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Interviews & News!

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Exploring In Mining Friendly Quebec, Petrolia Is In The Right Place, And With Money In The Bank, A Partnership In Place To Help Them Achieve Their Goals, And The Demand For Oil Being Up, It Is The Right Time

**Exploration - Oil & Gas
(PEA-TSXV)**

Petrolia Inc.

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Erick Adam, Director

BIO:

Erick Adam joined Petrolia in 2006 as a director and geophysicist. Erick Adam possesses 15 years of experience in base metals and hydrocarbon exploration. He holds a Ph.D. from École Polytechnique of Montreal and has been the principal geophysicist for Hydro-Québec Oil and Gas division between 2003 and 2006. He has a solid experience in onshore and offshore oil and gas exploration and has participated in several large scale geophysical surveys across Canada while at the Geological Survey of Canada from 1992 until 2001.

Company Profile:

Petrolia is a junior oil and gas exploration company which owns interests in oil and

gas licenses covering 15,500 km² (3.8 million acres), which represents about 18% of the Quebec territory under lease. These leases, the majority of which are located on the Gaspé Peninsula and Anticosti Island, are considered to be very promising and represent more than 70% of Quebec's land-based oil potential. By forming joint ventures, Petrolia is planning to intensify its exploration program during the upcoming year. The Company has 40.7M shares outstanding and holds 2.2% of the issued shares of Gastem (TSXV: GMR) in addition to a cash position of 12 million dollars.

**Interview conducted by:
Lynn Fosse, Senior Editor**

CEOCFO: Mr. Adam, what is the vision for Petrolia today?

Mr. Adam: "Petrolia is an exploration company. We made a first discovery in the Gaspé Peninsula area in 2006. We were at the time a brand-new company with three wells and we were lucky that on our third well we hit some oil in the Gaspé area, which is about 34 barrels per day. Since then we acquired more land. Our latest news release has been about a new project that we are just starting out looking for a Quebec equivalent of the Alberta Leduc reefs. We are an exploration company with a vision to discover large oil reservoirs in the Gaspé Peninsula."

CEOCFO: What do you like about that area and why have you chosen to look there?

Mr. Adam: "It is a place that has seen some of the first exploration wells in North America. There are oil seeps all around the Gaspé region. We have known for a long time that there was a potential

but there has never been a large discovery. It is a challenge. We recognize the potential. There was land availability and the timing was right. The price of oil was quite high, so all the economic factors were there. The land was available and there was a potential for large world-class discoveries in this area; this is our opinion."

CEOCFO: What is the financial position of the company today?

Mr. Adam: "We raised \$12 million earlier this year and we have no debt. We own about 3.5 million acres of exploration licenses at the moment, our funds will be committed to explore our large land position and to develop the Haldimand oil discovery that was made in 2006."

CEOCFO: Please tell us about what is happening today in the field.

Mr. Adam: "The news release was that we signed an agreement with an oil company. The company has an option to spend up to \$20 million in exploration on a block of four permits. The first phase is seismic, so this is what is happening at the moment. We had the permit to proceed with the seismic acquisition at the end of June. Right now a 60 km² 3-D seismic program is under way, this is one of the biggest 3-D seismic survey ever acquired in the Quebec province. My background is geophysics, I am thus supervising the acquisition, line preparation, and we are scheduled to start data acquisition. It is a high-quality 3-D seismic survey, and data acquisition is scheduled to start on September 1st."

CEOCFO: You are up and running!

Mr. Adam: "Oh yes! That is the first phase of this agreement. Initially there

have been some 2-D seismic profiles done in the early 1980's, we analyzed that data and recognized some restructure that are similar to the Leduc reefs in Alberta. Right now we are shooting a 3-D survey to establish whether we have a barrier reef or a series of pinnacle reefs at about 2.5 kilometer depth. The drill will be likely to start on this project in the 1st Quarter of 2009."

CEOFCO: What are the advantages of working in Quebec?

Mr. Adam: "The rents are very low. There are tax incentives for companies. The work commitment on the land is low; there is free mining for oil and gas so it is first-come, first-serve. The annual rental is quite reasonable, so there is a lot of tax incentive to do oil and gas exploration in Quebec."

CEOFCO: What about finding personnel; that is a problem in many areas today, do you anticipate it being a problem for you?

Mr. Adam: "I should say that we have quite experienced personnel. I am a geophysicist with almost fifteen years of experience, I have a geologist that accumulated 35 years of experience also in the oil industry on the east coast, and he was involved with the offshore exploration. We have another geologist that just retired from the provincial government and joined the team. He also accumulated more than thirty years of experience. Then we have a few young fellows that are also with us, with GIS expertise. For personnel we don't have too much trouble attracting good experienced people in the field. For equipment also we are quite fortunate that a lot of the workers for seismic are actually coming from the

Quebec Gaspé Peninsula, and they are eager to get some work done close to home. So basically that facilitates getting access to seismic crew; drilling is the same. I should say that we don't feel a shortage of manpower because a lot of those workers came from Quebec and they are happy to come back closer to home and do oil and gas exploration."

CEOFCO: Are you still looking for additional properties?

Mr. Adam: "We have so many properties that we need to evaluate them properly. Sometimes there are occasions where we feel that maybe we are in an area where

"Petrolia has been a pure exploration company, but within the coming few semesters we will turn into a producer. I think that is a good time to get in. There is also some exploration work that will occur this year on Anticosti Island that is very likely. In addition, is our Leduc reef analogue on the Bourque project, which we will be drilling as soon as the 1st Quarter of 2009. Therefore, there will be a lot of activity even though during the last few years not much has happened. Now we have all the agreements in place, we have the money in the bank, we have a partner, and basically there will be a lot of good news coming over the next six months. That is a good time to jump on the boat." - Erick Adam

we already have a land position where we feel that we need to have an additional land position. We also have some opportunities like when Hydro-Quebec pulled out of the oil and gas exploration; we had the opportunity to get a position with Corridor Resources on Anticosti Island. That was last winter. This is the project that we were familiar with, so we jumped on the occasion to have a new partner and take some acreage on Anticosti Island. At the moment our land position, and the staff we have is probably optimal, I

wouldn't increase it unless we had a really good opportunity."

CEOFCO: Are partnerships part of your basic strategy?

Mr. Adam: "We have different projects; some of them are more risky than others, so on the more risky projects we like to have a partner that also has some technical staff and technical expertise. We have some projects that are a little bit less risky for example close to our oil discovery at Haldimand and there our philosophy is to go 100% and not have any other partner. Basically we are looking for partners where the targets are deeper, where the risk is a little bit higher. But we don't close any doors. If someone is really interested in doing exploration with us and we can sit down and see if we can work together on some of the projects, we are open to all kinds of partnerships."

CEOFCO: In closing, why should investors pick Petrolia out of the crowd?

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