

Petrosibir



AGM 2017

27 June 2017

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Assets overview



Petrosibir AB

- 100% AO Ingeoholding
- 49% Ripiano Holdings Ltd
- Cash \$1.3mln (31.12.2016)
- Debt free (\$0.5mln payable to Petrogrand paid in 2017)

AO Ingeoholding

- 2P reserves 23 MMbbls of oil*
- Current production 0.4 thd bopd
- Cash \$0.4mln (31.12.2016)
- Debt free (external)

Ripiano Holdings Ltd (100%)

- 100% LLC Dinyu
- 100% LLC CNPSEI
- Cash \$0.4mln (31.12.2016)
- Debt (interest free) \$1.7mln (31.12.2016)

LLC DINYU + LLC CNPSEI (100%)

- 2P reserves 18 MMbbls** (gross)
- Current production 2.0 thd bopd (gross)
- Cash \$4.7mln (31.12.2016)
- Debt free (external)

*TRACS report as of 1st October 2014 (production October 2014 – May 2017 not adjusted)

**Enconco report as of 1st July 2014 (production July 2014 – May 2017 not adjusted)

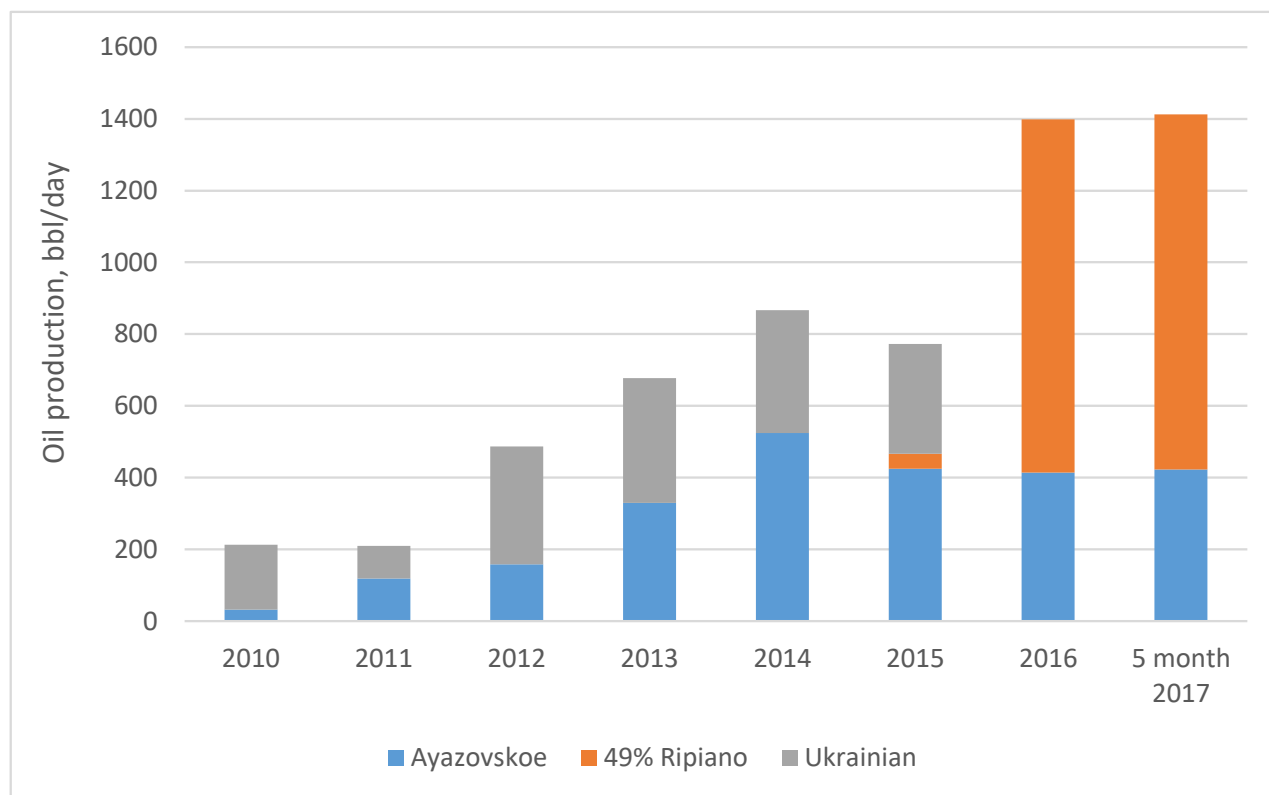
Highlights 2016-17

- Oil production averaged 1.4 KBPD in 2016 and in Jan-May 2017.
- Despite low oil prices operations both in Bashkiria and Komi generate significant income.
- 50% reduction in head office expenses in H2 2016 compared to previous periods.
- Field to pipe price discount was reduced from 3,7 thd RUB/t in 2015 to 2 thd RUR/t in 2017 YTD in Bashkiria (incl. VAT).
- Workover programme was very successful both in Komi and in Bashkiria. We will perform additional workovers in H2 2017.
- Well #9 has been completed on Ayazovskoye field. Three separate reservoirs were encountered with a total net pay of more than 4 meters. Initial flow rate was below expectations. We plan to perform a frac job in H2 2017.
- Well #33 and Well #39 on Sosnovskoye filed in Komi encountered more than 5 meters of net pay each. Well #33 has been completed in June 2017. Well #39 to be completed and tested in June-July 2017. The results are in line with our geological model. We expect increase in production since July 2017. 4 more wells to be drilled from this site in 2017-18.

Highlights 2016-17 (continued)

- Construction of surface facilities at Ayazovskoye field (DNS 1st phase) is completed.
- Gas generator sets were installed at Ayazovskoye (AO Ingeoholding), Sosnovskoye (CNPSEI LLC) and Dinyu-Savinoborskoye (Dinyu LLC) oilfields. The companies fulfill license obligations to consume 95% of gas and have already significantly reduced electricity expenses.
- CNPSEI has commenced development of a new infrastructure project. In accordance with this project the company plans to construct a pipeline from Sosnovskoye and Yuzhno-Tebukskoye fields to Lukoil's pipeline.

Oil production in barrels per day and reserves



| | AO Ingeholding** | 49% Ripiano Holdings Ltd (LLC Dinyu and LLC CNPSEI)* | Total net to Petrosibir AB |
|---------------------|------------------|---|----------------------------|
| 2P Reserves, MMbbls | 23* | 9** | 32* |

*TRACS report as of 1st October 2014 (production October 2014 – May 2017 0.4 MMBbls not adjusted)

**Enconco report as of 1st July (production July 2014 – May 2017 1.9 gross/0.9 net MMBbls not adjusted)

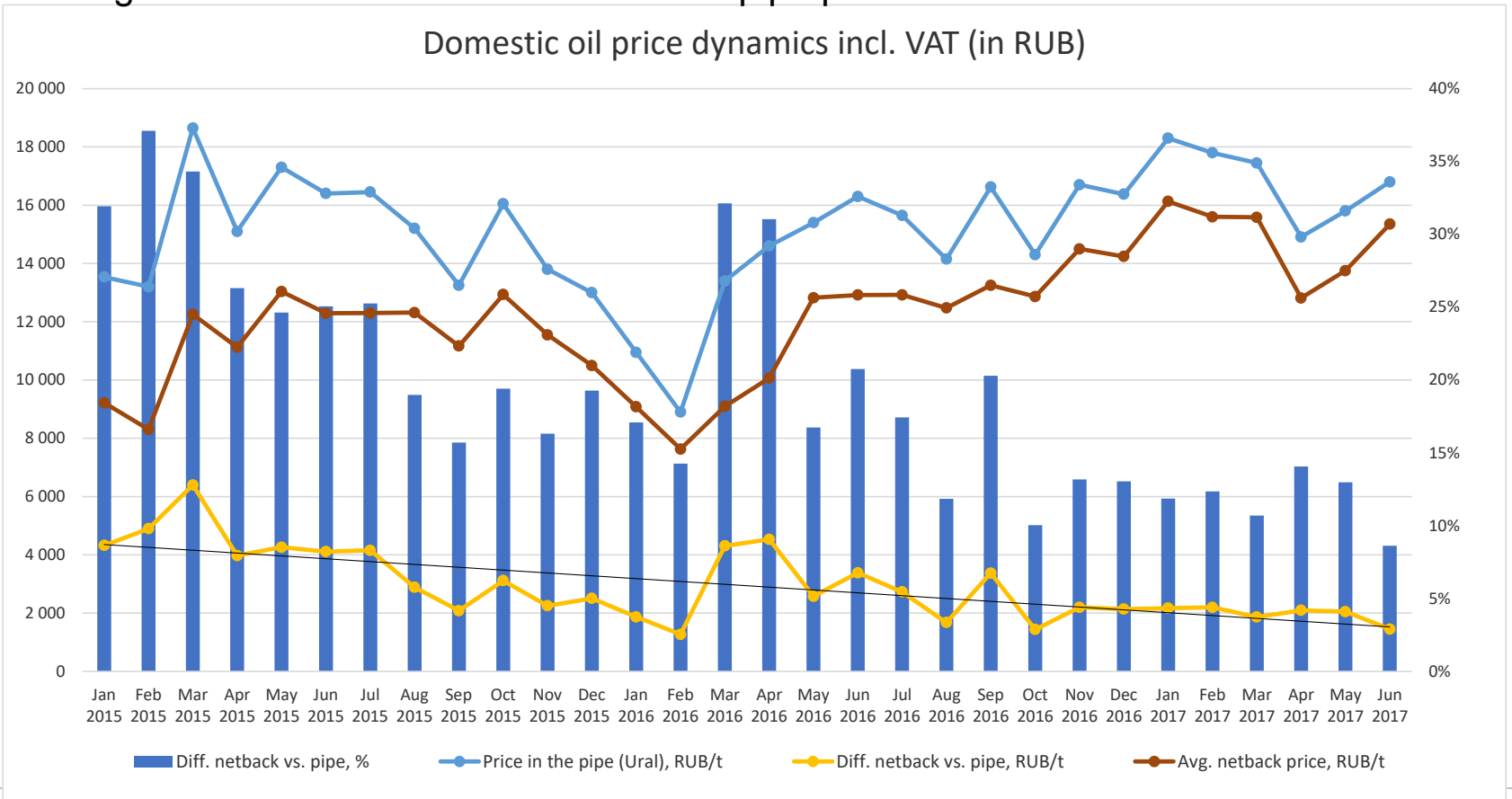
In December 2015 Petrosibir distributed its Ukrainian operations to its shareholders and acquired its 49% share of the Komi operations (Ripiano)

Financial development

- Total revenue in 2016 (SEK 27 mln) was less than revenue in 2015 (SEK 29 mln) mainly because of lower oil prices.
- Operating costs in 2016 amounted to SEK -41 mln compared to SEK -5 mln in 2015. Both numbers, however, include items of non-recurring nature that affect comparability, such as compensation to Petrogrand (SEK -4 mln) in 2016, negative goodwill in 2015 (SEK 34 mln) and others. Adjustment for the non-recurring items leads to very close amounts.
- We expect significant reduction in operating costs in 2017 due to optimizations in head office and work of the gas generator set in Bashkiria. In H2 2016 total head office cash-based expenses were less than SEK 4.5 mln compared to SEK 11.5 mln in H1 2016, SEK 14.6 mln in 2015 and SEK 27.8 mln in 2014. We are working on further cost reduction for 2017-18.

Difference between selling price and pipe price

➤ In Bashkiria we sell most of oil at the field. The distance from Ayazovskoye field to Transneft's oil metering station is more than 500 km. In addition to transportation costs we would need to pay for storage etc. Overall costs less than 4 thd RUB/t is a success. Currently we sell oil with an average discount less than 2 thd RUR/t to pipe price.

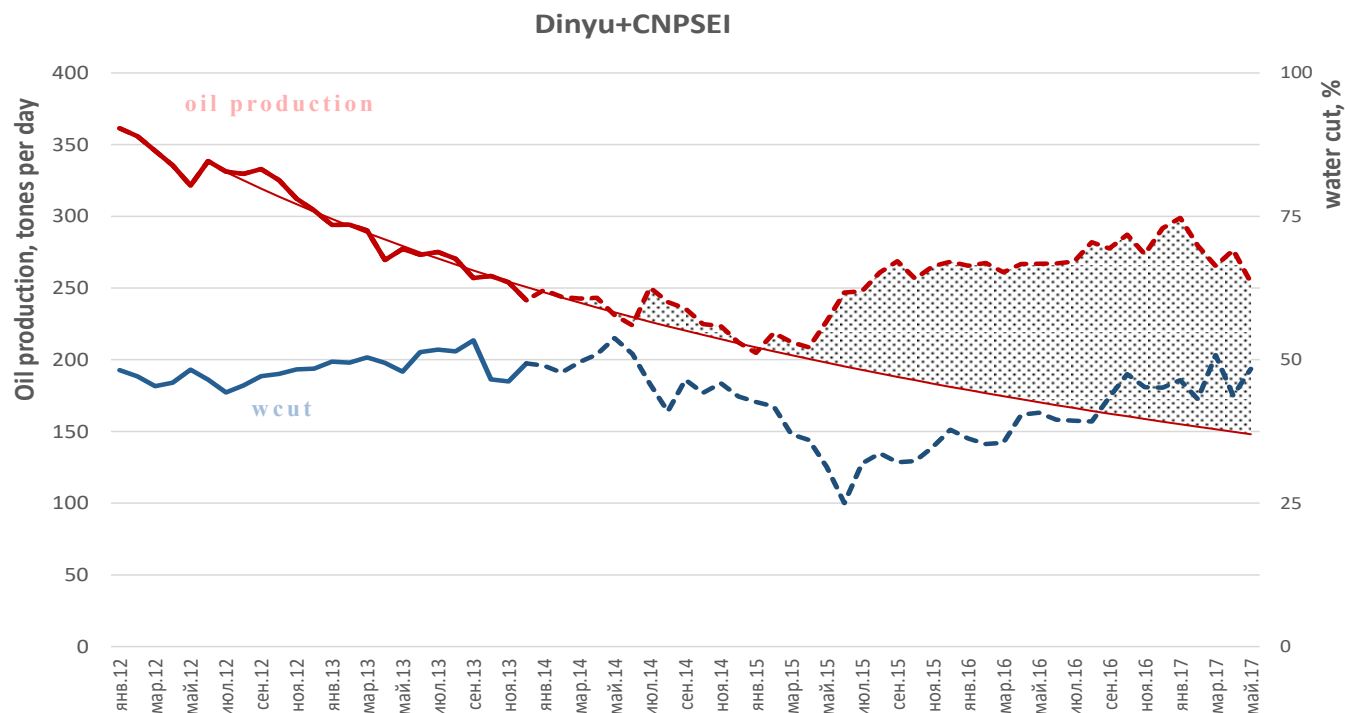


Ingeoholding. Key achievements and plans



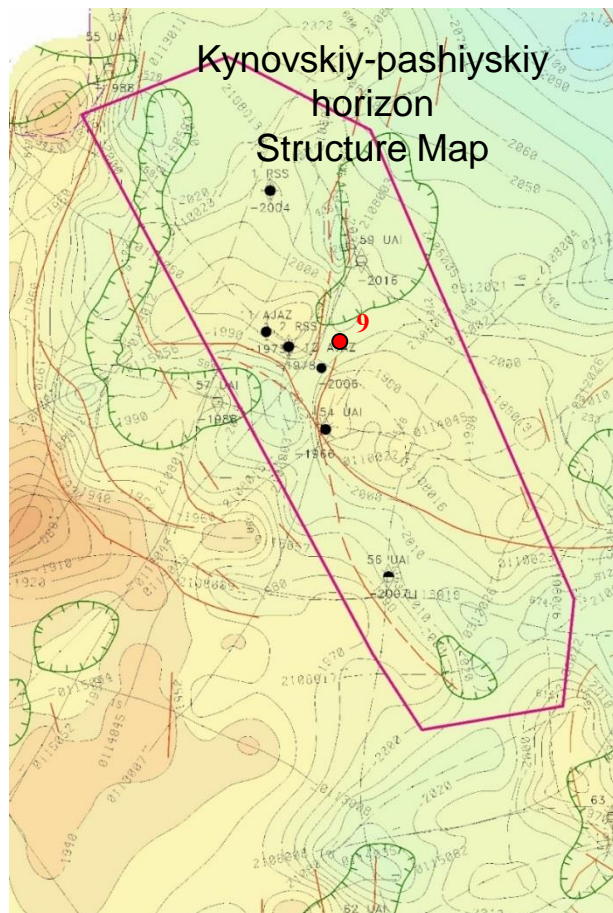
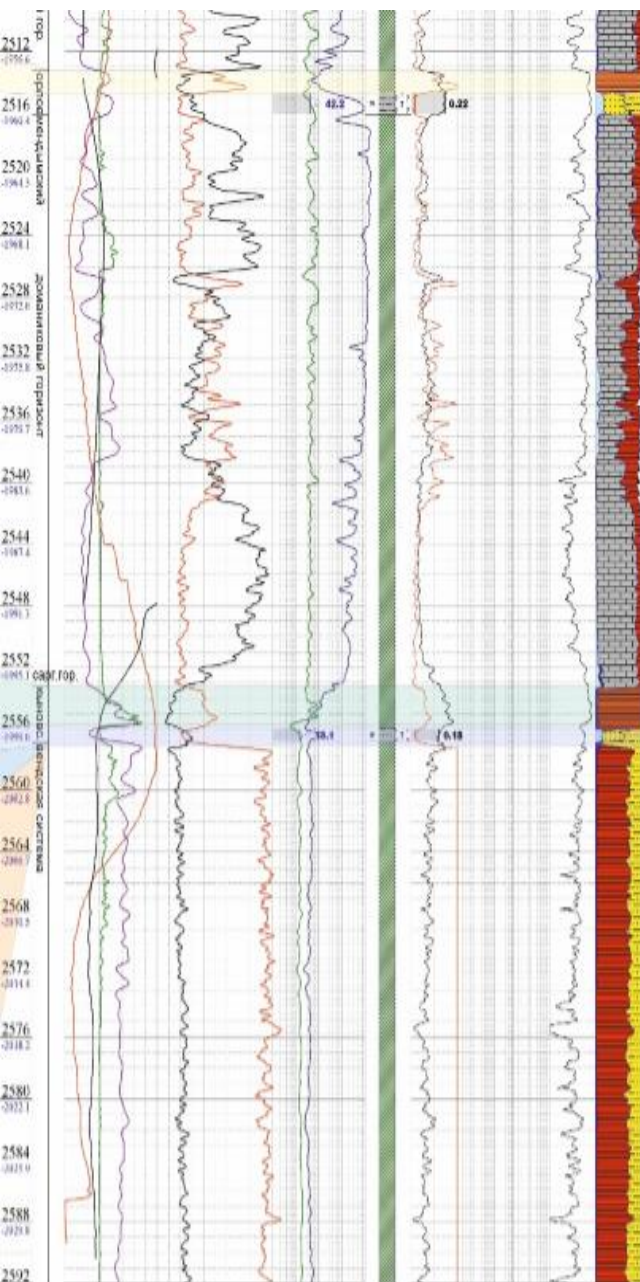
- Well #11 was converted to injector in July 2016. As the result we see increase in well #2 flow rates.
- We performed several tests of upper horizons in well #11 this winter and found additional upside potential.
- Gas generator set was installed at Ayazovskoye field.
- Well #9 has been drilled from pad #1. Initial flow rate <30 bpd was below expectations. We plan to make a frac job in H2 2017. Despite negative results target production from the field has been almost reached.
- For further development it is proposed to acquire 3D seismic that may give more confidence in further drilling campaign.
- Construction of surface facilities on Ayazovskoye field (DNS 1st phase) is completed.

Assets in Komi. Key achievements and plans



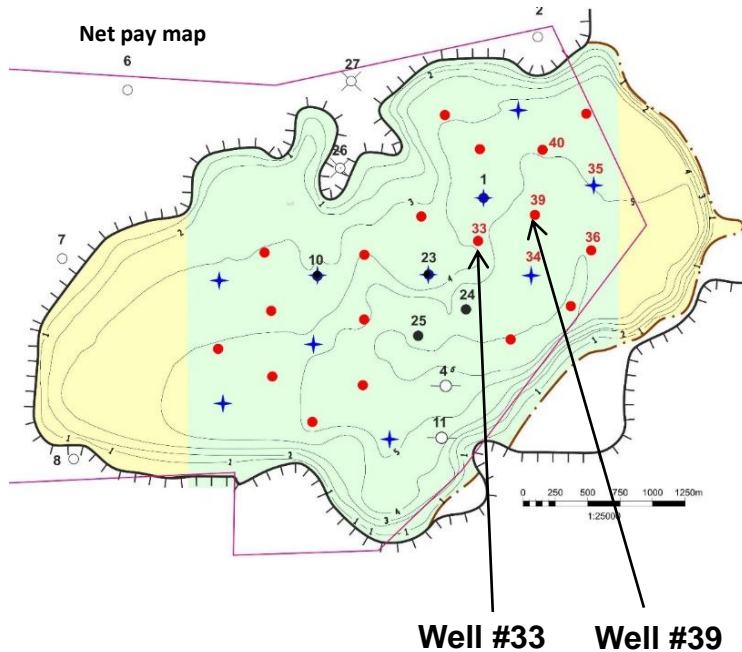
- 2015-2016 workover programme had a great impact on production.
- In 2017 Dinyu had to change and repair pumps in several wells as the result production decreased in April and May.
- Additional workovers to increase production to be performed in H2 2017.
- Gas generator sets work at Dinyu-Savinoborskoye and Sosnovskoye fields. In 2017 CNPSEI connected to local electric network and started selling excess of produced power.
- Pad #1 site was constructed at Sosnovskoye field and 2 out of 6 new wells have been drilled.
- Development of a new infrastructure project was commenced to construct pipelines from Sosnovskoye and Yuzhno-Tebukskoye fields.

Ayazovskoye Well #9



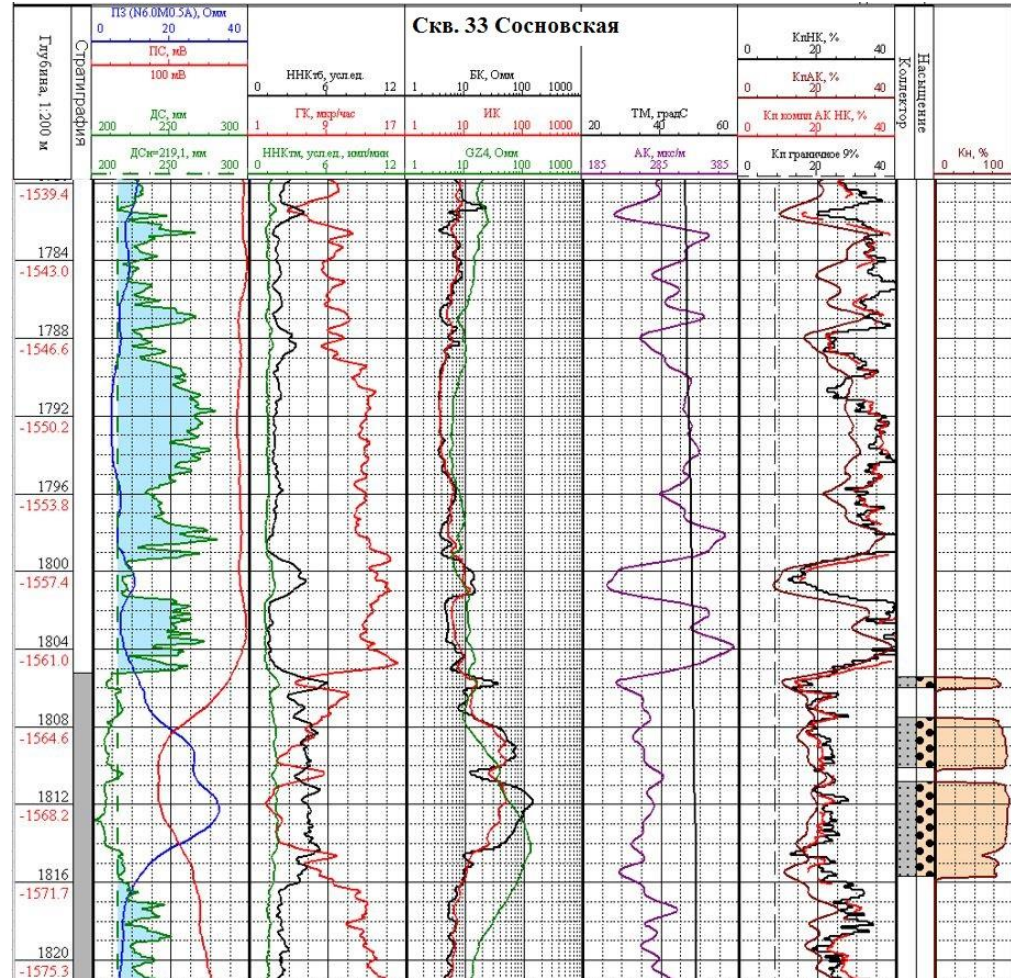
- Well #9 tested 20 bopd from D3or reservoir. Because of low reservoir pressure (75 bar) and low flow rate (<10 bopd) D3kn+ps reservoir was isolated.
- The well kill was performed and the well was prepared for fracturing. Fracture treatment design of D3or reservoir was prepared by Krezol Nefteservis in MFrac. Expected flow rate after fracing is 50 bopd (in case 15 tones propant frac).

Sosnovskoye new wells

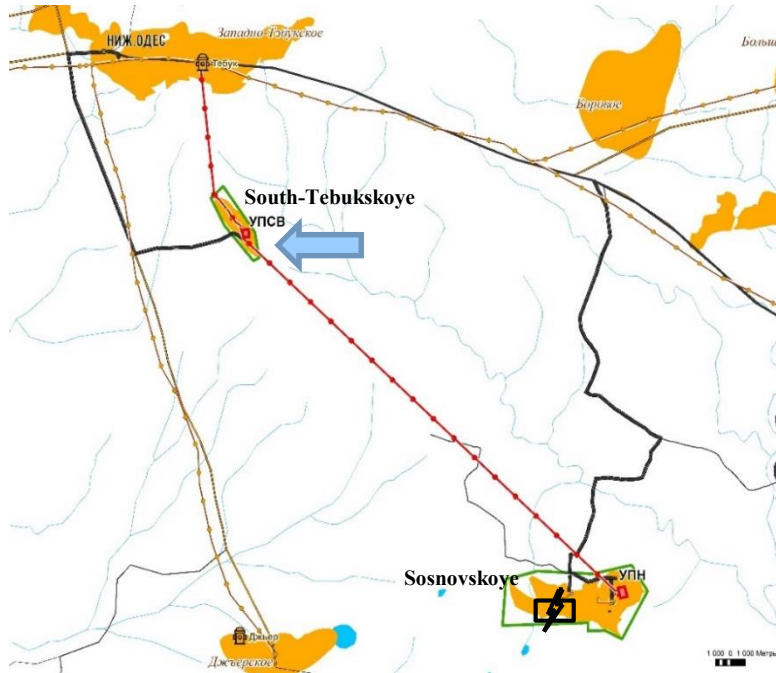


- Well #33 encountered 8 meters of net pay.
- Well #39 encountered 6 meters of net pay.
- The wells confirmed our structure map based on 3D seismic (+-2 meters).
- Well #33 has been completed. Well #39 will be completed and tested in June-July 2017. We expect to get production tests results within 2 weeks (both wells).

Well #33



CNPSEI. New infrastructure development programme



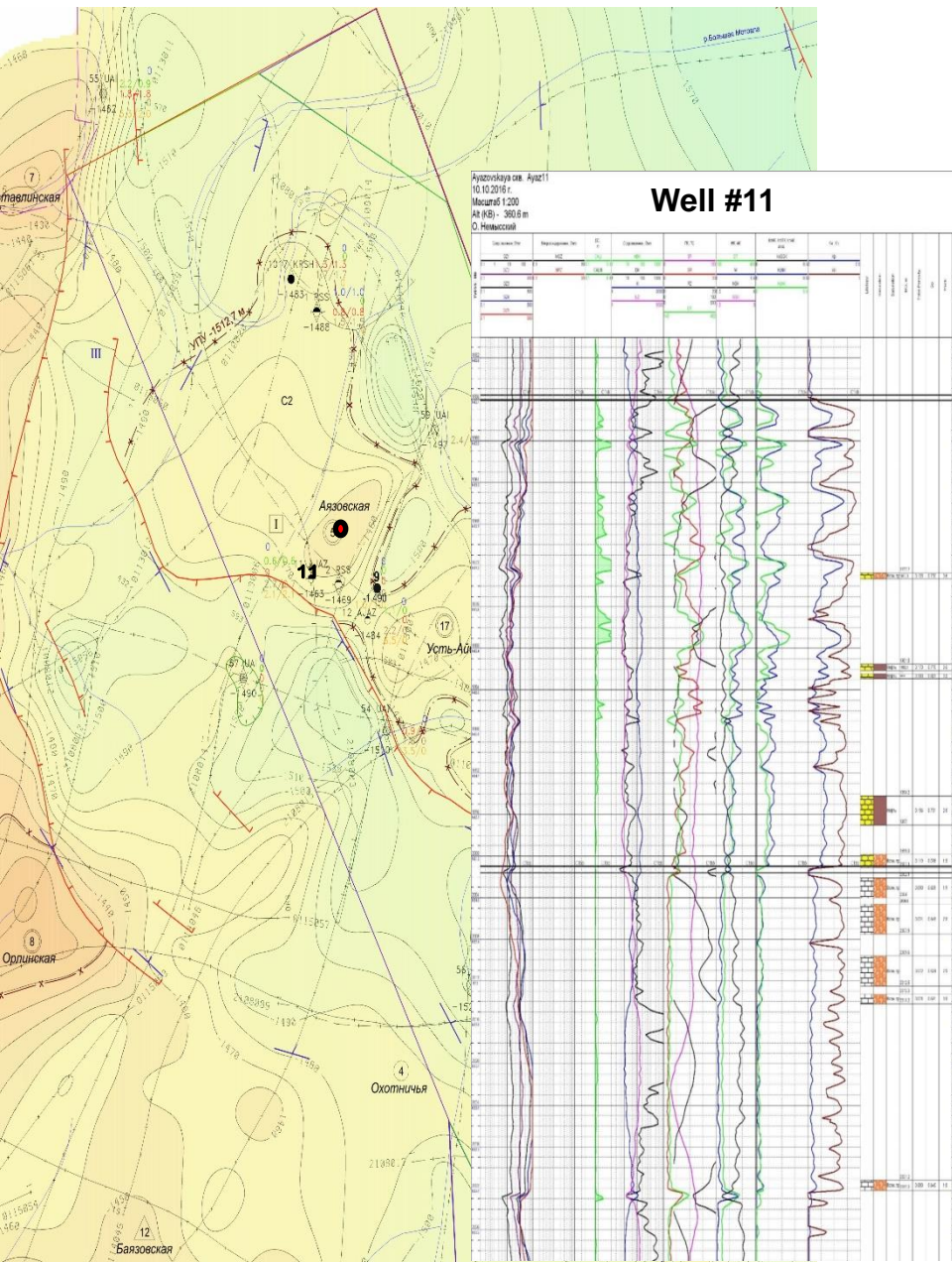
- CNPSEI plans to construct a pipeline connecting Sosnovskoye and Yuzhno-Tebukskoye fields with Lukoil's pipeline. It will reduce transportation costs and investments in storage facilities at Sosnovskoye field.
- We expect significant increase in production at Sosnovskoye field as the result of this and next year drilling campaign.
- More gas generator sets will be installed at the field and the company will be able to generate and sell more electricity.

Ingeoholding. Surface facilities construction



- Construction of surface facilities at Ayazovskoye field (DNS 1st phase) is completed.
- Gas generator set was installed at Ayazovskoye field.

Ayazovskoye upside potential. Well #11 area



In addition to D3kn+ps reservoir log analysis shows potential hydrocarbon saturation of C1t reservoir and oil saturation of C1bb reservoir.

The following workovers on well #11 were performed

1. Test of Tournasian carbonate reservoir C1t
2. Test of Visean sandstone reservoir C1bb
3. Thermo-Gas-Chemical and acid treatment of main producing reservoir D3kn+ps to increase injectivity.

Results of well#11 tests:

C1t 70 bpd water with oil shows

C1bb 15 bopd (oil density 0.856, viscosity 5 - 7 cP, GOR 64 m³/m³) (swabbing)

Injection in well 11 was resumed after thermo-gas-chemical and acid treatments.

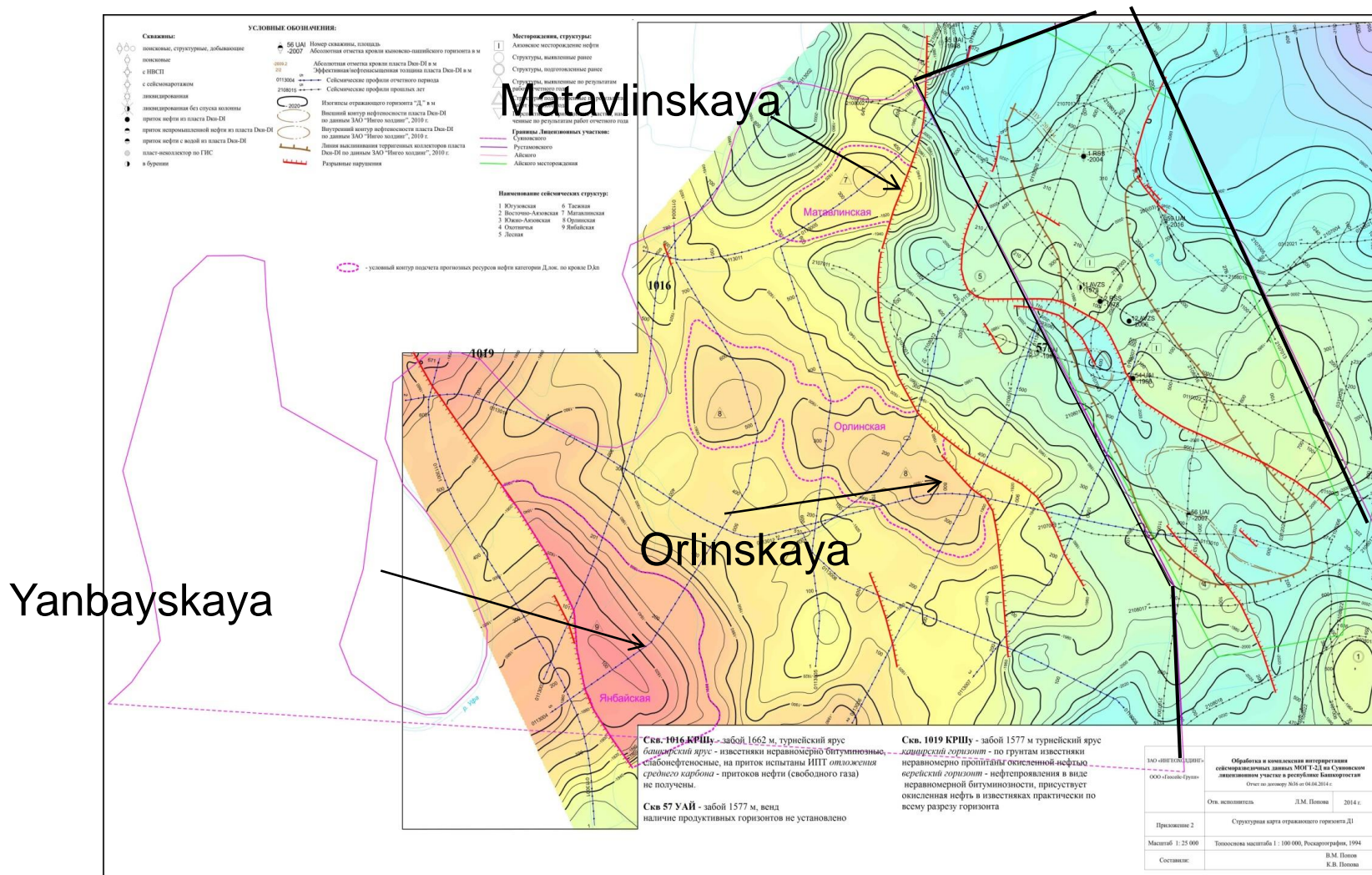
C1bb Test of C1t shows that very likely the reservoir is oil saturated higher on the structure (red dot on the map).

OWC for C1bb and C1t most likely is the same because of thin barrier between them. C1t was tested ~30 m lower than C1bb well top. It explains water inflow from C1t.

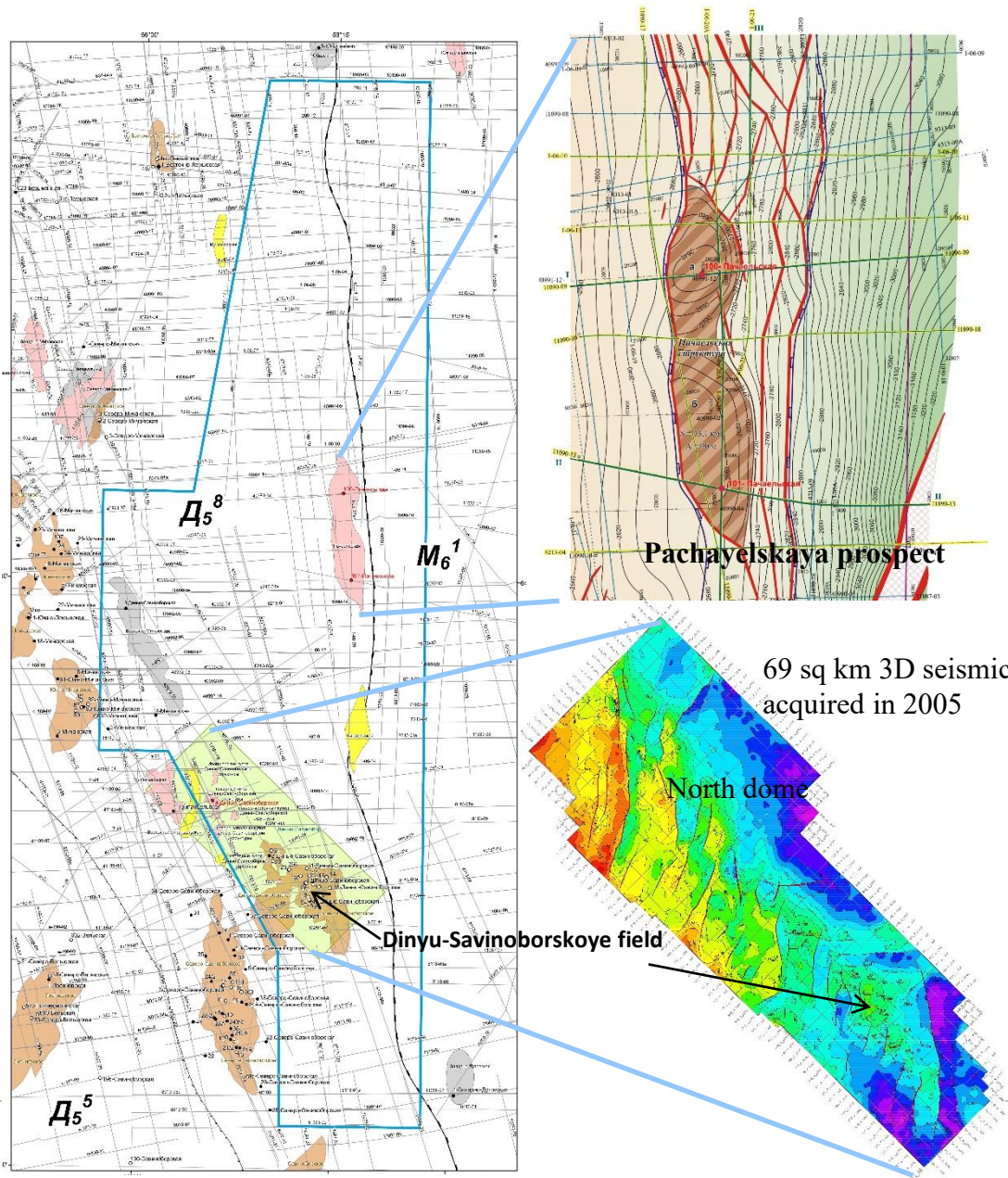
C1t

Seismic program on neighboring Suyanovskoye

Three structures and 47 million barrels of oil resources



Assets in Komi. Dinyu. Upside potential



- ✓ Dinyu-Svainoborskoye field is located within huge (>900 sq km) Ivanshorskiy block (license SYK 01081 NR to perform exploration works and produce oil).
- ✓ In December 2015 LLC Dinyu confirmed that it fulfilled all obligations and the license was extended till February 2038.
- ✓ All exploration works should be performed in accordance with Exploration works project. The company plans to approve the project in 2017. The project assumes drilling of at least two X-wells (two prospects with prospective resources 29 MMbbls).

69 sq km 3D seismic
acquired in 2005

North dome

Dinyu-Savinoborskoye field

Conclusions

- The company has sufficient funds for basic development of the assets and positive cash flow even at low oil prices
- Strong teams in place
- Positive impact of exchange rates on drilling prices and other CapEx in \$
- Significant upside potential
- More investments (debt, industrial partnership etc.) can provide a faster and more effective development

