

21 February 2012

Cove Energy plc

Continued drilling success Offshore Mozambique

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”), is delighted to provide an update of the results of the Lagosta-3 appraisal well located about 2 miles (3 kilometers) west of the Lagosta-1 discovery well and 9 miles (15 kilometers) south of the Camarão-1 well in the Rovuma Basin Area 1 block, Offshore Mozambique (“Area 1 Rovuma Offshore”).

Highlights:

- **577 net feet (176 meters) of Natural Gas Pay encountered**

- **Extension of Gas accumulation**

Lagosta 3, the eighth successful well to drill in the world class Windjammer, Lagosta, Barquentine and Camarão (“WLBC”) gas complex, found high quality gas sands not well imaged by seismic data thus confirming the gas accumulation to the western limits of the WLBC gas complex, into what was an unknown area

- **Reservoir Communication**

Pressure readings confirm important reservoir continuity of Lagosta 3 to Lagosta 1 and 2 and to the Windjammer/Camarao wells further north.

John Craven CEO of Cove Energy commented;

“We are very pleased to announce this further successful appraisal of the Lagosta discovery, which not only delivers another significant section of gas pay but also considerably extends the western area of the gas field, adding further confirmation to the 15 to 30-plus TCF recoverable gas resource estimate for the WLBC complex.

“With the second rig now on contract, we are proceeding to drill-stem test the Barquentine-2 well and preparing to drill the Barquentine-4 appraisal well. I am also pleased to see that ENI announced last week, the successful flow testing of their Mamba North well located approximately 4 kilometers from Area 1 Rovuma Offshore, adjacent to our Barquentine discovery.

“The project continues to provide significant upside potential as we continue towards final investment decision in 2013.”

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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 37 years' experience.

Notes to Editors:

Cove has established a strong position in East Africa with exploration interests in Area 1 Offshore Mozambique, which contains the Windjammer, Barquentine, Lagosta, Tubarão and Camarão gas and Ironclad oil discoveries where drilling operations are planned to continue through 2012.

Cove also holds exploration and production interests in Mozambique Onshore, Kenya Offshore. An interest in the Mnazi Bay Gas Field in Tanzania is under sale to Wentworth Resources.

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 thirty one years industry experience, most of his 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.

The relevant extract from Anadarko's press release is copied below:

ANADARKO PROVIDES DEEPWATER EXPLORATION UPDATE

Anadarko Petroleum Corporation (NYSE: APC)

HOUSTON, Feb. 21, 2012 – Additionally, the company announced its latest appraisal well offshore Mozambique, Lagosta-3, encountered approximately 577 total net feet (176 meters) of natural gas pay in multiple zones.

Offshore Mozambique "The partnership's successful appraisal drilling continues to confirm and expand the world-class nature of this massive natural gas accumulation offshore Mozambique," said Daniels. "The Lagosta-3 well encountered high-quality sands and successfully confirmed an area of the field that was not as well-imaged in our seismic data due to overlying faulting. Additionally, we continue to accelerate our operational learning curve, safely drilling the last two wells faster and more cost effectively than the preceding wells. We expect these drilling-efficiency improvements to translate into significant cost savings over time, as we continue to advance the project."

The Lagosta-3 well is located about 2 miles (3 kilometers) west of the Lagosta-1 discovery well and 9 miles (15 kilometers) south of the Camarao-1 well. It was drilled to a total depth of approximately 13,715 feet (4,180 meters) in water depths of approximately 4,606 feet (1,404 meters) and will be suspended while the rig is mobilized to drill the Barquentine-4 appraisal well. Anadarko has two deepwater drillships operating in the discovery area offshore Mozambique, the second of which is now on location at the Barquentine-2 well preparing for drillstem testing.

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 are Mitsui E&P Mozambique Area 1, Limited (20 percent), BURL 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.

Anadarko Petroleum Corporation's mission is to deliver a competitive and sustainable rate of return to shareholders by exploring for, acquiring and developing oil and natural gas resources vital to the world's health and welfare. As of year-end 2011, the company had approximately 2.54 billion barrels-equivalent of proved reserves, making it one of the world's largest independent

exploration and production companies. For more information about Anadarko, please visit www.anadarko.com.

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Anadarko believes that its expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this news release, including Anadarko's ability to successfully plan, secure necessary governmental approvals, finance, build and operate the necessary infrastructure and LNG plant; produce and market the recoverable resources identified; and drill, develop and operate the drilling prospects identified in this news release. See "Risk Factors" in the company's 2010 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other public filings and press releases. Anadarko undertakes no obligation to publicly update or revise any forward-looking statements."