RNS Number : 3783X
Dial Square Investments PLC
20 December 2023

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Dial Square Investments plc

First Day of Dealings

EnergyPathways to progress 'ready to go' gas development in support of UK's objectives for energy security and net zero ambitions

Dial Square Investments plc (to be renamed EnergyPathways plc) ("EnergyPathways" or the "Company"), a UK focused integrated energy transition company, is pleased to announce that, in conjunction and simultaneously with completion of the acquisition of the entire issued share capital and other securities of EnergyPathways Ltd by the Company, at 8:00 a.m. today, its ordinary shares will commence trading on AIM under the ticker EPP, with ISIN GB00BM9M0884 and SEDOL BM9M088. As part of the process of admission to trading on AIM ("Admission"), the Company has raised gross proceeds of £2m through the issue of 50,000,000 new ordinary shares of £0.01 each at an issue price of 4 pence per share, equating to a market capitalisation of approximately £6.32million on Admission.

Immediately following Admission, in accordance with the Company's Articles, the Directors intend to pass a resolution to change the name of the Company from Dial Square Investments plc to EnergyPathways plc. A separate announcement will be made once the name change has become effective.

OVERVIEW

The Directors consider EnergyPathways' key strengths to include:

- ***'Ready to go' gas development with near-term supply***

  The Company's Marram Gas Project is a fully appraised gas field in the UK Irish Sea containing up to 35.3 Bcf of undeveloped gas 2P Reserves and 11 Bcf of 2C Contingent Resources in high-quality reservoirs. The Marram Gas Project has potential to be developed as a short cycle project with first production potentially as early as 2025.

- ***Low-cost development and access to infrastructure***

  The Marram Gas Project is a shallow water, subsea tieback development opportunity in close proximity to existing gas and electricity infrastructure (circa 15-25km) that has available capacity. The development is expected to comprise two shallow short lateral production wells;

- ***Low emission energy solution***

  The Marram Gas Project will produce low emission intensity gas. New UK domestically produced gas will be able to displace higher emission intensity LNG imports thereby reducing the UK's carbon footprint. The Marram Gas Project has the potential to be integrated with regional low emission energy projects, including offshore wind generation, hydrogen hub developments and nearby CCUS projects. The UK's leading hydrogen hub, HyNet, centred on the Liverpool-Manchester corridor, will use the nearby depleted Liverpool Bay gas fields to store carbon emissions from industry and blue hydrogen production. Spirit Energy and Centrica also hope to develop a CCUS and blue hydrogen project centred on Barrow;

- ***Potential for reserves growth***

  EnergyPathways' internal estimates suggest that there may be up to 2 Tcf unrisked gas resource in the UK Irish Sea region, which has the potential to be developed in relatively short time frames and provide the UK with increased energy security. EnergyPathways is actively exploring opportunities to expand its resource base and has a number of licence requests under consideration with the Government regulator;

- ***Low technical risk***

  The UK Irish Sea is a proven hydrocarbon basin. The Marram Gas Project has been fully appraised with two prior well penetrations into it and is also covered by reprocessed 2D seismic data. This data set provides good subsurface definition and a relatively narrow recoverable resource range estimate;

- ***Gas price outlook***

  Gas accounts for 43 per cent. of UK primary energy needs. By 2030 imports are expected to account for 80% per cent. of the UK's gas demand. The UK's dependency on gas imports is expected to increase and will influence future UK gas prices;

- ***Possibility of extension of production life***

  There is available capacity in nearby gas infrastructure to transport gas produced from the Marram Gas Project. Capacity is estimated to be available until the end of the decade and this could potentially be extended further, depending on the production from existing and new fields in the region, as well as a number of factors including gas price, and operating cost considerations; and

- ***Potential for energy transition opportunity***

  The UK Irish Sea offers potential for energy transition developments including long duration energy storage, hydrogen production and flexible power generation. Realisation of this potential would help reduce the UK's carbon footprint and support the UK's pathway to Net Zero. EnergyPathways aims to benefit from its early mover advantage in the UK Irish Sea region. EnergyPathways has submitted licence requests for blocks containing the Knox, Lowry and Castletown undeveloped gas fields, all of which all have short cycle development potential.

MANAGEMENT TEAM

EnergyPathways has a strong management team with an established track record for value creation, operational excellence and a commitment to a progressive ESG agenda that prioritises environmental impact alongside the positive socioeconomic impact of its activities.

Ben Clube, CEO of EnergyPathways, commented:

"We are delighted to have completed this reverse takeover process and begin EnergyPathways' journey as an AIM quoted company. We believe our company has a compelling investment proposition based on the fundamental market drivers for domestic gas supply to support the UK's objectives around energy security and energy transition to net zero. Our operated Marram Gas Project is a low-risk development with very attractive economics, and our focus through next year will be to progress that project to FID. In parallel we will seek to leverage our early mover advantage in our region of focus to build a balanced portfolio of discovered gas resources in the UK Irish Sea, an area in which we see significant opportunities for low emission gas development as well as gas storage.

"I'd like to thank our shareholders, both new and existing, for their support in the fundraising process and we look forward to repaying their faith as we deliver our strategic objectives and generate long-term value in the process. EnergyPathways has an exciting year ahead and we look forward to communicating our progress to our stakeholders and the wider market."

NOTICE OF INVESTOR EVENT

Investor Presentation via Investor Meet Company: 9:30am Tuesday 16 January

EnergyPathways is pleased to announce that Ben Clube (Managing Director) and Mark Steeves (Chairman) will provide a live presentation relating to the Investor Presentation via Investor Meet Company on 16 January 2024 at 9:30am GMT.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet EnergyPathways via:

https://www.investormeetcompany.com/energypathways-plc/register-investor

Investors who already follow EnergyPathways on the Investor Meet Company platform will automatically be invited.

Enquiries:

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For further information on EnergyPathways visit www.energypathways.uk and @energy_pathways on X (formerly Twitter).

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events.

Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

BACKGROUND

EnergyPathways is an integrated energy transition company and plans to generate shareholder value by playing a wide role in providing the UK with energy security and low emission energy solutions. It is initially targeting UK gas assets, that can be brought into production in the near term providing critical supply to ensure domestic energy security as well as reducing the UK's carbon footprint.

EnergyPathways holds, via its wholly-owned subsidiary EnergyPathways Irish Sea Limited, a 100 per cent. interest in block 110/4a in Seaward Licence P2490 that contains the Marram gas field (the "Marram Field" or "Marram Gas Project"), located 30km west of mainland UK, and lies approximately 15-25km from existing offshore gas infrastructure including the Morecambe gas complex in the UK waters of the Irish Sea Basin.

The Marram Field, which was discovered in 1993, is estimated to contain 35.3 Bcf of undeveloped gas 2P Reserves. EnergyPathways considers the field to be a fully appraised, 'ready-to-go' gas development asset with low sub-surface technical risk. It has potential to be brought into production in a relatively short cycle time, due to its shallow water location and its potential to be tied-in to nearby existing infrastructure that has available capacity.

EnergyPathways' proposed development plan for the Marram Gas Project comprises two sub-sea horizontal wells and a tie back to the existing infrastructure. The Company hopes the project will generate high rates of return and a prompt payback. EnergyPathways is targeting first production from the Marram Gas Project in 2025.

The Directors consider that natural gas will be a bridging fuel in the UK energy transition to net zero and that natural gas will have a critical role to play in the UK's energy market for decades to come. Gas power generation is set to have a critical role in providing flexible energy supply as intermittent renewable wind energy generation in the UK increases. It is the Director's view that a successful development of the Marram Gas Project can supply low emission gas to the UK making a favourable contribution towards reducing UK's carbon footprint as well as providing energy security to the UK.

EnergyPathways' internal estimates suggest that there may be up to 2 Tcf gas potential in the UK Irish Sea region. The Company believes these resources have potential to be developed in relatively short time frames and provide the UK with increased energy security and low emission energy supply. EnergyPathways is actively exploring opportunities to expand its resource base and has a number of licence requests under consideration with the Government regulator.

The UK Irish Sea region is ideally suited for integrating undeveloped UK gas resources with the co-located clean energy technologies and assets of the region to provide reliable, secure and affordable low emission energy supply. The UK Irish Sea region contains major renewable wind generation capacity, reservoirs suited to natural gas and hydrogen energy storage and CCUS and existing energy infrastructure, and the UK's leading hydrogen hub development is nearby which will be driven initially by using gas feedstock, gas reforming technologies and CCUS.

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