

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the UK Market Abuse Regulation. With the publication of this announcement, this information is now considered to be in the public domain.

22 March 2024

**Zephyr Energy plc**  
("Zephyr" or the "Company")

**Commencement of Initial Drilling Operations**

Zephyr Energy plc (AIM: ZPHR) (OTCQB: ZPHRF), the Rocky Mountain oil and gas company focused on responsible resource development from carbon-neutral operations, is pleased to announce that initial drilling operations have commenced on the State 36-2R well (the "well") at the Company's flagship project in the Paradox Basin, Utah, U.S.

In line with the Company's announcement on 15 March 2024, a small and low-cost spudder drilling rig (the "spudder rig") was mobilised to the well location on 20 March 2024. The spudder rig subsequently drilled a 30-inch hole to a depth of 96-feet before successfully setting 20-inch conductor casing. All operations were conducted safely.

The remaining sections of the well will be drilled using the Helmerich & Payne Rig 257 (the "H&P" rig), as also announced on 15 March 2024. The H&P rig has now been mobilised to the well site and will begin rig-up activity in mid-April, prior to commencing the larger drilling operation.

**Colin Harrington, Zephyr's Chief Executive, said "We continue to make good progress at the well-site and are well prepared for the next phase of drilling which is expected to commence in mid-April."**

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**Notes to Editors**

Zephyr Energy plc (AIM: ZPHR) (OTCQB: ZPHRF) is a technology-led oil and gas company focused on responsible resource development from carbon-neutral operations in the Rocky Mountain region of the United States. The Company's mission is rooted in two core values: to be responsible stewards of its investors' capital, and to be responsible stewards of the environment in which it works.

Zephyr's flagship asset is an operated lease holding of over 46,000 gross acres located in the Paradox Basin, Utah, 25,000 acres of which has been assessed to hold, net to Zephyr, 2P reserves of 2.6 million barrels of oil equivalent ("mmboe"), 2C resources of 34 mmboe and 2U resources 270 mmboe.

In addition to its operated assets, the Company owns working interests in a broad portfolio of non-operated producing wells across the Williston Basin in North Dakota and Montana. Cash flow from the Williston production will be used to fund the planned Paradox Basin development. In addition, the Board will consider further opportunistic value-accretive acquisitions.

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