

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) (FSMA) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Existing Ordinary Shares in Egdon Resources plc before the date that the Existing Ordinary Shares are marked "ex-entitlement" to the Open Offer by the London Stock Exchange, please immediately forward this document, together with the accompanying Application Form, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact immediately your stockbroker, bank or other agent through whom the sale or transfer was effected. However, this document and any accompanying documents should not be sent or transmitted in or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, the United States, Canada, Japan, Australia or the Republic of South Africa.

This document is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (FCA), pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body.



# Egdon Resources plc

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 06409716)*

**Underwritten Open Offer of 43,330,803 Open Offer Shares  
at 5 pence per Open Offer Share**

**Approval of waiver of obligations under Rule 9 of the Takeover Code  
and  
Notice of General Meeting**

**Financial Adviser and Joint Broker**



**VSA Capital Limited**

**Your attention is drawn to the letter from the Chairman which is set out on pages 12 to 21 (inclusive) of this document and which, amongst other things, recommends you vote in favour of the Resolution to be proposed at the General Meeting referred to below.**

**Notice of the General Meeting, to be held at the offices of VSA Capital, New Liverpool House, 15-17 Eldon Street, London EC2M 7LD, at 11.00 a.m. on 3 June 2019, is set out at the end of this document. The accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's Receiving Agent, Neville Registrars, by not later than 11.00 a.m. on 30 May 2019. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

The Existing Ordinary Shares are admitted to trading on AIM, a market operated by the London Stock Exchange. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. An application will be made to the London Stock Exchange for the Open Offer Shares to be issued pursuant to the Open Offer to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Open Offer Shares to be issued pursuant to the Open Offer will commence at 8.00 a.m. on 4 June 2019.

**The distribution of this document and/or the accompanying documents, and/or the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the United States, Canada, Japan, Australia, the Republic of South Africa, may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.**

None of the Open Offer Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have been or will be registered under the US Securities Act or under the applicable state securities laws of the United States or under the applicable securities laws of Japan, Canada or Australia. Subject to certain exceptions, the Open Offer Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements may not be offered, sold, taken up, delivered or transferred in or into the United States, Australia, Canada, the Republic of South Africa or Japan and, subject to certain exceptions, Application Forms are not being posted to and no Open Offer Entitlements or Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Australia, the Republic of South Africa, Canada or Japan. The attention of Overseas Shareholders and other recipients of this document who are residents or citizens of any country other than the United Kingdom is drawn to the section entitled "Overseas Shareholders" at paragraph 6 of Part IV of this document.

**The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 31 May 2019. The procedure for acceptance and payment is set out in Part IV of this document and, where relevant, in the Application Form.**

Qualifying non-CREST Shareholders will find an Application Form accompanying this document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 4 June 2019. Applications 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 arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked "ex-entitlement" by the London Stock Exchange. If the Open Offer Entitlements are for any reason not enabled by 5.00 p.m. on 15 May 2019 or such later time as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

Any person entitled to receive a copy of documents and information relating to the Rule 9 Waivers, including this Document, is entitled to receive such documents in hard copy form. Such person may request that all future documents and information in relation to the Rule 9 Waivers are sent to them in hard copy form. You may request a hard copy of this Document and/or any information incorporated into this Document by reference to another source by contacting the Company at The Wheat House, 98 High Street, Odiham, Hampshire, RG29 1LP or +44 (0) 125 670 2292.

VSA Capital Limited, which is a member of the London Stock Exchange and is authorised and regulated by the Financial Conduct Authority, is acting as Financial Adviser and Broker to the Company in connection with the Open Offer and is not acting for any other person and will not be responsible to any person other than the Company for providing the protections afforded to clients of VSA Capital Limited.

Cantor Fitzgerald Europe, which is a member of the London Stock Exchange and is authorised and regulated by the Financial Conduct Authority, is acting as Nominated Adviser to the Company in connection with the Open Offer and is not acting for any other person and will not be responsible to any person other than the Company for providing the protections afforded to clients of Cantor Fitzgerald Europe.

Neither VSA Capital Limited nor Cantor Fitzgerald Europe have authorised the contents of this Document and no representation or warranty, express or implied, is made by either VSA Capital Limited or Cantor Fitzgerald Europe as to the accuracy or contents of this document or the opinions contained therein, without limiting the statutory rights of any person to whom this document is issued. The information contained in this Document is not intended to inform or be relied upon by any subsequent purchasers of Existing Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted by VSA Capital Limited and Cantor Fitzgerald Europe Limited in relation to them. No person has been authorised to give any information or make any representations in connection with the Open Offer other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this document will not, under any circumstances, be deemed to create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct at any time subsequent to its date.

The Directors accept responsibility for the information contained in this Document relating to the recommendation in respect of the Resolution set out in paragraph 16 of Part I of this Document.

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## DIRECTORS AND ADVISERS

Directors	Philip Stephens ( <i>Non-Executive Chairman</i> ) Mark Abbott ( <i>Managing Director</i> ) Martin Durham ( <i>Technical Director</i> ) Tim Davies ( <i>Non-Executive Director</i> ) Ken Ratcliff ( <i>Non-Executive Director</i> ) Walter Roberts ( <i>Non-Executive Director</i> )  all of:  The Wheat House 98 High Street Odiham Hampshire RG29 1LP
Company Secretary	Walter Roberts
Financial Adviser and Joint Broker	VSA Capital Limited New Liverpool House 15-17 Eldon Street London EC2M 7LD
Nominated Adviser and Joint Broker	Cantor Fitzgerald Europe One Churchill Place Canary Wharf London E14 5RB
Legal Advisers to the Company	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
Registrars	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Receiving Agent for the Open Offer	Neville Registrars Neville House Steelpark Road Halesowen B62 8HD

## OPEN OFFER STATISTICS

Issue Price for each Open Offer Share	5 pence
Basis of Open Offer	1 Open Offer Share for every 6 Existing Ordinary Shares
Number of Existing Ordinary Shares in issue as at the date of this document	259,984,822
Number of Open Offer Shares to be issued pursuant to the Open Offer	43,330,803
Enlarged Share Capital immediately following completion of the Open Offer	303,315,625
Open Offer Shares as a percentage of the Enlarged Share Capital	14.29 per cent.
Estimated gross proceeds of the Open Offer	£2.17 million
ISIN of the Existing Ordinary Shares	GB00B28YML29
ISIN of the Open Offer Entitlements	GB00BJLT0205
ISIN of the Excess CREST Open Offer Entitlement	GB00BJLT0312

## 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 this document 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 <i>bona fide</i> 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
<b>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)</b>	<b>11.00 a.m. on 31 May</b>
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

Notes:

- 1 If you have any questions on the procedure for acceptance and payment, you should contact Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.
- 2 The dates set out in the Expected Timetable of Principal Events above and mentioned throughout this document may be adjusted by Egdon Resources plc in which event details of the new dates will be notified to AIM and, where appropriate, to Shareholders.
- 3 All references to time in this document are to time in London.

## DEFINITIONS

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

<b>Act</b>	means the Companies Act 2006 (as amended)
<b>Admission</b>	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
<b>AIM</b>	means the market of that name operated by the London Stock Exchange
<b>AIM Rules for Companies</b>	means the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange
<b>AIM Rules for Nominated Advisers</b>	means the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange
<b>Alkane</b>	means Alkane Energy Limited, a 100 per cent. owned subsidiary of Infinis
<b>Applicant</b>	means a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form under the Open Offer
<b>Application Form</b>	means the application form which accompanies this document for Qualifying non-CREST Shareholders for use in connection with the Open Offer
<b>Articles</b>	means the existing articles of association of the Company as at the date of this document
<b>Board</b>	means the board of directors of the Company from time to time
<b>boe</b>	means barrel of oil equivalent
<b>boepd</b>	means barrel of oil equivalent per day
<b>Business Day</b>	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
<b>Cantor Fitzgerald</b>	means Cantor Fitzgerald Europe of One Churchill Place Canary Wharf, London E14 5RB, Nominated Adviser to the Company
<b>CCSS</b>	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
<b>certificated</b> or <b>certificated form</b>	means not in uncertificated form
<b>Company</b> or <b>Egdon</b>	means Egdon Resources plc
<b>CREST</b>	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

<b>CREST member</b>	means a person who has been admitted by Euroclear UK & Ireland as a system-member (as defined in the CREST Regulations)
<b>CREST participant</b>	means a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
<b>CREST payment</b>	shall have the meaning given in the CREST Manual issued by Euroclear UK & Ireland
<b>CREST Regulations</b>	means the Uncertified Securities Regulations 2001, as amended
<b>CREST sponsor</b>	means a CREST participant admitted to CREST as a CREST sponsor
<b>CREST sponsored member</b>	means a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
<b>Directors</b>	means the directors of the Company at the date of this document whose names are set out on page 12 of this document
<b>Enlarged Share Capital</b>	means the issued ordinary share capital of the Company immediately following Admission
<b>enabled for settlement</b>	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)
<b>Euroclear UK &amp; Ireland or Euroclear</b>	means Euroclear UK & Ireland Limited, the operator of CREST
<b>Excess Application Facility</b>	means the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlement
<b>Excess CREST Open Offer Entitlement</b>	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 this document
<b>Excess Open Offer Entitlement</b>	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 this document
<b>Excess Shares</b>	means Open Offer Shares in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility
<b>Excluded Territories</b>	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



<b>Existing Ordinary Shares</b>	means the existing issued ordinary shares of 1p each in the capital of the Company as at the date of this document
<b>FCA</b>	means the Financial Conduct Authority of the United Kingdom
<b>Form of Proxy</b>	means the form of proxy accompanying this document for use at the GM
<b>FSMA</b>	means the Financial Services and Markets Act 2000 (as amended)
<b>Fundraising</b>	means the Open Offer
<b>GM or General Meeting</b>	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
<b>Group</b>	means the Company and its subsidiaries and subsidiary undertakings
<b>HEYCO</b>	means HEYCO Energy Group, Inc.
<b>Independent Shareholders</b>	means Shareholders other than HEYCO or Petrichor
<b>Independent Shares</b>	means the Ordinary Shares held by the Independent Shareholders
<b>Infinis</b>	means Infinis Energy Services of First Floor, 500 Pavilion Drive, Northampton Business Park, Northampton, NN4 7YJ
<b>IRR</b>	means the internal rate of return
<b>ISIN</b>	means International Securities Identification Number
<b>Issue Price</b>	means 5 pence per Open Offer Share
<b>Link Asset Services</b>	a trading name of Link Registrars Limited
<b>London Stock Exchange</b>	means London Stock Exchange plc
<b>Member Account ID</b>	means the identification code or number attached to any member account in CREST
<b>Money Laundering Regulations</b>	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
<b>Notice of GM</b>	means the notice of the GM set out at the end of this document
<b>Official List</b>	means the Official List of the UK Listing Authority
<b>Open Offer</b>	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 this document and, where relevant, in the Application Form, which has been underwritten
<b>Open Offer Entitlement</b>	means the <i>pro rata</i> basic entitlement for Qualifying Shareholders to apply to subscribe for 1 Open Offer Share for every 6 Existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer

<b>Open Offer Shares</b>	means the 43,330,803 new Ordinary Shares for which Qualifying Shareholders are being invited to apply under the terms of the Open Offer
<b>Overseas Shareholders</b>	means Shareholders who are resident in, or who are citizens of, or who have registered addresses in, territories other than the United Kingdom
<b>Panel or Takeover Panel</b>	mean the Panel on Takeovers and Mergers
<b>Participant ID</b>	means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
<b>PEDL</b>	means the United Kingdom onshore petroleum exploration and development licence
<b>Placing Shares</b>	has the meaning given to such term on page 17 of the Circular
<b>Petrichor</b>	means Petrichor Holdings Coöperatief U.A., a wholly owned subsidiary of HEYCO
<b>Premier</b>	means Premier Oil plc
<b>Proposals</b>	means the Open Offer and the Underwriting Agreement
<b>Prospectus Rules</b>	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
<b>Qualifying CREST Shareholders</b>	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
<b>Qualifying non-CREST Shareholders</b>	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
<b>Qualifying Shareholders</b>	means holders of Existing Ordinary Shares on the Company's register of members at the Record Date (other than certain Overseas Shareholders)
<b>Receiving Agent</b>	Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD
<b>Record Date</b>	means close of business on 14 May 2019
<b>Registrar</b>	means Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
<b>Resolution Prospect</b>	means the Resolution Gas Discovery field held under licence P1929
<b>Resolution or Whitewash Resolution</b>	means the resolution to be proposed at the General Meeting as set out in the Notice of GM
<b>Rule 9 Waiver</b>	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
<b>Shareholders</b>	means holders of Existing Ordinary Shares

<b>SPA</b>	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
<b>SPA Consideration Per Share</b>	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
<b>stock account</b>	means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
<b>subsidiary</b>	means a subsidiary undertaking as that term is defined in the Act
<b>Takeover Code</b> or <b>Code</b>	means the City Code on Takeovers and Mergers
<b>uncertificated</b> or <b>uncertificated form</b>	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
<b>Underwriting Agreement</b>	means the agreement dated 15 May 2019, entered into by Petrichor and the Company in respect of the underwriting of the Open Offer
<b>UKLA</b>	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
<b>United Kingdom</b> or <b>UK</b>	means the United Kingdom of Great Britain and Northern Ireland
<b>£</b> or <b>Pounds</b>	means UK pounds sterling, being the lawful currency of the United Kingdom
<b>US Securities Act</b>	means the United States Securities Act of 1933, (as amended).
<b>VSA</b>	means VSA Capital Limited of New Liverpool House, 15-17 Eldon Street, London EC2M 7LD, the financial adviser and broker to the Company

## PART I

### LETTER FROM THE CHAIRMAN

# Egdon Resources plc

(Incorporated and registered in England under the Companies Act 1985 with registered number 06409716)

*Directors:*

Philip Stephens (*Non-Executive Chairman*)  
Mark Abbott (*Managing Director*)  
Martin Durham (*Technical Director*)  
Tim Davies (*Non-Executive Director*)  
Ken Ratcliff (*Non-Executive Director*)  
Walter Roberts (*Non-Executive Director*)

*Registered Office:*

The Wheat House  
98 High Street  
Odiham  
Hampshire  
RG29 1LP

*To the holders of Ordinary Shares and, for information purposes, to the holder of options of Ordinary Shares*

Dear Shareholder

15 May 2019

**Underwritten Open Offer of 43,330,803 Open Offer Shares  
at 5 pence per Open Offer Share  
Approval of waiver of obligations under Rule 9 of the Takeover Code  
and  
Notice of General Meeting**

## 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 per cent.) 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 this document, 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 this document 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 this document 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 this document.

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 this document 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 Oil plc (“**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:

<i>Name</i>	<i>As at date of this document</i>		<i>Maximum number of Open Offer Shares that Petrichor could be required to take up pursuant to the Underwriting Agreement and the Undertaking</i>	<i>On Admission</i>	
	<i>Number of Existing Ordinary Shares held</i>	<i>% interest of Existing Issued Share Capital</i>		<i>Maximum number of Ordinary Shares held</i>	<i>Maximum % interest in the Enlarged Issued Share Capital</i>
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 per cent. 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 this document.

## **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 this document.

## 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
<b>Total</b>	<b>48,546,148</b>	<b>18.67</b>	<b>26.67</b>

## 16 General Meeting

You will find set out at the end of this document 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 is 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:

- 6.00 p.m. on 3 June 2019; or
- if the General Meeting is adjourned, at 6.00 p.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](http://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 this document 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 this document 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 this document, 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 this document.

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 this document.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document 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 this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this document.

## **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.**

## **20 Additional Information**

Your attention is drawn to the additional information set out in Parts II to V (inclusive) of this document.

Yours sincerely

Philip Stephens  
*Non-Executive Chairman*

## **PART II**

### **RISK FACTORS**

*Investing in the Group involves a degree of risk. You should carefully consider the risks and the other information contained in this document before you decide to invest in the Group. You should note that the risks described below are not the only risks faced by the Group. There may be additional risks that the Directors currently consider not to be material or of which they are not presently aware.*

*The business and financial condition of the Company could be adversely affected if any of the following risks were to occur and as a result the trading price of the Ordinary Shares could decline and investors could lose part or all of their investment.*

*The Directors consider the following risks to be material for potential investors, but the risks listed below do not necessarily comprise all those associated with an investment in the Company and are not set out in order of priority. Additional risks and uncertainties currently unknown to the Company (such as changes in legal, regulatory or tax requirements), or which the Company currently believes are immaterial, may also have a materially adverse effect on the Group's financial condition or prospects or the trading price of Ordinary Shares.*

#### **General risks**

The Existing Ordinary Shares are traded on AIM rather than the main market of the London Stock Exchange. An investment in shares traded on AIM may carry a higher risk than an investment in shares listed on the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange.

An investment in the Group is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Group is suitable for him in the light of his personal circumstances and the financial resources available to him.

Investment in the Group should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Group's investments will occur or that the investment objectives of the Group will be achieved. Investors may not get back the full amount initially invested, especially as the market in Open Offer Shares on AIM may have limited liquidity.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect equity investments and the Group's prospects.

#### **Risks relating to the Group and its business**

##### ***Changes to the fiscal or tax regime***

Future changes to the fiscal or tax regime in the jurisdictions within which the Group operates may adversely impact the commercial viability of the Group's current, future or potential producing assets.

##### ***Regulatory changes***

The Group is subject to extensive environmental regulations. While the Group believes that its current provision for compliance with the environmental laws and regulations of the countries in which it operates is reasonable, any future changes and developments in environmental regulation may adversely affect the timing and financial viability of its existing and future operations. The Group's licences and operations are governed by UK regulations. The Group believes that it is compliant with all relevant regulation and legislation but any future changes to regulation could impact the retention and viability of its existing and future operations.

### ***Failure of producing assets***

Projections of future production are based on historic production levels and reserve estimates. Generally accepted, industry standard reserves reporting techniques have been used to calculate reserves and resources. All estimates of reserves and resources involve some degree of uncertainty.

The Group will be reliant for processing and transportation of its production on pipelines and facilities operated by others over which it has no control. Oil and gas production levels may be adversely affected by events which are completely unrelated to the performance of the Group's fields. Future production and the quantity of recoverable reserves may vary significantly from that expected, and could affect the estimated remaining quantity of the Company's reserves and, therefore, the commercial viability of the Group's current, future or potential producing assets.

### ***Significant and sustained reduction in commodity prices***

The profitability of the Group's operations will be dependent, *inter alia*, upon the market prices of oil and gas. Oil and gas prices are affected by numerous factors beyond the control of the Group, including international economic and political conditions, levels of supply and demand, the policies of the Organization of Petroleum Exporting Countries (OPEC) and currency exchange rates. Movements in market prices over a sustained period could render uneconomic any of the exploration and production activities undertaken or to be undertaken.

### ***Project delays and cost overruns***

Delays in the construction and commissioning of drilling projects or other technical difficulties may result in the Group's current or future projected target dates for production being delayed or further capital expenditure being required.

Cost estimates for future capital projects are based on current prices for similar projects. Fluctuations in raw material, equipment or labour costs, regulatory requirements or unanticipated costs arising through the planning process as well as development delays may significantly increase project costs beyond those originally forecast and may impact the commercial viability of a project.

Oil and gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Group and may delay exploration and development activities.

### ***Delays to Licensing Rounds/Awards***

The Group's access to new licences for exploration is through periodic competitive licensing rounds in the UK. Delays in licensing rounds have occurred in the past and may in the future impacting on the Group's potential opportunities for securing new licences. In addition delays may occur in the award of licences following a round due to the need for additional environmental and/or other approvals thereby impacting on the Group.

### ***Licence relinquishments***

The Group could be required to fully or partially relinquish existing acreage or acreage acquired subsequently. Where licences are held jointly with other parties, the Group may be obliged to relinquish areas of potential interest which could impact on the Group's future development plans.

### ***Inadequate funding or access to capital***

The Group has limited financial resources. Continued exploration and development of all the Group's properties and/or the acquisition of new properties may be dependent upon the Group's ability to obtain suitable financing. There can be no assurance that such funding required by the Group will be made available to it and, if such funding is available, that it will be offered on reasonable terms.

### ***Loss of key management***

The Group is dependent on its current executive management team. Whilst it has entered into contractual arrangements with the aim of securing the services of the existing executive management team, the retention

of their services cannot be guaranteed. Accordingly, the loss of any key management of the Group may have an adverse effect of the future of the Group's business.

#### ***Major release of oil or gas at an exploration, appraisal or production site***

The operations of the Group may be disrupted by a variety of risks and hazards, including environmental hazards, industrial accidents, occupational and health hazards, technical failures, inclement or hazardous weather conditions, explosions or other accidents. These risks and hazards could result in damage to, or the destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Group maintains insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Group will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

#### ***Political opposition to oil and gas activities resulting in cancellation of licence/permit or significant detrimental changes to regulation***

The Group seeks to maintain appropriate lines of communication with government ministries and industry bodies. The Group's activities are dependent upon the grant and maintenance of appropriate licences, concessions, permits and regulatory consents (**Authorisations**) which may or may not be granted or may be withdrawn or made subject to limitation. Although the Group believes that Authorisations will be renewed following expiry or granted (as the case may be), there can be no assurance that such Authorisations will be renewed or granted or as to the terms of such grants or renewals.

#### ***Sustained exploration failure***

The business of oil and gas exploration involves a high degree of risk which a combination of experience, knowledge and careful evaluation may not be able to prevent. Few properties that are explored are ultimately developed into producing oil or gas fields. There is no assurance that oil or gas will be discovered or, even if it is, that economically viable and commercial quantities of oil or gas can be recovered from the Group's existing or future licence areas. No assurance can be given that when commercial reserves are discovered the Group will be able to realise such reserves as intended.

#### ***Civil unrest/Protestor action disrupts drilling/testing***

The planning permission process involves local consultation and opposition, either individually or on a general basis, at the planning level from national or local pressure groups has become more common; opposition to projects tends to cause delays and could lead to the Group being involved in appeals or public enquiries where costs could be potentially large and the outcome uncertain.

Opposition to drilling or testing activities once planning consent has been awarded could lead to on-site disruption causing delay to the process and a significant increase to the cost of operations.

#### ***Estimation of reserves, resources and production profiles***

The estimation of oil and gas reserves and their anticipated production profiles involves subjective judgements and determinations based on available geological, contractual, technical and economic information. They are not exact determinations. In addition, these judgements may change based on new information from production or drilling activities or changes in economic factors, as well as from developments such as acquisitions and disposals, new discoveries and extensions of existing fields or the application of improved recovery techniques. Published reserve estimates are also subject to correction for errors in the application of published rules and guidance.

The reserves, resources and production profile data contained in this document are estimates only and should not be construed as representing exact quantities. They are based on production data, prices, costs, ownership, geophysical, geological and engineering data and other historical and current information assembled by the Company and third parties. The estimates may prove to be incorrect and potential investors should not place undue reliance on the forward-looking statements contained in this document concerning their Group's reserves and resources or production levels.



If the assumptions upon which the estimates of the Group's hydrocarbon reserves, resources or production profiles have been based proved to be incorrect Group may be unable to recover and produce the estimated levels or quality of hydrocarbons set out in this document and the Group's business, prospects, financial condition or results of operations could be materially adversely affected.

## **Risks relating to the Ordinary Shares**

### ***Investment risk and AIM***

There is no guarantee that the Group will maintain its quotation on AIM. The Group cannot assure investors that the Group will always retain a quotation on AIM. If it fails to retain such a quotation, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Group decides to obtain a quotation on another exchange in addition to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

### ***Suitability of Ordinary Shares as an investment***

The Ordinary Shares may not be a suitable investment for all people receiving this document. Before making any investment, potential investors should consult an appropriately qualified investment adviser, authorised in the UK by the FCA, who specialises in advising on the acquisition of listed securities. The value of the Ordinary Shares and the income received from them can go down as well as up and investors may get back less than their original investment.

### ***Risks relating to investment in the Group's Ordinary Shares***

Share prices may fluctuate from time to time for various reasons. As well as being affected by the Group's actual or forecast operating results, the market price of the Ordinary Shares may fluctuate significantly as a result of factors beyond the Group's control, including among others:

- changes in research analysts' recommendations or any failure by the Group to meet the expectations of research analysts;
- changes in the performance of the petroleum sector as a whole and of any of the Group's competitors;
- fluctuations in share prices and volumes, and general market volatility; and involvement of the Group in any litigation.

### ***Liquidity in market for the Ordinary Shares***

The Group cannot predict the extent to which an active market for the Ordinary Shares will develop or be sustained after Admission, or how the development of such a market might affect the market price of the Ordinary Shares. An illiquid market for the Ordinary Shares may result in lower trading prices and increased volatility, which may adversely affect the value of an investment in the Ordinary Shares. The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, many of which may be out of the Group's control. The share price of publicly traded companies can be highly volatile. The price at which the Ordinary Shares may be quoted and the price which Shareholders may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect the industry as a whole or quoted companies generally. These factors include those referred to in this Part II, as well as the Group's financial performance, the impact of Shareholders being released from lock-in restrictions, stock market fluctuations and general economic conditions. Share price volatility arising from such factors may adversely affect the value of an investment in the Ordinary Shares.

## **Risks relating to the Open Offer**

### ***There may be volatility in the price of the Open Offer Shares***

The Issue Price may not be indicative of the market price for the Open Offer Shares following Admission. The market price of the Open Offer Shares could be volatile and subject to significant fluctuations due to a variety of factors, including changes in sentiment in the market regarding the Company, the sector or equities generally, any regulatory changes affecting the Group's operations, variations in the Group's operating results and/or business developments of the Group and/ or its competitors, the operating and share price performance of other companies in the industries and markets in which the Group operates, news reports

relating to trends in the Group's markets or the wider economy and the publication of research analysts' reports regarding the Company or the sector generally.

In addition, to the extent that Shareholders do not take up the Open Offer Shares under the Open Offer, their proportionate ownership and voting interest in the Company will be reduced and the percentage that their Existing Ordinary Shares represents of the Enlarged Share Capital will be reduced accordingly. Subject to certain exceptions, Shareholders in the United States and other Excluded Territories will not be able to participate in the Open Offer.

#### ***Pre-emptive rights may not be available for US and other non-UK holders of ordinary shares***

In the case of an increase in the share capital of the Company for cash, the Shareholders are generally entitled to pre-emption rights pursuant to the Act unless such rights are waived by a special resolution of the Shareholders at a general meeting (as proposed in respect of the capital raising), or in certain circumstances stated in the Articles, and such an issue could dilute the interests of the Shareholders. To the extent that pre-emptive rights are applicable, US and certain other non-UK holders of Ordinary Shares may not be able to exercise pre-emptive rights for their shares unless the Company decides to comply with applicable local laws and regulations and, in the case of US holders, unless a registration statement under the US Securities Act is effective with respect to those rights or an exemption from the registration requirements thereunder is available. The Open Offer Shares to be issued will not be registered under the US Securities Act. Qualifying Shareholders who have a registered address, or who are resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers about whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements or acquire Open Offer Shares.

#### ***Potential influence of Petrichor following Admission***

Pursuant to the Underwriting Agreement by which Petrichor has committed to take up its own maximum Open Offer Entitlement and has further agreed to subscribe for or purchase any Underwritten Shares (as defined in paragraph 6 of Part I) not taken up by Qualifying Shareholders under the Open Offer. On Admission, Petrichor could hold up to 114,765,966 Ordinary Shares, representing 37.84 per cent. of the Enlarged Share Capital. Investors may negatively perceive this level and concentration of share ownership due to the influence that Petrichor may resultantly exert, which may adversely affect the market value of the Ordinary Shares, although it should be noted that the Relationship Agreement (dated 15 May 2019) regulates the relationship between the Company and Petrichor following admission.

#### ***Forward-looking statements***

Certain statements contained in this document may constitute forward-looking statements. Forward-looking statements include statements concerning the plans, objectives, goals, strategies and future operations and performance of the Group and the assumptions underlying these forward-looking statements. The Group uses the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should", and any similar expressions to identify forward-looking statements. Any such forward-looking statement involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Group or industry results, to be materially different from any future results, performance or achievements expressed or implied by any such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as of the date of this document. The Group expressly disclaims any obligation or undertakings to release publicly any updates or revisions to any forward looking statement contained herein, save as required to comply with any legal or regulatory obligations, to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. All subsequent written or oral forward-looking statements attributable to the Group, or persons acting on behalf of the Group, are expressly qualified in their entirety by the cautionary statements contained throughout this document. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward looking statements.

## PART III

### SOME QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

*The questions and answers set out in this Part III of this document are intended to be in general terms only and, as such, you should read Part IV of this document for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.*

*This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to the Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements or apply for Excess Shares pursuant to the Excess Application Facility. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.*

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

#### **1. What is an open offer?**

An open offer is a way for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (an open offer). The fixed price is normally at a discount to the market price of the existing ordinary shares prior to the announcement of the open offer.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire an aggregate of up to 43,330,803 Open Offer Shares at a price of 5 pence per Open Offer Share. If you held at least 6 Existing Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or another Excluded Territory, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Offer Share for every 6 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number. The Offer Price of 5 pence per Open Offer Share represents a discount of approximately 4.76 per cent. to the closing middle-market price quotation as derived from Bloomberg of 5.25 pence per Ordinary Share on 14 May 2019 (being the last practicable date prior to the date of this document).

The Excess Application Facility allows Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlements. Applications made under the Excess Application Facility may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Unlike a rights issue, Application Forms are not negotiable documents and neither they nor Open Offer Entitlements can themselves be traded.

**2. I hold my Existing Ordinary Shares in certificated form. How do I know whether I am able to acquire Open Offer Shares under the Open Offer?**

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address in or located in the United States or another Excluded Territory, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares before 16 May 2019 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

**3. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?**

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or another Excluded Territory, you have been sent an Application Form that shows:

- how many Existing Ordinary Shares you held at close of business on 14 May 2019 (the Record Date for the Open Offer);
- how many Open Offer Shares are comprised in your Open Offer Entitlement; and
- how much you need to pay if you want to take up your right to buy all your entitlement to the Open Offer Shares.

Subject to certain exceptions, if you have a registered address in the United States or one of the Excluded Territories, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque for the number of Open Offer Shares you want to apply for and allow at least four Business Days for delivery if sent by first class post from within the United Kingdom. Please also see questions 4 and 10 for further help in completing the Application Form.

**4. I am a Qualifying Shareholder with a registered address in the UK and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?**

**4.1 If you want to take up all of your Open Offer Entitlement**

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is sign and send the Application Form, together with your cheque for the amount (as indicated in Box 5 of your Application Form), payable to “Neville Registrars Limited re Clients Account” and crossed “A/C payee only”, in the reply-paid envelope provided, by post or by hand (during normal business hours only) to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD to arrive by no later than 11.00 a.m. on 31 May 2019. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 20 June 2019.

**4.2 If you want to take up some but not all of your Open Offer Entitlement**

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 6 of your Application Form; for example, if you are entitled to take up 100 shares but you only want to take up 50 shares, then you should write ‘50’ in Box 6.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example '50') by £0.05, which is the price in pounds of each Open Offer Share (giving you an amount of £2.5 in this example, remembering in each case to round up to the nearest whole penny). You should write this amount in Box 9, rounding up to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then sign and return your Application Form together with your cheque for that amount, payable to "Neville Registrars Limited re Clients Account" and crossed "A/C payee only", in the reply-paid envelope provided, by post or by hand to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, (during normal business hours only), to arrive by no later than 11.00 a.m. on 31 May 2019, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part IV of this document and will be set out in the Application Form.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for the Open Offer Shares is expected to be despatched to you by no later than 20 June 2019.

#### **4.3 If you want to apply for more than your Open Offer Entitlement**

Provided that you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares using the Excess Application Facility. You should write the number of Open Offer Shares you wish to take up, in Box 6 which must be the number of Open Offer Shares shown in Box 4. You should then write the number of Open Offer Shares you wish to apply for under the Excess Application Facility in Box 7 and then complete Box 8 by adding together the numbers you have entered in Boxes 6 and 7.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares shown in Box 8 by £0.05, which is the price in pounds of each Open Offer Share. You should write this amount in Box 9, rounding up to the nearest whole penny. You should then return your Application Form together with your cheque for that amount, payable to "Neville Registrars Limited re Clients Account" and crossed "A/C payee only", in the reply-paid envelope provided, by post or by hand to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, (during normal business hours only), to arrive by no later than 11.00 a.m. on 31 May 2019, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form.

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 *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. Therefore, applications under the Excess Application Facility may not be satisfied in full. In this event Qualifying Shareholders will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

A definitive share certificate will be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 20 June 2019.

#### **4.4 If you do not want to take up your Open Offer Entitlement**

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are placed, as would happen under a rights issue.

If you do not take up your Open Offer Entitlement then following the issue of Open Offer Shares pursuant to the Open Offer, your interest in the Company will be diluted.

**5. I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?**

CREST members should follow the instructions set out in Part IV of this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Shares they are entitled to take up or apply for under their Open Offer Entitlement and their Excess CREST Open Offer Entitlement respectively, and should contact their CREST member should they not receive this information.

**6. I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?**

If you do not receive an Application Form but hold your Existing Ordinary Shares in certificated form, this probably means that you are not able to acquire Open Offer Shares under the Open Offer. Some Qualifying non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to acquire Open Offer Shares under the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 15 May 2019 and who have converted them to certificated form;
- Shareholders who bought Existing Ordinary Shares before or on 14 May 2019 and who hold such ordinary shares in certificated form but were not registered as the holders of those shares at the close of business on 14 May 2019; and
- certain Overseas Shareholders.

If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure that you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 15 May 2019.

**7. If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?**

If you bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer, as the Existing Ordinary Shares are expected to start trading ex-entitlement on the London Stock Exchange at 8.00 a.m. on 16 May 2019.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Existing Ordinary Shares at or after 8.00 a.m. on 15 May 2019, you will not be eligible to participate in the Open Offer in respect of those Existing Ordinary Shares.

**8. What if I change my mind?**

Once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for.

**9. What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?**

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number. The resulting fractions of Open Offer Shares will be aggregated and made available to Qualifying Shareholders under the Open Offer.

**10. I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box 5 of the Application Form?**

If you want to spend more than the amount set out in Box 5 you should divide the amount you want to spend by £0.05 (being the price in pounds of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares for which you should apply. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £100 you should divide £100 by £0.05, which comes to 2,000.0. Write the total number of Open Offer Shares (in this example 2,000) in Box 8. To get an accurate amount to put on your cheque, you should multiply the whole number of Open Offer Shares you want to apply for (2,000) by £0.05 and then fill in that amount rounded up to the nearest whole penny (in this example being £100.00), in Box 9 and on your cheque accordingly.

You should note that the number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. If applications are received for more than the available number of Open Offer Shares, applications made under the Excess Application Facility will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders. Assuming that there are no Overseas Shareholders who have registered addresses in, or are residents in or citizens of an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. Qualifying non-CREST Shareholders whose applications under the Excess Application Facility are so scaled back will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

If you want to spend less than the amount set out in Box 5, you should divide the amount you want to spend by £0.05 (being the price, in pounds, of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares. For example, if you want to spend £20 you should divide £20 by £0.05. You should round that down to the nearest whole number (in this example, 400), to give you the number of shares you want to take up. Write that number (in this example, 400) in Box 8. Then to get an accurate amount to put on your cheque, you should multiply the whole number of Open Offer Shares you want to apply for (in this example, 400 by £0.05 and then fill in that amount rounded up to the nearest whole penny (in this example being £20.00) in Box 9 and on your cheque accordingly.

**11. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?**

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before close of business on 14 May 2019, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sell any of your Existing Ordinary Shares after close of business on 14 May 2019, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

**12. I hold my Existing Shares in certificated form. How do I pay?**

You should return your Application Form with a cheque drawn in pounds sterling on a UK bank or building society account in the accompanying reply-paid envelope (from within the United Kingdom). You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. It is recommended that cheques should be drawn on a personal account of the Qualifying Shareholder who is applying for the Open Offer Shares or you may be required to supply additional documentation to satisfy Money Laundering Regulations. The funds should be made payable to "Neville Registrars Limited re Clients Account". In each case, the cheque should be crossed "A/C Payee only". Payments via CHAPS, BACS or electronic transfer will not be accepted.

**13. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?**

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced.

**14. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?**

You should send your completed Application Form and monies in the accompanying reply-paid envelope (from within the United Kingdom) by post or by hand to: Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD. You should allow at least four Business Days for delivery if using first class post within the United Kingdom.

If you do not want to take up or apply for Open Offer Shares then you need take no further action.

**15. I hold my Existing Ordinary Shares in certificated form. When do I have to decide whether I want to apply for Open Offer Shares?**

The Receiving Agent must receive your completed Application Form and cheque by 11.00 a.m. on 31 May 2019. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

**16. I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?**

It is expected that the Registrar will post all new share certificates by 20 June 2019.

**17. What should I do if I think my holding of Existing Ordinary Shares (as shown in Box 3 on page 1 of the Application Form) is incorrect?**

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares before close of business on 14 May 2019 but were not registered as the holder of those shares on the Record Date for the Open Offer (14 May 2019), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure that you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 15 May 2019.

**18. Will the Open Offer affect dividends on the Existing Ordinary Shares?**

The Open Offer Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

**19. What should I do if I live outside the United Kingdom?**

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are located in the United States or another Excluded Territory are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part IV of this document.

**20. How do I transfer my entitlements into the CREST system?**

If you are a Qualifying non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you would complete the CREST deposit form (Box 13 on page 4 of the Application Form), and ensure they are delivered to CCSS to be received by 3.00 p.m. on 28 May 2019 at the latest. CREST sponsored members should arrange for their CREST sponsors to do this.

If you have transferred your rights into the CREST system, you should refer to Part IV of this document for details on how to pay for the Open Offer Shares.



**21. Do I need to comply with the Money Laundering Regulations (as set out in paragraph 5 of Part IV of this document)?**

If you are a Qualifying non-CREST Shareholder, you do not need to follow these procedures if the value of the Open Offer Shares you are acquiring is less than €15,000 (or its pounds sterling equivalent) or if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution.

Qualifying non-CREST Shareholders should refer to paragraph 5.1 of Part IV of this document and Qualifying CREST Shareholders should refer to paragraph 5.2 of Part IV of this document for a fuller description of the requirements of the Money Laundering Regulations.

**22. Further assistance**

Should you require further assistance in relation to the Open Offer please call the Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## PART IV

### TERMS AND CONDITIONS OF THE OPEN OFFER

Open Offer of 43,330,803 Open Offer Shares at a price of 5 pence per Share

#### 1 Introduction

As explained in Part I of this document, the Company is proposing to issue 43,330,803 Open Offer Shares pursuant to the Open Offer to raise £2.17 million, net of expenses. The Open Offer is fully underwritten. Upon completion of the Open Offer, the Open Offer Shares will represent approximately 14.29 per cent. of the Enlarged Share Capital. Qualifying Shareholders are being offered the opportunity under the Open Offer to acquire Open Offer Shares at the Issue Price.

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.

This document and, where relevant, the accompanying Application Form contain the formal terms and conditions of the Open Offer.

#### 2 The Open Offer

Subject to the terms and conditions set out below and, where relevant, in the Application Form, the Company hereby invites Qualifying Shareholders to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 Open Offer Share for every 6 Existing Ordinary Shares held by them and registered in their names at the close of business on the Record Date and so in proportion for any Existing Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of their Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

Fractions of Open Offer Shares will not be allocated to Qualifying Shareholders and entitlements to apply for Open Offer Shares will be rounded down to the nearest whole number of Open Offer Shares. Open Offer Shares representing the aggregate of fractional entitlements will be made available to Qualifying Shareholders under the Open Offer.

Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their Open Offer Entitlement, which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST and, if they so wish, may apply for Open Offer Shares in excess of their Open Offer Entitlement. Accordingly, applications in excess of the Open Offer Entitlements will only be satisfied to the extent that applications made by other Qualifying Shareholders are for less than their full Open Offer Entitlement and may therefore be scaled down *pro rata* to the number of Excess Shares applied for under the Open Offer, or otherwise at the absolute discretion of the Company. Any monies paid for applications in excess of their Open Offer Entitlements which are not so satisfied will be returned to the Applicant without interest within 14 days by way of cheque or CREST payment, as appropriate. The action to be taken in relation to the Open Offer 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.

Not all Shareholders will be Qualifying Shareholders. Overseas Shareholders who are located in, or who are citizens of, or have a registered address in certain overseas jurisdictions (including, without limitation, any

Excluded Territory) will not qualify to participate in the Open Offer. The attention of Overseas Shareholders or any person (including, without limitation, a custodian, nominee or trustee) who has a contractual or other legal obligation to forward this document into a jurisdiction other than the United Kingdom is drawn to paragraph 6 of this Part IV.

If you have received an Application Form with this document please refer to paragraph 4.1 and paragraphs 5 to 7 of this Part IV.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 4.2 and paragraphs 5 to 7 of this Part IV and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the Existing Ordinary Shares and will rank 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.

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. It is expected that the results of the Open Offer will be announced by 7.00 a.m. on 4 June 2019.

Shareholders should be aware that the Open Offer is not a rights issue. Entitlements to Open Offer Shares will neither be tradeable nor sold in the market for the benefit of Qualifying Shareholders who do not apply for them in the Open Offer.

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 CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all of the information in this document, including in particular the important information set out in the letter from the Chairman of the Company in Part I of this document, as well as this paragraph 2 of this Part IV and the Risk Factors set out in Part II of this document. Shareholders who do not participate in the Open Offer will be subject to a dilution of their existing Egdon Resources plc shareholdings. The material terms of the Open Offer are contained in paragraph 5 of Part I of this document.

### **3 Conditions of 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).

Further terms of the Open Offer are set out in this Part IV and in the Application Form.

### **4 Procedure for application and payment**

Save as provided in paragraph 6 of this Part IV in relation to Overseas Shareholders, the action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your Open Offer Entitlements, including the Excess Application Facility, or you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your CREST account in respect of such entitlements.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form on the Record Date will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. Further information on deposit into CREST is set out in paragraph 4.2(f) of this Part IV.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST manual for further information on the CREST procedures referred to below.

#### 4.1 **Action to be taken if you have an Application Form in respect of your entitlement under the Open Offer**

(a) *General*

Each Qualifying non-CREST Shareholder will have received an Application Form accompanying this document. The Application Form shows the number of Existing Ordinary Shares registered in the relevant Qualifying non-CREST Shareholder's name at the close of business on the Record Date. It also shows the number of Open Offer Shares for which such relevant Qualifying non-CREST Shareholder is entitled to apply under the Open Offer, calculated on the basis set out in paragraph 2 above. Qualifying non-CREST Shareholders may also apply for less than their maximum Open Offer Entitlements.

The Excess Application Facility enables Qualifying Shareholders who have taken up their full Open Offer Entitlement to apply for Open Offer Shares in excess of their Open Offer Entitlement. Applications in excess of the Open Offer Entitlement will only be satisfied to the extent that applications made by other Qualifying Shareholders are less than their full Open Offer Entitlements and may therefore be scaled down.

Fractions (if any) of Open Offer Shares will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility. The instructions and other terms which are set out in the Application Form constitute part of the terms of the Open Offer.

(b) *Procedure for application*

Applications for Open Offer Shares (including under the Excess Application Facility) by Qualifying non-CREST Shareholders may only be made on the Application Form, which is personal to the Qualifying non-CREST Shareholder(s) named on it and is not capable of being split, assigned or transferred except in the circumstances described below.

Qualifying non-CREST Shareholders may also apply for Excess Shares in excess of their *pro rata* entitlement to Open Offer Shares by completing Boxes 7 and 8 of the Application Form for the total number of Open Offer Shares for which they wish to make application (including their *pro rata* entitlement) and submitting the amount payable on such application. Further details on the Excess Application Facility are set out in paragraph 4.1(d) of this Part IV.

A Qualifying non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to the Receiving Agents.

The Application Form represents a right personal to the Qualifying non-CREST Shareholder to apply to subscribe for Open Offer Shares (including under the Excess Application Facility); it is not a document of title and it cannot be traded. It is assignable or transferable only to satisfy *bona fide* market claims in relation to purchases in the market pursuant to the rules and regulations of the London Stock Exchange. Application Forms may be split up to 3.00 p.m. on 29 May 2019 but only to satisfy such *bona fide* market claims. Qualifying non-CREST Shareholders who have before the 'ex' date sold or transferred all or part of their shareholdings are advised to consult their stockbroker, bank or agent through whom the sale or transfer was effected or another professional adviser authorised under the FSMA as soon as possible, since the invitation to apply for Open Offer Shares (including under the Excess Application Facility) may represent a benefit which can be claimed from them by the purchaser(s) or transferee(s) under the rules of the London Stock Exchange.

Qualifying non-CREST Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Part IV, in the letter from the Chairman of the Company in Part I and in the Application Form) be allocated the Open Offer Shares applied for in full at the Issue Price (subject to the Company's discretion to accept, reject or scale back any application for any Open Offer Shares).

Applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 31 May 2019; or
- (ii) applications in respect of which remittances are received before 11.00 a.m. on 31 May 2019 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk.

If Open Offer Shares have already been allotted to a Qualifying non-CREST Shareholder and such Qualifying non-CREST Shareholder's cheque is not honoured upon first presentation or such Qualifying non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall arrange (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Qualifying non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrar, Receiving Agent, the Company or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying non-CREST Shareholders.

If you are a Qualifying non-CREST Shareholder and wish to apply for all or part of the Open Offer Shares to which you are entitled (including any application for any Excess Shares under the Excess Application Facility) you should complete and sign the Application Form in accordance with the instructions printed on it and return it, either by post or by hand (during normal business hours only) to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD, together with a pounds sterling cheque or banker's draft to the value of the Open Offer Shares applied for on the Application Form, as soon as practicable and, in any event, so as to be received not later than 11.00 a.m. on 31 May 2019, after which time Application Forms will not be accepted. The cheque must be drawn on a United Kingdom branch of a qualifying bank or building society, as further described below. Your Application Form will not be valid unless you sign it. If you post your Application Form by first class post in the UK, or in the accompanying reply-paid envelope, you are advised to allow at least four Business Days for delivery.

The Company reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received after 11.00 a.m. on 31 May 2019 from an authorised person (as defined in the FSMA) specifying the Open Offer Shares concerned and undertaking to lodge the relevant Application Form in due course.

(c) *Payments*

Cheques must be drawn on the personal account to which you have sole or joint title to the funds. Your cheque or banker's draft should be made payable to "Neville Registrars Limited re Clients Account" and crossed "A/C Payee only". Payments must be made by cheque in pounds sterling drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque

and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies and must bear the appropriate sorting code in the top right-hand corner. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has confirmed on the back of the building society cheque the name of the account holder (which must be the same name as printed on the Application Form) and their title to funds by stamping and endorsing the building society cheque/banker's draft to such effect. Any application or purported application may be rejected unless these requirements are fulfilled. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid applications in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the Applicant's sole risk), without payment of interest, to Applicants as soon as practicable following the lapse of the Open Offer.

The Company shall as soon as practicable following 4 June 2019 refund any payment received with respect to an application for a number of Open Offer Shares in respect of an Open Offer Entitlement which has been rejected in whole or in part by the Company.

(d) *The Excess Application Facility*

The Excess Application Facility enables Qualifying Shareholders who have taken up their Open Offer Entitlement to apply for Open Offer Shares. Shareholders who are not Qualifying Shareholders are not entitled to apply for Open Offer Shares pursuant to the Excess Application Facility. However, Qualifying Shareholders who are not entitled to apply for Open Offer Shares by virtue of their shareholding being less than 6 Existing Ordinary Shares at the Record Date are entitled to apply for Open Offer Shares pursuant to the Excess Application Facility.

Qualifying non-CREST Shareholders who wish to apply for Open Offer Shares in excess of their Open Offer Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

Should the Open Offer become unconditional and applications for Open Offer Shares exceed the 43,330,803 Open Offer Shares being made available to Qualifying Shareholders as a result of applications made in respect of the Excess Application Facility, resulting in a scaling back of applications, each Qualifying non-CREST Shareholder who has made a valid application for Open Offer Shares under the Excess Application Facility and from whom payment in full for such Open Offer Shares has been received in cleared funds will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for under the Excess Application Facility but not allocated to the relevant Qualifying non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

Fractions of Excess Shares will not be issued under the Excess Application Facility and fractions of Excess Shares will be rounded down to the nearest whole number.

(e) *Effect of application*

By completing and delivering an Application Form you (as the Applicant(s)):

- (i) agree that your application, the acceptance of your application and the contract resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (ii) confirm that in making the application you are not relying on any information or representation other than those contained in this document and the Application Form and you, accordingly, agree that no person responsible solely or jointly for this document or any part of it shall have any liability for any information or representation not contained in this document and that having had the opportunity to read this document you will be deemed to have notice of all the information concerning the Group contained within this document;
- (iii) represent and warrant that you are not citizen(s) or resident(s) of an Excluded Territory or any other jurisdiction in which the application for Open Offer Shares is prevented by law and are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of Open Offer Shares directly or indirectly in, into or within an Excluded Territory or to a resident of an Excluded Territory or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (iv) represent and warrant that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis; and
- (v) will also be asked whether or not you can represent and warrant as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in an Excluded Territory, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into an Excluded Territory; (ii) you are not and were not located in an Excluded Territory at the time you accepted the Application Form or at the time you returned the Application Form; and (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside an Excluded Territory at the time he or she instructed you to submit the Application Form.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid. If you do not wish to apply for Open Offer Shares under the Open Offer you should not complete or return the Application Form.

If you have any questions relating to the procedure for acceptance, please telephone Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

#### 4.2 **Action to be taken if you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer**

(a) *General*

Save as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his or her stock account in CREST of his Open Offer Entitlements equal to the maximum number of Open Offer Shares to which he or she is entitled under the Open Offer. Qualifying CREST Shareholders may also apply for Open Offer Shares in excess of their Open Offer Entitlement under the Excess Application Facility. Further details of Excess Offer Entitlements can be found in paragraph 4.2(j) of this Part IV.

The CREST stock account to be credited will be an account under the Participant ID and Member ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 8.00 a.m. or such later time as the Company may decide, on 17 May 2019, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

Qualifying CREST Shareholders who wish to apply for some or all of their entitlements to Open Offer Shares (including any applications for Excess CREST Open Offer Entitlements) should refer to the CREST Manual for further information on the CREST procedures referred to below. If you have any questions relating to the procedure for acceptance, please telephone Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(b) *Procedure for application and payment*

The Open Offer Entitlements and Excess Open Offer Entitlements will have a separate ISIN and constitute a separate security for the purposes of CREST. Each Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess Open Offer Entitlement(s) will thereafter be transferred accordingly.

(c) *USE instructions*

Qualifying CREST Shareholders who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and Excess Open Offer Entitlements in CREST must send (or if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (USE) instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the Participant ID and Member Account ID specified below, with the number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for (subject to paragraph 4.2(j) of this Part IV); and



- (ii) the creation of a CREST payment in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares or Excess Shares referred to in sub-paragraph (i) above.
- (d) *Content of USE instructions in respect of Open Offer Entitlements*
- The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:
- (i) the number of Open Offer Shares for which application is being made (and hence the number of Open Offer Entitlement(s) being delivered to the Receiving Agent);
  - (ii) the ISIN of the Open Offer Entitlements, which is GB00BJLT0205;
  - (iii) the Participant ID of the accepting CREST member;
  - (iv) the Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
  - (v) the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is 7RA11;
  - (vi) the Member Account ID of the Receiving Agent in its capacity as a CREST receiving agent, which is BASIC in respect of the Open Offer Entitlement;
  - (vii) the amount payable by means of a CREST payment on settlement of the USE instruction, which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
  - (viii) the intended settlement date, which must be on or before 11.00 a.m. on 31 May 2019; and
  - (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 31 May 2019.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 31 May 2019 in order to be valid is 11.00 a.m. on that day.

(e) *Contents of USE instructions in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement, which is GB00BJLT0312;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the Participant ID of the Receiving Agent in its capacity as a CREST receiving agent, which is 7RA11;

- (vi) the Member Account ID of the Receiving Agent in its capacity as a CREST receiving agent, which is EXCESS;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be before 11.00 a.m. on 31 May 2019; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 31 May 2019.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to their USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 31 May 2019 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

In the event that Admission of the Open Offer Shares does not become effective by 20 June 2019, the Open Offer will lapse, the Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days. The Open Offer cannot be revoked once the condition has been satisfied.

(f) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal as are set out in the Application Form.

The holder of an Application Form who is proposing to deposit the Open Offer Entitlements set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and Excess Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up such entitlements prior to 3.00 p.m. on 28 May 2019.

In particular, having regard to normal processing times in CREST and on the part of the Registrars and the Receiving Agents, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 28 May 2019, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST is 4.30 p.m. on 24 May 2019, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and Excess Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and Excess Open Offer Entitlements prior to 11.00 a.m. on 31 May 2019.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying non-CREST Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Registrar by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 2 of the Application Form, and a declaration to the Company and the Registrar from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of an Excluded Territory and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 31 May 2019 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 31 May 2019. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

(i) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question (without interest).

(j) *The Excess Application Facility*

Provided that a Qualifying CREST Shareholder chooses to take up their Open Offer Entitlement in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements up to a maximum number of Excess Shares equal to 10 times the total number of Existing Ordinary Shares held in such Qualifying Shareholder's name as at the Record Date. If however Qualifying CREST Shareholders wish to apply for more than 10 times the total number of Existing Ordinary Shares held in such Qualifying Shareholder's name as at the Record Date, the Qualifying CREST Shareholder should contact Neville Registrars by telephone on the number stated in Note (1) on page 3 who will arrange for the additional Excess Shares to be credited to the relevant CREST account of the Qualifying CREST Shareholder. Any such applications will be granted at the absolute discretion of the Company.

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 *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. An Excess CREST Open Offer Entitlement

may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for Excess Shares to be settled through CREST. The credit of such Excess CREST Open Offer Entitlements does not in any way give Qualifying CREST Shareholders a right to the Open Offer Shares attributable to the Excess CREST Open Offer Entitlement as an Excess CREST Open Offer Entitlement is subject to scaling back in accordance with the terms of this document.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque. Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST, and allocated to the relevant Qualifying Shareholder, will be transferred to the purchaser. Please note that an additional USE instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed the number of Open Offer Shares being made available, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application for Excess Shares under the Excess Application Facility, and from whom payment in full for the Excess Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest, and at the Applicant’s sole risk.

Fractions of Open Offer Shares will be rounded down to the nearest whole number, aggregated and made available to Qualifying Shareholders under the Excess Application Facility. Fractions of Excess Shares will not be issued under the Excess Application Facility.

(k) *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent’s payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) represent and warrant that he is not applying on behalf of any Shareholder, who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (v) confirm that in making such application he is not relying on any information or representation other than those contained in this document and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof, shall have any liability for any information or representation not contained in this document and

further agree that having had the opportunity to read this document he will be deemed to have had notice of all the information concerning the Group contained therein; and

- (vi) represent and warrant that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements and Excess Open Offer Entitlements by virtue of a *bona fide* market claim.
- (l) *Company's discretion as to rejection and validity of applications*
- The Company may in its sole discretion:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not strictly comply in all respects with the requirements as to validity set out or referred to in this paragraph 4 of this Part IV;
  - (ii) accept an alternative properly authenticated, dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
  - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the first instruction) as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
  - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

If you have any doubt as to the procedure for acceptance and payment you should contact Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(m) *Issue of Open Offer Shares in CREST*

Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after the close of business on 31 May 2019. If the condition to the Open Offer described above is satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' Open Offer Entitlements with effect from the next business day. The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

## 5 Money Laundering Regulations

### 5.1 Holders of Application Forms

It is a term of the Open Offer that, in order to ensure compliance with the Money Laundering Regulations, the Receiving Agent may require verification of the identity of the person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the “verification of identity”).

The verification of identity requirements pursuant to the Regulations will apply to applications with a value of €15,000 (or its Pound Sterling equivalent) or greater, or to one of a series of linked applications whose aggregate value exceeds that amount, and in the case of such applications verification of the identity of Applicant(s) for Open Offer Shares may be required.

If within a reasonable period of time following a request, for verification of identity, but in any event by 11.00 a.m. on 31 May 2019, the Receiving Agent has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant application, in which event the money payable or paid in respect of the application will be returned (without interest and at the Applicant’s risk) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid).

In order to avoid this, payment should be made by means of a cheque drawn by and in the name of the Applicant named on the accompanying Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* market claims in relation to transfers of Existing Ordinary Shares through the market prior to 3.00 p.m. on 29 May 2019), by the person named in Box 1 on the Application Form. If this is not practicable and the Applicant uses a cheque drawn on a building society or a banker’s draft, the Applicant should:

- (a) ask the building society or bank to endorse on the cheque or draft the name and account number of the person whose building society or bank account is being debited which must be the same name as that printed on the Application Form, such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker’s draft;
- (b) if the Applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or European Union regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions relating to the procedure for acceptance, please telephone Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes;
- (c) if the Applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driving licence; and
- (d) third party cheques will not be accepted.

In any event, if it appears to the Receiving Agent that an Applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the Applicant appears to be acting will be required.

Neither the Receiving Agent, nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification. By lodging an Application Form, each Qualifying Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company, at such specified time thereafter as may be required to ensure compliance with the Regulations.

## 5.2 **Open Offer Entitlements and Excess Open Offer Entitlements in CREST**

If you hold your Open Offer Entitlements or Excess Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements (and Excess Open Offer Entitlements) as agent for one or more persons and you are not a United Kingdom or European Union regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the Applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of any failure to provide satisfactory evidence.

## 6 **Overseas Shareholders**

### 6.1 **General**

The distribution of this document and the Application Form and the making or acceptance of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

No action has been or will be taken by the Company or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or Application Form(s) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Application Forms will not be sent to and Open Offer Entitlements and Excess Open Offer Entitlements will not be credited to a stock account in CREST of persons with registered addresses in an Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to

satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory. Neither the Company, nor any of its respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part IV and specifically the contents of this paragraph 6.

The Company reserves the right, but shall not be obliged, to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or, in the case of a credit of an Open Offer Entitlement (and/or a credit of Excess Open Offer Entitlements) to a stock account in CREST, to a member whose registered address would be in an Excluded Territory or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 6.2 to 6.5 below.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques. The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into any Excluded Territory. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement and/or a credit of Excess Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.



## 6.2 **United States**

None of the Open Offer Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have been or will be registered under the US Securities Act or the laws of any state or other jurisdiction of the United States and, therefore, the Open Offer Shares and the Open Offer Entitlements and the Excess Open Offer Entitlements may not be directly, or indirectly, offered for subscription or purchase, taken up, sold, delivered, renounced or transferred in or into the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States and, subject to certain exceptions, none of this document, the Application Forms or the crediting of Open Offer Entitlements (or Excess Open Offer Entitlements) to a stock account in CREST constitutes or will constitute an offer or an invitation to apply for an offer or an invitation to subscribe for any Open Offer Shares in the United States. Neither this document nor an Application Form will (unless an address within the United Kingdom for services of notices has been notified to the Company) be sent to, and no Open Offer Entitlements (or Excess Open Offer Entitlements) will be credited to, a stock account in CREST of any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from, or post-marked in, the United States will be deemed to be invalid and all persons subscribing for Open Offer Shares and wishing to hold such Open Offer Shares in registered form must provide an address for registration of the Open Offer Shares outside the United States.

## 6.3 **Other Excluded Territories**

Due to restrictions under the securities laws of the Excluded Territories and subject to certain exemptions, Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Excluded Territories will not qualify to participate in the Open Offer and will not be sent an Application Form, nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess Open Offer Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, re-sold, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this document or the Application Forms into any Excluded Territory.

## 6.4 **Other overseas territories**

Application Forms will be sent to Qualifying non-CREST Shareholders and an Open Offer Entitlement will be credited to the stock account in CREST of Qualifying CREST Shareholders in other overseas territories. Qualifying Shareholders in jurisdictions other than any Excluded Territory may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, if relevant, the Application Form.

Qualifying Shareholders who have registered addresses in or who are located or resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for Open Offer Shares in respect of the Open Offer.

## 6.5 **Representations and warranties relating to Overseas Shareholders**

### (a) *Qualifying non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company and/or the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within an Excluded Territory; (ii) such person is not in any territory in which it is

unlawful to make or accept an offer to subscribe for Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis on behalf of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not subscribing for Open Offer Shares with a view to the offer, sale, re-sale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory or any territory referred to in (ii) above. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or despatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; (ii) provides an address in any Excluded Territory for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this paragraph (a).

(b) *Qualifying CREST Shareholders*

A CREST member who makes a valid application either on its own behalf or on behalf of one of its clients in accordance with the procedures set out in this Part IV represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) neither it nor its client is within an Excluded Territory; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares; (iii) it is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) neither it nor its client is subscribing for any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory, or any territory referred to in (ii) above. The Company reserves the right to reject any USE instruction from an Excluded Territory or any territory referred to in (ii) above or by a CREST participant who is acting on a non-discretionary basis on behalf of a person located within an Excluded Territory or any territory referred to in (ii) above.

## **7 Governing law and jurisdiction**

The terms and conditions of the Open Offer as set out in this document shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

## **8 Further information**

The attention of Shareholders is drawn to the further information set out in this document including the additional information set out in Part V, and the Risk Factors set out in Part II of this document and to the terms and conditions set out on the Application Form.

## PART V

### ADDITIONAL INFORMATION

#### 1 Share Capital

The issued share capital of the Company (i) as at the date of this document and (ii) as it is expected to be after Admission is set out below:

	<i>Existing Issued and fully paid</i>		<i>Immediately following Admission</i>	
	<i>Nominal Amount</i> (£)	<i>Number</i>	<i>Nominal Amount</i> (£)	<i>Number</i>
Ordinary Shares of 1 pence each	2,599,848.22	259,984,822	3,033,156.25	303,315,625

#### 2 Directors' interests

2.1 The Directors and their respective functions are set out below:

Philip Stephens (*Non-Executive Chairman*)  
 Mark Abbott (*Managing Director*)  
 Martin Durham (*Technical Director*)  
 Tim Davies (*Non-Executive Director*)  
 Ken Ratcliff (*Non-Executive Director*)  
 Walter Roberts (*Non-Executive Director*)

2.2 The interests (all of which are beneficial unless stated otherwise) of each of the Directors and their family (within the meaning of the AIM Rules) in the issued ordinary share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this document is as follows:

	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of existing issued share capital</i>
Philip Stephens	112,889	0.04
Mark Abbott	8,089,387	3.11
Martin Durham	0	0
Tim Davies	0	0
Ken Ratcliff	169,743	0.07
Walter Roberts	974,129	0.37

2.3 On 14 May 2019, being the last practicable date prior to the publication of this document, the Directors and (so far as is known to the Directors, having made appropriate enquiries) their family (within the meaning of the AIM Rules) will have the following options over Ordinary Shares:

	<i>Exercise price</i>	<i>Number of options</i>	<i>Date granted</i>	<i>Vesting date</i>
Mark Abbott	10.00p	600,000	01/01/2013	01/01/2014
Mark Abbott	20.62p	363,725	13/05/2014	01/05/2016
Mark Abbott	9.70p	979,381	16/11/2015	01/08/2016
Mark Abbott	7.85p	1,210,191	24/01/2019	01/01/2020
Martin Durham	22.75p	659,341	18/08/2014	31/01/2016
Martin Durham	9.70p	773,196	16/11/2015	01/08/2016
Martin Durham	7.85p	955,414	24/01/2019	01/01/2020

### **3 Directors' service contracts**

- 3.1 The Directors' current service agreements will be available for inspection as set out in paragraph 9 (Documents on Display) below.

### **4 Material change**

- 4.1 Save as set out in this document, there has been no significant change in the financial or trading position of the Company since the publication of the Interim Results of the Company for the six months ended 31 January 2019.

### **5 Middle market quotations**

- 5.1 The table below sets out the middle market quotations for an Ordinary Share, as derived from Bloomberg, on the first business day of each of the six months preceding the date of this document and on 14 May 2019 (being the last practicable date prior to publication of this document):

<i>Date</i>	<i>Price per Ordinary Share (pence)</i>
14 May 2019	5.25
1 May 2019	5.25
1 April 2019	6.25
1 March 2019	6.65
1 February 2019	8.00
2 January 2019	7.13
3 December 2018	7.75
1 November 2018	7.25

### **6 Availability of this document**

This document will be available for a period of twelve months from the date of this document on the Company's website [www.egdon-resources.com](http://www.egdon-resources.com) free of charge in accordance with the requirements of Rule 26 of the AIM Rules.

### **7 Consents**

- 7.1 VSA Capital has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name and its advise to the Directors in the form and context in which they are included.
- 7.2 Cantor Fitzgerald has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they are included.
- 7.3 HEYCO has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they are included.
- 7.4 Petrichor has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they are included.
- 7.5 Premier has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they are included.

### **8 Responsibility Statements**

- 8.1 The Directors, whose names are set out in paragraph 2.1 above, accept responsibility for the information contained in this document, save for Petrichor Information (as defined below).
- 8.2 To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

8.3 HEYCO accepts responsibility for the information contained in this document relating to HEYCO and Petrichor (“**Petrichor Information**”). To the best of the knowledge and belief of the HEYCO directors whose names are set out in paragraph 11 of Part I of this document and have taken all reasonable care to ensure that such is the case, the information contained in this document relating to HEYCO and Petrichor is in accordance with the facts and does not omit anything likely to affect the import of such information.

## **9 Documents on Display**

Copies of the following documents will be available at the Company’s website ([www.egdon-resources.com](http://www.egdon-resources.com)), and/or for inspection at the offices of the Company during normal business hours of any weekday (Saturdays, Sundays and public holidays in England and Wales excepted) from the date of this document up to and including the date of the General Meeting:

- 9.1 this document and accompanying Notice of GM;
- 9.2 the Memorandum and Articles of Association of the Company;
- 9.3 the annual report and accounts of the Company for the two years ended 31 July 2018 and 31 July 2017;
- 9.4 the Certificate of Incorporation of HEYCO;
- 9.5 the Articles of Association of Petrichor;
- 9.6 the Directors’ service agreements and letters of appointment referred to in paragraph 3 above;
- 9.7 the material contracts referred to in paragraph 14 of Part 1 above;
- 9.8 the regulatory news service announcements referred to in paragraph 7 of Part 1;
- 9.9 the irrevocable undertakings referred to in paragraph 6 of Part 1; and
- 9.10 the consent letters from VSA Capital, Cantor Fitzgerald, HEYCO, Premier and Petrichor referred to in paragraph 7 above.

## EGDON RESOURCES PLC

### (THE "COMPANY")

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 06409716)*

### NOTICE OF GENERAL MEETING

NOTICE IS HERBY GIVEN that a general meeting of the Company will 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 to consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution. In order to comply with the Code, the Resolution will be taken on a poll to be passed by more than 50 per cent. of the votes of Independent Shareholders present and voting at the General Meeting in person or by proxy and Petrichor will not vote on the Whitewash Resolution.

For the purposes of this notice, capitalised terms shall have the meaning ascribed to them in the circular to shareholders of which this notice forms part ("**Circular**") (unless the context otherwise requires, or they are otherwise defined).

#### ORDINARY RESOLUTION

1. **THAT** the waiver granted by the Panel on Takeovers and Mergers of any requirement under Rule 9 of The City Code on Takeovers and Mergers for Petrichor to make a general offer to shareholders of the Company as a result of the issue of Ordinary Shares to Petrichor pursuant to the Open Offer and Underwriting Agreement, as more fully described in the Circular, be and is hereby approved.

*BY ORDER OF THE BOARD*

Walter Roberts  
*Company Secretary*

*Registered Office:*  
The Wheat House  
98 High Street  
Odiham  
Hampshire  
RG29 1LP

Date: 15 May 2019

#### Explanatory Notes:

##### 1. **Resolution 1 – Rule 9 Waiver**

Following completion of the Open Offer, Petrichor will be interested in a maximum number of 114,765,966 Ordinary Shares, representing 37.84 per cent. of the Enlarged Share Capital.

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 approved by 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.

## **General Notes:**

### **1. Entitlements to attend and vote**

To have the right to attend and vote at the Meeting (and also for the purpose of calculating how many votes a person may cast) a person must have their name entered on the register of members of the Company at 6.00 p.m. on 30 May 2019. Changes to entries on the register after this time will be disregarded in determining the rights of any person to attend or vote at the Meeting.

Persons who are not shareholders of the Company (or duly appointed proxies or corporate representatives) will not be admitted to the Meeting unless prior arrangements are made with the Company.

### **2. Proxies**

A shareholder is entitled to appoint one or more persons as proxies to exercise all or any of his or her rights to attend, speak and vote at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a shareholder from attending and voting in person at the Meeting if he or she so wishes. To appoint more than one proxy shareholders will need to complete a separate proxy form for each proxy. Copies of additional proxy forms can be obtained from Neville Registrars Limited, by telephoning 0121 585 1131 (calls are charged at normal rate). Other telephone costs may vary. Lines are open from 9:00 a.m. to 5:00 p.m., excluding public holidays in England and Wales. If you are outside the UK, please call +44 (0) 121 585 1131. Calls from outside the UK will be charged at applicable international rates. Alternatively, shareholders may photocopy the Form of Proxy indicating on each copy the name of the proxy to be appointed and the number of shares in respect of which the proxy is appointed. A failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder may result in the proxy appointment being invalid. The total votes cast and in respect whereof abstention is recorded by a shareholder or his or her duly appointed proxies may not, in aggregate, exceed the total number of the votes exercisable by that shareholder in respect of Ordinary Shares of which he or she is the holder. All forms of proxy should be returned together in the same envelope. Shareholders can only appoint a proxy using the procedure set out in these notes and the notes to the proxy form.

A Form of Proxy is enclosed. To be valid, it must be completed, signed and sent to the offices of the Company's Receiving Agent, Neville Registrars Limited, at Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD so as to arrive no later than 11:00 a.m. on 30 May 2019 (or, in the event that the meeting is adjourned, no later than 48 hours (excluding non-working days) before the time of any adjourned meeting). As an alternative to completing the hard copy Form of Proxy, a shareholder may appoint a proxy or proxies electronically with Neville Registrars at [www.sharegateway.co.uk](http://www.sharegateway.co.uk) using your personal proxy registration code as shown on the Form of Proxy enclosed with this document.

