

FOR IMMEDIATE RELEASE

26 June 2023

CAPRICORN ENERGY PLC (“Capricorn” or “the Company”)

Annual General Meeting Chief Executive’s and Chair’s Statements

Randy Neely, Chief Executive of Capricorn Energy PLC and Craig van der Laan, Non-Executive Chair, will make the following statements at the Company’s Annual General Meeting for shareholders today at noon.

Randy Neely

As the Company progresses through its strategic review, the focus remains to reduce costs, refocus our Egyptian operations, and return excess funds to shareholders. Significant progress has been made, namely:

- Identifying and actioning a significant reduction in G&A to right-size the overhead to the continuing business. We have achieved an initial gross G&A reduction of at least US\$35m on a run rate basis with opportunities for further meaningful cost savings being pursued. We will update shareholders on the scale of further cost reductions at our half year results in September, but we believe it will be possible to reduce annual gross G&A to US\$1.50/boe or less;
- In Egypt, we have a renewed focus on increasing value by optimising investment through influential collaboration with our partners on well selection, prioritisation of liquids production growth and exploring options to enhance fiscal terms;
- All other assets outside Egypt are in the process of either being divested or relinquished in as timely a manner as possible. To date, we have exited Mauritania and have progressed the potential sales process of our UK North Sea business; and
- A significant return of capital targeting US\$575m via a US\$450m special dividend paid in May, a further special dividend in Q4 2023 of US\$100m based upon certain factors, and a share buyback of at least US\$25m over the next twelve months, which is underway. As at 23 June, a total of US\$11m had been purchased under the buyback.

Year to date production to the end of May has averaged 31,500 boepd (split 14,000 bopd and 98 mmcfpd). Our full year working interest production guidance remains 32,000-36,000 boepd and we expect an uplift in production in the second half of the year to achieve this. At the end of May we had US\$317m cash (net cash US\$191m after debt of US\$126m), US\$145m trade receivables in Egypt (US\$104m is overdue) and US\$65m of trade payables and accruals. *

As previously stated, 2023 capex guidance remains US\$155-175m, with the vast majority in Egypt.

The business in Egypt has solid assets and a committed team who will collectively continue to work on a number of priorities over the coming months with a focus on streamlining the organisation, exiting international operations, improving relationships with our partners and the Government in Egypt, amending our contracts in Egypt and developing our strategy to maximise shareholder value with a focus on shareholder returns.

Our strategic review continues but we have achieved a good level of progress in a short time. We expect the review to be completed in September and will provide details on our conclusions accordingly. Our

* All Financial figures are unaudited.

collective experience and strong relationships in the Egyptian oil and gas industry positions us well to maximise value for our shareholders.

The Company will announce half year results on 7 September 2023.

Craig van der Laan

There has been major progress at Capricorn in the five months since the shareholders of the company overwhelmingly supported the election of a new Board in February. The strategy of Capricorn has fundamentally shifted to deliver shareholder value by focusing on our promising Egyptian business, exiting high-risk exploration, returning significant excess cash to shareholders and reducing the excessive legacy cost base. In Randy Neely, we have found a new CEO who brings deep experience of operating in Egypt and creating significant value there.

Our first and foremost priority has been to reduce the costs we discovered when appointed to the Board which were out of alignment with the scale of Capricorn's business. We moved on this quickly and outlined on 27 April some initial savings we had identified in our first 85 days, highlighting that those initial savings were just the start. The Board is committed to reducing G&A further, and significantly, beyond the initial savings already identified so that as quickly as possible our G&A is at a level which is appropriate for the size of our business, supports rather than erodes shareholder value generation and underpins our commitment to our Egyptian business. We are at the moment actively engaged in exiting a range of risky, non-core exploration activities, and that does require a level of resource in the short term. We are fortunate to have a CEO in Randy who is familiar with running a low cost organisation. We believe it will be possible to reduce annual gross G&A to US\$1.50 / boe or less, and we will continue to address every aspect of the Group's operations to identify opportunities for savings. More detail on the roadmap to that goal will be provided at the half year results in September.

The return of shareholders' capital which is surplus to the requirements of the Company is also a pressing priority. We paid US\$450m in a special dividend in May and are committed to returning a further conditional US\$100m dividend as quickly as possible. We have guided Q4 2023 for this return, taking into account the various factors laid out in the Full Year Results statement in April. As I outlined on 27 April, the factors which enable us to release that additional amount are not conditions each of which must independently be met to enable the release of the additional US\$100m, rather, they are factors to which the Board will have regard as to the timing of the release of that amount. The Board remains confident of our ability to release that amount and looks to do so at the earliest point in time.

It remains our intention to release further surplus capital moving forward, in addition to that already announced. This includes a contingent payment from the sale of our Senegal business due following first oil, which we intend to release in full to shareholders as soon as practicable after it is received. The release of the Senegal payment to shareholders is independent of, and in addition to, the US\$100m already announced. The precise scale and timing of the Senegal payment will become clear later this year or early 2024, and we will keep shareholders updated on any developments. We will also provide updates on the variable UK contingent payments, which are due to be received in annual instalments to Q1 2026, and will review the opportunity for further distributions in respect of these amounts.

Since the results announcement, Capricorn, with its partner, has sustained a five-rig development drilling program in Egypt, focused on the oil-rich BED area. Eight producer and water injector wells have been drilled this year in the BED 15/16 area, following seven successful wells drilled in the area in 2022, extending field limits and reserves. A well in the Karam Field in the AESW concession tested in May at rates of up to 4,600 bopd, the highest flowrates encountered in a Capricorn well to date. Production is on track to grow in the second half of the year.

Elsewhere, we have exited our Mauritania exploration position and continue to pursue the potential sale of our UK business, and will exit from our exploration projects in Mexico and Suriname.

It is these priorities that will enable us to achieve our vision, which is to create strong cash flow and shareholder returns from our considerable resource and reserve base in Egypt.

* All Financial figures are unaudited.

The Board also announces that it has appointed Hesham Mekawi as non-executive Deputy Chairman. Hesham is an Egyptian national, resident in Cairo, and long-time former Regional President of BP North Africa. As Deputy Chairman, Hesham will be focused, within the overall Board governance framework, on supporting and working in close collaboration with Randy Neely, Capricorn's CEO, in his efforts to address the Group's priorities in Egypt, and to support Randy in the development and implementation of strategies for key stakeholder engagement, advocacy and representation of the Board in Egypt. Richard Herbert continues as Senior Independent Director.

Ends

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For further information on Capricorn please see: www.capricornenergy.com