



Cap Energy Limited

25 Dover Street
London W1S 4LX

Gentlemen,

EVALUATION OF CAP ENERGY LIMITED'S PETROLEUM ASSETS IN GUINEA BISSAU

In response to your request, and the subsequent Letter of Engagement dated 19th April 2013, Gas Mediterraneo & Petrolio S.r.l. ("GM&P") has completed an independent evaluation of certain oil and gas properties in GUINEA BISSAU in which Cap Energy Limited ("Cap") has an interest ("the Properties").

This report is issued by GM&P under the appointment by Cap and is produced as part of the work detailed therein and is subject to the terms and conditions of the Letter of Engagement made on 19th April 2013.

This report has been prepared for inclusion by Cap in a prospectus in connection with possible funds raising, GM&P has estimated a range of resources as at 31st March 2013, based on data and information available up to that date.

In estimating resources GM&P has used standard petroleum engineering techniques, which combine geological and production data with information concerning fluid characteristics and reservoir pressure, where available. GM&P has estimated the degree of uncertainty inherent in the GM&P Cap – CPR measurements and interpretation of the data and has calculated a range of resources and risk factors in accordance with the 2007 SPE/WPC/AAPG/SPEE Petroleum Resource Management System. The data set supplied by Cap included geological and geophysical data. In carrying out this review GM&P has relied solely upon this information.

Summary of Resources

A summary of the gross Prospective Resources, in Cap's Properties is given in the following Tables.

Block 1 - Corvina

Summary of Montecarlo Reserves calculations													
Lead	Formation	STOPIP				Reserves				Solution Gas - Reserves			
Block 1		Oil (MMbbl)				Solution Gas (Bcf)							
		P90	P50	Pmean	P10	P90	P50	Pmean	P10	P90	P50	Pmean	P10
Alpha	Albian	147.4	326.3	381.4	718.4	35.4	80.8	95.4	181.7	10.5	24.3	29.3	54.6
	Aptian	15.8	52.5	77.6	182.0	3.8	13.1	19.4	46.5	1.2	4.0	6.0	13.8
	Total	163.1	378.8	459.0	900.4	39.2	93.9	114.8	227.3	11.7	28.3	35.2	68.4
Beta	Albian	27.3	88.0	115.7	254.0	6.6	21.6	28.9	64.2	2.0	6.6	8.9	20.1
	Aptian	33.7	89.9	112.5	227.2	8.2	22.1	28.1	57.2	2.6	7.0	8.6	18.1
	Total	61.0	177.9	228.2	481.2	14.8	43.7	57.0	121.4	4.6	13.6	17.5	38.2
Gamma	Albian	55.2	161.9	200.0	415.7	13.4	39.8	50.0	105.0	4.3	11.8	15.4	33.2
	Aptian	2.5	9.2	12.9	29.5	0.6	2.3	3.2	7.4	0.2	0.7	1.0	2.3
	Total	57.7	171.1	212.9	445.2	14.0	42.1	53.2	112.4	4.5	12.5	16.4	35.5
Delta	Maastrichtian	17.6	46.4	58.0	118.2	4.3	11.4	14.5	30.0	1.2	3.3	4.0	8.5
Epsilon	Maastrichtian	18.5	41.8	49.6	94.6	4.4	10.3	12.4	24.0	1.3	2.8	3.5	6.7
Totals		317.9	816.0	1007.6	2039.6	76.6	201.2	252.0	515.0	23.1	60.4	76.6	157.3

Block 1 – Leads' Resources/Reserves

Lead	Formation	COS					
Block 1		Source	Migrat	Reservoir	Closure	Containm	Total COS
Alpha	Albian	0.9	0.8	0.8	0.5	0.6	0.17
	Aptian	0.9	0.8	0.6	0.5	0.6	0.13
	Total						
Beta	Albian	0.9	0.8	0.8	0.5	0.6	0.17
	Aptian	0.9	0.8	0.6	0.5	0.6	0.13
	Total						
Gamma	Albian	0.9	0.8	0.8	0.5	0.6	0.17
	Aptian	0.9	0.8	0.6	0.5	0.6	0.13
	Total						
Delta	Maastrichtian	0.9	0.8	0.7	0.5	0.6	0.15
Epsilon	Maastrichtian	0.9	0.8	0.7	0.5	0.6	0.15

Block 1 – Chance of Success - COS

Block 5B - Becuda

Lead	Formation	Water d	Target d	STOPIP				Reserves				Solution Gas - Reserves			
Block 5B		m	m	Oil (MMbbl)				Solution Gas (Bcf)							
				P90	P50	Pmean	P10	P90	P50	Pmean	P10	P90	P50	Pmean	P10
Channel North	(Albian)	-170	-1850	65.8	217.4	286.3	634.9	15.9	53.3	71.6	160.0	4.9	16.5	22.0	48.9
Channel South	(Albian)	-220	-1830	45.8	146.5	195.0	429.6	11.1	36.1	48.8	108.5	3.3	11.3	15.0	34.2
Albian Lead		-170	-1640	40.4	112.8	147.5	308.9	9.7	27.8	36.9	78.5	3.0	8.4	11.3	25.0
Jurassic Reef South		-1080	-2150	31.4	101.0	131.8	288.1	7.6	24.9	33.0	72.5	3.0	9.7	12.7	28.6
Jurassic Reef North		-1010	-2250	7.3	25.1	35.0	80.0	1.8	6.2	8.8	20.1	0.7	2.4	3.4	8.0
Jurassic Structure South		-1010	-1990	349.7	737.0	817.7	1421.5	84.0	182.2	204.6	362.8	31.2	67.8	78.4	141.4
Jurassic Structure Centre		-1010	-2070	414.1	807.5	862.8	1406.0	99.0	199.2	215.9	360.1	37.9	73.8	82.6	136.3
Totals				954.5	2147.4	2476.1	4568.9	229.0	529.6	619.5	1162.5	84.0	189.9	225.3	422.3

Block 5B - Lead Resources/Reserves

Lead	Formation	Water d	Target d	Reserves				COS					
				P90	P50	Pmean	P10	Source	Migrat	Reservoir	Closure	Containm.	Total COS
Block 5B		m	m										
Channel North (Albian)		-170	-1850	15.9	53.3	71.6	160.0	0.7	0.7	0.6	0.5	0.5	0.07
Channel South (Albian)		-220	-1830	11.1	36.1	48.8	108.5	0.7	0.7	0.6	0.5	0.5	0.07
Albian Lead		-170	-1640	9.7	27.8	36.9	78.5	0.7	0.7	0.6	0.6	0.7	0.12
Jurassic Reef South		-1080	-2150	7.6	24.9	33.0	72.5	0.7	0.7	0.8	0.6	0.7	0.16
Jurassic Reef North		-1010	-2250	1.8	6.2	8.8	20.1	0.7	0.7	0.8	0.6	0.7	0.16
Jurassic Structure South		-1010	-1990	84.0	182.2	204.6	362.8	0.7	0.7	0.4	0.5	0.7	0.07
Jurassic Structure Centre		-1010	-2070	99.0	199.2	215.9	360.1	0.7	0.7	0.5	0.6	0.7	0.10
Totals				229.0	529.6	619.5	1162.5						

Block 5B – Leads' Chance of Success - COS

Qualifications

- GM&P is an independent consultancy specialising in geophysical and geological studies, reservoir and petroleum engineering studies, production development studies and economic analysis. Except for the provision of professional services on a fee basis, GM&P does not have a commercial arrangement with any other person or company involved in the interests that are the subject of this report. Mr. Domenico Spada, Technical Director, for GM&P, has supervised the evaluation. Mr Filippo Perfido is a Chartered Geologist.

Mr. Filippo Perfido has over 30 years exploration and production experience. Other GM&P employees involved in this work hold at least a Masters degree in geology, geophysics, petroleum engineering or a related subject or have at least five years of relevant experience in the practice of geology, geophysics or petroleum engineering.

GM&P – CPR

Basis of Opinion

The evaluation presented herein reflects our informed judgement based on accepted standards of professional investigation, but is subject to generally recognised uncertainties associated with the interpretation of geological, geophysical and engineering data. However, GM&P is not in a position to attest to the property title, financial interest relationships or encumbrances related to the properties. GM&P has taken the working interest that Cap has in the Properties, as presented by Cap, and GM&P has not investigated nor do we make any warranty as to Cap's interest in the Properties. As of the date this



report was issued. GM&P has also not seen documentary evidence of any commitment to the expenditure to develop the Properties.

Our estimates of resources are based on the data set available to, and provided by, Cap.

No site visits have been undertaken.

The report represents GM&P's best professional judgement and should not be considered a guarantee or prediction of results. It should be understood that any evaluation, particularly one involving exploration and future petroleum developments, may be subject to significant variations over short periods of time as new information becomes available. As agreed in the Letter of Engagement, GM&P cannot and does not guarantee the accuracy or correctness of any interpretation made by it. In particular, GM&P does not warrant that the work will be any form of guarantee of geological or commercial outcome.

This report relates specifically and solely to the subject assets and is conditional upon various assumptions that are described herein. The report, of which this letter forms part, must therefore be read in its entirety. The report was provided for the sole use of GM&P and its advisors on a fee basis.

GM&P has given and not withdrawn its written consent to the issue of an information memorandum, with its name included within it, and to the inclusion of this report and references to this report in the information memorandum.

GM&P declares that to its best knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Yours faithfully,

Filippo Perfido,

G&G Manager

San Donato Milanese, 24/05/2013