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**REGAL PETROLEUM PLC**  
**(“Regal” or the “Company”)**

**Reserves Update**

**The Directors announce an update on the reserves reports being prepared by independent auditors on the Company’s Ukraine and Greece proven and probable reserves.**

The scope for the reserves reports provided to the independent auditors was incomplete and consequently further work is underway. The Company has been advised by the auditors that it will take approximately six weeks to finalise these reports.

Ahead of the publication of these reports, the Directors are able to provide the following results:

**Ukraine**

The Company engaged independent reserve auditors Ryder Scott Company, L.P. (“Ryder Scott”) to estimate the remaining reserves of its Ukraine licence areas. The Ukraine licence areas consist of two ages of Lower Carboniferous reservoirs: the Viséan (“B reservoirs”) and the Tournasian (“T reservoirs”).

Ryder Scott has issued a report on the B reservoirs which is summarised as follows:

<b>B Reservoirs</b>		Proven	Probable	Proven + Probable
Gas	MMcf	430	409	839
Condensate	MMbbls	12	14	26
<b>Total</b>	<b>MMboe</b>	<b>88</b>	<b>86</b>	<b>174</b>

The Company believes that this report compares favourably with the previously produced reserves estimate prepared by independent consultants Troy-Ikoda Limited (“Troy Ikoda”) in 2002. The Troy Ikoda report on the B reservoirs is summarised as follows:

<b>B Reservoirs</b>		Proven	Probable	Proven + Probable
Gas	MMcf	422	298	720
Condensate	MMbbls	16	21	37
<b>Total</b>	<b>MMboe</b>	<b>90</b>	<b>74</b>	<b>164</b>

The Company has requested that Ryder Scott extend their scope to report on the T reservoirs and this work is currently underway.

The 2002 Troy Ikoda report included the T reservoirs. The combined reserves for the B & T reservoirs as reported by Troy Ikoda is summarised as follows:

<b>B&amp;T Reservoirs</b>		Proven	Probable	Proven + Probable
Gas	MMcf	422	464	886
	MMbbls	16	21	37
<b>Total</b>	<b>MMboe</b>	<b>90</b>	<b>103</b>	<b>193</b>

It is expected that the final Ryder Scott report including the T reservoirs will take approximately six weeks to complete. A further announcement will be made in due course.

### **Greece**

The last independent audit report on the combined reserves for the Prinos, Prinos North and Epsilon fields was carried out by Troy Ikoda and published in June 2003. The results of this audit are summarised as follows:

<b>Prinos and Prinos North and Epsilon</b>		Proven	Probable	Proven + Probable
Oil	MMbbls	11	13	24
<b>Total</b>	<b>MMbbls</b>	<b>11</b>	<b>13</b>	<b>24</b>

The Company more recently engaged independent reserve auditors McDaniel & Associates Consultants Ltd (“McDaniel’s”) to re-audit the Prinos and Prinos North fields and this work is nearing completion.

McDaniel’s have now been asked to re-audit the Epsilon field and it is expected that the final McDaniel’s report including Epsilon will take approximately six weeks to complete. A further announcement will be made in due course.

### **For further information, please contact:**

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### Definitions:

MMcf           Millions of cubic feet  
MMbbls       Millions of barrels  
MMboe       Millions of barrels oil equivalent