

International consortium of ONGC Videsh, Indian Oil Corporation Limited, Oil India Limited, Spanish Repsol YPF, Malaysian Petronas, to acquire 40% in a “Mixed Company” to develop a multi billion integrated oil project in Venezuela

Dated: 11th February, 2010

The consortium of ONGC Videsh Limited (“OVL”, 11.0%), Indian Oil Corporation Limited (“IOC”, 3.5%), Oil India Limited (“OIL”, 3.5%), Repsol YPF (“Repsol”, 11.0%) and Petroliam Nasional Berhad (“PETRONAS”, 11.0%), (collectively, the “Consortium”), was selected today (late evening 10th February Caracas, Venezuela time) by the Government of the Bolivarian Republic of Venezuela for awarding a 40% ownership interest in an “Empresa Mixta” (or “Mixed Company”) which will develop the Carabobo 1 Norte and Carabobo 1 Centro blocks located in the Orinoco Heavy Oil Belt. The Corporación Venezolana del Petróleo (“CVP”), a subsidiary of Petróleos de Venezuela S.A. (“PDVSA”), Venezuela's state oil company, will hold the remaining 60% equity interest.

The Mixed Company will build heavy oil production facilities, upgrading facilities and associated infrastructure. The upstream production facilities are expected to produce around 400,000 barrels per day of extra heavy oil of which approximately 200,000 barrels per day will be upgraded into light crude oil in a facility to be located in the Soledad area, Anzoátegui State. The license term will be for 25 years with the potential for a further 15 year extension for a total of 40 years.

The Consortium will be required to submit a bonus in stages upon the achievement of certain project milestones. In addition, the Consortium will also extend a limited credit facility to CVP. The award of the Mixed Company contract followed an extensive international selection process conducted by Venezuela’s Ministry of Energy and Petroleum during late 2008 and through 2009. The Mixed Company contract between CVP and the Consortium is scheduled for signature in March 2010 following the fulfillment of certain predetermined conditions including the investments approvals of OVL; IOC and OIL by Government of India.

The Government of the Bolivarian Republic of Venezuela has given high priority to increase production of extra-heavy crude oil from the Orinoco Oil Belt for the purpose of promoting national development. Consequently, the Ministry offered seven blocks in the Carabobo area, with combined oil in place estimated at around 128 billion barrels. The blocks were grouped into three projects with each project expected to produce a plateau of 400,000 barrels of 8° API oil per day for 40

years. Each project also includes the construction of heavy oil upgraders that individually will have the capacity to process around 200,000 b/d of 32° API crude.

The Carabobo area, located in the eastern section of the Faja, has a massive resource potential and is part of an extensive reserve certification process led by PDVSA. As recently reported by the US Geological Survey, the estimated mean volume of recoverable heavy oil in the Faja is as high as 513 billion barrels, one of the few global opportunities open to private investment.