



17 June 2009

EGDON RESOURCES PLC

("Egdon" or "the Company")

Award of New Exploration Permit, Onshore France

Egdon Resources plc (AIM:EDR), the UK-based exploration and production company primarily focused on the hydrocarbon-producing basins of onshore UK and Europe, is pleased to announce the award of a new French exploration permit. The "Permis de Gex" (Gex Permit) was ratified on 28 May 2009 and published in the Official Journal on 11 June 2009.

Egdon will operate the Gex Permit with a 40% interest through its wholly owned subsidiary Egdon Resources (New Ventures) Ltd. The other partners in the joint venture group are Eagle Energy Limited (40%) and Nautical Petroleum plc (20%). The Gex Permit covers an area of 932 square kilometres and has a five year initial term which commenced on 11 June 2009.

The Gex Permit is located in the Jura/Molasse Basin of Eastern France adjacent to the Swiss border and the city of Geneva.

The main exploration targets comprise oil in shallow Oligocene sandstones and gas in deeper Triassic reservoirs. The Triassic gas prospects have been identified based on a reinterpretation of the regional structure style, which indicates the presence of large basement involved anticlines with strong topographic expression. These structures are each mapped as having significant resource potential of over 1 trillion cubic feet of gas in place. The focus of exploration for the shallow Oligocene play are the surface anticlines developed within the permit area. The presence of oil seeps and oil in shallow boreholes demonstrates the presence of a working petroleum system for this play.

The work programme will be phased, with the initial two years comprising geological and geophysical studies and gravity data acquisition followed by a second contingent phase of three years which would include the acquisition of new seismic data and the drilling of a well. The total financial commitment for the joint venture group over both phases will be €1.16 million.

Commenting on the permit award, Mark Abbott, Managing Director of Egdon, said:

"The award of the Gex Permit represents further progress with the strategy we embarked on 18 months ago of growing Egdon's French exploration position to further strengthen our medium-term exploration focus in a country with significant exploration potential, political stability and excellent fiscal terms. We are now able to progress the detailed evaluation of this high potential area which contains a mix of oil and gas prospects in a region which has been overlooked for a number of years. Of particular interest are the presence of large untested gas prospects in an area close to infrastructure able to feed into the European gas market"

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Company Background

Egdon Resources plc is an established UK-based exploration and production company primarily focused on onshore exploration and production in the hydrocarbon-producing basins of the UK and Europe.

Egdon holds interests in twenty six licences in the UK and France and has an active programme of exploration, appraisal and development within its balanced portfolio of oil and gas assets. Egdon is an approved operator in both the UK and France.

Egdon currently has production from the Keddington oil field in the East Midlands and the Avington oil field in Hampshire. Further oil and gas production is anticipated from Kirklington, Waddock Cross, Eakring-Dukes Wood and Kirkleatham within the next twelve months.

Egdon Resources plc listed on AIM in January 2008, following the demerger of its gas storage business, Portland Gas plc. The pre-demerged business was formed in 1997 and listed on AIM in December 2004.

Egdon in France

Egdon's French permits are held through wholly owned subsidiary Egdon Resources (New Ventures) Limited. Egdon has held interests in France since 1998 with the award of three licences in the Paris Basin (Mont St Pere, Chante Merle and St Jean aux Bois) which were subsequently relinquished in 2002 and 2003. Egdon's first operated permit in France was St Laurent awarded in 2002 where Egdon completed the drilling of Grenade-3 in 2008. A decision on the future appraisal of Grenade will be made during 2009 along with continued evaluation of the high potential Audignon Gas Prospect. Egdon also holds an interest in the Pontenx Permit in the Parentis Basin of SW France awarded in January 2009. Egdon has identified France as a focus for business development building upon its experience in the country and has further applications pending.

In accordance with AIM rules - guidance for mining, oil and gas companies, the information contained in this announcement has been reviewed and signed off by the Managing Director of Egdon Resources plc Mark Abbott, a Geoscientist with over 23 years experience.