

14 September 2012

## Lochard Energy Group Plc

### Re: Ithaca Update on Athena Field P1 Operations

Lochard Energy Group Plc (“**Lochard**” or the “**Company**”) (AIM: LHD, ASX: LHD) notes the announcement made today by Ithaca Energy Inc. relating to the Athena project. Lochard has a net 10% interest in this field through its 100% ownership of Zeus Petroleum Limited.

“September 14, 2012

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Ithaca Energy Inc. (TSX:IAE)(AIM:IAE) announces an Athena field operational and production update.

The planned hydraulic intervention to eliminate the production tubing blockage in the P1 well, using a Remotely Operated Vehicle Support Vessel, has been performed. This intervention, involving the pumping of fluids into the P1 well flowline (at the wellhead), has resulted in a minor incremental increase in the previously observed flow rates achieved from the well, with gross production from the well now being approximately 700 to 800 barrels of oil per day (“bopd”) (160 - 180 bopd net to Ithaca).

The production data that has so far been obtained from the field indicates that the anticipated sweep of oil within the reservoir is likely to result in the reserves attributed to P1 being fully produced by the well in its current production condition, supported by recovery from the other wells on the field. The P1 well is the original appraisal well that was drilled on the field in 2006 (completed as a development well in 2011) and represents the least significant producer in terms of forecast ultimate oil recovery from the field.

Based on the results of the P1 hydraulic interventions and an assessment of reservoir performance, the Athena co-venturers have decided that the value of producing the P1 well in its current condition outweighs the benefit of performing a workover on the well using a drilling rig. The well will therefore now be produced in its current condition. Future attempts to further clear the blockage by applying hydraulic pressure, using the facilities on the FPSO, may be undertaken when operations allow.

The field continues to produce dry oil and the field facilities are performing well.

Ithaca third quarter production figures will be announced as usual in early October and a further update on Athena performance will be included at that time.

The co-venturers in the Athena field are: Ithaca, operator (22.5%), Dyas UK Limited (47.5%), EWE Energie AG (20%) and Zeus Petroleum Limited (10%).”

– Ends –

#### Australia

Lochard Energy Group Plc  
ARBN 57 490 768 001  
Reg No 5209284  
Suites 6 & 7  
61 Hampden Road  
Nedlands WA 6009  
T +611300 660 448  
F +61 1300 855 044

#### United Kingdom

Lochard Energy Ltd  
Reg No 5777565  
15 Appold Street  
London EC2A 2HB UK  
W [www.lochardenergy.com](http://www.lochardenergy.com)

**For further information, call:**

**Lochard Energy Group Plc**

Clive Carver, Chairman

+44 1883 717 357

**finnCap Limited**

Matthew Robinson/ Christopher Raggett

+44 20 7600 1658

**Merchant Securities Limited**

Lindsay Mair / Catherine Miles

+44 20 7628 2200

**FTI Consulting**

Edward Westropp / Alex Beagley

+44 20 7269 7207