03 November 2022

Longboat Energy plc
("Longboat Energy", "Longboat" or the "Company")

Gas condensate discovery at Oswig

Longboat Energy, the emerging full-cycle E&P company, is pleased to announce a gas condensate discovery in the OMV operated Oswig exploration well 30/5-4S and sidetrack 30/5-4A (Company 20%).

The Oswig sidetrack (30/5-4A) was drilled to a depth of 4,726 metres TVDSS to conduct a drill stem test ("DST") in the Upper Tarbert Formation. The average production rate from the DST was approximately 2.1 mmscfd of gas and 280 bpd of condensate (approximately 650 boepd in aggregate) through a 10/64-inch choke.

The DST has successfully proved the ability of Oswig to flow hydrocarbons from poor quality reservoir and support a potential development via nearby infrastructure in the Northern North Sea. The partnership will now work towards integrating the DST results into its understanding of the field and evaluate possible well configurations with the objective of maximising flow rates in a future potential development.

Oswig exploration well highlights

- Preliminary estimate of recoverable resources in Oswig of between 10 and 42 million boe (gross) based on in-place volumes of 100 to 215 million boe and a condensate/gas ratio of 110-130 bbl/mmscf.

- Average production of approximately 650 boepd during the DST period consisting of 2.1 mmscfd of gas and 280 bpd of condensate.

- Successful 'mini-frac' carried out as part of well test programme to optimise evaluation and design of potential future production wells.

- Lean gas condensate with excellent quality gas (0.74 Specific Gravity and only 5% of non-hydrocarbon components), and a condensate with 45-47 API gravity.

- A gross gas/condensate column of about 100 metres encountered in the Jurassic Tarbert Formation with no gas-water contact encountered.

- Significant upside identified in a potential southern extension to the Oswig discovery not included in the preliminary resource estimates.

Helge Hammer, Chief Executive of Longboat, commented:

"Longboat is pleased to have made a discovery at the Oswig well, albeit at the lower end of pre-drill expectations. The thick gas column is within the Tarbert Formation in a well-defined structure with excellent quality gas and high condensate content.

"The Oswig fault block drilled has substantial volume potential and is located close to existing infrastructure. In addition, there is a possible large extension towards the south in the same fault block. Longboat looks forward to working with the partnership to define an appraisal programme and optimal well configuration for maximising flow rates from future potential development wells."

Detailed Results

The Oswig exploration well 30/5-4 S was drilled to a vertical depth of 5,003 metres below sea level and was terminated in the Middle Jurassic Ness Formation.

The sidetrack well 30/5-4 A was drilled to a vertical depth of 4,726 metres below sea level and was terminated in the Middle Jurassic Tarbert Formation.

The wells are classified as High-Pressure High-Temperature (HPHT). The well's primary and secondary exploration targets were to prove hydrocarbon in the middle Jurassic Tarbert and Ness Formations.

The well encountered a gas/condensate column of about 100 metres in the Tarbert Formation in a sandstone reservoir with poor reservoir properties. The gas-water contact was not encountered.

The objective of sidetrack 30/5-4 A was to conduct a formation test in the Upper Tarbert Formation. Extensive data and samples have been collected from the wells, including a successful formation test in 30/5-4A. The average production rate from the formation test in the Tarbert Formation was approximately 2.1 mmscfd (60 kSm3d) of gas and 280 bpd (45 Sm3d) of condensate through a 10/64-inch choke over two flow test periods followed by 24- and 48-hour pressure build-ups. In addition, a 'mini-frac' test was carried out as part of the test programme to gather important geomechanical data for optimising evaluation and design of potential future production wells.

Preliminary estimate of recoverable resources is between 10 and 42 million boe based on in-place volumes of between 100 and 215 mmboe. Based on the preliminary test data collected, the condensate/gas ratio is 110-130 bbl/mmscf.

Outlook

These are the first and second exploration wells in PL 1100, which was awarded in APA 2020. A substantial amount of data and samples have been collected in the main exploration wellbore, the sidetrack and the DST and the partnership will evaluate the potential of the discovery in more detail, including the location of any further appraisal drilling and possible well configurations (horizontal, multilateral and/or fracked wells) with the objective of maximising flow rates in any future potential development.

Water depth is 95 metres at the well location. The wells will be permanently plugged and abandoned.

The wells were drilled by the Nobel (Maersk) Intrepid drilling rig.

Partners in licence PL1100 are OMV (Norge) AS (40%, operator), WintershallDEA Norge AS (20%), Source Energy AS (20%) and Longboat Energy Norge AS (20%).

The information contained within this announcement is considered to be inside information prior to its release.

Ends

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Background

Longboat Energy was established at the end of 2019 to create a full-cycle North Sea E&P company through value accretive M&A and near-field exploration. Since June 2021, Longboat has entered a series of four transactions to acquire interests in a portfolio of nine, gas-weighted exploration wells drilling on the Norwegian Continental Shelf close to existing infrastructure. To date, eight of these wells have been drilled resulting in five hydrocarbon discoveries (Egyptian Vulture, Mugnetind, Rødhette, Kveikje and Oswig), representing a 63% success rate.

Longboat has targeted exploration prospects located in close proximity to existing infrastructure, with an overlap between exploration partners and infrastructure owners, providing a portfolio with a clear low-cost route to monetisation and low-carbon drilling and development opportunities, well aligned to Longboat's ESG targets which includes a corporate 'Net Zero' on a Scope 1 and 2 basis by 2050.

Review by Qualified Person

The technical information in this release has been reviewed by Hilde Salthe, Managing Director Norge, who is a qualified person for the purposes of the AIM Guidance Note for Mining, Oil and Gas Companies. Ms Salthe is a petroleum geologist with more than 20 years' experience in the oil and gas industry. Ms Salthe has a Master's Degree from Faculty of Applied Earth Sciences at the Norwegian University of Science and Technology in Trondheim.

Standard

Estimates of reserves and resources have been prepared in accordance with the June 2018 Petroleum Resources Management System ("**PRMS**") as the standard for classification and reporting with an effective date of 31 December 2020.

Glossary

bbl	Barrel
boe	Barresl of oil equivalent
bpd	Barrels per day
KSm3d	Thousand square metres per day
mmboe	Million barrels of oil equivalent
mmscf	Million standard cubic feet

mmscfd	Million standard cubic feet per day
Sm3d	Square metres per day
TVDSS	Total vertical depth sub sea