



2 February 2009

For Immediate Release

EGDON RESOURCES PLC

("Egdon" or "the Company")

Sale of Interest in Keddington Oil Field

Egdon Resources plc (AIM:EDR) is pleased to announce completion of the sale of a 10% beneficial interest in Onshore UK Petroleum Exploration and Production Licence 005 (Remainder) ("PEDL005(Remainder)") to Alba Resources Limited, a wholly owned subsidiary of Nautical Petroleum plc. PEDL005(Remainder) is located in the county of Lincolnshire and contains the producing Keddington oil field.

The consideration paid to Egdon is £260,000 in cash with the transaction having an effective date of 31 December 2008. The licence assignment has been approved by the Department for Energy and Climate Change. Egdon will retain a 90% interest and operatorship of the licence.

The Keddington oil field was discovered by Candecca Resources in 1998 and produces via two wells from Westphalian (Carboniferous) age sandstone reservoirs from a depth of around 2,180 metres. Egdon acquired the then shut-in field from Roc Oil GB Limited in March 2007 for £250,000. Production was restarted in June 2007 and production currently averages around 50 barrels of oil per day. To date, the field has produced a total of over 192,000 barrels of oil, which represents only a small percentage of the mapped oil in place, which Egdon estimates could total over 4 million barrels. The field has potential for additional drilling to increase the current production levels and total field recovery. Planning consent is already in place for an additional well and a decision on the timing and bottom hole location of this will be made during the first half of 2009 once reprocessing of the existing 3D seismic data has been completed and fully evaluated. In the meantime the previously free-flowing Keddington-2y well is currently being completed for pumped production which is anticipated to increase total field production. Egdon continues to evaluate options for utilising the associated gas production for electricity generation for both site use and for sale and will be progressing decisions in this area during the next few months.

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

"This sale of a minority interest in Keddington provides a valuable addition to our near-term cash resources whilst setting a marker for the value of our remaining interest in the field. We remain encouraged by the upside at Keddington and look forward to working with the management of Nautical in developing further the production and revenue potential of the Keddington field and the other prospects within the licence."

Steve Jenkins CEO of Nautical commented:

"This is small but significant step in the development of Nautical giving us access to our first production. We already have a good working relationship with Egdon in France and regard them as a very competent onshore operator."

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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 mainland Europe.

Egdon holds interests in twenty five 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 and Avington oil fields. Further oil and gas production is anticipated from Kirkleatham, Waddock Cross, Eakring-Dukes Wood and Kirklington 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.

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 22 years experience.