



Press Release

Thursday, 9 April 2020

Competent Persons Report certifies 1.2 Tcf (34 Bcm) plus 39 million barrels of gross 2C recoverable resources in Karish North, a 32% uplift on prior estimates

Submission of Field Development Plan Addendum for Karish North

London, 9 April 2020 - Energean Oil and Gas plc (LSE: ENOG, TASE: אנאנ), the oil and gas producer focused on the Mediterranean, is pleased to announce the completion of an independent Competent Persons Report (“**CPR**”) by DeGolyer and MacNaughton (“**D&M**”) on the Karish North Field, offshore Israel, and submission of an addendum to the Field Development Plan (“**FDP**”) to the State of Israel’s Ministry of Energy for Karish North.

Highlights

- Karish North certified to contain gross 2C resources of 1.2 Tcf (33.7 bcm) of gas and 39 million barrels of liquids (“**mmbbls**”). This represents a total of 250 million barrels of oil equivalent (“**mmboe**”), of which 84% is gas
- Delivers a 32% uplift to Energean’s previous Karish North resource best estimate, including approximately 0.3 Tcf (9 bcm) of gas plus 5 mmbbls of liquids, a total of approximately 60 mmboe (of which 90% is gas)
- Total gross 2P + 2C across the Karish, Tanin and Karish North is now estimated to be almost 3.5 Tcf (99 bcm) of gas plus 82 mmbbls of liquids, a total of 698 mmboe (88% of which is gas)
- 0.6 bcm/yr contingent Gas Sales and Purchase Agreements (“**GSPAs**”) will now be converted to firm; firm GSPAs will now deliver approximately 5.6 bcm/yr of gas sales on plateau, with FPSO capacity of 8 bcm/yr
- Energean continues to actively market additional gas volumes to secure additional long-term cash flows that are largely insulated from global commodity price fluctuations
- Energean has also submitted an addendum to the Karish and Tanin FDP, to cover the Karish North development, envisaging a production capacity of up to 300 mmscf/d (approximately 3 bcm/yr), initially from one well
- Karish North Final Investment Decision (“**FID**”) expected during 2H 2020 with first gas in 2022

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Mathios Rigas, CEO of Energean said:

"I am delighted that 2C resources at Karish North are some 32% ahead of where we had initially expected. This has enabled us not only to convert 0.6 bcm/yr of contingent contracts into firm, but also to continue targeting additional gas sales opportunities that will be incremental to the 5.6 bcm/yr of firm gas sales that we now expect to deliver on plateau.

We are very pleased to be developing a world-class gas resource of 700 million boe and look forward to more gas discoveries in our acreage in Israel and the wider Eastern Med region."

Details of D&M CPR

Reserves & Resources

Following a full analysis of the results of both the Karish North discovery well and the side-track, D&M has certified that the Karish North field contains gross 2C contingent resources of 1.2 Tcf (33.7 Bcm) of gas plus 39.4 million barrels of liquids (Energean 70%), a total of approximately 250 mmboe. This represents a significant uplift of 0.3 Tcf (8.5 Bcm) of gas plus 5.4 million barrels of liquids (approximately 60 mmboe) to Energean's previous best estimate of Karish North volumes. Best estimate Gas Initially In Place ("GIIP") is now 1.7 Tcf (approximately 48 bcm)

Gross and working interest 1C, 2C and 3C are shown in the tables below.

In the CPR, Karish North resources are classified as contingent ahead of FID being taken on the project, which is expected during 2H 2020. Once FID has been taken resource volumes are expected to be reclassified as reserves, to the extent that they are underpinned by GSPAs.

D&M's estimates are based on the results of the Karish North exploration and appraisal campaigns that were completed in 2019, coupled with an analysis of the recently re-processed and re-calibrated 3D seismic.

The uplift in resource volumes largely results from the new conclusion that the Karish East structure is a part of the Karish North and Karish North-East structures, which were included in Energean's original resource estimates.

Following analysis of the re-processed and re-calibrated 3D seismic, Energean's internal view is aligned with that of D&M, that Karish North, Karish North-East and Karish East form one structure.



Revised Gross Contingent Resource Volumes

	Liquids mmbbls	Sales Gas Bcf	Sales Gas Bcm	Total Oil Equivalent mmboe
1C	21.4	642.7	18.2	135
2C	39.4	1,190.8	33.7	250
3C	55.6	1,701.7	48.2	357

Revised Working Interest Contingent Resource Volumes

	Liquids mmbbls	Sales Gas Bcf	Sales Gas Bcm	Total Oil Equivalent mmboe
1C	15.0	449.9	12.7	95
2C	27.6	833.6	23.6	175
3C	38.9	1,191.2	33.9	250

Total, independently verified gross 2P reserves and 2C resources in the Karish and Tanin leases (Energean 70%) are now 3.5 Tcf of gas (98.6 Bcm) and 82 million barrels of liquids, a total of approximately 698 million barrels of oil equivalent.

Total gross recoverable 2P + 2C across the Karish and Tanin leases is presented in the following table.



Revised Gross 2P Reserve + 2C Resource Volumes

	Liquids mmbbls	Sales Gas Bcf	Sales Gas Bcm	Total Oil Equivalent mmboe
Karish¹	38.5	1,503.6	42.6	305
Karish North³	39.4	1,190.8	33.7	250
Tanin²	4.1	785.9	22.2	143
Total	82.0	3,480.3	98.6	698

Revised Working Interest 2P Reserves + 2C Resources

	Liquids mmbbls	Sales Gas Bcf	Sales Gas Bcm	Total Oil Equivalent mmboe
Karish²	27.0	1052.5	29.8	213
Karish North³	27.6	833.6	23.6	175
Tanin²	2.9	550.1	15.5	100
Total	57.4	2436.2	69.0	489

Commercial & Financial Impact

Finalisation of the CPR results in the conversion of 0.6 bcm/yr of conditional GSPAs to firm contracts. Energean Israel's firm GSPAs now deliver sold volumes of 5.6 bcm/yr on plateau. The CPR enables Energean to continue marketing its gas resources into the growing Israeli domestic market and key regional export markets, securing additional long-term cash flows that are largely insulated from global commodity price fluctuations.

Updated FDP

Energean has also submitted an addendum to the Karish and Tanin FDP, to cover the Karish North development, to the State of Israel's Ministry of Energy Technical Department. Energean expects

¹ NSAI CPR – 30 June 2019

³ D&M CPR – 31 June 2020

² NSAI CPR – 30 June 2019

³ D&M CPR – 31 June 2020



to take Final Investment Decision (“FID”) on the project in 2H 2020, with first gas expected during 2022.

The FDP addendum envisages that two wells will be required to develop the greater Karish North structure. Phase 1 of the Karish North development will include the drilling of one well, tied back to the Energean Power FPSO, for the delivery of first gas in 2022. Phase 2 will include the drilling of a second production well around 2025, to optimise gas recoveries.

The FDP allows for the production of up to 300 mmscf/d through a dual flow line, which it is envisaged can be produced by a single well to start off with; Karish North reservoir properties are similar to those at Karish main.