

**FOR IMMEDIATE RELEASE**

**23 May 2024**

**Capricorn Energy PLC (“Capricorn” or the “Company”)  
Annual General Meeting Chief Executive’s Statement**

Randy Neely, Chief Executive of Capricorn Energy PLC, will make the following statement at the Company’s Annual General Meeting for shareholders at 11am on May 23, 2024. The Company will announce half-year results on September 19, 2024.

The significant efforts of the team over the past year have strengthened Capricorn’s ability to effectively execute its strategy to create value for shareholders through maximising the efficient development of the Egyptian production and development base and realising the potential value of other held assets. Today the Company offers investors a clear and compelling investment proposition with a significant value opportunity underpinned by our Egypt portfolio.

The return of excess capital to shareholders will continue to be a focus of the Board, and the recently announced special dividend of \$50m is expected to be paid on 7 June 2024. Subject to shareholder approval, the dividend payment will be accompanied by a share consolidation.

We continue to work with our partner in Egypt to develop and optimise our asset base, and we are eager to progress discussions with the Egyptian General Petroleum Corporation (EGPC) regarding an amendment to the terms of our Production Sharing Contracts. Improved terms will support further investment and growth in-country, ultimately increasing both Egyptian Government and Capricorn’s revenues.

Reducing the Company’s receivables position remains a key priority, and we were pleased to report progress on this following a \$30m payment from EGPC in March. Inclusive of that payment, this brings total receipts over the first four months of 2024 to \$71m. With an improved fiscal landscape in Egypt, we are confident that we will see regular and predictable cash flows going forward.

With increased confidence in the Government to deliver regular and material payments, the Company has approved a 2024 capital budget of \$57m, which includes various infrastructure projects and the drilling of 12 development and three committed exploration wells. We expect investment in Egypt will continue to be aligned with funds available to Capricorn in-country.

The Company has considerably improved its understanding of the Egyptian asset portfolio over the past year through in-depth technical analysis, and we have provided detail of this on our website in the form of an external reserves evaluator-generated competent persons report.

Average production for the year to date is in line with the midpoint of guidance for 2024 of 20,000-24,000 boepd. An update on production performance will be provided later in the year once we have a clear understanding of the impact our near-term return to drilling activities will have over the remainder of 2024. Our expectations are that this year's development activities will have a greater impact on 2025 production than 2024.

Closing the gap between the underlying net asset value and market value is a management priority. The market capitalisation of Capricorn implies that the market values of Egypt are heavily risked, however Egypt has never defaulted on oil and gas debts, and we remain confident that Egypt has the capacity to address our overdue receivables. Egypt will benefit from the more than \$50bn of recently announced financial support, and the country's credit rating outlook has improved from 'stable' to 'positive' at the beginning of the month (Fitch).

Outside Egypt, we are turning our attention to growing a non-operated production base in the UK North Sea. The acquisition of the 25% non-operated working interest in the Columbus gas field allows us to maintain and leverage our expertise in the UK North Sea. The acquisition is expected to complete during Q2 2024, following which Capricorn will benefit from an anticipated net of ~400 boepd from Columbus. We continue to actively evaluate opportunities to create shareholder value in the UK North Sea.

In Senegal, Capricorn may be entitled to a contingent payment of up to \$50m in Q1 2025 from Woodside Energy's Sangomar Field Development if first oil is achieved in the first half of 2024 and the average Brent oil price during the first six months of production exceeds the \$55/bbl or \$60/bbl thresholds. In April 2024, Woodside announced that the project was 96% complete at the end of Q1 2024 and maintained its target for first oil in mid-2024. We expect to return any contingent payment received to shareholders.

Since year end, Capricorn's cash position improved from \$190m to \$209m at 30 April 2024. Over the same period, receivables in Egypt have reduced from \$169m to \$151m, and debt drawn has reduced from \$114m to \$108m. Subsequent to 30 April, the Company has settled the \$25m contingent consideration due to Shell related to the acquisition of the Egypt assets.

As announced last month, Craig van der Laan, who has been Non-Executive Chair since February 2023, is stepping down, while Maria Gordon, Non-Executive Director, will become the Company's Non-Executive Chair, subject to re-election by shareholders. I would like to thank Craig for his important role in the transformation of the Company, and I am confident that our revitalised team will ensure that Capricorn successfully navigates the challenges ahead.

**Ends**

**Enquiries to:**

Analysts / Investors

Nathan Piper, Commercial Director

**Tel: 0131 475 3000**

Media

Diana Milford, Corporate Affairs

**Tel: 0131 475 3000**

Billy Clegg/Owen Roberts, Camarco

**Tel: 0203 757 4980**

**About Capricorn Energy PLC**

Capricorn is a cash flow-focused energy producer, with an attractive portfolio of onshore exploration, development and production assets in the Egyptian Western Desert and, subject to completion, a producing position in the UK North Sea. For further information, visit [www.capricornenergy.com](http://www.capricornenergy.com).