

PRESS RELEASE

OSLO, 31 October, 2014

Successful appraisal of the Garantiana oil discovery 34/6-2 S and a new oil discovery in license PL554

Svenska Petroleum Exploration (Svenska), as a 20% license partner in PL554, confirms the completion of the drilling and testing of appraisal well 34/6-3 S on the “Garantiana” discovery and the wildcat sidetrack 34/6-3A. This structure is located about 30 kilometres northeast of the Visund field in the northern part of the North Sea, and about 185 kilometres northwest of Bergen. The water depth at the site is 381 metres. Svenska’s current resource estimate for the license is 50-105 million barrels of oil.

The 34/6-3 S well is located two kilometres southwest of the discovery well 34/6-2 S which was completed in 2012. The well was drilled deviated to a total depth of 4462 m measured depth (3791 m vertical below sea level) in the Lower Jurassic.

The primary objective of 34/6-3 S was to appraise the oil discovery in Lower Jurassic reservoir rocks (Cook Formation). The secondary objective was to explore the Lower Jurassic Statfjord Group up-dip of the well 34/6-2 S.

The appraisal well 34/6-3 S encountered a gross oil column of 120 metres in the Cook formation with very good reservoir quality. The Statfjord Group was water bearing. Extensive data acquisition and sampling were carried out, including comprehensive formation testing of the Cook Formation. The stable production rate measured approx. 5900 bopd day through a 24/64 inch choke size, with a maximum rate of nearly 7000 bopd through a 28/64 inch nozzle opening. The test showed good flow properties including stable flowing pressure, low drawdown and consistent pressure build-ups. The well produced oil with a low gas/oil ratio. The deeper Statfjord Formation was found to be water-bearing.

The side-track 34/6-3 A was drilled into the Akkar Updip prospect and to a total vertical depth of 3724 m below sea level. The well discovered a 44 meter gross oil column in the Cook Formation. The well was terminated in the water-bearing Statfjord Group. Sampling and data acquisition was carried out.

These are the third and fourth wells drilled in production licence 554 awarded in APA 2009. The wells are permanently plugged and abandoned. Svenska’s current estimate of the combined discovered resource range in PL 554 is in the order of 50 to 105 mmboc.



Well 34/6-3 S was drilled by the Leiv Eiriksson drilling facility, which will now drill exploration well 35/9-12 S in production licence 420 in the North Sea, where RWE Dea is the Operator. Anders Hannevik, Managing Director of Svenska Petroleum Exploration in Norway: Norway, comments:

“I am delighted to announce a positive appraisal of the oil discovery in the Cook Formation at Garantiana, PL554 in Norway. Svenska farmed into this license in early 2011 and it has developed into an attractive discovery. The results indicate a resource base that could form the basis of an economic field development as well as supporting further exploration in the license”.

For more information, please contact:

Anders Hannevik, VP License Management & MD SPE AS

Telephone: +47 413 23 323 or e-mail:

anders.hannevik@svenska.com

Fredrik Öhrn, CEO Svenska Petroleum Exploration AB

Telephone: +46 410 545 81 or e-mail:

fredrik.ohrn@svenska.com

www.svenska.com

Svenska Petroleum Exploration is a privately owned Swedish company with a successful track record in finding oil and gas. Svenska's activities extend across the Baltic Sea, infrastructure dense Norway and hydrocarbon rich basins of West Africa. Operations are run from Stockholm, Oslo and London. The company is 100% owned by Petroswede which in turn is wholly owned by Sheikh Mohammed H. AlAmoudi, one of the largest private investors in Sweden.