

22 November 2021

Recommencement of El Fayum Development Drilling

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

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Pharos Energy plc, an independent oil and gas exploration and production company, is pleased to announce a return to drilling in its El Fayum Concession in Egypt, with the commencement of an interim three-well development programme.

Ed Story, President and Chief Executive Officer, commented:

"I am pleased to announce that, after a significant period of restricted activity in Egypt, we have recommenced development drilling operations in El Fayum. This three-well infill development drilling programme will help increase production ahead of the main multi-year and multi-well programme to be drilled following completion of the IPR transaction, at which time our initial costs will be carried by our new partner in the concession."*

El Fayum Concession Infill Development Drilling

Operations have now commenced on the first well, in a three-well back-to-back development drilling programme, using the ECDC-2 Drilling Rig. This first well is targeting the oil-bearing sandstones of the Abu Roash 'G' and Upper Bahariya Formations, in a structurally optimal position within the North Silah Deep field. Drilling operations are expected to take 24 days and the well will be later tested, completed and brought on to production using one of the workover rigs on contract.

Operations for this initial three-well programme are expected to finish in February 2022. Petrosilah, on behalf of the Joint Venture, is currently tendering for two drilling rigs to continue the drilling campaign and for a H1 2022 commencement.

The estimated capital spend for the three development well programme is circa \$2.4m net to Pharos (after adjustment, post the completion of the IPR transaction).

Batran-1X Oil Discovery

The exploration well Batran-1X, drilled in May 2021 inside the Tersa Development Lease, is currently being tested by the SDF-1 Workover Rig. The Upper Bahariya UB-1 zone in the well tested oil at rates between 25 and 90 bopd during partial clean-up. The well is now in the process of being completed for a longer-term production test. There is an additional oil-bearing formation, Abu Roash Lower G, which may be tested at a later date.

*On 15 September 2021, Pharos announced the farm-out and sale of a 55% working interest and operatorship in each of the Group's Egyptian El Fayum and North Beni Suef Concessions to IPR Lake Qarun Petroleum Co. ("IPR Lake Qarun"), a wholly owned subsidiary of IPR Energy AG ("IPR"). A shareholder circular is to be issued shortly and Pharos shareholders will be able to vote on the IPR transaction at an EGM prior to year-end 2021.

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, has eight offshore licences. Each party has an equal working interest and Cairn is the operator.