

21 September 2010

**Rheochem Plc
("Rheochem" or the "Company")**

**Athena Field Development Plan Approved
By Ithaca Energy**

Rheochem plc, the oil and gas business with oil services, production, development and exploration assets is pleased to note the announcement made on 21 September 2010 by Ithaca Energy Inc relating to the receipt of Field Development Plan ("**FDP**") approval from the UK Department for Energy and Climate Change ("**DECC**") for the Athena oil field. Rheochem has a net 10% interest in this field through its 100% ownership of Zeus Petroleum Limited.

"Ithaca Energy Inc.

Athena Field Development Plan Approved

London, UK - Calgary, Canada, September 21, 2010 – Ithaca Energy Inc. (TSX Venture: **IAE**, LSE AIM: **IAE**) and its wholly owned subsidiary Ithaca Energy (UK) Limited ("**Ithaca**" or the "**Company**"), an independent oil & gas company with exploration, development and production assets in the UK sector of the North Sea, is pleased to announce it has received Field Development Plan ("**FDP**") approval from the UK Department for Energy and Climate Change ("**DECC**") for the Athena oil field.

Gaining FDP approval is a very significant step towards securing first production from the field, which is planned for Q3 2011 at 22,000 barrels of oil per day ("**bopd**") (4,950 bopd net to Ithaca) following an independent evaluation of the Company's petroleum and natural gas reserves by Sproule International Limited (www.sproule.com). The Athena field is operated by Ithaca.

Iain McKendrick, Chief Executive Officer, commented:

"Since announcing the launch of the Athena development in February of 2010, Ithaca and its Joint Venture partners have worked tirelessly to negotiate contracts that secure a robust development. Ithaca Energy is now in a great position to deliver the next phase of the Athena project, which will involve development drilling and fabrication to meet first production targeted in Q3 2011. FDP approval is a major milestone for any development and testament to the ability and dedication of the Company's development team and exceptional cooperation between the Joint Venture partners."

Notes:

The Company can now continue to swiftly progress the execution of the project which involves engineering and fabrication, and installation in the North Sea, 180 kilometres northeast from Aberdeen.

The initial development consists of four production wells supported by one water injection well. Production will be routed via the subsea manifold and a two kilometre, 8 inch flowline to a stand-alone floating production, storage and offloading ("**FPSO**") vessel. Oil production will be exported via shuttle tankers. Produced gas will be used to generate power on the FPSO.

On September 9, 2010, the Company announced the award of two major contracts; the provision of an FPSO and the provision of a semi-submersible drilling. Most principle suppliers to the project have now been selected after a competitive bid process.

The Athena Joint Venture Partners are Ithaca (operator, 22.5%), Dyas UK Ltd (47.5%), EWE Aktiengesellschaft (20%) and Zeus Petroleum Limited (10%).”

- Ends -

For further information please contact:

Rheochem Plc Haydn Gardner, CEO	+61 (8) 9410 8200
Financial Dynamics Billy Clegg / Edward Westropp / Alex Beagley	+44 (0) 20 7269 7207
Astaire Securities Plc Shane Gallwey	+44 (0) 20 7492 4775
McCall, Aitken, McKenzie Andy Yeo	+44 (0) 20 7464 4062