



H1 Results to 30 June 2022

15 September 2022



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Overview



Improving cash flow and continued debt reduction



Uniquely positioned to supply domestic energy



Significant geothermal opportunity with Government support in place

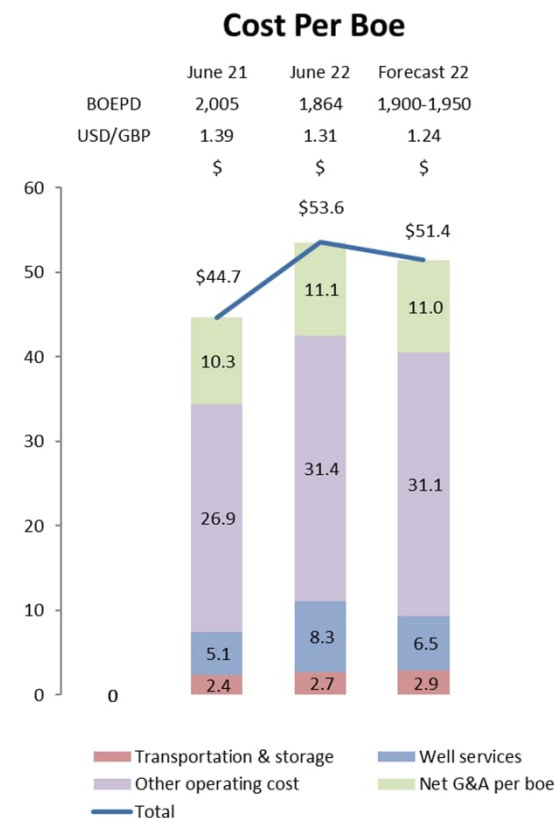


Moratorium on shale lifted; commitment to review energy regulation

Financial overview



- Strong operating cashflow of £16.4m before working capital and realised hedges (H1 2021: £6.4m)
- Revenue £30.5m (H1 2021: £16.6m) - realised price pre-hedge price of \$110.5/bbl (H1 2021: \$63.4/bbl). Post hedge \$85.8/bbl (H1 2021: \$51.6/bbl)
- Operating costs of \$42.5/boe (£33.0)/boe (H1 2021: \$34.4 (£24.8)/boe)
- Net G&A of £2.8m (H1 2021: £2.3m)
- Impairment of exploration and evaluation assets of £6.5m (H1 2021: £10.1) – principally the write-off of expenditure on PEDL 184 (Ellesmere Port)
- Reversal of impairment of £10.8m on oil and gas properties in the South CGU mainly due to the recovery in commodity prices
- Net debt reduced by £2.5m to £9.7m (31 December 2021: £12.2m). Significant headroom under the RBL
- Ring fence tax losses of £263m (31 December 2021: £268m)

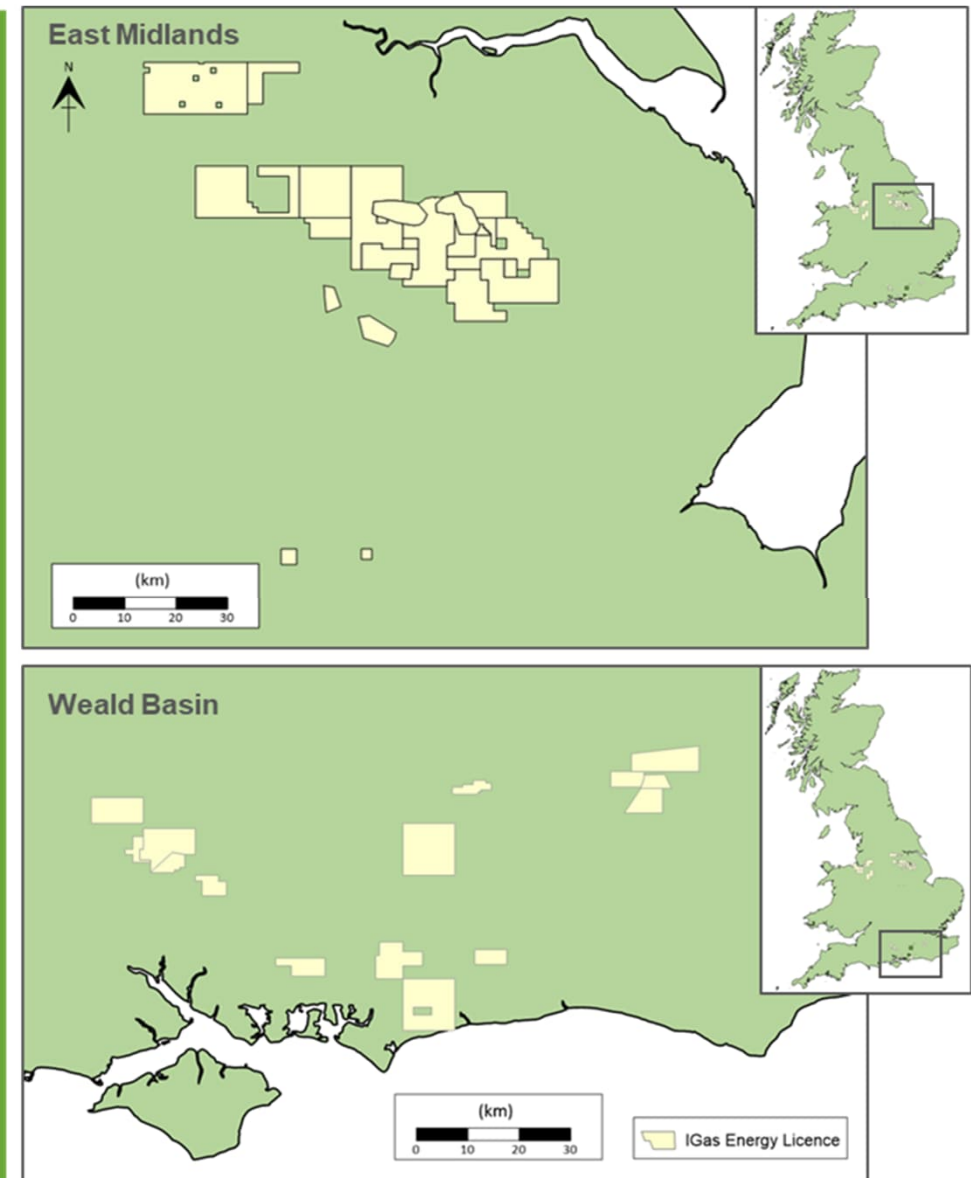


Conventional Production and Development

Indigenous production for energy security



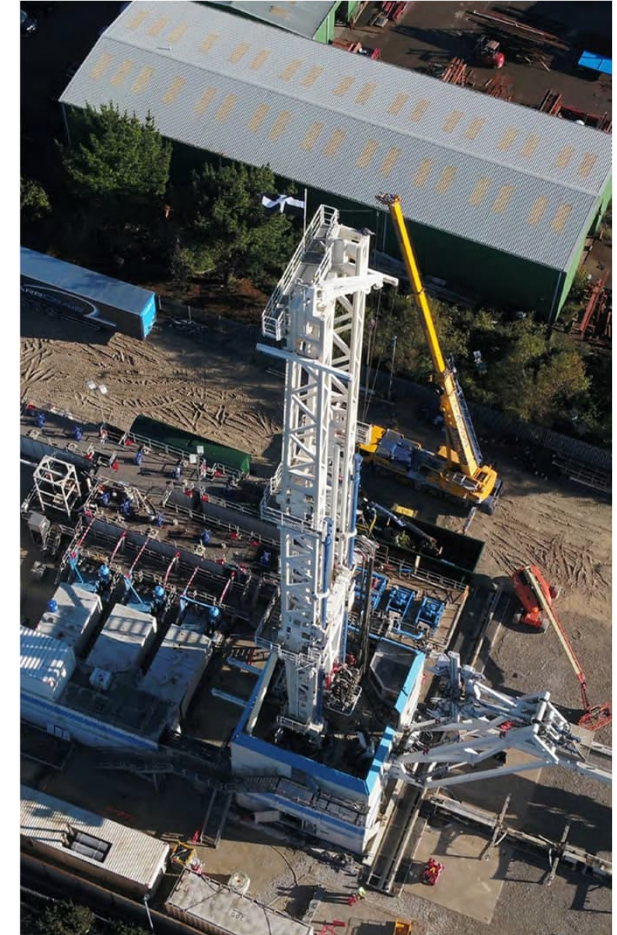
- Net production averaged 1,865 boepd in H1 2022 (H1 2021: 2,005 boepd) impacted by equipment failure as a run-on consequence of COVID-19 supply chain issues
- FY guidance in the range of c.1,900-1,950 as we resolve the issues in H1 and wells come back on-line
- Opportunities for near-term additional production which is expected to generate c.70-100 boepd
- Corringham infill project:
 - Potential: to add c.100 bbls/d and 0.35 mmstb 2P reserves in 2023
 - Status: discharging planning conditions
- Glentworth two-phased project to extend an existing field
 - Potential: to add c.200 bbls/d and development of c.1.0 mmstb 2P reserves. Phase 2 potential to add an additional 500bbls/d and the addition of c.2mmstb 2P reserves
 - Status: working on planning application for Q4
- Monetising stranded gas – up to 8 MW of power generation



Government Backing for Geothermal

Moving projects forward at scale

- Material advancement of Stoke-on-Trent project
 - An application to the Government's Green Heat Network Fund (GHNF) for the Stoke-on-Trent geothermal project was made on 26 August 2022
 - GHNF decision expected Q4 2022
 - Discussions with SSE on the Thermal Purchase Agreement on track and will conclude subject to the GHNF decision
- Significant growth in pipeline of projects
 - Active discussions with 15 off takers, across 15 separate sites which equates to >100 megawatts of installed heat generation
 - Applications for grant funding from the Public Sector Decarbonisation Scheme will be made on 22 September. This is in partnership with the Carbon Energy Fund for the development of six geothermal schemes, supplying renewable heat to NHS Trusts.
- Continue positive discussions with the UK Government regarding future, longer-term financial support for the industry

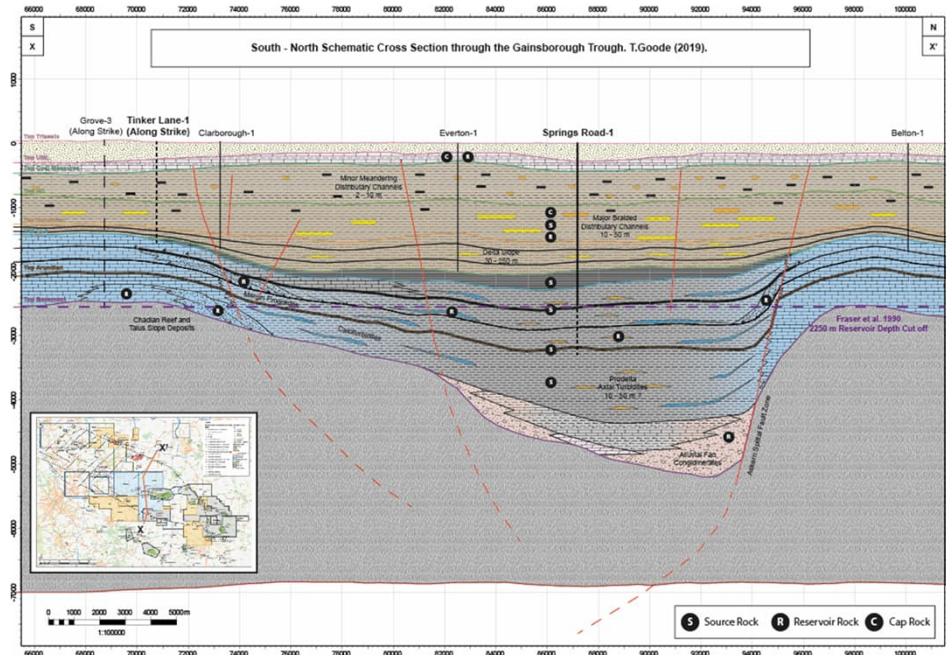


Shale Development

A significant opportunity that can deliver the goals of net zero and the energy security strategy



- On 8 September, Government announced the lifting of the moratorium on fracking in England and committed to review energy regulation
- Written Ministerial Statement expected imminently
- Potential to deliver 5 production well pads (up to 16 wells/pad) supplying 3 million homes with initial production within 12-18 months only with a streamlined regulatory process
- Significant portfolio of shale licences – 292,100 acres (net) with estimated mean volumes of undiscovered GIIP of 93 TCF (net to IGas)
- Combined carried gross work programme of up to \$216 million (£160 million)



Summary

- Continue to pay down debt in high commodity environment
- Existing production underpins growth opportunities
- Unique onshore position – assets/infrastructure/skills
- We can rapidly bring online energy generation with the right policy support
- Geothermal is the only technology that can supply utility scale renewable heat in urban areas; heating currently generates 37% of UK CO₂ emissions
- Shale represents one of the greatest economic, environmental and geopolitical opportunities the UK has seen in a generation



Appendix



ESG

Sustainable and Responsible Business



- Support United Nations' Sustainable Development Goals and UN Global Compact signatory
- ISO 14001 and 9001 accredited: Environmental Management System and Quality Management System
- Scope 1 & 2 reporting – focus on reducing Scope 2



Environmental stewardship

- Careful site selection screens out protected areas
- Environmental Impact Assessments
- Baseline monitoring before during and after operations – soil, air and water
- Social licence to operate is key to business success
 - Local engagement with all stakeholders: Community Liaison Groups, newsletters, public consultation
 - IGas Community Fund launched in 2008 over £1m distributed to communities local to our operations

HSE

- Continuous monitoring (Oshens/ External HSE audits)
- IGas has attained the RoSPA President's (15 consecutive Golds) Award, for health and safety performance
- IGas Energy trading as "Star Energy Weald Basin Ltd" is listed on the public register for COMAH establishments

Governance

- Adopted Quoted Companies Alliance Corporate Governance Code, 2018 edition (the "QCA Code")
- Board composition now exceeds the best practice recommendation of the QCA Code in having three independent Non-executive Directors on the Board, constituting 50% of the Board
- Key policies in place: Bribery and Anti-corruption; Equality & Diversity