RNS Number : 8985A
Angus Energy PLC
30 May 2023

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 6/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("MAR"), AND IS DISCLOSED IN ACCORDANCE WITH THE COMPANY'S OBLIGATIONS UNDER ARTICLE 17 OF MAR.

30 May 2023

Angus Energy Plc

("Angus Energy", "Angus" or the "Company")

Saltfleetby Field: Production and Pricing Update and future Drilling Plans

Further to the announcement of 15 May 2023, Angus Energy (AIM: ANGS) is pleased to announce that production at the Saltfleetby Field has reached a steady operating state from the 3 producing wells in the field, B2, A4 and the new B7T.

After a short duration plant outage, we are now exporting gas to the National Grid at a combined average daily rate of 9.5 mmscfd, reaching peak flows of over 10 mmscf. The new B7T well continues to clean-up and the Company anticipates exceeding a combined average daily rate of 10 mmscfd, on a sustainable basis.

We have seen gas prices falling back to lower summer levels over recent weeks, but winter 2023-2024 pricing is strong, with forecasted prices at £1.24 per therm on Heren NBP pubished trading data. On the basis of continued production at this level, known hedge prices and published market forward prices we should be generating approximately £2.5 million of revenues on average each month for winter 2023 from Saltfleetby.

Potential Future Drilling and Gas Storage

Angus continues to evaluate storage opportunities at Saltfleetby variously for natural gas, hydrogen and CO2. To advance this, the Company has also engaged planning consultants to submit a further planning permission for an expanded site at Saltfleetby to encompass a number of new wells and process plant.

The drilling will initially address the Namurian reservoir, below the presently exploited Westphalian, as a commercial source of natural gas but wells will also be designed to be repurposed as potential injection wells for gas storage, whether in the Namurian or Westphalian, and for which further planning permissions at national level would be sought if deemed appropriate.

Furthermore, following on from the pioneering use of hydrogen tight Soluforce pipe in the first commercial transmission grid connection at Theddlethorpe Entry Point, Angus will be exploring the design parameters around the management of hydrogen or CO2 at high pressures, alongside traditional storage of natural gas.

The Namurian reservoir, which sits below the Westphalian from which the Company currently extracts natural gas, has produced 1.5 bcf to date but a very wide variation of gas in place exists between our own recent CPRs and internal estimates by previous Operators, Gazprom-Wintershall and Roc Oil. To date no detailed interpretation of the Namurian, independent from the Westphalian, has been undertaken and accordingly a full third party re-interpretation of both reservoirs is presently underway, expected to complete in October.

In 2006 Gazprom-Wintershall estimated the storage capacity of the overall field to be between 700 and 800 million cubic metres, making it easily the largest onshore storage facility in the UK. Estimates by Angus of storage capacity are somewhat higher and do not include the Namurian.

Richard Herbert, CEO, writes: "The Company is pleased to have reached this production milestone and to be able to turn attention to both organic and inorganic growth opportunities. Gas storage is an obvious and topical one. Properly engineered to manage H2 or CO2 as well as natural gas, storage at Saltfleetby has the potential to meet the twin demands of present and future administrations for clean energy and energy security and we are pleased to be able to align shareholder interests with those longer term goals whilst offering the possibility of enhanced gas recoveries in the medium term."

.

END.

Enquiries:

Angus Energy Plc www.angusenergy.co.uk

George Lucan Tel: +44 (0) 208 899 6380

Beaumont Cornish (Nomad) www.beaumontcornish.com

James Biddle/ Roland Cornish Tel: +44 (0) 207 628 3396

WH Ireland Limited (Broker)

Katy Mitchell/ Harry Ansell Tel: +44 (0) 113 394 6600

Flagstaff PR/IR angus@flagstaffcomms.com

Tim Thompson Tel: +44 (0) 207 129 1474

Fergus Mellon

Aleph Commodities info@alephcommodities.com

Qualified Person's Statement: Andrew Hollis, the Technical Director of the Company, who has over 40 years of relevant experience in the oil and gas industry, has approved the information contained in this announcement. Mr Hollis is a Fellow of the Geological Society and member of the Society of Petroleum Engineers.

Notes

About Angus Energy plc

Angus Energy plc is a UK AIM quoted independent onshore Energy Transition company with a complementary portfolio of clean gas development assets, onshore geothermal projects, and legacy oil producing fields. Angus is focused on becoming a leading player in the aggregation, production and storage of energy. Angus Energy has a 100% interest in the Saltfleetby Gas Field (PEDL005), majority owns and operates conventional oil production fields at Brockham (PL 235) and Lidsey (PL 241) and has a 25% interest in the Balcombe Licence (PEDL244). Angus Energy operates all fields in which it has an interest.

Important Notices

This announcement contains 'forward-looking statements' concerning the Company that are subject to risks and uncertainties. Generally, the words 'will', 'may', 'should', 'continue', 'believes', 'targets', 'plans', 'expects', 'aims', 'intends', 'anticipates' or similar expressions or negatives thereof identify forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely. The Company cannot give any assurance that such forward-looking statements will prove to have been correct. The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this announcement. The Company does not undertake any obligation to update or revise publicly any of the forward-looking statements set out herein, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nothing contained herein shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company.

Explanation of Terminology:

scm (standard cubic metre) mscm (thousand standard cubic metre) and mmscf (million standard cubic feet) are traditional measures of *volumes* of gas. As producers we tend to observe volume flow from wells and through process plant but we are paid on the energy content which is metered and analysed at point of sale. Mmscfd represents mmscfd per day.

These two types of measurement, energy and volume, are related by the calorific or higher heating value which is the number of MJ per standard cubic metre. Very intense processing, i.e. lower temperatures, will tend to remove more higher hydrocarbon fractions such as propane, butane and pentane, which will lower the calorific value but improve the margin of safety in terms of meeting transmission grid specification.

55,000 Therms, given a calorific value of about 41MJ per standard cubic metres is approximately equal to 5mmscf or 141,584 scm, 1,612,486 kwhrs, 5,804,948 MJ.

FWHP- Flowing Well Head Pressure

END

DRLDGGDUBSDDGXC