

SALAMANDER ENERGY PLC

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Salamander Energy plc ("Salamander" or the "Group")

Spudding of South Sebuku-1 Exploration Well

Salamander Energy plc, the Asia focussed independent oil and gas exploration and production company, announces the spudding of the South Sebuku-1 ("SS-1") exploration well in the Bengara I PSC, East Kalimantan, Indonesia. Salamander holds a 25% interest in the Bengara I PSC.

The SS-1 well is targeting stacked Late - Middle Miocene deltaic sandstones of the Tabul, Meliat and Naintupo formations. The gross pre-drill estimate of prospective oil resources is approximately 30 million barrels. The well is located 7 km from the producing Sembakung oil field in the Tarakan basin, onshore East Kalimantan and will be drilled using the Apexindo-14 land rig. The well is planned to a target depth (TD) of approximately 1,570 metres sub-sea and is forecast to take approximately 30 days to complete on a dry hole basis.

James Menzies, Chief Executive of Salamander, commented:

"The South Sebuku-1 exploration well is the first of three E&A wells Salamander will drill over the coming months targeting in excess of 90 MMboe of net prospective resources. We are also continuing to mature an extensive drilling programme for 2010 that will see exploration drilling in Vietnam, Lao PDR, Thailand and Indonesia."

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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.