



Kea Petroleum plc
("Kea" or the "Group")

GAS FOUND AT BELUGA-1

Kea is pleased to announce that the Beluga-1 well, in exploration permit PEP51155 in the Taranaki basin of New Zealand, has reached a total depth of 4,100m. The well is now being prepared for wireline logging, which is expected to commence later this week.

The well has intersected a number of sands with indications of hydrocarbon presence, including a zone which encountered higher pressure. Gas was detected on the surface and waxy condensate coated the upper parts of the drill pipe. The wireline logs will enable Kea and its partner Methanex New Zealand Limited (a subsidiary of Methanex Corporation of Canada) to evaluate the significance of these shows and to make a decision whether to case the well in preparation for flow testing.

Chief Executive Officer, Dave Bennett said:

"We are pleased that drilling has been successfully completed and we now have encouraging indications in the well - not unlike those encountered in nearby producer wells. At this stage it is not yet possible to draw firm conclusions as to the quality of what we have uncovered but we will work on evaluating this well and a further announcement will be made upon completion of the electric logging in a few days time."

This release has been approved by non-executive director Peter Mikkelsen FGS, AAPG, who has consented to the inclusion of the technical information in this release in the form and context in which it appears.

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Notes to Editors:

Kea Petroleum is an AIM listed oil and gas exploration company with three petroleum exploration permits in Taranaki and Northland Basins of New Zealand. Kea listed on the London market in February 2010.

Methanex Corporation of Canada is the world's largest supplier and producer of methanol to major international markets. The subsidiary Methanex New Zealand Limited owns two methanol production facilities in the province of Taranaki on the west coast of the North Island: one at Motunui, with two production trains and another single train plant in the Waitara Valley. The total production capability of the two locations is 2.4 million tonnes of methanol per annum. Due to limited supply and the price of gas in the New Zealand market, Methanex has, since 2004, been operating these facilities as 'flexible assets',

adjusting their operation based on supply and methanol market requirements. Methanex currently operates one plant at its Motunui facility which has the capacity to produce 900,000 tonnes of methanol per annum. To date, Methanex has secured ongoing gas supplies under relatively short term contracts. For more information please visit www.methanex.com