

OPERATIONAL

- Production increased to 36.5 kboepd (2007: 35.8 kboepd)
- Reserves increased by 7.5 per cent to 228 mmboe (2007: 212 mmboe). Reserves and resources increased to 382 mmboe (2007: 369 mmboe). Reserves replacement of 223 per cent
- Material progress on major development projects commercialising past exploration successes and acquisitions
- Seven successful out of 14 exploration and appraisal wells drilled
- New exploration acreage awarded in Norway and Vietnam

FINANCIAL

- Operating cash flow up 31 per cent to US\$352.3 million (2007: US\$269.5 million)
- Operating profit up 19 per cent to US\$261.7 million (2007: US\$219.4 million)
- Record profit after tax of US\$98.3 million (2007: US\$39.0 million), after deducting a non-cash write down of US\$31.9 million on the Chinguetti field
- Financing in place to fund development programme of ~US\$800 million in 2009-2011
- Strong balance sheet with cash resources of US\$323.7 million (2007: US\$332.0 million) and net cash of US\$117.3 million (2007: US\$79.0 million). Undrawn cash facilities at year-end were US\$275 million (2007: US\$222 million)

2009 OUTLOOK

- Premier announced the proposed acquisition of Oilexco North Sea Ltd and a Rights Issue of new Ordinary Shares to raise approximately £171 million
- Stable production from existing assets supported by hedging floors at US\$40/bbl in 2009 and US\$50/bbl in 2010 and 2011
- Continuing substantial progress on three major projects expected to add 25,000 boepd over the next two to three years
- Capturing capex savings in major projects
- Forthcoming key wells in Vietnam, Congo and Norway as part of our extensive exploration and appraisal programme
- Premier announced that Andrew Lodge will join Premier's Board on 20 April 2009 as Exploration Director. Robin Allan, currently Director of Business Development, will transfer to Singapore as Director – Asia, with effect from 1 June 2009