

## Press Release

12 October 2021

**Enwell Energy plc**  
 (“Enwell” or the “Company”)

### Ukraine Update

Enwell Energy plc (AIM: ENW), the AIM-quoted oil and gas exploration and production group, provides an update on its operational activities in Ukraine, where it operates the Mekhediviska-Golotvshinska (MEX-GOL), Svyrydivske (SV) and Vasyshevskoye (VAS) gas and condensate fields, as well as the Svystunivsko-Chervonolutskyi (SC) exploration licence.

#### Production – Q3 2021

The average daily production of gas, condensate and LPG from the MEX-GOL, SV and VAS fields for the period from 1 July 2021 to 30 September 2021 was as follows:-

Field	Gas (MMcf/d)		Condensate (bbl/d)		LPG (bbl/d)		Aggregate boepd	
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020
MEX-GOL & SV	21.0	18.2	749	641	278	287	4,645	4,049
VAS	2.5	3.0	24	31	-	-	481	580
<b>Total</b>	<b>23.5</b>	<b>21.2</b>	<b>773</b>	<b>672</b>	<b>278</b>	<b>287</b>	<b>5,126</b>	<b>4,629</b>

Overall production volumes continued to be strong in Q3 2021, showing an increase of approximately 11% compared with Q3 2020, primarily as a result of new production volumes from the SV-25 well in the SV field, which commenced production in February 2021 (see announcement dated 25 February 2021), offset by natural field decline.

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The significant, and to date sustained, increase in European gas prices in the period has fed through to Ukrainian gas prices, which has benefited the sales prices being achieved by the Company.

### Operations

At the MEX-GOL and SV fields, drilling of the SV-29 well was completed at a final depth of 5,450 metres, and testing operations are currently underway. The well is primarily a development well, targeting production from the V-22 horizon, as well as appraising the V-21 and V-23 horizons, in the Visean formation.

The SV-31 well was spudded in September 2021 and has a target depth of 5,250 metres. Drilling operations are scheduled to be completed by the end of the first quarter of 2022, and, subject to successful testing, production hook-up is scheduled during the second quarter of 2022. The well is a development well, targeting production from the V-21 and V-22 horizons in the Visean formation, which have demonstrated good productivity in an existing nearby well.

In addition, work has commenced on upgrades to the gas processing plant at the MEX-GOL and SV fields, which involve an upgrade of the LPG extraction circuit, an increase to the flow capacity of the plant, and a significant increase to the liquids tank storage capacity. The works are designed to improve overall plant efficiencies, improve the quality of liquids produced and boost recoveries of LPG, while reducing environmental emissions. In total, the works are expected to take approximately three and a half months to complete.

At the SC exploration licence, drilling of the SC-4 well commenced in August 2021. This well, which has a target depth of 5,565 metres, is primarily an appraisal well, targeting production from the V-22 horizon, as well as exploring the V-16 and V-21 horizons, in the Visean formation. Drilling operations are scheduled to be completed in mid-2022. In addition, the acquisition of 150 km<sup>2</sup> of 3D seismic at the licence is planned to commence later in the year.

At the VAS field, planning is continuing for a new well to explore the Vvdenska (VED) prospect within the VAS licence area.

### VAS Licence Order for Suspension

The Company does not have any further information to report in relation to the Order for suspension relating to the production licence for the VAS field since the announcements made on 12 March 2019 and 19 March 2019 respectively, other than to report that the legal proceedings issued in the Ukrainian Courts to challenge the validity of the Order are ongoing, and the Company remains confident that it will ultimately be successful in such legal proceedings.

### Cash Holdings

At 30 September 2021, the Company's cash resources were approximately \$62.7 million, comprised of \$25.7 million equivalent in Ukrainian Hryvnia and the balance of \$37.0 million equivalent in a combination of US Dollars, Pounds Sterling and Euros.

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### COVID-19 Pandemic

The Group continues to monitor the situation relating to the COVID-19 pandemic, and to take any steps necessary to protect its staff and operations. However, as of the date hereof, there has been no operational disruption linked to the COVID-19 pandemic, and no material impact is currently envisaged on the Group's prospects. Nevertheless, the Group remains acutely aware of the risks, and is taking action to mitigate them where possible, with the safety of individuals and communities continuing to be the priority.

**Sergii Glazunov, Chief Executive Officer, said:** *"We are pleased to report another very good operational quarter, with strong production volumes and significantly higher gas prices in Ukraine. We are looking forward to the test results of the SV-29 well, to continued good progress with the drilling of the SC-4 and SV-31 wells, and to further progressing the Company's overall development plans, enabled by the strong current gas revenues and cash resources resulting from the recent surge in gas prices."*

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014, which forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018.

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Dmitry Sazonenko, MSc Geology, MSc Petroleum Engineering, Member of AAPG, SPE and EAGE, Director of the Company, has reviewed and approved the technical information contained within this press release in his capacity as a qualified person, as required under the AIM Rules.

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### Definitions

bbl/d	barrels per day
boepd	barrels of oil equivalent per day
cf	cubic feet measured at 20 degrees Celsius and one atmosphere
km <sup>2</sup>	square kilometre
LPG	liquefied petroleum gas
MMcf/d	million cubic feet per day
%	per cent
\$	US Dollars