

## NEWS RELEASE

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### Reactivation Programme Commences on Cherne and Bagre Concessions, Campos Basin, Brazil

Perenco Brazil is pleased to announce that following the August 2025 completion of the acquisition of the Cherne and Bagre concessions from Petróleo Brasileiro S.A. (Petrobras), its active field reactivation programme has commenced, helping meet the industry's mature field challenges and unlocking in excess of 50 mmstb of reserves.

The multi-dimensional, two-year, reactivation programme was designed to be executed in three linked stages with operational safety as the main guideline. The first step, which is already underway, entails the full integrity revitalisation of the PCH-1 and PCH-2 platforms, systems and associated equipment. This integrity revitalisation effort will take place throughout the two-year programme, with workstreams ranging from the replacement or renovation of turbines and the water treatment systems to the modernisation of the metering systems and maintenance or replacement of the upper deck flowlines. The main objective is to prepare for production resumption in a safe environment.

The second phase will consist of installing a new 10" pipeline connecting the 27km distance from PCH1 to the Pargo platform, and from there to the FSO Pargo through the existing export line. As part of the plan to upgrade the water injection system, Perenco will also install a water injection line between the PCH1 and PCH2 units. The third stage will focus on well interventions and re-entries to enable the resumption of production with 36 wells set to come back onstream. This will include 21 workover campaigns and a further evaluation effort for the best application of gas lift or ESP methods.

This ambitious redevelopment plan of Cherne and Bagre has an anticipated 2025-2027 CAPEX of circa US\$250m and will achieve a mid-term production from zero to 15,000 barrels of oil per day from the two concessions which were hibernated in 2020 ahead of their originally proposed decommissioning.

#### **Damien Szyszka, General Manager Perenco Brazil, said:**

*"The work to safely resume production from the dormant Cherne and Bagre Concessions has now begun. This two-year programme will lead to direct and indirect jobs being created, as well as the economic contribution from royalties and taxes. We are very pleased to be able to invest and build upon our footprint in Brazil, where production from the new fields combined with Pargo will be 35,000 barrels of oil per day."*

#### **About Perenco Brazil**

Perenco Brazil holds a 100% stake in the Pargo Cluster, which comprises the Pargo, Carapeba and Vermelho fields located offshore in the shallow waters of the Campos Basin, off the coast of Rio de Janeiro. The Pargo concession area is developed by eight fixed platforms in up to 100 meters depth. After takeover from Petrobras in October 2019, the Pargo Cluster Development Plan was formally approved by the Brazilian authorities in 2021, along with extension of Perenco's concession rights until 2040. Current production from the Pargo Cluster is approximately 20,000 barrels per day, up from 2,800 barrels per day when Perenco Brazil took over operations in October 2019. In December 2023, Perenco Brazil announced that first oil to its own Floating Storage and Offloading (FSO) vessel, the "FSO PARGO", had been successfully received following issuance of all operational licensing from the Brazilian regulatory authorities. Along with the Cherne and Bagre concessions approval by Brazilian authorities, Perenco Brazil was also issued an extension on the rights until 2040, reinforcing its long-term commitment to the country.

Perenco Brazil aligns its CSR projects with the Group's, focusing on community empowerment, energy solutions, and the environment. Recent examples include supporting women in the fishing industry in the Pargo Cluster region, and a community solar energy project in Rio de Janeiro. Perenco Brazil is part of the Perenco Group, which operates in 13 partner countries. [www.perenco.com](http://www.perenco.com)

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