

PETROCELTIC

INTERNATIONAL PLC



CORPORATE PRESENTATION

December 2007

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PETROCELTIC STRATEGY

- Develop diversified portfolio around energy-hungry European markets
- Focus on limited area North Africa/ Mediterranean
- High impact, high equity licences
- Manage risk through industry farm-outs
- Active drilling campaign, 7 wells planned in 2008/2009:
 - » 3 in Algeria
 - » 3 in Italy
 - » 1 in Tunisia
- Execute strategic partnerships with respect to gas commerciality

PETROCELTIC STRATEGY - Current Environment

- High initial equity, farm-out to share risk
- Drilling success in Algeria underpins way forward
- \$27.0 mm cash*
- Significant low-risk drilling opportunities within present portfolio
- Assets attractive to industry majors and gas utilities
- Current geopolitics levels playing field for juniors and majors in some areas

** Cash position as of 31/6/07*

PETROCELTIC INTERNATIONAL PLC

- International Asset Portfolio:
 - **Algeria** - Isarene Permit (75%), 10,800 sq. km, operated
 - **Italy** - 5 Po Valley licences, 4 operated
 - B.R. 268 RG & Civitaquana (40%)
 - 11 new licence applications in Italy, 9 exclusive
 - **Tunisia** - Ksar Hadada (57%), 7,000 sq. km, operated.
 - **Ireland** - Kinsale Gas Field Royalty
- Focus on Mediterranean Basins
- Organic growth opportunities in a number of European & North African countries

PETROCELTIC Forward Value Creation

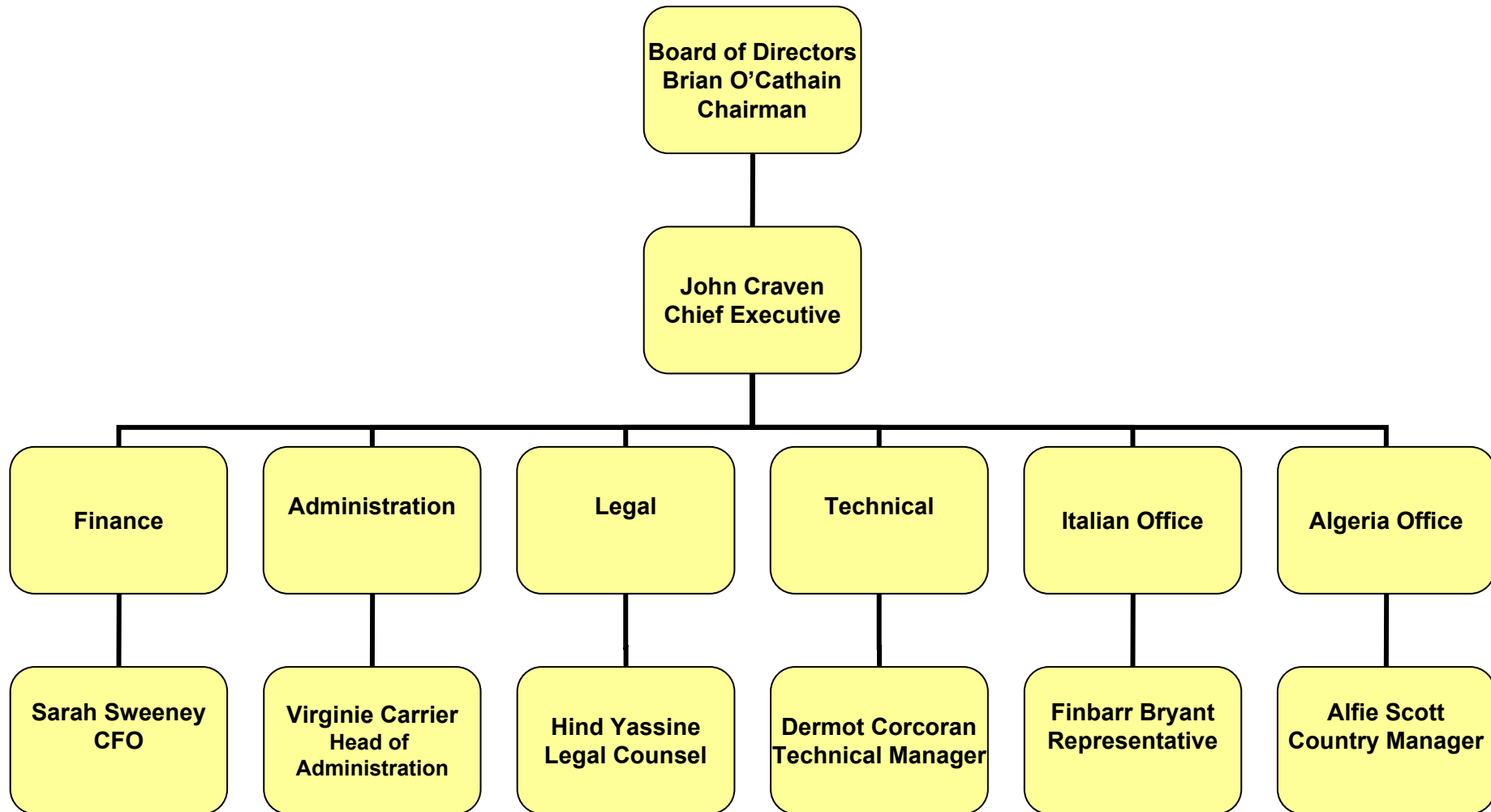
- Algeria, 3D Seismic & drilling to target largest resource potential on block (Ain Tsila Ridge)
- Algeria, additional drilling & appraisal of 2006 discoveries
- Tunisian drilling via farm-down carry
- Low-risk high value Italian drilling – field extension & appraisal
- Fund via strategic partners, joint ventures, etc
- Continue to grow portfolio in region
- Stock currently trading at a discount to both risked and unrisked potential reserves

CAPITAL STRUCTURE AND MARKET CAP

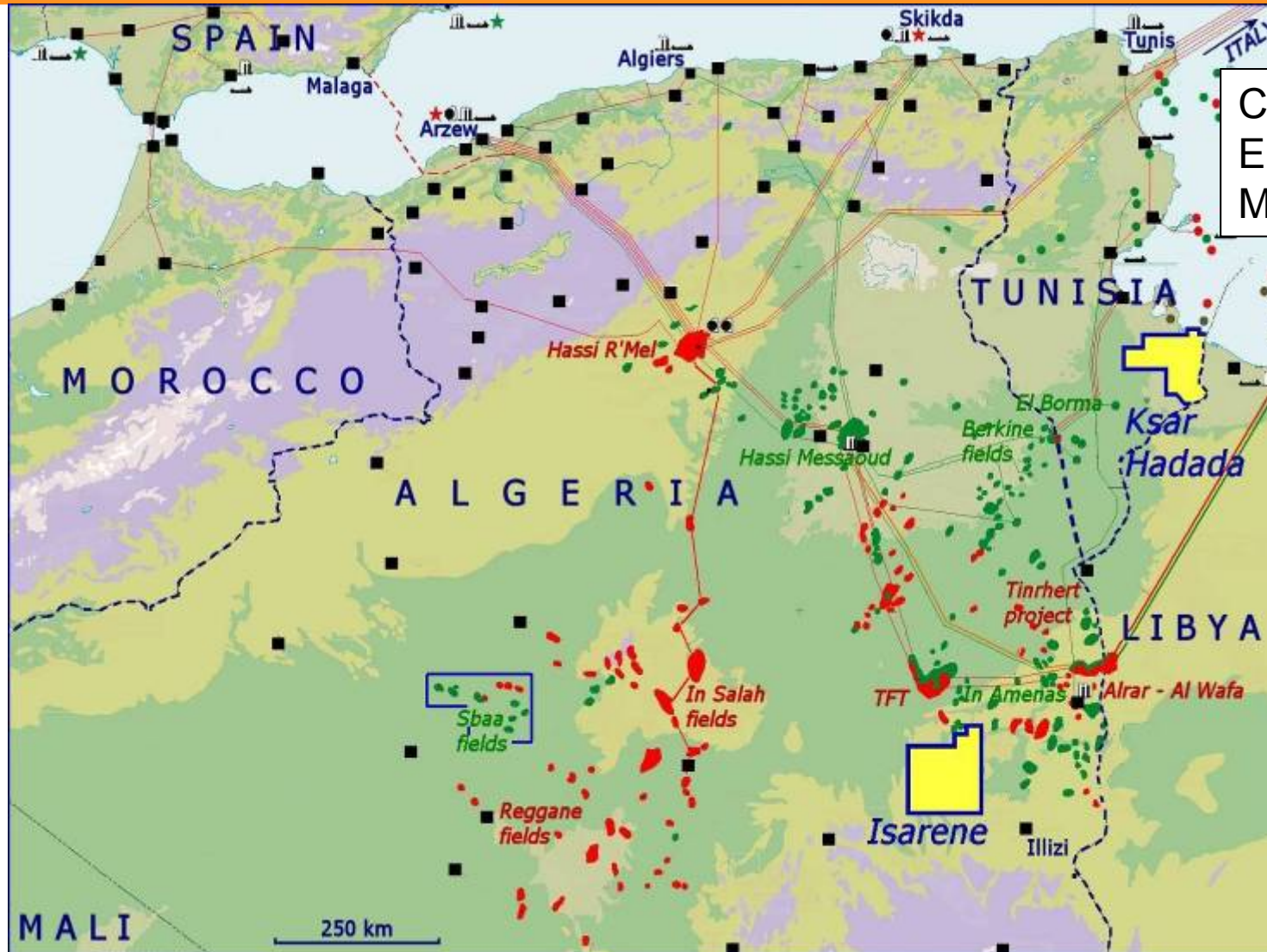
- Listed London & Dublin PCI
- Share Price 4/12/07 8p/share
- Market Cap US \$120 mm
- Cash* US\$27 mm
- Issued Shares 737 million
- Number of Shareholders 8,900
- Top 20 Shareholders ~50%
- Liquidity- highly liquid

** Cash position as of 31/6/07*

Management Team



LOCATION MAP OF PETROCELTIC NORTH AFRICA ASSETS



Connected to Europe's Gas Markets

Algeria Opportunity for Petroceltic

60% of country's total area occupied by sedimentary basins.

Only 24% of the area has been licensed.

Strategically positioned as major, and growing, supplier of energy to world's largest energy markets and is major exporter of gas and LNG.

Excellent Competitive Landscape:

- Only 35 foreign oil companies in sector alongside SONATRACH.
- Only 3 "smaller" (<\$500mm Market Cap) independents.
- Significant barriers to entry for new smaller independents.
- Upstream acreage highly sought after by European gas utilities
- Benign operational environment, good access to market.

World class oil and gas province, still relatively under-explored.

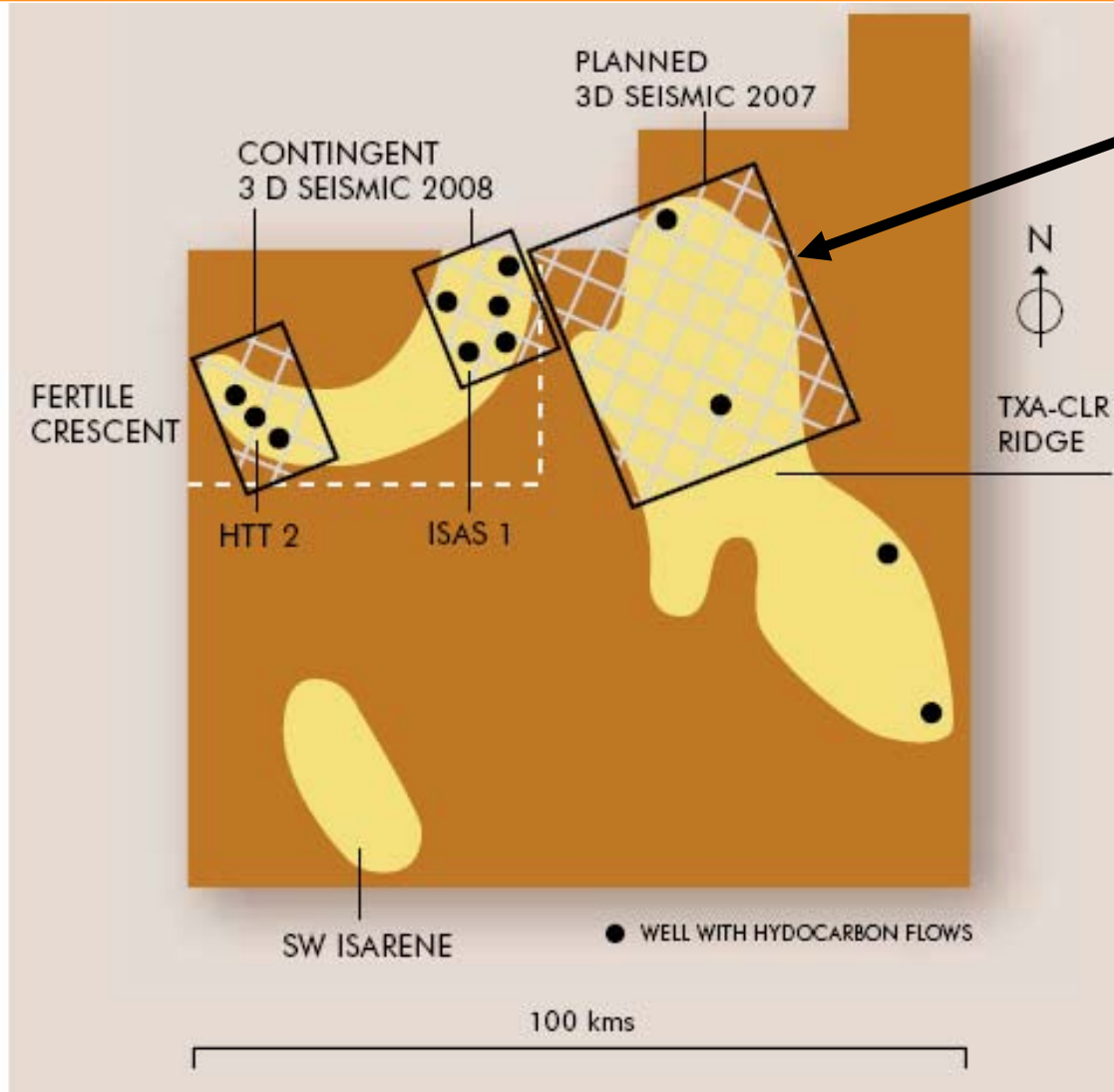
ALGERIA - Isarene PSC Activity Summary

- 75% Working Interest
- Extensive contract area of 10,800 sq kms
- Several Prospects identified – potential resource base circa 13 TCF
- First period work obligations complete
 - ISAS Gas Discovery – Capture 4 existing discoveries
 - HTT-2 – Gas Discovery – Capturing HTT-1 Discovery
- Strategy – straightest line to ‘commerciality declaration’
- Extensive seismic and drilling programs planned 2008-09
- Strategic Gas partner/Development Options with nearby Operators

ALGERIA - Isarene PSC Recent Activity Summary

- 2006 Drilling results
 - HTT-2 flowed combined 15.3 mmcf/d
 - ISAS-1 flowed combined 1.1 mmcf/d
 - Gas saturation in Ordovician – both wells
- Discovery reports filed for both areas capturing contingent resources discovered by pre existing wells
- First step to commercialisation
- 3D seismic tendered contract awarded, beginning December 2007

Isarene Block: 2007/08 Seismic Programme



**Wide Azimuth 3D
Seismic contract
negotiated & awarded,
starting December 2007**

Algeria - Isarene Prospective Areas Forward Plan

- ISAS area contains 5 successful wells, gas and oil produced from Devonian F2 and Ordovician.

Planned appraisal 3D seismic and drilling

- Hassi Tab Tab (HTT) area contains 2 successful wells. Gas and condensate produced from Devonian F2 and Ordovician.

Planned appraisal 3D seismic and drilling

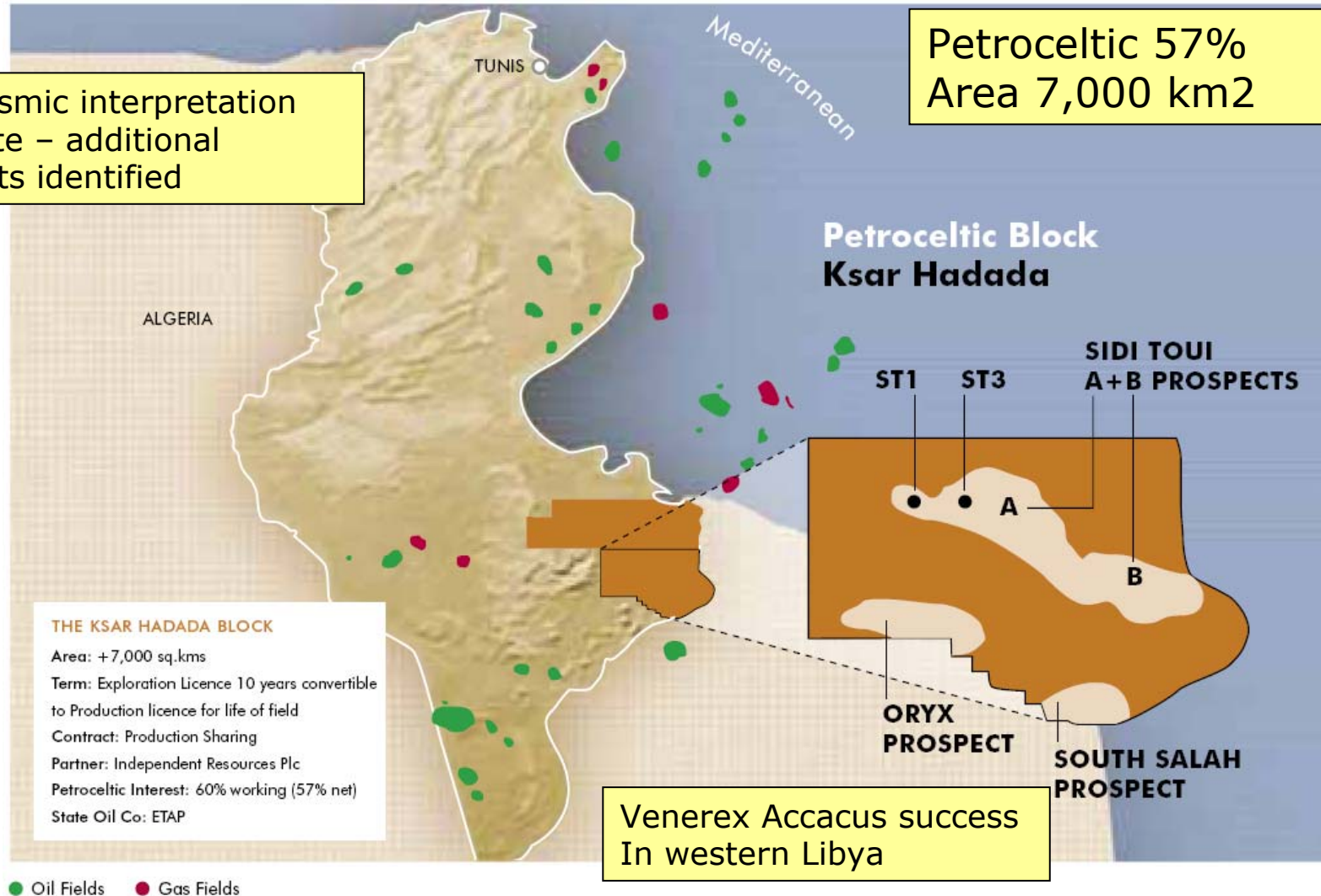
- Ain Tsila Ridge Large Ordovician Structure (6 TCF gas in place resource potential). **3D seismic to commence in December 07 followed by drilling in 2008.**

- **Objective to maximise proven hydrocarbon resources in the Contract Area within the PSC Exploration period for future exploitation**

TUNISIA - KSAR HADADA Licence

New seismic interpretation
Complete – additional
Prospects identified

Petroceltic 57%
Area 7,000 km²



TUNISIA - Activity Summary

- 57% Working Interest
- 10 year exploration period to 2014
- Extensive contract area of 7,000 sq kms
- First period work obligations complete
- Two exploration / appraisal prospects mapped
- Farm-In discussions underway

Tunisia: Potential Value

- Good PSC terms. 45% Cost oil with 40% profit oil, reducing to 17.5% over time
- No royalty or corporation tax
- Contractor value approximately \$5/bbl for discovered undeveloped oil

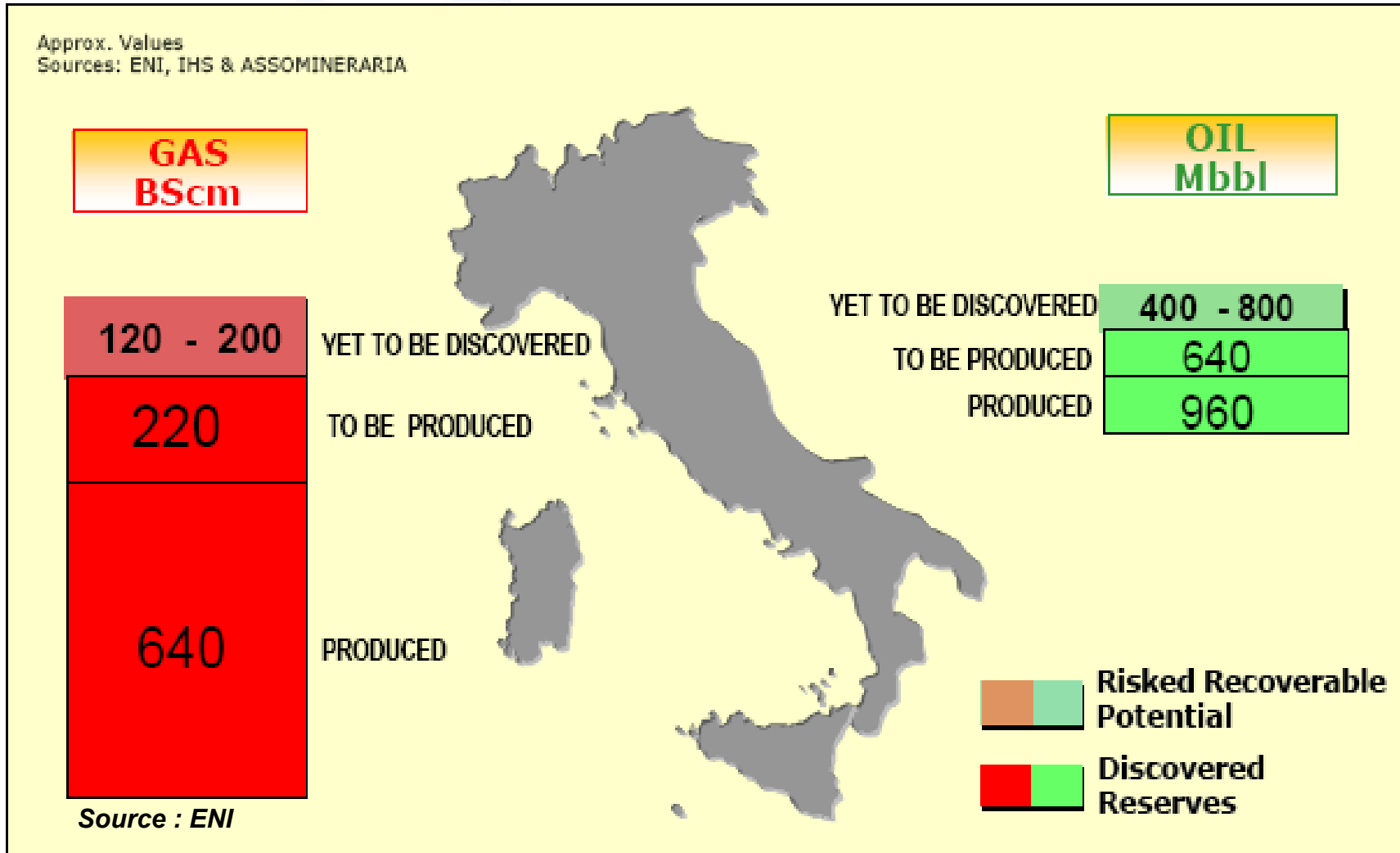
ITALY

- Italy – a good place to do business
 - Favourable Fiscal terms
 - Low Entry costs
 - Low political risk
 - Well developed infrastructure
 - High gas prices
 - Limited competition to date
- Significant exploration & appraisal potential remaining in Italy:
 - >1800mmboe risked recoverable (undiscovered) potential*
 - Elsa P/50 Oil Resources – 182 million barrels**
- Petroceltic's strategy differentiated from peer group via high equity participation & focused exploration effort

*Source: ENI

**Source: Petrel Robinson, Competent Person's Report

ITALY - DISCOVERED VS. YET TO BE DISCOVERED RESERVES

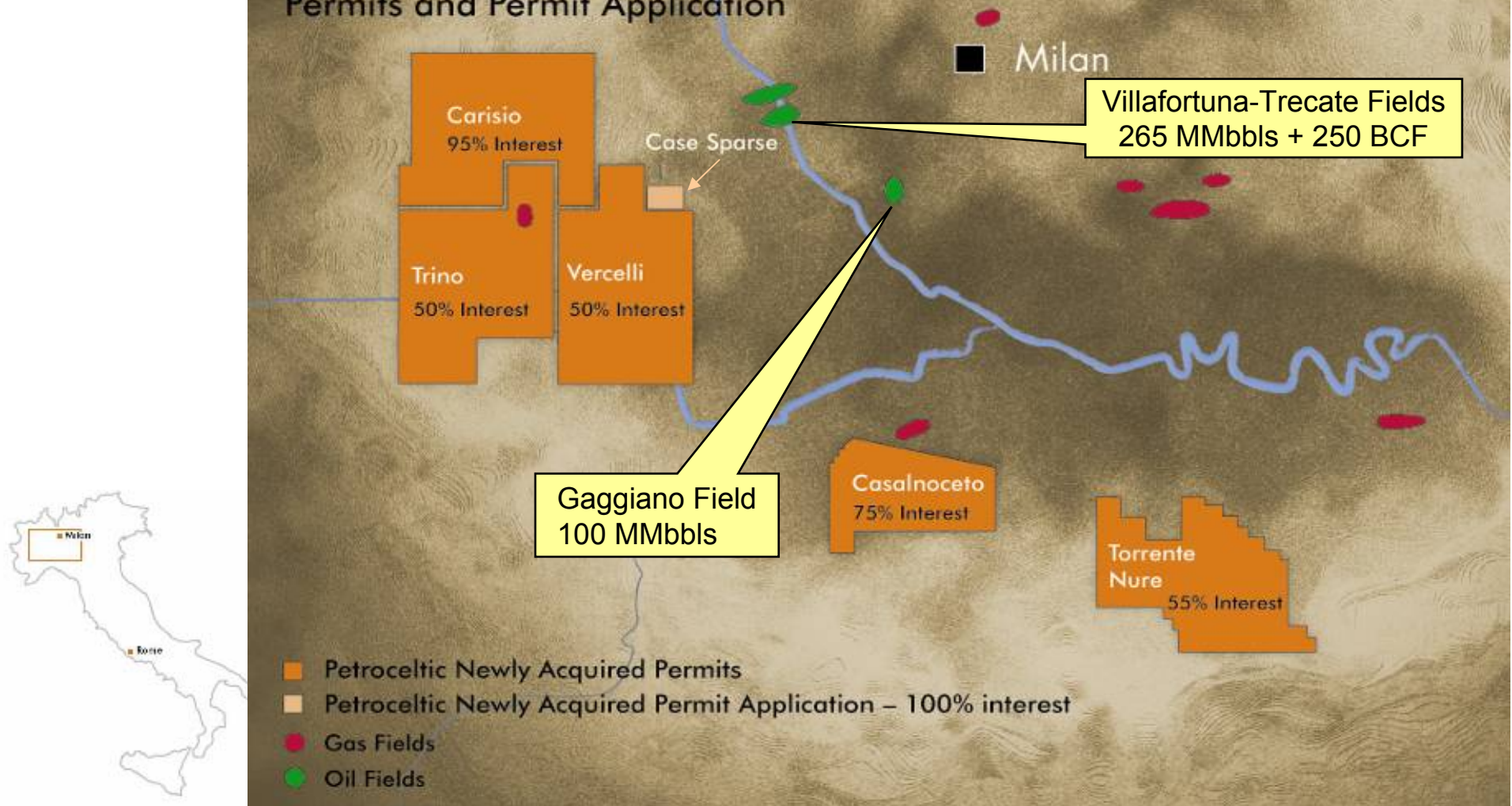


Petroceltic: Italian assets post BG Acquisition



Po Valley Portfolio & Adjacent Fields

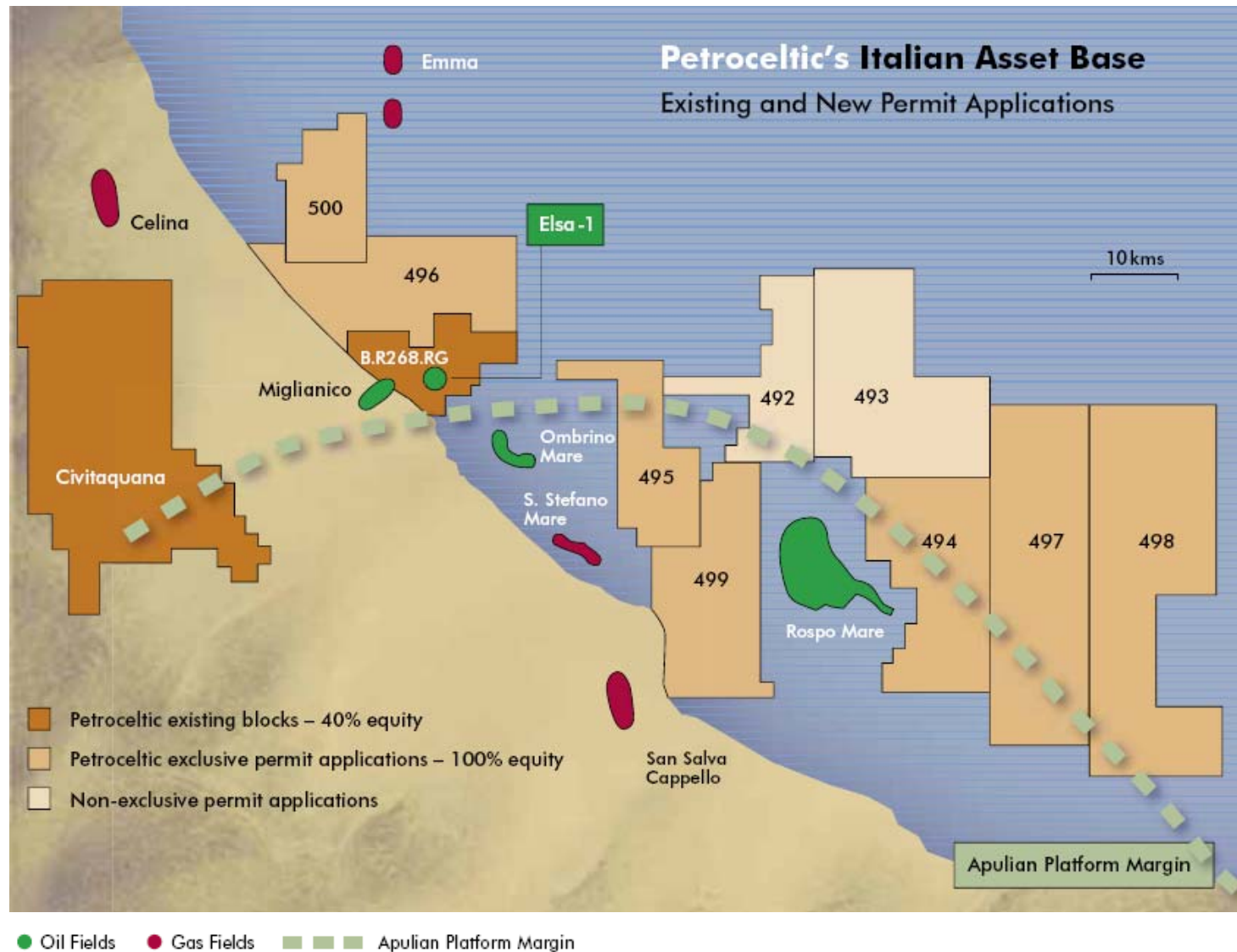
Petroceltic's Newly Acquired Po Valley Asset Base Permits and Permit Application



Po Valley Portfolio

- acquired from BG in 2007
- 5 licences and 2 applications
- 2 3D seismic-defined fully mapped gas prospects on Carisio (95% interest)
- database contains a number of other recent 3D surveys, and a large database of 2D Seismic and well logs
- Accelerates Italian drilling by 2 years

Central Adriatic Portfolio



ITALY - South Central Adriatic Basin

- Prospective area adjacent to 4 existing oil & gas fields - with a number of proven hydrocarbon plays & 2 proven petroleum systems

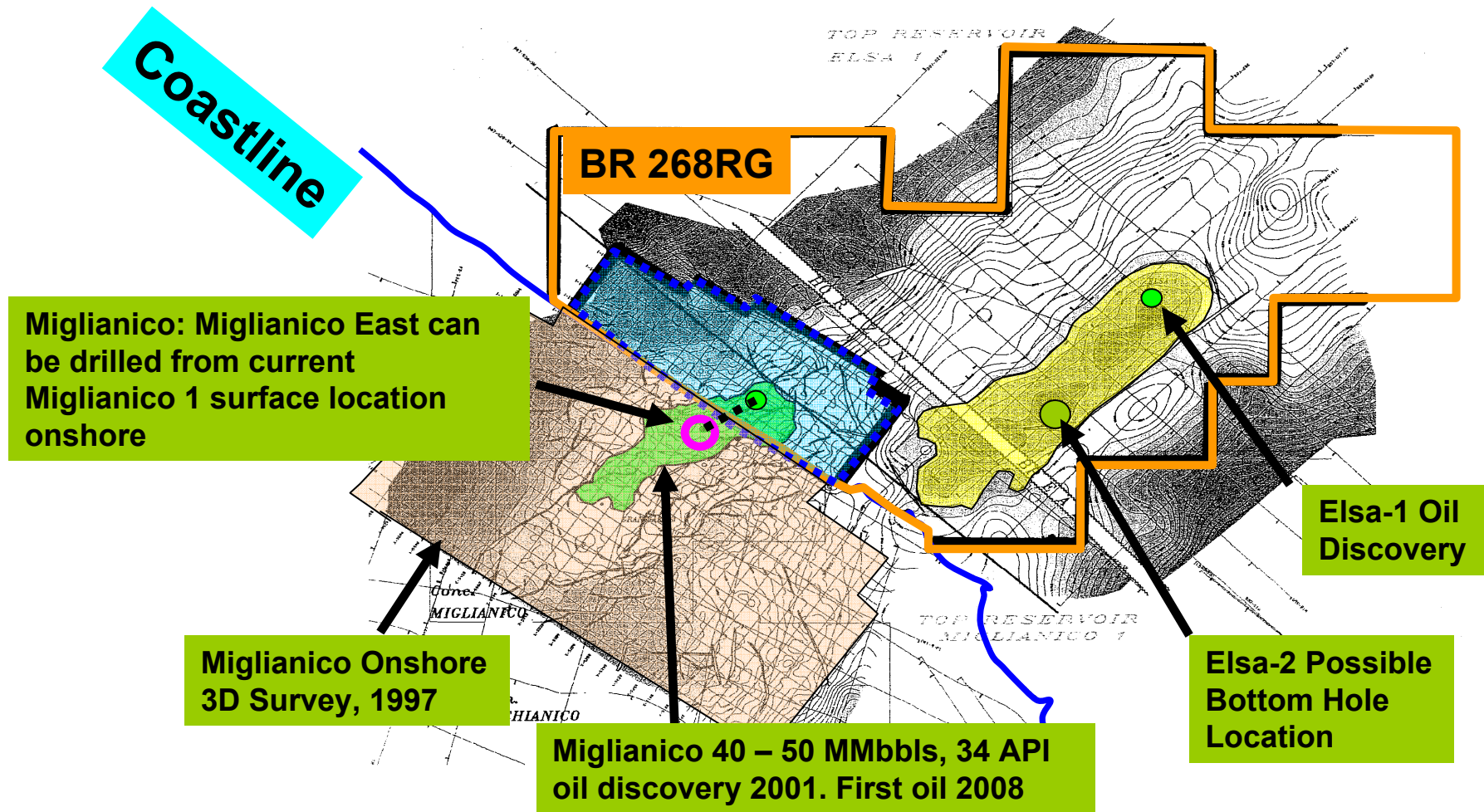
Mesozoic Petroleum System

- Basin floor fan play (Miglianico, Elsa-1)
- Apulian Platform Karst play (Rospo Mare, Ombrina Mare)

Cenozoic Petroleum System

- Pliocene Biogenic Gas play (Santo Stefano Mare)
- Possible extension of Miglianico Oil Field into BR 268RG
- Prospective Open Acreage in shallow water
- Limited deployment of 3D seismic to date

Elsa 1 & Miglianico 1 Top Reservoir Map

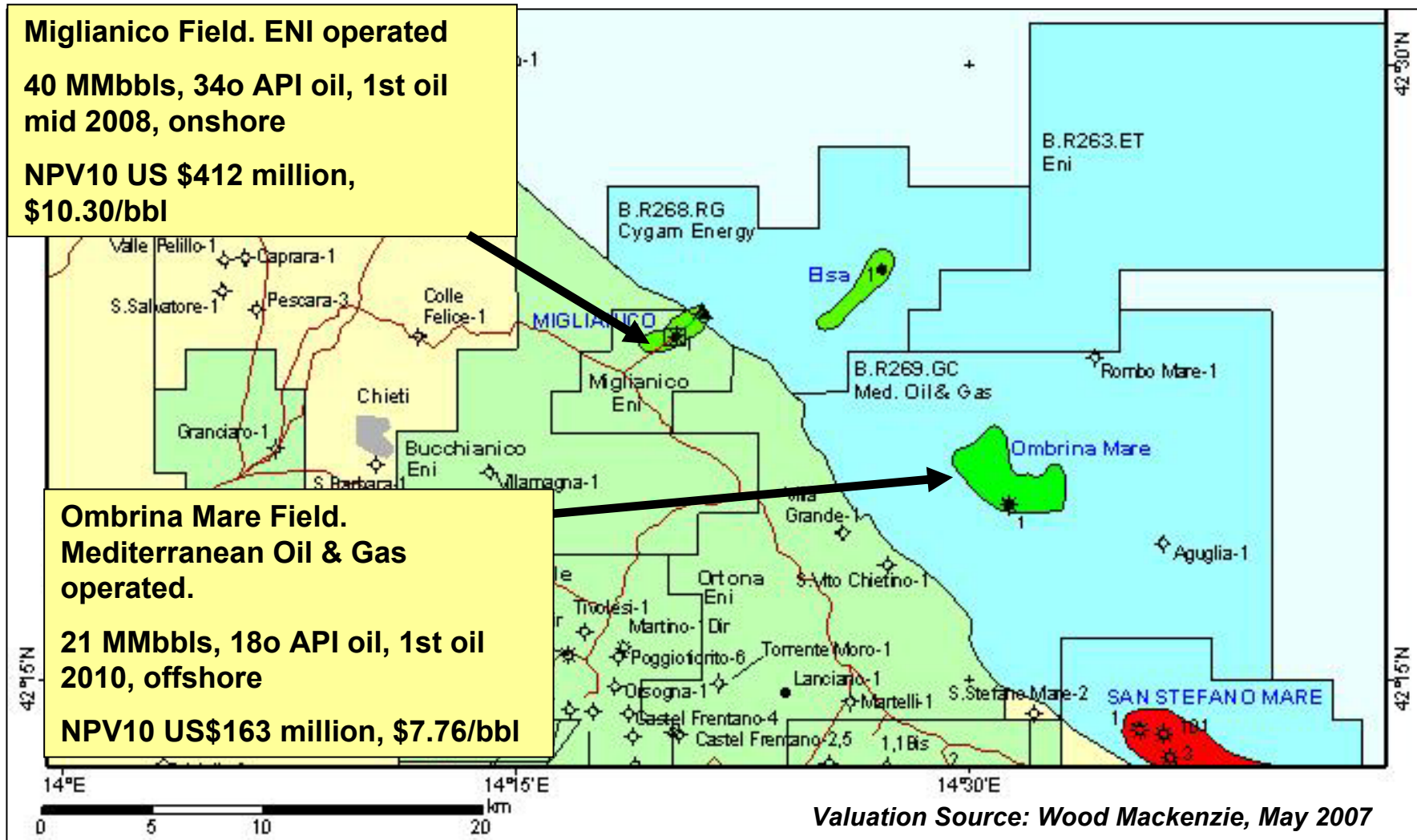


ITALY -Forward program 2007/2008

- 3D seismic in 2008 on BR 268
- Follow-up with Elsa-2 Appraisal well early 2009
- Elsa P50 Oil Reserve potential: 182 million barrels*
- Evaluate Civitaquana Licence – possible early drilling of Pliocene gas
- Detailed technical evaluation of new offshore licences
- Two Po valley prospects ready to drill, 3D interpreted.
- Cariso permit gross P50 gas potential 170 BCF
- Po Valley may be farmed out to share risk

**Source: Petrel Robinson, Competent Person's Report*

Italian Discovered Asset Values, \$/bbl



Italian Fiscal Terms

- No significant licence rental
- All work programmes discretionary
- Royalty Offshore 4% on liquids, 7% on gas, nothing below 1,000bopd or 8mmscf/d
- Royalty onshore 7% on liquids and gas, nothing below 400 bopd or 2.5 mmscf/d
- Income tax at 33% national plus 4% regional
- Very simple regime, gives high values for oil & gas











Petroceltic: Potential Resources Snapshot

Country	Licence	PCI equity	Area Sq. Km	Potential Reserves MMboe		Source
				Gross	Net (W.I.)	
Algeria	Issarene	75%	10,872	849	637	PCI estimates
Tunisia	Ksar Hadada	57%	7,012	132	75	Blackwatch
Italy	BR268RG	40%	127	192	77	Petrel Robinson
Italy	Civitaquana	40%	615			
Italy	Po Valley	>50%	3,214	28	27	Operator Estimates**
Italy	New Applications	100%*	2,543			

* 9 licences, 2 licences contested

** Carisio only

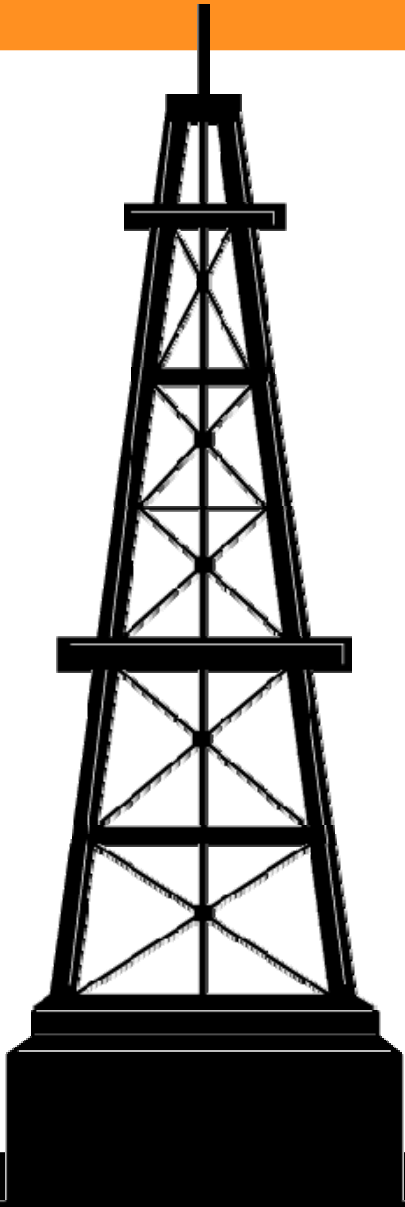
Activity Schedule

	January 2008				January 2009	
	Q1	Q2	Q3	Q4	Q1	Q2
Algeria	Acquisition & processing – Ridge 3D WAZ Seismic		Interpretation	Well Planning	  	
Tunisia	Well Planning	  <i>Possible</i>				
Italy B.R268.RG		3D Seismic			 Elsa-2	
Italy Civitaquana	Data Retrieval & Interpretation / Well Planning					 <i>Possible</i>
Italy Po Valley		Seismic Acquisition		Well Planning		
Italy Central Adriatic	Environmental Reports, Data Retrieval & Interpretation			Seismic		 <i>Possible</i>

Summary

- Focused strategy of value creation in Mediterranean/North Africa
- High impact, high equity drilling, funded through farm-outs
- Seven wells over 2008/2009
- Growing Italian position
- Farm outs in North Africa to manage risk
- Value at current share price, potential for step change over next 18 months

Corporate Presentation December 2007



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