



Operations: Tunisia

Tunisia like many North African countries currently can be considered to remain underexplored with regards to hydrocarbon resources, with prospects for attractive opportunities for both exploration and production. The country maintains a fair and equitable hydrocarbons agreement and by choosing the correct permits this can result in both low capital expenditure and operational expenditure.

Circle Oil Tunisia Ltd (a wholly owned subsidiary of Circle Oil Plc.) holds interests in three permits in Tunisia.

Grombalia permit

The first, the Grombalia permit, covers an area of 2,792 sq.kms and has a proven petroleum system with the Tertiary Bou Dabbous and/or Cenomanian Bahloul limestones and Fadhehne shales as source rock and the fractured Bou Dabbous and Campanian Abboid limestones as reservoirs. These have proven historically to be good for production within structurally controlled faulted closures.

Ras Marmour permit

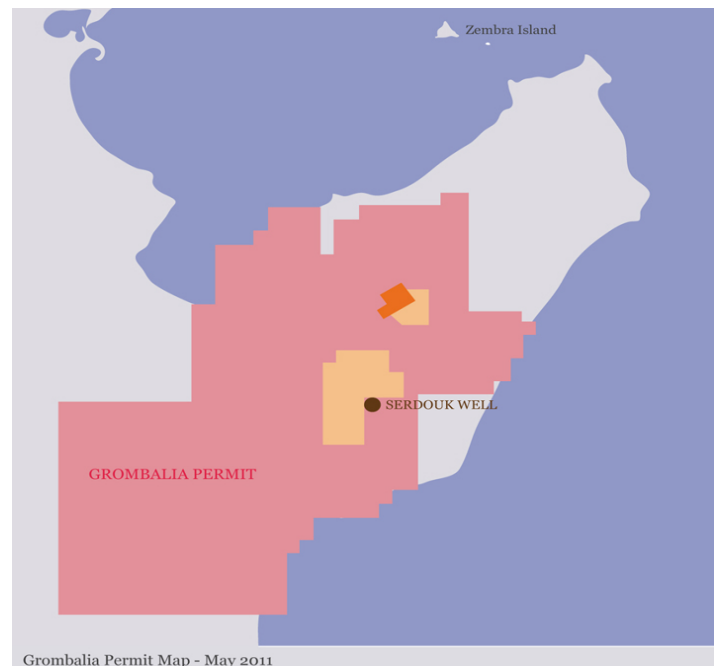
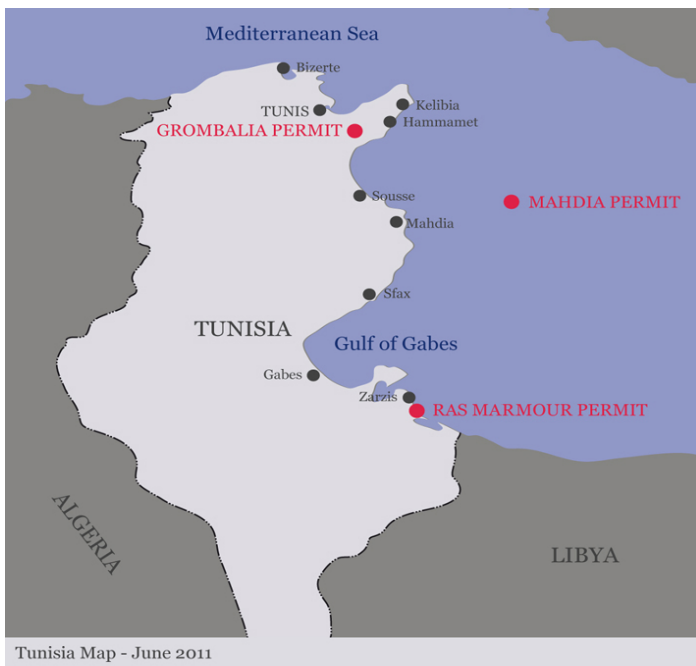
The second permit, Ras Marmour, is located in the south-east of Tunisia covering part of the Ile de Djerba and south of the Gulf of Gabès. The permit covers 1,564 sq km and is located in an area with two significant hydrocarbon discoveries and a number of smaller ones. These include the onshore Ezzaouia oil and gas field discovered by Marathon in 1986 and the offshore El Biban oil and gas field, also discovered by Marathon in 1982.

The main reservoir types in this permit include fractured dolomites of the Cenomanian Zebbag formation, which form the main reservoir of the Ezzaouia field and fractured limestones of the Bireno formation of Middle to Lower Turonian age, which form the main reservoir of the El Biban field. In addition the Upper Jurassic sands levels of the M'rabtine formation are productive in the Ezzaouia field

Mahdia permit

The third permit Mahdia is offshore and this permit covers an area of 3,780 sq.km and is bounded by the Nabeul Permit to the north and the territorial boundary with the island of Lampedusa to the east.

Historically the geology and potential of this and the surrounding offshore area was successfully explored by Shell and Total and previous exploration has resulted in discoveries particularly within the Birsa Sands and commercial oilfields including fields such as Tazerka, Birsa, Oudna, Halk El Menzel and Isis.



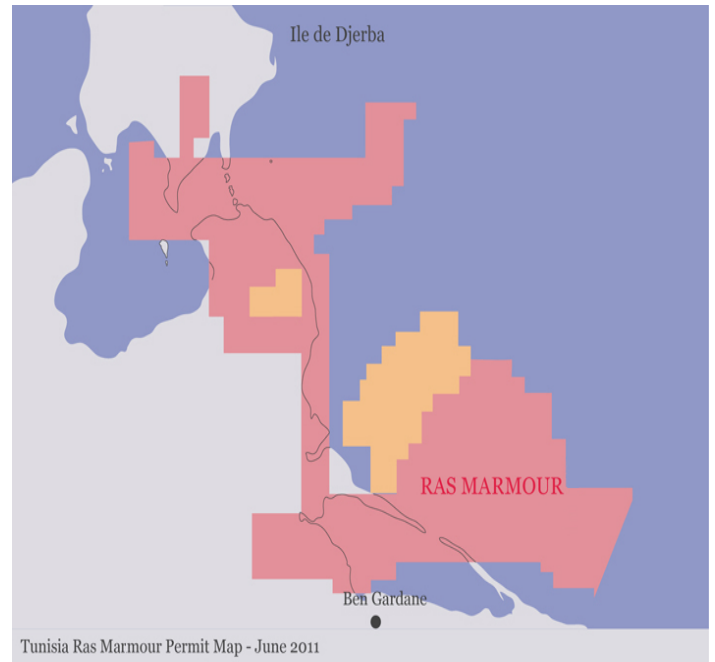
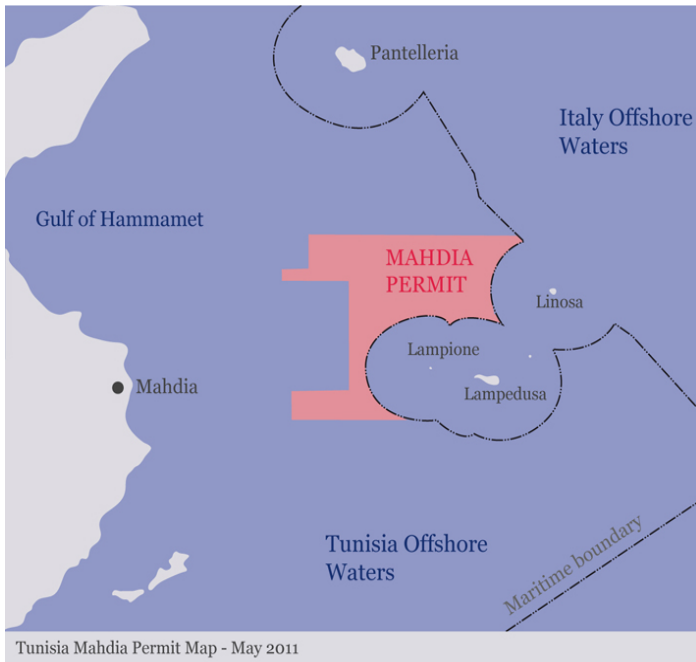
- Grombalia 15% (WI) being increased to 35%
 - Exploration Unrisked Oil Resources 151 MMBO*
- Mahdia 70% (WI)
 - Exploration Unrisked Oil Resources 159 MMBO*
- Ras Marmour 23% (WI)
 - Exploration Unrisked Oil Resources 76 MMBO*

* Source: Operators and COP

Summary information

GROMBALIA

- Resources: 151 MMBO unrisked (Source: Operator)
- Drilling one well in 2012
- Attractive production and transport costs
- Complex faulting with fractured carbonates as main target
- Proven hydrocarbon producing area



MAHDIA

- Resources: 159 MMBO unrisked (Source: Operator)
- Significant areas underexplored
- If successful Potential to produce initially at high rates up to 20,000+ bopd from single well
- Analogous to Isis, Tazerka, Birsa production scenarios
- Block underexplored – only 2 old wells
- 9+ undrilled structures already identified on block

RAS MARMOUR

- Resources: 76 MMBO unrisked (Source: Operator)
- Acquired and interpreted 2D seismic in 2009
- Presently planning to drill exploration well in 2012
- Lower Cretaceous sands and younger fractured carbonates as main targets
- Proven hydrocarbon producing area