Annual General Meeting Presentation

May 2005

WEST SIBERIAN
Resources Ltd

WSR Achievements in 2004&2005

- **WSR became profitable in 2004, market cap increased during the last year from MUSD 60 to MUSD 218 in May 05**
  - *Financial reorganization including successful bond conversion and rights issue was completed in Feb-Mar 2004*
  - *Increased ownership of its key operating subsidiary VTK to 100% in June 2004*
  - *Strengthened the Board and management team*
  - *Improved corporate governance*
  - *Achieved financial turnaround through cost reduction and production increase. In Q4 2004, WSR was profitable for the first time in its history*

- **WSR implemented significant investment and financing projects**
  - *Acquired Khvoinoye oil field and Alexandrov refinery thus increasing reserves in proven plus probable category by 18 mln barrels*
  - *Constructed the Commercial Metering Terminal at Luginetskoye oilfield and attained direct access to Transneft's pipeline system in March 2005*
  - *Received $20 mln 4 year pre-export credit facility from BNP-Paribas in April 2005*
  - *Raised $49 mln through successful rights offering in April 2005*

Comparison of 2005 and 2004 Rights Offering

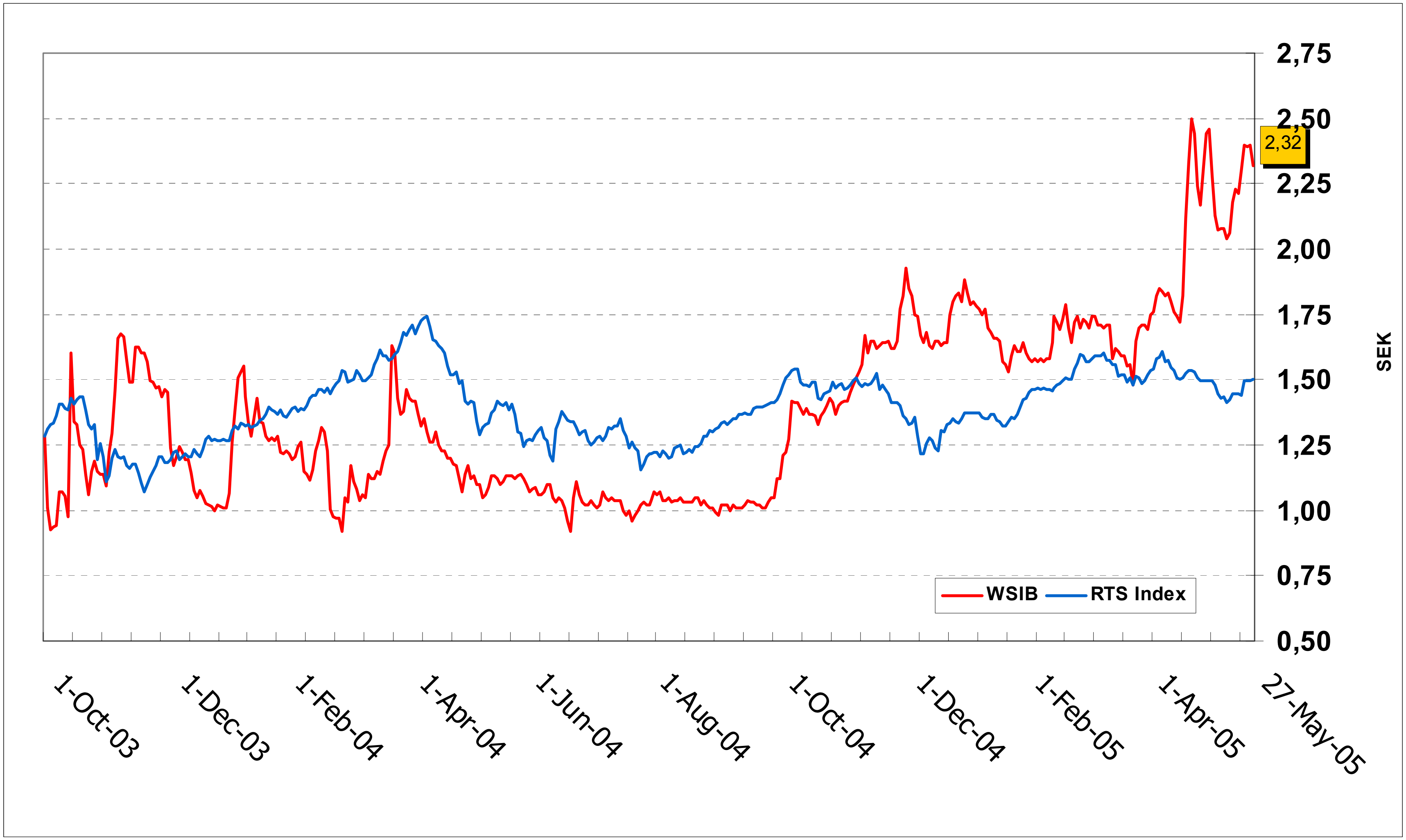
2005	2004
Shares issued - **257,430,300**	Shares issued - **321,787,875**
Subscription price – **SEK 1.35**	Subscription price – **SEK 0.70**
Total proceeds before rights issue costs **MSEK 347.53 (MUSD 49)**	Total proceeds before rights issue costs **MSEK 225.25 (MUSD 30)**
No guarantee – as a result rights issue costs were only **3%** of the proceeds	Guaranteed, rights issue costs including cost of guarantee were **9%** of the proceeds
Broaden investor base – now it includes several international institutional investors	Strategic investors like Alltech Investments Ltd and Investors Life Insurance Corporation entered

Share Information

Number of shares*:	686,480,800
Market Capitalization*:	SEK 1,593 mln
Market Capitalization*:	USD 218 mln
Trading at:	Nya Marknaden (at Stockholmsbörsen)
Ticker:	WSIB SE
Last price*:	SEK 2.32
Average daily turnover:	3.5 mln shares
April daily oil production:	5,500 bbls

as of May 27, 2005

WSR Share


2,75
2,50
2,32
2,25
2,00
1,75
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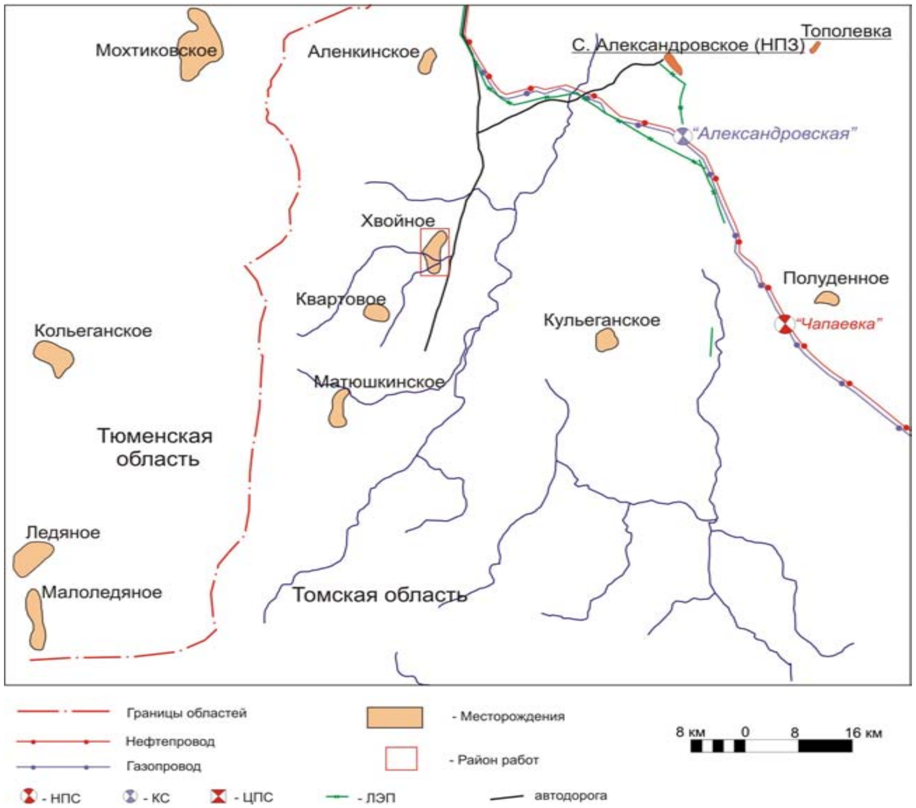
SEK
WSIB
RTS Index
1-Oct-03
1-Dec-03
1-Feb-04
1-Apr-04
1-Jun-04
1-Aug-04
1-Oct-04
1-Dec-04
1-Feb-05
1-Apr-05
27-May-05

Oil Reserves

Oilfield	Category[1]	Oil Reserves, (million barrels)	
		Total initial in place	Total initial recoverable
Middle Nyurola[2]	C_1	140.34	31.11
	C_2	36.88	18.57
Kluchevskoye	C_1	17.05	7.68
Puglalymskoye	C_1	29.21	8.76
	C_2	45.28	13.58
Khvoinoye	C_1	32.49	11.00
	C_2	24.83	7.00
TOTAL	$\mathbf{C_1}$	**219.09**	**58.55**
	$\mathbf{C_2}$	**106,99**	**39.15**

1. *- C1 = Proven category, C2 = Probable category.*
2. *- Middle Nyurola reserves were audited by Troy Ilkoda*

Khvoinoye and Alexandrov Refinery



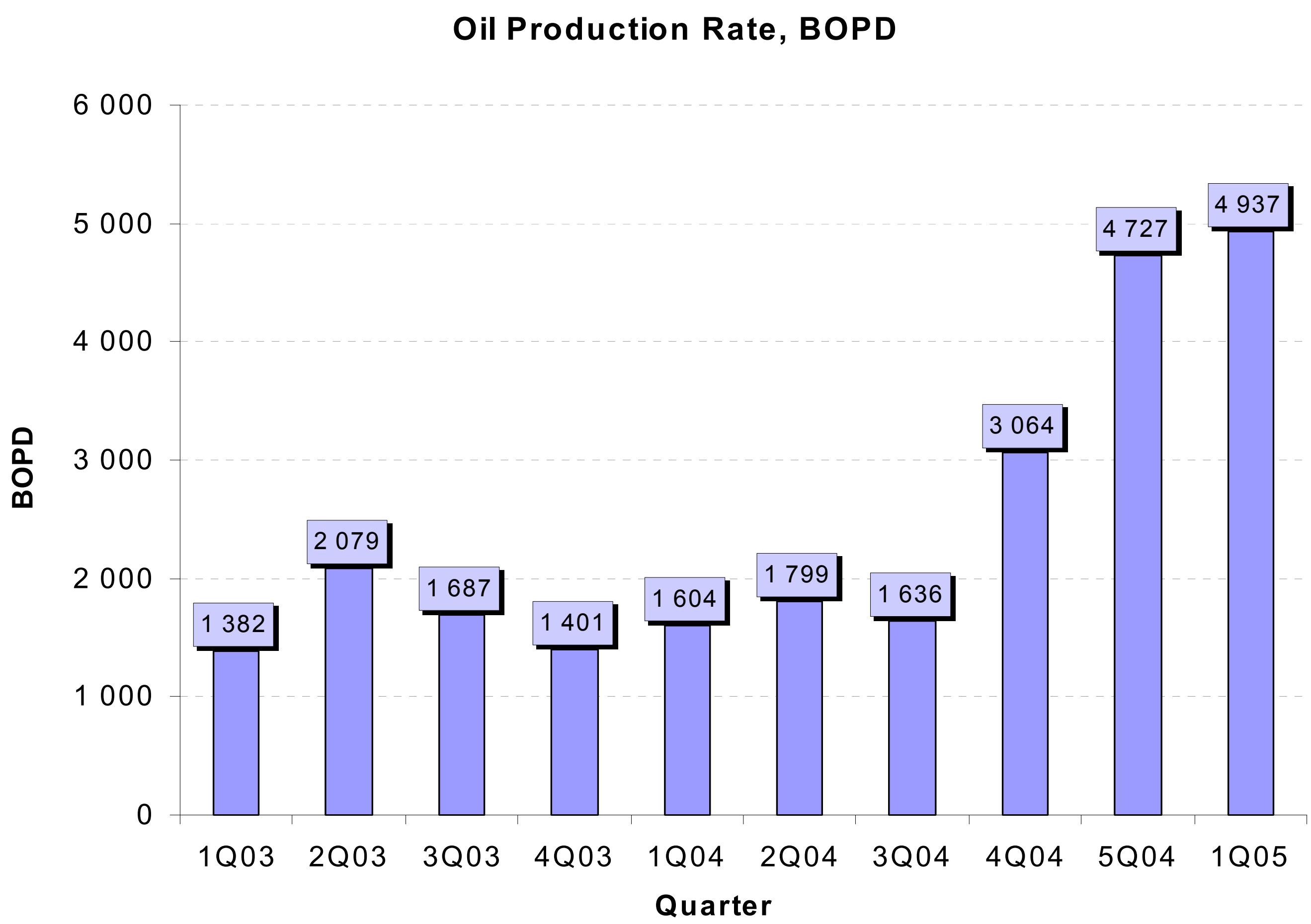
Khvoinoye

- Re-activated 4 oil wells
- Increased production from 200 to 560 BOPD
- Hydro fracturing works are planned for June that would allow to increase production to 1000 BOPD

Alexandrov Refinery

- In the 1Q processed 65.6 Tbbls
- Revenue from oil products sale for the 1Q was over 900TUSD
- Saved over 260 TUSD on diesel oil costs for VTK and Khvoinoye

Production Growth



April oil production 5,500 bbls/day

Extended financial year Oct 1, 2003 – Dec 31, 2004

2004 and 1Q 2005 Results

Jan – Mar 2005

- Oil revenue increased **+203%** to **MUSD 8.7** (2.9)
- EBITDA **MUSD 3.2** (0.03)
- Net result **MUSD 2.0** (-0.5)
- Oil production increased **+171%** to **444,343** bbls

Oct 2003 – Dec 2004

- Oil revenue increased **+150%** to **MUSD 22.1** (8.9)
- EBITDA* **MUSD 3.7** (-2.3)
- Net result** **MUSD 1.2** (-6.6)
- Oil production increased **+97%** to **1,176,903** bbls

Note: All comparisons from the prior financial year reflects 12 months from October 1, 2002 – September 30, 2003

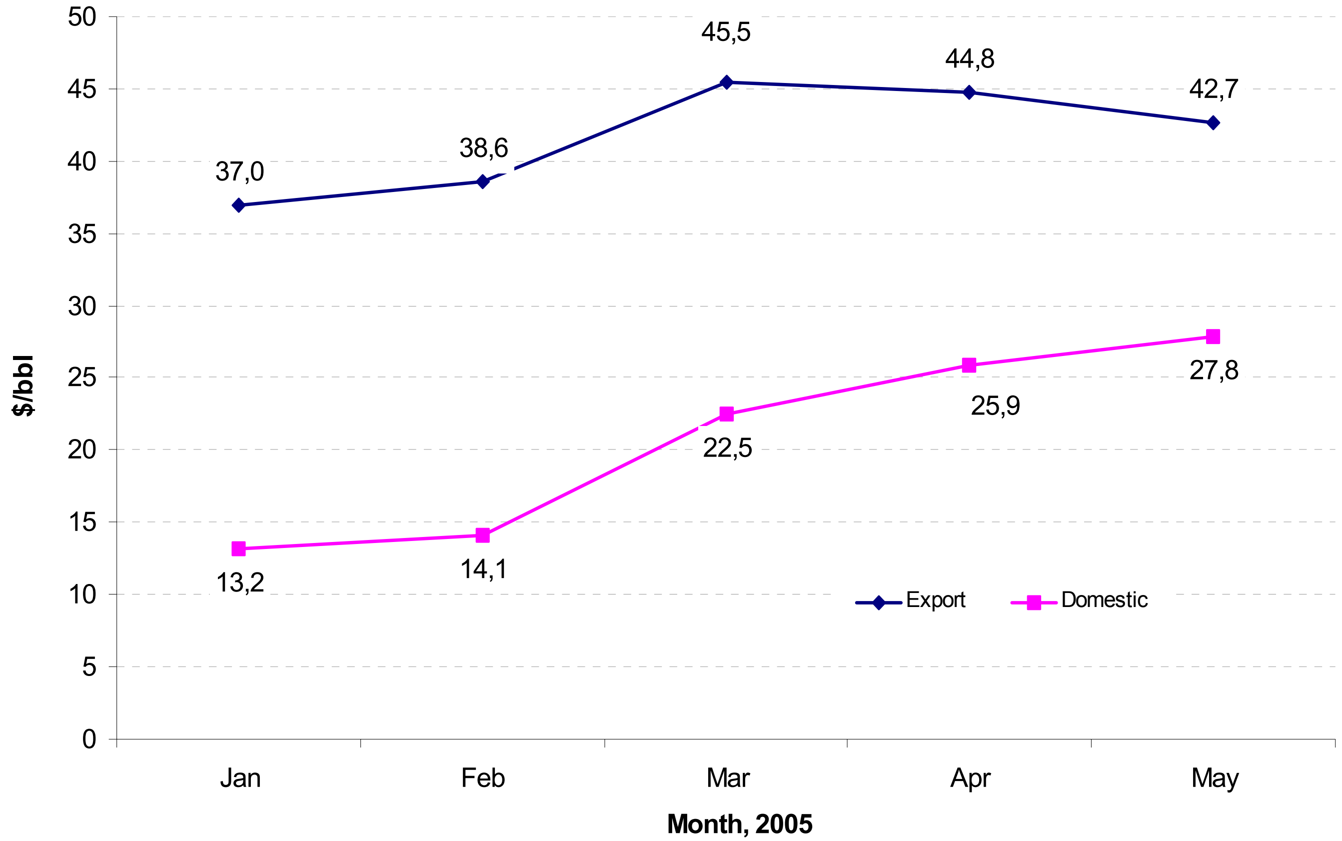
**EBITDA does not include impairment of O&G properties reversal in the amount of MUSD 21.0 in 5Q 2004 and impairment charge of MUSD 21.4 in 4Q 2003*

*** Net result does not include impairment of O&G properties reversal in the amount of MUSD 21.0 in 5Q 2004 and impairment charge of MUSD 21.4 in 4Q 2003 and associated deferred tax charges.*

2005 Oil Sales Price

The main contributor to 1Q bottom line was March domestic price

Domestic and export prices inclusive VAT and export duty



Export duty per barrel in 2005:

Jan – $13.8

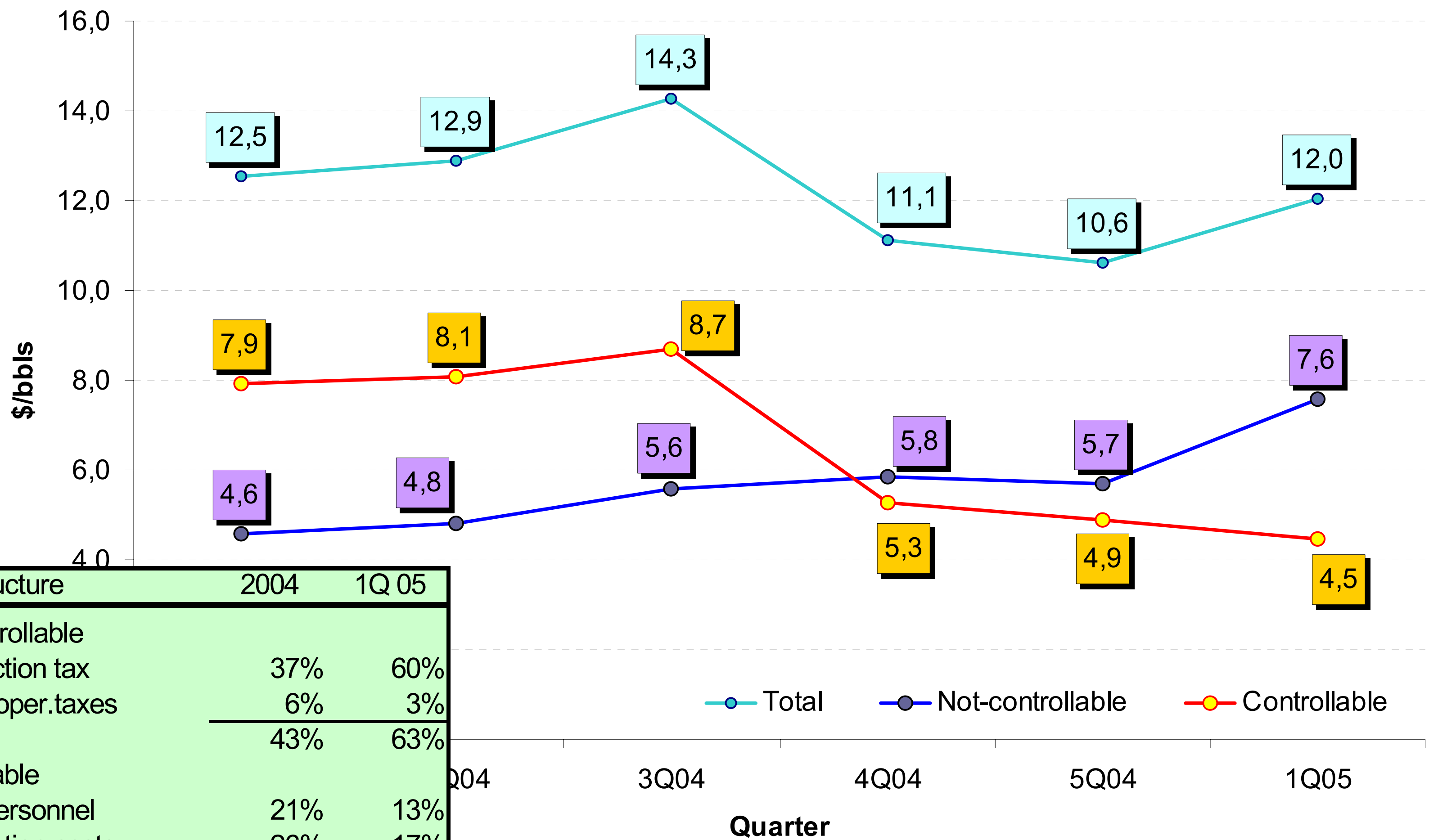
Feb-Mar – $11.4

Apr-May - $14.1

Jun-Jul - $18.7

VAT – 18% on domestic sales only

VTK Costs Reduction

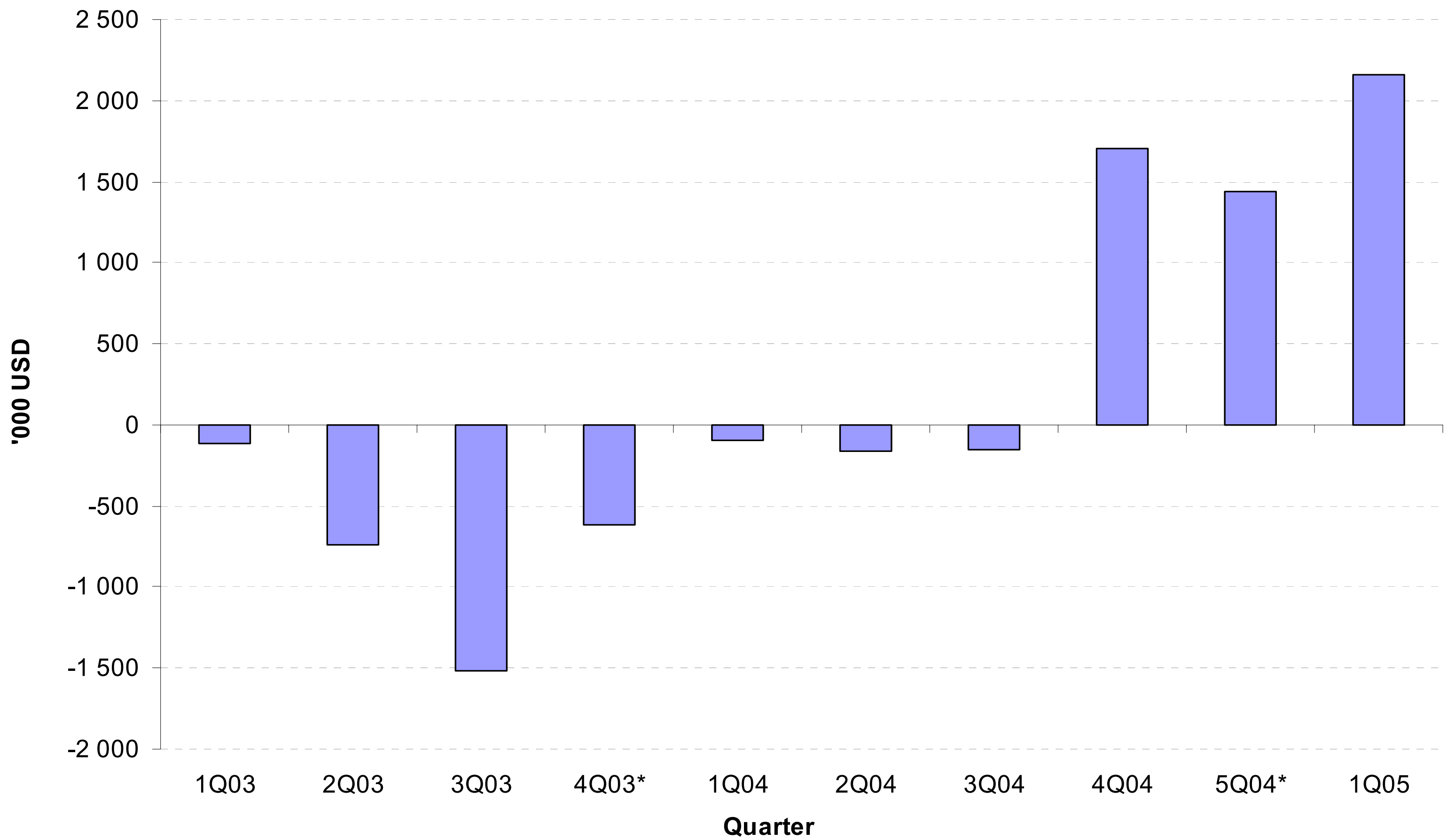


Cost structure	2004	1Q 05
Not-controllable		
Production tax	37%	60%
Other oper.taxes	6%	3%
	43%	63%
Controllable		
VTK personnel	21%	13%
Production costs	26%	17%
Administration VTK	10%	7%
	57%	37%
Grand total	100%	100%

Production costs include oil lifting and treatment, power supply, logistics

Source: VTK management report

WSR Operating Result



**Operating result does not include impairment of O&G properties reversal in the amount of MUSD 21.0 in 5Q 2004 and impairment charge of MUSD 21.4 in 4Q 2003*

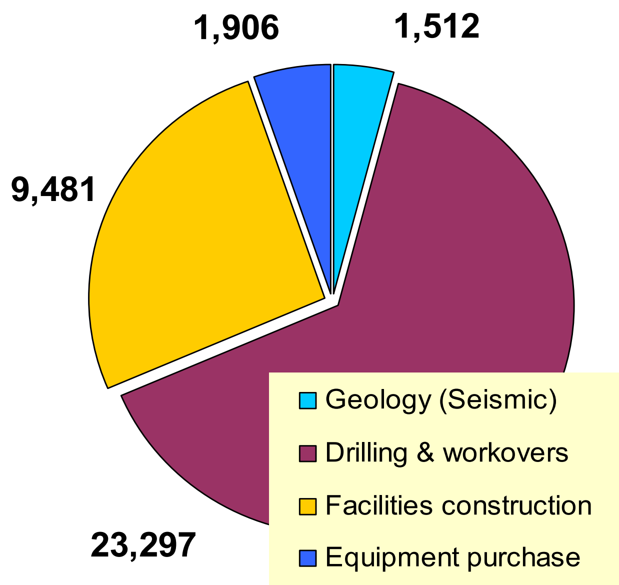
Extended financial year Oct 1, 2003 – Dec 31, 2004

VTK 2005 Investment Program

During the 1Q we were building the basis for the 2005 production growth: drilling pads and water injection system

Jan-Apr 2005 achievements

- ***Field seismic completed 100%***
- ***4 wells drilled: 2 producing, 2 injection***
- ***3 wells are under construction***
- ***3 Drilling Pads completed***
- ***Connection to Transneft completed***
- ***Commercial metering station commissioned***
- ***Water injection facilities 60% completed***
- ***2x1MW GAS generators purchased***
- ***Pipeline to Kluchevskoe field completed***



Total investments in 2005	***36,193 TUSD***
Invested during Jan-Apr 2005	***12,159 TUSD***

WSR and VTK Financing

VTK

On April 4, 2005 a 4 year MUSD 20 credit facility agreement was signed between VTK and BNP Paribas SA that will allow to finance VTK's development program in full.

As of May 30 MUSD 15 received

Proceeds spent for:

- Repayment of short-term loans (MUSD 5.88) and payables to suppliers
- Financing of 2005 drilling program (producing and injection wells)

WSR GROUP

On April 27, 2005 the rights issue was completed and fully subscribed (257,430,300 new shares issued).

Proceeds before rights issue costs received in the amount of MSEK 347.53.

Proceeds spent for:

- Debt repayment of MUSD 10.96.
- Financing of existing projects – MUSD 8
- New acquisitions (MUSD 30) – WSR management is currently reviewing various options