

28 February 2023

Block Energy plc

("Block" or the "Company")

WR-B01Za Test Results

Block Energy plc, the exploration and production company focused on Georgia, announces initial results from the WR-B01Za well, part of the initial development phase of the West Rustavi/Krtsanisi Field, the Company's Project I.

The well was drilled into the Middle Eocene reservoir, targeting lineations interpreted on the 3D seismic survey to represent productive sweet spots with high density of oil-bearing natural fractures.

The well's planned trajectory consisted of a long horizontal reservoir section intersecting the fault/ fracture system. Total Depth ("TD") was called at 2,372 m MD, instead of the intended 2,682 m MD, due to unstable wellbore conditions across a suspected fault at approximately 2,275 m MD which caused escalating tool failure and lost-in-hole risk. Significant drilling fluid losses and gas and oil shows were observed while drilling beyond the problem zone, indicating a potentially productive well, but currently constrained due to the wellbore failure.

Intermittent testing has produced some dry oil with zero water cut and high gas volumes, despite the wellbore issue. The well will now enter an extended well test period during which oil and gas will be sold whilst data is acquired to optimise the completion design, which may require further low-cost drilling operations to remedy or by-pass the wellbore failure and improve overall wellbore connectivity to the productive zones.

Commenting, Paul Haywood, Block Energy CEO:

"The drilling and geoscience teams have done an excellent job completing this well, given the challenges experienced while drilling the horizontal section. Drilling data indicates a good reservoir containing oil with significant gas. The extended test will provide the data required to optimise the completion design whilst monetising both oil and gas produced. Production results and forward plans will be communicated once the extended test is complete and production rates have stabilised.

"Meanwhile, the Company is reviewing the data gathered during drilling and testing WR-B01Za to optimise the KRT-45_ST drilling programme, the second Project I development well. The Company continues to work on Projects II, III, and IV, and we look forward to updating shareholders as we progress."

Ken Seymour, CEng, PhD (Block's Chief Operating Officer) has reviewed the reserve, resource and production information contained in this announcement. Dr Seymour is an engineer with over 40 years' of experience in well engineering and operations management.

****ENDS****

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Notes to editors

Block Energy plc is an AIM-listed independent oil and gas company focused on production and development in Georgia, applying innovative technology to realise the full potential of previously discovered fields.

Block has a 100% working interest in Georgian onshore licence blocks IX and X^B. Licence block X^B is Georgia's most productive block. During the mid-1980s, production peaked at 67,000 bopd and cumulative production reached 100 MMbbls and 80 MMbbls of oil from the Patardzeuli and Samgori fields, respectively. The remaining 2P reserves across block X^B are 64 MMboe, comprising 2P oil reserves of 36 MMbbls and 2P gas reserves of 28 MMboe. (Source: CPR Bayphase Limited: 1 July 2015). Additionally, following an internal technical study designed to evaluate and quantify the undrained oil potential of the Middle Eocene within the Patardzeuli field, the Company has estimated gross unrisks 2C

contingent resources of 200 MMbbls of oil.

The Company has a 100% working interest in licence block XF containing the West Rustavi onshore oil and gas field. Multiple wells have tested oil and gas from a range of geological horizons. The field has so far produced over 75 Mbbls of light sweet crude and has 0.9 MMbbls of gross 2P oil reserves in the Middle Eocene. It also has 38 MMbbls of gross unrisks 2C contingent resources of oil and 608 Bcf of gross unrisks 2C contingent resources of gas in the Middle, Upper and Lower Eocene formations (Source: CPR Gustavson Associates: 1 January 2018).

Block also holds 100% and 90% working interests respectively in the onshore oil producing Norio and Satskhenisi fields.

The Company offers a clear entry point for investors to gain exposure to Georgia's growing economy and the strong regional demand for oil and gas.

Glossary

- bbls: barrels. A barrel is 35 imperial gallons.
- Bcf: billion cubic feet.
- boe: barrels of oil equivalent.
- boepd: barrels of oil equivalent per day.
- bopd: barrels of oil per day.
- Mbbls: thousand barrels.
- Mboe: thousand barrels of oil equivalent.
- Mcf: thousand cubic feet.
- MD: measured depth.
- MMbbls: million barrels.
- MMboe: million barrels of oil equivalent.
- MMcf: million cubic feet.
- TVD: True Vertical Depth.

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