

Genel Energy PLC (GENL)
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18 March 2020

Genel Energy plc

Update on Tawke PSC

Genel Energy plc ('Genel') notes that DNO ASA, as operator of the Tawke PSC (Genel 25% working interest), has today issued an update on licence activity.

DNO has stated that it remains committed to completing the \$100 million Peshkabir-to-Tawke gas capture, transport and reinjection project in Kurdistan to reduce CO2 emissions at the Peshkabir field and boost oil recovery at the Tawke field. Gas reinjection will commence in early April.

Development drilling at the licence has been scaled back, as both DNO and contractor staff movements and rotations have been impacted by border closings, quarantines and other coronavirus travel restrictions.

DNO further stated that its ability to maintain its level of spending has also been strained by interruptions and delays to monthly payments for its oil exports from Kurdistan; the last payment received in January covered September 2019 exports.

By the end of March, the number of active drilling rigs deployed on the Tawke licence will drop to one, from four at the beginning of the year. DNO expects to ramp up operations quickly once the external environment improves.

Production at the Tawke licence in 2020 to date has averaged just over 116,000 bopd.

The reduced capital expenditure on the Tawke licence work programme increases Genel's cash flow generation in 2020 at the prevailing oil price, although will result in a lower exit rate production that impacts 2021. Due to this delayed expenditure, Genel's 2020 net production guidance of close to Q4 2019 levels of 35,410 bopd is expected to be impacted.

Genel will announce full-year 2019 results on 19 March 2020.

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Notes to editors:

Genel Energy is an independent oil and gas exploration and production company listed on the main market of the London Stock Exchange (LSE: GENL, LEI: 549300IVCJDWC3LR8F94). The Company, with headquarters in London and offices in Ankara and Erbil, is one of the largest London-listed independent oil producers, and is the largest holder of reserves and resources in the Kurdistan Region of Iraq. Genel has highly cash-generative oil production from the Taq Taq and Tawke licences, with material growth potential from other assets in the portfolio. Genel also continues to pursue further growth opportunities. For further information, please refer to www.genelenergy.com.

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