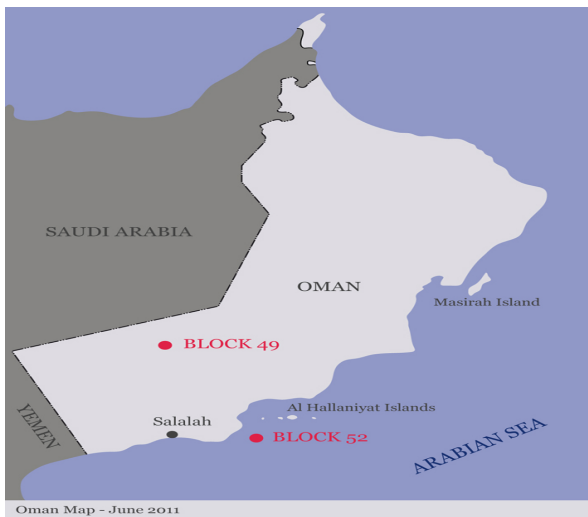




Operations: Oman



Oman has been a significant hydrocarbon producer and exporter for many years. It is self-sufficient in oil and gas production with multiple proven hydrocarbon areas and plays and also enjoys its good exploration success rates.

Significant areas of the country remain unexplored and an equitable EPSA (Exploration and Production Sharing Agreement) model is engaged by the Ministry of Oil and Gas for the Sultanate.

of Oman.

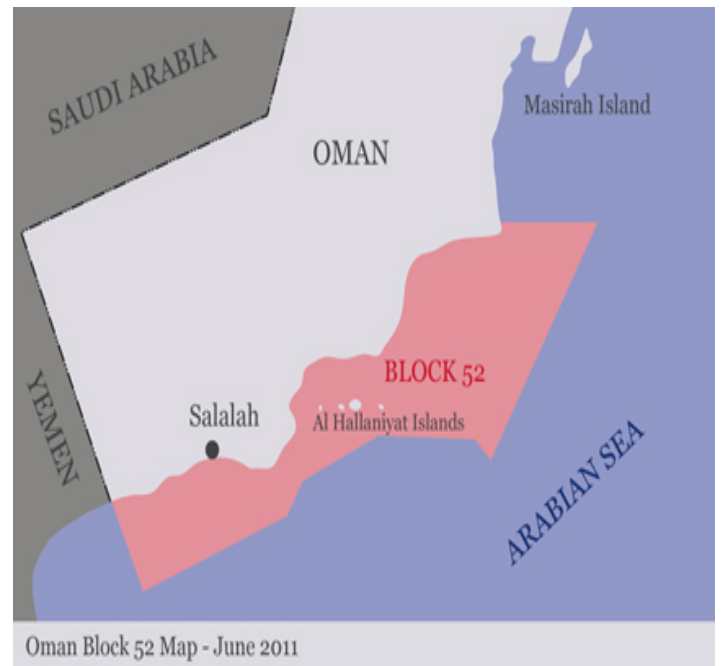
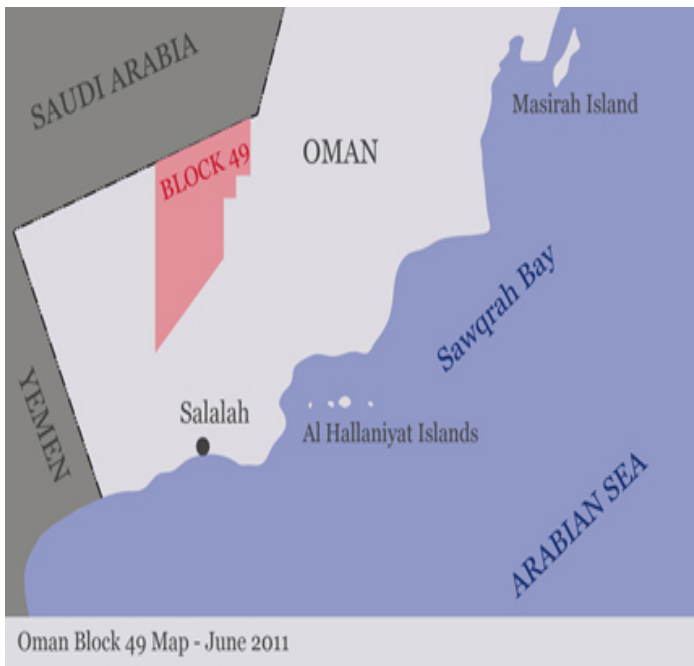
Oman Overview

Circle Oil, through two wholly owned subsidiaries, Circle Oil Oman Ltd (COOL) and Circle Oil Oman Offshore Ltd (COOOL) has signed two Exploration and Production Sharing Agreements with the Sultanate of Oman.

Block 49

The Block 49 EPSA was signed by COOL in June 2005. The block occupies an area of 15,438 sq.km and is located in the Rub Al Khali Basin. To date, two main play concepts have been identified in the Block: the Sahmah play and the Lower Haima/Huqf play. The Sahmah play in the Rub Al Khali Basin in Saudi Arabia has been a major provider of hydrocarbons for many years.

In addition several billion barrels of oil have been discovered in Proterozoic/Cambrian reservoirs associated with the Ara Salt in the South Oman Basin to the southeast of the block. There is evidence of the presence of a similar salt basin beneath the western part of Block 49. This new salt basin has been named the Ghudun Salt Basin, and the exploration programme for Block 49 has the two-fold objective of confirming the extent of salt and delineating likely targets for drilling.



Surveying

An aerogravity/magnetic acquisition programme was completed during 2007. In 2008, Circle completed extensive reprocessing and interpretation of pre-existing seismic as well as 3D gravity modelling for the permit. In 2010, Circle Oil Oman completed a 900 sq km 3D seismic survey over part of the southern permit as a precursor to future potential drilling. New 2D seismic programme scheduled for H1 2012 to cover remaining southern area of Block 49.

Block 52

COOOL signed an ESPA with the Sultanate of Oman for Block 52 in September 2005.

The block occupies an area of 90,760 sq km with water depths ranging from 200-3,500m. Copies of the 10,540 km of previously acquired 2D seismic were obtained, along with the associated gravity and magnetic data. In 2007, a comprehensive 6,000 km regional 2D survey was completed, and the data was processed and interpreted in-house in autumn 2008.

Subsequently a more detailed 2D seismic survey was completed in late 2010 and early 2011 to map and firm up leads previously identified from the earlier work. The results of this survey have now been incorporated into a farm out package inviting farm-in into the Block prior to exploration drilling.

Summary information

BLOCK 49

- 100% (WI) Completing full interpretation of 3D
- Operations 900 km² 3D seismic acquisition completed in Q3 2010
- Significant area still to be covered with 2D seismic and deeper horizons unexplored
- South Oman Salt Basin analogy has proven hydrocarbon area with good success rate

BLOCK 52

- 100% (WI) Acquired 5,000km of detailed full fold 2D seismic completed early 2011
- Significant areas underexplored with good upside potential
- Excellent quality data and interpretation firming up multiple targets
- Farm-out exercise commenced H2 2011