



For immediate release

Energean Oil and Gas plc
("Energean" or the "Company")

Energean Signs Additional Gas Sales and Purchase Agreement for Karish and Tanin

"Incremental 0.265 – 0.38 BCM/yr of Gas Sales to contribute \$0.9 billion of revenues¹"

London, 2 January 2019 - Energean Oil and Gas plc (LSE: ENOG, TASE: אנרג) is pleased to announce that it has signed a Gas Sales and Purchase Agreement ("GSPA") with I.P.M. Beer Tuvia Ltd. ("IPM") to supply an estimated 5.5 BCM of gas from its Karish and Tanin FPSO over a period of 19 years. The contract is subject to necessary approvals and is contingent on results of the 2019 drilling programme, which includes the drilling of four wells in Israel and commences with the spud of Karish North in March 2019, targeting 36.8 BCM (1.3 Tcf) of gas with a volume weighted geological chance of success of 69%.

The agreement adds between 0.265 and 0.38 BCM/yr of gas sales, commencing in approximately 2024. Energean estimates that the agreement will contribute revenues of approximately \$0.9 billion over the life of the contract¹. Energean may supply IPM with limited volumes between 2021 and 2024.

IPM holds an option to increase volumes up to 0.55 BCM/yr.

Energean has now signed GSPAs for 4.6 BCM/yr² from its Karish and Tanin FPSO, which is being built with a total capacity of 8 BCM/yr. Energean targets filling the remaining 3.4 BCM/yr of FPSO spare capacity in the medium term, which it believes will deliver attractive incremental economics.

IPM is an Independent Power Producer that will supply the national power grid and large private consumers with power. IPM is building a new power plant that is due to start operating in 2H 2020, and gas purchased from Energean will provide part of the total quantity of gas required for its operations. The remaining gas supply will be purchased in accordance with IPM's existing Gas Agreements.

¹ Management estimate

² Excluding the 0.7 BCM/yr Or Contract and the IPM uplift option. The incremental volume is contingent on additional gas being discovered by the 2019 drilling programme



The Karish and Tanin development remains on track for first gas in 1Q 2021.

Mathios Rigas, CEO of Energean Oil & Gas said:

“This additional Gas Sales Agreement aligns with Energean’s strategy to secure offtake for the remaining spare capacity in our 8 BCM/yr FPSO and to commercialise the resource being targeted by our upcoming drilling programme, providing competition and energy security to the Israeli domestic market. The signing of this contract ahead of results from our 2019 drilling programme demonstrates not only the attractiveness of the Karish and Tanin fields but the strong incremental demand that we have identified for our gas and we will continue to target additional sales. Our future sales contracts will target both the growing domestic and regional export markets, delivering attractive incremental economics for all of our stakeholders.”

Enquiries

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About Energean Oil & Gas plc

Energean is a London Premium Listed FTSE 250 and Tel Aviv Listed E&P company with operations offshore Israel, Greece and the Adriatic. Energean has 349 mmboe of 2P reserves and 48 mmboe of 2C resources across its portfolio.

In August 2017 the Company received Israeli Governmental approval for the FDP for its Karish-Tanin gas development project, where it intends to use an FPSO and produce first gas in 2021. Energean has already signed contracts for 4.6 bcma of gas sales into the Israeli domestic market. Future gas sales agreements will focus on both the growing Israeli domestic market and key export markets in the region. In Greece, the Company is pursuing an ongoing investment and development programme to increase production from its Prinos and Prinos North oil fields and to develop the Epsilon oil field in the Gulf of Kavala, Northern Greece.

Energean has five exploration licences offshore Israel, and a 25 year exploitation licence for the Katakolo offshore block in Western Greece and additional exploration potential in its other licences in Western Greece and Montenegro.

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