

Date: 17 May 2023

Egdon Resources plc

as Egdon

Petrichor Partners, LP

as PPL

Co-operation Agreement

Contents

No	Heading	Pages
1.	Definitions and Interpretation	1
2.	Publication of the Announcement and the Terms Of The Acquisition	7
3.	Regulatory Clearances	7
4.	Scheme Document	10
5.	Implementation of the Acquisition	10
6.	Switching	11
7.	Directors and Officers Insurance	13
8.	Option and Warrant Proposals	13
9.	Termination	13
10.	Takeover Code	14
11.	Fees and Expenses	15
12.	Warranties	15
13.	Notices	15
14.	General	16
15.	Governing Law and Jurisdiction	18
	Schedule 1	19
	Form of Egdon Board Recommendation	19
	Schedule 2	20
	Share Scheme Proposals	20
	Schedule 3	22
	Announcement	22

THIS AGREEMENT is made the 17 day of May 2023

BETWEEN:

- (1) **EGDON RESOURCES PLC** a public limited company, (registered in England and Wales No. 06409716) whose registered office is at Blackstable House Longridge, Sheepscombe, Stroud, Gloucestershire, England, GL6 7QX ("**Egdon**"); and
- (2) **PETRICHOR PARTNERS, LP** registered in Delaware, USA with registered address at InCorp Services, Inc., 919 North Market Street, Suite 950, Wilmington, Delaware 19801, United States of America ("**PPL**").

BACKGROUND:

- (A) PPL proposes to announce immediately following execution of this Agreement a firm intention to make a recommended cash offer for the entire issued and to be issued ordinary share capital of Egdon (other than for shares already held by or on behalf of PPL) pursuant to Rule 2.7 of the Takeover Code, which will be made on the terms and subject to the conditions set out in the Announcement and this Agreement.
- (B) The parties intend to implement the Acquisition by means of the Scheme, although PPL reserves the right, subject to the terms of this Agreement and the Announcement, to implement the Acquisition by way of a Takeover Offer.
- (C) This Agreement sets out the parties' respective obligations relating to such matters.

IT IS AGREED:

1. Definitions and Interpretation

- 1.1 The following words and expressions where used in this Agreement have the meanings given to them below:

"Acceptance Condition" means the acceptance condition to any Takeover Offer;

"Acquisition" means the direct or indirect acquisition by PPL of the entire issued, and to be issued, ordinary share capital of Egdon, other than Excluded Shares;

"Acquisition Document" means:

- (a) if the Scheme is (or is to be) implemented, the Scheme Document; or
- (b) if a Takeover Offer is (or is to be) implemented, the Offer Document;

"Agreed Switch" has the meaning set out in Clause 6.1.1;

"AIM" means AIM, a market operated by the London Stock Exchange;

"AIM Rules" means the rules of AIM as set out in the "AIM Rules for Companies" issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;

"AIM Rules for Nominated Advisers" means the rules of AIM as set out in the "AIM Rules for Nominated Advisers" issued by the London Stock Exchange from time to time relating to Nominated Advisers;

"Announcement" means the announcement (including any appendices thereto) detailing the terms and conditions of the Acquisition to be made pursuant to Rule 2.7 of the Takeover Code, in substantially the form set out in Schedule 3;

"Applicable Law" means all applicable laws, regulations, the regulatory system (as defined in the Glossary to the FCA Handbook), the Takeover Code, the AIM Rules, the AIM Rules for Nominated Advisers, ordinances, directives, statutes, subordinate legislation, treaties, conventions and other agreements between states (or between states and the European Union or other supranational bodies), rules of common law, civil codes of any jurisdiction, and all other laws of, or having effect in, any jurisdiction from time to time and any judgment, order, decree, ruling, notice, instruction, decision or award of any court or competent authority (including any Relevant Authority) or tribunal and all codes of practice having force of law;

"Business Day" means a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;

"Clearances" means all approvals, consents, clearances, permissions, confirmations, comfort letters and waivers that are required to be obtained, all filings that are required to be made and waiting periods that may need to have expired, from or under the Applicable Law or practices in each case applied by any applicable Relevant Authority (or under any agreements or arrangements to which any Relevant Authority is a party), in each case that are necessary to satisfy one or more of the Regulatory Conditions;

"Companies Act" means the Companies Act 2006 (as amended from time to time);

"Competing Proposal" means any of:

- (a) an offer (including a partial, exchange or tender offer), merger, acquisition, dual-listed structure, scheme of arrangement, reverse takeover, whitewash transaction and/or business combination (or the announcement of a firm intention to do the same), the purpose of which is to acquire, directly or indirectly, 30 per cent, or more of the issued or to be issued ordinary share capital of Egdon (when aggregated with the shares already held by the acquirer and any person acting or deemed to be acting in concert with the acquirer) or any arrangement or series of arrangements which results in any party acquiring, consolidating or increasing 'control' (as defined in the Takeover Code) of Egdon;
- (b) the acquisition or disposal, directly or indirectly, of all or a significant proportion (being 30 per cent, or more) of the business, assets and/or undertakings of the Egdon Group calculated by reference to any of its revenue, profits or value taken as a whole;
- (c) a demerger, any material reorganisation and/or liquidation involving all or a significant proportion (being 30 per cent, or more) of the Egdon Group calculated by reference to any of its revenue, profits or value taken as a whole; or
- (d) any other transaction which would be alternative to, or inconsistent with, or would be reasonably likely materially to preclude, impede or delay or otherwise prejudice the implementation of the Acquisition (including, for the avoidance of doubt, any transaction or arrangement which would constitute a substantial transaction, reverse takeover or fundamental change of business for the purposes of the AIM Rules undertaken by a member of the Egdon Group),

in each case which is not effected by PPL (or a person acting in concert with PPL) or at PPL's direction, whether implemented in a single transaction or a series of transactions and whether conditional or otherwise;

"Conditions" means:

- (a) for so long as the Acquisition is being implemented by means of the Scheme, the conditions to the implementation of the Acquisition (including the Scheme) as set out in Appendix 1 to the Announcement and to be set out in the Acquisition Document, as may be amended by PPL with the consent of the Panel (and, for so long as the Scheme is subject to a unanimous and unqualified recommendation from the board of directors of Egdon, with the consent of Egdon); and
- (b) if and for so long as the Acquisition is being implemented by means of a Takeover Offer, the conditions referred to in (a) above, as amended by replacing the Scheme Conditions with the Acceptance Condition and as may be further amended by PPL with the consent of the Panel (and, for so long as the Scheme is subject to a unanimous and unqualified recommendation from the board of directors of Egdon, with the consent of Egdon);

and **"Condition"** shall be construed accordingly;

"Confidentiality Agreement" means both (i) the confidentiality agreement entered into between PPL and Egdon dated 7 March 2023 in respect of the Acquisition and (ii) the confidentiality agreement entered into between Egdon and PPL dated 15 May 2023 in respect of the Acquisition;

"Cost Coverage Letter" means the letter entered into between Egdon and PPL dated 11 May 2023 in relation to cost coverage arrangements;

"Court Meeting" means the meeting(s) of Scheme Shareholders to be convened at the direction of the Court pursuant to Part 26 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), and including any adjournment, postponement or reconvening thereof;

"Court Order" means the order of the Court sanctioning the Scheme under Part 26 of the Companies Act;

"Day 39" means the 21st day prior to Day 60;

"Day 60" means the 60th day after publication of the Offer Document (or such later date as is set in accordance with Rule 31.3 of the Takeover Code);

"Effective Date" means the date on which the Scheme becomes effective in accordance with its terms; or (b) if PPL elects to implement the Acquisition by way of a Takeover Offer, the date on which the Takeover Offer becomes or is declared unconditional in accordance with the requirements of the Takeover Code;

"Egdon Board" means the board of directors of Egdon from time to time;

"Egdon Board Adverse Recommendation Change" means any of:

- (a) (save where an Agreed Switch has occurred), Egdon announces, without PPL's prior written consent, a decision or intention of the Egdon Board to propose an adjournment of the Court Meeting or the Egdon General Meeting or Sanction Hearing to a date which is later than the latest date permitted by the Scheme Conditions, unless the adjournment results from a supplementary circular being required to be published in connection with the Scheme, and as a result, the Court Meeting and/or the Egdon General Meeting cannot be held by such date in compliance with the Takeover Code and any other Applicable Law;

- (b) (save where an Agreed Switch has occurred), the Court Meeting or the Egdon General Meeting or Sanction Hearing is adjourned without PPL's prior consent, in each case except where such adjournment is outside of Egdon's control; or
- (c) the Egdon Board withdraws the Egdon Board Recommendation; or
- (d) the Egdon Board, without PPL's prior written consent, adversely modifies or qualifies the Egdon Board Recommendation; or
- (e) the Egdon Board recommends a Competing Proposal; or
- (f) if, after the approval of the Scheme at the Court Meeting and/or the approval of the Resolutions at the Egdon General Meeting, the Egdon Board announce that they will not, or do not intend to, implement the Scheme (other than in the event of an Agreed Switch or as a result of a Condition becoming incapable of fulfilment or satisfaction).

"Egdon Board Recommendation" means a unanimous and unqualified recommendation from the Egdon Directors (acting in their role as directors of Egdon) to Egdon Shareholders in respect of the Acquisition:

- (a) in the terms set out in Schedule 1 to vote in favour of the Egdon Resolutions; or
- (b) if PPL elects to proceed with a Takeover Offer in accordance with the terms of this Agreement, to accept the Takeover Offer;

"Egdon Directors" means the directors of Egdon from time to time;

"Egdon General Meeting" means the general meeting of Egdon Shareholders to be convened in connection with the Scheme to consider and, if thought fit, to approve the Resolutions (with or without amendment), which is expected to be held as soon as the preceding Court Meeting shall have concluded or been adjourned, and including any adjournment, postponement or reconvening thereof;

"Egdon Group" means Egdon and its subsidiaries and subsidiary undertakings and where the context permits, each of them;

"Egdon Representative" has the meaning set out in Clause 12.3;

"Egdon Shareholders" means holders of Egdon Shares;

"Excluded Shares" means any Egdon Shares at the Scheme Record Time which (if any):

- (a) are owned or controlled by PPL; or
- (b) are held by Egdon as treasury shares (within the meaning of the Companies Act);

"FCA" means the Financial Conduct Authority of the United Kingdom or its successor from time to time, acting in its capacity as the competent authority for the purposes of Part VI of FSMA;

"FCA Handbook" means the FCA's Handbook of rules and guidance as amended from time to time;

"Latest Practicable Date" has the meaning given to it in the Announcement;

"London Stock Exchange" means London Stock Exchange Plc or its successor;

"Long Stop Date" means 31 December 2023 or such later date as Egdon and PPL may, with the consent of the Panel, agree and, if required, as the Court may approve;

"Offer Document" means an offer document published by or on behalf of PPL in connection with any Offer, including (as the context requires) any revised offer;

"Options" has the meaning given in Schedule 2 (Option and Warrant Proposals) of this Agreement;

"Panel" means the Panel on Takeovers and Mergers;

"PPL Group Directors" means [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED];

"PPL Group" means each of (i) PPL (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);

"Regulatory Conditions" means the conditions set out in paragraphs 3(a) to (c) (inclusive) of Part A of Appendix 1 to the Announcement;

"Regulatory Information Service" means a regulatory information service as defined in the FCA Handbook;

"Relevant Authority" means any governmental, quasi-governmental, supranational (including the European Union), statutory, regulatory or investigative body, authority or tribunal (including any national or supranational anti-trust, competition or merger control authority, any sectoral ministry or regulator and foreign investment review body), any national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any central bank, ministry, any entity owned or controlled by any entity described above, any private body exercising any regulatory, taxing, importing or other authority (including the London Stock Exchange in respect of Nominated Advisers), or any trade agency, association, institution or professional or environmental body in any jurisdiction;

"Remedies" means any conditions, measures, commitments, undertakings, remedies (including disposals (whether before or following completion of the Acquisition) and any pre-divestiture reorganisations by a party) or assurance (financial or otherwise) offered or required in connection with the obtaining of any Clearances and "Remedy" shall be construed accordingly;

"Resolutions" has the meaning given to it in the Announcement;

"Sanction Hearing" means the Court hearing to sanction the Scheme;

"Scheme" means the proposed scheme of arrangement pursuant to Part 26 of the Companies Act by means of which the Parties intend to implement the Acquisition, including any subsequent revision, modification, addition, condition or amendment either agreed upon between PPL and Egdon, or approved or imposed by the Court and agreed to on behalf of PPL and Egdon;

"Scheme Conditions" means the conditions referred to in paragraphs 2A and 2B of Part A of Appendix 1 to the Announcement;

"Scheme Document" means the circular relating to the Scheme to be dispatched to (among others) Egdon Shareholders, setting out, among other things, the full terms of and conditions to the implementation of the Scheme, as well as the Scheme itself and containing the notices convening the Court Meeting and the Egdon General Meeting, including any supplemental circular

or document required by Law or any Regulatory Authority to be published in connection with such circular;

"Scheme Shareholders" has the meaning given to it in the Announcement;

"Switch" has the meaning given in Clause 6.1;

"Takeover Code" or **"Code"** means the City Code on Takeovers and Mergers issued by the Panel, as amended from time to time;

"Takeover Offer" means a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act to be made by or on behalf of PPL to acquire the entire issued and to be issued share capital of Egdon on the terms and conditions to be set out in the Offer Document; and

"Warrants" has the meaning given in Schedule 2 (Option and Warrant Proposals) of this Agreement.

- 1.2 Unless the context requires otherwise, words and expressions defined in or having a meaning provided by the Companies Act shall have the same meaning in this Agreement.
- 1.3 Unless the context requires otherwise, references in this Agreement to:
 - 1.3.1 any of the masculine, feminine and neuter genders shall include other genders;
 - 1.3.2 the expressions "subsidiary" and "subsidiary undertaking" have the meanings given in the Companies Act;
 - 1.3.3 the expressions "acting in concert" and "concert parties" shall be construed in accordance with the Takeover Code;
 - 1.3.4 an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;
 - 1.3.5 the singular shall include the plural and vice versa;
 - 1.3.6 unless expressly provided otherwise in this agreement, a reference to writing or written excludes fax but not email;
 - 1.3.7 a "person" shall include a reference to any natural person, body corporate, unincorporated association, partnership and trust; and
 - 1.3.8 "Applicable Law" shall include statutes, statutory instruments, orders and regulations and directions made or issued under the same and shall be construed so as to include a reference to the same as it may have been, or may from time to time be, amended, modified, consolidated, re-enacted or replaced.
- 1.4 The headings in this Agreement are for convenience only and shall not affect its meaning. References to a Clause, Schedule or paragraph are (unless otherwise stated) to a Clause of or a Schedule to this Agreement or to a paragraph of the relevant Schedule. The Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement.

- 1.5 References to any time or date shall be construed as a reference to the time and date prevailing in England.

2. Publication of the Announcement and the Terms Of The Acquisition

- 2.1 The obligations of the parties under this Agreement (except for those under this Clause 1, Clause 2.1 and Clauses 9 to 15 (inclusive)) shall be conditional upon the release of the Announcement via a Regulatory Information Service at or before 7:30 a.m. on the date of this Agreement or such later date and time as the parties shall agree (with the consent of the Panel, where required). This Clause 2.1 and Clauses 9 to 15 (inclusive) shall take effect on and from execution of this Agreement.
- 2.2 The terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be agreed by the parties in writing (save in the case of an improvement to the terms of the Acquisition in favour of the Egdon Shareholders, which will be at the sole discretion of PPL and, where required by the Code, approved by the Panel) and, where required by the Takeover Code, approved by the Panel. The terms of the Acquisition at the date of publication of the Acquisition Document shall be set out in the Acquisition Document.

3. Regulatory Clearances

- 3.1 Except where otherwise required by Applicable Law or a Relevant Authority, PPL shall, after consultation with Egdon:
- 3.1.1 determine the strategy for obtaining the Clearances;
 - 3.1.2 promptly contact and correspond with the Relevant Authorities in relation to such Clearances (including preparing and submitting all necessary filings, notifications and submissions); and
 - 3.1.3 be responsible for the payment of all filing fees (if applicable) in connection with the Clearances.
- 3.2 PPL undertakes to Egdon:
- 3.2.1 to use all reasonable endeavours to secure the Clearances as soon as reasonably practicable and, in any event, seek to enable the Effective Date to occur prior to the Long Stop Date;
 - 3.2.2 to the extent permitted by Applicable Law and subject to the terms of the Acquisition and without prejudice to PPL's ability to invoke any of the Conditions (with the consent of the Panel) or its obligations under the Takeover Code, co-operate with Egdon and its advisers and to use all reasonable efforts to implement the Acquisition substantially in the form contemplated by the Announcement, together with such other terms as may be agreed by the parties in writing (save in the case of an improvement to the terms of the Acquisition in favour of the Scheme Shareholders, which will be at the sole discretion of PPL and, where required by the Takeover Code, approved by the Panel); and
- 3.3 Save to the extent prohibited by Applicable Law or a Relevant Authority, Egdon undertakes to PPL and PPL undertakes to Egdon:
- 3.3.1 to provide the other party, in a timely manner, with such information and assistance as may be reasonably required for:
 - (a) PPL to make any filings, notifications or submissions to the Relevant Authorities as may be necessary in connection with the obtaining of the Clearances, taking into account all applicable waiting periods;

- (b) PPL, Egdon, or PPL and Egdon jointly, as may be required to make any filings, notifications or submissions to the Relevant Authorities which are relevant or ancillary to the completion of the Acquisition; and
- (c) the identification, structuring and preparation of any Remedies; and
- (d) ensure that all information necessary:
 - (i) for the making of (or responding to any requests for further information consequent upon) any such filings, notifications, submissions (including draft versions); and
 - (ii) the identification, structuring and preparation of any Remedies,

is supplied as promptly as reasonably practicable upon request and in any event sufficiently far in advance of any deadline or due date imposed by Applicable Law;

- 3.3.2 to provide as soon as reasonably practicable, in consultation with PPL, such information and access to Egdon management and employees as PPL or any Relevant Authority may reasonably require in connection with any filing, notification or submission to any Relevant Authority for the purposes of obtaining the Clearances.

3.4 For the purposes of Clause 3.2:

- 3.4.1 the parties acknowledge that in certain circumstances disclosure by Egdon to PPL may nonetheless be prevented by obligations of confidentiality owed to third parties or by Applicable Law; and

3.4.2 the provision of information shall be subject to Clause 3.9.

3.5 Subject to Clause 3.1 and without prejudice to the generality of Clause 3.2.2, and except to the extent that it is prohibited to do so by Applicable Law:

- 3.5.1 PPL, or Egdon and PPL jointly, as may be required, will submit a filing, notification or submission (as required) to each Relevant Authority as soon as is reasonably practicable after the signing of this Agreement and in any event within any applicable mandatory time periods where it is necessary or expedient to do so to obtain the Clearances;

3.5.2 each party shall provide such cooperation as is reasonably required by the other in connection with the preparation of all such filings, notifications or submissions (as required) referred to in Clause 3.5.1 and in relation to the preparation of any other submissions, material correspondence or material communications to any Relevant Authority in connection with the Clearances (including at pre notification stage);

3.5.3 each party shall provide, or procure the provision of, draft copies of all filings, submissions, material correspondence and material communications intended to be sent or communicated to any Relevant Authority in relation to obtaining any Clearances (including at pre notification stage) to the other party and its legal advisers at such time as will allow the receiving parties a reasonable opportunity to provide comments on such filings, submissions, correspondence and communications before they are submitted, sent or made and each party shall provide the other party with copies of all such filings, submissions, material correspondence and material communications in the form finally submitted or sent;

3.5.4 each party shall have regard in good faith to comments made in a timely manner by the other party on draft copies of filings, submissions, material correspondence and material communications

provided pursuant to Clause 3.5.4 and shall provide such supporting documentation as the other party reasonably requires;

- 3.5.5 each party shall co-operate in any dealings with any Relevant Authority (including without prejudice to the generality of the foregoing where reasonably required, jointly attending meetings and conference calls) and deal with all requests and enquiries from any such Relevant Authority in consultation with the other party;
- 3.5.6 each party shall notify the other party, and provide copies (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications), in a timely manner of any material correspondence or material communication from any Relevant Authority in relation to obtaining any Clearance (including at pre notification stage);
- 3.5.7 each party shall keep the other party reasonably informed as to the progress of any notification submitted pursuant to Clause 3.5.1 and shall reasonably consider requests by the other party or its advisers: (a) to attend all meetings or material calls with any Relevant Authority or other persons or bodies (unless prohibited by the Relevant Authority, Applicable Law or other person or body) relating to obtaining any Clearance; and (b) to make reasonable oral submissions at such meetings or calls (provided that such oral submissions have been discussed in advance); and
- 3.5.8 where reasonably requested by a party, and insofar as permitted by the Relevant Authority, the other party shall make available appropriate representatives for meetings and calls with any Relevant Authority in connection with the obtaining of any Clearances (including at pre notification stage).
- 3.6 Each party undertakes to keep the other party informed promptly of:
 - 3.6.1 developments which are material or potentially material to the obtaining of a Clearance; and
 - 3.6.2 the satisfaction of the Regulatory Conditions.
- 3.7 If either party is, or becomes, aware of any matter which might reasonably be considered to be material in the context of the satisfaction (or waiver) of any of the Regulatory Conditions, that party will, as soon as reasonably practicable, make the substance of any such matter known to the other party and provide such details and further information as the other party may reasonably request.
- 3.8 Each party undertakes not to withdraw a filing, submission or notification made to any Relevant Authority pursuant to Clause 3.5.1 without the prior consent of the other party. Neither party shall take, or permit to be taken by affiliates, any action that could reasonably be expected to adversely affect the satisfaction of any of the Regulatory Conditions.
- 3.9 If a provision of this Agreement obliges the parties to disclose any information to the other:
 - 3.9.1 that is personally identifiable information of any natural person, unless that information can reasonably be anonymised (in which case the disclosing party shall provide the relevant information on an anonymised basis);
 - 3.9.2 which the disclosing party reasonably considers to be commercially or competitively sensitive;
 - 3.9.3 which the disclosing party is prohibited from disclosing by Applicable Law or the terms of an existing contract; or
 - 3.9.4 where such disclosure would result in the loss of privilege that subsists in relation to such information (including legal professional privilege),

the disclosing party shall disclose the relevant information to the other party: (a) as the disclosing party and the other party may otherwise agree; or (b) only to the external legal counsel for the other party.

- 3.10 Notwithstanding any other provision of this Agreement to the contrary, nothing contained in this Agreement shall require a party or any of its concert parties to take, or cause to be taken, any action with respect to the divestiture of any assets, properties or businesses of the Egdon Group, or any combination thereof, that is not conditional on completion of the Acquisition, except as otherwise agreed by the parties.

4. Scheme Document

- 4.1 Where the Acquisition is implemented by way of the Scheme, subject to Clause 3.9, PPL agrees to:

- (a) as soon as reasonably practicable provide to Egdon all such information about itself, its directors and the PPL Group as may reasonably be requested and/or which is required by Egdon (having regard to the Takeover Code and other Applicable Law) for inclusion in the Scheme Document (including any information required under the Takeover Code or other Applicable Law regarding the intentions of PPL);
- (b) as soon as reasonably practicable provide Egdon with all such other assistance and access as may reasonably be required in connection with the preparation and verification of the Scheme Document (and any other document required under the Takeover Code or by other Applicable Law to be published in connection with the Scheme), including access to, and ensuring the provision of reasonable assistance by, PPL's relevant professional advisers; and
- (c) procure that the PPL Group Directors accept responsibility, in the terms required by the Takeover Code, for all the information in the Scheme Document relating to themselves (and their close relatives (as defined in the Takeover Code), related trusts and companies and persons connected with them), the PPL Group, and any statements of opinion, belief or expectation of the PPL Group Directors in relation to the Acquisition or Egdon or the enlarged PPL Group following the Effective Date and any other information in the Scheme Document for which an offeror is required to accept responsibility under the Takeover Code.

5. Implementation of the Acquisition

- 5.1 If the PPL Group Directors become aware of any fact, matter or circumstance that is likely, after the issue of the Scheme Document, to significantly change the scheme timetable, or which the PPL Group Directors reasonably considers would entitle it to invoke (and, applying the test set out in Rule 13.5 of the Takeover Code, the Panel would permit it to so invoke) any of the Conditions, PPL shall (subject to Applicable Law) inform Egdon providing reasonable details as soon as is reasonably practicable.

- 5.2 Where the Acquisition is being implemented by way of the Scheme:

- 5.2.1 PPL undertakes that, by no later than 11.59 p.m. on the Business Day immediately preceding the Sanction Hearing, it shall deliver a notice in writing to Egdon either:

- (a) confirming the satisfaction or waiver of all Conditions (other than the Scheme Conditions); or

- (b) confirming its intention to invoke one or more Conditions (if permitted by the Panel) and providing reasonable details of the event which has occurred, or circumstances which have arisen, which PPL reasonably considers entitles it to invoke the Condition (and, in the case of any Condition to which Rule 13.5 of the Code applies, setting out why PPL considers such event or circumstance to be sufficiently material for the Panel to permit it to invoke such Condition for the purposes of Rule 13.5);

5.2.2 where PPL confirms the satisfaction or waiver of all Conditions (other than the Scheme Conditions) in accordance with Clause 5.2.1(a):

- (a) PPL agrees that Egdon shall be permitted to take the necessary steps to procure that the Sanction Hearing is duly held as soon as reasonably practicable thereafter (having regard to the proposed timetable agreed between the parties and included in the Scheme Document or in any subsequent agreed announcement regarding the implementation of the Acquisition); and
- (b) PPL hereby agrees to be bound by the Scheme and to instruct counsel to agree on its behalf at the Sanction Hearing to sanction the Scheme to undertake to be bound thereby.

6. Switching

6.1 The parties currently intend to implement the Acquisition by way of a Scheme. However, PPL shall be entitled, with the consent of the Panel, to implement the Acquisition by way of a Takeover Offer rather than the Scheme (such election being a "Switch") if:

6.1.1 Egdon gives prior written consent to the Switch (an "Agreed Switch"), in which case Clause 6.2 and Clause 6.3 shall apply;

6.1.2 a Competing Proposal is announced by a third party (or an announcement in respect of a Competing Proposal is made by the Panel); or

6.1.3 a Egdon Board Adverse Recommendation Change occurs.

6.2 In the event of any Agreed Switch, unless otherwise agreed between Egdon and PPL or the Panel requires otherwise:

6.2.1 the Acceptance Condition shall be set at 90 per cent, of Egdon Shares to which the Takeover Offer relates (or such lesser percentage as may be agreed between Egdon and PPL in writing after, to the extent necessary, consultation with the Panel, subject in any case to the minimum acceptance condition set out in Rule 10 of the Takeover Code);

6.2.2 PPL shall consult with Egdon in a timely manner as to the form and content and timing of publication of any announcements (and the related form of acceptance) relating to the Agreed Switch and its implementation and any proposed changes to the timetable in relation to the implementation of the Agreed Switch;

6.2.3 PPL shall prepare the Offer Document and shall consult reasonably with Egdon in relation thereto and shall allow Egdon a reasonable opportunity to consider the draft Offer Document for review and comment, and shall consider in good faith comments proposed by Egdon and/or its legal advisers;

6.2.4 PPL agrees to seek Egdon's approval of the contents of the information on Egdon, or for which Egdon or the Egdon Directors are taking responsibility, contained in the Offer Document before it is published, and to afford Egdon a reasonable opportunity to consider such document in order to give its approval of such information;

- 6.2.5 if at any time following the publication of the Offer Document it is reasonably expected that any outstanding Condition is not likely to be satisfied or waived (if capable of waiver) prior to the last date permitted under Rule 31.1 of the Takeover Code, PPL shall, before the 30th day after the publication of the Offer Document (or such later day as Egdon may agree), consult with Egdon and the Panel as to whether the offer timetable should be suspended in accordance with Rule 31.4(a) or, if Day 39 has passed, Day 60 should be extended in accordance with Rule 31.3 of the Code (or, if applicable, further suspended or extended) and, if required by Egdon, shall request such suspension or extension to a date agreed with Egdon and the Panel, provided always that such date shall not be later than the Long Stop Date;
- 6.2.6 PPL shall not take any action which would cause the Takeover Offer not to proceed, to lapse or to be withdrawn, in each case for non-fulfilment of the Acceptance Condition, prior to the 60th day after publication of the Offer Document including, without limitation, by publishing an acceptance condition invocation notice under Rule 31.6 or specifying in the Offer Document an unconditional date which is earlier than Day 60, and PPL shall ensure that the Takeover Offer remains open for acceptances until such time;
- 6.2.7 if at any time following the publication of the Offer Document it is reasonably expected that any outstanding Regulatory Condition is not likely to be satisfied or waived (if capable of waiver) prior to the last date permitted under Rule 31.1 of the Takeover Code, PPL shall, before the 30th day after the publication of the Offer Document (or such later day as Egdon may agree), consult with Egdon and the Panel as to whether the offer timetable should be suspended in accordance with Rule 31.4(a) or, if Day 39 has passed, Day 60 should be extended in accordance with Rule 31.3 of the Takeover Code (or, if applicable, further suspended or extended) and, if required by Egdon, shall request such suspension or extension to a date agreed with Egdon and the Panel, provided always that such extended date (as, if applicable, it may be further extended) shall be no later than the Long Stop Date;
- 6.2.8 PPL shall not, without the prior written consent of Egdon (acting reasonably), make (or otherwise be treated by the Panel as having made) any acceleration statement (as defined in the Takeover Code) unless: (i) all of the Conditions (other than the Acceptance Condition) have been satisfied or waived (if capable of waiver); (ii) the acceleration statement (as defined in the Takeover Code) contains no right for PPL to set the statement aside (except with the prior written consent of Egdon and/or in the circumstances envisaged by Note 2 or 3 to Rule 31.5 of the Takeover Code); and (iii) PPL undertakes to Egdon not to take any action or step otherwise to set the acceleration statement aside (except where the right to do so is specifically reserved in accordance with the terms of clause 6.2.8(ii));
- 6.2.9 the Takeover Offer shall otherwise be made on the same terms and conditions as those set out in the Announcement and that the only conditions to the Takeover Offer shall be the Condition (subject to replacing the Scheme Conditions with the Acceptance Condition referred to in clause 6.2.1), subject to any modification or amendment to such terms and conditions as may be agreed to by Egdon and (if required) the Panel or which is necessary as a result of the switch from the Scheme to the Takeover Offer;
- 6.2.10 PPL shall keep Egdon informed, on a confidential basis on the next Business Day following receipt of a written request from Egdon, of the number of Egdon Shareholders that have validly returned their acceptance or withdrawal forms or incorrectly completed their acceptance or withdrawal forms, the identity of such shareholders and the number of Egdon Shares to which such forms relate.
- 6.3 In the event of any Agreed Switch:
- 6.3.1 the parties agree that all provisions of this Agreement shall continue to apply save as set out in this Clause 6; and

- 6.3.2 the parties agree that all provisions of this Agreement relating to the Scheme and its implementation shall apply to the Takeover Offer or its implementation mutatis mutandis.

7. Directors and Officers Insurance

- 7.1 To the extent such obligations are permitted by Applicable Law, for six years after the Effective Date, PPL shall procure that the members of the Egdon Group fulfil their respective obligations (if any) existing as at the date of this Agreement to indemnify their respective directors and officers of the members of the Egdon Group as at the date of this Agreement and to advance reasonable expenses to such directors and officers, in each case with respect to matters existing or occurring at or prior to the Effective Date.
- 7.2 PPL acknowledges that Egdon may, up to the Effective Date, purchase directors' and officers' liability insurance cover for both current and former directors and officers of Egdon, including directors and officers who retire or whose employment is terminated as a result of the Acquisition, for acts or omissions up to and including the Effective Date, in the form of run-off cover for a period of six years following the Effective Date.
- 7.3 Such insurance cover shall be with reputable insurers and provide cover, in terms of amount, aggregate limit and breadth, substantially equal to that provided under the Egdon directors' and officers' liability insurance as at the date of this Agreement.

8. Option and Warrant Proposals

The provisions of Schedule 2 (Options and Warrant Proposals) shall apply in respect of the Options and Warrants.

9. Termination

- 9.1 Subject to Clauses 9.2 and 9.3, this Agreement shall terminate with immediate effect and all rights and obligations of the parties under this Agreement shall cease immediately, as follows:
- 9.1.1 by the express written consent of the parties at any time prior to the Effective Date;
- 9.1.2 if the Announcement is not released by 5.30 p.m. on the date of this Agreement (unless, prior to that time, the parties have agreed another time in accordance with Clause 2.1);
- 9.1.3 by express written notice from PPL to Egdon if:
- (a) the Scheme Document (or Offer Document, as the case may be) and (if different) the document convening the Egdon General Meeting does not include the Egdon Board Recommendation, or Egdon makes an announcement prior to the publication of such document(s) that: (i) the Egdon Directors no longer intend to make such recommendation or intend adversely to modify or qualify such recommendation; (ii) where the Acquisition is being implemented by way of Scheme, it will not convene the Court Meeting or the Egdon General Meeting; or (iii) where the Acquisition is being implemented by way of Scheme, it intends not to post the Scheme Document or (if different) the document convening the Egdon General Meeting;
 - (b) 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 PPL's reasonable request to do so;
 - (c) the Scheme is not approved by the Scheme Shareholders at the Egdon General Meeting or the Court refuses to sanction the Scheme definitively;

- (d) the Acquisition is being implemented as a Scheme and the Egdon General Meeting or the Court Meeting is not held by the relevant dates set out in the Scheme Conditions or as otherwise agreed between the parties in writing; or
- 9.1.4 by express written notice from PPL to Egdon prior to the Long Stop Date stating that either:
- (a) any Condition which has not been waived is (or has become) incapable of satisfaction by the Long Stop Date and, notwithstanding that it has the right to waive any such Condition, PPL shall not do so; or
 - (b) any Condition which is incapable of waiver is not satisfied or becomes incapable of 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;
- 9.1.5 by express written notice by PPL to Egdon or Egdon to PPL, if a Competing Proposal completes, becomes effective or is declared or becomes unconditional;
- 9.1.6 if the Acquisition is, with the permission of the Panel, withdrawn or lapses in accordance with its terms prior to the Long Stop Date (other than where: (a) such lapse or withdrawal is as a result of the exercise of PPL's right to effect a Switch; or (b) it is otherwise to be followed within five Business Days by an announcement under Rule 2.7 of the Takeover Code made by PPL or a person acting in concert with PPL to implement the Acquisition by a different offer or scheme on substantially the same or improved terms); or
- 9.1.7 unless otherwise agreed by the parties in writing or required by the Panel, if the Effective Date has not occurred by the Long Stop Date; or
- 9.1.8 if the Effective Date occurs.
- 9.2 In the event of termination under Clause 9.1 above, the parties agree that this Agreement shall terminate without prejudice to any rights or liabilities that have accrued prior to such termination.
- 9.3 The following provisions shall survive termination of this Agreement:
- 9.3.1 Clauses 7- 8, Clause 11 to 15 (inclusive), and this Clause 9, and all related provisions of Clause 1.

10. Takeover Code

- 10.1 Nothing in this Agreement shall in any way limit the parties' obligations under the Takeover Code, and any uncontested rulings of the Panel as to the application of the Takeover Code in conflict with the terms of this Agreement shall take precedence over such terms of this Agreement.
- 10.2 The parties agree that, if the Panel determines that any provision of this Agreement that requires Egdon to take or not to take any action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Takeover Code, that provision shall have no effect and shall be disregarded.
- 10.3 Nothing in this Agreement shall oblige Egdon or the Egdon Directors to recommend a Takeover Offer or Scheme proposed by PPL or any member of the PPL Group.

- 10.4 Without prejudice to the parties' warranties under Clause 12, nothing in this Agreement shall be taken to restrict the directors of any member of PPL Group or Egdon Group from complying with Applicable Law.

11. Fees and Expenses

Except as otherwise provided in this Agreement and the Cost Coverage Letter, each party shall pay its own costs and expenses incurred in connection with the preparation, negotiation and completion or termination of this Agreement or otherwise in connection with the Acquisition.

12. Warranties

- 12.1 Each party warrants to the other that:

- 12.1.1 it has full power and authority to enter into and perform the obligations expressed to be assumed by it under this Agreement;

- 12.1.2 this Agreement constitutes legal, valid and binding obligations enforceable in accordance with its terms; and

- 12.1.3 the execution and delivery of, and performance of its obligations under, this Agreement will not;

(a) result in any breach of any provision of its constitutional documents; or

(b) result in a breach of, or constitute a default under, any instrument which is material in the context of the Acquisition to which it is a party or by which it is bound; or

(c) result in a breach of any Applicable Law, order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.

- 12.2 No party shall have any claim against any other party pursuant to Clause 12.1 for misrepresentation or breach of warranty after the Effective Date (without prejudice to any liability for fraud or fraudulent misrepresentation).

- 12.3 PPL acknowledges and agrees that any information and/or assistance provided by any of the Egdon Directors, officers, employees or advisers (each a "Egdon Representative") to it and/or any of the PPL Group or any of their respective directors, officers, employees or advisers, whether before, on or after the date of this Agreement: (i) pursuant to the obligations of Egdon or any member of the Egdon Group under or otherwise in connection with this Agreement; or (ii) in connection with the Acquisition shall in each case be given on the basis that the relevant Egdon Representative shall not incur any liability, whether in contract, tort (including negligence) or otherwise, in respect of any loss or damage that any of the PPL Group or any of their respective directors, officers, employees or advisers may suffer as a result of the provision of any such information and/or assistance (save, in each case for loss or damage resulting from the fraud or fraudulent misrepresentation of the relevant Egdon Representative).

13. Notices

Form of Notice

- 13.1 Any notice, approval or other communication to be given or made under or in connection with this Agreement (each a "Notice" for the purposes of this Clause) shall be in English, in writing and signed by or on behalf of the party giving it.

Method of service

- 13.2 Service of a Notice must be effected by one of the following methods:
- 13.2.1 by hand to the relevant address set out in Clause 13.4 and shall be deemed served upon delivery if delivered during a Business Day, or at the start of the next Business Day if delivered at any other time; or
 - 13.2.2 by prepaid first-class post to the relevant address set out in Clause 13.4 and shall be deemed served at the start of the second Business Day after the date of posting; or
 - 13.2.3 by email to the relevant email address set out in Clause 13.4 and shall be deemed served on the time of transmission.
- 13.3 In Clause 13.2 "during a Business Day" means any time between 9.30 a.m. and 5.30 p.m. on a Business Day based on the local time where the recipient of the Notice is located. References to "the start of a Business Day" and "the end of a Business Day" shall be construed accordingly.

Address for service

- 13.4 Notices shall be marked as follows:

- 13.4.1 Notices for Egdon shall be marked for the attention of:

Name: Mark Abbott

Address: Blackstable House Longridge, Sheepscombe, Stroud, Gloucestershire GL6 7QX

Email: [REDACTED]

- 13.4.2 Notices for PPL shall be marked for the attention of:

Name: [REDACTED]

Address: Fieldfisher LLP, Riverbank House 2 Swan Lane London EC4R 3TT

Email: [REDACTED]

Copies of Notices

- 13.5 Copies of all notices sent to Egdon shall also be sent or given to [REDACTED] and [REDACTED] at Norton Rose Fulbright LLP (emails: [REDACTED]; [REDACTED]). Copies of all notices sent to PPL shall also be sent or given to [REDACTED] email: [REDACTED]. Such copies shall be sent or given in accordance with one of the methods described in Clause 13.2. Failure to communicate such copies shall not invalidate such Notice.

Change of details

- 13.6 A party may change its address for service provided that the new address is within the United Kingdom and that it gives the other parties not less than five Business Days' prior notice in accordance with this Clause 13. Until the end of such notice period, service on either address shall remain effective.

14. General

Entire agreement

- 14.1 This Agreement (together with the Confidentiality Agreements and any documents referred to herein or required to be entered into pursuant to this Agreement) contains the entire agreement and understanding of the parties and supersedes all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter of this Agreement and any such document.
- 14.2 Except in the case of fraud, each party acknowledges that it is entering into this Agreement in reliance upon only this Agreement and that it is not relying upon any pre-contractual statement that is not set out in this Agreement.
- 14.3 Except in the case of fraud, no party shall have any right of action (including those in tort or arising under statute) against the other party arising out of or in connection with any pre-contractual statement, except to the extent that it is repeated in this Agreement.
- 14.4 For the purpose of this clauses 14.2 and 14.3, "**pre-contractual statement**" means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this Agreement made or given by any person at any time before the date of this Agreement.

Variations

- 14.5 No variation of this Agreement shall be effective unless made in writing signed by or on behalf of both parties and expressed to be such a variation.

Remedies and waivers

- 14.6 Without prejudice to any other rights and remedies which a party may have, each party acknowledges and agrees that any breach by a party of this Agreement could cause the other party injury for which damages may not be an adequate remedy. In the event of a breach or threatened breach by a party of any of the provisions of this Agreement, the other party shall be entitled to seek the remedies of injunction, specific performance and other equitable relief (and none of the parties shall contest the appropriateness or availability thereof) in any court of competent jurisdiction.
- 14.7 No failure or delay by either party or time or indulgence given in exercising any remedy or right under or in relation to this Agreement shall operate as a waiver of the same nor shall any single or partial exercise of any remedy or right preclude any further exercise of the same or the exercise of any other remedy or right.
- 14.8 No waiver by either party of any requirement of this Agreement, or of any remedy or right under this Agreement, shall have effect unless given in writing and signed by such party. No waiver of any particular breach of the provisions of this Agreement shall operate as a waiver of any repetition of such breach.

Assignment

- 14.9 No party shall be entitled to assign, transfer or create any trust in respect of the benefit or burden of any provision of this Agreement without the prior written consent of the other party.

Counterparts

- 14.10 This Agreement may be executed as two or more counterparts and execution by each of the parties of any one of such counterparts shall constitute due execution of this Agreement.

Further assurance

- 14.11 Each party shall, and shall use all reasonable endeavours to procure that any necessary third party shall, do and execute and perform all such further deeds, documents, assurances, acts and things as may reasonably be required to give effect to this Agreement.

Third party rights

- 14.12 Save as expressly provided in this Agreement, no provisions of this Agreement shall be enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any third party.
- 14.13 Clause 7 and Clause 12.3 (the “**Third Party Rights Provisions**”) are intended to confer benefits on and be enforceable by the third parties referred to therein (the “**Relevant Third Parties**”). The terms of this Agreement may be rescinded or varied at any time by the parties in accordance with Clause 14.5 without the consent of any third parties (including any Relevant Third Party), except for any variation or amendment of the applicable Third Party Rights Provision on or following the Effective Date, which shall require the consent of the affected Relevant Third Party.

15. Governing Law and Jurisdiction

- 15.1 This Agreement and the rights and obligations of the parties including all non-contractual obligations arising under or in connection with this Agreement shall be governed by and construed in accordance with the laws of England.
- 15.2 The parties irrevocably submit to the exclusive jurisdiction of the courts of England in respect of any claim, dispute or difference arising out of or in connection with this Agreement and/or any non-contractual obligation arising in connection with this Agreement.

This Agreement has been duly executed on the date first stated above.

Schedule 1

Form of Egdon Board 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 2.693 per cent. of Egdon's issued share capital on 16 May 2023 (being the last Business Day before the date of this announcement).

Schedule 2

Share Scheme Proposals

CO-OPERATION AGREEMENT

SCHEDULE 2

OPTION AND WARRANT PROPOSALS

The parties agree that the following arrangements will be implemented with respect to subsisting Options or Warrants under the Option Deeds, Warrant Instrument and Warrant Certificates.

1. DEFINITIONS

Egdon Shares means ordinary shares in the capital of Egdon;

Options means an option to acquire Egdon Shares pursuant to the Option Deeds;

Optionholders means the optionholders who have been granted Options pursuant to the Option Deeds;

Option Deeds means the option deeds entered into between the relevant employees and Egdon;

Warrant means a warrant issued to subscribe for Egdon Shares pursuant to the Warrant Instrument and Warrant Certificates.

Warrant Holders means the warrant holders who have been issued Warrants pursuant to the Warrant Instrument and Warrant Certificate.

Warrant Certificates means the warrant certificates executed by Egdon and issued to each warrant holder pursuant to the Warrant Instrument;

Warrant Instrument means the deed executed by Egdon governing the issue of Warrants.

2. OPERATION OF THE OPTIONS AND WARRANTS PRIOR TO THE EFFECTIVE DATE

- (a) Egdon confirms that as at 16 May 2023 there are 17,500,000 Egdon Shares subject to outstanding Options pursuant to the Option Deeds and 30,408,000 Egdon Shares subject to outstanding Warrants pursuant to the Warrant Instrument and Warrant Certificates.
- (b) PPL acknowledges and agrees that subject always to Rule 21.1 of the Code, prior to the Effective Date, the Egdon board of directors (the "**Egdon Board**") (and where appropriate the remuneration committee of the Egdon Board (the "**Egdon Remuneration Committee**")) may operate the Options and Warrants as they consider appropriate in accordance with the existing rules of the Option Deeds or Warrant Instrument (as applicable) and Egdon's normal practice. For the avoidance of doubt, operate means:
 - (i) determining the terms of and granting new options and issuing new warrants;
 - (ii) satisfying the vesting, exercise and release of Options and Warrants by issuing new Egdon Shares or procuring the transfer of Egdon Shares from treasury; and
 - (iii) determining the treatment of Options and Warrants held by Optionholders and employee Warrant Holders who cease employment prior to the Effective Date.

3. TREATMENT OF OPTIONS AND WARRANTS IN CONNECTION WITH THE ACQUISITION

- (a) PPL acknowledges and agrees that the Egdon Remuneration Committee may determine the treatment of outstanding Options and Warrants under the Option Deeds and Warrant Instrument in connection with the Acquisition in accordance with the rules of the Option Deed and Warrant Instrument (as applicable) subject to the terms of this Schedule.
- (b) PPL will make appropriate proposals to Optionholders and Warrant Holders in accordance with Rule 15 of the Code (the "**Proposals**"), based on the treatment set out at subparagraph (c) below. The parties intend that the Proposals will take the form of joint proposals from PPL and Egdon to Optionholders and Warrant Holders, prepared by Egdon and agreed with PPL.

- (c) The parties agree the following in respect of Options and Warrants:
- (i) Options
Options granted under the Option Deeds are outstanding in respect of 17,500,000 Egdon Shares. The Options are fully vested and currently exercisable. The relevant Option Deeds will be amended to provide that if the Options are not exercised in connection with the Acquisition, they will lapse on the Effective Date.
 - (ii) Warrants
Warrants issued under the Warrant Instrument and Warrant Certificates are outstanding in respect of 30,408,000 Egdon Shares. The Warrants are fully vested and currently exercisable. The Warrants lapse on 20 July 2023. Subject to consent of the Panel and the required consent of the Warrant Holders pursuant to the Warrant Instrument, PPL and Egdon have agreed that the duration of the Warrants may be extended so that they can be exercised shortly prior to completion of the Acquisition. If any Warrants are not so exercised, they will lapse on the Effective Date.

4. EMPLOYEE COMMUNICATIONS AND PARTICIPATION IN THE ACQUISITION

- (a) Egdon agrees it will arrange the delivery of the communications setting out the Proposals (which may be in electronic form) at the same time as, or as soon as reasonably practicable after, the posting of the Scheme document (or such later time as the parties and the Panel may agree).
- (b) The parties agree that the timetable for implementation of the Scheme will be fixed as far as possible to enable the vesting and exercise of the Options and Warrants in connection with the Scheme in sufficient time for the Egdon Shares to which Optionholders and Warrant Holders become entitled to be bound by the terms of the Scheme.
- (c) The parties agree that Egdon may amend the rules of any of the Option Deeds, Warrant Instrument and Warrant Certificates in relation to the time and process for the exercise of the Options and Warrants if, in the reasonable opinion of the Egdon Board or the Egdon Remuneration Committee, the amendments are necessary or desirable to facilitate the exercise of the Options and Warrants and acquisition of the resulting Egdon Shares under the terms of the Scheme.

5. GENERAL

- (a) The parties agree that Egdon intends to propose an amendment to Egdon's articles of association by the adoption and inclusion of a new article under which any Egdon Shares issued after the record date in respect of the Scheme shall be immediately transferred to PPL (or as it may direct) in exchange for the same consideration as is due to Egdon shareholders under the Scheme.

Schedule 3

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>Egdon Resources plc</p> <p>Mark Abbott (Managing Director)</p>	<p>+44 1256 702292</p>
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WH Ireland Limited (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.

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 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th 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, 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 and Petrichor's website at 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.

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 and Petrichor's website at 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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SPARK Advisory Partners Limited (financial adviser to Petrichor) Andrew Emmott/Neil Baldwin	+44 203 368 3550
WH Ireland Limited (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.

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 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th 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, 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 and Petrichor's website at 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 22nd 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 22nd 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 22nd 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%
TOTAL	14,648,773	2.693%

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%
TOTAL	62,733,333	11.53%

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:

“Acquisition”	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;
“AIM Rules”	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;
“AIM”	the market of that name operated by the London Stock Exchange;
“Articles”	the articles of association of Egdon from time to time;
“Business Day”	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;
“Cash Consideration”	the cash consideration payable by Petrichor in connection with the Acquisition, being 4.5 pence for each Egdon Share;
“Closing Price”	the closing middle market price of a Egdon Share as derived from the AIM appendix to the Daily Official List on any particular date;
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Conditions”	the conditions to the Acquisition, as set out in Appendix 1 and to be set out in the Scheme Document;
“Confidentiality Agreements”	the Egdon Confidentiality Agreement and the Petrichor Confidentiality Agreement;
“Cost Coverage Agreement”	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
“Court Meeting”	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;
“Court”	the High Court of Justice in England and Wales;
“CREST”	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;
“Daily Official List”	the daily official list of the London Stock Exchange;
“Dealing Disclosure”	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;
"Deferred Shares"	the deferred shares of £0.01 each in the capital of Egdon;
"Disclosed"	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);
“Effective Date”	the date on which the Acquisition becomes Effective;
“Effective”	<p>either:</p> <p>(a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or</p> <p>(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;</p>
“Egdon”	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;
“Egdon Confidentiality Agreement”	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;
“Egdon Directors”	the directors of Egdon as at the date of this announcement;
“Egdon Group”	Egdon and its subsidiaries and subsidiary undertakings from time to time;
“Egdon Share Plan”	Option Deeds pursuant to which the relevant employees acquire an Option;
“Egdon Shareholders”	the registered holders of Egdon Shares from time to time;
“Egdon Shares”	the ordinary shares of 1 pence each in the capital of Egdon from time to time;
“Excluded Shares”	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);
“FCA”	the Financial Conduct Authority;
“Forms of Proxy”	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document;
“FSMA”	the Financial Services and Markets Act 2000, as amended from time to time;
“General Meeting”	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;
“HEYCO Group”	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);

“London Stock Exchange”	London Stock Exchange plc;
“Long Stop Date”	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);
“Meetings”	the Court Meeting and the General Meeting;
“Offer Document”	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;
“Offer Period”	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);
“Option”	an option to acquire Egdon Shares pursuant to the Option Deeds;
“Option Deeds”	the option deeds entered into by the relevant employees and Egdon;
“Overseas Shareholders”	Scheme Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
“Panel”	the Panel on Takeovers and Mergers;
“Petrichor”	Petrichor Partners, LP;
“Petrichor Confidentiality Agreement”	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;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Regulatory Information Service”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
“Resolution”	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);
“Restricted Jurisdiction”	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;
“Scheme”	the proposed scheme of arrangement under Part 26 of the Companies Act between Egdon and Scheme Shareholders to implement the Acquisition;
“Scheme Court Hearing”	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act, including any adjournment thereof;
“Scheme Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
“Scheme Document”	the document to be dispatched to Egdon Shareholders including the particulars required by section 897 of the Companies Act;
“Scheme Record Time”	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;
“Scheme Shareholders”	the holders of Scheme Shares;
“Scheme Shares”	<p>all Egdon Shares:</p> <ul style="list-style-type: none"> (a) in issue at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and (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, <p>but excluding any Excluded Shares;</p>
“Spark ”	SPARK Advisory Partners Limited;

“Takeover Code”	the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel;
“Takeover Offer”	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;
“Third Party”	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;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“US Exchange Act”	the United States Securities Exchange Act 1934, as amended, and the rules and regulations promulgated thereunder;
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
“Voting Record Time”	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;
“VSA Capital”	VSA Capital Limited; and
“Warrants”	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.

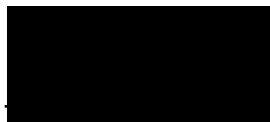
References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

References to the singular include the plural and vice versa.



EXECUTED as a **DEED** by **EGDON RESOURCES PLC** acting by two directors:

.....


Signature of director

.....


Signature of director

EXECUTED as a **DEED** by **PETRICHOR PARTNERS LP** acting by **HEYCO INTERNATIONAL, INC.**, general partner, acting by,  and , each directors:

.....

Director of HEYCO International, Inc., General Partner

.....

Director of HEYCO International, Inc., General Partner

EXECUTED as a **DEED** by **EGDON RESOURCES PLC** acting by two directors:

.....
Signature of director

.....
Signature of director

EXECUTED as a **DEED** by **PETRICHOR PARTNERS LP** acting by **HEYCO INTERNATIONAL, INC.**, general partner, acting by [REDACTED] and [REDACTED], each directors:

[REDACTED]
.....
Director of HEYCO International, Inc., General Partner

[REDACTED]
.....
Director of HEYCO International, Inc., General Partner