

20 December 2024

Vietnam Production Licence Extensions Granted

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

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Pharos Energy plc, an independent energy company with assets in Vietnam and Egypt, is pleased to announce that the applications for five-year licence extensions to the Company's two producing assets in Vietnam, the TGT and CNV fields, have been formally granted by the Vietnamese Government to the Hoang Long Joint Operating Company and the Hoan Vu Joint Operating Company respectively. The partners in the JOCs will now formally approve and enter into supplementary documentation to finalise the extensions. This will result in extension of the licence for the TGT field to 7 December 2031, and extension of the licence for the CNV field to 15 December 2032.

Highlights:

- Potential to increase TGT and CNV's Net Present Value by more than 50%
- Increase to estimated year-end 2024 2P reserves of approximately 10%* in Vietnam
- Scope for further reserves increase of approximately 70%* with the work programme of additional infill drilling and success in the appraisal programme

Katherine Roe, Chief Executive Officer, commented:

"The granting of the TGT and CNV licence extensions is a significant milestone for the Company and a key catalyst to unlocking untapped potential within our existing portfolio. This is very welcome news and allows us to prioritise future investment to extract and grow value from our assets. I would like to thank our team in Vietnam for their hard work in securing the approvals; they are testament to Pharos' long-nurtured working relationships and our standing in-country as a valued industry participant. I would also like to thank the Vietnamese Government and we look forward to working with them throughout the extended period."

Pharos is well positioned for future growth and we remain committed to continue supporting the Vietnamese Government's energy security agenda through our investments in TGT and CNV, as well as progressing our exciting position in Blocks 125 & 126."

These licence extensions provide the catalyst for initiating the planned work programme expected to commence with the drilling of an appraisal well in the TGT field in Q4 2025. The extensions also unlock value with the drilling of additional infill wells. The extensions are expected to result in an increase to the TGT and CNV 2024 year-end 2P reserves of approximately 10%*, with potential to further increase reserves through appraisal success and infill wells. Based on internal management analysis, the extensions have the ability to increase the NPV of TGT and CNV by more than 50%.

In consideration for granting the licence extensions, Pharos' working interest will reduce after the current licences expire in December 2026 and 2027 respectively. The working interest for TGT will change from 30.5% to 25.3% and likewise, CNV will change from 25% to 20%. The extensions are accompanied by an agreed work programme commitment of 3D seismic reprocessing and one appraisal well on each field. Certain other licence terms have been revised to be consistent with precedent extensions granted to other operators by the Vietnamese Government and are in line with the current Petroleum Law provisions.

For more information on the terms of the licence extensions, please visit <https://www.pharos.energy/investors/results-reports-and-presentations/>.

(*) Estimated reserves are not audited and subject to further review and amendment. Further volumes are adjusted for revised working interests and include a progression of 2C with additional drilling and prospective resources with appraisal success.

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GLOSSARY OF TERMS

CNV

Ca Ngu Vang field located in Block 9-2, Vietnam

Company

Pharos Energy plc

Group

Pharos and its direct and indirect subsidiary undertakings

HJOC

Hoang Long Joint Operating Company, the operator of TGT

HVJOC

Hoan Vu Joint Operating Company, the operator of CNV

JOC

Joint Operating Company

NPV

Net Present Value

Reserves

Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial and remaining based on the development projects applied

TGT

Te Giac Trang field located in Block 16-1, Vietnam

Enquiries

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Notes to editors

Pharos Energy plc is an independent energy 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 and Vietnam. In Egypt, Pharos holds a 45% working interest share in the El Fayum Concession in the Western Desert, with IPR Lake Qarun, part of the international integrated energy business IPR Energy Group, holding the remaining 55% working interest. The El Fayum Concession produces oil from 10 fields and is located 80 km southwest of Cairo. It is operated by Petrosilah, a 50/50 joint stock company between the contractor parties (being IPR Lake Qarun and Pharos) and the Egyptian General Petroleum Corporation (EGPC). Pharos also holds a 45% working interest share in the North Beni Suef (NBS) Concession in Egypt, which is located immediately south of the El Fayum Concession. The first development lease on the NBS Concession was awarded in September 2023 and production started in December 2023. IPR Lake Qarun operates and holds the remaining 55% working interest in the NBS Concession. In Vietnam, Pharos currently 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 currently has a 25% working interest in the Ca Ngu Vang (CNV) field located in Block 9-2, which is operated by the Hoan Vu Joint Operating Company. Following the announcement by Pharos in December 2024 of approval a five year extension to the terms of the petroleum contracts for Blocks 16-1 and 9-2, together with associated changes to fiscal terms and participating interests, Pharos will hold a revised working interest in Block 16-1 (TGT) of 25.33% with effect from 8 December 2026 and a revised working interest in Block 9-2 (CNV) of 20% with effect from 16 December 2027. 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.