

Crown Energy Updates on Gazania-1 well, offshore South Africa

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INSIDE INFORMATION: Crown Energy AB, wishes to inform the market that the Gazania-1 well on Block 2B, offshore South Africa, which spudded on October 10, 2022, reached target depth of 2360m and encountered non-commercial hydrocarbons. The well will now be plugged and abandoned as originally planned.

The logging is on-going now and the JV partners will undertake a detailed analysis of the results. Additionally, the JV Partners submitted a Production Right application to the Petroleum Agency of South Africa ("PASA") on November 15, 2022, for Block 2B, based on the existing oil discovery of AJ-1 and on potential future operations. Further analysis and integration of the well data will allow the JV to determine the next steps on the Block.

The Joint Venture very much appreciates the local stakeholder and governmental support on this well which was safely drilled and with no environmental concerns. Early challenges with weather and service logistics on this well delayed the start of drilling. However, the JV is happy with the overall technical execution of the drilling operation.

Gases normally associated with light oil were encountered during the drilling of the well. This would confirm the active hydrocarbon system, proven by the A-J1 discovery well in 1988, extends to the part of the basin where the Gazania-1 well is located. Further seismic interpretation will likely lead to the definition of viable areas for trapping downdip of Gazania-1 closer to the 1988 oil discovery A-J1.

The well results are obviously disappointing on this location. However, the Operator and JV remain optimistic with this basin. However, additional analysis of the information gathered from the Gazania-1 well will allow the partners to assess and determine their next steps on Block 2B.

This disclosure contains information that Crown Energy is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 18 November 2022 at 9.00 am CET.

MORE INFORMATION

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