

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU No. 596/2014) ("MAR"). THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

7.00 am on 10 May 2019

Angus Energy Plc

("Angus Energy" or the "Company")

Circular published in connection with an Open Offer to Shareholders

Angus Energy is pleased to announce that, further to its commitment given to Shareholders in announcing a proposed Fundraise on 30 April 2019, it has now published the Circular in connection with an Open Offer to existing Shareholders of up to 10,761,858 new Ordinary Shares at a price of 4.25 pence per share (the "Circular"). This represents to each Shareholder the right to purchase 1 share for every 50 shares held at the Record Date. This will be the first offer to all Shareholders since the shares of the Company were first admitted to the AIM in November 2016. Extracts from the Circular, including a Timetable and Offering Statistics, are set out at the end of this announcement. The Circular will be posted to Shareholders today and copies are available on the Company's website www.angusenergy.co.uk.

George Lucan, Managing Director, writes:

"There is never a good time to go to shareholders for cash, but we come to them now with a new and well composed Board, a clean financial sheet, a definitive and well communicated timetable of actions and an opportunity which the Board believes will, if and when completed, bring shareholders considerable value.

Going forward, it is the view of the Board that, wherever timing is appropriate and appetite is likely to match needs, existing Shareholders should be given reasonable opportunity to participate in the equity offerings of this Company."

END.

Enquiries:

Angus Energy Plc

George Lucan

Beaumont Cornish (Nomad)

James Biddle/ Roland Cornish

WH Ireland Limited (Broker)

Katy Mitchell/ Harry Ansell

Yellow Jersey

Tim Thompson

Henry Wilkinson

www.angusenergy.co.uk

Tel: +44 (0) 208 899 6380

www.beaumontcornish.com

Tel: +44 (0) 207 628 3396

Tel: +44 (0) 113 394 6600

angus@yellowjerseypr.com

Tel: +44 (0) 203 004 9512

Notes

About Angus Energy plc. Angus Energy plc. is a UK AIM quoted independent onshore oil and gas production and development company focused on leveraging its expertise to advance its portfolio of UK assets as well as acquire, manage and monetise select projects. Angus Energy majority owns and operates conventional oil production fields at Brockham (PL 235) and Lidsey (PL 241) and has a 25% interest in the Balcombe Licence (PEDL244) and a 12.5% interest in the Holmwood licence (PEDL143).

Extracts from the Open Offer Circular:

All terms are as defined in the Circular.

Dear Shareholder

Open Offer of up to 10,761,858 Open Offer Shares at 4.25 pence per share

1. Introduction

The Company announced, on 30 April 2019, the launch date and successful completion of a placing through the Company's brokers (the "**Placing**"). A total of 70,824,700 Ordinary Shares ("**Placing Shares**") were placed at a placing price of 4.25 pence per placing share, being equal to the Offer Price, raising gross proceeds of £3,010,050. Admission of the Placing Shares to trading on AIM took place on 8 May 2019. Following the Company's announcement on 30 April, the Company is now proposing to raise additional funds of up to approximately £457,000 by way of an Open Offer which will be available to all Qualifying Shareholders on the Record Date.

Pursuant to the Open Offer, the Company will offer Open Offer Shares to Qualifying Shareholders at an offer price of 4.25 pence per Open Offer Share. The Offer Price is the same price at which the Placing Shares were placed pursuant to the Placing. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will occur on or around 30 May 2019.

The purpose of this document is therefore to set out the details of, and reasons for, the Open Offer and to explain why the Directors believe that the Open Offer is in the best interests of the Company and its Shareholders as a whole.

Your attention is drawn to paragraph 4 of Part 2 of this document which sets out the actions to be taken by Qualifying Shareholders seeking to participate in the Open Offer; and the Risk Factors set out in Part 3 of this document.

2. Background to and reasons for the Open Offer and use of proceeds

On 30 April 2019, the Company announced the launch, and successful completion, of the Placing, and its intention to launch the Open Offer set out in this document by 10 May 2019 (the Placing and Open Offer together being the "**Fundraising**").

The funds to be raised pursuant to the Fundraising are to be applied, after provision for general working capital, approximately equally to support ongoing works at the Company's Brockham asset, forthcoming works at the Company's Balcombe asset, a seismic overview of the Company's Lidsey asset and to fund the exploration of potential acquisition opportunities.

The Directors consider the proceeds of the Open Offer to comprise a material contribution to the Fundraising as a whole.

Potential Acquisition

The principal acquisition over which the Company is currently performing due diligence, and for which outline commercial terms have been agreed, is the acquisition of a 51% interest in a licence and operatorship of an existing UK onshore gas field (the "**Proposed Acquisition**"). Whilst there can be no guarantee that the Proposed Acquisition will complete, and it is still subject, amongst other things, to due diligence, regulatory consents, legal opinion and execution of legally binding agreements, the Proposed Acquisition cost under discussion is £1.00.

The asset which is the underlying subject of the Proposed Acquisition (the "**Gas Field**"), has been in production on and off for 20 years and has 8 surface wells already drilled with 7 completed and ready for production. Historical records indicate that 67 billion cubic feet of dry gas (and 1.1 million barrels of condensate) have been produced during the 20 year period which, records suggest, represents 60 per cent. of gas in place. The Company's internal estimates, which have not been independently verified but are based on generally accepted industry methodology, suggest that recovery of between 70 per cent. and 80 per cent. is achievable.

Under the currently discussed terms, the Proposed Acquisition licence would also bring with it a cash contribution toward eventual abandonment costs. The Directors believe, taking into account site visits and discussions with abandonment operators and extrapolating from abandonment quotes on the Company's existing wells, this contribution will cover the Company's 51 per cent. share of abandonment costs on the Gas Field. Alternatively, but not additionally, the same cash contribution will, in the opinion of the Directors but without external verification, suffice to pay for the reconnection costs of the Gas Field to the National Gas Grid. This, plus anticipated additional work on the Gas Field, is currently anticipated to cost a total of £1.7million.

The Directors understand that the Gas Field ceased production in 2017 as a consequence of the closure of a nearby refinery terminal presently scheduled for demolition. The Directors believe that, with a short pipeline extension and new dewpoint control and compressor equipment (which could be funded with the monies from the Fundraising), reconnection to the nearby National Transmission Grid can be effected, notwithstanding the terminal's closure, and that reconnection together with positive cash flow could be achievable in approximately 12 months and without further cash calls on shareholders.

Whilst discussions around the Proposed Acquisition are at an advanced stage, there can, as set out above, be no guarantee that it will progress to completion. Further updates will be provided by the Company as appropriate.

3. Current trading and prospects

The Company, as announced on 26 February 2019, has already outlined its principal working plan for the year ahead at the Company's sites at Brockham, Balcombe and Lidsey. Operations at Brockham are ongoing and remain chiefly in line with a schedule of works outlined and announced on 3 April 2019. Work to isolate the water, reperforate and recomplete the well was completed as scheduled on 7 May 2019. The Company will continue to update investors regularly and in detail as it progresses work at Brockham.

4. Details of the Open Offer

Principal terms of the Open Offer

The Board considers it important that Qualifying Shareholders have the opportunity to participate in the Fundraising on the same terms as those who participated in the Placing, and the Directors have concluded that the Open Offer is the most suitable option available to the Company and its Shareholders. Whilst the size of the Open Offer is marginally less than indicated in the Company's announcement of 30 April 2019, it was felt that the 1 for 50 ratio now proposed is more easily administrated whilst still allowing Qualifying Shareholders the opportunity to invest in the Company.

The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the Fundraising by both subscribing for their respective Basic Entitlements and by subscribing for Excess Shares under the Excess Application Facility, subject to availability.

Pursuant to the Open Offer, Qualifying Shareholders will be given the opportunity to subscribe for

1 Open Offer Shares for every 50 Existing Ordinary Share

held on the Record Date.

The Open Offer will raise gross proceeds of up to approximately £457,000, assuming full take-up.

The Offer Price is equal to the price at which the Placing Shares were placed pursuant to the Placing, as approved by the Company on 30 April 2019.

Basic Entitlement

Qualifying Shareholders are invited, on and subject to the terms and conditions of the Open Offer, to apply for any number of Open Offer Shares (subject to the limit on the number of Excess Shares that can be applied for using the Excess Application Facility) at the Offer Price. Qualifying Shareholders have a Basic Entitlement of:

1 Open Offer Shares for every 50 Existing Ordinary Share

registered in the name of the relevant Qualifying Shareholder on the Record Date.

Basic Entitlements under the Open Offer will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be disregarded in calculating Basic Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer will not exceed 10,761,858 Open Offer Shares.

Allocations under the Open Offer

In the event that valid acceptances are not received in respect of all of the Open Offer Shares under the Open Offer, unallocated Open Offer Shares will be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility. If the applications for Open Offer Shares exceed 10,761,858 Open Offer Shares then applications will be scaled down at the Directors' absolute discretion.

Excess Application Facility

Subject to availability and assuming that Qualifying Shareholders have accepted their Basic Entitlement in full, the Excess Application Facility enables Qualifying Shareholders to apply for any whole number of Excess Shares in addition to their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder's Basic Entitlement.

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

Qualifying Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete the relevant sections on the Application Form and should refer to paragraph 4.1(c) of Part 2 of this document for further information. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2(b) of Part 2 of this document for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Excess Applications may be allocated in such manner as the Directors (in consultation with Beaumont Cornish) determine, in their absolute discretion, and no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full or, in part, or at all.

Application procedure under the Open Offer

Qualifying Shareholders may apply for any whole number of Open Offer Shares subject to the limit on applications under the Excess Application Facility referred to above. The Basic Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Existing Ordinary Shares held by a Qualifying Shareholder multiplied by 0.02 (and in the case of fractional entitlements to shares, rounded down) or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

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

Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlement and also in respect of their Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 13 May 2019.

Application will be made for the Basic Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST. The Basic Entitlements and Excess CREST Open Offer Entitlements will also be enabled for settlement in CREST as soon as practicable after 8.00 a.m. on 13 May 2019. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that their Application Form is not a negotiable document and cannot be traded.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part 2 of this document and, where relevant, on the Application Form.

Conditionality

The Open Offer is conditional upon admission of the Open Offer Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 30 May 2019 (or such later time and/or date (not being later than 7 June 2019) as Beaumont Cornish and the Company may agree).

If the condition set out above is not satisfied the Open Offer will lapse and any Basic Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will, after that time and date, be disabled and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

Application for Admission

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 30 May 2019 (or such later time and/or date as may be determined by the Company and Beaumont Cornish being no later than 8.00 a.m. on 7 July 2019). No temporary documents of title will be issued.

The Open Offer Shares will, following Admission, rank pari passu in all respects with the Existing Ordinary Shares in issue at the date of this document and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

Important notice

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Open Offer Shares not applied for by Qualifying Shareholders under their Basic Entitlements (including those Open Offer Shares that Excluded Overseas Shareholders could otherwise apply for) will not be sold in the market on behalf of, or placed for the benefit of, Qualifying Shareholders who do not apply under the Open Offer, but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility, and that the net proceeds will be retained for the benefit of the Company.

Qualifying Shareholders are being invited to participate in the Open Offer and (subject to certain exceptions) will have received an Application Form with this document.

In issuing this document and structuring the Open Offer in this manner, the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA and on paragraph 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended).

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to the date on which the shares are marked "ex-entitlement" is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchasers under the rules of the London Stock Exchange.

5. Effect of the Open Offer

Upon completion of the Open Offer, the Open Offer Shares will represent approximately 1.96 per cent. of the Enlarged Share Capital (assuming the Open Offer is subscribed in full).

6. Action to be taken in respect of the Open Offer

Qualifying Non-CREST Shareholders (i.e. holders of Existing Ordinary Shares who hold their Existing Ordinary Shares in certificated form)

If you are a Qualifying Non-CREST Shareholder you will receive an Application Form. If you wish to apply for Open Offer Shares or any Excess Shares, you should complete the Application Form in accordance with the procedure for application set out in paragraph 4.1 of Part 2 of this document and on the Application Form itself.

Qualifying Non-CREST Shareholders who wish to subscribe for more than their Basic Entitlement should complete Boxes 4 to 7 (inclusive) on the Application Form. Completed Application Forms, accompanied by full payment in accordance with the instructions in paragraph 4.1 of Part 2 of this document, should be by post or by hand (during normal business hours only) to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, in either case, as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 28 May 2019. If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form.

Qualifying CREST Shareholders (i.e. holders of Existing Ordinary Shares who hold their Existing Ordinary Shares in uncertificated form)

If you are a Qualifying CREST Shareholder you will not be sent an Application Form. You will receive a credit to your appropriate stock account in CREST in respect of your Basic Entitlement under the Open Offer and your Excess CREST Open Offer Entitlement. You should refer to the procedure for application set out in paragraph 4.2 of Part 2 of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 4.2 of Part 2 of this document by no later than 11.00 a.m. on 28 May 2019.

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

If you are in any doubt as to the action you should take, you should immediately seek your own personal financial advice from an appropriately qualified independent professional adviser.

7. Open Offer - Overseas Shareholders

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are holding Existing Ordinary Shares for the benefit of such persons (including, without limitation, subject to certain exceptions, custodians, nominees, trustees and agents), or who have a contractual or other legal obligation to forward this document, and (if applicable) Application Form to such persons, is drawn to the information which appears in paragraph 4 of Part 2 of this document.

In particular, Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK (including, without limitation, the United States or any other Restricted Jurisdiction) should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlements to the Open Offer.

8. Taxation

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlement to participate in the Open Offer	6.00 p.m. on 9 May 2019
Announcement of the Open Offer 2019	10 May
Dispatch of the document, and, to certain Qualifying Non-CREST Shareholders, the Application Form	10 May 2019
Expected ex-entitlement date for the Open Offer	8.00 a.m. on 10 May 2019
Basic Entitlements and Excess CREST Open Offer Entitlements credited to CREST stock accounts of Qualifying CREST Shareholders	13 May 2019
Recommended latest time and date for requesting withdrawal of 2019	4.30 p.m. on 20 May
Basic Entitlements and Excess CREST Open Offer Entitlements	
Latest time for depositing Basic Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 21 May 2019
Latest time and date for splitting Application Forms (to satisfy bona fide market claims only)	3.00 p.m. on 23 May 2019
Latest time and date for receipt of completed Application 2019	11.00 a.m. on 28 May
Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	
Result of Open Offer announced	29 May 2019
Admission of the Open Offer Shares to trading on AIM	8.00 a.m. on 30 May 2019
Open Offer Shares in uncertificated form expected to be credited to accounts in CREST (uncertificated holders only)	As soon as practicable after 8.00 a.m. on 30 May 2019
Expected date of dispatch of definitive share certificates for the Open Offer Shares in certificated form (certificated holders only)	by 11 June 2019

Notes:

- (1) The ability to participate in the Open Offer is subject to certain restrictions relating to Qualifying Shareholders with registered addresses or who are located or resident in countries outside the UK (particularly the Excluded Overseas Shareholders), details of which are set out in paragraph 6 of Part 2 of this document. Subject to certain exceptions, Application Forms will not be despatched to, and neither Basic Entitlements or Excess CREST Open Offer Entitlements will be credited to the stock accounts in CREST of, Shareholders with registered addresses in any of the Restricted Jurisdictions.
- (2) Each of the times and dates set out in the above timetable and mentioned in this document is subject to change by the Company, in which event details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement to a Regulatory Information Service.
- (3) References to times in this document are to London times unless otherwise stated.

- (4) Different deadlines and procedures for applications may apply in certain cases. For example, if you hold your Ordinary Shares through a CREST member or other nominee, that person may set an earlier date for application and payment than the dates noted above.

OPEN OFFER STATISTICS

Offer Price per Open Offer Share	4.25 pence
Entitlement of Qualifying Shareholders under the Open Offer for every 50 Existing Ordinary Shares	1 Open Offer Share
Number of Existing Ordinary Shares	538,092,932
Maximum number of Open Offer Shares to be issued by the Company pursuant to the Open Offer	10,761,858
Maximum gross proceeds of the Open offer	£457,379
Number of Ordinary Shares in issue immediately following completion of the Open Offer	548,854,790
Open Offer Shares as a percentage of the Enlarged Share Capital	1.96
Open Offer Basic Entitlement SIN	GB00BK6RY571
Open Offer Excess Entitlement ISIN	GB00BK6RYK23