

LEED PETROLEUM PLC

("Leed" or "the Company")

Leed Transfers Partial Interest in Eugene Island Assets to Byron

Leed Petroleum PLC, the oil and gas exploration and production company focussed on the Gulf of Mexico, today announces that on 18 July 2008 the Company's operating subsidiary, Leed Petroleum LLC, consistent with its obligations under the Byron Scouting Agreement, transferred 25% of its interest in its Eugene Island area assets to an operating subsidiary of Byron Energy Pty. Ltd. ("Byron") for US \$16.4 million.

A subsidiary of the Company entered into the Scouting Agreement on 8 December 2005. Pursuant to this agreement, Byron earned the option to acquire up to 25% of the Company's interest in the Eugene Island assets. Byron exercised this option, and the Company has now transferred ownership of 25% of its interest in the leases described below, together with the associated reserves, wells and facilities, to Byron's operating subsidiary. The purchase consideration was calculated in accordance with the Scouting Agreement as 25% of the Company's (i) original capital costs for the Eugene Island property; (ii) capital expenditures incurred in connection with the property; and (iii) operating costs incurred in connection with the property; less (iv) income received from the property.

After completing the sale with Byron, Leed's ownership in the Eugene Island leases is as follows:

ASSET (All are U.S.)	OPERATOR	INTEREST ¹ WI / NRI (%)	STATUS	LEASE EXPIRY DATE	LEASE AREA (km ²)
Eugene Island Block 172	McMoRan Oil & Gas LLC	31.10 / 25.91	Production, Development and Exploration	Held by Production*	20.23
Eugene Island Block 184	Leed Petroleum LLC (south half) and McMoRan Oil & Gas LLC (north half)	75-37.5 / 57.5-28.75	Production, Development and Exploration	Held by Production*	20.23
Eugene Island Block 183	Leed Petroleum LLC	75 / 62.5	Production, Development and Exploration	Held by Production*	20.23

¹ Interest – Working interests (WI) are shown and are subject to various royalty payments. Net revenue interests (NRI) include any and all royalty payments. Working and/or revenue interests may vary within a given licence area according to area and or depth.

* Lease expires 180 days after cessation of production.

The transfer of the 25% interest in the Eugene Island assets does not have any effect on the Company's reserves, which have historically been reported as if Byron had exercised

its option. However, flow rates from the Company's A-6 well have previously been reported on a gross basis.

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

"Eugene Island has been a great acquisition for the Company. Our drilling results to date have created substantial value in Leed and we expect near term future drilling at Eugene Island to yield more value enhancing results. We look forward to continuing to work with Byron as a partner to unlock the potential of this field."

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For further information:

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