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Corcel PLC
("Corcel" or the "Company")

Corcel Consolidates Block KON-16 Interest and Secures 2.5M through Strategic Alliance with Sintana Energy Inc

14 May 2025

Corcel Plc (AIM:CRCL), the pan Angola-Brazil focused energy company is very pleased to announce that, through its subsidiary Atlas Petroleum Exploration Worldwide Ltd ("APEX"), it has conditionally acquired an additional 30% gross interest in its operated Block KON-16 in the Kwanza Basin, onshore Angola, from a joint venture partner of the block, subject to Governmental approval. Concurrently, Corcel is also delighted to announce the signing of a binding heads of terms for a strategic alliance with Sintana Energy Inc (SEI: TSX-V) ("Sintana"), a transaction that secures 2,500,000 in exchange for a 5% net interest in Block KON-16. The result of these two transactions, upon completion, will increase Corcel's net interest in Block KON-16 from 49.5% to 71.5%.

Highlights:

- APEX acquires an additional 30% gross (27% net to CRCL) interest in Block KON-16, consolidating an 85% controlling interest in its high-impact, high-potential operated block;
- APEX has entered into a binding heads of agreement to sell a 5% net interest in Block KON-16 to Sintana Energy Inc for a cash consideration of 2,500,000, which provides an indicative gross value of 50,000,000 for the entirety of KON-16, pre-seismic;
- Corcel enters a strategic alliance with Sintana Energy Inc through a Joint Study and Bid Agreement ("JSBA"), which targets further opportunities in onshore and offshore Angola; and
- Transaction proceeds enable Corcel to accelerate and fund its 2025 seismic program in KON-16 leading to drilling an initial exploration well in KON-16 in 2026.

Scott Gilbert, Chief Executive Officer at Corcel commented: *"We are extremely pleased to have executed two value-accretive transactions in rapid succession. Upon completion, our acquisition of an additional working interest and the strategic alliance with Sintana are clear validations of Corcel's first-mover advantage in the onshore Kwanza Basin. Starting with a 35% gross interest in KON-16, we increased our stake to 55% in September 2024 at no cost to Corcel. Today, with a modest outlay, we have secured a controlling interest in the block. We have firmly consolidated, monetised, and funded forward - all while preserving substantial long-term upside."*

As we continue to build Corcel, we do so with a stronger balance sheet, a clear strategic vision, and a growing track record of delivering non-dilutive, value-generative transactions. Our focus now shifts to operational delivery and continuing to scale with discipline. I would like to thank Sintana for sharing our vision, the Corcel team for their outstanding execution, ANPG for their continued support, and, of course, our shareholders for their trust and patience as we position Corcel for sustained growth and regional leadership."

Robert Bose, Chief Executive Officer at Sintana commented: *"Our emerging partnership with Corcel is emblematic of our strategy to partner with best-in-class entrepreneurs and deploy high impact capital that provides exposure to significant resource opportunities. Our partnership with Corcel provides us a superior platform for our entry to Angola and we are particularly excited about the potential of KON-16. We look forward to much success together."*

Transaction Details:

Acquisition of a 30% gross interest in KON-16:

Through APEX, its 90% owned subsidiary, Corcel has acquired a 30% gross (27% net to CRCL) interest in its operated Block KON-16 from Intank Global DMCC ("Intank"). The acquisition of this incremental interest, subject to the requisite government approvals, shall complete with a cash payment to Intank of 500,000. As part of the Sale and Purchase Agreement, signed between Corcel and Intank, Intank shall receive a future 5% Overriding Royalty Interest ("ORRI") limited to the first development area of KON-16 in the event of a commercial discovery. The attributable losses for the year ended 31 December 2024 for the 27% net interest acquired in KON-16 are £81,271.

Divestment of a 5% net interest in KON-16:

Corcel has subsequently agreed a binding heads of terms to divest a 5% net interest in KON-16 to Sintana by selling a 5.88% equity stake in a newly formed Special Purpose Vehicle ("SPV") that will hold the consolidated 85% interest in KON-16. Following completion of this transaction, Corcel's net interest in KON-16 will be 71.5%. The cash consideration for the acquisition of the net 5% interest in KON-16 is 2,500,000 and as part of the agreement, Sintana

consideration for the acquisition of the net 5% interest in KON-16 is 2,000,000 and as part of the agreement, Sintana will receive a future 2.5% Net Profit Interest ("NPI") on Corcel's interest in KON-16 up to 50,000,000, after which the NPI reduces to 1.5%, in the event of a commercial discovery. The attributable losses for the year ended 31 December 2024 for the 5% net interest acquired in KON-16 are £15,050. A 500,000 down payment of consideration is receivable upon entering into the heads of terms, with a further 2,000,000 payable upon completion.

Joint Study and Bid Agreement:

Corcel and Sintana have also executed a Joint Study and Bid Agreement establishing an alliance to evaluate and pursue oil and gas exploration and production opportunities in Angola both onshore and offshore. Under the agreement, both parties commit to jointly collaborate on evaluating opportunities. Participation in any specific opportunity is voluntary and subject to unanimous agreement on commercial and other bid terms.

Strategic Rationale:

The transactions with Intank and with Sintana represent significant milestones in Corcel's efforts to unlock value from its upstream oil and gas portfolio in Angola's Kwanza Basin. The acquisition of an additional 30% gross interest and the subsequent sale of a net 5% participating interest in KON-16 for a cash consideration of 2.5 million provides clear market validation of the asset's potential and monetises part of Corcel's position at a relatively early stage of the project lifecycle.

Key strategic benefits of the Sintana transaction include:

- **Early-Stage Value Realisation:** The deal crystallises upfront cash returns on Corcel's investment in KON-16 and provides tangible evidence of third-party valuation support at a material premium to historic entry costs
- **Non-Dilutive Capital Inflow:** The proceeds strengthen Corcel's balance sheet without dilution to shareholders, enhancing the Company's ability to progress its broader portfolio and strategic objectives
- **Partnership with an Industry-Aligned Counterparty:** Sintana brings both capital and strategic alignment, offering a collaborative pathway to de-risk and advance the KON-16 block through exploration drilling planned in 2026
- **Preserved Control and Future Upside:** Corcel retains a significant majority interest and strategic control over the asset, while Sintana's acquisition is structured to support governance efficiency and future joint liquidity considerations
- **Attractive Long-Term Profit Participation:** The Net Profit Interest structure allows Sintana to benefit from long-term cash flows, aligning incentives without impacting Corcel's near-term operational strategy or asset development plans.

Overall, this transaction strengthens Corcel's position as a nimble and value-focused energy company in sub-Saharan Africa, demonstrating disciplined portfolio management and a clear path to monetisation, while retaining significant upside exposure in a high-potential asset.

Next Steps:

The Company will update the market upon the completion of the acquisition from Intank, which remains subject to Angolan Government approval, and on the completion of the sale to Sintana, that remains subject to a sale and purchase agreement. On completion and approval of the Environmental Impact Assessment on KON-16 (announced 30 April 2025), the Company will then be able to move forward with seismic acquisition operations, which will ultimately lead to the drilling of the first new well on the block since the 1960's. At present, an acquisition program of 300-line km of 2D seismic is planned over KON-16 to better image targets in both the shallow post-salt and the deeper pre-salt levels. The Company is also currently reviewing and interpreting recently received reprocessed 2D seismic and data from the 2024 acquisition of high resolution eFTG data over KON-16, which will result later this year in an independent resource report on the asset to quantify volumetrics.

About KON-16:

Corcel holds an operated and controlling interest in KON-16, which is a large (1000 sq. km) block in the onshore Kwanza Basin. KON-16 has benefited from high quality regional scale modern 2D seismic acquisition in 2010-2012, which identified significant post and pre-salt prospectivity that was previously not imaged. Despite the large scale of the KON-16 area, only 1 historic well has been drilled inside the block (Tuenza #1, in 1960) and therefore significant potential is believed to remain. Prospectivity ranges from shallow oil-prone targets analogous to the nearby Tobias and Galinda fields, to the deeper pre-salt play, which is analogous to the deep-water Kwanza Basin discoveries (TotalEnergies Kaminho Project).

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About Corcel:

Corcel has a notable oil and gas portfolio in onshore Angola that includes brownfield redevelopment opportunities and significant exploration upside. Corcel marked a new country entry into Brazil through the option to acquire rights to producing gas and exploration assets, further diversifying its portfolio and enhancing its growth potential.

Corcel's Angola portfolio consists of interests in three licenses:

- KON - 16 upon completion: operated - 80% working interest - 71.5% net to CRCL
- KON - 11 Non-Operated - 20% working interest - 18% net to CRCL
- KON - 12 Non-Operated - 25% working interest - 22.5% net to CRCL

Corcel's Brazil portfolio consists of the option to acquire:

- 20% interest in the IRAI gas field
- Right-of-first refusal ("ROFR") over the remaining 80% in the IRAI field
- ROFR for 100% of the adjacent TUC-T-172 exploration block, located in the state of Bahia, onshore Brazil

Corcel's Battery Metals portfolio consists of an 80% working interest in the Mt Weld Rare Earth Elements project in Western Australia.

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