

14 May 2018

PRESIDENT ENERGY PLC
("President", "the Company" or "President Energy")

ARGENTINA UPDATE

Seven well workover programme now commenced at Puesto Flores
Long term gas test of three wells in Estancia Vieja to commence in June
Three well drilling programme at Puesto Flores now to start September

President Energy (AIM: PPC), the upstream oil and gas company with a diverse portfolio of production and exploration assets focused primarily in Argentina, provides an update in relation to its Neuquén Basin assets in Rio Negro Province, Argentina.

Key points

- A seven-well workover programme at Puesto Flores has already commenced comprising six producing wells and one water injector
- Long term test of gas wells in Estancia Vieja field combined with sales of gas produced to commence next month
- Accelerated three well drilling programme at Puesto Flores to commence in September with rig and main contractors identified

Workover programme at Puesto Flores field

Following the success of our initial workover programme in early 2018 which materially increased production, the recently announced follow-on programme has now commenced and will cover seven wells, six of which are designated production wells and the other a water injector well. The work will take between 2-3 months and further announcements as to progress will be made in due course albeit not on a well by well basis due to the number of wells involved.

Estancia Vieja field

Preparation has commenced for the long-term gas testing of three formerly shut-in gas wells which will be initiated in June. The gas produced from these 45 day tests will be sold through state of the art mobile LNG units based at the Estancia Vieja Battery. If the tests prove successful, the wells will be seamlessly placed on production with gas sold through these same units. The test results will be analysed to assess the optimum production levels from these previously drilled wells, the size of the gas reservoir as a whole at Estancia Vieja and its field development. President does not rule out other routes to market/use of the gas subject to volume.

Currently President only sells a modest amount of gas from its Puesto Flores field receiving approximately US\$30k per month with the balance of gas produced used for internal field purposes, so the expected gas sales proceeds from the testing should substantially increase that amount.

Drilling programme at Puesto Flores

This has now been accelerated further to start in September. The programme is now projected to comprise two development wells and one step out appraisal well. The inclusion of the step out appraisal well is due in no small part to the identification that not all production in this field can be explained as coming from four-way closures; there may be combined traps (stratigraphic and structural simultaneously) extending beyond the previously defined field boundaries within the Concession.

Argentina macro news

President notes the media attention given to matters concerning the peso exchange rate and inflation within Argentina. Whilst clearly and understandably these are matters of importance to the country, there are no current or envisaged material adverse changes to President's financial position or prospects. President agrees, sells and gets paid for its oil and gas monthly on the basis of a dollar value for which payment is receivable in pesos at the prevailing peso/dollar exchange rate calculated at the date the monthly monies are actually paid; for example, for oil production in the month of April from Puesto Flores, President received US\$66.5/bbl converted to pesos at the time of payment for the oil. For the avoidance of doubt, President's Argentinian bank loan has its reference for both capital and interest in dollars.

Such media attention has, to a certain degree, hidden last week's significant positive development in the Argentine Congress. This is particularly relevant to the ongoing preparations for the listing of the Company's shares on the Argentine Stock Market as, according to the Financial Times, approving a new capital markets law, should boost the chances of Argentina being promoted to emerging market status by the MSCI benchmark equity index in June.

General Update and 2017 Accounts

The Company expects to announce its year end results in early June at which time the Company will also provide a further update on all of President's assets in both Argentina and Paraguay as well as a trading update for Q1 2018.

Peter Levine, Chairman of President, commented:

"Action has commenced at our Neuquén Basin assets which will see us working continuously between now and the end of the year with the objective of achieving significant organic growth by the end of this year.

Our confidence and commitment to the country of Argentina and its prospects is underlined by the steadfast determination to increase and accelerate investment as well as the continuing plans to list our shares in Argentina and look for sympathetic, value generating acquisitions in the country."

Victor Linari, Master in Geology and Geophysics and Member of Society of Exploration Geophysicists, who meets the criteria of qualified persons under the AIM guidance note for mining and oil and gas companies, has reviewed and approved the technical information contained in this announcement.

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Notes to Editors

President Energy is an oil and gas company listed on the AIM market of the London Stock Exchange (PPC.L) primarily focused in Argentina, with a diverse portfolio of operated onshore producing and exploration assets. The Company currently has independently assessed 1P reserves in excess of 15 MMboe and 2P reserves of more than 27 MMboe.

The Company has operated interests in the Puesto Flores and Estancia Vieja Concession, Rio Negro Province, in the Neuquén Basin of Argentina and in the Puesto Guardian Concession, in the Noroeste Basin in NW Argentina. The Company is focused on growing production in the near term in Argentina. Alongside this, President Energy has cash generative production assets in Louisiana, USA and further significant exploration and development opportunities through its acreage in Paraguay and Argentina.

President Energy's third largest shareholder is the IFC, part of the World Bank Group and is actively pursuing value accretive acquisitions of high quality production and development assets in Argentina capable of delivering positive cash flows and shareholder returns. With a strong institutional base of support and an in-country management team, President Energy gives UK investors rare access to the Argentinian growth story combined with world class standards of corporate governance, environmental and social responsibility.

This announcement contains inside information for the purposes of article 7 of Regulation 596/2014

