



7 May 2024

Orcadian Energy plc

("Orcadian Energy", "Orcadian" or the "Company")

33rd Licensing Round Offer of Award

Orcadian Energy (AIM:ORCA) is pleased to confirm that the North Sea Transition Agency ("NSTA") announced on Friday 3rd May a further tranche of licence awards in the 33rd Round. NSTA has indicated that Orcadian Energy will be offered a further licence in the Southern North Sea ("SNS") in addition to the two Central North Sea ("CNS") licences offered on 31 January 2024.

SNS Licence

The SNS licence contains an existing discovery with a high inerts content (Earlham) and an exciting undrilled prospect (Clover). The Earlham discovery was made by well 50/26b-6 drilled in 1995 by Talisman, encountering gas in the Rotliegendes. This was then followed in 1996 by a long horizontal appraisal well drilled by BP, which tested at over 30 mmscf/day of gas. The test was curtailed when it was established that the gas contained 49% CO₂ and 9% N₂. Taking that into account, Orcadian estimate that the Earlham reservoir contains 114 bcf of sales gas (methane) on a P50 basis. Our preliminary development concept entails an offshore power station, to be connected to the grid via a wind farm substation, with integrated CO₂ capture and storage. This concept would deliver a stable and reliable supply of electricity with near-zero emissions.

Collaboration with the wind farm operator will be essential to deliver this project, and we look forward to discussing our plans with RWE who have recently acquired the rights to develop the Norfolk Boreas wind farm from Vattenfall.

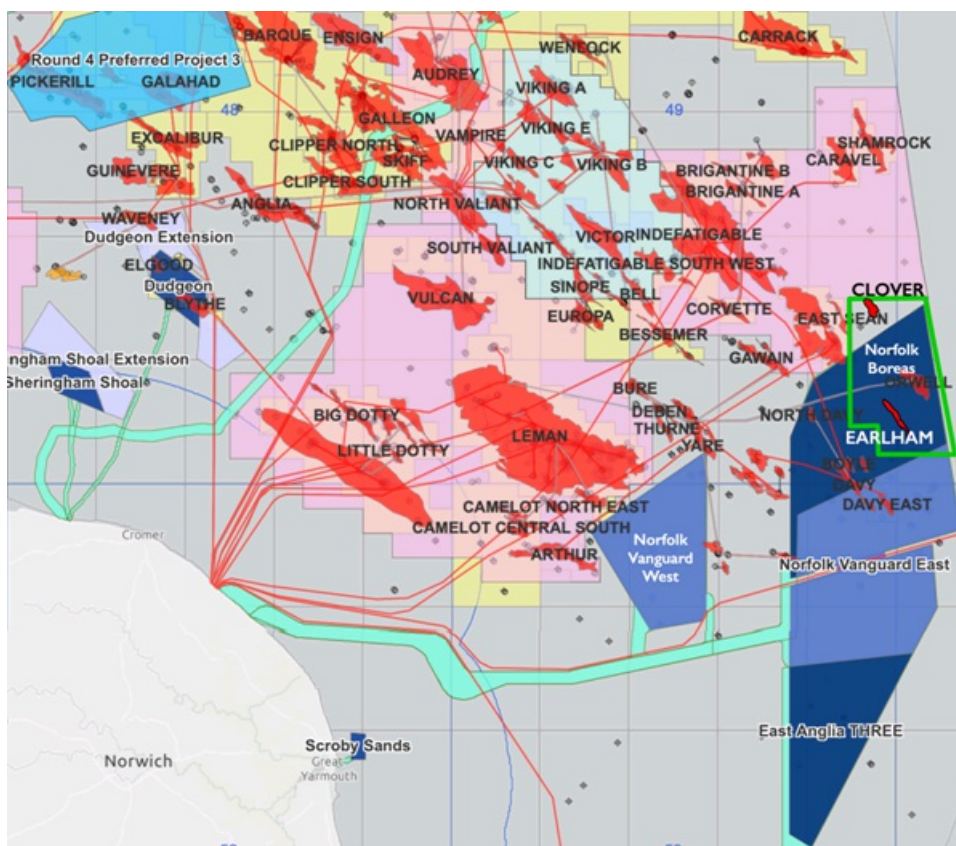
The licence also contains a compelling gas prospect which the Company has named Clover, this is a four-way dip closure reservoir in Bunter sands, analogous to the nearby Orwell Field, that is now decommissioned having produced over 300 bcf of gas. Orcadian estimate that P50 recoverable resources in Clover amount to 153 bcf and the geological chance of success is estimated to be 38%.

The SNS licence covers blocks 49/25b, 50/21a, 49/30a and 50/26.

Steve Brown, Orcadian's CEO, said:

"Following on from the very large viscous oil accumulation at Fynn, and the shallow gas prospects on the Mid North Sea High, we are delighted to have completed a hat-trick of licence awards with the SNS offer from the NSTA. The star of this licence is the Earlham discovery which we believe can be developed as a gas-to-wire scheme with integrated carbon capture. Such an approach means the project could reliably supply electricity to the UK grid with near-zero emissions. This is a project that anyone who is concerned with energy security, grid reliability, consumer bills, and emissions can get behind, and which demonstrates how our industry can adapt to a Net Zero world."

"In addition, there is also a cracking Bunter sand prospect which was cleaved in two by the Department of Trade and Industry in 1971, when they put a block boundary right down the middle of the Clover prospect. This is the first time in over fifty years that a single license group has the whole prospect in hand which will enhance any potential farm-out opportunities for the licence in the future."



Map showing location of offered licence (green outline) and the Norfolk Boreas wind farm area.

For further information on the Company please visit the Company's website: <https://orcadian.energy>

Contact:

Orcadian Energy plc	+ 44 20 7920 3150
Steve Brown, CEO	
Alan Hume, CFO	
Zeus (Nomad and Joint Broker)	+44 20 3829 5000
Dan Bate / Alex Campbell-Harris (Investment Banking)	
Simon Johnson (Corporate Broking)	
Novum (Joint Broker)	+44 207 399 9425
Colin Rowbury / Jon Belliss	
Tavistock (PR)	+ 44 20 7920 3150
Nick Elwes / Simon Hudson	orcadian@tavistock.co.uk

Qualified Person's Statement

Pursuant to the requirements of the AIM Rules and in particular, the AIM Note for Mining and Oil and Gas Companies, Maurice Bamford has reviewed and approved the technical information and resource reporting contained in this announcement.

Maurice has more than 34 years' experience in the oil & gas industry and 3 years in academia. He holds a BSc in Geology from Queens University Belfast and a PhD in Geology from the National University of Ireland. Maurice is a Fellow of the Geological Society, London, and a member of the Geoscience Energy Society of Great Britain. He is Exploration and Geoscience Manager at Orcadian Energy.

About Orcadian Energy

Orcadian is a North Sea focused, low emissions, oil and gas exploration and development company. Orcadian may be a small operator, but it is also nimble, and the Directors believe it has grasped opportunities that have eluded some of the much bigger companies. As we strike a balance between Net Zero and a sustainable energy supply, Orcadian intends to play its part to minimise the cost of Net Zero and to deliver reliable energy to the UK.

Orcadian's key asset is the Pilot oilfield, Pilot was discovered by PetroFina in 1989 and has been well appraised. The field has excellent quality reservoir and contains 263MMbbl of a viscous oil ranging in gravity from 17° API in the South of the reservoir to 12° API in the North. In planning the Pilot development, Orcadian has selected polymer flooding and wind power to transform the production of viscous oil into a cleaner and greener process. Polymer significantly reduces fluid handling requirements and hence energy consumption as well as boosting recovery. Ithaca Energy, operator of the Captain field in the Inner Moray Firth, has enjoyed consistent success in applying polymer flood to the highly analogous Captain field. Following the recent farm-down of Pilot, the project is now under the stewardship of Ping Petroleum UK PLC ("Ping") and is intended to be amongst the lowest carbon emitting oil production facilities in the world.

Ping is progressing a low-emissions, phased, field development plan for Pilot based upon a polymer flood of the reservoir, a Floating Production Storage and Offloading vessel (FPSO) and provision of power from a floating wind turbine or a local wind farm.

Orcadian has an 18.75% fully carried interest in licence P2244 (block 21/27a) and a 100% interest in licence P2482 (blocks 28/2a and 28/3a). Ping is operator of P2244 and the Pilot development project. As noted above Orcadian has also been offered three licences in the 33rd licensing process and expects formal issues of these licences in due course.

The Mid-North Sea High licence contains shallow gas leads. Orcadian applied in partnership with Triangle Energy, an Australian listed energy company. Orcadian would be licence administrator and would hold 50% of the offered licence. The Mid-North Sea High licence covers blocks 29/16, 29/17, 29/18, 29/19, 29/21, 29/22, 29/23, 29/27 and 29/28.

The Fynn licence contains a very substantial heavy oil discovery. About 88% of the resource on a best technical case is estimated to lie within the area of the offered licence. Orcadian has been offered a 50% working interest in the Fynn licence to be operated by the Parkmead Group. The Fynn licence covers blocks 14/15a, 14/20d and 15/11a.

Orcadian provides below a summary of resources across its licences and newly awarded licences, still to be formally issued. For licences P2244 (Pilot) and P2482 (Elke, Narwhal and Elke satellites) the volumes are based upon the CPR prepared by Sproule in April 2021 net of TGS royalty and including an estimate of the allocation of production as detailed in the Pilot SPA and JOA. For the prospects on the new licences, Fynn (Beaulieu), Lowlander & Midlander, Glenlough, Breckagh, Earham and Clover the volumes are either Orcadian management estimates or Operator management estimates prepared in accordance with the reserve definitions guidelines defined in the SPE Petroleum Resources Management System 2018.

Asset	Gross			Net			PRMS sub-class	Phase & units	Commercial risk factor	Licence
	1C	2C	3C	1C	2C	3C				
Pilot*	58.4	78.8	110.5	9.8	13.6	19.7	Development pending	Oil, MMbbl	100%	P2244 Source 2
Pilot periphery	5.9	9.8	17.6	1.1	1.8	3.3	Development unclarified	Oil, MMbbl	80%	P2244 Source 2 & 7
Elke Main §	26.0	45.5	94.9	25.7	45.0	94.0	Development on hold	Oil, MMbbl	79%	P2482 Source 3
Narwhal	4.3	9.2	17.6	4.2	9.1	17.4	Development on hold	Oil, MMbbl	79%	P2482 Source 1
Fynn (Beaulieu)^	175.6	292.3	480.6	77.3	128.6	211.5	Development unclarified	Oil, MMbbl	25%	P2634^ Source 5 & 7
Lowlander & Midlander^	17.5	11.6	31.9	8.8	5.8	16.0	Development unclarified	Oil, MMbbl	15%	P2634^ Source 6 & 7
Earlham^	12.5	19.0	29.0	12.5	19.0	29.0	Development unclarified	Gas, MMboe	67%	Offer^ Source 4
	75.0	114.0	174.0	75.0	114.0	174.0		Gas, bcf		
Total contingent resources					223.0		Oil & gas, MMboe			
Total contingent resources factored by commercial risk					103.6		Oil & gas, MMboe			

							PRMS sub-	Phase &	Geological	..
--	--	--	--	--	--	--	-----------	---------	------------	----

Asset	Gross			Net			Resource class	Resource units	Geological risk factor	Licence
	Low	Best	High	Low	Best	High				
Elke Main - West (3C outline §)	13.0	22.8	47.5	12.9	22.5	47.0	Prospect	Oil, MMbbl	90%	P2482 Source 3 & 7
Elke Updip	5.5	17.5	39.0	5.4	17.3	38.6	Prospect	Oil, MMbbl	87%	P2482 Source 1
Elke Area 2	4.2	12.3	25.4	4.2	12.2	25.1	Prospect	Oil, MMbbl	64%	P2482 Source 1
Clover^	13.8	25.5	45.3	13.8	25.5	45.3	Prospect	Gas, MMboe	38%	Offer^ Source 4
	83.0	153.0	272.0	83.0	153.0	272.0		Gas, bcf		
Glenlough^	12.0	21.8	36.7	6.0	10.9	18.3	Lead	Gas, MMboe	31%	P2650^ Source 4
	72.0	131.0	220.0	36.0	65.5	110.0		Gas, bcf		
Upper Breckagh^	3.3	5.5	9.2	1.7	2.8	4.6	Lead	Gas, MMboe	55%	P2650^ Source 4
	20.0	33.0	55.0	10.0	16.5	27.5		Gas, bcf		
Lower Breckagh^	9.5	17.5	30.3	4.8	8.8	15.2	Lead	Gas, MMboe	20%	P2650^ Source 4
	57.0	105.0	182.0	28.5	52.5	91.0		Gas, bcf		
Total prospective resources						99.9	Oil & gas, MMboe			
Total risked prospective resources						59.5	Oil & gas, MMboe			

Source	
1	Sproule CPR 2021
2	Sproule CPR 2021 - equity updated
3	Sproule CPR 2021 - management modified
4	Management estimate - Licence Application to NSTA
5	Operator estimate - as presented to NSTA
6	Operator - earlier Relinquishment Report & Licence Application - both for NSTA
7	Orcadian management estimate of risk factor

Notes	
*	Pilot field net resources include a reduced revenue interest of 10% until the carry is repaid
§	Elke high case is limited to the 2C outline as we have reclassified the 3C extension as the Elke Main West prospect
^	Resources are on a licence which has been offered for award but which has not yet been signed

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCFLFVLEFIRIIS