Trinity Exploration & Production Plc
(the "Company" or “Trinity”; AIM:TRIN)

Corporate and Operational Update with 2015 Outlook

16th February, 2015

Trinity, the leading independent E&P company focused on Trinidad and Tobago, today provides an update on its Q4 2014 operations, its year-end financial position and its strategy for 2015.

2014 FY & Q4 highlights:

- Group average production levels of 3,603 boepd for the FY 2014
    - Net Q4 production averaged 3,470 boepd
- Transformative Block 1(a) & 1(b) acquisition due to complete Q1 2015
    - Draft Field Development Plan (“FDP”) completed on schedule
    - Gas Sales Agreement discussions with potential off-takers well advanced
- Sale & Purchase agreement for interests in Tabaquite block signed with LGO Energy PLC for US$2.0 million (book value of US$0.5 million)
- G&A costs reduced by US$2.4 million for full year 2014
- At TGAL STOIIP estimates increased significantly to 150 MMbbls – 210 MMbbls
- Ended 2014 with cash and cash equivalents of US$33.0 million, receivables of US$23.2 million, debt of US$33.0 million and payables of US$33.9 million
    - Post year-end, Trinity repaid US$20.0 million of the US$33.0 million debt facility
    - Moratorium on repayment of remaining US$13.0 million agreed until 15 June 2015.
    - Approximately US$11.9 million in VAT repayments owed by Trinidad and Tobago Tax Authorities expected in Q1 2015
    - Deposit of US$2.5 million paid in January 2015 for Block 1(a) & 1(b); remaining US$22.5 million due on completion
- Post year-end, 21% reduction in operating expenditure (‘opex’- pre-tax operating costs) with current opex per barrel of US$25.7 versus US$32.4/bbl for the month of December 2014

2015 strategic priorities:

- Trinity on target to further reduce FY production operating expenditure to US$26.0 million (equivalent to c.US$22/bbl)
- Continue to explore financing options, including further portfolio rationalisation, in order to fund the Company’s future developments
- Deliver final FDP for Block 1(a) & 1(b); draft submission expected during Q1 2015
- Secure a Gas Sales Agreement for Block 1(a) & 1(b) during Q1 2015
- Submission of the TGAL draft FDP expected during Q1 2015

Trinity expects 2015 net average production to be in the range of 3,000 – 3,400 boepd. Capital expenditure will be prioritised to maintain and grow production through re-completions and well work-overs before new drilling.

Joel "Monty" Pemberton, Chief Executive Officer of Trinity, commented:

"Trinity is weathering an exceptionally demanding phase of the commodity price cycle. In response, we have moved swiftly and taken every appropriate step. With further cost reductions to come, we are on target to take our operating breakeven price (excluding G&A and taxes) to below $40/bbl, at current oil prices. Simultaneously, we are looking to divest non-core assets at a fair price, and aggressively husbanding cash.

I am pleased to report that Blocks 1(a) & 1(b) are on schedule for development approval, with Gas Sales Agreements expected to be secured in the near term. The favourable supply and demand dynamic in the Trinidadian market is a significant incentive for these high quality gas assets to be brought rapidly into production. Elsewhere in the portfolio, our review of the TGAL discovery has yielded positive results, with resource estimates significantly greater than expected.

The quality of these assets, and the resilience of the organisation in coping with a radically reduced budget, provides a basis for confidence and allows us to continue to explore all financing options to take forward our company."

Q4 2014 Operational Review

During the fourth quarter, Trinity's net production averaged 3,470 boepd. Key fourth quarter operating activities included:

West Coast (70-100% WI)
Net Q4 2014 production averaged 479 boepd with full year average production of 491 boepd. The ABM 151 well and ABM 150 well both represent recompletion (RCP) opportunities for improving production moving forward.

Onshore (100% WI)
Net Q4 2014 production averaged 1,924 bopd with full year average production of 2,006 bopd. Ten RCPs were conducted in 2014, in addition to the routine work-overs, two of the RCPs were PS-575 and PS-89X. The PS-575 well was successfully perforated in the Upper Forest (UF) 1 and 2 sands.

East Coast
Net Q4 2014 production from Trintes (100% WI) averaged 1,067 bopd with full year average production of 1,106 bopd. Production from the B11XX well was successfully restored and the B6X well was brought back online after both stopped producing due to a Variable Frequency Drive (VFD) failure.

At TGAL (65% WI) a rigorous sub-surface review is well advanced with initial STOIIP estimates of 50 MMbbls – 115 MMbbls having increased significantly with management estimates currently 150 MMbbls – 210 MMbbls with a mid-case of 177 MMbbls.

The significantly lower oil price at the end of 2014 (and lower forecasted prices) has triggered an impairment review and Trinity will recognise a non-cash impairment charge in 2014 relating, predominately, to the Trintes field.

The aggregate impact of the on-going reserves audit across the East Coast assets is expected to be neutral in regards to overall resources volumes. The potential reduction in 2P reserves at Trintes, under a lower oil price deck application, is likely to be compensated by (in volumetrics) the booking of contingent resources for TGAL. A joint Trintes-TGAL development plan review is on-going, and with Trinity's high working interests across its East Coast assets the opportunity to bring in partners following this review is being considered.

Acquisition

The transformative Block 1(a) & 1(b) acquisition was announced in July and is expected to complete in Q1 2015. The draft FDP was completed on schedule, and Gas Sales Agreement discussions with potential off-takers are well advanced.

The assets will provide a step-change in Trinity's reserves and production. Gross contingent resources (across 4 discoveries) are 308 Bcf (51 MMboe), c.246 Bcf (41 MMboe) net to Trinity's 80% working interest. First production is expected by 2018, with forecast plateau rates of 80.0 MMcfd (c.13,300 boepd), 64.0 MMcfd (c.10,700 boepd) net to Trinity. It is expected that contingent resources will be reclassified as reserves on draft FDP submission. This represents a significant value lever and would enable project finance to be put in place.

Financial Review

Cost Reductions

Trinity has and continues to re-align its cost base with general and administrative costs having been reduced by 13% for the financial year 2014 to US$16.1 million. The company is also on target to reduce production operating costs to US$26.0 million for the financial year 2015. Cost reduction measures have continued post the period end and importantly fixed operating costs have been reduced significantly.

Capital Budget

Trinity's capital spending in 2015 is expected to be in the range of US$2.5 million and will be focused on minimising declines in base production levels and maintaining operations. There is no defined new drilling or development programme at this stage until further funding is secured.

The purpose of this programme is to protect all of the Company's assets, whilst maintaining its development programme and ensuring positive operational cashflow at low oil prices.

Liquidity

The company ended 2014 with cash and cash equivalents of US$33.0 million, receivables of US$23.2 million, debt of US$33.0 million and payables of US$33.9 million. Post the period end Trinity repaid US$20.0 million of the US$33.0 million debt facility. The remaining principal is US$13.0 million and a moratorium on principal repayments has been granted until June 15th 2015. Also post the period end a deposit of US$2.5 million was paid against the 1a and 1b acquisition, with the remaining US$22.5 million payable on completion.

Trinity continues to work closely with partners, contractors and suppliers to aggressively pursue cost efficiencies and effectively manage working capital. Furthermore, approximately US$11.9 million in VAT repayments from the Trinidad Tax Authorities is expected in Q1 2015.

Trinity's high working interests across its portfolio of producing assets and development projects enables portfolio optimisation opportunities as a source of funding.

Notes:

All figures referenced are unaudited numbers and subject to change

Competent Person's Statement:

The information contained in this announcement has been reviewed and approved by Craig McCallum, Chief Operating Officer and Director for Trinity Exploration and Production Plc, who has over 25 years of relevant experience in the oil industry. Mr. McCallum holds a Master degree in Petroleum Engineering.

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About Trinity:

Trinity is the largest independent E&P company focused on Trinidad and Tobago. Trinity operates assets onshore and offshore on both the West and East coasts. Trinity's portfolio includes current production, significant near-term production growth opportunities from low risk developments and multiple exploration prospects with the potential to deliver meaningful reserves/resources growth. The Company operates all of its licences and has 2P reserves of 48 MMbbl. Trinity is listed on the AIM market of the London Stock Exchange under the ticker TRIN.LN.