



KORINCI BARU PSC

(Working Interest 100%)

Operator : EMP Korinci Baru Limited

Net Reserves and Resources

	Reserves			Contingent Resources
	1P	2P	3P	
Oil (mmbbls)	-	-	-	-
Gas (mmboe)	0.15	0.34	0.5	-
Total (mmboe)	0.15	0.34	0.5	-

Fiscal Terms

Profit split	
Gas	35%
Oil	20%
First tranche petroleum	20%
Inv. credit	0%
DMO	NA
Depreciation	
Gas	DDB - 50% 8 yrs
Oil	
Effective tax rate	44%
Production bonus	US\$ 0.5 mn = 10 mmboe US\$ 1 mn = 15 mmboe US\$ 2 mn = 20 mmboe
Abandonment fund	

Bentu and Korinci Baru are contiguous blocks in a combined area of about 1,300 km² near the city of Pekanbaru, Riau Province in Sumatra. To maximize operating synergies, in view of their close proximity, EMP operates the blocks as a single business unit. Bentu PSC was originally signed by Sceptre Resources in 1993 with EMP acquiring 100 per cent of both blocks in 2006.

Plan of Development approvals for both have been obtained and the smaller of the two, Korinci, began commercial deliveries of gas in May 2007 to PLN, the state owned electricity utility, from four wells in the Baru and West Baru fields. Bentu PSC is in development with first gas production expected late 2010 from the Seng and Segat fields, which contain the largest concentration of gas in the two blocks. Gas supply contracts have been signed with PLN and RAPP.