
Press Release

4 January 2017

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

Ukraine Update

Regal Petroleum plc (AIM: RPT), the AIM-quoted oil and gas exploration and production group, announces an update of its operational activities at its Ukrainian gas and condensate fields, which comprise the Mekhediviska-Golotvshinska (MEX-GOL) and Svyrydivske (SV) fields and the Vasyschevskoye (VAS) field, all of which are 100% owned and operated.

Average gas, condensate and LPG production from the MEX-GOL and SV fields for the year ended 31 December 2016 was 157,228 m³/d of gas, 41 m³/d of condensate and 19 m³/d of LPG (1,321 boepd in aggregate) (2015: 144,783 m³/d of gas, 44 m³/d of condensate and 21 m³/d of LPG (1,274 boepd in aggregate)).

On 4 July 2016, Regal acquired LLC Prom-Enerho Produkt ("PEP"), which owns the VAS field. Average gas and condensate production from the VAS field for period from 4 July 2016 to 31 December 2016 was 82,624 m³/d of gas and 6.5 m³/d of condensate (556 boepd in aggregate).

Since July 2015, the Group has been purchasing "wet" gas from Pryrodni Resursy, the operator of the adjacent Lutsenky field, and treating this gas through the Group's gas processing facilities to strip out and sell the liquids. During 2016, the Group purchased 8,262,121 m³ of "wet" gas and following treatment of this gas, produced 4,929,386 m³ of gas, 1,448 m³ of condensate and 11,034 m³ of LPG (87,713 boe in aggregate). This arrangement concluded in December 2016 as a result of Pryrodni Resursy constructing its own facilities.

Drilling of the MEX-109 well is continuing and has reached a depth of 4,785 metres as at 3 January 2017. The well was spudded at the end of July 2016 and is targeting the Visian reservoirs ("B-Sands") in the MEX-GOL field. The well has a target depth of 5,250 metres, with drilling operations scheduled to be completed by March 2017 and, subject to successful testing, production hook-up by the end of the second quarter of 2017.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

For further information, please contact:

Regal Petroleum plc
Keith Henry, Chairman
Sergei Glazunov, Financial Director

Tel: 020 3427 3550

Strand Hanson Limited
Rory Murphy / Richard Tulloch

Tel: 020 7409 3494

Citigate Dewe Rogerson
Martin Jackson / Shabnam Bashir

Tel: 020 7638 9571

Philip Frank, PhD Geology, Chartered Geologist, FGS, PESGB, 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.



Press Release

Definitions

boe	barrels of oil equivalent
boepd	barrels of oil equivalent per day
LPG	liquefied petroleum gas
m ³ /d	cubic metres per day
m ³	cubic metres
%	per cent