



17 January 2023

Borders & Southern Petroleum plc
("Borders & Southern" or "the Company")

Operations Update
New Investor Presentation

Borders & Southern Petroleum plc (AIM: BOR), the London based independent oil and gas exploration company with assets offshore the Falkland Islands, is pleased to provide an update on its activities in the Falkland Islands.

The Company has designed a phased development concept for its large gas condensate discovery (Darwin), located to the south of the Falkland Islands and had it validated in a new independent engineering study by an international engineering consultancy. The objectives were threefold: to generate a production profile that would require relatively low initial capital expenditure; to deliver accelerated payback; and to allow expansion of the production profile from free cash flow. We believe this has been achieved, and in this regard, an updated investor presentation will be uploaded to the Company's website giving further details of this development concept. The material points are highlighted below.

The preliminary development would focus on Darwin East. Assuming appraisal well flow rates meet reservoir modelling expectations, then initial production of 26,000 bpd could be achieved from two production wells and one gas injector well. The recently commissioned independent facilities engineering report validated the development concept, confirming that a conventional FPSO development concept could be utilised, typical of global deep water petroleum field developments. The proposed subsea components and topsides processing technologies would all be standard industry technology. The report also provided up to date cost estimates, per the below.

Assuming the FPSO is leased, the capital requirement, excluding contingency, for the drilling, subsea, and project costs is estimated to be approximately \$640 million. Based on Management's scoping study economic modelling, payback could be achieved within two years of first production (assuming \$60/bbl oil price). This changes to one year with a \$90/bbl oil price. The project economics are positively impacted by the high-quality reservoir with favourable fluid properties that does not require a large number of development wells, the application of a conventional FPSO development and the attractive fiscal terms set by the Falkland Islands Government.

Following the initial exploitation phase, project expansion could occur from free cash flow by drilling further production wells on Darwin East and the full development of Darwin West. Several options have been identified that could, subject to certain assumptions, elevate production towards 70,000 bpd.

The Company believes that this new phased development concept with accelerated payback, presents an attractive opportunity for industry collaborators and will help attract the necessary funding to advance this exciting project.

For further information, please visit www.bordersandsouthern.com or contact:

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Notes to Editors:

Borders & Southern Petroleum plc is an oil & gas exploration company listed on the London Stock Exchange AIM (BOR). The Company operates and has a 100% interest in three Production Licences in the South Falkland Basin covering an area of nearly 10,000 square kilometres. The Company has acquired 2,517 square kilometres of 3D seismic and drilled two exploration wells, making a significant gas condensate discovery with its first well.

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