

## Deed of Irrevocable Undertaking

To: Petrichor Partners LP ("**the Offeror**")  
InCorp Services, Inc.  
919 North Market Street  
Suite 950  
Wilmington  
Delaware 19081  
United States of America

CC: SPARK Advisory Partners Limited  
5 St. John's Lane  
London  
EC1M 4BH

16 May 2023

### Proposed offer for Egdon Resources plc ("**Target**")

#### **1 Introduction**

- 1.1 We, Harbour Energy plc, an indirect shareholder of the Target understand that the Offeror is considering the Acquisition (defined in paragraph 9 below) substantially on the terms, and subject to the conditions, set out or referred to in the draft of its announcement proposed to be made pursuant to Rule 2.7 of the City Code on Takeovers and Mergers (the "**Code**"), a copy of which is appended to this undertaking at Appendix 1 (the "**Rule 2.7 Announcement**"), and on such other terms and conditions as may be required by the Code and the London Stock Exchange plc (the "**London Stock Exchange**"), or as may otherwise be agreed in writing between the Offeror and Target.
- 1.2 Capitalised terms used in this deed have the meaning given to them in paragraph 9.

#### **2 Warranties and Undertakings**

- 2.1 Subject to the release of the Final Rule 2.7 Announcement on or before 5 p.m. on 5 June 2023 (or such later date as the Target and the Offeror agree), we irrevocably and unconditionally undertake and warrant to the Offeror as follows:
- 2.1.1 we are the beneficial owner of (and except where specified in the Schedule 1 to this undertaking, we are also the registered holder) and/or are able to exert control, including over all rights to vote and transfer, in respect of the number of ordinary shares in the share capital of Target specified in the Schedule 1 to this undertaking (and, together with any shares in Target issued to us, or in respect of which we may become the legal or beneficial owner after the date hereof and attributable to or derived from such shares, each a "**Committed Share**" and collectively, the "**Committed Shares**");
- 2.1.2 we are able to transfer, or procure the transfer of, the Committed Shares free from all liens, equitable interests, charges, options, rights of pre-emption, and any other third party rights and interests and encumbrances of any nature;

2.1.3 save as may be otherwise provided in this undertaking, we will not and, where applicable, will procure that the registered holder of the Committed Shares will not, prior to the earlier of: (i) the Effective Date (as defined in the Rule 2.7 Announcement); or (ii) the Acquisition lapsing (provided that (ii) shall not apply where the Acquisition lapses as a result of the Offeror exercising its rights to implement the Acquisition by way of an Offer in accordance with the Code rather than by way of a Scheme or vice versa):

- (a) sell, transfer, charge, pledge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging, pledging or other disposition or creation or grant of any other encumbrance or option of, or over, all or any of such Committed Shares or interest in such Committed Shares, or accept any other offer in respect of all or any of the Committed Shares except pursuant to the Scheme;
- (b) convene any meeting of the members of Target in our capacity as a shareholder, nor exercise nor permit the exercise of the voting rights attaching to the Committed Shares in any manner, in either case which would or would reasonably be expected to frustrate the Acquisition or prevent the Acquisition from completing;
- (c) except with the prior written consent of the Offeror and the Panel, carry out any dealing or otherwise acquire (whether conditionally or unconditionally) any shares or other securities of the Target (or any interests in relevant securities of Target);
- (d) (except pursuant to the Acquisition) enter into any agreement or arrangement or permit any agreement or arrangement to be entered into, or incur any obligation or permit any obligation (other than any obligation imposed by law) or give any undertaking or indication of intent:
  - (i) to do any of the acts referred to paragraphs 2.1.3 (a) to 2.1.3 (c) above; or
  - (ii) which would or would reasonably be expected to preclude us from complying with our obligations under paragraphs 3 and 4;

and, for the avoidance of doubt, references in this paragraph 2.1.3 to any agreement, arrangement, obligation, undertaking or indication of intent include any agreement, arrangement, obligation, undertaking or indication of intent whether or not legally binding or subject to any condition, or which is to take effect upon or following the Effective Date (as defined in the Announcement) or upon the lapsing of the Acquisition, or following this undertaking ceasing to be binding;

2.1.4 we have full power, authority, discretion and the right (free from any legal or other restrictions), and will at all times continue to have all requisite power, authority, discretion and the right, to enter into and perform our obligations under this undertaking and this deed in accordance with their terms;

- 2.1.5 other than as set out in Schedule 1 to this deed, we do not have any interest (as defined in the Code) in, or any rights to subscribe for, purchase or otherwise acquire, any shares or securities of Target; and
- 2.1.6 we shall notify you in writing as soon as possible upon becoming aware of any change to or inaccuracy in any information supplied, or representation or warranty given by us under this deed.

### 3 Undertaking in relation to the Scheme

Subject to the release of the Final Rule 2.7 Announcement on or before 5 p.m. on 5 June 2023, if the Acquisition is implemented by way of a Scheme, we irrevocably and unconditionally undertake and warrant to the Offeror that:

- 3.1 we have full authority to, and we shall exercise (or, where applicable, procure the exercise of) all voting rights (whether on a show of hands or a poll and whether in person or by proxy attaching to the Committed Shares in favour of the resolutions to approve, or that are otherwise required to implement the Acquisition (which shall include any resolution to approve the Scheme and all other matters relating to the implementation of the Scheme), which are proposed at any general meeting of the Target to be convened in connection with the Scheme (including any adjournments or postponements thereof) ("**General Meeting**") or any meeting to be convened by order of the High Court of Justice in England and Wales (including any adjournments or postponements thereof) (the "**Court Meeting**");
- 3.2 as soon as possible and in any event not later than 5 p.m. on the date falling five (5) business days after the dispatch of (a) the formal document containing the notice of the Court Meeting (the "**Scheme Document**") and (b) the accompanying form of proxy, we shall:
  - 3.2.1 execute and deliver to Target's registrars (or procure the execution and delivery to Target's registrars of) such forms of proxy in accordance with the instructions printed on such forms of proxy or make such other voting instructions or appointment required by the Offeror appointing any person noted by the Offeror to attend and vote at the relevant meeting (including, for the avoidance of doubt, for the purpose of voting on any resolution referred to under paragraph 3.1 above); and
  - 3.2.2 in respect of any Committed Shares in uncertificated form, take (or procure the taking of) any action to make a valid proxy appointment and give valid proxy instructions,
 

in each case to vote in favour of the resolutions to implement the Scheme and the Acquisition, and, unless otherwise requested to do so, we shall not thereafter revoke such forms of proxy or proxy appointments and proxy instructions, either in writing or by attendance (whether actual or through any appointed corporate representative) at any meeting or otherwise;
- 3.3 we shall not amend, revoke or withdraw any such proxy once it has been returned in accordance with paragraph 3.2 above, either in writing or by attendance at any General Meeting or Court Meeting or otherwise.
- 3.4 unless otherwise directed to do so in writing by the Offeror, we shall exercise (or, where applicable, procure the exercise of) the voting rights attached to the Committed Shares against any resolution which (if passed) might reasonably be expected to impede, delay or frustrate the Acquisition in any way (which shall include any resolution to approve a scheme of

arrangement in relation to, or other acquisition by a third party of, any shares in Target or a merger of Target with a third party);

- 3.5 we shall exercise (or, where applicable, procure the exercise of) the voting rights attaching to the Committed Shares on any resolution which would assist the implementation of the Acquisition if it were passed or rejected at a general or other meeting of the members of Target only in accordance with the Offeror's written instructions; and
- 3.6 we shall, in accordance with the Offeror's written instructions, join in the requisition of any general or other meeting of the members of Target pursuant to section 303 of the Companies Act 2006 for the purpose of considering any such resolution referred to in paragraph 3.5 above and to require the Target to give notice of such resolution pursuant to section 338 of the Companies Act 2006 only in accordance with the Offeror's directions.

#### **4 Alternative undertaking to accept the Takeover Offer**

- 4.1 We acknowledge that the Offeror may elect at any time (with the consent of the Panel and subject to and in accordance with the terms of the Co-Operation Agreement) to implement the Acquisition by way of the Takeover Offer and, subject to the release of the Final Rule 2.7 Announcement on or before 5 p.m. on 5 June 2023 (or such later date as the Target and the Offeror may agree), we hereby irrevocably and unconditionally undertake and warrant to the Offeror that, in the event the Acquisition is implemented by way of a Takeover Offer that our obligations under this deed shall apply mutatis mutandis and in particular that:

- 4.1.1 we shall accept or, where applicable, procure the acceptance of, the Takeover Offer in respect of the Committed Shares we may hold as at the date of the Takeover Offer and to transfer, or procure the transfer of, the Committed Shares, in accordance with the procedure for acceptance set out in the formal document containing the Takeover Offer (the "**Offer Document**") as soon as reasonably practicable after, and in any event no later than 5 p.m. on the date falling five (5) business days after, the publication of the Offer Document save for those Committed Shares allotted to us on or after the date of the Takeover Offer in which case we shall accept, or procure the acceptance by the registered holder of, the Takeover Offer in respect of the relevant Committed Shares in accordance with the procedure for acceptance set out in the Offer Document no later than five (5) business days after the date we become the registered holder and/or beneficial holder of the relevant Committed Shares (and, in respect of any Committed Shares held in certificated form, shall forward the relevant share certificate(s) to the Offeror or its nominated representative (or a form of indemnity acceptable to the directors of the Target in respect of any lost certificate(s)) at the time of acceptance and, in respect of the Committed Shares held in uncertificated form shall take any action which may reasonably be required by the Offeror or its nominated representative to facilitate the valid acceptance of the Offer in respect of the Committed Shares);

- 4.1.2 notwithstanding any of the terms of the Offer Document which confer rights of withdrawal on accepting shareholders, we shall not, without the prior written consent of the Offeror, withdraw any such acceptances of the Takeover Offer and will cause any registered holder of any Committed Shares not to do so for so long as the Takeover Offer remains open for acceptance;

- 4.1.3 we shall execute or procure the execution of valid forms of proxy in respect of the Committed Shares appointing the Chairman of the General Meeting (or such other person as may be required by the Offeror) to attend any General Meeting and vote in favour of the resolutions to approve the Takeover Offer and/or the Acquisition and any related matters and shall ensure that any such executed forms of proxy are received by Target's registrars not later than the deadline for receipt of proxies by the registrars for the relevant meeting and, if applicable, in respect of any Target Shares held in uncertificated form, take or procure the taking of such action as may be required in order to make a valid proxy appointment and give valid proxy instructions to appoint the Chairman of the General Meeting (or such other person as may be required by the Offeror) to attend any General Meeting and vote in favour of the resolutions to approve the Takeover Offer and/or the Acquisition and any related matters, not later than the deadline for receipt of proxies by the registrars for the relevant meeting;
- 4.1.4 on completion of the Takeover Offer, the Offeror shall acquire the Committed Shares from us free of any lien, charge, option, equity or encumbrance of any nature whatsoever, rights of pre-emption and any other third party rights and interests of any nature and together with all rights of any nature attaching to those shares now and hereafter;
- 4.1.5 in the event that the Takeover Offer is modified or amended, we confirm and agree that this undertaking shall continue to be binding mutatis mutandis in respect of the Committed Shares provided that the consideration to be paid to the holders of shares in the capital of the Company is no less than the consideration stated in the Final Rule 2.7 Announcement; and
- 4.1.6 to the extent any vote is required in connection with the Takeover Offer, we shall exercise (or, where applicable, procure the exercise of) the voting rights attaching to the Committed Shares on any resolution which would assist the implementation of the Acquisition if it were passed or rejected at a general or other meeting of the members of Target only in accordance with the Offeror's written instructions.

## **5 Power of Attorney**

- 5.1 In order to secure the performance of our obligations and undertakings under this deed, and in default of us performing such obligations and undertakings, we irrevocably appoint, severally, the Offeror as our attorney to execute and deliver the form of proxy referred to in paragraph 3.2 above (or, where paragraph 4.1 applies, any form of acceptance) and to sign, execute and deliver all other documents and do all such other acts and things as may be necessary for, or incidental to, the performance of our obligations and undertakings under this deed on our behalf in the event of our failure to comply with any provision of this deed within the specified period and we irrevocably undertake to ratify such acts and things if called upon to do so.
- 5.2 We agree that this power of attorney is given by way of security and is irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 until this deed lapses, or (if earlier) the Acquisition becomes effective in accordance with its terms or, as the case may be, unconditional in all respects, or lapses.

## **6 Information and documentation**

- 6.1 We consent to the inclusion of references to us and provisions of this deed in the Final Rule 2.7 Announcement and the Scheme Document (or Offer Document, if applicable) and any other document prepared in connection with the Acquisition that are required to be included by the Panel, the Code or by any other applicable legal or regulatory requirement.
- 6.2 We undertake to provide to you, for inclusion in the Scheme Document (or in the Offer Document, if applicable), all such further information in relation to our interest in Target and that of any person connected with us as you or Target may reasonably require in order to comply with applicable legal or regulatory requirements. We will promptly notify you in writing of any material changes in the truth, accuracy or import of any information previously supplied to you by us in this regard.
- 6.3 We understand and agree that, in accordance with the Code, this deed may be disclosed to the Panel, particulars of this deed and our disclosable holdings of, and dealings in, relevant securities of Target will need to be publicly disclosed and will also be contained in the Scheme Document (or the Offer Document, if applicable) and, in accordance with Rule 26 of the Code, copies of this deed will be available for viewing on a website. Without prejudice to the generality of the foregoing, we further acknowledge that should, prior to the release of the Final Rule 2.7 Announcement, Target enter an "Offer Period" (as defined in the Code) and the Offeror is publicly identified, the Offeror will be required to publicly disclose the existence and particulars of this deed in accordance with Rule 2.10 of the Code.

## **7 Termination**

- 7.1 Notwithstanding any other provision of this undertaking, all of our obligations under this undertaking will, unless we notify you otherwise in writing, lapse and cease to be enforceable, provided that such termination shall be without prejudice to the rights of the Offeror in respect of any breach of this deed occurring before such termination, if:
- 7.1.1 the Final Rule 2.7 Announcement is not released on or before 5 p.m. on 5 June 2023 (or such later date as agreed between the Offeror and the Target); or
- 7.1.2 the Scheme Document (or Offer Document, if applicable) is not sent to the Target's shareholders on or before the date falling 28 days after the date on which the Final Rule 2.7 Announcement is released or such later date as may be agreed by the Panel provided that if the Acquisition was initially being implemented by way of a Scheme and the Offeror elects to exercise its right to implement the Acquisition by way of an Offer (with consent of the Panel and in accordance with the terms of the Co-operation Agreement) or vice versa, the time period in this paragraph 7.1.2 shall be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require); or
- 7.1.3 the earlier of:-
- (a) the Long Stop Date (as defined in the Announcement); or
  - (b) the date on which the Acquisition (whether implemented by way of a Scheme or an Offer) lapses or is withdrawn in accordance with its terms,

provided that this paragraph 7.1.3 does not apply where the Acquisition is withdrawn or lapses solely as a result of the Offeror exercising its right to implement the Acquisition by way of a Takeover Offer rather than the Scheme, and no new, revised or replacement Scheme (to which this undertaking applies) has been announced by the Offeror or its affiliates in accordance with Rule 2.7 of the Code, or is announced by the Offeror or its affiliates contemporaneously in accordance with Final Rule 2.7 of the Code.

## **8 General**

- 8.1 We acknowledge that the release of the Final Rule 2.7 Announcement is at the Offeror's absolute discretion and, in particular, the Offeror reserves the right not to release the Final Rule 2.7 Announcement unless the Target Board unanimously resolves to recommend the Acquisition. For the avoidance of doubt, nothing in this undertaking shall oblige the Offeror to announce, proceed or give effect to the Acquisition.
- 8.2 We further acknowledge that we are obliged to make appropriate disclosure under Rule 2.10(c) of the Code promptly after becoming aware that we will not be able to comply with the terms of this deed or no longer intend to do so.
- 8.3 This letter has been entered into in our capacity as holder of the Committed Shares and not as a director of the Target or in any other capacity. Nothing in this letter is, or is intended to be, now or at any other time, an arrangement between ourselves and the Offeror which is contrary to Rule 21.2 of the Code.
- 8.4 Any date, time or period referred to in this undertaking shall be of the essence except to the extent to which the Offeror and we agree in writing to vary any date, time or period, in which event the varied date, time or period shall be of the essence.
- 8.5 All references to time in this deed are to London time.
- 8.6 Except to the extent otherwise specified herein, our obligations set out in this deed are unconditional and irrevocable.
- 8.7 With regard to any of the Committed Shares not registered in our name, the confirmations and warranties and undertakings contained in this deed are, where the context so requires, given by us on behalf of the registered holder(s) and we undertake to ensure the compliance by such person(s) with those confirmations and warranties and undertakings.
- 8.8 We agree that damages would not be an adequate remedy for breach of this undertaking and this deed and accordingly that the Offeror shall be entitled to the remedies of specific performance, injunction or other equitable relief and no proof of special damages shall be necessary for the enforcement by the Offeror of its rights.
- 8.9 No person other than the Offeror and ourselves, the undersigned, is intended to have any right under the Contract (Rights of Third Parties) Act 1999 to enforce any terms of this deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.
- 8.10 The invalidity, illegality or unenforceability of any provision of this deed shall not affect the continuation in force of the remainder of this deed.

- 8.11 This deed contains the whole agreement between the Offeror and ourselves relating to the subject matter of this deed at the date hereof to the exclusion of any terms implied by law which may be excluded by contract. We acknowledge and confirm that we have not been induced to sign this deed by any representation, warranty or undertaking not expressly incorporated herein.
- 8.12 This undertaking is governed by and construed in accordance with English law. Any matter, claim or dispute, whether contractual or non-contractual, arising out of or in connection with this undertaking is to be governed by and determined in accordance with English law and shall be subject to the exclusive jurisdiction of the English courts.

## 9 Interpretation

### 9.1 In this deed:

- 9.1.1 **"2.7 Announcement"** has the meaning given to it in paragraph 1.1;
- 9.1.2 the **"Acquisition"** mean the proposed acquisition by the Offeror of the entire issued and to be issued ordinary share capital of the Target (other than those ordinary shares already owned by the Offeror), which is proposed to be recommended by the Target Board, pursuant to the Scheme or the Takeover Offer (as applicable);
- 9.1.3 **"Code"** has the meaning given to it in paragraph 1.1;
- 9.1.4 **"Committed Share"** and **"Committed Shares"** each has the meaning given to it in paragraph 2.1;
- 9.1.5 **"Co-operation Agreement"** means the cooperation agreement entered into between the Offeror and the Company in connection with the Acquisition;
- 9.1.6 **"Court Meeting"** has the meaning given to it in paragraph 3.1;
- 9.1.7 the **"Final 2.7 Announcement"** means an announcement of the Acquisition in substantially the same form as the Rule 2.7 Announcement, the terms of which represent no diminution in value of the Proposed Offer Price, contain no material changes to the commercial terms and no material changes to the conditions, of the Acquisition which are less favourable to acceptors than those set out in the Rule 2.7 Announcement, unless otherwise agreed in writing between the Offeror and Target;
- 9.1.8 **"General Meeting"** has the meaning given to it in paragraph 3.1;
- 9.1.9 **"London Stock Exchange"** has the meaning given to it in paragraph 1.1;
- 9.1.10 **"Offer Document"** has the meaning given to it in paragraph 4.1;
- 9.1.11 **"Panel"** means the Panel of Takeovers and Mergers;
- 9.1.12 **"Proposed Offer Price"** means 4.5 pence per Target share;
- 9.1.13 **"Scheme"** means any scheme of arrangement of the Company under Part 26 of the Companies Act 2006 for the acquisition by or on behalf of the Offeror of the shares in the capital of the Company substantially on the terms and subject to the conditions set out in the Announcement, and a reference to the "Scheme" also includes any new, increased, renewed or revised scheme of arrangement for the acquisition by or



on behalf of the Offeror of the shares in the capital of the Company provided that the consideration to be paid to the holders of shares in the capital of the Company is no less than the consideration stated in the Announcement'

9.1.14 **"Scheme Document"** has the meaning given to it in paragraph 3.2;

9.1.15 **"Takeover Offer"** means any takeover offer (within the meaning of section 974 of the Companies Act 2006) to be made by or on behalf of the Offeror to acquire the shares in the capital of the Company on the terms and subject to the conditions set out in the Announcement, and a reference to the **"Takeover Offer"** also includes any new, increased, renewed or revised takeover offer made by the Offeror to acquire shares in the capital of the Company provided that the consideration to be paid to the holders of shares in the capital of the Company is no less than the consideration stated in the Final Rule 2.7 Announcement; and

9.1.16 **"Target Board"** means the board of directors of Target.

**IN WITNESS** whereof this undertaking has been executed and delivered as a deed on the date first above written.

EXECUTED and delivered as a  
deed by **Harbour Energy plc**

)  
)  
)

.....  
(Signature)

in the presence of:

.....

Name: .....  
.....

Address: .....  
.....  
.....

**Schedule 1****Details of Committed Shares**

<b>Name of beneficial owner</b>	<b>Name of registered holder, if different</b>	<b>Number of Committed Shares</b>
EnCore Oil Limited*		933,333
EnCore (NNS) Limited*		21,000,000
Premier Oil (EnCore Petroleum) Limited*		23,800,000
<b>TOTAL</b>		<b>45,733,333</b>

*\*EnCore Oil Limited, EnCore (NNS) Limited and Premier Oil (EnCore Petroleum) Limited are wholly-owned subsidiaries of Harbour Energy plc.*

## **Appendix 1**

### **Rule 2.7 Announcement**

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE UK VERSION OF THE MARKET ABUSE REGULATION (EU 596/2014) AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED

FOR IMMEDIATE RELEASE

17 May 2023

## RECOMMENDED CASH ACQUISITION

of

EGDON RESOURCES PLC

by

PETRICHOR PARTNERS, LP

to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006

### Summary and highlights

- The board of directors of Egdon Resources plc ("**Egdon**") are pleased to announce that they have reached agreement with Petrichor Partners, LP ("**Petrichor**") with regard to the terms of a recommended all cash acquisition by Petrichor of the entire issued and to be issued ordinary share capital (other than those shares already owned by or on behalf of Petrichor) of Egdon (the "**Acquisition**").
- Under the terms of the Acquisition, which will be effected by a scheme of arrangement under the Companies Act and therefore be subject to shareholder approval and Court approval (and the Conditions and further terms set out in Appendix 1 to this announcement and to be set out in the Scheme Document), Egdon Shareholders who are on the register of members of Egdon at the Scheme Record Time will be entitled to receive:

#### **4.5 pence for each Egdon Share ("Cash Consideration")**

- The Acquisition values the entire issued and to be issued share capital of Egdon at approximately £26.64 million on a fully diluted basis and the price of 4.5 pence per Egdon Share represents a premium of approximately:
  - 96 per cent. to the Closing Price of 2.3 pence per Egdon Share on 16 May 2023 (being the last Business Day before the commencement of the Offer Period);

- 92 per cent. to the volume-weighted average price of 2.35 pence per Egdon Share for the one-month period ended 16 May 2023 (being the last Business Day before the commencement of the Offer Period); and
  - 78 per cent. to the volume-weighted average price of 2.53 pence per Egdon Share for the three-month period ended 16 May 2023 (being the last Business Day before the commencement of the Offer Period).
- If, on or after the date of this announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by Egdon or becomes payable by Egdon in respect of the Egdon Shares, Petrichor reserves the right to reduce the consideration payable under the terms of the Acquisition of the Egdon Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Petrichor of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, Egdon Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.
- It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

### **Recommendation**

- The Egdon Directors, who have been so advised by VSA Capital as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Egdon Directors, VSA Capital has taken into account the commercial assessments of the Egdon Directors. VSA Capital is providing independent financial advice to the Egdon Directors for the purposes of Rule 3 of the Takeover Code.
- Accordingly, the Egdon Directors intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Egdon Shareholders vote in favour of the Resolution to be proposed at the General Meeting as the Egdon Directors who hold Egdon Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 14,648,773 Egdon Shares in aggregate, representing approximately 2.69 per cent. of Egdon's issued share capital on 16 May 2023 (being the last Business Day before the date of this announcement).

### **Irrevocable undertakings**

- Petrichor has received irrevocable undertakings from each of the Egdon Directors that hold Egdon Shares to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer), in respect of a total of 14,648,773 Egdon Shares, representing, in aggregate,

approximately 2.69 per cent. of the ordinary share capital of Egdon in issue on 16 May 2023 (being the last Business Day before the date of this announcement).

- Petrichor has also received irrevocable undertakings from Harbour Energy plc and Union Jack Oil plc in respect of a total of 62,733,333 Egdon Shares to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer), representing, in aggregate, approximately 11.53 per cent. of the ordinary share capital of Egdon in issue on 16 May 2023 (being the last Business Day before the date of this announcement).
- In total, therefore, Petrichor has received irrevocable undertakings, including those irrevocable undertakings from the Egdon Directors who own Egdon Shares, in respect of, in aggregate, 77,382,106 Egdon Shares, representing approximately 14.23 per cent. of the issued ordinary share capital of Egdon on 16 May 2023 (being the last Business Day before the date of this announcement).
- Further details of these irrevocable undertakings are set out in Appendix 3 to this announcement.

#### **Background to and reasons for the Acquisition**

- Petrichor, a partnership of which the general partner is HEYCO International, Inc., is a wholly owned subsidiary of HEYCO Energy Group, Inc.. The ultimate parent company of HEYCO Energy Group, Inc. and Petrichor is Explorers Petroleum Corp, which is controlled by George Yates. HEYCO Group is an upstream energy portfolio group that delivers strategy, sophisticated technology, and capital to oil and gas exploration projects in the United States and Europe.
- Through Petrichor and other entities, HEYCO Group has invested in and provided technical advice to Egdon for more than two decades (and since 2016 has been a substantial shareholder in Egdon). The acquisition of Egdon adds to HEYCO Group's expanding portfolio in Europe following the acquisition of a gas field in Northern Spain and the opening of a Madrid office in 2022.
- HEYCO Group believes the timing is right to acquire Egdon and take it private, as HEYCO Group believes that the public market continues to undervalue its assets, including the impressive Wressle development. Bringing Egdon into the HEYCO Group will create efficiencies, economies of scale, and, most importantly, add valuable assets and experienced personnel to its portfolio. Additionally, owning Egdon will allow HEYCO Group to more efficiently deploy capital and human resources to its most valuable projects across the UK, as well as Spain and the United States.
- HEYCO Group believes that fossil fuels remain critical for the UK's future and that Egdon is strategically positioned for that future with its conventional projects as well as with opportunities for gas storage, hydrogen, geothermal, and renewable generation.

## **Information relating to Petrichor**

- Petrichor, a partnership of which the general partner is HEYCO International, Inc., is a wholly owned subsidiary of HEYCO Energy Group, Inc.. The ultimate parent company of HEYCO Energy Group, Inc. and Petrichor is Explorers Petroleum Corp, which is controlled by George Yates. HEYCO Group is an upstream energy portfolio group that delivers strategy, sophisticated technology, and capital to oil and gas exploration projects in the United States and Europe.
- HEYCO Group's core strengths are technical knowledge and management experience delivered by a team with proven expertise in geology, geophysics, reservoir engineering, international negotiation, drilling and production, and land and operations management.
- One of the few U.S. independent oil and gas companies with significant exposure in Europe, HEYCO Group has been strategically investing in the continent's conventional and unconventional plays for more than 20 years. HEYCO Group was part of the group that commenced production at the Avington field in southern England in 2007 and is the parent company of a current UK licence holder.
- Headquartered in Dallas, Texas, and with offices in Roswell, New Mexico, and Madrid, Spain, HEYCO Group is privately owned by members of the Yates family of Southeastern New Mexico who have been active in the oil and gas industry since the 1920s. Chairman and CEO George Yates is the grandson of pioneer oilman Martin Yates, who with his partners discovered the first commercial oil well on state lands in New Mexico in 1924. For several decades, HEYCO Group operated in the Permian Basin, specifically in the Delaware Basin, with lease positions in all of the noteworthy horizontal plays.

## **Timetable and Conditions**

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Petrichor reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel).
- The terms of the Acquisition will be put to the Scheme Shareholders at the Court Meeting and to the Egdon Shareholders at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of Scheme Shareholders, present and voting (and entitled to vote) at the Court Meeting, whether in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by those Scheme Shareholders (or the relevant class or classes thereof). In addition, at the General Meeting to implement the Scheme, the Resolution must be passed by Egdon Shareholders representing at least 75 per cent. of the votes validly cast on the Resolution, whether in person or by proxy. The General Meeting will be held immediately after the Court Meeting. A copy of the Scheme Court Order must be delivered to the Registrar of Companies for registration, upon which the Scheme will become Effective.

- The Acquisition will be on the terms and subject to the Conditions set out in Appendix 1 to this announcement and to be set out in the Scheme Document, which will also set out further details of the Acquisition. It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Meetings, together with the Forms of Proxy, will be published within 28 days of the date of this announcement (or such later date as may be agreed by Petrichor and Egdon with the consent of the Panel). An expected timetable of principal events will be included in the Scheme Document.
- The Acquisition is expected to become Effective in the third calendar quarter of 2023, subject to satisfaction (or, where applicable, waiver) of the Conditions and the further terms set out in Appendix 1.

### Comments on the Acquisition

Commenting on the Acquisition, George M. Yates, Chairman & CEO of HEYCO Group said:

- *“Mark Abbott and his team have built a very strong enterprise with current production and a number of potential opportunities. As a long-time shareholder, we have held the belief that the public market hasn’t fully recognized Egdon’s full value. The acquisition allows us to more effectively support Egdon by directly infusing capital and leveraging our combined technical and managerial expertise. We are excited to continue supporting Egdon and believe that, together, we can better advance Egdon’s strategic initiatives.”*

Commenting on the Acquisition, Mark Abbott, Managing Director of Egdon said:

- *“We have a high regard for Petrichor and the HEYCO Group and they have been very supportive of Egdon over many years, helping us to get to the stage of profitability that we have reached today. There is a good deal of mutual respect between our groups and we are pleased that Egdon will continue its activities in safe hands. After considering all strategic options and recognising the challenges, the recommended acquisition provides shareholders with an opportunity to realise a cash exit at an attractive premium.”*

**The above summary should be read in conjunction with, and is subject to, the full text of this announcement (including its Appendices). The Acquisition will be subject to the Conditions and other terms set out in Appendix 1 and to the full terms and conditions which will be set out in the Scheme Document. Appendix 2 contains bases and sources of certain information contained in this announcement. Details of irrevocable undertakings received are set out in Appendix 3. Certain terms used in this summary and this announcement are defined in Appendix 4.**

### Enquiries

<p><b>Egdon Resources plc</b></p> <p>Mark Abbott (Managing Director)</p>	<p>+44 1256 702292</p>
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<b>VSA Capital Limited</b> (financial adviser, joint broker and Rule 3 adviser to Egdon)  Andrew Raca, Evon Chan, Matthew Harker (Corporate Finance)	+44 203 005 5000
<b>Petrichor Partners, LP</b>  Daniel Nix (VP of Communications)	+ 1 214 396 7447
<b>SPARK Advisory Partners Limited</b> (financial adviser to Petrichor)  Andrew Emmott/Neil Baldwin	+44 203 368 3550
<b>WH Ireland Limited</b> (nominated adviser and joint broker to Egdon)  Antonio Bossi, Chris Hardie, James Bavister	+44 207 220 1666

Fieldfisher LLP is acting as legal adviser to Petrichor in connection with the Acquisition.

Norton Rose Fulbright LLP is acting as legal adviser to Egdon in connection with the Acquisition.

DWF Law LLP is acting as legal adviser to SPARK in connection with the Acquisition.

The person responsible for arranging the release of this announcement is Walter Roberts, director and company secretary of Egdon.

#### **Further information**

*This announcement is for information purposes only and is not intended to and does not constitute, or form part of an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Egdon in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*Egdon and Petrichor will prepare the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) to be distributed to Egdon Shareholders. Egdon and Petrichor urge Egdon Shareholders to read the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

### **Disclaimers**

*VSA Capital, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Egdon as financial adviser, joint broker and Rule 3 adviser to Egdon and for no one else in connection with the Acquisition and will not be responsible to anyone other than Egdon for providing the protections afforded to clients of VSA Capital or for providing advice in relation to the Acquisition or any other matters referred to in this announcement. Neither VSA Capital nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of VSA Capital in connection with this announcement, any statement contained in this announcement or otherwise.*

*SPARK Financial Advisers Limited (“SPARK”), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Petrichor and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Petrichor for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.*

*WH Ireland, which is regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Egdon and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Egdon for providing the protections afforded to clients of WH Ireland, or for providing advice in relation to the matters referred to in this announcement.*

### **Overseas jurisdictions**

*This announcement has been prepared in accordance with, and for the purpose of complying with, the laws of England and Wales and the Takeover Code, and information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.*

*The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements of their jurisdictions.*

*The availability of the Acquisition to Egdon Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Egdon Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

*Unless otherwise determined by Petrichor or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.*

#### **Notice to United States (“US”) investors in Egdon**

*US holders of Egdon Shares should note that the Acquisition relates to the shares of an English company with a listing on AIM and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules.*

*The financial information included in this announcement and the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*However, if, in the future, Petrichor exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Takeover Offer will be made in compliance with applicable United States tender offer and securities laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.*

*The receipt of cash pursuant to the Acquisition by a US holder of Egdon Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. The US tax consequences of the Acquisition, if any, are not described herein. Each Egdon Shareholder is therefore urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Acquisition.*

*It may be difficult for US holders of Egdon Shares to enforce their rights and any claims arising out of US federal laws, since Egdon is located in a non-US jurisdiction, and some or all of its officers and directors may be residents of a non-US jurisdiction. US holders of Egdon Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

*To the extent permitted by applicable law, in accordance with normal UK practice and, in the event it becomes applicable, pursuant to Rule 14e-5(b) of the US Exchange Act, Petrichor, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Egdon Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Any such purchases by Petrichor or its affiliated companies will not be made at prices higher than the Cash Consideration provided in this announcement unless the Cash Consideration is increased accordingly. Also, in accordance with Rule 14e-5(b) of the US Exchange Act, in the event it becomes applicable, VSA Capital will continue to act as an exempt principal trader in Egdon Shares on the London Stock Exchange. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Acquisition, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

## **Forward-looking statements**

*This announcement (including information incorporated by reference into this announcement), oral statements made regarding the Acquisition, and other information published by Petrichor and Egdon contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Petrichor and Egdon about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.*

*The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Petrichor and Egdon, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Petrichor and Egdon believe that the expectations reflected in such forward-looking statements are reasonable, Petrichor and Egdon can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.*

*There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; the anticipated benefits from the Acquisition not being realised as a result of changes in general economic and market conditions in the countries in which Petrichor and Egdon operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Petrichor and Egdon operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors.*

*Neither Petrichor nor Egdon, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither*

*Petrichor nor Egdon is under any obligation, and Petrichor and Egdon expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

### **Dealing and Opening Position Disclosure requirements**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.*

*An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first*

identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

#### **No profit forecasts, estimates or quantified financial benefits statements**

No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Egdon for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Egdon.

#### **Publication on a website**

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Egdon's website at [www.egdon-resources.com/investors-2/disclaimer](http://www.egdon-resources.com/investors-2/disclaimer) and Petrichor's website at [www.heycoenergy.com/petrichor-partners](http://www.heycoenergy.com/petrichor-partners) by no later than 12 noon (London time) on the first Business Day following the date of this announcement. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks is incorporated into or forms part of this announcement.

#### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Takeover Code, Egdon Shareholders may request a hard copy of this announcement (and any information incorporated by reference in this announcement), free of charge, by contacting Neville Registrars, the Receiving Agent to the Acquisition, during business hours on +44 (0)121 585 1131 (from within the United Kingdom) or by submitting a request in writing to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD. Calls to this number are charged at network providers standard rate and maybe included within free allowances (please check with your network provider). Calls outside the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 am to 5.00 pm, Monday to Friday excluding public holidays in England and Wales.

For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

#### **Electronic communications**

Please be aware that addresses, electronic addresses and certain other information provided by Egdon Shareholders, persons with information rights and other relevant persons for the receipt of communications from Egdon may be provided to Petrichor during the Offer Period as required

*under Section 4 of Appendix 4 to the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### ***Rounding***

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

### ***General***

*If the Acquisition is effected by way of a Takeover Offer, and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Petrichor intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act so as to acquire compulsorily the remaining Egdon Shares in respect of which the Takeover Offer has not been accepted.*

*Investors should be aware that Petrichor may purchase Egdon Shares otherwise than under any Takeover Offer or the Scheme, including pursuant to privately negotiated purchases.*

*If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under the FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.*



NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE UK VERSION OF THE MARKET ABUSE REGULATION (EU 596/2014) AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED.

FOR IMMEDIATE RELEASE

17 May 2023

**RECOMMENDED CASH ACQUISITION**

**of**

**EGDON RESOURCES PLC**

**by**

**PETRICHOR PARTNERS, LP**

**to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006**

**1. Introduction**

The board of directors of Egdon Resources plc ("**Egdon**") and Petrichor Partners, LP ("**Petrichor**") are pleased to announce that they have reached agreement on the terms of a recommended all cash acquisition by Petrichor of the entire issued and to be issued ordinary share capital (other than those shares already owned by or on behalf of Petrichor) of Egdon (the "**Acquisition**").

**2. The Acquisition**

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. The purpose of the Scheme is to enable Petrichor to acquire the issued and to be issued Egdon Shares (other than those shares already owned by or on behalf of Petrichor).

Under the terms of the Acquisition, which shall be subject to the Conditions and further terms set out in Appendix 1 to this announcement and to be set out in the Scheme Document, Egdon Shareholders who are on the register of members of Egdon at the Scheme Record Time will be entitled to receive:

#### **4.5 pence for each Egdon Share (the “Cash Consideration”)**

The Acquisition values the entire issued and to be issued share capital of Egdon at approximately £26.64 million on a fully diluted basis, and the price of 4.5 pence per Egdon Share represents a premium of approximately:

- 96 per cent. to the Closing Price of 2.3 pence per Egdon Share on 16 May 2023 (being the last Business Day before the commencement of the Offer Period);
- 92 per cent. to the volume-weighted average price of 2.35 pence per Egdon Share for the one-month period ended 16 May 2023 (being the last Business Day before the commencement of the Offer Period); and
- 78 per cent. to the volume-weighted average price of 2.53 pence per Egdon Share for the three-month period ended 16 May 2023 (being the last Business Day before the commencement of the Offer Period).

If, on or after the date of this announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by Egdon or becomes payable by Egdon in respect of the Egdon Shares, Petrichor reserves the right to reduce the consideration payable under the terms of the Acquisition of the Egdon Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Petrichor of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, Egdon Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.

It is expected that the Scheme Document, together with the Forms of Proxy, will be published as soon as practicable and in any event within 28 days of the date of this announcement (unless the Panel agrees otherwise). The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting and the expected timetable, and will specify the action to be taken by Scheme Shareholders.

The Egdon Shares will be acquired fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto.

### **3. Background to and reasons for the Acquisition**

- Petrichor, a partnership of which the general partner is HEYCO International, Inc., is a wholly owned subsidiary of HEYCO Energy Group, Inc.. The ultimate parent company of HEYCO Energy Group, Inc. and Petrichor is Explorers Petroleum Corp, which is controlled by George Yates. HEYCO Group is an upstream energy portfolio group that delivers strategy,

sophisticated technology, and capital to oil and gas exploration projects in the United States and Europe.

- Through Petrichor and other entities, HEYCO Group has invested in and provided technical advice to Egdon for more than two decades (and since 2016 has been a substantial shareholder in Egdon). The acquisition of Egdon adds to HEYCO Group's expanding portfolio in Europe following the acquisition of a gas field in Northern Spain and the opening of a Madrid office in 2022.
- HEYCO Group believes the timing is right to acquire Egdon and take it private, as HEYCO Group believes that the public market continues to undervalue its assets, including the impressive Wressle development. Bringing Egdon into the HEYCO Group will create efficiencies, economies of scale, and, most importantly, add valuable assets and experienced personnel to its portfolio. Additionally, owning Egdon will allow HEYCO Group to more efficiently deploy capital and human resources to its most valuable projects across the UK, as well as Spain and the United States.
- HEYCO Group believes that fossil fuels remain critical for the UK's future and that Egdon is strategically positioned for that future with its conventional projects as well as with opportunities for gas storage, hydrogen, geothermal, and renewable generation.

#### **4. Recommendation**

The Egdon Directors, who have been so advised by VSA Capital as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Egdon Directors, VSA Capital has taken into account the commercial assessments of the Egdon Directors. VSA Capital is providing independent financial advice to the Egdon Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Egdon Directors intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Egdon Shareholders vote in favour of the Resolution to be proposed at the General Meeting as the Egdon Directors who hold Egdon Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 14,648,773 Egdon Shares in aggregate, representing approximately 2.69 per cent. of Egdon's issued share capital on 16 May 2023 (being the last Business Day before the date of this announcement).

Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3.

#### **5. Background to and reasons for the Recommendation**

Egdon is an established energy business focussed on oil and gas exploration and production in the UK, that is also developing opportunities for energy storage, hydrogen, geothermal and renewable generation. The Egdon Directors believe that Egdon will continue to build on its recent strong operating and financial performance.

However, whilst the Egdon Directors believe that Egdon's strategy is capable of delivering long-term growth and profitability, it recognises the material uncertainties and risks that it faces in the short to medium-term, most of which are beyond Egdon's control. These include the domestic political and regulatory backdrop to the oil & gas sector, which could significantly impact Egdon's near-term growth. The Egdon Directors believe this is unlikely to improve for the foreseeable future.

Furthermore, the weak macroeconomic outlook in the UK is placing significant pressure on many smaller quoted companies, particularly microcaps. There is a general lack of investor support in UK public markets for small cap natural resource companies. The current market capitalisation of Egdon, together with limited share trading liquidity, could affect its ability to raise new capital at sensible valuations and, therefore, its ability to optimise Egdon's growth over the medium term.

The Egdon Directors believe that the share price performance of Egdon in the past two years does not reflect the improving overall performance of Egdon, particularly with the strong production from Egdon's Wressle oil field asset. This was particularly evident from the trading update published on 17 March 2023, followed by the interim results for the six months ended 31 January 2023, announced on 24 April 2023, when Egdon recorded strong production ahead of market guidance and yet the share price declined on both occasions.

The Egdon Directors believe the Acquisition reflects an attractive valuation for Egdon. The Acquisition Price per Scheme Share of 4.5 pence represents a very significant premium of 96 per cent to the Closing Price of 2.3 pence on 16 May 2023 and a premium of 78 per cent to the volume-weighted average price of 2.53 pence per Egdon Share for the three-month period ended on 16 May 2023. Furthermore, the Acquisition represents a significant premium to Egdon's share price over the past three years, apart from during the period leading up to and over the period when the UK shale gas moratorium was temporarily lifted last year. The Egdon Directors believe that the Acquisition will provide Egdon shareholders with the opportunity to obtain liquidity for their investment and to crystallise the value of their holdings now at a very attractive price against an uncertain market and economic backdrop.

In considering its recommendation of the Acquisition, the Egdon Directors have taken into account the risks inherent in the continued execution of its strategy on a standalone basis, Egdon's current trading environment, and the potential for future growth in equity value for shareholders against the certainty of a full exit from the cash offer. This may be the only opportunity for shareholders to receive a certain cash realisation, risk-free, at such an attractive premium.

The Egdon Directors believe that the terms of the Acquisition fairly recognise the medium-term prospects and growth potential of Egdon as a standalone business.

The Egdon Directors believe that in executing this Acquisition, it will offer the opportunity for Egdon to be a market leader in the UK onshore natural resource sector. The attractiveness of the Acquisition is enhanced through the shared vision of Egdon and Petrichor, with potential synergies to be realised from the combined resources and technical skillsets between both groups. This is due to the HEYCO Group's longstanding history as a major supportive shareholder in Egdon over many years.

The Egdon Directors are mindful of the constraints imposed by its relative lack of scale and cash resources in relation to some of the domestic and global competitors in the markets that it serves, most pointedly to the exploration element of the business. By utilising the financial resources and knowledge that Petrichor has at its disposal, Egdon would significantly improve its strategic positioning and opportunity to invest for growth and sustainable execution taking into account the inherent risk of natural resource exploration and development.

Prior to the commencement of the Acquisition, along with Egdon's financial advisers, Egdon explored potential alternative strategic options that might enhance the position of Egdon Shareholders. Although some had merit, the Egdon Directors concluded that none were capable of being implemented with the support of all shareholders. The Egdon Directors were also conscious that Petrichor's existing shareholding of c.44 per cent meant that any proposals would have to be agreed with it. The Egdon Directors were also aware that due to this shareholding, any takeover by a third party was highly unlikely to be successful.

In addition, the Egdon Directors are pleased with Petrichor's stated intentions concerning Egdon's management and employees, including Petrichor's confirmation that, following completion of the Acquisition, the existing contractual and statutory employment rights of all Egdon's management and employees will be maintained.

Having taken into account all relevant factors, the Egdon Directors believe that the terms of the Acquisition are compelling, acknowledge the quality and strong prospects of Egdon's business and deliver attractive value to Egdon Shareholders in cash, allowing them to crystallise the value of their holdings. As such, the Egdon Directors unanimously intend to recommend the Acquisition to Egdon Shareholders.

## **6. Irrevocable undertakings**

The Egdon Directors who hold Egdon Shares have irrevocably undertaken to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer) in respect of 14,648,773 Egdon Shares in aggregate, representing approximately 2.69 per cent. of Egdon's issued share capital on 16 May 2023 (being the last Business Day before the date of this announcement).

Petrichor has also received irrevocable undertakings from Harbour Energy plc and Union Jack Oil plc in respect of a total of 62,733,333 Egdon Shares to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer), representing, in aggregate, approximately 11.53 per cent. of the ordinary share capital of Egdon in issue on 16 May 2023 (being the last Business Day before the date of this announcement).

In total, therefore, Petrichor has received irrevocable undertakings, including those irrevocable undertakings from the Egdon Directors who own Egdon Shares, in respect of, in aggregate, 77,382,106 Egdon Shares, representing approximately 14.23 per cent. of the issued ordinary share capital of Egdon on 16 May 2023 (being the last Business Day before the date of this announcement).

Further details of these irrevocable undertakings are set out in Appendix 3 to this announcement.

## **7. Information relating to Egdon**

Egdon is an established energy business focussed on oil and gas exploration and production in the UK and quoted on AIM (AIM: EDR) with a market capitalisation of approximately £12.51 million as at 16 May 2023. Egdon's vision is to provide locally derived, secure, affordable, and sustainable energy to meet the UK's evolving energy needs.

Egdon holds interests in 34 licences in the UK with exposure to the full cycle of opportunities from exploration through to development and production of oil and gas activities. Further details on Egdon's assets and operations are provided on Egdon's website at [www.egdon-resources.com/investors-2/disclaimer](http://www.egdon-resources.com/investors-2/disclaimer).

Egdon's flagship project is the Wressle oil field where it holds a 30% operated interest. This asset has achieved total field production to 31 January 2023 of 357,838 barrels of oil. Egdon has other production assets at Keddington, Ceres, Waddock Cross (shut-in), Avington (shut-in), Kirkleatham (shut-in) and Fiskerton Airfield (shut-in). Egdon has exploration projects at, Biscathorpe, and North Kelsey and an option on a new exploration project at Weaverthorpe.

Egdon's primary focus is on conventional oil and gas projects, but Egdon also has significant shale assets that are currently impacted by the UK's moratorium on hydraulic fracturing for shale gas.

Egdon is also developing opportunities for energy storage, hydrogen, geothermal and renewable generation, all of which are presently at an early stage of development.

Egdon has significant technical and operational experience with 11 employees including directors and operational staff (as at 31 July 2022). Egdon aims to build value through developing sustainable long-term relationships with partners and the community and is committed to the highest standards of health, safety and environmental protection.

In recent years, Egdon has seen an improvement in its financial performance driven by a growth in production and revenues and a move to profitability. For the six-month period ended 31 January 2023, Egdon reported production of 46,465 barrels of oil equivalent ("boe") equating to a rate of 253 boe per day ("boepd"), ahead of guidance of 225-245 boepd and up by 27% compared to the comparable period on the previous year of 36,714 boe and 200 boepd. This had led to Egdon recording an increase of c.46% in revenue during the six-month period ended 31 January 2023 from £2.551 million (1H 2022) to £3.725 million. Overall profit for the period after a tax charge of £0.741 million (H1 2022: £Nil) was £0.435 million (H1 2022: £1.222 million).

## **8. Information relating to Petrichor**

- Petrichor, a partnership of which the general partner is HEYCO International, Inc., is a wholly owned subsidiary of HEYCO Energy Group, Inc.. The ultimate parent company of HEYCO Energy Group, Inc. and Petrichor is Explorers Petroleum Corp, which is controlled by George

Yates. HEYCO Group is an upstream energy portfolio group that delivers strategy, sophisticated technology, and capital to oil and gas exploration projects in the United States and Europe.

- HEYCO Group's core strengths are technical knowledge and management experience delivered by a team with proven expertise in geology, geophysics, reservoir engineering, international negotiation, drilling and production, and land and operations management.
- One of the few U.S. independent oil and gas companies with significant exposure in Europe, HEYCO Group has been strategically investing in the continent's conventional and unconventional plays for more than 20 years. HEYCO Group was part of the group that commenced production at the Avington field in southern England in 2007 and is the parent company of a current UK licence holder.
- Headquartered in Dallas, Texas, and with offices in Roswell, New Mexico, and Madrid, Spain, HEYCO Group is privately owned by members of the Yates family of Southeastern New Mexico who have been active in the oil and gas industry since the 1920s. Chairman and CEO George Yates is the grandson of pioneer oilman Martin Yates, who with his partners discovered the first commercial oil well on state lands in New Mexico in 1924. For several decades, HEYCO Group operated in the Permian Basin, specifically in the Delaware Basin, with lease positions in all of the noteworthy horizontal plays.

#### **9. Directors, management, employees, pensions, research and development and locations**

Petrichor holds in high regard the achievements and expertise of the existing management and employees of Egdon. Petrichor intends that existing employees of Egdon will continue to contribute to Egdon's ongoing success and does not intend to make any headcount reductions, or any material changes in the conditions of employment or the balance of skills and functions of the employees and management as a result of the Acquisition.

##### *Existing Rights and pensions schemes*

Petrichor confirms that, following completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions, of the Egdon Group's management, directors, and employees will be fully safeguarded in accordance with applicable law. Petrichor does not intend to make any changes with regards to the Egdon Group's existing pension scheme including with regard to the accrual of benefits for existing members and the admission of new members. Egdon does not have a defined benefit pension scheme.

##### *Locations, headquarters and research and development*

Following the completion of the Acquisition, Petrichor does not intend to make any restructurings or changes in location of either Petrichor's or Egdon's headquarters and headquarters functions and places of business. In addition, no changes are expected with respect to the deployment of Egdon's fixed asset base or Egdon's research and development functions.

### *Trading Facilities*

Egdon's Shares are currently admitted to trading on AIM. Subject to the Scheme becoming Effective, an application will be made to the London Stock Exchange to cancel the admission of Egdon's Shares to trading on AIM, following which Egdon will be re-registered as a private limited company.

## **10. Egdon Share Plan and Warrants**

Participants in the Egdon Share Plan will be contacted regarding the effect of the Acquisition on their options under the Egdon Share Plan and an appropriate proposal will be made to such participants in due course. Details of the proposal will be set out in the Scheme Document (or, as the case may be, the Offer Document) and in separate letters to be sent to participants in the Egdon Share Plan.

Holders of Warrants will be contacted regarding the effect of the Acquisition on their Warrants and an appropriate proposal will be made to such holders of Warrants in due course in respect of any outstanding Warrants. Details of the proposal will be set out in the Scheme Document (or, as the case may be, the Offer Document) and in separate letters to be sent to holders of Warrants.

## **11. Financing of the Acquisition**

The Cash Consideration payable by Petrichor under the terms of the Acquisition will be funded from the existing cash resources of Petrichor which are drawn and fully funded.

Spark, in its capacity as financial adviser to Petrichor, is satisfied that sufficient resources are available to satisfy in full the Cash Consideration payable to Egdon Shareholders under the terms of the Acquisition.

## **12. Deferred Shares**

Egdon has in issue 1,195,087,887 Deferred Shares. The Deferred Shares are not listed on any exchange and have limited rights. The Deferred Shares have no right to participate in the profits of Egdon, but have the right to participate on a return of assets in a winding up of Egdon by a repayment of the capital paid up on such Deferred Share after the holders of Egdon Shares have been paid the nominal capital paid up or credited as paid up on the Egdon and a sum of £10,000 has been paid in respect of each Egdon Share. Holders of Deferred Shares have no other rights to participate in the assets of Egdon.

The Deferred Shares do not confer on their holders any right to receive notice of, attend, speak or vote at general meetings of Egdon.

Accordingly, the Deferred Shares do not constitute "equity share capital" for the purposes of the Takeover Code and the Deferred Shares will not form part of the Acquisition and the Scheme and no comparable offer under Rule 14 of the Takeover Code will be made for the Deferred Shares. Egdon and Petrichor intend for the Deferred Shares to be cancelled or transferred to Petrichor in



accordance with the transfer provisions set out in the Articles on or shortly following the Effective Date.

### **13. Acquisition-related arrangements**

#### *Confidentiality Agreements*

On 7 March 2023, Petrichor and Egdon entered into a confidentiality agreement in relation to the Acquisition (the “**Egdon Confidentiality Agreement**”), pursuant to which, amongst other things, Petrichor gave certain undertakings to: (a) subject to certain exceptions, keep information relating to Egdon and the Acquisition confidential and not to disclose it to third parties; and (b) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of six months from the date of the Confidentiality Agreement or completion of the Acquisition by Petrichor.

On 15 May 2023, Egdon and Petrichor entered into a confidentiality agreement in relation to the Acquisition (the “**Petrichor Confidentiality Agreement**”), pursuant to which, amongst other things, Egdon gave certain undertakings to: (a) subject to certain exceptions, keep information relating to Petrichor and the Acquisition confidential and not to disclose it to third parties; and (b) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of six months from the date of the Petrichor Confidentiality Agreement or completion of the Acquisition by Petrichor.

#### *Co-Operation Agreement*

Petrichor and Egdon have entered into a Co-operation Agreement pursuant to which:

- Petrichor has undertaken to use all reasonable endeavours to secure the Clearances (as defined therein) as soon as reasonably practicable and seek to enable the Effective Date to occur prior to the Long Stop Date;
- Petrichor has undertaken to use all reasonable efforts to implement the Acquisition substantially in the form contemplated by this announcement; and
- Petrichor has agreed to provide Egdon with certain information as may be reasonably requested or required for the Scheme Document.

The Co-operation Agreement records the intention of Petrichor and Egdon to implement the Acquisition by way of the Scheme, subject to Petrichor’s right to switch to a Takeover Offer in certain circumstances. Petrichor and Egdon have agreed to certain customary provisions if the Scheme should switch to a Takeover Offer.

The Co-operation Agreement also contains provisions that shall apply in respect of directors’ and officers’ insurance, Warrants and the Egdon Share Plan and other incentive arrangements.

The Co-operation Agreement shall be terminated with immediate effect:

- if Petrichor and Egdon each consent in writing at any time prior to the Effective Date;

- if this announcement is not released by 5:30pm on the date of the Co-Operation Agreement (unless otherwise agreed between Petrichor and Egdon prior to that time);
- upon service of written notice by Petrichor to Egdon if: (i) the Egdon Directors no longer intend to make their recommendation or intend adversely to modify or qualify their recommendation; (ii) where the Acquisition is being implemented by way of Scheme, Egdon will not convene the Court Meeting or the General Meeting; or (iii) where the Acquisition is being implemented by way of Scheme, Egdon intends not to post the Scheme Document or (if different) the document convening the General Meeting;
- upon service of written notice by Petrichor to Egdon if the Egdon Directors withdraw, adversely modify or adversely qualify the Egdon Board Recommendation or fail to publicly reaffirm or re-issue such unanimous and unqualified recommendation within five Business Days of Petrichor's reasonable request to do so;
- upon service of written notice by Petrichor to Egdon if the Scheme is not approved by the Scheme Shareholders at the Egdon General Meeting or the Court refuses to sanction the Scheme definitively;
- upon service of written notice by Petrichor to Egdon if the Acquisition is being implemented by Scheme and the Court Meeting, if the Egdon General Meeting and/or the Court Hearing is not held on or before the 22nd day after the expected date set out in the Scheme Document (or such later date as agreed by Petrichor and Egdon and allowed by the Court, if required);
- upon service of written notice by Petrichor to Egdon stating that a Condition which has not been waived is (or has become) incapable of satisfaction by the Long Stop Date;
- upon service of written notice by Petrichor to Egdon stating that a Condition has been invoked by Petrichor (where the invocation of the relevant Condition has been permitted by the Panel) and such Condition is incapable of waiver or satisfaction by the Long Stop Date; in each case in circumstances where the invocation of the relevant Condition (or confirmation that the Condition is incapable of satisfaction, as appropriate) is permitted by the Panel;
- upon service of written notice by Petrichor to Egdon if a competing proposal: (i) completes, becomes effective, or is declared or becomes unconditional;
- if the Acquisition is withdrawn, lapses or terminates on or prior to the Long Stop Date other than: (i) as a result of Petrichor's right to switch to a Takeover Offer; or (ii) it is otherwise to be followed within five Business Days by a firm offer announcement made by Petrichor by a different offer or scheme;
- if a competing proposal completes, becomes effective or is declared or becomes unconditional; or

unless otherwise agreed by the parties in writing or required by the Panel, on the Effective Date, if it has not occurred on or before the Long Stop Date.

#### *Cost Coverage Agreement*

On 11 May 2023, Egdon and Petrichor entered into an agreement under which Petrichor has undertaken to pay Egdon all properly incurred legal and financial fees, costs or expenses in

connection with the Acquisition up to a maximum amount of £200,000 in the event that this announcement in relation to the Acquisition was not released by 5:00 p.m. on 5 June 2023 (cost compensation payment).

The cost compensation payment was not be payable in the event that, among other things, the Egdon Board failed to recommend the Acquisition in this announcement or materially amended the terms of its recommendation or if a competing proposal was either recommended by the Egdon Board or completed, became effective or became or was declared unconditional.

The Cost Coverage Agreement terminated on the making of this announcement.

#### **14. Scheme process**

It is intended that the Acquisition will be effected by a Court-sanctioned scheme of arrangement between Egdon and the Scheme Shareholders under Part 26 of the Companies Act. Petrichor reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel.

The purpose of the Scheme is to provide for Petrichor to become owner of the whole of the issued and to be issued share capital of Egdon not already held by it or on its behalf. Under the Scheme, the Acquisition is to be achieved by the transfer of the Scheme Shares held by Scheme Shareholders to Petrichor in consideration for which Scheme Shareholders will receive the Cash Consideration on the basis set out in paragraph 2 above. The procedure involves, among other things, a petition by Egdon to the Court to sanction the Scheme.

The Acquisition will be subject to the Conditions and the further terms referred to in Appendix 1 and the full terms and conditions to be set out in the Scheme Document and will only become Effective if, among other things, the following events occur on or before the Long Stop Date (or such later date as Petrichor and Egdon may, with the consent of the Panel, agree and, if required, the Court may allow):

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of each class of the Scheme Shares held by those Scheme Shareholders;
- the Resolution is passed at the General Meeting by Egdon Shareholders representing at least 75 per cent. of the votes validly cast on the Resolution, whether in person or by proxy;
- following the Meetings, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by Petrichor and Egdon); and
- following such sanction, an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

Upon the Scheme becoming Effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Meetings (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Egdon Shares will cease to be valid and entitlements to Egdon Shares held within the CREST system will be cancelled. In accordance with the applicable provisions of the Takeover Code, the Cash Consideration for the transfer of the Scheme Shares to Petrichor will be despatched no later than 14 days after the Effective Date.

Any Egdon Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The Resolution to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any Egdon Shares issued after the Scheme Record Time (other than to Petrichor and/or its nominees) to be automatically transferred to Petrichor on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than Petrichor and its nominees) holding Egdon Shares after the Effective Date.

If the Scheme does not become Effective on or before the Long Stop Date, it will lapse and the Acquisition will not proceed (unless the Panel otherwise consents).

It is expected that the Scheme Document, together with the Forms of Proxy, will be published as soon as practicable and in any event within 28 days of the date of this announcement (unless the Panel agrees otherwise). The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting and the expected timetable, and will specify the action to be taken by Scheme Shareholders.

Subject, amongst other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become Effective in the third calendar quarter of 2023. The Scheme will be governed by English law. The Scheme will be subject to the applicable requirements of the Companies Act 2006, Takeover Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.

## **15. Dividends**

Egdon is not proposing any dividend prior to the Scheme becoming Effective. If, on or after the date of this announcement and before the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by Egdon or becomes payable by Egdon in respect of the Egdon Shares, Petrichor reserves the right to reduce the consideration payable under the terms of the Acquisition of the Egdon Shares by an amount up to the amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. In such circumstances, Egdon Shareholders would be entitled to receive and retain any such dividend and/or other distribution and/or return of capital or value.

## **16. Disclosure of interests in Egdon**

As at the date of this announcement, Petrichor is interested in 237,924,452 Egdon Shares representing 43.74 per cent. of the voting rights in Egdon. Petrichor also holds an interest in a further 26,524,000 Egdon Shares that may be issued pursuant to the Warrants.

Except for the irrevocable undertakings referred to in paragraph 0 above or as disclosed above in this paragraph 16, as at the close of business on 16 May 2023 (being the last Business Day before the date of this announcement), neither Petrichor, nor, so far as Petrichor is aware, any person acting in concert (within the meaning of the Takeover Code) with Petrichor:

- has any interest in, or right to subscribe for, any relevant securities of Egdon; nor
- has any short position in Egdon Shares, including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of relevant securities of Egdon; nor
- has borrowed or lent any relevant securities of Egdon or entered into any financial collateral arrangements relating to relevant securities of Egdon; nor
- is party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code in relation to relevant securities of Egdon.

## **17. Delisting, cancellation of trading and re-registration**

It is expected that the last day of dealings in Egdon Shares on the London Stock Exchange's AIM market will be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 pm (London time) on that date.

Subject to the Scheme becoming effective, Egdon will make an application to the London Stock Exchange for the cancellation of the admission to trading of the Egdon Shares on the London Stock Exchange's AIM market, to take effect on or shortly after the Effective Date.

Following the Scheme becoming Effective and after the delisting and cancellation of admission to trading of the Egdon Shares, it is intended that Egdon be re-registered as a private limited company as soon as practicable following the Effective Date.

## **18. Consents**

VSA Capital and Spark have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

## **19. Documents available for inspection**

Copies of the following documents will be published, by no later than 12 noon (London time) on the first Business Day following the date of this announcement, on Egdon's website at [www.egdon-resources.com/investors-2/disclaimer](http://www.egdon-resources.com/investors-2/disclaimer) and Petrichor's website at [www.heycoenergy.com/petrichor-partners](http://www.heycoenergy.com/petrichor-partners) until the Effective Date:

- this announcement;
- the irrevocable undertakings referred to in paragraph 0 above and summarised in Appendix 3;
- the Confidentiality Agreements referred to in paragraph 12 above;
- the Cost Coverage Agreement referred to in paragraph 13 above;
- the Co-operation Agreement referred to in paragraph 13 above; and
- the consent letters from each of VSA Capital and Spark referred to in paragraph 18 above.

The contents of Egdon's website and Petrichor's website are not incorporated into and do not form part of this announcement.

## **20. Overseas Shareholders**

The availability of the Acquisition to Egdon Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Egdon Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

## **21. General**

Petrichor reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme.

The Acquisition will be on the terms and subject to the Conditions set out in Appendix 1, and to the full terms and conditions to be set out in the Scheme Document. The formal Scheme Document containing further information about the Acquisition and notices of the Meetings, together with the Forms of Proxy, will be sent to Egdon Shareholders as soon as practicable and in any event within 28 days of this announcement (or on such later date as may be agreed between Petrichor and Egdon with the consent of the Panel).

Appendix 2 contains bases and sources of certain information contained in this announcement. Details of irrevocable undertakings received are set out in Appendix 3. Certain terms used in this announcement are defined in Appendix 4.

This announcement does not constitute an offer for sale of any securities or an invitation to purchase or subscribe for any securities. Egdon Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

#### Enquiries

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<b>SPARK Advisory Partners Limited</b> (financial adviser to Petrichor)  Andrew Emmott/Neil Baldwin	+44 203 368 3550
<b>WH Ireland Limited</b> (nominated adviser and joint broker to Egdon)  Antonio Bossi, Chris Hardie, James Bavister	+44 207 220 1666

Fieldfisher LLP is acting as legal adviser to Petrichor in connection with the Acquisition.

Norton Rose Fulbright LLP is acting as legal adviser to Egdon in connection with the Acquisition.

DWF Law LLP is acting as legal adviser to SPARK in connection with the Acquisition.

The person responsible for arranging the release of this announcement is Walter Roberts, director and company secretary of Egdon.

## **Further information**

*This announcement is for information purposes only and is not intended to and does not constitute, or form part of an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Egdon in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*Egdon and Petrichor will prepare the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) to be distributed to Egdon Shareholders. Egdon and Petrichor urge Egdon Shareholders to read the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

## **Disclaimers**

*VSA Capital, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Egdon as financial adviser, joint broker and Rule 3 adviser to Egdon and for no one else in connection with the Acquisition and will not be responsible to anyone other than Egdon for providing the protections afforded to clients of VSA Capital or for providing advice in relation to the Acquisition or any other matters referred to in this announcement. Neither VSA Capital nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of VSA Capital in connection with this announcement, any statement contained in this announcement or otherwise.*

*SPARK, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Petrichor and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Petrichor for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.*

*WH Ireland, which is regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Egdon and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Egdon for providing the protections afforded to clients of WH Ireland, or for providing advice in relation to the matters referred to in this announcement.*



## **Overseas jurisdictions**

*This announcement has been prepared in accordance with, and for the purpose of complying with, the laws of England and Wales and the Takeover Code, and information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.*

*The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements of their jurisdictions.*

*The availability of the Acquisition to Egdon Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Egdon Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

*Unless otherwise determined by Petrichor or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.*

**Notice to the United States (“US”) investors in Egdon**

*US holders of Egdon Shares should note that the Acquisition relates to the shares of an English company with a listing on AIM and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules.*

*The financial information included in this announcement and the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*However, if, in the future, Petrichor exercises the right to implement the Acquisition by way of a Takeover Offer and determines to extend the offer into the United States, the Takeover Offer will be made in compliance with applicable United States tender offer and securities laws and regulations including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.*

*The receipt of cash pursuant to the Acquisition by a US holder of Egdon Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. The US tax consequences of the Acquisition, if any, are not described herein. Each Egdon Shareholder is therefore urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Acquisition.*

*It may be difficult for US holders of Egdon Shares to enforce their rights and any claims arising out of US federal laws, since Egdon is located in a non-US jurisdiction, and some or all of its officers and directors may be residents of a non-US jurisdiction. US holders of Egdon Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

*To the extent permitted by applicable law, in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, in the event it becomes applicable, Petrichor, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Egdon Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Any such purchases by Petrichor or its affiliated companies will not be made at prices higher than the Cash Consideration provided in this*

*announcement unless the Cash Consideration is increased accordingly. Also, in accordance with Rule 14e-5(b) of the US Exchange Act, in the event it becomes applicable, VSA Capital will continue to act as an exempt principal trader in Egdon Shares on the London Stock Exchange. If such purchases or arrangements to purchase were to be made they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Acquisition, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

### **Forward-looking statements**

*This announcement (including information incorporated by reference into this announcement), oral statements made regarding the Acquisition, and other information published by Petrichor and Egdon contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Petrichor and Egdon about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.*

*The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Petrichor and Egdon, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “plans”, “expects” or “does not expect”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Although Petrichor and Egdon believe that the expectations reflected in such forward-looking statements are reasonable, Petrichor and Egdon can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.*

*There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; the anticipated benefits from the Acquisition not being realised as a result of changes in general economic and market*

conditions in the countries in which Petrichor and Egdon operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Petrichor and Egdon operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors.

Neither Petrichor nor Egdon, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither Petrichor nor Egdon is under any obligation, and Petrichor and Egdon expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **Dealing and Opening Position Disclosure requirements**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing.

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

#### **No profit forecasts, estimates or quantified financial benefits statements**

*No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Egdon for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Egdon.*

#### **Publication on a website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Egdon's website at [www.egdon-resources.com/investors-2/disclaimer](http://www.egdon-resources.com/investors-2/disclaimer) and Petrichor's website at [www.heycoenergy.com/petrichor-partners](http://www.heycoenergy.com/petrichor-partners) by no later than 12 noon (London time) on the first Business Day following the date of this announcement. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks is incorporated into or forms part of this announcement.*

#### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, Egdon Shareholders may request a hard copy of this announcement (and any information incorporated by reference in this announcement), free of charge, by contacting Neville Registrars, the Receiving Agent to the Acquisition, during business hours on +44 (0)121 585 1131 (from within the United Kingdom) or by submitting a request in writing to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD. Calls to this number are charged at network providers standard rate and maybe included within free allowances (please check with your network provider). Calls outside the United Kingdom will be charged at the applicable international rate.*

*Lines will be open between 9.00 am to 5.00 pm, Monday to Friday excluding public holidays in England and Wales.*

*For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### **Electronic communications**

*Please be aware that addresses, electronic addresses and certain other information provided by Egdon Shareholders, persons with information rights and other relevant persons for the receipt of communications from Egdon may be provided to Petrichor during the Offer Period as required under Section 4 of Appendix 4 to the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### **Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

### **General**

*If the Acquisition is effected by way of a Takeover Offer, and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Petrichor intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act 2006 as to acquire compulsorily the remaining Egdon Shares in respect of which the Takeover Offer has not been accepted.*

*Investors should be aware that Petrichor may purchase Egdon Shares otherwise than under any Takeover Offer or the Scheme, including pursuant to privately negotiated purchases.*

*If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under the FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.*

## **APPENDIX 1**

### **CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE ACQUISITION**

#### **PART A: CONDITIONS TO THE SCHEME AND THE ACQUISITION**

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than 11:59 p.m. on the Long Stop Date.

#### **Scheme approval**

2. The Scheme will be conditional upon:
  - (A) (i) its approval by a majority in number representing not less than 75 per cent. in value of Scheme Shareholders who are on the register of members of Egdon (or the relevant class or classes thereof) at the Voting Record Time, present and voting (and entitled to vote), whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof); and (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Petrichor and Egdon with the consent of the Panel (and that the Court may allow if required));
  - (B) (i) the Resolution being duly passed at the General Meeting (or any adjournment thereof); and (ii) such General Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Petrichor and Egdon with the consent of the Panel (and that the Court may allow if required)); and
  - (C) (i) the sanction of the Scheme by the Court (with or without modification (but subject to any such modification being acceptable to Petrichor and Egdon)) and the delivery of the office copy of the Scheme Court Order to the Registrar of Companies; and (ii) the Scheme Court Hearing being held on or before the 22<sup>nd</sup> day after the expected date of the Scheme Court Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Petrichor and Egdon with the consent of the Panel (and that the Court may allow)).
3. In addition, Petrichor and Egdon have agreed that, subject as stated in Part B of this Appendix 1 and to the requirements of the Panel, the Acquisition will be conditional upon the following Conditions and, accordingly, the Court Order shall not be delivered to the

Registrar of Companies unless such Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

***North Sea Transition Authority Approval***

- a) the receipt of written confirmation from the North Sea Transition Authority (the **NSTA**), informing Petrichor that it does not intend, as a consequence of the Acquisition, to revoke any of the relevant licences or to require a further change of control of Egdon under any of the relevant licences (the **NSTA Condition**);

***Third Party clearances***

- b) other than in respect of the NSTA Condition, all necessary and material notifications, filings, applications or submissions having been made in connection with the Acquisition and all appropriate waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and/or regulatory obligations in any jurisdiction having been complied with in each case in respect of the Acquisition and all Authorisations deemed reasonably necessary by Petrichor in any jurisdiction for or in respect of the Acquisition and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Egdon or any other member of the Egdon Group by any member of the HEYCO Group, in each case which is material in the context of HEYCO Group or the Egdon Group as a whole, having been obtained in terms and in a form reasonably satisfactory to Petrichor from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Egdon Group or the HEYCO Group has entered into contractual arrangements and all such Authorisations necessary to carry on the business of any member of the Egdon Group in any jurisdiction, in each case which is material in the context of HEYCO Group or the Egdon Group as a whole, having been obtained and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes otherwise unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;
- c) other than in respect of the NSTA Condition, no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision or order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
  - i. make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Egdon Group by any member of the HEYCO



Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or materially restrain, restrict, impede, challenge, delay or otherwise materially interfere with the implementation of, or impose additional material conditions or obligations with respect to, the Acquisition or the acquisition of any shares or other securities in, or control or management of, any member of the Egdon Group by any member of the HEYCO Group or require material adverse amendment of the Scheme;

- ii. require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the HEYCO Group or by any member of the Egdon Group of all or any material part of their businesses, assets or property or impose any material limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
- iii. impose any material limitation on, or result in a material delay in, the ability of any member of the HEYCO Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Egdon (or any member of the Egdon Group) or on the ability of any member of the Egdon Group or any member of the HEYCO Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Egdon Group;
- iv. other than pursuant to the implementation of the Scheme, require any member of the HEYCO Group or the Egdon Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Egdon Group owned by any third party which is material in the context of the Egdon Group or the HEYCO Group, in either case taken as a whole;
- v. require, prevent or materially delay a divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the HEYCO Group of any shares or other securities (or the equivalent) in any member of the Egdon Group which is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition (as the case may be);
- vi. result in any member of the Egdon Group ceasing to be able to carry on business under any name under which it presently carries on business;
- vii. impose any limitation on the ability of any member of the HEYCO Group or any member of the Egdon Group to conduct, integrate or co-ordinate

all or any material part of their respective businesses with all or any material part of the business of any other member of the HEYCO Group and/or the Egdon Group;

- viii. otherwise adversely affect any or all of the business, assets, profits, or financial or trading position of any member of the Egdon Group or any member of the HEYCO Group;
- ix. no undertakings or assurances being sought from Petrichor, any member of the HEYCO Group or any member of the Egdon Group by any Third Party, except on terms satisfactory to Petrichor;
- x. no temporary restraining order, preliminary or permanent injunction, preliminary or permanent injunction, or other order threatened or issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Egdon Group by any member of the HEYCO Group, or the implementation of either of them, void, voidable, illegal and/or enforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing or materially restraining, restricting, delaying or otherwise interfering with the consummation or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Egdon Group by any member of the HEYCO Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any Egdon Shares or otherwise intervene having expired, lapsed or been terminated;

***Confirmation of absence of adverse circumstances***

- d) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Egdon Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the HEYCO Group of any shares or other securities in Egdon or because of a change in the control or management of any member of the Egdon Group or otherwise, would or might reasonably be expected to result in any of the following (in any case to an extent which would reasonably be expected to be material in the context of the Egdon Group taken as a whole):

- i. any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Egdon Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- ii. the rights, liabilities, obligations, interests or business of any member of the Egdon Group or any member of the HEYCO Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Egdon Group or any member of the HEYCO Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or likely to become terminated or materially and adversely modified or affected or any material onerous obligation or liability arising or any material adverse action being taken or arising thereunder;
- iii. any member of the Egdon Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition;
- iv. any assets or interests of, or any asset the use of which is enjoyed by, any member of the Egdon Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Egdon Group otherwise than in the ordinary course of business;
- v. the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Egdon Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- vi. the business, assets, value, financial or trading position or profits, prospects or operational performance of any member of the Egdon Group being materially prejudiced or materially and adversely affected;
- vii. the creation or acceleration of any material liability (actual or contingent) by any member of the Egdon Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- viii. any liability of any member of the Egdon Group to make any severance, termination, bonus or other payment to any of its directors or other officers;

***No material transactions, claims or changes in the conduct of the business of the Egdon Group***

- e) except as Disclosed, no member of the Egdon Group having since 31 July 2022:
- i. save as between Egdon and its wholly owned subsidiaries or between such wholly owned subsidiaries, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Egdon Shares out of treasury;
  - ii. recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than to Egdon or one of its wholly owned subsidiaries;
  - iii. save as between Egdon and its wholly owned subsidiaries or between such wholly owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so;
  - iv. save as between Egdon and its wholly owned subsidiaries or between such wholly owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital;
  - v. issued, authorised, proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between Egdon and its wholly owned subsidiaries or between such wholly owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Egdon Group or in the context of the Acquisition;
  - vi. entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is, in any such case, material in the context of the Egdon Group or in the context of the Acquisition, or which is or is reasonably likely to be materially restrictive on the business of any member of the Egdon Group to an extent which is or is likely to be material to the Egdon Group taken as a whole or in

the context of the Acquisition;

- vii. entered into any licence or other disposal of intellectual property rights of any member of the Egdon Group which are material in the context of the Egdon Group and outside the normal course of business;
- viii. entered into, varied, authorised or proposed the entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Egdon Group save for salary increases, bonuses or variations of terms in the ordinary course;
- ix. proposed, agreed to provide or modified in any material respect the terms of any share plan, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Egdon Group which, taken as a whole, are material in the context of the Egdon Group taken as a whole;
- x. entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition;
- xi. purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph i above, made any other change to any part of its share capital to an extent which (other than in the case of Egdon) is material in the context of the Egdon Group;
- xii. waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition;
- xiii. made any material alteration to its articles of association or other constitutional documents;
- xiv. (other than in respect of a member which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person

appointed;

- xv. been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- xvi. entered into any material contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- xvii. terminated or varied the terms of any material agreement or arrangement between any member of the Egdon Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Egdon Group taken as a whole;
- xviii. except in relation to changes made or agreed as a result of, or arising from changes to legislation, made or agreed or consented to any significant change to the following in a way that is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition:
  - a. the terms of the governing documents constituting the pension scheme(s) established by any member of the Egdon Group for its directors, employees or their dependants;
  - b. the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - c. the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - d. the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to, to an extent which is in any such case material in the context of the Egdon Group taken as a whole; or
- xix. having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Egdon Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

***No material adverse change***

- f) since 31 July 2022 and except as Disclosed:
- i. there having been no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, financial or trading position or profits or operational performance of any member of the Egdon Group to an extent which is material to the Egdon Group taken as a whole or in the context of the Acquisition or in the obligations of any member of the HEYCO Group in connection with the Acquisition;
  - ii. no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against any member of the Egdon Group or to which any member of the Egdon Group is or may become a party (whether as claimant or defendant or otherwise) having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Egdon Group which, in any such case, might be expected to have a material adverse effect on the Egdon Group taken as a whole or in the context of the Acquisition;
  - iii. no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Egdon Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Egdon Group, in each case which might reasonably be expected to have a material adverse effect on the Egdon Group taken as a whole;
  - iv. no contingent or other liability having arisen, increased or become apparent to Petrichor which might be likely to affect adversely the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Egdon Group to an extent which is material to the Egdon Group taken as a whole or in the context of the Acquisition; and
  - v. no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Egdon Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and likely to have an adverse effect on the Egdon Group taken as a whole or in the context of the Acquisition;
  - vi. no member of the Egdon Group having conducted its business in material breach of any applicable laws or regulations to an extent which might reasonably be expected to have a material adverse effect on the Egdon Group taken as a whole;

***No discovery of certain matters regarding information, liabilities and environmental issues***

g) since 31 July 2022 and except as Disclosed, Petrichor not having discovered:

- i. that any financial, business or other information concerning the Egdon Group publicly announced or disclosed to any member of the HEYCO Group at any time by or on behalf of any member of the Egdon Group or to any of their advisers is misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Egdon Group taken as a whole or in the context of the Acquisition;
- ii. that any member of the Egdon Group is subject to any liability (actual or contingent) and which is material in the context of the Egdon Group or in the context of the Acquisition;
- iii. any information which affects the import of any information disclosed to Petrichor at any time by or on behalf of any member of the Egdon Group which is material in the context of the Egdon Group;
- iv. any past or present member of the Egdon Group has not complied in the context of the Egdon Group taken as a whole with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Egdon Group which in any case is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition;
- v. there has been a disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Egdon Group which in any case is material in the context of the Egdon Group taken as a whole or in the context of the Acquisition;

***Anti-corruption, sanctions and criminal property***

h) except as Disclosed, since 31 July 2022, Petrichor not having discovered:

- i. any:



- a. past or present member, director, officer or employee of the Egdon Group;  
or
  - b. person that performs or has performed services on behalf of the Egdon Group,

has at any time engaged in an activity, practice or conduct which would constitute an offence under the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation;
- ii. any asset of any member of the Egdon Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- iii. any past or present member, director, officer or employee of the Egdon Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, or made any payments or assets available to or received any funds or asset from:
  - a. any government, entity, or individual with which US persons or European Union persons (or persons operating in those territories) are prohibited from engaging in activities, doing business or from receiving or making available funds or economic resources, by US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs; or
  - b. any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states;
- iv. a member of the Egdon Group has engaged in any behaviour which would cause the HEYCO Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control, HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states;
- v. any past or present member of the Egdon Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;
- vi. any member of the Egdon Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended); or

- vii. any past or present member of the Egdon Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body.

## **PART B: WAIVER OF CONDITIONS AND FURTHER TERMS OF THE ACQUISITION AND THE SCHEME**

1. Subject to the requirements of the Panel in accordance with the Takeover Code, or if required, by the Court, Petrichor reserves the right to waive, in whole or in part, all or any of the above Conditions, except Conditions 2(A), 2(B) and 2(C) which cannot be waived.
2. Conditions 3(a) to 3(h) (inclusive) must each be fulfilled, determined by Petrichor to be or to remain satisfied or (where applicable) be waived by Petrichor by no later than 11.59 p.m. on the date immediately preceding the date of the Court hearing to sanction the Scheme, failing which the Acquisition will lapse.
3. The Acquisition will lapse if the Scheme does not become effective by 11.59 p.m. on the Long Stop Date (or such later date as may be agreed between Petrichor and Egdon).
4. If Petrichor is required by the Panel to make an offer for Egdon Shares under the provisions of Rule 9 of the Takeover Code, Petrichor may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
5. The Acquisition will lapse if, before the Court Meeting, it is referred by the Competition and Markets Authority to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 pursuant to section 33 of the Enterprise Act 2002 (as amended).
6. Petrichor reserves the right to elect to implement the Acquisition by way of takeover offer(s) (as defined in section 974 of the Companies Act) as an alternative to the Scheme. In such event, the Acquisition will be implemented on the same terms (subject to appropriate amendments and those required by, or deemed appropriate by, Petrichor under applicable law, so far as applicable) as those which would apply to the Scheme. Further, if sufficient acceptances of such offer(s) are received and/or sufficient Egdon Shares are otherwise acquired, it is the intention of Petrichor to apply the provisions of Part 28 of the Companies Act to acquire compulsorily any outstanding Egdon Shares to which such offer(s) relate.
7. Under Rule 13.5(a) of the Takeover Code, Petrichor may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Petrichor in the context of the Acquisition. Conditions 2(A), 2(B) and 2(C) are not subject to this provision of the Takeover Code.
8. The Acquisition will be subject, inter alia, to the Conditions and certain further terms which are set out in this Appendix 1 and those terms which will be set out in the Scheme

Document and such further terms as may be required to comply with the provisions of the Takeover Code.

9. Petrichor shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or treat as fulfilled any of Conditions 3(a) to 3(h) (inclusive) by a date earlier than the latest date for the fulfilment of that Condition, notwithstanding that the other Conditions may at an earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
10. Egdon Shares will be acquired by Petrichor with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or paid after the date of this announcement. If after the date of this announcement and prior the Effective Date, any dividend and/or other distribution and/or other return of value is declared, made or paid in respect of Egdon Shares, Petrichor shall be entitled to reduce the amount of consideration payable for such Egdon Shares under the terms of the Acquisition by an amount equivalent to such dividend, other distribution or return of value in which case any reference in this announcement to the consideration payable under the terms of the Acquisition shall be deemed to be a reference to the consideration as so reduced.
11. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.
12. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
13. The Acquisition will be governed by English law and subject to the jurisdiction of the English courts and to the Conditions set out above.
14. The Acquisition is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.

## **APPENDIX 2**

### **BASES AND SOURCES**

In this announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used.

1. As at close of business on 16 May 2023 (being the last Business Day before the date of this announcement) there were 543,983,031 Egdon Shares in issue. The legal entity identifier for the Egdon Shares is 213800WWGH4S9GYSPL77.
2. As at 16 May 2023 (being the last Business Day before the date of this announcement), there were 17,500,000 Egdon Shares and 30,408,000 Egdon Shares that may be issued pursuant to the Egdon Share Plan and the Warrants, respectively.
3. Any references to the issued and to be issued ordinary share capital of Egdon are each based on:
  - the 543,983,031 Egdon Shares referred to in paragraph 1 above; and
  - the 47,908,000 Egdon Shares that may be issued pursuant to the Egdon Share Plan and the Warrants referred to in paragraph 2 above.
4. Certain figures included in this announcement have been subject to rounding adjustments.
5. Unless otherwise stated, the financial information of Egdon is extracted (without material adjustment) from Egdon's annual report and financial statements for the 12 months ended 31 July 2022, which were released on 7 November 2022 and Egdon's interim report for the six months ended 31 January 2023, which was released on 24 April 2023.
6. Volume-weighted average prices have been derived from Refinitiv Eikon and daily trades extracted from the London Stock Exchange website, and have been rounded to the nearest tenth of a penny.

## APPENDIX 3

### DETAILS OF IRREVOCABLE UNDERTAKINGS

#### Egdon Directors' irrevocable undertakings

The following holders of Egdon Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of their own beneficial holdings of Egdon Shares:

Name	Total number of Egdon Shares	Percentage of Egdon Shares in issue on 16 May 2023 (being the last Business Day before the date of this announcement)
Mark Abbott	13,222,617	2.431%
Kenneth Ratcliff	198,032	0.036%
Philip Stephens	131,703	0.024%
Walter Roberts	846,421	0.156%
Timothy Davies	50,000	0.009%
Martin Durham	200,000	0.037%
<b>TOTAL</b>	<b>14,648,773</b>	<b>2.693%</b>

The undertakings from the Egdon Directors will cease to be binding only:

- (A) if the Scheme Document (or Offer Document, if applicable) is not dispatched to Egdon Shareholders within 28 days of this announcement (or such longer period as may be agreed by the Panel) provided that if the Acquisition was initially being implemented by way of a Scheme and Petrichor elects to exercise its right to implement the Acquisition by way of a Takeover Offer (with consent of the Panel and in accordance with the terms of the Co-operation Agreement) or vice versa, the time period is to be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require); or
- (B) on the earlier of:
  - (i) the Long Stop Date; or
  - (ii) the date on which the Acquisition (whether implemented by way of a Scheme or a Takeover Offer) is withdrawn or lapses in accordance with its terms, unless the Acquisition is withdrawn or lapses as a result of

Petrichor exercising its right to implement the Acquisition by way of a Takeover Offer in accordance with the Takeover Code rather than by way of a Scheme.

#### Other Egdon irrevocable undertakings

Harbour Energy plc and Union Jack Oil plc have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of their own beneficial holdings of Egdon Shares:

Name	Total number of Egdon Shares	Percentage of Egdon Shares in issue on 16 May 2023 (being the last Business Day before the date of this announcement)
Harbour Energy plc	45,733,333	8.407%
Union Jack Oil plc	17,000,000	3.125%
<b>TOTAL</b>	<b>62,733,333</b>	<b>11.53%</b>

The undertakings from Harbour Energy plc and Union Jack Oil plc will cease to be binding only:

- (A) if the Scheme Document (or Offer Document, if applicable) is not dispatched to Egdon Shareholders within 28 days of this announcement (or such longer period as may be agreed by the Panel) provided that if the Acquisition was initially being implemented by way of a Scheme and Petrichor elects to exercise its right to implement the Acquisition by way of a Takeover Offer (with consent of the Panel and in accordance with the terms of the Co-operation Agreement) or vice versa, the time period is to be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require); or
- (B) on the earlier of:
  - (i) the Long Stop Date; or
  - (ii) the date on which the Acquisition (whether implemented by way of a Scheme or a Takeover Offer) is withdrawn or lapses in accordance with its terms, unless the Acquisition is withdrawn or lapses as a result of Petrichor exercising its right to implement the Acquisition by way of a Takeover Offer in accordance with the Takeover Code rather than by way of a Scheme.

## APPENDIX 4

### DEFINITIONS

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

<b>“Acquisition”</b>	the recommended cash acquisition of the entire issued, and to be issued, ordinary share capital of Egdon (other than those shares already held by or on behalf of Petrichor) by Petrichor to be implemented by way of the Scheme or, should Petrichor so elect (with the consent of the Panel) by way of the Takeover Offer, and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>“AIM Rules”</b>	Rules and Guidance notes for AIM Companies and their nominated advisers issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“Articles”</b>	the articles of association of Egdon from time to time;
<b>“Business Day”</b>	any day (excluding any Saturday or Sunday or any public holiday in England) on which banks in the City of London are generally open for business;
<b>“Cash Consideration”</b>	the cash consideration payable by Petrichor in connection with the Acquisition, being 4.5 pence for each Egdon Share;
<b>“Closing Price”</b>	the closing middle market price of a Egdon Share as derived from the AIM appendix to the Daily Official List on any particular date;
<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Conditions”</b>	the conditions to the Acquisition, as set out in Appendix 1 and to be set out in the Scheme Document;
<b>“Confidentiality Agreements”</b>	the Egdon Confidentiality Agreement and the Petrichor Confidentiality Agreement;
<b>“Cost Coverage Agreement”</b>	means the cost coverage agreement entered into between Petrichor and Egdon in relation to the Acquisition dated 11 May 2023, a summary of which is set out in paragraph 13 of this announcement
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders convened by order of the Court pursuant to section 896 of the Companies Act for the purpose of

	considering and, if thought fit, approving the Scheme (with or without amendment) and any adjournment thereof;
<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“CREST”</b>	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018)), in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form;
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange;
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer;
<b>"Deferred Shares"</b>	the deferred shares of £0.01 each in the capital of Egdon;
<b>"Disclosed"</b>	the information fairly disclosed by, or on behalf of Egdon: (i) in the annual report and financial statements of the Egdon Group for the financial year ended 31 July 2022; (ii) in this Announcement; (iii) in any other announcement to a Regulatory Information Service by, or on behalf of Egdon prior to the date of this Announcement; (iv) in filings made with the Registrar of Companies and appearing in Egdon's files at Companies House within the last two years; or (v) fairly disclosed to Petrichor or Petrichor's advisers (in their capacity as such) in writing prior to the date of this Announcement (including in the electronic data room created by or on behalf of Egdon in respect of the Acquisition);
<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective;
<b>“Effective”</b>	either:  (a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or  (b) if the Acquisition is implemented by way of a Takeover Offer, means the Takeover Offer having been declared or having become unconditional in accordance with the requirements of the Takeover Code;
<b>“Egdon”</b>	Egdon Resources plc, a public limited company incorporated in England and Wales with registered number 06409716 and whose registered office



	is at Blackstable House Longridge, Sheepscombe, Stroud, Gloucestershire, England, GL6 7QX;
<b>“Egdon Confidentiality Agreement”</b>	means the confidentiality agreement entered into between Petrichor and Egdon in relation to the Acquisition dated 7 March 2023, a summary of which is set out in paragraph 13 of this announcement;
<b>“Egdon Directors”</b>	the directors of Egdon as at the date of this announcement;
<b>“Egdon Group”</b>	Egdon and its subsidiaries and subsidiary undertakings from time to time;
<b>“Egdon Share Plan”</b>	Option Deeds pursuant to which the relevant employees acquire an Option;
<b>“Egdon Shareholders”</b>	the registered holders of Egdon Shares from time to time;
<b>“Egdon Shares”</b>	the ordinary shares of 1 pence each in the capital of Egdon from time to time;
<b>“Excluded Shares”</b>	any Egdon Shares: (a) beneficially owned by Petrichor or any other member of the HEYCO Group; or (b) held by Egdon in treasury (within the meaning of the Companies Act);
<b>“FCA”</b>	the Financial Conduct Authority;
<b>“Forms of Proxy”</b>	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time;
<b>“General Meeting”</b>	the general meeting of Egdon Shareholders to be convened in connection with the Scheme to consider and, if thought fit, to approve the Resolution (with or without amendment), including any adjournment, postponement or reconvening thereof;
<b>“HEYCO Group”</b>	each of (i) Petrichor (ii) HEYCO International, Inc. and (iii) HEYCO Energy Group, Inc., and in respect of (ii) and (iii), each of their subsidiaries and subsidiary undertakings from time to time, as the case may be (and where the context permits, each of them);

<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Long Stop Date”</b>	31 December 2023 or such later date as may be agreed in writing between Petrichor and Egdon (with the Panel’s consent and as the Court may allow, if such consent and/or approval is/are required);
<b>“Meetings”</b>	the Court Meeting and the General Meeting;
<b>“Offer Document”</b>	if (with the consent of the Panel, as applicable) Petrichor elects to implement the Acquisition by way of the Takeover Offer, the document to be sent to Egdon Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Takeover Offer;
<b>“Offer Period”</b>	the offer period (as defined in the Takeover Code) relating to Egdon commencing on 17 May 2023 and ending on the earlier of the Effective Date and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide);
<b>“Option”</b>	an option to acquire Egdon Shares pursuant to the Option Deeds;
<b>“Option Deeds”</b>	the option deeds entered into by the relevant employees and Egdon;
<b>“Overseas Shareholders”</b>	Scheme Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“Petrichor”</b>	Petrichor Partners, LP;
<b>“Petrichor Confidentiality Agreement”</b>	the confidentiality agreement entered into between Egdon and Petrichor in relation to the Acquisition dated 15 May 2023, a summary of which is set out in paragraph 13 of this announcement;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Regulatory Information Service”</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
<b>“Resolution”</b>	the resolution(s) to be proposed at the General Meeting necessary to approve and implement the Scheme, including, amongst other things, a resolution to amend the Articles by the adoption and inclusion of a new article under which any Egdon Shares issued or transferred after the

	Scheme Record Time (other than to Petrichor and/or its nominees) shall be automatically transferred to Petrichor (and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Egdon Shares so transferred or issued) on the same terms as the Acquisition (other than terms as to timings and formalities);
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Egdon Shareholders in that jurisdiction;
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between Egdon and Scheme Shareholders to implement the Acquisition;
<b>“Scheme Court Hearing”</b>	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act, including any adjournment thereof;
<b>“Scheme Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
<b>“Scheme Document”</b>	the document to be dispatched to Egdon Shareholders including the particulars required by section 897 of the Companies Act;
<b>“Scheme Record Time”</b>	the time and date specified as such in the Scheme Document, expected to be 6.00 pm on the Business Day immediately after the date of the Scheme Court Hearing, or such later time as Petrichor and Egdon may agree;
<b>“Scheme Shareholders”</b>	the holders of Scheme Shares;
<b>“Scheme Shares”</b>	<p>all Egdon Shares:</p> <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document;</li> <li>(b) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,</li> </ul> <p>but excluding any Excluded Shares;</p>
<b>“Spark ”</b>	SPARK Advisory Partners Limited;

<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel;
<b>“Takeover Offer”</b>	if (with the consent of the Panel, as applicable) Petrichor elects to implement the Acquisition by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Petrichor to acquire the entire issued and to be issued share capital of Egdon (other than those shares already owned by or on behalf of Petrichor) and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
<b>“Third Party”</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“US Exchange Act”</b>	the United States Securities Exchange Act 1934, as amended, and the rules and regulations promulgated thereunder;
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
<b>“Voting Record Time”</b>	the time and date specified as such in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined;
<b>“VSA Capital”</b>	VSA Capital Limited; and
<b>“Warrants”</b>	the warrants for the issue of Egdon Shares at 2.5 pence per Egdon Share as issued pursuant to a warrant instrument entered into by Egdon dated 10 August 2021 and the relevant warrant certificate.

All references to time in this announcement are to London time unless otherwise stated.

All references to “pounds”, “pounds Sterling”, “Sterling”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom.

A reference to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be construed accordingly.

For the purposes of this announcement, “subsidiary”, “subsidiary undertaking”, “undertaking” and “equity share capital” have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

References to the singular include the plural and vice versa.