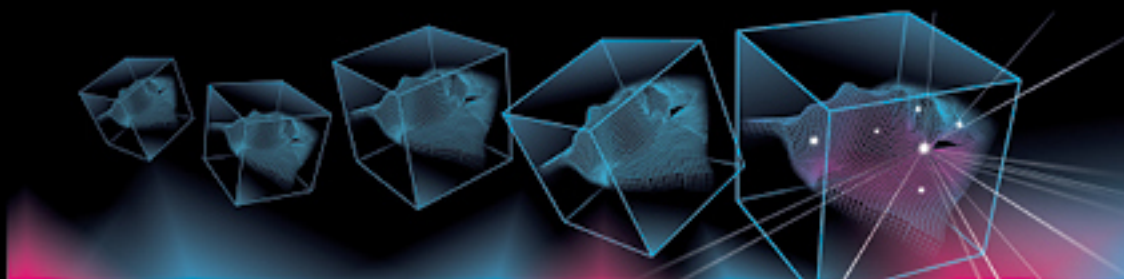


TUTKOVSKY



NATURAL RESOURCES PROJECT MANAGEMENT

WWW.TUTKOVSKY.COM

LETTER OF THE CHAIRMAN OF THE BOARD

Dear Clients!

A mission of TUTKOVSKY is to increase the value of your business in management of natural resources by optimizing all stages of minerals exploration and production. By managing your production projects, we will minimize the investment costs, payback period and risks, and maximize the profitability of your business.

Exploration and production projects managed by TUTKOVSKY are proven sequential technological processes in which you decide at the end of each stage whether to finance the next. For each stage of your project, we attract a team of highly qualified professionals of all required specialties. Through this innovative approach, we are taking responsibility for the final result of each stage of the project and for the project in whole.

For state governments, we are developing regional programs related to the complex exploitation of natural resources which provides a new, comprehensive approach to the management of regional natural resources and minimize risks for the environment and population. These programs improve the efficiency of the natural resources management and allow the people to continue living in harmony with a nature.

TUTKOVSKY's proposals to manage your project are based on the result of over 20 years of an intensive work of our company. Over this time, TUTKOVSKY has successfully performed hundreds of different projects

in 17 countries on order of production companies and state governments as well. Owing to our cooperation with a company Shell and its high requirements to the contractors, we brought our performance to the level of the world's best standards.

Our personnel are basically composed of Ukrainian specialists. Ukraine has been and still is a powerful regional leader not only in minerals exploration and production but also in designing of the related technology and equipment. TUTKOVSKY staff is highly skilled and qualified applying the latest knowledge and technologies as well as an extensive expertise obtained by operating in many countries worldwide.

The client's interests are always of the top priority for TUTKOVSKY. We shall do our best to make your project of natural resources exploitation fully transparent for you as well as to minimize your investment costs, project realization time frame, geological and other risks and make it profitable and successful. Mutual benefits, honesty and professionalism are the key principles in business of TUTKOVSKY.

With best regards,
Chairman of the Board
TUTKOVSKY PLC
Pavlo Zagorodnyuk.

ABOUT THE COMPANY



The company is named after **Pavlo A. Tutkovsky** (1858-1930), an outstanding Ukrainian geologist, geographer, professor of the Kyiv Shevchenko University and one of the founders of Ukraine's geological school and Academy of Sciences.

TUTKOVSKY is entering the world market with an innovative service: management of integrated projects in effective exploitation of natural resources.

We have come a long way to being able to introduce to our clients a proposal that requires a whole range of necessary skills, knowledge, competence and expertise.

It took over 20 years for our company to arrive at this point, carrying out hundreds of different projects, including the following:

- Geophysical services and integrated geological-geophysical support to production companies, leading to the discovery of 83 natural gas and gas condensate fields in Ukraine.
- Performance of 22 overseas projects in 12 countries, providing consulting services on the prospecting, exploration and development of the oil-and-gas fields as well as metallic and non-metallic minerals.
- Deliveries of exploration and geophysical equipment, including equipment of our own production, to service companies throughout the CIS region.
- Management of deliveries of equipment, pipes and other products to the production companies of Gazprom, oil companies in Russia and oil & gas companies in Turkmenistan and Kazakhstan. Logistics and supplies for the National Joint-Stock Company Naftogaz of Ukraine. Participation in the construction of a gas pipeline and compressor stations in Turkmenistan.

Today TUTKOVSKY represents a group of companies providing a full range of exploration and production services. Our staff is a team of highly qualified geologists, geophysicists and other professionals. Our partnerships with the leading international companies and thousands of top professionals brought us a high reputation among clients as well as an extended expertise in managing of integrated projects.

OUR SERVICES

TUTKOVSKY OPERATES IN THE FOLLOWING AREAS

- **Energy resources:** oil & gas, including unconventional sources; coal and other solid fuels.
- **Mineral resources:** metallic and non-metallic minerals, including from technogene sources and waste recycling.
- **Water resources:** potable, mineral, industrial and geothermal.

TUTKOVSKY OFFERS

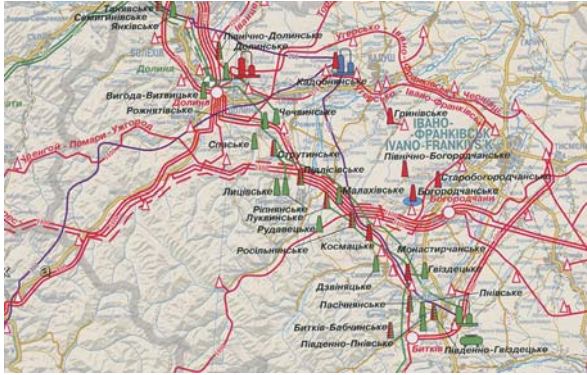
To investors and production companies:

- Management of the full cycle of geological exploration and production of fields of all types of natural resources: exploration - development - production - sale of the final product.
- Management of exploration and production projects, from the conceptual design and supervising of services to the achievement of efficient results, respecting at the same time the top environmental and social standards.
- Management of logistics, technology and human resources as well as sales of the production company products.
- Management of programs related to special types or groups of minerals depending on the specialization of the production company. Management of the comprehensive exploitation of resources at the company operating territory.

To regional and state governments:

- Programs to improve the efficiency of the natural resources exploitation.
- Software to monitor the subsoil use.
- Development and implementation of environmental policies in the subsoil use.





TUTKOVSKY manages projects and programs at all stages. We know the ins and outs of energy markets and mineral resource markets. We have a geological database on various types of minerals for different countries and territories. We conduct market monitoring on a regular basis, analyze pro-posals by junior companies, conduct own research and compile investment project portfolios for production companies. We initiate programs related to the regional exploration and use of natural resources or manage such programs and international programs on the efficient use of natural resources initiated by governments and intergovernmental entities.

To evaluate the feasibility of the project initiation, **TUTKOVSKY** carries out the following types of work:

- Market research of the fuel and energy or mineral resources.
- Generalization and analysis of the data defining the natural resource potential of the country, region or territory.
- Collection of data, selection of licensing areas and evaluation of the potential resources and geological risks to discover the field within the prospective area.
- Investment analysis of prospective areas and mineral deposits and evaluation of political, environmental and other risks.
- Attraction of investors to develop mineral deposits and unlock the country's or territory's resource potential.



PROJECT PLANNING AND DEVELOPMENT

TUTKOVSKY designs projects both for the separate stages of prospecting, exploration and development of mineral deposits as well as comprehensive integrated projects, drafts business plans that comply with international standards, performs project evaluation and audit .

We develop government programs related to the regional exploration and use of natural resources and application of international programs related to the rational use of natural resources.

At this point we offer the following services:

- Determination of efficient methodology.
- Compilation of databases out of available geological data.
- Consulting on the legal, financial, mining and geological, technological, environmental, marketing, management and human resource issues.
- Coordination with foreign contractors and suppliers.
- Identification of risks and development of risk management strategies.
- Coordination of all interested parties during the implementation of projects.



PROJECT IMPLEMENTATION

Based on its potential and expertise, at the stage of project implementation **TUTKOVSKY** offers supervising services or takes responsibility to achieve the goal of the project through the following stages of project management:

- Management of geological survey (prospecting and exploration). Management and geological support of production, processing and sales of the products of the production company, including management of the construction of technological and infrastructure facilities, transportation networks (oil and gas pipelines and other pipelines) and storage of the product (underground gas storages).

- Management of government programs related to the regional exploration and use of natural resources.
- Management of the equipment and technological supplies for exploration companies, production of the equipment and devices, providing of production companies with equipment and technologies for the production fields to process and enrich the minerals and transport the final products.
- Management of human resources, professional development trainings of the local employees of production companies and state geological agencies.



PROJECT MONITORING AND CONTROL

For production companies, **TUTKOVSKY** carries out monitoring and control of production processes, logistics and sales of products at all stages of the field's life cycle. This allows predicting and avoiding potential risks.

The regional governmental programs developed by **TUTKOVSKY** are directed to the application of software systems to monitor the use of natural resources. These systems are operated by the local staff trained by **TUTKOVSKY**. We perform control, make necessary corrections, upgrade software and provide consulting services.

PROJECT COMPLETION

TUTKOVSKY manages the liquidation of production companies and recultivation of the production territory.

As a result of our work on government projects we created an efficient software for natural resource management.

PROJECTS AND PROGRAMS WE MANAGE

Integrated projects to identify, explore, develop and use all types of mineral deposits.

ENERGY RESOURCES

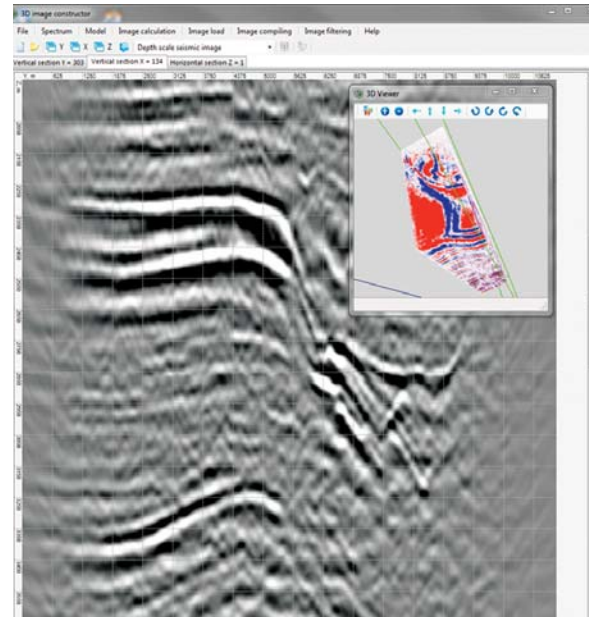
Oil & gas:

- Consulting services.
Preparation of reports under international standards to attract foreign investment and asset management: CPR (Competent Person Report), Reserves Audit, Development Plan, MDP (Masters Development Plan).



- Planning, development and support of the works in prospecting, exploration and development of oil & gas fields.
- Field geophysical surveys:
 - o 2D, 3D and 3C seismic survey;
 - o Combination of 3D seismic survey with high precision gravimetric, magnetic and other geophysical surveys;
 - o Vertical seismic profiling.
- Well logging and well services:
 - o Open and cased hole logging;
 - o Formation evaluation;
 - o Casing inspection;
 - o Production logging and well testing;
 - o Well perforating.
- Geological-geophysical data processing and interpretation.
- Geological-economic and technical-economic evaluation of hydrocarbon reserves.

- Field development and operation:
 - o Hydrodynamic reservoir modeling of deposits, oil & gas fields and underground gas storages;
 - o GIS projects and database management;
 - o Selection of technology, designing and management of well workover and well stimulation;
 - o Designing of oil and gas field development plans;



- o Designing of drilling projects to drill oil & gas wells of various profiles (vertical, directed, horizontal wells) with comprehensive geophysical support (navigation, logging in open and cased boreholes, perforation, mud logging), supervision, cementing, hydraulic fracturing.

- Spatial optimization, development and construction of oil & gas transit networks of varying throughput, relief and engineering and geological conditions.
- Services in exploration and production of unconventional hydrocarbon sources:
 - o Geological evaluation of deposits with unconventional sources: shale and tight gas; coal bed methane; gas hydrates;
 - o Application of modern technology of strategic partners (Halliburton) and own patented technology for degasification of coal mining deposits;
 - o Designing of drilling projects to drill wells targeting unconventional hydrocarbon resources considering specific geological conditions.

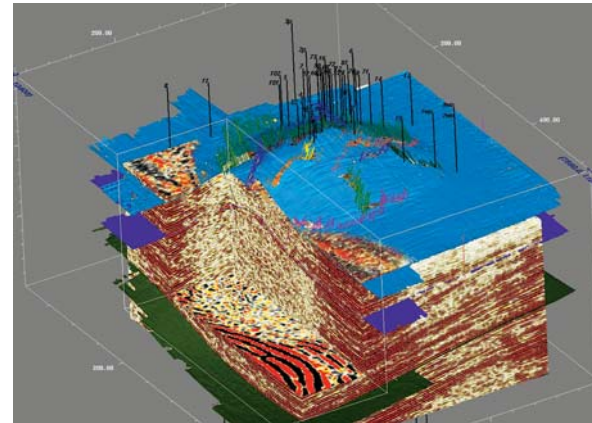


- Supplies of equipment and technologies for oil & gas exploration and development projects.
- Occupational health and safety, environmental audit and support of oil & gas production projects.
- Modeling of accidents and oil spills, development of optimal procedures for their removal.

Coal and other solid fuels: black, brown, sapropel coal, peat and menalite shale

- Analytical reviews of the hard fuels market, expert evaluation of raw materials.
- Choice and investment analysis of licensed areas.
- Comprehensive evaluation of the resource potential of the primary fuel and accompanying secondary minerals.

- Development of proposals on the use of efficient technology of comprehensive development of fields.
- Risk evaluation of field development and recommendations for its minimization.
- Integrated prospecting and exploration works.
- Selection and development of the most economically viable and environmentally safe technology for mining of coal and accompanying minerals (methane, germanium and others), enrichment of coal and processing of post-production waste.
- 3D modeling of mineral deposits, evaluation of reserves of the primary and accompanying minerals, geo-economic evaluation of field operation under international institutions requirements.
- Geological support of coal and accompanying minerals mining and their ongoing efficient exploration during the lifecycle of the field.
- Management of equipment supplies for coal mining and other companies.
- Occupational health and safety, environmental protection.
- Sales of final products.
- Recultivation and liquidation of coal mining and other companies.



MINERAL RESOURCES

Mineral resources: metallic and non-metallic minerals, including from anthropogenic deposits and waste recycling

- Analytical reviews of the mineral's market.
- Selection and investment analysis of licensing areas, evaluation of potential resources and risks to its development.
- Selection of research methodology for the evaluation of anthropogenic deposits, feasibility assessment of secondary raw material processing.
- Full range of prospecting and exploration works.

- 3D modeling of prospective structures and deposits, evaluation of mineral resources and mineral reserves, geo-economic evaluation of the field development under the CRIRSCO (Committee for Mineral Reserves International Reporting Standards) requirements.
- Development, supplies and management of the construction of mining companies and infrastructure objects.
- Geological support of minerals extraction and operational exploration for the entire lifecycle of the deposit.



- Occupational health and safety, environmental protection.
- Sales of final products.
- Recultivation and liquidation of the mining and other companies.

WATER RESOURCES

- Regional evaluation of the reserves of potable, medicinal, mineral, industrial and thermal water and evaluation of the prospects of use of such water.
- Prospecting, exploration and evaluation of operational reserves of various types of ground water.
- Compilation of protocols, technological plans and projects for ground water deposits.
- Development and construction of water intake, drainage and ground water pollution protection systems.
- Optimization of operational water intake.
- Prediction of potential changes to quality of ground water during its use and post-pollution.
- Monitoring of ground water deposits, development of data analysis monitoring systems.

REGIONAL PROGRAMS ON COMPREHENSIVE RESEARCH AND USE OF NATURAL RESOURCES

- Setup of databases of natural resource data and natural resource inventories: land, water, forest, mineral deposits, manifestation of minerals and others.
- Evaluation of the natural resource base and environmental and social consequences of its use.
- Identification of objects of the natural resource fund that are transferred to private nature users and modes and terms of such transfer.



- Regional geological research: setup of a multi-functional geological basis for the efficient nature management. Selection and evaluation of fields for licensing.
- Regional research of the ground, water and forest resources.
- Monitoring of the environmental status of the ground, surface and ground water, atmospheric air and its health impact.
- Identification and research of object of the natural resource fund that are in need of protection and preservation.
- Attraction of grants from world and intergovernmental organizations and funds to research natural resources and preserve the environment, participation in international projects:
 - o Categorization, harmonization and spread of Europe-wide and worldwide geological data.
 - o Research of energy and mineral resources to meet the socio-economic needs of the population of countries and political and economic unions.
 - o Research of the environmental impact of the use of natural resources.

- o Research of the environmental impact on the near-surface geology – the ground and ground water – to ward off risks of food and drinking water scarcity.
- o Research of natural and anthropogenic threats, development of measures to counter emergencies and disasters.



- o Prevention of climate change through reduction of greenhouse gas emissions, geological preservation of carbon dioxide and use of alternative energy, geothermal energy in particular.
- o Research of ecosystems and prediction of their change.
- o Preservation of geological diversity and geological heritage.
- Selection and development of software, setup of specialized geo-informational systems and interfaces of standalone thematic directions of analysis and modeling.
- Training and professional development trainings of local workforce to operate geo-informational systems in other areas.
- Creation of software for natural resource management.

KEY ASSETS OF THE COMPANY

TUTKOVSKY has a unique set of key assets and skills enabling the company to conduct the most complex projects in all areas of efficient use of natural resources.

OUR PEOPLE

We employ seasoned professionals with unique and comprehensive experience managing and carrying out projects on the exploration and production of mineral resources: geologists, geophysicists, engineers, environmentalists and production managers. They are what make up Tutkovsky's most valuable asset.

Founded by Tutkovsky the **Ukrainian Association of Geologists** comprises over 4,000 professionals, making for a unique workforce a potential to perform a variety of projects.

The **Tutkovsky Institute** carries out educational programs and professional development trainings of employees for Tutkovsky and partner companies in the areas of study such as Geology, Minerals Development and Environmental Safety.



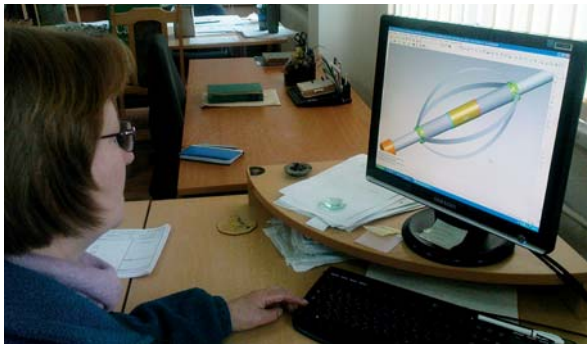
EXPERIENCE AND COMPETENCES

Tutkovsky has the skills and experience in carrying out projects in all areas of exploration and production of minerals. For over 20 years of intensive work, the company successfully carried out hundreds of diverse projects in 17 countries in the areas of prospecting, exploration and development of hydrocarbon resources, metallic and non-metallic minerals, provision of consulting services, deliveries of exploration and geophysical equipment as well as produce and supply equipment for oil&gas and minerals production projects.

Tutkovsky's customers became state-owned and private service and production companies of Ukraine, Belarus, Azerbaijan, Kazakhstan, India, Russia, Turkmenistan and Uzbekistan: NJSC Naftogaz of Ukraine, Shell Exploration and Production International BV, Total S.A., Sonatrach, Marathon Oil Company, Regal Petroleum, Polish Petroleum Company, Moravsky Naftovy Doly (MND), Indusmin Energy Corporation, Cadogan Petroleum, Vanco Energy Company, Transeuroenergy, RAG, Halliburton and others.

We have fulfilled numerous projects of equipment supply for Noyabrskneftegazgeofizika-Sibneft, Orenburgneft, Gazpromdobycha Orenburg, Gazpromgeofizika, Kogalymneftegeofizika, Nizhnevartovskgeofizika, Surgutneftegaz, Pomorneftegazgeofizika, Kaliningradgeofizika, Russian Geophysical Company, Neftgazgeofizika, Geofiz mash, Geotron (Russia), Belorusneft, Eurogas (Belarus), JSC Well Logging Company (Kazakhstan), SOCAR (Azerbaijan), Uzbekneft, Turkmengaz, Turkmenneft and others.

Tutkovsky has a unique, longtime experience in carrying out projects related to the exploration and production equipment supplies for the companies of NJSC Naftogaz of Ukraine, Gazprom, oil companies of the Tyumen region, mining companies of Ukraine and other countries.



TECHNOLOGIES AND INNOVATIONS

Tutkovsky combines service and production companies able to fulfill a full range of exploration tasks from regional geological research to the exploration and development of mineral deposits and support of production of oil & gas, metallic and non-metallic minerals and ground water for the entire duration of the field's lifecycle. The following companies comprise Tutkovsky:

- **Tutkovsky PLC** – a holding company;
- **Tutkovsky Project Management LLC** – management of projects related to the exploration and production of natural resources, equipment and supplies for exploration and production projects;
- **Tutkovsky Geophysical LLC** – seismic survey services, gravimetric, magnetic surveys and their combinations;
- **Tutkovsky Well Services LLC** – well logging and well services;
- **Tutkovsky Integrated Solutions LLC** – a full range of geological-geophysical data processing and interpretation by using of unique methodology and own software;
- **Tutkovsky PJSC** – production of up-to-date open hole logging tools and geophysical equipment;
- **Tutkovsky Plant PJSC** – production of exploration equipment;
- **Discovery Drilling Equipment LLC** – production of drilling rigs and equipment;
- **Tutkovsky Institute PHEI** – professional development trainings and scientific research.



The high qualifications of our workforce and extensive cooperation with technology leaders of the industry allow offering and implementation of optimal technological solutions for projects of high complexity.

TUTKOVSKY PARTNERSHIP NETWORK

Our strategic partners are Halliburton, Shell, PGS, Tsunami, IHS Energy, Polarcus, Welltec, United Oilfield Services and other companies.

Our suppliers among others are Paradigm, Halliburton, ION, Sondex (GE Energy), allowing access to the most up-to-date and efficient technology.

The network includes Ukraine's leading institutions of science and producers of minerals exploration and production equipment and other goods.

OUR REPUTATION

For over 20 years of operation, Tutkovsky earned a reputation for being a reliable and responsible partner and a company able to fulfill projects of high complexity at the highest international level of quality and efficiency.

- The Tutkovsky companies operate under the ISO 9001 quality standards. Tutkovsky requires that the companies involved in Tutkovsky projects comply with that system.
- The conduct of oil & gas projects by Tutkovsky is subject to the API standards (of the American Oil & Gas Institute).
- The geological reporting and reserves inventory is in line with the requirements of the CRIRSCO (Committee for Mineral Reserves International Reporting Standards).
- Tutkovsky operates a system of occupational health and safety in line with the international standard OHSAS 18001.
- Tutkovsky operates a system of environmental management in line with the ISO 14001 standard.

HEAD OFFICE

TUTKOVSKY PLC

41-49 Agiou Nikolaou
NIMELI Court, Block C
3rd floor 2408, Nicosia, Cyprus
e-mail: office@tutkovsky.com
www.tutkovsky.com

ALL INQUIRIES TO BE ADDRESSED:

UKRAINE

28, Dubrovytska str.
04114 Kyiv, Ukraine
Tel.: +380 (44) 426-97-97
Fax: +380 (44) 426-98-88
e-mail: office@tutkovsky.com
www.tutkovsky.com

More detailed information can be found at www.tutkovsky.com