

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the **UK MAR**) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Caspian Sunrise PLC

("Caspian Sunrise" or the "Company" and together with its subsidiaries, the "Group")

Update on the disposal of the BNG shallow MJF & South Yelemes structures

and

Operational Update

Introduction

The board of Caspian Sunrise (the "**Board**") is pleased to announce that BNG Ltd LLP (**BNG**), the Group's 99% subsidiary, which holds the BNG Contract Area licences, has entered into a conditional Sale & Purchase Agreement with Absolute Resources LLP ("**SPA**") to sell the shallow BNG MJF and South Yelemes structures for a headline cash consideration of US 88 million (the "**Disposal**").

Caspian Sunrise will retain ownership of the BNG deep structures, Airshagyl and Yelemes Deep.

Background

The MJF structure is the principal shallow structure on the BNG Contract Area and has accounted for the vast majority of the Group's oil production since it first produced oil in 2016.

The South Yelemes structure was awarded its own export licence in 2021 but to date has only produced from wells drilled in the Soviet era, as improved by horizontal drilling.

On 14 May 2024 the Board announced the conditional disposal of the BNG shallow MJF and South Yelemes structures for a headline cash consideration of approximately US 83 million. At that time the proposed purchaser Absolute Resources LLP ("**Absolute Resources**"), was granted a 90 day exclusivity period to conclude its due diligence.

On 18 July 2024 the Board announced that the proposed purchase price had by negotiation increased to approximately US 88 million and that the exclusivity period had been extended until 31 August 2024.

On 3 September 2024 the Board announced that BNG Ltd LLP had entered into a conditional and binding term sheet with Absolute Resources in connection with which initial payments totalling US 14 million have subsequently been received.

At a general meeting of the Company's shareholders on 26 September 2024, and as required under the AIM Rules for Companies, shareholders approved the proposed disposal of the MJF and South Yelemes structures on the terms set out in the circular posted to shareholders on 4 September 2024.

SPA

The Disposal will be effected by way of the sale to Absolute Resources of the entire issued share capital of a newly incorporated entity wholly-owned by BNG and established in the Astana International Finance Centre (the **NewCo**) to which the relevant subsoil use contracts will be transferred.

The Group will continue to own the remainder of the BNG Contract Area, including the licences for the two key deep structures - Airshagyl and Yelemes Deep.

The aggregate cash consideration payable by Absolute Resources shall be the Kazakhstan Tenge equivalent of US 88 million (the "**Consideration**"), of which US 14 million has already been received by BNG.

The balance of the Consideration, net of the outstanding Kazakh Government assessed historical costs relating to the MJF and South Yelemes structures at completion, which are currently approximately US 16 million and for which the liability to continue to pay will be assumed by Absolute Resources following Completion (as defined below), is to be paid as follows:

- On completion of the Disposal ("**Completion**") the Kazakh Tenge equivalent of approximately US 54 million
- Following Completion, a further approximately US 4 million to be paid in four equal instalments over a 120 day period.

The Group will contribute subsurface use rights under the subsoil use contracts and assets related to the production of hydrocarbons under those contracts to NewCo prior to Completion. No other obligations or debts shall be transferred to NewCo.

Completion will be conditional on, inter alia, the following conditions (the "**Conditions**"):

- Absolute Resources having obtained relevant antimonopoly and governmental consents in Kazakhstan;
- Absolute Resources having received debt-financing to pay the outstanding Consideration; and
- there being no material adverse change in the business, operations, assets, financial or trading position, profits or prospects of the Group related to the relevant shallow subsoil use contracts prior to Completion.

Under the terms of the SPA all Conditions must be satisfied by 31 December 2024. However, if any of the Conditions have not been satisfied by this date, BNG Ltd LLP and Absolute Resources have agreed to negotiate and agree in good faith a new long-stop date.

Other corporate transactions

West Shalva acquisition

On 5 November 2024 we announced that the change of control consent, which was a condition for the completion of the West Shalva acquisition, had been received and that we are now working towards formal completion.

Block 8 acquisition

As previously announced, the licence renewal for one of the three structures at the Block 8 Contract Area has been received. The licence renewal at the second structure remains with the Kazakh authorities and the Group has decided not to pursue the licence renewal at the third structure.

Once the licence for the second structure has been renewed completion of the acquisition of the Block 8 Contract Area will be dependent on the receipt of change of control consents from the Kazakh regulatory authorities and the subsequent re-registration of the ownership of the shares in Block 8's UAE registered holding company.

Operational update

BNG

Well 815 has been drilled to its planned total depth of 1,900 meters, with testing expected following a planned acid treatment.

In light of the expected imminent sale of the BNG shallow structures no further drilling at either the MJF or South Yelemes structures is planned. Work at the deep Aryshagyl and Yelemes Deep structures on the BNG Contract Area remains paused pending receipt of the licence upgrades submitted in Q3 2024.

Accordingly, rigs previously in use at the BNG Contract Area are now planned to be used to develop the West Shalva and Block 8 contract areas.

West Shalva

In Q1 2025 we expect to spud a shallow well with a planned Total Depth of 2,600 meters, which would fulfil the existing work programme commitments under the West Shalva licence.

If successful, the well is expected to commence production in Q2 2025.

Block 8

At the Sholkara, the structure for which the licence has been renewed, work to resume production from the two previously producing wells is expected to recommence towards the end of Q4 2024.

On receipt of the licence for the Akkuduk structure work will commence to test Well AKD-4, which has been drilled to a depth of 3,450 meters.

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Qualified person

Mr. Assylbek Umbetov, a member of the Association of Petroleum Engineers, has reviewed and approved the technical disclosures in this announcement.

The person responsible for arranging the release of this announcement on behalf of the Company is Clive Carver, Chairman of the Company.

This announcement has been posted to:

www.caspiansunrise.com/investors

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