

Schedule No. 1 to the Resolution No. [●] of the Extraordinary General Meeting of PETROLINVEST S.A. dated 30 December 2009

Acting pursuant to Art. 433, §2, fourth sentence and §6 of the Commercial Companies Code, the Management Board of PETROLINVEST S.A. (the „**Company**”), in light of the proposed conditional increase of the Company’s share capital by no more than PLN 190,000,000 (one hundred and ninety million) through the issuance of no more than 19,000,000 (nineteen million) ordinary series V bearer shares of PLN 10 (ten) nominal value each to the exclusion of all the pre-emptive rights of the existing shareholders, and the issuance of up to 19,000,000 (nineteen million) of registered subscription warrants to the exclusion of all the pre-emptive rights of the existing shareholders, and the issuance of no more than 120,000 (one hundred twenty thousand) bonds convertible into Series V Shares, hereby presents the Extraordinary General Meeting of the Company convened for 30 December 2009, with the following opinion:

**Management Board Opinion
PETROLINVEST Spółka Akcyjna
of [●] 2009**

laying down the grounds for the full and complete exclusion of the pre-emptive rights to series V shares, subscription warrants convertible into series V shares and bonds convertible into Series V Shares, and the procedure for setting the issue price of the shares and the free-of-charge nature of subscription warrants

The Extraordinary General Meeting of PETROLINVEST S.A. (the “**Company**”) was convened for 30 December 2009 in order to adopt, among other things, a resolution regarding the issue of no more than 120,000 (one hundred and twenty thousand) convertible bonds (the “**Bonds**”), the issue of up to 19,000,000 (nineteen million) registered subscription warrants (the “**Subscription Warrants**”) and a conditional increase of the Company’s share capital by no more than PLN 190,000,000 (one hundred and ninety million) through the issue of no more than 19,000,000 (nineteen million) ordinary series V bearer shares, each of a nominal value of PLN 10 (ten) (the “**Series V Shares**”), the exclusion of the pre-emptive rights of the existing shareholders and amendments to the Company’s statutes.

The goal of the conditional increase of the share capital through the issue of the Series V Shares, the issue of Subscription Warrants and Bonds convertible into the Series V Shares is to provide the Company with the effective tools that will enable it to obtain financial resources to continue hydrocarbon prospecting and extraction in Kazakhstan and acquire new capital assets, to secure the Company’s liquidity needs connected with reducing its indebtedness and also to exercise incentive programmes.

The Management Board believes that increasing the share capital through share issue is, under current circumstances, the optimal way of raising capital, obtaining new capital assets, reducing the Company’s debt without putting its financial liquidity in danger and implementing the incentive programmes. The current situation on the capital market as well as the Company’s current and future financial needs and ambitions connected with improving its financial results by reducing debt justify the full and complete exclusion of the pre-emptive rights of shareholders to the Series V Shares. The issue of Subscription Warrants carrying the right to subscribe for the Series V Shares is aimed at facilitating and accelerating the introduction of the Series V Shares to public trading on the Warsaw Stock Exchange (“**WSE**”). In Management’s opinion, providing appropriate liquidity by promptly listing the shares on the WSE enhances the attractiveness of the instrument to the buyers and increases the likelihood of a successful offering and, as a result, the likelihood of the Company obtaining the necessary financial means or effectively reducing its indebtedness without it having a negative impact on the Company’s current investing activities. The Subscription Warrants will be offered to investors who express interest in investing in the Company, and also with the goal to obtain new capital assets, including other companies’ stocks and shares, convert the Company’s indebtedness and execute the incentive programmes.

The Subscription Warrants convertible into the Series V Shares will be issued free of charge since the goal of the issue of the Subscription Warrants is to provide demand for the Series V Shares and to facilitate prompt listing of the Series V Shares on the WSE. Taking into account the current situation on the capital market and the price of the Company’s shares, the free of charge issue of the Subscription Warrants seems to be fully warranted.

The Bond issue is independent from the issue of Subscription Warrants and serves as an independent means of gaining capital. It will enable the Company to diversify the financial instruments offered to potential investors.

The issue price of the Series V Shares will be set by the Company's Management Board depending on the goals of the issue, primarily by reference to the market value of the shares or the value arrived at using comparative methods of valuation and/or the discounted cash flow method, as well as the Company's projected financial results. Other methods of determining the value of the Shares will also be taken into consideration if those methods can help to match the issue price to the level of demand for the shares or the requirements of the incentive programmes or the investment programme that the Company has in place.

The circumstances discussed above mean that the full and complete exclusion of the pre-emptive rights of the existing shareholders to the Series V Shares is justified for economic reasons and is in the Company's best interest. The procedure of determining the issue price of the Series V Shares and the free-of-charge issue of Subscription Warrants are also warranted.

In view of the above, the Management Board recommends to the Extraordinary General Meeting that it vote in favour of the resolution regarding the issue of Bonds, issue of Subscription Warrants, a conditional increase of the share capital of the Company, the exclusion of the pre-emptive rights of the existing shareholders of the Company.

GROUNDS

The adoption of the resolution regarding a conditional increase of the Company's share capital by no more than PLN 190,000,000 (one hundred and ninety million) through the issue of no more than 19,000,000 (nineteen million) ordinary series V bearer shares, each of a nominal value of PLN 10 (ten) with the full and complete exclusion of the pre-emptive rights of the existing shareholders and an issue of up to 19,000,000 (nineteen million) registered subscription warrants with the full and complete exclusion of the pre-emptive rights of the existing shareholders is justified by the fact that the Company needs to obtain financial resources to enable it to continue the efforts connected with hydrocarbon prospecting and extraction in Kazakhstan, it needs to secure its liquidity needs connected with reducing indebtedness, and also needs to acquire new capital assets, including other entities' shares and stocks, and exercise incentive programmes.