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NEWS RELEASE

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CDS WELCOMES A NEW STRONG SHAREHOLDER

LONDON, England: 22 October 2007 - CDS Oil & Gas Group plc ("CDS" or the "Company"), the AIM-listed oil and gas explorer (CDS.L), was notified on 18th October 2007 that on 25th September 2007 Petro-Saudi Ltd Inc acquired from Westmount Energy Ltd 3,762,268 ordinary shares in the Company. After consolidation of other purchases in the market between that date and 17th October 2007, Petro-Saudi Ltd Inc today owns a total of 8,296,530 shares in the Company and holds the voting rights in respect of approximately 8.16% of the total voting rights in the Company.

Petro-Saudi Ltd Inc, an affiliate of PetroSaudi International Ltd, a privately owned oil and gas exploration company, is involved in oil and gas ventures in many countries around the globe.

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