

**SOCO International plc**  
("SOCO" or the "Company" or, together with its subsidiaries, the "Group")

**TRADING AND OPERATIONS UPDATE**

SOCO International plc, an international oil and gas exploration and production company, issues the following trading and operations update in advance of its half year results due to be announced on 11 September 2019.

**FINANCIAL UPDATE**

- Cash balances as at 30 June 2019 were approx. \$66m
- Vietnam revenues for the first half of 2019 were circa \$80m
- The average realised oil price per barrel from Vietnam over the same period was just under \$70/bbl, representing a premium to Brent of nearly \$4/bbl
- Egyptian revenues between completion on 2 April and 30 June were circa \$12m
- The average realised oil price per barrel from Egypt achieved over the same period was approx. \$63/bbl, representing a discount to Brent of circa \$5/bbl

A dividend of 5.5 pence per share for 2018 was approved at the AGM on 23 May 2019 and approx. \$27m was paid on the 31 May 2019.

The 2019 capital expenditure forecast for Vietnam has reduced from \$33m and is expected to be in the region of \$22m following the rescheduling of the start of the drilling campaign to late Q4, of which \$10m is for development work on the TGT field, and the remaining \$12m allocated for the purchase, processing and interpretation of seismic data on Blocks 125 & 126. In Egypt, capital expenditure following completion of the two-rig programme is expected to be approx. \$30m.

A full financial update will be provided in the half year results on the 11 September 2019.

**OPERATIONS UPDATE**

**VIETNAM**

**PRODUCTION**

Production for the first half of 2019 from the TGT and CNV fields net to the Group's working interest averaged 7,279 boepd. This is in line with the Vietnam production guidance for 2019 given on 14 February 2019 which remains unchanged at 6,500 -7,500 boepd.

TGT production averaged 18,469 boepd gross and 5,571 boepd net. CNV production averaged 6,832 boepd gross and 1,708 boepd net.

**DEVELOPMENT AND OPERATIONS**

**Block 16-1 - TGT Field (30.5% interest; operated by HLJOC)**

Tendering for equipment and services to execute the approved 2019 work programme of the two firm and two contingent infill wells is ongoing and work to secure a rig is underway. It is still anticipated that these wells will not be drilled before late 2019.

**TGT COMPRESSORS AND FPSO TIE-IN AGREEMENT (TIA)**

As planned upgrade work to the compressors is due to commence in Q4 2019 with completion expected to be in H1 2020.

Negotiations on a new TIA between the HLJOC and the third-party, the Thang Long Joint Operating Company (TLJOC) continue. The interim agreement between the HLJOC and TLJOC, incorporating a cost sharing mechanism remains in place.

## EXPLORATION

### Blocks 125 & 126 (70% interest, SOCO-operated)

Acquisition of 7,000km of new 2D seismic was completed on 31 May 2019 on time and within budget. The seismic data is being processed and analysed to identify areas for further 3D seismic acquisition next year.

### EGYPT

The acquisition of Merlon Petroleum El Fayum completed on 2 April 2019. A second rig was contracted after completion and arrived in June 2019. Drilling operations with the second rig have commenced and the first well was spudded on 16 July 2019.

SOCO's production guidance for the El Fayum concession continues to be a 2019 exit rate of 6,500 bopd, as previously announced on 23 May 2019.

Production from the El Fayum concession averaged 5,262 barrels of oil per day (bopd) from 2 April to 30 June 2019.

Following completion in early April, our recent activities and forward plans for Egypt are focused on;

- Improving HSSE standards
- Drilling more production wells
- Drilling additional injector wells to enhance the secondary water flooding in the core El Fayum fields
- Optimising the crude off-take arrangements in Egypt, including evaluation of various refinery and pipeline options to provide maximum flexibility for future production growth

### ENQUIRIES:

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### NOTES TO EDITORS

SOCO is an international oil and gas exploration and production company, headquartered in London and traded on the London Stock Exchange. The Company has a vision and strategy to become a full cycle and growth orientated E&P company of scale.

SOCO has production, development and exploration interests in Vietnam.

SOCO holds a 30.5% working interest in the Te Giac Trang Field in Block 16-1, which is operated by the Hoang Long Joint Operating Company. Block 16-1 is located in the shallow water Cuu Long Basin, offshore southern Vietnam.

SOCO holds a 25% working interest in the Ca Ngu Vang field in Block 9-2, which is operated by the Hoan Vu Joint Operating Company. Block 9-2 is located in the shallow water Cuu Long Basin, offshore southern Vietnam.

SOCO holds a 70% interest in and is designated operator of Blocks 125 & 126, located in the moderate to deep water Phu Khanh Basin, offshore central Vietnam.

In April 2019, SOCO acquired a 100% working interest in the onshore El Fayum concession in the Western Desert, Egypt, around 80km south west of Cairo. The concession includes ten active development leases for oil fields operated by Petrosilah, an Egyptian joint stock company held 50 / 50 between the SOCO Group and the Egyptian General Petroleum Corporation.