

26 July 2023

Block Energy plc

("Block" or the "Company")

Spud of WR-34Z

Block Energy plc, the development and production company focused on Georgia, is pleased to announce it has spud its next Project I development well, WR-34Z.

WR-34Z

Following a detailed review of the Company's planned drilling sequence, WR-34Z has been selected as the Company's third Project I, Phase I development well. The well forms part of the development of the 3.01 MMbbl gross 3P reserves, with a net present value of USD 57.0 MM, attributed by ERCE to a portion of the West Rustavi/Krtsanisi field. Delivery of this development programme is being undertaken by Block's in-house operating company.

Block Energy plc's Chief Executive Officer, Paul Haywood, said:

"We're looking forward to the results from our next Project I development well, WR-34Z, which aims to build on the back-to-back drilling success that has already materially improved the Company's cash flow this year. More broadly, we have set out an aggressive drilling plan for the remainder of this year and next, which, on success, will allow us to further increase our rate of drilling across Project I, whilst also prioritising the appraisal of the high-impact gas and oil targets across Project III and II respectively."

Stephen James BSc, MBA, PhD (Block's Subsurface Manager) has reviewed the reserve, resource and production information contained in this announcement. Dr James is a geoscientist with over 40 years of experience in field development and reservoir management.

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Notes to editors

Block Energy plc is an AIM-quoted 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 XIB. Licence block XIB 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 XIB 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 unrisked 2C contingent resources of 200 MMbbls of oil.

The Company has a 100% working interest in licence block XIF 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 unrisked 2C contingent resources of oil and 608 Bcf of gross unrisked 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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