

22 December 2008



## **MAPLE ENERGY PLC**

**("Maple" or the "Company")**

### **Maple Announces Ethanol Project Update**

Maple Energy plc (AIM: MPLE; LIMA: MPLE), an integrated energy company with assets in Peru, announces today an operational update with regard to its ethanol project (the "Ethanol Project").

#### **Land Clearing**

In the fourth quarter, Maple entered into a US\$5 million land-clearing contract with the Peruvian firm San Martin Contratistas Generales S.A. ("San Martin") pursuant to which San Martin will clear and prepare the land for the Ethanol Project's main sugar cane estate. Under the terms of the contract, approximately 8,000 hectares of land will be cleared and prepared for planting sugar cane, of which 3,000 hectares have been cleared to date. The land being cleared is semi-arid land with minimal vegetation, and the land has not been previously planted on a commercial basis. Maple expects the entire 8,000 hectares of land to be cleared and prepared before the end of 2009.

#### **Investment Agreement with Government of Peru**

Maple recently entered into an investment agreement with the Government of Peru thereby allowing Maple early recovery of a substantial portion of the value-added taxes incurred in connection with the Ethanol Project's project costs. As part of this agreement, Maple has committed to invest, within 48 months from October 2008, a minimum of US\$141 million for, among other things, the development of the main water delivery system, sugar cane plantation and facilities related to the processing of the harvested sugar cane.

The capital commitment required under this agreement is consistent with and incorporated within Maple's existing US\$222 million budget for the completion of the Ethanol Project. By recovering these value-added taxes prior to the commencement of commercial operation of the Ethanol Project, Maple expects to reduce the overall cash required to complete the Ethanol Project.

#### **Engineering Contract for Ethanol**

In December 2008, Maple executed a US\$2 million engineering integration agreement with Sugarsoft Asesoría Empresarial Ltda. ("Sugarsoft"), a Brazilian company specializing in the engineering of sugar cane processing facilities and ethanol producing facilities.

Under the terms of the contract, Sugarsoft will provide substantially all of the integration engineering services for the construction of the ethanol plant, which is expected to (i) process up to approximately 5,000 tons of sugar cane per day, (ii) produce approximately 400,000 litres per day of fuel-grade ethanol, and (iii) generate approximately 37 megawatts of electricity.

### **Temporary Water Pump Station and Delivery System**

In December 2008, Maple substantially completed the construction of a temporary water pump station which will deliver water to its secondary seed cane farm located on the main estate of the Ethanol Project. This pump station and delivery system will provide water to approximately 400 hectares on this secondary seed cane farm, which has been increased from this initially-planned 300 hectare secondary farm. This temporary station will complement Maple's two main water pumping stations which are being developed on the Chira River and will form part of the Ethanol Project's main water conveyance system for the sugar cane plantation.

Maple expects the temporary pump station to begin extracting water from the Chira River in January 2009 to supply water to the seed cane farm.

### **Rex Canon, CEO of Maple Energy, commented today:**

"I am very pleased with the continued progress of our Ethanol Project. These recent developments are in line with our expectations, and we expect to commence the commercial operation of the Ethanol Project and the production of fuel-grade ethanol in October 2010."

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## About Maple Energy

Maple is an integrated independent energy company, listed in London and Lima, with assets and operations in Peru engaging in numerous aspects of the energy industry, including:

- Exploration and production of crude oil, natural gas and natural gas liquids
- Refining, marketing and distribution of hydrocarbon products
- Gas-fired power generation and power transmission
- The development of an ethanol project

Maple was admitted to AIM on 13 July 2007 and trades under the symbol "MPLE". The company was also admitted to the Lima Stock Exchange on 21 December 2007 where it trades under the same symbol.

## Operations

Maple's operations are conducted and revenues are generated through its wholly-owned subsidiaries and equity interest in Aguaytía Energy, LLC, a joint venture in which Maple owns an approximate 17.5% effective economic interest. Maple's principal operations consist of the following:

- Crude Oil Production. Operator and holder of 100% working interests in its crude-oil producing properties, Blocks 31-B, 31-D and 31-E
- Refining, Marketing and Distribution Operations. Operator of the Pucallpa Refinery and Sales Plant, which has capacity to refine up to (i) 3,400 barrels per day of crude oil producing Residual 5 fuel oil, (ii) 3,000 barrels per day of crude oil producing Residual 6 fuel oil or (iii) 4,100 barrels per day of natural gasolines. This plant also includes sales and distribution operations in the central Peruvian jungle, central Peruvian highlands and Lima regions
- Aguaytía Energy Interest. Operator of Aguaytía Energy, LLC's gas assets and holder of an approximate 17.5% effective economic interest in Aguaytía Energy, LLC, an integrated energy company engaged in the production of Block 31-C, gas-fired power generation, power transmission, gas processing, natural gas liquids fractionation, gas and liquids transportation and the marketing of liquid petroleum gas and natural gasolines
- Crude Oil Development. Operator and holder of a 100% working interest in the Pacaya Field in Block 31-E as detailed above. Maple also intends to develop up to 31 additional wells in Blocks 31-B and 31-D
- Ethanol Project. Project developer and major shareholder in an estimated \$222 million (excluding value added taxes) ethanol project located in the Piura Region on the northwest coast of Peru
- Oil and Gas Exploration. Significant exploration opportunities through a:
  - 100% working interest in Block 31-E, containing the Santa Rosa, San Roque and Cashiboya Deep prospects and
  - significant working interest in the Aguaytía Deep Prospect in Block 31-C