



**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**Energean Oil & Gas plc  
("Energean" or the "Company")**

**Disposal of Edison E&P North Sea Assets for up to \$280 million**

**London, 14 October 2019** - Energean Oil and Gas plc (LSE: ENOG, TASE: λΝΑ), the oil and gas producer focused on the Mediterranean, is pleased to announce that, further to Energean's proposed acquisition of Edison Exploration and Production S.p.A. ("Edison E&P") as announced on 4 July 2019, it has entered into a conditional Sale and Purchase Agreement ("SPA") to sell Edison E&P's UK and Norwegian subsidiaries to Neptune Energy Group Holdings Limited ("Neptune") for \$250 million of cash, to be adjusted for working capital (effective date 1 January 2019), with additional cash contingent consideration of up to \$30 million<sup>1</sup>. The sale is contingent on Energean completing its proposal to acquire Edison E&P and is expected to close as soon as is reasonably practicable thereafter.

The onward sale is in line with Energean's stated strategy of becoming the largest independent gas-focused E&P Company in the Mediterranean, and its previously stated intention to dispose of non-core assets. The net proceeds further strengthen Energean's balance sheet and provide additional financial flexibility across the expanded portfolio.

The Edison E&P UK and Norway subsidiaries include the Nova (15% Working Interest) and Dvalin (10% Working Interest) gas developments offshore Norway, and in the UK, the producing Scott (10.5% Working Interest), Telford (15.7% Working Interest), Tors (68% Working Interest) and Wenlock (80% Working Interest) fields, the Markham asset (3.1% Working Interest), the Glengorm discovery (25% Working Interest) and the Isabella licence (10% Working Interest), upon which an exploration well is expected to spud in the coming weeks. Combined, the subsidiaries represent \$408 million of 2018 Gross Assets and \$33 million of 2018 Losses before Tax.

Neptune will take on the Edison UK and Norway employees and has agreed to guarantee their terms of employment and severance pay for a period of 18 months from Completion.

**Mathios Rigas, Chief Executive of Energean, commented:**

"The acquisition of Edison E&P established Energean as the leading independent, gas-focused E&P Company in the Mediterranean with a mainly-operated, low-cost, gas-weighted portfolio and a highly experienced team to prosper in our rapidly changing industry. At the time of announcement, we committed to our Shareholders that we would seek to dispose of non-core assets that do not adhere to our strategy. I am delighted to be able to make this announcement today, which demonstrates our commitment and capability to deliver upon our stated goals. Neptune is a leading player in the UK and Norway upstream sectors and, as such, we are convinced that under Neptune's ownership, Edison E&P's UK and Norway teams will benefit from the increased focus and investment that will result from this strategic alignment."

**Enquiries**

**Energean**

Kate Sloan, Head of IR & ECM

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**Notes:**

*(1) The \$30 million of contingent consideration becomes payable under the following conditions:*

- i) In respect of the Glengorm field, Neptune will pay an additional \$0.5/boe for any net 2P reserves in excess of 16 million barrels of oil equivalent in a Field Development Plan which is approved by the Oil & Gas Authority by 31 December 2025, up to a maximum of \$30 million*
- ii) To the extent that the above contingent consideration, relating to the Glengorm field, has not reached \$30 million, Neptune will pay additional contingent consideration of \$0.5/boe of net 2P Isabella reserves in a Field Development Plan for Isabella which is approved by the Oil & Gas Authority by 31 December 2026.*

The information contained within this Announcement is deemed by Energean to constitute inside information as stipulated under the Market Abuse Regulation (EU) No.596/2014 ("MAR"). By the publication of this Announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain. The person responsible for arranging for the release of this Announcement on behalf of Energean is Russell Poynter, Company Secretary

**About Energean Oil & Gas plc**

Energean is a London Premium Listed FTSE 250 and Tel Aviv Secondary Listed E&P company with operations offshore Israel, Greece and the Adriatic. Energean has 347 mmboe of 2P reserves and 58 mmboe of 2C resources across its portfolio.

In March 2018 Energean took Final Investment Decision on its Karish-Tanin gas development project, where it will use an FPSO and produce first gas in 2021. Energean has already signed contracts for 4.6 bcma of gas sales into the Israeli domestic market. Future gas sales agreements will focus on both the growing Israeli domestic market and key export markets in the region

Energean has five exploration licences offshore Israel, and a 25-year exploitation licence for the Katakolo offshore block in Western Greece and additional exploration potential in its other licences in Western Greece and Montenegro.

On 4 July 2019, Energean announced the conditional acquisition of Edison E&P for \$750 million plus \$100 million of contingent consideration.

[www.energean.com](http://www.energean.com)