

Press release

April 3, 2008

West Siberian Resources Limited: Merger with Alliance Oil Company

Pro forma information for the financial year ended December 31, 2007

West Siberian Resources Ltd today announces pro forma financial information illustrating the effects of the agreed merger with Alliance Oil Company on the 2007 financial statements.

The transaction is scheduled to close on or about April 10 2008. Following the merger, West Siberian will be a leading independent, fully integrated oil company operating in Russia and Kazakhstan, listed on the OMX Nordic Exchange Stockholm. The combined group will have proved and probable oil reserves of 484 million barrels, the Khabarovsk refinery, a network of 255 gas stations and 24 wholesale oil terminals. In 2007, pro forma oil production amounted to 14.1 million barrels and 23.6 million barrels were refined. By 2011, the combined group expects to produce and refine 90,000 barrels of oil per day.

The transaction is expected to have a substantial positive impact on WSR's revenue, EBITDA and earnings as indicated by the pro forma financial information:

USD thousand	West Siberian	Alliance	Pro-forma Combined
Revenue	380 334	1 618 101	1 998 435
EBITDA	120 899	225 567	346 466
EBITA	32 715	149 496	165 186
EBIT	32 715	149 496	165 186
Profit before income tax	41 711	129 833	154 519
Profit for the period from continuing operations	29 891	80 233	97 185
Profit for the period	29 891	67 744	84 696
Earnings per share, USD	0,025	71,574	0,027

Pro forma financial information

The selected consolidated pro forma financial information in this section is based on WSR's unaudited and Alliance Oil's audited financial statements for 2007, prepared in accordance with IFRS.

The pro forma presentation has been prepared based on the assumption that WSR acquired 100% of the shares in Alliance Oil as at 1 January 2006. The acquisition of Alliance Oil will be paid for by 1,783,540,968 newly issued shares in WSR. WSR shares, in the form of SDR (Swedish Depositary Receipts), are traded on the OMX Nordic Exchange Stockholm, in Swedish krona.

The pro forma presentation has been prepared using the accounting model prescribed by IFRS 3 "Business combination" for "reversed acquisitions" since Alliance's shareholders will own 60% of WSR following the transaction. This accounting treatment requires Alliance to be treated as the accounting acquirer for the consolidated financial information and WSR being presented as the acquiree. As a consequence, the assets and liabilities of WSR, being the legal parent, should be recorded at fair value initially in the consolidated financial statements. The assets and liabilities of the legal subsidiary, Alliance Oil, should be recognized and measured in the combined financial statements at their pre-combination carrying amounts. WSR will as the legal parent continue to be presented as parent company in future financial reports.

As a result of IFRS 3 application the cost of combination for pro forma accounting purposes has been based on WSR's closing share price on 14 January 2008 of SEK 5.30 (USD 0.84 using the exchange rate SEK/USD 6.33) multiplied with the number of outstanding shares of WSR of 1,189,027,312. Total acquisition costs have been estimated at USD 25 million, which have been added to the cost of combination.

For pro forma purposes, the cost of combination has been compared to the consolidated net assets of WSR as at 1 January 2006. The difference between the cost of combination and consolidated net assets of WSR as at 1 January 2006 has been allocated to WSR oil and gas properties and the corresponding deferred tax liability. The total fair values allocated to the oil and gas properties have been supported by the DeGolyer & McNaughton reserve report as at 31 August 2007. The total fair values allocated to the oil and gas properties include the fair values of the oil and gas properties of the WSR subsidiaries Saneco and Northoil acquired during the financial year ended 31 December 2006 since, for pro forma purposes, it was assumed that these subsidiaries were acquired as at 1 January 2006.

Based on the fair values allocated to the oil and gas properties as at 1 January 2006 the new depletion charges for the twelve months ended 31 December 2006 and 31 December 2007 have been calculated for WSR affecting the pro forma income statement of the combined entities for the twelve months ended 31 December 2007 and for determination of the closing balances of the oil and gas properties as at 31 December 2007 of the combined entities.

For pro forma purposes certain items of the Alliance financial statements representing the charity expenses of non-operating nature have been excluded from EBITDA in the amount of USD 30.76 million for the twelve months ended 31 December 2007.

The final cost of combination and allocation of fair values at the date of the combination is expected to vary from the amounts used for the pro forma purposes mainly due to: a) possible fluctuations of the market share price in the period between 14 January 2008 and the transaction closing date; b) possible changes of the WSR's consolidated net assets' book values as per the transaction closing date instead of 1 January, 2006; c) other potential changes to the purchase price allocation that may be required by IFRS 3 "Business combinations" within twelve months from the transaction closing date.

Combined Income Statement Pro forma for the twelve months ended December 31, 2007

USD thousand	12 months ended 31 December 2007			Pro-forma Combined
	WSR	Alliance	Adjustments	
Revenue	380 334	1 618 101	-	1 998 435
EBITDA	120 899	225 567	-	346 466
EBITA	32 715	149 496	- 17 025	165 186
EBIT	32 715	149 496	- 17 025	165 186
Profit before income tax	41 711	129 833	- 17 025	154 519
Profit for the period from continuing operations	29 891	80 233	- 12 939	97 185
Profit for the period	29 891	67 744	- 12 939	84 696
<i>Attributable to:</i>				
Minority interest	- 15	4 186	-	4 171
Shareholders of the parent	29 906	63 558	- 12 939	80 525
<i>Per share data</i>				
Number of shares outstanding at balance sheet date	1 189 027 312	888 000	1 782 652 968	2 972 568 280
Earnings per share, USD	0,025	71,57		0,027
Equity / share, USD	0,54	651,16		0,69

Combined Balance Sheet Pro forma as of December 31, 2007

USD thousand	31 December 2007			Pro-forma Combined
	WSR	Alliance	Adjustments	
Assets				
Fixed assets	1 056 764	609 152	1 078 731	2 744 647
Current assets	77 054	880 101	-	957 155
Total assets	1 133 818	1 489 253	1 078 731	3 701 802
Shareholders' equity and liabilities				
Shareholders' equity	646 372	578 228	820 149	2 044 749
Minority interest	295	28 518	- 313	28 500
Long-term borrowings	247 900	220 959	-	468 859
Other long-term non interest bearing liabilities	130 128	69 562	258 895	458 585
Total long-term liabilities	378 028	290 521	258 895	927 444
Short-term borrowings	41 130	359 638	-	400 768
Other short-term non interest bearing liabilities	67 993	232 348	-	300 341
Total current liabilities	109 123	591 986	-	701 109
Total shareholders' equity and liabilities	1 133 818	1 489 253	1 078 731	3 701 802

Alliance Oil Company's 2007 financial statements are available at www.nk-alliance.ru and www.westsiberian.com.

This report has not been subject to review by the company's auditors.

Enquiries

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