MCF Energy Ltd. Increases its Interest in Upcoming Welchau-1 Well from 20% to 25%

09.01.2024 | CNW

VANCOUVER, Jan. 9, 2024 - MCF Energy Ltd. (TSXV: MCF) (FRA: DC6) (OTCQX: MCFNF) ("MCF", "MCF Energy" or the "Company"), an emerging and key player in Europe's energy sector, focused on advancing Europe's energy self-sufficiency, announces that it has increased its economic interest participation in the upcoming Welchau-1 well in Austria to 25% from 20%.

In early 2023, MCF Energy entered into an Energy Investment Agreement (EIA) with ADX Energy Ltd (ASX: ADX) to finance half of the expenses for the Welchau-1 exploration well, initially capped at EUR 3.8 million, thereby securing a 20% economic stake in the Welchau Investment Area.

ADX Energy as the Operator of the Welchau-1 well has adhered strictly to stakeholder consultation, environmental protocols and essential pre-drilling measures, such as permits and comprehensive geotechnical surveys, evidencing ADX and MCF's dedication to Environmental, Social, and Governance (ESG) principles. These actions and increases in drilling costs have resulted in a total investment increase for the well to EUR 5.1 million.

MCF and ADX have amended the EIA to outline MCF's commitment to financing 50% of the Welchau-1 well expenses, up to EUR 5.1 million, in exchange for increasing MCF's economic interest in the Welchau Investment Area to 25% from 20%. Upon reaching the revised well cost cap, MCF and ADX will cover their respective shares of 25% and 75% for the expenses related to the Welchau Investment Area.

The Operator has confirmed that drilling will begin once the well site construction is finished by late January. This clears the way for the RED Drilling & Services GmbH (RED) E-202 rig to move to the Welchau-1 drilling location.

Mr. Jay Park KC, Executive Chairman of MCF Energy, stated, "Today's announcement further solidifies MCF Energy's steadfast commitment to the Welchau-1 exploration project. By elevating our investment to EUR 5.1 million and expanding our economic interest to 25%, we reinforce our support for the Welchau project and unwavering ESG principles."

Welchau-1 Well Operations:

Construction at the Welchau-1 gas well site began on December 15, 2023, after receiving environmental clearance from the Department of Nature Protection of the State Government of Upper Austria. This clearance was the final regulatory step needed to start drilling on the Welchau prospect. Preceding this, the Mining Authority on behalf of the Ministry of Finance of the Republic of Austria issued the drilling permit.

Drilling operations at Welchau are slated to start in late January 2024, once the well site is fully constructed and the RED Drilling & Services GmbH E-202 drilling rig is mobilized. Emphasizing safety, environmental protection, and project execution, the Operator has maximized local involvement, leveraging their strong track record in these areas. The anticipated duration of the drilling is approximately 39 days.

About MCF Energy:

MCF Energy was established in 2022 by leading energy executives to strengthen Europe's energy security through responsible exploration and development of natural gas resources within the region. The Company has secured interests in several significant natural gas exploration projects in Austria and Germany with additional concession applications pending. MCF Energy is also evaluating additional opportunities throughout Europe. The Company's leaders have extensive experience in the European energy sector and are working to develop a cleaner, cheaper, and more secure natural gas industry as a transition to renewable energy sources. MCF Energy is a publicly traded company (TSXV: MCF) (FRA: DC6) (OTCQX:

MCFNF) and headquartered in Vancouver, British Columbia. For further information, please visit: www.mcfenergy.com.

MCF Energy invites all stakeholders, including shareholders, employees, and the general public, to stay updated on the Company's progress and its role in Europe's energy future, through its corporate website and social media.

Additional information on the Company is available at www.sedarplus.ca under the Company's profile.

Cautionary Statements:

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Forward-Looking Information:

Readers are advised that this press release contains forward-looking information within the meaning of applicable securities laws. Forward-looking statements, including but not limited to those pertaining to the Welchau-1 exploration well project, the anticipated timeline for drilling operations, and the potential outcomes of exploration at the Welchau Investment Area, are based on current expectations, estimates, and projections. These statements involve inherent risks, uncertainties, and other factors that could cause actual results, performance, or achievements of MCF Energy to differ materially from those expressed or implied by such forward-looking statements.

Factors that may affect the forward-looking statements herein include, but are not limited to, operational, technical, and geological risks associated with exploration activities, fluctuations in commodity prices, uncertainties related to exploration success, regulatory changes impacting the energy industry, and general economic conditions. The actual outcome of the Welchau-1 exploration project may differ from current expectations due to various risk factors.

MCF Energy disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law. The forward-looking statements in this press release are qualified in their entirety by this cautionary statement. Readers are cautioned not to place undue reliance on these forward-looking statements as they speak only as of the date of this press release.

Contact
Investor Relations: Jim Hill, CEO, Tel: (604) 609-6110, Email: gkheep@fiorecorporation.com; Public Relations: Sarah Mawji, Email: sarah@finaleditpr.com

SOURCE MCF Energy Ltd.