

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

Subscription to raise £615,000

DEO (AIM: DEO) is pleased to announce that it has raised £615,000 through a subscription (“the Subscription”) of 1,500,000 new ordinary shares at 41 pence per share (“the Subscription Shares”). The subscriber is RAB Octane (Master) Fund Limited (“RAB Octane”), a fund managed by RAB Capital plc.

Following the Subscription, the Company will have 7,554,376 ordinary shares in issue and RAB Octane will hold 1,500,000 ordinary shares representing 19.86 per cent. of the enlarged issued share capital of the Company.

The proceeds of the Subscription will be applied primarily to enable the Company to continue evaluating suitable development projects and for working capital generally.

Application will be made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM, which is expected to commence on 23 August 2010.

Following the Subscription, the directors of the Company and the Company’s management team have the following interests in the Company:

	Total no. of Ordinary Shares held	Percentage of voting share capital now held
Directors		
Kevin Burke	1,153,845	15.27
David Marshall	1,153,920	15.27
Gregor Goodwin	384,700	5.09
Rakesh Patel	77,877	1.03
Nicolas Greenstone	77,832	1.03
Senior Management		
Adrian Jones	769,300	10.18
Richard Mays	577,000	7.64
Michael Coulthard	384,700	5.09

Commenting today, **Executive Chairman, Kevin Burke said:**

“Since David and I joined the board last December, over £1.3 million has been raised for the Company and an experienced management team appointed. We are excited by the opportunities being presented to the business and this fundraising will enable us to efficiently evaluate prospects and act quickly if the right opportunity is identified.”

“We are extremely pleased to have completed this financing with RAB Octane. Its experience and expertise in the oil and gas sector adds support to the strength and experience of our management team.”

For enquiries:

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