

Leed Petroleum PLC
("Leed" or the "Company")

Placing and Subscription

Leed Petroleum PLC, the oil and gas exploration and production company focused on the Gulf of Mexico, announces the completion of a placing ("the Placing") of 14,500,000 new ordinary shares of 5 pence each in the Company ("Placing Shares") and a subscription ("the Subscription") of 10,500,000 shares of 5 pence each in the Company each, at a price of 60 pence per ordinary share, to raise £15 million before expenses. The Placing Shares were placed by the Company's broker Matrix Corporate Capital LLP with institutional clients and both the Placing and Subscription were oversubscribed.

Together with the US\$16.4 million received from Byron Energy Pty Ltd, the net proceeds of the Placing and Subscription will be used to reduce borrowings and continue the drilling programme which in the short term involves the completion of the Eugene Island 183 A-7 well, the drilling and completion the Eugene Island 183 A-8 well and drilling and completion the Eugene Island 182 A-2 Side Track.

The new ordinary shares will rank pari passu in all respects with the existing ordinary shares in the Company. Application will be made for the new ordinary shares to be admitted to trading on AIM, and it is expected that admission will become effective and dealings in the new ordinary shares will commence at 8:00 a.m. on 5 August 2008. Following the Placing and Subscription there will be 276,020,767 ordinary shares in issue.

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

"In light of current market conditions, the Company is delighted that the fundraising was oversubscribed. The funds raised will enable the Company to reduce its borrowings and continue to deliver on its Gulf of Mexico strategy. We expect continued good results from our Eugene Island drilling programme, and from there, the Company will move on to drill our other assets."

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For further information:

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NOTES TO EDITORS

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 17 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 experience to identify and purchase value adding assets.