Suite 2500
666 Burrard Street,
Vancouver, B.C. Canada V6C 2X8
info@mereninc.com
mereninc.com

NEWS RELEASE

MEREN ANNOUNCES SECOND QUARTER 2025 RESULTS AND DECLARES THIRD QUARTERLY DIVIDEND

Aug 12, 2025 (MER–TSX, MER–Nasdaq-Stockholm) – Meren Energy Inc. ("Meren" or the "Company") today published its financial and operating results for the three and six months ended June 30, 2025, and is pleased to declare its third quarterly distribution of approximately $25 million under its base dividend policy.

Meren President and CEO, Roger Tucker commented: *"Against a backdrop of increased oil price volatility and global economic uncertainty, we continue to deliver material shareholder returns whilst maintaining a strong balance sheet and significant liquidity headroom. We have a resilient business and are confident of continuing to deliver growth and returns through the business cycle, supported by our high-quality, high netback assets and funded growth catalysts."*

Highlights*

- Declared the third 2025 quarterly dividend of approximately $25.0 million, bringing total distributions year-to-date to approximately $75.1 million.
- During Q2 2025:
  - Achieved average daily working interest ("W.I.") and entitlement production of 30,900 boepd and 35,700 boepd respectively, in line with expectations;
  - Two new Egina wells brought on stream in May, which are performing in line with expectations, and a successful well intervention in Akpo providing strong support to production performance;
  - Sold one cargo (approximately 1 MMbbl) at a sales price of $64.2/bbl;
  - Pro-actively reduced the RBL by $80.0 million, reducing interest expenses and ending Q2 2025 with a debt balance of $540.0 million;
  - Distributed the second quarterly cash dividend of approximately $25.1 million ($0.0371 per share) in June 2025;
  - End of Q2 2025 cash balance of $266.6 million, resulting in a net debt position of $273.4 million with a Net Debt/ EBITDAX of 0.6x as at June 30, 2025. RBL facility headroom of $94.1 million at the end of Q2 2025;
  - The Company cancelled its $65.0m standby Corporate Facility and the security has been released.
- During H1 2025:
  - Cashflow from operations before working capital adjustment of $177.5 million;
  - EBITDAX of $248.2 million;
  - Cash capital investments of $58.6 million.
- Post period end, the Company pro-actively reduced the RBL debt balance by a further $60.0 million in July 2025, resulting, as of the date hereof in a debt balance of $480.0 million.

* All dollar amounts in this press release are U.S. Dollars unless otherwise indicated.

2025 Second Quarter Results Highlights

		Three months ended		Six months ended		Years ended
Meren Highlights	Unit	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	December 31, 2024
Net income/ (loss)	$'m	3.1	0.4	54.0	3.9	(279.1)
Net income/ (loss) per share – basic	$/ share	0.00 (2)	0.00	0.09 (2)	0.01	(0.62)
Net debt position (3)	$'m	273.4	444.5	273.4	444.5	289.1
WI production (3)	boepd	30,900	31,600	32,100	33,400	34,000
Entitlement production (3)	boepd	35,700	36,600	36,700	38,600	38,800
Cash flow from operations (4, 5)	$'m	77.7	n/a	177.5	n/a	n/a
EBITDAX (4)	$'m	106.6	n/a	248.2	n/a	n/a
Capital investments(4)	$'m	30.4	n/a	58.6	n/a	n/a

(1) The table includes non-GAAP measures. Definitions and reconciliations to these non-GAAP measures are provided on pages 13-16 of the Report to Shareholders for the period ended June 30, 2025..

(2) Based on the weighted average number of shares outstanding for the three and six months period ended June 30, 2025, of 675,012,308 and 572,481,427 respectively, which accounts for the newly issued shares to BTG Oil & Gas on March 19, 2025.

(3) Net debt position and production numbers as presented for the comparative periods includes 100 percent of Meren Coop to be comparable with net debt position and production numbers for the three and six months period ended June 30, 2025.

(4) Highlights are reported for the year 2025 only, on a constructed financial information basis, see pages 10 to 11 of the Q2 2025 MD&A for further information.

(5) Cash flow from operations before working capital and interest payments.

Outlook

Shareholder Returns

The Company is pleased to announce that its Board has declared the distribution of the Company's third quarterly cash dividend in 2025 of approximately $25.0 million or $0.0371 per share. This dividend will be payable to shareholders of record at the close of business on August 20, 2025.

This dividend qualifies as an 'eligible dividend' for Canadian income tax purposes. Dividends for shares traded on the Toronto Stock Exchange ("TSX") will be paid in Canadian dollars on September 5, 2025; however, all US and foreign shareholders will receive USD funds. Dividends for shares traded on Nasdaq Stockholm will be paid in Swedish Krona in accordance with Euroclear principles on September 10, 2025.

To execute the payment of the dividend, a temporary administrative cross border transfer closure will be applied by Euroclear from August 18, 2025, up to and including August 20, 2025, during which period shares of the Company cannot be transferred between the TSX and Nasdaq Stockholm.

Payment to shareholders who are not residents of Canada will be net of any Canadian withholding taxes that may be applicable. For further details, please visit: https://mereninc.com/investor-summary/total-shareholder-returns/.

The Company's Board views the base annual distribution policy to be prudent with due consideration for its capital allocation options and the priority of maintaining a strong balance sheet in a range of market scenarios. Future dividend declarations are subject to customary Board approval and consents.

Nigeria

The Company continues working with its JV partners to optimise production performance across its three producing fields, Akpo, Egina and Agbami and progressing the Preowei development project towards the final investment decision.

The Company had previously guided to a break to the Akpo/Egina (PPL 2/3) drilling campaign in Q4 2025 to allow for the interpretation of the 4D seismic data and detailed results from the wells drilled to enhance the maturation of future infill well opportunities. This break has now been brought forward to Q3 2025, with drilling expected to resume in 2026 including the Akpo Far East near-field prospect and further development wells on Akpo and Egina fields.

Akpo Far East is an infrastructure-led exploration opportunity that in case of commercial discovery success, presents an attractive short cycle, high return investment opportunities that would benefit from the existing Akpo facilities. Akpo Far East prospect has an unrisked, best estimate, gross field prospective resource volume of 143.6 MMboe. The targeted hydrocarbons are predicted to be light, high gas-oil ratio (“GOR”) oil equivalent to those found in the Akpo field. If successful, initial production could be achieved from existing production manifolds with the potential to materially increase reserves on the Akpo Field.

The JV partners are continuing the project optimization work for the Preowei field with the aim of reaching a final investment decision. The results from a re-assessment of the Preowei seismic data are positive, indicating an increase in recoverable resources. Work to validate these results towards project optimization continue with technical workshops planned for Q3 2025.

For the Agbami field, in addition to the ongoing 2024 4D seismic interpretation, rig and long lead items contracting activities are progressing for the 2027 infill drilling campaign. Potential rig site visits have been concluded and the operator is scheduled to order the Long Lead Items (“LLIs”) in Q3 2025.

Namibia Orange Basin Development and Exploration, Blocks 2912 and 2913B

The Venus Field is expected to be the first development area in Block 2913B. The Venus development plan is for up to 40 subsea wells tied back to a floating production, storage and offloading (“FPSO”) facility with a capacity of 160,000 barrels per day of oil.

- Project preparation and decision-making –
    - Front-End Engineering Designs (“FEED”): Q2 – Q4 2025
    - ESIA submission to authorities: Q4 2025
    - Final Investment Decision (“FID”) could be made during H1 2026

The Company through its shareholding in Impact has an effective 3.8 percent interest in the Venus project. This interest is fully funded through to first commercial production under an agreement between Impact and TotalEnergies, which covers all of Impact’s share of development and exploration expenditures on these blocks from January 1, 2024, through to first commercial production from the Venus project.

The latest exploration drilling campaign was completed on April 25, 2025, with the drilling rig demobilized. Several further prospects are in the process of evaluation for drilling utilizing recently acquired 3D seismic data.

South Africa Orange Basin, Block 3B/4B

Following the granting of an Environmental Authorization for exploration activities (drilling of up to 5 exploration wells) by the Department of Mineral Resources and Energy for the Republic of South Africa on September 16, 2024, the legislative notification and appeals process continues to progress with the relevant regulatory agencies. The operator has stated that with the approval process progressing the current plan is to drill the first exploration well on Block 3B/4B in 2026 and has identified Nayla, a prospect that lies in the northwest of the license area as the potential drilling target.

The Company completed a strategic farm down agreement with TotalEnergies and QatarEnergy during Q3 2024 that provide it with exploration carry. Transaction highlights are:

- Maximum transaction value of up to $46.8 million to the Company.
- The Company will receive, subject to achieving certain milestones defined in the farm down agreement, staged payments for a total cash amount of $10.0 million, of which $3.3 million was received at completion with the remaining balance to be received in two successive payments conditional upon achieving key operational and regulatory milestones.
- The Company will also receive a full carry of its retained share of all JV costs, up to a cap, that is repayable to TotalEnergies and QatarEnergy from production, and which is expected to be adequate to fund the Company's share of drilling for 1-2 wells on the license.

Equatorial Guinea, EG-18 and EG-31

The Company continues to be in active dialogue with industry parties to attract farm in parties on both blocks, and the aspiration to complete the active data room part of the exercise by end Q3 2025 remains.

If the Company is successful in attracting farminee partner(s) for these blocks, subject to customary consents and approvals including governmental and regulatory permissions, the Company anticipates that newly formed JVs could plan for exploration drilling in late 2026 or 2027. However, there is no guarantee the Company can secure farminee partners on acceptable terms.

2025 Management Guidance and Actuals

The Company has revised its 2025 Management Guidance based on the H1 2025 actuals and the outlook for H2 2025, the changes are summarized in the table below. W.I. and entitlement production ranges have narrowed with mid-points for both ranges increasing marginally. EBITDAX and cash flow from operations guidance ranges are revised lower mainly from a lower full-year average Dated Brent oil price estimate of $69/bbl, compared to the assumption of $75/bbl used for the original management guidance. The revised full-year oil price estimate of $69/bbl accounts for average Dated Brent price of $72/bbl for H1 2025 and an average Dated Brent price of $66/bbl for H2 2025.

	Original 2025 Guidance	Revised 2025 Guidance	H1 2025 Actuals
WI production (kboepd) (1)	28.0 – 33.0	30.0-33.0	32.1
Entitlement production (kboepd) (2)	32.0 – 37.0	34.5-37.5	36.7
EBITDAX ($ million) (3)	500 - 600	450-500	248.2
Cash flow from operations ($ million) (3)	320 - 370	260-310	177.5
Capital investments ($ million)	150 - 190	100-140	58.6

(1) Aggregate oil equivalent production data comprised of light and medium crude oil and conventional natural gas production net to the Company's W.I. in Agbami, Akpo and Egina fields. These production rates only include sold gas volumes and not those volumes used for fuel, reinjected or flared.

(2) Entitlement production is calculated using the economic interest methodology and includes cost recovery oil, royalty oil and profit oil and is different from working interest production that is calculated based on project volumes multiplied by the Company's effective working interest in each license.

(3) This table includes non-GAAP measures that do not have a standardized meaning prescribed by IFRS Accounting Standards and, therefore, may not be comparable with the calculation of similar measures by other companies. The Company believes that the presentation of these non-GAAP figures provides useful information to investors and shareholders as the measures provide increased transparency. EBITDAX is a non-GAAP measure. This is used as a performance measure to understand the financial performance from the Company's business operations without including the effects of the capital structure, tax rates, depreciation, depletion, amortization, impairment and exploration expenses.

Cash flow from operations before working capital and interest payments is a non-GAAP measure. This represents cash generated by removing the impact of working capital movements from cash generated by operating activities. It is a measure commonly used to better understand cash flow from operations across periods on a consistent basis, and when viewed in combination with the Company's results provides a more complete understanding of the factors and trends affecting the Company's performance.

Management Conference Call

Senior management will hold a conference call to discuss the results on Thursday, August 14, 2025, at 09:00 (EDT) / 14:00 (BST) / 15:00 (CEST). The conference call may be accessed by dial in or via webcast.

Participants should use the following link to register for the live webcast:

http://webcasting.buchanan.uk.com/broadcast/6891c73e48c43b001371b48d

Participants can also join via telephone with the instructions available on the following link:

https://url.de.m.mimecastprotect.com/s/IIeRCqQgvDuzmYLfMHPsEm_ZR?domain=urldefense.com

1. Click on the call link and complete the online registration form.
2. Upon registering you will receive the dial-in info and a unique PIN to join the call as well as an email confirmation with the details.

About Meren

Meren is a full-cycle Independent upstream oil and gas company with interests offshore Nigeria, Namibia, South Africa and Equatorial Guinea. Its main assets are producing and development assets in deepwater Nigeria operated by Majors. The Company holds a leading position in the Orange Basin including its effective interest in the Venus light oil project, offshore Namibia, and its direct interest in Block 3B/4B, offshore South Africa.

For further information, please contact:

Shahin Amini
Head of IR and Communications
shahin.amini@mereninc.com
T: +44 (0)20 8017 1511

Burson Buchanan
Financial PR & Communications Advisor
Energy@Buchanan.uk.com
T: +44 (0)20 7466 5000

Additional Information

This information is information that Meren is obliged to make public pursuant to the EU Market Abuse Regulation and information that Meren is required to make public pursuant to the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, at 5:00 p.m. EDT on Aug 12, 2025.

Advisory Regarding Oil and Gas Information

The terms boe (barrel of oil equivalent) is used throughout this press release. Such terms may be misleading, particularly if used in isolation. Production data are based on a conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1bbl). This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value. Petroleum references in this press release are to light and medium gravity crude oil and conventional natural gas in accordance with NI 51-101 and the COGE Handbook.

Estimates of reserves in this press release were prepared using guidelines outlined in the Canadian Oil and Gas Evaluation Handbook and in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities. The reserves estimates disclosed in this press release are estimates only and there is no guarantee that the estimated reserves will be recovered.

Forward-Looking Information

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation), including statements related to: the enlarged base dividend distribution; the declaration of the $25 million quarterly dividend; schedules and costs of drilling activity including those offshore Namibia, Nigeria and South Africa; the outcome and timing of exploration, appraisal and development activities including those offshore Namibia and Nigeria; the development of the Venus discovery; the ability of Meren to secure farminee partners on acceptable terms in Equatorial Guinea; the ability of Meren to deliver further growth or increased shareholder returns including by monetizing its assets; the ability of Meren to grow into a leading independent E&P; the continuing benefits from funded, high value growth opportunities, including the Venus oil project in the Orange Basin; expectations regarding free-cash flow; the ability of Meren to influence its JV partners to sustain and enhance production in Nigeria; and statements regarding access to business opportunities in Meren’s regions of focus and unlocking new sources of growth capital. Such statements and information (together, "forward-looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including statements pertaining to performance of commodity hedges, uninsured risks, regulatory and fiscal changes, availability of materials and equipment, unanticipated environmental impacts on operations, duration of the drilling program, availability of third party service providers and defects in title, the sustainability of Meren across oil and gas price cycles, the enhanced visibility and certainty over the use of capital, and statements regarding capital priorities. Forward-looking statements are based on a number of assumptions, including but not limited to, the ability of Meren to delivery further growth, the ability to have a Board comprised at all times of a majority of independent non-executive directors, high value growth opportunities will continue to be funded, and the ability to access business opportunities in Meren’s regions of focus. No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, contractual performance, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes including defects in title, claims and legal proceedings, availability of materials and equipment, availability of skilled personnel, the need to obtain required approvals from regulatory authorities, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, hedging, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations, the failure to realize the anticipated benefits of the amalgamation and the influence of BTG as a significant shareholder on the actions of the Company. Actual results may differ materially from those expressed or implied by such forward-looking statements.