

8 December 2025

**Block Energy plc**

("Block" or the "Company")

**Project III Farm-Out Update**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE UK VERSION OF THE MARKET ABUSE REGULATION NO 596/2014 WHICH IS PART OF ENGLISH LAW BY VIRTUE OF THE EUROPEAN (WITHDRAWAL) ACT 2018, AS AMENDED. ON PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INFORMATION IS CONSIDERED TO BE IN THE PUBLIC DOMAIN.**

Block Energy plc (AIM: BLOE), the development and production company focused on Georgia, is pleased to provide an update on the Project III farm-out process.

The Company has received a non-binding farm-in offer from a large energy company following extensive technical and commercial engagement.

The indicative offer includes a full carry of the Patardzueli-Samgori appraisal programme, comprising:

- Three historical well re-tests (two Lower Eocene and one Upper Cretaceous);
- Two highly-inclined sidetracks targeting the Lower Eocene; and
- A full suite of reservoir data acquisition and well-testing operations.

In addition to the appraisal carry, the offer includes an initial development carry covering the construction and hook-up of a 20 MMcf/d (c. 3,300 boe/d) early-production facility. Block estimates the total gross cost of the proposed carry to be in the range of US 25-30 million.

The offer is subject to the negotiation of and entry into customary detailed binding agreements as well as Georgian government approval of the transaction.

The Patardzueli-Samgori field contains 1,074 Bcf of 2C contingent resources with an estimated NPV<sup>10</sup> of US 501 million (Oilfield Production Consultants, 2024). Project III also includes the Rustavi and Teleti fields, containing a further 1,710 Bcf of 2C contingent resources (Block Energy, 2024), and the South Dome exploration prospect, which contains 574 Bcf of gross unrisked 2U prospective resources (Block Energy, 2025).

**Paul Haywood, Chief Executive Officer of Block Energy, commented:**

"We are very pleased to have received a farm-in offer from a strong prospective JV partner with whom we have progressed extensive negotiations. While there is no certainty that a transaction will complete, the non-binding offer meets our core objectives: a full carry of the appraisal programme and early-stage development of Patardzueli-Samgori, a field with over 1 Tcf of 2C contingent gas resources, with material upside across the Rustavi and Teleti fields as well as the South Dome exploration prospect which are all located within 15 miles of the South Caucasus Pipeline, one of Europe's major gas import corridors.

We look forward to updating shareholders as negotiations advance and as we continue to progress activity across the wider portfolio."

*"Mr. Christopher Brown BSc, MSc, DIC (Block's Technical Director) has reviewed the reserve, resource and production information contained in this announcement. Mr. Brown is a geoscientist with over 45 years of experience in the Oil and Gas E&P sector."*

**\*\*ENDS\*\***

**For further information please visit <http://www.blockenergy.co.uk/> or contact:**

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#### Notes to editors

Block Energy plc is an AIM quoted independent oil and gas production and development company with a strategic focus on unlocking the energy potential of Georgia. With interests in seven Production Sharing Contracts in central Georgia, covering an area of 4,256 km<sup>2</sup>, including the XIB licence which has over 2.77TCF of 2C contingent gas resources, with an estimated Net Present Value 10 ("NPV") of USD 1.65 billion, in the Patardzueli-Samgori, Rustavi and Teleti fields. (Source: IER, OPC 2024 & Internal estimates).

The Company has structured its operations around a four-project strategy. These projects, characterized by development stage, hydrocarbon type, and reservoir, are pursued concurrently to achieve multiple objectives. This includes increasing existing production, redeveloping fields, discovering new oil and gas deposits, and capitalizing on the substantial, yet untapped, gas resource across its licences. The goal is to deliver on multi TCF gas assets, strategically well located for the key EU market, supported by partner funding and cash from existing producing assets.

Located near the Georgian capital of Tbilisi, Block Energy is well-positioned to contribute significantly to the region's energy landscape. This proximity facilitates seamless operations and underscores our commitment to the economic and energy development of Georgia.

#### Glossary

MMCF/d means millions of standard cubic feet of gas per day

Boe/d means barrels of oil equivalent per day, with each barrel of oil equivalent being 6,000 cubic feet of gas

Bcf means billions of cubic feet of gas

Tcf means trillions of cubic feet of gas

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