

8 July 2020

Hurricane Energy plc

("Hurricane" or the "Company")

Operational and Corporate Update

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

Lancaster EPS Quarterly Production Update

		Q1 2020	Q2 2020
Oil Production⁽¹⁾	Million barrels (MMbbls)	1.4	1.3
Average Oil Rate	Barrels of oil per day (bopd)	14,900	14,300
Average Water Cut⁽²⁾	% total fluids	17%	21%

1. The table shows the combined oil production from the 205/21a-6 and 205/21a-7z wells during each quarter.

2. Expressed as total water produced divided by total fluid (oil and water) production in each quarter

Since the Company's last update on 8 June 2020, the 205/21a-6 well on the Lancaster field has produced at an average rate of c. 12,000 bopd. The increase in oil production from the 205/21a-6 well implemented on 5 June 2020 has, as expected, been accompanied by an increase in produced water. Prior to commissioning of the Electric Submersible Pumps ("ESPs"), the volume of water production from the 205/21a-6 well represented a water cut of c.11% compared to 8% immediately prior to 5 June.

Following the relaxation of COVID-19 restraints on UKCS offshore operations, on 3 July 2020 the Company began commissioning the ESPs in the Lancaster production wells. Both the 205/21a-6 and 205/21a-7z wells are currently flowing with use of the ESPs and delivering combined production of c.15,000 bopd. The Company plans to continue testing both wells on ESPs for a short period of up to two weeks before finalising its near-term production strategy. Further updates, including a stabilised water production rate, will be announced in due course.

The Aoka Mizu FPSO has maintained a high level of operational uptime. A planned annual week long maintenance shut down is provisionally scheduled for September 2020.

The 14th cargo of Lancaster oil was lifted in late June 2020, with the next lifting scheduled for late July 2020.

Technical review

As disclosed on 8 June 2020, the Technical Committee of Hurricane's Board is re-examining the full range of possible geological and reservoir models for the Lancaster field. The 2017 Competent Person's Reports attributed independently certified reserves to the Lancaster EPS development and contingent resources associated with the overall West of Shetland portfolio. The outcome of the technical review may lead to a material downgrade of these contingent resource estimates. Any such revisions would be formally reflected in a new Competent Person's Report, currently scheduled for release no later than the end of Q1 2021.

A decision on future operational activity will be informed by the technical review. While no decisions have been made on the nature and timing of future activity on Lancaster, the Company believes that, given the design and procurement lead times likely to be involved coupled with the constraints of the operational weather window West of Shetland during the winter months, any

well operations activity at the Lancaster field location would commence late in the first quarter of 2021 at the earliest.

Results of the technical review and future production plans are expected no later than the Company's interim 2020 financial results, which are provisionally scheduled for 11 September 2020.

Greater Warwick Area ("GWA")

The Oil and Gas Authority ("OGA") has given notice to the GWA joint venture of a proposed field determination area over local structural closure at the Lincoln discovery. Hurricane is committed to working with its partner Spirit Energy on the best route forward for the Lincoln discovery.

Hedging

During June 2020, the Company hedged a portion of its forecast production for the second half of 2020. A total of 1.8 MMbbls, or c.10,000 bopd, has been hedged through the purchase of put options with an average strike price of \$35/bbl. The average strike price of \$35/bbl represents a floor for the hedged volumes of 1.8 MMbbls, with the Company retaining any upside in oil prices above this level. The cost of acquiring the put options was \$3.4 million.

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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

bopd	Barrels of oil per day
FPSO	Floating production storage and offloading vessel
MMbbls	Million barrels
UKCS	UK Continental Shelf

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.