RNS Number : 5774K
EnergyPathways PLC
29 May 2025

29 May 2025

EnergyPathways plc

("EnergyPathways" or the "Company")

MESH Update
Progress on MESH Hybrid Compressed Air Energy Storage

EnergyPathways (AIM: EPP), an energy transition company, is pleased to advise that it has progressed in-house concept engineering studies for the addition of a hybrid compressed air energy storage component (H-CAES) for its MESH integrated energy storage project.

Highlights

- MESH plans to be one of Europe's largest Long Duration Energy Storage (LDES) facilities when developed
- Up to 400 MW low-carbon dispatchable power facility
- The MESH integrated energy storage project when fully developed will now integrate proven compressed air, hydrogen and natural gas storage technologies, with H-CAES expected to make a highly valuable contribution
- Construction of up to 4 offshore salt caverns of 665,000 cubic metres each
- Up to 5 days of supply with rapid start up and shut down for maximum market flexibility
- Optimal location adjacent to a grid constraint boundary to access and dispatch excess UK wind power
- Registered intention to submit licence application with the Marine Management Organisation ("MMO"),in relation to an offshore compressed air storage development
- With the inclusion of H-CAES, MESH is cost competitive with CCS linked gas-fired power, Battery Energy Storage Systems (BESS), and blue and green hydrogen to dispatchable power
- Potential to integrate H-CAES with gas storage and hydrogen storage facilities
- Future-proofed design to integrate MESH with hydrogen storage when Britain's hydrogen economy becomes commercially viable
- Progressing discussions with National Gas for MESH gas grid connection

The Company and its technical advisers have now progressed in-house concept engineering studies for the addition of H-CAES component to be part of the MESH integrated energy storage project. MESH, when fully developed, will now also integrate proven compressed air, hydrogen and natural gas storage technologies, providing a potential total storage capacity of around 20 TWh, equivalent to 7% of UK annual electricity demand. When developed, MESH will potentially be Europe's largest Long Duration Energy Storage facility (~400MW), the UK's largest hydrogen storage facility (~2.8TWh), and the UK's largest gas storage facility (~600 million therms).

Energy storage is crucial to the UK's national security and to its Net Zero ambitions. Energy security remains a key priority for this Government. The objectives of MESH align with the Government's priorities to reduce emissions, enhance energy security, protect bill payers, and create economic growth and jobs.

Ben Clube, CEO of EnergyPathways said:

"We believe that MESH is a crucial project which will support the Government's Net Zero ambitions and we are pleased to be making progress on the highly valuable compressed air storage component of the Project.

"The Government has identified the need for more energy storage as a clear priority to reach clean power targets by 2030. The Government's plan requires an infrastructure spending programme that averages a colossal £40bn+ annually. In our view, much of this investment is at risk of being passed onto consumers' bills without the right policy mix being put in place.

"The backbone of the Government's plan for achieving clean power by 2030 is a massive expansion of wind power, targeting a capacity that is three times Britain's total current average demand for electricity. Additionally, it requires the ageing UK grid infrastructure to be upgraded to accommodate the variable supply and remote locations of wind farms. Further, the Government plans to install new decarbonised backup power capacity for when the wind doesn't blow. Energy storage is essential to ensure efficient use of taxpayer funds and avoid further escalating consumer bills.

"The Government recognises the value that natural gas storage facilities play in energy security as a source of balancing system flexibility, particularly when responding to short-run changes in supply and demand, or during cold winter months.

"The Government also considers hydrogen storage infrastructure to be critical to growing the hydrogen economy and to supporting its Clean Power Mission, and it is committed to designing a new business model by the end of 2025 to support investment in, and the development of, hydrogen storage infrastructure. EnergyPathways has been advised that prospective projects, such as MESH, will have the opportunity to apply for Hydrogen Storage Business Model financial support in due course.

"In parallel with progressing the pre-FEED aspects of MESH, we continue to engage with authorities in relation to the award of a Gas Storage licence for the MESH project. Engagement with the Government remains constructive and we are actively outlining the multiple benefits of the Project, especially in relation to energy security and energy affordability, and how they directly align to the various moving parts of the Government's energy policies. Ultimately, we believe MESH is in the interests of all of; the Government's net zero ambitions; UK consumers, UK taxpayers, UK jobs and the environment. The greenlight from the Government will allow us to fast-track our ready-to-go MESH project."

Investor Engagement with EnergyPathways

Engage with us by asking questions, watching video summaries and seeing what other shareholders have to say. Navigate to our Interactive Investor website here:https://energypathways.uk/link/7Plb5e

Enquiries

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://energypathways.uk/announcements
EnergyPathways Ben Clube / Max Williams	Tel: +44 (0)207 466 5000, c/o Burson Buchanan (Financial PR) Email : info@energypathways.uk
Cairn Financial Advisers LLP (Nominated Adviser) Jo Turner / Louise O'Driscoll / Sandy Jamieson	Tel: +44 (0)20 7213 0880
SP Angel Corporate Finance LLP (Broker) Richard Hail / Adam Cowl	Tel: +44 (0)20 3470 0470
Global Investment Strategy UK Limited (Joint Broker) Callum Hill / James Sheehan	Tel: +44 (0)20 7048 9000

Subscribe to our news alert service:energypathways.uk/auth/signup

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.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our Privacy Policy.

END

UPDEAKSNAENSEEA