

10 June 2021
Activity Update

Pharos Energy plc
("Pharos" or the "Company" or, together with its subsidiaries, the "Group")

Activity Update

Pharos Energy plc, an independent oil and gas exploration and production company, is pleased to provide an update on its activities in Egypt and Vietnam.

Ed Story, President and Chief Executive Officer, commented:

"In Egypt the Batran-1X exploration commitment well has encountered oil in the Abu Roash Lower "G" (LARG) and the Upper Bahariya (UB) reservoirs. This modest discovery reconfirms the potential for additional oil on the El Fayum concession. Separately, offshore Vietnam, we are poised to commence a low risk development drilling programme in the Cuu Long Basin and a 3D seismic acquisition programme over Exploration Acreage in the Phu Khanh Basin."

Egypt

Batran-1X well result

The Batran-1X commitment exploration well, drilled on a fault bounded and three-way-closed dip prospect located 4km west of the Main Tera-1X well, reached Total Depth on Friday 4 June.

The well encountered 52 ft (15.85m) of net oil pay in the LARG and UB sands. Additional thin pay zones may also be present in the Abu Roash "A", "D" and "E" sands where oil shows were also encountered whilst drilling.

Pressure readings confirm that the oil-bearing reservoirs are at initial pressure.

The Batran-1X well will be completed as a potential future producer in the LARG and UB reservoir sections using a workover rig as part of El Fayum field activities ramp up phase.

The preliminary post-well in-place volume and resource estimates for the LARG and UB discoveries are 4.3 mmbbls and 430,000 bbls respectively.

El Fayum concession

The El Fayum concession prospect and lead inventory has an estimated unrisks in-place volume potential of >400 mmbbls in 40 prospects all with "more of the same geology" and covered by the existing 3D seismic. Of this total >220 mmbbls is in prospects close to existing infrastructure and 156 mmbbls is located within current long-term development leases. An additional 230 mmbbls of unrisks in place volumetric potential lies in new plays (e.g. deeper untested formations) or in leads outside of the present 3D seismic area.

The unconventional Abu Roash "F" play, which is considered potentially prospective over the northern half of El Fayum and which was also encountered in the Batran-1X well, has a further 1.5 billion bbls of unrisks unconventional oil in place potential in tight organic-rich marls.

Future Operations Strategy

During the recent downturn, the Company's strategy, on both the El Fayum concession and the North Beni Suef (NBS) concession to the south where Pharos also has a 100% working interest, has been to suspend drilling operations and to defer exploration expenditure to preserve cash and to protect the balance sheet. The Company is currently engaged in a farm out process run by Jefferies, to seek a partner before recommending investment in the development of the existing discovered resource on El Fayum and the exploration potential of both blocks.

Future exploration drilling activity in the proven basins of El Fayum and NBS can be expected to focus on near field prospects close to existing facilities and prospects with new play potential. Similarly future seismic acquisition will focus on 3D seismic in the northern portion of El Fayum, once land access is granted, to mature existing leads and 2D seismic in the unexplored eastern desert portion of NBS to evaluate its frontier potential.

Enquiries

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[Notes to editors](#)

Pharos Energy plc is an independent oil and gas exploration and production company with a focus on sustainable growth and returns to stakeholders, which is listed on the London Stock Exchange. Pharos has production, development and/or exploration interests in Egypt, Vietnam and Israel. In Egypt, Pharos holds a 100% working interest in the El Fayum oil Concession in the Western Desert. The Concession produces from 10 fields and is located 80 km southwest of Cairo. It is operated by Petrosilah, a 50/50 JV between Pharos and the Egyptian General Petroleum Corporation (EGPC). Pharos is also an operator with a 100% working interest in the North Beni Suef (NBS) Concession, which is located immediately south of the El Fayum Concession. In Vietnam, Pharos has a 30.5% working interest in Block 16-1 which contains 97% of the Te Giac Trang (TGT) field and is operated by the Hoang Long Joint Operating Company. Pharos' unitised interest in the TGT field is 29.7%. Pharos also has a 25% working interest in the Ca Ngu Vang (CVN) field located in Block 9-2, which is operated by the Hoan Vu Joint Operating Company. Blocks 16-1 and 9-2 are located in the shallow water Cuu Long Basin, offshore southern Vietnam. Pharos also holds a 70% interest in and is designated operator of Blocks 125 & 126, located in the moderate to deep water Phu Khanh Basin, north east of the Cuu Long Basin, offshore central Vietnam. In Israel, Pharos together with Cairn Energy plc and Israel's Ratio Oil Exploration, have eight licences offshore Israel. Each party has an equal working interest and Cairn is the operator.