

ENEGI OIL PLC
AIM ticker: 'ENEG'
OTC ticker: 'EOLPF'

2 July 2013

Enegi Oil Plc (‘Enegi’ or ‘the Company’)

Fyne Oil Field Farm In

Enegi, the independent oil and gas Company with a portfolio of assets located in the UK North Sea, Newfoundland Canada, Ireland, and Jordan is delighted to announce, that along with its Joint Venture (“JV”) partner ABTechnology (“ABT”), it has signed Heads of Agreement (“HOA”) with Antrim Resources (N.I) Limited (“Antrim”) that governs UK Central North Sea Licence P077 (“P077” or the “Licence”) which contains the Fyne Field (“Fyne”). Antrim currently holds a 100% interest in and is Operator of the Licence.

Under the HOA, Enegi and ABT will be responsible for the costs associated with preparing an amended Field Development Plan for Fyne (the “FDP”), based on using ABT’s buoy technology, for submission to the UK Department of Energy and Climate Change (“DECC”). Upon approval of the FDP by DECC, the JV will earn a 50% interest in the development of Fyne. A FDP has been previously prepared for Fyne and much of this work can be integrated into the new FDP.

Fyne has been subject to considerable investment to date. Five successful wells have already been drilled, producing oil at 25° API and achieving free flow test rates of up to 4,000 bopd. Fyne has 2P reserves of 9.9 million barrels and, being well appraised, it is now ready to be developed and ABT’s buoy technology has been identified as the most suitable development solution.

The HOA is the first agreement that the JV has entered into following the announcement of its formation on 29 May 2013. The agreement is in accordance with the JV’s stated strategy for Enegi and ABT to work together to secure and develop interests in stranded, offshore oil reserves which can be accessed utilising ABT’s buoy technology. The JV and Antrim expect to conclude an agreement which contains the terms in the HOA shortly.

Alan Minty, CEO of Enegi Oil commented:

“We are delighted to have entered into this agreement with Antrim. This is an example of how we can use the buoy solution to gain reserves and production in well appraised, and therefore geologically low risk, assets for a fraction of the price of traditional acquisition routes.”

The Fyne field is an ideal opportunity to show the potential of the buoy solution and is an example of how significant value can be unlocked in an asset which would otherwise have remained undeveloped. We look forward to working with the Antrim team to gain FDP approval for Fyne, and unlocking the full value of this project for our mutual benefit.

We anticipate that this will generate significant interest in the use of buoy technology as a development solution and could be the advent of a new era in the development of the North Sea. The model we have devised would allow us to undertake multiple projects simultaneously in conjunction with Fyne.”

Highlights:

- Upon completion and approval of a FDP, Enegi and ABT will earn the right to acquire a 50% working interest in Fyne by contributing 50% of the costs of development - equating to approximately net 5 million barrels of 2P reserves to the JV. This will be attributed equally between both the companies.
- In return Enegi and ABT will be responsible for all the costs associated with preparing a new FDP based on using buoy technology for Fyne incorporating work already included in previous FDPs
- Antrim will remain Operator of the Licence.
- Under the licence amendment agreed with DECC, FDP submission will take place by the end of the January 2014 with development following approval and first production prior to 25 November 2016
- An area of mutual interest (“AMI”) has also been agreed by the Parties immediately adjacent to the Fyne Field, which contains additional discoveries which could potentially be tied back into this development.
- ABT’s buoy solution utilises existing proven low cost appropriate technology to develop oil and gas fields that are considered uneconomic using conventional solutions, providing the ability to unlock the value associated with Fyne.

The Fyne Oil Field

Fyne is an extensively appraised oil field located in UK Licence P077 which covers Block 21/28a in the Central North Sea. The field is on a sand – filled channel linking the Pilot Field (250 mmbbls STOIP) to the Guillemot complex (> 60 mmbbls recoverable reserves). The field has 2P reserves of 9.9 million barrels with an oil API of 25°. Five wells have been successfully drilled into the field with free flow test rates of up to 4,000 bopd.

Fyne Field opportunity

Fyne, given it contains 9.9 million barrels of 2P reserves position, has considerable value. Despite this, developing this field using conventional solutions has proven to not be economically feasible. The JV and Antrim believe that utilising ABT’s buoy solution to develop the field will make such development economic and will allow the partners, and all their respective stakeholders, to benefit from the full value that is associated with the field. Under the licence amendment agreed with DECC, FDP submission will take place by the end of the January 2014 with development following approval and first production prior to 25 November 2016.

ABT’s buoy technology is an innovative solution utilising appropriate low cost technology to develop marginal fields which are considered uneconomic to develop using existing conventional solutions. The ABT unmanned buoy sits just below the surface of the water housing production and processing equipment. The oil produced is then offloaded to a tanker for transport to market.

The resultant effect of this is that the ABT solution is a low cost solution that can significantly reduce the capital and operational costs for developing marginal fields, considerably enhancing the value of the project to the licence partners and leading to the development of an asset which may have otherwise not happened.

A previous version of the FDP has already been drafted by Antrim for Fyne. To expedite the process and to minimise costs, where possible, much of the work that has already been completed will be retained. Most significantly, a FEED study based on buoy technology needs to be completed to provide the required technical input into the FDP. Recognising this, the JV has already commenced preparations to finalise the scope of the FEED and other studies needed.

In addition, subject to the FDP being approved by DECC, the JV and Antrim has agreed an AMI immediately adjacent to the Fyne Field, which may include discoveries that could potentially be tied back into this development. Any new licences acquired for such purpose will be on a 50-50 interest basis between the JV and Antrim.



Enegi is confident that project finance can be secured for the production buoy and is already working with its advisors to develop lines of credit which will be secured on the reserves and the equipment itself.

Enquiries:

Enegi Oil

Alan Minty, CEO

Nick Elwes, Director of Communications

Tel: + 44 161 817 7460

Cenkos Securities

Jon Fitzpatrick

Neil McDonald

Tel: + 44 207 397 8900

Tel: + 44 131 220 9771

Shore Capital

Jerry Keen

Patrick Castle

Tel: +44 207 408 4090

College Hill

Alexandra Roper

David Simonson

Tel: + 44 207 457 2020

www.enegioil.com

Facebook (Enegi Oil PLC)

Twitter (@enegioil)

About Enegi

Enegi Oil Plc is an independent oil and gas company whose strategy is to create an oil and gas company with a diversified portfolio of assets across the E&P value chain. The Company's current portfolio is made up of operations focused on opportunities around the Port au Port Peninsula in Newfoundland, Canada, the Clare Basin in County Clare, Ireland, the UK North Sea and Jordan. The Port au Port Peninsula is located in western Newfoundland, which, although lightly explored, is in an active petroleum system with light oil having been discovered on a number of occasions. The Clare Basin is located in western Ireland and initial technical studies show that it has the potential to contain shale gas. The Company's licences in the UK North Sea benefit from significant previous exploration investment, and have been selected based on buoy technology operating criteria. The Company has also entered into the highly prospective Dead Sea and Wadi Araba in Jordan with its partner Korea Global Energy Corporation.

About ABT

ABTechnology is a private company that has been established to develop solutions using buoy technology for the oil and gas industry primarily in the North Sea but also internationally. Through this technology the Company can provide cost effective solutions for offshore oil and gas fields that are currently considered marginal or sub economic using conventional development methods. Due to their versatile nature buoys can generate significant capital and operational cost savings over traditional offshore structures such as vessels, semi-submersibles and fixed platforms. This means that the buoys can significantly improve the returns of a project, whether they are used independently or as part of a larger project, radically changing the economics of the project.

www.abtechnology.com

About Antrim

Antrim Energy Inc. is a Canadian, Calgary based high-growth junior oil and gas exploration and production company with assets in the UK North Sea and Ireland. Antrim is listed on the Toronto Stock Exchange (AEN) and on the London Stock Exchange's Alternative Investment Market (AEY). Visit www.antrimenergy.com for more information.