RNS Number : 1358N
Reabold Resources PLC
28 January 2021

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF MAR (AS DEFINED BELOW). IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN MAR) WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION, AS PERMITTED BY MAR. UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

Reabold Resources Plc

("Reabold" or the "Company")

Fundraise of £7.5 million

Reabold, the investor in upstream oil and gas projects, announces a fundraise for gross proceeds of £7.5 million (the "**Fundraise**"), by way of a placing and subscription of new ordinary shares of 0.1p each ("**Ordinary Shares**").

Highlights of the Fundraise

- The Company has raised £7.5 million by way of a placing of, and subscription for, new Ordinary Shares.

- The Fundraise was completed at a price of 0.55 pence per new Ordinary Share (the "**Fundraise Price**"), representing a 2.8% premium to the mid-market closing price on 27 January 2021, being the last practicable closing price prior to the announcement of the Fundraise.

- The net proceeds of the Fundraise will be used, alongside existing cash resources, to provide incremental capital to fund the Company's share of:

    i) additional appraisal and development activity at the Company's landmark West Newton project, potentially one of the largest oil and gas discoveries onshore UK, notably drilling and testing of the B-2 well;

    ii) activity to assess and define the prospectivity of the wider PEDL 183 licence, which includes West Newton, including a seismic programme and exploration work to identify additional future drilling opportunities;

    iii) potential costs associated with the fully appraised Victory gas development, which was recently awarded to investee company, Corallian

Energy, including an environmental assessment in order to achieve FDP in late 2021; and

iv) additional contingency to provide capital flexibility across the Company's investment portfolio and working capital.

- A total of 890,909,093 Ordinary Shares (the "**Placing Shares**") have been placed with new and existing institutional investors (the "**Placing**") by Stifel, and a total of 472,727,270 Ordinary Shares have been subscribed for (the "**Subscription Shares**") by certain Directors and institutional investors (the "**Subscription**"), at a price of 0.55 pence per new Ordinary Share (the "**Fundraise Price**"), raising gross proceeds of £7.5 million.

- The new Ordinary Shares as a result of the Placing and the Subscription (together, the "**Fundraise Shares**") will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing Ordinary Shares of the Company, including the right to receive all dividends or other distributions made, paid or declared in respect of such shares after the date of issue of the new Ordinary Shares.

Stifel Nicolaus Europe Limited ("**Stifel**") acted as bookrunner to the Company in connection with the Placing. Strand Hanson Limited ("**Strand Hanson**") acted as Nominated and Financial Adviser to the Company.

This Announcement should be read in its entirety. Investors' attention is drawn to the detailed terms and conditions of the Placing described in Appendix 1 and the principal risks and uncertainties described in Appendix 2 (each of which form part of this Announcement).

Stephen Williams, Co-CEO of Reabold Resources Plc, commented:

"We would like to thank all those who participated in this oversubscribed Fundraise with the price, at a modest premium to yesterday's closing price, reflecting the level of support we have received.

"We are extremely happy to secure the funding required to progress activity across our asset base, including further drilling and testing at West Newton, adding value across the wider PEDL 183 licence, and providing available funding to move the Victory gas development towards FDP in 2021. We look forward to providing updates to the market on these workstreams in due course."

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Background to and reasons for the Fundraise

Reabold is an investor in near-term, high growth upstream oil & gas projects in which there has been substantial technical de-risking and where an injection of capital can facilitate near-term activity and unlock value.

The Company runs a low-cost, non-operator business model and currently has ownership positions in four investee companies: Rathlin Energy (UK) Limited; Danube Petroleum Limited; Reabold California LLC; and Corallian Energy Limited. The Company additionally owns a direct interest in PEDL 183, which includes the West Newton project.

PEDL 183 / West Newton

The PEDL 183 licence, which includes the landmark West Newton project, is an onshore licence located near Hull on the North East coast of England and is surrounded by significant oil and gas infrastructure, ideally positioning the asset for rapid monetisation.

Reabold holds a total c.56 per cent. interest in PEDL 183, through its c.59 per cent. equity interest in operator and 66.67 per cent. owner of the licence, Rathlin Energy (UK) Limited ("**Rathlin**"), and a direct 16.665 per cent. stake in the licence. Reabold acquired its 16.665 per cent. direct interest from Humber Oil & Gas Limited in 2020 for consideration comprising £1.4 million cash and the issue of 350,000,000 new Ordinary Shares.

Whilst West Newton was initially believed to be a significant gas discovery, the West Newton A-2 well drilled in 2019 identified significant oil as well as gas on the licence. Initial petrophysical evaluation of the Kirkham Abbey reservoir identified a gross oil column of approximately 45 metres underlying a gross gas column of approximately 20 metres within the interval. The well exhibited encouraging porosities on logs and in core, particularly in the identified oil zone where good matrix porosities, approaching 15 per cent., were measured across more than 30 metres. The core also exhibited natural fracturing which was confirmed by an imaging log run across the entire Kirkham Abbey interval.

As a result of the West Newton A-2 well, in November 2019, Rathlin updated its gross in place hydrocarbon "Best Case" volume estimates for the Kirkham Abbey reservoir to 146 mmbbl of liquids ("**OIIP**") and 212 bcf of gas ("**GIIP**") and up to 283 mmbbl of liquids and 266 bcf of gas. It should be noted that these in-place numbers are internal estimates by the operator, and should not be construed as an indication of recoverable resources.

With the A-2 well confirming a significant oil and gas discovery, rather than exclusively gas, the test of the A-2 well was paused in late 2019 as testing procedures were redesigned and optimised for oil and, during 2020, the operator was required to seek regulatory approvals for the newly designed test procedures. These regulatory approvals have now all been received and testing of the A-2 well is anticipated to commence shortly after the test of the B-1Z well is completed, as described below.

During 2020, Rathlin successfully completed the B-1 well and the B1-Z sidetrack well, located approximately 2.5 kilometres to the south of the A well location. The West Newton B-1 well primarily targeted a section of the Kirkham Abbey formation, referred to as the Kirkham Abbey Slope, and was safely drilled to a Total Depth of 2,295 metres. The well encountered the Kirkham Abbey formation and indicated a hydrocarbon charge based on wireline logs, cuttings and mud gas readings. Whilst proving a substantial hydrocarbon column, the B-1 well did not itself find a commercial reservoir, therefore the operator proceeded to the sidetrack well, designated West Newton B-1Z. The B-1Z sidetrack targeted a structurally higher section of the Kirkham Abbey, referred to as the Kirkham Abbey Platform, which prior to drilling was expected to exhibit similar reservoir characteristics as the A-2 well. The B1-Z well was successfully drilled to a Total Depth of 2,114 metres in December 2020.

The West Newton B-1Z sidetrack encountered a gross 62 metre hydrocarbon bearing reservoir interval in the primary Kirkham Abbey target formation, as well as demonstrating an estimated overall Kirkham Abbey hydrocarbon column of at least 118 metres, with no oil-water contact yet encountered. These results significantly exceeded pre-drill expectations, and compare extremely favourably to the already excellent results of the West Newton A-2 well. Initial petrophysical analysis at the B-1Z well suggests it is likely to be preferable as a primary testing candidate and potential producer, based on three primary factors:

1. Porosity at the B1-Z well measuring up to 14 per cent. with contiguous porosity throughout the interval, comparing favourably to the A-2 well. This porosity data is further supported through core imaging, with visible fractures and micro-fractures prevalent throughout the core;

2. Higher and more consistent inferred hydrocarbon saturations at the B1-Z well, with the entire hydrocarbon interval showing high levels of saturation, more consistently elevated resistivity readings than at A-2, in line with the porosity data; and

3. Excellent cuttings and mudgas shows at B-1Z. In line with the A-2 well, heavier hydrocarbons are evident from 1,772 metres Measured Depth in B-1Z and gas levels are generally higher.

Given the excellent initial results from petrophysical analysis at the B-1Z well, it is the joint venture's preference to perform testing of this well ahead of the A-2 well. As such, Rathlin is currently progressing permitting on the B-1Z well and this process is expected to be completed in the coming weeks with the test commencing in Q1 2021. The A-2 well is expected to be tested following the B-1Z well. The Company and operator expect to commission an updated Competent Person's Report ("**CPR**") in Q2/Q3 2021, following the results of testing on the A-2 and B-1Z wells.

The West Newton B-1Z sidetrack well significantly de-risks the southern part of the West Newton field and the thick, porous Kirkham Abbey Platform reservoir identified at both the A-2 and B-1Z wells suggests a large contiguous structure. This is further supported by

the excellent seismic calibration demonstrated from the drilling of B-1Z, supporting the accuracy of the seismic anomaly across the entire Kirkham Abbey Platform.

The test results at both B-1Z and A-2 will inform the final well planning and design for the West Newton B-2 well, which is expected to be a deviated well in the Kirkham Abbey formation, enabling enhanced productivity and flow rates. Planning permission for the B-2 well is in place and the well is planned to commence drilling in H2 2021, followed by testing.

The West Newton B-1Z well also de-risks prospectivity across the wider PEDL 183 licence, beyond the West Newton field, with numerous leads and prospects identified. The Company and operator intend to conduct additional work across the wider licence, including a seismic study and identification of future drilling targets, following completion of the testing programme and drilling of the B-2 well.

*Corallian Energy Limited ("**Corallian**")*

Reabold holds a 36.9 per cent. interest in Corallian, which holds interests in a number of offshore assets in the UK.

As announced on 3 September 2020, the Oil & Gas Authority ("**OGA**") offered a 100 per cent. interest in the Victory gas discovery ("**Victory**") in block 207/1a, the Laxford gas discovery and Scourie prospects in blocks 214/29c and 214/30c, and the Oulton oil discovery in block 3/11a to Corallian.

Victory is a simple, low-risk gas development located near to existing local infrastructure and has been fully appraised, requiring no additional pre-development drilling. A CPR is expected to be completed by the end of April 2021, and an interim CPR is being completed by SLR Consulting.

Corallian plans to submit the Victory Field Development Plan ("**FDP**") to the OGA by the end of 2021, with first gas anticipated in Q4 2024. From 2025, a 3-year gas production plateau is planned at 70 mmscf/d (11,666 boepd), delivering over 25 bcf of gas per year. Total planned gas production recovered from the project over the 8-year field life is expected to be 154 BCF (2C contingent resource estimated by SLR Consulting).

The Victory project's gross NPV10 is estimated to range between c.£85 million, based on gas prices of 42.5 pence per therm, and c.£146 million, based on 50 pence per therm. Therefore, the net NPV10 of Victory to Reabold based on its 36.9 per cent. interest in Corallian, is estimated to be in the range of c.£31 million and c.£54 million.

Victory is significantly de-risked through historical drilling on the asset with strong seismic correlation with the top and base of the formation and the wells drilled to date. Corallian logs have been calibrated with the 112 feet (34 metres) of core from wells 207/1-3 and 207/1a-5, with the discovery well 207/1-3 intersecting 225 feet of Lower Cretaceous Victory sandstones, and an estimated net pay of 190-205 feet. The reservoir was gas bearing to base, with hydrocarbon saturations calculated to average 85 per cent. throughout the pay section, and no fluid contacts intersected. Effective porosities throughout the reservoir averaged 27 per cent. and permeabilities are estimated between 400 to 4800 mD from the core sample, an excellent porosity result compared to analogue wells.

Victory is expected to be a simple sub-sea tie back development to local infrastructure, with significant existing gas infrastructure surrounding the asset which has capacity to take Victory produced gas. One potential solution could be a subsea tie-back to Sullom Voe, utilising the existing Greater Laggan Area gas infrastructure, however, the Company

cautions that no agreement or decisions have been made in relation to the final Victory development scheme and this potential solution is just one of a number of potential options available to Corallian.

*Danube Petroleum Limited ("**Danube**")*

Reabold holds a 50.8 per cent. interest in Danube, which has a 100 per cent. interest in the Parta Exploration licence, including the Iecea Mare Production licence, onshore Western Romania. The Parta licence is located in a major gas producing basin in Romania, with nearby infrastructure enabling rapid and cost effective monetisation, with gas sold into developed markets interconnected with Western Europe.

As announced in September 2019, the first well in the Parta Appraisal Programme, the Iecea Mica-1 ("**IMIC-1**") appraisal well, made a significant gas discovery encountering gas across three zones and a 20 bcf 2C contingent resources estimate. The well was suspended for future completion as a producer following testing.

Initial testing at the well was delayed in 2020 given ongoing COVID restrictions, and once commenced did not result in a significant gas flow as had been expected from the observed drilling results. This was thought to be a result of a mud filtrate build-up around the well bore, and acidisation of the well was conducted in an attempt to remediate this. Testing of the IMIC-1 well is currently paused pending the outcome of technical studies to determine the most appropriate remedial action. The operator's assessment of the Parta resource potential continues to be supported by the operating partners.

Preparations for the second well at Parta, the IMIC-2 well, are significantly progressed.

*Reabold California LLC ("**Reabold California**")*

Reabold California, the 100 per cent. subsidiary of Reabold, holds working interests or the right to earn working interests in three licences in the Sacramento Basin, California.

The Company holds a 50 per cent. working interest in the West Brentwood and Monroe Swell licences. Sunset Exploration Inc is the other working interest holder of the various licences in California, with Integrity Management Solutions having day-to-day management and operatorship of the licence areas.

Five wells have been drilled across the licences to date, all of which have resulted in discoveries and have been placed onto production. The business is treated as a standalone, self-funding business unit by Reabold and further wells will be drilled across the assets out of organic cash flows generated from production.

The assets have continued to produce throughout 2020 despite COVID operational constraints and a low oil price environment, and remain cash flow positive. Additional drilling targets have been identified across the acreage, however, drilling of new wells is currently on hold given COVID restrictions and investment into the assets during 2020 has been focused on cost reduction. The timing of future drilling on the assets is subject to oil prices and will be conducted on a self-funded basis by Reabold California as and when appropriate.

Use of Proceeds

The Company has raised gross proceeds of £7.5 million through the Fundraise in order to provide incremental capital, in addition to existing cash resources, to fund its share of:

- West Newton appraisal, including B-2 well drilling and testing;
- potential Victory gas development costs to reach FDP in late 2021;
- accelerated activity across the wider PEDL 183 licence, including seismic and identification of future drilling locations; and
- cost contingency and general corporate purposes.

The Company has raised the additional equity in order to maintain a position of funding strength and ensure that it has maximum optionality in the future development of its investment portfolio, without risking the need to draw on its discretionary equity line cash facility (as announced in May 2020).

Activity Description	
West Newton Planned Operations	£2.2m
Potential Victory Project Funding	£1.0m
PEDL 183 Running Room	£2.5m
Contingency, G&A, and Transaction Costs	£1.8m
Total Use of Proceeds	**£7.5m**

Expected Timetable and Principal Events

Announcement of the Fundraise	28 January 2021
Admission and commencement in dealings in the new Ordinary Shares expected to commence	1 February 2021
CREST stock accounts expected to be credited for new Ordinary Shares	1 February 2021

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service. All references to times in this document are to London times.

Participation by Certain Directors and Existing Substantial Shareholder and Related Party Transaction

Premier Fund Managers Limited ("Premier"), has subscribed for 161,780,765 Placing Shares in the Fundraise at the Fundraise Price to raise gross proceeds of c.£0.9 million.

Premier, by virtue of its holding more than 10 per cent. of the existing issued ordinary share capital of the Company, is classified as a related party of the Company and its participation in the Fundraise is considered a 'related party transaction' under Rule 13 of the AIM Rules.

Certain Directors of the Company (the "Subscribing Directors") have participated in the Subscription to raise gross proceeds of £100,000, as set out below. The participation of these Directors in the Subscription is considered a 'related party transaction' under Rule 13 of the AIM Rules.

Accordingly, Stephen Williams, acting as the independent Director, considers, having consulted with the Company's Nominated Adviser, Strand Hanson Limited, that the terms

of the participations of Premier and the Subscribing Directors in the Fundraise, and the issue of new Ordinary Shares therewith, are fair and reasonable insofar as the Company's shareholders are concerned.

Details of the Subscribing Director's participation in the Subscription are as follows:

Director	Existing holding of Ordinary Shares	New Ordinary Shares to be issued pursuant to the Subscription	Resultant holding of Ordinary Shares Immediately following Admission	Resultant holding as a % of the enlarged share capital following Admission
Jeremy Edelman	169,000,000	4,545,454	173,545,454	2.05%
Sachin Oza	16,637,058	1,818,181	18,455,239	0.22%
Marcos Mozetic	12,222,111	4,545,454	16,767,565	0.20%
Mike Felton	8,386,431	4,545,454	12,931,885	0.15%
Anthony Samaha	1,000,000	2,727,272	3,727,272	0.04%
Total	**207,245,600**	**18,181,815**	**225,427,415**	**2.66%**

The FCA PDMR notifications, made in accordance with the requirements of the EU Market Abuse Regulation, are set out below.

Application to AIM

Application has been made to the London Stock Exchange plc ("**London Stock Exchange**") for the Fundraise Shares to be admitted to trading on the AIM market of the London Stock Exchange ("**AIM**"). It is currently expected that Admission will become effective, and that dealings in the Fundraise Shares will commence on AIM, at 8.00 a.m. on 1 February 2021.

Total Voting Rights

Reabold's enlarged issued ordinary share capital immediately following the issue of the Fundraise Shares will be 8,460,618,464 Ordinary Shares with one voting right each. The Company does not hold any Ordinary Shares in treasury. Therefore, this figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in interest in, the share capital of the Company under the Disclosure Guidance and Transparency Rules.

Qualified Person's Statement

Pursuant to the requirements of the AIM Rules - Note for Mining and Oil and Gas Companies, the technical information contained in this announcement has been reviewed by Dr Jeremy Jarvis as a Qualified Person. Jeremy has more than 35 years' experience as a petroleum geologist, holds a BSc in Geology from the University of Dundee and a Ph.D. from Imperial College, University of London. He is a member of the American Association of Petroleum Geologists and the Petroleum Exploration Society of Great Britain.

FCA PDMR Notifications

1.	**Details of the person discharging managerial responsibilities / person closely associated**	
a)	Name	1. Jeremy Edelman

		2. Sachin Oza 3. Marcos Mozetic 4. Mike Felton 5. Anthony Samaha
2.	**Reason for the Notification**	
a)	Position/status	1. Chairman 2. Co-CEO 3. Non-Executive Director 4. Non-Executive Director 5. Executive Director
b)	Initial notification/amendment	Initial notification
3.	**Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor**	
a)	Name	Reabold Resources plc
b)	LEI	2138006DR8T8XE87OC49
4.	**Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv)each place where transactions have been conducted**	
a)	Description of the Financial instrument, type of instrument	Ordinary Shares of 0.1p each ("Ordinary Shares")
	Identification code	GB00B95L0551
b)	Nature of the Transaction	Purchase of Ordinary Shares in the Company
c)	Price(s) and volume(s)	Share Price (GBX): 0.55p Volume: 1. 4,545,454 2. 1,818,181 3. 4,545,454 4. 4,545,454 5. 2,727,272
d)	Aggregated information - Aggregated volume - Price	0.55p 18,181,815
e)	Date of the transaction	28 January 2021
f)	Place of the transaction	AIM, London Stock Exchange

Important Information

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. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Company's operations; and (iii) the effects of government regulation on the Company's business.

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, such as (i) price fluctuations in crude oil and natural gas; (ii) changes in demand for the Company's respective products; (iii) currency fluctuations; (iv) drilling and production results; (v) reserves estimates; (vi) loss of market share and industry competition; (vii) environmental and physical risks; (viii) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (ix) legislative, fiscal and regulatory developments including regulatory measures addressing climate

change; (x) economic and financial market conditions in various countries and regions; (xi) political risks, including the risks of renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement of shared costs; and (xii) changes in trading conditions. 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 document. 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 or any other person following the implementation of the Placing or otherwise.

The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares. Past performance is no guide to future performance and persons who require advice should consult an independent financial adviser.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, except pursuant to an exemption from registration. No public offering of securities is being made in the United States.

The distribution of this Announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or Stifel that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and Stifel to inform themselves about, and to observe, any such restrictions.

This Announcement is not for release, publication or distribution, in whole or in part, directly or indirectly, in or into any member state of the EEA, Australia, Canada, Japan or the Republic of South Africa or any jurisdiction into which the publication or distribution would be unlawful. This Announcement is for information purposes only and does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire shares in the capital of the Company in any member state of the EEA, the United States, Australia, Canada, the Republic of South Africa or Japan or any jurisdiction in which such offer or solicitation would be unlawful or require preparation of any prospectus or other offer documentation or would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction.

Stifel, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as bookrunner to the Company in relation to the Placing and is not acting for

any other persons in relation to the Placing. Stifel is acting exclusively for the Company and for no one else in relation to the matters described in this Announcement and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Stifel, or for providing advice in relation to the contents of this Announcement or any matter referred to in it.

Strand Hanson, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company in relation to the Placing and is not acting for any other persons in relation to the Placing. Stand Hanson is acting exclusively for the Company and for no one else in relation to the matters described in this Announcement and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Strand Hanson, or for providing advice in relation to the contents of this Announcement or any matter referred to in it.

This Announcement has been issued by, and is the sole responsibility of, the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Stifel or Strand Hanson or by any of their respective affiliates or agents as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

Information to Distributors

Solely for the purposes of the product governance requirements contained within the FCA Handbook and in particular the Product Intervention and Product Governance Sourcebook and any other UK domestic legislation and measures which implement the EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II") and Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II (together, the "UK MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Fundraise Shares have been subject to a product approval process, which has determined that the Fundraise Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in the UK MiFID II Product Governance Requirements; and (ii) eligible for distribution through all distribution channels as are permitted by the UK MiFID II Product Governance Requirements (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Placees should note that: the price of the Fundraise Shares may decline and investors could lose all or part of their investment; Fundraise Shares offer no guaranteed income and no capital protection; and an investment in Fundraise Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling

restrictions in relation to the Fundraise. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Stifel will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the UK MiFID II Product Governance Requirements; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Fundraise Shares.

APPENDIX: TERMS AND CONDITIONS

IMPORTANT INFORMATION REGARDING THE PLACING FOR INVITED PLACEES ONLY

THIS APPENDIX CONTAINS IMPORTANT INFORMATION FOR PLACEES (AS DEFINED BELOW). MEMBERS OF THE PUBLIC WERE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THIS APPENDIX ARE FOR INFORMATION PURPOSES ONLY, AND THE TERMS SET OUT HEREIN ARE DIRECTED ONLY AT PERSONS: (A) WHO IF IN THE UNITED KINGDOM, (i) HAVE BEEN SELECTED BY THE BOOKRUNNER AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE "INVESTMENT PROFESSIONALS" WITHIN THE MEANING OF ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (AS AMENDED) (THE "ORDER") OR ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.") OF THE ORDER; AND (ii) WHO ARE "QUALIFIED INVESTORS" (AS DEFINED IN ARTICLE 2 OF THE PROSPECTUS REGULATION)); OR (B) ARE OTHERWISE PERSONS TO WHOM IT MAY LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS").

PLACEES WERE ADVISED TO EXERCISE CAUTION IN RELATION TO THE PLACING. IF THERE WAS ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS DOCUMENT, PLACEES WERE ADVISED TO OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

Terms of the Placing

Persons who participated in the Placing by making or accepting an offer to acquire Placing Shares (each such person whose participation was accepted by the Bookrunner in accordance with this appendix being hereinafter referred to as a **"Placee"** and together, as the **"Placees"**) was deemed to represent and warrant that it had read and understood this announcement and this appendix in its entirety and made or accepted such offer on the terms and conditions, and provided the representations, warranties, acknowledgements, agreements and undertakings, contained in this appendix.

The Placing Shares referred to in this announcement have not been, and will not be, registered under the US Securities Act or under the securities legislation of any state of the United States. Furthermore, the Placing Shares have not been recommended by any US federal or state securities commission or regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or confirmed the accuracy or determined the adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States. This appendix is not an offer of securities for sale in the United States, and the Placing Shares may not be offered or sold in the United States absent the registration of the Placing Shares under the US Securities Act, or an exemption therefrom, or in a transaction not subject to, the registration requirements of the US Securities Act. There will be no public offer of the Placing Shares in the United States.

This announcement and appendix do not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for Placing Shares in any member state of the EEA. The Placing Shares will not be lodged with or registered by any applicable body or security exchange of any member state of the EEA. No prospectus or other form of offer

document has been or will be prepared in connection with the Placing or has been or will be approved by any competent authority of a member state of the EEA.

The Placing Shares will not be lodged with or registered by the Australian Securities and Investments Commission. The relevant clearances have not been, and will not be obtained from the Ministry of Finance of Japan and no circular in relation to the Placing Shares has been or will be lodged with or registered by the Ministry of Finance of Japan. The relevant clearances have not been, and will not be, obtained from the South Africa reserve bank or any other applicable body in the Republic of South Africa in relation to the placing shares. The placing shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the placing shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into or from Australia, Canada, Japan, the Republic of South Africa, the EEA, the United States or any other jurisdiction outside the United Kingdom.

This announcement and appendix do not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. The distribution of this announcement and the Placing and issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Bookrunner that would permit an offering of such securities or possession or distribution of this announcement or any other offering or publicity material relating to such securities in any jurisdiction where action for that purposes is required. Persons to whose attention this announcement has been drawn are required by the Company and the Bookrunner to inform themselves about and to observe any such restrictions.

The price of securities and the income from them may go down as well as up and investors may not get back the full amount on disposal of the securities.

Any indication in this announcement of the price at which Ordinary Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The Placing Shares will not be admitted to trading on any stock exchange other than the AIM Market of the London Stock Exchange.

Persons (including, without limitation, nominees and trustee) who have a contractual or other legal obligation to forward a copy of this announcement should seek appropriate advice before taking any action.

Each Placee was advised to consult with its own advisers as to legal, tax, business and related aspects of a purchase of Placing Shares.

1. The Bookrunner arranged the Placing as agent for and on behalf of the Company. Participation was only be available to persons invited to participate by the Bookrunner. The Bookrunner, following consultation with the Company, determined in their absolute discretion the extent of each Placee's participation in the Placing, which was not necessarily the same for each Placee.

2. The price payable per new Ordinary Share was the Placing Price.

3. A Placee's commitment to subscribe for a fixed number of Placing Shares was agreed with and confirmed to it orally by the Bookrunner and a contract note (a **"Contract Note"**) was despatched thereafter. The oral confirmation to the Placee by the Bookrunner constituted an irrevocable, legally binding contractual commitment to the Bookrunner (as agent for the Company) to subscribe for the number of Placing Shares allocated to it on the terms set out in this appendix.

4. Commissions were not paid to Placees or by Placees in connection with the Placing.

5. The Bookrunner had the right, *inter alia*, to terminate the agreement entered into between the Bookrunner and the Company in connection with the Placing (the **"Placing Agreement"**) at any time prior to Admission if, *inter alia*, (i) there had been any material breach of the warranties,

undertakings or other obligations on the part of the Company contained in the Placing Agreement; or (ii) an event of force majeure occurred. If the Placing Agreement was terminated prior to Admission, the Placing would have lapsed and the rights and obligations of the Placees hereunder would have ceased and determined at such time and no claim could be made by any Placee in respect thereof. In such event, all monies (if any) paid by the Placees to the Bookrunner at such time would have been returned to the Placees at their sole risk without any obligation on the part of the Company or the Bookrunner or any of their respective affiliates to account to the Placees for any interest earned on such funds. The Placees acknowledged and agreed that the Company and the Bookrunner could, at their sole discretion, exercise their contractual rights to waive or to extend the time and/or date for fulfilment of any of the conditions in the Placing Agreement. Any such extension or waiver would have affected Placees' commitments.

6. The Bookrunner acted exclusively for the Company and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the clients of the Bookrunner or for providing advice in relation to the matters described in this announcement. The Bookrunner shall not have any liability to any Placee nor shall they owe any Placee fiduciary duties in respect of any claim they may have under the Placing Agreement (or to any other person whether acting on behalf of a Placee or otherwise) in respect of the exercise of their contractual rights to waive or to extend the time and/or date for the satisfaction of any condition in the Placing Agreement or in respect of termination of the Placing Agreement or in respect of the Placing generally.

7. Each Placee acknowledged to, and agreed with, the Bookrunner for itself and as agent for the Company, that except in relation to the information in this announcement, it relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing.

8. Settlement of transactions in the Placing Shares following Admission will take place within CREST, subject to certain exceptions. The Bookrunner reserves the right to require settlement for and delivery of the Placing Shares to the Placees in such other means that it deems necessary if delivery or settlement is not possible within CREST within the timetable set out in this announcement or would not be consistent with the regulatory requirements in the jurisdictions of such Placees.

9. It is expected that settlement of the Placing will occur on 1 February 2021, on which date each Placee must settle the full amount owed by it in respect of the Placing Shares allocated to it. The Bookrunner may (after consultation with the Company) specify a later settlement date (or dates) at its absolute discretion. Payment must be made in cleared funds. The payment instructions for settlement in CREST and settlement outside of CREST will be notified to each Placee by the Bookrunner. The trade date of the Placing Shares is 28 January 2021. Interest is chargeable daily on payments to the extent that value is received after the due date at the rate per annum of 2 percentage points above the Barclays Bank plc base rate. If a Placee does not comply with these obligations, the Bookrunner may sell the Placing Shares allocated to such Placee (as agent for such Placee) and retain from the proceeds, for its own account, an amount equal to the Placing Price plus any interest due. The relevant Placee will, however, remain liable, inter alia, for any shortfall below the Placing Price and it may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf. Time shall be of the essence as regards the obligations of Placees to settle payment for the Placing Shares and to comply with their other obligations under this appendix.

10. If Placing Shares are to be delivered to a custodian or settlement agent of a Placee, the relevant Placee should ensure that its Contract Note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are to be registered in the name of a Placee or that of its nominee or in the name of any person for whom the Placee is contracting as agent or that of a nominee for such person, such Placing Shares will, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Placees should match the CREST details as soon as possible or if using a settlement agent they should instruct their agent to do so. Failure to do so could result in a CREST settlement fine.

Representations and Warranties by Placees

By participating in the Placing, each Placee (and any persons acting on its behalf):

1. represented and warranted that it had read this announcement in its entirety and acknowledged that its participation in the Placing would be governed by the terms, conditions,

representations, warranties, acknowledgements, agreements and undertakings of this announcement (including this appendix);

2. acknowledged that no offering document or prospectus had been or would be prepared in connection with the Placing and that it had not received a prospectus or other offering document in connection therewith;

3. represented, warranted and undertook that it would subscribe for the Placing Shares allocated to it in the Placing and pay for the same in accordance with the terms of this appendix failing which the relevant Placing Shares may be placed with other subscribers or sold as the Bookrunner determines and without liability to such Placee;

4. confirmed the Bookrunner's absolute discretion with regard to the Placing Agreement and agreed that the Bookrunner owed it no fiduciary duties in respect of any claim it may have relating to the Placing;

5. undertook and acknowledged that its obligations under the Placing would be legally binding and irrevocable;

6. represented and warranted that it was entitled to subscribe for Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed and complied with such laws and obtained all such governmental and other guarantees and other consents which may be required thereunder and complied with all necessary formalities;

7. acknowledged that it was not entitled to rely on any information (including, without limitation, any information contained in any investor presentation given in relation to the Placing) other than that contained in this announcement (including this appendix and represented and warranted that it had not relied on any representations relating to the Placing, the Placing Shares or the Company other than the information contained in this announcement);

8. acknowledged that neither the Bookrunner nor the Company nor any of their affiliates nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company other than this announcement; nor has it requested the Bookrunner, the Company, any of their affiliates or any person acting on behalf of any of them to provide it with any such material;

9. represented and warranted that the issue to the Placee, or the person specified by such Placee for registration as holder of Placing Shares, would not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depositary receipts and clearance services);

10. represented and warranted that it was aware of and had complied with its obligations in connection with money laundering under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Anti Terrorism Crime and Security Act 2001 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (together, the "**Regulations**") and, if it was making payment on behalf of a third party, that satisfactory evidence had been obtained and recorded by it and that the applicable procedures had been carried out to verify the identity of the third party as required by the Regulations;

11. if in the United Kingdom, represented and warranted that:

    (a) it is a person falling within Article 19(5) or Article 49(2)(a) to (d) of the Order and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business; and

    (b) it is a Qualified Investor; or

    (c) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, (a) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the UK other than Qualified Investors or in circumstances in which the prior consent of the Bookrunner has not been given to the offer or resale; or (b) where Placing Shares have been acquired by it on behalf of persons in the UK other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons; or

(d) such securities are sold in any other circumstance which does not require the publication of a prospectus by the Company pursuant to the Prospectus Regulation; or

(e) it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion, and that, unless otherwise agreed with the Company, it (and any such account) is subscribing for the Placing Shares in an "offshore transaction" (within the meaning of Regulation S under the US Securities Act).

12. represented and warranted that is had only communicated or caused to be communicated and would only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;

13. represented and warranted that it had complied and would comply with all applicable provisions of (i) FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom and (ii) the Prospectus Regulation;

14. acknowledged that the Bookrunner was acting solely for the Company and that participation in the Placing was on the basis that it was not and would not be a client or customer of the Bookrunner or any of its affiliates and that the Bookrunner and its affiliates had no duties or responsibilities to it for providing the protections afforded to their clients or customers or for providing advice in relation to the Placing or in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of the Bookrunner's rights and obligations thereunder, including any right to waive or vary conditions or exercise any termination right;

15. represented and warranted that its obligations under the Placing were valid, binding and enforceable and that it had all necessary capacity and authority, and had obtained all necessary consents and authorities to enable it to commit to participation in the Placing and to perform its obligations in relation thereto and would honour its obligations (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this announcement);

16. undertook and agreed that (i) the person whom it specified for registration as holder of the Placing Shares was (a) the Placee or (b) a nominee of the Placee, (ii) neither the Bookrunner nor the Company or any of their respective affiliates would be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement and (iii) the Placee and any person acting on its behalf agreed to subscribe on the basis that the Placing Shares would be allotted to the CREST stock account of the Bookrunner which would act as settlement agent in order to facilitate the settlement process;

17. acknowledged that any agreements entered into by it pursuant to these terms and conditions would be governed by and construed in accordance with the laws of England and it submitted (on behalf of itself and on behalf of any person on whose behalf it was acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract;

18. represented and warranted that it understood that the Placing and sale to it of the Placing Shares had not been and will not be registered under the US Securities Act or the laws of any state of the United States; therefore, it agreed that it would not offer, sell or pledge any Placing Shares in the United States unless and until the Placing Shares are registered under the US Securities Act (which it acknowledged the Company has no obligation to do);

19. acknowledged that the Ordinary Shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account (the "**Exchange Information**"), and that it was able to obtain or access the Exchange Information without undue difficulty, and was able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;

20. acknowledged the obligations regarding insider dealing in the Criminal Justice Act 1993, market abuse under the MAR and the Proceeds of Crime Act 2002 and confirmed that it had and would

continue to comply with those obligations;

21. represented and warranted that it had neither received nor relied on any confidential or price-sensitive information concerning the Company in accepting the invitation to participate in the Placing;

22. the Placee consented to the Company making a notation on its records or giving instructions to any registrar and transfer agent of the Shares in order to implement the restrictions on transfer set forth and described above;

23. if required by applicable securities laws or as otherwise reasonably requested by the Company, the Placee will execute, deliver and file and otherwise assist the Company in filing reports, questionnaires, undertakings and other documents with respect to the issue of the Placing Shares;

24. the Placee has such knowledge and experience in financial, business and tax matters as to be capable of evaluating the merits and risks of its investment in the Placing Shares and it is able to bear the economic risks and complete loss of such investment in the Placing Shares;

25. represented and warranted that it was purchasing the Placing Shares for its account or for the account of one or more persons for investment purposes only and not with the purpose of, or with a view to, the resale, transfer or distribution or granting, issuing or transferring of interests in, or options over, the Placing Shares and, in particular, neither the Placee nor any other person for whose account it is purchasing the Placing Shares has any intention to distribute either directly or indirectly any of the Placing Shares in the United States;

26. represented and warranted that it had such knowledge and experience in financial and business matters and expertise in assessing credit and all other relevant risks that it was capable of evaluating independently, and had evaluated independently and conducted an in-depth detailed analysis on, the merits and risks of a purchase of the Placing Shares for itself and each other person, if any, for whose account it was acquiring any Placing Shares, and it had determined that the Placing Shares were a suitable investment for itself and each other person, if any, for whose account it was acquiring any Placing Shares, both in the nature and the number of the Placing Shares being acquired;

27. represented and warranted that it had been independently advised as to any resale restrictions under applicable securities laws in its own jurisdiction and had not been the recipient of materials of the Company or Placing and no offer or invitation to sell or issue, or any solicitation to purchase or subscribe for, Placing Shares had been made in circumstances that would or might constitute a breach of securities laws in any relevant jurisdiction which applies to it;

28. acknowledged and agreed that the Placing Shares had not been and would not be registered under the relevant securities laws of any member state of the EEA or any of Australia, Japan, Jersey or South Africa or any state or territory within any such country and, subject to certain limited exceptions, may not be, directly or indirectly, offered, sold, renounced, transferred, taken-up or delivered in, into or within those jurisdictions;

29. acknowledged that it and, if different, the beneficial owner of the Placing Shares was not, and at the time the Placing Shares were acquired would not be residents of any member state of the EEA (save where the Bookrunner had confirmed to the Placee that where the beneficial holder is resident in an EEA member state it had transitional relief for the member state concerned), Australia, Canada, Japan, or the Republic of South Africa;

30. represented, warranted and acknowledged to the Bookrunner that it was outside the United States and would only offer and sell the Placing Shares outside the United States in offshore transactions in accordance with Regulation S under the US Securities Act;

31. acknowledged that it would be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares;

32. acknowledged that any monies of any Placee or any person acting on behalf of the Placee held or received by the Bookrunner would not be subject to the protections conferred by the FCA's Client Money Rules. As a consequence, those monies would not be segregated from the monies

of the Bookrunner and may be used by the Bookrunner in the course of its business, and the relevant Placee or any person acting on its behalf would therefore rank as a general creditor of the Bookrunner;

33. agreed to indemnity and hold the Bookrunner, the Company and their respective affiliates harmless from any and all costs, claims liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agreed that the provisions of this Appendix shall survive after completion of the Placing;

34. represented and warranted that it had complied with any obligations under MAR; and

35. represented and warranted that it had not taken any action which will or may result in the Bookrunner or the Company acting in breach of any law, regulation or requirement of any territory or jurisdiction in connection with its participation in the Placing.

The acknowledgements, undertakings, representations and warranties referred to above were given to each of the Company and the Bookrunner (for their own benefit and, where relevant, the benefit of their respective affiliates) and are irrevocable. The Company and the Bookrunner have relied upon the truth and accuracy of the foregoing acknowledgements, undertakings, representations and warranties.

APPENDIX 2 - CERTAIN RISKS

Any investment in the Company is subject to a number of risks. Accordingly, prospective investors should carefully consider the risks set out below as well as the other information contained in this Announcement and any other publicly available information about the Company before making a decision whether to invest in the Company. The risks described below are not the only risks that the Company faces. Additional risks and uncertainties that the Directors are not aware of or that the Directors currently believe are immaterial may also impair the Company's operations. Any of these risks may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In that case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment. Prospective investors should consider carefully whether an investment in the Company is suitable for them in light of the information in this document and their personal circumstances.

Before making an investment, prospective investors are strongly advised to consult an investment adviser authorised under FSMA who specialises in investments of this kind. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances, the financial resources available to him or her and his or her ability to bear any loss which might result from such investment.

The following factors do not purport to be a complete list or explanation of all the risks involved in investing in the Company. In particular, the Company's performance may be affected by changes in the market and/or economic conditions and in legal, regulatory and tax requirements.

1. RISKS RELATING TO THE COMPANY'S BUSINESS

1.1. The Company may not be able to develop commercially its Reserves and its Contingent and Prospective Resources

If the Company is not successful in achieving commercial production from its assets, or fails to meet its targeted development and production timelines, the Company's business, financial condition, results of operations and prospects would be materially adversely affected.

1.2. The Company's operation and success depends on its ability to explore, appraise, develop and commercially produce oil and gas Reserves and

Resources that are economically recoverable

The Company's long-term commercial success depends on its ability to explore, appraise, develop and commercially produce oil and gas Reserves and Resources. Future increases in the Company's Resources or conversion of any of them into Reserves will depend not only on its ability to explore, appraise and develop its existing assets but also on its ability to select and acquire suitable additional assets.

There are many reasons why the Company may not be able to find or acquire oil and gas Reserves or Resources or develop them for commercially viable production. For example, the Company may be unable to negotiate commercially reasonable terms for its acquisition, appraisal, development or production activities. Factors such as adverse weather conditions, natural disasters, equipment or services shortages, procurement delays or difficulties arising from the political, environmental and other conditions in the areas where the Reserves or Resources are located or through which the Company's products are transported may increase costs and make it uneconomical to develop potential Reserves or Resources. There is no assurance that the Company will discover, acquire, develop or produce commercial quantities of hydrocarbons.

In addition, there can be no assurance that the Company will be able to develop its Reserves and Resources for commercial viable production. Such challenges and the failure to develop its Reserves and Resources for commercial viable production could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

1.3. The Company's liquidity and capital resources are uncertain

The Company has detailed cost estimates, including contingency, supporting the decision to raise the net proceeds of the Fundraise. However, there can be no certainty that these funds will be sufficient. Cost overruns or delays, for example due to ongoing COVID-19 restrictions, or unexpected technical or operation challenges, could lead in the net proceeds of the Fundraise being insufficient. Subsequent activities will depend on the Company's ability to use operational cash flows or obtain financing through joint ventures, offerings of equity securities or offerings of debt securities, or by obtaining financing through a bank or other entity. If the Company needs to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Company, or that any future offering of securities will be successful. Volatile oil and gas prices may make it difficult or impossible for the Company to obtain equity or debt financing on favourable terms or at all. If additional funds are raised through the issuance of equity securities, there may be a significant dilution in the value of the Company's issued Ordinary Shares. The Company could suffer adverse consequences if it is unable to obtain additional capital, which would cast substantial doubt on its ability to continue its operations and growth.

1.4. The Company is an AIM Investment Company and as such does not have direct control over the underlying oil and gas assets in which it has an interest

As an AIM Investment Company, Reabold makes investments in underlying businesses in order to enact its investment policy. The Company's influence on its underlying oil and gas assets in limited to the influence it has on its investee companies, and in turn their influence on the underlying assets, and this may result in actions or decisions being taken which are not considered in the best interest of the Company and its shareholders.

The Company relies on operating budgets and plans provided by asset operators for each of its assets, with the Company having only indirect input into the

preparation of these. Whilst the Company has conducted significant due diligence into its underlying investee companies and assets, and has access to the relevant decision makers within each entity to understand the decision making process, there can be no certainty that the operating plans and budgets reflect the decisions that would have been made had the Company had direct control over its assets, and the resulting plans could result in outcomes that lead to a material adverse effect on the Company's business, financial condition, results of operations and prospects.

1.5. The Company's investee companies and licence partners may have insufficient available capital to fund planned activities on the underlying assets

The Company's ability to realise the long-term value of the underlying oil and gas assets in which it has an interest depends on conducting certain exploration, appraisal and development activities on the assets which require funding from all interested parties. Should the relevant interested parties not have sufficient capital to fund their portion of costs, there can be no assurance that the relevant actions are conducted in the timetable envisaged or without additional investment, which may not be forthcoming or may require the Company to provide additional capital. Any delays or lack of investment by relevant interested parties, or further unplanned investment by the Company, could result in a material adverse effect on the Company's business, financial condition, results of operations and prospects.

1.6. The Company may not be able to monetise its investments

A key part of the Company's business strategy is its ability to monetise its investments, either through long-term production, a partial sale, or disposal. Bringing early stage assets onto production can require significant capital and the ability of the Company to deliver production therefore may require additional capital, both for the Company and its partners. There can be no certainty that such additional capital will be available when required and a lack of funding could result in the Company being unable to monetise its assets through production and cash flows. A partial or complete sale of an asset requires a willing and able buyer. Any number of factors can impact the ability to secure such a buyer for an asset and an inability to secure a buyer would prevent the Company from monetising its assets through a sale. Difficulties or delays in monetising assets could result in a material adverse effect on the Company's business, financial condition, results of operations and prospects.

2. RISKS RELATED TO THE OIL AND GAS INDUSTRY

2.1. A material decline in oil and gas prices may adversely affect the Company's results of operations and financial condition, and prices may not return to levels seen in recent years

Both oil and gas prices can be volatile and subject to fluctuation in response to relatively minor changes in the supply of, and demand for, oil and gas, market uncertainty and a variety of additional factors that are beyond the control of the Company. Historically and indeed recently, oil and gas prices have fluctuated widely for many reasons, including global and regional supply and demand; political, economic and military developments, and labour unrest, in oil and gas producing regions, particularly the Middle East; domestic and foreign governmental regulations and actions; global and regional economic conditions and weather conditions and natural disasters. It is impossible to predict accurately future oil and gas price movements. Accordingly, oil and gas prices may not remain at their current levels. Although the Company is not yet an active producer of oil and gas, declines in oil and gas prices may adversely affect market sentiment and as a consequence the market price of the Ordinary Shares and furthermore affect the Company's cash flow, liquidity and profitability, and limit

the amount of oil and gas that the Company could potentially market in the future.

Although oil and gas prices have fallen significantly since mid-2014, they may not return to levels previously seen within any foreseeable timeframe.

The Company can give no assurance that future prices for oil and gas will be sufficient to generate an economic return. Any further decline in such prices could result in reduced cash flows from the Company's assets and a reduction in the valuation of the Company's assets, which in turn may result in a reduction in the debt available to the Company. This would have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

2.2. Estimation of Reserves, Resources and production profiles is not exact

The estimation of oil and gas Reserves, and their anticipated production profiles, involves subjective judgements and determinations based on a number of variable factors and assumptions, such as expected reservoir characteristics based on geological, geophysical and engineering assessments, future production rates based on historical performance and expected future operating investment activities, future oil and natural gas prices and quality differentials, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially from actual results. They are not exact determinations and are inherently uncertain. In addition, these judgements may change based on new information from production or drilling activities or changes in economic factors, as well as from developments such as acquisitions and disposals, new discoveries and extensions of existing fields and the application of improved recovery techniques. Published reserve estimates are also subject to correction for errors in the application of published rules and guidance.

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

If the assumptions upon which the estimates of the Company's Reserves, Resources or production profiles have been based prove to be incorrect, the Company may be unable to recover and produce the estimated levels or quality of oil and gas set out in this document and this may have a material adverse effect on the Company's business.

2.3. The Company operates in a competitive industry

The Company competes for scarce resources with numerous other participants, including major international oil and gas companies, in the search for and the acquisition of oil and gas assets, and in the marketing of oil and gas. The Company's ability to increase Resources and Reserves will depend not only on its ability to exploit and develop its present assets but also on its ability to select and acquire suitable producing assets or prospects for exploratory or appraisal drilling. A number of the Company's competitors have substantially greater financial and personnel resources. Larger and better capitalised competitors may be in a position to outbid the Company for particular licences and such competitors may be able to secure rigs for drilling operations preferentially to the Company. These competitors may also be better able to withstand sustained periods of unsuccessful drilling or production. Larger competitors may be able to absorb the burden of any changes in law and regulations more easily than the Company, which would adversely affect its competitive position. In addition, many of the Company's competitors have been operating for a much longer time and have demonstrated the ability to operate through industry cycles.

The Company's competitors have strong market power as a result of several factors, including the diversification and reduction of risk, including geological, price and currency risks; greater financial strength facilitating major capital expenditures; greater integration and the exploitation of economies of scale in technology and organisation; strong technical experience; increased infrastructure and Reserves and strong brand recognition. Due to this competitive environment, the Company may be unable to acquire attractive, suitable assets, licences or prospects on terms that it considers acceptable. As a result, the Company's revenues may be adversely affected, thereby materially and adversely affecting its business, financial condition, results of operations and prospects.

3. RISKS RELATING TO THE ORDINARY SHARES

3.1. Future sales of Ordinary Shares could adversely affect the market price of the Ordinary Shares

Sales of additional Ordinary Shares into the public market following the Fundraise could adversely affect the market price of the Ordinary Shares if there is insufficient demand for the Ordinary Shares at the prevailing market price.

3.2. The Fundraise Shares will give rise to dilution for Shareholders

The Fundraise Shares will give rise to dilution for Shareholders. The effect of the Fundraise will be to reduce the proportionate ownership and voting interests in the Ordinary Shares of holders of existing Ordinary Shares. As a result, a Shareholder that does not participate in the Fundraise will experience a dilution in its interest as a result of the Placing.

3.3. The issuance of additional Ordinary Shares in the Company in connection with future fundraising activities or otherwise may dilute all other shareholdings and may impact the price of the Ordinary Shares.

In addition to the Fundraise necessary to complete the next stage of development of the Company's assets, the Company may also seek to raise financing to fund other growth opportunities, invest in its business, or for general corporate purposes. Issuing additional equity securities or debt securities convertible into equity securities may be a more attractive option for the Company than additional debt financings. Any additional equity financings, depending on structure, would likely result in dilution in the percentage ownership of Shareholders and may involve the use of securities that have rights, preferences, or privileges senior to the Ordinary Shares which may adversely affect the price of the Ordinary Shares.

3.5. The Company's securities may not be suitable as an investment

The Company's Ordinary Shares may not be a suitable investment for all investors. Before making a final decision, investors are advised to consult an independent investment adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities. The value of the Company's securities and any income received from them can go down as well as up and investors may get back less than their original investment.

3.6. The Company's Ordinary Shares are traded on AIM rather than the Official List

The Ordinary Shares are traded on AIM rather than the Official List. An investment in shares traded on AIM may carry a higher risk than those listed on the Official List. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in estimates by stock market analysts, general economic conditions, overall market or sector sentiment, legislative changes in the Company's sector and other events and factors outside of the Company's

control. Stock markets have from time to time experienced severe price and volume fluctuations, a recurrence of which could adversely affect the market price for the Ordinary Shares. Prospective investors should be aware that the value of the Ordinary Shares may be volatile and could go down as well as up, and investors may therefore not recover their original investment especially as the market in the Ordinary Shares may have limited liquidity. Admission to AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares.

3.7. The Company's share price fluctuates

The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares (or securities similar to them). Such risks depend on the market's perception of the likelihood of success of the Placing, and/or may occur in response to various facts and events, including any variations in the Company's operating results, business developments of the Company and/or its competitors. Stock markets have, from time to time, experienced significant price and volume fluctuations that have affected the market prices for securities and which may be unrelated to the Company's operating performance or prospects. Furthermore, the Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Ordinary Shares and investors may, therefore, not recover their original investment.

Any sale of Ordinary Shares could have an adverse effect on the market price of the Ordinary Shares. Furthermore, it is possible that the Company may decide to offer additional shares in the future. An additional offering could also have an adverse effect on the market price of the Ordinary Shares.

The risks above do not necessarily comprise all those faced by the Company and are not intended to be presented in any assumed order of priority. The investment offered in this document may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser, who is authorised under the FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser and who or which specialises in investments of this kind before making a decision to apply for Placing Shares.

DEFINITIONS AND GLOSSARY OF DEFINED TERMS

In addition to the terms previously defined, the following definitions apply throughout this announcement unless the context otherwise requires:

"2C"	denotes a best estimate scenario of contingent resources
"Admission"	the admission to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
"AIM"	the AIM market of the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies issued by the London Stock Exchange
"bcf"	billion cubic feet
"boepd"	barrels of oil equivalent per day
"Bookrunner"	Stifel Nicolaus Europe Limited
"Company"	Reabold Resources plc
"contingent resources"	these are resources that are potentially recoverable but not yet considered mature enough for commercial development due to technological or business hurdles.

	For contingent resources to move into the Reserves category, the key conditions, or contingencies, that prevented commercial development must be clarified and removed. As an example, all required internal and external approvals should be in place or determined to be forthcoming, including environmental and governmental approvals. There also must be evidence of firm intention by a company's management to proceed with development within a reasonable time frame (typically five years, though it could be longer)
"CPR"	Competent Person's Report
"CREST"	the system enabling title to securities to be evidenced and transferred in dematerialised form operated by Euroclear UK & Ireland Limited
"EEA"	the European Economic Area
"FCA"	the Financial Conduct Authority
"FDP"	Field Development Plan
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"GIIP"	gas initially in place
"London Stock Exchange"	London Stock Exchange plc
"m"	million
"MAR"	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse as it forms part of the law of England and Wales by virtue of section 3 of the EUWA and as modified by or under the EUWA or other domestic law (including but not limited to the Market Abuse (Amendment) (EU Exit) Regulations 2019/310)
"mD"	Millidarcy
"mmbbl"	millions of barrels of oil
"mmscf/d"	million standard cubic feet of natural gas per day
"NPV10"	net present value, discounted at a ten per cent. discount rate
"OIIP"	oil initially in place
"OGA"	Oil & Gas Authority
"Ordinary Shares"	the ordinary shares in the capital of the Company in issue at the date of this announcement
"Placing"	the Placing by the Bookrunner of the Placing Shares on behalf of the Company pursuant to the Placing Agreement and subject to the terms and conditions set out or referred to in this announcement
"Placing Agreement"	the agreement entered into between the Bookrunner and the Company in connection with the Placing
"Placing Shares"	the new Ordinary Shares to be issued in connection with the Placing

"Prospectus Regulation"	Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as it forms part of the law of England and Wales by virtue of section 3 of the EUWA and as modified by or under the EUWA or other domestic law
"reserves"	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions;
"resources"	deposits of naturally occurring hydrocarbons which, if recoverable, include those volumes of hydrocarbons either yet to be found (prospective) or if found the development of which depends upon a number of factors (technical, legal and/or commercial) being resolved (contingent)
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"US" or "United States"	United States of America, its territories and possessions, any State of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
"US Person"	has the meaning given in Regulation S under the US Securities Act
"US Securities Act"	the US Securities Act of 1933, as amended

Notes to Editors

Reabold Resources plc is an investing company investing in the exploration and production ("E&P") sector. The Company's investing policy is to acquire direct and indirect interests in exploration and producing projects and assets in the natural resources sector, and consideration is currently given to investment opportunities anywhere in the world.

As an investor in upstream oil & gas projects, Reabold aims to create value from each project by investing in undervalued, low-risk, near-term upstream oil & gas projects and by identifying a clear exit plan prior to investment.

Reabold's long term strategy is to re-invest capital made through its investments into larger projects in order to grow the Company. Reabold aims to gain exposure to assets with limited downside and high potential upside, capitalising on the value created between the entry stage and exit point of its projects. The Company invests in projects that have limited correlation to the oil price.

Reabold has a highly-experienced management team, who possess the necessary background, knowledge and contacts to carry out the Company's strategy.

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