

13 August 2018

**Echo Energy plc**  
("Echo" or the "Company")

**Initial well testing completion ELM-1004**

Echo Energy plc, the Latin American focused upstream oil and gas company, is pleased to announce an update on the ongoing testing programme in the Company's Fracción C, onshore Argentina, licence operated by Compañía General de Combustibles S.A. ("CGC").

The Company previously drilled four wells across Fracción C, Fracción D, and Laguna Los Capones, three of the Company's onshore licences in Argentina, with hydrocarbons interpreted from wireline logs in each of them. Completion and testing, planning for which occurred over the summer, has now commenced.

Initial testing operations on the first well, ELM-1004, have now concluded during which dry gas has been successfully produced to surface and the well has been suspended in anticipation of a subsequent hydraulic stimulation operation.

This well had been drilled into the Jurassic Lower Tobifera formation to a total measured depth of 1,760 metres, encountering over 40 metres of gas shows through the Upper Tobifera with gas peaks of over 195,000 ppm and initial interpretation from wireline logs computed a potential 14.5 metres of net pay.

During the testing programme the operator has found it challenging to completely isolate all the interpreted gas bearing zones from a deeper, highly productive water bearing zone, likely due to breakdown of cement behind the production casing during an acid stimulation designed to remove drilling formation damage.

Following the isolation of an 8 metre interval at the top of the section, dry gas was successfully produced to surface via the rig de-gassing system, and the Company and CGC are now evaluating options in support of an hydraulic stimulation to boost well deliverability as productivity to date has not been sufficient for sustainable production.

The Quintana-1 rig is not required onsite for hydraulic stimulations so it will now move to the Fracción D area to complete and test the second well, CSol2001(d), where the Company previously announced the interpretation of a potential 30m net pay in the Jurassic Upper Tobifera formation.

The Company will update shareholders with progress on the completion, testing, and workover activities as the programme advances.

Fiona MacAulay, Chief Executive Officer of Echo, commented:

*"Establishing dry gas production to surface in this initial phase of testing on the ELM-1004 well is significant and encouraging for the Estancia La Maggie accumulation. Having now isolated the upper zone of the well, a further rig-less stimulation can now be planned and completed without the testing rig on site and the rig will therefore shortly be moving to Fracción D to commence testing operations on the CSO-2001(d) well."*

**For further information please contact:**

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The information contained in this announcement has been reviewed by Echo Energy's Chief Operating Officer, Mr Geoffrey Probert MEng, Member of Institute of Materials, Minerals and Mining.

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

**Note**

The assignment of Echo's participation in the Fracción C, Fracción D, Laguna Los Capones and Tapi Aike licences is subject to the authorisation of the Executive Branch of Santa Cruz's Province, which is part of the overall process of title transfer that is proceeding as anticipated.

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