

Doriemus Plc

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David Lenigas

Executive Directors
Greg Lee
Donald Strang

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Corporate Information:
ASX Code: DOR

ASX / Media Announcement

16 November 2018

Excellent Oil Flow Rates and Sales from Horse Hill

Horse Hill-1 ("HH-1") Portland and Kimmeridge oil discovery, Weald Basin, UK

Highlights of 2018 Horse Hill -1 Extended Well Test Milestones to date:

- Approximately US\$1.1 million gross 2018 HH-1 oil sales achieved to date from the KL3 and Portland (this figure excludes the KL4 oil reservoir, which will be tested shortly).
- 13,920 bbl (2.21 million litres) total KL3 and Portland production as of 07:00 14 November.
- 10,248 bbl (1.63 million litres) of 40° API produced solely from the KL3 as of 07:00 14 November.
- Total KL3 gas production to date is 3.5 million cubic feet ("cu ft").
- 15,860 bbl (2.52 million litres) aggregate total oil production to date from the 2016 and 2018 tests.

David Lenigas, Doriemus's Executive Chairman, commented:

"Following on from the very successful Portland sandstone reservoir flow testing on the HH-1 well announced a month ago, the HH-1 Kimmeridge limestone oil flow testing continues to provide excellent results. The 2018 EWT's total test production of almost 14,000 barrels of oil, with over 10,000 barrels to date from the single Kimmeridge KL3 horizon alone, firmly establishes Horse Hill as a commercially viable oil field. These "hard fact" production numbers, together with about US\$1.1million of sales revenues to date, undoubtedly marks a very significant milestone for Doriemus. The Horse Hill partners will spare no effort to push towards full time production. We now look forward to the forthcoming KL4 EWT programme and the prospect of KL3 and KL4 commingled test production that will take us up to the spud of the HH-2 and HH-1z production wells in 2019."

Doriemus Plc (ASX: DOR) ("Doriemus" or the "Company"), is pleased to announce that Horse Hill Developments Limited ("HHDL"), the operator of the HH-1 Kimmeridge Limestone and conventional Portland Sandstone oil discovery near London's Gatwick international airport, has informed the Company that total oil production from the 2018 Extended Well Test ("EWT") has reached 13,920 barrels ("bbl") approximately 2.21 million litres, with gross oil sales revenues of approximately US\$1.1 million.

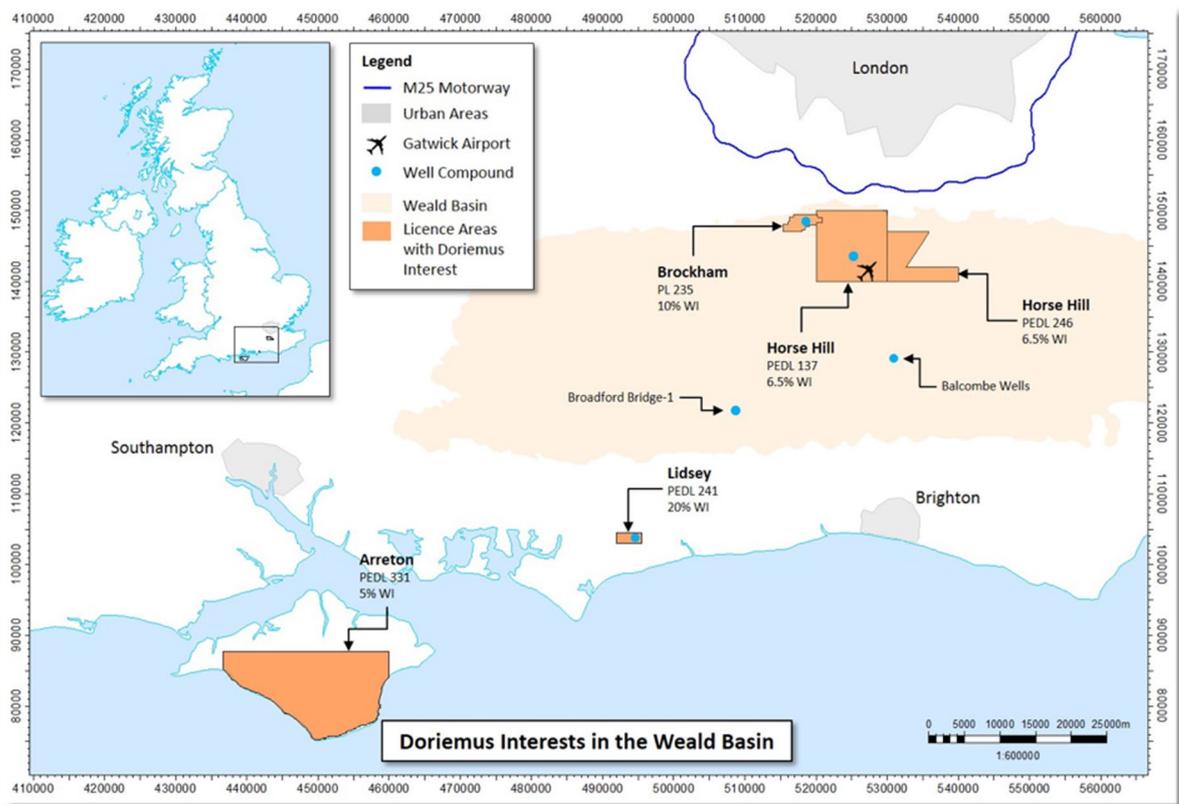
The Operator advises that 2018 HH-1 oil production to date comprises 10,248 bbl (1.63 million litres) of 40° API oil from the Kimmeridge Limestone 3 ("KL3") and 3,672 bbl (c. 584,000 litres) of 35° API oil from the Portland. No formation water was returned to surface from either the KL3 or Portland. The KL4 EWT programme is planned to commence shortly following the ongoing final KL3 pressure build up test. Key points and further details are summarised below.



KL3 EWT Update:

- 10,248 bbl of KL3 oil was produced over 30 days of sustained daily natural and pumped flow from an 83 ft perforated interval. The programme included 9 days of pressure build-ups (or “shut-ins”) and downhole sampling. Production was achieved via a variety of choke sizes whilst attempting to maintain a stable bottom hole pressure. No formation water was returned to surface; however, small intermittent slugs of completion brine were recorded.
- KL3 produced at an initial metered natural flow rate of 771 barrels of oil per day (“bopd”), with a maximum recorded half hourly rate of 902 bopd. The average daily rate over the full test period was 342 bopd. Prior to the final shut-in period the well was producing oil at a bottom hole pressure of around 800 psi.
- Total KL3 gas production to date is 3.5 million cubic feet (“cu ft”), with daily produced amounts through the enclosed flare falling within the Environment Agency’s permitted limits and parameters.
- EWT results to date indicate that the KL3 oil pool “seen” by HH-1 is commercially viable. Consequently, following completion of the KL4 EWT, continued test production of a commingled KL3 and KL4 oil stream is planned.
- Other than at weekends, when planning restrictions apply, over 40 road tankers (of 220 barrels crude oil capacity) have exported KL3 crude oil to BP’s Hamble oil terminal, with around 500 barrels of stock tank oil remaining at the site for subsequent export. The KL3’s Brent quality crude has been sold at prevailing Brent crude oil prices less a small deduction for handling.
- KL4, which flowed at a reported stable dry oil rate of 901 barrels of oil per day over a 4-hour period in 2016, will be flow tested after completion of the current KL3 pressure build-up.

Figure 1: Doriemus Plc’s UK onshore oil and gas assets:



Doriemus Plc interest in Horse Hill:

Doriemus owns 10% of HHDL, which owns 65% of the Horse Hill Licences which hosts the HH-1 oil discovery well located in PEDL137 in the UK’s onshore Weald Basin, or a 6.5% attributable interest in the licences. (See Figure 4 for location).

QUALIFIED PETROLEUM RESERVES AND RESOURCES EVALUATOR STATEMENT:

Pursuant to the requirements of the ASX Listing Rules, the technical information and resource reporting contained in this announcement was prepared under the supervision of Mr. Gregory Lee, who is the Technical Director of the Company. Mr. Lee has more than 30 years' diversified experience in the petroleum industry. Mr. Lee is a chartered professional Engineer (CPEng) and a member of the society of petroleum engineers (MSPE) and has been an independent consultant Petroleum Engineer since 1992 and has sufficient experience in exploration for, appraisal and development, operations of oil and gas resources.

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FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE:

This document may contain forward looking statements that are subject to risk factors associated with the oil and gas industry. Forward looking statements include but are not necessarily limited to statements concerning Doriemus's planned operations and other statements that are historic facts, when used in this announcement, the words such "could", "plan", "estimate", "expect", "intend" "may", "potential", "should" and similar expressions are forward looking statements. Although the expectations reflected in these statements are reasonable, they involve risks and uncertainties, and may be affected by many variables which could cause actual results or trends to differ materially. No assurance can be given that actual results will be consistent with these forward-looking statements.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.