

27 July 2018

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

**PUESTO FLORES/ESTANCIA VIEJA CONCESSION UPDATE**

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 workover programme at the Puesto Flores/Estancia Vieja Concession ("the Concession") in Rio Negro Province, Argentina.

**Key points**

- Current total Concession oil production continues in the range of 2,000-2,100 bopd with workover programme still continuing
- Planning continues for the three development well drilling programme at Puesto Flores, scheduled to commence end September 2018
- The costs of all drilling work, like the current workover programme, will be funded by President out of its own resources and facilities
- First extended gas test at Estancia Vieja of the previously untested well, EV 8, demonstrated stable production capability of approximately 200 boepd
- Second gas well, EV 19, now on extended test and expected to show capability of 250 boepd
- Size of gas container being assessed with indications that it is more than enough to provide gas generated electrical power to fully supply both fields in the Concession, providing material operating cost savings
- Initial planning in progress so that the entire Concession will be self-sufficient in power by late 2018/ early 2019

**Current oil production**

Work on the current workover campaign is continuing with two wells still to be completed and come on stream. Oil production from the Concession (President-90% Operator and Ediphsa-10%) is currently 2,000-2,100 bopd, an increase of approximately 70 per cent since President acquired its interest in the Concession. The financial benefits of this increase will be felt in H2 2018.

The work so far has been completed under budget and without incident, with results ahead of expectations.

**New drilling**

Plans are advancing to commence drilling of three new development wells at Puesto Flores commencing end of September. The rig has been secured with work estimated to last three months.

Further details of the programme, as well as costs and projected production per well, will be announced in due course after final consultations with our partners Ediphsa and the Rio Negro provincial authorities.

The cost of the work will be funded out of the Group's existing resources and facilities.

### **Estancia Vieja gas tests**

The extended testing of gas wells at the Estancia Vieja field is underway and has achieved successful results so far.

The first well tested was EV-8, a well not previously tested by President. It has now been determined after a series of pressure build up tests that the well, at least in the short to medium term, should be capable of stable production of approximately 1.2 MMscf/d (200 boepd). This alone is more than sufficient to generate electricity to power both the Estancia Vieja and the Puesto Flores fields, providing substantial cost savings in respect of the fields' operational costs.

Testing has now moved on to EV-19 where initial signs are that this well is capable of stable production in the short to medium term of some 250 boepd.

Existing test data from EV-13 where a short-term test earlier in the year produced results similar to EV-8, will also be used to assess the full capacity of the existing wells and field potential.

President has now commenced planning for the installation of necessary systems and infrastructure to self-generate power. The permission process and infrastructure will take time to accomplish and President will engage and consult with its partner Ediphsa and the regional authorities. Subject to the results of such consultations and the time frames to obtain required permits, it is expected that the installations can be completed by early in 2019. A further announcement will be made as plans mature including giving details of costs of implementation.

President and its partner will consider the best commercialisation of excess gas production when a better understanding is gained as to the size of the gas field at Estancia Vieja, including the existing wells, and the potential for additional future developments.

### **Peter Levine, Chairman of President, commented:**

"The end of H1 2018 demonstrated significant progress in our oil production arising from what we can already say is a successful current workover programme."

The second half of the year at our Rio Negro Concession is slated to be just as, if not more, busy with three new wells projected and activities relating to exploiting gas production from Estancia Vieja."

We remain grateful for the support, understanding and assistance of our partners Ediphsa and the Rio Negro authorities"

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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**Glossary**

Bopd-barrels of oil per day

Boepd-barrels of oil equivalent per day ( oil, gas and condensate)

MMscf/d- million cubic feet of gas per day

**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