



This announcement contains inside information as stipulated under the UK version of the Market Abuse Regulation No 596/2014 which is part of English Law by virtue of the European (Withdrawal) Act 2018, as amended. On publication of this announcement via a Regulatory Information Service, this information is considered to be in the public domain.

23 October 2023

**Trinity Exploration & Production plc
("Trinity" or "the Group" or "the Company")**

Q3 2023 Operational Update

Trinity Exploration & Production plc (AIM: TRIN), the independent E&P company focused on Trinidad and Tobago, provides an update on operations for the three-month period ended 30 September 2023 ("Q3 2023" or "the Period"). The information contained herein has not been audited and may be subject to further review and amendment.

Jacobin-1 Discovery

Following the Jacobin oil discovery in the Palo Seco area onshore Trinidad, announced on 7 August 2023, the well was cased to 10,021 feet in preparation for production testing.

A heavy-duty workover rig, Rigtech Rig #9, mobilised to the wellsite and perforated the lower-most of three oil-bearing zones on 30 September 2023. The well came on at an encouraging rate during the initial clean-up phase but in doing so produced sand which has temporarily plugged the well. We recovered a high quality, light oil (35° API) from this lower reservoir. The reservoir and wellhead pressures, in addition to the rate achieved, are highly encouraging and we continue with operations to bring on production from this deep and highly pressurised reservoir.

The well flowed a total of 113 barrels (34 bbls oil and 79 bbls completion fluid) over a seven-hour period prior to a sand plug forming in the well. If sustained, this would be a highly encouraging result however the period is too limited to provide a reliable indication of the potential production flow rates from this zone.

The post-perforation closed-in wellhead pressure was 2250psi, which matches our pre-perforation expected pressures based on a reservoir pressure of 7500psi. Flowing pressure on 4/32" choke was 1800psi.

Trinity is deploying a coiled-tubing unit to clean-out the well and bring it back into production. We expect work to unplug the well to be followed by a period of production optimisation as we adjust the choke to achieve sustained flow.

Trinity plans to carry out extensive testing of all three discovered oil-bearing horizons in the deeper exploration section of Jacobin to establish reliable and meaningful data over an extended period. The Company will provide details of the flow test data when this information is available.

The oil produced was sold to Heritage Petroleum Company Limited under the current sales arrangement within the PS4 Lease Operating Agreement.

Given that the well has taken longer to drill and the well testing programme now contemplates three zones, we expect that the total cost for drilling, completion and testing will exceed the previously guided capital expenditure ranges for Jacobin. A final update on the costs associated with Jacobin, will be provided once finalised.

Q3 2023 Operational Highlights

- Q3 2023 sales volumes averaged 2,705 bopd (Q2 2023: 2,824 bopd). Production was lower than planned over the quarter due to extended downtime on a key well in the Trintes field which is now back online.
- Production Sales Guidance for the full year 2023 is updated to 2,800 bopd – 2,900 bopd (previously 2,800 – 3,100 bopd).

Annual and Quarterly Sales by Region

	12m 2022	Q1 2023	Q2 2023	Q3 2023
Onshore	1,655	1,548	1,477	1,493
East Coast	1,051	1,038	985	843
West Coast	269	314	362	370
Total	2,975	2,899	2,824	2,705

- During Q3 2023:
 - 37 workovers (Q2 2023: 16; Q3 2022: 32) were completed.
 - there were no recompletions (“RCPs”) in the Period (Q2 2023: 1; Q3 2022: 5).
 - swabbing operations continued across onshore and West Coast assets.

Q3 2023 Financial Highlights

The Group reports its consolidated financial information half yearly, in its Annual Report & Accounts and Interim Results, in accordance with UK adopted International Accounting Standards and the London Stock Exchange’s AIM Rules for Companies. Quarterly, the Company provides unaudited information for guidance.

- Average realisation of USD 72.5/bbl for Q3 2023 (Q2 2023: USD 63.7/bbl, Q3 2022: USD 84.3/bbl).
- EBITDA, pre-hedging¹, in Q3 2023 of USD 4.6 million (unaudited) (Q2 2023: USD 4.5 million (unaudited); Q3 2022 USD 8.7 million).
- Operating break-even², pre-hedging¹, Q3 2023 of USD 42.27/bbl (Q2 2023 of USD 34.8/bbl; Q3 2022 USD 32.2/bbl). This increased Q3 operating break-even is due mainly to lower Q3 sales volumes and this is expected to be temporary.

¹ The Company has no hedging in place in 2023.

² Operating break-even is the realised price/bbl where the adjusted EBITDA/bbl for the Group is equal to zero.

- Cash balance of USD 8.4 million (unaudited) at 30 September 2023 versus USD 11.3 million (unaudited) at 30 June 2023 and USD 16.5 million (unaudited) at 30 September 2022.
- The Group had drawn borrowings (overdraft) of USD 2.0 million at 30 September 2023 (USD 2.0 million at 30 June 2023 and USD 2.7 million at 30 September 2022).

Outlook

Galeota Concept Screening Study

Trinity commissioned Petrofac to undertake a study to take a fresh look at development concepts for the Galeota Block, using the latest subsurface information and marrying that with Petrofac's global low-cost marginal field track record to develop a concept that can be taken forward into Conceptual Engineering, Front End Engineering and Project Sanction.

The study has been completed and has helped to confirm that lower capital intensity projects, when compared to the previous 'Echo' Field Development Plan, are feasible and should result in lowering both the risk and quantum of up-front capital required to exploit the significant reserves and resources in Galeota. The Company is conducting scoping economic analyses of the key recommended options. An update will be provided in due course within the Company's next Corporate Presentation.

Fiscal Changes

On 2 October 2023, the Government of Trinidad and Tobago's 2023 Budget Statement announced proposed reforms to the Supplemental Petroleum Tax ("SPT") regime for shallow marine areas similar to reforms that have been made previously to onshore activities. In addition, the proposed review of the capital expenditure write-off regime, seems intended to be in favour of operators such as Trinity. The Statement also included a proposal to increase the Sustainability Allowance from 20% to 25%.

The proposed SPT changes, which are subject to further definition through the legislative process and Parliamentary ratification, will meaningfully improve the economics and value of the Company's East Coast and West Coast shallow marine licences.

Jeremy Bridglalsingh, Chief Executive Officer of Trinity, commented:

"During the period, we made significant progress at our important Jacobin well, perforating the lower-most of three oil-bearing zones on 30 September. We had encouraging flow during the initial clean-up phase but, in doing so, produced sand which has temporarily plugged the well. Work to resolve that issue is in train. The oil quality and pressure in the well are very positive.

The results of the Galeota concept screening study have served to help validate our approach to reducing the capital intensity of projects that will help to improve economics, which will be further improved by the recently proposed changes to SPT.

I look forward to providing a further update on our progress on Jacobin, which is of paramount importance to our shareholders, as we progress our well testing programme."

Enquiries:**Trinity Exploration & Production plc**

Jeremy Bridglalsingh, Chief Executive Officer
Julian Kennedy, Chief Financial Officer
Nick Clayton, Non- Executive Chairman

Via Vigo Consulting

**SPARK Advisory Partners Limited
(Nominated Adviser and Financial Adviser)**

Mark Brady
James Keeshan

+44 (0)20 3368 3550

Cavendish Securities plc (Broker)

Leif Powis
Derrick Lee
Neil McDonald

+44 (0)20 7397 8900

+44 (0)131 220 6939

Vigo Consulting Limited

Finlay Thomson
Patrick d'Ancona

trinity@vigoconsulting.com

+44 (0)20 7390 0230

About Trinity (www.trinityexploration.com)

Trinity is an independent oil production company focused solely on Trinidad and Tobago. Trinity operates producing and development assets both onshore and offshore, in the shallow water West and East Coasts of Trinidad. Trinity's portfolio includes current production, significant near-term production growth opportunities from low-risk developments and multiple exploration prospects with the potential to deliver meaningful reserves/resources growth. The Company operates all of its ten licences and, across all of the Group's assets, management's estimate of the Group's 2P reserves as at the end of 2022 was 17.96 mmbbls. Group 2C contingent resources are estimated to be 48.88 mmbbls. The Group's overall 2P plus 2C volumes are therefore 66.84 mmbbls.

Trinity is quoted on AIM, a market operated and regulated by the London Stock Exchange Plc, under the ticker TRIN.

Qualified Person's Statement

The technical information contained in the announcement has been reviewed and approved by Mark Kingsley, Trinity's Chief Operating Officer. Mark Kingsley (BSc (Hons) Chemical Engineering, Birmingham University) has over 35 years of experience in international oil and gas exploration, development and production and is a Chartered Engineer.

Disclaimer

This document contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil exploration and production business. Whilst the Group believes the expectation reflected herein to be reasonable in light of the information available to it at this time, the actual outcome may be materially different owing to macroeconomic factors either beyond the Group's control or otherwise within the Group's control.