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## Cove Energy plc

### Mozambique New Deepwater Discovery

Cove Energy plc ("the Company" or "Cove", AIM:COV), the AIM quoted upstream oil and gas company, is pleased to announce a significant natural gas discovery at the Barquentine exploration well.

Barquentine is the fourth well in the offshore programme operated by Anadarko Petroleum Corporation ("Anadarko"), in the frontier Rovuma Basin Area 1 Offshore Mozambique (Cove Energy W.I 8.5%).

John Craven, CEO of Cove said:

"Following on from the maiden success of Windjammer announced in February 2010, the Barquentine discovery consolidates both the value of our acreage in Area 1 Offshore Mozambique and our other assets in the emerging East African offshore hydrocarbon fairway. As in Windjammer, the well encountered substantial natural gas pay in excellent quality reservoirs. It is our view that the Windjammer/Barquentine discoveries have found a substantial multi TCF natural gas resource.

"The Barquentine discovery is a large gently dipping structure where the occurrence of hydrocarbons was predicted using seismic techniques which can be used to de-risk other prospects in this high potential block. We now look forward to further continuous exploration and appraisal drilling on into 2011 whilst at the same time evaluating potential commercialisation options.

"On behalf of all at Cove, I would like to congratulate Anadarko's East Africa Team for the Barquentine success. Furthermore, we are delighted to be participating in a consortium, which has the necessary exploration, development and marketing skills to fully develop the potential of this emerging, world class hydrocarbon province."

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

## "ANADARKO ANNOUNCES ANOTHER DISCOVERY OFFSHORE MOZAMBIQUE

HOUSTON, Oct. 19, 2010 – Anadarko Petroleum Corporation (NYSE: APC) today announced that the Barquentine exploration well in the Offshore Area 1 of Mozambique's Rovuma Basin encountered a total of more than 416 net feet of natural gas pay in multiple high-quality sands. Specifically, the discovery well encountered more than 308 net feet of pay in two Oligocene sands that are separate and distinct geologic features, but age-equivalent to those encountered in Anadarko's previously announced Windjammer discovery. The well also found an additional 108 net feet of gas pay in the Paleocene sands, and the seismic data indicates this deeper pay section is contiguous and appears to be connected to the 75 net feet of pay encountered at the Windjammer discovery, located 2 miles to the southwest.



"With the Windjammer, and now Barquentine discoveries, we have identified a substantial natural gas resource and proven that two distinct trap styles are working in this region of the Rovuma Basin, which is very positive for our ongoing exploration program," Anadarko Sr. Vice President, Worldwide Exploration Bob Daniels said. "Based on the high-quality resource and sands encountered to date in both the Barquentine and Windjammer exploration wells, we have begun designing an appraisal program that will better delineate the areal extent of this large accumulation.

"These successful exploration wells in this frontier basin are exciting for the people of Mozambique and for our partnership," said Daniels. "We look forward to working with the government of Mozambique as we carry out our appraisal activity in this area and evaluate potential commercialization options."

The Barquentine exploration well was drilled to a total depth of approximately 16,880 feet, in water depths of approximately 5,200 feet. Once operations are complete at Barquentine, the partnership plans to mobilize the *Belford Dolphin* drillship approximately 16 miles to the south to drill the Lagosta exploration well, also located in the Offshore Area 1 of the Rovuma Basin.

Anadarko currently holds more than 2.6 million acres in the basin where it has identified more than 50 prospects and leads.

Anadarko is the operator with a 36.5-percent working interest in the Offshore Area 1. Co-owners in the area are 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, ep's 15-percent interest is carried through the exploration phase.

A map of Anadarko's position in the Offshore Area 1 of the Rovuma Basin and the Barquentine discovery will be available under the "Media Center/Anadarko News" tab at [www.anadarko.com](http://www.anadarko.com)."

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 2009, the company had approximately 2.3 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](http://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 drill, complete, test and produce the wells and prospects identified in this news release. See "Risk Factors" in the company's 2009 Annual Report on Form 10-K, Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 and other public filings and press releases. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Anadarko undertakes no obligation to publicly update or revise any forward-looking statements.*



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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 Offshore Mozambique, which contains the Windjammer/Barquentine gas and Ironclad oil discoveries where drilling operations are planned to continue into 2011, and other exploration and production interests in Mozambique Onshore, Kenya Offshore and in the Mnazi Bay Gas Field in Tanzania.

For more details including a map of the Barquentine discovery visit: [www.cove-energy.com](http://www.cove-energy.com).

The Company 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, Non-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 recently 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](http://www.cove-energy.com)