



## **PetroKamchatka Plc (TSXV:PKP) announces Closing of Private Placement of Convertible Note and the Appointment of New Chief Executive Officer**

**St. Helier, Jersey, September 5, 2012** – PetroKamchatka Plc ("PetroKamchatka" or the "Corporation"), an international junior oil exploration company incorporated in the Bailiwick of Jersey, announces that it has closed a private placement of U.S.\$100,000 principal amount convertible note (the "Note") with N&M Capital Limited, a corporation controlled by Maxim Sidorin, the Chief Executive Officer of the Corporation. The Note has a one-year term and bears no interest. The Note gives effect to the consolidation (the "Consolidation") of the common shares in the capital of the Corporation, which will consolidate the common shares on the basis of 1 new common share for each 100 common shares held immediately prior to the Consolidation. The Consolidation was approved by shareholders of the Corporation on August 22, 2012 and is expected to become effective shortly. Each of the holder of the Note and the Corporation may convert all or any portion of the principal amount of the Note into post-Consolidation common shares at a price of \$0.50 per post-Consolidation common share (equal to \$0.005 pre-Consolidation common share) commencing on the later of (a) the effective date of the Consolidation and (b) the date the Corporation's common shares commence trading on TSX Venture Exchange subsequent to the lifting of the current trading halt.

The Note was sold pursuant to applicable registration and prospectus exemptions in Canada. The Note and the underlying common shares upon conversion of the principal amount of the Note are subject to a four-month hold period in accordance with applicable securities laws. The private placement of the Note is subject to final acceptance by the TSXV.

The Corporation intends to use the net proceeds from the private placement to finance the independent oil and gas reserve report to be prepared by DeGolyer & MacNaughton in accordance with National Instrument 51-101 (the "Report"). The Report will encompass reserve estimates on the three licences that form the Corporation's Farm-in Agreement with East Siberian Resources Ltd., as announced on June 27, 2012. The Report is required to be submitted to and reviewed by the TSX Venture Exchange prior to lifting the current trading halt on the Corporation's shares.

The Corporation is also pleased to announce that Mr. Maxim Sidorin has been appointed Chief Executive Officer effective September 5, 2012.

Mr. Sidorin previously was President and CEO of East Siberian Resources ("ESR") from 2010 until May 2012. Prior to joining ESR he was involved in a number of private equity transactions in various industries including oil and gas, holding such positions as partner and executive director at Bank-T, a Russian national bank. Previously he was a founding shareholder and a non-executive director of Timan Oil & Gas PLC.

"I am very excited with the opportunity to advance the Corporation's oil and gas exploration and development efforts in Russia, both pursuant to the Farm-in Agreement with ESR as well as other possible initiatives to grow the Corporation" said Mr. Sidorin.

Mr. Graeme Phipps, the previous CEO, will retain the positions of President and Chairman of the Board of Directors.

Mr. Phipps stated “With the shareholders' approving the name change to EastSiberian Plc and the 100 for 1 share consolidation, the Corporation has completed its reorganization efforts. The appointment of Maxim Sidorin as CEO is an important step in the Corporation's strategic plan to raise funds and carry out its obligations as set out in the Farm-in Agreement.” The name change and consolidation are expected to become effective shortly.

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. *Forward looking Statements or Information***

*Certain statements included in this news release constitute forward-looking statements or forward-looking information under applicable securities legislation. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements or information concerning PetroKamchatka in this news release may include, but are not limited to statements or information with respect to: the proposed Consolidation, the preparation of the Report, the trading of the shares on the TSX Venture Exchange, the proposed name change, the proposed financing and size of such financing, the timing and results of such events, and the proposed use of proceeds from the private placement of the Note, and the appointment of Mr. Sidorin as President. Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although PetroKamchatka believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on such statements because PetroKamchatka can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this news release, assumptions have been made regarding, among other things, the timely receipt of any required regulatory approvals and the terms of the Note. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.*

*Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by PetroKamchatka and described in the forward-looking statements or information. These risks and uncertainties may cause actual results to differ materially from the forward-looking statements or information.*

*The forward-looking statements or information contained in this news release are made as of the date hereof and PetroKamchatka undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise unless required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.*

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