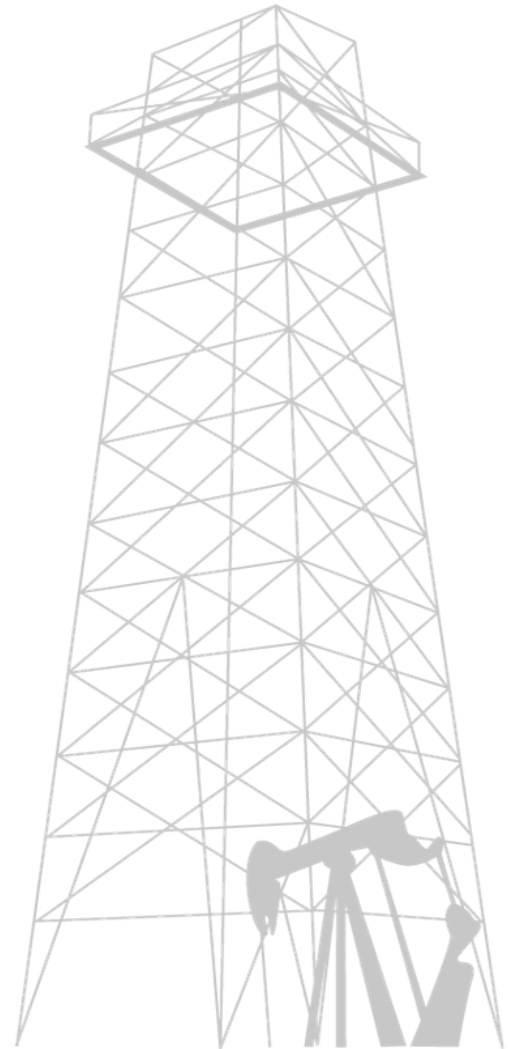


Aladdin Oil & Gas Company ASA  
**Emerging Market Opportunity with Significant  
Growth Potential**

**February 2011**

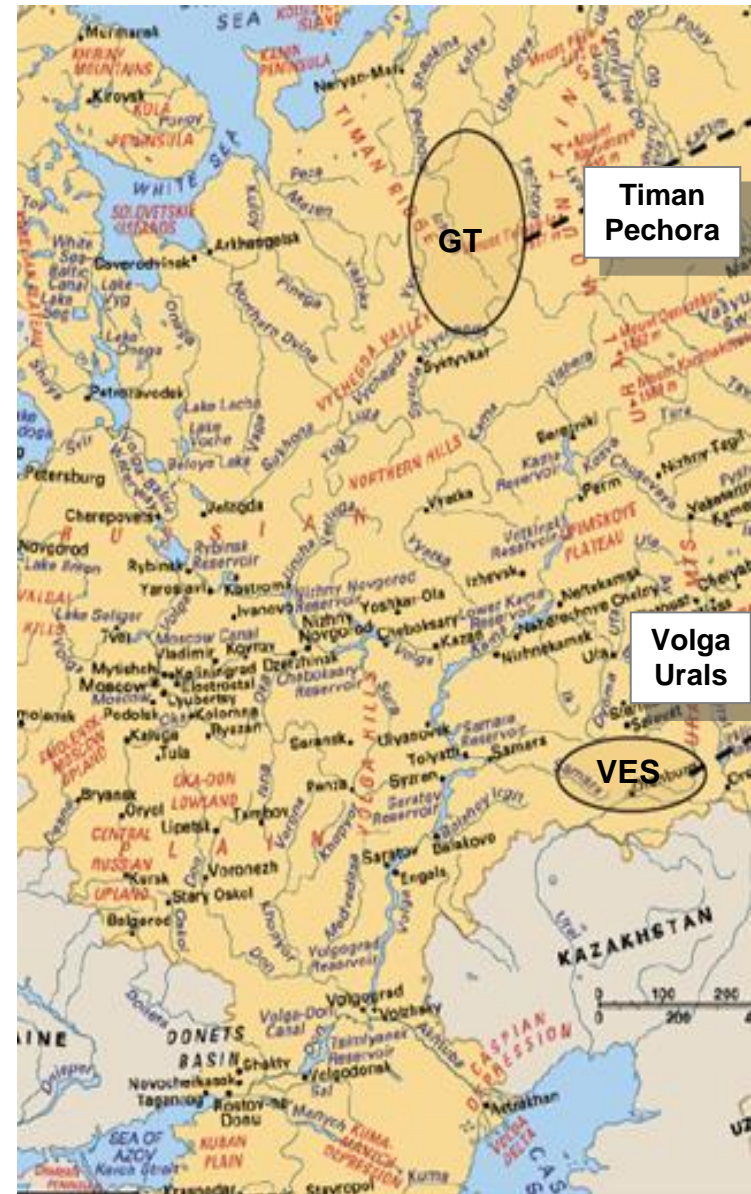


# Company Overview

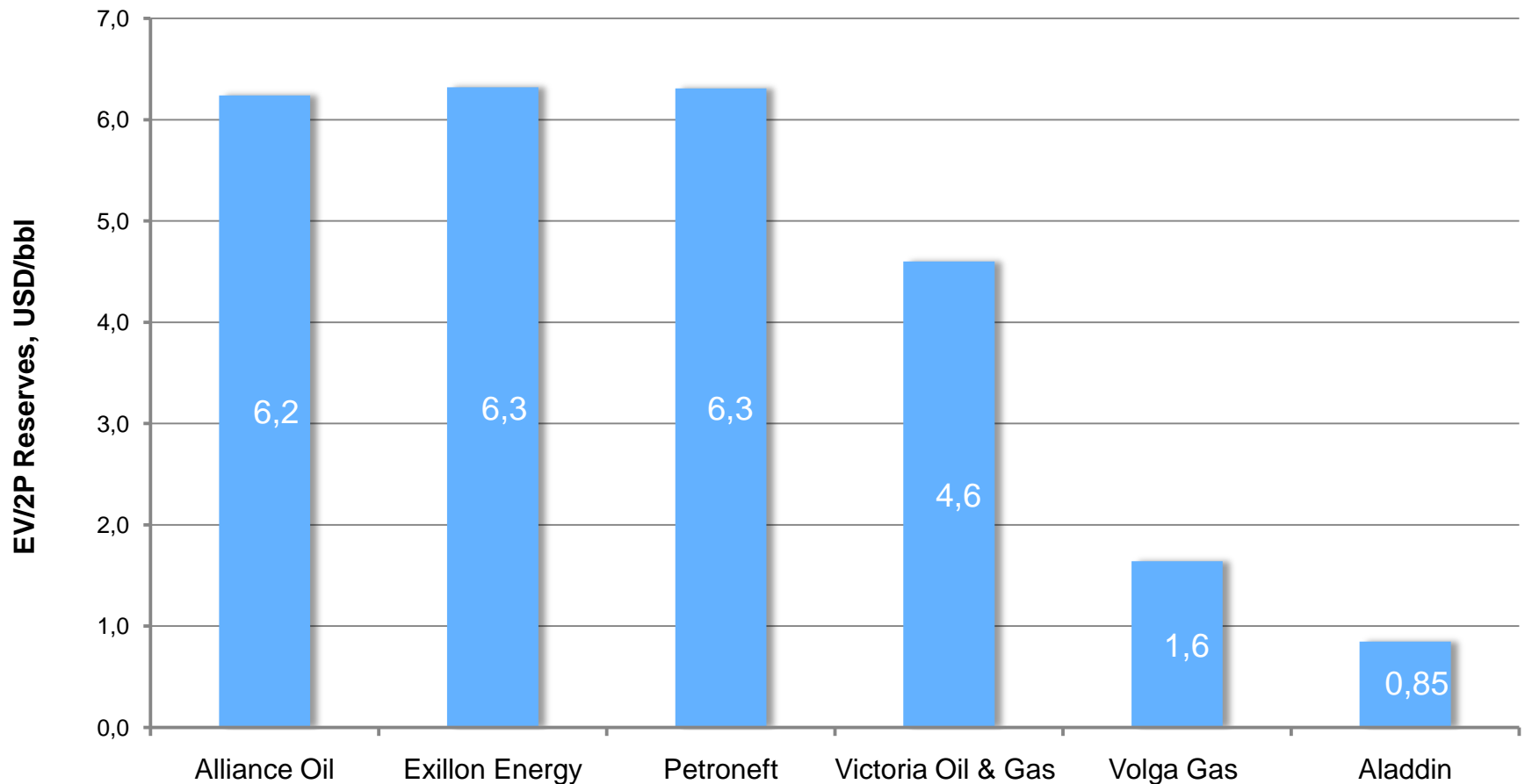
- Two wholly owned Russian subsidiaries holding 8 licenses
  - ✓ LLC Geotechnologia (GT) – 2 Production and 1 Exploration Licenses near Ukhta in the Timan Pechora Basin
  - ✓ LLC Veselovskoye (VES) – 5 Production Licenses near Orenburg in the Volga-Urals Basin
- Significant reserves and resources and increasing production

	1 P mmboe	2 P mmboe	3 P mmboe	Resources mmboe	Current prod
GT	2,4	24,1	70,4	665	~ 750 boe/d
VES	6,5	22,4	33,9	40	~ 150 boe/d
Total	8,9	46,4	104,3	705	~ 900 boe/d

- Head Office in Oslo, Norway. Listed at OTC market - AOGC ticker
- Current market capitalisation is about 36 mln USD – based on NOK 0,12 share price



## Peer Group Review – clear indication of growth potential



\*For illustrative purposes only. Based on Aladdin research in January 2011. AOGC takes no responsibility for latest changes in share prices and other estimations

## Company Advantages – solid foundation for future growth

**Stable current production and significant growth plans**

Significant potential for production growth based on currently existing resources

**Solid reserves base with significant exploration upside**

Tangible opportunity to materially increase reserves

**Expected tax preferences for small fields**

Potential to reduce the tax on mineral extraction by 50-75% for small deposits

**Recent financial restructuring**

Strong support from a strategic shareholder

Healthy balance sheet

**Strong governance structure and investors' protection**

A good team of experienced international and local management. Corporate Governance: strong Board of Directors; Election, Audit and Remuneration Committees established. Investors protection by well-developed Norwegian legislation

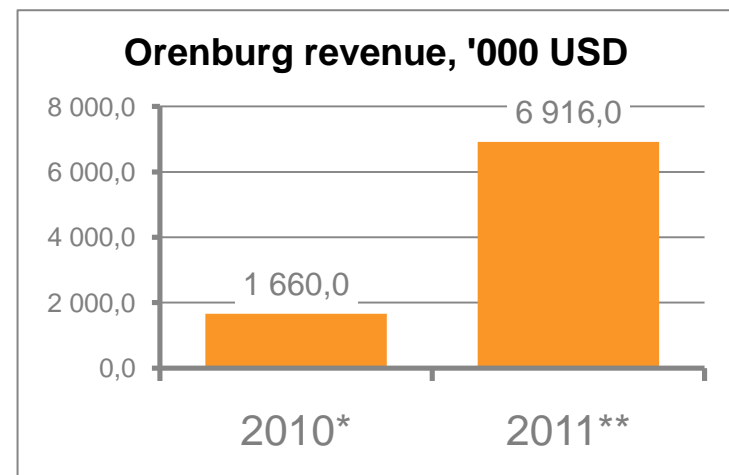
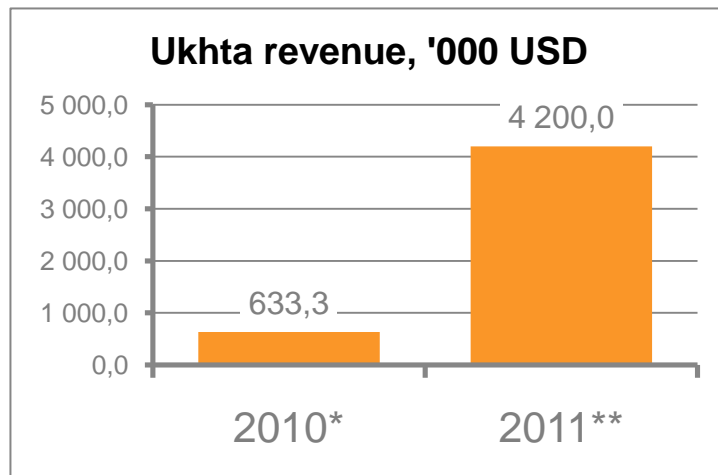
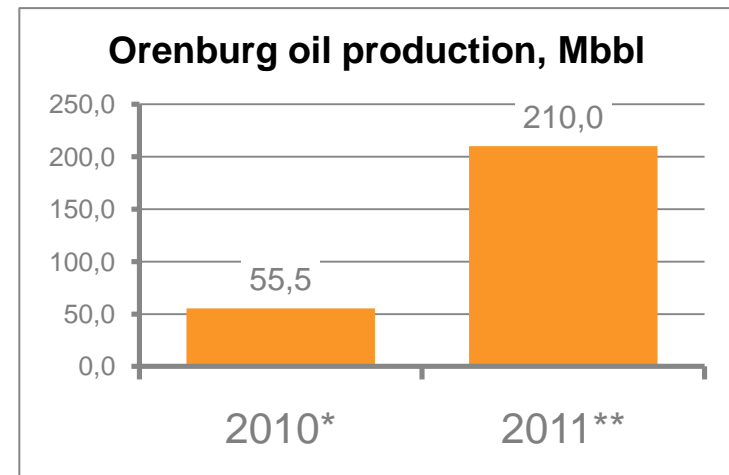
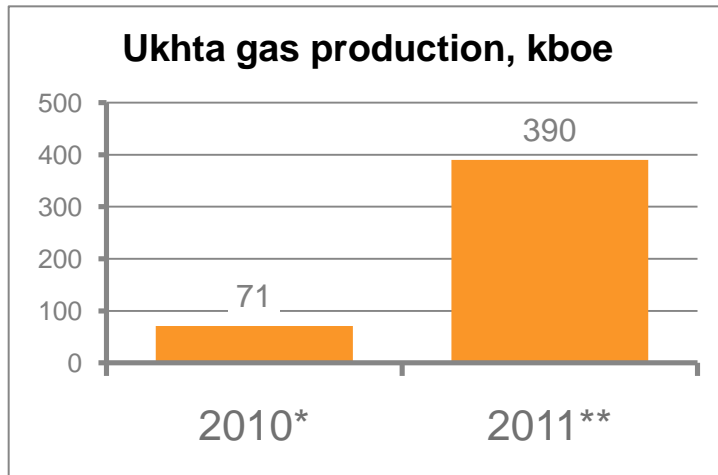
**Attractive valuation**

The Company is currently trading at its historic lows, and is heavily undervalued compared to its Russian peers. With \$15-20mIn upfront investment, the Company will be able to reach substantial production levels in 12 months

## 2011 Work Program and Target results

UKHTA	Q1	Q2	Q3	Q4	\$ Total – 5.200 mln	Target results
Drilling & completion of gas well					\$ 0.700 mln	Gas production increase from 750 up to 1250 boe/d
Drilling 3 exploration appraisal gas wells					\$ 2.000 mln	Increase of gas and oil reserves by 20,0 mboe 2P (from 25,0 to 45,0 mboe 2P)
Drilling 3 exploration oil wells					\$ 1.200 mln	
2D Seismic 200km					\$ 1.300 mln	
ORENBURG	Q1	Q2	Q3	Q4	\$ Total – 6.700 mln	Target results
2D Seismic 200km					\$ 1.300 mln	Growth of 2P oil reserves from 20,0 up to 25,0 mboe
Work Over for 3 oil wells					\$ 2.000 mln	Grow of oil production from ~150 boe/d to 750 boe/d
– Sidetrack well 96					\$ 1.700 mln	
– Sidetrack well 304					\$ 1.700 mln	
<b>OPEX, legal &amp; compliance (2011)</b>					<b>\$ 3.100 mln</b>	
<b>Seismic 3D – Q4 2011 – Q2 2012</b>					<b>\$ 5.000 mln</b>	
					<b>Total</b>	<b>\$ 20.000 mln</b>

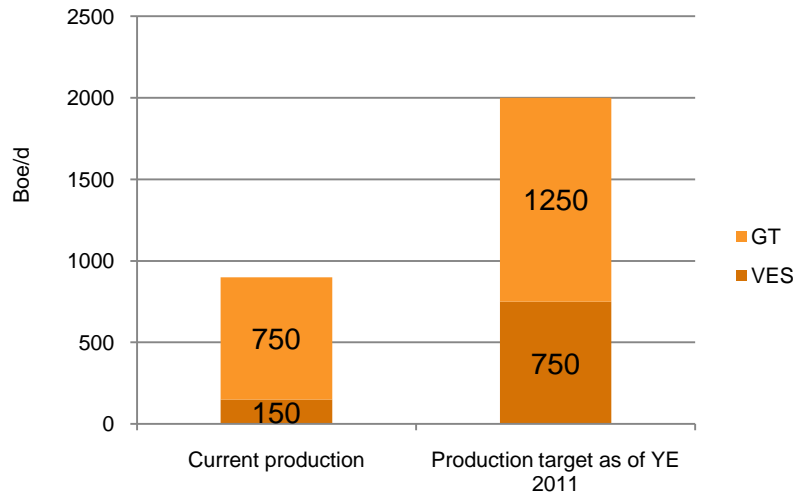
## Summary of target results



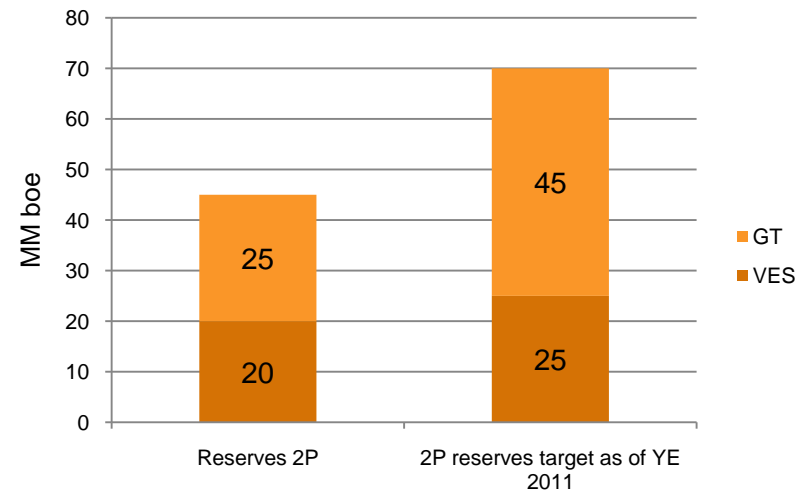
- 2010 figures are based on unaudited management accounting data
- 2011 data is the best estimations. May vary depending on working program execution success and financing.

## Summary of target results

### Daily production



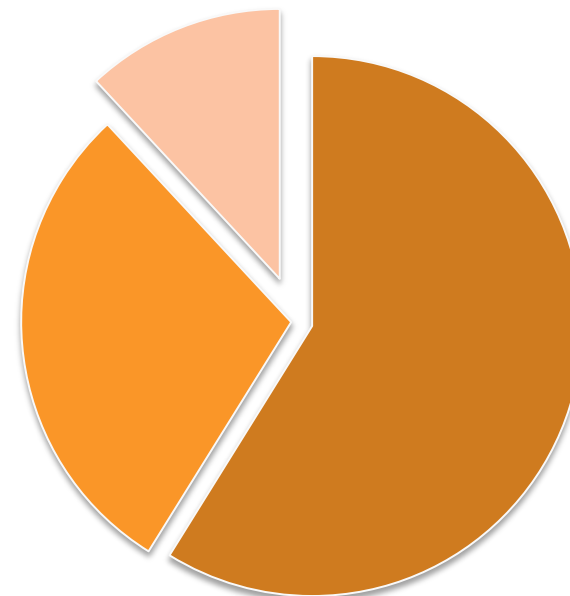
### Reserves



- Annual revenue – \$ 11,1 mln
- Annual consolidated EBITDA – \$ 2,4 mln (21%)
- YE monthly revenue – \$ 1,2 mln
- YE monthly EBITDA - \$ 360'000 (30%)

## Company Ownership – strong support from strategic and financial investors

Shareholder	Number of shares held	Stake
Waterford Finance & Investment Ltd	1.034,615,355	59.07%
MP Pension	79,224,667	4.52%
Vladimir Andoskin	64,112,800	3.66%
Ivar Tollefsen	54,119,048	3.09%
Paal Hveem	50,658,696	2.89%
Bank of New York	50,369,824	2.88%
Haadem invest	47,040,217	2.69%
Fairview Finance	21,375.150	1.22%
SIS SIX AG	19,866,977	1.13%
SIS SIX AG / Telfor Intervest	17,130,000	0.98%
Roger van Baal	16,012,976	0.91%
Lars Hagen	14,553,693	0.83%
Advanced Control Engineering	14.131,366	0.81%
Gina Fyffe	12.422,000	0.71%
Bank of New York /Cheviot Capital	9.999.000	0,57%
Stormskjold Tall AS	9.845.652	0.56%
Skeie Alpha Invest AS	9.605.810	0,55%
Totenkopf AS	9.525.652	0.55%
Sundby Holding AS	9.432,698	0.54%
<b>Top 19 shareholders</b>	<b>1.544,041,581</b>	<b>88.04%</b>
Other shareholders	207,470,281	11.96%
<b>Total number of shares before dilution</b>	<b>1.751.511,862</b>	<b>100.00%</b>



- WF&I Ltd
- Top 18 Shareholders
- Other Shareholders



## Board of Directors – balanced and experienced

Fred Ponsonby, Chairman of the Board	Lord Ponsonby is a physicist by education and has served on the Board and as Chairman of a variety of oil companies incl. Emerald Energy PLC, Rosehill Energy PLC, and has worked for Phibro, Lasmo and Petrofina.
Michael Alyautdinov:	Mr. Alyautdinov has significant M&A and project management experience in oil and gas and natural resources. He is a Deputy CEO and Head of M&A of SoyuzNefteGaz and previously worked as a lawyer at Clifford Chance
Einar Lyche	Mr. Lyche graduated in 1983 with a Bachelor of Science degree in Business Administration, in finance and marketing, from University of the Pacific, Stockton, California. He has spent most of his career in international companies. Now he is one of the founders of Lyche, Holst & Partners. Before that Mr. Lyche held management positions in such organizations as Morgan Stanley, London, Commerzbank, London, HSH Nordbank, Oslo
Arthur Rastrogin	Has worked in oil and gas industry for the last 23 years. He held top management positions in such organizations as Tomskneft an oil and gas producing enterprise, Russian petroleum companies Yukos, TNK BP and Soyuzneftegaz. Mr. Rastrogin graduated from Tomsk Polytechnic Institute as Mining engineer–geologist.
Katherine H. Støvring	Ms Støvring is Vice President, Major Subsea Projects in Aker Solutions ASA. Previously she has held the positions as Senior Lawyer at Simonsen Advokatkontor, CEO Fred. Olsen Renewables ASA, Vice President International Exploration and Production in Statoil, and Planning and Performance Manager in the Gas, Power and Renewables division of BP plc in London. Ms Støvring graduated from London Business School (Sloan Programme) in 2001. In addition she is a member of the Norwegian Bar and a Solicitor Admitted to the Rolls of England and Wales. Ms Støvring is a Norwegian and US citizen and resides in Oslo, Norway. She serves as a non-Executive Director of Norse Energy Corporation ASA (OSE) and Panoro Energy ASA (OSE).
Yekaterina Zhdan	Ms. Zhdan has over 10 years of experience in fund and asset management within the CIS.
Ann Elizabeth Seabrook	Was born and educated in the United Kingdom. In 1999 Ann was appointed as a Director of Waterford Finance & Investment Limited and has worked on the complex purchase & sale of various projects. She joined Weighbridge Trust Limited in 1996 and was appointed as a Director in 2006. Prior to 1996 Ann worked for and held management positions in the Trust departments of Rothschild Trust Guernsey Limited and Banque Belge (Guernsey) Limited.

## International Management Team – experienced professionals with outstanding local expertise

Alexey Kruzhkov, Chief Executive Officer	Has more than 20 years of experience in natural resources industry. Alexey has served as CFO of Waterford Finance & Investments Ltd since 2003. He has been involved in a variety of international oil and gas projects being responsible for financing, investor relations, reporting and control. Prior to joining Waterford Alexey held senior management and Board positions in a number of private and public entities including SINCO, Oxoil and Thistle Mining Plc. Alexey has a MBA from A. B. Freeman School of Business of Tulane University and Master Degree from Moscow Power Engineering University.
Nikolay Piskun, Managing Director for Aladdin Group Companies	Has joined Aladdin after 16 years of successful career in GaspromNeft (previously Sibneft) where he held a number of senior executive positions including Director for Business Development, General Director of Gazpromneft's oil producing subsidiary Gapromneft-Angara and Senior Manager for Eastern Siberian Assets. Nikolay holds a degree from Gubkin State University of Oil and Gas.
Andrey Lavka	Has joined Aladdin as a financial advisor responsible for supervision of payments and reporting procedures. Andrey got a degree in applied mathematics from Moscow Engineering and Physics Institute and MBA from Government University of Management. Andrey is a fellowship member of Association of Chartered Certified Accountants. His career includes working in PricewaterhouseCoopers, Deloitte and Golden Telecom
Roman Krotov, General Director in Orenburg	Has 10 years of oil and gas experience. He has worked in subsidiaries of oil and gas majors including Russneft and Lukoil. Before joining Aladdin Mr. Krotov was a General Director of a well-established independent oil producer Yukola-Neft in Saratov region. Roman holds a degree from Samara State Technical University.
Nikolai Zateev, General Director in Ukhta	Has experience of work in oil producing and refining companies and has substantial experience and contacts in Uchta region. In particular, he worked as Director of Strategic Communications and Information of North Oil, General Director of UrengoiGeoResource, Strategic Director of Trading House Platan-Sever. Before joining the Company Nikolay held a position of Deputy Director General on oil and gas in Lakeshore International Management where he was involved in several projects
Espen Glende, Chief Operating Officer	Mr Glende has held senior positions within the Company since 2006 and has 5 years experience from the Russian Oil & Gas sector for small independents. Previously worked as an entrepreneur and investor focusing on real estate and commodities. Experience from project management, financial markets and economical analysis focusing on the oil & gas sector. Mr Glende holds a MSc from The Norwegian University of Life Sciences
Luis Diaz, Professional Petroleum Engineer	With more than 30 years oil and gas experience including 20 years in drilling, work-over and completions operations and more than 15 years as a Senior Drilling Engineer and Manager. Additionally proficient in reservoir analysis, well planning and management, project engineering, log interpretation, well testing and stimulation, with experience obtained in Colombia, Venezuela, Ecuador, Peru, South Texas, Pakistan, Kazakhstan and Russia throughout his career.

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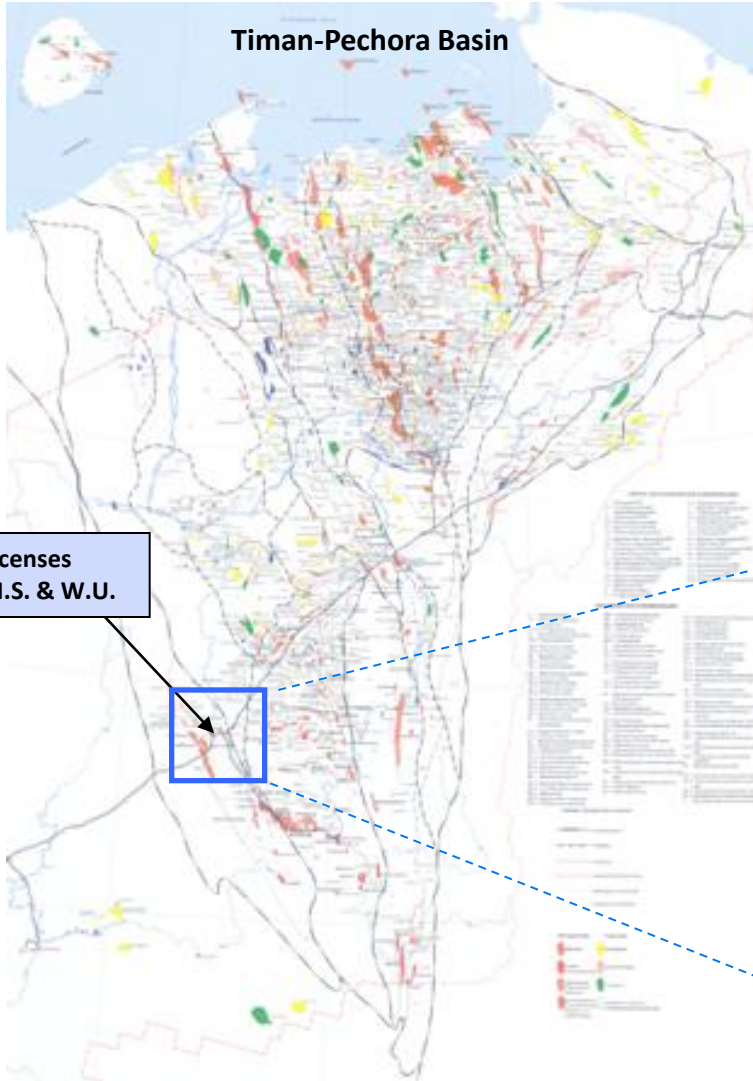
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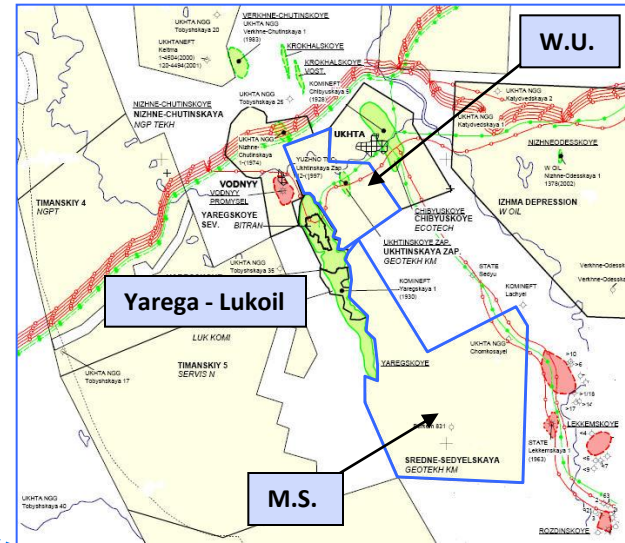
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# APPENDICES

# Middle Sedelskoye and West Ukhta license area locations



Licenses  
M.S. & W.U.



## Reserves and production

Assets	Current prod	1P	2P	3P	Resources
<b>Komi republic</b>					
Middle-Sedelskoye (oil)		-	3.6	23.1	578
Middle-Sedelskoye (gas)*	~750 boepd	2.4	4.6	9.6	
West -Ukhtinskaya (oil)			15.9	37.7	87
<b>Total, Komi</b>		<b>2.4</b>	<b>24.1</b>	<b>70.4</b>	<b>665</b>
<b>Orenburg region</b>					
Voinskoye (oil)		1.0	1.8	5.7	n/d
Besedinskoye (oil)		1.4	4.5	7.5	n/d
Nikiforovskoye (oil)	~150 bpd	4.1	7.5	12.2	n/d
Veselovskoye**		n/d	8.5	8.5	40
Khersonskoye		n/d	n/d	n/d	n/d
<b>Total, Orenburg</b>		<b>6.5</b>	<b>22.3</b>	<b>33.9</b>	<b>40</b>
<b>Total</b>	~900 boepd	<b>8.9</b>	<b>46.4</b>	<b>104.3</b>	<b>705</b>

\* Including the 1P reserves of 1.2 mmbœ, 2P reserves of 1.7 mmbœ and 3P reserves of 2.3 mmbœ attributed to Prospect 14, according to Company data

\*\* Preliminary figures

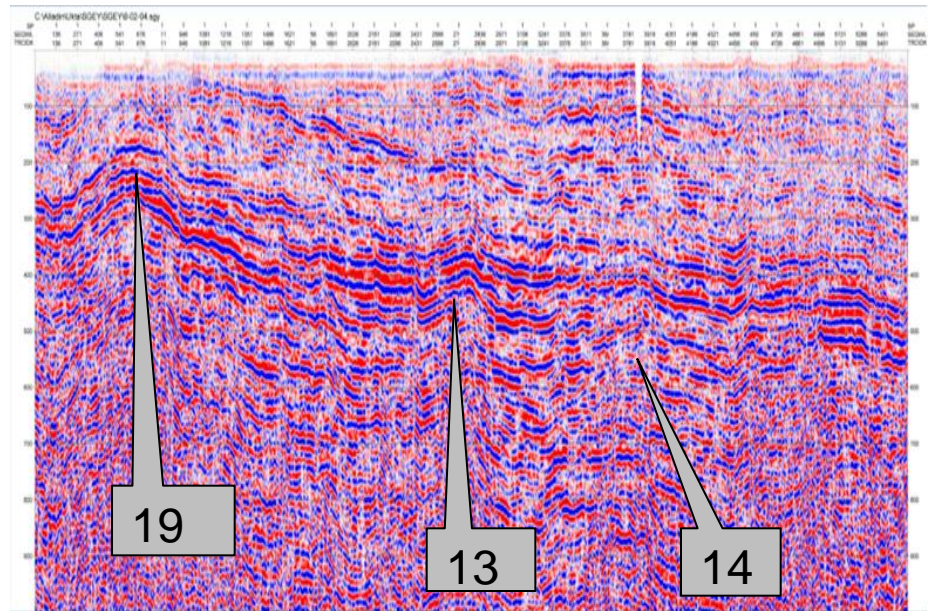
Source: Hoyadalsvik PetroConsult reports, November 2008. Company data



# Ukhta Gas Program

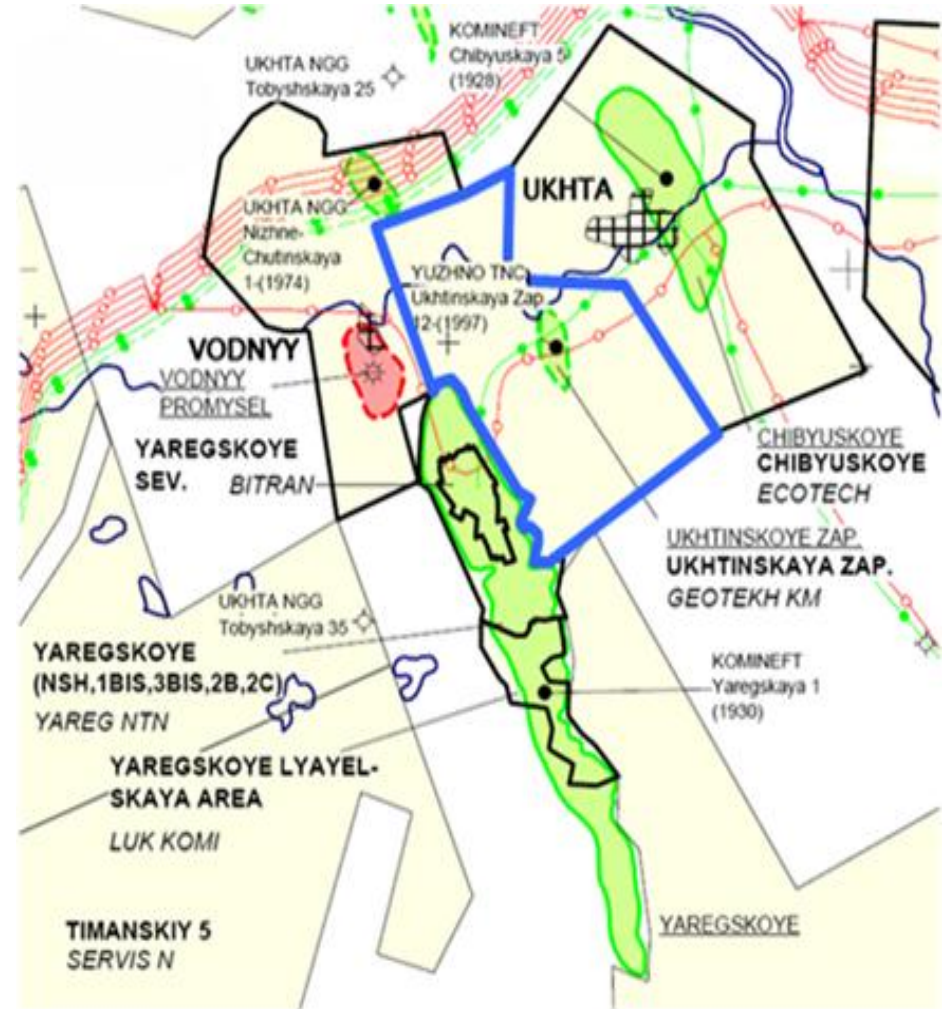
- MS Gas field
  - ✓ Drill well 1E on the crest of the structure to enhance production short term
  - ✓ New well design, reputable contractors and supervision is expected to improve well performance
- SE Gas Field:
  - ✓ Drill second well in this structure
  - ✓ Well 14A discovered gas in 2009
  - ✓ Approx 20km to gas facilities
  - ✓ 400mln m3 GIP resource estimate
- Structure 7
  - ✓ Drill second well in this structure
  - ✓ Well 7A drilled in 2009 – logs indicate gas
  - ✓ Short distance to gas facilities – only 7-8km
  - ✓ ~1bcm resource estimate GIP
- Structure 10
  - ✓ Drill well 10A in this structure
  - ✓ Well 807 proved gas in this structure
  - ✓ ~1 bcm resource estimate GIP
- Structure 19
  - ✓ Big rollover with huge potential if proved
  - ✓ Access difficult – may use helicopter
  - ✓ Possible high pressure
  - ✓ ~2bcm resource estimate GIP

E/W Seismic line through prospect 19,13,14



## Ukhta Shallow Oil at WU

- Wells 16,17,20,31 all encountered oil bearing reservoir around 200-230m.
  - Wells 16,31 have gascap
  - Well 31 is on another side of n/s fault
- Reservoir may be significant
  - Up to 60mln boe resource estimate (company estimate)
- Wells 5U and 5ubiz have 12mln 2P reserves.
  - 2 oil bearing zones
  - 35 mln boe's upside (company estimate)
- Reservoir
  - Up to 40mln boe resource estimate (company estimate)
- Possible MET tax holiday for viscous/heavy oil
  - Significantly improve netback





# Orenburg Seismic Program

- 2D seismic (200 km) in Veselovskoye license
  - ✓ Objective to:
    - ✓ Obtain info about existing 4 discoveries
    - ✓ Convert resources to reserves
    - ✓ Prove up additional prospects mapped earlier
    - ✓ Search for mid/deep Devonian
    - ✓ Concept:
      - Depocenter just south of Ves license. No wells in this area have penetrated the deep Devonian
  - ✓ Good potential for the license based on 16 leads and 4 known structures penetrated by wells.
    - ✓ 8.5 mln prelim 2P reserves
    - ✓ ~50 mln prospective resources
    - ✓ 60 km from Karachaganak field
  - ✓ 6 wells - all discovered oil/condensate
    - ✓ Crude oil founded 40-65 API degree.
  - ✓ TNK BP fields Lebyazinskoye and Zagorskoye just 3-5 km outside the license border.
    - ✓ Excellent flowrates up to 2000 boepd

