

MPRL E&P Announces Gas Discovery in Pyi Thar-1 in Myanmar Offshore Block A-6

MPRL E&P Pte Ltd. (“MPRL E&P”), the only independent E&P company operating in both onshore and offshore Myanmar, is pleased to announce the discovery of gas in *Pyi Thar-1ST*.

MPRL E&P’s *Pyi Thar-1ST*, drilled on a combination of structural and sedimentological traps, has encountered approximately 180 ft (true vertical thickness) of multiple stacked Pliocene sandstones topping at a depth of 4,185 ft MDAHbSL (Measured Depth Along Hole below Sea Level). A formation evaluation program was pursued comprising of a full log suite followed by a pressure and fluid sampling program. Pressures and samples have confirmed the presence of approximately 20 ft (true vertical thickness) of gas starting at the top of the Pliocene sandstones overlying a gas water contact. 3-D seismic data further indicates that *Pyi Thar 1ST* penetrated the flank of the Pliocene sandstone package, with the same potentially high quality gas filled sands being located updip of the well as well as several downdip and deeper connecting sand bodies.

The *Pyi Thar-1* vertical well, drilled in water depth 691 ft to 4,585 ft below RT (4,500 ft below Sea Level) downdip of *Pyi Thar-1ST*, encountered limy siltstones in secondary shallow targets and confirmed the lateral extension of the gas-bearing sandstones in *Pyi Thar-1ST* in a water leg.

The *Pyi Thar-1* and *-1ST* are now being abandoned as planned regardless of the results of the drilling program.

The *Pyi Thar-1* and *-1ST* wells have extended the Bay of Bengal Pliocene play by more than 250 km to the South. The wells have also substantially alleviated risks, in particular for absence of reservoir, for at least three other larger and deeper prospects in the same water depth range. The wells have provided precious geological and drilling information from underlying strata to the reservoirs, which will now be integrated by the technical team of MPRL E&P to better assess the full prospectivity of *Block A-6*.

MPRL E&P, essentially managed and staffed by Myanmar engineers and personnel, has drilled the *Pyi Thar-1* and *-1ST* within very tight financial and time constraints well below budget, with drilling operations being 14 days ahead of schedule. MPRL E&P now plans to enter the Extensions of Exploration Periods as per the Production Sharing Contract, including further seismic acquisition/reprocessing and drilling commitments.

Background:

- Following the ongoing rapid pace of changes in Myanmar, MPRL E&P is receiving a lot of interest from oil majors and investment groups, and is welcoming farm-in proposals on this confirmed world-class exploration project in a much under-explored province with now even better proven HC potential.
- MPRL E&P is operating two assets in Myanmar, namely the *Mann* Producing Oil & Gas Field onshore Central Myanmar under a Performance Compensation Contract (PCC) with the state enterprise MOGE, and offshore *Block A-6* in the Bay of Bengal some 250 km South of the giant *Shwe* Gas Field under a Production Sharing Contract (PSC).

- The drilling of *Pyi Thar-1* and *Pyi Thar-1 ST* has fulfilled the contractual obligations of the Initial Exploration Period which was extended by one year to allow MPRL E&P to integrate the results of 2D and 3D seismic campaigns and minimize exploration and drilling risks on the drilling of the *Pyi Thar* prospect.
- MPRL E&P is continuing preparations to test hydrocarbon shows in *Mann Deep East-1*, a deep well to probe the HC potential below the Mann Oil & Gas Field;
- For more information, please visit MPRL E&P's website under www.mprlexp.com .

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