

14 August 2025

EnergyPathways plc
("EnergyPathways" or the "Company")

Resubmission of Gas Storage Licence
2008 Planning Act application for MESH development

EnergyPathways (AIM: EPP), an integrated energy transition company, announces that it has received correspondence from the The North Sea Transition Authority ("NSTA") in respect of its Gas Storage Licence application and it has requested a government direction under section 35(1) of the Planning Act 2008 ("s.35") for certain elements of the MESH project to be treated as development for which development consent is required under that Act.

Gas Storage Licence

The NSTA has informed the Company that it considers it not appropriate to award a Gas Storage Licence based on EnergyPathways' application submitted on 16 August 2024 due to, amongst other things, changed circumstances. This affects only the natural gas storage and hydrogen storage elements of the MESH project. EnergyPathways is reviewing a number of options for taking these forward, which includes amending and resubmitting its Gas Storage Licence application to the NSTA.

S35 Planning Application

The direction requested by EnergyPathways would incorporate the major elements of the MESH project critical to the integrated nature of the project including: the MESH compressed air Long Duration Energy Storage (LDES) and flexible low-carbon power generation facilities, onshore gas and hydrogen conditioning facilities, the MESH clean ammonia and synthetic graphite production facilities.

The request for a s.35 direction is a process in which an infrastructure developer seeks approval from the Secretary of State for its project to be treated as a project requiring consent through a Development Consent Order (DCO) process under the Planning Act 2008. As s.35 direction enables the streamlining of the planning process for large-scale infrastructure projects such as MESH, by consolidating various permissions and consents into a single DCO.

Different parts of the project may require other consents and authorisations, but a number of these can be covered by the DCO process. For example, the Marine Management Organisation has advised the Company that, amongst other things, a marine licence under the Marine and Coastal Access Act 2009 would be required for the compressed air storage LDES aspect of the MESH development: EnergyPathways notes that a marine licence can be incorporated within the DCO process, under which it can be granted on a "deemed" basis.

Requesting a s.35 direction is a key step in EnergyPathways' process to obtain appropriate consents and recognition from the UK Government of the potential of its integrated MESH energy storage and decarbonisation project to be a project of national significance. If a s.35 direction is granted, those elements of the MESH project included in the request will be assessed under the 2008 Planning Act regime for suitability as a development requiring development consent.

EnergyPathways has consulted with its MESH project development strategic partners Siemens Energy, Hazer Group Ltd, Costain plc and Wood plc in making this request.

Ben Clube EnergyPathways' CEO commented:

"We're very pleased to submit this s.35 planning request to the Government which deals with the major elements of the integrated MESH project. Our s.35 submission sets out what we believe to be the significant contribution that the MESH integrated energy project can make to delivering Britain's future ambitions in energy affordability, security and decarbonisation.

A s.35 submission is a process that can streamline government approvals, cut through red tape and deliver major time and cost benefits in complex projects across design, planning, mobilisation and installation.

On the back of the NSTA's decision on our Gas Storage licence application, EnergyPathways is now reviewing a number of options for taking forward the natural gas storage and hydrogen storage elements of the MESH integrated energy storage project which includes resubmitting the application to the NSTA on a different basis. With Clean Power 2030 targets pending, consumer bills rising and energy security under threat, we will be focussed on avenues that can deliver a timely solution.

"The S.35 request covers the key elements of the MESH project. MESH's planned LDES and flexible power capacity facilities can help harness value for consumers from Britain's ever-increasing wasted wind power. MESH's low-carbon flexible power capacity can deliver secure, cost-competitive back up power to the grid when the wind is not available. Further, MESH's clean hydrogen production facilities will help kick start decarbonisation of the UK's industrial sector.

"If EnergyPathways is successful in its s.35 application, MESH will be well positioned to help further the UK's ambitions to be a global leader in clean energy and deliver on its Clean Power by 2030 targets, while shoring up the country's energy security and addressing the mounting costs of net zero on consumer bills.

"We are working with our strategic partners, Siemens Energy, Hazer Group-KBR, Wood plc and Costain to be ready to progress the MESH integrated project with these nationally significant goals in mind."

About MESH

MESH is a new large scale energy storage facility that is expected to provide a secure and dependable supply of natural gas

MESH is a new large scale energy storage facility that is expected to provide a secure and dependable supply of natural gas and clean hydrogen and low carbon flexible power for the UK market for over 25 years. MESH is an integrated energy system solution. It is electrifying and integrating existing infrastructure, connecting gas storage, hydrogen storage, and compressed air storage technologies with offshore wind and decarbonised power generation to establish a new major decarbonised energy hub for the UK.

The MESH system is designed to harness curtailed offshore wind power in an offshore LDES salt cavern storage as compressed air and hydrogen, with associated large scale natural gas storage in offshore gas field reservoirs. During periods of low renewable energy availability, stored energy resources will be utilized as follows: compressed natural gas will generate electricity via a gas turbine; compressed air will be expanded through a turbine to produce power; and in the future, hydrogen will be used in a hydrogen-compatible gas turbine or fuel cell to generate electricity.

This integrated system is expected to provide low- to zero-carbon dispatchable electricity to the grid, enhancing energy security and flexibility. Emissions can also be potentially captured and stored in nearby CCS reservoirs. Additionally, the stored hydrogen can be supplied to the UK's emerging Project Union hydrogen network, contributing to emissions reduction across the broader UK energy system.

MESH is designed to be the UK's largest integrated energy storage facility combining natural gas, compressed air and hydrogen storage. It will be able to store up to 20 TWh of energy. The MESH project is intended to deliver on the Government's 2030 Clean Power timeline and will ensure a reliable and secure supply of energy for the UK. MESH has been designed as a fully decarbonised and electrified zero emission facility that is to be powered by the renewable wind farms of the UK East Irish Sea region. EnergyPathways aims to play its role in supporting the Government in accelerating the UK's energy transition.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018). The Directors of the Company are responsible for the contents of this announcement.

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Enquiries

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://energypathways.uk/announcements
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Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events.

Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

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