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**Cove Energy plc
Mozambique Drilling and Operations Update**

Cove Energy plc ("the Company" or "Cove Energy", AIM: COV), the AIM quoted upstream oil and gas company, is pleased to provide the following drilling and operational update on progress in Mozambique, where it holds a conditional 8.5% interest in the offshore Rovuma Block, and a conditional 10% participating interest covering the Rovuma onshore area, both of which are operated by Anadarko Mozambique Area 1, Ltda ("Anadarko").

Rovuma Offshore Area 1 Mozambique

Cove Energy has been informed by Anadarko that the Belford Dolphin drillship has left port in Mozambique and is preparing to commence the drilling of the fully funded offshore four well programme in the next few days. The initial plan is to set surface casing for the Collier well and then move to and drill the Windjammer well before returning to Collier.

Mecupa 1 Commitment Well - Onshore Mozambique

The Company has been advised by Anadarko, the operator of the Rovuma Onshore Concession in Mozambique, that the Mecupa 1 commitment well encountered hydrocarbon shows. Pending further evaluation of the well data, the decision has been taken by the partners to plug and abandon the well at this time.

Further evaluation of the well results and the onshore licence is ongoing

John Craven, CEO of Cove Energy said:

"The information seen in the Mecupa well is positive for the onshore block, in that the well encountered excellent reservoir sands and indications of hydrocarbons at various intervals.

We are excited about the upcoming fully funded four well offshore drilling programme, which will commence in the next few days using the Belford Dolphin drillship."

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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 35 years' experience.

Notes to Editors

Cove Energy is an AIM quoted E&P company with a strategy to identify and acquire oil and gas assets in the early phase of the upstream life-cycle and mature them into marketable opportunities for the medium and larger oil and utility companies.

The Company's initial focus is on Africa and the Mediterranean. Current operations include the Mecupa-1 well in the Onshore Rovuma Block in northern Mozambique, where Cove has a conditional farm in agreement with Artumas to acquire a 10% participating interest in the Exploration and Production Concession Contract ("EPCC") covering the Rovuma Onshore Area.

In addition Cove, again in northern Mozambique, has a conditional farm in agreement with Artumas to acquire an 8.5% interest in the EPCC covering Area 1 Offshore of the Rovuma Block. A four well programme is planned through to end 2010 and the first prospect is planned to spud by early December 2009. The Belford Dolphin drillship is already in country and preparing to drill and set surface casing for the first two locations.

Anadarko Petroleum Corporation is the Operator of both Mozambique EPCCs.

Cove Energy has also acquired from Artumas a 16.38% interest in petroleum operations (other than exploration operations) and a 20.475% interest in the exploration operations in the Tanzanian Mnazi Bay concession, including the Mnazi Bay Production Sharing Contract, which contains the Mnazi Bay and Msimbati gas fields. This transaction was completed together with M&P, M&P taking over the operatorship from Artumas.

Cove 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, 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