

10 February 2020

Coro Energy plc

("Coro", the "Company" and together with its subsidiaries the "Group")

Duyung PSC Update

Coro Energy plc, the Southeast Asian focused upstream oil and gas company, provides an update in respect of the Company's 15% non-operated interest in the Duyung production sharing contract (the "Duyung PSC"), offshore Indonesia, which contains the Mako gas field.

As previously announced, the transfer of title of the 15% Duyung PSC interest to Coro's name remains subject to customary Indonesian regulatory approvals. These approvals are expected to follow but have not yet been received. As a result, the Duyung PSC partners have now agreed to a six-month extension to the long stop date under the Duyung PSC acquisition agreement for receipt of the necessary Indonesian approvals to 30 June 2020. Should the regulatory approvals not be forthcoming for any reason by 30 June 2020, the Company will instead be transferred 15% of the shares of the Duyung PSC title holder and operating company, West Natuna Exploration Limited, as envisaged under the Duyung PSC acquisition agreement.

Furthermore, following the highly successful appraisal drilling campaign on the Mako gas field in Q4 2019, which saw the Tambak-1 and Tambak-2 wells demonstrate the presence of well developed, high quality reservoir sandstones with a common gas water contact across the Mako structure, the Company confirms that Gaffney Cline and Associates ("GCA") has been commissioned by the operator on behalf of the Duyung PSC partners to update its view of the Mako field. The revised competent persons report will be published using new data acquired from the Q4 2019 appraisal drilling programme, including the drill stem test at Tambak-1, which flowed at 11.4 MMscf/d. GCA previously ascribed 2C resources of 276 Bcf and 3C resources of 392 Bcf to the Mako field and the Duyung PSC partners eagerly await the publication of this new independent resource assessment.

Coro management continue to estimate an upgrade in the resource size of circa 100 Bcf in the 2C category as a result of the drilling campaign and the Company looks forward to updating shareholders on the results of the updated GCA resource assessment in due course.

The Mako field is located close to the West Natuna pipeline system and gas from the field can be marketed to buyers in both Indonesia and in Singapore, where a heads of agreement with a gas buyer is already in place. With a Plan of Development approved by the Indonesian Authorities, the conclusion of a gas sales agreement will mark the next step toward the final investment decision to develop and commercialise the field.

The information contained in this announcement has been reviewed by Coro Energy's South East Asian Business Manager and Geologist Pierre Eliet, a Fellow of the Geological Society and a Member of the Petroleum Exploration Society of Great Britain.

For further information please contact:

Coro Energy plc

James Menzies, Chief Executive Officer
Andrew Dennan, Chief Financial Officer

Tel: 44 (0)20 3965 7917

Cenkos Securities plc (Nominated Adviser)

Ben Jeynes
Katy Birkin

Tel: 44 (0)20 7397 8900

Vigo Communications Ltd (IR/PR Advisor)

Patrick d'Ancona
Chris McMahon

Tel: 44 (0)20 7390 0230

Mirabaud Securities Ltd (Joint Broker)

Peter Krens
Ed Haig-Thomas

Tel: 44 (0)20 3167 7221

Turner Pope Investments (TPI) Ltd (Joint Broker)

Zoe Alexander
Andy Thacker

Tel: 44 (0)20 3657 0050

info@turnerpope.com

The volumes included in this announcement are in accordance with SPE standards. Bcf means billion standard cubic feet; and MMscf/d means million standard cubic feet of gas per day.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

UPDSSIFWUESSEIE

Anonymous (not verified)

Duyung PSC Update

30221427

A

Mon, 02/10/2020 - 07:00

LSE RNS

Company Announcement - General

CORO