

Gulf of Mexico Update

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LENI GAS AND OIL PLC

("LGO" or the "Company")

Gulf of Mexico Update

Leni Gas & Oil plc today announces potential short-term impacts following the recent announcements by Leed Petroleum plc ("Leed").

Leed has notified the Company that with immediate effect it has temporarily suspended production from the Eugene Island -184 ("EI-184") and Ship Shoal-201 ("SS-201") platforms where LGO has interests in the Gulf of Mexico. This follows the decision of Leed's Board of Directors to cease business operations at the end of March. LGO holds net royalty interests in the EI-184 development ranging from 2.50540% to 6.04167% and receives a 0.4714% overriding royalty interest from SS-201. Leed has indicated that these suspensions are expected to be temporary and will be reviewed once their principle creditor, UniCredit Bank AG ("UniCredit"), has appointed a receiver.

Production from EI-184 has been seriously constrained during 2011 awaiting the planned recompletion of the A-8 well and consequently the present shut-in has only marginal impact on the Company's financial projections for 2011. The longer term impact is considered to be a deferral of production which is expected to be restored with reserves recovered at a later date.

The Company continues to monitor the situation closely and has notified Leed and UniCredit of its wish to see production operations restored without delay.

Competent Person's Statement:

The information contained in this announcement has been reviewed and approved by Neil Ritson, Chief Executive Officer and Director for Leni Gas & Oil Plc who has 35 years of relevant experience in the oil industry. Mr. Ritson is a member of the Society of Petroleum Engineers, an Active Member of the American Association of Petroleum Geologists and is a Fellow of the Geological Society of London.

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NOTES TO EDITORS

Leni Gas & Oil Plc is an international oil and gas exploration, development and production company headquartered in London, trading on the London Stock Exchange's AIM index. LGO's strategy is to acquire projects and businesses within the oil and gas sector that contain a development premium which can be unlocked through a combination of financial, commercial, and technical expertise.

LGO operates a low risk portfolio of production expansion assets in the US Gulf of Mexico, Spain and Trinidad, and holds non-operated exploration acreage Malta. LGO's assets have significant play upside using strategies which leverage novel extraction technologies and proven production enhancement techniques. LGO specifically targets near term production with upside exploitation potential and manages its portfolio to ensure all assets have accelerated incremental reserves and production enhancement programmes.

The company news service from the London Stock Exchange