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Pennpetro Energy PLC
11 December 2023

Pennpetro Energy PLC

("PPP" or "Pennpetro")

Horse Hill Farmin Update

London, 11 December 2023 - Pennpetro Energy PLC (LSE: PPP) announces that it has agreed to extend the binding Horse Hill farm-in term sheet ("Agreement") with UKOG (137/246) Ltd and Horse Hill Developments Ltd ("HHDL"), both subsidiaries of UK Oil & Gas plc (collectively "UKOG") until 30 June 2024.

The Horse Hill Oil Field ("Horse Hill"), located about 2 km north of Gatwick airport.

The Agreement, as originally announced on 28 March 2023, enables PPP to farm-in to the Horse Hill Oil Field on an incremental production only basis via funding 100% of the acquisition of a twelve square km 3D seismic survey and the drilling of the next crestal infill production well, designated as HH-3.

The Agreement's binding farm-in terms, which are subject to certain conditions as outlined below, cover the drilling of a new crestal infill well, designated Horse Hill-3 ("HH-3"), to be spudded after the completion of a Pennpetro funded high-definition 3D seismic survey. On completion of HH-3, Pennpetro will receive a 49% share of all production derived from Horse Hill-3 and future wells plus a 49% interest in the Licences. UKOG's subsidiaries will retain their current interests in all oil production from Horse Hill-1 ("HH-1") and HHDL will remain as the named Licence operator.

Tom Evans, PPP's Chief Executive commented: ***"I'm very pleased to announce that our agreement with UKOG on the potential Horse Hill seismic and drilling farmin has been extended to 30 June 2024. Horse Hill is an exciting project and it could prove to be a very exciting venture for Pennpetro."***

About Horse Hill Oil Field

As previous reported in the Pennpetro Energy RNS dated 28 March, 2023;

"Following its discovery in 2014, Horse Hill was successfully production tested in the Upper Portland sandstone and underlying Kimmeridge limestone section from 2016 through to the start of long-term continuous Portland production in 2020. UKOG advise that, as of mid-March 2023, continuing oil production from HH-1 totalled an aggregate of over 185,000 barrels of 35˚- 41˚API sweet crude. Full planning and environmental consents are in place for four additional infill production wells.

A 2018 Xodus CPR for UKOG estimated a gross mid case P50 Portland oil in place ("OIP") of 30 million barrels, with a corresponding mid-case 2C recoverable Contingent Resource of 1.5 million barrels. The estimated mid case 5% recovery factor being stated as in accord with other analogous fields in the Weald Basin. It should be noted that the recovery factor being stated as in accord with other analogous fields in the Weald Basin. It should be noted that the total HH-1 Portland production to date potentially leaves around 1.36 million barrels of the estimated mid-case recoverable Portland resource available to infill drilling and remaining HH-1 production.

In addition to the 132,000 barrels of 35-36˚API Portland continuous production as at mid-March 2023, approximately 53,000 barrels of 41˚API sweet crude was produced from multiple zones within the Kimmeridge limestones during production testing, before being shut in to allow for longer term Portland production. In 2015 a Schlumberger report calculated an estimated mean OIP of 8.262 billion barrels lying within the entire Kimmeridge section underlying the Licences.

Note: OIP should not be construed as either recoverable Contingent resources or Reserves. The Kimmeridge therefore remains a potentially viable secondary production target at Horse Hill."

-ENDS-

This announcement contains inside information within the meaning of Article 7(1) of (i) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, as amended (the "EU Market Abuse Regulation") and (ii) the EU Market Abuse Regulation as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018.

For further information visit www.pennpetroenergy.co.uk or follow us on twitter @pennpetro or contact:

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NOTES TO EDITORS:

Pennpetro Energy is an independent oil and gas company focusing on production in the Gonzales Oil Field in Texas, USA. Shares in the company were admitted to the Official List of the London Stock Exchange by way of a Standard Listing on 21 December 2017 with the ticker symbol "PPP".

Its wholly owned subsidiary, Nobel Petroleum USA Inc. has a 100% Working Interest in 2,036.38 acres in Gonzales County in Texas. These acres include the Whistling Straits #5 well and the Chalk Talk #1H and #4H wells. Noble also has a Participation, Development and Option Agreement and Joint Operating Agreement with Texas based Millennium PetroCapital Corporation over a 250,000-acre Area of Mutual Interest in Gonzales County, Texas, aimed at exploiting the prolific proven Austin Chalk oil and gas play. Pennpetro Energy has also recently signed a conditional binding agreement to conduct a new 3D seismic survey on the Horse Hill Oil Field near London's Gatwick Airport which paves the way to drilling the next production well (HH-3) for 49% of the revenue of this proposed well.