

DEO Petroleum plc
(“DEO” or “the Company”)

**Completion of £16 million fundraising, acquisition of the Perth Assets
and readmission to trading on AIM**

DEO is pleased to announce the readmission of its enlarged issued share capital to trading on AIM. Dealings will commence at 8.00am today. This follows the completion of a placing of 35,555,555 new ordinary shares at 45 pence per share to raise £16 million (before expenses) to fund the acquisition of a 42.08 per cent. working interest in certain licence areas in UK Central North Sea, constituting a reverse takeover under the AIM Rules. The licences which have been acquired are P588 (Blocks 15/21c (All) and 15/21b (Residual Area)) and P218 (Block 15/21a (Residual Area)), referred to as Perth Core, Perth North, Perth Beta Terrace, Perth Beta East, Sigma, Dolphin and Gamma.

On admission, the Company will have 43,109,931 ordinary shares admitted to trading on AIM.

FirstEnergy Capital LLP acted as Broker and Lead Book Runner and Merchant Securities Limited acted as Nominated Adviser and Placing Agent.

David Marshall, Chief Executive Officer, commented:

“We are delighted to have completed the acquisition of the Perth Assets which will provide the company with a solid platform from which to grow. Our aim is to become a leading independent oil and gas player within the UKCS; these assets are the first step in this strategy and hold significant potential. We look forward to bringing these assets on to production in due course.

We would also like to thank the investors who have supported us during this exciting time in raising the funds required for these assets. We now have a firm foundation with a strong and experienced management team from which we look forward to moving the Company ahead into the next stage of its development.”

Enquiries:

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Notes to editors:

DEO is an Aberdeen based company whose strategy is to invest in North Sea oil development and production projects with the potential to generate high value returns for shareholders.

DEO's ambition is to be a leading independent energy company within the UK Continental

Shelf sector with a reputation for technical and commercial innovation and dynamic project delivery.

DEO has a highly experienced management team who will seek, within its asset portfolio, to design creative development solutions particularly where there are technical and/or other challenges, to execute the project delivery of that solution, and to operate throughout the development and production phase of the asset's life-cycle.

DEO is listed on the AIM Market of the London Stock Exchange.

www.deo-petroleum.com

Copies of the AIM Admission Document are available on the Company's website (www.deo-petroleum.com) or from the offices of Merchant Securities Limited at 51-55 Gresham Street, London EC2V 7HQ.