

15 October 2019

The Parkmead Group plc ("Parkmead", "the Company" or "the Group")

Field Development Plan draft and Environmental Statement submitted for the Platypus Gas Project

Parkmead, the UK and Netherlands-focused independent energy group, is pleased to announce that a draft Field Development Plan ("FDP") and Environmental Statement ("ES") for the Platypus gas project has been submitted to the Oil and Gas Authority ("OGA") and the Offshore Petroleum Regulator for Environment and Decommissioning ("OPRED"), respectively.

These two documents were submitted on behalf of the co-venturers by Dana Petroleum, a subsidiary of the Korean National Oil Corporation (KNOC). Parkmead's co-venturers in the Platypus project are CalEnergy Gas (15%), Zennor Petroleum (11%) and Dana Petroleum (59%). Parkmead's equity in the project is 15%.

HIGHLIGHTS

- Draft Field Development Plan and Environmental Statement submitted to the OGA and OPRED, respectively, for the development of the Platypus gas project in the UK Southern North Sea
- Selected development concept is a subsea tie-back to the Cleeton platform, significantly reducing initial capital expenditure and field operating cost
- Gas will be exported from Platypus to Cleeton via a 23km pipeline before being routed directly to the Dimlington terminal for separation and processing
- Mid case technical recoverable reserves from Platypus of 105 billion cubic feet ("Bcf")
- Platypus East (previously Possum) provides significant upside to the Platypus project, potentially adding up to 51 Bcf of reserves to the project
- Platypus East is estimated by the operator to have a Geological probability of success (GPos) of 73%
- Platypus alone is expected to produce 47 million cubic feet of gas per day ("MMscfd") at peak production, according to operator estimates
- The anticipated producing life of the field is approximately 20 years
- Platypus was flow tested in 2012, following a successful appraisal well, at a rate of 27 MMscfd (approximately 4,600 barrels of oil per day on an equivalent basis).

Summary of the project

The Platypus field is located in the UK Southern North Sea in Blocks 47/5b and 48/1a, approximately 18 km north west of the West Sole gas field and 15 km south west of the Babbage field. The Platypus gas field was discovered in 2010 and was successfully appraised with a horizontal well in 2012 which was flow tested at a rate of 27 million cubic feet of gas per day (approximately 4,600 barrels of oil per day on an equivalent basis).

As a result of the successful appraisal well, the field development studies have been progressed leading to confirmation of concept selection and submission of the draft development plan. The draft Field Development Plan and Environmental Statement are subject to the standard regulatory review and approvals.

The selected development concept will consist of two development wells connected to a subsea manifold, with gas export to the Cleeton Wellhead (CW) platform via a 23km pipeline. Controls will be provided from Cleeton via a subsea control umbilical that will be installed

along with the pipeline. Produced fluids will arrive at the Cleeton facilities before being routed directly to the Dimlington Terminal for separation and processing.

The Perenco-operated Cleeton CW platform is bridge-linked to the manned Cleeton CP platform. The other installations and gas fields connected to Cleeton are Ravenspurn, Neptune, Minerva, Wollaston and Whittle.

The development option selected for the Platypus field was reached following an extensive concept selection process. This considered technical feasibility, project execution schedule and commercial viability, in addition to environmental, health and safety issues.

Several existing offshore facilities were considered as hosts for the processing and export of the Platypus fluids. The Cleeton CW platform and onward transport to the Dimlington onshore terminal provided the optimal combination of technical, commercial and environmental options and was therefore selected as the preferred development option.

Tenders for the Subsea Pipeline & Facilities Engineering, Procurement, Construction and Installation, the Umbilical Supply and Controls Supply are all planned to be issued during Q4 2019. Project Sanction is expected to occur in Q2 2020 with First Gas scheduled in Q1 2022.

The two Platypus development wells, of similar design, will be drilled to approximately 3,109 m (10,200 feet). The water depth at the proposed Platypus well location is approximately 40m.

Platypus East provides a significant upside opportunity for the project, potentially adding another 51 Bcf of recoverable reserves. It is planned that early reservoir monitoring will be conducted at Platypus in order to gather additional data prior to the drilling of Platypus East.

Tom Cross, Executive Chairman, commented:

"We have achieved an important milestone on the valuable Platypus project. This innovative subsea tie-back plan reduces the cost of the project significantly.

The Platypus project has the potential to open up further development upside in this prolific gas area, in which Parkmead has additional appraisal and exploration interests.

Platypus is a key element within Parkmead's growing and balanced energy portfolio. This includes low-cost onshore Dutch gas production and a number of exciting development projects, including the Greater Perth oil Area.

Parkmead is also working hard to evaluate its range of high-quality oil & gas exploration licences and a number of renewable energy opportunities available to the Company".

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This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

Notes to Editors:

1. Dr Colin Percival, Parkmead's Technical Director, who holds a First Class Honours Degree in Geology and a PhD in Sedimentology and has over 35 years of experience in the oil and gas industry, has reviewed and approved the technical information contained in this announcement. Parkmead's evaluation of reserves and resources was prepared in accordance with the 2007 Petroleum Resources Management System prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers and reviewed and jointly sponsored by the World Petroleum Council, the American Association of Petroleum Geologists and the Society of Petroleum Evaluation Engineers.
2. Parkmead is an independent 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.
3. In August 2016, Parkmead doubled its stake in the Polecat and Marten oil fields in the UK Central North Sea. The Polecat and Marten fields are located in Blocks 20/3c & 20/4a within Licence P.2218 and Parkmead now operates the licence with 100% equity.
4. In September 2016, Parkmead increased its stake in the Perth and Dolphin oil fields in the UK Central North Sea to 60.05 per cent. The Perth and Dolphin fields, which are both operated by Parkmead, are at the core of Parkmead's major Greater Perth Area oil hub project.
5. In April 2017, Parkmead significantly increased its stake in the major Sanda North and Sanda South prospects in the West of Shetland area of the UK North Sea. Through this accretive step, Parkmead increased its equity in the licence from 56% to 100%.
6. In May 2017, Parkmead announced that it had signed a Sale and Purchase Agreement with Verus Petroleum (SNS) Limited to acquire a 50% interest in UK North Sea Licence P.2209 which contains the Farne Extension prospect and a further four prospective leads.
7. 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.
8. In May 2018, Parkmead was provisionally awarded nine offshore blocks and part blocks spanning five new licences in the UK 30th Licensing Round.
9. 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.
10. Through its wholly owned subsidiary, Aupec Limited, The Parkmead Group provides petroleum 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. Aupec is currently undertaking an important benchmarking project for a group of the world's largest super-major oil and gas companies.

For further information please refer to Parkmead's website at www.parkmeadgroup.com