

19 June 2024

**Baron Oil Plc**

("Baron", or the "Company")

**Entry into Contract Year 3 of Chuditch PSC, Timor-Leste**

Baron Oil Plc (AIM: BOIL) is pleased to provide an update on the status of the TL-SO-19-16 Production Sharing Contract ("Chuditch PSC" or the "PSC"), offshore Democratic Republic of Timor-Leste ("Timor-Leste").

**Headlines:**

- Chuditch PSC has entered Contract Year Three
- Bank guarantee increased from US\$1 million to US\$2 million (net to Baron Oil)
- Funding initiatives progressing
- New investor presentation available on website

**Timor-Leste Chuditch PSC: Commitment Status**

The Chuditch PSC in Timor-Leste, which Baron operates through its SundaGas subsidiary, with a 60% working interest in partnership with state-owned joint venture partner TIMOR GAP Chuditch Unipessoal Lda ("TIMOR GAP"), entered Contract Year Three of the PSC today, 19 June 2024. This is in line with the details set out in the operational update released by the Company on 28 May 2024.

Contract Year Three contains a commitment to drill an appraisal well on the Chuditch gas field, an obligation which was previously subject to seismic data reprocessing confirming the presence of a significant structure associated with the field. As previously announced, the successful conclusion of the 3D seismic reprocessing project, and subsequent interpretation of those data and other technical studies, has removed that subjectivity; Chuditch has been demonstrated to be a field of significant scale, interpreted to be >20 km long with a Pmean Contingent Resource of 1.16 Tcf of gas.

**Bank Guarantee**

A requirement of the PSC is to provide government regulator *Autoridade Nacional do Petróleo* ("ANP") with a security in the form of a bank guarantee. Previously, a bank guarantee to the value of US\$1.0 million was provided. For PSC Contract Year Three, reflective of the increased work programme commitment, ANP has requested an increase in the total amount of the bank guarantee to US\$2.5 million. As TIMOR GAP is responsible for 20% of costs in relation to the PSC, the Company's net share is US\$2.0 million, a US\$1.0 million increase for Baron.

The new bank guarantee has been issued by *Banco Nacional de Comércio de Timor-Leste* ("BNCTL"), a bank wholly owned by the government of Timor-Leste. The use of BNCTL is part of the Company's commitment to maximising local content inside Timor-Leste, but also indicative of its intent to broaden its business partnerships in-country.

**Drill Funding**

The Company continues its discussions with additional potential funding partners regarding participation in the drilling of the appraisal well in Contract Year Three. These parties include potential strategic investors into the Chuditch project and enterprises with an interest in developing and / or taking the gas resources to market. Whilst there is no certainty of any of the discussions reaching a completed transaction, the progress is encouraging, and the Board is confident of the financing being in place in time to enable drilling of the Chuditch well as planned in early 2025.

**Investor Relations:**

Baron will be giving a presentation at the Proactive One2One Investor Forum in London today, followed by a Q&A session and informal networking. Details of the event can be found at [https://www.proactiveinvestors.co.uk/register/event\\_details/445#](https://www.proactiveinvestors.co.uk/register/event_details/445#). A copy of the presentation has been uploaded onto the Company website [www.baronoilplc.com](http://www.baronoilplc.com) and a video recording of the presentation will be uploaded as soon as it is made available to the Company.

**Dr Andy Butler, Chief Executive Officer, commented:**

**Dr Andy Butler, Chief Executive Officer, commented:**

*"The move into Contract Year Three is an important milestone for the Chuditch PSC. The Company's technical and operational teams are making great progress in preparations for drilling of the Chuditch-2 appraisal well and the parallel initiatives around funding for drilling and subsequent activities are advancing at pace."*

**For further information, please contact:**

**Baron Oil Plc** +44 (0) 20 7117 2849

Dr Andy Butler, Chief Executive Officer

**Allenby Capital Limited** +44 (0) 20 3328 5656

Nominated Adviser and Joint Broker

Nick Athanas, Nick Harriss, George Payne (Corporate Finance)

Kelly Gardiner, Stefano Aquilino (Sales and Corporate Broking)

**Cavendish Capital Markets Limited** +44 (0) 131 220 6939 / +44 (0) 207 397 8900

Joint Broker

Neil McDonald, Pearl Kellie (Corporate Finance)

Leif Powis (Sales)

**IFC Advisory Limited** +44 (0) 20 3934 6630  
Financial PR and IR baronoil@investor-focus.co.uk  
Tim Metcalfe, Florence Chandler

**Qualified Person's Statement**

Pursuant to the requirements of the AIM Rules - Note for Mining and Oil and Gas Companies, the technical information and resource reporting contained in this announcement has been reviewed by Dr Andrew Butler, Fellow of the Geological Society of London and member of the Society of Petroleum Engineers. Dr Butler has more than 27 years' experience as a petroleum geologist. He has compiled, read and approved the technical disclosure in this regulatory announcement and indicated where it does not comply with the Society of Petroleum Engineers' standard.

**Glossary of Technical Terms**

<b>Contingent Resources</b>	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies.
<b>Mean or Pmean</b>	Reflects an unrisks median or best-case volume estimate of resource derived using probabilistic methodology. This is the mean of the probability distribution for the resource estimates and is often not the same as 2U as the distribution can be skewed by high resource numbers with relatively low probabilities.
<b>PSC</b>	Production Sharing Contract.
<b>Tcf</b>	Trillion standard cubic feet of gas.

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 [rns@seg.com](mailto:rns@seg.com) or visit [www.ms.com](http://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

UPDEKLBFZQLBBV