



Press release, Stockholm 15th of July, 2011

Selena Oil & Gas announces new share issue

Based on the authorization given to the Board of Directors by the Annual General Meeting on 30 June 2011, the Board of Directors of Selena Oil & Gas Holding AB (publ) ('Selena' or the 'Company') has decided to issue 1,600,000 new shares at a price of SEK 5 per share. The issue will be directed to two private investors, raising SEK 8 million in total.

The proceeds will be used to increase production from existing wells, i.e. complete well workovers, improve existing oil logistics, prepare the engineering project for further drilling works on Visokovskoye field, coordinate the technical conditions with Gazprom for access to Gazprom pipeline, and for other general corporate purposes.

With reference to the timing and the small size of the issue, the issue is made at a discount to market price. The Board of Directors believes that the timely receipt of the issue proceeds will enable Selena to keep the momentum in ramping up production from existing wells and will enable a timely preparation for the next years' capital expenditure program in relation to further drilling of oil wells in Visokovskoye field and preparation of the gas project.

The issue will be subscribed by Mr. Paul Waern, an experienced oil engineer and Mr. Jaan Vilval, who is a private investor (and former member of the subsidiary Selena Oil & Gas AB's Board of Directors). Mr. Waern has 30 years of experience in the oil- and gas sector and is today member of the Board of Directors of PA Resources.

The addition of Mr. Waern as an investor in Selena will add significant industry expertise to the Company. Mr. Waern will be working as a technical advisor to the Company, focusing on increasing the production and evaluating new acquisition prospects. In addition to the subscription for shares in the Company, OÜ United Energy Holding, representing the major shareholders of Selena, has undertaken to, without consideration, issue call options or propose that the shareholders' meeting of the Company decides to issue warrants to Mr. Waern that will give him the right to acquire 234,000 additional shares in the Company at SEK 8 per share over the next three years.

After the summer, the Board of Directors intends to evaluate different alternatives as regards further capital raisings, which are likely to include further new issues of shares (and which partly may be completed with observance of preferential rights of the Company's shareholders).

For further information, please contact:

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Selena Oil & Gas Holding AB (publ) (former Emitter Holding AB) is engaged in the production and transportation of oil and gas in the Volga-Ural region in the Russian Federation, including Perm and Udmurtia. The company is listed on NASDAQ OMX First North in Stockholm under the ticker SOGH. Mangold Fondkommission is the company's Certified Adviser and liquidity provider, telephone +46 8-503 015 50.