

6 February 2020

Hurricane Energy plc

("Hurricane" or the "Company")

Operational Update

Hurricane Energy plc, the UK based oil and gas company focused on hydrocarbon resources in naturally fractured basement reservoirs, provides an operational update.

Greater Warwick Area

The 205/26b-14 well (the "Lincoln Crestal Well") on the Greater Warwick Area ("GWA") was drilled in Q3 2019, and tested at a maximum stable flow rate of 9,800 stb/d. Regulatory consent for suspension of the well, with gauges downhole, was granted for the purposes of completing pressure build-up tests and gathering interference data. The suspension consent required that the well be plugged and abandoned by 22 June 2020.

The GWA Partners (comprising Hurricane GWA and Spirit Energy) intend to seek regulatory consent from the Oil and Gas Authority to delay the abandonment of the Lincoln Crestal Well in order to obtain interference data during well testing in 2020. One or more sub-vertical wells are planned to be drilled and tested in 2020, to determine the maximum vertical extent of the Lincoln field in order to meet the commitment well requirement of the P1368 licence extension ("Lincoln Commitment Well").

The GWA Partners have concluded that it will not be possible to tie-back the Lincoln Crestal Well to the Aoka Mizu FPSO in 2020 and therefore the installation vessels to carry out this work under contract with the oilfield service provider have been released. The GWA Partners have agreed to continue to build all the previously ordered equipment. If the GWA Partners are unable to obtain approval to extend the suspension consent, the Lincoln Crestal Well will be plugged and abandoned by the Paul B Loyd Jr rig in March 2020, prior to the planned start of the Lincoln Commitment Well.

The GWA Partners are reviewing the future work programme and budget for the Greater Warwick Area. Further updates will be provided on conclusion of these discussions with Spirit Energy.

Greater Lancaster Area

The Company still intends to make maximum use of the Aoka Mizu FPSO's oil throughput capacity. As part of this strategy, Hurricane is planning an accelerated Lancaster work programme, focussed on drilling an additional production well on Lancaster in 2020, in addition to the drilling of one or more subvertical wells (in 2021) to determine the maximum extent of the Lancaster field, to satisfy the terms of the P1368 licence extension (the "Lancaster Commitment Well"). A rig contract is being negotiated in order to be able to drill and test a production well on the Lancaster licence ("Lancaster -8 Well") during Q2 / Q3 2020. The Company is carrying out the necessary steps to be able to proceed on this schedule, subject to regulatory consent, finalisation of costs and contracting, and has already ordered the time critical long lead items.

On success, and subject to regulatory consents, the Company would intend to tie-back the Lancaster -8 Well to the Aoka Mizu FPSO in 2021, with a provisional first oil date in Q1 2022. Commitment to capital expenditure in respect of the installation of the tie-back will not be made until after the Lancaster -8 Well has been successfully tested. Increased production through the Aoka Mizu FPSO would improve unit economics and generate increased operating cash flow for providing returns to shareholders and/or funding future phases of development.

Dr Robert Trice, Chief Executive of Hurricane, commented:

“We continue to focus on progressing opportunities towards full utilisation of the Aoka Mizu’s throughput capacity. A further Lancaster production well would allow us to evaluate the productivity of another part of the Lancaster reservoir, away from the two existing wells, whilst aiming to deliver additional wholly owned production and reducing per barrel costs. I look forward to providing further confirmation as costs are finalised and the relevant agreements are put in place.”

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About Hurricane

Hurricane was established to discover, appraise and develop hydrocarbon resources associated with naturally fractured basement reservoirs. The Company’s acreage is concentrated on the Rona Ridge, in the West of Shetland region of the UK Continental Shelf.

The Lancaster field (100% owned by Hurricane) is the UK’s first producing basement field. Hurricane is pursuing a phased development of Lancaster, starting with an Early Production System consisting of two wells tied-back to the Aoka Mizu FPSO. Hydrocarbons were introduced to the FPSO system on 11 May 2019 and the first oil milestone was achieved on 4 June 2019.

In September 2018, Spirit Energy farmed-in to 50% of the Lincoln and Warwick assets, committing to a phased work programme targeting sanction of an initial stage of full field development.

Glossary

FPSO	Floating production storage and offloading vessel
Spirit Energy	Spirit Energy Limited
stb/d	Stock tank barrels of oil per day

Inside Information

This announcement contains inside information as stipulated under the market abuse regulation (EU no. 596/2014). Upon the publication of this announcement via regulatory information service this inside information is now considered to be in the public domain.

Competent Person

The technical information in this release has been reviewed by Dr Robert Trice, who is a qualified person for the purposes of the AIM Guidance Note for Mining, Oil and Gas Companies. Dr Robert Trice, Chief Executive Officer of Hurricane Energy plc, is a geologist and geoscientist with a PhD in geology and has over 30 years' experience in the oil and gas industry.

Standard

Resource estimates contained in this announcement have been prepared in accordance with the Petroleum Resource Management System guidelines endorsed by the Society of Petroleum Engineers, World Petroleum Congress, American Association of Petroleum Geologists and Society of Petroleum Evaluation Engineers.