

SALAMANDER ENERGY PLC

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Salamander Energy plc

Operational Update

Salamander Energy plc, the Asia-focussed independent oil and gas exploration and production company, announces the start of Phase IV of development drilling on the Bualuang oil field, Block B8/38, offshore Gulf of Thailand.

The jack up rig, Emerald Driller, arrived on location at the Bualuang field on 26 March 2010 for a drilling programme that will see the existing slant production wells (BA-2, -03 and -04) turned into horizontal production wells. The first of these, the (BA-03H) well, has now commenced operations.

The wells will have 600 to 850 metre horizontal sections and be installed with expandable sand screens and electro submersible pump completions. It is estimated that the wells will be completed and tied-in within six weeks.

Further drilling is planned on the B8/38 licence in Q4 2010 to include Phase V of the Bualuang field development and step-out exploration wells on the Eastern Terrace and North Bualuang prospects.

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About Salamander Energy

Salamander Energy is a full-cycle, independent upstream oil & gas exploration and production company. The Company is Asia focussed and a member of the FTSE 250 index. Salamander has a balanced portfolio of production, development and exploration assets with interests located in Indonesia, Thailand, Vietnam, Lao PDR and the Philippines.