

9 July 2021

# The Parkmead Group plc ("Parkmead" or "the Group")

## Acquisition of Netherlands Gas Royalty

Parkmead, the independent energy group focused on growth through gas, oil and renewable energy projects, is pleased to announce it has agreed to purchase a historic royalty associated with the Group's existing interests in the Drenthe IV, Drenthe V and Andel Va licenses in the Netherlands from Vermilion Energy. These licences contain the Grolloo, Geesbrug and Brakel onshore gas fields, respectively.

This royalty was previously held by NAM (a Shell and ExxonMobil joint venture) and came with the licences when they were acquired by Parkmead. The consideration for this acquisition is €565k and will be satisfied through a part cash payment of approximately €150k with the balance being paid from part of the remaining 2021 net revenue from Parkmead's working interest in the Geesbrug gas field. The acquisition removes the royalty associated with the existing producing gas wells. The effective date of the transaction is 1 January 2021. The revenue associated with this royalty for the year to 30 June 2020 was €325k.

Through this acquisition, Parkmead will increase its net gas production from these wells, doubling the Group's effective financial interest from 7.5% to 15% (in line with Parkmead's working interest in the licences). It is also expected that this step will extend the producing life of these fields through greater partner alignment. The Drenthe VI licence, containing the large Diever West gas field, is not affected by this royalty.

### Tom Cross, Executive Chairman, commented:

*"This innovative deal enhances our gas interests in the Netherlands and adds significant value to Parkmead. The Group is also benefitting from the very strong recovery in gas prices.*

*We continue to build a portfolio of high-quality energy projects through acquisitions, organic growth and active asset management.*

*Our team is carefully evaluating further potential gas, oil and renewable energy acquisitions that would complement our existing portfolio."*

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### Notes to Editors:

1. Parkmead is an independent, UK and Netherlands focused energy group that is listed on AIM on the London Stock Exchange (symbol: PMG). Parkmead is focused on growth in the oil and gas upstream and renewable energy sectors, targeting transactions at both asset and corporate level.

2. In January 2018, Parkmead significantly increased its equity in the Greater Perth Area oil hub project from 60.05% to 100%. The Group also announced that it had signed an agreement with Nexen Petroleum, a subsidiary of China National Oil Corporation (CNOOC), to conduct a detailed engineering study in relation to the potential subsea tieback of the Greater Perth Area project to the Scott platform and associated facilities in the UK Central North Sea.
3. In May 2018, Parkmead was provisionally awarded nine offshore blocks and part blocks spanning five new licences in the UK 30th Licensing Round.
4. In August 2019, Parkmead announced expansion into the renewable energy sector by signing a share purchase agreement to acquire the entire issued share capital of Pitreadie Farm Limited, a company owning extensive farmland and sites with significant renewable energy potential.
5. In September 2020, Parkmead announced it had been offered four offshore blocks and part blocks spanning three new licences in the UK 32nd Licensing Round awards.
6. In March 2021, Parkmead completed the sales of two separate areas of non-core land from its UK renewable energy portfolio for an aggregate consideration of £4.0 million.
7. Through its wholly owned subsidiary, Aupec Limited, The Parkmead Group has provided benchmarking and economics expertise to a wide range of government bodies and international energy companies. Aupec has to date worked with over 100 governments, national oil companies, majors and independents across the world, as well as a number of multi-national agencies such as the European Commission and the World Bank.

For further information please refer to Parkmead's website at [www.parkmeadgroup.com](http://www.parkmeadgroup.com)