
Press Release

1 August 2014

**Regal Petroleum Plc
("Regal" or the "Company")**

Change in Ukrainian Subsoil Taxes

Regal, the AIM-quoted oil and gas exploration and production group (symbol: RPT), announces that on 31 July 2014 the Ukrainian Parliament approved a significant increase in the subsoil taxes payable by oil and gas companies operating in Ukraine which is expected to come into force imminently on approval by the President of Ukraine, and remain in place until 1 January 2015.

The full impact on the Company of the proposed increases in the subsoil taxes is still to be determined. However, the Company expects that the increases will result in a near doubling in the production based taxes payable by the Company and will, therefore, negatively impact the Company's results for the current financial year and delay the Company's ability to commit to future capital investments in Ukraine during this uncertain period.

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