



30th December 2009

Operational Update

Further to the Operational Update of the 8th December 2009, Salamander Energy plc ("Salamander" or "the Company"), the Asia focussed independent oil and gas exploration and production company, provides an operational update on the APICO-operated Phu Kheng-1 exploration well in block L27/43 and the Si That-3 appraisal well in block L13/48.

Phu Kheng-1 (Salamander 27.2%)

An initial frac programme on the deepest zone of interest has been completed. A 10 metre zone between 1,868 and 1,878 metres true vertical depth sub-sea (mTVDSS) has been perforated and a hydraulic frac test performed with limited amounts of gas flow seen.

The well has been suspended while the operator determines the forward programme, which may include a second frac test to be performed within one of two shallow intervals in the Phu Kradung sandstones above 800 mTVDSS. Both of these shallow zones exhibited good gas shows while drilling and subsequent log and core analysis suggest better porosity and permeability characteristics than the deeper tested zone. The EMAS EE-2 hydraulic workover unit remains on-standby at zero cost ahead of conducting the second test.

Si That-3 (Salamander 16.3%)

The ongoing testing programme at the Si That-3 location is awaiting the arrival of a production logging tool (PLT). A rig-less operation is planned including the running of the PLT in order to determine the forward programme.

Enquiries:

Salamander Energy
James Menzies, Chief Executive Officer
Geoff Callow, Head of Corporate Affairs

020 7960 1580

Pelham PR
Mark Antelme
Evgeniy Chuikov
Henry Lerwill

020 7337 1500

About Salamander

Salamander is an Asia focussed, independent, FTSE 250, upstream oil and gas exploration and production company. Salamander has a balanced portfolio of production, development and exploration assets with interests located in Indonesia, Thailand, Vietnam, Lao PDR and the Philippines. In 2010 Salamander expects to drill 12 exploration and appraisal wells targeting over 300 MMboe of net unrisksed resources.