Karpinsky Oil & Gas Company AS

Technical and financial advisor:
AGR Petroleum Services AS
Karpinsky Oil & Gas Company (KOGC) is a Norwegian company, owning 74.9% of Russian Company CJSC Rostneftegaz Geo (RNGG).

RNGG holds licenses for 2 exploration blocks with unrisked minimum estimated resources 4 billion BOE D1н with 25 years duration to 2037.

Evaluated by AGR Group, Norway in May 2013

- The KOGC assets consist of two licenses in the Karpinsky ridge area, Gashunsky, North Donskoy
- There are several known source rocks in the region from the Devonian to the Cretaceous. For these licenses the most likely source rocks will be the Devonian and Early Carboniferous
- In the company’s documentation the geological risk i.e. the chance of success (COS) is on the average between 10 – 22%
- The Gashunsky license contains at least 5 leads. The leads are well defined carbonate mounds of Tournaisian to Bashkirian age
- North Donskoy license contains at least 6 leads with multiple target levels
Approximate asset location: Tectonic overview
Location of the licenses as well as results of drilled wells and producing fields, green – shale, blue – carbonates and yellow – sand.
Note: All four of the non-carbonate wells did not drill deep enough
Oil and gas pipelines runs through and nearby the licenses

North Donskoy

Gashunsky
North Donskoy Asset overview

- **Net Acreage**: 2123 km²
- **RNGG working interest**: 100%
- **License Period**: 25 years
- **2D Seismic**: 725.03 line km
- **Play Types**: Carboniferous structures
- **Infrastructure**: Oil and gas pipelines

<table>
<thead>
<tr>
<th>Leads</th>
<th>Area $10^3$(m²)</th>
<th>Geological resources (million tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>118000</td>
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<tr>
<td>2</td>
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<tr>
<td>6</td>
<td>232500</td>
<td>121.97</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>820000</strong></td>
<td><strong>474.43</strong></td>
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Unrisked prospective resources estimation D₁n category of the North-Donskoy license area
Leads volumes based on the sum of 4 levels.

It is important to note that the volumes computed are based on quite thin net reservoir as compared to structural height, thus the potential volumes could be very much greater.
Donskoy license

Six multi-level leads have been identified across the license

<table>
<thead>
<tr>
<th>Lead</th>
<th>$C_2mc$</th>
<th>$C_2pd$</th>
<th>$C_2vr$</th>
<th>$C_2b_1$</th>
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<td>X</td>
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<td>6</td>
<td>X</td>
<td>X</td>
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</table>

Donskoy leads
N Donskoy License Phased Strategy

Phase 1 - Completed
- Acquire and interpret Seismic
- Identify Leads

Phase 2
- Plan infill seismic
- Acquire infill seismic and interpret
- High grade leads to Prospects

Phase 3
- Drill required well
- Evaluate and Produce
- Plan for additional wells and seismic
Gashunsky Asset overview, volumes

Net Acreage 1835 km²
RNGG working interest 100%
License Period 25 years
2D Seismic acquired 464.35 line km
Play Types Carboniferous “reef” structures
Infrastructure oil and gas pipelines

<table>
<thead>
<tr>
<th>Leads</th>
<th>Area $10^3(m^2)$</th>
<th>Geological resources (million tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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Unrisked prospective resources estimation D1л category of the Gashunsky license area

It is important to note that the volumes computed are based on quite thin net reservoir as compared to structural height, thus the potential volumes could be very much greater.
Gashunsky License Phased Strategy

Phase 1 – completed
• Acquire and interpret Seismic
• Identify Leads

Phase 2
• Acquire infill seismic and interpret
• High grade leads to Prospects

Phase 3
• Drill required well
• Evaluate and Produce
• Plan for additional wells and seismic
Farm – in opportunity

- Karpinsky Oil & Gas Company AS (KOGC), offers through it’s daughter company CJSC Rostneftegaz Geo a Farm-in structure with opportunity for the investor to take a substantial part in developing the company`s assets in Rostov Region, Russia.

- We seek equity to finance our exploration and drilling program in the period from 2013 to estimated completion of wells in both Gashunsky lb and North Donskoy lb.

- Minimum exploration works obligatory according to license obligations is estimated to MUSD 45, and accordingly the minimum level for a farm in partner. The company can however open for discussions of alternative models.

- KOGC offers a fair pre money value, based on realistic estimates of possible success and resources. Details concerning probability and volumes are thoroughly described in the prospect available on request.

- KOGC`s operational plan indicates an increased seismic activity to be continued from autumn 2013, and that coincides with the time window the Board has set for inviting and finalizing the Farm-in Offer to any new partner.

- A data room is available online and a physical data room is established in Russia where all seismic data can be evaluated in addition to all the online documentation.

- Karpinsky Oil & Gas Company welcomes both companies involved in Oil & Gas industry and financial investors to participate as our new partner. We offer a project close to drilling with several very prospective objects indicating large volumes.

- KOGC has so far financed all activity based on equity and through loans to daughter company and is practically debt free.

- AGR Petroleum Services is acting as KOGC`s advisor in the Farm-In opportunity.
For access to online prospectus and further contact, please contact:

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