

Regulatory Announcement

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Company	TomCo Energy PLC
TIDM	TOM
Headline	Statement re: Avenue Group Inc.
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TomCo Energy Plc
("TomCo" or the "Company")

Statement re: Avenue Group Inc.

TomCo (AIM:TOM) announces that on 10th April 2009 it received a notice from Avenue Group Inc. ("Avenue") (AVNU.OB) purporting to terminate the agreement entered into on 1st April 2008 between TomCo and its wholly owned Israeli subsidiary, Luton-Kennedy Limited and Avenue and its wholly owned subsidiary, Avenue Energy Israel ("the Agreement"). Avenue stated that the basis for such purported termination was the failure of TomCo to pay a cash call made by Avenue. On 15th April 2009, Avenue filed a Form 10-K with the United States Securities and Exchange Commission ("SEC") asserting, *inter alia*, that the Agreement with TomCo had been terminated as of 12th April 2009.

Avenue has failed to comply on numerous occasions with its reporting obligations to TomCo under the Agreement and the related Joint Operating Agreement despite frequent requests to comply. It is still in default. Further, as an agreed work programme is not in place (as required by the Joint Operating Agreement), Avenue is not entitled to make cash calls on TomCo.

On 16th April 2009 TomCo therefore responded to the notice from Avenue refuting the purported termination. The Agreement, in any case, provides for arbitration proceedings to settle any dispute in relation to it, including termination thereof, and such proceedings have not been commenced by either party. Accordingly, TomCo asserts that the Agreement continues in full force and effect and accordingly TomCo continues to retain its interest in the Heletz-Kokhav Licence and the Iris Licence. TomCo has requested that Avenue amend the SEC Form 10K forthwith to reflect this position and that Avenue complies in full with its reporting obligations under the agreements without further delay.

A further update will be provided in due course.

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