

Press Release

Regal Petroleum plc
("Regal" or the "Company")

10 July 2008

Grant of Options and Exercise of Options

The Company announces that today it granted options over ordinary shares of 5 pence each in the capital of the Company ("Ordinary Shares") pursuant to the Regal Petroleum Share Option Scheme to the following Directors:

		<u>Number of Share Options</u>		<u>Exercise Price</u>		<u>Date/Condition from which Exercisable</u>
Keith Henry	(i)	250,000	(i)	£1.50	(i)	on remaining a non-executive director of the Company on 15 April 2009
	(ii)	250,000	(ii)	£1.50	(ii)	on remaining a non-executive director of the Company on 15 April 2010
	(iii)	250,000	(iii)	£1.50	(iii)	on remaining a non-executive director of the Company on 15 April 2011
Robert Wilde	(i)	500,000	(i)	£1.50	(i)	on the achievement of performance milestones
	(ii)	500,000	(ii)	£2.00	(ii)	on the achievement of performance milestones
	(iii)	500,000	(iii)	£2.50	(iii)	on remaining an employee of the Company on 1 May 2011

The exercise prices of the options reflect discussions held at the time of their respective appointments with the Company.

The above options represent all share options held by Mr Henry and Mr Wilde, and in addition Mr Henry owns 14,000 Ordinary Shares. Under the provisions of the Company's Share Option Scheme, these options will lapse 10 years after the date of grant, unless previously lapsed or exercised.

In addition 500,000 share options have today been exercised by Lord St John of Bletso, a Non-Executive Director, and 40,000 share options have been exercised by an employee of the Company, pursuant to the Company's Share Option Scheme at prices ranging from £0.835 to £1.48. Application has been made to the London Stock Exchange for the admission to trading on AIM of 540,000 new Ordinary Shares. These Ordinary Shares, which will rank pari passu in all respects with the Company's existing Ordinary Shares, have been allotted pursuant to the exercise of the abovementioned share options. Admission is expected to become effective on 16 July 2008. Lord St John now holds 506,500 Ordinary Shares, representing 0.24% of the issued Ordinary Share capital of the Company following admission of the new Ordinary Shares, and 500,000 share options.



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