

WESSEX EXPLORATION PLC
(AIM: WSX)

£12 million Placing

Wessex Exploration PLC (“Wessex” or “the Company”), the hydrocarbon exploration company with interests in projects offshore Guyane, Mozambique Channel, Southern England and Western Sahara, is pleased to announce a successful placing raising £12 million, before expenses (“the Placing”).

Frederik Dekker, Managing Director, commented:

“We are delighted to announce the Placing which will provide the Company with the funds required to participate fully in the anticipated Guyane forward work programme and to develop the Company’s other projects. Wessex is very pleased to be associated with the highly skilled and professional team of partners on the Guyane project and looks forward to sharing in any further success.”

Background to and reasons for the Placing

Wessex holds a net 1.25% working interest in the Guyane Maritime Exclusive Exploration Licence (“EEL”). Tullow (27.5%) operates the Guyane Maritime EEL and is partnered by Shell (45%), Total (25%) and Northpet Investments Limited (2.5%), a company owned 50% by Northern Petroleum plc and 50% by Wessex. Shell is expected to take over Operatorship of the block in early 2012, subject to Government and Joint Venture approval.

On 9 September 2011, in its interim management statement Tullow confirmed that the Zaedyus exploration well, offshore French Guiana, had made an oil discovery having encountered 72 metres of net oil pay in two turbidite fans. On 9 November 2011 Tullow’s interim management statement confirmed that the partners are working on the 2012 programme and anticipate it to include 3D seismic and the drilling of two wells which is expected to commence in mid-2012 once all necessary approvals have been obtained.

The directors of Wessex believe that the Zaedyus discovery is a company-changing event and have every intention of remaining part of the consortium to enable shareholders to benefit further from the expected positive outcome of any appraisal drilling and future development. Therefore, it is important that Wessex has the resources to react without delay to any financial requirements of the project.

Details of the Placing

Wessex is pleased to announce an institutional placing of 240,000,000 new ordinary shares of 0.1 pence each (“Ordinary Shares”) at a price of 5 pence per share (“the Placing Shares”) raising new monies totalling approximately £12 million, before expenses.

The Placing is subject *inter alia* to shareholder approval at the Annual General Meeting to grant the Directors authority to issue *inter alia* the Placing Shares, and which is to be held at 11.00 a.m. on 6 December 2011 at the offices of Ashfords LLP, Tower Wharf, Cheese Lane, Bristol BS2 0JJ (“the AGM”). Notice for the AGM, along with the annual report and financial statements for the year ended 30 June 2011, was posted to shareholders in early November.

Application will be made to the London Stock Exchange for the new Ordinary Shares to be admitted to trading on AIM. It is expected that the Placing Shares, subject to shareholder approval at the AGM, will be issued and admitted to trading on AIM on or about 8.00 a.m. on 7 December 2011 (“Admission”).

Immediately following Admission there will be 719,364,824 Ordinary Shares in issue (“Enlarged Share Capital”) and the Placing Shares will represent approximately 33.4 per cent. of the Enlarged Share Capital.

The Placing Shares will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared on or after the date on which they are issued. It is expected that CREST accounts will be credited with entitlements to Placing Shares as

soon as practicable after 8.00 a.m. on the day of Admission and that share certificates (where applicable) will be despatched as soon as practicable after Admission.

Related party interests

Andrew Yeo, non-executive director, has participated in the Placing as follows:

	Existing Ordinary Shares	Ordinary Shares being issued	Revised Total Holding	% of Enlarged Share Capital
Andrew Yeo	730,000	770,000	1,500,000	0.21

As a director of the Company, Andrew Yeo's participation in the Placing is classified under the AIM Rules as a related party transaction. The independent directors of Wessex, that is the directors excluding Andrew Yeo, having consulted with the nominated adviser, WH Ireland Limited, consider that the terms of this transaction are fair and reasonable insofar as the Company's shareholders are concerned.

In addition, Bluebird Energy plc ("Bluebird") has subscribed for 10,694,000 Ordinary Shares in the Placing. Immediately following Admission the revised total holding of Bluebird will be 64,742,835 Ordinary Shares representing approximately 9.00% of the Enlarged Share Capital. The directors of Wessex are all directors of Bluebird and are therefore not independent to this transaction. WH Ireland Limited, the nominated adviser to Wessex, considers the terms of the transaction to be fair and reasonable insofar as the shareholders of Wessex are concerned.

Grant of Options

The Company announces that it has granted share options to its directors for the issue of up to 15,000,000 new Ordinary Shares representing approximately 2.09 per cent. of the Enlarged Share Capital ("the New Options"). The New Options are being granted to maintain the levels of incentive for key management following the issued of the Placing Shares.

The New Options may be exercised at 6 pence per Ordinary Share. In general, the New Options may be exercised as to one third of the New Options on or after each of the anniversaries of the date of grant commencing 1 December 2012 (being the first anniversary of the date of the Option). Entitlements to the New Options will lapse to the extent they are not exercised on or before 1 December 2021.

The following Directors have been granted Option shares under the Share Option Plan:

	New Options	Revised Total Options Holding	% of Enlarged Share Capital
Frederik Dekker	5,000,000	10,000,000	1.39%
David Bramhill	5,000,000	10,000,000	1.39%
Andrew Yeo	5,000,000	10,000,000	1.39%

Voting rights

In accordance with the Disclosure and Transparency Rules (DTR 5.6.1R) the Company hereby notifies the market that immediately following Admission its issued share capital will consist of 719,364,824 Ordinary Shares. The Company does not hold any shares in treasury. Shareholders may use this figure as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FSA's Disclosure and Transparency Rules following Admission.

Contacts

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