



FOR IMMEDIATE RELEASE

17 May 2019

**CAIRN ENERGY PLC
Annual General Meeting
("Cairn" or "the Company")**

Simon Thomson, Chief Executive of Cairn Energy PLC will make the following statement at the Company's Annual General Meeting for shareholders in Edinburgh at noon, May 17, 2019. The Company will announce half-year results on September 10, 2019.

In the last 12 months, Cairn has returned to being a full cycle exploration and production company with production, home grown developments and exposure to material upside potential from an active programme of exploration drilling.

Last year was the first full year of production from our two production assets in the UK North Sea. Between them, Catcher and Kraken generated around 17,500 barrels of oil per day (bopd) net to Cairn and around US\$395million in oil and gas sales revenue. Group production for 2019 remains within guidance of 19,000-22,000 bopd for the first four months and an update on production performance will be provided later in the year.

We are particularly pleased with the performance of Catcher, which is operating ahead of our expectations and where operating efficiency is excellent. While we have reduced our reserve estimates for Kraken, we know what needs to be done to improve the performance of the field and we are working with the operator on several initiatives designed to increase the productivity of the assets on a sustainable basis.

We continue to progress our two home grown development projects: SNE in Senegal and Nova in Norway. Both projects are firmly on schedule with first oil from Nova targeted in 2021 and from SNE in 2022. These two development projects are an important part of our strategy in sustaining and adding to our current cash flows over the medium and long term.

We also continue to replenish our exploration portfolio with assets that meet our stringent investment criteria. In 2018 this included adding a number of value-enhancing opportunities in new geographies including Suriname, Mauritania, Mexico and Côte d'Ivoire and working towards a material, exploration drilling programme in 2019 and 2020.

Since our last reporting date, we have consolidated our position in Latin America and entered into a farm-in agreement with Equinor for a 35.1% non-operated interest in four exploration blocks

offshore the Nicaragua Pacific coast ahead of a potential exploration drilling campaign in 2020. The farm-in enables Cairn to access high impact resource potential in a frontier location containing a range of exploration play types.

We have a very busy exploration drilling programme in the second half of 2019 targeting more than 800 million barrels of gross resource and includes six wells – three in the UK and Norway, and three in Mexico. Importantly, Cairn will operate five of these wells.

The first well in our Mexico programme is expected to be drilled on Block 9 and will commence in the third quarter of this year. A second well will follow on Block 9 in the fourth quarter and a non-operated well in Block 7. In Block 9, the exploration plan has been approved and rig contracts are in place. As a reminder, these blocks are close to existing discoveries in what remains a highly prospective yet underexplored region.

In Norway and the UK, we are looking forward to the second well in this year's programme targeting the Lynghaug prospect expected to spud later in Q2. This will be the first to be operated by Cairn in Norway.

The third well in this year's programme is Godalen, our second operated well in Norway followed by Chimera in the UK North Sea, our second operated well in the UK.

The company is fully funded for all this activity, which provides significant catalysts for future growth. We have cash on the balance sheet, cashflow from our production and access to material undrawn debt capacity under our bank facilities.

With regard to the Indian arbitration, there is no change in our outlook; we await the final determination from the arbitration panel and we continue to have a high level of confidence in the merits of our case.

Cairn's portfolio today offers production, an active development pipeline and a multi-year exploration drilling programme, all underpinned by a strong balance sheet and a continued focus on capital discipline.

We look forward to continued delivery of our strategy to create, add and realise value for shareholders.

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About Cairn Energy PLC

Cairn is one of Europe's leading independent oil and gas exploration and development companies and has been listed on the London Stock Exchange for 30 years. Cairn has explored, discovered, developed and produced oil and gas in a variety of locations throughout the world as an operator and partner in all stages of the oil and gas lifecycle.

Cairn's exploration activities have a geographical focus in North West Europe, West Africa and Latin America, underpinned by interests in production and development assets in the North Sea. Cairn has its headquarters in Edinburgh, Scotland supported by operational offices in London, Norway, Senegal and Mexico.

For further information on Cairn please see: www.cairnenergy.com