

14 December 2023

**Challenger Energy Group PLC**  
("Challenger Energy" or the "Company")

**URUGUAY UPDATE**

Challenger Energy (AIM: CEG), the Caribbean and Americas focused oil and gas company, with a range of oil production, development, appraisal, and exploration assets in the region, is pleased to provide the following update in relation to its Uruguayan assets:

- On 11 December 2023, the Company submitted AREA OFF-1 geotechnical reports to ANCAP, the Uruguayan regulator, as part of its minimum work programme obligation. Subject to final ANCAP review and approval of these reports, the Company has now fully discharged the minimum work programme obligations for the first exploration period of the AREA OFF-1 licence (which commenced in August 2022 and runs until August 2026), as well as also having completed various additional discretionary work items designed to enhance the technical understanding,
- On 12 December 2023, contracts for the previously advised award of four offshore exploration licences in Uruguay (AREAs OFF-2, OFF-5, OFF-6 and OFF-7, to Shell, YPF and APA Corporation) were executed at a group signing ceremony in Montevideo, Uruguay (to which the Company was also invited, and attended). ANCAP has indicated that the signing of the contract for AREA OFF-4 (an APA-Shell consortium block, adjacent to the Company's AREA OFF-1 block) is expected to follow shortly, and has indicated that signing of the contract for the Company's AREA OFF-3 licence, the last remaining offshore block in Uruguay awarded to the Company in May 2023, will follow soon thereafter.
- The minimum work programmes committed to by the newly signed licence-holders in respect of the initial exploration period of those licences is significantly greater in estimated work scope and cost than that applicable to the Company's AREA OFF-1 and AREA OFF-3 blocks, and includes 3D seismic acquisition and reprocessing, and in the case of APA Corporation's OFF-6 block, one deepwater exploration well.
- The signing of contracts for these licences also paves the way for seismic acquisition companies to commence permitting and approval processes for potential 3D seismic acquisition programmes in Uruguay. Subject to permitting and approvals, a survey could occur as early as the late 2024 or early 2025 seismic acquisition windows.
- The completion of the Company's minimum work programme for the initial exploration period of AREA OFF-1, the finalisation of contracts for the aforementioned licences to global majors / NOC, and the ability of seismic vendors to now progress potential 3D seismic acquisition programmes in Uruguay also constitute important milestones relevant to a successful conclusion of the Company's ongoing AREA OFF-1 farm-in process, which continues to proceed well, with anticipated finalisation in Q1 2024.

**Eytan Uliel, Chief Executive Officer of Challenger said:**

*"This week has been extremely significant for the emerging Uruguayan offshore exploration sector, and highlights how exciting we think the next few years will be. Challenger has now completed AREA OFF-1's minimum work programme, well ahead of schedule. At the same time, the finalisation of contracts with global industry heavyweights for multiple offshore blocks has defined Uruguay's operator landscape, provided certainty as to their upcoming, substantial exploration programmes, and has also laid out the pathway to a potential 3D seismic shoot in late 2024 / early 2025, including coverage of prospects of interest on AREA OFF-1. These are all important commercial, technical and operational inputs relevant to our ongoing AREA OFF-1 farm-in process which, given developments this week, we now expect to be able to successfully conclude in the first quarter of 2024."*

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**Notes to Editors**

Challenger Energy is a Caribbean and Americas focused oil and gas company, with a range of oil production, development, appraisal, and exploration assets in the region. The Company's primary assets are located in Uruguay, where the Company holds high impact offshore exploration licences, and in Trinidad and Tobago, where the Company has a number of producing fields and earlier-stage exploration / appraisal projects.

Challenger Energy is quoted on the AIM market of the London Stock Exchange.

<https://www.cegplc.com>

**ENDS**

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