20 May 2019

HAGUE AND LONDON OIL PLC

("HALO", "the Company")

PUBLICATION OF 2018 ANNUAL REPORT

Hague and London Oil plc, the oil and gas company with a diverse portfolio of production, development, appraisal and exploration assets primarily focused in the Southern North Sea, is pleased to announce the publication of its 2018 annual report which can be found on the Company's website at www.haloil.co.uk .

Financial

- HALO net average production of 2,391boepd, with forecast production of 2,500-2,600boepd in 2019
- Net sales in 2018 of 5.1Bcf and recorded revenues of £31.1m (2017: £4.3m)
- Cashflow from operations of £12.3m (2017: £2.2m) with operating profit (before interest and taxes) of £6.5m (2017: £0.2m)
- 2018 capital expenditures of £4.9m
- Year-end cash position of £11.3m
- Proven plus probable ("2P") reserves of 17.2mmboe between Holland and the UK

Netherlands

- L13-FI development brought on stream €45m under initial agreed budget in August 2018
- L13-FI produced around 4.7Bcf since startup with base case recoverable reserves of 48.4-59.6 Bcf
- Gross direct opex for the JDA has been brought down from €179m in 2016 toward a budget target of €104m in 2019
- E18-A field reached its economic limit, and permanently ceased production on 24th September 2018
- During 2018, operators NAM and Neptune successfully negotiated a lifetime extension project for the JDA satellite fields K12-B and K12-B9
- E15c partnership is currently considering drilling in the Maple prospect in 2020, based on the data made available, and interpreted, in 2018 to the Partners.
- Group has progressed its F5 & F4 applications, and subsequent F12 application, with results anticipated in 2019.
- TTF price average of €21.90/Mwh in 2018 versus €17.09/Mwh in 2017

UK

- Company announced acquisition of Third Energy Offshore Limited ("TEOL") in September 2018 in the UK which successfully closed on 28 December 2018
- TEOL transaction was achieved by HALO issuing 5.75mm shares to Third Energy Holdings Ltd
- TEOL's primary asset is a 45% working interest in the Greater Pegasus Area; this includes a number of natural gas discoveries including the proposed Pegasus West Development; operated by Spirit Energy (55%).
- Initial field development plan (FDP) for Pegasus West was submitted to the UK's Oil and Gas Authority (OGA) in 2018 by Spirit and TEOL; subsequently re-submitted in HALO's name later in January 2019

- OGA currently reviewing the FDP and communicating with the partners with the intention of making a final investment decision (FID) in 2019

Outlook

- HALO also remains committed to organic growth through new license applications, new ventures and continued exploitation of the existing portfolio
- Emphasis for 2019 will be on addressing the capital requirements associated with the planned FDP of Pegasus West and continuing to realize value throughout the portfolio
- Once the FDP progresses toward FID capital requirements can be fully assessed and addressed and, to the extent equity is needed, the Company will commence the process of an initial public offering (IPO) of its shares

Chairman's Statement

The past year has been very important for Hague and London Oil. As a Group, we enjoyed a full year's natural gas production offshore Holland from the November 2017 acquisition of our HALO E&P Netherlands BV subsidiary. Additionally, another transaction was announced and closed; the acquisition of Third Energy Offshore Ltd. (TEOL). TEOL's inclusion in the Group's portfolio expanded HALO's footprint into the United Kingdom's offshore sector.

We achieved our stated goals in 2018 through the integration of producing assets offshore Holland, associated infrastructure; and expanding our corporate presence to the UK. The Group recorded revenues of £31.1m (2017: £4.3m) and an operating profit (before interest and taxes) of £6.5m (2017: £0.21m). In cash terms, cashflow from operations was £12.3m (2017: £2.2m) and, after capital expenditures of £4.9m (2017: £3.9m), resulted in a year end cash position of £11.3m (2017: £3.8m). HALO's assets produced an average of 2,391boepd, net to the interests acquired and the Group now has net, proven plus probable ("2P") reserves of 17.2mmboe between Holland and the UK.

During the course of 2018, HALO continued to keep its sights on securing lower risk assets, in proven basins, within stable regulatory regimes, with access to infrastructure, and most importantly near-term production or development potential amidst a less competitive environment. As part of this continued strategy, the Group announced the TEOL transaction in September 2018 in the UK. The transaction successfully closed on 28 December 2018. Thus, HALO became an active participant in the UK's offshore sector.

The TEOL transaction was achieved by HALO issuing 5.75m shares valued at £5.0m to Third Energy Holdings Ltd ("TEHL") such that TEHL became the largest shareholder of the Company. A further £1.8m of deferred consideration is also payable. In short, the Company issued 19.25% of its equity, its first shares since the formation of HALO Plc in 2014, in exchange for ca. 7mmboe of (2P) reserves; ca. 70% increase, year on year, from 2017 reserves.

TEOL's primary asset is a 45% working interest in the Greater Pegasus Area; this includes a number of natural gas discoveries including the proposed Pegasus West Development, operated by Spirit Energy (55% working interest). An initial field development plan (FDP) for PW was submitted to the UK's Oil and Gas Authority (OGA) in September 2018 by Spirit and TEOL; it was subsequently re-submitted in HALO's name in mid-January of 2019. The OGA is reviewing the FDP and communicating with the partners currently in hopes of making a final investment decision (FID) in 2019.

The FDP envisages a single well, 56km sub-sea, tie-back to the Neptune Energy-operated Cygnus platform; then entering the Esmond Transportation System (ETS) pipeline to make landfall in Bacton. The Pegasus West well was drilled in 2014 and tested in 2015 at 92mmcfd from three separate zones; the initial plan would be to develop 83Bcf of reserves and is scheduled to come onstream between late 2021 and 2023.

HALO will also participate in the upcoming Andromeda exploration well within the Greater Pegasus Area; drilling and results are anticipated before year end 2019. This is considered to be a relatively low-risk exploration prospect; the Pegasus West FDP could serve as a template for further developments inclusive of an Andromeda success case.

The L13-FI development, in the Joint Development Area (JDA) operated by Nederlands Aardolie Maatschapij (NAM, a Shell/ExxonMobil joint venture) where HALO hold a 9.95% interest), was successfully brought onstream in August 2018, under-budget and ahead of schedule. Thus, L13-FI has made a material contribution to the JDA and HALO's portfolio; potentially serving as a hub for future developments proximal to the L13-FI platform. The development was significant to partners as it demonstrates the remaining potential of the JDA and the operator's ability to materially reduce costs and improve efficiency.

It was very encouraging to see the performance of natural gas prices in Europe through 2018. The Title Transfer Facility (TTF) price, the natural gas benchmark for Holland, saw consistent improvements month on month throughout the year. For example, TTF price averaged €21.90/Mwh in 2018 versus €17.09/Mwh in 2017. Prices have somewhat retreated so far in 2019. However, the 2018 TTF pricing supported the primary investment thesis by HALO in The Netherlands and the outlook remains relatively strong.

While the Group has been focused on acquisitions, HALO also remains committed to organic growth through new license and continued exploration of the existing portfolio. As mentioned in 2018, HALO has progressed its F5 & F4 applications. These applications were joined by the Group's subsequent F12 application. The Netherlands' Ministry of Economic Affairs (Ministry) has recently indicated that progress was being made with respect to the backlog of applications pending.

HALO eagerly awaits a conclusion to this process in 2019. The adjacent F5 & F4 Blocks (as well as F12), if awarded, represent highly sought-after acreage on "ground floor" terms wholly consistent with the Group's strategic focus. In all three cases (F4, F5 and F12) progress is being made and there are continued dialogues with the Ministry and potential partners, whilst still evaluating other possible applications.

In addition to these applications, and other new ventures, the Group has done a thorough review of the expanded exploration portfolio across the UK and Holland. The Andromeda project will likely dominate exploration efforts in 2019 while the Greater Pegasus Area (i.e. FID) will likely dominate capital expenditure. The Maple well, originally planned in E15c offshore Holland for early 2019, has been rescheduled for 2020. This scheduling better balances capital requirements and cash flow for 2019 and retains the upside potential Maple represents.

The last year was a very good twelve months for the Group, substantially building upon the successful transformation achieved in 2017. HALO looks forward to 2019 and beyond within the expanding portfolio. The emphasis for 2019 will be on addressing the capital requirements associated with the planned FDP of Pegasus West and continuing to realize value throughout the portfolio.

The Group's capital requirements will be addressed through a combination of cash flow, lending or structured facilities and new equity. Once the FDP progresses towards FID these capital requirements can be fully assessed and addressed. The portfolio has leveraging capacity and to the extent equity is needed the Group would commence the process of an initial public offering (IPO) of the Company's shares. Logically, any IPO would follow a positive FID for Pegasus West, the results of the Andromeda well and the full debt capacity of HALO having been assessed (inclusive of the Greater Pegasus Area).

This year, 2019, has started well for HALO with respect to the performance of the Company's assets and the progress within the recently expanded portfolio. The Company sincerely hopes to continue following the path established in 2017 and rapidly expanded upon in 2018. I would sincerely like to thank all of the Company's shareholders for their support throughout 2018 as well as all of HALO's staff and advisors for achieving the results of the last year. The Company has achieved much over last two years; and there is now a stable, formidable foundation to continue to move forward from.

The Netherlands

During 2018, HALO sold 5.1 Bcf of gas, net share, plus several condensate liftings. The bulk of this production came from the JDA, with the HiCal system producing 33.9 Bcf and LoCal 11.9 Bcf of gross sales. These JDA sales were somewhat below the operator budget of 42.4 Bcf and 14.4 Bcf, due to delays and difficulties in bringing some key wells back onto production, as well as an extended de-complexing project shutdown in the K8-FA field. At year end, HiCal was producing at 100.6mmscf/d gross, and LoCal at 37.3 mmscf/d gross.

A key highlight during 2018 was the completion of development drilling of the L13-FI field and the subsequent startup on 24th August. Since then, the field has produced at rates from 52.2 to 26.1 mmscf/day, generating some 4.7 Bcf of gross sales by year end. The final project cost was €117m, versus an initial AFE of €162m, showing the major efforts by the operator to bring down construction and installation costs. The development drilling resulted in a reduction in gas in place in the field versus FDP expectations, with Base Case GIIP falling from 163.9 Bcf to 104.3 Bcf. Currently estimated base case recoverable reserves are 48.4-59.6 Bcf, depending on the actual structural situation away from the wells, as well as intra-field communication.

Regarding the Netherlands operations, JDA operator NAM has been very successful in achieving a substantial reduction in JDA Direct and Indirect Operating Cost over 2017-2018. Direct opex has been brought down from €179m (gross JDA) in 2016 to a budget target of €104m in 2019. Indirect opex has likewise been reduced from €38m to €25m. These reductions have supported HALO's investment thesis with respect to the acquisition of 2017.

Since the completion of the L13-FI development, no further development or drilling is planned in 2019. The preliminary view of 2020 envisages the drilling of, at least, one infill well in L13 and one near-field exploration well in K7. Subsequent years assume one well per year. Discussion is ongoing in the partnership to fully quantify the significant remaining exploration and infill drilling potential within the JDA, and to ensure that it is drilled in a timely fashion within the remaining licence period (i.e. 2035).

The E18-A field reached its economic limit, and permanently ceased production on 24th September 2018. Decommissioning activities commenced in the fourth quarter of the year, with well abandonments starting in January 2019. The Joint Venture (JV) partnership successfully negotiated the sale of the E18-A topsides to the Sillimanite field development (for a gross purchase price of €2.25m).

During the year, technical work and commercial negotiations continued on drilling the fourth well in the JDA satellite field K18-G. The Joint Venture contemplates the drilling of this well in 2020.

During 2018, operators NAM and Neptune successfully negotiated a lifetime extension project for the JDA satellite fields K12-B and K12-B9. Production from these had originally been planned to be permanently shut down at the end of 2018, due to government regulation of emissions from the hub

K12-BP platform. In the alternative scenario, modifications will be made during 2019 to allow local compression and wet gas export to the Neptune hub L10 platform. Production is expected to restart in 4Q 2019 and continue thereafter for a lengthy period.

On the exploration front, the E Block JV gained access to a new 3D seismic survey which partially covers the Maple prospect. The JV completed technical work on the Triassic Maple exploration prospect in the E15c licence, and remaining Carboniferous prospectivity in the other E-Blocks. The E15c partnership have jointly agreed to offer the Maple well to the Ministry and the partnership is currently planning to drill in 2020 (under a licence extension). On the Carboniferous prospectivity in licences E10, E11 and E14, the partnership concluded that whilst there were a significant number of prospects, no further work is proposed on the Carboniferous in 2019, unless the Partners refocused therein. In 2018, the Partners withdrew from the E14 licence. However, Vincent may be reviewed for appraisal based on the results from Maple and any combined development plans.

Lastly, as a result of a (Netherlands Oil and Gas Production Association) NOGEPA/Ministry initiative, 2018 saw the formal submission of a template Decommissioning Security Agreement (DSA) to the Dutch oil and gas industry. The DSA contains a mechanism to determine whether security is required, and how much, on an annual basis, taking into account the future cashflow of the assets involved. Under current operator projections, it appears that of the various HALO assets, only the F16-E and K12-B/K12-B9 groups will be required to provide a security during 2019. The key JDA asset had sufficient future cashflow at year-end 2018 such that no DSA was required.

The United Kingdom

The Greater Pegasus Structure (GPS), located on the northern margin of the UK Southern North Sea (SNS) gas basin (Figure 1.), comprises separate gas charged segments, within a large, late Carboniferous anticlinal structure truncated by the Base Permian Unconformity (BPU).

It lies within the UKCS Blocks 43/13b, 43/14b, 43/17b, 43/18b, 43/19b and 43/12 (Licence P1724, P1727 and P2128) that are licensed by Spirit Energy (55% Operator) and HALO Offshore UK Ltd. (45%).

Four segments have been drilled to date and these have been found to be gas charged: Pegasus West (well 43/13b-7), Pegasus North (43/13b-6Z), Pegasus East (43/13b-4) and Browney (43/18-1). The last major segment will be drilled in 2019 by the Andromeda North exploration well.

Greater Pegasus Structure Gas Volumes

Due to the subsurface uncertainty recognised by the partnership, the range in GIIP volumes attributed to each of the Greater Pegasus Structure segments is wide. The GPS partnership views the unrisked GIIP range to be 400 BScf to 2 TScf.

The Pegasus West segment discovered by well 43/13b-7 is estimated to contain between 58 and 112 BScf technical reserves. The likely recoverable resources from the entire GPS remain highly uncertain and will be matured as part of the area development plan.

The philosophy adopted by the Pegasus partnership is to develop the discovered volumes connected to the Pegasus West well (43/13b-7) to provide the foundation infrastructure to enable the tie-in of potential future economic volumes from the Greater Pegasus Structure. The umbilical and associated subsea control systems will be sized to support the tie-in of up to four additional GPS area wells.

Development Strategy

This Field Development Plan (FDP) is primarily focused on the description of the Pegasus West foundation project. FDP addendums may be submitted to the OGA at a later date if the plans to develop additional compartments reach suitable maturity and economic threshold. The maturation of the additional GPS segments will be addressed initially through the firm drilling commitment of the Andromeda North structure in 2019, the evaluation of the Andromeda North well results combined with the production performance of the Pegasus West 43/13b-7 well. This will inform and lead to optimisation of the appraisal and development strategy of the other GPS segments. Similar to the 43/13b-7 well, the Andromeda North well will be drilled as an exploration/keeper well and, if successful, will be suspended for later tie-in into the Pegasus West subsea infrastructure.

Development Concept

The selected development concept is a Pegasus West (43/13b-7) well subsea tie-back (c. 57 km) to the Cygnus Alpha Processing Unit (PU) platform, with the ability to incorporate additional future Greater Pegasus Structure wells. The Pegasus West well will be the first subsea tie-back to the Cygnus facility. The umbilical and associated subsea control systems will be sized to support tie-in of up to four additional Greater Pegasus Structure area wells, giving five in total, up to 10 km distant from the Pegasus West well.

The partnership is in dialogue with the OGA regarding a final FDP draft and is working towards an FID at the earliest opportunity with an anticipated first gas date sometime between 2021 and 2023 subject to the OGA's approval.

Andromeda Prospect

The Andromeda prospect is located on Block 43/12 approximately 7km west of the Pegasus West discovery well. The Andromeda structure is a large, seismically well-defined four-way dip closed Intra-Carboniferous anticline completely covered by 3D seismic that was reprocessed in 2017 to optimize imaging of the Greater Pegasus Area. The structure is the Andromeda North, Andromeda Central and Andromeda South segments.

In the Most Likely Case (and Upside cases), the Andromeda structure is connected to the Pegasus West structure making the prospect a combination of Appraisal and Exploration. Both the Operator and the Company assess the prospect as having a high Probability of Success ("PoS").

The Company estimates a range of recoverable volumes from the entire structure between 77 and 527 Bcf with P50 recoverable volumes of 217 Bcf.

Glossary

2P proven and probable oil reserves

Boepd barrel of oil equivalent production per day

Mwh megawatt hours

Bcf billions of cubic feet

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Notes to Editors

Hague and London Oil plc is an oil and gas company, which together with its subsidiary companies, is primarily focused on the Southern North Sea, with a diverse portfolio of offshore producing, development and exploration assets. On 10 November 2017, HALO completed the acquisition of Tullow 101 Netherlands B.V., comprising a portfolio of exploration and production licences in the Dutch Southern North Sea. The acquisition was financed by a structured offtake and finance facility of €6.0m provided by Engie Energy Management SCRL ("ENGIE"). On 28 December 2018 the Company completed the acquisition of Third Energy Offshore Ltd. comprising a portfolio of development and appraisal licences in the UK Southern North Sea. This acquisition was purchased through the issue of 5.75mm shares to Third Energy Holdings Ltd.

This announcement contains inside information for the purposes of article 7 of Regulation 596/2014