



# CEO CFO

## Interviews & News!

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### Mogul Energy's Solid Assets In Canada With A Land Package And Drilling Program About To Get Underway In 2007 And Their Working Interest In A Concession In Egypt, Where The First Well Is Financed And Underway, Is A Good Foundation For The Company



Exploration  
Oil & Gas  
(MGUY-OTC: BB)

Mogul Energy International, Inc.

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Mr. Naeem Tyab  
President and Director

#### BIO:

Mr. Tyab has been the president and a director of Mogul since September 29, 2005. Between April 2002 and prior to his appointment as president of Mogul, Tyab acted as an independent consultant

to a number of public and private oil and gas companies in relation to their financing and acquisition activities. Prior thereto and from December 1997 to March 2002, Mr. Tyab was involved in the venture capital and investment banking industry in his capacity as a registered representative for a Canadian based securities dealer.

#### Company Profile:

Mogul Energy International, Inc. is a publicly traded oil and gas exploration company with headquarters in Seattle, WA, and an exploration office in Cairo, Egypt. Mogul Energy aims to develop its portfolio of oil and gas properties in the Gulf of Suez, Egypt and South East Saskatchewan, Canada. Mogul Energy has recently entered into an LOI with Sea Dragon Energy to increase its working interest in the East Wadi Araba Concession (EWA) from 20% to 60%. The EWA Concession is located in the Gulf of Suez, Egypt directly south of Dana Gas (formerly Devon), north of Rally Energy (TSX: RAL) and northwest of British Petroleum in the centre of oil fields such as Warda Field and the October Field. Mogul also owns a 100% interest in 9,300 acres of leased properties located in South East Saskatchewan, Canada. Mogul Energy trades on the OTC BB under the ticker symbol: MGUY and internationally on the Frankfurt Exchange under the ticker symbol BKX.

Interview conducted by:  
Lynn Fosse, Senior Editor  
CEO CFOinterviews.com

**CEO CFO:** Mr. Tyab, what was the vision when you became president of Mogul Energy?

**Mr. Tyab:** "The vision for Mogul Energy was to form an oil exploration and production company where we were able to acquire a lease of acreage in southeast Saskatchewan as a starting point exploration property. From there we managed to increase our presence in southeast Saskatchewan and concurrently we are looking at some other international opportunities.

In Southeastern Saskatchewan, Mogul has focused on exploration of the Bakken Formation in the Fairlight area. Mogul is now the sole operator of the Fairlight Properties. The Fairlight Area of Saskatchewan is highly prospective for light oil (41 API). The shallow Devonian-Birdbear Dolomite reservoir located 12 miles southwest of Fairlight (Parkman Field), and four oil wells located 0.5 miles southwest (Chevron) are all currently in production. In Egypt Mogul has most recently focused on increasing its working interest in the East Wadi Araba Concession by way of a merger with Sea Dragon Energy."

**CEO CFO:** Where are you today?

**Mr. Tyab:** "On January 24th, 2007 Mogul increased its 50% interest to 100% in the Fairlight Area of South East Saskatchewan, Canada. We have been able to put together 9,300 acres in Southeast Saskatchewan, which is approximately 20 sections, each section comprises a square mile and typically the spacing allows you to drill up to anywhere from eight to sixteen wells per section.

Additionally, Mogul Energy is currently in the middle of a drilling program in the Gulf of Suez in the East Wadi Araba (EWA) Concession. The five largest

fields within the Gulf of Suez Sedimentary Rift Basin have produced close to five billion barrels of oil since 1957. The EWA Concession is adjacent to the Warda Field, which has produced over 50 million barrels since 1993 with an estimated 20 million more barrels of remaining recoverable oil. The EWA Concession is located in the center of three major concessions, south of Dana Gas, north of the Rally Energy field and west of British Petroleum. This is the beginning of the drilling program in the Gulf of Suez, there are an additional 6 prospects we plan to drill. Additionally, we recently announced a letter of intent with Sea Dragon Energy to increase our working interest in the EWA concession from 20% to 60%."

**CEOCFO:** What is it you like about this property in particular and Saskatchewan in general?

**Mr. Tyab:** "The reason why we like our property in Saskatchewan is that we have almost year-round access to our property in Saskatchewan, a big advantage to other exploration companies in Canada, who are effected by the soft ground caused by the spring thaw each year. The property is quite flat and there is good road access, this can greatly reduce the cost of bringing in equipment and reduces the cost of drilling. A lot of the buzz in Canada is heavy oil, which is very expensive to bring out of the ground and process. It is more the type of project that a major company would engage in. The opportunity in Saskatchewan is, we believe, well suited for a junior exploration company. I would categorize it as low to medium risk for return. I believe it is a good foundation for the company in addition to our acquired working interest in an exploration property, which is higher impact in the Gulf of Suez, Egypt."

**CEOCFO:** Tell us about the other property that you have acquired.

**Mr. Tyab:** "This follow-up transaction is an area called the Gulf of Suez, Egypt, and it is an area that has been producing

since around the turn-of-the-century. There are a number of producers in the area, companies like Eni, which is an Italian company, Petro South Africa, and a company called Rally Energy, they are in Tanganyika, which is just south of us. Our property is in the East Wadi Araba Concession, or the EWA Concession, The EWA Concession is located in the center of three major concessions, south of Dana Gas, north of the Rally Energy field and west of British Petroleum. Our concession is next to the Warda field, which has produced over 50 million barrels of oil since 1993, with an estimated 20 million more barrels of remaining recoverable oil. The EWA Concession was selected by Mogul because of its seismographic charts, close proximity to producing fields and its high-potential location. We

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**- Mr. Naem Tyab**

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**CEOCFO:** What is it about Mogul and the team that would lead investors to feel you will be successful?

**Mr. Tyab:** "What we have in Egypt is a property that comprises of 12 structures, six of which have been clearly identified. We have 2-D seismic as well as some 3-D seismic charts of the area. We are able to determine that there are as many as six defined targets. The first target, which we are currently drilling, is on shore making it fairly inexpensive to drill and we are deviating out to the structure. Just to give

you an idea, typically, you have an exploration property, there are a number of structures, and you narrow down maybe three of them and drill them. In this case, we are either going to be successful or unsuccessful. In the event we are unsuccessful, we simply move forward and we look at drilling another one of the three structures we have identified. In the event we have a discovery, we can look at doing some development wells. Wells in that area have produced as much as 3 to 5000 barrels a day production. Just to put some scale or scope to that, Rally Energy, which is South of us with heavier oil on shore, I believe they have 7,500 barrels a day production and they trade at about almost a \$1 billion market cap. At this point, our market cap is in the \$12 million range. Our management team is experienced in oil exploration in both Canada and Egypt and development specific to these areas. We are focused on exploration in areas with similar profiles to existing strong reserves and partnering with companies which have proven track records of success in light and sweet oil exploration. The Company has positioned itself in two areas where oil exists and is currently being produced - in the Gulf of Suez, Egypt and Saskatchewan, Canada."

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**CEOCFO:** Definite potential!

**Mr. Tyab:** "This story is unfolding and the potential upside is tremendous. If we had a success of one of those structures we could probably produce anywhere from 12 to 15-thousand barrels a day from a successful discovery, so there is substantial upside here. The seismographic evidence that has been analyzed by our Director/ Geologist Ernie Pratt is substantial."

**CEOCFO:** How do you plan to fund your projects and how do you stand out from the others?

**Mr. Tyab:** "At this point, we demonstrated an ability to acquire a deal through existing relationships. Just to give you an idea, west of our concession, Petro South Africa, they have a concession that they acquired in January of this year (2007) and I understand that they paid a \$10 million signing bonus just to

acquire the block. They do not have any seismic evidence that we are aware. In our case we farmed in existing seismic, defined targets and it is just through our relationships and outstanding team that we are able to do this.”

**CEOCFO:** You were just listed on the Frankfurt Exchange; why do you have a European focus?

**Mr. Tyab:** “Historically speaking, the European marketplace, from what I understand, is quite keen on commodity investments, particularly in energy and mining. That is historically speaking. They have been great supporters and have participated in many commodity-type transactions. We felt it was a good fit, also the fact that we are a global exploration Company with Canadian and Egyptian assets. Our goal is to facilitate global access to Mogul Energy and is to improve liquidity for our shareholders while we continue to develop new projects. We anticipate that this listing will enable Mogul Energy to attract European institutional and retail investors and provide them with a market for Mogul Energy stock in their currency and time zone.”

**CEOCFO:** Europeans take a longer-term range and vision.

**Mr. Tyab:** “That is true. Generally speaking European investors tend to buy and hold and we just felt it was a natural progression for us to move in that direction.”

**CEOCFO:** Are you looking at other properties?

**Mr. Tyab:** “Right now, we want to continue to focus our efforts on the ground in both Canada and Egypt.”

**CEOCFO:** What is ahead?

**Mr. Tyab:** “We have this existing drill program in place which is underway. We want to finance two more additional wells in Egypt as well as a three to five well program in southeast Saskatchewan. Mogul Energy's long term strategy is to expand through an aggressive plan of development of its current properties that have relatively low entry costs, ready access to infrastructure and ready access to local and export markets.”

**CEOCFO:** What is your take on the prices of oil, the energy situation?

**Mr. Tyab:** “I would say that the price of oil is currently trading at an all-time high in my lifetime. It is fair to say that oil prices will continue to be high and I do not see them backing off substantially.”

**CEOCFO:** Why should potential investors consider Mogul Energy?

**Mr. Tyab:** “The properties Mogul is currently exploring are both in close proximity to proven reserves and have never been drilled before in Egypt and Canada. We have strategically positioned the Company in two of the most important oil rich regions in the world, with favorable track record that we believe increases our chances for success. With oil and approximately \$70/ barrel, there is significantly heightened interest in oil and gas exploration in the marketplace. We believe this backdrop has made "small-cap", such as Mogul attractive investment opportunities. The stock prices of companies that at one time had similar early stage profiles as Mogul- such as Canwest Petroleum, now Oilsands Qwest (AMEX: BQI), Global Partners LP (AMEX:GLP), Rally Energy (TSX: RAL) and Petroquest Energy (NYSE: PQ), have increased

sharply as investors have positively responded to a focus on successfully meeting demand for oil in the market place. The nice thing about Egypt and the United States is that there is a tax treaty, which provided for no-tax consequence on profits as well as the fact that it is certainly a high-impact situation and a tremendous company maker.”

**CEOCFO:** Is there any member of your team that gives you an edge in discovering the right properties?

**Mr. Tyab:** “One of the individuals worth noting is the geologist that is a director of the company, Ernie Pratt. Ernie was involved with a very successful discovery in North Africa by way of a company called ARACAS, was sold to a company called Talisman, and Talisman subsequently sold the ARACAS assets, I believe, to an Indian company. These assets are still generating as much as 350 thousand barrels a day production today, which is quite substantial. Since then, Ernie was also the head of exploration of Rally Energy. He is quite familiar with the area and is accredited as an oil finder and exploration geologist.”

**CEOCFO:** What is the message and what should readers remember about Mogul Energy?

**Mr. Tyab:** “I think the message is that if we are successful on any one of these structures, based on the current market cap, we would be looking at a tremendous lift to not only benefit the Company but also our shareholders. Oil prices are at an all time high and the need for exploration has never been greater, the market timing, experience and ability make Mogul Energy a company worth watching and becoming a part of.”

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