

THIS ANNOUNCEMENT IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE TAKEOVER CODE AND THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE, NOR AS TO THE TERMS ON WHICH ANY OFFER MIGHT BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("MAR"), AND IS DISCLOSED IN ACCORDANCE WITH THE COMPANY'S OBLIGATIONS UNDER ARTICLE 17 OF MAR.

17 January 2022

Angus Energy Plc

("Angus Energy", "Angus" or the "Company")

Strategic Review, Formal Sale Process ("FSP") Update

The Company is pleased to announce that it has had at least six bona fide approaches to participate in the FSP and/or other indications of interest in a potential offer for either all of the shares of the Company or the Company's licence interest in the Saltfleetby Gas Field ("Parties"). In accordance with the Company's announcement of 6 January, the Company considers it inappropriate to identify the Parties but the Company will engage with and evaluate each expression of interest until a firm proposal can be agreed and announced.

Angus is not a large and complicated group and the Company does not envisage an extended period of time will be necessary for the Parties to complete due diligence, other than that involved in familiarising themselves with the documentation details of the £12m Saltfleetby Gas Field Development Loan Facility (the "Loan") and associated security arrangements and gas sales hedge ("Hedge").

Consideration of the capital structure of any combination will be of critical importance not just to shareholders, in the instance of a share for share offer, but also to the Loan and Hedge counterparties, each of whom benefit from change of control provisions. Such provisions require the consent of those counterparties to any change of control if the Loan is not to be immediately refinanced and/or the Hedge accelerated.

Additionally, regulatory guidance, newly restated on 13 January 2022 by the Oil and Gas Authority ("OGA"), lays emphasis on evaluation of the financial resources available to the combined group and interested parties, whether for the Company or its Licence interests, are strongly advised to consult the OGA on this point.

George Lucan, CEO, commented:

"We are pleased with the expressed level of interest in the Company or in its principal asset, and will proceed with our formal sales process with due professionalism, expediency and confidentiality to achieve the best possible result for all of Angus' shareholders."

Formal Sale Process ("FSP")

Any interested party will be required to enter into a non-disclosure agreement with the Company on terms satisfactory to the Board. The Company then intends to provide such interested parties with certain information on the business, following which interested parties will be invited to submit their proposals to Beaumont Cornish Limited.

Further announcements regarding timings and procedures for the FSP will be made as appropriate.

The Board reserves the right to alter any aspect of the process or to terminate it at any time and will make further announcements as appropriate.

The Board also reserves the right to reject any approach or terminate discussions with any interested party or participant at any time.

The Takeover Panel has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Takeover Code such that any interested party participating in the formal sale process will not be required to be publicly identified as a result of this announcement (subject to Note 3 to Rule 2.2 of the Takeover Code) and will not be subject to the 28 day deadline referred to in Rule 2.6(a), for so long as it is participating in the formal sale process. Interested parties should note Rule 21.2 of the Takeover Code, which will prohibit any form of inducement fee or other offer-related arrangement, and that the Company, although it may do so in the future, has not at this stage requested any dispensation from this prohibition under Note 2 of Rule 21.2. Following this announcement, the Company is now considered to be in an "offer period" as defined in the Takeover Code, and the dealing disclosure requirements summarised below will apply.

This announcement is not an announcement of a firm intention by any party to make an offer under Rule 2.7 of the Takeover Code and there can be no certainty that an offer will be made, nor as to the terms on which any offer will be made.

END.

Enquiries:

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Notes**About Angus Energy plc**

Angus Energy plc is a UK AIM quoted independent onshore Energy Transition company with a complementary portfolio of clean gas development assets, onshore geothermal projects, and legacy oil producing fields. Angus is focused on becoming a leading onshore UK diversified clean energy and energy infrastructure company. Angus Energy has a 51% interest in the Saltfleetby Gas Field (PEDL005), 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).

Important Notices

This announcement contains 'forward-looking statements' concerning the Company that are subject to risks and uncertainties. Generally, the words 'will', 'may', 'should', 'continue', 'believes', 'targets', 'plans', 'expects', 'aims', 'intends', 'anticipates' or similar expressions or negatives thereof identify forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely. The Company cannot give any assurance that such forward-looking statements will prove to have been correct. The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this announcement. The Company does not undertake any obligation to update or revise publicly any of the forward-looking statements set out herein, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nothing contained herein shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or solicitation of any 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. Any offer (if made) will be made solely by certain offer documentation which will contain the full terms and conditions of any offer (if made), including details of how such offer may be accepted. This announcement has been prepared in accordance with English law and the Code, and information disclosed may not be the same as that which would have been prepared in accordance with laws outside of the United Kingdom. The release, distribution or publication of this announcement in jurisdictions outside of the United Kingdom may be restricted by laws of the relevant jurisdictions, and therefore persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

Beaumont Cornish Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as Nominated Adviser and Financial Adviser to Angus and for no one else in connection with any matter referred to in this announcement and will not be responsible to anyone other than Angus for providing the protections afforded to its clients nor for providing advice in relation to any matters set out in this Announcement

Publication on Website

A copy of this announcement will be made available at www.angusenergy.co.uk no later than 12:00 noon (London time) on 18 January 2022 (being the business day following the date of this announcement) in accordance with Rule 26.1 of the Takeover Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.