

SALAMANDER ENERGY PLC

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Salamander Energy plc

Operational update on Bang Nouan-1 Exploration Well

Salamander Energy plc, the Asia focussed independent oil and gas exploration and production company, announces that the Bang Nouan-1 exploration well in the Savannakhet PSC, Lao PDR has been plugged and abandoned.

The Bang Nouan-1 exploration well was completed on 6 May 2010. A drill stem test (DST) programme was completed between 30 July and 3 August 2010 on the secondary objective Kuchinari sandstones between an interval of 45m between 2025m and 2070m MDBRT. No significant flow of hydrocarbons was observed and an injectivity test has confirmed that this tight formation would not readily respond to fracture stimulation to achieve a commercial flow rate. Following the completion of the DST, the well has been plugged and abandoned as a dry hole and the work-over rig brought in to conduct the test will shortly be demobilised.

Salamander Energy has a 30% operated interest in the Savannakhet PSC having farmed out 30% to Origin Energy in December 2009.

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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.