

18 March 2014

3Legs Resources plc

Operations update

3Legs Resources plc (the "**Company**"), an independent oil and gas group focusing on the exploration and development of unconventional oil and gas resources in Poland, announces the following operations update.

Highlights:

Slawoszyno LEP-1 vertical well

- Drilling of this well commenced on 15 February 2014 and has now been completed, reaching a total depth of 2,819 metres in the Cambrian horizon; a comprehensive set of logs has been run.
- Preliminary data indicate that the Sasino shale formation in the area of the well has a similar thickness to that seen in the Strzeszewo LE-1 vertical well, as expected, while the Piasnica shale zone is slightly thinner than that seen at the Strzeszewo LE-1 well, also as expected.
- The well has been cased, cemented and temporarily suspended at intermediate casing depth.

Planned long lateral well

- Following a review of the data gathered from both the Lublewo LEP-1 and the Slawoszyno LEP-1 vertical wells, we have agreed with ConocoPhillips to select the Lublewo LEP-1 well as the location for the planned long lateral well, Lublewo LEP-1ST1H.
- The necessary permits have now been obtained for drilling this long lateral well and the rig is in the process of being mobilised from the Slawoszyno LEP-1 well to the Lublewo location.
- Following drilling and completion of this lateral well, we expect that testing will take place in the third quarter of 2014, as previously announced.

Operations update

Slawoszyno LEP-1 vertical well

Drilling of the Slawoszyno LEP-1 vertical well, the second well in our previously-announced 2013/14 drilling programme, was commenced on 15 February 2014 and has now been completed. The well was drilled to 2,819 metres true vertical depth into the Middle Cambrian interval. An extensive suite of logs has been run on the well over the Lower Silurian, Ordovician, and Upper Cambrian intervals and these logs are now undergoing processing and analysis.

Preliminary analysis of the logs confirms our earlier modelling of the Piasnica and Sasino formations across the northern portions of our western Baltic Basin concessions, and hence the extent of the high-graded area which we have previously identified. While the precise thicknesses of the two formations will be determined following final processing and analysis of the logs, the log data indicate that the Slawoszyno LEP-1 well encountered a Sasino section of similar thickness to that seen in the Strzeszewo LE-1 vertical well, and a Piasnica horizon which is slightly thinner than the same formation encountered at the Strzeszewo LE-1 vertical well; in both cases, this confirms our earlier modelling.

The well has been cased, cemented and temporarily suspended at intermediate casing depth, and the rig has been released.

Planned long lateral well

Following a review of the data gathered from both the Lublewo LEP-1 and the Slawoszyno LEP-1 wells, and of the 2D seismic recently acquired in the Lublewo area, we have agreed with ConocoPhillips to select the Lublewo LEP-1 well as the location for the planned long lateral well, which is the third well in the 2013/14 drilling programme. The lateral well, which is expected to measure 1,600 metres in length, will target the Sasino formation and will be drilled by way of side-track from the existing Lublewo LEP-1 well.

The necessary permits have now been obtained for drilling the planned lateral well, Lublewo LEP-1ST1H, and the rig is in the process of being mobilised from the Slawoszyno LEP-1 well to the Lublewo location. All other steps are underway for drilling of the lateral well to commence on time.

Preparations are also on-going for the planned stimulation and test programme for this new lateral well. Log and core data from the Lublewo LEP-1 and the Slawoszyno LEP-1 wells are being used to refine the completion design, and the stimulation programme is expected to involve 20 stages or more. We expect that testing of the lateral well will take place in the third quarter of 2014, as previously announced.

Kamlesh Parmar, Chief Executive of 3Legs Resources, said:

"We have successfully drilled the first two wells in our 2013/14 drilling programme and we will shortly be ready to drill the third and most important well in the programme, the Lublewo LEP-1ST1H long lateral well. This will be the third long lateral well which we have drilled on our western Baltic Basin concessions and will incorporate the significant amount of knowledge which we have acquired, in relation to our target formations, since we drilled and tested our first vertical well in 2010 and our first two long lateral wells in 2011.

"We continue to work with ConocoPhillips on finalising the completion and testing programme for the lateral well and are satisfied that our 2013/14 drilling programme is proceeding according to plan."

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Notes to Editors

3Legs Resources plc is an independent oil and gas group focused on the exploration and development of unconventional oil and gas resources. 3Legs Resources holds interests in six licences covering approximately 1,084,000 acres (gross) in the onshore Baltic Basin in northern Poland, a region considered to be one of the most promising shale basins in Europe.

The technical information and opinions contained in this announcement have been reviewed by Christie Ward Schultz (BSc in Petroleum Engineering, Texas Tech University), Engineering Manager of 3Legs Resources plc, who has over 14 years of experience in the oil exploration and production industry. She has consented to the inclusion herein of such technical information and opinions.

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