

RNS Strategy/Company/Operations Update

Update on Saltfleetby Gas Field

ANGUS ENERGY PLC

Released 14:30:05 11 August 2021

RNS Number : 34411
Angus Energy PLC
11 August 2021

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11 August 2021

Angus Energy Plc

("Angus Energy", "Angus" or the "Company")

Saltfleetby Equipment Procurement Update on Budget and Timing for First Gas

Highlights:

- All equipment procurement to date in or below budget
- Record gas prices and strong demand are leading to demand for suppliers
- Procurement & Construction slightly delayed but well within the budgeted timeline
- First Gas now anticipated in February 2022

Angus Energy plc (AIM: ANGS) updates shareholders on the procurement schedule at its Saltfleetby Gas Field (PEDL 005; 51% interest). To date, all equipment under firm bids from fabricators and assemblers remains within budget, with only the pipework, low budget accessories and one bespoke dehydration unit awaiting final quotes.

Specific delivery dates, in particular for bespoke packages referred to in the earlier RNS of 2 August 2021, can now be advised.

- The gas commercial sales meter and analyser skid is now expected to be delivered during October.
- Power generation with Caterpillar gas engine using fuel gas from the production process has been ordered. Electrical switchgear is included in the order. Delivery to site is in October.
- As earlier advised, other process equipment including separators, storage tanks and enclosed ground flare system has already been acquired from a recently decommissioned site in the vicinity. Most of this equipment will be recertified and slightly modified for use in the process facility and we expect delivery dates from fabrication yard of the certified equipment in November.
- The first Gas Compressor package remains on schedule for November delivery, with the second Gas Compressor package scheduled for delivery in February.
- The fuel gas skid, tendered and ordered with delivery in December.
- Other items including passive dehydration skid sundry pipework and additional storage tanks, have been tendered and are subject to present bidding and not subject to any delays.
- However, the Company has now become aware that a lead time of 24 weeks for two highly bespoke elements of the production process equipment being the dew point control system (Joule Thomson skid) and condensate stabilisation unit is required as part of the production set up, indicating a delivery date in January, thus setting a new timeline for commissioning and First Gas during February 2022; it

should be noted that detailed design of these items was dependant on completion of detailed design of the other equipment already procured on an integrated approach. The Company had planned on a 16-18 week lead time on these items, however due to the recent uptick in gas prices and activity, combined with COVID restrictions, have led to delays with a number of contractors.

· Despite the delay, the project remains within the range of timelines envisaged by the Loan Facility and will not materially impact Angus's position.

The additional weeks will however allow for a more manageable and measured commissioning timeline, and will give more latitude to the Company should Angus and partners decide to advance the side track prior to First Gas. Tendering for the side track is complete and bids are presently being evaluated.

George Lucan, CEO, writes: "This is now a detailed and near complete procurement timeline with no further critical path items to be considered. It is also one that has been subject to complete engineering both for full compliance with all UK and CE regulations and also to handle a range of cases over the expected remaining ten year life of this Field.

As we move now with greater confidence in the detail of our procurement runway to re-commissioning, we also take careful note of this week's IPCC report, Climate Change 2021. The alarming conclusions in that report urge us all - company, stakeholders, suppliers, regulators and others - to redouble our efforts in the work of Transition away from hydrocarbon assets.

Angus is committed to redeploying skills and expertise in drilling, high pressure and high temperature engineering as well as capital won in these highly profitable hydrocarbon projects, still essential to the functioning of the present society and economy, directly into geothermal and other alternative energy projects. This is now not simply the correct strategic shift for the Company and its shareholders, but clearly an urgent mandate from a much wider group. We expect to update the market shortly on our own advances in these transition projects."

END.

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Notes

About Angus Energy plc

Angus Energy plc is a UK AIM quoted independent onshore Energy Transition company with a complementary portfolio of clean gas development assets, onshore geothermal projects, and legacy oil producing fields. Angus is focused on becoming a leading onshore UK diversified clean energy and energy infrastructure company. Angus Energy has a 51% interest in the Saltfleetby Gas Field (PEDL005), majority owns and operates conventional oil production fields at Brockham (PL 235) and Lidsey (PL 241) and has a 25% interest in the Balcombe Licence (PEDL244).

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