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6 October 2025

**Zephyr Energy plc**  
**("Zephyr" or the "Company")**

**Paradox project Independent Recoverable Reserves and Resource Evaluation**

*Transformative and substantial increase in Zephyr's Recoverable Reserves*

Zephyr Energy plc (AIM: ZPHR) (OTCQB: ZPHRF) is pleased to announce the results from an updated Competent Person's Report ("CPR") on its assets in the Paradox Basin, Utah, U.S. (the "Paradox project").

The CPR was compiled by Sproule-ERCE International Limited ("Sproule"), a leading independent global energy consulting and advisory firm. The previous CPR on the Paradox project was completed by Sproule in 2022, the results of which were announced on 26 April 2022 (the "2022 CPR").

Zephyr is transitioning the Paradox project from appraisal to development, and the Sproule report reaffirms this transformation. The combined basis of evaluation including the recent well test on the State 36-2 LNW-CC-R well has contributed to significant increases in recoverable reserves across all reserve categories reflecting considerable well productivity, driven by high reservoir pressure, reservoir quality and liquid yields.

Zephyr's Paradox project consists of an operated 46,000-acre leaseholding in Utah. It should be noted that the updated CPR and comparisons to the 2022 CPR are limited solely to the Cane Creek reservoir on 20,000 acres held within the Company's White Sands Unit (the "WSU") and which is currently covered by the Company's 3D seismic coverage.

In their NPV-10 calculations, Sproule used the 1 September 2025 strip prices, resulting in average prices of US\$62.50 per barrel of oil and US\$3.50 per MMBTU of gas.

**Highlights**

- **A 93-fold increase in Proved Recoverable Reserves (1P Reserves)** from the 2022 CPR, demonstrating the scale and immediate production potential of the Cane Creek reservoir:
  - 14.8 million net barrels of oil equivalent ("boe") proved recoverable reserves, an increase from 0.16 million net boe in the 2022 CPR
  - Forecast to generate undiscounted free cash flows, net to Zephyr, in excess of US\$115 million, with a current NPV-10 of circa US\$36 million (an increase from US\$2.1 million in the 2022 CPR)
  - Seven well locations granted classification as Proved Recoverable Reserves
  
- **A 25-fold increase in Proved & Probable Reserves (2P Reserves)** from the 2022 CPR, highlighting the Paradox project's maturation from appraisal towards production and wider Cane Creek reservoir field development:
  - 35.3 million net boe, an increase from 1.4 million net boe in the 2022 CPR
  - Forecast to generate undiscounted free cash flows, net to Zephyr, of circa US\$400 million, with a current NPV-10 of circa US\$101 million (an increase from US\$10.8 million in the 2022 CPR)
  - Twelve well locations classified as Proved + Probable Recoverable Reserves

- **A 3.5-fold increase in Total Recoverable Resources, representing full field development of the Cane Creek reservoir within the WSU** (see Table 2 below), a significant increase in the total net resource estimate:
  - 74.2 million net boe, compared with 21.4 million net boe in the 2022 CPR
  - Forecast to generate undiscounted free cash flows, net to Zephyr, in excess of US\$880 million, with a current NPV-10 of circa US\$158 million (an increase from circa US\$88 million in the 2022 CPR)
- **Net Prospective Resources (2U Resources) (unrisked)**
  - 270 million net boe, compared with 203 million net boe in the 2022 CPR, encompassing the as-yet-untested overlying reservoirs. The WSU prospective resources have not been reassessed as part of the CPR, and the increase in 2U resources since the 2022 CPR reflects Zephyr's increased ownership in the Paradox project since the 2022 CPR was completed.

Additional details and the estimates by Sproule are summarised further below.

**Colin Harrington, Chief Executive of Zephyr, said:** *"We are delighted with the results of the CPR which clearly demonstrate the excellent progress made at the Paradox project through our successful operations.*

*"I am particularly pleased to see the substantial movement of the Paradox project barrels from resource to reserve categories, highlighting the evolution of the asset towards commercial production as the project moves up the value chain.*

*"The CPR further validates the considerable scale of the Paradox project, which is why we have launched a process to identify partners to accelerate drilling and the delivery of value from the asset.*

*"On that note, I am pleased to report that we have opened a data room with multiple potential partners currently reviewing the project data. The completion of the CPR will now enable more substantive discussions to take place. I feel fortunate that we are bringing the project to development and commercialisation at a time when interest and domestic gas demand is rising in the western markets, and as western seaboard LNG exports begin to ramp up. We believe that the Paradox project compares favourably on production and economic metrics with all of the current crude and natural gas basins in the U.S.*

*"To date, we have drilled two successful, one-mile horizontal wells utilising different completion technologies and both demonstrated strong deliverability and expanded our completion design options for the greater field development. We have also gathered a substantial amount of data that will help inform future development plans. Furthermore, we have acquired significant infrastructure that will enable us to bring the project into full production, including gas gathering lines, plant infrastructure, permits and future water disposal wells, and we are close to securing gas export capacity. All this has been achieved at low development costs, especially when compared with many other new field startups of a similar size, and this infrastructure should enable accelerated project development once a suitable partner is secured. It should be noted that while acceleration of drilling activity and increased gas processing capacity won't change undiscounted free cash flow totals, they would enhance the current NPV-10 value of the project by bringing forward future cashflows.*

*"I should also point out that the CPR only assesses the 20,000 acres covered by our 3D seismic in the WSU. Our goal is to continually expand the value of our acreage position, both vertically (through the overlying reservoirs) and horizontally (through the leasing of significant new acreage around our unit and infrastructure). Leased and open acreage without 3D seismic coverage has not been assessed in the CPR and Zephyr's internal analysis indicates considerable potential immediately surrounding the WSU. To that end, we have nominated a significant amount of contiguous acreage with the Bureau of*

*Land Management for inclusion in future Federal lease sales. On top of the proven Cane Creek reservoir potential, the eight overlying prospective reservoirs could all deliver similar recoverable volumes as the Cane Creek within the 3D coverage of the WSU and surrounding acreage nominated for lease sale inclusion, should they prove successful on drilling and testing.*

*“The completion of the CPR is an exciting moment for the Company as we seek to advance the Paradox project into full commercial production and secure a project partner.”*

### **Background and further details**

At the request of Zephyr, Sproule audited the crude oil, natural gas, and field condensate reserves and contingent resources and the associated future net revenue attributable to the WSU with an effective date of 30 September 2025.

The scope and nature of Sproule’s work was an audit of the specified resource information for the purpose of expressing an opinion as to whether such resource volumes, in aggregate, are reasonable and have been estimated and presented in conformity with generally accepted petroleum engineering and evaluation principles. Sproule conducted certain tests and spot checks to confirm the adherence to the Society of Petroleum Engineers (SPE) Petroleum Resources Management System (PRMS) reserves reporting requirements and that the data flowing into the Company’s reserves and contingent resources determination system was consistent with available records provided by the Company.

All estimates were prepared in accordance with generally accepted petroleum engineering and evaluation principles as set forth in the SPE Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserve Information.

Both Zephyr and Sproule identify uncertainties which remain across the areas planned for development by the Company. These include fluid composition and compressibility, water production, and continuity of geomechanical properties across the reservoir and their impact on hydraulic fracture characteristics and stimulated area around a well (well drainage area).

### **Reserves, Resources and NPV**

The Company’s net reserves and contingent resources and net present value of the Cane Creek reservoir within the WSU, as estimated by Sproule, are summarised in the tables below.

**Table 1: Summary of Company Net Recoverable Reserves and Net Present Value**

<b>White Sands Unit, Cane Creek Reservoir</b>	<b>Net Recoverable Reserves</b>		
	<b>1P</b>	<b>2P</b>	<b>3P</b>
<b>Wells</b>	<b>7</b>	<b>12</b>	<b>16</b>
Net Oil Sales Volume (MBBL)	1,934	4,449	6,342
Net Gas Sales Volume (MMCF)	59,360	142,243	200,516
Net NGL Sales Volume (MBBL)	2,968	7,112	10,026
Net Equivalent (MBOE)	14,795	35,268	49,787
Net Operating Income (\$’m)	182,945	574,360	811,118
0% Discount Cash Flow (\$’m)	117,609	400,575	585,874
10% Discount Cash Flow (\$’m)	36,611	100,703	132,482

**Table 2: Summary of Company Net Contingent Resources and Net Present Values**

<b>Net Contingent Resources</b>
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<b>White Sands Unit, Cane Creek Reservoir</b>	<b>2C</b>
<b>Wells</b>	<b>7</b>
Net Oil Sales Volume (MBBL)	3,245
Net Gas Sales Volume (MMCF)	97,702
Net NGL Sales Volume (MBBL)	4,885
Net Equivalent (MBOE)	24,414
Net Operating Income (\$'m)	391,270
0% Discount Cash Flow (\$'m)	301,460
10% Discount Cash Flow (\$'m)	25,391

**Table 3: Summary of Full Field Development, Company Net Recoverable Resources, Contingent Resources and Net Present Values**

<b>Combined Net Recoverable Reserves and Contingent Resources</b>	
<b>White Sands Unit, Cane Creek Reservoir - Full Field Development</b>	
<b>Wells</b>	<b>23</b>
Net Oil Sales Volume (MBBL)	9,587
Net Gas Sales Volume (MMCF)	298,219
Net NGL Sales Volume (MBBL)	14,911
Net Equivalent (MBOE)	74,201
Net Operating Income (\$'m)	1,202,388
0% Discount Cash Flow (\$'m)	887,335
10% Discount Cash Flow (\$'m)	157,873

**Table 4: Summary of Company's Unrisked Net Prospective resources**

<b>Net Unrisked Prospective Resources</b>			
	<b>1U</b>	<b>2U</b>	<b>3U</b>
Oil (MMBO)	10	62	174
Gas (BCF)	399	1,248	2,311
Equivalentents (MMBOE)	77	270	559

The evaluation of the WSU Prospective Resources has remained unchanged from the 2022 CPR but the Company Share has increased from 75% WI to 100% WI by way of acquisition, completed in December 2022.

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Dr Gregor Maxwell, BSc Hons. Geology and Petroleum Geology, PhD, Technical Adviser to the Board of Zephyr Energy plc, who meets the criteria of a qualified person under the AIM Note for Mining and Oil & Gas Companies - June 2009, has reviewed and approved the technical information contained within this announcement.

Estimates of resources and reserves contained within this announcement have been prepared according to the standards of the Society of Petroleum Engineers.

### **Glossary of terms**

**Reserves:** Reserves are defined as those quantities of petroleum which are anticipated to be commercially recovered from known accumulations from a given date forward

1P: proven reserves (both proved developed reserves + proved undeveloped reserves)

2P: 1P (proven reserves) + probable reserves, hence "proved and probable"

3P: the sum of 2P (proven reserves + probable reserves) + possible reserves, all 3Ps "proven and probable and possible"

**Contingent Resources:** Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.

Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status.

1C: Low estimate of Contingent Resources

2C: Best estimate of Contingent Resources

3C: High estimate of Contingent Resources

**Prospective Resources:** Those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations.

1U: Low estimate of Prospective Resources

2U: Best estimate of Prospective Resources

3U: High estimate of Prospective Resources

**MBOE:** thousand barrels of oil equivalent

**MBBL:** thousand barrels of oil

**MMBO/MMBOE:** million barrels of oil / million barrels of oil equivalent

**MMCF:** million cubic feet

**\$'m:** million US dollars