



23 December 2010

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Cove Energy plc

Exercise of Share Options, Award of Options and Directors' Dealing Total Voting Rights

Cove Energy plc (the "Company" or "Cove Energy", AIM: COV), the AIM quoted upstream oil and gas company, announces that it has today, on the recommendation of its Remuneration Committee, made awards (the "Option Awards") in respect of 1,914,700 options over ordinary shares of 1p each in the capital of the Company ("Ordinary Shares") to its executive directors to reward management's performance in the period ended 5th April 2010. These Option Awards were agreed in June 2010 but could not be granted earlier due to Cove's high level of corporate and exploration activity putting it consistently into a close period. The Option Awards are as follows:

Michael Blaha	700,000 shares
John Craven	700,000 shares
Michael Nolan	514,700 shares

Michael Nolan's award is via a share appreciation rights agreement in favour of his consulting company, JS Consult Limited.

All of the Option Awards have an exercise price of 93.75p per share, being equal to the market value of a Cove Energy share at close of business on 22 December 2010 being the day prior to the date of grant ("Award Price") and are exercisable between three and seven years from issue. To fully vest the Cove Energy share price must show at least a 25% compound annual growth from the Award Price subject to a reduction by half of the Option Awards should the compound annual growth in the Company's share price be greater than 15% but less than the 25% hurdle.

Exercise of Share Options

In addition options have been exercised on 22 December 2010 over 195,000 Ordinary Shares at an exercise price of 5p per share which had been granted by the Company under the 2004 Share Option Scheme. 160,000 of these Ordinary Shares are held by JS Consult Limited Pension Fund, the sole beneficiary of this pension fund is Michael Nolan. Following this exercise of share options, Michael Nolan has a total interest in 1,360,000 Ordinary Shares, representing 0.28% of the Company's issued share capital. Application has been made to AIM to admit these 195,000 shares to trading and this is expected to occur on 31 December 2010.



Directors Dealing

Anthony Golding informed Cove Energy that on 22 December 2010 he purchased in total 5,000 Ordinary Shares, at a price of 92.45p per share. Following this notification, Anthony Golding has a total interest in 5,000 Ordinary Shares representing 0.001% of the Company's issued share capital.

Total Voting Rights

The total number of Ordinary Shares with voting rights in issue following the exercise of share options will be 490,995,300. Cove Energy does not hold any Ordinary Shares in treasury. The figure of 490,995,300 Ordinary Shares may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change to their interest in, the Company under the Financial Services Authority's Disclosure and Transparency Rules.

- Ends -

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Notes to Editor

Cove has established a strong position in East Africa with exploration interests in Area 1 Offshore Mozambique, which contains the Windjammer, Barquentine and Lagosta gas and Ironclad oil discoveries where exploration and appraisal drilling operations will continue into 2011. Cove also holds exploration and production interests in Mozambique Onshore, Kenya Offshore and in the Mnazi Bay Gas Field in Tanzania.

Cove Energy has a strong management team with a wealth of experience in the oil and gas business and the operation and management of companies in the public arena. 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 was previously CEO and founder of Petroceltic International plc, and is a petroleum geologist with thirty six years experience in senior technical and commercial roles in upstream oil and gas exploration and production companies.

www.cove-energy.com