

Genel Energy PLC (GENL)

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28 February 2019

Genel Energy plc

Update on Sarta and Qara Dagħ

Genel Energy plc ('Genel' or 'the Company') is pleased to announce that approval has been given by the Kurdistan Regional Government ('KRG') regarding the acquisition of stakes from Chevron in the Sarta and Qara Dagħ blocks, in the Kurdistan Region of Iraq.

The acquisitions have now closed and Genel therefore has 30% equity in the Sarta PSC, with Chevron holding 50% and the KRG the remaining 20%. Final investment decision relating to Sarta phase 1A development has now been taken.

Phase 1A begins with two wells, recompleting the Sarta-2 well and placing the Sarta-3 well on production, both of which flowed approximately 7,500 bopd on test, and the construction of a central processing facility with a 20,000 bopd capacity. Another well is expected to follow within twelve months of first oil, and further production capacity will be added as the field is developed and production ramps up. First oil is expected in 2020, with a total cost to Genel estimated at \$60 million to the end of 2020.

Genel has booked an initial 10 MMbbls of net 2P reserves relating solely to this preliminary phase of the project. Unrisked gross mid case resources relating to the Mus-Adaiyah reservoir only are estimated by Genel at c.150 MMbbls, with overall unrisked gross P50 resources currently estimated by the Company at c.500 MMbbls.

Genel now holds 40% equity in the Qara Dagħ PSC and is the operator, with Chevron holding 40% and the KRG the remaining 20%. Work is underway on assessing the optimal location for the Qara Dagħ-2 well, which is set to be drilled in 2020. Unrisked gross mean resources at Qara Dagħ are currently estimated by Genel at c.200 MMbbls.

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Notes to editors:

Genel Energy is an independent oil and gas exploration and production company listed on the main market of the London Stock Exchange (LSE: GENL, LEI: 549300IVCJDWC3LR8F94). The Company, with headquarters in London and offices in Ankara and Erbil, is one of the largest London-listed independent oil producers, and is the largest holder of reserves and resources in the Kurdistan Region of Iraq. Genel has highly cash-generative oil production from the Taq Taq and Tawke licences, with material growth potential from other assets in the portfolio. Genel also continues to pursue further growth opportunities. For further information, please refer to www.genelenergy.com.

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