

Additional Information Relating to Reserves Data

Future Costs

The following table sets forth development costs deducted by NSAI in the estimation of the future net revenue for the Corporation's properties and assets attributable to the reserve categories noted below.

Future Development Costs (Undiscounted) as at December 31, 2007

Year	Forecast Prices and Costs		Constant Prices and Costs	
	Proved	Proved plus Probable	Proved	Proved plus Probable
	(\$million)			
2008	670	1,142	670	1,142
2009	162	1,010	160	997
2010	117	384	113	372
2011	1	59	1	56
2012	—	59	—	55
2013	—	29	—	27
2014	—	—	—	—
2015	—	—	—	—
2016	—	—	—	—
2017	—	—	—	—
Total	950	2,683	945	2,649

Totals may not add because of rounding.

Future Development Costs by Country

The following table sets forth the development costs estimated by NSAI.

Country	Total		2008		2009		2010		2011		2012	
	Discounted at		Discounted at		Discounted at		Discounted at		Discounted at		Discounted at	
	0%	10%	0%	10%	0%	10%	0%	10%	0%	10%	0%	10%
	(\$million)											
Forecast Prices and Costs												
Nigeria												
Proved	788	726	568	542	139	120	80	63	1	1	–	–
Proved plus Probable	1,765	1,586	863	823	675	585	217	171	11	8	–	–
Gabon												
Proved	162	146	102	97	23	20	36	29	–	–	–	–
Proved plus Probable	457	409	277	264	47	40	128	101	6	4	–	–
Kurdistan Region of Iraq												
Proved	–	–	–	–	–	–	–	–	–	–	–	–
Proved plus Probable	461	370	3	2	289	251	39	31	42	30	59	38
Constant Prices And Costs												
Nigeria												
Proved	785	723	568	542	137	119	78	62	1	1	–	–
Proved plus Probable	1,750	1,573	863	823	666	577	211	166	10	7	–	–
Gabon												
Proved	160	145	102	97	23	20	35	28	–	–	–	–
Proved plus Probable	452	405	277	264	46	40	124	98	6	4	–	–
Kurdistan Region of Iraq												
Proved	–	–	–	–	–	–	–	–	–	–	–	–
Proved plus Probable	447	360	3	2	285	247	38	30	40	29	55	36

Undeveloped Reserves

Addax Petroleum attributes proved undeveloped reserves in accordance with the CIM definitions. Undeveloped reserves are “those reserves expected to be recovered from known accumulations where a significant expenditure (e.g. when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned”. The attribution of proved undeveloped reserves is based on flow test information obtained from various zones, the similarity of well log information relative to the producing zones, and production and pressure performance information. Proved undeveloped reserves are attributed based on field development plans as approved by NNPC or as incorporated in the internal budget of Addax Petroleum for the next two years.

The following table sets out the volumes of proved undeveloped reserves and probable undeveloped reserves that were attributed for the Corporation's product type for each of the most recent two financial years⁽¹⁾.

	Proved Undeveloped (MMbbl)		Probable Undeveloped (MMbbl)	
	Constant ⁽²⁾	Forecast ⁽³⁾	Constant ⁽²⁾	Forecast ⁽³⁾
December 31, 2006	81.8	82.5	171.9	171.7
December 31, 2007	96.5	96.7	187.9	190.1

Notes:

- (1) The Corporation's petroleum production consists solely of light and medium crude oil.
- (2) Based on Constant Prices and Costs.
- (3) Based on Forecast Prices and Costs.