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

West Shalva update

Introduction

Further to the RNS dated 8 April 2024, the Board of Caspian Sunrise is pleased to provide the following update in respect of the acquisition of the West Shalva Contract Area.

Background

The acquisition of CS Energy LLP, the Kazakh entity which holds the licence for the West Shalva Contract Area (the "Acquisition"), was approved by independent Caspian Sunrise shareholders on 25 April 2024. Completion of the Acquisition was then subject *inter alia* to the receipt of a number of key Kazakh regulatory approvals.

On 5 November 2024 we announced that the change of control consent required from the Ministry of Energy had been granted by the Kazakh authorities.

We are pleased today to announce that the consent required under the Kazakh Anti-Monopoly legislation has now also been received. This was the final substantive Kazakh approval required and allows work to commence on the West Shalva Contract Area.

We are now proceeding with the re-registration of CS Energy LLP, which is expected to take up to a further two months to finalise and following which we could formally complete the acquisition and issue the 99,206,349 Ordinary Shares ("Consideration Shares"), due under the first tranche of the consideration (see below).

The West Shalva Contract Area

The West Shalva contract area is rectangular in shape and extends over approximately 25 km².

It is located in the oil producing Zhetybay Steppe Area in the Mangyshlak region of Western Kazakhstan approximately 90 km east of Actau and approximately 20 km north from the Zhetybay field, where an oil processing plant is located and oil enters the Actau / Atyrau main pipeline.

The West Shalva structure was identified in Soviet times by 2D seismic data. Subsequently, 3D seismic data was acquired which identified West Shalva as a faulted anticline. At that time the adjacent Shalva structure was drilled and found oil from Jurassic sandstones.

The West Shalva prospect is partially located in Block XXXVII-12, but straddles the boundary with adjacent blocks. The source rock for the West Shalva prospect is considered to be Triassic marine shale as is understood to be the case in the nearby Shalva and Zhalgany fields.

The West Shalva prospect has potential reservoirs of Jurassic and Triassic age. The Jurassic - IX and Jurassic - XI and Triassic reservoirs are oil bearing in the nearby Shalva field and oil has been reported (but not tested) from core in the Triassic reservoir in the WSH-4 well.

Based on interpretation of the available information the main reservoir targets are Jurassic IX and Jurassic -XI reservoirs, with secondary targets in the Triassic.

Development to date

The West Shalva Contract Area was first identified as a potential oil producing location in the mid 1970's. In 1977 and based on 2D seismic data, Well no. 4 (Wsh-4) was drilled to the north and outside the structural closure of the West Shalva prospect to a depth of 3,500 meters with a prime potential oil bearing interval detected at a depth of 1,033 meters in the lower Triassic.

In 2008 a 3D seismic survey was undertaken on the contract area, which identified the West Shalva structure. In June 2022 oil was detected spilling to the surface.

Licence and current work programme

The West Shalva Contract Area exploration licence was renewed in 2023 for a six year period. The current work programme commitment is for one well to a depth of 2,660 meters targeting at least two intervals in the Triassic at an estimated cost of US 3 million and for which the required 3D seismic information is readily available.

Development plans at the West Shalva Contract Area

Now that the substantive Kazakh regulatory approvals have been received work on the West Shalva Contract Area may begin.

In order to assess the potential of the West Shalva Contract Area, the Company is preparing to drill an initial exploratory well in H1 2025 with a Total Depth of 2,660 meters from which, if successful, production is expected to start in H2 2025.

well in H1 2023 with a total depth of 2,000 meters from which, if successful, production is expected to start in H2 2023. This well would fulfil the existing work programme obligations under the current licence.

A G40 rig previously in use at the BNG Contract Area has been identified for the work and is being transported to the West Shalva Contract area.

Acquisition terms

Altynbek Bolatzhan, who is a member of the Concert Party (see below) is the sole vendor of CS Energy LLP ("Vendor").

The acquisition terms approved by independent Caspian Sunrise shareholders involves the issue of up to 198,412,698 shares partially dependent on the success of drilling at the West Shalva Contract Area and a potential additional cash sum of 5 million, as follows:

- On Completion 99,206,349 new ordinary shares will be issued to the Vendor at 4p per share.
- On first oil from the West Shalva Contract Area a further 99,206,349 new ordinary shares would be issued to the Vendor at 4p per share
- Additionally, the first 5 million revenues from oil sales from the West Shalva Contract Area under the Group's ownership would be paid to the Vendor.

Concert Party Shareholdings following completion of the Acquisition

The Company currently has 2,254,978,483 shares in issue. The existing concert party currently hold 1,091,189,529 shares representing 48.39% of the shares currently in issue.

The CS Energy LLP vendor is Altynbek Bolatzhan, who is a member of the Concert Party, and who currently holds 26,851,612 shares representing 1.19% of the shares currently in issue.

On Completion his shareholding would increase to 126,057,961 shares representing 5.35% of the shares then in issue and on first oil from the West Shalva Contract Area his shareholding would further increase to 225,264,310 shares representing 9.18% of the shares then in issue.

On Completion the Concert Party's shareholding would increase to 1,190,395,878 shares representing 50.57% of the shares then in issue and on first oil from the West Shalva Contract Area under the Group's ownership would further increase to 1,289,602,227 shares representing 52.56% of the shares then in issue.

Further announcements regarding formal completion of the Acquisition and the issue of the consideration shares will be made in due course.

Other matters

While we have had little to announce in recent months as we progressed the various corporate transactions underway, we expect in the coming weeks to be able to update shareholders on a range of developments, including but not limited to the previously announced proposed 88 million disposal of the MJF / South Yelemes structures on the BNG Contract Area and the acquisition of the Block 8 Contract Area.

Comment

Clive Carver, Chairman said

"We are pleased to have cleared the final substantive regulatory hurdle in the acquisition of the West Shalva Contract Area.

Drilling the first well is set to commence soon and we look forward to updating shareholders with the outcome in due course"

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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.

This announcement has been posted to:

www.caspiansunrise.com/investors

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

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www.caspiansunrise.com/investors

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