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EnergyPathways plc

("EnergyPathways" or the "Company")

Costain engaged to assess onshore facility options for the MESH integrated energy system

EnergyPathways (AIM: EPP), an energy transition company, is pleased to announce a strategic engagement with Costain Group PLC ("Costain") in support of the Company's planned large-scale integrated energy storage and decarbonisation project, MESH.

Under the terms of the engagement, Costain will undertake a comparative assessment exercise to identify the optimal solution from the various onshore facilities location options identified for the MESH project. The planned MESH onshore facilities will comprise integrated equipment and facilities that support large-scale natural gas storage and production, compressed air Long Duration Energy Storage (LDES), hydrogen storage, clean hydrogen production, clean ammonia and graphite production and flexible clean power generation.

Costain is a leading Tier 1 infrastructure company that is involved in the engineering and construction of critical projects in the transportation, water, energy and defence markets.

EnergyPathways' MESH project aims to provide low to zero-carbon dispatchable electricity capacity to the grid, low emission gas supply to safeguard the UK's energy security and flexibility and clean hydrogen production to decarbonise energy supply.

The comparative assessment will involve a rigorous process of evaluating each of the onshore location options, with a primary focus on assessing the impact of reusing existing infrastructure versus new/greenfield options and connection to both National Gas, electrical distribution networks, port facilities and offshore gas pipelines.

Costain's engagement provides the MESH project with access to highly experienced personnel who have extensive local knowledge of the various locations, challenges, infrastructure and communities and stakeholders within the North-West of England as well as the UK government's policy framework for energy transition. Costain also has extensive experience in the development of salt caverns within the UK, making it an ideal partner to complement EPP's already established key partnerships and alliances with Wood plc, Siemens Energy Limited, Hazer Group Ltd and KBR Inc., Mermaid Subsea Services (UK) Limited, and Zenith Energy Ltd.

Ben Clube, CEO of EnergyPathways said:

"We are delighted to have entered into this engagement with Costain, a tier 1, UK-headquartered infrastructure company with extensive engineering knowledge and experience of the North-West region. Costain's expertise will be invaluable in optimising the location for the MESH onshore facilities. Costain also brings relevant experience across several important aspects of the MESH project, including salt cavern development and in emerging technologies in the context of the UK government energy policy settings. This engagement continues the selection by EnergyPathways of world-class strategic partners with the expertise and experience to deliver a large-scale low-carbon integrated energy solution of national significance. In collaboration with our consortium of appointed Tier-1 partners, EnergyPathways' team continues to progress MESH to a "ready-to-go" status, so that we can move swiftly to FID and deliver on the UK's energy transition ambitions and help provide affordable energy to UK homes and businesses upon award of relevant licences and permits."

About MESH

MESH is a new large scale energy storage facility that is expected to provide a secure and dependable supply of natural gas and clean hydrogen and low carbon flexible power capacity for the UK market for over 25 years. MESH is an integrated energy system solution. It is electrifying and integrating existing infrastructure, connecting gas storage, hydrogen storage, and compressed air storage technologies with offshore wind and decarbonised power generation to establish a new major decarbonised energy hub for the UK.

The MESH system is designed to harness curtailed offshore wind power in an offshore LDES salt cavern storage as compressed air and hydrogen. Associated with this will be large scale natural gas storage in offshore gas field reservoirs. During periods of low renewable energy availability, stored energy resources will be utilized as follows: compressed natural gas will generate electricity via a gas turbine; compressed air will be expanded through a turbine to produce power; and in the future, hydrogen will be used in a hydrogen-compatible gas turbine or fuel cell to generate electricity.

This integrated system is expected to provide low- to zero-carbon dispatchable electricity to the grid, enhancing energy security and flexibility. Emissions from the gas turbine can potentially be captured and stored in nearby CCS reservoirs.

Additionally, the stored hydrogen and natural gas can be blended and supplied to the UK gas network, contributing to emissions reduction across the broader energy system.

MESH is expected to be the UK's largest integrated energy storage facility combining natural gas, compressed air and hydrogen storage. It will be able to store up to 20 TWh of energy. The MESH project is intended to deliver on the Government's 2030 Clean Power timeline and will ensure a reliable and secure supply of energy for the UK. MESH has been designed as a fully decarbonised and electrified zero emission facility that is to be powered by the renewable wind farms of the UK East Irish Sea region. EnergyPathways aims to play its role in supporting the Government in accelerating the UK's energy transition.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018). The Directors of the Company are responsible for the contents of this announcement.

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/ejYw9y

Enquiries

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://energypathways.uk/announcements
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Forward Looking Statements
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Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

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