



CHRYSAOR

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**CHRYSAOR ANNOUNCES
RIG CONTRACT SIGNED FOR SPANISH POINT DRILLING PROGRAMME & IRISH
GOVERNMENT APPROVAL FOR CAIRN TRANSACTION**

Chrysaor Holdings Limited, (“Chrysaor” or the “Company”), an independent exploration and production company focused on developing and commercialising oil and gas discoveries in the UK North Sea and Ireland, is pleased to announce Cairn Energy PLC (“Cairn”) has today, on behalf of the co-venturers, entered in-to a contract to secure a drilling rig for the planned Spanish Point appraisal well located in FEL 2/04, in the Porcupine Basin, Quad 35 area offshore West of Ireland.

Cairn, and its co-venturers, Chrysaor, Providence Resources and Sosina Exploration Ltd, will use the “Blackford Dolphin” which is an enhanced Aker H3 deep-water semi-submersible rig which underwent a \$400 million upgrade in 2006.

Subject to obtaining the necessary government approvals, the rig will be mobilised to begin operations on this well in Q2 2014 on licence FEL 2/04.

Spanish Point is potentially a significant gas/condensate field. The initial Spanish Point discovery was made by Phillips in 1981, with exploration well 35/8-2 and lies at the northern end of the Porcupine Basin in approximately 400m of water. Chrysaor first farmed into the acreage in 2008. Following this, the Company acquired 3D seismic over the area, which, after extensive analysis, confirmed the Spanish Point partner’s view that Quad 35 holds material hydrocarbon potential.

A Competent Persons Report prepared by Senergy in the first quarter of 2013 attributes gross 2C resources to Spanish Point of just under 100mmboe and upside 3C in excess of 200mmboe. This next well will seek further information on possible field volumes and also gather additional data on static reservoir properties.

On 7th May, 2013, it was announced that Cairn had entered in-to a farm-out transaction with Chrysaor and Sosina subject to government and partner approvals, which have now been received. Following this transaction, Cairn has a 38% working interest (WI) in two exploration licences and one licensing option offshore West of

Ireland with co-venturers Chrysaor (26% WI), Providence (32% WI) and Sosina(4% WI).

Commenting, Phil Kirk Chrysaor CEO, said:

“We are very pleased that the rig contract has now been signed for the Spanish Point appraisal well and look forward to the upcoming appraisal drilling operations.

Following on from our successful fund raising announced last week, we are now in a very strong position to deliver on our ambitious growth objectives for our stakeholders.”

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About Chrysaor

Chrysaor is an independent exploration and production company established in 2007. The Company is focused on developing and commercialising oil and gas discoveries in the North Sea and Ireland.

The company is clearly differentiated by its strategic focus in areas where significant dormant reserves exist which may have been overlooked by others, and where Chrysaor’s proven technical, commercial and geological ability can deliver exceptional returns to its stakeholders.

Chrysaor has built an exciting portfolio of assets with a strong balance between near term development and production growth combined with significant gearing to appraisal and exploration success.

In the UK North Sea, the company owns 40% of the Solan licence (P164) covering block 205/26a. Solan is due on stream in 2014 (circa 10,000 bopd net to Chrysaor). The company also has a 100% interest in the Phoenix discovery in licence P1578, covering block 13/22b. This is a near term development opportunity which has been geologically appraised and where the focus is now on commercialisation. The Company was also awarded 3 licenses covering 15 blocks in the UK 27th Licensing Round.

Following the recent farm-in by Cairn Energy, Chrysaor retains up to 36% in Quad 35 licenses 2/04 & 4/08 West of Ireland, which provide a near term appraisal opportunity at Spanish Point (2C contingent reserves 97mmboe) and material exploration upside, and up to 28% in the 11/2 licensing option with multiple leads and prospects identified.

Chrysaor has a highly experienced management team with a proven track record of delivering real value in both public and private companies, latterly as part of the CH4 Energy Limited (“CH4”) team that operated the Markham, J3-C, Windermere and Chiswick fields in the UK & the Netherlands. CH4 was sold to Venture Production PLC in 2006 for €225m.