

26 September 2023

Block Energy plc

("Block" or the "Company")

WR-34Z Well Test Results

Further to the announcement on 31st August 2023, Block Energy plc, the exploration and production company focused on Georgia, is pleased to provide an update on the well test of WR-34Z.

WR-34Z Test Results

WR-34Z has now been in continuous production for over 19 days on a range of choke settings from 7.1mm to 12.7 mm, producing at an average rate of 223 boepd (153 bopd & 11,900 m³/d gas). The well has now been handed over to the production team, on a 10.3mm choke size, with production at a five-day average rate of 150 boepd with all produced hydrocarbons being monetised.

Total group production as of the 25th September was 684 boepd.

Project I

In 2022, ERCE completed an independent reserves report on a portion of the West Rustavi/Krtsanisi field and assigned gross 3P reserves of 3.01 MMstb oil & 2.14 BSCF gas with an associated NPV 10 of USD 57 MM.

The first of the Company's Project I development wells, JKT-01Z commenced production in January 2022 and continues to perform better than the mid case from the ERCE reserve report. WR-B01Za was brought onto stabilised production in March 2023 and continues to perform above the high case from the ERCE reserve report.

Well WR-34Z was drilled within the area covered by the ERCE reserves report and its success validates both the conclusions of this evaluation and the Company's internal contingent resource report ascribing 2C contingent resources of 19.5 MMstb within the wider field.

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

"Drilling and successful testing of WR-34Z marks the third consecutive Project I development well, which was drilled safely, on time and within budget, boosting group production and enhancing the Company's overall cashflow position. Operational and financial performance for the Company in 2023 is promising to be strong, providing the platform to pursue some of the higher-impact opportunities throughout our portfolio. The team's focus will now shift to drilling KRT-45Z, our fourth Project I well and I look forward to providing further updates on this and wider project activity in due course."

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.

****ENDS****

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE UK VERSION OF THE MARKET ABUSE REGULATION NO 596/2014 WHICH IS PART OF ENGLISH LAW BY VIRTUE OF THE EUROPEAN (WITHDRAWAL) ACT 2018, AS AMENDED. ON PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INFORMATION IS CONSIDERED TO BE IN THE PUBLIC DOMAIN.

For further information please visit <http://www.blockenergy.co.uk/> or contact:

Paul Haywood

Block Energy plc

Tel: +44 (0)20 3468 9891

(Chief Executive Officer)

Neil Baldwin	Spark Advisory Partners Limited	Tel: +44 (0)20 3368 3554
(Nominated Adviser)		
Peter Krens	Tennyson Securities	Tel: +44 (0)20 7186 9030
(Corporate Broker)		
Philip Dennis / Mark Antelme / Ali AlQahtani	Celicourt Communications	Tel: +44 (0)20 7770 6424
(Financial PR)		

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 unrisks 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 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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