May 30, 2012

Iraq's Fourth Petroleum Licensing Round
Block 9 Contract Area – Bidding Results

The Petroleum Contracts and Licensing Directorate of the Ministry of Oil is pleased to announce the results of bidding for the Block 9 Contract Area.

In total 1 bid was received from a consortium involving 3 companies.

The winning bid was at or below the Maximum Remuneration Fee (MRF), and was from:

Operator	Other Bidding Consortium Members	RFB (US$/boe)
Kuwait Energy (40%)	TPAO (30%), Dragon Oil (30%)	6.24

Notes to editors:

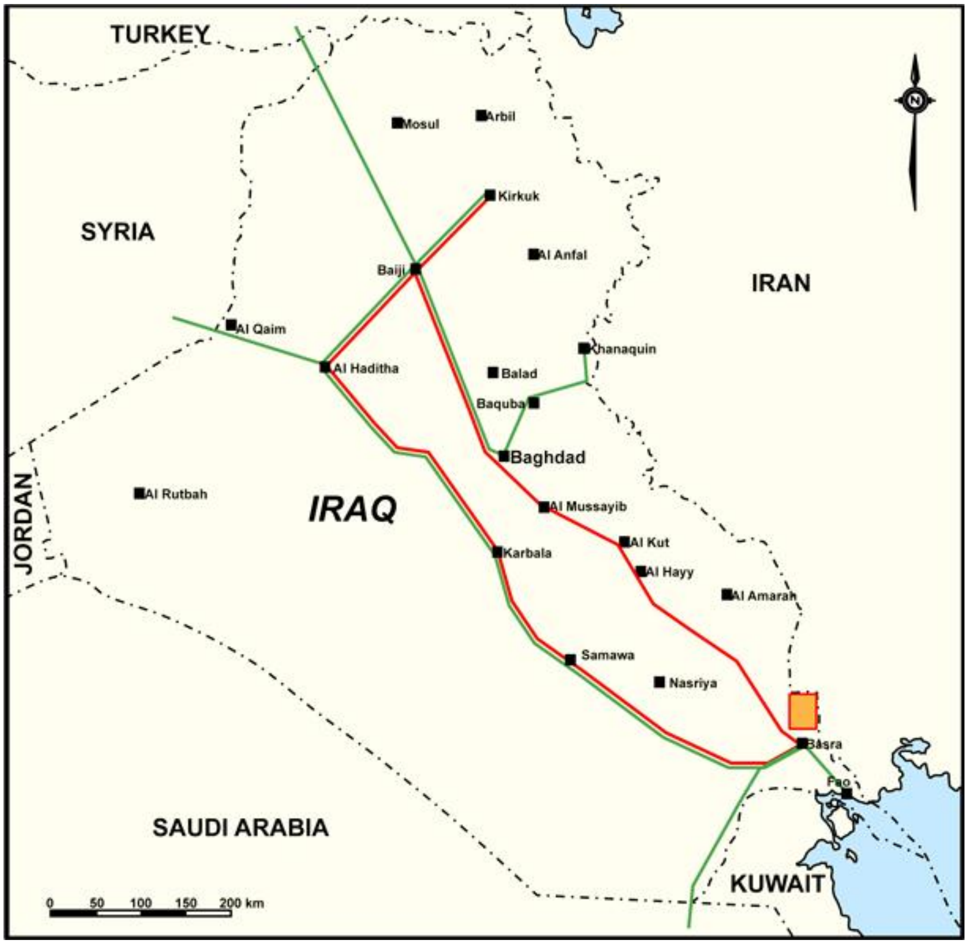
(i) Companies/Consortia bid only the Remuneration Fee Bid. The lowest Remuneration fee bid determines the winner of each block.

(ii) The RFB is payable on each barrel of oil, and barrel of oil equivalent of Natural Gas and of Natural Gas Liquids delivered by the Contractor to the Regional Oil Company.

(iii) The RFB is payable once this Contract Area achieves a Net Oil Production Rate or Adjusted Net Dry Gas Production Rate equal to twenty-five percent (25%) of the Plateau Production Target agreed upon after with the Regional Oil Company after a commercial discovery.

(iv) Costs incurred in developing the Contract Area are also paid by the ROC.

Block 9 Overview



The block lies in the southern part of Iraq, approximately 20 km north of Basra city adjacent to the Iraq-Iran border and covers an area of around 900 km^2. It is close to infrastructure and numerous producing and appraised oil fields.