

Prospective Oil Resources

Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

The prospective oil resources presented in this AIF are for crude oil only from the Addax Petroleum licence areas located in Nigeria, Cameroon, Gabon, and deep water areas of Nigeria and São Tomé and Príncipe. The Nigeria licence areas include OML123, OML124, OML126, and OML137. In Cameroon, Addax Petroleum has an interest in the Ngosso Concession. The Gabon concessions include the Awoun, Epaemeno, Etame Marin, Gryphon Marin, Ibekelia, Iris Marin, Kiarsseny, Maghena and Remboué Permits. In the Kurdistan Region of Iraq, Addax Petroleum has an interest in the Taq Taq and Sangaw North licence areas. The deep water areas include OPL291 in Nigeria and Blocks 1, 2, 3, and 4 of the JDZ, which encompasses territory jointly administered by Nigeria and São Tomé and Príncipe.

The prospective oil resources indicate exploration opportunities and development potential in the event a commercial discovery is made and should not be construed as reserves or contingent resources. A geologic risk assessment was performed for these properties. No economic evaluation has been performed on these resources at this time. Prospective gas resources associated with these properties have not been evaluated. The Addax Petroleum interests used to calculate prospective oil resources assume that all phases, and work programmes described in the licence operating agreements proceed as planned.

The following table sets forth the unrisks and risks prospective oil resources as estimated by NSAI attributable to Addax Petroleum's working interests in the respective licence areas. **There is no certainty that any portion of these prospective oil resources will be discovered. If discovered, there is no certainty that their development will be commercially viable.**

Probabilistic Estimates of Unrisks and Risks Prospective Oil Resources to Addax Petroleum Corporation Working Interest as at December 31, 2008

| Region / Licence Area | Unrisks ⁽¹⁾ | | | Risks ⁽¹⁾ | | |
|---------------------------------|--------------------------------|------------------------------|---------------------------------|-----------------------------|---------------|------------------------------|
| | Low Estimate ⁽²⁾⁽³⁾ | Best Estimate ⁽⁴⁾ | High Estimate ⁽²⁾⁽⁵⁾ | Low Estimate ⁽²⁾ | Best Estimate | High Estimate ⁽²⁾ |
| | (MMbbl) | (MMbbl) | (MMbbl) | (MMbbl) | (MMbbl) | (MMbbl) |
| Nigeria | | | | | | |
| OML123 | 189.1 | 340.5 | 505.9 | 37.1 | 71.4 | 103.8 |
| OML124 | 85.3 | 110.4 | 136.5 | 7.8 | 9.3 | 13.4 |
| OML126 | 138.6 | 271.8 | 429.7 | 26.3 | 50.5 | 78.2 |
| OML137 | 150.7 | 253.5 | 359.3 | 68.6 | 112.0 | 155.9 |
| Subtotal | | 976.2 | | | 243.1 | |
| Cameroon | | | | | | |
| Ngosso | 36.5 | 53.8 | 73.3 | 7.9 | 12.3 | 17.1 |
| Gabon | | | | | | |
| Awoun | 14.5 | 30.9 | 50.6 | 3.7 | 7.8 | 12.7 |
| Epaemeno | 15.1 | 27.8 | 40.7 | 2.3 | 4.2 | 6.1 |
| Etame Marin | 19.7 | 44.7 | 75.8 | 8.5 | 18.8 | 31.7 |
| Gryphon Marin | 26.9 | 52.3 | 79.1 | 4.1 | 8.4 | 12.9 |
| Ibekelia | 6.8 | 11.2 | 15.5 | 1.1 | 1.9 | 2.6 |
| Iris Marin | 5.6 | 10.2 | 14.6 | 0.8 | 1.5 | 2.1 |
| Kiarsseny ⁽³⁾ | 15.8 | 30.9 | 46.8 | 7.8 | 12.5 | 17.4 |
| Maghena | 17.3 | 36.3 | 56.4 | 2.5 | 5.2 | 8.1 |
| Remboué ⁽³⁾ | 1.8 | 3.7 | 5.8 | 0.3 | 0.7 | 1.0 |
| Subtotal | | 248.0 | | | 60.9 | |
| Kurdistan Region of Iraq | | | | | | |
| Kewa Chirmila | 4.2 | 9.7 | 16.1 | 0.4 | 1.0 | 1.7 |
| Sangaw North | 56.9 | 125.9 | 209.0 | 6.6 | 14.4 | 24.2 |
| Subtotal | | 135.6 | | | 15.4 | |

| Region / Licence Area | Unrisked ⁽¹⁾ | | | Risky ⁽¹⁾ | | |
|-----------------------|----------------------------|-------------------------|----------------------------|-------------------------|--------------|-------------------------|
| | Low | Best | High | Low | Best | High |
| | Estimate ⁽²⁾⁽³⁾ | Estimate ⁽⁴⁾ | Estimate ⁽²⁾⁽⁵⁾ | Estimate ⁽²⁾ | Estimate | Estimate ⁽²⁾ |
| | (MMbbl) | (MMbbl) | (MMbbl) | (MMbbl) | (MMbbl) | (MMbbl) |
| Deep water | | | | | | |
| JDZ Block 1 | 126.7 | 172.9 | 223.6 | 49.4 | 66.0 | 84.1 |
| JDZ Block 2 | 26.4 | 50.1 | 77.7 | 12.7 | 24.9 | 39.2 |
| JDZ Block 3 | 27.1 | 41.0 | 56.8 | 8.7 | 13.1 | 18.1 |
| JDZ Block 4 | 344.6 | 528.7 | 729.0 | 133.9 | 201.8 | 274.5 |
| OPL291 | 344.2 | 566.0 | 814.9 | 114.4 | 187.6 | 270.0 |
| Subtotal | | 1,358.6 | | | 493.4 | |
| Total | | 2,772.2 | | | 825.1 | |

Totals may not add because of rounding.

Notes:

- (1) These volumes represent only the portions of the prospects that lie within the boundaries of the respective licence area.
- (2) It should be noted that the arithmetic sum of multiple probability distributions is correct only when summing the mean values. The arithmetic sum of the low estimates may be very conservative, and the arithmetic sum of the high estimates may be very optimistic. Statistical summation of multiple independent prospect entities results in narrowing the range between the low and high estimates toward the total sum of the means. Therefore, the only arithmetic sum presented in our tables of results is the sum of the means.
- (3) These resources are reported after giving effect to government back-in rights, which Addax Petroleum Corporation expects to be exercised.
- (4) For the low estimate resources, there is at least a 90 percent probability (P90) that the quantities of oil and gas actually recovered will equal or exceed the estimated amounts.
- (5) The best estimate resources correspond to a measure of the central tendency of the uncertainty distribution, represented herein as the mean value.
- (6) For the high estimate resources, there is at least a 10 percent probability (P10) that the quantities of oil and gas actually recovered will equal or exceed the estimated amounts.