

Discover Exploration plc**Launch of Discover Exploration plc*****Former Cove Energy management team
Announcement of first strategic deepwater licence***

11 March 2013: Discover Exploration plc (“Discover” or the “Company”), the geology led exploration company specialising in deepwater petroleum systems is pleased to outline its strategy, management team and the details of its first strategic licence.

Company Highlights:

- **Strong and experienced, former Cove Energy (“Cove”), management team and executive Board, with a track record in delivering shareholder value**
 - Michael Blaha, Executive Chairman
 - John Craven, Chief Executive Officer
 - Michael Nolan, Chief Financial Officer
- **Geology led exploration company focussing on offshore deep water petroleum systems**
- **Aim to build a balanced portfolio of oil and gas exploration assets in emerging basins**
- **Leverage management’s relationships with senior industry and financial executives**
- **Seed financing from holding company of Oranje-Nassau Energie B.V. (“ONH”), the management team and Board**
- **Initial focus on offshore sub-Saharan Africa**

Licence Highlights:

- **Signature of a Production Sharing Contract (“PSC”) offshore Comoros, adjacent to major Rovuma Delta gas discoveries**
- **PSC licence area located over the outboard part of the Rovuma Delta, near to gas discoveries by Anadarko Petroleum Corporation (“Anadarko”) and ENI S.p.A (“ENI”) (total gas-in-place approaching a combined 175TCF), offshore Northern Mozambique**
 - First PSC signed by the Government of the Union of the Comoros covering c. 18,000 km² in full compliance with the recently promulgated Petroleum Code
 - Existing 2D seismic data indicates the extension of Rovuma basin floor fans continuing into the PSC licence area
 - Initial work programme will include further acquisition of 2D seismic, followed by 3D seismic and drilling. Parties to the PSC, which covers a 10-year exploration period, are Discover (60%), Bahari Resources (40%) and the Government of the Union of the Comoros.

Discover is being advised by Investec Bank plc (“Investec”) on its financing strategy**Strategy**

Discover’s strategy is to deliver value to shareholders through participation in exploration and appraisal programmes focussing on deepwater petroleum systems. The Company will concentrate on young emerging basins, de-risked through 2D and 3D seismic, and where appropriate participate in multi-well drilling programmes through farm-ins, farm-outs and M&A activity.

The Company has solid industry relationships and will work with reliable, well financed and proven partners to build a balanced portfolio of exploration assets with both oil and gas potential.



Discover is currently in discussions with several parties to gain access to a number of deepwater turbidite plays principally, but not exclusively in offshore sub-Saharan Africa.

Board and Management

The management team, led by Executive Directors Michael Blaha, John Craven and Michael Nolan, have strong technical expertise in deepwater hydrocarbon plays, solid industry reputations and continuing relationships with major oil companies. In addition, Marcel van Poecke, founding shareholder and Chairman of Oranje-Nassau Energie B.V. (“ONE”), Alexander Berger, CEO of ONE and a non-executive board member of Cairn Energy plc, and Paddy Spink, senior advisor to the Board of ONE, are on the Board as Non-Executive Directors. Paul Griggs and Alexander Mollinger, both former Cove executives, are also part of the Discover executive team. The organisation will be lean, nimble and opportunity driven focussing on delivering value to shareholders.

PSC and the Union of the Comoros

The Union of the Comoros is located in the Mozambique Channel. Discover’s PSC licence area is outboard of and on trend with Areas 1 and 4, offshore Mozambique, operated respectively by Anadarko and ENI, approaching a combined 175 TCF in place of gas discoveries. Under the terms of the PSC, the partnership will undertake a phased seismic and drilling programme within the licensed area and will, in addition, carry out a regional study of the entire Comorian territory for the Government.

Michael Blaha, Executive Chairman of Discover, said:

“Given the recent success the management have enjoyed with Cove Energy, I am delighted to be joined with them again in Discover Exploration. The support of ONH provides for an excellent combination and strengthens our capabilities. Discover will be an opportunity driven company and our objective is to enter into various deepwater turbidite plays in young emerging basins, with reliable and proven partners, and with value added through drilling. Whilst entry into Africa is a primary target, our discussions are not restricted to this geography.

The commercial and financial support we have received to date from founding shareholder Marcel van Poecke/ONH is outstanding and we look forward to delivering shareholder value from the outset.”

John Craven, CEO of Discover, commented:

“I am very pleased to introduce Discover Exploration and its strategy, core to which is utilising the strong geo-technical expertise, industry contacts and successful track record of our Board and management team to identify frontier oil and gas prospects, as we build a balanced portfolio of assets.

The signature of this strategic PSC with the Government of the Union of the Comoros and Bahari Resources, covering the seaward section of the Rovuma Delta and bordering the highly prospective offshore Mozambique hydrocarbon province, presents a unique opportunity given its geographical and geological position. This gives Discover a unique first mover advantage and we look forward to working with the Government and His Excellency Dr. Ikililou Dhoinine, President of the Union of the Comoros, and our partner Bahari Resources to unlock the potential contained within our PSC license area.”

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Notes to Editors

About Discover Exploration

Discover Exploration is an unlisted, geology led exploration company headquartered in London and specialising in deepwater petroleum systems. The management team is the same as the one of Cove.

The Company has solid industry relationships and will work with reliable, well financed and proven partners to build a balanced portfolio of exploration assets with both oil and gas potential, concentrating on young emerging basins.

Discover is currently in discussions with several parties to gain access to a number of deepwater turbidite plays principally, but not exclusively, in offshore sub-Saharan Africa.

About Discover's Board and Management team

Michael Blaha, Executive Chairman

Michael Blaha was a co-founder and Executive Chairman of Cove, helping to guide the company in three years from a GBP5m cash shell through to Cove's GBP1.2bn sale to PTTEP. Prior to Cove, he had a 30-year career at Shell where he had experience working in Africa, the Middle East, Asia, Europe and Russia, and where he was latterly Chairman of Shell Algeria. Michael is a petroleum engineer.

John Craven, Chief Executive Officer

John Craven was a co-founder and CEO of Cove, helping to guide the company in three years from being a GBP5m cash shell through to Cove's GBP1.2bn sale to PTTEP. Prior to Cove, he was a co-founder and CEO of Petroceltic International and had senior executive positions with Dana Petroleum and Vanco. He is a petroleum geologist with 35 years' experience of oil and gas in Africa and Europe.

Michael Nolan, Chief Financial Officer

Michael Nolan was a co-founder and former Finance Director of Cove Energy, helping to guide the company in three years from being a GBP5m cash shell through to Cove's GBP1.2bn sale to PTTEP. He is a Founder and Non-Executive Director of Fastnet Oil and Gas, Rathdowney Resources and Orogen Gold. A qualified accountant he has 19 years experience working in public companies in the natural resource sector.

Marcel van Poecke, Non-Executive Director

Marcel van Poecke founded Petroplus from a management buyout in 1993 and successfully led its growth into the largest, independent oil refiner in Europe through several major acquisitions and divestments. After achieving a public listing on the Zürich stock exchange in November 2006, he



exited Petroplus. The transaction was the highest multiple return investment for the Carlyle/Riverstone Energy Fund.

In 2007, he started and built over time AtlasInvest, which is a private investment company with over US\$1bn of capital invested across the energy sector. AtlasInvest's core investments are in the field of conventional oil and gas. AtlasInvest's investment portfolio is diverse in both scope and geography, encompassing all parts of the energy chain including E&P, midstream and downstream. In addition, complementary investments exist in a range of alternative energy companies. In 2009, AtlasInvest made its largest investment to-date, Oranje-Nassau Energie. In addition Marcel van Poecke is the co-owner and Vice-Chairman of Energy Intelligence, a leading provider of independent, insight and analysis from the global energy industry.

Alexander Berger, Non-Executive Director

Alexander Berger is the CEO of ONE. Alexander also sits on the Board of London Stock Exchange listed Cairn Energy plc as a Non-Executive Director. Prior to ONE, he was Managing Director of Dyas Exploration and Production B.V. in Utrecht from 2007-2009. A petroleum engineer with 20 years of oil and gas experience he started his career with Shell where he held various technical and commercial positions.

Paddy Spink, Non-Executive Director

Paddy Spink is a senior advisor to the Board of ONE and AtlasInvest. He is a former Non-Executive Director of Ophir Energy plc and a former Executive Committee member of Perenco. He has over 35 years of oil and gas experience in senior roles in Europe, Africa, Americas, Asia and Australia.

Paul Griggs, Corporate Development Director

Paul Griggs was a close advisor to the Board of Cove, from initial foundation to the sales process, and has 30 years' experience in the oil and gas industry working with companies such as BHP Petroleum, OMV, Sterling Energy and Lion Petroleum. He is a Non-Executive Director of Ecosse Energy.

Alexander Mollinger, Commercial Director

Alexander Mollinger was a commercial advisor to Cove. He is a petroleum engineer with an MBA from INSEAD and has 6 years of technical and commercial experience with Shell and Cove working in Africa and Europe.

About ONH / ONE

ONH B.V. is the holding company of Oranje-Nassau Energie B.V.. ONE is a privately owned Amsterdam based oil and gas company with a long history and a proven track record of successful upstream investments. ONE has operated and non-operated production assets offshore the Netherlands and non-operated offshore positions in the UK and Gabon. Production in 2013 is approximately 9,000 barrels of oil equivalent ("boe") per day and ONE has the ambition to double its existing resource base of some 100 million boe in the coming years. The growth strategy is backed by a strong financial position with dedicated private shareholders and a US\$225m reserve based corporate loan facility from banking consortium ING / ABN AMRO / BNP Paribas.

About Bahari Resources

Bahari Resources Ltd ("Bahari") is a private oil and gas company, with a proven management team, focussed on locating and developing frontier exploration opportunities globally and in particular East Africa, through the application of modern exploration techniques. Peter Wakeling, Chief Executive Officer of Bahari, has worked for over 25 years in the oil and gas industry in Africa, the Middle East, Central Asia and North America. Prior to Bahari he was Managing Director of SOHI-Gas Lamu Ltd, the holder of exploration blocks in Kenya. During his career he has established and managed geophysical operations in Kenya, Nigeria, Angola, Egypt, Abu Dhabi, Kuwait, Saudi Arabia, Azerbaijan and Kazakhstan. Don Riaroh, Chief Operations Officer of Bahari is a petroleum geologist and was previously Director of SOHI-Gas Lamu Ltd and Chief Geologist and Director of E&P at Kenya's Ministry



of Energy where he was in charge of Petroleum, Geothermal, Coal and Nuclear Energy. Bahari is headquartered in Nairobi, Kenya, with offices in Moroni, Union of the Comoros, and Aberdeen, UK.

About the Union of the Comoros

The Union of the Comoros became independent in 1975. It is recognised by the UN with a constitutional democracy based in the capital Moroni. The President Dr. Ikililou Dhoinine was elected in May 2011 and each of the Comoros islands has also a democratically elected local government. The population is c. 750,000. The GDP is c. US\$600m with the main exports being vanilla, cloves and essential oils.