



Masirah Oil Ltd (1526967)

(a company incorporated in the British Virgin Islands)
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Masirah Oil Limited - PRESS RELEASE

Manarah-1 well in offshore Oman confirms source rock and extension of petroleum system in Block 50

22 April 2016 - Masirah Oil Limited (“**Masirah**”) today announced that drilling of the Manarah-1 well in Block 50 has been completed. The hydrocarbons encountered while drilling proved the presence of a working petroleum system. Masirah is conducting further post well studies. The company is currently in discussions with the Ministry of Oil and Gas of Oman (“**MOG**”) regarding time extension.

Dr Rabi Bastia, a geological and geophysical (G&G) veteran and an advisor to Masirah, said, “Manarah-1 well’s confirmation of the source rock and a working petroleum system in Block 50 gives us great encouragement and important information towards our deeper understanding of the 17,000 sq km block.”

With the present challenging market conditions, Masirah, in which Rex International Holding Limited has an effective stake of 72.03 per cent, is at present drawing up plans for additional wells.

The shareholders of Masirah are Rex Oman Ltd at 69.06 per cent, Lime Petroleum Plc at 4.57 per cent and Petroci at 26.37 per cent.

Technical Analysis

The Manarah-1 well was drilled to TD > 3000 metres, in a safe manner without any recordable health, safety and environment (HSE) incident. The well was targeted to evaluate the potential in two sandstone and carbonates primary targets and three secondary targets. The location was selected on the basis of G&G analysis supported by Rex Virtual Drilling. High gas count with oil shows were encountered in both primary targets and two of the secondary targets. Presence of fractures in a secondary target where mud loss was encountered during drilling which were further confirmed by high resolution Formation Micro-Imager (FMI), suggesting the presence of possible high porous reservoir zones.

Side wall cores were collected in another secondary target and preliminary inspection of these indicate an extremely good reservoir quality of the sand as well as source rock potential in the shale intervals. These cores will now be analysed in detail.

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