

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

Consolidation of 100% Ownership of Blocks A&E

**Issue of Ordinary Shares plus 80% interest in East Alibek
for 20% interest in Blocks A&E**

**Consideration to include between 27 million and 37 million new Ordinary
Shares up to a maximum value of US\$61.5 million and locked in for a year**

11 February 2008

The Company announces today that it has entered into a restructuring agreement (the "Agreement") with Horizon Services N.V. ("Horizon") and Oriental Limited ("Oriental"), whereby the Company will acquire Horizon's 20% indirect minority interest in the Company's Blocks A&E licence area in exchange for Oriental receiving the Company's 80% interest in its East Alibek licence area and up to 37 million ordinary shares of 0.01p each in Max Petroleum ("Ordinary Shares"). Completion of the Agreement ("Completion") is subject to obtaining certain regulatory consents in the Republic of Kazakhstan, as well as other standard terms and conditions.

The principal terms of the Agreement are as follows:

- The Company will receive Horizon's 20% interest in Madiran Investment B.V. ("Madiran"), the 100% owner of Samek International LLP ("SI"), which owns and operates the Blocks A&E licence.
- Oriental will receive the Company's 80% interest in Sherpico Investments Limited, the 100% owner of Samek Development LLP ("SDE"), which owns and operates the East Alibek licence.
- The Company will issue Ordinary Shares to Oriental with a maximum value of US\$61.5 million, subject to a restriction which limits the share issue to a minimum of 27 million and a maximum of 37 million Ordinary Shares (the "Collar"). The number of Ordinary Shares to be issued, subject to the Collar, will be calculated by dividing US\$61.5 million by the closing market price of the Company's Ordinary Shares on the last business day prior to Completion. The closing market price will be converted to US dollars using the applicable exchange rate as of that date.
- Oriental has agreed not to dispose of any Ordinary Shares they receive pursuant to this Agreement for a period of one year after Completion.
- The Agreement must be completed on or before 1 May 2008, unless otherwise extended by mutual agreement.

Upon Completion, Max Petroleum and its subsidiaries will own a 100% interest in the Blocks A&E licence and no ongoing interest in the East Alibek licence. Horizon and Oriental are both wholly owned by Mr. Kachshapov, who is the General Director of SDE, a manager of SI, and a substantial shareholder in the Company.

Max Petroleum's directors consider, after having consulted with the Company's nominated adviser, WH Ireland Limited, that the terms of Agreement are fair and reasonable insofar as its shareholders are concerned.

Mark Johnson, Chief Executive Officer, commented:

"This transaction will provide multiple strategic benefits to the Company. We will have a 100% interest in both of our principal assets, Blocks A&E and Astrakhanskiy, simplifying the Company's ongoing farmout efforts, while retaining our local partner as Max's largest equity shareholder. Furthermore, divestment of our interest in East Alibek allows us to focus on our core strategic assets."

Enquiries:

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