

22 August 2011

Cove Energy plc

Barquentine 2 – Successful Appraisal Well Offshore Mozambique

Award of LNG Design Contracts

Cove Energy plc (“the Company” or “Cove”, AIM: COV), the AIM quoted upstream oil and gas company together with the operator, Anadarko Petroleum Corporation (“Anadarko” or the “Operator”), is pleased to announce a successful appraisal well at Barquentine 2 in the Rovuma Area 1 Offshore Mozambique block. Barquentine 2, which targeted Oligocene reservoirs only, is the first well in a planned continuous two-year exploration and appraisal drilling and well testing programme utilising two drillships. The overall objective of this programme is to confirm the true resource range of this prolific block, and obtain all necessary data, initially in the Windjammer/Barquentine/Lagosta discovery area, to independently certify gas reserves for the planned Liquefied Natural Gas (LNG) project for which certain engineering and design contracts have now been awarded.

The full text of Anadarko’s release is copied below:

“ANADARKO ANNOUNCES SUCCESSFUL APPRAISAL WELL OFFSHORE MOZAMBIQUE

ACHIEVES SIGNIFICANT STEP FORWARD FOR LNG PROJECT

HOUSTON, Aug. 22, 2011 – Anadarko Petroleum Corporation (NYSE: APC) today announced that its Barquentine-2 appraisal well, located in Mozambique’s Offshore Area 1 of the Rovuma Basin, encountered more than 230 net feet (70 meters) of natural gas pay in high-quality Oligocene-age reservoirs. Barquentine-2 was the first appraisal well in the Windjammer, Barquentine and Lagosta complex, which is estimated to hold a minimum of 6 trillion cubic feet (Tcf) of recoverable natural gas resources.

“Our first appraisal of the Barquentine discovery matched our expectations, confirming our seismic modeling and providing confidence in our geologic interpretation of this world-class accumulation,” Anadarko Sr. Vice President, Worldwide Exploration Bob Daniels said. “We’ve also taken a major step toward the development of these substantial resources by awarding contracts for pre-FEED (front-end engineering and design) work for a prospective LNG (liquefied natural gas) plant. We have significant

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ongoing exploration and appraisal programs in the Rovuma Basin and look forward to advancing this important project that can provide long-term benefits for the people of Mozambique.”

The Barquentine-2 appraisal well was drilled to a total depth of approximately 13,500 feet (4,100 meters) in approximately 5,400 feet (1,650 meters) of water. The results of the Barquentine-2 appraisal well, which is located approximately 2 miles (3 km) east-southeast of the Barquentine-1 discovery well, also indicated that the Oligocene reservoirs are in static pressure communication between the wells. The drillship is now being mobilized to the south to drill the Camarão exploration well, which also will serve as an appraisal to the Windjammer discovery.

As mentioned, a subsidiary of Anadarko and co-owners in the Offshore Area 1 awarded contracts to KBR and Technip to perform pre-FEED studies for an LNG plant in Mozambique. The pre-FEED studies are designed to help the partnership further assess the viability of developing an LNG facility to produce and process natural gas from the region.

Anadarko is the operator of the 2.6-million-acre Offshore Area 1 with a 36.5-percent working interest. Co-owners in the area include Mitsui E&P Mozambique Area 1, Limited (20 percent), BPRL Ventures Mozambique B.V. (10 percent), Videocon Mozambique Rovuma 1 Limited (10 percent) and Cove Energy Mozambique Rovuma Offshore, Ltd. (8.5 percent). Empresa Nacional de Hidrocarbonetos, E.P.’s 15-percent interest is carried through the exploration phase.

A map of Anadarko’s recent and planned activity in the Offshore Area 1 is available under the “Media Center/Anadarko News” tab at www.anadarko.com.

John Craven, CEO of Cove said:

“I am delighted with the success of Barquentine 2 which is an important step on the way to certifying the necessary gas resources for the LNG project. What is also critical is that the well results confirm the predictive seismic models, developed by the Operator, particularly as we now have full 3D seismic coverage over the entire deepwater fan fairway and with a continuous drilling programme we can look forward to unlocking the enormous potential of this block in the months ahead.

Another important milestone is the award of the pre-FEED contracts which combined with the results of Barquentine 2, further strengthens our confidence in the LNG project as we continue to de-risk and increase value.”

Ends

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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 36 years' experience.

Notes to Editor

Cove has established a strong position in East Africa with exploration interests in Area 1 Rovuma Offshore Mozambique ("Rovuma Offshore"), which contains the Windjammer, Barquentine, Lagosta and Tubarão gas and Ironclad oil discoveries. Appraisal, drilling and testing operations are underway with a planned LNG final investment decision scheduled for Q3-2013, together with ongoing exploration activities to discover additional hydrocarbon resources, all focussed on Rovuma Offshore. 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