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3 June 2024

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

State 36-2R well drilling update

Zephyr Energy plc (AIM: ZPHR) (OTCQB: ZPHRF), the Rocky Mountain oil and gas company focused on responsible resource development and carbon-neutral operations, is pleased to provide an update on the State 36-2R LNW-CC well (the "State 36-2R well") at its project in the Paradox Basin, Utah.

Drilling operations continue to proceed safely and effectively.

The 8 ½-inch section reached the planned section total depth of 10,084 feet, after which the 7-inch casing string was set and cemented in place successfully.

Drilling will shortly commence on the final section of the State 36-2R well. The objective for this short section is to land the well safely within the Cane Creek reservoir (the "Cane Creek") and drill the remaining 320 feet (of which 270 feet will be drilled horizontally within the reservoir) to intersect both the reservoir and the productive natural fracture system encountered by the State 36-2LNW-CC well (the "original well").

After reaching total depth and setting a production liner, the drilling rig will be demobilised and the well will be prepared for production testing.

At the current depth of 10,084 feet, the State 36-2R well is ten feet from the original well.

Colin Harrington, Zephyr's Chief Executive, said: *"I am pleased to report that drilling operations on the State 36-2R well continue safely and with such precision. Over the next few days we plan to intersect the Cane Creek and target the same natural fracture network identified by the original well."*

"We will keep our stakeholders updated as drilling operations progress."

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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 46,000-acre leaseholding 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.

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

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