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15 May 2019

EGDON RESOURCES PLC
("Egdon" or the "Company")
Underwritten Open Offer of 43,330,803 Open Offer Shares
At 5 pence per Open Offer Share
Proposed Waiver of Rule 9 of the City Code on Takeovers and Mergers
Notice of General Meeting
and
Production Update

Egdon is pleased to announce that, in order to provide the Company with additional resources to be used in the Company's exploration and appraisal work programme, the Company is proposing to raise approximately £2.17 million (before expenses) pursuant to an underwritten Open Offer. Under the Open Offer, all Qualifying Shareholders have an opportunity to subscribe for new Ordinary Shares at the Issue Price by subscribing for their respective Open Offer Entitlements on the basis of 1 Open Offer Share for every 6 Existing Ordinary Shares held on the Record Date.

The Company has received irrevocable commitments to take up (or procure the taking up) of Open Offer Shares from:

- Petrichor Holdings Coöperatief U.A., ("Petrichor") in respect of an Open Offer Entitlement to 12,994,907 Open Offer Shares (the "Petrichor Committed Shares"); and
- Premier Oil plc ("Premier") in respect of an Open Offer Entitlement to 6,534,285 Open Offer Shares (the "Premier Committed Shares", together with the Petrichor Committed Shares, the "Excluded Shares").

Petrichor has also agreed to underwrite 23,801,611 Open Offer Shares (the "Underwritten Shares"), being the total number of Open Offer Shares less the Excluded Shares, on a fully underwritten basis in exchange for the payment of an underwriting commission of an amount equal to 4 per cent. of the total Issue Price of 23,801,611 Underwritten Shares.

Petrichor currently holds 77,969,448 Existing Ordinary Shares representing 29.99 per cent. of the current issued share capital of the Company. Petrichor has committed to take up its maximum Open Offer Entitlement and has also agreed to subscribe for or purchase, at the Issue Price, any Underwritten Shares (as defined above) not taken up by Qualifying Shareholders under the Open Offer. If Petrichor is required to subscribe for some or all of the Underwritten Shares, then Petrichor's interest in shares carrying voting rights in the Company could increase to 30.00 per cent. or more. This would ordinarily result in Petrichor being required to make a mandatory cash offer, under Rule 9 of the Takeover Code, to the remaining Shareholders to acquire their ordinary shares. The Panel has agreed to grant a waiver of the requirement under Rule 9 subject to the approval of the Company's Independent Shareholders being obtained. A Resolution is being proposed at the General Meeting (defined below) in this regard to enable the Company to issue further Ordinary Shares to Petrichor pursuant to the Open Offer and underwriting arrangements, without Petrichor being required to make a mandatory cash offer to the remaining Shareholders.

The terms and conditions of the Open Offer are set out in a circular being sent to Shareholders today, which includes notice of a general meeting of the Company ("General Meeting"). The circular will soon be available on the Company's website www.egdon-resources.com. The circular sets out: the reasons for, and provides

further information on the Proposals; explains why the Directors consider the Proposals to be in the best interest of the Company and its Shareholders as a whole; and why the Directors recommend that Shareholders vote in favour of the Resolution.

The Open Offer is conditional, *inter alia*, (i) upon the passing of the Resolution at the General Meeting; and (ii) admission of the Open Offer Shares to trading on AIM on or before 8.00 a.m. on 4 June 2019 (or such later date and/or time as the Company, VSA, Cantor Fitzgerald and Petrichor may decide, being no later than 5.00 p.m. on 20 June 2019). It is expected that Admission will become effective and dealings in the Open Offer Shares will commence on, or around, 4 June 2019. The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Production Update

The Company is pleased to announce that average monthly production during the period January to April 2019 was 238 boepd (January to April 2018: 85 boepd).

Enquiries:

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Defined terms in this announcement are as defined in the circular.

1. Introduction

Egdon is pleased to announce that, in order to provide the Company with additional resources to progress its exploration and appraisal work programme, it is proposing to raise approximately £2.17 million (before expenses) pursuant to the Open Offer. Under the Open Offer, all Qualifying Shareholders have an opportunity to subscribe for new Ordinary Shares at the Issue Price by subscribing for their respective Open Offer Entitlements which have been calculated on a pro rata basis to their holding in the Existing Ordinary Shares in the Company on the Record Date.

The Open Offer is conditional, *inter alia*, (i) upon the passing of the Resolution at the General Meeting; and (ii) admission of the Open Offer Shares to trading on AIM becoming effective on or before 8.00 a.m. on 4 June 2019 (or such later date and/or time as the Company, VSA, Cantor Fitzgerald and Petrichor may decide, being no later than 5.00 p.m. on 20 June 2019).

It is expected that Admission will become effective and dealings in the Open Offer Shares will commence on 4 June 2019. The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

2. Information on Egdon Resources plc

Egdon Resources plc is an established UK-based exploration and production company primarily focused on onshore exploration and production in the hydrocarbon-producing basins of the UK.

Egdon holds interests in 44 licences in the UK and has a programme of exploration, appraisal and development within its portfolio of oil and gas assets. Egdon was formed in 1997 and listed on AIM in December 2004.

3. Use of proceeds

The net proceeds from the Open Offer (being approximately £1.982 million, after costs of approximately £0.185 million) will be used in the Company's exploration and appraisal work programme as follows:

- progress the Gainsborough Trough Shale-Gas Assets;
- progress the Resolution Gas Discovery; and
- for general working capital purposes.

4. Current Trading and Outlook

On 9 April 2019, the Company announced its unaudited interim results for the six months ended 31 January 2019 and provided updates on its current assets, trading and outlook.

Operational highlights since the date of these results include:

- average monthly production during the period January to April 2019 of 238 boepd (January to April 2018: 85 boepd);
- completion of drilling of Springs Road-1 (Egdon 14.5%) during March 2019 - The well encountered all three pre-drill targets with a reported hydrocarbon bearing shale sequence of over 250 metres in the Bowland Shale and significant gas indications within the Millstone Grit sequence, deeper parts of the lower Bowland Shale and the Arundian Shale;
- completion of drilling operations at Biscathorpe-2 during February 2019 - The primary target was poorly developed and the well has been suspended for a potential future sidetrack;
- the completion of a Competent Person's Report ("CPR") by Schlumberger Oilfield UK PLC for Resolution indicating mean contingent resources of 231 bcf; and
- the submission of planning appeal for the revised Wressle development following refusal of planning consent on 28 November 2018 with the public inquiry scheduled to start on 5 November 2019.

In relation to the Company's outlook, the interim results announcement stated:

"The Company has advised production guidance for the full financial year 2018-19 of 170-180 boepd driven by continued strong production from Ceres.

The main operational focus of the business during the coming period will be on:

- *Finalising the Springs Road-1 core and log analysis during Q2 2019 to facilitate the planned horizontal Springs Road-2 well*
- *Finalising the introduction of an industry partner to fund the planned 3D seismic and appraisal drilling on the Resolution Gas Discovery*
- *Securing consent for the Wressle development via a planning inquiry anticipated during Q3 2019 with a decision possible late in Q4 2019*

The fundamentals of the business remain robust with the Company debt free and holding a range of high potential assets in the UK, a location and jurisdiction which remains commercially attractive, despite some regulatory and planning challenges."

5. Details of the Open Offer

5.1. Structure

The Directors have given consideration as to the best way to structure the proposed equity fundraising, taking into account current market conditions, the composition of the Company's shareholder register and the Board's desire to give shareholders the opportunity to limit dilution where practicable.

The Directors have concluded that the structure of the fundraising by way of the Open Offer is the most suitable option available to the Company and its shareholders as a whole. The Open Offer will provide an opportunity for all Qualifying Shareholders to participate in the fundraising by acquiring Open Offer Shares pro rata to their current holdings of Existing Ordinary Shares with the option to apply to subscribe for more Open Offer Shares pursuant to the Excess Application Facility subject to clawback.

The Issue Price of 5 pence per Open Offer Share represents a discount of approximately 3.85 per cent. to the Volume Weighted Average Price of an Existing Ordinary Share in the seven days prior to the date of the announcement of the Open Offer.

5.2. Principal terms of the Open Offer

Subject to the fulfilment of the conditions set out below and in Part IV of the circular, Qualifying Shareholders are being given the opportunity to subscribe for the Open Offer Shares at a price of 5 pence per Open Offer Share, pro rata to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

1 Open Offer Share for every 6 Existing Ordinary Shares

Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares through the Excess Application Facility.

The Open Offer is being underwritten by Petrichor as set out in paragraph 6 below. The issue of the Open Offer Shares will raise gross proceeds of approximately £2.17 million for the Company.

Fractions of Open Offer Shares will not be allotted to Qualifying Shareholders in the Open Offer and entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares. The fractional entitlements will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating the Open Offer Entitlements.

5.3. Excess Application Facility

The Excess Application Facility will enable Qualifying Shareholders, provided that they take up their Open Offer Entitlement in full, to apply for Excess Open Offer Entitlements. Qualifying non-CREST Shareholders who wish to apply to acquire more than their Open Offer Entitlement should complete the relevant sections on the Application Form. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2(j) of Part IV of the circular for information on how to apply for Excess Shares pursuant to the Excess Application Facility. Applications for Excess Open Offer Entitlements will be satisfied only and to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their Open Offer Entitlements. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

Application will be made for the Open Offer Entitlements and Excess Open Offer Entitlements in respect of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on 17 May 2019. Such Open Offer Entitlements and Excess Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. 17 May 2019. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

Qualifying non-CREST Shareholders will have received an Application Form with the circular which sets out their entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them. Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements on 17 May 2019.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part IV of the circular.

For Qualifying non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 31 May 2019. For Qualifying CREST Shareholders, the relevant CREST instructions must have been settled as explained in the circular by no later than 11.00 a.m. on 31 May 2019.

5.4. Other information relating to the Open Offer

The Open Offer is conditional upon (i) the passing without amendment of the Resolution at the General Meeting; and (ii) admission of the Open Offer Shares to trading on AIM becoming effective on or before 8.00 a.m. on 4 June 2019 (or such later and/or time as the Company, VSA, Cantor Fitzgerald and Petrichor may decide, being no later than 5.00 p.m. on 20 June 2019).

Accordingly, if this condition is not satisfied or waived, the Open Offer will not proceed.

The Open Offer will result in the issue of in total 43,330,803 Open Offer Shares assuming full take up under the Open Offer (representing, in aggregate, approximately 14.29 per cent. of the Enlarged Share Capital). The Open Offer Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and therefore rank equally for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Qualifying Shareholders who do not take up any of their entitlements in respect of the Open Offer will experience a dilution of approximately 14.29 per cent to their interests in the Company because of the Open Offer (assuming full take up under the Open Offer). Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective on 4 June 2019 and that dealings for normal settlement in the Open Offer Shares will commence at 8.00 a.m. on 4 June 2019.

6. Underwriting Agreement and Undertakings

Irrevocable Undertakings

Petrichor has irrevocably undertaken to the Company to take up its own maximum Open Offer Entitlement to 12,994,907 shares under the Open Offer (the "**Petrichor Committed Shares**"). Premier has also irrevocably undertaken to the Company to procure the subscription by its subsidiaries, Premier Oil (EnCore Petroleum) Limited, EnCore (NNS) Limited and EnCore Oil Limited, in respect of their own respective maximum Open Offer Entitlement (to 6,534,285 shares in aggregate) under the Open Offer (the "**Premier Committed Shares**", together with the Petrichor Committed shares, the "**Excluded Shares**"). The Company has therefore received irrevocable undertakings to take up the Excluded Shares, which represent 45.07 per cent. of the Open Offer Shares being made available under the Open Offer.

Underwriting Agreement

On 15 May 2019, the Company and Petrichor entered into an Underwriting Agreement whereby Petrichor agreed to underwrite 23,801,611 Open Offer Shares (the "**Underwritten Shares**"), being the total number of Open Offer Shares less the Excluded Shares, on a fully underwritten basis. Therefore, if the Company receives valid applications under the Open Offer (including the Excess Application Facility) in relation to the Underwritten Shares for less than the total number of Underwritten Shares being made available, Petrichor has agreed to subscribe as principal for the remaining Underwritten Shares.

The obligations of Petrichor under the Underwriting Agreement are conditional upon:

- (a) admission of the Open Offer Shares to trading on AIM taking place by 4 June 2019, or such later time as agreed by the Company, VSA, Cantor Fitzgerald and Petrichor being not later than 20 June 2019;
- (b) the passing of the Whitewash Resolution by the Independent Shareholders at the General Meeting by way of poll.

The Company has agreed to pay Petrichor commission of an amount equal to 4 per cent. of the total Issue Price of 23,801,611 Underwritten Shares, being the maximum number of Underwritten Shares that Petrichor could be required to take up pursuant to its underwriting commitment, together with all costs, fees and out-

of-pocket expenses properly incurred by Petrichor in connection with the underwriting of the Underwritten Shares and agreed in advance by the Company in writing.

The entering into of the Underwriting Agreement by the Company is a related party transaction under the AIM Rules. The Directors consider, having consulted with Cantor Fitzgerald, the Company's Nominated Adviser, that the terms of the Underwriting Agreement are fair and reasonable insofar as Shareholders are concerned.

Details of the current interest and maximum potential interest of Petrichor, following the Open Offer, in the ordinary share capital of the Company are set out in the table below:

Name	As at date of the circular		Maximum number of Open Offer Shares that Petrichor could be required to take up pursuant to the Underwriting Agreement and the Undertaking	On Admission	
	Number of Existing Ordinary Shares held	% interest of Existing Issued Share Capital		Maximum number of Ordinary Shares held	Maximum % interest in the Enlarged Issued Share Capital
Petrichor	77,969,448	29.99	36,796,518	114,765,966	37.84

7. Waiver of Rule 9 of the City Code on Takeovers and Mergers

The Rule 9 Waiver is being sought in connection with the Open Offer.

On 13 July 2018, Infinis Energy Services ("Infinis"), the 100% owner of Alkane Energy Limited ("Alkane"), announced that it had entered into a sale and purchase agreement ("SPA") to sell 35,870,487 Ordinary Share (representing 13.797 per cent. of the issued share capital of the Company) to Petrichor Holdings Coöperatief U.A. ("Petrichor"), a wholly owned subsidiary of HEYCO. Pursuant to the terms of the SPA, Petrichor agreed to pay Alkane an amount equivalent to 12.8 pence per Ordinary Share (the "SPA Consideration Per Share").

Alkane also entered into an agreement with VSA, where VSA undertook *inter alia* to place Alkane's remaining 4,129,513 Ordinary Shares (the "Placing Shares") (representing 1.588 per cent. of the issued share capital of the Company) with institutional and other investors.

On 27 July 2018, Infinis announced that VSA had completed the placing of the Placing Shares at a price of 8 pence per Placing Share. Under the terms of the SPA, Petrichor agreed that if the Placing Shares were sold below the SPA Consideration Per Share, it would pay Alkane the difference between the price achieved per Placing Share and the SPA Consideration Per Share. Consequently, taking into account this purchase price adjustment, the price paid to Alkane by Petrichor for the 35,870,487 Ordinary Shares was 13.4 pence per share.

Petrichor currently holds 77,969,448 Existing Ordinary Shares representing 29.99 per cent. of the current issued share capital of the Company. Petrichor has committed to take up its maximum Open Offer Entitlement and has also agreed to subscribe for or purchase, at the Issue Price, any Underwritten Shares (as defined in paragraph 6 above) not taken up by Qualifying Shareholders under the Open Offer. If Petrichor is required to subscribe for some or all of the Underwritten Shares, then Petrichor's interest in shares carrying voting rights in the Company could increase to 30.00 per cent. or more. If no other Qualifying Shareholders take up their Open Offer Entitlements in respect of Underwritten Shares, Petrichor's holding will increase to 37.84 per cent. of the Enlarged Share Capital.

As detailed in paragraph 8 below, this would ordinarily result in Petrichor being required to make a mandatory cash offer, under Rule 9 of the Code, to the remaining Shareholders to acquire their Shares. The Resolution (the "Whitewash Resolution") is being proposed to enable the Company to issue further Ordinary Shares to Petrichor pursuant to the Open Offer and the Underwriting Agreement, without Petrichor being required to make a mandatory cash offer to the remaining Shareholders.

Given the potential increase in Petrichor's proportional shareholding, the Company and Petrichor have entered into a relationship agreement, conditional on Admission, to regulate the relationship between the Company and Petrichor following Admission. Further details of the relationship agreement are set out in paragraph 9 of Part I of the circular.

8. The Takeover Code and Rule 9 Waiver

As indicated above, the terms of the Open Offer and the Underwriting Agreement give rise to certain considerations under the Takeover Code. Brief details of the Panel, the Code and the protection they afford are given below.

The purpose of the Takeover Code is to supervise and regulate takeovers and other matters to which it applies. The Takeover Code is issued and administered by the Panel. The Company is a company to which the Takeover Code applies and as such its Shareholders are therefore entitled to the protections afforded by the Takeover Code.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a single transaction or a series of transactions over a period of time, an interest (as defined in the Takeover Code) in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required by the Panel to make a general offer, in cash (or with a cash alternative), to all remaining shareholders to acquire their shares. Rule 9 of the Takeover Code further provides that, *inter alia*, where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of such voting rights and such person, or any such person acting in concert with him, acquires an interest in additional shares which increase his percentage of shares carrying voting rights, such person is normally required by the Panel to make a general offer to the remaining shareholders to acquire their shares.

Following completion of the Open Offer, Petrichor could be interested in a maximum number of 114,765,966 Ordinary Shares, representing 37.84 per cent. of the Enlarged Share Capital. Should the Open Offer be fully subscribed, then Petrichor will remain as a 29.99 per cent. shareholder and therefore no obligation to make an offer under Rule 9 will arise.

An offer under Rule 9 must be made in cash (or with a cash alternative) and at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Panel has been consulted and has agreed to waive the requirement for Petrichor to make a general offer under Rule 9 of the Takeover Code in cash for Ordinary Shares in the Company which might otherwise arise as a result of the issue of further Ordinary Shares to Petrichor pursuant to the Open Offer and the Underwriting Agreement, subject to the Whitewash Resolution (as set out in the notice convening the General Meeting) being based on a poll of the Independent Shareholders. To be passed, the Whitewash Resolution will require a simple majority of the votes cast by the Independent Shareholders. Petrichor has undertaken not to vote on the Whitewash Resolution.

Following completion of the Open Offer and assuming that Petrichor is required to subscribe for some or all of the Underwritten Shares (as defined in paragraph 6 above), Petrichor will be interested in, in aggregate, shares carrying more than 30 per cent. of the Company's voting share capital but will not hold shares comprising more than 50 per cent. of such voting rights. Following completion of Admission of the Open Offer Shares, Rule 9 of the Takeover Code will continue to apply to Petrichor, requiring a general offer to be made to all Shareholders if Petrichor or persons acting in concert with it acquire any Ordinary Shares in addition to those which are the subject of the Whitewash Resolution, unless a further waiver is obtained (or in certain other limited circumstances). Shareholders should note that the waiver of Rule 9 of the Takeover Code which the Panel has agreed to give (conditional on the Whitewash Resolution being passed by the Shareholders) is only in respect of the acquisition of Ordinary Shares by Petrichor as a result of the Open Offer and Underwriting Agreement and not in respect of any other future acquisition of Ordinary Shares by Petrichor or persons acting in concert with it. In the event that the Whitewash Resolution is passed by Independent Shareholders at the General Meeting, subsequently Petrichor will not be restricted from making an offer for the Company but will not be required to make an offer.

9. Relationship Agreement

On 15 May 2019, the Company and Petrichor entered into a relationship agreement, conditional on Admission, to regulate the relationship between the Company and Petrichor following Admission. The relationship agreement contains undertakings from Petrichor that, amongst other things, it will not seek to interfere with the day to day control of the Company and that all transactions and arrangements between the Company and Petrichor and members of its group will be at arm's length and on normal commercial terms. The relationship

agreement will continue in full force and effect for so long as the Ordinary Shares are admitted to trading on AIM and Petrichor is interested in 20 per cent. or more of the Company's issued ordinary share capital.

10. Information on Petrichor

Petrichor is a wholly owned subsidiary of HEYCO. HEYCO is a privately owned, US based, upstream energy portfolio company that delivers strategy, sophisticated unconventional technology, and capital to oil and gas exploration projects in the United States and Europe.

Petrichor is incorporated in the Netherlands with company file number 34306097, and its registered office is at Kabelweg 37, 1014 BA Amsterdam.

11. Information on HEYCO

HEYCO, is a privately owned, US based, upstream energy portfolio company that delivers strategy, sophisticated unconventional technology, and capital to oil and gas exploration projects in the United States and Europe.

HEYCO is incorporated in Delaware, USA with company number 3443499, and its registered office is at Corp. Trust Co., 1209 Orange St., Wilmington, DE 19801.

Further information on HEYCO is available on its website: <http://www.heycoenergy.com/>

HEYCO's majority shareholder is Explorers Petroleum Corporation of which George M. Yates is the ultimate controller. George M. Yates is a United States of America national who was born in Artesia, New Mexico, USA and resides in Dallas, Texas, USA. Other Directors of HEYCO are Lauren Yates, a United States of America national who resides in Plano, Texas, USA; Barrett Yates-Mack, an United States of America national who resides in Weston, Massachusetts, USA; and Tara Lewis, an United States of America national, who resides in Dallas, Texas, USA.

Domestic US

HEYCO historically operated in the Permian Basin, specifically in the Delaware Basin, In early 2015, HEYCO's subsidiary, Harvey E. Yates Company, was acquired by Matador Resources Company for an equity position in the company. Through its involvement with Matador HEYCO has access to current best practice in the Permian Basin.

HEYCO Development Company (DEVCO) focuses on non-operated projects in New Mexico, East Texas, and Wyoming.

Europe

Various subsidiaries of HEYCO have been involved in international exploration for more than 20 years, having operated exploration projects in England, Spain, and Morocco. The group currently holds non-operated interests in England, Spain, and France.

12. Relationship between Petrichor, the Directors and the Independent Shareholders

There are no relationships (personal, financial or commercial), arrangements or understandings between Petrichor and any of the Directors.

Petrichor has no relationships (personal, financial or commercial), arrangements or understandings with any of the Independent Shareholders or any person who is, or is presumed to be, acting in concert with any such Independent Shareholder.

13. Intentions of Petrichor

Petrichor has confirmed that, if the Whitewash Resolution is passed by the Independent Shareholders on a poll, there is no agreement, arrangement or understanding for the transfer of their Ordinary Shares to any third party. Petrichor is not intending to seek any changes in respect of: the future of the Company's business; any planned investment in research and development; the continued employment of the Company's employees and management; including any material change in conditions of employment or balance of skills and functions; the location of the Company's places of business, headquarters and headquarter functions; employer contributions into the Company's pension schemes, the accrual of benefits for existing members and

the admission of new members; any redeployment of the fixed assets of the Company as a result of such proposals; and the maintenance of any existing trading facilities for the relevant securities of the Company.

Petrichor has also confirmed that as a result of and following completion of the Open Offer, it does not intend to change its business strategy and that as a result of and following completion of the Open Offer there is no intention to discontinue the employment of its existing employees and management, nor will there be any material change in their conditions of employment.

14. Material Contracts

Save for the Underwriting Agreement and Relationship Agreement entered into with the Company as described more fully in paragraph 6 and 9 above, there have been no material contracts (other than contracts entered into in the ordinary course of business) entered into by Petrichor in the period of two years prior to the date of the circular.

15. Intentions to vote in favour of the Resolution

The Company has received confirmation from the following Directors and Shareholders that they intend to vote in favour of the Resolution in respect of the following number of Existing Ordinary Shares:

Name	Aggregate number of Existing Ordinary Shares voted in favour	% of Existing Ordinary Shares	% of Independent Shareholders
Premier Oil plc	39,200,000	15.08	21.54
Mark Abbott	8,089,387	3.11	4.44
Philip Stephens	112,889	0.04	0.06
Walter Roberts	974,129	0.37	0.54
Ken Ratcliff	169,743	0.07	0.09
Total	48,546,148	18.67	26.67

16. General Meeting

You will find set out at the end of the circular a notice convening the General Meeting to be held at 11.00 a.m. on 3 June 2019 at the offices of VSA Capital, New Liverpool House, 15-17 Eldon Street, London EC2M 7LD. Details of the Resolution which will be proposed at the General Meeting are set out below:

Ordinary Resolution

The Resolution proposes the disapplication of Rule 9 of the Takeover Code following the issue of further Ordinary Shares to Petrichor pursuant to the Open Offer and the Underwriting Agreement. The Panel has confirmed that, subject to the Whitewash Resolution being passed by the requisite majority of the Independent Shareholders on a poll, no mandatory bid obligation on Petrichor under Rule 9 of the Takeover Code would be triggered by virtue of the issue of Ordinary Shares to Petrichor pursuant to the Open Offer and the Underwriting Agreement.

In accordance with the requirements of the Takeover Code, Petrichor has undertaken not to vote on the Whitewash Resolution in respect of its aggregate holding of 77,969,448 Ordinary Shares.

The Proposals are conditional, *inter alia*, on the passing of the Resolution and Admission taking place on 4 June 2019 (or such later date as the Company, VSA, Cantor Fitzgerald and Petrichor may decide, being no later than 5.00 p.m. on 20 June 2019).

The Company specifies that only those members registered on the Company's register of members at:

- 11.00 a.m. on 3 June 2019; or
- if the General Meeting is adjourned, at 11.00 a.m. on the day two days (excluding non-working days) prior to the adjourned meeting,

shall be entitled to attend and vote at the General Meeting.

Voting on the Whitewash Resolution will be by way of a poll and, following the General Meeting, the Company will announce its results via a regulatory news service announcement and on the Company's website at www.egdon-resources.com.

17. Action to be taken

In respect of the General Meeting

A Form of Proxy is enclosed for use at the General Meeting. Whether or not you intend to be present at the meeting you are requested to complete, sign and return the Form of Proxy to the Company's Receiving Agent to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD by no later than 11.00 a.m. on 30 May 2019. The completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

In respect of the Open Offer

Qualifying non-CREST Shareholders

If you are a Qualifying non-CREST Shareholder you will have received an Application Form which gives details of your maximum entitlement under the Open Offer (as shown by the number of Open Offer Entitlements allocated to you). If you wish to apply for Open Offer Shares under the Open Offer (whether in respect of your Open Offer Entitlement or both your Open Offer Entitlement and any Excess Open Offer Entitlements), you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 4.1 of Part IV of the circular and on the Application Form itself.

Qualifying CREST Shareholders

If you are a Qualifying CREST Shareholder and do not hold any Ordinary Shares in certificated form, no Application Form accompanies the circular and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your maximum entitlement under the Open Offer except (subject to certain exceptions) if you are an Overseas Shareholder who has a registered address in, or is a resident in or a citizen of an Excluded Territory. Applications by Qualifying CREST Shareholders for Excess Open Offer Entitlements in excess of their Open Offer Entitlements should be made in accordance with the procedures set out in paragraph 4.2(i) of Part IV of the circular, unless you are an Overseas Shareholder in which event, applications should be made in accordance with the procedures set out in paragraph 6 of Part IV of the circular.

The latest time for applications under the Open Offer to be received is 11.00 a.m. on 31 May 2019. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are set out in Part IV of the circular.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with the circular and the Open Offer.

18. Overseas Shareholders

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are citizens or residents of countries other than the United Kingdom appears in paragraph 6 of Part IV of the circular, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of the circular.

19. Recommendation

The Takeover Code requires the Board to obtain competent independent advice regarding the merits of the Rule 9 Waiver which is the subject of the Whitewash Resolution. The Directors, having been so advised by VSA, as the Company's financial adviser, consider the Proposals to be fair and reasonable and in the best interests of the Company and its Shareholders as a whole and therefore recommend Shareholders to vote in favour of the Resolution. In giving its advice, VSA has taken account of the commercial assessments of the Directors.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2019
Record Date for entitlement under the Open Offer	Close of business on 14 May
Announcement of the Open Offer	15 May
Posting of the circular and, to Qualifying non-CREST Shareholders only, the Application Forms	15 May
Ex-entitlement date for the Open Offer	16 May
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	8.00 a.m. on 17 May
Latest recommended time and date for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 24 May
Latest time for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 28 May
Latest time and date for splitting Application Forms (to satisfy bona fide market claims)	3.00 p.m. on 29 May
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 30 May
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 31 May
General Meeting	11.00 a.m. on 3 June
Announcement of results of Open Offer	7.00 a.m. on 4 June
Admission effective and dealings in the Open Offer Shares expected to commence on AIM	8.00 a.m. on 4 June
Expected date for crediting of Open Offer Shares in uncertificated form to CREST stock accounts	8.00 a.m. on 4 June
Expected date of despatch of share certificates in respect of Open Offer Shares in certificated form	20 June

DEFINITIONS

The following definitions apply throughout this announcement unless the context otherwise requires:

Act	means the Companies Act 2006 (as amended)
Admission	means the admission to trading on AIM of the Open Offer Shares to be issued pursuant to the Open Offer taking place in accordance with the AIM Rules for Companies
AIM	means the market of that name operated by the London Stock Exchange
AIM Rules for Companies	means the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange
AIM Rules for Nominated Advisers	means the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange
Alkane	means Alkane Energy Limited, a 100% owned subsidiary of Infinis
Applicant	means a Qualifying Shareholder or a person entitled by virtue of a bona fide market claim who lodges an Application Form under the Open Offer
Application Form	means the application form which accompanies the circular for Qualifying non-CREST Shareholders for use in connection with the Open Offer
Articles	means the existing articles of association of the Company as at the date of the circular
Board	means the board of directors of the Company from time to time
boe	means barrel of oil equivalent
boepd	means barrel of oil equivalent per day
Business Day	means any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
Cantor Fitzgerald	means Cantor Fitzgerald Europe of One Churchill Place Canary Wharf, London E14 5RB, Nominated Adviser to the Company
CCSS	means the CREST courier and sorting service, established by Euroclear UK & Ireland to facilitate, <i>inter alia</i> , the deposit and withdrawal of certified securities
certificated or certificated form	means not in uncertificated form
Company or Egdon	means Egdon Resources plc
CREST	means the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland in accordance with the CREST Regulations
CREST member	means a person who has been admitted by Euroclear UK & Ireland as a system-member (as defined in the CREST Regulations)
CREST participant	means a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
CREST payment	shall have the meaning given in the CREST Manual issued by Euroclear UK & Ireland
CREST Regulations	means the Uncertificated Securities Regulations 2001, as amended
CREST sponsor	means a CREST participant admitted to CREST as a CREST sponsor
CREST sponsored member	means a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
Directors	means the directors of the Company at the date of the circular whose names are set out on page 12 of the circular
Enlarged Share Capital	means the issued ordinary share capital of the Company immediately

	following Admission
enabled for settlement	means in relation to Open Offer Entitlements or Excess Open Offer Entitlements, enabled for the limited purpose of settlement of claim transactions and unmatched stock event transactions (each as described in the CREST Manual issued by Euroclear UK & Ireland)
Euroclear UK & Ireland or Euroclear	means Euroclear UK & Ireland Limited, the operator of CREST
Excess Application Facility	means the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlement
Excess CREST Open Offer Entitlement	means, in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which is conditional on such shareholder taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of the circular
Excess Open Offer Entitlement	means an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of the circular
Excess Shares	means Open Offer Shares in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility
Excluded Territories	means the United States, Australia, Canada, Japan, the Republic of South Africa and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations
Existing Ordinary Shares	means the existing issued ordinary shares of 1p each in the capital of the Company as at the date of the circular
FCA	means the Financial Conduct Authority of the United Kingdom
Form of Proxy	means the form of proxy accompanying the circular for use at the GM
FSMA	means the Financial Services and Markets Act 2000 (as amended)
Fundraising	means the Open Offer
GM or General Meeting	means the general meeting of the Company convened for 11.00 a.m. at the offices of VSA Capital, New Liverpool House, 15-17 Eldon Street, London EC2M 7LD on 3 June 2019 by the Notice of GM and any adjournment thereof
Group	means the Company and its subsidiaries and subsidiary undertakings
HEYCO	means HEYCO Energy Group, Inc.
Independent Shareholders	means Shareholders other than HEYCO or Petrichor
Independent Shares	means the Ordinary Shares held by the Independent Shareholders
Infinis	means Infinis Energy Services of First Floor, 500 Pavilion Drive, Northampton Business Park, Northampton, NN4 7YJ
IRR	means the internal rate of return
ISIN	means International Securities Identification Number
Issue Price	means 5 pence per Open Offer Share
Link Asset Services	a trading name of Link Registrars Limited
London Stock Exchange	means London Stock Exchange plc
Member Account ID	means the identification code or number attached to any member account in CREST
Money Laundering Regulations	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

Notice of GM	means the notice of the GM set out at the end of the circular
Official List	means the Official List of the UK Listing Authority
Open Offer	means the invitation to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms of and subject to the conditions set out or referred to in Part IV of the circular and, where relevant, in the Application Form, which has been underwritten
Open Offer Entitlement	means the pro rata basic entitlement for Qualifying Shareholders to apply to subscribe for 1 Open Offer Shares for every 6 Existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer
Open Offer Shares	means the 43,330,803 new Ordinary Shares for which Qualifying Shareholders are being invited to apply under the terms of the Open Offer
Overseas Shareholders	means Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories other than the United Kingdom
Panel or Takeover Panel	mean the Panel on Takeovers and Mergers
Participant ID	means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
PEDL	means the United Kingdom onshore petroleum exploration and development licence
Placing Shares	has the meaning given to such term on page 17 of the circular
Petrichor	means Petrichor Holdings Coöperatief U.A., a wholly owned subsidiary of HEYCO
Premier	means Premier Oil plc
Proposals	means the Open Offer and the Underwriting Agreement
Prospectus Rules	means the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market
Qualifying CREST Shareholders	means Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in uncertificated form
Qualifying non-CREST Shareholders	means Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in certificated form
Qualifying Shareholders	means holders of Existing Ordinary Shares on the Company's register of members at the Record Date (other than certain Overseas Shareholders)
Receiving Agent	Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD
Record Date	means close of business on 14 May 2019
Registrar	means Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD
Resolution Prospect	means the Resolution Gas Discovery field held under licence P1929
Resolution or Whitewash Resolution	means the resolution to be proposed at the General Meeting as set out in the Notice of GM
Rule 9 Waiver	means the waiver by the Panel of any requirement under Rule 9 of the Takeover Code for Petrichor to make a general offer to Shareholders for the Company
Shareholders	means holders of Existing Ordinary Shares
SPA	means the sale and purchase agreement dated 13 July 2018, entered into by Alkane and Petrichor in respect of Petrichor's purchase of Alkane's 35,870,487 Ordinary Shares in the Company

SPA Consideration Per Share	means £0.128 per Ordinary Share which Petrichor agreed to pay Alkane for the 35,870,487 Ordinary Shares in the Company pursuant to the SPA
stock account	means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
subsidiary	means a subsidiary undertaking as that term is defined in the Act
Takeover Code or Code	means the City Code on Takeovers and Mergers
uncertificated or uncertificated form	means recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
Underwriting Agreement	means the agreement dated 15 May 2019, entered into by Petrichor and the Company in respect of the underwriting of the Open Offer
UKLA	means the United Kingdom Listing Authority, being the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
United Kingdom or UK	means the United Kingdom of Great Britain and Northern Ireland
£ or Pounds	means UK pounds sterling, being the lawful currency of the United Kingdom
US Securities Act	means the United States Securities Act of 1933, (as amended).
VSA	means VSA Capital Limited of New Liverpool House, 15-17 Eldon Street, London EC2M 7LD, the financial adviser and broker to the Company

Notes to Editors:

Egdon Resources plc (LSE: EDR) is an established UK-based exploration and production company focused on onshore exploration and production in the hydrocarbon-producing basins of the UK.

Egdon holds interests in 44 licences in the UK and has an active programme of exploration, appraisal and development within its portfolio of oil and gas assets. Egdon is an approved operator in the UK.

Egdon was formed in 1997 and listed on AIM in December 2004.

Qualified Person Review

In accordance with the AIM Rules - Note for Mining and Oil and Gas Companies, this release has been reviewed by Mark Abbott, Managing Director of Egdon, who is a geoscientist with over 30 years' experience and is a member of the Petroleum Exploration Society of Great Britain and a Fellow of the Geological Society. Mr Abbott has consented to the inclusion of the technical information in this release in the form and context in which it appears.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain