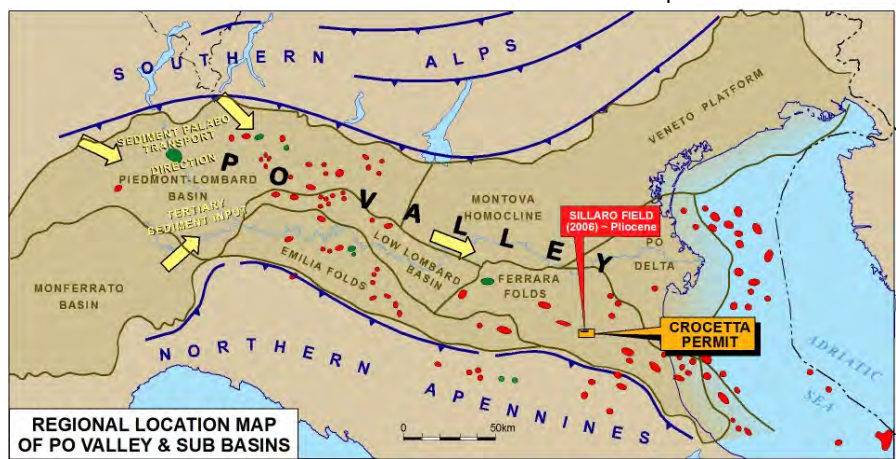
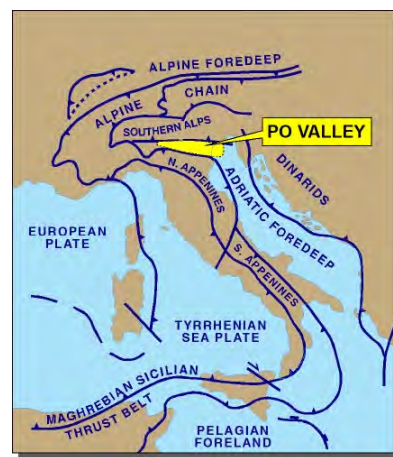


Po Valley (Onshore Northern Italy): Appraisal of Miocene Field by Fantuzza-1 well (Crocetta Permit)



Overview: Envoi has been commissioned by Po Valley Energy Limited ('PVE'), an independent Italian based, Australian ASX listed company to find a partner for its 100% owned and operated Crocetta Exploration Permit in the Po Valley Basin onshore Northern Italy. PVE is planning to drill the Fantuzza-1 well in late 2009 / early 2010 designed to appraise, with modern technology, a Miocene gas accumulation encountered by old Agip wells. The potential 40 Bcfr closure is scheduled to be redrilled at an estimated cost of around €5 million tested, cased and completed (or €3.5 million risked dry hole).

Opportunity Highlights: The *Crocetta Permit* was originally awarded to PVE with 100% interest in 2001. They have since purchased 50 km of existing 2D seismic and completed a re-interpretation of the well and seismic data. These data confirmed the potential of the shallow Sillaro 'Pliocene' Field and significantly, the deeper 'Miocene' Budrio East accumulation (which although also operated by PVE is not now within the Crocetta Permit) that is now mapped as the northerly extension of the same closure in the Crocetta Permit that PVE plan to re-appraise. However, the opportunity encompasses the whole Fantuzza and Budrio East Miocene structure and it is PVE's intention to increase the area of the Sillaro production license to include the

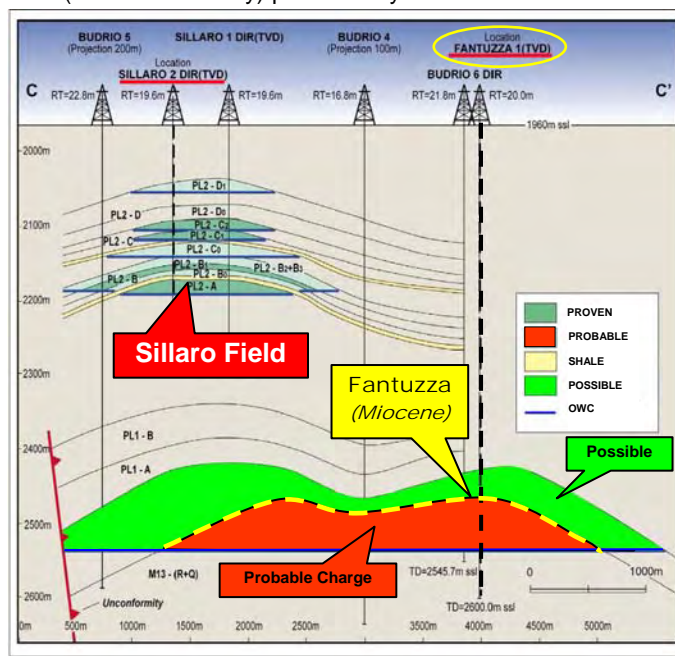


entire Miocene structure, entering into appropriate legal agreement for production share and rights to the Miocene gas. The Sillaro field was drilled and tested between November 2005 and January 2006 which confirmed three gas bearing levels over a 100 metre gross pay interval in the Pliocene 'Porto Garibaldi' Formation. The 'most likely' 14 Bcfr Sillaro field reserve is scheduled to start production in the third / fourth quarter of 2009. Gas processing facilities constructed for the field's development will have a 300,000 m³ (~10+ MMcfd) daily gas capacity and twice that required for the Sillaro field in anticipation of success in the appraisal of the deeper Miocene potential with the drilling of the Fantuzza-1 well.

Agip historically drilled six Budrio wells in the Permit area in the 1950s, 60s, and most recently in the 80s. In 1955 the Budrio-2 well discovered gas in the Miocene ('Marnoso-Arenacea Fm') testing around 0.5mmcfd of 99% Methane from one interval. The Budrio-3 well also tested around 0.5 mmcfd from the Miocene with indications of low (around 1 mDarcy) permeability in the Formation. In 1963 the two wells were put on production but watered out after a few months due to very poor well completions. Nearly twenty years later in 1981 Agip drilled the Budrio-6 well to re-appraise the field. It did find 24 metres of net gas bearing sand but during completion the equipment was lost in hole. The well was plugged back and sidetracked to the crest of the field as the Budrio-6d well but this also encountered drilling problems and was junked without being able to properly evaluate the reservoir interval. However, gas in the Fantuzza structure is confirmed.

The Permit was originally awarded to PVE for 6 years with two 3 year extensions. The first extension was granted and is due to expire in February 2010, by which time the one outstanding obligation well is scheduled to be fulfilled by the Fantuzza-1 well. The Permit can then be further extended if the drilling of the well is in progress, or an application made to convert to a production concession for 20 years upon commercial success.

PVE's new work has confirmed the 40 Bcfr Miocene gas potential is the main undeveloped objective for drilling within the Permit area. Sufficient evidence exists for the #6d well to be re-drilled and this is the current plan with the Fantuzza-1 appraisal well planned for Q4 ~ 2009 / Q1 ~ 2010 at an estimated cost of around € 5 million tested, cased and completed (or €3.5 million for a dry hole).



Further Information: Envoi's traditional Synopsis is in preparation and will be available shortly. For a CA and early access to key data, please contact:

Mike Lakin,
 Envoi Limited (London)
 Office T: +44 (0)20 8566 1310
 Mobile : +44 (0)7968 028 752
 E: mikelakin@envoi.co.uk
www.envoi.co.uk

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