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Ascent Resources PLC
04 April 2023

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

4 April 2023

Ascent Resources plc

("Ascent" or the "Company")

Resolution of Slovenian Partner Disputes, Equity Placing and Total Voting Rights

Ascent Resources Plc (LON: AST), theonshore Hispanic American and European focussed energy and natural resources company, is pleased to announce that it has entered into agreements to settle a portion of its revenue recognition claim against Geoenergo and to settle in full the dispute with the JV service provider, Petrol Geo.

Service Provider Dispute Resolved

The Company is pleased to confirm that Ascent Slovenia Limited ("ASL") has achieved a positive resolution in the mediation process between ASL and Geoenergo as joint venture ("JV") partners and Petrol Geo as JV service provider. Petrol Geo's claims against the JV over disputed and rejected invoices claimed since 2019 through to February 2023, totalling €2,083,491 (plus claimed interests and costs), have been settled for €1,436,000. This represents a discount of approximately 30% to the face value.

Furthermore, the JV has successfully renegotiated a reduction in the field operating service provider's fixed fee to the higher of i) €20,000 per month, being a 55% discount to the prior fee level; or ii) 35% of ASL's share of the hydrocarbons produced from the PG-10 and PG-11A wells. The previous fee was a fixed €44,000 per month, which was unstainable when the gas prices were lower and production levels were lower. This renegotiated fee level increases the profitability of the remaining production ahead of the scheduled concession expiry on 28 November 2023. Furthermore, the new structure aligns the field operator with Ascent to maximise production.

Partial Resolution of Revenue Recognition Dispute

As part of the agreements with Petrol Geo, ASL has also successfully resolved an important part of its claims against its JV partner, Geoenergo. The Company was claiming against Geoenergo for its non-payment of agreed hydrocarbon revenues owed to ASL from January 2022 to February 2023 which currently total €1,724,689 (plus interest). Geoenergo have agreed to pay these revenues to ASL in full, netting off only the above Petrol Geo agreed payment, such that ASL immediately recognises further net revenues of €288,689 in cash. This is in addition to €857,000 revenue already received by ASL last August relating to 2020 and 2021 PG-10 and PG-11A production volumes.

ASL continues to pursue its arbitration claim against Geoenergo in relation to the parties' different interpretations of the application of the baseline production profile and the number of wells ASL is entitled to receive a portion of revenues from whilst it is in a preferential cost recovery mode (i.e. until it has earnt back its investment of over €50M). The Tribunal has been constituted and the first procedural hearing took place in March 2023. The Company expects the final hearing to be in July 2023. ASL is seeking compensation of at least €3 million for its share of hydrocarbons produced above the baseline production profile for producing wells, other than PG-10 and PG-11A, in the concession area while it is in a preferential cost recovery position. Further updates will be announced at the appropriate time.

Republic of Slovenia Energy Charter Treaty Damages Claim

The Company confirms that the Tribunal for its ICSID registered €500+ million damages claim against the Republic of Slovenia has been constituted. Dr Raed Fathallah (Canadian/French/Lebanese) has been appointed, by agreement of the parties, as President of the Tribunal. The Company and its subsidiary have appointed Mr Klaus Reichert (German/Irish) and the Republic of Slovenia has appointed Ms Brigitte Stern (French). The Tribunal is expected to convene the first procedural hearing in April 2023. Subsequent proceedings will take place in accordance with the ICSID Arbitration Rules. Further hearing in April 2023. Subsequent proceedings will take place in accordance with the ICSID Arbitration Rules. Further updates will be made as appropriate. It should be cautioned that in the event the Company is successful in its claim any amount actually received by the Company may be significantly lower than the full claim.

Issue of New Equity

The Company is pleased to announce that is has raised £0.4 million (before expenses) in new equity funding from existing shareholders to allow the Company to continue to execute at full capacity across its various initiatives and while it awaits for the conclusion of the Beryl strategic investment as announced on 23 February and 21 March.

The Company has today raised total gross new equity proceeds of £0.4 million by way of issue of 13,333,333 new ordinary shares of 0.5 pence each ("Placing Shares"), to existing shareholders, at a price of 3 pence per Placing Share ("Placing Price"), being Friday's closing bid price as reported by the London Stock Exchange (the "Fundraising"). Subject to shareholder approval, each Placing Share shall have one warrant attached to it giving the holder the right to exercise the warrant into one new share of the Company by paying a warrant exercise price of 5 pence per new warrant share at any time in the next two years.

Admission and Total Voting Rights

Application has been made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM ("Admission") and it is expected that such Admission will occur at 8.00 a.m. on 26 April 2023. The Placing Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after the admission of the Placing Shares, respectively and will otherwise be identical to and rank on Admission *pari passu* in all respects with the existing Ordinary Shares. The Placing Shares are not being made available to the public and are not being offered or sold into any jurisdiction where it would be unlawful to do so.

Following Admission of the Placing, the Company will have 165,751,348 Ordinary Shares in issue, none of which will be held in treasury. Accordingly, the total number of voting rights in the Company will be 165,751,348 and shareholders may use this figure as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Andrew Dennan, Chief Executive Officer, commented*:*

"We are pleased to continue to make progress in achieving resolutions to our various disputes. Whilst there is still a way to go, resolving the matter with the service provider has resulted in a significant retrospective cost saving alongside a re-profiled and more sustainable ongoing project cost base for our Slovenian asset."

Enquiries:

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