



**53 Davies Street
Mayfair
London W1K 5JH
Tel: +44 203 008 5260
Tel: +353 1 662 4351
Fax: +353 1 661 3119**

17 August 2010

**Cove Energy plc
Mozambique Operations Update**

Cove Energy plc ("the Company" or "Cove", AIM:COV), the AIM quoted upstream oil and gas company focused on East Africa, is pleased to announce that drilling operations at its Ironclad prospect have reached total depth and the results are presently being analysed by operator Anadarko Petroleum Corporation.

The Company notes the comments attributed to the Mineral Resources Minister, Esperança Bias, cited in various news sources this morning, including the Mozambique daily newspaper 'Noticias'.

The Company awaits more detailed analysis and evaluation and will update the market shortly.

- Ends -

For further information, please contact:

Cove Energy plc

John Craven, CEO	c/o Billy Clegg Tel: +44 (0)20 7831 3113
------------------	---------------------------------------------

Cenkos Securities

Jon Fitzpatrick	Tel: +44 (0)20 7397 8900
Ken Fleming	Tel: +44 (0)131 220 693

Financial Dynamics

Billy Clegg / Edward Westropp	Tel: +44 (0)20 7831 3113
-------------------------------	--------------------------

John Craven, Chief Executive Officer of Cove, and a qualified person as defined in the Guidance Note for Mining, Oil and Gas Companies, March 2006, of the London Stock Exchange, has reviewed and approved the technical information contained in this announcement. Mr Craven is a petroleum geologist with approximately 35 years' experience.

Notes to Editors

Cove Energy is an AIM quoted E&P company with a strategy to identify and acquire oil and gas assets in the early phase of the upstream life-cycle and mature them into marketable opportunities for the medium and larger oil and utility companies.



The Company's initial focus is on Africa and the Mediterranean. Current operations in Mozambique include the Rovuma Onshore Area where Cove holds a 10% interest in the EPCC and an 8.5% interest in the EPCC covering Rovuma Offshore Area 1. A planned six well programme on Rovuma Offshore Area 1 (which includes the Windjammer discovery), to be executed in accordance with the revised conditions of the EPCC, commenced in December 2009 and is now drilling the third well, Ironclad.

Anadarko Petroleum Corporation is the Operator of both Mozambique EPCCs.

Cove Energy also has a 16.38% interest in petroleum operations (other than exploration operations) and a 20.475% interest in exploration operations in the Tanzanian Mnazi Bay concession, including the Mnazi Bay Production Sharing Contract, which contains the Mnazi Bay and Msimbati gas fields. Maurel & Prom is the Operator of these assets.

Cove operates with a minimum level of staffing but with a larger experienced "virtual" skills-pool from where it can draw on relevant experience on a case-by-case basis. The Company intends to partner and joint venture with investors and associates who will support Cove Energy with commercial skills and influence in areas where the Company intends to grow its business.

Cove Energy has a strong management team with a wealth of experience in oil and gas operations. Michael Blaha, Executive Chairman and formerly Country Chairman for Royal Dutch Shell Group in Algeria, is a petroleum engineer with twenty-nine years industry experience, his entire career spent working at Shell. John Craven, Chief Executive Officer and formerly founder and, until March 2009, CEO of Petroceltic International plc, is a petroleum geologist with thirty five years experience in senior technical and commercial roles in upstream oil and gas exploration and production companies.

www.cove-energy.com

Dynamic Exploration and Production Company is a privately held advanced exploration company based in Houston, Texas. The company leverages a highly experienced staff developing new geologic models and exploration strategies to acquire opportunities in proven and frontier acreage. DEPCO subsidiaries are currently working with several Governments and Companies on various strategic exploration and resource assessment projects.

For more information on Dynamic, please refer to the company's website:
www.dynamicga.com