

23 August 2011

Cove Energy Plc

East Mediterranean Bidding Group

Cove Energy plc ("the Company" or "Cove", AIM:COV), the AIM quoted upstream oil and gas company, is pleased to note the statement (as part of their Interim Results), released earlier today by Cairn Energy plc, ("Cairn"), the FTSE 100 listed E&P company, regarding a consortium operated by Cairn, in which Cove is a participant, which is seeking to take part in the upcoming Lebanon licencing rounds in the Levant Basin of the Eastern Mediterranean.

The full relevant text, extracted from Cairn's interim results statement is copied below:

"New Opportunities

Cairn continues to review opportunities that may fit with its aim of offering shareholders transformational exploration growth potential within a balanced portfolio.

"One such frontier exploration opportunity is offered by the potential of the offshore Levant Basin of the Eastern Mediterranean, where, in the coming year several countries in the region are all expected to hold competitive exploration bid rounds. Cairn has formed and operates a three company consortium which is seeking to participate in the anticipated Lebanon licencing round (and possibly some other rounds elsewhere in the region), subject to final technical evaluation and commercially suitable terms.

"Cairn's consortium partners are CC Energy Development S.A.I (an associated company of CCC, a Lebanese private company) and Cove Energy PLC."

John Craven, CEO of Cove Energy commented:

"The Eastern Mediterranean and specifically the Levant Basin offshore Cyprus and Lebanon has always been on our radar due to its under explored hydrocarbon potential and geological similarity to the large discoveries offshore Israel. With Cairn leading the consortium, we are in a strong position to identify and, if appropriate, secure licences consistent with our strategy of seeking non-operated positions in high potential new frontier basins.

"We are also pleased to have CCC as a partner, a leading international engineering and construction conglomerate with particular expertise in the petroleum sector. In 2009, LNG trains built by CCC were supplying circa 30% of world LNG production."

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Notes to Editor

About Cove

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 on going 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.

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