



EnQuest PLC, 18 May 2012. Interim Management Statement

PRODUCTION CONTINUES TO DRIVE EARNINGS AND CASH FLOW

PRODUCTION SUMMARY

Production from 1 January to 30 April 2012 averaged 20,976 Boepd, in line with expectations. EnQuest confirms guidance of an average of between 20,000 Boepd and 24,000 Boepd for the full year. As previously announced, EnQuest anticipates average production of between 25,000 Boepd and 30,000 Boepd in 2013.

Amjad Bseisu, Chief Executive, said

“We have had a busy 2012 to date, with three transactions giving us a 60% working interest in the exciting Kraken development as well as the purchase of an additional 18.5% of West Don. Our production for 2012 is going according to plan and the Alma/Galia development is on schedule. Today, we are announcing further additions to our growing pipeline of potential developments, with an increase in our position in the Kildrummy discovery from 40% to 60% and in the Cairngorm discovery from 50% to 100%.

Our production continues to drive our earnings and cash flow, putting us in a good position to take advantage of further business development opportunities as they arise.”

INTERIM MANAGEMENT STATEMENT HIGHLIGHTS

- Alma/Galia
 - The Department of Energy and Climate Change (‘DECC’) has approved the Field Development Plan (‘FDP’) for the Alma field and the Galia FDP approval is anticipated in the near future
- Kildrummy
 - EnQuest has completed the acquisition of its 40% interest in the Kildrummy discovery, the details of which were announced 29 November 2011
 - EnQuest also announces today an agreement to acquire an additional 20% interest in the Kildrummy discovery, being acquired from Eni for a deferred contingent \$3m cash consideration

Net Production

	Daily average 1 Jan' 2012 to 30 April 2012 (Boepd)	Daily average 1 Jan' 2011 to 30 April 2011 (Boepd)
Thistle/Deveron	7,408	4,738
Dons/Conrie	9,161	15,313
Heather/Broom	4,407	5,352
Total	20,976	25,403

Further details year to date

- Dons. The Dons S10 well is nearing completion and then the rig will start a sidetrack of the S1 well. The year on year decrease in production from the Dons was expected, reflecting particularly strong performance in the first part of 2011 and the anticipated subsequent natural rates of decline
- Thistle. The Deveron P1 well has been completed with production exceeding expectations. The workover to replace the pump in A56 has also been completed. The power generation upgrade project is on plan, with the gas turbine having successfully completed factory testing. Start-up is planned for the turn of the year
- Heather/Broom. The project to renovate the drilling rig on Heather continues; start-up of drilling operations is anticipated in the 4th quarter
- Alma/Galia. The development is continuing on schedule for start-up in the 4th quarter of 2013. Batch drilling of the first three wells continues; the first of these wells is in the reservoir and on prognosis. The EnQuest Producer, the Floating Production, Storage and Offloading vessel, is in the Blohm and Voss yard in Hamburg, undergoing destruct work. The main procurement contracts have all been completed
- Kraken. Operatorship is in the process of being transferred from Nautical to EnQuest. In April 2012, EnQuest announced the acquisition of an additional 15% of the Kraken discovery, set to increase EnQuest's total interest to 60%. EnQuest is required to obtain shareholder approval for this third Kraken transaction and will therefore in due course issue a Class 1 circular and notice of a general meeting of the company
- 27th Round. EnQuest participated in the 27th round UK licensing process, as part of which EnQuest submitted a number of licence applications to DECC. DECC decisions are anticipated towards the end of 2012
- Cairngorm. EnQuest has agreed with Sterling Resources Limited ('Sterling') to acquire Sterling's 50% interest in the Cairngorm licence block 16/3d in the UK North Sea, in exchange for EnQuest's 10% interest in the F Quad assets in the Dutch North Sea. EnQuest was recently awarded its first 50% interest in block 16/3d through the last phase of the 26th UK Licensing round. The Cairngorm discovery straddles blocks 16/3d and 16/2b, with 100% of block 16/2b already being owned by EnQuest, following this transaction EnQuest will operate both blocks. This agreement is subject to regulatory and partner consents
- West Don. EnQuest has completed the acquisition of an additional 18.5% interest in West Don, the details of this transaction were announced on 27 March 2012

Additional information re Cairngorm

- Cairngorm. EnQuest acquired its interest in block 16/2b in 2010, through its acquisition of Stratic Energy Corporation. Through the same transaction, EnQuest also acquired a non-strategic 10% interest in the F Quad assets in the Dutch North Sea; in blocks F14, F16, F17a, F18 and L1b

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Notes to editors

EnQuest is the largest UK independent producer in the UK North Sea. EnQuest PLC trades on both the London Stock Exchange and the NASDAQ OMX Stockholm. It is a constituent of the FTSE 250 index. Its assets include the Thistle, Deveron, Heather, Broom, West Don, Don Southwest and Conrie producing fields and the Alma and Galia development. At the end of 2011, EnQuest had interests in 22 production licences covering 27 blocks or part blocks in the UKCS, of which 19 licences were operated by EnQuest.

EnQuest believes that the UKCS represents a significant hydrocarbon basin in a low-risk region, which continues to benefit from an extensive installed infrastructure base and skilled labour. EnQuest believes that its assets offer material organic growth opportunities, driven by exploitation of current infrastructure on the UKCS and the development of low risk near field opportunities.

Forward looking statements: This announcement may contain certain forward-looking statements with respect to EnQuest's expectation and plans, strategy, management's objectives, future performance, production, costs, revenues and other trend information. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this presentation should be construed as a profit forecast. Past share performance cannot be relied on as a guide to future performance.