

Max Petroleum Plc
(the "Company" or "Max Petroleum")

Extension of Tax Claim Payment

5 July 2010

Max Petroleum Plc, an oil and gas exploration and development company focused on Kazakhstan, announced today that the Company has received approval from the Ministry of Finance of the Republic of Kazakhstan to extend payment of the tax claim previously announced by the Company on 2 June 2010 (the "Tax Claim") over a nine month period through March 2011.

As previously disclosed, the Tax Claim resulted from a routine tax audit of the Company for calendar years 2005 to 2008 and involves a dispute over the timing of recovery (i.e. depreciation) of the Company's costs capitalised to its oil and gas properties for tax years prior to Kazakhstan's adoption of a new tax code in 2009. In summary, the Company began depreciating its capitalised costs when it began producing crude oil in accordance with the terms of its subsoil use licence and the Kazakh legislation in place at the time the licence was executed. The local tax authorities, however, have asserted that the Company should only begin depreciating its capital costs upon the formal declaration of a commercial discovery to the Kazakh authorities. The total amount of the Tax Claim, including additional taxes, penalties and interest accruing from the date of the initial assessment through final payment in March 2011 is approximately \$17.8 million.

The Company continues to believe the Tax Claim is without merit and filed an appeal to the Supreme Court of the Republic of Kazakhstan in June 2010. The Company expects the Supreme Court appeals process to take between two to six months. If the Company is successful in its appeal to the Supreme Court, any payments made on the Tax Claim would be refundable to the Company or creditable against other current tax obligations. In the event it is unsuccessful, the Company expects to recover the economic benefit of the contested deductions in future years.

Enquiries:

| | | |
|-----------------------------------|---|--------------------------|
| Max Petroleum Plc | Michael Young President and Chief Financial Officer | Tel: +44 (0)20 7355 9590 |
| | Peter Moss Vice President Corporate Development and Investor Relations | |
| Merlin PR | Tom Randell / Anca Spiridon | Tel: +44 (0)20 7726 8400 |
| WH Ireland Ltd | Daniel Bate | Tel: +44 (0)161 832 2174 |
| Macquarie Capital Advisers | Paul Connolly / Ben Oakley | Tel: +44 (0)203 037 2000 |