

*THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF
REGULATION 11 OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019/310.*

12 July 2023

Baron Oil Plc

("Baron" or the "Company")

UK Licence P2478 Update - 2 Year Phase A Extension Granted

Baron Oil Plc (AIM:BOIL), the AIM-quoted oil and gas exploration and appraisal company, notes today's announcement by Reabold Resources plc ("Reabold Resources") in relation to offshore United Kingdom Licence P2478 (the "Licence"), in which Baron holds a 32% interest. Reabold Resources is the Licence administrator.

Extension Granted

The joint venture for offshore UK Licence P2478 has been granted a two year extension to Phase A of the licence by the UK North Sea Transition Authority ("NSTA", formerly the Oil and Gas Authority). A 'Drill or Drop' decision is now required on or before 14 July 2025.

The extension has been made via a Deed of Variation to the Licence, which stipulates an additional commitment to acquire a minimum of 30 square kilometres of 3D seismic data.

Jon Ford, Technical Director of Baron, commented:

"We are very pleased to have received this extension, having worked persuasively with our joint venture partners and the NSTA to justify this further technical work programme aimed at completing the 3D coverage over the Dunrobin West prospect and gaining further insights into the prospective reservoir. The aim is to further reduce pre-drill risks and volumetric uncertainty before re-engaging with potentially interested third parties in respect of drilling an exploration well."

"We are grateful to the Licence administrator Reabold Resources and the NSTA for their efforts in establishing this way forward for the Licence, which recognises the quality of the technical work achieved to date and the progress being made towards the potential drilling of a relatively low cost and low risk exploration well on a material prospect."

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Notes to Editors

Innovate Licence P2478, awarded in September 2019, is currently held by a joint venture comprising Reabold North Sea Limited ("Reabold", Licence Administrator, interest 36%), Baron (32%), and Upland Resources (UK Onshore) Limited (32%). The Licence covers blocks 12/27c, 17/5, 18/1 and 18/2 in the Inner Moray Firth area of the North Sea and contains the Dunrobin and Golspie prospects, in a province where regional and local petroleum systems are considered by the partners to be proven. Target depths are as shallow as 660 metres subsea and water depths are less than 100 metres.

The original key technical work components of the Phase A commitments - those of seismic reprocessing plus geochemical studies - were delivered during the second half of 2022 on time and budget with significant input from Baron. Detailed seismic attribute analysis, designed to investigate candidate direct hydrocarbon indicators, followed in early 2023. A thorough revised evaluation of the prospectivity of P2478 was finalised, with the NSTA recording that the original work programme was fully complete during March 2023.

Consultancy group RPS was engaged by the joint venture to prepare a Competent Person's Report ("CPR") to provide an independent validation of resource estimates to a SPE PRMS compliant standard. The CPR was announced and published on Baron's website on 16 February 2023.

The key points from the CPR include:

- 201mmboe gross unrisked Pmean Prospective Resources on Licence when aggregated by Baron;
- the Dunrobin West prospect ("Dunrobin West") estimated to contain 119mmboe gross unrisked Pmean Prospective Resources when aggregated across the Jurassic and Triassic stacked targets by Baron; and
- 34% Geological Probability of Success (GPoS) at the Dunrobin West Jurassic primary target, with an estimated 71mmboe (gross) of Pmean Prospective Resources.

Qualified Person's Statement

Pursuant to the requirements of the AIM Rules - Note for Mining and Oil and Gas Companies ("AIM MOG"), the technical information and resource reporting contained in this announcement has been reviewed by Jon Ford BSc, Fellow of the Geological Society, Technical Director of the Company. Mr Ford has more than 40 years' experience as a petroleum geoscientist. He has compiled, read and approved the technical disclosure in this regulatory announcement and indicated where it does not comply with the Society of Petroleum Engineers' SPE PRMS standard.

Glossary

Geological Probability of Success or GPoS	The estimated geological probability of success that exploration activities will confirm the existence of a significant accumulation of potentially recoverable petroleum.
Mean or Pmean	Reflects a mid-case volume estimate of resource derived using probabilistic methodology. This is the mean of the probability distribution for the resource estimates and may be skewed by resource numbers with relatively low probabilities.
mmboe	Million barrels of oil.
mmboe	Million barrels of oil equivalent. Volume derived by dividing the estimate of the volume of natural gas in billion cubic feet by six in order to convert it to an equivalent in million barrels of oil and, where relevant, adding this to an estimate of the volume of oil in millions of barrels.
Prospective Resources	Quantities of petroleum that are estimated to exist originally in naturally occurring reservoirs, as of a given date. Crude oil in-place, natural gas in-place, and natural bitumen in-place are defined in the same manner.

SPE PRMS

The Society of Petroleum Engineers' ("SPE") Petroleum Resources Management System ("PRMS"): a system developed for consistent and reliable definition, classification, and estimation of hydrocarbon resources prepared by the Oil and Gas Reserves Committee of SPE and approved by the SPE Board in June 2018 following input from six sponsoring societies: the World Petroleum Council, the American Association of Petroleum Geologists, the Society of Petroleum Evaluation Engineers, the Society of Exploration Geophysicists, the European Association of Geoscientists and Engineers, and the Society of Petrophysicists and Well Log Analysts.

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