

10 April 2014

The Parkmead Group plc ("Parkmead", "the Company" or "the Group")

Parkmead completes acquisition to treble its stake in the Athena oil field

Parkmead is pleased to report that it has completed the previously announced acquisition of an additional 20 per cent. interest in UK production licence P.1293 (Block 14/18b ALL), containing the Athena oil field, from EWE VERTRIEB GmbH ("EWE").

Through Parkmead's acquisition of Lochard Energy Group PLC, completed in July 2013, the Company already holds a 10 per cent. interest in the producing Athena oil field. This acquisition from EWE has therefore trebled Parkmead's total stake in the field to 30 per cent. and the increased interest will provide the Company with significant growth in production revenues and operating cash flows.

The total consideration for the additional 20 per cent. interest is US\$11.2 million. Following certain working capital adjustments, the final consideration payable by Parkmead to EWE will be satisfied by approximately US\$2.679 million in cash and by the issue of 288,016 new Parkmead Shares to EWE.

Tom Cross, Executive Chairman of Parkmead, commented:

"This is Parkmead's most important deal to date, because it significantly strengthens the Group's oil and gas production base. The additional oil production from Athena will deliver major increases in revenue and cash flow at this exciting stage in Parkmead's growth".

Application has been made for the 288,016 new Parkmead Shares to be admitted to trading on AIM and it is expected that Admission will take place on 15 April 2014. The new Parkmead Shares will rank *pari passu* with the Existing Ordinary Shares.

Following admission of the new Parkmead Shares, the total issued share capital of the Company will be 87,729,160 Ordinary Shares with voting rights. The Company does not hold any Ordinary Shares in treasury and accordingly there are no voting rights in respect of any treasury shares. Following admission, the aforementioned figure of 87,729,160 Ordinary Shares may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company, under the FCA's Disclosure and Transparency Rules.

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Notes to Editors:

1. Dr Colin Percival, Parkmead's Technical Director, who holds a First Class Honours Degree in Geology and a Ph.D in Sedimentology and has over 30 years of experience in the oil and gas industry, has reviewed and approved the technical information contained in this announcement.
2. Parkmead is an independent, upstream oil and gas company that is admitted to trading on AIM on the London Stock Exchange (symbol: PMG). Parkmead is focused on growth in the oil and gas exploration and production sector, targeting transactions at both asset and corporate levels.
3. In November 2011, Parkmead completed the acquisition of stakes in UK Blocks 48/1a, 47/5b and 48/1c containing the Platypus gas field and the Possum gas prospect. Mapping indicates the potential for Platypus and Possum to contain up to 180 and 100 billion cubic feet of gas in place, respectively.
4. In December 2011, Parkmead agreed to acquire stakes in blocks 47/4d, 47/5d, 47/10c and 48/6c in the UK Southern North Sea, which contained the Pharos gas prospect. These two gas-basin acquisitions were important steps in the first stage of Parkmead's development as a new independent energy company.
5. In March 2012, Parkmead agreed to acquire a portfolio of Netherlands onshore assets comprising four producing gas fields and two oil fields from Dyas B.V. This acquisition provided the Group with its first producing fields. At the effective date of the acquisition, 1 January 2012, these assets were producing at a rate of approximately 2,000 boepd, delivering approximately 300 boepd net to Parkmead. In addition, the portfolio provides the Group with future oil developments at Ottoland and Papekop. This acquisition completed in August 2012.
6. In May 2012, Parkmead launched its recommended acquisition of DEO Petroleum plc, implemented by way of a Court-sanctioned Scheme of Arrangement (the "Scheme"). The Scheme became effective on 9 August 2012. As a result, Parkmead now owns 52% and is operator of the UKCS Perth oil field, which is targeting Proven and Probable (2P) reserves of 41.3 million barrels of oil (21.5 million barrels of oil net to Parkmead).
7. In October 2012, Parkmead was provisionally awarded several new licences under the UKCS 27th Licensing Round. The six new licences comprise interests in a total of 25 offshore blocks or partial blocks across the Central North Sea, West of Scotland and West of Shetland.
8. In July 2013, Parkmead completed its recommended offer for Lochard Energy Group plc by way of a Scheme of Arrangement. This gave Parkmead a 10% interest in the producing Athena oil field.
9. In December 2013, Parkmead agreed to acquire a further 20 per cent. interest in the Athena oil field from EWE VERTRIEB GmbH, trebling Parkmead's interest in the Athena oil field to 30 per cent.
10. Also in December 2013, in the second tranche of the UKCS 27th Licensing Round, Parkmead was provisionally awarded a further five UK blocks through two new

licences in the UK Southern North Sea. That made a total award to Parkmead of 30 UK blocks across eight licences within the UKCS 27th Licensing Round.

11. Through its wholly owned subsidiary, Aupec Limited, the Parkmead Group provides petroleum benchmarking and economics expertise to a wide range of government bodies and international oil and gas companies. Aupec has to date worked with over 100 governments, national oil companies, majors and independents, across the world, as well as a number of multi-national agencies such as the European Commission and the World Bank. Aupec is currently undertaking an important benchmarking project for a group of the world's largest super-major oil companies.

For further information please refer to Parkmead's website at www.parkmeadgroup.com.