

Leed Petroleum PLC
(“Leed” or the “Company”)

Drilling Update

Leed Petroleum PLC, the oil and gas exploration and production company focused on the Gulf of Mexico, announces an update on the drilling activity at the Eugene Island A-7 well.

The Eugene Island A-7 well was spudded on 17 April 2008 and has reached total measured depth of 15,447 feet. Electric line logs have confirmed that three pay sands have been encountered in this section of the wellbore, in addition to those announced on 23 May 2008 and 5 June 2008, and contain a total of 45 feet of true vertical thickness pay. Two of these new zones were the two primary objectives of the well, being development and exploration targets. To date, six sands containing a total of 125 feet of true vertical thickness pay have been encountered in the A-7 well.

In order to maximise flow rates and the recovery of reserves from these three objectives, the Company has commenced a short sidetrack of the lower section of the wellbore. Completion operations will begin after the well is sidetracked and a further announcement will be made in due course.

The Eugene Island Blocks are located 50 miles offshore, south of Morgan City, Louisiana in the Gulf of Mexico in approximately 80 feet of water. Leed’s management has built an inventory of development projects and exploration targets across the Eugene Island Block 183/184 Field.

Howard Wilson, President and Chief Executive of Leed Petroleum PLC, commented:

“The A-7 well has yielded a tremendous result for the Company and will be a commercial success. In proving up six sands we have exceeded our initial expectations. Additionally, the success of the A-7 well has opened several new avenues for exploitation and exploration in the Eugene Island 183/184 field. Beginning with the planning, execution and completion of the short sidetrack of the A-7 well, our technical team will continue work to identify the most efficient field development programme to recover reserves identified by this well.”

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For further information:

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NOTES TO EDITORS

Review by a qualified person

The information contained in this announcement has been reviewed and approved by Chris Thompson, Manager of Business Development at the Company, BSC GradDip, who is a reservoir engineer (SPE) with over 15 years experience within the sector.

Operations

Leed Petroleum PLC is an AIM quoted independent oil and gas exploration and production company. The Company's operations are concentrated in the Gulf of Mexico region where Leed has established a significant portfolio of producing and development assets. The Company has interests in 16 offshore fields and one onshore field in the region.

Leed's strategy is to grow the Company's portfolio through organic development of its existing assets and to utilise its regional expertise to identify and purchase value adding assets.