



# Corporate Presentation

## June 2010

AIM: **BNK** TSX: **BNK**

**Bankers**  
PETROLEUM LTD.

## Disclaimer

Certain information respecting the Company and the Company's properties constitutes forward-looking information. Such forward-looking information, including but not limited to statements with respect to anticipated rates of production, the estimated costs and timing of the Company's planned work program and reserves determination involve known and unknown risks, uncertainties and other factors which may cause the actual costs and results of the Company and its operations to be materially different from estimated costs or results expressed or implied by such forward-looking statements. Such factors include, among others, risks related to international operations, general risks associated with petroleum operations and risks associated with equipment procurement and equipment failure. Although the Company has attempted to take into account important factors that could cause actual costs or results to differ materially, there may be other factors that cause costs of the Company's program or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

# Profile & Strategy

## Operations

Calgary-based E&P company with operational focus in Albania

## Strategy

Large scale growth of recoverable oil reserves through proven techniques and expertise

Maximize the value of Bankers heavy oil assets by funding growth through cash, cash flow and existing credit facilities

## Production

**10,000 bopd** current production

Achieve exit production target of **15,000 bopd** for 2010 and **24,000 bopd** for 2011 through primary recovery methods

## Team

Proven team, experienced in Canadian and International heavy oil exploitation

# Market Information

Exchange Listings

TSX - Toronto

AIM - London

Symbol

BNK

Total Shares

231 million (251 million fully diluted)

Liquidity

Excellent liquidity - 52 week average 3.3 million shares / day

Current Share Price

CDN\$7.20 (as of June 1, 2010)

Market Capitalization

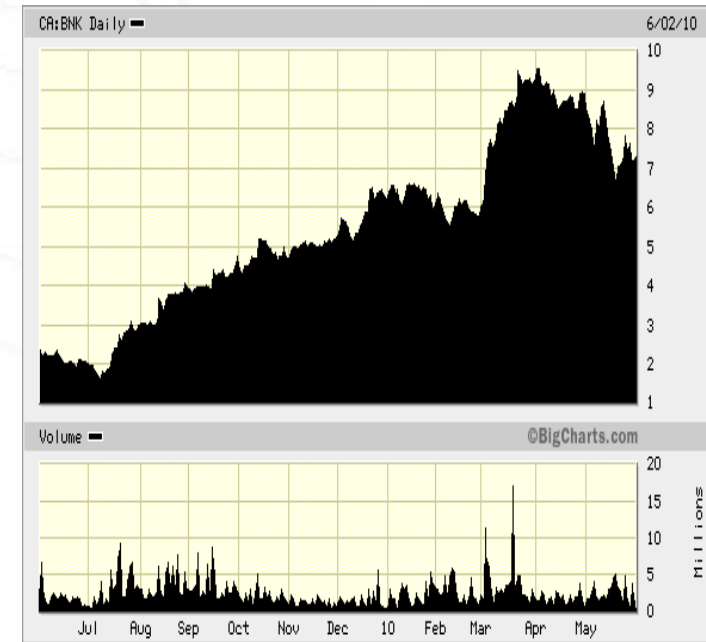
**CDN\$1.7 Billion**

Shareholder Breakdown

Institutional	72%
Retail	20%
Directors & Officers	8%

Research Coverage

**10 analysts** provide coverage: BMO, Jennings, FirstEnergy, GMP, Macquarie, UBS, Raymond James, Scotia Capital, Thomas Weisel, Wellington West



# Albania, Europe - Country Information

- Located in South East Europe
- Democratic elected government since 1991
- Economic policy is pro privatization and foreign investments
- Applied for EU membership in June 2009
- Small population of 3.8 million
- Joined NATO in April 2009
- Attractive fiscal terms



# Asset Overview - Albania, Europe

## Patos-Marinza Oilfield

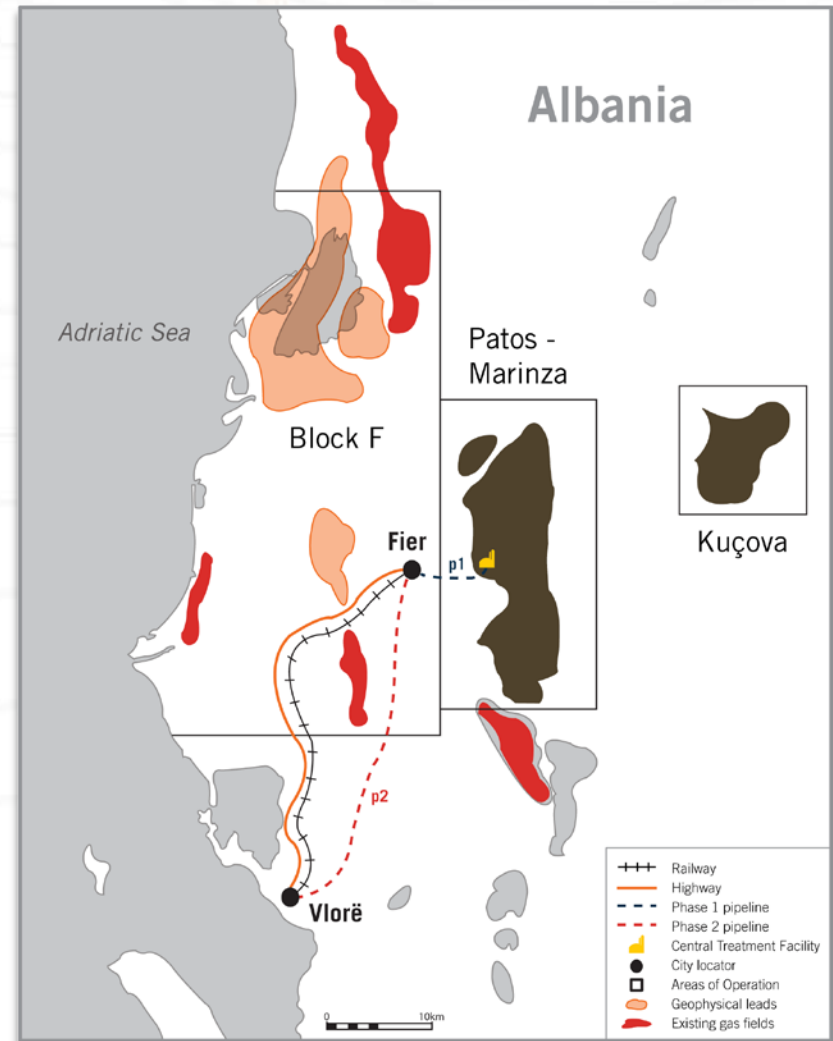
- 5.7 billion barrels OOIP
- Largest onshore oil field in Europe
- 100% W.I. & operatorship
- 136 million barrels produced to date
- 10° to 22° API Oil

## Kuçova Oilfield

- 297 million barrels OOIP
- 100% W.I. & operatorship
- 24 million barrels produced to date
- 14° to 22° API Oil

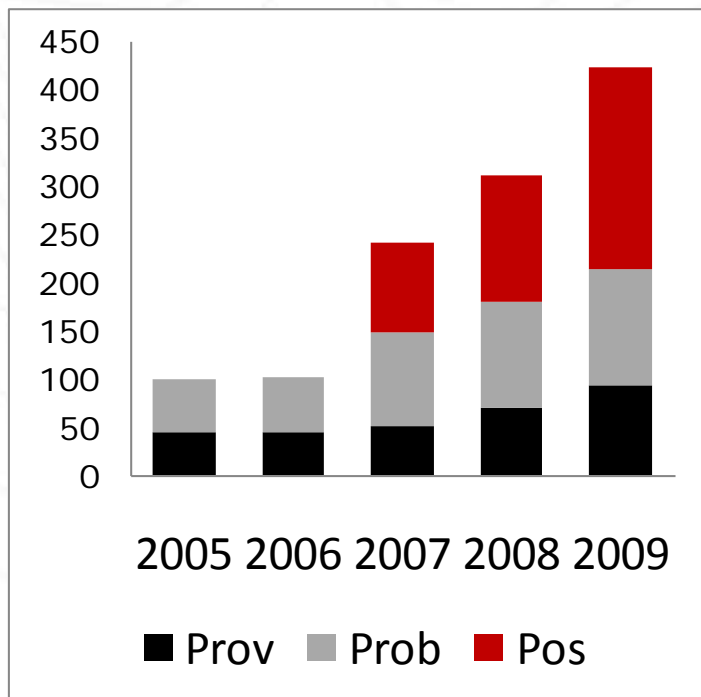
## Block F Exploration Acreage

- 185,000 acres

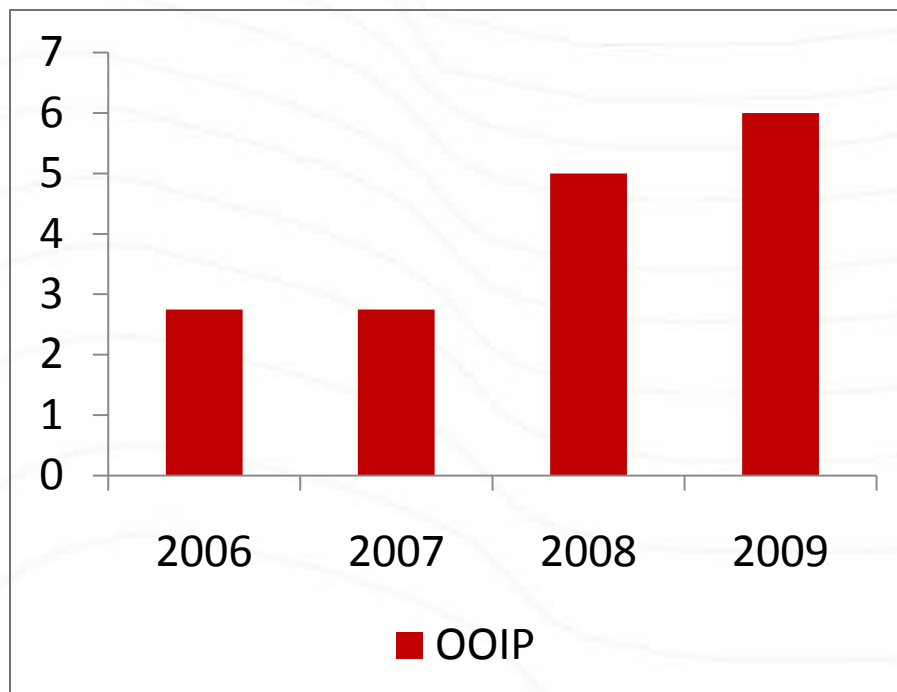


# Reserves and Production Growth

Reserves - Primary Recovery  
(millions of barrels)



Original Oil In Place  
(billions of barrels)



# Total Reserves & Resources (Barrels)



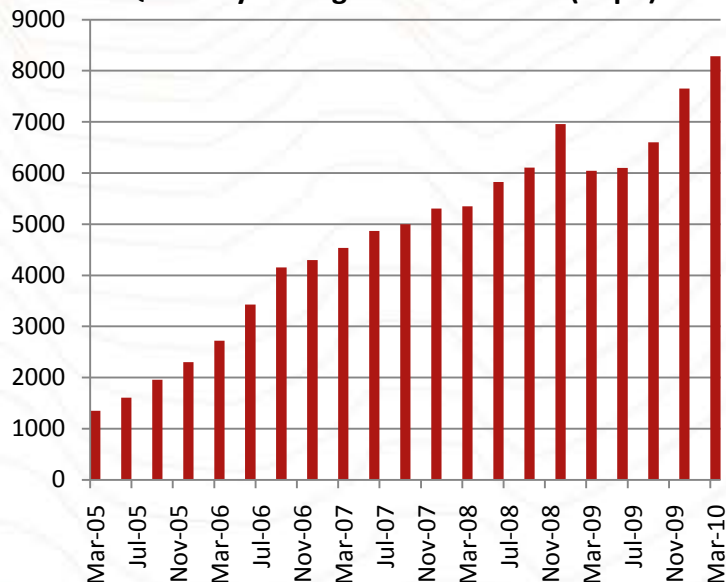
NPV10 2P Reserves  
**US\$1.5 Billion**

NPV10 3P Reserves  
**US\$3 Billion**

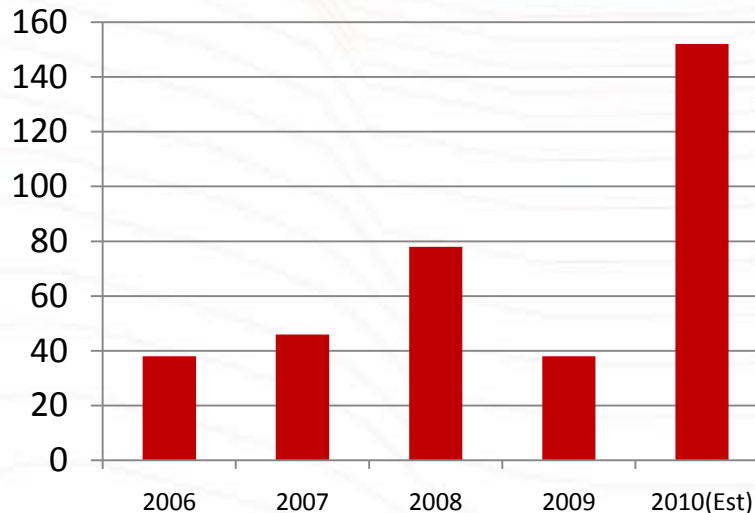
- No Value assigned for Contingent and Prospective Resources
- Continue to focus year over year on upgrading reserves from Possible to Probable to Proved
- Implement secondary and tertiary recovery methods to convert resources into recoverable reserves

# Operating & Financial Highlights

Quarterly Average Oil Production (bopd)



Capital Expenditures (millions of US\$)



## LIQUIDITY at MARCH 31, 2010 \$US

Working Capital: \$66 million; CASH of \$63 million (additional \$15 million collected in April/May)

### Credit Facilities

Raiffeisen Bank

\$30 Million

Utilized:  
\$26 Million

IFC/EBRD

Available

\$60 Million

nil

@ 10,000 bopd

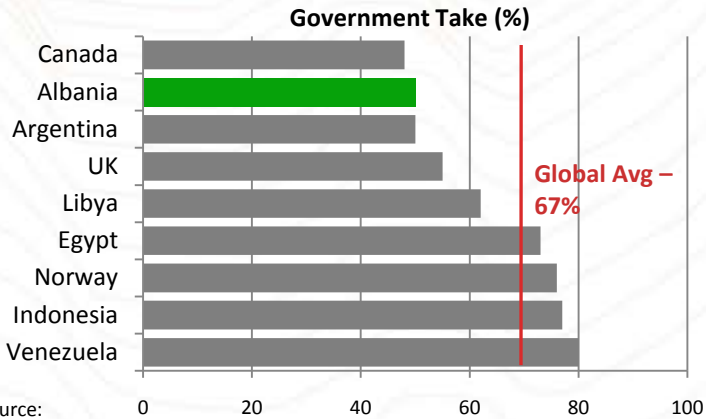
\$50 Million

nil

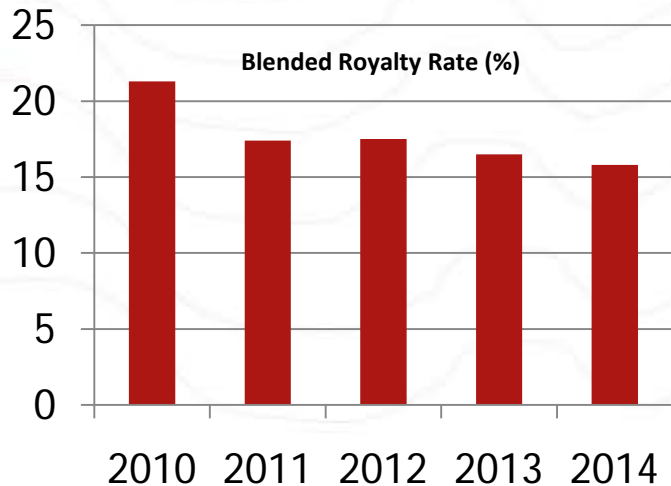
**\$140 Million**

**\$26 Million**

# Attractive Fiscal Terms



Source: Wood Mac Study 2007(Excluding Albania)



25 Year term (2031) + 5 yr extensions

100% Cost recovery including royalties

Royalties:

Pre-Existing Production (PEP) 70%

Incremental Production 11-15%

Based on current production of 10,000 bopd, 1,100 bopd is PEP (70%) and 8,900 bopd is incremental (11%)

Another 1,000 bopd PEP to be acquired from Albpetrol in 2010 and 2011

Profit tax - 50%

100% Export permitted

# Transport and Storage Facilities

- All volumes currently trucked to Vlore
- Current Storage 80,000 bbls
- Second 80,000 bbl tank to be completed in Dec 2010



# Netback Per Barrel

## INCREMENTAL OIL (forecast)

<u>Brent Price</u>	<u>Q2 2009</u>	<u>Q3 2009</u>	<u>Q4 2009</u>	<u>Q1 2010</u>
	\$58.79	\$68.27	\$74.53	\$76.36
<u>Wellhead Price</u>	<u>\$34.63</u>	<u>\$40.71</u>	<u>\$45.10</u>	<u>\$47.16</u>
	(59%)	(60%)	(61%)	(62%)

	\$60.00	\$70.00	\$80.00
	<u>\$37.20</u>	<u>\$43.40</u>	<u>\$49.60</u>
	(62%)	(62%)	(62%)



\* Actual is based on blended royalty rate; all incremental production carries a flat 11% royalty

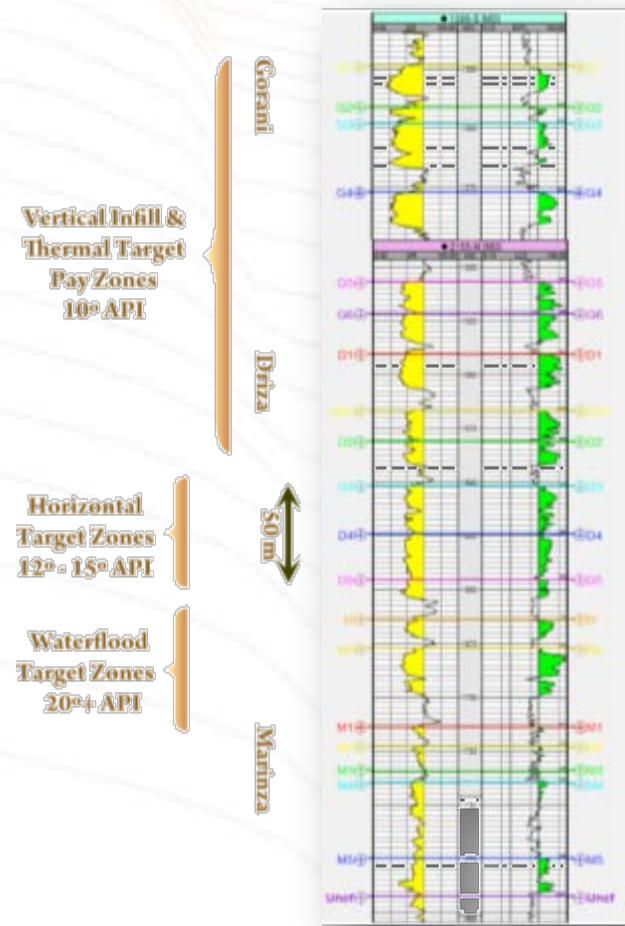
# Production Metrics (Incremental Oil)

	Cost \$000's	Prod. BOPD	Reserves BBL 000's	\$/ Flowing bbl	IRR >tax	Payout (months)		
						\$60 Brent	\$70 Brent	\$80 Brent
Reactivation	350	40	70 to 120	8,750	45%	17	13	11
Vertical Well	1,000	70	200	14,285	36%	28	22	18
Horizontal Well	1,250	150	350+	8,333	82%	16	13	10

	1P	2P	3P
Finding and Development Costs	\$6.50/bbl	\$7.82/bbl	\$1.84/bbl
Future Capital (millions)	\$579	\$890	\$1,074
Recycle Ratio at \$70 Brent	3.5x	2.9x	12.3x
Recycle Ratio at \$80 Brent	4.3x	3.6x	15.3x

# Development Strategy

- Well depth: 800 to 1,800m
- Reservoir sands:
  - Gross oil pay up to 300m
  - Net oil pay up to 200m
  - 8° to 22° API
- Average viscosity @ 40°C
  - Gorani: 5,000 to 50,000cp
  - Driza: 1,000 to 5,000cp
  - Marinza: 50 to 1,000cp
- Porosity: Sandstone 25%-30%
- Permeability: 100md - 2d



Composite Type Section

# 2010 Vertical Program

## Reactivation

- Remove Derrick and beam pumps, clean site and install progressive cavity pumps
- Increase production from 5 bopd to ~40 bopd



## Work-overs

- Re-perforation and stimulation of existing wells

## New Vertical Wells

- Flow rates averaging 70 bopd



### 2010 Program - Patos-Marinza

Reactivations	80
Work-overs	38
Vertical Wells	7

# Environmental Clean-Up Initiative

## Environment & Social Action Plan (ESAP)

- Established as part of IFC and EBRD participation in Patos-Marinza development
- Formed Working Group including Bankers, IFC, EBRD, Albpetrol and Government of Albania
- Engaged additional resources focused on ESAP



## Key Objectives/Targets:

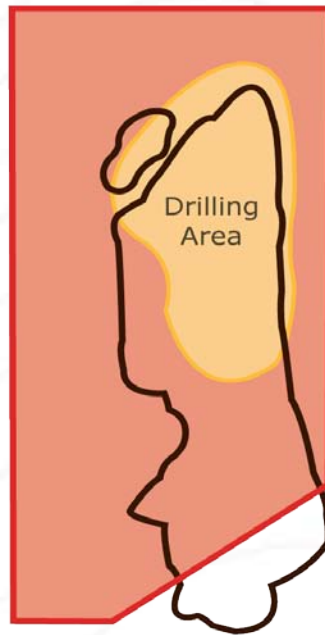
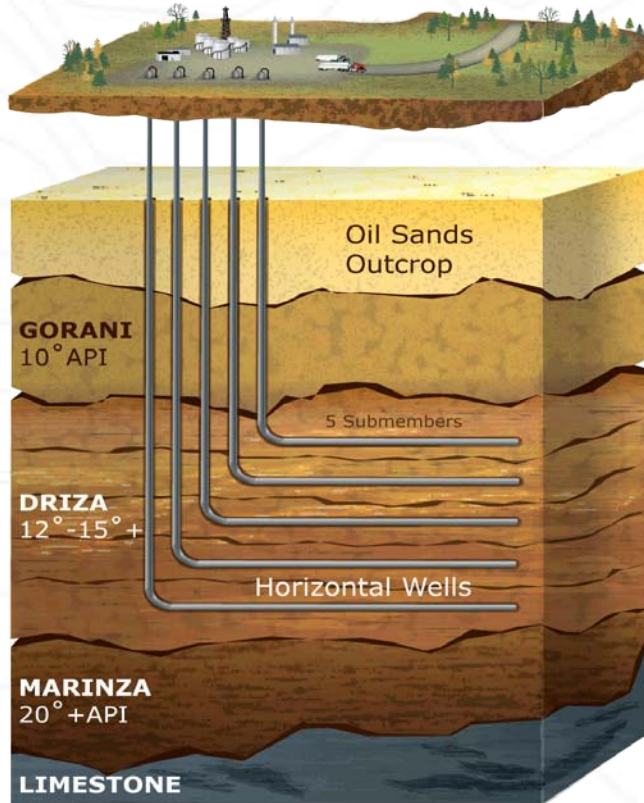
- Phased take-over of Albpetrol areas to allow ESAP initiatives in Patos-Marinza
- Focused on Sector 3 area as first phase of area clean-up initiative
- Establish full consolidation of existing operations areas under Bankers management
- Shut down Albpetrol's facilities and flow lines by end of 2010
- Complete Field take-over and clean-up by 2013



**"We are making a difference"**

# 2010 Horizontal Program

## HORIZONTAL DRILLING AREAS

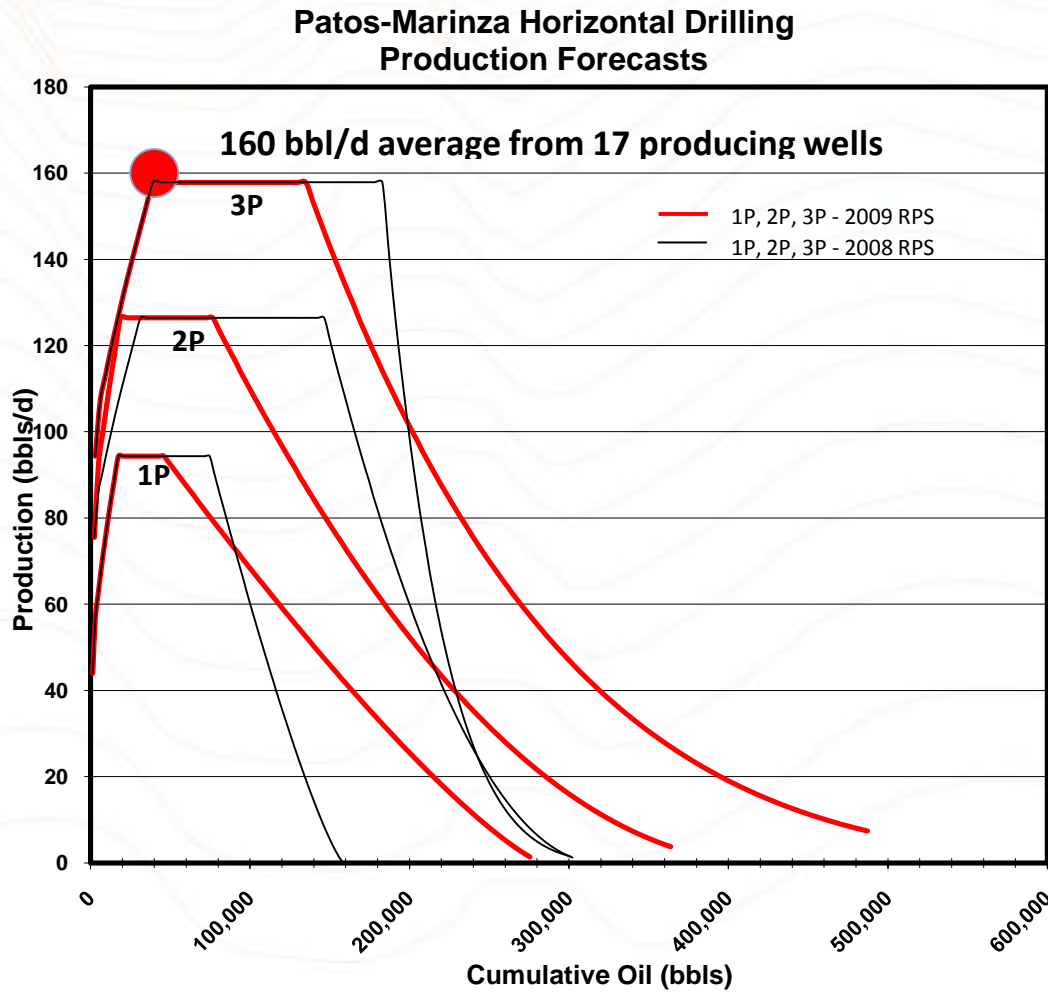


Drilling **52** horizontal wells  
in 2010

Average Hz well production  
**160** bopd

**340** Additional locations  
planned over the next four  
years

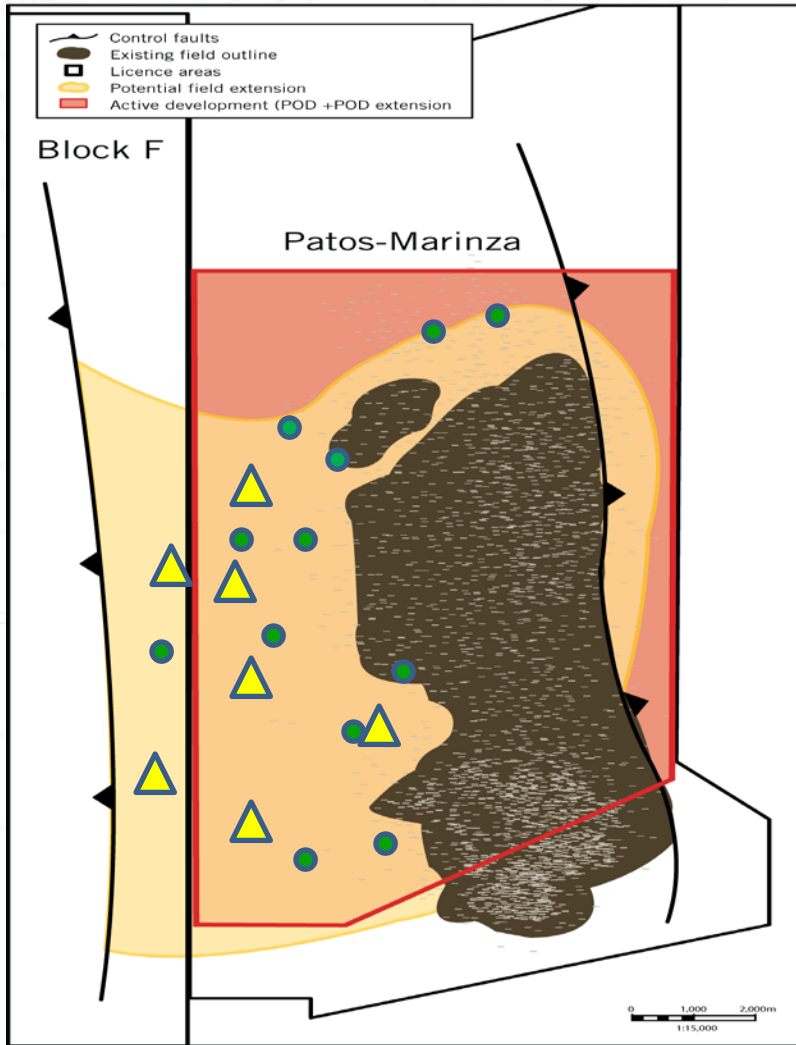
# Patos-Marinza Horizontal Drilling



Current Well  
Performance is above  
RPS Estimates

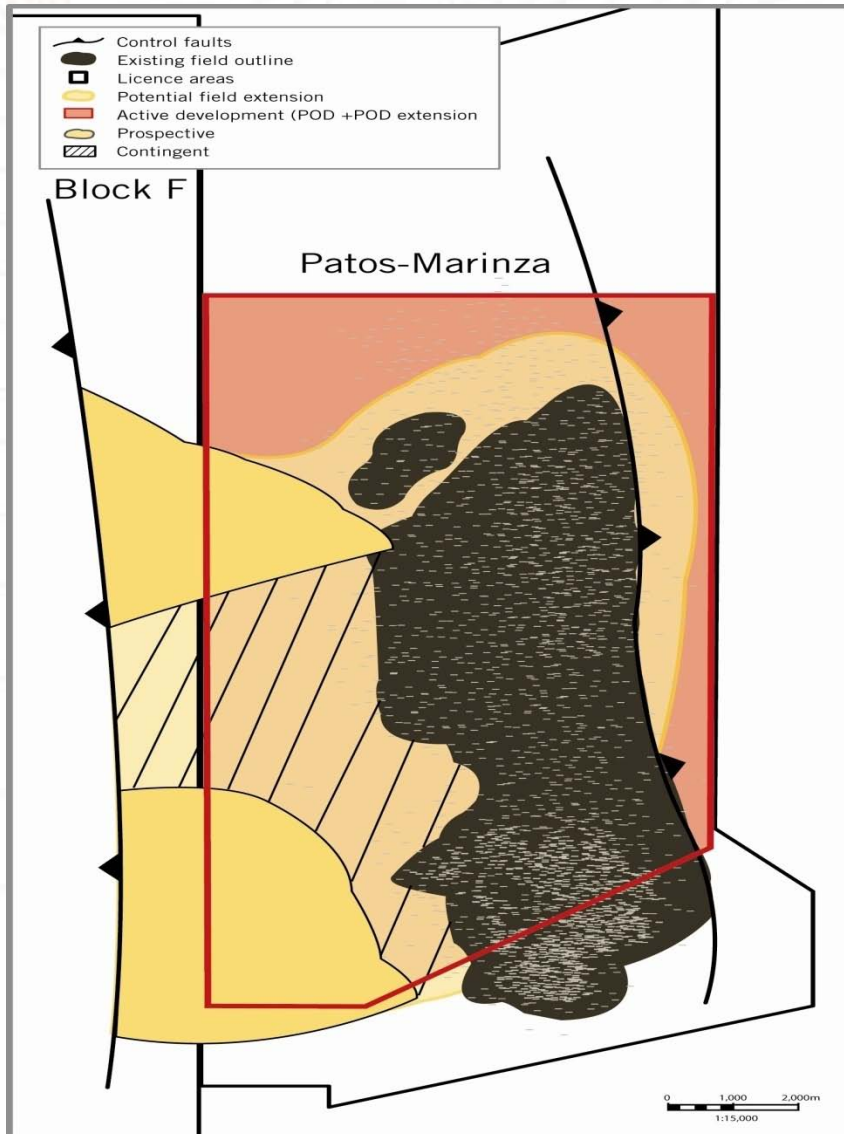
Further production data  
will confirm forecast  
and potential for  
reserve graduation from  
3P to 2P to 1P

# Patos-Marinza Potential Field Extension



- Potential Field Extension
- Oil Pay on Logs
- ▲ 2010 Step-out Drilling

# Contingent and Prospective Resources



838 Million bbls of Contingent Resource

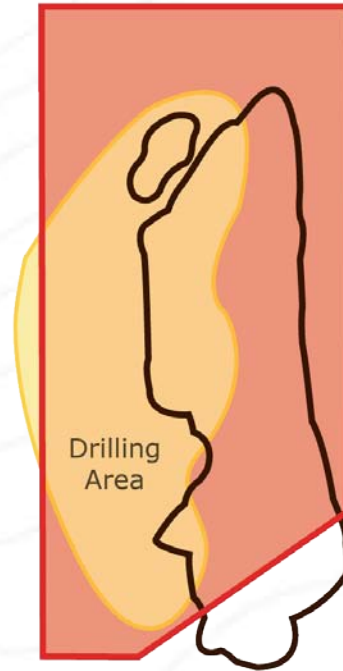
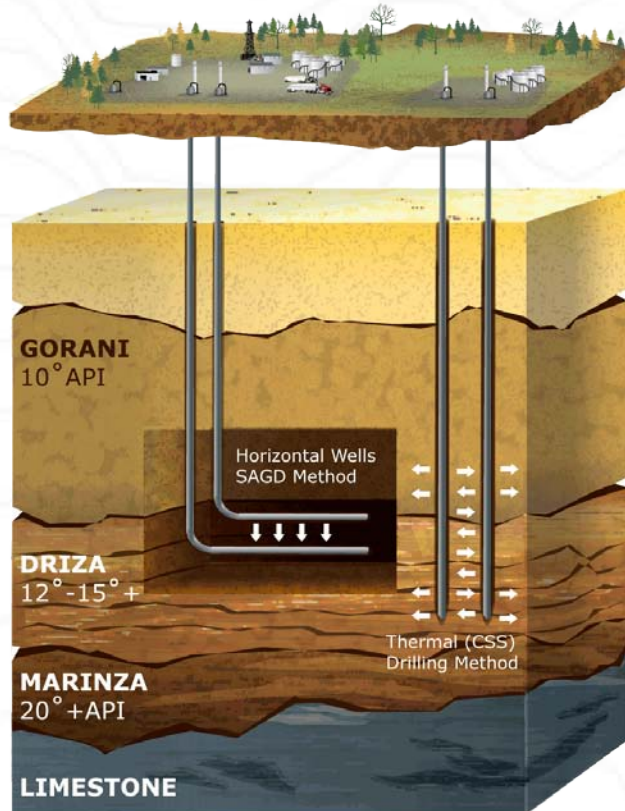
384 Million bbls of Prospective Resource

Several step-out wells planned in 2010 to delineate the prospective area

Success of the Thermal Pilot program will lead to a significant conversion into Recoverable Reserves

# 2010 Thermal Program

## THERMAL (CSS AND SAGD) DRILLING AREAS



2 wells to be drilled and cored in Q2-2010

Conduct special core analysis and finalize thermal economic model Q2/Q3-2010

Start Thermal Pilot Q4-2010

# Block F and Kuçova

## Block F

Contains depleted gas fields

400 km Shell seismic data

Several shallow gas anomalies

Prospective for Patos-Marinza oilfield extension

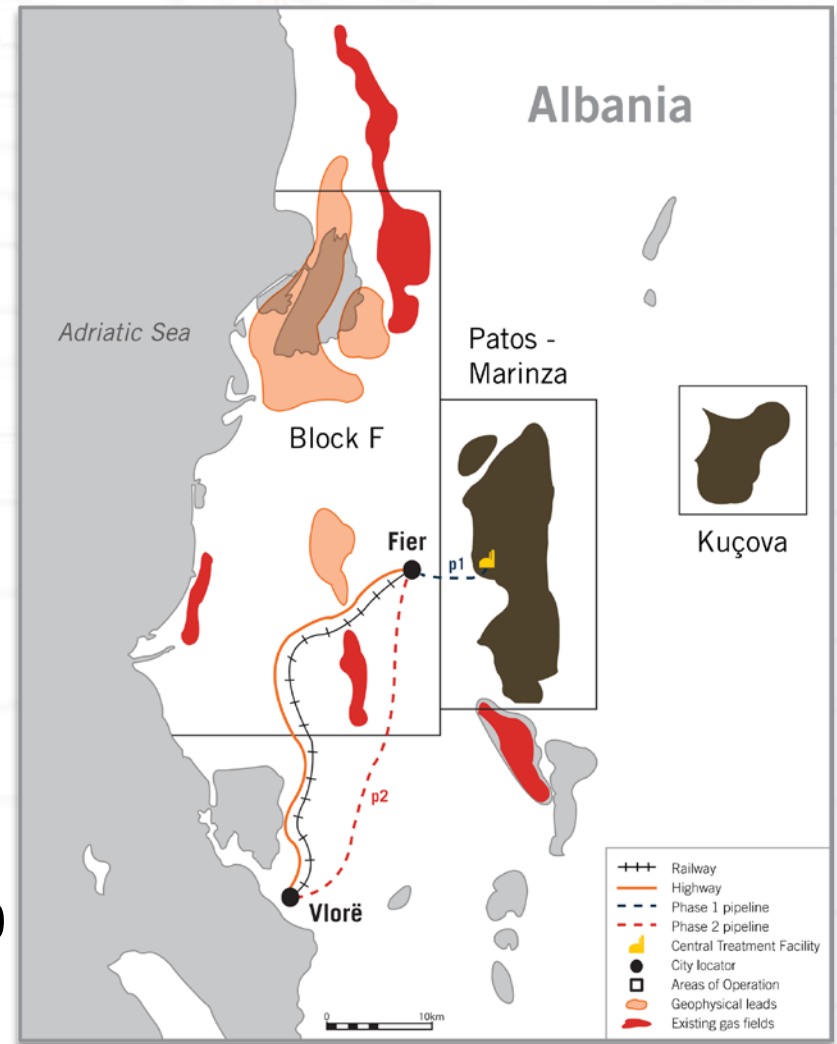
Drill 3 wells in Q4 - 2010

## Kuçova

Conduct reservoir tests

Take over 14 wells

Initiate water flood project in Q2- 2010



# Capital Expenditures

## 2010 Program

PATOS-MARINZA	Wells	Capital (million US\$)
Horizontal Drills	52	71
Re-activations	80	27
Work-overs	38	10
Expansion Area/Thermal		8
Vertical Drills	7	6
Base Program		
Facility Infrastructure		10
Water Control/Disposal		7
Environmental Stewardship		5
Pipeline/Sales Infrastructure		4
<b>BLOCK F</b>		
Seismic and Drilling	3	2
<b>KUÇOVA</b>		
Wells/Waterflood	14	2
<b>Total</b>		<b>152</b>

## Beyond 2010

2011 program \$160-\$200mm

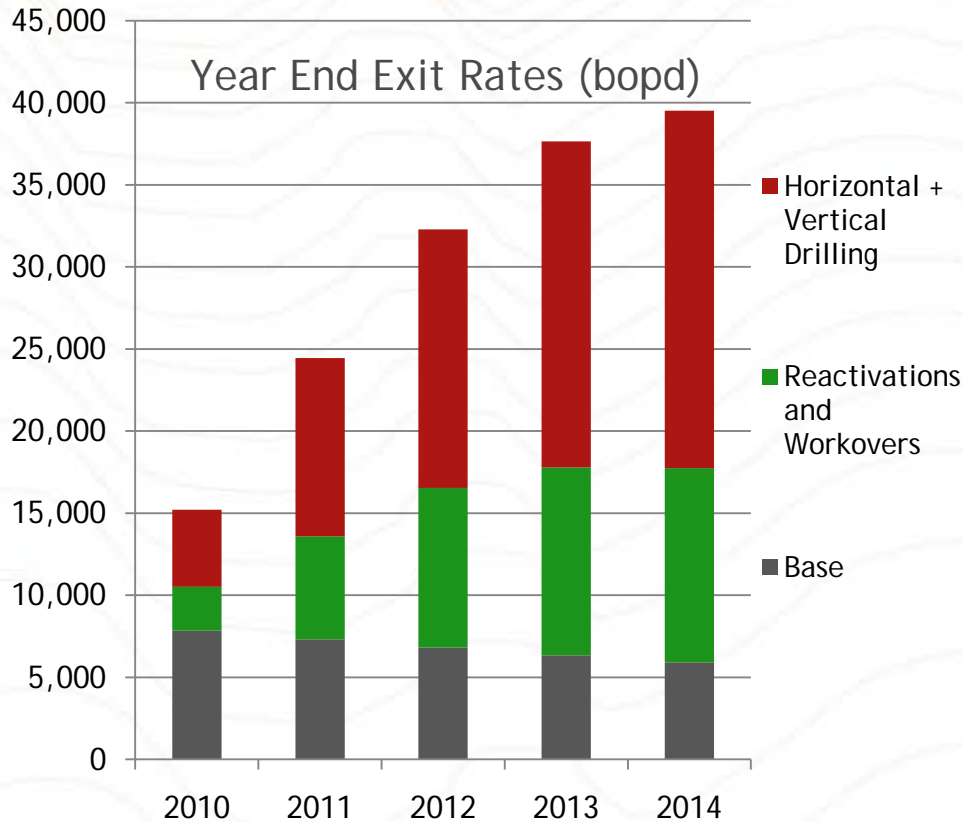
Total pipeline project is \$35mm  
(Phase 1 \$10mm, Phase 2 \$25mm)

2012-2014 programs to average  
\$200mm

Continuation of drilling,  
reactivations, work-overs and  
infrastructure

Includes thermal pilot program  
only

# Patos-Marinza Primary Production



Peak production 2014 on primary

Program based on 3<sup>rd</sup> rig in Q3-2010

Thermal production will add additional growth

Thermal production will be included following Pilot program results

# Takeaway and Infrastructure Timeline

Jan 2011

Anticipated production 15,000 bopd

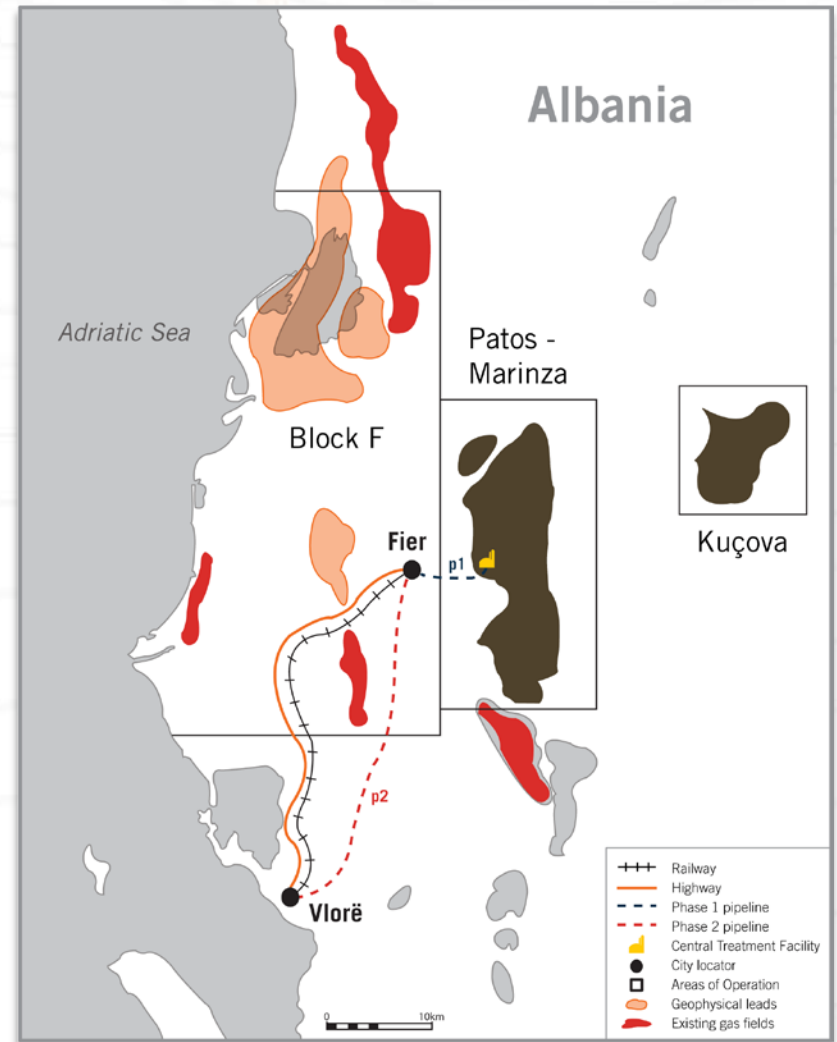
Phase 1 - Pipeline to rail line Fier

Rail accommodates an incremental 9,500 bopd on top of trucking capacity of 15,000 bopd

Jan 2012

Anticipated production 24,000 bopd

Phase 2 - 70,000 bopd pipeline from Fier to Vlorë



# Management Team

**Abby Badwi**  
President & CEO

**Doug Urch**  
Executive VP, Finance & CFO

**Ian McMurtrie**  
Executive VP, Exploration & Development

**Suneel Gupta**  
VP, Production & Operations

**Eugene Christensen**  
VP, Engineering

**Leonidha Çobo**  
VP & Deputy General Director Albania

# Board of Directors

**Bob Cross, *Chairman*** Private investor; over 20 years experience financing companies in the resource sector and is on the board of several Canadian energy and mining companies.

**Abdel F. (Abby) Badwi**, More than 40 years experience in the exploration, development and production of international oil and gas fields. Previously President and CEO of Rally Energy Corp.

**Eric Brown**, President, E.M.Brown Consulting Corporation. Previously held the position of Regional Managing Partner for Meyers Norris Penny, LLP.

**General Wesley Clark (ret.)**, CEO, Wesley Clark & Associates since 2004; Chairman of Rodman & Renshaw from February 2006. Senior Fellow, UCLA's Burkle Centre for International Relations.

**Jonathan Harris**, Business Consultant, Genet Consulting Ltd since February 2005; Director of Frankfurt-listed Anglo-African Minerals plc; Previously COO of Tribeka Ltd and director of Eastern Platinum Ltd. London, UK Based

**Phil Knoll**, President, Knoll Energy since 2005; Executive Vice President, Duke Energy from March 2002 to July 2005; Director of AltaGas Utility Group; former Director of Rally Energy.

**John Zaozirny**, Vice-Chairman, Canaccord Financial Inc.; Previously Counsel, McCarthy Tetrault LLP. Currently on the Board of Directors for numerous Canadian oil and gas companies.



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