

8 April 2010

Rheochem Plc

(“Rheochem” the “Company” or the “Group”)

Completion of Zeus acquisition and update on Senergy proceedings

Rheochem Plc, the oil and gas business with oil services, production, development and exploration assets, has received written confirmation from the UK Department of Energy & Climate Change that the Secretary of State for Trade and Industry does not intend to exercise its right to revoke any licences granted to Zeus Petroleum Limited (“Zeus”) as a result of the change of ownership following the acquisition by Rheochem of the remaining 50% shareholding. Therefore practical completion of the acquisition will now be finalised.

Rheochem Plc previously reported in the 30 June 2009 accounts a claim made by Senergy Limited UK (“Senergy”) against Zeus. Rheochem has now been notified that Synergy has commenced proceedings in the High Court in London with respect to these claims. The claims relate to an alleged breach of a Letter of Commitment dated May 2008 (the “LOC”) with respect to an alleged drilling commitment. The claim is for US\$11,707,000 and £542,199 plus costs and interest and also includes a rectification argument claiming an alleged error in the LOC. The management of Zeus intend to vigorously defend the claim. Any further updates will be made in due course.

Commenting on the announcement today Haydn Gardner, CEO of Rheochem, said:

“We are delighted to have completed this acquisition which allows us to move forward with the Company’s North Sea assets and in particular the Athena development. We believe that Senergy has been opportunistic in the timing of its claim. We look forward to resolving this issue through the courts.”

- Ends -

Enquiries:

Rheochem Plc

Haydn Gardner, CEO

+61 (8) 9410 8200

Financial Dynamics

Billy Clegg / Edward Westropp / Alex Beagley

+44 (0) 20 7831 3113

Astaire Securities Plc

Shane Gallwey

+44 (0) 20 7448 4400

Mcall, Aitken, McKenzie

Andy Yeo

+44 (0) 20 7464 4062