

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

2 July 2010

UKRAINE UPDATE

Regal, the AIM-listed oil and gas exploration and production group (symbol: RPT), provides an update on its announcement, dated 28 June 2010, regarding its operations in Ukraine.

In its announcement dated 28 June 2010, the Company advised that it had received an order on 21 May 2010, but dated 30 March 2010, signed by the Minister of Environmental Protection identifying certain matters requiring rectification in relation to Regal's compliance with certain legislation in Ukraine relating to its operations at its Mekhediviska Golotvshinska (MEX-GOL) and Svyrydivske (SV) gas and condensate fields, and requiring a suspension of operations whilst such matters were rectified (the "Ministry Order").

The Company has today received an injunction order made by the District Administrative Court of Kiev on 2 July 2010, effective immediately, suspending the Ministry Order dated 30 March 2010 pending a further hearing of the action in the District Administrative Court of Kiev. The action has been brought by OJSC Ukrzakordongeologia against the Ministry of Environmental Protection challenging the Ministry Order on the basis that the Ministry Order affected OJSC Ukrzakordongeologia's contractual rights to offtake the Company's gas production at its MEX-GOL and SV gas and condensate fields.

OJSC Ukrzakordongeologia purchases all of the Company's gas production from the Company's MEX-GOL and SV gas and condensate fields in Ukraine under a long term gas offtake agreement.

As a result of the Court's injunction order, the Company's drilling and production operations may continue, as they have done, throughout these events without any interruption of gas supplies to OJSC Ukrzakordongeologia.

A further announcement will be made in due course.

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