

Press release
Stockholm, 4 September 2007

Petrosibir's new share issue fully subscribed

Swedish oil exploration company Petrosibir AB has carried out a private placement that is supplying the company with SEK 56 million. Exploratory drilling operations will commence within a month.

"We are very satisfied with the considerable interest in Petrosibir. We have now successfully completed the financing round, and we will put the money to work immediately. We have recently gathered 83 km of seismic data and will start drilling the first of two exploratory wells within a month," says CEO Robert Karlsson.

Petrosibir has acquired an exploration licence for oil and gas in the Russian republic of Bashkiria. Bashkiria is situated south-west of the Ural Mountains and has a favourable climate for exploration and production.

Five wells were drilled within Petrosibir's licence area in the 1960s. Oil and gas were discovered in four of these. The company's drilling engineer and geologist have studied the earlier drilling results and estimate that recoverable oil reserves will amount to 24 million barrels.

"We have a strong team with many years' experience of oil in Russia. Our task in the short term is to drill two exploratory wells and then switch to production. In parallel with this, negotiations are already under way regarding new licences," says Robert Karlsson.

The over-subscribed new share issue that was targeted at selected investors is supplying the company with just over SEK 56 million, before share issue costs. The company is planning for a market listing within a year.

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Facts about Petrosibir

Petrosibir is a Swedish company that focuses on exploration for oil and gas. The company has recently acquired an exploration licence in the Russian republic of Bashkiria, south-west of the Urals. The licence block measures 52 km² and is surrounded by other producing oil and gas fields. During the Soviet era, five wells were drilled in Petrosibir's licence block; hydrocarbons were discovered in four of these. Petrosibir estimates that recoverable oil reserves within the licence area will amount to 24 million barrels.