



FORTUNE OIL PLC
(“Fortune Oil” or the “Company”)

**Acquisition of interests in South China Terminals Limited and
Zhanjiang Fu Duo Gas Company Limited (together the “Acquisitions”),
Reduction in the share capital of Fortune Oil PLC
and
Notice of Extraordinary General Meeting**

The Board of Fortune Oil PLC announces that it is today posting a circular to its shareholders (the “Circular”) setting out details of the Acquisitions and reduction in the share capital of the Company. This follows the Board’s announcements on 24 February 2006 of its agreement to the Acquisitions and on 27 April 2006 of its intention to eliminate the deficit on the profit and loss account so as to enable payment of dividends (collectively, the “Transactions”). The terms of the Acquisitions are an agreed cash consideration of £3.3 million (US \$5.7 million) for the Company to increase its effective shareholding in the West Zhuhai terminal from 18.5 per cent to 37 per cent and in Fu Duo from 57.5 per cent to 80 per cent and to repay loans from Vitol in respect of these assets.

The Circular contains a Notice convening an Extraordinary General Meeting of shareholders at 11:30am on Wednesday, 21 June 2006 (or, if later, as soon as the Annual General Meeting of the Company convened for the same day at 11:00am shall have concluded or been adjourned) at Oriental Club, Stratford House, Stratford Place, London W1C 1ES, at which approval for the proposed Transactions will be sought.

The Circular will shortly be available for inspection at the UK Listing Authority’s Document Viewing Facility, which is situated at Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS, telephone: 020 7066 1000.

Copies of the Circular can be obtained from the Company’s registered office at 6/F., Belgrave House, 76 Buckingham Palace Road, London SW1W 9TQ, telephone: 020 7824 8411.

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Enquiries:

Fortune Oil PLC

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