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ASX / Media Announcement

18 January 2021

Horse Hill Field Update

Doriemus Plc (ASX: DOR) (“Doriemus” or the “Company”), announces that it has been informed by UK Oil & Gas Plc (“UKOG”), the majority owner of the operating company Horse Hill Developments Limited (“HHDL”), the operator of Horse Hill licences, of the following operational update in regards to the status and future planning for The Horse Hill Oil Field.

Horse Hill (“HH”) Petroleum Exploration and Development License:

Production

To date, the field has produced and exported over 132,000 barrels (“bbl”) of Brent quality crude from its Kimmeridge and Portland oil pools. Despite the downtime for the Horse Hill-1 well (“HH-1”) intervention in Q4 2020, the total Portland oil production for the December quarter was 7,045 bbl.

On 5 November 2020, UKOG completed an intervention to reperforate the full Portland oil producing section, insert a new simplified production tubing string and set the downhole pump at a deeper level to hopefully increase Portland pumping efficiency.

This intervention was immediately followed by an ongoing series of production optimisation trials in an attempt to achieve an optimum balance between oil revenues and water handling and other operational costs. Trials include well-cycling (i.e. shutting in the well for a set period each day to reduce water inflow) and pump fill optimisation. The trials are expected to continue for several months. The operator reports that preliminary results are encouraging, with stable water influx levels achieved by the end of 2020.

Water reinjection plans

Horse Hill's planning consent includes a provision for a formation water reinjection well. Consequently, to remove the need for costly off-site water disposal via tanker and to also help maximise oil recovery by supporting reservoir pressure, the Operator reports that it plans to reconfigure Horse Hill-2z well (“HH-2z”) into a water re-injection well as soon as practicable, subject to regulatory consent.

Infill drilling plans

The operator reports that it has completed the interpretation of static and flowing data from November’s Pressure Build Up (“PBU”) test sequence and can confirm the HH-1 estimated connected oil in place volumes of 7-11 mmbbl as reported in October 2018. The Operator reports that technical work is ongoing to further characterise the

Portland reservoir's delivery mechanisms and, in particular, the prevalence and role of the natural fracturing within the Portland section.

The integration of the PBU data, HH-2z rock data, and a completely revised seismic interpretation has provided a far better understanding of the Portland reservoir. Several infill drilling opportunities have now been identified in the Portland oil pool, all up-dip of HH-1 (i.e., at a shallower depth within the oil pool) and above the oil-water contact.

The operator reports that post the flow testing of the Kimmeridge oil pool, during which 52,780 bbl of 40° API oil were produced, further development of the Kimmeridge oil pool also remains an objective for the project. Consequently, the operator plans to drill an infill well to determine the lateral extent of the Kimmeridge oil pool, proven by HH-1 to lie within a natural fracture system of significant vertical extent.

The planned Kimmeridge HH-4 well, also situated updip of both HH-1 and HH-2z, is likely to be a highly inclined or "slant" well, designed with a lateral orientation approximately orthogonal to the known regional open natural fracture direction, so as to maximise the number of open fractures penetrated.

The operator reports that it expects to plan to drill HH-3 Portland and HH-4 Kimmeridge infill wells at Horse Hill once the operator has completed its appraisal drilling campaign on a totally unrelated project to Horse Hill.

Doriemus currently owns 4% of Horse Hill Developments Limited ("HHDL"), which owns 65% of two Petroleum Exploration and Development Licences ("PEDL") PEDL137 and PEDL246 in the northern Weald Basin between Gatwick Airport and London. The PEDL137 licence covers 99.29 km² to the north of Gatwick Airport in Surrey and contains the Horse Hill-1 ("HH-1") discovery well. PEDL246 covers an area of 43.58 km² and lies immediately adjacent and to the east of PEDL137 which hosts the HH-1 oil discovery well located in PEDL137 in the UK's onshore Weald Basin. This equates to a 2.6% attributable interest in the licences HHDL is the nominated operator ("Operator") of the Horse Hill License.

CONTACT:

Glossary

API	a measure of the density of crude oil, as defined by the American Petroleum Institute
naturally fractured reservoirs	fractured reservoirs contain cracks or surface of breakage within rock; fractures can significantly enhance the permeability of rocks by connecting pores together; naturally fractured reservoirs have been created over geological time by nature, not man-made via hydraulic fracturing
oil field	an accumulation, pool or group of pools of oil in the subsurface that produces, or can produce, oil to surface
oil in place	The quantity of oil or petroleum that is estimated to exist originally in naturally occurring accumulations in the ground before any extraction or production
water cut	water produced from a formation as a percentage of the total liquids produced

For further information on this update or the Company generally, please visit our website at www.doriemus.co.uk or contact:

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QUALIFIED PETROLEUM RESERVES AND RESOURCES ESTIMATOR STATEMENT:

Unless otherwise specified or referenced, the technical information and resource reporting contained in this announcement was prepared by, or 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.