WEST SIBERIAN Resources Ltd

1st Quarter Interim Financial Results
May 21, 2008

WEST SIBERIAN Resources Ltd

Highlights 2008

- Merger with Alliance Oil Company completed in April 2008:

  WSR became a vertically integrated oil company

  1,784 mln new shares issued to Alliance Oil Company owners.
- In April 2008, 170 MUSD raised through a private placement of 258 mln shares. Currently 3,231 mln shares is outstanding, market capitalization as of May 19 is 2,917 MUSD
- Outstanding quarterly results

	WSR	Alliance	Proforma*
Revenue, MUSD	135.9	549.1	685.0
EBITDA, MUSD	40.3	84.6	124.9
Net Income, MUSD	24.9	45.9	67.0
EPS, USD	0.021	n/a**	0.022
Net Debt, MUSD	310.8	202.0	512.8

- Average production in 1Q 2008 – 44.5 th. bpd***; current production (week May 12-18 average)– 48.5 th. bpd***

* For some items proforma is not equal to sum of WSR and Alliance due to adjustments required by IFRS

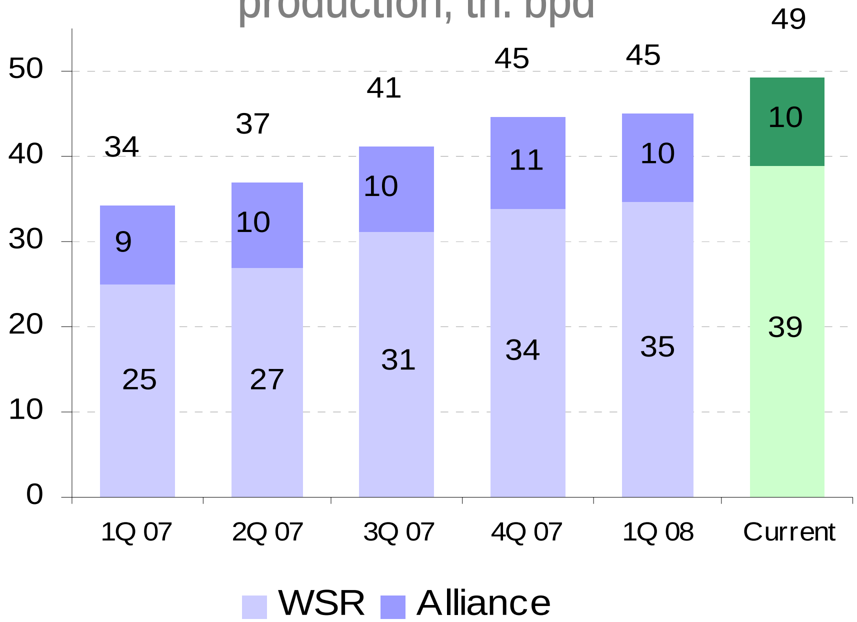
** Alliance Oil Company EPS is calculated for a different number of shares outstanding, which makes it incomparable to WSR EPS.

*** Proforma WSR and Alliance Oil Company

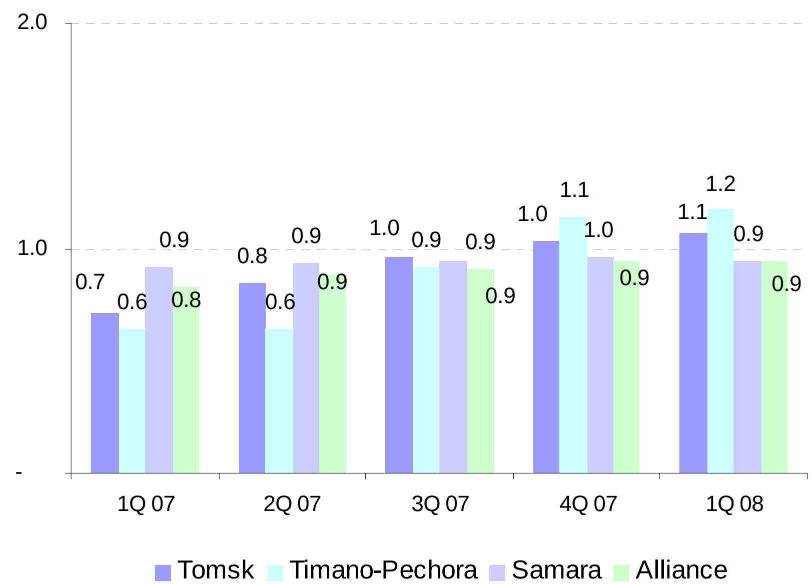
Production Highlights

- 4.1 MM bbl produced in 1Q 2008 – 79% increase to 1Q 2007 (here and below production is proforma for WSR and Alliance Oil Company)

WSR consolidated average daily oil production, th. bpd



Quarterly oil production by region, MMBO



Upstream Development

	Production, MMBO 1Q 2008	New production wells	Production wells at 31.03.2008	Production wells to drill till year end
Tomsk region	1.1	5	63	12
Timano-Pechora	1.2	4	38	7
Saneco	0.9	1	27	2
Tatnefteotdacha	0.8	2	241	20
Potential Oil	0.1	0	20	6
TOTAL	4.1	7	326	35

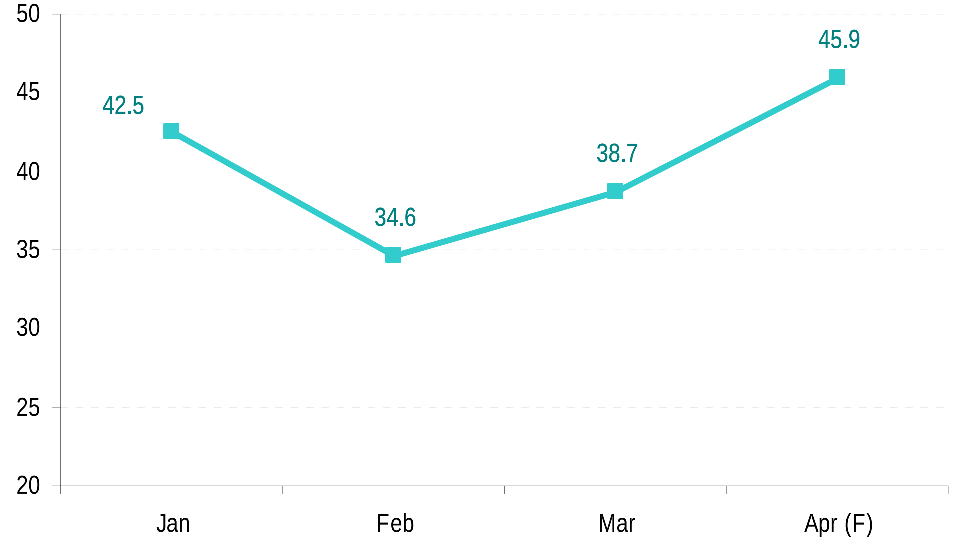
Note: Saneco, Tatnefteotdacha and Potential Oil are also referred to as Volga-Urals region

- License for Kovalevskoye field (Samara region) obtained
- Second pad is built on in Lek-Kharyaga and drilling will start in June
- The rig has been mobilized to Kolvinskoye field and drilling started
- 15 hydro fracturing works performed in Tomsk regions
- Well 65 successfully tested at Kolvinskoye field
- Saneco started transportation of oil through pipeline driving the netback up.

Oil Prices – Netbacks*

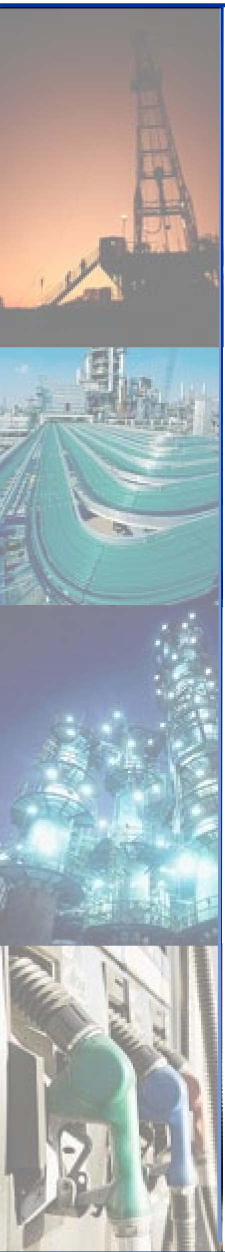
- Average netback for 1Q 2008 – 39.11 USD per bbl, as compared to 21.72 USD per bbl in 1Q 2007 – 80% growth.
- 50% of sales exported (WSR stand alone).
- Drop in February is caused by an increase in export duty.

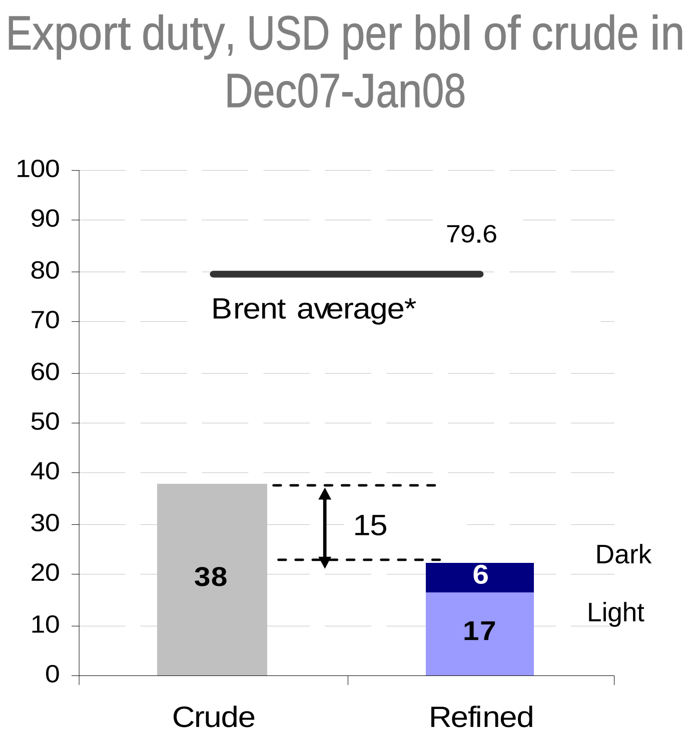
WSR stand alone weighted average netback, USD per bbl

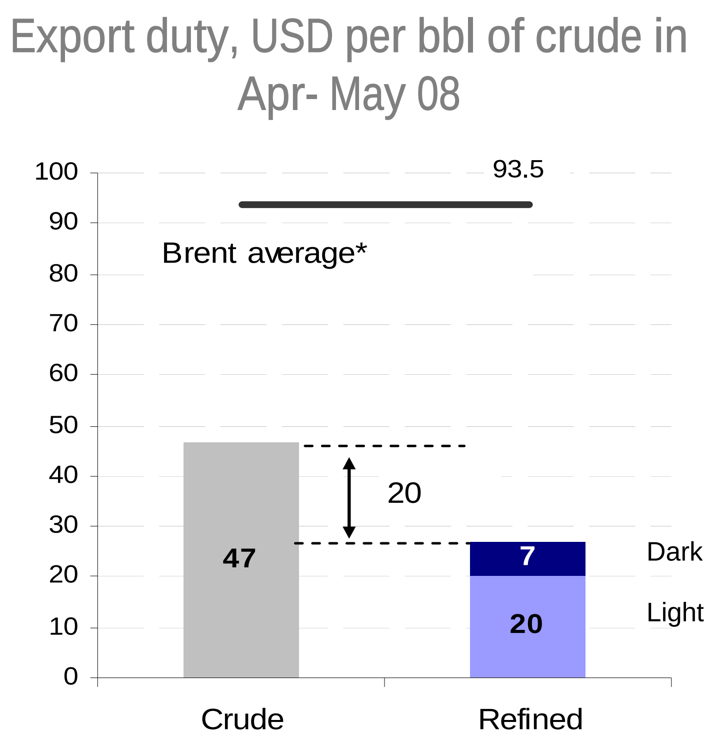


*Netback = Price less VAT/export duty and transportation costs

Export Duty: upstream vs downstream





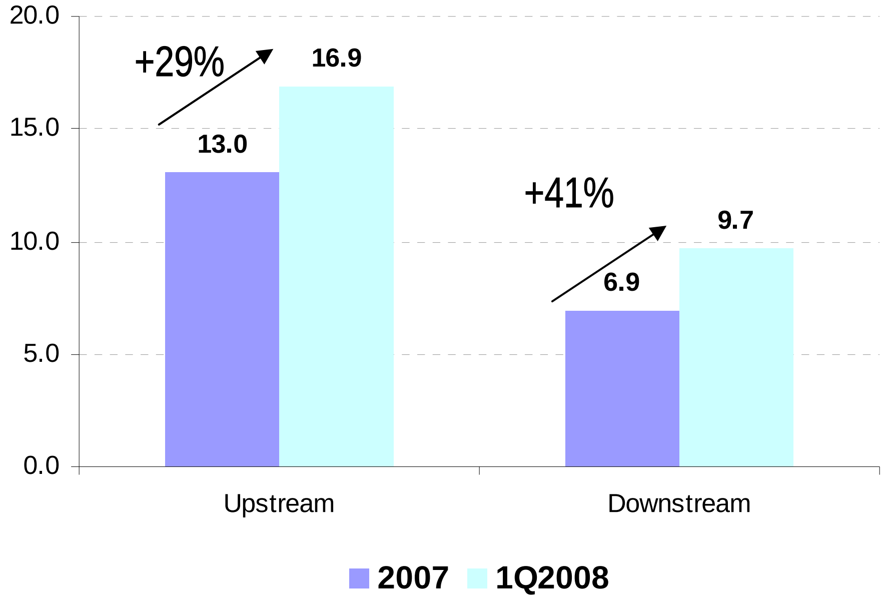


- Export duty rates advantage in the downstream business drives higher profitability per barrel of refined crude, expands refining profitability vs. upstream margin.
- Higher leverage to price: more attractive downstream yield at higher crude price levels (e.g. with increase in Brent by USD 14 tax advantage grows by 5 USD per barrel of refined crude).

* Weighted average basket with the current approximate product mix of the Khabarovsk refinery. Brent is taken as average for reference period for export duty calculation (Sep-Oct Brent for Dec07-Jan08 export duty and Jan-Feb 08 Brent for Apr-May 08 export duty)

Segment Analysis

EBITDA per barrel of crude produced and refined, USD per bbl



- Average Brent price has raised from 73 USD per bbl in 2007 to 97 USD per bbl in 1Q 2008.
- Under the existing current taxation regime and market conditions downstream benefited more than upstream.

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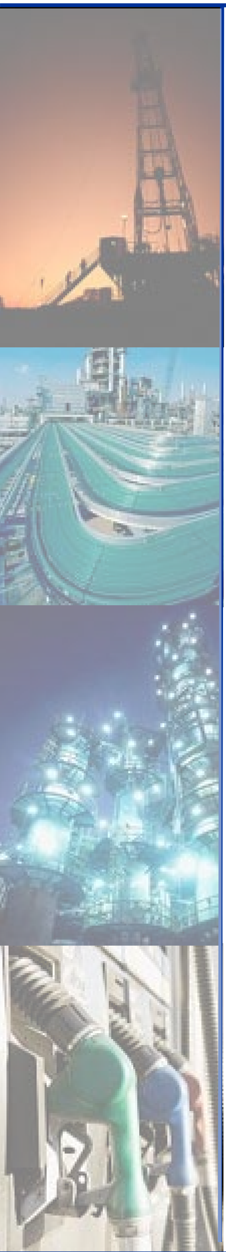
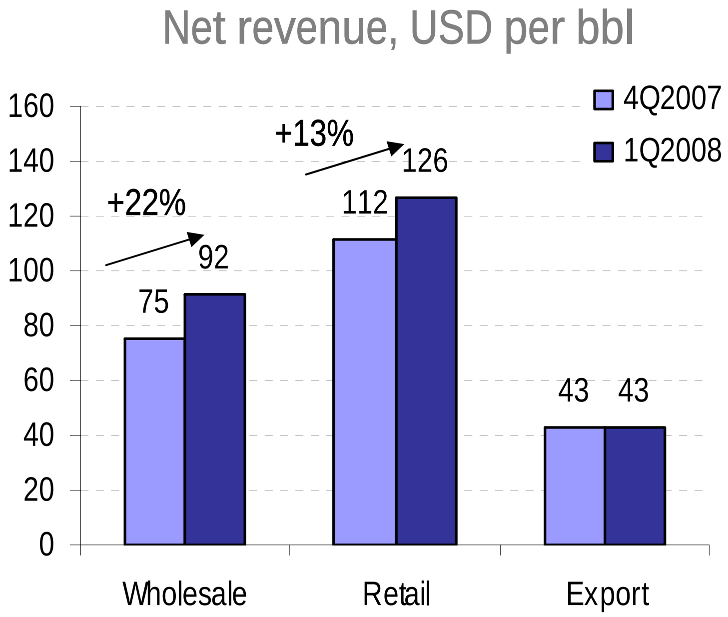
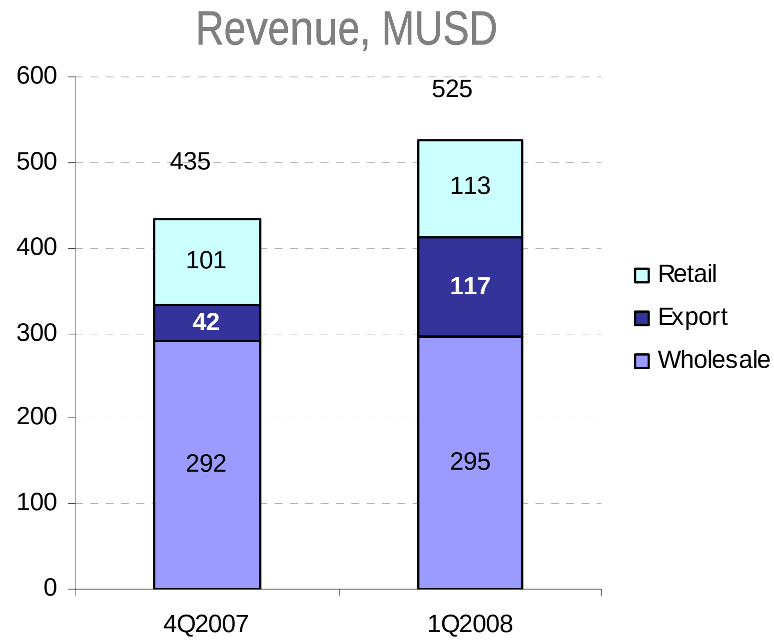
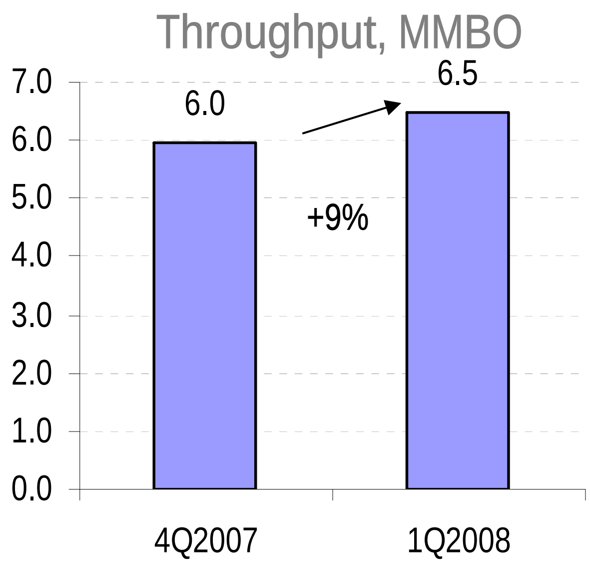
Refining highlights









- Wholesale and retail prices are above export price due to the sales mix: exported sales are mainly fuel oil, wholesale and retail are mostly light oil products
- Export net price did not raise because of the increase of export duty from Feb 08.
- Increase in prices and throughput led to increase in downstream revenue of 20%.

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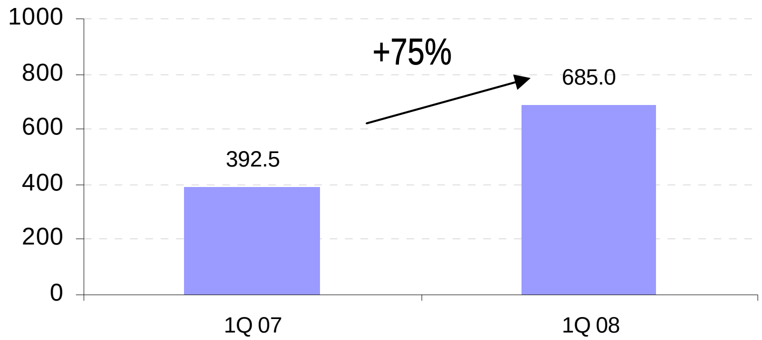
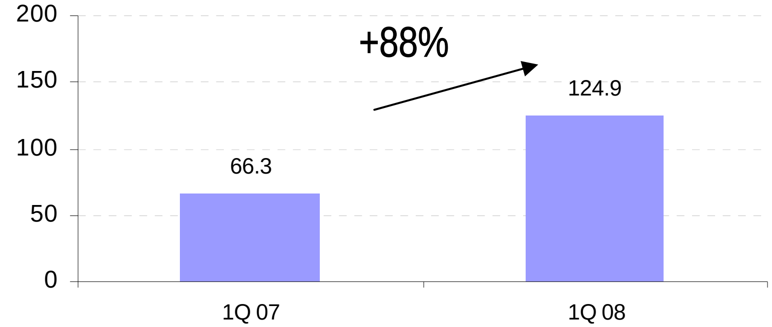
Financial Highlights: Combined Company

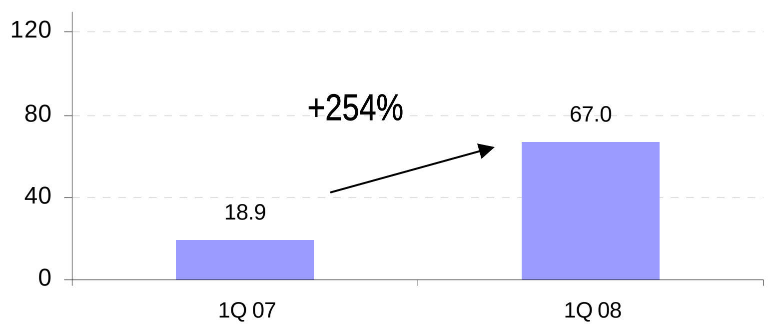
Revenue, MUSD



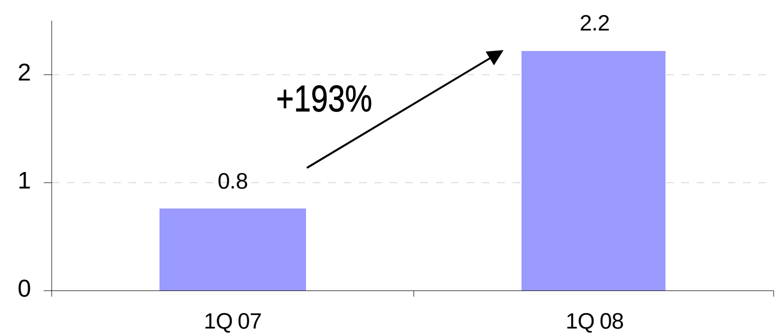
EBITDA, MUSD



Net Income, MUSD



EPS*, cents



- All cash generated by Alliance in Q1 2008 shall be reinvested in the merged company according to the binding legal documents

*EPS for shares outstanding after merger, undiluted, after minorities

Tax Initiatives Overview

Currently government of Russian Federation intends to decrease the tax burden in oil producing and oil refining sectors to stimulate investment by means of changing excise, export duty, profit tax and MET (Mineral Extraction Tax).

Refining benefits

Excise tax for low octane petroleum will be increased and for high octane petroleum it will be decreased (rates are still under discussion). Export duty on fuel oil will increase and for light products will go down.

Impact on WSR: refinery upgrade leading to increase of light products share to 93% will lead to significant tax advantages from these initiatives.

License tax depreciation

Ministry of Finance suggested a decrease in depreciation period of license costs to 2 years, which is expected to come into effect in 2009.

Impact on WSR: Cash flow increase in 2009 of about 18 MUSD (due to tax write-down of about 75 MUSD North and Lek Kharyaga licenses).

Equipment tax depreciation

RF Prime Minister V. Putin also made a statement concerning the necessity of accelerated depreciation for production equipment. It will lead to positive impact on NPV due to shifting taxable income into later years.

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Tax Initiatives: Mineral Extraction Tax

- Already introduced high viscosity tax benefit (MET rate at 0%, **enjoyed by Tatnefteotdacha currently at about 5 th. bpd bringing 21 USD per bbl savings in terms of current MET rate**). Also there is a lower tax rate for highly depleted fields (up to 20% decrease), which will apply to WSR fields in the future.

- Both President and Prime Minister of Russian Federation made statements concerning an amendment to MET taking effect in 2009. Untaxable threshold will raise from USD 9 to USD 15 per barrel, which provides savings of USD 1.32 per barrel.
  Impact on WSR: annual cash flow annual increase at the current production target of 18.6 MMBO is about 19 MUSD.

- RF Prime Minister suggested tax holidays for 7 years from start of production for Timano-Pechora, Yamal and offshore fields. Hence, WSR will benefit from tax holidays at North and Lek Kharyaga's and Kolvinskoye fields*.
  WSR cash flow impact: 1Q 2008 MET charge impact on cash flow (after profit tax effect) for Timano-Pechora fields was 16 MUSD. This would potentially be a saving for WSR, if tax holiday was effective in Q1 2008.
  The largest WSR asset – **Kolvinskoye field** with 154MMBO of 2P reserves and 25 th. bpd targeted production peak will benefit should the tax holidays be introduced.

  After 2010 more than 60% of WSR production will be in Timano-Pechora region.
  Cash savings on MET in 2009-2015 would tremendously increase the investment capacity of WSR, its economics for 2P reserves evaluation and NPV of WSR's cash flows.

* No benefit form Mid Kharyaga as production started in 1998 with 7 year period ending in 2004.


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