested or not adequately tested in the 1960s vintage well. The primary oil and gas reservoir in the region, the J_I interval, was not tested in the well due to an accident while cementing the production casing. However while drilling the interval increased gas shows with the presence of heavy hydrocarbons were noted. The TGK study indicates potential untested net pay of 14.9 m in the Upper Jurassic J_I interval. The study also

indicates potential pay of 8.9 m in the Middle Jurassic J13 sandstone and 14.7 m of potential net pay in the Lower Jurassic J14-15 sandstone. These intervals all appear to be water bearing in the Cheremshanskaya Well #2 which intersects the reservoir intervals about 25 m lower on the structure.

PetroNeft plans to drill a new well in 2011 that will parallel the Cheremshanskaya Well #1 and allow the potential pay zones to be properly cored and tested. The possible reserves calculated for the structure in this Ryder Scott report are based on the new seismic structural maps and reservoir properties resulting from the TKG study.

Possible Reserves & Exploration Resources

Upper Jurassic Prospects

A total of 8 Upper Jurassic Prospects were analyzed for potential (Figure 4). The Prospects all have well defined 4-way dip closure at the Base Bazhenov seismic horizon; however, where Possible reserves (P3) are defined there must be a prior well on the structure with potential by-passed pay in the interval. The potential of these prospects was determined by probabilistic analysis. The probability distribution functions for net pay and area were based on the geologic and geophysical interpretations. The probability distribution functions of the other volumetric parameters were based on data from the four tested oil fields. The range of potential Possible Reserves and Exploration Resources is summarized in the following table:

<i>Index Upper Jurassic Prospects</i>		<i>Gross Reserves & Resources (10³ Bbls)</i>		
		<i>90%</i>	<i>50%</i>	<i>10%</i>
	<i>Possible (P3)</i>			
1	Cheremshanskaya	39,816	71,365	118,263
	<i>Exploration Resource</i>			
6	Levo-Ilyakskaya	1,180	1,987	3,256
7	Syglynigaiskaya	2,076	3,693	5,988
8	North Grushevaya	8,443	13,578	21,097
10	Malostolbovaya	5,924	9,185	13,755
14	East Cheremshanskaya	2,359	3,966	6,527
15	East Ledovoye	2,602	3,776	5,299
11	Nizhenolomovaya	1,971	2,847	3,989

PetroNeft believes that the Cheremshanskaya Prospect has a very high probability of success given that the TKG study indicates oil saturation in the the main Upper Jurassic J1 interval in Well #1 that was not tested.

Cretaceous Prospects

No Cretaceous Prospects were analyzed for potential in this study.

Lower and Middle Jurassic Prospects

A total of 3 Lower to Middle Jurassic Prospects were analyzed for potential. The Prospects all have well defined 4-way dip closure at the Top Togur seismic horizon; however, where Possible reserves (P3) are defined there must be a prior well on the structure with potential by-passed pay in the interval. The potential of these prospects was determined by probabilistic analysis. The probability distribution functions for area were based on the geophysical interpretation. The probability

distribution functions of the other volumetric parameters including net pay were based on data from the 2010 study by Tomsk Geophysical Company. The range of potential Possible Reserves and Exploration Resources is summarized in the following table:

<i>Index Lower to Middle Jurassic Prospects</i>	<i>Gross Reserves & Resources (10³ Bbls)</i>		
	<i>90%</i>	<i>50%</i>	<i>10%</i>
<i>Possible (P3)</i>			
6 Cheremshanskaya Middle Jurassic	15,183	22,237	32,005
6 Cheremshanskaya Lower Jurassic	28,695	41,791	58,336
<i>Exploration Resource</i>			
8 North Grushevaya NAT Lower Jurassic	5,633	10,679	17,671

The Lower to Middle Jurassic reservoirs typically have poor reservoir properties in the Tomsk Region and will likely require stimulation (artificial permeability enhancement such as horizontal sections or fracturing) to flow at commercial rates. However, excellent reservoir properties were observed in potentially oil saturated Lower Jurassic J 14-15 reservoirs in the Cheremshanskaya No. 1 well.

Conclusions

Appendices 1 through 4 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 4 -Tables 1 through 3 summarize our Base Case (Case 2) with an estimated projection of future production, gross revenue, net income and deductions (including expenses, capital investment and taxes) by reserve category and a net present valuation as at January 1, 2011.

The estimates of reserves presented herein are based upon a detailed study of the properties in which PetroNeft owns an interest; however, we have not made any field examination of the properties. No consideration was given in this report to potential environmental liabilities that may exist nor were any costs included for potential liability to restore and clean up damages, if any, caused by past operating practices. PetroNeft has informed us that they have furnished us all of the accounts, records, geological and engineering data, and reports and other data required for this investigation. The ownership interests, prices, and other factual data furnished by PetroNeft were accepted without independent verification.

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

Professional Qualifications

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

Houston, Denver and Calgary and has 115 employees and almost 70 professional engineers and geoscientists.

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

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

Very truly yours,

RYDER SCOTT COMPANY, L.P.



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

LTN/sw



Ryder Scott Appendix 1 (December 31, 2010)
SUMMARY TABLE OF ASSETS

Oil & Gas

Asset (1)	Operator	Interest (%)	Status (2)	License expriy date	License area	Comments
1. Russian - Tomsk Region - License 67 (Ledovy)	LLC, Lineynoye	50%	Exploration and Development	15-Jan-2035	2,446.8 km ²	Delineation/Exploration drilling programme in 2011

(1) Asset - Country, license and block

(2) Status - Exploration, Development or Production Only

Ryder Scott Appendix 2 (December 31, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Proved, Probable and Incremental Possible Reserves (10³ bbls)

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

	Gross			Net Attributable			Operator
Oil & Liquids reserves per asset From production to planned for development	Proved	Proved & Probable	Proved, Probable & Possible	Proved	Proved & Probable	Proved, Probable & Possible	
License 67 - Tomsk Oblast Russia Ledovoye Field (10 ³ bbls)	3,139	28,618	35,407	1,538	14,024	17,418	LLC, Lineynoye
Total for Oil & Liquids (10³ bbls)	3,139	28,618	35,407	1,538	14,024	17,418	
Gas reserves per asset From production to planned for development							
License 67 - Tomsk Oblast Russia Ledovoye Field (10 ³ scf)	n/a	n/a	n/a	n/a	n/a	n/a	LLC, Lineynoye
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 net ownership, gravity adjustment and line loss for Proved and Probable reserves

Operator LLC, Lineynoye holds 100% interest in License 67

Operator LLC, Lineynoye is 50% owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet

Ryder Scott Appendix 3a (December 31, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Upper Jurassic Prospects - Possible Reserves and Exploration Resources (10³ bbls)

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

(10 ³ bbls)	Net Attributable equals 50% of Gross for P3 and Exploration Resources			"Risk Factor" Probability of Success	Operator
Oil & Liquids Prospective Resources Prospects	Low Estimate	Best Estimate	High Estimate		
License 67 - Tomsk Oblast Russia					
Possible (P3)					
Cheremshanskaya	19,908	35,683	59,132	0.90	LLC, Lineynoye
Exploration Resource					
Levo-Ilyakskaya	590	994	1,628	0.46	LLC, Lineynoye
Syglynigaiskaya	1,038	1,847	2,994	0.46	LLC, Lineynoye
North Grushevaya	4,222	6,789	10,549	0.46	LLC, Lineynoye
Malostolbovaya	2,962	4,593	6,878	0.43	LLC, Lineynoye
Nizhenolomovaya Terassa Group (1 of 4)	1,180	1,983	3,264	0.40	LLC, Lineynoye
East Cheremshanskaya	1,301	1,888	2,650	0.46	LLC, Lineynoye
East Ledovoye	986	1,424	1,995	0.46	LLC, Lineynoye

Source: Ryder Scott Company - Petroleum Consultants

Notes:

All Prospects have well defined 4-way closure; however, where Possible reserves (P3) are defined there must be a prior well on the structure with potential by-passed pay in the interval

"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, Lineynoye holds 100% interest in License 67

Operator LLC, Lineynoye is 50% owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet

Ryder Scott Appendix 3b (December 31, 2010)
SUMMARY OF RESERVES AND RESOURCES BY STATUS
Lower and Middle Jurassic Prospects - Possible Reserves and Exploration Resources (10³ bbls)

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

(10 ³ bbls)	Net Attributable equals 50% of Gross for P3 and Exploration Resources			"Risk Factor" Probability of Success	Operator
Oil & Liquids Prospective Resources Prospects	Low Estimate	Best Estimate	High Estimate		
License 67 - Tomsk Oblast Russia					
Possible (P3)					
Cheremshanskaya (Middle Jurassic)	7,592	11,119	16,003	0.65	LLC, Lineynoye
Cheremshanskaya (Lower Jurassic)	14,348	20,896	29,168	0.73	LLC, Lineynoye
Exploration Resource					
North Grushevaya NAT (Lower Jurassic)	2,817	5,338	8,836	0.24	LLC, Lineynoye

Source: Ryder Scott Company - Petroleum Consultants

Notes:

All Prospects have well defined 4-way closure; however, where Possible reserves (P3) are defined there must be a prior well on the structure with potential by-passed pay in the interval

"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, Lineynoye holds 100% interest in License 61

Operator LLC, Lineynoye is 50% owned subsidiary of PetroNeft Resources Plc

bbls - Barrels

scf - Standard Cubic Feet



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2011

GRAND SUMMARY
ALL PROPERTIES
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
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	7	610,622	0	0	299,226	0	0.000	51.86	0.00
2014	7	879,351	0	0	430,908	0	0.000	51.86	0.00
2015	7	470,242	0	0	230,433	0	0.000	51.86	0.00
2016	7	301,042	0	0	147,523	0	0.000	51.86	0.00
2017	7	212,646	0	0	104,202	0	0.000	51.86	0.00
2018	7	159,882	0	0	78,345	0	0.000	51.86	0.00
2019	7	125,530	0	0	61,514	0	0.000	51.86	0.00
2020	7	101,739	0	0	49,857	0	0.000	51.86	0.00
2021	7	84,500	0	0	41,408	0	0.000	51.86	0.00
2022	7	71,543	0	0	35,058	0	0.000	51.86	0.00
2023	7	61,534	0	0	30,154	0	0.000	51.86	0.00
2024	7	53,572	0	0	26,250	0	0.000	51.86	0.00
2025	5	7,197	0	0	3,527	0	0.000	51.86	0.00
Sub-Total		3,139,400	0	0	1,538,405	0	0.000	51.86	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		3,139,400	0	0	1,538,405	0	0.000	51.86	0.00
Cumulative		0	0	0					
Ultimate		3,139,400	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	15,518	0	0	0	15,518	4,261	0	11,257
2014	22,347	0	0	0	22,347	6,136	0	16,211
2015	11,950	0	0	0	11,950	3,281	0	8,669
2016	7,651	0	0	0	7,651	2,101	0	5,550
2017	5,403	0	0	0	5,403	1,484	0	3,919
2018	4,064	0	0	0	4,064	1,116	0	2,948
2019	3,190	0	0	0	3,190	876	0	2,314
2020	2,585	0	0	0	2,585	710	0	1,875
2021	2,148	0	0	0	2,148	589	0	1,559
2022	1,818	0	0	0	1,818	472	0	1,346
2023	1,563	0	0	0	1,563	361	0	1,202
2024	1,362	0	0	0	1,362	279	0	1,083
2025	183	0	0	0	183	34	0	149
Sub-Total	79,782	0	0	0	79,782	21,700	0	58,082
Remainder	0	0	0	0	0	0	0	0
Total Future	79,782	0	0	0	79,782	21,700	0	58,082

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		
2011	0	5	835	0	840	-840	-840	-789	
2012	193	15	336	0	544	-544	-1,384	-468	
2013	1,249	4,355	5,596	1,044	12,244	-987	-2,371	-914	
2014	490	7,584	84	1,504	9,662	6,549	4,178	4,661	
2015	337	3,939	0	804	5,080	3,589	7,767	2,306	
2016	304	2,506	0	515	3,325	2,225	9,992	1,292	
2017	290	1,755	0	364	2,409	1,510	11,502	795	
2018	245	1,308	0	273	1,826	1,122	12,624	533	
2019	238	1,015	0	215	1,468	846	13,470	364	
2020	234	810	0	174	1,218	657	14,127	256	
2021	230	663	0	145	1,038	521	14,648	184	
2022	226	551	0	122	899	447	15,095	142	
2023	224	464	0	105	793	409	15,504	118	
2024	222	396	0	92	710	373	15,877	98	
2025	34	52	0	12	98	51	15,928	12	
Sub-Total	4,516	25,418	6,851	5,369	42,154	15,928		8,590	
Remainder	0	0	0	0	0	0	15,928	0	
Total Future	4,516	25,418	6,851	5,369	42,154	15,928		8,590	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2011

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% - 79,958
								10.00% - 68,052
								12.00% - 58,148
								15.00% - 46,206
								20.00% - 31,872

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
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	3	177,801	0	0	87,128	0	0.000	51.86	0.00
2014	21	2,862,244	0	0	1,402,588	0	0.000	51.86	0.00
2015	30	4,862,540	0	0	2,382,804	0	0.000	51.86	0.00
2016	30	3,488,160	0	0	1,709,307	0	0.000	51.86	0.00
2017	30	2,515,047	0	0	1,232,456	0	0.000	51.86	0.00
2018	30	1,920,244	0	0	940,983	0	0.000	51.86	0.00
2019	30	1,525,601	0	0	747,588	0	0.000	51.86	0.00
2020	30	1,248,168	0	0	611,645	0	0.000	51.86	0.00
2021	30	1,044,543	0	0	511,863	0	0.000	51.86	0.00
2022	30	889,999	0	0	436,126	0	0.000	51.86	0.00
2023	30	769,511	0	0	377,087	0	0.000	51.86	0.00
2024	30	673,519	0	0	330,044	0	0.000	51.86	0.00
2025	37	635,231	0	0	311,286	0	0.000	51.86	0.00
Sub-Total		22,612,608	0	0	11,080,905	0	0.000	51.86	0.00
Remainder		2,866,392	0	0	1,404,627	0	0.000	51.86	0.00
Total Future		25,479,000	0	0	12,485,532	0	0.000	51.86	0.00
Cumulative		0	0	0					
Ultimate		25,479,000	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	4,518	0	0	0	4,518	1,241	0	3,277
2014	72,739	0	0	0	72,739	19,973	0	52,766
2015	123,572	0	0	0	123,572	33,931	0	89,641
2016	88,645	0	0	0	88,645	24,340	0	64,305
2017	63,915	0	0	0	63,915	17,550	0	46,365
2018	48,799	0	0	0	48,799	13,400	0	35,399
2019	38,770	0	0	0	38,770	10,646	0	28,124
2020	31,720	0	0	0	31,720	8,709	0	23,011
2021	26,545	0	0	0	26,545	7,289	0	19,256
2022	22,618	0	0	0	22,618	5,871	0	16,747
2023	19,555	0	0	0	19,555	4,510	0	15,045
2024	17,116	0	0	0	17,116	3,515	0	13,601
2025	16,144	0	0	0	16,144	2,957	0	13,187
Sub-Total	574,656	0	0	0	574,656	153,932	0	420,724
Remainder	72,843	0	0	0	72,843	9,210	0	63,633
Total Future	647,499	0	0	0	647,499	163,142	0	484,357

Period	DEDUCTIONS - \$000					FUTURE NET INCOME AFTER PROFIT TAXES-\$000			
	Operating Costs	Export, Profit & Property Taxes	Development Costs	Transportation	Total	Undiscounted		Discounted	
						Annual	Cumulative	@ 10.00	%
2011	0	26	0	0	26	-26	-26	-24	
2012	1,022	78	2,819	0	3,919	-3,919	-3,945	-3,367	
2013	1,172	1,584	10,780	304	13,840	-10,563	-14,508	-8,160	
2014	1,275	23,942	16,866	4,895	46,978	5,788	-8,720	3,894	
2015	2,490	40,854	3,803	8,316	55,463	34,178	25,458	21,799	
2016	2,374	29,177	365	5,966	37,882	26,423	51,881	15,348	
2017	2,259	20,899	280	4,301	27,739	18,626	70,507	9,787	
2018	1,750	15,912	30	3,284	20,976	14,423	84,930	6,856	
2019	1,704	12,529	20	2,609	16,862	11,262	96,192	4,845	
2020	1,670	10,140	0	2,135	13,945	9,066	105,258	3,529	
2021	1,647	8,372	0	1,786	11,805	7,451	112,709	2,624	
2022	1,629	7,020	0	1,522	10,171	6,576	119,285	2,097	
2023	1,616	5,954	0	1,316	8,886	6,159	125,444	1,778	
2024	1,604	5,097	0	1,152	7,853	5,748	131,192	1,501	
2025	1,781	4,678	0	1,086	7,545	5,642	136,834	1,333	
Sub-Total	23,993	186,262	34,963	38,672	283,890	136,834		63,840	
Remainder	13,398	20,190	1,388	4,902	39,878	23,755	160,589	4,212	
Total Future	37,391	206,452	36,351	43,574	323,768	160,589		68,052	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - BASE CASE
AS OF JANUARY 1, 2011

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% - 89,653
								10.00% - 76,642
								12.00% - 65,764
								15.00% - 52,569
								20.00% - 36,585

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
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	10	788,423	0	0	386,354	0	0.000	51.86	0.00
2014	28	3,741,595	0	0	1,833,496	0	0.000	51.86	0.00
2015	37	5,332,782	0	0	2,613,237	0	0.000	51.86	0.00
2016	37	3,789,202	0	0	1,856,830	0	0.000	51.86	0.00
2017	37	2,727,693	0	0	1,336,658	0	0.000	51.86	0.00
2018	37	2,080,126	0	0	1,019,328	0	0.000	51.86	0.00
2019	37	1,651,131	0	0	809,102	0	0.000	51.86	0.00
2020	37	1,349,907	0	0	661,502	0	0.000	51.86	0.00
2021	37	1,129,043	0	0	553,271	0	0.000	51.86	0.00
2022	37	961,542	0	0	471,184	0	0.000	51.86	0.00
2023	37	831,045	0	0	407,241	0	0.000	51.86	0.00
2024	37	727,091	0	0	356,294	0	0.000	51.86	0.00
2025	42	642,428	0	0	314,813	0	0.000	51.86	0.00
Sub-Total		25,752,008	0	0	12,619,310	0	0.000	51.86	0.00
Remainder		2,866,392	0	0	1,404,627	0	0.000	51.86	0.00
Total Future		28,618,400	0	0	14,023,937	0	0.000	51.86	0.00
Cumulative		0	0	0					
Ultimate		28,618,400	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	20,036	0	0	0	20,036	5,502	0	14,534
2014	95,086	0	0	0	95,086	26,109	0	68,977
2015	135,522	0	0	0	135,522	37,212	0	98,310
2016	96,295	0	0	0	96,295	26,441	0	69,854
2017	69,319	0	0	0	69,319	19,034	0	50,285
2018	52,863	0	0	0	52,863	14,516	0	38,347
2019	41,960	0	0	0	41,960	11,521	0	30,439
2020	34,305	0	0	0	34,305	9,420	0	24,885
2021	28,693	0	0	0	28,693	7,879	0	20,814
2022	24,435	0	0	0	24,435	6,342	0	18,093
2023	21,120	0	0	0	21,120	4,870	0	16,250
2024	18,477	0	0	0	18,477	3,795	0	14,682
2025	16,326	0	0	0	16,326	2,991	0	13,335
Sub-Total	654,437	0	0	0	654,437	175,632	0	478,805
Remainder	72,844	0	0	0	72,844	9,210	0	63,634
Total Future	727,281	0	0	0	727,281	184,842	0	542,439

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%	%
2011	0	31	835	0	866	-866	-866	-813	
2012	1,216	93	3,155	0	4,464	-4,464	-5,330	-3,834	
2013	2,420	5,940	16,376	1,348	26,084	-11,550	-16,880	-9,075	
2014	1,766	31,525	16,950	6,399	56,640	12,337	-4,543	8,555	
2015	2,827	44,793	3,803	9,120	60,543	37,767	33,224	24,105	
2016	2,677	31,683	365	6,481	41,206	28,648	61,872	16,641	
2017	2,549	22,654	280	4,665	30,148	20,137	82,009	10,581	
2018	1,995	17,220	30	3,557	22,802	15,545	97,554	7,389	
2019	1,942	13,543	20	2,824	18,329	12,110	109,664	5,209	
2020	1,904	10,951	0	2,309	15,164	9,721	119,385	3,784	
2021	1,877	9,035	0	1,931	12,843	7,971	127,356	2,809	
2022	1,855	7,571	0	1,644	11,070	7,023	134,379	2,239	
2023	1,840	6,419	0	1,421	9,680	6,570	140,949	1,896	
2024	1,826	5,492	0	1,244	8,562	6,120	147,069	1,599	
2025	1,816	4,730	0	1,098	7,644	5,691	152,760	1,345	
Sub-Total	28,510	211,680	41,814	44,041	326,045	152,760		72,430	
Remainder	13,397	20,190	1,388	4,903	39,878	23,756	176,516	4,212	
Total Future	41,907	231,870	43,202	48,944	365,923	176,516		76,642	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - HIGH PRICE CASE
AS OF JANUARY 1, 2011

GRAND SUMMARY
ALL PROPERTIES
TOTAL PROVED RESERVES

TOTAL
PROVED

	REVENUE INTERESTS			PRODUCT PRICES			DISCOUNTED	
	EXPENSE INTEREST	Oil/Condensate	Plant Products	Gas	Oil/Cond. \$/bbl.	Plt. Prod. \$/bbl.	Gas \$/MCF	FUTURE NET INCOME - \$000
INITIAL								COMPOUNDED
FINAL								MONTHLY
REMARKS								
								8.00% - 11,492
								10.00% - 10,230
								12.00% - 9,116
								15.00% - 7,679
								20.00% - 5,781

Period	Number of Wells	ESTIMATED 8/8 THS PRODUCTION			COMPANY NET SALES			AVERAGE PRICES	
		Oil/Cond. Barrels	Plant Products Barrels	Gas MMCF	Oil/Cond. Barrels	Plant Products Barrels	Sales Gas MMCF	Oil/Cond. \$/bbl.	Gas \$/MCF
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	7	610,622	0	0	299,226	0	0.000	58.34	0.00
2014	7	879,351	0	0	430,908	0	0.000	58.34	0.00
2015	7	470,242	0	0	230,433	0	0.000	58.34	0.00
2016	7	301,042	0	0	147,523	0	0.000	58.34	0.00
2017	7	212,646	0	0	104,202	0	0.000	58.34	0.00
2018	7	159,882	0	0	78,345	0	0.000	58.34	0.00
2019	7	125,530	0	0	61,514	0	0.000	58.34	0.00
2020	7	101,739	0	0	49,857	0	0.000	58.34	0.00
2021	7	84,500	0	0	41,408	0	0.000	58.34	0.00
2022	7	71,543	0	0	35,058	0	0.000	58.34	0.00
2023	7	61,534	0	0	30,154	0	0.000	58.34	0.00
2024	7	53,572	0	0	26,250	0	0.000	58.34	0.00
2025	5	7,197	0	0	3,527	0	0.000	58.34	0.00
Sub-Total		3,139,400	0	0	1,538,405	0	0.000	58.34	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		3,139,400	0	0	1,538,405	0	0.000	58.34	0.00
Cumulative		0	0	0					
Ultimate		3,139,400	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	17,457	0	0	0	17,457	4,916	0	12,541
2014	25,139	0	0	0	25,139	7,080	0	18,059
2015	13,444	0	0	0	13,444	3,786	0	9,658
2016	8,606	0	0	0	8,606	2,424	0	6,182
2017	6,079	0	0	0	6,079	1,712	0	4,367
2018	4,571	0	0	0	4,571	1,287	0	3,284
2019	3,589	0	0	0	3,589	1,011	0	2,578
2020	2,908	0	0	0	2,908	819	0	2,089
2021	2,416	0	0	0	2,416	680	0	1,736
2022	2,045	0	0	0	2,045	545	0	1,500
2023	1,759	0	0	0	1,759	416	0	1,343
2024	1,532	0	0	0	1,532	323	0	1,209
2025	206	0	0	0	206	38	0	168
Sub-Total	89,751	0	0	0	89,751	25,037	0	64,714
Remainder	0	0	0	0	0	0	0	0
Total Future	89,751	0	0	0	89,751	25,037	0	64,714

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		
2011	0	5	835	0	840	-840	-840	-789	
2012	193	15	338	0	546	-546	-1,386	-470	
2013	1,249	5,078	5,601	1,044	12,972	-431	-1,817	-495	
2014	491	8,709	86	1,504	10,790	7,269	5,452	5,175	
2015	337	4,531	0	804	5,672	3,986	9,438	2,560	
2016	304	2,885	0	515	3,704	2,478	11,916	1,440	
2017	290	2,022	0	364	2,676	1,691	13,607	890	
2018	245	1,509	0	273	2,027	1,257	14,864	596	
2019	240	1,173	0	215	1,628	950	15,814	410	
2020	234	938	0	174	1,346	743	16,557	289	
2021	230	768	0	145	1,143	593	17,150	209	
2022	228	646	0	122	996	504	17,654	161	
2023	225	556	0	105	886	457	18,111	132	
2024	223	481	0	92	796	413	18,524	108	
2025	35	64	0	12	111	57	18,581	14	
Sub-Total	4,524	29,380	6,860	5,369	46,133	18,581		10,230	
Remainder	0	0	0	0	0	0	18,581	0	
Total Future	4,524	29,380	6,860	5,369	46,133	18,581		10,230	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - HIGH PRICE CASE
AS OF JANUARY 1, 2011

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%	—
								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
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	3	177,801	0	0	87,128	0	0.000	58.34	0.00
2014	21	2,862,244	0	0	1,402,588	0	0.000	58.34	0.00
2015	30	4,862,540	0	0	2,382,804	0	0.000	58.34	0.00
2016	30	3,488,160	0	0	1,709,307	0	0.000	58.34	0.00
2017	30	2,515,047	0	0	1,232,456	0	0.000	58.34	0.00
2018	30	1,920,244	0	0	940,983	0	0.000	58.34	0.00
2019	30	1,525,601	0	0	747,588	0	0.000	58.34	0.00
2020	30	1,248,168	0	0	611,645	0	0.000	58.34	0.00
2021	30	1,044,543	0	0	511,863	0	0.000	58.34	0.00
2022	30	889,999	0	0	436,126	0	0.000	58.34	0.00
2023	30	769,511	0	0	377,087	0	0.000	58.34	0.00
2024	30	673,519	0	0	330,044	0	0.000	58.34	0.00
2025	37	635,231	0	0	311,286	0	0.000	58.34	0.00
Sub-Total		22,612,608	0	0	11,080,905	0	0.000	58.34	0.00
Remainder		2,866,392	0	0	1,404,627	0	0.000	58.34	0.00
Total Future		25,479,000	0	0	12,485,532	0	0.000	58.34	0.00
Cumulative		0	0	0					
Ultimate		25,479,000	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	5,083	0	0	0	5,083	1,432	0	3,651
2014	81,827	0	0	0	81,827	23,044	0	58,783
2015	139,013	0	0	0	139,013	39,149	0	99,864
2016	99,721	0	0	0	99,721	28,084	0	71,637
2017	71,901	0	0	0	71,901	20,250	0	51,651
2018	54,897	0	0	0	54,897	15,460	0	39,437
2019	43,615	0	0	0	43,615	12,283	0	31,332
2020	35,683	0	0	0	35,683	10,049	0	25,634
2021	29,862	0	0	0	29,862	8,410	0	21,452
2022	25,444	0	0	0	25,444	6,773	0	18,671
2023	21,999	0	0	0	21,999	5,204	0	16,795
2024	19,254	0	0	0	19,254	4,056	0	15,198
2025	18,161	0	0	0	18,161	3,415	0	14,746
Sub-Total	646,460	0	0	0	646,460	177,609	0	468,851
Remainder	81,946	0	0	0	81,946	10,650	0	71,296
Total Future	728,406	0	0	0	728,406	188,259	0	540,147

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		
2011	0	26	0	0	26	-26	-26	-24	
2012	1,022	78	2,816	0	3,916	-3,916	-3,942	-3,364	
2013	1,172	1,855	10,775	304	14,106	-10,455	-14,397	-8,082	
2014	1,275	27,527	16,865	4,895	50,562	8,221	-6,176	5,591	
2015	2,490	46,976	3,803	8,316	61,585	38,279	32,103	24,422	
2016	2,373	33,570	365	5,966	42,274	29,363	61,466	17,056	
2017	2,259	24,066	280	4,301	30,906	20,745	82,211	10,900	
2018	1,750	18,331	30	3,284	23,395	16,042	98,253	7,626	
2019	1,703	14,449	20	2,609	18,781	12,551	110,804	5,398	
2020	1,669	11,712	0	2,135	15,516	10,118	120,922	3,938	
2021	1,647	9,688	0	1,786	13,121	8,331	129,253	2,935	
2022	1,628	8,220	0	1,522	11,370	7,301	136,554	2,328	
2023	1,614	7,124	0	1,316	10,054	6,741	143,295	1,945	
2024	1,604	6,221	0	1,152	8,977	6,221	149,516	1,626	
2025	1,780	5,819	0	1,086	8,685	6,061	155,577	1,432	
Sub-Total	23,986	215,662	34,954	38,672	313,274	155,577		73,727	
Remainder	13,398	26,215	1,388	4,902	45,903	25,393	180,970	4,490	
Total Future	37,384	241,877	36,342	43,574	359,177	180,970		78,217	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - HIGH PRICE CASE
AS OF JANUARY 1, 2011

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% -
								103,013
								10.00% -
								88,447
								12.00% -
								76,236
								15.00% -
								61,376
								20.00% -
								43,280

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
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	10	788,423	0	0	386,354	0	0.000	58.34	0.00
2014	28	3,741,595	0	0	1,833,496	0	0.000	58.34	0.00
2015	37	5,332,782	0	0	2,613,237	0	0.000	58.34	0.00
2016	37	3,789,202	0	0	1,856,830	0	0.000	58.34	0.00
2017	37	2,727,693	0	0	1,336,658	0	0.000	58.34	0.00
2018	37	2,080,126	0	0	1,019,328	0	0.000	58.34	0.00
2019	37	1,651,131	0	0	809,102	0	0.000	58.34	0.00
2020	37	1,349,907	0	0	661,502	0	0.000	58.34	0.00
2021	37	1,129,043	0	0	553,271	0	0.000	58.34	0.00
2022	37	961,542	0	0	471,184	0	0.000	58.34	0.00
2023	37	831,045	0	0	407,241	0	0.000	58.34	0.00
2024	37	727,091	0	0	356,294	0	0.000	58.34	0.00
2025	42	642,428	0	0	314,813	0	0.000	58.34	0.00
Sub-Total		25,752,008	0	0	12,619,310	0	0.000	58.34	0.00
Remainder		2,866,392	0	0	1,404,627	0	0.000	58.34	0.00
Total Future		28,618,400	0	0	14,023,937	0	0.000	58.34	0.00
Cumulative		0	0	0					
Ultimate		28,618,400	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	22,540	0	0	0	22,540	6,348	0	16,192
2014	106,966	0	0	0	106,966	30,124	0	76,842
2015	152,456	0	0	0	152,456	42,936	0	109,520
2016	108,328	0	0	0	108,328	30,507	0	77,821
2017	77,980	0	0	0	77,980	21,962	0	56,018
2018	59,468	0	0	0	59,468	16,747	0	42,721
2019	47,203	0	0	0	47,203	13,294	0	33,909
2020	38,592	0	0	0	38,592	10,868	0	27,724
2021	32,278	0	0	0	32,278	9,090	0	23,188
2022	27,489	0	0	0	27,489	7,318	0	20,171
2023	23,758	0	0	0	23,758	5,620	0	18,138
2024	20,786	0	0	0	20,786	4,379	0	16,407
2025	18,366	0	0	0	18,366	3,453	0	14,913
Sub-Total	736,210	0	0	0	736,210	202,646	0	533,564
Remainder	81,946	0	0	0	81,946	10,650	0	71,296
Total Future	818,156	0	0	0	818,156	213,296	0	604,860

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 %
2011	0	31	835	0	866	-866	-866	-813
2012	1,216	93	3,155	0	4,464	-4,464	-5,330	-3,834
2013	2,420	6,932	16,376	1,348	27,076	-10,884	-16,214	-8,577
2014	1,766	36,237	16,950	6,399	61,352	15,490	-724	10,765
2015	2,827	51,507	3,803	9,120	67,257	42,263	41,539	26,984
2016	2,677	36,455	365	6,481	45,978	31,843	73,382	18,496
2017	2,549	26,088	280	4,665	33,582	22,436	95,818	11,789
2018	1,995	19,840	30	3,557	25,422	17,299	113,117	8,222
2019	1,942	15,622	20	2,824	20,408	13,501	126,618	5,808
2020	1,904	12,650	0	2,309	16,863	10,861	137,479	4,227
2021	1,877	10,457	0	1,931	14,265	8,923	146,402	3,144
2022	1,855	8,866	0	1,644	12,365	7,806	154,208	2,489
2023	1,840	7,679	0	1,421	10,940	7,198	161,406	2,077
2024	1,826	6,703	0	1,244	9,773	6,634	168,040	1,734
2025	1,816	5,881	0	1,098	8,795	6,118	174,158	1,446
Sub-Total	28,510	245,041	41,814	44,041	359,406	174,158		83,957
Remainder	13,397	26,216	1,388	4,903	45,904	25,392	199,550	4,490
Total Future	41,907	271,257	43,202	48,944	405,310	199,550		88,447



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - LOW PRICE CASE
AS OF JANUARY 1, 2011

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% -	7,886
								10.00% -	6,942
								12.00% -	6,112
								15.00% -	5,045
								20.00% -	3,647

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
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	7	610,622	0	0	299,226	0	0.000	45.38	0.00
2014	7	879,351	0	0	430,908	0	0.000	45.38	0.00
2015	7	470,242	0	0	230,433	0	0.000	45.38	0.00
2016	7	301,042	0	0	147,523	0	0.000	45.38	0.00
2017	7	212,646	0	0	104,202	0	0.000	45.38	0.00
2018	7	159,882	0	0	78,345	0	0.000	45.38	0.00
2019	7	125,530	0	0	61,514	0	0.000	45.38	0.00
2020	7	101,739	0	0	49,857	0	0.000	45.38	0.00
2021	7	84,500	0	0	41,408	0	0.000	45.38	0.00
2022	7	71,543	0	0	35,058	0	0.000	45.38	0.00
2023	7	61,534	0	0	30,154	0	0.000	45.38	0.00
2024	7	53,572	0	0	26,250	0	0.000	45.38	0.00
2025	5	7,197	0	0	3,527	0	0.000	45.38	0.00
Sub-Total		3,139,400	0	0	1,538,405	0	0.000	45.38	0.00
Remainder		0	0	0	0	0	0.000	0.00	0.00
Total Future		3,139,400	0	0	1,538,405	0	0.000	45.38	0.00
Cumulative		0	0	0					
Ultimate		3,139,400	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	13,579	0	0	0	13,579	3,606	0	9,973
2014	19,555	0	0	0	19,555	5,192	0	14,363
2015	10,457	0	0	0	10,457	2,777	0	7,680
2016	6,694	0	0	0	6,694	1,777	0	4,917
2017	4,729	0	0	0	4,729	1,256	0	3,473
2018	3,555	0	0	0	3,555	944	0	2,611
2019	2,792	0	0	0	2,792	741	0	2,051
2020	2,262	0	0	0	2,262	601	0	1,661
2021	1,879	0	0	0	1,879	499	0	1,380
2022	1,591	0	0	0	1,591	399	0	1,192
2023	1,369	0	0	0	1,369	306	0	1,063
2024	1,191	0	0	0	1,191	236	0	955
2025	160	0	0	0	160	29	0	131
Sub-Total	69,813	0	0	0	69,813	18,363	0	51,450
Remainder	0	0	0	0	0	0	0	0
Total Future	69,813	0	0	0	69,813	18,363	0	51,450

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		
2011	0	5	835	0	840	-840	-840	-789	
2012	193	15	332	0	540	-540	-1,380	-465	
2013	1,248	3,630	5,590	1,044	11,512	-1,539	-2,919	-1,330	
2014	491	6,453	84	1,504	8,532	5,831	2,912	4,150	
2015	337	3,345	0	804	4,486	3,194	6,106	2,052	
2016	303	2,127	0	515	2,945	1,972	8,078	1,146	
2017	290	1,485	0	364	2,139	1,334	9,412	702	
2018	244	1,107	0	273	1,624	987	10,399	469	
2019	238	857	0	215	1,310	741	11,140	319	
2020	233	682	0	174	1,089	572	11,712	223	
2021	228	556	0	145	929	451	12,163	158	
2022	226	466	0	122	814	378	12,541	121	
2023	222	397	0	105	724	339	12,880	98	
2024	220	342	0	92	654	301	13,181	78	
2025	35	45	0	12	92	39	13,220	10	
Sub-Total	4,508	21,512	6,841	5,369	38,230	13,220		6,942	
Remainder	0	0	0	0	0	0	13,220	0	
Total Future	4,508	21,512	6,841	5,369	38,230	13,220		6,942	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - LOW PRICE CASE
AS OF JANUARY 1, 2011

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%	—	66,930
							10.00%	—	56,837
							12.00%	—	48,422
							15.00%	—	38,257
							20.00%	—	26,045

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
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	3	177,801	0	0	87,128	0	0.000	45.38	0.00
2014	21	2,862,244	0	0	1,402,588	0	0.000	45.38	0.00
2015	30	4,862,540	0	0	2,382,804	0	0.000	45.38	0.00
2016	30	3,488,160	0	0	1,709,307	0	0.000	45.38	0.00
2017	30	2,515,047	0	0	1,232,456	0	0.000	45.38	0.00
2018	30	1,920,244	0	0	940,983	0	0.000	45.38	0.00
2019	30	1,525,601	0	0	747,588	0	0.000	45.38	0.00
2020	30	1,248,168	0	0	611,645	0	0.000	45.38	0.00
2021	30	1,044,543	0	0	511,863	0	0.000	45.38	0.00
2022	30	889,999	0	0	436,126	0	0.000	45.38	0.00
2023	30	769,511	0	0	377,087	0	0.000	45.38	0.00
2024	30	673,519	0	0	330,044	0	0.000	45.38	0.00
2025	37	635,231	0	0	311,286	0	0.000	45.38	0.00
Sub-Total		22,612,608	0	0	11,080,905	0	0.000	45.38	0.00
Remainder		2,866,392	0	0	1,404,627	0	0.000	45.38	0.00
Total Future		25,479,000	0	0	12,485,532	0	0.000	45.38	0.00
Cumulative		0	0	0					
Ultimate		25,479,000	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	3,954	0	0	0	3,954	1,050	0	2,904
2014	63,649	0	0	0	63,649	16,901	0	46,748
2015	108,132	0	0	0	108,132	28,713	0	79,419
2016	77,568	0	0	0	77,568	20,597	0	56,971
2017	55,929	0	0	0	55,929	14,851	0	41,078
2018	42,702	0	0	0	42,702	11,339	0	31,363
2019	33,926	0	0	0	33,926	9,008	0	24,918
2020	27,756	0	0	0	27,756	7,371	0	20,385
2021	23,228	0	0	0	23,228	6,168	0	17,060
2022	19,792	0	0	0	19,792	4,967	0	14,825
2023	17,112	0	0	0	17,112	3,816	0	13,296
2024	14,977	0	0	0	14,977	2,977	0	12,000
2025	14,126	0	0	0	14,126	2,503	0	11,623
Sub-Total	502,851	0	0	0	502,851	130,261	0	372,590
Remainder	63,742	0	0	0	63,742	7,795	0	55,947
Total Future	566,593	0	0	0	566,593	138,056	0	428,537

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		
2011	0	26	0	0	26	-26	-26	-24	
2012	1,022	78	2,822	0	3,922	-3,922	-3,948	-3,370	
2013	1,173	1,313	10,786	304	13,576	-10,672	-14,620	-8,240	
2014	1,275	20,342	16,867	4,895	43,379	3,369	-11,251	2,208	
2015	2,490	34,708	3,803	8,316	49,317	30,102	18,851	19,191	
2016	2,374	24,767	365	5,966	33,472	23,499	42,350	13,651	
2017	2,259	17,720	280	4,301	24,560	16,518	58,868	8,679	
2018	1,751	13,485	30	3,284	18,550	12,813	71,681	6,091	
2019	1,704	10,599	20	2,609	14,932	9,986	81,667	4,295	
2020	1,672	8,562	0	2,135	12,369	8,016	89,683	3,121	
2021	1,647	7,052	0	1,786	10,485	6,575	96,258	2,316	
2022	1,631	5,952	0	1,522	9,105	5,720	101,978	1,824	
2023	1,617	5,128	0	1,316	8,061	5,235	107,213	1,511	
2024	1,606	4,447	0	1,152	7,205	4,795	112,008	1,253	
2025	1,781	4,124	0	1,086	6,991	4,632	116,640	1,094	
Sub-Total	24,002	158,303	34,973	38,672	255,950	116,640		53,600	
Remainder	13,398	18,359	1,388	4,902	38,047	17,900	134,540	3,237	
Total Future	37,400	176,662	36,361	43,574	293,997	134,540		56,837	



PETRONEFT RESOURCES PLC
ESTIMATED FUTURE RESERVES AND INCOME
ATTRIBUTABLE TO CERTAIN INTERESTS-LICENSE 67
UNESCALATED CASE - LOW PRICE CASE
AS OF JANUARY 1, 2011

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% - 74,816
								10.00% - 63,780
								12.00% - 54,534
								15.00% - 43,303
								20.00% - 29,692

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
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	10	788,423	0	0	386,354	0	0.000	45.38	0.00
2014	28	3,741,595	0	0	1,833,496	0	0.000	45.38	0.00
2015	37	5,332,782	0	0	2,613,237	0	0.000	45.38	0.00
2016	37	3,789,202	0	0	1,856,830	0	0.000	45.38	0.00
2017	37	2,727,693	0	0	1,336,658	0	0.000	45.38	0.00
2018	37	2,080,126	0	0	1,019,328	0	0.000	45.38	0.00
2019	37	1,651,131	0	0	809,102	0	0.000	45.38	0.00
2020	37	1,349,907	0	0	661,502	0	0.000	45.38	0.00
2021	37	1,129,043	0	0	553,271	0	0.000	45.38	0.00
2022	37	961,542	0	0	471,184	0	0.000	45.38	0.00
2023	37	831,045	0	0	407,241	0	0.000	45.38	0.00
2024	37	727,091	0	0	356,294	0	0.000	45.38	0.00
2025	42	642,428	0	0	314,813	0	0.000	45.38	0.00
Sub-Total		25,752,008	0	0	12,619,310	0	0.000	45.38	0.00
Remainder		2,866,392	0	0	1,404,627	0	0.000	45.38	0.00
Total Future		28,618,400	0	0	14,023,937	0	0.000	45.38	0.00
Cumulative		0	0	0					
Ultimate		28,618,400	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	
2011	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0
2013	17,533	0	0	0	17,533	4,656	0	12,877
2014	83,204	0	0	0	83,204	22,093	0	61,111
2015	118,589	0	0	0	118,589	31,490	0	87,099
2016	84,263	0	0	0	84,263	22,375	0	61,888
2017	60,657	0	0	0	60,657	16,106	0	44,551
2018	46,257	0	0	0	46,257	12,283	0	33,974
2019	36,717	0	0	0	36,717	9,750	0	26,967
2020	30,019	0	0	0	30,019	7,971	0	22,048
2021	25,107	0	0	0	25,107	6,667	0	18,440
2022	21,383	0	0	0	21,383	5,367	0	16,016
2023	18,480	0	0	0	18,480	4,121	0	14,359
2024	16,169	0	0	0	16,169	3,214	0	12,955
2025	14,286	0	0	0	14,286	2,531	0	11,755
Sub-Total	572,664	0	0	0	572,664	148,624	0	424,040
Remainder	63,742	0	0	0	63,742	7,795	0	55,947
Total Future	636,406	0	0	0	636,406	156,419	0	479,987

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		
2011	0	31	835	0	866	-866	-866	-813	
2012	1,216	93	3,155	0	4,464	-4,464	-5,330	-3,834	
2013	2,420	4,943	16,376	1,348	25,087	-12,210	-17,540	-9,571	
2014	1,766	26,796	16,950	6,399	51,911	9,200	-8,340	6,358	
2015	2,827	38,052	3,803	9,120	53,802	33,297	24,957	21,244	
2016	2,677	26,894	365	6,481	36,417	25,471	50,428	14,796	
2017	2,549	19,205	280	4,665	26,699	17,852	68,280	9,380	
2018	1,995	14,592	30	3,557	20,174	13,800	82,080	6,561	
2019	1,942	11,456	20	2,824	16,242	10,725	92,805	4,613	
2020	1,904	9,244	0	2,309	13,457	8,591	101,396	3,345	
2021	1,877	7,608	0	1,931	11,416	7,024	108,420	2,475	
2022	1,855	6,417	0	1,644	9,916	6,100	114,520	1,944	
2023	1,840	5,526	0	1,421	8,787	5,572	120,092	1,609	
2024	1,826	4,789	0	1,244	7,859	5,096	125,188	1,331	
2025	1,816	4,169	0	1,098	7,083	4,672	129,860	1,104	
Sub-Total	28,510	179,815	41,814	44,041	294,180	129,860		60,542	
Remainder	13,397	18,359	1,388	4,903	38,047	17,900	147,760	3,238	
Total Future	41,907	198,174	43,202	48,944	332,227	147,760		63,780	