

2 October 2018

Angus Energy Plc
("Angus Energy" or the "Company")

Angus Energy Completes 7-Day Well Test at Balcombe

**Horizontal Well Balcombe-2z Flowed at 853 Bopd and 1,587 Bopd
During Separate Test Runs**

Balcombe Field Discovery Capable of Producing at Commercial Rates

Angus Energy Plc (LSE:ANGS), a leading UK conventional oil and gas production and development company, is pleased to announce the completion of the 7-day flow test programme for the horizontal well, Balcombe-2z.

The test utilised Nitrogen and coiled tubing to clean and prime the well which when removed allowed a natural flow at 853 bopd equivalent, not including 22.5% water. A second flow period was undertaken with the well flowing naturally at 1,587 bopd equivalent, not including 6.6% water.

The Balcombe-2z well produces from a single Micrite Layer, just one of the Kimmeridge Micrite Layers. During the initial flow period, the well slugged at up to 3,000 barrels per day which had to be reduced as it exceeded separator operating capacity. Duration of the test runs were limited.

No CO₂ or H₂S were observed or measured.

The water produced was not expected, the Company's testing team believes a small high-pressure water zone was intersected in the horizontal section of the well which will require isolation in the future. Currently, the testing team believes the water production is not from the main Kimmeridge Reservoir itself but through fractured communication. To correctly identify the water zone, a Production Logging String was run on coiled tubing. Unfortunately, the coiled tubing equipment supplied by a third-party service provider, failed after the second test resulting in a delay. Subsequently only two flow tests were performed before the test had to be concluded due to planning restrictions. All the collected data is being further analysed and the company will provide an update in due course.

The Company believes based on the results of this 7-day flow test, it can isolate the water producing zone and establish commercial production under normal pumped production conditions.

The oil quality was light around 34 API though this may be an underestimate due to light hydrocarbons being removed by the Nitrogen used to assist the well to flow. Currently, the Company anticipates that the oil quality will be similar to that seen elsewhere in the Kimmeridge formation per the Company RNS of 3 July reporting the Kimmeridge producing 38 - 40 API, Light Crude at Lidsey on the outer edge of the Weald Basin.

Paul Vonk, Managing Director of Angus Energy stated:

"We are obviously pleased with the results of the Balcombe-2z flow test and encouraged as we take our next steps towards producing from the Kimmeridge layers in the near future at the Brockham Field. This programme was successful because our team at Angus and our service providers maintained the highest standards, the most important of all being safe operations."

The Balcombe Field Discovery is a joint venture between Cuadrilla Balcombe Limited, Lucas Bolney Limited and Angus Energy. Angus Energy assumed Operatorship of the Balcombe licence on behalf of the partnership in July of 2018.

Qualified Person's Statement:

Chris de Goey, a Non-Executive Director of the Company, who has over 20 years of relevant experience in the oil and gas industry, has approved the information contained in this announcement. Mr de Goey is a member of the Petroleum Exploration Society of Great Britain and the Society of Petroleum Engineers.

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About Angus Energy plc.

Angus Energy plc. is a UK AIM quoted, independent onshore oil and gas production and development company focused on leveraging its expertise to advance its portfolio of UK assets as well as acquire, manage and monetise select projects. Angus Energy majority owns and operates conventional oil production fields at Brockham (PL 235) and Lidsey (PL 241) and has a 12.5% interest in the Holmwood licence (PEDL143) and a 25% interest in the Balcombe Licence (PEDL244).

Further information is available on the company website: www.angusenergy.co.uk

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The information contained within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulation (EU) No. 596/2014.

Glossary of Terms:

API – The American Petroleum Institute gravity, or API gravity, is a measure of how heavy or light a petroleum liquid is compared to water

Bopd – Barrels of oil per day

Limestone - a sedimentary rock predominantly composed of calcite (a crystalline mineral form of calcium carbonate) of organic, chemical or detrital origin. Minor amounts of dolomite, chert and clay are common in limestones. Chalk is a form of fine-grained limestone

Micrite Layer - Carbonate rocks (Limestone) that contain fine-grained calcite