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## Press Release

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1 July 2013

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

**Ukraine Operations Update**

Regal Petroleum plc (AIM: RPT), the AIM-quoted oil and gas exploration and production group, announces an update on its operational activities at its 100% owned and operated Mekhediviska-Golotvshinska (MEX-GOL) and Svyrydivske (SV) gas and condensate fields in Ukraine.

The Company's Ukrainian gas and condensate production for the period from 1 January 2013 to 30 June 2013 averaged 199,984 m<sup>3</sup>/d of gas and 44 m<sup>3</sup>/d of condensate (1,525 boepd in aggregate).

The MEX-105 well underwent initial testing from four intervals in the B-20 and B-23 Visean reservoirs, but only weak gas flow was recorded. As a result, well stimulation operations were performed using acid chemicals with the aim of improving flow rates, but such operations have not resulted in any improvement in gas flow rates. Further stimulation measures are now under consideration, including possible hydraulic fracturing.

Testing and monitoring of the SV-53 well has continued and the well has been hooked up to a new compression system for production. After review of the well data, a hydraulic fracturing programme has been developed for SV-53, and this programme is currently under consideration.

The SV-59 well has reached a depth of 4,376 metres, and drilling is continuing to the well's target depth of 5,470 metres. This well is targeting the Visean reservoirs ("B-sands").

Workover operations at the GOL-1 well are planned during July 2013 to isolate the lower Visean reservoirs and thereby prevent water ingress into the well. It is then planned to perforate the B-20 Visean reservoir, which, if successful, will be brought back onto production.

Installation of equipment for the upgrade of the Company's gas processing facility is continuing, and progress is also being made on additional upgrade work to provide for LPG recovery at the gas processing facility.

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Joe Staffurth, BSc Geology, PESGB, AAPG, consultant to the Company, has reviewed and approved the technical information contained within this press release in his capacity as a qualified person, as required under the AIM Rules.

**Definitions**

boepd	barrels of oil equivalent per day
LPG	liquified petroleum gas
m <sup>3</sup> /d	cubic metres per day