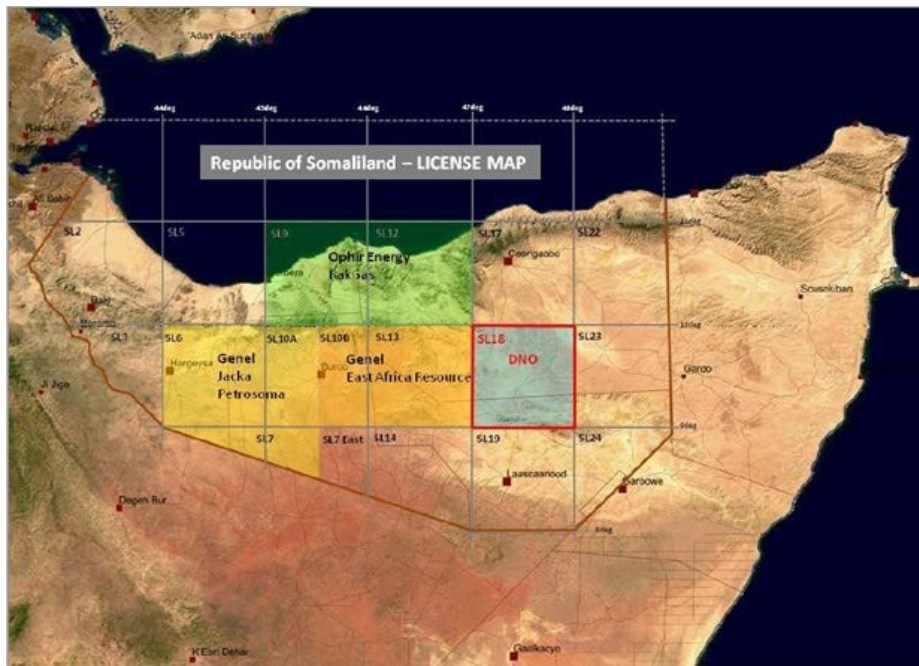


## Petrogas Gibraltar LLC farms into PSA for Somaliland Block SL18



Petrogas (Gibraltar) Ltd, a wholly owned subsidiary of Petrogas Exploration and Production LLC has signed a farm in agreement with DNO International to acquire a 40% working interest in Block SL018. The farm in was ratified by the government of the Republic of Somaliland on the 7<sup>th</sup> January 2014.

The PSA is a six and half year agreement comprising three phases. The first phase will be two and a half years to allow for initial assessments and 2D seismic. The following phases include additional seismic and well commitments.

The exploration onshore block SL18 covers a large surface area of 12000 Km<sup>2</sup> (about 108 x 108 Km). Somaliland is a virtually unexplored territory, with sparse seismic data, few wells and no discoveries to date. However, Petrogas believes that all the Key Elements are all present for exploration success in this genuine Frontier area for exploration

Exploration efforts will be led by DNO international, as Operator. DNO is a Middle East and North Africa (MENA) focused oil and gas company listed on the Oslo Stock Exchange. DNO is a significant operator in Oman, with the Bukha and West Bukha fields and exploration and appraisal activities. Its other assets are in the Kurdistan region of Iraq, and the Republic of Yemen, the United Arab Emirates, the Tunisian Republic as well as Somaliland.

Dr. Mohammed Barwani thanked the President of Somaliland and his Ministers. He commented “I wish to express my gratitude to President Ahmed Mohamed Mohamoud, the Government of Somaliland and the Ministry of Mining and Energy for entrusting in DNO and Petrogas in realizing the full value lying in the subsurface of this large concession.”

He further added, “I trust that this relationship will help build upon historic ties between Oman and the communities of East Africa, to assist specifically in the economic growth of Somaliland.