

TOO OilTechnoGroup signs an annex to the Contract for hydrocarbon exploration and production

Legal basis: Article 56 section 1 point 1 of the Act on public offering — inside information

With reference to current report 26/2010 dated 29 March 2010, the Management Board of PETROLINVEST S.A. headquartered in Gdynia (the “Company”) announces that today it has been informed that on 21 October 2010 TOO OilTechnoGroup signed an annex to OTG Contract no. 993 for hydrocarbon exploration and production (the “Annex”) (the “Contract”) with the Ministry of Oil and Gas of the Republic of Kazakhstan (formerly: the Ministry of Energy and Natural Resources of the Republic of Kazakhstan).

In compliance with the decision of the Ministry of Oil and Gas of the Republic of Kazakhstan, the receipt of which was the subject of the current report mentioned above, the Annex prolongs the prospecting period of the Contract by five years, *i.e.* to 18 March 2016, in order to permit evaluation of the discoveries made on the contract area, and commits TOO OilTechnoGroup to spend USD 55,000 thousand in capital expenditure in the prolonged prospecting period, in accordance with the amended Working Programme for years 2011–2016.

Moreover, in the Annex the Parties specified the contract area’s new geographical coordinates which include the procedure of return of its part, carried out in accordance with the provisions of the Contract. The returned area, which constitutes a 43% part of the previous Contract area, covers parts of the area which do not have a good outlook for prospecting, where during the works conducted no hydrocarbons were documented. The current OTG Contract area is 5,376.7 km².

The OTG Contract is the largest contract in the Company's investment portfolio. According to independent competent person’s reports published by the Company, the prospective resources on the Contract area are in excess of 1.9bn barrels of oil equivalent and their value (risk-weighted) is USD 2.6bn.

A farm-out agreement was concluded on 16 March 2010 by and between the Company, TOO OilTechnoGroup and TOTAL E&P KOBLANDY, setting forth the terms and conditions of joint continuation of works on the area under the OTG Contract (current report no. 16/2010). As provided in the agreement, TOTAL E&P KOBLANDY committed, among other things, to provide USD 70.000 thousand to finance works on the OTG Contract area. In exchange for the financing, TOO OilTechnoGroup committed to transfer a 50% interest in the OTG Contract to TOTAL.

Currently the Company is performing actions aiming at fulfilling the terms and conditions of the farm-out agreement. Concluding the Annex to the OTG Contract constitutes performance of the provisions of the consent of the Ministry of Oil and Gas of the Republic of Kazakhstan to prolong the prospecting period of the Contract by five years (current report no. 26/2010), obtaining which was one of the conditions of the farm-out agreement.

In the view of the President of the Management Board of PETROLINVEST S.A., prolonging the prospecting period of the OTG Contract by additional five years gives the Company long-term, stable development prospects in the field of exploration and production operations carried out within the framework of its largest concession, and is a sign of trust expressed by the supervisory and governmental bodies of the Republic of Kazakhstan, as well as of recognition of the positive results of the present prospecting works on the Contract area.

The Company owns 88.10% of the shares in Occidental Resources, Inc., which holds 100% of the shares of TOO OilTechnoGroup.

22 October 2010.

/-/ Bertrand Le Guern — President of the Management Board

/-/ Franciszek Krok — Member of the Management Board