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11 March 2025

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

**Fourth Quarter 2024 and FY 2024 results from the Williston project; and  
Paradox project update**

Zephyr Energy plc (AIM: ZPHR) (OTCQB: ZPHRF) is pleased to provide initial fourth quarter 2024 ("Q4") and full-year 2024 ("FY 2024") results related to hydrocarbon production from its non-operated asset portfolio in the Williston Basin, North Dakota and Montana, U.S. (the "Williston project"), and an update on the Company's flagship project in the Paradox Basin, Utah, U.S. (the "Paradox project").

**Williston project results**

- FY 2024 sales volumes averaged 1,149 barrels of oil equivalent per day ("boepd"), an increase over full-year 2023 ("FY 2023") sales volumes of 1,116 boepd.
  - Total FY 2024 sales were 420,724 barrels of oil equivalent ("boe") of which 90% comprised crude oil sales, 4% natural gas sales, and 6% from natural gas liquids sales.
- FY 2024 revenues from the portfolio are estimated to be, subject to audit, circa US 24.3 million, versus FY 2023 revenues of US 25.2 million. The 3.6% year-on-year decline in revenues, despite increased sales and production in FY 2024, was the result of lower commodity prices in FY 2024 compared to the prior year.
- FY 2024 operating income is estimated to be, subject to audit, US 16.7 million (after production taxes, lease operating expenses, realised hedging impacts, and gathering and marketing fees), demonstrating the strong profitability of the portfolio.
- FY 2024 production was 1,052 boepd versus FY 2023 production of 1,040 boepd. The increase in production year-on-year was the result of the Company's wells operated by Slawson Exploration Company being online for much of FY 2024, offset by the natural decline of the portfolio. FY 2024 production was 4.3% lower than the Company's base forecast range due to the downtime experienced in the Williston Basin in Q4 (which experienced extreme weather during the quarter).
  - Q4 production averaged 829 boepd net to Zephyr. Production impacts caused by the Q4 downtime are expected to be temporary.
- At 31 December 2024, 229 wells in Zephyr's portfolio were available for production (versus 228 wells at the end of third quarter of 2024).
- Net working interests across the Zephyr portfolio now average 7% per well (equivalent to 16.0 net wells).
- The Company hedged a total of 27,500 barrels of oil ("bbls") in Q4. 10,500 of these were hedged at a price of US 80.91 per barrel of oil ("bbl") and the other 17,000 bbls were hedged by way of financial collars with a weighted average floor price of US 71.35 per bbl and a weighted average ceiling price of US 84.38 per bbl.

**Paradox project update**

Following the completion of safe and successful drilling operations of the extended lateral section (the "lateral") at the State 36-2 LNW-CC-R well ("the well"), the Nabors rig was fully demobilised from site and the drill-pad has been prepared for the upcoming completion and production testing operations. Equipment for the completion operation has begun mobilising to site.

The Company is encouraged that 97% of the lateral was drilled in the Cane Creek reservoir and that elevated mud gas levels with notable peaks were evident across the length of the lateral. In addition, data gathered during the drilling operations has been incorporated into an updated completion plan in order to determine the optimal number and location of stages to be perforated along the length of the lateral.

At present, Zephyr plans to perforate 16 stages, using a wellbore perforating technology developed by Halliburton to generate improved connectivity between the reservoir and wellbore, prior to treating the well with acid to enhance near-wellbore formation permeability. As part of the operation, the Company also plans to deploy a fibre optic cable in the well to gather pressure and temperature data to assess the production rate of each individual stage during production testing. This will allow the team to further understand the production capacity of the reservoir and optimise stimulation techniques for future operations. Due to a slightly longer lead time on the fibre optic cable than originally expected, the Company anticipates completion operations to commence next week and expects initial production test results to be available in

mid to late April 2025, subject to weather and current vendor schedules.

**Colin Harrington, Chief Executive of Zephyr, said** "2024 was another strong year for our non-operated Williston portfolio. The historical investment in the portfolio continues to compound cashflow which enables us to pursue the significant upside potential of the Paradox project.

"I am also very happy with the progress our team has made, in conjunction with our service partner Halliburton, in designing the upcoming completion for the State 36-2 LNW-CC-Rwell. Activity at site has started, and we look forward to commencing completion operations shortly, with production testing to follow immediately thereafter.

"We will provide further updates as operations progress."

#### **FY 2024 Non-Operated Portfolio Sales Detail**

Zephyr's net sales for FY 2024 were approximately 420,724 boe.

FY 2024 product mix was circa 90% crude oil, 4% natural gas, and 6% natural gas liquids. The table below provides sales volumes, product mix, and average sales prices for FY 2024:

Oil:	300,006 barrels ("bbls") at an average sales price of US 73.86/bbl*
Natural Gas:	417,417 thousand cubic feet ("mcf") at an average sales price of US 2.16/mcf
Natural Gas Liquids:	2,148,239 gallons at an average sales price of US 0.74 per gallon

\*Includes hedges realised in the year

#### **Contacts**

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#### **Qualified Person**

Dr Gregor Maxwell, BSc Hons. Geology and Petroleum Geology, PhD, Technical Adviser to the Board of Zephyr Energy plc, who meets the criteria of a qualified person under the AIM Note for Mining and Oil & Gas Companies - June 2009, has reviewed and approved the technical information contained within this announcement.

#### **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.

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