

Barryroe Offshore Energy plc - Deed Poll

Explanatory Memorandum

1. On 21 July 2023, Vevan Unlimited Company ("**Vevan**") presented a petition to the High Court under Part 10 of the Companies Act 2014 (the "**Companies Act**") to place Barryroe Offshore Energy public limited company (the "**Company**") under High Court protection and to appoint Kieran Wallace of Interpath Advisory (the "**Examiner**") as examiner to the Company. The Examiner was appointed examiner of the Company by order of the High Court made on 31 July 2023. The Examiner formulated proposals for a scheme of arrangement under Part 10 of the Companies Act, which were sanctioned by order of the High Court made on 3 November 2023 (the "**Scheme**"), with the Scheme becoming effective, in accordance with the terms of the High Court order, at 5:00 pm on 8 November 2023 (the "**Scheme Effective Time**"). Lorsden (Jersey) Limited (the "**Investor**"), the holding company of Vevan, entered into an investment agreement dated 28 September 2023 with the Company (the "**Investment Agreement**") which was conditional upon: (i) the Scheme being sanctioned by the High Court; and (ii) the cancellation of all of the issued and/or to be allotted and issued shares in the capital of the Company in existence as at the Scheme Effective Time. Pursuant to the Scheme, at the Scheme Effective Time : (i) all of the issued and/or to be allotted and issued shares in the capital of the Company in existence as at that time were cancelled; and (ii) simultaneously with the cancellation of such shares, the Investor was issued new shares in the capital of the Company to become the holder of 100% of the issued shares in the Company – or put simply Lorsden (Jersey) Limited is now the 100% owner of Barryroe Offshore Energy plc.
2. Furthermore, in accordance with clause 4.16 of the Scheme, the Investor (i.e Lorsden (Jersey) Limited) agreed to allocate to the shareholders as appearing on the register of members of the Company as at 11:59 pm on the Petition Date, except for Vevan (the "**Other Shareholders**"), five per cent (5%) of any net after-tax profits realised by the Company from the oil and gas field the subject of the Barryroe Standard Exploration Licence (SEL 1/11) (otherwise, the Barryroe Field) either through its sale or operation at any time in the ten (10) year period from the Scheme Effective Time (the "**Proposal**").
3. In compliance with its obligations under clause 4.16 of the Scheme, the Investor has directed the Company to enter into a deed poll (the "**Deed Poll**") for the purpose of giving effect to the Proposal. Under clause 4.17 of the Scheme the Company was required to prepare and distribute to the Other Shareholders within 30 working days of 8 November 2023 the documentation giving effect to the Proposal. The Company complied with its obligation in this regard by sending to the Other Shareholders a covering letter dated 19 December 2023 and enclosed a copy of the Deed Poll.
4. The circumstances under which Other Shareholders' entitlement to any monies under the Deed Poll have not arisen as yet (and indeed may never arise) and hence there is

currently no requirement on the part of the Other Shareholders to take any steps in connection with the Deed Poll. The procedure which will apply in the event that such entitlement arises is as set out in clause 2.5 of the Deed Poll. The first step in the procedure is that the Company will issue, in the manner described in clause 2.5.1 of the Deed Poll, notice of the fact that such entitlement has arisen.

5. For the avoidance of doubt, to the extent that there is any inconsistency between this explanation of the Proposal and the related procedure and the terms of the Deed Poll, the terms of the Deed Poll will prevail.
6. Other Shareholders should consult with their own legal advisors to the extent that they have remaining queries on the Deed Poll.

15 January 2024.