

Analyst Presentation

September 2008

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Overview and Licence Update	3
Investment Highlights and Strategy	6
Operations and Asset Base	11
2008 Interim Financial Results	21
Appendices	23



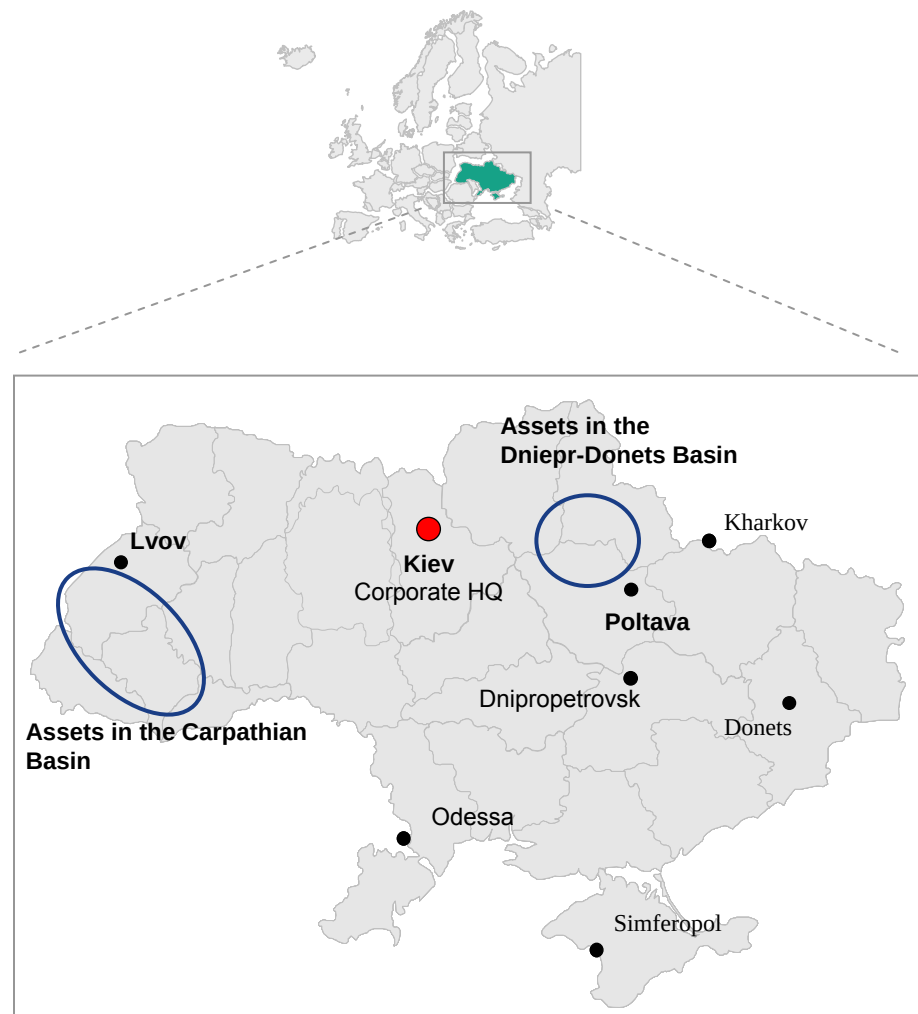
Overview and Licence Update



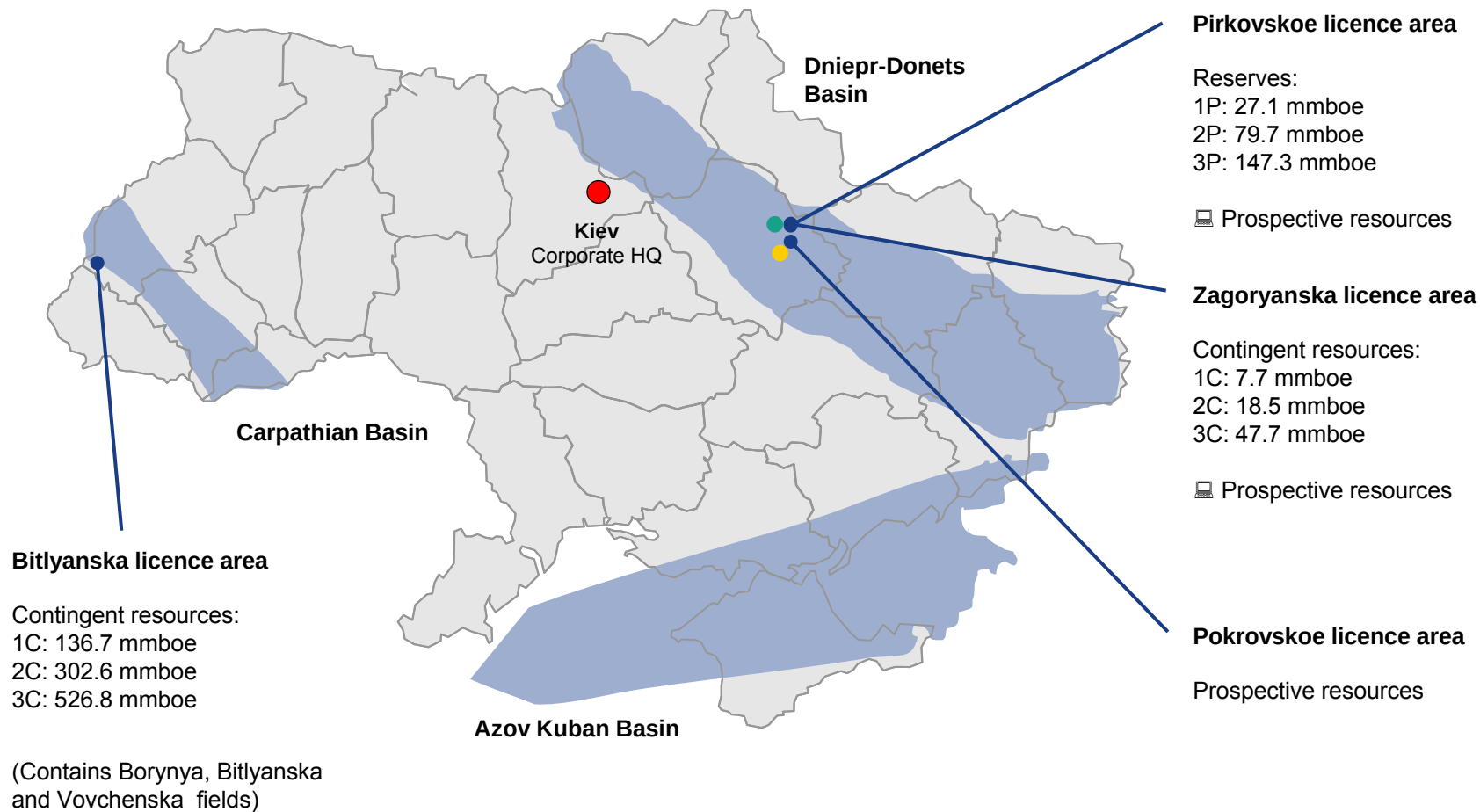
Company overview

- Cadogan Petroleum plc is an E&P company incorporated in the UK, with operations based in Ukraine
- Listed on Main Market of LSE in June 08 raising US\$270m (net)
- Approximately US\$220m raised in several private rounds pre-IPO
- The Company currently more than 350 employees, with almost all of these within Ukraine
- Cadogan owns and operates significant working interests in 11 gas and condensate exploration and production licences throughout Ukraine
- These assets lie in two of three hydrocarbon basins of Ukraine:
 - the Carpathian Basin
 - the Dniepr-Donets Basin
- Both areas have significantly developed gas transportation infrastructure and Cadogan has access rights for its gas and condensate production
- Cadogan currently sells, and plans to continue to sell its gas and condensate predominantly to Ukrainian industrial customers
 - Cadogan's current prices to industrial customers are circa US\$176/mcm excluding VAT (US\$211/mcm including VAT)
 - Gas Strategies forecasts border prices in 2012 of around US\$245/mcm (excluding VAT) at an oil price of \$72.5/bbl and around \$370/mcm (excluding VAT) at an oil price of \$120/bbl

Location



Assets location

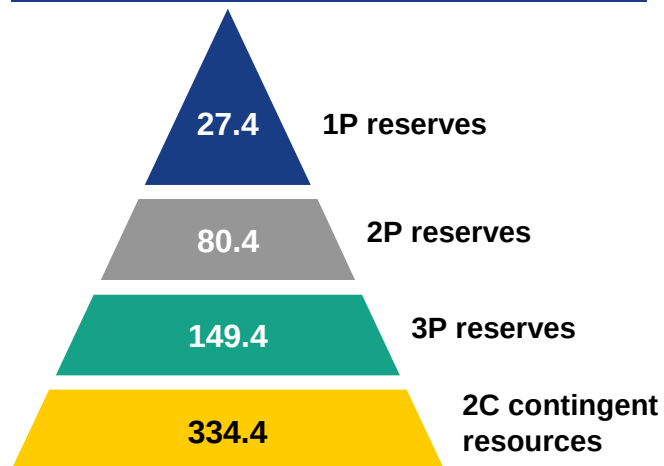


Source: GCA reserve report, company information. Gas in bcf; converted to mmboe by Company

Notes: Conversion factor: bcf to mmboe—x0.18

Reserves and Resources

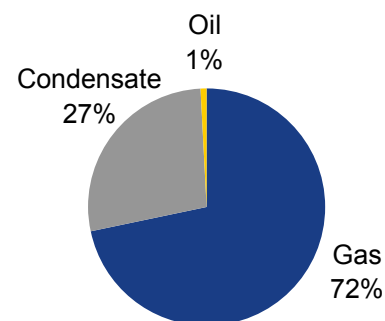
Reserves and resources (mmboe)



Source: GCA reserve report (gas in bcf; converted to mmboe by Company)

Notes: Conversion factor: bcf to mmboe—x0.18

Portfolio composition (2P case)



Source: GCA reserve report

Notes: Conversion factor: bcf to mmboe—x0.18

Breakdown of net reserves and contingent resources (mmboe)

Reserves	1P	2P	3P
Gas	19.6	57.6	105.8
Liquids	7.8	22.8	43.6
Total	27.4	80.4	149.4

Contingent resources	1C	2C	3C
Gas	128.7	284.9	499.9
Liquids	20.3	49.5	103.0
Total	149.0	334.4	602.9

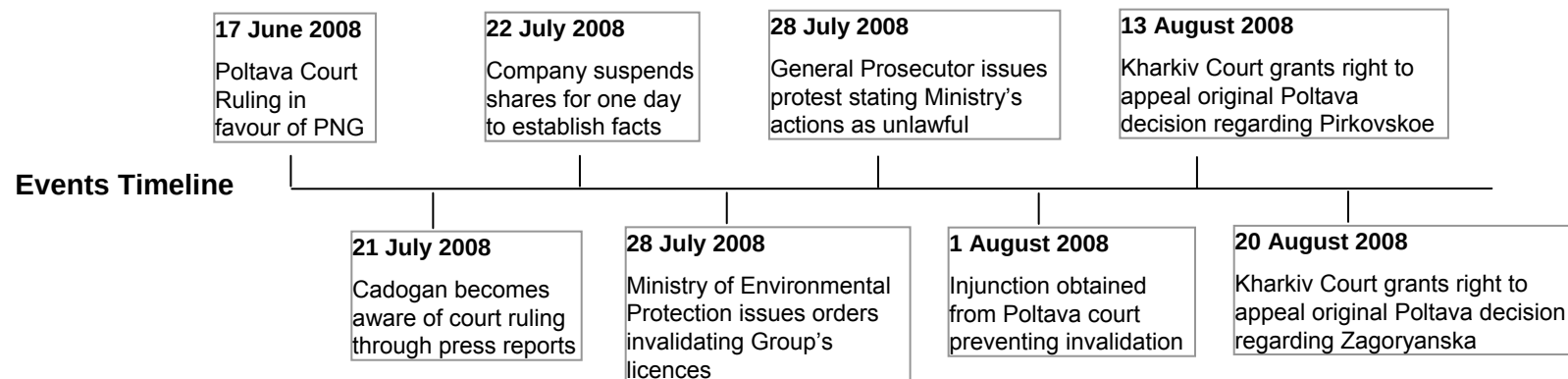
Cadogan has significant further prospective resources

Source: GCA reserve report (except totals for 1C and 3C contingent resources. Gas in bcf; converted to mmboe by Company)

Notes: Conversion factor: bcf to mmboe—x0.18

Legal proceedings surrounding Pirkovskoe and Zagoryanska licences

- Operations continue on track on both licence areas
- All licenses acquired and restructured in accordance with all regulatory and legal requirements.
- Several steps now taken to resolve licence issues, including:
 - Obtained an injunction from the Poltava District Administrative Court preventing Cadogan's licences being nullified in pursuance of the orders of the Ministry until the resolution of the administrative case in court. The hearings regarding both licences will be heard on **12 September 2008**
 - General Prosecutor issued Protest stating that the Ministry's actions were unlawful, suspending the effect of those actions and requiring revocation of the Ministry's decisions in respect of the Group's licences
 - Appeals against the original court rulings now accepted and set for **17 and 18 September** in relation to Pirkovskoe and Zagoryanska licence. Original court decisions are now also suspended pending the resolution of the appeals.
- Directors are confident of the Company's rights to the licences and believe legal proceedings will reconfirm that



Key Investment Highlights and Strategy



Ukraine Gas Price Convergence

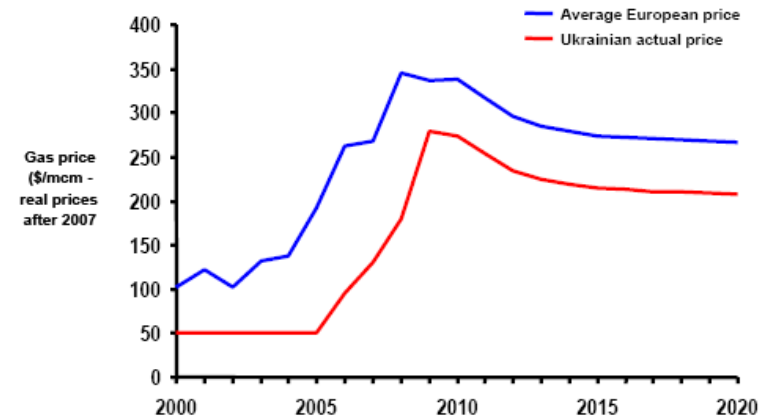
Drivers of gas price in Ukraine

- Western European gas markets are forecast to remain reliant on Russia for the supply of natural gas. Given this high level of dependence, Russia has significant influence on gas prices
- Ukraine currently imports more than 70% of its annual demand for gas from Russia and Central Asia (via Russia)
- Since 2005, Russia has raised the price at which it sells to Ukraine by approximately 250%. However, prices are still around 56% of prices currently achieved by sales to Germany
- Also given Russia's accelerating domestic demand, Gas Strategies forecast that Ukrainian import prices could rise to Western European netback parity by as early as 2009¹
- Gas Strategies also forecast that this could result in up to a 55% rise in Ukraine border prices²
- Expansion in GDP likely to require increase in gas supply, which is available only at market prices
- Growth in consumer purchasing power would further support domestic gas prices

Notes:

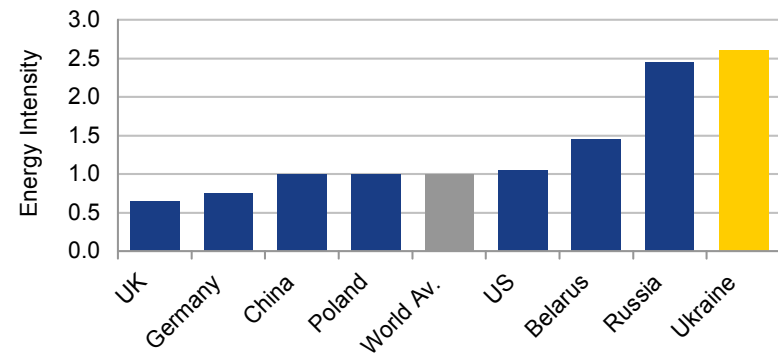
- Gas Strategies, Gas Strategies Group Ltd, May 2008
- Gas Strategies, Gas Strategies Group Ltd, May 2008

Ukrainian gas import price forecast



Source: Gazprom, Gas Strategies (May 2008) – Gas prices are excluding VAT
 Note: This forecast assumes an oil price scenario of: average 2007 price of \$72.50/bbl to \$92.30/bbl in 2008 before settling at \$72.50/bbl by 2012 and remaining constant thereafter in real terms

Energy intensity



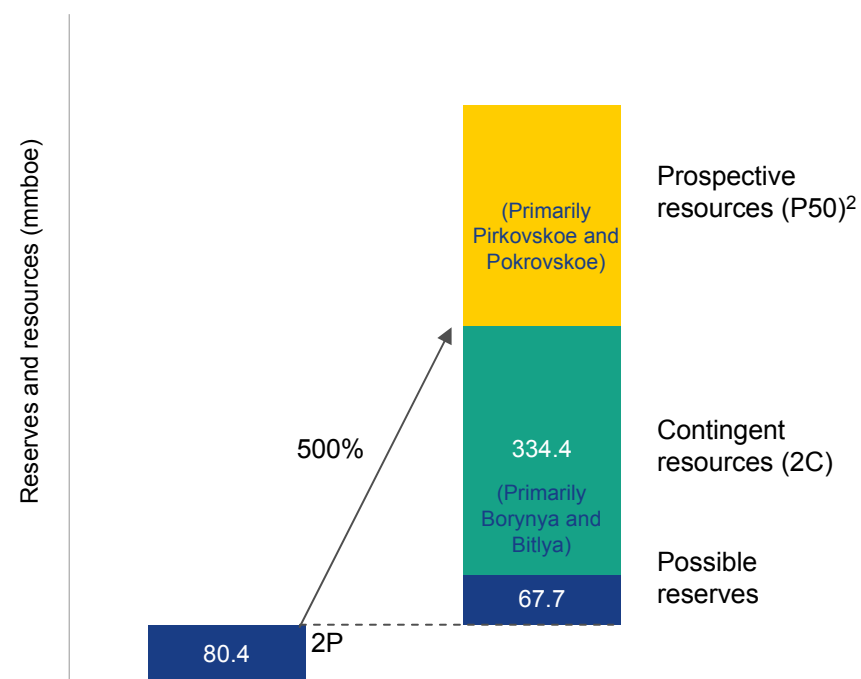
Source: Oxford Institute for Energy Studies 2007
 Note: Energy consumption divided by GDP (in \$)

Appraisal and Development play on Discovered Resources

Investment highlights of portfolio

- Asset base concentrated within two major onshore hydrocarbon basins in Ukraine: Dniepr-Donets and Carpathian
 - Focus in Ukraine allows the Group to achieve operational efficiencies and facilitates effective exploitation and development of its existing asset base
- The fields are easily accessible and in close proximity to the Ukrainian gas distribution infrastructure
- 3 main focus areas
 - Develop Pirkovskoe to commercial production
 - Convert key contingent resources (Borynya and Bitlya) to reserves
 - Complete testing on Pokrovskoe to convert from prospective to contingent resources / reserves and appraise large potential upside from Pirkovskoe

2P reserves—upside potential



Source: GCA reserve report. Gas in bcf; converted to mmboe by Company

- Notes:
1. Conversion factor: bcf to mmboe—x0.18
 2. Not to scale

Attractive Fiscal Regime and Efficient Operations

Attractive fiscal regime

- Ukraine has a liberal tax and royalty based fiscal regime stimulating international investment into the energy sector
- Ukraine's tax regime is one of the more attractive with an estimated government net take of 43%
- Risk of fiscal tightening limited as government eager to promote investment into indigenous production

Attractive investment climate

- Ukrainian government is eager to reduce its dependency on foreign gas imports
- The government's strategy is to encourage investment in the country's substantial domestic hydrocarbon resources which will help the country to become more self-sufficient
- The government recognises that significant capital investment as well as expertise is required from foreign investors to develop existing resources

Operational efficiency

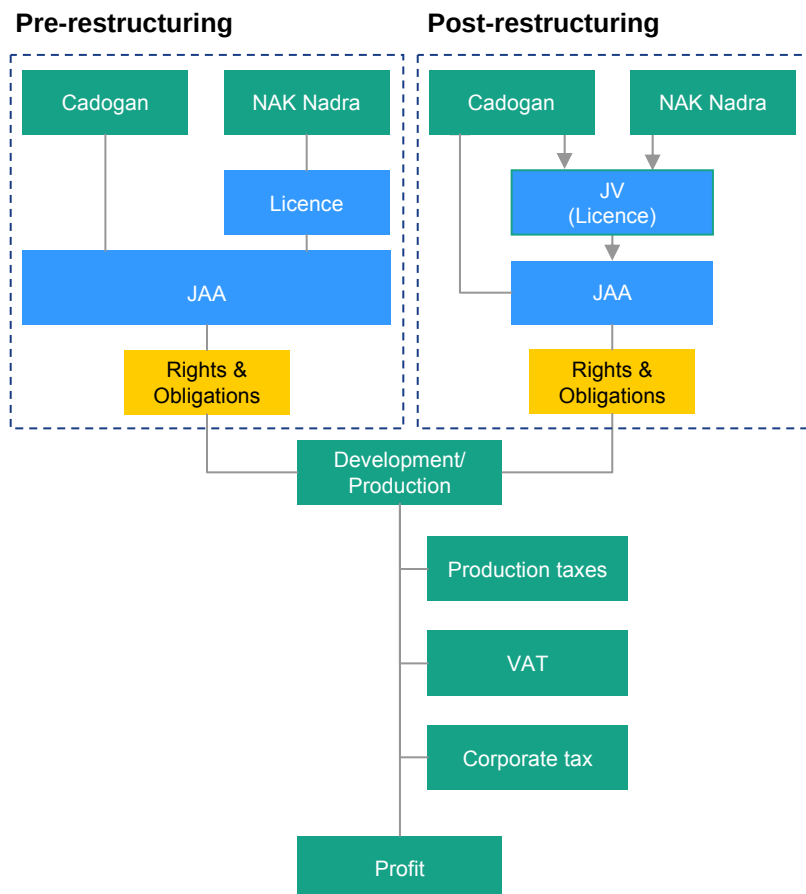
- Management team has a strong focus on operational efficiency with particular focus on capital allocation and spending
- International project management experience has been successfully applied, and is supported by highly qualified Ukrainian operational personnel with significant oil & gas experience
- Day rates for current Ukrainian rigs up to 5 times lower than Western but options are being assessed to maximise drilling time with international drilling equipment – one rig expected in 4Q08 and a second in Q109
- Detailed planning and monitoring of operational and financial results against set targets and milestones of corporate development

Competitive G&A costs relative to peers

- Cadogan has competitive G&A costs compared to its peers

Gas Sold on Unregulated Terms

Restructuring schematic

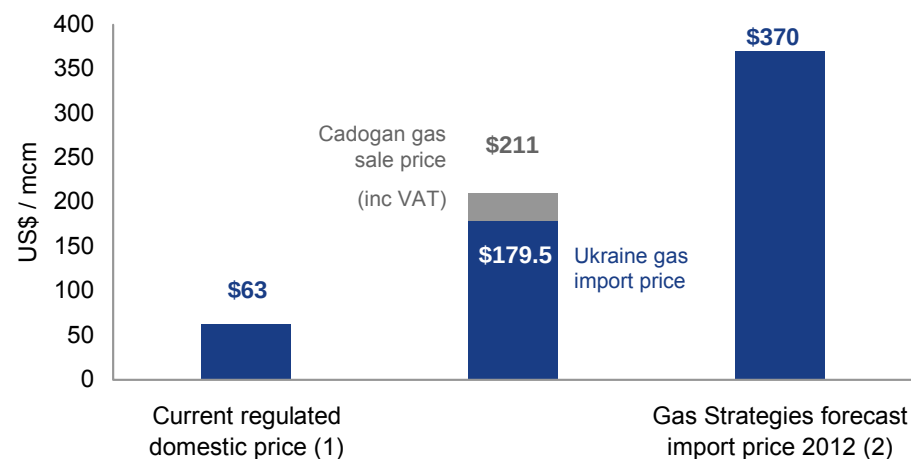


Source: Company information

Post restructuring benefits

- Increased Cadogan working interest in assets
 - On major fields, working interest levels have increased from around 70% to well over 90%
 - Typically, Cadogan now directly controls licences through majority ownership in JV structure and also has additional working interest through its direct ownership in JAAs
- Now that it holds the assets in a JV structure Cadogan gains relief from either
 - Having to sell gas at the regulated price of US\$63/mcm
 - Being subject to a production tax of 7x the normal rate

Post restructuring benefits



Notes:

All prices (except the Cadogan gas sale price) are exclusive of VAT (20%)

1. Regulated domestic price ranges from \$63/mcm upwards depending on usage, however, the vast majority of households pay the \$63/mcm price

2. The Gas Strategies (May 2008) forecast is for Ukrainian import border price, assuming \$120/bbl oil price and is used here as a proxy for the possible future industrial gas price

Continued focus on existing assets focused solely in Ukraine

- Prioritise development of Pirkovskoe core asset
- Continue appraisal of other major fields and convert resources to reserves via the drill bit
- Apply modern Western industry practices to Ukrainian gas/condensate plays

Capitalising on local knowledge, people and assets

- Efficient cost structure supported by regional expertise
- Strict capital spending discipline in place
- In-house Ukrainian sales department which markets and sells own gas, oil and condensate
- Established working relationship with local and central government agencies
- Management with deep industry sector and Ukrainian experience and track record of growth and corporate development

Maintain a balanced portfolio in terms of asset maturities

- Focus on bringing the major fields into commercial production by the end of 2009
- Develop further resources and reserves by drilling on Company's exploration prospects and leads

Focus on organic growth and selectively, where appropriate, through acquisitions

- The primary source of growth for Cadogan in the medium term is expected from organic development of existing asset base
- Acquisitions to date have added both reserve-accretive assets and experienced, on the ground personnel
- Any potential acquisition-led growth maintaining pure-play Ukraine focus will be supported by the financial and transaction experience of management team



Summary

- Cadogan has a 97% working interest holding 79.7 mmboe of proved and probable reserves and 195.0 mmboe of contingent and prospective resources
- The exploration and appraisal licence covers 71.6 km² and runs until October 2010

Key field developments

Pirkovskoe #460

- Initial well testing completed in December 2007, reopening the V26 horizon at 5,430 metres
- Well has been opened to initial production flow, has been cleaned up and is currently connected to the Group's gas plant facility
- Acid stimulation is currently being carried out to enhance the production rates. Commercial gas production is expected to commence upon completion

Pirkovskoe #1

- Well has now reached a TD of 5,710 metres in the Upper Devonian
- It will now be completed and put on long-term production test, which is expected to be completed during Q4 2008
- Coring and logging data has indicated net pay of 65 metres over three zones, and the reservoir characteristics have exceeded management expectations
- Key objective is to convert the prospective resources into reserves

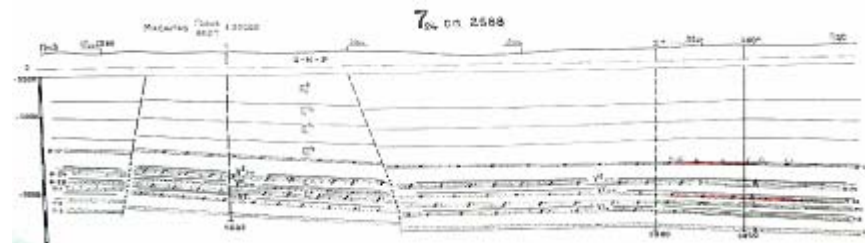
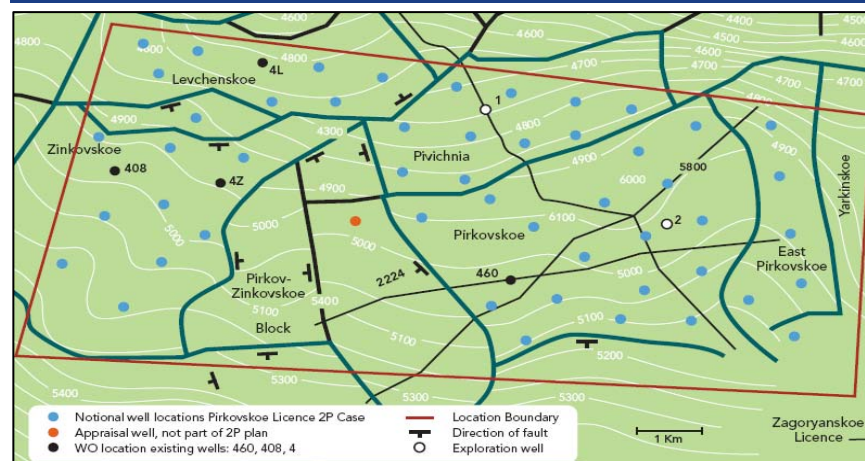
Pirkovskoe #2

- Well has now reached 4,119 metres with an expected TD of 5,800 metres

Facilities and infrastructure programme on major fields

Field	Targeted Production Start Date	Facilities being constructed
Pirkovskoe	H2 2008	■ Construction of new gas treatment plant ■ Construction of pipelines to connect to existing national transportation network

Pirkovskoe field map and cross section



Summary

- Cadogan has a 100% working interest in the licence, holding 58.6 mmbbl of prospective resources
- The exploration and appraisal licence covers 49.5 km² and runs until August 2011
- Two well and 3D seismic work commitment

Key field developments

Pokrovskoe #2

- First exploration well drilled on the Pokrovskoe structure
- During drilling and coring operations across the V-17 to V-22 formations, there was strong gas influx into the well bore
- Log and core data coupled with abnormally high bottom-hole pressures indicate that this exploration prospect could become a promising development, subject to commercial flow rates being tested
- The well has been drilled and cased to a depth of 4,950 metres (TD of 5,400 metres)
- Main objectives are to determine the productivity of the Upper and Lower Visian formations and to convert prospective resources to reserves

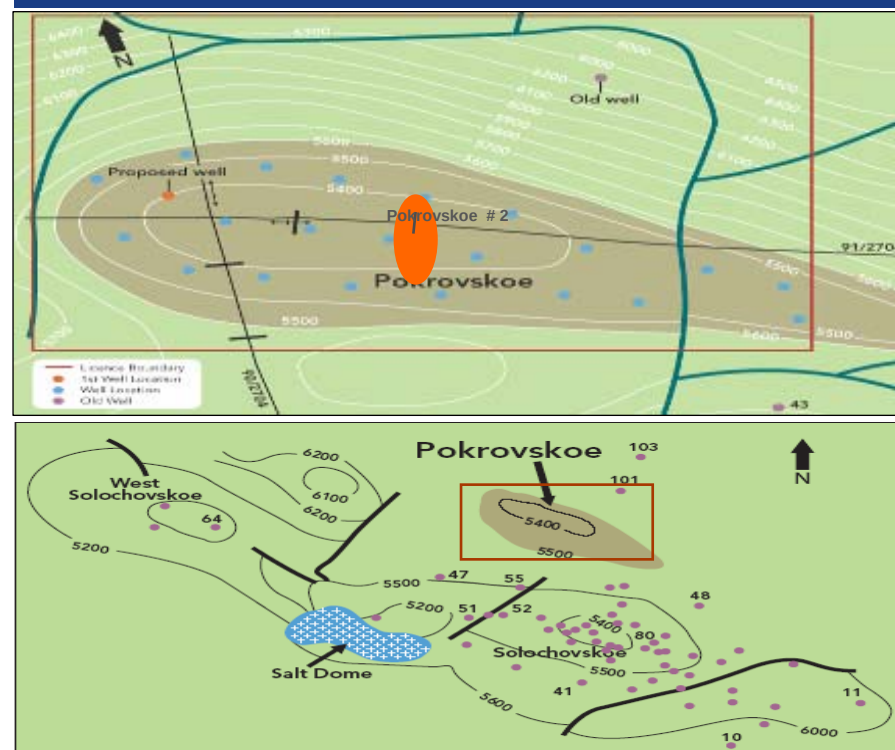
Pokrovskoe #1

- Second well on the exploration licence which was spudded on 22 February 2008
- Currently being drilled at 4,143 metres with an expected TD of 5,450 metres

Facilities and infrastructure programme on major fields

Field	Targeted Production Start Date	Facilities being constructed
Pokrovskoe	H1 2009	■ Construction of new gas treatment plant ■ Construction of pipelines to connect to existing national transportation network

Pokrovskoe field map and cross section



Source: Company information

Note: Company reserves the right to amend this programme in the light of results from ongoing appraisal work on the company's fields

Source: Poltavnaftogazgeologia, TRACS

Summary

- Cadogan has a 90% working interest in the licence, holding 44.4 mmbœ of contingent and prospective resources
- located immediately to the east of the Pirkovskoe licence
- The exploration and production licence covers 49.6 km² and runs until October 2009
- Obligation is in place to complete the drilling of Zagoryanska #3, then it is planned to work over Zagoryanska #2 and Zagoryanska #8
- Production from this licence will share the Pirkovskoe gas processing facilities already in place

Facilities and infrastructure programme on major fields

Field	Targeted Production Start Date	Facilities being constructed from 2008 - 2010
Zagoryanska	H1 2009	■ Construction of flowlines to connect to the gas treatment plant at Pirkovskoe

Key field developments

Zagoryanska #3

- Well is currently drilling at a TD of 5,110 metres in the Lower Viséan (V26)
- Drilling and testing should be complete by the end of 2008

Zagoryanska #2 and Zagoryanska #8

- Two previously drilled wells
- Workover of these wells to commence following completion of Zagoryanska #3
- Testing is expected to commence at the beginning of 2009; with commercial production expected to commence thereafter

Summary

- Cadogan has a 96.5% to 97.2% working interest in this licence, holding 44.4 mmboe of contingent and prospective resources
- Located immediately to the east of the Pirkovskoe licence
- There are three hydrocarbon discoveries in this licence area (Bitlya, Borynya and Vovchenskoe)
- Bitlya and Borynya fields hold 114.0 mmboe and 188.6 mmboe of contingent resources, respectively. No reserves and resources have yet been attributed to the Vovchenskoe field

Facilities and infrastructure programme on major fields

Field	Targeted Production Start Date	Facilities being constructed from 2008 - 2010
Borynya	H1 2009	■ Construction of new gas treatment plant ■ Construction of pipelines to connect to existing national transportation network
Bitlya	H2 2009	■ Construction of flowlines to connect to the gas treatment plant at Borynya

Key field developments

Borynya #3

- Well was spudded on 15 December 2007 and is currently drilling at 2,471 metres, with the first intermediate casing being set at 1,611 metres
- Well is being drilled on the crest of the Borynya structure to prove up the reserves within the closure of the structure and to test commercial gas flows
- High pressure gas field holding large contingent resources predicted between the depths of 3,000 to 5,000 metres
- Well is expected to reach first prospective horizons in Q4 2008
- Gas bearing zone was unexpectedly located at 1,972 metres and is currently being evaluated. The unexpected gas, encountered at shallow intervals, provides support that the principal targets will be hydrocarbon charged

Bitlyanska #2

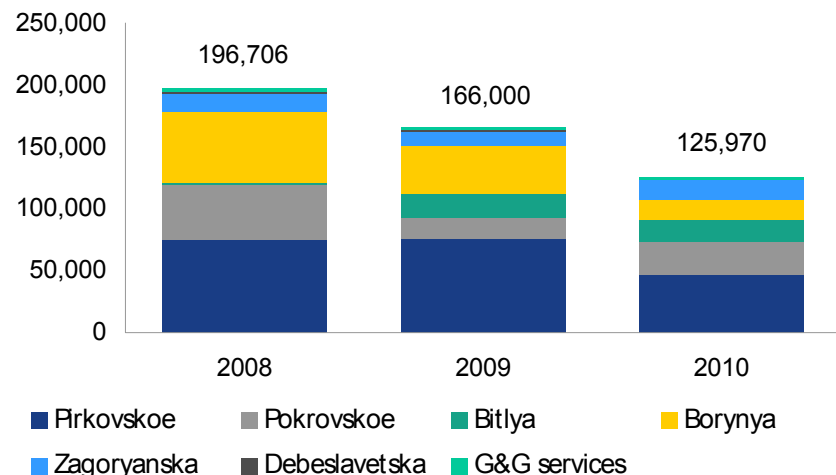
- Well site is currently being prepared and access roads are being completed
- Rig mobilisation is expected to commence during Q3 2008
- This is a 3,000 metre normally pressured gas field
- Key objectives for this well are to prove up reserves within the closure of the structure and test commercial gas flows

- The Group also has a number of fields classified as minor fields, all located within Western Ukraine. These include the following:
 - Monastyrtske licence
 - Krasnoyilske licence
 - Debeslavetska licence
 - Cheremkhivskoe licence
 - Slobodo-Rungurske licence
 - Malynovetske licence
 - Mizhrichska licence
- Cadogan expects to increase operational activity on these fields and to phase in expenditure once it can be funded internally from revenues expected to be generated from the major fields.



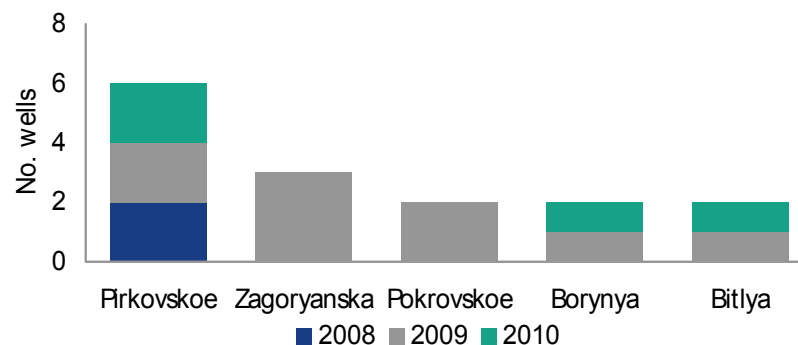
Capital Expenditure and Operational Activity

Capex and field development (US\$ '000)



Source: Company information

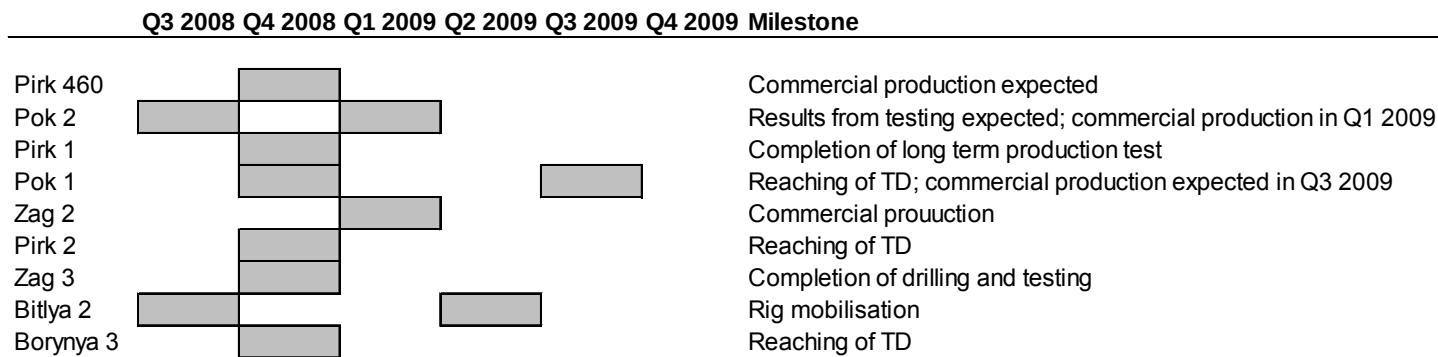
Targeted production programme on major fields to December 2010



Source: Company information

Note: Company reserves the right to amend this programme in the light of results from ongoing appraisal work on the company's fields

Operational Pipeline



Note: Company reserves the right to amend this programme in the light of results from ongoing appraisal work on the company's fields

2008 Interim Financial Results

£'000s	June 2008	December 2007	June 2007
BALANCE SHEET			
Cash	151.4	14.0	2.5
Net assets	240.3	68.2	29.1
Intangible E&E	47.2	28.7	15.2
PP&E	33.0	22.7	10.1
Long-term debt	---	---	---
INCOME STATEMENT			
Revenue	0.8	0.7	0.03
Gross (profit) / loss	(0.07)	(0.05)	(0.02)
Operating loss	8.6	15.2	4.0
Loss for the period	7.6	15.2	3.8
CASH FLOW STATEMENT			
Cash flow from operations	(8.1)	(12.3)	(4.6)
Purchase of subsidiary	(2.4)	(18.4)	(3.5)
Purchase of intangible E&E and PP&E	(24.2)	(22.1)	(9.8)
Proceeds from share issue	171.5	55.1	12.1

Financial highlights

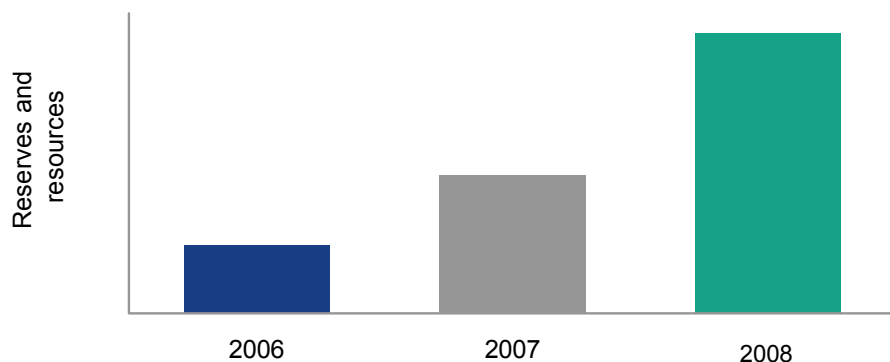
- **IPO** raising total gross proceeds of £152.8 million and net proceeds £145.0 million
- **Private equity financing** raising total net proceeds of £29.1 million
- Total **Capital Expenditure** of £24.2 million
 - £10.3 million – expenditure on proved developments (Pirkovskoe)
 - £13.9 million – expenditure on evaluation and exploration assets (Pokrovskoe, Zagoryanska, Bitlyanske)
- Acquisition of **Mercor** and interests in **Zagoryanska JAA #17** and **Zagoryanska #1** for total cash consideration of £2.8 million
- **Revenue** of £0.8 million from sale of gas testing and minimal production from Debeslavetske and Cheremkhivskoe minor fields

- Balanced portfolio of exploration, appraisal and near term production assets
- Active drilling programme with significant potential for increase in reserves
- Strategic location in rising gas price market with attractive fiscal regime and cost efficient operations
- Strong financial platform following successful IPO and opportunity to sell gas on unregulated terms
- Steps taken to resolve licence issues and confident of successful outcome
- Experienced management team with track record of growth and corporate development in the oil and gas industry
- Operations on track and targeting commercial production from major fields by end 2009





Illustrative reserves and resources development



Growth through M&A and restructuring

Date	Event
Dec-05	Acquisition of interests in the Pirkovskoe and Pokrovskoe licences in East Ukraine
Sep-06	Acquisition of interests in the Bitlanska and Krasnoilska licences, in West Ukraine
Sep-06	Acquisition of the Krasnozayarskoe gas treatment plant for Pirkovskoe licence
May-07	Acquisition of interests in the Debeslavetske, Cheremkhivska and Slobodo-Rungerske licences, in West Ukraine
Jun-07	Acquisition of interests in the Monastyretske licence in West Ukraine (incorporating the Monastyretske and Blazhivska areas)
Sep-07	Restructuring of beneficial interests in the majority of licences
Nov-07	Acquisition of interests in the Zagoryanska licence in Eastern Ukraine
Dec-07	Acquisition of interests in the Malynovetske licence and service base, in Western Ukraine
Feb-08	Acquisition of interests in Zagoryanska well#8

Source: Company information, statutory accounts

Organic development—extensive newsflow pipeline

Pirkovskoe	Pokrovskoe	Bitlya	Borynya	Other assets
Sep-06: Workover on Pirk#460 commenced with TD of 5,850 metres Jan-07: Pirk#1 spudded with TD of 5,600 metres Mar-07: Pirk#2 re-drilling with TD of 5,600 metres	Oct-06: Pok #2 spudded with TD of 5,400 metres Feb-08: Pok#1 spudded with TD of 5,400 metres	Dec-07: WI increased to 97.1% after restructuring of licence interest	Dec-07: WI increased to 96.5% after restructuring of licence interest Q1 08: Borynya#3 spudded with targets of 3,500 and 5,200 metres	May-07: Krasnoilska#9 drilled to a TD of 1,300 metres Q1 08: Zagoryanska#3 recommenced drilling with TD of 5,200 metres

Licence Summary

Fields	Working Interest %	Licence Expiry	Current Status	Licence Type
Major				
Pirkovskoe	97.0	19/10/10	Non-producing	E&D
Pokrovskoe	100.0	10/08/11	Non-producing	E&D
Zagoryanska	90.0	19/10/10	Non-producing	E&D
Bitlya	97.1	23/12/09	Non-producing	E&D
Borynya	96.5	23/12/09	Non-producing	E&D
Minor				
Debeslavetske	98.3	04/10/26	Producing	Production
Cheremkhivska	49.8	14/05/18	Producing	Production
Slobodo-Rungerske	100.0	11/04/11	Producing	E&D
Blazhivska (Monastyretske)	95.0	23/12/09	Producing	E&D
Vovchenska	96.8	23/12/09	Non-Producing	E&D
Malynovetske	79.9	11/01/12	Non-Producing	E&D
Mizhrichenska	40.0	07/06/11	Non-Producing	E&D

Strong Ukrainian and Western management team

Cadogan combines Ukrainian and Western management with extensive industry experience.



Mark Tolley
Chief Executive
Officer

- 24 years' international experience in the oil industry
- Last 13 years working primarily in the CIS and Russia
- Experience with JKC Oil and Gas, and Carpathy Petroleum (Cardinal)
- Fluent in Russian



Vasyl Vivcharyk
Chief Operating
Officer

- Previously held a number of roles both in government and industry
- Currently a Parliamentarian of the Ivano-Frankivsk region in Ukraine
- Previously deputy Chairman of Naftogaz Ukrainy



Alexander Sawka
Chief Financial
Officer

- Held a number of senior management positions in organisations with operations in Russia and Ukraine
- Previously CFO of Western NIS Enterprise Fund
- Certified practising accountant and holds an MBA
- Fluent in Russian



Peter Biddlestone
Asset Development
Director

- 30 years' experience in the upstream and midstream oil and gas industry
- Experience with Texaco, Shell and British Gas
- Provided advisory services in a number of other jurisdictions, including to Gazprom, Premier Oil and BulgarGas



Dr. Vladimir Jovanovich
HSE Director

- 17 years' international experience providing occupational HSE services for offshore and onshore oil and gas construction projects
- Has worked in Turkmenistan, Kazakhstan and Russia
- Fluent in Russian



Vladimir Shlimak
Operations and
Drilling Director

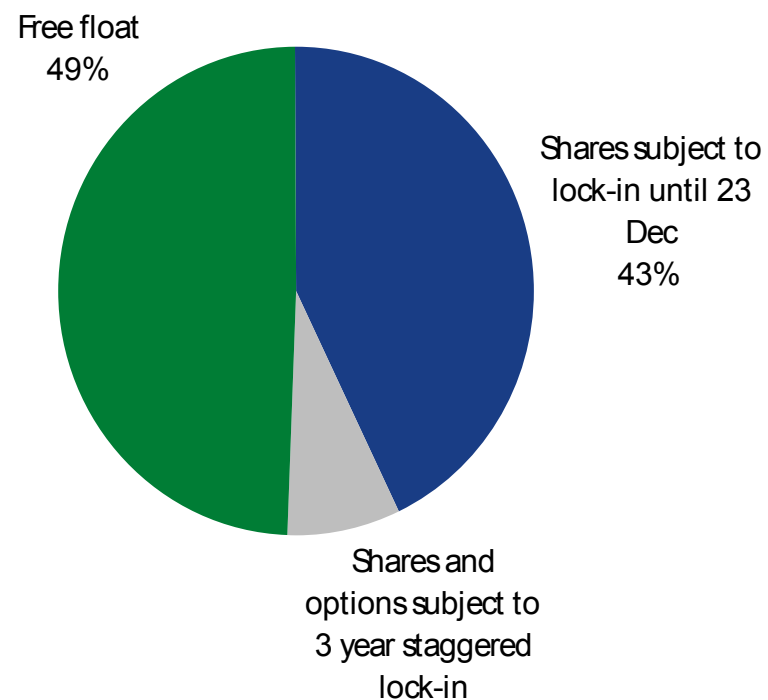
- Over 23 years' international experience
- Formerly director of engineering at Integra Management CJSC
- Experience with Urals Energy, Maersk Oil Kazakhstan, Partex Corporation

Shareholding Summary

Breakdown of fully diluted share capital

Total shares outstanding	231.1
Options	14.3
Warrants	5.1
Fully diluted shares in issue	250.4

Lock-in arrangements for fully diluted share capital



Cash Flow Statement

Cash flow statement

£000	Group ¹ FY05	Group FY06	Group FY07	Group HY08
Net cash outflow from operating activities	(1,035)	(7,498)	(12,286)	(8,094)
Investing activities				
Acquisition of subsidiaries	(981)	(1,146)	(18,357)	(2,486)
Purchases of property, plant and equipment	–	(5,128)	(4,601)	(10,318)
Purchases of intangible exploration and evaluation assets	–	(2,814)	(17,494)	(13,871)
Purchase of other intangible assets	–	(25)	(9)	(26)
Proceeds from sale of property, plant and equipment	–	14	261	–
Interest received	–	88	268	1,184
Net cash used in investing activities	(981)	(9,011)	(39,932)	(25,447)
Financing activities				
Proceeds from issue of shares	1,242	26,041	55,061	171,453
Proceeds from shares to be issued	–	–	2,584	–
Proceeds from issue of other equity instruments	843	58	–	–
New loans raised	180	–	–	–
Interest paid	(0)	(9)	–	–
Redemption of other equity instruments	–	(900)	–	–
Loan repayment	–	(180)	–	–
Cash received from minority shareholders on incorporation of subsidiaries	–	–	9	–
Net cash from financing activities	2,264	25,009	57,654	171,453
Net increase in cash and cash equivalents	248	8,500	5,435	137,912
Effect of foreign exchange rate changes	–	(60)	(167)	(461)
Cash and cash equivalents at beginning of year	–	248	8,688	13,957
Cash and cash equivalents at end of year	248	8,688	13,957	151,408

Source: Company IFRS financial statements. FY05, FY06, FY07 and HY08 numbers are audited.

Notes: 1. In FY05 the Group numbers relate to the oldco, Cadogan Petroleum Ltd

Balance Sheet

Balance sheet

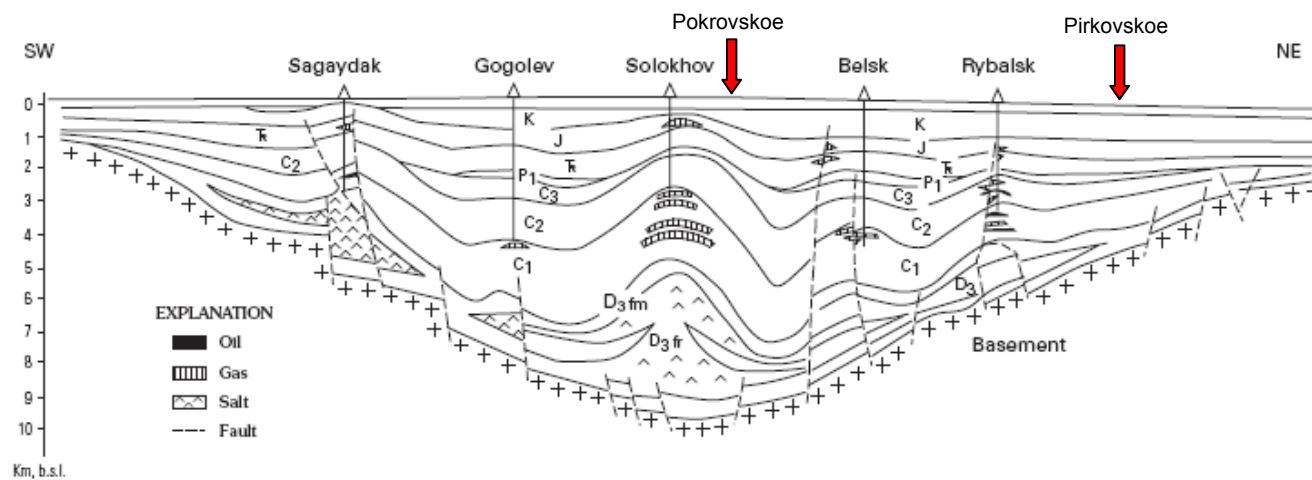
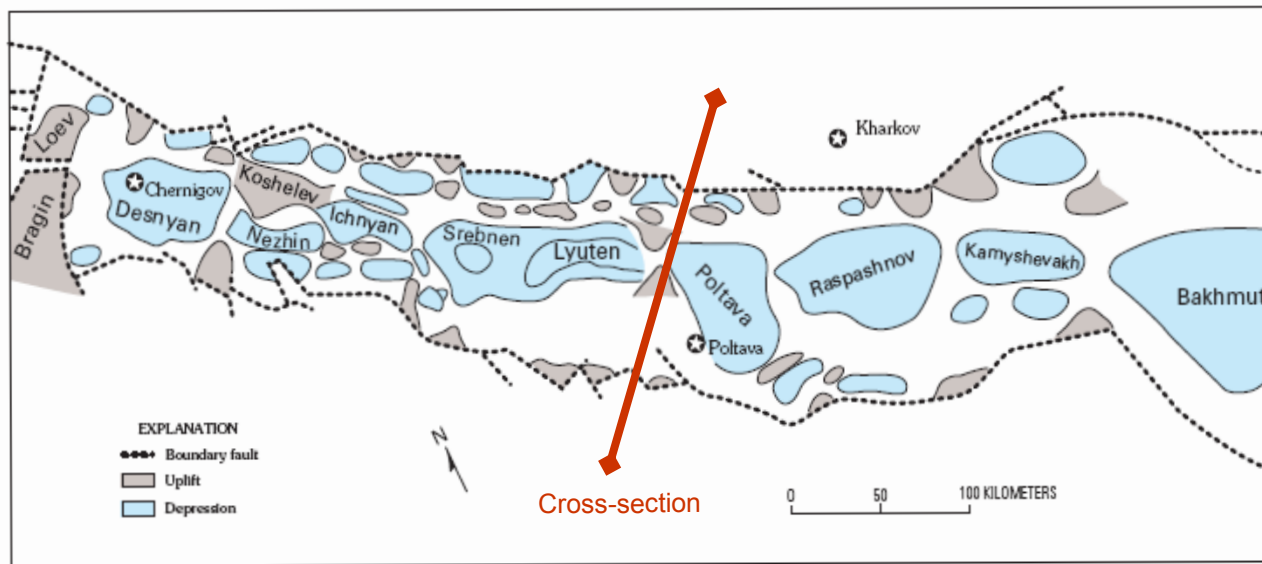
£000	Group ¹ FY05	Group FY06	Group FY07	Group HY08
Non-current assets				
Goodwill	–	–	2,804	3,114
Intangible exploration and evaluation assets	1,374	5,771	28,687	47,221
Other intangible assets	–	25	13	39
Property, plant and equipment	19	4,940	22,733	32,966
Other receivables	–	–	3,060	4,106
	1,393	10,735	57,297	87,446
Current assets				
Inventories	2	836	1,654	2,544
Trade and other receivables	288	3,874	1,686	10,797
Cash and cash equivalents	248	8,688	13,957	151,408
	539	13,398	17,298	164,749
Total assets	1,932	24,133	74,594	252,195
Current liabilities				
Trade and other payables	(341)	(2,449)	(3,055)	(8,660)
Current tax liabilities	(2)	–	–	–
Loans	(180)	–	–	–
Financial liability	–	–	(1,583)	–
Current provisions	–	(141)	(374)	(581)
	(524)	(2,590)	(5,013)	(9,241)
Net current assets	15	10,808	12,285	155,508
Non-current liabilities				
Deferred taxation liabilities	(297)	(276)	(967)	(1,762)
Long-term provisions	(26)	(412)	(399)	(873)
	(323)	(688)	(1,366)	(2,635)
Total liabilities	(847)	(3,278)	(6,379)	(11,876)
Net assets	1,085	20,855	68,215	240,319

£000	Group ¹ FY05	Group FY06	Group FY07	Group HY08
Equity				
Share capital	21	2,571	4,169	6,933
Share premium	1,285	23,743	78,028	250,422
Shares to be issued	–	–	2,260	–
Accumulated deficit	(1,087)	(6,320)	(21,518)	(29,166)
Cumulative translation reserves	–	(158)	(492)	5,411
Other reserves	866	1,019	5,564	6,500
Equity attributable to equity holders of the parent	1,085	20,855	68,012	240,100
Minority interest	–	–	204	219
Total equity	1,085	20,855	68,215	240,319

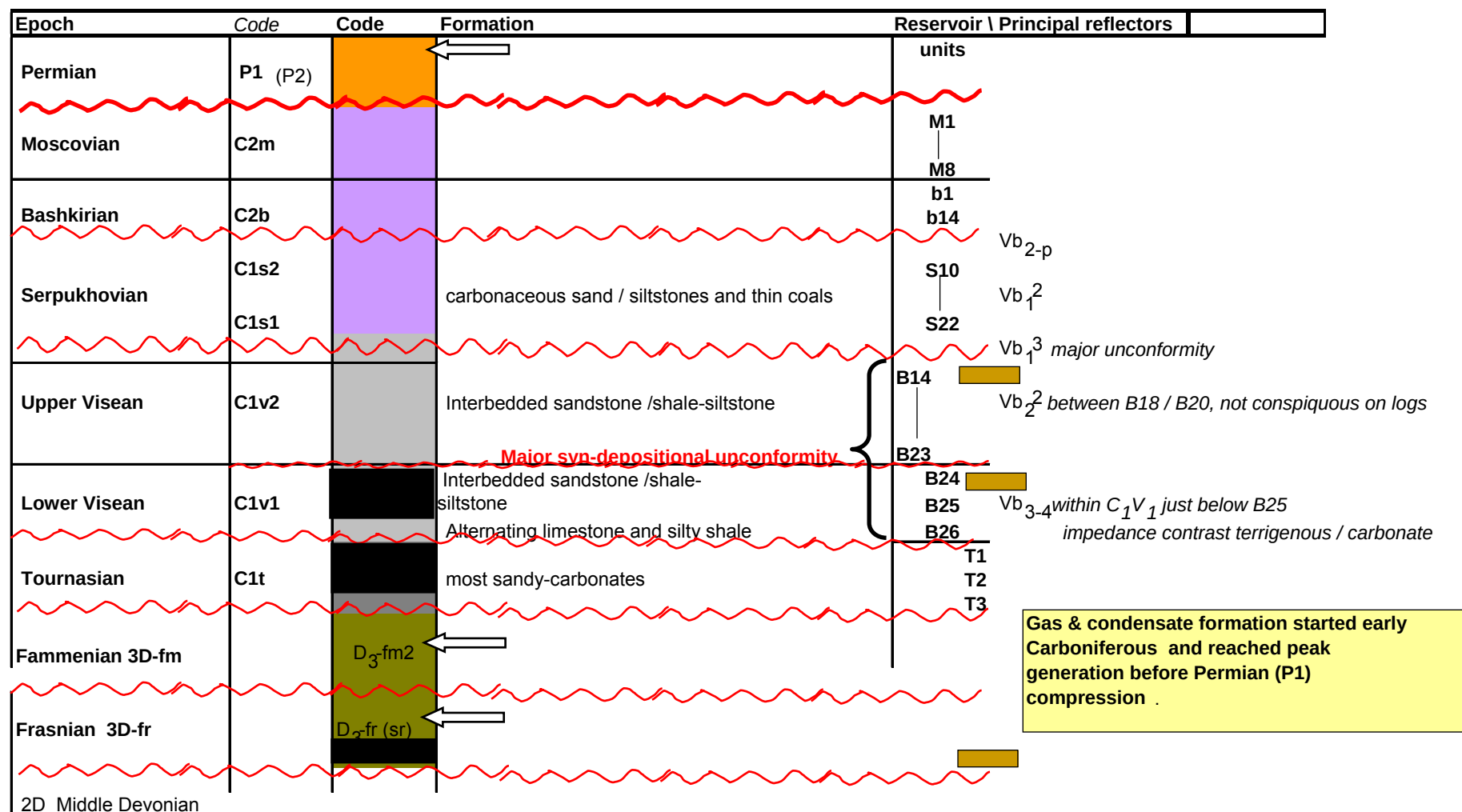
Source: Company IFRS financial statements. FY05, FY06, FY07 and HY08 numbers are audited.

Note: 1. In FY05 the Group numbers relate to the oldco, Cadogan Petroleum Ltd

Dniepr Donets Basin Cross-Section



Dniepr Donets basin stratigraphic summary



-  - source rock intervals
  Salt intervals, source of mobile salt.
-  - principle multiple layer reservoir interval of Visean

Key peer group comparison

Company	Market cap (US\$m)	EV (US\$m)	LTM Production (mboe/d)	2P reserves, Ukraine (mmboe)	Number of licences in Ukraine	Licence area in Ukraine	No. Employees	Rigs currently contracted in Ukraine
	419	152	0.3	80	11	1,151 km ²	357	8 Ukrainian rigs
	987	919	12.6	49	7	299 km ²	481	2 western rigs
	540	534	1.1	169	2	269 km ²	106	1 Ukrainian rig (Contracts signed for provision of 2 western rigs from Saipem and 1 additional Ukrainian workover rig)

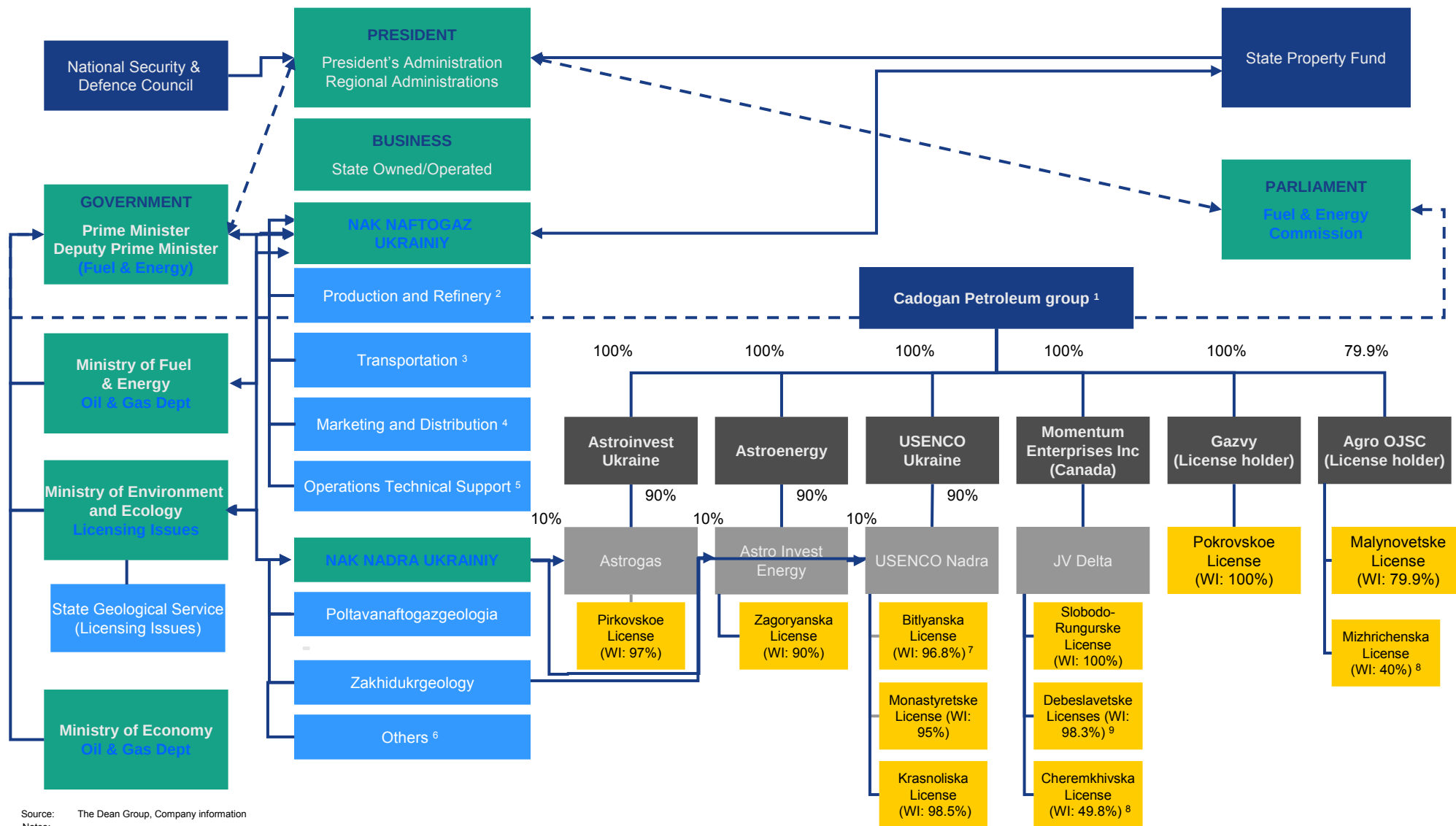
Sources:

Market caps from Bloomberg - 08 September 2008

Net debt/cash from latest financial reports

Other data from latest financial reports and recent coverage notes

The Oil and Gas complex of Ukraine



Source: The Dean Group, Company information

Notes:

¹ Ownership structure simplified for illustration purposes

² Production and Refinery subsidiaries include SC Ukrgasproduction, SJSC Chornomornaftogaz and OJSC Ukrnafta (50%+1 share);

³ Transportation subsidiaries include SC Ukrtransgaz, IJSC Ukrtransnafta and SJSC Ukrspetransgaz;

⁴ Marketing and Distribution subsidiaries include SC Gas of Ukraine, SE PSE Naftogaz, and JV UkrGazEnergo (50%);

⁵ Operations Technical Support subsidiaries include SE Ukrnaftogazkomplekt, SE Naukanaftogaz and SE LIKVO

⁶ Other NAK NADRA's subsidiaries include: Agroteophysics; Balakliya-promgeofizika; Chernigivnaftogazgeologiya; Gorlivrozvidka; Krimgeologia; Mirgorodnaftogazrozvidka; Nadraresurs; Poltava RGP; Tsentrkrgeologia; Project Institute Ukrgeolbudproekt; JSHC Ukrgeolremmah; Zhitomirburrozvidka

⁷ WI in the Bitlyanska license is a simple average for three fields within the license (Bitly, Borynya and Vovchenska). Cadogan's WI in those fields is Bitlyanska(97.1%), Borynya (96.5%) and Vovchenska (96.8%)

⁸ The Company holds a WI in the Cheremkhivska and Mizhrichenska license. Mizhrichenska license is held by Zakhidukrgeology (ZUG)

⁹ The Debeslavetske license consists of two separate licenses, one relating to exploration in the Debeslavetske area and the other relating to production on the Debeslavetske field, which is producing field