

FOR IMMEDIATE RELEASE

29 AUGUST 2008

**JKX Oil & Gas plc****INTERIM RESULTS  
FOR  
THE SIX MONTHS ENDED 30 JUNE 2008**

## Financial Highlights

	<b>2008</b>	2007	% Increase
Revenue	<b>\$116.8m</b>	\$84.7m	38%
Operating profit	<b>\$82.2m</b>	\$53.5m	54%
Cash generated from operations before changes in working capital	<b>\$95.4m</b>	\$68.8m	39%
Earnings per share (basic)	<b>39.43 cents</b>	24.40 cents	62%
Interim dividend declared (per share)	<b>2.2p</b>	2.0p	10%

## Strategic Highlights

- An 11 million barrels of oil equivalent increase to Proved plus Probable reserves
- Good progress achieved towards completing the Soyuz pipeline tie-in
- Progress with the Koshekhablskoye development project in Russia
- Gas discovery in Hungary with Hajdúnánás -1 exploration well
- Continued development of the Company's exploration portfolio

JKX Chief Executive, Dr Paul Davies, said: "We are pleased to report another set of robust results and to delivering good operational progress across our licence areas. In addition to making significant advancements within our core production and development hubs of Ukraine and Russia, the Company is delighted with its exploration success in Hungary and looks forward to further progress with the project. We will continue to focus on developing our Ukrainian and Russian operations whilst prudently expanding our exploration portfolio in central and Eastern Europe. We look forward to building upon our progress to date."

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## Chairman's statement

I am pleased to report that the Company has delivered strong financial growth in the first half of the year, resulting primarily from increased realisations for its oil and condensate production and further improvement in realisations for gas sold in Ukraine. Good progress has also been made on the Company's development and exploration programmes.

Major financial highlights for the period include:

- 38% increase in revenue to \$116.8m (\$84.7m)
- 54% rise in operating profit to \$82.2m (\$53.5m)
- 39% increase in operating cash flow before changes in working capital to \$95.4m (\$68.8m)
- 62% increase in earnings per share to 39.43 cents (24.40 cents)
- 10% increase in the interim dividend declared to 2.2p per share (2p per share)

### Production and Realisations

Average production in the first half of the year reduced by approximately 10% to 11,607 boepd (13,008 boepd), due to the natural decline in oil production in the period coupled with the continued delivery limitation on the volume of gas that can be exported from our Poltava production facility. Current production is in excess of 12,000 boepd.

Average realisations for oil have risen by 77% to \$90.45/bbl (\$51.22/bbl), reflecting the strong growth in international oil prices during the period. Average realisations for gas rose by 38% to \$5.40/Mscf (\$3.90/Mscf) and have tracked the increased pricing of gas imported into Ukraine from Russia. We anticipate continued upward pressure on gas realisations through the second half of the year, leading to a further upward movement at the beginning of 2009.

### Reserves

Independent reservoir consultants have been re-evaluating the reserves on the Company's Poltava licences. These are now divided into five main field areas: Ignatovskoye, Novo-Nikolaevskoye, Molchanovskoye North, Molchanovskoye Main and Rudenkovskoye respectively.

Revised reserve estimates are now available for three of the five field areas, namely Ignatovskoye, Novo-Nikolaevskoye and Molchanovskoye North. The Proved plus Probable (P+P) reserves for these areas at the 30<sup>th</sup> June 2008 are: Ignatovskoye - 9.06 MMboe; Novo-Nikolaevskoye - 0.30 MMboe; and Molchanovskoye North - 6.97 MMboe. These revised estimates give an increase of 11 million boe to earlier P+P reserve estimates. The development plans associated with the revised reserve estimates have a contributory effect to the increase in the depreciation, depletion and amortisation rate in the period. This is further described in the financial review.

#### Detailed Reserve Revisions

	Ignatovskoye			Novo-Nikolaevskoye			Molchanovskoye North		
	Oil MMbbl	Gas Bcf	Oil+Gas MMboe	Oil MMbbl	Gas Bcf	Oil+Gas MMboe	Oil MMbbl	Gas Bcf	Oil+Gas MMboe
Proved	2.163	33.32	7.716	0.017	0.178	0.046	1.949	19.673	5.228
Probable	0.247	6.59	1.346	0.169	0.506	0.253	0.726	6.105	1.744
<b>Prov + Prob</b>	<b>2.410</b>	<b>39.91</b>	<b>9.062</b>	<b>0.185</b>	<b>0.684</b>	<b>0.299</b>	<b>2.675</b>	<b>25.778</b>	<b>6.971</b>

Work is ongoing in the Molchanovskoye Main field area where the results of workovers and re-completions over the next period will be critical in determining the level of remaining reserves in an area where the Company has had a wide range of productivity from wells drilled to date. The remaining P+P booked reserves from this area are 10.6 MMboe and an absence of improved

production rates in the coming periods may reduce this figure. Revised reserve estimates for this area will be available in 2009.

In the Rudenkovskoye Field, where the current remaining P+P booked reserves are 21.6 MMboe, relatively little drilling work has been performed to date and potential well performance (and therefore economic reserves) can only be determined following the implementation of the results of the upcoming fracture stimulation programme. Revised reserve estimates for this area are expected to be available in 2010.

In Russia, the Koshekhabskoye reserves are unchanged from the P+P figure of 36.50 MMboe at the date of acquisition.

Group Reserves as at 30<sup>th</sup> June 2008

	Total			Ukraine			Russia		
	Oil+Gas	Oil	Gas	Oil	Gas		Oil	Gas	
	MMboe	MMbbl	MMboe	MMbbl	Bcf	MMboe	MMbbl	Bcf	MMboe
1 Jan 2008	76.2	4.6	71.6	4.1	214.0	35.6	0.5	216.0	36.0
- Revisions	11.0	6.4	4.6	6.4	27.1	4.6	-	-	-
- Production	(2.1)	(0.8)	(1.3)	(0.8)	(7.7)	(1.3)	-	-	-
<b>30 June 2008</b>	<b>85.1</b>	<b>10.2</b>	<b>74.9</b>	<b>9.7</b>	<b>233.4</b>	<b>38.9</b>	<b>0.5</b>	<b>216.0</b>	<b>36.0</b>

Operations

Ukraine

In the first half of the year, Poltava Petroleum Company (%PC+) has drilled and/or completed four development wells and two appraisal wells in the Poltava licences:

- Appraisal Well I133 was drilled at the northern end of a structure to the west of the Ignatovskoye Field and brought on-stream in January at a flow rate of 3.7 MMcfd of gas and 560 bpd of condensate from the Tournasian sandstone.
- Development Well M159 was drilled in the northern area of the Molchanovskoye Field and brought on-stream in February at a flow rate of 1.4 MMcfd of gas and 100 bpd of condensate from the Tournasian carbonate; subsequent acid treatment increased this rate to 7.0 MMcfd of gas and 400 bpd of condensate.
- Horizontal Development Well M164 was drilled in the northern area of the Molchanovskoye Field and brought on-stream in May at a flow rate of 7.4 MMcfd of gas and 1,200 bpd of condensate from the Devonian sandstone.
- Infill Development Well M163 was drilled in the northern area of the Molchanovskoye Field and brought on-stream in July at a flow rate of 11.5 MMcfd of gas and 1,200 bpd of condensate from the Tournasian carbonate.
- Development Well I136 was drilled on the north flank of the Ignatovskoye Field and failed to produce oil from the depleted lowermost carbonate section. It will be recompleted in the overlying gas-bearing Tournasian reservoir.
- Appraisal Well I134 was drilled to the west of the Ignatovskoye Field and tested water from the lowermost Tournasian sandstone. It is awaiting recompletion, stimulation and testing of the overlying gas-bearing Tournasian carbonate.

Since the end of the reporting period, development well M165 was drilled in the northern area of the Molchanovskoye Field and is being completed in the Tournasian carbonate.

The Skytop rig is currently drilling exploration well Z3 located to the west of the Molchanovskoye Field on the 95 sq km Zaplavskoye licence. The rig will then move to the next location on the Zaplavskoye licence to drill exploration well Z2 located to the south of the Molchanovskoye field. The rig is scheduled to continue drilling activity in the licence areas through the remainder of 2008 and 2009.

A new workover rig was purchased and commenced operations in late May with a full programme of well repairs and re-completions planned for the remainder of the year. Currently it is re-completing Well I33 as a Tournasian carbonate producer.

The hydraulic fracture stimulation test programme for the producing wells on the Rudenkovskoye Field is on schedule to commence at the end of the third quarter. The aim of the programme is to identify a preferred stimulation technique to be employed for the full development of the field. At the same time, an acid fracture stimulation programme is being prepared to enhance production from the Tournasian carbonate in areas where the natural fracture system is less developed.

The project to tie-in the PPC production facility to the 56 inch Soyuz pipeline is on-schedule to be completed in the third quarter of the year. All equipment has now been delivered to site and tie-in work is well advanced. Commissioning and final regulatory approvals are expected in September. The 42 sq km 3D seismic programme on the Chervonoyarske East exploration licence has been completed and processing is underway.

## Russia

Yuzhgasenergie (YGE), JKC wholly owned subsidiary, is redeveloping the Koshekhablskoye Field in the southern Russian Republic of Adygea which was acquired in late 2007.

As reported in May, detailed inspection of the existing gas processing facilities at the field has dictated their complete replacement rather than an extensive refurbishment programme. Design work for the new plant is progressing and orders have been placed for a number of the long lead items. The requirement for procurement of additional new equipment and attendant regulatory approvals will delay YGE target for commercial gas delivery beyond the year-end.

The site for the gas processing facilities has been cleared, the site office refurbished, a materials store established and accommodation for the rig crews installed. Land for a 70 man field camp has been acquired, the camp buildings have been delivered, connection of utilities is in progress and camp construction is about to commence.

YGE has scheduled a ten well workover programme for the Oxfordian reservoir and the Kremco 900 rig has completed its mobilisation from Poltava, Ukraine. The first two drilling pads have been prepared and a third is about to commence construction. The rig is now on-site and will commence workover operations imminently.

A coiled tubing unit has been contracted from Poland and is due on the field at the end of September. The unit will provide stimulation and production testing of the existing wells as soon as they have been rehabilitated and recompleted. YGE expects to start production testing of the first well at the beginning of the fourth quarter.

YGE completed the 105 sq km 3D seismic programme over the Koshekhablskoye Field on schedule. Processing of data is complete and interpretation is in progress with the objective of selecting a target in the third quarter for the deeper Callovian reservoir exploration well. More detailed evaluation of the overlying Oxfordian carbonate reservoir features will follow in the fourth quarter. The Callovian exploration well will be over 6,000 metres deep and bids are currently being received from potential drilling contractors with a view to commence drilling at the end of the year.

## Hungary

In December 2007, the Company farmed into the Hernád I & Hernád II exploration licences (JKX: 50%) which cover 5,420 sq km in the Pannonian Basin of north eastern Hungary. The 350 sq km 3D seismic dataset acquired in the Polgar region has been interpreted and several prospects have been mapped.

The first exploration well, Hajdúnánás -1, was spudded in May and reached a total depth of 1,166m. The well encountered three productive gas bearing intervals, two in Miocene Pannonian sands and one in a Miocene volcanoclastic sequence. The upper zone of Miocene sand flowed at 3.8 MMcfd through a 10mm choke, the lower zone of Miocene sand flowed 3.9 MMcfd through a 10mm choke, and the Miocene volcanoclastic section tested at 5.9 MMcfd through a 12mm choke. The well has now been completed as a potential future producer. Gas quality from all three zones is excellent. The well did not reach one further objective in a deeper Miocene formation and additional wells are planned to test this and other targets within the area. The next well is expected to spud in the fourth quarter and acquisition of an extension to the Polgar 3D seismic dataset is also planned for the same period.

#### Bulgaria

The Company operates the B Golitza and B1 Golitza exploration permits (JKX: 50%) which cover a total of 3,499 sq.km, onshore Bulgaria. During the period, a 250 sq km 3D seismic acquisition project was commissioned across the Kamchia Tertiary Basin on the eastern part of the permits. This area contains numerous gas discoveries in stratigraphic traps containing reservoirs of Eocene and Oligocene age. The seismic acquisition is scheduled to be completed by the end of the fourth quarter, leading potentially to exploration drilling in 2009.

In July, Gold Point Energy Corporation signed a letter of intent to farm in for a 20% working interest in the eastern portion of the permits in exchange for funding \$5 million of exploration expenditures.

#### Turkey

The Company is participating in the three Karakalise onshore exploration licences (JKX: 30%), covering a total of 1,230 sq.km in south-eastern Turkey. Following the acquisition of additional seismic data in 2007 and a reinterpretation of the legacy seismic database over the area, the Hakan Yilmaz -1 exploration well was spudded in April. The well encountered oil shows in the targeted Mardin Formation but failed to flow hydrocarbons on a DST test. The well has now been plugged and abandoned.

In January, the Company farmed into two onshore exploration licences in the South East Bismil area of south east Turkey (JKX: 20%). These two licences cover a total of 590 sq. km south of the giant Bati Raman oilfield. In late 2007, a total of 105 km of 2D seismic data was acquired over the area of the 2006 Koyunlu -1 discovery well and a location was established for the Koyunlu -2 appraisal well.

The well was spudded in February and encountered the targeted Gharzan Formation 70m higher than in Koyunlu-1. Although oil shows were recorded whilst drilling, the well flowed water on a DST test and was subsequently plugged and abandoned.

It is now intended to evaluate the potential of the Palaeozoic Bedinan Formation in both the Karakalise and South East Bismil areas in light of the success of an exploration well on adjacent acreage which has recently yielded commercial production from this deeper horizon.

#### Slovakia

In April, the Company entered into an agreement to farm in to the Svidnik, Medzilaborce and Snina exploration licences in the Carpathian Fold Belt in north east Slovakia (JKX: 25%). The licences cover a total area of 2,278 sq km. A 238 km 2D seismic programme is currently underway and expected to be completed in September.

The Carpathian Fold Belt has been an active area for oil and gas exploration and production for many years. Advances in seismic imaging technology have resulted in recent discoveries in analogous structural settings in Poland. The Company believes that the use of similar exploration techniques in

Slovakia could assist in the identification of hydrocarbon bearing targets in an area with potential for dip-closed thrust traps of significant size.

#### Georgia

Anadarko is the operator of the consortium holding the 8,900 sq.km exploration licence offshore Georgia (JKX: 4% net profit interest). Following the withdrawal of BP and Chevron from the consortium, Anadarko is seeking to attract additional farm-in partners and to secure a deep water drilling rig to drill its commitment well on the licence. We remain an enthusiastic partner in this frontier project but recognise the logistical difficulties in progressing to the next stage.

#### USA

JKX holds a 34.4 % working interest in the 45 sq km West Huxley Deep Federal Unit in Shelby County, East Texas. The operator, Newfield Exploration, has proposed an aggressive drilling programme to evaluate the proven Lower Cretaceous reservoirs in the Unit.

The West Huxley Deep Well JJ-1 was spudded in May and is currently being prepared for completion in the Pettit limestone interval. The Company is seeking an exit at an appropriate time from this non-core asset.

#### Italy

As reported in February, the Company sold its wholly owned subsidiary, JKX Italia Ltd, to Mediterranean Oil & Gas plc and no longer holds any licences in Italy.

#### Current and Future Activity

The drilling programme on the Poltava licences for the second half of the year will include more development drilling on the Ignatovskoye and Molchanovskoye Fields and appraisal drilling on the productive carbonate and sandstone horizons which lie between them. In addition, the drilling of two further wells on the contiguous Zaplavskoye exploration licence and the acquisition of additional seismic should provide us with a better understanding of its reserves potential. The results of the hydraulic fracture stimulation test programme on the producing wells in the Rudenkovskoye Field will provide the base criteria for the 2009 drilling and development programme on this large and technically challenging field. Gas production from our Poltava licences in the current period has remained constrained. Completion of the tie-in project to the Soyuz pipeline in the coming period will not only remove this restriction, but will also provide us with the security of two export routes for gas delivery from our fields. We enjoy an excellent working and investment climate in Ukraine and will continue to pursue all potential development and exploration opportunities there.

In Russia, the focus is on bringing the Koshekhabskoye Field back on-stream. We now anticipate that the workover and recompletion programme will be completed by the end of 2009. The gas market in Russia is evolving and we will continue to seek additional development licences for our Russian portfolio.

The strategy of focusing the Company's exploration efforts in eastern and central Europe appears to be bearing fruit. The second well in Hungary will appraise the Hajdúnánás gas discovery and potentially lead to a development project in 2009. We anticipate participating in further exploration plays in the area in the coming periods.

## Dividend

The Board is pleased to declare a ten per cent increase in the interim dividend to 2.2p per share (2007: 2p per share). The dividend will be paid on 17 October to shareholders who are on the Company's Register of Members at the close of business on 12 September.

## Board Changes

As announced in June, Dipesh Shah and Michel-Marc Delcommune have joined the Board as Non-executive Directors. I am certain that the Company will benefit from their wide experience in the industry.

## Outlook

The Company is in the process of expanding both its development and exploration portfolios. This effort is being supported by our robust and profitable producing capability in Poltava, Ukraine. We will continue to seek and examine development opportunities in both Ukraine and Russia whilst prudently expanding our participatory exploration portfolio in central and eastern Europe.

I anticipate the Company's overall performance in the second half of the year to be in line with the Board's expectations.

## Financial Review

### Revenue

The Group's robust profit and cash flow performance in the period primarily resulted from strong international oil prices and Ukrainian gas prices which compensated for the Group's reduced oil and gas production in the period.

Total production of 2,113Mboe is down 10% (1H 2007: 2,355Mboe) due to natural decline in oil production, and current capacity limitations on gas processing facilities in our Ukrainian fields.

Oil realisations were up 77% at \$90.45/bbl (1H2007: \$51.22/bbl). Ukrainian gas realisations were also up significantly (38%) at an average \$5.40/Mcf (1H 2007: \$3.90/Mcf). On account of the surge in oil realisations, total oil revenues in the period of \$75.1m (1H 2007: \$54.4m) remained 64% of total revenues. This is despite the oil/gas production mix declining in the period to 39%/61% (1H2007: 45%/55%). We look forward to further increases in the Group's gas realisations which, coupled with anticipated increases in gas production in Ukraine post commissioning of the Soyuz pipeline connection, should underpin gas revenues and cashflow in the near term.

### Cost of sales and G&A

Operating costs totalled \$11.7m (\$5.60/boe) in the period (1H 2007: \$4.26/boe). The bulk of this rate increase was a result of wage inflation in Ukraine, from where all of Group's production and revenue continue to derive, and the costs associated with the operations of Yuzhgazenergie in Russia which was acquired in 2H 2007.

Depletion, depreciation and amortisation amounted to \$14.1m (\$6.66/boe) (1H 2007: \$3.66/boe). This significant rate increase results from higher expected capital costs to produce the Group's revised Ukrainian oil and gas reserves. Reserve reviews have been completed on three, of the now five, fields recognised by the Group in Ukraine. The capital programmes associated with producing the revised reserves have been adjusted to reflect the current view of the reservoirs and the industry's current cost environment. At the same time, whilst reserve reviews on the remaining two fields, Molchanovskoye Main and Rudenkoskoye, are not anticipated to be completed until 2009 and 2010 respectively, the capital costs for their existing development programmes have in the meantime been updated. Future changes in drilling costs, and/or development programmes, may result in further changes in DD&A rates.

Production based taxes have also risen in the period to \$2.3m (\$1.10/boe) (1H 2007: \$0.72/boe). This reflects an overall rate increase in the basket of six production related taxes applied in Ukraine.

General and administrative expenses are up 14% in the period to \$6.5m (1H 2007: \$5.7m). As with production costs, the largest single contributor to this increase is wage and salary inflation in Ukraine.

### Taxation

The total tax charge for the period of \$21.8m (1H 2007: \$18.1m) relates entirely to Ukrainian activity. This 21% increase in the tax charge recognised in the period is lower than would be expected based on the 50% increase in profit before tax. This mainly results from a reduction in the deferred tax liability in the period, itself primarily a function of a weakening of the US dollar (the Group's reporting currency) in relation to the Ukrainian Hryvna (the statutory currency for Ukrainian tax purposes).

## Cash Flow and Capital Expenditure

Cash generated from operations before changes in working capital rose 39% in the period to \$95.4m (1H 2007: \$68.8m). This followed the strong operating performance and facilitated the \$57.7m (1H 2007: \$35.9m) investment in exploration and development programmes, and the \$7.4m (1H 2007: \$3.7m) paid as a final dividend to shareholders for the previous year. The increased capital expenditures in the period follow the 2007 acquisition of the Group's Russian subsidiary, Yuzhgazenergie LLC (YGE). Development of YGE's Koshekhabl'skoye field accounted for 37% (\$21.3m) of total capital expenditures in the period. It is anticipated that over the next 18 months the percentage of total Group capital expenditure represented by this Russian development will increase materially (it is currently estimated that capital expenditures on the development will exceed \$160m).

As a result of the YGE related expenditure, the proportion of capital expended on the Group's Ukrainian assets fell to 50% (H1 2007: 86%), although the quantum was little changed at \$29.0m (H1 2007: \$30.8m). The exploration/development mix is also little changed at 13%/87% (H1 2007: 14%/86%). Despite the 61% overall increase in capital expenditure and 100% increase in dividends, the operating performance still enabled the Group's net cash balances to increase by \$17.1m in the period (1H 2007: \$19.1m).

## Business risks

The Company is subject to all the usual risks to which independent oil and gas companies are subject including risks relating to the success of exploration and development activities, the inherent uncertainty associated with the assessment of reserves quantities, the availability and performance of equipment and staff, the delivery of production to customers, and access to markets and commodity prices. There is additional country risk for our operations in Ukraine and Russia, please see note 19 in the notes to the interim financial statements.

Risk management is carried out by the Finance Director under policies approved by the board of directors.

### (a) Market risk

#### (i) Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Ukrainian Hryvna and the Russian Rouble. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The group manages its exposure by matching, as far as is practical, receipts and payments in the same currency and by following a range of commercial policies to minimise exposure to the Hryvna denominated sales.

#### (ii) Price risk

The group is exposed to international oil and gas price movements. The group is a price taker and does not enter hedge agreements unless required for borrowing purposes from time to time.

#### (iii) Cash flow and fair value interest rate risk

As the group has no significant interest-bearing assets, the group's income and operating cash flows are substantially independent of changes in market interest rates.

The group manages its cash flow interest rate risk by using floating interest rates.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Credit risk on cash and cash equivalents is managed at a group level. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Local customers are managed at local level and are evaluated if there is no independent rating, taking account of its financial position, past experience and other factors.

Management does not expect any losses from non-performance by any counterparties.

The Company does not have any concentration of credit risk and the management does not consider there to be any exposure to loss.

(c) Liquidity risk

Management monitors rolling forecasts of the group's liquidity on the basis of expected cash flow.

Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The group has no borrowings (2007: nil).

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

## Financial review

<b>Production summary</b>	1H 2008	2H 2007	1H 2007
Production			
Oil (Mbbbl)	830	971	1,051
Gas (Bcf)	7.7	7.6	7.8
Oil equivalent (Mboe)	2,113	2,236	2,355
Daily production			
Oil (bopd)	4,563	5,277	5,807
Gas (MMcfd)	42	41	43
<b>Oil equivalent (boepd)</b>	<b>11,607</b>	<b>12,152</b>	<b>13,008</b>

  

	1H 2008	2H 2007	1H 2007
<b>Operating results</b>	\$m	\$m	\$m
Revenue			
Oil	75.1	68.1	54.4
Gas	40.8	29.8	29.6
Other	0.9	1.9	0.7
	116.8	99.8	84.7
Cost of sales			
Operating costs	(11.7)	(8.4)	(10.2)
Depreciation, depletion and amortisation	(14.1)	(10.5)	(8.6)
Production based taxes	(2.3)	(1.6)	(1.7)
	(28.1)	(20.5)	(20.5)
Provision for impairment/write off of exploration costs	-	(17.5)	-
Total cost of sales	(28.1)	(38.0)	(20.5)
Gross Profit	88.7	61.8	64.2
Operating expenses			
General and administrative expenses	(6.5)	(6.7)	(5.7)
Impairment of investment	-	-	(5.0)
<b>Operating profit</b>	<b>82.2</b>	<b>55.1</b>	<b>53.5</b>

<b>Earnings</b>	1H 2008	2H 2007	1H 2007
Net profit (\$m)	61.8	36.7	37.7
Basic weighted average number of shares in issue (m)	157	155	154
Earnings per share (basic, cents)	39.43	23.57	24.40
Earnings before interest, tax, depreciation and amortisation (\$m)	97.3	66.5	62.9

<b>Realisations</b>	1H 2008	2H 2007	1H 2007
Oil (per bbl)*	\$90.45	\$70.40	\$51.22
Gas (per Mcf)	\$5.40	\$4.00	\$3.90

\*Oil prices are net of all transportation, shrinkage and brokerage charges.

<b>Cost of production (\$/boe)</b>	1H 2008	2H 2007	1H 2007
Production costs	\$5.60	\$3.76	\$4.26
Depreciation, depletion and amortisation	\$6.66	\$4.69	\$3.66
Production based taxes	\$1.10	\$0.73	\$0.72

<b>Cash flow</b>	1H 2008	2H 2007	1H 2007
Cash generated from operations (\$m)	86.9	83.0	70.5
Operating cash flow per share (cents)	55.5	53.5	45.7

<b>Balance sheet</b>	1H 2008	2H 2007	1H 2007
Net cash (\$m)	85.4	68.1	100.3
Net cash to equity (%)	24.8	23.8	39.7
Return on average capital employed (%)	39.2	27.3	31.9
Increase in property, plant and equipment/intangible assets (\$m)			
Ukraine	29.0	34.0	30.8
Russia	21.3	67.8	-
Other	7.4	10.2	5.1
Capital expenditure (\$m)	57.7	112.0	35.9

## Group income statement

	Notes	Six months to 30 June 2008 (un-audited) \$000	Six months to 30 June 2007 (un-audited) \$000	Year to 31 December 2007 (audited) \$000
Revenue	6	116,847	84,677	184,509
Cost of sales				
Operating costs - excluding impairment/write off of exploration costs	4	(28,183)	(20,523)	(40,839)
Provision for impairment/write off of exploration costs	4	-	-	(17,694)
Total cost of sales		(28,183)	(20,523)	(58,533)
Gross profit		88,664	64,154	125,976
General and administrative expenses		(6,500)	(5,699)	(12,386)
Impairment of investment	15	-	(5,000)	(5,000)
Operating profit	5,6	82,164	53,455	108,590
Finance income		1,542	2,311	4,761
Finance cost		(112)	(19)	(50)
Profit before tax		83,594	55,747	113,301
Taxation	9	(21,842)	(18,093)	(38,892)
Profit for the period		61,752	37,654	74,409
Earnings per share				
. basic earnings per 10p ordinary share (in cents)	11	39.43	24.40	47.97
. diluted earnings per 10p ordinary share (in cents)	11	39.04	24.00	46.79
Dividends paid	10	(7,436)	(3,708)	(10,032)
Dividend (per share)		2.4 pence	1.2 pence	3.2 pence

## Statement of recognised income and expense

		Six months to 30 June 2008 (un-audited) \$000	Six months to 30 June 2007 (un-audited) \$000	Year to 31 Dec 2007 (audited) \$000
Equity . foreign currency translation		2,980	106	517
Net income/(expense) recognised directly in equity		2,980	106	517
Profit for the period		61,752	37,654	74,409
Total recognised income and expense for the period		64,732	37,760	74,926

## Group balance sheet

	Notes	As at 30 June 2008 (un-audited) \$000	As at 30 June 2007 (un-audited) \$000	As at 31 Dec 2007 (audited) \$000
<b>Assets</b>				
Non-current assets				
Property, plant and equipment	7	266,739	141,056	232,241
Other intangible assets	7	26,514	27,671	18,423
Goodwill		3,256	-	2,716
		296,509	168,727	253,380
<b>Current assets</b>				
Inventories . finished goods		2,017	1,096	1,391
Trade and other receivables		20,510	13,607	10,380
Cash at bank and in hand	13	85,391	100,314	68,126
		107,918	115,017	79,897
Assets of disposal group classified as held for sale	16	-	-	3,051
		107,918	115,017	82,948
Total assets		404,427	115,017	336,328
<b>Liabilities</b>				
Current liabilities				
Current tax liabilities		(8,906)	(3,064)	(1,912)
Trade and other payables		(29,187)	(20,557)	(22,911)
		(38,093)	(23,621)	(24,823)
Liabilities directly associated with the assets classified as held for sale	16	-	-	(127)
		(38,093)	(23,621)	(24,950)
Non-current liabilities				
Provisions	8	(3,812)	(552)	(3,575)
Deferred tax		(18,830)	(6,619)	(21,579)
		(22,642)	(7,171)	(25,154)
Total liabilities		(60,735)	(30,792)	(50,104)
Net assets		343,692	252,952	286,224
<b>Equity</b>				
Share capital	14	24,245	23,812	24,148
Share premium	14	40,964	38,246	40,217
Merger reserve	14	30,680	30,680	30,680
Amounts recognised directly in equity related to assets held for sale	14	-	-	803
Other reserves				
Capital redemption reserve	14	587	587	587
Equity . share options	14	2,579	2,325	2,448
Equity . foreign currency translation	14	(1,670)	(4,258)	(4,650)
Retained earnings	14	246,307	161,560	191,991
Total shareholders' equity		343,692	252,952	286,224

## Group cash flow statement

	Notes	Six months to 30 June 2008 (un-audited) \$000	Six months to 30 June 2007 (un-audited) \$000	Year to 31 Dec 2007 (audited) \$000
<b>Cash flows from operating activities</b>	12			
Cash generated from operations		86,865	70,514	153,480
Interest received		1,884	3,019	5,161
Interest paid		(3)	-	(6)
Income tax paid		(16,186)	(16,769)	(38,707)
Net cash from operating activities		72,560	56,764	119,928
<b>Cash flows from investing activities</b>				
Acquisition of subsidiary, net cash of acquired		(119)	-	(44,428)
Proceeds from sale of property, plant and equipment		14	-	38
Net proceeds on disposal of business	16	2,911	-	-
Short term loan advanced		(90)	-	(70)
Purchase of property, plant and equipment and intangible assets		(51,572)	(34,114)	(80,744)
Net cash used in investing activities		(48,856)	(34,114)	(125,204)
<b>Cash flows from financing activities</b>				
Proceeds from issue of ordinary share capital		844	78	2,330
Proceeds from borrowing/(repayment of borrowing)		(7)	33	33
Dividends paid to shareholders	10	(7,436)	(3,708)	(10,032)
Net cash used in financing activities		(6,599)	(3,597)	(7,669)
Increase/(decrease) in cash and cash equivalents in the period		17,105	19,053	(12,945)
Effect of exchange rates on cash and cash equivalents		160	145	45
Cash and cash equivalents at 1 January		68,126	81,116	81,116
Cash and cash equivalents at end of period	13	85,391	100,314	68,216
Included in cash classified as held for sale		-	-	(90)
Included in cash and cash equivalents as per balance sheet	13	85,391	100,314	68,126

## Notes to the interim financial statements

### 1. General information and accounting policies

JKX Oil & Gas plc (the ultimate parent of the Group) is a public limited company listed on the London Stock Exchange and incorporated in England. The registered office is 6 Cavendish Square, London, W1G 0PD and the principal activities of the Group are exploration, appraisal, development and production of oil and gas reserves. The registered number of the Company is 03050645.

This condensed consolidated interim financial information was approved by the directors for issue on 29 August 2008.

This condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 240 of the Companies Act 1985. Statutory accounts for the year ended 31 December 2007 were approved by the Board of directors on 2 April 2008 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 237 of the Companies Act 1985.

This condensed consolidated interim financial information has been reviewed and not audited.

### 2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2008 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, ~~Interim~~ financial reporting as adopted by the European Union. The financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2007 which were prepared in accordance with IFRSs as adopted by the European Union.

### 3. Accounting policies

The accounting policies adopted are consistent with those used in the annual financial statements for the year ended 31 December 2007. A copy of the annual financial statements is available on the company's corporate website ([www.jkx.co.uk](http://www.jkx.co.uk)) or from the company's registered office.

Taxes on income in the interim period are accrued using the tax rate that would be applicable on expected total annual earnings.

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 January 2008, but are not relevant for the Group:

- IFRIC 11, ~~IFRS 2 - Group and treasury share transactions~~
- IFRIC 12, ~~Service concession arrangements~~
- IFRIC 14, ~~IAS 19 - the limit on a defined benefit asset, minimum funding requirements and their interaction~~

The following new standards, amendments to standards and interpretations have been issued, but not effective for the financial year beginning 1 January 2008 and have not been early adopted:

- IFRS 8, ~~Operating segments~~ effective for annual periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14, ~~Segment reporting~~ and requires a ~~management approach~~ under which segment information is presented on the same basis as that used for internal reporting.
- IAS 23 (amendment), ~~Borrowing costs~~ effective for annual periods beginning on or after 1 January 2009. The Group currently has no borrowing.
- IFRS 2 (amendment), ~~Share-based payment~~ effective for annual periods beginning on or after 1 January 2009. Management is assessing the impact of the new requirements.
- IFRS 3 (amendment), ~~Business combinations~~ and consequential amendments to IAS 27, ~~Consolidated and separate financial statements~~ IAS 28, ~~Investments in associates~~ and IAS 31, ~~Interests in joint ventures~~ effective prospectively to business combinations for which the acquisition date is on or after 1 July 2009. Management is assessing the impact of the new requirements.
- IAS 1 (amendment), ~~Presentation of financial statements~~ effective for annual periods beginning on or after 1 January 2009. Management will develop new proforma accounts under the revised disclosure requirements of this Standard.

- IAS 32 (amendment), Financial instruments: presentation and consequential amendments to IAS 1, Presentation of financial statements effective for annual periods beginning on or after 1 January 2009. This is not relevant to the group as the group holds no puttable instruments.
- IFRIC 13, Customer loyalty programmes effective for annual periods beginning on or after 1 July 2008. This is not relevant to the group.

#### 4. Cost of sales

	Six months to 30 June 2008 \$000	Six months to 30 June 2007 \$000	Year to 31 Dec 2007 \$000
Operating costs	11,781	10,222	18,430
Depreciation, depletion and amortisation	14,080	8,617	19,097
Production based taxes	2,322	1,684	3,312
	28,183	20,523	40,839
Provision for impairment/write off of exploration costs	-	-	17,694
<b>Total cost of sales</b>	<b>28,183</b>	<b>20,523</b>	<b>58,533</b>

#### 5. Operating profit

In calculating the operating profit there have been no costs recorded in addition to operating costs and general and administrative costs (2007: \$5.0m impairment of investment in Ukraine). All assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable. Goodwill is reviewed at the end of each financial year or as circumstances dictate.

#### 6. Segmental analysis

1H 2008 External revenue		UK \$000	Ukraine \$000	Russia \$000	Rest of world \$000	Sub total \$000	Eliminations \$000	Total \$000
Revenue by location of asset	Oil	-	75,132	-	-	75,132	-	75,132
	Gas	-	40,771	-	-	40,771	-	40,771
	Management services	-	944	-	-	944	-	944
		-	116,847	-	-	116,847	-	116,847
Inter segment revenue	Oil	-	-	-	-	-	-	-
	Gas	-	-	-	-	-	-	-
	Management services	12,418	-	-	-	12,418	(12,418)	-
	Equipment	15,329	-	-	-	15,329	(15,329)	-
		27,747	-	-	-	27,747	(27,747)	-
Total revenue	Oil	-	75,132	-	-	75,132	-	75,132
	Gas	-	40,771	-	-	40,771	-	40,771
	Management services	12,418	944	-	-	13,362	(12,418)	944
	Equipment	15,329	-	-	-	15,329	(15,329)	-
		27,747	116,847	-	-	144,594	(27,747)	116,847
Operating profit/(loss)		(894)	87,345	(2,130)	189	84,510	(2,346)	82,164

The results of operations in the US, which were previously reported separately, are now included in rest of world.

6. Segmental analysis (continued)

1H 2007 External revenue		UK \$000	Ukraine \$000	Russia \$000	Rest of world \$000	Sub total \$000	Eliminations \$000	Total \$000
Revenue by location of asset	Oil	-	54,373	-	-	54,373	-	54,373
	Gas	-	29,562	-	12	29,574	-	29,574
	Management services	180	550	-	-	730	-	730
		180	84,485	-	12	84,677	-	84,677
Inter segment revenue	Oil	-	-	-	-	-	-	-
	Gas	-	-	-	-	-	-	-
	Management services	3,467	-	-	-	3,467	(3,467)	-
	Equipment	18,794	-	-	-	18,794	(18,794)	-
		22,261	-	-	-	22,261	(22,261)	-
Total revenue	Oil	-	54,373	-	-	54,373	-	54,373
	Gas	-	29,562	-	12	29,574	-	29,574
	Management services	3,647	550	-	-	4,197	(3,467)	730
	Equipment	18,794	-	-	-	18,794	(18,794)	-
		22,441	84,485	-	12	106,938	(22,261)	84,677
Operating profit/(loss)		(3,181)	59,947	-	(995)	55,771	(2,315)	53,455

7. Property, plant and equipment and intangible assets

During the period the group acquired \$57.7m additional assets, with 86% being in Ukraine and Russia on the Group's oil and gas producing and development assets and 14% being spent on intangible assets.

8. Provisions

	30 June 2008 \$000	30 June 2007 \$000	31 Dec 2007 \$000
Provision for site restoration	2,053	518	1,890
Deferred consideration, due after more than one year, relating to the acquisition of Yuzhgazenergie LLC	1,734	-	1,653
Other provisions	25	34	32
	3,812	552	3,575

9. Taxation

No liability to UK taxation has arisen during the six months ended 30 June 2008 (2007: \$nil) due to the availability of tax losses, relief for overseas taxes paid on dividends received and tax relief on employee share options exercised. The tax charged in the period relates to Ukrainian corporation tax which has arisen in the Group subsidiary, Poltava Petroleum Company. Taxes charged on production of hydrocarbons in Ukraine and the USA are included in cost of sales.

10. Dividends

	Six months to 30 June 2008 \$000	Six months to 30 June 2007 \$000	Year to 31 Dec 2007 \$000
Dividends paid	7,436	3,708	10,032

In respect of the full year 2007 a final dividend of 2.4 pence per share (2006: 1.2 pence per share) was paid in the period. An interim dividend for 2008 has been declared of 2.2 pence per share (2007: 2.0 pence per share) which will be paid in October 2008.

11. Earnings per share

The calculation of earnings per ordinary share for the six months ended 30 June 2008 is based on the weighted average number of shares in issue during the period of 156,606,199 (30 June 2007: 154,312,676; 31 December 2007: 155,127,794) and the profit for the relevant period.

The diluted earnings per share for the six months ended 30 June 2008 is based on 158,160,088 (30 June 2007: 156,883,948; 31 December 2007: 159,020,018) ordinary shares calculated as follows:

Number of Shares	30 June 2008	30 June 2007	31 Dec 2007
Basic weighted average number of shares	156,606,199	154,312,676	155,127,794
Dilutive potential ordinary shares:			
Share options	1,553,889	2,571,272	3,892,224
	158,160,088	156,883,948	159,020,018

12. Reconciliation of operating profit to net cash inflow from operating activities

	Six months to 30 June 2008 \$000	Six months to 30 June 2007 \$000	Year to 31 Dec 2007 \$000
Operating profit	82,164	53,455	108,590
Depreciation, depletion and amortisation	15,170	9,412	20,831
Impairment of property, plant and equipment/intangible assets	90	897	17,660
Profit on disposal of assets	(843)	-	-
Impairment of investment	-	5,000	5,000
Share-based payment costs	131	193	315
Exchange differences	(1,334)	(144)	250
Cash generated from operations before changes in working capital	95,378	68,813	152,646
Changes in working capital	(8,513)	1,701	834
Cash generated from operations	86,865	70,514	153,480

13. Cash and cash equivalents

	At 1 January 2008 \$000	Net movement \$000	At 30 June 2008 \$000
Cash	1,313	478	1,791
Short term deposits	66,813	16,787	83,600
Cash and cash equivalents	68,126	17,265	85,391

14. Movements in total shareholders' equity during the period were as follows:

	Share capital \$000	Merger reserve \$000	Capital redemption reserve \$000	Equity share options reserve \$000	Foreign currency translation reserve \$000	Assets held for sale \$000	Share premium \$000	Retained earnings \$000	Total \$000
Group:									
At 1 January 2007	23,801	30,680	587	2,132	(4,364)	-	38,179	127,614	218,629
Net gains not recognised in the income statement	-	-	-	-	106	-	-	-	106
Issue of employee share options	11	-	-	-	-	-	67	-	78
IFRS 2 share option charge	-	-	-	193	-	-	-	-	193
Profit attributable to equity shareholders	-	-	-	-	-	-	-	37,654	37,654
Dividend	-	-	-	-	-	-	-	(3,708)	(3,708)
At 30 June 2007	23,812	30,680	587	2,325	(4,258)	-	38,246	161,560	252,952
Group:									
At 1 January 2008	24,148	30,680	587	2,448	(4,650)	803	40,217	191,991	286,224
Net gains not recognised in the income statement	-	-	-	-	2,980	-	-	-	2,980
Issue of employee share options	97	-	-	-	-	-	747	-	844
IFRS 2 share option charge	-	-	-	131	-	-	-	-	131
Profit attributable to equity shareholders	-	-	-	-	-	(803)	-	61,752	60,949
Dividend	-	-	-	-	-	-	-	(7,436)	(7,436)
At 30 June 2008	24,245	30,680	587	2,579	(1,670)	-	40,964	246,307	343,692

15. Impairment of investment

In addition to its wholly owned Ukrainian interests, the Group holds an investment in a Ukrainian oil and gas company. The Directors considered that this investment was impaired in full in 1H 2007 and this resulted in a charge of \$5.0m to the income statement in that period.

16. Assets held for sale

The assets and liabilities of JKC Italia Limited were presented in the 2007 annual report and accounts as being held for sale. On 27 February 2008 the company was sold to Mediterranean Oil & Gas plc for a consideration of " 2 million.

17. Capital commitments

Under the programmes for exploration, development and production of oil and gas assets in USA, Hungary, Turkey, Ukraine and Russia, the Group had committed \$4.5m (2007: \$3.2m) to future capital expenditure on drilling rigs and facilities as at 30 June 2008.

18. Related-party transactions

On 22 November 2007, the group acquired 100 per cent of the share capital of Yuzhgazenergie LLC, an oil and gas exploration and development company based in Russia. Yuzhgazenergie LLC was owned by Mosttotal Investments Limited (Mosttotal). Mosttotal and Glengary Overseas Limited (Glengary) are controlled by Mr Alexander Zhukov.

Glengary, held 25.15 per cent shareholding in JKX Oil & Gas plc at the date of acquisition. As a related party transaction the acquisition was approved by the shareholders of JKX Oil & Gas plc at an Extraordinary General Meeting.

Key management compensation amounted to \$2.0m for the six months ended 30 June 2008 (30 June 2007: \$2.1m).

#### 19. Ukrainian and Russian business environment

Ukraine and Russia display emerging market characteristics, and the legislation and business practices regarding banking operations, foreign currency transactions and taxation are constantly evolving as the governments attempt to manage the economies. Risks inherent in conducting business in an emerging market economy include, but are not limited to, volatility in the financial markets and the general economy. Uncertainties over the development of the tax and legal environment, as well as difficulties associated with the consistent interpretation and application of current laws and regulations, have continued. As at 30 June 2008, oil and gas assets based in Ukraine and Russia represent approximately 62% and 29% respectively of the Group's oil and gas assets.

The Group's operations and financial position may be affected by these uncertainties. The Group's interim financial statements do not include any adjustments to reflect the possible future effects on the recoverability, and classification of assets or the amounts or classifications of liabilities that may result from these uncertainties.

20. Copies of this half-year report are being sent to registered shareholders and further copies are available from the Company's registered office.

Registered office  
6 Cavendish Square  
London W1G 0PD

### **Statement of directors' responsibilities**

The directors confirm that this condensed consolidated interim financial information has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by the Disclosure and Transparency Rules 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred in the first six months and their impact on the financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in related party transactions described in the last annual report

The directors of JKX Oil & Gas plc are listed in the JKX Oil & Gas plc Annual Report for 31 December 2007, with the exception of the appointment of two additional non-executive directors, Mr D Shah and Mr M Delcommune, the appointments were effective 1 June 2008. A list of current directors is maintained on the JKX Oil & Gas plc website [www.jkx.co.uk](http://www.jkx.co.uk).

By order of the Board

Dr Paul Davies  
Chief Executive Officer

B J Burrows  
Finance Director

## **Independent review report to JKX Oil & Gas plc**

### **Introduction**

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2008, which comprises the Group income statement, Group balance sheet, Group statement of recognised income and expense, Group cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

### **Directors' responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

### **Our responsibility**

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ~~Review of Interim Financial Information Performed by the Independent Auditor of the Entity~~ issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2008 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

### **PricewaterhouseCoopers LLP**

Chartered Accountants  
London  
29 August 2008

#### **Notes:**

- (a) The maintenance and integrity of the JKX Oil & Gas plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the web site.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

## Glossary

Mcf	Thousand cubic feet
Bcf	Billion cubic feet
cfpd	Cubic feet per day
MMcfd	Million cubic feet per day
Mbbl	Thousands of barrels
MMbbl	Millions of barrels
bcpd	Barrel of condensate per day
bpd	Barrels per day
bopd	Barrels of oil per day
boe	Barrels of oil equivalent
Mboe	Thousands of barrels of oil equivalent
MMboe	Millions of barrels of oil equivalent
boepd	Barrels of oil equivalent per day
sq.km	Square Kilometre
\$	United States Dollars
LIBOR	London InterBank Offered Rate
US	United States
Rouble	The lawful currency of Russia
Hryvna	The lawful currency of Ukraine

### Conversion factors

6,000 standard cubic feet of gas = 1 boe

We welcome visits to our website

[www.jkx.co.uk](http://www.jkx.co.uk)