

18 February 2025

Challenger Energy Group PLC
("Challenger Energy" or the "Company")

Sale of Trinidad and Tobago Operations

Challenger Energy (AIM: CEG) is pleased to announce that it has entered into a transaction for the sale of all of the Company's remaining business in Trinidad and Tobago (the "Transaction"), for a total transaction value to the Company of 6 million (which could increase to up to 8 million under certain future production criteria). The Transaction represents a complete exit of the Company from its operations in Trinidad and Tobago, including from all liabilities and potential exposures associated with those operations.

The Transaction constitutes a fundamental change of business pursuant to AIM Rule 15 and is contingent upon obtaining the consent of the Company's shareholders at a general meeting. A circular to shareholders (the "Circular") is expected to be posted in due course containing details of the disposal and notice convening the general meeting.

Eytan Uliel, Chief Executive Officer of Challenger Energy, said:

"As previously advised, for some time we have been considering the future for our business in Trinidad and Tobago, ultimately concluding that our capital and efforts can be better deployed. Through this Transaction we receive both upfront and deferred consideration, we retain an ability to benefit from future upside performance of the assets sold, we remove various liabilities, provisions and exposures from our balance sheet, and we streamline our activities. Most importantly, exiting from Trinidad and Tobago allows full focus on our core assets in Uruguay, where we believe the opportunity to create near-term value for our shareholders is considerably greater, as we execute on our busy work programme in both AREA OFF-1 and AREA OFF-3 in 2025. We look forward to updating the market in due course."

Details of the Transaction

- The Company has agreed to sell 100% of its St Lucia domiciled subsidiary company, Columbus Energy (St. Lucia) Limited ("CEG Trinidad") which in turn holds various subsidiary entities that collectively represent all of the Company's business, assets and operations in Trinidad and Tobago.
- The purchaser is Caribbean Rex Limited, an entity jointly owned by T-Rex Resources (Trinidad) Limited (51%), a wholly owned subsidiary of Predator Oil & Gas Holding Plc ("POGH"), and the West Indian Energy Group Limited (49%), a Trinidadian company active in the domestic oil industry ("WEIGL").
- Consideration represents a total transaction value of 6 million, whereby:
 - the Company will receive cash and liquid securities of 1.75 million, to be applied to general working capital and further strengthening the Company's balance sheet:
 - an initial deposit of 0.25 million in POGH shares (approximately 4.4 million POGH shares to be issued to the Company);
 - 0.75 million on completion - 0.25 million in cash and 0.5 million in POGH shares (the number of POGH shares to be issued will be based on the exchange rate and market price of POGH shares at the time of completion); and
 - 0.75 million, in cash, in three equal instalments at year-end 2025, 2026 and 2027; and
 - on completion WEIGL will assume all liabilities, provisions and potential exposures of the business, assets and operations in Trinidad and Tobago, which for the purposes of the proposed Transaction are agreed to be 4.25 million.
- At year-end 2027, an additional contingent payment of potentially up to 2 million is also available, under certain conditions linked to production exceeding 750 bopd.
- Completion is subject to prior approval of (i) the Company's shareholders (as the disposal represents all of the Company's present revenue and thus constitutes a fundamental change of business pursuant to AIM Rule 19, and (ii) appropriate regulatory approval in Trinidad and Tobago, with both approvals to be obtained prior to 30 April 2025 (or such later date as the parties may agree).
- The sale reflects a complete exit of the Company from Trinidad and Tobago. For the year to 30 June 2024, CEG Trinidad made a loss of approximately 0.6 million. As at 30 June 2024, CEG Trinidad had

total net assets of approximately 5.8 million. Proceeds received from the Transaction will be used for general working capital in the Company's operations. In respect of POGH shares received as part of the consideration, the Company's intention is to liquidate those shares for cash, but in an orderly fashion and at a time of the Company's choosing. Further details of the effect of the operational and financial impacts of the Transaction on the Company will be included in the Circular related to the general meeting to be convened for the purpose of approving the sale.

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

For further information, please contact:

Challenger Energy Group PLC
Eytan Uliel, Chief Executive Officer

Tel: +44 (0) 1624 647 882

Zeus - Nomad and Joint Broker
Simon Johnson/Antonio Bossi/Darshan Patel/George Duxberry

Tel: +44 (0) 20 3829 5000

Stifel - Joint Broker
Ashton Clanfield / Callum Stewart / Simon Mensley

Tel: +44 (0) 20 7710 7600

Gneiss Energy Limited - Financial Adviser
Jon Fitzpatrick / Paul Weidman / Doug Rycroft

Tel: +44 (0) 20 3983 9263

CAMARCO - Financial PR
Billy Clegg / Georgia Edmonds / Emily Hall

Tel: +44 (0) 20 3757 4980

Jonathan Paterson - Investor Relations
jonathan.paterson@harbor-access.com

Tel: +1 475 477 9401

Notes to Editors

Challenger Energy is an Atlantic-margin focused energy company, with production, development, appraisal, and exploration assets in the region. Challenger's primary assets are located in Uruguay, where the Company holds two high impact offshore exploration licences, totalling 19,000km² (gross) and is partnered with Chevron on the AREA-OFF 1 block. Challenger Energy is quoted on the AIM market of the London Stock Exchange.

<https://www.cegplc.com>

ENDS

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

DISQDLFFELLZBBK