

## **Chairman's Speech**

Dear Shareholders,

I extend a hearty welcome to all of you on behalf of the members of the Board of your Company, the gentlemen on the dais, as well as from my own behalf. I understand that the Annual Accounts and the Directors' Report have already been circulated to you, and therefore, with your permission, I take these as read.

Interlink Petroleum, your company, achieved several significant milestones in 2009. In the first quarter of the year, the company finalized its management structure and established the processes required to ensure a conduct of business that was transparent and accountable. Also of paramount importance was an early focus on the Health, Safety, Security and Environmental (HSSE) aspects of our business. In this respect, the senior management team developed the policies appropriate for our operations in the field and in the office. As we enter a phase of more intensive field operations in the second half of 2010, we hope that the stringent implementation of these policies will continue to provide a safe and secure operational environment to all our employees, our service

providers, as well as the general public, amongst whom we shall be working.

A further milestone that was achieved was the formulation of a detailed work program for the period July 2009 to March 2011. Available data for our Baola and Modhera fields were reviewed and the gaps in our knowledge and understanding of the sub-surface were identified. A strategy was devised to significantly reduce our knowledge gaps and critical to this effort was the input obtained from a 3D seismic program for both the fields. I am pleased to confirm that 3D seismic datasets were acquired and processed for both Baola and Modhera. The seismic prognosis has resulted in the identification of several potential and promising drilling locations for both the fields. Based on the seismic prognosis, it has been planned to drill one well in each of the Baola and Modhera fields this year and all preparations including the procurement of materials and services for drilling the Baola well has been completed.

I am pleased to report that the well called Baola number 8 has been targeted for spudding as soon as we receive clearance from the various environmental agencies.

To fund this lap of operations, your company, on a preferential basis, allotted new shares to several foreign shareholder groups successfully, after obtaining approval of the shareholders at the Extraordinary General Meeting held on 16<sup>th</sup> February this year and upon the subsequent approval of the same by the SEBI . This funding strategy strengthened the financial position of your company and has ensured that the activities planned for 2010 can be implemented.

I would like to stress that the Board and management of your company have clarity in respect of its objectives. Our primary goal remains that oil and/or gas from the sub-surface of our fields need to be discovered, extracted and monetized safely and in the most cost-effective manner as early as possible.

The drilling program that is currently underway encompasses all these goals.

There are many challenges ahead. But we believe that with the continued dedication of our small but talented management team, the co-operation of our business partners and most significantly, the continued support of our

shareholders and both the state and the Central Government agencies, our objectives will be attained.

As I stated earlier, your company has already achieved several milestones in 2009. But we believe that our most rewarding times lie ahead. We sincerely hope that you will continue to support us on this journey as we step into colourful and exciting new territories, cautiously but confidently. The expected stability in the oil prices in the near term at the \$60 to \$80 per barrel level, coupled with the prospects of prices heading north in the long term, combined with the projected commencement of drilling new wells in Baola and Modhera fields, should provide adequate encouragement for your Company to look at the expansion of its portfolio of assets within the country by participating in the NELP IX bidding round and the offer of discovered marginal fields slated for later this year as well as in opportunities outside the country through our Singapore subsidiary.

There has also been a change in your company's promoter group during the year.

Before I conclude I must express on behalf of your company, our sincere thanks to all the shareholders, the Ministry of Petroleum and Natural Gas, the Government of India, the office of the Director General Hydrocarbons, the Central & State Pollution Control Boards, the state Government of Gujarat, the relevant local bodies and societies and our committed employees for their invaluable support to the company during the year.

Thank you.

Signed: Bikash Chandra Bora

NOIDA, Uttar Pradesh