



## Trinity Exploration & Production plc

("Trinity" or "the Group" or "the Company")

### Supplemental Petroleum Tax Update

#### *Revised SPT threshold to underpin increased future cashflows and returns*

Trinity Exploration & Production plc (AIM: TRIN), the independent E&P company focused on Trinidad and Tobago, is pleased to note that the revised threshold for Supplemental Petroleum Tax ("SPT") for small onshore producers has now been implemented via The Finance Act, 2020 which became law on 4 January 2021. As a result, the threshold at which SPT would be due for individual producers producing less than 2,000 barrels of crude oil per day has now increased from US\$50 per barrel to US\$75 per barrel for the financial years 2021 and 2022.

As a result, Trinity expects to be exempt from SPT across all of its onshore licences below US\$75 per barrel, which will have a significant positive impact on future cash flows. Based on current onshore production levels, Trinity estimates that SPT of c.US\$3.5 million per annum or more would previously have been payable if realisations were above \$50.01/bbl (although this could be partially mitigated by the investment tax credits shelter). The confirmation of these reforms therefore represents a considerable boost to potential cash generation from Trinity's onshore licences should realisations average above US\$50.01/bbl for any calendar quarter during 2021 and 2022.

**Bruce Dingwall CBE, Executive Chairman of Trinity, commented:** *"We have long championed SPT reform and believe that this first step is good news for all small producers in Trinidad & Tobago, demonstrating clearly that the GORTT recognises that SPT is an outdated and regressive tax in need of reform. This initial change should begin to provide a greater stimulus to investment activity in the country, enabling the Company to generate increased returns and further leverage its low cost production model. The Company continues to lobby at the highest levels for further reform, with a view to obtaining a longer duration relief period and for this to apply to both onshore and offshore fields, thereby further enabling all small producers in Trinidad & Tobago to invest and grow production, for the long term benefit of all stakeholders."*

For further information please visit: [www.trinityexploration.com](http://www.trinityexploration.com) or contact:

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### **About Trinity**

Trinity is an independent oil and gas exploration and 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 nine licences and, across all of the Group's assets, management's estimate of 2P reserves as at the end of 2019 was 20.9 mmbbls. Group 2C contingent resources are estimated to be 20.1 mmbbls. The Group's overall 2P plus 2C volumes are therefore 41.1 mmbbls.

Trinity is quoted on the AIM market of the London Stock Exchange under the ticker TRIN.