



MART RESOURCES INC.



*Oil, gas and power opportunities
in resource-rich West Africa*

Nigeria's Proven Undeveloped Fields Project presents a major opportunity for growth



Opportunity for Mart

The major multinational oil companies are now concentrating their efforts and available funds on exploiting Nigeria's huge deepwater offshore potential. This has left Mart and a few other smaller companies with the exciting opportunity to participate in development of the many low-risk, high-reward oil opportunities remaining onshore in the prolific Niger Delta region of Nigeria.

The Company

Mart Resources Inc. is an international energy company committed to building substantial shareholder value by acquiring, financing and developing oil and gas related assets in West Africa. In so doing, the company will become strategically positioned to capitalize on future expansion in this resource-rich region.

The Opportunity - Nigeria's Proven Undeveloped Fields Project

The Nigerian government is playing a leading role in proven undeveloped field development, and they see it as an effective way to both increase the country's production and promote domestic participation in the oil and gas industry. Following the transition to civilian government in 1999, the Oil Ministry issued new guidelines for the development of proven undeveloped fields. These called for abandoned or under-exploited fields to be recovered from operators and production rights re-allocated.

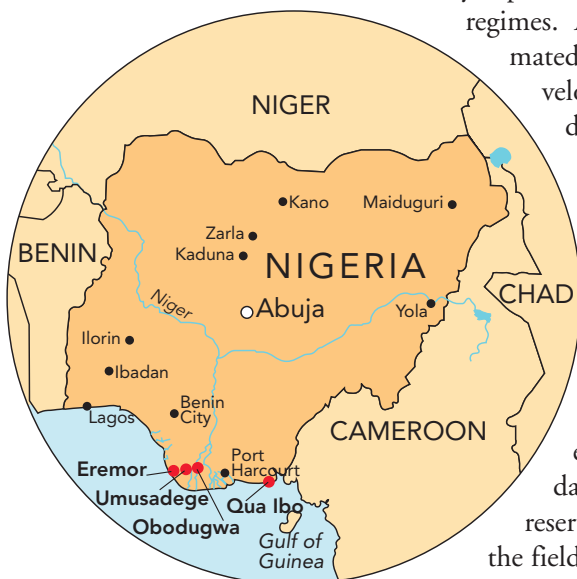
In 2001, the government offered 24 proven undeveloped fields. The fields could only be awarded to companies incorporated in the country with majority Nigerian ownership. Early in 2003, 31 indigenous companies were selected for farm-out and operation of the fields.

Mart to Participate in Development of Proven Undeveloped Fields

Over the past several years, Mart has been evaluating opportunities to participate in the development of proven but undeveloped oil and gas fields in Nigeria under the Nigerian Marginal Field Allocation Program. Under the Program, which was introduced by Nigerian government decree in 1996, a total of 116 proven but undeveloped fields were designated as "marginal", meaning that the fields were believed to hold commercial quantities of hydrocarbons but were considered to be too small to be commercially exploitable by multinational oil companies under historical fiscal regimes. According to published reports, these fields may hold an estimated two billion barrels of oil, and reports suggest that proven undeveloped fields have the potential to add over 150,000 barrels per day to Nigeria's oil production.

Mart has undertaken detailed technical and commercial evaluations on 10 of the 24 fields allocated, and has entered into commercial discussions on five of these fields. Mart has concentrated its efforts on those fields located in close proximity to existing infrastructure, allowing for short development times and early cash flow generation. Many of the wells in these fields were drilled in the 1970s and 1980s on the basis of outmoded 2D seismic; however, most of the fields being evaluated by Mart are covered by more modern 3D seismic data, which provides much improved definition of the proven reservoirs as well as the upside exploration potential in and around the fields.

Mart has formed strategic partnerships with indigenous Nigerian companies – all successful bidders – to jointly develop and finance a number of proven undeveloped fields. Mart will partner with international industry and financial companies to fund and develop the projects. The company's indigenous Nigerian partners will be responsible for operational support, infrastructure, logistics, local working knowledge and relationships.





Nigeria – Ripe for Investment

Political Stability Established

The election of President Olusegun Obasanjo's administration in 1999 returned Nigeria to civilian rule. In April 2003, Obasanjo was re-elected with 61% of the vote, affording Nigeria a basic level of political stability.



A Growing Economy

Nigeria's Real GDP grew at around 4.2% in 2003. The economy is heavily dependent on hydrocarbons extraction, which accounts for:

- 90-95% of export revenues
- Over 90% of foreign exchange earnings
- Nearly 80% of government revenues.

In 2004, the International Monetary Fund (IMF) expressed hope about Nigeria because the government seems to have adopted tighter fiscal policies and has saved revenues from recent oil earnings. International reserves were also up in 2004.

Reforms and Privatization

Nigeria's post-1999 political climate has brought about a determined privatization program designed to improve the productivity and efficiency of petroleum exploration, production, distribution and marketing.

The government, through its 100% state-owned national oil company Nigerian National Petroleum Corporation (NNPC), has had overall control of the industry. Under the privatization program seven NNPC sub-

sidiaries are to be sold and state-held refineries are slated for privatization.

The Oil Sector

Since 1999, the democratically elected government has done much to restore confidence in the oil sector. Currently, Nigeria is the world's fifth largest oil producer and a member of the Organization of Petroleum Exporting Countries (OPEC).

Current Oil Production

Most of Nigeria's crude oil production, comprising 10 major crude streams, is light sweet crude with API grades 21-45 and a low sulphur content.

- In 2003, Nigerian crude oil production averaged 2.1 million barrels per day (bbl/d).
- As of August 2004, OPEC raised Nigeria's production quota to 2.14 million barrels per day in the face of record-high crude oil prices.

Onshore Oil Reserves

Estimates of Nigeria's proven oil reserves range from 25 billion to 35.2 billion barrels. The majority of these reserves are found in relatively simple geological structures along the country's coastal Niger River Delta, but newer reserves have been discovered in deeper waters offshore.

Offshore Oil Reserves

Estimates of recoverable oil reserves in deepwater geological formations (up to 5000 feet below the surface) range from 8 to nearly 20 billion barrels. Nigeria's deepwater has already produced substantial discoveries and the bulk of new exploration by major multinational oil companies is taking place offshore.



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CORPORATE INFORMATION

Share Capital

As of December 31, 2004 88,654,966

Issued and Outstanding:

Common shares 71.5 million

Warrants outstanding 21.4 million

Options outstanding 6.6 million

Trading Symbol

TSX-V: MMT

Officers and Directors

David Parker, *President*

David Parker has over 22 years of upstream oil & gas experience with BP, Ranger Oil Limited and Canadian Natural Resources Ltd. He has worked in a number of technical and commercial roles including exploration geology & geophysics, economic modelling for strategic forecasting, acquisitions & divestments and corporate planning & development. Mr Parker is a fellow of the Geological Society of London and a member of AIPN, EAEG and PESGB.

Wade G Cherwayko, *Chairman*

Wade Cherwayko has negotiated, financed and developed numerous projects over the past decade in West and North Africa. These include two power plants in Nigeria and Benin, and he was responsible for acquiring, financing, exploring and developing onshore and offshore oil and gas assets for Abacan Resource Corporation, Centurion Energy and Yinka Foloriwo Petroleum Company Ltd. Previously he was a consultant for oil companies operating in Canada, USA and South America.

David Halpin, *Chief Financial Officer and Secretary*

David Halpin is a Certified Management Accountant who has consulted for Mart Resources in financial, management, administrative and investor relations roles since the company's inception in 1995. Mr Halpin was also cofounder, director and CFO of Ware Solutions Corporation and was responsible for taking that company public on the TSX-V and for later negotiating the successful sale of the company. Prior to these positions, he provided his financial expertise to various Western Canadian companies operating in the resource and financial sectors.

Philip Nelson, *V.P. Exploration, Director*

Dr. Nelson worked in exploration and development geophysics for over twenty-eight years with Shell, including four years as Geophysical Advisor to Shell International in the Hague, with responsibilities for Africa, the Middle East and Far East. For the past 11 years, Dr. Nelson has worked on many African projects as a geophysical consultant. He is a Fellow of the Energy Institute (FEI), and an active member of AAPG, EAGE, SEG, SPE and PESGB.

Robert J. Leslie, *Director*

Dr. Leslie received his Ph.D. in Marine Geology and Oceanography from the University of Southern California. He has worked as an exploration geologist in Canada, U.S.A. and internationally. During his career, Dr. Leslie has served as Vice President, Exploration of Wainoco Oil Corporation (TSX, AMEX, NYSE) and President and CEO of BlueSky Oil & Gas Ltd. (TSE, NASDAQ), Texas General Resources, Inc. (AMEX), Red Oak Resources Inc. (TSX) and Mart Resources, Inc. (TSX.V). He has been a Director of the Corporation since August 1996.

William Cherwayko, *Director*

William 'Bill' Cherwayko has over five decades of oil & gas exploration and production experience. Mr. Cherwayko was President of Centurion Energy, and was responsible for setting up that company's operations in Canada, Tunisia, and Egypt. Previously, he co-founded Abacan Resources Corporation, a company focused on exploring for oil and gas in West Africa. He was responsible for negotiating concessions and for drilling and production operations for that company.

Leroy Wolbaum, *Director*

Leroy Wolbaum is an independent businessman who has been active in the oil and gas industry for over thirty five years. He has owned two chemical service companies and has provided consulting services in Africa, China and South America. Mr. Wolbaum is a past board member of Centurion Energy and is a director of Anglo-Swiss Industries Inc. He has been a Director of the Corporation since 1997.

Corporate Office

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